# Fearnleys Weekly Report

Week 43 - October 23, 2024

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## 01

## Tankers

### VLCC

Throughout the 20th century, Wednesday has been especially referred to as hump day in an effort to liven up the drudgery of the workweek, although it won't necessarily cheer up the owning community today. The market for the big ships is not bad by any measure, but with rates having been pushed up towards the WS 60 mark for MEG/East runs in the week gone by, there's a danger that it's reach the top of the hump as we turn the corner towards the weekend - with a possible slide down the other side in stall. Charterers have showed resistance leaving owners wondering if "that was it" for the first decade November in the MEG. Few believe that is the case of course, but where there is doubt... one bird in the hand and so on. A few failings have stalled things a bit in the Atlantic too. However, even if rates could be in for an adjustment, seasonal demand should dictate a temporary setback.

### Suezmax

sustained enquiry in a narrow window, which may see rates gently nudge upwards prior to the weekend. In the Mediterranean, despite a lengthy list of TD6 candidates, there appears to be some resistance from owners to drastically softening their ideas, especially as charterers still insist on early Canakkale cancelling.

In the East, it's been a mixed bag with last done rates rarely being repeated. BOT/UKCM (cogh) might trade down due to an abundance of FOC ships who will be looking to reposition West.

# Aframax

A combination of vessels ballasting leaving a tighter list and a relatively active spot market for end/early dates has seen X-North Sea firm up 25 points since this time last week. Pushing into November stems, and with levels giving much improved returns, we may not see as much ballasting out in the short term and natural tonnage will come back into the frame which should rebalance the available tonnage.

Small correction on the benchmark of TD19 to equal Suezmax levels that have capped the Aframaxes. Tonnage list is still well populated with quite a few different owners and vessels up until the end of the month. November dates in North Africa slowly coming into play, and the 2nd decade ex CPC is also anticipated. Some relets are being utilized on own cargoes.

# Rates

**Dirty**
**(Spot WS 2024, Daily Change)**

**Click rate to view graph**

MEG/WEST 280'
35 0 >

MEG/Japan 280'

| | | | |
|---|---|---|---|
| MEG/Singapore | 58 | 280' | 3 ⌃ |
| WAF/FEAST | 61.5 | 260' | 3 ⌃ |
| WAF/USAC | 97.5 | 130' | -5 ⌄ |
| Sidi Kerir/W Med | 100 | 135' | -5 ⌄ |
| N. Afr/Euromed | 170 | 80' | -7.5 ⌄ |
| UK/Cont | 145 | 80' | 22.5 ⌃ |
| Caribs/USG | 160 | 70' | -12.5 ⌄ |

