

FEDEX GRI

Breaking Down the 2027 FedEx General Rate Increase

The headline rate isn't the whole story.

5.9%

Average GRI, effective January 4, 2027

Fourth straight year at 5.9%. Your costs are anything but flat.



The FedEx 2027 average General Rate Increase (GRI) is 5.9%, effective January 4, 2027. This matches the 2026 average GRI, but the headline percentage does not tell the entire story. Actual customer impacts will vary based on service, package characteristics, weight, zone, and shipping profile.

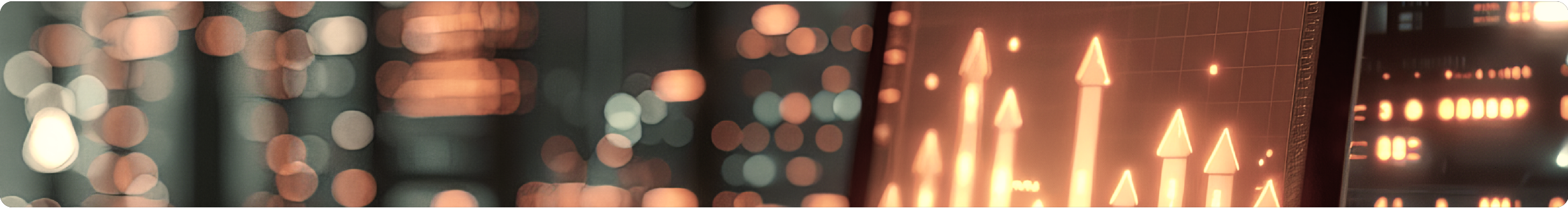
Our analysis shows that several commonly used services and accessories will experience increases that differ meaningfully from the 5.9% headline GRI. In particular, increases vary by domestic express service, package weight, zone, and accessory type. Surcharges and other fees also change independently of the base GRI, making it important for shippers to evaluate their actual package mix and surcharge exposure when estimating their 2027 cost impact.

Now is the time for shippers to prepare for 2027.

What’s inside

01 The Increase Pages 4–5 GRI announced4 Factors to consider5	02 Services Illustrations Pages 6–12 Inflation vs. GRI6 Domestic Express7 Express minimums8 Ground minimum9 Ground rates by year10 Ground by weight & zone11 International12	03 Accessorial Illustrations Pages 13–16 Accessorial increases13 Additional Handling & Oversize14 Residential15 Delivery Area Surcharge16	04 Takeaways & Recommendations Pages 17–21 Putting it together17 2026 headlines18 Recommendations19 Your 2027 roadmap21
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NEW THIS YEAR Look for “**What it means for a real shipper**” throughout — worked dollar examples that show how each change lands on an actual shipping profile.



FedEx 2027 General Rate Increase announced

The FedEx 2027 average GRI is 5.9%, effective January 4, 2027. That matches 2024, 2025, and 2026 — and remains 20% higher than the 4.9% increase once considered “normal.”

Remember, 5.9% is an average. It doesn’t apply to accessorials, which often rise faster. Most shippers’ costs will increase by more than 5.9% depending on their most-used services, package mix, weight, zone, and surcharge exposure. No two companies will see the same impact.

