



Eurasian Rail Alliance Index

# EURASIAN LOGISTICS MARKET UPDATE

## MAIN INSIGHTS FOR THE FIRST HALF OF SEPTEMBER

Container  
volume



Freight  
rates



Ocean  
freight



Rail  
freight



Other logistics  
trends



Issue 13: September 11, 2025  Issue 14: September 25, 2025

Data collection period: 28/08/2025 – 10/09/2025

# CHINA-EUROPE LOGISTICS MARKET

## Demand outlook

Mixed

- The **~9%** depreciation of the yuan against the euro in 2025 has improved the price competitiveness of China's exports [[Bloomberg](#)]. In August, Chinese shipments to the EU rose **10.4%** YoY to \$46.8 billion, while imports from the EU fell **0.6%**. As a result, the trade imbalance is widening: in January–July, China's surplus in trade with the EU exceeded \$168 billion, nearing a record high. This underscores the strengthening position of Chinese manufacturers in the European market – including autos, where Chinese brands' share exceeded 5% for the first time in 1H 2025 – while EU export opportunities remain constrained.
- Final PMI data for August show improving business activity in the eurozone: the composite index rose to 51.0 – a 12-month high – with manufacturing PMI at 50.7 (a 38-month high), and industrial output posting the fastest growth in nearly 3.5 years [[S&P Global](#)]. However, export orders continue to contract. The decline, ongoing since March 2022, accelerated in August to the sharpest pace in five months. Business expectations fell for the second consecutive month, reflecting persistent external uncertainty and pressure on export demand.
- Preliminary results for January–August indicate China–Europe–China rail container volumes dropped **22%** YoY. In August, total volumes across all routes fell **23%** YoY and **4%** MoM. The monthly decline was driven by weaker flows on the central Eurasian corridor, while the Middle corridor volumes edged up.
- Demand for ocean freight from Asia to Europe continues to weaken [[Flexport](#)]. Ahead of China's "Golden Week" holiday (1–8 October), no significant changes are expected.

## Freight rate trends

Negative

- Rates on the central Eurasian corridor are around \$6 000/FEU SOC. The lowest quotes are for routes from Chengdu and Chongqing to Duisburg – about \$5 300/FEU SOC. Average container lease cost is around \$800.
- In August, rates on the Middle corridor slightly declined: Zhengzhou–Baku (Absheron) fell to \$5 500–6 950/FEU, and Hefei–Baku to \$5 650–7 100/FEU, while Xi'an–Baku held steady at \$5 600–5 700/FEU [[Argus](#)].
- The WCI Shanghai–Rotterdam index decreased by **10%** last week – to \$2 385/FEU (**-27%** MoM, **-62%** YoY) [[Drewry](#)]. Rates are approaching the lowest levels of 2025, with a risk of further decline. According to [GeekYum](#), for the rest of September most carriers quote \$1 700–2 100/FEU. The Gemini Cooperation's price cuts set the general trend in the market – rate reductions and competition for cargo. The upcoming Maersk rate announcement for the end of September will determine further dynamics.
- Futures quotations, based on contracts published by the [Shanghai Futures Exchange](#), indicate a further decline in freight rates, with a pronounced trough in September–October. The curve points to a decrease on the Asia–Northern Europe route from current levels to about \$1 700/FEU by end-October, with growth to about \$2 200/FEU by year-end.

## Other trends

- In September, PKP Cargo Connect sent the first train from Warsaw to China carrying products from Poland, Germany, the Czech Republic, Lithuania, and Latvia (furniture, sporting goods, footwear, etc.) [[RAIL MARKET](#)]. Two more departures are expected in the coming weeks, with frequency depending on demand. The service is organized jointly with Zhengzhou International Hub Development and Construction Co., Ltd. (ZIH) and its parent company Henan Zhongyu International Port Group.
- The number of routes via the Middle Corridor continues to increase. In September, a service was launched from Guangzhou to Europe through Turkey and Romania [[China Daily](#)], and in August, trains from Chongqing and Chengdu departed via Istanbul to Łódź and Budapest. According to reports, transit time on the Middle Corridor to Turkey was reduced from 20 to 15 days [[China Daily](#)]. Earlier this year, China State Railway Group and Turkish operator Pasifik Eurasia signed an agreement on the joint organization of regular container services: at the first stage, 10 pilot departures are planned, with a subsequent ramp-up to a target of 1 000 trains per year.



