14 August 2026

HARTLAND
SHIPPING SERVICES

WEEKLY COMMENTARY

CONTENTS

POINTS OF VIEW

The wars in Europe and the Middle East are no closer to a peaceful conclusion. On the contrary, they are both expanding their intensity and geographical spread. In Putin's war against Ukraine, he is taking advantage of Kyiv's lack of Patriot interceptors and striking a broad range of targets using ballistic missiles supplied by North Korea. In reply, Ukraine continues to launch long-range drone assaults deep inside Russia, hitting oil refineries, transport hubs and warehouses. Ukraine has targeted foreign tankers loading Kazakh crude at the CPC terminal in Novorossiysk as well as Russian-linked tankers exporting refined products from other Black Sea ports. Russian fuel exports are suspended, and gasoline is now being imported from Belarus and neighbours, and even from India. Both sides are escalating their attacks on civilian and commercial facilities, including ships and ports. Israel has just torn up the Board of Peace roadmap for Gaza and upped its military activities in Gaza, Lebanon and the West Bank. Netanyahu wants a forever war until Iran's proxies, and Iran itself, have all been neutralised. This is not the war Trump had signed up to, but he may find US extrication from it difficult. In the past week, the Houthis allegedly killed six crew at sea and dozens more people ashore in the southern Red Sea. This considerably raises the risk of a return to all-out Saudi-Yemen war that will span the whole Red Sea. Efforts to reopen Hormuz have been frustrated by the US and Iran making extreme demands,* moving further away from the terms outlined in the vague June 17 MoU. Last weekend, Tehran said that there would be no deal unless the US ended its blockade and paid war damages. The US president replied on Truth Social with a counter-demand for compensation for 50 years of Iranian hostile activities.** Not constructive.

Out east, Taiwan is winding up its largest ever military manoeuvres that are aimed at deterring a Chinese invasion. It has been preparing the nation for a whole-of-society defence, cyber shutdown and plans to switch civil industries to war production, something it might have learnt from Russia and Ukraine. The chances of an invasion are low, not least because China will be watching the quagmires of Russia in Ukraine and America in Iran. Ambrose Evans-Pritchard, writing in the Telegraph, thinks a more likely scenario is a customs blockade by air and sea, to gain arms-length control over 90% of the world's production of advanced semiconductors. The US is pulling back from the Asia-Pacific and removing its weaponry to supply its forlorn effort in the Middle East. Taiwan, like Ukraine, is losing faith in the US to come to its rescue in the event of Chinese aggression. AE-P points out that "Taiwan's parliament is controlled by the Kuomintang party, which thinks Trump is a psychopath and that the future lies with a rising China." To be fair, the US is disloyal to its historic allies and friendly with the West's enemies and competitors. So, Putin's war in Ukraine and Trump's war with Iran may indirectly lead to a peaceful cross-Taiwan-strait outcome. Ironic: Trump as an actual peacemaker. Foreign Affairs envisages an alternative: a "blockade by fire". China would use a relatively small number of ballistic missiles to disable Taiwan's ports without blocking passing seaborne traffic to neighbours such as Japan and South Korea, leaving Taiwan's cities unaffected and intact.^ Commercial shipping should be safe, but unable to load and discharge cargo in Taiwan. A blockade by fire option might see the US less likely to get involved, given less total disruption.

Returning to Iran. Despite the US and Iran having hardened their positions, on Wednesday Pakistan's defence minister, Khawaja Asif, said that the US and Iran are "close to some sort of arrangement" on the Strait of Hormuz. He added: "Things are shaping up in favour of peace." We have lost track of how many times we have been given falsely optimistic statements by all parties, be they combatants or mediators. Maybe it is just another ruse to manipulate oil prices with connected parties making money from front-running trades. Also midweek, Trump claimed that the US had "total control over the Hormuz Strait", a patently untrue assertion. We clearly cannot rely upon the pronouncements of the US, Iran, Qatar, Oman and Pakistan – let's just politely call it the 'fog of war'. Trump says that the conflict with Iran is "going fine" despite an Israeli-revealed assassination threat to him last month when leaving a Nato summit in Ankara.^^ It led to a clandestine plane switch with AF1 being used as a decoy with White House personnel, the WH press pool and others on board. The Iranian threats are real and are behind a new trilateral defence pact between Saudi Arabia, Turkey and Pakistan marrying oil wealth, military hardware and nuclear capability. The unnamed common enemy is Iran. The deal – that uses a Nato Article 5 'all for one, one for all' principle – was signed in Mecca and may be open to Egypt joining. The Turkish foreign minister noted that outside powers entering the region, read the US, did not so much solve problems as make them more acute. Another reminder of how Trump's actions are alienating America's traditional allies, now spreading across the Middle East region, joining much of Europe and Asia. It really would be easy to conclude that current wars are expanding and intensifying and going truly global, just like shipping.