Click rate to view graph

VLCC

$38,500

Modern

$0 ›

Suezmax

$40,000

Modern

$0 ›

Aframax

$41,500

Modern

-$1,000 ˅

### VLCCs

Click rate to view graph

Fixed in all areas last week

88

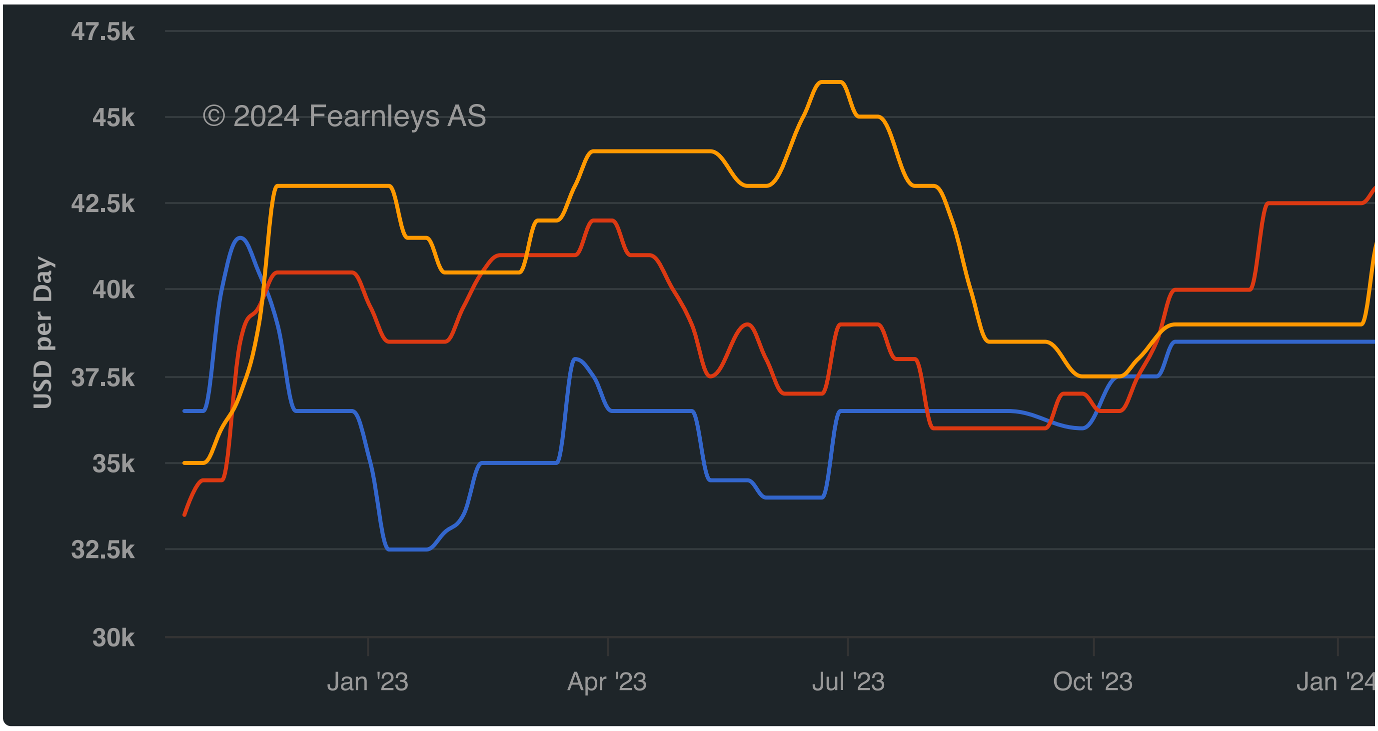
45 ˄

Available in MEG next 30 days

135

2 ˄

## 1 Year T/C Crude



# 02

# Dry Bulk

## Capesize

On the West Australia front, we see enquiries primarily from miners and tenders primarily for early November dates. Lesser activity was seen from operators this week though some have started enquiring for second half of November forward dates. Volumes out of East Australia have picked up from last week. Relatively little activity on other fronts of the Pacific. Reasonably healthy volume out of South Africa with few tenders. On C3 ex Brazil to China, we see operators enquiring for primarily second half of November dates. Far East spot tonnage is abundant with a notable number of prompt vessels deciding to ballast. Resulting ballasting tonnage is heavy for November. On C5, the week started off with fixtures concluding at high USD 8 pmt levels and dropping to mid USD 8 pmt levels the day after. Approaching mid-week, low-mid USD 21 pmt levels but retreated to low USD 20 pmt levels by mid-week.

# Panamax

This week in the Panamax market started slow, with owners reducing their rate expectations as tonnage lists grew in both the Atlantic and Pacific regions. The Indonesian market held up better, but a long tonnage list for ECSA added pressure. The general sentiment remained negative, with expectations of further rate erosion despite some improvement in Atlantic enquiries and softening conditions in the East.

# Supramax

The market saw a mixed week. In the Atlantic, the US Gulf continued to show demand for fronthaul business, but transatlantic rates softened as recent gains stalled. The Mediterranean showed improved demand. In Asia, the gradual decline continued, with limited fresh inquiry and minimal changes in the Indian Ocean. The Handysize market remained positive, with rates edging higher in the Atlantic, particularly in the Continent and Mediterranean. Market fundamentals in the US Gulf and South Atlantic stayed strong, contributing to a positive outlook. In the Pacific, the market remained stable with some new orders, but tonnage availability increased.

