

Fearnleys Weekly Report

Week 23 - June 5, 2024

drougas@hellenicshippingnews.com

01 Tankers

VLCC

With Posidonia in full swing, anywhere else feels like a back water. Stories coming back to London of parties and Kylie Minogue the only real highlights in an otherwise drab week for VLCC rates. A week ago, TD3C was sitting mid WS 60's and we have seen a drop almost 10 WS points lower at the time of writing. Deals done under the radar are rarely positive and with many fixtures done over a plate of tzatziki in a sun-drenched taverna, likely more still to come off. TD3 sits WS 55 level, and USG to Ningbo around USD 8.75m at best, certainly considering the lengthening tonnage lists.

Suezmax

Has Posidonia applied a handbrake to proceedings in West? Last week, both East and West markets finished on an upward curve, but with parties in Athens in full flow,

downside, whilst the East market is capable of adding further gains given tightness of the list.

Aframax

NORTH SEA

With uncertain itineraries some replacement business and busy mid-month activity, the market has firmed rapidly. Tonnage still looking to ballast TA for longer returns.


Lists should replenish, but while itineraries remain uncertain market looks to remain positive.

MEDITERRANEAN

A slower start to the week with Posidonia well underway; rates have come off in the Mediterranean with owners' keen to fix what opportunities they have in front of them. Not much in the way of market cargoes but ships are being picked off, and with the North on the up and potential delays still apparent in Mediterranean ports, some consistent supply could eat the tonnage and help to support rates and slow further softening.

Rates

Dirty
(Spot WS 2024, Daily Change)

 [Click rate to view graph](#)

MEG/WEST

280'

36

-4▼

MEG/Japan


280'

56

-5▼


57	200	-7▼
WAF/FEAST 60	260'	-5▼
WAF/USAC 112.5	130'	0>
Sidi Kerir/W Med 130	135'	-2.5▼
N. Afr/Euromed 202.5	80'	-52.5▼
UK/Cont 170	80'	20^
Caribs/USG 170	70'	22.5^

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

 [Click rate to view graph](#)

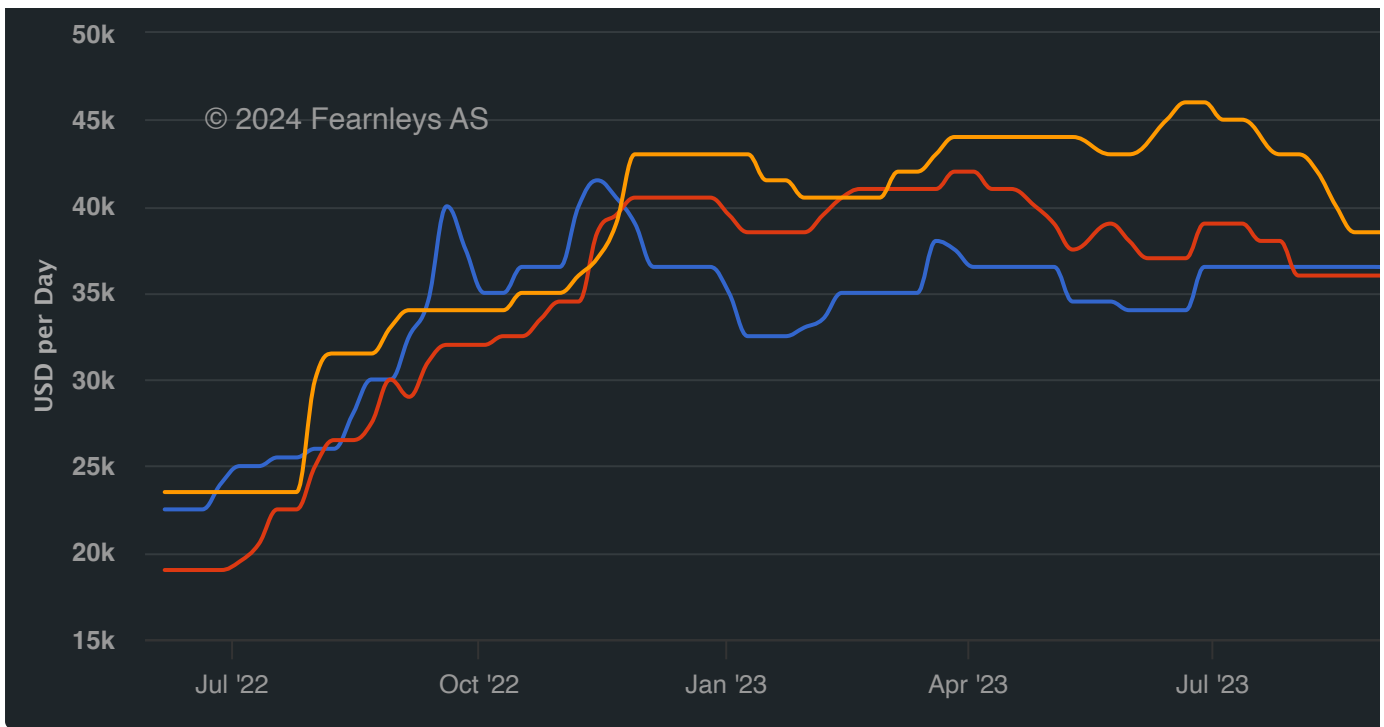
\$38,500	Modern \$0 >
Suezmax \$43,000	Modern \$0 >
Aframax \$42,500	Modern \$0 >

