20 February 2026

HARTLAND
SHIPPING SERVICES

WEEKLY COMMENTARY

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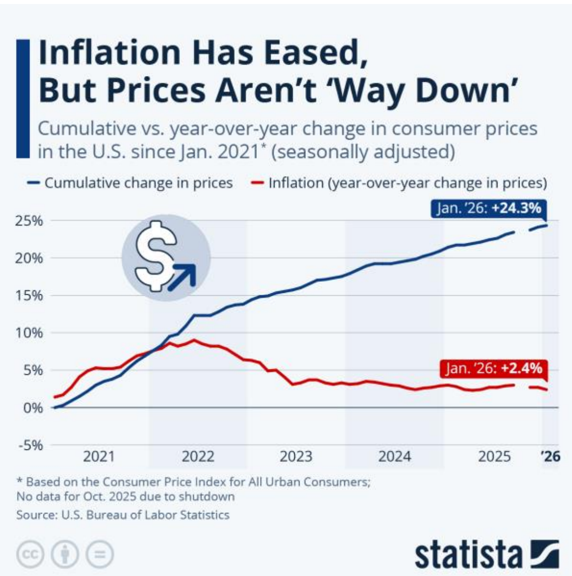

Source : Statista

POINTS OF VIEW

President Trump has flip-flopped on the Chagos Islands yet again, telling the UK not to "give away" the islands to Mauritius. He had initially criticised the deal only to go into reverse, two weeks ago, admitting that it was the best deal available. Now it is back to being a stupid deal, maybe because the UK has refused to allow the US to launch strikes on Iran from UK bases. This coincides with the massive US military build-up and the president saying that he may use Diego Garcia in any action against Iran, the possibility of which has risen as the regime toys with Washington's real-estate diplomats, Witkoff and Kushner. Their efforts are not helped by the president's late-night messaging on Truth Social in which he alternates from wanting a peace deal to dual threats of bombing and regime change. Iran has said discussions on its nuclear program continue, but any deal will take time. Meanwhile, the US insists on including ballistic missiles and proxies in the talks, creating an unbridgeable divide as Iran has made it clear that it cannot surrender its ballistic missiles as that would leave it defenceless. Other framework peace deals in Gaza and Ukraine are also going nowhere. It is proving impossible to move to stage two of the 20-point plan for Gaza as Hamas refuses to disarm and the IDF embeds itself in the strip. In Ukraine, Putin continues to assault Ukraine's energy infrastructure in a defiant show that betrays his intention to keep on fighting.* Elsewhere, the string of peace deals that Trump claimed to have a hand in continue to unravel from Africa to Asia. All this foreign activity deflects to some degree from the epic damage being caused around the world by the Epstein files, dubbed the Trump-Epstein files by Jimmy Kimmel after his name appears a million times. The DoJ and FBI have been scrupulous in redacting any mention of Trump to protect the president. Most Americans do not buy it, suspecting a massive cover-up.*

This is all happening as people would prefer the administration to focus on the domestic cost-of-living crisis that affects so many. Some costs, notably energy, have come down but Americans are still struggling with sticky interest rates and utility bills are rising as AI data centres harness more of the electricity supply. Scott Bessent, the Treasury Secretary, has been dismissive of such concerns despite the rising cost of groceries and other essentials. The government conveniently claims to have "inherited" an affordability crisis from the Biden administration. The US trade deficit in goods and services came in at $902bn in 2025, only 0.2% lower than 2024's 904bn. The Fed is concerned about the possibility of inflation reigniting as the cost of imported goods rises as importers and retailers pass more of their tariff-driven price hikes onto consumers.** Some Fed policymakers are even murmuring that interest rates may need to go back up. EY-Parthenon wrote in a note to clients: "The minutes carry a distinctly more hawkish note. This sets up an interesting dynamic if-and-when Kevin Warsh is confirmed as Fed chair." To date, the Fed under Jerome Powell, has stood firm in defending its independence in the face of insults, threats, attempted firings and even an attempted criminal probe by the DoJ. Latest inflation fears were made worse by last weekend's announcement of the Maritime Action Plan, which will levy port fees on non-US-built ships, effectively almost every ship that calls on the US, likely to hit container ships and car carriers the hardest. As usual, we are once again in the realms of framework deals with precise method and detail being significantly absent.

