THE SHIPPING STANDARD

OUR EXPERTISE · YOUR ADVANTAGE

FEBRUARY 2026

ISSUE 92

Bigger Tax Refunds From The Big Beautiful Bill Could Boost Spending, Increase Imports, and Tighten Peak Season Shipping Space

OEC GROUP

BIGGER TAX REFUNDS FROM THE BIG BEAUTIFUL BILL COULD BOOST SPENDING, INCREASE IMPORTS, AND TIGHTEN PEAK SEASON

One thing shippers need to prepare for is that the logistics industry could have a bigger than expected peak season. The main reason for this is that millions of Americans are slated to get bigger tax refunds from the "Big Beautiful Bill."

According to a recent article from CNBC, the average tax refund could be $1,000 or more this year, with some taxpayers receiving even larger payouts. Historically, when Americans receive bigger refunds, consumer spending increases, especially in discretionary categories such as electronics, apparel, home goods, and everyday essentials.

Because many of these products are sourced overseas, increased spending often translates directly into higher U.S. import volumes. While this is positive for retailers, it can also create challenges across the logistics sector. A sudden surge in cargo demand can rapidly absorb vessel space, contribute to port congestion, and lead to greater volatility in freight rates.

> **"Bigger tax refunds will not only give consumers a boost, they can also create a perfect storm for supply chains, leading to a more competitive peak season," said Anthony Fullbrook, president of OEC Group's North American Region. "Shippers who prepare now will have an easier time navigating what could be a very tight market. Those who don't may find themselves paying more and waiting longer for space, right when they need it the most."**

To stay ahead, shippers should adopt a proactive, structured planning strategy. This includes booking space early to secure capacity before demand spikes and diversifying routings across multiple ports to maintain flexibility in the event of congestion. Staying closely attuned to market data and trends will help shippers react quickly to any unexpected shifts. Additionally, maintaining a balanced mix of contract and spot rates can provide both cost stability and the agility needed to adjust as conditions evolve.

> **"Historically, larger than normal tax refunds act like a stimulus. While they may not change the whole year, they can tip a quarter into seeing higher imports," said Kaleb Shaw, Branch Manager for OEC Group's Kansas City branch. "If the Big Beautiful Bill delivers the big refunds many analysts expect, then the U.S. is likely headed for a spending season that could quickly lift imports and tighten ocean capacity."**

IDENTIFYING SOLUTIONS : TWO INDUSTRY LEADERS SHARE EXCLUSIVE INSIGHTS ON WHAT IS NEEDED IN TODAY'S VOLATILE CLIMATE TO HELP THE LOGISTICS

In a shipping climate defined by volatility and constant uncertainty, the logistics industry must embrace new strategies to remain resilient and competitive.

Two industry leaders, Chad Burke of the Economic Alliance Houston Port Region and Tamekia Flack, Director of U.S. Government Relations for the World Shipping Council, shared exclusive insights with OEC Group on how organizations can better navigate today's challenges. Their guidance highlights how shippers can position themselves for long-term success and thrive in a continuously evolving environment.

In an exclusive interview with OEC Group, Chad Burke, President & CEO, Economic Alliance Houston Port Region gives us insight into what is being done to expand Houston's role in global trade. Click here to either watch or listen to the full interview.

Tamekia Flack, Director, US Government relations for the World Shipping Council, sat down with OEC Group to reveal the critical role the organization plays in facilitating global trade. Click here to either watch or listen to the full interview in order to understand how the World Shipping Council helps the industry.

A WARSH LED FED COULD REIGNITE GLOBAL TRADE – UNLESS A WEAKER DOLLAR AND A LIQUIDITY TRAP GET THERE FIRST

President Trump's nomination of Kevin Warsh to lead the Federal Reserve has renewed the possibility that U.S. interest rates could soon move lower. Warsh, a former Federal Reserve governor, has recently aligned himself with the administration's push for lower interest rates, leading to speculation that the policy could soon become reality.

This could be good news for global trade because lower interest rates have the potential to breathe new life into the logistics industry because borrowing becomes cheaper.

When this happens businesses can finance expansion and increase their investments. This typically leads to higher demand for materials and products sourced from around the world – essentially boosting global imports. Lower rates can also strengthen U.S. export competitiveness because this often leads to a weaker U.S. dollar, making American goods more affordable abroad and giving U.S. companies an edge in foreign markets.