# Rates

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

📊 **Click rate to view graph**

TCE Cont/Far East

$38,125

$312 ^

Australia/China

$8.71

$0.25 ^

$16,464 $1,496^

## Panamax

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

Click rate to view graph

Transatlantic RV

$9,025 -$350⌄

TCE Cont/Far East

$18,891 -$286⌄

TCE Far East/Cont

$5,449 -$20⌄

TCE Far East RV

$11,611 -$58⌄

## Supramax

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

Click rate to view graph

Atlantic RV

$15,209 -$99⌄

$12,575

$19⌃

TCE Cont/Far East

$19,179

-$259⌄

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

Click rate to view graph

Newcastlemax

$23,330

208'

-$2,420⌄

Kamsarmax

$12,900

82'

-$100⌄

Ultramax

$16,000

64'

-$500⌄

Capesize

$19,330

180'

-$2,420⌄

Panamax

$11,650

75'

-$150⌄

**Supramax**

$15,000

58'

$0 ›

**Handysize**

$12,000

38'

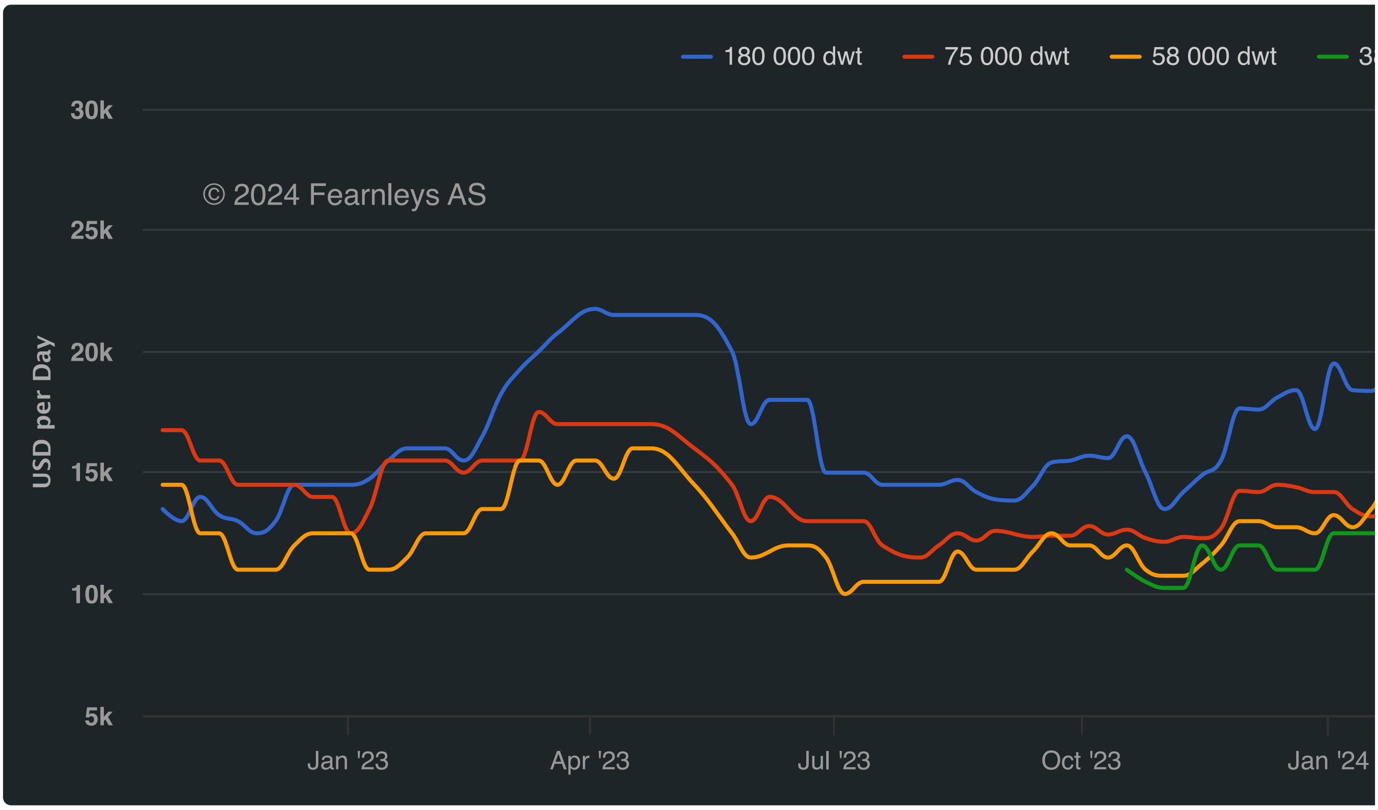
$1,000 ^

**Baltic Dry Index (BDI)**

$1,445

-$35 ⌄

# 1 Year T/C Dry Bulk



# Gas

## Chartering

EAST
7 spot fixtures (5 from India PSUs) have been done in Eastern market within the first 3 days of this week. Despite this, the BLPG1 index has dropped below 50. The primary reason is an oversupply of ships compared to cargoes, with concerns about a limited number of cargoes left for the first decade of November. The East position list may shorten as some vessels are expected to ballast West, but whether this will help stabilize the market remains to be seen.

WEST
Several ships have been placed on subs in the West so far this week. With that said we now count 25 spot fixtures for November dates out of the US. Freight rates have been gradually declining over the past couple of weeks but now seem to have found a floor at around 105-110 H/C. Currently a few players out looking end November USG/USEC.

## LPG Rates

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

📊 **Click rate to view graph**

| | |
|---|---|
