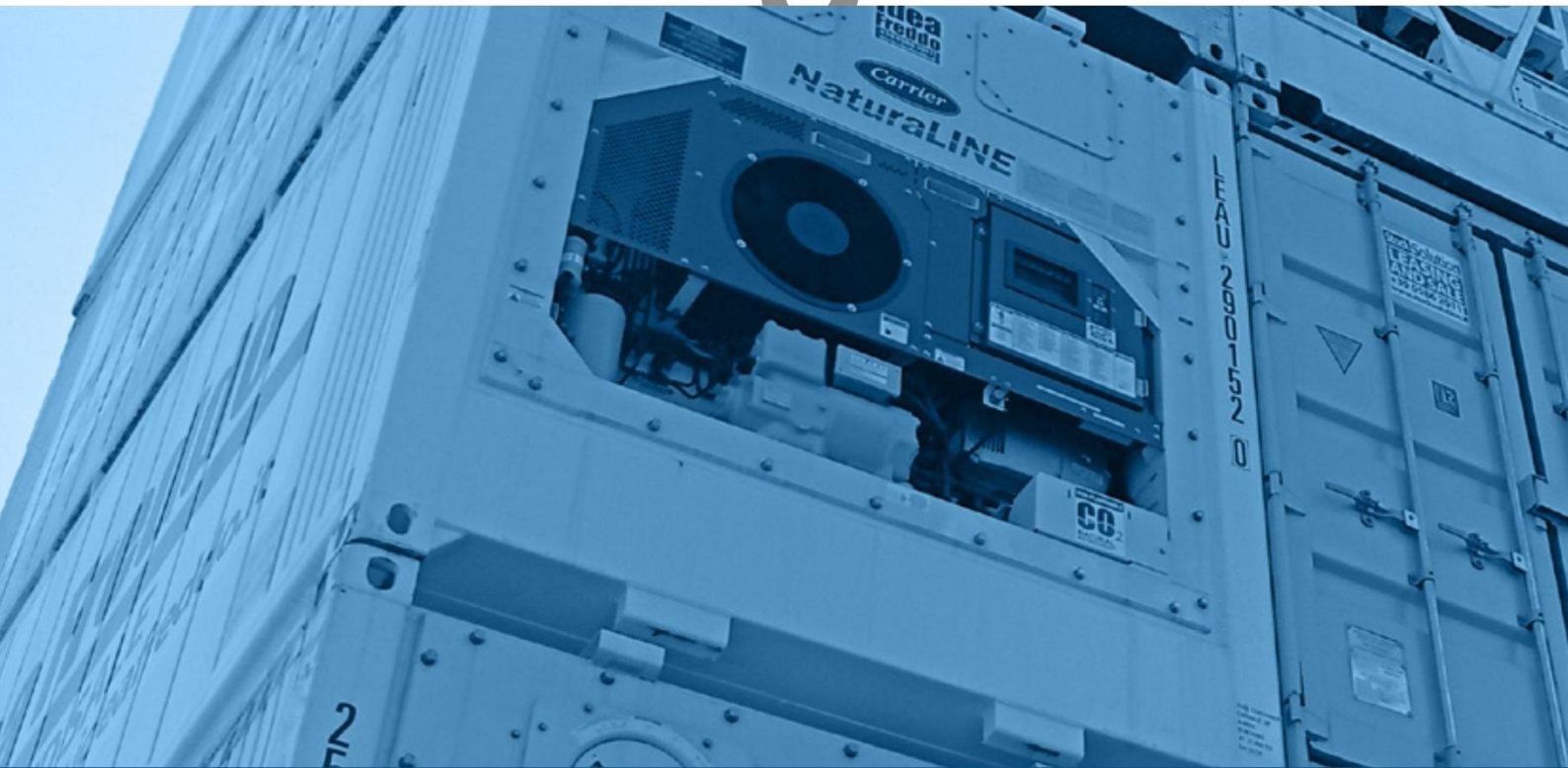


EUROPE CONTAINER MARKET UPDATE

May 2026 Edition | From Disruption to Systemic Rewiring



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PROGETTAZIONE E PRODUZIONE SHELTER

DESIGN AND PRODUCTION OF SHELTERS



DEPOSITO E RIPARAZIONI CONTAINER

CONTAINER STORAGE AND REPAIRS

“What we are seeing in the market is a clear directional shift in container flows. Depots across Europe remain congested, while prices and demand signals in China are strengthening. Carriers are actively repositioning equipment back to origin, and this is likely to reduce European stock levels in the near term, particularly for 40HC, as production and demand begin to align again.”

