

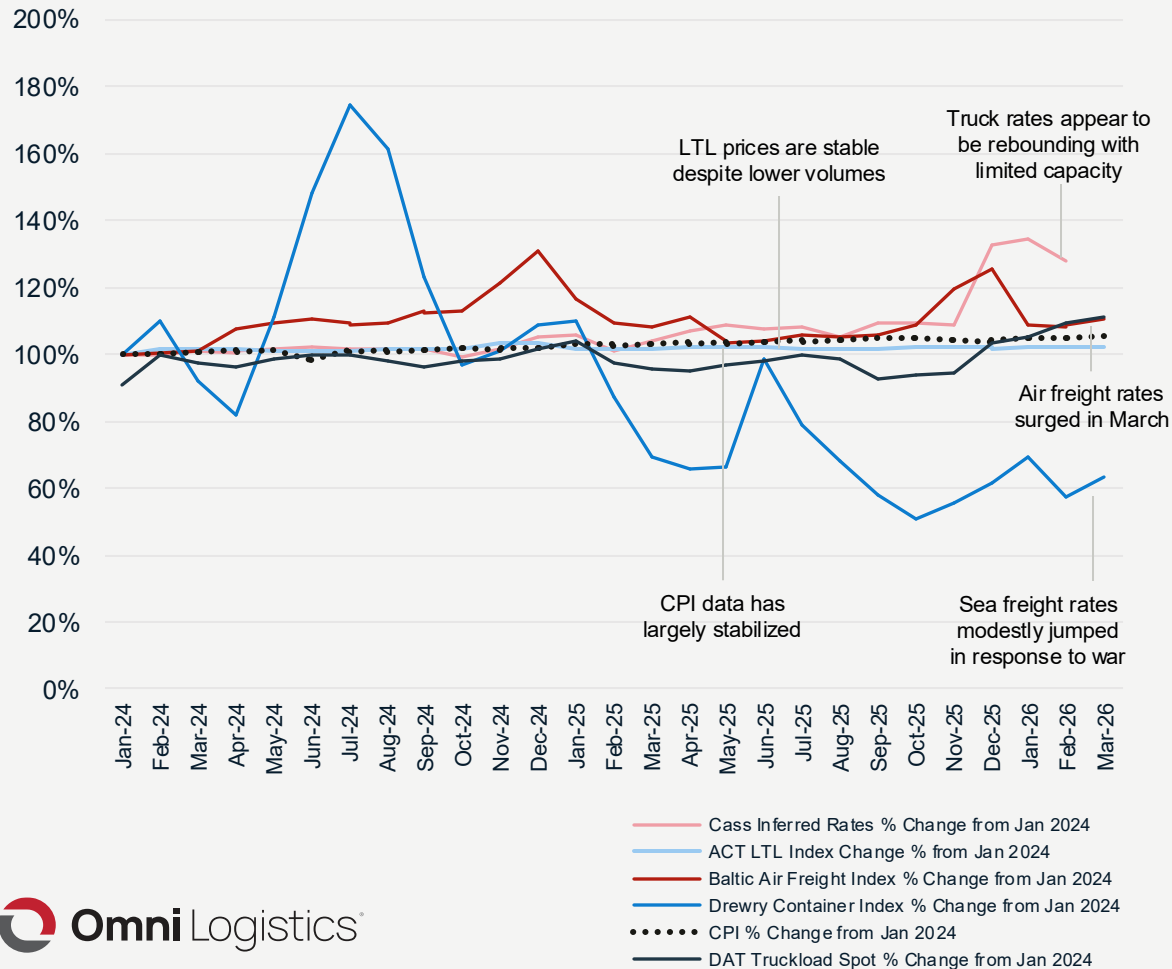


Market Insights

April 2026

Major Macro-Economic Indicators

Last Two Years Major Freight Rates vs. CPI Increase



Economic Sentiment

- Consumer sentiment declined by three points in March
- The February Logistics Managers Index slightly increased to 61.5 due to indicators of a freight market comeback
- The WTO projects world trade flows and economic growth to slow faster YoY than expected

