



Prepared for:



Geopolitics and trade realignment

29 October 2025

Presented by

**Muhammad Faiq Farras,
Consultant Drewry Maritime Advisors**

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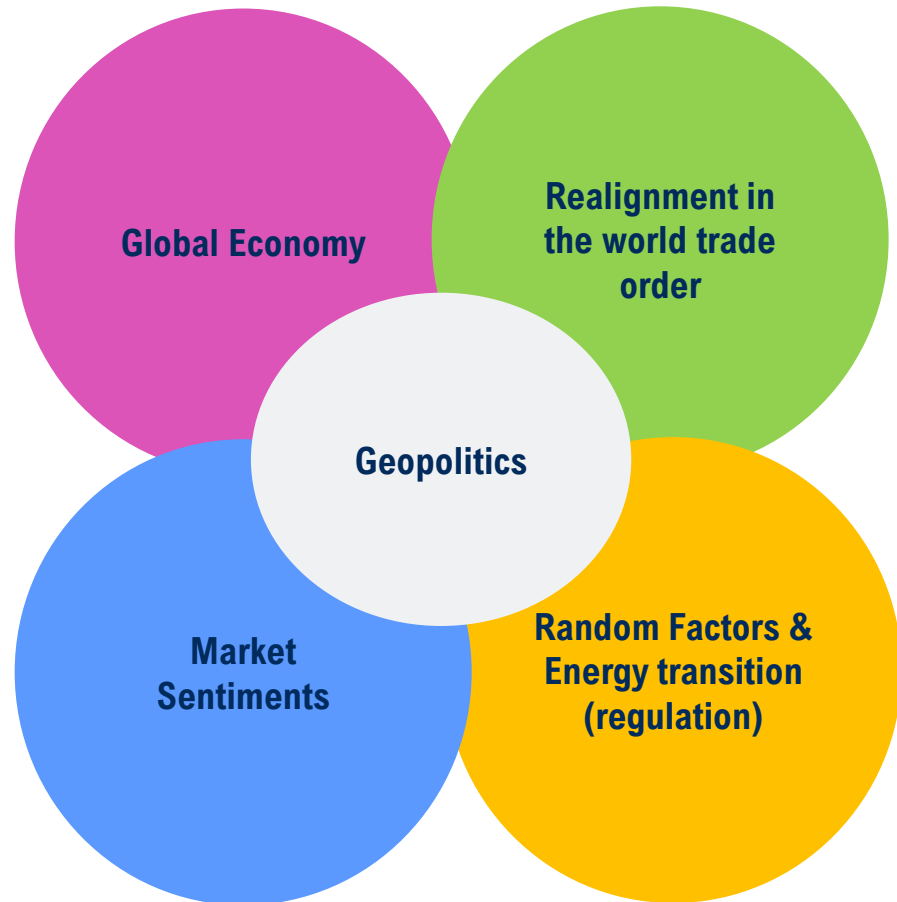
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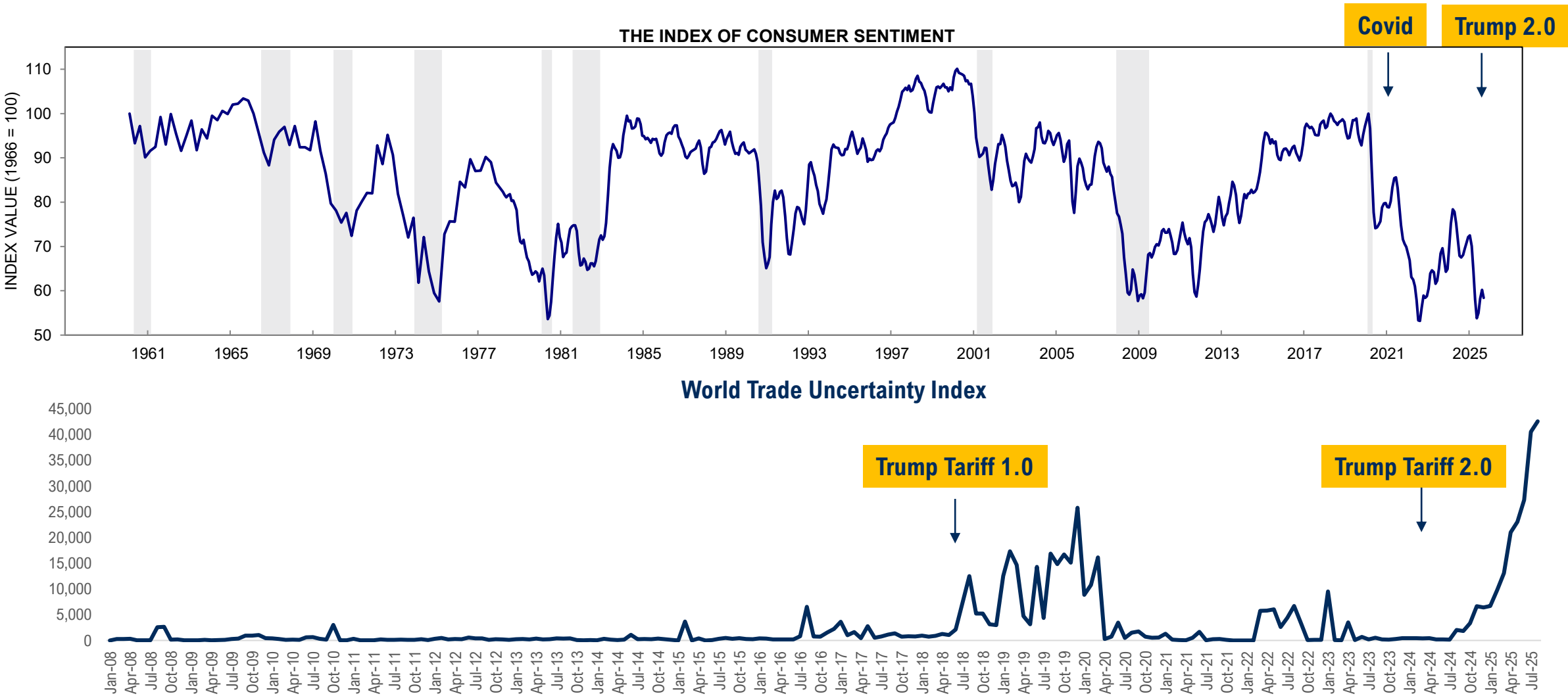


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Maritime industry: Key determinants

