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Global Maritime Trade & Transport

World's largest shipping line suspends all cargo to Middle East



Leading container carrier Mediterranean Shipping Co. on Monday said it was suspending all cargo bookings to the Middle East. The move by the world's largest liner operator marks a significant commercial reaction to the military situation that has escalated since the United States and Israel attacked Iran on Saturday.

"As a precautionary measure, MSC has suspended all bookings for worldwide cargo to the Middle East region until further notice," the Geneva-based liner said in an advisory, citing crew safety. "The company continues to closely monitor developments and is working with relevant authorities to ensure the safety of its operations. Middle East bookings will resume as soon as the security situation improves."

It is unknown if the move covers the Shikra or IPAK Far East strings, which focus on Indian ports. The suspension represents an estimated 73,000 twenty foot equivalent units (TEUs) of weekly capacity across nine services in the Red Sea and Persian Gulf.

Noting the dozens of ships trapped in the Persian Gulf, Xeneta Senior Analyst Destine Ozuygur in a social media post said seven are MSC vessels, intra-regional feeders in the post-Panamax 6,000-TEU range. The privately-held carrier expanded its Mideast-linked services in 2025, including a new North India-Middle East loops and South America-Middle East connections covering more than 20 direct calls. MSC serves 25-30 ports in the Arabian Gulf, Red Sea, and Indian Ocean rim.

3,200 ships caught up in Hormuz paralysis



VLCC freight surged to extraordinary theoretical levels on Monday as the war between Iran and the US-Israel coalition roiled shipping in the Persian Gulf, with some 3,200 vessels stuck in the region. The benchmark TD3C from the Middle East to China was quoted at \$423,700 a day, up \$205,600 from the day before. Brokers cautioned that confirmed fixtures at those eye-watering levels were not forthcoming.

Insurance has followed suit. More than half of the world's largest P&I clubs will cease war-risk cover for ships entering the Persian Gulf from March 5, automatically terminating protection for vessels that transit specified adjacent waters – a move that will sharply raise voyage costs and push owners to reroute via the Cape of Good Hope.

Iranian officials compounded the crisis by asserting control over the strait. Iranian state media quoted senior commanders saying the Strait of Hormuz is closed and warned that "the heroes of the Revolutionary Guards and the regular navy will set those ships ablaze" if they try to pass, a statement that has heightened market fear over the potential to trap 14-15m barrels per day of crude in the Middle East Gulf.

The widespread attacks across the region come as the US secretary of state Marco Rubio said last night "the hardest hits" on Iran are "yet to come" with no indication of how long this military campaign will last.

Iranian attacks have already struck merchant shipping and regional infrastructure. Clarksons Research reports at least six ships damaged – including Stena Imperative, Sea La Donna, Hercules Star, Ocean Electra, Skylight and MKD Vyom – plus multiple strikes on ports and energy sites. A Monday port strike in Bahrain killed a shipyard worker, injured two others and damaged a US-flagged tanker.

Gulf war is 'black swan' for liner networks, 'catastrophic' for ports

- *Higher-risk profile of Red Sea transits is causing further schedule disruptions as ships switch back to the ONE's Jeremy Nixon estimates that Middle East war affects around 10% of the global containership fleet*
- *Effects are already being felt at Asian ports as cargo is diverted and loadings are cancelled*
- *Cape of Good Hope*
- *Key carriers are continuing to suspend Middle East Gulf-bound cargoes and services as the security situation deteriorates*

The container trade affected by the Middle East war pales in comparison to the oil and gas trades. Nevertheless, speakers at TPM26 warned that the fallout will be severe. The Middle East containership market may not be big compared to the transpacific, Asia-Europe or intra-Asia, but the abrupt loss of this trade for liners will have outsized repercussions.

The fallout for global container trades of the effective closure of the Strait of Hormuz to boxship transits will be extremely consequential, lengthy and globe-spanning, according to speakers at the TPM26 conference in Long Beach, California on Monday.

"What's transpiring is really the worst end of the spectrum in terms of the potential risk outlook that we thought may happen," said Jeremy Nixon, chief executive of liner operator [Ocean Network Express](#).

"About 10% of the global fleet is caught up in this. This is a major development. This is another black swan event. We continue to go through these in our industry, and this one is an evolving story. It's a breaking live news situation, changing by the hour."

