



Fearnleys Weekly Report

Week 39 - September 27, 2023

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01 Tankers

VLCC

It is far from a full swing in sentiment this week for the VLCCs, but perhaps a halt in further upticks, as the market appears to have taken a breather. Not to say that alarm bells are ringing in owner's offices, but at or around last done levels now seems more probable than any further upward trajectory short term in the MEG. Owners holding the line north of WS 50 for regular TD3C, but for every quiet day (at least on the surface), a little more could be chipped off.

The Atlantic is looking a bit more wanting however. The WTI-Dubai discount is under pressure with a backwardated forward curve. More than a couple of USG load fixtures failed yesterday and there are 9 committed ballasters to the Cape of Good Hope, all from different owners. The hope is for West Africa and Brazil to pick up the slack.

Suezmax



hovering around the WS 100 mark. TD23 has thus far been insulated from these movements as owners look to reposition West with this run pricing about WS 55-60.

There's a flat feel in the Atlantic basin with TD20 stable at WS 67.5 and USG/TA repeating WS 45.

Bad weather and shorter nights are yet to impact the Black Sea with TD6 charterers benefiting from of an armada of ships opening up in the Mediterranean (off the back of TD23 voyages). This will keep TD6 pinned down at WS 72.5 for the balance of the week.

Aframax

It has been yet another quiet week for Aframax Owners trading in the North Sea. Lack of activity still keep rates at bottom levels. Some Owners have ballasted away from the area to seek better opportunities elsewhere. We can only expect a recovery in rates once activity picks up. The past week proved to be a bit more interesting in the Mediterranean, and rates ticked up on the back of increased activity. However, sentiment is now changing and there is a softer feeling to the market. Although, the cap on the Med Aframax market from the Suezmaxes has become so ever apparent, the natural Aframax tonnage is still relatively tight in the region. The backlog of traffic in Trieste and the consistency of volume will be two key factors in keeping the pressure on current levels. The limits been put on rates in this region have caused concerns for Owners, but we cannot see rates falling significantly much below where we are now going forward.

Rates

Dirty
(Spot WS 2023, Daily Change)

[Click rate to view graph](#)

MEG/WEST	280'
27	3^



51

280
10^

MEG/Singapore

52

280'
10^

WAF/FEAST

52.5

260'
4^

WAF/USAC

65

130'
-7.5v

Sidi Kerir/W Med

72.5

135'
-2.5v

N. Afr/Euromed

105

80'
5^

UK/Cont

92.5

80'
0 >

Caribs/USG

70'



1 Year T/C
(USD/Day, Weekly Change)

[Click rate to view graph](#)

VLCC

\$36,000

Modern

\$0 >

Suezmax

\$37,000

Modern

\$0 >

Aframax

\$37,500

Modern

\$0 >

VLCCs

[Click rate to view graph](#)

