WEEKLY REPORT

WEEK 7 – February 13th, 2026

The maritime landscape in East Asia faces renewed uncertainty following the seizure of a Chinese fishing vessel by Japanese authorities on Thursday. The incident, which took place within Japan's EEZ off the coast of Nagasaki, led to the arrest of the ship's captain after he allegedly attempted to evade an onboard inspection. This marks the first seizure of a Chinese boat by the Japanese Fisheries Agency since 2022 and comes at a time when regional stability is already under significant pressure. While Japanese officials maintain that such enforcement is necessary to deter illegal fishing, the Chinese government has responded by calling for the protection of their sailors' rights, further complicating an already delicate diplomatic environment.

The timing of this arrest is particularly sensitive, occurring in the wake of a landslide election victory for Prime Minister Sanae Takaichi. Her administration has maintained a firm stance on regional security, notably refusing to retract earlier statements regarding the potential for military involvement should a conflict arise in the Taiwan Strait. In response, Beijing has implemented several restrictive measures, including export controls on dual-use materials and advisories against travel to Japan. This friction has trickled down into the shipping and logistics sectors, with major Japanese carriers expressing caution over their operations in China and emphasizing the need for supply chain diversification to mitigate geopolitical risks.

The maritime community is closely watching for signs of further escalation or a possible return to a calmer status quo. Historical precedents, such as the major diplomatic clash in 2010 over a similar vessel detention, serve as a reminder of how quickly local maritime disputes can impact broader international relations. As both nations weigh their national interests against the benefits of economic stability, the industry will remain vigilant to the evolving dynamics of the East China Sea.

Dry Bulk

The dry bulk market entered the second week of February 2026 with a mixed performance, as several key indices saw improvements following a poor start to the week. The BDI climb to 2,083 points on Friday, seeing an uptick after its seventh consecutive decline on Tuesday as seasonal Lunar New Year effects began to take hold. Capesize index improved to 3,181 points. Similarly, the smaller vessel classes showed resilience, with the Panamax index rising to 1,777 points and the Supramax index inching up to 1,186 points.

Mid-term outlook remains supported by substantial shifts in global trade patterns and tonne-mile demand. Specifically, the Africa-to-North China Capesize route has seen a larger increase in demand over the last year than the traditional Brazil-to-China path. One notable highlight is the South Africa-to-China route, which has grown by an impressive 60% since September 2025. However, the market faces near-term headwinds from China's steel sector, where several electric-arc furnaces are undergoing maintenance work in early February, a move that could temporarily slow the flow of raw materials.

This week in Indonesia the Govt. announced production cuts at Indonesia's largest nickel mine. Output at Weda Bay, operated by Eramet and Tsingshan, will be capped at 12 million tonnes of ore this year, down from 42 million tonnes in 2025. The government also plans to cut industry wide quotas, lowering national production to 260–270 million tonnes from 379 million tonnes last year. The move appears aimed at supporting prices, which have fallen more than 40% over the past three years amid a surge in Indonesian supply.

Sharp cuts in Indonesian nickel ore output, including at Weda Bay, will reduce bulk cargo exports. As nickel is a key driver of Handysize and Supramax trades into China and wider Asia, lower volumes are likely to curb vessel liftings. This is expected to weigh on ton-mile demand, particularly in the smaller dry bulk segments.

Capesize:

Capesize trended firmer as an early-week surge and tightening vessel supply in the Atlantic helped push rates upward. Significant gains were recorded in the Pacific R/V, which jumped by US$2,849 to reach US$22,150's a day, while the Transatlantic route rose to US$34,550's. Despite a decrease in actual cargo volumes due to terminal maintenance in Australia and Brazil, the market was buoyed by strong FFA performance and sustained demand for Guinea bauxite, maintaining a positive undertone.

Panamax/Kamsarmax:

Panamax started the week on a firmer footing, with sentiment improving across both basins despite a mixed fundamental landscape. In the Pacific, round voyages climbed by

US$1,312 to reach US$14,150's, supported by improved NOPAC grain demand and a tighter prompt tonnage list ahead of the Lunar New Year. Meanwhile, the Atlantic saw the Transatlantic rate rise to US$16,000's as steady grain stems from the USG offset thinner mineral volumes, maintaining a positive outlook for the remainder of the quarter.

Supramax/Ultramax:

Supramax this week showed signs of building momentum, as a tightening supply of available vessels in the Atlantic helped push rate discussions higher. T/A route rose to US$23,400's, bolstered by a steady influx of fresh cargo from the USG that successfully absorbed excess tonnage. While the Pacific remained relatively quiet due to the holiday and slower Indonesian coal trade, the Pacific R/V still managed a slight gain to US$10,355.

Handysize:

Handy market saw a regional divide, as Atlantic remained on an upward trajectory while the Pacific basin faced continued softening. T/A rose to reach US$12,000, supported by firmer demand in the North despite a growing list of ballasting vessels now exceeding 230 units. Conversely, most Pacific routes retreated due to seasonal holiday lulls and limited fresh inquiry, with the Inter-Pacific sectors dipping to US$8,008 respectively.

Baltic Exchange Dry Bulk Indices

INDICES	CURRENT	LAST WEEK	LAST YEAR	W-O-W CHANGE	Y-O-Y CHANGE
BDI	2,083	1,923	792	+8.32%	+163.01%
BCI	3,181	2,918	716	+9.01%	+344.27%
BPI	1,777	1,652	980	+7.57%	+81.33%
BSI	1,186	1,104	765	+7.43%	+55.03%
BHSI	680	638	472	+6.58%	+44.07%

