

Fearnleys Weekly Report

Week 17 - April 22, 2020

Printer version

Tankers

Comments

VLCC

After a quiet-ish end to last week the VLCC market kicked off in earnest on Monday as the market finally came out, later than normal. Rates quickly established a platform at W15 units in one swoop, and then ramped up from there. Yesterday culminated at V historically high daily earnings helped further by plummeting bunker prices. However, it seems to have gone up in smoke at the writing moment, with Suezmaxes under considerable amount. That said, however, not all charterers have the luxury of a plus period/storage fixing has left the position list wanting. As such the downs hold their nerve, although history has shown that can be a big if.

Suezmax

With May dates in the MEG finally coming into play, owners have enjoyed a bulge in two and big uncertainty in itineraries following weeks of lock-downs amid Covid-19 into TC's of various duration combined with charterers that are scrambling to secure cargo - a mass that is decreasing by the hour. Safe positions are like gold dust at the moment. Make the most of it for as long as they can.

Aframax

Rates in the Baltic and North Sea market bounced back this week and will continue to now move into the first decade of May fixing window. Increased cargo activity

current fixing window coupled with numerous vessels that have and will leave in UK import terminals, and an increasing number of vessels tied up floating, a firm market. Watch this space.

Also in the Mediterranean and Black Sea the rates have taken a strong upward: been healthy. Fuel oil cargoes East bound have taken out ships and vessels for participating in the firming markets in the North rather than try for cargoes into next week we expect owners to hold back as the tonnage list gets tighter

Rates
Dirty (Spot WS)

MEG/WEST (280 000)	WS 125.0
MEG/Japan (280 000)	WS 195.0
MEG/Singapore (280 000)	WS 197.5
WAF/FEAST (260 000)	WS 175.0
WAF/USAC (130 000)	WS 160.0
Sidi Kerir/W Med (135 000)	WS 150.0
N. Afr/Euromed (80 000)	WS 185.0
UK/Cont (80 000)	WS 220.0
Caribs/USG (70 000)	WS 180.0

1 Year T/C (USD/Day)

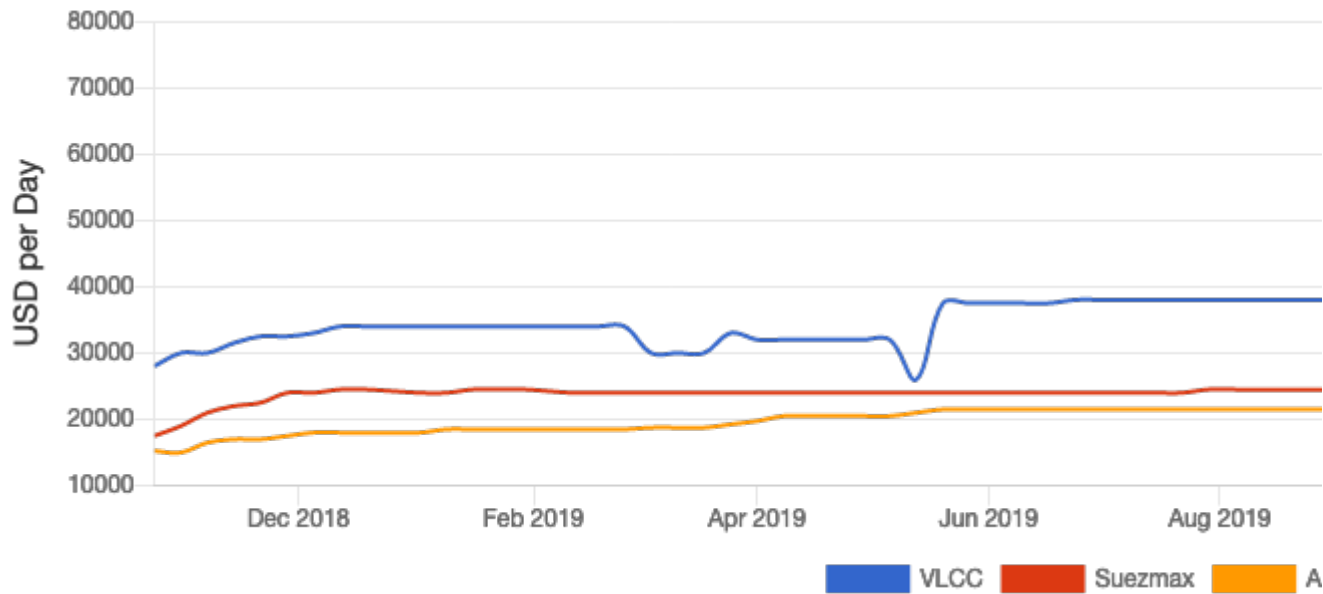
VLCC (Modern)	\$80000.0
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Suezmax (Modern)	\$50000.0
Aframax (Modern)	\$32500.0

VLCC

VLCCs fixed in all areas last week	54
VLCCs available in MEG next 30 days	128

1 Year T/C Crude



Dry Bulk

Comments

Capesize

Mixed signals and slight gains for the big ships, average daily earning coming i w. Negative export updates reported by most major iron ore miners due to glo an otherwise positive spot development on in particular the Brazil/China confe rounds up 5 pct to stand at around usd 10k. With certain coal trades partly par

markedly, certain key routes like waust/china are down somewhat in terms of l on standard units. Nerves and uncertainty prevailing for coming quarters, givin fixed-price period business. Recent representative fixtures include 2004-built 1 4-6 months at usd 11k, with more sad conclusions expected to follow shortly.

