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Bulk report – Week 9 2016

VLCCs

It has been another difficult week in the Middle East Gulf as a plentiful supply of tonnage has enabled charterers to maintain pressure on owners. A couple of runs to Taiwan and Thailand were covered just below WS 50, albeit on 15/16 year old tonnage. Exxon are now reported to have taken *Caesar* for 270,000 tonnes at WS 52.5 to Singapore, while S-Oil have fixed *New Discovery* at WS 50 for 265,000 tonnes to South Korea. Going west, 280,000 tonnes to the US Gulf has been fixed between WS 26/29 cape/cape with options cargoes paying a modest premium.

West Africa/China trips have held steady at WS 55, with runs to WC India being covered at the equivalent of low WS 50s. On the Continent, Hound Point to South Korea went at around $6.3 million, down around $450,000 from end of last week, while fuel oil from Rotterdam to Singapore has been covered at $4.25/4.5 million. Essar covered Caribs/WC India at $3.9 million, previously Caribs to WC India runs had been going at closer to $4.9 million. Caribbean to Singapore is said to have been fixed at $4.85 million and Socar are understood to have paid

$5.1 million for Ceyhan to South Korea on *Oceanis*.

Suezmaxes

In West Africa, the market has been flat. Rates eased initially a couple of points to settle at WS 67.5 for Europe while WS 62.5 was agreed for US Gulf discharge.

Black Sea rates have similarly struggled, with the market down from WS 80 to around WS 75/77.5 for 135,000 tonnes to Europe. A Novorossiysk to WC India saw plenty of offers before being covered at $2.1 million. A longer Algeria to Thailand voyage is reported fixed by Sonatrach at $2.9 million.

Aframaxes

In the Mediterranean, a Sidi Kerir to Portugal enquiry set the tone as Petrogal covered here at WS 70, representing a new low for this year. Others were enticed in to the market on the back of this but were unable to repeat this level and the market has now settled around WS 80 for Cross Med with Black Sea tending to pay around WS 85.

In the Baltic, rates have been settled throughout the week at WS 72.5 for 100,000 tonnes. Similarly, there has been no change in the 80,000 tonnes North Sea/UK-Cont market with a conference rate established at WS 92.5.

An active week in the 70,000 tonnes Caribbean/up coast market, albeit with most enquiry kept under the radar, has seen rates steady at around WS 137.5/140 with delays in the US Gulf leading to continued uncertain itineraries, enabling owners to maintain current levels here.

Panamaxes

Off the Continent, with the VGO arb closed, it has been another difficult week with limited enquiry and rates from ARA to the US Gulf under pressure. Brokers feel some owners may now be willing to consider breaking WS 100 here.

Clean

In the 37,000 tonnes Cont/USAC trade, there is a sense of déjà vu with rates largely unchanged, still hovering between WS 112.5/115.

In the US Gulf backhaul trade, the market has held steady throughout the week at around WS 120 which may yet benefit the Continent/Transatlantic trade as owners prefer to ballast down rather than head back to ARA.

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