



DHL Hong Kong Air Trade Leading Index (DTI)

Q1 2026 REPORT

Commissioned by DHL Express (Hong Kong) Limited, DTI is implemented independently by the Hong Kong Productivity Council to measure air traders' forward-looking business outlook, presented in the form of an Index. Please visit u.hkpc.org/dti_eng for details.

Background

Hong Kong is one of the major regional aviation hubs in Asia Pacific. Hong Kong International Airport is globally recognised as one of the busiest airports on its international cargo throughput. The city's dynamic air trade industry generates a total revenue of over HK\$150.4 billion annually, with HK\$45.2 billion from freight revenue, and creates over 31,000 job opportunities ⁽¹⁾.

DHL Express (Hong Kong) Limited (DHL) has commissioned the Hong Kong Productivity Council (HKPC) to conduct independent air trade research – the result of which is the DHL Hong Kong Air Trade Leading Index (DTI).

DTI is developed, after months of preparation and preliminary studies, and compiled findings on air trade across multiple quarters. It reflects and investigates on respondents' outlook on Hong Kong's air trade, and its related attributes, market sentiment, as well as key types of commodities.

DTI is the first of its kind in Hong Kong, offering publicly accessible market intelligence for local enterprises to take reference from a comprehensive business review of the sector which they operate, especially SMEs that typically have scarce resources or limited access to information.

DTI first launched in the second quarter of 2014, and has been published on a quarterly basis since then.

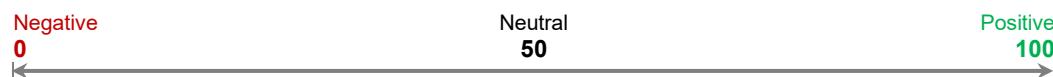
Methodology

DTI = [100 x (Percentage of samples responded "Positive")] + [50 x (Percentage of samples responded "Neutral")] + [0 x (Percentage of samples responded "Negative")]

Readings

An index value above 50 indicates an overall positive outlook while a reading below 50 represents an overall negative outlook for the surveyed quarter.

As such, the further the reading deviates from 50, the more pronounced the positive or negative outlook becomes.



¹ Key Statistics on Business Performance and Operating Characteristics of the Transportation, Storage and Courier Services Sector in 2023, Census and Statistics Department

Demographics

Respondents are Hong Kong-based companies with either in-bound or out-bound air trade. Sectors cover air-freighted commodities including Watches, Clocks & Jewellery, Apparel & Clothing Accessories, Electronic Products & Parts, Gifts, Toys & Houseware, Food & Beverage and Others (including courier items and other items that do not belong to the categories listed above).

Since the first reading in the second quarter of 2014, over 600 samples have been randomly selected from over 10,000 targeted entries every quarter to reveal the respondents' expectations on air trade by telephone. Surveyed samples are based on company and air-freighted commodity without weighting adjustments for the business size of companies.

REPORT SUMMARY

Air trade shows resilience as the Overall Air Trade Index remains stable in early 2026, signalling strength despite global economic headwinds and rising trade tensions. Seasonal demand is expected to lift shipments, with cautious optimism prevailing. The Chinese Mainland leads growth prospects, while Southeast Asia emerges as a key expansion opportunity.

