Lojistic®

2027

UPS & FedEx

GENERAL RATE INCREASE

Dear Shipper,

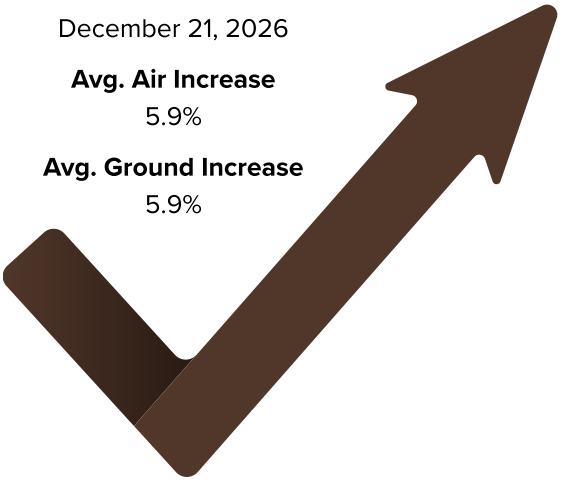
This report offers an in-depth look at the 2027 UPS & FedEx General Rate Increase (GRI), complete with historical information from 2017 to 2027. It's designed to support your company's pricing strategies and help you understand the approaching changes.

UPS

Effective Date:
December 21, 2026

Avg. Air Increase
5.9%

Avg. Ground Increase
5.9%



FedEx

Effective Date:
January 4, 2027

Avg. Air Increase
5.9%

Avg. Ground Increase
5.9%



How will the increased rates, surcharges, and fees affect your profitability in 2027?

Lojistic can help you quantify the exact financial impact of these rate hikes. Knowing this will help inform your strategies to reduce shipping costs, offset carrier price increases, and grow your company's margins.

The Lojistic platform identifies and quantifies your company's specific cost reduction opportunities.
Creating a free Lojistic account is the first step to mitigate rising shipping expenses.

Lojistic also offers expertise in parcel and freight audit + pay solutions, as well as shipping contract optimization solutions.
We're here to help you send costs packing in 2027.



