



Gulfstream Gazette: May 15th, 2025 Vol 2 by Jonathan Bradshaw & Michael Pritchard

"Our mission: To be the logistics industry leader by providing superior service, solutions, and visibility door to door for our customers and partners."

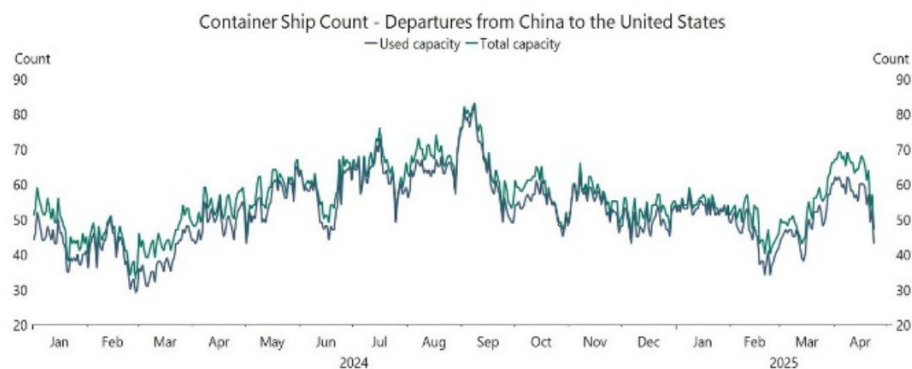
A look back at the last two weeks

As the tariff and trade war continues to ebb and flow between the United States and China, the result is keeping most supply chains in a state of shock and limbo. Some key takeaways:

- ❓ **Trade Tensions:** Ongoing U.S.–China tariff and trade conflicts have severely disrupted supply chains.
- ❓ **Port Impact:** U.S. ports saw major volume drops—up to 35% on the West Coast and 42% on the East Coast due to order cancellations and reduced carrier capacity.
- ❓ **Breakthrough Agreement:** On 5/14, the U.S. and China signed a new Economic and Trade Agreement to stabilize trade and set a clearer path forward.

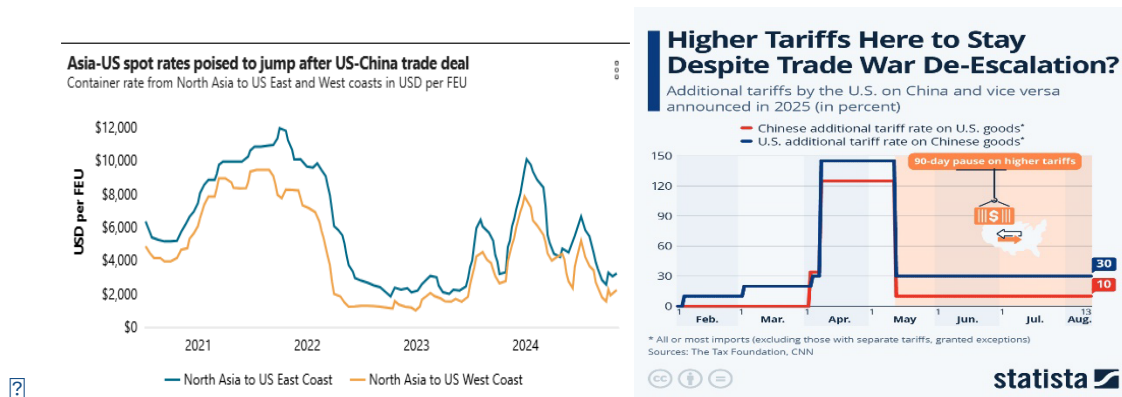
Trade between the US and China collapsing

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What you need to know now

- ❓ **Tariff Pause:** A 90-day suspension 5/14/2025 to 8/12/2025 – Tariff agreement is a 90 day pause on most tariff that have been in place since 4/2/25 to allow further negotiations over next 3 months.
- ❓ **Tariff Details:** U.S. tariffs on China average ~30%, while China's duties on U.S. goods are ~10%. Exceptions remain—25% tariffs on steel, aluminum, and auto parts.
- ❓ **Carrier Market Control:** Expect blank sailings and increased spot market rates. General Rate Increases (GRIs) set for 5/15 and 6/1.
- ❓ **Equipment Challenges:** Announced blank sailings and trade disputes are causing an imbalance with containers needing to return to origin, potentially disrupting availability and increasing rates.



Forecasting what's ahead

As the United States and China move in the right direction both nations are not close on reaching a permanent deal that can create long-term predictability and sustainable conditions. For the upcoming weeks ahead through the 90-day pause (8/12/2025) we will see higher demand for volumes to come out of China and Southeast Asia but will continue to be mitigated by the carriers.

PSS increases have been proposed as early as 6/1 but nothing has yet been finalized. PSS increases have been estimated to be \$1000/40' to \$3000/40', but negotiations are ongoing as we end the spring and head into the summer months.

Please continue to look for Gulfstream updates as we continue to expand this platform with more in-depth data from carriers and are partners at GNOSIS and CSS.