— **Andrea Monti, CEO & MD, Sogese**

Container Imbalance Cascading Through Mainline Networks in Europe

Going past the first quarter and heading towards mid-2026, the container market has moved beyond disruption alone and has now entered a phase of forced rebalancing. Trade lanes, vessel deployment, and cargo flows are being actively reconfigured in response to sustained geopolitical pressure.

The key shift since March is where the disruption is being felt — and Europe is no different. Earlier in the year, the strain was concentrated in feeder networks and regional bottlenecks. As of May 2026, the impact has moved upstream into mainline networks, where schedule integrity, port rotation planning, and service design are being continuously adjusted.

At a system level, three shifts are clearly shaping how the container market is evolving:

- ▶ Network instability is beginning to override traditional route predictability — with fixed east–west loops giving way to more flexible, risk-adjusted routing strategies.
- ▶ Time has emerged as the real constraint — longer voyages, disrupted port calls, and cargo re-handling are extending cycle times across the system.
- ▶ Cost volatility is now more closely linked to risk exposure than to any underlying demand recovery, with freight pricing increasingly shaped by insurance, fuel exposure, and routing decisions.

For Europe, and particularly Italy, while cargo continues to move, it does so with less predictability, higher working capital requirements, and greater dependence on intermediate hubs — reducing efficiency across the logistics chain.

“Instead of just reacting to the disruption, the industry is now reorganising around it. What is becoming visible is a gradual redesign of trade flows, where flexibility is replacing optimisation as the primary objective.”

— **Andrea Monti, CEO & MD, Sogese**

Europe Container Market: A System Under Measurable Strain

By Q2 2026, the European container market is actively amplifying the global dislocation and has moved past the reflection phase. Disruption is now visible across three measurable layers: routing patterns, capacity utilization, and cost structures.

Routing Disruption Is Structurally Visible in Transit Data

According to Drewry and carrier schedule disclosures, Asia–Europe transit times remain 10 to 15 days longer than pre-crisis baselines, driven by continued reliance on the Cape of Good Hope route and partial avoidance of both the Red Sea and Gulf corridors. This is no longer seen as a delay but as a structural change in the service cycle, which has increased vessel cycle times significantly.

Capacity Available on Paper, but Utilization Remains Uneven

On paper, global fleet supply continues to expand — but European terminal and inland indicators show that effective capacity is materially lower than nominal capacity.

- ▶ Major North European hubs such as Rotterdam and Antwerp have been operating at yard utilization levels between ~75% and 85% as of April 2026.
- ▶ Inland bottlenecks and depot congestion are extending container dwell times, reducing equipment availability despite adequate fleet size. Depot congestion across Europe remains elevated, with containers spending prolonged periods in storage and inland networks, limiting their return into active circulation.
- ▶ Mediterranean ports including Genoa, Gioia Tauro, and Adriatic gateways have reported multi-day vessel waiting times as of mid-April 2026, among the highest across European networks.

Freight Rates Stabilizing Unevenly, but Cost Pressure Rising

Freight benchmarks reflect a mixed but telling picture, creating a disconnect where headline freight rates may appear stable or softening, but total landed logistics costs continue to rise.

- ▶ Drewry's World Container Index shows Asia–Europe pricing stabilizing in early March 2026, with Shanghai–Genoa rates at approximately \$2,800–\$2,900 per 40ft container, slightly increasing despite weak demand.
- ▶ Container prices in China have begun to pick up, reflecting strengthening demand signals at origin — contrasting with conditions in Europe where congestion remains high and pricing dynamics are less responsive, reinforcing the regional imbalance.
- ▶ Carriers have introduced war-risk and emergency surcharges ranging from ~\$2,000 to \$4,000 per container on Middle East-linked routes.
- ▶ Bunker costs remain elevated due to longer voyages, with fuel consumption per round trip estimated to be up to ~40% higher on Cape routings.