According to Nixon, "The immediate implications are that insurance has come off so you can't put any ships through, fuel prices are rapidly escalating, and most of the carriers, including ONE, have stopped all bookings to the Middle East.

"This is not an insignificant trade. It's not as big as the transpacific but it's still pretty significant. All of that cargo is going to start backing up into key locations in Europe and Asia." "All the ships that have cargo for the Middle East that would need to go through the Strait of Hormuz are going to have to turn around and take that cargo to places such as [Colombo](#), [Fujairah](#) and other locations," Nixon explained.

ONE informed customers on Monday (March 2) of a temporary suspension of bookings to and from the Middle East Gulf. This followed a similar announcement from the world's largest box carrier [Mediterranean Shipping Company](#) that it was no longer taking Middle East bookings.

Following initial strikes by the US and Israel on Iran, carriers responded quickly with a series of service suspensions and measures to withdraw capacity from the region, while diverting ships unable to leave the Gulf to take shelter at ports and anchorages.

In the last 24 hours carriers have continued to inform customers of service updates in a rapidly fast moving environment. "When it comes to equipment issues, if you look back on what happened when carriers stopped using the Suez, the ripple effects came months later. It was when containers were needed back in Asia.

"The ripple effects of this are not going to come tomorrow," said Nielsen. "They might come three, four, eight weeks later. And it can go across all trades, because carriers typically

want to have equipment on the trades that are most profitable. This is a Middle East situation, but the ripple effects could also translate into the transpacific trade.”

Nixon said, “Initially, it's obviously a Middle East story. But there's exports coming from many different locations, primarily from Asia. I would expect that some of the hubs now will start to lose some of their fluidity: [Port Klang](#), [Singapore](#), some of the other major ports in Asia as well.

“There was an immediate cessation on bookings. So, there will be cargo that would be ingated right now, in those terminals, which is not going to get lifted on a ship. That’s going to give port operators headaches in terms of their stack utilisation and the fluidity of the terminals,” said Nixon.(Source: Lloyds Shipping)



Carriers pause India-Middle East cargo bookings amid Persian Gulf port chaos

Supply chains between India and the Middle East have come to a standstill following the en masse suspension of services and cargo acceptance by ocean carriers serving the trade corridor amid the military conflict between Iran and the US and Israel.

The economic implications of the developing crisis are enormous for India as it is the second-largest trading partner for the United Arab Emirates (UAE). The two sides in 2022 signed a comprehensive trade pact aimed at pushing non-oil bilateral trade to \$100 billion by 2030.

While reefer trade is seen to be at the center of carrier booking suspensions...



Asian Maritime Industry

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Singapore, Tg Pelepas, Port Klang could face congestion from Middle East-bound boxships; capacity shortage feared



Bottlenecks will worsen if Strait of Hormuz closure persists, with Colombo likely to be the worst hit

[SINGAPORE] Port congestion in Asia's key transshipment hubs stemming from the Middle East conflicts is expected.

Some shipping lines have already made requests to Singapore to stage some of their Middle East-bound containers in the Republic, *The Business Times* has learnt, as the shipments cannot be transported directly to the war zone.

This comes as industry watchers said the military conflicts could cause port congestion in Asian transshipment hubs, such as Singapore and Malaysia's Tanjung Pelepas and Port Klang.

Lars Jensen, chief executive officer of Vespucci Maritime, noted in a social media post that these operational disruptions will likely lead to congestion in many container hubs in Asia if they last more than a few days.

The crisis could lead to a situation similar to that which followed Yemeni Houthi militant attacks on merchant ships in 2023. Cargo suddenly could not be shipped to their destinations in the aftermath.

"Add to this the fleet now trapped inside the Gulf, and we are facing tactical capacity shortages," Jensen added. We risk seeing Singapore, Tanjung Pelepas and Port Klang become transshipment bottlenecks for cargo which otherwise would be sent directly to the Gulf."

Tan Hua Joo, an analyst at container shipping intelligence provider Linerlytica, told BT that port congestion at key Asian hubs will worsen if the Strait of Hormuz closure persists.

Colombo will likely be the worst hit, as the Sri Lankan port is the closest hub away from the conflict zone, together with the secondary port of Hambantota.

