



# SUCAFINA

## Logistics Report

March 2026



### IN THIS ISSUE

- Middle East Escalation Impacts on Logistics
- Update on Red Sea Situation: 2026
- Hapag Lloyd Merger Agreement
- Trump Maritime Action Plan
- Freight Rate Development
- Schedule Reliability
- Market Overview
- Main Ports: Status Update

## ***BREAKING NEWS:* MIDDLE EAST ESCALATION & IMPACTS ON LOGISTICS**

Recent escalation in the Middle East (as of 28 February) has materially heightened maritime security risks across key global trade corridors. Commercial traffic through the Strait of Hormuz – a critical chokepoint for global energy flows – has reportedly slowed to near standstill levels, prompting immediate operational responses from shipping lines. Several carriers, including CMA CGM, have introduced Emergency Conflict Surcharges to reflect increased insurance premiums, security measures and overall operational risk exposure.

Although coffee shipping routes do not directly transit the Strait of Hormuz, the disruption has important indirect implications for global logistics markets. Producers in the Persian Gulf account for approximately 20% of global crude oil supply, and upward pressure on oil prices from current levels of around USD 70 per barrel is widely expected. Given that bunker fuel represents roughly 40% of vessel operating costs, further increases in Bunker Adjustment Factors (BAF) are likely in the near term.

Higher fuel costs, combined with longer alternative routings already adopted by carriers, are expected to intensify pressure on transit times, vessel availability, and freight rates worldwide. Collectively, these dynamics are likely to generate indirect impacts on coffee logistics, including extended sailing schedules, equipment imbalances, reduced schedule reliability and renewed upward pressure on ocean freight costs.

We continue to monitor the situation, which is still unfolding.



## RED SEA DEVELOPMENTS: WHAT DOES 2026 HOLD?

More than two years after the first Houthi missile struck a commercial vessel in the Red Sea, **global shipping is still grappling with one of its most disruptive trade shocks in decades.** Insecurity is likely to deepen in the coming weeks or months ahead.

What initially looked like a temporary spillover from a regional conflict has instead forced a structural rethink of ocean freight routing, risk management and network resilience across the industry.

The current crisis began in November 2023, when Houthi forces seized the *Galaxy Leader* and began a sustained campaign of attacks on merchant shipping transiting through the Bab el Mandeb Strait. At its peak, more than 100 vessels were targeted, Red Sea volumes dropped by roughly 60%, and carriers were left with little choice but to divert around the Cape of Good Hope. Those diversions added 10 to 14 sailing days, destabilized schedules, absorbed capacity and rippled through every major East–West trade lane.

While a Gaza ceasefire toward the end of 2025 led to a temporary pause in attacks, with a significant positive news from major carriers adjusting their fleet, the current Middle East escalations and the renewed threats from the Houthis led all carriers to cancel adjustment plans and, currently, all are continuing with routing around the Cape of Good Hope.

*Cont. on page 3*





## Red Sea Where Things Stand Today: A Cautious and Uneven Recovery *(cont. from page 2)*

The industry's response so far has been decisive, reflecting continued security concerns:



- Maersk has confirmed that its Middle East–India–U.S. East Coast (MECL) service that was supposed to pass through the Red Sea will now be cancelled and routed around Africa.
- CMA CGM, after initially leading the return, has since pulled back from most Suez transits, and all its services will be sailing based on previous schedules.
- The majority of Asia–Europe services are still routed around the Cape, with carriers unwilling to commit until there is sustained confidence in security conditions.

### Looking Ahead: Planning for a World of Permanent Uncertainty

The key lesson from the Red Sea crisis is that geopolitical disruptions rarely resolve on clean or predictable timelines. In all likely scenarios – whether ceasefires are holding or the threat of renewed attacks persists – **carrier decisions remain highly sensitive to security conditions, which in turn keeps shippers exposed.** Roughly 12% of global seaborne trade still relies on the Suez Canal. This is an inherent vulnerability that cannot be engineered away. What can be improved is the industry's preparedness. Better data, faster decision-making and more rigorous scenario planning are now essential.



## HAPAG-LLOYD TO BUY ZIM IN \$4.2BN SHIPPING DEAL

Shipping line Hapag-Lloyd has agreed to buy its Israeli rival Zim in a \$4.2bn deal that will expand one of the world's biggest container shipping businesses and secure its routes. Hapag-Lloyd said it would pay \$35 a share in cash for Zim, the world's tenth-largest container shipping line. The deal represented a 58 per cent premium to Zim's share price as of Friday, February 20. The Frankfurt-listed company said the deal would secure its position as the fifth-largest container shipping group, strengthen its network of shipping routes and consolidate its "leadership in key growth markets". "Customers will benefit from a significantly strengthened network on the Transpacific, Intra Asia, Atlantic, Latin America and East Mediterranean," said Hapag-Lloyd chief executive Rolf Habben Jansen.