Amidst all this, while dry markets show oversupply characteristics, reefer segments continue to tighten as extended transit cycles are reducing equipment availability.

“What we are tracking across Europe is a clear slowdown in container rotation. Each additional day at sea or waiting at port reduces how often equipment can be reused. That is why availability feels tight on the ground, even in a market that appears oversupplied at a global level.”

— **Andrea Monti, CEO & MD, Sogese**

Spotlight: Mainline Network Overhaul — Where the Real Shift Is Happening

By May 2026, the centre of gravity in container disruption has moved decisively upstream. What began as a feeder and regional imbalance in early Q1 has now reached the mainline networks that anchor Asia–Europe trade. This shift directly affects how capacity is deployed, how schedules are built, and how reliably cargo reaches Europe.

Carriers are no longer operating fixed, repeatable east–west loops in the traditional sense. Instead, service design is being adjusted in real time to account for corridor risk, fuel exposure, and port congestion — leading to a visible change in how Asia–Europe strings are structured.

“We are seeing continuous adjustment in how services are structured, from port rotations to vessel deployment. For Europe, this translates into less predictable arrivals and a heavier

reliance on intermediate hubs to maintain flow.”

— **Andrea Monti, CEO & MD, Sogese**

Direct Consequences of Containers Getting Stuck in Disrupted Corridors

The escalation across Middle East trade routes has led to a buildup of containers in affected regions. Cargo delays, suspended services, and rerouting decisions have slowed the return flow of equipment. In practical terms, containers that would typically complete a full round-trip cycle are now held for longer periods at intermediate locations.

In practice, this is showing up in two ways:

- ▶ A portion of the global container fleet is temporarily unavailable for redeployment.
- ▶ Replacement equipment has to be sourced from other regions, often at higher cost and with longer lead times.

Operator feedback suggests this is not an isolated issue. The imbalance is spreading across multiple corridors, particularly where services have been restructured or partially suspended. Operators are increasingly prioritising the repositioning of containers out of Europe and back into Asia — particularly China — in response to tightening availability at origin.

As repositioning activity accelerates, a gradual reduction in container stock levels across Europe is expected in the near term, with a more pronounced impact on 40HC equipment. In parallel, increasing output from container manufacturing lines in China is reinforcing demand-side pull, supporting the re-entry of equipment into origin markets and contributing to the ongoing rebalancing of flows.

“We are seeing a clear dislocation in container flows. Equipment is tied up for longer, and repositioning is becoming more complex and expensive. For customers, this shows up as delays in availability and higher costs, even when overall supply appears sufficient.”

— **Andrea Monti, CEO & MD, Sogese**

Italy Market Deep Dive: Pressure Building Beneath Stable Volumes

In 2026, Italy stands out as a practical example of how European supply chains are being reshaped. The freight and logistics market is estimated at roughly \$120–125 billion, underpinned by high levels of digital integration and a central position in Mediterranean trade routes — reinforcing Italy's role as a key growth hub for cross-border shipments within Western Europe.

Italy's container market in Q2 2026 presents a more nuanced picture than what headline volumes suggest. Throughput across major ports has remained relatively stable, but underlying trade conditions are becoming more complex. The pressure is not coming from demand contraction, but from how cargo is moving and how efficiently the system is operating.

Key Italian gateways such as Genoa, Gioia Tauro, and Adriatic ports like Ravenna and Venice continue to handle steady cargo flows. Overall container throughput across major Italian ports has remained broadly flat year-on-year in early 2026, despite the wider disruption.

Vessel Arrival Reliability and Port Congestion

Vessel arrivals are becoming less predictable. Waiting times at select Adriatic ports have extended to 3 to 5 days during peak congestion windows — among the highest in Europe in Q1–Q2 2026.