He noted that there are 132 active container ships, with a combined capacity of 458,000 20-foot equivalent units (TEUs), that are trapped in the Persian Gulf, accounting for 1.4 per cent of the global fleet.

They also make up part of the 3.4 million TEUs in total capacity that operate on the routes through the Strait of Hormuz, or 10 per cent of the worldwide fleet that passes through the strait.

If the Hormuz closure is prolonged, it would lead to a reconfiguration of services and a short-term tightening in vessel supply and box equipment, as well as increased congestion at Asian ports, said Tan.

Singapore as workaround

BT has heard that some container shipping lines are considering tapping Singapore, the world's largest transshipment hub, as a workaround for not being able to call at Middle Eastern ports.

During the Covid pandemic, container shipping companies used the city-state to catch up with their upended schedules in the wake of sudden port closures to keep out the virus.

German global logistics provider Kuehne+Nagel highlighted in its updates to customers that freight is expected to be delayed due to restricted passage and vessel diversions, congestion at key transshipment hubs, disrupted schedules, as well as potential equipment shortages.

PSA Singapore, meanwhile, is engaging its shipping line customers to pre-empt and address their evolving operational requirements, a spokesperson for the port operator said, in response to queries on the measures being taken in anticipation of diverted vessels.

"Our priority remains to maintain reliability, operational efficiency and seamless connectivity for all shipping lines calling at PSA," the spokesperson added. A spokesperson for Westports, the main operator of Port Klang, said that it is "too early to tell... we are monitoring ongoing developments".

Large container carriers and other types of vessels are rerouting ships to avoid the Persian Gulf, after the US and Israel launched attacks on Iran on Saturday (Feb 28). Teheran has retaliated by targeting US interests in the region, including the United Arab Emirates, Qatar and Bahrain.

Higher costs on the cards

A host of freight costs and surcharges might rise or be imposed in this situation, including insurance premiums in the form of war risk cover – if vessels do get covered.

The International Union of Marine Insurance told BT that war cover for the Persian Gulf and Red Sea will likely be granted only under specific agreements on a single-voyage basis, as long as navigation is authorised by governments and flag states.

"In the current fast-paced situation, insurers will regularly re-examine their ability and willingness to provide that cover," said the organisation, which represents national and global marine insurers and reinsurers.

Stephen Rudman, head of marine for Asia at professional services firm Aon, noted that additional premiums for vessels transiting high-risk waters are rising sharply and may continue to fluctuate in the short term.

Cargo war risk is available, but rates are increasing and quotations are being reviewed on a voyage-by-voyage basis, particularly for energy and bulk commodity trades, he added.

"Should the situation escalate materially (for example, sustained state conflict or significant vessel loss), further rate correction is likely." Jensen of Vespucci said that spot cargo rates to the Gulf area will rocket, but shippers should prepare for a ripple effect with rising spot rates on other major deep-sea trades as well.

Maritime consultancy Drewry said rising oil prices will also add to shipping costs through higher bunker surcharges, which could be passed downstream to manufacturers and consumers. This could dent demand for containerised goods worldwide. **(Source: Business Times Singapore)**



China's \$23.9 bn port push: How Beijing is reshaping global maritime trade



Haifa Port in Israel (\$1.13 billion) is become risk in a war zone

A new global report shows Beijing has financed hundreds of port projects across continents, expanding its role in

China's financial footprint in the world's seaports has expanded steadily over the past two decades, turning the country into one of the most important backers of maritime infrastructure worldwide.

A recent study by AidData, a research lab at the College of William & Mary, shows that between 2000 and 2025 Chinese state lenders and government agencies committed about \$23.9 billion in loans and grants for 363 port-related projects at 168 ports across 90 countries.

The projects range from building entirely new terminals to expanding existing facilities and supplying equipment such as container cranes and security scanners. The study is based on the Chinese-Financed Ports Overseas and Related Terminals dataset (CPORTS 2.0), one of the most detailed databases compiled on China's overseas port financing.

Panama port dispute highlights geopolitical stakes

The report comes just weeks after Panama took control of two ports at the Atlantic and Pacific entrances of the Panama Canal after its Supreme Court voided the concession of their Hong Kong-based operator towards February-end. The government authorised the Panama Maritime Authority to occupy and run the Balboa and Cristobal ports, previously operated by Panama Ports Company, a subsidiary of CK Hutchison. Washington welcomed the move, calling it consistent with efforts to curb Chinese influence around the strategic waterway.