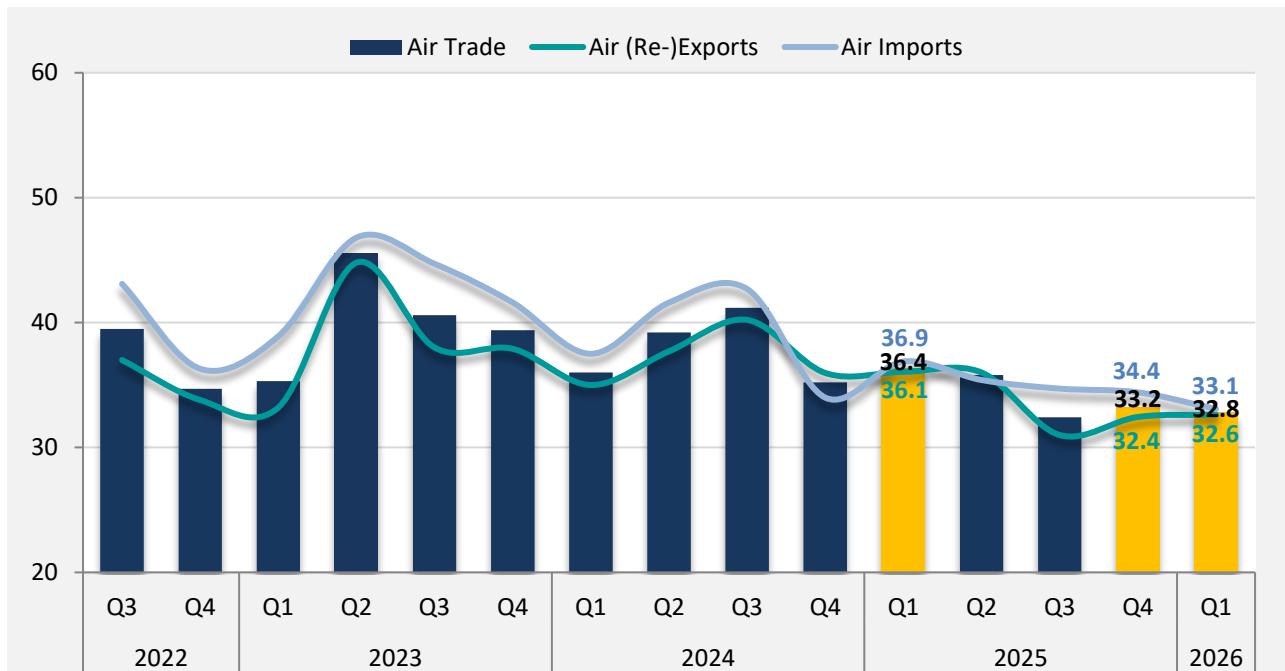
- The Overall Air Trade Index held steady at 32.8 in the first quarter of 2026, reflecting resilience and alignment with recent performance (Q4 2025: 33.2; Q3 2025: 32.4). This stability underscores air traders' continued confidence, even amid prevailing external uncertainties.
- Across regions, the Europe index reflects positive growth momentum, while Asia Pacific faces certain challenges. With Chinese New Year approaching, seasonal demand is expected to rise, particularly for Apparel & Clothing Accessories as well as Gifts, Toys, and Houseware products.
- During the traditional peak season in Q4 2025, air traders' performance largely aligned with expectations, with 55% reporting outcomes consistent with expectations. However, 42% fell short of projections, while only 3% surpassed expectations, underscoring the complexities of the current operating environment.
- Weak global economic conditions and low consumer demand remain top concerns for 2026, compounded by rising China-US trade tensions, and persistently high logistics costs that continue to squeeze operational margins.
- In response, the majority of air traders (73%) intend to maintain their 2026 pricing at 2025 levels. Meanwhile, 18% plan to implement price increases. Within this group, 50% anticipate adjustments of 3% - 6%, 28% expect increases above 6%, and 23% will apply more modest changes of less than 3%.
- The Chinese Mainland is recognised as the leading market with the greatest growth potential. Southeast Asian economies—including Vietnam (18%), Thailand (14%), Malaysia (12%), and Singapore (11%)—are identified as attractive secondary markets for business expansion.

Mr Edmond LAI, Chief Digital Officer of HKPC, commented, “Air trade is expected to remain stable in Q1 2026, with (re-)exports continuing their upward trajectory and Europe reinforcing its position as the leading market. While Asia Pacific may face short-term challenges, the outlook for 2026 remains promising, driven by strong potential in the Chinese Mainland and emerging opportunities across Southeast Asia. The strength in product variety and shipment urgency highlights traders' agility to meet diverse and time-sensitive demand.

Looking ahead, air traders anticipate a steady pricing environment and are preparing to capture growth in key.”

Air Trade Index

This quarter, the overall air trade remained stable at 32.8, despite a noticeable reduction in imports. Conversely, (re-)exports have exhibited consistent growth over the past two quarters.



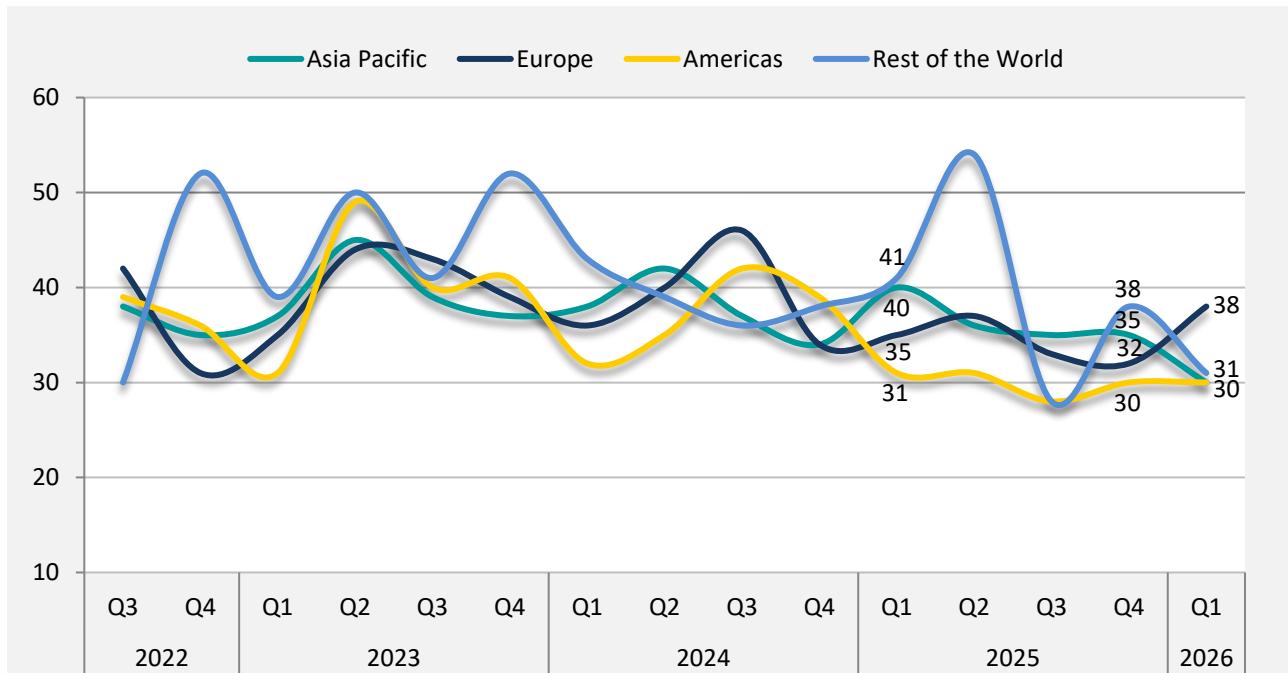
The **Overall Air Trade** Index edged down by 0.4 points, settling at 32.8 in Q1 2026.

