

It's that time of year again: GRI prediction season. And for the parcel experts at TransImpact, there's nothing better than forecasting what UPS and FedEx have planned for shippers.

So, what will the 2026 GRIs bring—big or small, aggressive or modest? One thing is certain: these announcements are the biggest news on the parcel shipping calendar and carry major weight for companies' budgets and bottom lines.

Last year, our models nailed the 5.9% GRI before the carriers even announced it. In this report, we share our 2026 forecast, along with charts, insights, and bold predictions to help you prepare your operation with confidence.

The past few years have brought record-high GRIs—6.9% and 5.9%—well above the long-term average of 4.9%. Shippers already know how disruptive these jumps can be to budgets. TransImpact was the first to connect the dots between domestic inflation and GRI percentages, and our proven track record shows we consistently get it right.

Once again, TransImpact is ahead of the curve with our 2026 General Rate Increase (GRI) predictions. By combining historical pricing, inflation trends, fuel prices, and carrier revenue with our advanced data-modeling technology, we continue to deliver the industry's most accurate forecasts. Our goal is simple: help shippers cut through the complexity and prepare for another challenging year of carrier announcements.

Our UPS and FedEx 2026 GRI Prediction

Our industry-leading models accurately projected the 2025 GRI at 5.9%—and we're calling for the same 5.9% increase again in 2026 from both FedEx and UPS. We expect the carriers to continue their "smoke and mirrors" tactics—applying smaller increases to seldom-used services or zones, while raising rates more steeply where most shippers feel the impact.



The following 11 illustrations highlight what shippers can expect from the 2026 UPS and FedEx GRIs.

Correlation of U.S. Inflation and the GRI

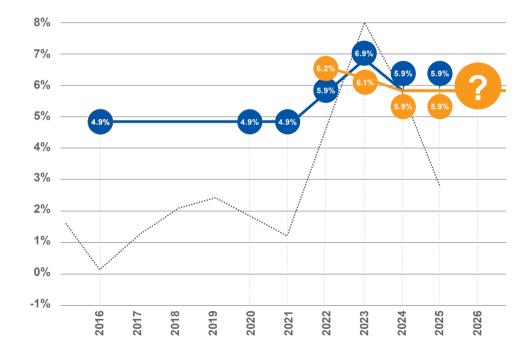
Based on inflation data alone, the General Rate Increase (GRI) for 2026 would be 4.9%. However, recent carrier earnings and aggressive rate actions push our projection higher. Like 2025 and 2024, we expect the announced GRI to be 5.9%.

In comparison, high inflation in 2022 drove the 2023 GRI to an all-time high of 6.9%

Our prediction

Actual GRI

Inflation Pct



Express Service Increase by Year

Domestic Express rates are projected to rise by nearly 6%, driven by inflation, package mix, and continued e-commerce growth.

Ex	Express Service Increase by Year						
		2021	2022	2023	2024	2025	2026 % Increase proj.
-66	1 Day	3.96%	6.61%	7.53%	6.57%	5.97%	5.40%
3 C	1 Day PM	3.98%	6.51%	7.58%	6.56%	5.86%	5.34%
-06	2 Day	5.32%	4.89%	7.65%	6.87%	6.70%	6.48%
-66	3 Day	4.21%	9.72%	10.02%	6.44%	5.99%	5.72%

3 Express Minimums

Domestic Express minimum increases are expected to ease compared to the past three-year average, with carriers applying more aggressive increases in areas such as surcharges.

