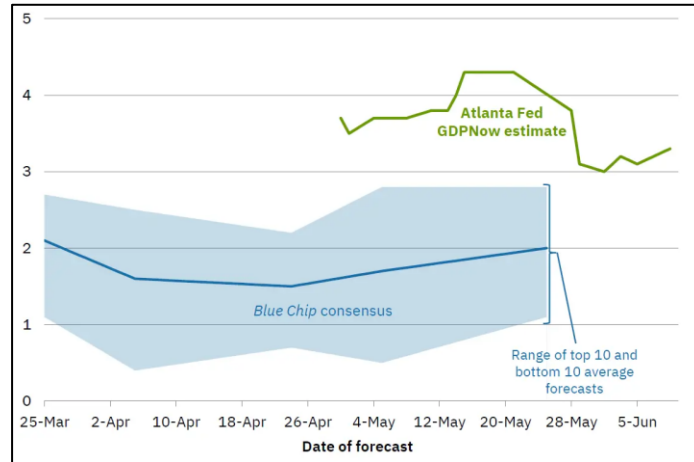
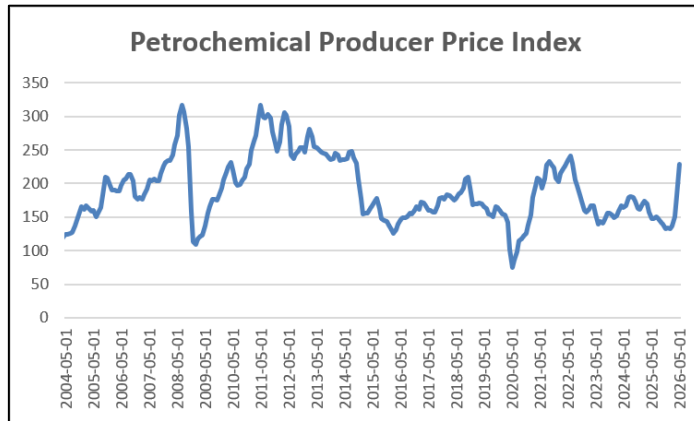


Factors Shaping Supply Chain & Logistics

Macro US Economy Stable. The Atlanta Fed GDPNowcast data is showing Q2 currently trending at 3.3%. It has been a modest roller-coaster ride but generally remains higher than expected while Blue Chip analysts show it likely coming out at a more modest 2.0%. With the proposed peace agreement in the Middle East, the most immediate effect will be a drop in oil and fuel prices, which should lift consumer sentiment. This improvement in sentiment could be felt in the housing market, retail spending (especially consumer discretionary products) and those impacts will likely start showing up in the June/July retail data. Celebrations (4th of July, World Cup, etc.) should provide a modest boost to consumer spending.



Speculation vs. Reality of Reopening. With the conflict in the Middle East officially ending, the geopolitical speculative premium on many products was reducing quickly at the time of writing. But most products will continue to experience tight inventory conditions deep into Q3 and into early Q4 before prices can approach their new floor. Everything from petrochemicals to liquids, gases, fertilizers, and materials used around the world for manufacturing are likely to resist returning to their pre-war price levels. Items that have experienced a drop in demand (elasticity) will be sooner, those with inelastic prices will remain higher deep into Q4.

