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# Air cargo volumes fall on trans-Pacific as US de minimis changes loom


*The volume of e-commerce shipments on the China-US corridor has dropped by 50% since mid-April compared with the same period last year, according to forwarder Dimerco. Photo credit: Atlas Air.*

**Greg Knowler, Senior Editor Europe | Apr 29, 2025, 11:32 AM EDT**

E-commerce volumes shipped by air on the China to US trade lane have fallen sharply over the past two weeks ahead of the Trump administration's May 2 elimination of the duty-free exemption for low-value shipments.

Two of the largest Chinese online marketplaces, Temu and Shein, have told US customers that prices will increase from this week as Washington cancels the duty-free exemption for shipments under $800 imported from China and Hong Kong.

The reaction from the air cargo market has been swift. Forwarders say chartered freighter capacity from China to the US has been canceled, and data from

Netherlands-based air cargo analyst WorldACD shows volume from China and Hong Kong to the US last week fell for the fourth consecutive week.

“Overall, e-commerce shipment volume has dropped by approximately 50% since mid-April compared to the same period last year,” Kathy Liu, vice president of global sales and marketing at Taiwan-based forwarder Dimerco Express Group, said in a market update Monday.

“A lot of shippers have hit pause,” she added. “With the uncertainty around new tariffs between the US and China, many are holding back on placing new orders.”

Major Chinese carriers, including Air China, China Eastern Airlines and China Southern Airlines, are also planning to cancel freighter services between China and the US “in the near future,” Dimerco noted, which would reduce the already limited capacity from China to the US.

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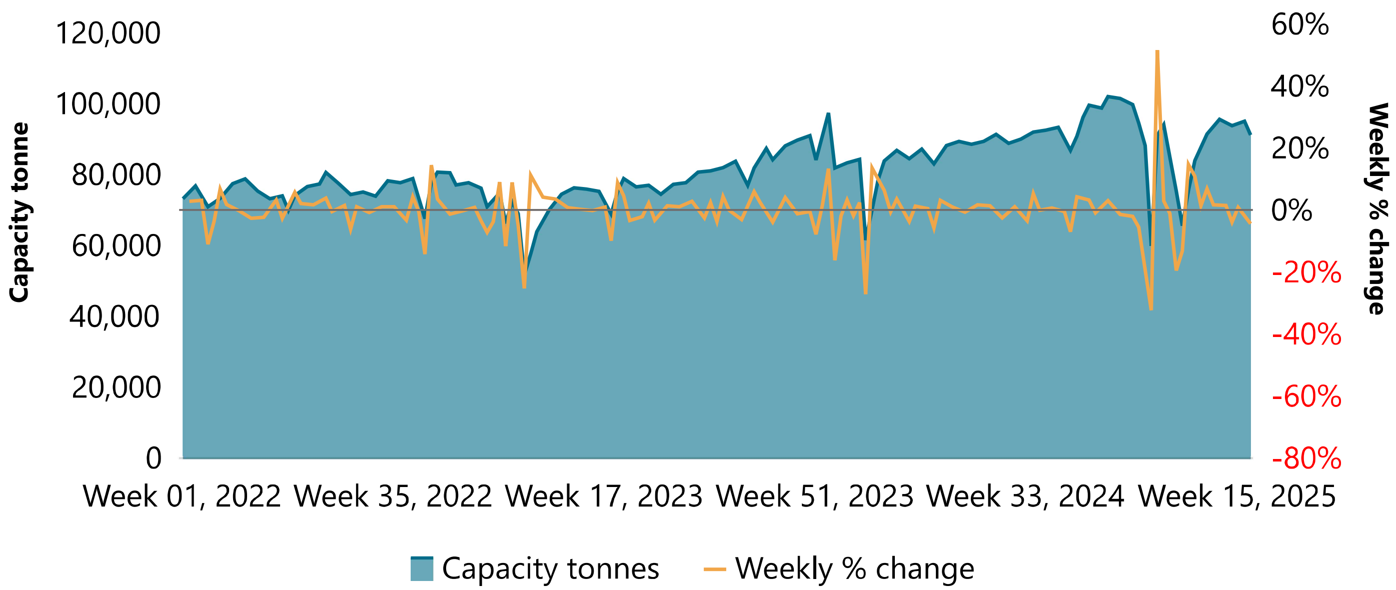
**Trans-Pacific air cargo volume down ahead of May 2 de minimis changes to China imports**

Asia Pacific to North America air freight-tonne kilometers with weekly percentage change

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There was speculation in the air cargo market that there would be a rush to get shipments to the US in the air ahead of the May 2 de minimis policy changes, but no such moves have materialized, said Andy Schaefer, senior vice president and global head of air freight at forwarder Toll Group.

"Both major e-commerce platforms, Temu and Shein, have already increased their pricing for several products which has resulted in lower volumes," Schaefer told the *Journal of Commerce*, adding that chartered flights and block space agreements that forwarders hold with airlines on the trans-Pacific have already been canceled.

"Companies sourcing products from China have reduced their shipping or are holding cargo at origin until the tariff situation with China has been resolved or a lower percentage has been agreed between the two countries," he added. "Only items that show a low inventory in the US are being shipped for the time being."

## Changing online fulfillment models

Schaefer said Chinese e-commerce platforms began to change their business model in the fourth quarter of 2024, building distribution centers in North America to fulfill orders placed by US consumers.

"Both Shein and Temu have also seen an increase in US companies joining their platform, effectively fulfilling orders locally," he said. "As such, e-commerce has seen a decline in cargo demand over the past few months, and it is expected that this trend will continue."

The huge demand for e-commerce on the trans-Pacific filled hundreds of daily freighters leaving China, capacity that is being released into the market. Some of that capacity is being absorbed by US tariff exemptions for smartphones and other tech products imported from China, as well as from high demand in the semiconductor sector.

"A lot of that capacity has shifted to destinations like Nuevo Laredo in Mexico and other parts of Latin America, where demand has actually gone up, especially out of Mexico," Liu noted in the Dimerco update.

While demand has fallen from China, the 90-day tariff exemption granted by the Trump administration to most of its other trading partners has seen strong export volumes continuing out of Taiwan and Southeast Asia.

"We have seen a number of clients resume shipping after a brief pause. They are still actively shipping cargo to the US via air," Emily Faulkner, the import operations and customs house brokerage director for AIT Worldwide Logistics, told the *Journal of Commerce*.

That was supported by WorldACD data, which showed that although combined traffic for China and Hong Kong to the US last week was down 16% year over year, there were export gains elsewhere, with Vietnam to the US up 42%, Taiwan 30%, Thailand 24% and Japan 12%.

Still, rates out of Asia are facing pressure from changes in demand and available capacity. After seven consecutive weeks of rising rates on the China/Hong Kong to US routes, the combined average spot rates fell 5% from the previous week to $4.72 per kilogram, WorldACD data shows.

Despite the strong demand from Southeast Asia, the excess capacity in the market placed downward pressure on rate levels last week, with Vietnam rates down 28%, Singapore down 11%, Taiwan 9% and Thailand rates also down 9% compared with the previous week.

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