



Fearnleys Weekly Report

Week 45 - November 8, 2023

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01 Tankers

VLCC

A different story for Dubai week 2023. This time last year rates were jumping and owners' sentiment climbed like the mercury in an Emirati morning. At present, deals will certainly be getting done under the surface, but unlikely charterers will be accepting of a last done. Certainly no major drops on the horizon, but given the lack of open activity, rates will be chiseled at and TD3 likely sits just below WS 70.

The Atlantic, although promising much, is yet to deliver. With little done for USG exports in December the expectation is for more activity, but with little to work with or shout about, owners unable to drive up from the USD 10.2m levels. Again, any charterer will be aiming lower.

Undoubtedly it is busier than it seems, but with 'over the dinner table' deals likely



Suezmax

What to say, what to say, what to say.... There's not been a market cargo fixed in West Africa, Brazil, or the US yet this week that we know of, so I think it's fair to say this market is well and truly softer without actually anything to show for it. Tonnage has now built up and we're due a reset on rates. Earnings for owners are still good but the dizzy heights of WS 160 level for TD20 are not sustainable. Right now it's fast looking like this market will reach WS 120s soon.

The MEG hasn't exactly been busy either. Relets are there to fix and the assessment above goes for all Suezmax markets. Rates will drop.


Aframax

North Sea market has seen steady fixing with prompter tonnage being picked off for mid-month stems - rates have held steady at WS 195. List is starting to thin which may start to have an impact heading into the last decade. US Markets still attractive to owners so we continue to see vessels ballasting away.

Activity has been ticking over slowly but nothing of great significance. Western Suezmaxes have shown signs of weakness and may look for part cargoes putting a strain on Afra rates. Maintenance in some ports due next week; this will be factored in when chartering a vessel pushing dates out to early 3rd decade Nov. Rates should continue in a steady motion with delays now being the main influence in keeping these levels afloat. Volume should pick up as we proceed through Q4 but no upward trajectory we predict anytime soon. Rates sit steady/soft for now.

Rates

Dirty
(Spot WS 2023, Daily Change)

 [Click rate to view graph](#)

MEG/WEST

280'



MEG/Japan

70

280'

-3✓

MEG/Singapore

71

280'

-3✓

WAF/FEAST

71

260'

-4✓

WAF/USAC

130

130'

-32.5✓

Sidi Kerir/W Med

145

135'

-10✓

N. Afr/Euromed

245

80'

-5✓

UK/Cont

195

80'

-5✓



Caribs/USG

260

70'

-40▼

1 Year T/C

(USD/Day, Weekly Change)

[Click rate to view graph](#)

VLCC

\$38,500

Modern

\$0 >

Suezmax

\$40,000

Modern

\$0 >

Aframax

\$39,000

Modern

\$0 >

VLCCs

[Click rate to view graph](#)

