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1. Sustainability

Norway is to support the construction of nine more vessels to use either ammonia or hydrogen as a fuel, acording to Tradewinds. It brings the total number of newbuilding projects in Norway to receive government support to 24 ships.

Six Norwegian shipowners will receive a total of NOK 943.8m from Enova, the government agency tasked with supporting the transition of the country's economy as a result of this latest round of funds. The Norwegian government has tripled the amount of cash Enova has available to fund climate projects to NOK 9.2bn.

Of the nine vessels announced in the latest round of funds, seven are destined to use ammonia as a fuel. Offshore vessel owner and operator DOF Group, fresh from the acquisition of Maersk Supply Ship, has won NOK 298m for the construction of two ammonia-fuelled ships, with Aurora Offshore winning NOK 232.8m for two vessels as well.

As reported in TradeWinds Eidesvik has also won backing for an ammonia-fuelled vessel. Grieg Group has secured NOK 79.9m to support the construction of its ammonia bunker ship. Norbjorn AS has won backing for an ammonia-powered vessel destined to supply Svalbard with freight and post from Tromso. It makes a total of 24 ships, which Enova has agreed to support financially this year; 11 of them are destined to be hydrogen-fuelled and 13 ammonia-fuelled.

It also offered support earlier in the year, of NOK 281m, for five battery-powered vessels and the necessary charging stations for them. The funding round from Enova stipulates that these vessels should be built with the ability to have zero-carbon emissions from delivery, and help support and demonstrate a functioning Norwegian clean fuel economy.

"Hydrogen and ammonia are important energy carriers for the green shift, and the investment in green shipping is important," said Norwegian climate and environment minister Tore Sandvik. "It provides jobs all over the country and contributes to the competitiveness of Norwegian business.”

Enova said it received 31 applications for funding under these two latest calls for hydrogen and ammonia-fuelled vessels and will have further funding calls in the coming two years to support more projects.

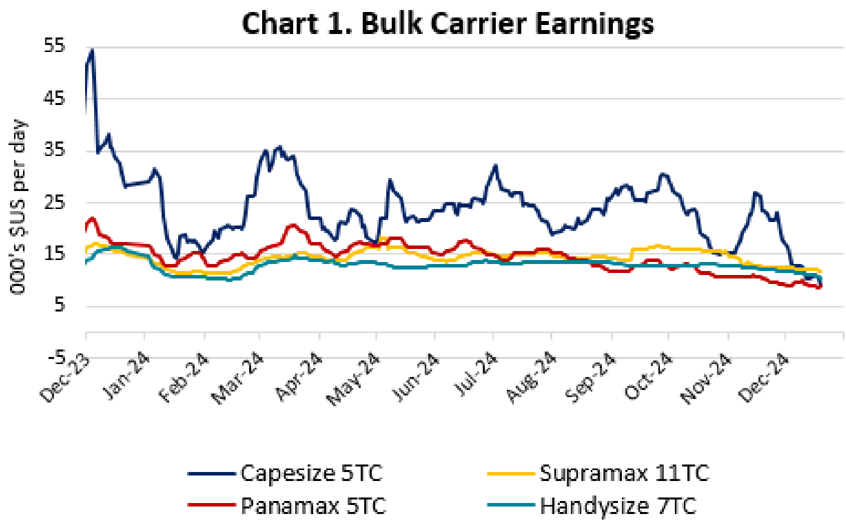
2. Shipping Markets Analysis

2.1 Dry Bulk

S&P activity remains quiet as market players assess current developments. Second-hand prices are soft across all segments, with Panamax and Kamsarmax prices experiencing the most significant declines. Nevertheless, bulk carrier S&P activity has been strong this year, with a total of 790 bulk carriers, amounting to 59 million DWT, reported sold. This is 7% above the full-year 2023 total in DWT terms, just below the record annual sales volume of 60.7 million DWT set in 2021.

In the Supramax sector, Chinese buyers have led the way this year, followed by the Greeks, Turkish, Indonesians, and Vietnamese. Greeks have dominated the Ultramax and Kamsarmax sectors, accounting for 27% and 37% of total sales, respectively. Chinese buyers are the second most active in these sectors, acquiring 17% of Ultramax sales and 22% of Kamsarmax sales. In the Capesize sector, Chinese buyers have dominated, securing more than 50% of Capesize vessels sold. Greeks are the second most active buyers in this segment, purchasing 15% of the vessels. In the Newcastlemax market, Chinese buyers are the top purchasers, followed by the Greeks, with both accounting for around 65% of total sales. Other Newcastlemax buyers include Koreans and Danish.