5.9%

Average GRI — fourth straight year

6.53%

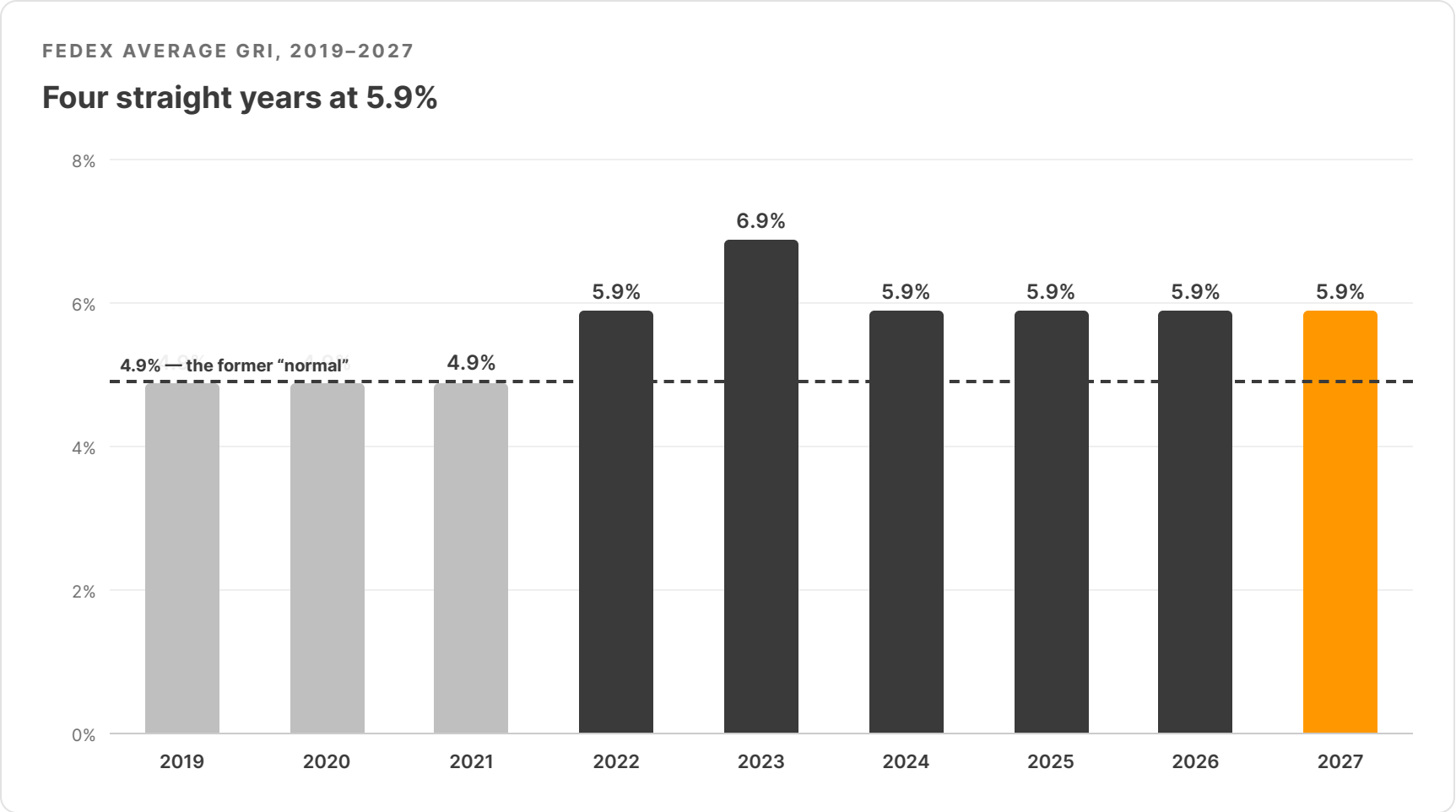
Priority Overnight increase

6.8%

Average accessorial increase

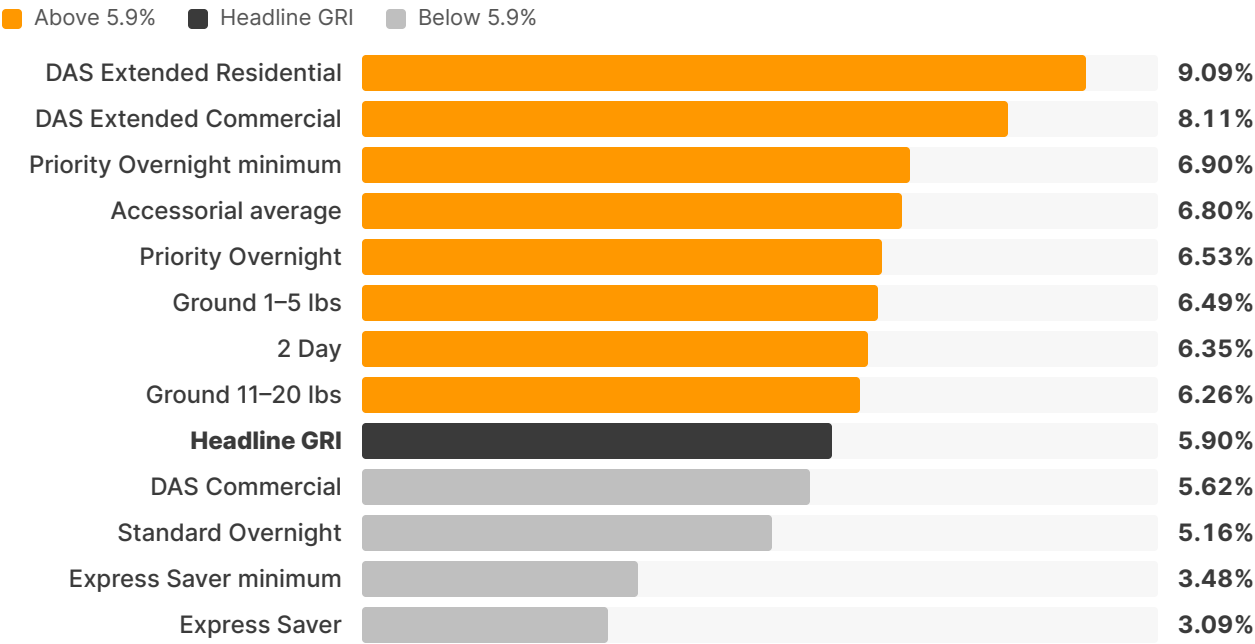
9.1%

DAS Extended Residential



Factors to consider: 5.9% is just the middle

The 2027 increases analyzed range from 3.09% to 9.09%. Where your increase lands depends on your service, weight, and surcharge mix.



OUTSIDE THE GRI — MOVES ON ITS OWN SCHEDULE

Weekly	Fuel surcharges. Adjusted weekly on published indexes — three fuel-table adjustments in 2026 (two international, one domestic).
Any time	Demand surcharges. Based on volume, capacity, and operating costs — reassessed or reinstated.
Jan 4	DAS & Pickup Area ZIP lists. Change alongside the 2027 rate increase.
Jan 18	International fees. \$25 Paper Document Fee, \$5 Paper Air Waybill Fee, Residential Delivery Charge changes.
Feb 1	Zone reclassifications. Select domestic origin–destination ZIP code pairs.
FDXF	FedEx Freight spun off June 1, 2026. Check bundled parcel/freight incentives.
Beyond	Alternative carriers. Usage kept rising in 2026 as shippers explored options beyond the traditional big 3.



Correlating inflation to the GRI

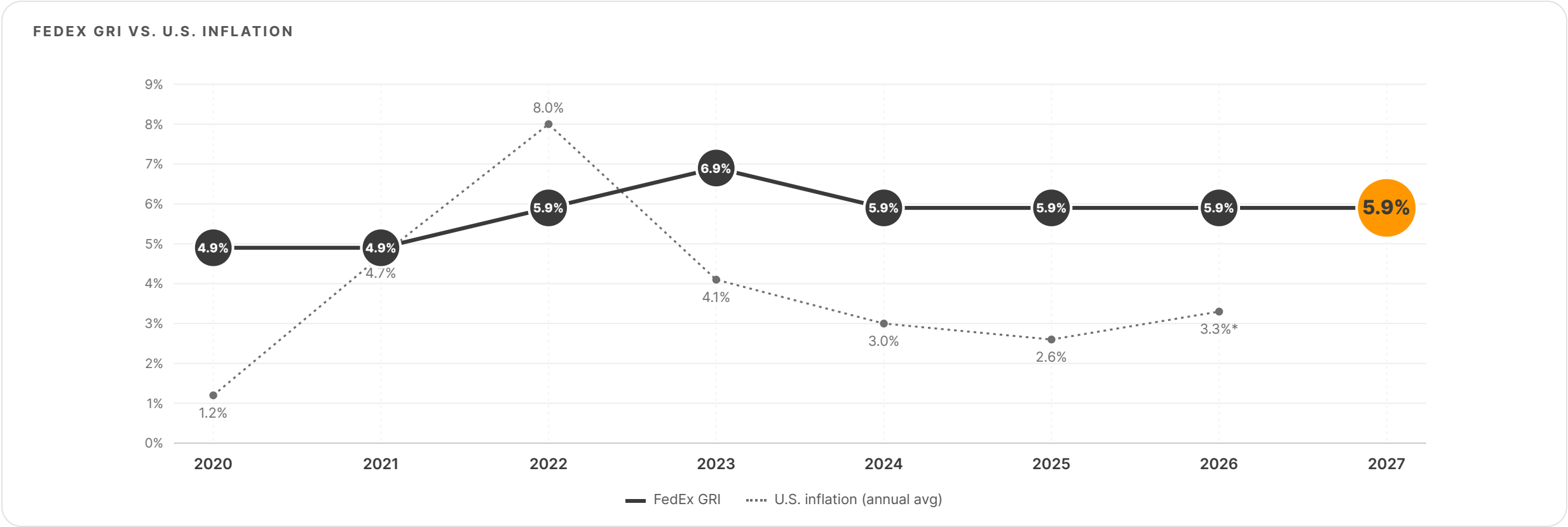
GRI 5.9% Inflation ~3.3%

Based on inflation data alone, our analysis indicated a GRI of approximately **5.3%**. However, the carriers' continued rate actions throughout 2026, combined with the broader pricing environment, pointed to a higher increase.

FedEx ultimately announced a **5.9% GRI** — **exactly in line with our prediction.**

KEY TAKEAWAY

The GRI has outpaced inflation every year since 2023. 5.9% looks like a yield target, not a cost pass-through.



*2026 inflation is January–August average. Source: [usinflationcalculator.com](https://www.usinflationcalculator.com).

Domestic Express service increase, 2025–2027

Priority Overnight rises 6.53% and 2 Day 6.35%, while Standard Overnight rises 5.16% and Express Saver just 3.09%. Priority Overnight moderates from its 6.75% peak in 2026; Express Saver continues a three-year slide from 6.35%, a decline every year since 2025.

WHAT IT MEANS FOR A REAL SHIPPER

A medical device distributor ships 40,000 Priority Overnight packages a year at an average net rate of \$38.00 — and budgeted the 5.9% headline.

