

GLOBAL APERTURE

Global air cargo demand increased 6% year over year in October, while capacity remained flat, according to market analytics platform Xeneta, marking seven consecutive months of volume growth. However, no additional peak-season surge is expected, with recovering Suez Canal services potentially shifting some Asia-Europe shipments back to ocean freight as early as the second quarter of 2027.

The Panama Canal Authority announced on November 9 that it is increasing daily transit capacity from 33 to 34 vessels and restoring the maximum allowable draft for the newer, large-sized Neopanamax vessels to 50 feet following improvements in water levels and hydrological forecasts. The changes provide additional booking flexibility for shipping lines after previous drought-related restrictions, although advance reservations remain necessary to guarantee transit dates.

Container terminal utilization remains elevated across major ports, with Tokyo's AOM yard density reaching 113%, Yokohama exceeding 100% and Rotterdam's ECT reaching 94%, increasing the risk of delays when disruptions occur. Drewry warns that terminals operating above 85% utilization can take significantly longer to recover from closures, prompting calls for port authorities to require additional unused capacity as a buffer against congestion.

REGIONAL FOCUS – AMERICAS

United States: The International Longshore and Warehouse Union (ILWU) Local 26, which represents about 250 security workers at the Ports of Los Angeles and Long Beach, agreed to extend labor negotiations through November 20, postponing the threat of a strike for another

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two weeks. A work stoppage could affect six container terminals handling approximately 85% of cargo at the Port of Long Beach and one-third of cargo at the Port of Los Angeles, as both ports continue to experience elevated volumes.

The U.S. Trade Representative (USTR) formally extended the suspension of port fees targeting Chinese-built and Chinese-operated vessels through January 9, 2027, following a November 9 decision to allow additional time for trade negotiations. The extension also maintains the suspension of additional duties on Chinese ship-to-shore cranes and cargo-handling equipment, preventing the measures from taking effect while both countries continue reciprocal suspensions of maritime trade restrictions.

South America: Severe El Niño weather and transport disruptions are affecting agricultural exports across South America's southern cone, with heavy rainfall damaging crops and storms repeatedly closing the main road between Argentina and Chile. A nine-day trucker blockade at Chile's Port of San Antonio also disrupted the start of the cherry export season, forcing the first Cherry Express sailing to China to divert to Valparaiso, while runway construction at Buenos Aires' Ezeiza Airport has further complicated airfreight operations.

REGIONAL FOCUS – ASIA-PACIFIC

Taiwan: Air cargo operations at Taoyuan International Airport are facing ongoing congestion following Typhoon Champi, which suspended freighter operations from October 23-25 and resulted in more than 207 cancelled flights. The resulting import backlog, combined with increased shipments of artificial intelligence (AI) servers and semiconductor equipment, is straining ground-handling capacity, with delays to cargo processing, export acceptance and flight schedules expected through the fourth quarter.

Thailand: A backlog at Thai Airways' cargo warehouse at Bangkok Suvarnabhumi Airport is disrupting import and export shipments, with more than 1,000 outstanding cargo lots and hundreds of pallets awaiting processing. The congestion has prompted several airlines, including Cathay Cargo and Singapore Airlines Cargo, to restrict Bangkok-bound freight, while delays of several days or weeks are affecting time-sensitive shipments of electronics, semiconductors, medical equipment and other manufacturing inputs.

China: Air cargo operations at Shenzhen Airport are expected to face significant disruption from November 16-20 as authorities impose flight and cargo restrictions ahead of the Asia-Pacific Economic Cooperation (APEC) summit on November 18-19. International passenger flights will be prohibited from carrying cargo, while domestic flight capacity will be reduced by 80%, potentially diverting shipments to nearby Guangzhou and Hong Kong airports and causing additional delays.

India: Disputes are escalating across Indian ports over container lines' changes to empty-container handling and depot charge collection, with Maersk implementing new procedures at Mundra on November 1 and similar arrangements emerging at Chennai and Nhava Sheva. The Chennai Customs Brokers Association has threatened to boycott Mediterranean Shipping

Company (MSC) shipments if the carrier does not reverse its third-party depot collection policy by November 15, warning that a lack of transparency and accountability could create additional costs and operational disruptions for importers, exporters and logistics providers.

REGIONAL FOCUS – EUROPE, MIDDLE EAST & AFRICA

Spain: A general strike on November 11 halted container loading and unloading at several major ports, including Algeciras, Valencia and Barcelona, with unions reporting approximately 90% participation among port workers. The disruption also affected port access and freight rail operations, while road transport largely continued as normal; Tarragona recorded a 97.47% decline in truck arrivals compared with the same period last year, and some terminals began reopening early November 12.

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