



Fearnleys Weekly Report

Week 26 - June 28, 2023

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01 Tankers

VLCC

The VLCC market has taken a massive hit in the week gone by. This time last week MEG/East was trading in the low to mid WS 70's, albeit with a softer undertone, whereas last done for same currently stands at WS 49.5. There are strong forces continuing to talk the market down, but yesterday actually showed a bit of strength, in a manner of speaking. Although a sub WS 50 has now been logged from all loading areas, many of us feared it was going to be a bigger drop – and quicker. Owners seem to have dug their heels in each side of the WS 50 mark, depending on the voyage in question. We could of course see rates chipped off a tad here and there if the volumes are not there, but a big multi digit plunge now seem less likely short term.

Suezmax



typical. How many northern summers can you recall TD20 trading in the low WS 100's or TD 6 pricing at similar numbers. But we live in a world of comparisons, and yes, this week, the market has corrected downwards in most western load zones with the exception of Nigeria (FIRS tax issue still impacting rates).

For now, at least, the East market appears semi-impervious to exogenous factors in the Atlantic basin and has a steady feel. Participants are well accustomed to the opacity of the majority of trades in this region, therefore rates don't appear as susceptible to the same volatility that the Atlantic market exhibits. MEG/China should trade WS 125 on modern whilst TD23 is WS 60's to test.

Aframax

With a lack of activity in the North Sea and the tonnage list slowly building up, Aframax rates dipped further this week. Also, with surrounding markets not really offering a real alternative to ballast away, we might see rates hover around same levels for the near future. The Mediterranean market seems to be in an equilibrium state at the time of writing - with last done freight levels being achieved on benchmark routes. We expect the area to remain stable/soft in the current fixing window, unless activity levels pick up somewhat for the balance of 1st decade/mid-July dates.

Rates

Dirty
(Spot WS 2023, Daily Change)

[Click rate to view graph](#)

MEG/WEST	280'
32.5	-10 ▼

MEG/Japan	280'
49.5	-31.5 ▼



MEG/Singapore

51

280'

-29▼

WAF/FEAST

50

260'

-27.5▼

WAF/USAC

112.5

130'

-15▼

Sidi Kerir/W Med

120

135'

-10▼

N. Afr/Euromed

140

80'

-5▼

UK/Cont

130

80'

-5▼

Caribs/USG

150

70'

