FEBRUARY 2026

MARKET UPDATE

UNiserve
your global business

Part of GB Global

INTRODUCTION

Welcome to Uniserve's Monthly Market Update, your concise briefing on the trends, challenges and opportunities shaping global supply chains. Designed to help cut through complexity, this report equips you to make confident, informed decisions for the months ahead.

This month's edition brings together expert insights from across GB Global group companies, highlighting key developments from ocean and air freight to environmental compliance and customs regulations.

- Supply chain management consultancy
- Professional services
- Education
- Technology
- International freight management (road, ocean, air, rail)
- Warehousing
- Distribution
- Customs clearances
- Environmental compliance
- Risk and trade analysis

UNISERVE – PART OF GB GLOBAL

CONTENTS

Next Page

OCEAN FREIGHT UPDATE

UNIocean
Part of GB Global

KEY HEADLINES

- Suez: Shipping lines begin tentative return
- Chinese New Year slowdown triggers market stagnation
- Congestion at major Chinese gateways
- Asia-Europe trade lanes remain resilient

VIEW OUR AVATAR SUMMARY

Next Page

OCEAN FREIGHT GLOBAL MARKET OVERVIEW

Just days before revellers ring in the Year of the Horse, Uniserve's Ocean Commercial Director shares insights on key developments shaping ocean freight markets. From Chinese New Year disruptions to geopolitical tensions impacting key trade lanes, here's what you need to know.

Red Sea and Suez Canal: Cautious Developments, Continued Risk

The Red Sea and Suez Canal routing remains one of the most closely monitored issues within global ocean freight as heightened security risks in relation to Houthi attacks have seen shippers avoid the world's most critical trade lane.

The Gemini Cooperation, a premier shipping alliance between Maersk and Hapag-Lloyd, confirmed earlier this month that its IMX service – which connects India and the Middle East with the Mediterranean – is due to begin transiting the Red Sea and the Suez Canal from the middle of this month. Both eastbound and westbound voyages are included in this revised routing.

For cargo owners, this means continued exposure to extended transit times, increased fuel consumption, and pressure on vessel schedules.

China Market Conditions: Chinese New Year Impact Intensifies

The pre-Chinese New Year rush exerted a significant impact on global ocean freight markets. Many factories, suppliers, trucking providers and supporting logistics services reduced or suspended operations from February 10, with full activity often not resuming until March.

Subsequently, the market is experiencing intense pressure across the export chain. Shipping lines released bookings aggressively ahead of the holiday period, often accepting volumes in excess of normal allocation levels, creating heavy container backlogs at origin ports and an unavoidable increase in rolling cargo between sailings.

Port Congestion and Operational Challenges in China

The impact of overbooking is being felt acutely at Chinese ports of loading, where inbound container volumes are exceeding what terminals can process or load onto vessels. Conditions are particularly severe

"The Red Sea and Suez Canal routing remains one of the most closely monitored issues within global ocean freight."

Steve Ireland,
Director of Surface Freight Operations
si@ugroup.co.uk

Next Page

OCEAN FREIGHT GLOBAL MARKET OVERVIEW

at Ningbo and Nansha, where strict gate-in controls are in place, with containers only permitted entry against pre-booked and accepted slots. Once vessel capacity thresholds are reached, no further containers are allowed to gate in, regardless of booking status.

In some cases, laden containers may be dropped outside port terminals when gate-in is blocked. However, this option often results in additional surcharges, storage costs and operational complexity.

Yantian is also showing signs of deterioration, with limited daily intake slots now in place. Trucks are increasingly required to wait overnight to gate in, which in turn creates knock-on shortages in trucking availability.

Cargo Rolling and Vessel Reliability

Cargo rolling during this period is largely unavoidable. Across ocean carriers, up to double rolling is being experienced over a two-week window around the holiday period.

Where vessel delays or blank sailings occur, the impact on ETA is magnified, with extended transit times becoming increasingly common. Shippers should expect continued disruption through February as carriers work through backlogs and rebalance equipment post-holiday.

Wider Market Conditions: Capacity, Pricing and Discipline

Beyond Chinese disruption, elevated cargo volumes on Asia-Europe trade lanes persist through February, placing sustained pressure on vessel capacity and container availability.

Carrier behaviour remains notably disciplined compared with previous volatile periods. Shipping lines are prioritising capacity management, utilisation control and service integrity over aggressive volume growth.

