

Fearnleys Weekly Report

Week 19 - May 8, 2024

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01 Tankers

VLCC

A strong week for the market despite no Monday for many. Rates for TD3 climbed up through WS 60's and this despite most deals done off market and rates kept behind lock and key. At the time of writing, higher numbers reported on replacement deals with WS 70 on subs MEG/East, albeit off prompter dates 20-22/5. In reality, there remains another 5-10 cargoes to work for the month of May before we slip into the quieter period between May and June stems. The MEG market may be a little topy and the list is sufficient, but owners' sentiment remains strong and there are no cliff edges in the near future. We are settling into the 'lows of WS 60 to highs of WS 70' yoyo pattern we have seen on a monthly basis for much of 2024.

As for the Atlantic, any prompter dates are tight, but as Petrobras proved, with 8 offers for their Brazil/UKC stem tonnage remains for later dates. A clever use of dry-dock acceptability got a rate of WS 74. West Africa/East starts with a 7 and USG/East

June cargoes, so oil still there to be moved.

Suezmax

After a slow start to the week the market came to life with the West Africa theatre playing a major part of the market. Rates rose to WS 110 for Nigeria to UKCM with a number of cargoes still to be covered, whilst in the Mediterranean/Black Sea we saw the last few stems of the month entering the market from CPC and covering at last done levels of WS 110 for Mediterranean discharge. US Gulf remained pretty slow with the Aframax market in decline, which saw rates trending down to 145kt at WS 95 and expect further falls. Middle East Gulf has been very quiet with nothing to report apart from a few Indian runs.

Aframax

NORTH SEA

The week started with a bit of activity in the natural window 15-17 both from West Coast Norway and East Coast UK. A few natural North Sea vessels around which have kept rates at last done levels. 2nd decade stems should cover this week and we anticipate rates to stay fairly steady. US markets still attractive to those that will ballast so we will still see a steady stream of vessels leave the area.

MEDITERRANEAN

Activity has continued in a steady trajectory throughout the week with last done levels either being repeated or fixed slightly below depending on dates. Although tonnage continues to be picked off one by one, downside still looks to be the direction of the market in the Mediterranean/Black Sea. USG still looks appetizing for owners and with it proving to be a more substantial outlet, we could see more vessels head that way.

Rates

Dirty
(Spot WS 2024, Daily Change)

 [Click rate to view graph](#)

45	200	2.5^
MEG/Japan 69	280'	5^
MEG/Singapore 70	280'	5^
WAF/FEAST 71.5	260'	4^
WAF/USAC 107.5	130'	10^
Sidi Kerir/W Med 112.5	135'	-2.5v
N. Afr/Euromed 165	80'	-12.5v
UK/Cont	80'	

Caribs/USG

70'

170

10[^]**1 Year T/C**

(USD/Day, Weekly Change)

 Click rate to view graph

VLCC

Modern

\$38,000

\$0 >

Suezmax

Modern

\$42,500

\$1,500[^]