U.S. Munitions Inventories Are Running Low

Munitions inventories before and after the Iran war and transfers to Ukraine

System	Transferred to Ukraine	U.S. inventory pre-Iran war	U.S. inventory as of end of July 2026
Patriot Missile defense system	Up to 600	~3,100	~800
Stinger Missile defense system	3,000+	Few	Several hundreds
ATACMS Tactical missile	50 to several hundreds	~1,000	~900
HARM/AARGM Tactical anti-radar missile	Unknown	Thousands	Diminished

Source: CSIS

statista

Source: Statista

*Iran and Oman had been discussing reopening Hormuz, with free passage for 60 days, then fees to be applied. The US was not directly involved in such talks.

**Hardline IRGC elements also want the withdrawal of US forces from the vicinity and all sanctions lifted. Sequencing is still a problem. Who goes first?

The US military policy of might is right is failing. Its might is proving theoretical and might is not putting things right. It is now amping up economic suffocation.

^FA's model suggests that China would need to fire fewer than 500 missiles over 100 days to reduce Taiwan's imports to 15% of their average peacetime level.

This reduces risk of accidental damage to foreign ships, thus limiting the chance of outside powers being dragged into a war. Risks to civilians would be much lower.

Separately, Beijing announced joint drills with Indonesia to the east of Taiwan, N. Korea fired a ballistic missile off its east coast, and Putin visited the Kirils.

N. Korea is about to send another 50,000 troops to Russia (it has 3.6mn), plus missiles and munitions, for use in Ukraine. Cuba supplied 15,000 troops so far.

N. Korea got $22bn from Russia 2022-25 lifting annual GDP growth to average 3.4% 2023-25. It also makes Russia a rival patron to China, gaining NK leverage.

^^Iranian operatives knew where and on which floor Trump stayed in Ankara. Someone was seen at the airport with a shoulder-launched surface-to-air missile.

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HARTLAND SHIPPING SERVICES

Dry Cargo Chartering

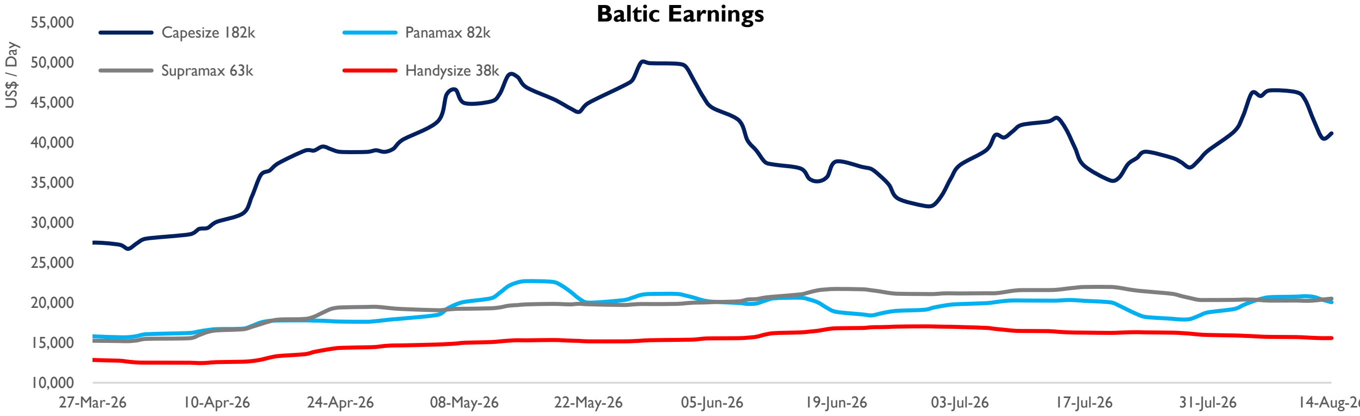
The Dry cargo sector experienced a quiet week, with the Singapore public holiday on Monday, along with the general summer holiday period, leaving the markets generally unchanged. The BDI closed today at 2,863, down 226 points this week, while the BCI closed at $41,155, down $5,357 since last Friday. The **Capesize** sector experienced a softer week. The Pacific was particularly weak, with owners finding themselves competing for limited cargoes. In the Atlantic, there were pockets of resilience, with the South Brazil and West Africa to China routes remaining steady.

