

# Fearnleys Weekly Report

**Week 16 2020****Printer version****Tankers****Comments****VLCC**

To paraphrase Hamlet; to cut or not to cut, that has been the prevailing question to know, and as a consequence, the VLCC community is hoping to get the last order before the bar closes. Suezmax owners have jumped the queue a bit, limiting V-owner's large it looks like most will get served before April is over and probation kicks in, continuing to fall, despite the cutback agreement - WTI currently trading at its low, it is very much back in play, giving the owning community an extra outlet, and price is a token. Reduced volumes will eventually take its toll, but the volumes to disappear are those which were about to disappear anyway, regardless of any OPEC+ agreement. It is in the party yet.

**Suezmax**

This week the Suezmax market has one key word - itinerary. Berthing prospects are ships floating all over. This of course thins out the fleet, but also causes uncertainty for the owners. As of now, we still remain steady, but as more ships get deployed, we could yet again see this market move. Activity at the moment is decreasing, here we expect this to move.

**Aframax**

Rates in the North Sea and Baltic took a hit this week due to a quiet Easter period.

position looking for coverage. Charterers seized this opportunity to push rates current levels going forward. However, with some expected delays at strategic floating with cargo onboard. This coupled with a bit more busier market in the eventually push rates back up again for end month fixing window. In the Medit seen activity roll back somewhat last week as several offices have been closed have consequently taken a slight dip. Although charterers can enjoy the luxury moment, we expect the market to firm up a bit going into next week due to a l Mediterranean as well as Black Sea, combined with the delays we are seeing in

**Rates**
**Dirty (Spot WS)**

<b>MEG/WEST (280 000)</b>	WS 85.0
<b>MEG/Japan (280 000)</b>	WS 160.0
<b>MEG/Singapore (280 000)</b>	WS 162.5
<b>WAF/FEAST (260 000)</b>	WS 135.0
<b>WAF/USAC (130 000)</b>	WS 132.5
<b>Sidi Kerir/W Med (135 000)</b>	WS 120.0
<b>N. Afr/Euromed (80 000)</b>	WS 97.5
<b>UK/Cont (80 000)</b>	WS 105.0
<b>Caribs/USG (70 000)</b>	WS 110.0

**1 Year T/C (USD/Day)**

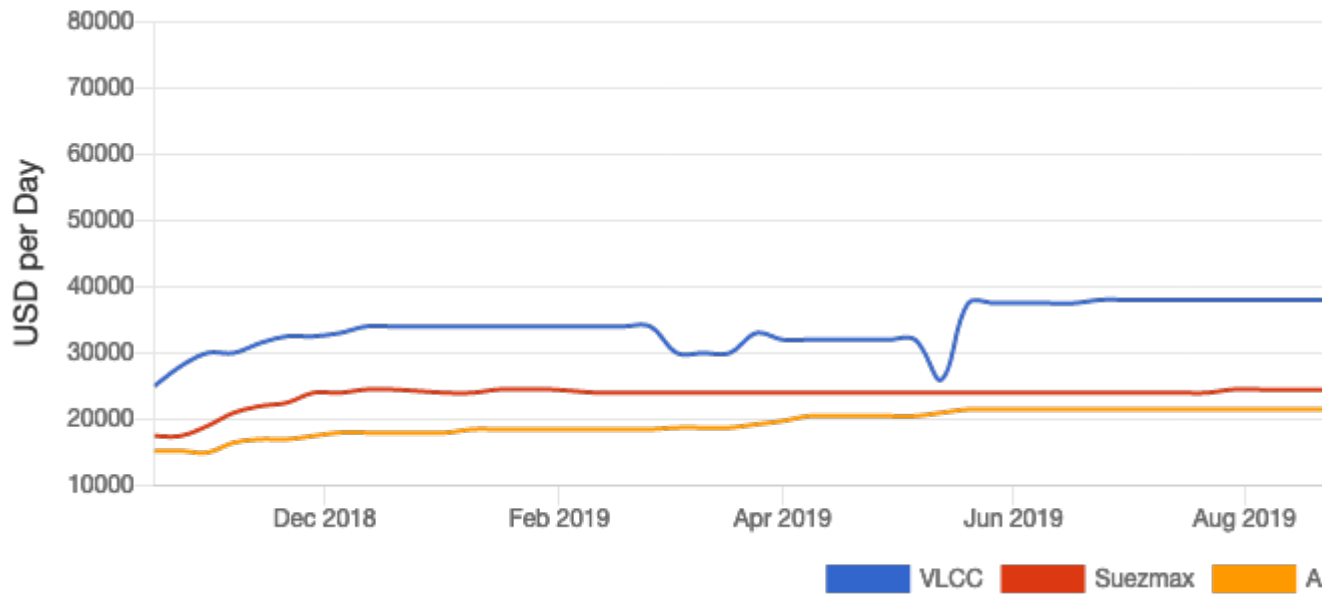
<b>VLCC (Modern)</b>	\$80000.0
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Suezmax (Modern)	\$40000.0
Aframax (Modern)	\$32500.0