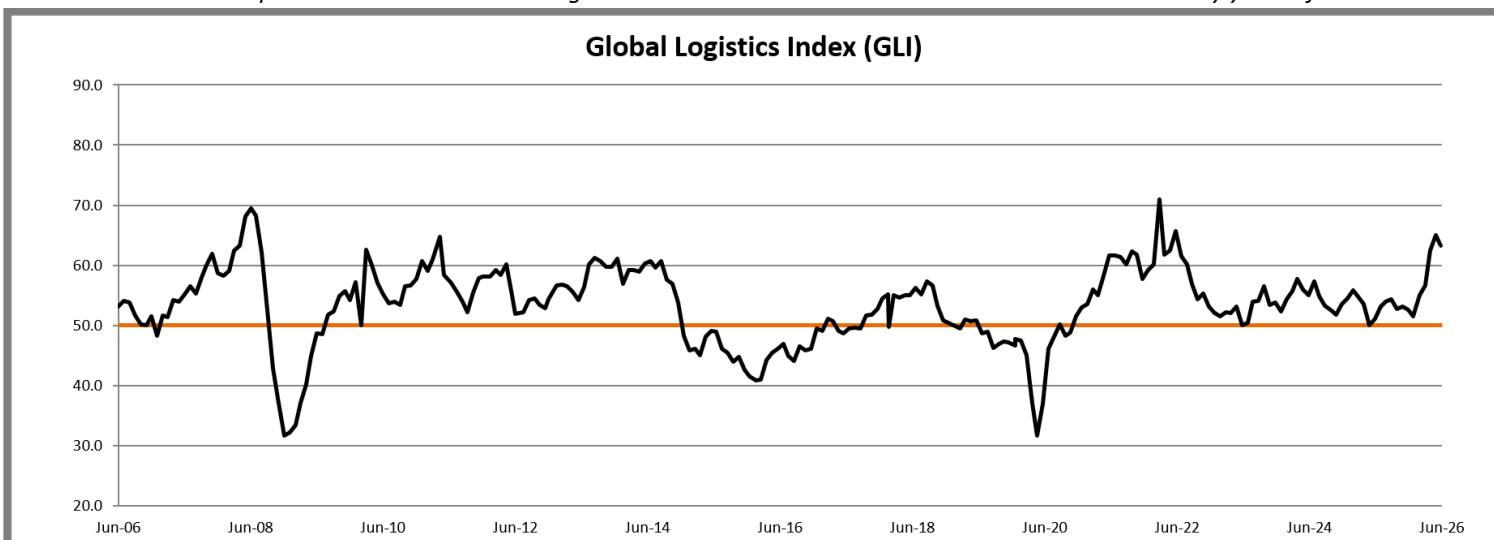


The LogisticsPULSE Global Logistics Index

GLI Remains High, But Softens Slightly M/M

The LogisticsPULSE Global Logistics Index (GLI) came in at **63.2 in May, down 2.6% from an adjusted 65.0 in April**. The index was still higher by 21.6% Y/Y (+27.3% Y/Y last month). The GLI functions like a Leading Index, it predicts what freight demand will look like in the coming 6 months. A jump in Baltic Indexes, oil prices, and the Credit Manager’s Index again led to elevated, but stable readings in the index.

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?

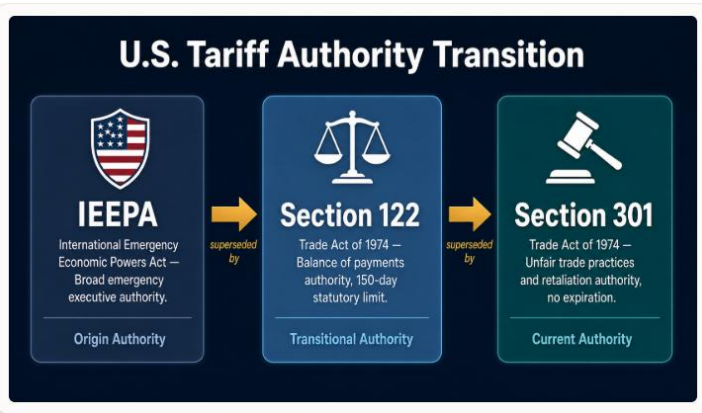


Eyes Turn to USMCA Agreement Renewal

The USMCA's six-year joint review triggers on July 1, requiring the US, Mexico, and Canada to decide whether to renew the agreement for a full 16 years through 2042. Both Canada and Mexico formally notified the US of their intent to renew on June 2. The US, however, is withholding consent which could trigger rolling annual reviews rather than achieving a clean 16-year extension. Critically, the agreement remains in force regardless and does not expire until July 1, 2036. The practical implication is not an imminent tariff shock, but primarily sustained uncertainty around automotive sourcing rules, steel and aluminum access, and Chinese-origin content restrictions.

