

Market Insight

By Nikos Tagoulis, Senior Analyst

The LNG shipping sector has entered 2025 under pressure, amid challenging market fundamentals and significant geopolitical developments. U.S. energy and trade policies, the evolving situation in the Red Sea and the impacts of the cessation of Russian pipeline gas flows through Ukraine's territory are expected to exert considerable influence over the LNG market.

In the wake of President Trump's recent announcement of 10% tariffs on imports from China, along with a temporary pause on similar measures for Mexico and Canada, China has responded with its own set of tariffs, including a 15% tariff on U.S. LNG. These developments raise concerns about a shift towards a new trade war. The evolving tariff landscape may lead to impacts on LNG prices and reshuffling in trade patterns, affecting shipping routes and ton-mile demand.

Additionally, the cessation of the Russian natural gas flows through Ukraine has prompted Europe to seek for alternative supply sources to decrease its dependency on Russian gas. The market has witnessed a spike in seaborne LNG imports from USA through the Greek terminals of Revithoussa and Alexandroupoli. It is expected that this trend will continue, with increased imports via Greece and Turkey as EU puts efforts to meet the LNG needs of Central Europe which were previously covered by the Russian pipeline. In general, the US LNG exports to Europe are expected to rise, nevertheless, the shorter distances compared to the US-Asia trade, imply a reduction in ton-miles.

Moreover, the potential reopening of Red Sea trade following the ceasefire in Gaza is expected to have mixed effects on the LNG shipping sector. On the one hand, it may rejuvenate certain routes such as Qatari LNG shipments to Europe, or Algerian exports to Asia. However, reduced deviations around the Cape of Good Hope would likely decrease ton-mile demand while simultaneously increasing the active tonnage supply of an already sizable LNG fleet. Additionally, the timing of a full resumption of Suez Canal trade and the assessment of risks of navigating this route by the U.S. shippers are important factors to consider.

For 2025, the LNG trade is expected to increase by 4.6%, nevertheless it is estimated that the market will remain under pressure, since this growth is expected to be outpaced by a more robust expansion of tonnage supply.

LNG shipping sector is experiencing a downturn, as boldly reflected in the record low freight rates, which are declining constantly since 2H 2024. Presently the spot rate of a 174K cbm LNG carrier stands at the depressing \$9,000, which is 83% lower than the 2024-average of \$54,149/day. The TC market follows the same trend, with 1-year TC rate having settled at \$25,000/day versus \$68,962/day average TC of 2024, which can be considered already a year of low rates, considering 2023 and 2022 averages (\$152,308/day and \$172,096/day respectively).

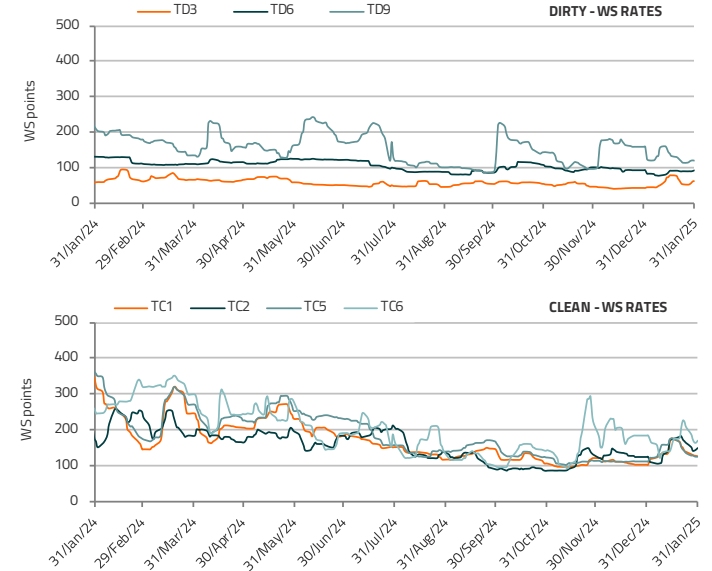
Moving to the supply side, overcapacity prevails, as many vessels have entered the market following the ordering wave of the post covid period. The tonnage is expected to keep growing on a robust pace of 10% and 12% in 2025 and 2026 respectively, since the orderbook is still high, at 49.50% of the total tonnage. Presently, the LNG fleet comprises 806 units of ca. 121.33 m cbm aggregate capacity, implying a 7.9% y-o-y growth. Most of these vessels are large, above 140,000 cbm tonnage, counting 633 vessels of approximately 108.3 m cbm (89% of total capacity). In January the newbuilding prices declined gradually, from \$260m (for a 174k cbm vessel) at the beginning of the month to \$257m by month-end, 2.3% lower than 2024 average price of \$262.97 m.

