Morgan Stanley | RESEARCH

UPDATE

May 5, 2026 06:33 AM GMT

Transport | Europe

Initial thoughts on Amazon Supply Chain Services

Cedar Ekblom, CFA
Equity Analyst
Cedar.Ekblom@morganstanley.com +44 20 7425-4623

Peter Ajose-Adeogun
Equity Analyst
Peter.Ajose-Adeogun@morganstanley.com +44 20 7677-1618

TRANSPORT	
Europe	
Industry View	In-Line

EU freight and logistic names down 6-9% yesterday on Amazon's introduction of ASCS. How new is the offering and what might it mean for the competitive landscape?

How "new" is this? Supply Chain by Amazon was introduced in 2023, with this now being evolved to "Amazon Supply Chain Services, ASCS. Amazon (cover by Brian Nowak) has long been a provider of logistics solutions to companies selling on its marketplace, but also third parties looking to leverage its network. Per Amazon, for a number of years sellers have been able to access "end-to-end, fully automated set of supply chain services that handles supply chain from factory to customer doorstep. This includes picking up from manufacturing locations, managing customs, providing freight and logistics, warehousing bulk inventory, and fulfillment."

What is new, in our view, is: 1) Amazon packaging/rebranding/daylighting the offering making it easier for a customer to evaluate Amazon against traditional 3PLs. Clearly this does suggest an increase commercial focus on its logistics capabilities. 2) Further, ASCS will allow all businesses, including those that do not sell on Amazon's marketplace, to access its logistics services. In the past, shippers that sold on Amazon could use the supply chain tool for non-Amazon channels, but generally as part of being an Amazon seller.

Implications for incumbents: We think the most acutely exposed profit pools are e-commerce fulfilment, parcel, domestic freight (air and road) and warehousing. Amazon has been "going after" these revenue opportunities for a while. It might now also expand into the more traditional global freight forwarding efforts. In Europe, we think DHL looks most exposed with its overlap in Supply Chain, eCommerce, Post & Parcel. What are potential moats? **1)** enterprise relationships, **2)** physical networks (like Express at DHL, DSV's Europe wide groupage offering). **3)** complexity: Customs, trade compliance, hazardous goods, temperature-controlled freight, project cargo, multi-carrier optimization, country-level regulation and bespoke enterprise contracts remain defensible moats.

View: Near term, we think the impact is likely sentiment-negative for logistics multiples rather than immediately EPS-negative. Investors may apply a higher disruption discount to parcel, e-commerce fulfilment and contract logistics assets. Long term, the risk is that Amazon becomes a competitive integrated provider compressing industry pricing. For an industry already in focus for disintermediation risk from AI (Transport: Freight Forwarders: Risk to the Middleman?) the market's chosen approach appear to be "derate first, assess actual earnings impact later". Seems somewhat overdone in our view.

Amazon's own webpages show they have been offering solutions across logistics for some time. For example: Amazon Air Cargo. Amazon Freight.

See notes from Ravi Shanker on this topic:

GXO Logistics, Inc: Thoughts on GXO Read-Across From AMZN SCS (4 May 2026)

Freight Transportation: Amazon Unleashed: AMZN Opens Up SCS to All Shippers (4 May 2026)