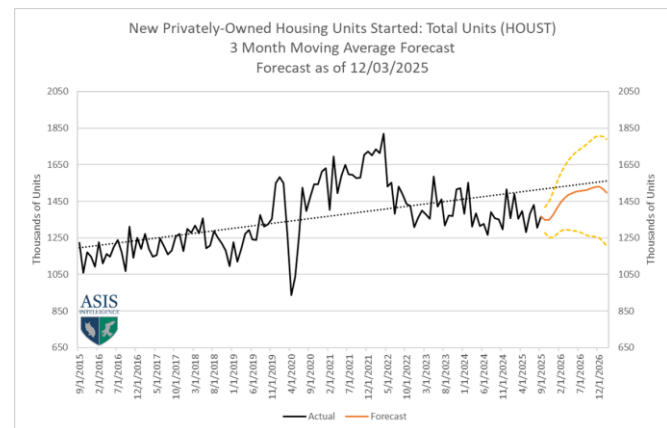


Factors Shaping Supply Chain & Logistics

Federal Reserve Forecast for 2026 Stuns. The Federal Reserve released its latest outlook for the economy and one key factor stood out. In its outlook for 2026, it raised GDP from 1.8% to 2.3%, signaling a much faster rate of growth. Most signals suggest that consumer spending will remain stable, some uptick in a few durable goods categories will pick up, residential housing construction is poised for better growth, and nonresidential construction (with data centers, power generation, manufacturing, health care, and moderate institutional construction leading the way). US logistics activity should improve as well with this outlook.

Variable	Median ¹				
	2025	2026	2027	2028	Longer run
Change in real GDP	1.7	2.3	2.0	1.9	1.8
September projection	1.6	1.8	1.9	1.8	1.8
Unemployment rate	4.5	4.4	4.2	4.2	4.2
September projection	4.5	4.4	4.3	4.2	4.2
PCE inflation	2.9	2.4	2.1	2.0	2.0
September projection	3.0	2.6	2.1	2.0	2.0
Core PCE inflation ⁴	3.0	2.5	2.1	2.0	
September projection	3.1	2.6	2.1	2.0	
Memo: Projected appropriate policy path					
Federal funds rate	3.6	3.4	3.1	3.1	3.0
September projection	3.6	3.4	3.1	3.1	3.0

Housing Rebound and Freight Volumes? There is a direct connection between housing construction and freight volumes. A new home generates 7 full truckloads of demand. The outlook for 2026 shows a recovery in the housing market, driven by easing interest rates, spec construction activity picking up in some regions, and some noticeable trends showing recovery. The Armada model at right is also corroborated by the National Association of Realtor's outlook for 2026 for 5% new home sales growth and a 14% increase in existing home sales. If these forecasts hold accurate, it would be a sharp improvement from 2025's performance.

