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Container Forecaster

Issue 1 of 4 | 2026

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Container Forecaster

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1. Executive Summary

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Summary of main forecasts

The potential closure of the Strait of Hormuz in the Middle East has long been viewed as a high-impact, low-probability risk to global shipping and the wider economy. That risk has now materialised. What was once the preserve of war games and strategic modelling has become a stark reality, unfolding since the surprise US-Israeli strikes on Iran began on 28 February under *Operation Epic Fury*.

As many simulations anticipated, Hormuz - through which roughly a quarter of the world's seaborne oil trade passes via the narrow chokepoint linking the Gulf to the Arabian Sea and Indian Ocean - has become the central flashpoint of the conflict.

Limited transits have resumed under Iranian approval, but normal traffic flows remain severely disrupted.

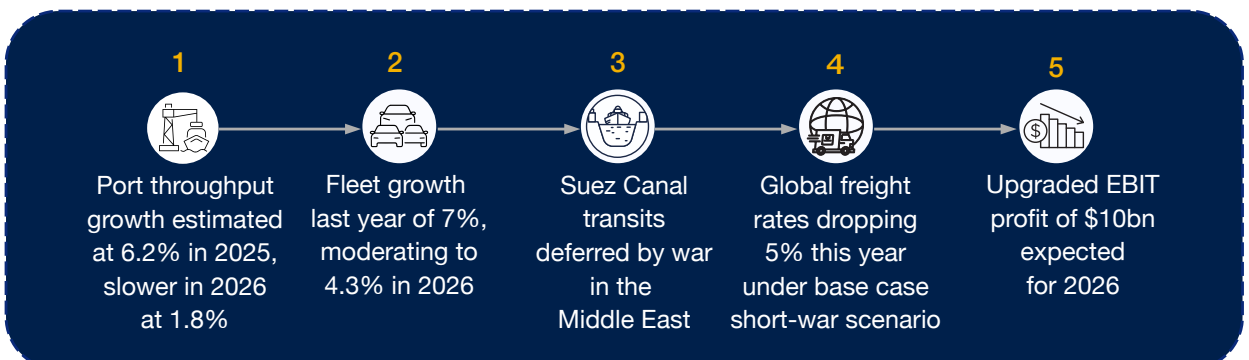
The economic and human toll has been severe. Loss of life has been substantial, while oil prices have surged above \$100 per barrel amid supply disruptions, injecting fresh uncertainty into the outlook for global trade.

Although the Gulf is less central to container shipping than to energy markets - the Middle East accounts for less than 5% of global container port throughput - the conflict nonetheless poses material risks to the sector on both the supply and demand sides. Disruption, higher costs, and increased volatility across supply chains are already evident, and these risks will intensify the longer the war endures.

The closure of the Strait of Hormuz is a decades-long risk that has switched from the realms of war game simulations into real-life; the duration of the Middle East war will dictate the severity of damage inflicted on the world economy and liner trade

Global port throughput grew by an estimated 6.2% in 2025, but the outlook for 2026 has been held at 1.8% compared to December forecast (downgrade vs. interim upgrades to 2.2%)

5 things you need to know...



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Table 1.1 Iran war container shipping risk matrix

Risk	Likelihood	Impact	Time Horizon	Drewry comment
Vessel / port attack	Very high	Severe	Immediate	Safety concerns now a primary deterrent to direct transits even when insurance exists
Service disruption	Very high	Medium	Immediate	Multimodal contingencies for Gulf already in play, limited impact on wider network operations
Freight rate volatility	Very high	Medium	Immediate	Emergency fuel surcharges and rapid rate swings due to uncertainty
Port congestion	High	High	Short-term	Can multimodal hubs and substitute ports cope with extra volumes?
Reduced effective capacity	High	High	Short-term	Longer routings, slow steaming, port congestion and waiting times will all lengthen voyage cycles
Bunker shortages	Medium	High	Medium-term	High inventories provide buffer, but supply is tightening at major bunker hubs
Upstream industrial disruption	Medium	High	Medium-term	Manufacturing output impacted by energy availability and cost
Demand destruction	Medium	High	Medium-term	Higher energy costs reduce personal consumption and trade volumes
Long-term network reconfiguration	High	Medium	Long-term	Shift away from Gulf hubs and other vulnerable chokepoints

Source: Drewry Maritime Research

Figure 1.1 Revised vs previous forecast assumptions

	Previous assumptions for old Scenario 1: No Strait of Hormuz blockage / gradual return to Suez Canal route	Assumptions for new Scenario 1: Short-term Strait of Hormuz blockage (Base case)	Assumptions for new Scenario 2: 1-year Strait of Hormuz blockage (Worst case)
Future bunker price in 2026	\$427/tonne of VLSFO bunkers	Higher bunker price of \$513/tonne of VLSFO bunkers	Very high bunker price of \$755/tonne of VLSFO bunkers
Ship routing in 2026	Gradual return of Suez Canal transits in 2026 (releasing latent capacity)	Return to Suez Canal transits postponed beyond 2027 (no release of latent capacity)	Return to Suez Canal transits postponed beyond 2027 (no release of latent capacity)
Supply-demand balance in 2026	Balance weakens substantially, partly due to return to Suez routing	Balance weakens less as port productivity degraded slightly, ships sail more slowly and Cape diversions continue	Balance weakens marginally as port productivity degraded more, ships sail more slowly and Cape diversions continue
Future demand in 2026	World throughput growth for 2026 forecast at 1.8%	World throughput growth for 2026 forecast at 1.8%	World throughput growth for 2026 downgraded to 1.3%

Source: Drewry Maritime Research

In this analysis, Drewry examines the implications for container shipping under two scenarios:

1. A short conflict lasting around two months (base case);
2. A prolonged conflict lasting up to 12 months (worst case)

A short war would likely result in little more than a temporary spike in freight rates, a modest dip in global volumes, and a familiar demonstration of supply chain resilience.

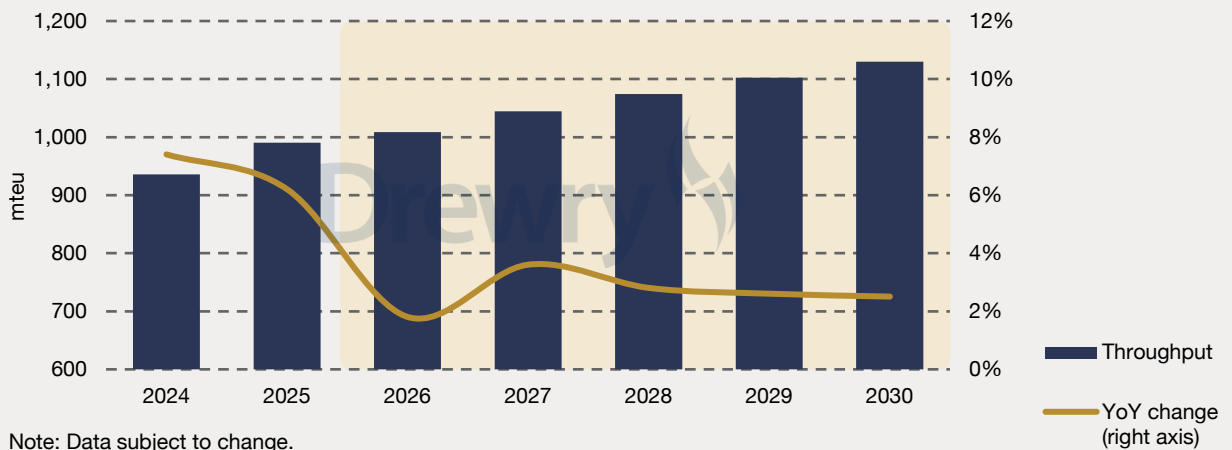
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A prolonged conflict would be far more consequential. A one-year disruption to Hormuz, driving oil prices to \$140–\$150 per barrel, would deliver a severe shock to the global economy - triggering a toxic mix of energy and food shortages, rapid inflation, and likely recession in import-dependent economies. Global trade growth would contract, and geopolitical tensions would intensify as major powers scramble to secure alternative supply routes and strategic reserves.

Under our short-war base case scenario, we think that the impact on global container trade in 2026 will be manageable, albeit with some regional variation. Flows to and from the Middle East will plunge, but some of the slack will be picked up by neighbouring regions.

A one-year disruption to Hormuz, driving oil prices to \$140–\$150 per barrel, would deliver a severe shock to the global economy - triggering a toxic mix of energy and food shortages, rapid inflation, and likely recession in import-dependent economies

Figure 1.2 Global container port throughput



Note: Data subject to change.

Source: Drewry Maritime Research

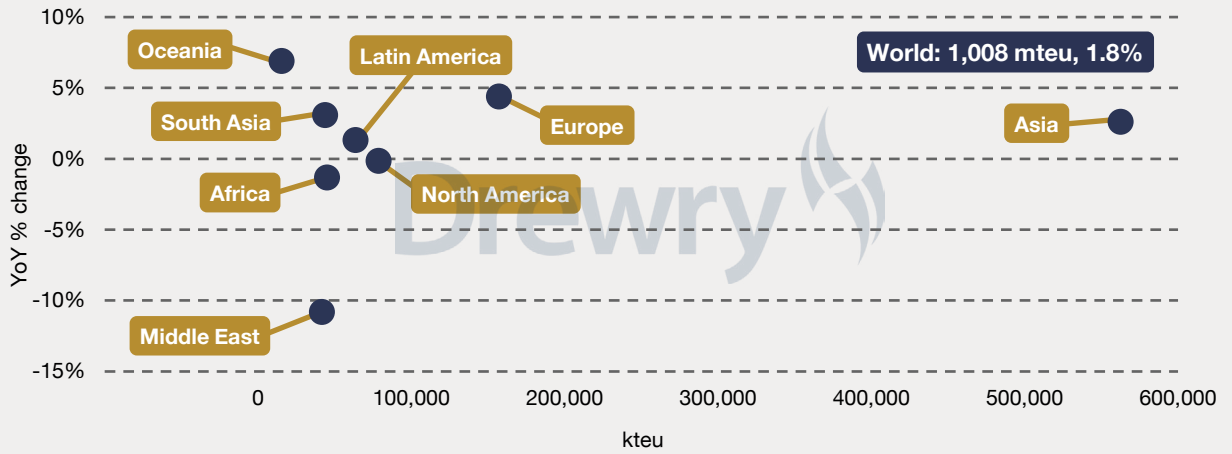
The outlook for container port throughput growth in 2026 is the same in this edition as it was in December's, at 1.8%. However, the outlook had been steadily improving in our interim monthly updates, and by February's edition stood at 2.2%. The outbreak of war has reset things from a demand perspective, but importantly changed the direction of travel.

Any further escalation in the conflict will undoubtedly force a more obvious downgrade to the outlook. Under our worst-case longer war scenario, we think global throughput demand growth this year could sink to anywhere between 0.5% and 1.3%.

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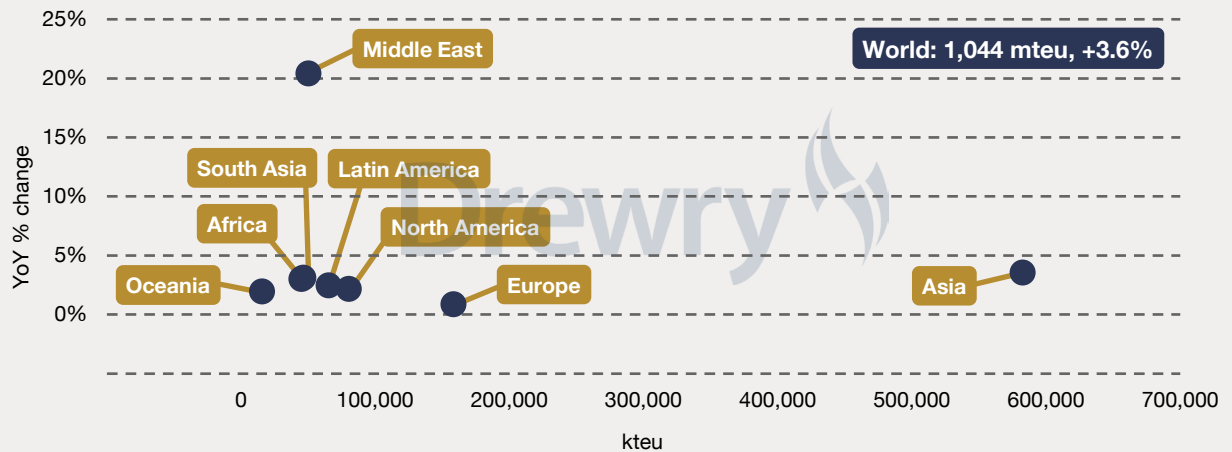
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Figure 1.3 Drewry container forecast, 2026



Source: Drewry Maritime Research

Figure 1.4 Drewry container forecast, 2027



Source: Drewry Maritime Research

Shipowner and carrier bets on a rolling sequence of disruptive events as the justification for speculating so heavily on new containerhips in recent years appears to be paying off, for now at least.

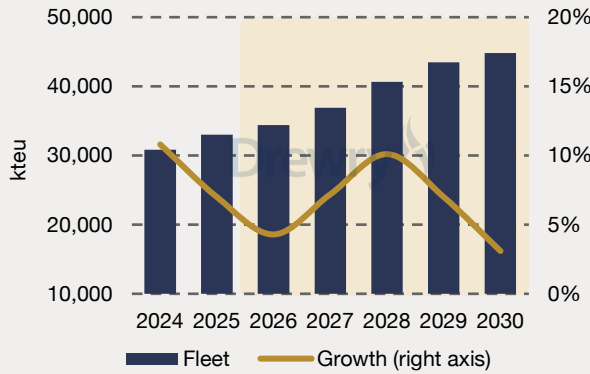
War in the Middle East has once again changed the calculus for container shipping capacity. The looming threat to ocean carriers from overcapacity has temporarily receded as the conflict has disrupted the normal flow of cargoes to and from the region, and forced a hasty redesign of the wider liner network, as well as putting any meaningful return to Suez transits on the back burner.

The start of the war will also affect how much capacity will leave the market. More transshipment activity in the Middle East and nearby regions will only increase demand for the already highly-sought feeder ships, which means that any demolition plans – these size ships are the oldest in the fleet – are highly likely to be shelved for the duration of the war.

The Iran war changed the calculus on container shipping capacity and will likely save carriers from the full effects of market overcapacity in the short-term

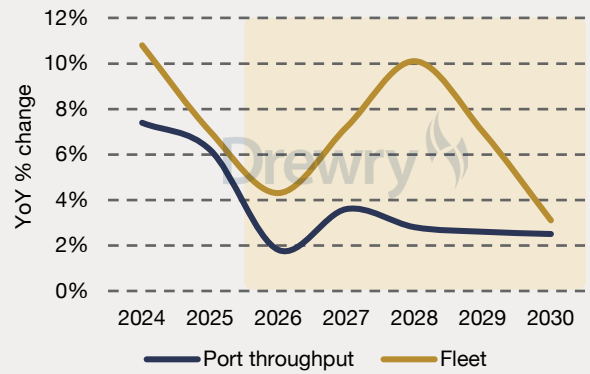
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Figure 1.5 Forecast annual containership fleet development



Source: Drewry Maritime Research, Clarksons Research

Figure 1.6 Port throughput, container ship fleet growth



Source: Drewry Maritime Research, Clarksons Research

As predicted in the last edition, containership contracting set a new record in 2025, narrowly topping 2024's total. Last year saw 706 vessels totalling 4.85 mteu ordered, some 160 kteu more than was contracted in the previous year. And the orders haven't slowed much at the start of this year. Up to 13 March 2026, orders have been signed for 151 containerships with an aggregate capacity of 875 kteu, on pace for 4.4 mteu for the full year.

The containership fleet grew 7.0% in 2025, which was a marked slowdown to growth of 8.1% and 10.8% seen in 2023 and 2024, respectively. The slowdown was the consequence of a relative ordering lull in 2022 and 2023.

The same forces will see fleet growth slow once again in 2026 to 4.3%. The delivery schedule for the year will see about 1.5 mteu added (factoring anticipated delivery slippage), while we have reduced our scrapping forecast to 100 kteu, down from 400 kteu in the previous edition.

The spectre of overcapacity cannot be ignored forever though. Assuming the Iran war is resolved in a couple of months, deliveries will ramp up again and inflate the fleet growth to rates that will significantly exceed that of demand.

Recent orders also suggest that the adoption of alternative fuel units might have peaked. The proportion (measured in teu) of dual-fuel units in new orders declined for the second year in a row in 2025, dropping to 72%, from 88% in 2024 and 93% in 2023. Year-to-date 2026 orders for dual-fuel containerships were down to 60%.

Declining investment in cleaner ships is a reflection of an increasingly muddled regulatory environment. Following the dramatic decision in October 2025 to adjourn adoption of the IMO's Net-Zero Framework for one year, the upcoming MEPC 84 in April will serve as a clean-up and consensus-building session. While some compromise solutions have been put forward, breaking the political divide, particularly on the issue of a global carbon levy, will be challenging.

New record for containership orders set in 2025, little sign of pace slowing so far in 2026

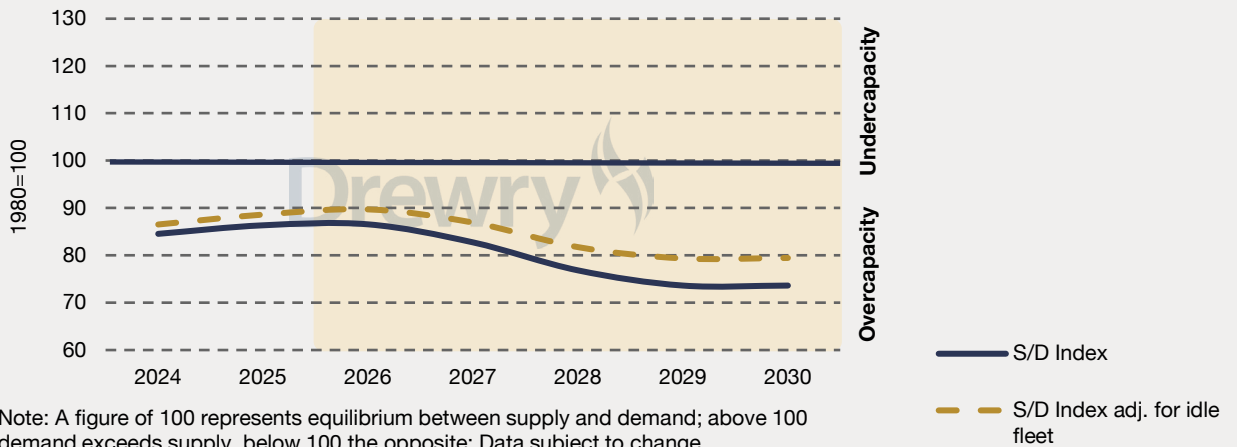
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The ongoing war in the Middle East presents both supply- and demand-side risks for the container shipping market. Carriers have responded decisively by adjusting their networks, but significant uncertainty remains in the medium- and long-term outlook, not least because the duration of the conflict is unknowable.

As a result, our supply and demand forecasts are subject to a higher degree of uncertainty than usual. Nevertheless, under each of Drewry's twin scenarios (base case short 2-months war scenario, and worst-case 12-months long-war alternative) the market is still expected to remain in a state of overcapacity.

The ongoing war in the Middle East is both a supply and demand risk for container shipping. It doesn't have the same upside for carriers as Covid – when a bigger supply shortage was matched with a demand surge

Figure 1.7 Drewry global supply-demand index (base case short-war scenario)



The outperformance of container shipping equities relative to the broader market since the onset of the conflict highlights a familiar dynamic: disruption is generally perceived as supportive for carriers. However, not all disruption is equal. Unlike the Covid period - when severe supply constraints coincided with a surge in demand - the current conflict carries a meaningful downside risk to demand. Any escalation in military activity would likely weigh on global trade and, in turn, on carrier profitability and equity performance.

This edition's Spotlight focuses on the Iran war, exploring how carriers responded to the shock by initially withdrawing from the Gulf, and then re-established bookings to the region via improvised multimodal land bridge solutions over the course of 1-2 weeks. It also considers how carriers are preparing for escalation scenarios, particularly concerning bunker fuel, which is increasingly becoming both a cost and a strategic supply risk.

The result is a highly dynamic and fragmented operating environment. A network of alternative hubs has emerged outside the Strait of Hormuz, but most of these hubs remain within strike range and are therefore subject to expensive war risk surcharges.

Fuel is increasingly becoming both a cost and strategic risk to container shipping lines, necessitating contingency planning; Maritime transport's critical role in sustaining global trade suggests that bunker fuel availability will be protected longer than other fuel segments

Operation Epic Volatility

Houthi missile attacks on Israel at the end of March raises fresh concerns over the safety and viability of Red Sea shipping connections. Any disruption at these nodes could force further contingency measures, including diversions to substitute ports such as Colombo or Nhava Sheva.

For now, liner disruption remains manageable. Global container volumes have not collapsed; trade flows have bent rather than broken. But under any scenario, the conflict will bring higher costs, greater volatility, and sustained operational disruption. The longer it lasts, the worse things will get.

One immediate consequence of the Middle East conflict is that plans by carriers to gradually resume Asia–Europe transits via the Suez Canal have now been deferred indefinitely.

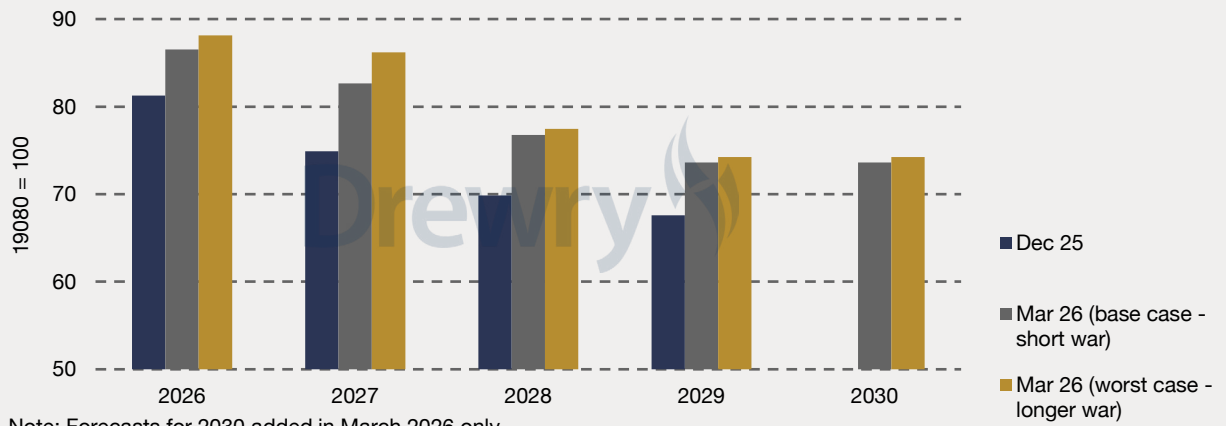
The risk of latent capacity returning to the market has therefore receded. We have accordingly reinstated our effective capacity assumption to reflect a 9% reduction via the Cape of Good Hope across the full five-year forecast horizon in both scenarios.

Under both scenarios, Drewry’s 2026 global supply-demand index (where 100 indicates equilibrium) is expected to be higher than in our previous edition, reflecting a tighter market balance as a direct result of the Middle East war.

Previous carrier plans to gradually normalize shipments via the Suez Canal have been deferred indefinitely, pushing back the anticipated release of latent capacity

Drewry’s 2026 global supply-demand index (where 100 indicates equilibrium) is expected to be higher than in our previous edition under all scenarios, reflecting a tighter (but still over-supplied) market as a direct result of the Middle East war

Figure 1.8 Changes to Drewry’s Global supply-demand index



Note: Forecasts for 2030 added in March 2026 only.

Source: Drewry Maritime Research

In the base case (short-war) scenario, the index is projected to reach 86.5 in 2026, climbing to 88.1 under a prolonged conflict scenario. In December 2025 the index for this year was projected to be 81.3.

Note that in both scenarios the market remains over-supplied. Only the scale of the imbalance is reduced due to the war.

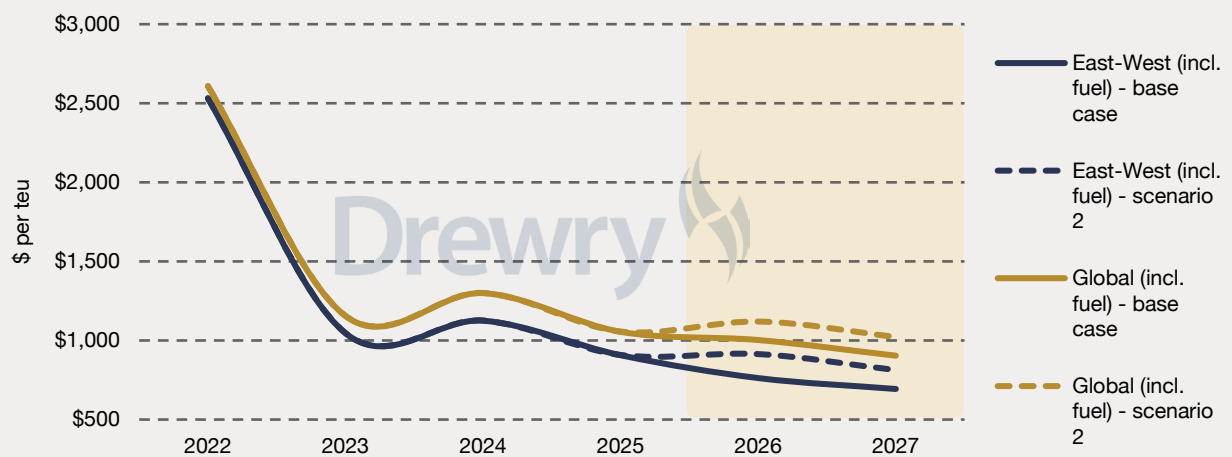
If the conflict proves mercifully short, it will offer only a temporary reprieve to carriers from overcapacity pressures. In our base case, the war modestly tightens the global market and lifts average freight rates relative to previous forecasts, though prices are still expected to remain below last year’s levels. Most of the upside will be driven by higher Bunker Adjustment Factors (BAFs).

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In the base case, we expect all-in Global rates (spot and contract combined, inclusive of fuel) for 2026 to decrease only 4.9% relative to last year, a significant upgrade on the prior expectation for a decrease of 16.5%.

Drewry's worst-case scenario for 2026 predicts that all-in Global rates will increase 6%.

Figure 1.9 Annual freight rate forecast



Source: Drewry Maritime Research

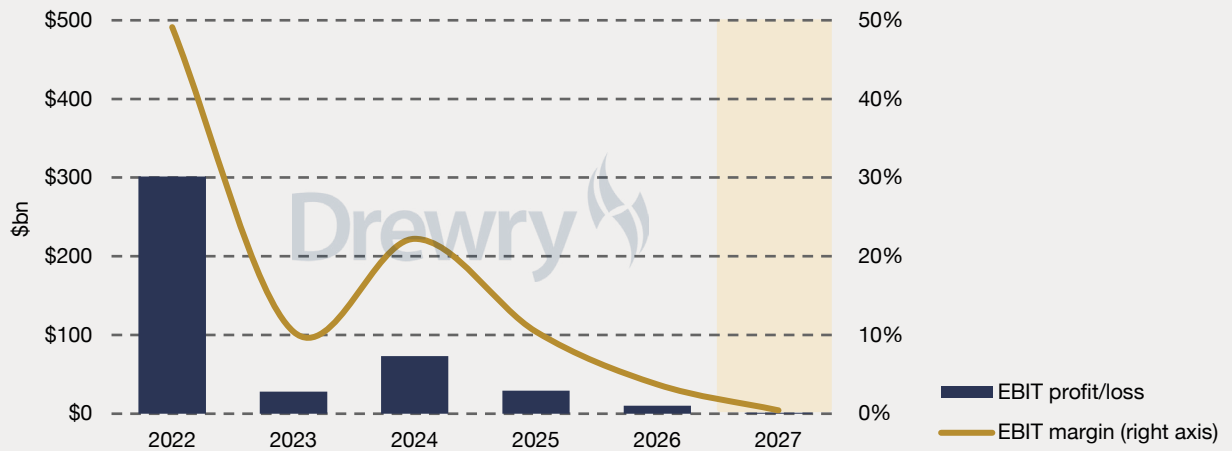
In financial markets, the onset of the Middle East conflict was paradoxically positive. The Drewry Container Equity Index (DCEI) – a market cap weighted index of 12 major carriers - climbed 7.0% during the period from 28 February to 19 March, and the Drewry World Container Index (WCI) – a benchmark of spot freight rates on eight East-West trades - rose 14.4%, reflecting the renewed tightness in effective supply and more costly bunker surcharges. What had been a narrative of easing capacity suddenly flipped: disruption, rather than normalisation, became the driver of profitability.

The early months of 2026 have shifted the outlook for carrier profitability. Carriers ended 2025 with an industry operating profit EBIT (earnings before interest and taxes) margin for 4Q25 of 4.7%, the lowest since 4Q23 (-4.2%). Revenue for the period declined 19% YoY as the steady freight rate erosion took the shine off volume gains.

But instead of our prior breakeven forecast for this year (EBIT of +\$1 billion), under the base case scenario we have upgraded projected industry EBIT for 2026 to \$10bn, with a 3.7% margin. A worse performance than 2025, but far better than was expected only three months ago.

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Figure 1.10 Forecast carrier industry ebit profit/loss and ebit margins (base case short-war scenario)



Source: Drewry Maritime Research

Emphasising the all-consuming nature of the Middle East situation, what would ordinarily be one of the most talked about stories, a pending acquisition of one major carrier of another, is essentially an after-thought. Germany’s Hapag-Lloyd’s pending \$4.2 billion (\$35 per share) acquisition of Israeli carrier Zim at 58% premium highlights the scramble for market share and operational flexibility.

Risks and sensitivities to the forecast

Here are some of the risks and sensitivities that could reshape our forecasts in future:

Duration of Iran war:

Drewry’s rationale for making a short war our base case scenario is fairly straightforward. Fundamentally, a shorter conflict aligns with the economic and political interests of all parties.

For US President Donald Trump, a prolonged war in the Middle East would be politically damaging. Having campaigned against “forever wars,” he is already facing declining domestic support, with no meaningful rally-around-the-flag effect as gasoline and grocery prices rise. With mid-term elections approaching in November, his political capital could erode further unless tangible progress is achieved - something that may already be out of reach.

For Iran, the leadership structure is under increasing strain as targeted assassinations mount. At the same time, the loss of oil revenues constrains its ability to sustain military operations.

That said, the situation remains highly fluid and deeply uncertain. Signals of de-escalation have repeatedly been followed by renewed escalation, including ultimatums such as Trump’s 48-hour demand to reopen Hormuz under threat of strikes on Iranian energy infrastructure, positions that have subsequently been softened or deferred.

Escalation threat is rising amid a conflict riddled with maddingly contradictory messaging

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Uncertainty also surrounds the existence and progress of peace talks, even as US forces are reportedly preparing for a potential ground invasion. Washington’s strategic endgame remains unclear: whether it seeks regime change in Iran or merely the neutralisation of its nuclear and missile capabilities. Neither objective has been conclusively achieved, despite repeated claims of success.

For Iran’s leadership, by contrast, survival alone would constitute victory. Its capacity for asymmetric warfare, decentralised operations, and strategic endurance should not be underestimated.

Drewry verdict: Leaning downside – A short war is in all side’s best interests, but the prospect of escalation in a misguided conflict is rising by the day

Impact on supply and demand:

Our analysis in Section 4 examines the numerous key variables that could shift the supply-demand balance in 2026 under both a short-war and a prolonged conflict scenario, estimating changes in effective capacity versus the December 2025 baseline assumptions.

If the Middle East conflict is short, it will provide carriers with a brief reprieve from the pressures of over-capacity. A longer war will strip out more supply, but will also trigger demand destruction

Middle East war factors that will influence container shipping supply and demand in 2026

Factor	Supply / Demand	Est. effective capacity or demand impact (% change vs. Dec-25 baseline)	
		Base case (short war 2 months)	Worst-case (longer war 12 months)
Suez Canal transits deferred	Supply	-3.5%	-3.5%
Capacity trapped in the Gulf	Supply	-0.3%	-1.0%
Port productivity	Supply	-2.0%	-3.5%
Slow steaming	Supply	-2.0%	-2.0%
Demand destruction	Demand	0.0%	0.5%
Total		-7.8%	-9.5%

Source: Drewry Maritime Research

The issue is that there are a lot of variables, on both the both supply- and demand-sides. These include questions on how much capacity will remain “trapped” in the Gulf, when Suez Canal transits might resume, how much damage the conflict will do to already poor port productivity, whether bunker shortage fears will spur more slow steaming, and finally, what level of demand destruction might arise?

Ultimately, we are of the opinion that the market will tighten as a direct result of the war, regardless of the duration, but that it will also remain over-supplied in any outcome. There is a lot of space in between different outcomes and the true picture of the market’s direction remains clouded.

Drewry verdict: Neutral – We need to see more examples of how this story develops before committing

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Broader geopolitical situation:

Outside of the Middle East war, there are other looming geopolitical headwinds for container shipping to contend with. There is renewed uncertainty regarding US trade policy after the Supreme Court (SCOTUS) on 20 February outlawed President Trump's use of the 1977 International Emergency Economic Powers Act (IEEPA) for many of his global tariffs.

The president responded immediately by invoking Section 122 of the Trade Act of 1974 to impose blanket levies of 10%, soon after raising them to the maximum permitted 15%. Section 122 is applicable for 150 days (though it can be extended by Congress), allowing time to find other avenues to rebuild the tariff wall to its previous height.

SCOTUS made no provision for how IEEPA refunds should be handled, which will tie-up businesses in a legal quagmire for some time. Equally, countries that agreed new trade concessions with the US are facing another reset because Section 122 must be applied without discretion, which will benefit countries that were at the upper end of the original 'Liberation Day' tariffs, such as China and Brazil.

Ultimately, the end of IEEPA and introduction of Section 122 has shaved about 1.5 percentage points from the US' effective tariff rate, which stood at just under 14% before the SCOTUS ruling. This is still a significant increase on the 2-3% from before the start of Trump's second term at the beginning of 2025. Therefore, we do not expect to see a destabilising surge in container imports to the US as a consequence of the ruling.

Meanwhile, after stepping back from reciprocal port fees last year, the US administration has unveiled a new Maritime Action Plan aimed at revitalising domestic shipbuilding. Proposals include levying fees on all foreign vessels (not just those built or linked to China) based on cargo weight, potentially as high as 25 cents per kilogram. For a standard 20ft container with a maximum payload of around 28,000 kg, this could equate to fees of up to \$7,000 per teu. The proposal remains conceptual and would require Congressional approval.

Drewry verdict: Downside – Donald Trump remains the biggest wild-card affecting short- and medium-term trade prospects. If Operation Epic Fury fails to deliver, his response to other matters could be even more erratic

Recommendations to stakeholders

All stakeholders should plan for a further period of disruption, higher costs and increased volatility caused by the Iran conflict.

In the short term, ocean carriers and forwarders should continue to adapt to the Iran conflict and implement alternative routes and intermodal options to ship to and from the Gulf.

Ocean carriers should monitor the availability of marine fuel as the Iran conflict continues and plan measures if shortages eventually happen (see Drewry opinion on this in the "Spotlight issue" further on in this report).

There are other looming geopolitical headwinds for container shipping to contend with, mostly originating in Washington

Operation Epic Volatility

Shippers should assess the carriers' and forwarders' requests for "emergency BAFs" and ensure that they do not pay twice for the increase in fuel costs.

All stakeholders should also monitor risks, port congestion, transit times and costs via the different substitute routes and ports and plan for the need to be flexible if the situation changes.

Investors should reassess the risks that an extended Iran conflict could undermine demand and economic growth, inflate fuel costs and shift routes.

Charter owners and operating owners should take into account a potential increase in demand for feeders to replace previous mothership calls in the Middle East.

Companies in the Middle East should lobby their governments to build the GCC Railway as a strategic container transport alternative to the Strait of Hormuz.

Ship owners and operators should update their plans to address over-capacity in the next few years, possibly by accelerating the scrapping of fuel-inefficient ships or slow-steaming more ships.

Table 1.2 Changes to Drewry's key forecasts

Forecast	Unit	2026			2027		
		Dec 25	Mar 26	Fcst Direction	Dec 25	Mar 26	Fcst Direction
Port Throughput							
World	% change	1.8%	1.8%	→	2.7%	3.6%	↑
Asia	% change	1.8%	2.6%	↑	3.0%	3.5%	↑
Europe	% change	3.0%	4.4%	↑	2.0%	0.8%	↓
North America	% change	-2.5%	-0.2%	↑	1.2%	2.1%	↑
Latin America	% change	1.4%	1.3%	↓	2.4%	2.4%	→
Middle East	% change	5.1%	-10.8%	↓	5.0%	20.4%	↓
South Asia	% change	3.2%	3.1%	↓	3.2%	3.0%	↓
Africa	% change	1.2%	-1.3%	↓	3.0%	3.1%	↑
Oceania	% change	2.9%	6.9%	↑	1.6%	1.9%	↑
East-West trade flows							
WB Asia-North Europe	% change	2.3%	2.6%	↑	1.5%	1.1%	↓
EB Asia-North Europe	% change	-2.5%	-1.0%	↑	0.9%	0.7%	↓
WB Asia-Med	% change	8.1%	6.0%	↓	2.5%	0.0%	↓
EB Asia-Med	% change	4.3%	2.0%	↓	1.9%	-0.6%	↓
EB Transpacific	% change	1.4%	4.0%	↑	1.5%	2.4%	↑
WB Transpacific	% change	1.9%	5.0%	↑	1.3%	2.3%	↑
WB North Europe-North America	% change	-0.1%	1.9%	↑	0.8%	1.5%	↑
EB North Europe-North America	% change	-0.4%	-1.9%	↓	0.4%	0.6%	↑
Supply-Demand							
Global Fleet Capacity	% change	2.9%	2.9%	→	6.5%	7.2%	↑
Global Supply-Demand Index	index pts	81.3	86.5	↑	74.9	82.7	↑
Freight rates and profitability							
Global Freight Rates (incl. fuel)	\$ per teu	\$893	\$1,003	↑	n.a	\$904	New
East-West Freight Rates (incl. fuel)	\$ per teu	\$697	\$763	↑	n.a	\$694	New
Industry EBIT	\$bn	\$1.0	\$10.0	↑	n.a	\$1.0	New

Source: Drewry Maritime Research

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Projects (Jan '21-Dec '24)

152

Port Sector assignments

396

Total assignments

125

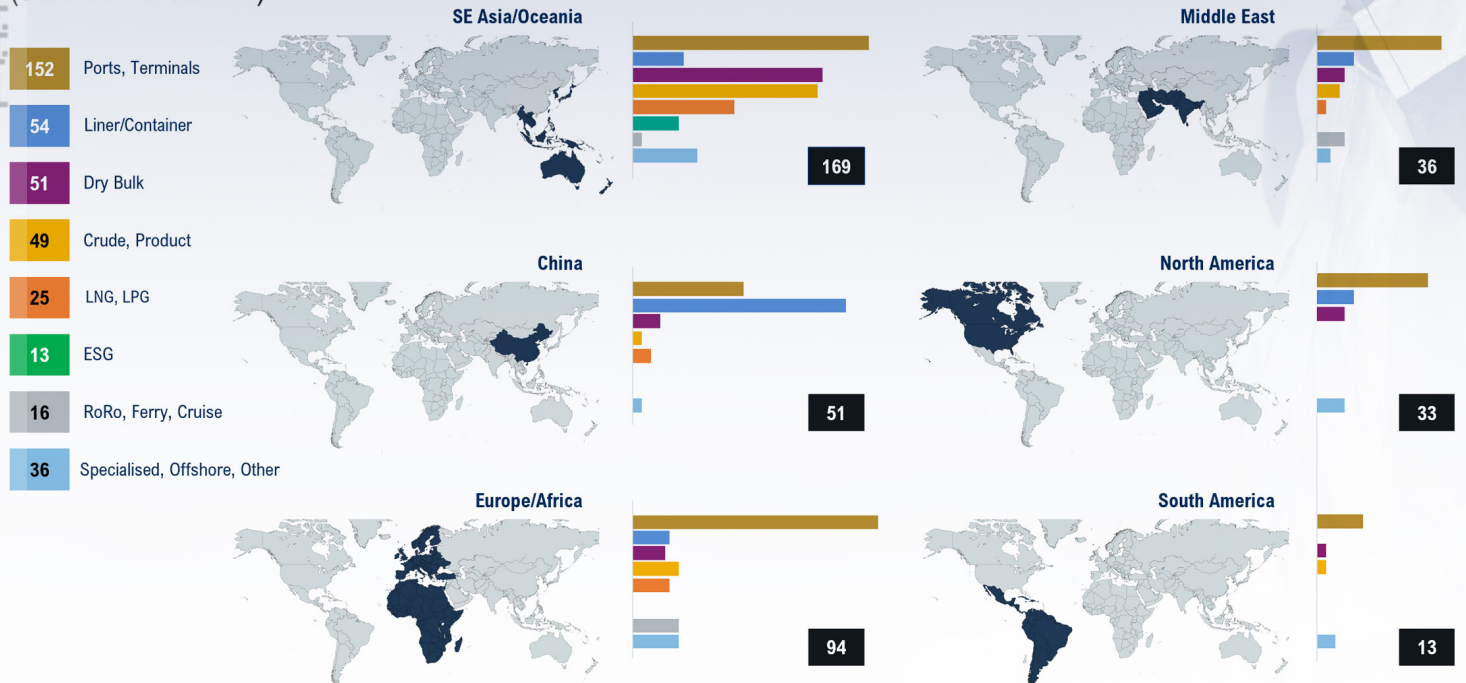
Bulk Sector assignments

- Maritime specialist covering all main sectors
- Independent & impartial outlook
- Extensive proprietary databases
- Access to extensive research catalogue
- In-depth sector understanding & experience
- In-house technical expertise
- Modelling & forecasting expertise
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- Operational industry experience

Whether commissioning our advisory team to provide strategic analysis, commercial due diligence or market analysis, you can rely on our independence and rigour to provide sound professional advice. We can provide an in-depth assessment of the characteristics, dynamics and trends of your market, conduct customer analysis or evaluate its competitive environment to help you overcome challenges or realise asset opportunities.

Project assignments

(Jan '21-Dec '24)



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Drewry Spotlight: Iran war

The potential closure of the Strait of Hormuz has long been viewed as a high-impact, low-probability risk to global shipping and the wider economy. That risk has now materialised. What was once the preserve of war games and strategic modelling has become a stark reality, unfolding since the surprise US-Israeli strikes on Iran began on 28 February under *Operation Epic Fury*.

As many simulations anticipated, Hormuz - through which roughly a quarter of the world's seaborne oil trade passes via the narrow chokepoint linking the Gulf to the Arabian Sea and Indian Ocean - has become the central flashpoint of the conflict.

A weakened Iranian regime, reeling from the loss of its Supreme Leader, Ali Khamenei, in the opening phase, has turned to its most potent economic lever. While it lacks the legal authority to close Hormuz, the waterway effectively became a no-go zone for most commercial shipping once Iran retaliated with missile and drone strikes targeting vessels and critical energy infrastructure in neighbouring states.

Limited transits have resumed under Iranian approval, but normal traffic flows remain severely disrupted.

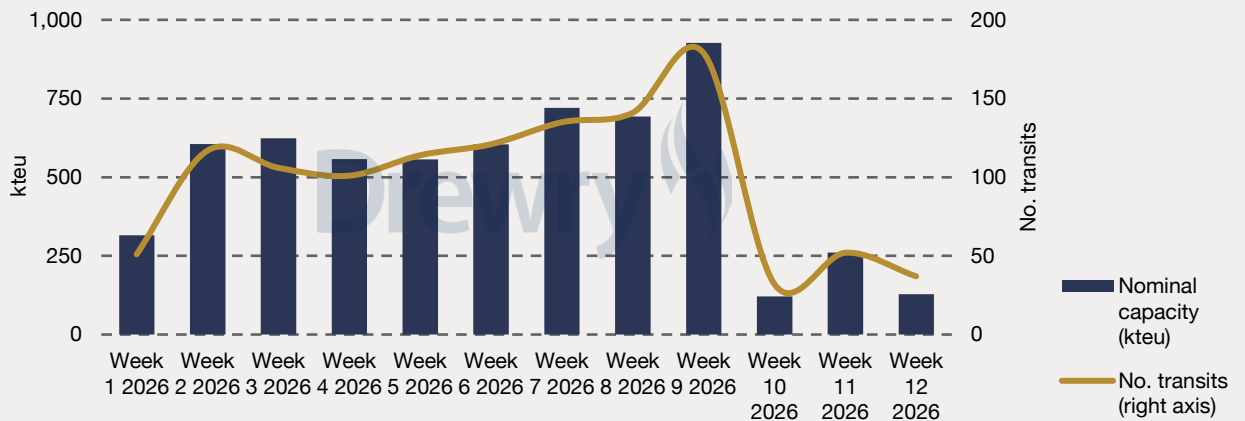
The economic and human toll has been severe. Loss of life has been substantial, while oil prices have surged above \$100 per barrel amid supply disruptions, injecting fresh uncertainty into the outlook for global trade.

Although the Gulf is less central to container shipping than to energy markets - the Middle East accounts for less than 5% of global container port throughput - the conflict nonetheless poses material risks to the sector on both the supply and demand sides. Disruption, higher costs, and increased volatility across supply chains are already evident, and these risks will intensify the longer the war endures.

The closure of the Strait of Hormuz is a decades-long risk that has switched from the realms of war game simulations into real-life; the duration of the Middle East war will dictate the severity of damage inflicted on the world economy and liner trade

The Gulf is less central to container shipping than to energy markets, but the conflict nonetheless poses material risks to the sector on both the supply and demand sides

Figure 1 Containerships transits of the Strait of Hormuz (both directions)

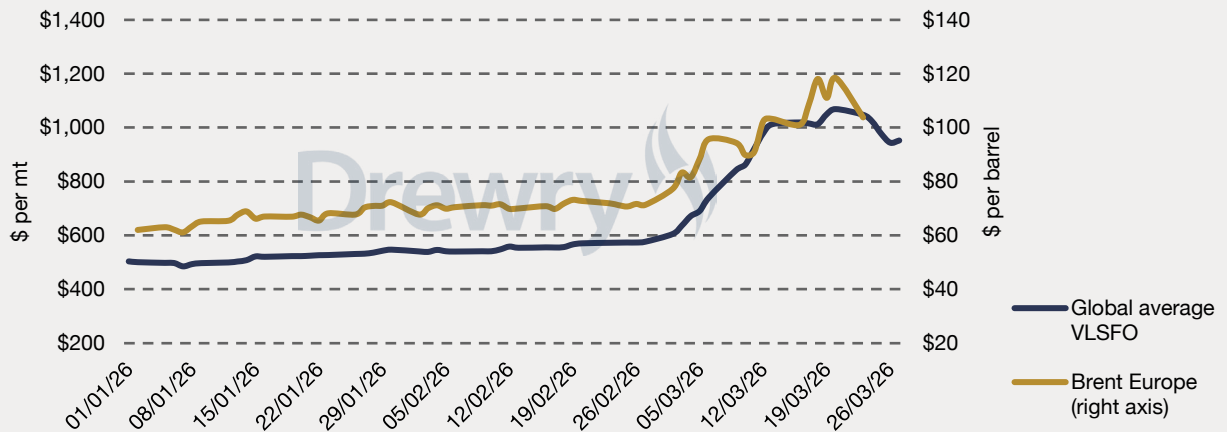


Note: Data accuracy has been diminished due to ships turning off and spoofing AIS transmissions.

Source: Drewry Maritime Research

Drewry Spotlight: Iran war

Figure 2 Development of crude oil and bunker prices in 2026



Sources: Federal Reserve Bank of St. Louis (FRED), Ship & Bunker

Figure 3 Middle East share of world container port throughput

	2024	2025
Persian / Arabian Gulf	3.5%	3.5%
Red Sea	0.5%	0.6%
Arabian Sea	0.4%	0.4%
Gulf of Oman	0.2%	0.2%
Gulf of Aden	0.0%	0.1%
Middle East total	4.6%	4.7%

Source: Drewry Maritime Research

In this analysis, Drewry examines the implications for container shipping under two scenarios:

1. A short conflict lasting around two months (base case);
2. A prolonged conflict lasting up to 12 months (worst case).

A short war would likely result in little more than a temporary spike in freight rates, a modest dip in global volumes, and a familiar demonstration of supply chain resilience.

A prolonged conflict would be far more consequential. A one-year disruption to Hormuz, driving oil prices to \$140–\$150 per barrel, would deliver a severe shock to the global economy - triggering a toxic mix of energy and food shortages, rapid inflation, and likely recession in import-dependent economies. Global trade growth would contract, and geopolitical tensions would intensify as major powers scramble to secure alternative supply routes and strategic reserves.

A short war will be manageable for container shipping, but a longer conflict will impose a severe shock that will reverberate for years to come

Drewry Spotlight: Iran war

Why a short war is our base case

Fundamentally, a shorter conflict aligns with the economic and political interests of all parties.

For US President Donald Trump, a prolonged war in the Middle East would be politically damaging. Having campaigned against “forever wars,” he is already facing declining domestic support, with no meaningful rally-around-the-flag effect as gasoline and grocery prices rise. With mid-term elections approaching in November, his political capital could erode further unless tangible progress is achieved - something that may already be out of reach.

For Iran, the leadership structure is under increasing strain as targeted assassinations mount. At the same time, the loss of oil revenues constrains its ability to sustain military operations.

That said, the situation remains highly fluid and deeply uncertain. Signals of de-escalation have repeatedly been followed by renewed escalation, including ultimatums such as Trump’s 48-hour demand to reopen Hormuz under threat of strikes on Iranian energy infrastructure, positions that have subsequently been softened or deferred.

Uncertainty also surrounds the existence and progress of peace talks, even as US forces are reportedly preparing for a potential ground invasion. Washington’s strategic endgame remains unclear: whether it seeks regime change in Iran or merely the neutralisation of its nuclear and missile capabilities. Neither objective has been conclusively achieved, despite repeated claims of success.

For Iran’s leadership, by contrast, survival alone would constitute victory. Its capacity for asymmetric warfare, decentralised operations, and strategic endurance should not be underestimated.

A short war is in all side’s best interests, but the prospect of escalation in a misguided conflict is rising

Table 1 Iran war container shipping risk matrix

Risk	Likelihood	Impact	Time Horizon	Drewry comment
Vessel / port attack	Very high	Severe	Immediate	Safety concerns now a primary deterrent to direct transits even when insurance exists
Service disruption	Very high	Medium	Immediate	Multimodal contingencies for Gulf already in play, limited impact on wider network operations
Freight rate volatility	Very high	Medium	Immediate	Emergency fuel surcharges and rapid rate swings due to uncertainty
Port congestion	High	High	Short-term	Can multimodal hubs and substitute ports cope with extra volumes?
Reduced effective capacity	High	High	Short-term	Longer routings, slow steaming, port congestion and waiting times will all lengthen voyage cycles
Bunker shortages	Medium	High	Medium-term	High inventories provide buffer, but supply is tightening at major bunker hubs
Upstream industrial disruption	Medium	High	Medium-term	Manufacturing output impacted by energy availability and cost
Demand destruction	Medium	High	Medium-term	Higher energy costs reduce personal consumption and trade volumes
Long-term network reconfiguration	High	Medium	Long-term	Shift away from Gulf hubs and other vulnerable chokepoints

Source: Drewry Maritime Research

Container shipping's response

Phase 1: Withdrawal from the Gulf

One consequence of successive global disruptions - from Covid-19 to the war in Ukraine and renewed US trade tensions - is that container carriers have become increasingly adaptable. Trade finds a way, and liners have responded to this latest crisis with a combination of caution and improvisation.

A key early development was a shift in the maritime insurance landscape. On 3 March, the Joint War Committee expanded its Listed Areas to include Middle Eastern countries hosting US bases, identifying them as potential Iranian targets. Bahrain, Djibouti, Kuwait, Oman, and Qatar were added, and the boundaries of the wider high-risk region were extended (see map).

Such changes typically lead to sharply higher premiums and tighter voyage conditions. Insurance remained available, but often at prohibitive cost.

In practice, however, it was not insurance but security concerns that halted shipping. Missile and drone strikes rapidly rendered the Gulf unsafe, prompting carriers to suspend bookings and services almost immediately. Cargoes bound for the region were discharged at the nearest safe ports.

Germany's Hapag-Lloyd estimates the war has added \$40 million to \$50 million in weekly costs. In response, carriers have introduced emergency war risk surcharges, broadly ranging from \$1,500–\$2,000 per teu and \$3,000–\$4,000 per 40ft or reefer container.

Carriers adopted a safety-first approach as the Middle East war started by stopping services to the Gulf

Joint War Committee expanded Listed Areas (3 March 2026)



Source: Drewry Maritime Research

Container shipping's response

Table 2 Selected War Risk Surcharges (March 2026)

Carrier	Surcharge name	Surcharge amount	Scope
Hapag-Lloyd	War Risk Surcharge	\$1,500 per teu (dry cargo)	To/from Iraq, Bahrain, Kuwait, Qatar, Oman, UAE, and Saudi Arabia (Dammam and Jubail)
		\$3,500 per container for reefers / special	
Hapag-Lloyd	Contingency Surcharge	\$1,500 per teu (dry cargo)	Between Red Sea and Europe and North Africa, Africa and Latin America
		\$3,500 per container for reefers / special	
CMA CGM	Emergency Conflict Surcharge	\$2,000 per 20ft (dry)	To/from Iraq, Bahrain, Kuwait, Yemen, Qatar, Oman, UAE, Saudi Arabia, Jordan, Egypt (Sokhna), Djibouti, Sudan and Eritrea
		\$3,000 per 40ft (dry)	
		\$4,000 per reefer / special	
ONE	Emergency Surcharge	\$1,200 per teu (dry)	To/from Iraq, Bahrain, Kuwait, Qatar, Oman, UAE, and Saudi Arabia (Dammam and Jubail)
		\$2,200 per teu (reefer / special)	
		\$3,400 per 40ft (reefer / special)	
Maersk	Emergency Contingency Surcharge	\$1,800 per 20ft (dry)	Middle East trades broadly
		\$3,000 per 40ft and 45ft (dry)	
		\$1,900 per 20ft (reefer)	
		\$3,800 per 40ft (reefer)	
MSC	War Risk Surcharge	\$2,000 per 20ft (dry)	All cargoes moving from the Arabian Peninsula (Bahrain, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, UAE) to West Africa, East Africa, South Africa, Mozambique and the Indian Ocean Islands
		\$3,000 per 40ft (dry)	
		\$4,000 per reefer	

Source: Drewry Maritime Research

Phase 2a: Reintegrating the Gulf via alternative networks

While not a dominant container market, the Gulf remains critical. Its economies depend heavily on imports - consumer goods, machinery, construction materials, and food - and its ports function as key transshipment and bunkering hubs.

After the initial shock, carriers moved quickly - typically within one to two weeks - to restore flows via indirect solutions. These include multimodal feeder services and overland corridors, using both carrier-controlled and merchant haulage options. Bookings have reopened, but services are longer, more complex, and more expensive.

A network of alternative hubs has emerged outside the Strait of Hormuz, enabling cargo to be rerouted into the region. However, these hubs remain within strike range and are therefore subject to war risk surcharges. Houthi missile attacks on Israel at the end of March raises fresh concerns over the safety and viability of Red Sea shipping connections. Any disruption at these nodes could force further contingency measures, including diversions to substitute ports such as Colombo or Nhava Sheva.

Ocean carriers have resumed bookings to the Gulf with improvised multimodal solutions

Container shipping's response

Table 3 Gulf bypass port capacity, carrier multimodal connections

Port	Location	Capacity (mteu)	Latent capacity (mteu)	Multimodal connectivity	Bypass Utility
Khor Fakkan, UAE	Gulf of Oman	5.0	4.0	UAE	High
Sohar, Oman	Gulf of Oman	2.4	1.4	Oman, UAE, Saudi Arabia, Kuwait, Bahrain, Qatar	Medium
Fujairah, UAE	Gulf of Oman	1.2	1.0	UAE, Saudi Arabia, Kuwait, Bahrain, Qatar	Medium
Salalah, Oman	Arabian Sea	6.3	3.0	Oman, UAE	Very Low*
Jeddah, Saudi Arabia	Red Sea	9.2	5.5	Saudi Arabia, Upper Gulf (Dammam, Jubail, Bahrain, Kuwait, Qatar, UAE, Oman)	Low
King Abdullah, Saudi Arabia	Red Sea	5.1	4.5	Saudi Arabia, Abu Dhabi, Bahrain, Kuwait, Qatar, UAE	Low
Aqaba, Jordan	Red Sea	1.3	0.3	Iraq	Low
Other (NEOM & Duqm)	Various	1.5	1.4		Negligible
Total		32.0	21.1		

Note: *Salalah's Gulf utility rated Very Low due to 1,700km+ overland distance to Dubai and absence of rail connection; CMA CGM is also serving North Iraq via Mersin, Turkey

Source: Drewry Maritime Research: Ports and Terminals Insight

The result is a highly dynamic and fragmented operating environment. Carriers have responded by launching dedicated Middle East advisory pages to keep customers informed of operational changes and cost implications.

For the duration of the conflict - and potentially beyond, should mine-clearing operations be required - container shipping to the Middle East is likely to remain indirect and disrupted, rather than returning quickly to normal direct services.

Drewry has assessed the latent container capacity across the principal bypass ports available to Gulf trade (see Table 3). In aggregate, these ports offer over 20 mteu of spare annual capacity - a figure that appears substantial on paper but is heavily qualified by geography and logistics realities.

Khor Fakkan in the UAE is the only port where bypass utility is genuinely high. At 130km from Dubai via a good dual carriageway, it can absorb some additional Dubai-bound volume with limited additional infrastructure. UAE authorities have already implemented emergency customs clearance procedures allowing direct road transfer to Jebel Ali and Abu Dhabi free zones - a pragmatic measure that validates the corridor's pre-existing role. It should be noted that road absorption capacity is uncertain and would require traffic modelling, but is likely to be a fraction of Khor Fakkan's physical port capacity headroom.

Container services to the Middle East likely to remain indirect and disrupted for the duration of the war, and potentially longer

The current disruption confirms that no combination of available bypass ports and inland logistics can fully substitute for Hormuz access in the short term

Container shipping's response

Salalah in Oman presents the most acute paradox: 3 mteu of latent capacity, but located 1,700 km by road from Dubai through remote desert with no freight railway. A 40ft container trucked from Salalah to Dubai costs an estimated \$3,000–\$5,000 (based on per-kilometre benchmarks) versus \$200–400 drayage from Jebel Ali. As a Gulf supply chain bypass, it is effectively disconnected. It can, however, handle some of the transshipment cargo bound for the East African and South Asian markets traditionally handled in Jebel Ali.

Red Sea ports - Jeddah, King Abdullah and Duba (NEOM) - offer meaningful capacity for Saudi domestic consumption, but there is currently no rail connection between Jeddah and Riyadh. The Saudi Landbridge, the 950-km freight railway that would create this link, remains unbuilt, with construction tenders not expected until mid-2026 and completion targeted for the early 2030s. Without it, all Red Sea–Gulf hinterland container movement must go by road, approximately 1,000 km Jeddah–Riyadh and 1,400 km Jeddah–Dammam. For Qatar, Bahrain, Kuwait and Iraq, none of which have viable overland bypass routes that avoid either Hormuz or Saudi territorial transit, no adequate alternative exists.

Hormuz's effective closure compounds port disruption with hub disruption. Jebel Ali's transshipment ratio, approximately 65% of throughput when re-exports are included, means that cargo losses extend well beyond UAE gateway trade. Gulf feeder services to Kuwait, Qatar and Bahrain, accounting for an estimated 1.2–1.5 mteu annually through Jebel Ali alone, can operate as long as cargo can be delivered to Jebel Ali via Khor Fakkan, Fujairah, or Sohar.

Khalifa Port's 65% transshipment ratio reveals a similar structural exposure, compounded by Abu Dhabi spending approximately \$1 billion in 2022–2025 attracting Cosco and CMA CGM to use Khalifa as a regional hub. That investment is now stranded behind the same chokepoint. The port's sole physical bypass advantage, an Etihad Rail connection to Fujairah, provides at best 50 kteu per annum of relief capacity (based on a very aggressive ramp up to a daily container train). All relay transshipment previously handled in Abu Dhabi will be moved to Southeast Asian, South Asian, North African or Mediterranean hub ports.

Table 4 Inland connections from Red Sea ports of Jeddah and King Abdullah

Location	Distance from Jeddah (km)	Distance from King Abdullah (km)	Est. transit time (days)
Riyadh, Saudi Arabia	1,024	946	1
Dammam, Saudi Arabia	1,432	1,354	2
Jubail, Saudi Arabia	1,491	1,413	2
Abu Dhabi	1,917	1,839	4-5
Bahrain	1,500	1,422	4-5
Hamad, Qatar	1,486	1,408	4-5
Jebel Ali, UAE	1,982	1,904	4-5
Kuwait	1,430	1,534	4-5

Source: MSC

Container shipping's response

The current disruption confirms that no combination of available bypass ports and inland logistics can fully substitute for Hormuz access in the short term. A longer war would be a forcing catalyst for transformative investment in the region. The long-planned, but never built, GCC Railway, and a Jeddah–Dammam–Kuwait container rail corridor would become economic necessities. Duqm's development as a true container hub is a minimum 3-year investment horizon. The structural vulnerabilities are fixable, but not quickly. In addition, air defence will become a major requirement to enable regional logistics upgrades.

Phase 2b: Preparing for escalation scenarios

The loss of roughly 20 million barrels per day of crude and refined products through Hormuz represents the largest supply disruption in modern oil markets, according to the International Energy Agency (IEA).

In response, IEA member states announced the release of 400 million barrels from strategic reserves as a stop-gap measure. Global inventories currently exceed 8.2 billion barrels, providing an important buffer.

A commonly cited rule of thumb suggests that a 1% reduction in supply leads to a 4% increase in oil prices. With pre-war prices around \$70 per barrel, current levels of \$100–\$110 sit at the lower end of expectations given the scale of disruption. Strategic stock releases have helped stabilise markets, but volatility remains high.

