



# Fearnleys Weekly Report

Week 27 - July 5, 2023

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## 01 Tankers

### VLCC

There was some glimmer of hope for owners at the end of last week/early this week, as prompt cargoes found owners of prompt ships in a bullish mood. A busy 10-20 July window in the MEG (48 cargoes so far) meant charterers late to the party saw rates climb, albeit a point at a time to just shy of the WS 60 level MEG/East. Some of these reported rates came with no details attached, but it gave owners a boost in sentiment, nonetheless. However, a generously opening position list as we head later into July means that a few cargoes working at present, are seeing plenty of offers. Owners will have to work hard to keep the market in the high WS 50's, but a few quiet days of charterers wading through all their offers will apply downward pressure.

The Atlantic has been somewhat truncated with the July 4th celebrations in the US. But others active. At the time of writing Petrobras quoting a cargo Brazil/UKCM, claiming 13 offers, which speaks volumes to market direction. Rates USG/East peaked



availability of tonnage and little Turner excitement on the board regarding fresh cargoes.

The recent excitement may have been a bit of a dead cat bouncing. Sentiment will now wobble and only an influx of cargoes will turn things around.

## Suezmax

Sustained Atlantic enquiry has significantly tightened the West Africa list for the third decade. Ex-dry dock deals aside, there is a case to be made for TD20 trading minimum circa WS 90 and for the brakes to be imminently applied. In the Mediterranean and Black Sea markets, activity has been slow with TD6 fixed up to the end of the second decade with early third decade now likely to be in play. A steady influx of vessels performing MEG/Med voyages will supply adequate tonnage for CPC/Med' to trade circa WS 105-110.

The US Gulf is quiet on the surface, but wider Atlantic activity should allow USG/TA to flat-trade: 145KT X WS 72.5.


The East has been active off market and should price circa WS 110-115 MEG/China on modern whilst last done TD 23 is WS 55, and that's where we seeing it trading out the balance of the week.

## Aframax

Despite some delays in strategic discharge ports in the area, the Aframax tonnage list looks fairly balanced for the natural fixing window in the North Sea area. Going forward we expect rates to remain around current levels, unless we see activity pick up in other areas and more ships will consider ballasting away. A tough week for the owning community in the Med as the rates for local runs fell by more than 5p after 2 weeks of holding their ground. Activity has been moderate in the area since last week, and the consistent flow of ballasters from the East is adding extra pressure as tonnage list is lengthening. Summer market is here to stay it seems, and the owners will need a burst of activity to push rates back higher.

## Rates



 Click rate to view graph

MEG/WEST

37

280'

4.5^

MEG/Japan

58

280'

8.5^

MEG/Singapore

59

280'

8^

WAF/FEAST

57.5

260'

7.5^

WAF/USAC

82.5

130'

-30v

Sidi Kerir/W Med

92.5

135'

-27.5v

N. Afr/Euromed

135

80'

-5v



UK/Cont

130

80'

0 &gt;

Caribs/USG

145

70'

-5 v

**1 Year T/C**

(USD/Day, Weekly Change)

[Click rate to view graph](#)

VLCC

\$36,500

Modern

\$0 &gt;

Suezmax

\$39,000

Modern

\$0 &gt;

