S&P Journal of Commerce

US tariff volatility no longer driving trans-Pacific trade plans

Carriers and forwarders expect a soft fourth quarter for US import volumes. Photo credit: Debbie Ann Powell / Shutterstock.com.

Bill Mongelluzzo, Senior Editor and Laura Robb, Associate Editor | Jul 29, 2025, 3:34 PM EDT

The whiplash reality of the Trump administration's tariff policy is no longer driving sharp swings in import volumes from Asia, but expectations of more blank sailings to curb the capacity overhang in the trans-Pacific could still jostle the weakening inbound trade.

US retailers are giving less thought to the tariffs in terms of their ordering for the rest of the year, having gained at least some degree of clarity through the several trade deals that have been announced to date. Importantly, a growing number of retail logistics managers and importers, exhausted by the US' ever-shifting trade policy, have given up on trying to beat moving tariff deadlines.

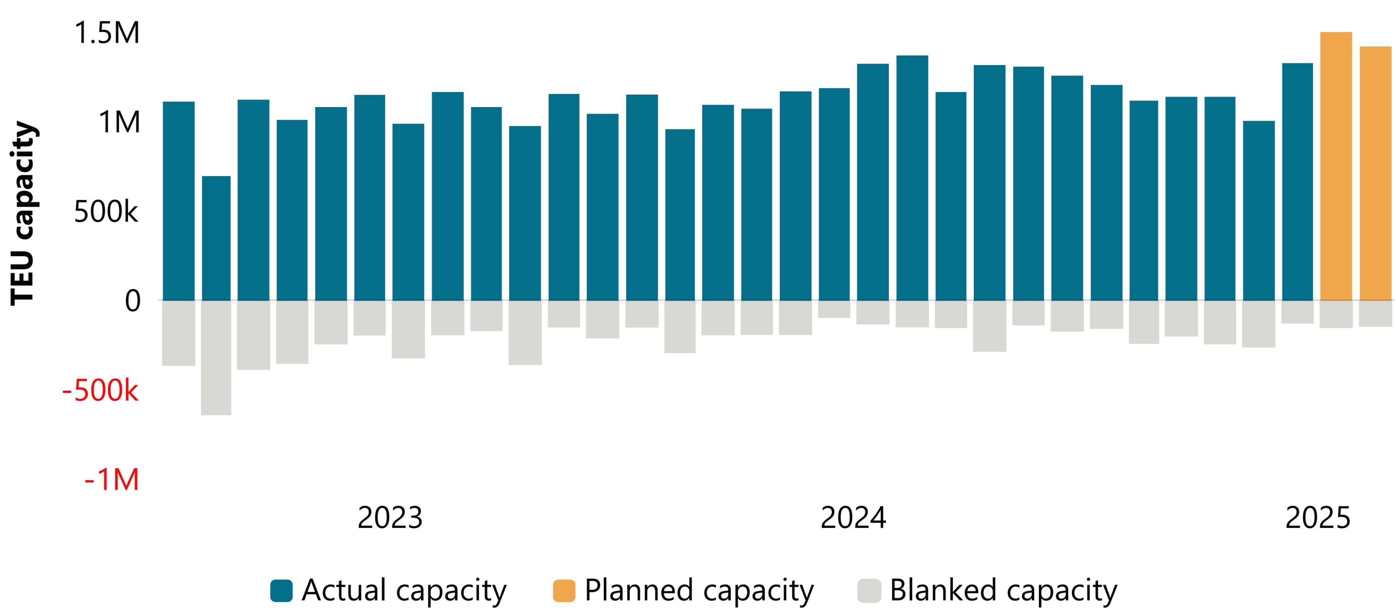
"It doesn't seem that tariffs and trade deals are quite the driving factor that they had been as recently as six to eight weeks ago," Stephen Nothdurft, vice president of sales for North America at the forwarder MOL Consolidation Services, told the *Journal of Commerce*. "The import community has kind of decided, 'It is what it is, and we can't control it, but what we can control is just making sure our freight is on the shelf when we need it.'"

Indeed, the prospects of a final rush of cargo tied to US trade policy announcements are fading, even if some forwarders and carriers hold out for a final pop in volumes in August.

"Strategic planning and long-term decision-making based on tariff deadlines makes no sense because you just don't know what those deadlines will be from week to week," the logistics manager of a national furniture retailer told the *Journal of Commerce*.

Ocean carriers plan to deploy less tonnage from Asia to the United States in August than in July, according to ocean visibility provider eeSea. So far, ocean carriers are planning to blank less capacity next month than in July, although carriers warn that may change as container spot rates keep falling.

Asia to US West Coast container capacity (eeSea)



Source: eeSea

6M 2Y YTD MAX

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Spot rates, a measure of how capacity matches up with demand, have been falling since late May and early June, according to various indexes. At a little more than $2,000 per FEU, spot rates from China to the US West Coast are down 70% from a year ago, according to the Shanghai Containerized Freight Index.

Some cargo owner customers are still uncertain whether the Aug. 1 deadline — in which the 10% blanket tariff on all US imports will revert to higher levels for countries that haven't hashed out an agreement with the Trump administration — will hold, a carrier executive said. He added that while some tariff-related price increases have taken place, they haven't blunted consumer demand enough to have a noticeable impact on import volumes.