Panamax

The Panamax market ended last week on a softer note which continued into th somewhat stable, but sliding south in both hemispheres. Still a good number o remain at ard 14k aps + gbb. In the North Atlantic we see a growing fleet list cc expect rates to soften further.

Supramax

The Supramax and Ultramax market continued drifting south and we see little come. Lack of cargoes and weak sentiment are pushing rates further down. US negative trend with rates for backhaul trips in the \$ 4,000 pd from Cont – Med ConT paying around \$ 6,000 pd bss APS SW Pass. An Ultra from NCSA rumou Rotterdam.
Rates to Far East for Ultramax delivery Santos been reported \$11,000 pd + 120 Indian Ocean are still under pressure, with spot rates in a negative trend. A Tes for Pacific round voyage. Aps rates for South East Asia and Indo round voyage around \$ 4/4500 pd .

Rates

Capesize (USD/Day, USD/Tonne)

TCE Cont/Far East (180 DWT)	\$21,165
Australia – China	\$4.2
Pacific RV	\$7,000

Panamax (USD/Day, USD/Tonne)

Transatlantic RV	\$4,780
TCE Cont/Far East	\$14,225
TCE Far East/Cont	\$1,295
TCE Far East RV	\$6,417

Supramax (USD/Day)

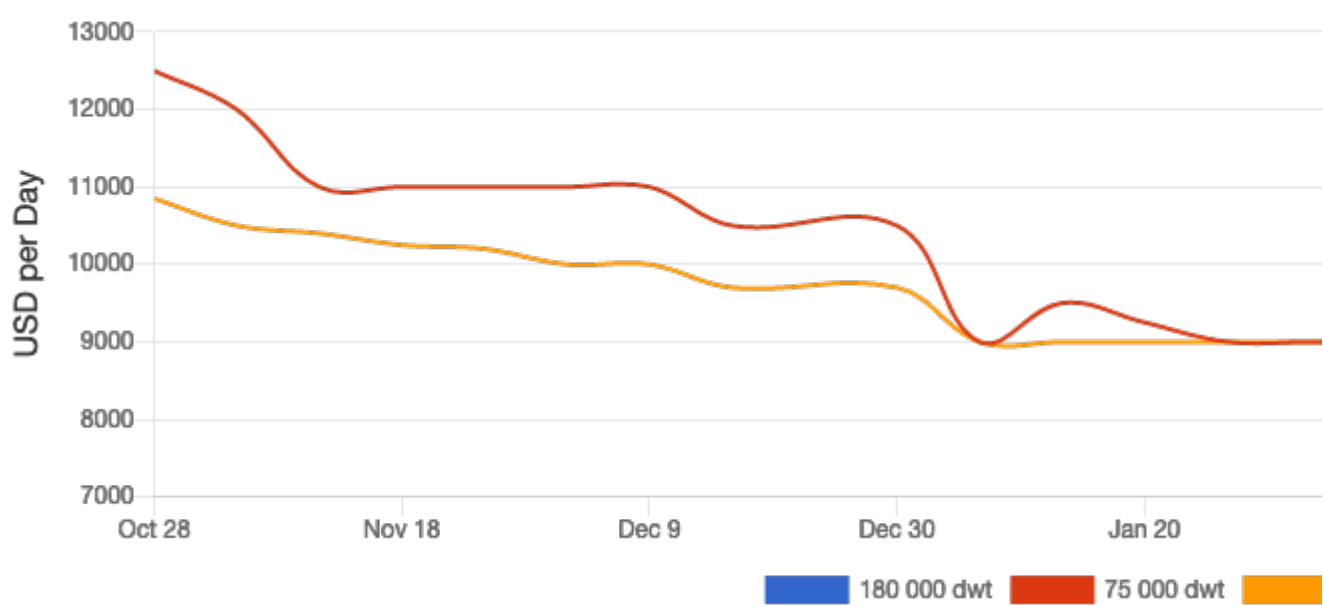
Atlantic RV	\$4,009
Pacific RV	\$4,621
TCE Cont/Far East	\$10,946

1 Year T/C (USD/Day)

Newcastlemax (208 000 dwt)	\$13,500
Capesize (180 000 dwt)	\$11,500
Kamsarmax (82 000 dwt)	\$10,000
Panamax (75 000 dwt)	\$9,000

Ultramax (64 000 dwt)	\$9,000
Supramax (58 000 dwt)	\$7,750
Baltic Dry Index (BDI)	\$694

1 Year T/C Dry Bulk



Gas

Chartering

EAST:
Saudi dates finally came out on Tuesday night – a big portion of which to be e cargos. First half May is still where the main action is happening, but we have s into the month as well which is typical for a rising market. With the Eastern ma late coupled with a strong market in the West – we expect the freight to remai despite some cancellations.