The proposed import levies are weight-based, ranging from $0.01 to $0.25 per kg, a wide range. A forty-foot container (FEU), typically weighing 28,000kg, at a rate of $0.05 per kg would attract a $1,400 additional charge. A 10,000-teu vessel operating at 90% capacity on the transpacific, with an average box weight of 7mt, would pay an extra levy of between $1m and $15m. At the same $0.05 rate, an 8,500-ceu car carrier would have to pay an estimated additional $1.5 million. The legislative proposals need to pass through Congress with funding to be allocated in the 2027 fiscal year, beginning October, so there is time to refine these proposals. The objective is to revive US shipbuilding as a matter of national security, however far-fetched this might seem given the historically uncompetitive status of US shipbuilding and its current lack of infrastructure, skills and manpower. The Japanese and Koreans have made grand promises of investment and technology transfer but that was designed to head off immediate punitive tariffs on their car exports to the US. It has been calculated that the proposed "universal infrastructure or security fee" could raise up to $66bn a year at $0.01 and up to $1.5tn a year at the $0.25 rate.^ No-one need get too worked up about these proposals while they remain so sketchy and imprecise, and there is always room for yet another TACO once the Trump administration has worked out the inflationary impact of these levies on a wide range of imported goods. It would imply rising costs for companies and consumers that will require higher interest rates to counter the inflationary effects, the opposite of what the US public is crying out for. Trump's early plans for a new maritime golden age appear to be as pie-in-the-sky as a Trump-branded Gaza and a joint US-Russo real estate plan to develop the Donbas. Pigs might sooner fly.

*US-led Ukraine-Russia peace talks in Geneva lasted just two hours on the 2nd day. The US declared "meaningful progress", as it must do to avoid upsetting the boss, while Zelensky admitted that talks were "difficult" as Putin is stalling.

**Hillary Clinton, who is about to testify before Congress with husband Bill, has called for all people under suspicion to do likewise. She has openly condemned the actions of Pam Bondi and Kash Patel as a cover-up to protect the president.

Andrew Mountbatten-Windsor, formerly known as Prince, was arrested early yesterday on his 66th birthday, on suspicion of misconduct in public office, leaking price and market sensitive info to Epstein while acting as a UK trade envoy.

**Bessent has been dismissive of the inflationary impact of tariffs, telling critics a year ago that access to cheap goods is not the essence of the American dream, describing the affordability crisis as a con job and a media-driven narrative.

^This wide range would represent a cost of between $10 and $250 per tonne. It is not clear how this would translate into a shipping measure such as gross tonnage, a measure of volume rather than weight. Both need to be used.

The argument in favour of these import levies is that foreign-built ships benefit from US market access – actually, it's called free trade – and they should thus contribute to the long-term revitalisation of the US's maritime capabilities.

It is not yet clear who will drive the Maritime Action Plan as it requires massive interagency cooperation to build infrastructure, revitalise skills and technology, and cajole and coordinate pledged foreign investment and knowhow.

