



Fearnleys Weekly Report

Week 50 - December 13, 2023

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01 Tankers

VLCC

One could argue this week has been a bit of a fire sale. Looking at the Atlantic, owners consistently fixing below last done, despite plenty of volume. Lists don't lie and due to a few weeks of quiet in the region, tonnage has built, leaving owners little choice but to aggressively compete. Rates for USG/Ningbo drifting from USD 9.5m last week to present rates at around the USD 8m level. One could argue there is also a desire for both owners and charterers to clear their desks before the Christmas period.

As for the Middle East liftings, we have seen rates drift from the mid WS 60's to current levels of 10 points less. Still, TCE's remain very respectable across the board, so it's all relative. At present, we sit in the gap between December and January (with a few charterers already dipping their toes in to the new year) so owners will hope for



a little more pain before the tide turns.

Suezmax

The East Suezmax market remains remarkably resilient to quiet periods and almost none reactive to busier ones (relatively speaking). That possibly defines it as steady with most participants happy to go with the flow on both sides of the phone. MEG/East modern trades WS 115-120 and TD23 is maximum WS 65-67.5.

In the West, there doesn't appear to be a solid support mechanism with a degree of softening likely to occur this side of the weekend. One could argue that with the USG/East arb' being wide open, Suezmax's will definitely be dragged into the lightening fray, but we don't feel this will be in sufficient volumes to significantly move the dial.

In isolation, West Africa (TD 20) doesn't really offer many positives. The list is lengthy and dates will shortly move into early January, with a number of ships on the cusp of missing the natural fixing window. Eni has just quoted Bonga/Mediterranean 28-29/12 and all will soon be revealed. Freightling this run mid/high WS 90's.

Aframax

NORTH

A very quiet week so far in the North Sea Aframax market. This is mainly due to the bigger sizes taking a fair share of the December volumes away and also too many available relets being programmed for own cargoes. Some cargoes being worked under the radar or being worked on forward dates. Despite this coupled with some owners looking to ballast to the USG, we still need more activity to put upward pressure on rates.

MEDITERRANEAN

Despite some premium inclined vessels ballasting out of the Mediterranean, tonnage remains sufficient for the time being, as dates begin to move forward. Suezmax have absorbed a significant amount of Ceyhan bbls for December and as a result Afra's look to seek out alternatives. Rates feel bottomy in the Mediterranean though with continued ballasters a burst in activity could turn the tide.



Dirty

(Spot WS 2023, Daily Change)

Click rate to view graph

MEG/WEST

32.5

280'

-2.5▼

MEG/Japan

57

280'

-9▼

MEG/Singapore

58

280'

-9▼

WAF/FEAST

58

260'

-9▼

WAF/USAC

95

130'

-5▼

Sidi Kerir/W Med

110

135'

-5▼

N. Afr/Euromed

80'



UK/Cont	80'
137.5	-5

Caribs/USG	70'
125	-40

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

[Click rate to view graph](#)

VLCC	Modern
\$38,500	\$0

Suezmax	Modern
\$42,500	\$0

Aframax	Modern
\$39,000	\$0

VLCCs

[Click rate to view graph](#)