Budgeted at 5.9%

\$2.24 × 40,000

\$89,680

Actual at 6.53%

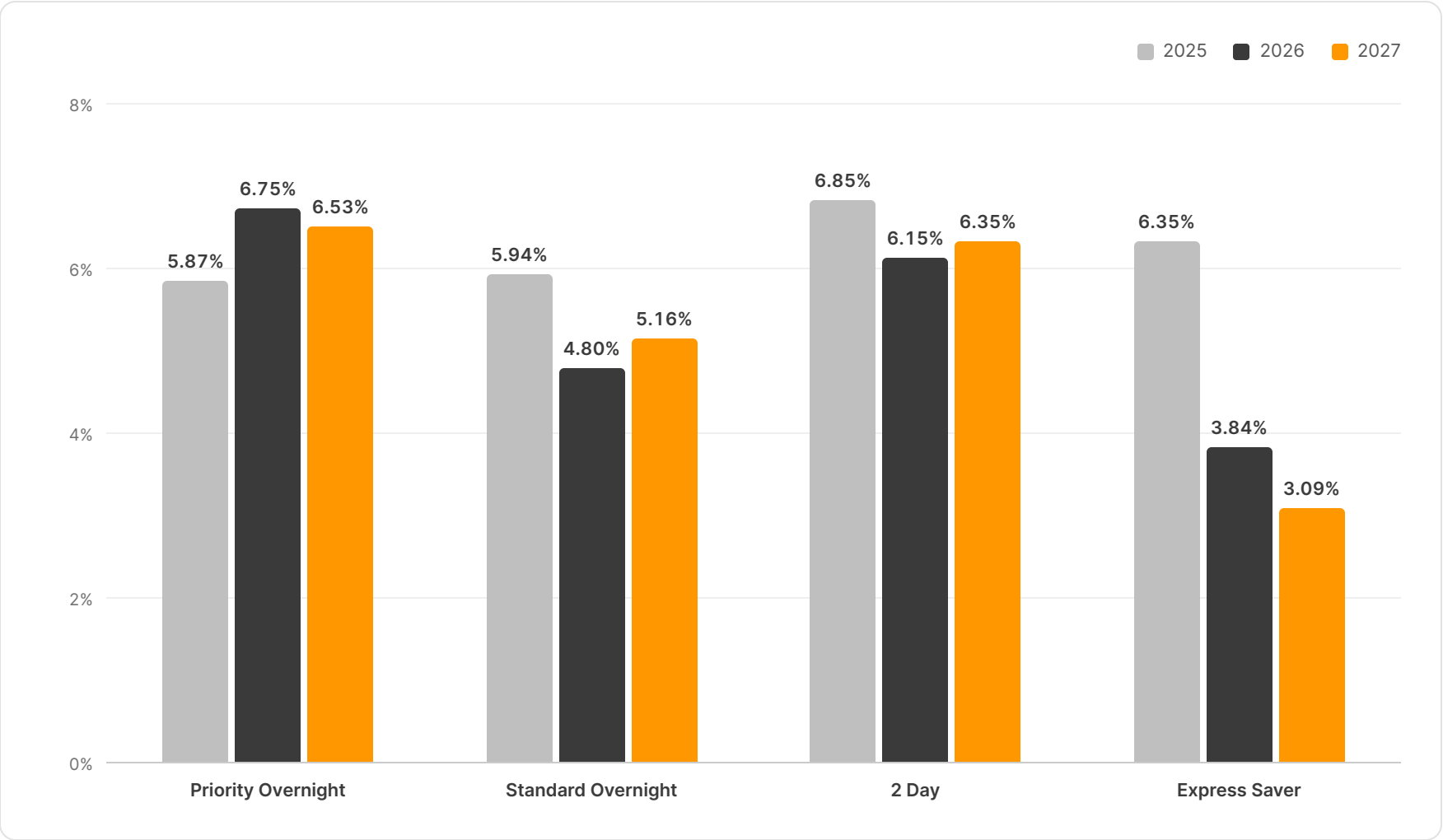
\$2.48 × 40,000

\$99,256

Unbudgeted cost

from one service alone

\$9,576



Domestic Express minimums

The Priority Overnight minimum rises 6.9%, followed by 2 Day at 6.4% and Standard Overnight at 5.88%. Express Saver is lowest at 3.5%. Because FedEx minimum reductions are fixed-dollar amounts without a rate cap the discount you negotiated shrinks over the life of the agreement.

WHAT IT MEANS FOR A REAL SHIPPER

A healthcare supplier ships 26,000 Priority Overnight packages a year that bill at the minimum after a \$25 reduction.

Added 2027 cost, no cap

$\$3.12 \times 26,000$

\$81,120

Added 2027 cost, 4% cap

$\$0.81 \times 26,000$

\$21,029

Kept by the rate cap

in one year, on minimums alone

\$60,091

Service	2025 Min	2026 Min	2027 Min	2027 %
Priority Overnight	\$42.31	\$45.22	\$48.34	6.90%
Standard Overnight	\$38.55	\$40.82	\$43.22	5.88%
2 Day	\$25.23	\$26.46	\$28.15	6.39%
Express Saver	\$22.95	\$23.84	\$24.67	3.48%





Ground minimum, 2023–2027

The Ground minimum rises 5.9% to \$12.70. The rate of increase has moderated from 7.9% in 2023, but the dollar amount keeps climbing — and with it, the erosion of fixed-dollar minimum reductions. A rate cap can help preserve the value of the original negotiated discount.

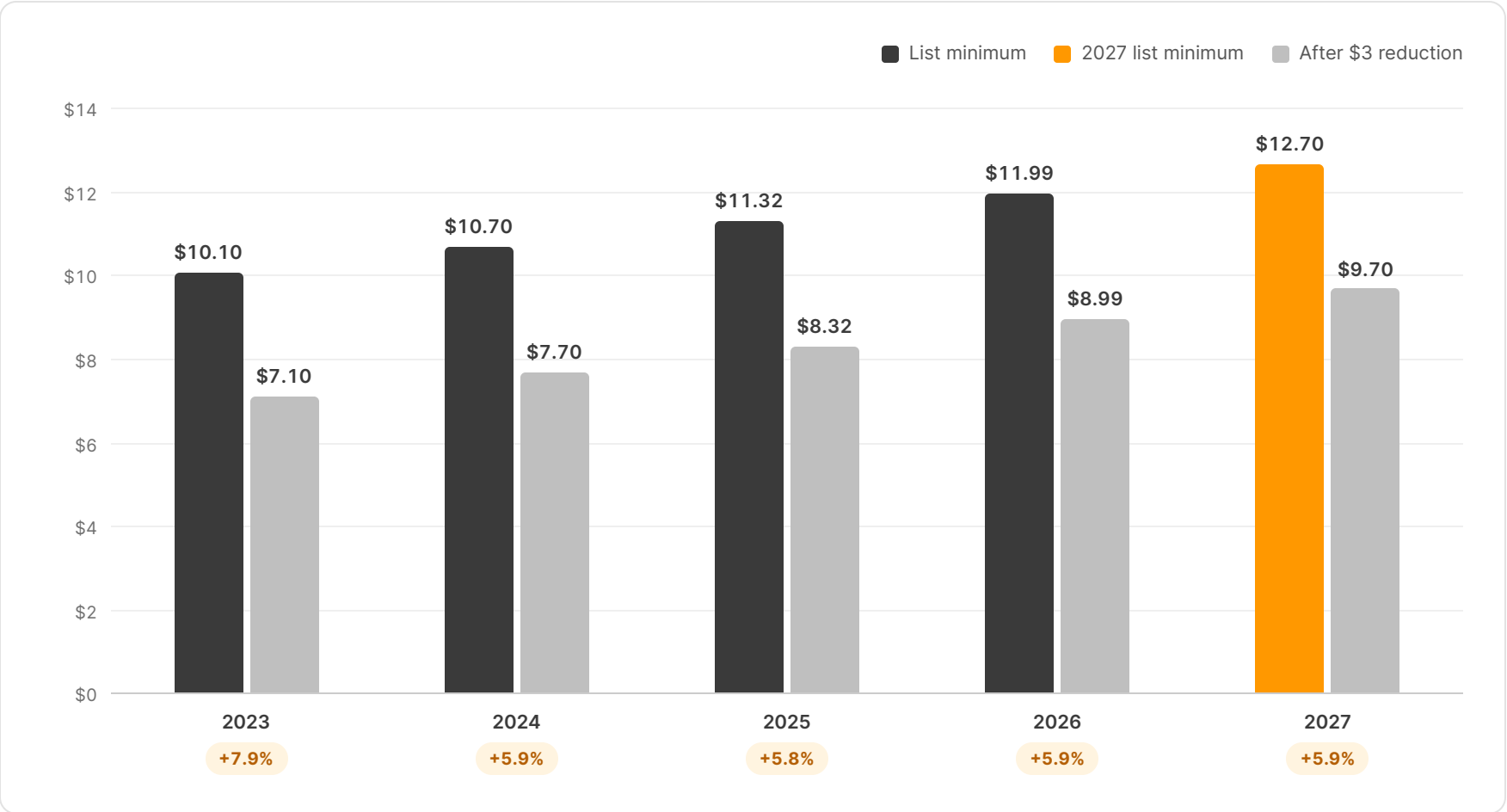
WHAT IT MEANS FOR A REAL SHIPPER

An industrial parts distributor ships 150,000 Ground packages a year; 40% — 60,000 packages — bill at the minimum after a \$3 reduction.

