ERAI
Eurasian Rail Alliance Index

EURASIAN LOGISTICS MARKET UPDATE

MAIN INSIGHTS FOR THE FIRST HALF OF JULY

Container volume

Freight rates

Ocean freight

Rail freight

Other logistics trends

Issue 9: July 17, 2025 → **Issue 10: July 31, 2025**

Data collection period: 03/07/2025 – 16/07/2025

CHINA-EUROPE LOGISTICS MARKET

Demand outlook Mixed	• **China's exports to the EU rose by 7,6% YoY in June, mainly driven by growing shipments of machinery and electrical equipment (+9,5%), which accounted for 60% of total exports in H1. Additional momentum came from high-tech products, including hybrid electric vehicles, lithium-ion batteries, and solar panels (+12,7% across these categories), as well as semiconductors (+19%) [SCMP]. This trend is contributing to short-term demand for outbound shipments to Europe.** Imports from Europe rose only marginally (+0,4% YoY), reflecting continued weakness in domestic demand in China, further pressured by declining competitiveness of European goods. • **Germany's new export orders index reached its highest level since February 2022 [S&P Global], with rising demand from Asia — including China — across sectors such as machinery and auto parts. This may indicate an ongoing shift in Germany's export model and create a foundation for future growth in outbound flows.** Rising trade tensions with the U.S., including 30% tariffs set to take effect on August 1, are also reinforcing the strategic pivot of European businesses toward other markets [Financial Times]. For instance, BMW and Volkswagen are seen to be adjusting their strategies to regain market share in China, while Siemens and Bosch are expanding their footprint in the country, including via long-term infrastructure and sustainability projects. • **China–Europe–China rail container volumes fell 22% YoY in H1. In June, total volumes across all competing corridors dropped 37% YoY and 19% MoM.** The Middle Corridor's volumes remained stable, continuing the positive trend from May. • **Demand for Asia–Europe ocean freight remains steady. A capacity crunch in June and early July led to rollovers, pushing part of the volume to later sailings.** Flexport estimates it will take another 2–3 weeks to clear the backlog.
Freight rate trends Mixed	• **Over the past two weeks, rail freight rates on the China–Europe corridor have remained broadly stable. The Xi'an–Duisburg route is currently priced at approximately \$6 100/FEU (SOC). For the Chongqing–Duisburg route, the rate is around \$5 350/FEU (SOC). Container lease rates stand at ~\$800-900, although some forwarders have considerably cheaper rates depending on the pick up location.** • **The WCI Shanghai–Rotterdam benchmark declined by 2% WoW, settling at \$3 384/FEU (19% MoM, -58% YoY) [Drewry]. Rates appear to have stabilized following nearly six weeks of sustained growth. In the absence of new market drivers, the current level is likely to hold through late July and August.** Amid limited booking volumes for August, carriers are adopting a wait-and-see approach. Maersk has slightly increased its late-July quotes to \$3 090/FEU, while OOCL, ONE, HMM, and Evergreen are offering rates in the \$3 400–3 500 range. COSCO and especially CMA CGM continue to quote significantly higher levels for August, with CMA CGM's rate exceeding \$4 700 [Linerlytica, GeekYum]. • **The futures curve, based on contracts published by the Shanghai Futures Exchange, still points to softening in H2, though expectations have shifted upward.** The latest pricing curve shows a gradual decline in Asia–Europe spot rates to around \$2 700/FEU by end-August, up \$300 over the past 2 weeks.
Other trends	• RTSB has launched two new regular services from Duisburg. On 7 July, the Chengdu–Europe Express began operations, carrying electronics, pharmaceuticals, food products, and German cars [AdriaPorts]. Earlier, on 21 June, the ASEAN Express was launched — a multimodal service routed via Chongqing, with subsequent delivery from Chinese ports to Southeast Asian countries, including Vietnam, Thailand, and Malaysia [RAIL MARKET]. • On 30 June, a new multimodal route from Chengdu to Tangier (Morocco) was launched, passing through Hamburg and Barcelona [Medias24]. The project is led by Sichuan Silk Road Supply Chain Management and DPD (Deutscher Paketdienst), part of the French La Poste group. The route significantly reduces traditional maritime transit times, which is critical for many importers. Moroccan exporters also view the corridor as an opportunity to scale up shipments to China.

