

# Fearnleys Weekly Report

Week 15 - April 10, 2024

drougas@hellenicshippingnews.com

## 01 Tankers

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### VLCC

A quiet week for the VLCCs as a lot of under the radar activity have resulted in TD3C sliding 3-4 points from WS 66.15 to WS 62.70. Charterers have done well in keeping a lid on the requirements being worked as owners have been satisfied with fixing last done, or slightly less depending on the voyage/counterpart/terms. The April MEG count lacking about 20 cargoes or so to compare with the last couple of months, and the tonnage list should be more than enough stacked to absorb the remaining stems for April. Quiet in the market at the time of writing with Korea, Singapore, and Middle East off due to Eid celebrations. There are though a 'pick up' in activity on the smaller sizes in the West, and owners with ships in the Atlantic hoping it will spill over to the bigger sisters.

### Suezmax

key support mechanism for Suezmax with rates in the wider Atlantic, benefiting from the US Gulf's unique microclimate (the tail is well and truly wagging the dog). Thanks to activity across the pond TD 20 has up-ticked 12.5 points in the last forty-eight hours to WS 120 with no downside.

There is no evident butterfly effect from the Atlantic into the Far East (for now) where miserly enquiry levels will keep MEG/East rates pinned down at WS 115-120 whilst BOT/UKCM should trade conference WS 67.5. We repeat are call from previous updates that with fewer ships performing West/East moves, there will be a crunch time in the offing where the supply of ships becomes very low by historical comparison, but that is a little further down the line.


## Aframax

The North Sea market has been steady for the last week, but with US and Mediterranean markets firming rapidly this week the sentiment is now on the firmer side. Date wise we are moving into the 3rd decade. With surrounding markets providing better returns we will see vessels ballast out of the area putting pressure on the available tonnage. Some sustained demand is needed to crystalize the firmer sentiment.

The 2nd decade has proven busier than expected in the Mediterranean and coinciding with surrounding areas that are also under pressure, rates have improved. Rates reached the equivalent of Suezmaxes which are also under upward pressure and cargoes restricted to only Aframax struggle as owners made their sentiment clear. Delays in Trieste and Fos are expected to push vessels further back, but vessels from the UKC will be there to make their move into the Mediterranean.

## Rates

**Dirty**  
(Spot WS 2024, Daily Change)

 [Click rate to view graph](#)

MEG/WEST

280'

MEG/Japan

63

280'

-2.5▼

MEG/Singapore

64

280'

-3.5▼

WAF/FEAST

65

260'

-1▼

WAF/USAC

117.5

130'

15▲

Sidi Kerir/W Med

120

135'

17.5▲

N. Afr/Euromed

205

80'

40▲

UK/Cont

135

80'

5▲

Caribs/USG


225

70'

95^

**1 Year T/C**

(USD/Day, Weekly Change)

 Click rate to view graph

VLCC

\$39,000

Modern

\$0 &gt;

Suezmax

\$42,000

Modern


\$0 &gt;