To satisfy the Israeli government, which holds a golden share in Zim and considers it a strategic asset, Hapag-Lloyd will carve out a separate Israel-focused entity owned by FIMI. The carved-out operator will launch with 16 vessels.

The transaction is expected to close in late 2026, subject to approval from Zim shareholders, the Israeli government, and relevant regulators.



Image Source: Hapag-Lloyd



## TRUMP’S MARITIME ACTION PLAN REVIVES THREAT OF PORT FEES

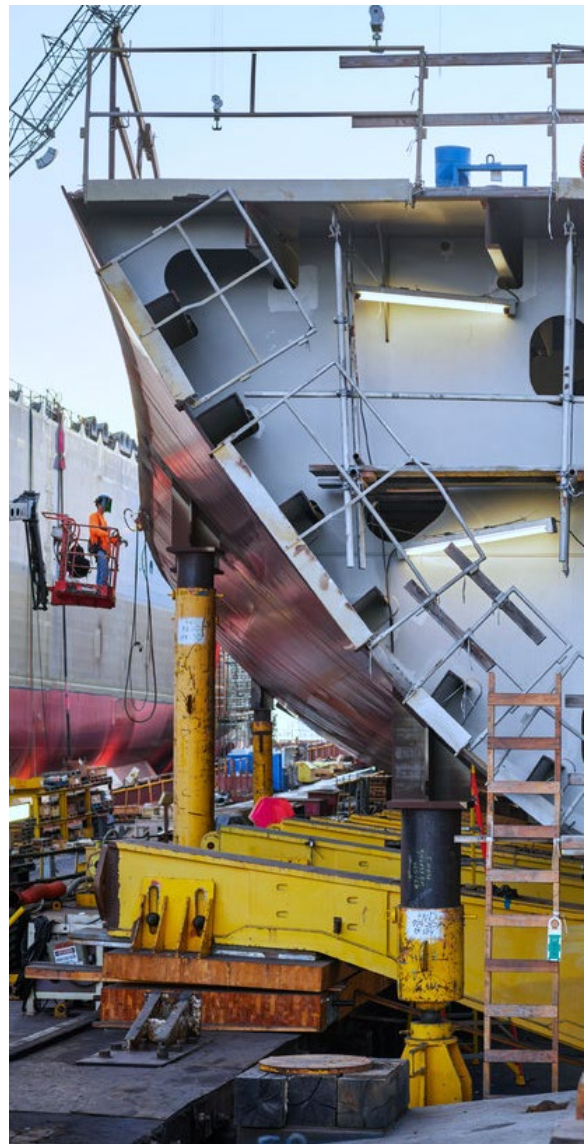
The Trump administration’s long awaited Maritime Action Plan (MAP) has resurrected a controversial proposal to charge foreign built ships a per kilogram fee on imported cargo, reviving a levy threat that could reshape global trade economics if enacted.

The 36-page plan, released after months of delay, outlines a four-pillar strategy to rebuild US shipbuilding capacity, modernize maritime training, protect the industrial base, and bolster national security. Its core financing mechanism is a universal infrastructure or security fee on all foreign-built commercial vessels calling at US ports, assessed on the weight of imported tonnage they discharge.

The plan models fees between \$0.01 and \$0.25 per kilogram. A one-cent levy would generate roughly \$66 billion over a decade; at the upper end, revenues could reach \$1.5 trillion—far surpassing the short-lived port fees enacted in 2025. President Donald Trump cast the initiative as central to a broader industrial revival. “We will soon revitalize our once-great shipyards with hundreds of billions of dollars in new investments and people coming from all around the world...to build ships in America,” he wrote. “We want them built in America.”

The proposal immediately alarmed carriers and trade partners, who warned that such fees would raise landed costs, distort routing economics, and prompt retaliatory measures.