On the demolition front, it seems that the first scrap sale for 2025 took place, as the S. Korean owner Hyundai LNG Shipping decided to sell for recycling a 29-year-old LNG carrier. Despite a subdued activity in 2024, some owners may consider dismantling older tonnage in 2025, given the current market conditions, and especially the units redelivering from long term contracts. In 2024 recycling activity comprised 8 vessels totaling approximately 0.96 m cbm, versus 7 units demolished in 2023 (0.69 m cbm).

Indicative Period Charters

Vessel	Routes	31/01/25		24/01/25		\$ / day ±%	2024 \$/day	2023 \$/day
		WS points	\$/day	WS points	\$/day			
VLCC	265k MEG-SPORE	62	41,709	53	31,611	31.9%	37,255	39,466
	260k WAF-CHINA	62	40,315	58	35,639	13.1%	37,722	38,773
Suezmax	130k MED-MED	85	30,946	80	25,795	20.0%	50,058	62,964
	130k WAF-UKC	88	34,455	77	27,479	25.4%	25,082	11,031
	140k BSEA-MED	91	29,994	89	27,677	8.4%	50,058	62,964
Aframax	80k MEG-EAST	147	31,978	148	31,709	0.8%	39,357	44,757
	80k MED-MED	119	27,671	125	30,392	-9.0%	43,235	49,909
	70k CARIBS-USG	119	18,611	113	15,993	16.4%	36,696	46,364
Clean	75k MEG-JAPAN	125	23,725	138	27,776	-14.6%	40,263	32,625
	55k MEG-JAPAN	124	14,188	134	16,245	-12.7%	30,922	27,593
Dirty	37k UKC-USAC	148	15,349	162	17,803	-13.8%	15,955	21,183
	30k MED-MED	169	19,481	207	29,978	-35.0%	27,508	32,775
	55k UKC-USG	110	7,685	110	7,289	5.4%	17,707	27,274
	55k MED-USG	110	6,407	110	6,153	4.1%	17,590	27,060
50k ARA-UKC	178	24,128	192	27,536	-12.4%	26,872	46,194	

No Fresh Fixtures to Report	
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TC Rates

	\$/day	31/01/25	24/01/25	±%	Diff	2024	2023
VLCC	300k 1yr TC	45,500	48,000	-5.2%	-2500	50,365	48,601
	300k 3yr TC	42,750	44,500	-3.9%	-1750	47,339	42,291
Suezmax	150k 1yr TC	34,000	34,500	-1.4%	-500	45,394	46,154
	150k 3yr TC	32,000	32,000	0.0%	0	38,412	35,469
Aframax	110k 1yr TC	31,000	31,500	-1.6%	-500	45,168	47,226
	110k 3yr TC	29,500	30,000	-1.7%	-500	39,748	37,455
Panamax	75k 1yr TC	26,500	27,000	-1.9%	-500	37,750	37,769
	75k 3yr TC	21,500	21,500	0.0%	0	31,787	29,748
MR	52k 1yr TC	21,250	22,000	-3.4%	-750	30,764	30,452
	52k 3yr TC	20,250	21,250	-4.7%	-1000	26,402	25,152
Handy	36k 1yr TC	18,250	19,250	-5.2%	-1000	26,606	25,760
	36k 3yr TC	17,500	18,750	-6.7%	-1250	19,993	18,200