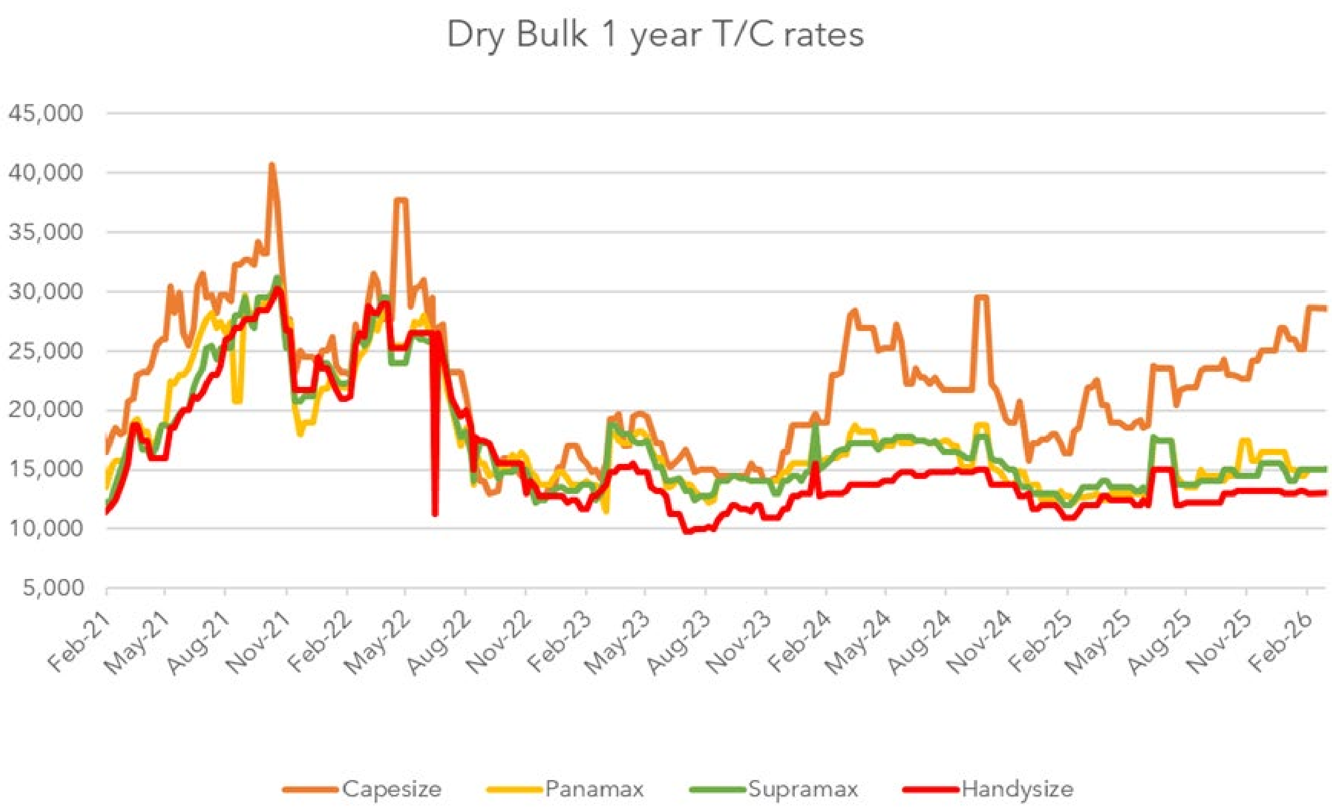
Dry Bulk Values

(*Weekly*)

TYPE	DWT	NB CONTRACT	NB PROMPT DELIVERY	5 YEARS	10 YEARS	15 YEARS
CAPE	180,000	75	78	64	48 (E)	30
KAMSARMAX	82,000	37	40	33	25 (E)	18
ULTRAMAX	64,000	35	39	33 (E)	24	16 (56K)
HANDY	38,000	30	33	26	19	15
**(amount in USD million) / (E) – eco units*						

Dry Bulk – S&P Report

VESSEL NAME	TYPE	DWT	YEAR	BUILT	PRICE (MILLION) USD	COMMENTS / BUYERS
SMYRNA	CAPE	176,877	2008	JAPAN	25.25	UNDISCLOSED
STAR SCARLETT	CAPE	175,649	2014	CHINA	36.0	CHINESE BUYERS
ROYAL AWARD	POST PMAX	88,266	2007	JAPAN	11.5	CHINESE BUYERS
ATHINA CARRAS	KMAX	82,057	2012	S. KOREA	17.5	GREEK BUYERS
ANGLO RED / ANGLO BARINTHUS	KMAX	81,712	2013	CHINA	17.0 EACH	CHINESE BUYERS
BULK XAYMACA	PMAX	76,561	2006	JAPAN	9.4	UNDISCLOSED
ELVITA R	SMAX	53,428	2009	CHINA	9.0	UNDISCLOSED
OASIS CHAMPION	SMAX	50,206	2002	JAPAN	7.5	UNDISCLOSED
SIGMA VENTURE	HANDY	34,730	2012	CHINA	11.75	UNDISCLOSED
AFRICAN LARK / AFRICAN DOVE	HANDY	34,402	2014	JAPAN	16.5 EACH	UNDISCLOSED
MELODY	HANDY	28,414	2010	CHINA	8.0	CHINESE BUYERS



Tankers

Global oil prices surged mid-week as traders closely monitored escalating diplomatic and military frictions between the United States and Iran. Market participants are particularly focused on the high-stakes meeting between the Israeli PM and U.S. President, where discussions are expected to center on curbing Iranian nuclear enrichment and regional influence. In early European trade, the U.S. benchmark, WTI Crude, climbed by to reach US$64.85 per barrel, while the international benchmark, Brent Crude, rose to sit just under the US$70 mark.

The tanker market is also grappling with a record volume of sanctioned oil stranded at sea, which is ironically pushing global prices higher as refineries scramble for alternative supplies. According to data from Vortexa, there are now approximately 290 million barrels of Russian and Iranian crude in floating storage, a figure that has swelled by more than 50% over the past year. This buildup has forced traditional buyers, particularly in India, to pivot toward more expensive Western or Saudi barrels, effectively tightening the "real" market for accessible crude. As energy titans gathered in London for International Energy Week, the consensus was clear: while global inventories are technically growing, the fragmentation caused by sanctions and the "shadow fleet" has created a challenging environment where a substantial portion of the world's oil is simply sitting on the high seas rather than reaching refineries.

VLCC:

MEG slowed down slightly, as holidays in Easy Asia began with trips to China falling to WS132. Similar was also seen in the Atlantic, with 260,000mt WAFR/China closing at WS121 down some 5 points. Week ahead is expected to remain muted as excess ballast tonnage lay idle ahead of the weeklong Lunar New Year holiday.

Suezmax:

In West Africa, activity has largely stabilised as most mid-February requirements have already been covered. 130,000mt Nigeria/UKC settles to WS157. While new cargo inflows have slowed, rates remained flat, as charterers kept a close eye on the MEG for potential spillover demand. For now, MEG/Med remains around WS117 levels.

Aframax:

The Aframax market has entered a "wait-and-see" phase, closing flat as the flurry of early February loading activity subsided. Rates remain steady throughout the week, as the market balances a quiet cargo list. 80,000mt Ceyhan/Lavera fell to WS237 while in the Nort Sea x-UKC remain around WS190’s mark.