Aframax

\$42,500

Modern

\$500^

**VLCCs** Click rate to view graph

Fixed in all areas last week

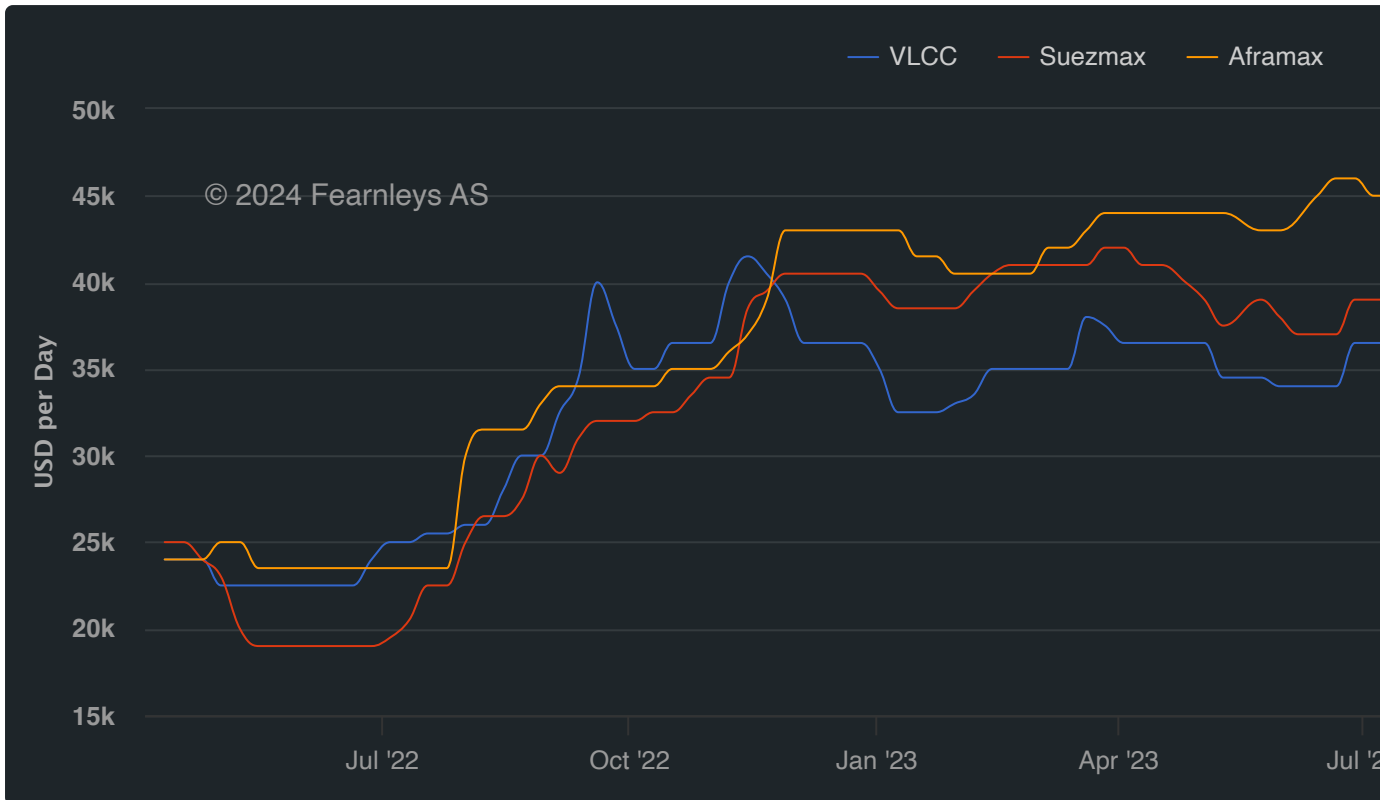
69

2^

Available in MEG next 30 days

150

8^



# 02

## Dry Bulk

### Capesize

On the C5 front, we see a moderate level of volumes from miners, some operators, and tenders all primarily for late April dates. Limited enquiries from some operators for forward May dates. Volumes out of East Australia and other Pacific businesses have picked up, with enquiries ranging from second half of April prompt dates till mid May dates. Volumes out of South Africa have remained flat from last week. On C3 ex Brazil to China and West Africa, volume of enquiries has maintained from last week with majority for May dates. Far East tonnage is increasingly abundant. Ballasting tonnage weighs heavily on first half of May with some vessels drifting off South Africa

fixtures concluding at sub USD 9 pmt levels. On C3, we see fixtures concluding at mid USD 24 pmt levels for mid-May.

## Panamax

The Panamax market has exhibited signs of struggle across various regions. Despite an uptick in ECSA grain shipments hinting at a possible market rebound, the immediate outlook remains subdued. In the Atlantic, a significant lack of fresh demand against a backdrop of increasing tonnage has kept the market under pressure, with rates continuing to be affected negatively. The situation is further exacerbated by a correction in the BPI timecharter average and a distinct absence of activity, particularly in the North Atlantic. Similarly, the Asian market faces challenges due to a lack of new demand and the impact of holidays, contributing to a pessimistic sentiment. Despite some isolated discussions of steadier rates for deferred dates, the Panamax market is currently characterized by low activity, an oversupply of tonnage, and a cautious market sentiment.

## Supramax

Seasonality suggests the market will bottom here and rise slowly the next couple of months. Fundamentals are supportive, with shipment volume growth above the rate of supply growth. Industrial metals prices (copper, aluminum, zinc, and nickel) are rising, suggesting firming global industrial activity. Industrial metals prices often lead the Supra/Ultra (as well as Panamax/Kamsarmax and Handysize) market by 4-6 months. The lead points upwards going forward.

