



# Fearnleys Weekly Report

Week 29 - July 19, 2023

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## 01 Tankers

### VLCC

A tick up in rates over the past week as the final drops of July were covered in the MEG. Charterers who were keen to avoid any price increase took to the ex-dry dockers and older ladies in force. But for regular modern tonnage, rates moved to the mid WS 50's MEG/East as the list thinned, leaving little hangover to August. However, as has often been the case this year, a host of ships on subs, no details. As such, it is difficult for owners to build much traction or sentiment, as in any potentially firming market, the deals are likely at or close to last done. The tonnage list opens out as we head further into August, so we may be experiencing a small crest of a wave in MEG rates. August is always pegged as a month of lower volume and the threat of OPEC+ cuts remain. But hope springs eternal for owners. So, as has often been the case, eyes shift to the Atlantic looking for improvements. At the time of writing, the Atlantic has a few cargoes working ex Wafr and Brazil, so there remains potential for continued upticks. Angola/China runs sit in the mid WS 50's and a premium for any



SUFFICIENT DOWN THE LINE.

## Suezmax

Following two weeks of decent activity, the tonnage list appears to be relatively well-balanced. Early this week we saw 5 ships failing cargoes ex Wafr, which led to owners becoming apprehensive, and in one fixture td20 dropped 15 points, down to WS 90. However, we anticipate the market to stabilize at its current levels after this adjustment. In the eastern region, we are witnessing consistent activity and a balanced list, with rates remaining stable at approximately WS 110 for the East and WS 55 for the West. Going forward, we expect the market to maintain its stability, albeit with some potential for a slight decline, as some owners seem keen to fix out their ships for the summer season.

## Aframax

### NORTH

Rates in the NSea market were pushed higher this week as activity slightly picked up and tonnage list was tight for vessels willing to fix local runs. Also, several owners decided to ballast to the better-paying USG market adding extra pressure on the rates. Next week we will see August dates being worked in the area and with the total volume of local grades expected to be lower we believe that rates will move sideways at current levels.

### MED

Despite the improvement in USG and NSea market, the rates in the Med kept hovering at low WS 120 levels and a tad less for some handicap vessels which are scheduled to go for dry dock in August. Activity has been healthy the last 2 weeks but tonnage-wise we see enough vessels to absorb the cargoes. Early August dates have already been worked and owners are repeating last done levels, so we don't expect any dramatic change in the short future.

## Rates

### Dirty

(Spot WS 2023, Daily Change)



MEG/WEST

33.5

280'

1^

MEG/Japan

53.5

280'

2.5^

MEG/Singapore

55

280'

3^

WAF/FEAST

55

260'

5^

WAF/USAC

92.5

130'

7.5^

Sidi Kerir/W Med

97.5

135'

7.5^

N. Afr/Euromed

122.5

80'

-2.5v



135

50

5^

Caribs/USG

70'

180

47.5^

### 1 Year T/C

(USD/Day, Weekly Change)

[Click rate to view graph](#)

VLCC

Modern

\$36,500

\$0 >

Suezmax

Modern

\$38,000

-\$1,000 v

Aframax

Modern

\$45,000

\$0 >

### VLCCs

[Click rate to view graph](#)