The development highlights how control and financing of ports have increasingly become a geopolitical issue. At the same time, new research shows China's role in global port infrastructure is already extensive and spread across dozens of countries, highlighting how Chinese lenders were becoming a major source of infrastructure finance for maritime trade.

Where are Chinese-financed ports located globally?

Chinese-financed ports are spread across almost every major shipping region. According to the research firm's analysis, some of the most heavily financed ports include:

> **Hambantota International Port in Sri Lanka (Chinese investment of \$1.97 billion)**

> **Port of Newcastle (\$1.32 billion) and Port of Melbourne in Australia (\$1.14 billion)**

> **Autonomous Port of Kribi in Cameroon (\$1.17 billion)**

> **Haifa Port in Israel (\$1.13 billion)**

Many projects are concentrated along busy maritime routes in the Indian Ocean, the Red Sea, West Africa and parts of South America.

But the investments are not limited to developing economies only. About 45 per cent of China's overseas port financing portfolio supports projects in high-income countries, including Australia, Spain, Singapore and New Zealand.

In these countries, Chinese banks often finance acquisitions or refinancing deals rather than building new ports from scratch.

How China participates in international port operations

China's involvement in overseas ports comes through a mix of loans, construction contracts and operational roles.

The analysis showed that around 35 per cent of Chinese-financed port projects involve some level of Chinese ownership or operational control.

Effectively, operational participation can give companies influence over how a port functions, including shipping schedules, logistics coordination and berth allocation. In many cases Chinese state-owned enterprises serve as port operators after construction is completed.

Chinese shipping groups are also expanding their presence globally. For example, COSCO Shipping Ports operates or manages terminals at dozens of ports worldwide, including facilities in Europe, Asia and the Middle East.

These investments form part of a broader strategy to strengthen maritime logistics networks linked to Chinese trade.

Why is China financing ports across the globe?

Ports play a central role in global trade, and China is the world's largest exporter of goods. According to the AidData report, the projects often serve commercial purposes such as:

- handling container cargo
- supporting mineral and energy exports
- facilitating shipping routes linked to Chinese supply chains

The dataset goes on to show that general cargo and container facilities account for the largest share of Chinese port financing, while another group of projects focuses on ports linked to minerals, coal or energy shipments.



Hambantota International Port in Sri Lanka

Some investments also appear tied to broader infrastructure corridors connecting ports with railways, mines and industrial zones.

For example, the deep-water Port of Chancay in Peru is expected to become a major logistics hub for trade between South America and Asia once fully operational, potentially reducing shipping times to China.

What are the strategic implications of Chinese-financed ports?

The report noted that many Chinese-financed ports sit along major sea lanes used for global trade. While most projects are commercial, analysts say their locations could carry strategic importance.

According to AidData, Chinese naval activity, including port calls and exercises, has taken place at more than half of the ports where Chinese companies also have ownership or operational roles.

However, the study says there is limited evidence that China is systematically converting these facilities into overseas naval bases. Instead, the projects appear primarily focused on trade logistics and commercial shipping.



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The short sea shipping & sustainable logistics network



Asian Logistics Sector

MOL and Mitsubishi jointly invest in Logistic Project in Vietnam



Mitsui O.S.K. Lines, Ltd. (MOL; President & CEO: Takeshi Hashimoto) today announced that it has invested in the Logicross Hai Phong logistics facility development project led by Mitsubishi Estate Co., Ltd. (President and CEO: Atsushi Nakajima; Head Office: Chiyoda-ku, Tokyo) in Hai Phong located in Northern Vietnam. This marks MOL's first entry into the logistics facility ownership in Vietnam and will further accelerate the expansion of its logistics business in Southeast Asia.

MOL Group is advancing a business portfolio transformation under its "BLUE ACTION 2035" management plan to secure stable earnings that are less susceptible to fluctuations in the shipping market. A key initiative is strengthening the "Logistics Infrastructure" (Note 1) segment within its logistics business. The plan also promotes regional strategies to enhance global expansion, with Southeast Asia—a region showing sustained economic growth—positioned as a critical priority area for the group. The property, developed primarily by the Mitsubishi Estate Group, was completed in October 2025, and began operations in November. MOL decided to participate in this project after confirming that it aligns with its initiatives to deepen collaboration with Mitsubishi Estate Group as well as its dual objectives of portfolio transformation and regional strategy.

