7 November 2025

HARTLAND
SHIPPING SERVICES

WEEKLY COMMENTARY

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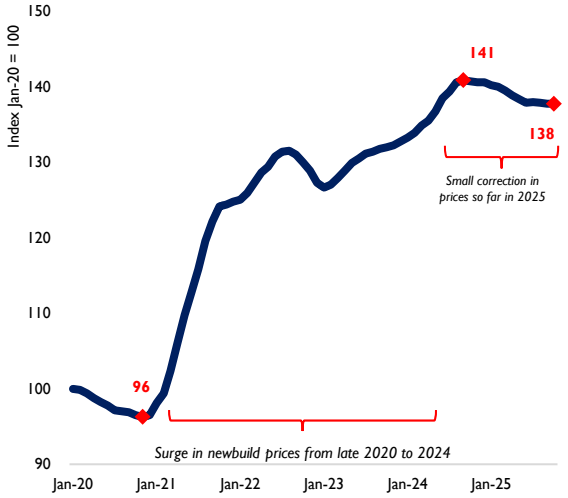
China Newbuild Price Index



Source : CNPI

POINTS OF VIEW

As we approach the year end, it is time to take stock of 2025 and gaze into the crystal ball to see what lies ahead. In terms of mainstream media column inches, shipyards have never been more high profile. The Trump administration has made restoring US shipbuilding a priority, intimidated by Chinese dominance. Spectacular announcements have been made regarding investment in the US from South Korean yards, to *Make American Shipbuilding Great Again*. Last week a $150bn agreement was announced during Trump's visit to S. Korea.* Although the US-China pause on tariffs and port fees is a welcome breather, it is hard not to think that the genie has escaped the bottle; ships and shipyards will likely be a key feature of the US-China great power struggle.** For all the justified criticism of the Trump administration, it is worth noting that the US' shipbuilding inferiority complex is bi-partisan. If US politicians do see China as an existential rival, then they should have addressed this weakness long ago. Any domestic measures are likely too little too late, deeper US ties in S. Korea or Japan seem a better bet. Meanwhile India also sees the strategic merit in shipbuilding, with CMA CGM just signing a contract to build feeder containers at Cochin. To an outsider, it may seem like shipbuilding has never been busier.

For all the noise though, on the ground, 2025 has been a slower year for yard commercial teams. Yards are busy building all the ships ordered in recent years during a four-year boom from late 2020, but the rate of ordering in 2025 has been 24% down (CGT terms) on 2021-24 averages, albeit still much busier than pre-2020. Gas orders have taken a pause after a bumper 2024, as have bulkers and tankers. Only containers have bucked the trend, with ordering at similar rates to last year, including a pivot towards feeders. There have been a few causes of this slowdown. Firstly, most available slots were pricy and with later delivery, deterring orders. Some owners have become wary of the size of orderbooks, their mood not helped by underwhelming (at least until recent weeks) tanker, dry and gas earnings. Whilst today's spot rates should not impact views of the late 2020s, owners are naturally more cautious during softer markets. Whilst ordering has dipped, capacity is ramping up. Existing facilities continue to expand, old yards reopen, whilst productivity is rising. A combination of less ordering and more potential output at yards may have implied a crash in prices. This has not occurred. Prices have fallen, but only just. Cross-sector newbuild prices are down 3% since their peak in Q4-24 but are still 43% above the bottom of the market in 2020. The key factor supporting prices in 2025 has been the warchests of cash accumulated by owners across the booming freight markets of 2021-24^, waiting to be re-invested into anything that looks cheap. Combined with easy access to finance, every time yards have dropped prices a tad, there has been enough interest to snap up these slots and stabilise prices. This has been demonstrated in recent weeks, with several bulker and tanker orders after yards cut prices slightly for earlier berths.