Indicative Market Values (\$ Million) - Tankers

Vessel	5yrs old	Jan-25	Dec-24	±%	2024	2023	2022
		avg	avg				
VLCC	300KT DH	114.0	114.3	-0.2%	113.0	99.5	80.2
Suezmax	150KT DH	76.0	76.0	0.0%	81.0	71.5	55.1
Aframax	110KT DH	64.6	67.3	-3.9%	71.0	64.4	50.5
LR1	75KT DH	51.0	53.5	-4.7%	53.8	49.2	38.6
MR	52KT DH	41.2	42.5	-3.1%	45.8	41.4	34.8

Chartering

The crude carrier market experienced a more active week, with VLCC rates rising notably. The Middle East Gulf (MEG) to China route climbed to WS 60.8, up from WS 51.85 the previous week, driven by increasing demand. This upward trend could continue as OFAC sanctions are expected to further support VLCC utilization, tightening vessel supply. However, the broader market outlook remains uncertain. Economic growth is projected to slow, particularly with the Trump administration expected to implement widespread tariffs, which could dampen trade activity. At the same time, Chinese demand will be a crucial factor in shaping the freight environment, while the reopening of the Red Sea route is likely to reduce tonne-mile demand, exerting downward pressure on rates. Given these dynamics, geopolitical developments will continue to influence market sentiment within the tanker sector.

Adding to this uncertainty, a 10% tariff on Canadian crude oil imports into the U.S. was imposed last week, only to be suspended yesterday for 30 days. Such policy fluctuations are likely to introduce further volatility in freight rates throughout the year, making the market increasingly unpredictable.

VLCC T/C earnings averaged \$ 38,236/day, down -14.18% w-o-w, and closed off the week at the \$41,535/day mark.

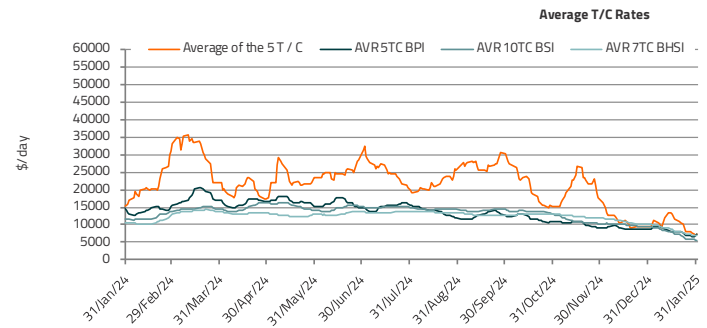
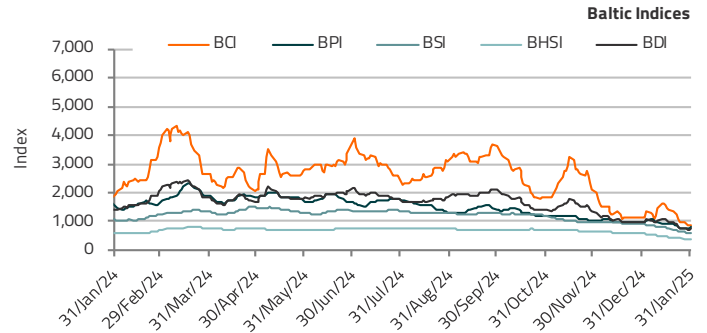
Suezmax T/C earnings averaged \$ 28,430/day, up +0.54% w-o-w. On the Aframax front, T/C earnings averaged \$ 24,639/day, down -2.36% w-o-w.

Baltic Indices

	31/01/25		24/01/25		Point	\$/day	2024	2023
	Index	\$/day	Index	\$/day	Diff	±%	Index	Index
BDI	735		778		-43		1,743	1,395
BCI	874	\$7,252	983	\$8,156	-109	-11.1%	2,696	2,007
BPI	800	\$7,199	774	\$6,969	26	3.3%	1,561	1,442
BSI	603	\$5,594	639	\$6,044	-36	-7.4%	1,238	1,031
BHSI	377	\$6,780	411	\$7,406	-34	-8.5%	702	586