VLCCs

 [Click rate to view graph](#)

Fixed in all areas last week 64	21^
Available in MEG next 30 days 146	-8v

1 Year T/C Crude



02

Dry Bulk

Capesize

On the C5 front, we see enquiries from miners, operators and tenders focusing on second half of June dates. Volumes out of East Australia, other Pacific businesses, and South Africa has stayed relatively flat. On C3 ex Brazil to China, we see some buying for late June dates and the majority of players enquiring for July dates. Far East spot tonnage is tightening while ballasting tonnage for second half of June is thinning and heavily weighed on first half of July. On C5, we see fixtures at mid-high USD 10 pmt levels at start of week and concluding at low USD 11 pmt levels by mid-week. On C3, we see the same upward trend with fixtures concluding at low USD 25 pmt levels mid-week for late June to early July dates.

This week, the Panamax market continues to face challenges with softening rates in both the Atlantic and Pacific basins. Limited activity and owner resistance to low bids marked the Atlantic market, while the Pacific experienced a milder decline but is expected to weaken further. Posidonia in Athens contributed to a quiet start to the week with minimal new inquiries. Additionally, the North Atlantic is under pressure from a lack of cargo, pushing rates lower as owners seek cover. Conversely, the ECSA region has shown slight improvements in rates, suggesting a potential market floor might be forming.

Supramax

The Pacific market is doing very well across geared size segments. Handy index remains stable at mid USD 12,000 levels. Trips from India to the Continent/Mediterranean being fixed at USD 13-15,000 levels. Inter-MEG and MEG-EC India trips on Supra/Ultra around USD USD 15,000. There is limited interest in backhaul trades at the moment since the Atlantic market has ample tonnages in position and very little cargo volume. NOPAC RV pays in the region of USD 16-18,000 levels. Period interest remains firm in the Pacific and Indian Ocean for Supra/Ultra sizes. On the other side, the ECSA market remains quiet with very little volume coming out for the geared segments. We will see more activity and action in the market once everyone is at their desk after Posidonia in Greece.

Rates

Capesize

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

 [Click rate to view graph](#)

TCE Cont/Far East

\$38,125

\$312 

Australia/China

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

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

[Click rate to view graph](#)**Transatlantic RV****\$10,300****-\$48v****TCE Cont/Far East****\$23,964****-\$22v****TCE Far East/Cont****\$7,303****\$25^****TCE Far East RV****\$17,135****\$120^****Supramax**

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

[Click rate to view graph](#)**Atlantic RV**

Pacific RV

\$13,781

-\$132▼


TCE Cont/Far East

\$20,217

-\$141▼

1 Year T/C

(USD/Day, Weekly Change)

 Click rate to view graph

Newcastlemax

\$26,800

208'

\$100▲

Kamsarmax

\$18,200

82'

\$0 >

Ultramax

\$17,500

64'

