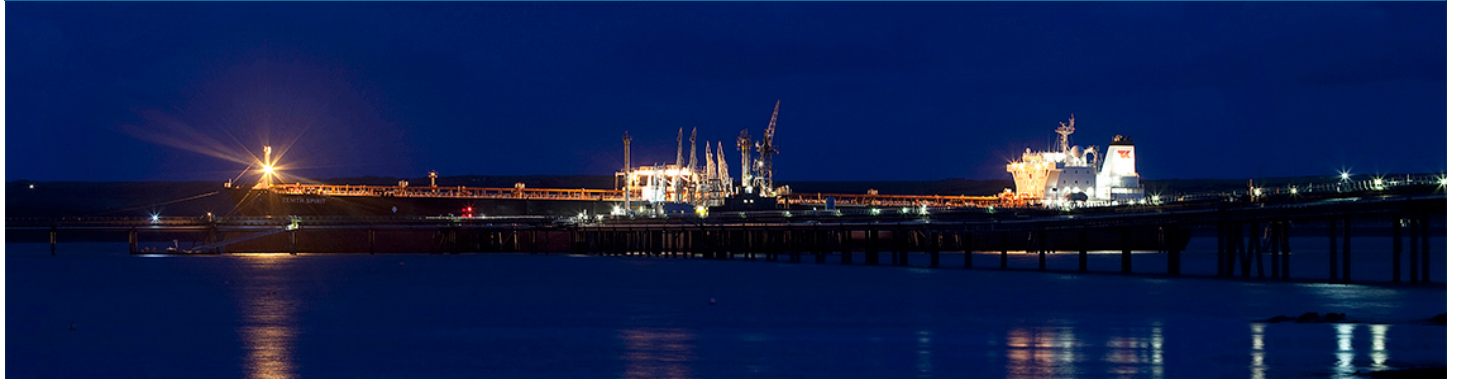


BalticBriefing

Baltic Exchange member news, views and events



Tanker report – Week 40 2016

VLCCs

It has been another positive week for VLCC's with October tonnage looking markedly tighter. In the Middle East Gulf, the market for 270,000 tonnes going long east has risen 12.5 points to around 55 level, while rates for 280,000 tonnes to the US Gulf are now assessed at around WS 29 cape/cape representing a 4.5 point gain from a week ago and there remains potential further upward potential.

In West Africa, rates have similarly benefited from the stronger market in the Middle East Gulf. Reliance fixed at the equivalent of around WS 69 for 29/30 October to WC India while China discharge has been covered in the low/mid WS 50s all basis 260,000 tonnes cargo. A week ago the market here was nudging WS 50. In the North Sea, BP are said to have taken *Front Eminence* at \$3.2 million from Rotterdam to Singapore while Petroineos reportedly paid \$3.4 million. In the Caribbean, Essar paid \$2.6 million for a run to WC India while rates to Singapore have been steady at around \$3.85 million, although with firmer rates in the Atlantic and Middle East Gulf, brokers feel the market could strengthen further.

Suezmaxes

West Africa has suffered from a lack of enquiry and rates have dropped significantly before modestly recovering to settle at WS 82.5, representing a loss of almost 17.5 points in just over a week. In the Black Sea, rates have followed the downward trend in West Africa with the market now at WS 85 for 135,000 tonnes, in contrast to the WS 100 level of a week ago. There has also been interest from Black Sea to the East with Japan covered at \$ 3.05 million while a Malta/Singapore run paid \$2.3 million.

Aframaxes

In the Mediterranean, it has been a disappointing week for owners with plenty of interest shown in market cargoes. Petrogal were able to fix 80,000 tonnes from Sidi Kerir to Portugal at WS 70 while Ceyhan and Black Sea/Med runs paid WS 80. The Baltic has likewise eased somewhat as healthy tonnage availability boosted by both ballasters and LR2s willing to switch from clean to dirty trade put downward pressure on rates with the market now around WS 77.5, representing a drop of around 16.25 points here. The 80,000 tonnes cross North Sea market has followed suit with the market now at WS 100 level in contrast to the WS 115 of a week ago.

The 70,000 tonnes Caribbean up-coast market has recovered modestly, gaining five points to WS 80 thanks to a number of ships going on long haul voyages leaving a thinner tonnage list. Brokers feel the market could firm further on the back of possible disruption and delays caused by Hurricane Matthew.

Panamaxes

On the Continent, it has been an uneventful week with rates holding steady at between WS80/82.5 level for 55,000 tonnes from ARA to the US Gulf, while from the Mediterranean, rates are still hovering around WS 80.

Clean

In the Middle East Gulf, status quo has been maintained with rates for 75,000 tonnes to

Japan steady around WS 55. In the 55,000 tonnes AG/Japan trade, rates are very marginally firmer with owners now aiming around WS 80 in contrast to previous levels of WS 75.

In the 37,000 tonnes Cont/USAC trade, it has been a disappointing week for owners as rates have softened further to WS 70, despite no shortage of enquiry. Likewise in the 38,000 tonnes backhaul trade from the US Gulf, rates have been under pressure all week with the market in the very low WS 50s which shows a slightly negative time charter return.

For daily tanker market assessments from the Baltic Exchange please visit

www.balticexchange.com/market-information/