

# Fearnleys Weekly Report

Week 26 - June 26, 2024

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## 01 Tankers

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### VLCC

The summer doldrums continue. Slow demand, Chinese ships for Chinese cargoes, and many other deals remain mysteries with no rates reported. The few deals with details attached sees MEG/East ticking down into the high WS 40's. However, it is not all doom and gloom. The MEG volume count is normal for this time of year, rates are often softer and the paper numbers for 2nd half 2024 are trading WS 62. Owners need to ride out the summer.

As for the Atlantic market, there is a possibility of an SPR release to ease gasoline prices prior to the driving season, but this will be for domestic consumption. Additionally, there is little incentive for spot barrels West to East now due to recent strengthening and steepening backwardation in Brent and WTI pricing. Petrobras a lot quieter for Far East discharge than previous months and any USG activity is noticeably quieter. Rates for USG/Ningbo soft around the USD 8m level.

The arb for West/East moves is more or less shut which will see the majority of Atlantic basin barrels stay local. Focusing on West Africa, there remains a glut of unsold barrels which suggests there will be some prompt requirements that will help support rates with TD 20 currently trading last done at WS 112.5.

Across the pond, the softening oil price will not bring about an SPR release anytime soon, therefore any uptick will have to come from other sources.

In the East, despite a flurry of enquiry, tonnage is beginning to build and on that basis we are calling MEG/East WS 115-120 and BOT/UKCM WS 60-65 via Cape.


## Aframax

The North Sea market has had to tolerate a lull in activity this week and it feels like it's poised for a further downward correction. The tonnage in the region looks balanced with relets and local ships off the front end and a steady flow inbound off the back of TA runs. With the lack of activity, vessels continue to ballast to the USG despite the softer correction over there.

An active week in the Mediterranean with a number of fixtures enabling a necessary clear out of units. Rates have repeated off the right dates and the tonnage list has thinned as the market looks to turn around. Summer market is still governing the region for the time being, but things could get interesting as we move forward.

## Rates

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

 [Click rate to view graph](#)

MEG/WEST


280'

**35**

**0 >**

	49.5	200	-1.5▼
MEG/Singapore	50	280'	-2▼
WAF/FEAST	55.5	260'	-1.5▼
WAF/USAC	110	130'	0>
Sidi Kerir/W Med	105	135'	0>
N. Afr/Euromed	150	80'	0>
UK/Cont	157.5	80'	-15▼
Caribs/USG		70'	

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

 [Click rate to view graph](#)

VLCC

**\$38,500**

Modern

**\$0 >**

Suezmax

**\$42,000**

Modern

**\$0 >**


Aframax

**\$43,500**

Modern

**\$0 >**

## VLCCs

 [Click rate to view graph](#)

