



Fearnleys Weekly Report

Week 4 - January 24, 2024

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01 Tankers

VLCC

In the MEG, KPC fixing ws59.5 to China on Tuesday came as a bit of a shock (Note - Bitr at ws61.33, but rates inputted 10 mins prior to the KPC deal released). Most Market watchers were expecting Owners to hold the line in the ws60's, however, tonnage lists rarely lie and with 7+ offers in, the pressure took its toll. From here, Charterers will be looking to drag the market further down through the ws50's, despite a few market quotes fresh today and a decent volume count for February - we count 50+ fixtures already completed for the month.

The Atlantic is what often spurs the VL market into life and there is a feel of subsurface activity and plenty of cargoes reported the board (however, one is denied, one has own ship, and one I am sure is a fabrication). Yes, plenty of ships in the West or heading West, so no turnaround yet in market direction yet, but we have seen these markets change quickly. However, there is little support from the smaller sizes



therefore on VL's, USG/China is now tilting with the \$9m level and warr/East around the ws60 level.

Suezmax

East market has its own climate right now with firm sentiment continuing to spill over from events in the Red Sea. MEG/Malacca last traded at 130KT at WS 140 whilst MEG/Med last done remains 140KT x WS105 (via cape). There's a degree of self sanctioning by Charterers when it comes to transitting the Suez canal but no shortage of Owners happy to take up that challenge, albeit for a premium.


Atlantic is in free fall with rates yet to bottom out. Without the US Gulf support, there is unlikely to be a turn around this week.

Aframax

Aframax market in general in the West has softened and Nsea is no exception. Crude cargoes have been very limited and covering out to end month with a lot of relets being programmed for the remaining stems in January. We have seen a a number of fuel oil export requirements both to Med and TA over the last week which has taken a few vessels out of area. List for natural Nsea vessels remain relatively tight for any replacement requirements but should start to open up again for early month. Tonnage in the Mediterranean continues to roll back around with enough to cover current supply which is somewhat wanting. Charterers are not struggling to get numbers that work for them with Owners there to fix what's available; earnings are still good and not much hope elsewhere with USG soft and the North less than inspiring. Black Sea with fewer ships for prompter Canakkale cancelling but a weaker Suezmax market will keep the pressure on as we look for increased demand in the Med to help bottom out the downward trend.

Rates

Dirty
(Spot WS 2024, Daily Change)

 [Click rate to view graph](#)

**37.5**

200

-4▼

MEG/Japan

280'

59.5**-9.5**▼

MEG/Singapore

280'

60**-11**▼

WAF/FEAST

260'

62.5**-7.5**▼

WAF/USAC

130'

112.5**-27.5**▼

Sidi Kerir/W Med

135'

120**-17.5**▼

N. Afr/Euromed

80'

175**-40**▼

UK/Cont

80'



Caribs/USG

70'

255

-35▼

1 Year T/C

(USD/Day, Weekly Change)

[Click rate to view graph](#)

VLCC

Modern

\$38,500

\$0 >

Suezmax

Modern

\$43,000

\$0 >

Aframax

Modern

\$41,500

\$0 >

VLCCs[Click rate to view graph](#)