Jared Fisher
Co-Founder & CRO

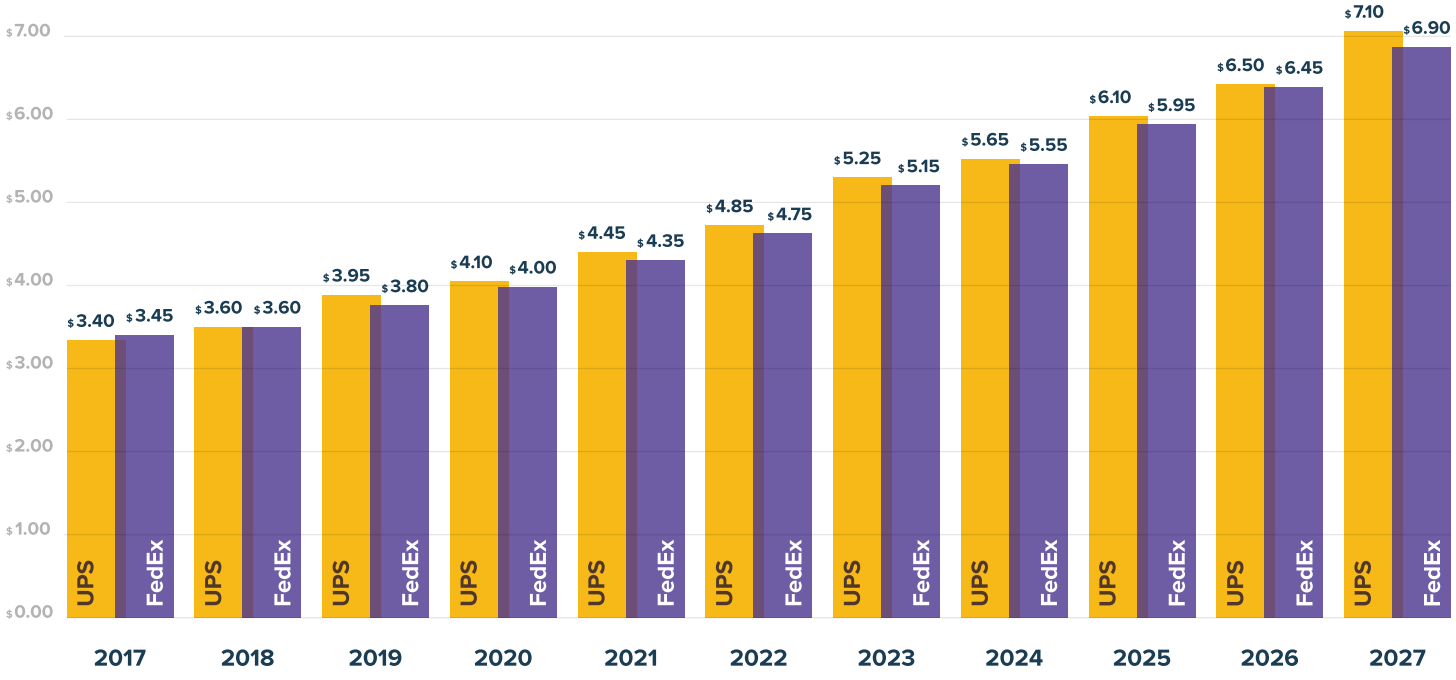
AIR PRICE INCREASE YEAR TO YEAR

	UPS	FedEx
2027	5.9%	5.9%
2026	5.9%	5.9%
2025	5.9%	5.9%
2024	5.9%	5.9%
2023	6.9%	6.9%
2022	5.9%	5.9%
2021	4.9%	4.9%
2020	4.9%	4.9%
2019	4.9%	4.9%
2018	4.9%	4.9%
2017	4.9%	3.9%