Surcharges relating to fuel and emissions – including BAF and ETS – continue to be reviewed periodically in line with cost movements and regulatory requirements. They remain a key part of carrier cost recovery strategies and should be factored into planning.

"Cargo rolling during this period is largely unavoidable. Across ocean carriers, up to double rolling is being experienced over a two-week window around the holiday period."

Steve Ireland,
Director of Surface Freight Operations
si@ugroup.co.uk

Next Page

OCEAN FREIGHT GLOBAL MARKET OVERVIEW

India Export Demand Strengthens

Export demand from India continues to build with seasonal production cycles, agricultural exports and financial year-end activity combining to increase pressure on vessel space and container availability ex-India. It is expected to persist through Q1. Early engagement with bookings, accurate volume forecasting, and flexibility around routing and equipment selection are becoming increasingly important to secure reliable outcomes.

Indian Subcontinent: Three Key Takeaways

- Asia-Europe/Cape of Good Hope: There is plenty of capacity on Cape of Good Hope routes as Red Sea security risks persist. While additional sailings earlier in the year helped steady the market, ongoing textiles and pharma volumes – alongside contract rate discipline – are keeping rates stable.
- IMEC Corridor: Momentum behind the IMEC corridor builds as a Suez workaround. Pilot movements via UAE-Saudi Arabia-Greece are demonstrating potentially quicker trips.
- Bangladesh port disruption: After a week of strikes stranding tens of thousands of containers, Chattogram Port reopened on February 9. While port employees suspended strike activity until February, clearance remains slow and backlog pressures continue.

“There is plenty of capacity on Cape of Good Hope routes as Red Sea security risks persist.”

Shruti Jain,
Head Partner Developement - Asia
shj@ugroup.co.uk

Next Page

AIR FREIGHT UPDATE

KEY HEADLINES

- Chinese market barrels towards seasonal lull
- South Asia remains resilient
- 'Cautious optimism' for March rebound

VIEW OUR AVATAR SUMMARY

Next Page

UNIair
Part of GB Global

AIR FREIGHT GLOBAL MARKET OVERVIEW

A modest pre-Chinese New Year uplift is now giving way to the typical season lull, explains Uniserve's Air Freight Director Leighton Bonnett. He's detailed what you need to know this month, below.

Stable Start, Seasonal Softening

Last month delivered a steady start to the year for air freight markets, with volumes tracking just below January 2025. The traditional run-up to Chinese New Year generated only a modest uplift, with only a slight upturn in volumes.

The market is racing towards a lull, fuelled by factory closures across China and many staff not returning to work until the end of the month.

Capacity Adjustments and Freighter Scheduling

The holiday period typically spells many freighter services being temporarily cancelled; this year is no exception. There is, however, a silver lining: carriers are able to better align capacity with softened demand. Chinese New Year also provides operators with an opportunity to perform scheduled aircraft maintenance.

South Asia Resilience and Americas' Strength

The Indian Subcontinent (ISC) continues largely uninterrupted through February. While inbound flows from China have slowed – as with other nations – demand from India and Bangladesh remains firm.

Meanwhile, from a European export perspective, North and South America remain standout markets. However, the US East Coast continues to experience disruption following recent severe weather, with several days of backlog reported alongside higher rate levels.

Outside weather-affected routes, capacity conditions remain broadly sufficient for current export demand.

Cautious optimism for March rebound

Despite a tough trading environment, the air freight industry remains cautiously optimistic of a post Chinese New Year increase in demand and rate tightening from early March, through the summer.

"Last month delivered a steady start to the year for air freight markets, with volumes tracking just below January 2025."

Leighton Bonnett,
Director of Airfreight
lb@ugroup.co.uk

Next Page

AIR FREIGHT GLOBAL MARKET OVERVIEW

Indian Subcontinent: Six Key Takeaways

- US-India deal: In the aftermath of early February's US-India trade deal announcement, forwarders skewed towards pushing high-value, time-sensitive cargo like pharmaceuticals and gems, which may create indirect upward pressure on freight pricing for the next 4-6 weeks.
- E-com and perishables: Industry data continues to point to resilient demand for e-commerce and perishable goods, with market volumes stabilising after the year-end dip. Q1 2026 looks steady for Indian exports, mirroring last year's patterns.
- GCC carriers and BA: GCC carriers and British Airways are adding services from Mumbai and Delhi to the UK and Europe, giving shippers more direct and faster connections.
- GCC-India route capacity: Additional regional capacity on GCC-India routes (e.g., IndiGo/Air India feeders to Dubai/ Doha), coupled with expanded widebody capacity (Air India A350/787, Emirates/ Qatar 777s), is improving connectivity and transfer options for India-UK cargo. Enhance hub flows and new directs support quicker deliveries
- Electronics and textiles: Outflows hold firm and balanced.
- Bangladesh update: Sea freight disruption, seasonal demand and political uncertainty are squeezing capacity and driving rate volatility. EU/USA lanes are most affected, while Middle East routes remain tight ahead of Ramadan. Charter demand is rising.