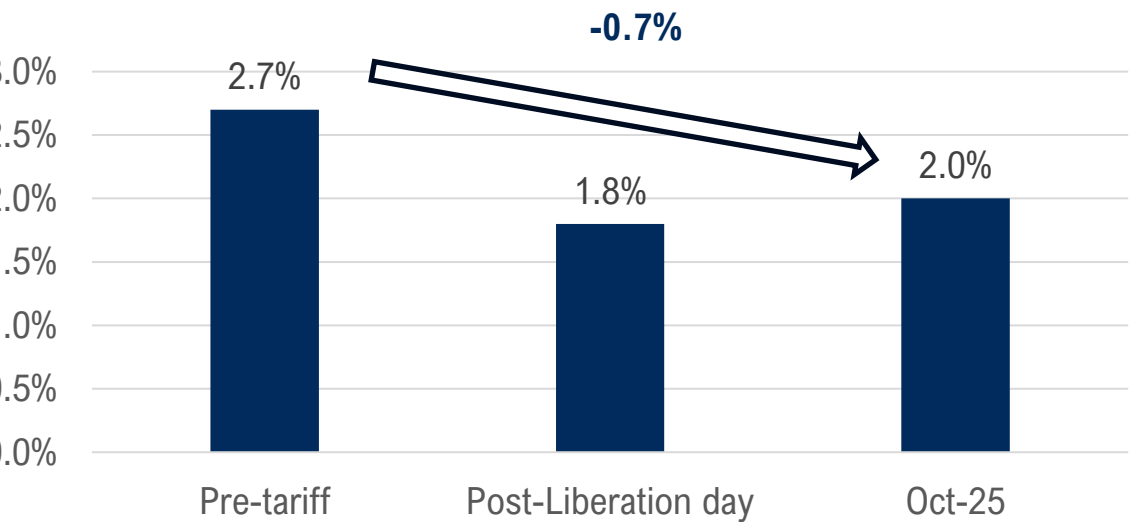


Consumer Sentiment Index and World Trade Uncertainty Index at historic levels

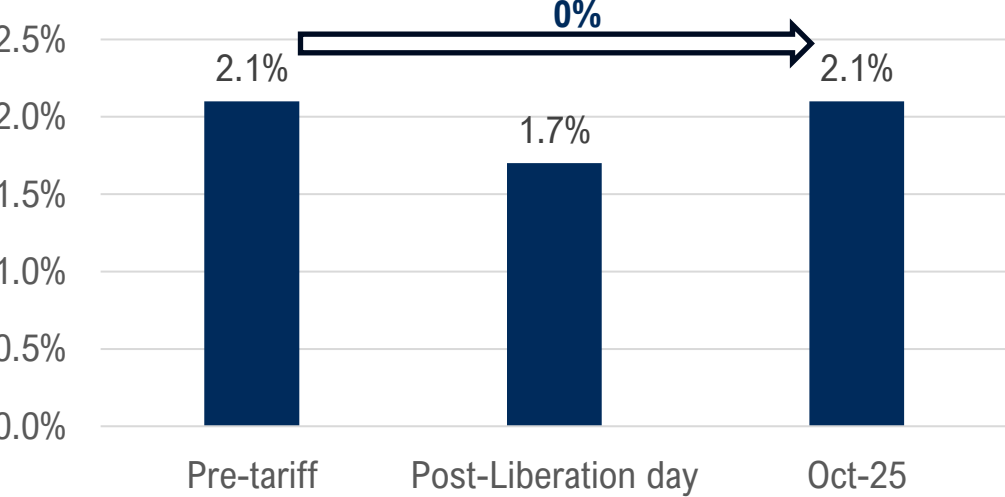


Macroeconomic impact of trade war – US

US YoY GDP growth rate: 2025

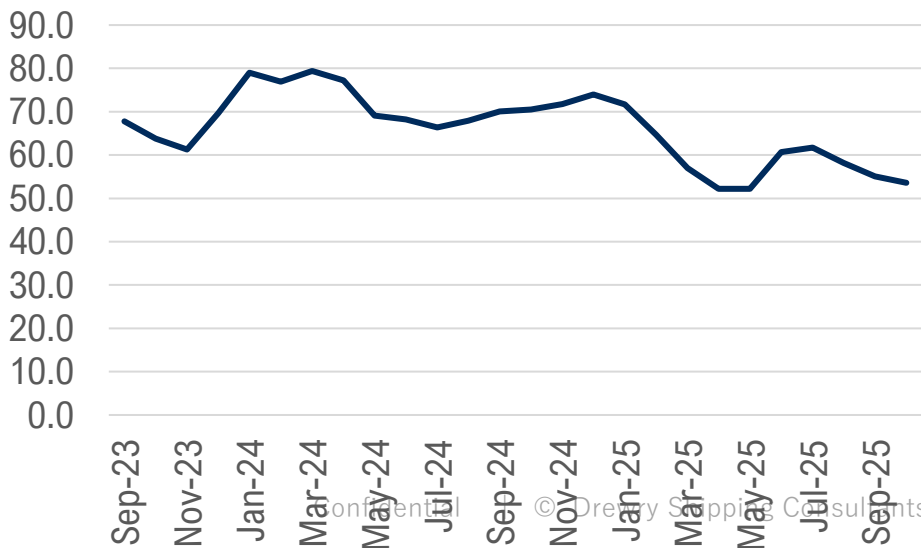


US YoY GDP growth rate: 2026



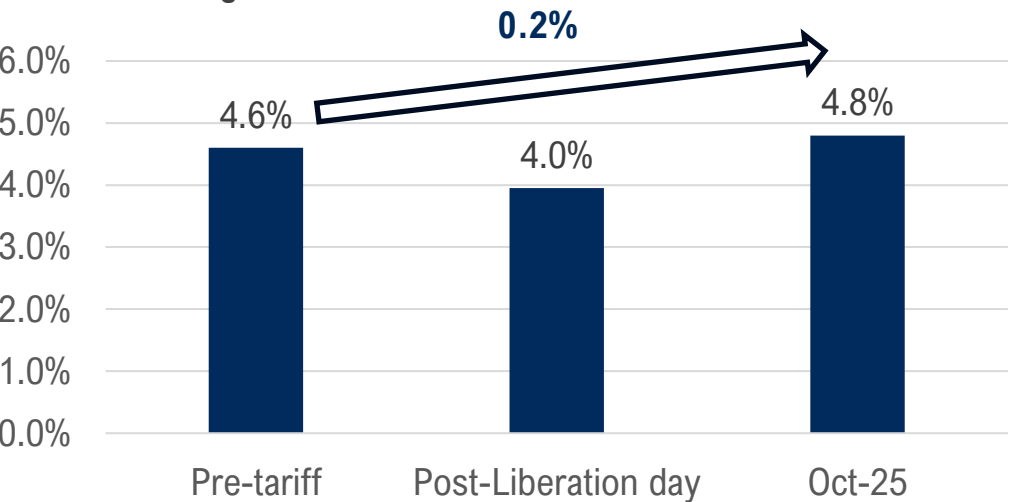
- Downward pressure on GDP
- Inflation has started ticking up: 3% in Sept 25 vs 2% target rate.
- Consumer sentiments remain low.

