



Fearnleys Weekly Report

Week 24 - June 14, 2023

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01 Tankers

VLCC

The VLCC market has gone from strength to strength in the week gone by. A couple of fixtures have now been logged at WS 79.5 MEG/East, and those charterers still exposed with June MEG bbls will risk having to face something starting with an 8 to be taken out. Some charterers have started reaching into early July, although stem dates are confirmed, and with demurrage rates now well into the USD 70's/day it can prove an expensive exercise. Things will settle down at a stage of course, but not before June is a wrap. USG exports have also sprung to life, knocking on USD 9 million in freight for the benchmark Ningbo discharge, and spiced with continued enquiries from both Brazil and Wafr, now starting with a 7, there's plenty to keep the fire burning. This will in turn tempt more owners to turn their ships left at Galle, further depleting the MEG position list. Come what may of production cuts we can't see this going south in the near future.



Backdated tax demands have been allegedly sent to owners from Nigeria FIRS, creating a lot of uncertainty in the West African market. Although yet to be confirmed as bonafide, this will nevertheless have a knock-on affect on rates with owners ready to make hay. On the back of this, we expect rates to maintain a firmer footing for the balance of the week, at least until there is some sort of resolution with TD20 trading minimum low WS 100's. The wider Atlantic is set to benefit from spillover sentiment which will act as a support mechanism.

East of Suez, the list is well stocked for the present fixing window and our call MEG/China is WS 112.5-115 on modern tonnage, whilst TD 23 will trade in and around last done: WS 50's-60.

Aframax

It has been a rather lackluster week for Aframax owners open in the Nsea area. Rates for cross Nsea voyages came off a few more points as the slow activity level were not enough to maintain current levels. Unless we see more ships ballast away, rates will continue to move sideways. Inactivity and a long position list pushed the rates lower in the BSea/Med this week as the fixing window is reaching end-month dates. Despite some owners and relets ballasting to the States, this wasn't enough to prevent rates from softening. Market seems to have reached a bottom, and we need to see July volumes before we can predict any change in the current conditions.

Rates

Dirty
(Spot WS 2023, Daily Change)

 [Click rate to view graph](#)

MEG/WEST	280'
45	13^

MEG/Japan	280'
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MEG/Singapore

80

280'

33^

WAF/FEAST

77.5

260'

29^

WAF/USAC

102.5

130'

17.5^

Sidi Kerir/W Med

107.5

135'

2.5^

N. Afr/Euromed

145

80'

-10v

UK/Cont

130

80'

-10v

Caribs/USG

190

70'

