HARTLAND
SHIPPING SERVICES

30 January 2026

WEEKLY COMMENTARY

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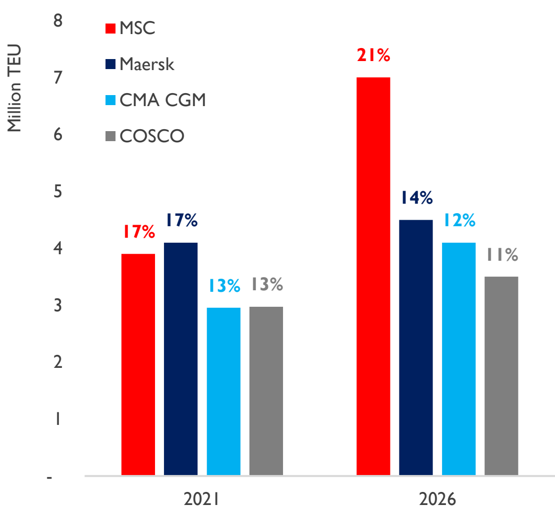
Top Liner Fleets and Market Share



Source: Alphaliner

POINTS OF VIEW

Two weeks ago we discussed Sinokor's quest to conquer the VLCC market, reportedly in partnership with Mr Aponte and MSC. This continues, with reports of several period charters at staggering rates and rumours of MSC ordering VLCCs too. The Sinokor share of the proper (non-shadow) VLCC fleet may reach 20% if various deals close. The MSC connection draws a parallel with ongoing events in the container market. This market has always been different to tramp shipping, with a far greater concentration of ownership than the fragmented tanker and bulker markets. At present though, the fight for container market share is going into overdrive. MSC control over 7m-teu capacity on the water, taking its market share over 21%, with a further 2m-teu on order. They are now clearly the market leader, up from 16% in 2021, they have almost doubled capacity in this period. For comparison, their former alliance partner Maersk were once top dogs but are now far behind (14% today, against 17% five years ago), even though their teu on the water has increased by 12% in the same period. CMA's market share has dipped slightly over the same period, despite adding over 1m-teu of capacity. *

To give a brief recent history of the container market, after years in the over-supply doldrums the market hit unimaginable highs during the pandemic, box freight, TC rates and second-hand values all smashed records in 2021-22, far beyond levels seen pre-2008. Everyone profited, except consumers. Publicly traded Maersk reported profits of US$18bn in 2021 and US$29bn in 2022. Privately owned MSC profits were estimated at EUR36bn in 2022 alone.^ In 2023 there was a correction in box freight, TC rates and values as port congestion unwound and demand faltered. Freight rates were given a boost by Houthi attacks, which instantly added 10% to teu-mile demand in early 2024, with Cape of Good Hope diversions. Since then, continued supply growth has eaten into freight rates, notwithstanding some volatility due to White House tariff tantrums. Today the market is in a curious place, spot freight rates are not catastrophic, but hardly healthy either. The supply-demand outlook looks weak, given the over-hanging orderbook (34% of the fleet), and dire if the Red Sea safely reopens. Against this backdrop however, TC rates and second-hand values remain surprisingly high, whereas usually they correlate with the freight market outlook. Likewise, fresh orders continue, 2025 was the busiest year yet for container orders, beating records set in 2024 and 2021. Such ordering seems at best optimistic, at worst self-immolation.**

There is an explanation for this. Either by accident or design, the lines are in a turbo-charged market share war, and MSC have been the prime mover. The lines' profits have been piled into new orders; nearly 20m-teu of capacity has been ordered since 2020, back then the whole fleet stood at just 23m-teu! Lines have also diversified, into wider logistics, port and air freight sectors to expand end-to-end services. Lines are desperate to get hold of or hold onto any ships possible. Initially this had sound logic; adding capacity to be flexible in a more turbulent geopolitical and trade environment. Now it increasingly seems to be a capacity arms race. Profits have been spent on second-hand ships; MSC are said to have bought nearly 500 since 2020, often older ships of outdated design. Competition has extended into the charter market, with lines fighting to take in ships for long periods. Scrapping has been almost non-existent. A hunt for scale and a complete service offering could lead to a race to the bottom on freight. Whilst a rate war would see competitors bleed cash, the huge buffers built during Covid mean this can last a while. Several are privately owned; their public rivals may see their investors flinch first. Many are also state-affiliated, governments will be reluctant to see their champions go under or taken over by competitors. One day this may all end in tears; will all the lines be weeping or can a few stumble over the line victorious? The best hope for the lines is that a handful control enough tonnage and manage over-supply with slow-steaming, blanked sailings and lay-ups, before freight rates get too low.^^

This has implications beyond the container market. For shipyards, container orders are the backbone of the ongoing newbuild cycle, soaking up capacity and pushing up prices across the board. It has also facilitated the current rise in capacity in China. If we see a market share war that lasts for a few more years, this should mean sufficient container ordering to keep yards busy for the rest of the decade. This would tie up slots and help tanker and bulker owners avoid the worst excesses of over-ordering. Fingers crossed. The other victors are consumers; with our packages delivered for a few pennies less. For now, attempts to dominate mainstream shipping sectors are likely limited to the container and now VLCC market. Is anyone brave or rich enough to try it elsewhere?