Fixed in all areas last week

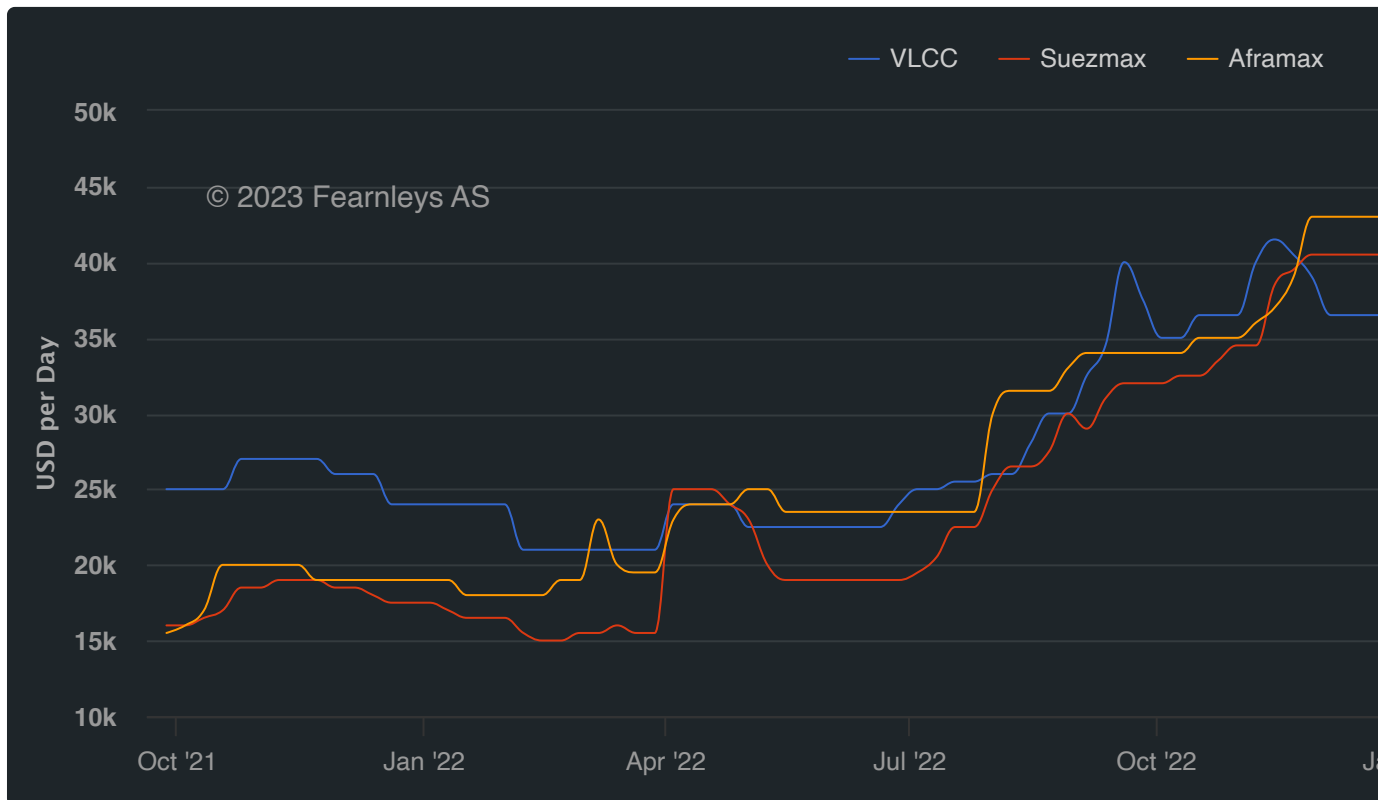
44

-21

Available in MEG next 30 days

147

5



02

Dry Bulk

Capesize

The week started with a moderate level for early-mid October C5 cargo. Volumes remain healthy on East Australia and Pacific. Moving into mid-week, South Africa and India volumes are flat. On C3 ex Brazil to China, volume is healthy. Volumes for West Africa has improved from previous weeks as we see several fresh enquiries for late October-early November stems. Far East tonnage remain tight. Number of ballasters dwindled further from last week. On C5, fixtures concluded higher at high USD 9 pmt to low USD 10 pmt levels. On C3, we see fixtures concluding at mid to high USD 23 pmt levels for 15th October onwards. On period, we continue to see limited activity



Panamax

The Panamax market remains robust with firming rates in the Atlantic despite recent highs and a mild increase in South ex East Coast South America rates. Asia maintains a neutral stance with older vessels seeing more traction, especially ex Indonesia. While the Atlantic experiences a surge in grains and minerals activity, the Pacific market shows signs of deceleration. Market indicators hinted at potential weakening, yet the coal and iron ore sectors are seeing increased activity. With the upcoming mid-Autumn festival holidays in Asia and the long holiday in China, an active week is expected, albeit with caution in interpreting market trends.


Supramax

Negative sentiment is present across both basins. In Asian markets in view of the upcoming Golden Week, the demand for prompt tonnage in Asia decreased level flattened out. After a period of strong positive sentiment in the Atlantic, rates started to soften, and premiums for the larger Ultramax units were said to have seen significant drops. In the US Gulf, cargo availability for transatlantic and front haul were both said to have declined leading to charterers reducing ideas.