The **Air (Re-)Exports** Index recorded a modest uptick, rising by 0.2 points to 32.6.

The **Air Imports** Index declined more noticeably, dropping by 1.3 points to 33.1 for the quarter.

Markets

Europe emerged as the strongest performing market this quarter, maintaining its lead over other regions. Asia Pacific experienced a notable downturn, primarily driven by significant weakness in Japan and reduced (re-)export activity in the Chinese Mainland. The Americas showed no major change.



Europe's index posted the strongest performance, rising 6 points to 38, the highest among all markets.

Asia Pacific's index fell 5 points to 30 points in Q1 2026.

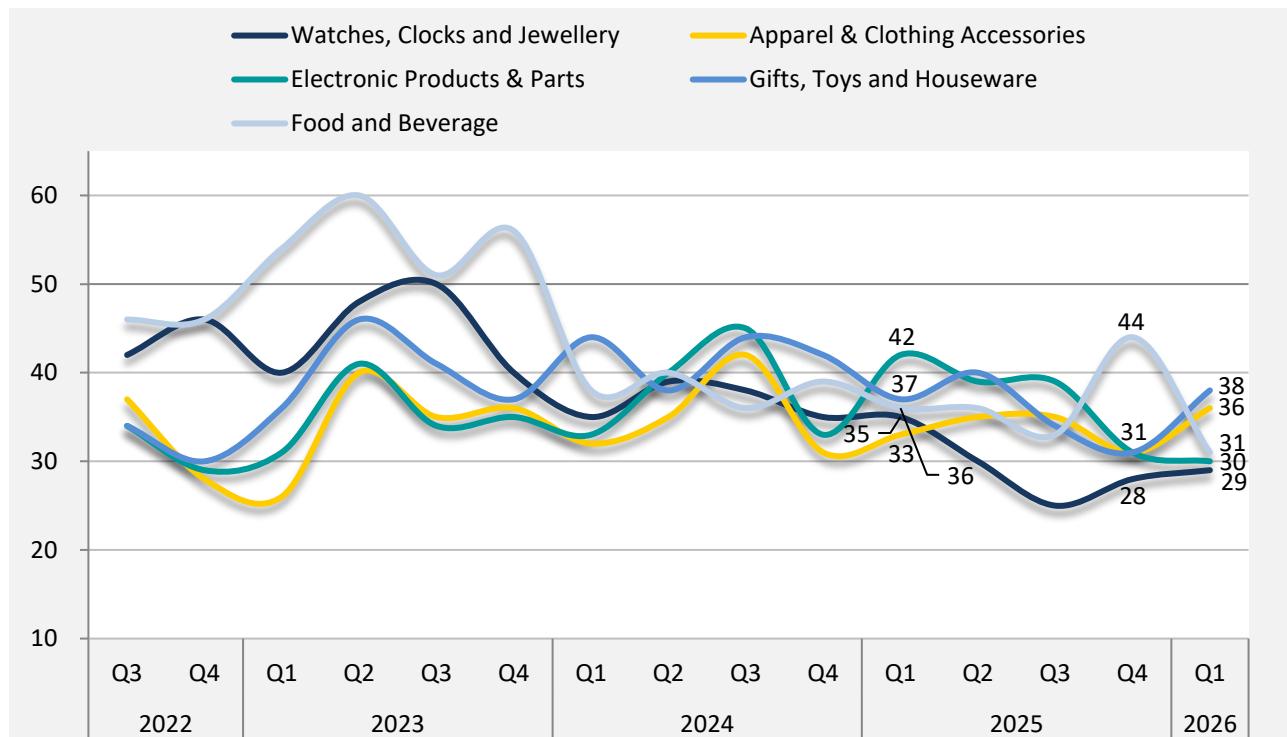
- The **Chinese Mainland's index** declined 5 points to 30, mainly due to an 8-point drop in (re-)exports.
- **Japan** saw a sharp contraction, down 16 points to 25 points, with declines in both imports (-15 points) and (re-)exports (-18 points).
- **Other Asia Pacific** regions held steady overall, with a slight increase in (re-)exports (+2 points).

