



Fearnleys Weekly Report

Week 44 - November 1, 2023

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01 Tankers

VLCC

A busy few days in all areas. Last week, the MEG market jumped 10-15 WS points and the past few days owners have not only held those gains and been able to push for a few additional points up through the WS 70's. At present WS 69 done on a Vietnam run (freighting 3ish points better than a TD3C) and with TD3 paper currently at 67.5-70 (buy/sell) for November, shows many feel we finding a level.

The Atlantic was a little toppy yesterday and we saw a correction USG/East down to USD 10.2m USG/East (albeit a relet). The list is lengthy, with 10 ballasters heading Cape, BUT... with Dubai on the horizon (we all know what can happen there) and we've seen only 4 deals done so far ex USG in December (usually there are around 40 a month), there is plenty of oil to come. This time last year we had the USG frenzy up to USD 15m paid USG/East, and a repeat of such remains unlikely, but owners likely be



from the smaller sizes.

Suezmax

The global Suezmax market is well into winter mode with the Atlantic market exhibiting all the signs of volatility. During the last few weeks, West Africa has found it impossible to benchmark itself with rates failing to settle on a particular number. As of going to print, last done Angola/UKCM priced WS 162.5, with TD20 likely to trade closer to WS 170 with the fixing window focused on 20-25 November.

In the East, Basrah/UKC has just been booked at WS 90 which is the highest rate we have seen thus far for Q4, whilst MEG/China needs a test on modern but unlikely to be below WS 130's.

Aframax

NORTH

The North Sea Aframax market has been generally slow this week with rate levels taking a slight dip. Stem dates pushing into 2nd decade November, and with surrounding areas still showing strength we will see more vessels ballasting out keeping positions on the tighter side. This will be off set with vessels arriving from US, although weather causing some delays, and we may just see these vessels head straight back out of the area.

MEDITERRANEAN

Aframax trading in the Mediterranean have seen a significant rate increase week on week. Owners remain bullish in their approach and there is not much to sedate their appetite. With prompter vessels in the Mediterranean coming up short, rates can only remain steady/firmer off earlier dates. However, any firming going forward one would think might be incremental as tonnage seems more balanced off a window of around 15-20 dates. Itineraries can be problematic now with the winter weather delays in the straits now reported at 5 days.

Rates

Dirty
(Spot WS 2023, Daily Change)



MEG/WEST

40

280'

9

MEG/Japan

280'

0

MEG/Singapore

74

280'

20

WAF/FEAST

75

260'

18.5

WAF/USAC

162.5

130'

25

Sidi Kerir/W Med

155

135'

22.5

N. Afr/Euromed

250

80'

0



200

 00
 -10▼

Caribs/USG

300

 70'
 55▲

1 Year T/C

(USD/Day, Weekly Change)

