

# Fearnleys Weekly Report

**Week 27 - July 01, 2020**

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**Tankers**

**Comments**

**VLCC**

It's been slim pickings for VLCC owners in the week gone by. Activity picked up from the Atlantic with a couple of West African cargoes to go with some North Sea cargoes. The market continued south across the board, although charterers' efforts to break the WS40/MEG/China route have so far proven overambitious, as owners have dug their heels in. The light at the end of the tunnel is as likely to be a train coming in the opposite direction. The market is trending down from an 18-year low June. With summer holidays just around the corner, the quote; "A vacation is what you take when you can no longer take what you want."

**Suezmax**

The Suezmax market have had decent activity for the last couple of weeks. Going up in the West was looking healthier, counting less than 120 ships next 30 days in the market. Looking up on this, but unfortunately for them, we are missing the activity to tip the market. Looking at low WS40's for TD20, but heading into the 20-30 window, a small increase in activity could have a bigger effect on the market than we have seen lately. In the East on the other hand, the Tonnage list is still looking awful in owners' perspective, and for the time being it is unlikely to happen to move MEG/East anywhere close to WS50 again.

**Aframax**

It is still a continuous struggle for Aframax owners trading in the North Sea and

employment for their vessels, resulting in a freight that barely cover their oper; will continue at these bottom levels yielding minimal returns for owners which instead of competing for cargoes giving negative returns. Also the Mediterranean continued to trade sideways yet another week as we are approaching the mid returns are barely in the black as cargo activity is not satisfying the supply of a expect a continued flat market in the week to come, as there are no signs of ac

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

<b>MEG/WEST (280 000)</b>	WS 22.5
<b>MEG/Japan (280 000)</b>	WS 35.0
<b>MEG/Singapore (280 000)</b>	WS 35.5
<b>WAF/FEAST (260 000)</b>	WS 35.0
<b>WAF/USAC (130 000)</b>	WS 40.0
<b>Sidi Kerir/W Med (135 000)</b>	WS 42.5
<b>N. Afr/Euromed (80 000)</b>	WS 55.0
<b>UK/Cont (80 000)</b>	WS 72.5
<b>Caribs/USG (70 000)</b>	WS 65.0

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

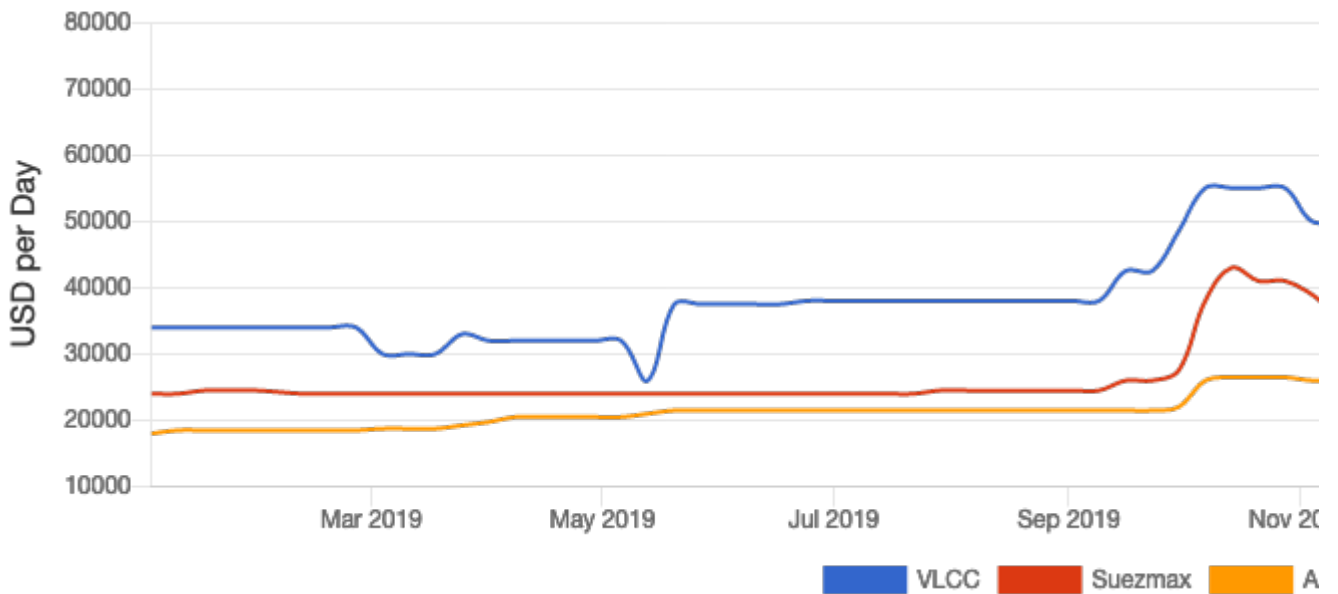
<b>VLCC (Modern)</b>	\$38500.0
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<b>Suezmax (Modern)</b>	\$25000.0
<b>Aframax (Modern)</b>	\$19500.0

