03 October 2025

HARTLAND
SHIPPING SERVICES

WEEKLY COMMENTARY

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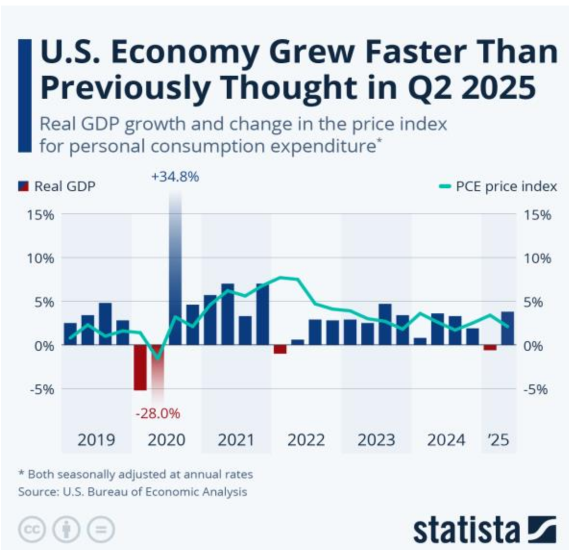


Source : Statista

*Netanyahu is probably stringing Washington along to buy time, plus ca change, willing Hamas to attach conditions so that everything resets back to square one. Hamas wants quagmire a-la Vietnam, Iraq, Afghanistan, Libya, Syria, etc.

Within 24 hours of Monday's announcement, Hamas had yet to agree to the framework while Netanyahu appeared to be hedging his position. Hamas has been threatened, agree to the deal or the US will fully back Israel to fight on.

Netanyahu has a problem in that Smotrich and Ben-Gvir, the leaders of the far right, would bring down his coalition government if a ceasefire is agreed on the terms outlined. The best thing for him would be for Hamas to reject the terms.

**Neither is more likely, as this year's prize nominations had to be submitted by January 31, just 11 days after Trump took office.

^Netanyahu denied the chance of Palestinian statehood any time in the future, despite his tacit agreement in statements on Monday. This follows strong criticism from the extreme right after his telephoned apology to Qatar.

There is no timeline for any of the proposals, not least the start of the ceasefire and an Israeli pullout from Gaza. This is unlikely to happen unless Hamas lays down its weapons irrevocably and this would need to be verified on the ground.

POINTS OF VIEW

HSBC Asia Economics recently released its Q4 2025 report is entitled: "Plenty to chew on". The preamble notes that front-loading and the AI hardware boom have boosted export volumes so far this year, but US tariffs are set to take their toll, weighing on trade and investment across Asia. It goes on. Still, in the Year of the Snake and beyond, monetary and fiscal easing should help the region digest the impact. Over the summer, the 'tariff typhoon' finally swept across the region, delivering steep US import duties on goods from Asia. Then there were signs that China's recovery, tentative at best over the first half of the year, has started to lose steam again. Finally, despite fizzling inflation and policy rate cuts, consumption and investment in much of Asia have failed to rebound convincingly. To be sure, it is not all bad. Growth, by and large, beat expectations in the first half of 2025, helped by front-loading of shipments to the US. Moreover, the AI hardware boom has fuelled exports from many economies, from Korea to Thailand, specially exposed to that sector. The trouble is: much that aided growth earlier this year may not last in the coming quarters. Front-loading of shipments has come to an end and, as the cost of imported goods rises in the US due to tariffs, even underlying demand is set to cool. True, the AI boom may have further to run, but the massive annual gains in shipments of related goods may become harder to sustain. That is why developments in mainland China are especially important. Should demand once more fizzle, the region would be saddled with additional disinflationary pressures. Fortunately, outside of Japan, there is further scope for monetary easing to help cushion growth. Fiscal policy, too, may be deployed selectively to support demand. Asia will continue to tick along at a decent enough clip but needs to digest plenty of shocks. There's lots more.