Labor Force

- The February jobs report was weak with a loss of 92,000 jobs vs an expected addition of 50,000
- Labor force participation fell to the lowest level since December 2021
- Transportation and warehousing labor was down 11,000 jobs in February, down a total of 2.4% from peak sector employment 12 months ago

Inflation vs Rates

- Energy price spikes are a primary concern with the conflict in the Middle East
- Global food prices broke a five-month downward trend (WSJ)
- YOY inflation in consumer prices was 2.4% in February, a number that did not account for effects of conflict in the Middle East
- GDP growth slowed in Q4 2025 to 1.4%

Inventories vs Sales

- U.S. retail sales fell 0.2% in January as reported by the Commerce dept. (WSJ)
- Both wholesale and retail inventories compared to sales have declined YoY – in 2025 retailers were pre-stocking before tariffs hit

International Trade & Freight Overview

Quick Digest

Middle East Conflict Drives Freight Disruptions

- **Outlook:** Conflict-related disruptions around the Strait of Hormuz continue to constrain capacity and elevate freight costs, sustaining uncertainty across major trade lanes.

U.S. CBP Prepares for IEEPA Tariff Refunds

- **Outlook:** CBP is developing new Automated Commercial Environment (ACE) functionality to support large-scale processing of IEEPA tariff refunds following recent court rulings. The new system will require importer-submitted declarations, entry-level validation, and electronic ACH disbursement, making early system and data readiness critical.

10% Global Tariff Takes Effect, February End

- **Outlook:** A new 10% global tariff is now in effect, increasing landed costs across a wide range of imported goods. Importers should assess exposure, validate classification and valuation, and review pricing, sourcing, and customer pass-through strategies as impacts work through supply chains.

Geography Spotlights

Americas	Europe	Asia	Middle-East Africa
<ul style="list-style-type: none"> - IEEPA refund process shifts burden to importers; ACE/ACH readiness critical. - Rising fuel costs add pressure to trucking and intermodal rates. 	<ul style="list-style-type: none"> - Asia–Europe lanes remain strained by Middle East rerouting and longer transits. - EU parliament have signaled conditional support for U.S.–EU trade agreement, details under negotiating. 	<ul style="list-style-type: none"> - Increased use of multimodal and landbridge routes to Europe. 	<ul style="list-style-type: none"> - US-Israel war with Iran and Strait of Hormuz risk continues to disrupt flows and tighten global capacity.

Notable Themes

 <p>Cost Predictability Remains Challenged in International Freight</p> <p>Fuel price volatility and the continued use of dynamic surcharges tied to security, insurance, and routing changes are limiting cost predictability across ocean and air freight for global shippers.</p>	 <p>Slower Demand Recovery in Goods Trade</p> <p>Goods demand remains uneven across major trade lanes as services spending continues to outpace physical freight growth, limiting a broad-based volume rebound.</p>	 <p>Tariff Uncertainty Persists</p> <p>Uncertainty continues as a proposed tariffs loom, complicating sourcing, pricing, and inventory planning for importers. Ongoing legal and policy debate around presidential authority to impose broad tariffs.</p>
--	---	---

Interesting Reads

- [US opens forced-labor probe into 60 trading partners](#)
- [WTO chief calls for trade overhaul to meet new world order](#)
- [86% of supply chain leaders report impact from policy shifts, tariffs](#)

[Register here](#) for our upcoming webinar in partnership with Braumiller Law Group PLLC, on April 15 for a live discussion on CBP's IEEPA refund process and upcoming claim portal, followed by a live Q&A.

Feature Focus: Middle East Conflict

Quick Digest

International Impact: Capacity, Routing and Cost Pressure

- **Outlook:** Conflict around the Strait of Hormuz continues to constrain vessel traffic, tighten global capacity, and drive higher freight and fuel costs. Carrier suspensions, rerouting, and risk surcharges are extending transit times and increasing landed costs across key trade lanes.