Clean:

LR: MEG LR2 market experienced a significant downward correction as demand subside. With the requirements fulfilled, the influx of new cargo has slowed to a trickle. Furthermore, pre-Lunar New Year cargo has been cleared, reducing the pressure for Far East shippers to secure tonnage at high premiums. TC1 fell some 20 points to WS168. Similar noted in the LR1, with MEG/Japan trips ending the week at WS179.

MR: The Far East MR sector has entered a temporary hiatus as the region observes the Lunar New Year holiday, leading to a dip in activity with Prices closing slightly softer. In TC17, MEG/E.Africa trips also fell some 50 points, closing at WS191.

Baltic Exchange Tanker Indices

INDICES	CURRENT	LAST WEEK	LAST YEAR	W-O-W CHANGE	Y-O-Y CHANGE
BDTI	1,713	1,679	910	+2.03%	+88.24%
BCTI	856	916	666	-6.55%	+28.53%

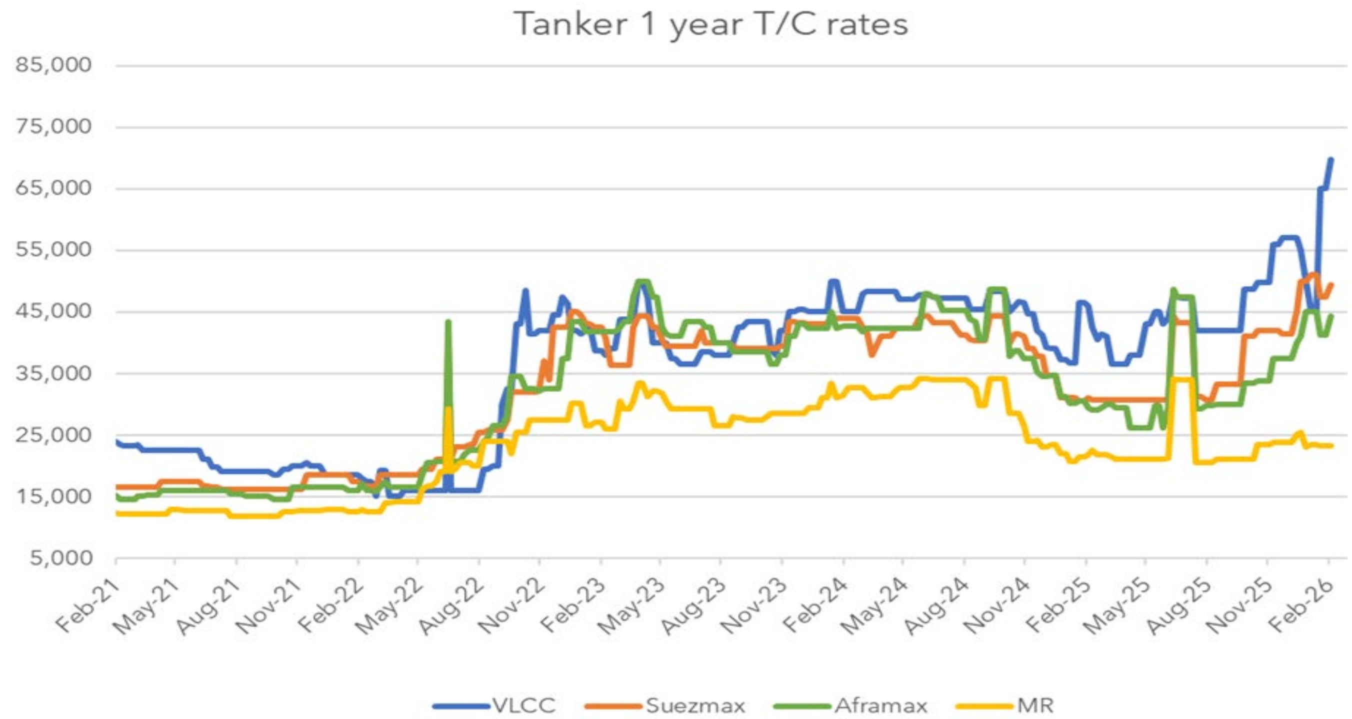
Tankers Values

(Weekly)

TYPE	DWT	NB CONTRACT	NB PROMPT DELIVERY	5 YEARS	10 YEARS	15 YEARS
VLCC	310,000	128	148	119 (E)	87(E)	53
SUEZMAX	160,000	86	95	79 (E)	63 (E)	42
AFRAMAX	115,000	75	80	66 (E)	53 (E)	37
LR1	73,000	60	64	53 (E)	44 (E)	26
MR	51,000	49	53	42 (E)	33 (E)	24
**(amount in USD million) / (E) – eco units*						

Tankers S&P Report

VESSEL NAME	TYPE	DWT	YEAR	BUILT	PRICE (MILLION) USD	COMMENTS / BUYERS
INGRID / ILMA	VLCC	314,000	2012	S. KOREA	89.0 EACH	SINOKOR
TRIKWONG VENTURE	VLCC	297,136	2012	CHINA	70.0	SINOKOR
CABO FROWARD	LR1	74,543	2006	JAPAN	12.5	UNDISCLOSED
ELANDRA FJORD / ELANDRA BALTIC	MR	51,408	2011	S. KOREA	24.5 EACH	GREEK BUYERS



Containers

SCFI fell another 1% this week to 1,251 points. This decline follows a more aggressive 9.7% plunge in the previous week, with a persistent downward trend despite the traditional pre-Lunar New Year rush. On the transpacific route, spot rates have become increasingly volatile, with some offers to the U.S. West Coast falling to US$1,400 per FEU, well below recent index assessments. This softening is largely attributed to a "demand vacuum" caused by the late timing of the holiday this year, alongside a sharp 11.4% y-o-y decline in U.S. consumer sentiment.