-10▼

1 Year T/C
(USD/Day, Weekly Change)



VLCC	Modern
\$36,500	\$2,500 ^

Suezmax	Modern
\$39,000	\$2,000 ^

Aframax	Modern
\$46,000	\$0 >

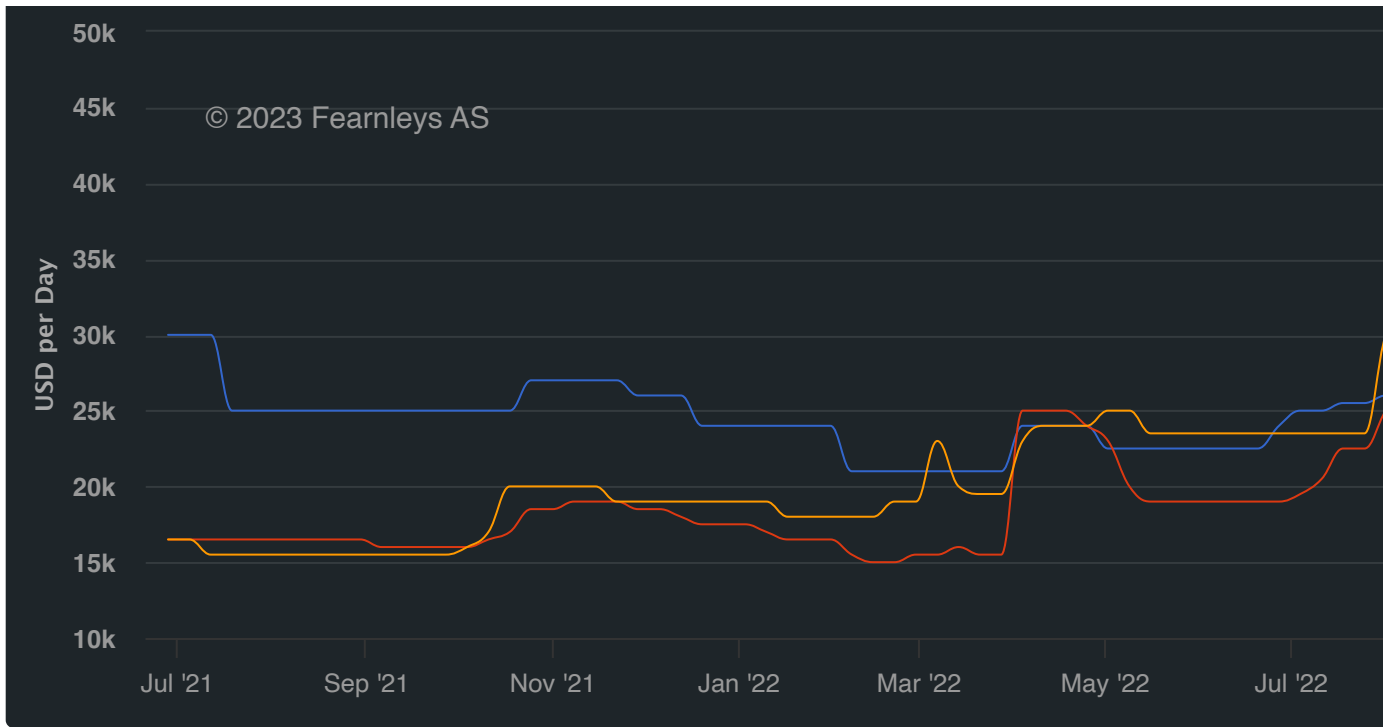
VLCCs

[Click rate to view graph](#)

Fixed in all areas last week	
55	10 ^

Available in MEG next 30 days	
161	5 ^

1 Year T/C Crude



02

Dry Bulk

Capesize

The activity for the Capesizes has been good over the last week, with steady demand from Brazil and West Africa in particular. Despite the action, rates are however going nowhere. Average Baltic is presently just excess USD 15,000. The C5 route is in the low USD 8's, unchanged from last week. The C3 route has improved slightly from 20.5 to 20.8. There has been some push in ffa values, having created opportunities for some short period fixing.

Panamax



sources suggesting the only snow in town to be ex EC South America but with tonnage count building, a sizeable reduction in owners offers became apparent as charterers gained the upper hand. Asia again impacted by minimal fresh demand and a burgeoning tonnage list saw a further correction in rates.

Supramax

The Supramax market remains largely unchanged in all areas and all sizes. The last three weeks had no fundamental effects to change the direction of the market. Main loading area in the Atlantic, except ECSA under pressure due to the lack of fresh orders. In USG, Ultramax 63' dwt was fixed at USD 17,000 pd for trips to India-Japan direction. Transatlantic trips paying around low USD 10,000 pd on Ultramax and around USD 9,000 pd on Supramax for trips to Continent or Med. The ECSA market staying flat with decent rates being paid. Supra 56' dwt was fixed at USD 12,000 pd + USD 300,000 GBB for a trip from Argentina to Asia with grains. The Continent and Mediterranean markets dropped further from the previous week, the usual run with scrap from ARA to Turkey paying as low as USD 8,000 pd on a modern Supra. Indian Ocean and Far East markets remain slow with fixing rates unchanged. Supramax 55' dwt with dely Spore was fixed at USD 10,000 pd for a trip via Indo to China and a 63,000 dwt with delivery Japan fixed at USD 9,000 pd for a trip via NoPac to SE Asia.