Aframax

\$45,000

Modern

-\$1,000 v

**VLCCs**[Click rate to view graph](#)

Fixed in all areas last week

64

9 ^

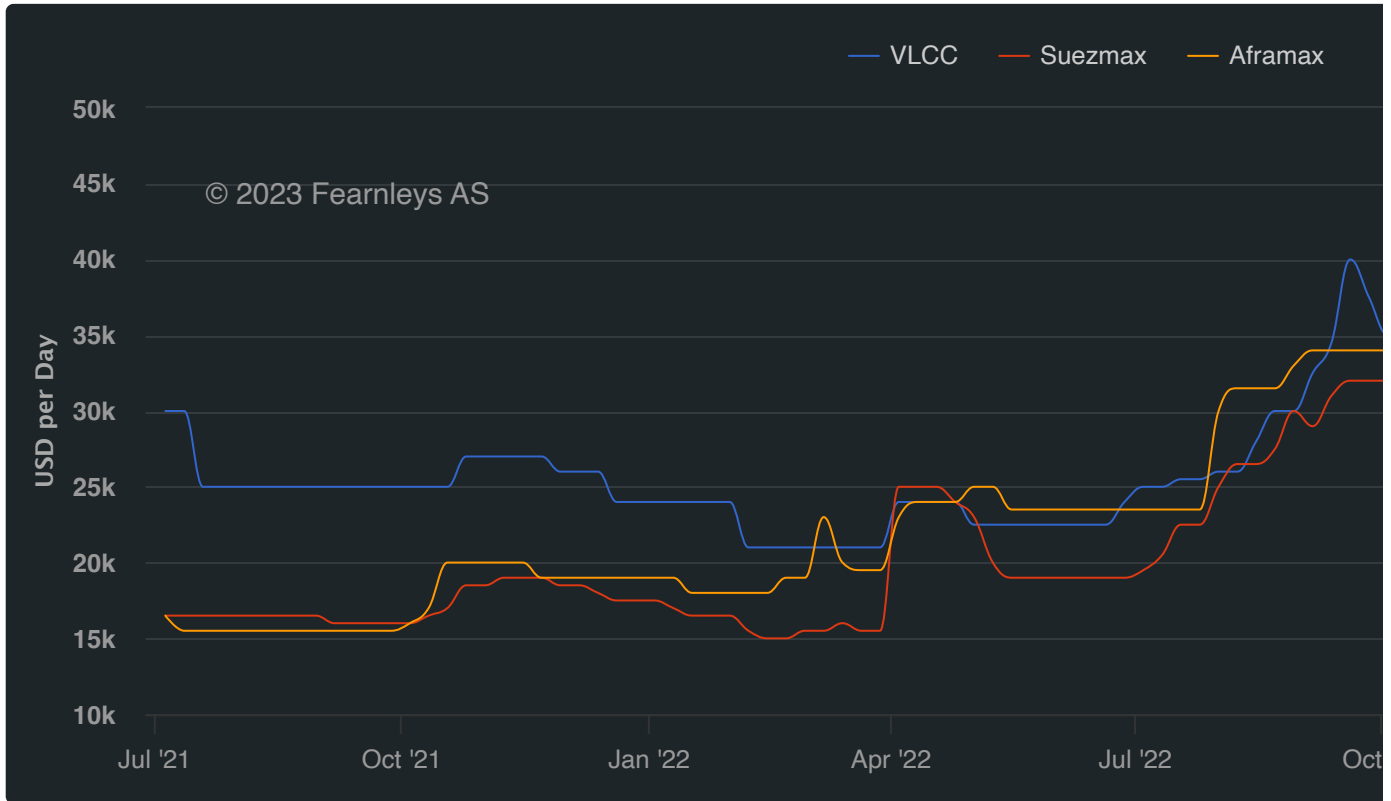


Available in MEG next 30 days

163

2^

# 1 Year T/C Crude



# 02 Dry Bulk

## Capesize

Capesize market under pressure with the basket of all routs down 19% week on week. The activity on West Australia has calmed down and in the Atlantic we see Panamax pricing cheaper for the same trade. Thus, charters are splitting their Cape stems into



ATLANTIC still fairly high and Cape freight is now getting competitive compared to Panamax.

## Panamax

Another negative week for Atlantic with no positive vibes for short term as supply simply overweight cargo counts.

NCSA grain has been slightly active, but the rest of the market including Black Sea remain quiet with limited flow of minerals.

Fronthaul bids are at mid teen and transatlantic at 6k on bki standard from Gib. Further south, market remains bearish with lengthy tonnage heading towards ECSA combined with FFA drop, are the tools to the charterers pushing for further discount.

## Supramax

Little fresh appeared from USG, bit more activity from ECSA. USG Ultramax 63' dwt levels at USD 17,000 pd for trips to India-Japan direction.

Atlantic trips paying around low USD 10,000 pd on Ultramax and around USD 9,000 pd on Supramax for trips to Continent or Med.


From ECSA Supra 56' dwt levels around USD 10,000 pd + USD 300,000 GBB for a trip from Argentina to Asia with grains.

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 delivery Singapore one would look at USD 8,000 pd for a trip via Indo to China and a 63,000 dwt with delivery Japan fixed at USD 8,000 pd for a trip via NoPac to SE Asia.