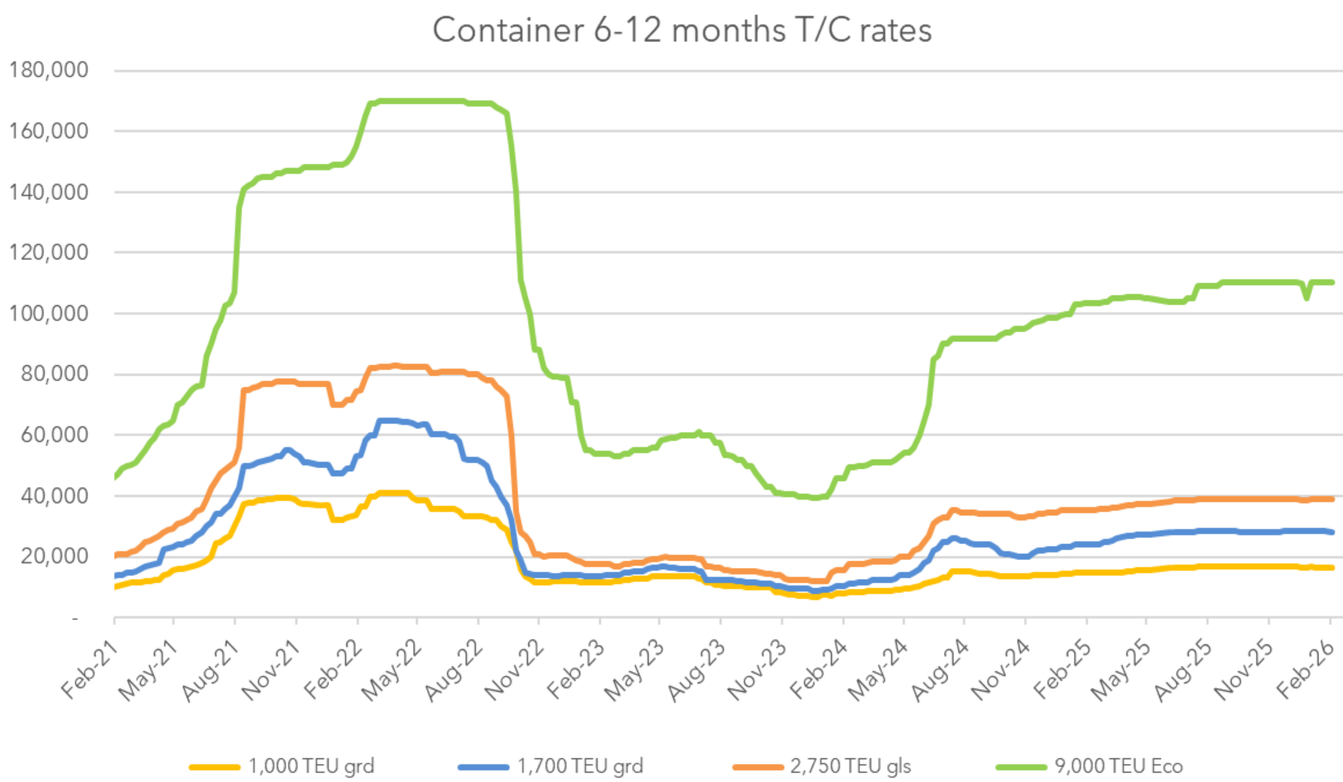
To counter this weakening demand, shipping lines are moving to aggressively manage capacity by blanking a high frequency of sailings over the coming weeks. Carriers have committed to cancelling between 18 and 28 sailings on the transpacific trade and similar high-volume blanks on the Asia-Europe route. While these measures aim to stabilise freight costs ahead of the annual contract season, analysts warn that the underlying oversupply of vessel capacity may dilute the effectiveness of such cuts.

Containers Values

CONTAINERS (BY TEU)	GEARED / GEARLESS	NB CONTRACT	NB PROMPT DELIVERY	5 YEARS	10 YEARS	15 YEARS
900 ~ 1,200	Geared	24	27	21	16	10
1,600 ~ 1,850	Gearless	31	36	29 (E)	23 (E)	18
2,700 ~ 2,900	Gearless	44	46	40	35	26
5,100 ~ 5,300	Gearless	55	79	64	-	39
**(amount in USD million) / = Eco units*						

S&P Containers Report

VESSEL NAME	SIZE	TEU	YEAR	BUILT	PRICE (MILLION) USD	COMMENTS / BUYERS
H CYGNUS	FEEDER	1,781	2022	CHINA	34.0	UNDISCLOSED


Container 6-12 months T/C rates
180,000
160,000
140,000
120,000
100,000
80,000
60,000
40,000
20,000
-
Feb-21
May-21
Aug-21
Nov-21
Feb-22
May-22
Aug-22
Nov-22
Feb-23
May-23
Aug-23
Nov-23
Feb-24
May-24
Aug-24
Nov-24
Feb-25
May-25
Aug-25
Nov-25
Feb-26
1,000 TEU grd
1,700 TEU grd
2,750 TEU gls
9,000 TEU Eco

Ship Recycling Market Snapshot

DESTINATION	TANKERS	BULKERS	MPP/ GENERAL CARGO	CONTAINERS	SENTIMENTS / WEEKLY FUTURE TREND
ALANG (WC INDIA)	410 ~ 420	400 ~ 410	380 ~ 390	430 ~ 440	IMPROVING /
CHATTOGRAM, BANGLADESH	420 ~ 430	400 ~ 410	390 ~ 400	440 ~ 450	IMPROVING /
GADDANI, PAKISTAN	430 ~ 440	420 ~ 430	410 ~ 420	440 ~ 450	IMPROVING/
TURKEY **For non-EU ships. For E.U. Ship, the prices are about USD 20-30/ton less*	300 ~ 310	290 ~ 300	270 ~ 280	310 ~ 320	IMPROVING/

- All prices are USD per light displacement tonnage in the long ton.
- The prices reported are net prices offered by the recycling yards.
- Prices quoted are basis simple Japanese / Korean-built tonnages trading units. Premiums are paid on top of the above-quoted prices based on quality & quality of Spares, Non-Fe., bunkers, cargo history, and maintenance.

5-Year Ship Recycling Average Historical Prices

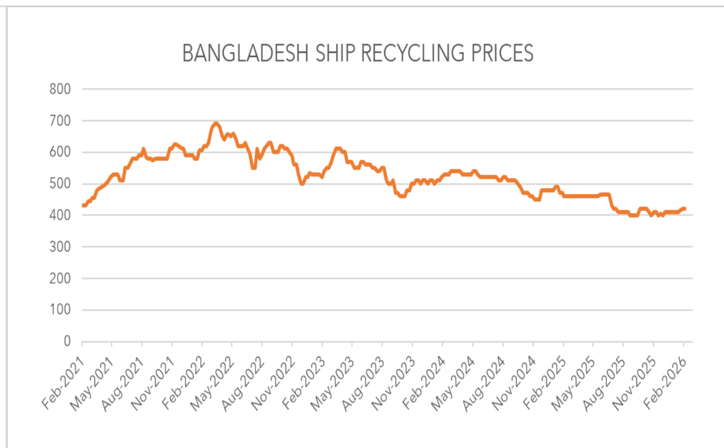
(Week 7)