But, moving on. A seemingly big announcement took place in the White House on Monday. Trump and Netanyahu heralded an imminent Israeli-Hamas ceasefire as they exchanged mutual admirations albeit, one perceived, through gritted teeth. It had all the hallmarks of yet another framework agreement with much work left to be done. Not least, getting Hamas to agree to the plan.* It may be relevant that the 5-member Norwegian Nobel Committee, that awards the annual accolade, announces its result on October 10, so time really is of essence. Might it be Trump, Witkoff, or neither?** Embedded in the 20-point plan is a hostage-prisoner exchange, Israeli evacuation of Gaza, an apolitical transitional authority overseen by a Trump-led 'Board of Peace', Hamas sidelined, Gazans to stay in situ, a reconstruction program, Israel to cease settling the West Bank, a pathway to a Palestinian state, etc..^ We must remind ourselves that such a state does not exist despite recent recognition of same by France, the UK, Canada and Australia. The terms of this skeleton deal appear to be another reheat of previous proposals that were rejected. It may be an indication of desperation of the US, Qatar and other Arab states that seek an end to the conflict and lasting peace in the Middle East. Trump's hyperbole and downright optimism have painted him into a corner – he now must deliver. That Tony Blair might be involved in administrating a new Gaza is puzzling, he being the UK prime minister that colluded with President Bush Jr to invade Iraq in 2003 based on 'dodgy' intelligence. 22 years of Middle East turmoil since arguably have some of their roots in this illegal invasion.

As we remarked last week, the financial and shipping markets are remarkably blasé about geopolitical and trade events that might have spooked them. Instead, as with war, we are all becoming immunised by and conditioned to bad news, there is just so much. We are in a kind of twilight zone with markets set to become increasingly influenced by ongoing global trade chaos, bringing both spikes and dips, on top of typical supply-demand cycles. After a good spell, the dry and wet sectors have shown signs of taking a breather, with charterers regaining the whip hand this week. The Baltic Capesize Index plunged to $22k/day, giving up 25% in a week. Rumours of China boycotting some BHP iron ore may be to blame, hurting short-term sentiment. On Sunday, Opec+ meets and is expected to approve at least another 137,000-bpd to be added to the market in November quotas, prospectively helping the large tankers. VLCCs have eased ~30% since their recent spike neared $100k/day. Thanks to these not unusual doses of volatility, the immediate picture for the big ships is less rosy than it was a couple of weeks ago. That said, both markets remain healthy, with strong supply fundamentals, they enter Q4 and beyond with great expectations.

Dry Cargo Chartering

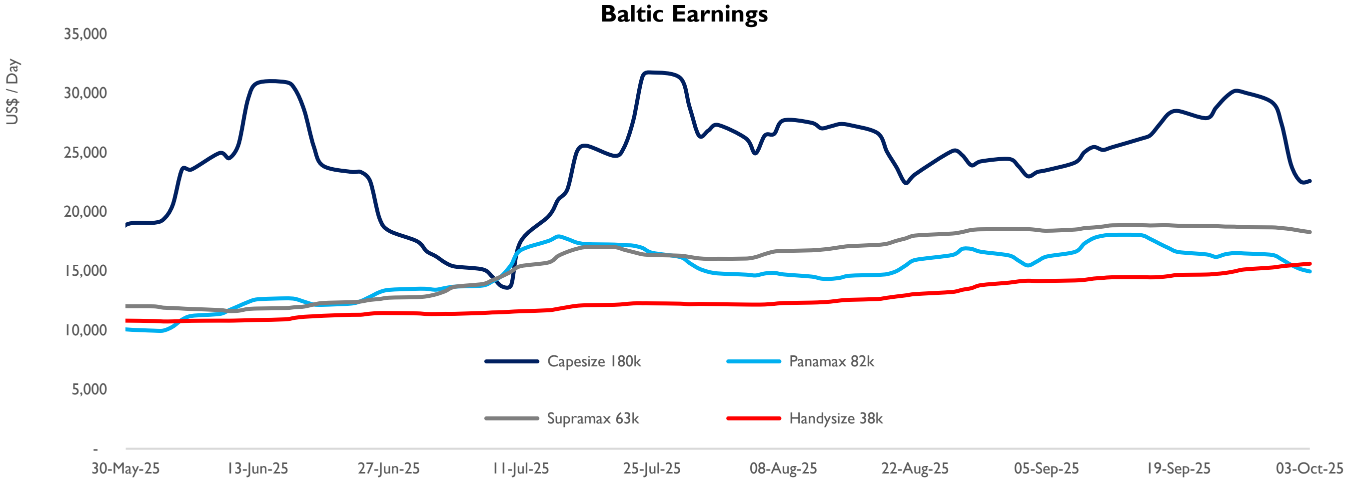
The BDI settled at 1,901, down 358 points since last week. The BCI closed at $22,595, down $7,481 since we last reported. As Golden Week approaches, **Capesize** activity in the Pacific has slowed, with demand softening and enquiry more limited. Forward interest remains, but volumes have tapered, particularly on coal trades out of East Australia. In the Atlantic, supply has been building while buyer interest thinned, leaving sentiment under pressure. Accumulated prompt tonnage in the Pacific, alongside the rumours regarding the China-BHP impasse, has soured short-term sentiment for the weeks ahead.