35^



Click rate to view graph

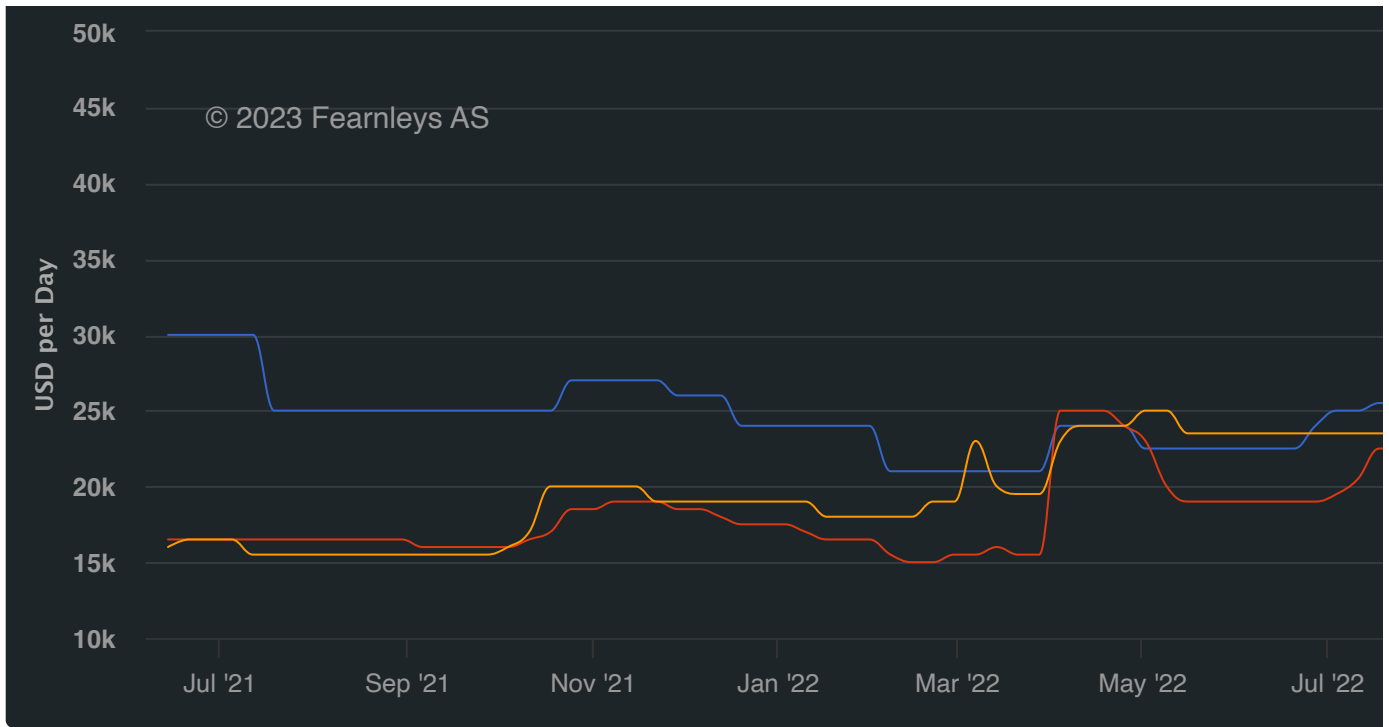
VLCC	Modern
\$34,000	\$0 >
Suezmax	Modern
\$37,000	\$0 >
Aframax	Modern
\$45,000	\$2,000 ^

VLCCs

Click rate to view graph

Fixed in all areas last week	
53	-37 v
Available in MEG next 30 days	
141	-3 v

1 Year T/C Crude



02

Dry Bulk

Capesize

Overall, slightly up from last week by approx USD 2,000 to current average of USD 13,000. C5 has been very stable in the mid 8s for some days now and is even the same value as one week back. There were expected more volume on this trade as miners were expected to increase activity end of their financial year in June. C3 is looking slightly stronger on the paper but no real change from last week. The Atlantic is volatile as ever before. All in all, typical pre-summer market.

Panamax



on wednesday. There was minimal activity across both basins with both sides in collecting moods, but at end of week started picking up. More enquiry for July liftings from East Coast South America, but not all charterers were ready to commit to taking coverage at this stage. In the North Atlantic there was a general lack of enquiry for both transatlantic and fronthaul directions in start of week. In the Pacific, a general lack of motivation to fix.

Supramax

Atlantic Supra/Ultra shipment volumes are up 3.1% year on year whereas Pacific shipment volumes are up 19% year on year, but this has yet to be reflected in the rates. Trip from USG to Med being fixed anything from USD 8,000 to USD 11,000 hence bit mixed signs. Ultramax been paid for trip from ECSA to Far East USD 12,500 + 250k bb. Supramax open Isdemir with slags to disch in Croatia been discussed around USD 9,000. Bit stronger numbers in Pacific. Pacific round voyages concluded around USD 8,000 this week and Indo-India rounds around USD 7,000. Steel run from CJK to USG was covered around USD 7,000.

