Fearnleys Weekly Report

Week 21 - May 20, 2020

Printer version

Tankers

Comments

VLCC

Although a softer bias persists in the VLCC market, the owning community has
The focus so far has been on a re-surge of activity in the Atlantic, where fixture
what could've been expected, and a number of charterers/traders remain expo
oil market has taken most by surprise. The following price jump is a result of fa
economy restarting and people return to work, with some favouring their cars
processing at China's independent refineries is now higher than pre-virus levels
to rebound in India. MEG production cuts, and corresponding price hikes, has t
to the Atlantic for alternative- and for some a more favoured supply. A couple
feet in and had a stab the more vintage end of the market, but still facing rates
lower end of the scale.

Suezmax

As we have mentioned for some weeks now, the Suezmax market has reached
for the activity to slow down, and lists to grow. And boy, it did. At the beginnin
outstanding cargo worldwide for Suezmaxes. Owners shaking their head in dis
happening. Well, it's not like this has not happened before! We are back to wha
last 6-7 months, market has picked itself up immediately after a dip, but not th
come back, but this will take a bit more time. Tonnage list in the East is long, a
looking a bit better but with very little activity, owners will start looking for the
unfortunately it looks soft going forward, only thing we could hope for is for sc
picking up again.

Aframax

As expected, rates in the North Sea and Baltic increased on the back of a tight supply for the 24-27th of May loading window. However, moving into the end/e to soften as more tonnage becomes available and as relets will come back intc cargoes to fix in the market.
In the Mediterranean and Black Sea market, the rates have taken a solid downv benchmark routes falling 30-40 ws points. This is simply due to prompt vessel: the insufficient amount of cargoes coming into the market. In the week to com that the market will remain soft.

Rates

Dirty (Spot WS)

MEG/WEST (280 000)	WS 33.0
MEG/Japan (280 000)	WS 57.5
MEG/Singapore (280 000)	WS 58.0
WAF/FEAST (260 000)	WS 55.0
WAF/USAC (130 000)	WS 70.0
Sidi Kerir/W Med (135 000)	WS 75.0
N. Afr/Euromed (80 000)	WS 87.5
UK/Cont (80 000)	WS 125.0
Caribs/USG (70 000)	WS 115.0

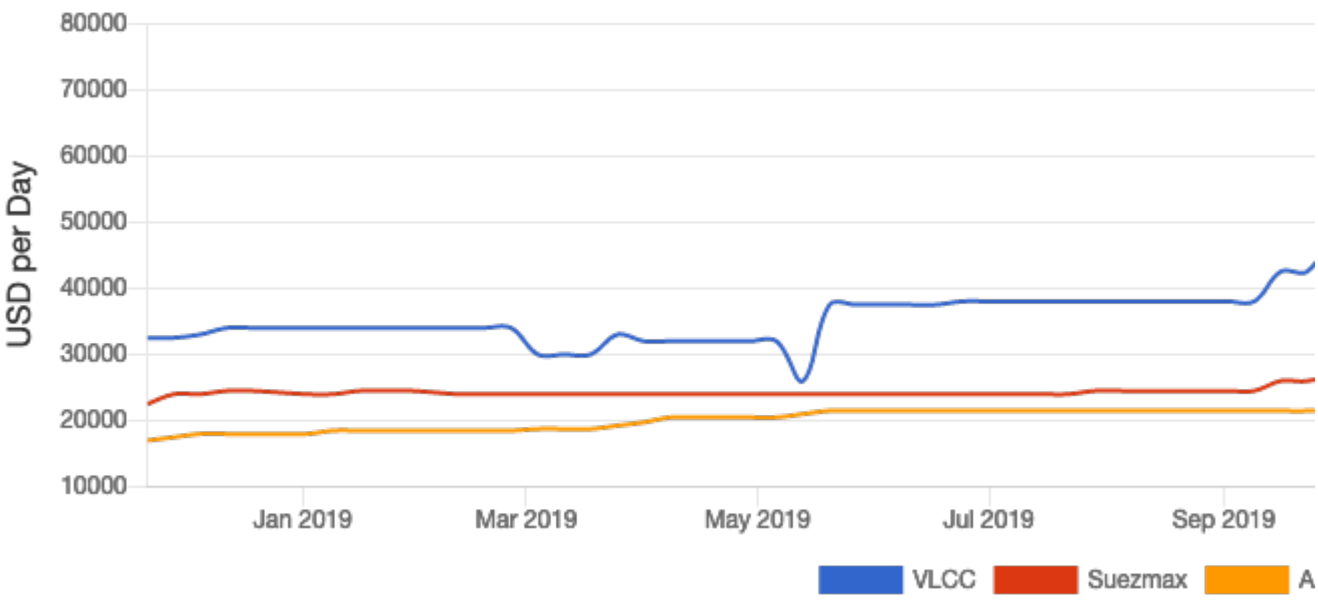
1 Year T/C (USD/Day)

VLCC (Modern)	$80000.0
Suezmax (Modern)	$37500.0
Aframax (Modern)	$27500.0

VLCC

VLCCs fixed in all areas last week	56
VLCCs available in MEG next 30 days	108

1 Year T/C Crude



Dry Bulk

Comments

Capesize

Average spot earnings up almost 100 pct w-o-w, although admittedly from rec OPEX. Further improvements from today's USD 4k/day expected, as in particu West Africa/China show increasing volumes. Resultant China-Brazil-China rour but again still at a miserable USD 4k/day. The West Australia/China iron ore tra up a nominal 25 pct/150 pct in tc-value to USD 6,600. Period activity limited, v operators carefully picking ships either for short period against bookings or in linked structures.