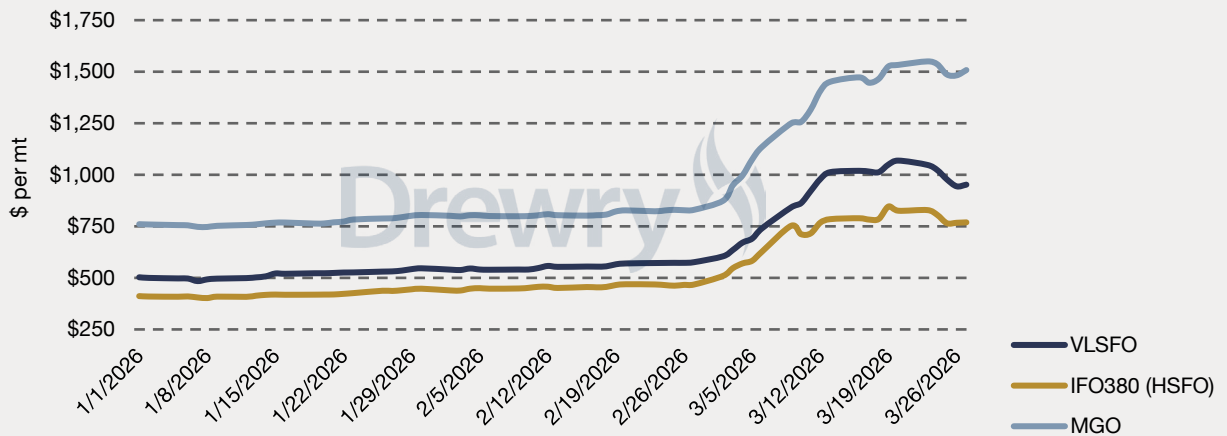
For container shipping, fuel is both a cost and a strategic risk. Since the start of the conflict, global bunker prices have risen by 60–80%, with significant regional divergence. Demand has shifted away from Fujairah - located just outside Hormuz but within the expanded risk zone - towards safer hubs such as Singapore, tightening supply and driving uneven price spikes.

A longer conflict could be the catalyst for transformative investment in the region to secure logistics capability during crisis times

The IEA has described the conflict as the largest oil supply disruption, releasing 400 million barrels from strategic reserves to stabilise volatile pricing

Fuel is increasingly becoming both a cost and strategic risk to container shipping lines, necessitating contingency planning

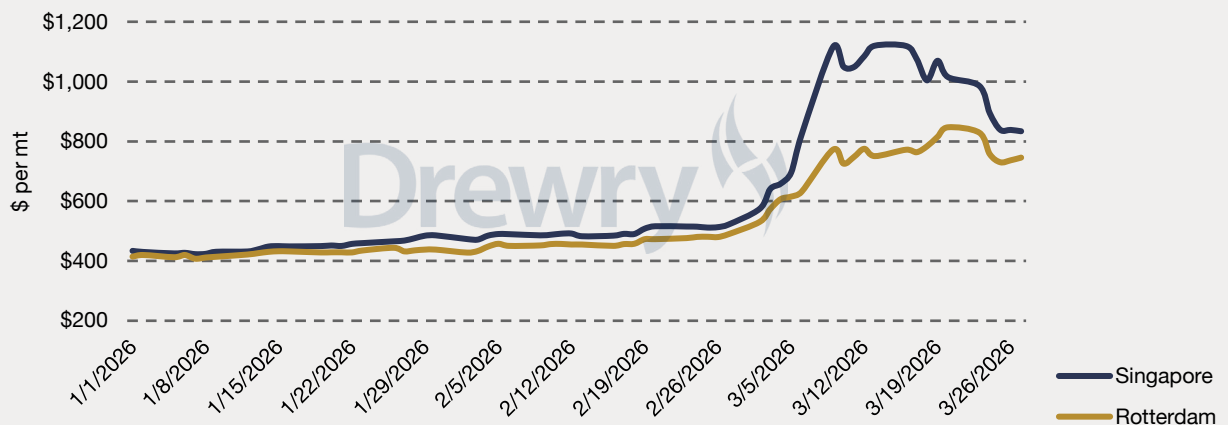
Figure 4 Daily global average bunker prices in 2026



Source: Ship & Bunker

Container shipping's response

Figure 5 Spread in VLSFO bunker prices in 2026



Source: Ship & Bunker

As conditions evolve, carriers are likely already evaluating alternative bunkering strategies, including increased reliance on smaller Mediterranean and Indian Ocean hubs.

Major carriers were quick to announce emergency fuel surcharges and more will follow if bunker prices continue to trend upwards. In theory standard BAF (Bunker Adjustment Factor) mechanisms should account for rises in oil prices, albeit with a time lag, so shippers should review carefully before accepting these additional charges to ensure they are not double paying for oil price increases at a later point.

The risk of bunker shortages is real, but not an immediate one. If the conflict persists, the sequence of market adjustment is likely to follow this pattern, in our view:

1. Reduced Middle Eastern supply
2. Refiners sourcing alternative crude
3. Drawdown of commercial and strategic inventories
4. Emergence of net supply deficits and product shortages
5. Demand destruction

We assess that the market is currently in Stage 3. A transition to Stage 5 at the global level remains months away, supported by inventory buffers, although regional imbalances mean some import-dependent economies are already experiencing Stage 4 conditions and have introduced emergency energy-saving and fuel preservation measures.

Maritime transport's critical role in sustaining global trade suggests that bunker fuel availability will be protected longer than other fuel segments. In more acute shortage scenarios, residual fuel oil could be diverted from power generation to shipping, delaying severe disruption to liner operations.

Maritime transport's critical role in sustaining global trade suggests that bunker fuel availability will be protected longer than other fuel segments

Container shipping's response

Table 5 Selected Emergency Bunker Surcharges (March 2026)

Carrier	Surcharge name	Typical surcharge amount
Maersk	Emergency Bunker Surcharge	\$100-\$200 (20ft), \$200-\$400 (40ft) - lower on backhaul
MSC	Emergency Fuel Surcharge	\$60-\$190 per teu (route dependent)
CMA CGM	Emergency Fuel Surcharge	\$150 per teu (headhaul), \$75 per teu (backhaul and intra-regional trades)
Hapag-Lloyd	Emergency Fuel Surcharge	\$160 per teu + variable Marine Fuel Recovery

Source: Carriers, Drewry Maritime Research

In our view, widespread vessel layups due to fuel shortages would represent a late-stage outcome. In the interim, carriers are more likely to rely on operational measures such as slow steaming across the global network to conserve fuel. This will further reduce effective capacity availability.

Another rule of thumb is that every \$10 increase in oil prices reduces global GDP growth by 0.1–0.2 percentage points. At \$150 per barrel, this implies a potential downgrade of up to 1.6 percentage points relative to pre-war forecasts - enough to tip some economies into recession.

Higher energy costs will cascade through production, consumption, and monetary policy, with container shipping acting as a transmission channel for these pressures.

For now, liner disruption remains manageable. Global container volumes have not collapsed; trade flows have bent rather than broken. But under any scenario, the conflict will bring higher costs, greater volatility, and sustained operational disruption. The longer it lasts, the worse things will get.

Vessel layups due to fuel shortages would represent a late-stage outcome. In the interim, carriers are more likely to rely on operational measures such as slow steaming across the global network to conserve fuel

2. World Container Trade Outlook

General demand developments

Global port throughput in 2025 demonstrated remarkable resilience, rising by a remarkable 6.2% despite challenging geopolitical conditions. This growth followed an even stronger 7.4% expansion in 2024. With the expected phased resumption of full-scale Suez Canal transits over the course of 2026, analysts were looking to the industry moving towards a new normal, amid a growing imbalance between softer container demand and fleet growth; and despite continued geopolitical risk and protectionism.

The escalating conflict between the US/Israel and Iran that started in late February, however, has cast a pall on the outlook and added yet another layer of ominous geopolitical uncertainty. In an asymmetrical military face-off, Iran is deploying economic tactics to create regional chaos and make the conflict prohibitively costly for adversaries.

The Strait of Hormuz, a critical chokepoint for global oil transit, has effectively been shut down, casting a long shadow over global energy supplies. While container liners have significantly less exposure than oil/LNG tankers (the Middle East accounts for less than 5% of global port container throughput), schedule disruptions, port congestion in alternative ports, and soaring fuel costs ripple through the entire container shipping supply chain.

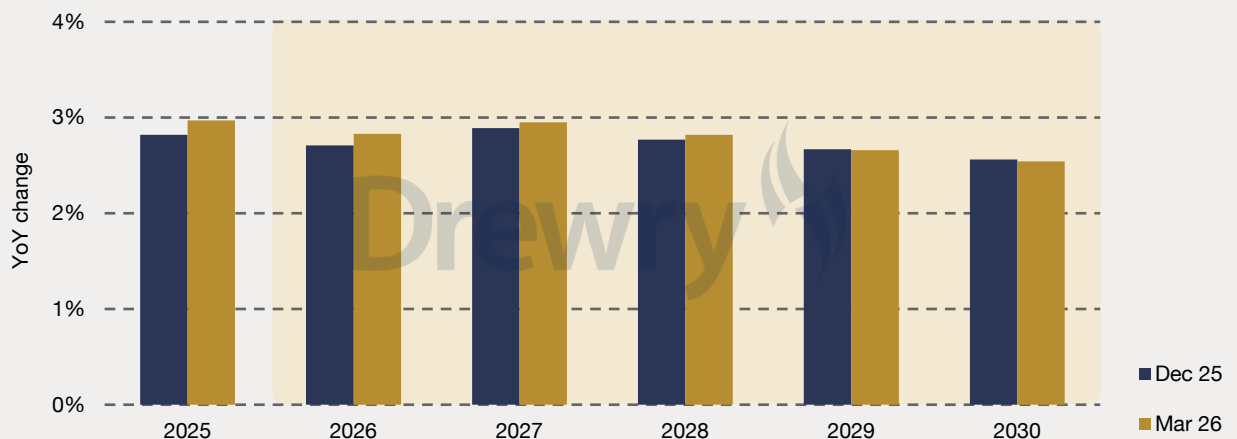
Indeed, the economic factor has emerged as the dominant issue for container shipping. Disruption to ship operations in the Gulf aside, rising oil, gas, fertiliser, and freight prices directly feed inflation, reducing consumer demand. When energy and transport costs rise sharply, consumers face higher prices for everything from fuel to food to manufactured goods, which in turn weakens demand.

Global container throughput grew by 6.2% YoY in 2025, following an even stronger 7.4% growth in 2024

The conflict between the US/Israel and Iran that started in late February, however, has cast a pall on the outlook and added yet another layer of ominous geopolitical uncertainty

Middle East accounts for less than 5% of global port container throughput but schedule disruption, port congestion, and soaring fuel costs ripple through the entire container shipping supply chain

Figure 2.1 Drewry baseline global economic assumptions (real GDP)



Source: Drewry Maritime Research (derived from Oxford Economics)

General demand developments

The economic consequences of the energy shock could be far-reaching. If oil and gas prices remain high for long, they could create a debilitating wave of inflation for the global economy. Economists caution that the conflict adds strain to already vulnerable economies and increases the risk of widespread recession. The longer the instability continues, the greater the threat to the global economy.

While the IMF's January 2026 update projected global growth at 3.3%, it now estimates that a 10% increase in oil prices, if sustained throughout most of the year, will raise global inflation by 0.4% and reduce global economic output by up to 0.2%. Oxford Economists has projected that if Brent crude oil averages around \$140 per barrel for two months, the adverse spillover effects will lead to a 0.7% decline in global real GDP by the end of 2026. As of 18 March, Brent crude prices settled above \$100 for the first time since 2022.

Container shipping demand is intrinsically linked to the pace of global economic growth. With slower growth, demand will likely dip. Based on Drewry's base-case scenario for the conflict (a short-term Straits of Hormuz blockage), Drewry expects global port container growth to slow to +1.8% in 2026, then rise to 3.6% in 2027, and then range between +2.5% and +2.8% through 2030. The caveat is the length of the current Middle East conflict and when the Strait of Hormuz fully reopens.

Meanwhile, Drewry's World Container Index (WCI), a composite freight rate index covering eight major East-West shipping routes, jumped 14% to \$2,172 per 40ft container on 19 March compared to the pre-conflict level on 26 February. The recent Middle East crisis has led not only to higher vessel insurance and operational disruption costs in the region but also to a substantial surge in fuel prices. Carriers have started imposing related surcharges, e.g., emergency fuel surcharge, etc., on routes beyond the Middle East; and given that port congestion in major Asian and European terminals remains firmly in the "red zone", it seems likely that rate volatility will persist, and shippers should brace themselves for a potentially bumpy journey ahead.

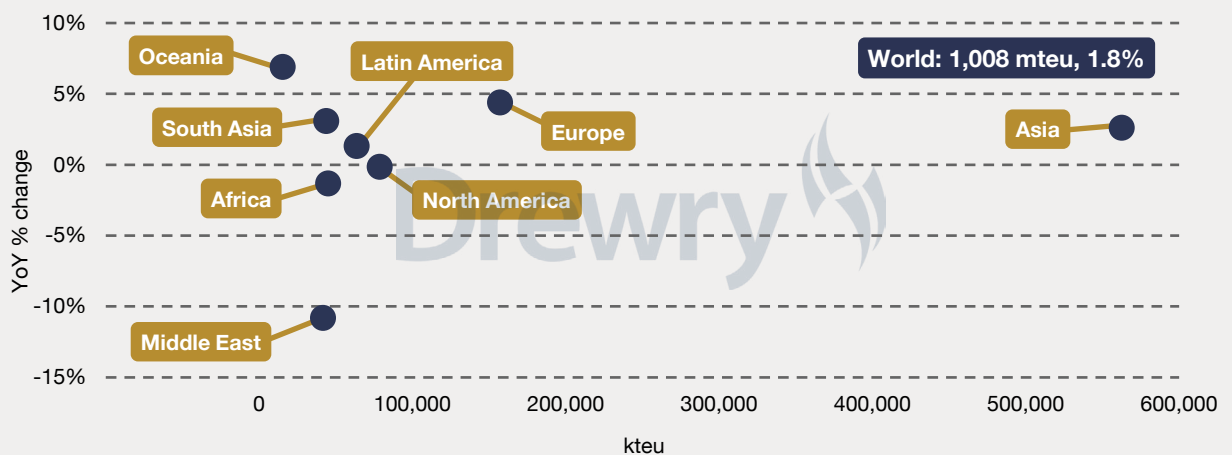
The economic factor has emerged as the dominant issue for container shipping as raising cost further weaken demand

The world economy at risk of recession if high oil and gas prices are sustained

Oxford Economists has projected that if Brent crude oil averages around \$140 per barrel for two months, the adverse spillover effects will lead to a 0.7% decline in global real GDP by the end of 2026

Container shipping demand is closely tied to global economic growth. Based on Drewry's base case scenario, growth is expected to slow to 1.8% in 2026 before rising to 3.6% in 2027

Figure 2.2 Drewry container forecast, 2026



Source: Drewry Maritime Research

General demand developments

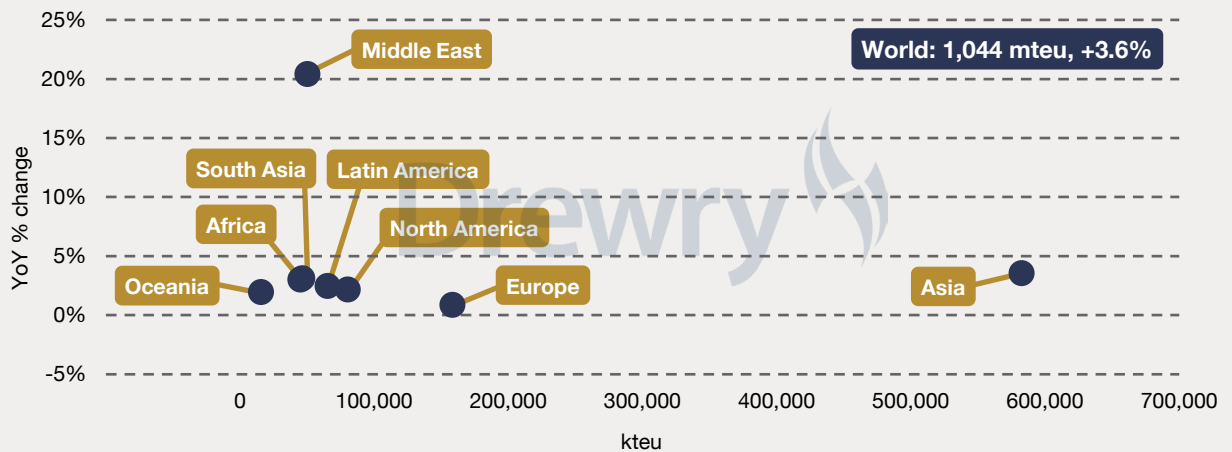
The last few years have shown that volatility seems to be the only constant in the shipping industry. Nonetheless, the global economy, and container shipping specifically, has demonstrated resilience against major shocks such as the Covid pandemic, the Russian invasion of Ukraine, the Red Sea crisis, and widespread US tariffs. Therefore, there may be grounds for optimism that it will remain resilient despite the fallout from the latest conflict in the Middle East.

Last year was characterised by an unexpected upswing in container demand amid significant disruptions and uncertainty. Based on a sampling of nearly 350 ports worldwide, global port container throughput (loaded, empties, and transshipment) rose 6.2%, following a strong 7.4% in 2024. Looking at the port throughput results by region, all regions recorded growth. The Africa region recorded the highest growth, up 11.1%, notably on top of a robust 14.3% growth the year before. South Asia recorded the next-highest growth at +9.7%, while the Middle East region grew 8.3%, a feat not to be repeated this year.

Drewry's spot market freight rate benchmark World Container Index was up 14% on 19 March compared to the pre-conflict level

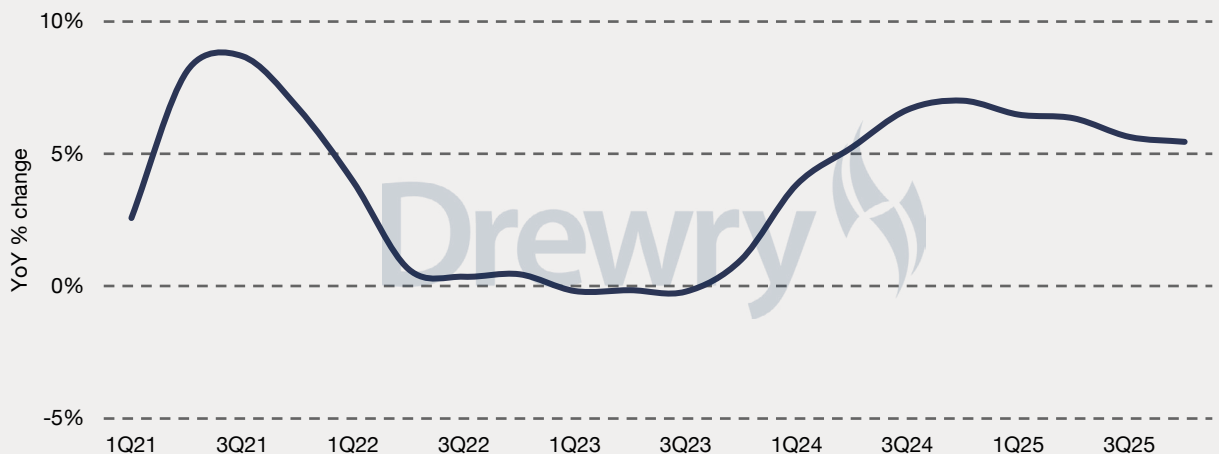
The global economy, and container shipping specifically, has demonstrated resilience against major shocks such as the Covid pandemic, the Russian invasion of Ukraine, the Red Sea crisis, and widespread US tariffs

Figure 2.3 Drewry container forecast, 2027



Source: Drewry Maritime Research

Figure 2.4 Global container port throughput: rolling 4-quarter average % change (sample ports)



Source: Drewry Maritime Research

General demand developments

The Latin America region was another growth engine, rising 6.9% in 2025, following a robust 12% expansion in 2024. Meanwhile, the Europe region reported a respectable 6.3% growth in 2025, while the North America region posted only 1.9%. The Asia region ended the year with a solid 6.1% growth, led by the Southeast Asia subregion (+8.5%). The Oceania region was the laggard region as far as growth was concerned, registering only a nominal 0.8% growth for 2025.

The Africa region recorded the highest growth, at 11.1% in 2025, followed by South Asia at 9.7%

Table 2.1 Forecast development of world container traffic (mteu)

	Port Handling		Port-to-Port				Transshipment			Empties	Loaded Container Traffic	
	Total	% change	Full	Empty	Total	% change	Full	Empty	Total	Total	% change	
2023	868.3	0.4%	469.4	174.7	644.1	-0.1%	163.4	60.8	224.2	235.4	234.7	-0.3%
2024	932.5	7.4%	504.7	187.4	692.2	7.5%	175.2	65.1	240.3	252.5	252.4	7.5%
2025 Q1	236.9	7.3%	127.8	48.0	175.8	7.3%	44.4	16.7	61.1	64.7	63.9	6.9%
Q2	250.3	6.6%	135.1	50.7	185.8	6.6%	46.9	17.6	64.5	68.3	67.5	6.2%
Q3	254.6	5.7%	137.4	51.6	189.0	5.7%	47.7	17.9	65.6	69.5	68.7	5.4%
Q4	248.5	5.4%	134.1	50.4	184.4	5.4%	46.6	17.5	64.1	67.8	67.0	5.1%
2025	990.4	6.2%	534.4	200.7	735.1	6.2%	185.6	69.7	255.3	270.4	267.2	5.9%
2026 Q1	243.0	2.5%	129.6	48.8	178.4	1.5%	46.9	17.7	64.5	66.5	64.8	1.3%
Q2	253.0	1.1%	134.9	50.9	185.8	-0.0%	48.8	18.4	67.2	69.3	67.4	-0.1%
Q3	257.2	1.0%	137.1	51.7	188.8	-0.1%	49.6	18.7	68.3	70.4	68.6	-0.2%
Q4	255.4	2.8%	136.2	51.4	187.5	1.7%	49.3	18.6	67.9	69.9	68.1	1.6%
2026	1008.5	1.8%	537.8	202.8	740.5	0.7%	194.6	73.4	267.9	276.1	268.9	0.6%
2027	1044.4	3.6%	562.8	211.2	774.0	4.5%	196.6	73.8	270.4	284.9	281.4	4.7%
2028	1,074.1	2.8%	578.4	217.5	795.9	2.8%	202.1	76.0	278.1	293.5	289.2	2.8%
2029	1,102.2	2.6%	593.3	223.3	816.7	2.6%	207.5	78.1	285.6	301.4	296.7	2.6%
2030	1,129.7	2.5%	608.0	228.9	836.9	2.5%	212.7	80.1	292.8	309.0	304.0	2.5%

Note: Loaded Container Traffic is Port-to-Port Full divided by two; Data is subject to change

Source: Drewry Maritime Research

General demand developments

Table 2.2 Forecast of container activity by region (kteu)

	2024	2025	2026	2027	2028	2029	2030
Asia	517,099	548,472	562,721	582,578	600,164	616,611	632,370
% change on previous year	6.7%	6.1%	2.6%	3.5%	3.0%	2.7%	2.6%
share of world total	55.5%	55.4%	55.8%	55.8%	55.9%	55.9%	56.0%
Europe	141,630	150,567	157,143	158,469	161,651	164,784	167,843
% change on previous year	6.2%	6.3%	4.4%	0.8%	2.0%	1.9%	1.9%
share of world total	15.2%	15.2%	15.6%	15.2%	15.1%	14.9%	14.9%
North America	77,388	78,871	78,733	80,419	82,107	83,782	85,541
% change on previous year	11.0%	1.9%	-0.2%	2.1%	2.1%	2.0%	2.1%
share of world total	8.3%	8.0%	7.8%	7.7%	7.6%	7.6%	7.6%
Latin America	58,884	62,951	63,766	65,327	67,051	68,816	70,589
% change on previous year	12.0%	6.9%	1.3%	2.4%	2.6%	2.6%	2.6%
share of world total	6.3%	6.4%	6.3%	6.3%	6.2%	6.2%	6.2%
Middle East	43,237	46,806	41,733	50,243	52,700	54,901	57,063
% change on previous year	-1.4%	8.3%	-10.8%	20.4%	4.9%	4.2%	3.9%
share of world total	4.6%	4.7%	4.1%	4.8%	4.9%	5.0%	5.1%
South Asia	38,800	42,571	43,873	45,187	46,491	47,787	49,074
% change on previous year	10.8%	9.7%	3.1%	3.0%	2.9%	2.8%	2.7%
share of world total	4.2%	4.3%	4.4%	4.3%	4.3%	4.3%	4.3%
Africa	41,151	45,727	45,113	46,507	47,889	49,280	50,674
% change on previous year	14.3%	11.1%	-1.3%	3.1%	3.0%	2.9%	2.8%
share of world total	4.4%	4.6%	4.5%	4.5%	4.5%	4.5%	4.5%
Oceania	14,287	14,404	15,397	15,696	15,998	16,282	16,543
% change on previous year	6.7%	0.8%	6.9%	1.9%	1.9%	1.8%	1.6%
share of world total	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
World	932,475	990,368	1,008,479	1,044,426	1,074,051	1,102,243	1,129,698
% change on previous year	7.4%	6.2%	1.8%	3.6%	2.8%	2.6%	2.5%

Note: Data is subject to change

Source: Drewry Maritime Research

General demand developments

Table 2.3 2-year quarterly forecast of container growth by region (YoY change)

	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26	3Q26	4Q26	1Q27	2Q27	3Q27	4Q27
North America	7.3%	2.2%	1.2%	-2.5%	-3.2%	2.2%	-1.6%	2.1%	1.5%	2.0%	2.4%	2.7%
East Coast North America	6.0%	3.5%	0.4%	-0.2%	-4.0%	-0.2%	-0.5%	2.2%	1.1%	1.7%	2.6%	2.7%
Gulf Coast North America	-2.2%	4.5%	6.6%	-0.3%	-1.3%	-1.1%	-0.3%	2.6%	1.5%	1.5%	2.7%	2.8%
West Coast North America	10.6%	0.6%	0.7%	-4.7%	-3.0%	4.8%	-2.7%	1.9%	1.7%	2.3%	2.1%	2.8%
Europe	5.4%	5.8%	6.0%	8.0%	7.4%	3.4%	3.9%	3.0%	0.8%	0.8%	0.9%	0.9%
North West Europe	5.2%	7.2%	3.8%	7.6%	4.5%	-0.0%	2.7%	0.8%	0.6%	0.9%	1.0%	1.1%
Scandinavia & Baltic	11.2%	2.6%	9.0%	9.9%	6.0%	10.2%	7.6%	3.2%	1.8%	1.8%	1.8%	1.9%
West Mediterranean	3.9%	-1.1%	2.3%	7.5%	7.7%	5.0%	5.0%	2.1%	1.9%	1.9%	1.8%	1.8%
East Med & Black Sea	5.3%	10.8%	11.7%	8.2%	12.3%	5.4%	3.8%	7.1%	-0.3%	-0.4%	-0.4%	-0.4%
Asia	7.4%	6.5%	5.1%	5.4%	2.9%	1.3%	2.1%	4.2%	3.9%	3.6%	3.3%	3.3%
North Asia	0.5%	0.5%	-2.1%	0.5%	3.4%	3.4%	7.7%	3.8%	3.5%	2.9%	2.4%	2.0%
Greater China	8.0%	5.3%	4.0%	6.2%	1.1%	1.2%	1.5%	4.0%	4.0%	3.8%	3.6%	3.6%
Southeast Asia	9.7%	12.4%	11.3%	6.1%	6.7%	0.3%	0.9%	4.9%	3.9%	3.5%	3.1%	3.3%
Middle East/ South Asia	10.1%	10.8%	8.4%	6.7%	-2.1%	-4.2%	-5.9%	-4.5%	11.5%	11.5%	11.5%	11.5%
Middle East	9.5%	12.0%	4.4%	7.5%	-9.0%	-11.8%	-11.0%	-11.4%	20.5%	20.4%	20.3%	20.3%
South Asia	10.6%	9.5%	12.9%	5.9%	5.2%	4.4%	-0.4%	3.2%	3.0%	3.0%	3.0%	3.0%
Latin America	6.2%	9.3%	7.1%	5.1%	2.7%	0.8%	-0.2%	2.0%	2.3%	2.4%	2.5%	2.6%
Central America/Caribbean	0.4%	5.7%	7.1%	5.8%	2.5%	-1.7%	-2.5%	2.0%	3.0%	3.0%	2.9%	2.9%
East Coast South America	8.8%	4.0%	3.9%	2.5%	5.4%	7.3%	3.1%	2.7%	1.1%	1.4%	1.7%	2.0%
West Coast South America	15.6%	24.7%	11.1%	7.1%	-0.1%	-1.9%	0.2%	1.2%	2.6%	2.6%	2.7%	2.7%
Africa	11.9%	8.1%	14.1%	10.4%	0.3%	-2.1%	-3.8%	0.5%	3.1%	3.1%	3.1%	3.1%
East Africa	7.3%	7.2%	-3.8%	10.3%	-6.3%	-6.4%	2.9%	-7.2%	3.5%	3.4%	3.4%	3.3%
North Africa	9.5%	4.4%	11.8%	9.4%	4.0%	-3.6%	-3.4%	0.7%	3.4%	3.4%	3.4%	3.4%
West Africa	20.8%	15.7%	22.3%	11.6%	-0.6%	-2.8%	-4.1%	2.4%	3.1%	3.1%	3.0%	3.1%
Southern Africa	-0.2%	-2.4%	18.8%	9.6%	0.8%	10.6%	-10.7%	3.3%	2.1%	2.0%	1.9%	2.1%
Oceania	-5.1%	0.5%	4.7%	3.1%	9.4%	5.5%	7.2%	5.7%	2.0%	2.0%	1.9%	1.9%
World	7.3%	6.6%	5.7%	5.4%	2.5%	1.1%	1.0%	2.8%	3.7%	3.6%	3.5%	3.5%

Note: Data is subject to change

Source: Drewry Maritime Research

General demand developments

Table 2.4 2-year quarterly forecast of container activity by region (kteu)

	1Q25	2Q25	3Q25	4Q25	1Q26	2Q26	3Q26	4Q26	1Q27	2Q27	3Q27	4Q27
North America	19,548	19,389	20,620	19,314	18,918	19,808	20,286	19,721	19,193	20,196	20,770	20,260
East Coast North America	7,545	7,590	7,748	7,361	7,244	7,573	7,713	7,523	7,323	7,700	7,914	7,725
Gulf Coast North America	2,100	2,204	2,220	2,102	2,071	2,179	2,212	2,157	2,102	2,212	2,272	2,217
West Coast North America	9,904	9,596	10,652	9,851	9,602	10,056	10,361	10,041	9,768	10,284	10,584	10,318
Europe	35,679	38,257	38,282	38,348	38,309	39,552	39,784	39,499	38,603	39,872	40,128	39,866
North West Europe	15,459	16,605	16,383	16,416	16,157	16,604	16,832	16,553	16,260	16,746	17,000	16,740
Scandinavia & Baltic	3,277	3,171	3,312	3,463	3,472	3,496	3,564	3,573	3,534	3,559	3,626	3,639
West Mediterranean	7,537	8,121	8,085	8,229	8,121	8,531	8,490	8,406	8,278	8,689	8,645	8,559
East Mediterranean & Black Sea	9,406	10,360	10,501	10,239	10,559	10,920	10,898	10,968	10,530	10,878	10,856	10,927
Asia	130,624	139,695	140,851	137,302	134,352	141,480	143,796	143,093	139,645	146,577	148,545	147,811
North Asia	16,914	17,763	17,001	17,879	17,486	18,369	18,311	18,560	18,106	18,907	18,754	18,924
Greater China	79,143	84,150	85,542	83,117	79,976	85,200	86,823	86,460	83,214	88,443	89,919	89,541
Southeast Asia	34,568	37,782	38,308	36,307	36,890	37,910	38,662	38,074	38,324	39,227	39,872	39,346
Middle East/ South Asia	21,460	22,219	23,068	22,630	21,006	21,296	21,702	21,602	23,414	23,744	24,190	24,082
Middle East	11,095	11,755	11,969	11,987	10,101	10,367	10,649	10,616	12,177	12,486	12,810	12,770
South Asia	10,365	10,463	11,099	10,643	10,905	10,928	11,053	10,986	11,237	11,258	11,380	11,312
Latin America	15,104	15,679	16,298	15,869	15,511	15,801	16,261	16,194	15,873	16,180	16,663	16,611
Central America/ Caribbean	7,020	7,448	7,742	7,369	7,195	7,320	7,547	7,520	7,410	7,536	7,763	7,736
East Coast South America	4,335	4,393	4,719	4,667	4,571	4,715	4,867	4,795	4,620	4,779	4,950	4,889
West Coast South America	3,749	3,838	3,837	3,832	3,744	3,765	3,847	3,879	3,843	3,865	3,950	3,986
Africa	11,137	11,496	11,875	11,219	11,173	11,250	11,420	11,270	11,521	11,598	11,769	11,619
East Africa	1,641	1,682	1,550	1,725	1,538	1,575	1,594	1,600	1,591	1,628	1,648	1,654
North Africa	3,824	4,125	4,058	3,925	3,976	3,978	3,922	3,954	4,110	4,112	4,056	4,088
West Africa	4,337	4,448	4,631	4,282	4,313	4,323	4,444	4,386	4,446	4,456	4,578	4,521
Southern Africa	1,335	1,242	1,635	1,287	1,346	1,374	1,460	1,329	1,374	1,402	1,488	1,357
Oceania	3,366	3,586	3,641	3,811	3,682	3,784	3,903	4,027	3,757	3,858	3,978	4,103
World	236,919	250,322	254,635	248,492	242,950	252,969	257,153	255,406	252,005	262,025	266,043	264,353

Note: Data is subject to change

Source: Drewry Maritime Research

Asia

Asian port volume grew 5.4% in 4Q25, bringing full-year 2025 growth to 6.1%, slightly below the 6.4% achieved in 2024. Since Asia accounts for 55% of the world's total port throughput, this represents a 31 mteu increase. Drewry's baseline expectation is for slower growth in 2026 at +2.6%, followed by +3.5% in 2027.

The Southeast Asia subregion's port volume growth slowed to 6.1% YoY in 4Q25, but it still recorded an impressive 9.9% growth for the full-year 2025. Meanwhile, the Greater China region posted a 6.2% YoY rise in 4Q25, bringing its full-year performance to +5.8%. North Asia ports, however, saw only a modest 0.5% growth in the final quarter, resulting in a 0.1% decline for the year.

While volumes at most major ports in the Greater China region decreased QoQ in 4Q25, all but Hong Kong remained ahead on an annual basis. Ningbo, in particular, had a strong year with throughput up 11.6% YoY to 43.9 mteu. Shanghai and Guangzhou also experienced sturdy growth, with volumes up 6.9% and 6.0% YoY, respectively. Meanwhile, Hong Kong continued to shed traffic throughout 2025, with volumes down 5.7% YoY to 12.9 mteu.

North Asia ports continued to underperform overall. This highlights ongoing pressure on Northeast Asian hubs, due to weaker transshipment flows and softer regional demand. Several key ports in the region saw declines YoY. For example, Kaohsiung dropped 3.7% YoY to 8.9 mteu, while Vladivostok fell 10.3% YoY to 1.5 mteu. Conversely, Busan proved more resilient, with a modest 2.0% YoY increase, reaching 24.9 mteu in 2025. Transshipment cargo accounted for 57% of the total cargo volume, up by 4.4% to 14.1m teu. This strengthened the port's position as the world's second-largest transshipment hub after Singapore port.

Asian port volumes rise 5.4% YoY in 4Q25, full year 2025 growth at 6.1%

Southeast Asia ports grew 9.9% in 2025 while Greater China ports grew 6.2%

Hong Kong's 2025 volumes fell 5.7%, while Ningbo surged 11.6%

Busan handled 24.9 mteu in 2025, up 2.0% YoY, but Taiwan declined 3.7%

Table 2.5 Forecast of container growth in Asia (kteu)

	2024	2025	2026	2027	2028	2029	2030
Asia	517,099	548,472	562,721	582,578	600,164	616,611	632,370
% change on previous year	6.7%	6.1%	2.6%	3.5%	3.0%	2.7%	2.6%
share of world total	55.5%	55.4%	55.8%	55.8%	55.9%	55.9%	56.0%
Greater China	313,679	331,952	338,459	351,118	362,687	373,326	383,471
% change on previous year	6.8%	5.8%	2.0%	3.7%	3.3%	2.9%	2.7%
share of region total	60.7%	60.5%	60.1%	60.3%	60.4%	60.5%	60.6%
share of world total	33.6%	33.5%	33.6%	33.6%	33.8%	33.9%	33.9%
Southeast Asia	133,763	146,964	151,536	156,769	161,872	166,851	171,710
% change on previous year	8.5%	9.9%	3.1%	3.5%	3.3%	3.1%	2.9%
share of region total	25.9%	26.8%	26.9%	26.9%	27.0%	27.1%	27.2%
share of world total	14.3%	14.8%	15.0%	15.0%	15.1%	15.1%	15.2%
North Asia	69,657	69,556	72,726	74,692	75,605	76,434	77,190
% change on previous year	3.5%	-0.1%	4.6%	2.7%	1.2%	1.1%	1.0%
share of region total	13.5%	12.7%	12.9%	12.8%	12.6%	12.4%	12.2%
share of world total	7.5%	7.0%	7.2%	7.2%	7.0%	6.9%	6.8%

Note: Data is subject to change

Source: Drewry Maritime Research

Asia

Southeast Asia saw continued growth throughout the year, remaining one of the world's top performers. Singapore increased by 8.6% YoY to handle 44.7 mteu in 2025. Malaysian ports also had a busy year. Port Klang posted a 3.4% YoY rise to 15.1 mteu. Tanjung Pelepas also grew 14.5% YoY to surpass 14 mteu. Another port that handled volumes exceeding 10 mteu is Thailand's Laem Chabang (10.5 mteu). Volumes at the leading three ports are primarily driven by transshipment activity. The transshipment proportion of total volumes is estimated at 95% at Tanjung Pelepas, 90% at Singapore, and 56% at Port Klang

Three Vietnamese ports also ranked in the top 10 Southeast Asia ports: Cat Lai (Ho Chi Minh) and Cai Mep each recorded estimated volumes of 7.4 mteu in 2025, while Haiphong handled 7.2 mteu. Vietnamese ports have the highest growth in the region, driven by rising Vietnamese exports. The remaining three ports in the top 10 had traffic profiles mainly driven by regional and domestic services: Indonesia's Tanjung Priok (8.3 mteu) and Surabaya (4.4 mteu) operate only a limited number of deep-sea services, whereas Manila received no deep-sea calls. Tanjung Priok, Surabaya, and Manila also handle transshipment between deep-sea or regional loops and domestic feeder services.

According to provisional data from Container Trades Statistics (CTS), Asia's export container trade (laden boxes) increased by over 6% to approximately 68 mteu in 2025. Exports to all regions saw substantial growth, except to North America, which declined by about 4%. In contrast, exports to Europe grew by more than 9% while traffic to Oceania also increased by 6% for the year. Notably, container exports from Asia recorded double-digit growth to Latin America (+15%), the Middle East/South Asia (+14%), and Sub-Saharan Africa (+26%).

However, container imports into Asia from other regions contracted by approximately 1.2% to around 21 mteu, worsening the container imbalance for the region. Turning to intra-Asia container trade, which is by far the largest globally, it continued to expand by over 5% to nearly 50 mteu in 2025.

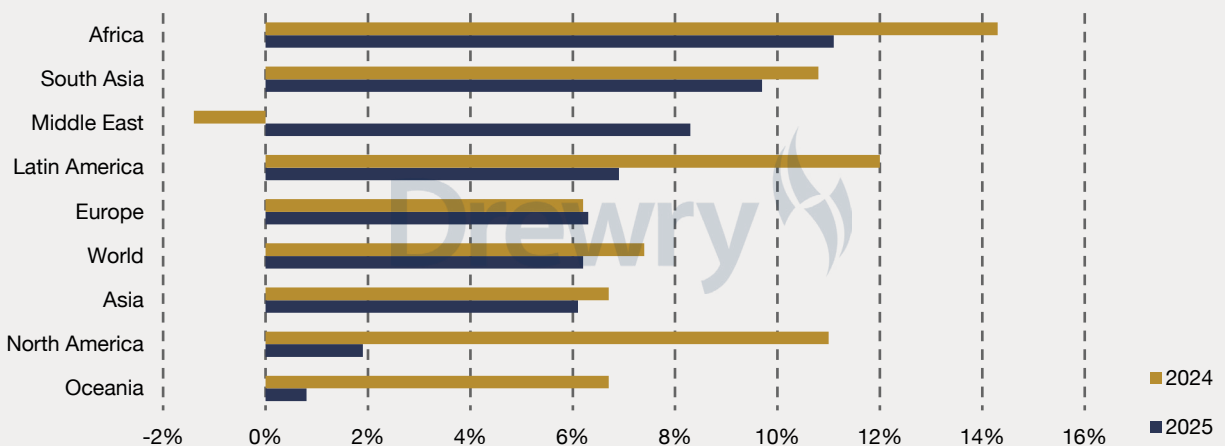
Tanjung Pelepas volumes grew 14.5% in 2025 while Singapore posted +8.6%. Laem Chabang volumes reached 10.5 mteu

Vietnamese ports of Cat Lai, Cai Mep and Haiphong have the highest growth among Southeast Asian ports, driven by a surge in exports

Exports from Asia to all regions saw growth in 2025, except to North America, which declined by about 4%

Imports into Asia from other regions contracted by approximately 1.2%

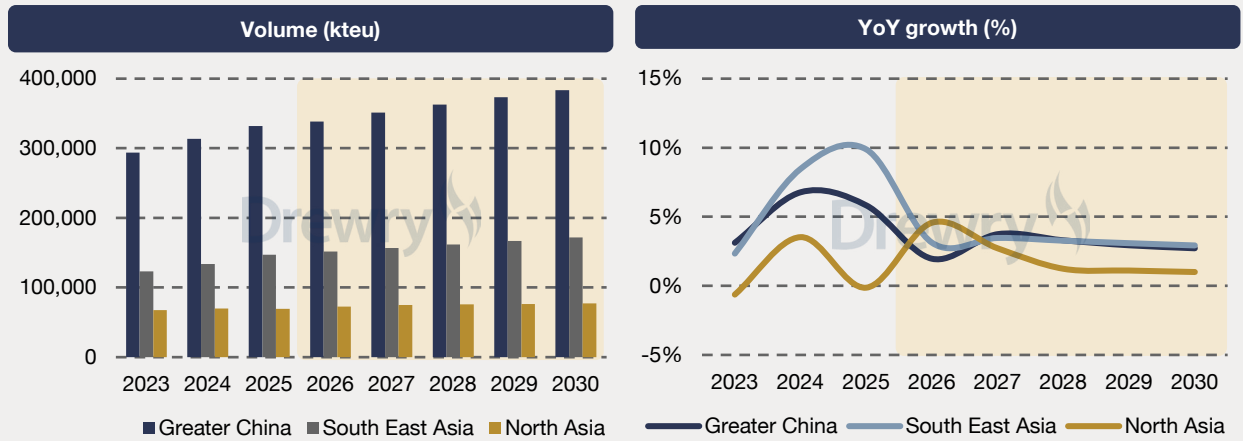
Figure 2.5 Regional throughput growth performances



Source: Drewry Maritime Research

Asia

Figure 2.6 Regional container forecast: Asia



Source: Drewry Maritime Research

China’s economy grew 5% in 2025, meeting Beijing’s target, driven by an export boom to offset weak domestic consumption, a strategy that blunted the impact of US tariffs but is increasingly hard to sustain. Since its property sector crash in 2021, Beijing has directed resources towards the industrial complex rather than consumers to meet ambitious growth targets, creating endemic production overcapacity and forcing factories to seek more buyers abroad.

In 2025, China’s inroads into global markets went further than ever before, leading to a record trade surplus of \$1.2 trillion, 20% higher than in 2024 and equivalent to the size of a top 20 economy, such as Saudi Arabia. Exports to the US fell sharply by 20% in 2025, yet total exports rose as China boosted sales to ASEAN, the Middle East, Africa and Latin America.

From an operational perspective, this is an extraordinary achievement. Few countries have the industrial strength, logistics capability, private sector agility, and government coordination to adapt so swiftly. However, the trillion-dollar surplus highlights an inherent imbalance. China is exporting vigorously because domestic demand remains too weak to fully absorb its industrial capacity.

The recently concluded 2026 “Two Sessions” set China’s economic agenda for the year and launched the 15th Five-Year Plan. China has set a GDP growth target of 4.5–5.0% for 2026, the lowest in decades. Beijing is now accepting slower expansion while prioritising domestic demand and high-quality growth. This policy stance reflects a shift away from property- and export-led growth towards internal rebalancing.

That said, China’s export growth accelerated into double digits in early 2026, according to the latest data. Total outbound shipments jumped 21.8% on the year in January and February, in dollar terms, according to customs data. This marked a sharp increase from the 6.6% growth rate in December, while easily beating the average forecast of 7% in a Reuters poll of economists. This comes despite the Chinese Lunar New Year holidays in late January. It does seem that the world is unable to wean itself off Chinese exports, at least in the short term.

China’s economy achieved 5% growth in 2025, meeting Beijing’s target, driven by an export boom that offset weak domestic consumption

China reports record global trade surplus of \$1.2 trillion, 20% higher than in 2024. But the trillion-dollar surplus highlights an inherent imbalance

China has set a GDP growth target of 4.5–5.0% for 2026, the lowest in decades

China’s outbound shipments jumped 21.8% in January and February, in dollar terms

Europe

European ports' throughput rose 8% in 4Q25, the highest quarterly growth of the year. Notably, it marks the region's ninth consecutive quarterly growth, a trend not seen in this decade, even at the peak of the pandemic-driven demand surge. For the full year 2025, the region grew by a respectable 6.3%, following a similar 6.2% growth achieved in 2024. Drewry expects volume growth for the region to slow to 4.4% in 2026, then decline further to 0.8% in 2027, before rebounding to between 1.9% and 2% through 2029.

All European subregions recorded increases in 2025, with the East Mediterranean/ Black Sea and Scandinavian/Baltic subregions achieving impressive YoY growth of 9% and 8.1%, respectively. In comparison, North West Europe, the largest subregion, posted a relatively modest 5.9% YoY, followed by the West Mediterranean subregion with 3.1% YoY growth.

Nonetheless, volume performance across key Northwest European ports in 2025 still registered growth. Port of Antwerp-Bruges recorded marginal growth of 0.7% YoY, reflecting broadly stable demand conditions. Its main competitor (Europe's largest port), Rotterdam, was up 3%. Meanwhile, Hamburg port posted a strong 7.3% YoY increase, largely driven by higher Asian volumes, particularly trade with China (+6.5%), Malaysia (+84.3%) and India (+49.2%).

European port volumes surge 8% YoY in 4Q25, the highest quarterly growth of the year. Full year 2025 growth at 6.3%, but growth forecast to slow to 4.4% in 2026

Strong performance by East Mediterranean and Black Sea (+9%) tops that of North-West Europe (+5.9%)

Container volumes at Hamburg up 7.3% YoY in 2025, driven by higher Asian volumes

Table 2.6 Forecast of container growth in Europe (kteu)

	2024	2025	2026	2027	2028	2029	2030
Europe	141,630	150,567	157,143	158,469	161,651	164,784	167,843
% change on previous year	6.2%	6.3%	4.4%	0.8%	2.0%	1.9%	1.9%
share of world total	15.2%	15.2%	15.6%	15.2%	15.1%	14.9%	14.9%
North West Europe	61,229	64,864	66,147	66,747	67,672	68,572	69,423
% change on previous year	5.8%	5.9%	2.0%	0.9%	1.4%	1.3%	1.2%
share of region total	43.2%	43.1%	42.1%	42.1%	41.9%	41.6%	41.4%
share of world total	6.6%	6.5%	6.6%	6.4%	6.3%	6.2%	6.1%
East Med & Black Sea	37,147	40,506	43,344	43,192	44,571	45,964	47,345
% change on previous year	5.0%	9.0%	7.0%	-0.4%	3.2%	3.1%	3.0%
share of region total	26.2%	26.9%	27.6%	27.3%	27.6%	27.9%	28.2%
share of world total	4.0%	4.1%	4.3%	4.1%	4.1%	4.2%	4.2%
West Mediterranean	31,024	31,973	33,547	34,172	34,775	35,363	35,947
% change on previous year	7.8%	3.1%	4.9%	1.9%	1.8%	1.7%	1.7%
share of region total	21.9%	21.2%	21.3%	21.6%	21.5%	21.5%	21.4%
share of world total	3.3%	3.2%	3.3%	3.3%	3.2%	3.2%	3.2%
Scandinavia & Baltic	12,231	13,224	14,105	14,359	14,633	14,885	15,128
% change on previous year	8.4%	8.1%	6.7%	1.8%	1.9%	1.7%	1.6%
share of region total	8.6%	8.8%	9.0%	9.1%	9.1%	9.0%	9.0%
share of world total	1.3%	1.3%	1.4%	1.4%	1.4%	1.4%	1.3%

Note: Data is subject to change

Source: Drewry Maritime Research

Europe

The Spanish gateway ports in the West Mediterranean delivered mixed results in 2025. While Valencia recorded a 0.17 mteu/3.4% YoY increase, largely supported by stronger full container imports, Barcelona saw throughput decline by 0.16 mteu/4.2% YoY. Throughput at Algeciras remained stable at 4.7 mteu, with capacity constraints at Tanger Med allowing the Spanish hub to retain business

Valencia posts 3.4% volume growth in 2025, while Barcelona dropped 4.2%

Port Said East posted full-year growth of over 40% in 2025, driven by transshipment to/from the northern Red Sea ports and increased hub activity under the Gemini Cooperation network. In contrast, throughput at Piraeus contracted a further 6% in 2025, with the combined impact of the Red Sea crisis and European Emissions Trading System (ETS) taking its toll on the Greek port.

Port Said East posted full-year growth of over 40% in 2025, driven by transshipment to/from the northern Red Sea ports

According to provisional data from Container Trades Statistics (CTS), Europe's export container trade (laden boxes) was statistically flat in 2025, with volume marginally down about 9 kteu. However, there were shifts in individual routes. Exports to Asia (-6%) and Oceania (-4%) declined, but these losses were compensated by growth in exports to the Middle East/South Asia (+5%), Latin America (+6%), and Sub-Saharan Africa (+4%). Exports to North America also increased modestly by 0.5%.

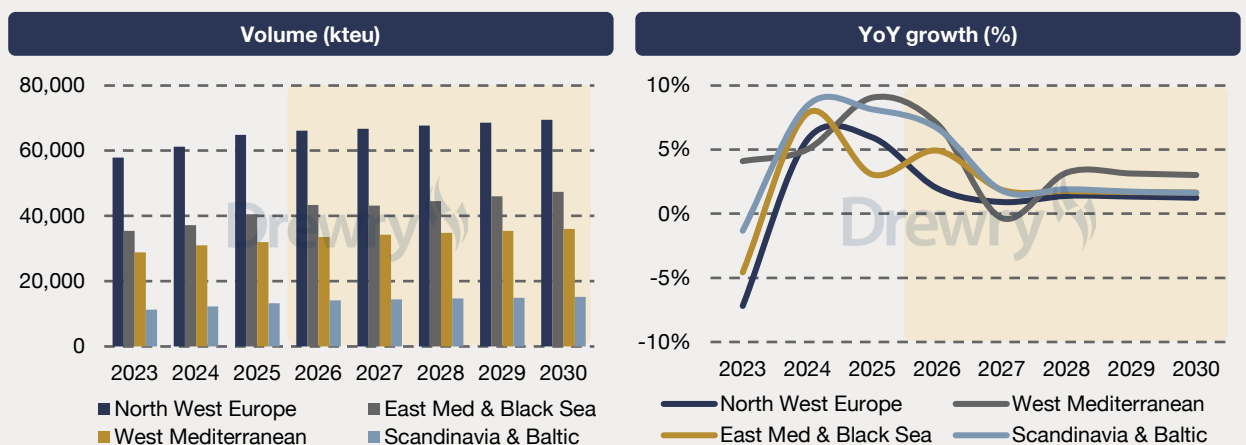
Europe's export container trade (laden boxes) to other regions was statistically flat in 2025, with exports to Asia and Oceania down, but offset by export gains to the Middle East/South Asia and Latin America

Laden imports to the region, however, expanded by more than 8% in 2025. An additional approximately 2.3 mteu was imported during the year. Notably, imports from Asia and Latin America surged by about 9% each, while imports from North America and the Middle East/South Asia increased by about 7% and 8%, respectively.

Imports from other regions to Europe expanded by more than 8% in 2025, driven mainly by Asia and Latin America, but also by North America and South Asia

In the face of growing trade friction with the US and China, the EU has gone on a Free Trade Agreement spree, penning agreements with India and four Mercosur countries. On 17 January 2026, the EU and four Mercosur countries – Argentina, Brazil, Paraguay and Uruguay- signed the Partnership Agreement (EMPA) and the Interim Trade Agreement (iTA). The goals of the new EU-Mercosur trade deal include increasing bilateral trade and investment and lowering tariffs and non-tariff trade barriers.

Figure 2.7 Regional container forecast: Europe



Source: Drewry Maritime Research

Europe

The EU is Mercosur's second-largest trading partner in goods, accounting for €57 billion in exports in 2024. The EU accounts for a quarter of total Mercosur trade in services, with EU exports to the region amounting to €29 billion in 2023.

Then on 27 January, India and the EU reached a historic political agreement for a Free Trade Agreement (FTA), after nearly two decades of negotiations. Dubbed the 'mother of all deals' by European Commission President Ursula von der Leyen, the pact aims to create a single market of two billion people. The deal significantly reduces trade barriers for both goods and services. Essentially, India will eliminate or reduce tariffs on 96.6% of EU exports by value, while the EU will liberalise 99.5% of Indian goods.

Effective February 2026, there are six services in the North Europe-South Asia container trade, one fewer than a year ago. Altogether, these six services are operated by 61 ships averaging 10,300 teu, up 900 teu YoY. Combined, they offer an annual trade capacity of 1.47 mteu, which is a reduction of 0.4%. The biggest contributor is the Gemini Cooperation (Hapag-Lloyd and Maersk), which provides almost half of the total trade capacity. CMA CGM/Cosco, MSC (standalone), and the Premier Alliance (HMM, ONE, and Yang Ming) offer similar trade capacities, ranging from 250 kteu to 280 kteu. The contribution of the Russian operator Modul, serving St. Petersburg, is negligible.

One immediate consequence is that container lines will delay plans to phase back to Suez Canal transits and continue with the Cape of Good Hope diversions. As such, the immediate threat of latent capacity being restored to the market has evaporated for now, which may explain the recent uptick in carrier share prices. Ocean carriers tend to make more money when the shipping supply network is disrupted.

EU signs Free Trade Agreements with India and Mercosur countries

India will eliminate or reduce tariffs on 96.6% of EU exports by value, while the EU will liberalise 99.5% of Indian goods

North Europe-South Asia container trade currently has an estimated annual trade capacity of 1.47 mteu

A return to Suez Canal transits delayed

North America

North American ports' throughput fell 2.5% YoY in 4Q25, ending eight consecutive quarters of growth stretching back to 4Q23. The result was hardly surprising, given that its quarterly YoY growth showed a clear down trend, with a high of 7.3% in the first quarter and falling to 1.2% by the third quarter. Importers stockpiled foreign-made parts and goods in the first half of 2025 to avoid Trump's tariffs, many of which were implemented in August, and then relied on those inventories in the second half, causing fluctuations in demand for container shipping.

Nonetheless, the full-year result was positive, registering a 1.9% uplift, but down steeply from the robust 10.9% recorded in 2024. Projections for 2026 indicate the region's port volume will turn negative, declining by 0.8%, but will recover to +2.1% in 2027. After that, growth is expected to remain stable with about 2% to 2.1% per year through 2029.

North American port volumes contracted 2.5% YoY in 4Q25, ending eight straight quarters of growth. But full-year 2025 results are still positive at +1.9%

Port throughput for the region is forecast to shrink 0.8% in 2026 before rebounding to 2.1% in 2027

North America

For the first time since 3Q23, all North American subregions (West Coast North America - WCNA, East Coast North America - ECNA, and Gulf Coast North America - GCNA) reported throughput contraction in 4Q25. USWC posted the largest decrease at -4.7% YoY, followed by ECNA (-0.2%) and GCNA (-0.3%).

Performance across WCNA ports was mixed. Volumes at Los Angeles dipped 0.6% in 2025, while Long Beach reported a modest 2.4% increase, resulting in a net increase of under 0.2 mteu across the two ports. While the Canadian ports of Vancouver and Prince Rupert recorded robust growth of 8.7% and 19.8% YoY, respectively, the Northwest Seaport Alliance (Seattle-Tacoma) posted a 5.5% decline, citing tariff impacts and elevated retail inventories

On the US East Coast, New York reported 8.9 mteu throughput in 2025, up 2.3% YoY. Baltimore recorded a substantial 51.4% increase in traffic in 2025, particularly notable given the severe disruption caused by the collapse of the Francis Scott Key Bridge in March 2024, which led to the temporary closure of the port. Savannah handled 5.7 mteu in 2025, representing a 2.6% increase, while Norfolk experienced an 8.1% YoY decline in volumes to 3.2 mteu. On the Gulf Coast, Houston saw a 3.9% rise in volumes, reaching 4.3 mteu in 2025.

All North American subregions recorded throughput declined in 4Q25, USWC posted the largest decrease at -4.7%

Los Angeles-Long Beach volumes up by only 0.2 mteu in 2025, while Vancouver and Prince Rupert recorded robust growth of 8.7% and 19.8% YoY

Savannah volumes rise 2.6% in 2025, while Norfolk reports 8.1% drop

Table 2.7 Forecast of container growth in North America (kteu)

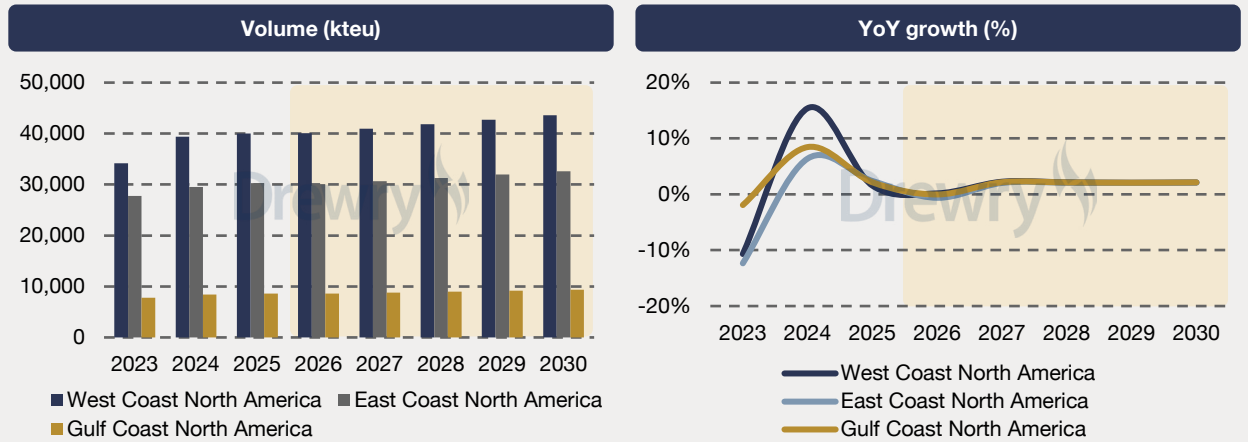
	2024	2025	2026	2027	2028	2029	2030
North America	77,388	78,871	78,733	80,419	82,107	83,782	85,541
% change on previous year	11.0%	1.9%	-0.2%	2.1%	2.1%	2.0%	2.1%
share of world total	8.3%	8.0%	7.8%	7.7%	7.6%	7.6%	7.6%
West Coast North America	39,401	40,002	40,060	40,953	41,819	42,674	43,570
% change on previous year	15.4%	1.5%	0.1%	2.2%	2.1%	2.0%	2.1%
share of region total	50.9%	50.7%	50.9%	50.9%	50.9%	50.9%	50.9%
share of world total	4.2%	4.0%	4.0%	3.9%	3.9%	3.9%	3.9%
East Coast North America	29,540	30,243	30,053	30,664	31,301	31,938	32,609
% change on previous year	6.4%	2.4%	-0.6%	2.0%	2.1%	2.0%	2.1%
share of region total	38.2%	38.3%	38.2%	38.1%	38.1%	38.1%	38.1%
share of world total	3.2%	3.1%	3.0%	2.9%	2.9%	2.9%	2.9%
Gulf Coast North America	8,447	8,625	8,619	8,802	8,987	9,170	9,362
% change on previous year	8.4%	2.1%	-0.1%	2.1%	2.1%	2.0%	2.1%
share of region total	10.9%	10.9%	10.9%	10.9%	10.9%	10.9%	10.9%
share of world total	0.9%	0.9%	0.9%	0.8%	0.8%	0.8%	0.8%

Note: Data is subject to change

Source: Drewry Maritime Research

North America

Figure 2.8 Regional container forecast: North America



Source: Drewry Maritime Research

According to provisional data from Container Trades Statistics (CTS), North America (i.e., US, Canada, Mexico) export container trade (laden boxes) to other regions grew about 1% to nearly 14.2 mteu in 2025. There were strong declines to Asia (-4%) and Oceania (-5.1%), but they were offset by rises to Europe (+7%) and Latin America (+6%). Although the growth to the Sub-Saharan trade was much larger (+24%), due to the relatively smaller size of the trade, it added only about 75 kteu.

In contrast, the import container trade from other regions into North America contracted by more than 2% in 2025 to about 33.9 mteu, a reduction of 0.8 mteu in absolute terms. The decline was entirely due to a 4% fall in volume from Asia. While growth was recorded from other regions, it was not enough to offset the loss from Asia, which by far is the largest inbound container trade, accounting for a massive 69% share of the total import volume into North America from other regions. Essentially, this indicates that Trump's tariffs mainly impacted imports from Asia.