Rates

Capesize

(USD/Day, USD/Tonne, Daily Change)

[Click rate to view graph](#)

TCE Cont/Far East

\$29,531

-\$219

Australia/China

\$8.52

-\$0.02

Pacific RV



Panamax

(USD/Day, USD/Tonne, Daily Change)

[Click rate to view graph](#)

Transatlantic RV

\$8,205

-\$40

TCE Cont/Far East

\$18,473

\$23

TCE Far East/Cont

\$3,765

\$74

TCE Far East RV

\$9,992

\$204

Supramax

(USD/Day, USD/Tonne, Daily Change)

[Click rate to view graph](#)

Atlantic RV

\$8,647

-\$227

Pacific RV



TCE Cont/Far East

\$13,821

-\$183

1 Year T/C

(USD/Day, Weekly Change)

[Click rate to view graph](#)

Newcastlemax

\$23,000

208'

\$1,000

Kamsarmax

\$15,000

82'

\$1,000

Ultramax

\$14,000

64'

\$0

Capesize

\$18,000

180'

\$1,000

Panamax

\$14,000

75'

\$1,000



\$12,000

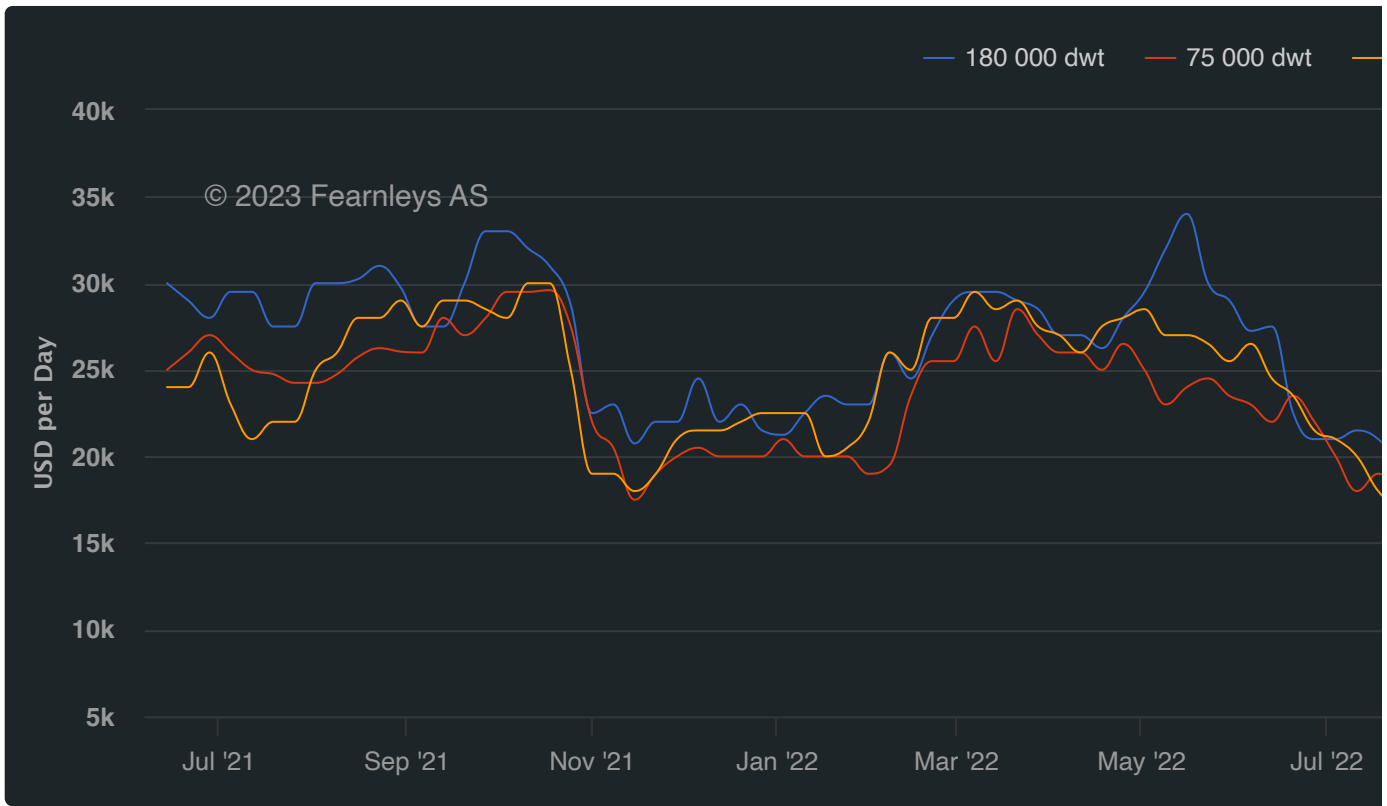
\$500^

Baltic Dry Index (BDI)

