

August Ocean Rate Increase Begins to Unravel as Importers Hold Back – TFX Update wk. August 3, 2026

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The Lead:

The end of July and beginning of August 2026 demonstrated the operational reality of Washington's new [centralized trade architecture](#). With the expiration of the in-transit grace period, global supply chains transitioned fully to entry-by-entry compliance under the [60-nation Section 301 forced-labor tariffs](#). To offset severe manufacturing friction, the U.S. executive branch introduced targeted relief mechanisms, such as the [Commerce Department's 3.75% engine tariff offset](#), while simultaneously erecting specialized import barriers like [quartz surface TRQs](#). However, as state governments launch formal legal battles against the USTR's blanket duty coverage, the week closed with clear signs that this regulatory trade regime will face intense courtroom scrutiny even as businesses rebuild their global sourcing networks.

This Week's Ocean, Air & Freight Markets

China-US Ocean Freight Market:

CEA to USWC: Published August rates increased sharply to approximately \$7,200 – \$7,300 per container, bringing West Coast pricing back above the \$7,000 threshold. However, these higher rates are not being widely accepted in the market.

Forwarders are already using contract allocations, blended rate structures, and special pricing to offer practical rates in the mid-\$5,000 range, with some quotes reportedly falling closer to \$5,300 – \$5,400. Based on current booking activity, the August increase is expected to be largely erased within days, returning West Coast rates to approximately where they stood before the increase.

CEA to USEC: East Coast rates also moved higher following the August rate increase, but the market is seeing similar discounting through special and blended-rate programs. Unlike the West Coast, however, East Coast pricing is expected to decline more gradually.

The slower adjustment reflects the smaller amount of available capacity compared with the heavily supplied West Coast market. Although the notes do not provide a precise East Coast spot-rate range, they indicate that East Coast and Gulf Coast rates are softening alongside the West Coast, but at a slower pace.

Freight Right’ s Lowest Rate indicators are finding that importers can find spot rates as low as \$4,900 from China to US West Coast and \$7,200 from China to US East Coast. Talk to your freight forwarder about options available to you.



China/East Asia → US West Coast(USWC) / US East Coast(USEC)



CEA → USWC



[Read more about the state of the ocean freight spot market with Freight Right's TrueFreight Index.](#)

What Happened This Past Week

Importers are delaying shipments. Many shippers are holding cargo for several days or rolling early-August bookings in anticipation of lower rates. China-based agents and forwarders are reporting the same wait-and-see behavior.

The August rate increase lacks demand support. Carriers introduced rates above \$7,000, but volumes have already weakened. The market does not appear strong enough to sustain the announced increase.

West Coast capacity is accelerating the shipment volume decline. The West Coast remains the largest transpacific trade lane and has significantly more available capacity, allowing changes in demand to appear in pricing more quickly than on East Coast and Gulf Coast routes.

Higher tariffs are adding pressure to landed costs. The discussion noted an additional 2.5 percentage points of tariff exposure compared with earlier periods. This may further discourage discretionary or accelerated imports during the second half of the year.

Discounted rates may come with operational tradeoffs. Special pricing often depends on combining several bookings under the same sailing or allocation. If one shipment changes, space or schedules for the remaining bookings may also need to be adjusted.

Looking Ahead:

Headline rates are expected to formalize their downward trend toward the mid-\$5,000 range over the coming weeks as published rates align with effective market transactions. To counteract this rate erosion and establish a price floor near \$5,500 - \$6,000, ocean carriers are expected to introduce ancillary fees, such as a \$150 Panama Canal surcharge slated for the second half of the month, rather than relying solely on base rate increases.

Shippers leveraging discounted or special mid-\$5,000 rates should anticipate potential operational friction. Because these rates rely on forwarders consolidating multi-container bundles onto specific vessel sailings, any schedule changes or dropped bookings by co-loaders can invalidate the pricing group. Consequently, shippers taking advantage of lower spot rates face an increased risk of rolled cargo, vessel delays, or last-minute schedule adjustments without prior notice.