| **VLGC** | 84' |
| $900,000 | -$300,000˅ |

| | |
|---|---|
| **LGC** | 60' |
| $900,000 | $200,000˄ |

**$850,000**

$0 >

HDY SR

20-22'

**$860,000**

$20,000 ^

HDY ETH

17-22'

**$1,150,000**

$0 >

ETH

8-12'

**$630,000**

$0 >

SR

6.5'

**$450,000**

$0 >

COASTER Asia

**$280,000**

$0 >

COASTER Europe (3 500-5 000 cbm)

**$410,000**

$20,000 ^

## LPG/FOB Prices (Propane)

(USD/Tonne, Weekly Change)

Click rate to view graph

**$555.5**

$0 ›

Saudi Arabia/CP

**$580**

$0 ›

MT Belvieu (US Gulf)

**$392**

-$4 ⌄

Sonatrach/Bethioua

**$555**

$0 ›

## LPG/FOB Prices (Butane)

(USD/Tonne, Weekly Change)

Click rate to view graph

FOB North Sea/Ansi

**$492**

$0 ›

Saudi Arabia/CP

**$570**

$0 ›

MT Belvieu (US Gulf)

**$491.5**

-$37.5 ⌄

Sonatrach/Bethioua

$500

$0 ›

## LNG Rates

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

Click rate to view graph

East of Suez 155-165k CBM

$30,000

-$5,000 ⌄

West of Suez 155-165k CBM

$17,500

-$6,500 ⌄

1 Year T/C 155-165k TFDE

$37,000

-$4,000 ⌄

# 04

# Newbuilding

## Activity Levels

Strong

Dry Bulk Activity

Moderate

Other Activity

Strong

## Prices

| | | | |
|---|---|---|---|
| VLCC | $127 | 300' | $0 |
| Suezmax | $86 | 150' | $0 |
| Aframax | $70.5 | 110' | $0 |
| Product | $48.5 | 50' | $0 |

**Newcastlemax**
$73
210'
$0 ›

**Kamsarmax**
$38
82'
$0 ›

**Ultramax**
$36
64'
$0 ›

**LNGC (MEGI) (cbm)**
$264
170'
$0 ›

# 05

# Sale & Purchase

## Prices

| Dry | 5 yr old | 10 yr old |
|---|---|---|
| Capesize | $64.0 | $44.0 |
| Kamsarmax | $34.0 | $26.0 |

| | | |
|---|---|---|
| **Ultramax** | $36.0 | $27.0 |
| **Handysize** | $28.5 | $22.0 |

| **Wet** | **5 yr old** | **10 yr old** |
|---|---|---|
| **VLCC** | $111.0 | $86.0 |
| **Suezmax** | $82.0 | $66.0 |
| **Aframax / LR2** | $72.5 | $58.0 |

# 06

# Market Brief

## Exchange Rates

USD/JPY

150.84

0.84^

USD/NOK

10.93

0.02^

USD/KRW

EUR/USD

0.92

0 >

## Interest Rates

SOFR USD (6 month)

