

Fearnleys Weekly Report

Week 37 - September 11, 2024

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01 Tankers

VLCC

The front end of the MEG menu has thinned substantially both in numbers and in who controls the tonnage. Arguably there are question marks as to the fixture count and remaining volumes for September, but with the October program just around the corner anyone exposed into the early part of "next" month should be careful to rest on the laurels. TD3C is likely now priced at minimum WS 55 and few will be surprised to see something north of WS 60 before the week is over. Falling oil prices will also whet the appetite for more spot purchasing from both the MEG and the Atlantic. The WTI-Dubai spread, adjusted for slight backwardation is back at levels where USG-East activity was much higher earlier in the year. Worse case sideways – upwards risk evident.

Suezmax

units the market. This should kick start firmer freight rates due to the cheaper WTI pricing coinciding with October fixing dates, a month that has historically set the scene for the winter. In the here and now, TD20 remains fairly flat but we envisage the market staging a recovery in the next couple of weeks due the aforementioned fundamentals.

The East has flattered to deceive. After a couple of headline MEG/East rates last week, the region is very quiet with mainly Indian market cargoes providing the only above radar action. MEG/East will trade WS 105-110 and BOT/UKCM needs a test but probably trades WS 50's via Cape.


Aframax

For the last few weeks, the North Sea market has remained stable at around the WS 115-120 level. Activity has been limited with a lot of stems covering either on Suezmax or own tonnage. US markets remain soft, but is anticipated to pick up towards the end of the month, and with Libya barrels starting to flow again and Mediterranean market firming, tonnage does have an alternative which could attract tonnage out of the area and start to affect North Sea rates if tonnage thins.

Mediterranean Aframax have seen rates rise from the bottom giving a sense of better days to come. It might take a while for things to kick on but the increase in barrels from a functioning Libya should at least bring some stability to the region. Window is edging towards mid-third decade and prompter vessels will be hoping for an influx from North Africa. CPC fixing is also there to progress with the added implications of increased delays at the Turkish Straits.

Rates

Dirty
(Spot WS 2024, Daily Change)

 [Click rate to view graph](#)

MEG/WEST	280'
30	0 >

Fearnleys

MEG/Japan	280'
44.5	0 >

MEG/Singapore	280'
45.5	0 >

WAF/FEAST	260'
50	0 >

WAF/USAC	130'
75	0 >

Sidi Kerir/W Med	135'
80	0 >


N. Afr/Euromed	80'
120	20 ^

UK/Cont	80'
115	-5 v

Caribs/USG	70'
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1 Year T/C

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

 [Click rate to view graph](#)

VLCC

\$38,000

Modern

\$0 >

Suezmax

\$41,000

Modern

\$0 >


Aframax

\$43,000

Modern

\$0 >

VLCCs

 [Click rate to view graph](#)