**VLCC**

<b>VLCCs fixed in all areas last week</b>	43
<b>VLCCs available in MEG next 30 days</b>	140

**1 Year T/C Crude**



**Dry Bulk**

**Comments**

**Capesize**

The market has improved from last week and the basket of all routes are 8% up down from its high earlier this week and the activity in general is lower, especially Atlantic basin is very tight, and the few fixtures being done is at very healthy n

average Capesize hire at this high level.

### **Panamax**

With holidays in China end of last week, the market took a breather with little bid/ask was significant, and mid-week we finally see that a common ground has been seen a daily increase in rates where p1A currently yields around the upper view for further increase across the market for the coming weeks. In the Easter growing list of available tonnage and lack of fresh requirements to absorb charter achieved where p3A slowly coming off and at time of writing yields around US

### **Supramax**

A slow start to the week with various holidays around. Overall sideways, slightly with gains specifically in USG, Black Sea, and India. USG fronthauls paying around USD 13,000+300k gbb, and Black Sea fh paying in the USD 15,000 reg paying high teens for Supra, while South Africa rv paying around USD 12,250+ close to USD 8,000.

### **Rates**

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

<b>TCE Cont/Far East (180 DWT)</b>	\$51,470
<b>Australia – China</b>	\$10.2
<b>Pacific RV</b>	\$31,438

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

<b>Transatlantic RV</b>	\$12,735
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<b>TCE Cont/Far East</b>	\$19,370
<b>TCE Far East/Cont</b>	\$2,011
<b>TCE Far East RV</b>	\$9,542

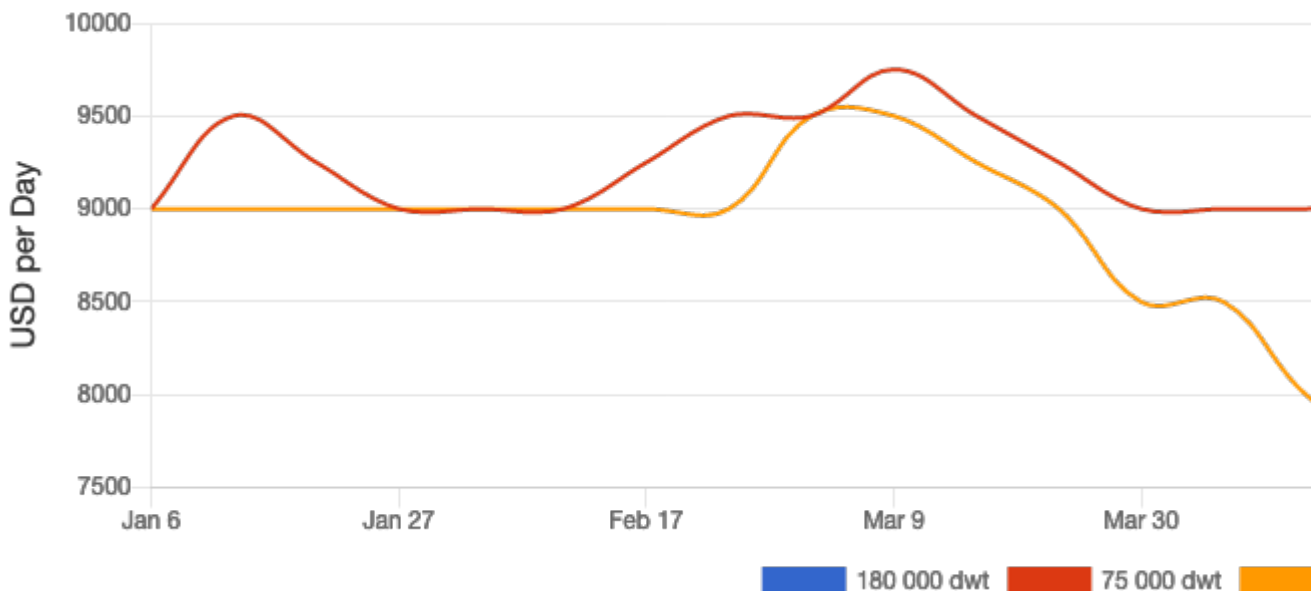
**Supramax (USD/Day)**

<b>Atlantic RV</b>	\$7,910
<b>Pacific RV</b>	\$7,221
<b>TCE Cont/Far East</b>	\$14,018