# CHINA-EUROPE RAIL CONTAINER VOLUME: JANUARY-AUGUST 2025

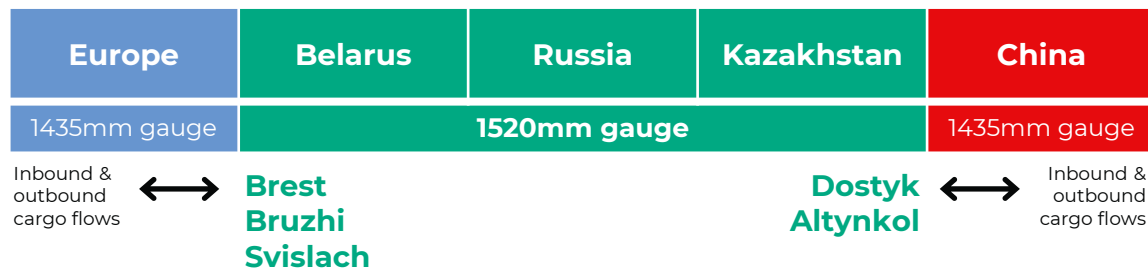
## China-Europe-China, 2025

**231,1** thousand TEUs **↓ 22%** YoY

**88%** share of the Central Eurasian Corridor

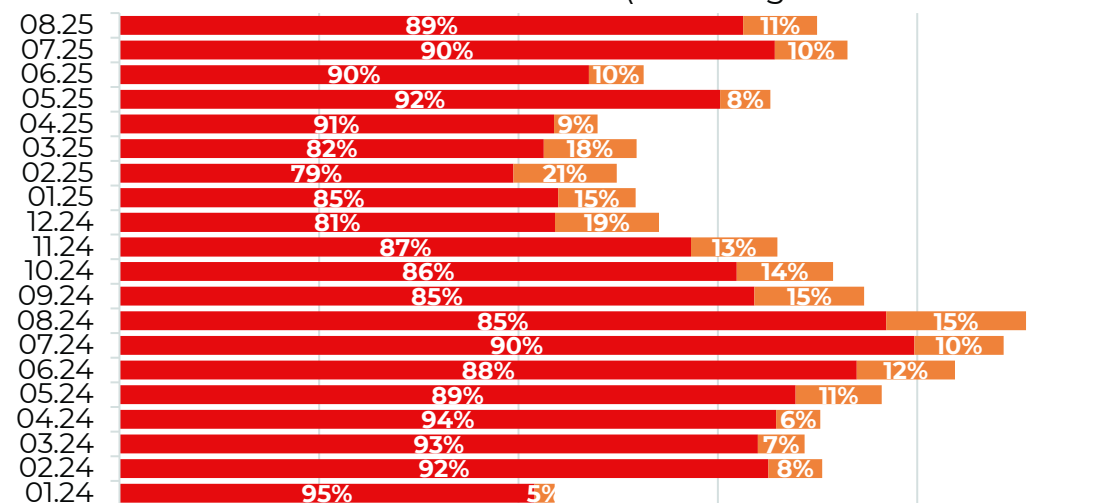
**12%** share of other routes

## Central Eurasian Corridor illustrated



## Container volume trends, 2024-2025

■ Central Eurasian Corridor ■ Other (including the Middle Corridor)