In the Atlantic, Supramaxes is fixing levels of around USD 25,000 for FH from the Continent and Mediterranean to the Far East. From USG we see a wide range and significant gap between bids and offers that vary anything from low USD 20,000 to high USD 20,000. In ECSA, Ultra is rumored fixed USD 16,000 plus USD 600,000 GBB with grain cargo to Singapore-Japan. We expect the market to be quieter next week with sideways development.

Rates

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

 [Click rate to view graph](#)

TCE Cont/Far East



Australia/China

\$0

\$0 >

Pacific RV

\$16,464

\$1,496 ^

Panamax

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

Click rate to view graph

Transatlantic RV

\$17,240

\$775 ^

TCE Cont/Far East

\$25,959

\$182 ^

TCE Far East/Cont

\$6,498

-\$140 v

TCE Far East RV

\$13,150

-\$258 v



[Click rate to view graph](#)

Atlantic RV

\$8,727

-\$80

Pacific RV

\$11,056

-\$375

TCE Cont/Far East

\$25,592

-\$28

1 Year T/C

(USD/Day, Weekly Change)

[Click rate to view graph](#)

Newcastlemax

\$19,500

208'

\$80

Kamsarmax

\$14,000

82'

-\$100

Ultramax

\$14,000

64'

-\$250



Capesize

180'

\$15,500

\$80 ^

Panamax

75'

\$12,400

\$0 >

Supramax

58'