Fixed in all areas last week

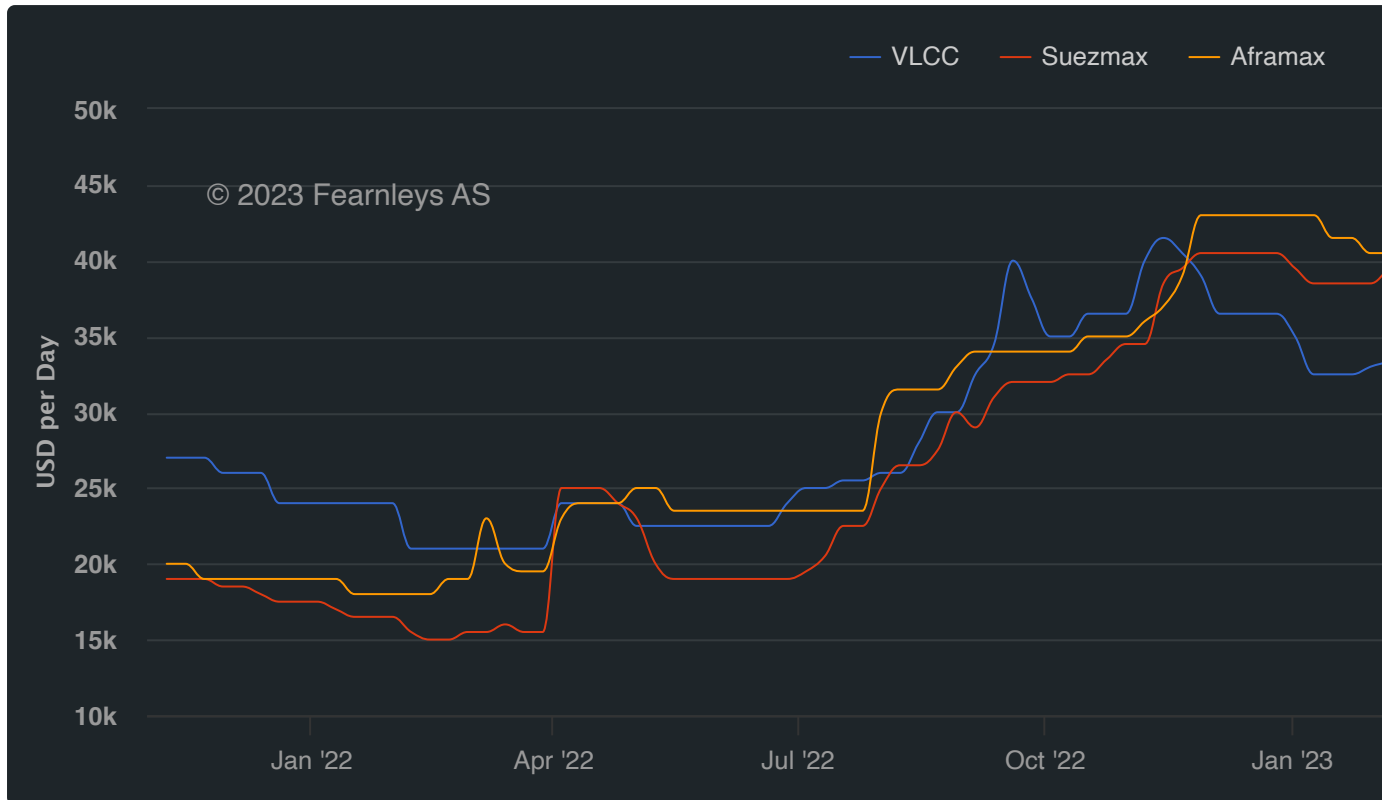
58

-26▼

Available in MEG next 30 days

153

14▲



02

Dry Bulk

Capesize

We see an uptick in volumes for C5, East Australia coal, and Pacific trades for mid to late November. On C3 ex Brazil to China, there is little activity as vast majority of November stems seem to have been covered and we await December prospects. On West and South Africa, volumes are scarce with little fresh enquiries. On the Atlantic front, we see several new stems this week but high resistance for bids and fixing of ships. On a whole, market optimism has ticked upwards albeit unstable. Far East tonnage is moderately tight. Ballaster count is sizable with a large majority of vessels going for first half of December dates. On C5, fixtures concluded at mid to high USD



low 20 pmt versus mid to high USD 21 pmt levels.

Panamax

The Panamax market this week has seen limited activity and uncertain pricing in the Atlantic, rates have remained steady due to lower prompt tonnage, but cargo volume is low as charterers wait for clearer market direction. In Asia, rates have varied, but overall, the sentiment is weaker as tonnage count increases. The Pacific market had a brief improvement in sentiment but is now slowing down. Overall, the market lacks a clear direction with some fluctuations in sentiment and activity levels.

Supramax

Touch more positive sentiment from USG, where Ultramax was fixed to India at about USD 38,500. From east there was bit more fresh orders. Indo-China rounds have been done around USD 12,000. In big picture still sideways to downwards trends seem continue most likely through year-end. Shipment volumes remain around all-time highs but the weakness in the Pmx/Kmx segment continue to weigh heavily.