Fixed in all areas last week

59

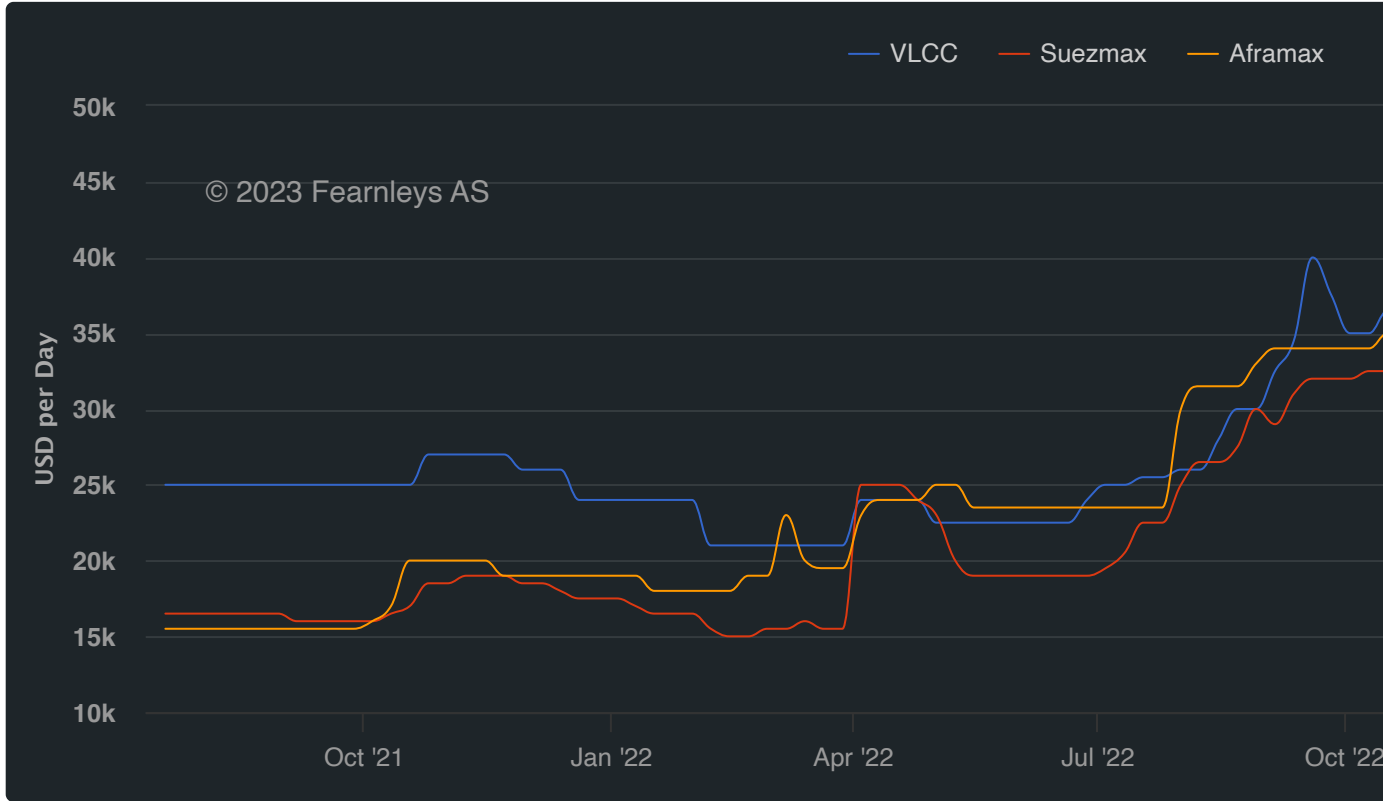
-2 v



137

-13▼

# 1 Year T/C Crude



# 02 Dry Bulk

## Capesize

Big ships still very much in doldrums and presently trading at par with a very meagre YTD average of USD low 12k's, as spot mineral flows simply insufficient to support rates. Overall average daily earnings down 11 pct w-o-w, with the Pacific suffering the



value for PACIFIC rounds down 17 pct to USD 11K over last 5 trading days. ATLANTIC trades faring slightly better in comparison, but in any case also weakening and too low in volume to have material significance. Period activity for obvious reasons negligible, confirmed conclusions limited to 182,000 dwt, built 2009, done for 13-15 months at BCI AVE 5TC + 2 pct.

## Panamax

The week started with a modest positive sentiment across the market following the push we saw at the end of last week. Still, it was quickly subdued by Russia's exit from the JCC initiative and China's economic recovery falling short of market expectations, with rate levels falling across both basins. With the lack of significant demand across the Atlantic and Asian markets, charters continue to hold the upper hand with a growing tonnage list in search of employment. Some owners are now entertaining reduced bids to secure business.

## Supramax

The Supra/Ultra markets remain relatively balanced across the Atlantic and Asian basins. The Atlantic saw some demand from USG and the Med, while limited cargo inquiries put some downward pressure on rates in the South Atlantic. In Asia, a slight demand comes from Indonesia, with China as the main direction, and limited fresh inquiries in NoPac and Australia keep the rates in check.