A 2006-built Chinese Capesize that which called for offers this week is rumored to have seen levels in the mid-$16 million range. Prices for 18-year-old Capesize vessels have decreased by around 15% since August.



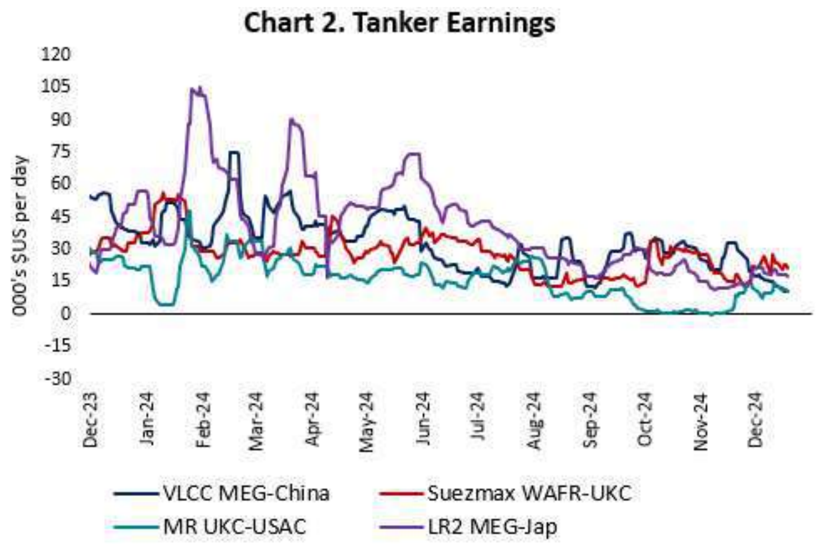
2.2 Tankers

Tanker S&P activity has decreased this year, with transactions down by around 33%. At the time of writing this report, based on our records, 50 VLCCs have been reported sold this year, with most going to Chinese and Saudi Arabian buyers. Suezmax transactions have been limited, with only 16 vessels changing hands, many of which were sold to unknown buyers. In the Aframax/LR2 sector, most vessels have been purchased by undisclosed and Chinese buyers. Greeks have been the top buyers of LR1 tankers, acquiring 38% of sales. Finally, in the MR segment, undisclosed buyers have acquired the majority of vessels, followed by Greeks and Chinese.

The tanker fleet is expected to grow significantly in the coming years, though growth will vary by size category. MR deliveries are set to double next year, with over 71 units expected to begin trading-the highest level since 2019. Suezmax and Aframax/LR2 deliveries will also rise significantly, with approximately 56 LR2/Aframaxes due for delivery, the highest number since 2017, and around 31 new Suezmaxes expected to start trading. While these deliveries represent 4-5% of the existing fleet, a similar or higher number of tankers will be turning 15 years old next year. In contrast, VLCC, LR1/Panamax, and Handy deliveries remain limited, with just 16 new tankers expected across all three segments.

China's imports of Iranian crude oil and condensate fell sharply in November, hitting a four-month low of 1.31 million barrels per day. Chinese refiners are increasingly turning to spot cargoes from non-sanctioned sources, such as the UAE and West Africa

Kpler data shows global oil inventories have decreased by 132 million barrels year-to-date, leaving them just 40 million barrels above all-time lows. Over the past four weeks alone, 73 million barrels have been drawn down.



2.4 Container

This year is marked by a significant increase in demand, impressive growth in earnings and a notable resurgence in vessel values.