Consumer Sentiment Index: US

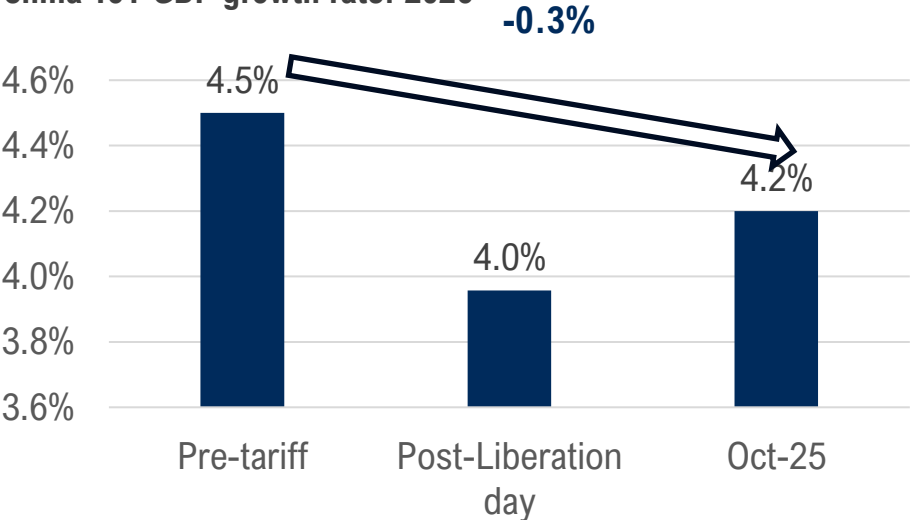


Macroeconomic impact of trade war – China

China YoY GDP growth rate: 2025



China YoY GDP growth rate: 2026



- Stronger than expected performance in early 2025
- Downward pressure on the overall GDP.
- Consumer sentiments have not recovered since it had a precipitous fall during Covid but on an upward trajectory.

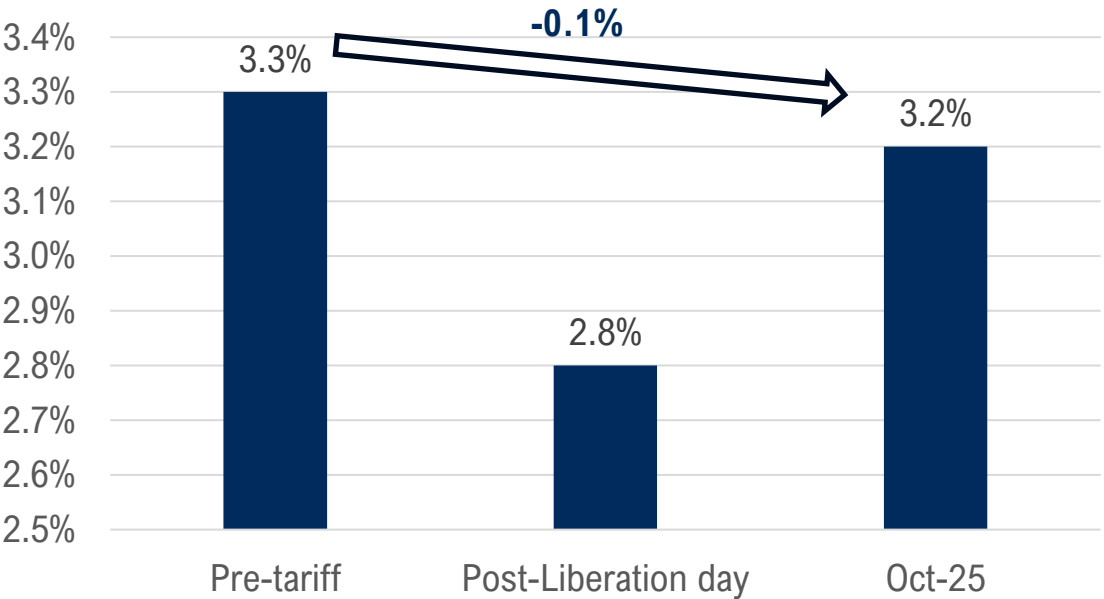
Consumer Confidence Index: China



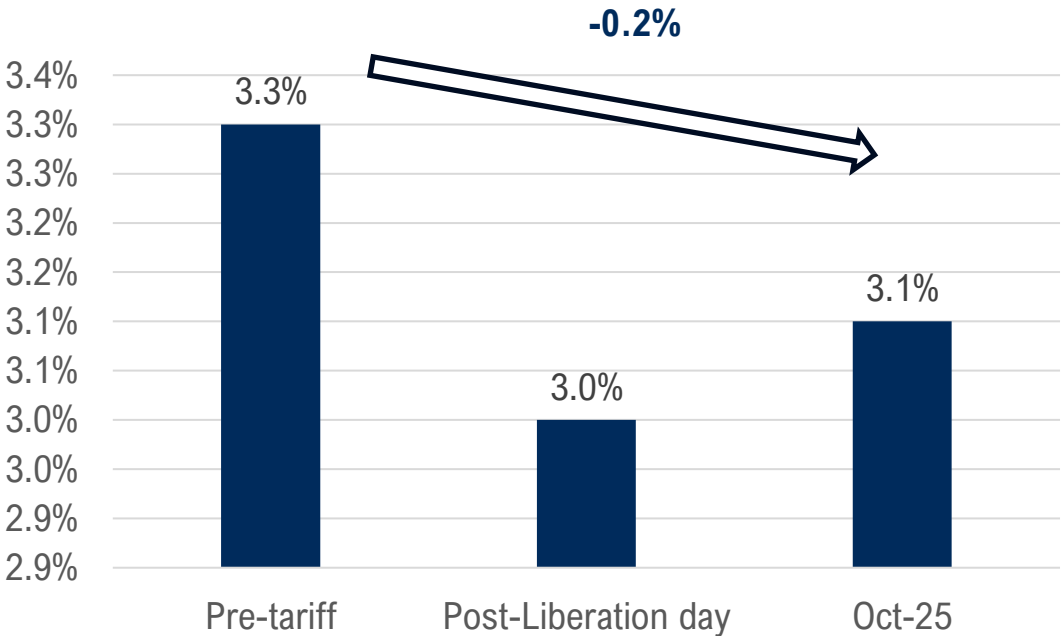
Macroeconomic impact of trade war – World