## Rates

### Capesize

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

[Click rate to view graph](#)

TCE Cont/Far East

**\$38,125**

**\$312^**

Australia/China



## Pacific RV

**\$16,464**

**\$1,496**

## Panamax

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

[Click rate to view graph](#)

## Transatlantic RV

**\$7,875**

**-\$879**

## TCE Cont/Far East

**\$17,400**

**-\$909**

## TCE Far East/Cont

**\$2,641**

**-\$122**

## TCE Far East RV

**\$7,044**

**-\$315**

## Supramax

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

[Click rate to view graph](#)

## Atlantic RV



Pacific RV

**\$6,894****\$19** ^

TCE Cont/Far East

**\$10,600****\$17** ^**1 Year T/C**

(USD/Day, Weekly Change)

[Click rate to view graph](#)

Newcastlemax

**\$18,500**

208'

**-\$1,000** v

Kamsarmax

**\$13,000**

82'

**-\$1,000** v

Ultramax

**\$12,500**

64'

**\$0** >

Capesize

**\$14,500**

180'

**-\$500** v





\$12,000

75  
-\$1,000 ▼

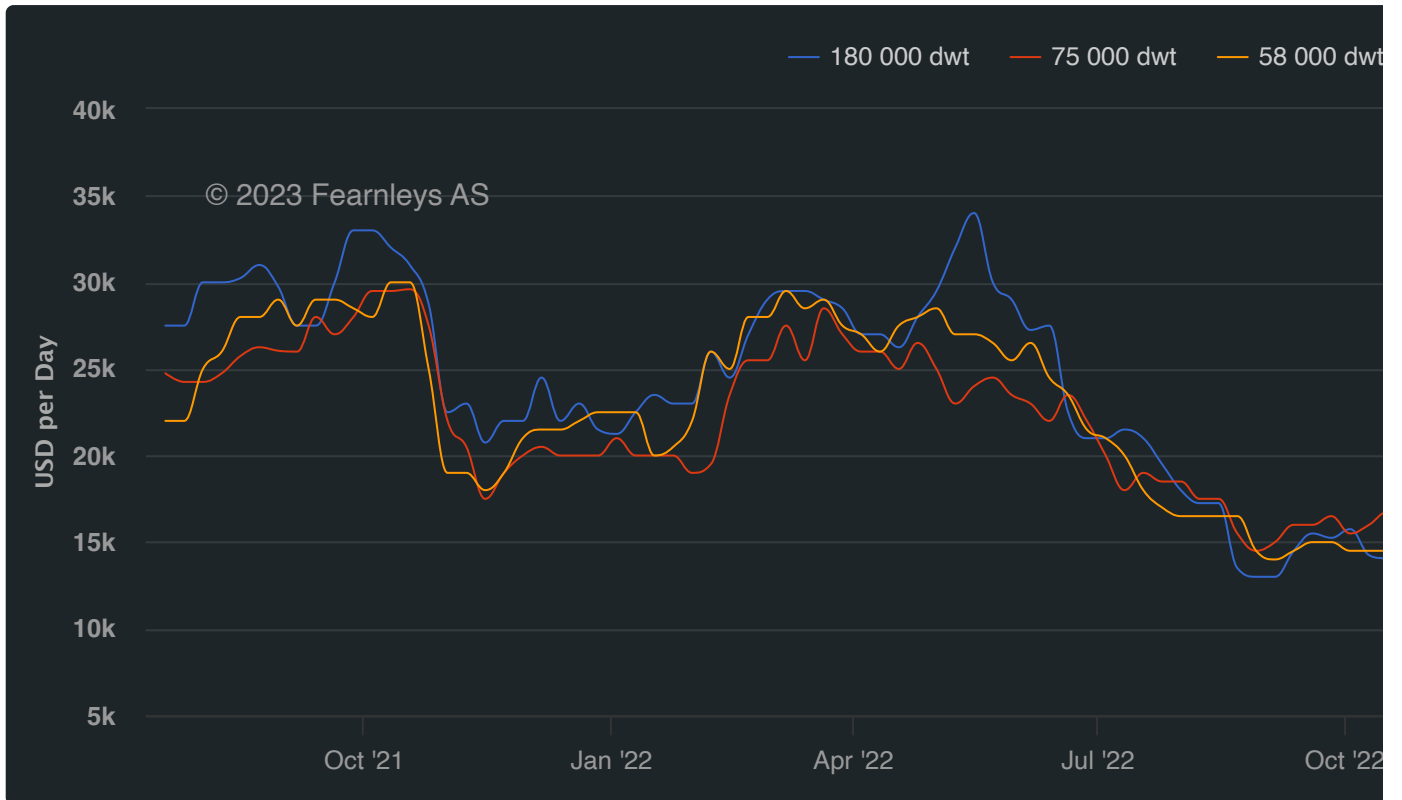
Supramax  
\$10,500

58'  
\$0 ➤

Baltic Dry Index (BDI)  
\$1,004

-\$33 ▼

# 1 Year T/C Dry Bulk





## Chartering

### EAST


One deal reported done yesterday evening for early August dates in the MEG at a good discount to Baltic bringing with it some negativity to the market. Now with the emergence of 2 India spot tenders within the first decade of August this should certainly help the current spot sentiment remain more positive. The past five months we have seen on average 27 monthly spot deals from Middle Eastern ports and the pace of spot cargo demand in August seems to be following suit so far.