Consumers benefit too, as lower interest rates result in more affordable mortgages, auto loans, and credit card rates, creating more purchasing power. When this happens American consumers oftentimes spend more, especially across retail categories, where many of the products are produced abroad, ultimately stimulating international trade and global shipping flows.
However, two major forces could limit how much interest rate cuts can actually achieve.

First, while a weaker dollar can support exports, excessive or rapid dollar depreciation creates uncertainty. Sharp currency swings make it harder for global companies to forecast costs, price contracts, or commit to long term orders. If lower interest rates cause the dollar to fall too quickly, businesses may adopt a "wait and see" stance, which will ultimately slow trade rather than accelerating it.

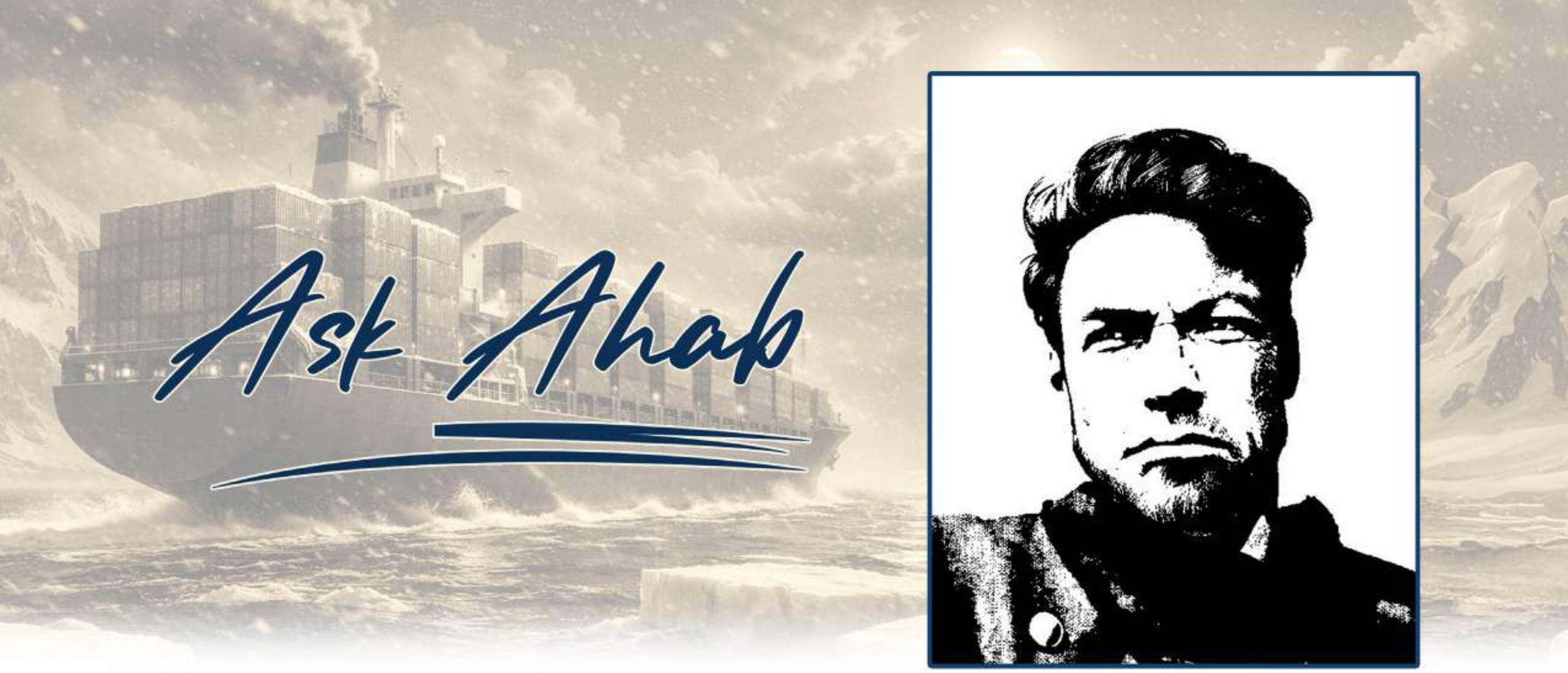
Second, the U.S. could face what economists call a liquidity trap, which is a situation where low interest rates fail to encourage additional borrowing or spending. If consumers and businesses choose to save rather than spend then the usual benefits of rate cuts evaporate. In such a scenario, trade would stagnate despite easier monetary policy.