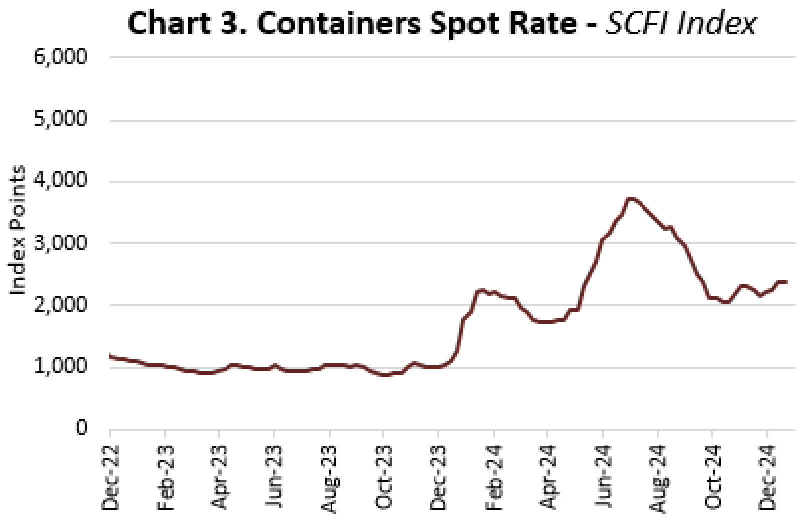
The container sector has experienced significant growth in 2024, driven primarily by increased sailing distances due to the prolonged crisis in the Red Sea, which led to an approximately 15% y-o-y rise in global TEU-miles and around a 5% growth in global trade. Indicatively, one-year time charter rates for container vessels surged, with Post Panamax earnings reaching the low to mid $70s per day, over double last year's rates, representing a roughly 110% y-o-y increase.

As the holiday season approaches, the chartering market this week as expected has experienced a slowdown in activity, especially within the container time charter segment. This decline can be attributed primarily to several liner companies concluding their fiscal years, leading to a temporary dip in demand. As a result, there has been a significant pause in new employment commitments in the market.

On the S&P front, the market is showing signs of strengthening, resulting in a steady rise in asset prices, particularly among Feeders.
A 2006 Chinese-built geared Feeder (1,100 TEUs) changed hands from Greek Owners to US-based buyers for approximately $9 million, while a 2005 German-built gearless Feeder (1,200 TEUs) sold for $8.5 million to Chinese Buyers.

Newbuilding orders have surged to near-record levels this year, rising by approximately 75%, from 182 in 2023 to 320 in 2024, including options. In the first half of 2024, the volume of newbuilds reached around 100 million DWT, but this figure moderated to 55.1 million DWT in the latter half of the year.

It is worth mentioning that China has emerged as the dominant player in the global container shipbuilding market, accounting for about 68.5% of the total orderbook by TEU capacity, compared to Korea's approximately 23%, while Japanese yards hold a modest 6.4% of the market share. Although South Korea initially led the sector between 2017 and 2019, it has since been overtaken by China, which recorded 3.61 million TEUs of orders in 2024 alone, thereby extending its orderbook into 2029 and beyond.



2.5 Key shipping Freight Indices

Table 1. Key Shipping Freight Indices

Bulkers		% w-o-w	Tankers		% w-o-w	Containers		% w-o-w
BDI	976	-7.49	VLCC MEG-China	10,800	-17.56	SCFI	2,390.17	0.24
Capesize 5TC	8,945	-13.84	Suezmax Wafr-UKC	21,700	-9.96			
Kamsarmax 5TC	8,938	-2.70	MR UKC-USAC	11,100	-19.57			
Supramax 10TC	11,931	-1.74	LR2 MEG-Jap	17,400	-15.12			
Handysize 7TC	10,550	-6.31						

2.6 Finance

Chinese leaders agreed last week to raise the budget deficit to 4% of GDP (gross domestic product) for next year, the highest level on record, while maintaining an economic growth target of around 5%.

The Federal Reserve cut interest rates by a quarter of a percentage point but signalled a slower pace of rate cuts next year. This sent the dollar surging to a two-year high and triggered a sell-off in U.S. and international stocks. The Federal Open Market Committee voted on Wednesday to lower the benchmark rate to a range of 4.25% to 4.5%, marking the third consecutive rate cut.

