



Fearnleys Weekly Report

Week 30 - July 26, 2023

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01 Tankers

VLCC

What a difference a day makes, as the song goes. After a few days of a steady slow decline the Atlantic gave the VLCC market a shot in the arm yesterday. An ECMex/Korea run was booked at USD 8.3 million, dictating rates north USD 8 million for TD22, a good quarter million improvement over last done, and Wafr and Brazil loads likely to follow in the footsteps. To what extent the MEG, where downward pressure persists, will follow suit remains to be seen, but it should encourage owner to dig their heels in at the WS 50+ mark for MEG/East. A major typhoon expected to hit Taiwan, Philippines, and South China this week could cause delays, with possible replacements needing to be arranged and tightening the front end of the position list.

Suezmax



the lowest levels seen, thus far, in 2023. Last done TD20 is WS 75 with the fixing window focused on mid August dates. The question is, if you're a charterer sitting on similar dates, do you swoop and grab a ship in and around these levels, or gamble on lower? We think they will take the former option.

In the US Gulf, there's expected to be a raft of lightering enquiry enter the market on the back of last month's VLCC fixtures, which should start to tie up the early side of the list and stop the rot.

In the East, a prompt TD23 cargo has paid WS 65, but for natural window it's more likely to price WS 55-60 whilst MEG/China probably finds a home at WS 107.5-110.

Aframax

NSea rates softened last week as activity in the area was slow due to the lower volumes for early August dates combined with the large amount of relets in the area. Barely any fixtures were done and reported, and with surrounding areas not offering any better alternatives we expect the market to remain flat but downward pressure will be applied soon. Med/BSea was more active with a couple of fixtures done but with rates keep hovering around WS 120 levels for local runs. Tonnage list is balanced, and no surprises are expected in the near future with rates moving sideways unless we see a burst of activity on a certain window.

Rates

Dirty

(Spot WS 2023, Daily Change)

[Click rate to view graph](#)

MEG/WEST	280'
32.5	-1

MEG/Japan	280'
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MEG/Singapore

52

280'

-3▼

WAF/FEAST

53.5

260'

-1.5▼

WAF/USAC

72.5

130'

-20▼

Sidi Kerir/W Med

87.5

135'

-10▼

N. Afr/Euromed

122.5

80'

0>

UK/Cont

130

80'

-5▼

Caribs/USG

130

70'