Rates

Capesize

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

[Click rate to view graph](#)

TCE Cont/Far East

\$38,125

\$312

Australia/China

\$9.37

-\$0.52

**\$16,464****\$1,496** **Panamax**

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

Click rate to view graph

Transatlantic RV

\$14,790**\$275**

TCE Cont/Far East

\$22,318**\$150**

TCE Far East/Cont

\$4,678**-\$21**

TCE Far East RV

\$11,425**-\$73** **Supramax**

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

Click rate to view graph

Atlantic RV

\$17,929**\$232**



\$8,069

-\$12 ✓

TCE Cont/Far East

\$19,671

-\$96 ✓

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

[Click rate to view graph](#)

Newcastlemax

208'

\$18,200

\$700 ^

Kamsarmax

82'

\$13,465

\$220 ^

Ultramax

64'

\$12,750

\$0 >

Capesize

180'

\$14,200

\$700 ^

Panamax

75'

\$12,350

\$200 ^



Supramax

58'

\$10,750

\$0 >

Handysize

38'

\$10,250

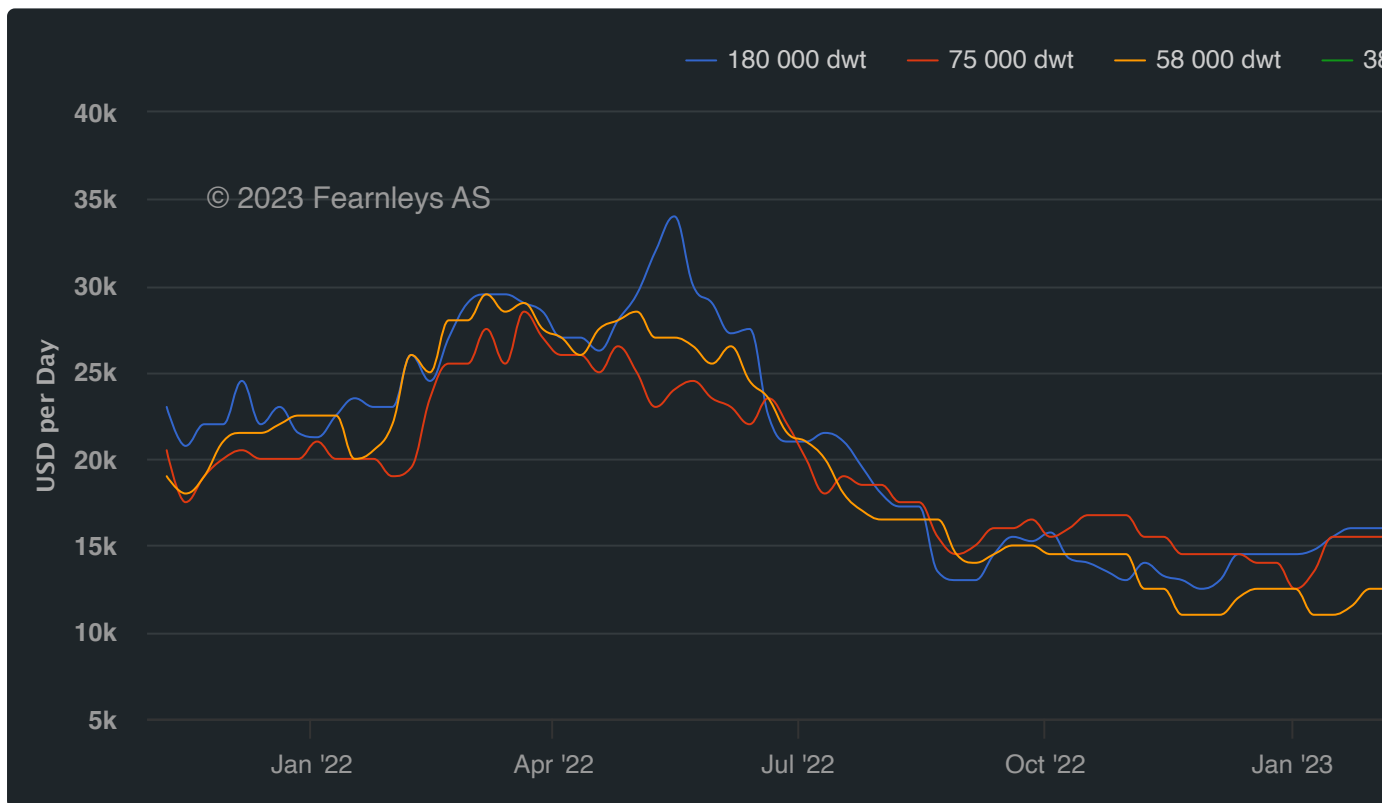
\$0 >

Baltic Dry Index (BDI)

\$1,530

-\$29 v

1 Year T/C Dry Bulk





Chartering

EAST

November fixing in MEG seems to be nearing an end with year to date lowest monthly slot count so far (16 fixtures). December has kicked off early with three confirmed deals at the time of writing and a second Indian cargo quoted already for an early December laycan. This even before Adnoc acceptances for December has been published point to a continuously strong market. While the Panama situation evolves more and more vessels will pass by Middle East ports on the way to USG via Suez or Cape and as such we will see a longer theoretical position list in the East which could mean we will more often than not see East trading at a discount to the West going forwards.

WEST