Turning to the crystal ball, it seems likely that newbuild prices will keep falling in 2026, but only gradually, as seen in 2025. The market is likely to take a breather soon as we approach Christmas, after which it may only re-awaken after Chinese New Year. Then, another small cut in yard prices may occur as remaining 2028 berths start to be marketed more pro-actively, yards typically aiming for a 24-month run-way to manage production schedules. We expect this trend to continue through 2026 and even into early 2027: small falls in prices to tempt orders for the last early berths, triggering some orders, prices stabilise for a few months, repeat. With 2027 slots almost fully booked, we estimate that top-tier Chinese yards have already sold 75-80% of their slots for 2028, dropping to 60-65% for a slightly lower tier of yards. With this healthy cushion, yards are under little pressure to actively cut prices, but have the buffer in decent profit margins, if they must.

Longer-term, at some point there will almost certainly be another newbuild super-cycle to refresh the large chunks of the bulker and tanker fleets built from 2008-12. The big unknown is when? Our best bet would be the early 2030s, when these ships hit 20-25yo. We estimate that by Jan-28 45% of drybulk tonnage will be 16years old or over, rising to 50% (25% today) by the end of the decade. This old age trend is even more extreme in the tanker sector, 38% of the crude fleet was built pre-2010. Much of the older segment of the fleets was built in Chinese yards back when build-quality standards were far lower. On top of higher maintenance costs and more frequent dry-docks, charter markets discounts will continue to widen as the efficiency gap between old ships and newbuilds widens ever further, look no further than the super-eco ships now leaving the yards. Had the IMO's net zero legislation passed, this may have accelerated these demolition and replacement timelines. For now, the political pendulum has clearly swung away from decarbonisation. But the world is not getting any cooler, pendulums usually swing back.

* This deal was first announced during President Lee's trip to the US back in August, but more announcements came during Trump's visit last week. Each of South Korea's big three yards will be making investments in the US, with Hanwha's being the highest profile at their Hanwha Philly yard. Whilst these announcements are significant from a geopolitical perspective, in terms of overall merchant shipbuilding capacity, it is a drop in the ocean.

** As part of the temporary truce deal agreed between the US and China last week, various announcement were made affecting trade and maritime policies, most notably: China will resume purchases of US soybeans, port fees on one another will be delayed for a year and US tariffs on China will fall to 47%.

^ Shipping markets have almost become numb to just how good the last few years have been. Every sector has enjoyed its best spell since 2008 at some point in the last five years, with markets seeing multiple sustained runs of high rates.

Bulkers enjoyed a superb run from Q1-21 to Q3-22. 1H-24 was also very healthy, as has been Q3/4-25.

Tanker markets spiked in 2020 (floating storage). After a grim 2021, they were reignited after the Ukraine war began. The VLCC market has been on fire in recent weeks.

Container markets saw a bigger peak in 2021-22 than anything seen in 2008. Even with a fairly weak spot box freight market today, old-Panamax 4,5000 teu ships are still fixing for over $50k/day today, these ships were worth scrap in 2017.

LNG and LPG markets enjoyed incredible runs from late 2021 to late 2023.

