



US Air Cargo From China Drops 60%, IATA Cuts Forecast

By Óscar Goytia

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Air cargo shipments from China to the United States plunged 60% in 2025 following the broad tariffs imposed by the Trump administration, while overall US air cargo volumes fell 25% year-over-year, according to a report by [Cassel Salpeter](#). Reflecting this disruption, the International Air Transport Association ([IATA](#)) revised its global air cargo growth forecast for 2025 from 5.8% to near zero.

The tariffs, which target imports from China, Canada, Mexico, as well as global steel and aluminum, took effect in April 2025 and expanded throughout the year. Key measures include eliminating the de minimis exemption for low-value shipments under US\$800 from China, Canada, and Mexico. "Chinese e-commerce shipments that previously fueled air cargo growth have largely shifted to slower, lower-cost sea freight," the report noted, citing companies such as Shein and Temu.

Prior to the tariffs, the US air cargo sector was on track to reach a record US\$1 trillion in revenue. Cassel Salpeter cautioned that "it would be unfortunate and counterproductive to destabilize this important sector and its complex ecosystem," while noting that airlines could adapt by exploring new routes and operational strategies.

The end of the [Civil Aircraft Agreement of 1980](#) has compounded challenges, raising costs for aircraft parts, maintenance, and fleet expansion. “Higher production costs for aircraft manufacturers and increased acquisition costs for airlines could have a snowball effect, slowing fleet growth and cargo conversions,” the report warned. Tariffs on steel and aluminum further inflate production costs and constrain freighter availability.

In response, airlines are reallocating aircraft from China–US routes to European and regional corridors. Freight forwarders are exploring hybrid logistics models, including pre-positioned inventory near consumers and partnerships with countries offering tariff reductions for new corridors. Lower fuel prices may offset some import cost increases.

The tariffs also triggered frontloading, with shipments accelerated before the measures took effect, temporarily boosting cargo rates. Post-tariff rates from China to the United States could fall from US\$5.09 per kilogram to below US\$3.65 per kilogram, reflecting the sudden drop in demand and released capacity. Forwarders are delaying long-term contracts and considering alternative sourcing or domestic production, though these measures will take time to implement.