WEST:
In general, the market remains bullish freight in the short term, with a relatively of uncovered cargoes remaining in the US in May. However, given WTI’s unprec

week, some are wondering whether it’s only a matter of time before the arb nc levels. So far, strong demand in Asia has kept the LPG freight market strong. A on refinery throughput remaining low in India, Indonesia and elsewhere, ultima April than in Mar (around 10-15 more across East and West) and the recent US-earnings for the time being.

LPG Rates	
Spot Market (USD/Month)	
VLGC (84 000 cbm)	\$1,675,000
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)	\$700,000
ETH (8-12 000 cbm)	\$430,000
SR (6 500 cbm)	\$350,000
COASTER Asia	\$240,000
COASTER Europe	\$220,000
LPG/FOB Prices - Propane (USD/Tonne)	
FOB North Sea/ANSI	\$152

Saudi Arabia/CP	\$230
MT Belvieu (US Gulf)	\$164
Sonatrach/Bethioua	\$155

LPG/FOB Prices - Butane (USD/Tonne)

FOB North Sea/ANSI	\$120
Saudi Arabia/CP	\$240
MT Belvieu (US Gulf)	\$122
Sonatrach/Bethioua	\$145

LNG Rates

Spot Market (USD/Day)

East of Suez 155-165 000 cbm	\$35,000
West of Suez 155-165 000 cbm	\$38,000
1 Year T/C 155-160 000 cbm	\$48,000

Newbuilding

Activity Levels

Tankers	Slow
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
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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	107.65
USD/KRW	1229.65
USD/NOK	10.52
EUR/USD	1.09

Interest Rates

LIBOR USD (6 months)	1.08%
NIBOR NOK (6 months)	0.65%

Commodity Prices

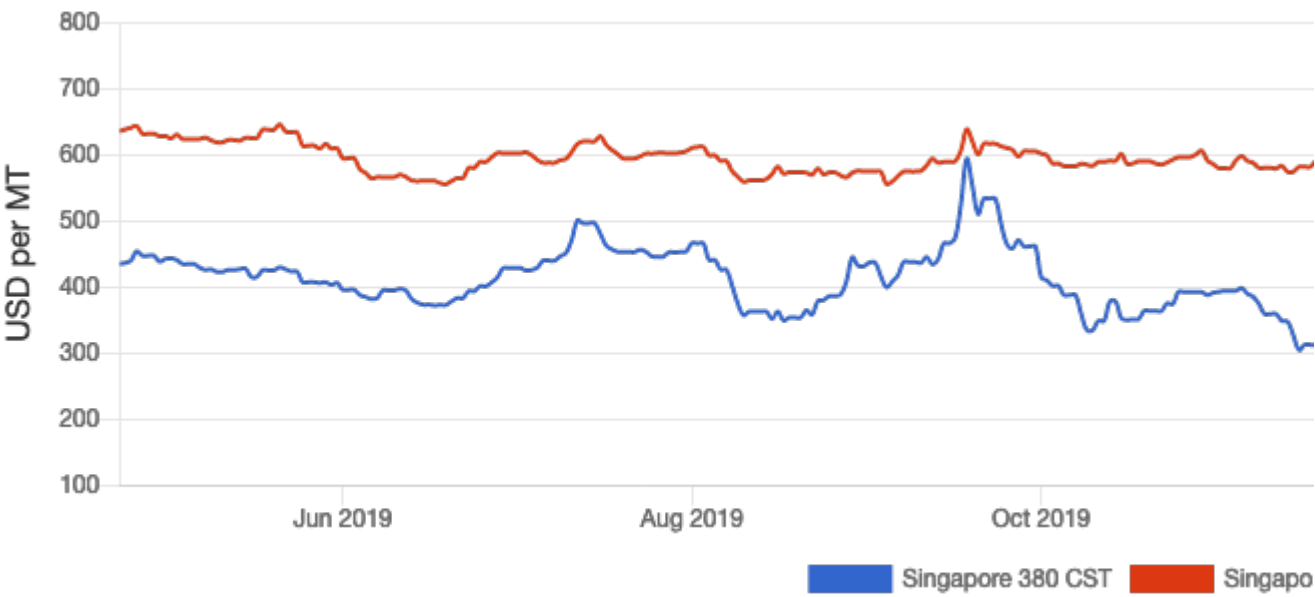
Brent Spot	\$19.50
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Bunkers Prices

Singapore 380 CST	\$170.5
Singapore Gasoil	\$248.0
Rotterdam 380 CST	\$149.0

Rotterdam Gasoil

\$221.5



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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