



Tanker report – Week 3 2017

VLCCs

It has been a steady week in the Middle East Gulf with rates for 270,000 tonnes going long east being maintained at around mid WS 80s while rates for 280,000 tonnes to the US Gulf have settled at around WS 49/50 region basis cape/cape. There remain significant discounts achievable for newbuilding, over aged and ex dry dock tonnage.

It is a similar story with rates for 260,000 tonnes in the West Africa/China trade holding in the WS 83/84 region on the back of steady demand for first half February loading, which is also

helping to support the market in the Middle East Gulf. In the Caribbean, Reliance took a 2000 built ship at \$4.05 million for a trip to WC India while on the Continent, Hound Point to South Korea is said to have been fixed at around \$5.4 million in contrast to previous levels closer to \$5.6 million. Fuel oil from Rotterdam to Singapore is now on subjects at \$4.0 million in contrast to the \$4.3 million that failed on subs earlier in the week. In the Mediterranean, the Gener8 Noble failed for Ceyhan to Taiwan at \$5.8 million and is now said to be on subjects to Lord Energy for ship to ship Malta to Singapore at \$4.0 million, while Socar are reported to have taken 'Olympic' tonnage at \$5.39 million from Ceyhan to Taiwan with China option at \$6.25 million.

Suezmaxes

A lack of enquiry in West Africa, combined with some ships failing subjects, together with ballasters from the East arriving and steady VLCC fixing here has led to the market falling away to around WS 87.5 in contrast to the WS 110/112.5 levels of a week ago. Although there has been plenty of fixing from both Med and Continent for long voyages, Black Sea rates have mirrored the trend in West Africa, despite the Bosphorus having been closed earlier in the week and delays of seven/nine days each way in the Turkish straits. The

market is now down at WS 97.5 level representing a 15 point fall over the last week and remains under downward pressure.

Aframaxes

In the Mediterranean and Black Sea it has been a disappointing week for owners with the market losing 30 WS points to sit now in the very low WS 150s with charterers having plenty of choice for tonnage and quietly picking off tonnage accordingly. A lighter program from Black Sea and Ceyhan for early February has not helped owners' cause even though Turkish straits delays remain to the fore.

In the Baltic, despite the ice, rates for 100,000 tonnes to UK-Cont have weakened with no shortage of tonnage here and the market now sits in the mid to high WS 90s in contrast to the WS 105 level of a week ago. It is a similar story, with a slow week in the 80,000 tonnes cross North Sea market seeing rates ease two/three points down to WS 97.5/98 region.

In the 70,000 tonnes Caribs/upcoast trade, it has been a more encouraging week for owners as fog and weather delays in the US Gulf led to a tighter tonnage list and with a number of replacements needed rates have risen around 15 points to WS 160 level.

Panamaxes

On the Continent, rates for 55,000 tonnes from ARA to the US Gulf have continued to ease with levels here now at WS 160 level representing a loss of 10 points from a week ago as more tonnage has been ballasting across on the back of a weaker Caribs market.

Clean

A lack of enquiry and a refinery fire in Ruwais have combined to make it another difficult week for owners trading in the Middle East Gulf, where rates for 75,000 tonnes to Japan have consequently shed a further 20 points to WS 95. However in the 55,000 tonnes AG/Japan trade rates have held steady at WS 115.

In the 37,000 tonnes Cont/USAC trade, a lack of enquiry combined with a healthy supply of tonnage has seen rates continue to fall with the market dropping 10 points to sit now at WS 147.5. A bright start to the week in the 38,000 tonnes US Gulf/Continent trade, which saw rates initially add a couple of points to around WS 122, soon petered out and the market subsequently fell back to sit now at just below WS 110.

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