Fixed in all areas last week

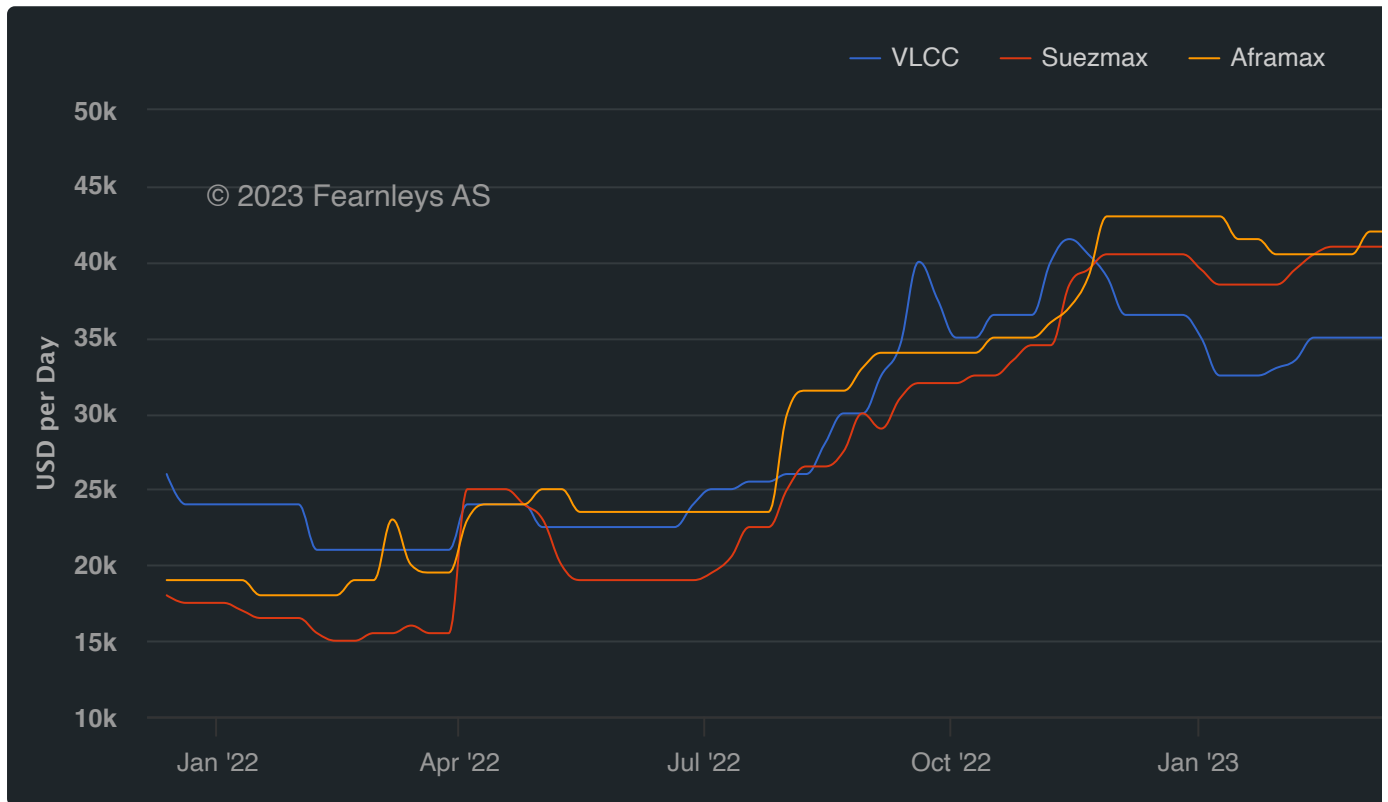


Available in MEG next 30 days

175

28^

1 Year T/C Crude



02 Dry Bulk

Capesize



December dates. On the East Australia coal and Pacific front, volumes have dampened from last week. On South Africa and Indian business, we see several fresh enquiries for late December to mid-January 2024. On C3 ex Brazil to China and West Africa, we see enquiries for full January. Far East tonnage is relatively tight. Ballasting tonnage has lengthened slightly and weighs heavily on early to mid-January dates. On C5, activity level has generally ticked upwards with fixtures concluding at low to mid USD 14 levels at start of the week to low to mid USD 13 levels by mid-week. On C3, we see resistance between offers and bids with conclusions at high USD 23 to low USD 24 levels for mid-January.

Panamax

The Panamax market is experiencing diverse trends. In the North Atlantic, a surplus of vessels has led to a softer market, giving charterers the upper hand to negotiate lower rates and favorable terms. This scenario contrasts with the South Atlantic, which is performing well due to increased activity and higher rates driven by regional demands. In Asia, the market is mixed with pressures on Indonesian coal routes, yet there's potential for growth in the southern regions. Overall, the market is cautious, shaped by regional disparities in supply and demand.