North America Domestic Impact: Fuel Volatility and Rate Pressure

- **Outlook:** Middle East disruption is flowing into North American markets through fuel price volatility, surcharges, and tightening capacity. Displaced air and ocean volumes are beginning to shift into domestic trucking, increasing pressure on truckload, LTL, and time-sensitive capacity.

Middle East Hub Disruptions Continue to Constrain Global Networks

- **Outlook:** Instability is limiting operations at major Middle Eastern air and sea hubs, restricting capacity and driving rerouting, surcharges, and elevated freight rates. Backlogs and cost pressure persist across key Asia–Europe–U.S. trade lanes.



Key Figures

12%

of global container fleet directly affected

10+

additional days per voyage through Cape of Hope

55%

Brent crude oil trading increase

\$1,500+

Emergency Surcharges per container

Notable Themes



Uncertainty Surrounds Global Fuel Supply

Geopolitical conflict and security risks across key energy corridors are sustaining uncertainty in global fuel supply and pricing. Resulting volatility continues to flow through ocean, air, and ground freight costs, complicating transportation planning and budget certainty for shippers.



Long-Term Trade Patterns Face Structural Pressure

Prolonged geopolitical conflict and energy market disruption are expected to slow global trade growth and structurally reshape trade flows through higher costs, increased regionalization, and sustained risk aversion.



Disruptions Force Alternative Routing

Ongoing conflict and safe-passage requirements in the Strait of Hormuz are sustaining uncertainty on traditional ocean routes. As a result, shippers continue turning to rail, road, and multimodal landbridge options between Asia and Europe, increasing costs and planning complexity.

Interesting Reads

- [IATA: February air cargo demand jumps 11%, but conflict clouds outlook](#)
- [Hormuz closure triggers 'havoc' for project logistics supply chain](#)

Sources: HKUST Institute for Emerging Market Studies, Natixis, Portwatch, LSEG Workspace, Reuters, World Bank, Hormuz Tracker

North America Freight Overview

Quick Digest

Fuel Price Volatility Intensifies Amid Middle East Conflict

- **Outlook:** Escalating conflict in the Middle East contributed to sharp fuel price increases and volatility in March, closely aligning with supply-constraint-driven increases in full truckload pricing across North America.

HS Shutdown Raises U.S. Air Cargo Concerns

- **Outlook:** A potential U.S. Department of Homeland Security shutdown raises concerns over disruptions to air cargo screening and customs processing. Any lapse could slow clearance and add strain to already constrained air freight networks, particularly for time-sensitive shipments.

Trailer Storage Demand Signals Warehouse Constraints

- **Outlook:** Nearshoring and tariff uncertainty are driving increased trailer storage demand as shippers stage inventory closer to end markets, highlighting tighter warehouse capacity and greater reliance on yard space.

Key Figures

116.2

The ATA for-hire truck tonnage index in February. It's largest one month gain since 2022.

>32%

Flatbed tender rejections in early March. The second time in 8 years the metric has reached that rate, as demand has surged to start the year.

47,200

Class 8 truck orders in February, the highest level since September 2022.

Notable Themes



Capacity Tightens as Networks Rebalance

Carrier exits, higher operating costs, and equipment constraints are tightening ground freight capacity despite mixed demand signals. This leaves shippers more exposed to spot volatility and service disruptions during demand spikes or weather events.



U.S. Trailer Orders Surging Seasonally

Trailer orders have surged to over 24,000 for the second straight month, in line with seasonal cycles the last two years.



Labor Pressures Weigh on Ground Freight Networks

Labor availability challenges, including increased restrictions and costs affecting non-domicile drivers and terminal workers, are adding strain to ground freight operations. These pressures are limiting network flexibility and contributing to tighter capacity.