-50▼



Click rate to view graph

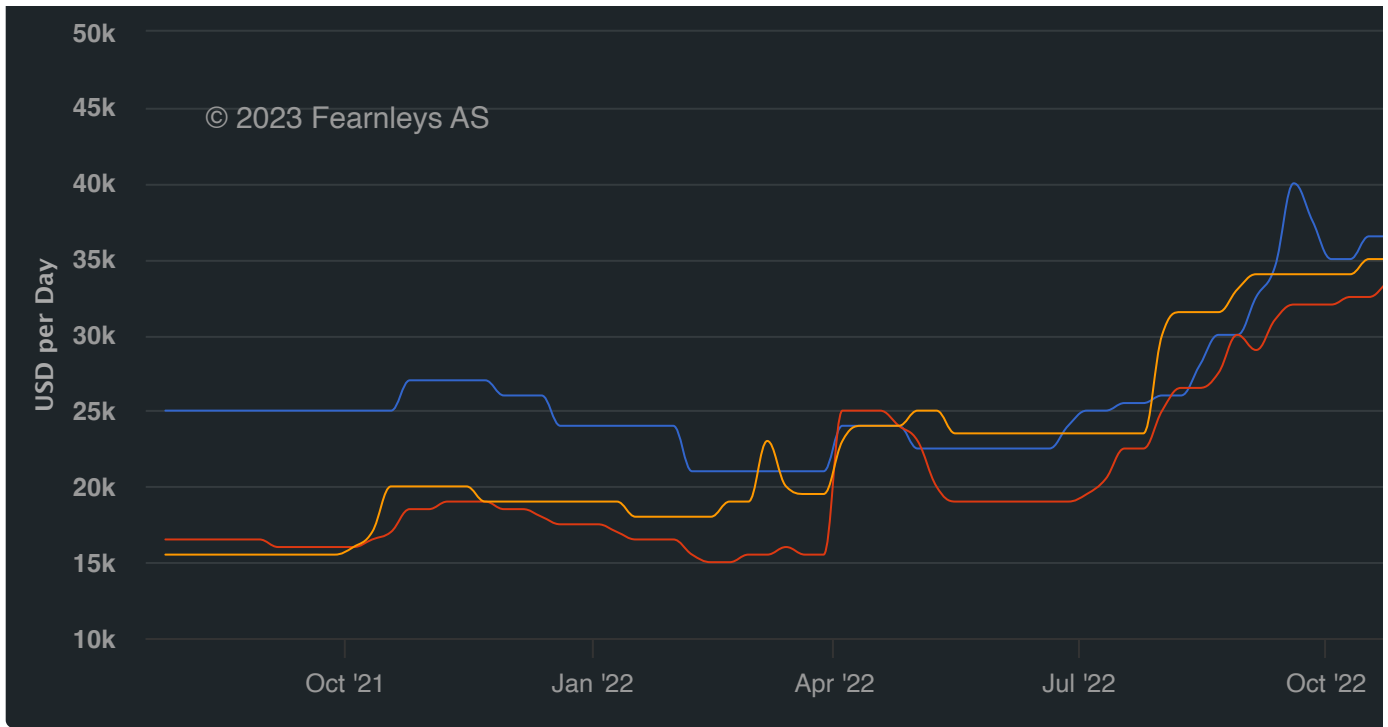
VLCC	Modern
\$36,500	\$0 >
Suezmax	Modern
\$38,000	\$0 >
Aframax	Modern
\$43,000	\$0 >

VLCCs

Click rate to view graph

Fixed in all areas last week	18
77	
Available in MEG next 30 days	15
152	

1 Year T/C Crude



02 Dry Bulk

Capesize

Capesize rates have overall been holding steady with a small improvement towards the end of the week: In the Pacific with improved c5 rates up to 7.65 and in the Atlantic due to tighter supply of ships. The Pacific market may be affected by the upcoming cyclone. C3 out of Brazil however pretty much remains unchanged.

Panamax

The Panamax market has experienced a slow start due to a lack of fresh orders, and there is an oversupply of tonnage in the Continent/Gibraltar area. The South American market remains subdued, impacting not only Atlantic committed and ballaster



or more accessible rates compared to previous periods. Despite the improved activity in the Asia region, the market still lacks a definitive floor, leading to easing rates and some owners offering discounts on shorter runs to mitigate exposure to challenging rates.

Supramax

The Supra/Ultra vessel market remains subdued globally, with limited progress in the Atlantic region and strong tonnage availability in the North Atlantic. South Asia faces tightened tonnage availability in early August, and notable transactions include Iseaco Grace and Federal Indus securing new ventures. However, a decline in fresh US Gulf enquiries and low sentiment in the South Atlantic have led to the BSI falling to 753, with the 10TC average at USD 8,278. There are glimpses of potential recovery in South Asia due to ongoing activity, but cargo inquiries remain limited, prompting some owners to consider reduced bids to secure business.