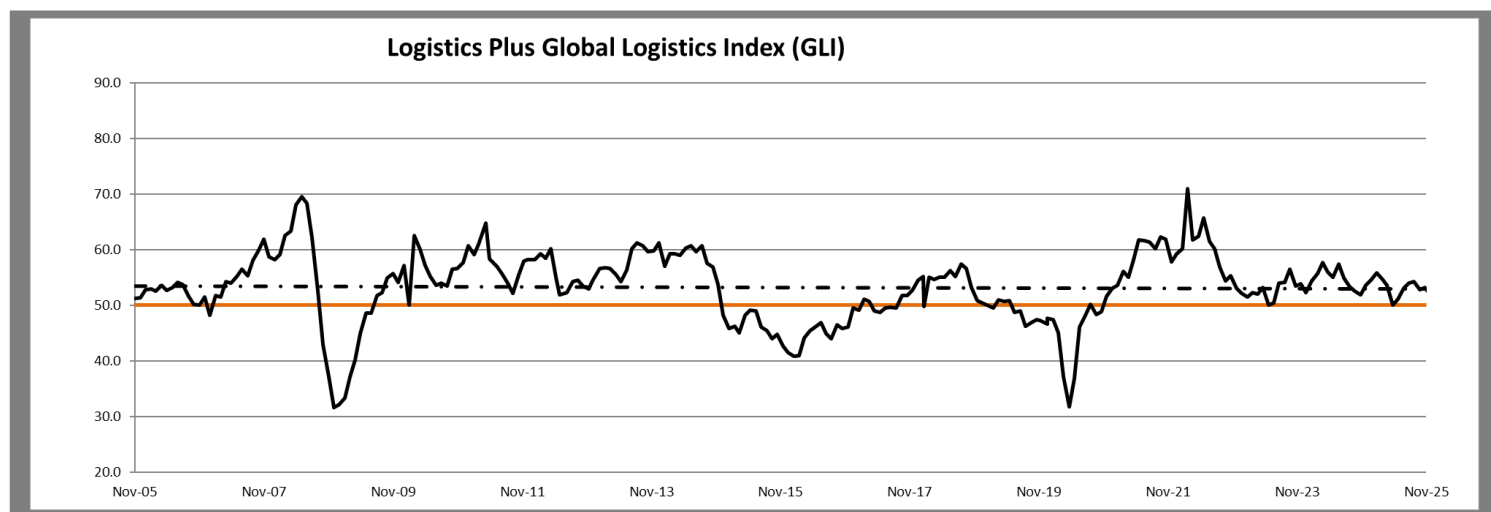


The LogisticsPULSE Global Logistics Index

Softens With Seasonality in November M/M and Y/Y

The LogisticsPULSE Global Logistics Index (GLI) came in at **51.7 in November, down 0.9% from 53.1 in October**. It remained in-line with the long-term trendline. The index was lower by 1.7% Y/Y (higher by 2.3% Y/Y last month). The GLI functions like a Leading Index, it predicts what freight demand will look like in the coming 6 months. In this case, it remained above 50 and in the long-term trend, a reasonable measure deep in the peak season.

The GLI measures transportation demand across 22 global economic metrics and has been measured over twenty years of collected data.



What's New & Important with North American Supply Chains?

MOST IMPORTANT REASON FOR EXPANSION OUTLOOK

Reason Percent by Expansion Outlook
November 2025

Reason	Good Time	Not Good Time	Uncertain
Economic Conditions	4	26	15
Sales Prospects	3	5	4
Fin. & Interest Rates	0	3	2
Cost of Expansion	0	3	6
Political Climate	2	10	9
Other / Not Available	1	2	1

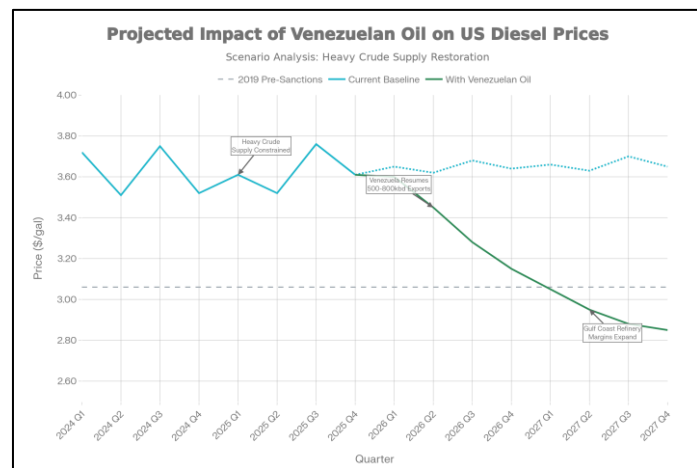
Source: NFIB

The Two Items Small Businesses Need to Increase Investment

Small business surveys suggest that business owners need more certainty in the economic outlook (which they may be getting) and less trade uncertainty. That was clear in the NFIB survey from November. Interest rates were a distant factor holding up investments for expansion, etc. In addition, finding quality talent was the primary factor keeping owners up at night. Clearly, there is still a lot of “cash on the sidelines” waiting on these conditions to become more favorable. But as mentioned prior, the Federal Reserve is projecting a much faster growth rate for the broader economy in 2026. And with the remaining four trade deals still in the works, some trade certainty may finally emerge in early 2026.

Diesel In Focus Again, This Time it is Venezuela

If leadership in Venezuela changes, it could lower US diesel prices. Venezuelan oil is a heavy crude that is well suited to go directly into Gulf refineries – especially for diesel and jet fuel blends. Venezuela will need economic momentum, if its democratically elected leaders take control, and it is expected to be allowed to resume shipments of oil – and the US could be a prime destination. Canadian and Mexican oil could be at risk from this competition, but domestic diesel prices could move lower for most southern regions if this eventually happens.



