

Fearnleys Weekly Report

Week 30 - July 24, 2024

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01 Tankers

VLCC

The doom and gloom of the past few weeks quickly dissipating over the last few days, as MEG rates improving by 40%, and the swinging WS 60's potentially in view. The usual busier start to the month meant charterers fell over themselves chasing tonnage and owners were able to help each other out by leaking deals into an increasingly warming market. At the time of writing, WS 59 done short East and WS 58 to Korea. Expect a Chinese freeze on anything prior to mid-month August laycans in an effort to cool the market, and some profit taking on prompter dates very likely. But sentiment is strong right now and we count just 27 vessels free of cargo in the East at this moment in time.

The Atlantic, the earlier vessels booked what they can, minimizing waiting and a lack of ballasters from the East means this market may continue an upward trajectory in

resistance on the Suezmaxes taking hold also.

Suezmax

At the beginning of the week, the Atlantic Suezmax market looked like it was on the edge of a precipice, but owners have managed to avert all an out rate-capitulation (at least as far as the US Gulf is concerned). A key insight into owners' resolve was a USG/TA fixture that traded marginally down on last done from WS 82.5 to WS 81.25, crucially staying above the WS 80 barrier.

In West Africa, all eyes are on ENI West Africa/UKCM 10-11th August which is likely to test TD 20 down a tad, although having been in the market for days now, natural dates might start to work past them.

Non-Indian flagged vessels have had to watch from the sidelines as circa 80 percent of Indian cargoes were awarded to Indian flagged vessels. There is a long list of FOC vessels and MEG/East rates are under downward pressure.


Aframax

A busy end-month window in the North Sea with charterers securing tonnage in the market willing to do last done rates and reset positionally within the region. The 1st decade of August is soft on paper and with a balanced position list moving forward, it is hard to envisage any big swing on rates in the short-term.

Rates have ticked along in the Mediterranean with deals being done on or off the market and rates being repeated. Owners have held their ground through a tricky period of fixing where the summer lull in activity has been all encompassing. Still fair returns for owners and activity is steady with the tonnage list remaining balanced, despite vessels being fixed for voyages that will take them outside of the area.

Rates

Dirty
(Spot WS 2024, Daily Change)

 [Click rate to view graph](#)

	200
37.5	5 [^]
MEG/Japan	280'
59	13.5 [^]
MEG/Singapore	280'
60	14.5 [^]
WAF/FEAST	260'
58	6.5 [^]
WAF/USAC	130'
97.5	0 ^{>}
Sidi Kerir/W Med	135'
102.5	0 ^{>}
N. Afr/Euromed	80'
130	-7.5 [∨]
UK/Cont	80'

Caribs/USG


70'

210

-5▼

1 Year T/C

(USD/Day, Weekly Change)