5.31%

0 >

## Commodity Prices

Brent Spot

$76

$1.5 ^

## Bunker Prices

**Singapore**

380 CST

$484.5

$5 ^

MGO

$655.5

-$1 v

### Spread MGO/380 CST

$171

-$6∨

## Rotterdam

### 380 CST

$495.5

$7∧

### MGO

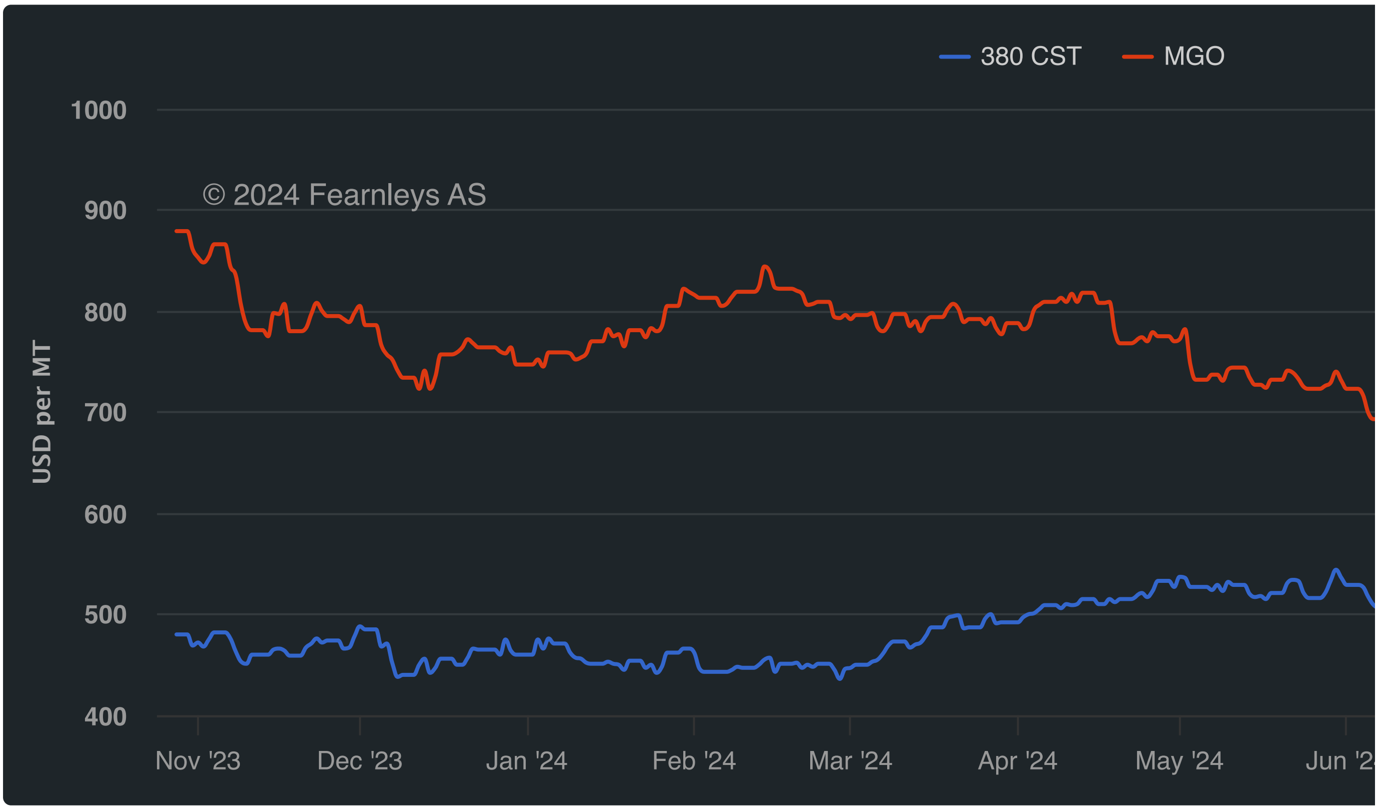
$665

$18∧

### Spread MGO/380 CST

$169.5

$11∧



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