In the best case scenario, lower interest rates would reduce borrowing costs, support consumption, weaken the dollar modestly, and help reignite international commerce.

In a more difficult scenario, a weakening dollar, business caution, or liquidity trap could blunt the impact of monetary easing and limit any revival of trade flows.

Only time will tell what will happen if Warsh is confirmed as the new Chairman of the Federal Reserve Bank. However, one thing is clear, the Fed's decisions on interest rates remain one of the most powerful forces impacting global trade. Bottom line, if lower rates unlock more business investment and consumer spending, trade will expand. If they don't, U.S. policymakers will find themselves searching for new tools to revive demand.

In the end, every ship – literally and figuratively – will rise or fall with this interest rate tide.



Dear Ahab:

What should I expect to hear at this year's trans-Pacific Maritime (TPM) conference?

– Peter Prepper

Dear Peter Prepper:

This year's Trans-Pacific Maritime Conference should feature lots of conversations around tariffs and how they're reshaping trans-Pacific contract strategies. Additionally, the industry's persistent overcapacity problem will also be a key topic discussed as shippers try to grapple with how excess vessel supply will influence rates, blank sailings, and routing decisions for the year ahead.

Also adding a new layer to this year's discussion are India's trade deals with both the U.S. and the EU and how this could redirect supply chains in ways that affect competitive dynamics and cargo flows across global lanes, including the trans-Pacific.

Finally, in a market defined by ongoing volatility, be cautious of logistics providers offering ‘too good to be true’ solutions. Instead, rely on partners with a proven, long-standing track record of solving complex supply chain challenges

Dear Ahab:

As a shipper, I am wondering why operations matter when deciding on which forwarder to use? Can you give me some insight as to how this helps me and what I can discover about the company?

– Window To The Corporate Soul

Dear Corporate Soul:

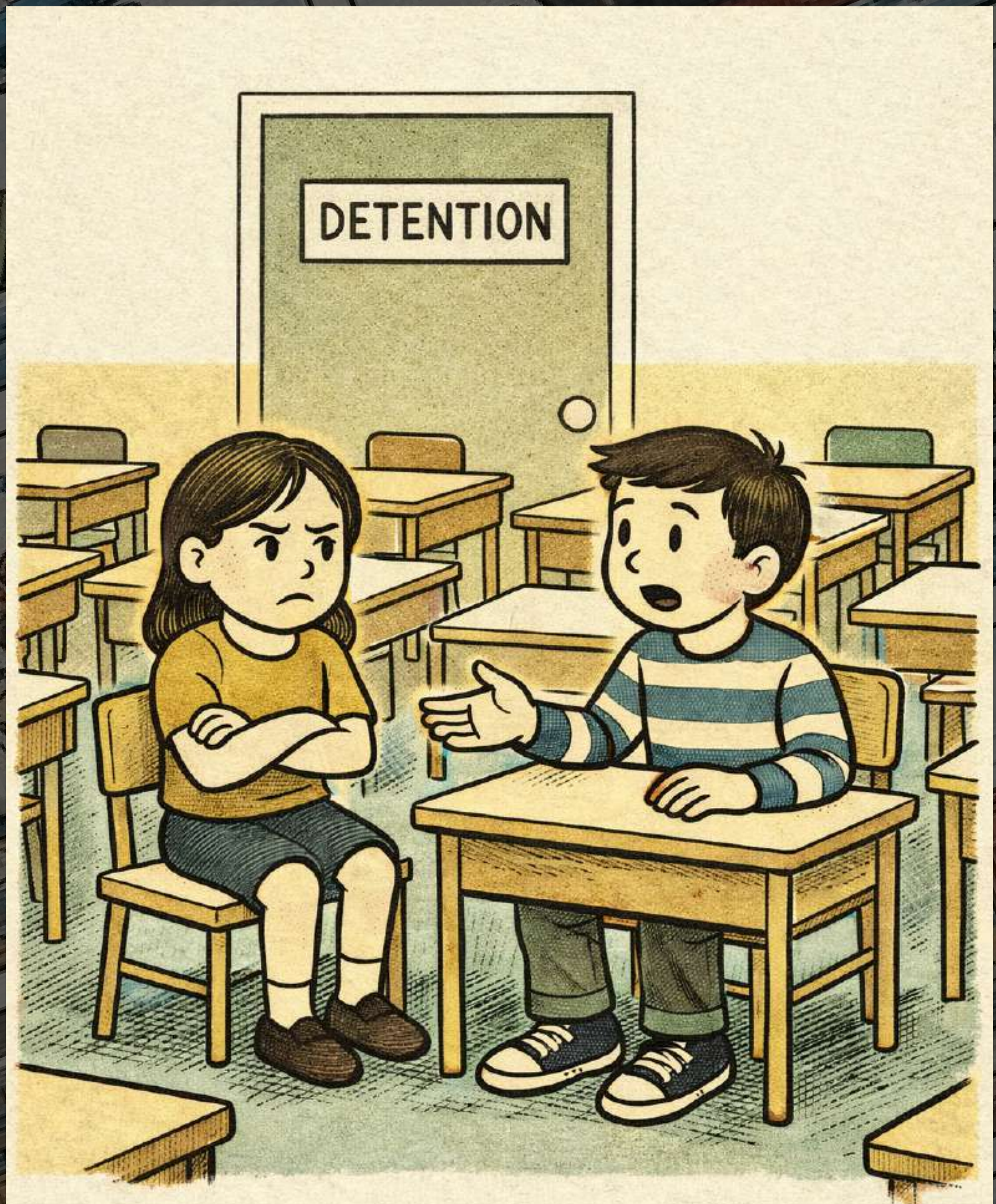
Operations matter because they reveal how a forwarder actually performs when it counts. A company’s operational strength determines whether your cargo moves on time, problems get resolved quickly, and communication remains clear throughout the process. Strong operations also show discipline around capacity planning, documentation accuracy, and carrier relationships.