## Rates



 [Click rate to view graph](#)

TCE Cont/Far East

**\$38,125**

**\$312** 

Australia/China

**\$7.96**

**-\$0.19** 


Pacific RV

**\$16,464**

**\$1,496** 

## Panamax

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

 [Click rate to view graph](#)

Transatlantic RV

**\$6,565**

**-\$90** 

TCE Cont/Far East

**\$16,427**

**-\$100** 

TCE Far East/Cont

**\$3,053**

**-\$90** 



**TCE Far East RV**

**\$8,383**

**-\$324**

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

[Click rate to view graph](#)

**Atlantic RV**

**\$7,689**

**\$93**

**Pacific RV**

**\$7,363**

**-\$162**

**TCE Cont/Far East**

**\$10,617**

**-\$50**

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

[Click rate to view graph](#)

**Newcastlemax**

**\$19,500**

**208'**

**-\$500**

**Kamsarmax**

**\$14,000**

**82'**

**\$0**

**Ultramax**

64'

**\$12,000****-\$1,500** ✓**Capesize**

180'

**\$15,000****\$0** >**Panamax**

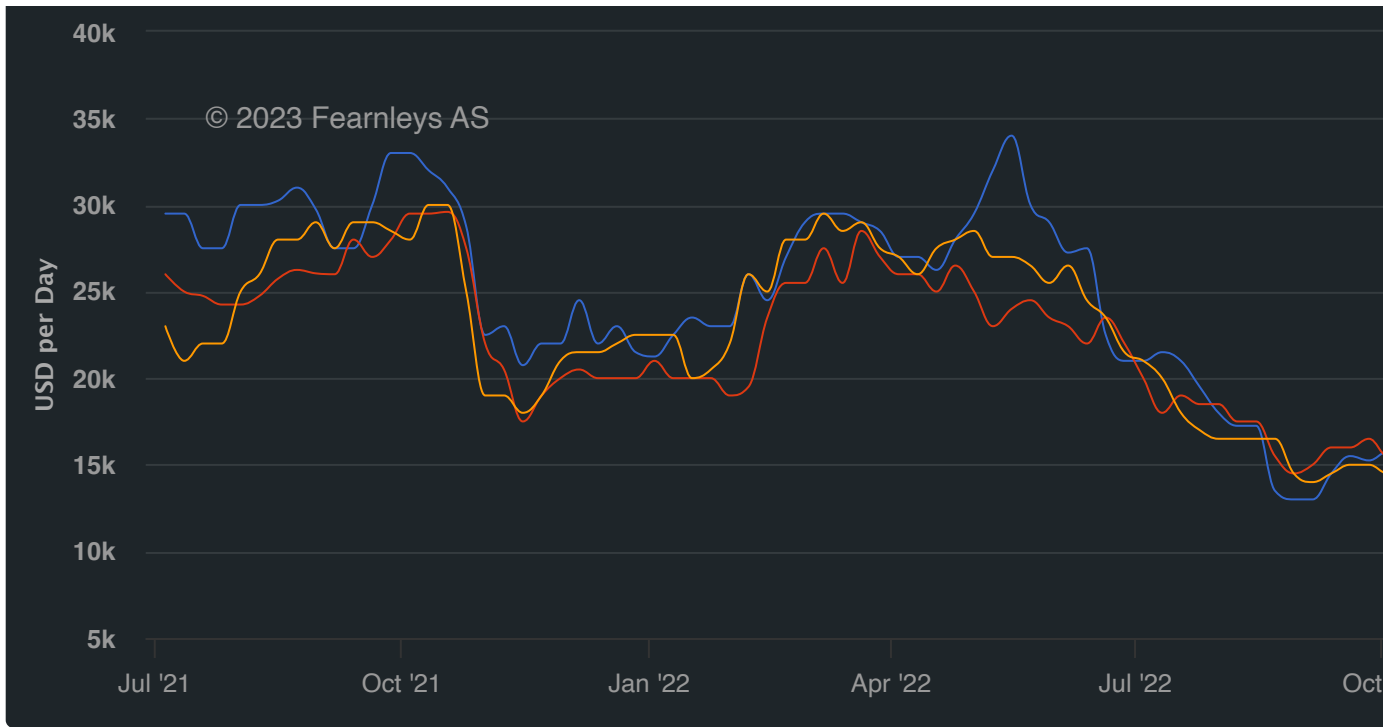
75'