"GCC carriers and British Airways are adding services from Mumbai and Delhi to the UK and Europe, giving shippers more direct and faster connections."

Shruti Jain,
Head Partner Development - Asia
shj@ugroup.co.uk

Next Page

ENVIRONMENTAL COMPLIANCE UPDATE

BEYONDLY
Part of GB Global

KEY HEADLINES

- Producer pEPR teething problems will give way to long-term stability

VIEW OUR AVATAR SUMMARY

Next Page

EXPLAINED: PRODUCER pEPR FEES AND INVOICING

The UK's Extended Producer Responsibility for packaging (pEPR) reached a major milestone in October last year, mandating obligated producers to receive their first Notice of Liability (NoL) invoice.

These invoices, which formally shifted the cost of collecting and sorting packaging waste from households to producers, are a foundational element of the pEPR regime.

How are base fees calculated?

The calculation of pEPR base fees relies on two key components: local authority waste management costsand producer-reported packaging tonnages.

Regarding the former, the Defra-developed Local Authority Costs and Performance (LAPCAP) model is used to calculate how much each UK local authority spends managing household packaging waste, net of any revenue generated from the sale of collected materials.

When these net local authority costs are aggregated across the UK and combined with each material's share of additional scheme costs (including PackUK administration, communications, and debt provision), they form the total amount that must be recovered from producers under pEPR.

Reporting of household and public bin packaging tonnage, however, will see producers submit data twice-per-year. These submissions are aggregated to give a total tonnage for each packaging material. Dividing the total cost to be recovered by the total reported tonnage produces the base fee: the per-tonne cost of managing each material.

What happened?

When the 2025 base fees were published last June, the compliance year had not yet closed, and not all producers had completed their submissions. To account for this, Defra used an analytical model to estimate the total in-scope packaging likely to be reported, alongside completed H1 and H2 2025 data.

While the modelling was appropriate based on the information available at the time, the issuance of NoLs in October triggered a wave of resubmissions. Many producers revisited their data once they could see the direct financial implications, leading to revised figures that were materially lower than the government's projections.

"The calculation of pEPR base fees relies on two key components: local authority waste management costs and producer-reported packaging tonnages."

Emily Baker,
Marketing Leader
emily.b@beyond.ly

Next Page

EXPLAINED: PRODUCER pEPR FEES AND INVOICING

Why may fees increase?

The 2025 compliance year is now closed – and no further submissions can be made. The total reported tonnage is therefore fixed.

If we look back to the original calculation, the total cost to be recovered (local authority and scheme costs) has not changed; however, the total tonnage has decreased. As a result, the per-tonne base fees must increase to ensure the required total is still recovered. This reflects the zero-sum nature of pEPR: the scheme cannot raise more or less than the actual costs incurred.

What happens next?

Because this was the first NoL and the first time many producers experienced the full financial impact of pEPR, a surge in resubmissions was almost inevitable.

