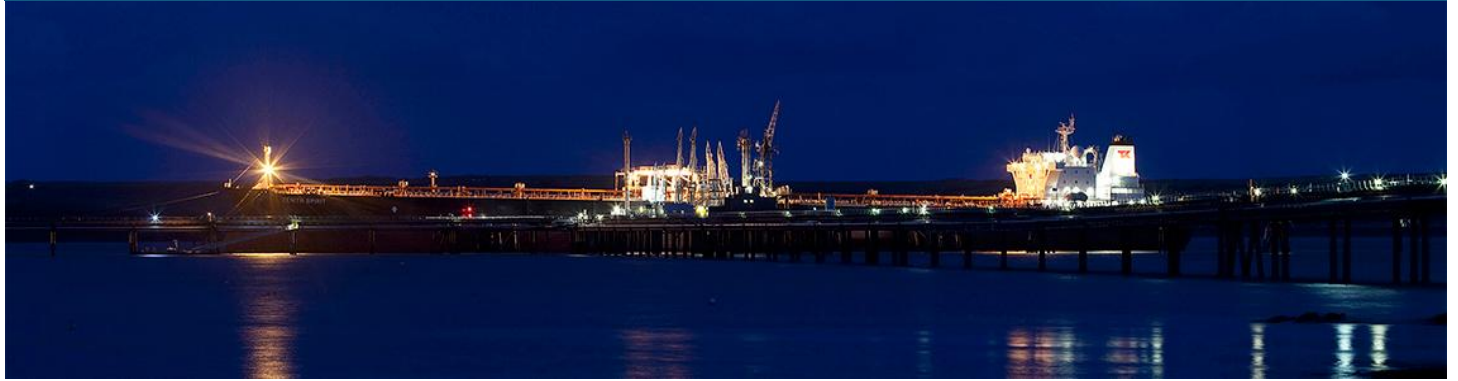




Baltic Briefing

Baltic Exchange member news, views and events



Tanker report – Week 47 2016

VLCCs

It has been another week of consolidation for owners in the Middle East Gulf trade where rates for 270,000 going long east have nudged up modestly to low WS 70s, while a shorter replacement cargo to Singapore is said to have paid around WS 76.25. That said there is growing evidence of a two-tier market forming here with a newbuilding said to have agreed WS 64 to South Korea. Going west rates for 280,000 tonnes cape/cape have been steady at around WS 40 level.

In West Africa, rates for 260,000 tonnes to China have firmed on the back of the solid Middle East Gulf market with rates up from WS 67.5 at the end of last week to around WS 70/71 with similar levels being paid into Indonesia-Thailand. On the Continent, Hound Point to South Korea was fixed at \$5.4 million while fuel oil from Rotterdam to Singapore went at \$4.25 million, representing a gain of \$100,000 from last week. Caribbean to Singapore has been steady at \$4.5 million region.

Suezmaxes

In West Africa rates for 130,000 tonnes to Europe have continued to firm with WS 92.5 done by BP midweek. Subsequently Petrogal covered a short run to Portugal at WS 95 while Cepsa took Aegean tonnage at WS 105. In the Black Sea, rates have continued to firm with WS 117.5 having been paid for 135,000 tonnes to Europe with Turkish straits delays of around 6 days each way. The market here is also benefitting from the strong aframax market which is attracting interest from suezmaxes thus helping to keep the tonnage list in check. In the Mediterranean Repsol took Athens Spirit for 140,000 tonnes from Sidi Kerir to Spain at WS 100.

Aframaxes

The market in the Mediterranean and Black Sea has been steady throughout the week in the mid WS 160s for 80,000 tonnes, with replacement business paying a premium. However, with a tight tonnage list and the delays in the Turkish straits owners see potential for further gains in the market.

In the Baltic at the start of the week rates eased around 5 WS points to WS 100, but thereafter the market has held steady and the December program is looking busy for both Primorsk and Ust Luga. The 80,000 tonnes cross North Sea market has been hovering anywhere between WS 132.5/137.5 depending on date and voyage with a number of ships still sitting laden in the North Sea with no discharge prospects, the market has a firm feel to it.

The 70,000 tonnes Caribbean up coast market has eased from the highs of WS 132.5 at end of last week to WS 120 level as the Thanksgiving holidays in the USA and the short week have led to improved tonnage availability with owners keen to get fixed over the long weekend there.

Panamaxes

In the Mediterranean, it has been another active week with rates for 55,000 tonnes to US Gulf gaining around 5 WS points to WS 117.5 and there is talk now of a Black Sea cargo being on subjects at WS 120 and it is this firm market which is supporting the rates in the north where the market from ARA is now assessed at around WS 115 in contrast to the WS 102.5/105 level at the end of last week.

Clean

In the Middle East Gulf, improved levels of enquiry saw the market rise from WS 62.5 to low WS 70s in the 75,000 tonnes trade to Japan, while in the 55,000 tonnes AG/Japan trade the market has come under downward pressure with rates now closer to WS 72.5 in contrast to the WS 75 at the start of the week.

With the long weekend in the USA, enquiry has rather tailed off in the 37,000 tonnes Cont/USAC trade and rates have stagnated around the WS 107.5 level. It is a similar story in the 38,000 tonnes back haul market with rates seemingly settling in the high WS 80s.

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