



Fearnleys Weekly Report

Week 6 - February 7, 2024

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01 Tankers

VLCC

The MEG market is climbing. Unconfirmed rumours of WS 65 done MEG/China require some checking, but rates are certainly around that level. Free of cargo tonnage figures today reveal there are only around 28 ships in total, of which 25 are modern. The last time we had tonnage sub 30 total ships was mid-November when TD3c was up at WS 74. Not suggesting we are heading there imminently, but further upticks likely. Ships are being fixed on subs with no details as charterers look for suitable counterparts, but owners won't be considering numbers lower than last done.

In the Atlantic, WS 65 is on subs West Africa/East early March dates and a few more cargoes looking suggest further upward pressure in West Africa, the USG is not firing at present, but a lighter tonnage list should help. The USG was busy yesterday on



bottomed). Aframax owners are holding the line there for now.

Suezmax

The East market has bottomed with WS 120 on subs for a MEG/East run whilst BOT/UKCM is conference at WS 80'ish via Good Hope. Further support emanating from VLCC's.

In the Atlantic, USG Aframax are showing signs of life with tends to act as a bellwether for the wider Atlantic Suezmax market, therefore we are calling TD20 close to the bottom at circa WS 102.5-105.

TD6 will trade WS 125-130 with no downside.

Aframax

A slow start to the week activity wise with stems out to middle of the month being covered mainly under own program. Sentiment is weaker but relatively untested. US markets have picked up in activity fixing out to end 2nd decade which will encourage tonnage to ballast unfixed.

Plenty of activity in the Mediterranean this week but with an abundance of tonnage rates moved in a softer trend. Enquiry ex CPC has been somewhat slow with a correction due as Turkish Straits delays decrease and Suezmaxes continue to weaken. Looks as though it might take some time for owners to turn the tide in the Mediterranean as 2nd decade of February will soon be sold-out.

Rates

Dirty
(Spot WS 2024, Daily Change)

[Click rate to view graph](#)

MEG/WEST	280'
37.5	2.5^



MEG/Japan

62.5

280'

5.5^

MEG/Singapore

63.5

280'

5.5^

WAF/FEAST

65

260'

6^

WAF/USAC

100

130'

-5v

Sidi Kerir/W Med

112.5

135'

-5v

N. Afr/Euromed

170

80'

-35v

UK/Cont

157.5

80'

-15v

Caribs/USG

70'



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

[Click rate to view graph](#)

VLCC

\$38,500

Modern

\$0 >

Suezmax

\$44,000

Modern

\$1,000 ^

Aframax

\$42,000

Modern

\$500 ^

VLCCs

[Click rate to view graph](#)