Evaluating a forwarder’s operations helps you uncover how the company handles real-world challenges such as congestion, delays, rolled cargo, or compliance issues. You can learn whether they proactively solve problems or simply react once something goes wrong. Ultimately, operations are where a forwarder proves reliability.

Look for consistency, transparency, and a history of managing complexity.
A forwarder with strong operations becomes a partner in helping you protect your supply chain.

SOMETIME IN 2028

LAUGHS OVER LOGISTICS



"Can you believe they are also charging us overtime?!!"

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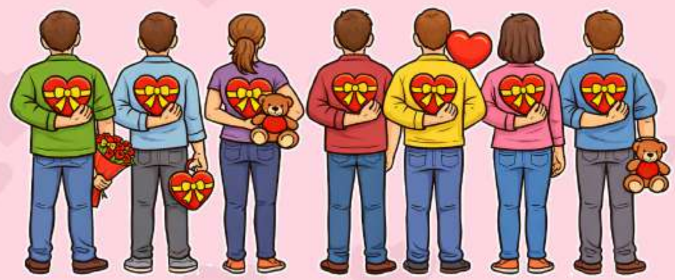
Fun Facts About VALENTINE'S DAY

The U.S. imports nearly $750 million of roses each year for Valentine's Day

58-million pounds of chocolate are sold each year on Valentine's Day

Americans spent more than $21 billion on Valentine's Day gifts

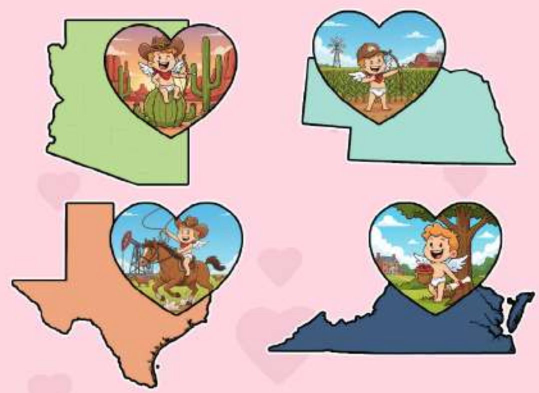


36 million heart-shaped boxes of chocolate are sold each year on Valentine's Day

Valentine's Day is one of the most popular days to get engaged

Alexander Graham Bell applied for a patent for the telephone on Valentine's Day

Approximately 100,000 pounds of conversation hearts are produced for Valentine's Day



Arizona, Nebraska, Texas, and Virginia are the only state's that have a town called "Valentine"