Fixed in all areas last week

77

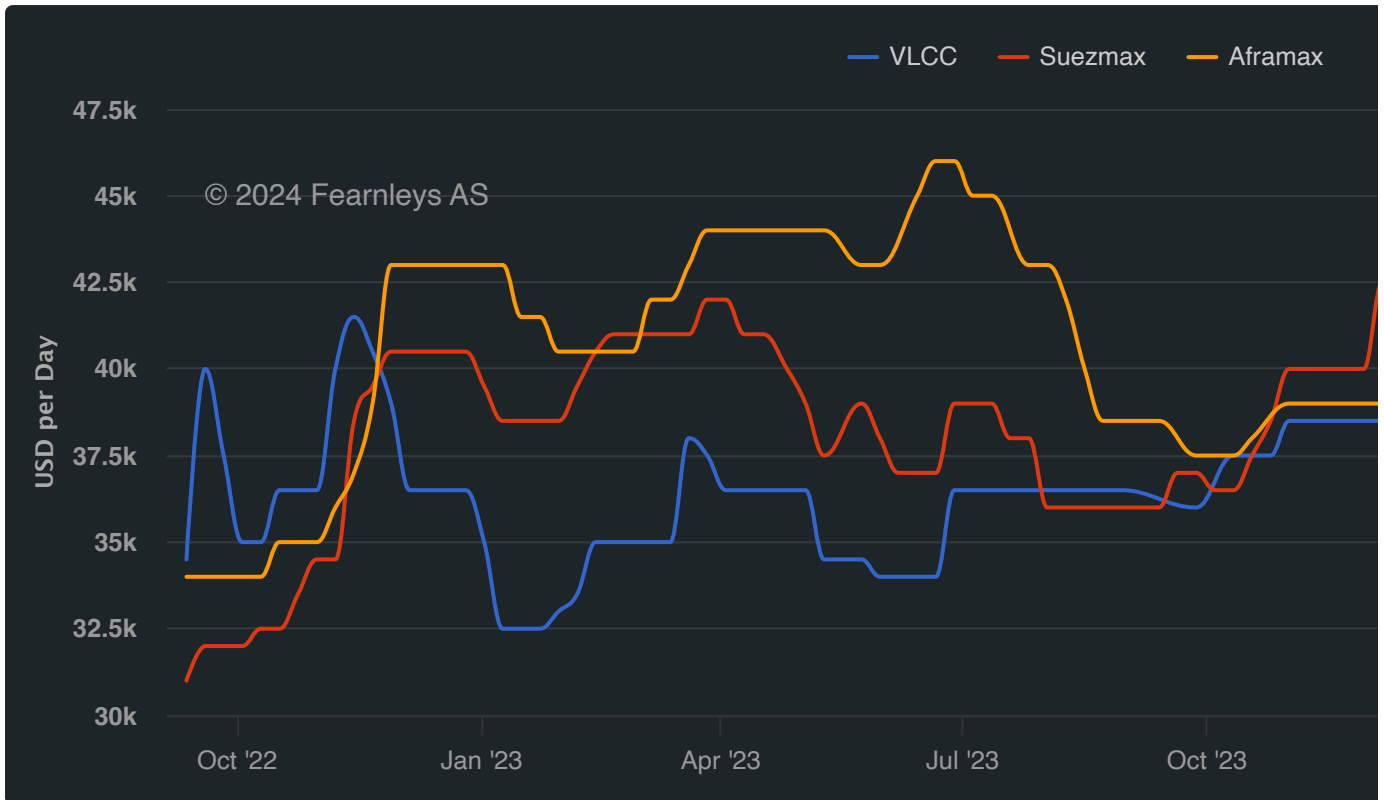
5 ^

Available in MEG next 30 days

140

4 ^

FRIGHT



02

Dry Bulk

Capesize

On the West Australia front, we see enquiries from miners and operators for late September to very early October dates. Volumes out of East Australia seen an uptick from last week with the presence of some tenders as well. On the Pacific and west coast South America front, enquiries were for mid to late September dates and October dates respectively. On C3 ex Brazil to China, very limited enquiries for late September dates with operators and some miners interested in first half of October dates. Far East spot tonnage is abundant albeit some impacted by Typhoon Bebinca. Ballasting tonnage is dwindling for second half of September and heavily weighted on

mid-week. On US, we see bids in the mid USD 25 pmt levels for early October dates and fixtures concluding at high USD 27 pmt levels.

Panamax


This week the Panamax market saw modest gains in the Atlantic, particularly in fronthaul routes, though the North remained weak due to excess tonnage. In contrast, the Pacific showed positive sentiment, driven by firm demand in the region despite wide bid-offer spreads. The US Gulf saw steady cargo activity, but many owners are waiting for better rates. Although the coal market remains bearish, seasonal demand for grains and coal is expected to rise in Q4, which could provide some market support.

Supramax

The Handysize and Supramax markets saw a mixed performance with limited fresh activity across regions. In the US Gulf, there were slight signs of improvement with a better cargo book, but the tonnage-to-cargo imbalance continued to pressure rates. The South Atlantic experienced a gentle decline due to minimal new inquiries. In Asia, the market remained largely flat, though some interest in nickel ore trades emerged, with a few fixtures reported. Rates in the Continent and Mediterranean held firm despite long tonnage lists and thin demand.

