

Fearnleys Weekly Report

Week 12 - March 22, 2023

Printer version

Tankers

Comments

VLCC

“Great expectations” – not materializing. Logic dictated that a well-stocked cargo list and correspondingly balanced position lists would result in a rate hike this week. However, charters kept their powder dry, patiently waiting, and when an oil company relet fixed a Brazil/East export cargo at WS 85 the upward sentiment reversed which was then followed by MEG/East rates sliding into low WS 90’s. That said, the downside appears capped short term and owners in general are so far trying to add a point or two to last done levels. The Atlantic market has calmed down a bit after the recent USG export fixing frenzy, but a trickle of cargoes is keeping the light burning. Steady as she goes.

Suezmax

The global Suezmax market could be described as purring along with a steady feel in both hemispheres. A trickle of MEG fuel oil tenders has kept the early side of the list honest whilst TD23 is likely to trade at circa WS 80 levels. A MEG/China run won’t give much change from WS 160 and might possibly trade a tad more for prompt dates. In the Atlantic, there is a modicum of disappointment from owners who had expected USG lightering volumes to be higher, but nonetheless, there are still some meaty rates to be had with USG/TA last trading 145KT x WS 125, with no evident downside. TD20 should be nearly done for first decade April but with the list displaying a limited number of vessels for this window, freight is likely to price circa WS 150.

Aframax

With quite a few owners ballasting away from the Aframax market in the North Sea basin due to better alternatives in other load areas, we expect the market to firm due to shortage of Aframax tonnage going forward. Watch this space. In the Med/Blsea we seen a solid upward correction the last week, with benchmark routes jumping WS 100+ points. Cargo activity been healthy as charterers now started fixing into 1 decade April. Owners currently enjoying attractive alternatives across the board in the western markets. We foresee the Mediterranean to remain firm for the balance of the week.

Rates

Dirty (Spot WS 2023)

MEG/WEST (62.5)	WS 62.5	2.5 ↑
MEG/Japan (92.5)	WS 92.5	1.0 ↑
MEG/Singapore (93.5)	WS 93.5	0.0 →
WAF/FEAST (91.0)	WS 91	0.0 →
WAF/USAC (150.0)	WS 150	32.5 ↑
Sidi Kerir/W Med (150.0)	WS 150	20.0 ↑
N. Afr/Euromed (300.0)	WS 300	117.5 ↑

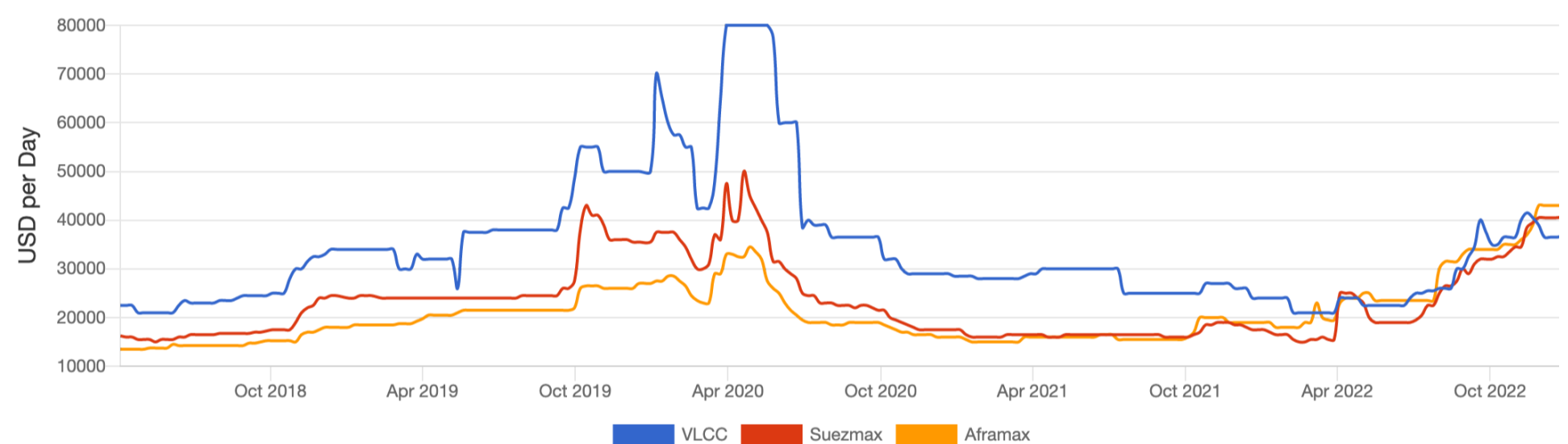
UK/Cont (180.0)	WS 180	10.0 ↑
Caribs/USG (365.0)	WS 365	15.0 ↑