World YoY GDP growth rate: 2025

2024: 3.3%



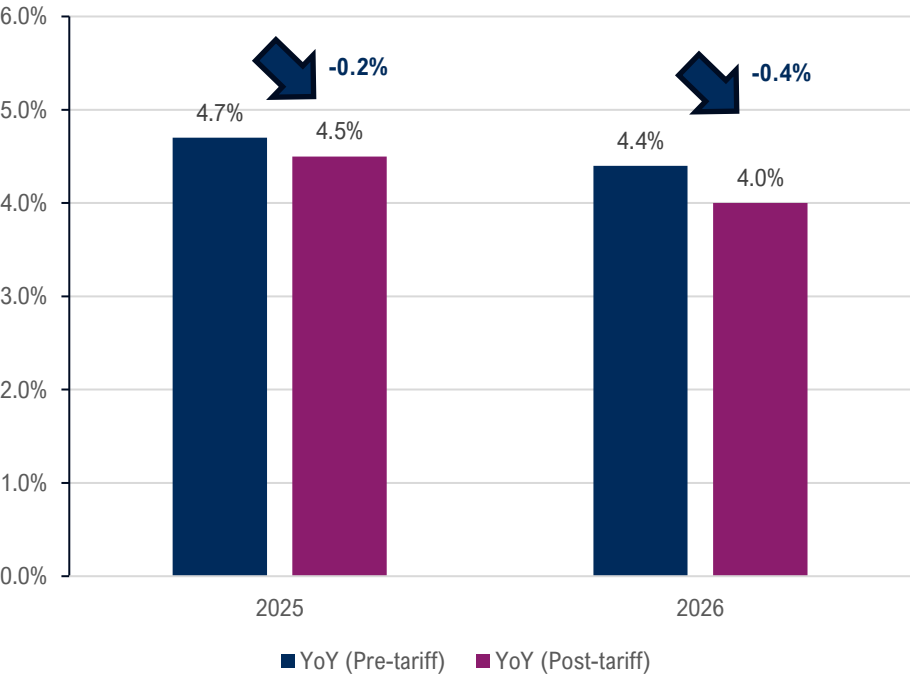
World YoY GDP growth rate: 2026



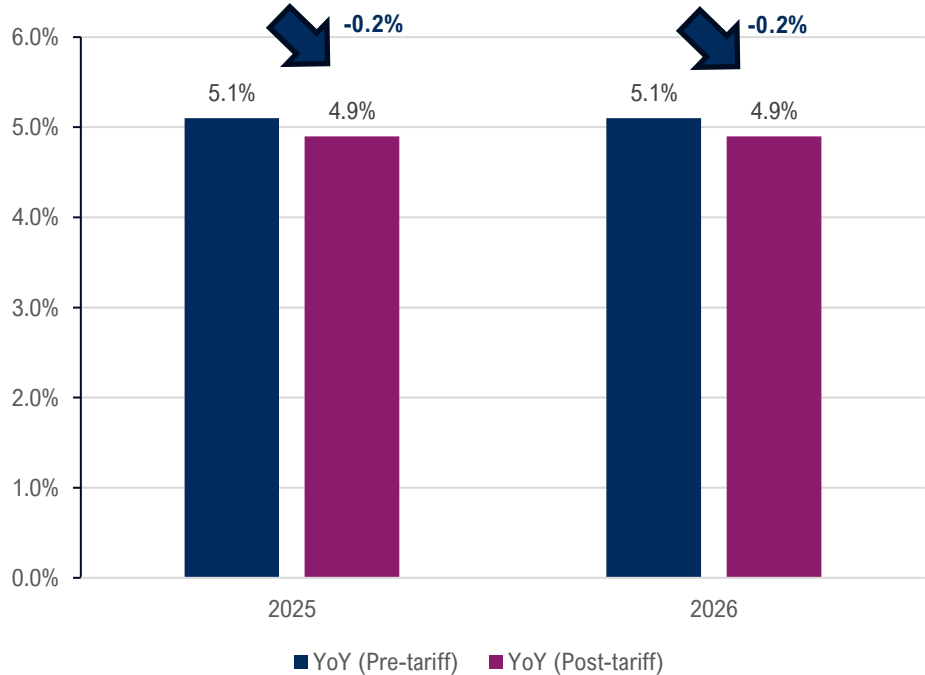
- Extreme high tariffs removed but the uncertainty continues.
- Usage of Tariff is more widespread.
- Macroeconomic turbulence remains as front-loading unwinds.

Macroeconomic impact of trade war – Malaysia & Indonesia

Malaysia YoY GDP growth rate pre tariff vs post-tariff



Indonesia YoY GDP growth rate pre tariff vs post-tariff



- Downward pressure on GDP for both Malaysia and Indonesia.

Trade realignment: ASEAN countries

Some countries in ASEAN are in trade negotiation talks, such as the latest ASEAN summit and RCEP summit in KL. In between the ASEAN summit, US has agreed on new trade deals with Malaysia, Thailand, and Vietnam.

Latest trade talks:

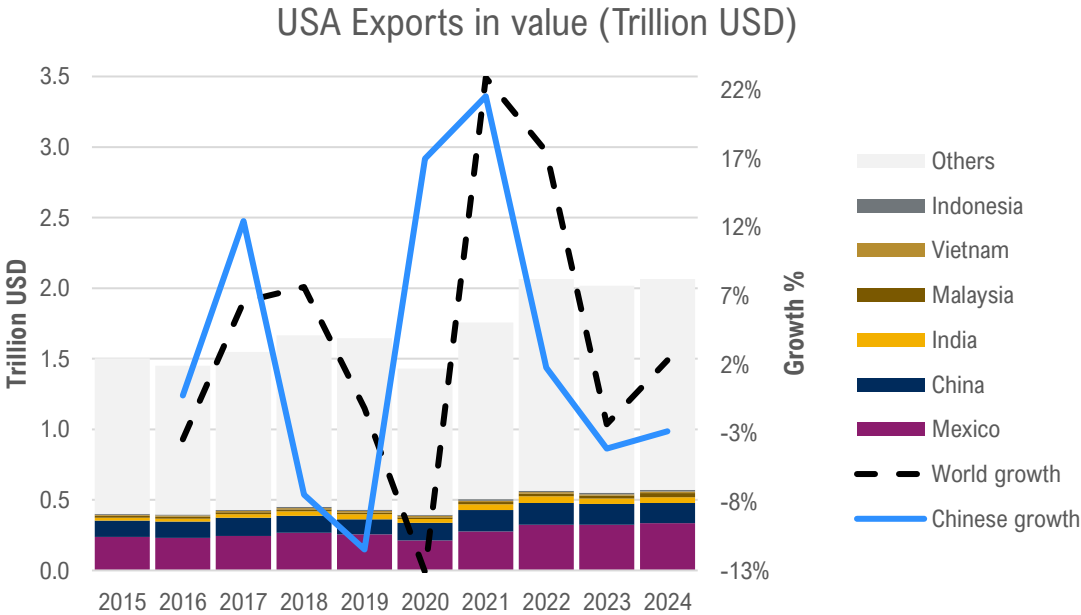
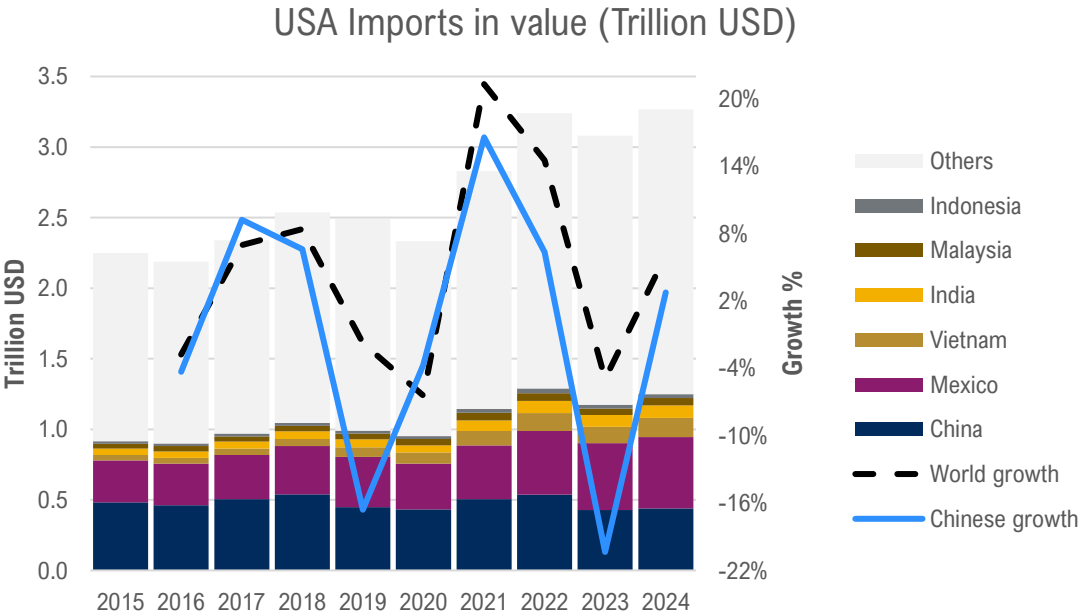
- ❖ EU's FTA with Mercosur, India, Malaysia, Indonesia and Australia.
 - Indonesia EU-CEPA agreement on 23rd Sept 2025
 - Includes: gradual tariff elimination on most goods, sustainability terms on palm oil
- ❖ Increased importance of CPTPP and RCEP (ASEAN + trading partner), a China-backed alternative to the US-led TPP.
- ❖ Plan of ASEAN-China FTA 3.0 Upgrade
- ❖ Canadian PM visiting Asia. Canada plans for trade talks with Asia countries in the week of 26 Oct 2025 → look for diversification of trade partner
- ❖ China-US expected trade talks at the end of Oct 2025 → could include US soybeans, shipping fees on China vessels, and China's rare earth export control

ASEAN summit in Kuala Lumpur, 26-28 Oct 2025 (Malaysia as the current ASEAN chair):

- ❖ ASEAN Summit x RCEP Summit 26-28 Oct 2025 → RCEP: ASEAN + China, S. Korea, Japan, Australia, New Zealand
- ❖ The US attended the summit, with Mr Trump arriving in KL.
- ❖ US-ASEAN trade talks:
 - Malaysia
 - Agreed not to restrict the export of rare earth commodities to the US.
 - Malaysia to simplify import permits for cosmetics and pharmaceutical products to the US.
 - In exchange, Malaysia would have reciprocal tariffs removed for some of its commodities, such as palm oil, cacao, rubber, and aerospace equipment (for export to the US).
 - Vietnam
 - Export guarantee of some US commodities to Vietnam
 - Vietnam to buy passenger plane from US company
 - In exchange, Vietnam would have reciprocal tariffs removed or lowered for some of its commodities (for export to the US). In general, the tariff is still set at 20%, with the transshipment goods levy at 40%.
 - Thailand
 - Agreed not to restrict the export of rare earth commodities to the US.
 - Thailand to remove the majority import tariff from the US and ease the policy for foreign ownership share in the telecom sector for US companies in Thailand.
 - Thailand to buy US passenger planes, gas, crude oil, and agricultural products from the US
 - In exchange, Thailand would have reciprocal tariff removed or lowered for some of its commodities (for export to the US).

USA trade in value

The US imports were USD3.3 trillion, and exports were USD2.0 trillion. Vietnam to the US trade has recorded significant increase. China to US trade is an exception contracting by 1% p.a. in the past 10 years.