## Rates

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

 [Click rate to view graph](#)

TCE Cont/Far East

**\$38,125**


**\$312** 

**\$8.99****\$0.08** 

Pacific RV

**\$16,464****\$1,496** **Panamax**

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

 [Click rate to view graph](#)

Transatlantic RV

**\$12,290****-\$405** 

TCE Cont/Far East

**\$24,123****-\$182** 


TCE Far East/Cont

**\$6,805****-\$174** 

TCE Far East RV

**\$13,691****-\$403** **Supramax**

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

 [Click rate to view graph](#)

**\$12,456****-\$214** 


Pacific RV

**\$13,263****\$25** 

TCE Cont/Far East

**\$26,492****\$34** **1 Year T/C**

(USD/Day, Weekly Change)

 [Click rate to view graph](#)

Newcastlemax

208'

**\$27,460****\$960** 

Kamsarmax

82'

**\$16,500****-\$1,000** 

Ultramax

64'

**\$16,500****\$0** 

Capesize

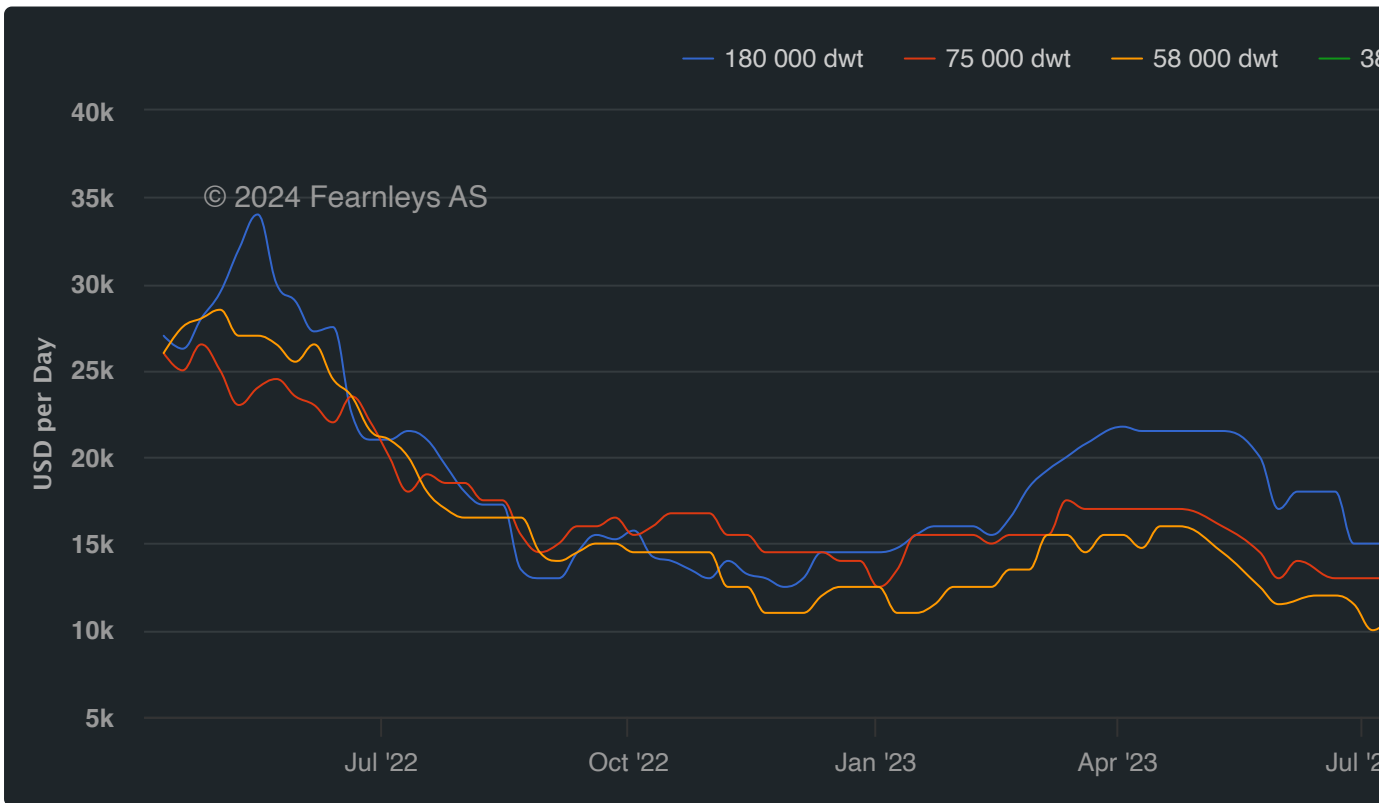
180'