Tariffs are once again at the forefront as the Transpacific contracting season begins, adding uncertainty to the already cautious freight markets. A recent US Supreme Court decision limited the use of emergency powers (IEEPA) to impose duties, but this was quickly followed by a temporary 10% global tariff, with plans to increase it to 15% under Section 122. However, section 122 has limitations: it can last only 150 days unless Congress approves an extension, and the quantum is capped at 15%

North America's export container trade to other regions grew about 1% in 2025. Exports to Europe and Latin America grew, but those to Asia and Oceania shrank

Import container trade from other regions into North America contracted by more than 2% in 2025, entirely due to a fall in volume from Asia

US Supreme Court rejection of emergency powers (IEEPA) to impose duties was replaced by a temporary 10% global tariff, with plans to increase it to 15% under Section 122

North America

Although the legal approach has shifted, the practical result is that the US tariff environment remains largely restrictive, with overall duties only slightly lower than before. The key question is whether this situation justifies accelerating shipments. The answer is mixed. In cases where tariffs are significantly reduced, some frontloading may occur. Still, the possibility of further policy changes later in the year keeps the outlook uncertain.

The administration also initiated Section 301 investigations into over 16 trading partners, including China, the EU, Mexico, Japan, India, Singapore, and others. These probes are specifically aimed at replacing the invalidated reciprocal tariffs. The main difference from the IEEPA is that it mandates formal investigations, public comments, and hearings. Although this process is slower, it may be more sustainable. Hence, we could see new country-specific and sector-specific tariffs later in 2026 if investigations support them. Meanwhile, several US trade partners have put trade deals on hold after the IEEPA ruling, including India and the EU, adding to the tariff confusion.

After withdrawing reciprocal port fees last year, the US administration pivoted to a new Maritime Action Plan (MAP) to boost domestic shipbuilding. The proposals include imposing charges on all foreign vessels based on cargo weight, potentially up to 25 cents per kilogram. For a standard 20ft container with a maximum payload of around 28,000 kg, this could amount to fees of up to \$7,000 per teu. The plan remains conceptual and would need Congressional approval. Unlike the aborted reciprocal port fees, carriers can no longer avoid MAP costs by using vessels built outside China. These fees are likely to be passed on to US consumers, with potential revenue of \$1.5 trillion over ten years at the proposed rate. If implemented, the MAP is highly likely to substantially reduce container demand in the US.

The practical result is that the US tariff environment remains restrictive, with overall duties only slightly lower than previously

Section 301 investigations were initiated into over 16 trading partners, including China, the EU, Mexico, Japan, India, Singapore, and others, aimed at replacing the invalidated reciprocal tariffs

MAP (Maritime Action Plan) proposals are potentially even more damaging than the aborted reciprocal port fees

Latin America

Container throughput at ports in the Latin America region rose 5.1% YoY in 4Q25, which was the region's slowest quarterly growth of the year for the region. The highest growth was seen in the second quarter, at 9.3% YoY. The region has seen consistent quarterly volume growth since the third quarter of 2023 (10 consecutive quarters), providing clear evidence of a sustained upward trend in container demand in the Latin America region.

For the full year 2025, the region grew 6.9%, following a double-digit 12% growth in 2024. The forecast for 2026, however, shows the region's port volume growth will slow to 1.3% but will rebound to 2.4% in 2027. Subsequently, we can expect stable 2.6% annual growth through 2029.

Latin America sees slower growth in 4Q25 at 5.1% YoY. Robust 6.9% annual growth was still achieved for 2025

Growth forecast to slow to 1.3% in 2026, but rebound to 2.4% in 2027

Latin America

Not surprisingly, all subregions saw growth in the final quarter and for the full year. West Coast South America (WCSA) ports once again stood out with a 14.3% rise for the year. Central America/Caribbean and East Coast South America (ECSA) posted respectable growth of 4.8% and 5.7%, respectively.

Looking at individual port performance, the combined throughput across the three terminals that comprise Panama’s Colon port cluster was up 7.7% to 5.8 mteu in 2025. Cartagena (Colombia), which acts as a hub port for the Gemini cooperation, handled 4.1 mteu, up 15% YoY. In the WCSA sub-region, all Peruvian ports posted YoY growth in 2025, with traffic at Callao rising almost 9% to a record 3.3 mteu and Paita throughput surging 33.1% to 0.4 mteu. Additionally, the new port at Chancay handled over 0.3 mteu in the first year of its operation. In ECSA, Brazilian ports also reported solid growth. Itapoa, Manaus and Rio Grande saw growth of 21%, 23% and 28%, respectively.

The most shocking development was Panama’s Supreme Court ruling that the 1997 law establishing port concessions for Panama Ports Company (Hutchison Terminals) was unconstitutional. The government assured there would be no disruptions, awarding short-term contracts to APM Terminals and TiL for the Balboa and Cristobal terminals. This provoked responses from the former operator.

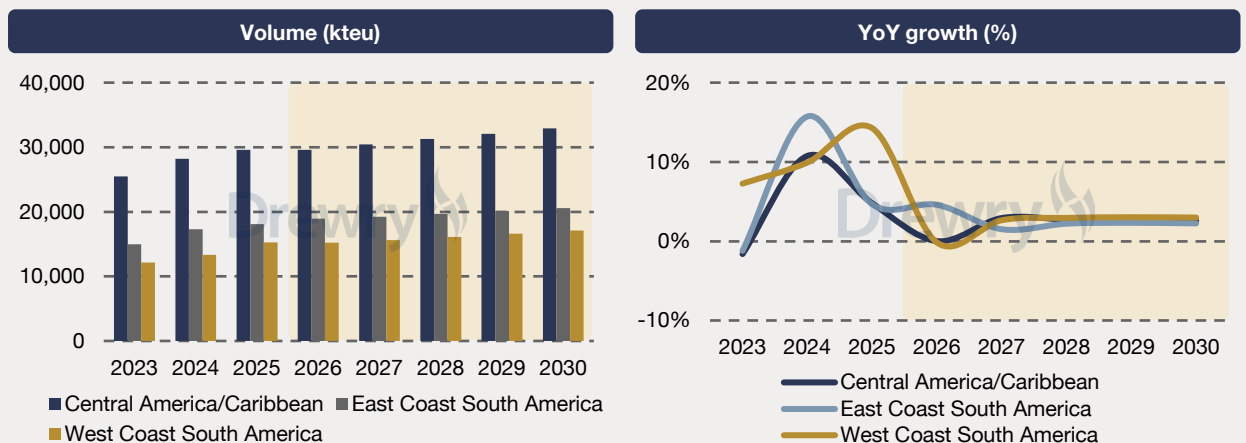
CK Hutchison warned APM that trying to take over without permission would result in legal action and damages. Hutchison also took legal steps, including arbitration, to protect its interests. Chinese authorities warned Panama of repercussions and instructed state firms to halt new projects. This strategy risks destabilising the port industry and alienating a powerful opponent, despite reports that Hutchison was willing to renegotiate the concession.

All subregions saw growth in the final quarter and for the full year. West Coast South America (WCSA) ports saw double-digit growth of 14.3% in 2025

Key Latin America ports in all subregions reported robust growth

Panama’s Supreme Court ruled that the 1997 law establishing port concessions for Panama Ports Company (Hutchison Terminals) was unconstitutional

Figure 2.9 Regional container forecast: Latin America



Source: Drewry Maritime Research

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Latin America

On 17 January 2026, the European Union and the four Mercosur member countries—Argentina, Brazil, Paraguay, and Uruguay—signed the Partnership Agreement (EMPA) and the Interim Trade Agreement (iTA). These landmark agreements are expected to bring significant advantages for Latin American economies, particularly the Mercosur bloc.

The agreements grant Latin America preferential EU access, boosting exports by opening new markets beyond China, the US, and intra-regional trade. This diversification reduces dependence on a few markets.

A key element of the agreements is the reduction or elimination of EU duties on a wide range of Mercosur exports. This makes Latin American products more competitive compared to those from countries without such preferential arrangements. The benefits are especially significant for agricultural and food products, as well as other goods with high price sensitivity. Lower tariffs enable exporters to price their goods more attractively in the EU market, stimulating trade and economic growth.

The agreements establish clearer rules in customs, standards, and sanitary requirements to accelerate border crossings, reduce compliance costs, and increase exporters' certainty. By tackling non-tariff barriers, they foster a stable, predictable trading environment that benefits cross-border businesses.

The agreement's stability and market access can boost investment in processing and higher-value industries in Mercosur countries. This shift enables economies to move beyond raw exports and develop advanced sectors like processed foods, chemicals, and industrial inputs. As a result, it promotes economic diversification and resilient, value-added exports.

Enhanced Access to the EU Market under the EU/Mercosur Free Trade Agreement

Reduction in EU Tariffs enhances competitiveness for Mercosur exports

More predictable trade rules and opportunities to advance value chains

Table 2.8 Forecast of container growth in Latin America (kteu)

	2024	2025	2026	2027	2028	2029	2030
Latin America	58,884	62,951	63,766	65,327	67,051	68,816	70,589
% change on previous year	12.0%	6.9%	1.3%	2.4%	2.6%	2.6%	2.6%
share of world total	6.3%	6.4%	6.3%	6.3%	6.2%	6.2%	6.2%
Central America/Caribbean	28,230	29,579	29,582	30,446	31,277	32,092	32,910
% change on previous year	10.8%	4.8%	0.0%	2.9%	2.7%	2.6%	2.5%
share of region total	47.9%	47.0%	46.4%	46.6%	46.6%	46.6%	46.6%
share of world total	3.0%	3.0%	2.9%	2.9%	2.9%	2.9%	2.9%
East Coast South America	17,303	18,114	18,948	19,238	19,667	20,126	20,582
% change on previous year	15.7%	4.7%	4.6%	1.5%	2.2%	2.3%	2.3%
share of region total	29.4%	28.8%	29.7%	29.4%	29.3%	29.2%	29.2%
share of world total	1.9%	1.8%	1.9%	1.8%	1.8%	1.8%	1.8%
West Coast South America	13,351	15,257	15,236	15,643	16,106	16,597	17,097
% change on previous year	9.9%	14.3%	-0.1%	2.7%	3.0%	3.0%	3.0%
share of region total	22.7%	24.2%	23.9%	23.9%	24.0%	24.1%	24.2%
share of world total	1.4%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%

Note: Data is subject to change

Source: Drewry Maritime Research

Middle East & South Asia

Ports in the Middle East region staged a strong recovery in 2025, registering growth of 8.4%, after a disappointing 1.4% decline in 2024. But in 2026, the region is once again at the centre of headline news, for all the wrong reasons. As such, Drewry expects the region's port throughput to contract in every quarter of 2026, resulting in a 10.8% decline for the year. Growth will only return in the first quarter of 2027; Drewry forecasts a strong recovery for the region in 2027, with growth of 20.4%.

Shortly after the outbreak of the conflict, carriers ceased accepting bookings to and from Gulf countries. Shipments in transit faced surcharges, ranging from \$1,200 to \$4,000 per container. However, most carriers still accept bookings to and from the Red Sea ports of Saudi Arabia (Jeddah, King Abdullah Port), and to and from some Middle East ports outside the Strait of Hormuz (such as Fujairah and Khor Fakkan), but subject to exorbitant surcharges or General Rate Increases.

Meanwhile, cargo already on-board ships may be diverted to contingency ports, and shippers will be responsible for the additional costs. MSC's statement, for example, says that "all shipments currently en route will be diverted to the next safe port of discharge. At that location, cargo will be discharged and placed at customers' disposal for local delivery and recovery. A mandatory surcharge of USD 800 per container will apply to all affected shipments, without exception, to cover deviation costs. Furthermore, all discharge-related expenses — including, but not limited to, handling, storage, and any ancillary charges."

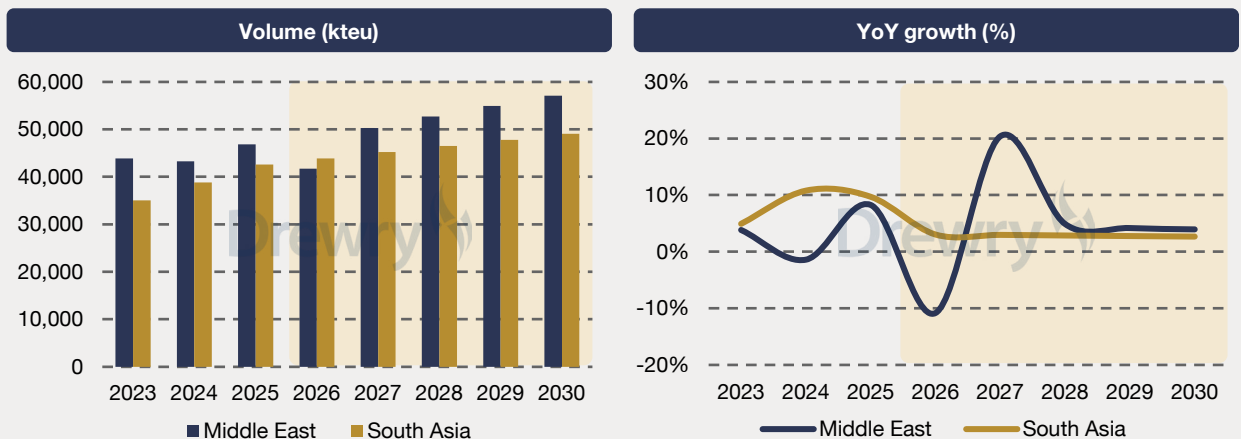
The shape of carriers' future ship networks, substitute routes, and revised transshipment points is still evolving. Drewry anticipated that some Asian transshipment ports could become overloaded if much of the Middle East cargo had to be offloaded at contingency ports such as Colombo, Singapore, Port Klang, and Tanjung Pelepas (short term) or transhipped at these ports and moved to feeders (longer term). If the conflict continues, Drewry expects that substitute ports in the Middle East will become highly congested, as they do not have the capacity of Jebel Ali, the region's largest port.

Middle East ports see a strong recovery in 2025, posting 8.4% growth after declining 1.4% in 2024. Forecast for 2026 at -10.8% as a direct consequence of the ongoing conflict in the region

Carriers ceased accepting bookings to and from Gulf countries. Shipments in transit faced surcharges and diversion to contingency ports.

The shape of carriers' future ship networks, substitute routes, and revised transshipment points is still evolving. Drewry expects that substitute ports in the Middle East will become highly congested

Figure 2.10 Regional container forecast: Middle East and South Asia



Source: Drewry Maritime Research

Middle East & South Asia

South Asia ports remain one of the growth engines for global container trade, although the region's growth in 4Q25 slowed to 5.9% YoY. Still, the region's full-year 2025 growth came in at a robust 9.7%. However, Drewry expects the growth slowdown to continue into 2026, with growth at 3.1% for the year. Thereafter, we have forecast growth of 2.7% to 3% from 2027 through to 2029.

The region's three largest ports, Jawaharlal Nehru Port, Mundra and Colombo, delivered record quarterly performances in 4Q25 and closed the year with full-year growth of 12.5%, 4.3% and 6.3%, respectively, over 2024. Meanwhile, Chittagong port volumes rose 3.8% in 2025 despite ongoing capacity constraints.

Port investments are a testament to the region's expected future growth. In January 2026, Adani Ports began Phase 2 of the Vizhinjam International Seaport's expansion, boosting capacity at India's first mega transshipment hub. The upgrade will extend berth length and increase the breakwater, raising capacity from 1 mteu to 5.7 mteu by 2029. Meanwhile, in February 2026, Sri Lanka Ports Authority commissioned the third berth at Colombo East Container Terminal, extending quay length and increasing capacity to 1.5 mteu, alleviating congestion and reinforcing Colombo's position as a key container hub for the region.

India has signed multiple trade agreements in the last 12 months to mitigate the impact of trade friction with the US, most notably, the landmark FTA with the EU, billed as the "mother of all deals"

To mitigate the impact of trade friction with the US, India has ostensibly stepped-up efforts to strike trade deals with other countries. Over the last year or so, India has already concluded such pacts with the U.K., Oman and New Zealand, and most notably, the landmark FTA with the EU, billed as the "mother of all deals". Meanwhile, the South Asia to Europe trade has been booming in 2025, unusually on both the westbound and eastbound trade.

South Asia's exports to Europe (westbound trade) have been growing steadily. According to CTS, in 2025, container exports from South Asia to North Europe grew 6.2% YoY, while traffic to the Mediterranean grew 7.4% YoY. European exports to South Asia (eastbound trade) expanded 9.5% in the same period – in stark contrast to European exports to Asia, which have been shrinking for the past few years.

While some South Asia hub ports will see extra work as a result of the ongoing conflict in the Middle East, the region as a whole will experience some economic pain. India's net oil imports represent 3.1% of GDP, according to research firm Nomura. Pakistan finds itself in an especially bleak position as it imports 40% of its energy and relies heavily on LNG from Qatar, whose supplies have been cut off by the conflict.

South Asia sees relatively slower growth at 5.9% in 4Q25, but full-year 2025 growth was a solid 9.7%. Slowdown to continue into 2026 with forecast growth of 3.1% for the year

JNPT and Mundra continue to break throughput records

Adani's Vizhinjam International Seaport and Colombo East Container Terminal expansion to cater for expected growth in the region

In 2025, container exports from South Asia to North Europe grew 6.2%, while traffic to the Mediterranean grew 7.4%

South Asian countries are among the "most vulnerable" countries to the negative fallout from the conflict in the Middle East

Table 2.9 Forecast of container growth in Middle East, South Asia (kteu)

	2024	2025	2026	2027	2028	2029	2030
Middle East	43,237	46,806	41,733	50,243	52,700	54,901	57,063
% change on previous year	-1.4%	8.3%	-10.8%	20.4%	4.9%	4.2%	3.9%
share of world total	4.6%	4.7%	4.1%	4.8%	4.9%	5.0%	5.1%
South Asia	38,800	42,571	43,873	45,187	46,491	47,787	49,074
% change on previous year	10.8%	9.7%	3.1%	3.0%	2.9%	2.8%	2.7%
share of world total	4.2%	4.3%	4.4%	4.3%	4.3%	4.3%	4.3%

Note: Data is subject to change

Source: Drewry Maritime Research

Africa & Oceania

Africa's container port throughput has been expanding rapidly in recent years, with growth of 7% in 2023 and 14.3% in 2024. In 2025, the region reported another stellar performance with a growth of 11.1%.

However, Drewry thinks this breakneck growth trajectory is unsustainable and the region will start to plateau, contracting 1.3% this year, followed by more moderate growth of around 3% for the remainder of the forecast horizon through 2030.

Examining the results for the respective sub-regions in 2025, all sub-regions experienced growth. West African ports had an outstanding year, expanding by 17.5%, on top of a 10.6% growth in 2024. North African ports also had a productive year with growth of 8.9%. Southern Africa and East Africa ports also posted respectable growth of 6.6% and 5.2%, respectively.

In 2025, West African ports of Las Palmas, Lagos, and Lomé reported spectacular YoY gains of 20%, 29%, and 18%, respectively. South Africa's ports of Cape Town, Coega, and Durban also posted growth of 8%, 10% and 3%, respectively. However, in East Africa, volumes at the Port of Djibouti declined 2.4% in 2025. This has been driven by a decline in transit cargo to Ethiopia, with Somaliland's Berbera port capturing an increasing share of Ethiopian cargo.

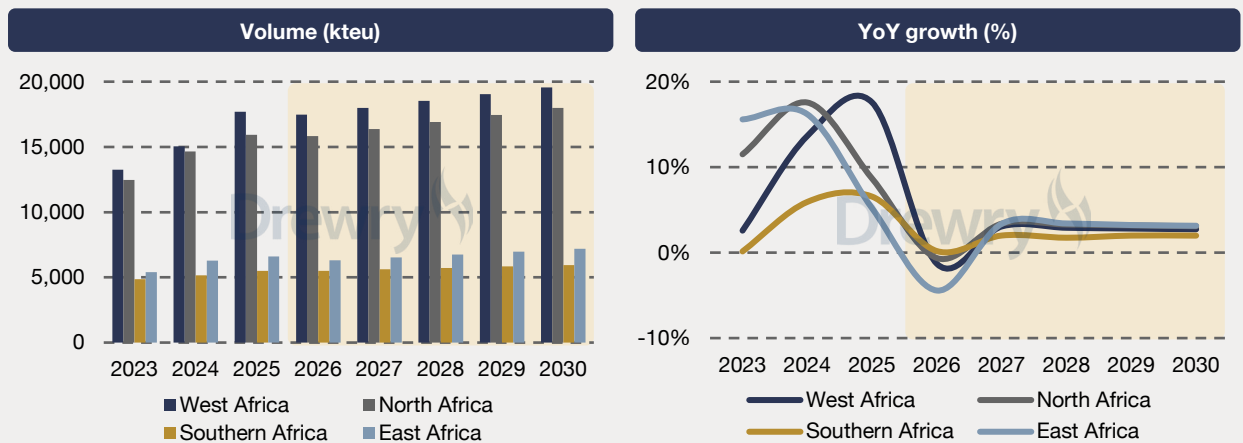
The Asia-West Africa trade has been thriving in 2025 and is a key driver of the region's ports' outstanding performance. The westbound trade (Asia-region exports to West African countries) achieved a stunning 33% YoY growth. Exports from Southeast Asian countries surged 36% YoY, while the Greater China region, which accounts for 82% of westbound trade, grew 33% YoY (an additional 0.5 mteu compared to 2024). For the eastbound traffic to Asia (exports from West Africa to Asia-region countries), the trade also reported 5% YoY growth in 2025.

African port throughput grew 10.4% in 4Q25, bringing full-year 2025 growth to +11.1%, ahead of all other regions. Negative growth expected for 2026 at -1.3%, before moderating to +3% thereafter

West Africa and Southern Africa ports recorded impressive YoY increases of 17.5% for 2025, topping its 10.6% growth in 2024

West African ports shine in 2025, with Las Palmas, Lagos, and Lomé reporting YoY gains of 20%, 29%, and 18%, respectively

Figure 2.11 Regional container forecast: Africa



Source: Drewry Maritime Research

Africa & Oceania

Table 2.10 Forecast of container growth in Africa (kteu)

	2024	2025	2026	2027	2028	2029	2030
Africa	41,151	45,727	45,113	46,507	47,889	49,280	50,674
% change on previous year	14.3%	11.1%	-1.3%	3.1%	3.0%	2.9%	2.8%
share of world total	4.4%	4.6%	4.5%	4.5%	4.5%	4.5%	4.5%
West Africa	15,057	17,699	17,466	18,000	18,522	19,042	19,560
% change on previous year	13.6%	17.5%	-1.3%	3.1%	2.9%	2.8%	2.7%
share of region total	36.6%	38.7%	38.7%	38.7%	38.7%	38.6%	38.6%
share of world total	1.6%	1.8%	1.7%	1.7%	1.7%	1.7%	1.7%
North Africa	14,663	15,932	15,830	16,366	16,903	17,441	17,979
% change on previous year	17.6%	8.7%	-0.6%	3.4%	3.3%	3.2%	3.1%
share of region total	35.6%	34.8%	35.1%	35.2%	35.3%	35.4%	35.5%
share of world total	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%
Southern Africa	5,160	5,499	5,509	5,620	5,719	5,834	5,951
% change on previous year	6.0%	6.6%	0.2%	2.0%	1.8%	2.0%	2.0%
share of region total	12.5%	12.0%	12.2%	12.1%	11.9%	11.8%	11.7%
share of world total	0.6%	0.6%	0.5%	0.5%	0.5%	0.5%	0.5%
East Africa	6,272	6,598	6,307	6,521	6,744	6,963	7,183
% change on previous year	16.2%	5.2%	-4.4%	3.4%	3.4%	3.2%	3.2%
share of region total	15.2%	14.4%	14.0%	14.0%	14.1%	14.1%	14.2%
share of world total	0.7%	0.7%	0.6%	0.6%	0.6%	0.6%	0.6%

Note: Data is subject to change

Source: Drewry Maritime Research

A driving force in the West Africa's expansion has been improvements to its ports and logistics infrastructure that has made it a destination for an increasing number of MSC's Ultra Large Container Vessels (ULCVs) of up to 24,000 teu on the upgraded Africa Express Service. The move away from Red Sea routes has enabled trials of large container ships at newly developed terminals operating with a hub-and-spoke model. As well as MSC, its competitors, Maersk and CMA CGM, have also increased their capacity and coverage.

The arrival of bigger ships into West African ports has come at a cost with congestion becoming a bigger factor, part of our reasoning for lower growth rates until more investment translates into fresh operational capacity.

As part of a \$1 billion investment in Nigeria, MSC has recently agreed a 45-year sub-concession with Nigerdock to operate a "state of the art" new container terminal at Snake Island Port in Lagos. The new terminal is expected to be completed in 2028 and the design includes 30 hectares of yard space, a 910-metre quay, six Ship-to-Shore (STS) cranes, two ship berths, three barge berths, and an initial draft of 16 metres, potentially deepened to 18 meters for larger ships.

Port volume in the Oceania region increased by 3.1% in 4Q25 but grew only 0.8% for the full year 2025, down from 6.7% in 2024. The poor performance in 1Q25 (-5.1%) was the main factor dragging down the year's overall performance. The Oceania region, which holds the smallest share of global container traffic (only 1.5%), also recorded the lowest growth rate among key global regions this year. On a more optimistic note, Drewry forecasts the region's growth to accelerate to 6.9% in 2026, followed by increases of 1.6% to 1.9% from 2027 to 2029.

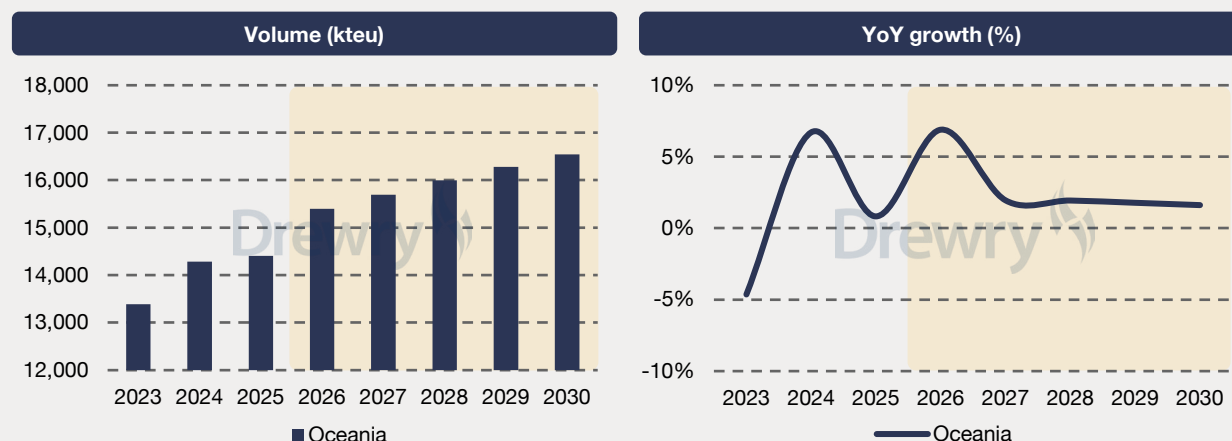
The Asia-West Africa westbound trade achieved 33% YoY growth in 2025, with the Greater China region accounting for 82% share of the trade

West Africa gains ultra-large box ship calls via Cape rerouting

Oceania's ports reported marginal growth of +0.8% for the full year 2025, down from +6.7% in 2024. Growth expected to pick up in 2026 to +6.9%

Africa & Oceania

Figure 2.12 Regional container forecast: Oceania



Source: Drewry Maritime Research

Table 2.11 Forecast of container growth in Oceania (kteu)

	2024	2025	2026	2027	2028	2029	2030
Oceania	14,287	14,404	15,397	15,696	15,998	16,282	16,543
% change on previous year	6.7%	0.8%	6.9%	1.9%	1.9%	1.8%	1.6%
share of world total	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%

Note: Data is subject to change

Source: Drewry Maritime Research

Despite mediocre overall port performance in 2025, all the main Australian gateway ports recorded positive growth for the year, except the Port of Fremantle, which saw throughput drop 1.6%. The Port of Melbourne handled 3.5 mteu, up 3.8% YoY, while Sydney recorded a modest 0.2% YoY increase, handling 2.8mteu in 2025.

Over 70% of Oceania’s container traffic is between Asia and Oceania regions. According to CTS preliminary findings, Asian container traffic to Oceania (mainly Australia and New Zealand) grew by 11% in 2025. The Greater China region, which accounts for 58% of the southbound trade, saw container export volume grow by a whopping 24% YoY.

On the economic front, Australia’s battle with inflation is far from over. Its inflation rate currently stands at 3.8%, prompting the Reserve Bank of Australia (RBA) to raise interest rates for the first time in two years. The RBA increased the cash rate to 3.85%, with Governor Michele Bullock blaming government spending for reigniting inflation and warning that price pressures are unlikely to return to the 2–3% target band until mid-2028. The hike was widely expected by economists, with inflation forecast to rise to 4.2% this year. Higher interest rates might dampen overall demand, in turn reducing container demand.

Among the main Australian ports, Melbourne posted the highest growth at 3.8% to reach 3.5 mteu in 2025

Container exports from Asia to Oceania grew by 11% in 2025. The Greater China region, which accounts for 58% of the Asia-Oceania southbound trade

The RBA raised interest rates to combat 3.8% inflation

Africa & Oceania

Table 2.12 5-year history of annual growth in container activity by region (kteu)

	2021					2022					2023					2024					2025																																
	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025	2021	2022	2023	2024	2025																												
North America	77,367	77,877	69,703	77,388	78,871	Share of world container port throughput																																															
East Coast North America	30,604	31,684	27,764	29,540	30,243	North America	9.0%	9.0%	8.0%	8.3%	8.0%	East Coast North America	3.6%	3.7%	3.2%	3.2%	3.1%	Gulf Coast North America	7,395	7,946	7,789	8,447	8,625	Gulf Coast North America	0.9%	0.9%	0.9%	0.9%	0.9%	West Coast North America	39,368	38,248	34,150	39,401	40,002	West Coast North America	4.6%	4.4%	3.9%	4.2%	4.0%												
Europe	143,153	137,933	133,314	141,630	150,567	Europe	16.6%	16.0%	15.4%	15.2%	15.2%	North West Europe	7.6%	7.2%	6.7%	6.6%	6.5%	Scandinavia & Baltic	12,376	11,432	11,281	12,231	13,224	Scandinavia & Baltic	1.4%	1.3%	1.3%	1.3%	1.3%	West Mediterranean	30,494	30,147	28,770	31,024	31,973	West Mediterranean	3.5%	3.5%	3.3%	3.3%	3.2%	East Med & Black Sea	34,659	33,985	35,374	37,147	40,506	East Med & Black Sea	4.0%	3.9%	4.1%	4.0%	4.1%
Asia	464,860	473,172	484,410	517,099	548,472	Asia	54.0%	54.7%	55.8%	55.5%	55.4%	North Asia	8.0%	7.8%	7.8%	7.5%	7.0%	Greater China	274,694	284,906	293,782	313,679	331,952	Greater China	31.9%	33.0%	33.8%	33.6%	33.5%	Southeast Asia	120,968	120,537	123,336	133,763	146,964	Southeast Asia	14.1%	13.9%	14.2%	14.3%	14.8%												
Middle East/South Asia	74,118	75,602	78,872	82,036	89,377	Middle East/South Asia	8.6%	8.7%	9.1%	8.8%	9.0%	Middle East	4.6%	4.9%	5.1%	4.6%	4.7%	South Asia	34,189	33,364	35,015	38,800	42,571	South Asia	4.0%	3.9%	4.0%	4.2%	4.3%																								
Latin America	52,617	52,361	52,585	58,884	62,951	Latin America	6.1%	6.1%	6.1%	6.3%	6.4%	Central America/Caribbean	3.1%	3.0%	2.9%	3.0%	3.0%	East Coast South America	15,172	15,133	14,952	17,303	18,114	East Coast South America	1.8%	1.8%	1.7%	1.9%	1.8%	West Coast South America	11,100	11,319	12,144	13,351	15,257	West Coast South America	1.3%	1.3%	1.4%	1.4%	1.5%												
Africa	34,074	33,637	35,990	41,151	45,727	Africa	4.0%	3.9%	4.1%	4.4%	4.6%	East Africa	0.6%	0.5%	0.6%	0.7%	0.7%	North Africa	11,006	11,186	12,473	14,663	15,932	North Africa	1.3%	1.3%	1.4%	1.6%	1.6%	West Africa	13,196	12,918	13,250	15,057	17,699	West Africa	1.5%	1.5%	1.5%	1.6%	1.8%	Southern Africa	5,072	4,862	4,870	5,160	5,499	Southern Africa	0.6%	0.6%	0.6%	0.6%	0.6%
Oceania	13,873	14,043	13,390	14,287	14,404	Oceania	1.6%	1.6%	1.5%	1.5%	1.5%																																										
World	860,063	864,625	868,264	932,475	990,368																																																

Note: Data is subject to change

Source: Drewry Maritime Research

3. Supply Outlook

Containership fleet

Shipowner and carrier bets on a rolling sequence of disruptive events as the justification for speculating so heavily on new containerships in recent years appears to be paying off, for now at least.

War in the Middle East has once again changed the calculus for container shipping capacity. The looming threat to ocean carriers from overcapacity has temporarily receded as the conflict has disrupted the normal flow of cargoes to and from the region, and forced a hasty redesign of the wider liner network, as well as putting any meaningful return to Suez transits on the back burner.

While only a relatively small number of containerships are trapped in the Persian / Arabian Gulf (see Spotlight section), the impact on overall capacity is likely to spillover as substitute hub ports are at risk of congestion and the whole fleet will come under pressure to slow down in order to preserve precious bunker fuel.

The start of the war will also affect how much capacity will leave the market. More transshipment activity in the Middle East and nearby regions will only increase demand for the already highly-sought feeder ships, which means that any demolition plans – these size ships are the oldest in the fleet – are highly likely to be shelved for the duration of the war.

As predicted in the last edition, containership contracting set a new record in 2025, narrowly topping 2024's total. Last year saw 706 vessels totalling 4.85 mteu ordered, some 160 kteu more than was contracted in the previous year. And the orders haven't slowed much at the start of this year. Up to 13 March 2026, orders have been signed for 151 containerships with an aggregate capacity of 875 kteu, on pace for 4.4 mteu for the full year.

The Iran war changed the calculus on container shipping capacity and will likely save carriers from the full effects of market overcapacity in the short-term

Middle East conflict will delay scrapping plans as demand for aging feeders will increase

New record for containership orders set in 2025, little sign of pace slowing so far in 2026

Table 3.1 World cellular containership fleet by size range (1 Mar 2026)

Drewry classification	Size range (teu)	No. of vessels	Share	Capacity (kteu)	Share (%)	Avg speed (knots)*	Avg age (years)
Small Feeder	100-2,000	3,060	43.3%	3,168	9.5%	17.5	15.9
Large Feeder	2,000-3,000	907	12.8%	2,305	6.9%	20.6	14.4
Classic Panamax & wide beam	3,000-5,300	1,005	14.2%	4,158	12.5%	22.8	16.0
Small neo-Panamax	5,300-10,000	1,091	15.4%	8,213	24.7%	24.1	14.9
Large neo-Panamax	10,000-12,500	203	2.9%	2,242	6.7%	23.4	9.4
Large post-Panamax[#]	10,000-12,500	11	0.2%	122	0.4%	24.5	19.0
VLCV - Maxi neo-Panamax	12,500-18,000	362	5.1%	5,188	15.6%	23.3	5.8
VLCV - Neo post-Panamax[#]	12,500-18,000	228	3.2%	3,425	10.3%	23.7	8.6
ULCV[#]	18,000+	203	2.9%	4,391	13.2%	21.8	6.6
Grand Total		7,070	100%	33,213	100%	20.6	14.4

Notes: # These ships cannot transit the Panama Canal due to exceeding the size restrictions; * Top design speed

Source: Drewry Maritime Research, Clarksons Research

Containership fleet

Table 3.2 Recent newbuild contracts (confirmed as of 13 Mar 2026)

Month	Ship size (teu)	No. ships	Total (k teu)	Delivery year(s)	Owner	Owner-type	Main engine fuel-type	Builder country	Total cost (USDm)
Mar 26	2,800	10	28.0	2027-28	Unknown	Unknown	VLS IFO	South Korea	\$557
Mar 26	1,900	4	7.6	2028-29	SIPG	Operator	VLS IFO	China	\$119
Feb 26	11,000	2	22.0	2028-29	BAL Container Line	Operator	VLS IFO	China	\$236
Feb 26	1,800	6	10.8	2027-28	KMTC	Operator	VLS IFO	South Korea	\$259
Feb 26	1,700	6	10.2	2029-31	CMA CGM	Operator	LNG, VLS IFO	India	n.a
Feb 26	540	1	0.5	2027	China Cosco	Operator	Unknown	China	n.a
Feb 26	6,000	4	24.0	2028-29	Eastern Pacific Shipping	Non-operator	Unknown	China	n.a
Feb 26	13,000	2	26.0	2028	Nissen Kaiun	Non-operator	VLS IFO	South Korea	\$320
Feb 26	10,100	2	20.2	2028	Unknown	Unknown	IFO 380	South Korea	\$241
Feb 26	6,000	6	36.0	2029-30	Wan Hai Lines	Operator	VLS IFO (LNG Ready)	China	n.a
Feb 26	18,600	8	148.8	2029-30	Maersk	Operator	LNG, VLS IFO	China	n.a
Feb 26	1,900	2	3.8	2029	Vasileiadis Group	Non-operator	VLS IFO	China	n.a
Feb 26	680	2	1.4	2028	Meratus Group	Operator	VLS IFO	China	n.a
Feb 26	6,000	2	12.0	2028	Zhonggu Shipping	Operator	VLS IFO	China	n.a
Feb 26	11,500	8	92.0	2029	MSC	Operator	LNG, VLS IFO	China	n.a
Feb 26	3,100	16	49.6	2029-30	Evergreen Marine	Operator	VLS IFO	China	n.a
Feb 26	3,100	4	12.4	2028	Costamare Shipping	Non-operator	VLS IFO	China	n.a
Feb 26	3,000	2	6.0	2028	Hayfin Capital	Non-operator	VLS IFO	China	n.a
Jan 26	5,000	2	10.0	2028	Conbulk Shipping	Non-operator	VLS IFO	China	n.a
Jan 26	500	1	0.5	2027	Everight Global Logistics	Operator	VLS IFO	China	n.a
Jan 26	5,341	2	10.7	2029	Danaos Corp.	Non-operator	IFO 380 (Methanol Ready)	China	n.a
Jan 26	2,700	2	5.4	2029	SITC	Operator	VLS IFO	China	\$76
Jan 26	6,300	4	25.2	2028	Zhonggu Shipping	Operator	Unknown	China	n.a
Jan 26	5,000	2	10.0	2028	MSC	Operator	VLS IFO	China	n.a
Jan 26	1,064	2	2.1	2027	Wuhu Rongguang	Operator	VLS IFO	China	n.a
Jan 26	1,064	1	1.1	2027	Nanjing ChunYuan	Operator	LNG, VLS IFO	China	n.a
Jan 26	1,000	2	2.0	2027	Wuhu Huayu Shipping	Operator	VLS IFO	China	n.a
Jan 26	5,000	1	5.0	2028	Hainan Qianyuan Shipping	Operator	VLS IFO	China	n.a
Jan 26	18,000	12	216.0	2028-29	China Cosco	Operator	LNG, VLS IFO	China	\$2,408
Jan 26	3,000	7	21.0	2028-29	HMM	Operator	VLS IFO	China	n.a
Jan 26	3,000	6	18.0	2028	China Cosco	Operator	VLS IFO	China	\$284
Jan 26	2,000	5	10.0	2028-29	HMM	Operator	VLS IFO	China	n.a
Jan 26	3,100	2	6.2	2028	Arne Blystad	Non-operator	VLS IFO (Methanol Ready)	China	n.a
Jan 26	2,800	2	5.6	2028	Euroseas/Eurobulk	Non-operator	VLS IFO	China	n.a
Jan 26	1,800	4	7.2	2028-29	China Cosco	Operator	VLS IFO	China	n.a
Jan 26	1,100	5	5.5	2028-29	China Cosco	Operator	VLS IFO	China	n.a
Jan 26	1,096	2	2.2	2027-28	Unknown	Non-operator	VLS IFO	Japan	n.a

Source: Drewry Maritime Research, Clarksons Research

Containership fleet

The global orderbook was 11.8 mteu as of 1 March, or 35.5% of the active cellular fleet, which stood at 33.2 mteu (see Tables 3.1 and 3.3), but fresh orders have since pushed that number to over 12 mteu (see Table 3.2). With shipyard slots filling up, the orderbook now stretches out six years to 2031. Before the ordering frenzy started in 2021, orderbook coverage typically only extended four or five years.

Due to a relative ordering lull in 2022 and 2023, total deliveries in 2025 were down on 2024: 2.2 mteu vs. 3.1 mteu. Demolitions were also down YoY with only 6 kteu taken out of service last year, compared with 80 kteu in 2024.

Subsequently, the containership fleet grew 7.0% in 2025, which was a marked slowdown to growth of 8.1% and 10.8% seen in 2023 and 2024, respectively. Drewry expects fleet growth to slow again in 2026 to 4.3%. The delivery schedule for the year will see about 1.5 mteu added (factoring anticipated delivery slippage), while we have reduced our scrapping forecast to 100 kteu, down from 400 kteu in the previous edition.

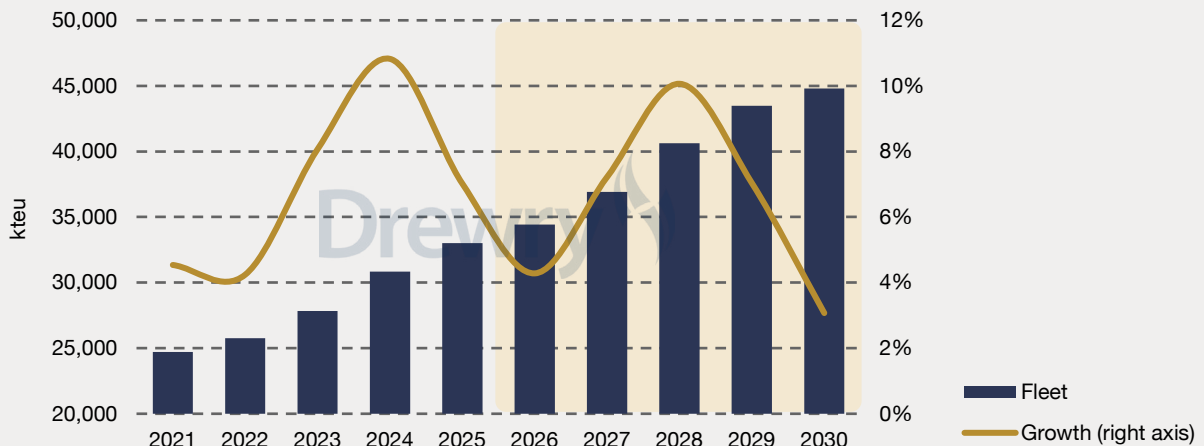
The spectre of overcapacity cannot be ignored forever though. Assuming the Iran war is resolved by next year, deliveries will ramp up again and inflate the fleet growth to rates that will significantly exceed that of demand.

Recent orders give a clue to carriers' mindset. Firstly, the volume of contracts implies they are convinced of the need for more ships in an increasingly chaotic and unpredictable world, which means available shipyard capacity is the major constraint to their ambitions. To cover this, we have included projected orders of around 1.7 mteu for delivery in the five-year forecast horizon.

Global orderbook pass 12 mteu with deliveries extending 6 years

Fleet growth to slow to 4% in 2026, before ramping up again next year

Figure 3.1 Forecast annual containership fleet development



Source: Drewry Maritime Research, Clarksons Research

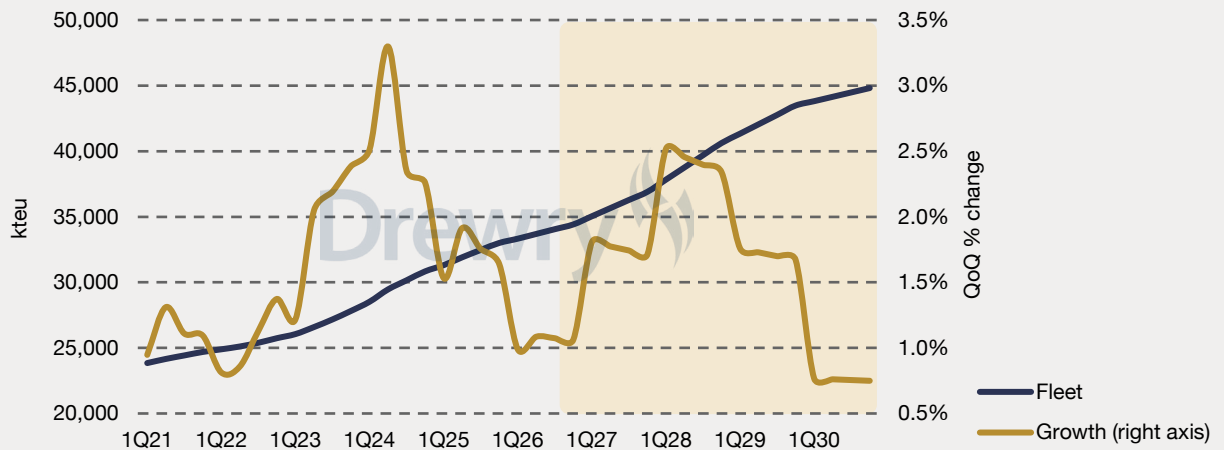
Containership fleet

Secondly, recent orders show continued emphasis on feeders and intermediate vessels. Of the 151 containerships ordered so far this year, only 34 are larger than 10,000 teu. Feeders (up to 3,000 teu) constituted 40% in numerical terms to last year's orders. The ability to access smaller, secondary ports and serve regional trades gives feeders an edge in times of crisis.

Another takeaway is that shipowners are starting to explore the possibility of diversifying the sourcing of new ships. While China remains the dominant player in the shipbuilding market and is busy reactivating dormant yards to cope with feverish demand, there are tentative signs of new competition emerging. In March CMA CGM formalised a letter of intent agreed last year by signing a contract with India's Cochin Shipyard for six 1,700 teu LNG dual-fuel feeders. The French company has also signalled intent to have ships built in the US at some point.

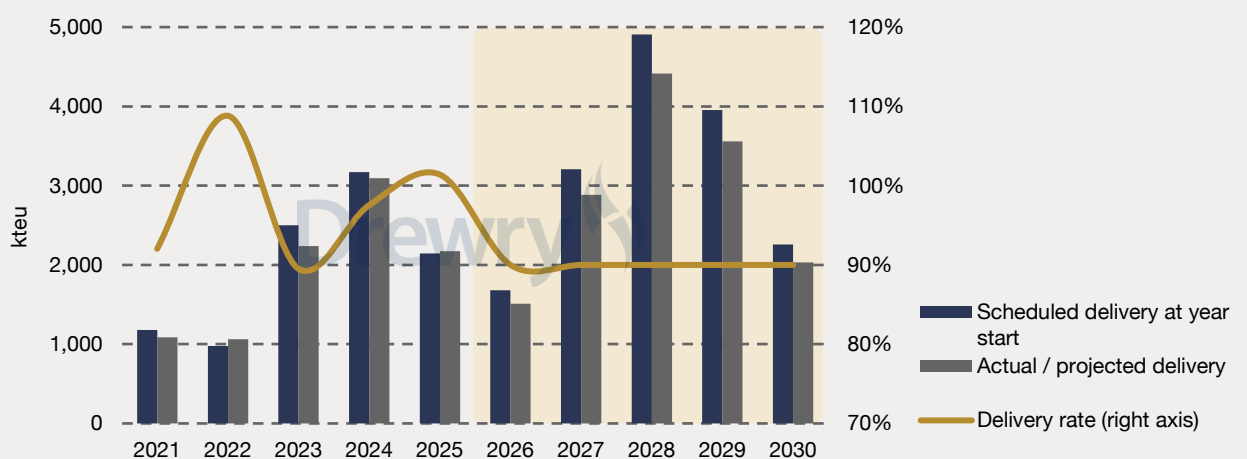
Feeders dominating new orders; early signs of shipyard diversification away from China's dominance

Figure 3.2 Forecast quarterly containership fleet development



Source: Drewry Maritime Research, Clarksons Research

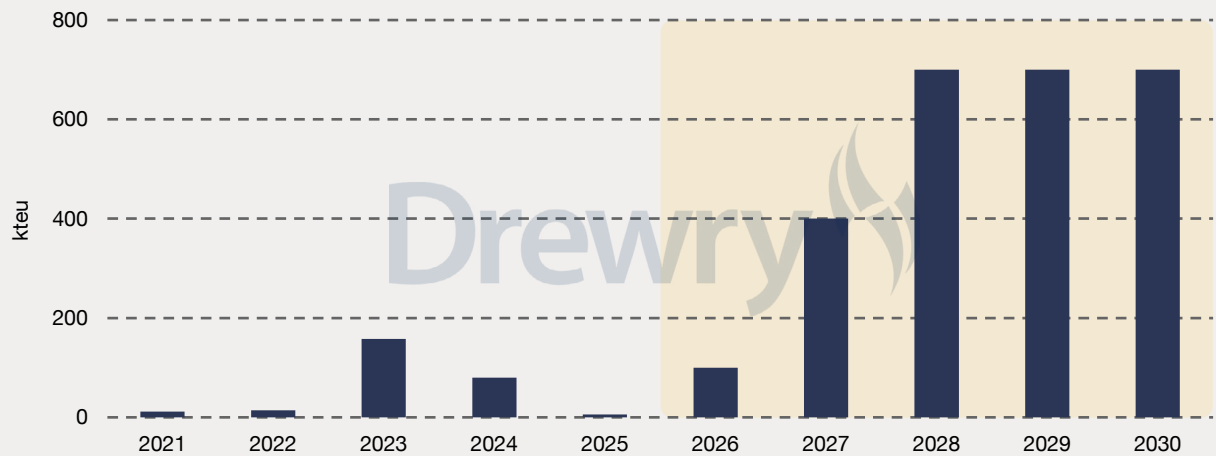
Figure 3.3 Forecast of fleet delivery rate (slippage) for newbuild containerships



Source: Drewry Maritime Research, Clarksons Research

Containership fleet

Figure 3.4 Forecast of containership demolitions



Source: Drewry Maritime Research, Clarksons Research

It will be many years before China's dominance is threatened, but India is offering generous incentives and is working with major South Korean yards for design and technical assistance to build a presence in the market.

Recent orders also suggest that the adoption of alternative fuel units might have peaked. The proportion (measured in teu) of dual-fuel units in new orders declined for the second year in a row in 2025, dropping to 72%, from 88% in 2024 and 93% in 2023. Year-to-date 2026 orders for dual-fuel containerships were down to 60%.

Declining investment in cleaner ships is a reflection of an increasingly muddled regulatory environment. Following the dramatic decision in October 2025 to adjourn adoption of the IMO's Net-Zero Framework for one year, the upcoming MEPC 84 in April will serve as a clean-up and consensus-building session.

While some compromise solutions have been put forward, breaking the political divide, particularly on the issue of a global carbon levy, will be challenging. MEPC 84 is expected to focus on some unresolved technical rules (life-cycle emissions accounting, certification, and compliance design), but ultimately the future of the NZF will be determined behind the scenes. Unless a qualified majority for adoption can be rebuilt it will either be watered down (weaker carbon pricing and softer targets) or fail completely, leaving a patchwork of regional regimes.

Appetite for cleaner dual-fuel containerships waning amid regulatory purgatory

Containership fleet

Table 3.3 Unadjusted containership orderbook by size and scheduled delivery year (1 Mar 2026)

Drewry classification	Size range (teu)	2026		2027		2028		2029		2030		2031		Total		Current fleet kteu	% of current fleet
		No.	kteu	No.	kteu	No.	kteu	No.	kteu	No.	kteu	No.	kteu	No.	kteu		
Small Feeder	100-2,000	97	97	116	160	75	123	11	18	2	3	2	3	303	405	3,168	12.8%
Large Feeder	2,000-3,000	17	42	34	88	29	80	5	14	0	0	0	0	85	223	2,305	9.7%
Classic Panamax & wide beam	3,000-5,300	34	132	71	278	102	383	25	92	8	25	0	0	240	910	4,158	21.9%
Small neo-Panamax	5,300-10,000	38	302	60	473	91	699	42	355	8	61	0	0	239	1,890	8,213	23.0%
Large neo-Panamax	10,000-12,500	5	55	19	207	23	259	16	183	0	0	0	0	63	703	2,242	31.4%
Large post-Panamax [#]	10,000-12,500	0	0	0	0	0	0	0	0	0	0	0	0	0	0	122	0.0%
VLCV - Maxi neo-Panamax	12,500-18,000	39	567	56	817	76	1127	20	289	0	0	0	0	191	2,800	5,188	54.0%
VLCV - Neo post-Panamax [#]	12,500-18,000	7	112	8	128	17	264	16	245	0	0	0	0	48	749	3,425	21.9%
ULCV [#]	18,000+	8	193	40	863	71	1450	74	1517	4	74	0	0	197	4,097	4,391	93.3%
Unadjusted Total		245	1,500	404	3,013	484	4,386	209	2,713	22	163	2	3	1,366	11,778	33,213	35.5%

Notes: # These ships cannot transit the Panama Canal due to exceeding the size restrictions

Source: Drewry Maritime Research, Clarksons Research

Table 3.4 Adjusted global containership fleet and orderbook (kteu)

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Total global fleet (year start)	23,632	24,704	25,751	27,829	30,843	33,007	34,419	36,905	40,620	43,478
Scheduled delivery at year start*	1,180	977	2,501	3,173	2,143	1,680	3,206	4,906	3,953	2,259
Less slippage to following years	94	-86	262	78	-30	168	321	491	395	226
Delivery Total (end year)	1,086	1,063	2,239	3,094	2,173	1,512	2,886	4,416	3,558	2,033
% of scheduled orderbook delivered	92.0%	108.8%	89.5%	97.5%	101.4%	90.0%	90.0%	90.0%	90.0%	90.0%
Scrapping		12	14	158	80	6	100	400	700	700
Misc. (reclassification, conversions etc.)		3	2	3	1	3	0	0	0	0
Net addition		1,072	1,047	2,078	3,014	2,164	1,412	2,486	3,716	2,858
Total global fleet (year end)	24,704	25,751	27,829	30,843	33,007	34,419	36,905	40,620	43,478	44,811
Fleet growth	4.5%	4.2%	8.1%	10.8%	7.0%	4.3%	7.2%	10.1%	7.0%	3.1%
Proj. additional orders for delivery in given year (k teu)						0	0	25	200	750

Notes: All data subject to change; *Includes slippage from previous year and projected future orders.

Source: Drewry Maritime Research, Clarksons Research

Containership fleet

Figure 3.5 Newbuild containership contracts by year

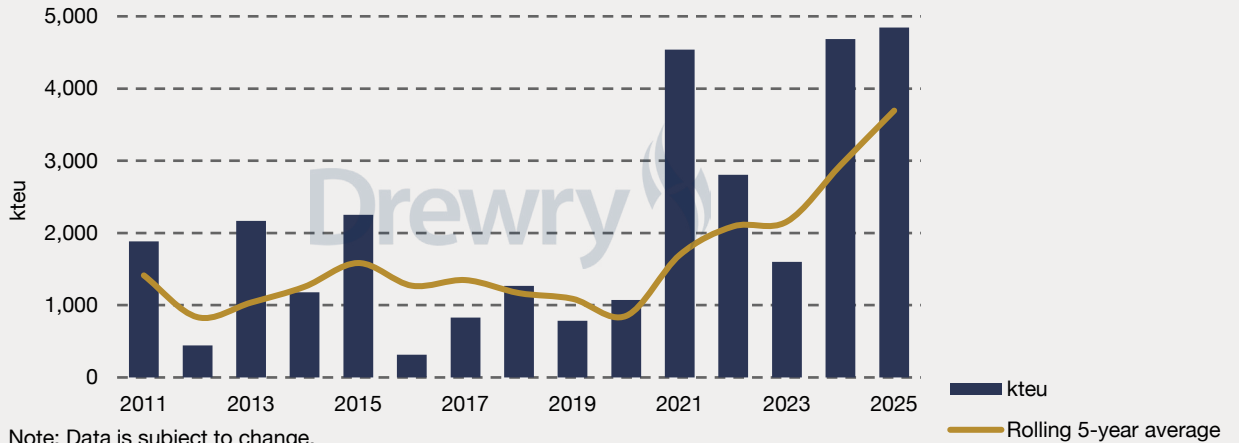


Figure 3.6 Cumulative containership newbuild contracts, by broad size class since February 2020

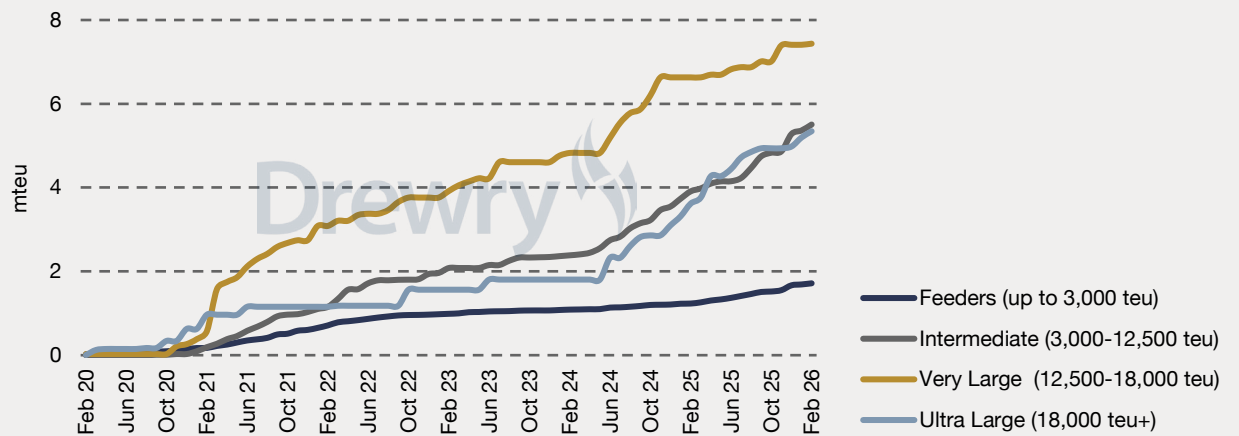
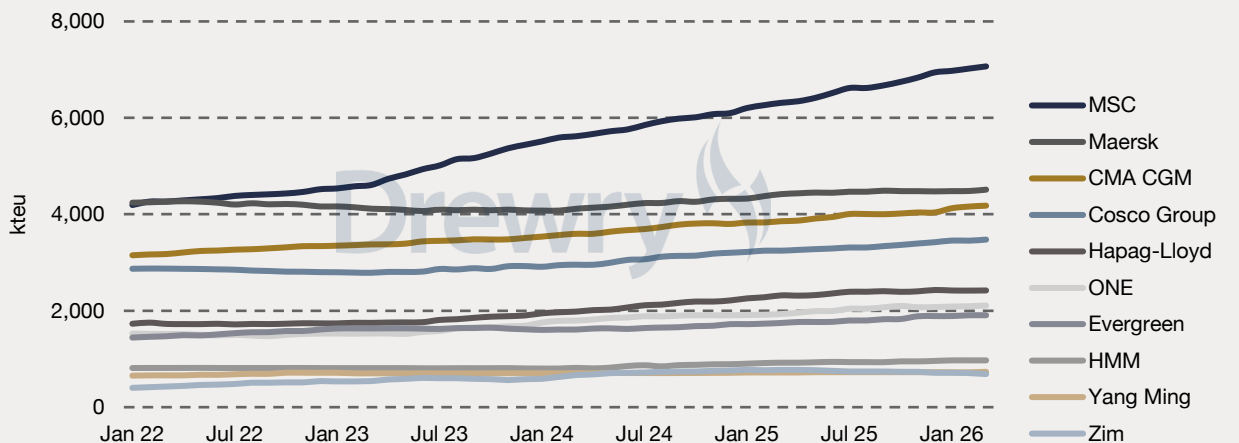
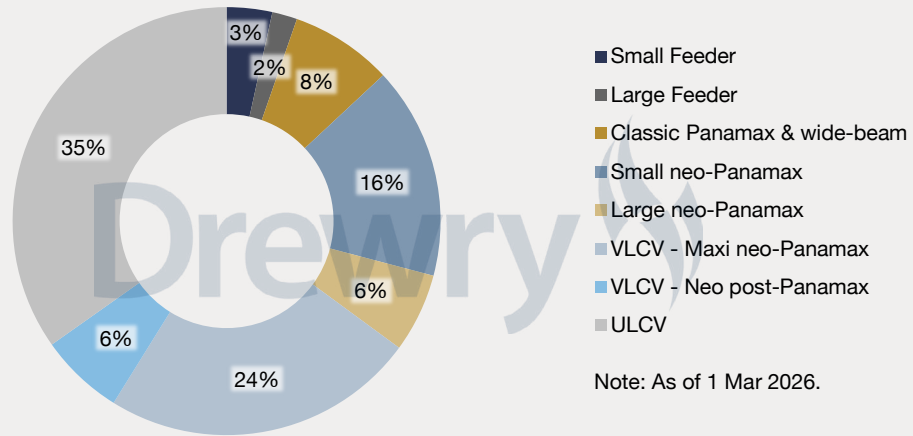


Figure 3.7 Evolution of Top 10 carriers' fleet



Containership fleet

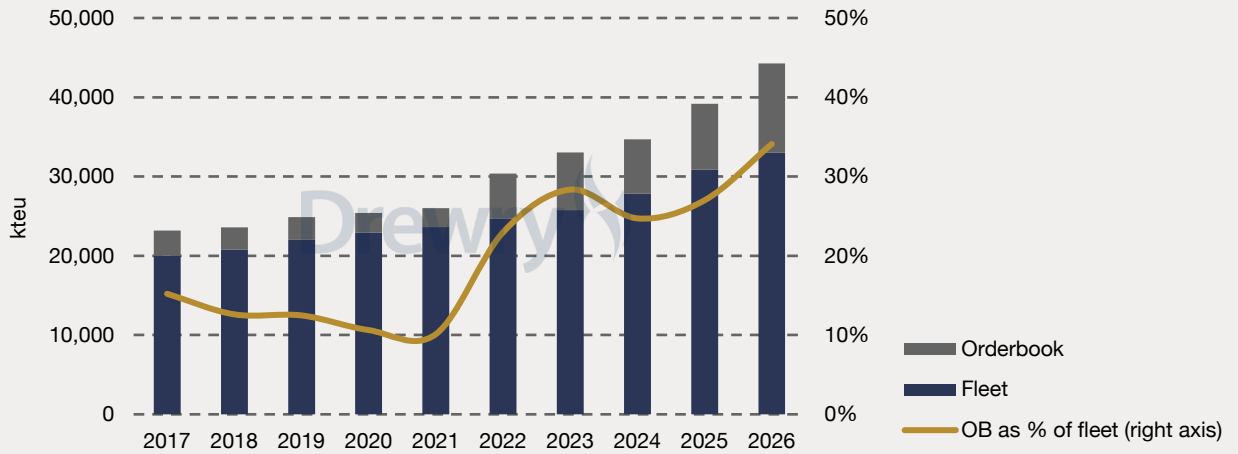
Figure 3.8 Orderbook by size range (% of teu capacity)



Note: As of 1 Mar 2026.