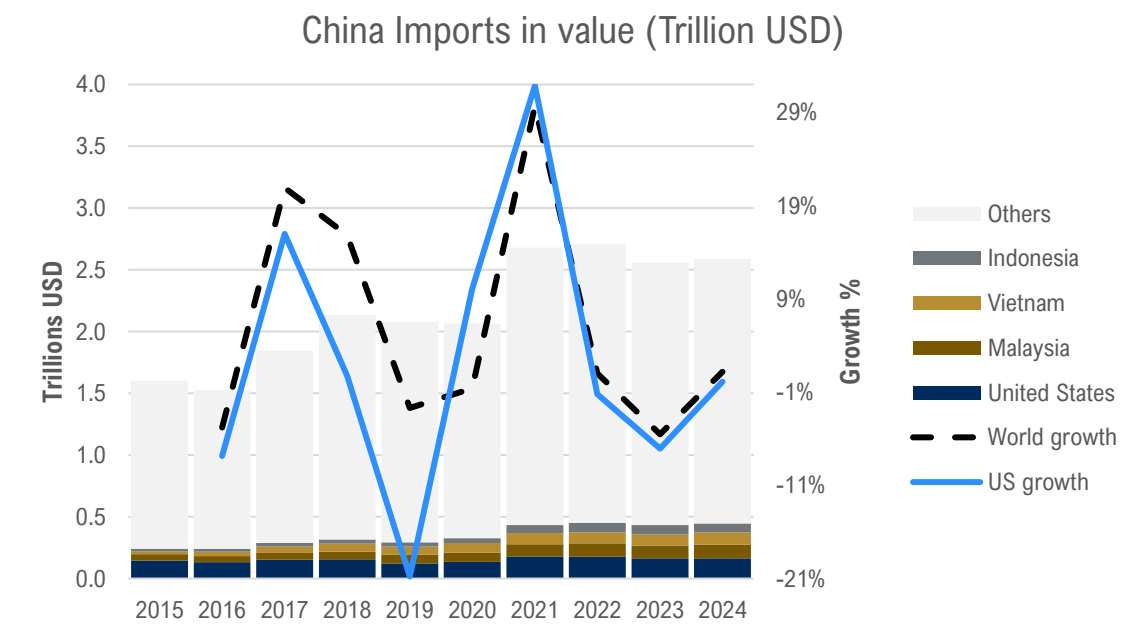


USA Imports	World	China	Mexico	Vietnam	India	Malaysia	Indonesia	Others
CAGR 2015-2024	4.2%	-1.1%	6.1%	15.3%	7.7%	5.0%	4.1%	4.7%
2024 vs. 2018	29%	-18%	47%	178%	61%	34%	35%	35%

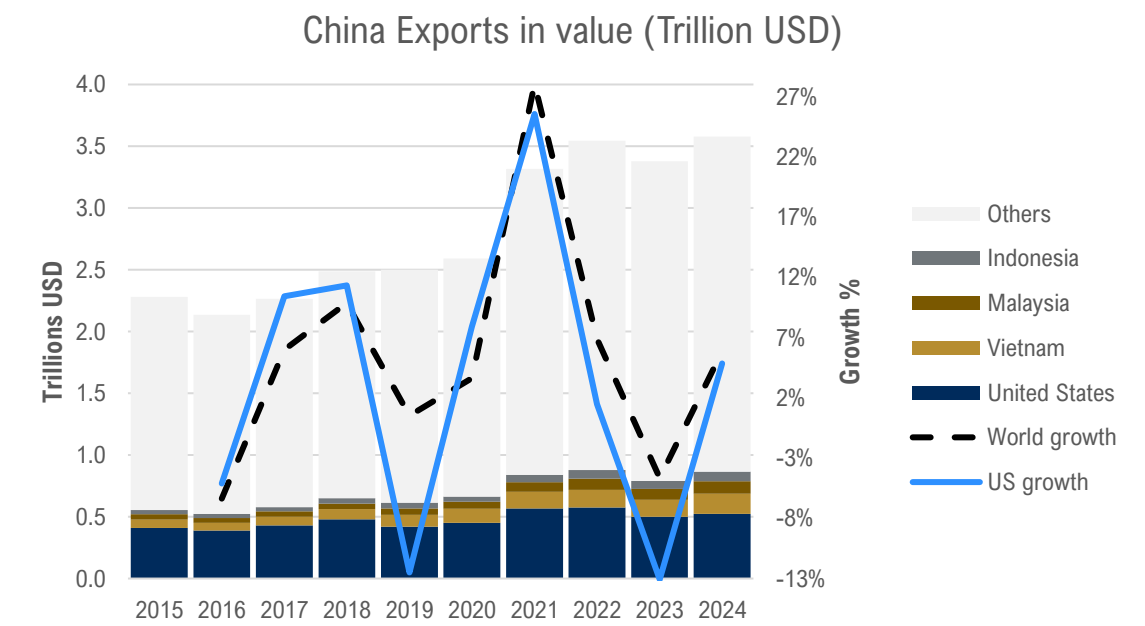
USA Exports	World	China	Mexico	Vietnam	India	Malaysia	Indonesia	Others
CAGR 2015-2024	3.6%	3.9%	2.4%	7.7%	9.5%	7.0%	4.1%	3.4%
2024 vs. 2018	24%	26%	19%	26%	114%	35%	25%	23%

China trade in value

China is a net exporter; importing USD2.6 trillion in 2024, and exporting USD3.6 trillion. Chinese exports to Vietnam, Malaysia and Indonesia have increased considerably.



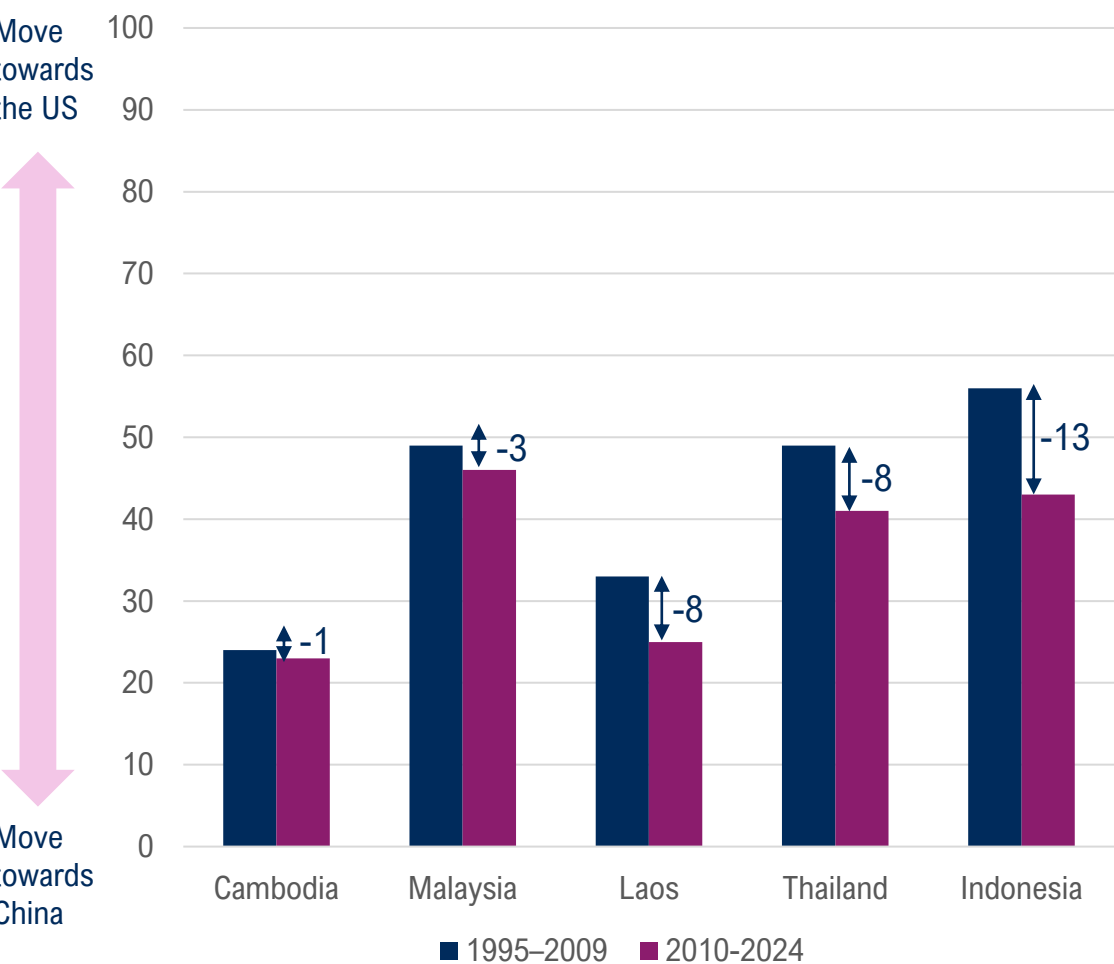
Partner	World	USA	Malaysia	Vietnam	Indonesia	Others
CAGR 2015-2024	5.5%	1.4%	8.5%	17.1%	15.3%	5.2%
2024 vs. 2018	21%	6%	75%	55%	108%	18%



