



Eurasian Rail Alliance Index

EURASIAN LOGISTICS MARKET UPDATE

MAIN INSIGHTS FOR THE SECOND HALF OF AUGUST

Container
volume



Freight
rates



Ocean
freight



Rail
freight



Other logistics
trends



Issue 12: August 28, 2025



Issue 13: September 11, 2025

CHINA-EUROPE LOGISTICS MARKET

Demand outlook

Mixed

- **July data signals a slowdown in China's economic activity.** Industrial production growth fell to [5.7%](#) YoY (the lowest since November 2024), while retail sales grew by only [3.7%](#), missing expectations of [4.6%](#) [[CNBC](#)]. **The momentum from earlier export orders and seasonal activity is fading, and domestic demand remains subdued. In the absence of new stimulus, production and export shipment growth rates may continue to decline. In response, authorities are accelerating fiscal stimulus for the economy** [[Bloomberg](#)].
- **August PMI data reflects an improvement in business activity in the Eurozone: the composite index rose to 51.1—a 15-month high—with the manufacturing PMI reaching 50.5 (a 38-month high), and industrial output recording its fastest growth since April 2021. However, export orders continue to decline.** The downturn has persisted since March 2022, with the rate of contraction in August being the sharpest in five months [[S&P Global](#)]. Business expectations have declined for the second consecutive month amid persistent external uncertainties and pressure on export demand.
- **In the January-July period, the volume of China-Europe-China rail container transportation decreased by 22% YoY. In July alone, the total volume of shipments across all competitive routes fell by 18% YoY but increased by 39% MoM.** The month-over-month growth in July was primarily driven by increased activity along the central Eurasian corridor.
- **As the peak season concludes, a further weakening in demand for sea freight from Asia to Europe is being observed, along with improved availability of container equipment** [[Flexport](#)]. However, the pace of the demand slowdown is not the only factor shaping market conditions.

Freight rate trends

Mixed

- **In recent months, average rates for China-Europe rail freight have remained relatively stable. Current rates are: \$5 200–6 000/FEU (SOC) for central provinces (Chengdu to Xi'an) and ~\$6 300/FEU (SOC) for coastal regions (Shenzhen).** The average container leasing cost ranges between \$800–900.
- **The Shanghai–Rotterdam WCI fell 6% last week to \$2 973/FEU (–10% MoM, –60% YoY)** [[Drewry](#)]. **After a local peak in early July, rates continue to decline. According to the JOC, Asia–Northern Europe rates dropped to an average of ~\$2 700/FEU last week. Data from GeekYum shows that as of early September, most carriers are quoting rates in the range of \$2 200–2 400/FEU.** For the second week of September, Maersk is offering a rate of \$1 900/FEU [[Linerlytica](#)]. Carriers face significant challenges in maintaining prices amid market oversupply. However, a return to pre-pandemic rates (~\$1 500/FEU) is unlikely: per-unit costs have risen significantly since 2019. For example, Hapag-Lloyd's costs have increased by [30%](#) [[JOC](#)].
- **Futures quotes indicate a decline in freight rates throughout the second half of the year, with a pronounced drop in September–October.** The forward curve suggests a decrease in Asia–Europe rates from current levels to around \$1 700/FEU by the end of October, followed by a rebound to approximately \$2 200/FEU by year-end.

Other trends

- As of September 1, 2025, new EU regulations under the ICS2 (Import Control System 2) take effect, obliging shippers to include more comprehensive data in their stuffing lists and accompanying paperwork.
- China's Haijie Shipping Company will launch the first regular container line to Europe via the Northern Sea Route starting September 20 [[High North News](#)]. The route will include the ports of Qingdao, Shanghai, Ningbo, Felixstowe, Rotterdam, Hamburg, and Gdańsk. The transit time from Ningbo to the UK will be 18 days (for comparison: the transit time via the Ningbo–Wilhelmshaven line through the Suez Canal, opened earlier this year, is 26 days). The first voyage will utilize a vessel with a capacity of 4 890 TEU. The inaugural voyage has been fully booked.
- A carbon-neutral container train service to Europe has been launched in Wuhan. On August 13, a train carrying auto parts and consumer goods departed from the CRIntermodal Wuhan terminal bound for Hamburg and Duisburg [[SASAC](#)]. The project is a collaboration between Wuhan Asia-Europe Logistics and DB Cargo Eurasia. The train exclusively uses green electricity on electrified sections of the route, and emissions from the remaining segments are offset through certified carbon credits (Gold Standard).



