



Fearnleys Weekly Report

Week 38 - September 20, 2023

info@hellenicshippingnews.com

01 Tankers

VLCC

A week for the owning community to savor. With a tightening position list and charterers looking to cover the start of their October program, MEG rates have ticked up. A solid WS 41 paid to Taiwan early this week shows modern tonnage can push when needed. Next done, pick a number in the WS 40's. Older/disadvantaged tonnage may offer an escape valve, but they are increasingly in short supply, as we have seen ex dd's quickly picked off by those who can. TD3C paper has jumped +10 point for the next few months which will also help sentiment, even if it is people look to go long where they can.

As for the Atlantic, close to USD 8m paid off end October dates USG/China, following on from an early October replacement deal at similar levels. This highlights the tightness of the list for any October dates in the USG, with many vessels that are there wishing to stay West, not willing to see out Q4 at current levels. Many ships on



FOR USG/WC India twice, a little old and a perfect run for a Banri relet. With West Africa/East now at WS 49.5, owners will not have to work hard to build on that.

Suezmax

The global Suezmax market is showing latent signs of potential with West Africa and MEG arguably the most interesting load zones. The MEG list is very tight for 20 ton crane availability (first decade October), which has underpinned rates this week. As we go to print, WS 100 is on subs for a Fujairah/East voyage (1-10/10 window), with no apparent downside, despite the background threat of cannibalization from VLCCs.

In the Atlantic, there is a perception, although possibly misplaced, that a weak USG market will start to weigh down TD20. We're not completely comfortable with this perception as the make-up of the list (7-12 October) in West Africa is not that straightforward and even more pertinent, prompt USG ships are unlikely to ballast across the pond as an active USG VLCC market bodes positively for the weeks ahead.

Aframax

NORTH


It has been quite a sluggish week for Aframax owners trading in the North Sea. Lack of activity has kept rates at bottom levels and the tonnage list is building up. However, some owners might turn their bow towards the Mediterranean as that market looks a bit more interesting. A positive recovery can only be expected once we move into October fixing dates.

MEDITERRANEAN

Tables turned quickly in the Mediterranean earlier this week as charterers kept coming out with end-September inquiries and position list suddenly got tighter. Sentiment is changing and owners are in the mood to push for more and more now. October dates have started kicking in and if activity remains healthy, we will probably see further improvement on the rates.

Rates



 Click rate to view graph

MEG/WEST

24

280'

1 

MEG/Japan

41

280'

3 

MEG/Singapore

42

280'

5 

WAF/FEAST

48.5

260'

6.5 

WAF/USAC

72.5

130'

0 

Sidi Kerir/W Med

75

135'

7.5 

N. Afr/Euromed

100

80'

15 



UK/Cont

80'

92.5

-2.5 ▼

Caribs/USG

70'

85

-10 ▼

1 Year T/C

(USD/Day, Weekly Change)

[Click rate to view graph](#)

VLCC

Modern

\$0 >

Suezmax

Modern

\$37,000

\$1,000 ▲

Aframax

Modern

\$38,500

\$0 >

VLCCs

[Click rate to view graph](#)