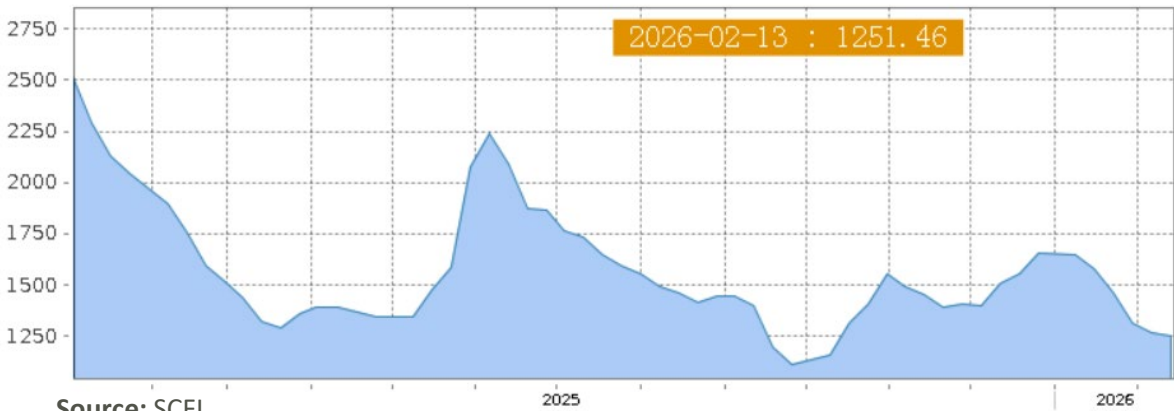
The MAP also outlined bridge strategies – allowing some initial foreign yard construction tied to parallel US investments – and flagged use of Title XI and Capital Construction Funds to mobilise private and foreign capital. So far there are no firm timelines or concrete plans for execution.



**Image Source:** Christopher Payne for the New York Times. *How Giant Ships are Built*. June 17, 2020.



## FREIGHT RATE DEVELOPMENT Shanghai Containerized Freight Index



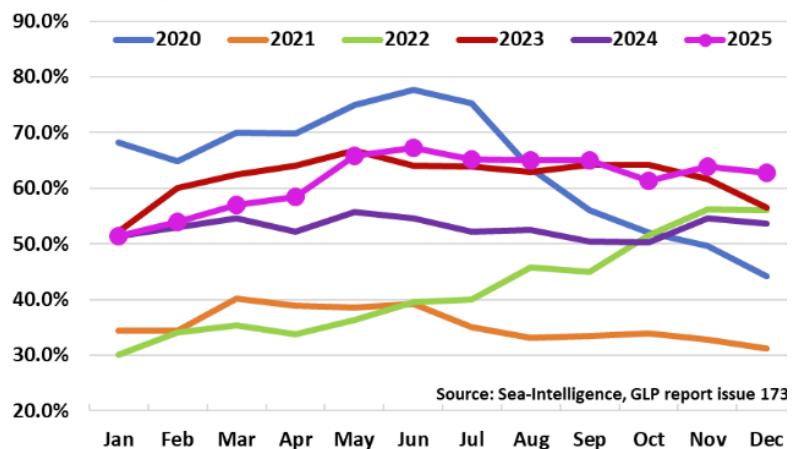
Source: SCFI

In early 2026, the Shanghai Containerized Freight Index (SCFI) indicates a transition toward lower, more volatile rates, reflecting a market burdened by overcapacity, with projected declines of 30–35% for 40' HC from Asia to the US West Coast compared to 2025. While Q1 2026 shows a return to traditional seasonality with pre-Lunar New Year hikes, persistent capacity growth and potential shifts in the Red Sea situation are expected to keep spot rates pressured.

## SCHEDULE RELIABILITY

- Performance Levels: Global schedule reliability dropped to 62.8% in December 2025, the second-lowest reading since May 2025.
- Key Drivers: Persistent congestion at European hubs and, to a lesser extent, Red Sea rerouting issues continue to impact schedules.

Fig. 1: Global Schedule Reliability



Source: Sea-Intelligence, GLP report Issue 173

- Blanked Sailings: A 122% surge in cancelled sailings was reported for February 2026 compared to January, tightening capacity around the Lunar New Year.
- Carrier Performance: While overall reliability is better than 2024, performance remains uneven, with Maersk and Hapag-Lloyd leading in reliability in late 2025, while others struggle with 50-60% on-time rates.



## MARKET OVERVIEW

TRADE LANE	COMMENTS
<b>APAC &gt; Global</b>	<ul style="list-style-type: none"><li>• Capacity is flat, no issue with space</li><li>• Decrease in SPOT rates</li></ul>
<b>INDIA &gt; Global</b>	<ul style="list-style-type: none"><li>• Capacity is tight</li><li>• Rates have a slight upwards trend</li></ul>
<b>Brazil &gt; Global</b>	<ul style="list-style-type: none"><li>• Capacity is manageable</li><li>• Port congestion and gate windows still critical</li><li>• 1 roll over still expected for some cases</li><li>• Rates are stable</li></ul>
<b>CAM &gt; Global</b>	<ul style="list-style-type: none"><li>• Capacity is tight</li><li>• Container shortages in 20s and 40s from Honduras/Nicaragua</li></ul>
<b>EA &gt; Global</b>	<ul style="list-style-type: none"><li>• Capacity is good</li><li>• Mombasa port facing severe congestion</li></ul>