Click rate to view graph

VLCC

\$38,500

 Modern
 \$1,000▲

Suezmax

\$40,000

 Modern
 \$1,500▲

Aframax

 Modern
 \$0 >

VLCCs

Click rate to view graph

Fixed in all areas last week

84

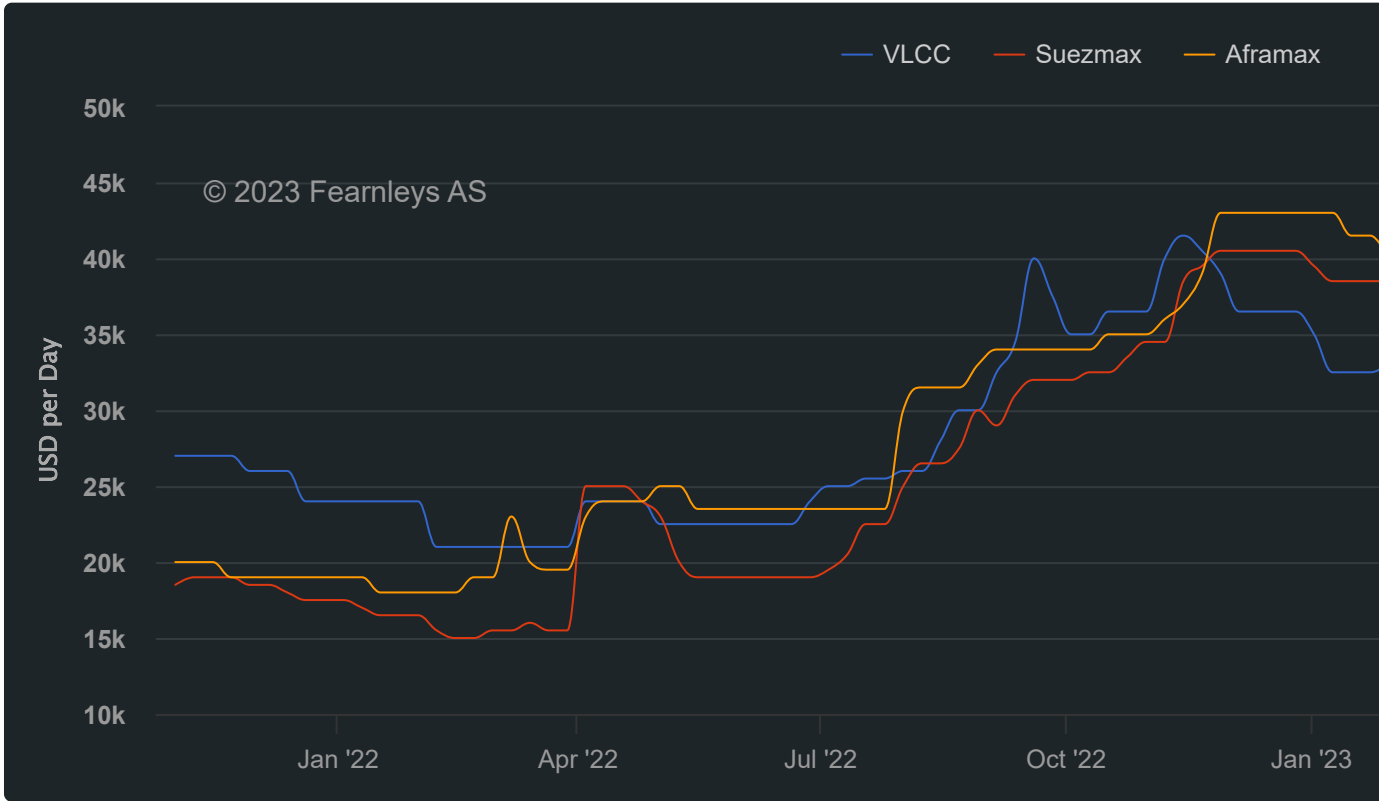
40▲



139

-24▼

1 Year T/C Crude



02 Dry Bulk

Capesize

We see scarce volume for mid November C5, East Australia, South Africa, West Africa, and Indian business. On C3 ex Brazil to China, large majority of November stems seem to be covered. Miners and operators are out in market with late November and



bright side, we see several fresh stems and enquiries in the Atlantic. On a whole, market optimism has further diminished from last week. Far East tonnage is abundant with a substantial number of owners opting to ballast, leading to further increase in ballaster count. On C5, fixtures concluded at mid USD 8 pmt levels. On C3, fixtures concluded at high USD 20 to low USD 21 pmt levels.

Panamax

The Panamax market is facing a downturn due to a lack of demand and increasing vessel supply, particularly in the Atlantic, with cargo volumes low and rates falling. In the Pacific, activity is subdued, with charterers bidding low and owners hesitant to accept, leading to a quiet market. Coal supply issues in Indonesia persist; China's demand is low, but India's demand remains strong. The Baltic Panamax Index (BPI), which fell -10,2% week-to-week, suggests overvaluation with a potential further decline due to low volume and rising tonnage counts. Overall, the market sentiment is gloomy, with an immediate need for fresh orders to stabilize the market.