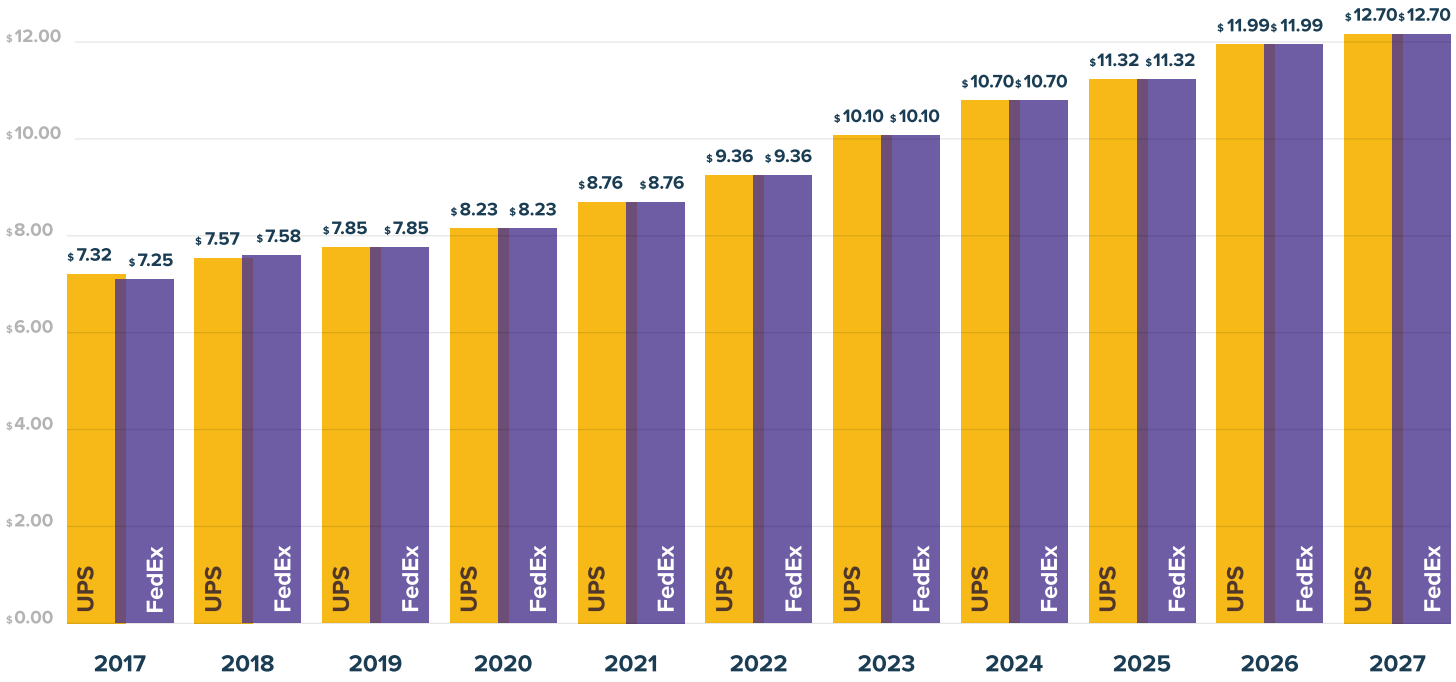
GROUND PRICE INCREASE YEAR TO YEAR

UPS	FedEx
5.9%	5.9%
5.9%	5.9%
5.9%	5.9%
5.9%	5.9%
6.9%	6.9%
5.9%	5.9%
4.9%	4.9%
4.9%	4.9%
4.9%	4.9%
4.9%	4.9%
4.9%	4.9%