### WEST

At the time of writing, we count 24 spot fixtures out of the USG/USEC so far for August dates – 7 first decade, 7 second decade and 10 last decade. There is still 1 vessel left open in the first decade in addition to 2 relets open for swap. In the second decade we only see 1 vessel left in the very end while the last decade still showing 4-5 available vessels. With latest handful of deals concluded last week in the mid 170s we are now hearing a vessel fixed at mid-low 170s H/C.

## LPG Rates

### Spot Market (USD/Month, Weekly Change)

 [Click rate to view graph](#)

VLGC	84'
<b>\$2,950,000</b>	<b>-\$50,000</b> 

LGC	60'
<b>\$1,500,000</b>	<b>\$0</b> 



MGC	38'
<b>\$1,350,000</b>	<b>\$0 &gt;</b>

HDY SR	20-22'
<b>\$840,000</b>	<b>\$0 &gt;</b>

HDY ETH	17-22'
<b>\$910,000</b>	<b>\$0 &gt;</b>

ETH	8-12'
<b>\$520,000</b>	<b>-\$10,000 v</b>

SR	6.5'
<b>\$460,000</b>	<b>\$0 &gt;</b>

COASTER Asia	
<b>\$280,000</b>	<b>\$0 &gt;</b>

COASTER Europe	
<b>\$360,000</b>	<b>-\$10,000 v</b>

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



FOB North Sea/Ansi

**\$391.5**

\$0 >

Saudi Arabia/CP

**\$400**

\$0 >

MT Belvieu (US Gulf)

**\$328**


-\$2.5 v

Sonatrach/Bethioua

**\$400**

\$0 >

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

 Click rate to view graph

FOB North Sea/Ansi

**\$270**

\$0 >

Saudi Arabia/CP

**\$375**

\$0 >

MT Belvieu (US Gulf)



Sonatrach/Bethioua


\$335

\$0 >

## LNG Rates

### Spot Market

(USD/Day, Weekly Change)

 Click rate to view graph

East of Suez 155-165k CBM

\$68,500

\$0 >

West of Suez 155-165k CBM

\$72,500

\$0 >

1 Year T/C 155-165k TFDE

\$107,000

-\$500 ✓

# 04 Newbuilding



## Tank Activity

**Slow**

## Dry Bulk Activity

**Slow**

## Other Activity

**Moderate**

# Prices

VLCC	300'
<b>\$121</b>	<b>\$0 &gt;</b>

Suezmax	150'
<b>\$81</b>	<b>\$0 &gt;</b>

Aframax	110'
<b>\$63.5</b>	<b>\$0 &gt;</b>

Product	50'
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Newcastlemax

210'

\$66

\$0 &gt;

Kamsarmax

82'

\$37.5

\$0 &gt;

Ultramax

64'

\$35.5

\$0 &gt;

LNGC (MEGI) (cbm)

170'

\$240

\$0 &gt;

