

## Global shipping 'stifled' by Trump's tariffs

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Rapid Response 47 / The White House

Shipping stocks remain under severe pressure today as the world comes to terms with the immensity of Wednesday's tariff announcements from US president Donald Trump.

The average US tariff rate has now been set at just under 25%, levels not seen since the 1930s and the days of the Great Depression.

The Trump tariffs resulted in the second biggest wipeout of US stock market values in history in dollar terms, \$3.1trn, yesterday with stock markets in Asia-Pacific continuing to trade down today.

The scale of the tariffs makes comparisons with Trump's earlier tariff tactics eight years ago irrelevant, however, some in shipping are pinning their hopes to Trump admitting yesterday he is open to lowering tariffs if other countries can offer something "phenomenal", signalling the White House is willing to negotiate despite the insistence of some top officials.

*The container sector will be affected the most*

“There is really no comparing Trump’s trade war this year with the steps he took starting in 2017,” analysis by container booking platform Freightos suggested, adding: “This time, the tariffs are so broad and so high that there are few duty-free alternatives.”

Most economists are now predicting slower and modest US GDP growth, an increased likelihood of recessions in the US and beyond, and therefore a possible contraction of global trade as well.

“Global shipping is expected to be stifled as a result of the broader tariffs,” argued US investment bank Jefferies in a note to clients yesterday.

Jefferies said the container sector was likely to be the most “sensitive” to tariffs, a point of view shared by BIMCO’s chief shipping analyst, Niels Rasmussen.

“From a shipping perspective, the container sector will be affected the most. Many tanker and dry bulk commodities have so far been exempted from the tariff increases but most goods shipped in containers will face import tariff increases,” Rasmussen said.

In a scenario where the tariff increases would result in zero growth in US container imports, it would reduce global container volume growth by 0.5 percentage points, according to BIMCO estimates.

In related container news, speculation is growing that French liner CMA CGM’s big plans for investment in the US might be put on hold.

On March 6, CMA CGM’s chairman Rodolphe Saadé went to the White House (pictured), unveiling a \$20bn planned investment into the US over the coming four years.

Now, however, in the wake of Trump’s 20% tariffs on European Union nations, Saadé’s friend, Emanuel Macron, the French president, has hinted such investments should be reviewed.

“Future investments, investments announced in the last weeks, should be suspended for a time for as long as the situation with the United States is not clarified,” Macron told a group of French politicians and business leaders yesterday.

Wednesday’s tariffs are yet another example of the colossal, upending change brought about in the opening months of the second Trump administration, something broker BRS has neatly encapsulated below.

Up next for global shipping, Trump will make a decision on whether to penalise Chinese-built tonnage calling at US ports.

Date	Notable Economic / Trade / Geopolitical Events
Jan 20, 2025	Donald Trump Inaugurated as US President – Officially sworn in for his second term
Jan 20, 2025	America First Trade Policy' Memorandum – Trump ordered trade deficit investigations
Feb 1, 2025	US Tariffs on Canada & Mexico – Imposed 25% on exports, 10% on energy
Feb 7, 2025	US-Canada Tensions – Trudeau alarmed by Trump's annexation remarks.
Feb 10, 2025	US Imposes Global Steel & Aluminum Tariffs – 25% on all imports, effective 12 March
Feb 14, 2025	Munich Security Conference – Highlighted US-EU tensions and NATO concerns
Feb 17, 2025	Paris Summit on Ukraine – EU leaders discussed war and US policy shifts
Feb 18, 2025	US-Russia Summit in Saudi Arabia – Shifted US stance on Ukraine; diplomatic talks resumed
Feb 28, 2025	Trump-Zelenskyy Oval Office Fallout – Meeting ended in confrontation over Ceasfire
Mar 2, 2025	London Summit on Ukraine – Plan to support Ukraine and pressure Russia
Mar 3, 2025	USTR 2025 Trade Policy Agenda Released – Outlined America First approach
Mar 4, 2025	BlackRock-Led Consortium to Acquires Panama Canal Ports – Strategic move countering China
Mar 11, 2025	US-Ukraine 30-Day Ceasefire Proposal – Awaiting Russian approval
Mar 12, 2025	US Steel & Aluminum Tariffs Take Effect – 25% tariffs fully implemented.
Mar 15, 2026	US airstrikes targeted Yemen, in response to Houthis' year long terror campaign on ships
Mar 28, 2025	CK Hutchinson delay signing a definitive agreement on its port sale to BlackRock
Mar 30, 2025	US set to announce reciprocal tariffs on all nations, not just with the top trade imbalances partners
Mar 31, 2025	Trump threatens to imposed secondary tariffs of 25 to 50% on buyers of Russian crude oil