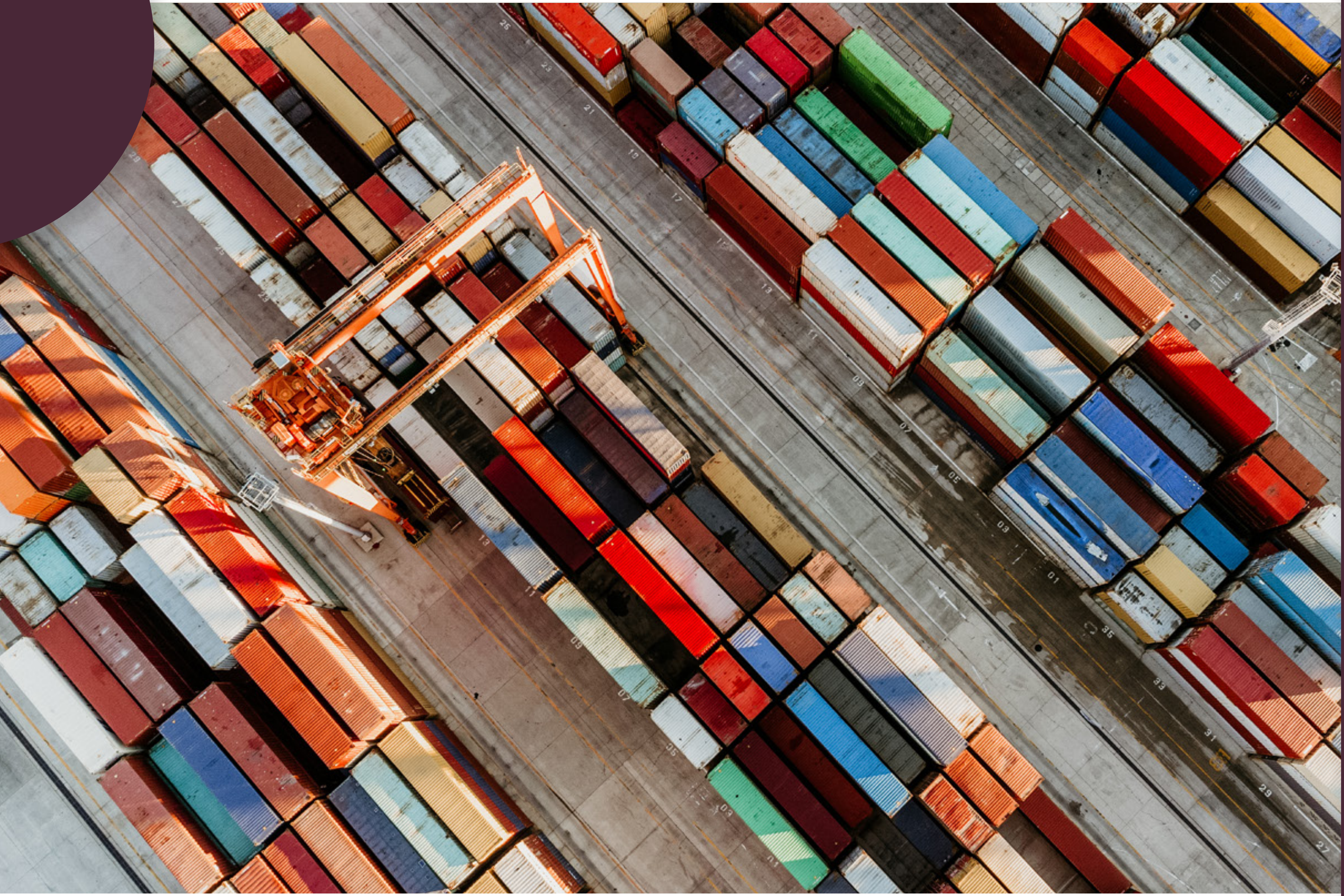
Looking ahead to 2026, it is reasonable to expect fewer large-scale resubmissions as producers refine data collection and reporting processes, multiple years of data are input into the system, and government methodologies continue to be refined. Over time, this should lead to greater stability between illustrative fees, base fees, and any potential post-submission adjustments.

“This reflects the zero-sum nature of pEPR: the scheme cannot raise more or less than the actual costs incurred.”

Emily Baker,
Marketing Leader
emily.b@beyond.ly

Next Page

BKR CONSULTANTS UPDATE



BKR CONSULTANTS LIMITED

Part of GB Global

KEY HEADLINES

- Trump's 'America First' protectionism is pushing US trading partners towards RTAs

VIEW OUR AVATAR SUMMARY

Next Page

TRUMP FLOUTS WTO RULES, PUSHING NATIONS TOWARD RTAS

It's been almost a year since President Trump opened a new chapter in the US's economic history, dubbed "Liberation Day" by his administration, when he unveiled sweeping tariffs on dozens of countries.

Since then, the administration's aggressive trade policy – with threats of levies ratcheting up into triple-digit territory – has strained relationships with longstanding allies and unsettled the rules-based international trading system the US once championed.

In response, U.S. trading partners have begun pursuing alternative strategies to limit the economic fallout. Among them is a renewed push for regional trade agreements (RTAs), such as the EU and India striking the "mother of all deals" last month and the trading bloc's similar agreement with Mercosur.

Trump continues to justify tariffs as a national security measure, in doing so, exposing loopholes in World Trade Organisation rules to sidestep core principles – while technically remaining within the system.