\$500▲

Capesize

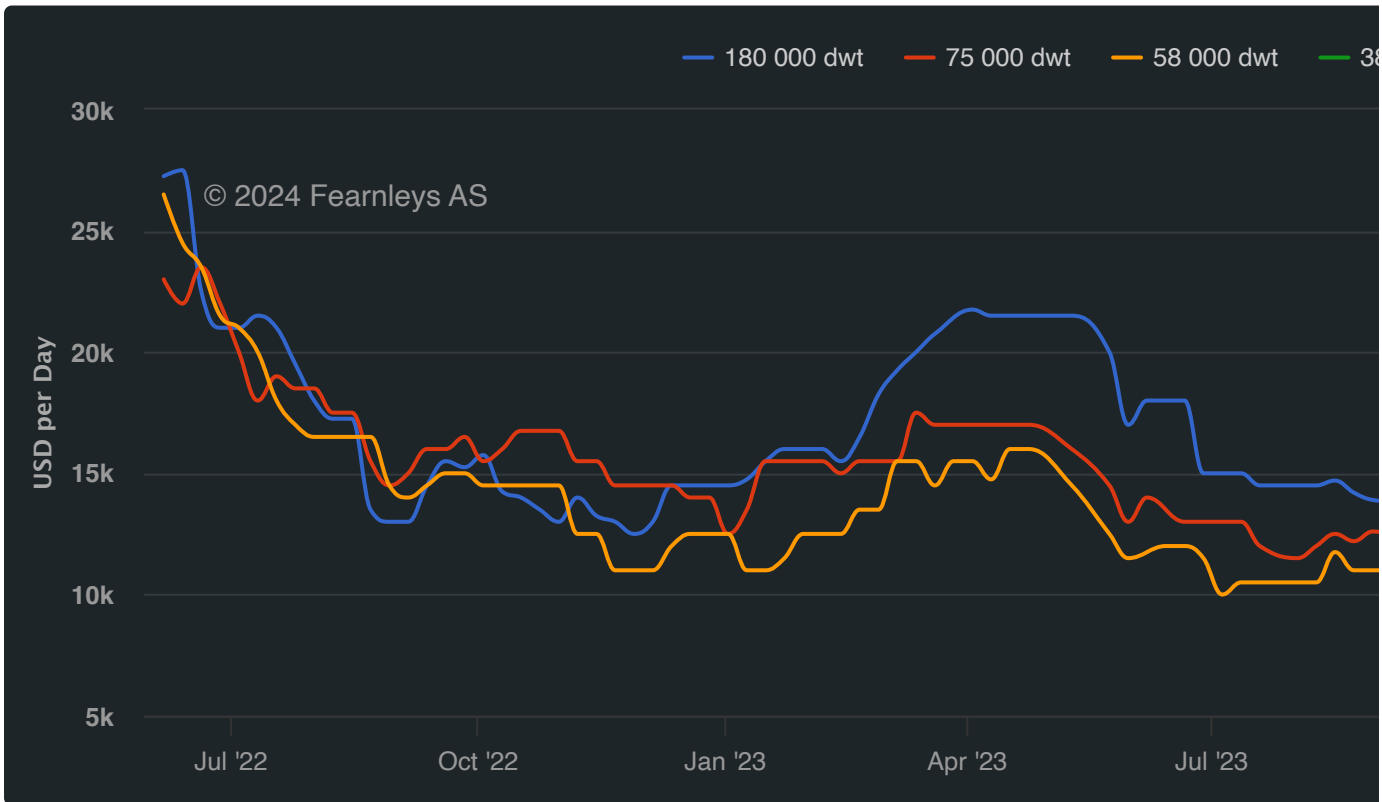
\$22,800

180'

\$100▲

\$16,900	\$0 >
Supramax \$15,000	58' -\$1,000 v
Handysize \$12,000	38' -\$500 v
Baltic Dry Index (BDI) \$1,852	\$39 ^

1 Year T/C Dry Bulk





Chartering

EAST

Indian tenders finally came out as expected, with rumors of additional PSUs potentially coming later, though this is yet to be confirmed. So far, we have observed only 3 fixtures in the third decade of June in the MEG, suggesting that a few more cargoes may appear before early July. However, the market is generally quiet in both the West and East, primarily due to the ongoing Posidonia Maritime event this week.

WEST

The Western market has been more or less muted as we currently not have seen any spot fixtures done so far this week out of the US. With that said, we still count 6 spot deals out of the USG/USEC for July dates with last done at mid/high 140s H/C. There are still a few ships left end June while first half July looks well supplied with a couple pure shipowners controlling the majority of the available positions this period.

LPG Rates

Spot Market (USD/Month, Weekly Change)

 [Click rate to view graph](#)

VLGC	84'
\$2,050,000	\$50,000 

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

\$950,000

\$0 >

HDY SR

20-22'

\$920,000

\$0 >

HDY ETH

17-22'

\$1,250,000

\$0 >

ETH

8-12'

\$650,000

\$0 >

SR

6.5'

\$480,000

\$0 >

COASTER Asia


\$280,000

\$0 >

COASTER Europe

\$410,000

\$0 >

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

\$485.5

\$0 >

Saudi Arabia/CP

\$580

\$0 >

MT Belvieu (US Gulf)


\$346.5

-\$40 v

Sonatrach/Bethioua

\$500

\$0 >

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

FOB North Sea/Ansi

\$451

\$0 >

Saudi Arabia/CP

\$585

\$0 >

MT Belvieu (US Gulf)

\$275

-\$26 v

Sonatrach/Bethioua

\$490

\$0 >

LNG Rates

Spot Market
(USD/Day, Weekly Change)

 Click rate to view graph

East of Suez 155-165k CBM

\$38,500

\$0 >

West of Suez 155-165k CBM

\$40,000

\$0 >

1 Year T/C 155-165k TFDE

\$60,500

\$0 >

04 Newbuilding

Activity Levels

Increasing

Dry Bulk Activity

Moderate

Other Activity

Strong

Prices

VLCC

\$127

300'