Aframax

Modern

\$42,500

\$0 >

VLCCs Click rate to view graph

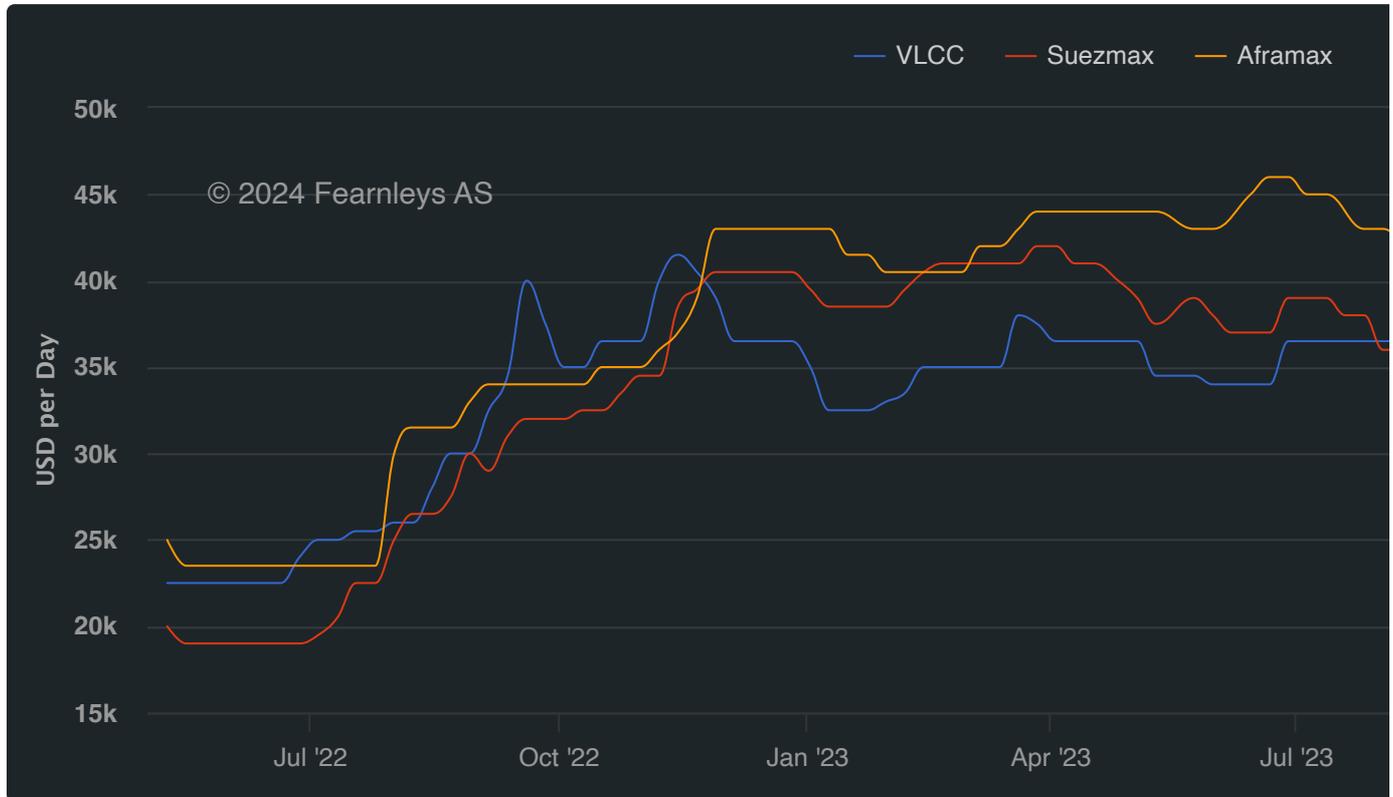
Fixed in all areas last week

59

-17^v

Available in MEG next 30 days

1 Year T/C Crude



02 Dry Bulk

Capesize

On the C5 front, we see healthy volumes from miners, operators, and tenders alike for end May dates. A number of operators were seen seeking forward tonnage for June dates as well. We also see a steady inflow of volumes on East Australia coal and other Pacific business with end May to early June and mid to end May dates, respectively. Volumes out of South Africa have ticked up as well with operators seeking tonnage

interest for June dates amongst operators. Far East spot tonnage is tightening while ballasting tonnage weighs heavily on first half of June dates with some able to make end May dates. On C5, we see an upward trend thus far with fixtures concluding at mid to high USD 11 pmt levels by mid-week. On C3, we see fixtures concluding in the mid USD 26 to USD 27 pmt levels for late May and June dates.

Panamax

This week in the Panamax market, despite previous expectations of a downward trend, prices continued to rise, particularly in the Pacific compared to the Atlantic. This rise occurred despite a high concentration of fleet in the East of Suez and a seasonal decline in coal demand. Market movements remain aligned with seasonal expectations, suggesting a possible drop next month followed by a significant rise in Q3. The market started strong this week, bolstered by positive trading sentiments and gains across most routes, though the trans-Atlantic route experienced slower activity. Sentiment remains cautiously optimistic.

Supramax

The market pushed up in most Far Eastern areas but remarkably in the India Ocean and South Asia, where significant cargo volume increased, with rates flying sky-high.