*CMA's share has gone from 12.6% to 12.4% in this period. For full breakdown of capacity and market share changes of the top four lines, see above chart. Note, includes both owned and TC-in tonnage, excludes any tonnage on order.

^Tradewinds reported in 2023 that MSC's EBIT for 2022 were placed at EUR 35.7bn by Italian media sources.

**A more sympathetic reading of this of ordering is that the lines are doing their bit for the environment. There is merit in this given the enormous fuel savings between modern and older ships, and the fuel economies of scale from upsizing tonnage. There are however two inconsistencies here; firstly, most ordering is still for ships running on fuel oil or LNG (83% of the orderbook in capacity terms), not potentially lower carbon methanol and ammonia fuels. Likewise, all of the existing older, dirtier ships are still in service, not being scrapped.

^^MSC are also unique amongst the lines as the line going it alone, the remainder are all in major alliances.

Data from AlixPartners shows that box rates are already getting close to, but still above loss-making levels. Maersk's EBIT in Q3-25 was $1.3bn, down from $3.3bn in 2024. The industry's EBIT margin (a measure of profitability) in 2025 was placed at 14%, nowhere near the 40% of 2022, but still above the 0-5% levels seen from 2015-19.

Another factor to consider is the lack of debt in the sector, with the lines using the extraordinary profits of 2021-22 to deleverage.

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Dry Cargo Chartering

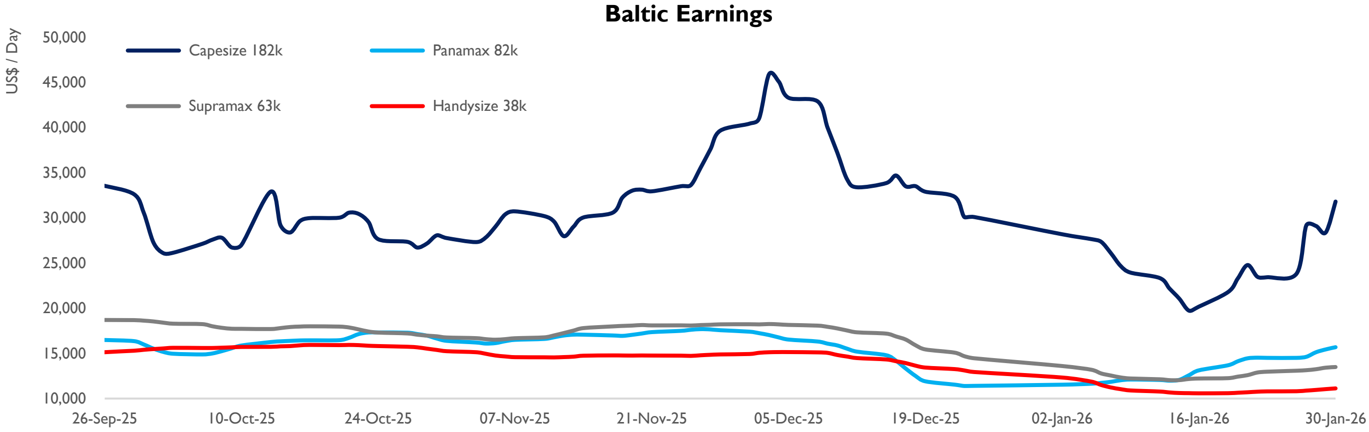
By week's end, the BDI was up 386 points at 2,148, while the BCI 182k-dwt had a strong week overall and gained $8,378 to finish at $31,809. The **Capesize** market rebound was led by renewed strength in the Atlantic where tightening vessel supply and improved activity boosted already strong sentiment. The Pacific also saw improvement as Australian volumes returned, helping to push rates on. On the Brazil and West Africa routes, a quickly thinning tonnage list supported a very firm environment but continued ballasting from the East limited upside on forward dates.

The BPI closed this week at $15,686 up $1,182 since last week. The **Panamax** market continued to build on the gains seen last week, which had been on the back of some weather-related tightening in the Atlantic, and there were further rises on all the Atlantic routes this week. Some of the positive momentum in the Capesize market has also trickled down into the sector too.

