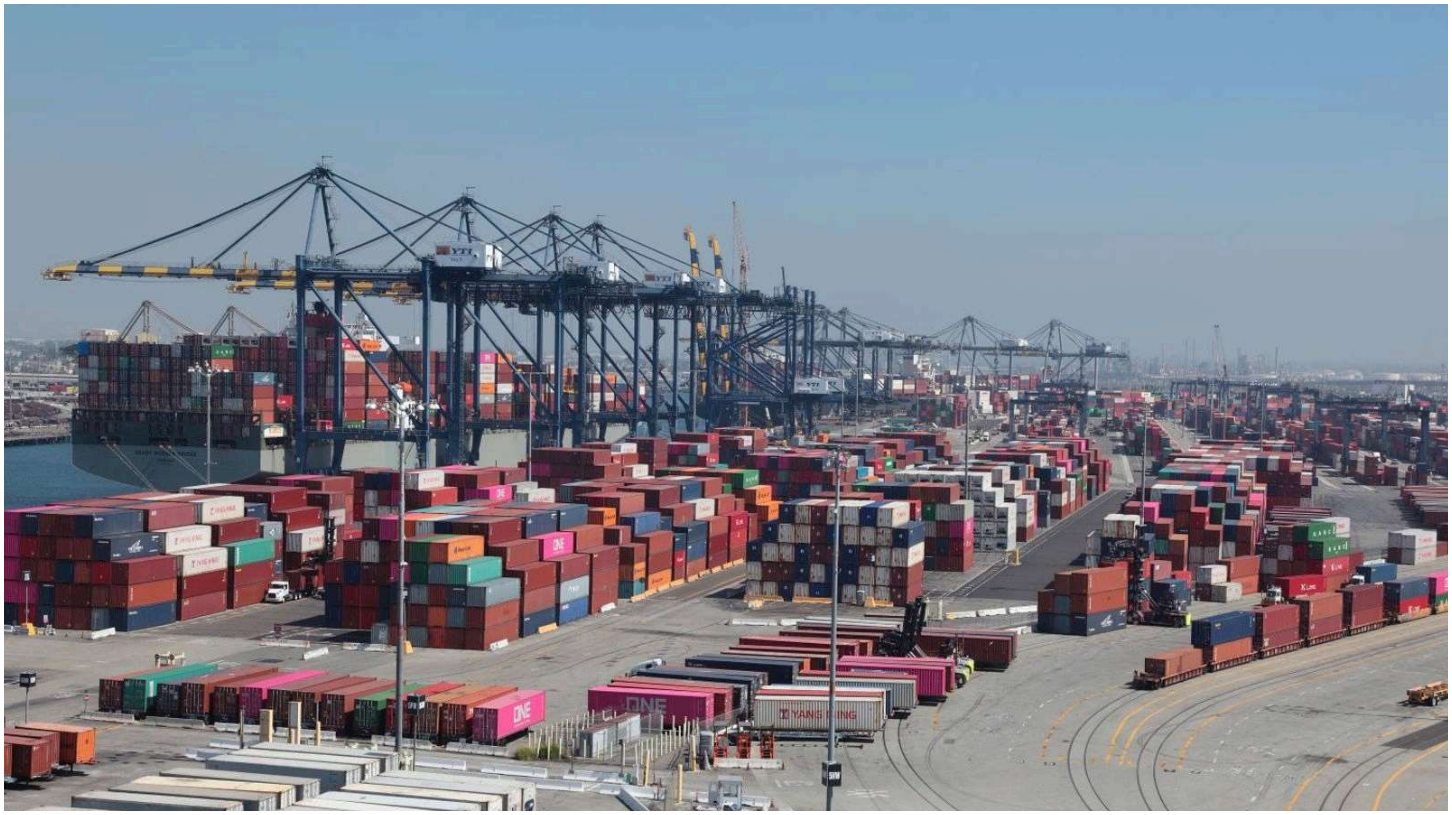
S&P Journal of Commerce

Asia-USWC spot rates weakening as vessel overcapacity takes hold



The drop in spot rates to the West Coast reflects carriers being "way too aggressive" in adding capacity from Asia to Southern California, according to a carrier executive. Photo credit: CYSUN / Shutterstock.com.

Laura Robb, Associate Editor and Bill Mongelluzzo, Senior Editor | Jun 10, 2025, 4:53 PM EDT

Spot ocean rates on the eastbound trans-Pacific are diverging sharply this week, with prices to the US West Coast softening amid a fresh capacity injection and the East Coast market still showing strength.

Rates to the West Coast were $5,700 per FEU as of June 9, down 6% on the week, according to Platts, a sister company of the *Journal of Commerce* within S&P Global.

East Coast rates, meanwhile, were up 4% at $7,400 per FEU. The $1,700 spread between the coasts is the widest variance since late January and comes as ocean carriers have moved capacity to Asia-West Coast routes to take advantage of what had been a sharp jump in demand and rates following the 90-day pause announced May 12 by the Trump administration on higher tariffs against China.