Full Truckload (FTL) Price Index:

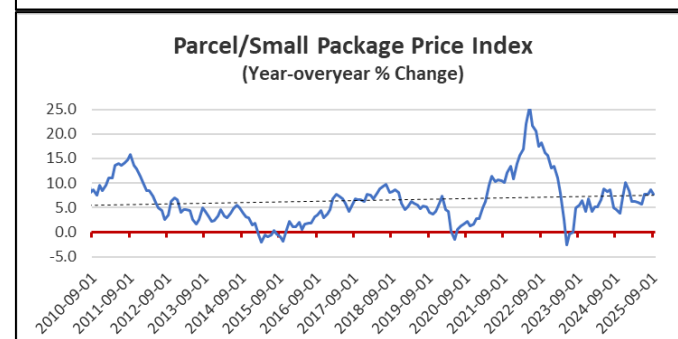
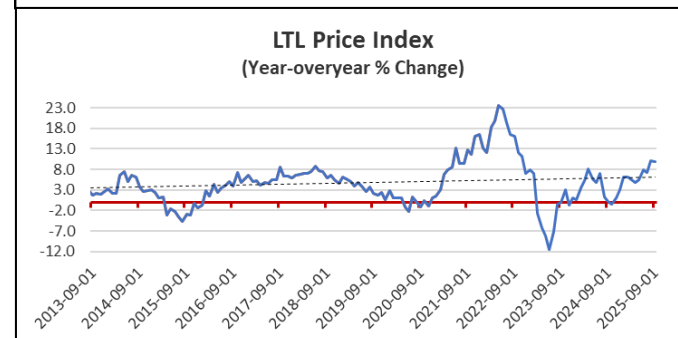
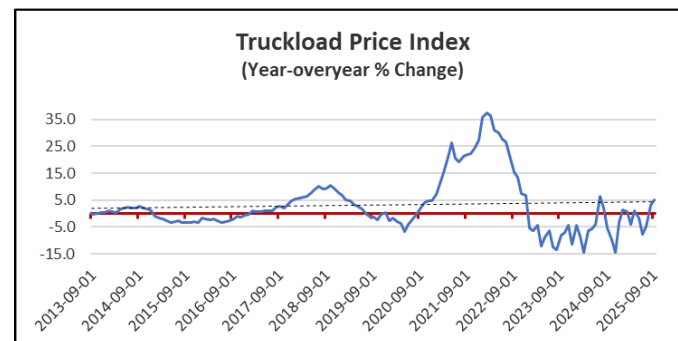
Truckload prices were down sequentially 0.8% M/M (+0.8% last month) in September (latest available) according to the Producer Price Index (includes both contract and spot rates). They were up 5.0% Y/Y (+3.2% adjusted from last month). (PCU484121484121)
(Latest available through Sep; the Oct data not available due to shutdown)

Less-Than-Truckload (LTL) Price Index:

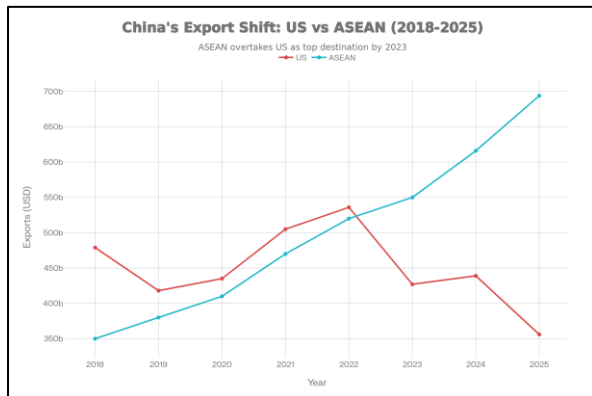
LTL prices remained higher in September (latest available) rising by 9.9% Y/Y (up 10.5% last month) against easier comparisons to last year at this time. The PPI was lower by a marginal 0.5% M/M, showing some volatility during the government shutdown and seasonality. (PCU4841224841221)
(Latest available through Sep; the Oct data not available due to shutdown)

Parcel/Small Pack Price Index:

Prices for parcel and small package express courier services were higher by 7.8% Y/Y (8.7% higher last month); but were lower by 0.6% in September. E-commerce sales were 9.0% higher Y/Y (10.1% last month) and were higher by 1.8% month-over-month in October (latest available and not seasonally adjusted). (PCU492110492110201)
(Latest available through Sep; the Oct data not available due to shutdown)



What's New & Important with International Supply Chains?