The BSI closed this week at $13,489 up $514 since last Friday. The **Supramax** market remained fairly subdued across the Atlantic, where Mediterranean-Continent demand was largely absorbed by available tonnage. The US Gulf maintained stable conditions and the South Atlantic continued to trade on a positional basis, with limited new enquiry surfacing. In Asia, activity was more supportive in the northern regions, driven by healthy NoPac and backhaul demand, while conditions remained more balanced further south. A 59k-dwt was heard fixed delivery Indonesia for redelivery China in the $9,000s. Period interest was a notable feature of the week, with first-class charterers actively seeking modern tonnage for long cover. Two newbuilding Ultramax vessels, delivering ex-yard Japan and China respectively, were fixed for one year at $16,000, highlighting improved confidence on the forward outlook.

The BHSI closed this week at $11,124 up $331 since last week. Severe weather across the Atlantic has disrupted **Handysize** operations in the Southern Continent and West Mediterranean, causing significant delays and likely congestion well into the coming weeks. Despite the disruption, some business is moving, with a 34k-dwt reported fixed for a bulk cement cargo from Turkey to the US Gulf at $10,000. The US Gulf tonnage list remains long, though a steady stream of enquiry is helping to keep the market broadly balanced, with owners still targeting mid-teen levels for trans-Atlantic voyages. Meanwhile, grain exports from South Brazil and Argentina remain active, supporting rates in the high teens for trips into the Continent and Mediterranean. The Pacific market firmed modestly amid increased fresh enquiries and charterers raising their bids. The Far East led the uptick, although West Coast South America remains the strongest market in the Pacific.

Baltic Earnings



Representative Dry Cargo Market Fixtures

Vessel	DWT	Built	Delivery	Date	Redelivery	Rate ($)	Charterers	Comment
MG Mercury	84,790	2016	Hirohata	28 Jan	Singapore-Japan	$13,500	Samjoo	Via NoPac
Lowlands Concord	82,778	2024	Ghent	6 Feb	Vietnam	$23,750	Mercuria	Via US East Coast
Dart Trader	79,467	2011	Yuhuan	27 Jan	Singaopore-Japan	$5,500	Cnr	Via Indonesia
Bettys Love	77,171	2008	Singapore	2 Feb	Singapore-Japan	$14,000	Panocean	Via East Coast South America
Ionian Princess	76,596	2007	Ulsan	2/7 Feb	Singapore-Japan	$11,500	Panocean	Via NoPac
QC Punny	63,425	2024	Houston	5/10 Feb	Nacala	$19,000	Drydel	-
Helian Equilibrium	56,815	2011	Morowali	Ppt	China	$7,000	Tongli	Via Indoensia
Lia	56,772	2011	Durban	Ppt	Singapore-Japan	$11,500	Oldendorff	$115,000 ballast bonus
Pacific Wave	37,644	2017	Matarani	Ppt	West Coast India-Japan	$14,250	Drydel	2/3 laden legs
S Neptune	29,037	2012	Upriver	Ppt	Casablanca	$11,000	Clipper	-

Exchange Rates		This week	Last week
	1 USD	154.24 JPY	158.29 JPY
	1 USD	0.8389 EUR	0.8514 EUR
Brent Oil Price		**This week**	**Last week**
	USD per barrel	70.78	65.87

Bunker Prices (US$/tonne)	This week	Last week
Singapore HSFO	428.0	382.0
VLSFO	484.0	451.0
Rotterdam HSFO	397.0	369.0
VLSFO	439.0	419.0

Dry Bulk S&P

We've seen varied activity in the older dry bulk sector this week but no eco deals to report, although interest in eco ships is extremely hot when any ships do enter the market.

The Right Honourable member for Holborn and St Pancras was in China this week, bringing news of visa-free movement of British citizens traveling to China. In the Capesize market we have also seen a healthy chunk of free movement. The spot market has increased to nearly $32k per day up from $23k per day last week. These are strong levels given the usual frost the market endures in the run up to Chinese New Year. With that in mind, we have a pair of Japanese Capes sold enbloc to report this week. *Ally* (185,897-dwt, 2005 Kawasaki) and *Mikata* (177,173-dwt, 2005 Namura) sold for $18.5m each. Compared to last done, the pair fair a little lighter, with the last similar aged Japanese Cape sold being the scrubber fitted *Montecristo* (180,093-dwt, 2005 Imabari) back in December, changing hands for $20.5m. It is unlikely that this is indicative of a change in pricing, given how condition-dependant prices at this vintage often are, and the overwhelmingly positive sentiment in the spot market.

