



Fearnleys Weekly Report

Week 34 - August 23, 2023

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01 Tankers

VLCC

More of the same it seems (at least for now), as the Atlantic continues to hold, with USD 8.375m USG/Ningbo (with a TA option at USD 3.375m) paid. A repeat, on a replacement deal. With Smaxes improving in Wafr, the rates for Wafr/East on VL's (Bitr at the WS 52.5 level) feels a little light, certainly for prompter dates as few vessels either opening in the Atlantic or making the ballast from the East. However, it is well worth noting that there is significant tonnage (23-24 vessels) opening in the UKC in Sept dates, and we will start seeing ballasters now.

Therefore, given the state of the MEG market, little sign of the chasm in rates between East and West closing in the immediate future. September liftings are flying by and plenty more vessels on subs ex MEG no dets, but unlikely exciting in numbers. TD3C in the mid WS 40's with little upward pressure for now. Still, many owners will have seen worse summers.



The wider Atlantic market is exhibiting subtle signs of what is to come this winter. Owners have defied the lists and managed to push up rates with ease in West Africa as TD20 jumped 10 points in less than a week, with that run now trading comfortably at WS 75 and no downside. Across the pond, steady enquiry has trimmed the early side of the list with the USG susceptible to further gains.


In the East, there has been very little surface activity with all routes requiring a proper test.

Aframax

Finally some sign of life in the North Sea Aframax market with rates being fixed at higher levels than last done. Owners have managed to push rates higher as the tonnage list looks tighter with ships delaying in discharge port and others ballasting away from the area. So charterers haven't had as many natural positions to choose from for the early September stems. Aframaxes in the Med/BSea also gained some momentum as activity picked up and replacement jobs helped the owners to fix at higher levels. Sentiment is building, but it remains to be seen if we will see further upward pressure in the area as preliminary volumes for September in the area are expected to be weaker. However, it was a positive weak for the owning community after a disappointing August.

Rates

Dirty
(Spot WS 2023, Daily Change)

 [Click rate to view graph](#)

MEG/WEST	280'
27	0 >
MEG/Japan	280'



MEG/Singapore

46

280'

-1▼

WAF/FEAST

52.5

260'

0.5▲

WAF/USAC

72.5

130'

10▲

Sidi Kerir/W Med

67.5

135'

2.5▲

N. Afr/Euromed

110

80'

7.5▲

UK/Cont

105

80'

10▲

Caribs/USG

125

70'

15▲



Click rate to view graph

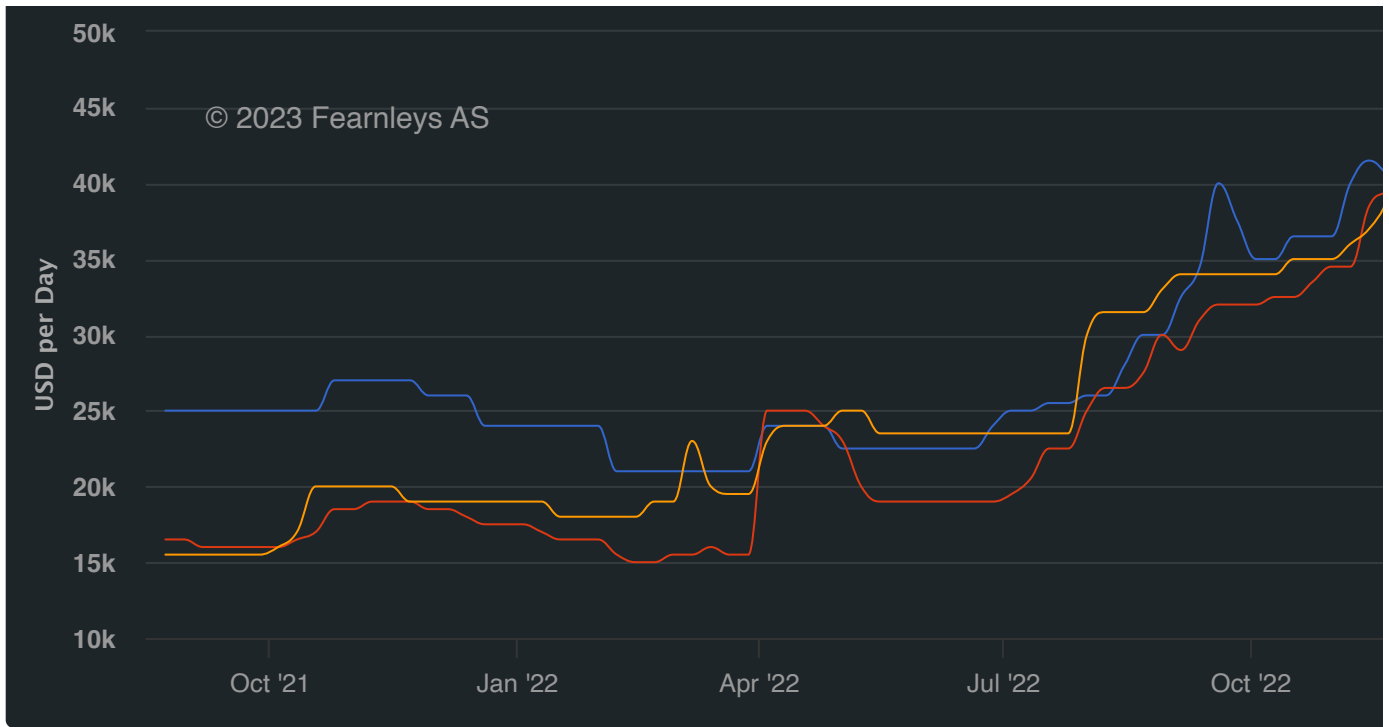
VLCC	Modern	\$0 >
Suezmax \$36,000	Modern	\$0 >
Aframax \$38,500	Modern	-\$1,500 v