Fixed in all areas last week

65

14 ▲

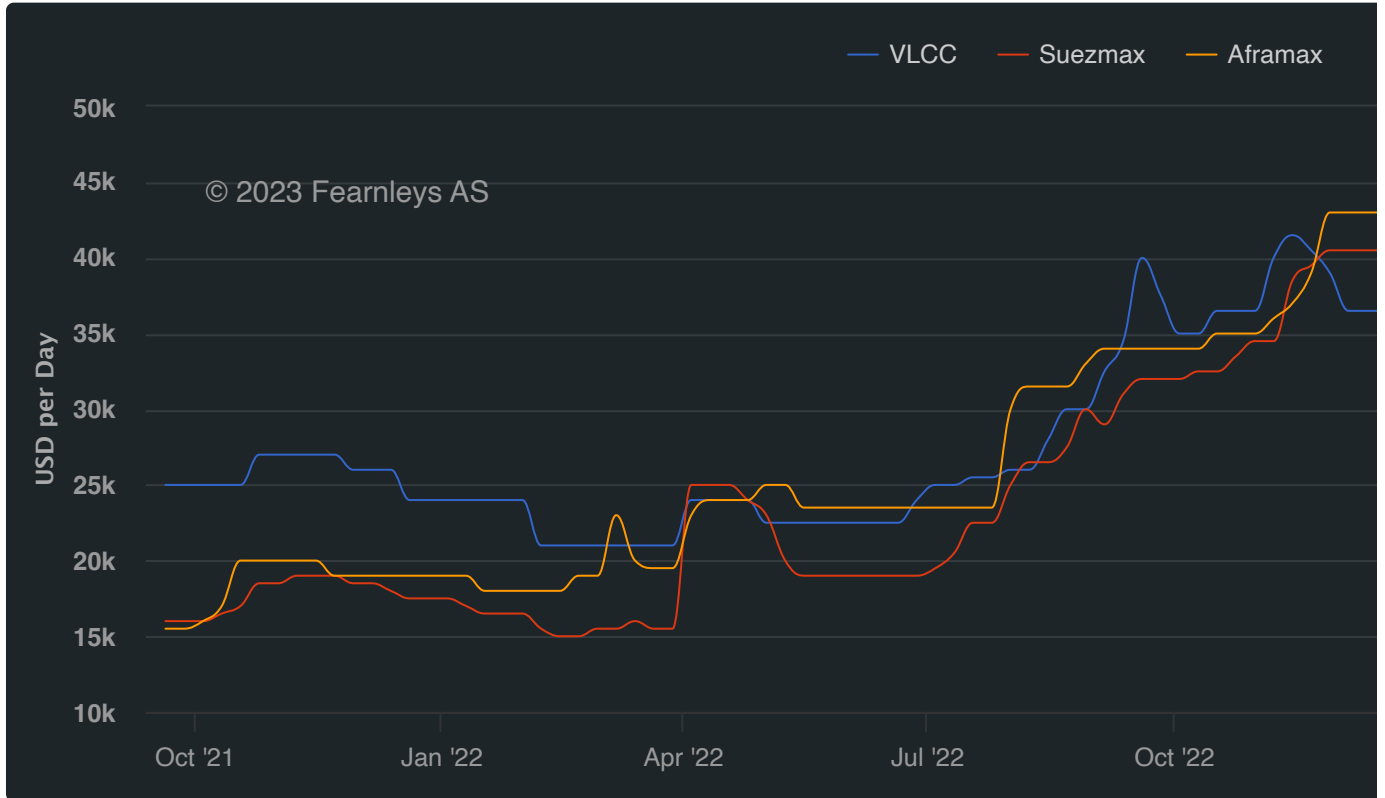


AVAILABLE IN MLC NEXT 30 days

142

-1

1 Year T/C Crude



02 Dry Bulk

Capesize

The week started with healthy volumes for late September-early October C5, East Australia and Pacific business, contributing to a further increase in optimism. Volumes on C5 tapered off mid-week while East Australia remains high. Early October South



started off quiet, but activity level started picked up mid-week for mid-October stems. For West Africa, we see fresh enquiries, but volume remains comparatively lower than other trades. Far East and ballasting tonnage further tightened this week. C5 levels increased substantially from last week, with fixtures concluding at mid USD 9 pmt levels. On C3, discussions are at USD 21 pmt level for end September to early October stems. Fixtures concluded at mid USD 22 pmt for 15th October onwards. On period, we continue to see limited activity with one known fixture of a 171k dwt 2005-build non-scrubber for spread of 4 to 6 months at USD 14,000 per day.

Panamax


The Panamax market is holding strong, driven largely by congestion in Brazil and a solid performance in the Asia sector. Despite stagnant demand in the North Atlantic and mixed results in other areas, firm sentiment and a strong FFA market continue to nudge rates upward. The current outlook remains cautiously optimistic, anchored by sustained activity in the Atlantic and steady demands in late September and early October.