3. Second-Hand Market

3.1 Weekly Ship Sales by Vessel Type

Table 1. Weekly Ship Sales by Vessel Type

Vessel Type	Sub-Sector	Name	Size	Built	Yard	Price	Buyers	Surveys	Comments
Tanker	MR	Valle di Granada	40k >>	2005	Hyundai Mipo	$13.35m	UAE based	SS/DD 01/25	BWTS fitted
Dry Bulk	Capesize	FEG Success	182k >>	2010	Kawasaki	$28m	Koreans	SS/DD 01/25	Scrubber fitted
Dry Bulk	Supramax	Indigo Omega	56k >>	2012	Mitsui	$17.3m	Greeks	SS 10/27 DD 08/25	
Dry Bulk	Supramax	Zein	52k >>	2001	Tsuneishi	$7m	N/A	SS 05/27 DD 08/25	
Dry Bulk	Supramax	Global Saikai	51k >>	2007	Oshima	$12.2m	N/A	SS 08/27 DD 08/25	BWTS fitted, OHBS
Dry Bulk	Handysize	Oak Harbour	33k >>	2005	Oshima	rgn $9m	Chinese	SS/DD 02/25	
Container	Post Panamax	One Hong Kong	8,212 TEUs	2009	IHI	$52.2m	Swiss	SS/DD due	

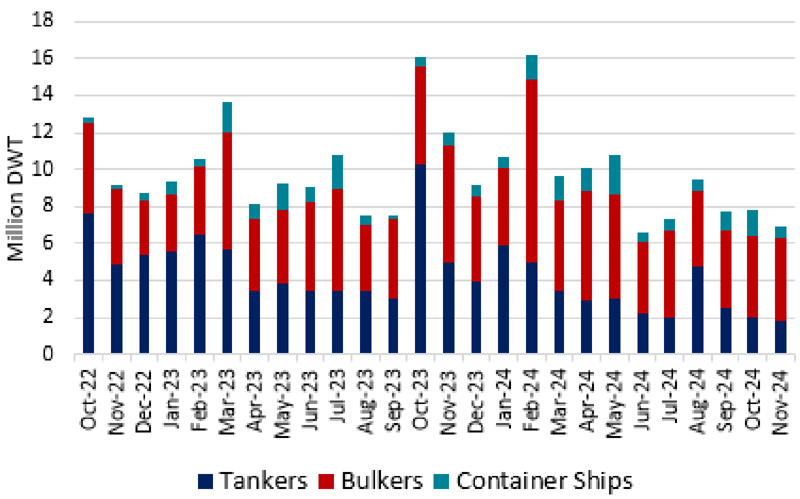
3.2 Second-Hand Asset Values & Sales Volumes per Vessel Type

Table 2. Secondhand Asset Values

	Vessel Type	Current Prices				5-Year Avg Prices (2018-2023)			
		Resale	5 yrs	10 yrs	15 yrs	Resale	5 yrs	10 yrs	15 yrs
TANKERS	VLCC	147	113	84	54	108	82	57	43
	Suezmax	96	76	59	39	76	57	41	28
	Aframax	81	66	51	34	63	49	36	24
	Panamax	62	52	42	30	50	36	26	18
	MR	51	41	31	20	43	34	24	16
DRY BULK	Capesize	74	61	42	25	56	43	27	17
	Panamax/Kamsarmax	39	33	23	14	35	28	20	13
	Supramax/Ultramax	38	31	22	13	33	25	16	12
	Handysize	33	25	18	11	27	21	13	8

	Size	Current Prices	5-Year Avg Prices (2019-2023)
CONTAINERS	8,800-teu / 10 yrs	65	62
	6,600-teu / 10yrs	55	50
	4,500-teu / 10 yrs	39	29
	2,600-teu / 10 yrs	30	20
	1,700-teu / 10 yrs	21	15