Fixed in all areas last week

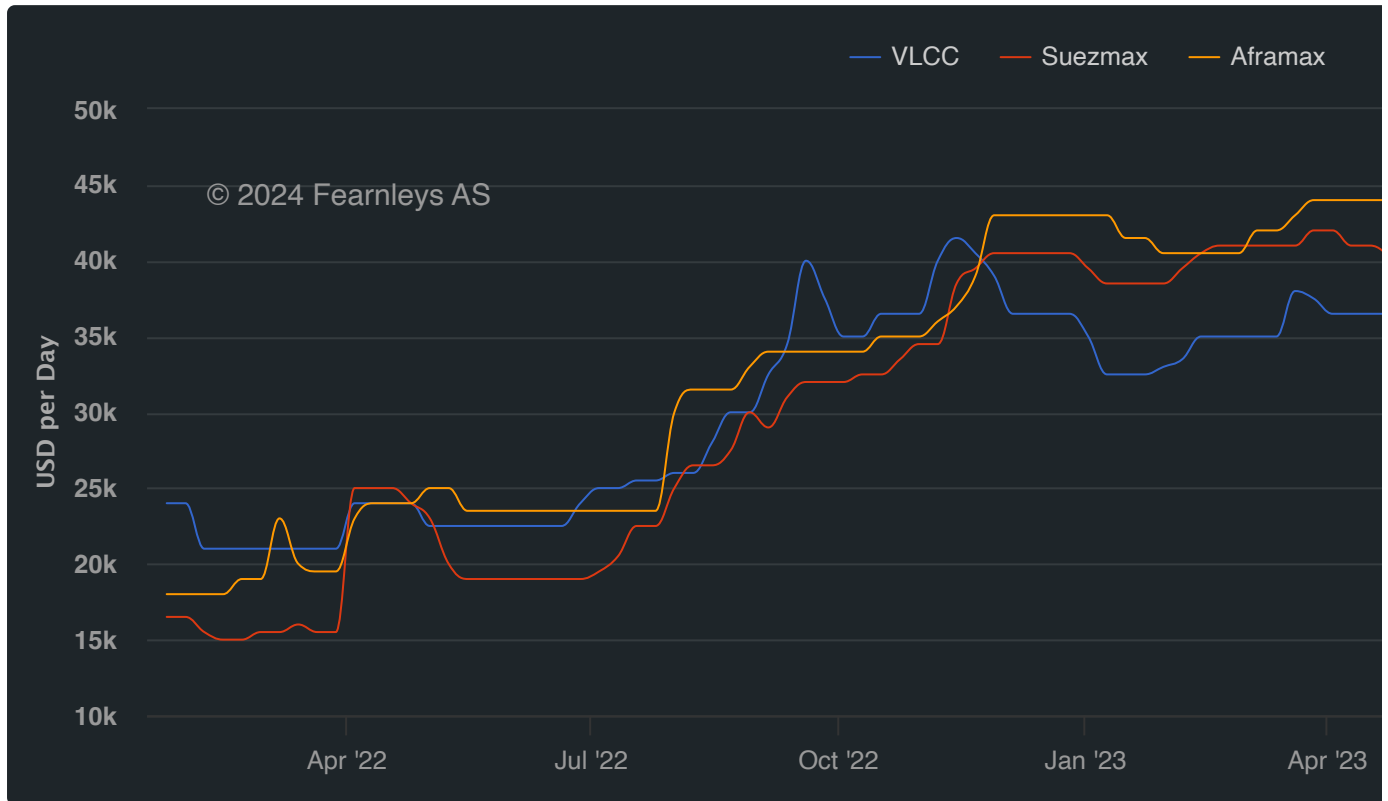
76

12^

Available in MEG next 30 days



1 Year T/C Crude



02 Dry Bulk

Capesize

We see volumes and enquiries on C5 holding up from Miners and Operators alike, primarily for early-mid February dates. Several forward enquiries for late February and March dates.

On the East Australia coal front, volume has dampened.

On South Africa and Indian business, we see limited increase in enquiries.



February to March dates.

Far East tonnage is moderate while ballasting tonnage is heavily weighted on second half of February.

On C5, we see fixtures concluding at mid-high 7 pmt levels at start of week and rising to USD 8 pmt levels by midweek.

On C3, we see fixtures concluding at USD 23 pmt levels for early February and USD 21 pmt levels for late February.

One known fixture of a 181k DWT 2011 build non scrubber for 1 year at USD 23000 per day.

Panamax

This past week, the Panamax market saw substantial gains, with a boost in the Atlantic basin and a bullish trend in East Coast South America. The North Atlantic experienced a surge in demand, particularly for coal and grain from the U.S. There was notable demand in the Pacific, especially in the North Pacific, contributing to the overall positive market momentum. As the Q2 grain season approaches, the market remains optimistic about potential rate increases.