Fixed in all areas last week

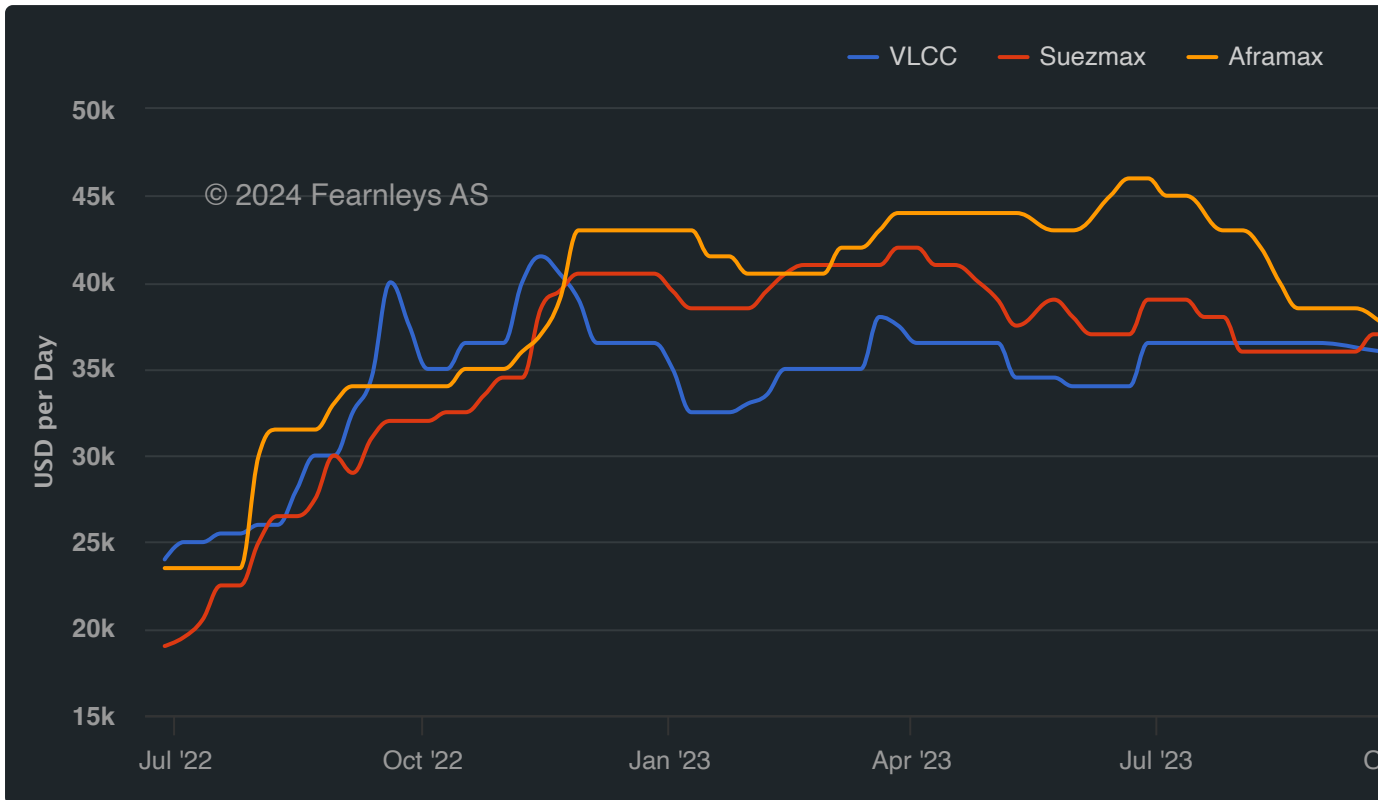
**62**

**-4 ✓**

Available in MEG next 30 days

**155**

**0 >**



# 02

## Dry Bulk

### Capesize

On the West Australia front, we see a drop in overall volumes compared to last week from miners, fewer operators, and some tenders primarily for mid to end July dates. Volumes out of East Australia and other Pacific business held steady from last week with players seeking for mid July tonnage. On C3 ex Brazil to China, we see a majority of enquiries for second half of July dates with some enquiring for forward early August dates. West Africa enquiries remain relatively robust for late July to early August dates.

increasingly tight for full July. On C5, we see fixtures concluding at mid USD 10 pmt levels by mid-week. On C3, we see fixtures concluding at low USD 27 pmt levels for mid July dates.

## Panamax


This week, the Panamax market saw a continued downward trend in rates across both the Atlantic and Pacific basins. Limited activity, particularly in the Atlantic, and an underwhelming South American market contributed to the decline. The Pacific arena remained lethargic, with owners discounting shorter runs to minimize exposure to depressed rates. Despite firm fundamentals, including ton-time growth outpacing fleet growth, the market lacked sufficient cargo influx to halt the slide. The Kamsarmax index dropped below the Supramax index, suggesting limited downside from current levels. Holidays in Greece added to the subdued market sentiment, with little indication of an immediate turnaround.

## Supramax

Last week's short-lived excitement of a more robust market has slowly vaporized. While there is currently a downward pressure on rates in the Atlantic due to limited activity, particularly for the transatlantic round voyages, the increased activity on fronthaul routes from the Black Sea and the Continent is a promising sign. With more activity, we can see a meaningful impact. However, we need more demand to see the desired change. The South Atlantic, with more tonnage available for July dates, is experiencing the pressure on the rates. USG also started to feel the pressure; the owner's expectations to push rates further up are not materializing, and we see rates fixing below "last done". Ultramax 63' dwt delivery USG for a trip with pet-coke fixed at around USD 29,000. Trip from USEC to UK with wood pellets was reported to fix on Supra at USD 20,000. Trip from ECSA to the Far East paying around USD 17,000 + USD 700,000 GBB. The Pacific has good cargo volume and has increased activity from last week. Supra 55' dwt delivery S China via Indonesia, fixed USD 12,500 pd for a trip to S China. Pacific round voyages are fixed at around USD 15,000 pd, depending on the vessel's position. We anticipate the market will be flat coming into Europe's Holiday season unless substantial cargo volume overrides market prediction.

