

Carriers Prepare August GRIs Following Sharp West Coast Rate Decline – TFX Update wk. July 27, 2026

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The Lead:

The final week of July 2026 completed the US transition toward a permanent, investigation-justified [centralized trade architecture](#). As the statutory 150-day clock on the [temporary Section 122 import surcharges expired on July 24](#), Washington immediately activated its [Section 301 forced-labor tariff framework across 60 economies](#).

By establishing a two-tiered duty structure (10% or 12.5%) tied directly to foreign labor compliance, the US eliminated temporary emergency surcharges without lowering its baseline border barrier. This regulatory pivot has solidified a new global cost structure, cementing supply chain alignment and forced-labor enforcement as prerequisite conditions for accessing the American market.

This Week's Ocean, Air & Freight Markets

China-US Ocean Freight Market:

CEA to USWC: Spot rates continued to soften this week, with widely available rates now averaging around \$5,500 – \$5,600 per container, down roughly \$2,000 week over week. While some carriers are offering rates as low as \$4,600 – \$4,700, and isolated quotes near \$2,500 have surfaced, those lower prices remain limited and are not broadly available.

Overall, the market appears to be undergoing a correction after several months of sustained increases.

CEA to USEC: East Coast rates also declined but at a much slower pace. Spot pricing remains close to \$9,000 per container, representing an estimated \$1,000 week-over-week decrease.

Compared to the West Coast, carriers have maintained stronger pricing discipline on East Coast services, resulting in a more stable rate environment despite the broader market correction.



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



CEA → USWC



CEA → USEC



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

What Happened This Past Week

Market Correction & Carrier Demand Stimulation: Following aggressive, consecutive rate increases since late April and May, ocean carriers allowed rates to fall to stimulate market demand and bring pricing back to temporary market equilibrium.

Tariff Stabilization: Recent tariff adjustments—such as labor-related policy shifts moving duties from 10% to 12.5% on imports from China and Southeast Asia—caused brief market hesitation. However, because a 2.5% increase is modest, the tariff environment is expected to remain stable for at least the next three months.

Consistent Booking Volumes: Ocean booking volumes have remained steady week-over-week. While there is no sudden surge or drop, baseline cargo demand from origins remains solid and consistent.

Regional Disparity: Carriers lowered West Coast pricing far more aggressively to capture available volume, while East Coast space and demand dynamics supported higher price retention.

Looking Ahead:

The market is entering the traditional peak shipping season, with August and September expected to be the strongest months for outbound demand from Asia. Although ocean rates have corrected over the past two weeks, carriers are already preparing another round of GRIs beginning August 1.

Whether those increases hold will largely depend on sustained cargo volumes. If demand remains steady as importers continue shipping under the now-clearer tariff environment, carriers may be able to maintain rates near current levels or modestly higher. However, if demand fails to strengthen, the market could quickly settle back toward today's pricing after a brief August spike.

One notable trend to watch is the extended peak season. Instead of the traditional surge followed by a rapid decline, this year's peak may stretch longer due to the resetting of tariff policies and more evenly distributed shipping activity throughout the summer. Meanwhile, air freight typically reacts later than ocean freight, meaning any meaningful increase in air rates could materialize rapidly as August progresses.