Rates

Capesize

(USD/Day, USD/Tonne, Daily Change)

[Click rate to view graph](#)

TCE Cont/Far East

\$38,125

\$312

Australia/China

\$7.66


\$0.12

Pacific RV

\$16,464

\$1,496



 [Click rate to view graph](#)

Transatlantic RV

\$7,020

\$410 

TCE Cont/Far East

\$16,209

\$245 

TCE Far East/Cont

\$2,447

-\$19 


TCE Far East RV

\$6,285

-\$7 

Supramax

(USD/Day, USD/Tonne, Daily Change)

 [Click rate to view graph](#)

Atlantic RV

\$8,604

-\$460 

Pacific RV

\$6,844

-\$62 



ICE Cont/Far East

\$10,346**-\$54** **1 Year T/C**

(USD/Day, Weekly Change)

Click rate to view graph

Newcastlemax

208'

\$18,500**\$0**

Kamsarmax

82'

\$13,000**\$0**

Ultramax

64'

\$0

Capesize

180'

\$14,500**\$0**

Panamax

75'

\$12,000**\$0**

Supramax

58'

\$0

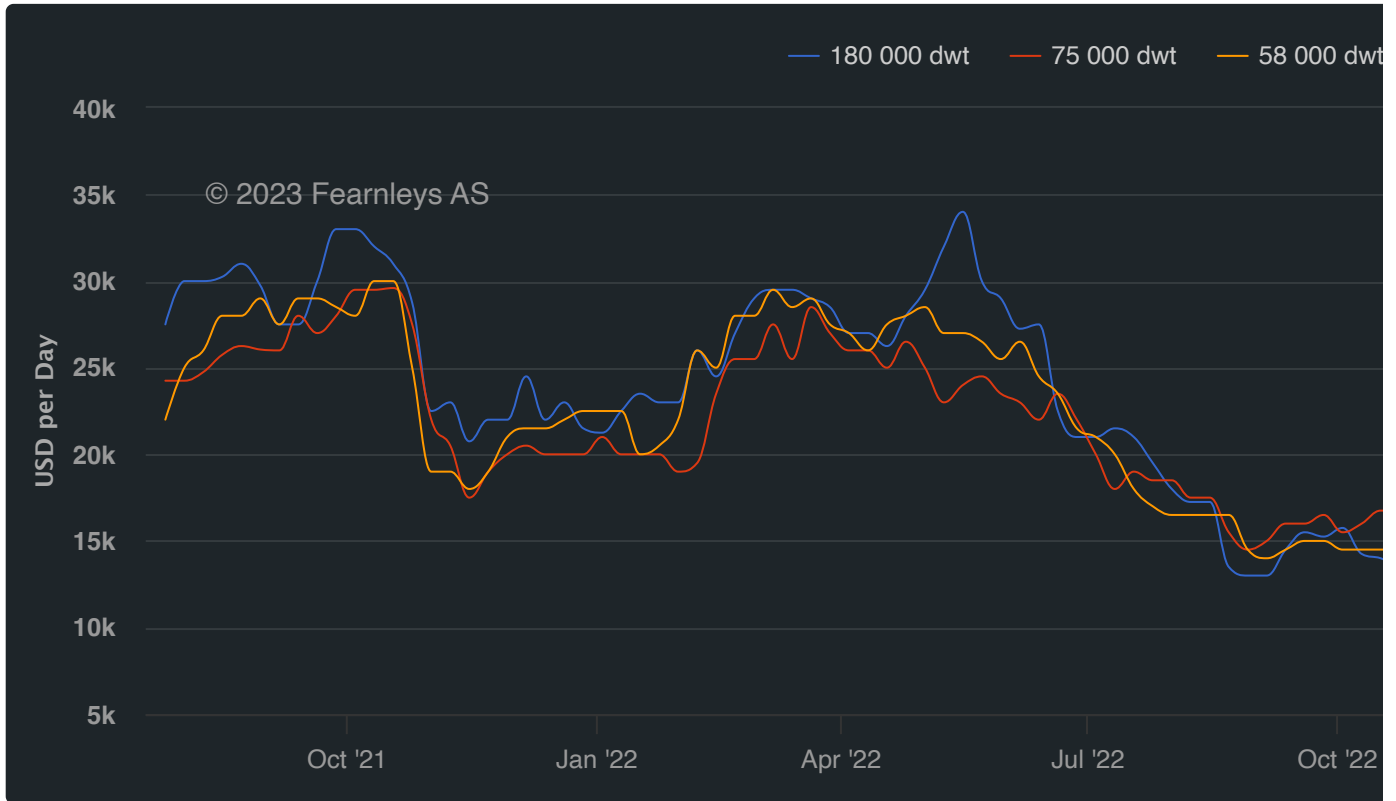


Baltic Dry Index (BDI)