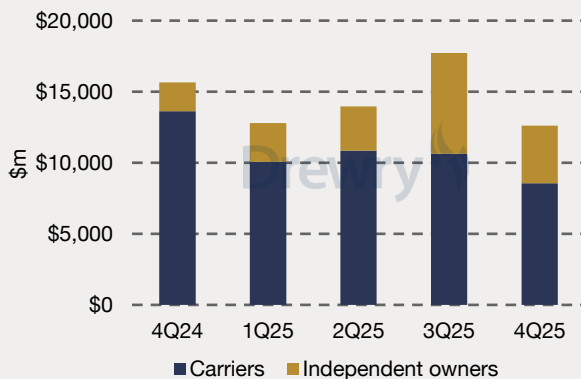
Source: Drewry Maritime Research, Clarksons Research

Figure 3.9 Containership orderbook-to-fleet ratio, start of year



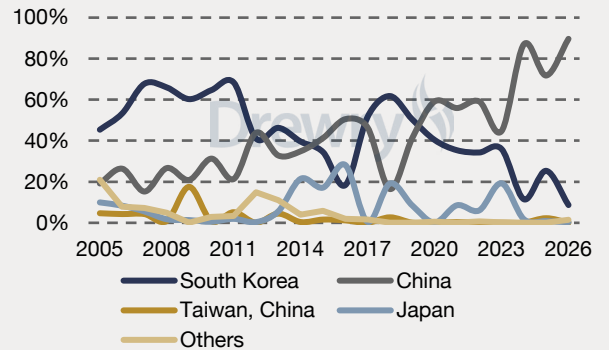
Source: Drewry Maritime Research, Clarksons Research

Figure 3.10 Industry investment in newbuild containerships



Source: Drewry Maritime Research, Clarksons Research

Figure 3.11 Share of containership contracts by country (teu)



Source: Drewry Maritime Research, Clarksons Research

Containership fleet

Figure 3.12 China-built ships in Top 10 carriers' fleet, orderbook

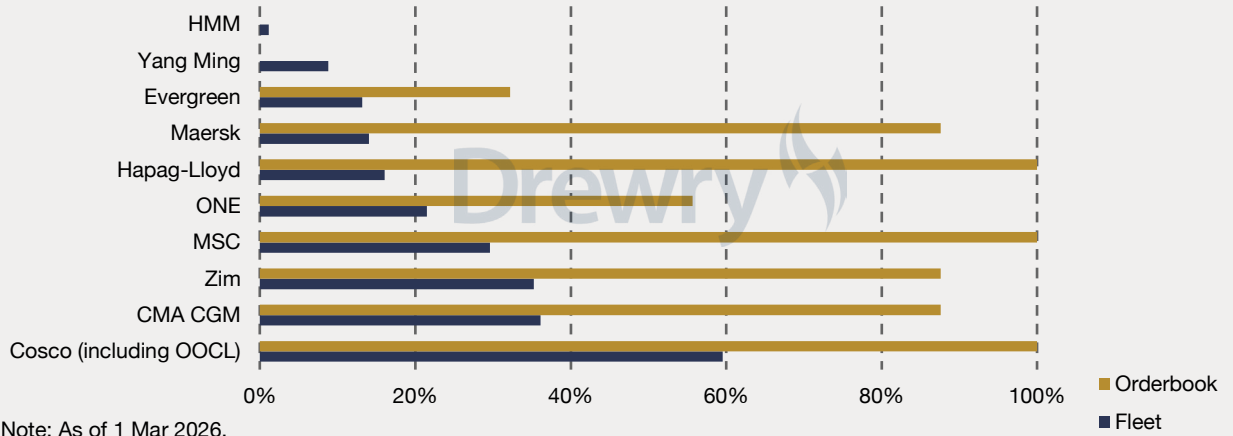


Figure 3.13 Average age of selected containership size ranges

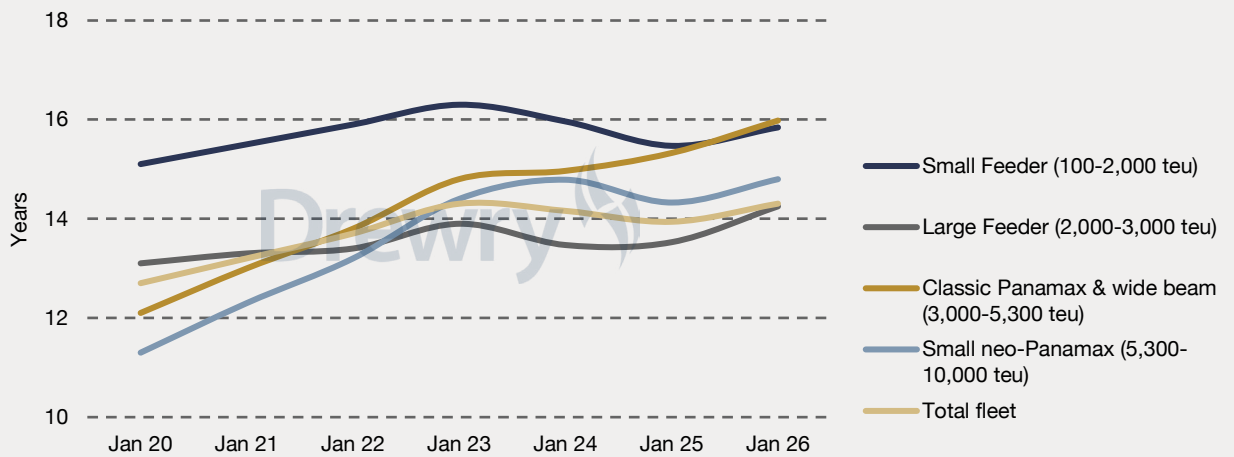
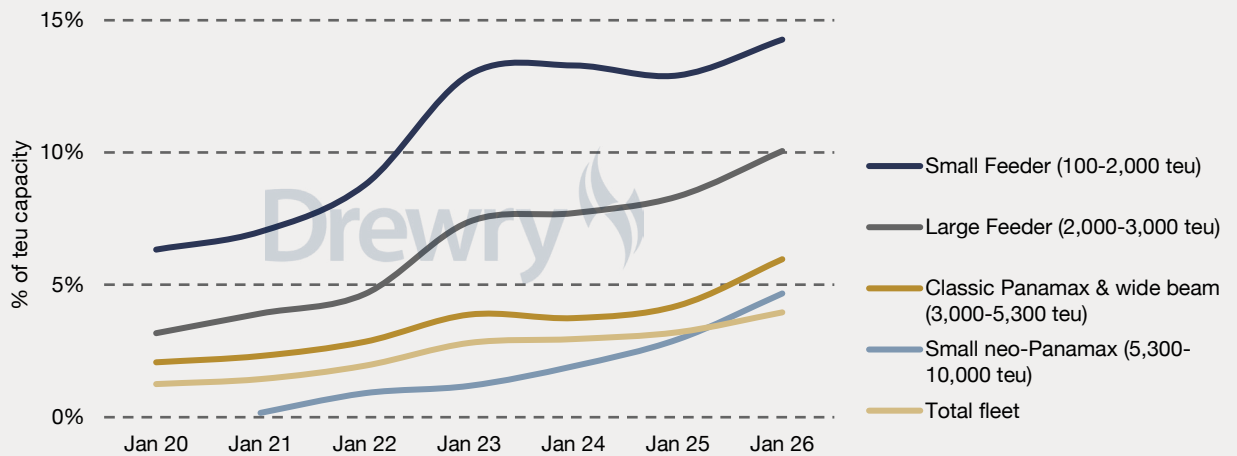


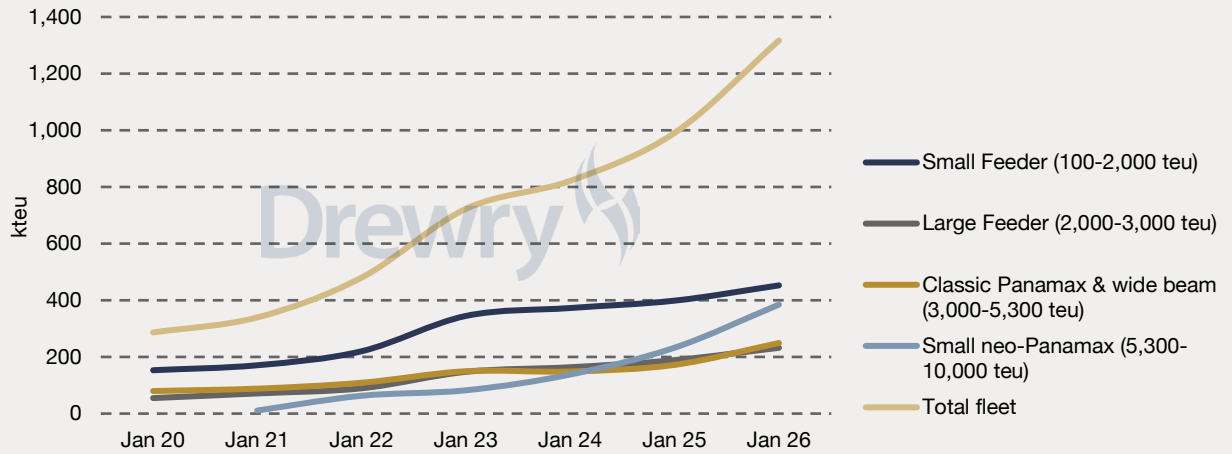
Figure 3.14 Percentage of containerships 25-year-old and above



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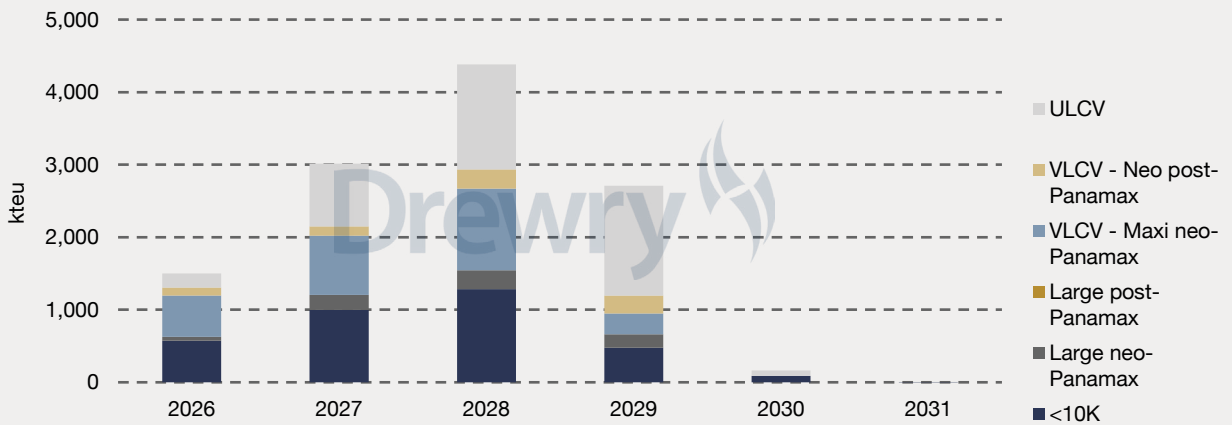
Containership fleet

Figure 3.15 Capacity of containerships aged 25-years-old and above



Source: Drewry Maritime Research, Clarksons Research

Figure 3.16 Delivery breakdown of unadjusted orderbook by size range



Notes: As of 1 Mar 2026; Does not account for potential slippage; Includes owned and chartered ships.

Source: Drewry Maritime Research, Clarksons Research

Table 3.5 Unadjusted vessel delivery schedule for 2026

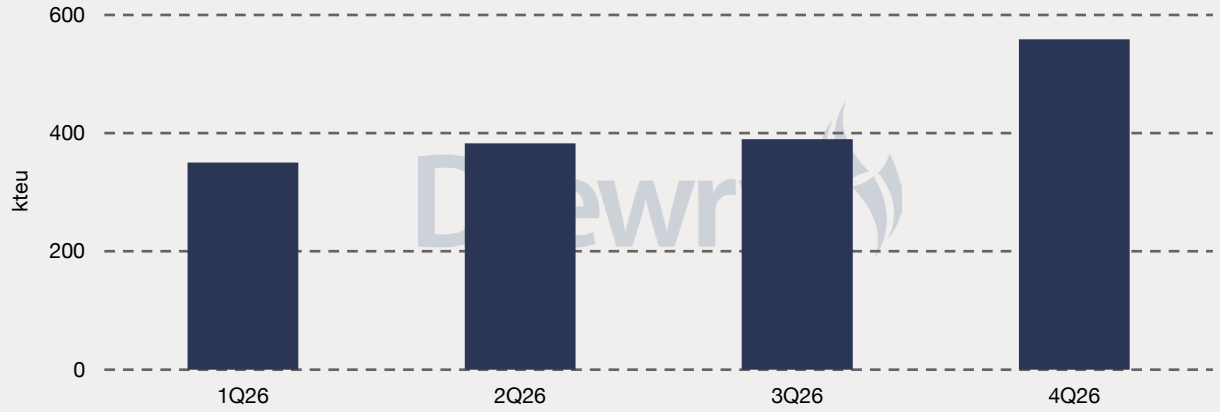
	1Q	2Q	3Q	4Q	Total
No. ships	54	66	61	94	275
Total teu (kteu)	350	383	390	559	1,681
Avg size ship (teu)	6,485	5,797	6,391	5,944	6,114
No. ships 10,000-18,000 teu	16	14	12	18	60
No. ships above 18,000 teu	1	2	3	2	8

Note: As of 1 Mar 2026; Does not account for potential slippage.

Source: Drewry Maritime Research, Clarksons Research

Containership fleet

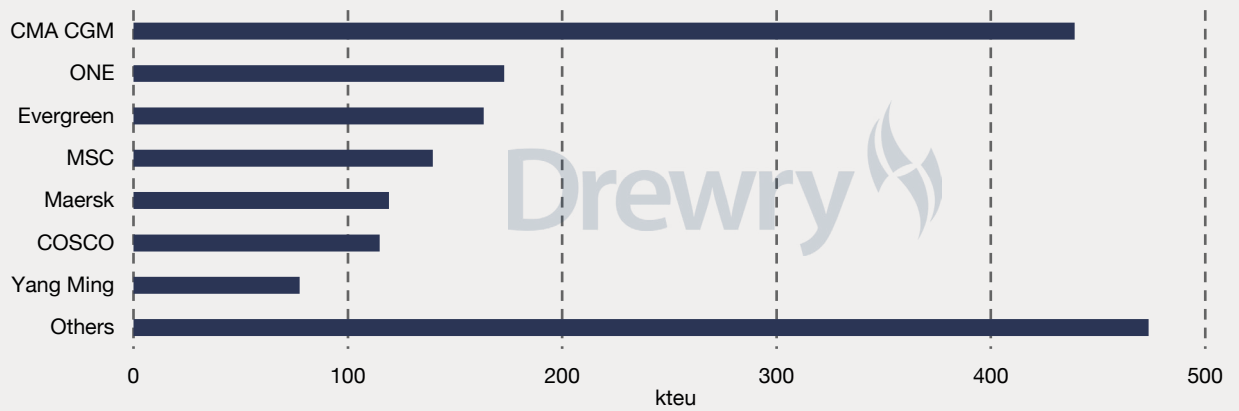
Figure 3.17 Unadjusted vessel delivery schedule in 2026 by quarter



Notes: As of 1 Mar 2026. Does not account for potential slippage.

Source: Drewry Maritime Research, Clarksons Research

Figure 3.18 Unadjusted vessel delivery schedule in 2026 by major operator group

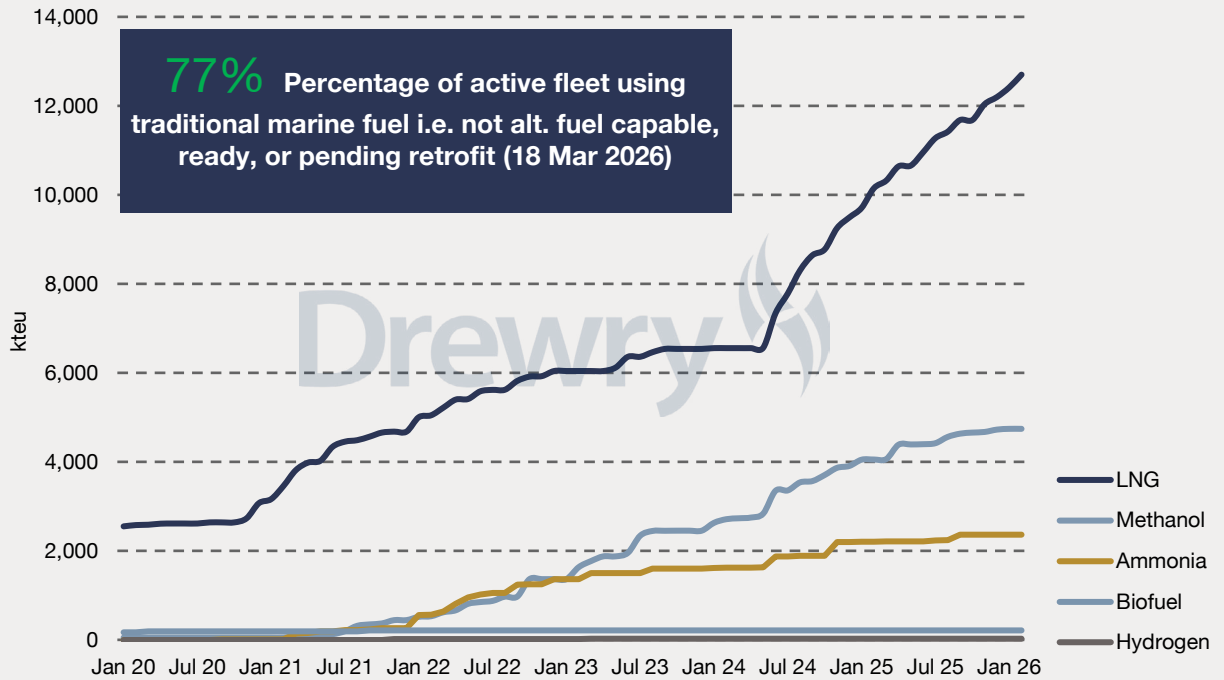


Notes: As of 1 Mar 2026. Does not account for potential slippage; Includes owned and chartered ships.

Source: Drewry Maritime Research, Clarksons Research

Containership fleet

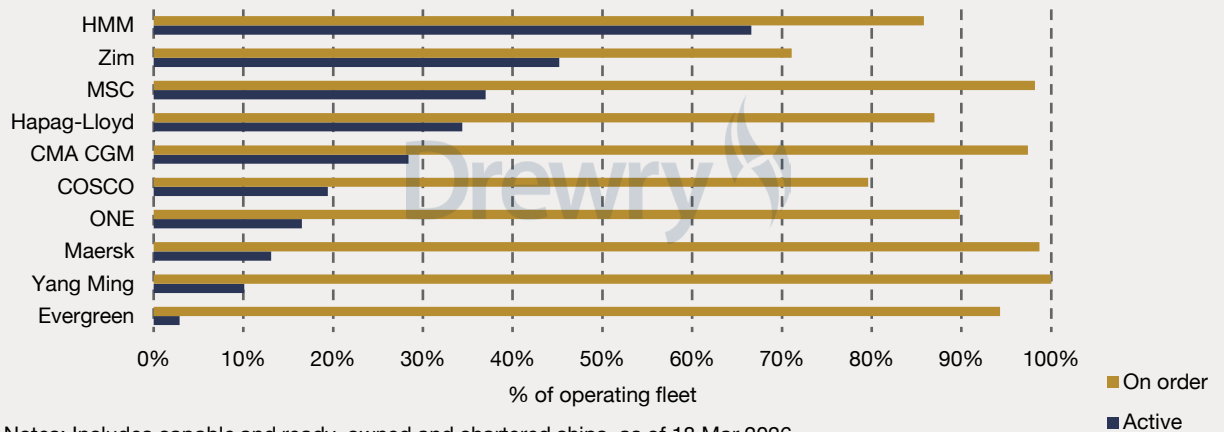
Figure 3.19 Rolling tracker of alternative fuel containership orders



Notes: Includes both capable and ready ships; Some double counting as some units are ready for more than one alternative fuel type; Data subject to change.

Source: Drewry Maritime Research, Clarksons Research

Figure 3.20 Top 10 carriers' % of alternative fuel ships in operating fleet, active and orderbook



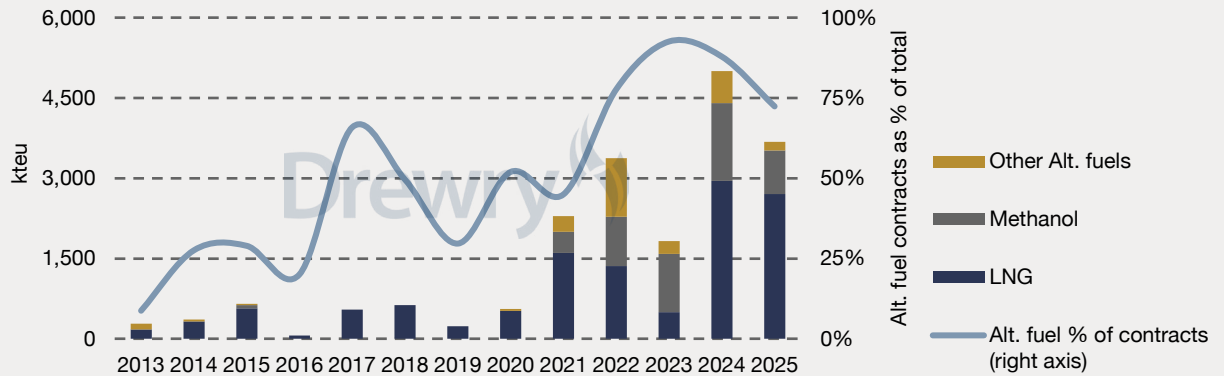
Notes: Includes capable and ready, owned and chartered ships, as of 18 Mar 2026.

Source: Drewry Maritime Research, Clarksons Research

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Containership fleet

Figure 3.21 Contracting for alternative fuel containerships (capable and ready)



Notes: Data is subject to change; Includes both capable and ready ships; Some double counting as some units are ready for more than one alternative fuel type; Other Alt. fuels includes ammonia, biofuel and hydrogen.

Source: Drewry Maritime Research, Clarksons Research

Table 3.6 Top 10 ocean carrier-operating fleets (1 Mar 2026)

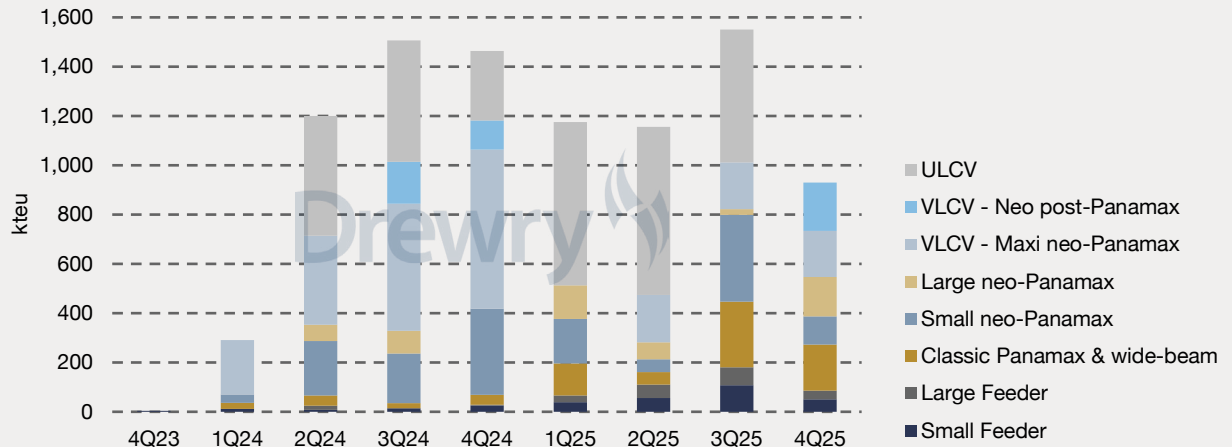
Company	Country	Alliance	Active fleet (kteu)	% of total fleet	On Order (kteu)	% of total orderbook
MSC	Switzerland		7,064	21.3%	2,126	18.1%
Maersk	Denmark	Gemini Cooperation	4,511	13.6%	1,002	8.5%
CMA CGM	France	Ocean Alliance	4,182	12.6%	1,788	15.2%
Cosco Group	China	Ocean Alliance	3,475	10.5%	1,432	12.2%
Hapag-Lloyd	Germany	Gemini Cooperation	2,420	7.3%	473	4.0%
ONE	Japan	Premier Alliance	2,110	6.4%	693	5.9%
Evergreen Marine	Taiwan, China	Ocean Alliance	1,910	5.7%	876	7.4%
HMM	South Korea	Premier Alliance	976	2.9%	185	1.6%
Yang Ming	Taiwan, China	Premier Alliance	738	2.2%	221	1.9%
Zim	Israel		688	2.1%	254	2.2%
Top 10 total			28,073	84.5%	9,052	76.9%

Notes: Includes all subsidiaries; owned and chartered ships

Source: Drewry Maritime Research, Clarksons Research

Containership fleet

Figure 3.22 Recent newbuild containership contracts by size range



Source: Drewry Maritime Research, Clarksons Research

Table 3.7 Top 10 carriers by fleet, orderbook (1 Mar 2026)

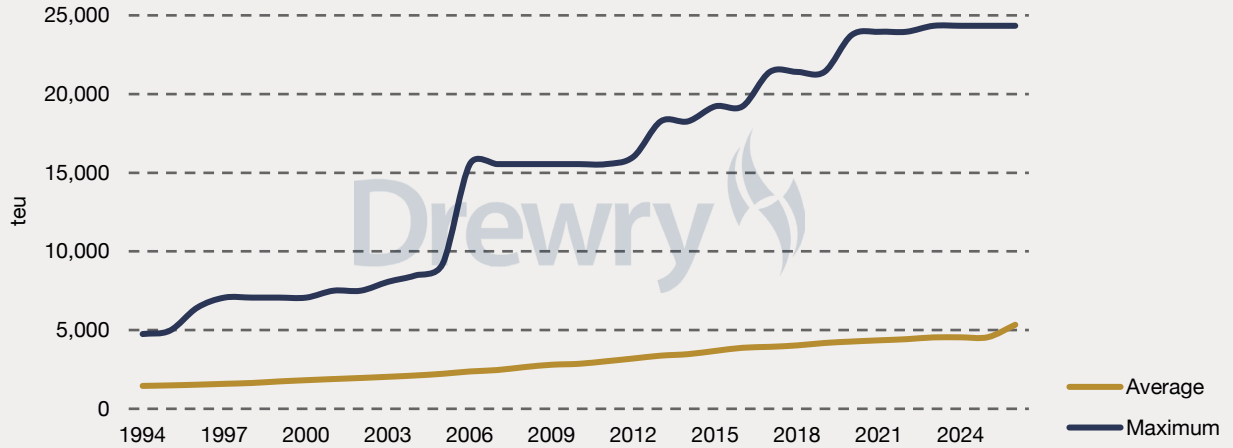
Trade	Rank		Fleet (kteu)				Fleet share			Orderbook (kteu)			
	Jan 22	Mar 26	Jan 22	Mar 26	%	Diff	%	Jan 22	Mar 26	Diff pp	Jan 22	Mar 26	Diff teu
MSC	2	1	4,194	7,064	68.4%	2,870	33.7%	17.0%	21.3%	4.3%	1,092	2,126	1,035
Maersk	1	2	4,240	4,511	6.4%	271	3.2%	17.2%	13.6%	-3.6%	130	1,002	872
CMA CGM	3	3	3,153	4,182	32.6%	1,029	12.1%	12.8%	12.6%	-0.2%	409	1,788	1,380
Cosco Group	4	4	2,871	3,475	21.0%	604	7.1%	11.6%	10.5%	-1.2%	585	1,432	847
Hapag-Lloyd	5	5	1,733	2,420	39.7%	687	8.1%	7.0%	7.3%	0.3%	282	473	191
ONE	6	6	1,528	2,110	38.1%	583	6.8%	6.2%	6.4%	0.2%	251	693	442
Evergreen Marine	7	7	1,447	1,910	32.0%	462	5.4%	5.9%	5.7%	-0.1%	613	876	263
HMM	8	8	815	976	19.8%	161	1.9%	3.3%	2.9%	-0.4%	156	185	29
Yang Ming	9	9	658	738	12.1%	80	0.9%	2.7%	2.2%	-0.4%	23	221	198
Zim	10	10	405	688	69.8%	283	3.3%	1.6%	2.1%	0.4%	311	254	-56
Top 10			21,043	28,073	33.4%	7,030	82.6%	85.2%	84.5%	-0.6%	3,852	9,052	5,200
Outside Top 10			3,661	5,140	40.4%	1,479	17.4%	14.8%	15.5%	0.6%	1,817	2,727	909
Total market			24,704	33,213	34.4%	8,509					5,669	11,778	6,109

Source: Drewry Maritime Research, Clarksons Research

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Containership fleet

Figure 3.23 Evolution of containership sizes (year start)



Source: Drewry Maritime Research, Clarksons Research

Table 3.8 Top 20 ocean carrier-owned fleets, 1 Mar 2026 (kteu)

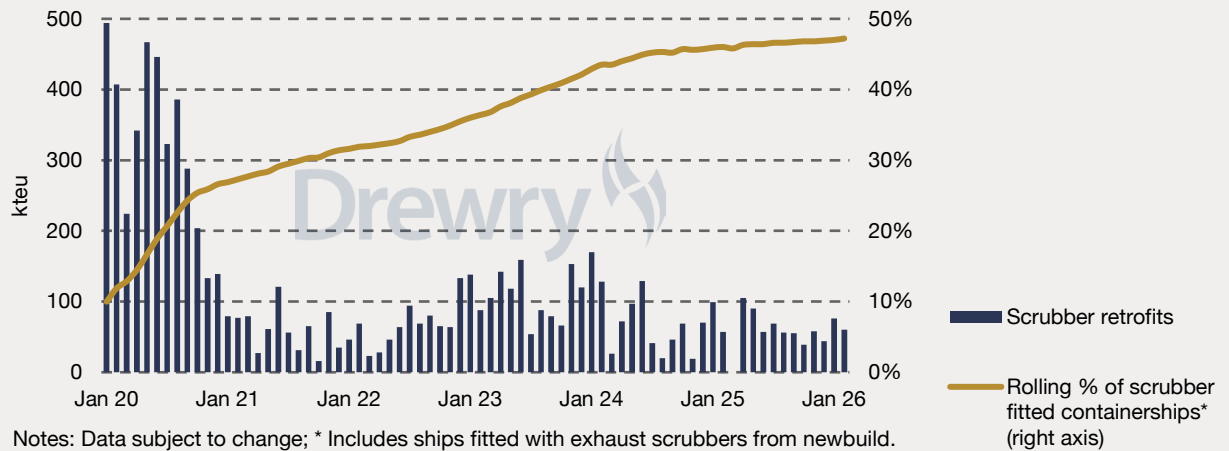
Company	Country	< 4,000 teu	4,000- 7,999 teu	8,000- 9,999 teu	10,000- 17,999 teu	18,000+ teu	Total teu	Avg age (yrs)	Scrapped in last 12 months		On order	
									No.	kteu	No.	kteu
MSC	Switzerland	613	930	842	1,255	284	3,924	18			113	2,110
China COSCO Shipping	China	23	565	296	994	854	2,732	14			72	1,059
Maersk	Denmark	239	543	484	797	592	2,656	16			33	494
CMA CGM	France	270	431	457	1,014	342	2,514	12			83	1,366
Hapag-Lloyd	Germany	23	218	253	542	397	1,433	14			32	348
Evergreen Marine	Taiwan, China	159	145	259	450	311	1,325	10			69	876
ONE	Japan	29	213	234	486	81	1,042	13			48	614
HMM	South Korea	24	96	86	378	287	870	9			15	185
Wan Hai Lines	Taiwan, China	229	169	0	263	0	661	10	1	4	41	388
PIL	Singapore	125	109	33	103	0	371	15			12	129
Yang Ming	Taiwan	58	91	67	57	0	274	14			17	221
China Merchants Bank	China	0	0	0	129	114	244	6				
Sea Consortium	Singapore	87	110	0	0	0	197	9			26	123
SITC	China	165	0	0	0	0	165	9			22	44
RCL	Thailand	44	51	0	47	0	143	15			16	108
Sinokor Merchant	South Korea	86	15	32	0	0	133	9	2	1	4	52
Zhonggu Shipping	China	53	79	0	0	0	132	8			6	37
T.S. Lines	Taiwan, China	65	56	0	0	0	121	5			14	101
Abu Dhabi Ports	U.A.E	92	28	0	0	0	120	18			2	2
Zim	Israel	4	26	42	30	0	102	17				
Total		2,388	3,876	3,085	6,547	3,262	19,158		3	6	625	8,257

Notes: Includes all subsidiaries; scrapping data as of 1 Mar 2026 ; orders based on all known contracts including long-term leases and vessels not yet delivered as of 1 Dec 2025

Source: Drewry Maritime Research, Clarksons Research

Containership fleet

Figure 3.24 Containership exhaust scrubber retrofits by month



Source: Drewry Maritime Research, Clarksons Research

Table 3.9 Top 20 independent shipowners, 1 Mar 2026 (kteu)

Company	Country	<4,000 teu	4,000- 7,999 teu	8,000- 9,999 teu	10,000- 17,999 teu	18,000+ teu	Total teu	Avg age (yrs)	Scrapped in last 12 months		On order	
									No.	kteu	No.	kteu
Seaspan Corp.	Canada	33	1,408	49	274	158	1,921	10	0	0	59	700
Shoei Kisen Kaisha	Japan	64	341	346	98	8	857	6	0	0	0	0
Zodiac Maritime	UK	7	595	19	85	26	732	10	0	0	5	30
Eastern Pacific Shpg	Singapore	27	397	115	96	0	634	4	0	0	61	415
Costamare Shipping	Greece	23	191	0	163	146	522	16	0	0	6	19
Danaos Shipping	Greece	48	96	0	171	162	477	17	0	0	27	175
BoCom	China	5	107	241	0	85	437	9	0	0	0	0
Global Ship Lease	UK	50	11	0	207	121	389	19	0	0	0	0
Reederei C-P Offen	Germany	0	137	0	89	87	314	18	0	0	0	0
Nissen Kaiun	Japan	82	143	0	23	52	301	8	0	0	7	61
SFL Corporation	Norway	5	114	58	48	63	288	13	0	0	5	84
Minsheng Bank	China	0	148	96	0	9	254	9	0	0	1	16
Dohle/Hammonia	Germany	70	10	0	102	63	245	17	0	0	13	110
Navios Holdings	Greece	15	0	0	189	20	224	13	0	0	8	67
CSSC	China	11	136	48	0	0	196	3	0	0	0	0
ICBC	China	11	77	48	0	19	155	5	0	0	0	0
Doun Kisen	Japan	8	104	0	15	9	135	9	0	0	2	18
MPC Container Ships	Norway	114	0	0	20	0	133	16	0	0	19	83
Schulte Group	Germany	37	0	0	54	35	126	13	0	0	0	0
China Dev Bank (CDB)	China	0	39	49	0	38	126	9	0	0	0	0
Total		608	4,054	1,068	1,635	1,101	8,466		0	0	213	1,777

Notes: Includes all subsidiaries; scrapping data as of 1 Mar 2026.

Source: Drewry Maritime Research, Clarksons Research

Containership fleet

Table 3.10 Recent containership sales for demolition (kteu)

Range (teu)	100-2,000	2,000-3,000	3,000-5,300	5,300+	Total	Avg age	Avg teu	No. of ships scrapped
2022	10	0	0	6	16	25.8	1,444	11
1Q	0	0	0	0	0	n.a	n.a	0
2Q	1	0	0	0	1	21.5	260	2
3Q	0	0	0	0	0	n.a	n.a	0
4Q	10	0	0	6	15	26.8	1,708	9
2023	74	36	33	15	158	27.8	1,903	83
1Q	21	5	5	0	31	28.6	1,622	19
2Q	14	7	17	7	45	28.8	2,270	20
3Q	18	8	11	0	37	26.4	1,770	21
4Q	20	16	0	8	45	27.5	1,938	23
2024	49	12	16	6	83	29.9	1,425	58
1Q	9	7	7	0	23	29.2	1,650	14
2Q	17	2	3	6	28	25.9	1,287	22
3Q	13	0	0	0	13	34.0	1,165	11
4Q	10	2	7	0	18	34.7	1,675	11
2025	6	0	0	0	6	29.8	551	11
1Q	1	0	0	0	1	29.5	496	2
2Q	3	0	0	0	3	28.7	523	6
3Q	1	0	0	0	1	28.5	696	2
4Q	1	0	0	0	1	40.0	543	1
2026*	3	0	4	0	8	30.8	1,932	4
1Q	3	0	4	0	8	30.8	1,932	4

Note: *After two months of 2026

Source: Drewry Maritime Research

4. Supply-Demand Balance

Supply-demand analysis

The ongoing war in the Middle East presents both supply- and demand-side risks for the container shipping market. Carriers have responded decisively by adjusting their networks (see Spotlight section), but significant uncertainty remains in the medium- and long-term outlook, not least because the duration of the conflict is unknowable.

As a result, our supply and demand forecasts are subject to a higher degree of uncertainty than usual. Nevertheless, under each of Drewry's twin scenarios (base case short 2-months war scenario, and worst-case 12-months long-war alternative) the market is still expected to remain in a state of overcapacity.

The outperformance of container shipping equities relative to the broader market since the onset of the conflict highlights a familiar dynamic: disruption is generally perceived as supportive for carriers. However, not all disruption is equal. Unlike the Covid period - when severe supply constraints coincided with a surge in demand - the current conflict carries a meaningful downside risk to demand. Any escalation in military activity would likely weigh on global trade and, in turn, on carrier profitability and equity performance.

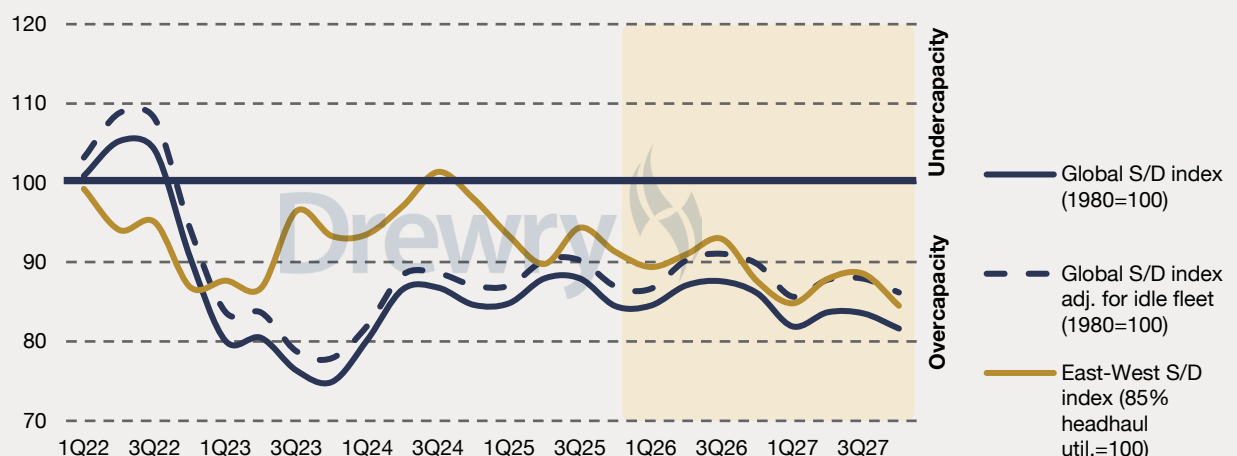
The ongoing war in the Middle East is both a supply and demand risk for container shipping. It doesn't have the same upside for carriers as Covid – when a bigger supply shortage was matched with a demand surge

Middle East war factors that will influence container shipping supply and demand in 2026

Factor	Supply / Demand	Est. effective capacity or demand impact (% change vs. Dec-25 baseline)	
		Base case (short war 2 months)	Worst-case (longer war 12 months)
Suez Canal transits deferred	Supply	-3.5%	-3.5%
Capacity trapped in the Gulf	Supply	-0.3%	-1.0%
Port productivity	Supply	-2.0%	-3.5%
Slow steaming	Supply	-2.0%	-2.0%
Demand destruction	Demand	0.0%	0.5%
Total		-7.8%	-9.5%

Source: Drewry Maritime Research

Figure 4.1 Global and East-West supply-demand indices forecasts by quarter (base-case)



Source: Drewry Maritime Research

Supply-demand analysis

If the conflict proves mercifully short, it will offer only a temporary reprieve from overcapacity pressures. In our base case, the war modestly tightens the global market and lifts average freight rates relative to previous forecasts, though rates are still expected to remain slightly below last year's levels (see Section 6). Most of the upside will be driven by higher Bunker Adjustment Factors (BAFs).

A prolonged conflict would have a more pronounced impact on the supply-demand balance. While additional capacity would be removed from the market, this would likely be offset - at least in part - by demand destruction.

If the Middle East conflict is short, it will provide carriers with a brief reprieve from the pressures of overcapacity. A longer war will strip out more supply, but will also trigger demand destruction

Table 4.1 Forecast Global supply-demand balance (base case short-war scenario)

	Effective capacity*	Change	Net cargo slot moves	Change	Supply-demand gap	Moves per effective slot	Global supply/demand index	Global supply/demand index (adj. for idle fleet)
	kteu	YoY %	kteu	YoY %	% points		[1980=100]	[1980=100]
2023	25,468	28.4%	322,062	0.2%	28.2	12.65	77.8	80.8
2024	25,184	-1.1%	346,049	7.4%	-8.6	13.74	84.5	86.5
2025	26,127	3.7%	366,429	5.9%	-2.1	14.03	86.3	88.6
2026	26,564	1.7%	372,714	1.7%	-0.0	14.03	86.3	89.4
2027	28,762	8.3%	386,526	3.7%	4.6	13.44	82.7	86.9
2028	31,830	10.7%	397,233	2.8%	7.9	12.48	76.8	81.7
2029	34,054	7.0%	407,557	2.6%	4.4	11.97	73.6	79.3
2030	34,892	2.5%	417,704	2.5%	-0.0	11.97	73.6	79.4
2023 1Q	5,766	20.9%	75,029	-3.9%	24.7	13.01	80.0	83.7
2Q	6,245	30.7%	81,661	0.1%	30.6	13.08	80.4	83.6
3Q	6,713	38.0%	83,277	1.4%	36.6	12.41	76.3	78.8
4Q	6,744	24.5%	82,096	3.2%	21.3	12.17	74.9	77.9
2024 1Q	6,288	9.1%	81,969	9.3%	-0.2	13.04	80.2	82.0
2Q	6,195	-0.8%	87,177	6.8%	-7.5	14.07	86.6	88.4
3Q	6,339	-5.6%	89,409	7.4%	-12.9	14.11	86.8	88.6
4Q	6,362	-5.7%	87,493	6.6%	-12.2	13.75	84.6	87.0
2025 1Q	6,359	1.1%	87,658	6.9%	-5.8	13.79	84.8	87.0
2Q	6,479	4.6%	92,617	6.2%	-1.7	14.30	87.9	90.2
3Q	6,591	4.0%	94,213	5.4%	-1.4	14.29	87.9	90.2
4Q	6,698	5.3%	91,940	5.1%	0.2	13.73	84.4	86.9
2026 1Q	6,536	2.8%	89,790	2.4%	0.4	13.74	84.5	86.6
2Q	6,606	2.0%	93,493	0.9%	1.0	14.15	87.1	90.2
3Q	6,676	1.3%	95,039	0.9%	0.4	14.24	87.6	91.0
4Q	6,746	0.7%	94,393	2.7%	-1.9	13.99	86.1	89.8
2027 1Q	7,007	7.2%	93,263	3.9%	3.3	13.31	81.9	85.6
2Q	7,129	7.9%	96,971	3.7%	4.2	13.60	83.7	87.8
3Q	7,252	8.6%	98,458	3.6%	5.0	13.58	83.5	87.9
4Q	7,374	9.3%	97,833	3.6%	5.7	13.27	81.6	86.2

Note: * After adjustments for market factors, i.e. box supply, differential vessel productivity, deadweight/slot ratio, vessel routing factors, vessel design, operating speed, trade distance, high-cube slot-loss and port productivity

Source: Drewry Maritime Research

Supply-demand analysis

This analysis examines the key variables that could shift the supply-demand balance in 2026 under both a short-war and a prolonged conflict scenario. All estimates for effective capacity changes listed below are versus the December baseline assumptions for each input, everything else being equal.

Table 4.2 Forecast development East-West headhaul supply-demand balance

	Capacity	Change	Demand	Change	Supply-demand gap	Aggregate utilisation	East-West supply-demand index	
	<i>kteu</i>	YoY %	<i>kteu</i>	YoY %	% points		85% util. = 100	
2023	51,628	0.8%	39,971	0.0%	0.7	77.4%	91.1	
2024	53,764	4.1%	44,595	11.6%	-7.4	82.9%	97.6	
2025	57,793	7.5%	45,283	1.5%	6.0	78.4%	92.2	
2026	61,280	6.0%	46,999	3.8%	2.2	76.7%	90.2	
2027	64,985	6.0%	47,752	1.6%	4.4	73.5%	86.4	
2028	69,586	7.1%	48,744	2.1%	5.0	70.0%	82.4	
2029	74,081	6.5%	49,725	2.0%	4.4	67.1%	79.0	
2030	76,773	3.6%	50,721	2.0%	1.6	66.1%	77.7	
2023	1Q	11,906	-5.7%	8,872	-15.1%	9.3	74.5%	87.7
	2Q	13,528	0.9%	9,974	-4.4%	5.3	73.7%	86.7
	3Q	13,187	2.7%	10,812	6.6%	-4.0	82.0%	96.5
	4Q	13,006	5.4%	10,313	15.5%	-10.1	79.3%	93.3
2024	1Q	12,679	6.5%	10,081	13.6%	-7.1	79.5%	93.5
	2Q	13,424	-0.8%	11,076	11.1%	-11.8	82.5%	97.1
	3Q	13,800	4.6%	11,893	10.0%	-5.4	86.2%	101.4
	4Q	13,860	6.6%	11,545	11.9%	-5.4	83.3%	98.0
2025	1Q	13,645	7.6%	10,822	7.4%	0.3	79.3%	93.3
	2Q	14,442	7.6%	11,021	-0.5%	8.1	76.3%	89.8
	3Q	14,905	8.0%	11,954	0.5%	7.5	80.2%	94.4
	4Q	14,801	6.8%	11,486	-0.5%	7.3	77.6%	91.3
2026	1Q	14,595	7.0%	11,090	2.5%	4.5	76.0%	89.4
	2Q	15,333	6.2%	11,858	7.6%	-1.4	77.3%	91.0
	3Q	15,566	4.4%	12,298	2.9%	1.6	79.0%	92.9
	4Q	15,785	6.6%	11,754	2.3%	4.3	74.5%	87.6
2027	1Q	15,710	7.6%	11,326	2.1%	5.5	72.1%	84.8
	2Q	16,028	4.5%	11,978	1.0%	3.5	74.7%	87.9
	3Q	16,548	6.3%	12,453	1.3%	5.0	75.3%	88.5
	4Q	16,699	5.8%	11,995	2.1%	3.7	71.8%	84.5

Note: Supply and demand inputs consists of Transpacific eastbound, Asia-North Europe westbound, Transatlantic westbound and Asia-Mediterranean westbound legs. Capacity is adjusted by deadweight and high-cube constraints, wayport calls and out-of-scope cargo. Demand excludes military and wayport cargo.

Source: Drewry Maritime Research

Supply-demand analysis

Red Sea diversions to continue

Although Jeddah has emerged as a key hub for multimodal cargo flows into and out of the Middle East, plans by carriers to gradually resume Asia-Europe transits via the Suez Canal have now been deferred indefinitely.

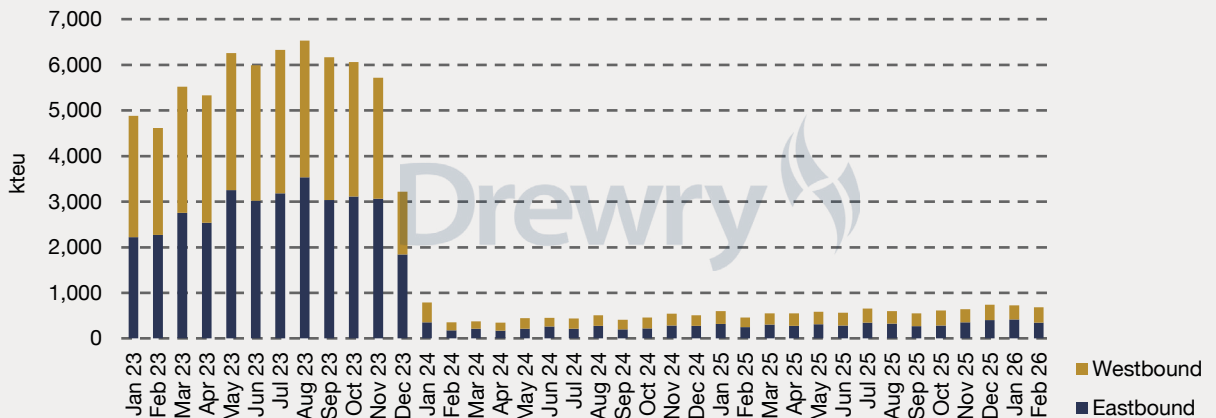
The risk of latent capacity returning to the market has therefore receded. We have accordingly reinstated our effective capacity assumption to reflect a 9% reduction via the Cape of Good Hope across the full five-year forecast horizon in both scenarios.

In the previous edition, this reduction was expected to taper over the next 12 months to reflect a phased return to Suez routing, so the actual change from December is moderate. The involvement of Houthi forces in the conflict reinforces our view that a full-scale return via the Bab al-Mandab Strait will not be considered until security conditions materially improve.

Effective capacity impact from delayed Suez Canal return in 2026, versus December 2025 baseline: -3.5%

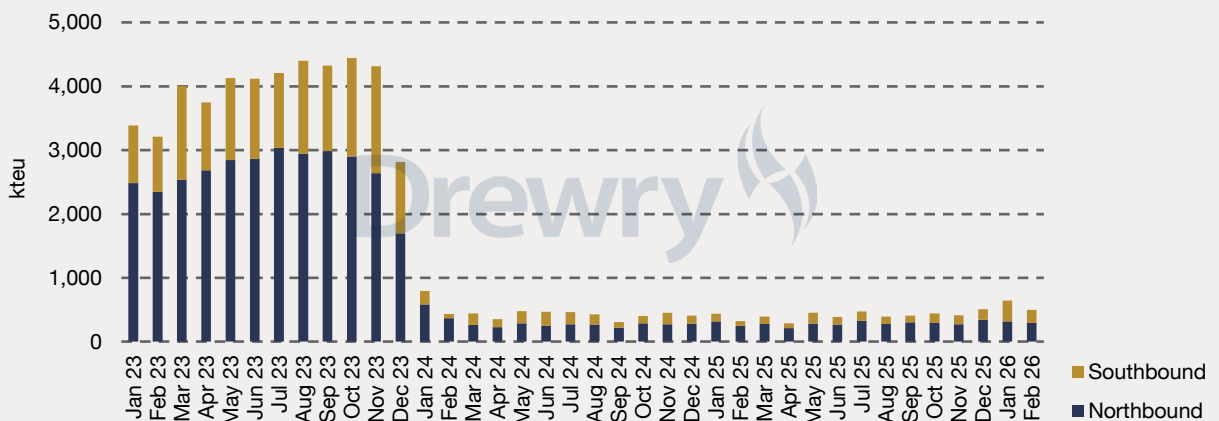
Previous carrier plans to gradually normalize shipments via the Suez Canal have been deferred indefinitely, pushing back the anticipated release of latent capacity

Figure 4.2 Containerships transits of the Bab al-Mandab Strait, nominal teu capacity



Source: Drewry Maritime Research

Figure 4.3 Containerships transits of Suez Canal, nominal teu capacity



Source: Drewry Maritime Research

Supply-demand analysis

Capacity trapped in the Gulf

According to Drewry’s AIS intelligence, as of 23 March, a total of 61 containerships were traceable within the Persian / Arabian Gulf over the previous 24 hours (see Figure 4.4). This is down from the 119 located in the same waters on 28 February, the day that *Operation Epic Fury* commenced.

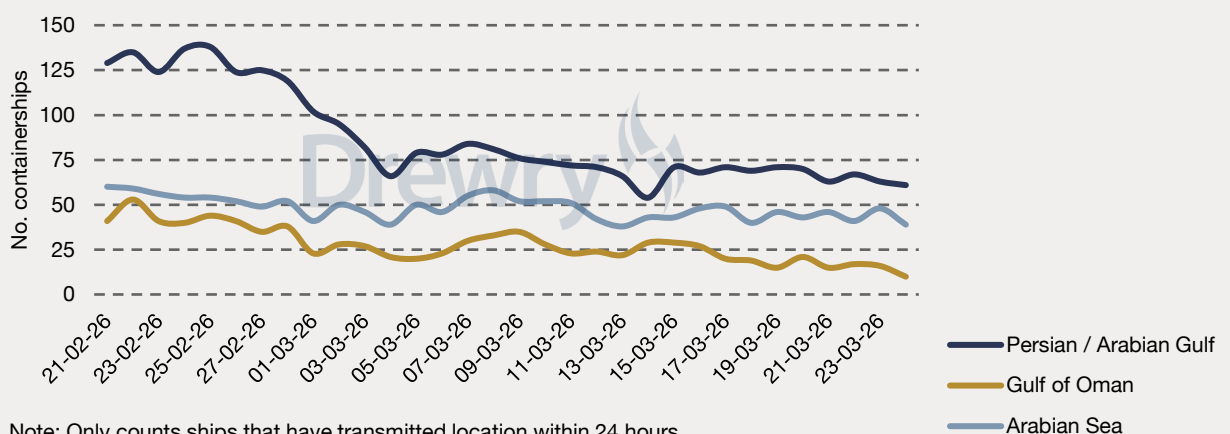
But this is not the full picture. Data accuracy is constrained by the widespread deactivation or spoofing of AIS signals for security reasons. As such, the true scale of inactive “trapped” capacity remains uncertain.

Based on verified open-source incident lists, there have been four confirmed attacks on container ships at the time of writing (30 March 2026):

- **Safeen Prestige** 1,815 teu capacity, owned and operated by UAE-based Safeen Feeders; 4 March (struck by a projectile that caused a fire in the engine room, crew abandoned vessel), 18 March (secondary strike while derelict);
- **MSC Grace** 16,000 teu, owned and operated by Switzerland-based MSC; 4 March (near-miss detonation within 1 nautical mile. No damage, but counted as a targeted attack);
- **ONE Majesty** 6,724 teu, owned by MOL of Japan, operated by Ocean Network Express (ONE); 10 March (direct projectile strike at stern. Minor damage, no casualties)
- **Source Blessing** 3,237 teu, owned by Chinese company Xiamen ITG, operated by German carrier Hapag-Lloyd; 10 March (direct projectile strike at stern. Minor damage, no casualties)

We have been able to identify 23 containerships that have departed the Gulf since 28 February, on the basis they have transmitted locations in other oceans. However, on top of the 61 vessels counted in the Gulf, another 55 had gone dark for at least 24 hours or longer, some since the very start of military attacks.

Figure 4.4 Containership Middle East AIS transmissions



Note: Only counts ships that have transmitted location within 24 hours.