Update: First 301 Tariff Answers; Awaiting 2 More

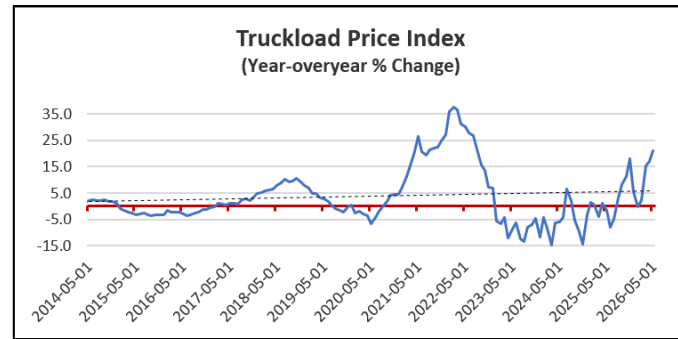
There are at least 2 301 tariff investigations coming to conclusion. The first (labor violation) rulings were issued, and 46 countries were given rates of 12.5% while 14 others were issued 10% tariffs. The remaining open 301 investigation (structural overcapacity) would affect 16 countries and what is not known at this time is 1) what level will be assessed and 2) will these stack on top of the labor investigation findings? This is important because the IEEPA tariffs ranged from 15-18% generally, and this first tariff level was maximum 12.5% (just slightly higher than the temporary 10% tariffs under 122s). This will shape much supply chain decision-making in the coming quarters.



The replacement of IEEPA tariffs with 122s and 301s.

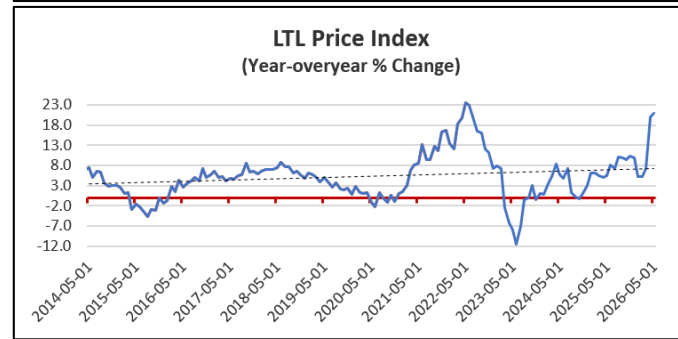
Full Truckload (FTL) Price Index:

Truckload prices were sharply higher by 5.5% M/M (+7.0% last month) in May (latest available) according to the Producer Price Index (includes both contract and spot rates). They were up sharply by 21.1% Y/Y (+17.0% adjusted from last month). (PCU484121484121)



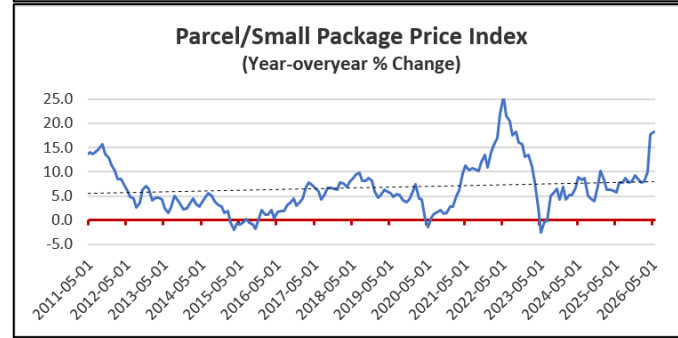
Less-Than-Truckload (LTL) Price Index:

LTL prices remained sharply higher in May (latest available) rising by 20.9% Y/Y (up 20.0% last month) against comparisons to last year at this time. The PPI was higher by 0.3% M/M (12.0% last month). Stripping out the impact of fuel, prices were still up 6.4% Y/Y. (PCU4841224841221)



Parcel/Small Pack Price Index:

Prices for parcel and small package express courier services were sharply higher again by 18.3% Y/Y (17.6% higher last month); and were higher by 0.4% vs. April. E-commerce sales were 11.1% higher Y/Y (10.6% last month) and were higher by 1.1% month-over-month in May (latest available and not seasonally adjusted). (PCU492110492110201; RSNSR)



What's New & Important with International Supply Chains?