This property is strategically located in the Nam Dinh Vu Industrial Park, close to major infrastructure such as Lach Huyen Port, the largest deep-water port in northern Vietnam, and Cat Bi International Airport. It also offers superior access to Hanoi, the largest consumer market in the north, as well as the Chinese border region.

The facility's versatile design offers advanced functionality, presenting opportunities to serve a wide range of businesses. It also incorporates a highly resilient structure designed to withstand typhoons and other weather conditions specific to northern Vietnam. Additional features include motion-sensor LED lighting and state-of-the-art water-saving and fire-suppression systems. The logistic facility earned EDGE Advanced certification under the EDGE certification system (Note 2) recognized by the International Finance Corporation (IFC). It is one of the few cutting-edge logistic facilities in Vietnam designed to prioritize both environmental sustainability and employee wellbeing (CNS Cyprus)

Port of Nansha Leads South China Growth as Shippers Prioritize Lower-Risk Gateways



Guangzhou, China — [The Port of Nansha](#) continues to solidify its position as South China's fastest-growing container gateway, offering global shippers a compelling combination of scale, cost efficiency, and risk reduction as supply chains plan for 2026 and beyond.

In 2025, Nansha handled 22.6 million TEUs, representing 10.3% year-over-year growth and accounting for approximately 75% of Guangzhou Port Group's total volume. The Guangzhou Port Group reached 28.1 million TEUs, up 6.1% year over year, with Nansha driving the majority of that growth.

This performance reflects a broader market shift as shippers increasingly prioritize reliability, diversification, and total landed cost over legacy routing habits.

With tariff headwinds easing, manufacturers and retailers are revisiting production shifts back to China to take advantage of proven supplier networks, speed to market, and economies of scale. However, shippers are pairing that return with a more deliberate approach to logistics risk.

"Shippers are voting with their cargo," said John Painter, CEO/Founder of Port of Nansha, America. "Nansha's growth is not accidental — it's the result of deliberate investments in efficiency, capacity, and operational resilience."

A Strategic Origin for 2026 Contracts

With continued infrastructure investment (On Dock Rail, Dry/Cold Warehousing, Automated Terminal), expanding carrier services, and sustained double-digit growth, Nansha is rapidly becoming the primary gateway of choice for exporters in the Pearl River Delta.

Many Shippers are now incorporating **FOB Nansha** into their 2026 service contracts as a proactive step to reduce risk, control costs, and improve end-to-end reliability.

"The smartest supply chains don't wait for disruption to force change," Craig Akers, Managing Director of the Toy Shippers Association (TOYSA), added. "They proactively build resilience through trusted partners."

Intra Asian Trade

Vietnam's export US\$111mn Bananas and sweet potatoes to Japan

Three key products accounted for more than US\$111 million in Vietnam's exports to Japan, representing nearly 47 per cent of the total export value. Chrysanthemums ranked first at US\$43.6 million, followed by bananas at US\$42.6 million and sweet potatoes at US\$25.3 million.

Other categories also recorded increases. Eggplants reached nearly US\$20 million, up 17.7 per cent, while mangoes totaled US\$16.8 million, an increase of nearly 13.7 per cent.

According to the Vietnam Fruit and Vegetable Association, Japan is known as a market with high standards for food safety, traceability, and packaging, but maintains consistent demand.

The fact that three products account for nearly half of total export turnover indicates that Japan imports not only tropical fruit, but also vegetables and fresh flowers in volume.

For growers and exporters, this structure highlights the importance of compliance with food safety protocols, traceability systems, and packaging requirements when supplying the Japanese market. It also reflects a diversified demand profile, covering ornamental horticulture, fruit, and field vegetables.

The current export composition provides scope for further investment in production systems aligned with Japanese standards. For greenhouse operators and high-tech growers, this includes attention to uniformity, post-harvest handling, and documentation processes required for entry into the market.

Maintaining and expanding market share in Japan will depend on continued alignment with these requirements, alongside product diversification within both fruit and vegetable categories. Source: [VoV](#)

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