Indicative Period Charters

11 to 13 mos	SOTR HERA	2022	84,980 dwt
dely Dongguan 1 Feb redel worldwide	117% to BPI		Summit Trading
12 mos	EXPLORER AFRICA	2012	61,360 dwt
dely Yantai 29 Jan redel worldwide	\$13,750/day		CTM



TC Rates

	\$/day	31/01/25	24/01/25	±%	Diff	2024	2023
Capesize	180K 1yr TC	21,750	21,000	3.6%	750	27,014	17,957
	180K 3yr TC	19,000	18,250	4.1%	750	22,572	16,697
Panamax	76K 1yr TC	10,500	10,500	0.0%	0	15,024	13,563
	76K 3yr TC	10,000	10,000	0.0%	0	12,567	11,827
Supramax	58K 1yr TC	11,000	11,000	0.0%	0	15,529	13,457
	58K 3yr TC	12,500	12,500	0.0%	0	12,692	11,981
Handysize	32K 1yr TC	9,500	9,500	0.0%	0	12,385	10,644
	32K 3yr TC	10,000	10,000	0.0%	0	9,740	9,510

Indicative Market Values (\$ Million) - Bulk Carriers

Vessel 5 yrs old	Jan-25 avg	Dec-24 avg	±%	2024	2023	2022
Capesize Eco 180k	62.0	62.0	0.0%	62.0	48.8	48.3
Kamsarmax 82K	33.8	34.1	-1.0%	36.6	32.0	34.1
Ultramax 63k	31.7	32.6	-2.8%	34.4	29.5	31.5
Handysize 37K	25.7	27.0	-4.8%	27.6	25.1	27.2

Chartering

The dry bulk market continued to experience a subdued environment, with limited trade activity exerting further downward pressure on earnings. The C5TC rate declined below \$7,000 per day before rebounding to \$7,252 just before the end of the week. Although cargo availability remained limited in both basins, a slight increase in demand for West Australian tonnage provided some support in the Pacific; however, overall market sentiment remained lackluster. In the Panamax sector, market activity in the Pacific was adversely affected by Asian holidays. Meanwhile, in the Atlantic, attention is now focused on ECSA grain exports, which could offer some relief to owners for March loadings, though transatlantic stem lists remain scarce. The supply-demand imbalance was particularly evident in the geared segment, with the S10TC hovering around the mid-\$5,000 per day range.

Cape 5TC averaged \$ 7,433/day, down -24.19% w-o-w. The transatlantic earnings decreased by \$ 1,785/day while transpacific rose by \$718/day, bringing transatlantic earnings premium over transpacific to \$3,202/day.

Panamax 5TC averaged \$ 6,884/day, down -8.67% w-o-w. The transatlantic earnings fell by \$ 345/day while transpacific earnings rose by \$203/day. As a result, the transatlantic earnings premium to the transpacific narrowed down to \$813/day.

Supramax 10TC averaged \$ 5,722/day down -12.64% w-o-w, while the Handysize 7TC averaged \$ 6,943/day, down -9.86% w-o-w.

Tankers

Size	Name	Dwt	Built	Yard	M/E	SS due	Hull	Price	Buyers	Comments
VLCC	GOLD PEARL	318,669	2005	HYUNDAI, S. Korea	B&W	Feb-25	DH	\$ 29.5m	undisclosed	Scrubber fitted
AFRA	SOFIA II	105,400	2008	SUMITOMO, Japan	MAN-B&W	Sep-28	DH	\$ 31.0m	Chinese	

Bulk Carriers

Size	Name	Dwt	Built	Yard	M/E	SS due	Gear	Price	Buyers	Comments
HANDY	UNITY NORTH	37,614	2015	OSHIMA, Japan	MAN-B&W	Apr-25	4 X 30t CRANES	mid high \$ 16.0m	undisclosed	Eco
HANDY	ES KURE	33,126	2012	KANDA, Japan	Mitsubishi	Mar-27	4 X 30,5t CRANES	\$ 12.9m	Vietnamese	OHBS

