Shipping markets notch up significant gains in 2024

Clarkson's 2024 Shipping Market Review is another reminder that shipping often fares well at times of global conflict and disruption.

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At a Glance

- Clarksea index up 3% in 2025
- Secondhand ship values increase 18% over last 12 months
- More newbuildings ordered than any time since 2007

Disruption to energy supply chains as a result of Russia's invasion of Ukraine and the Red Sea crisis in the Middle East were key factors in pushing the ClarkSea Index up by 6% year on year, almost a third higher than the ten-year trend.

As always, there were exceptions to the mainly robust markets, with tankers, VLGCs and LNG carriers sharply down on average daily earnings. But container ship charter rates were up by close to 50%, the Shanghai Container Freight Index rose by almost 150%, and average earnings for Capesize bulkers shot up by 76%.

Almost all asset values tracked by the Clarksea Index climbed significantly, with the research firm's secondhand index up by 18% across the tracked ship types. Strong performers included ten-year old 4,500 teu boxships – up 93% to just over $40 million; smaller 2,500 teu vessels – up 26% to $36 million; and five-year old Capes – up 19% to $62 million.

Commenting on the strong container market, Clarkson Research Managing Director, Stephen Gordon, noted that Red Sea re-routing has been the largest single contributory driver, but an earlier peak season and congestion were also factors. The container market as a whole notched up its strongest-ever performance outside of the Covid-19 pandemic.

Clarkson's Newbuilding Index rose 6%, with significant increases for 15,500 teu container ships – up 21% to $204 million, and Capes, up 13% to $76 million. The only vessel class to ease slightly was LNG carriers, with the prevailing price for a 174,000 cu metres unit down 2% to $260 million.

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Shipyards built 13% more ships as measured in compensated gross tons, with expansion in China taking the country's output to more than half of the total – 53%. More ships were ordered last year than at any time since 2007. Almost half of the new contracts were alternative-fuelled, Clarkson said, with LNG the most favoured option.

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Firm markets meant that demo volumes stayed low and rates trailed off over the year. Tankers scrapped rose from 800,000 dwt in 2023 to 1.8 million dwt; but recycled bulk carriers fell from 5.4 million dwt to 3.8 million dwt; typical prices eased over the year by 7% – from $510 per light displacement ton to $475.

As 2025 begins, Gordon concluded, the market tone for now seems to be more cautious in some segments. But key themes of recent years – managing disruption, with geopolitical uncertainties heightening, and going green (FuelEU, IMO) – look set to continue.