\$0 >

Suezmax

\$86

150'

\$0 >

Aframax

\$70.5

110'

\$0 >

Product

\$48.5

50'

\$0 >

Newcastlemax

210'

\$72**\$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	\$34.5	\$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	\$72.0	\$59.5

06

Market Brief

Exchange Rates

USD/JPY

155.63

0.22^

USD/NOK

11.01

0.08^

USD/KRW

EUR/USD

1.07

0 >

Interest Rates

SOFR USD (6 month)

5.39%

0 >

Commodity Prices

Brent Spot

\$77.5

-\$4 ▼

Bunker Prices

Singapore

380 CST

\$517

-\$10 ▼

MGO

\$698.5

-\$18.5 ▼

Spread MGO/380 CST

\$181.5

-\$8.5▼

Rotterdam

380 CST

\$458.5

-\$20▼

MGO

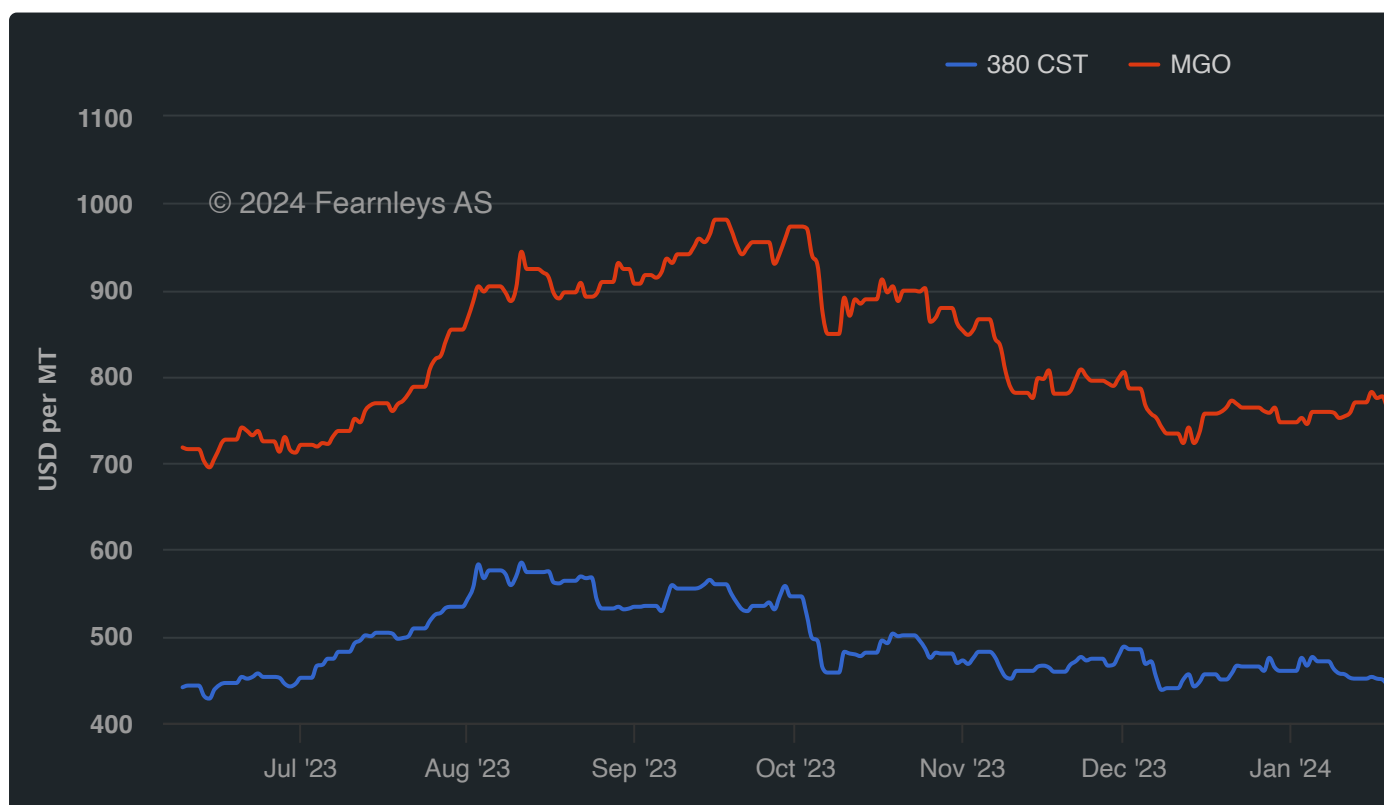
\$723

-\$13.5▼

Spread MGO/380 CST

\$264.5

\$6.5▲



Week 23 - June 5, 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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