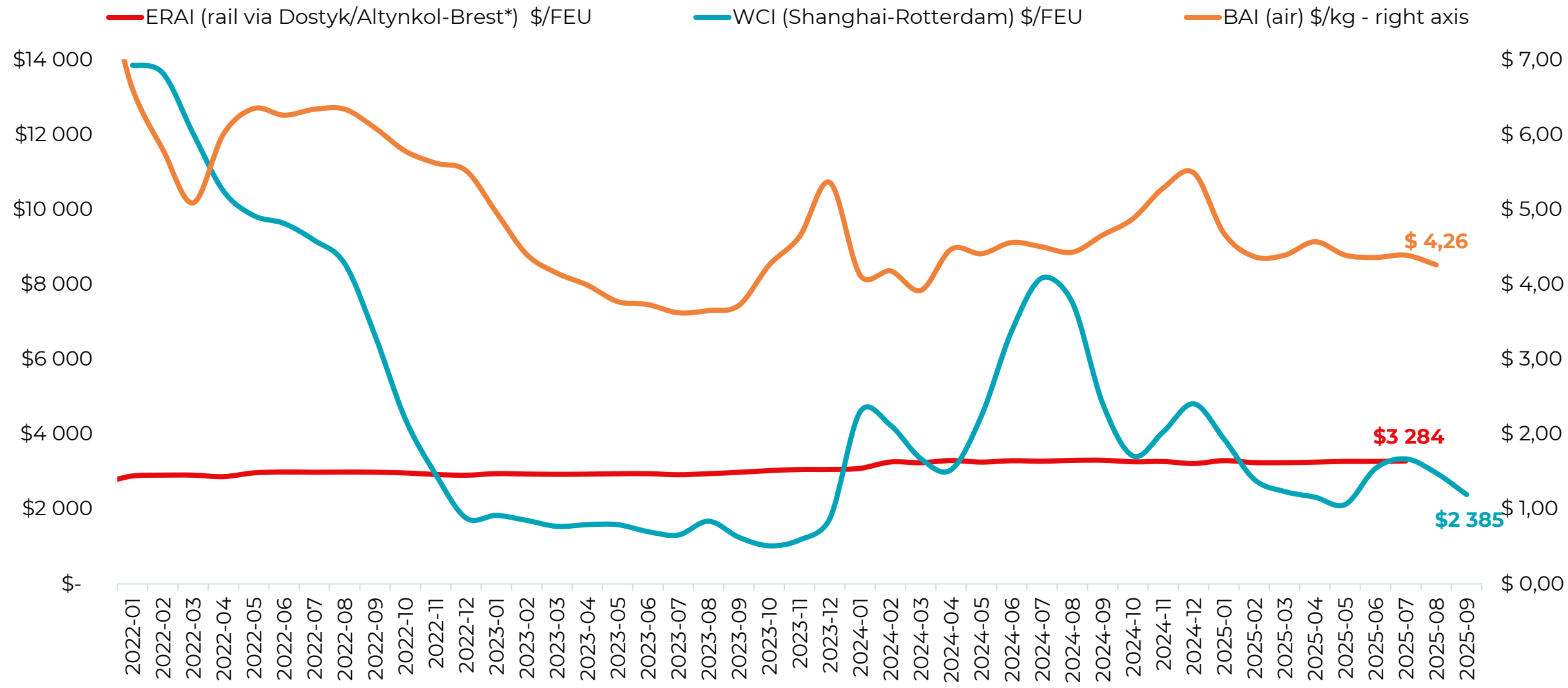
## Freight flow by direction

■ China-Europe ■ Europe-China





# COMPARISON OF FREIGHT INDICES: RAIL, OCEAN AND AIR



\*and other routes included in the calculation. For more information check <https://index1520.com/en/index/>