Panamax

The Panamax market continued its soft appearance from last week, and especi shows around 2k for TA rounds, however the shorter Baltic rounds are also yiel In the Pacific, we can see some signs of improvement with bids being above la has been next to non-existing during these Covid-19 times, has regained some Kmaxes being fixed at low 9k for a wider redelivery span.

Supramax

The Supramax market compared to last week was able to gain small increase i reported. The increased activity in the Pacific helped rates rebound, coming up slightly better level. Main driving force was India and South Asia. We have witn and rates jumped from range of USD 4-6,000 pd to USD 7-9,000 pd range. Co open Singapore, fixed USD 9,500 for EC India trip China. Ultramax 60' dwt ope redel China USD 7,500 pd. The Mediterranean and Continent was a more active drifting. Small Supra was rumoured fixed from West Mediterranean to India US 58' dwt was on subs from Owendo to China with manganese ore at USD 10,75((55,888 dwt/2005) with dely Chittagong trip via Richards Bay redel Vietnam U

Rates

Capesize (USD/Day, USD/Tonne)

TCE Cont/Far East (180 DWT)	$13,710

Australia – China	$4.7
Pacific RV	$6,605

Panamax (USD/Day, USD/Tonne)

Transatlantic RV	$2,005
TCE Cont/Far East	$10,989
TCE Far East/Cont	$1,239
TCE Far East RV	$6,205

Supramax (USD/Day)

Atlantic RV	$3,822
Pacific RV	$5,579
TCE Cont/Far East	$12,443

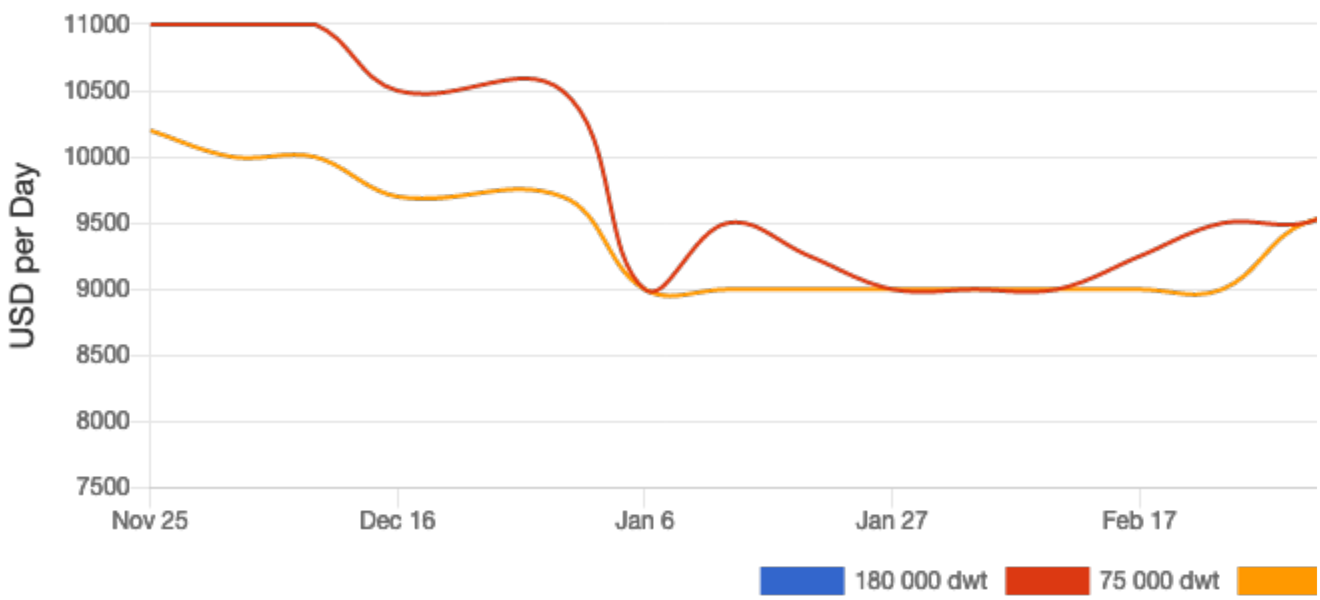
1 Year T/C (USD/Day)

Newcastlemax (208 000 dwt)	$13,500
Capesize (180 000 dwt)	$11,500
Kamsarmax (82 000 dwt)	$9,250

Panamax (75 000 dwt)	$8,000
Ultramax (64 000 dwt)	$10,000
Supramax (58 000 dwt)	$8,500