At the time of writing there have been 17 spot fixtures out of the USG/USEC for December dates. So far this week we have only seen one deal in the West, and it was done right below 240 H/C. On the Western position list there are still two open vessels left before last decade December. For 20-30 December we have only seen 1 spot fixture and the vessel supply is looking relatively tight this period. Only one vessel on the position list is coming via Panama and she is a Panamax. The rest is ballasting via Suez or Cape.

LPG Rates

Spot Market (USD/Month, Weekly Change)

 [Click rate to view graph](#)

VLGC

\$4,100,000

84'

\$100,000 



		00
\$2,000,000		\$0 >
MGC		38'
\$1,450,000		\$0 >
HDY SR		20-22'
\$900,000		\$25,000 ^
HDY ETH		17-22'
\$990,000		\$40,000 ^
ETH		8-12'
\$550,000		\$0 >
SR		6.5'
\$470,000		\$0 >
COASTER Asia		
\$280,000		\$0 >
COASTER Europe		



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

[Click rate to view graph](#)

FOB North Sea/Ansi

\$543

\$6.5

Saudi Arabia/CP

\$610

\$10

MT Belvieu (US Gulf)

\$328

-\$14.5

Sonatrach/Bethioua

\$560

\$0

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

[Click rate to view graph](#)

FOB North Sea/Ansi

\$494

-\$65.5

Saudi Arabia/CP



MT Belvieu (US Gulf)

\$365**\$4**

Sonatrach/Bethioua

\$535**-\$35**

LNG Rates

Spot Market

(USD/Day, Weekly Change)

Click rate to view graph

East of Suez 155-165k CBM

\$150,000**\$0**

West of Suez 155-165k CBM

\$165,000**\$0**

1 Year T/C 155-165k TFDE

\$80,000**\$0**



Newbuilding

Activity Levels

Tank Activity

Increasing

Dry Bulk Activity

Moderate

Other Activity

Moderate

Prices

VLCC

300'

\$124

\$0 >

Suezmax

150'

\$82

\$0 >

Aframax

110'



Product	50'
\$44	\$0 >
Newcastlemax	210'
\$66	\$0 >
Kamsarmax	82'
\$36	\$0 >
Ultramax	64'
\$34	\$0 >
LNGC (MEGI) (cbm)	170'
\$260	\$0 >

05

Sale & Purchase



Dry	5 yr old	10 yr old
Capesize	\$47.5	\$33.0
Kamsarmax	\$32.5	\$23.0
Ultramax	\$29.0	\$23.0
Handysize	\$25.0	\$18.0

Wet	5 yr old	10 yr old
VLCC	\$96.0	\$75.5
Suezmax	\$77.0	\$61.0
Aframax / LR2	\$65.5	\$55.0

