



**“Global freight forwarding market sees rapid growth in 2017 as large forwarders seek to transform themselves from within”**

# Global Freight forwarding 2018 - Market Report

Global Freight Forwarding 2018 provides a detailed look at major trends and drivers affecting the freight forwarding market in 2018 and beyond. With insights gathered from direct experience of the market and interviews with dozens of industry stakeholders, Global Freight Forwarding 2018 provides deep analysis that examines the state of forwarding in a rapidly changing world.

- Inside the report:**
- Market sizing including 2017 and 5-year CARG growth rates 2017-2022
  - Extensive, interview-based primary research from major players
  - An analysis of modal shift in forwarding
  - Forwarding 2030 Case Studies – Shifting automotive supply chains, Decarbonising logistics and China’s Belt & Road Initiative

## A sneak preview

### 2.1.6 Modal Shift

When looking at each of the air and ocean freight markets in aggregate, a perceptible shift is occurring in the type of goods being moved. The changes are most visible for air freight, but changes are also discernible in the make-up of ocean cargo.

Figure 2.10 Air freight tonnage growth by vertical sector 2007-2016



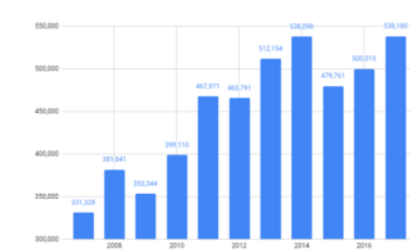
Source: Seabury

An example of this is the shift in laptop volumes which has been recorded. The proportion of laptops (measured in tonnes) transported by air declined from 60% in 2014 to 47% in 2016, with a major shift towards containerised sea freight. More significantly, however, the absolute volume of laptops transported declined by 55% in this time.

A positive story for air freight has been the growth of perishable and agricultural produce. Volumes of these products, including flowers, vegetables and meat, have increased by around a third since 2007 and are providing a much-needed shot in the arm for the air freight industry.

For ocean carriers, the emergence of new refrigeration technology has extended the effective shelf-life of perishable products, improving the viability of long-haul shipments. Whilst this change should theoretically have resulted in an emerging shift of cargoes from air to sea freight, such an impact has not been felt in the market. Arguably, this is because the scale of demand for perishable products, driven by the booming Chinese middle class and the globalisation of their eating habits, is so strong.

Figure 2.11 Global trade in perishables 2007-2017 (US\$m)

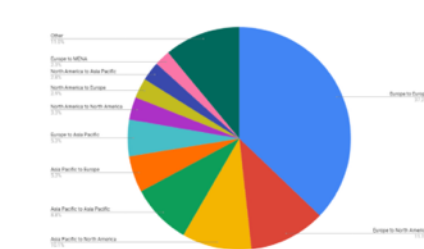


Source: ITC

### 2.2.2 Top 10 regional trade flows

#### 2.2.2.1 Aerospace Parts

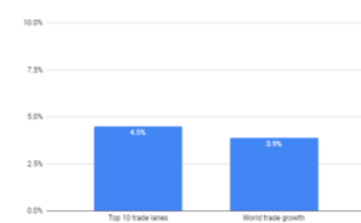
Figure 2.12 Aerospace Parts – Top 10 trade lanes 2017



Source: International Trade Centre

Intra-European trade represents the most significant regional trade flow for aerospace parts. It accounts for 37.2% of the all global aerospace parts trade – a rise of 1.5 percentage points year-on-year – and is larger than the next three largest trade segments put together. The second and third largest regional trade flows for aerospace are Europe-North America (11.1%) and Asia Pacific-North America (10.1%), representing a switch in the ranking order of these lanes from 2016.

Figure 2.13 Aerospace Parts – Top 10 trade lanes & world trade 10-year CAGR



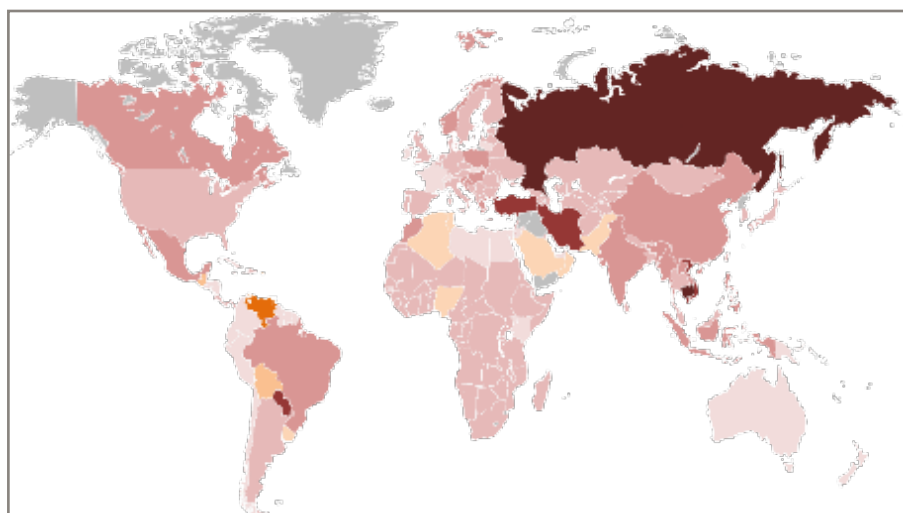
Source: International Trade Centre

Over the last 10 years, the average CAGR across the top 10 trade lanes has been stronger than global aerospace parts trade growth. A number of individual lanes within the top 10 have, though, shown markedly different growth rates over the period.

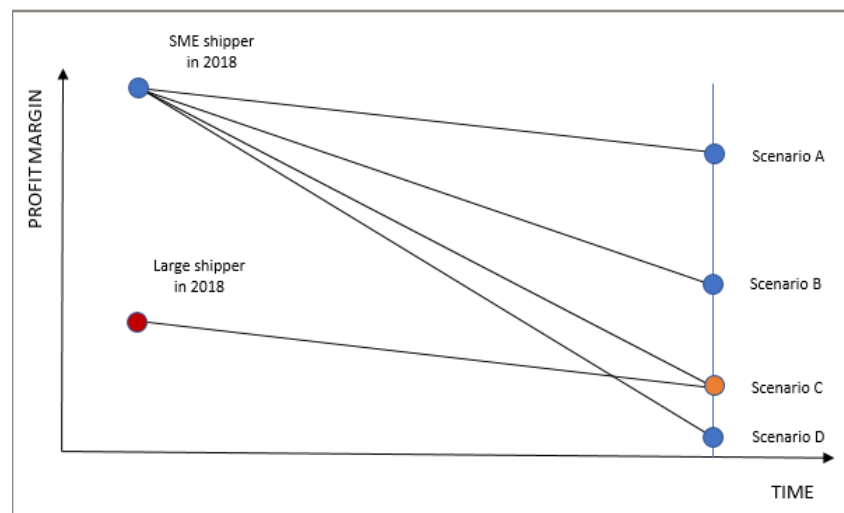
**Have a question?**

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## GFF18 Market Sizing Map



## Margin Analysis



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