 Click rate to view graph

VLCC

Modern

\$38,500

\$0 >

Suezmax

Modern

\$41,000


\$0 >

Aframax

Modern

\$42,500

-\$1,000▼

VLCCs Click rate to view graph

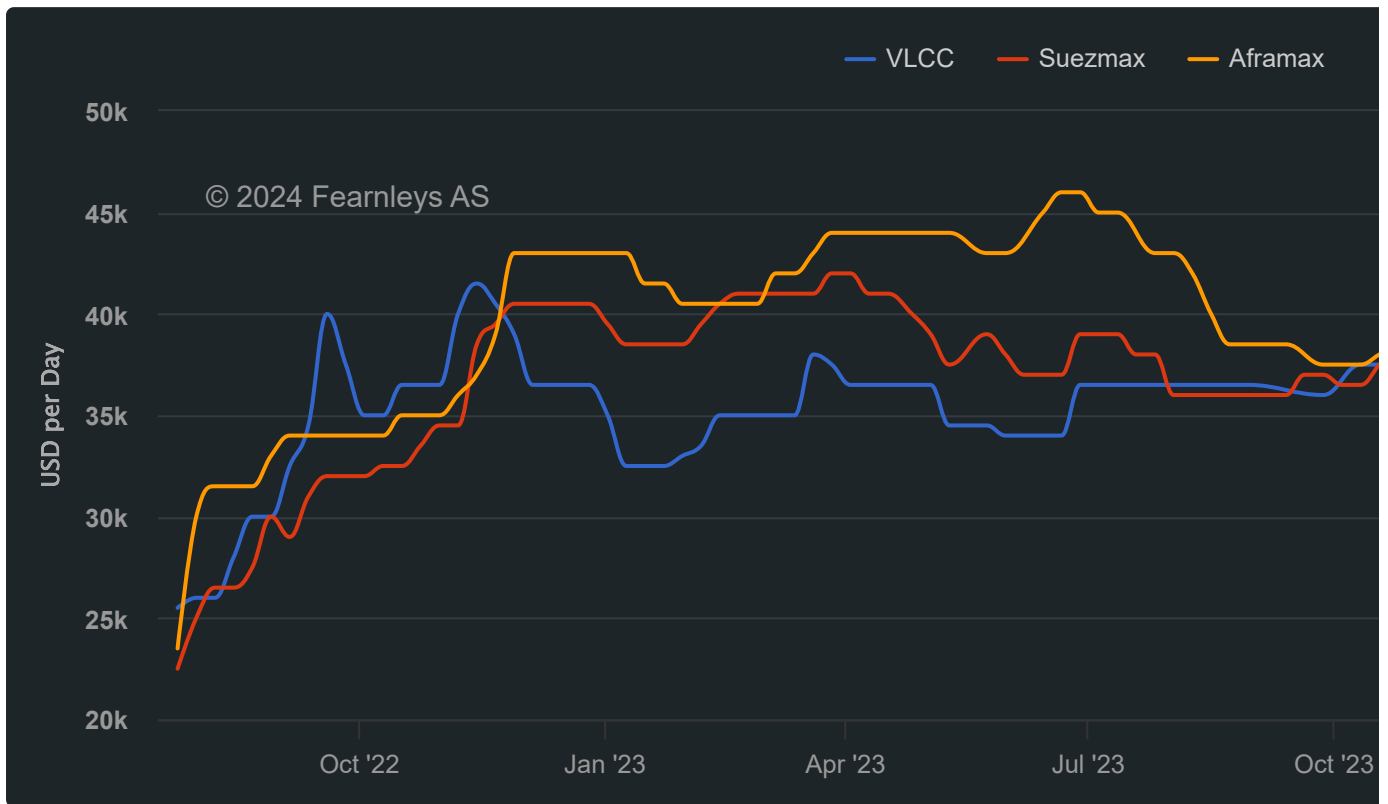
Fixed in all areas last week

70

12▲

Available in MEG next 30 days

1 Year T/C Crude



02 Dry Bulk

Capesize

On the West Australia front, the week started off with depressed volumes but slowly picked up as we approached mid-week with enquiries from some miners and operators. Players are primarily seeking for first half of August dates, and we see buying activity from operators for second half August albeit limited enquiries. Volumes out of East Australia are a tick up. On C3 ex Brazil to China, we see enquiries

tonnage is abundant. Ballasting tonnage is thinning for first half of August and heavily weighted on second half of August. On C5, we see fixtures concluding at sub USD 9.50 pmt levels. On C3, fixtures were concluding at mid to high USD 24 pmt levels by mid-week for late August and early September dates.

Panamax

This week in the Panamax market, Asia experienced balanced conditions with increased cargo flows despite potential disruptions from incoming storms and typhoons. The Atlantic market displayed notable strength, driven by a tightening tonnage list in the North Atlantic and additional cargoes in the South Atlantic. The index saw positive movement, bolstered by low tonnage availability and modest demand from NCSA and Black Sea grain. The ECSA market found stability, trading around the 16,500/17,000 BKI level. While overall activity in the Atlantic was subdued, the North Continent's tight tonnage and a well-balanced ECSA market maintained stable levels with slight gains despite the broader market's cautious stance.

Supramax


Overall quiet/flat week in the Atlantic with little to report, but we did see a few fresh orders ex ECSA and Atlantic basin. The past week saw fresh enquiries with sulphur cargo as (sulphur) commodity prices saw improvement. Slow & steady, we also see more orders ex Indian ocean.