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Dry Cargo Chartering

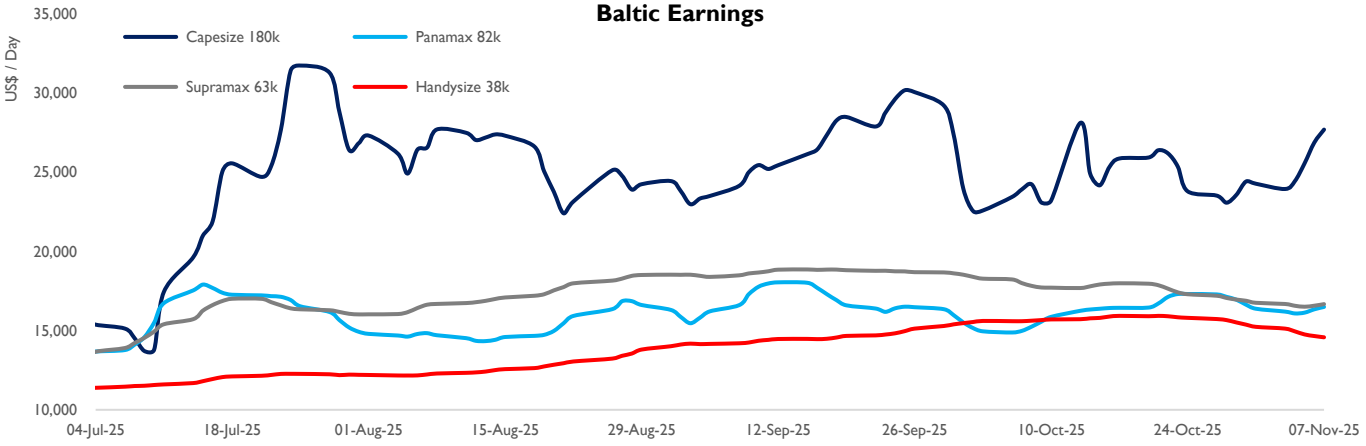
The BDI settled at 2,104, up 138 points since last week. The BCI closed at $27,709, up $3,421 since we last reported. The **Capesize** market started the week under pressure but posted strong gains mid-week. Early softness was offset by increased inquiry and firmer fixtures on key routes, particularly C3 and C5. In the Pacific, steady miner demand underpinned gradual gains, while in the Atlantic, a tightening tonnage list lent support to both trans-Atlantic and fronthaul trades. Confidence was further buoyed by the one-year US-China trade truce.

The BPI concluded at $16,501, up $112 on the week. However, **Panamax** sentiment softened further as vessel supply outstripped demand. In the Atlantic, the South held comparatively steady on activity from East Coast South America and South Africa, while the North slipped on thinning demand. Fronthaul interest provided limited support, keeping the overall tone cautious. In the Pacific, charterers maintained pressure on rates despite a brief midweek uptick in fixing. Owners remained defensive, though expanding vessel supply and lacklustre demand kept sentiment subdued.

The BSI finished at down $16,678 down by $84 the last 7 days. The **Supramax** sector was largely positional in Asia, amid limited enquiry and ample prompt tonnage. The Atlantic, however, showed early signs of firming, led by improved activity from the US Gulf. Owners in the region appeared more optimistic, though elsewhere charterers retained the advantage. The South Atlantic and Mediterranean remained quiet with minimal fresh demand. Overall, the market tone stayed soft but with tentative signs of recovery in the Western hemisphere.

The BHSI closed today at $14,582 down $661 since last week. The **Handysize** market drifted through a quiet week, with sentiment remaining subdued. In the Continent and Mediterranean, trading was thin and rates edged lower, as a 40,000-dwt was heard fixed for a Black Sea to West Africa run at about $15,000. The South Atlantic and US Gulf also struggled to gain traction, with limited enquiry and softer rates. Among the few fixtures reported, a 32,000-dwt was said to have fixed from Recalada to Fortaleza with grains at $18,250, while a 37,000-dwt achieved around $21,000 for a Houston to Veracruz trip with scrap. In Asia, the tone was equally flat, with prompt supply outweighing demand; a 38,000-dwt open CJK 6–8 November was placed on subjects for an Australian round voyage at $12,000. On the period front, a 39,000-dwt newbuilding was fixed for two years at 120.5 percent of the BHSI index. Overall, market sentiment remained weak, with both basins showing little conviction or clear direction.