\$1,079

\$5^

1 Year T/C Dry Bulk



03 Gas



EAST


After seeing freight drop continuously over the course of last week it seems now to have stabilized. With eight spot deals concluded in the first decade of July out from Middle Eastern ports so far, there should be more ships than cargoes left in the first decade of the month and as such freight could come under pressure again. That said, an early July Indian tender and an Australia cargo being worked combined with a more active West market could help maintain current levels or even strengthen them further.

WEST

At the time of writing, we have seen four vessels been put on subs so far this week in the West with last done at high 140s H/C. With that said, we now count 21 spot fixtures for July (7 first decade, 8 second decade and 6 last decade) out of the USG/USEC. Seeing several uncovered cargoes in the USG and expectations of more to enter the market as the vessel supply for the rest of July is looking relatively tight, we expect freight to remain steady.

LPG Rates

Spot Market (USD/Month, Weekly Change)

 [Click rate to view graph](#)

VLGC

\$2,750,000

84'

\$50,000 

LGC

\$1,500,000

60'

\$0 

MGC

38'



HDY SR

\$840,000

20-22'

\$0 >

HDY ETH

\$910,000

17-22'

\$0 >

ETH

\$550,000

8-12'

-\$10,000 ✓

SR

\$490,000

6.5'

\$0 >

COASTER Asia

\$280,000**\$0 >**

COASTER Europe

\$400,000**-\$10,000 ✓**

LPG/FOB Prices (Propane)

(USD/Tonne, Weekly Change)

[Click rate to view graph](#)

**\$401****\$0 >**

Saudi Arabia/CP

\$450**\$0 >**

MT Belvieu (US Gulf)


\$299**-\$13.5 v**

Sonatrach/Bethioua

\$405**\$0 >**

LPG/FOB Prices (Butane)

(USD/Tonne, Weekly Change)

 Click rate to view graph

FOB North Sea/Ansi

\$401**\$0 >**

Saudi Arabia/CP

\$440**\$0 >**

MT Belvieu (US Gulf)

\$170.5**-\$27.5 v**



Sonatrach/Bethioua

\$405

\$0 >

LNG Rates

Spot Market
(USD/Day, Weekly Change)

Click rate to view graph

East of Suez 155-165k CBM

\$48,000

\$0 >

West of Suez 155-165k CBM

\$52,000

\$2,000 ^

1 Year T/C 155-165k TFDE

\$120,000

\$0 >

04 Newbuilding

Activity Levels



Slow

Dry Bulk Activity

Slow

Other Activity

Moderate

Prices

VLCC

\$121

300'

\$0 >

Suezmax

\$81

150'

\$0 >

Aframax

\$63.5

110'

\$0 >

Product

\$43.5

50'

\$0 >



Newcastlemax

210'

\$66

\$0 >

Kamsarmax

82'

\$37.5

\$0 >

Ultramax

64'

\$35.5

\$0 >

LNGC (MEGI) (cbm)

170'

\$240

\$0 >

05

Sale & Purchase

Prices

Dry

5 yr old

10 yr old

Capesize

\$

\$

Kamsarmax

\$

\$



Ultramax	\$	\$
Wet	5 yr old	10 yr old
VLCC	\$	\$
Suezmax	\$	\$
Aframax / LR2	\$	\$

06

Market Brief

Exchange Rates

USD/JPY

139.65

0.28^

USD/NOK

10.77

-0.04v

USD/KRW

1,274

-13.6v



EUR/USD

1.08

0 >

Interest Rates

LIBOR USD (6 month)