Amid the Chinese New Year holidays, the new building sector witnessed subdued activity. Four orders were reported in dry, wet and containership sectors, with Greek owners particularly active. In the dry sector, the Norwegian Arriva Shipping exercised an option for an 8,000 dwt, battery hybrid bulker at the Chinese Jiangsu shipyard, with expected delivery in 2026. In the wet segment, the Greek owner Sun Enterprises placed an order at the S. Korean DH Shipbuilding for 2 LNG dual fuel tankers of 158,000 dwt each, priced at \$90.5m per vessel and due for de-

livery in 2027. In the containership sector two orders were reported. The German Peter Dohle Schiffahrts agreed with the Chinese yard Guangzhou for the construction of 3 LNG dual fuel boxships of 8,400 teu with an option for another 2 additional units. The delivery is estimated in 2027-2028 and the price is \$125m per vessel. Furthermore, the Greek group TMS placed an order for 6 dual fuel containerships of 11,400 teu capacity each, with an option for 4 more. Each vessel is priced at \$140 million, with deliveries scheduled between 2027 and 2029.

Indicative Newbuilding Prices (\$ Million)

	Vessel		31-Jan-25	24-Jan-25	±%	YTD		5-year		Average		
						High	Low	High	Low	2024	2023	2022
Bulkers	Newcastlemax	205k	79.0	79.0	0.0%	79.0	79.0	80.0	49.5	76.8	66.2	66.5
	Capesize	180k	75.0	75.0	0.0%	75.0	75.0	76.5	49.0	73.3	63.15	62.6
	Kamsarmax	82k	37.00	37.00	0.0%	37.0	37.0	37.5	27.75	37.1	34.85	36.4
	Ultramax	63k	34.5	34.5	0.0%	34.5	34.5	35.5	25.75	34.2	32.7	33.95
	Handysize	38k	30.5	30.5	0.0%	30.5	30.5	31.0	19.5	30.3	29.75	30.4
Tankers	VLCC	300k	128.0	128.5	-0.4%	129.0	128.0	130.5	84.5	129.0	124.0	117.7
	Suezmax	160k	90.0	90.0	0.0%	90.0	90.0	90.0	55.0	88.5	82.2	78.6
	Aframax	115k	78.0	77.5	0.6%	77.5	77.5	77.5	46.0	76.0	68.7	61.9
	MR	50k	51.5	51.5	0.0%	51.5	51.5	51.5	34.0	50.5	45.8	42.6
Gas	LNG 174k cbm		257.0	258.0	-0.4%	260.0	257.0	265.0	186.0	262.9	259.0	232.3
	MGC LPG 55k cbm		88.0	89.0	-1.1%	90.5	89.0	94.0	43.0	93.26	84.9	73.9
	SGC LPG 25k cbm		62.0	62.0	0.0%	62.0	62.0	62.0	40.0	60.6	55.7	51.0

Newbuilding Orders

Units	Type	Size		Yard	Delivery	Buyer	Price	Comments
1	Bulker	8,000	dwt	Jiangsu SOHO, China	2026	Norwegian (Arriva Shipping)	undisclosed	Option exercised, battery hybrid system
2	Tanker	158,000	dwt	DH Shipbuilding, South Korea	2027	Greek (Sun Enterprises)	\$ 90.5m	LNG dual fuel
3+2	Container	8,400	teu	Guangzhou, China	2027-2028	German (Peter Dohle Schiffahrts)	\$ 125.0m	LNG dual fuel
6+4	Container	11,400	teu	Zhoushan Changhong, China	2027-2029	Greek (TMS Group)	\$ 140.0m	LNG dual fuel

Another week of limited activity for ship recycling markets. In India, we had the Union Budget announcement on February 1st, prioritizing tax relief for lower and middle-income groups, alongside investments in agriculture, urban development, and structural reforms. In relation to the steel sector, the introduction of a 3-year plan for new infrastructure projects could imply benefits, together with a potential increase of private investments fueled by the increase of available income. The local steel market showed slight improvement, though concerns over a potential oversupply of low-cost Chinese steel persist. Steel plate prices remained stable, while the Indian Rupee gained 0.4% w-o-w against the U.S. Dollar. The ship recycling market saw no significant changes in activity.