**\$23,460****\$960** 



<b>Panamax</b> <b>\$15,000</b>	<b>75'</b> <b>-\$1,000</b> ▼
<b>Supramax</b> <b>\$14,000</b>	<b>58'</b> <b>\$0</b> >
<b>Handysize</b> <b>\$13,000</b>	<b>38'</b> <b>\$0</b> >
<b>Baltic Dry Index (BDI)</b> <b>\$1,570</b>	<b>-\$24</b> ▼

# 1 Year T/C Dry Bulk





## Chartering

### EAST


Adnoc dates were published today, and prior to this, we had already observed a couple of May fixtures in the Middle East Gulf. With vessel availability remaining long freight has so far failed to move upwards despite a widening gap between theoretical East and West earnings. April fixing looks to be finalized, but we could possibly see one Indian cargo be re-quoted.

### WEST

We have seen a few spot fixtures in the West this week and we now count about 10 deals for May dates out of the US. The current position list indicates a balanced to tight market, with around 5-6 vessels remaining available for the first decade of May and 8-9 open positions for the second decade. There are currently couple uncovered cargoes available, with the latest deals closing around mid/high 120 H/C range.

## LPG Rates

### Spot Market (USD/Month, Weekly Change)

 [Click rate to view graph](#)

VLGC	84'
<b>\$1,300,000</b>	<b>\$0 &gt;</b>

LGC	60'
<b>\$1,100,000</b>	<b>\$0 &gt;</b>

**\$1,000,000**

\$0 &gt;

HDY SR

20-22'

**\$930,000**

\$0 &gt;

HDY ETH

17-22'

**\$1,250,000**

\$0 &gt;

ETH

8-12'

**\$670,000**

\$20,000 ^

SR

6.5'

**\$480,000**

\$0 &gt;

COASTER Asia


**\$280,000**

\$0 &gt;

COASTER Europe

**\$400,000**

\$0 &gt;

**LPG/FOB Prices (Propane)**  
(USD/Tonne, Weekly Change) Click rate to view graph

**\$507****\$0 >**


Saudi Arabia/CP

**\$615****\$0 >**

MT Belvieu (US Gulf)

**\$432****-\$4 v**

Sonatrach/Bethioua

**\$535****\$0 >****LPG/FOB Prices (Butane)**  
(USD/Tonne, Weekly Change) Click rate to view graph

FOB North Sea/Ansi

**\$499****\$0 >**

Saudi Arabia/CP

**\$620****\$0 >**

MT Belvieu (US Gulf)

**\$378****-\$2 v**

Sonatrach/Bethioua

\$570

\$0 >

## LNG Rates

**Spot Market**  
(USD/Day, Weekly Change)

 Click rate to view graph

East of Suez 155-165k CBM

\$34,000

-\$1,000 

West of Suez 155-165k CBM

\$34,000

-\$1,000 

1 Year T/C 155-165k TFDE

\$54,000

\$0 >

# 04 Newbuilding

## Activity Levels

**Increasing**

**Dry Bulk Activity**

**Moderate**

**Other Activity**

**Strong**

## Prices

VLCC

**\$126**

300'

**\$0 >**

Suezmax

**\$84.5**

150'

**\$0 >**

Aframax

**\$68.5**

110'

**\$0 >**

Product

**\$47.5**

50'

**\$0 >**

Newcastlemax

210'

**\$67.5****\$0 >**

Kamsarmax

82'

**\$37****\$0 >**

Ultramax

64'

**\$35****\$0 >**

LNGC (MEGI) (cbm)

170'

**\$264****\$0 >**

# 05

## Sale & Purchase

### Prices

Dry

5 yr old

10 yr old

Capesize

\$60.0

\$41.0

Kamsarmax

\$37.0

\$29.0

Ultramax	\$34.0	\$27.5
Handysize	\$28.5	\$21.0
Wet	5 yr old	10 yr old
VLCC	\$110.0	\$84.0
Suezmax	\$84.0	\$68.0
Aframax / LR2	\$71.0	\$58.5