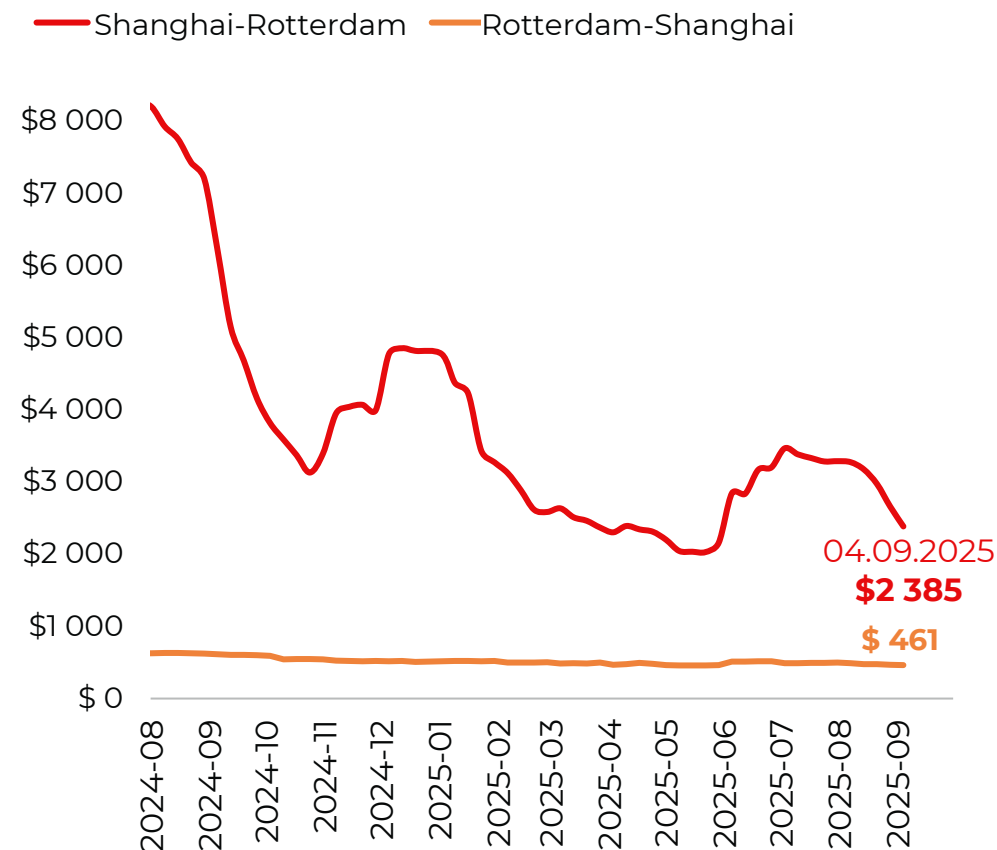


# OCEAN FREIGHT: INTENSIFYING DOWNWARD TREND

- ▼ **Current situation and near-term outlook: rates continue to decline amid the end of the peak season and persistent market imbalances.**
- **Demand for shipments from Asia to Europe continues to weaken [Flexport]. Ahead of China's "Golden Week" (1–8 October), no significant changes are expected.**
- **Growing excess capacity is putting additional pressure on the market and creating risks of deteriorating financial results in the sector.** In September, supply on the Asia–Northern Europe trade is expected at 1.07 million TEU (-4% MoM) – one of the highest monthly averages in recent years [JOC].
- **The WCI Shanghai–Rotterdam index fell 10% last week to \$2 385/FEU (-27% MoM, -62% YoY) [Drewry]. Rates are approaching the lowest levels of 2025, with a risk of further decline.** According to [GeekYum](#), for the rest of September most carriers quote \$1 700–2 100/FEU. The Gemini Cooperation's price cuts set the general trend in the market – rate reductions and competition for cargo. The upcoming Maersk rate announcement for the end of September will determine further dynamics.
- **Ongoing port delays in Asia and Europe are limiting a sharper decline in rates. However, in recent weeks terminal congestion has begun to ease.** As of 7 Sep 2025, delays affect 1.1 million TEUs in North Asia (including China, -21% MoM) and 221 thousand TEUs in Northern Europe (-30% MoM) [Linerlytica]. In Asia, the situation is further complicated by the typhoon season, which will last through October and continue to affect port logistics stability.
- ▼ **Medium- and long-term outlook: the overall trend continues to point towards a growing imbalance between supply and demand, intensifying competition among carriers.**
- A return to pre-pandemic rate levels (~\$1 500/FEU) seems unlikely. Since 2019, carriers' unit costs have increased significantly. For example, Hapag-Lloyd's costs have risen by ~30% due to rising inflation, growing environmental expenses, and changes in the company's operational model [JOC].