VLCC

VLCCs fixed in all areas last week	35
VLCCs available in MEG next 30 days	130

1 Year T/C Crude



Dry Bulk

Comments

Capesize

The market in the South Atlantic has improved over the last week, with the iron ore being up about 15% on voyage basis, and 40% on time charter basis. This is due to more activity indicating that export is picking up after the market experienced some positiveness, however over the last 2 days it has come down.

week, with C5 - the West Australia-China route - fixing at USD 4.40-4.45 levels the market for Brazil is improving, but participants are far from convinced this and the Pacific is a bit of a question mark.

**Panamax**

With Easter Holidays coming to an end on Tuesday, it has been a slow start to concluded in the North Atlantic. The ECSA grain market has however made for concluded. LME's are being paid in region of USD 13.5k + 350k GBB, while the around USD 10.5k bss APS delivery. It has been a fair number of deals for NoPa and paying around USD 7k bss delivery North China.

**Supramax**

The Supramax market kept drifting downwards from last week and the effect c pressure on spot market rates. Tonnage in USG was building up for prompt dat in the low \$8,000 for trip to Med. ECSA on the contrary we seen a bit more de Ultra was reported \$10,000 for trip with grains to Spain. Continent and Med m very little fresh inquiries . An Ultramax was fixed del Cont TCT to USG with fert was building up and rates kept sliding down. Supra fixing delivery Singapore fc East Asia around \$3,000 level. NOPAC grains was fixing around \$7,000 on Ultr

**Rates**

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

TCE Cont/Far East (180 DWT)	\$21,225
Australia – China	\$4.5
Pacific RV	\$6,529

**Panamax (USD/Day, USD/Tonne)**

<b>Transatlantic RV</b>	\$4,518
<b>TCE Cont/Far East</b>	\$14,327
<b>TCE Far East/Cont</b>	\$1,459
<b>TCE Far East RV</b>	\$7,460