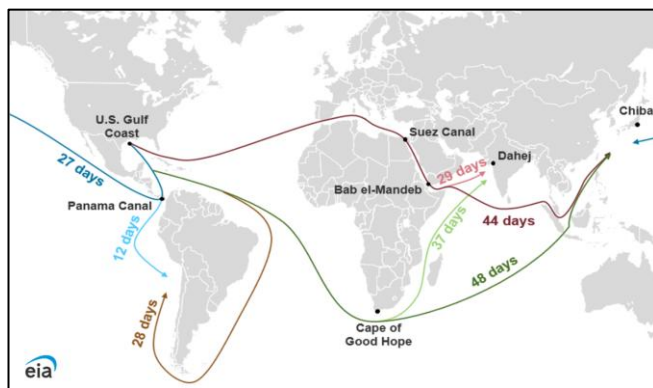


Is Asia Being Inundated with Discounted Products?

There are many metrics showing significant growth in the volume of products originating in China being sent to ASEAN countries and Europe. As manufacturers experience a drop-off in US sourcing, they have found alternative markets to sell into – and often at deeply discounted rates. There are some concerns that domestic manufacturers in some of those nations may face additional competition as the trade situation attempts to balance itself out. ASEAN's trade deficit with China is now up to \$190B a year. And with China's economy growing at a slower rate in 2025, orders from ASEAN manufacturers for export into China are down 3%.

Is the Suez Canal Opening – and Potentially Changing Distribution?

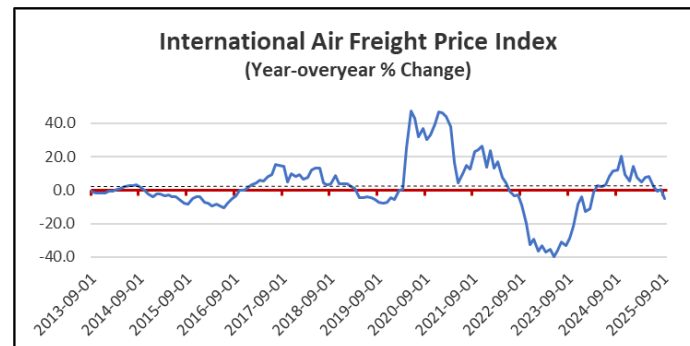
Suez Canal traffic is showing signs of recovery in late 2025, with November recording 1,156 vessel transits - the highest monthly level since January 2024, though still 49% below pre-crisis 2023 levels. International efforts to slow Houthi Rebel attacks on commercial maritime vessels may fully reopen the Red Sea route in 2026, but insurance rates remain high for now. Oil prices at one time had a \$6 geopolitical and transit cost premium due to the route closure, whether that comes back off on a full reopening is still uncertain. But transit times shaving two weeks off will push more blank sailings if current economic conditions hold, and shippers may need to once again make new adjustments to supply chain planning.



Airfreight Price Index:

The airfreight price index was lower by 1.4% M/M in September (not seasonally adjusted and the latest available; up 0.4% last month) and was lower on a Y/Y basis, falling by 5.1% (up an adjusted 0.2% last month). (IC131)

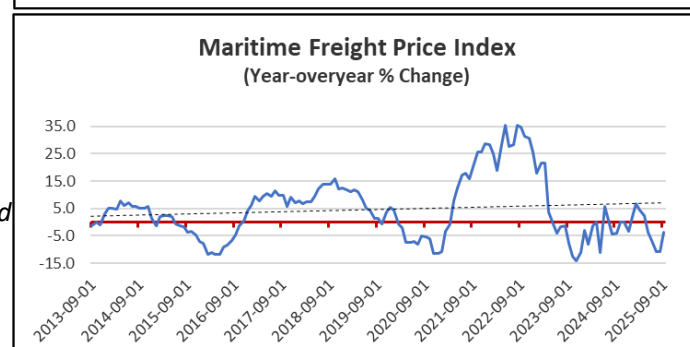
(Latest available through Sep; the Oct data not available due to shutdown)



Ocean Freight Price Index:

The blended PPI for maritime service in September was 3.6% lower Y/Y (-10.7% lower last month), but it was up 3.3% M/M (-1.6% last month and not seasonally adjusted). (PCU483111483111).
Note: Fed PPI tracks domestic US maritime prices, both contract & spot, and is based on survey data.