Chart 4. Sales Volumes per Vessel Type



4. Newbuilding & Ship Recycling Markets

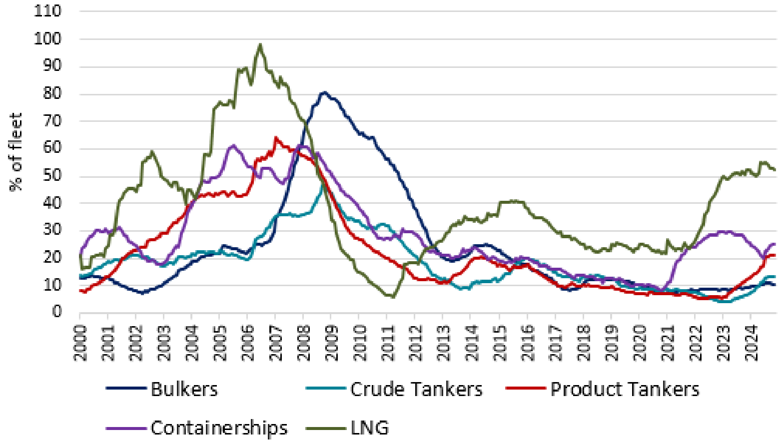
4.1 Recent Newbuilding Orders

Table 3. Weekly Newbuilding Orders								
Ship No	Type	Sub-Sector	Size	Delivery	Yard	Unit Price	Owners	Comments
10	Dry Bulk	Kamsarmax	82k >>	2027	Jiangsu Hantong	ard $40m	Chinese	
6	Dry Bulk	Kamsarmax	82k >>	2026	Hengli	N/A	Greeks	Scrubber fitted
1	Container	Feeder	1,100 TEUs	N/A	Karachi	ard $24.75m	Pakistani	

4.2 Newbuilding Asset Values & Orderbook Levels

Table 4. Newbuilding Asset Values						
Vessel Type		Current Prices		Year End, $m		
		Last Week	This Week	2011	2022	2023
TANKERS	VLCC	129	129	112	120	127
	Suezmax	89	89	76	80	84
	Aframax	74	74	59	62	69
	Panamax	61	61	51	54	56
	MR	51	51	41	44	46
DRY BULK	Capesize	75	75	61	61	65
	Kamsarmax	36	36	35	34	36
	Ultramax	34	34	33	31	34
	Handysize	31	31	30	29	31
CONTAINERS	10,000-teu	158	158	129	128	130
	8,000-teu	129	129	84	86	91
	5,000-teu	80	80	71	73	74
	2,600-teu	42	42	39	41	40
	1,700-teu	30	30	28	29	29

Chart 5. Shipping Orderbooks
as % of Fleet Capacity



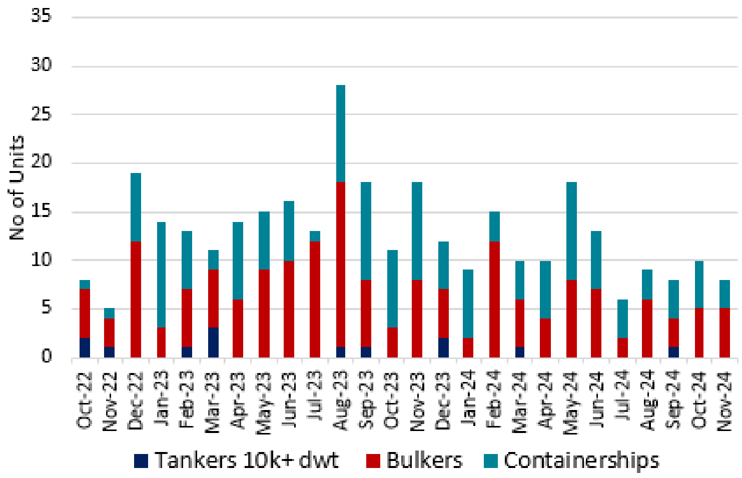
4.1 Recent Ship Recycling Activity

Table 5. Weekly Ship Recycling Activity									
Type	Sub-Sector	Name	Dwt	Built	Ldt	Yard	Buyer	Price ($/ldt)	Comment
Tanker	Small Tanker	New Smile	6,902	1995	2,227 mt	Singaporean	Bangladeshi	510	
Dry Bulk	Supramax	True Confidence	50k	2011	8,907 mt	Japanese	N/A	353	"As is" Sharjah, UAE

4.2 Scrap Values & Ship Demolition Volumes

Table 6. Scrap Values								
Location	Tankers				Dry Bulk			
	Year End, $m			Current	Year End, $m			Current
	2021	2022	2023		2021	2022	2023	
India	565	530	495	**465**	560	525	500	**460**
Bangladesh	600	505	485	**470**	590	510	485	**470**
Pakistan	590	520	510	**460**	585	520	505	**455**

Chart 6. Ship Recycling per Vessel Type



5. Macro Indicators

Indicator		% w-o-w
ICE Brent	72.5 $/b	-1.2%
WTI	69.04 $/b	-1.4%
Spore VLSFO	547.5 $/t	-0.2%
GBP/USD	1.25	-1.6%
USD/YEN	157.05	2.7%
EUR/USD	1.04	-1.0%
USD/YUAN	7.30	0.3%
Gold	2,597.5	-3.3%
SOFR	4.57%	-1.1%
EURIBOR (3m)	2.852%	-1.2%

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