CHINA-EUROPE RAIL CONTAINER VOLUME: JANUARY-JUNE 2025

China-Europe-China, 2025

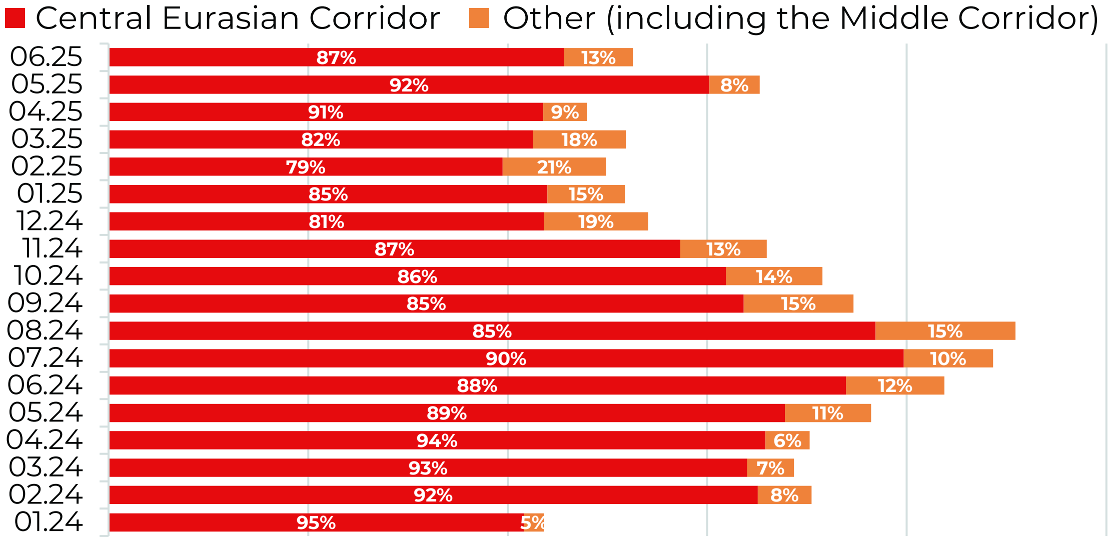
160,6 thousand TEUs **↓22%** YoY

86% share of the Central Eurasian Corridor

14% share of other routes

Central Eurasian Corridor illustrated

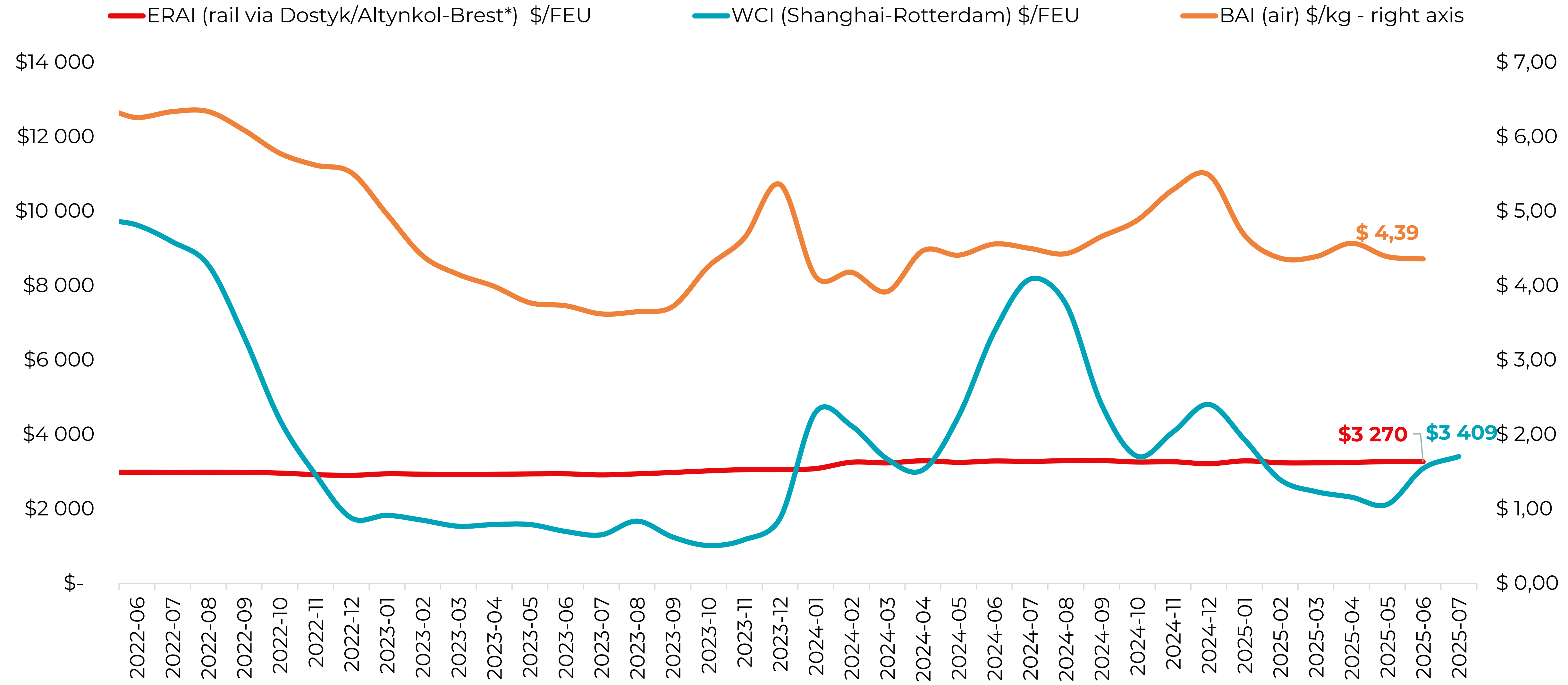