Supramax

Congestion in South America is the highest since early last year, and in Indonesia it is close to all-time highs. Year-to-date highs made in vessels in or heading to the North Atlantic/Europe Continent, and vessels in or heading to the South Atlantic remain close to year-to-date highs. Overall, the market is looking strong. The usual seasonal pattern has not been followed this year, but "on average" the market continues to climb until late October before trending down into year-end.

Rates

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

 [Click rate to view graph](#)

TCE Cont/Far East

\$38,125

\$312 



Australia/China

\$9.47

-\$0.17

Pacific RV

\$16,464

\$1,496

Panamax

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

Click rate to view graph

Transatlantic RV

\$15,400

\$320

TCE Cont/Far East

\$25,659

-\$55

TCE Far East/Cont

\$7,078

\$8

TCE Far East RV

\$14,465

\$72

Supramax

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



Atlantic RV

\$17,591**\$141** ^

Pacific RV

\$11,231**\$475** ^

TCE Cont/Far East

\$24,500**\$408** ^**1 Year T/C**

(USD/Day, Weekly Change)

Click rate to view graph

Newcastlemax

208'

\$19,420**\$970** ^

Kamsarmax

82'

\$14,100**\$300** ^

Ultramax

64'

\$14,250**\$500** ^

Capesize

180'