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Dry Cargo Chartering

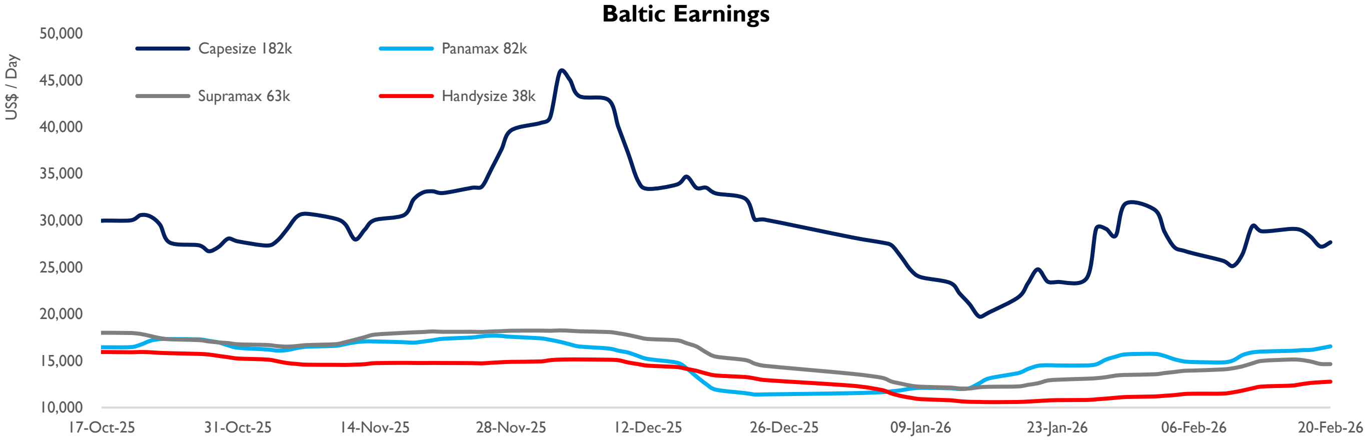
The BDI ended the week at 2,043, down 40 since last week while the BCI finished at $27,675, down $1,174 since last week. The **Capesize** market started on a softer note, before gradually gaining momentum by the end of the week. Two miners were active, which steadied C5 rates whereas the North Atlantic continued to see a lighter tonnage list as strong fronthaul market were taking ships out of the region. Sentiment is slightly softer heading into next week, although current March paper suggests forward optimism.

The BPI closed this week at $16,543, up $554 since last week. Once again, there was a strong divide between the two basins in the **Panamax** market. The Atlantic saw sentiment gradually weaken with a decline in the rate achievable for a Skaw-Gib transatlantic round voyage for the second week running. In contrast, the Pacific market stayed firm despite the holidays with steady gains in the Japan-South Korea round voyage.

The BSI closed this week at $14,646 down $347 since last week. The **Supramax** market lost momentum over the course of the week, transitioning from the recent optimism seen in key Atlantic regions to a quieter, but resilient tone. In the US Gulf, a hangover from last week's rapid spike in fixing levels, meant healthy rates were still there to be executed. *Lake Pearl* (51,687 2010) was fixed by Oldendorff open Lake Charles 14 Feb via Houston redelivery Tarragona with petcoke at $29,000. With the Lunar New Year holidays dampening Asian participation and overall fixing activity remaining thin, sentiment softened across most basins, leaving the market largely positional by week's end.

The BHSI closed this week at $12,766, up $519 since last week. The **Handysize** market once again saw a divided picture in the West and the East. The Atlantic provided firm resilience with continuing healthy cargo flow from East Coast South America and the Continent. The US Gulf remained firm but with limited new fixtures reported. Period interest remains healthy, with operators hungry for tonnage able to meet prompt dates across the Atlantic basin, as the longer duration levels continue to make sense over and above recent spikes in spot fixing numbers. *Lady Anriane* (34,845 2020) was fixed by Ultrabulk delivery Iskenderun 14 Feb min 4/ about 6 months at $13,300, highlighting the willingness to take tonnage even against a loss on the first leg. By contrast, the Pacific market remained subdued this week due to ongoing Lunar New Year holidays, with limited fresh enquiry and ample prompt tonnage keeping rates around last-done levels. Sentiment in Asia stayed soft as owners faced continued competition. However, a pickup in cargo enquiries for end-Feb/early-Mar laycans, coupled with a relatively thinner forward vessel list in the Far East, is expected to support improved momentum heading into next week.