Added 2027 cost, no cap
 $\$0.71 \times 60,000$
\$42,600

Added 2027 cost, 4% cap
 $\$0.36 \times 60,000$
\$21,576

Kept by the rate cap
in one year, on minimums alone
\$21,024



The \$3 gap never grows — so the same dollar increase is a bigger share of what you pay. The \$0.71 increase on an \$8.99 net minimum is 7.9% in 2027, versus 5.9% on list.



Ground rate increases by year, 2023–2027

The 2027 Ground rate increase is 6.10% — up slightly from 5.94% in 2026, but below the 6.15% and 6.13% increases of 2024 and 2025. See the next page for an illustration of the Ground increases by weight break.

WHAT IT MEANS FOR A REAL SHIPPER

An apparel e-commerce brand ships 200,000 Ground packages a year, all 1–5 lbs, at an average net rate of \$9.80. Its finance team budgeted the 5.9% headline — but the 1–5 lb break rises 6.49%.

Budgeted at 5.9%

\$115,640

$\$0.58 \times 200,000$

Actual at 6.49%

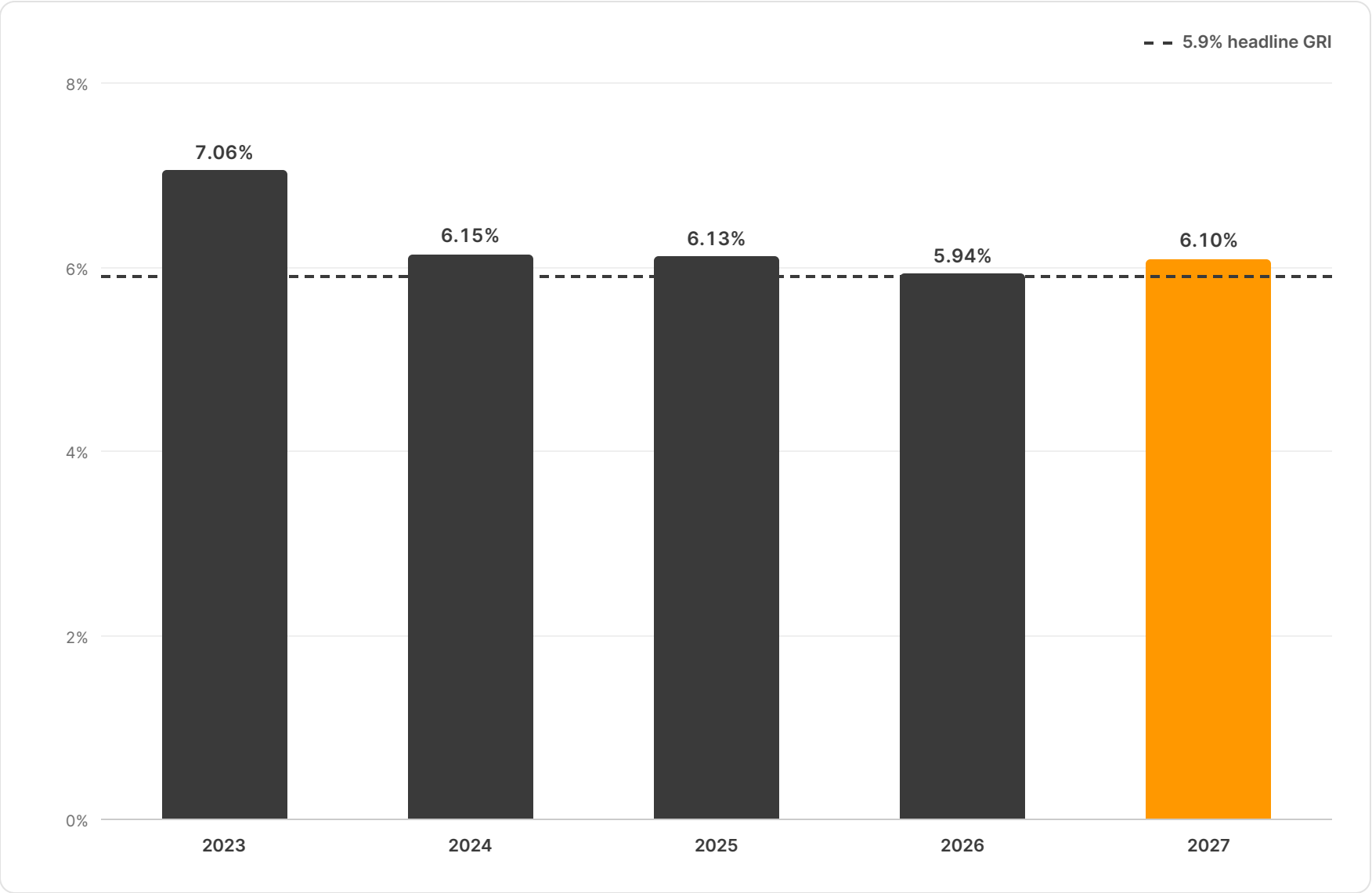
\$127,204

$\$0.64 \times 200,000$

Unbudgeted cost

\$11,564

from weight mix alone

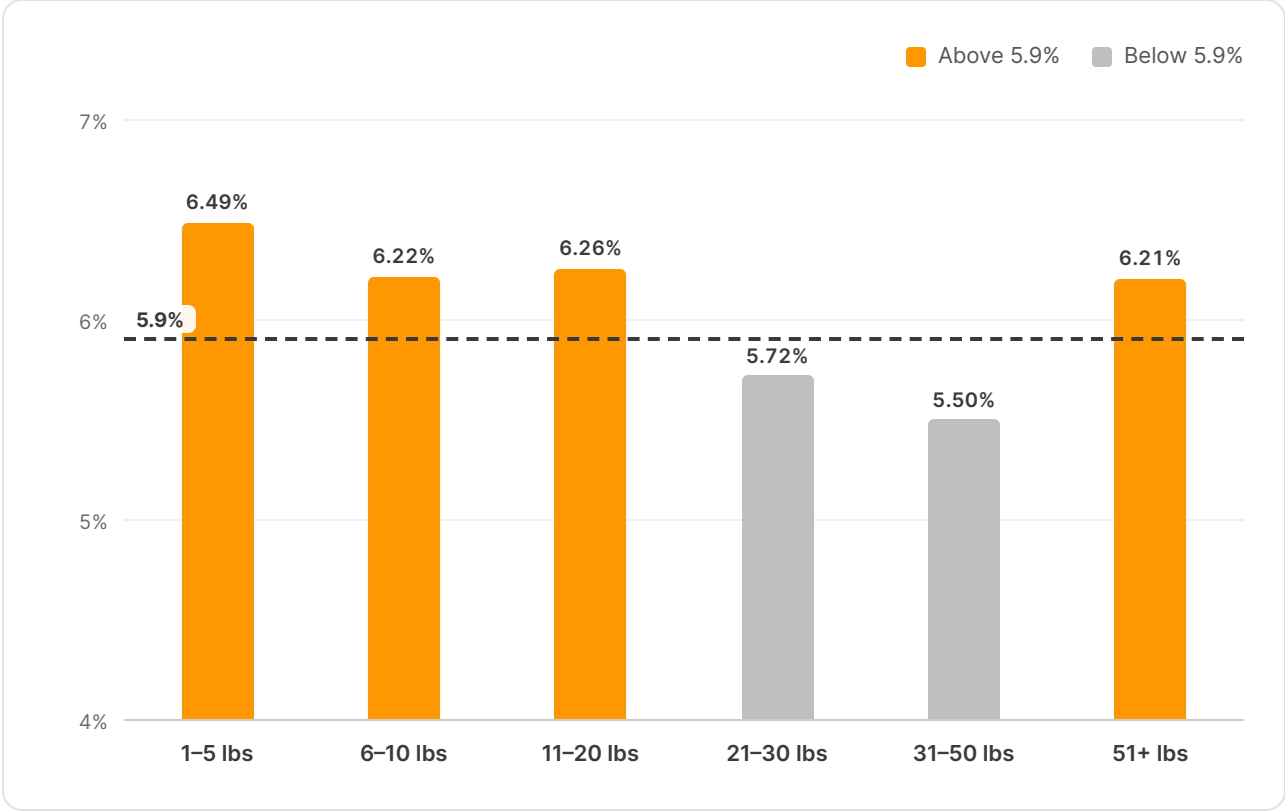




2027 Domestic Ground increase by weight and zone

By weight

Package weight remains a key factor. Increases range from 5.50% to 6.49% across weight breaks, with the largest in the 1–5 lb range at 6.49% and 11–20 lbs at 6.26%. The 31–50 lb break is lowest at 5.50%.