Baltic Earnings



Representative Dry Cargo Market Fixtures

Vessel	DWT	Built	Delivery	Date	Redelivery	Rate ($)	Charterers	Comment
Popeye	98,730	2013	Nagoya	8/10 Nov	Singapore-Japan	$18,500	Jera GM	Via Australia
Ying Shun	81,169	2013	Ishikawa	8 Nov	Japan	$16,000	Iino	Via Australia
Guo Hai Lian 616	75,906	2013	Kimitsu	5/6 Nov	South China	$15,100	Lotus Ocean	Via EC Australia
Rosco Lemon	75,746	2002	Ningde	6 Nov	South China	$14,500	Cnr	Cnr
Jia Tai	75,650	2011	CJK	4 Nov	China	$14,750	Cnr	Cnr
Damon	63,277	2012	Bahudopi	14/16 Nov	China	$16,000	Cnr	Via Indonesia
Wu Xing 6	56,816	2011	Ningde	8 Nov	Cambodia	$11,000	Cnr	Via Indonesia
DZ Weihai	55,741	2005	Weda	End Oct	China	$11,500	ITG	Via Indonesia
Federal Passion	42,692	2022	Hualien	Ppt	Japan	$14,500	Pacific Basin	Via Vietnam
Ken Ei	36,998	2013	Kanda	7 Nov	SE Asia	$12,000	Cnr	-

Exchange Rates		This week	Last week
	1 USD	153.21 JPY	154.02 JPY
	1 USD	0.8646 EUR	0.8671 EUR
Brent Oil Price		**This week**	**Last week**
	US$/barrel	63.90	65.14

Bunker Prices (US$/tonne)	This week	Last week
Singapore HSFO	382.0	394.0
VLSFO	462.0	459.0
Rotterdam HSFO	401.0	410.0
VLSFO	421.0	433.0

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Dry Bulk S&P

New York City has put the house on a new red mayor, and dry owners were also placing their bets this week with deals in all size ranges.

Whilst we have a full house of sales across the suits, there are few high cards, only two eco ships were sold this week, despite the longest sales list we have had in a while.

The Tess 82 *New Ascent* (82,179-dwt, 2012 Tsuneishi) sold this week for $19.90m to reported Greek interests. This raises the benchmark for the sector, the last Tess 82 sold was the 2013 *Santa Graciela* (82,149-dwt) which went for $18.50m back in June. More recently in October, the 2013 Sanoyas-built *Fjeld Saga* (82,908-dwt) sold for $20.0m to ADS Maritime. The *New Ascent* sale represents a steady firming in values.

In a previously quiet Ultramax resale market, we saw two noteworthy transactions this week, *Ju Shi Yuan Yang* (63,500-dwt, 2027 Yizheng Yangzi) and *Xiang Hang 57* (63,500-dwt, 2025 Jiangsu Soho Chuangke, scrubber) sold for $32.0m and $33.5m respectively. The somewhat lower prices reflect the lesser quality of the builders.

Two STX 57 type Supramaxes sold this week. Sisters with surveys passed, *Ince Ege* (57,373-dwt, 2010 STX Dalian) and *Ince Fortune* (57,293-dwt, 2010 STX Dalian) sold for $12.80m and $12.75m. Last week we saw *Heroic Striker* (56,820-dwt, 2010 Jinling) sold to Chinese buyers for $11.75m, perhaps showing a slight preference for the STX design over the Dolphin 57s, but the Heroic Striker's surveys due position may also have hurt her too.

After being tied up at the end of last month and the sale falling through, *Karadeniz S* (57,157-dwt, 2012 STX) sold this week to buyers from the Middle East for $14.25m. In September, her sister, *Mamara S* (57,195-dwt, 2012 STX) went for just under $14m.

Finally, a plethora of Handy sales shuffled through the deck this week. *TBC Prime* (38,529-dwt, 2011 Minaminippon) sold for $14.30m from the same owners who offloaded *TBC Passion* (38,215-dwt, 2011 Imabari) for a similar price at the beginning of October.