Source: Drewry AIS

Supply-demand analysis

Table 4.3 Containerships located in Persian / Arabian Gulf since 28 February 2026

IMO	Vessel name	Year built	Capacity (teu)	Ship class	Owner	Owner nationality	Operator	Last seen	Hours since seen
9154206	MSC Ishyka	1997	2,446	Large Feeder (2-3k Teu)	MSC	Switzerland	MSC	2/28/2026 9:22	582
9289192	Maersk Yorktown	2004	2,500	Large Feeder (2-3k Teu)	A.P. Moller	Denmark	Maersk	2/28/2026 11:19	580
9987366	MSC Grace	2025	16,000	VLCV - Maxi neo-Panamax (12.5-18k Teu)	MSC	Switzerland	MSC	2/28/2026 15:22	576
9465318	MSC Margrit XIII	2012	13,102	VLCV - Neo post-Panamax (12.5-18k Teu)	MSC	Switzerland	MSC	2/28/2026 15:30	576
9217565	MSC Panaya	2000	1,730	Small Feeder (<2k Teu)	MSC	Switzerland	MSC	2/28/2026 16:11	575
9056739	Ilda 2	1993	210	Small Feeder (<2k Teu)	Inzu Ship Charter	UAE	Inzu Ship Charter	3/1/2026 22:38	545
9760603	APL Eagle	2016	1,756	Small Feeder (<2k Teu)	CMA CGM	France	CMA CGM	3/2/2026 11:46	532
9461879	APL Gwangyang	2011	10,106	Large neo-Panamax (10-12.5k Teu)	CMA CGM	France	CMA CGM	3/2/2026 15:10	528
9405033	CMA CGM Diamond	2008	3,534	Panamax (3-5.3k Teu, Wide beam)	CMA CGM	France	CMA CGM	3/2/2026 15:11	528
9434917	CMA CGM Manaus	2009	2,592	Large Feeder (2-3k Teu)	CMA CGM	France	CMA CGM	3/2/2026 15:20	528
9294173	CMA CGM San Antonio	2005	2,826	Large Feeder (2-3k Teu)	CMA CGM	France	CMA CGM	3/2/2026 15:06	528
9894985	CMA CGM Everglade	2022	15,254	VLCV - Maxi neo-Panamax (12.5-18k Teu)	China Merchants	China	CMA CGM	3/2/2026 16:45	527
9694543	CMA CGM Kribi	2014	5,466	Small neo-Panamax (5.3-10k Teu)	CMA CGM	France	CMA CGM	3/2/2026 16:41	527
9894997	CMA CGM Galapagos	2022	15,254	VLCV - Maxi neo-Panamax (12.5-18k Teu)	ICBC	China	CMA CGM	3/3/2026 2:39	517
9379026	Contship Uno	2007	1,098	Small Feeder (<2k Teu)	Contships Management	Greece	CMA CGM	3/3/2026 6:29	513
9236535	Marianetta	2003	4,444	Panamax (3-5.3k Teu, Wide beam)	HNA Group	Norway	MSC	3/3/2026 22:40	497
9946233	H Cygnus	2022	1,781	Small Feeder (<2k Teu)	Yangzijiang Holdings	Singapore	CMA CGM	3/4/2026 0:41	495
9128324	MM Madrid	1996	342	Small Feeder (<2k Teu)	World Trans Marine	UAE	Namsung Shipping	3/4/2026 7:53	488
9593517	Safeen Prestige	2013	1,815	Small Feeder (<2k Teu)	Safeen Group	UAE	Safeen Feeders	3/4/2026 10:16	485
9708693	MSC Clara	2015	19,224	ULCV (18k+ Teu)	Minsheng Bank	China	MSC	3/4/2026 12:33	483
9346536	Basht	2008	5,040	Panamax (3-5.3k Teu, Wide beam)	IRISL	Iran	IRISL	3/5/2026 3:13	468
9401116	MSC Francesca	2008	11,660	Large neo-Panamax (10-12.5k Teu)	MSC	Switzerland	MSC	3/5/2026 14:00	457
9313242	Zaynar 2	2006	2,702	Large Feeder (2-3k Teu)	Crios Shipping Co.	UAE	Unknown	3/6/2026 7:26	440

Supply-demand analysis

Table 4.3 Containerships located in Persian / Arabian Gulf since 28 February 2026 cont'd

IMO	Vessel name	Year built	Capacity (teu)	Ship class	Owner	Owner nationality	Operator	Last seen	Hours since seen
9366421	MSC Moon F	2006	1,061	Small Feeder (<2k Teu)	MSC	Switzerland	MSC	3/8/2026 4:44	395
9134139	Dubai Alliance	1996	700	Small Feeder (<2k Teu)	Gulfruss Shipping	UAE	Star Feeders	3/10/2026 8:36	343
9243198	Source Blessing	2003	3,237	Panamax (3-5.3k Teu, Wide beam)	Xiamen ITG	China	Hapag-Lloyd	3/12/2026 11:56	292
9313917	Maersk Baltimore	2006	4,504	Panamax (3-5.3k Teu, Wide beam)	A.P. Moller	Denmark	Maersk	3/12/2026 11:14	292
9121871	Dubai Enterprise	1997	523	Small Feeder (<2k Teu)	Gulfruss Shipping	UAE	Star Feeders	3/12/2026 12:45	291
9461623	Constantinos P II	2011	4,250	Panamax (3-5.3k Teu, Wide beam)	Technomar Shipping	Greece	Maersk	3/12/2026 15:33	288
9143116	TB Jinjiang	1997	1,510	Small Feeder (<2k Teu)	Baohang Int.	Liberia	Bengal Tiger Line	3/12/2026 16:52	287
9202156	MYD Ningbo	1999	1,618	Small Feeder (<2k Teu)	Safe Ships	China	CStar Line	3/13/2026 11:45	268
9305702	MSC Madeleine	2006	9,200	Small neo-Panamax (5.3-10k Teu)	MSC	Switzerland	MSC	3/13/2026 11:28	268
9149859	Advance	1997	2,200	Large Feeder (2-3k Teu)	Danaos Corp	Greece	China COSCO Shipping	3/14/2026 9:44	246
8616520	MSC Maria Laura II	1988	2,591	Large Feeder (2-3k Teu)	MSC	Switzerland	MSC	3/17/2026 11:18	172
9306160	ESL Wafa	2006	6,765	Small neo-Panamax (5.3-10k Teu)	Peter Dohle	Germany	Emirates	3/18/2026 14:53	145
9232395	MSC Flosta III	2002	2,546	Large Feeder (2-3k Teu)	MSC	Switzerland	MSC	3/18/2026 20:05	139
9349590	Behta	2009	6,572	Small neo-Panamax (5.3-10k Teu)	IRISL	Iran	IRISL	3/20/2026 0:41	111
7613442	Farah-1	1976	168	Small Feeder (<2k Teu)	Wali Jan Farahi	UAE	Wali Jan Farahi	3/20/2026 1:16	110
9303675	Yekta 4	2004	239	Small Feeder (<2k Teu)	Shanbadinia M	UAE	Shanbadinia M	3/20/2026 1:06	110
9420368	Taban 1	2009	1,118	Small Feeder (<2k Teu)	IRISL	Iran	IRISL	3/20/2026 2:13	109
9379636	Abtin 1	2008	1,118	Small Feeder (<2k Teu)	IRISL	Iran	IRISL	3/21/2026 4:05	83
8715857	MSC Sariska V	1990	4,814	Panamax (3-5.3k Teu, Wide beam)	MSC	Switzerland	MSC	3/21/2026 23:55	64
9318163	Qingdao Star	2006	4,250	Panamax (3-5.3k Teu, Wide beam)	Chartworld Shipping	Greece	Maersk	3/22/2026 4:43	59
9303754	Rama 3	2006	3,398	Panamax (3-5.3k Teu, Wide beam)	Unknown	Unknown	Unknown	3/22/2026 11:14	52
9283019	Azargoun	2003	2,478	Large Feeder (2-3k Teu)	IRISL	Iran	IRISL	3/22/2026 12:32	51
9138745	DSL Mariner	1995	340	Small Feeder (<2k Teu)	Rhenus Logistics	Germany	Unknown	3/22/2026 19:45	44
9153862	Epaminondas	1998	6,690	Small neo-Panamax (5.3-10k Teu)	Technomar Shipping	Greece	MSC	3/22/2026 23:00	40

Supply-demand analysis

Table 4.3 Containerships located in Persian / Arabian Gulf since 28 February 2026 cont'd

IMO	Vessel name	Year built	Capacity (teu)	Ship class	Owner	Owner nationality	Operator	Last seen	Hours since seen
9163594	Al Hussein	1998	301	Small Feeder (<2k Teu)	Gulf Link Cargo	UAE	Gulf Link Cargo	3/23/2026 0:44	39
9283021	Artenos	2004	2,478	Large Feeder (2-3k Teu)	IRISL	Iran	IRISL	3/23/2026 2:47	37
9270696	Kashan	2019	2,188	Large Feeder (2-3k Teu)	IRISL	Iran	IRISL	3/23/2026 2:56	37
9138343	Lucia	1997	700	Small Feeder (<2k Teu)	Garnet Global LLC	Oman	Unknown	3/23/2026 4:32	35
9429314	Spectrum N	2009	2,546	Large Feeder (2-3k Teu)	Navios Holdings	Monaco	Hapag-Lloyd	3/23/2026 8:43	31
9363429	SSL Kaveri	2007	2,553	Large Feeder (2-3k Teu)	Transworld Group	India	Transworld Group	3/23/2026 9:56	30
9238765	Tema Express	2003	4,253	Panamax (3-5.3k Teu, Wide beam)	Hapag-Lloyd	Germany	Hapag-Lloyd	3/23/2026 10:31	29
9416006	Al Rumeila	2009	1,024	Small Feeder (<2k Teu)	Milaha	Qatar	Milaha	3/23/2026 10:06	29
9314959	AS Clementina	2006	2,824	Large Feeder (2-3k Teu)	Castor Maritime	Norway	DP World	3/23/2026 15:49	24
9424912	ONE Majesty	2010	6,724	Small neo-Panamax (5.3-10k Teu)	Mitsui OSK Lines	Japan	ONE	3/23/2026 17:46	22
9629110	Ever Lovely	2015	8,508	Small neo-Panamax (5.3-10k Teu)	Evergreen Marine	Taiwan	Evergreen Marine	3/24/2026 4:49	11
9604122	Ever Lotus	2013	8,452	Small neo-Panamax (5.3-10k Teu)	Evergreen Marine	Taiwan	Evergreen Marine	3/24/2026 5:36	10
9196967	Ever Unicorn	2000	5,652	Small neo-Panamax (5.3-10k Teu)	Evergreen Marine	Taiwan	Evergreen Marine	3/24/2026 5:45	10
9574016	Al Sadr-I	2011	1,060	Small Feeder (<2k Teu)	ADNOC	UAE	ADNOC	3/24/2026 7:26	8
9208459	Selen	2000	658	Small Feeder (<2k Teu)	Orion Shipping	UAE	Orion Shpg	3/24/2026 8:32	7
9392559	SPIL Citra	2009	3,534	Panamax (3-5.3k Teu, Wide beam)	Salam Pacific	Indonesia	CMA CGM	3/24/2026 9:17	6
9134490	MSC Janis 3	1997	2,113	Large Feeder (2-3k Teu)	MSC	Switzerland	MSC	3/24/2026 9:11	6
9573505	Al Bazm-II	2011	1,060	Small Feeder (<2k Teu)	ADNOC	UAE	ADNOC	3/24/2026 9:02	6
9799927	Safeen Principal	2017	1,020	Small Feeder (<2k Teu)	Safeen Group	UAE	Safeen Feeders	3/24/2026 9:25	6
9187162	Sea Pearl	1998	301	Small Feeder (<2k Teu)	Mag Container Lines	UAE	Mag Container Lines	3/24/2026 11:44	4
9150406	TB Linhai	1999	1,730	Small Feeder (<2k Teu)	Unknown	Unknown	Global Feeder Shippingg	3/24/2026 11:58	4
9155016	X-Press Kohima	1997	1,642	Small Feeder (<2k Teu)	Sea Consortium	Singapore	Sea Consortium	3/24/2026 13:38	2
9346548	Behnavaz	2010	5,040	Panamax (3-5.3k Teu, Wide beam)	IRISL	Iran	IRISL	3/24/2026 14:37	1
9535307	Milaha 1	2010	1,808	Small Feeder (<2k Teu)	Milaha	Qatar	Milaha	3/24/2026 14:58	1

Supply-demand analysis

Table 4.3 Containerships located in Persian / Arabian Gulf since 28 February 2026 cont'd

IMO	Vessel name	Year built	Capacity (teu)	Ship class	Owner	Owner nationality	Operator	Last seen	Hours since seen
9294848	Wan Hai 501	2005	4,252	Panamax (3-5.3k Teu, Wide beam)	Wan Hai Lines	Taiwan	Wan Hai Lines	3/24/2026 14:48	1
9258727	Tokyo	2002	850	Small Feeder (<2k Teu)	Universal Shipping	Turkey	Unknown	3/24/2026 14:54	1
9704659	GFS Genesis	2015	4,350	Panamax (3-5.3k Teu, Wide beam)	Abu Dhabi Ports	UAE	CMA CGM	3/24/2026 14:59	1
1028475	Chi Qiang Cheng Xing	2023	1,656	Small Feeder (<2k Teu)	Yangzhou Chiqiang	China	Kawa Shipping	3/24/2026 15:02	0
9695169	CSCL Arctic Ocean	2015	18,982	ULCV (18k+ Teu)	China COSCO Shipping	China	China COSCO Shipping	3/24/2026 15:14	0
9695157	CSCL Indian Ocean	2015	18,982	ULCV (18k+ Teu)	China COSCO Shipping	China	China COSCO Shipping	3/24/2026 15:13	0
9992775	Mao Gang Xia Men	2023	2,206	Large Feeder (2-3k Teu)	Maoming Gangxin	China	China COSCO Shipping	3/24/2026 15:15	0
9178276	MYD Hangzhou	1999	2,262	Large Feeder (2-3k Teu)	Safe Ships	China	Unknown	3/24/2026 15:05	0
9809227	Zhong Gu Da Lian	2018	2,518	Large Feeder (2-3k Teu)	Zhonggu Shipping	China	Sea Consortium	3/24/2026 15:15	0
9238791	Celsius Nairobi	2003	4,250	Panamax (3-5.3k Teu, Wide beam)	Celsius Shipping	Denmark	DP World	3/24/2026 15:11	0
9535137	Hella	2011	5,595	Small neo-Panamax (5.3-10k Teu)	Peter Dohle	Germany	Hapag-Lloyd	3/24/2026 15:11	0
9484936	Express Rome	2011	10,114	Large neo-Panamax (10-12.5k Teu)	Danaos Corp	Greece	SeaLead Shipping	3/24/2026 15:11	0
9955533	Gregos	2023	2,782	Large Feeder (2-3k Teu)	Eurobulk	Greece	CMA CGM	3/24/2026 15:14	0
9964144	Irenes Respect	2024	2,782	Large Feeder (2-3k Teu)	Tsakos Group	Greece	Hapag-Lloyd	3/24/2026 15:14	0
9820271	Hamouna	2018	14,476	VLCV - Maxi neo-Panamax (12.5-18k Teu)	IRISL	Iran	IRISL	3/24/2026 15:07	0
9420356	Shayan 1	2008	1,118	Small Feeder (<2k Teu)	IRISL	Iran	IRISL	3/24/2026 15:14	0
9184718	Sea Bride	1999	301	Small Feeder (<2k Teu)	Amer Albehar	Iraq	Amer Albehar	3/24/2026 15:12	0
9034688	Farahi 2	1991	330	Small Feeder (<2k Teu)	Garnet Global LLC	Oman	Unknown	3/24/2026 15:14	0
9116711	S.J. Pioneer	1994	404	Small Feeder (<2k Teu)	Garnet Global LLC	Oman	Unknown	3/24/2026 15:12	0
9324942	FESCO Askold	2006	1,118	Small Feeder (<2k Teu)	FESCO	Russia	FESCO	3/24/2026 15:09	0
9351816	Bhagya Laxmi	2008	1,030	Small Feeder (<2k Teu)	Apollo Easterns	Singapore	Unknown	3/24/2026 15:08	0
9778129	Haiphong Express	2018	10,100	Large neo-Panamax (10-12.5k Teu)	Atlas Corp (Seaspan)	Singapore	Hapag-Lloyd	3/24/2026 15:15	0
9359674	Kota Rahmat	2008	907	Small Feeder (<2k Teu)	PIL	Singapore	PIL	3/24/2026 15:05	0

Supply-demand analysis

Table 4.3 Containerships located in Persian / Arabian Gulf since 28 February 2026 cont'd

IMO	Vessel name	Year built	Capacity (teu)	Ship class	Owner	Owner nationality	Operator	Last seen	Hours since seen
9813840	Spirit of Chennai	2019	1,162	Small Feeder (<2k Teu)	Norse Shipholding	Singapore	Milaha	3/24/2026 15:10	0
9869227	HMM Daon	2021	16,010	VLCV - Maxi neo-Panamax (12.5-18k Teu)	HMM	South Korea	HMM	3/24/2026 15:14	0
9252357	D Angels	2002	2,475	Large Feeder (2-3k Teu)	Doris Maritime	Switzerland	Doris Maritime	3/24/2026 15:02	0
9342700	Wan Hai 316	2007	2,646	Large Feeder (2-3k Teu)	Wan Hai Lines	Taiwan	Wan Hai Lines	3/24/2026 15:07	0
9555096	Wan Hai A07	2022	13,100	VLCV - Maxi neo-Panamax (12.5-18k Teu)	Wan Hai Lines	Taiwan	Wan Hai Lines	3/24/2026 15:15	0
9864564	YM Credibility	2021	2,940	Large Feeder (2-3k Teu)	Yang Ming	Taiwan	Yang Ming	3/24/2026 15:14	0
9300984	Al Reem-I	2006	2,867	Large Feeder (2-3k Teu)	ADNOC	UAE	ADNOC	3/24/2026 15:07	0
9348493	Arista	2006	1,574	Small Feeder (<2k Teu)	Reel Shipping	UAE	Reel Shipping	3/24/2026 15:13	0
9040120	Dubai Fortune	1992	378	Small Feeder (<2k Teu)	Gulfruss Shipping	UAE	Star Feeders	3/24/2026 15:01	0
9202259	Dubai Venture	1999	700	Small Feeder (<2k Teu)	Gulfruss Shipping	UAE	Star Feeders	3/24/2026 15:07	0
9212515	PSL Eagle	2000	310	Small Feeder (<2k Teu)	Nili Gulf General	UAE	Nili Gulf General	3/24/2026 15:14	0
9152909	Reyfa	1998	1,162	Small Feeder (<2k Teu)	Petra Shipping	UAE	Petra Shipping	3/24/2026 15:11	0
9121883	S.J. Rima	1998	523	Small Feeder (<2k Teu)	Sea Star Maritime	UAE	Unknown	3/24/2026 15:10	0
9539482	Safeen Power	2011	3,405	Panamax (3-5.3k Teu, Wide beam)	Safeen Group	UAE	Hapag-Lloyd	3/24/2026 15:09	0
9110535	Sepehr Payam	1995	340	Small Feeder (<2k Teu)	Star Shell	UAE	Star Shell	3/24/2026 15:14	0
9304693	SSF Valence	2005	2,742	Large Feeder (2-3k Teu)	Abu Dhabi Ports	UAE	Simatech Shipping	3/24/2026 15:14	0
9378943	Ten Mars	2009	1,118	Small Feeder (<2k Teu)	The First Port FZCO	UAE	China COSCO Shipping	3/24/2026 15:11	0
9256470	MSC Qingdao	2004	8,063	Small neo-Panamax (5.3-10k Teu)	Global Ship Lease	United Kingdom	MSC	3/24/2026 15:01	0
9215323	W Kithira	2001	6,802	Small neo-Panamax (5.3-10k Teu)	Castle Harbour	United Kingdom	Maersk	3/24/2026 15:08	0
9235828	Euphoria	2002	2,468	Large Feeder (2-3k Teu)	Unknown	Unknown	Silmar Group	3/24/2026 15:13	0
8914568	Hayat	1992	724	Small Feeder (<2k Teu)	Unknown	Unknown	Unknown	3/24/2026 15:07	0
9168532	S J Boss	1997	560	Small Feeder (<2k Teu)	Unknown	Unknown	Unknown	3/24/2026 15:15	0

Source: Drewry AIS

Supply-demand analysis

Table 4.3 details every containership that was transmitting being in the Gulf on 28 February and was either still transmitting it as its location on 24 March, or had not transmitted in over 24 hours and could not be traced anywhere else.

We have included details of known operators and owners (including nationality). Ten ships (aggregate capacity of about 42 kteu) belong to Iranian carrier IRISL (The Islamic Republic of Iran Shipping Line). The four vessels that have been subject to attacks are highlighted in bold.

In total, we think as many as 116 containerships could be trapped in the Gulf, as of 24 March. These ships have a combined nominal capacity of nearly 465 kteu, which represents approximately 1.4% of the global active containership fleet, as of 1 March.

We have no visibility into the immediate future deployment of these ships and therefore have deducted a proportionate sum from our nominal fleet calculations in both scenarios.

Effective capacity impact from trapped Gulf containerships in 2026, versus December 2025 baseline: -0.3% for base case (short war) scenario; -1.0% in 2026 and -0.3% in 2027 under worst case (12-month war) scenario

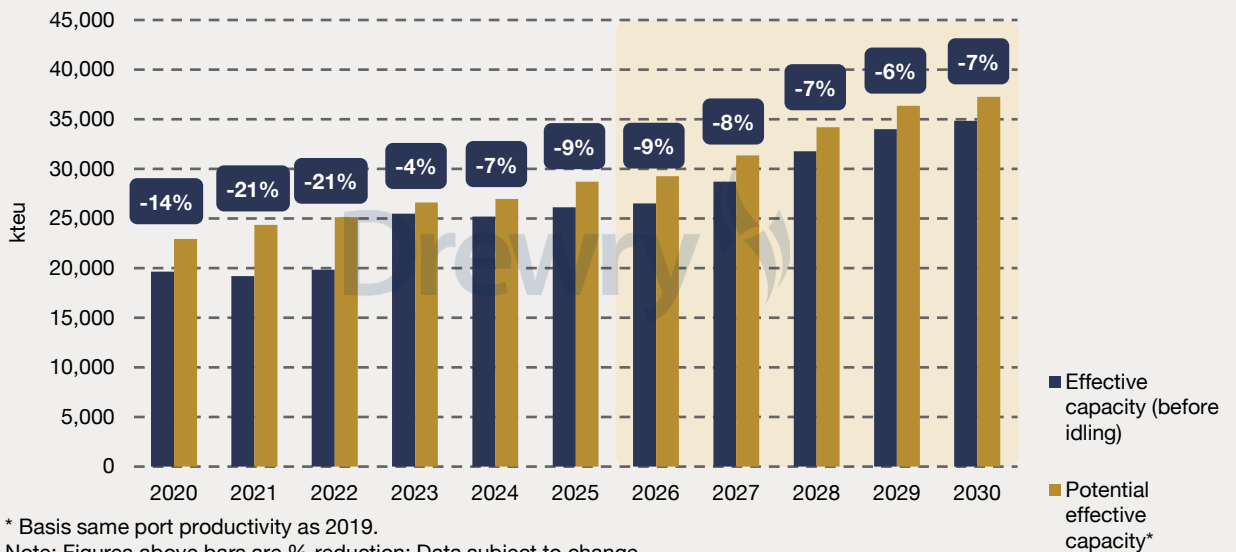
Port congestion risk

Port productivity has yet to recover from the pandemic years and this conflict is likely to exacerbate scheduling disruption, both within and beyond the region.

Vessel clustering outside the conflict zone, unplanned port calls, and shifting transshipment patterns could generate more congestion and equipment imbalances.

The war threatens to further reduce port efficiency around the world, delaying anticipated improvement

Figure 4.5 Estimated impact of lower port productivity on effective capacity



Source: Drewry Maritime Research

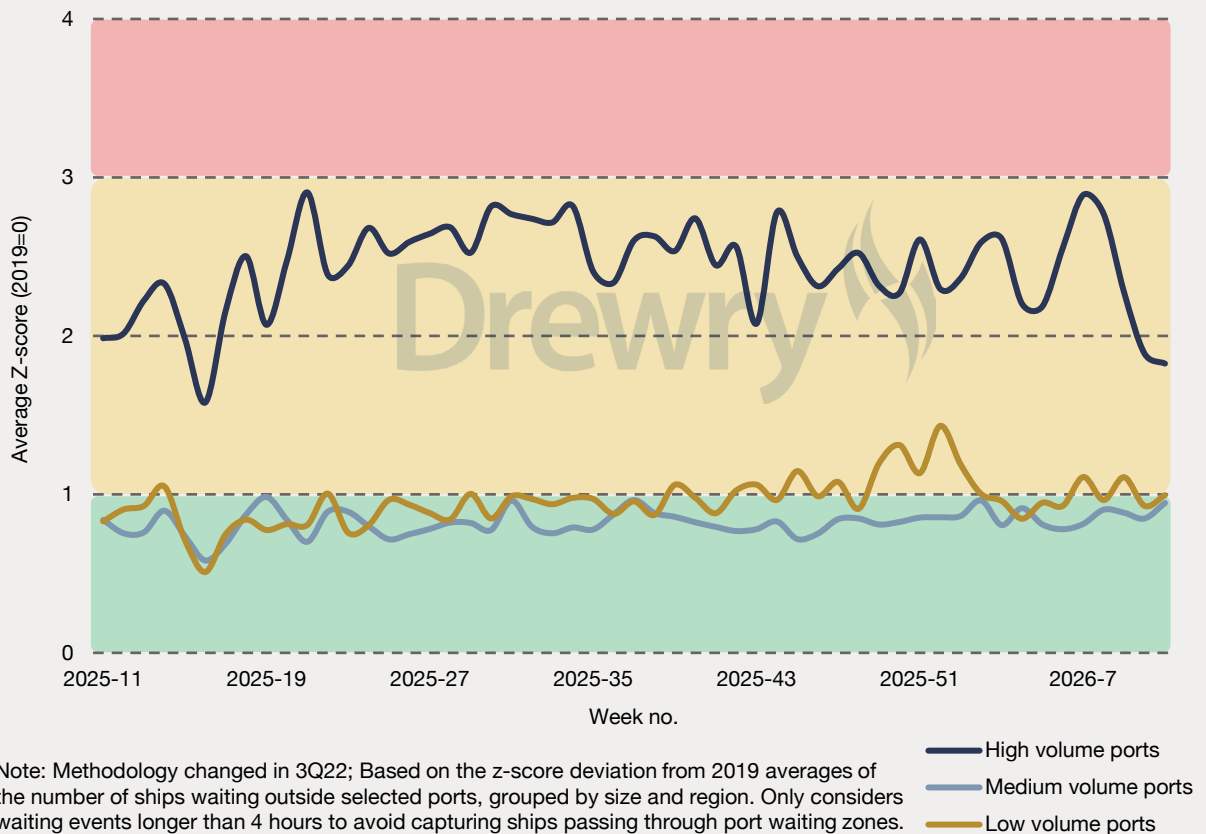
Supply-demand analysis

Substitute hubs for transshipment and bunkering are also likely to experience increased waiting times as volumes are rerouted. These inefficiencies effectively reduce network capacity – Drewry estimates that impaired port efficiency (overall, not just related to the Iran war) will reduce effective capacity by as much as 9% in 2026, compared to what it would have been with pre-pandemic 2019 port performance - and typically support higher spot rates across major trade lanes.

The Middle East war means that port productivity will worsen, feeding into reduced effective capacity. The baseline recovery time for port productivity that we set in our modelling in December 2025 has subsequently been extended by about 1 year in our new base-case and 2 years in our worst-case scenarios.

Effective capacity impact from Middle East war on global port congestion in 2026, versus December 2025 baseline: -2% under short-war scenario; -3.5% in long-war scenario

Figure 4.6 Drewry Port Congestion Z-score Indicator (number of ships waiting)



Source: Drewry Maritime Research

Supply-demand analysis

Bunker shortage fears will lead to more slow steaming

Despite ample global inventories, bunker prices have risen sharply - by as much as 80% over the past four to five weeks. While outright shortages have not yet materialised, concerns are mounting among carriers.

The disruption of Fujairah, a key regional bunkering hub, has diverted demand to alternative locations, contributing to price divergence and localised stock pressures. Some import-dependent economies in Asia have already implemented energy-saving measures, including reduced transport activity and lower speed limits.

We expect carriers to adopt similar mitigation strategies, notably increased slow steaming. In an oversupplied market, this is facilitated by the availability of excess tonnage, allowing service coverage to be maintained at the expense of longer transit times.

Our assumption is that average sailing speeds will be broadly similar under both scenarios, averaging approximately 13.5 knots, down from an average of 13.9 knots in 2025. In a prolonged conflict scenario, slow steaming is likely to be complemented by additional blank sailings and, if necessary, vessel idling and/or demolitions.

Effective capacity impact from slow steaming in 2026, versus December 2025 baseline: -2% in both scenarios

Demand destruction

The outlook for container port throughput growth in 2026 is the same in this edition as it was in December's, at 1.8%. However, the outlook had been steadily improving in our interim monthly updates, and by February's edition stood at 2.2%. The outbreak of war has reset things from a demand perspective, but importantly changed the direction of travel.

Any further escalation in the conflict will undoubtedly force a more obvious downgrade to the outlook. Under our worst-case longer war scenario, we think global throughput growth this year could sink to between 0.5% and 1.3%, which would be a negative for the supply and demand index.

Moreover, we anticipate higher incidences of transshipment, notably in the Middle East itself, but also in neighbouring regions such as South Asia, Africa and the Mediterranean, which, along with a greater share of empty container moves, will serve to reduce net cargo moves. This is a key input in our supply and demand formula, and will partially offset some of the effective capacity degradation.

Demand impact in 2026, versus December 2025 baseline: +0% under short-war scenario; between +0.5% and +1.3% in long-war scenario

Concerns are mounting about potential shortages of bunker fuel supply, raising the prospect of greater slow steaming initially, followed by more structural capacity reductions if the war escalates and persists

Supply-demand analysis

Overall impact assessment

Under both scenarios, Drewry’s 2026 global supply-demand index (where 100 indicates equilibrium) is expected to be higher than in our previous edition, reflecting a tighter market balance as a direct result of the Middle East war.

In the base case (short-war) scenario, the index is projected to reach 86.5 in 2026, climbing to 88.1 under a prolonged conflict scenario. In December 2025 the index for this year was projected to be 81.3.

Note that in both scenarios the market remains over-supplied. Only the scale of the imbalance is reduced due to the war.

We also anticipate that there will be some lasting impact from the conflict regardless of the duration. Factors include a longer recovery cycle for port productivity, and a reduction in sailing speed that is expected to endure. These will combine to enable the supply-demand index to register material improvements (but not sufficient to veer into under-supplied territory), not only in 2026 but through 2030 at least.

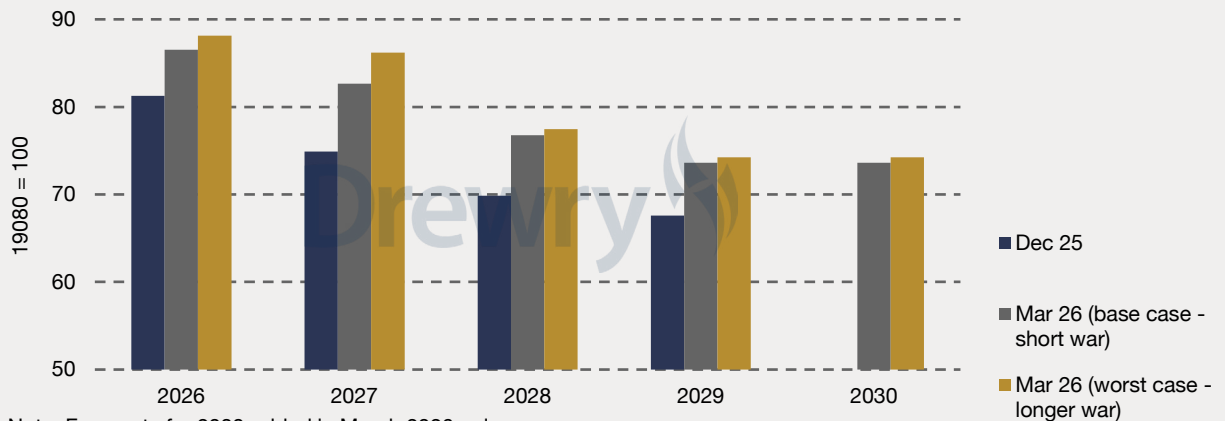
A further, less quantifiable risk, relates to investment behaviour. While we currently expect the orderbook to remain robust - driven by the perceived need for fleet expansion in a more complex geopolitical environment (see Section 3) - a sharper-than-expected deterioration in demand could undermine the rationale for newbuild orders, particularly if existing vessels are increasingly taken out of service.

An unforeseen slowdown in newbuild contracting activity would see the index rise higher in future years and is something we will continue to monitor and review.

The only certainty is the war will tighten capacity in the container market. Just how tight it gets will depend on how long it lasts.

Drewry’s 2026 global supply-demand index (where 100 indicates equilibrium) is expected to be higher than in our previous edition under all scenarios, reflecting a tighter (but still over-supplied) market as a direct result of the Middle East war

Figure 4.7 Changes to Drewry’s Global supply-demand index



Note: Forecasts for 2030 added in March 2026 only.

Source: Drewry Maritime Research

Supply-demand analysis

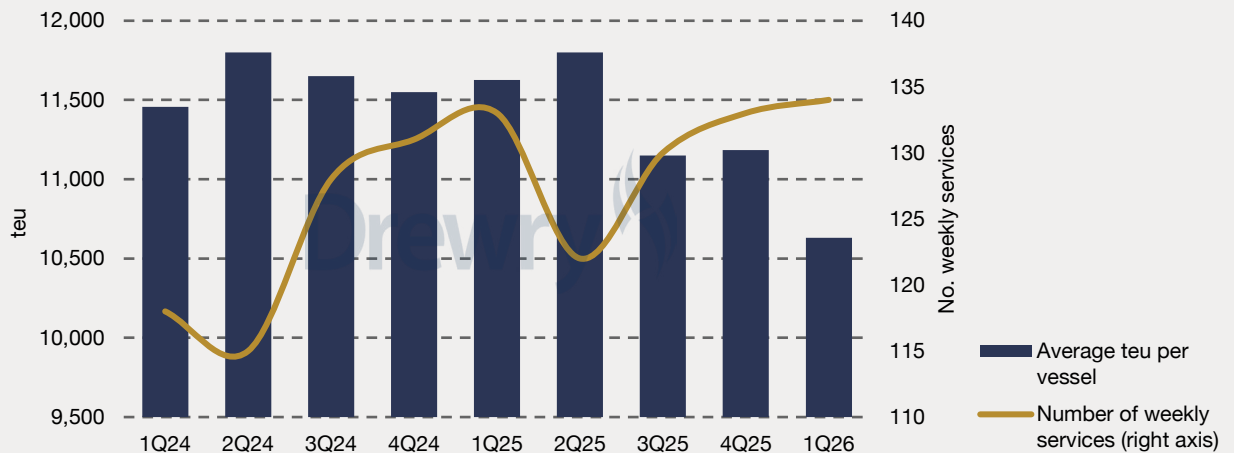
Table 4.4 Summary of selected major East-West services

	Number of weekly services		Average vessel size per weekly string (teu)		No. of vessels 8,000-9,999 teu		No. of vessels 10,000+ teu		% Change in average vessel size 1Q25/1Q26
	1Q25	1Q26	1Q25	1Q26	1Q26	1Q26	1Q26		
Asia/Europe headhaul									
Asia/North Europe	18	21	18,367	15,924	18	249			-13.3%
Asia/Mediterranean (direct)	20	18	12,997	12,560	17	172			-3.4%
Total	38	39	15,834	14,418	35	421			-8.9%
Transpacific headhaul									
Asia/ECNA-Panama	10	13	11,065	10,063	46	79			-9.1%
Asia/ECNA-Cape of Good Hope	12	8	10,308	9,557	53	33			-7.3%
Asia/WCNA	53	55	9,712	8,071	64	182			-16.9%
Asia/WCNA and ECNA	1	1	13,757	13,230	3	20			-3.8%
Total	76	77	10,316	8,865	166	314			-14.1%
Transatlantic headhaul									
Eur/Montreal (Canada)	5	5	3,753	3,281					-12.6%
Eur/N Atlantic	14	11	4,720	4,825	6	3			2.2%
Eur/S Atl, US Gulf, Mex	3	3	4,689	5,319					13.4%
Eur/WCNA	1	1	4,948	4,228					-14.6%
Total	22	20	4,590	4,583	6	3			-0.1%
Grand Total	133	134	11,627	10,631	189	721			-8.6%

Note: Totals excludes double counting of multi-trade and pendulum services

Source: Drewry Maritime Research

Figure 4.8 Average size of vessels in main East-West trades



Source: Drewry Maritime Research

Supply-demand analysis

Table 4.5 Development of East-West trade profiles

	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26
Average nominal teu per trade											
Asia-N Europe	18,782	18,839	17,334	18,080	17,510	17,674	18,367	17,426	16,954	16,467	15,924
Asia-Med	13,048	13,523	12,656	13,285	13,699	13,968	12,997	13,831	13,095	13,082	12,560
Asia-WCNA	8,875	9,271	9,172	9,204	9,333	9,009	9,712	9,178	8,672	8,698	8,071
Asia/ECNA-Suez/Cape of Good Hope*	10,062	11,227	10,928	9,912	10,503	10,203	10,308	9,950	9,375	10,413	9,557
Asia-ECNA (Panama)	10,195	10,831	10,297	10,702	10,704	11,000	11,065	11,706	11,135	10,900	10,063
Asia-WCNA and ECNA	14,456	14,456	14,114	14,114	13,738	12,946	13,757	13,693	13,525	13,461	13,230
N Europe- N Atlantic	5,467	5,128	4,853	4,853	4,330	4,452	4,720	4,966	4,518	4,677	4,825
N Europe-Gulf/Mex	5,113	5,254	5,129	5,179	5,077	4,809	4,689	4,909	5,126	5,641	5,319
N Europe-Montreal	4,125	4,213	4,213	4,213	4,053	3,662	3,753	3,639	3,105	3,128	3,281
N Europe-WCNA	4,909	4,911	4,909	4,909	4,907	4,907	4,948	4,976	4,455	3,292	4,228
All main East-West	11,407	11,872	11,456	11,800	11,650	11,548	11,627	11,800	11,150	11,184	10,631
No. of weekly services											
Asia-N Europe	18	18	18	17	18	18	18	19	20	21	21
Asia-Med	15	14	15	15	15	16	20	17	17	18	18
Asia-WCNA	47	44	46	43	57	57	53	45	52	53	55
Asia/ECNA-Suez/Cape of Good Hope*	6	5	8	8	8	10	12	9	10	10	8
Asia-ECNA (Panama)	17	17	14	15	12	11	10	11	11	12	13
Asia-WCNA and ECNA	1	1	1	1	1	1	1	1	1	1	1
N Europe- N Atlantic	10	10	9	9	9	9	14	14	12	12	11
N Europe-Gulf/Mex	5	5	5	5	5	5	3	3	4	3	3
N Europe-Montreal	3	3	3	3	4	5	5	5	5	5	5
N Europe-WCNA	1	1	1	1	1	1	1	1	1	1	1
All main East-West	122	117	118	115	128	131	133	122	130	133	134
Number of large ships deployed per trade lane (10,000+ teu)											
Asia-N Europe	196	179	182	208	220	215	234	255	258	262	249
Asia-Med	103	98	117	134	144	151	165	180	181	176	172
Asia-WCNA	126	132	138	143	187	163	194	140	165	181	182
Asia/ECNA-Suez/Cape of Good Hope*	29	30	44	28	40	45	56	43	35	59	33
Asia-ECNA (Panama)	90	101	66	87	71	66	63	72	79	80	79
Asia-WCNA and ECNA	21	21	21	21	21	19	20	20	20	20	20
N Europe- N Atlantic	6	4	2	2	1	2	3	4	4	4	3
N Europe-Gulf/Mex											
N Europe-Montreal											
All main East-West	571	586	591	644	644	641	677	673	703	743	721

Note: Totals excludes double counting of multi-trade and pendulum services, * since 1Q24 data is consider from Cape of Good Hope

Source: Drewry Maritime Research

Supply-demand analysis

Table 4.6 Missed sailings on East-West trades

Trade / Alliance	Oct 25	Nov 25	Dec 25	Jan 26	Feb 26	Mar 26	2025 Total
Asia-N Europe							
Gemini Cooperation	1	-	-	-	2	-	9
MSC	3	2	1	-	3	1	32
Ocean Alliance	7	5	5	3	6	4	58
Premier Alliance	3	2	2	3	5	2	35
Others/Independent	-	-	-	-	-	-	-
Total	14	10	9	6	17	8	134
Estimated % of headhaul operational capacity deducted	-16.8%	-10.3%	-11.9%	-6.5%	-20.9%	-7.6%	
Asia-Med							
Gemini Cooperation	3	-	-	-	2	-	13
MSC	1	1	1	-	1	-	28
Ocean Alliance	5	3	2	3	5	4	32
Premier Alliance	2	2	-	-	3	1	18
Others/Independent	7	6	3	3	5	4	38
Total	17	13	6	6	17	10	130
Estimated % of headhaul operational capacity deducted	-22.4%	-15.9%	-7.9%	-7.8%	-23.5%	-12.4%	
Asia-WCNA							
Gemini Cooperation	3	-	-	-	4	-	6
MSC	3	8	2	3	5	2	40
Ocean Alliance	11	14	9	9	18	5	123
Premier Alliance	4	3	4	2	12	3	65
Others/Independent	15	6	13	8	23	13	108
Total	36	31	28	22	63	24	343
Estimated % of headhaul operational capacity deducted	-17.4%	-14.7%	-12.4%	-10.9%	-30.1%	-8.9%	
Asia-ECNA							
Gemini Cooperation	3	-	-	-	3	1	12
MSC	2	6	5	3	3	-	41
Ocean Alliance	7	8	3	3	13	6	82
Premier Alliance	3	2	3	2	8	1	37
Others/Independent	1	1	1	-	1	-	9
Total	15	17	13	8	28	9	181
Estimated % of headhaul operational capacity deducted	-15.0%	-18.1%	-14.7%	-6.8%	-29.4%	-10.1%	
Grand Total	82	71	56	42	126	50	788

Source: Drewry Maritime Research

Supply-demand analysis

Table 4.7 Summary of idle fleet below and above 5,000 teu (kteu)

	Jan 26	Feb 26	Mar 26
Below 5,000 teu	289	285	271
Above 5,000 teu	540	531	600
Nominal teu (total)	829	816	871
Share of Global Fleet	2.5%	2.5%	2.6%
Liner Operators	59.0%	64.8%	69.6%
Independent Owners	41.0%	35.2%	30.4%

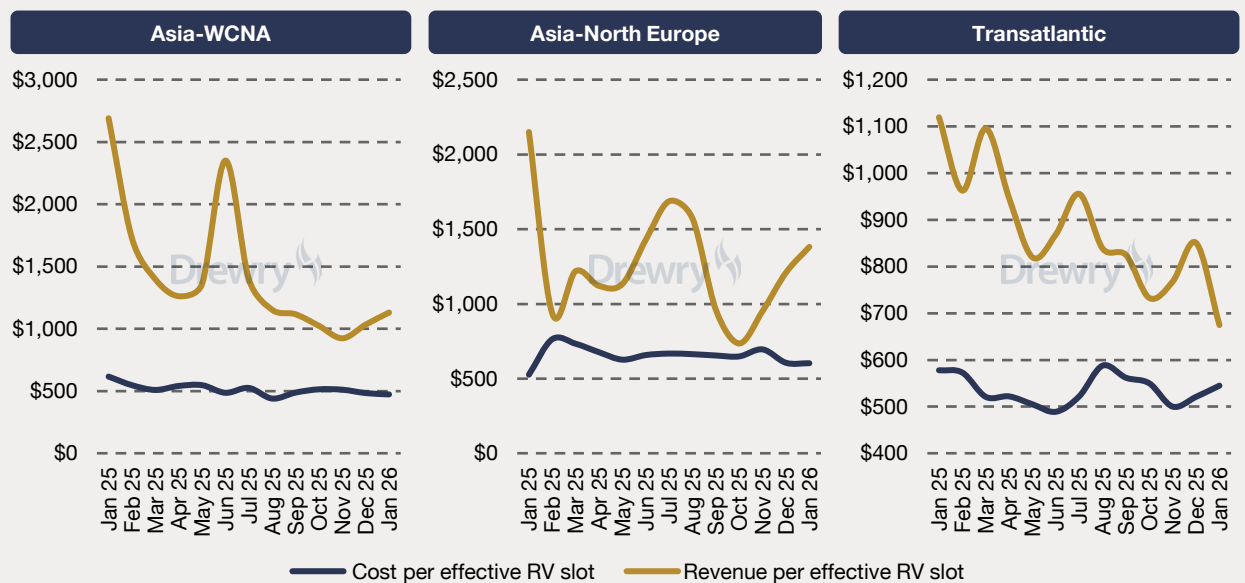
Source: Drewry Maritime Research, Drewry AIS

Table 4.8 Estimated global idle fleet, 1 March 2026

Vessel (nominal teu)	Ownership (teu basis)			
	Vessels	kteu	Operators	Independent
<1,000	62	35	67.4%	32.6%
1,000-2,000	51	76	71.0%	29.0%
2,000-3,000	22	56	77.0%	23.0%
3,000-5,000	25	104	67.6%	32.4%
5,000-8,000	21	129	70.5%	29.5%
8,000-10,000	19	166	84.3%	15.7%
10,000-12,000	5	57	59.9%	40.1%
12,000+	15	247	60.7%	39.3%
Total	220	871	69.6%	30.4%

Source: Drewry Maritime Research, Drewry AIS

Figure 4.9 Representative round voyage cost and revenue per slot on selected East-West container trades (\$ per teu)



Notes: Round voyage costs are based on a representative service using carrier-owned ships operating at prevailing average trade vessel utilisation for the month, alongside estimated vessel, port, fuel and canal transit costs; revenue is derived from Drewry's World Container Index; Data is subject to change.

Source: Drewry Maritime Research, Drewry AIS

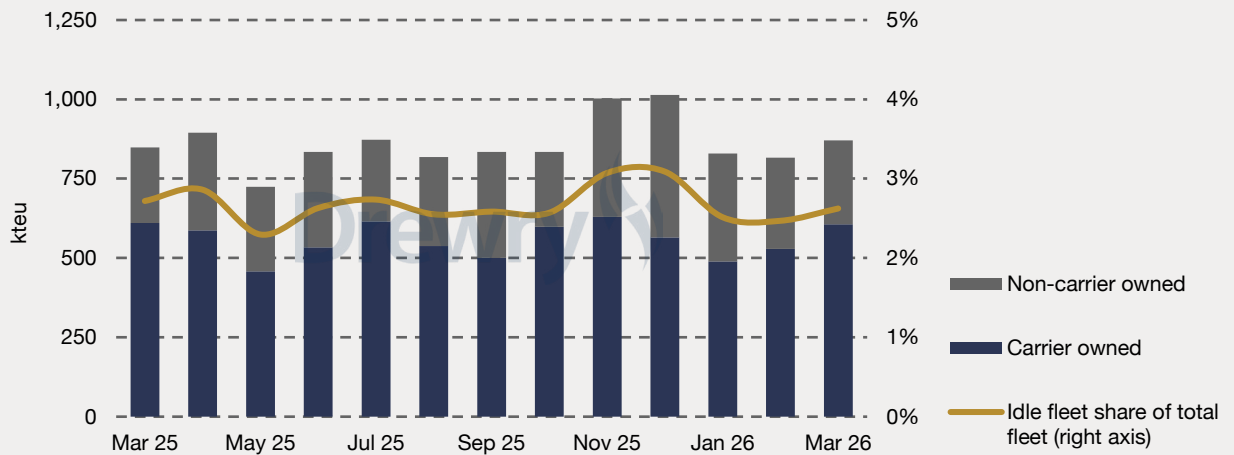
Supply-demand analysis

Table 4.9 Deployment of reactivated ships, Dec 25 to Mar 26

	Intra-regional trade	E-W core trade	E-W secondary trade	N-S trade
3,000-4,999 teu	4	3	3	7
5,000-7,999 teu		5	3	5
8,000-9,999 teu		9	4	2
10,000-11,999 teu		1	2	
12,000+ teu		13	1	1
Total	4	31	13	15

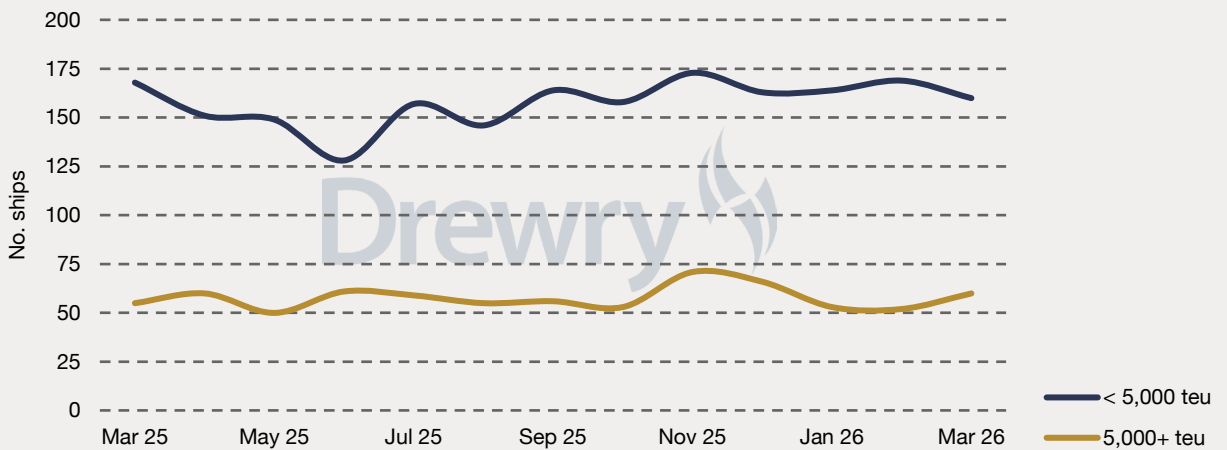
Source: Drewry Maritime Research

Figure 4.10 Idle capacity



Source: Drewry Maritime Research, Drewry AIS

Figure 4.11 Number of idled ships above and below 5,000 teu



Source: Drewry Maritime Research, Drewry AIS

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5. Trade Route Analysis

Transpacific

The Transpacific eastbound trade saw its third straight quarterly YoY decline in 4Q25 with volume down 5.9%. The earlier 7.1% growth in 1Q25 has been entirely reversed. By year-end 2025, trade contracted by 4%, sharply reversing the 14.8% growth of 2024, underscoring the huge volatility over the last two years.

In 1Q25, shippers rushed shipments ahead of tariff deadlines, resulting in a short-lived spike. The next three quarters brought corrections because tariffs took effect, inventories rose, and the shift from China to other Asian exporters proved insufficient. The combined effect of these factors was a pronounced drop in overall trade volume.

Looking ahead, Drewry expects this market weakness to persist into early 2026, projecting a further 2.7% YoY decline in the first quarter. However, growth is forecast to return over the subsequent three quarters, with forecasts showing a 4% increase in 2026, followed by annual growth rates of 2.3%–2.4% through 2030. This year's total eastbound shipments are expected to fall just short of 2024's sum.

At the destination level in 4Q25, every country saw YoY declines: the US (-5.8%), Canada (-7.7%), and Mexico (-4.1%). Notably, Mexico registered decreases throughout all four quarters of 2025.

For the full year 2025, all three destination countries of the eastbound trade reported negative YoY growth:

- United States (-3.8%)
- Canada (-2.9%)
- Mexico (-7.8%)

US tariffs appear to have also impacted Asian imports to Canada and Mexico. The reduced traffic in these markets could be due to some missing US-destined shipments previously routed via Canada and Mexico.

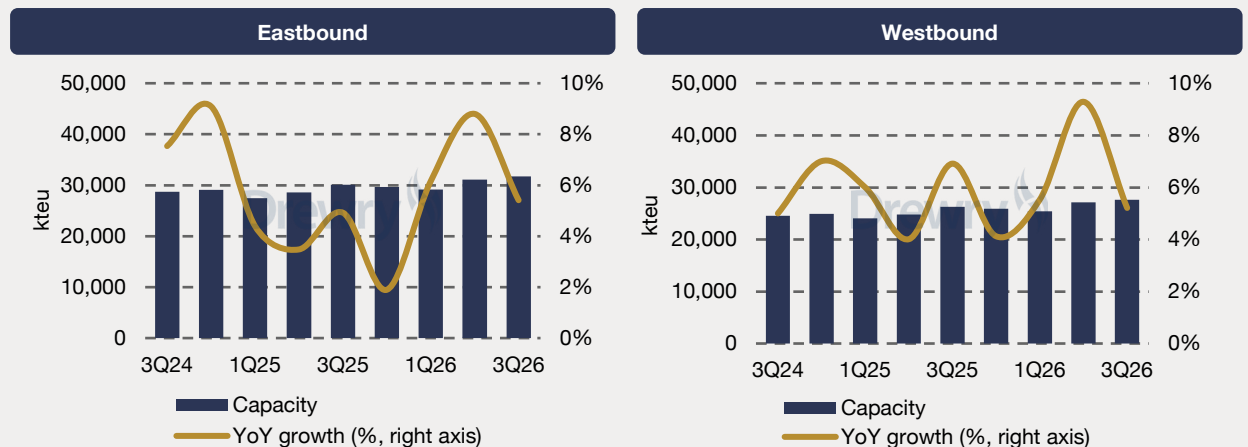
Eastbound Transpacific market contracts YoY for the third quarter running in 4Q25, down 4% for 2025, sharply reversing the 14.8% gains in 2024

Growth only expected to return from 2Q26 with full-year 2026 expected to rise 4%, not quite compensating for last year's slump

Asian exports to US, Canada and Mexico recorded YoY declines in 2025

US tariffs the primary reason for trade volatility not only to the US, but possibly to Canada and Mexico too

Figure 5.1 Annualised Transpacific effective capacity



Source: Drewry Maritime Research

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Transpacific

The eastbound trade market share of the respective countries for 2025 is as follows:

- United States (80%)
- Canada (12%)
- Mexico (8%)

US West Coast ports, handling about 58% of the US' imports from Asia, saw a 9.1% YoY drop in 4Q25, repeating the prior quarter's fall. This led to a 5.2% decrease for the full year, mitigated by tariff-induced growth earlier in the year. USEC and USGC declines were smaller in Q4 (-0.8% and -0.7%, respectively), but larger for the full year 2025 (-1.8% and -1.5%, respectively). These trends highlight the differing regional impacts resulting from the trade contraction.

When examining trade performance from the origin perspective, Greater China-origin box exports to the US plunged nearly 15% YoY in 2025, mainly due to the US tariffs, while Southeast Asia's exports surged 19% as US buyers shifted sourcing to avoid higher tariffs. However, this shift did not offset the decline in Chinese exports, resulting in reduced trade flows between Asia and the US. Meanwhile, North Asia exports to the US also fell almost 5% for the year.

Greater China's share of the trade slipped from 59% to below 53% in 2025, while Southeast Asia's share climbed from 28% to 35%. North Asia's share also dropped to about 12%. Though down, Greater China still accounts for more than half of the trade. But without improved US-China relations, further shrinkage is likely. President Trump's postponement of his planned visit to Beijing at the end of March, amid the Middle East war, heightens this uncertainty.

US container import volume from Asia accounts for 80% of the of the Transpacific eastbound trade in 2025

Transpacific eastbound YoY volume to USWC, USEC and USGC shrinks in 2025, USWC most affected, down 5.2%

Greater China-origin box exports to the US plunged 15% in 2025, while Southeast Asia-origin box exports surged 19% YoY. Shift in traffic flow did not offset the decline in Chinese exports, resulting in reduced trade flows between Asia and the US

Table 5.1 Transpacific – forecast cargo volumes

		Eastbound <i>kteu</i>	Growth YoY	E/W <i>Ratio</i>	Westbound <i>kteu</i>	Growth YoY
2024		23,681	14.8%	3.68	6,429	1.7%
2025		22,729	-4.0%	3.69	6,156	-4.2%
2026		23,628	4.0%	3.66	6,463	5.0%
2027		24,194	2.4%	3.66	6,615	2.4%
2028		24,761	2.3%	3.66	6,767	2.3%
2029		25,324	2.3%	3.66	6,921	2.3%
2030		25,912	2.3%	3.66	7,082	2.3%
2024	1Q	5,300	20.2%	3.16	1,678	6.1%
	2Q	5,725	16.6%	3.47	1,649	7.8%
	3Q	6,495	13.1%	4.17	1,559	-0.2%
	4Q	6,161	10.6%	3.99	1,544	-6.3%
2025	1Q	5,679	7.1%	3.68	1,543	-8.0%
	2Q	5,255	-8.2%	3.55	1,481	-10.2%
	3Q	5,996	-7.7%	3.87	1,549	-0.6%
	4Q	5,799	-5.9%	3.66	1,583	2.5%
2026	1Q	5,528	-2.7%	3.61	1,530	-0.8%
	2Q	5,867	11.7%	3.65	1,607	8.5%
	3Q	6,245	4.1%	3.72	1,677	8.2%
	4Q	5,988	3.3%	3.63	1,650	4.2%

Note: Data subject to change

Source: Drewry Maritime Research

Transpacific

For the Transpacific eastbound market as a whole, capacity expanded by 1.9% YoY in 4Q25, although it was down 1.5% QoQ. The average net slot utilisation for the trade in 2025 was 78.6%, down from a high of 84.8% in 2024 (see Table 5.3). This decrease in utilisation reflects falling demand following tariff impacts. The forecast for the first two quarters of 2026 shows capacity will expand by 6.2% and 8.8% YoY, respectively. Consequently, net trade utilisation for the first two quarters of 2026 is expected to fall below 76%, due to capacity growth outpacing demand.

From October to December 2025, Asia-to-US West Coast rates (as per Drewry's World Container Index) fluctuated sharply: \$2,196/40ft container on 2 October, rising to \$2,647/40ft by 6 November, then dropping to \$2,481/40ft on 25 December. This volatility cannot be fully explained by traditional capacity and utilisation trends, illustrating the increasing influence of commercial factors and market sentiment on rates, especially in the short-term. But in the medium- to longer-term, demand and supply fundamentals are likely to prevail.

Greater China's share of the Transpacific Eastbound trade falls sharply to 53% in 2025, from 59% in 2024. Southeast Asia's share rose from 28% to 35%

Average net slot utilisation in 2025 fell to 78.6%, down from 84.8% in 2024. Net slot utilisation is expected to go below 76% in 1H26

China to US rises from October to December, defying utilisation trend in the short term

Table 5.2 Development of Transpacific capacity

		Eastbound*			Westbound**		
		Capacity	Growth		Capacity	Growth	
		kteu	QoQ	YoY	kteu	QoQ	YoY
2022	1Q	6,612	-3.4%	9.9%	5,713	-3.4%	8.8%
	2Q	7,140	8.0%	11.7%	6,187	8.3%	11.3%
	3Q	6,770	-5.2%	-3.0%	5,859	-5.3%	-3.0%
	4Q	6,322	-6.6%	-7.6%	5,436	-7.2%	-8.1%
2023	1Q	5,968	-5.6%	-9.7%	5,106	-6.1%	-10.6%
	2Q	6,896	15.6%	-3.4%	5,977	17.1%	-3.4%
	3Q	6,669	-3.3%	-1.5%	5,827	-2.5%	-0.5%
	4Q	6,667	-0.0%	5.4%	5,817	-0.2%	7.0%
2024	1Q	6,574	-1.4%	10.2%	5,705	-1.9%	11.7%
	2Q	6,901	5.0%	0.1%	5,963	4.5%	-0.2%
	3Q	7,171	3.9%	7.5%	6,144	3.0%	5.4%
	4Q	7,271	1.4%	9.1%	6,224	1.3%	7.0%
2025	1Q	6,860	-5.7%	4.4%	6,021	-3.3%	5.6%
	2Q	7,142	4.1%	3.5%	6,202	3.0%	4.0%
	3Q	7,525	5.4%	4.9%	6,569	5.9%	6.9%
	4Q	7,409	-1.5%	1.9%	6,481	-1.3%	4.1%
2026	1Q	7,283	-1.7%	6.2%	6,354	-1.9%	5.5%
	2Q	7,770	6.7%	8.8%	6,778	6.7%	9.3%
	3Q	7,932	2.1%	5.4%	6,911	2.0%	5.2%

Note: Basis 13 operating weeks per quarter; data subject to change

Adjusted for Out-Of-Scope cargo (0.2% Eastbound and 1.8% Westbound)

* After making an allowance of 5.7% because of high-cube adjustments

** After making an allowance of 16% for unusable slots because of deadweight limitations from Jan 2015 only

Source: Drewry Maritime Research

Transpacific

Tariffs again dominate the Transpacific contracting season, clouding the freight market. Despite recent limits on the IEEPA tariff powers, a temporary 10% global tariff was imposed, which may rise to 15%. Although legal tools have shifted, US tariffs remain restrictive, sustaining business uncertainty and complicating logistics planning because firms must anticipate tariff changes.

The administration also started Section 301 investigations into over 16 trading partners - including China, the EU, Mexico, Japan, India, and Singapore - to replace the invalidated IEEPA tariffs. Unlike the IEEPA, Section 301 mandates formal investigations, public input, and hearings. This process is slower but yields potentially more durable tariffs, which could affect trade flows for a longer period. As a result, new country- and sector-specific tariffs may emerge in 2026.

IEEPA tariffs struck down by SCOTUS but replaced by a temporary 10% global tariff

US section 301 investigations on unfair trading practices of countries could lead to more durable country and sector-specific tariffs

Table 5.3 Transpacific supply-demand position (kteu)

		Net capacity*		Cargo demand		Net slot utilisation	
		E/b	W/b	E/b	W/b	E/b	W/b
2022	1Q	6,612	5,713	5,736	1,531	86.7%	26.8%
	2Q	7,140	6,187	5,653	1,603	79.2%	25.9%
	3Q	6,770	5,859	5,468	1,519	80.8%	25.9%
	4Q	6,322	5,436	4,649	1,467	73.5%	27.0%
	Total	26,845	23,194	21,507	6,122	80.1%	26.4%
2023	1Q	5,968	5,106	4,408	1,581	73.9%	31.0%
	2Q	6,896	5,977	4,910	1,530	71.2%	25.6%
	3Q	6,669	5,827	5,744	1,562	86.1%	26.8%
	4Q	6,667	5,817	5,568	1,648	83.5%	28.3%
	Total	26,200	22,727	20,631	6,320	78.7%	27.8%
2024	1Q	6,574	5,705	5,300	1,678	80.6%	29.4%
	2Q	6,901	5,963	5,725	1,649	83.0%	27.7%
	3Q	7,171	6,144	6,495	1,559	90.6%	25.4%
	4Q	7,271	6,224	6,161	1,544	84.7%	24.8%
	Total	27,918	24,036	23,681	6,429	84.8%	26.7%
2025	1Q	6,860	6,021	5,679	1,543	82.8%	25.6%
	2Q	7,142	6,202	5,255	1,481	73.6%	23.9%
	3Q	7,525	6,569	5,996	1,549	79.7%	23.6%
	4Q	7,409	6,481	5,799	1,583	78.3%	24.4%
	Total	28,936	25,272	22,729	6,156	78.6%	24.4%
2026	1Q	7,283	6,354	5,528	1,530	75.9%	24.1%
	2Q	7,770	6,778	5,867	1,607	75.5%	23.7%
	3Q	7,932	6,911	6,245	1,677	78.7%	24.3%

Note: Data subject to change; Utilisation can exceed 100% because our capacity data is a snapshot taken from carrier schedules at the start of the relevant period. There will be some instances when capacity is adjusted after we have captured the data, but we believe the utilisation reading gives a strong measure of how full ships were on average.

Adjusted for Out-Of-Scope cargo (0.2% Eastbound and 1.8% Westbound)

* After making allowances for 16% of unusable slots because of deadweight limitations on westbound trades and 5.7% high-cube limitations on eastbound trades

Source: Drewry Maritime Research

Transpacific

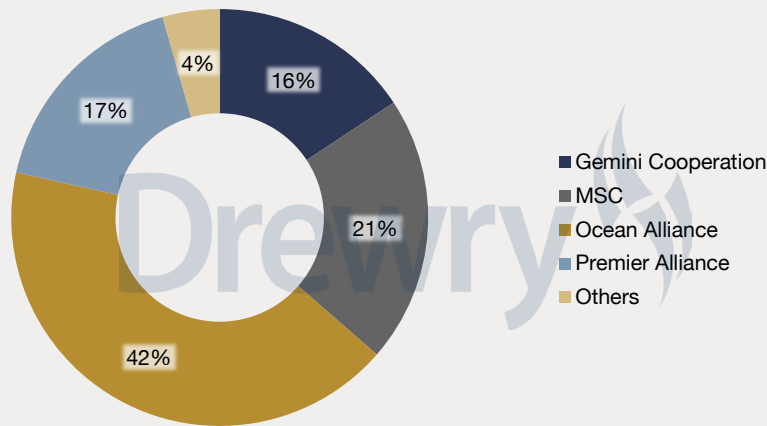
Meanwhile, westbound backhaul traffic from North America to Asia rose 2.5% in 4Q25, reversing earlier declines, but not by enough to prevent an annual decrease of 4.2%. This result ends the two-year growth streak of 3.1% in 2023 and 2.5% in 2024. On a favourable note, Drewry forecasts a 5% rebound in 2026 and continued steady growth of about 2.4% thereafter.

Average net slot utilisation for the westbound trade in 2025 fell to a low of 24.4%, down from 28% and 27% in 2023 and 2024, respectively. This decline in utilisation contributed to freight rates being near their lowest levels since 2019, indicating a weak market outlook. The spot rates on the USWC-Shanghai route, as tracked weekly by Drewry's World Container Index, were largely stable through February 2026, reaching \$724 per 40ft container by the final week of the month.

Backhaul traffic from North America to Asia increased 2.5% YoY in 4Q25, but 2025 annual growth declined 4.2%. Forecast of 5% growth projected for 2026

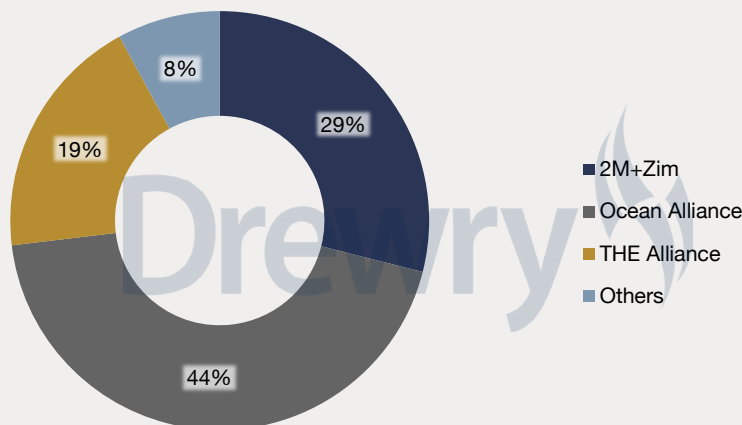
Average net slot utilisation for the westbound trade fell to a low of 24.4% in 2025

Figure 5.2 Asia-ECNA headhaul effective capacity market shares, Jan 26



Source: Drewry Maritime Research

Figure 5.3 Asia-ECNA headhaul effective capacity market shares, Jan 25



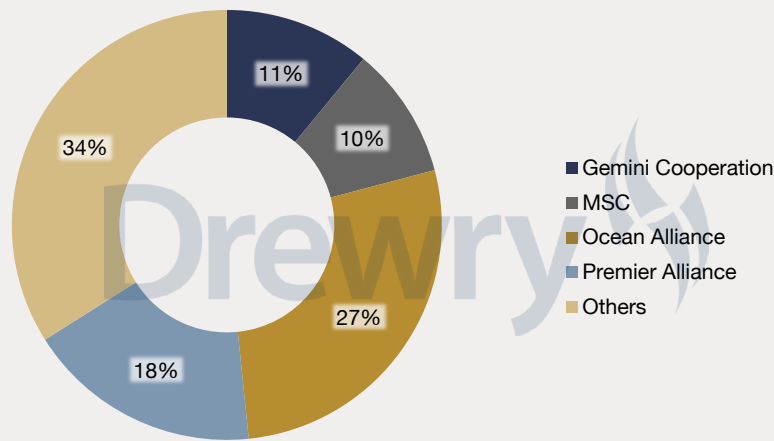
Source: Drewry Maritime Research

Transpacific

The westbound Transpacific trade has consistently remained below previous highs despite sporadic bouts of growth. Projected volumes will stay below the 2013 peak of 7.7 mteu, with forecasts for 2030 at 7.1 mteu, highlighting persistent underperformance. The US-China tariffs remain a key barrier to a more sustainable recovery in the westbound trade.

