



# Fearnleys Weekly Report

Week 35 - August 30, 2023

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## 01 Tankers

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### VLCC

The MEG market is busy and September MEG stems have flown by, fixture count now into the 70's. You would expect rates to reflect this buoyant hive of activity, but in reality, with most cargoes now fixed under the radar with no details attached, we sit at the WS 42-43 level for MEG/China. The only "official" benchmark fixtures leaked into the public domain are rarely representative of the top tier. With lack of prospects in the MEG, turning left at Rondo – or opting for the Suez transit option - has become even more appealing for the owning community, in turn putting pressure on Atlantic rates too, which have thus far having resisted the rot. Wafr/East sits around the WS 50 level and USG around USD 8m to Ningbo. For assistance, the big ships can look to their smaller sisters for support, but only flickering signs of improvement and unlikely sufficient buzz for an immediate turn around.

### Suezmax



to the dull in market activity created by a UK BANK HOLIDAY (Monday). This has created a false impression of underlying softness, which could be very misleading for those not paying close attention. The West African list has been trimmed by a steady procession of west Med'/Cont' ships that continue to ballast transatlantic. A number of these vessels are privately on subjects or fully fixed which further distorts the picture. Therefore, we are calling the Atlantic close to the bottom with little downside.

In the East, it's active but soft for now. A couple of Kuwait fuel oil cargoes will help to keep MEG/East in and around WS 90 levels, whilst TD23 is likely to trade down to low/mid WS 50'S.

## Aframax

The Nsea Aframax market, despite lack of activity this week, is looking a bit more interesting from an owner's perspective. This is mainly due to delays at disport with vessels sitting off discharge port waiting to discharge. Also, more tonnage leaving the area either in ballast or laden condition. As a result, there aren't as many natural North Sea positions to choose from for any cargoes loading in the 10-15 September window and rates could tick up slightly. Rates in the Med/BSea moved sideways with a softer tone last week as activity was slower. Supply of vessels in the area is expected to increase in the short term as we see an overflow of vessels from NSea and USG to discharge there, which will put rates under downward pressure. As a result, we expect charterers to push for lower rates in September and it will be up to the owners to show the necessary resistance.

## Rates

**Dirty**  
(Spot WS 2023, Daily Change)

[Click rate to view graph](#)

MEG/WEST

26

280'

-1▼

**43**

280

**-2**▼

MEG/Singapore

280'

**43****-3**▼

WAF/FEAST

260'

**51****-1.5**▼

WAF/USAC

130'

**70****-2.5**▼

Sidi Kerir/W Med

135'

**72.5****5**▲

N. Afr/Euromed

80'

**100****-10**▼

UK/Cont

80'

**107.5****2.5**▲

Caribs/USG

70'



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

[Click rate to view graph](#)

VLCC

**\$36,500**

Modern

**\$0 >**

Suezmax

**\$36,000**

Modern

**\$0 >**

Aframax

**\$38,500**

Modern

**\$0 >**

## VLCCs

[Click rate to view graph](#)