CHINA-EUROPE RAIL CONTAINER VOLUME: JANUARY-JULY 2025

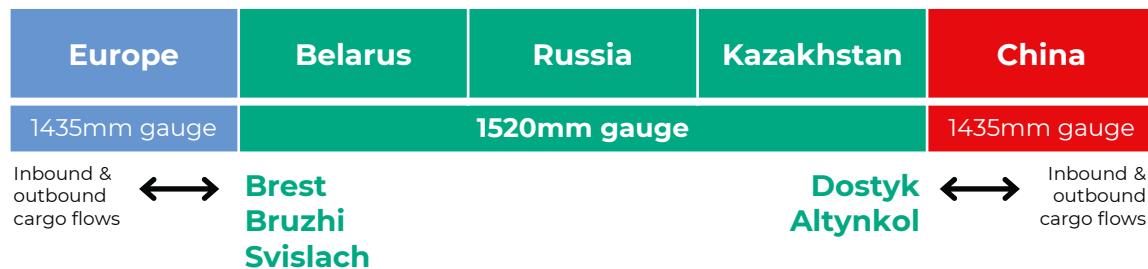
China-Europe-China, 2025

196,1 thousand TEUs **↓22%** YoY

87% share of the Central Eurasian Corridor

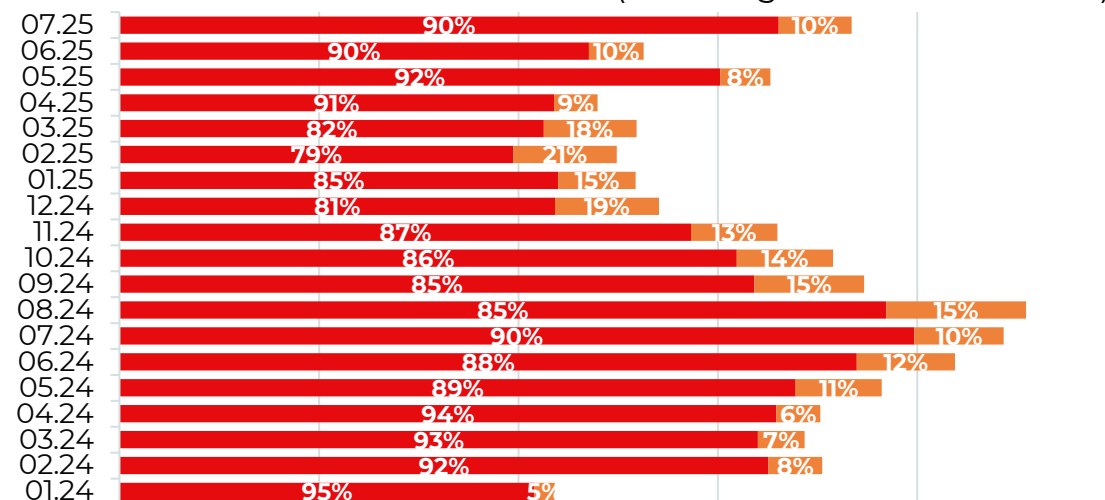
13% share of other routes

Central Eurasian Corridor illustrated



Container volume trends, 2024-2025

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



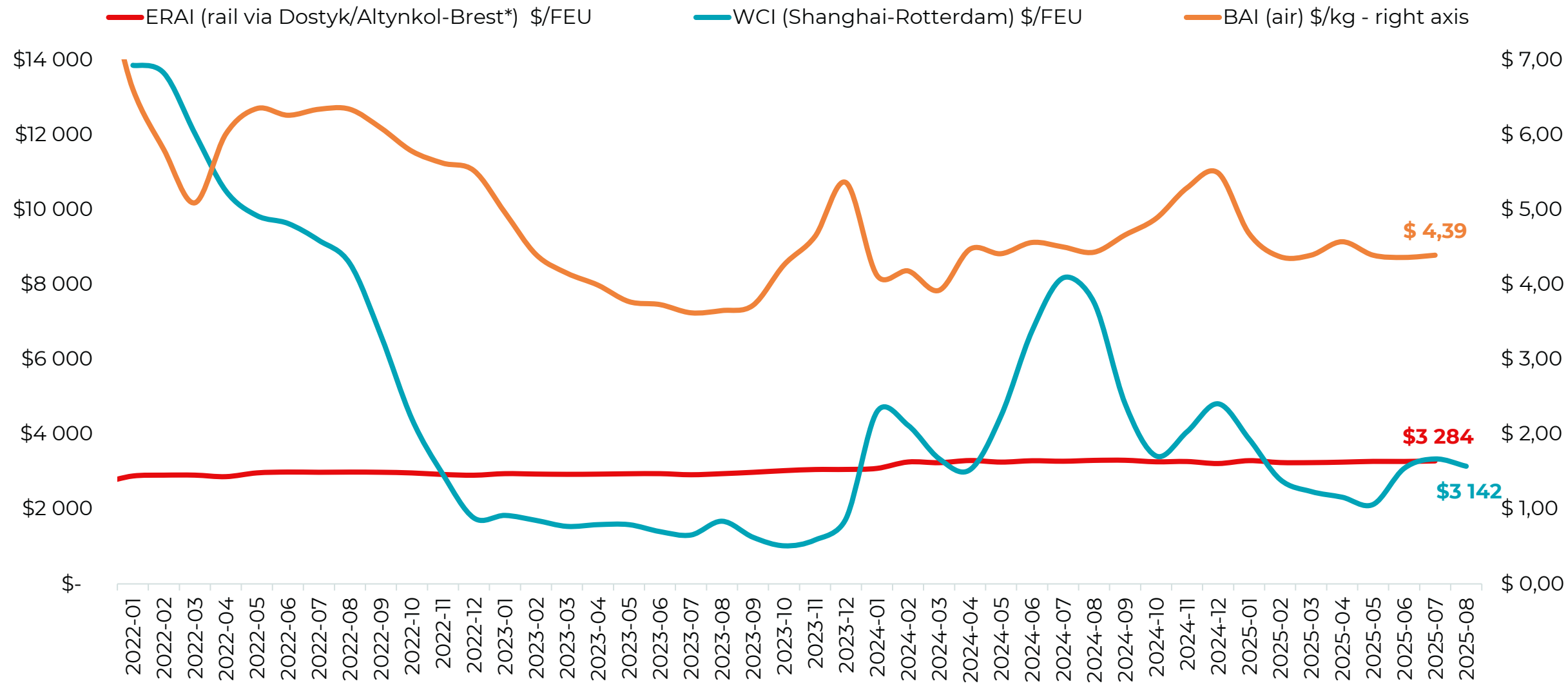
Freight flow by direction

■ 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/>

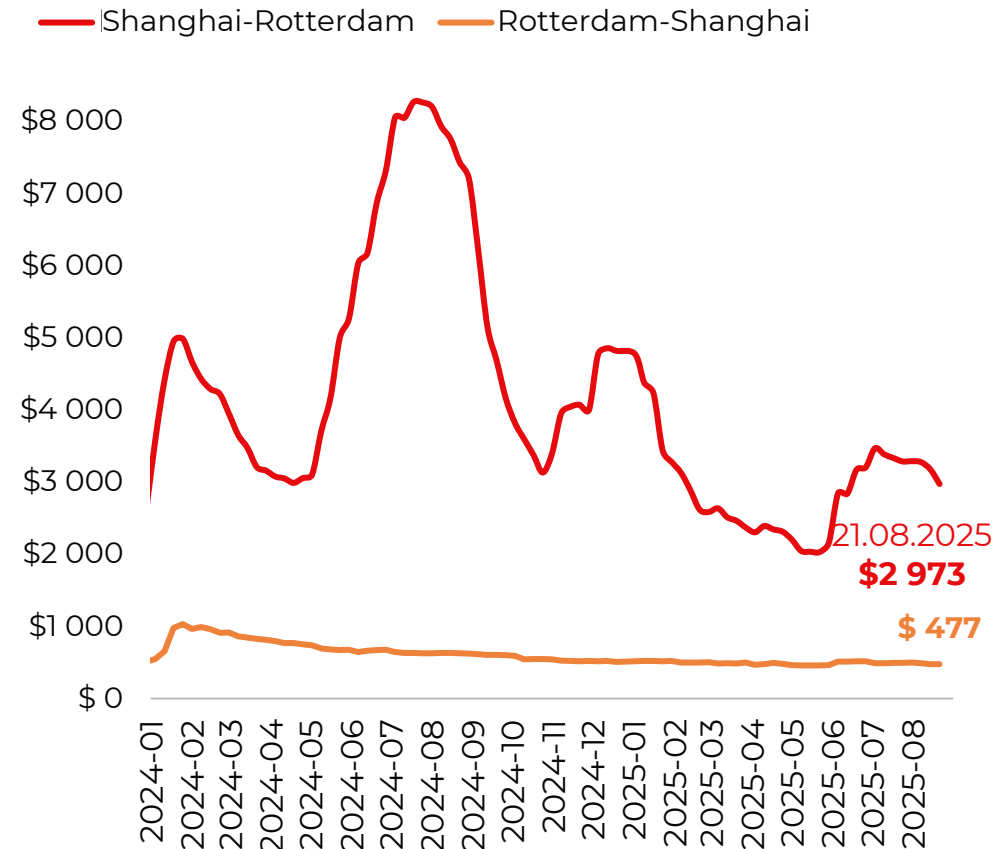


OCEAN FREIGHT: THE MARKET DOWNTURN IS INTENSIFYING

- **Current situation and near-term outlook: rates continue to decline amid the end of the peak season and a persistent market imbalance.**