The BPI closed today at $20,055, down $629 this week. The **Panamax** market was also relatively subdued. In the Atlantic, momentum weakened as the week progressed, with vessel availability outpacing demand and increasing competition for cargoes, ultimately putting pressure on Transatlantic and fronthaul rates. The Pacific was more supportive, with steady demand and prompt tonnage tightening. Last week's weather delays also helped maintain owners' confidence, with an 81,000-dwt vessel fixing a North Pacific round trip at $19,000.

The BSI finished at $20,508, up $250 rom last Friday. The **Supra/Ultramax** market began the week on a steady note. The Atlantic showed signs of increased enquiry, particularly in the Mediterranean. The headline in the US Gulf is that Indian bound cargoes rates are getting up towards $40,000 for modern 64k-dwt tonnage, and only a tick less ex-USEC. There is congestion in many Indian ports and little backhaul cargo without ballasting to the far east, helping to explain the strong numbers. Asian markets were mostly flat, with backhaul steels activity correcting, although demand into West Africa for vehicles/equipment/machinery carried on deck continues to support fixing levels.

The BHSI closed this week at $15,579, down $150 from last Friday. The **Handysize** market showed little change in overall dynamics, with sentiment remaining largely positional across the Atlantic and Pacific. Across the Continent and Mediterranean, rates remained soft, with limited cargo availability. *SSI Meral Hanim* (37,238-dwt, 2011), open in Liverpool, fixed via Germany to the East Mediterranean with steels at $19,400. The Mediterranean weakened, with owners scrambling to fix Trans-Atlantic trips around $10,000 and lower. The South Atlantic held steady, while activity in the US Gulf was frantic, as owners searching for cover at the start of the week, left a backlog of prompt tonnage and little to no fresh enquiry arising towards the end of the week. The Pacific market remained quiet but stable. Some period enquiry continued to surface, with *ATN Unity* (30,611-dwt, 2007), open at Rio Tuba, fixing for 5-7 months at $11,000. A 40,000-dwt vessel open in the Far East fixed for a trip to the Continent with parcels at $19,000, while a 38,000-dwt vessel open in Southeast Asia fixed for a trip to the US West Coast with project cargo at $17,500.

Baltic Earnings



Representative Dry Cargo Market Fixtures

Vessel	DWT	Built	Delivery	Date	Redelivery	Rate ($)	Charterers	Comment
Zeta P	82,028	2026	Singapore	3 Aug	Far East	$24,500	Cnr	Via East Coast South America
Star Calypso	81,918	2014	Singapore	29 Jul	Singapore-Japan	$19,400	Cnr	Scrubber for owners
Zhen Ning	79,463	2012	Zhanjiang	11 Aug	South China	$16,500	Cnr	Via Indonesia
Broad Rise	76,585	2006	Bahudopi	11/13 Aug	South China	$20,000	Cnr	Via Indonesia
Pabal	76,118	2012	Port Dickson	7/10 Aug	Philippines	$17,500	Oldendorff	Via Indonesia
Vitality Diva	63.665	2023	Port Elizabeth	15/20 Aug	China	$24,500	Cnr	$245,000 gross ballast bonus
Zinovia	63,587	2026	SW Pass	Ppt	Singapore-Japan	$29,000	Oldendorff	-
Talbot	56,823	2009	Durban	14/18 Aug	Far East	$18,500	Oldendorff	Via South Africa $185,000 gross ballast bonus
Alamo	39,258	2019	Thailand	Ppt	South East Asia	$16,000	Cnr	-
Cleantec	33,344	2009	Rio Grande	Ppt	East Coast South America	$13,000	Seacape	-

Exchange Rates		This week	Last week
	1 USD	158.94 JPY	158.30 JPY
	1 USD	0.8633 EUR	0.8674 EUR
Brent Oil Price		**This week**	**Last week**
	USD per barrel	87.87	81.44

Bunker Prices (US$/tonne)	This week	Last week
Singapore HSFO	627.5	593.0
VLSFO	831.0	812.0
Rotterdam HSFO	537.5	499.0
VLSFO	661.0	626.0

Dry Bulk S&P

Mid August has brought plenty of heat in the UK and throughout Europe. There is also plenty of heat in the dry secondhand market, particularly for eco Japanese and affiliated tonnage. In the Capesize sector, *Princess Eternity* (182,263-dwt, 2022 JMU) has reportedly sold for $78m, however, this was on a three year BBHP term which makes it difficult to compare with the straight sale of the scrubber-fitted *Lady Deena* (182,588-dwt, 2020 JMU), which fetched $70m in June.