**\$13,000****\$0** >**Supramax**

58'

**\$10,000****-\$1,500** ✓**Baltic Dry Index (BDI)****\$994****-\$50** ✓

## 1 Year T/C Dry Bulk



# 03 Gas

## Chartering

### EAST

With the latest fixture in MEG done at a further 4–5-dollar discount from last done, East market sentiment can only be described as bearish. Exactly how many ships that will go west via Suez or Cape remain a question mark and is contingent on how the US market plays out for 2H August. But with US also weakening it seems like the market in the East now has been corrected down to around to the 100 mark.

### WEST

After a soft start to the week on Monday an Indonesian spot tender come out in the market yesterday for 2H Aug dates in the USG which was put on subs approximately



deals in the west and we now count 14 spot fixtures in total for August ex USG/USEC (7 first decade, 5 second decade, and 2 last decade). With a handful of uncovered cargoes out in the US we should see more deals to be done this week.

## LPG Rates

### Spot Market (USD/Month, Weekly Change)

Click rate to view graph

VLGC	84'
<b>\$2,800,000</b>	<b>-\$450,000</b>

LGC	60'
<b>\$1,500,000</b>	<b>\$0</b>

MGC	38'
<b>\$1,350,000</b>	<b>\$0</b>

HDY SR	20-22'
<b>\$840,000</b>	<b>\$0</b>

HDY ETH	17-22'
<b>\$910,000</b>	<b>\$0</b>

ETH	8-12'
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SR

**\$470,000**


6.5'

**-\$10,000** ✓

COASTER Asia

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

COASTER Europe

**\$380,000****-\$10,000** ✓**LPG/FOB Prices (Propane)**  
(USD/Tonne, Weekly Change) Click rate to view graph

FOB North Sea/Ansi

**\$391.5****-\$9.5** ✓

Saudi Arabia/CP

**\$400****-\$50** ✓

MT Belvieu (US Gulf)

**\$286.5****\$0** >



**\$400**

**-\$5**

**LPG/FOB Prices (Butane)**  
(USD/Tonne, Weekly Change)

[Click rate to view graph](#)

**FOB North Sea/Ansi**

**\$270**

**-\$131**

**Saudi Arabia/CP**

**\$375**

**-\$65**

**MT Belvieu (US Gulf)**

**\$167**

**\$0**

**Sonatrach/Bethioua**

**\$335**

**-\$70**

## LNG Rates

**Spot Market**  
(USD/Day, Weekly Change)

[Click rate to view graph](#)

**East of Suez 155-165k CBM**



West of Suez 155-165k CBM

\$75,000

\$0 >

1 Year T/C 155-165k TFDE

\$112,500

-\$5,500 v

# 04 Newbuilding

## Activity Levels

Tank Activity

Slow

Dry Bulk Activity

Slow

Other Activity



# Prices

VLCC	300'
<b>\$121</b>	<b>\$0 &gt;</b>

Suezmax	150'
<b>\$81</b>	<b>\$0 &gt;</b>

Aframax	110'
<b>\$63.5</b>	<b>\$0 &gt;</b>

Product	50'
<b>\$43.5</b>	<b>\$0 &gt;</b>

Newcastlemax	210'
<b>\$66</b>	<b>\$0 &gt;</b>

Kamsarmax	82'
<b>\$37.5</b>	<b>\$0 &gt;</b>

Ultramax	64'
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LNGC (MEGI) (cbm)

170'

\$240

\$0 &gt;

# 05

## Sale & Purchase

### Prices

Dry	5 yr old	10 yr old
Capesize	\$47.5	\$32.5
Kamsarmax	\$31.0	\$23.5
Ultramax	\$30.5	\$24.5

Wet	5 yr old	10 yr old
VLCC	\$98.0	\$77.0
Suezmax	\$72.0	\$57.0
Aframax / LR2	\$62.5	\$50.0



# Market Brief

## Exchange Rates

USD/JPY

144.5

0.04

USD/NOK

10.64

-0.09

USD/KRW

1,299.5

-8.2

EUR/USD

1.09

0

## Interest Rates

LIBOR USD (6 month)