Supramax

This week Supramax market is heading in the same direction as in previous weeks. The Baltic index is accelerating downward purely due to a lack of volume and growing tonnage counts in the loading areas. USG and ECSA still keeping momentum however rates seem softening. TA trip from USG is getting fixed close to USD 20,000 pd, while trips to Singapore-Japan direction still able to obtain close to high USD 20,000 pd. Demand in the Pacific is reduced and we see owners accepting very low USD 10,000 pd for Indonesian coal or Nopac grains. There are slightly better rates fixed from South East Asia direction India-MEG though little fixtures surfaced. We expect a further decline to be evident this week.

Rates

Capesize

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

 [Click rate to view graph](#)

TCE Cont/Far East



Australia/China

\$8.18

-\$0.29▼


Pacific RV

\$16,464

\$1,496▲

Panamax

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

 [Click rate to view graph](#)

Transatlantic RV

\$14,280

-\$475▼

TCE Cont/Far East

\$21,973

-\$350▼

TCE Far East/Cont

\$4,923


-\$102▼

TCE Far East RV

\$12,017

-\$221▼



 [Click rate to view graph](#)

Atlantic RV

\$17,182

\$180 

Pacific RV

\$8,531

-\$125 


TCE Cont/Far East

\$20,667

-\$504 

1 Year T/C

(USD/Day, Weekly Change)

 [Click rate to view graph](#)

Newcastlemax

\$17,500

208'

-\$1,500 

Kamsarmax

\$13,245

82'

-\$155 

Ultramax

\$12,750

64'