Interesting Reads

- [Cargo theft in 2026: Top targets, high-risk states](#)
- [The latest cargo theft victim: Kit Kat bars](#)
- [The state of Oregon has ended issuance of non-domicile CDLs over concerns of losing federal funding](#)
- [US Import Prices Post Biggest Increase in Four Years Amid Broad Rise in Goods](#)

North America LTL Freight Overview

Quick Digest

Trailer Storage Demand Rises Amid Supply Chain Shifts

- **Outlook:** Rising tariffs and nearshoring strategies are driving increased demand for trailer storage as shippers hold inventory closer to end markets, signaling a need for greater flexibility in distribution and yard management.

E-commerce Fulfillment Shifts to Slower Transit

- **Outlook:** Consumers and retailers are increasingly opting for slower, lower-cost fulfillment, accelerating a shift away from legacy parcel carriers toward more traditional road freight as cost priorities align.

U.S. Manufacturing Employment Softens

- **Outlook:** Manufacturing job losses suggest cooling industrial demand, which could directly limit freight volumes tied to production and downstream distribution.

Key Figures

31%

YoY increase in leases for warehouse facilities over 500,000 square feet, the highest rate since 2022.

\$5.375

National average diesel price in mid-March. The highest level since 2022.

\$10,000

The projected rise in the purchase price of a class 8 tractor unit, a contributor to the increased costs of running an LTL network fleet.

Notable Themes



E-commerce Shifts Freight Mix

E-commerce activity is increasingly diverting shipments away from full truckload moves toward dedicated LTL and parcel networks, reshaping capacity demand and network design across domestic freight markets.



Warehouse Location Strategy Evolves

Port-adjacent industrial leasing remains constrained, with port facilities representing a small share of new industrial absorption over the past 15 years, pushing tenants to seek lower-cost inland locations and longer drayage profiles.



Driver Pool Faces Structural Constraints

Potential federal legislation restricting non-citizen commercial driver licenses could further tighten the U.S. labor market, increasing pressure on capacity, costs, and service reliability.

Interesting Reads

- [Amazon is planning to significantly cut the volume of packages it ships through the USPS](#)
- [LTL jobs appear to take big hit at start of 2026](#)

Air Freight Overview

Quick Digest

Air Cargo Demand Growth Remains Strong

- **Outlook:** Global air cargo demand rose 11.2% YoY in February, extending the strong volume trend seen since late 2025. Growth exceeded recent monthly averages, supported in part by Lunar New Year timing shifting incremental volume into February, with APAC leading gains.

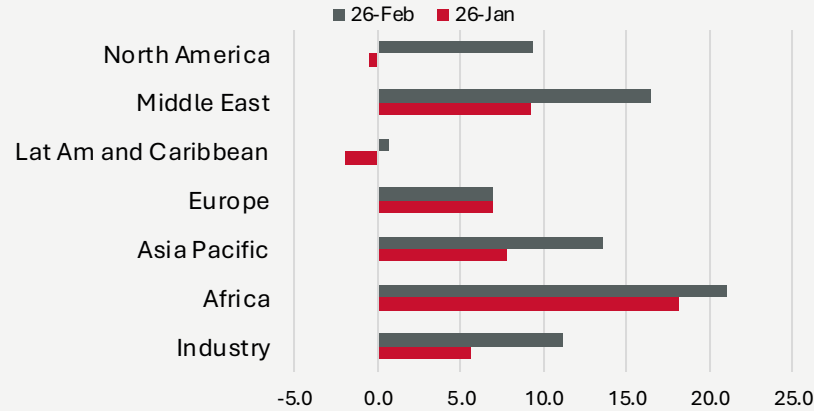
Air Cargo Capacity Growth Moderates

- **Outlook:** Available capacity increased 8.5% YoY in February, up from prior months but still trailing demand growth. Capacity expansion was broad-based, led by APAC and North America, keeping markets relatively tight despite incremental lift returning.