Panamax
\$12,400

75'
\$50 ^

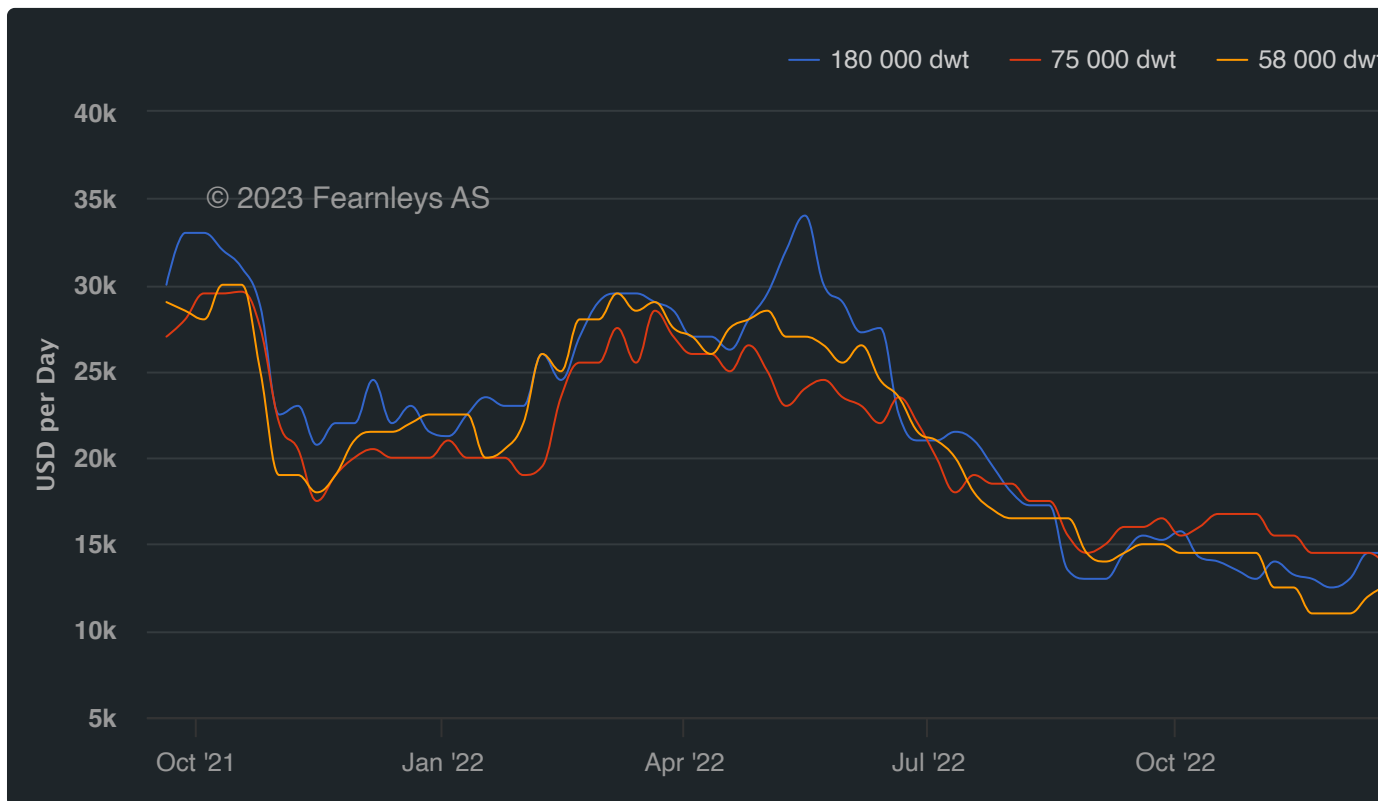
Supramax
\$12,500

58'
\$750 ^

Baltic Dry Index (BDI)
\$1,584

\$58 ^

1 Year T/C Dry Bulk





Chartering

EAST


The first two Indian cargo quotes for October are now covered, both reported at rates close to USD 190s RT-C equivalent. We are at the time of writing seeing a premium in the East of about USD 18, but with signs of a strengthening market also in the West this gap could narrow eventually. The fixing window is set to move fully into second half of October soon as itineraries gradually firms up further into the month.

WEST

The arb continues to support the current freight levels as we see last done fixture in the West concluded at mid-high 220s H/C. As per latest Baltic print, we get a TCE of approximately 130k pd for BLP3, but it's still a discount of about 20k pd compared to BLP1. The vessel supply for 1H November is currently looking very tight, and with several uncovered cargoes out there for 1H November dates in the USG we can expect the western freight rates to continue going upwards.

LPG Rates

Spot Market (USD/Month, Weekly Change)

 [Click rate to view graph](#)

VLGC

\$4,600,000

84'

\$300,000 

LGC

\$2,000,000

60'

\$0 



		30
	\$1,400,000	\$0 >
HDY SR		20-22'
	\$850,000	\$0 >
HDY ETH		17-22'
	\$920,000	\$0 >
ETH		8-12'
	\$530,000	\$0 >
SR		6.5'
		\$0 >
COASTER Asia		
		\$0 >
COASTER Europe		
	\$305,000	\$0 >

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

[Click rate to view graph](#)

**\$505.5****\$0 >**


Saudi Arabia/CP

\$550**\$0 >**

MT Belvieu (US Gulf)

\$382**-\$26 ✓**

Sonatrach/Bethioua

\$530**\$0 >****LPG/FOB Prices (Butane)**
(USD/Tonne, Weekly Change) Click rate to view graph

FOB North Sea/Ansi

\$551.5**\$0 >**

Saudi Arabia/CP

\$560**\$0 >**

MT Belvieu (US Gulf)

\$339**-\$31 ✓**



Sonatrach/Bethioua

\$550

\$0 >

LNG Rates

Spot Market
(USD/Day, Weekly Change)

Click rate to view graph

East of Suez 155-165k CBM

\$200,000

\$20,000 ^

West of Suez 155-165k CBM

\$200,000

\$30,000 ^

1 Year T/C 155-165k TFDE

\$99,000

-\$2,000 v

04 Newbuilding

Activity Levels



Increasing

Dry Bulk Activity

Moderate

Other Activity

Moderate

Prices

VLCC

\$124

300'

\$0 >

Suezmax

\$82

150'

\$0 >

Aframax

\$65

110'

\$0 >

Product

\$44

50'

\$0 >



Newcastlemax	210'
\$66	\$0 >
Kamsarmax	82'
\$36.5	\$0 >
Ultramax	64'
\$34.5	\$0 >
LNGC (MEGI) (cbm)	170'
\$259	\$0 >

05

Sale & Purchase

Prices

Dry	5 yr old	10 yr old
Capesize	\$47.5	\$32.5
Kamsarmax	\$32.0	\$23.5



Ultramax	\$28.0	\$22.0
Wet	5 yr old	10 yr old
VLCC	\$93.5	\$72.0
Suezmax	\$71.0	\$55.5
Aframax / LR2	\$61.5	\$49.0