\$12,000

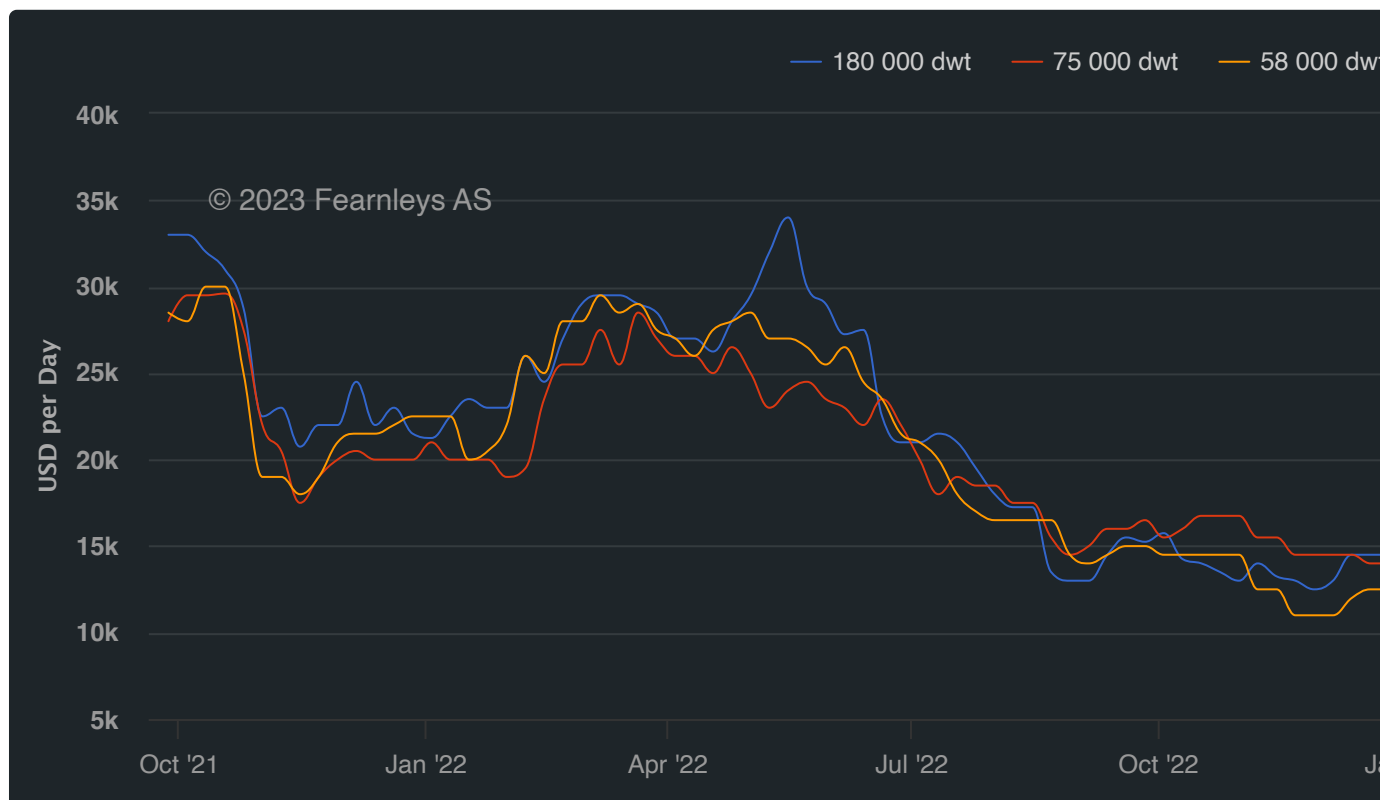
-\$500 v

Baltic Dry Index (BDI)

\$0

\$0 >

1 Year T/C Dry Bulk





Chartering

EAST

Freight assessments, especially in the East where the end of October position list is getting a bit longer every day, are coming down sharply. One India cargo that some were expecting to come out for end of the month dates now seems to be covered internally and it would be optimistic to expect anything more than 4-5 cargoes to be uncovered for the remaining of October. As such the market is looking long and sentiment has in short time gone from super bull to rather bearish. This should naturally draw the fixing window closer, which coupled with the upcoming Autumn Festival in China, could mean we won't see much spot action for the next 7-10 days or so unless some owners are willing to do significantly lower levels than of last done.

WEST

We have seen a couple more trader relets appearing on the western position list and with the arb narrowing a bit lately we have seen the BLP3 index drop a bit so far this week. Despite a few additions on the list the vessel supply is still looking relatively tight showing 1 vessel left end October, 1 open position in the first decade of November and 5-6 vessels in the second decade. At the time of writing, we count 8 spot fixtures for November ex USG/USEC – 4 first decade and 4 second decade. Last done at 250 H/C and 150 H/F.

LPG Rates

Spot Market (USD/Month, Weekly Change)

[Click rate to view graph](#)

VLGC

\$4,900,000

84'

-\$300,000 ✓



\$2,000,000

00
\$0 >

MGC

\$1,500,000

38'

\$100,000 ^

HDY SR

\$850,000

20-22'

\$0 >

HDY ETH

\$920,000

17-22'

\$0 >

ETH

\$530,000

8-12'

\$0 >

SR

\$460,000

6.5'

\$0 >

COASTER Asia

\$280,000

\$0 >

COASTER Europe



LPG/FOB Prices (Propane)

(USD/Tonne, Weekly Change)

Click rate to view graph

FOB North Sea/Ansi

\$505.5

\$0 >

Saudi Arabia/CP

\$550

\$0 >

MT Belvieu (US Gulf)

\$368

-\$14 ✓

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



MT Belvieu (US Gulf)

\$333

-\$6 ✓

Sonatrach/Bethioua

\$550

\$0 >

LNG Rates

Spot Market

(USD/Day, Weekly Change)

[Click rate to view graph](#)

East of Suez 155-165k CBM

\$192,500

-\$7,500 ✓

West of Suez 155-165k CBM

\$200,000

\$0 >

1 Year T/C 155-165k TFDE

\$96,000

-\$3,000 ✓



Newbuilding

Activity Levels

Tank Activity

Increasing

Dry Bulk Activity

Moderate

Other Activity

Moderate

Prices

VLCC

300'

\$124

\$0 >

Suezmax

150'

\$82

\$0 >

Aframax

110'



Product	50'
\$44	\$0 >
Newcastlemax	210'
\$66	\$0 >
Kamsarmax	82'
\$36.5	\$0 >
Ultramax	64'
\$34.5	\$0 >
LNGC (MEGI) (cbm)	170'
\$260	\$1 ^

05 Sale & Purchase



Dry	5 yr old	10 yr old
Capesize	\$47.5	\$33.0
Kamsarmax	\$32.5	\$23.0
Ultramax	\$28.0	\$22.0