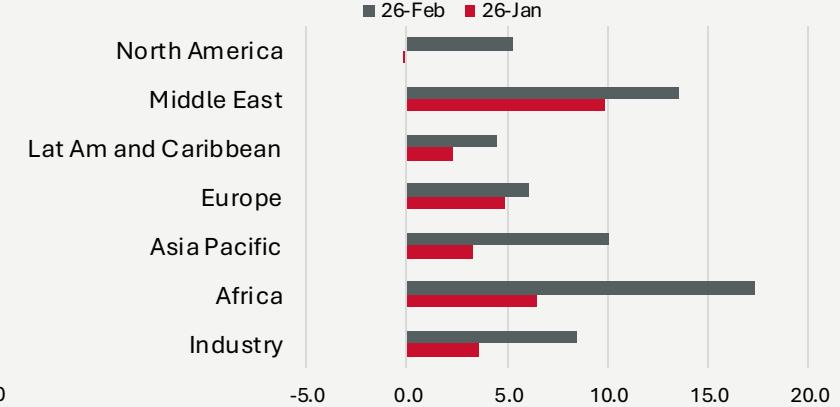
Middle East Conflict Disrupts Air Cargo Networks

- **Outlook:** Escalating conflict since early March has significantly impacted air cargo, with Gulf carriers representing roughly 18% of global capacity operating reduced schedules. Jet fuel prices have surged, and carriers continue to adjust fuel and risk surcharges as network and cost volatility persist.

Air Cargo Demand: Market CTK by airline region of registration, YoY %



Air Cargo Capacity: Market ACTK by airline region of registration, YoY %



Notable Themes



Air Disruptions Drive Supply Chain Shifts

Closures and restrictions at major gulf hubs (DXB, AUH, DOH) and throughout the air space in the middle east is having a major impact across the global supply chain. Sri Lanka, Pakistan, India, and Bangladesh lead the countries most exposed to reduced capacity.



Rising Fuel Costs Push Air Freight Rates Higher

Jet fuel reached \$197 / BBL in late March – a 100% increase from just 3 weeks prior. This is driving immediate and weekly surcharge increases from carriers. These surcharges are being issued as fuel, war risk, security and emergency.



Air Cargo Drives Front-Loading and AI Supply Chains

IATA has released a report showing air cargo enabled frontloading \$157B in US imports in 1Q 2025 and that air cargo transported more than two thirds global AI related goods in 2025.

Interesting Reads

- [Air cargo rates surge as Gulf disruption deepens and capacity reshapes global flows](#)
- [IATA highlights three strategic priorities for the air cargo industry](#)
- [Air cargo frontloads trade and supports AI growth](#)

Ocean Freight Overview

Quick Digest

Geopolitical Disruptions Hit Ocean Shipping

- **Outlook:** Escalating conflict around the Strait of Hormuz is disrupting vessel traffic, tightening global ocean capacity, and driving higher freight rates and fuel surcharges. Carriers continue to reroute services and extend transit times.

Jones Act Waiver Eases Near-Term Fuel Pressure

- **Outlook:** The U.S. administration has temporarily waived the Jones Act, which restricts port-to-port shipments to U.S.-flagged vessels, in an effort to help offset rising fuel costs. This temporary waiver allows internationally flagged vessels to operate in U.S. coastal trades.

Panama Canal Port Dispute

- **Outlook:** The Panama Canal is facing mounting disruption as a legal battle over terminal concessions has replaced CK Hutchison with interim operators, triggered rerouted shipping services, and sparked geopolitical tensions that are increasing vessel inspections and threatening global port and trade flows.