**Capesize**

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

 Click rate to view graph

TCE Cont/Far East

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


Australia/China

**\$10.6****\$0.33** 

Pacific RV

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

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

 Click rate to view graph

Transatlantic RV

**\$13,635****-\$383** 

TCE Cont/Far East

**\$26,223****-\$499** 

TCE Far East/Cont

**TCE Far East RV****\$13,753****-\$710**▼**Supramax**

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

[📊](#) Click rate to view graph**Atlantic RV****\$14,689****-\$70**▼**Pacific RV****\$14,825****\$112**▲**TCE Cont/Far East****\$21,921****-\$54**▼**1 Year T/C**

(USD/Day, Weekly Change)

[📊](#) Click rate to view graph**Newcastlemax****\$26,050****208'****-\$1,400**▼**Kamsarmax****82'**



Ultramax	64'
<b>\$17,000</b>	<b>-\$500</b> 

Capesize	180'
<b>\$22,050</b>	<b>-\$1,400</b> 

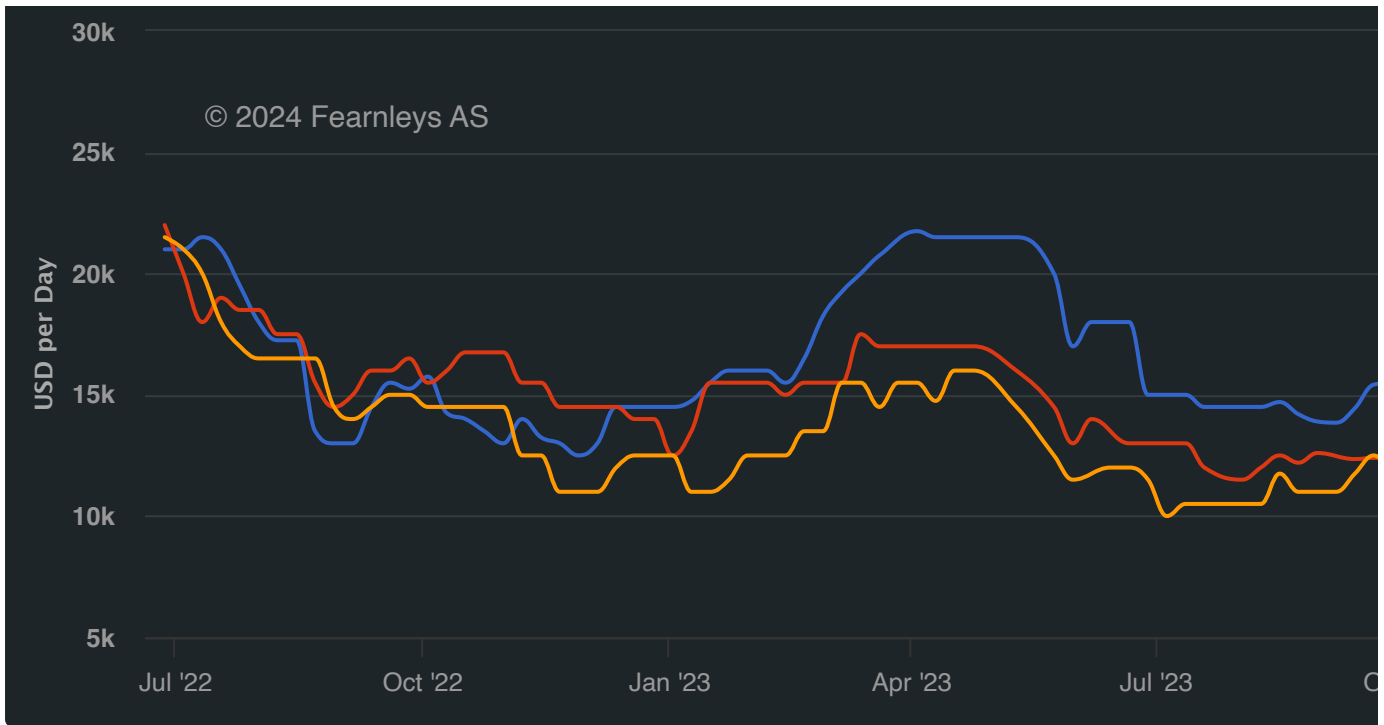
Panamax	75'
<b>\$16,700</b>	<b>\$0</b> 

Supramax	58'
<b>\$15,000</b>	<b>\$0</b> 

Handysize	38'
<b>\$14,000</b>	<b>\$1,000</b> 

Baltic Dry Index (BDI)	
<b>\$1,964</b>	<b>\$38</b> 

## 1 Year T/C Dry Bulk



# 03

## Gas

## Chartering

### EAST


An active day in the East yesterday brings total fixing count to 17 deals for July ex Middle East ports (inc. Yanbu), compared to a monthly average of 22-23 deals so far in 2024.

Freight rates have climbed steadily into the 70s, and as we pointed out yesterday; the freight you had to pay varied with a few dollars depending on the timing and the trade. But as volumes have steadily increased, the ideas from owners are now on the rise with ship availability starting to thin out.

Activity on freight in the west remains uneventful as market fundamentals still not there time of writing, despite East fixing picking up. One Indonesian major is however expected to quote an early August cargo at some point, which will provide a usual benchmark of where freight is at. Fixture count ex US in July stands at 19 deals (6 first decade/9 second decade/4 third decade) compared to a monthly average of 30 deals so far in 2024.