Fixed in all areas last week

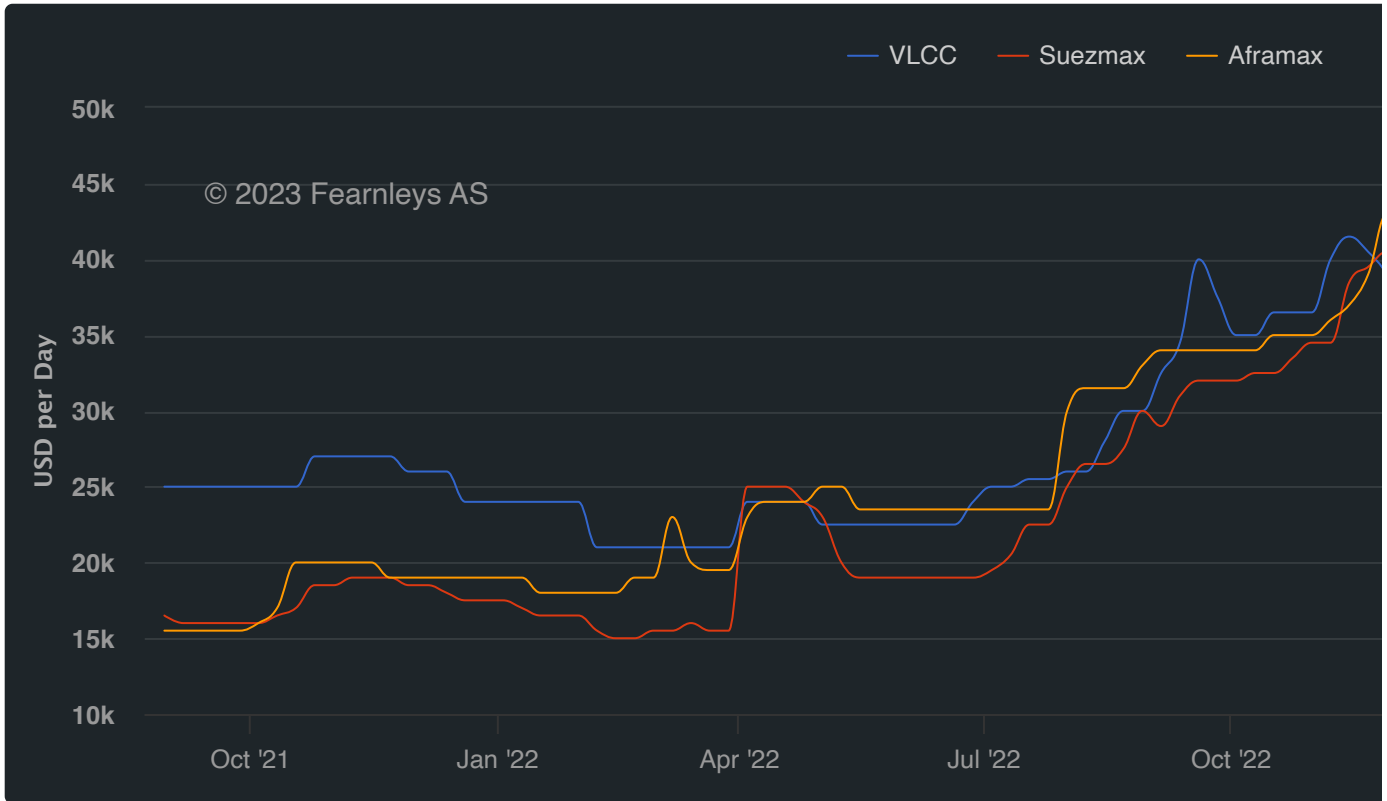
**51**

**-2 ✓**

Available in MEG next 30 days

**156**

**-9 ✓**



# 02

## Dry Bulk

### Capesize

There has been an uptick in volumes for mid-September C5 and East Australia/China, contributing to an increasingly optimistic sentiment. Volumes continue to remain low on South Africa, West Africa and C3 ex Brazil/China route. Tonnage is still readily available in Far East with a substantial number of ballasters. C5 levels held up from last week, concluding at mid to high USD 7 pmt levels. Limited C3 fixtures has been concluded while we see owners hesitate to take charterer bids and Vale remains quiet. On period, we see 176k dwt 2011-build non-scrubber fixed with wide spread 10-18 months at USD 15,200/day.



After a dynamic start post-UK holiday, the Panamax market is experiencing mixed sentiment across regions. The BPI timecharter index is USD 13,689, a 3.2% increase week-on-week, primarily buoyed by gains in the FFA market and firm sentiments in the North Atlantic and South America. Meanwhile, typhoons near China's coast raise potential concerns for port congestion. Despite some positive indicators, a gap remains between owners' asking prices and what charterers are willing to pay, especially in the Pacific market.

## Supramax

The share of the fleet east of Suez has dropped noticeably the last few weeks, which perhaps could trigger upside as Asian coal demand is set for a seasonal upturn in the coming months. China's demand has been low the last weeks but rising industrial metal prices could indicate that demand is about to rise going forward. If the above scenario plays out remains to be seen, but what is clear is that the market will be supported in the near-term by the high ECSAM grains activity and the upcoming USG grain season.