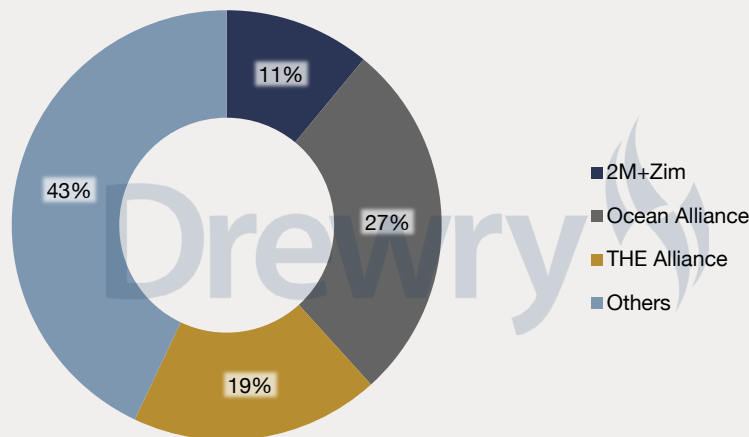
Projected volume for 2030 is still below 2013

Figure 5.4 Asia-WCNA headhaul effective capacity market shares, Jan 26



Source: Drewry Maritime Research

Figure 5.5 Asia-WCNA headhaul effective capacity market shares, Jan 25



Source: Drewry Maritime Research

Asia-North Europe

Growth for Asia-North Europe westbound trade slowed to 4.5% YoY in 4Q24. Still, the annual growth in 2025 was a very healthy 7.1%, on top of a 10.5% gain in 2024. Despite persistent port congestion across many European ports and rerouting due to the Red Sea crisis, demand remained strong, underscoring the market’s resilience.

Drewry predicts that strong demand will continue into the first quarter of 2026 but will then slow in the remaining quarters. Still, the trade is expected to grow by 2.6% in 2026. After that, growth should remain steady, ranging from 1.1% to 1.6% annually through 2030.

US tariffs on Chinese goods accelerated Chinese exporters’ search for new markets, which in turn “benefited” European consumers. This shift drove the major gains seen on the Asia-Europe trade route in 2025. Examining Asian export origins for 2025, the Greater China region maintains its predominant position, with robust export growth of 8%, raising its market share to 78.2%. In contrast, the Transpacific eastbound trade saw China’s share fall sharply to 52%. Southeast Asia and North Asia also reported export growth of 14% and 8%, respectively, but their shares declined to 7.7% and 14.1%, largely because Greater China’s gains outweighed theirs.

Container Trades Statistics (CTS) origin-to-destination data highlights varying European import growth in 2025. Figure 5.9 shows that large Western economies - Germany, the UK, France, and the Netherlands – all grew but at much slower rates, due in part to slowing demand and possible market saturation. For example, Germany’s import growth fell from 12.7% in 2024 to 2.1% in 2025. Scandinavia’s growth also slowed, from 17% in 2024 to 5.3% in 2025.

By contrast, Eastern European countries (including Belarus, the Czech Republic (NWC), Estonia, Hungary (NWC), Latvia, Lithuania, Poland, Slovakia (NWC)) saw imports accelerate from 7.7% in 2024 to 20.3% in 2025; not only outpacing their western neighbours but also highlighting the region’s increasing significance within the wider European trade landscape.

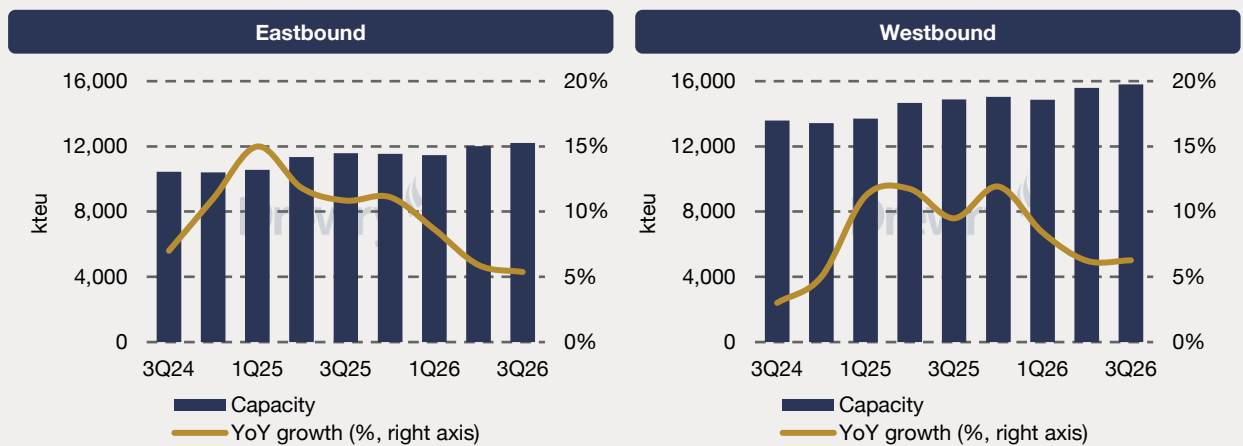
Asia-North Europe westbound trade posts impressive 7.1% growth in 2025, on top of a 10.5% gain in 2024 - despite persistent port congestion in Northern European hubs

Forecast shows growth slowing to 2.6% in 2026 and 1.1% in 2027

Greater China region container export volume was up 8% in 2025, raising its trade market share to 78%

Shifting patterns in European imports from Asia as Eastern European countries saw container imports accelerate

Figure 5.6 Annualised Asia-North Europe effective capacity



Source: Drewry Maritime Research

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Asia-North Europe

Capacity in the Asia-North Europe trade increased by nearly 12% in the fourth quarter of 2025, leading to net headhaul slot utilisation dropping to 78.6% in 4Q25, the lowest quarterly level. These decreases stemmed from capacity growth outstripping demand. As a result, annual average net slot utilisation fell to 82.4% in 2025, down from 85.4% in 2024 (see Table 5.6). The net slot utilisation forecast for the first three quarters of 2026 shows a further reduction to approximately 80%, which will assert downward pressure on freight rates.

Between October and December 2025, Drewry's World Container Index (WCI) for Asia-to-North Europe showed notable drops. On 2 October, the rate per 40-foot container stood at \$1,613, then jumped 60% to \$2,584 by 25 December. These spot rate changes diverged from expected trends based on capacity and utilisation, implying that other commercial elements and market expectations were at play.

One immediate consequence of the new war in the Middle East is that container lines will delay plans to phase back to Suez Canal transits and will, instead, continue with Cape of Good Hope diversions until stability returns. This means that the imminent risk of latent capacity being gradually restored to the Asia-North Europe trade has been put on hold for now. In turn, this development supports Asia-North Europe freight rates, as the persistence of restricted capacity removes some of the downward pressure on rates.

Trade capacity increased nearly 12% in 4Q25. Average net slot utilisation fell to 82.4% in 2025, down from 85.4% in 2024. The forecast for 1H26 is about 80%

Asia-Europe spot rates have been highly volatile in 2025

A return to Suez Canal transit is delayed until stability returns

Table 5.4 Asia-North Europe - forecast cargo volumes

		Eastbound	Growth	E/W	Westbound	Growth
		<i>kteu</i>	YoY	<i>Ratio</i>	<i>kteu</i>	YoY
2024		4,146	-5.0%	0.37	11,209	10.5%
2025		3,875	-6.5%	0.32	12,010	7.1%
2026		3,836	-1.0%	0.31	12,325	2.6%
2027		3,862	0.7%	0.31	12,462	1.1%
2028		3,923	1.6%	0.31	12,656	1.6%
2029		3,983	1.5%	0.31	12,841	1.5%
2030		4,038	1.4%	0.31	13,016	1.4%
2024	1Q	1,037	-2.5%	0.41	2,554	9.2%
	2Q	1,068	-2.6%	0.37	2,910	8.2%
	3Q	1,027	-5.5%	0.35	2,917	9.7%
	4Q	1,015	-9.1%	0.36	2,829	15.2%
2025	1Q	988	-4.7%	0.36	2,728	6.8%
	2Q	957	-10.4%	0.31	3,127	7.5%
	3Q	960	-6.5%	0.30	3,200	9.7%
	4Q	971	-4.4%	0.33	2,955	4.5%
2026	1Q	943	-4.6%	0.32	2,977	9.1%
	2Q	934	-2.4%	0.30	3,100	-0.8%
	3Q	992	3.4%	0.31	3,197	-0.1%
	4Q	967	-0.4%	0.32	3,050	3.2%

Note: Data subject to change

Source: Drewry Maritime Research

Asia-North Europe

The Asia-North Europe backhaul trade remains in a rut, recording another annual decline in 2025, this time falling 6.5% after a 5% drop in 2024. The last time the eastbound trade registered growth was way back in 2020; it has been downhill since then. Drewry does not expect a recovery in 2026, as a further 1% annual reduction is forecasted. Growth is projected to resume only in 2027, though at a modest rate of 0.7%. Thereafter, Drewry expects modest annual growth of 1.4% to 1.6% through 2030.

In 2025, exports from North Europe to Greater China region fell 6%. China's share of eastbound trade has now fallen to 47% in 2025, down from 59% in 2020. This reduction demonstrates a shift in trade dynamics, as European exports to China lose ground. This subdued demand for European exports stands in contrast to the strong growth seen in export volumes from Greater China to North Europe. While European shipments to China have waned, the reverse flow of goods remains robust.

Meanwhile, exports from Northern Europe to other Asian regions also declined, with shipments to East Asia down 8% and those to Southeast Asia down 6%. These figures reveal a wider trend of weakening European export activity across multiple Asian markets in 2025.

Asia-Northern Europe backhaul trade falls 5% 2025 – no growth on this trade since 2020. Recovery not expected until 2027

Exports to Greater China fall by 6% YoY in 2025, with similar decline for Southeast Asia, showing a wider trend of weakening European export activity across multiple Asian markets

Table 5.5 Development of Asia-North Europe capacity

		Westbound			Eastbound		
		Capacity	Growth		Capacity	Growth	
		k teu	QoQ	YoY	k teu	QoQ	YoY
2022	1Q	3,328	-0.6%	6.0%	2,443	-1.3%	4.5%
	2Q	3,434	3.2%	5.8%	2,541	4.0%	6.1%
	3Q	3,291	-4.2%	-0.7%	2,503	-1.5%	2.2%
	4Q	3,260	-0.9%	-2.6%	2,517	0.5%	1.7%
2023	1Q	3,087	-5.3%	-7.2%	2,393	-4.9%	-2.0%
	2Q	3,394	10.0%	-1.2%	2,485	3.9%	-2.2%
	3Q	3,315	-2.3%	0.7%	2,439	-1.8%	-2.5%
	4Q	3,188	-3.8%	-2.2%	2,346	-3.8%	-6.8%
2024	1Q	3,081	-3.4%	-0.2%	2,287	-2.5%	-4.4%
	2Q	3,283	6.6%	-3.3%	2,537	10.9%	2.1%
	3Q	3,399	3.5%	2.5%	2,614	3.0%	7.2%
	4Q	3,360	-1.1%	5.4%	2,600	-0.5%	10.8%
2025	1Q	3,427	2.0%	11.2%	2,639	1.5%	15.4%
	2Q	3,669	7.1%	11.7%	2,836	7.5%	11.8%
	3Q	3,721	1.4%	9.5%	2,897	2.1%	10.8%
	4Q	3,760	1.1%	11.9%	2,889	-0.3%	11.1%
2026	1Q	3,714	-1.2%	8.4%	2,867	-0.7%	8.7%
	2Q	3,897	4.9%	6.2%	3,004	4.8%	5.9%
	3Q	3,954	1.5%	6.3%	3,053	1.6%	5.4%

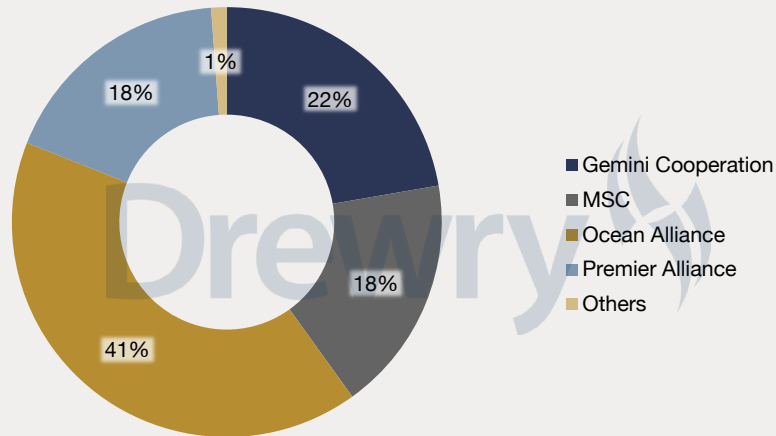
Adjusted for Out-Of-Scope cargo (5.8% Eastbound and 1% Westbound)

After making allowances of 23% for slots unusable because of deadweight limitations on the eastbound trade and 8.5% for high-cube and deadweight stowage limitations on the westbound trade from Jan 2015 only

Source: Drewry Maritime Research

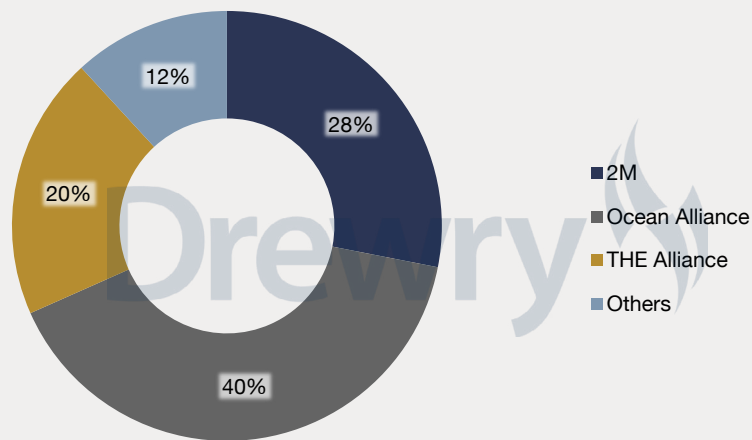
Asia-North Europe

Figure 5.7 Asia-North Europe headhaul effective capacity market shares, Jan 26



Source: Drewry Maritime Research

Figure 5.8 Asia-North Europe headhaul effective capacity market shares, Jan 25



Source: Drewry Maritime Research

Asia-North Europe

Table 5.6 Asia-North Europe supply-demand position (kteu)

		Net capacity		Cargo demand		Net slot utilisation	
		E/b	W/b	E/b	W/b	E/b	W/b
2022	1Q	2,443	3,328	1,146	2,637	46.9%	79.2%
	2Q	2,541	3,434	1,161	2,635	45.7%	76.7%
	3Q	2,503	3,291	1,125	2,530	44.9%	76.9%
	4Q	2,517	3,260	1,163	2,226	46.2%	68.3%
	Total	10,003	13,313	4,595	10,028	45.9%	75.3%
2023	1Q	2,393	3,087	1,063	2,339	44.4%	75.8%
	2Q	2,485	3,394	1,097	2,689	44.1%	79.2%
	3Q	2,439	3,315	1,087	2,659	44.5%	80.2%
	4Q	2,346	3,188	1,116	2,456	47.6%	77.0%
	Total	9,662	12,984	4,362	10,142	45.1%	78.1%
2024	1Q	2,287	3,081	1,037	2,554	45.3%	82.9%
	2Q	2,537	3,283	1,068	2,910	42.1%	88.6%
	3Q	2,614	3,399	1,027	2,917	39.3%	85.8%
	4Q	2,600	3,360	1,015	2,829	39.0%	84.2%
	Total	10,037	13,124	4,146	11,209	41.3%	85.4%
2025	1Q	2,639	3,427	988	2,728	37.4%	79.6%
	2Q	2,836	3,669	957	3,127	33.7%	85.2%
	3Q	2,897	3,721	960	3,200	33.1%	86.0%
	4Q	2,889	3,760	971	2,955	33.6%	78.6%
	Total	11,261	14,576	3,875	12,010	34.4%	82.4%
2026	1Q	2,867	3,714	943	2,977	32.9%	80.2%
	2Q	3,004	3,897	934	3,100	31.1%	79.6%
	3Q	3,053	3,954	992	3,197	32.5%	80.9%

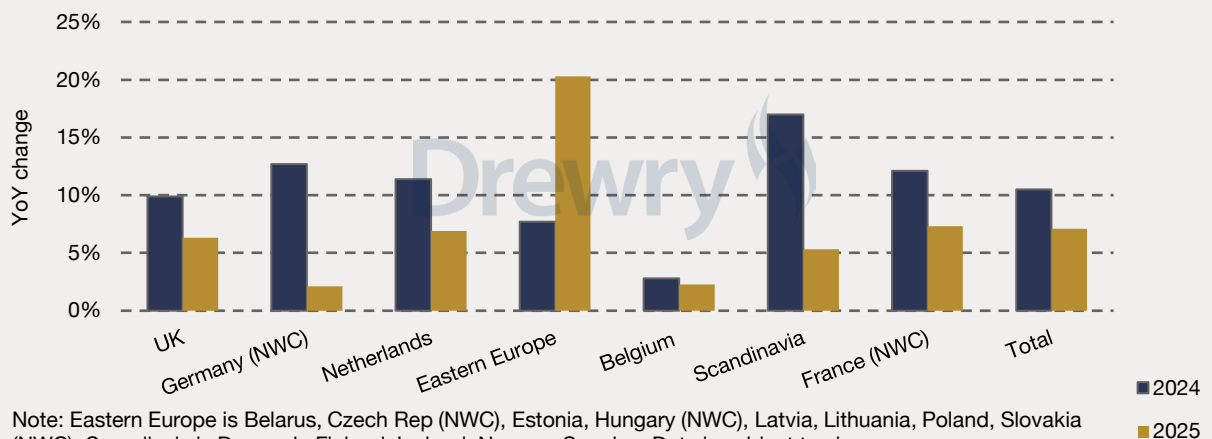
Note: Data subject to change; Utilisation can exceed 100% because our capacity data is a snapshot taken from carrier schedules at the start of the relevant period. There will be some instances when capacity is adjusted after we have captured the data, but we believe the utilisation reading gives a strong measure of how full ships were on average.

Adjusted for Out-Of-Scope cargo (5.8% Eastbound and 1% Westbound)

After making allowances for 23% of slots unusable because of deadweight limitations on the eastbound trade and 8.5% for high-cube and deadweight stowage limitations on the westbound trade from Jan 2015 only

Source: Drewry Maritime Research

Figure 5.9 Asia-North Europe - Westbound import region growth



Note: Eastern Europe is Belarus, Czech Rep (NWC), Estonia, Hungary (NWC), Latvia, Lithuania, Poland, Slovakia (NWC); Scandinavia is Denmark, Finland, Iceland, Norway, Sweden; Data is subject to change.

Source: Container Trades Statistics

Asia-Mediterranean

The westbound Asia-Mediterranean trade has delivered outstanding results lately. The last quarter saw a 10% YoY increase, bringing 2025 annual growth to 12.3%, following growth of 6% and 20% in 2024 and 2023, respectively.

The trade is outshining the more illustrious Asia-North Europe trade. It is worth noting, however, that the volume of the Asia-Mediterranean westbound trade is only about 60% of that of the Asia-North Europe westbound trade. Drewry predicts that growth will continue into 2026, albeit at a slower pace of 6%. In 2027, growth is expected to level off at 0%, but it will pick up again between 2028 and 2030, holding a steady rate of 2.2% to 2.3%.

Inbound distribution by origin-to-destination data from Container Trades Statistics (CTS) for 2025 provides some insights (see Figure 5.13). All Mediterranean subregions saw strong growth. Asian traffic into the East Med and North Africa subregion reported the highest growth, by 14% and 22%, respectively. Countries under the East Med include Cyprus, Greece, Israel, Lebanon, Syria, and Turkey. Countries under North Africa include Algeria, the Canary Islands, Egypt, Libya, Morocco, and Tunisia.

Meanwhile, imports into the Adriatic and Black Sea region also saw double-digit growth of 13% and 11%, respectively. Notably, the Wed Med subregion, which includes France (Mediterranean ports), Italy, Malta, and Spain (Mediterranean ports), posted the smallest growth at 6.3%.

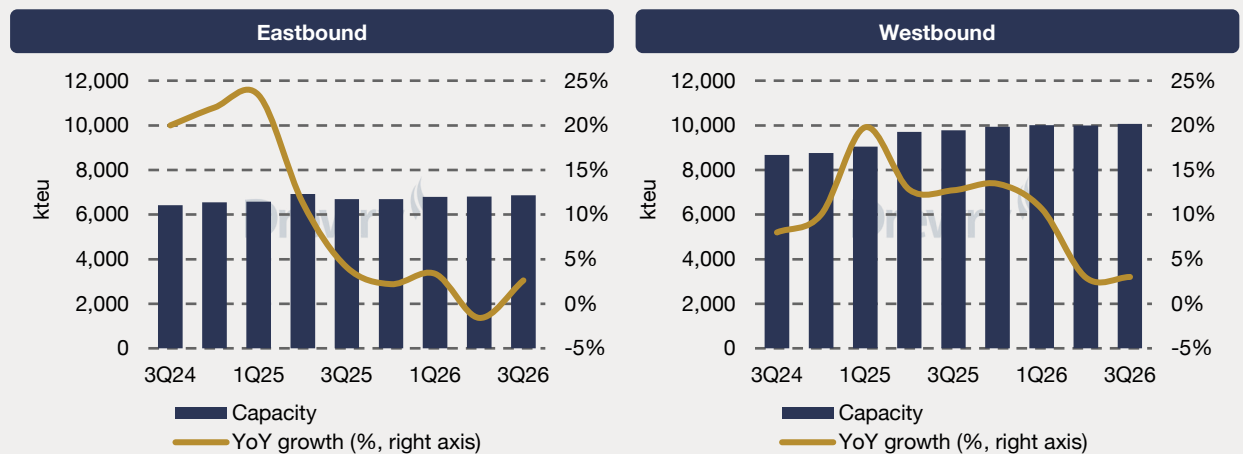
In 2025, the Asia-Mediterranean westbound trade saw notable capacity growth, in line with strong demand. There was a double-digit increase in capacity in each of the four quarters, culminating in a 13.5% YoY increase in 4Q25. The growth in trade demand in 2025 was outpaced by an even stronger increase in capacity, leading to a drop in the average net slot utilisation from 77.6% in 2024 to 76.2% in 2025.

Loaded shipments from Asia to the Mediterranean surged 12% in 2025, building on recent strong performances

Strong Asian imports to North Africa (+22%), the Adriatic (+13%), and the East Med (+14%)

Trade saw significant capacity growth in 2025, exceeding 13% YoY in 4Q25, surpassing demand growth. Average net slot utilisation drops to 76.2%

Figure 5.10 Annualised Asia-Med effective capacity



Source: Drewry Maritime Research

Asia-Mediterranean

Table 5.7 Asia-Med – forecast cargo volumes

		Eastbound	Growth	E/W	Westbound	Growth
		kteu	YoY	Ratio	kteu	YoY
2024		1,965	-0.7%	0.30	6,519	6.0%
2025		1,887	-4.0%	0.26	7,324	12.3%
2026		1,924	2.0%	0.25	7,763	6.0%
2027		1,913	-0.6%	0.25	7,765	0.0%
2028		1,956	2.2%	0.25	7,947	2.3%
2029		2,001	2.3%	0.25	8,129	2.3%
2030		2,045	2.2%	0.25	8,310	2.2%
2024	1Q	498	8.8%	0.34	1,462	5.0%
	2Q	523	5.6%	0.31	1,664	1.8%
	3Q	491	-0.1%	0.30	1,638	2.1%
	4Q	453	-15.2%	0.26	1,755	15.8%
2025	1Q	465	-6.5%	0.28	1,651	12.9%
	2Q	475	-9.1%	0.26	1,829	9.9%
	3Q	473	-3.8%	0.25	1,913	16.8%
	4Q	474	4.6%	0.25	1,931	10.0%
2026	1Q	463	-0.6%	0.26	1,813	9.8%
	2Q	502	5.7%	0.25	2,047	12.0%
	3Q	492	4.1%	0.24	2,012	5.2%
	4Q	467	-1.3%	0.25	1,892	-2.0%

Note: Data subject to change

Source: Drewry Maritime Research

Table 5.8 Development of Asia-Med capacity

		Westbound			Eastbound		
		Capacity	Growth		Capacity	Growth	
		kteu	QoQ	YoY	kteu	QoQ	YoY
2022	1Q	1,687	0.5%	8.9%	1,182	1.6%	16.0%
	2Q	1,711	1.5%	2.9%	1,174	-0.7%	4.6%
	3Q	1,670	-2.4%	0.6%	1,089	-7.2%	-4.9%
	4Q	1,646	-1.4%	-1.9%	1,036	-4.9%	-11.0%
2023	1Q	1,681	2.1%	-0.3%	1,049	1.3%	-11.2%
	2Q	1,969	17.1%	15.1%	1,290	22.9%	9.8%
	3Q	2,008	1.9%	20.2%	1,338	3.7%	22.8%
	4Q	1,999	-0.4%	21.4%	1,344	0.4%	29.7%
2024	1Q	1,888	-5.6%	12.3%	1,332	-0.8%	27.0%
	2Q	2,151	13.9%	9.2%	1,553	16.6%	20.4%
	3Q	2,168	0.8%	8.0%	1,606	3.4%	20.1%
	4Q	2,190	1.0%	9.6%	1,636	1.9%	21.8%
2025	1Q	2,261	3.2%	19.8%	1,644	0.5%	23.4%
	2Q	2,426	7.3%	12.8%	1,729	5.2%	11.3%
	3Q	2,444	0.7%	12.7%	1,672	-3.3%	4.1%
	4Q	2,485	1.7%	13.5%	1,672	0.0%	2.2%
2026	1Q	2,502	0.7%	10.6%	1,700	1.6%	3.4%
	2Q	2,497	-0.2%	2.9%	1,702	0.1%	-1.6%
	3Q	2,517	0.8%	3.0%	1,716	0.8%	2.6%

Adjusted for Out-Of-Scope cargoes (8.8% Eastbound and 6.2% Westbound)

After deducting 8.5% from westbound trades for unusable slots because of deadweight and high-cube limitations and 31% from eastbound trades for deadweight limitations from Jan 2015 only

Source: Drewry Maritime Research

Asia-Mediterranean

Despite lower utilisation, the Asia-Mediterranean westbound freight rates have remained resilient recently. The Shanghai to Genoa component of Drewry's World Container Index increased from a low of \$1,793 per 40-foot container on 9 October to \$3,427/40ft on 25 December, representing a 90% increase. As with the Asia-North Europe trade, changes in spot rates did not follow typical patterns based on capacity and utilisation.

Similar to the Asia-North Europe trade route, the escalating conflict in the Middle East has caused container shipping companies to suspend their planned return to Suez Canal transits. A complete shift back to using the Suez Canal would have significant consequences for trade; potentially even greater than for the Asia-North Europe corridor, since rerouting via the Cape of Good Hope and the Strait of Gibraltar disrupts Mediterranean network connections and increases both transit times and shipping costs, even more than North European routes.

Despite lower utilisation, westbound freight rates remained resilient, rising 90% in 4Q25

Escalating conflict in the Middle East has caused container shipping companies to suspend their planned return to Suez Canal transits

Table 5.9 Asia-Med – supply-demand position (kteu)

		Net capacity*		Cargo demand		Net slot utilisation (%)	
		E/b	W/b	E/b	W/b	E/b	W/b
2022	1Q	1,182	1,687	516	1,290	43.6%	76.5%
	2Q	1,174	1,711	484	1,266	41.2%	74.0%
	3Q	1,089	1,670	469	1,230	43.0%	73.7%
	4Q	1,036	1,646	437	1,211	42.2%	73.5%
	Total	4,482	6,714	1,905	4,997	42.5%	74.4%
2023	1Q	1,049	1,681	458	1,392	43.6%	82.8%
	2Q	1,290	1,969	495	1,635	38.4%	83.0%
	3Q	1,338	2,008	492	1,604	36.8%	79.9%
	4Q	1,344	1,999	534	1,516	39.7%	75.8%
	Total	5,021	7,657	1,979	6,147	39.4%	80.3%
2024	1Q	1,332	1,888	498	1,462	37.4%	77.5%
	2Q	1,553	2,151	523	1,664	33.7%	77.4%
	3Q	1,606	2,168	491	1,638	30.6%	75.5%
	4Q	1,636	2,190	453	1,755	27.7%	80.1%
	Total	6,129	8,396	1,965	6,519	32.1%	77.6%
2025	1Q	1,644	2,261	465	1,651	28.3%	73.0%
	2Q	1,729	2,426	475	1,829	27.5%	75.4%
	3Q	1,672	2,444	473	1,913	28.3%	78.3%
	4Q	1,672	2,485	474	1,931	28.3%	77.7%
	Total	6,718	9,616	1,887	7,324	28.1%	76.2%
2026	1Q	1,700	2,502	463	1,813	27.2%	72.5%
	2Q	1,702	2,497	502	2,047	29.5%	82.0%
	3Q	1,716	2,517	492	2,012	28.7%	79.9%

Adjusted for Out-Of-Scope cargoes (8.8% Eastbound And 6.2% Westbound)

* After making allowances of 8.5% for unusable slots because of high-cube and deadweight limitations on westbound trades and 31% for deadweight limitations on eastbound trades from Jan 2015 only

Source: Drewry Maritime Research

Asia-Mediterranean

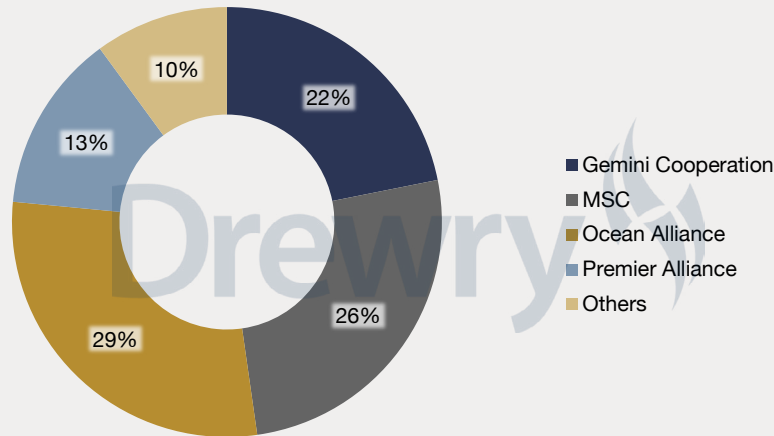
The impact is particularly significant in the East Mediterranean and Black Sea regions relative to the West Mediterranean. Once shipping lines resume Suez Canal transits, trade capacity would increase by default. If demand does not pick up in tandem, trade slot utilisation will decline, putting downward pressure on freight rates.

The Asia-Mediterranean eastbound trade registered a 4.6% YoY increase in the fourth quarter of 2025, breaking a streak of four consecutive quarters of decline. However, this gain was insufficient to offset earlier losses, resulting in an overall 4% decrease in trade for 2025. Looking ahead, Drewry anticipates a turnaround in fortunes in 2026, with a 2% annual growth forecast, but a 0.6% decline will follow it in 2027. Thereafter, however, growth is expected to stabilise at 2.1%-2.2% through 2030.

A return to the Suez transit would have had more impact on the East Mediterranean and Black Sea than on the West Mediterranean region

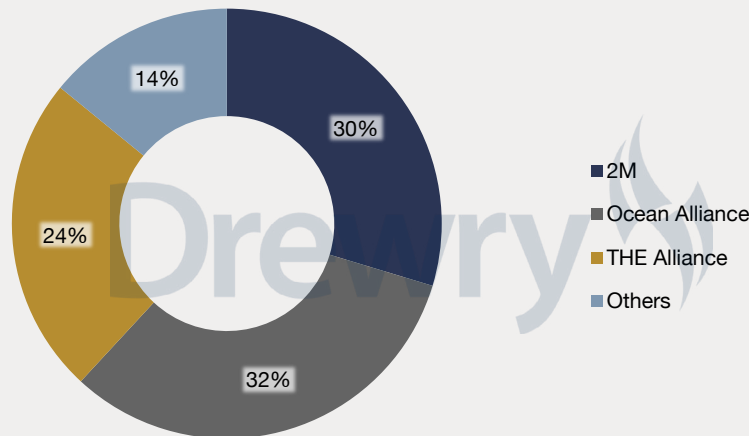
Asia-Mediterranean eastbound trade grew in 4Q25 but was down 4% for the full year 2025. 2% growth forecast for the trade in 2026

Figure 5.11 Asia-Med headhaul effective capacity market shares, Jan 26



Source: Drewry Maritime Research

Figure 5.12 Asia-Med headhaul effective capacity market shares, Jan 25



Source: Drewry Maritime Research

Asia-Mediterranean

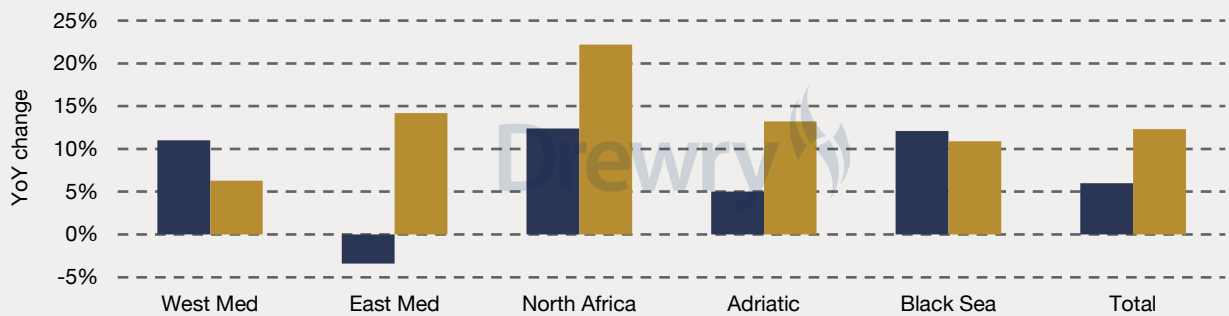
An analysis of exports from the Mediterranean region to various Asian subregions in 2025 shows shifting trade patterns. The most notable were container exports to Greater China, which were down approximately 10%. Traffic to Southeast Asia also declined by nearly 4%, while North Asia saw a marginal downturn of about 1%. Consequently, China's share of Mediterranean eastbound trade fell from 39% to 37% over the course of the year. This trend underscores a notable weakening in export activity from the Mediterranean region to major Asian destinations, particularly Greater China.

Exports to Greater China down approximately 10% in 2025. Notable weakening in export activity to major Asian destinations, particularly Greater China

Meanwhile, with the substantial increase in capacity entering the trade in 2025, the backhaul trade's average net utilisation slipped to a low of 28%, down from 32% in 2024, 39% in 2023, and 43% in 2022 (see Table 5.9). At this level, it is about six percentage points lower than the Asia-Europe backhaul, which faces comparable challenges, including higher production costs and China's slowing economy.

Average net utilisation in 2025 fell to a low of 28%, a drastic drop from 32% in 2024

Figure 5.13 Asia-Mediterranean - Westbound import region growth



West Med = France (Med), Italy, Malta, Spain (Med). North Africa = Algeria, Canary Islands, Egypt, Libya, Morocco, Tunisia. Adriatic = Albania, Austria (Med), Bosnia, Croatia, Czech Rep (Med) Hungary (Med), Macedonia, Serbia & Montenegro, Slovakia (Med), Slovenia. East Med = Cyprus, Greece, Israel, Lebanon, Syria, Turkey. Black Sea = Bulgaria, Russia, Former Soviet Union, Georgia, Romania, Russia (Black Sea), Ukraine. Data is subject to change.

■ 2024
■ 2025

Source: Container Trades Statistics

Transatlantic (North Europe)

Growth in the North Europe-North America westbound trade was essentially flat in the third and fourth quarters of 2025. Still, the trade posted a 1.1% annual gain, driven by the marginal growth in the first half. This modest uplift means the trade has secured its second consecutive year of growth, notwithstanding ongoing tariff uncertainties and operational obstacles. Before that, the trade had a challenging 2023, which saw an 11% decline, the steepest drop in more than a decade. Drewry expects the trade to continue on its current growth trend with a 1.9% gain in 2026. From 2027, growth will be maintained at a steady 1.5% through 2030.

The 90-day suspension of the US’s 20% “reciprocal” tariff on EU exports (the so-called “Liberation Day” tariffs), while keeping the 10% baseline tariff in place, likely encouraged shippers to accelerate exports in the second quarter of 2025. A new 15% tariff agreement between the US and EU on goods took effect in August 2025. The weaker results in the year’s second half indicate that EU exports to the US have since lost momentum.

For the full year 2025, European exports to the US grew by just 0.2%, while those to Canada were up 7.2%. Traffic to Mexico, however, fell by 1.2%. Import traffic to US East Coast ports (USEC), the primary entry points (80% of US imports), was mostly flat in 2025. The market share of the three destination countries remained unchanged, with the US holding the lion’s share at 69%, followed by Canada (16%) and Mexico (15%).

In 2025, the westbound trade saw a sharp injection of capacity. There was a double-digit YoY increase in capacity in the second to fourth quarters of the year, culminating in a 10.3% YoY increase in the final quarter (see Table 5.11). Not surprisingly, the net average slot utilisation for the trade in 2025 dipped to 69% from nearly 74% in 2024. However, Drewry expects capacity to decline over the first three quarters of 2026 and therefore projects average slot utilisation for the trade to rebound to almost 73% by the third quarter.

Transatlantic westbound trade posted a modest growth of 1.1% YoY in 2025, achieving its second consecutive annual growth. Another 1.9% gain is forecast for 2026

15% tariff agreement between the US and EU on goods took effect in August 2025. Lacklustre performance in 2H25 suggests that EU exports to the US have lost momentum

Exports to Canada buck the trend with 7.2% growth in 2025, compared to +0.2% for the US and -1.2% for Mexico

Westbound trade capacity rose sharply in 2025, culminating in a 10.3% YoY increase in 4Q25. Net slot utilisation falls to 69% from nearly 74% in 2024

Figure 5.14 Annualised Transatlantic effective capacity



Source: Drewry Maritime Research

Transatlantic (North Europe)

With falling net slot utilisation, freight rates for the trade have been under downward pressure for most of 2025. The Rotterdam-New York component of Drewry's World Container Index peaked early last year; \$2,789 per 40-foot container as of 16 January. It dropped below \$2,000 on 8 May to \$1,972/40ft. The downwards slide continued into 2026 with the latest reading on 19 March at \$1,504/40ft.

Transatlantic eastbound trade (North American exports to North Europe) registered a growth of 3.5% YoY in 4Q25, bringing the annual growth to 2.3% for 2025. This marks the second consecutive year of eastbound trade expansion. However, Drewry has forecast the trade to contract 2% in 2026 before recovering to a modest 0.7% gain in 2027. Growth will then be maintained at a steady rate between 1.3% to 1.5% through 2030.

Looking at the trend of exports from North America to North Europe, container exports from the US rose 2.1% in 2025, while Canadian exports were up 8% for the same period. Mexico's exports, however, fell 3%. The US's market share of the eastbound trade exceeded 73% in 2025.

Freight rates for the trade have been under downward pressure for most of the year. December spot rates down by 42% from January levels

Transatlantic eastbound trade grows 3.5% in 2025, marking its second consecutive year of expansion. But trade forecast to contract 2% in 2026

US, Canada exports to North Europe up 2.1% and 8% respectively in 2025

Table 5.10 Transatlantic – forecast cargo volumes

		Eastbound	Growth	E/W	Westbound	Growth
		<i>kteu</i>	YoY	<i>Ratio</i>	<i>kteu</i>	YoY
2024		1,837	1.7%	0.58	3,186	4.4%
2025		1,880	2.3%	0.58	3,221	1.1%
2026		1,843	-2.0%	0.56	3,283	1.9%
2027		1,855	0.7%	0.56	3,331	1.5%
2028		1,879	1.3%	0.56	3,381	1.5%
2029		1,905	1.4%	0.56	3,431	1.5%
2030		1,934	1.5%	0.56	3,483	1.5%
2024	1Q	495	1.8%	0.65	764	4.3%
	2Q	477	2.0%	0.61	778	5.1%
	3Q	458	7.2%	0.54	844	4.8%
	4Q	407	-4.1%	0.51	801	3.7%
2025	1Q	476	-3.9%	0.62	765	0.1%
	2Q	519	8.9%	0.64	811	4.3%
	3Q	463	1.1%	0.55	845	0.1%
	4Q	421	3.5%	0.53	801	0.0%
2026	1Q	455	-4.4%	0.59	772	1.0%
	2Q	478	-7.9%	0.57	843	3.9%
	3Q	455	-1.7%	0.54	844	-0.0%
	4Q	455	8.1%	0.55	823	2.8%

Note: Data subject to change

Source: Drewry Maritime Research

Transatlantic (North Europe)

The average net slot utilisation for the trade fell marginally from 47% in 2024 to 46% in 2025. Although the utilisation level remains below 50%, it is still significantly higher than for other East-West backhaul trades. Freight rates have also been relatively stable. Over the period from January to early December, freight rates moved within a narrow range, from a low of \$814 per 40-foot container to a high of \$942/40ft. The backhaul rates are also relatively higher than those of other East-West backhaul trades.

Net slot utilisation for the eastbound trade remains at the sub-50% level, significantly higher when compared to other backhaul east-west trade

Table 5.11 Development of Transatlantic capacity

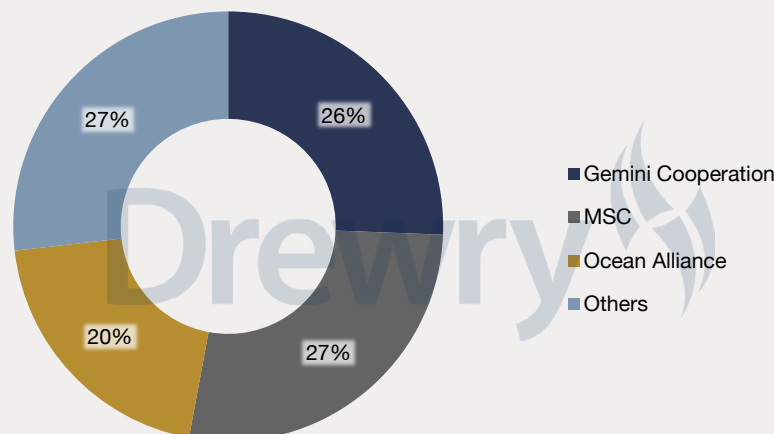
		Westbound			Eastbound		
		Capacity	Growth		Capacity	Growth	
			kteu	QoQ		YoY	kteu
2022	1Q	1,004	-1.9%	2.6%	902	0.9%	3.2%
	2Q	1,128	12.4%	14.4%	984	9.2%	12.3%
	3Q	1,115	-1.2%	9.9%	1,019	3.5%	13.6%
	4Q	1,110	-0.5%	8.4%	1,051	3.1%	17.6%
2023	1Q	1,170	5.5%	16.6%	1,104	5.1%	22.5%
	2Q	1,269	8.4%	12.4%	1,203	8.9%	22.2%
	3Q	1,197	-5.7%	7.3%	1,202	-0.1%	17.9%
	4Q	1,152	-3.7%	3.8%	1,103	-8.2%	5.0%
2024	1Q	1,136	-1.4%	-2.9%	1,050	-4.8%	-4.9%
	2Q	1,089	-4.2%	-14.2%	994	-5.4%	-17.4%
	3Q	1,062	-2.5%	-11.2%	933	-6.1%	-22.4%
	4Q	1,039	-2.2%	-9.8%	908	-2.6%	-17.7%
2025	1Q	1,097	5.6%	-3.4%	989	8.8%	-5.9%
	2Q	1,206	10.0%	10.8%	1,084	9.6%	9.0%
	3Q	1,215	0.7%	14.4%	1,039	-4.1%	11.4%
	4Q	1,146	-5.7%	10.3%	962	-7.5%	5.8%
2026	1Q	1,096	-4.4%	-0.1%	928	-3.5%	-6.2%
	2Q	1,169	6.6%	-3.1%	984	6.1%	-9.2%
	3Q	1,163	-0.5%	-4.3%	978	-0.6%	-5.8%

Adjusted for Out-Of-Scope cargo (1% For Westbound And 3% For Eastbound)

After making allowances for 7% of slots unusable because of deadweight limitations on eastbound trades and 7% of slots unusable because of high-cube and deadweight limitations on westbound trades from Jan 2015 only

Source: Drewry Maritime Research

Figure 5.15 Transatlantic headhaul effective capacity market shares, Jan 26



Source: Drewry Maritime Research

Transatlantic (North Europe)

Table 5.12 Transatlantic supply-demand position (kteu)

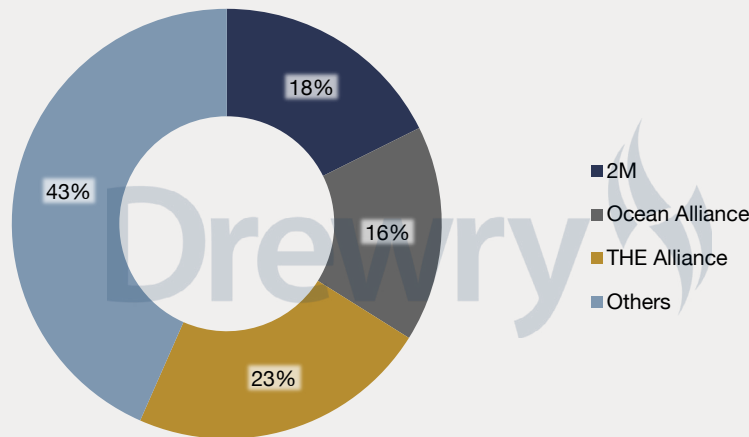
		Net capacity		Cargo demand		Net slot utilisation (%)	
		W/b	E/b	W/b	E/b	W/b	E/b
2022	1Q	1,004	902	785	470	78.1%	52.1%
	2Q	1,128	984	880	496	78.0%	50.4%
	3Q	1,115	1,019	912	464	81.8%	45.5%
	4Q	1,110	1,051	845	434	76.1%	41.3%
	Total	4,358	3,956	3,421	1,865	78.5%	47.1%
2023	1Q	1,170	1,104	733	486	62.7%	44.1%
	2Q	1,269	1,203	740	468	58.3%	38.9%
	3Q	1,197	1,202	805	427	67.3%	35.6%
	4Q	1,152	1,103	774	424	67.1%	38.4%
	Total	4,788	4,612	3,052	1,806	63.7%	39.1%
2024	1Q	1,136	1,050	764	495	67.3%	47.1%
	2Q	1,089	994	778	477	71.4%	48.0%
	3Q	1,062	933	844	458	79.4%	49.1%
	4Q	1,039	908	801	407	77.1%	44.8%
	Total	4,326	3,885	3,186	1,837	73.7%	47.3%
2025	1Q	1,097	989	765	476	69.7%	48.1%
	2Q	1,206	1,084	811	519	67.2%	47.9%
	3Q	1,215	1,039	845	463	69.5%	44.6%
	4Q	1,146	962	801	421	69.9%	43.8%
	Total	4,665	4,073	3,221	1,880	69.1%	46.2%
2026	1Q	1,096	928	772	455	70.5%	49.0%
	2Q	1,169	984	843	478	72.1%	48.6%
	3Q	1,163	978	844	455	72.6%	46.5%

Adjusted for Out-Of-Scope cargo (1% Westbound And 3% Eastbound)

After making allowances for 7% of unusable slots because of deadweight limitations on eastbound trades and 7% unusable slots because of deadweight and high-cube limitations on westbound trades from Jan 2015 only

Source: Drewry Maritime Research

Figure 5.16 Transatlantic headhaul effective capacity market shares, Jan 25



Source: Drewry Maritime Research

6. Freight Rates and Carrier Financials

Freight rate outlook

The attacks by the US and Israel on Iran, which started on 28 February, and were ongoing at the time of writing, caused ocean freight rates to rise abruptly in March. Ocean freight rates are being propelled, yet again, to heights that are disconnected from the aggregated market fundamentals, a situation that will get worse the longer the conflict lasts.

To frame our rate outlook, Drewry has set out two scenarios: in our base case scenario we anticipate a short Iran war with a duration of 2 months. In our worst-case scenario, we assume a longer war, extending for 12 months.

In the base case, we expect all-in East-West rates (spot and contract combined) to decrease 15.9% in 2026, and by 22.4% when removing the fuel surcharges (see Table 6.1). The latter represents an upgrade of 7.7% compared with our previous forecast published at the end of last year.

For Global rates (incl. fuel) the uptick is even larger: while in 4Q25 we anticipated a decline in rates of 16.5% for 2026, the latest outlook calls for a decline of 4.9% (an improvement of 11.6 percentage points). For 2027, we forecast further reductions in spot rates (incl. fuel) of 9.0% on East-West trades and 9.9% on Global trades.

Iran war boosts post Lunar New Year container freight rates

Drewry's base case scenario for 2026 predicts East-West rates will fall 16%, and Global freight rates 5%

Figure 6.1 Revised vs previous forecast assumptions

	Previous assumptions for old Scenario 1: No Strait of Hormuz blockage / gradual return to Suez Canal route	Assumptions for new Scenario 1: Short-term Strait of Hormuz blockage (Base case)	Assumptions for new Scenario 2: 1-year Strait of Hormuz blockage (Worst case)
Future bunker price in 2026	\$427/tonne of VLSFO bunkers	Higher bunker price of \$513/tonne of VLSFO bunkers	Very high bunker price of \$755/tonne of VLSFO bunkers
Ship routing in 2026	Gradual return of Suez Canal transits in 2026 (releasing latent capacity)	Return to Suez Canal transits postponed beyond 2027 (no release of latent capacity)	Return to Suez Canal transits postponed beyond 2027 (no release of latent capacity)
Supply-demand balance in 2026	Balance weakens substantially, partly due to return to Suez routing	Balance weakens less as port productivity degraded slightly, ships sail more slowly and Cape diversions continue	Balance weakens marginally as port productivity degraded more, ships sail more slowly and Cape diversions continue
Future demand in 2026	World throughput growth for 2026 forecast at 1.8%	World throughput growth for 2026 forecast at 1.8%	World throughput growth for 2026 downgraded to 1.3%

Source: Drewry Maritime Research

Freight rate outlook

Table 6.1 Forecast estimated average unit rate, East-West container market* (\$ per teu)

Drewry base case scenario 1: Short Iran war (2 months)				
Year	East-West supply/demand index	% Change	Weighted East-West freight rate including fuel charges	% Change
2023	91.1	-0.7%	\$1,046	-58.7%
2024	97.6	7.1%	\$1,126	7.6%
2025	92.2	-5.5%	\$907	-19.4%
2026**	90.2	-2.1%	\$763	-15.9%
2027**	86.4	-4.2%	\$694	-9.0%
Year	Estimated East-West average fuel surcharge	% Change	Weighted East-West freight rate excluding fuel charges	% Change
2023	\$248	-11.2%	\$798	-64.6%
2024	\$228	-8.2%	\$898	12.5%
2025	\$196	-13.9%	\$711	-20.8%
2026**	\$211	7.4%	\$552	-22.4%
2027**	\$193	-8.3%	\$501	-9.3%
Scenario 2: Longer Iran war (12 months)				
Year	East-West supply/demand index	% Change	Weighted East-West freight rate including fuel charges	% Change
2023	91.1	-0.7%	\$1,046	-58.7%
2024	97.6	7.1%	\$1,126	7.6%
2025	92.2	-5.5%	\$907	-19.4%
2026**			\$913	0.6%
2027**			\$811	-11.1%
Year	Estimated East-West average fuel surcharge	% Change	Weighted East-West freight rate excluding fuel charges	% Change
2023	\$248	-11.2%	\$798	-64.6%
2024	\$228	-8.2%	\$898	12.5%
2025	\$196	-13.9%	\$711	-20.8%
2026**	\$310	58.2%	\$603	-15.3%
2027**	\$230	-25.7%	\$581	-3.6%

* Weighted average of two-way Transpacific, Europe-Far East and Transatlantic trades, inclusive of THCs and intermodal rates where appropriate, covering both spot and contract markets

** Full-year projection

Source: Drewry Maritime Research

Freight rate outlook

Table 6.2 Forecast estimated average unit rate, global container market* (\$ per teu)

Drewry base case scenario 1: Short Iran war (2 months)				
Year	Global supply/demand index	% Change	Weighted Global freight rate including fuel charges	% Change
2023	77.8	-22.0%	\$1,155	-55.7%
2024	84.5	8.7%	\$1,300	12.5%
2025	86.3	2.1%	\$1,055	-18.8%
2026**	86.5	0.3%	\$1,003	-4.9%
2027**	82.7	-4.5%	\$904	-9.9%
Year	Estimated Global average fuel surcharge	% Change	Weighted Global freight rate excluding fuel charges	% Change
2023	\$248	-11.2%	\$907	-61.0%
2024	\$228	-8.2%	\$1,072	18.1%
2025	\$196	-13.9%	\$859	-19.9%
2026**	\$211	7.4%	\$793	-7.7%
2027**	\$193	-8.3%	\$711	-10.3%
Scenario 2: Longer Iran war (12 months)				
Year	Global supply/demand index	% Change	Weighted Global freight rate including fuel charges	% Change
2023	77.8	-22.0%	\$1,155	-55.7%
2024	84.5	8.7%	\$1,300	12.5%
2025	86.3	2.1%	\$1,055	-18.8%
2026**			\$1,119	6.0%
2027**			\$1,021	-8.7%
Year	Estimated Global average fuel surcharge	% Change	Weighted Global freight rate excluding fuel charges	% Change
2023	\$248	-11.2%	\$907	-61.0%
2024	\$228	-8.2%	\$1,072	18.1%
2025	\$196	-13.9%	\$859	-19.9%
2026**	\$310	58.2%	\$809	-5.9%
2027**	\$230	-25.7%	\$791	-2.2%

* Average of all deep-sea trades (including intra-Asia), inclusive of THCs and intermodal rates where appropriate, covering both spot and contract markets

** Full-year projection

Source: Drewry Maritime Research

Freight rate outlook

In the worst-case scenario of a protracted Middle East conflict, we expect East-West rates (incl. fuel) to increase 0.6% this year and then slide 11.1% in 2027. For rates excluding fuel, we expect a reduction of 15.3% in 2026 and of 3.6% in 2027. For Global rates (excl. fuel), we forecast reductions of 5.9% and 2.2% in 2026 and 2027. If we add the fuel surcharges, we expect freight rates to increase 6% in 2026, followed by a reduction of 8.7% in 2027.

Drewry's worst-case scenario for 2026 predicts East-West rates to increase 0.6% and Global freight rates 6%

2026 freight rate forecast summary & adjustments (base case)

	1Q26 edition	4Q25 edition	Difference
East-West	-15.9%	-23.6%	7.7%
Global	-4.9%	-16.5%	11.6%

2027 freight rate forecast summary & adjustments (base case)

	1Q26 edition	4Q25 edition	Difference
East-West	-9.0%	n.a	new
Global	-9.9%	n.a	new

1Q26 review

The evolution of spot freight rates during the first quarter is traditionally determined by the cargo cycle around Lunar New year: volumes (and freight rates) spike in January and nosedive in February, when factories in China and other countries in the Far East shut for two to four weeks. Consequently, the fact that Drewry's East-West index shot up 17% in January, only to fall back 19% in February was unsurprising. More noteworthy is that the index during the first two months of 1Q26 was 33% lower than during the same period of 2025, indicating that structural overcapacity had forced shipping lines to cede the upper hand to freight buyers.

Drewry's 1Q26 East-West index 33% lower YoY

However, the war in the Persian Gulf has resulted in a near-complete blockage of maritime traffic through the Strait of Hormuz that has lowered effective capacity and massively increased bunker costs.

The Drewry Composite World Container Index, which is a weighted average of weekly spot rates on the eight major East-West trades, started the year on a high of \$2,555 per 40ft, declining for 7 weeks straight to reach \$1,899/40ft on 26 February, before increasing \$273 in the first three weeks of the Iran war.

Drewry's World Container Index up \$273 in the first three weeks of the conflict

Freight rates on the EB Transpacific and WB Asia-Europe trades also followed this U-shaped curve, gaining \$400 and \$384, respectively, since the start of the conflict. Freight rates on the WB Transatlantic trade were unaffected and have gently trended down, shedding \$181 per 40ft since starting of the year at \$1,685/40ft.

Iran war putting upward pressure on freight rates on the EB Transpacific, WB Asia-Europe, intra-Asia and North-South trades

Freight rate outlook

On intra-Asian trades, freight rates were also retreating until the conflict broke out. Drewry's composite intra-Asian Index, having peaked at \$716 per 40ft in the final fortnight of 2025, had lost \$165 (23%) by the end of February, as factories wound down for Lunar New Year. But by 20 March, the index has strengthened again to \$646 per 40ft.

On North South trades, freight rates started decreasing in December 2025, and Drewry's monthly North-South Index lost 30%, reaching \$1,840 by February. Given this is a monthly metric we did not have the March value at the time of writing, but we can reasonably expect freight rates on these trade routes to show similar increases as elsewhere.

Table 6.3 Estimated average unit rate by quarter, East-West container market (base case forecast)

Year		\$ per teu	Change QoQ	Change YoY
2023		\$1,046		-58.7%
2024		\$1,126		7.6%
2025		\$907		-19.4%
2026		\$763		-15.9%
2027		\$694		-9.0%
2023	Q1	\$1,629	-16.2%	-38.5%
	Q2	\$1,065	-34.7%	-63.3%
	Q3	\$773	-27.4%	-70.6%
	Q4	\$719	-7.0%	-63.1%
2024	Q1	\$1,007	40.2%	-38.2%
	Q2	\$1,087	7.9%	2.1%
	Q3	\$1,343	23.5%	73.8%
	Q4	\$1,065	-20.7%	48.2%
2025	Q1	\$986	-7.5%	-2.2%
	Q2	\$932	-5.5%	-14.3%
	Q3	\$891	-4.4%	-33.7%
	Q4	\$821	-7.8%	-22.9%
2026	Q1	\$836	1.9%	-15.1%
	Q2	\$730	-12.7%	-21.6%
	Q3	\$759	3.9%	-14.8%
	Q4	\$725	-4.4%	-11.7%
2027	Q1	\$728	0.3%	-13.0%
	Q2	\$707	-2.8%	-3.1%
	Q3	\$688	-2.8%	-9.4%
	Q4	\$652	-5.2%	-10.1%

Source: Drewry Maritime Research

Freight rate outlook

Table 6.4 Estimated average unit rate by quarter, East-West container market (scenario 2 forecast)

Year		\$ per teu	Change QoQ	Change YoY
2023		\$1,046		-58.7%
2024		\$1,126		7.6%
2025		\$907		-19.4%
2026		\$913		0.6%
2027		\$811		-11.1%
2023	Q1	\$1,629	-16.2%	-38.5%
	Q2	\$1,065	-34.7%	-63.3%
	Q3	\$773	-27.4%	-70.6%
	Q4	\$719	-7.0%	-63.1%
2024	Q1	\$1,007	40.2%	-38.2%
	Q2	\$1,087	7.9%	2.1%
	Q3	\$1,343	23.5%	73.8%
	Q4	\$1,065	-20.7%	48.2%
2025	Q1	\$986	-7.5%	-2.2%
	Q2	\$932	-5.5%	-14.3%
	Q3	\$891	-4.4%	-33.7%
	Q4	\$821	-7.8%	-22.9%
2026	Q1	\$966	17.7%	-1.9%
	Q2	\$863	-10.7%	-7.4%
	Q3	\$918	6.4%	3.0%
	Q4	\$904	-1.5%	10.1%
2027	Q1	\$839	-7.2%	-13.2%
	Q2	\$870	3.7%	0.8%
	Q3	\$825	-5.2%	-10.1%
	Q4	\$711	-13.8%	-21.3%

Source: Drewry Maritime Research

Table 6.5 Summary of selected weekly World Container Index spot rates after 12 weeks in 2026 (US\$/40ft container)

Port pair	YTD avg	Y/Y % chg	High	Low	Spread	STDEV (2025)	STDEV (2026)	Volatility
Shanghai to Rotterdam	\$2,312	-29%	\$2,840	\$2,052	\$788	\$770	\$262	↓
Shanghai to Genoa	\$3,146	-26%	\$3,885	\$2,826	\$1,059	\$681	\$362	↓
Shanghai to Los Angeles	\$2,426	-42%	\$3,132	\$2,191	\$941	\$905	\$288	↓
Shanghai to New York	\$3,027	-46%	\$3,957	\$2,771	\$1,186	\$1,103	\$359	↓
Rotterdam to New York	\$1,584	-38%	\$1,685	\$1,504	\$181	\$180	\$47	↓

Source: World Container Index, Drewry Maritime Research

Freight rate outlook

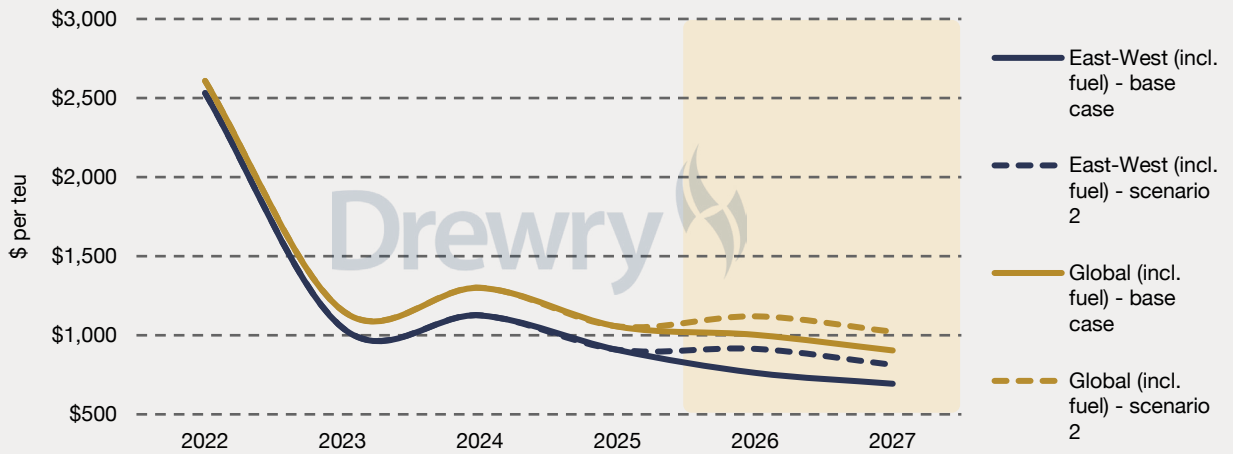
Freight rate forecast – highlights

During the first two months of 1Q26, freight rates on both Global and East-West trades were trending downwards, in line with the latest Drewry forecasts. But the Middle East war has upended our previous work, causing some important revisions.