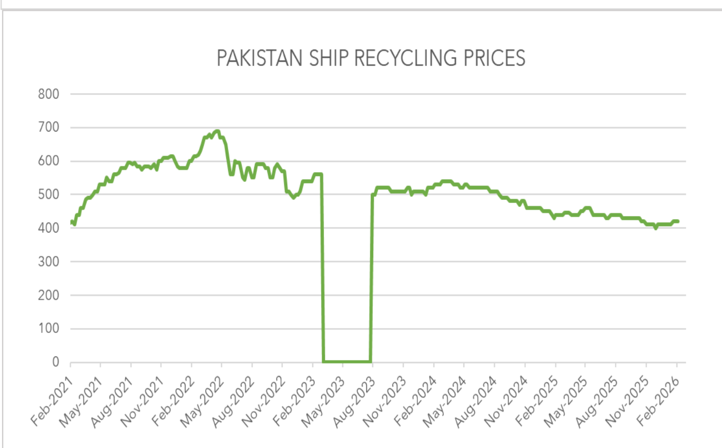
DESTINATION	2021	2022	2023	2024	2025
ALANG, INDIA	405	575	550	490	460
CHATTOGRAM, BANGLADESH	430	605	520	520	470
GADDANI, PAKISTAN	415	600	540	520	430
ALIAGA, TURKEY	240	330	310	320	360

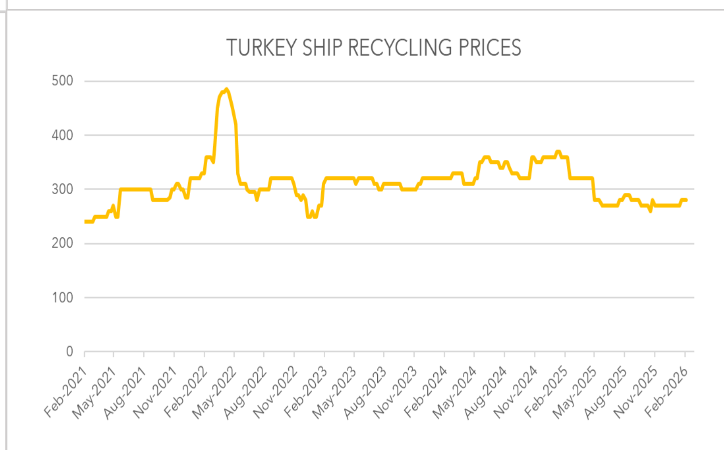
Ships Sold for Recycling

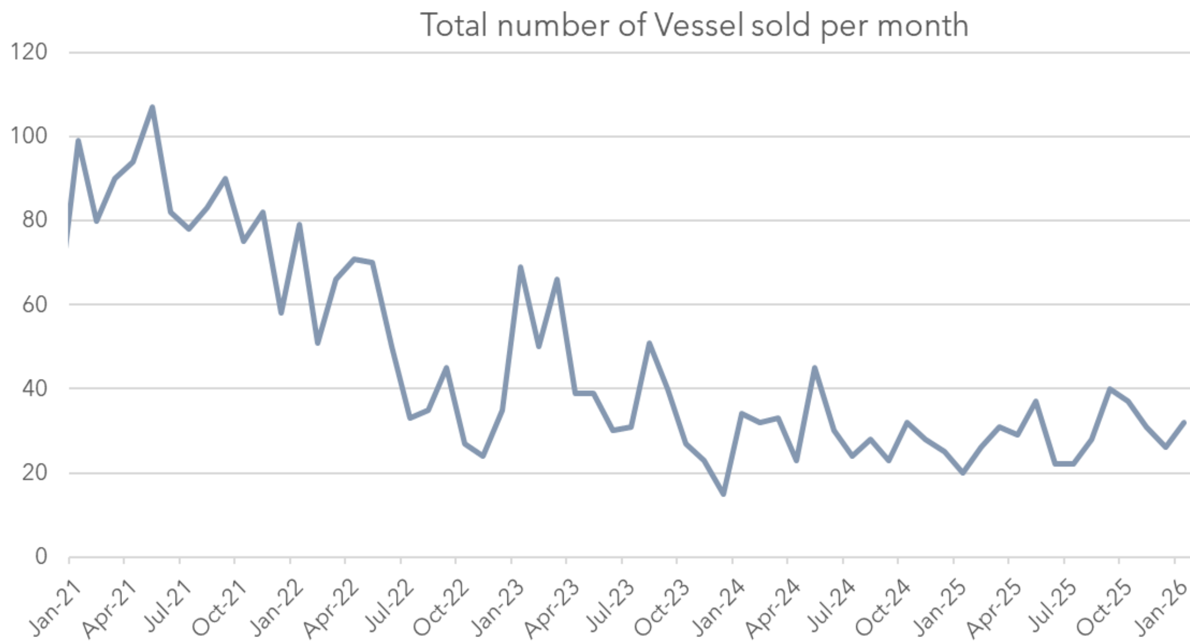
VESSEL NAME	LDT/TON	YEAR / BUILT	TYPE	PRICE (USD/LDT LT)	COMMENTS
JMA	2,502	2001 / S.KOREA	TANKER	UNDISCLOSED	DELIVERED ALANG
BEIHAI	24,181	2002 / CHINA	BULKER	UNDISCLOSED	DELIVERED CHATTOGRAM
ISA GOLDEN	6,200	1995 / JAPAN	BULKER	UNDISCLOSED	DELIVERED CHATTOGRAM
SUNNY SPRUCE	2,216	1996 / S.KOREA	CONTAINER	UNDISCLOSED	AS IS BUSAN, S. KOREA