## Rates

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

[Click rate to view graph](#)

TCE Cont/Far East

**\$38,125**

**\$312^**

Australia/China

**\$7.5**

**-\$0.2^**

Pacific RV



## Panamax

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

[Click rate to view graph](#)

Transatlantic RV

**\$14,777**

**-\$10**

TCE Cont/Far East

**\$23,364**

**-\$45**

TCE Far East/Cont

**\$5,685**

**\$254**

TCE Far East RV

**\$10,667**

**\$434**

## Supramax

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

[Click rate to view graph](#)

Atlantic RV

**\$11,607**

**\$601**

Pacific RV




## TCE Cont/Far East

**\$16,667**

**\$988** ^

## 1 Year T/C

(USD/Day, Weekly Change)

 [Click rate to view graph](#)

## Newcastlemax

**\$17,900**

208'

**-\$300** v

## Kamsarmax

**\$14,100**

82'

**\$400** ^

## Ultramax

**\$13,500**

64'

**\$750** ^

## Capesize

**\$13,900**

180'

**-\$300** v

## Panamax

**\$12,600**

75'

**\$400** ^





\$11,000

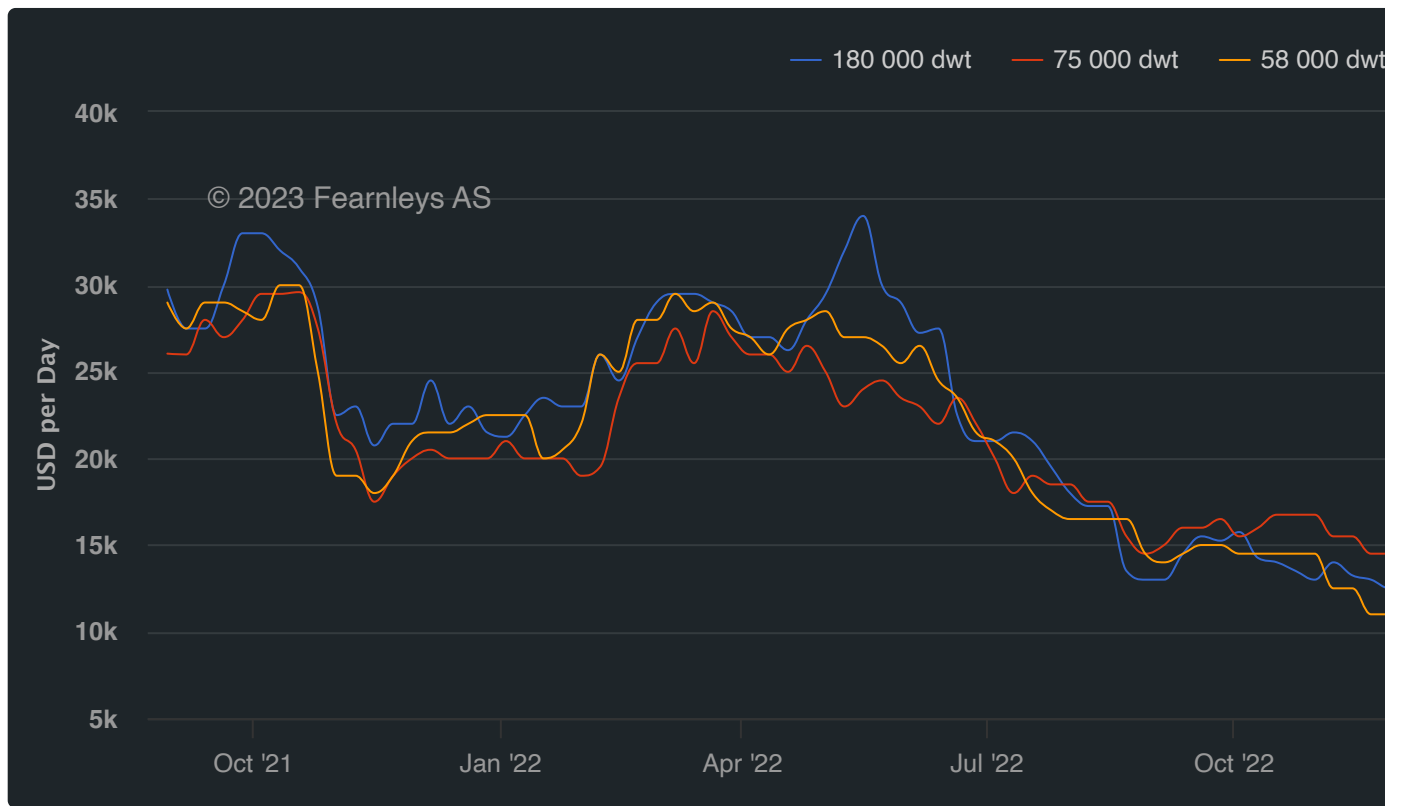
\$0 >

Baltic Dry Index (BDI)

\$1,094

-\$13 v

# 1 Year T/C Dry Bulk



# 03

Gas



## EAST

Only one Indian PSU cargo has been fixed out of MEG so far on September dates versus an average just above 5 the previous past three months. This alone could be indicating things will get pretty tight for the rest of September. However, for second half of the month and onwards we are still far out and as itineraries firm up we would not be surprised if some more vessels appear on the positions list.

## WEST

With UK back in business after a bank holiday on Monday we have seen a handful of vessels put on subs in the West. That said, we count a total of 20 spot fixtures for October ex USG/USEC (13 first decade and 7 second decade) with last done deals at mid 170s H/C. Vessel supply for 1H Oct is now very limited with only a couple firm open positions left. At the time of writing, we have yet to see a fixture in the 2H Oct so far, but some players are already out looking. The position list this period is looking tight, and owners have difficulties giving a vessel with a firm itinerary this far out.