06

Market Brief

Exchange Rates

USD/JPY

147.67

0.17^

USD/NOK

10.73

-0.12^

USD/KRW

1,326.4

0.4^



EUR/USD

1.07

0 >

Interest Rates

LIBOR USD (6 month)

5.2%

0 >

NIBOR NOK (6 month)

3.12%

0 >

Commodity Prices

Brent Spot

\$94.5

\$0 >

Bunker Prices

Singapore

380 CST

\$538.5

-\$10.5 ✓

MGO



Spread MGO/380 CST

\$413.5

-\$6

Rotterdam

380 CST

\$600

-\$12

MGO

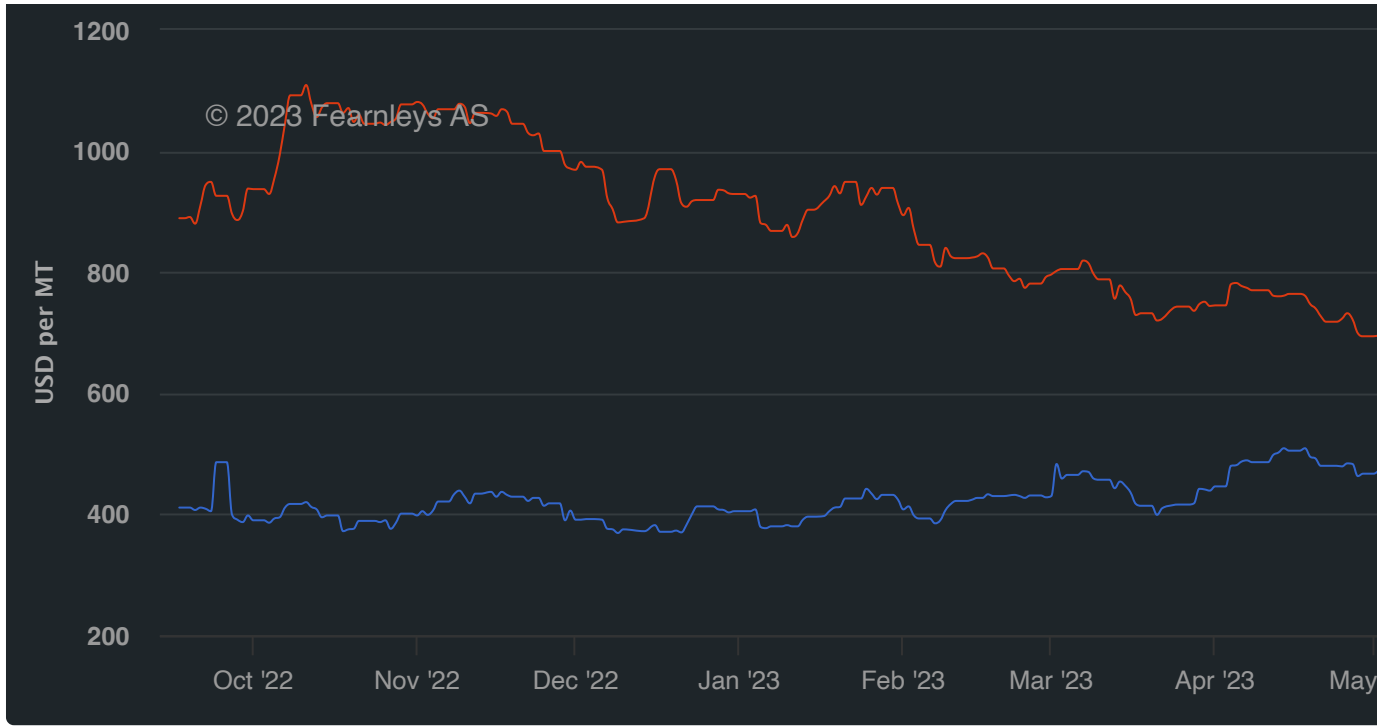
\$965.5

-\$10

Spread MGO/380 CST

\$365.5

\$2



Week 38 - September 20, 2023

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](#)



An Astrup Fearnley Company

© 2023 Fearnleys AS