Baltic Earnings



Representative Dry Cargo Market Fixtures

Vessel	DWT	Built	Delivery	Date	Redelivery	Rate ($)	Charterers	Comment
Shine Pearl	82,427	2024	Dafeng	25 Feb	Singapore-Japan	$19,500	Reachy	Via NoPac
Villa Germana	82,146	2025	Gibraltar	24 Feb	Skaw-Gibraltar	$18,250	Classic	Via NC South America
Sylvia	80,292	2010	Las Palmas	13 Feb	Amsterdam-Cartagena	$17,000	Bunge	Via NC South America
GU Imabari	76,619	2009	CJK	21/23 Feb	Singapore-Japan	$16,500	Bunge	Via NoPac
MIM Vangelis Jr	76,610	2005	EC South America	28 Feb	Egypt	$25,000	Safeen Invictus	-
Golden Trader	63,677	2021	Zhoushan	17 Feb	Thailand	$7,500	Cnr	Via Indonesia
Federal Innoko	63,480	2020	Son Duong	22/27 Feb	Thailand	$9,000	Cnr	Via Indonesia
Supreme Valor	58,872	2011	New Orleans	19/20 Feb	Dominican Republic	$28,000	Bunge	-
Lara	41,264	2025	Saganoseki	Ppt	Continent	$13,000	Panocean	-
Reliable	38.603	2017	Brownsville	22/23 Feb	West Mediterranean	$31,000	Bulk Trading	Via US Gulf

Exchange Rates		This week	Last week
	1 USD	155.40 JPY	153.03 JPY
	1 USD	0.8502 EUR	0.8425 EUR
Brent Oil Price		**This week**	**Last week**
	USD per barrel	71.30	67.56

Bunker Prices (US$/tonne)	This week	Last week
Singapore HSFO	460.0	422.0
VLSFO	515.0	476.0
Rotterdam HSFO	427.0	398.0
VLSFO	478.0	441.0

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Dry Bulk S&P

Drybulk sales activity remains at a canter as we move into the year of the horse. The volume of transactions is healthy with eight sales reported in the last week.

Demand for circa 15-year-old Capes has been strong in recent months, many finding new owners based in the Far East. However, all vessels sold have been built in either Japanese or Korean yards. This week, two new sales have surfaced, the first Chinese-built ships of this age sold since *Cape Aqua* (178,055-dwt, 2009 SWS) in October last year at $25.5m. *Cape Brazil* (177,897-dwt, 2010 SWS) is a year younger sister ship sold to Far Eastern buyers at $31m with surveys freshly passed. Meanwhile, scrubber-fitted *Michalis H* (180,355-dwt, 2012 Dalian) has found buyers at $35.5m with a time charter attached until Q4 2026.

A quartet of Supras have been sold at various ages. The standout sale is that of *Lumina* (55,865-dwt, 2015 Mitsui) sold to Niovis at $23m with surveys freshly passed. This is a step up on the year older *Indigo Spica* (58,052-dwt, 2014 Shin Kurushima) which achieved $21m last month. Elsewhere, non-eco tonnage continues to be steadily sold out; *SSI Erdogan Bay* (50,780-dwt, 2010 Oshima - OHBS) has gone at $15m. Liquidity of open hatch boxed Supramaxes is limited however this seems to be a firm price against *Sun Master* (50,714, 2011 Oshima - OHBS) sold for $15.2m in mid-December. At the vintage end of the market, Spar Shipping continues its sell out. This time *Spar Libra* (53,565-dwt, 2006 Chengxi) has been sold at $9.1m with surveys due. Finally, *Oasis Champion* (50,206-dwt, 2002 Mitsui) has been offloaded at $7.5m. Both are broadly in line with last done levels.

To round up this week's sales, *Epiphania* (80,276-dwt, 2012 STX) is reported sold at $17.6m. A slight premium to *Athina Carras* (82,057, 2012 DSME) sold for $17.5m at the start of February. In the Handy sector, *Eurosky* (33,774, 2011 Samjin Weihai) has found Greek buyers at $11.25m.

Next week marks the return from the Lunar New Year holidays with several desirable units taking offers and expectations that eco benchmarks will continue to push higher.