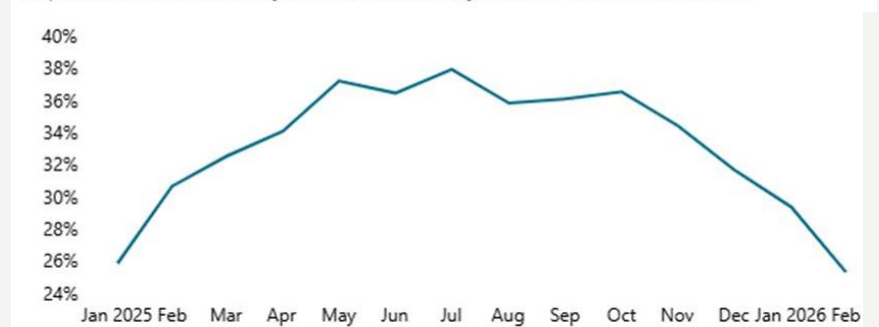
Key Figures

Spot market rates up more than 15% compared with a year ago
Dry-van spot rates, excluding fuel, DAT's Top 50 US Lanes



Global ocean reliability slipping

Ships are considered late if they arrive one calendar day or more after the scheduled time.



Notable Themes



Carrier Capacity Discipline Shapes the Market

Ocean carriers continue to tightly manage capacity to protect rates amid market volatility, reducing available space and limiting shippers' routing and scheduling options. This discipline increases exposure to rate volatility, rollovers, and longer lead times.



Risk-Driven Surcharges Persist Despite Easing Congestion

Container port congestion is easing after initial Iran-related disruptions, but elevated security risks continue to drive war-risk surcharges, insurance premiums, and operational fees. As a result, ocean shipping costs remain elevated even as network fluidity improves.



Elevated Cargo Risk Reshapes Insurance Landscape

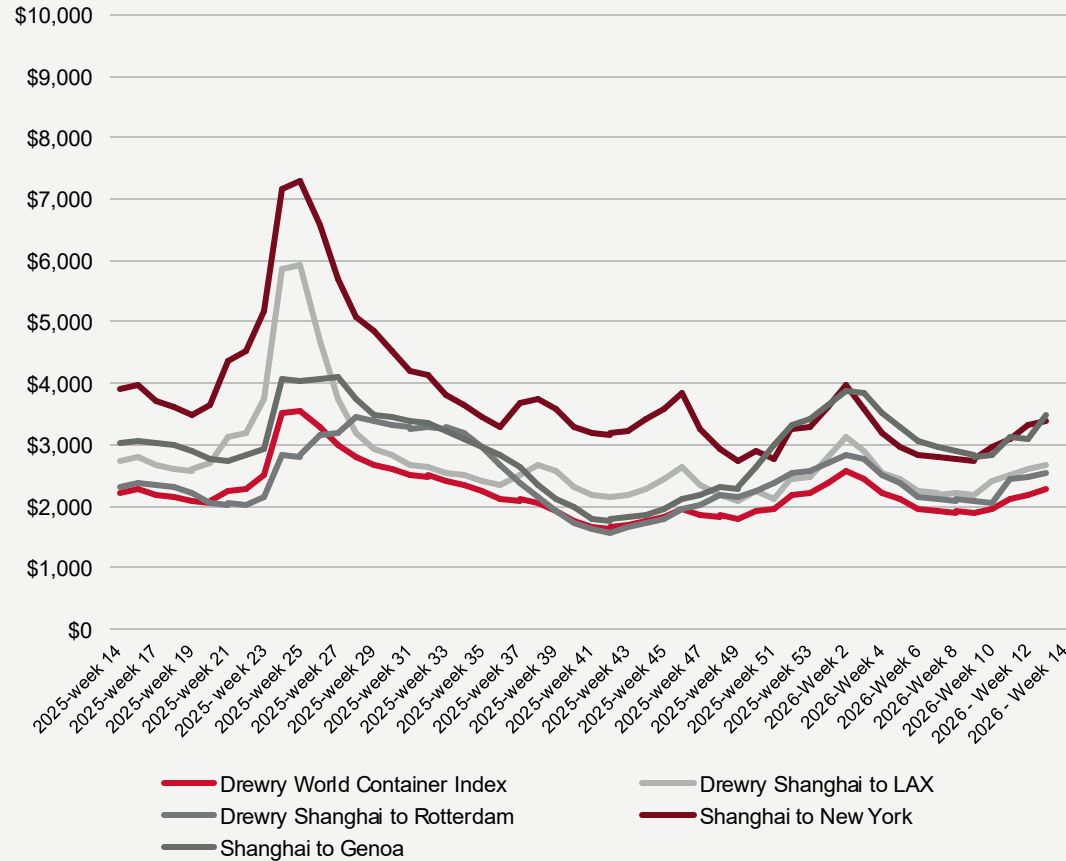
Ongoing conflict in the Middle East is increasing cargo risk, driving higher war-risk premiums and tighter insurance terms. For cargo owners, securing coverage and managing risk allocation are becoming critical amid heightened route and security uncertainty.