GROUND RESIDENTIAL FEE

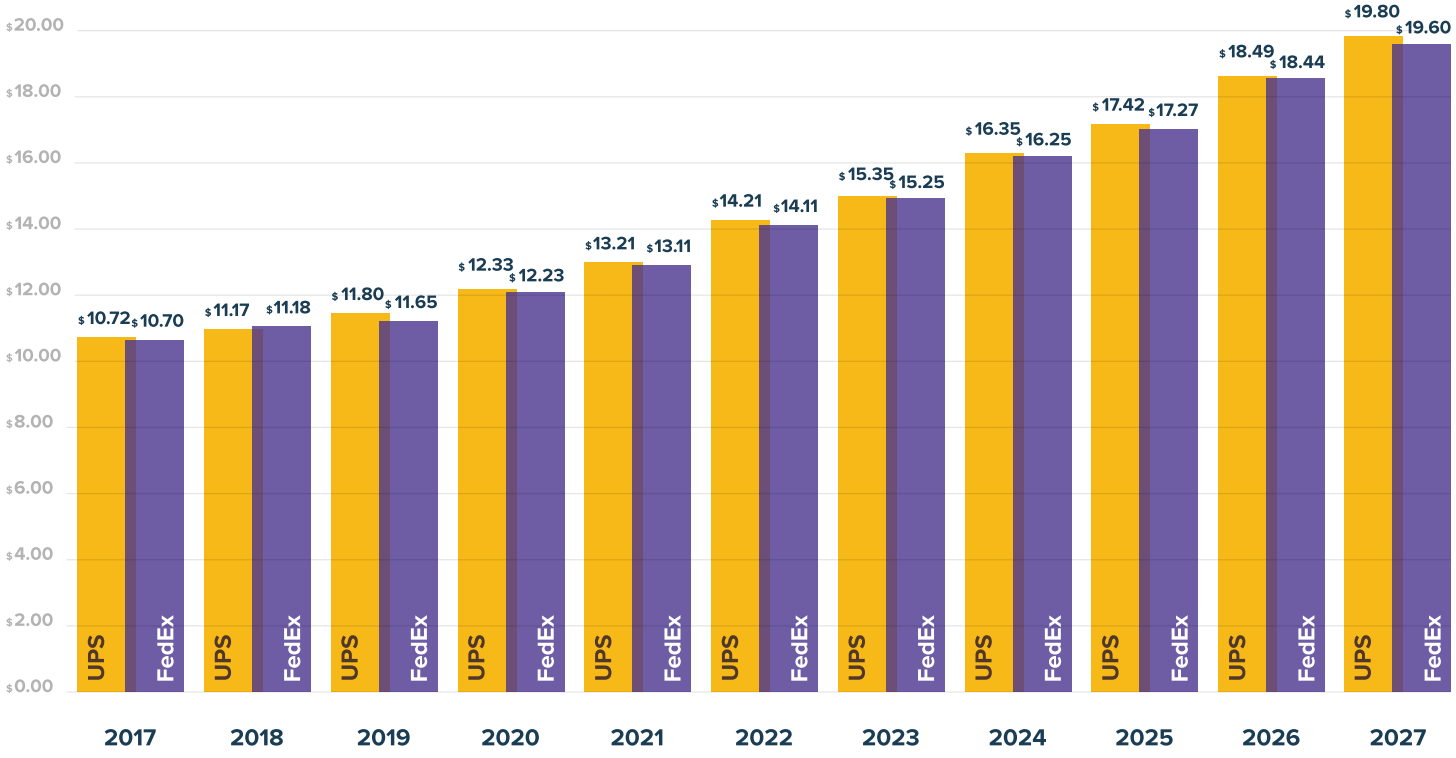


GROUND COMMERCIAL MINIMUM CHARGE



GROUND RESIDENTIAL MINIMUM CHARGE

(INCLUDES RESIDENTIAL FEE)



FedEx 2027 GRI Key Takeaways

FedEx's 2027 rates take effect January 4, with an announced general rate increase of 5.9% across all service levels. For Ground and Home Delivery, the average increase across all weights in domestic zones 2–8 is 6.1%, rising to 6.5% when extended zones (HI, AK, etc.) are included. However, very few shippers will land on these averages. Here's where the increases vary. All figures are based on FedEx list rates.

Ground and Home Delivery

Zone doesn't make much difference this year. Zones 2 through 8 all went up between 6.06% and 6.15%. Weight is where it changes. Packages under 5 lbs are up about 6.5%, and packages between 21 and 50 lbs are up closer to 5.6%. If most of what you ship is light, expect to land above the average.

Express

Priority Overnight is up 6.5%, 2Day 6.4%, 2Day A.M. 6.7%, and First Overnight 6.1%. Standard Overnight averages a 5.5% increase across all weights, including envelopes, domestic zones, and extended zones, compared to a 5.2% increase for shipments with a billable weight of 1 lb. or more in domestic zones 2–8. Express Saver is up 3.1%.

Heavy and oversized packages

This is where the GRI hits hardest. Additional Handling is up 6.8% to 7.6%, whether it's triggered by dimensions, weight or packaging. Oversize charges in zones 5 and up rose 7.6% to 7.8%. The base rates on those same packages went up less, so the surcharges are driving more of the cost. If you ship a lot of big or heavy boxes, plan on an increase above the headline.

Residential deliveries

The residential charge on Ground and Home Delivery goes from $6.45 to $6.90 per package, up 7%. On Express it's up 5.8%.

Delivery Area Surcharges

Where you deliver matters:

- Residential DAS: up 6.1%
- Commercial DAS: up 5.6%
- Extended Residential: up 9.1%, from $8.80 to $9.60
- Extended Commercial: up 8.1%
- Hawaii: up 7.7%

Shippers who send a lot to rural areas will see this part of the bill grow faster than everything else.

Declared Value

Up 9.1%. If you ship high-value goods and rely on FedEx's declared value coverage, price out third-party insurance before the new year.

Pickup fees

The 5-day regularly scheduled pickup goes from $35.50 to $38.95 a week, up 9.7%. In 2026, daily pickup cost less per day than a single weekly pickup. That discount is mostly gone in 2027. The dollars are small, but it's one of the easier fees to get waived if you ask.