Italy's direct container exposure to Gulf markets remains relatively limited, generally understood to be in the low single-digit range based on trade flow composition. However, the current disruption is being felt through indirect channels:

- ▶ Rerouting of Asia–Europe cargo affecting import timelines with reduced reliability.
- ▶ Reduced reliability of transshipment connections.
- ▶ Rising costs linked to energy and logistics inputs.

Cash Flow Dynamics Under Pressure

One of the more immediate impacts is visible in cash flow dynamics — where delays in cargo movement, combined with uncertainty around delivery timelines, are affecting payment cycles across the logistics chain.

- ▶ Payments are being deferred where cargo is delayed or held in transit.
- ▶ Increased exposure for forwarders managing longer shipment cycles.
- ▶ Greater pressure on SMEs with limited financial buffers.

Italian shippers are also facing inconsistencies in equipment availability and service reliability — with delays in securing containers for export shipments and greater dependence on feeder connections and relay services. Across parts of Southern Europe, including Italy, equipment repositioning delays have led to localized shortages of both dry and refrigerated containers, particularly during peak export windows.

Energy Exposure Adding Broader Economic Risk

Roughly a quarter of Italy's gas supply is linked to LNG imports, with a portion historically sourced from Gulf-linked routes. Since early March 2026, oil prices have crossed the \$100 per barrel threshold, while European gas benchmarks have seen sharp volatility, increasing input costs across transport and manufacturing sectors.

“The Italian market is holding up in terms of volumes, but the stress is building beneath the surface. Delays, payment uncertainty, and equipment availability are all affecting how businesses operate on a daily basis. It is a shift from operational disruption to commercial pressure across the supply chain.”

— **Andrea Monti, CEO & MD, Sogese**

Scenario Outlook: How the Next 3–6 Months Could Evolve

As the market moves further into mid-2026, visibility remains limited and conditions continue to shift in response to geopolitical developments. A scenario-based view provides a more practical framework than a single directional forecast.

Scenario 1 BASE CASE Managed Instability

- ▶ Asia–Europe services continue to rely heavily on Cape routing.
- ▶ Transit times remain extended, keeping effective capacity constrained.
- ▶ Freight rates show volatility with surcharges sustaining cost pressure.
- ▶ Equipment imbalances persist across regions.

- ▶ Schedule reliability remains inconsistent across European ports.
- ▶ For Europe and Italy: continued operational inefficiencies; planning cycles stay extended and working capital requirements remain elevated.

Scenario 2 *PARTIAL STABILIZATION*

Partial Stabilization

- ▶ Some services begin to shorten transit times, improving rotation cycles.
- ▶ Rate volatility moderates, although cost structures remain above historical norms.
- ▶ Equipment circulation improves gradually, easing localized shortages.
- ▶ Port congestion begins to stabilize, particularly in secondary hubs.
- ▶ For European markets: improved predictability more than reduced costs; Italian importers and exporters would benefit from better schedule visibility.

Scenario 3 *FURTHER ESCALATION*

Further Escalation

- ▶ Additional rerouting and service suspensions across Asia–Europe and Gulf-linked trades.
- ▶ Sharp increases in bunker costs, insurance premiums, and freight surcharges.
- ▶ Greater dislocation of containers, worsening equipment availability.
- ▶ Increased port congestion driven by vessel bunching and network instability.
- ▶ For Italy: higher energy costs and continued supply chain disruption would increase strain on industrial production and export competitiveness.

“The next phase will be defined by how stable the network can remain under continued pressure. If conditions hold, the system will adjust, even if inefficiently. If disruption intensifies, the impact will be felt well beyond logistics, particularly through cost and planning uncertainty.”

— **Andrea Monti, CEO & MD, Sogese**

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ABOUT SOGESE

Founded in 1980 by Ercole Monti, Sogese S.r.l. is an Italian provider of container-based logistics and infrastructure solutions, specialising in the sale, rental, maintenance, and customization of maritime containers, refrigerated units, and modular prefabricated structures. Its operating model integrates storage, repair, specialized equipment management, and tailored logistics solutions for industrial and commercial users.



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