# LPG Rates

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

[Click rate to view graph](#)

VLGC	84'
<b>\$2,400,000</b>	<b>\$100,000</b>

LGC	60'
<b>\$1,500,000</b>	<b>\$0</b>

MGC	38'
<b>\$1,200,000</b>	<b>\$0</b>



HDY SR

**\$850,000**

20-22'

**\$0 >**

HDY ETH

**\$920,000**

17-22'

**\$0 >**

ETH

**\$530,000**

8-12'

**\$0 >**

SR

**\$460,000**

6.5'

**\$0 >**

COASTER Asia

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

COASTER Europe

**\$315,000****\$0 >**

### LPG/FOB Prices (Propane)

(USD/Tonne, Weekly Change)

 [Click rate to view graph](#)

### FOB North Sea/Ansi



Saudi Arabia/CP

**\$470**

\$0 >

MT Belvieu (US Gulf)

**\$350**


\$16 ^

Sonatrach/Bethioua

**\$470**

\$0 >

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

 Click rate to view graph

FOB North Sea/Ansi

**\$446**

\$0 >

Saudi Arabia/CP

**\$460**

\$0 >

MT Belvieu (US Gulf)

**\$274.5**

-\$81.5 v



\$465

\$0 >

# LNG Rates

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

[Click rate to view graph](#)

East of Suez 155-165k CBM

\$130,000

\$20,000 ^

West of Suez 155-165k CBM

\$140,000

\$35,000 ^

1 Year T/C 155-165k TFDE

\$101,500

\$0 >

# 04 Newbuilding

## Activity Levels



**Slow**

**Dry Bulk Activity**

**Slow**

**Other Activity**

**Moderate**

## Prices

VLCC

**\$124**

300'

**\$0 >**

Suezmax

**\$82**

150'

**\$0 >**

Aframax

**\$65**

110'

**\$0 >**

Product

**\$44**

50'

**\$0 >**



Newcastlemax

210'

\$66

\$0 &gt;

Kamsarmax

82'

\$36.5

\$0 &gt;

Ultramax

64'

\$34.5

\$0 &gt;

LNGC (MEGI) (cbm)

170'

\$259

\$0 &gt;

# 05

## Sale & Purchase

### Prices

Dry	5 yr old	10 yr old
Capesize	\$47.5	\$32.5
Kamsarmax	\$32.0	\$23.5



Ultramax	\$28.0	\$22.0
Wet	5 yr old	10 yr old
VLCC	\$94.0	\$72.0
Suezmax	\$71.0	\$56.0
Aframax / LR2	\$61.5	\$49.0