Container volume trends, 2024-2025



Freight flow by direction

Sources: ERAI

COMPARISON OF FREIGHT INDICES: RAIL, OCEAN AND AIR



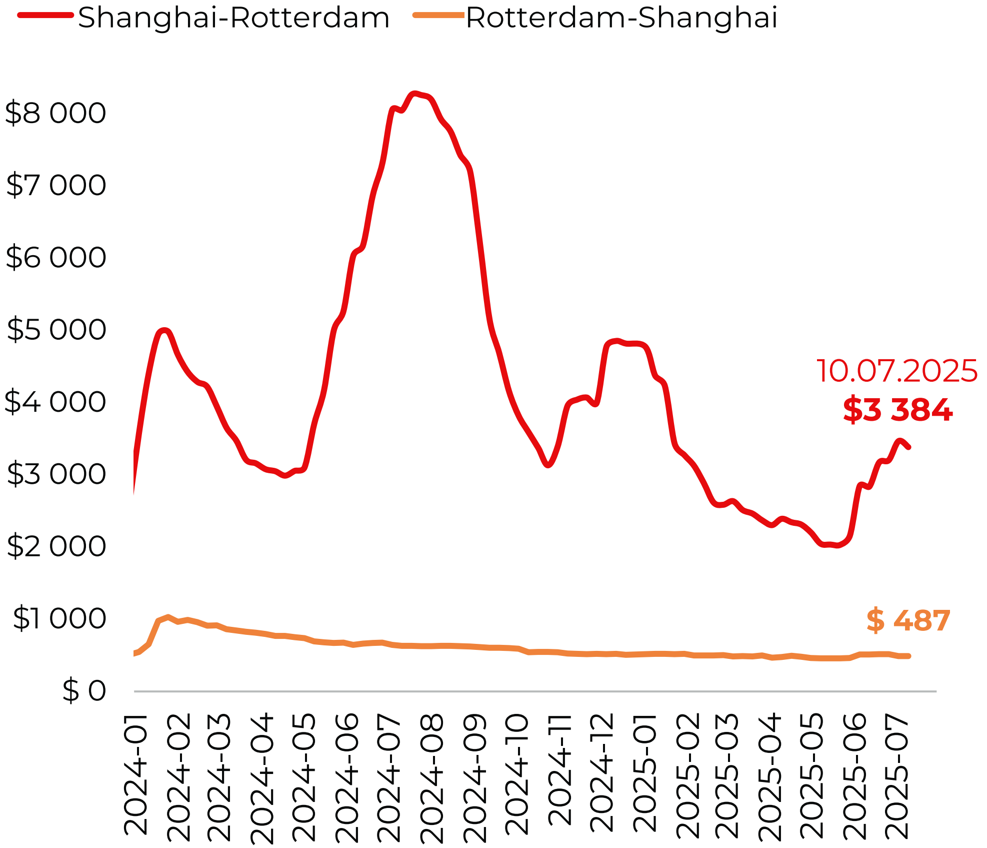
*and other routes included in the calculation. For more information check https://index1520.com/en/index/