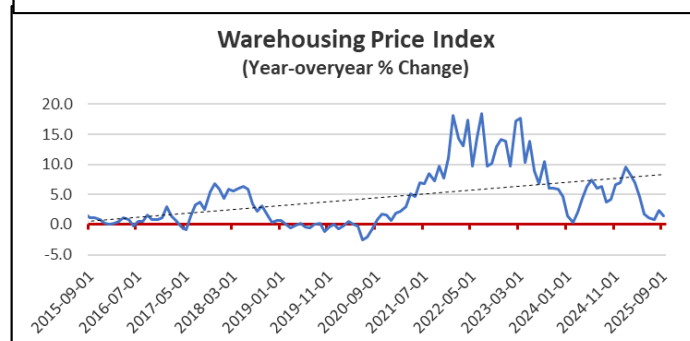
(Latest available through Sep; the Oct data not available due to shutdown)



Warehousing Price Index:

Warehousing prices were lower by 0.9% in September (latest data available and +0.4% last month after adjustments) but was higher Y/Y by 1.5% (2.4% last month). Cold chain warehousing construction expected to grow at a 20-25% CAGR through 2030. (PCU49314931)

(Latest available through Sep; the Oct data not available due to shutdown)



Global Maritime and Air Cargo Observations

Global Maritime Market Expecting Mix of Volume – Led by Asia Strength

DHL expects carriers to see demand exceeding supply on the Intra Asia trade lanes, as well as Asia outbound to Europe and Oceania. Other markets are experiencing the opposite condition; they are unbalanced with supply exceeding demand. As noted in the brief prior, the opening of the Suez Canal looks to be shifting lane balances once again headed into 2026.

Market development on key regional tradelanes, 2025

for top 18 regional tradelanes

		R Demand > Capacity A Demand, Capacity balanced G Demand < Capacity											
Origin	Destination	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Asia (excl. IPBC)	Asia (excl. IPBC)			R	R	R		R	R	R	R	R	
	North America				R	R			G		G	R	G
	Europe				R	R			G		R	R	R
	Middle East			G		R	R			R		R	
	IPBC							R	R		R	R	
	Latin America (WC)	G	G	G	R				G	G	G		
	Latin America (EC)	G	G	G	R					G	G		
	Africa	G	G	G	G			R	R				G
	Oceania							R	R	R	R	R	R
IPBC	Asia (excl. IPBC)							G	G	G	G	G	G
	North America							G	G	G			G
	Europe							G	G	G			
Europe	Asia (excl. IPBC)	G	G	G	G	G	G	G	G	G	G	G	G
	North America			R		G	G	G	G	G	G	G	G
	Latin America (WC)		R	R	R	R	R	R	R	R	R	R	R
	Latin America (EC)	G	G	G	G	G	G	G	G	G	G	G	G
North America	Asia	G	G	G	G	G	G	G	G	G	G	G	G
Latin America	North America												

Source: DHL Global Forwarding

DHL Global Forwarding | OFR Market Update | December 2025

Air Cargo Spot Rates Down in Week 49 on Seasonal Sluggishness

Average global air cargo spot rates were 3% lower Y/Y through December 7th, while total tonnage was up by 5% Y/Y. North American rates were down 7% Y/Y while volumes were unchanged. The strongest lanes in the first week of December were Asia Pacific (volumes up 9%) while the weakest from a volume perspective were Europe and NA (flat).

Origin Regions

last 2 to 5 weeks

	Capacity ¹			Chargeable weight ¹			Rate ¹		
	Last 5 wks	2Wo2W	YoY	Last 5 wks	2Wo2W	YoY	Last 5 wks	2Wo2W	YoY
Africa		+3%	+18%		+5%	+1%		+2%	+7%
Asia Pacific		+1%	+7%		+0%	+9%		+3%	-2%
C. & S. America		+1%	+10%		+0%	+6%		-1%	-6%
Europe		-0%	+11%		+1%	+0%		+1%	-5%
M. East & S. Asia		+1%	+9%		-1%	+9%		+1%	-17%
North America		-1%	+0%		-7%	+0%		-2%	-7%
Worldwide		+0%	+6%		-1%	+5%		+2%	-3%

¹ 2Wo2W compares the last 2 weeks with the preceding 2 weeks this year. YoY compares the last 2 weeks with the same 2 weeks last year.