 - **As the peak season concludes, a further weakening in demand for sea freight from Asia to Europe is being observed, along with improved availability of container equipment [Flexport].** However, the pace of the demand slowdown is not the only factor shaping market conditions.
 - Supply has jumped in August. Container capacity deployed on the Asia-North Europe trade lane reached around 1.12 million TEU (+10% MoM). A decrease to approximately 1.07 million TEU (-4% MoM) is expected in September, yet this still remains one of the highest average monthly capacity levels in recent years [JOC]. Maersk and Hapag-Lloyd continue with no blank sailings, which is in line with their strategy of competing for cargo and proactively reducing rates.
 - **The WCI Shanghai-Rotterdam fell by 6% last week to \$2 973/FEU (-10% MoM, -60% YoY) [Drewry].** Rates have continued to decline since a local peak in early July. According to the JOC, Asia-Northern Europe rates dropped to an average of ~\$2 700/FEU last week. Data from GeekYum shows that as of early September, the vast majority of carriers are quoting rates in the range of \$2 200–2 400/FEU. For the second week of September, Maersk is offering a rate of \$1 900/FEU [Linerlytica]. Carriers face significant challenges in maintaining prices amid market oversaturation.
 - **Ongoing port delays in Asia and Europe are mitigating a steeper decline in rates.** As of 24/08/2025, delays are affecting: in Northern Asia (incl. China) – 1.4 million TEU (30% MoM); in Northern Europe – 285 thousand TEU (18% MoM) [Linerlytica]. In Asia, the situation is exacerbated by the typhoon season, which will last until October and continue to impact the stability of port logistics.
- ▼ **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].