Three Kamsarmax sales were completed this week, with three years between each of them, *Rize* (81,950-dwt, 2012 HMD) at $17.7m, *Cretansea* (81,508-dwt, 2009 Universal) at $15.0m, *Aya* (82,992-dwt, 2006 Tsuneishi Zosen) at $10.7m. The first two mentioned are largely on par with last done. The outlier, Aya, sold for $10.7m which is $0.8m more than her sister *Yasa Pioneer* (82,849-dwt, 2006 Tsuneishi Zosen) achieved in mid-November.

This week we can report the sale of *MDM Bromo* (53,633-dwt, 2007 Yangzhou Dayang) which has recently passed dry dock for $8.1m. This compares lightly to *Spar Canis* (53,565-dwt, 2006 Chengxi) which has sold with surveys due for $9m. However, it is worth noting that ships from this latter owner have historically commanded a premium in the market.

Finally, to round off this week of upward trending dry prices, a brace of Handys from JNS sold. *Yangtze Grace* (32,503-dwt, 2012 JNS) & *Yangtze Happiness* (32,377-dwt, 2012 JNS) have sold to different Chinese owners for $10.2m each. The exact sister sold was *Yangtze Flourish* (32,503-dwt, 2012 JNS) for high $9m in November.

Reported Dry Bulk Sales

Vessel	DWT	Built	Yard	Gear	Buyer	Price	Comment
Ally	185,897	2005	Kawasaki	-		$18.50m	Enbloc for $37m
Mikata	177,173	2005	Namura	-		$18.50m	
Rize	81,950	2012	HMD	-		$17.70m	
Cretansea	81,508	2009	Universal	-		$15.0m	
Aya	82,992	2006	Tsuneishi	-		$10.70m	
Anthea	76,781	2006	Sasebo	-		$9.70m	Surveys due 04/26
Spar Canis	53,565	2006	Chengxi	C 4x36T	Chinese	$9.0m	Surveys due
MDM Bromo	53,633	2006	Yangzhou Dayang	C 4x35T		$8.10m	Surveys passed
Jetstream	34,563	2012	SPP	C 4x35T		$13.50m	
Yangtze Grace	32,503	2012	JNS	C 4x31T	Chinese	$10.20m	
Yangtze Happiness	32,377	2012	JNS	C 4x31T	Chinese	$10.20m	

Tanker Commentary

Sinokor's clear up of VLCC tonnage continues, with the scrubber fitted *Agneta Pallas III* (299,991-dwt, 2013 Hyundai) fetching $90m. Greek buyers are also making moves in the sector, with CSSC *Liao Ning* (307,880-dwt, 2020 Dalian) being reported sold for $112.5m, however this soft price is due to the 6-8 months TC remaining at below market rates, with a one year charterers' option. For reference, Frontline announced earlier this month the sale of a bloc of 10yo Korean built VLCCs, all of which are trading spot, with an average unit price of $104m. Meanwhile *Asian Lion* (297,572-dwt, 2009 SCS) has been reported as sold, also to Greeks, for $60m. It is worth noting that Sinokor purchased the year younger, sister ship, *Solana* (296,681-dwt, 2010 SCS) earlier this month for $66m.

In the LR1 segment, a fresh benchmark has been set in the highly illiquid modern end of the market. Greek buyers are reported as the buyers of *Aristarchos* (79,905-dwt, 2017 Onomichi) for $44m.

Deepwell design *Seaways Grace* (49,999-dwt, 2008 HMD) and *Seaways Madeleine* (49,999-dwt, 2008 HMD) have been sold enbloc for a price in the high $16m each, both ships have docking due within this year. These prices are higher than last done, given the same owners offloaded *Seaways Star* (49,999-dwt, 2008 HMD) and *Seaways Olive* (49,999-dwt, 2008 HMD) in December for $16m each, also with docking due in 2026.

Our final MR2 sale to report this week, *Star Merlin* (53,755-dwt, 2007 Shin Kurushima), has achieved a price of $14.5m. The last similar age pumproom to sell was the *Okee Ulf* (53,688-dwt, 2006 Shin kurushima) which achieved $12.9m earlier this month with SS/DD freshly passed.

Reported Tanker Sales

Vessel	DWT	Built	Yard	Buyer	Price	Comment
CSSC Liao Ning	307,880	2020	Dalian	Greek	$112.5m	Scrubber
Agneta Pallas III	299,991	2013	Hyundai	Sinokor	$90.0m	Scrubber, eco M/E
Asian Lion	297,572	2009	SCS	Greek	$60.0m	Scrubber
Aristarchos	79,905	2017	Onomichi	Greek	$44.0m	Epoxy
Star Merlin	53,755	2007	Shin Kurushima		$14.50m	Epoxy
Seaways Grace	49,999	2008	HMD		$16.80m	Enbloc
Seaways Madeleine					$16.80m	

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