To adjust to this new reality, Drewry developed two new outlook scenarios. In the first scenario, Drewry’s base case scenario, we assume a relatively short war of 2 months, while the second scenario, Drewry’s worst-case scenario, we assume a longer war of 12 months.

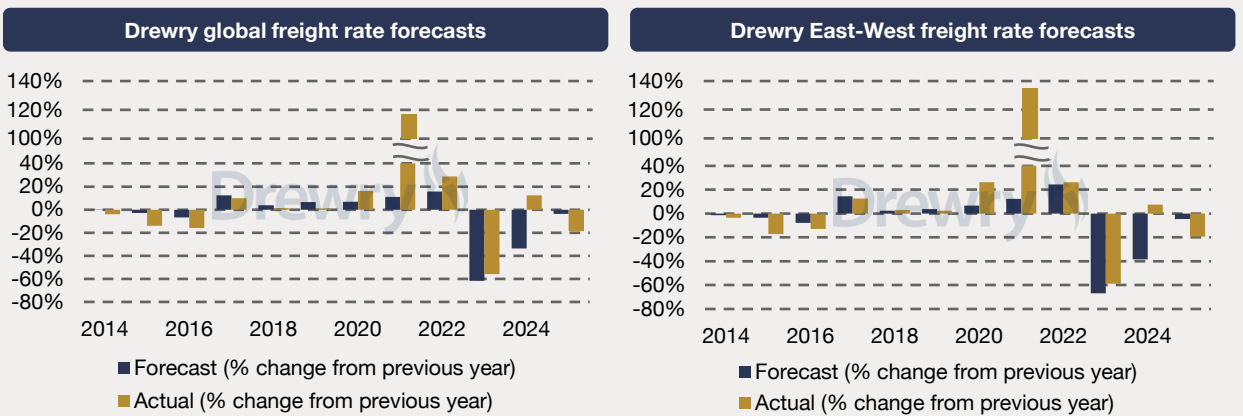
Iran war slashes effective capacity

Figure 6.2 Annual freight rate forecast



Source: Drewry Maritime Research

Figure 6.3 Drewry freight rate forecast performance



Note: Forecasts taken from December Container Forecaster reports prior to the year in question.

Source: Drewry Maritime Research

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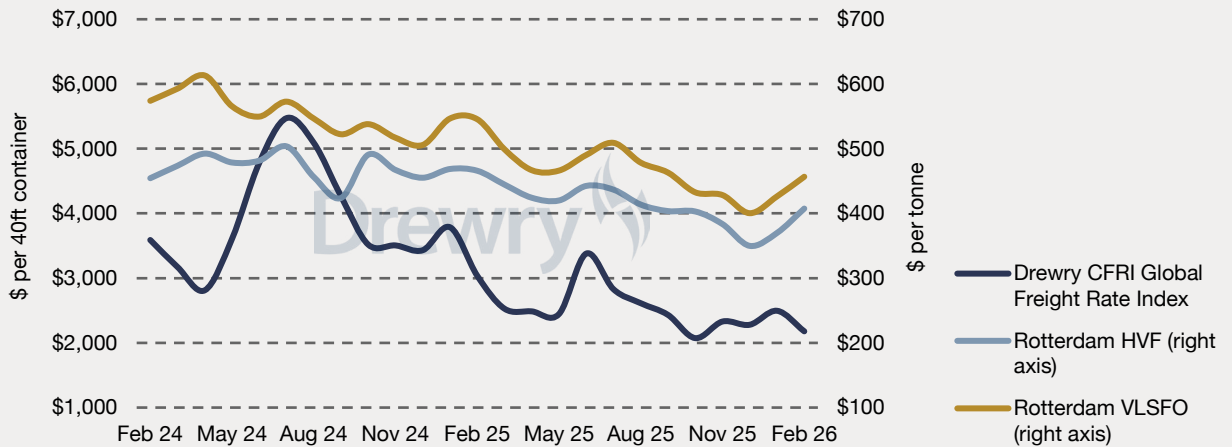
Freight rate outlook

In both scenarios, Drewry anticipates significantly higher freight rates (smaller reductions) for 2026 than previously forecasted. In the base case scenario, Drewry now forecasts a 15.9% reduction on East-West trades (compared to a reduction of 23.6% forecasted at the end of 4Q25) a 4.9% reduction on Global trades (compared to a 16.5% reduction forecasted at the end of 4Q25).

For 2027, we forecast further reductions in spot rates of 9.0% on East-West trades and 9.9% on Global trades.

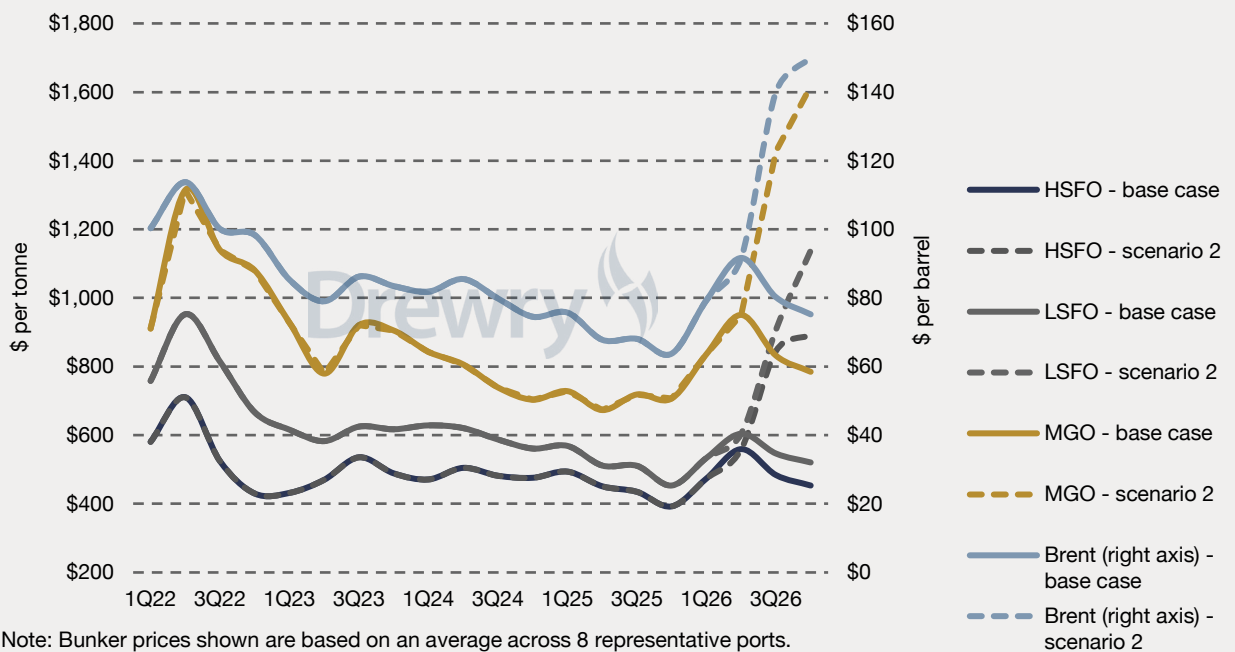
East-West rates to fall 15.9% in 2026, and 9.0% in 2027

Figure 6.4 Trends in container spot rates, bunker prices, monthly averages



Source: Drewry Maritime Research, Drewry Container Freight Rate Insight

Figure 6.5 Forecast bunker prices for different fuel types



Note: Bunker prices shown are based on an average across 8 representative ports.

Source: Drewry Maritime Research

Freight rate outlook

Freight rate forecast – rationale

The revisions to our forecasts were driven by:

- The Iran conflict has immediately added significant cost to shippers with emergency bunker surcharges and other costs
- The ‘return to Suez’ assumption, which we had modelled to occur gradually throughout 2H26, is now further postponed, meaning carriers are not facing an immediate supply-demand cliff-edge
- A downgraded outlook for demand as the rising cost of energy threatens to pump inflation

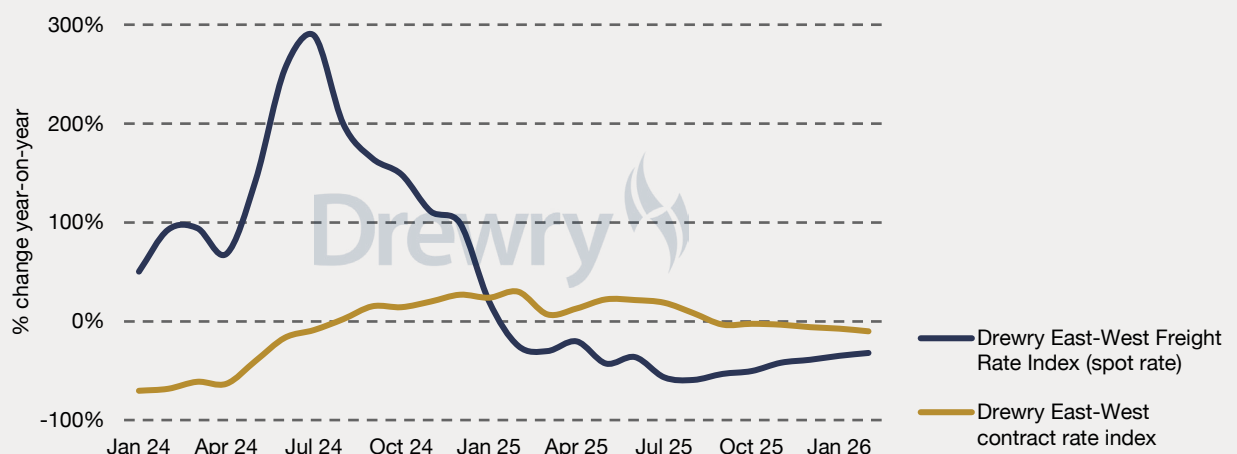
Freight rate forecasts – sensitivities

The main uncertainties around our updated freight rate forecasts are summarised below:

Energy prices: In the three weeks since the start of the Iran war, Brent crude prices have risen by 50%, and VLSFO fuel prices in Singapore have more than doubled. Conflicting messaging from the main protagonists makes it hard to second-guess when the war might stop, although damage to energy infrastructure in the region will likely mean curtailed supply even after military action ceases.

Operational disruption: It remains to be seen how substitute hub ports for the Middle East cope; any significant efficiency degradation would further reduce effective capacity.

Figure 6.6 Development of average East-West spot freight rates and contract freight rates



Source: Drewry Benchmarking Club

Industry Profitability and Financial Trends

How quickly things change. At the outset of the year, the container shipping industry moved with cautious optimism, hopeful for a normalisation of operations with a number of carriers conducting limited test sailings through the Suez Canal. For a moment, the shortest path between Asia and Europe seemed poised to reopen and remove some of the capacity constraints that had tightened markets over the preceding two years.

Yet the optimism was tempered by a disconnect between physical and financial markets. Freight rate forecasts were negative, reflecting an anticipated loosening of capacity, but container equities moved in a more optimistic direction. The Drewry Container Equity Index (DCEI) – a market cap weighted index of 12 major carriers - rose 2.4% between 1 January and 14 February, buoyed in part by the suspension of IEEPA-based tariffs.

The early weeks of 2026 thus illustrated the market’s ambivalence: bears fretted over falling freight rates as supply expanded, while bulls clung to the promise of stronger volumes and sustained trade growth.

Then, as so often in shipping, the unexpected arrived. In late February, a joint military operation by the United States and Israel against Iran abruptly derailed the fragile optimism. The Strait of Hormuz, through which roughly a fifth of global oil exports flow, was effectively closed. The Suez Canal was once again a tenuous prospect. Carriers scrambled and reverted to the longer Cape route, abandoning the brief window of Red Sea normalisation.

In financial markets, the impact was paradoxically positive. The DCEI climbed 7.0% during the period from 28 February to 19 March, and the Drewry World Container Index (WCI) – a benchmark of spot freight rates on eight East-West trades - rose 14.4%, reflecting the renewed tightness in effective supply and more costly bunker surcharges. What had been a narrative of easing capacity suddenly flipped: disruption, rather than normalisation, became the driver of profitability.

The war in the Middle East has boosted carriers’ chances of remaining profitable

Carrier share prices have strengthened during the Iran war as disruption becomes a key profitability driver

How Drewry calculates container shipping industry profitability

Step	Calculation	Note
Gross carrier income	Loaded container moves (m teu) x revenue per teu = Gross Carrier Income (US\$Bn)	Revenue per teu is the same as the Weighted Global freight rate including fuel charges (see Table 6.2) that incorporates both spot and contract prices
Industry EBIT margin	Based on sample carriers as listed in footnote in Figure 6.6	Target is to include a wide mix of carriers from large to small and include liner division results only whenever possible. The sample does change dependent on the number of carriers that publish financials
EBIT	Gross Carrier Income (US\$Bn) x EBIT margin = EBIT (US\$Bn)	Any changes to quarterly loaded container moves or revenue per teu are liable to change this assessment (rarely by a significant margin)

Industry Profitability and Financial Trends

Table 6.6 Financial results of selected carriers, 12 months 2024-25 (\$ million)

Carrier/Group	Revenue			Operating profit			Operating margin		Net profit		
	2024	2025	%	2024	2025	%	2024	2025	2024	2025	%
3 months (Oct-Dec)											
AP Moller-Maersk (ocean)	9,902	8,316	-16%	1,600	-153	-110%	16.2%	-1.8%	n.a	n.a	n.a
COSCO SHIPPING Holdings (container shipping business) [1] [2]	7,935	7,007	-12%	1,960	642	-67%	24.7%	9.2%	1,521	488	-68%
COSCO SHIPPING Lines [1]	5,426	4,916	-9%	1,378	457	-67%	25.4%	9.3%	974	296	-70%
OOIL/OOCL [1]	2,508	2,091	-17%	582	185	-68%	23.2%	8.8%	547	192	-65%
Eimskip (Liner services) [1]	157	116	-26%	2	-8	-500%	1.3%	-6.9%	n.a	n.a	n.a
Evergreen Marine [1]	3,581	2,763	-23%	1,065	268	-75%	29.7%	9.7%	949	275	-71%
HMM (containers) [1]	1,983	1,564	-21%	684	167	-76%	34.5%	10.7%	n.a	n.a	n.a
Matson (ocean transportation)	742	704	-5%	137	136	-1%	18.5%	19.3%	n.a	n.a	n.a
Ocean Network Express [3]	4,846	4,074	-16%	1,049	-84	-108%	21.6%	-2.1%	1,156	-88	-108%
Regional Container Lines [1]	291	288	-1%	70	57	-18%	24.0%	19.8%	n.a	n.a	n.a
Wan Hai [1]	1,284	1,076	-16%	403	204	-49%	31.4%	19.0%	395	323	-18%
Yang Ming [1]	1,653	1,202	-27%	410	-23	-106%	24.8%	-1.9%	388	74	-81%
Zim	2,168	1,485	-31%	658	143	-78%	30.3%	9.6%	561	38	-93%
12 months (Jan-Dec)											
AP Moller-Maersk (ocean)	37,388	34,975	-6%	4,743	1,386	-71%	12.7%	4.0%	n.a	n.a	n.a
COSCO SHIPPING Holdings (container shipping business) [1] [2]	31,353	29,307	-7%	8,741	5,258	-40%	27.9%	17.9%	6,945	4,103	-41%
COSCO SHIPPING Lines [1]	21,653	20,573	-5%	6,092	3,720	-39%	28.1%	18.1%	4,367	2,599	-40%
OOIL/OOCL [1]	9,700	8,734	-10%	2,648	1,538	-42%	27.3%	17.6%	2,578	1,504	-42%
Eimskip (Liner services) [1]	615	469	-24%	11	3	-73%	1.8%	0.6%	n.a	n.a	n.a
Evergreen Marine [1]	14,433	12,165	-16%	4,980	2,379	-52%	34.5%	19.6%	4,342	2,201	-49%
HMM (containers) [1]	7,440	6,501	-13%	2,478	911	-63%	33.3%	14.0%	n.a	n.a	n.a
Matson (ocean transportation)	2,810	2,736	-3%	501	456	-9%	17.8%	16.7%	n.a	n.a	n.a
Ocean Network Express [3]	18,785	16,890	-10%	3,804	459	-88%	20.3%	2.7%	4,290	592	-86%
Regional Container Lines [1]	1,001	1,125	12%	233	253	9%	23.3%	22.5%	n.a	n.a	n.a
Samudera Shipping Line (container shipping)	490	556	14%	81	85	5%	16.4%	15.2%	n.a	n.a	n.a
SITC	3,058	3,412	12%	1,054	1,251	19%	34.5%	36.7%	1,028	1,223	19%
T.S. Lines	1,340	1,285	-4%	367	331	-10%	27.4%	25.8%	366	329	-10%
Wan Hai [1]	5,038	4,504	-11%	1,573	1,066	-32%	31.2%	23.7%	1,476	1,010	-32%
Yang Ming [1]	6,934	5,249	-24%	2,104	475	-77%	30.3%	9.0%	1,998	549	-73%
Zim	8,427	6,904	-18%	2,527	1,016	-60%	30.0%	14.7%	2,148	481	-78%

Notes: n.a = not available; n.m = not meaningful

[1] Local currency numbers were converted into US dollars using the average exchange rate for relevant financial period

[2] These are the combined figures for COSCO SHIPPING Lines and OOIL/OOCL; EBIT for 1Q24 based on published USD sum, not after usual conversion due to absence of results in local currency

[3] Ocean Network Express is based on calendar year rather than its financial year

Source: Drewry Maritime Research, derived from ocean carrier financial reports

Industry Profitability and Financial Trends

Looking forward, the dual choke points of the Strait of Hormuz and the Red Sea suggest that the operational ripple effects of this conflict will extend far beyond the Middle East. Container carriers are likely to enjoy a near-term boost in spot rates, but the longer-term picture is less sanguine. Prolonged conflict could depress demand through slower global growth, while higher bunker prices could erode margins if not fully recovered. The real measure of the disruption's impact will only start to emerge when carriers release first and second quarter results for 2026.

Looking in the rear-view mirror, the earnings season for 4Q25 and FY25 is nearly over with only Hapag-Lloyd of the majors left to report its results at the time of writing (it did present some preliminary numbers).

Based on available company data, the industry's EBIT margin for the final quarter of 2025 dropped to 4.7%, its lowest since 4Q23 (-4.2%). Revenue for 4Q25 declined 19% YoY as the steady freight rate erosion took the shine off volume gains.

For the full year 2025, stronger results from earlier in the year saw the industry EBIT margin land at 10.4%, down from the 22.2% margin achieved in 2024, but still considerably higher than in most pre-pandemic years.

Industry operating margins in 4Q25 fell to a two-year low of 4.7% as revenue declined 19% YoY

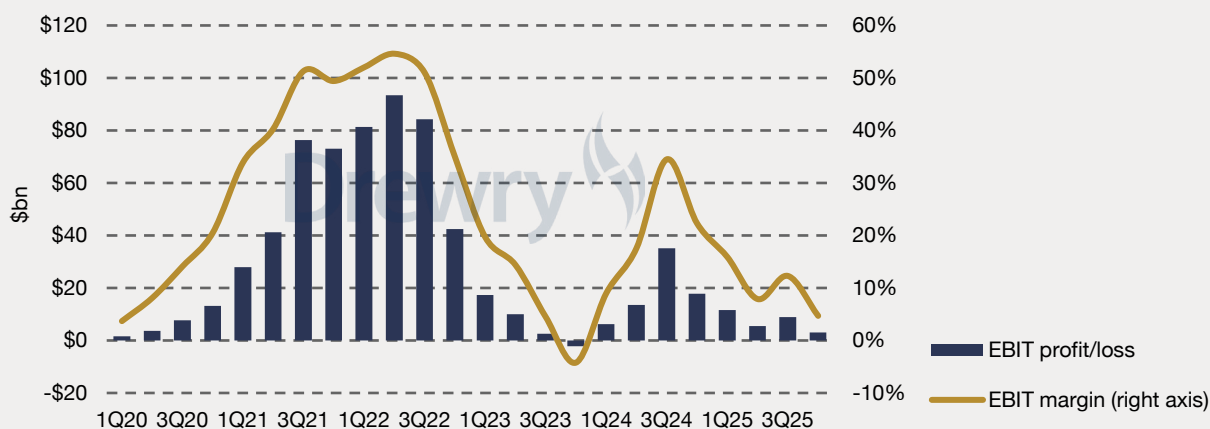
2026 carrier profit forecast summary & adjustments

	1Q26 edition	4Q25 edition	Difference
EBIT (\$bn)	\$10	\$1	\$9
EBIT margin	3.7%	0.4%	3.3%

2027 carrier profit forecast summary & adjustments

	1Q26 edition	4Q25 edition	Difference
EBIT (\$bn)	\$1	n.a	new
EBIT margin	0.4%	n.a	new

Figure 6.7 Estimated carrier industry ebit profit/loss and ebit margins



Note: EBIT margins based on average of sample carriers after currency conversion to US dollars when necessary. Sample consists of APL - excluded post 4Q15; China COSCO (container shipping) - from 1Q19; CMA CGM (container shipping) - stopped reporting from 2Q23; Eimskip (Liner services) - from 1Q14 ; Evergreen Marine Corp; Hanjin Shipping (container) - excluded post 2Q16; Hapag-Lloyd; HMM (container unit only); Maersk Line - excluded 1Q18-4Q19; Matson (ocean transportation); ONE - from 2Q20; Regional Container Lines; Samudera Container Lines (excluded post 4Q19); Wan Hai; Yang Ming; Zim; MOL (containerships), NYK (liner) and K Line (containerships) - excluded post 1Q18.

Source: Drewry Maritime Research

Industry Profitability and Financial Trends

A positive for carriers in 4Q25 was lower operating costs, which we estimate dropped 0.8% QoQ and 5.6% YoY, mainly due to falling bunker prices. The Iran war means that won't be repeated again in 2026.

Loaded global container moves increased 5.9% in 2025, driven by front-loading and heightened demand for Chinese imports outside of the US. Volume growth was varied with a wide range between the best performing and worst. Intra-Asia specialist Regional Container Lines led with an 8.8% annual increase, followed by Hapag-Lloyd at +8%. In contrast, US-based Matson experienced a 2.6% decline, reflecting weaker US imports. Of the bigger Top 10 carriers, Zim suffered the most, seeing its volume shrink 2.3% in 2025.

Yet growth in volume masked a broader malaise: freight rates plummeted. Industry-wide, average unit revenue fell 18.8% in 2025, accelerating to 23.0% in the fourth quarter alone. Zim's rates tumbled 29.3%, while both Hapag-Lloyd and ONE experienced a smaller drop of around 16%. The net effect was a collapse in gross income and a dramatic contraction in profitability. Even carriers that remained profitable faced an increasingly narrow margin for error.

The early months of 2026 have shifted this outlook. The geopolitical shock of the Iran war has delayed the anticipated easing of freight rates, and supply bottlenecks now support pricing. Scenario analysis illustrates the divergence in possible outcomes: a two-month conflict would limit global rate declines to 4.9% in 2026, leaving gross income down just 4.2% for the year and pushing projected industry EBIT to \$10 billion, with a 3.7% margin. By contrast, a year-long disruption would depress throughput growth to 1.3%, but higher rates would increase revenue, resulting in a net positive outcome.

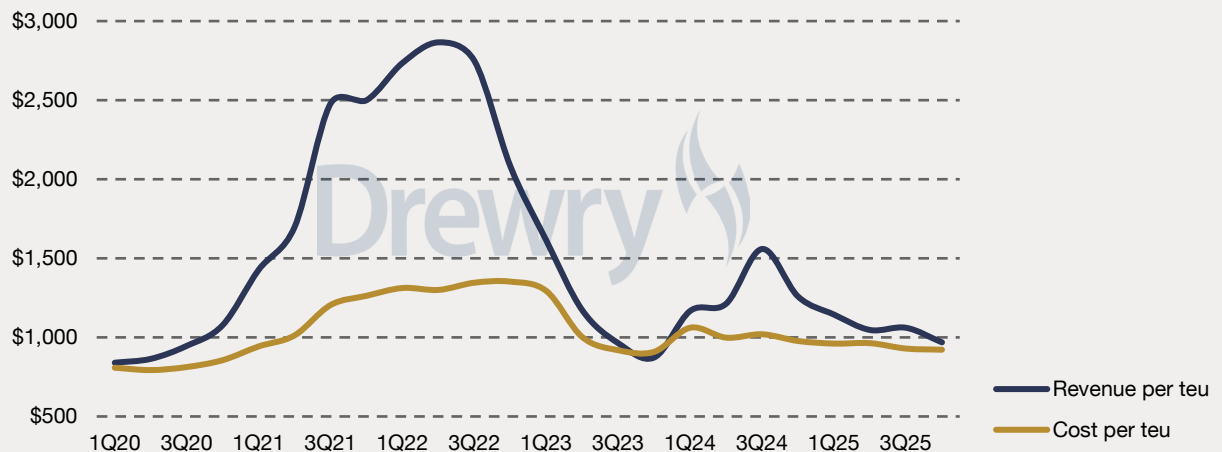
Strategic manoeuvres are already underway. Germany's Hapag-Lloyd's pending \$4.2 billion (\$35 per share) acquisition of Israeli carrier Zim at 58% premium highlights the scramble for market share and operational flexibility.

Unstoppable freight rate slide meant that carriers were less profitable in 2025 despite 6% uplift in loaded moves

The geopolitical shock of the Iran war has delayed the anticipated easing of freight rates, and supply bottlenecks now support pricing and higher profits

Carrier M&A back on the agenda with pending \$4.2 billion acquisition of Zim by Hapag-Lloyd

Figure 6.8 Estimated industry freight rates, unit costs



Source: Drewry Maritime Research

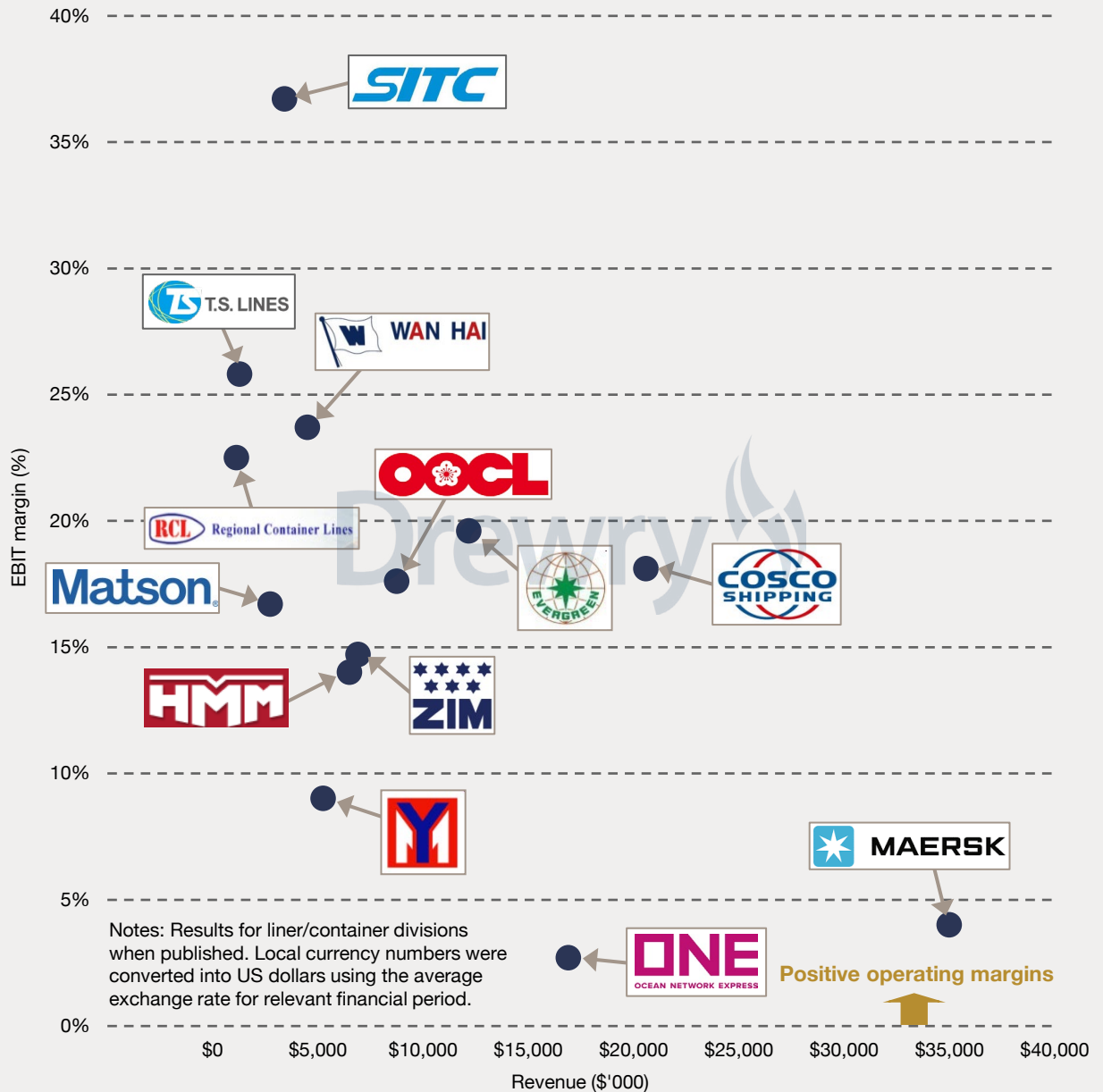
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Industry Profitability and Financial Trends

When news first emerged late last year that talks were under way, we assigned a very low probability to Hapag-Lloyd succeeding. We assumed its ownership structure would be unacceptable to the Israeli government, given that it includes Middle East-based sovereign funds from Saudi Arabia and Qatar, a legacy of its 2017 merger with United Arab Shipping Company (UASC).

To address Israeli strategic concerns, FIMI Opportunity Funds, Israel's largest private equity fund, will become the owner of "New Zim", an independent carrier that will assume the obligations of the State of Israel's "Golden Share" structure, which grants veto rights over certain corporate actions.

Figure 6.9 12-month 2025 scorecard: comparison of ebit margins, revenue of selected carriers



Source: Drewry Maritime Research, derived from ocean carrier financial reports

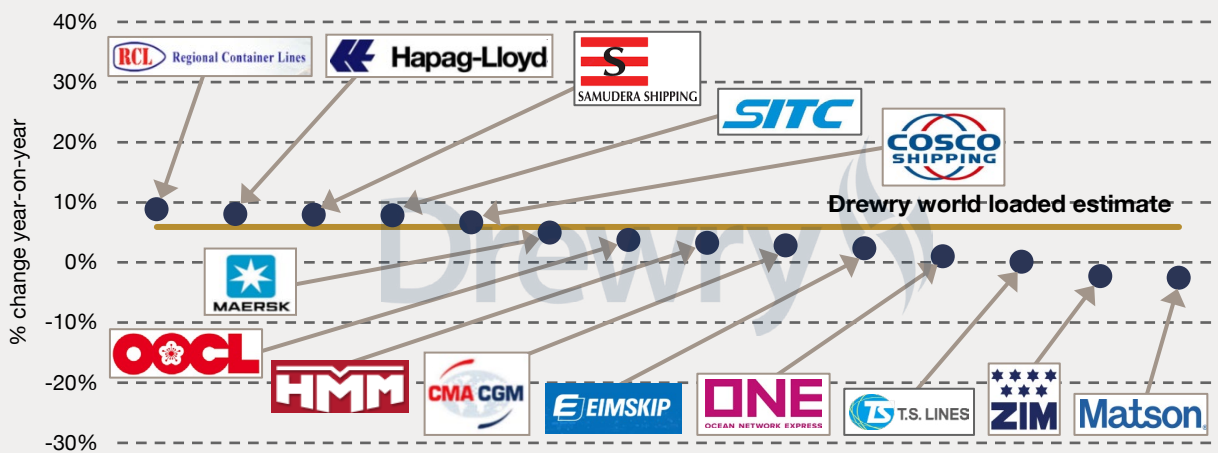
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Industry Profitability and Financial Trends

New Zim will acquire 16 ships (12 owned, four chartered) from the combined group to maintain Israel’s connectivity with key Mediterranean and US East Coast markets. Hapag-Lloyd will also act as a slot-charter partner to New Zim.

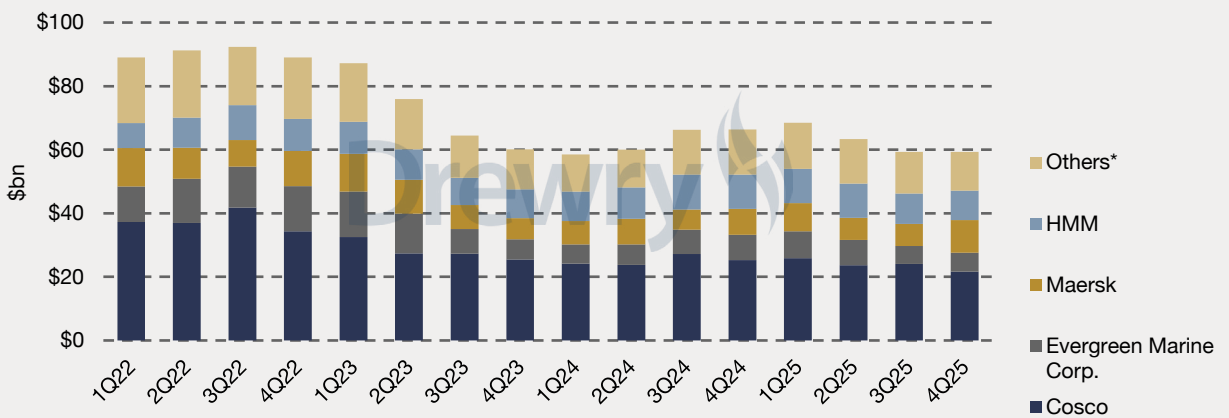
Strategically, the acquisition will provide Hapag-Lloyd with a quick pathway to expand its market share and keep up with peers in the Top 5 (MSC, Maersk, CMA CGM and Cosco), while Zim’s largely chartered fleet will provide cost flexibility.

Figure 6.10 Selected carriers’ 2025 volume growth



Source: Drewry Maritime Research

Figure 6.11 Historical cash reserves of selected carriers



* Others include HMM, Matson, RCL, Wan Hai, Yang Ming, and Zim.

Source: Drewry Maritime Financial Research

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Industry Profitability and Financial Trends

The deal is expected to close later in 2026, subject to approval by Zim’s shareholders, Israeli ministries and antitrust authorities in the relevant jurisdictions.

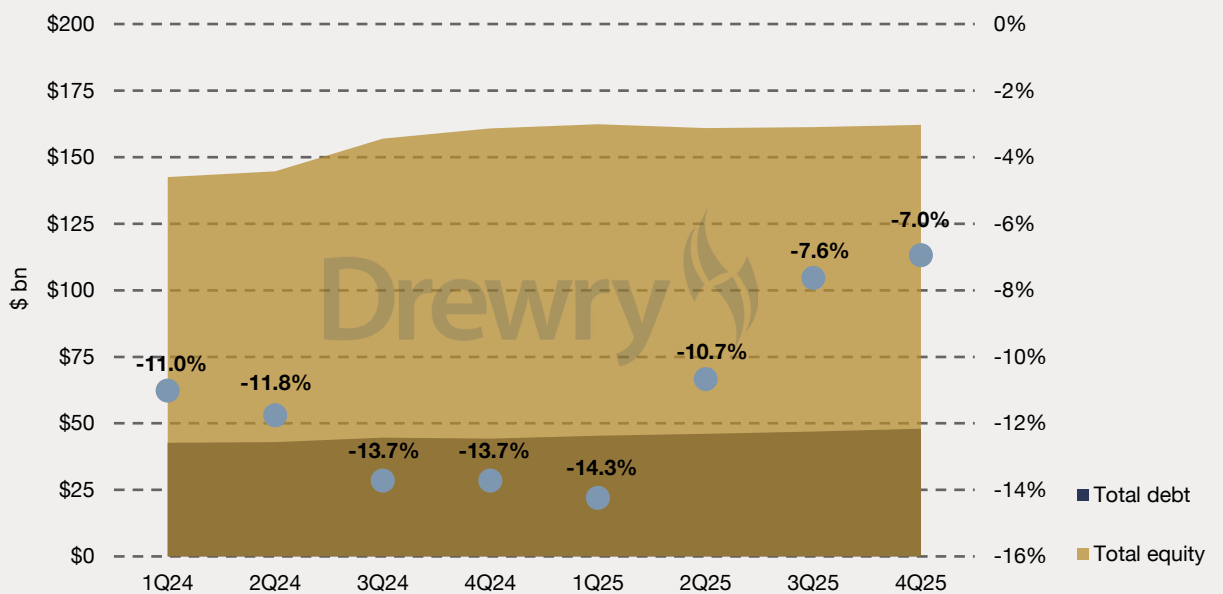
Meanwhile, Maersk has strengthened its foothold in allied infrastructure, acquiring a 37.5% stake in Jeddah Islamic Port, potentially a critical gateway if the Strait of Hormuz remains closed.

Despite the turbulence, the industry’s balance sheet remains robust. Cash reserves are still relatively high and net gearing remains negative, meaning the industry has sufficient headroom for strategic expansion. Year-to-date, as of 20 March, the DCEI has risen 11.7%, led by SITC (+27.4%) amid port congestion and rerouted vessels, although laggards such as Samudera (-11.4%) illustrate the uneven impact of fleet size and market exposure.

Looking ahead, container carriers are likely to benefit from continued supply chain disruptions, with longer disruptions potentially translating into stronger earnings. In terms of valuation, container equities are currently trading at a P/B ratio of 0.76x (20 March 2026) slightly lower than the last 10-year average of 0.88x (excluding pandemic years of 2021-22) suggesting valuations remain broadly fair. This implies that investors should be cautious despite the recent positive momentum in the sector.

Despite the turbulence, the industry’s financial position is healthy with enough resources to continue with more strategic expansion

Figure 6.12 Historical net gearing ratio of industry

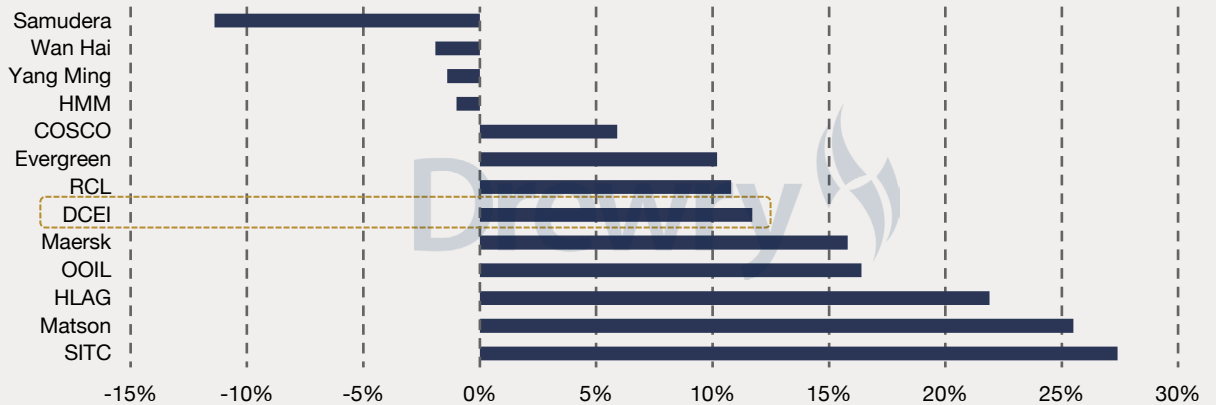


Note: Sample includes Cosco, Evergreen Marine Corp., HMM, Maersk, Matson, RCL, Wan Hai, Yang Ming and Zim.

Source: Drewry Maritime Financial Research

Industry Profitability and Financial Trends

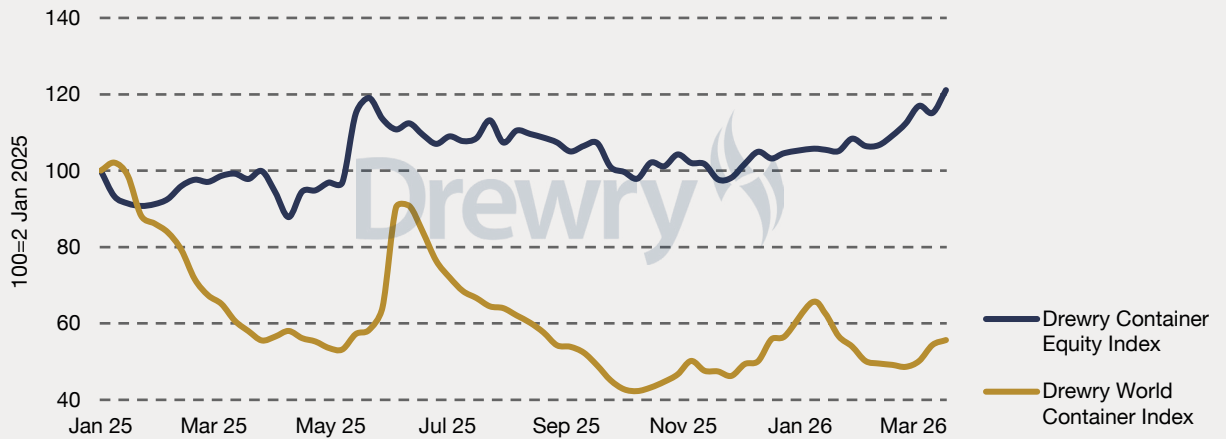
Figure 6.13 Container shipping stocks performance



* YTD ending 20 March 2026.

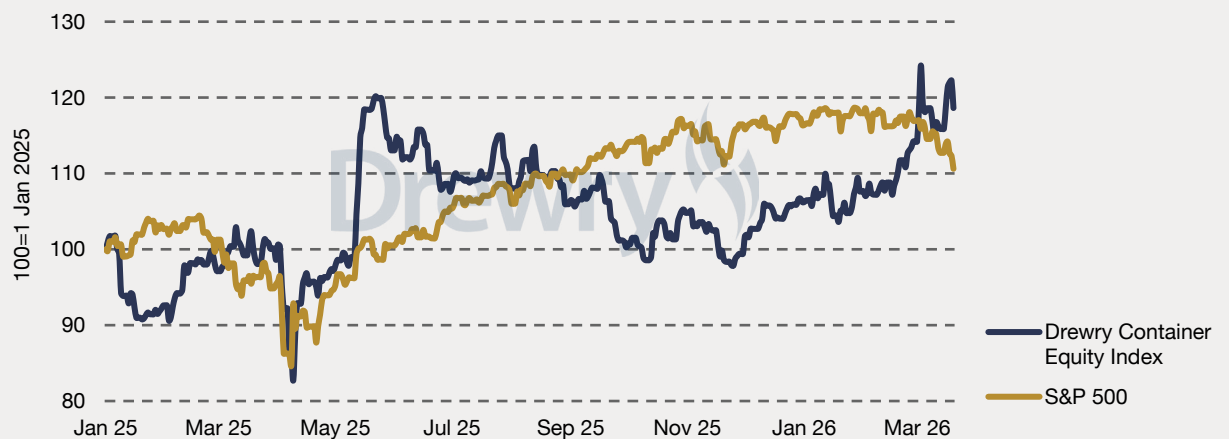
Source: Various exchanges, Drewry Maritime Financial Research

Figure 6.14 Drewry Container Equity Index versus Drewry World Container Index



Source: Various exchanges, World Container Index assessed by Drewry, Drewry Maritime Financial Research

Figure 6.15 Drewry Container Equity Index vs. S&P 500

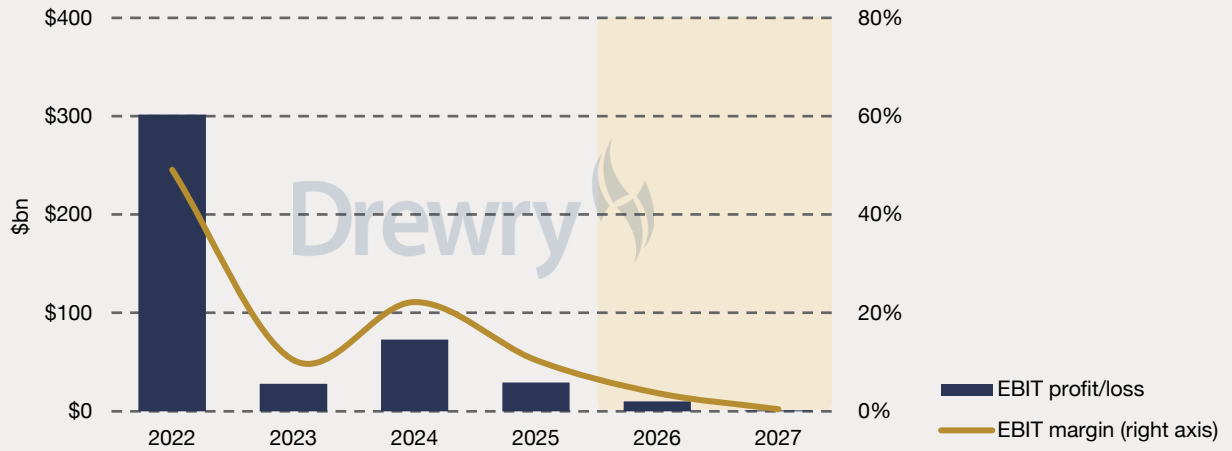


Source: Various exchanges, Drewry Maritime Financial Research

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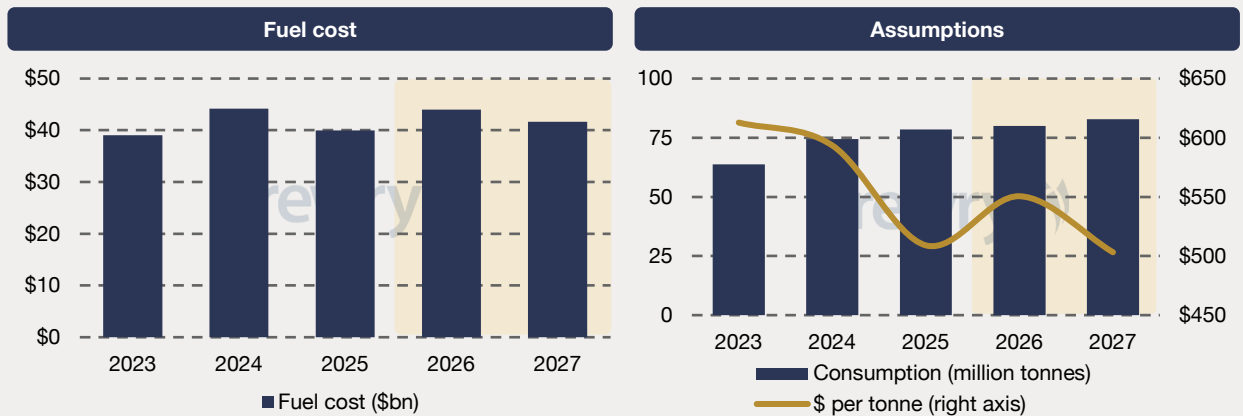
Industry Profitability and Financial Trends

Figure 6.16 Forecast carrier industry ebit profit/loss and ebit margins



Source: Drewry Maritime Research

Figure 6.17 Estimated annual fuel cost to the container industry



Note: Cost per tonne is weighted 90% LSFO, 10% HSFO.

Source: Drewry Maritime Research

Table 6.7 Carrying of selected carriers (kteu)

Carrier/Group	2024	2025	% Change
Maersk	24,676	25,884	4.9%
CMA CGM	23,570	24,240	2.8%
Cosco (excl. OOCL)	18,344	19,560	6.6%
Hapag-Lloyd	12,467	13,470	8.0%
Ocean Network Express [1]	12,681	12,804	1.0%
OOCL	7,595	7,874	3.7%
HMM	3,821	3,944	3.2%
SITC	3,570	3,849	7.8%
Zim	3,751	3,663	-2.3%
RCL	2,450	2,666	8.8%
Samudera Shipping Line	1,911	2,062	7.9%
T.S. Lines	1,652	1,654	0.1%
Matson	802	781	-2.6%
Eimskip	207	212	2.3%
Sample total	117,498	122,663	4.4%

[1] Ocean Network Express is based on calendar year rather than its financial year

Source: Drewry Maritime Research

Industry Profitability and Financial Trends

Table 6.8 Z-scores of selected carriers or parent companies

Company	Period	Period Ended	Unit	Net Sales	EBIT	Assets		Book Value of Equity	Liabilities		Retained Earnings	Z-score
						Total	Current		Total	Current		
SITC International Holdings	12 months	31-Dec-25	million US\$	3,412	1,156	3,478	1,223	2,501	976	725	2,047	4.61
Pacific International Lines	12 months	31-Dec-24	million US\$	4,305	1,459	7,465	3,102	5,595	1,870	1,295	4,788	4.21
OIL (parent of OOCL)	12 months	31-Dec-25	million US\$	9,722	1,533	17,669	7,181	13,413	4,256	2,486	13,343	4.10
Hyundai Merchant Marine	12 months	31-Dec-25	billion Won	10,891	1,464	33,563	15,118	26,571	6,992	2,602	13,280	3.75
Seaboard Corp. (parent of Seaboard Marine)	12 months	31-Dec-25	million US\$	9,746	239	8,246	3,630	5,235	3,011	1,510	5,552	3.57
Regional Container Lines	12 months	31-Dec-25	million THB	36,924	8,297	75,555	21,689	53,315	22,240	8,998	51,037	3.44
Yang Ming	12 months	31-Dec-25	million NT\$	163,558	14,641	454,228	207,162	326,602	127,626	44,069	263,162	3.24
Wan Hai	12 months	31-Dec-25	million NT\$	140,353	32,606	409,254	142,304	275,747	133,507	32,672	231,620	2.96
AP Moller-Maersk	12 months	31-Dec-25	million US\$	53,988	2,859	88,352	30,609	56,696	31,656	14,435	53,372	2.86
Samudera Shipping Line	12 months	31-Dec-25	million US\$	606	78	1,072	494	637	434	197	558	2.75
Evergreen Marine Corp	12 months	31-Dec-25	million NT\$	379,069	71,855	894,332	233,728	586,224	308,108	146,353	502,181	2.73
Matson, Inc.	12 months	31-Dec-25	million US\$	3,345	467	4,636	472	2,759	1,877	527	2,439	2.66
Hapag-Lloyd Holding	9 months	30-Sep-25	million euro	14,350	854	29,221	8,768	17,813	11,408	6,100	15,457	2.57
Ocean Network Express Holdings, Ltd	12 months	31-Mar-25	million Yen	3,028,057	586,733	5,354,320	2,488,648	3,438,578	1,915,756	717,272	2,085	2.40
China Cosco (parent of Cosco Container Lines)	12 months	31-Dec-25	million RMB	218,196	33,933	483,758	173,316	283,406	200,352	115,043	189,787	2.23
Zim	12 months	31-Dec-25	million US\$	6,904	846	11,008	2,631	4,026	6,983	2,134	4,021	1.79

Note: US academic Edward Altman, using statistical analysis, developed the corporate distress Altman "Z-score" in the 1960s. Well known and respected by practitioners and academics, this score uses statistical techniques to predict a company's probability of failure in the next 2 years, using data from a company's financial statements

The Z-score is calculated as follows:

$T1 = (\text{Current Assets} - \text{Current Liabilities}) / \text{Total Assets}$

$T2 = \text{Retained Earnings} / \text{Total Assets}$

$T3 = \text{Annualised Earnings Before Interest and Taxes} / \text{Total Assets}$

$T4 = \text{Book Value of Equity} / \text{Total Liabilities}$

$T5 = \text{Annualised Sales} / \text{Total Assets}$

$Z\text{-score bankruptcy rating} = 1.2T1 + 1.4T2 + 3.3T3 + 0.6T4 + 1.0T5$

A Z-score at or above 2.99 indicates that the company is "safe", based on these financial figures only. A Z-score between 1.8 and 2.99 indicates that one should exercise caution ("grey zone"), based on these financial figures only. A Z-score below 1.8 indicates a higher risk of the company going bankrupt ("distress zone"), based on these financial figures only

The Z-score company ratings shown here are objective calculations based on the well-known Z-score methodology and are provided to subscribers in good faith. They do not necessarily reflect the opinion of Drewry Shipping Consultants about the future prospects of the companies

Source: Drewry Maritime Research, from company reports

Competition Monitor / Regulatory Watch

While ocean carriers contemplate a tougher year 2026 ahead, characterised by weaker traffic growth, they continue to experience a trend of ongoing concentration both globally and on the major trade routes.

And this is before taking into account the effect of the takeover of Zim by Hapag-Lloyd, expected to be completed in late 2026.

Based on January vessel deployment data, 6 of the 14 major trade routes monitored here (see Table 6.9) saw an increase in their Herfindahl-Hirschman Index market concentration index, when compared with the situation in October 2025.

The Europe-East Coast of South America Northbound route, already highly concentrated, saw a further rise in its HHI index to nearly 2,750, as MSC increased its capacity share from 34.1% in October to 38.5% in January.

MSC's rising capacity share is also the key factor behind the increasing concentration of the Europe-South Asia Westbound route, to 37.5% in the latest period.

This raises the question: is 40% the target market share in MSC's expansion plan?

On this Europe-South Asia Westbound route, a number of carriers have recently exited the market as ship operators, including Sea Lead and Wan Hai.

Concentration trend continues into 2026 with 6 of 14 major trades becoming less competitive on a capacity-basis

Table 6.9 Herfindahl-Hirschman Index (HHI) - market concentration in selected container trades

Trade	No. Ship Operators			Herfindahl-Hirschman Index			Concentration level	
	Oct 25	Jan 26	Direction	Oct 25	Jan 26	Direction	Oct 25	Jan 26
Europe-ECSA NB	7	7	→	2,513	2,746	↑	High	High
Europe-MidE EB	11	14	↑	2,270	2,306	→	Moderate	Moderate
South Asia-North America EB	6	6	→	2,232	2,284	↑	Moderate	Moderate
Europe-South Asia WB	19	14	↓	2,042	2,219	↑	Moderate	Moderate
North Europe-North America WB	12	13	↑	2,201	2,139	↓	Moderate	Moderate
Asia-West Africa SB	8	8	→	2,079	2,129	→	Moderate	Moderate
Asia-ECSA SB	10	10	→	1,591	1,568	→	Moderate	Moderate
Asia-Med WB	23	21	↓	1,573	1,483	↓	Moderate	Competitive
Asia-North Europe WB	13	12	↓	1,313	1,304	→	Competitive	Competitive
Asia-ECNA EB	12	12	→	1,186	1,195	→	Competitive	Competitive
Asia-MidE WB	29	27	↓	1,185	1,063	↓	Competitive	Competitive
Asia-WCNA EB	25	26	↑	1,022	1,017	→	Competitive	Competitive
Asia-South Asia WB	33	32	↓	766	846	↑	Competitive	Competitive

Notes: Based on effective capacity, treating subsidiaries as part of the parent i.e. OOCL is included within Cosco; No accounting for slot charter agreements.

The Herfindahl-Hirschman Index (HHI) is a commonly accepted measure of market concentration, calculated by squaring the market share (in this case the effective headhaul capacity as a proxy) of each company competing in a market, and then summing the resulting numbers, ranging from close to zero to 10,000 (indicative of a monopoly).

The higher the number the lower the competition, or more concentrated a market is considered to be. Direction arrows only alter when comparison change is 50 points or more.

Key: <1,500 = competitive marketplace 1,500-2,500 = moderately concentrated marketplace >2,500 = highly concentrated marketplace

Source: Drewry Maritime Research

Competition Monitor / Regulatory Watch

Ongoing issues with the safety of transits via the Suez Canal appear to be preventing further concentration on the Asia-Mediterranean route. This trade shifted from “moderately concentrated” to “competitive” between October and January - going against the current trend of more concentration. In January, there were still 21 ship operators on this route and the share of the top 5 carriers actually decreased, from 75.2% last October to 73.7% in January. The many smaller competitors, such as Tailwind, CULines, SLG, Akkon, FESCO and SeaLead, are each operating only a few ships but, together, they account for about 3% of total deployed capacity. They have found their niche.

Ongoing issues with the safety of transits via the Suez Canal appear to be preventing further concentration on the Asia-Mediterranean route

Will the smaller carriers be able to sustain a continued decline in freight rates and rising fuel costs, given the low economies of scale of the small ships which they operate? This must be in doubt.

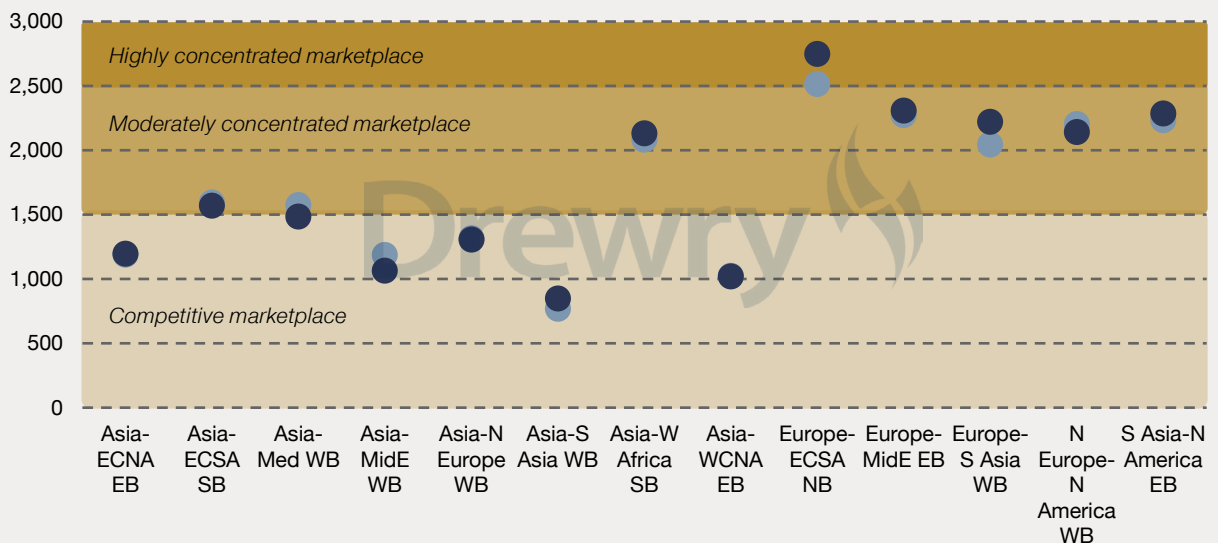
We note that none of these smaller carriers are operating ships on the Asia-North Europe currently.

After the deferral of the announced US fees on Chinese ships, there has been no departure of Chinese carriers or contraction of Chinese carriers’ capacities on the Asia-West Coast of North America Eastbound trade. In fact, between October and January, both Cosco and SeaLead increased their deployed capacities on this route.

The oversupplied North Europe-North America trade saw an 8% cut in deployed capacity between October and January, as MSC, Maersk, Hapag-Lloyd and CMA CGM all took action to reduce their capacities. These broad changes resulted in a marginal decrease in the HHI index for this trade. One new entrant – NeoLine – joined the Transatlantic during this period, with just one wind-powered ship of 265 teu capacity.

Overall, the latest numbers and carrier changes indicate that the overall trend towards further concentration looks solid.

Figure 6.18 Concentrating - summary of competitiveness (HHI) by trade



Notes: Based on effective capacity, treating subsidiaries as part of the parent i.e. OOCL is included within Cosco; No accounting for slot charter agreements.

● Oct 25
● Jan 26

Source: Drewry Maritime Research

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7. The Charter Market and S&P

Charter Market

As with every aspect of the container shipping sector, the charter market now finds itself at a crossroads. The evolving situation has made it increasingly difficult to form clear, reliable views on the market's future direction.

Spikes and volatility in fuel costs add another layer of complexity, particularly for liner companies. Planning becomes challenging when bunker prices can fluctuate sharply within short periods.

The effective closure of the Strait of Hormuz has created both logistical and commercial challenges. Liner companies are being forced to redeploy tonnage at short notice and rethink network structures. In practice, this means that the ships required yesterday are not necessarily the ones needed today - or tomorrow - though they may still be suitable for another carrier.

According to market sources, instances of container lines reletting tonnage - where a carrier sub-charters a vessel to another party - are becoming more frequent. Under normal circumstances, this would suggest an oversupply of certain vessel types and potential downward pressure on daily hire rates.

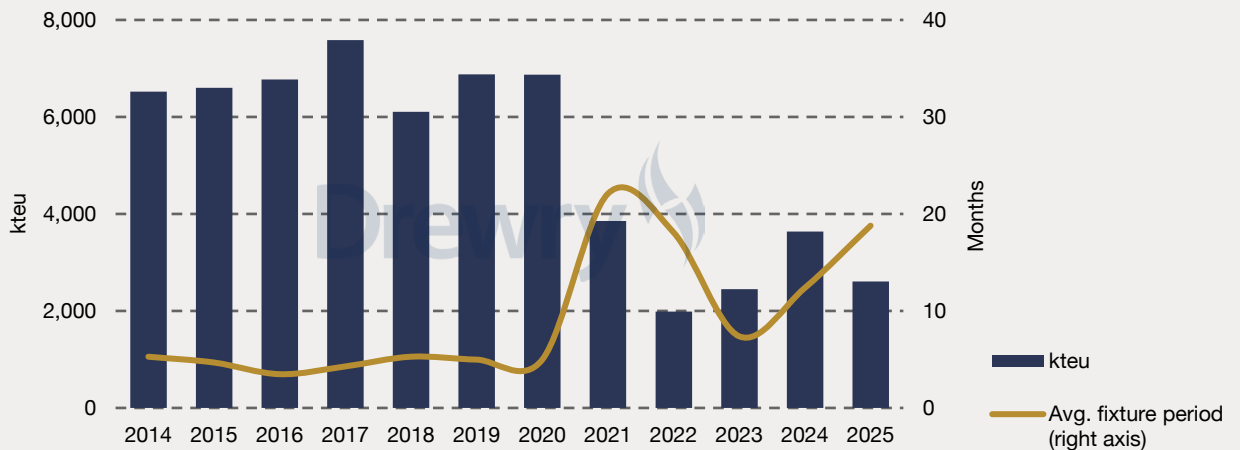
However, given that carrier requirements are constantly evolving in response to the conflict and its wider network implications, caution is warranted. It would be premature to draw firm conclusions about overall tonnage availability.