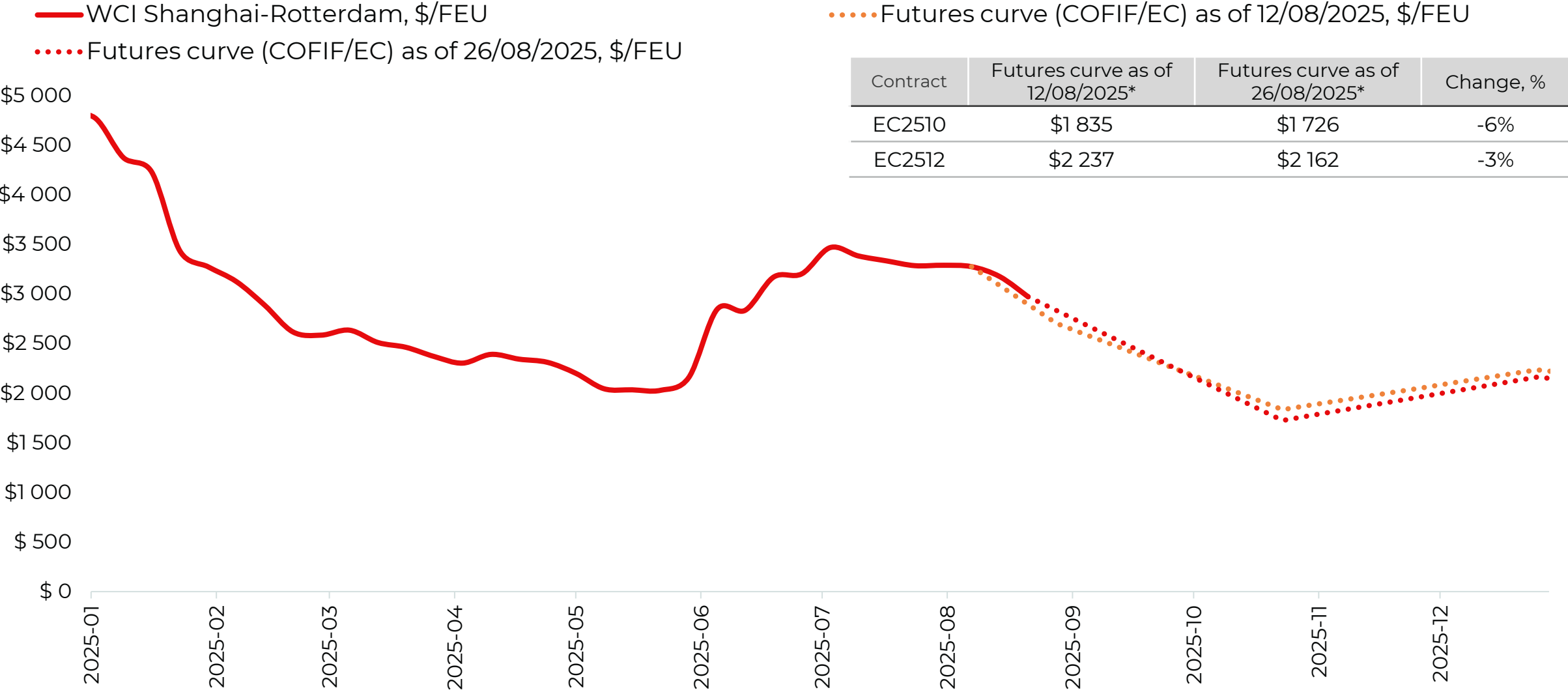
Asia-Northern Europe WCI readings

2024 – 2025, \$/FEU





OCEAN FREIGHT: FUTURES PRICING INDICATE A DECLINE IN FREIGHT RATES DURING THE SECOND HALF OF THE YEAR, WITH A DISTINCT SLUMP IN SEPTEMBER-OCTOBER