Rates

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

 [Click rate to view graph](#)

TCE Cont/Far East

\$38,125

\$312 

Australia/China

FRIGHT


Pacific RV

\$16,464

\$1,496 

Panamax

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

 [Click rate to view graph](#)

Transatlantic RV

\$8,265

\$650 

TCE Cont/Far East

\$21,077

\$141 

TCE Far East/Cont

\$5,763

\$54 


TCE Far East RV

\$13,973

\$269 

Supramax

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

 [Click rate to view graph](#)

Atlantic RV

1 Year T/C

Pacific RV

\$12,575

\$19 


TCE Cont/Far East

\$19,179

-\$259 

1 Year T/C

(USD/Day, Weekly Change)

 [Click rate to view graph](#)

Newcastlemax

\$27,400

208'

-\$255 

Kamsarmax

\$16,500

82'

\$150 

Ultramax

\$16,000

64'

-\$500 

Capesize

\$23,400

180'

-\$255 

FRIGHT

\$15,400

75
\$100 ^

Supramax
\$14,500

58'
-\$1,000 v

Handysize
\$12,000

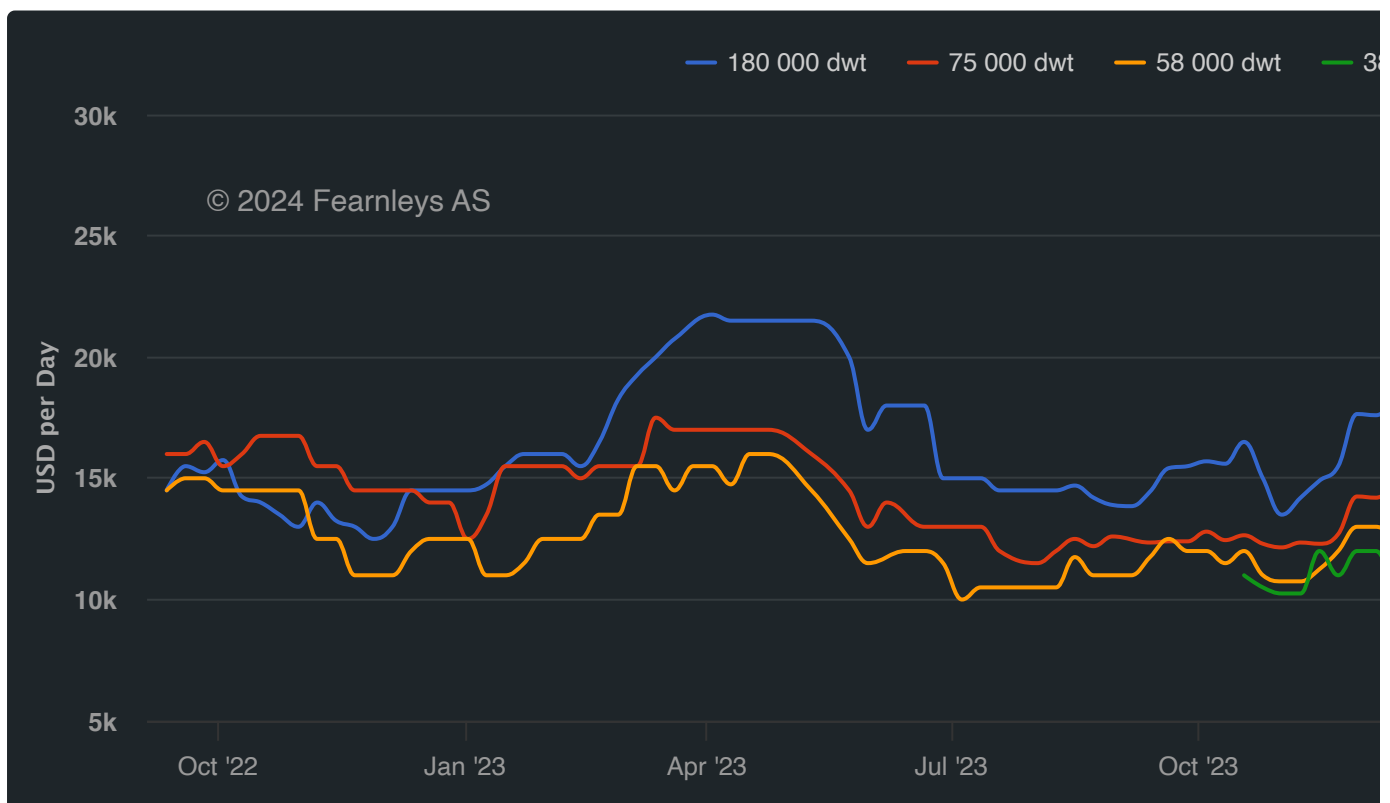
38'
\$0 >

Baltic Dry Index (BDI)

\$1,963

\$22 ^

1 Year T/C Dry Bulk





Chartering

EAST

Coming close to the mid-point of the week, the East has so far failed to bring much excitement in the spot market. There are reportedly one or two Indian cargoes remaining on September dates – and statistically we could hope for one or two additional cargoes before we look to October. Even with an optimistic view on remaining volumes it looks like freight has more downside, and with the APPEC conference still in full swing in Singapore, it’s rather unlikely that activity will pick up just yet.

WEST