OCEAN FREIGHT: THE PEAK SEASON REMAINS IN FULL SWING

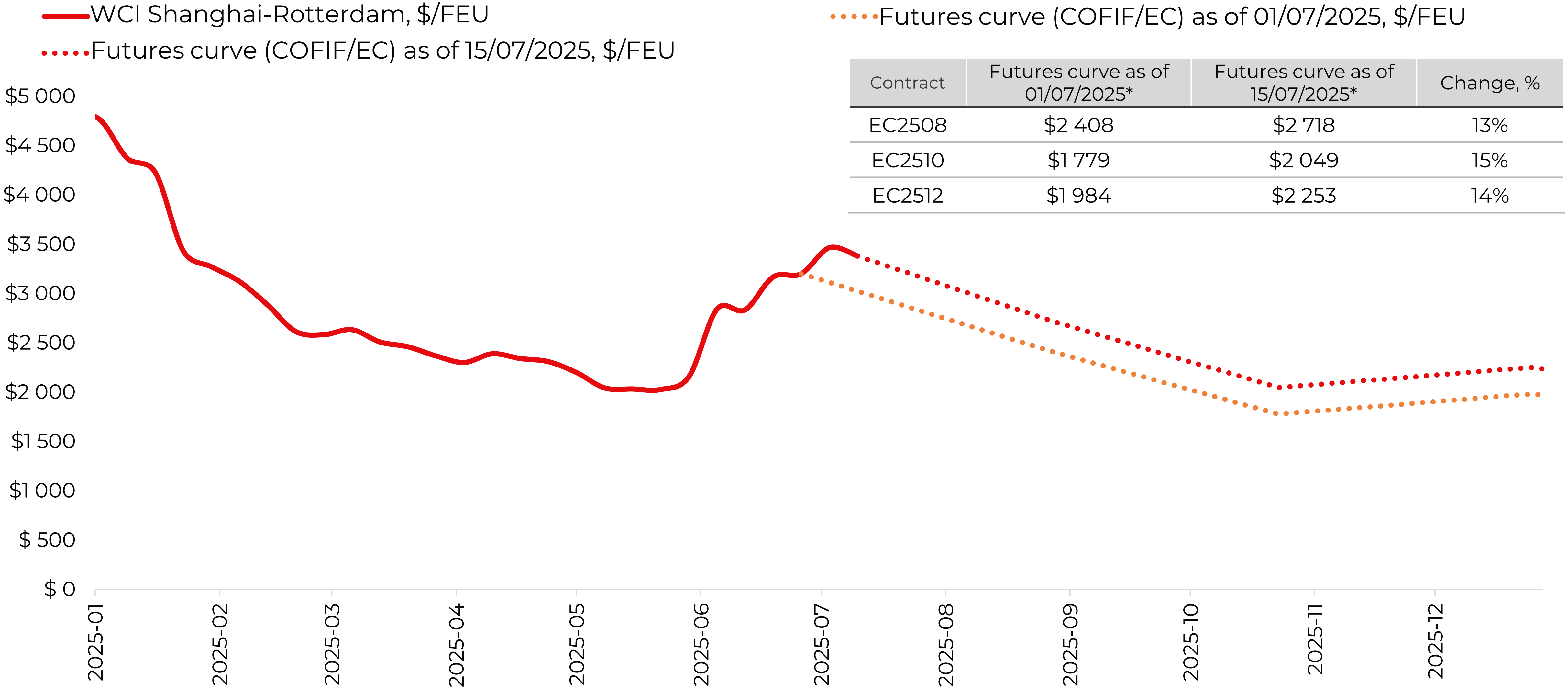
- **Current Situation and Near-Term Outlook: freight rates are likely to fluctuate around current levels over the next 1.5 months, supported by stable demand and mounting operational disruptions.**
  - **Demand for Asia–Europe ocean freight remains steady. A capacity crunch in June and early July led to rollovers, pushing part of the volume to later sailings.** Flexport estimates it will take another 2–3 weeks to clear the backlog.
  - **The WCI Shanghai–Rotterdam benchmark declined 2% WoW, settling at $3 384/FEU (19% MoM, -58% YoY) [Drewry]. Rates appear to have stabilized following nearly six weeks of sustained growth. In the absence of new market drivers, the current level is likely to hold through late July and August.** Amid limited booking volumes for August, carriers are adopting a wait-and-see approach. Maersk has slightly increased its late-July quotes to $3 090/FEU, while OOCL, ONE, HMM, and Evergreen are offering rates in the $3 400–3 500 range. COSCO and especially CMA CGM continue to quote significantly higher levels for August, with CMA CGM's rate exceeding $4 700 [Linerlytica, GeekYum].