Partner	World	USA	Vietnam	Malaysia	Indonesia	Others
CAGR 2015-2024	5.1%	2.8%	10.4%	9.7%	9.3%	5.2%
2024 vs. 2018	44%	10%	93%	123%	78%	48%

ASEAN countries have been drifting towards China

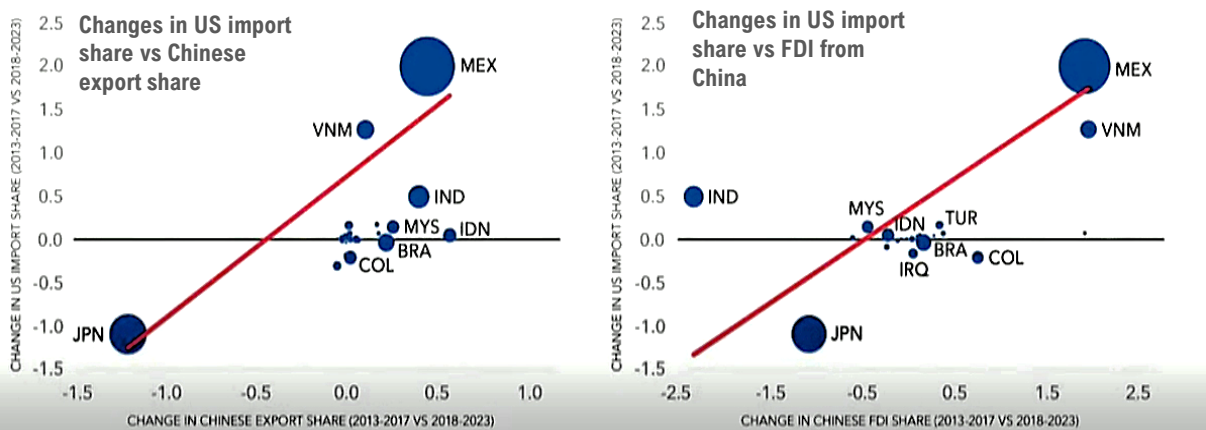
Index of ASEAN countries



Note: Index, 0 = full alignment with China, 100 = full alignment with the US

Connector countries

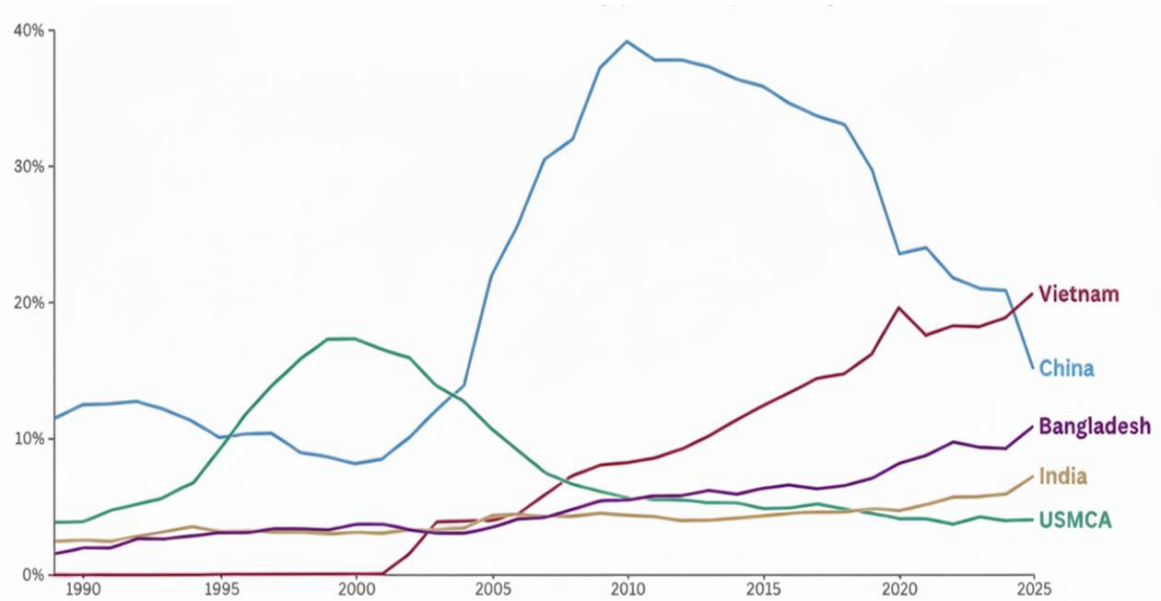
Vietnam and Mexico have emerged as the connector countries. Chinese export share and FDI share to these countries have gone up. Simultaneously, US imports from these countries have also gone up. This trend will be accentuated with a new set of tariffs from the US.