Reported Dry Bulk Sales

Vessel	DWT	Built	Yard	Gear	Buyer	Price	Comment
Cape Kensington	203,512	2006	CSBC	-		$26.0m	Scrubber – surveys due
Michalis H	180,355	2012	Dalian	-		$35.50m	Scrubber – TC attached until Q4 26
Cape Brazil	177,897	2010	SWS	-	Far Eastern	$31.0m	Surveys passed
Epiphania	80,276	2012	STX	-		$17.60m	
Lumina	55,865	2015	Mitsui	C 4x30T	Niovis	$23.0m	Eco M/E
SSI Erdogan Bey	50,780	2010	Oshima	C 4x31T		$15.0m	OHBS
Spar Libra	53,565	2006	Chengxi	C 4x36T	Chinese	$9.10m	Surveys due
Oasis Champion	50,206	2002	Mitsui	C 4x30T		$7.50m	
Eurosky	33,774	2011	Samjin Weihai	C 4x35T	Greek	$11.25m	

Tanker Commentary

Sinokor continues to dominate the headlines in the tanker space. Their latest reported acquisition is that of *Caesar* (318,440-dwt, 2009 HHI) from Pantheon for $70m. At the end of last year, she was for sale with a target price in the high $50s evidencing how much prices have moved up.

Spring Marine are reported to be behind the purchase of a brace of scrubber-fitted LR2s, *FS Endeavor* and *FS Diligence* (108,994-dwt, 2012 Namura, uncoiled) this week, paying circa $43m each enbloc. The last similar age LR2 to sell was *Torm Gauri* (119,456-dwt, 2010 Hyundai Samho) which achieved the equivalent of $34.2m in a cash/share deal. This is a significant premium to last done levels when taking into account that the Torm vessel is coiled and has a larger dwt.

There has been a flush of activity in the LR1 sector with four sales reported this week. Trafigura are rumoured to have bought *Cape Tess* (73,731-dwt, 2009 New Times) and *Cape Tallin* (73,662-dwt, 2008 New Times) for $22m and $20m respectively. This highlights a large difference in pricing when compared to vessels that have reached 20 years old. Two years older vessel *PGC Alexandria* (74,996-dwt, 2006 Onomichi) has also just sold for $15.75m. The final LR1 to have changed hands was *Cabo Froward* (74,543-dwt, 2006 Sasebo) which achieved $12.5m with delivery in July.

Hafnia have offloaded a quartet of eco-Handy tankers from their stable for $31m each. The thoroughbred MR1s - *Hafnia Torres, Hafnia Malacca, Hafnia Sunda, Hafnia Magellan* (39,067-dwt, 2016, 2015, 2015, 2015 HMD) have sold enbloc. This price is in line with the *Eco Revolution* (39,208-dwt, 2016 Hyundai Vinashin) which sold in December for $32m.

Reported Tanker Sales

Vessel	DWT	Built	Yard	Buyer	Price	Comment
Caesar	318,440	2009	HHI	Sinokor	$70.0m	Scrubber
Nordic Pollux	150,103	2003	Universal		$25.0m	
FS Endeavor	108,994	2012	Namura	Spring Marine	$43.0m	Enbloc – Scrubber, Epoxy, Uncoiled
FS Diligence					$43.0m	
PGC Alexandria	74,996	2006	Onomichi		$15.75m	Epoxy, Coiled
Cabo Froward	74,543	2006	Sasebo		$12.50m	Delivery in July – Epoxy, Coiled
Cape Tees	73,731	2009	New Times	Trafigura	$22.0m	Epoxy, Coiled
Cape Tallin	73,662	2008			$20.0m	Epoxy, Coiled
Cabo Negro II	47,236	2006	Shin Kurushima	Chinese	$15.0m	Zinc, Deepwell
Hafnia Torres	39,067	2016	HMD	Interunity	$31.0m	Enbloc – Eco M/E, Epoxy
Hafnia Malacca					$31.0m	
Hafnia Sunda		2015			$31.0m	
Hafnia Magellan					$31.0m	

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