**Supramax (USD/Day)**

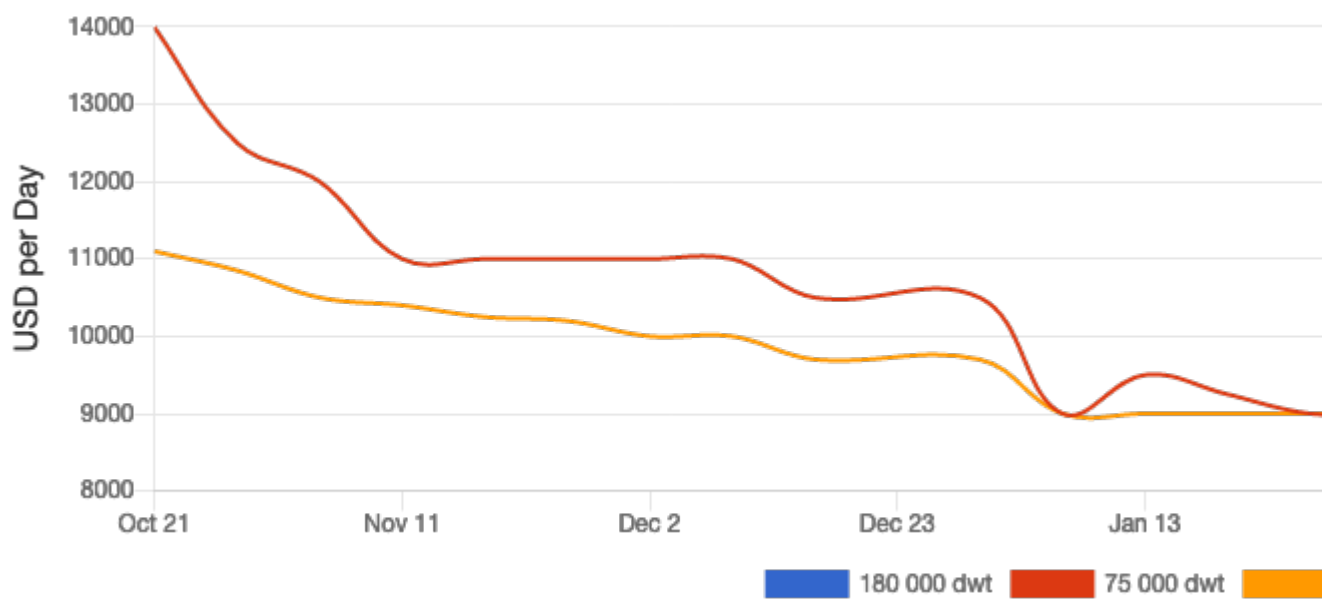
<b>Atlantic RV</b>	\$4,671
<b>Pacific RV</b>	\$4,950
<b>TCE Cont/Far East</b>	\$12,468

**1 Year T/C (USD/Day)**

<b>Newcastlemax (208 000 dwt)</b>	\$14,000
<b>Capesize (180 000 dwt)</b>	\$12,000
<b>Kamsarmax (82 000 dwt)</b>	\$10,000
<b>Panamax (75 000 dwt)</b>	\$9,000
<b>Ultramax (64 000 dwt)</b>	\$9,500

Supramax (58 000 dwt)	\$8,000
Baltic Dry Index (BDI)	\$706

1 Year T/C Dry Bulk



Gas

Chartering

EAST

In the East this week, rates have begun to strengthen on the back of more inquiry. This has been the decision by some to keep vessels East in order to avoid getting into the market. Looking into May, freight looks much shorter than it has done over the last few weeks. It would not be unreasonable to expect more strength in the short term. With the shortlist of cargoes in May is one factor which could put pressure on rates. Given the current demand, it is likely this shortfall will have to be made up for with tonnes from the West. This should be bullish for freight in the longer term.

WEST

The West has also firmed up this week, particularly since activity in the East has been high. Candidates from position lists. Looking ahead, the West looks to remain fairly tight. Around 15 remains for the second and third decades of May) and are likely to be

producers have pushed back on Trump’s proposed cuts which should mean de  
least in the near term. Finally, the West and East are broadly equal on a Baltic l  
many players from flooding the Western market with additional tonnage.

**LPG Rates**

**Spot Market (USD/Month)**

VLGC (84 000 cbm)	\$1,375,000
LGC (60 000 cbm)	\$1,050,000
MGC (38 000 cbm)	\$875,000
HDY SR (20-22 000 cbm)	\$630,000
HDY ETH (17-22 000 cbm)	\$720,000
ETH (8-12 000 cbm)	\$430,000
SR (6 500 cbm)	\$350,000
COASTER Asia	\$245,000
COASTER Europe	\$225,000

**LPG/FOB Prices - Propane (USD/Tonne)**

FOB North Sea/ANSI	\$152.00
Saudi Arabia/CP	\$230.00

MT Belvieu (US Gulf)	\$182.00
Sonatrach/Bethioua	\$155.00

LPG/FOB Prices - Butane (USD/Tonne)

FOB North Sea/ANSI	\$120.00
Saudi Arabia/CP	\$240.00
MT Belvieu (US Gulf)	\$165.00
Sonatrach/Bethioua	\$145.00

LNG Rates

Spot Market (USD/Day)

East of Suez 155-165 000 cbm	\$39,000
West of Suez 155-165 000 cbm	\$40,000
1 Year T/C 155-160 000 cbm	\$49,000

Newbuilding

Activity Levels

Tankers	Slow
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Dry Bulkers	Slow
Others	Slow