International

The duty and tax forwarding minimum jumps from $15 to $31 on shipments valued at $800 or less, and the percentage goes from 2% to 2.5%. For brands shipping lots of low-value orders duties-paid, that fee more than doubles. International Additional Handling is also up 9.3% on dimensions and packaging.

What it means for you

The average is FedEx's number, not yours. Your actual increase depends on what you ship, how much of your bill is surcharges, where your packages go and what's in your contract. Two companies on the same agreement can see very different results.

UPS 2027 GRI Key Takeaways

UPS's 2027 rates take effect December 21, and the 5.9% average understates what most shippers will pay. Lighter packages go up more than the average, most surcharges rise 8.5% to 9.5%, and new fuel tables raised costs on November 2, before the new rates even start.

All figures use UPS's published daily rates, before any account-specific pricing.

Timing

The new rates take effect December 21, in the middle of UPS's highest demand surcharge period (November 22 through December 26), with demand surcharges continuing through January 16. FedEx's increase starts January 4. Shippers pay higher rates, plus demand charges, in their busiest weeks.

Base rates

UPS's 5.9% is an average, and your weight mix decides where you land. On every domestic service, 1 to 5 lb packages go up more than heavy ones, and on five of the seven they land above 5.9%. Most Ground rates rise exactly 5.9%, and international services and Simple Rate rise about 6% to 7%.

Fuel

UPS changed its domestic Ground and Air fuel tables again on November 2. Compared with August, both surcharges are half a point higher at today's fuel prices, and the gap widens if fuel falls. Fuel applies to base rates and most surcharges, so the December 21 increases raise the fuel cost on every package.

2027 vs 2026, all in

Put base rates, surcharges, and fuel together, and a 1 lb UPS Ground Residential package to Zone 5 goes up 7% to 9%, not 5.9%. The lower fuel prices fall, the bigger the gap.

Surcharges

Most surcharges rise 8.5% to 9.5%, well above the base rate increase. The ones that stood out:

- Large Package, Commercial, Zone 7+: up 15.4%
- Large Package, Commercial, Zone 2: up 13.9%
- Package Shield, per $100 declared value: up 17.1%
- Residential, Ground: $6.50 to $7.10, up 9.2%
- Residential, Air: $7.00 to $7.60, up 8.6%
- Delivery Area, Residential: up 9.2%
- Address Correction: $25.25 to $27.50, up 8.9%
- New fee to reschedule a UPS My Choice delivery: $9.99

Other changes UPS has announced

- Packages that trigger Additional Handling will bill at 50 lbs, up from 40 lbs.
- A new per-package origin surcharge will apply to some Ground and Ground Saver shipments. UPS hasn't released the amount or the ZIP list.
- Delivery area and zone ZIP code lists are both changing.
- Ground Saver, Hundredweight, and Worldwide Economy rates are still to come.

Unchanged

Delivery Intercept, International Residential, International Extended and Remote Area surcharges, Paper Commercial Invoice, and the International Processing Fee.

What it means for you

Plan for more than 5.9%. With surcharge increases, the fuel change, and the higher Additional Handling minimum, most shippers' total cost will rise more than the base rate average. Check carton sizes near the Large Package and Additional Handling thresholds, clean up address and account data, and watch for UPS's origin surcharge and new ZIP lists.

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2027 General Rate Increase

FedEx Effective January 4, 2027

FedEx Ground:

- Ground rate increase announced at 5.9%
- Ground Commercial Minimum Charge: Increase of $0.71 (5.9%) from $11.99 to $12.70
- Home Delivery Minimum Charge (incl. Residential Surcharge): Increase of $1.16 (6.3%) from $18.44 to $19.60

FedEx Air & International:

Air & International rate increase announced at an average 5.9%

Surcharge & Accessorial Changes:

These changes apply to some of the more commonly seen surcharges and accessorial fees:

- Air Residential Surcharge:
  Increase of $0.40 (5.76%) from $6.95 to $7.35
- Ground Residential:
  Increase of $0.45 (6.98%) from $6.45 to $6.90
- DAS Commercial Air:
  Increase of $0.25 (5.62%) from $4.45 to $4.70
- DAS Commercial Air Extended:
  Increase of $0.45 (8.11%) from $5.55 to $6.00
- DAS Commercial Ground:
  Increase of $0.25 (5.62%) from $4.45 to $4.70
- DAS Commercial Ground Extended:
  Increase of $0.45 (8.11%) from $5.55 to $6.00
- DAS Residential Air:
  Increase of $0.40 (6.06%) from $6.60 to $7.00
- DAS Residential Ground:
  Increase of $0.40 (6.06%) from $6.60 to $7.00
- DAS Residential Ground & Air Extended:
  Increase of $0.80 (9.09%) from $8.80 to $9.60
- Address Correction Fee:
  Increase of $1.50 (5.88%) from $25.50 to $27.00
- Ground Unauthorized Charge:
  Increase of $100.00 (5.33%) from $1,875.00 to $1,975.00
- Delivery Confirmation Signature Required (Direct):
  Increase of $0.55 (7.24%) from $7.60 to $8.15
- Delivery Confirmation Adult Signature Required:
  Increase of $0.60 (6.00%) from $10.00 to $10.60
- Remote Area Surcharge:
  Increase of $1.00 (5.97%) from $16.75 to $17.75

Additional Handling Surcharge (Dimensions):

- Zone 2 : Increase of $2.25 (7.63%) from $29.50 to $31.75
- Zone 3-4 : Increase of $2.50 (7.63%) from $32.75 to $35.25
- Zone 5-6 : Increase of $2.75 (7.14%) from $38.50 to $41.25
- Zone 7+ : Increase of $3.00 (7.36%) from $40.75 to $43.75

Additional Handling Surcharge (Weight):

- Zone 2 : Increase of $3.50 (7.61%) from $46.00 to $49.50
- Zone 3-4 : Increase of $3.75 (7.46%) from $50.25 to $54.00
- Zone 5-6 : Increase of $4.00 (7.11%) from $56.25 to $60.25
- Zone 7+ : Increase of $4.25 (7.23%) from $58.75 to $63.00

Additional Handling Surcharge (Packaging):

- Zone 2 : Increase of $2.00 (7.55%) from $26.50 to $28.50
- Zone 3-4 : Increase of $2.25 (7.32%) from $30.75 to $33.00
- Zone 5-6 : Increase of $2.25 (6.82%) from $33.00 to $35.25
- Zone 7+ : Increase of $2.50 (7.41%) from $33.75 to $36.25

Oversize Charge (US Package Services):

- Zone 2 : Increase of $15.00 (5.88%) from $255.00 to $270.00
- Zone 3-4 : Increase of $15.00 (5.45%) from $275.00 to $290.00
- Zone 5-6 : Increase of $25.00 (7.81%) from $320.00 to $345.00
- Zone 7+ : Increase of $25.00 (7.58%) from $330.00 to $355.00

Oversize Charge (Home Delivery):

- Zone 2 : Increase of $15.00 (5.88%) from $255.00 to $270.00
- Zone 3-4 : Increase of $15.00 (5.45%) from $275.00 to $290.00
- Zone 5-6 : Increase of $25.00 (7.81%) from $320.00 to $345.00
- Zone 7+ : Increase of $25.00 (7.58%) from $330.00 to $355.00

Oversize Charge (International):

- Increase of $17.00 (8.17%) from $208.00 to $225.00

Use Lojistic to see how the FedEx rate increase will impact your business.