The **Americas'** Index remained unchanged at 30 points.

The index of the **Rest of the World** decreased by 7 points to 31 points.

Air-Freighted Commodities

Gifts, Toys & Houseware emerged as the strongest performer this quarter, maintaining its position as the leading category. **Apparel & Clothing Accessories** also showed notable improvement, signalling steady demand. In contrast, **Food & Beverage** experienced a sharp decline. **Electronic Products & Parts** registered a slight downturn, while **Watches, Clocks & Jewellery** recorded only a marginal increase.



Gifts, Toys & Houseware achieved the highest growth, rising by 7 points to 38 points.

Apparel & Clothing Accessories demonstrated a notable increase of 5 points this quarter, reaching 36 points.

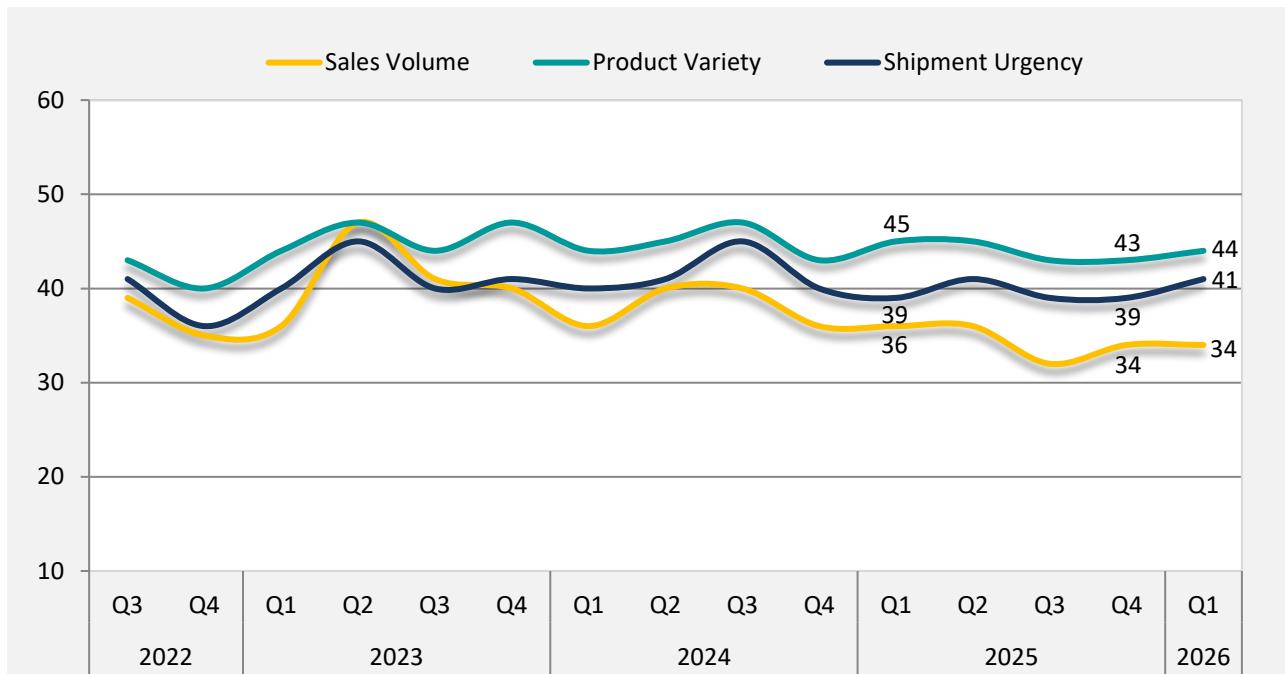
Food & Beverage saw a sharp decrease, falling by 13 points to 31 points, extending its period of instability.

Electronic Products & Parts dropped slightly by 1 point to 30 points.

Watches, Clocks & Jewellery increased slightly by 1 point, reaching 29 points.

Sub-Indices

Product Variety and Shipment Urgency remained strong, both staying above the 40-point mark, while Sales Volume held steady, reflecting stable demand alongside heightened diversity and urgency in shipments.



The **Product Variety** index rose by 1 point this quarter, reaching 44 points and continues to rank as the highest among all sub-indices.

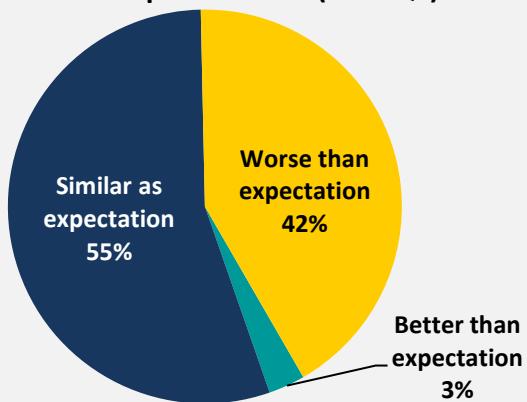
Shipment Urgency rose by 2 points to 41 this quarter. Both shipment urgency and product variety indices surpassed the 40-point mark this quarter.