VLCCs

Click rate to view graph

Fixed in all areas last week	53	1 ^
Available in MEG next 30 days	165	-3 v

1 Year T/C Crude



02

Dry Bulk

Capesize

Volumes are comparatively lower than last week on front haul, Indian business, South and West Africa. Abundant tonnage available in Far East caps possibility of any potential gains. We see a substantial number of vessels choosing the alternative option of ballasting. C5 seen a drop from last week, with fixtures concluding in the mid to high USD 7 pmt range as opposed to low USD 8 pmt last week. More resistance seen on C3 with low charterer willingness to bid. Week started off with USD 20 pmt levels for 5-15 September as opposed to low to mid USD 21 pmt levels for mid-end September concluded last week.



179,000 dwt scrapped vessel at USD 17,300.

Panamax

The Panamax market presents mixed signals this week. On the one hand, the coming months might see an upward trend, aided by the US grains season. On the other, vessel activity to Asia, especially China, is declining. European holidays have limited market exchanges, but the market remains robust. The North Atlantic tonnage is tight, with notable gains in the Baltic area due to August demands. Furthermore, a strong September demand in ECSA has shipowners confidently asking for higher rates, even amidst an overall slow market and a dip in the Baltic Exchange Index for Panamax.

Supramax


A quiet start of the week compared to the exciting market from last week. The negative FFA trading added some nervous volatility, especially among period interest.

Although the Atlantic remains tight on nearby tonnage unless, with spot inquiries, charters rather wait as the feel for an adjustment could be the case this week.

The Pacific market taking a dive and rates falling sharply.

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

\$15,395

-\$415

TCE Cont/Far East

\$23,641

-\$350

TCE Far East/Cont

\$5,269

-\$112

TCE Far East RV

\$9,958

-\$400

Supramax

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

[Click rate to view graph](#)

Atlantic RV



Pacific RV

\$8,775**-\$200**▼

TCE Cont/Far East

\$13,442**\$563**▲**1 Year T/C**

(USD/Day, Weekly Change)

[Click rate to view graph](#)

Newcastlemax

\$18,200

208'

-\$500▼

Kamsarmax

\$13,700

82'

-\$300▼

Ultramax

\$12,750

64'

-\$1,000▼

Capesize

\$14,200

180'