  - **Major hubs across Asia and Europe are experiencing persistent delays.** As of 12 July 2025, congestion affected an estimated 1.3 million TEUs in North Asia (incl. China, +6% MoM) and 285 thousand TEUs in Northern Europe (+21% MoM)[Linerlytica]. Xeneta expects elevated congestion at European ports to persist through year-end. In response, carriers are undertaking large-scale schedule adjustments [JOC]. These disruptions are destabilizing established supply chains and degrading service levels. With port congestion still high and a potential rebound in transpacific flows on the horizon, carriers appear reluctant to commit additional capacity to the Asia-Europe trade lane in August.
  - **Equipment shortages persist, particularly among Ocean Alliance and Premier Alliance carriers [Flexport].** Carriers are generally tightening control over equipment.
- **Mid-and Long-Term Outlook: The overall trend, as before, points to a growing imbalance between supply and demand and intensifying competition among carriers.**
  - Drewry forecasts a return to a downward trend in the second half of 2025, with weakening demand and falling freight rates.

Asia-Northern Europe WCI readings

2024 – 2025, $/FEU



OCEAN FREIGHT: THE FUTURES CURVE STILL POINTS TO SOFTENING IN H2, THOUGH EXPECTATIONS HAVE SHIFTED UPWARD



Contract	Futures curve as of 01/07/2025*	Futures curve as of 15/07/2025*	Change, %
EC2508	$2 408	$2 718	13%
EC2510	$1 779	$2 049	15%
EC2512	$1 984	$2 253	14%

Sources: Drewry, Shanghai Futures Exchange

* Contract prices recalculated using Linerlytica estimates to reflect the cost per FEU