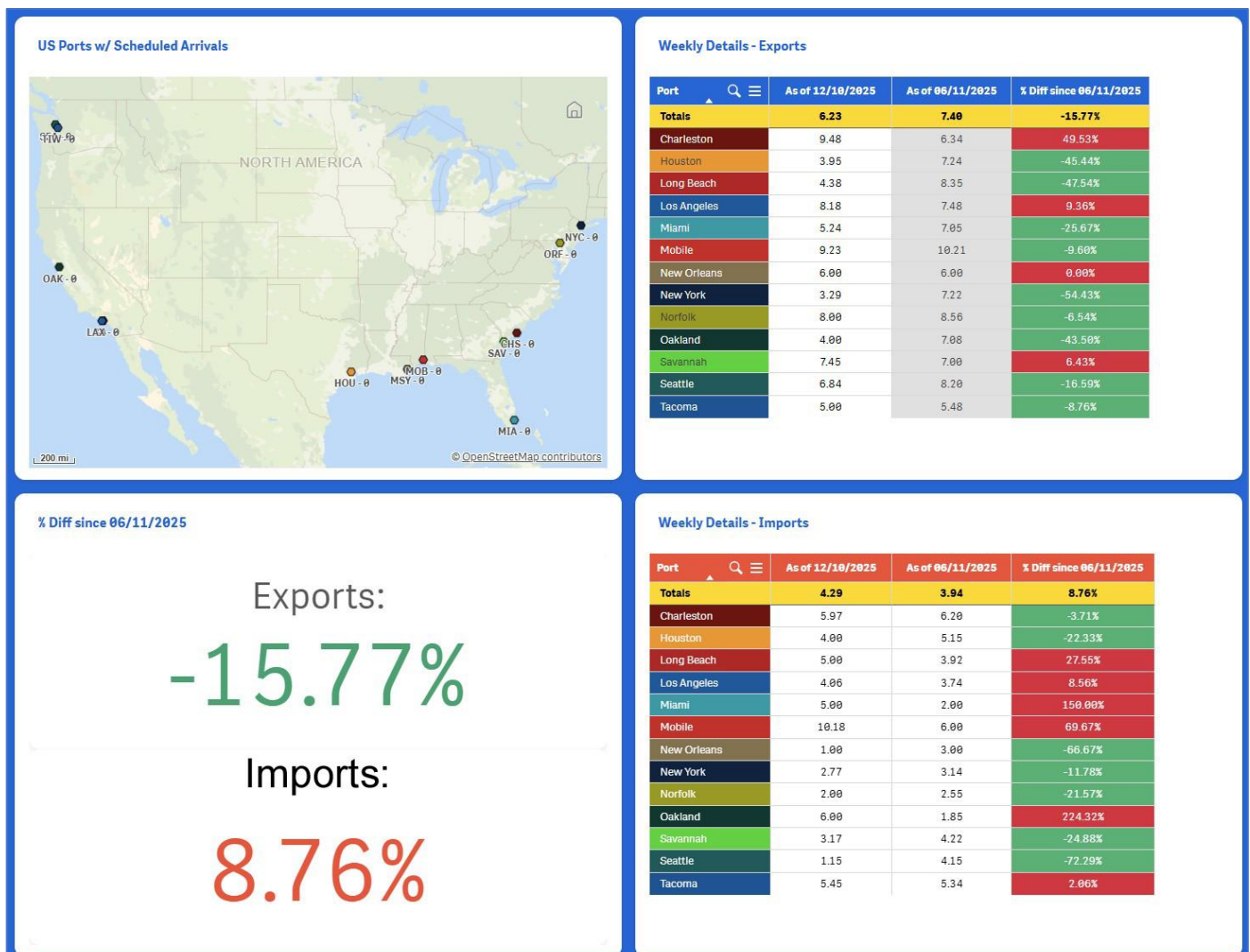
The LogisticsPULSE Port Congestion Index

U.S. Container Imports and Exports Processing Continue to Show Aggregate Improvements

Port congestion can have a big impact on supply chains. The **LogisticsPULSE Port Congestion Index (PCI)** is a data-driven tool that calculates how much congestion there is at critical U.S. ports.