Supramax

Strong Atlantic market keeps positive trend though the number of ballaster continues to increase. Fronthaul in USG on Ultra was fixed for a trip to India with Petcoke above USD 60,000 pd and about USD 50,000 pd for clean cargo to the Far East with a long duration. Trips across the Atlantic were paying in the region USD 50,000 pd for the trip with coal to Continent and low USD 30,000 pd for grain cargoes with longer duration. All other markets in the Atlantic, including ECSA, Black Sea, and Continent, have good demand, and rates are firm. Fronthaul on Ultramax delivery Brazil was fixed at USD 17,500 pd + 750,000 GBB to China. In Far East, though, we had a very short life of a good market before it started to soften again. Rates fall by USD 2,000-3,000 pd on most of the Pacific routes. Nopac RV with grain was fixed at USD 13,000 compared to the fixture, which was reported a week ago at USD 17,000. The same Indonesia-China RV is now fixed at USD 10,000 pd compared to USD 13,000 pd from last week.



Capesize

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

[Click rate to view graph](#)

TCE Cont/Far East

\$38,125

\$312

Australia/China

\$13.69

-\$0.77

Pacific RV

\$16,464

\$1,496

Panamax

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

[Click rate to view graph](#)

Transatlantic RV

\$22,975

-\$1,365

TCE Cont/Far East

\$26,677

-\$409

TCE Far East/Cont



TCE Far East RV

\$14,373

-\$275

Supramax

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

[Click rate to view graph](#)

Atlantic RV

\$28,321

-\$292

Pacific RV

\$9,738

-\$268

TCE Cont/Far East

\$26,954

-\$179

1 Year T/C

(USD/Day, Weekly Change)

[Click rate to view graph](#)

Newcastlemax

\$22,100

208'

\$500

Kamsarmax

82'