Supramax

The Supra market experienced a mixed week, hinting at a potentially positional trend. Positive sentiment prevailed in the Atlantic, particularly in the South Atlantic, driving increased activity for trans-Atlantic runs and front haul . Ultras being fixed at around 17k plus 750 bb. Overall market sentiment seems positive for this week. There are still a lot of period activity with operators and owners keen to take in tonnage on Handy and Supra market.

Rates

Capesize

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

 [Click rate to view graph](#)

TCE Cont/Far East

**Australia/China****\$8.15****\$0.36^****Pacific RV****\$16,464****\$1,496^****Panamax**

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

 Click rate to view graph**Transatlantic RV****\$16,040****\$665^****TCE Cont/Far East****\$0****\$0 >****TCE Far East/Cont****\$5,498****\$164^****TCE Far East RV****\$11,979****\$300^**



[Click rate to view graph](#)

Atlantic RV

\$14,857

\$19

Pacific RV

\$9,269

\$175

TCE Cont/Far East

\$23,738

\$1,921

1 Year T/C

(USD/Day, Weekly Change)

[Click rate to view graph](#)

Newcastlemax

\$23,300

208'

\$930

Kamsarmax

\$14,850

82'

\$300

Ultramax

\$16,000

64'

\$1,000

**Capesize**

180'

\$19,300**\$930** ^**Panamax**

75'

\$13,500**\$300** ^**Supramax**

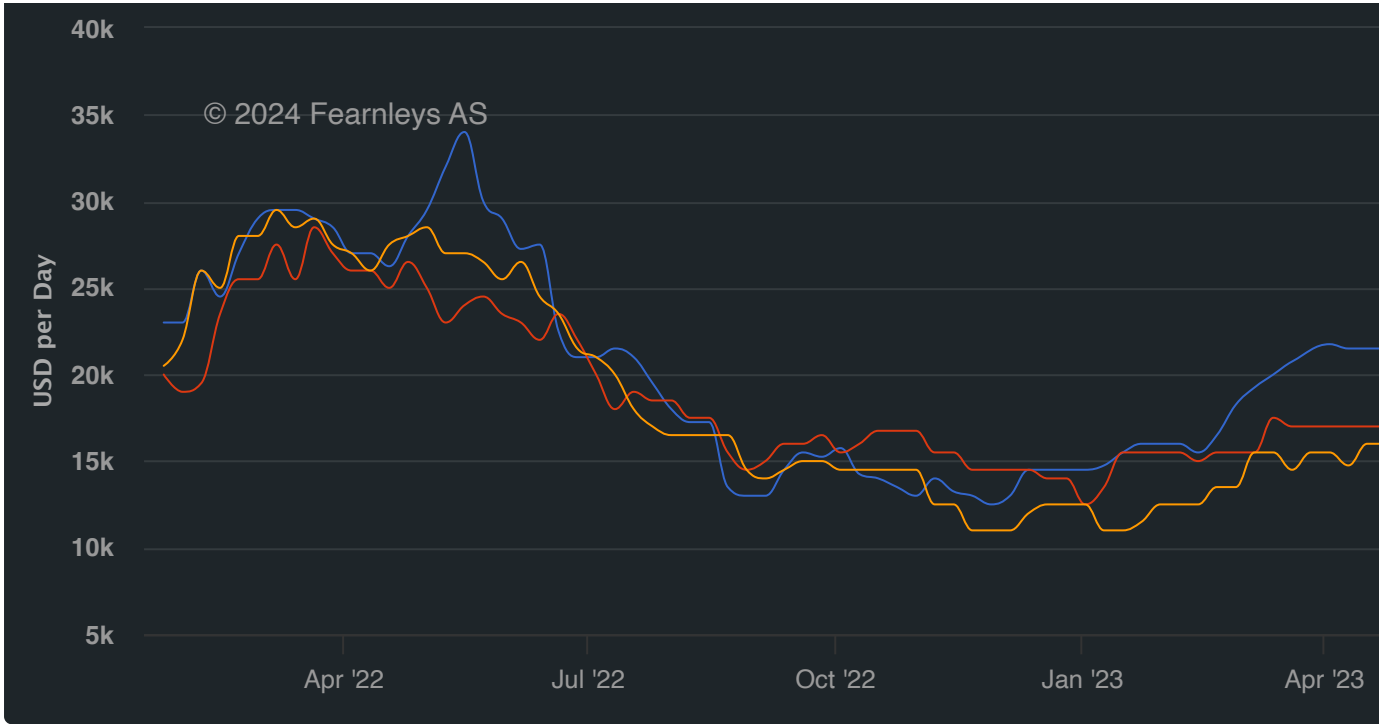
58'