CHINA-EAEU LOGISTICS MARKET

Import and export trends

Mixed

- According to Rosstat, Russia has been experiencing deflation for the past five weeks. From the beginning of the month to August 18, prices decreased by **0.19%**, while the price increase since the start of the year reached **4.16%** [Interfax]. The Bank of Russia's inflation forecast for 2025 was revised down in July from 7-8% to 6-7%. In its commentary on the forecast, the regulator noted that it expects annual inflation to slow to 8.5% by the end of September, but by August 18, inflation had already fallen to this level, indicating that the slowdown is clearly proceeding faster than projected. **Deflation in Russia is expected to persist for several more weeks, with the trend likely to reverse only by the end of September. The decline in inflation will accelerate the easing of monetary policy, which, in turn, could have a positive impact on consumer behavior and the level of imports into the country.**
- Trade volume between Russia and China is declining, and this trend is likely to continue. According to forecasts, by the end of the year, trade turnover will reach **\$230–235 billion**, down from last year's record of **\$245 billion** [Kommersant]. Data from China's General Administration of Customs show that trade between the two countries fell by **8.1%** YoY in the first seven months of 2025, amounting to \$125.8 billion. Experts note that trade has been affected by lower energy prices, high key rates, and challenges in cross-border transactions. Additionally, Chinese goods have already saturated certain segments of the Russian market, meaning the "commodity expansion" is nearing its limit.
- According to the Russia's head of the Ministry of Industry and Trade, the slowdown in trade growth with China will be accompanied by a gradual increase in the share of high-tech and innovative products. In the long term, the most successful initiatives will involve investments in joint production, technology transfer, and the adoption of advanced technologies [Kommersant].
- The Russian road freight market shows signs of cautious recovery in 2Q2025, but growth remains uneven and vulnerable due to tight monetary policy, logistical challenges at borders, and a persistent imbalance between imports and exports [Kommersant].
- **Import rates for China-Moscow multimodal transport have returned to late July levels after a slight increase two weeks ago. The average cost of transportation via Far Eastern ports is approximately \$4 200/FEU (SOC). Meanwhile, rail freight rates continued to rise, increasing by approximately \$300 MoM to around \$4 250/FEU (COC), with minimum rail quotes ranging between \$3 600 and \$3 800 (COC).**
- The normalization of container inventories in China and a reduction in their export from Russia have led to a sharp decline in carriers' subsidies for empty equipment returns. As a result, the share of empty containers in exports is decreasing, helping to reduce the overall imbalance in cargo flow between Russia and China [RZD Partner].



ROAD FREIGHT: IMPORT GROWTH AND LOGISTICAL CHALLENGES SHAPE NEW MARKET TRENDS

- ▲ **The Russian road freight market is showing signs of a cautious recovery in Q2 2025; however, growth remains uneven and vulnerable due to tight monetary policy, logistical challenges at border crossings, and a persistent imbalance between imports and exports [Kommersant].**
 - An increase in order volume (+33% compared to the previous quarter) and prices (+5.7% over three months) has been recorded. Nevertheless, real rates adjusted for inflation remain 10–15% below last year's levels, indicating that the crisis has not yet been fully overcome.
 - The high key rate continues to constrain both purchasing power (reducing demand for freight) and carriers' ability to upgrade their fleets and invest, creating fundamental pressure on the entire industry.
 - A sharp increase in import routes (especially from China, +178% YoY in the first half of the year) has been observed, while exports, on the contrary, are declining due to the uncompetitive cost of road freight compared to subsidized container shipping.
 - Tighter inspections at the border with Kazakhstan, through which the main flow of goods from China passes, have led to multi-day traffic jams (with up to 80% of cargo being inspected)* and an immediate 5–7% increase in shipping costs, forcing companies to seek alternative routes.
 - The market is facing a rise in micro-aggregator companies, whose statistics distort the actual volume of transportation, as well as dumping by foreign carriers (primarily Chinese), who operate at reduced rates on return trips.
- ▲ **The ATI.SU freight index has shown steady growth since April, and the normalization of rates is helping to restore the balance between supply and demand. At the moment, market participants say that oversupply is still present, but the market is nearing balance.**
- ▲ **According to the forecast: A further moderate increase in tariffs (up to 10% by the end of the year) is expected, but it will not be rapid and will not allow carriers to achieve sustainable profitability in 2025.**

Index ATI.SU FTL Russia

2025, Data for FTL-shipments (20 t, 82 m³).



China-Moscow Road Freight:

\$8 000 – \$9 000, Delivery time 22–30 days

China-Moscow TIR Road Freight:

\$13 000 – \$14 000, Delivery time 11–13 days

*According to carriers, since mid-June, border crossing from Kazakhstan to Russia can take up to three days instead of the usual 10 minutes. Up to 99% of cargo is now subject to inspection. Market participants have also reported disruptions in the e-queue system and requirements for additional permits [TASS].



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

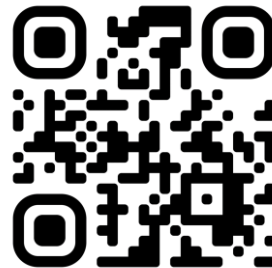
Update frequency

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
- CO2 counter, and more.



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