-\$500▼



\$12,200

75
-\$300

Supramax

\$11,000

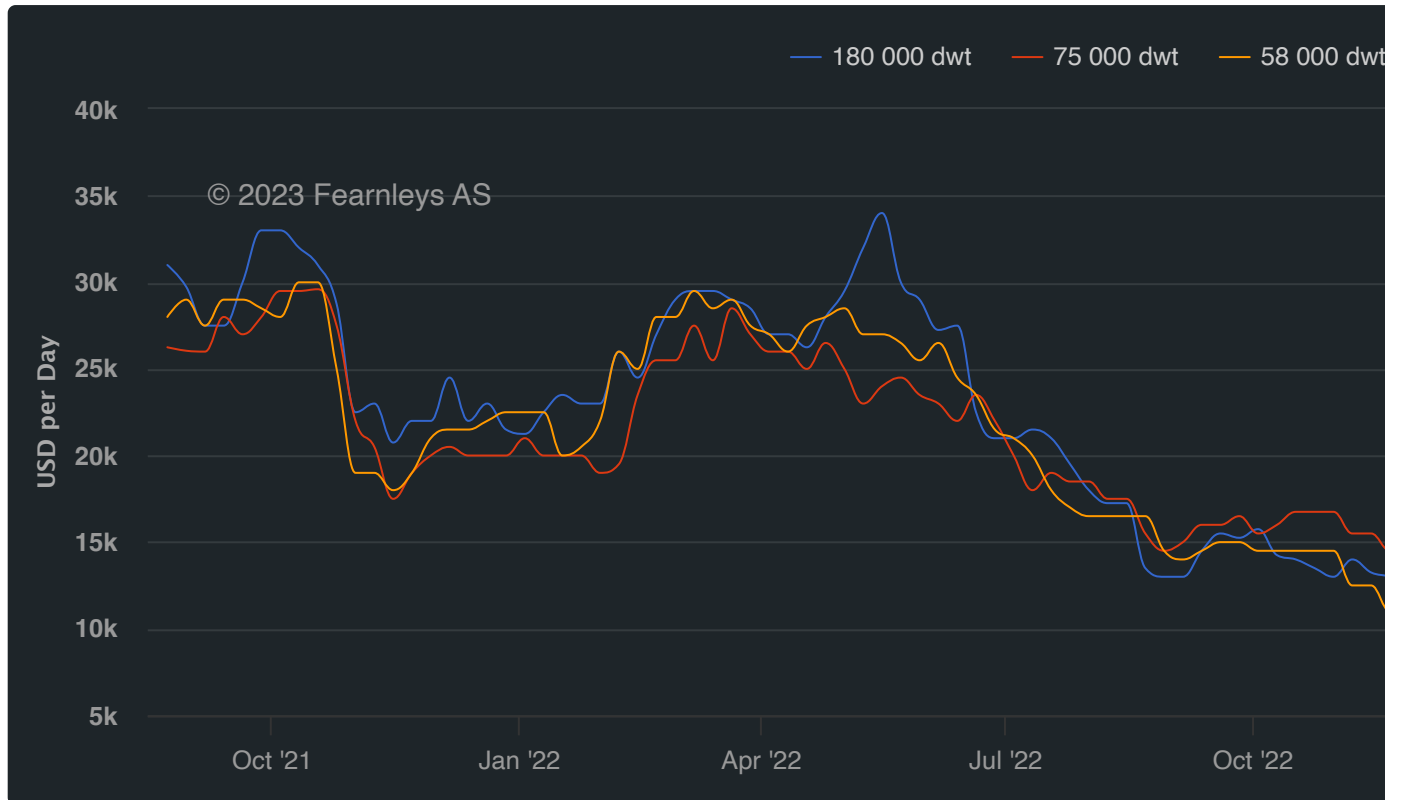
58'
-\$750

Baltic Dry Index (BDI)

\$1,151

-\$43

1 Year T/C Dry Bulk





Chartering

EAST

Although freight rates seem steady in the US at the moment, the MEG market appears a bit weaker as the tonnage availability for early September is currently outweighing available cargoes. Considering the spot count for first decade of Sep now stands at 5 v 1 in second decade, there could be a few more cargoes requiring spot fixing before the second decade of Sep.

WEST

The number of available vessels left for September dates in the US Gulf is currently 5-6, as we count 26 spot fixtures out of the USG/USEC for the same month. For the first decade of October, the position list appears to be balanced to tight, and at the time of writing, we are observing a handful of uncovered cargoes being worked on, with a few more expected during the same period. The reduction in the number of daily transits through the old locks in the Panama Canal continues to pose challenges and we have seen the latest auction price being 1.85 million dollars for a southbound transit.

LPG Rates

Spot Market (USD/Month, Weekly Change)

[Click rate to view graph](#)

VLGC	84'
\$2,300,000	-\$50,000

LGC	60'
	\$0



MGC

38'

\$0 >

HDY SR

20-22'

\$0 >

HDY ETH

17-22'

\$920,000

\$0 >

ETH

8-12'

\$530,000

\$0 >

SR

6.5'

\$0 >

COASTER Asia


\$0 >

COASTER Europe

\$315,000

\$0 >

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

 [Click rate to view graph](#)



\$0 >

Saudi Arabia/CP

\$0 >


MT Belvieu (US Gulf)

\$334

\$7.5 ^

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)

\$356

\$100.5 ^



\$0 >

LNG Rates

Spot Market
(USD/Day, Weekly Change)

Click rate to view graph

East of Suez 155-165k CBM

\$110,000

\$0 >

West of Suez 155-165k CBM

\$105,000

\$5,000 ^

1 Year T/C 155-165k TFDE

\$101,500

\$0 >

04 Newbuilding

Activity Levels



Slow

Dry Bulk Activity

Slow

Other Activity

Moderate

Prices

VLCC

300'