CHINA-EAEU LOGISTICS MARKET

Import and export trends

Mixed

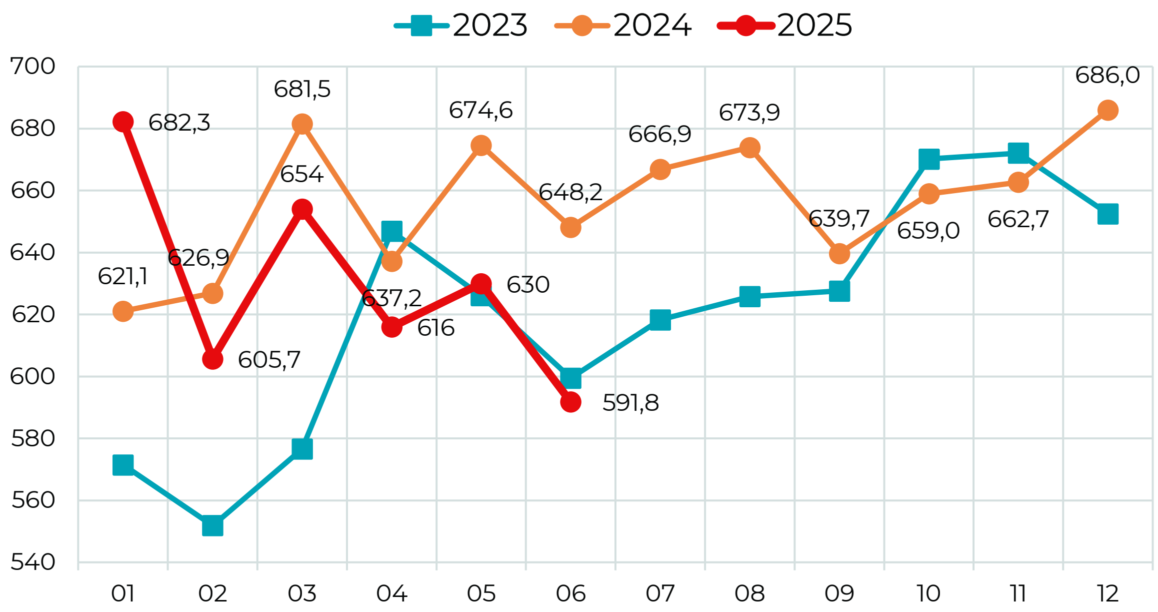
- **In January–June 2025, Russian Railways (RZD) transported 3,78 million TEUs (laden and empty) across all types of services, a 2,9% YoY decrease [RZD] In June alone, the volume was 591.8 thousand TEUs, down 6,1% MoM.** Loaded containers shipped across all services totaled 2,7 million TEUs (-5,1% YoY).
- **Import rates for multimodal transport from China to Moscow have sharply declined over the past two weeks. The average cost via Far East ports is ~$4 200/FEU, down by ~$300, with some market offers as low as $3 600–$3 800/FEU (SOC). COC rates are even lower at $3 050–$3 500/FEU. Rates for rail services remained nearly unchanged at ~$3 700/FEU (COC).**
- RZD plans to revise railway tariff structures, aligning tariffs for metallurgical raw materials and metal products (raw material transport to become more expensive, finished goods cheaper). Container transport tariffs may increase by 15% and empty run tariffs by 5% in 2026 and 2027 [Kommersant].
- **According to Autostat, 90 116 new passenger cars were sold in Russia in June 2025 (-27,6% YoY). In the first half of 2025, 530 375 new cars were sold (-26,3% YoY).** Market expectations suggest sales in July may slightly increase compared to June, reaching up to 100 000 units [Autostat]. Factors contributing to the growth include seasonality and ongoing dealer support programs. Up until this year, vehicle imports from China had been one of the key drivers of container market growth.
- Chinese shipping company NewNew Shipping Line (part of Torgmoll Group) transported over 20 thousand TEUs via the Northern Sea Route in the previous year, completing 13 direct voyages on the Shanghai-Arkhangelsk route. On July 8, 2025, shipping resumed (operating July–October), with 1 220 TEUs dispatched from Lianyungang port [Lynerlytica]. The next shipment is scheduled for July 17, 2025, with an estimated transit time of ~29 days.
- **Barring major disruptions, Russia's economic situation is expected to gradually improve. However, uncertainties such as ruble weakening, announced tariffs, and U.S. policies could introduce adjustments. Changes in tariffs may particularly impact export volumes.**