China+1 Sourcing Alternatives (2026)

Sources: Forbes, IBEF, Maersk, Tradeint

Country	Key Sourcing Categories	US Import Growth (2025 Y/Y)
Vietnam	Electronics, Apparel, Footwear, Furniture	+42%
India	Pharma, Chemicals, Auto Parts, Electronics	+20%
Malaysia	Semiconductors, Electrical & Medical Devices	+13%
Morocco	Auto Parts, Textiles, Aerospace (EU-focused)	N/A (EU-focused)

Who is Winning the Sourcing Diversification Competition?

The China+1 diversification strategy has evolved with nearly 79% of companies moved at least some sourcing volume away from China in 2025, and more than 40% plan to further diversify in 2026. The question is no longer whether to diversify, it's where, and the answer is increasingly specific by product category and geography. Vietnam is the leader among shifts in sourcing, followed by India, Malaysia, and Morocco (mostly for European automotive sourcing but now expanding into electronics, textiles, and aerospace). The ironic part of this diversification strategy is that upstream supply chain realities show most of those alternative sources still have supply chain reliance on China in some form or fashion.

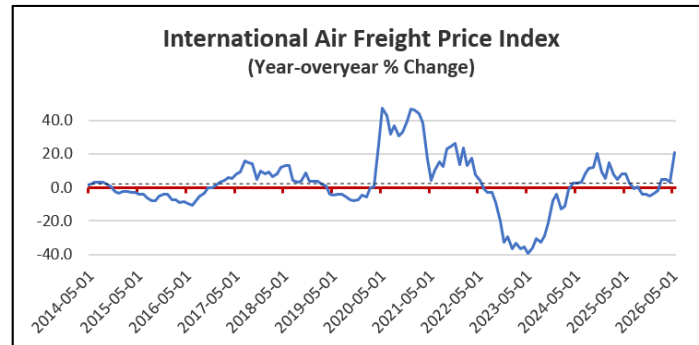
Middle Corridor Gets Boost from Conflict

Supply chain managers worldwide started using the Middle Corridor route, boosting freight volumes along the route by 86% Y/Y after hostilities broke out in the Middle East. Utilization of this route was already beginning to accelerate prior to the conflict with Iran. In 2024, after the Red Sea disruption, Kazakh rail volumes alone were up 64% in 2025. Countries along those alternative overland routes are working on infrastructure to improve capacity, reliability, and to try and keep costs reasonable. Transit times under normal conditions can be up to 10 days shorter, but prices can be 3 times higher vs. traditional maritime under normal conditions.



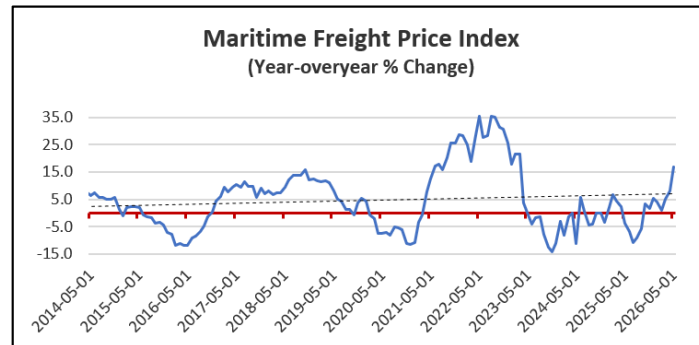
Airfreight Price Index:

The airfreight price index was higher by 12.9% M/M in May (not seasonally adjusted and the latest available; up 4.4% last month) and was sharply higher on a Y/Y basis, rising by 20.8% (+3.0% last month). (IC131)