1 Year T/C (USD/Day)

VLCC (Modern)	\$38,000	\$3,000 ↑
Suezmax (Modern)	\$41,000	\$0 →
Aframax (Modern)	\$43,000	\$1,000 ↑

VLCC

VLCCs fixed in all areas last week (Modern)	\$69	\$14 ↑
VLCCs available in MEG next 30 days (Modern)	\$148	-\$3 ↓

1 Year T/C Crude**Dry Bulk****Comments****Capesize**

Sentiment has changed a bit over the last week as cargo count in the north and south Atlantic has calmed down a fair bit. Hence, we are down 17% week on week. The next week looks a bit sluggish looking at the cargo list, however that could change quickly and the list of ships on its way to Brazil is not very significant, so sentiment can change over night.

Panamax

The Panamax market appeared a little listless and languid this week. Minimal fresh demand seen again today in the Atlantic with little exchanged, sources said, but tonnage count seemed well balanced. Asia somewhat impacted by holidays in Japan lacked any cohesion with a stand-off between owners and charterers ensuing, but despite not a lot of activity of note many felt owners who wished to cover would have to likely to concede lower numbers in order to get fixed. Limited period activity this week.

Supramax

The Atlantic outperforming the Pacific, especially more action from USG and East Mediterranean. Fronthaul from the USG to the Far East trading around USD 20,000. Trip from Mediterranean to Far East similar levels about USD 19,000.

TA now around USD 13,000. Wafr to North China now around USD 18,000 levels. Less activity from the East though, where coal round via Indo to India done now at USD 15,000.

Rates

Capesize (USD/Day, USD/Tonne)

TCE Cont/Far East (180 DWT)	\$27,444	-\$1,181 ↓
Australia – China	\$9	-\$0 ↓
Pacific RV	\$16,509	-\$1,296 ↓

Panamax (USD/Day, USD/Tonne)

Transatlantic RV	\$12,445	-\$415 ↓
TCE Cont/Far East	\$22,357	-\$388 ↓
TCE Far East/Cont	\$9,163	-\$345 ↓
TCE Far East RV	\$14,704	-\$555 ↓

Supramax (USD/Day)

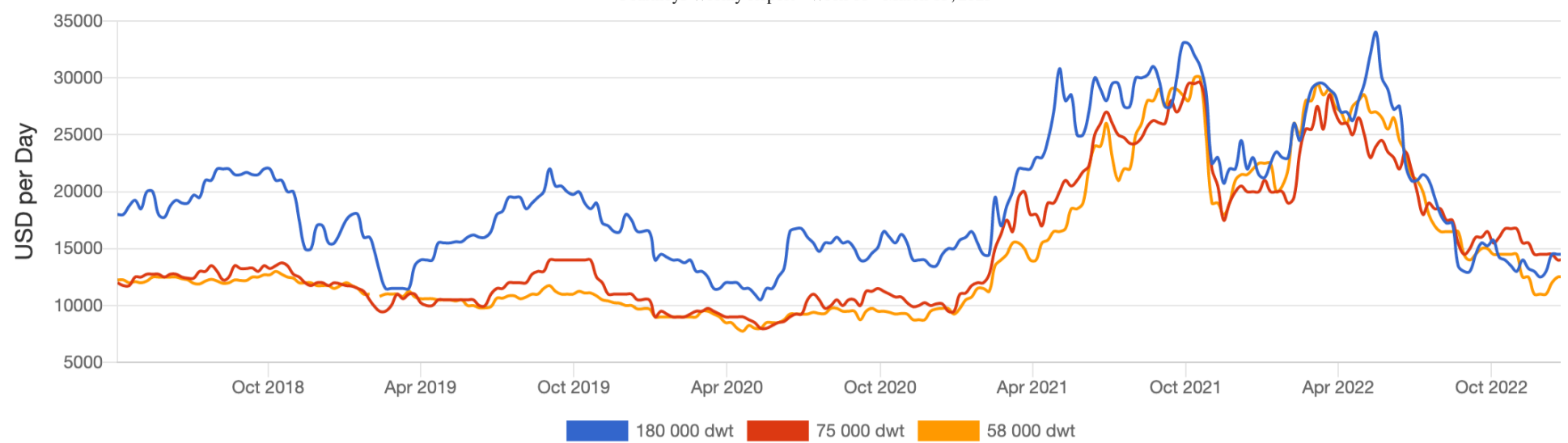
Atlantic RV	\$15,329	\$2,699 ↑
Pacific RV	\$13,165	-\$398 ↓
TCE Cont/Far East	\$19,467	\$792 ↑