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

<b>Newcastlemax (208 000 dwt)</b>	\$20,000
<b>Capesize (180 000 dwt)</b>	\$16,750
<b>Kamsarmax (82 000 dwt)</b>	\$10,500
<b>Panamax (75 000 dwt)</b>	\$9,250
<b>Ultramax (64 000 dwt)</b>	\$10,500
<b>Supramax (58 000 dwt)</b>	\$9,250
<b>Baltic Dry Index (BDI)</b>	\$1,803

**1 Year T/C Dry Bulk**



**Gas**

**Chartering**

**EAST**

As a knock-on effect to the increased activity on shipping seen in the West from market finally came back to life again as well. Several ships have been taken out of week, and freight rates have slowly started to climb upwards again. Owners' id (compared to low USD 20s the week before), and time being they would rather on speculation unless they are able to secure voyages at these sorts of levels in awaiting next month's acceptances from the Middle Eastern suppliers, which all from this and next week onwards.

**WEST**

This week has been slightly calmer than the last as the market has a breather as US programs are lined up properly. July fixing looks mostly over with, and as far as be a few more relets available. This may mean we see rates recede slightly from which was fixed a few times last week.

A couple of FOB cargoes have been tendered ex Canada and West Africa, but for these. The combination of less competitive freight and poor arb economics workable only for those looking to employ a ship or fill a short.

**LPG Rates**

**Spot Market (USD/Month)**

<b>VLGC (84 000 cbm)</b>	\$500,000
<b>LGC (60 000 cbm)</b>	\$600,000
<b>MGC (38 000 cbm)</b>	\$600,000
<b>HDY SR (20-22 000 cbm)</b>	\$630,000
<b>HDY ETH (17-22 000 cbm)</b>	\$730,000
<b>ETH (8-12 000 cbm)</b>	\$390,000
<b>SR (6 500 cbm)</b>	\$300,000
<b>COASTER Asia</b>	\$250,000
<b>COASTER Europe</b>	\$160,000

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

<b>FOB North Sea/ANSI</b>	\$248
<b>Saudi Arabia/CP</b>	\$350
<b>MT Belvieu (US Gulf)</b>	\$240
<b>Sonatrach/Bethioua</b>	\$255

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

<b>FOB North Sea/ANSI</b>	\$222
<b>Saudi Arabia/CP</b>	\$330

<b>MT Belvieu (US Gulf)</b>	\$187
<b>Sonatrach/Bethioua</b>	\$245

**LNG Rates****Spot Market (USD/Day)**

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

**Newbuilding****Activity Levels**

<b>Tankers</b>	Slow
<b>Dry Bulkers</b>	Slow
<b>Others</b>	Slow

**Prices**

<b>VLCC</b>	\$89.0
<b>Suezmax</b>	\$59.0
<b>Aframax</b>	\$48.5



<b>Product</b>	\$35.0
<b>Newcastlemax</b>	\$49.0
<b>Kamsarmax</b>	\$27.0
<b>Ultramax</b>	\$25.0
<b>LNGC (MEGI) (cbm)</b>	\$183.0

## Sale & Purchase

### Prices

#### Dry (5 yr)

<b>Capesize</b>	\$36.0
<b>Kamsarmax</b>	\$21.0
<b>Ultramax</b>	\$20.0

#### Dry (10 yr)

<b>Capesize</b>	\$21.0
<b>Kamsarmax</b>	\$14.5
<b>Ultramax</b>	\$11.0

#### Wet (5 yr)

<b>VLCC</b>	\$72.0
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Suezmax	\$50.0
Aframax / LR2	\$40.0
MR	\$27.5

**Wet (10 yr)**

VLCC	\$50.0
Suezmax	\$35.0
Aframax / LR2	\$28.0
MR	\$18.0

**Market Brief****Exchange Rates**

USD/JPY	107.89
USD/KRW	1202.85
USD/NOK	9.65
EUR/USD	1.12

**Interest Rates**

LIBOR USD (6 months)	0.37%
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<b>NIBOR NOK (6 months)</b>	0.48%
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**Commodity Prices**

<b>Brent Spot</b>	\$41.50
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**Bunkers Prices**

<b>Singapore 380 CST</b>	\$252.5
<b>Singapore Gasoil</b>	\$371.5

<b>Rotterdam 380 CST</b>	\$250.0
<b>Rotterdam Gasoil</b>	\$345.5



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 v

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