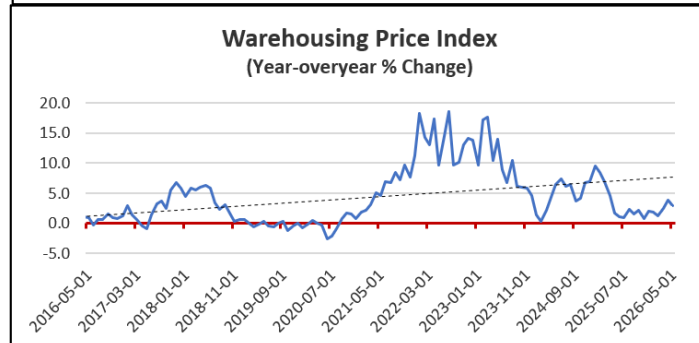
Ocean Freight Price Index:

The blended PPI for maritime service in May was 16.7% higher Y/Y (8.2% adjusted higher last month), and it was up by 5.1% M/M (1.5% last month and not seasonally adjusted). Drewry reported that global rates were flat Y/Y (up 3% M/M through June). US inbound lanes were down 21% Y/Y from USWC and 19% lower to USEC. Outbound US prices to Asia were up 13% USWC and outbound USEC to Europe by 17%. (PCU483111483111). *Note: Fed PPI tracks domestic US maritime prices, both contract & spot, and is based on survey data.*



Warehousing Price Index:

Warehousing prices were lower by 4.5% M/M in May (latest data available and +1.3% last month after adjustments), and it was higher Y/Y by 3.0% (+3.8% last month). (PCU49314931)



Global Maritime and Air Cargo Observations

Global Maritime Rates Remain Elevated; Capacity Imbalances Continue

DHL released its monthly report and reported that capacity remained constrained heavily on Asia-Europe and Intra-Asia lanes where prices were rising sharply. DHL reported global rates up sharply Y/Y and Q/Q with an additional 51% increase Y/Y in bunker fuel rates. Drewry's global composite index was flat Y/Y, but many specific lanes were showing 22-33% price increases.

Market development on key regional tradelanes, 2025-2026

for top 18 regional tradelanes

R Demand > Capacity A Demand, Capacity balanced G Demand < Capacity

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

Source: DHL Global Forwarding

DHL Global Forwarding | OFR Market Update | June 2026

Air Cargo Spot Rates Continue to Surge in Week 23

Average global air cargo spot rates were 33% higher Y/Y through June 7th, while total tonnage was up by 3% Y/Y. North American rates were up 26% Y/Y while volumes were up by 3%. Constraints in the Middle East and South Asia continue to keep rates up 53% on those key lanes, Asia Pacific in general was up 32% Y/Y as was Europe.

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		+2%	+2%		-12%	-7%		+4%	+45%
Asia Pacific		-0%	+3%		-3%	+8%		+2%	+32%
C. & S. America		-0%	+2%		-4%	+7%		-2%	+10%
Europe		-0%	+0%		-7%	-2%		-2%	+32%
M. East & S. Asia		+1%	-8%		-13%	-9%		+1%	+53%
North America		-1%	+2%		-3%	+3%		-1%	+26%
Worldwide		-0%	-0%		-5%	+3%		+1%	+33%