1 Year T/C (USD/Day)

Newcastlemax (208 000 dwt)	\$25,750	\$1,250 ↑
Capesize (180 000 dwt)	\$20,750	\$750 ↑
Kamsarmax (82 000 dwt)	\$18,500	\$0 →
Panamax (75 000 dwt)	\$17,000	-\$500 ↓
Ultramax (64 000 dwt)	\$15,750	-\$2,250 ↓
Supramax (58 000 dwt)	\$14,500	-\$1,000 ↓

Baltic Dry Index (BDI)	1456	
------------------------	------	--

1 Year T/C Dry Bulk



Gas

Chartering

EAST

Despite Japan having a day off on Tuesday and the Chinese LPG Conference keeping a big chunk of the industry away from their desks we have seen a good handful of fixtures concluded so far this week. First decade April in the Middle East is now more or less sold out apart from one vessel remaining open very early in the month. The fixing window is now moving into second decade of April where a third deal was concluded in the MEG on Tuesday and a fourth one from Indians looking for offers by Thursday. Freight maintains stable as owners so far have not been willing to break the 90-threshold on the back of decent volumes and a so far, a quite balanced position list.

WEST

Having seen 6-7 spot fixtures in the West last week we have only registered one so far this week. The position list remains relatively unchanged apart from a couple additions. We are now seeing one potential relet for very end first decade in April and only one ship left for mid-month dates. End April currently showing 6-7 open positions and only two of them are relets, but some also considering going to the Middle East as we still see the BLPG3 route trading at a discount to BLPG1. Using latest Baltic print we get a 5-6-dollar discount in the West before waiting in Panama.

LPG Rates

Spot Market (USD/Month)

VLGC (84 000 cbm)	\$2,300,000	-\$100,000 ↓
LGC (60 000 cbm)	\$1,600,000	\$0 →
MGC (38 000 cbm)	\$1,200,000	\$0 →
HDY SR (20-22 000 cbm)	\$800,000	\$0 →
HDY ETH (17-22 000 cbm)	\$890,000	\$0 →
ETH (8-12 000 cbm)	\$540,000	\$0 →
SR (6 500 cbm)	\$490,000	\$0 →
COASTER Asia	\$280,000	\$0 →
COASTER Europe	\$400,000	\$0 →

LPG/FOB Prices - Propane (USD/Tonne)

FOB North Sea/ANSI	\$613	\$0 →
---------------------------	-------	-------

Saudi Arabia/CP	\$720	\$0 →
MT Belvieu (US Gulf)	\$381	-\$22 ↓
Sonatrach/Bethioua	\$640	\$0 →

LPG/FOB Prices - Butane (USD/Tonne)

FOB North Sea/ANSI	\$675	\$0 →
Saudi Arabia/CP	\$740	\$0 →
MT Belvieu (US Gulf)	\$333	-\$68 ↓
Sonatrach/Bethioua	\$690	\$0 →

LNG Rates

Spot Market (USD/Day)

East of Suez 155-165 000 cbm	\$70,000	-\$8,000 ↓
West of Suez 155-165 000 cbm	\$40,000	-\$20,000 ↓
1 Year T/C 155-160 000 cbm	\$140,000	-\$12,000 ↓