FD	X/UPS Service	3 yr Avg Increase
-194	1 Day	7.3%
⊒ (C	1 Day PM	7.2%
-66	2 Day	6.3%
-66	3 Day	5.6%

FD	FDX Services				
		2025 min	2026 min proj.	2026 % Increase proj.	
	Priority Overnight	\$42.31	\$44.86	6.0%	
-©	Standard Overnight	\$38.55	\$40.82	5.9%	
	2 Day	\$25.23	\$26.64	5.6%	
-00	Express Saver	\$22.95	\$23.96	4.4%	

UF	UPS Services				
		2025 min	2026 min proj.	2026 % Increase proj.	
*	Next Day Air	\$42.42	\$44.63	5.2%	
	Next Day Saver	\$38.78	\$40.97	5.6%	
×94-	Second Day Air	\$25.43	\$26.79	5.3%	
⊒ ⊚	Three Day Select	\$16.03	\$16.79	4.7%	

Ground Minimum Increases by Year

Both carriers have kept Ground Minimum increases consistent for more than a decade (except in 2017). Since 2012, Ground Minimums have more than doubled. We expect the Ground Minimum to be \$11.97 in 2026. Recently, the minimum increase percentage has tracked more closely with the overall GRI, influenced by rising competition from regional carriers compared to earlier years when increases were more aggressive.

Year	Minimum	Min % Increase	GRI %
2021	\$8.76	6.4%	4.9%
2022	\$9.36	6.8%	5.9%
2023	\$10.10	7.9%	6.9%
2024	\$10.70	5.9%	5.9%
2025	\$11.32	5.8%	5.9%
2026 proj.	\$11.97	5.7%	5.9%

Ground by Weight

We expect a slightly smaller overall increase in 2026 compared to 2025. Lighter packages (1-10 lbs.) are projected to see lower average increases than heavier shipments.

Ground by Weight			
Weight	2025 Increase %	2026 Increase % proj.	
1-5 lbs	5.34%	5.12%	
6-10 lbs	5.25%	4.98%	
11-20 lbs	6.09%	5.51%	
21-30 lbs	6.15%	5.49%	
31-50 lbs	6.07%	5.69%	
51+ lbs	6.06%	6.06%	

UPS Ground Saver and FedEx Ground Economy

These services are designed for lightweight, less urgent deliveries and remain a cost-effective option for UPS and FedEx customers. While both carriers once relied on USPS for the final mile, delivery is now handled fully in-house. For 2026, we expect increases to be higher for Ground Economy and lower for Ground Saver compared to 2025.

7	UPS and FedEx International Increases

For 2026, increases are forecast to be higher than in 2025 for both FedEx and UPS international services. FedEx exports to Canada and imports from South Korea and Japan are expected to face above-average increases. UPS exports to Mexico and imports from China are expected to see higher-than-average hikes. Also, we expect international demand surcharges and other fees to shift throughout the year across various zones for both carriers.

UPS Groun	UPS Ground Saver and FedEx Ground Economy				
	2025 Increase %	2026 Increase % proj.			
FDX	1.17%	4.26%			
UPS	6.59%	5.91%			

FedEx Inter	FedEx International Increases				
	2025 Increase % proj.	2026 Increase % proj.			
FDX Export	6.22%	6.97%	7.7% increase to Canada		
FDX Import	5.68%	6.41%	7.3% increase from S. Korea/Japan		

UPS Interna	UPS International Increases				
	2025 Increase % proj.	2026 Increase % proj.			
UPS Export	6.67%	7.25%	15.5% increase to Mexico		
UPS Import	5.10%	6.42%	9.1% increase from China		

FedEx and UPS Accessorial Increases

2025 accessorial rates already include off-cycle increases, and many commonly applied surcharges are projected to rise at levels higher than the overall GRI.