\$1,067

\$105^

1 Year T/C Dry Bulk



03 Gas

Chartering

EAST

Activity has indeed picked up both East and West and as such providing owners with




East, freight must be said to have kept remarkably resilient. Fundamentally we think there still is some further possible downside to current East freight.

WEST

So far this week we have seen a handful of spot fixtures out of the USG with last done concluded at low 170s H/C. September fixing is already underway seeing a couple fixtures in addition to an Indonesian spot tender out in the market. The position list still shows a few vessels left in the very end of August and we should soon see them being absorbed.

LPG Rates

Spot Market (USD/Month, Weekly Change)

 [Click rate to view graph](#)

VLGC	84'
\$2,700,000	-\$150,000 ✓

LGC	60'
\$1,500,000	\$0 >

MGC	38'
\$1,350,000	\$0 >

HDY SR	20-22'
\$840,000	\$0 >



\$910,000

11-22

\$0 >

ETH

\$520,000

8-12'

\$0 >

SR

\$460,000

6.5'

\$0 >

COASTER Asia

\$280,000


\$0 >

COASTER Europe

\$360,000

\$0 >

LPG/FOB Prices (Propane) (USD/Tonne, Weekly Change)

 Click rate to view graph

FOB North Sea/Ansi

\$0 >

Saudi Arabia/CP

\$0 >



MT Belvieu (US Gulf)

\$339.5

\$11.5

Sonatrach/Bethioua

\$0

LPG/FOB Prices (Butane) (USD/Tonne, Weekly Change)

Click rate to view graph

FOB North Sea/Ansi

\$0

Saudi Arabia/CP

\$0

MT Belvieu (US Gulf)

\$240.5

\$6

Sonatrach/Bethioua

\$335

\$0

LNG Rates

Spot Market (USD/Day, Weekly Change)



East of Suez 155-165k CBM

\$69,000

\$500 ^

West of Suez 155-165k CBM

\$72,500

\$0 >

1 Year T/C 155-165k TFDE

\$107,000

\$0 >

04 Newbuilding

Activity Levels

Tank Activity

Slow

Dry Bulk Activity

Slow

**Other Activity****Moderate**

Prices

VLCC	300'
\$124	\$0 >

Suezmax	150'
\$82	\$0 >

Aframax	110'
\$65	\$0 >

Product	50'
\$44	\$0 >

Newcastlemax	210'
\$66	\$0 >

Kamsarmax	82'
\$36.5	\$0 >



Ultramax

\$34.5

64'

\$0 >

LNGC (MEGI) (cbm)

\$259

170'

\$0 >

05

Sale & Purchase

Prices

Dry	5 yr old	10 yr old
Capesize	\$47.5	\$32.5
Kamsarmax	\$31.0	\$23.5
Ultramax	\$30.5	\$24.5

Wet	5 yr old	10 yr old
VLCC	\$98.0	\$77.0
Suezmax	\$72.0	\$57.0
Aframax / LR2	\$62.5	\$50.0



Market Brief

Exchange Rates

USD/JPY

141.53

-0.25▼

USD/NOK

10.1

0.01▲

USD/KRW

1,276.2

-3.6▼

EUR/USD

1.11

-0.01▼

Interest Rates

LIBOR USD (6 month)

5.2%

0 >

NIBOR NOK (6 month)



