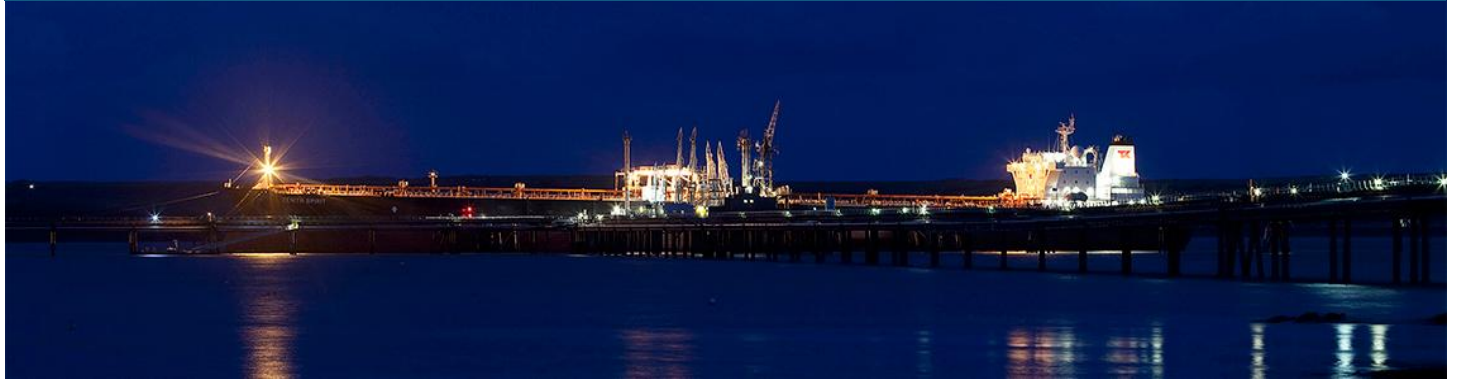




Baltic Briefing

Baltic Exchange member news, views and events



Tanker report – Week 5 2017

VLCCs

Pressure has continued to build in the Middle East Gulf and with a slow week because of the Chinese holidays, rates for 270,000 tonnes have continued to soften to sit in the high WS 60s in contrast to the WS 80 level of a week ago. A number of new buildings have appeared on an already well populated position list, adding to the pressure. It is a similar sentiment going west with rates for 280,000 tonnes cape/cape down around three points to barely WS 40 region.

The weak market in the Middle East Gulf is having the expected knock on effect in West Africa where rates for 260,000 tonnes to China have fallen 5.5 points to WS 71.5 while Indian charterers have fixed to WC India at the equivalent of WS 71.5 also. It has been a quiet week in the Caribbean with rates notionally still assessed at around \$5.0 million basis Singapore discharge. In the North Sea, Unipac are reported to have taken the 2001 built BW Utik at \$4.9 million basis Skaw to Ningbo.

Suezmaxes

A light program in the second decade of February, combined with VLCCs fixing long east here, has left suezmax owners with slim pickings and rates unsurprisingly have dropped around 10 points to WS 73.5 level and with a healthy supply of tonnage, rates remain under downward pressure here.

It has been a difficult week in the Black Sea. A healthy tonnage list combined with shorter Turkish straits delays of around five/seven days each way, has seen rates ease around 10 points to just below WS 85 with South Korea discharge fixed at \$2.9/2.95 million level. In the Mediterranean, ENI are said to have covered 130,000 tonnes from Algeria to UK-Cont-Med at around WS 82.5. Fuel oil is said to have been fixed by Newton for ship to ship Malta to

Singapore at \$2.075 million while Shell took Pegasus for a similar run at \$2.45 million with the option of US Gulf at WS 85 basis 130,000 tonnes cargo.

Aframaxes

In the Mediterranean and Black Sea it has been another disappointing week for owners with a healthy supply of spot tonnage leaving charterers plenty of choice accordingly.

Subsequently, rates have slipped a further 30 points with the market now about WS 90 basis 80,000 tonnes cargo with Black Sea paying around WS 95 level.

In the Baltic, a slow start to the week saw tonnage building, and here rates slid 10 points to WS 100 region and it has been a similar story in the North Sea where rates for 80,000 tonnes to UK-Cont have eased around 10 points to WS 102.5/105 level.

Improved weather conditions leading to a more healthy tonnage list saw rates in the 70,000 tonnes Caribs/upcoast trade lose over 30 points during the week with the market now at around WS 130 region and remains under further downward pressure.

Panamaxes

On the Continent, it has been another uneventful week with rates for 55,000 tonnes from ARA to the US Gulf steady in the low/mid WS 150s.

Clean

It has been another tough week for owners with plenty of tonnage for charterers to choose from and rates here for 75,000 tonnes to Japan initially held at WS 80 but are now under renewed downward pressure as charterers look to break this level. In the 55,000 tonnes AG/Japan trade rates have been steady at around WS 110/112 level.

In the 37,000 tonnes Cont/USAC trade, a build-up of early tonnage saw rates ease and there was a report of WS 135 being done but this was on a ship with last cargo base oils, and a ship with last palm oil was said to have agreed WS 150. Ships with less preferred last cargoes have led the market down and it is today assessed in the low WS 140s in contrast to the WS 160 region of a week ago.

In the 38,000 tonnes US Gulf/Continent trade, the market initially added 2.5 points to WS 97.5 before settling back at WS 95 in what has proved to be an uneventful week here.

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