Fixed in all areas last week

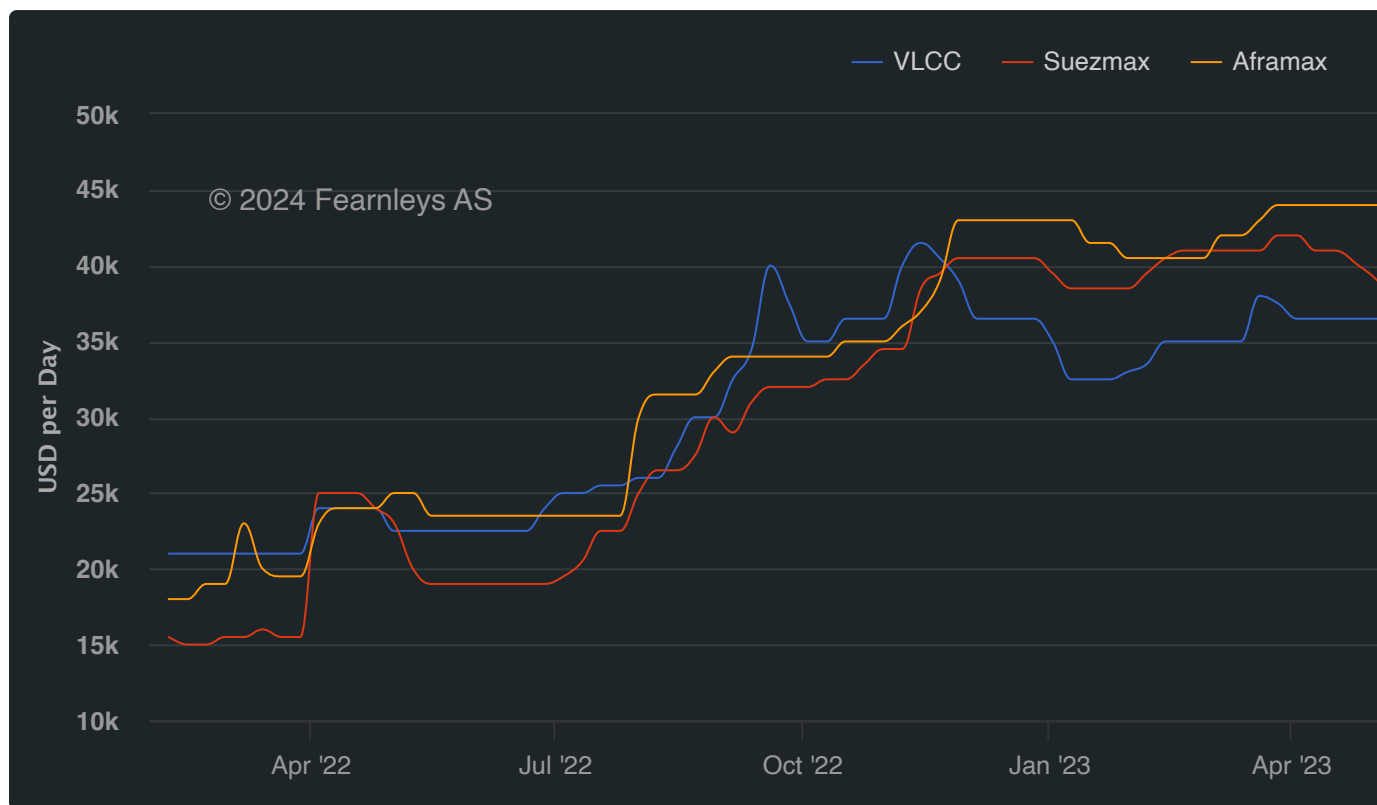
76

10 ^

Available in MEG next 30 days

140

-10 v



02

Dry Bulk

Capesize

On the C5 front, we see enquires from miners and operators alike for late February to full March forward dates. On the East Australia coal front, we see livelier activities and volumes this week from a dampened last week. On South Africa and Indian business, we see limited enquiries. On C3 ex Brazil to China and West Africa, enquiries are largely centered on March dates. Far East tonnage is moderately abundant with ballasting tonnage weighing heavily on first half of March. Ballasters for second half of February is tight. On C5, the week started with fixtures concluding at low USD 9



concluding at mid USD 23 pmt levels for second half of March.

Panamax

The Panamax market is approaching a potential bottom, indicated by high vessel counts in South America and specific market metrics, hinting at a nearing rally. A slight recovery is observed with the BPI timecharter average increasing and signs of improved demand in both the Atlantic and Pacific basins. Despite initial negative sentiment and high tonnage availability, there's a mild uptick in charter interest and freight rates, suggesting cautious optimism for market improvement.

Supramax

There were no changes in the market direction, and the timecharter average remained at the same level. Australian or Pacific round voyage with ballast leg from China reduces slightly from last week, fixing around at USD 11,000 pd on Ultra. Better levels were paid for ships open in Southeast Asia via Indonesia trips to China. From South China, the trip via Indonesia to EC India declined by USD 2,000, and Supra was reported fixed as low as USD 8,000 pd. The Atlantic had better and healthier activity. Trip from USG and ECSA saw firm numbers. Ultramax 63,000 dwt, built 2017, was fixed at high USD 20,000 pd. Rates from West Africa for trips via ECSA to Singapore-Japan were rumored to be paid close to USD 20,000 pd. Trips from Black Sea-China fixed high USD 27,000 pd. In view of the upcoming Chinese NY, we expect the market to slow down and move sideways.