# 06

## Market Brief

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### Exchange Rates

USD/JPY

151.91

0.14^

USD/NOK

10.71

0 >

USD/KRW



EUR/USD

1.09

0.01^

## Interest Rates

SOFR USD (6 month)

5.39%

0 &gt;

## Commodity Prices

Brent Spot

\$89.5

-\$1 v

## Bunker Prices

Singapore

380 CST

\$510

\$4^

MGO

\$809

-\$3.5 v

### Spread MGO/380 CST

**\$299**

-\$7.5▼

### Rotterdam

#### 380 CST

**\$495.5**

-\$0.5▼

#### MGO

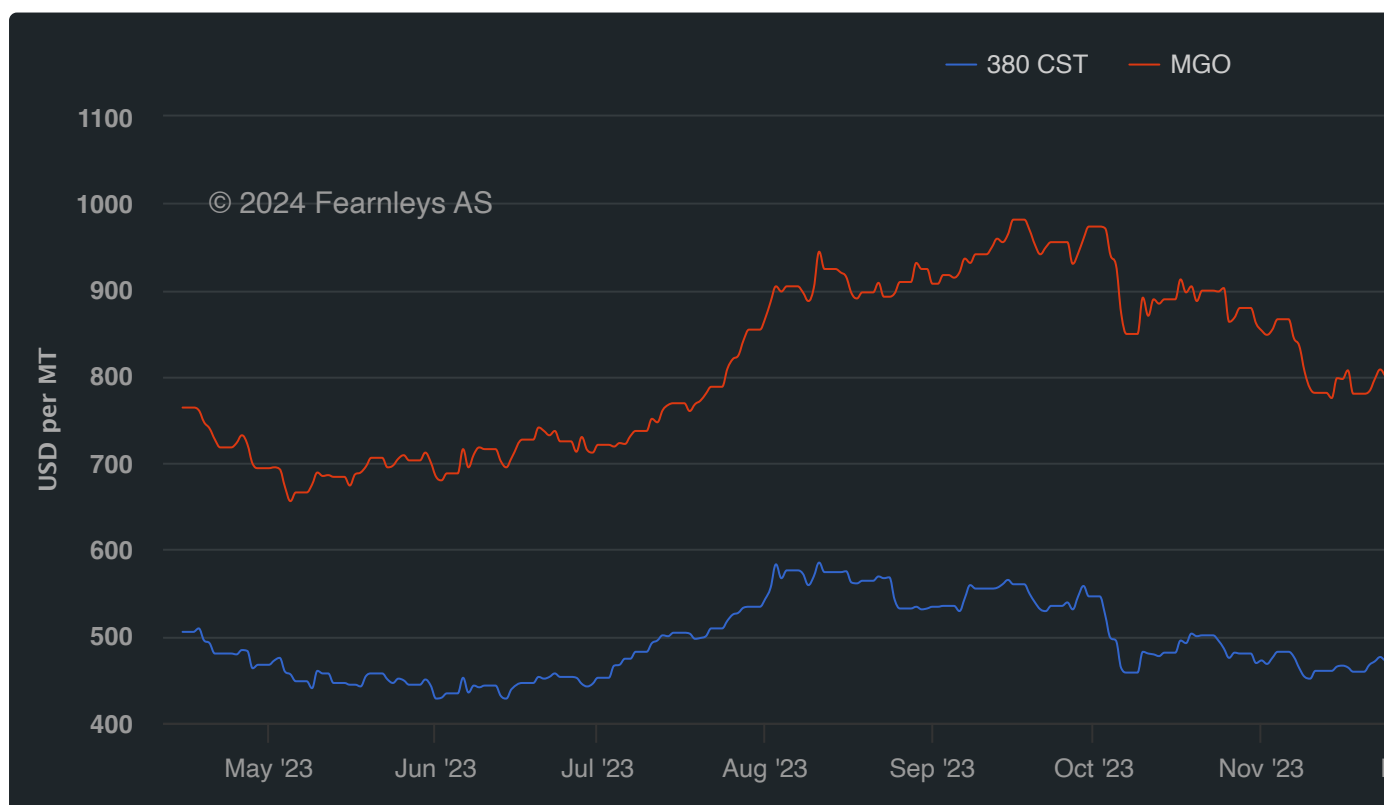
**\$808.5**

-\$4▼

### Spread MGO/380 CST

**\$313**

-\$3.5▼



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## Week 15 - April 10, 2024

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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