Sales Volume maintained consistently at 34 points.

Air Trade Outlook Affected by Recent Market News

During the traditional peak season in late 2025, most air traders reported performance that generally met expectations, though a significant portion experienced weaker results, and only a few exceeded forecasts. Looking ahead to 2026, the majority plan to keep pricing stable, while some anticipate moderate increases or reductions. The main challenge identified for the coming year includes a soft global economy and subdued demand, followed by geopolitical tensions and high logistics costs. The Chinese Mainland is considered the most promising market, with Southeast Asian countries also viewed as key growth opportunities.

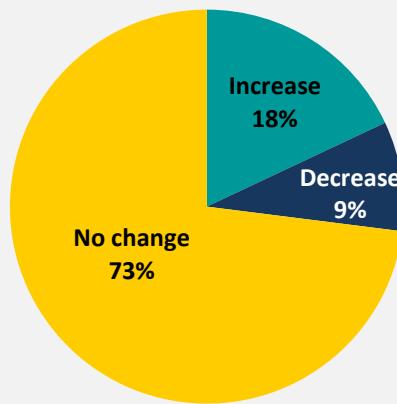
Comparison between initial expectation and actual performance of the traditional peak season (2025Q4)



Note: Percentages may not add up to 100% due to rounding

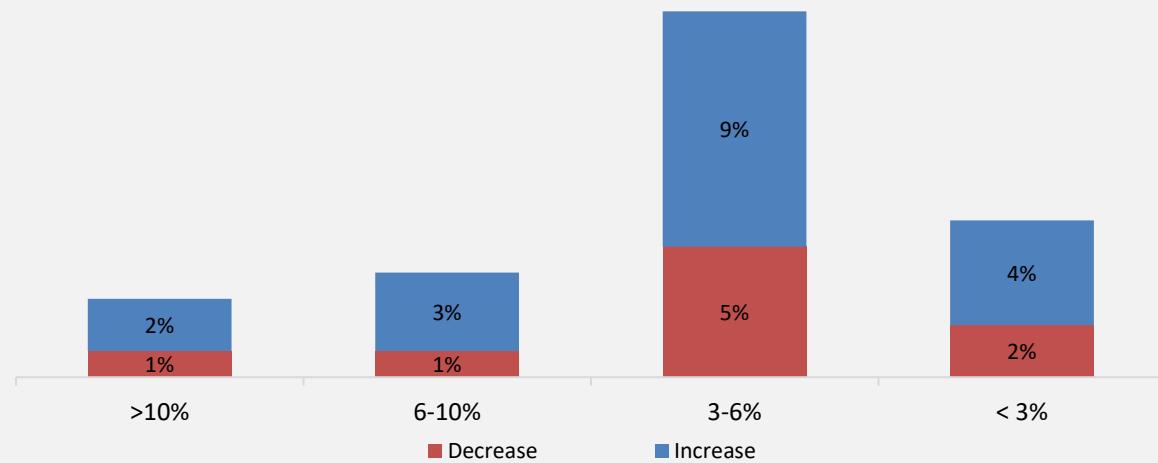
During the traditional peak season in Q4 2025, 55% of surveyed air traders reported that actual performance matched their initial expectations, while 42% indicated results were worse than expected. Just 3% felt outcomes exceeded their forecasts.