Following some activity witnessed in the previous weeks Bangladesh recycling market was sluggish this week, with low demand for recycling tonnage and a challenging economic environment including persisting inflationary pressures, depreciated local currency and political instability. The absence of an elected government has stalled new infrastructure projects, further limiting demand. On the HKC compliance front, with the January 31st deadline for NOCs now passed, BSBRA has requested an

extension from the Ministry of Affairs to allow recyclers more time to comply.

In Pakistan, the market remains stagnant without any activity. The yards need undertake the necessary upgrades in preparation for the Hong Kong Convention's enforcement. The sector's outlook remains bleak, and government intervention is crucial for its revival. The steel market continues to struggle with a bearish outlook for local plate prices. On the economy's front, the State Bank of Pakistan cut its key policy rate by 100 bps to 12%, marking the lowest since March 2022, alongside market expectations. This is the consecutive rate reduction aimed at stimulating economic activities as inflation eases. Pakistan's GDP grew by 2.5% in 2024, with 3.2% growth projected for 2025.

In Turkey the ship recycling market faced downwards pressures on prices offered for end-of-life vessels, as an increased supply of demolition candidate vessels, prompted buyers to lower offers, making agreements with sellers more difficult. The Turkish Lira continued to depreciate against the U.S. Dollar, however short-term currency fluctuation dropped to a 10-month low, in line with the True Value Strategy adopted by the government. This policy aims to keep the currency's value below inflation to mitigate the impact of depreciation on consumer prices.

Indicative Demolition Prices (\$/ldt)

	Markets	31/01/25	24/01/25	±%	YTD		2024	2023	2022
					High	Low			
Tanker	Bangladesh	460	460	0.0%	465	460	503	550	601
	India	455	455	0.0%	460	455	501	540	593
	Pakistan	440	440	0.0%	445	440	500	525	596
	Turkey	290	320	-9.4%	320	290	347	325	207
	Bangladesh	445	445	0.0%	450	445	492	535	590
Dry Bulk	India	440	440	0.0%	445	440	485	522	583
	Pakistan	420	420	0.0%	425	420	482	515	587
	Turkey	280	310	-9.7%	310	280	337	315	304

Currencies

Markets	31-Jan-25	24-Jan-25	±%	YTD High
USD/BDT	121.90	121.90	0.0%	121.99
USD/INR	86.54	86.20	0.4%	86.57
USD/PKR	278.57	278.20	0.1%	278.65
USD/TRY	35.70	35.65	0.1%	35.70

Demolition Sales (\$ /ldt)

Name	Size	Ldt	Built	Yard	Type	\$/ldt	Breakers	Comments
TASOS	75,100	10,569	2000	HITACHI ZOSEN, Japan	BC	\$ 475.0m	undisclosed	
AK HAMBURG	8,828	2,600	1982	TAIHEI HASHIHAMA, Japan	GENERAL CARGO	\$ 440.0m	Indian	

Market Data

	31-Jan-25	30-Jan-25	29-Jan-25	28-Jan-25	27-Jan-25	W-O-W Change %	
Stock Exchange Data	10year US Bond	4,567	4,512	4,555	4,549	4,528	-1.2%
	S&P 500	6,040.53	6,071.17	6,039.31	6,067.70	6,012.28	-1.0%
	Nasdaq	21,478.05	21,508.12	21,411.46	21,463.04	21,127.28	-1.4%
	Dow Jones	44,544.66	44,882.13	44,713.58	44,850.35	44,713.58	0.3%
	FTSE 100	8,673.96	8,646.88	8,557.81	8,533.87	8,503.71	2.0%
	FTSE All-Share UK	4,710.58	4,693.65	4,644.88	4,634.83	4,613.88	2.0%
	CAC40	7,950.17	7,941.64	7,872.48	7,897.37	7,906.58	0.3%
	Xetra Dax	21,732.05	21,727.20	21,637.53	21,430.58	21,282.18	1.6%
	Nikkei	39,572.49	39,513.97	39,414.78	39,016.87	39,565.80	-0.9%
	Hang Seng	20,225.11	20,225.11	20,225.11	20,225.11	20,197.77	0.8%
DJ US Maritime	358.29	368.04	349.79	348.60	350.08	0.1%	
Currencies	€ / \$	1.04	1.04	1.04	1.04	1.05	-1.2%
	£ / \$	1.24	1.24	1.24	1.24	1.25	-0.7%
	\$ / ¥	155.18	154.30	155.20	155.52	154.49	-0.5%
	\$ / NoK	11.32	11.32	11.28	11.27	11.24	1.3%
	Yuan / \$	7.25	7.25	7.25	7.25	7.25	0.1%
	Won / \$	1,455.70	1,443.57	1,441.66	1,445.37	1,432.84	1.9%
	\$ INDEX	108.37	107.80	108.00	107.87	107.34	0.9%