One automotive industry importer said that at the current 10% reciprocal tariff rate, his company can move product as the sector has absorbed that level. "However, we will not take product into the US at rates above 15% to 20% as some countries have negotiated," he said. "We have completely pulled out of China due to tariffs."

GRIs unlikely to stick

While carriers may attempt to impose general rate increases (GRIs) on the first and 15th of each month, forwarders and importers on the trans-Pacific do not expect any further rate hikes this peak season to stick.

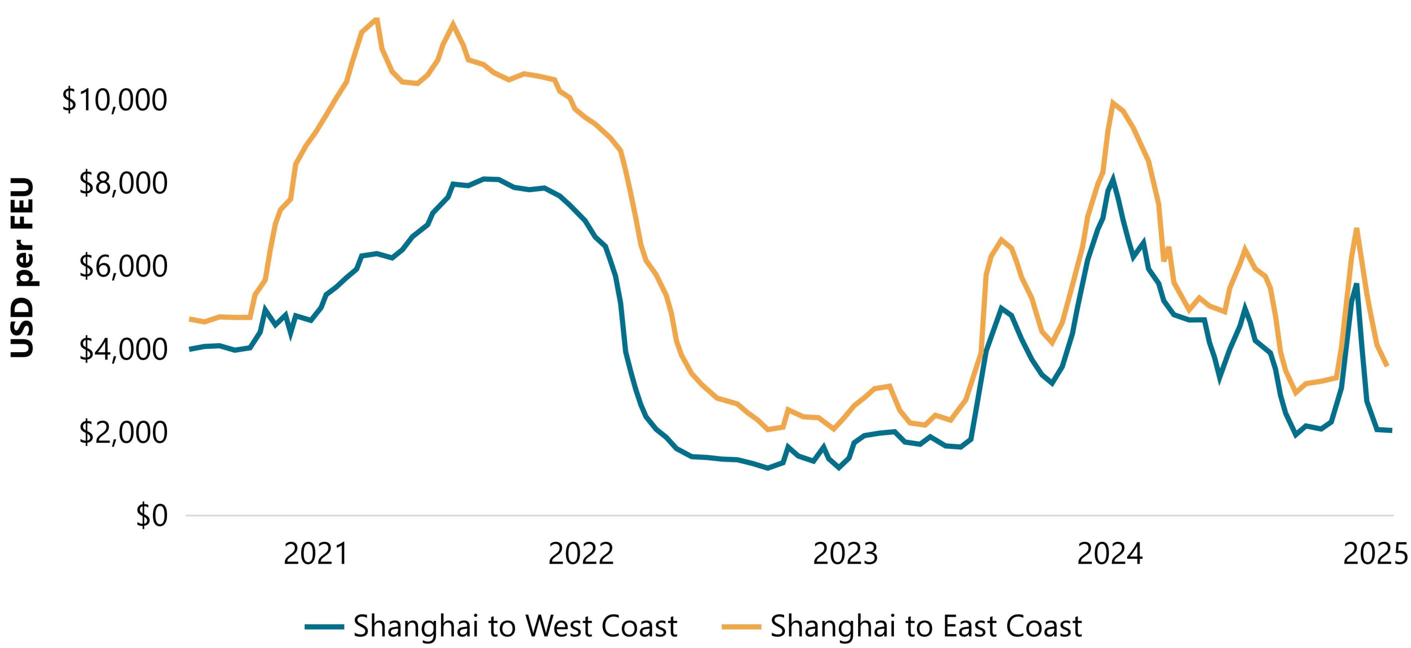
"There's no impetus to keep prices high," Nothdurft said. "I don't know what the carriers are banking on in August, but it doesn't appear that those ships are full, either."

A steady stream of frontloading of fall and holiday merchandise has taken the wind out of carrier attempts to sustain price increases.

"A lot of cargo for the rest of the year is already here in the US so there is no need for anyone to rush any huge amounts of cargo into the US for the next few months," said Sanjay Tejwani, chief executive officer at the consulting firm 365 Logistics.

Shanghai-USWC spot rates down 70% year on year

Shanghai to US West and East Coasts container spot rates (SCFI)



Source: Shanghai Shipping Exchange

6M 1Y YTD MAX

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Even some carriers agree that the extensive frontloading that has already taken place in the eastbound trans-Pacific means cargo volumes may drop off dramatically in the fourth quarter.

"I think it's going to be a bad Q4," a carrier executive told the *Journal of Commerce*.

For importers, planning their supply chains while attempting to balance the cost of ocean transportation with the delivery of their product to store shelves on schedule requires the use of several forms of shipping.

John Pace, senior manager of global logistics at Revelyst, a manufacturer of outdoor performance gear, said that for merchandise that was ordered months ago and is scheduled to be delivered this summer and fall, he can use the preferred mode of regular ocean shipping. As delivery deadlines approach for products with tighter deadlines, he will shift some shipments to expedited ocean service with guaranteed next-day container availability landside. Pace said he will use air freight as a last resort.

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