Wet	5 yr old	10 yr old
VLCC	\$94.5	\$74.5
Suezmax	\$71.0	\$56.0
Aframax / LR2	\$61.5	\$49.0

06 Market Brief

Exchange Rates

USD/JPY	0	0 >
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USD/NOK	0	0 >
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USD/KRW

0

0 >

EUR/USD

0

0 >

Interest Rates

LIBOR USD (6 month)

5.2%

0 >

NIBOR NOK (6 month)

3.12%

0 >

Commodity Prices

Brent Spot

\$0

\$0 >

Bunker Prices

Singapore



\$0

\$0 >

MGO

\$929.5

-\$25 ✓

Spread MGO/380 CST

\$0

\$0 >

Rotterdam

380 CST

\$586

-\$3 ✓

MGO

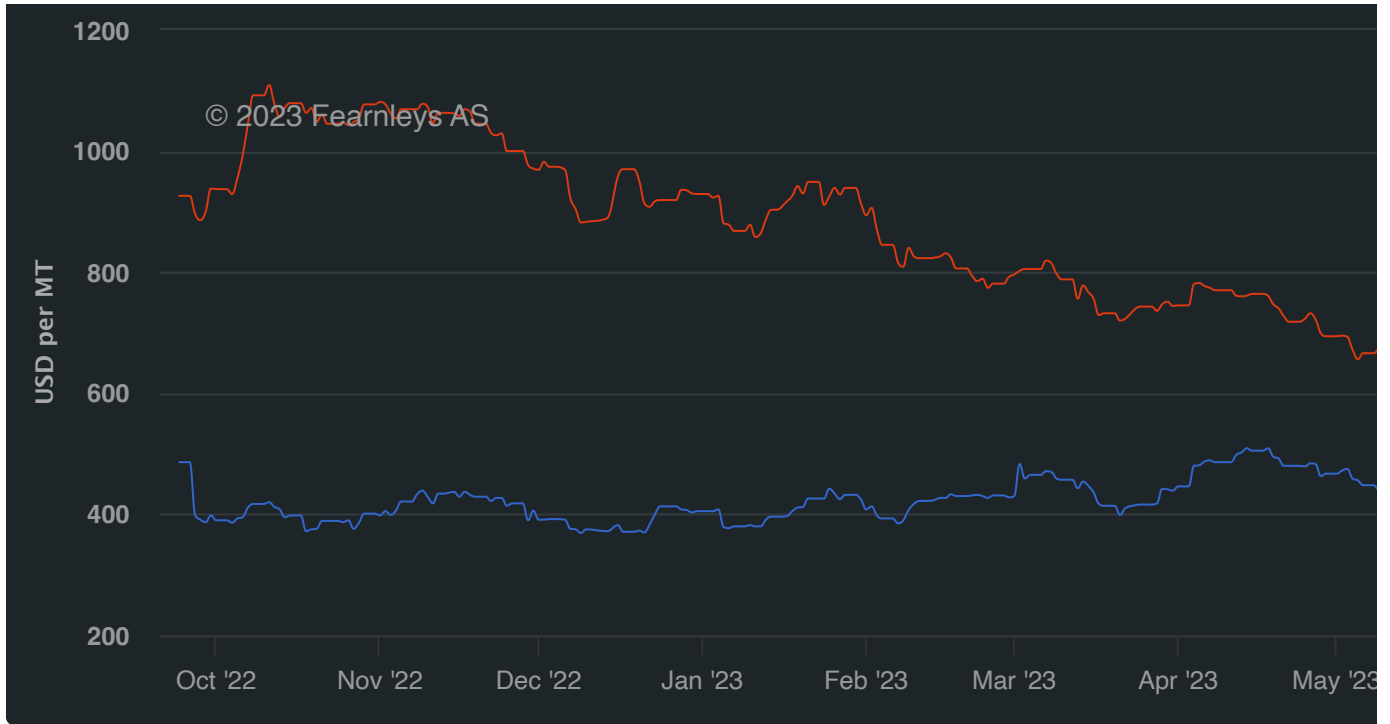
\$935

-\$35 ✓

Spread MGO/380 CST

\$349

-\$32 ✓



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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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