# 05

## Sale & Purchase

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### Prices



Capesize	\$32.5	\$47.5
Kamsarmax	\$23.5	\$31.0
Ultramax	\$24.5	\$30.5

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

# 06

## Market Brief

### Exchange Rates

USD/JPY

138.8

1.3^

USD/NOK

10.08

0.07^



**1,261.7****-5.7**▼

EUR/USD

**1.13****0.01**▲

## Interest Rates

LIBOR USD (6 month)

**5.2%****0** >

NIBOR NOK (6 month)

**3.12%****0** >

## Commodity Prices

Brent Spot

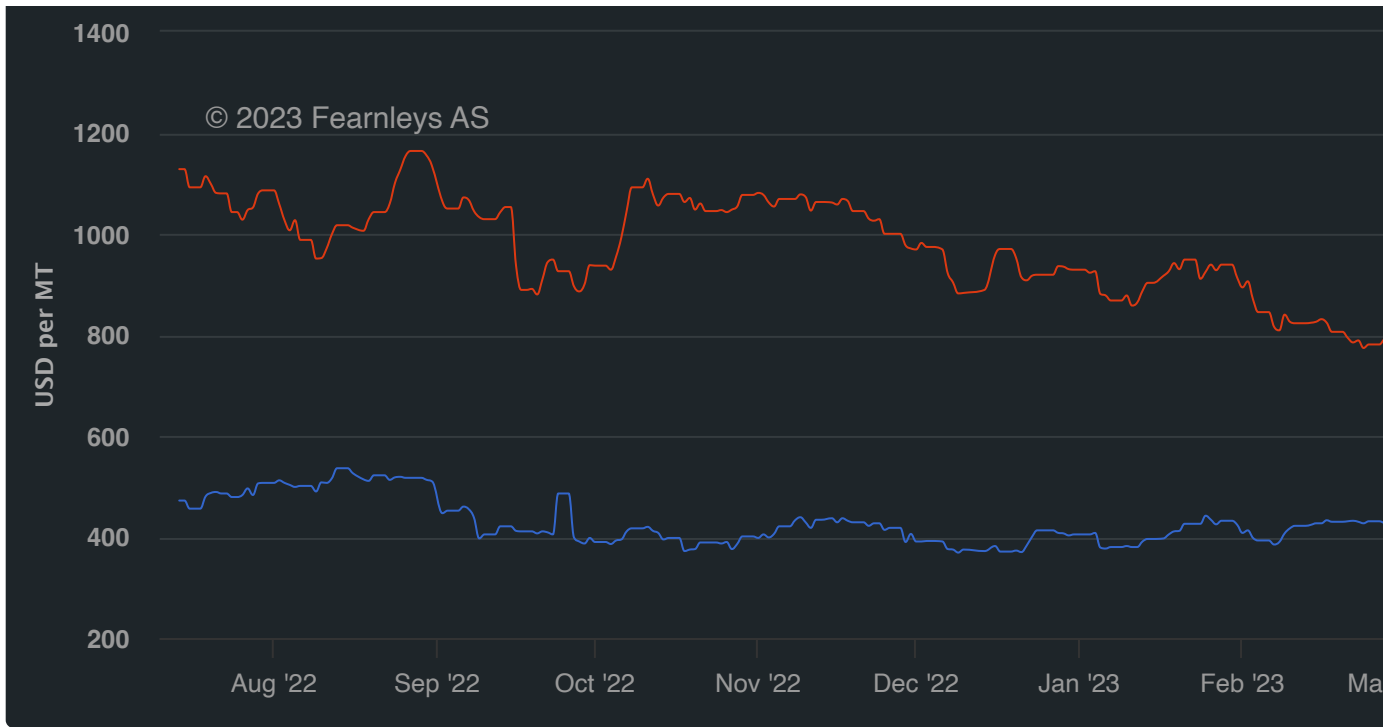
**\$79.5****\$1**▲

## Bunker Prices

Singapore

**380 CST**

**MGO****\$767.5****\$8^****Spread MGO/380 CST****\$270.5****\$13.5^****Rotterdam****380 CST****\$477.5****-\$2^****MGO****\$748.5****\$1^****Spread MGO/380 CST****\$271****\$3^**



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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