Indonesia-China rates surged above USD 20,000, a testament to the market's robustness. Owners confidently sought a premium on the last done, further solidifying the market's strength. The period market also displayed strong numbers, with the Ultramax mv Theresa Pride 62' DWT open Gresik rumored to fix 7/9 months at USD 20,000.

We noticed a need for fresh inquiry in the Mediterranean region - given flat development, and ships kept trading for about USD 15,000 in TA.

Rates

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

 [Click rate to view graph](#)

\$38,125**\$312^**

Australia/China

\$11.86**\$0.21^**

Pacific RV

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

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

 [Click rate to view graph](#)

Transatlantic RV

\$16,645**\$365^**

TCE Cont/Far East

\$28,995**\$530^**

TCE Far East/Cont

\$7,353**\$199^**

TCE Far East RV

\$16,779**\$793^**

 Click rate to view graph

Atlantic RV

\$14,224

-\$105 

Pacific RV

\$15,444

\$338 

TCE Cont/Far East

\$25,188

-\$129 

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

 Click rate to view graph

Newcastlemax

\$30,800

208'

\$0 

Kamsarmax

\$18,750

82'

\$0 

Ultramax

\$19,000

64'

\$0 

Capesize	180'
\$26,800	\$0 >

Panamax	75'
\$17,550	\$0 >

Supramax	58'
\$16,500	\$0 >

Handysize	38'
\$14,000	\$0 >

Baltic Dry Index (BDI)	
\$2,203	\$120 ^

1 Year T/C Dry Bulk



03

Gas

Chartering

EAST

Big gains on freight in both main basins supported by a widening arb and an increasingly congested Panama Canal where last SB slot now is reported sold at 1.7 mill. Most of the remaining vessels still available on May dates are eyeing the West market – while those still able to consider staying in the East will do so only at a price. So far, we are counting 21 spot fixtures for May, all evenly spread out throughout the month. The fixing window is now shifting into June as we are awaiting Adnoc acceptances at the end of this week and freight looks set to remain strong leading up to this.

The western market has been active so far this week with several spot fixtures done, and in total we currently count 17 spot fixtures for June dates out of the USG/USEC. The last May ship has now been fixed out and first decade June is seemingly soon finished with only 2-3 vessels left open. Fixing focus has shifted towards 2H June while freight rates are on the rise with last done at low 140s H/C.

LPG Rates

Spot Market (USD/Month, Weekly Change)

 Click rate to view graph

VLGC	84'
\$1,800,000	\$350,000 

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

MGC	38'
\$950,000	\$0 

HDY SR	20-22'
\$920,000	-\$10,000 

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

\$670,000

0-12

\$0 >

SR

6.5'

\$500,000**\$0 >**

COASTER Asia

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

COASTER Europe

\$425,000**\$0 >****LPG/FOB Prices (Propane)**
(USD/Tonne, Weekly Change) Click rate to view graph

FOB North Sea/Ansi

\$485.5**-\$21.5 v**

Saudi Arabia/CP

\$580**-\$35 v**

MT Belvieu (US Gulf)

\$349.5**-\$37 v**

Sonatrach/Bethioua

\$500

-\$35 

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

 [Click rate to view graph](#)

FOB North Sea/Ansi

\$451

-\$48 

Saudi Arabia/CP

\$585

-\$35 

MT Belvieu (US Gulf)

\$293.5

-\$4.5 

Sonatrach/Bethioua

\$490

-\$80 

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

\$32,000

-\$3,000 

1 Year T/C 155-165k TFDE

\$60,000

\$0 

04 Newbuilding

Activity Levels

Tank Activity

Increasing

Dry Bulk Activity

Moderate

Other Activity

Prices

VLCC	300'
\$127	\$0 >

Suezmax	150'
\$85	\$0 >

Aframax	110'
\$69.5	\$0 >

Product	50'
\$48	\$0 >

Newcastlemax	210'
\$69	\$0 >

Kamsarmax	82'
\$37	\$0 >

Ultramax	64'
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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



Market Brief

Exchange Rates

USD/JPY

155.63

0.22^

USD/NOK

11.01

0.08^

USD/KRW

1,376

2.2^

EUR/USD

1.07

0 >

Interest Rates

SOFR USD (6 month)