Commodity Prices

Brent Spot

\$83.5

\$1^

Bunker Prices

Singapore

380 CST

\$524.5

\$7^

MGO

\$820

\$11.5^

Spread MGO/380 CST

\$295.5

\$4.5^

Rotterdam

380 CST

\$505.5

\$9^



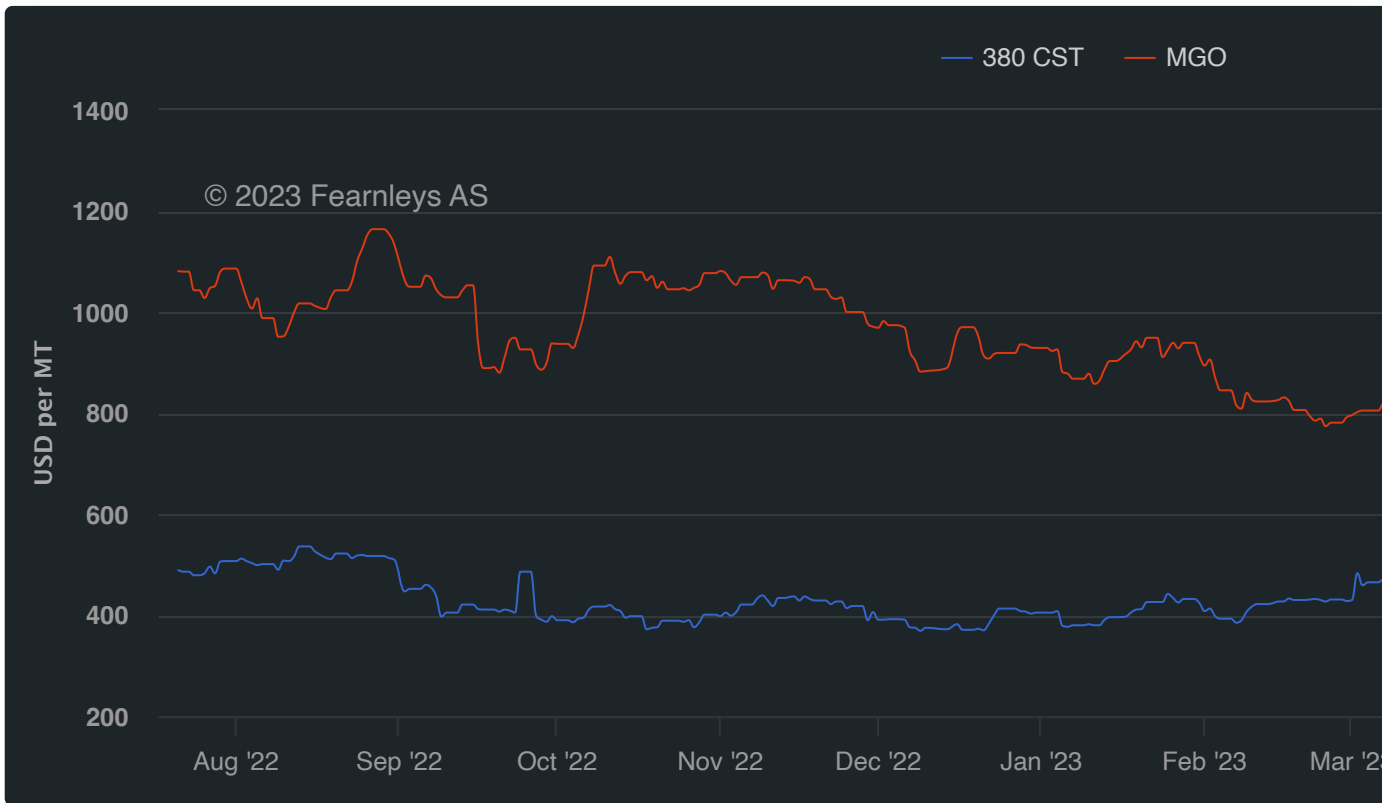
\$814.5

\$13.5^

Spread MGO/380 CST

\$309

\$4.5^



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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.'

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