Rates

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

[Click rate to view graph](#)

TCE Cont/Far East

\$38,125

\$312^



\$8.69

-\$0.53

Pacific RV

\$16,464

\$1,496

Panamax

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

[Click rate to view graph](#)

Transatlantic RV

\$12,770

\$180

TCE Cont/Far East

\$22,827

\$422

TCE Far East/Cont

\$5,213

\$59

TCE Far East RV

\$11,363

\$214

Supramax

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

[Click rate to view graph](#)



\$15,554

\$195^

Pacific RV

\$8,581

\$31^

TCE Cont/Far East

\$26,542

-\$16^

1 Year T/C

(USD/Day, Weekly Change)

Click rate to view graph

Newcastlemax

208'

\$27,280

\$3,280^

Kamsarmax

82'

\$16,800

\$800^

Ultramax

64'

\$16,500

\$0 >

Capesize

180'

\$23,280

\$3,280^



Panamax

75'

\$15,500

\$1,000 ^

Supramax

58'

\$14,500

\$0 >

Handysize

38'

\$13,500

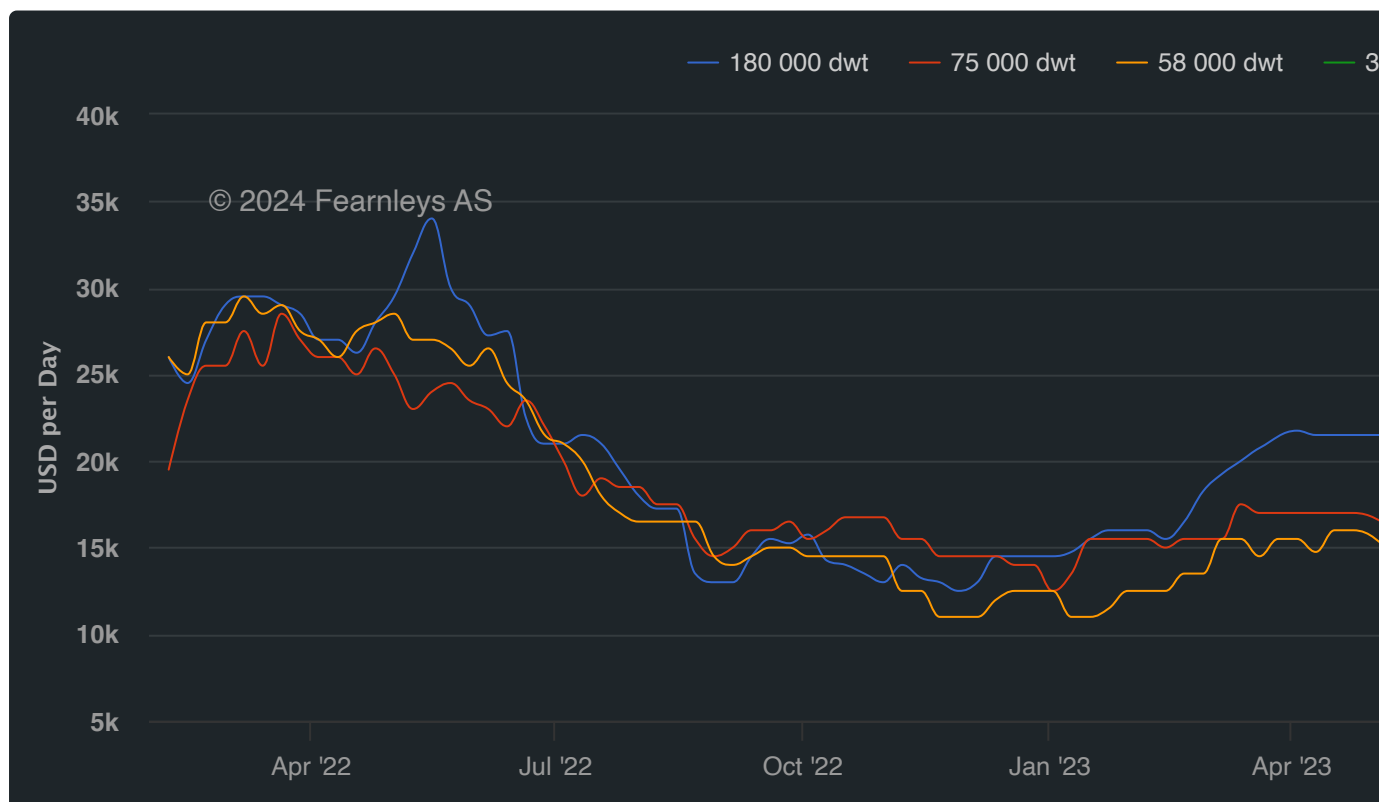
\$0 >

Baltic Dry Index (BDI)

\$1,487

-\$29 v

1 Year T/C Dry Bulk





Chartering

EAST

An active start of the week in both basins have led owners to up their asking level. We still can't ignore the prevailing length, but with deals now being concluded above last done it seems like we have touched the bottom for now. Freight rates are now set to strengthen from here, but how quick and how much depends largely on how quick the excess tonnage can be absorbed.

WEST

We have seen fixing activity in the West pick up this week after witnessing the arb widening again. Since Monday freight rates have surged quickly with the BLPG3 index route now USD 20 higher than two days ago, last done in the low 90s H/C v Panama. At the time of writing, we count 13 spot fixtures for March dates ex USG/USEC.

LPG Rates