Expectation on Price Adjustment in 2026



Note: Percentages may not add up to 100% due to rounding

Range of Increment / Decrement

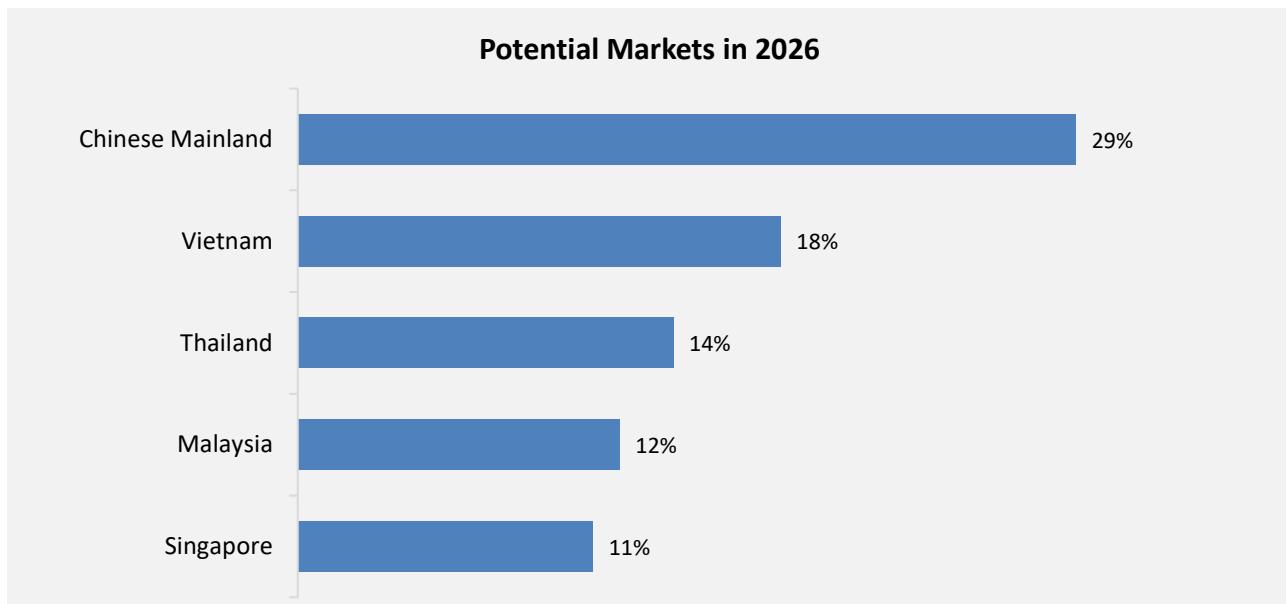


Looking ahead to 2026, most respondents (73%) plan to keep pricing strategies unchanged. In contrast, 18% anticipate price increases - primarily within the ranges of 3–6% (9%) or less than 3% (4%). Conversely, 9% expect to implement price reductions, either by 3–6% (5%) or under 3% (2%).



Note: Multiple answers allowed

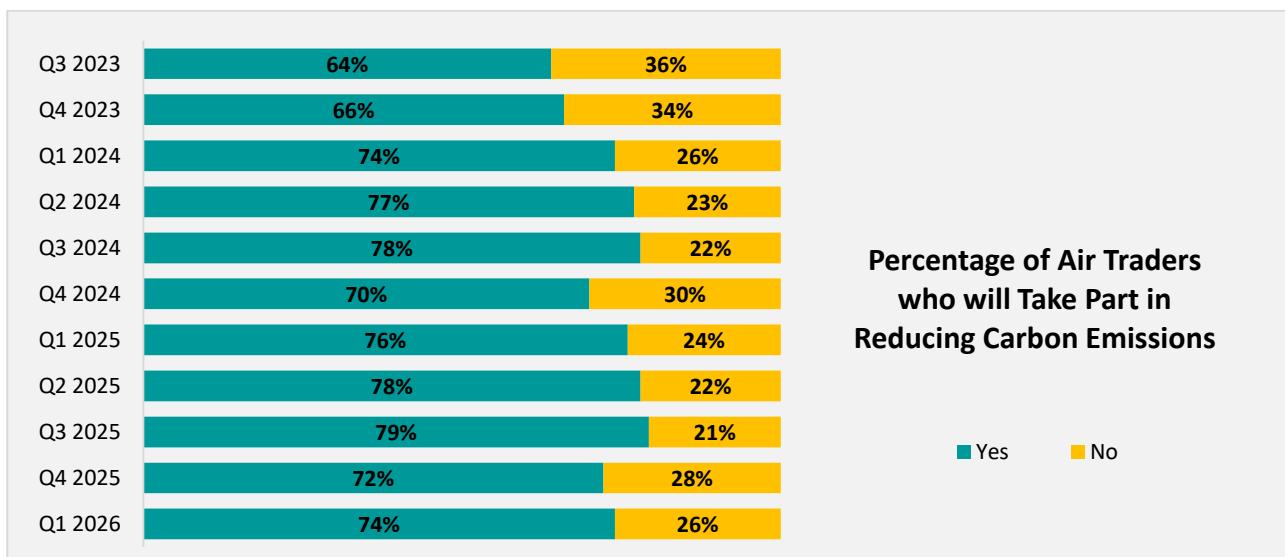
For 2026, the top challenge identified by respondents is a “soft global economy and demand,” cited by 68%. This is followed by “US-Chinese Mainland tensions” (52%), and “high logistics and transportation costs” (39%), ranking as the second and third most significant concerns.