5.39%

0 >

Brent Spot

\$83

-\$0.5 

Bunker Prices

Singapore

380 CST

\$529

\$5 

MGO

\$736.5

-\$0.5 

Spread MGO/380 CST

\$207.5

-\$5.5 

Rotterdam

380 CST

\$480.5

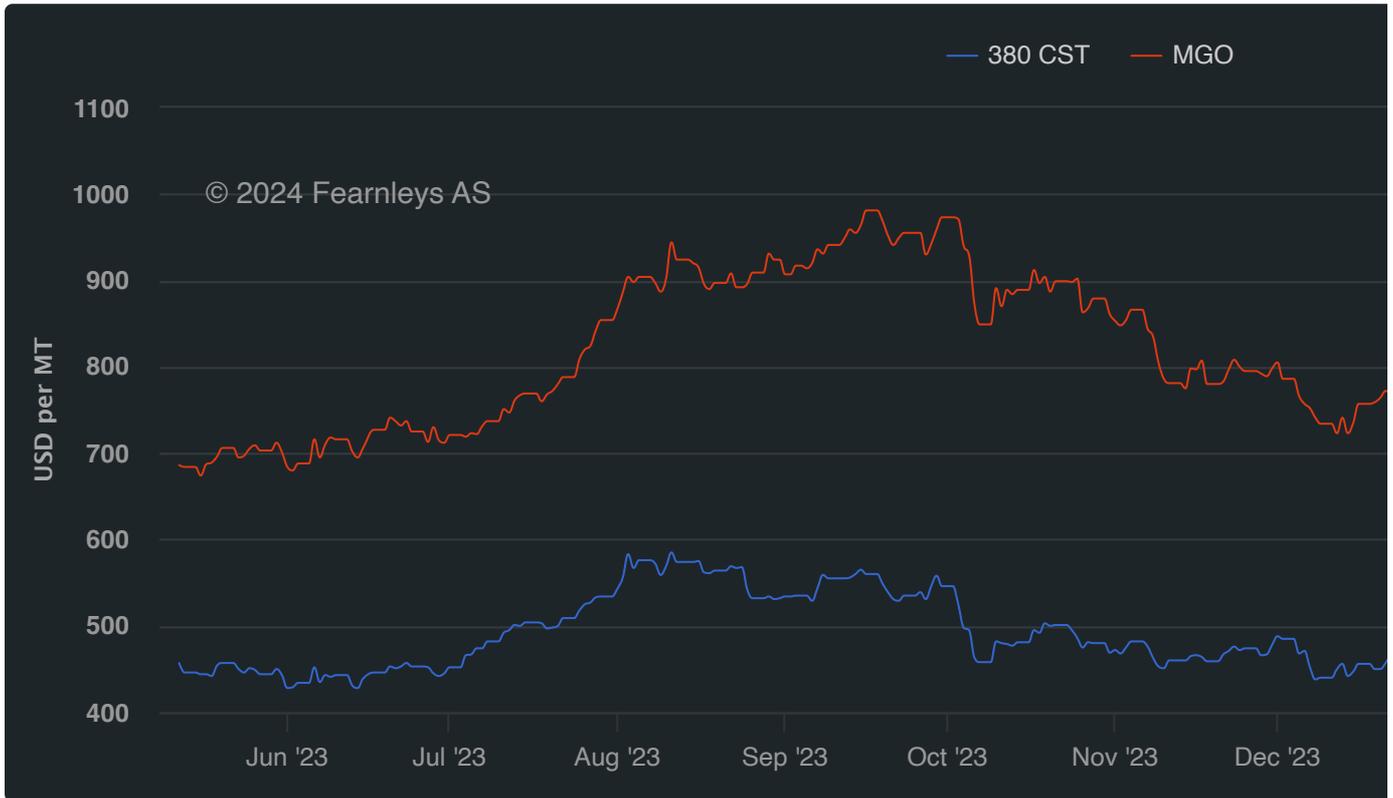
\$3 

MGO

Spread MGO/380 CST

\$250

-\$26 



Week 19 - May 8, 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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