Newbuilding

Activity Levels

Tankers	Slow	
Dry Bulkers	Slow	
Others	Moderate	

Prices

VLCC	\$121	\$0 →
Suezmax	\$81	\$0 →
Aframax	\$64	\$0 →
Product	\$44	\$0 →
Newcastlemax	\$66	\$0 →
Kamsarmax	\$38	\$0 →
Ultramax	\$36	\$0 →
LNGC (MEGI) (cbm)	\$240	\$0 →

Sale & Purchase

Prices

Dry (5 yr)

Capesize	\$44	
Kamsarmax	\$31	
Ultramax	\$31	

Dry (10 yr)

Capesize	\$30	
Kamsarmax	\$24	
Ultramax	\$25	

Wet (5 yr)

VLCC	\$100	
Suezmax	\$67	
Aframax / LR2	\$63	

Wet (10 yr)

VLCC	\$77	
Suezmax	\$52	
Aframax / LR2	\$50	

Market Brief

Exchange Rates

USD/JPY	132.60	2.53 ↑
USD/KRW	1306.00	7.25 ↑
USD/NOK	10.50	-0.01 ↓
EUR/USD	1.08	0.00 ↓

Interest Rates

LIBOR USD (6 months)	5.20	0.06 ↑
NIBOR NOK (6 months)	3.12	0.00 →

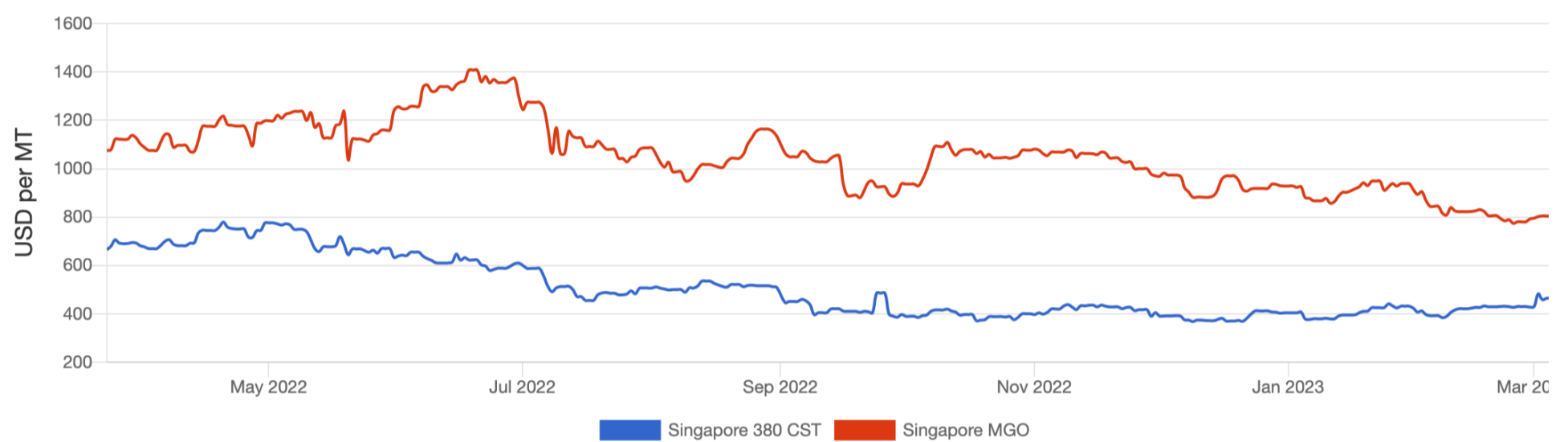
Commodity Prices

Brent Spot	75.50	2.50 ↑
-------------------	-------	--------

Bunkers Prices

Singapore 380 CST	410.00	-36.50 ↓
Singapore Gasoil	723.00	-44.00 ↓

Rotterdam 380 CST	378.00	-31.50 ↓
Rotterdam Gasoil	754.00	-18.00 ↓



All rates published in this report do not necessarily reflect actual transactions occurring in the market. Certain estimates may be based on prevailing market conditions. In some circumstances, rates for certain vessel types are based on theoretical assumptions of premium or discount for particular vessel versus other vessel types.

[Disclaimer](#)