Recycling Ships Price Trend








Total number of Vessel sold per month
120
100
80
60
40
20
0
Jan-21
Apr-21
Jul-21
Oct-21
Jan-22
Apr-22
Jul-22
Oct-22
Jan-23
Apr-23
Jul-23
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Jan-24
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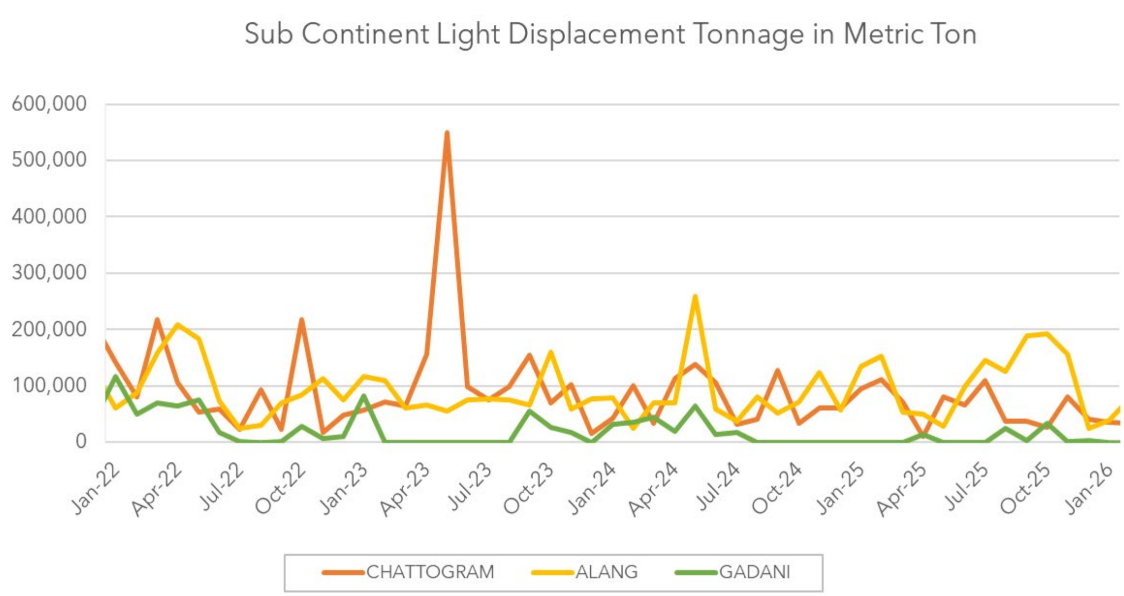
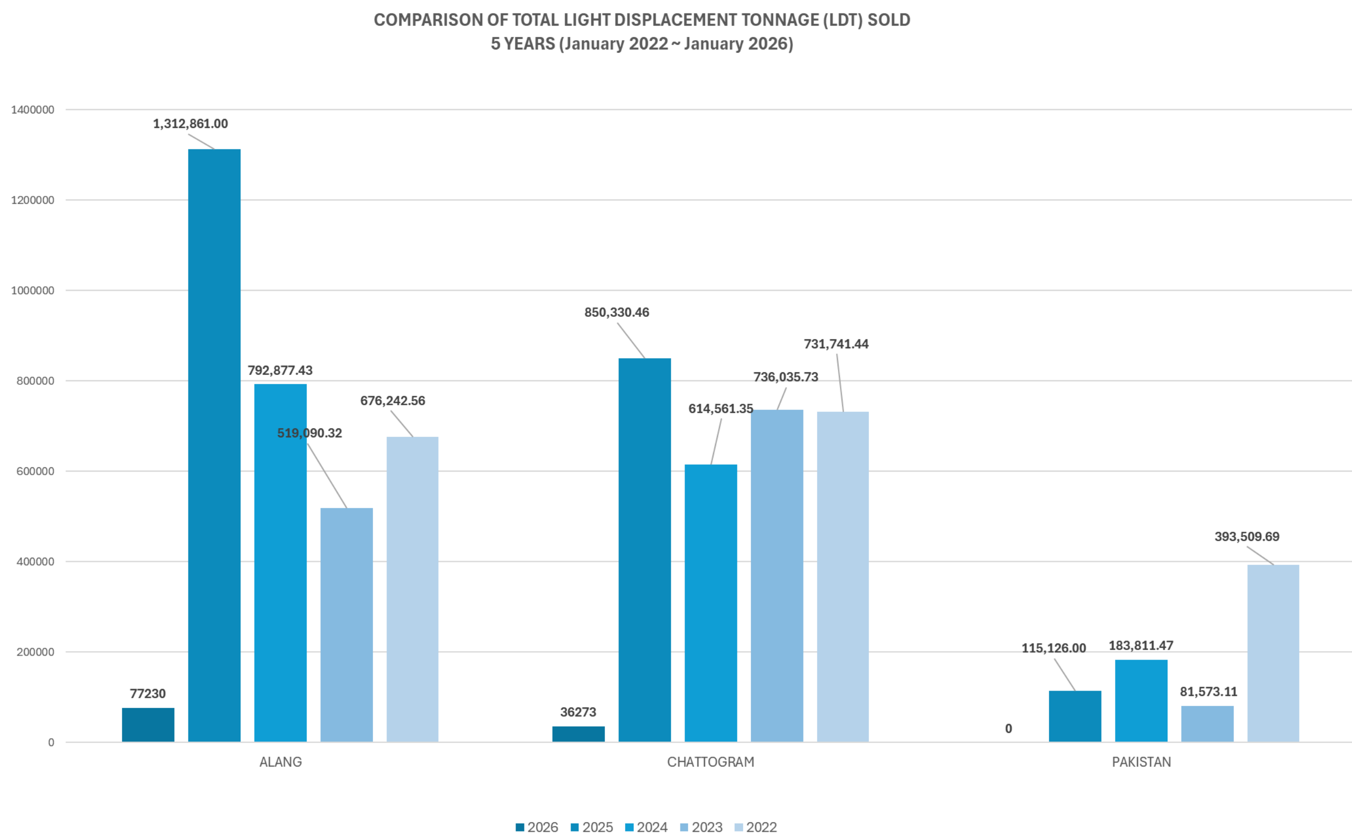
Jul-25
Oct-25
Jan-26


Sub Continent Light Displacement Tonnage in Metric Ton
600,000
500,000
400,000
300,000
200,000
100,000
0
Jan-22
Apr-22
Jul-22
Oct-22
Jan-23
Apr-23
Jul-23
Oct-23
Jan-24
Apr-24
Jul-24
Oct-24
Jan-25
Apr-25
Jul-25
Oct-25
Jan-26
CHATTOGRAM
ALANG
GADANI



Insights

Alang

In Alang, the ship recycling market maintained a steady pace this week, with pricing remaining remarkably consistent despite shifts in the broader economic landscape. As most local yards have now achieved HKC certification, Indian buyers have successfully secured several high-profile units, including a significant LNG carrier and various smaller vessels, while larger dry bulk candidates were primarily diverted to neighbouring yards in Pakistan and Bangladesh.