Interesting Reads

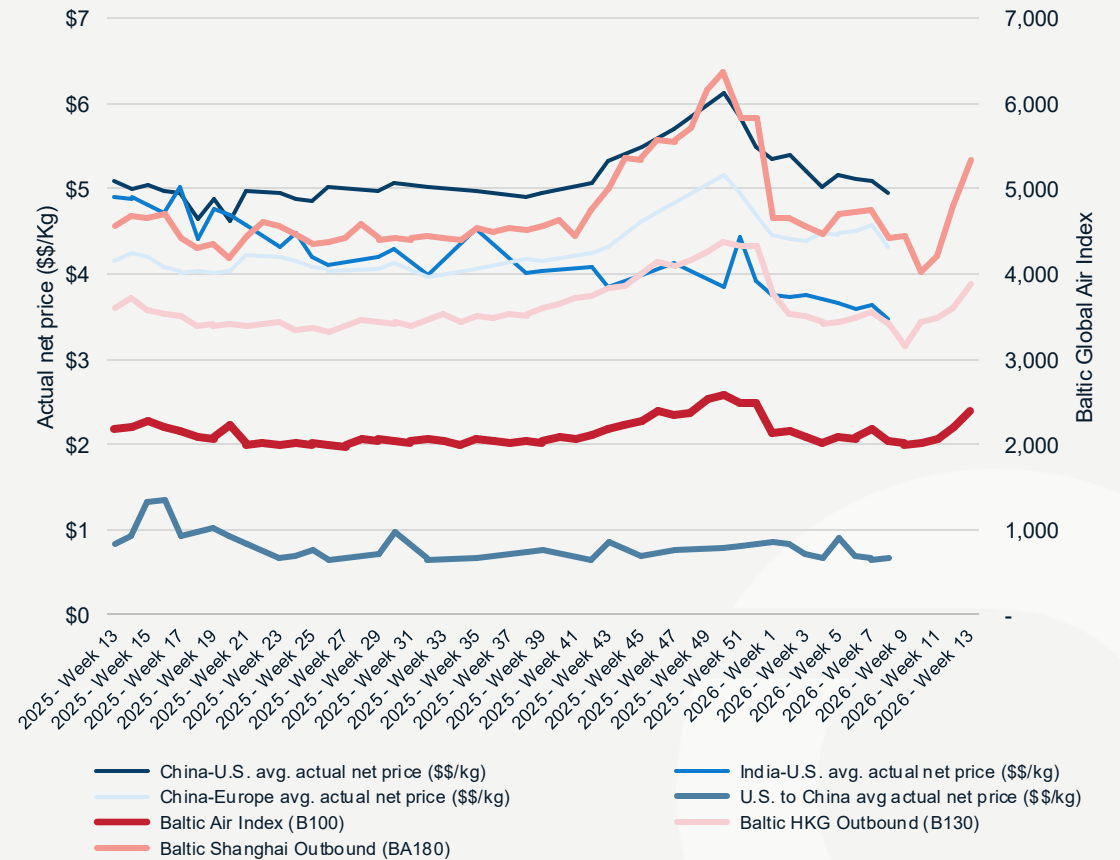
- [How the Iran conflict is impacting global ocean shipping flows](#)
- [Hapag-Lloyd faces \\$40-50 mln costs weekly due to Iran war, CEO tells ntv | Reuters](#)
- [Hapag-Lloyd to Invest \\$1 Billion in Indian Maritime Sector for Diversification](#)