5.2%

0 >

NIBOR NOK (6 month)

3.12%

0 >

Commodity Prices

Brent Spot

\$74.5

\$2.5 ^

Bunker Prices

Singapore

380 CST

\$428

-\$2.5 v

MGO



Spread MGO/380 CST

\$266.5

-\$5

Rotterdam

380 CST

\$457

\$8

MGO

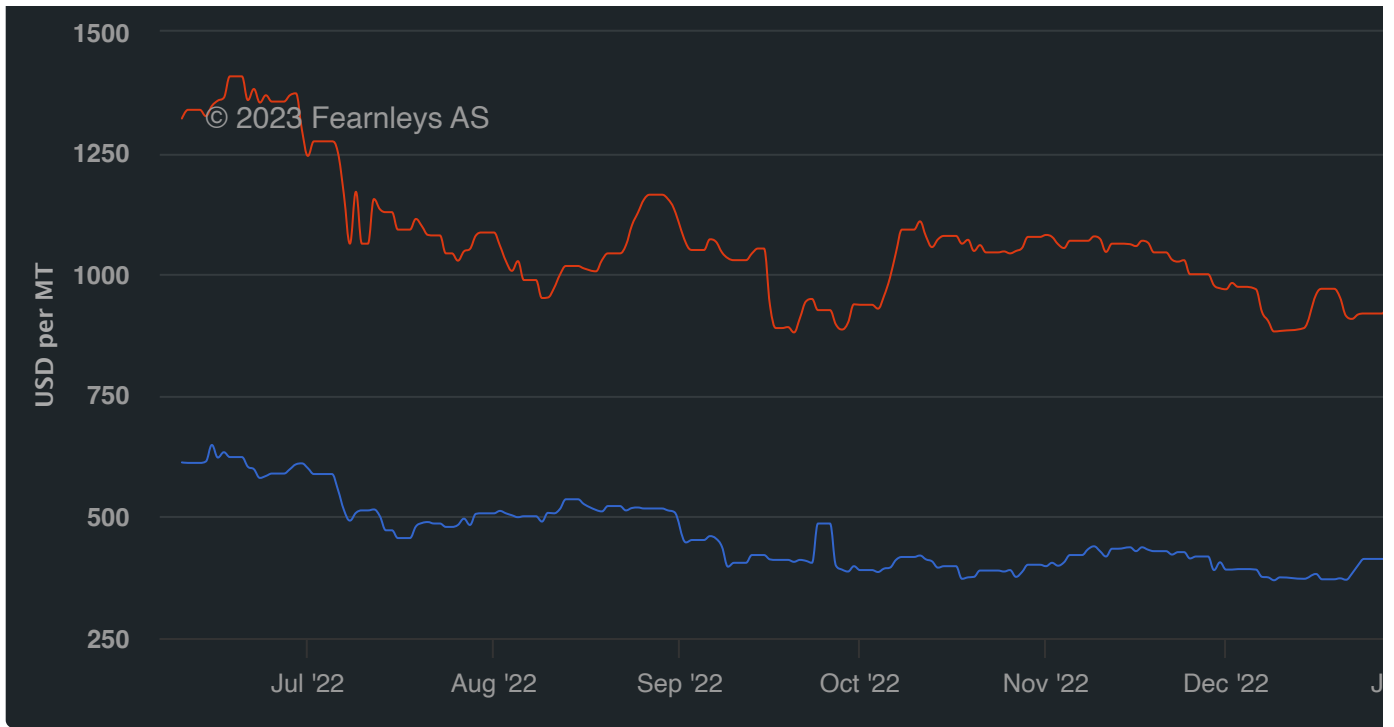
\$680.5

\$6

Spread MGO/380 CST

\$223.5

-\$2



All rates published in this report do not necessarily reflect actual transactions occurring in the market. Certain estimates may be based on prevailing market conditions. In some circumstances, rates for certain vessel types are based on theoretical assumptions of premium or discount for particular vessel versus other vessel types.

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