## Asia-Northern Europe WCI readings

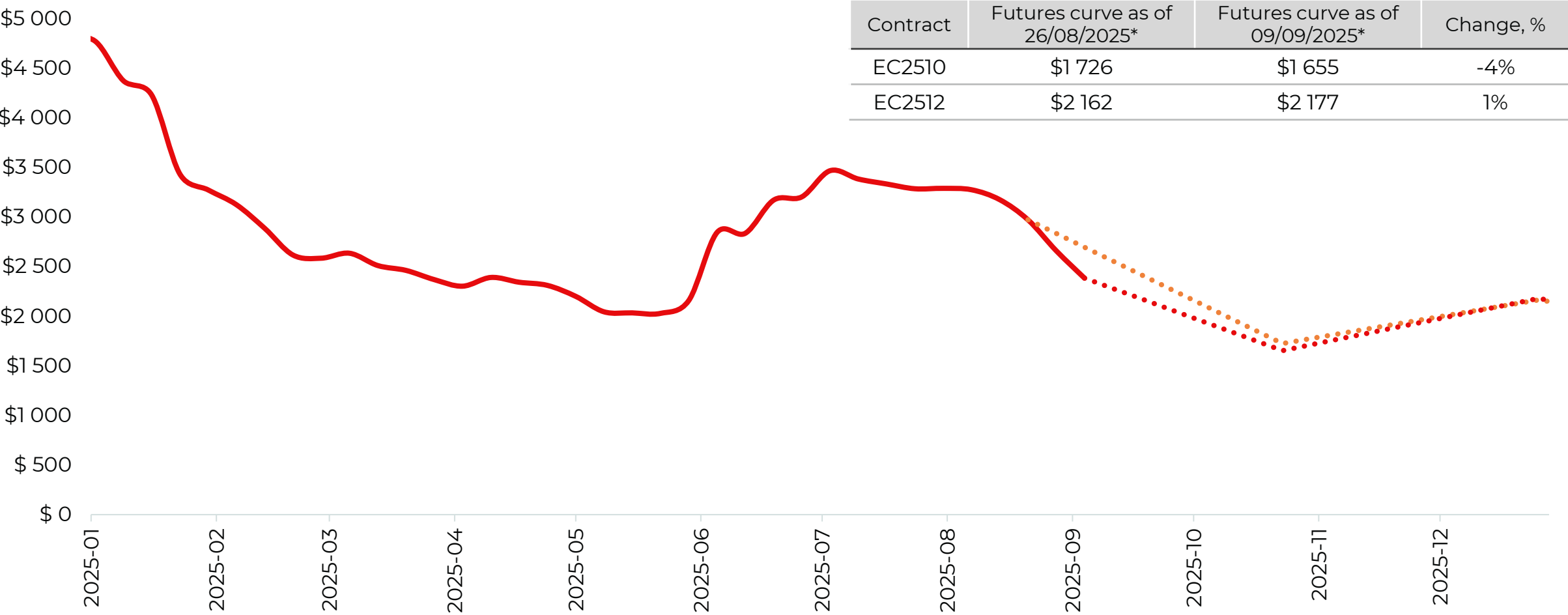
2024 – 2025, \$/FEU





# OCEAN FREIGHT: FUTURES PRICING POINTS TO A RATE DROP IN H2, WITH A MARKED TROUGH IN SEPTEMBER–OCTOBER

— WCI Shanghai-Rotterdam, \$/FEU  
..... Futures curve (COFIF/EC) as of 09/09/2025, \$/FEU  
..... Futures curve (COFIF/EC) as of 26/08/2025, \$/FEU



# CHINA-EAEU LOGISTICS MARKET

## Import and export trends

Mixed

- **Bank of Russia** has published the draft "Main Directions of the Unified State Monetary Policy for 2026–2028". Key points include: a key rate cut will only be considered after inflation sustainably reaches 4%, no earlier than 2029; despite slowing price growth, core inflation remains above target, requiring caution; the baseline scenario assumes sanctions will persist and possibly tighten; further economic slowdown is expected in 3Q2025. Current monetary policy tightness is deemed sufficient to return inflation to target by end-2026. All decisions follow a conservative scenario, ruling out premature easing.
- Additionally, [the regulator published](#) alternative forecast scenarios indicating a key rate range of 11–15% for next year. The Central Bank will continue to exercise caution and reduce rates slowly. **Maintaining tight monetary policy and declining consumer activity in Russia will continue to keep import volumes low. As a result, competition on the China-Russia route will intensify.**
- **On the other hand, given gradual recovery in the Russian car sales market, a resurgence in imports of Chinese automobiles and components is expected following a significant supply downturn earlier this year.** In August, 122.2 thousand new passenger cars were sold in Russia, marking the highest monthly figure this year. However, YoY decline reached **17.6%**. Over the first eight months of 2025, sales totaled 773.3 thousand units (**-23%** YoY) [[Autostat](#)].
- **Import rates in multimodal transport have resumed their decline after a brief stabilization at the end of summer, down \$200 MoM. The average cost of transportation via Far Eastern ports is ~\$4 000/FEU (SOC). Meanwhile, rates for direct rail transport have continued steady growth for 2 months. The average rate level has increased by ~\$600 MoM to ~\$4 600/FEU (COC), though minimum offers remain at \$3 650-\$3 800 (COC).**
- **In January-August 2025, Russian Railways transported 5 million 26 thousand TEU (laden and empty) in all types of traffic, a decrease of 3.9% YoY [[Russian Railways](#)]. August volume amounted to 619.8 thousand TEU, down 1.1% MoM.**
- **Russian Railways plans an additional increase in container transportation tariffs in 2026. In addition to general indexation, the company is considering a 5% surcharge and wants the ability to raise rates by another 15% on certain routes within a tariff corridor.** At the Eastern Economic Forum 2025, market participants proposed freezing 2026 tariffs at current levels to prevent weakening of rail's competitive position against growing containerized road transport [[RZD Partner](#)].