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2027 General Rate Increase

Effective December 21, 2026

UPS Ground:

- Ground rate increase announced at 5.9%
- Ground Commercial Minimum Charge: Increase of $0.71 (5.92%) from $11.99 to $12.70
- Ground Residential (inclusive of Residential Surcharge): Increase of $1.31 (7.08%) from $18.49 to $19.80

UPS Air & International:

Air & International rate increase announced at 5.9%

Surcharge & Accessorial Changes:

These changes apply to some of the more commonly seen surcharges and accessorial fees:

- Air Residential:
  Increase of $0.60 (8.57%) from $7.00 to $7.60
- Ground Residential:
  Increase of $0.60 (9.23%) from $6.50 to $7.10
- DAS Commercial Ground:
  Increase of $0.40 (8.89%) from $4.50 to $4.90
- DAS Commercial Air:
  Increase of $0.40 (8.89%) from $4.50 to $4.90
- DAS Commercial Ground Extended:
  Increase of $0.50 (8.77%) from $5.70 to $6.20
- DAS Commercial Air Extended:
  Increase of $0.50 (8.77%) from $5.70 to $6.20
- DAS Residential Ground:
  Increase of $0.60 (9.16%) from $6.55 to $7.15
- DAS Residential Air:
  Increase of $0.60 (9.16%) from $6.55 to $7.15
- DAS Residential Ground & Air Extended:
  Increase of $0.80 (9.04%) from $8.85 to $9.65
- Remote Area Surcharge (US 48):
  Increase of $1.50 (9.09%) from $16.50 to $18.00
- Delivery Confirmation Signature Required:
  Increase of $0.70 (9.09%) from $7.70 to $8.40
- Delivery Confirmation Adult Signature Required:
  Increase of $0.90 (9.63%) from $9.35 to $10.25
- Address Correction Fee:
  Increase of $2.25 (8.91%) from $25.25 to $27.50
- Large Package Surcharge (International):
  Increase of $20.00 (8.51%) from $235.00 to $255.00
- Over Maximum Limits Charge:
  Increase of $159.50 (8.51%) from $1,875.00 to $2,034.50

Additional Handling Surcharge (Weight):

- Zone 2 : Increase of $4.00 (8.60%) from $46.50 to $50.50
- Zone 3-4 : Increase of $4.50 (8.87%) from $50.75 to $55.25
- Zone 5-6 : Increase of $5.00 (8.89%) from $56.25 to $61.25
- Zone 7+ : Increase of $5.00 (8.51%) from $58.75 to $63.75

Additional Handling Surcharge (Dimensions):

- Zone 2 : Increase of $2.75 (9.17%) from $30.00 to $32.75
- Zone 3-4 : Increase of $3.00 (9.02%) from $33.25 to $36.25
- Zone 5-6 : Increase of $3.50 (9.09%) from $38.50 to $42.00
- Zone 7+ : Increase of $3.50 (8.64%) from $40.50 to $44.00

Additional Handling Surcharge (Packaging):

- Zone 2 : Increase of $2.50 (9.35%) from $26.75 to $29.25
- Zone 3-4 : Increase of $2.75 (8.87%) from $31.00 to $33.75
- Zone 5-6 : Increase of $3.00 (9.02%) from $33.25 to $36.25
- Zone 7+ : Increase of $3.00 (8.89%) from $33.75 to $36.75

Large Package Surcharge (Commercial):

- Zone 2 : Increase of $30.50 (13.90%) from $219.50 to $250.00
- Zone 3-4 : Increase of $35.50 (14.82%) from $239.50 to $275.00
- Zone 5-6 : Increase of $32.00 (11.72%) from $273.00 to $305.00
- Zone 7+ : Increase of $44.00 (15.38%) from $286.00 to $330.00

Large Package Surcharge (Residential):

- Zone 2 : Increase of $21.75 (8.55%) from $254.50 to $276.25
- Zone 3-4 : Increase of $23.50 (8.56%) from $274.50 to $298.00
- Zone 5-6 : Increase of $27.25 (8.50%) from $320.50 to $347.75
- Zone 7+ : Increase of $28.25 (8.53%) from $331.00 to $359.25



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Use Lojistic to Quantify How These Changes Will Impact Your Business



Create A Free Lojistic Account

- Eliminate Overspend
- Make Data-Driven Decisions
- Improve Your Current Carrier Contract
- Offset Carrier Rate Increases
- Compare Mode – Quantify The Impact Of Changes

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