Scales start at 4%.



BY ZONE

**Flat across zones
— but higher than 2026.**

For 2027, Ground increases across all domestic zones are relatively flat, holding consistently between 6.08% and 6.11%. Compared with 2026, increases are higher, with the largest year-over-year increase occurring in Zone 3 shipments, at 6.11%.



International increases by service, 2025–2027

International increases range from 5.65% to 6.08%. Export Priority is highest at 6.08% and Export Economy follows at 5.94%, while both import services rise 5.65%. But the bigger 2027 change may be the new paper fees starting January 18.

WHAT IT MEANS FOR A REAL SHIPPER

A specialty equipment exporter sends 12,000 Export Priority shipments a year at an average net rate of \$85.00; 20% still travel with paper documents.

Rate increase at 6.08%

$\$5.17 \times 12,000$

\$62,016

New Paper Document Fee

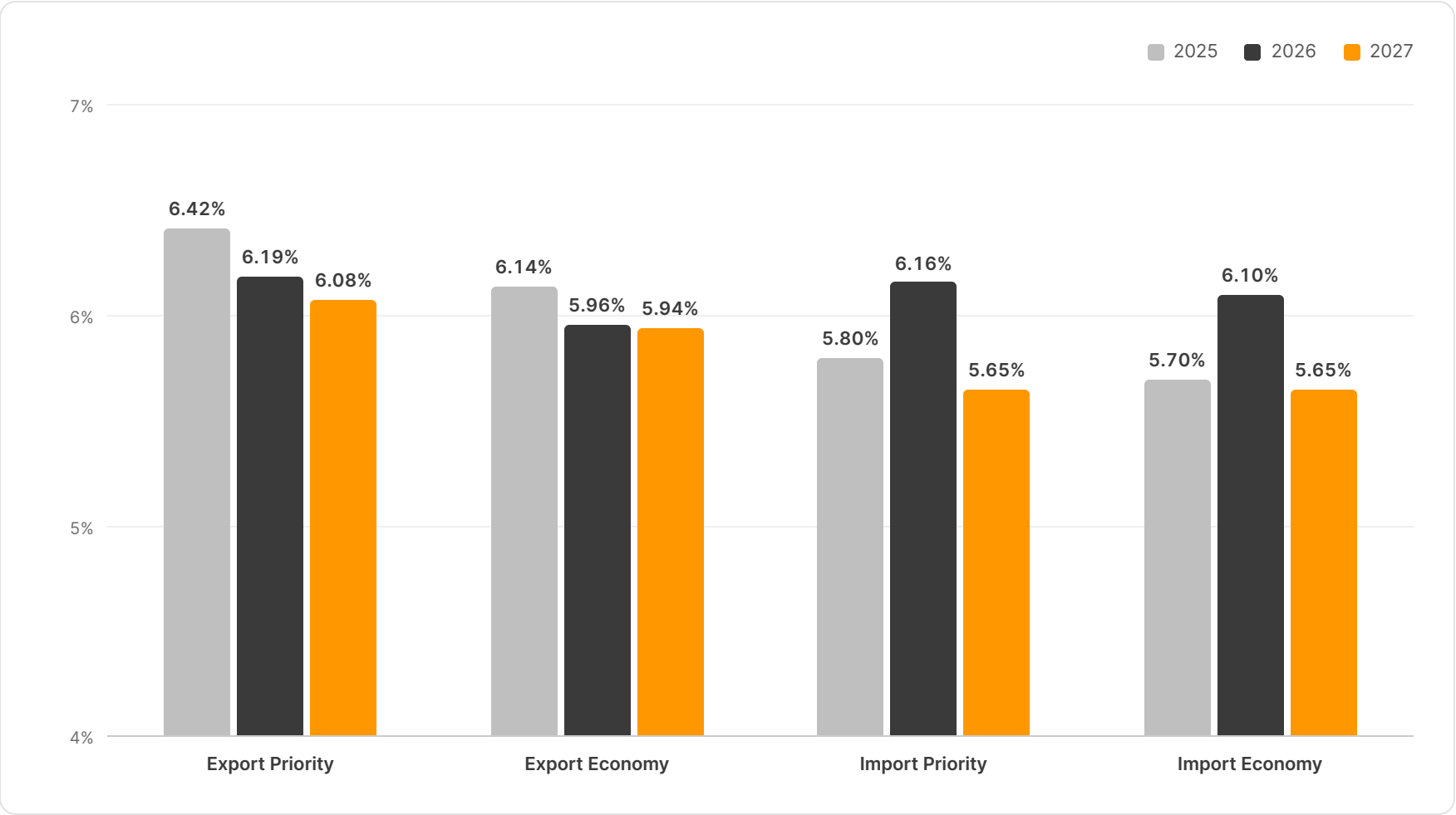
$\$25 \times 2,400$

\$60,000

Total added in 2027

a 12.0% effective increase

\$122,016



Scale starts at 4%.

\$

FedEx accessorial increases, 2024–2027

Accessorial increases average 6.8% — consistent with 2026 and above the 5.9% headline — but vary significantly by charge. The 2025 figures include off-cycle increases, a reminder that surcharges sometimes change during the year.