# 06

## Market Brief

### Exchange Rates

USD/JPY

146.48

-0.01▼

USD/NOK

10.7

-0.01▼

USD/KRW

1,323.4

-3.5▼





EUR/USD

1.08

0 &gt;

## Interest Rates

LIBOR USD (6 month)

5.2%

0 &gt;

NIBOR NOK (6 month)

3.12%

0 &gt;

## Commodity Prices

Brent Spot

\$85.5

\$2 ^

## Bunker Prices

Singapore

380 CST

\$530.5

-\$3 v

MGO



Spread MGO/380 CST

**\$393.5**

-\$4▼

**Rotterdam**

380 CST

**\$553**

\$7.5▲

MGO

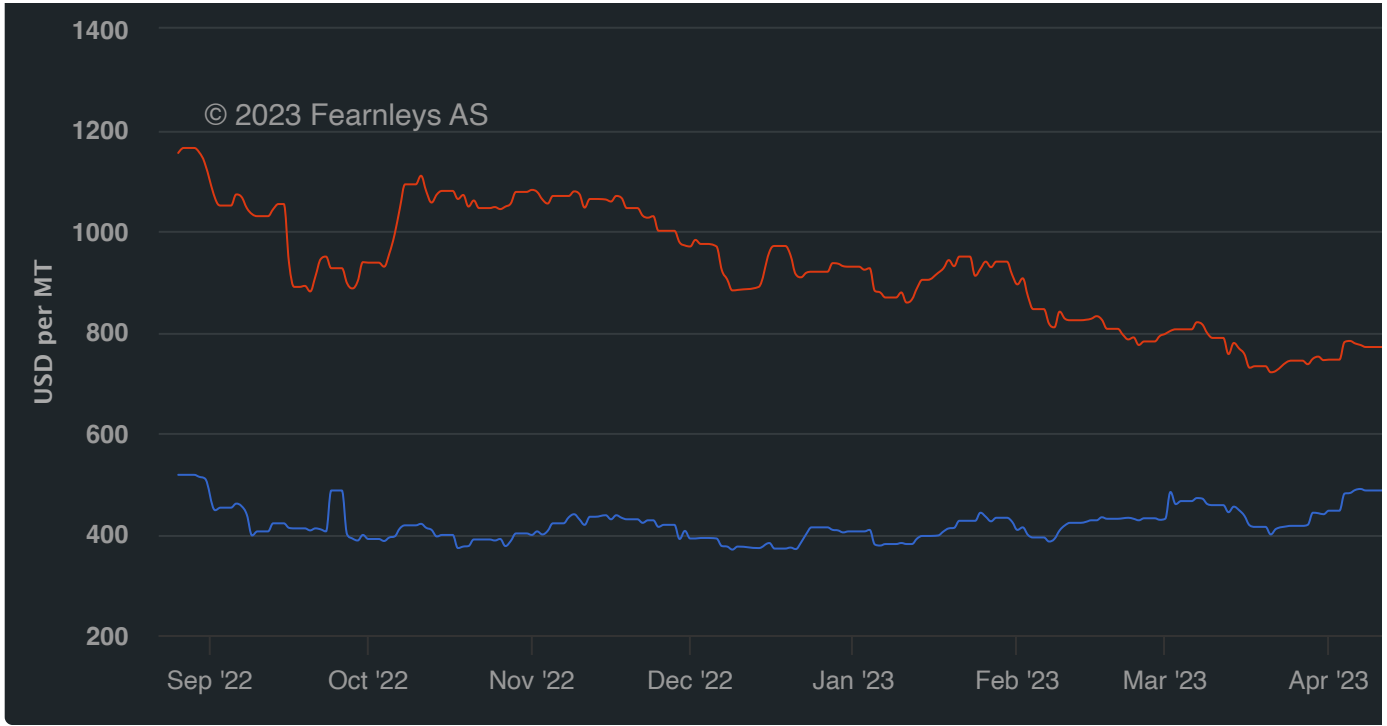
**\$928**

-\$4.5▼

Spread MGO/380 CST

**\$375**

-\$12▼



### Week 35 - August 30, 2023

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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