



Tanker report – Week 49 2016

VLCCs

Healthy levels of enquiry, combined with increased delays in both India and China have pushed the market up further in the Middle East Gulf where rates for 270,000 tonnes going long east have risen around 10 points with both WS 80 and WS 81.5 agreed for long east voyages. Similarly rates for 280,000 tonnes to the US Gulf have risen from WS 40 cape/cape to around WS 44/45 region. Higher has been paid but this was on business requiring wide options which tend to pay a premium.

In West Africa, the firm market in the Middle East Gulf has been mirrored here with rates for 260,000 tonnes to China firming from the low WS 70s to WS 76 which was paid by Petroineos that included a Yingkou option at WS 78. A shorter voyage to WC India earlier in the week went at the equivalent of about WS 75.25. In the North Sea, crude was fixed from Hound Point to South Korea at around \$5.65 million while fuel oil from Rotterdam to Singapore is said to have been covered at \$4.15 million.

Suezmaxes

It has been a volatile week in West Africa as rates initially lost 15 points with WS 70 being done for UK-Cont and WS 65 was agreed to the US Gulf. Thereafter, with plenty of activity in other markets , thus taking away tonnage from West Africa owners have managed to regain lost ground and the market has now recovered to around WS 80 level.

The Black Sea market also felt the chill winds of the West Africa suezmax market with rates for 135,000 tonnes dropping from WS 105 at the end of last week down to WS 95 as Turkish straits delays initially decreased. However with healthy levels of enquiry in both Mediterranean and Black Sea, combined with Turkish straits delays subsequently increasing back to around six days each way and a degree of bad weather in the Mediterranean, rates

have nudged back up to around WS96/ 96.25. Black Sea to Korea was fixed by Chevron at \$3.4 million while ST fixed a Libya /Med run at WS 96.25 basis 130,000 tonnes.

Aframaxes

In the Mediterranean and Black Sea markets it has been a disappointing week for owners with rates dropping around 40 points to WS 120 as charterers saw plenty of offers for their cargoes and an attractive voyage from Sidi Kerir to Portugal went at WS 120. However brokers feel that with bad weather in central Mediterranean creating uncertainty on itineraries and straits delays back up again there is potential for rates to stage a recovery.

In the Baltic the market for 100,000 tonnes has continued to firm on the back of a busy December program with rates now at WS 120 representing a gain of around six points from a week ago with some charterers specifically focusing on ice class tonnage for second half December loading. The strong Baltic market has also been sustained by the 80,000 tonnes cross North Sea market where rates have been hovering between WS 140/142.5 level.

A healthy supply of tonnage saw rates initially slide around 15 points to WS 85 in the 70,000 tonnes Caribbean up coast market, before staging a mini recovery to very low WS 90s as steady demand thinned the tonnage list somewhat.

Panamaxes

It has been an uneventful week with rates in both Mediterranean and UK-Cont steady at WS 112.5 level for 55,000 tonnes to the US Gulf.

Clean

The Middle East Gulf has been flat with rates steady at WS 70 for 75,000 tonnes to Japan, though some brokers feel there is the potential for downward pressure. For 55,000 tonnes AG/Japan the market has seemingly settled at WS 75 level.

In the 37,000 tonnes Cont/USAC trade, a slow start to the week saw rates drop down to barely WS 90 before a welcome uptick in enquiry midweek saw rates recover and are now nudging the WS 100 level. In the US Gulf rates in the 38,000 tonnes backhaul market eased around 7.5 points to WS 90 before settling at this level.

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