Rates

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

[Click rate to view graph](#)

TCE Cont/Far East

\$34,500

-\$1,875

Australia/China

\$8.21

\$0.05

**\$14,441****\$282** **Panamax**

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

[Click rate to view graph](#)

Transatlantic RV

\$7,170**-\$263**

TCE Cont/Far East

\$16,955**-\$281**

TCE Far East/Cont

\$3,438**-\$176**

TCE Far East RV

\$9,398**-\$225** **Supramax**

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

[Click rate to view graph](#)

Atlantic RV

\$8,079**-\$116**



\$7,344

\$100

TCE Cont/Far East

\$11,279

-\$434

1 Year T/C

(USD/Day, Weekly Change)

[Click rate to view graph](#)

Newcastlemax

208'

\$20,000

-\$3,000

Kamsarmax

82'

\$14,000

\$0

Ultramax

64'

\$13,500

-\$500

Capesize

180'

\$15,000

-\$3,000

Panamax

75'

\$13,000

\$0



Supramax

58'

\$11,500

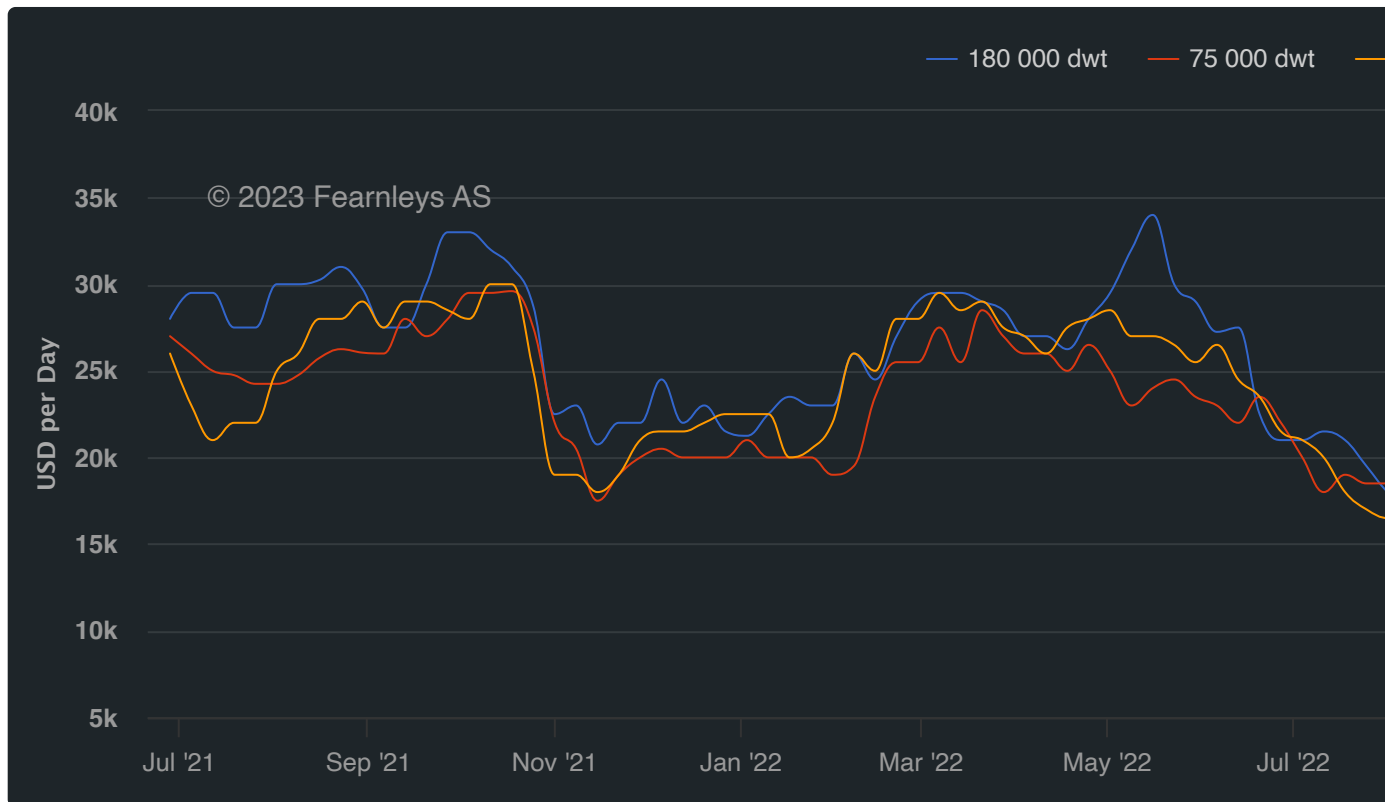
-\$500▼

Baltic Dry Index (BDI)

\$1,138

-\$45▼

1 Year T/C Dry Bulk



03 Gas



EAST

Freight came up a bit yesterday on the back of a fixture concluded above last done for a standard RT/C voyage. Depending on exact amount of cargoes in the second half of July it looks balanced to tight, and at the moment there are not a lot of vessels available with firm itineraries.


WEST

So far this week we have seen a handful of deals, for all three decades in August, and we now count 11 spot fixtures so far for Aug ex USG/USEC (7 first decade, 3 second decade, 1 last decade). The current western position list is now looking a bit more balanced after a few more additions, and it is now mainly dominated by trader relets. Western freight rates are still on the rise with last done at mid 180s H/C which is close to parity with last done in the East.