9.1%

DAS Extended Residential, Express and Ground

8.1%

DAS Extended Commercial, Express and Ground

7.4%

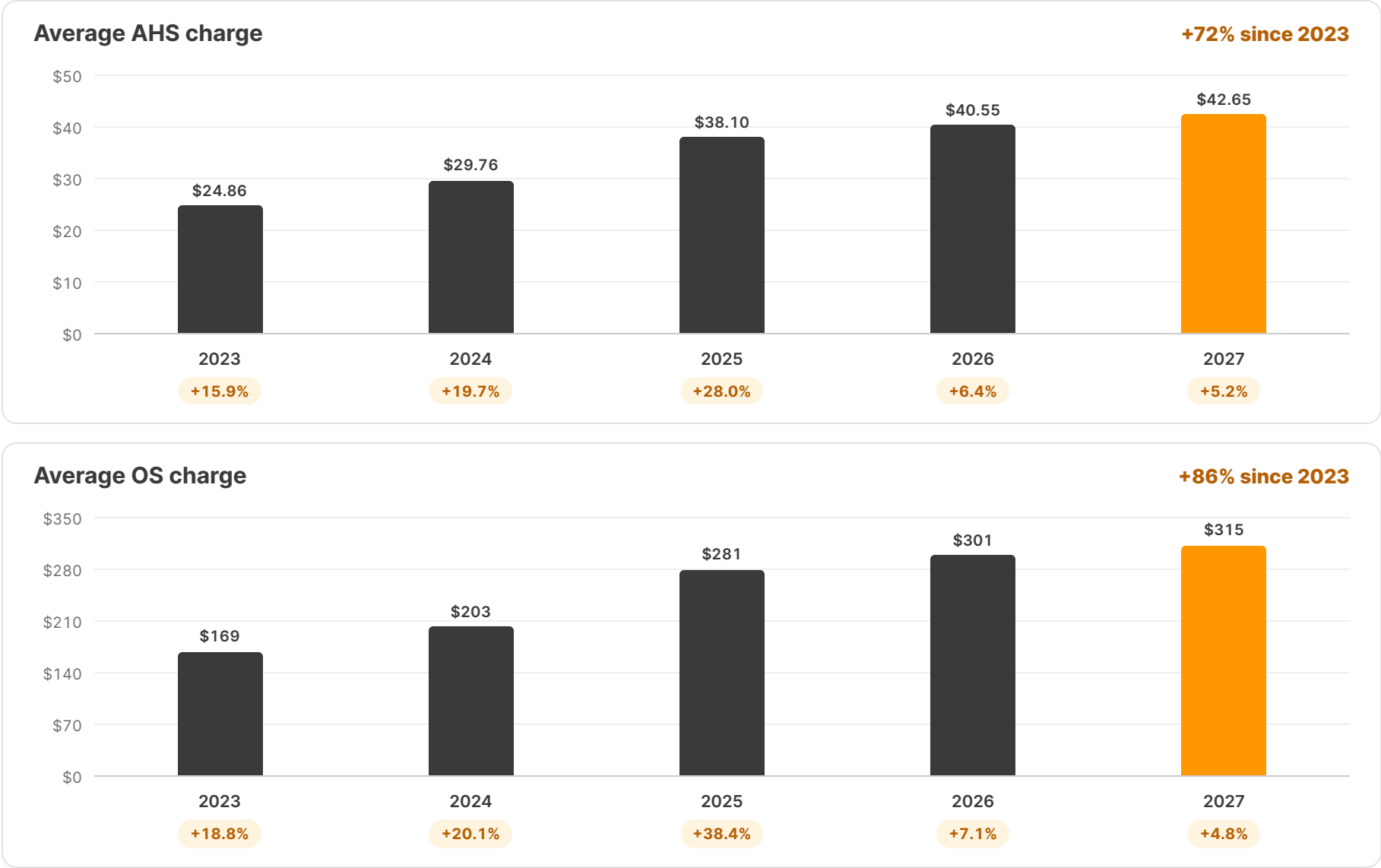
Additional Handling – Dimensions

2027 increases above the 5.9% GRI shown in orange.

Accessorial	2024	2025	2026	2027
Additional Handling – Dim	19.7%	28.6%	6.4%	7.4%
Additional Handling – Packaging	19.8%	27.2%	6.5%	7.3%
Additional Handling – Weight	19.7%	28.0%	6.3%	7.3%
Oversize – Ground	19.8%	51.1%	7.0%	6.7%
Oversize – Home Delivery	20.3%	27.6%	7.0%	6.7%
Residential (HD)	7.8%	7.2%	8.4%	7.0%
Residential (Express)	6.0%	6.5%	6.1%	5.8%
DAS Comm Express	6.8%	6.3%	6.0%	5.6%
DAS Extended Comm Express	8.9%	7.1%	5.7%	8.1%
DAS Resi Express	5.4%	6.0%	6.5%	6.1%
DAS Extended Resi Express	7.7%	7.8%	6.0%	9.1%
DAS Comm Ground	6.8%	6.3%	6.0%	5.6%
DAS Extended Comm Ground	8.9%	7.1%	5.7%	8.1%
DAS Resi Ground	7.5%	8.8%	6.5%	6.1%
DAS Extended Resi Ground	7.7%	7.8%	6.0%	9.1%
Address Correction	7.1%	6.7%	6.3%	5.9%
Adult Signature	6.5%	6.1%	15.6%	6.0%
Hazardous Material Ground	6.3%	5.9%	6.0%	6.1%
Unauthorized OS Ground	8.7%	42.0%	5.6%	5.3%
Average increase	10.6%	15.5%	6.8%	6.8%



Average Additional Handling Surcharge (AHS) & Oversize Surcharge (OS) charge by year



AHS reaches \$42.65 and OS \$315.00. The 2027 increases — 5.2% and 4.8% — are far lower than 2024–2025, but the charges keep climbing, and new cubic-volume and weight triggers since January 2026 catch more packages. Averages reflect all Additional Handling and Oversize charges, year over year. See page 13 for the percent increase to each individual surcharge.

WHAT IT MEANS FOR A REAL SHIPPER

A furniture and fixtures shipper incurs 12,000 AHS and 1,500 Oversize charges a year. These are the increases if no AHS/OS reductions exist.

Added AHS cost
 $\$2.10 \times 12,000$

\$25,200

Added OS cost
 $\$14.29 \times 1,500$

\$21,435

Total added in 2027
before fuel, applied on top

\$46,635



Residential Surcharge by year

The Residential Surcharge for Home Delivery packages rises 7.0% to \$6.90, following 8.4% in 2026. It's the most common accessorial — up 34% from \$5.15 in 2023 — and it touches every residential delivery (except Ground Economy).

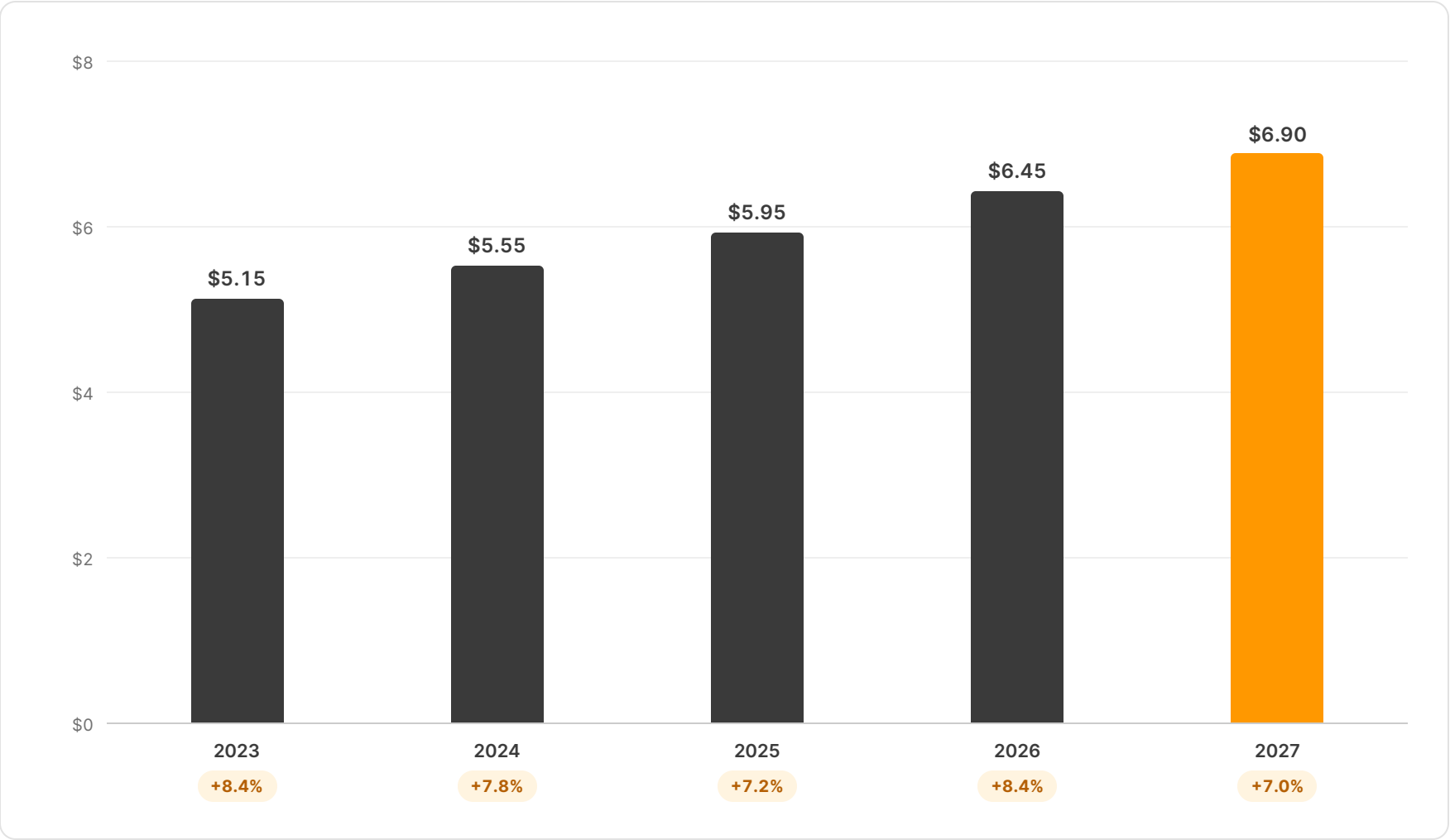
WHAT IT MEANS FOR A REAL SHIPPER

An e-commerce brand makes 150,000 residential Ground deliveries a year. The surcharge alone rises \$0.45 per package in 2027. These are the increases if no residential surcharge reduction is in place.