Recent data does not point to any meaningful softening in charter rates. On the contrary, rates have remained remarkably stable and have trended slightly upwards over the past year. At the same time, average fixture periods have lengthened.

The containership charter market is not immune to the uncertainty arising from the conflict in the Middle East

Reletting activity is beginning to emerge, although it is too early to determine whether this signals a broader correction in charter rates. Rates have been trending slightly upwards for nearly a year, while freight rates have followed a more volatile downward trajectory

Figure 7.1 Recorded charter fixtures by year



Source: Drewry Maritime Research

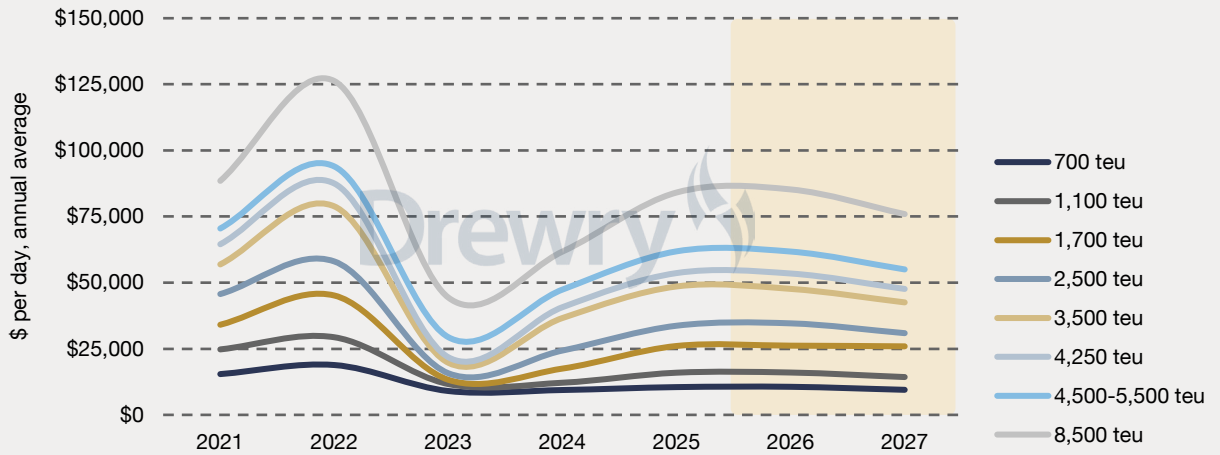
Charter Market

This stability stands in stark contrast to the far more volatile container spot freight market, which - aside from a recent Iran war-related spike driven largely by bunker adjustment factors - has generally trended downward over the past year.

Under normal market conditions, charter rates would be expected to soften in response to the heavy newbuilding delivery schedule. Yet this has not materialised, despite rapid fleet growth. The disconnect can largely be attributed to geopolitical factors, including Red Sea diversions and increased demand for feeder vessels serving the Asia-Russia trade. As the Iran conflict demonstrates, these factors are unlikely to dissipate in the near term.

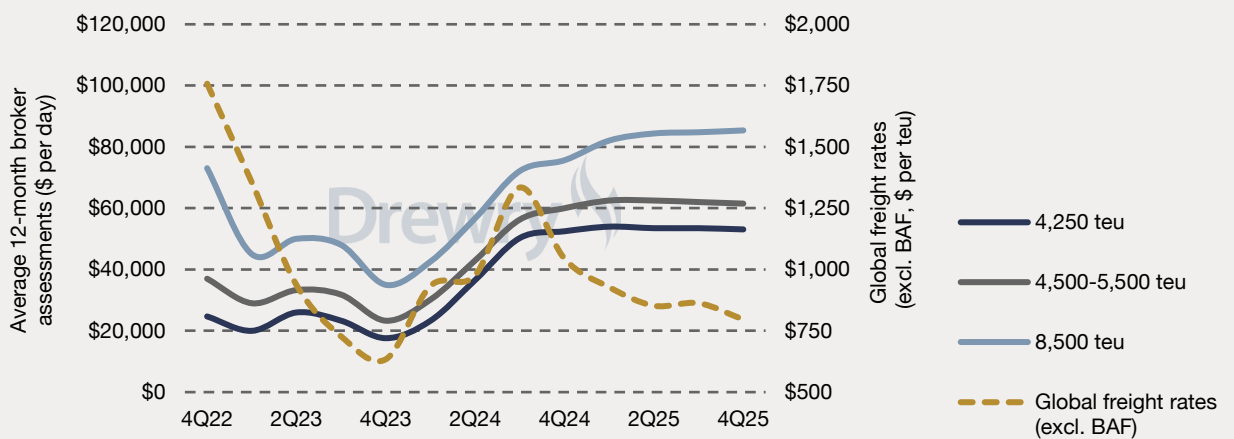
Our base case assumes a relatively short conflict and points to a moderate correction in charter rates of around 10% from current elevated levels across most size segments.

Figure 7.2 12-month time charter forecasts



Source: Drewry Maritime Research

Figure 7.3 Development of charter and freight rates



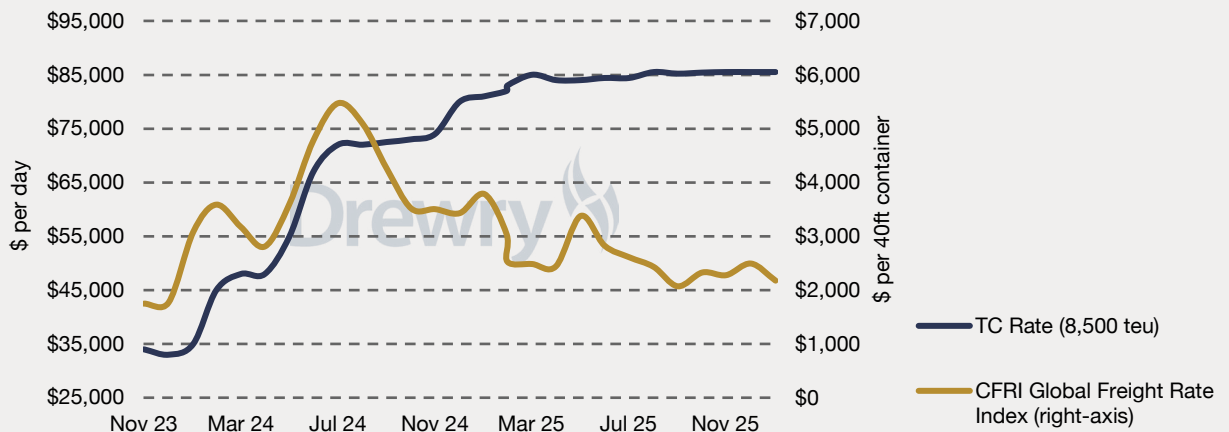
Source: Drewry Maritime Research

Charter Market

Under this scenario, a conflict lasting approximately two months would support increased demand for feeder vessels serving newly configured Middle East multimodal networks, though not to an extreme degree if more direct services resume relatively quickly.

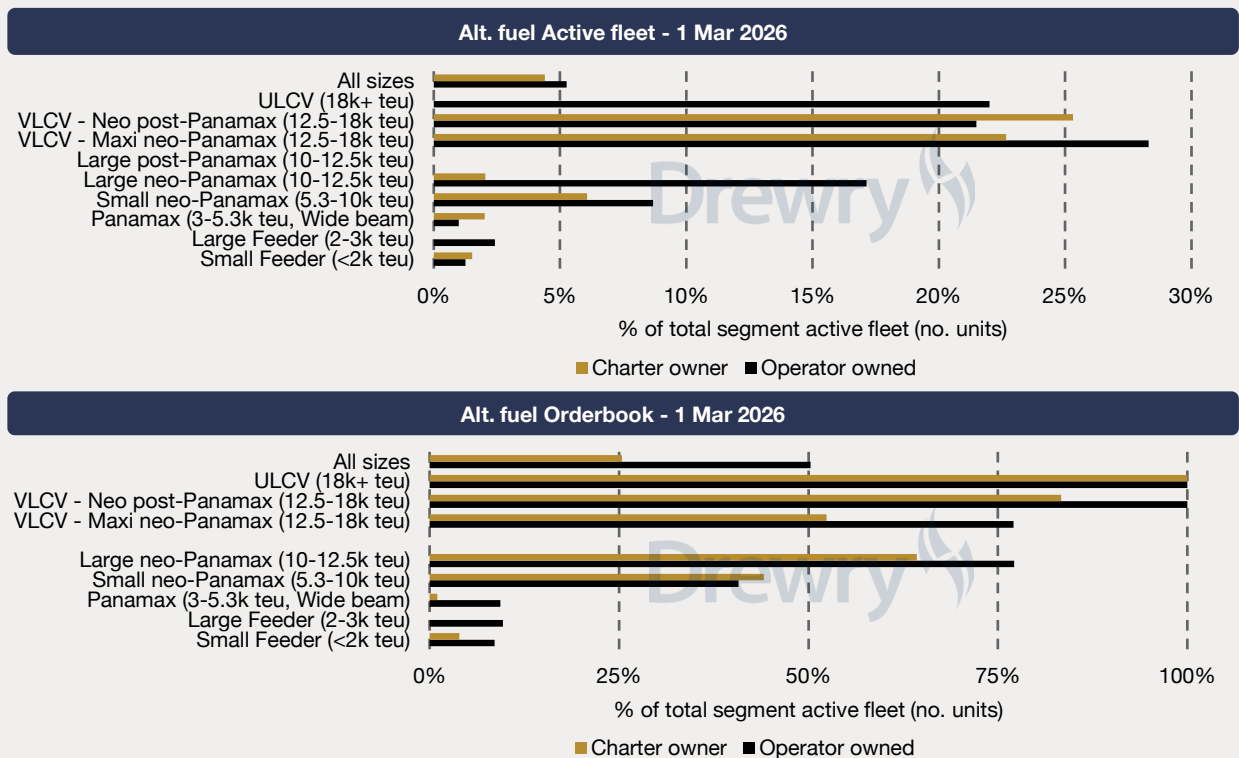
A longer conflict would likely result in an uplift in charter rates, with the magnitude dependent on how underlying demand holds up in a more prolonged disruption scenario.

Figure 7.4 Development of monthly charter and freight rates



Source: Drewry Shipping Insight, Container Freight Rate Insight

Figure 7.5 Comparison between operators and charter owners of alternative fuel capable containership units, by ship size

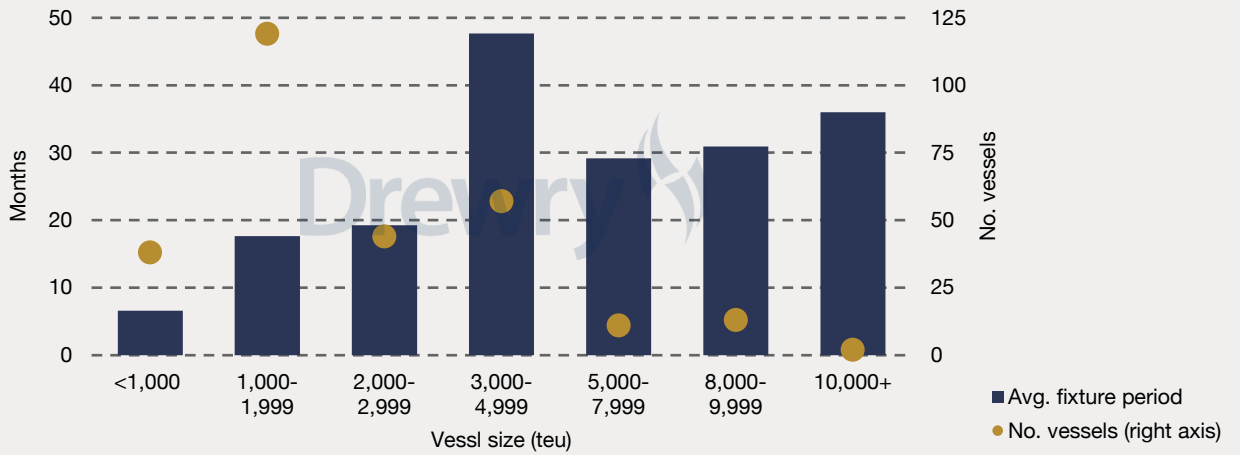


Source: Drewry Maritime Research, Clarksons Research

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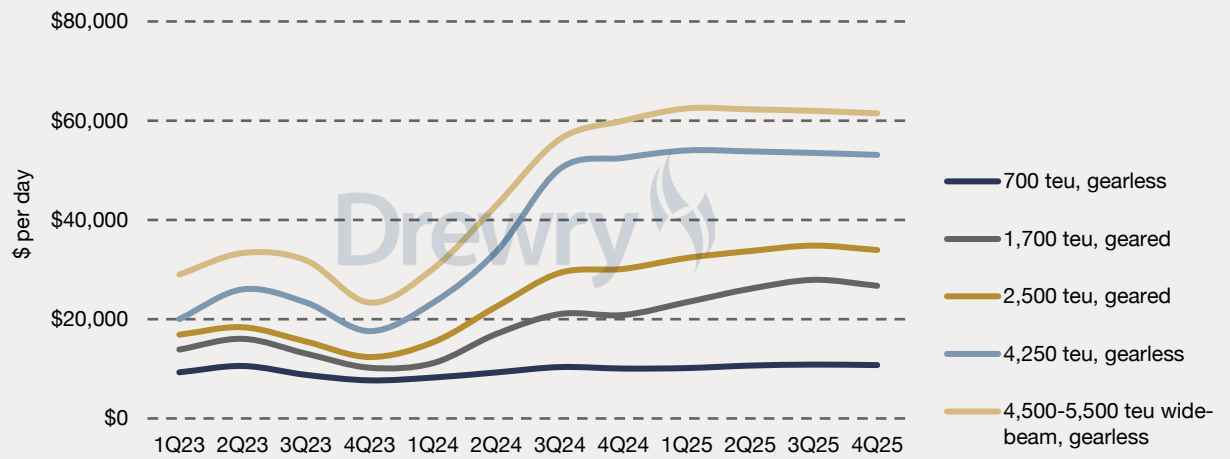
Charter Market

Figure 7.6 Average fixture periods by vessel size, 4Q25



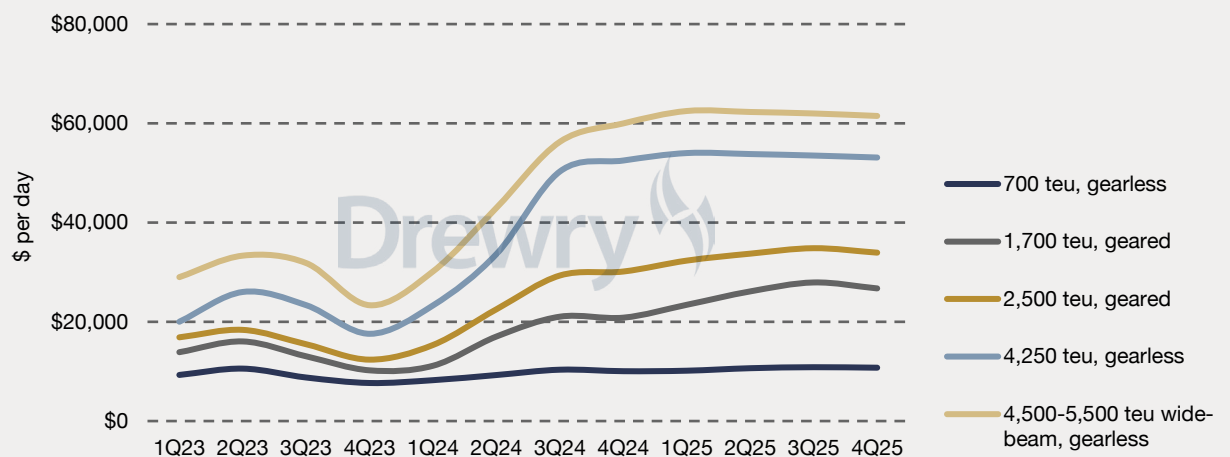
Source: Drewry Maritime Research

Figure 7.7 Average 12-month time charter broker assessments



Source: Drewry Maritime Research, derived from brokers' reports

Figure 7.7 Average 12-month time charter broker assessments

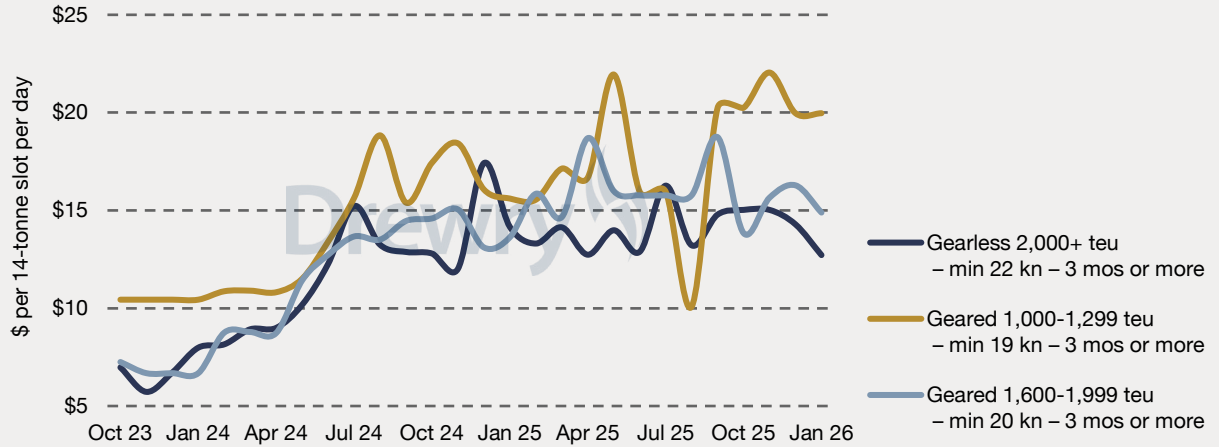


Source: Drewry Maritime Research, derived from brokers' reports

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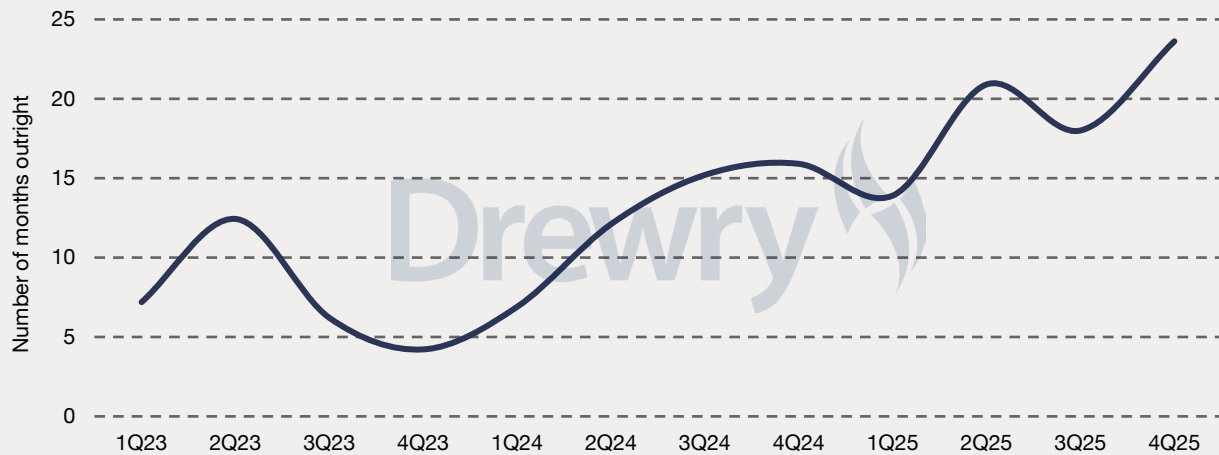
Charter Market

Figure 7.8 Recorded monthly time charter rates



Source: Hamburg Shipbrokers Association

Figure 7.9 Average fixture period



Source: Drewry Maritime Research

Table 7.1 Recorded charter fixtures, 4Q25

Range (teu)	kteu	No. vessels	Avg. fixture (months)	Fixtures over 12 months
<1,000	27	38	6.6	5
1,000-1,999	176	119	17.6	38
2,000-2,999	112	44	19.2	29
3,000-4,999	236	57	47.6	56
5,000-7,999	69	11	29.2	8
8,000-9,999	118	13	30.9	9
10,000+	20	2	36.0	2
Grand total	757	284	23.6	147

Source: Various broker reports

Charter Market

Table 7.2 Average 12-month time charter broker assessments (\$/Day)

	Teu	700	1,110	1,700	2,500	3,500	4,250	4,500-5,500	8,500
	Dwt	9,000	13,500	23,000	35,000	40-45,000	50,000	Wide-beam	100,500
	Type	Gearless	Geared	Geared	Geared	Gearless	Gearless	Gearless	Gearless
Standard 12-month period									
2023		\$9,050	\$11,700	\$13,275	\$15,750	\$19,725	\$21,725	\$29,350	\$44,500
YoY % change		-52%	-60%	-71%	-73%	-75%	-75%	-69%	-65%
2024		\$9,425	\$12,125	\$17,475	\$24,300	\$36,600	\$40,675	\$47,375	\$61,750
YoY % change		4%	4%	32%	54%	86%	87%	61%	39%
2025		\$10,550	\$15,875	\$26,025	\$33,675	\$48,525	\$53,600	\$62,075	\$84,075
YoY % change		12%	31%	49%	39%	33%	32%	31%	36%
2023	1Q	\$9,200	\$12,300	\$13,800	\$16,800	\$18,300	\$20,000	\$29,000	\$44,000
QoQ % change		-4%	0%	1%	-13%	-21%	-19%	-22%	-40%
YoY % change		-62%	-68%	-77%	-78%	-82%	-82%	-75%	-70%
	2Q	\$10,500	\$13,900	\$16,000	\$18,300	\$23,300	\$26,000	\$33,300	\$50,000
QoQ % change		14%	13%	16%	9%	27%	30%	15%	14%
YoY % change		-54%	-62%	-74%	-76%	-78%	-78%	-73%	-67%
	3Q	\$8,700	\$11,200	\$13,000	\$15,400	\$20,800	\$23,300	\$31,800	\$48,000
QoQ % change		-17%	-19%	-19%	-16%	-11%	-10%	-5%	-4%
YoY % change		-54%	-63%	-71%	-75%	-75%	-76%	-68%	-64%
	4Q	\$7,700	\$9,200	\$10,200	\$12,300	\$16,300	\$17,600	\$23,300	\$35,000
QoQ % change		-11%	-18%	-22%	-20%	-22%	-24%	-27%	-27%
YoY % change		-20%	-25%	-26%	-36%	-30%	-29%	-37%	-52%
2024	1Q	\$8,200	\$9,300	\$11,100	\$15,300	\$20,300	\$23,300	\$30,200	\$42,600
QoQ % change		6%	1%	9%	24%	25%	32%	30%	22%
YoY % change		-11%	-24%	-20%	-9%	11%	17%	4%	-3%
	2Q	\$9,200	\$10,700	\$17,000	\$22,500	\$33,600	\$36,600	\$43,000	\$56,700
QoQ % change		12%	15%	53%	47%	66%	57%	42%	33%
YoY % change		-12%	-23%	6%	23%	44%	41%	29%	13%
	3Q	\$10,300	\$14,200	\$21,000	\$29,300	\$45,000	\$50,300	\$56,300	\$72,100
QoQ % change		12%	33%	24%	30%	34%	37%	31%	27%
YoY % change		18%	27%	62%	90%	116%	116%	77%	50%
	4Q	\$10,000	\$14,300	\$20,800	\$30,100	\$47,500	\$52,500	\$60,000	\$75,600
QoQ % change		-3%	1%	-1%	3%	6%	4%	7%	5%
YoY % change		30%	55%	104%	145%	191%	198%	158%	116%
2025	1Q	\$10,100	\$14,900	\$23,400	\$32,300	\$48,500	\$54,000	\$62,500	\$82,000
QoQ % change		1%	4%	13%	7%	2%	3%	4%	8%
YoY % change		23%	60%	111%	111%	139%	132%	107%	92%
	2Q	\$10,600	\$15,600	\$26,100	\$33,700	\$48,700	\$53,800	\$62,300	\$84,300
QoQ % change		5%	5%	12%	4%	0%	-0%	-0%	3%
YoY % change		15%	46%	54%	50%	45%	47%	45%	49%
	3Q	\$10,800	\$16,700	\$27,900	\$34,800	\$49,100	\$53,500	\$62,000	\$84,700
QoQ % change		2%	7%	7%	3%	1%	-1%	-0%	0%
YoY % change		5%	18%	33%	19%	9%	6%	10%	17%
	4Q	\$10,700	\$16,300	\$26,700	\$33,900	\$47,800	\$53,100	\$61,500	\$85,300
QoQ % change		-1%	-2%	-4%	-3%	-3%	-1%	-1%	1%
YoY % change		7%	14%	28%	13%	1%	1%	2%	13%

Source: Drewry Maritime Research derived from brokers' reports

Charter Market

Table 7.3 Average time charter rates and period

	Teu	700	1,110	1,700	2,500	3,500	4,250						
	Dwt	9,000	13,500	23,000	35,000	40-45,000	50,000						
	Type	Gearless	Geared	Geared	Geared	Gearless	Gearless						
Actual recorded rate (\$/Day) and average period (months)													
2022		\$17,200	\$24,075	\$29,150	\$33,800	\$70,100	\$54,175						
YoY % change		40%	27%	16%	24%	106%	38%						
2023		\$8,875	\$11,925	\$14,150	\$15,850	\$18,875	\$19,475						
YoY % change		-48%	-50%	-51%	-53%	-73%	-64%						
2024		\$7,975	\$12,000	\$18,600	\$22,825	\$26,325	\$29,000						
YoY % change		-10%	1%	31%	44%	39%	49%						
2025		\$10,525	\$15,875	\$22,675	\$28,000	\$31,550	\$34,325						
YoY % change		32%	32%	22%	23%	20%	18%						
2023	1Q	\$10,200	4.8	\$13,000	7.1	\$15,000	8.7	\$16,200	11.3	\$19,300	8.3	\$18,700	6.2
QoQ % change		-10%		7%		11%		62%		-8%		-16%	
YoY % change		-50%		-54%		-61%		-66%		-68%		-61%	
	2Q	\$9,900	5.1	\$13,400	5.9	\$16,800	9.4	\$18,000	13.3	\$22,000	28.0	\$22,450	18.7
QoQ % change		-3%		3%		12%		11%		14%		20%	
YoY % change		-41%		-48%		-52%		-66%		n.a		n.a	
	3Q	\$8,350	2.8	\$12,000	4.3	\$13,900	7.5	\$16,200	11.5	\$18,800	5.0	\$20,000	9.1
QoQ % change		-16%		-10%		-17%		-10%		-15%		-11%	
YoY % change		-59%		-60%		-54%		-34%		n.a		n.a	
	4Q	\$7,000	2.4	\$9,300	3.1	\$10,900	3.6	\$13,000	3.6	\$15,400	2.4	\$16,700	2.6
QoQ % change		-16%		-23%		-22%		-20%		-18%		-17%	
YoY % change		-38%		-24%		-19%		30%		-26%		-25%	
2024	1Q	\$7,000	2.9	\$9,500	6.0	\$13,700	6.7	\$16,750	8.8	\$14,800	7.2	\$21,600	9.6
QoQ % change		0%		2%		26%		29%		-4%		29%	
YoY % change		-31%		-27%		-9%		3%		-23%		16%	
	2Q	\$7,030	3.6	\$10,400	6.1	\$16,200	12.0	\$22,000	17.6	\$27,800	21.8	\$24,400	23.9
QoQ % change		0%		9%		18%		31%		88%		13%	
YoY % change		-29%		-22%		-4%		22%		26%		9%	
	3Q	\$8,850	3.5	\$13,900	7.4	\$21,300	13.2	\$26,000	21.4	\$31,300	28.0	\$33,500	27.0
QoQ % change		26%		34%		31%		18%		13%		37%	
YoY % change		6%		16%		53%		60%		66%		68%	
	4Q	\$9,020	2.6	\$14,200	9.4	\$23,200	9.4	\$26,500	19.2	\$31,400	28.8	\$36,500	27.8
QoQ % change		2%		2%		9%		2%		0%		9%	
YoY % change		29%		53%		113%		104%		104%		119%	
2025	1Q	\$9,900	5.8	\$14,800	12.4	\$22,400	15.3	\$26,800	22.0	\$34,800	23.0	\$36,100	22.8
QoQ % change		10%		4%		-3%		1%		11%		-1%	
YoY % change		41%		56%		64%		60%		135%		67%	
	2Q	\$10,700	7.8	\$15,900	15.6	\$22,800	15.9	\$29,200	25.7	\$31,400	26.0	\$35,500	15.3
QoQ % change		8%		7%		2%		9%		-10%		-2%	
YoY % change		52%		53%		41%		33%		13%		45%	
	3Q	\$10,500	4.8	\$16,700	10.2	\$24,400	11.7	\$29,000	15.6	\$34,800	24.0	\$34,400	30.0
QoQ % change		-2%		5%		7%		-1%		11%		-3%	
YoY % change		19%		20%		15%		12%		11%		3%	
	4Q	\$11,010	4.4	\$16,100	9.3	\$21,100	15.5	\$27,000	16.0	\$25,225	61.5	\$31,300	45.7
QoQ % change		5%		-4%		-14%		-7%		-28%		-9%	
YoY % change		22%		13%		-9%		2%		-20%		-14%	

Note: Some smaller vessel categories have been changed and historical data will not be 100% in line with previously published reports.

Values in the parenthesis indicates average period

Source: Drewry Maritime Research, derived from brokers' reports

Charter Market

Table 7.4 Average slot charter rates (\$/nominal slot)

<i>Teu</i>	700	1,110	1,700	2,500	3,500	4,250
<i>Dwt</i>	9,000	13,500	23,000	35,000	40-45,000	50,000
<i>Type</i>	Gearless	Geared	Geared	Geared	Gearless	Gearless
Standard 12-month period						
2022	\$27	\$26	\$27	\$23	\$23	\$21
2023	\$13	\$11	\$8	\$6	\$6	\$5
2024	\$13	\$11	\$10	\$10	\$10	\$10
2025	\$15	\$14	\$15	\$13	\$14	\$13
2023	1Q	\$13	\$11	\$8	\$7	\$5
	2Q	\$15	\$13	\$9	\$7	\$6
	3Q	\$12	\$10	\$8	\$6	\$6
	4Q	\$11	\$8	\$6	\$5	\$4
2024	1Q	\$12	\$8	\$7	\$6	\$6
	2Q	\$13	\$10	\$10	\$9	\$10
	3Q	\$15	\$13	\$12	\$12	\$13
	4Q	\$14	\$13	\$12	\$12	\$14
2025	1Q	\$14	\$13	\$14	\$13	\$14
	2Q	\$15	\$14	\$15	\$13	\$14
	3Q	\$15	\$15	\$16	\$14	\$14
	4Q	\$15	\$15	\$16	\$14	\$14
Actual recorded rate for periods as fixed						
2022	\$34	\$24	\$19	\$14	\$20	\$13
2023	\$18	\$12	\$9	\$6	\$5	\$5
2024	\$16	\$12	\$12	\$9	\$8	\$7
2025	\$21	\$16	\$15	\$11	\$9	\$8
2022	1Q	\$41	\$28	\$25	\$19	\$17
	2Q	\$34	\$26	\$23	\$21	n.a
	3Q	\$40	\$30	\$20	\$10	\$21
	4Q	\$23	\$12	\$9	\$4	\$6
2023	1Q	\$20	\$13	\$10	\$7	\$6
	2Q	\$20	\$13	\$11	\$7	\$6
	3Q	\$17	\$12	\$9	\$7	\$5
	4Q	\$14	\$9	\$7	\$5	\$4
2024	1Q	\$14	\$10	\$9	\$7	\$4
	2Q	\$14	\$10	\$11	\$9	\$8
	3Q	\$18	\$14	\$14	\$10	\$9
	4Q	\$18	\$14	\$15	\$11	\$9
2025	1Q	\$20	\$15	\$15	\$11	\$10
	2Q	\$21	\$16	\$15	\$12	\$9
	3Q	\$21	\$17	\$16	\$12	\$10
	4Q	\$22	\$16	\$14	\$11	\$7

Source: Drewry Maritime Research

Asset Market

The second-hand market has softened slightly, reflecting a combination of limited vessel availability, elevated price levels, and growing uncertainty over the medium-term outlook.

Buyer activity has slowed compared to previous levels. Most participants are acutely aware of the substantial orderbook and, as a result, are more inclined to secure vessels on charter to ensure near-term cash flow visibility. The challenge lies in making assumptions beyond the initial charter period.

Liner companies, meanwhile, have been active buyers in recent years, deploying surplus cash to expand capacity, maintain margins, and protect market share.

Over the past two years, asset values have been strongly supported - arguably driven - by one major player: MSC. Its aggressive acquisition strategy has underpinned prices across multiple segments. However, with the world's largest container line now appearing to shift its focus towards VLCC tanker acquisitions, an important question emerges: what happens to containership values if this key buyer steps back?

If liner companies are no longer active buyers of older feeder tonnage, and valuations are increasingly based on time charter income alone, there is a risk that current price levels may prove difficult to sustain.

Sale and purchase market is cooling as buyers delay acquisitions

MSC, the driver of rising asset values, appears to be taking a step back, or least diversifying, from the container arena

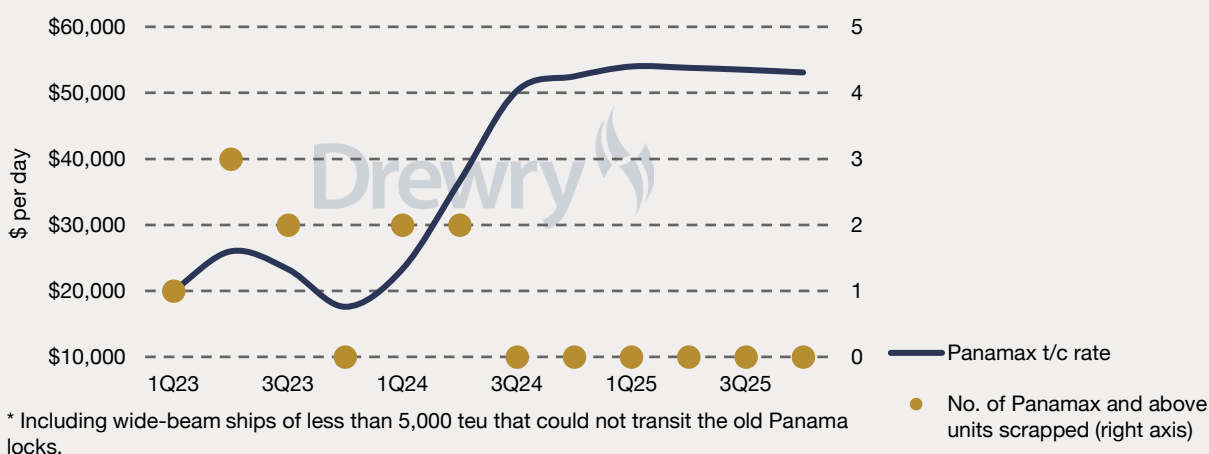
Table 7.5 Recent container sale & purchase activity

Size (teu)	2024		4Q24		1Q25		2Q25		3Q25		4Q25		1Q26*	
	No.	kteu	No.	kteu	No.	kteu	No.	kteu	No.	kteu	No.	kteu	No.	kteu
<1,000	18	16	8	7	2	2	3	3	12	10	3	2	0	0
1,000-1,999	50	71	17	23	27	43	25	36	5	13	15	24	22	31
2,000-2,999	39	99	20	51	11	26	8	20	4	17	6	16	1	2
3,000-4,999	28	113	1	5	7	27	6	25	0	0	8	31	11	47
5,000-7,999	24	142	10	53	0	0	4	25	3	25		0	1	5
8,000-9,999	11	101	6	53	2	17	8	68	28	41	3	26	0	0
10,000+	5	60	0	0	0	0	0	0	1	13	2	28	2	28
Total	175	602	62	191	49	115	54	177	53	119	37	126	37	114

Note: S&P data based on Drewry research and brokers' reports and may be subject to alterations, * sales recorded as of 1 Mar 2026

Source: Drewry Maritime Research

Figure 7.10 Development of classic Panamax* rates and scrapping



* Including wide-beam ships of less than 5,000 teu that could not transit the old Panama locks.

Source: Drewry Maritime Research

Asset Market

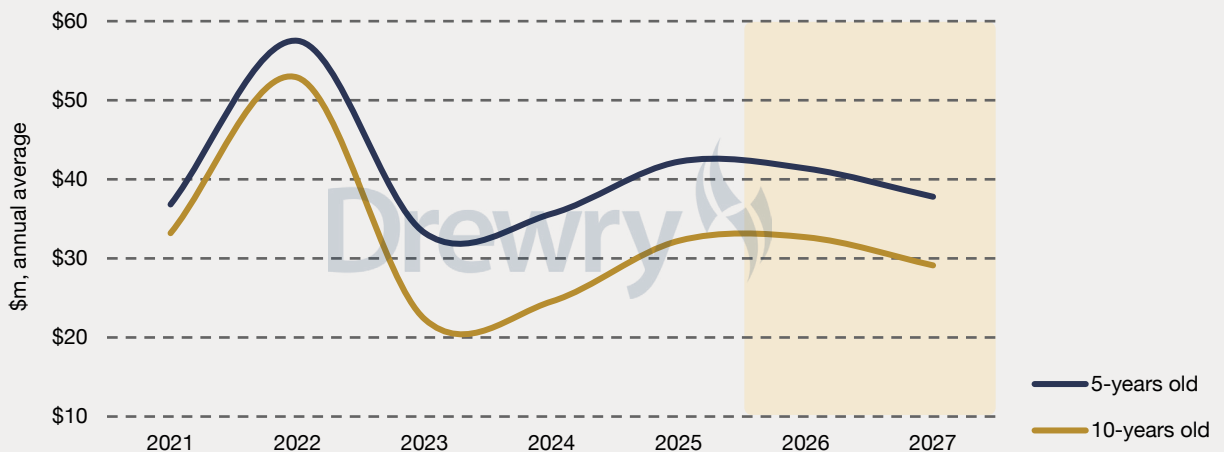
For now, values appear supported, largely due to limited availability of ships for both sale and charter. However, prices for older tonnage could come under pressure if MSC remains absent from the market for an extended period.

Chinese buyers have become increasingly active, potentially reflecting a relative advantage in operating within more sensitive regions such as the Red Sea and the Strait of Hormuz.

While many liner companies avoid these routes due to security concerns, smaller Chinese operators may be more willing to engage, potentially securing arrangements - similar to those seen in Yemen - that allow safer passage. That said, such opportunities are inherently short-term and cannot be relied upon as a structural market feature.

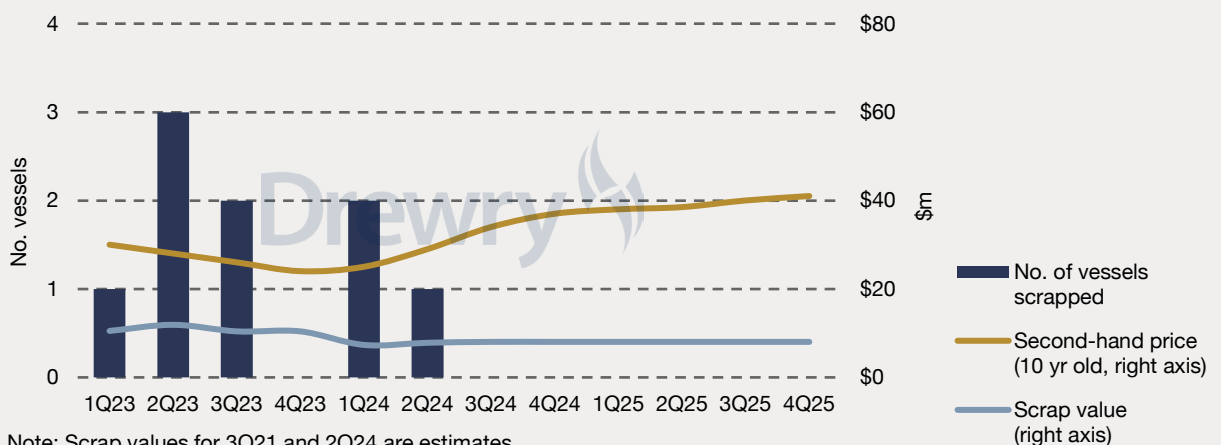
Chinese and Middle Eastern buyers were also highly active in 2022–23, acquiring large numbers of feeder vessels to serve the Russian market after many global carriers withdrew.

Figure 7.11 Second-hand value forecast for 3,500 teu containerships



Source: Drewry Maritime Research

Figure 7.12 Comparison of second-hand and scrap values of classic Panamaxes



Note: Scrap values for 3Q21 and 2Q24 are estimates.

Source: Drewry Maritime Research

Asset Market

Table 7.6 Demolition prices (\$/Idt)

		South Asia (10,000+ Idt)		
		Bangladesh	India	Pakistan
2022		\$596	\$588	\$584
2023		\$545	\$531	\$519
2024		\$498	\$491	\$509
2025		\$429	\$422	\$426
2022	1Q	\$625	\$595	\$606
	2Q	\$633	\$640	\$629
	3Q	\$586	\$576	\$564
	4Q	\$540	\$539	\$538
2023	1Q	\$555	\$547	\$533
	2Q	\$583	\$536	\$518
	3Q	\$528	\$513	\$511
	4Q	\$515	\$529	\$512
2024	1Q	\$498	\$487	\$512
	2Q	\$525	\$515	\$545
	3Q	\$505	\$495	\$522
	4Q	\$465	\$465	\$455
2025	1Q	\$447	\$441	\$436
	2Q	\$454	\$440	\$444
2025	3Q	\$406	\$418	\$422
	4Q	\$408	\$388	\$403

Source: Drewry Maritime Research

Table 7.7 Scrap value of container vessels (\$ million)

Range (teu)	<1,000	1-2,000	2-3,000	3-4,000	4,000+	
2022	\$2.3	\$3.3	n.a	n.a	n.a	
2023	\$2.1	\$4.6	\$6.3	\$8.5	\$12.3	
2024	\$1.5	\$4.1	\$5.8	\$7.8	\$13.2	
2025	\$0.9	\$2.2	n.a	n.a	n.a	
2022	1Q	n.a	n.a	n.a	n.a	
	2Q	n.a	n.a	n.a	n.a	
	3Q	n.a	n.a	n.a	n.a	
	4Q	\$2.3	\$3.3	n.a	n.a	n.a
2023	1Q	\$1.4	\$3.9	\$5.5	n.a	\$12.9
	2Q	\$2.5	\$6.2	\$7.3	n.a	\$12.0
	3Q	\$2.7	\$4.3	\$5.0	\$8.5	\$11.9
	4Q	\$1.9	\$4.2	\$7.3	n.a	n.a
2024	1Q	\$1.4	\$4.1	\$5.2	\$7.3	\$13.2
	2Q	\$1.6	\$3.2	\$6.9	\$7.8	\$13.2
	3Q	\$1.5	\$4.5	\$6.9	\$8.0	n.a
	4Q	\$1.5	\$4.6	\$4.3	\$8.1	n.a
2025	1Q	\$1.0	n.a	n.a	n.a	n.a
	2Q	\$1.0	n.a	n.a	n.a	n.a
	3Q	\$0.7	\$2.2	n.a	n.a	n.a
	4Q	n.a	n.a	n.a	n.a	n.a

Note: Residual values for vessels are based on a representative sample only and where data is available; n.a reflects that no market data is available

Source: Drewry Maritime Research

Asset Market

Table 7.8 Development of newbuilding prices (\$ million)

Year	Type	1,800		2,500		3,800		4,800		6,500	
		24,000		35,000		40-45,000		65-70,000		75,000	
		Geared		Gearless		Gearless		Gearless		Gearless	
2022			\$31.3	\$40.6	\$52.3		n.a		\$85.0		
2023			\$29.6	\$40.5	\$52.3		n.a		\$88.5		
2024			\$31.3	\$40.3	\$53.8		n.a		\$92.3		
2025			\$32.1	\$42.1	\$57.8		n.a		\$94.0		
2022	1Q		\$33.0	\$40.0	\$51.0		n.a		\$83.5		
	2Q		\$33.0	\$41.0	\$52.0		n.a		\$84.5		
	3Q		\$30.0	\$41.0	\$54.0		n.a		\$86.0		
	4Q		\$30.0	\$40.5	\$52.0		n.a		\$86.0		
2023	1Q		\$29.0	\$40.0	\$52.0		n.a		\$86.0		
	2Q		\$29.5	\$40.0	\$52.0		n.a		\$87.0		
	3Q		\$30.0	\$41.0	\$52.5		n.a		\$90.0		
	4Q		\$30.0	\$41.0	\$52.5		n.a		\$91.0		
2024	1Q		\$30.0	\$40.0	\$52.0		n.a		\$91.0		
	2Q		\$31.0	\$40.0	\$53.0		n.a		\$92.0		
	3Q		\$32.0	\$40.3	\$54.0		n.a		\$93.0		
	4Q		\$32.0	\$41.0	\$56.0		n.a		\$93.0		
2025	1Q		\$32.5	\$41.5	\$57.0		n.a		\$93.0		
	2Q		\$32.0	\$41.5	\$58.0		n.a		\$93.5		
2025	3Q		\$32.0	\$42.5	\$58.0		n.a		\$95.0		
	4Q		\$32.0	\$43.0	\$58.0		n.a		\$94.5		

Notes: All prices are estimates only on the basis that there are either none or very few representative samples on which to calculate them; prices will vary dependent on individual specifications (engine size, environmental features, wide beam, shallow draught, shipyards etc); n.a reflects that no market data is available

Source: Drewry Maritime Research

Table 7.9 Estimated newbuilding costs for vessels of 8,000 teu and over (\$ million)

Year	Type	8-10,000 teu		14,000 teu		23,000-24,000 teu	
		wide-beam					
		105,000	105,000	150,000	150,000	225,000	225,000
		Gearless	Gearless	Gearless	Gearless	Gearless	Gearless
Built	China	S Korea	China	S Korea	China	S Korea	
2022	1Q	\$105	\$109	\$155	\$162	\$188	\$210
	2Q	\$107	\$111	\$160	\$165	\$188	\$210
	3Q	\$107	\$111	\$161	\$167	\$188	\$210
	4Q	\$106	\$110	\$158	\$165	\$190	\$215
2023	1Q	\$106	\$110	\$155	\$164	\$190	\$215
	2Q	\$107	\$111	\$157	\$165	\$200	\$220
	3Q	\$109	\$113	\$159	\$167	\$204	\$224
	4Q	\$109	\$113	\$159	\$167	\$214	\$235
2024	1Q	\$109	\$113	\$160	\$170	\$225	\$260
	2Q	\$110	\$114	\$162	\$173	\$229	\$265
	3Q	\$110	\$114	\$162	\$173	\$239	\$270
	4Q	\$111	\$115	\$162	\$174	\$241	\$274
2025	1Q	\$110	\$115	\$160	\$174	-	\$268
	2Q	\$110	\$115	\$160	\$174	-	-
	3Q	\$110	\$115	\$160	\$174	-	-
	4Q	\$110	\$116	-	\$187	-	-

Notes: All prices are based on known market transactions; Where there are gaps it is because no deals have been done or there is no known public data on prices concluded; prices will vary depending on individual specifications (engine size, environmental features, wide beam, shallow draught shipyard, etc)

*scrubbers fitted

Source: Drewry Maritime Research, brokers reports

Asset Market

Table 7.10 Development of second-hand prices (\$ million)

<i>Teu</i>	650	1,000	1,700	2,700	3,500	4,000	6,500
<i>Dwt</i>	9,000	13,500	23,000	37,000	40-45,000	50-55,000	80,000
<i>Type</i>	Geared	Geared	Geared	Gearless	Gearless	Gearless	Gearless
5-Year old							
2022	\$10.8	\$25.0	\$37.5	\$48.5	\$57.3	\$63.3	\$135.8
2023	\$6.9	\$16.3	\$22.8	\$28.5	\$33.5	\$37.3	\$71.8
2024	\$6.5	\$17.3	\$22.6	\$31.8	\$35.6	\$39.8	\$71.8
2025	\$6.9	\$19.8	\$27.1	\$39.1	\$42.1	\$45.6	\$79.0
2022	1Q	\$12.0	\$28.0	\$42.0	\$55.0	\$61.0	\$150.0
	2Q	\$12.0	\$28.0	\$41.0	\$57.0	\$65.0	\$163.0
	3Q	\$11.0	\$26.0	\$40.0	\$52.0	\$63.0	\$140.0
	4Q	\$8.0	\$18.0	\$27.0	\$30.0	\$40.0	\$90.0
2023	1Q	\$7.0	\$16.0	\$23.0	\$28.0	\$35.0	\$75.0
	2Q	\$7.0	\$16.0	\$24.0	\$29.0	\$34.0	\$75.0
	3Q	\$7.0	\$17.0	\$23.0	\$29.0	\$33.0	\$70.0
	4Q	\$6.5	\$16.0	\$21.0	\$28.0	\$32.0	\$67.0
2024	1Q	\$6.5	\$16.5	\$21.0	\$29.0	\$32.0	\$67.0
	2Q	\$6.5	\$17.0	\$22.0	\$31.0	\$34.0	\$73.0
	3Q	\$6.5	\$17.5	\$23.0	\$33.0	\$37.0	\$74.0
	4Q	\$6.5	\$18.0	\$24.3	\$34.0	\$39.5	\$74.0
2025	1Q	\$6.5	\$18.0	\$25.5	\$35.0	\$40.5	\$75.0
	2Q	\$7.0	\$19.0	\$27.0	\$38.0	\$42.0	\$77.0
	3Q	\$7.0	\$21.0	\$28.0	\$41.0	\$43.0	\$81.0
	4Q	\$7.0	\$21.0	\$28.0	\$42.5	\$43.0	\$83.0
10-Year old							
2022	\$9.3	\$21.3	\$30.3	\$44.8	\$52.5	\$56.5	\$116.8
2023	\$5.8	\$11.0	\$15.6	\$19.6	\$22.5	\$27.0	\$53.3
2024	\$5.5	\$11.7	\$17.1	\$22.5	\$24.5	\$31.3	\$55.0
2025	\$5.9	\$16.0	\$23.3	\$29.3	\$32.3	\$39.4	\$60.8
2022	1Q	\$10.5	\$24.0	\$35.0	\$53.0	\$58.0	\$130.0
	2Q	\$10.3	\$24.0	\$35.0	\$54.0	\$61.0	\$137.0
	3Q	\$10.0	\$23.0	\$32.0	\$48.0	\$59.0	\$120.0
	4Q	\$6.5	\$14.0	\$19.0	\$24.0	\$32.0	\$80.0
2023	1Q	\$6.0	\$11.0	\$15.0	\$20.0	\$25.0	\$55.0
	2Q	\$6.0	\$11.5	\$16.5	\$20.5	\$23.0	\$55.0
	3Q	\$6.0	\$11.5	\$16.0	\$20.0	\$22.0	\$53.0
	4Q	\$5.0	\$10.0	\$15.0	\$18.0	\$20.0	\$50.0
2024	1Q	\$5.5	\$10.5	\$15.0	\$19.0	\$21.0	\$51.0
	2Q	\$5.5	\$11.0	\$17.0	\$22.0	\$23.0	\$55.0
	3Q	\$5.5	\$12.0	\$18.0	\$24.0	\$26.0	\$57.0
	4Q	\$5.5	\$13.3	\$18.5	\$25.0	\$28.0	\$57.0
2025	1Q	\$5.5	\$14.0	\$20.3	\$26.0	\$30.0	\$58.0
	2Q	\$6.0	\$15.5	\$23.0	\$28.0	\$32.0	\$60.0
	3Q	\$6.0	\$17.0	\$25.0	\$31.0	\$33.0	\$62.0
	4Q	\$6.0	\$17.5	\$25.0	\$32.0	\$34.0	\$63.0

Note: All prices are estimates only on the basis that there are either none or very few representative samples on which to calculate them; some data has been re-calculated for different vessel sizes and so historical data might not align with previously published reports.

Source: Drewry Maritime Research, from brokers' reports

Asset Market

Regional differences in risk tolerance may also help explain the significant volume of speculative containership orders placed by Chinese investors at domestic shipyards.

Despite the challenges, the container shipping market has demonstrated notable resilience in recent years. Geopolitical, logistical, and regulatory disruptions have repeatedly created pockets of strength that would have been difficult to anticipate.

The current environment may continue to support earnings in certain trades and vessel segments in the near term. The key question is: for how long?

The answer remains uncertain. Much will depend on the duration and outcome of the US/Israel–Iran conflict, the stability of energy markets, and whether key trade routes such as the Persian Gulf fully reopen. This is compounded by ongoing uncertainty in the Red Sea.

Given these factors, it is understandable that many market participants are choosing to remain on the sidelines for now.

Table 7.11 Selected second-hand vessel sales during 4Q25

Vessel name	Built year	Age (years)	Teu capacity	Seller	Buyer	Price (\$m)
Bharani	2010	15	3,635	Transworld Group	Clients of CMA CGM	\$30
Atlantica Pioneer	2012	13	3,635	Atlantica Shipping	MSC	\$31
CNC Jupiter	2020	5	1,952	Mitsui & Co	CMA CGM	\$36
Okee Cuno	2008	17	1,740	OKEE Maritime	Undisclosed Interests	\$21
X-Press Karakoram	2008	17	2,742	Sea Consortium	Undisclosed Interests	\$30
Irenes Resolve	2001	24	3,739	Tsakos Group	Clients of MSC	\$23
Panay	2023	2	1,930	Briese Schiffahrts	Clients of Erasmus Corp	\$36
EF Elena	2007	18	1,338	Ernst Russ AG	Undisclosed	\$17
Warnow Whale	2007	18	1,296	Marlow Navigation	Undisclosed	\$13
Happy Lucky	2008	17	2,553	Bauhinia Marine Pte	Chinese Buyers	\$28
Spirit of Chennai	2019	6	1,162	Asian Spirit Company	Undisclosed Interests	\$20
Wega	1996	29	749	Hans Peter Wegener	Undisclosed Interests	\$4
CNC Saturn	2020	5	1,952	Mitsui & Co	CMA CGM	\$36
Borkum	2023	2	1,930	Briese Schiffahrts	Chinese Buyers	\$37
Tiger	2005	20	2,524	Blumenthal, Johann	Undisclosed Interests	\$29
Boat Blessing	1997	28	1,684	HK Zhoufu Shipping	Undisclosed Interests	\$9
AS Clementina	2006	19	2,824	Castor Maritime	Undisclosed Interests	\$24
Atlantica Power	2010	15	4,616	Atlantica Shipping	Tsakos	\$47
KR Celebes	2002	23	802	Gluck Shipping Co	Undisclosed Interests	\$7
Honwell	2001	24	2,526	Honwell Shipping	MSC	\$17

Source: Drewry Maritime Research

Glossary of terms

Adjusted Capacity

Drewry's measurement of forecast fleet adjusted for slippage, cancellations, demolitions and unconfirmed new orders

East-West Trades

The core trade lanes: transpacific, transatlantic, Asia-North Europe and Mediterranean

Effective Capacity

Represents the period-end standing slot capacity (i.e. actual nominal capacity) adjusted for slow steaming, deadweight, speed and other factors

Effective Demand / Net Cargo Slot Moves

Drewry's measurement of demand derived from our global port handling figure. It is the total number of laden seaborne containers moved during a year on either a mainline deep-sea service or a feeder or oncarriage leg, adjusted for changes in average distance

Out Of Scope Cargo

Cargo transhipped at either origin or destination region from/to an area outside the origin/destination regions. An example might be cargo loaded in Australia, but transhipped in Asia for the Mediterranean

Global Supply-Demand Index

Drewry's unique measurement of supply and demand, taking into account effective supply of the world containership fleet and demand, where 1980 is deemed the base year representing an index of 100.

Any figure above 100 represents a period where demand is comparatively strong or exceeds supply, with any number below 100 representing a weak market or overcapacity.

The Global Supply/Demand Index (adjusted for idle fleet) is Drewry's global supply/demand index adjusted to allow for vessel lay up/inactivity.

East-West Supply/Demand Index

This index is derived from a snapshot of effective headhaul capacity at the start of the period for the following trades: Transpacific, Asia-North Europe, Asia-Med and Transatlantic (North Europe). Demand applies to the entire period for the same trades.

Wayport

Vessels calling at an intermediate non-core port on an end-to-end service where cargo is discharged, loaded or transhipped for other out-of-scope destinations. For example, this might include a call at Colombo on an Asia to North Europe service.

World Container Traffic

The total volume of containerised cargo moved from point of origin to destination under a single transaction, which may or may not include one or more transshipments

Glossary of terms

A Note on Our Tables

Where we show data on a quarterly basis, the data refers to the first day of the quarter period under review i.e. 1Q12 is 1 January 2012.

A Note on Service Definitions

ETE means end-to-end. This refers to a service that starts at a region, going to a second region and returning to the first region, for example, South Asia-North Europe-South Asia.

Pdm Means Pendulum

This refers to a service starting in a region, going to a second region, then a third region, returning to the second and then the first region; for example, Asia-North America-North Europe-North America-Asia.

Triangular Means A Service Starting at...

Region 1, then going to Region 2 and then Region 3 before returning to Region 1. This is common within intra-Asia, and an example is Japan-Vietnam-Thailand-Japan.

Airfreight Insight – online access through Container Freight Portal, \$2,400

Our all-new Airfreight Insight provides detailed monthly analysis of the global airfreight markets. It includes market summary and key ocean vs airfreight comparisons, global airfreight capacity, demand and load factors by major route, Drewry's unique Airfreight vs Maritime Price Multiplier, East-West airfreight rate benchmarks on 127 airport-to-airport lanes and more.

Container Freight Rate Insight – Pdf and online access through Container Freight Portal, \$4,150

Container Freight Rate Insight is the world's first and only global source of container market freight rates on all the major routes, and is a 'must-have' tool for importers, exporters and freight forwarders as well as other industry stakeholders who require reliable, independent and well-researched cost benchmarks for container shipping.

Standard Subscription – access to benchmark freight rates by trade route (670 port pairs)

Glossary of terms

Global Container Terminal Operators Annual Review & Forecast 2025/26 – US\$3,495 pdf

The report provides an invaluable update on the main container terminal-operating companies. It investigates the current industry structure, giving league tables of the main operators, their capacity development plans and their varying performances, both financially and operationally. A comprehensive review of mergers and acquisitions over the past year is included. In addition, each operator is profiled individually with details of their investment portfolios, strategies and capacity projections.

Reefer Shipping Market Annual Review and Forecast – 2025/26 – US\$2,350 pdf

The report provides an updated analysis of all sectors of the refrigerated shipping industry. It includes key insights and data on demand, including a breakdown of individual commodities, supply of tonnage, operators, logistics, freight rates, reefer equipment and ship economics. As well as looking at the major operators in the industry, the future of the industry is considered, as are the forces that are shaping it.

Container Census and Leasing 2025/26 – Annual Review and Forecast –

US\$2,750 pdf SINGLE COPY OR Subscription including the Container Equipment Forecaster – US\$4,100 pdf

The report provides an annual review of the container leasing industry, including a range of forecasts unique to Drewry. The key areas of analysis include lease company rank, lease structures, rates and financials, trends and forecast for the leased and owned fleet, leased fleet type and value and reefer and tank container market.

Container Equipment Forecaster, published in July, October, January and April, this exclusive Insight is only available to subscribers of Drewry Census and Leasing reports.

Ship Operating Costs Annual Review and Forecast 2025/26 – US\$2,350 pdf

One of Drewry's flagship reports, Ship Operating Costs 2017/18 provides one of the most complete annual assessments of ship operating costs available in a single source. Operating cost assessments are provided for 44 representative ship types, spanning the oil, chemical, LNG, LPG, dry, bulk, container, general cargo, reefer and ro-ro sectors.

Glossary of terms

For each ship type/size covered the report shows the historical trend in annual ship operating costs for the period 2012 to 2017, broken down by main cost head, and an assessment of 2017 ship operating costs by main cost head (e.g. Insurance) and by sub-head (e.g. protection and indemnity insurance). The report contains annual projections of total ship operating costs by ship type and size to 2022. In addition, as well as assessments for the Drewry standard 10-year old ship, the report contains assessments of 2017 operating costs by vessel age.

A comprehensive, global study of this nature is a powerful tool, enabling you to benchmark specific ship operating costs with confidence and clarity. No other source of information provides such a depth and breadth of insight, allowing you to drill down into specific cost heads.

Please contact the containers and ports team for further details of any of the above products by email containers@drewry.co.uk

Publications:

Container Forecaster	Published every March, June, September & December
Container Freight Rate Insight	Accessed online
Airfreight Insight	Accessed online
Container Census & Leasing Industry 2025	Aug-25
Global Container Terminal Operators Annual Review & Forecast, 2025/26	July-25
Reefer Shipping Market Review and Forecast 2025/26	May-25
Container Market Annual Review and Forecast 2025/26	Oct-25
Ship Operating Costs Annual Review and Forecast 2025/26	Nov-25

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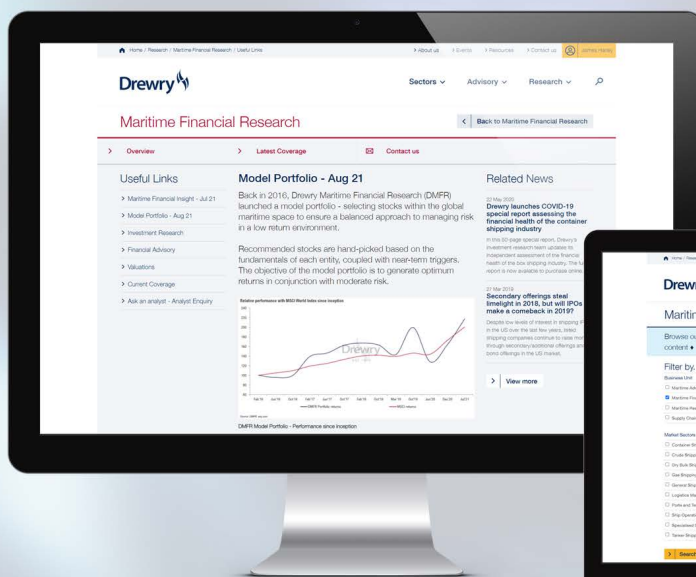


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