Ultramax	64'
\$14,500	-\$1,000 ▼

Capesize	180'
\$18,100	\$500 ▲

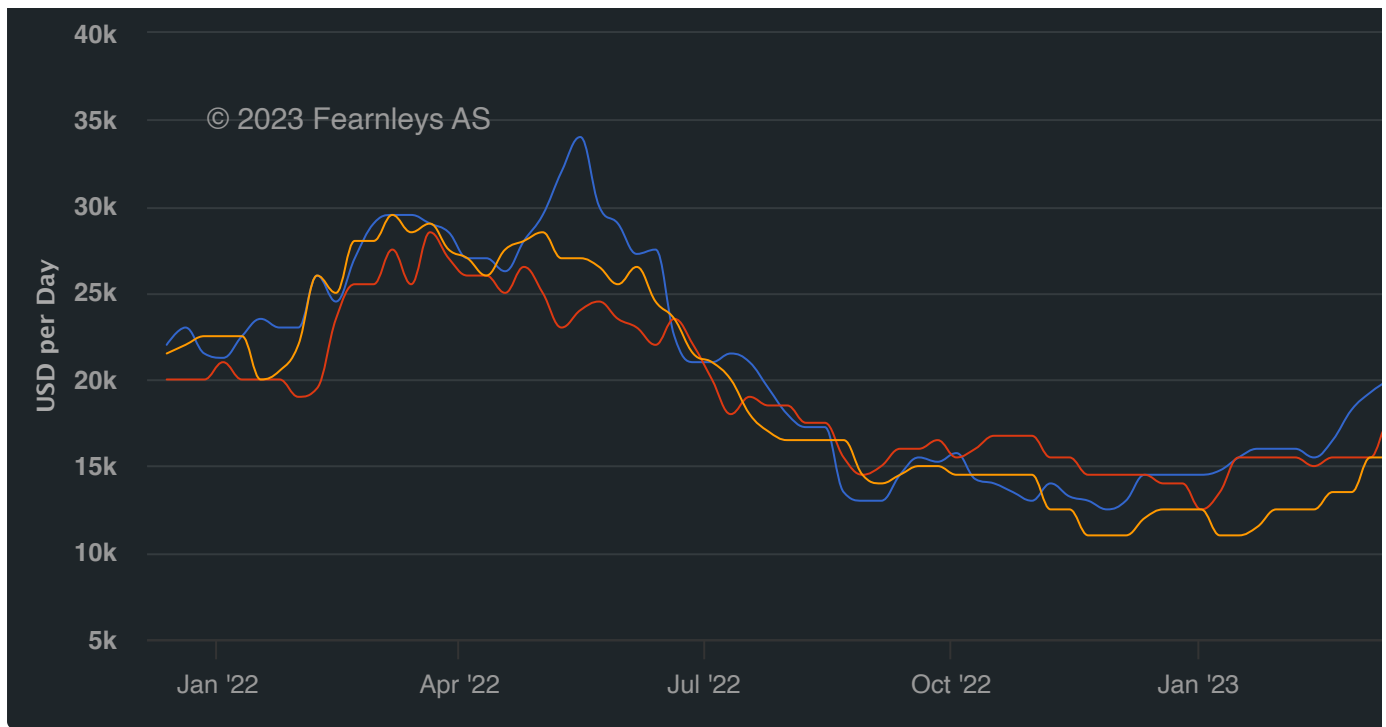
Panamax	75'
\$14,500	\$300 ▲

Supramax	58'
\$12,750	-\$250 ▼

Handysize	38'
\$11,000	-\$1,000 ▼

Baltic Dry Index (BDI)	
\$2,438	-\$113 ▼

1 Year T/C Dry Bulk



03

Gas

Chartering

EAST

A welcoming uptick in activity has cleared out some length in the East but it has failed to hinder freight rates from dropping. Indian spot fixtures so far on December dates stands at 5, which is in line with latest monthly averages, so we are not too optimistic in seeing additional volume coming from Indians on December dates. Overall we count 18 spot fixtures ex Middle East ports against a y-o-y average at around 22 and one could argue there might be room for some more to come before we shift focus onto January, but it seems and feels like we are more or less done with December laycans in the East now.



Fixing activity in the west has now picked up seeing a handful of spot deals concluded the last couple days with last done at around 250 H/C v Suez and 206 v Panama. In total we count 18 spot fixtures ex USG/USEC for January dates – 11 first decade, 5 second decade, 2 last decade. The position list is looking tighter, especially in 2H January where 8 out of 10 ships also are candidates for MEG. 1H January we see 5 open positions – 4 of them being relets where some can end up going own program.

LPG Rates

Spot Market (USD/Month, Weekly Change)

[Click rate to view graph](#)

VLGC

\$3,050,000

84'

-\$400,000

LGC

\$2,000,000

60'

\$0

MGC

\$1,650,000

38'

\$0

HDY SR

\$950,000

20-22'

\$0

HDY ETH

17-22'



ETH

\$570,000

8-12'

\$20,000^

SR

\$470,000

6.5'

\$0 >

COASTER Asia

\$280,000

\$0 >


COASTER Europe

\$330,000

\$10,000^

LPG/FOB Prices (Propane)

(USD/Tonne, Weekly Change)

 Click rate to view graph

FOB North Sea/Ansi

\$475.5

\$0 >

Saudi Arabia/CP

\$610


\$0 >

**\$434****\$63** ^

Sonatrach/Bethioua

\$520**\$0** >

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

 [Click rate to view graph](#)

FOB North Sea/Ansi

\$511**\$0** >

Saudi Arabia/CP

\$620**\$0** >

MT Belvieu (US Gulf)

\$462**\$11** ^

Sonatrach/Bethioua

\$540**\$0** >

LNG Rates

Spot Market



Click rate to view graph

East of Suez 155-165k CBM

\$105,000

-\$10,000

West of Suez 155-165k CBM

\$145,000

-\$10,000

1 Year T/C 155-165k TFDE

\$70,000

-\$5,000

04

Newbuilding

Activity Levels

Tank Activity

Increasing

Dry Bulk Activity



Other Activity

Weakening

Prices

VLCC

300'

\$124

\$0 >

Suezmax

150'

\$82

\$0 >

Aframax

110'

\$66

\$0 >

Product

50'

\$46

\$0 >

Newcastlemax

210'

\$66

\$0 >

Kamsarmax

82'



Ultramax

\$34

64'

\$0 >

LNGC (MEGI) (cbm)

\$261

170'

\$0 >

05 Sale & Purchase

Prices

Dry	5 yr old	10 yr old
Capesize	\$48.0	\$33.5
Kamsarmax	\$32.5	\$23.0
Ultramax	\$29.0	\$23.0
Handysize	\$25.0	\$18.0

Wet	5 yr old	10 yr old
VLCC	\$99.0	\$76.5



Suezmax	\$77.0	\$61.0
Aframax / LR2	\$68.0	\$55.0

06

Market Brief

Exchange Rates

USD/JPY

145.8

0.3[^]

USD/NOK

10.9

-0.06^v

USD/KRW

1,308.8

-11.7^v

EUR/USD

1.08

0[>]



