

## MPW SUPPLY CHAIN - INDUSTRY UPDATE - 9TH JULY 2025

### OCEANFREIGHT | AIRFREIGHT | LOCAL TRANSPORT | WAREHOUSING/3PL | COURIER |

#### AUSTRALIA & NZ NEWS

##### GROUND-BREAKING HULL CLEANING TRIALS FOR FREMANTLE

Fremantle Fremantle Port's pilot vessel, Paddy Troy, was used to trial Franmarine's new in-water hull cleaning technology, which is environmentally safe and aims to improve vessel maintenance practices. The demonstration provided critical insights into biosecure and sustainable cleaning methods, potentially reducing fuel consumption and greenhouse gas emissions. This innovation aligns with International Maritime Organisation standards and could inform Australia's in-water cleaning guidelines. [The DCN](#)

##### ZIM QUILTS NEW ZEALAND FOR THE 3<sup>RD</sup> TIME

Israeli carrier ZIM and its Hong Kong subsidiary Gold Star Line will withdraw from the Tasman for the third time in two decades and shut down their New Zealand operation due to turbulent market conditions 1. ZIM's agency operations in New Zealand will also close 2. The last GTT voyage will be CMA CGM Semarang voyage 31/E departing Sydney 27 July and Melbourne 30 July 3. The last GNA voyage will be ANL Kiwi Trader voyage 20/E departing Brisbane on 1 August. [The DCN](#)

##### UNION TAKES AIM AT DP WORLD CRANES

DP World plans to install ship-to-shore cranes at the Port of Fremantle, drawing criticism from the Maritime Union of Australia's WA branch. The union is concerned about job security and lack of worker consultation, as the cranes are highly automated and remotely operated. This tension could escalate into a broader industrial dispute, with international allies pledging solidarity. [The DCN](#)

#### SUPPLY CHAIN NEWS

##### TARIFFS: AMERICA FIRST OR WILL IT BE AMERICA ALONE?

The letters from Trump to various countries offer the option to move factories to the US to avoid new tariffs. Approvals for this shift are promised within weeks, despite skepticism about the feasibility. The letters also threaten higher tariffs for transshipment and emphasize the strength of trading relationships. However, the unpredictability of tariffs and their impact on US consumers remain concerns. [The Loadstar](#)

##### GLOBAL CONTRACT LOGISTICS MARKET HITS RECORD HIGH AS ASIA PACIFIC DRIVES GROWTH

The global contract logistics market is predicted to breach the \$300bn mark this year, driven by growth in the Asia-Pacific region. Ti's report forecasts a 3.3% growth to reach €305.4bn. However, rising trade tensions and policy uncertainty could slow growth. Asia-Pacific leads with a 5.9% growth forecast 4, while North America and Europe are expected to grow 2.1% and 1.3%, respectively. China remains the largest market, but India shows the strongest growth rates. [The Loadstar](#)

##### GLOBAL SHIPPING TO SHIFT AS EUROPE AND SE ASIA FILL US GAP IN CHINA TRADE

China is strengthening trade ties with Southeast Asia and Europe amid rising tensions with the US, accelerating near-shoring and regionalisation trends. In the first five months of 2025, China's exports hit a record high as shippers aimed to beat US tariffs. Exports to Southeast Asia and Europe increased, countering the decline in US exports. Industries are shifting from China to ASEAN, boosting China's foreign direct investment in the region. This shift is reshaping global shipping patterns. [The Loadstar](#)

### MSC JOINS LINES CUTTING TRANSPAC SERVICES - BUT IT'S NOT ENOUGH TO HALT RATE SLIDE

MSC has become the first major container line to withdraw transpacific capacity as rates to the US West Coast drop below \$2,000 per FEU. The Pearl service, connecting several Asian ports with Long Beach, will be suspended. Despite these cuts, the market remains saturated with 23 operators on transpacific routes. Further capacity reductions are needed to stabilize rates, with an estimated 30,000 TEU per week required. [The Loadstar](#)