FedEx Accessorial		
	2025 Increase %	2026 Increase % proj.
Additional Handling - Dim	28.59%	15.00%
Additional Handling - Pkging	27.24%	17.98%
Additional Handling - Weight	28.01%	14.62%
Address Correction	6.67%	6.31%
DAS Comm Express	6.33%	5.24%
DAS Extended Comm Express	7.14%	5.76%
DAS Resi Express	5.98%	6.39%
DAS Extended Resi Express	7.79%	7.72%
DAS Comm Ground	6.33%	5.40%
DAS Extended Comm Ground	7.14%	5.74%
DAS Resi Ground	8.77%	10.95%
DAS Extended Resi Ground	7.79%	7.72%
DAS Ground Economy	5.26%	4.57%
DAS Extended Ground Economy	5.94%	5.11%
Hazardous Material Ground	5.88%	5.22%
Non-Machineable Charge	8.26%	5.19%
Oversize Charge - Ground	51.12%	24.97%
Oversize Charge - Home Delivery	.27.55%	13.07%
Residential (Express)	6.50%	6.74%
Residential (HD)	7.21%	8.94%
Unauthorized OS Ground	42.00%	27.56%

UPS Accessorial		
	2025 Increase %	2026 Increase % proj.
Additional Handling - Length	29.18%	14.22%
Additional Handling - Pkging	27.23%	13.55%
Additional Handling - Weight	28.01%	12.11%
Additional Handling - Width	29.10%	14.20%
Address Correction	4.44%	5.91%
DAS Comm Air	6.33%	4.93%
DAS Extended Comm Air	9.18%	6.95%
DAS Resi Air	5.13%	4.94%
DAS Extended Resi Air	. 7.79%	7.60%
DAS Comm Ground	6.33%	5.24%
DAS Extended Comm Ground	9.18%	6.97%
DAS Resi Ground	7.89%	7.48%
DAS Extended Resi Ground	7.79%	7.60%
DAS Ground Saver	61.84%	18.05%
DAS Extended Ground Saver	69.39%	28.43%
Hazardous Material Ground	6.37%	5.58%
Large Package - Comm	28.82%	11.26%
Large Package - Resi	.27.53%	13.70%
Over Max	.42.00%	17.64%
Residential (Air)	5.65%	4.71%
Residential (Ground)	9.91%	8.69%

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Average AHS and LPS/OS Cost by Year

Additional Handling Surcharge (AHS) is forecast to increase by around 15%, and Oversize Surcharge (OS)/Large Package Surcharge (LPS) by around 16%. Both AHS and LPS/OS fees have more than doubled since 2021, with increases occurring not only at the time of the GRI but also through additional off-cycle adjustments during the year.

Average AHS Cost by Year		
Year	AHS Avg Charge	AHS Increase %
2021	\$17.81	6.71%
2022	\$20.64	15.89%
2023	\$23.87	15.65%
2024	\$28.60	19.82%
2025	\$37.07	29.62%
2026 proj.	\$42.74	15.30%

LPS/OS Cost by Year			
Year	LPS/OS Avg Charge	LPS/OS Increase %	
2021	\$117.26	6.60%	
2022	\$138.33	17.97%	
2023	\$164.29	18.77%	
2024	\$197.14	20.00%	
2025	\$266.91	35.39%	
2026 proj.	\$309.36	15.90%	

Average Delivery Area Surcharge Cost by Year

A 9% increase is predicted for 2026, in line with 2025, as DAS zip code lists continue to expand for both carriers. As usual, you see a shift in categorization, with more impactful zip codes moving to eDAS and Remote

Average Delivery Area Surcharge Cost by Year				
Year	DAS Avg Charge	DAS Increase %		
2021	\$4.02	8.94%		
2022	\$4.63	15.17%		
2023	\$4.98	7.56%		
2024	\$5.34	7.23%		
2025	\$5.99	12.17%		
2026 proj.	\$6.51	8.68%		

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Residential Surcharge Rates by Year

The most common accessorial charge is the Residential Surcharge as it is applied to all residential deliveries (with the exception of Ground Economy and Ground Saver). We predict that this charge will be around 7% higher in 2026 compared to 2025 and 42% higher in 2026 compared to 2021.

Residential Surcharge Rates by Year				
Year	Resi Avg Charge	Resi Increase %		
2021	\$4.67	6.86%		
2022	\$5.05	8.14%		
2023	\$5.47	8.32%		
2024	\$5.76	5.30%		
2025	\$6.20	7.64%		
2026 proj.	\$6.62	6.77%		

The Real Story Behind 2026's GRI

Surcharges!