-\$750 



Capesize	180'
\$13,500	-\$1,500 ✓

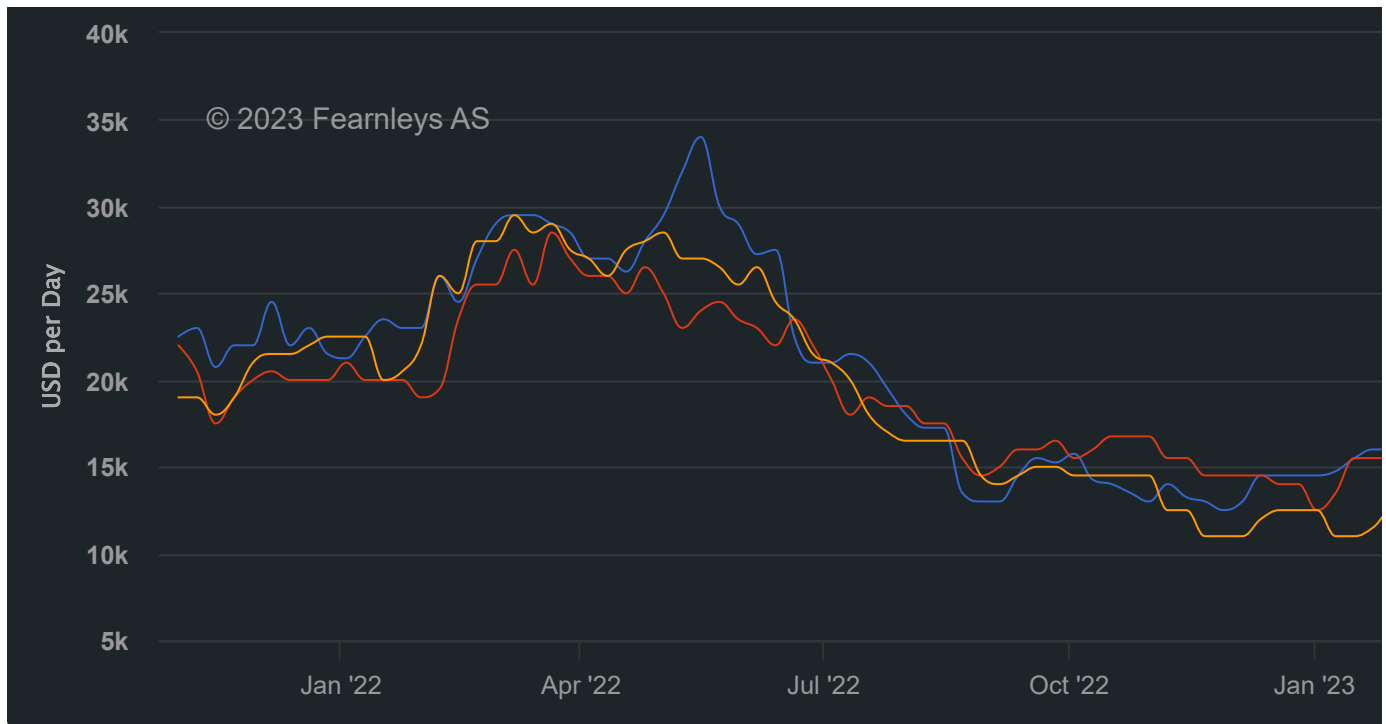
Panamax	75'
	\$0 >

Supramax	58'
\$10,750	-\$250 ✓

Handysize	38'
\$10,250	-\$250 ✓

Baltic Dry Index (BDI)	
\$1,401	-\$58 ✓

1 Year T/C Dry Bulk



03

Gas

Chartering

EAST

The East market has been a bit slow so far, except a spot fixture on late November dates ex MEG. At the time of writing, we are still counting only 16 spot fixtures for the whole November ex MEG and Yanbu, so it wouldn't be too optimistic to expect a few more cargoes hitting the market for November dates. The position list so far looks balanced for the remainder of November, but it could change quickly if early December ex MEG also kicks off. The widening arbitrage out of US may attract more vessels towards the West as well which again could give strength to the East market.

WEST



in the Panama Canal be reduced from 25 to 18. With this recent news the market reacted with the arb widening approximately 50 dollars and freight jumped over 25 dollars from last done at high 190s H/C. One player recently paid 2.85m for southbound transit in the Neo-canal. Bullish Sentiment.

LPG Rates

Spot Market (USD/Month, Weekly Change)

Click rate to view graph

VLGC	84'
\$3,900,000	\$400,000

LGC	60'
\$2,000,000	\$0

MGC	38'
\$1,450,000	\$50,000

HDY SR	20-22'
\$875,000	\$0

HDY ETH	17-22'
	\$0



\$550,000

0-12

\$0 >

SR

\$470,000

6.5'

\$0 >

COASTER Asia

\$280,000


\$0 >

COASTER Europe

\$310,000

\$10,000 ^

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

 Click rate to view graph

FOB North Sea/Ansi

\$536.5

\$0 >

Saudi Arabia/CP

\$600

\$0 >

MT Belvieu (US Gulf)

\$342.5

\$1.5 ^



Sonatrach/Bethioua

\$0 >

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

[Click rate to view graph](#)

FOB North Sea/Ansi

\$559.5

\$0 >

Saudi Arabia/CP

\$0 >

MT Belvieu (US Gulf)

\$361

\$15 ^

Sonatrach/Bethioua

\$570

\$0 >

LNG Rates

Spot Market (USD/Day, Weekly Change)

[Click rate to view graph](#)

East of Suez 155-165k CBM



West of Suez 155-165k CBM

\$165,000

\$20,000

1 Year T/C 155-165k TFDE

\$0

04 Newbuilding

Activity Levels

Tank Activity

Increasing

Dry Bulk Activity

Moderate

Other Activity



Prices

VLCC	300'
\$124	\$0 >

Suezmax	150'
\$82	\$0 >

Aframax	110'
\$65	\$0 >

Product	50'
\$44	\$0 >

Newcastlemax	210'
\$66	\$0 >

Kamsarmax	82'
\$36	\$0 >

Ultramax	64'
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LNGC (MEGI) (cbm)

170'

\$260

\$0 >

Q5

Sale & Purchase

Prices

Dry	5 yr old	10 yr old
Capesize	\$47.5	\$33.0
Kamsarmax	\$32.5	\$23.0
Ultramax	\$29.0	\$23.0
Handysize	\$25.0	\$18.0

Wet	5 yr old	10 yr old
VLCC	\$96.0	\$75.5
Suezmax	\$77.0	\$61.0
Aframax / LR2	\$65.5	\$55.0



Market Brief

Exchange Rates

USD/JPY

149.45

-0.35▼

USD/NOK

11.18

0.06▲

USD/KRW

1,356.1

8.2▲

EUR/USD

1.06

0>

Interest Rates

LIBOR USD (6 month)

