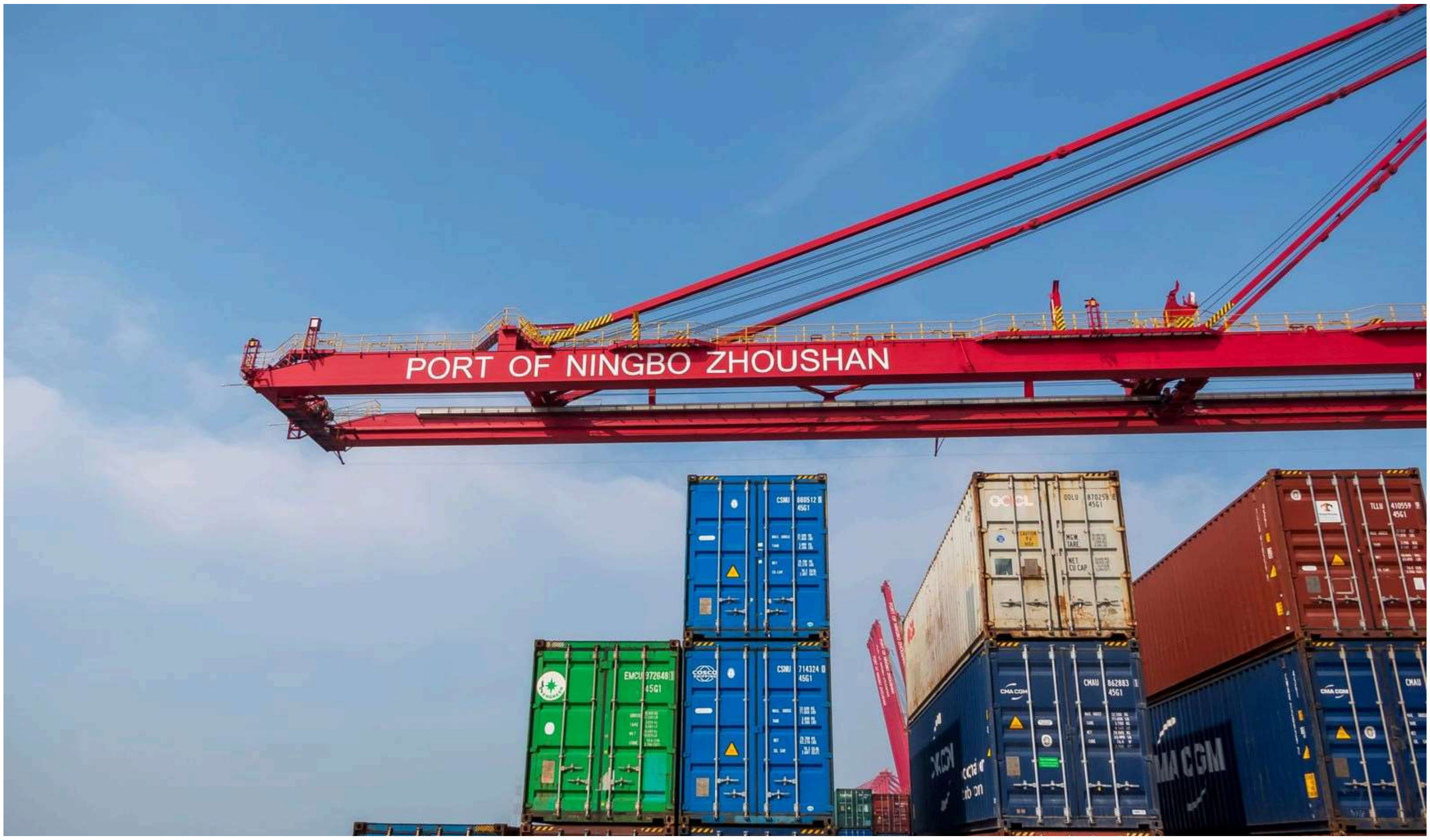
S&P Journal of Commerce

Asia-US blank sailing forecast for May increasing amid cancellations



Forwarders tell the Journal of Commerce blank sailings from Southeast Asia to the United States have held up better than those for Chinese imports. Photo credit: ambient_pix / Shutterstock.com.