Prices

VLCC	\$91.0
Suezmax	\$61.0
Aframax	\$49.5
Product	\$36.0
Newcastlemax	\$51.0
Kamsarmax	\$28.0
Ultramax	\$26.0
LNGC (MEGI) (cbm)	\$188.5

Sale & Purchase

Prices

Dry (5 yr)

Capesize	\$36.0
Kamsarmax	\$22.0
Ultramax	\$20.0

**Dry (10 yr)**

Capesize	\$21.0
Kamsarmax	\$15.5
Ultramax	\$12.0

**Wet (5 yr)**

VLCC	\$77.0
Suezmax	\$53.0
Aframax / LR2	\$41.0
MR	\$29.0

**Wet (10 yr)**

VLCC	\$51.5
Suezmax	\$37.0
Aframax / LR2	\$29.5
MR	\$18.0

**Market Brief**

**Exchange Rates**

USD/JPY	107.22
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USD/KRW	1217.40
USD/NOK	10.32
EUR/USD	1.10

**Interest Rates**

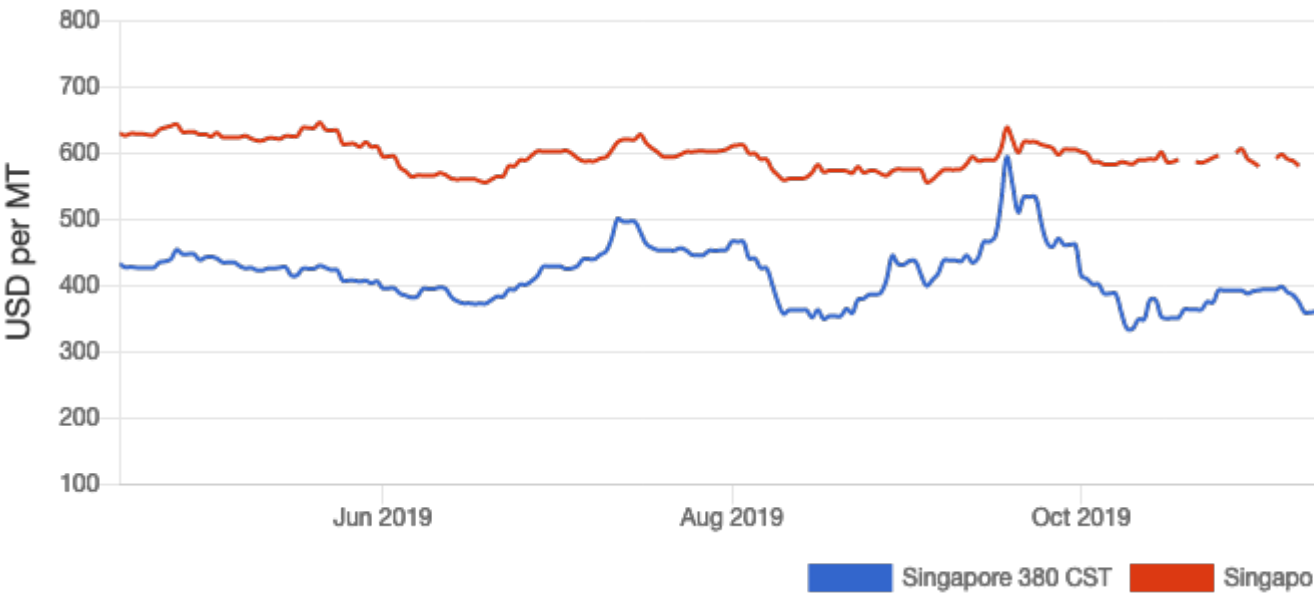
LIBOR USD (6 months)	1.23%
NIBOR NOK (6 months)	0.69%

**Commodity Prices**

Brent Spot	\$29.60
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**Bunkers Prices**

Singapore 380 CST	\$201.5
Singapore Gasoil	\$278.0
Rotterdam 380 CST	\$182.0
Rotterdam Gasoil	\$291.5



All rates published in this report do not necessarily reflect actual transaction estimates may be based on prevailing market conditions. In some circumstances based on theoretical assumptions of premium or discount for particular volumes.

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