## LPG Rates

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

 [Click rate to view graph](#)

VLGC	84'
<b>\$1,550,000</b>	<b>-\$50,000</b> 

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

MGC	38'
<b>\$950,000</b>	<b>\$0</b> 

HDY SR	20-22'
<b>\$920,000</b>	<b>\$0</b> 

HDY ETH	17-22'
<b>\$1,250,000</b>	<b>\$0</b> 

ETH

**\$630,000**

8-12'

**\$0 >**

SR

**\$470,000**


6.5'

**\$0 >**

COASTER Asia

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

COASTER Europe

**\$390,000****\$0 >****LPG/FOB Prices (Propane)**  
(USD/Tonne, Weekly Change) Click rate to view graph

FOB North Sea/Ansi

**\$495****\$0 >**

Saudi Arabia/CP

**\$580****\$0 >**


MT Belvieu (US Gulf)

Sonatrach/Bethioua

**\$495**

\$0 >

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

 Click rate to view graph

FOB North Sea/Ansi

**\$441**

\$0 >

Saudi Arabia/CP

**\$565**

\$0 >

MT Belvieu (US Gulf)

**\$334.08**

\$0.08 ^


Sonatrach/Bethioua

**\$425**

\$0 >

## LNG Rates

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

 Click rate to view graph

\$39,000

\$500^

West of Suez 155-165k CBM

\$60,000

\$5,000^

1 Year T/C 155-165k TFDE

\$60,500

\$0 >

# 04 Newbuilding

## Activity Levels

Tank Activity

Increasing

Dry Bulk Activity

Moderate

**Strong**

## Prices

VLCC	300'
<b>\$127</b>	<b>\$0 &gt;</b>

Suezmax	150'
<b>\$86</b>	<b>\$0 &gt;</b>

Aframax	110'
<b>\$70.5</b>	<b>\$0 &gt;</b>

Product	50'
<b>\$48.5</b>	<b>\$0 &gt;</b>

Newcastlemax	210'
<b>\$72</b>	<b>\$0 &gt;</b>

Kamsarmax	82'
<b>\$37</b>	<b>\$0 &gt;</b>

**\$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	\$35.0	\$27.5
Handysize	\$28.5	\$22.0

Wet	5 yr old	10 yr old
VLCC	\$110.0	\$84.0
Suezmax	\$84.0	\$68.0
Aframax / LR2	\$72.0	\$59.5



# Market Brief

## Exchange Rates

USD/JPY

159.45

-0.07▼

USD/NOK

10.57

-0.01▼

USD/KRW

1,235.5

-7.3▼

EUR/USD

0.93

0>

## Interest Rates

SOFR USD (6 month)