5.2%

0

NIBOR NOK (6 month)



## Commodity Prices

Brent Spot

**\$76.5**

**\$2^**

## Bunker Prices

Singapore

380 CST

**\$466.5**

**\$1^**

MGO

**\$722.5**

**\$3.5^**

Spread MGO/380 CST

**\$256**

**\$2.5^**

Rotterdam

380 CST

**\$495**

**-\$0.5v**



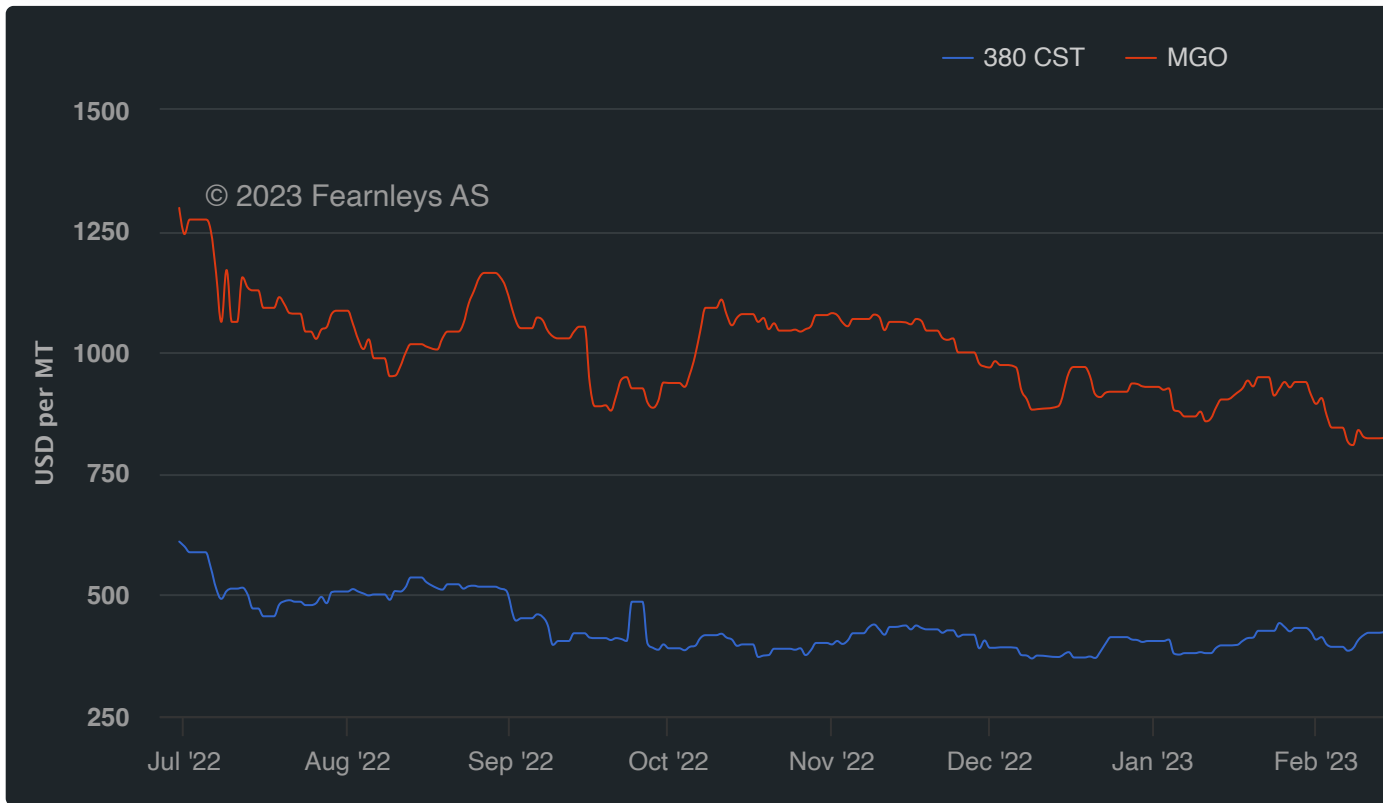
**\$705**

**-\$8**

**Spread MGO/380 CST**

**\$210**

**-\$7.5**



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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