LPG Rates

Spot Market

(USD/Month, Weekly Change)

 [Click rate to view graph](#)

VLGC

\$3,250,000

84'

\$100,000 

LGC

\$1,500,000

60'

\$0 

MGC

\$1,350,000

38'

\$0 



		20-22
\$840,000		\$0 >
HDY ETH		17-22'
\$910,000		\$0 >
ETH		8-12'
\$540,000		\$0 >
SR		6.5'
\$480,000		\$0 >
COASTER Asia		
\$280,000		\$0 >
COASTER Europe		
\$390,000		\$0 >

LPG/FOB Prices (Propane) (USD/Tonne, Weekly Change)

Click rate to view graph

FOB North Sea/Ansi		
\$401		\$0 >



Saudi Arabia/CP

\$450

\$0 >

MT Belvieu (US Gulf)

\$286.5


-\$12.5 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)

\$167

-\$10.5 v

Sonatrach/Bethioua



LNG Rates

Spot Market
(USD/Day, Weekly Change)

[Click rate to view graph](#)

East of Suez 155-165k CBM

\$70,000

\$0 >

West of Suez 155-165k CBM

\$75,000

\$0 >

1 Year T/C 155-165k TFDE

\$118,000

-\$2,000 v

04 Newbuilding

Activity Levels

Tank Activity



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'



Kamsarmax

\$37.5

82'

\$0 >

Ultramax

\$35.5

64'

\$0 >

LNGC (MEGI) (cbm)

\$240

170'

\$0 >

05

Sale & Purchase

Prices

Dry	5 yr old	10 yr old
Capesize	\$47.5	\$32.5
Kamsarmax	\$31.0	\$25.0
Ultramax	\$31.5	\$25.0



VLCC	\$98.0	\$77.0
Suezmax	\$72.0	\$57.0
Aframax / LR2	\$62.5	\$50.0

06

Market Brief

Exchange Rates

USD/JPY

143.44

0.01^

USD/NOK

10.74

0.02^

USD/KRW

1,301.6

-5.3v

EUR/USD



Interest Rates

LIBOR USD (6 month)

5.2%

0 >

NIBOR NOK (6 month)