- For containers Imported into the USA, the Container Processing Time (in days) is approximately a half day, or 8.7%, slower than what it was in mid June 2025. Over the course of the year 2025, processing times for Imports in the US was slowest in January and continued to trend down until June, which was the quickest month. The processing time trended up slightly over the last half of the year, but still below the January high point.
- The processing time for Exports from these same ports is however improved, taking about a day less, or 15.77%, than it was in mid June 2025. Unlike Import processing times, Export processing times expressed more month to month variability. January was still the highest point, but processing times would shift from trending up to trending down repeatedly throughout the year, but still below the January high point.
- The US Ports with the greatest amount of Imported TEU's currently are in Los Angeles, New York and Savannah and are processed in about 3.33 days. The highest volume of Exported TEU's are found in Houston, Los Angeles and New York and they are completing the export process in about 5.14 days.
- The ports with the greatest number of scheduled vessel arrivals are New York, Norfolk and Savannah, whereas Miami, Mobile and Seattle have the fewest.

(data shown below is container processing time, in days, by port)



Special Topics in Supply Chain & Logistics:

Special Area of Focus: India



India's economy stands at \$3.9 trillion and is growing at an impressive 8.2% year-over-year rate as of Q3 2025. This makes India the fastest-growing major economy globally, significantly outpacing China's 4.8% projected growth. For the full fiscal year 2025-26, the IMF projects 6.6% GDP growth.

Three key factors to consider relating to the Indian economy:

- Domestic demand resilience is a key factor, 65-70% of GDP is driven by internal consumption, buffering against external shocks.
- Services export strength is a significant competitive advantage: \$387.5 billion services sector growing 13.6% annually, less vulnerable to tariff disruptions.
- And there is a manufacturing push: Production-Linked Incentive (PLI) schemes are targeting \$500 billion in additional manufacturing output across 13 sectors over five years.

The US is India's number one export destination with approximately \$80B in exports and \$42B in imports. Other key export destinations include the UAE, Netherlands, Singapore, and China (in that order). The top 5 sectors for product exports include 1) mineral fuels (17.1%), 2) electrical and electronic equipment (9.0%), 3) machinery, nuclear reactors, and boilers (7.3%), 4) gems and precious stones (6.7%), and 5) pharmaceutical products (5.3%).

Key import source nations include China, Russia, UAE, US, and Saudi Arabia in that order. The ranking of top 5 products/sectors imported are 1) crude oil (31.4% of all imports), 2) gold and precious metals (10.8%), 3) natural gas (4.1%), 4) electronics and parts (4.1%), and 5) coal and solid fuels (3.6%).

What's New at Logistics Plus?

LP Stands with KWL to Launch Joint "Rebuild Jamaica Logistics" Effort

Logistics Plus announced its support for Rebuild Jamaica Logistics, a partnership with Kingston Wharves Limited (KWL). The initiative empowers businesses, organizations, and communities to move freight and materials into Jamaica as the country rebuilds following the devastation of Hurricane Melissa. [Read More](#)



Logistics Plus Spain Expands With New Office in Madrid

Logistics Plus (LP) Spain is pleased to announce that it is continuing its rapid growth with the opening of a new office in Madrid. This expansion comes shortly after the successful launch of the new LP Spain division in Barcelona and reflects the company's commitment to strengthening its presence across the Iberian Peninsula. [Read More](#)



Jim Berlin 2025 Year-End Recap on WPSE Business Spotlight / LP Radio

Jim Berlin, Founder and CEO of Logistics Plus (LP), was featured on the Business Spotlight program, which is produced in partnership with WPSE Money Radio. Jim looks back on 2025, highlights the company's growth and success, and discusses the challenges faced over the past year. [Listen to Podcast](#)



Last Chance! Survey closes soon.

Thank you for reading the *LogisticsPULSE Supply Chain Executive Briefing*. As we head into 2026, we'd love your feedback. This quick survey takes less than 2 minutes and will help us make the briefing even more valuable to you. Thank you!

Quick Survey