## Other trends

- According to the third edition of [InfraNews](#) Rail Market Confidence Index, the index value reached +0.18, entering the "green zone", yet the overall sentiment among participants remains anxious. Respondents note the absence of cargo on the network, persistent issues with refusals to transport already agreed shipments, and the carrier's exclusive focus on managing empty containers.
- Vessels arriving in Arkhangelsk as part of Arctic Express No. 1 return to China with backload cargo. Export goods include lumber and paper products [[PortNews](#)]. Approximately 20 voyages are planned along this route in 2025.



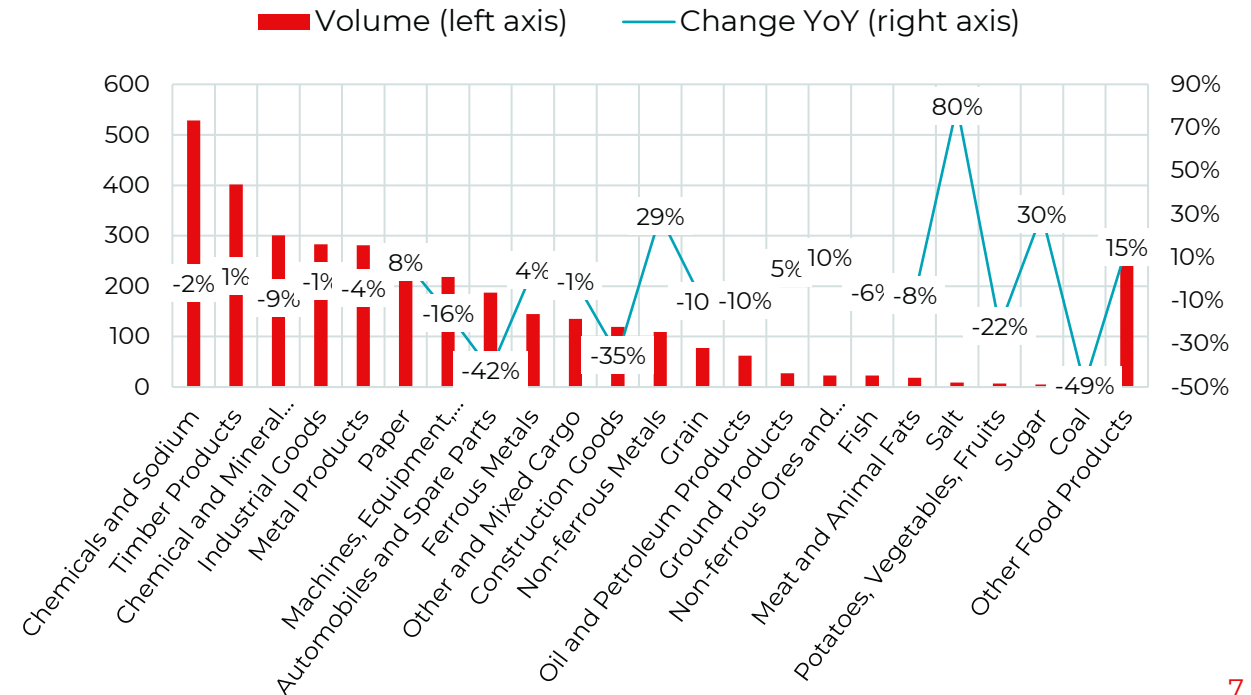
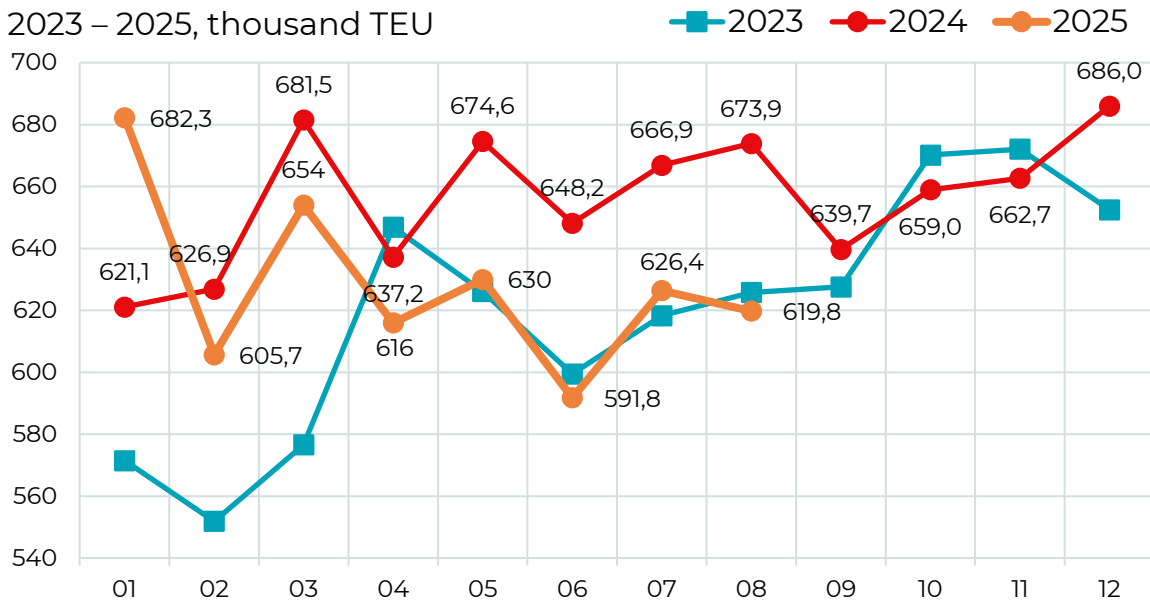
# RAIL FREIGHT TRANSPORT: CONTAINER SHIPPING VOLUMES CONTINUE TO DECLINE COMPARED TO LAST YEAR, PRIMARILY DUE TO A DOWNTURN IN IMPORTS