\$14,500**\$1,000** ^**Handysize**

38'

\$12,500**\$0** >**Baltic Dry Index (BDI)****\$1,507****\$34** ^

1 Year T/C Dry Bulk



03 Gas

Chartering

EAST

An Indian PSU placed a ship on subs on Monday evening at similar levels to last done. The tonnage list for the first half of February is still long, to say the least, making it difficult to be very optimistic just yet. Accordingly, the fixing window is more prompt than what we have been used to lately. So far there's been two India deals fixed in February and one more cargo is under discussion.

WEST

At the time of writing freight levels in the West have reached its lowest point since March 2022. Although there remains a substantial number of vessels available for



dates. The first available relet we find is Feb onwards with 4-5 more following the next 15 days of the month.

LPG Rates

Spot Market
(USD/Month, Weekly Change)

Click rate to view graph

VLGC	84'
\$800,000	-\$350,000

LGC	60'
\$1,100,000	\$0

MGC	38'
\$1,300,000	\$0

HDY SR	20-22'
\$950,000	\$0

HDY ETH	17-22'
\$1,250,000	\$0

ETH	8-12'
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SR

\$480,000

6.5'

\$0 >

COASTER Asia

\$280,000**\$0 >**

COASTER Europe

\$370,000**\$10,000 ^**

LPG/FOB Prices (Propane)

(USD/Tonne, Weekly Change)

[Click rate to view graph](#)

FOB North Sea/Ansi

\$491**\$0 >**

Saudi Arabia/CP

\$620**\$0 >**

MT Belvieu (US Gulf)

\$428**-\$6 v**

**\$510****\$0 >****LPG/FOB Prices (Butane)**
(USD/Tonne, Weekly Change)

Click rate to view graph

FOB North Sea/Ansi

\$499.5**\$0 >**

Saudi Arabia/CP

\$630**\$0 >**

MT Belvieu (US Gulf)

\$453**\$12 ^**

Sonatrach/Bethioua

\$540**\$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

\$45,000

-\$20,000

1 Year T/C 155-165k TFDE

\$55,000

-\$7,000

04 Newbuilding

Activity Levels

Tank Activity

Increasing

Dry Bulk Activity

Moderate

Other Activity



Prices

VLCC	300'
\$124.5	\$0.5^

Suezmax	150'
\$82.5	\$0.5^

Aframax	110'
\$66.5	\$0.5^

Product	50'
\$46	\$0 >

Newcastlemax	210'
\$66	\$0 >

Kamsarmax	82'
\$36	\$0 >

Ultramax	64'
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LNGC (MEGI) (cbm)

170'

\$261

\$0 >

05

Sale & Purchase

Prices

Dry	5 yr old	10 yr old
Capesize	\$55.0	\$35.0
Kamsarmax	\$32.5	\$23.0
Ultramax	\$30.0	\$24.0
Handysize	\$25.0	\$17.5

Wet	5 yr old	10 yr old
VLCC	\$105.0	\$80.0
Suezmax	\$81.0	\$66.0
Aframax / LR2	\$68.0	\$55.0



Market Brief

Exchange Rates

USD/JPY

0

0 >

USD/NOK

10.51

0 >

USD/KRW

0

0 >

EUR/USD

1.09

0 >

Interest Rates

LIBOR USD (6 month)