Note: Based on the total number of mentions

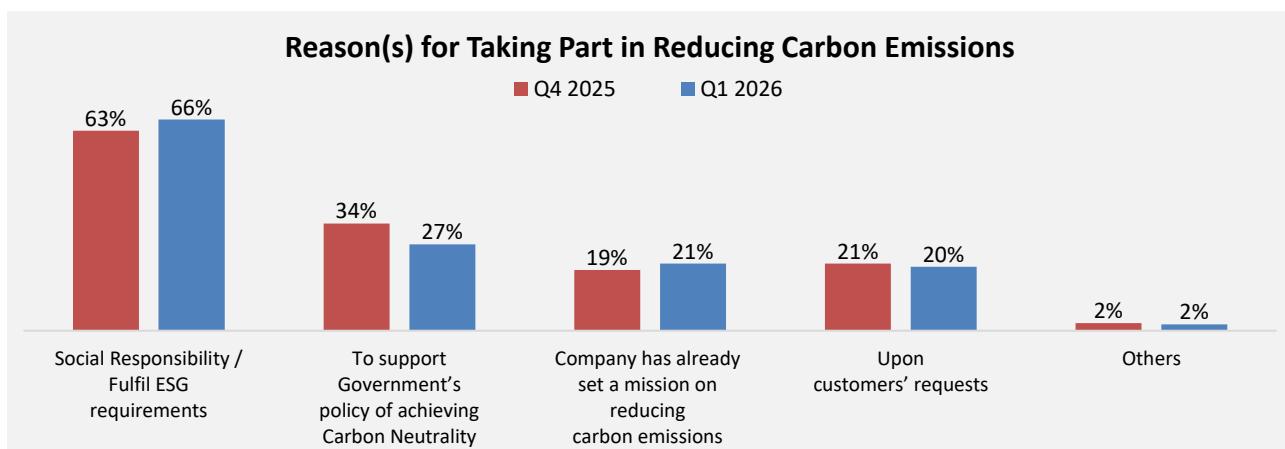
Note: Multiple answers allowed

In 2026, air traders rank the Chinese Mainland as the top potential market, followed by Vietnam (18%), Thailand (14%), Malaysia (12%), and Singapore (11%).



Note: Percentages may not add up to 100% due to rounding

In the first quarter of 2026, 74% of air traders expressed willingness to engage in carbon emission reduction initiatives, representing a modest increase of 2% compared to the previous quarter.



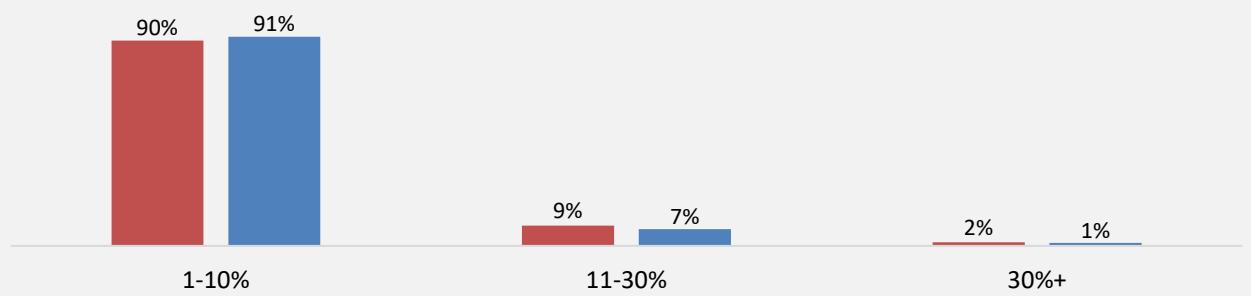
Note: Based on air traders willing to take part in reducing carbon emissions

Note: Multiple answers allowed

Among those participating, the primary reason cited was "Social responsibility / Fulfil ESG requirements" (66%). Other motivations included supporting the government's policy of achieving carbon neutrality (27%) and alignment with an existing company mission to reduce carbon emissions (21%).

Percentage of the Logistic Costs Willing to Pay Extra for Reducing Carbon Emissions

■ Q4 2025 ■ Q1 2026



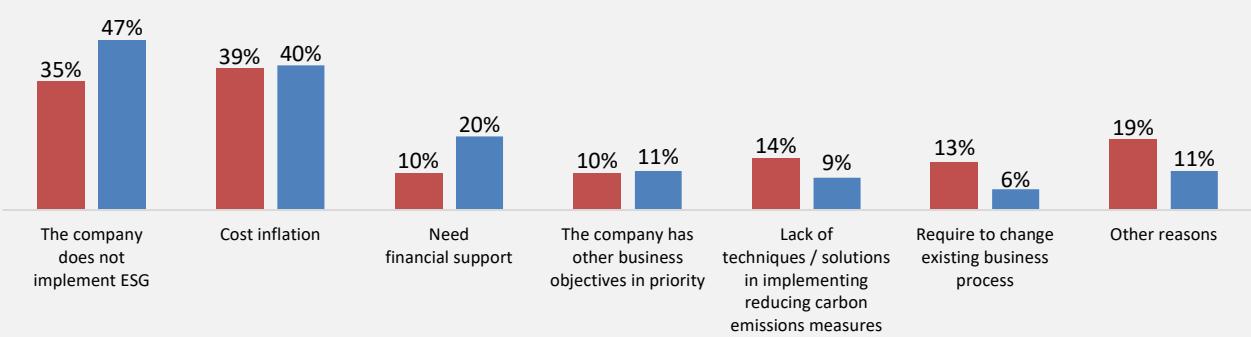
Note: Based on air traders willing to take part in reducing carbon emissions

Note: Percentages may not add up to 100% due to rounding

In line with last quarter's findings, 91% of air traders focused on carbon emission reduction are prepared to allocate up to 10% of their logistics expenditure toward this goal. Furthermore, 7% are willing to invest as much as 30%, while 1% would contribute more than 30% of their logistics budget to support initiatives aimed at lowering emissions.