There are 14 available ships before 15th October in the US Gulf. That said, shipping is currently looking a bit long for the time being with few available spot cargoes in the market. At the time of writing, we count 7 spot fixtures for October dates ex USG/USEC – 3 first decade and 4 second decade. Last done at USD 108 Houston-Chiba range.

LPG Rates

Spot Market (USD/Month, Weekly Change)

 [Click rate to view graph](#)

VLGC	84'
\$1,250,000	\$0 >

LGC	60'
\$700,000	\$0 >

LPG/FOB

MGC	38'
\$860,000	\$0 >

HDY SR	20-22'
\$880,000	-\$10,000 v

HDY ETH	17-22'
\$1,220,000	\$0 >

ETH	8-12'
\$620,000	\$0 >

SR	6.5'
\$450,000	\$0 >

COASTER Asia	
\$280,000	\$0 >

COASTER Europe	
\$390,000	\$0 >

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

LPG/FOB

FOB North Sea/Ansi

\$555.5

\$0 >

Saudi Arabia/CP

\$580

\$0 >

MT Belvieu (US Gulf)


\$376

\$0 >

Sonatrach/Bethioua

\$555

\$0 >

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

FOB North Sea/Ansi

\$492

\$0 >

Saudi Arabia/CP

\$570

\$0 >

MT Belvieu (US Gulf)

Freight

Sonatrach/Bethioua


\$500

\$0 >

LNG Rates

Spot Market

(USD/Day, Weekly Change)

 Click rate to view graph

East of Suez 155-165k CBM

\$60,000

\$0 >

West of Suez 155-165k CBM

\$40,000

-\$5,000 v

1 Year T/C 155-165k TFDE

\$57,000

-\$3,500 v

04 Newbuilding

Activity

Tank Activity

Strong

Dry Bulk Activity

Moderate

Other Activity

Strong

Prices

VLCC

300'

\$127

\$0 >

Suezmax

150'

\$86

\$0 >

Aframax

110'

\$70.5

\$0 >

Product

50'

FRIGHT

Newcastlemax

210'

\$73

\$0 >

Kamsarmax

82'

\$38

\$0 >

Ultramax

64'

\$36

\$0 >

LNGC (MEGI) (cbm)

170'

\$264

\$0 >

05

Sale & Purchase

Prices

FRIGHT

Capesize	\$64.0	\$44.5
Kamsarmax	\$38.5	\$29.5
Ultramax	\$36.0	\$28.5
Handysize	\$28.5	\$22.0

Wet	5 yr old	10 yr old
VLCC	\$110.0	\$84.0
Suezmax	\$84.0	\$68.0
Aframax / LR2	\$73.0	\$60.0