### TWO KILLED AFTER HOUSHI ATTACKS RESUME ON MERCHANT SHIPS

Insurance premiums are expected to rise for carriers navigating the Red Sea due to renewed Houthi attacks on merchant vessels. The Israeli Defence Force (IDF) targeted the Galaxy Leader, claiming its radar system facilitated attacks. Houthis also attacked bulk carriers Magic Seas and Eternity C, resulting in two sailor deaths. The volatile situation has led to advisories for merchant shipping to designate safe muster points and minimize crew deck movements. [The Loadstar](#)

### TRANSPACIFIC DROP ILLUSTRATES SHIFTING GLOBAL CONTAINER TRADE PATTERNS

Container volumes between the Far East and North America dropped 14.8% year on year in May, the first full month to show the effect of US tariffs on transpacific trade demand. Despite this, global volumes set a new monthly record of 16.34m teu, a 4.9% increase from April. The Far East-Europe trades showed surprising strength with a 16.1% year-on-year increase. However, economic uncertainties and tariff changes continue to pose challenges for global trade. [The Loadstar](#)

### GREY EXPECTATIONS: A METHANOL-LNG DICHOTOMY

In September 2023, Mærsk received its first methanol-fueled container vessel, Laura Mærsk, marking a significant step towards methanol-powered shipping. However, due to the unavailability of green methanol, Mærsk shifted back to LNG. Both LNG and methanol are clean-burning but impractical fuels, with low energy densities. The shortage of green methanol has led carriers to revert to conventional fuels. The industry awaits regulations to enforce the use of green fuels. [The Loadstar](#)

### TERRACOTTA WARRIORS A FRAGILE TASK FOR CATHAY

Cathay Cargo successfully transported 10 Terracotta Warriors and over 200 artefacts from Xi'an to Perth for the "Terracotta Warriors: Legacy of the First Emperor" exhibition. The operation involved meticulous planning, including GPS tracking, custom-built pallets, and round-the-clock surveillance. The statues were first transported to Zhengzhou, then flown to Australia via Hong Kong. The exhibition at the WA Museum Boola Bardip runs until 22 February 2026, after which the artefacts will be returned to Xi'an. [The DCN](#)

### AIRFREIGHT RATES ON KEY TRADES SETTLE DOWN FOR SUMMER MONTHS

Airfreight rates on key trade lanes out of Hong Kong declined slightly in June, reflecting the quieter summer period and the Middle East conflict. The Baltic Exchange Airfreight Index showed average rates from Hong Kong to North America dropped to \$4.99 per kg, down 13.2% from last June. Rates to Europe also fell to \$4.36 per kg. Despite geopolitical turmoil, global airfreight rates remained largely unaffected, with only a 1.1% decline in the Baltic Air Freight Index. [Air Cargo News](#)

### XENETA: VOLUMES FLAT IN JUNE AS CONSUMERS SCALE BACK

Air cargo volumes could drop as consumers scale back on non-essential goods, while shippers are favouring shorter-term contracts in a climate of uncertainty. Global air cargo volumes were flat in June, up just 1% year on year, while available capacity increased 2%. Spot rates declined for a second consecutive month in June, down 4% year-on-year as supply overtook demand. The temporary suspension of new US tariffs is set to expire soon, clouding forward-looking demand. [Air Cargo News](#)

### FREIGHTERS SHUN CHINA-US AS TARIFF DEADLINE LOOMS

Freighters are avoiding the China-US route due to the looming tariff deadline, leading to significant market changes. Flexport, which charters three 747Fs, has adjusted its network but remains active. Vietnam to the US has seen a 15% increase in freighter capacity, while overall widebody capacity from Asia to North America dropped 10% last month. The rush to get goods into the US before the tariff deadline is causing congestion in Singapore. [The Loadstar](#)