06

Market Brief

Exchange Rates

USD/JPY

150.06

0.44 

USD/NOK



USD/KRW

1,310.6

12.8

EUR/USD

1.07

0

Interest Rates

LIBOR USD (6 month)

5.2%

0

NIBOR NOK (6 month)

3.12%

0

Commodity Prices

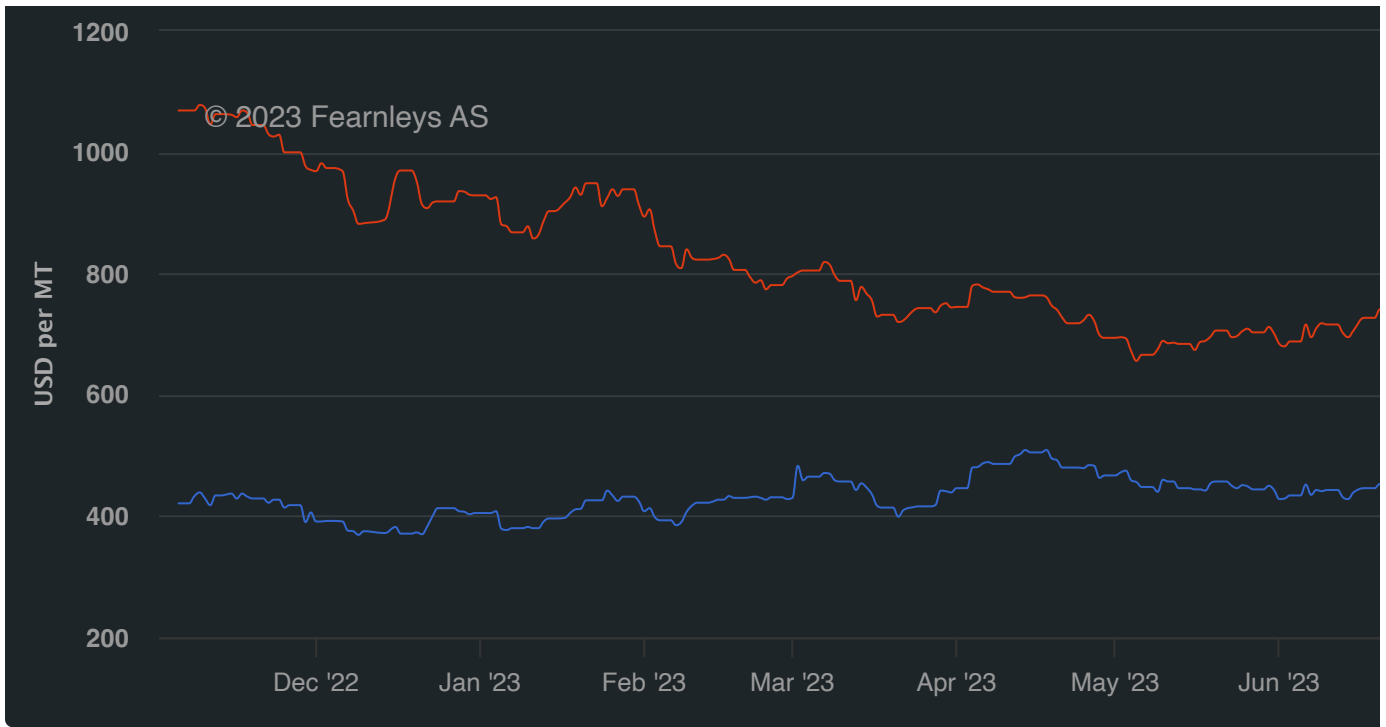
Brent Spot

\$81.5

-\$4.5

Bunker Prices

**380 CST****\$463****-\$13**▼**MGO****\$834.5****-\$9.5**▼**Spread MGO/380 CST****\$371.5****\$3.5**▲**Rotterdam****380 CST****\$506****\$7.5**▲**MGO****\$836****-\$13.5**▼**Spread MGO/380 CST****\$330****-\$21**▼



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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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