LIBOR USD (6 month)

5.2%

0 >

NIBOR NOK (6 month)

3.12%

0 >

Commodity Prices

Brent Spot

\$73

-\$3 v

Bunker Prices

Singapore

380 CST

\$455.5

\$5.5 ^

MGO

\$740.5

\$17.5 ^

Spread MGO/380 CST



Rotterdam

380 CST

\$435.5

-\$1.5▼

MGO

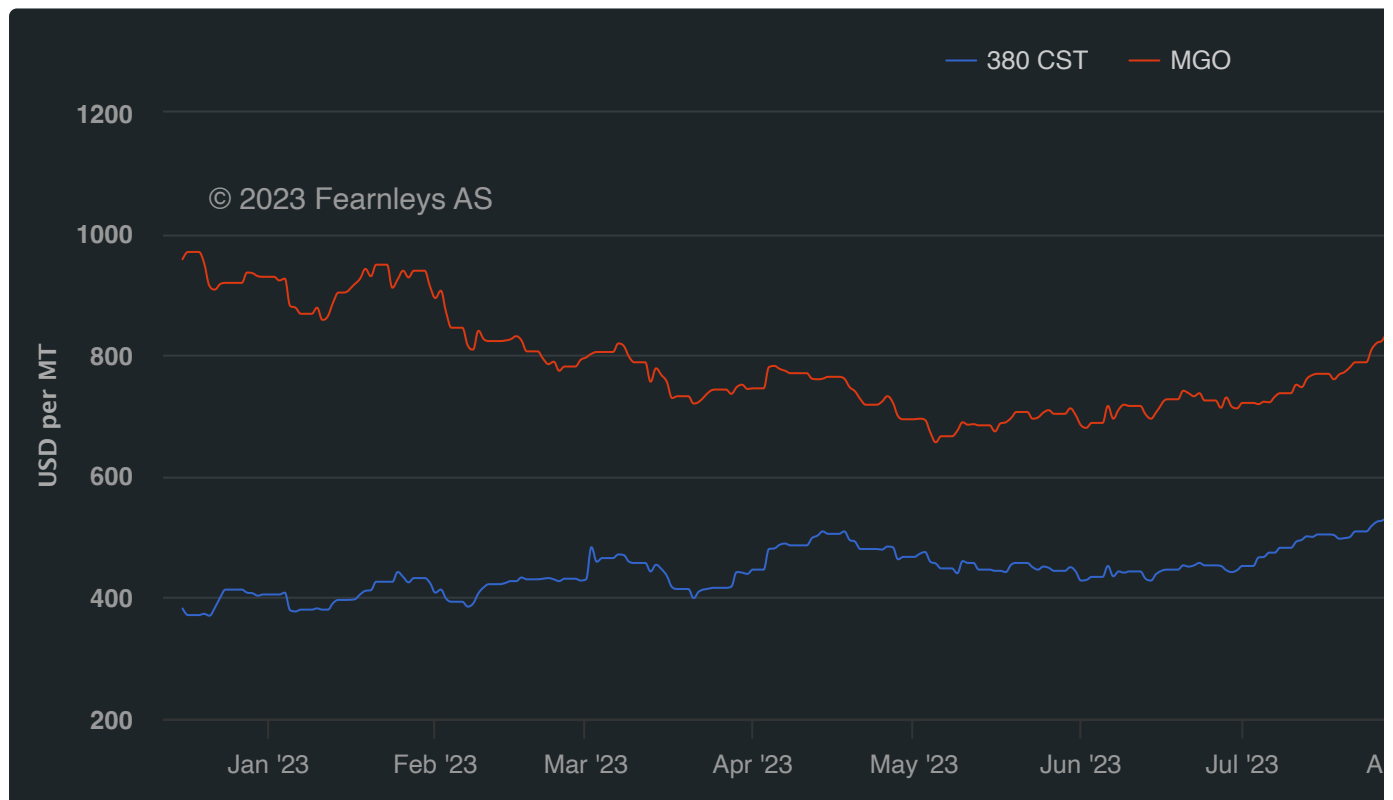
\$740

-\$5▼

Spread MGO/380 CST

\$304.5

-\$3.5▼





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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