The BPI concluded at $14,961, down $1,523 this week. The **Panamax** sector had a difficult week, with sentiment turning increasingly negative. In the Atlantic, limited fresh demand and reduced transatlantic activity kept pressure on rates, while fronthaul opportunities from the US East Coast proved insufficient to offset the growing supply of tonnage across Europe and the Mediterranean. South America also weakened further as charterers pressed levels. In the Pacific, the Golden Week dampened activity, with most Chinese needs already secured and little new enquiry. This has left prompt vessels struggling to secure cover. With paper markets offering little support, deals were concluded at softer levels.

The BSI finished at $18,288, down $410. The **Supramax** sector closed September on a quieter note. Asian holidays curtailed activity, leaving sentiment in the East subdued, where charterers continued to hold the advantage. In contrast, the Atlantic maintained a firmer stance, though recent ex-US Gulf strength may have peaked. The Continent and Mediterranean were steady, while the South Atlantic remained balanced. In Asia, ample prompt tonnage added further pressure, keeping rates in the region and into the Indian Ocean under strain. With the monsoon season winding down, cargo flow from West Coast India began to show signs of improvement, though period interest was inconsistent, with wide bids-offer gaps. Overall, market sentiment softened, though Atlantic demand provided some stability.

The BHSI closed at $15,616, up $486 since last week. The **Handysize** continues to climb, reflecting the strength of the sector. In the Continent and Mediterranean, fresh demand supported activity and pushed rates slightly higher. Scrap runs from the Amsterdam-Rotterdam-Antwerp range to Turkey were reported at above $20,000 on a 37,000-dwt type. The South Atlantic remains the strongest market within the Atlantic basin. North Coast South America also stayed stable, with owners expected to achieve ~$25,000 for a trans-Atlantic trip to the Continent. On the period side, the *African Lapwing* (39,757-dwt, 2014) was fixed ex-Tampico for 6–8 months worldwide at $16,000 to Swire Bulk whilst other short period deals were also concluded, underlining faith in the current levels. The Pacific market was flat over the week, with regional holidays in Asia slowing fixing and keeping sentiment cautious. The Far East remains relatively tight on prompt tonnage, balancing softer demand while supporting steel cargoes moving to Southeast Asia and the Indian Ocean. In Southeast Asia, smaller Handy vessels face longer tonnage lists and increased pressure, while larger units posted firmer Australian round voyages.

Baltic Earnings



Representative Dry Cargo Market Fixtures

Vessel	DWT	Built	Delivery	Date	Redelivery	Rate ($)	Charterers	Comment
Balos	82,025	2018	EC South America	19/20 Oct	SE Asia	$18,500	Classic Maritime	$850,000 ballast bonus
Avalon	81,565	2011	Kaohsiung	5/6 Oct	Singapore-Japan	$15,000	Cnr	Via Indonesia
Shen Hua 812	76,124	2014	Nansha	½ Oct	South China	$14,750	Cnr	Via Indonesia
Hercules	75,017	2013	Abidjan	8/12 Oct	Stade	$17,500	Oldendorff	Via Kamsar
NS Xiamen	74,381	2006	Fangcheng	1 Oct	South China	$13,250	Cnr	-
Crystal Eternity	63,603	2024	Ilo Ilo	7/8 Oct	Singapore-Japan	$16,500	Tongli	Via Australia
Santa Centellar	63,482	2023	Weda	29Sep/3Oct	Vietnam	$20,000	Samjoo	Via Australia
Explorer Europe	61,447	2012	Koh Sichang	5/6 Oct	China	$11,500	Cnr	Via Indonesia
Ohirayama	40,247	2024	Kwinana	10 Oct	Phillipines	$18,000	Drydot	Via W Australia
Ocean Fortune	37,595	2014	Penang	Ppt	South Korea	$12,500	Panocean	Via W Australia

Exchange Rates		This week	Last week
	1 USD	147.43 JPY	149.54 JPY
	1 USD	0.8516 EUR	0.8552 EUR
Brent Oil Price		**This week**	**Last week**
	US$/barrel	64.67	70.75

Bunker Prices (US$/tonne)	This week	Last week
Singapore HSFO	401.0	420.0
VLSFO	471.0	494.0
Rotterdam HSFO	396.0	414.0
VLSFO	435.0	450.0

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Dry Bulk S&P

Autumn and the pace of reported sales has mellowed slightly but overall continues to be fruitful. Two sales in particular point to a strengthening of values.