The consequences are serious: they weaken the very foundations of the multilateral trading system that relies on non-discrimination, predictable rules and the gradual liberalisation of trade through negotiation rather than coercion.

Many countries are now seeking to diversify trade ties and reduce dependence on the U.S. market, prioritising partnerships with economies that continue to uphold WTO norms and support open trade.

Some analysts note that the surge in regional trade agreements reflects a long-running global trend as governments look for progress outside a stalled WTO negotiating agenda.

However, Trump's "America First" protectionism appears to be accelerating the shift: countries seeking a more open trading environment – and looking to offset the impact of US tariffs – are likely to deepen cooperation through new, more innovative regional agreements.

"Many countries are now seeking to diversify trade ties and reduce dependence on the U.S. market."

Toby Spink,
Director at BKR Consultants Limited
Toby.Spink@bkrconsultants.com

Next Page

TRUMP FLOUTS WTO RULES, PUSHING NATIONS TOWARD RTAS

Five key types of RTAs

According to the WTO, RTAs are any reciprocal trade agreements between two or more partners, not necessarily from the same geographic region. In descending order of economic integration, here are the main types of RTA:

- Economic Union: The "fullest" RTA form incorporating a common market and customs union. Members seek to operate as a single economic bloc
- Common Market: A looser RTA form with many similar features, including a common market and customs union, but stopping short of the degree of policy alignment necessary for an economic union
- Customs Union: An RTA form confined to the free cross-border movement of goods between members and the adoption of common external tariffs and customs measures at the union's external border
- Free Trade Agreement, Area or Association: Agreement to eliminate most trade barriers between members, but where there is no common external tariff or policy in relation to non-members
- Preference Schemes/Programmes: Typically unilateral, non-reciprocal market access schemes/programmes focused mainly on selective tariff relief for developing countries' goods.

"According to the WTO, RTAs are any reciprocal trade agreements between two or more partners, not necessarily from the same geographic region."

Toby Spink,
Director at BKR Consultants Limited
Toby.Spink@bkrconsultants.com

Next Page

SUPPLY CHAIN ACADEMY

supply chain academy

Part of GB Global

KEY HEADLINES

- Unlock Your Supply Chain Potential with Short-Courses from Supply Chain Academy.

VIEW OUR AVATAR SUMMARY

Next Page

SUPPLY CHAIN MANAGEMENT SHORT COURSES

Develop. Grow. Succeed.

At Supply Chain Academy, we are committed to equipping professionals with the practical skills and industry insights needed to thrive in today's fast-moving supply chain environment.

Our upcoming short courses are designed to deliver focused, high-impact learning experiences that empower you to sharpen your expertise, strengthen your career prospects, and stay ahead of industry trends.

Whether you are looking to upskill, transition into a new role, or enhance your organisation's performance, our expert-led programmes provide the tools and knowledge you need to succeed. With flexible learning options and real-world case studies, our courses are tailored to meet the demands of modern supply chain professionals. Spaces are limited to ensure an engaging and interactive experience, so we encourage you to secure your place early.

Take the next step in your professional journey - **sign up** for our upcoming short courses and get in touch with us today to register and unlock new opportunities.

COURSES AVAILABLE

FUNDAMENTALS OF SUPPLY CHAIN

An introduction to end-to-end supply chain principles and how decisions impact the wider business.

24 Feb & 13 May (AM)

FUNDAMENTALS OF FREIGHT FORWARDING

Covers the essentials of freight forwarding, documentation, and transport management.

13 May (PM)

"We are committed to equipping professionals with the practical skills and industry insights needed to thrive in today's fast-moving supply chain environment."

Alex Mortimer,
Commercial Director at Supply Chain Academy
am@supplychainacademy.org.uk

Next Page

SUPPLY CHAIN MANAGEMENT SHORT COURSES

FUNDAMENTALS OF UK CONTRACT LAW

Builds understanding of contractual obligations, risk management, and supplier agreements.

15 Apr & 22 Apr (AM)

ADVANCED PROCUREMENT TECHNIQUES

An introduction to end-to-end supply chain principles and how decisions impact the wider business.

15 Apr (PM)

MANAGING LOGISTICS

Covers key principles of logistics management, including transport planning and service delivery.

03 Mar (AM)

WAREHOUSE MANAGEMENT

Practical guidance on warehouse operations, inventory control, and workflow optimisation.

03 Mar (AM)

Alex Mortimer,
Commercial Director at
Supply Chain Academy
am@supplychainacademy.org.uk

Next Page

uniserve

your **global** business