Reason(s) for Not Taking Part in Reducing Carbon Emissions

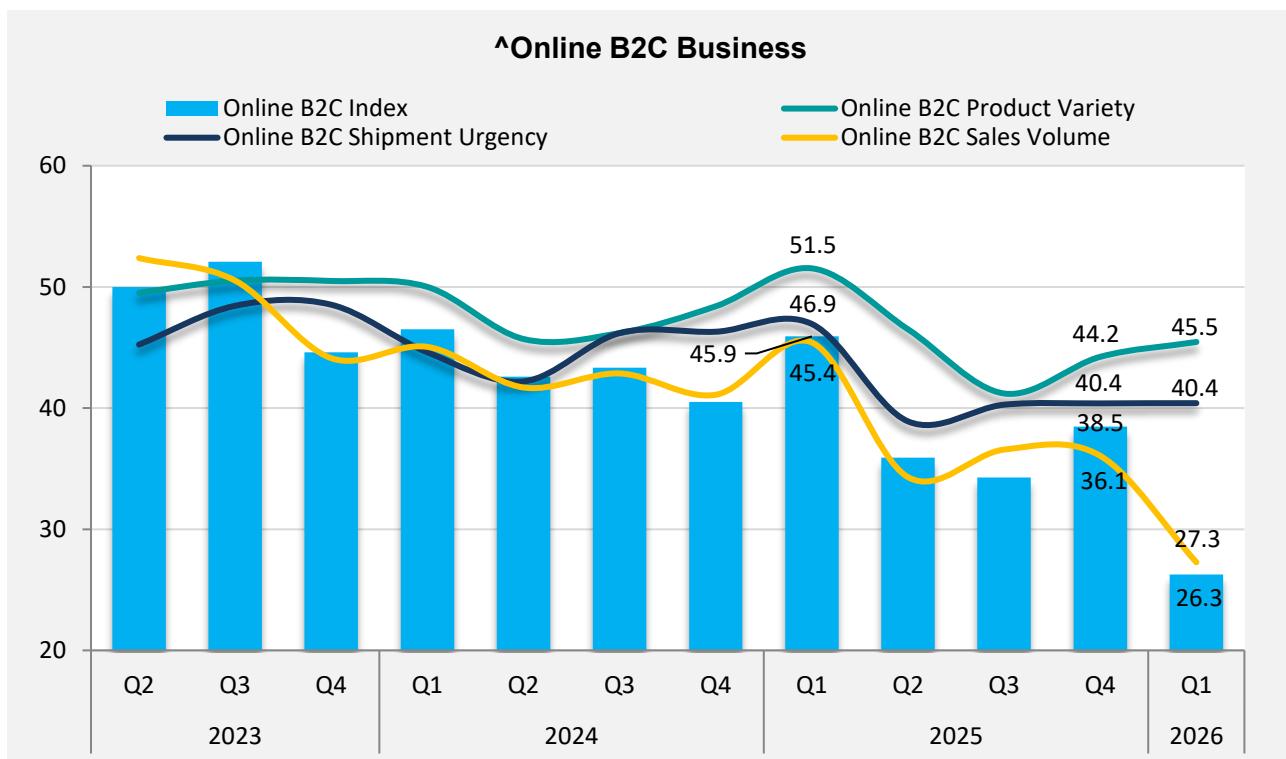
■ Q4 2025 ■ Q1 2026



Note: Based on air traders not willing to take part in reducing carbon emissions

Note: Multiple answers allowed

For those not participating, the most frequently cited reasons were lack of ESG implementation within the company (47%), followed by concerns about cost inflation (40%) and the need for financial support (20%).



Note: Based on air traders with online B2C business

During Q1 2026, the Online B2C Index dropped significantly to 26.3 points, largely driven by a decline in Sales Volume.

About Hong Kong Productivity Council

The Hong Kong Productivity Council (HKPC) is a statutory body established in 1967, dedicated to enhancing the productivity and competitiveness of Hong Kong enterprises through world-class applied R&D, innovative technology services, and integrated manufacturing solutions. As a market-oriented, international R&D organisation, HKPC leverages its deep expertise and extensive industry experience in key areas such as AI, advanced manufacturing, life and health technology, green technology and new energy to drive new industrialisation and support the growth of emerging and future industries.

HKPC focuses on addressing businesses challenges and industrial technology needs, promoting the full integration between technological and industrial innovation. Through technology transfer, product innovation, intellectual property protection and commercialisation of R&D outcomes, the Council fosters collaboration with the local business community as well as top global R&D institutions, delivering added value to industries and advancing the development of new productive forces. HKPC's world-class R&D achievements have been widely recognised over the years, winning an array of local and overseas accolades, reinforcing Hong Kong's role as an international innovation and technology centre and a smart city.

To help enterprises capitalise on Hong Kong's strengths in international connectivity to expand into global markets, HKPC offers comprehensive overseas expansion services tailored to critical areas including product development, technology, manufacturing, and management, enabling businesses to successfully go global from Hong Kong.

HKPC is also committed to providing timely and practical support to SMEs and startups with timely and practical, assisting them in accessing Government funding programmes. Through its FutureSkills training initiatives, HKPC helps both industry and academia stay ahead in latest digital and STEM technologies, nurturing a future-ready talent pool for Hong Kong.

For more information, please visit HKPC's website: www.hkpc.org/en.

Enquiry

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