06

Market Brief

Exchange Rates

USD/JPY

143.06

-0.5▼

USD/NOK

10.79

-0.02▼

USD/KRW

1,235.5

-7.3▼

EUR/USD

0.91

0 >

Interest Rates

SOFR USD (6 month)

5.4%

0 >

Commodity Prices

Brent Spot

\$72

\$0 >

Bunker Prices

Singapore

380 CST

\$436.5

-\$0.5▼

MGO

Rotterdam

Spread MGO/380 CST

\$192.5

\$0 >

Rotterdam

380 CST

\$398.5

-\$9.5 v

MGO

\$616.5

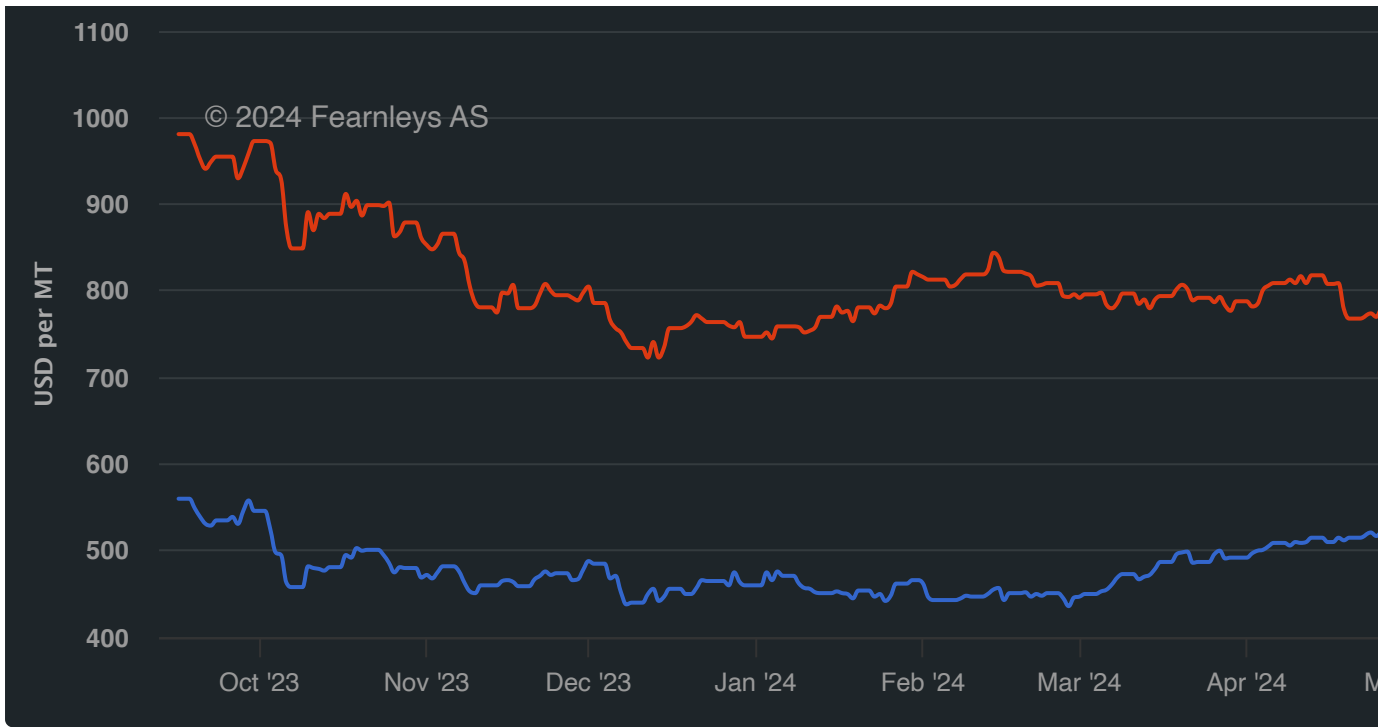
-\$3.5 v

Spread MGO/380 CST

\$218

\$6 ^

FRUIT



Week 37 - September 11, 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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