



20 OCT 2017 | WEEK 42

CRUDE

PRODUCTS

Gasoil cracks in Asia dipped from last week despite the drop in onshore Singapore inventories which hit a 10-month low. Unusually high exports from India due to refinery upgrades have weighed on cracks. Asian fuel oil cracks fell over the week, reflecting the growth in crude prices and muted bunker demand.

VLCC

In line with the strength in the AG, rates for the key WAF/East route rose by w6.5 points on the week. Healthy activity in the Americas helped to tighten tonnage in the Atlantic Basin, providing a boost to rates.

SUEZMAX/AFRAMAX

Busy fixing activity in the Indo/Singapore region and restricted supply of modern tonnage in the AG continued to support the Asian Aframax market. Aframax rates grew by w20 and w17.5 points on the week for an Indo/Japan and AG/East trip respectively. Strong demand for regional crudes due to a wide Brent-Dubai spread is expected to underpin the Aframax market for the remainder of Q4.

LR / M R

On the MRs, rates for the key AG/Japan edged up by w5 points from last week on the back of steady demand to move cargoes to East Africa. The North Asian market is holding firm as a handful of third decade cargoes remain uncovered, buoyed by potential vessel delays as Typhoon Lan approaches.