5.59%

0.39 ^



Brent Spot

\$0

\$0 >

Bunker Prices

Singapore

380 CST

\$0

\$0 >

MGO

\$782.5

\$8.5 ^

Spread MGO/380 CST

\$0

\$0 >

Rotterdam

380 CST

\$429.5

\$8.5 ^

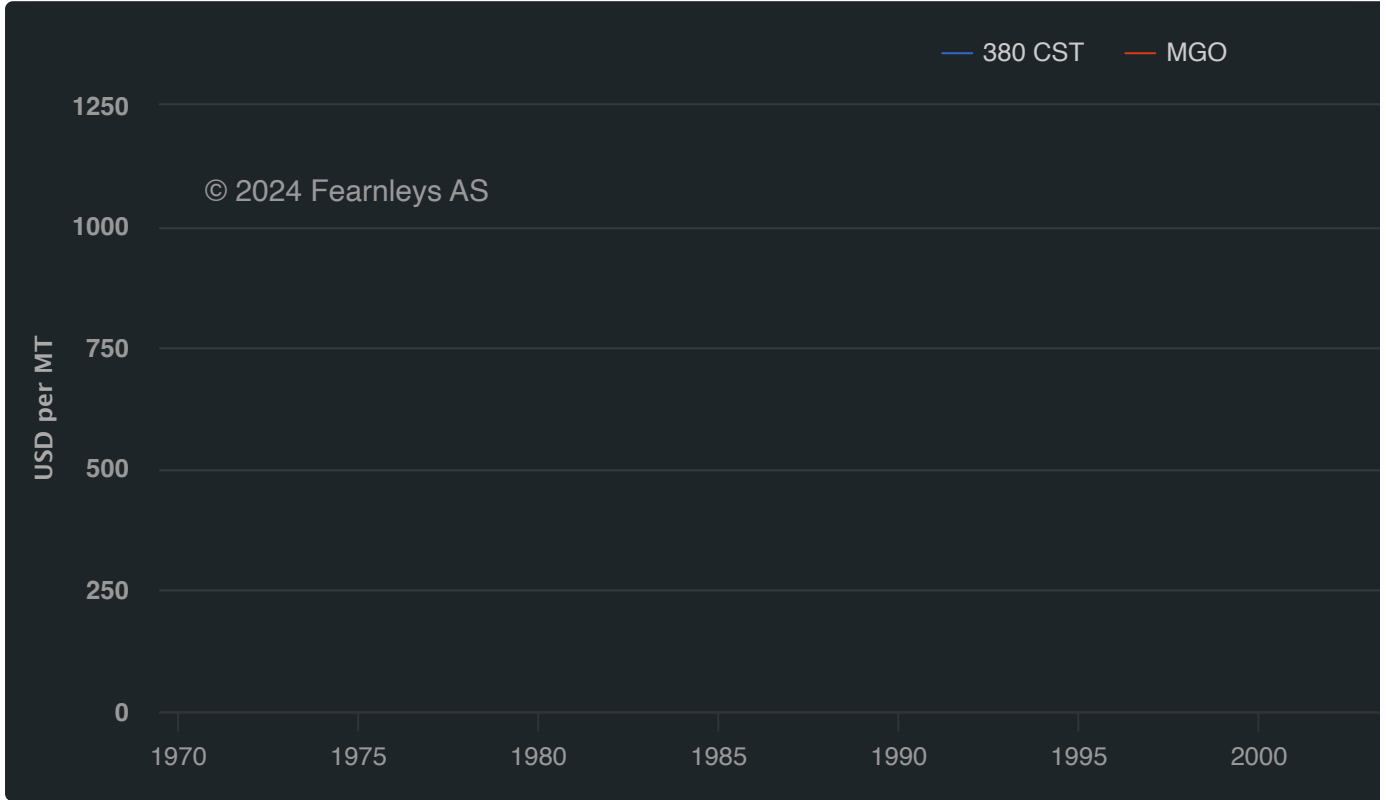
MGO



Spread MGO/380 CST

\$0

\$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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