3.12%

0 >

Commodity Prices

Brent Spot

\$73

-\$1 ✓

Bunker Prices

Singapore

380 CST

\$444.5

-\$7.5 ✓

MGO

\$730

\$17.5 ^



Spread MGO/380 CST

\$285.5

\$25^

Rotterdam

380 CST

\$481.5

-\$3^

MGO

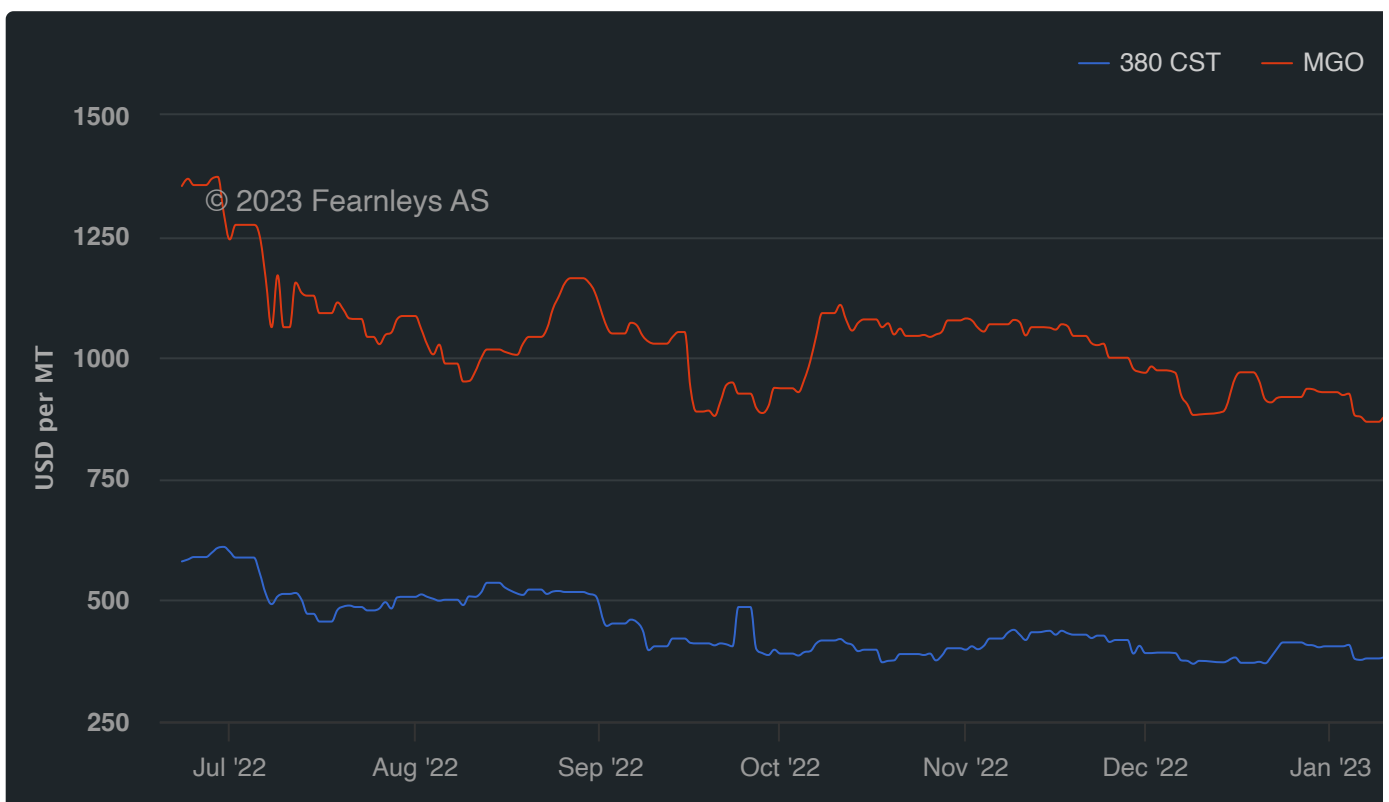
\$720

\$16^

Spread MGO/380 CST

\$238.5

\$19^





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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