Spot Market (USD/Month, Weekly Change)

[Click rate to view graph](#)

VLGC	84'
\$500,000	\$0 >
LGC	60'
\$1,100,000	\$0 >
MGC	38'



HDY SR

\$950,000

20-22'

\$0 >

HDY ETH

\$1,250,000

17-22'

\$0 >

ETH

\$650,000

8-12'

\$30,000 ^

SR

\$480,000

6.5'

\$0 >

COASTER Asia


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

COASTER Europe

\$390,000**\$0 >**

LPG/FOB Prices (Propane)

(USD/Tonne, Weekly Change)

 [Click rate to view graph](#)

**\$498****\$7^**

Saudi Arabia/CP

\$630**\$10^**

MT Belvieu (US Gulf)


\$472**\$44^**

Sonatrach/Bethioua

\$520**\$10^**

LPG/FOB Prices (Butane)

(USD/Tonne, Weekly Change)

 [Click rate to view graph](#)

FOB North Sea/Ansi

\$564**\$64.5^**

Saudi Arabia/CP

\$640**\$10^**

MT Belvieu (US Gulf)

\$439**-\$14^**



Sonatrach/Bethioua

\$540

\$0 >

LNG Rates

Spot Market
(USD/Day, Weekly Change)

[Click rate to view graph](#)

East of Suez 155-165k CBM

\$43,000

\$500 ^

West of Suez 155-165k CBM

\$40,000

\$0 >

1 Year T/C 155-165k TFDE

\$54,000

\$0 >

04 Newbuilding

Activity Levels



Increasing

Dry Bulk Activity

Moderate

Other Activity

Strong

Prices

VLCC	300'
\$125	\$0 >

Suezmax	150'
\$83	\$0 >

Aframax	110'
\$67	\$0 >

Product	50'
\$46.5	\$0 >



Newcastlemax	210'
\$66	\$0 >
Kamsarmax	82'
\$36	\$0 >
Ultramax	64'
\$34	\$0 >
LNGC (MEGI) (cbm)	170'
\$263	\$0 >

05

Sale & Purchase

Prices

Dry	5 yr old	10 yr old
Capesize	\$56.5	\$39.0
Kamsarmax	\$32.5	\$23.0



Ultramax	\$30.0	\$24.0
Handysize	\$25.0	\$17.5
Wet	5 yr old	10 yr old
VLCC	\$105.0	\$80.0
Suezmax	\$81.0	\$66.0
Aframax / LR2	\$68.0	\$55.0

06 Market Brief

Exchange Rates

USD/JPY

148.64

-0.09▼

USD/NOK

10.67

0>

USD/KRW



EUR/USD

1.07

0 >

Interest Rates

SOFR USD (6 month)

