

## **LOGISTICS AND MARKET UPDATE – MARCH 2026**

Important information regarding current freight conditions and expected textile price developments



*Image source: Free Press Journal, retrieved 10th of March 2026*

The global logistics environment has once again shifted, this time as a consequence of the escalating conflict between Iran, the USA, and Israel. While we have navigated several years of unforeseen disruptions together, the current situation introduces new uncertainties that we want to update you on as early and transparently as possible.

**Airfreight: unstable and increasingly costly**

Airfreight markets have become unpredictable since the conflict started. Freight rates are currently changing by the hour, and we have already experienced sudden spikes — including instances where prices doubled overnight.

This volatility is driven by reduced aircraft availability (due to airspace closures in Middle East), rerouting of flights to avoid conflict-affected airspace, and increased global demand for fast-track logistics.

Airfreight remains an option when urgently needed, but the cost dynamics are unusually unstable. We will continue to monitor this closely and guide you on optimal transport choices for each shipment.

**Seafreight: war surcharge rates are applied to base rates and capacity disruptions are emerging**

Seafreight continues to be more stable than airfreight; however, the structural situation on major Asia–Europe trade lanes has changed significantly. Also, war surcharges are being introduced by shipping lines to counter increasing insurance and fuel costs.

**Maersk has suspended its main service from Pakistan/India to Europe**

This affects one of the core services typically used for exporting textiles to Europe. Traditionally, containers from Pakistan and India transited via Salalah Port. With the suspension of this service:

- » Volume is shifting to remaining carriers
- » Carriers are now facing overbookings
- » Alternative routings require repositioning of vessels, which disrupts existing trade flows
- » Port capacities across transshipment hubs are being stretched

The shift from Salalah to alternative ports causes imbalances in port traffic — and until the market recalibrates, delays are to be expected.

**Expected impact on lead times**

At present, we expect 2–4 weeks of delay on seafreight shipments originating from Pakistan and India. We will continue to update you as the situation evolves.

### **Raw material outlook: upward price pressure from oil drives polyester price increases**

In addition to logistics challenges, raw material markets are tightening.

The increase in global oil prices — driven by the same geopolitical tensions — is beginning to feed into polyester prices. Polyester, being oil-based, is particularly sensitive to these movements. While cotton prices remain more stable at the moment, polyester price increases will affect the cost of finished textiles.

We are in ongoing dialogue with our manufacturing partners to mitigate the impact as much as possible. However, based on current market signals, we do expect higher textile prices to take effect from the new quarter beginning from April.

### **Our recommendation: plan ahead to mitigate delays and price increases**

To ensure smooth supply over the coming months, we strongly recommend:

#### **1. Place orders before April**

Quarterly price adjustments are expected to reflect the increased costs of raw materials and logistics. Orders placed before April will secure current pricing levels.

#### **2. Review your next 6 months' needs and place orders with +1–2 months buffer**

Given the expected 2–4 week seafreight delays, we advise placing orders well ahead of normal planning — ideally with 1–2 months of additional demand included. This buffer will help protect supply and avoid shortages during peak periods or unforeseen bottlenecks.

Beirholm's current view is clear. We expect textile prices to increase from April and we expect 2-4 weeks of extra lead time due to the logistics situation. With peak season for the laundry industry coming up, it is a well-calculated opportunity to place an additional 1-2 months of demand – **now**.

### Let's continue planning together

As always, close dialogue is the most effective way to navigate uncertainty. We encourage you to reach out to us with your upcoming textile needs, priorities, and timing requirements.

With early planning, we can secure capacity, choose the optimal transport mode, and ensure more stable deliveries in light of the global situation.

We appreciate your continued trust and collaboration.

Team Beirholm