Market Rates: Ocean & Air

World Container Market Rates – Last 52 Weeks



Major Air Freight Market Rates – Last 52 Weeks



Customs & Trade Compliance Trends Overview

Quick Digest

ACH Enrollment Critical for IEEPA Refunds

- **Outlook:** U.S. CBP will issue refunds only for eligible unliquidated and not-final liquidated entries, with payment delivered electronically via ACH. Importers must review entry liquidation status, file required declarations, and ensure ACE/ACH enrollment to avoid delays or lost recovery.

Section 301 Probe Expands Focus on Forced Labor

- **Outlook:** The U.S. has initiated a Section 301 investigation into forced labor practices, to include U.S. allies and free trade agreement partners. The investigation may lead to new tariffs or restrictions, raising compliance requirements for multi-country supply chains.

EU Advances Major Customs Reform

- **Outlook:** EU lawmakers have reached agreement on a sweeping customs reform, introducing a new EU Customs Authority, enhanced data-sharing, and tighter oversight of e-commerce and high-risk goods entering the bloc.

Regulatory & Tariff Updates

U.S.	Middle East	EU / UK	Asia
<ul style="list-style-type: none"> - 10% temporary Worldwide Tariff under Section 122. - US-Mexico free trade agreement talks to begin, March 16. - Ecuador-U.S. trade agreement reached, products that will receive most-favored nation tariff rate treatment in the U.S. 	<ul style="list-style-type: none"> - Gulf states have activated customs contingency measures to support supply-chain continuity, prioritizing cargo clearance, essential goods, and port and border resilience amid regional disruptions. 	<ul style="list-style-type: none"> - UK-EU SPS Agreement, expected to implement mid-2027. - EU-Mercosur Trade Accord to apply provisionally, May 1. - Overhaul the EU customs framework. 	<ul style="list-style-type: none"> - Thailand to submit Section 301 probe comments by April 15. - China has warned of potential trade reprisals against Mexico following Mexico's introduction of import duties of up to 50% on a wide range of Asian goods.

Notable Themes



Importers Must Act to Secure IEEPA Refunds
Recovery is not automatic and requires active importer engagement. Companies must assess entry liquidation status, prepare documentation, and ensure ACE and ACH readiness to avoid delays as CBP's refund process takes shape.



Pressure Builds to Reform Global Trade Rules
The WTO is calling for reforms to modernize global trade rules as geopolitical tensions and fragmentation strain existing frameworks. For importers and exporters, this signals continued uncertainty as multilateral trade norms evolve.



Importer Compliance Burden Continues to Rise
Importers are increasingly responsible for proactive compliance, from ACH readiness for refunds to expanded due-diligence and documentation requirements. Greater importer involvement is now critical to avoid delays, penalties, and lost recoveries.

Interesting Reads

- [De minimis: Case aiming to revive exemption can proceed, court rules](#)
- [Trump's temporary 10% tariff faces further legal scrutiny](#)
- [Rethinking global trade costs: What the proposed Last Sale Valuation Act means for credit professionals](#)

General Disclaimer

The information in this presentation has been sourced from third-parties and is intended for general and informational purposes only. While this presentation is provided to customers to provide factual data and content regarding market or industry conditions, it does not reflect the views or positions of Forward Air Corporation (“Forward”) or Omni Logistics (“Omni”, together with Forward, the “Company”).

The Company does not guarantee the accuracy, completeness or reliability of the information provided, and this presentation does not constitute investment advice, nor is it warranted to be complete, timely, accurate or suitable for a particular purpose. Additionally, the information included in this presentation, including any trends or market insights discussed, may not necessarily be indicative of the Company’s own business and results of operations.



Omni Logistics®