Impact of tariffs – US apparel import

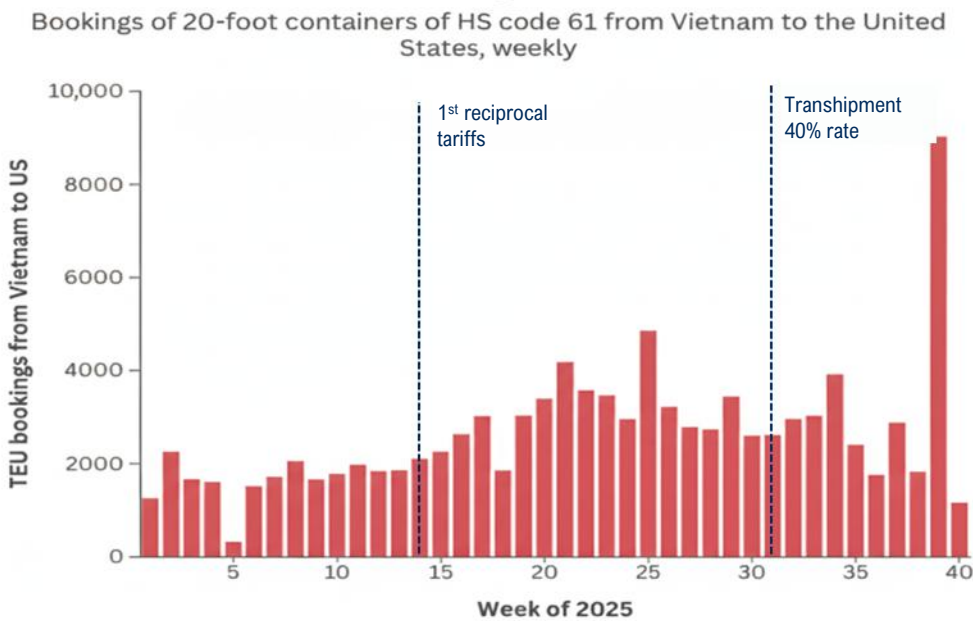
Vietnam has surpassed China as the leading source of US apparel for the first time.

Share of total value of US apparel imports by source



Source: US Office of Textiles and Apparel (OTEXA) • 2025 data is up to July

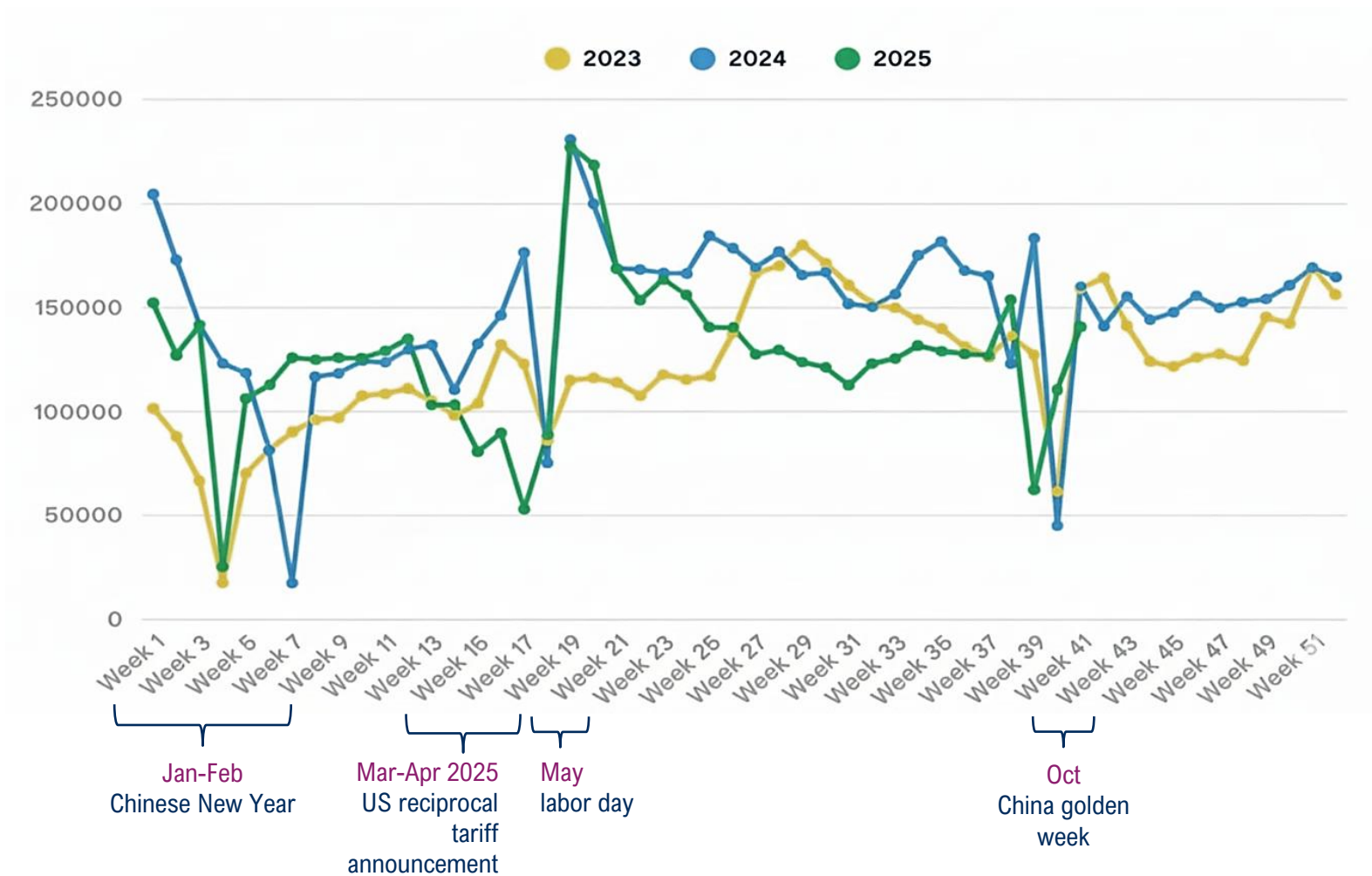
US orders of Vietnamese knitted apparel



Source: [Vizion TradeView](#)
HS code 61 includes garments like shirts, sweaters, overcoats, tracksuits, swimwear and underwear made from knitted or crocheted fabrics.

China → US booking trend

The container booking trend from China to the US is affected by the tariff and uncertainty





Key takeaway



Contact

Muhammad Faiq Farras
Consultant, Drewry Maritime Advisors
Mobile: +62-81227493936
Email ID: farras@drewry.co.uk



UK

35-41 Folgate Street
London
E1 6BX
United Kingdom
T +44 20 7538 0191

INDIA

4th Floor, Tower C
Urban Square
Sector 62, Gurugram
122098 India
T +91 124 497 4979

SINGAPORE

#17-01 Springleaf Tower
No 3 Anson Road
Singapore 079909
T +65 6220 9890

CHINA

Unit D01, Level 10,
Shinmay Union Square
Tower 2, 506 Shangcheng Road
Pudong, Shanghai 200120
T +86 21 5081 0508

enquiries@drewry.co.uk

www.drewry.co.uk



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