Added 2027 cost **\$67,500**
\$0.45 × 150,000

Per package since 2023 **+\$1.75**
\$5.15 → \$6.90

More per year than in **\$262,500**
2023
on the same volume





Delivery Area Surcharge (DAS) increases

DAS Extended Residential rises 9.1% and DAS Extended Commercial 8.1% — the largest accessorial increases of 2027. Standard DAS Commercial (5.62%) and Residential (6.06%) stay near the headline. FedEx also realigns its DAS ZIP code lists alongside the GRI. Since the 2025 GRI, DAS charges have been the same for Ground and Express — the rate depends only on whether the delivery is commercial or residential.

WHAT IT MEANS FOR A REAL SHIPPER

A home goods brand with a rural customer base delivers 30,000 Ground packages a year to DAS Extended Residential ZIPs.

If DAS rose 5.9%

$\$0.52 \times 30,000$

\$15,576

Actual at 9.1%

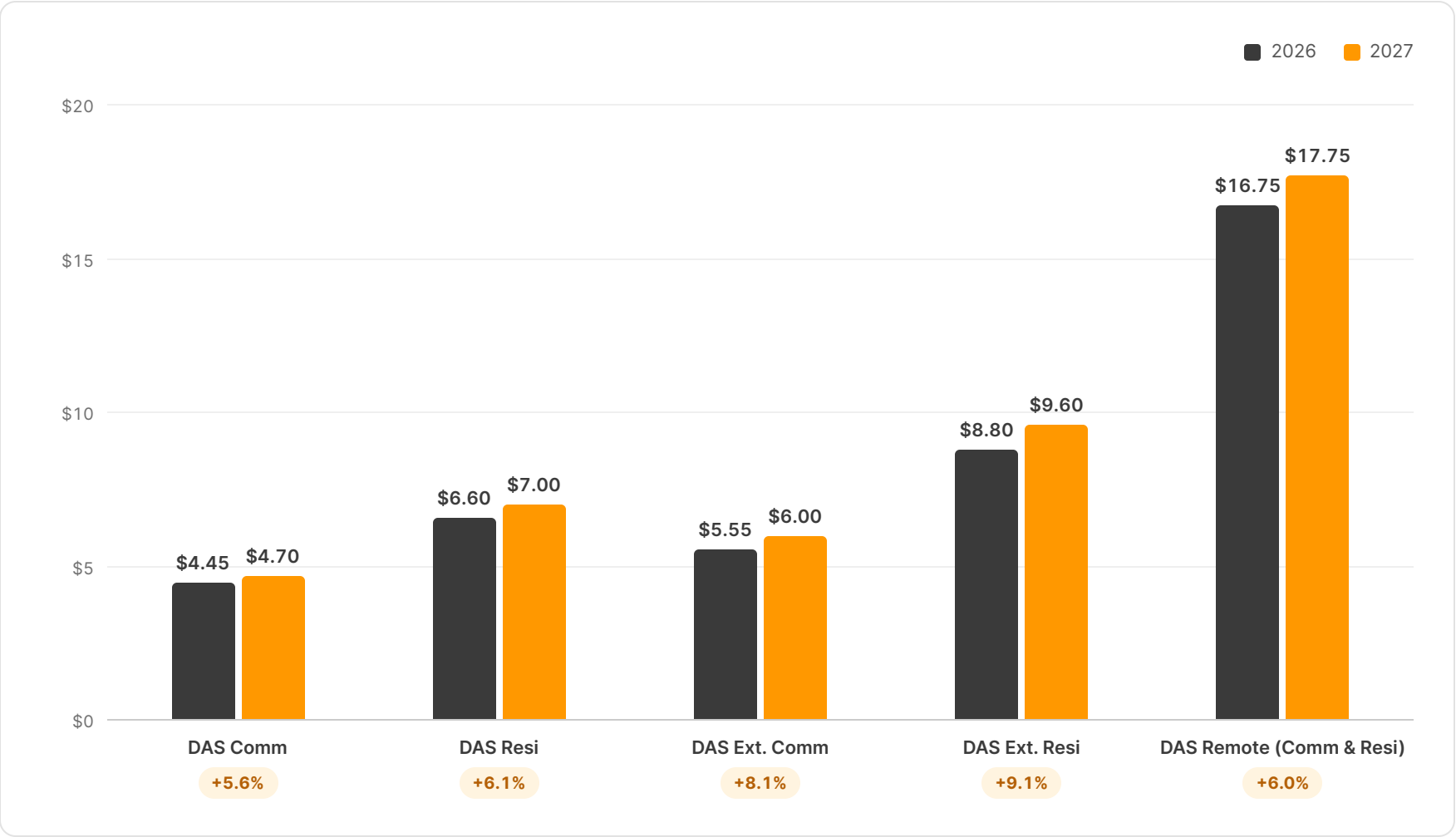
$\$0.80 \times 30,000$

\$24,000

Above the headline

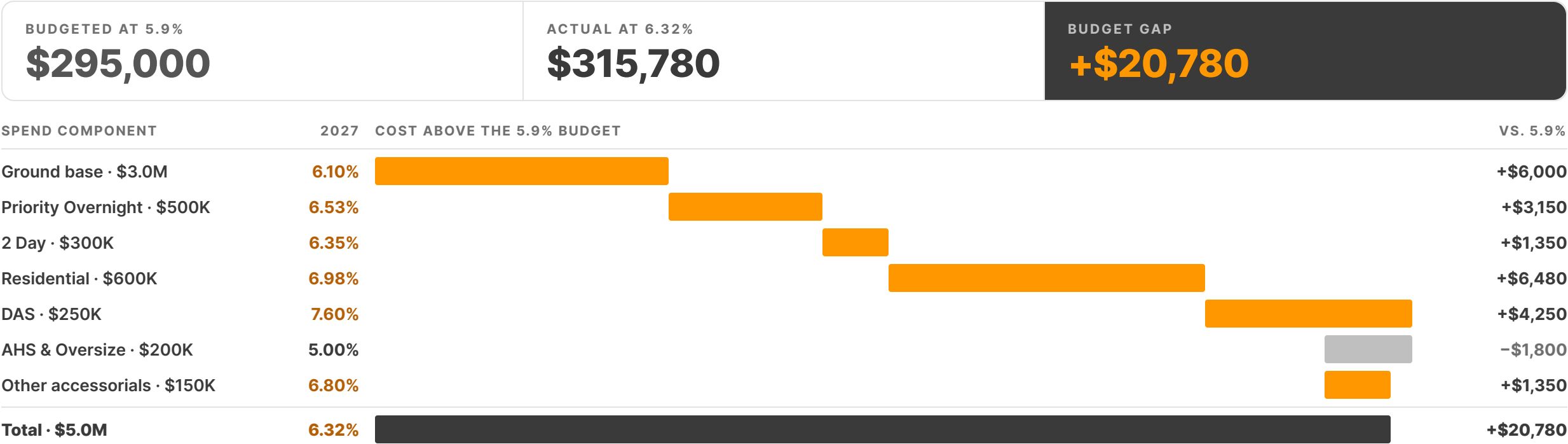
before any ZIP list changes

\$8,424



One shipper, one budget: why 5.9% isn't your number

A mid-market e-commerce shipper spends \$5.0M a year with FedEx: mostly Ground, a Priority Overnight and 2 Day program, and heavy residential delivery. Budgeting at 5.9% says **\$295,000**. Applying each 2027 increase to its actual mix says **\$315,780**.