Baltic Dry Index (BDI)	$477

1 Year T/C Dry Bulk



Gas

Chartering

WEST
Although the past week has been a slightly busier one, little or no fixtures have
market. This is because owners have so far been unwilling to offer freight on a
had an appetite for the same to make unfavourable product conditions more w
Saudi cutbacks in the MEG, there seems to be more interest in USGC FOB carg
to see owners rejoin the fray with lower fixed rate ideas than previously given l
remain a handful of relets throughout June, and this could keep pressure on fre
EAST
We have finally seen some activity on freight after several quiet weeks with lim

variety of ships from the owners were taken out on Tuesday before a few of th
failing subjects. However, despite most of the concluded deals still done at ‘dis
a floor on freight as the spot fleet balance has now improved.

LPG Rates

Spot Market (USD/Month)

VLGC (84 000 cbm)	$750,000
LGC (60 000 cbm)	$850,000
MGC (38 000 cbm)	$775,000
HDY SR (20-22 000 cbm)	$600,000
HDY ETH (17-22 000 cbm)	$700,000
ETH (8-12 000 cbm)	$410,000
SR (6 500 cbm)	$340,000
COASTER Asia	$245,000
COASTER Europe	$190,000

LPG/FOB Prices - Propane (USD/Tonne)

FOB North Sea/ANSI	$200

Saudi Arabia/CP	$340
MT Belvieu (US Gulf)	$238
Sonatrach/Bethioua	$210

LPG/FOB Prices - Butane (USD/Tonne)

FOB North Sea/ANSI	$136
Saudi Arabia/CP	$340
MT Belvieu (US Gulf)	$209
Sonatrach/Bethioua	$195

LNG Rates

Spot Market (USD/Day)

East of Suez 155-165 000 cbm	$30,000
West of Suez 155-165 000 cbm	$33,000
1 Year T/C 155-160 000 cbm	$43,000

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

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	107.94
USD/KRW	1225.80
USD/NOK	9.95
EUR/USD	1.09

Interest Rates

LIBOR USD (6 months)	0.63%
NIBOR NOK (6 months)	0.40%

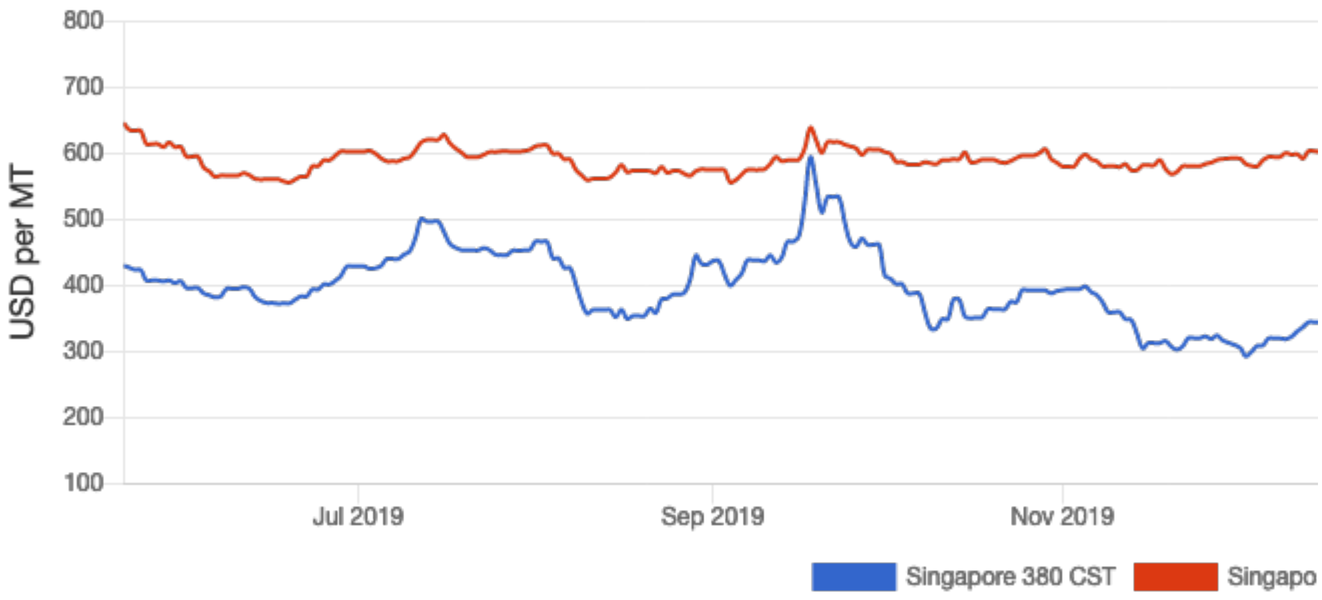
Commodity Prices

Brent Spot	$34.50

Bunkers Prices

Singapore 380 CST	$213.5
Singapore Gasoil	$290.5

Rotterdam 380 CST	$189.0
Rotterdam Gasoil	$268.0



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

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