Large Ultramax reportedly fixed at USD 15,000 level for EC India-China run. The Indonesia-China Supra runs going at around 18/19k levels. ECSA fronthauls on Supra/Ultra paid around USD 22,000 levels as usual.

We see fresh appetite for period tonnage especially for Supra/Ultra sizes.

Rates

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

 [Click rate to view graph](#)

\$38,125**\$312** 


Australia/China

\$9.37**-\$0.08** 

Pacific RV

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

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

 [Click rate to view graph](#)

Transatlantic RV

\$15,815**\$683** 

TCE Cont/Far East


\$27,723**\$388** 

TCE Far East/Cont

\$6,196**\$23** 

TCE Far East RV

\$13,606**\$41** 

 Click rate to view graph

Atlantic RV

\$16,807

-\$31▼

Pacific RV

\$13,513

\$44▲


TCE Cont/Far East

\$21,063

-\$162▼

1 Year T/C

(USD/Day, Weekly Change)

 Click rate to view graph

Newcastlemax

\$28,200

208'

-\$100▼

Kamsarmax

\$18,250

82'

\$250▲

Ultramax

\$17,500

64'

\$0 >

Capesize	180'
\$24,200	-\$100 ▼

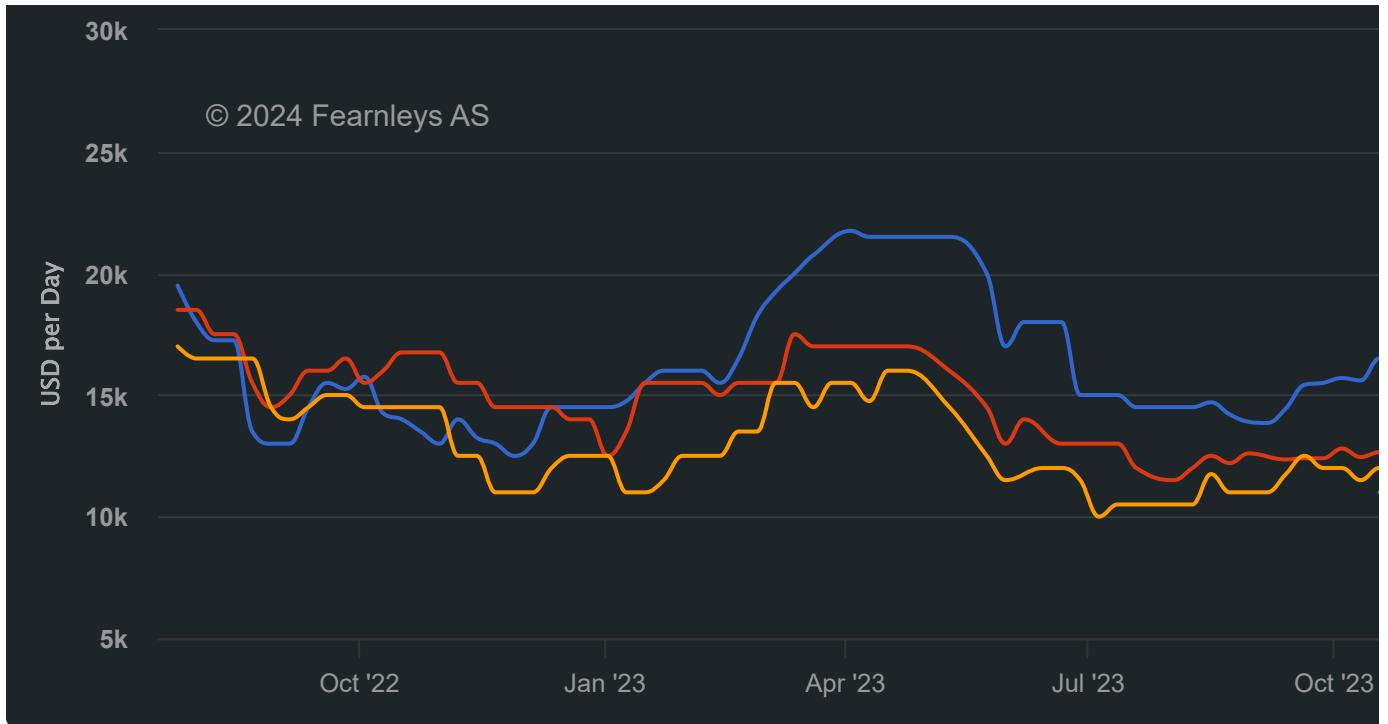
Panamax	75'
\$17,000	\$50 ^

Supramax	58'
\$16,000	\$0 >

Handysize	38'
\$12,500	\$0 >

Baltic Dry Index (BDI)	
\$1,864	-\$5 ▼

1 Year T/C Dry Bulk



03

Gas

Chartering

EAST

Increased waiting times in Indian ports looks to cause troubles for some Indian PSUs who is now quoting a couple of very prompt cargoes. In the first decade of August alone we have seen five Indian PSU cargoes out of nine spot cargoes in total. Freight will now be date dependent; we see more availability going into second decade of August whilst the more prompt first decade cargoes are set to be fixed at higher rates. How much this can pull the market upwards as a whole remains to be seen.

WEST


So far this week we have only seen two spot fixtures out of the West – both for August

