BK CONSULTING

Supply Chain & Operations Strategy | Executive Advisory

Clarity in Supply Chain & Operations

WEEKLY LOGISTICS INDUSTRY INSIGHTS

Cost | Capacity | Cycle Time | Port Disruption

Week Ending August 23, 2026

Executive Readout

- Ocean pricing turned higher again. Drewry's World Container Index rose 4% to $4,526/FEU, with Shanghai–Los Angeles and Shanghai–New York both up 9% week over week.
- Domestic freight remains a volume/pricing divergence: Cass July shipments fell 4.8% year over year while expenditures rose 9.1%, indicating shippers are paying more against a softer shipment base.
- Air freight remains firm versus last year. The Baltic Air Freight Index was up about 19% year over year on Aug. 17; Shanghai outbound pricing was recently more than 20% above prior year.
- LA/LB is processing very high volume without pandemic-style backlogs, but that concentration remains a resilience risk. LA handled 960,464 TEU in July.
- Port disruption risk is currently YELLOW: no evidence of an imminent coastwide ILWU strike, but LA/LB concentration, blank sailings and historical local work actions justify active contingency planning.

Logistics Pricing & 12-Month Trend

Mode / benchmark	Current public reference	12-mo / YoY signal	Interpretation
Global ocean — Drewry WCI	$4,526 / 40-ft FEU	Elevated; current week +4%	Carrier capacity management is supporting rates.
Shanghai → Los Angeles	$6,802 / 40-ft FEU	+9% WoW	Transpacific West Coast tightening.
Shanghai → New York	$9,507 / 40-ft FEU	+9% WoW	East Coast premium remains large.
Containerized Freight Index	3,409.63 points (Aug. 21)	+140.9% YoY	Broad market remains far above last year.
Cass shipments	0.983 July index	-4.8% YoY	Demand remains soft.
Cass expenditures	3.52 July index	+9.1% YoY	Cost per shipment/rate pressure remains positive.
Baltic Air Freight Index	2,425 (Aug. 17)	+19.2% YoY	Air market materially firmer than last year.
Shanghai outbound air	Public TAC directional index	+23.3% YoY in late July	Asia-origin air remains elevated.
Parcel — UPS/FedEx	Public tariff/surcharge structures; lane-specific realized rates gated	No reliable single 12-mo spot series	Track contract-specific net rates, DIM, DAS and peak surcharges.
Air charter Shanghai→Nashville	No transparent standardized public 12-mo series	Unavailable	Do not estimate; obtain forwarder/charter quotes for live mission pricing.

Port Disruption Risk Index

Indicator	Status	Current read
ILWU–PMA coastwide labor	GREEN/YELLOW	Contract runs through 2028; no credible current evidence of imminent coastwide strike.
LA/LB local labor action	YELLOW	Historical localized work actions mean non-contract disruption cannot be dismissed.
LA/LB throughput concentration	YELLOW	LA July volume 960k TEU; Long Beach also operating at very high scale.
Vessel queues / dwell	GREEN	No pandemic-style systemic backlog evident in current public reporting.
Blank sailings / capacity cuts	YELLOW/RED	Seven Transpacific blank sailings announced for next week; carriers are actively managing capacity.
Alternate West Coast capacity	YELLOW	Seattle/Tacoma and Oakland provide geography diversification but remain ILWU ports.
Gulf / East Coast alternatives	GREEN/YELLOW	Houston/Savannah/NYNJ provide labor-jurisdiction diversification; Panama and inland

		cost/time must be modeled.
Asia→U.S. rate spread	YELLOW	Shanghai→NY premium vs LA remains material; both rose 9% this week.

Overall BK Port Disruption Risk: YELLOW. The immediate risk is not a known strike announcement; it is concentration plus capacity management. Maintain routing options before a labor event occurs.

Carrier / Network Watch

Area	Watch item	Action
Maersk / ocean peers	Blank sailings, Panama surcharges, Transpacific GRIs	Secure space early; preserve alternate gateways.
UPS / FedEx	Accessorial and surcharge exposure	Audit net realized rate, not headline tariff.
Air cargo	Asia outbound firmness	Use air only where value-of-time exceeds premium; pre-negotiate uplift.
Truckload	Soft volumes but firmer pricing	Bid selectively; do not assume soft demand equals lower total spend.
Ports	LA/LB concentration	Pre-qualify Houston/Savannah/Seattle/Tacoma routings and inland legs.

BK Actions This Week

- Build a lane-level diversion playbook for LA/LB: Seattle/Tacoma for local disruption; Houston/Savannah for labor-jurisdiction diversification.
- Add trigger thresholds to the Port Disruption Risk Index: labor notice, terminal productivity deterioration, vessel queue, dwell, blank sailings and rate spikes.
- Separate ocean base rate from surcharges when comparing 12-month trends.
- Use Cass divergence as a warning that soft volumes do not guarantee falling transportation budgets.
- Maintain live quote capability for high-value Asia→U.S. air moves; public charter history is too opaque for reliable benchmarking.

Sources & Notes

Public-source intelligence is used for directional executive decision support. Spot/channel prices are not OEM contract prices. Where historical or exchange data are gated, the limitation is stated rather than estimated.

[1] Drewry World Container Index, Aug. 20, 2026.
[2] Cass Transportation Index, July 2026.
[3] TAC Index / Baltic Air Freight Index, Aug. 17, 2026.
[4] Port of Los Angeles, July cargo release, Aug. 18, 2026.
[5] Port of Long Beach, July 2026 statistics.
[6] Freightos Baltic Index methodology / public index information.
[7] Trading Economics containerized freight index, Aug. 21, 2026.
[8] ILWU–PMA historical labor and current contract context; no current strike announcement identified in public-source review.