5.2%

0>

NIBOR NOK (6 month)



Commodity Prices

Brent Spot

\$87.5

\$0 >

Bunker Prices

Singapore

380 CST

\$472

\$3.5 ^

MGO

\$853

-\$8 v

Spread MGO/380 CST

\$381

-\$11.5 v

Rotterdam

380 CST

\$524.5

-\$3 v



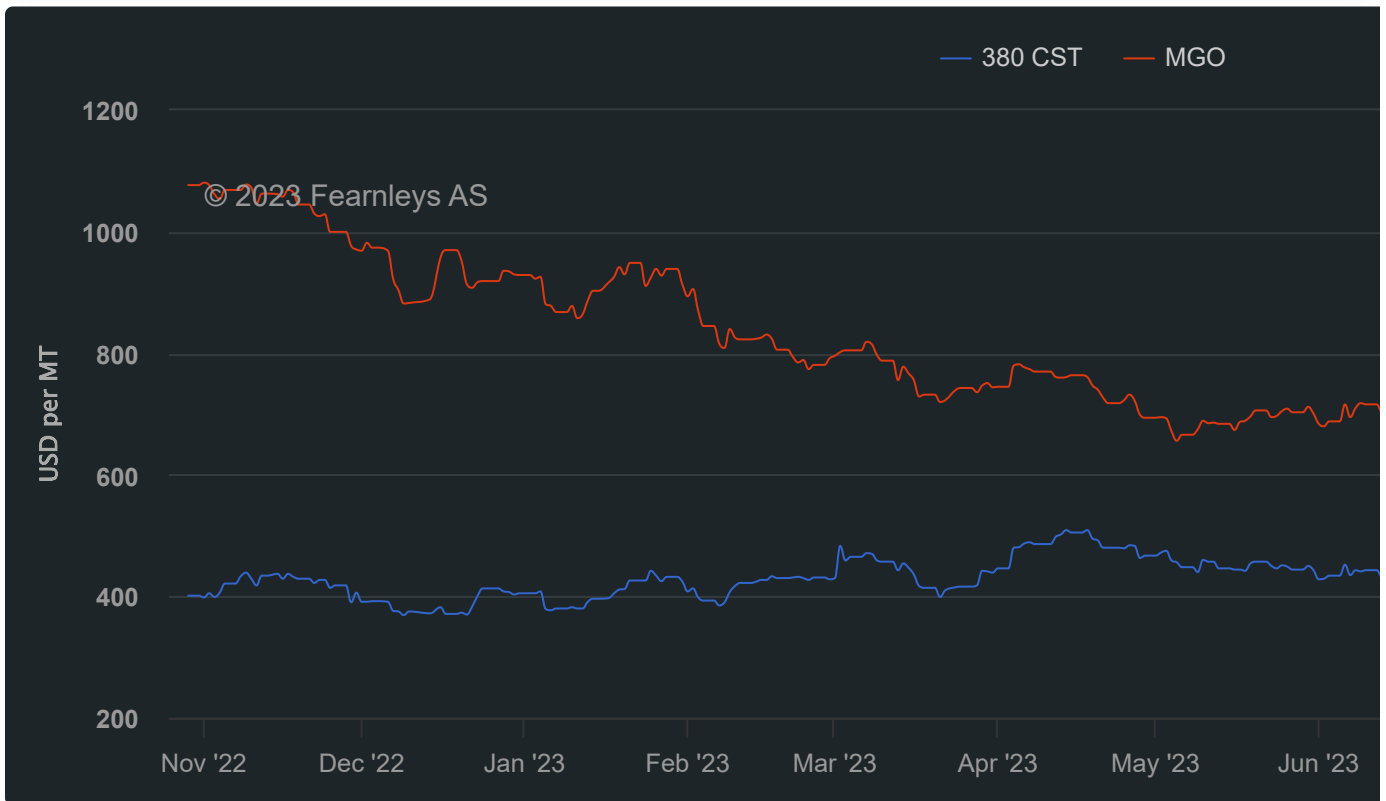
\$852.5

-\$8.5▼

Spread MGO/380 CST

\$328

-\$5.5▼



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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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