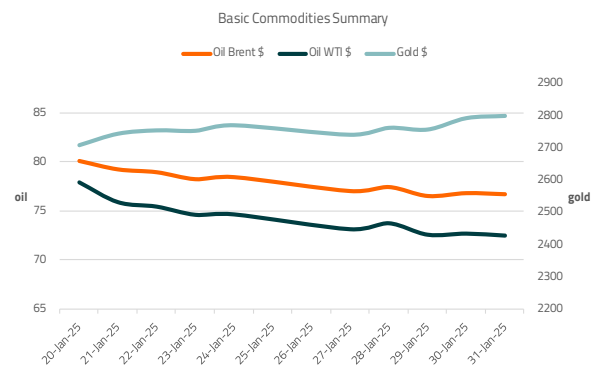
Bunker Prices

		31-Jan-25	24-Jan-25	Change %
MGO	Rotterdam	653.0	684.0	-4.5%
	Houston	716.0	731.0	-2.1%
	Singapore	690.0	710.0	-2.8%
380cst	Rotterdam	459.0	470.0	-2.3%
	Houston	459.0	470.0	-2.3%
	Singapore	506.0	514.0	-1.6%
VLSFO	Rotterdam	551.0	547.0	0.7%
	Houston	558.0	563.0	-0.9%
	Singapore	580.0	590.0	-1.7%
OIL	Brent	76.8	78.5	-2.2%
	WTI	72.5	74.7	-2.9%

Maritime Stock Data

Company	Stock Exchange	Curr	31-Jan-25	24-Jan-25	W-O-W Change %
CAPITAL PRODUCT PARTNERS LP	NASDAQ	USD	19.19	18.23	5.3%
COSTAMARE INC	NYSE	USD	11.66	11.81	-1.3%
DANAOS CORPORATION	NYSE	USD	79.23	77.46	2.3%
DIANA SHIPPING	NYSE	USD	1.82	1.78	2.2%
EUROSEAS LTD.	NASDAQ	USD	31.01	31.61	-1.9%
GLOBUS MARITIME LIMITED	NASDAQ	USD	1.32	1.38	-4.3%
SAFE BULKERS INC	NYSE	USD	3.55	3.38	5.0%
SEANERGY MARITIME HOLDINGS	NASDAQ	USD	6.93	7.00	-1.0%
STAR BULK CARRIERS CORP	NASDAQ	USD	15.37	14.81	3.8%
STEALTHGAS INC	NASDAQ	USD	5.64	5.73	-1.6%
TSAKOS ENERGY NAVIGATION	NYSE	USD	17.88	17.21	3.9%

Basic Commodities Weekly Summary



Macro-economic headlines

- In USA the Trade Deficit widened in December to \$122.11 billion, surpassing the forecast of \$105.6 billion and the previous month's figure of \$102.86 billion.
- In Japan, the CPI rose by 3.4% in January, exceeding market expectations and December's growth, both at 3%.
- In the Eurozone, GDP stalled in Q4 2024, showing no growth and falling short of the 0.1% market forecast. This follows a 0.3% QoQ expansion in Q3 2024. Germany and France, Eurozone's two largest economies, saw GDP contractions of 0.2% and 0.1% QoQ, respectively.