Reported Dry Bulk Sales

Vessel	DWT	Built	Yard	Gear	Buyer	Price	Comment
Seacon Africa	206,291	2006	Imabari	-	Tianjin Global Shipping	$22.70m	
Taihakusan	93,521	2009	Namura	-	Chinese	$12.50m	
New Ascent	82,179	2012	Tsuneishi Tadotsu	-	Greek	$19.90m	
Ornak	79,677	2010	New Century	-		$11.35m	
Yasa Team	75,621	2006	Sanoyas	-		$9.10m	Surveys due
Majorca	74,333	2005	Hudong	-		$7.75m	
Ju Shi Yuan Yang	63,500	2027	Yizheng Yangzi	C 4x30T		$32.0m	
Xiang Hang 57	63,500	2025	Jiangsu Soho Chuangke	C 4x30T	Greek	$33.50m	Scrubber
Ince Ege	57,373	2010	STX Dalian	C 4x30T		$12.80m	
Ince Fortune	57,293	2010	STX Dalian	C 4x30T		$12.75m	
Karadeniz S	57,157	2012	STX	C 4x30T	UAE	$14.25m	
TM Hai Ha 988	53,505	2011	Nam Trieu (Vietnam)	C 4x36T	Hoang Giang Shipping	$9.0m	Sold via online platform – DD due
TBC Prime	38,529	2011	Minaminippon	C 4x30T		$14.30m	
Pacific Ocean	36,009	2011	Samjin	C 4x35T		$10.50m	
Isolda D	34,290	2011	Zhejiang Jingang	C 4x30T		$10.40m	
Golden Maple	32,527	2009	Zhejiang Hongxin	C 4x30T		$7.35m	
Yangtze Flourish	32,503	2012	JNS	C 4x31T		$9.80m	
Arawana	32,318	2012	Taizhou Maple Leaf	C 4x31T		$9.50m	

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Tanker Commentary

This week we have one major enbloc deal to report, and a handful of standalone ships. There are no signs of values retreating, highlighting how buoyant the tanker freight markets are.

Tankerska have picked up the coated LR2 *Platanos* (114,578-dwt, 2019 Namura, scrubber-fitted) for a healthy $66.5m. Even with a scrubber this does seem a slight increase on benchmark levels. Last done of similar tonnage is the PNSC purchases last month of the Aframaxes (uncoated) *Lorax* (109,990-dwt, 2022 Sumitomo) and *Nafsika* (112,090-dwt, 2022 Sumitomo) for $75m each. On the one hand, these two deals appear to be at slightly higher pricing than the Platanos once considering the lack of coating ($2-3m), but these deals were done via a tender process which typically results in a premium price. Taking all that into account, the more market-process Platanos deal still represents rising values.

Torm have scooped up *STI Battery* (49,990-dwt, 2014 HMD - scrubber fitted), along with 3 other identical sisters with scrubbers fitted, for $32m each. With no long charters attached, this reinforces benchmark levels for eco MR2 tonnage. For reference, last month we reported Parakou had *PTI Hudson* (49,999-dwt, 2016 SPP) and *PTI Nile* (49,999-dwt, 2016 SPP) as being sold for $33m each. The Torm deal appears firmer on paper, but once we account for no scrubbers and slightly below market charters on the PTI ships, the values are likely broadly in-line. At the same time, Scorpio have rejuvenated the fleet with the announcement of an acquisition of four replacements MR resales with deliveries in the last quarter 2026 and early 2027. A price of $45m per vessel is reported which is line with expectations.

For stainless steel tankers, *Bristol Trader* (35,863-dwt, 2016 Shin Kurushima) has set a fresh benchmark for this age and size, fetching $39m.

Reported Tanker Sales

Vessel	DWT	Built	Yard	Buyer	Price	Comment
Platanos	114,578	2019	Namura	Tankerska	$66.50m	Scrubber
4 x Resale MR2s	50,000	Q3 2026 – Q2 2027	Jingjiang Nanyang	Scorpio Tankers	$180.0m	Enbloc for $45.0m each – Scrubber x 4
STI Battery / STI Venere / STI Milwaukee / STI Yorkville	49,990	2014	HMD	Torm	$128.0m	Enbloc $32.0m each – Scrubber x 4
Bristol Trader	35,863	2016	Shin Kurushima		$39.0m	ST/ST tanks
Ginostra M	18,639	2024	Fujian Southeast		$27.0m	

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