A Tess58 Supramax, *ND Pistis* (57,814-dwt, 2015 Tsuneishi) has changed hands within the Greek market. The buyers are rumoured to be Kouros, who beat competition to secure the eco Supra for $23.2m. This is a significant step up from last done.

In the Kamsarmax sector, a yet-unknown buyers are reported to have paid $26.7m for *Nord Crux* (81,791-dwt, 2016 Tsuneishi Cebu) underlining gains made in Kamsarmax values in recent months.

The Newcastlemax *Mineral Shougang International* (206,392-dwt, 2019 Qingdao Yangfan) is sold for $65.5m. The price seems slightly cheaper than last week's headline deal, which saw 3x New Times-built Newcastlemaxes (2x19'blt, 1x20'blt) trade hands at $209m enbloc, albeit the latter had scrubbers installed, which would explain a portion of the gap.

With the Chinese away for their Autumnal holidays we expect sales of their stable tonnage, Supras and Handies, to be quieter for the next week or so.

Reported Dry Bulk Sales

Vessel	DWT	Built	Yard	Gear	Buyer	Price	Comment
Mineral Shougang International	206,392	2019	Qingdao Yangfan	-	Winning	$65.5 m	Surveys passed
Montana I	81.967	2011	Daewoo	-	European	$15.4 m	
Nord Crux	81,791	2016	Tsuneishi Cebu	-		$26.7 m	
ND Pistis	57,814	2015	Tsuneishi	C 4x30T	Kouros	$23.2 m	Surveys passed
Irma	34,947	2000	Mitsui	C 3x30T		$4.8 m	Lakes Fitted
Eurosky	34,335	2011	Samjin	C 4x35T		$10.2 m	
Clearwater Bay	29,118	2012	Yangzhou Nakanishi	C 4x30T		$9.2 m	

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Tanker Commentary

In the crude tanker newbuilding space, Korean yards have been very busy this week. Namely, DH Shipbuilding have announced that they have secured an order for eight newbuild Suezmaxes at around $85m per vessel. Advantage Tankers and Exmar are two names reported to be behind the transaction. There are a further two Suezmaxes rumoured to have been concluded at the same yard in the last couple of days.

Scorpio has announced the sale of a brace of eco LR2s; *STI Lobelia* (109,999-dwt, 2019 New Times - Scrubber - SS:02/29 DD:02/27) and *STI Lavender* (109,994-dwt, 2019 New Times - Scrubber - SS:02/29 DD:02/27) reportedly to Safeen for $61.2m each with delivery in February next year. There has been a considerable amount of recent appetite for Aframax/LR2s in the charter market, with a number of oil majors looking to take 36 and 60 month positions on vessels.

In the LR1 space, Ultratank are reported to have bought *GH Madison* (74,574-dwt, 2010 Hyundai Mipo, SS/DD:10/25) for $21.5m showing a slight softening of prices. *Koi* (74,635-dwt, 2010 STX Offshore) sold in July for $23.3m

First generation eco-MR, *Green Sky* (50,879-dwt, 2014 Dae Sun - Phenolic/Eco - SS:06/29, DD: 07/27) is reported to have sold for $30.5m to Castor, highlighting the premium for eco tonnage. The last similar age, non-eco vessel to sell was *Astir Lady* (50,286-dwt, 2011, SPP, SS/DD 04/26) which achieved $21.5m in September. Even taking into account the upcoming survey position on Astir Lady, there is considerable spread in asset value for a vessel that is only 3 years older.

Reported Tanker Sales

Vessel	DWT	Built	Yard	Buyer	Price	Comment
STI Lavender STI Lobelia	109,999 109,994	2019	New Times	Safeen	$122.4 m	Scrubber fitted & Epoxy with delivery Feb 2026
Yinghao Confidence	107,600	2010	Tsuneishi	Greeks	$35.3 m	
Seasong	105,459	2005	HHI		$21.95 m	Ice 1C
Green Sky	50,879	2014	Dae Sun	Castor	$30.5 m	Epoxy Phenolic & Eco M/E
GH Madison	74,574	2010	HMD	Ultratank	$21.5 m	Epoxy
Falcon Royal	47,128	2008	HMD		$16.5 m	Epoxy
Maritime Jingan	44,411	2003	Dalian		$9.0 m	Marineline
Silver Ray Golden Ray	19,801 19,802	2013 2012	Kitanihon	Korean	$48.0 m	En bloc & STST

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