\$0 >

Suezmax

150'

\$0 >

Aframax

110'

\$0 >

Product

50'

\$0 >



newcastlemax

210'

\$0 >

Kamsarmax

82'

\$0 >

Ultramax

64'

\$0 >

LNGC (MEGI) (cbm)

170'

\$0 >

05

Sale & Purchase

Prices

Dry	5 yr old	10 yr old
Capesize	\$	\$32.5
Kamsarmax	\$32.0	\$23.5



Ultramax	\$28.0	\$22.0
Wet	5 yr old	10 yr old
VLCC	\$94.0	\$72.0
Suezmax	\$71.0	\$56.0
Aframax / LR2	\$61.5	\$49.0

06

Market Brief

Exchange Rates

USD/JPY

146.25

0.98^

USD/NOK

10.58

0.02^

USD/KRW

1,337.3

-2v



EUR/USD

1.09

0 >

Interest Rates

LIBOR USD (6 month)

5.2%

0 >

NIBOR NOK (6 month)

3.12%

0 >

Commodity Prices

Brent Spot

\$84

-\$0.5 ▼

Bunker Prices

Singapore

380 CST

\$566.5

-\$2.5 ▼

MGO



Spread MGO/380 CST

\$325.5

-\$13

Rotterdam

380 CST

\$544

-\$15

MGO

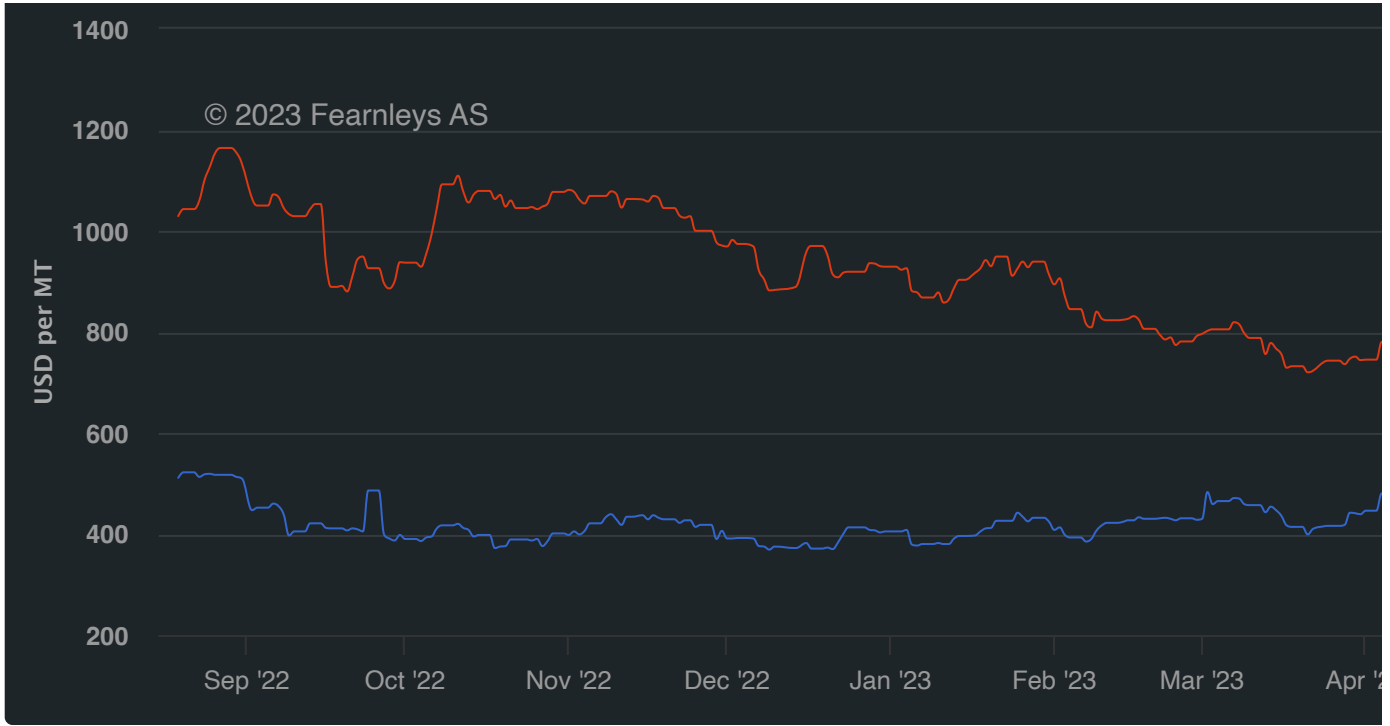
\$899.5

-\$15

Spread MGO/380 CST

\$355.5

\$0



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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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