5.39%

0 >

Commodity Prices

Brent Spot

\$78.5

\$0.5 ^

Bunker Prices

Singapore

380 CST

\$442.5

-\$0.5 v

MGO

\$806.5

\$2 ^



Spread MGO/380 CST

\$364

\$2.5^

Rotterdam

380 CST

\$439

\$3.5^

MGO

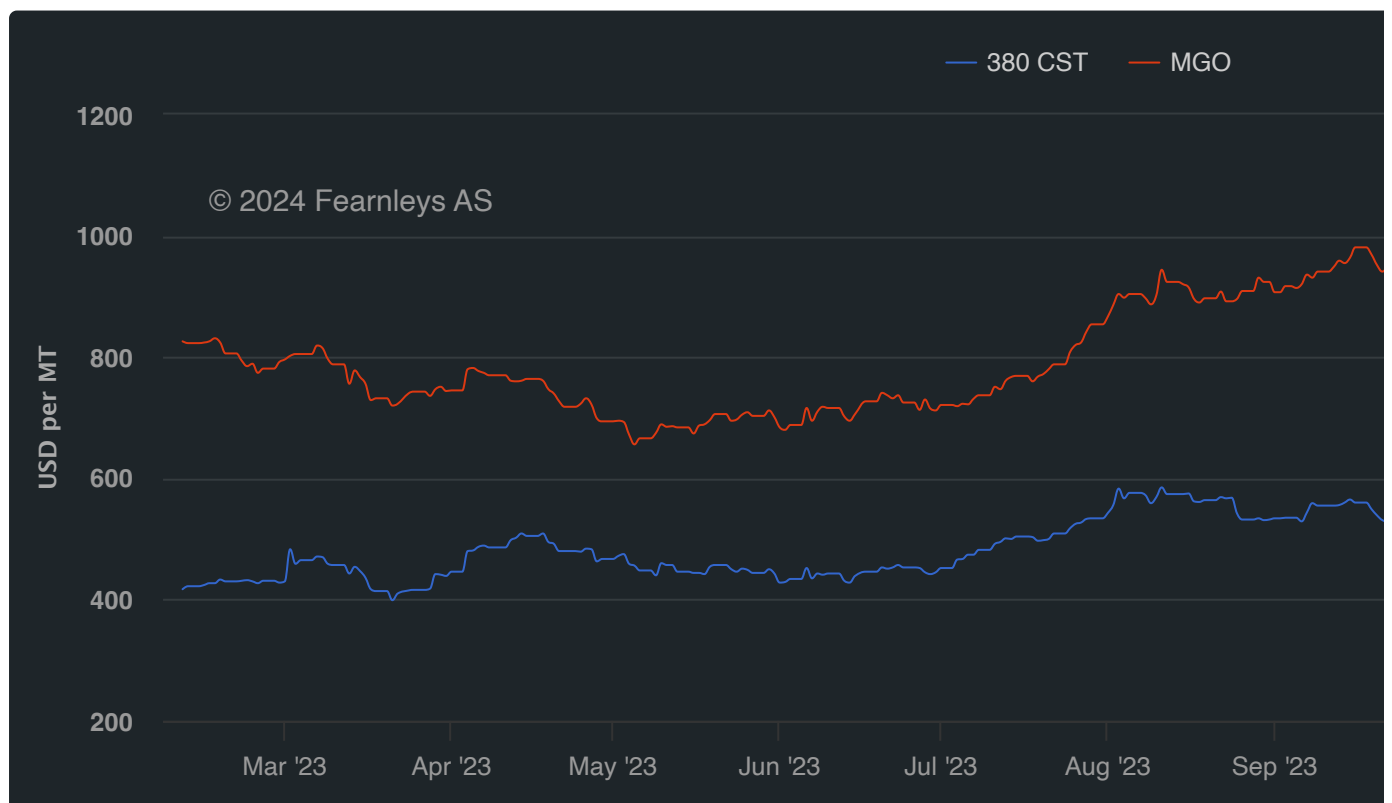
\$784.5

\$6.5^

Spread MGO/380 CST

\$345.5

\$3^





Week 6 - February 7, 2024

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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