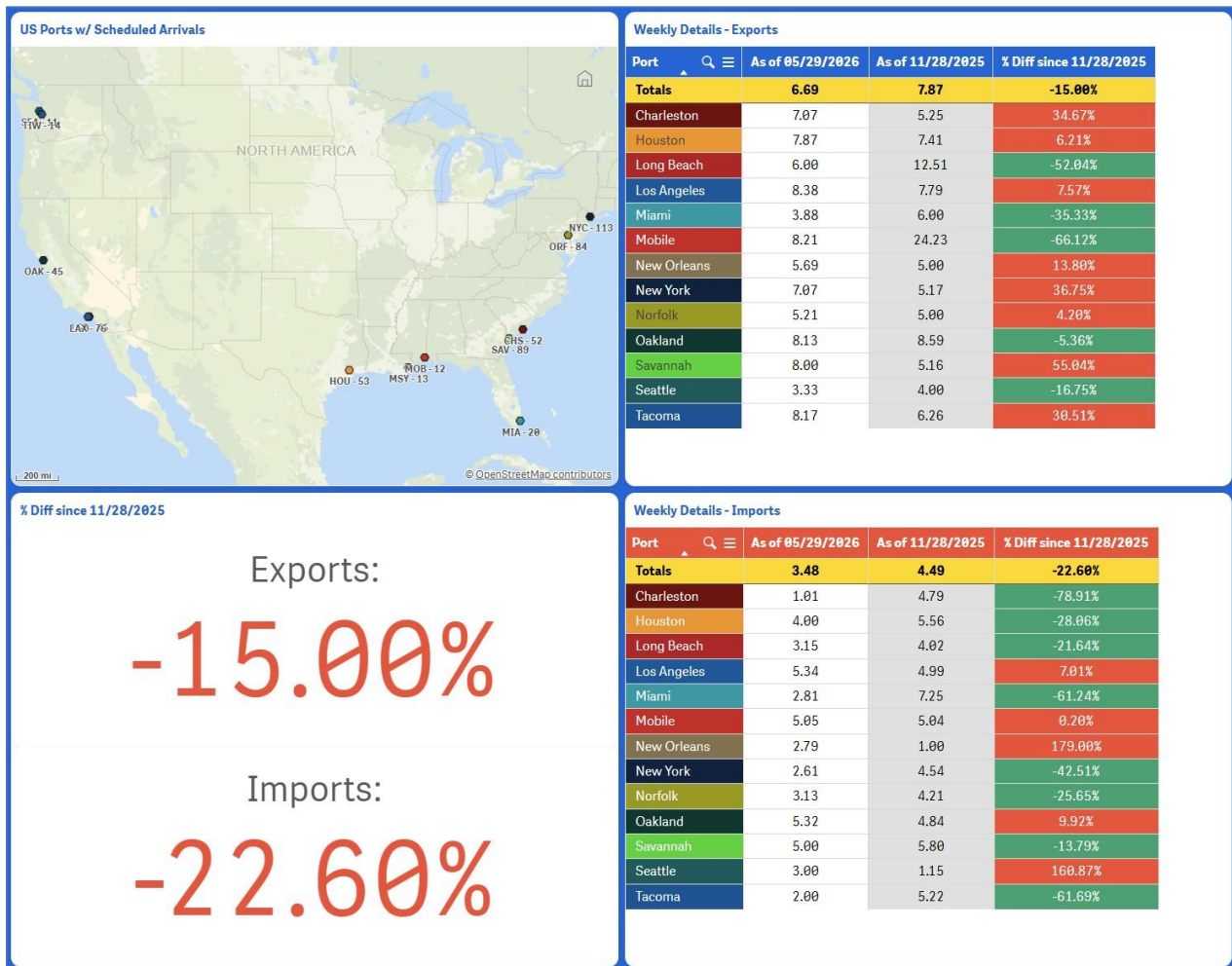
¹ 2Wo2W compares the last 2 weeks with the preceding 2 weeks this year. YoY compares the last 2 weeks with the same 2 weeks last year.

The LogisticsPULSE Port Congestion Index

The Latest Metrics on U.S. Container Imports and Exports

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

- For containers Imported into the USA, the Container Processing Time (in days) is approximately a full day more, or ~22.6% slower, than it was in late-November 2025. This includes, most notably, substantial atypical slowdowns at the ports in New Orleans, Seattle and Oakland with improvements in Charleston, Miami and Tacoma. The processing times at this point in the year are in line with historical trends and generally reflect improvements over the earlier part of the calendar year.
- The processing time for Exports from these same ports has also slowed down, taking about a full day more, or ~15%, than it was in late-November 2025. Improvements in processing times in Long Beach, Miami and Mobile were hindered by slowdowns in Charleston, New York and Savannah. The processing times in days at this point in the year are also consistent with historical trends and usually demonstrate improved processing times versus the beginning of the calendar year.
- The US Ports with the greatest amount of Imported TEU's currently are in New York, Long Beach and Savannah and are processed in about 3.59 days. The highest volume of Exported TEU's are in Savannah, Los Angeles and New York and they complete the export process in about 7.82 days.
- The ports with the greatest number of scheduled vessel arrivals are New York, Savannah and Norfolk, whereas Seattle, Mobile and New Orleans have the fewest.