– 8 in the first decade, 4 second decade, and 1 third decade. The first available relet we find from 14 August onwards, but there are still six vessels left before then, five of which are for end July dates. We currently observe a couple uncovered cargoes in the USG for 2H August with last fixture concluded at USD 90 to low 90s H/C.

LPG Rates

Spot Market

(USD/Month, Weekly Change)

 Click rate to view graph

VLGC

\$900,000

84'

-\$50,000 

LGC

\$900,000

60'

\$0 

MGC

\$950,000

38'

\$0 

HDY SR

\$915,000

20-22'

\$0 

HDY ETH

\$1,245,000

17-22'

\$0 

ETH

8-12'

\$630,000

\$0 >

SR

6.5'

\$470,000

\$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

FOB North Sea/Ansi

\$543.5

\$0 >

Saudi Arabia/CP

\$580


\$0 >

MT Belvieu (US Gulf)

Sonatrach/Bethioua

\$550

\$0 >

LPG/FOB Prices (Butane)
(USD/Tonne, Weekly Change) Click rate to view graph

FOB North Sea/Ansi

\$493.5

\$0 >

Saudi Arabia/CP

\$565

\$0 >

MT Belvieu (US Gulf)

\$341


-\$4 ✓

Sonatrach/Bethioua

\$500

\$0 >

LNG Rates

Spot Market
(USD/Day, Weekly Change) Click rate to view graph

\$58,000

\$3,000^

West of Suez 155-165k CBM

\$54,000

\$0 >

1 Year T/C 155-165k TFDE

\$61,000

\$0 >

04 Newbuilding

Activity Levels

Tank Activity

Increasing

Dry Bulk Activity

Moderate


Strong

Prices

VLCC	300'
\$127	\$0 >

Suezmax	150'
\$86	\$0 >

Aframax	110'
\$70.5	\$0 >

Product	50'
\$48.5	\$0 >

Newcastlemax	210'
\$72	\$0 >

Kamsarmax	82'
\$37	\$0 >

\$35

04
\$0 >

LNGC (MEGI) (cbm)

\$264

170'
\$0 >

05

Sale & Purchase

Prices

Dry	5 yr old	10 yr old
Capesize	\$60.0	\$41.0
Kamsarmax	\$37.0	\$29.0
Ultramax	\$35.0	\$27.5
Handysize	\$28.5	\$22.0

Wet	5 yr old	10 yr old
VLCC	\$110.0	\$84.0
Suezmax	\$84.0	\$68.0
Aframax / LR2	\$72.0	\$59.5

Market Brief

Exchange Rates

USD/JPY

156.21

-0.66▼

USD/NOK

11.02

0.08▲

USD/KRW

1,235.5

-7.3▼

EUR/USD

0.92

0>

Interest Rates

SOFR USD (6 month)