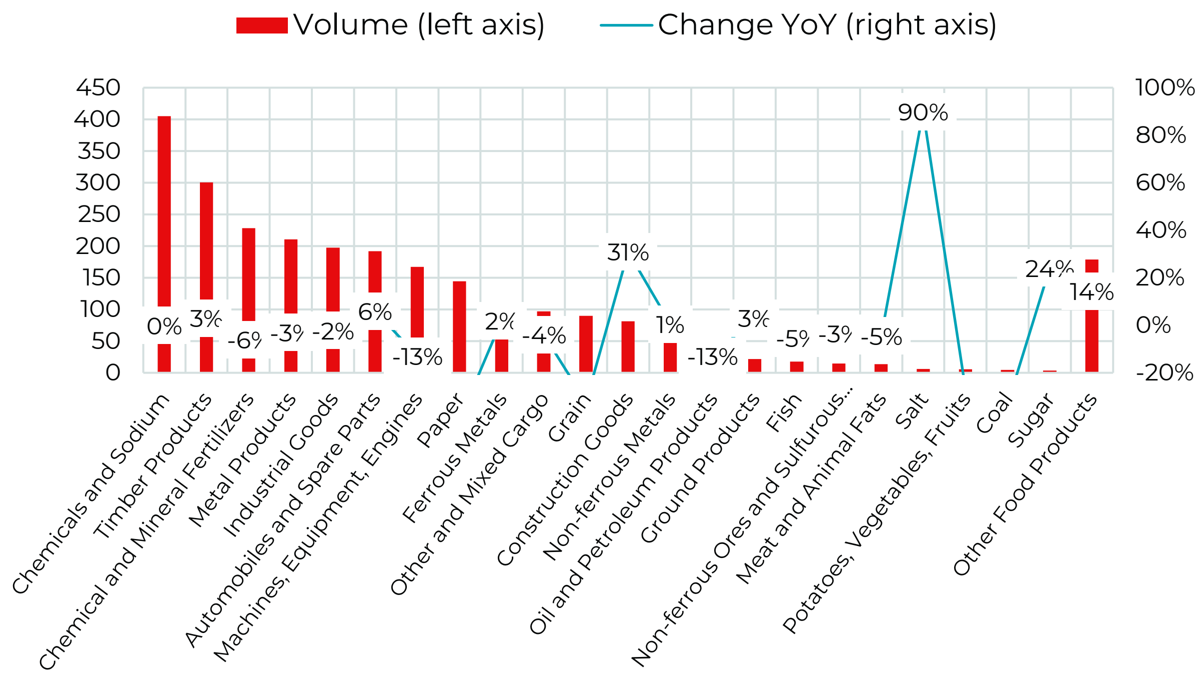
RAIL FREIGHT: TWO-YEAR LOW MONTHLY VOLUME HIT IN JUNE

- **In January–June 2025, Russian Railways (RZD) transported 3.78 million TEUs (laden and empty) across all types of services, a 2,9% YoY decrease [RZD]. In June, the volume was 591.8 thousand TEUs, down 6,1% MoM.**
  - Domestic shipments totaled 1.498 million TEUs (-3,2% YoY). Loaded containers shipped across all services amounted to 2.7 million TEUs (-5,1% YoY).

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

2023 – 2025, thousand TEU





ERAI

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
- CO_2 counter, and more.

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