■ In January-August 2025, Russian Railways (RZD) transported 5 million 26 thousand TEU (laden and empty) across all types of services, a **3.9% YoY decrease [RZD]**. The August volume amounted to 619.8 thousand TEUs, down **1.1% MoM**.

- The sharpest decline was observed in import transportation (-11% YoY) and domestic traffic. Key reasons include economic cooling, new sanction packages, and global market recession.
- At the Eastern Economic Forum 2025, the carrier announced its annual volume expectation of over 8 million TEU, exceeding last year's figure by 1.5% or 120 thousand TEU [PortNews].

## Container volumes (laden and empty) transported via the Russian Railways (RZD) network

2023 – 2025, thousand TEU





Eurasian Rail Alliance Index

**ERAI (Eurasian Rail Alliance Index)** – is a composite index that tracks the cost of container transit within the Eurasian railway corridor (1520mm/wide gauge), providing indicative rates for the China-Europe and Europe-China rail routes.

**Unit of measurement**

USD/ FEU

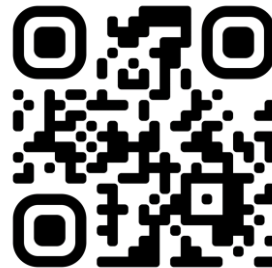
**Update frequency**

Monthly

Detailed information on the ERAI index and the factors influencing it is available at the ERAI web-portal (<https://index1520.com/>).

The ERAI portal is a unified informational and analytical resource dedicated to Eurasian logistics, offering:

- ERAI quotes
- China-Europe rail statistics
- Analytical reports
- Expert interviews
- Industry news
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**Contact information**

**[info@index1520.com](mailto:info@index1520.com)**

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