5.39%

0>

Brent Spot

\$81

-\$1.5▼

Bunker Prices

Singapore

380 CST

\$508.5

\$1.5▲

MGO

\$726

-\$6.5▼

Spread MGO/380 CST

\$217.5

-\$8▼

Rotterdam

380 CST

\$497

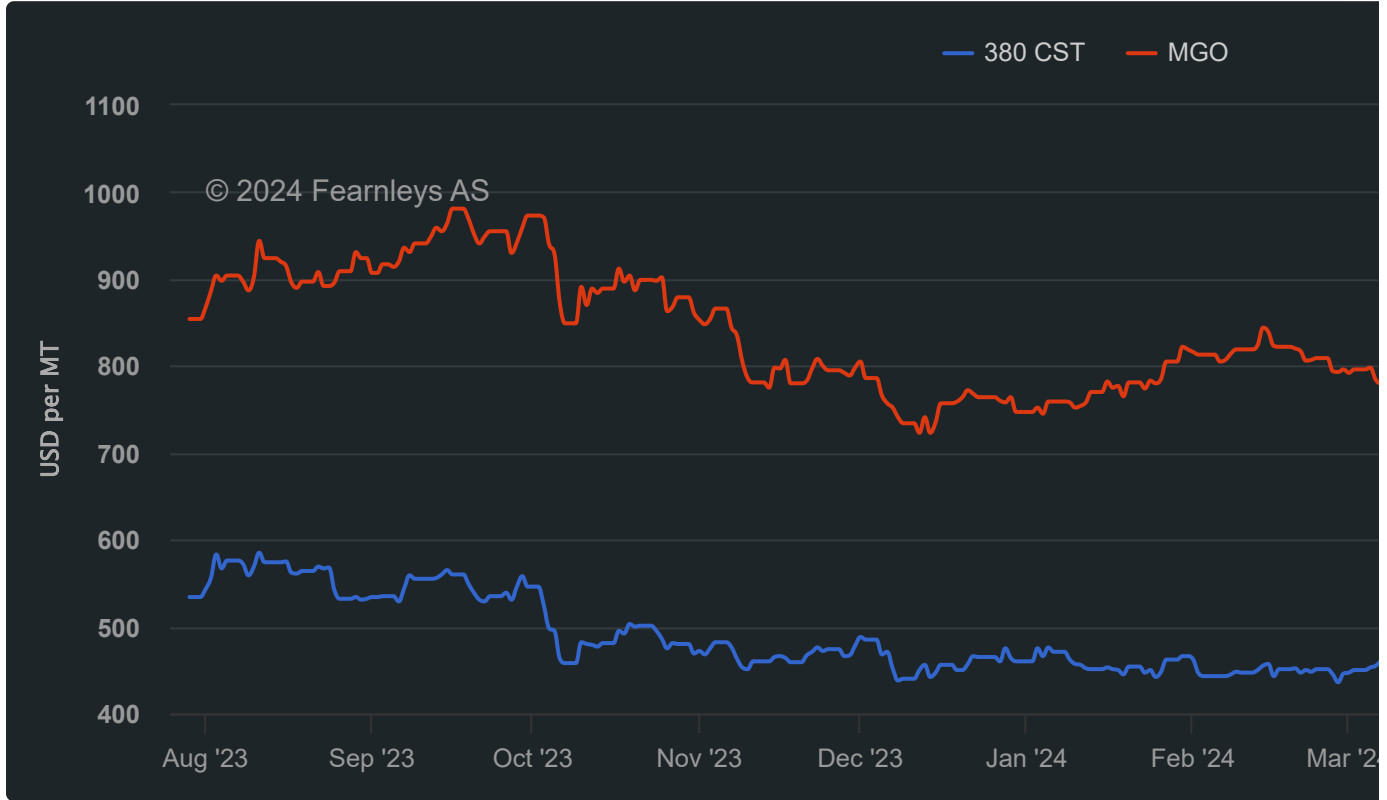
\$2.5▲

MGO

Spread MGO/380 CST

\$227.5

-\$5▼



Week 30 - July 24, 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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