The domestic steel sector provided a supportive backdrop, as a stable demand profile pushed local steel plate prices up by US$4/MT and scrap values by US$11/MT, effectively reversing the marginal softening observed in previous weeks. Although ship recyclers are showing a heightened appetite for fresh inventory, the scarcity of vessels available for immediate delivery has created a competitive bottleneck. Sentiment on the waterfront has been further bolstered by the dramatic cooling of the USD, which eased from recent peaks following the landmark interim trade deal between India and the U.S., as well as the conclusion of a major free trade agreement with the EU.

Anchorage & Beaching Position (FEBRUARY 2026)

VESSEL NAME	TYPE	LDT	ARRIVAL	BEACHING
DIMPLE	BULKER	4,869	13.02.206	AWAITING
DIANA	TANKER	15,065	13.02.2026	AWAITING
J M A	TANKER	2,505	08.02.2026	10.02.206
SALTLAKE	REEFER	2,127	06.02.2026	10.02.2026
WOODCHIP	TANKER	22,800	29.01.2026	06.02.2025
RISING HARRIER	BULKER	8,552	25.01.2026	03.02.2026
OLGA L	REEFER	3,834	24.01.2026	05.02.206
YUN DA YOU 6	TANKER	1,019	20.01.2026	01.02.2026

Chattogram

Bangladesh's recent national election marked a significant step toward restoring democratic confidence, with a voter turnout nearing 60 percent and a largely peaceful, participatory process. The Bangladesh Nationalist Party (BNP) secured a decisive mandate under the leadership of Tarique Rahman, whose return from long exile and focus on party renewal helped consolidate public support. His commitment to institutional reform, youth engagement, and accountable governance has raised expectations for political stability and inclusive growth.

The Election Commission and security forces played a critical role in maintaining order, though concerns remain over the spread of AI-driven disinformation. The constructive stance of opposition parties, including Jamaat-e-Islami, further strengthened democratic credibility.

Looking ahead, the new government faces high expectations to deliver reforms, sustain investor confidence, and avoid governance complacency associated with parliamentary supermajorities. Political stability will be key to supporting economic recovery and long-term market confidence.

This week, Chattogram has displayed remarkable resilience and energy this week, as local buyers maintain an assertive stance despite the looming challenge of diminishing yard space. This buoyant atmosphere persists even as the nation navigates a significant political transition following the Thursday elections, where unofficial figures indicate a decisive victory for the Bangladesh Nationalist Party with 209 seats, comfortably surpassing the 151-seat majority requirement. While this political shift initially fostered a sense of caution regarding future financial stability, the market has remained steady with pricing levels holding firm throughout the period.

A scarcity of new vessels for recycling continues to test the industry, leaving many to wonder if recyclers will accept narrower profit margins to maintain their operational flow or if a more cautious approach will soon emerge. After a difficult start to the year, Chattogram has successfully reclaimed its position in the global rankings. This recovery is clearly visible at local anchorages, which have seen a surge in activity, including the timely arrival of several vessels during recent high tides.

Anchorage & Beaching Position (FEBRUARY 2026)

VESSEL NAME	TYPE	LDT	ARRIVAL	BEACHING
BEIHAI	BULKER	24,181	10.02.2026	AWAITING
CHUNG	CEMENT	3,551	07.07.2026	AWAITING
HANSUNG	RORO	2,730	05.02.2026	AWAITING
FUJI	TANKER	949	29.01.2026	04.02.2026
HAKATA	TANKER	353	29.01.2026	04.02.2026
CHANG MING YANG	BULKER	19,529	31.01.2026	04.02.2026
HONG LI	BULKER	6,132	26.01.2026	03.02.2026

Gadani

Gadani has maintained a steady position throughout this week, driven by targeted interest from a few active buyers who continue to search for available tonnage. Although there is a noticeable shortage of new vessels entering the global market, Pakistani recyclers have shown a willingness to engage at competitive levels as they wait for the final outcome of several units that were recently beached. This resilience is largely fueled by a significant improvement in domestic fundamentals, which acted as a much-needed boost for the industry as local steel plate prices finally broke through a long-standing slump. The local currency further supported this positive trend.

Overall demand for recycled material remains healthy, allowing ship recyclers to maintain their current offer levels and solidify Gadani's reputation as a reliable destination for end-of-life vessels.

Anchorage & Beaching Position (FEBRUARY 2026)

VESSEL NAME	TYPE	LDT	ARRIVAL	BEACHING
-	-	-	-	-

Aliaga, Turkiye

Turkiye market remains steady and unchanged this week, with no new activity to report.

The market is expected to quieten next week as the country enters the Ramadan period.

BEACHING TIDE DATES 2026

Chattogram, Bangladesh	: 19 ~ 22 February | 4 ~ 7 March
Alang, India	: 16 ~ 23 February | 1 ~ 7 March

BUNKER PRICES (USD/ton)			
PORTS	VLSFO (0.5%)	HSFO (3.5%)	MGO (0.1%)
SINGAPORE	465	425	656
HONG KONG	483	449	685
FUJAIRAH	461	397	752
ROTTERDAM	433	390	683
HOUSTON	462	362	702

EXCHANGE RATES			
CURRENCY	February 13	February 6	W-O-W % CHANGE
USD / CNY (CHINA)	6.90	6.93	+0.43%
USD / BDT (BANGLADESH)	122.3	122.32	+0.02%
USD / INR (INDIA)	90.61	90.31	-0.33%
USD / PKR (PAKISTAN)	279.7	279.7	0
USD / TRY (TURKEY)	43.73	43.61	-0.28%

Sub-Continent and Turkey ferrous scrap markets insights

India

Indian imported scrap market remained largely stable, though transactional data revealed pockets of selective strength. South American HMS 1 was offered at US$356/t CFR West Coast India, while standard HMS from the same region was positioned at US$345/t. Middle Eastern offers for high-grade PNS, specifically Blue Steel and Super, were quoted between US$380/t and US$385/t CFR Mundra, with LMS grades trailing at US$340/t.

Pakistan

Imported shredded scrap prices in Pakistan maintained their firm footing leading up to 17 February, primarily bolstered by a concentrated surge in pre-Ramadan buying interest. UAE-origin shredded scrap was indicated above the US$400/t CFR threshold, while UAE HMS 80:20 was noted at levels exceeding US$375/t. UK shredded material maintained a steady presence near US$385/t. However, following these recent bookings, a shift in market psychology has emerged as buyers adopt a more cautious stance. Many participants are now reassessing their positions in anticipation of potential downside pressure as the immediate pre-holiday procurement window begins to close.