BBG Wuzhou (81,895-dwt, 2016 Tsuneishi Zhoushan) has sold via online auction with DD/SS due at its reserve price $29.03m with only one offer. Given the nature of the sale and the string of recent comparable ships sold, this does not seem to provide a genuine market benchmark. Unlike *Presinge* (81,886-dwt, 2015 Tsuneishi Zhoushan) which has sold to Asian buyers for $31m, whilst *Royal Hope* (81,011-dwt, 2015 JMU) achieved $30.8m.

To cap the week off, the 2019-built *Gramos* (61,171-dwt, NACKS) has reportedly sold to NG Livanos for $34.5m. No similar age NACKS ships have sold recently, however, the price shows NACKS being priced closer to a Japanese price than a Chinese. The discount to the recent 2020 scrubber-fitted Oshima Ultras sold by Oldendorff for high 36s / 37m (*Britta / Benjamin Oldendorff,* 62.2/62.6k-dwt 2020 Oshima, scrubber-fitted) is very modest when allowing for a slight difference in age, dwt and accounting for the scrubber.

It does not seem to be a coincidence that the last couple of week's sales tables have been dominated by quality eco tonnage. Buyers are happy to work over summer to secure good, modern ships but it seems older tonnage has seen less attention recently.

Reported Dry Bulk Sales

Vessel	DWT	Built	Yard	Gear	Buyer	Price	Comment
Princess Eternity	182,263	2022	JMU			$78.00m	3 yr BBHP
BBG Wuzhou	81,895	2016	Tsuneishi Zhoushan			$29.03m	SS/DD due, Auction
Presinge	81,886	2015	Tsuneishi Zhoushan		Asian	$31.00m	
Royal Hope	81,011	2015	JMU			$30.80m	
Kartini Samudra	73,592	2004	Daewoo			$7.80m	
Gramos	61,171	2019	NACKS	C 4x30T	NG Livanos	$34.50m	

HARTLAND SHIPPING SERVICES

Tanker Commentary

Activity in the tanker S&P markets has been quiet this summer, except ADNOC's hunt for VLCCs, but this week has seen more life.

The highlight of this week's report are a pair of newbuild resale MR2 tankers - *On Prosper* (50,100-dwt 2026 Hyundai Medium) & *On Promise* (50,100-dwt 2026 Hyundai Medium) which have been bought enbloc for $61m each. Both vessels are expected to deliver from the yard within the next 3 months. For context a newbuild with 2029 or even 2030 delivery would cost ~$45m in China and a tad over $50m in Korea, unsurprisingly there is clearly an enormous premium (close to $10m) for a prompt ship.

Adding to the list of Suezmaxes changing hands this year - *Sonangol Namibe* (158,425-dwt 2007 Daewoo) has been sold for $49.7m. This price is almost exactly in line with *Cosmo Sail* (159,233-dwt, 2007 Hyundai Samho) which was sold for $49.5m two months ago.

Moving down to the vintage MR2 sector, *Atlantic Eagle* (47,128-dwt, 2007 HMD) is reported sold for $18m. This is a healthy price against *Minerva Rita* (50,922-dwt, 2006 STX) which was sold for $16.1m last month, considering the latter was sold with surveys freshly passed.

Elsewhere, stainless steel chemical tanker sisters *Damsgaard* & *Loevstakken* (both 19,998-dwt 2016 Fukuoka) have been sold enbloc to Clear Ocean at $33m each. This appears to be a decent price when compared to the younger stainless steel tanker Eva Hongkong (19,861-dwt, 2017 Usuki) which was sold just 3 weeks ago for $30m.

Reported Tanker Sales

Vessel	DWT	Built	Yard	Buyer	Price	Comment
Sonangol Namibe	158,425	2007	Daewoo		$49.70m	
On Prosper	50,100	2026	HHI		$61.00m	Delivery 08/26
On Promise					$61.00m	Delivery 10/26
Atlantic Eagle	47,128	2007	HMD		$18.00m	
Mumbai	46,818	2003	HMD		$10.35m	
Maersk Kate	39,756	2010	GSI	Greeks	$21.90m	
Damsgaard	19,998	2016	Fukuoka	Clear Ocean	$33.00m	STST, Enbloc
Loevstakken	19,996				$33.00m	

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