Mark Szakonyi, Executive Editor | Apr 21, 2025, 5:02 PM EDT

Container lines are increasingly blanking trans-Pacific as US importers are increasingly canceling or suspending orders due to tariff increases that have made some business infeasible.

The escalation in blank sailings in the last two weeks has been "staggering," giving a glimpse of just how sharp the decline could be next month, said Sea-Intelligence Maritime Analysis CEO Alan Murphy.

Based on the removal of functional capacity, "carriers now clearly anticipate container demand in week 18 to be 28% lower than expected, and on Asia-North America East

Coast in week 19, they now expect shippers to move as much as 42% less cargo than anticipated," Murphy wrote in the analyst's Sunday Spotlight newsletter.

The increase in blank sailings coincides with the Port of Los Angeles' expectation that container volumes will plunge 14% month over month in week 18 and 38.6% in week 19, respectively, according to the port's forecasting tool. In the first full week of May, volumes through the country's largest import gateway are projected to plummet 43% year over year.

Forwarders say bookings from Southeast Asia to the US have held up better than those for shipments from China, presumably thanks to the 90-day suspension of significantly higher tariffs on goods sourced from Vietnam and Cambodia. Imports from those countries now face a 10% tariff, rather than the initially announced duties of 46% and 49%, respectively.

Weekly bookings for shipments from China have plunged 37% since March 31, while bookings for Southeast Asian imports from have risen 10%, according to a Monday analysis of data from maritime visibility provider Vizion and analytics firm Dun & Bradstreet.

Earlier this month, US retailers slashed their outlook for US imports in the second quarter and the second half, warning that volumes would fall by more than 20% on an annual basis in every month from May through August.

'Consolidating' services

Container lines have yet to outright cancel container services, however, choosing instead to blank sailings and skip individual port calls.

Taiwan-based Evergreen Marine, which operates the Hangzhou Bay Bridge (HBB) service as part of the Ocean Alliance, has canceled sailings for four straight weeks into Los Angeles and Oakland, removing 8,000 TEUs to 12,000 TEUs of weekly capacity.

South Korea, which is serviced on HBB's call at Busan, reported a 5% drop in exports during the first 20 days of April, following the release of Trump's reciprocal tariffs.

Ocean Alliance's Bohai service, operated by Cosco Shipping, will cancel a China departure for Long Beach in the first week of May, according to vessel schedules, removing 10,000 TEUs of capacity during that time. Ocean Alliance's Hibiscus Express and Yangtze services are also expected to blank one weekly departure each from China.

A US-based executive with an independent ocean carrier who asked not to be identified said that while they have not yet seen further cancellations of their China bookings, there will likely be fewer China port calls as carriers prepare for lower volumes.

“We have not seen an increase in cancellations, but the market is still soft,” he told the *Journal of Commerce*. “It’s likely that carriers will start to consolidate their China services in the short term.”

While services may be outright canceled, there appears to be some withdrawal of vessels in the trans-Pacific trade. The 8,500-TEU *Cosco Thailand*, part of the Pacific South China Express Service operated by OOCL, appears to have been removed from the service’s schedule for May, along with the 8,800-TEU *OOCL Utah*.

Following its voyage back to China, the *Cosco Thailand* will start calling Mexico’s West Coast ports in late June, according to the vessel’s schedule. The withdrawals effectively leave the 8,063-TEU *OOCL Southampton* as the only nominated ship in the service, which will require it to only offer a once-a-month service from Asia.

Then, and now

Approximately five years ago, when volumes plunged 62% from February to March, imports from Asia came roaring back and demand remained at historic highs for two years. This time around, however, there’s less reason to expect a similar rebound given the high level of uncertainty around US tariffs — now 145% on imports from China — and months of frontloading in anticipation of the higher duties.

Various US retailers tell the *Journal of Commerce* that they’ve got as much as three and a half months of core inventory, allowing logistics managers to see if President Donald Trump reduces tariff levels or adds exemptions. Some shippers are moving inventory into bonded warehouses to avoid paying tariffs, betting that the severity of US tariffs can’t last more than a few months.

Senior Editors Bill Mongelluzzo and Michael Angell and associate editor Laura Robb contributed to this report.

Contact Mark Szakonyi at mark.szakonyi@spglobal.com.