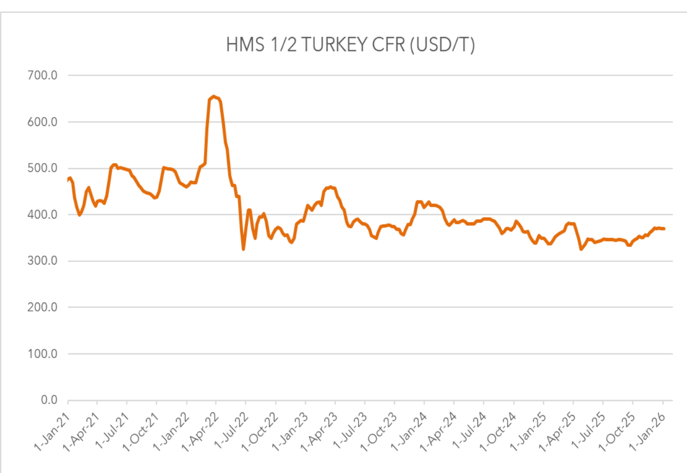
Bangladesh

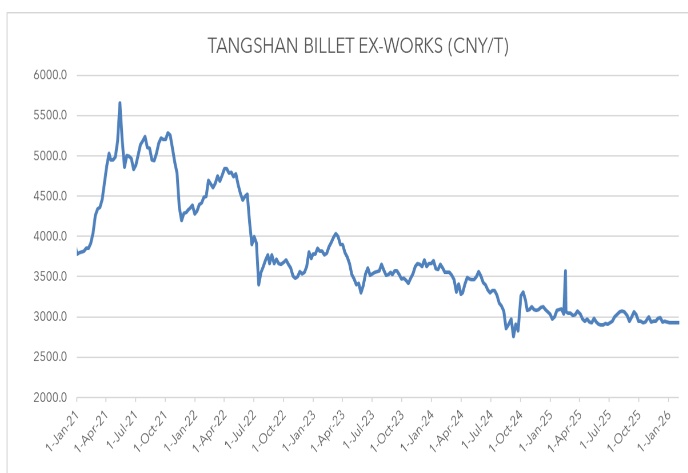
The Bangladeshi market remained largely unchanged, with trading activity significantly hampered by the cautious climate surrounding the upcoming national election. Shredded scrap from the UK and EU was indicated at approximately US$370/t CFR Chattogram, while HMS offers were positioned near US$350/t. From the Oceania region, indicative pricing for shredded scrap was reported at US$375–$380/t, with HMS 90:10 at US$355/t and HMS 80:20 at US$348/t. A specific offer for HMS bundles from Malaysia was also heard at US$355/t, but overall fresh bookings remained limited as the industry awaits greater political clarity.

Turkiye

In Turkiye, deep-sea import prices remained essentially static on 12 February, with tradable indications for US-origin HMS 80:20 lingering at US$376/t CFR. The market remains in a state of quietude, driven by muted mill interest and logistical complications caused by harsh winter conditions on the US East Coast. While these environmental factors have restricted fresh bookings and slowed supply chains, market sentiment remains stable.

HMS 1/2 & Tangshan





Commodities (*Week in focus*)

The **copper** market is currently experiencing a notable cooling period following a robust growth phase throughout 2025 and the early part of this year. On Thursday, copper prices for March delivery in New York retreated by over 3% to settle at US$5.78 per pound, or US$12,740 per ton, marking a 12% decline from the peak reached just two weeks prior. This downward trend is reinforced by recent satellite data indicating that global smelting operations have hit their lowest levels since tracking began nearly a decade ago. Specifically, 14.3% of global capacity sat idle in January, a figure that is 6.8% higher than the three-year average and represents a rare double-digit inactivity rate for the start of the year.

This widespread reduction in activity is largely driven by a combination of regional operational hurdles and a collapse in processing margins. While China maintains a relatively steady inactive rate of 7.5%, the rest of the world has seen active production volume drop by 1.2 million tons compared to last year. Significant disruptions in Asia and Oceania, such as facility closures in the Philippines and Indonesia following the Grasberg mine incident, have removed 850,000 tons from the market. Furthermore, the financial incentive for smelting has vanished as treatment and refining charges plummeted to historic lows, including a 2026 benchmark of zero dollars. These negative margins have forced many international facilities to halt production, whereas state-supported Chinese plants continue to operate despite the lack of profitability.

Simultaneously, the **iron ore** sector is facing its own set of challenges as prices fell for a third consecutive day, reaching US$97.90 a ton in Singapore. This 1.7% dip contributes to a 7% year-to-date decline, fueled by an 11-week rise in Chinese port inventories which now sit at approximately 161 million tons. Supply pressure has intensified following an impressive performance by Vale SA, which produced 90.4 million tons in the final quarter, surpassing both analyst’s expectations and its primary competitors. With stockpiles climbing 0.5% in just one week and demand remaining sluggish ahead of the Lunar New Year, the market is currently grappling with a significant surplus that continues to weigh on seasonal valuations.

Iron Ore

COMMODITY	SIZE / GRADE	THIS WEEK USD / MT	W-O-W	Y-O-Y	LAST WEEK USD / MT	LAST YEAR USD / MT
Iron Ore Fines, CNF Rizhao, China	Fines, Fe 62% (Aust. Origin)	100	-2.91%	-4.76%	103	105
Iron Ore Fines, CNF Qingdao, China	Fines, Fe 62.5% (Brazil Origin)	100	-2.91%	-9.09%	103	110

Industrial Metal Rates

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT
Copper (Comex)	USD / lb.	575.75	-2.80	-0.48%	Mar 2026
3Mo Copper (L.M.E.)	USD / MT	12,875.50	-291.00	-2.21%	N/A
3Mo Aluminum (L.M.E.)	USD / MT	3,100.00	-3.00	-0.10%	N/A
3Mo Zinc (L.M.E.)	USD / MT	3,374.00	-32.50	-0.95%	N/A
3Mo Tin (L.M.E.)	USD / MT	49,663.00	+28.00	+0.06%	N/A

Crude Oil & Natural Gas Rates

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT
WTI Crude Oil (Nymex)	USD / bbl.	62.82	-0.02	-0.06%	Mar 2026
Brent Crude (ICE.)	USD / bbl.	67.65	+0.13	+0.19%	Apr 2026
Crude Oil (Tokyo)	JPY / kl	65,460.00	-590.00	-0.89%	Feb 2026
Natural Gas (Nymex)	USD / MMBtu	3.17	-0.05	-1.55%	Mar 2026

Note: All rates at C.O.B. London time Feb 13th, 2026

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