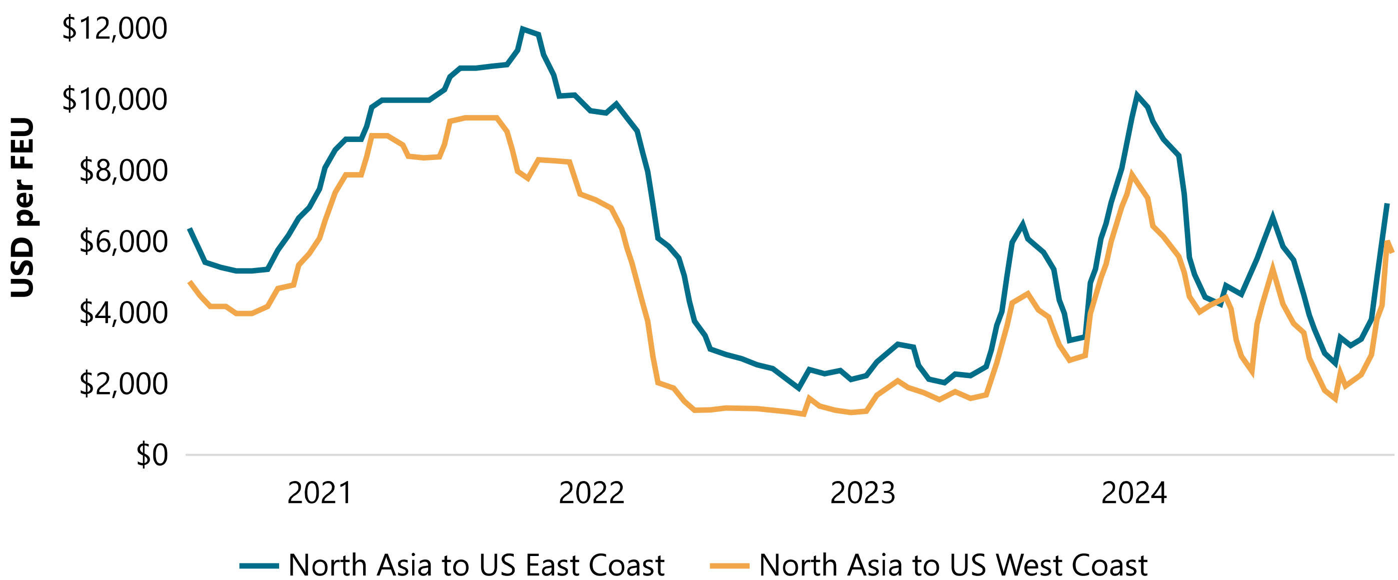
"The rates for cargo coming into the Pacific Southwest are going down, but pricing to the US East Coast is actually going up," Stephen A. Nothdurft, vice president of sales for North America at the forwarder MOL Consolidation Services, told the *Journal of Commerce*. "It's due to all of these extra-loaders and services returning into rotation [to Los Angeles-Long Beach]."

The spot rate variance between the two coasts is capacity-driven, Nothdurft said.

"It's a bit of an indication that the so-called 'normal' differential of $1,000 is all really based on supply and demand," he said.

Asia-USWC spot rates weakening amid fresh capacity on trade

Container spot rates from North Asia to US West and East coasts, in USD per FEU



Source: Platts, S&P Global

3M 6M 2Y YTD MAX

Related data for this chart

Click here to explore related data on Gateway

A carrier executive told the *Journal of Commerce* that carriers have been “way too aggressive” in adding capacity to the West Coast, especially Southern California.

Vessels leaving Asia for Los Angeles-Long Beach have been “half-full,” driving spot rates lower, the executive said. He added that despite what the indexes say, the spot rates that are actually moving cargo today to the Southern California gateway are $4,000 to $5,000 per FEU.

East Coast volumes to build, then taper quickly

A second carrier executive expects volumes will build to the East Coast in the coming weeks because retailers there must ship their holiday merchandise soon in order to have goods on the store shelves for the Black Friday sales on the day after Thanksgiving.

“The volumes are going to be there,” the source said, adding carriers in the coming weeks are likely to add capacity to key East Coast gateways such as New York-New Jersey and Savannah.

Despite the uncertainty over tariffs that is likely to continue into July for most Asian countries and into August for China, retailers importing through East Coast ports have to finalize their year-end holiday orders with factories in Asia and ship the merchandise soon, said Kevin Parkerson, an industry consultant and former logistics manager at national retailers.

“For the East Coast, the deadline is early August,” Parkerson said.

Forwarders say that with the extensive frontloading of product that has already taken place, it is likely the increased imports through the East Coast will taper off by late July.

“Time will tell, but I’m not 100% confident in the East Coast extending its imports for very long,” said Jason Cook, CEO of Ardent Global Logistics.

Contact Laura Robb at laura.robb@spglobal.com.

Contact Bill Mongelluzzo at bill.mongelluzzo@spglobal.com.