5.39%

0>

Brent Spot

**\$85.5**

-\$0.5 

## Bunker Prices

### Singapore

380 CST

**\$532.5**

\$4 

MGO

**\$758**

\$7.5 

Spread MGO/380 CST

**\$225.5**

\$3.5 

### Rotterdam

380 CST

**\$502**

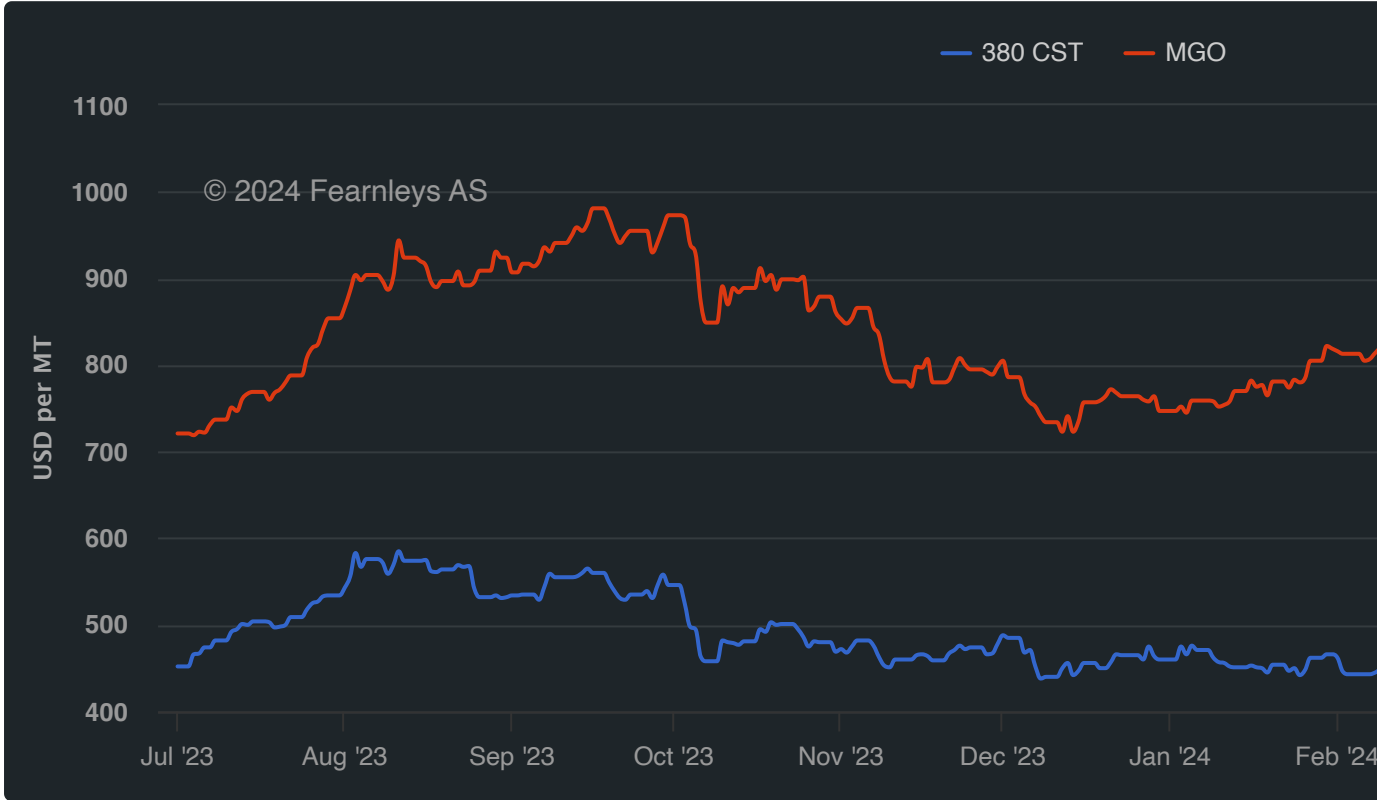
\$4.5 

MGO

### Spread MGO/380 CST

**\$264**

**-\$1.5** 



### Week 26 - June 26, 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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