And that's before fuel. At 29.75%, fuel on the Ground increase alone adds roughly \$54,400 more — plus minimum erosion and peak demand surcharges.

Illustrative profile. Each bar is the cost above what a 5.9% increase would add, stacked into the total gap. DAS reflects a mix of standard and extended areas; AHS & OS blends 5.2% and 4.8%. Accessorial figures assume no accessorial reductions are currently in place.

TOP STORY HOT

Fuel surcharges hit new highs after the Iran war

Because fuel applies to the net rate plus most surcharges, it now rivals the GRI itself as a driver of total cost.

GROUND

29.75%

Above 25% for 29+ straight weeks and closing in on 30% — historic highs.

Fuel surcharge rates as of week ending 10/4/2026.

EXPRESS

33.00%

On track to match its 3-week run above 30% from May 11 – Jun 1.

INTERNATIONAL

45.50%

The hardest hitter: above 30% for 29 weeks, and could reach 50%.

Q1

Jan – Mar

JAN 12

New AHS & OS triggers

AHS over 10,368 cu in; OS on anything over 110 lbs.

FEB 28 HOT

Iran war send fuel soaring

Hormuz disruption lifts diesel and jet fuel benchmarks.

MAR 5–8 INTL DEMAND

Intl demand surcharges

\$0.50/lb export to Zones K, M, O & South Africa.

MAR 9 INTL DEMAND

Israel surcharge raised

\$1.50/lb, import and export.

Q2

Apr – Jun

APR 24 INTL DEMAND

Intl export surcharges updated

Demand surcharge export rates revised.

MAY 7 INTL DEMAND

Asia demand surcharges

\$0.25/lb China, HK & Macau; \$0.20/lb Japan, Korea, Australia & SE Asia.

MAY 11

Intl fuel raised

Export +2%, import +2.5%.

JUN 1 CORPORATE

FedEx Freight spins off

80.1% distributed; trades as FDXF. FedEx keeps 19.9%.

JUN 22

Intl fuel tables merged

≈ +3.5% export, –0.75% import.

Q3

Jul – Sep

JUL 1 CORPORATE

Supply Chain sold

To CMA CGM for \$1.4B.

JUL 20

Disbursement fee & DAS ZIPs

\$17.50 or 2.5%; DAS & Pickup lists updated.

JUL 22 HOT

Peak surcharges announced

Resi peak \$0.80 (+23%); Express split into tiers.

SEP 21 INTL DEMAND

Intl demand surcharges expanded

New AHS, OS & Unauthorized charges thru Feb 7; export/import rates revised.

SEP 23 CORPORATE

InPost deal done

€7.8B take-private; FedEx holds 37%.

SEP 28

Peak season begins

AHS, Oversize, and Unauthorized first.

Ahead

Oct – Jan 2027

OCT 26

Peak expands

Express, Ground Residential, Home Delivery & Ground Economy.

JAN 4 HOT

2027 GRI: 5.9%

Fourth straight year; well above 3.3% inflation.

JAN 17

Peak ends

Holiday demand surcharges roll off.

There are several ways FedEx customers can mitigate or better manage the impact of the 2027 increases

01 Evaluate your network

Evaluate supplier locations relative to manufacturing sites and distribution centers relative to end customers. Transportation costs can be affected by shipment zones, package characteristics, and residential exposure. Tools such as Parcel Spend Intelligence, Demand Planning, or Freight Audit & Pay can help evaluate network and location opportunities.

\$60,091

Kept by a 4% cap on 26,000 Priority Overnight packages hitting the minimum

02 Renegotiate rate agreements

The 5.9% headline GRI should not be viewed in isolation. Service-specific increases, minimums, accessorials, and other fees can create a materially different effective increase based on a shipper's package mix.

Lean on market data and carrier expertise when evaluating whether existing terms remain competitive and where additional contractual protections may be appropriate.

\$21,024

Kept by a 4% cap on 60,000 Ground packages hitting the minimum

03 Use rate caps

Rate caps are particularly important. Even when a shipper has strong negotiated discounts, increasing minimums can reduce the effective value of those discounts. A rate cap can help limit this erosion over the life of the agreement.

6.32%

Effective increase for our illustrative \$5.0M shipper

04 Analyze your actual parcel data

Parcel Spend Intelligence, Parcel Margin Analysis, and Parcel Cost Variance can help shippers quantify the impact of the 2027 changes even if they are not planning a formal renegotiation. The key is to move beyond the 5.9% headline and determine:

Which services are driving the increase?	Which weight breaks are most affected?
How do minimums affect the effective discount?	Which accessorials are most prevalent?
How does zone distribution affect costs?	How much spend is exposed to AHS, OS, Residential, DAS, and other surcharges?

05 Monitor rate changes all year

Stay educated about rate updates and market conditions. The annual GRI is only one component of parcel pricing. FedEx continues to update fuel surcharge tables and other fees, including demand surcharges, throughout the year.

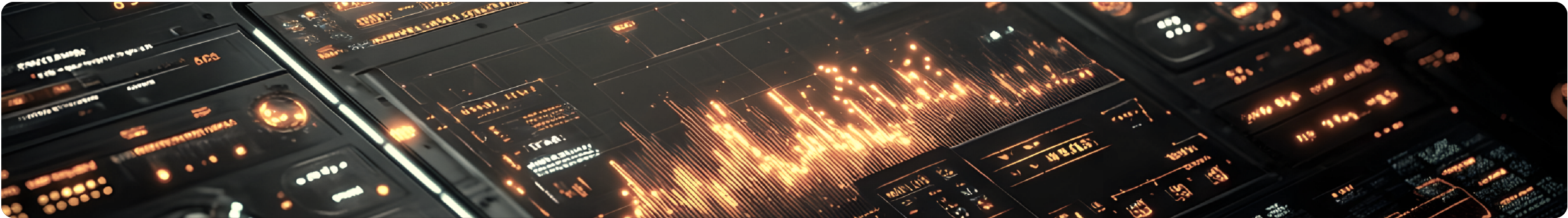
06 Request your TransImpact GRI Report

Your TransImpact GRI Report models the 2027 changes against your actual service, weight, zone, minimum, and accessorial profile, so you can budget for your real increase instead of the 5.9% headline.



Fourteen weeks to January 4. Here’s the route.

Now – Oct 9	●	Get the data. Pull 12 months of FedEx invoice data and request your TransImpact GRI Report to model 2027 against your actual profile.
Oct 12 – 23	●	Find your cost drivers. Services, weight breaks, zones, minimum exposure, and the accessorials you pay most.
By Oct 26	●	Prepare for peak. Demand surcharges expand to Express, Ground Residential, Home Delivery, and Ground Economy — review packaging and service selection.
November	●	Benchmark and negotiate. Compare your terms to market data; prioritize rate caps, minimum reductions, and your highest-exposure accessorials.
December	●	Lock it in. Finalize agreement amendments, update rate tables in shipping systems, and budget for your modeled 2027 increase — not 5.9%.
Jan 4, 2027	●	GRI takes effect. Audit the first invoices to confirm new rates, discounts, and caps are applied correctly.
Jan 17 – Feb 1	●	Watch the follow-on changes. Peak surcharges end Jan 17, international paper fees start Jan 18, and zone reclassifications take effect Feb 1.



NEED HELP?

Model your real 2027 increase.

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TransImpact.com

Request your analysis and know your 2027 FedEx exposure before it reaches your P&L.

A no-cost, 72-hour analysis built on \$5B+ in parcel spend under management shows exactly where to secure savings.



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