Word Wheel

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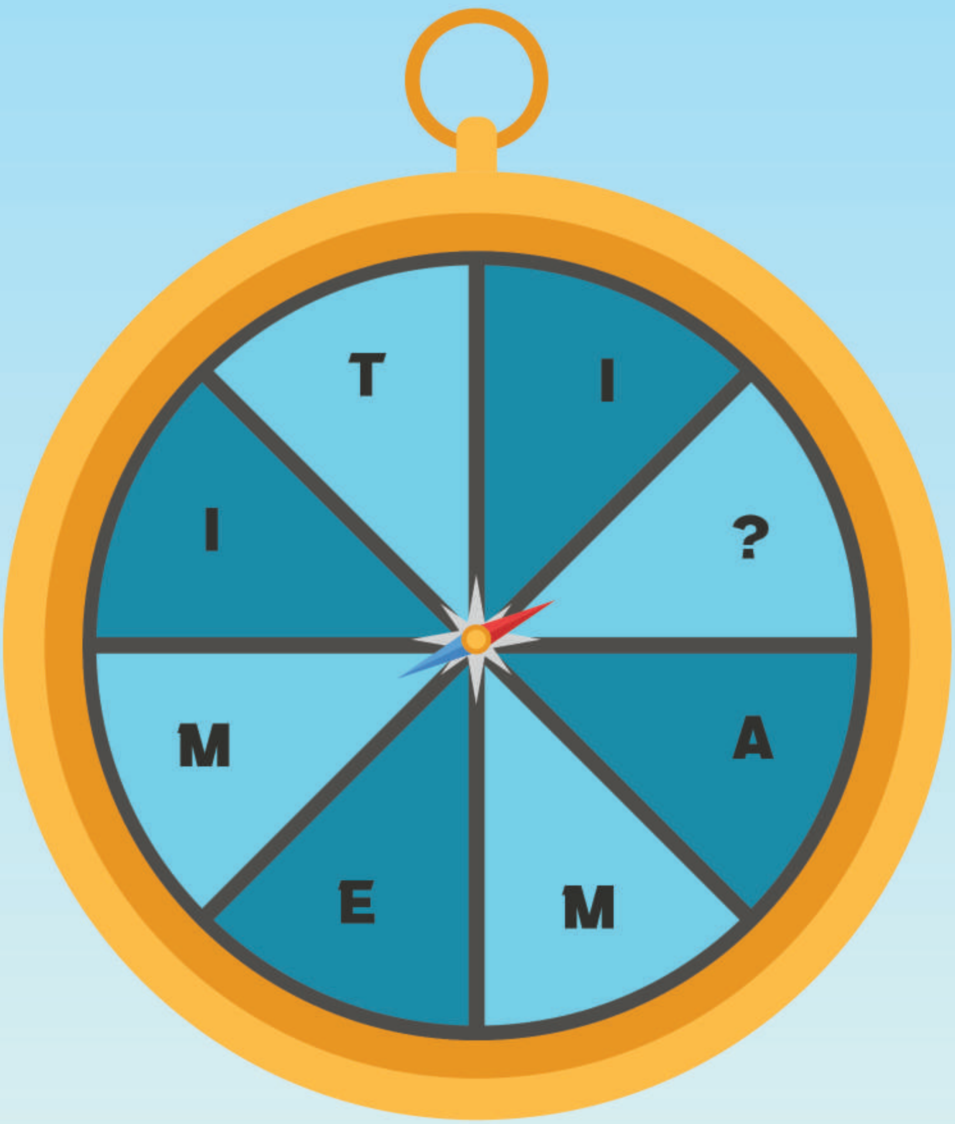
Directions:

Insert the missing letter to complete the eight-letter word reading either clockwise or counterclockwise.



ABOUT

As an industry pioneer, OEC Group has become one of the world's leading logistics companies. We leverage in-house expertise, carrier partnerships, connections with ports and transportation hubs, and our network of offices in North America, Europe, Asia, India, South America, Australia, and the Middle East, to provide freight transportation, logistics, information, customs and brokerage, insurance, and technical services to over 50,000 customers of various sizes and industries.

We are also highly sought after for the advice we give shippers on how to optimally manage their supply chains. The guidance we provide is based on data analytics, best practices, and decades of industry knowledge.

We believe that relationships matter and treat your cargo as our own. Our experts are always investing in efficient, cost-effective, and cutting-edge services to evolve with the ever-changing market, address the complexities of any client's supply chain, and consistently perform at the highest level for our customers.

Our business is making our logistics expertise, your competitive advantage.

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