Global Purchasing Managers Index (PMI) Readings for Recent Month

The Global PMI is one of the most closely watched economic indicators, tracking demand for manufacturing and services. The PMI can range between 0 and 100. If the index reading is above 50, it indicates an economic expansion. A reading below 50 indicates an economic contraction, with readings closer to 0 indicating a higher degree of contraction. A reading of 50 indicates no change in the environment.

- Global manufacturing conditions continued to be good in May. All but five countries were in expansion territory.
- Supply chain continuity was once again one of the key concerns in the month. Although the Strait of Hormuz is now expected to open in the coming weeks, delays in getting global supplies flowing could still affect output for another monthly cycle or two.
- Input costs were still rising at the fastest pace since the start of the War in Ukraine in 2022. But heavy customer pressure on the selling end of the equation were tightening profit margins for manufacturers. That may affect raw material building activity in the coming months, especially after peak season order filling.

Country	Trade with US			Manufacturing			Services			
	PMI	US (in billions)	Current Month	Latest Month PMI	Prior Month PMI	M/M Change	Current Month	Latest Month PMI	Prior Month PMI	M/M Change
US			May	55.1	54.5	0.6	May	50.7	51.0	-0.3
Global PMI	\$	4,700	May	52.6	52.6	0.0	May	51.8	51.8	0.0
Canada	\$	665	May	52.9	53.3	-0.4	May	50.6	49.2	1.4
Mexico	\$	661	May	49.6	47.7	1.9				
China	\$	655	May	51.8	52.2	-0.4	May	54.4	52.6	1.8
Eurozone PMI	\$	632	May	51.6	52.2	-0.6	May	47.7	47.6	0.1
ASEAN	\$	369	May	51.5	50.7	0.8				
Japan	\$	210	May	54.5	55.1	-0.6	May	50.0	51.0	-1.0
Germany	\$	201	May	50.1	51.4	-1.3	May	48.1	46.9	1.2
South Korea	\$	161	May	54.8	53.6	1.2				
UK	\$	118	May	53.9	53.7	0.2	May	49.3	52.7	-3.4
Taiwan	\$	114	May	56.1	55.3	0.8				
India	\$	113	May	55.0	54.3	0.7	May	59.8	58.8	1.0
Vietnam	\$	113	May	52.8	50.5	2.3				
Netherlands	\$	88	May	55.9	54.4	1.5				
Ireland	\$	88	May	55.9	54.9	1.0	May	50.8	49.7	1.1
Switzerland	\$	87	May	57.3	54.5	2.8				
Italy	\$	83	May	52.9	52.1	0.8	May	49.4	49.8	-0.4
France	\$	80	May	49.7	52.8	-3.1	May	44.3	46.5	-2.2
Brazil	\$	78	May	49.1	52.6	-3.5	May	50.4	52.3	-1.9
Singapore	\$	65	May	51.0	50.7	0.3				
Thailand	\$	60	May	52.6	52.7	-0.1				
Australia	\$	39	May	50.7	51.3	-0.6	May	48.7	50.7	-2.0
Indonesia	\$	37	May	50.0	49.1	0.9				
Russia	\$	36	May	48.8	48.1	0.7	May	48.7	49.7	-1.0
Spain	\$	35	May	51.2	51.7	-0.5	May	50.1	47.9	2.2
Hong Kong	\$	34	May	50.4	48.6	1.8				
Philippines	\$	23	May	50.8	48.3	2.5				
Poland	\$	11	May	49.4	48.8	0.6				
Greece	\$	3	May	53.3	52.4	0.9				

Sources: S&P Global, Caixin, JP Morgan, Jibun Bank, Nevi, BME, CIPS

Looking forward:

- Global manufacturers were adjusting to the closure in the Strait, but new order volumes remained stable. Approximately 40% of the global manufacturing sector experienced M/M deceleration in their PMIs. Vietnam, the Philippines, Hong Kong, Mexico, and Switzerland experienced sharp M/M acceleration in their PMI activity.
- Of concern was the deceleration taking place in major producer markets of Canada, China, the Eurozone, Japan, Germany, France, Brazil, Thailand, Australia, and Spain. In addition, Germany, Australia, Indonesia, Hong Kong, and the Philippines were in marginal expansion. A modest slowing in the next month or so would send those economies into contraction.
- From a services PMI perspective, the Eurozone, Germany, UK, Italy, France, Australia, and Russia were in contraction. Taking the two readings into consideration (manu. and services), France and Russia were in broader recession risk.

Special Topics in Supply Chain & Logistics:

Special Area of Focus: Turkey

Turkey's (Türkiye's) nominal GDP stood at approximately \$1.32 trillion in 2024, and is projected to reach \$1.64 trillion by end of 2026, ranking it 16th globally. Real GDP growth came in at 3.6% for full-year 2025, slightly above the 3.3% recorded in 2024. The World Bank projects a slowdown to 2.8% growth in 2026, driven by spillover effects from the Middle East conflict.

Turkey's economy is highly diversified, with services the dominant sector at approximately 58% of GDP, industry at 32%, and agriculture at roughly 6.5%. Turkey's trade profile is manufacturing-led, with strong output in automotive, textiles, machinery, electronics, and steel. Tourism also plays a significant services role, Turkey plays a critical role as a geographic bridge between Europe, the Middle East, and Central Asia.

The top export trading partners in 2025 included Germany (8.1% of total exports), the United Kingdom (6.1%), the United States (6%), the UAE (6%), and Iraq (6%).

Turkey's import partners are more concentrated in Asia and Europe. Top import sources in 2024 were China (\$44.0B, 12.9%), Russia (\$44.0B, 12.9%), Germany (\$27.0B, ~7.9%), Italy (\$19.2B), and the United States (\$16.1B).

Top export commodities included vehicles and auto parts (\$32.4B), machinery and nuclear reactors/boilers (\$25.6B), mineral fuels (\$16.5B), electrical and electronic equipment (\$16.5B), and precious stones/metals (\$13.0B), followed by plastics (\$10.9B), iron and steel (\$10.2B), and knit apparel (\$10.1B).

The top commodities for import were mineral fuels including oil (\$62.5B), machinery including computers (\$41.6B), vehicles (\$36.9B), electrical machinery and equipment (\$30.0B), gems and precious metals (\$28.1B), iron and steel (\$22.2B), plastics (\$15.6B), organic chemicals (\$8.9B), optical and medical apparatus (\$7.7B), and copper (\$7.5B).



Map source: Geology.com

What's New at Logistics Plus?

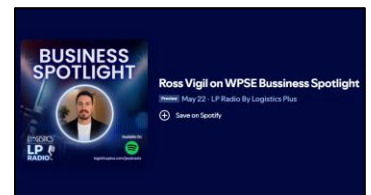
Logistics Plus Expands LinkedIn Presence with Global Showcase Pages

Our expanding network of LinkedIn showcase pages reflects the diversity, scale, and specialization of the LP organization, giving every audience a direct line into the stories and solutions that matter most to them. [View/Visit Pages](#)



Ross Vigil Featured on Business Spotlight Podcast

Ross Vigil, Senior VP of Sales & Operations at LoadDelivered Logistics (a Logistics Plus company), was featured on the recent (5/22/26) Business Spotlight program. Ross shares his professional background, an overview of LoadDelivered, his day-to-day duties, and how he navigates the competitive freight market. [Listen to Podcast](#)



Logistics Plus CEO Yuriy Ostapyak on The Jake Rouch Show

Two days after it was announced that Yuriy Ostapyak would be succeeding founder Jim Berlin as CEO of Logistics Plus, he joined The Jake Rouch Show to talk about life, business, global logistics, Ukraine, and more. [Listen to Podcast](#)