Since we are expecting the same overall average increase as 2025, what's the big deal? **Surcharges!** They are not subject to the annual GRI percentage, and we are expecting some to increase by as much as 20%. Whatever FedEx and UPS don't capture through base service increases, they'll make up through surcharge revenue—regardless of package volume growth.

Some shippers have rate caps in place for services, which is another factor driving carriers to be more aggressive with accessorials—since those rate caps don't apply. It's a reminder of the old saying: the devil is in the details. This is where TransImpact steps in to help clients sort through the fine print and uncover strategies to offset the impact.

The 2025 rate increase was a bold and aggressive 5.9% with many shippers experiencing far higher increases, depending on their mix of services. Influenced by inflation, fuel prices, and broader market factors, GRIs continue to play a massive role in shippers' financial planning and budgeting. Having the right guidance can make the difference between taking the full hit and protecting margins. In addition, we recommend adding to your transportation budget to account for the off-cycle increases which will certainly continue in 2026.



What Could Change the Game in 2026

FedEx might play offense—a 4.9% GRI could be a calculated move to squeeze UPS's quarterly earnings.

If that happens, shippers should resist the urge to celebrate. Carriers will almost certainly claw back revenue through off-cycle adjustments, making the year still feel like a 5.9% increase.

Some noteworthy factors from 2025 that point to what's ahead:



Fuel surcharge (FSC) table increases continue to be announced.



Multiple off-cycle accessorial increases and rule changes were implemented.



Zip codes continue to be added to DAS lists.



International demand fees are frequently updated.



New surcharges have been announced (e.g., the UPS Payment Processing Fee).



Zone realignments have occurred.

Bold Predictions: The Surprises Still to Come

Last year, our bold predictions proved accurate—including the carriers implementing a minimum billable weight for the Additional Handling Surcharge. Here's what we see for 2026:

Increases to minimum billable weight for AHS/OS/LPS.



More surcharges shifting to cubic inch calculation instead of length + girth calculation.



Packages held longer to improve delivery density, likely increasing time in transit.



UPS matches the FedEx delivery and returns surcharge.



Residential fee for Ground Saver and Economy packages.



Instead of an annual GRI, multiple planned rate increases throughout the year.



UPS raising LPS Commercial to match Residential.



FedEx adding a 110-lb weight-based Oversize rule.



FedEx switching to cubic size calculations.



FedEx adding Remote Area fees to Ground Economy.



Time in Transit, commit time changes due to carrier network contraction.



The New Normal: Hidden Increases Beyond the GRI

Carriers may headline a 5.9% GRI, but the real story is in the hidden increases that now define the new normal:



Off-cycle changes are the new reality.



Fuel tables will remain elevated.



Surcharges like DAS will continue to expand, especially into more urban areas.

What's Next for Shippers?

While this report is based on predictions, many of the trends we've highlighted are already in motion. And with our track record of accurately calling past GRIs, we're confident this paints a clear and reliable picture of what shippers can expect in 2026.

Here are some truths, no matter how the carriers set their final numbers:



Don't go it alone.

Shippers can offset GRIs with new rate agreements—but navigating this alone is risky. The details are complex, and the carriers design them that way. That's why TransImpact provides customized GRI reports and uses Parcel Spend Intelligence to give shippers the clarity they need to see the real impact and uncover cost-saving opportunities.



Negotiate smarter.

Rate caps, if available, can provide relief, but the strongest results come from informed negotiation backed by data. Just as important: push to remove early termination clauses and penalties or negotiate language that allows for adjustments when carriers implement off-cycle increases. These protections give you more leverage and flexibility when the rules change mid-contract.



Prepare for Peak.

Surcharges have become more aggressive than ever, making preparation just as important there. Every TransImpact client receives a tailored GRI and Peak Season Surcharge impact report each year, equipping them to plan with confidence.

