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Tanker Report – Week 42 2019

VLCCs

Although there were stratospheric rates seen on subjects last week, charterers did not lift subjects on a large proportion, thus regaining some control and forcing owners to kowtow. We now see 280,000mt Middle East Gulf to US Gulf basis Cape/Cape being assessed at WS85 (down 90 points), while 270,000mt to China is last reported done at WS120: nearly 200 points lower than a week ago. In the Atlantic area, a similar scenario was seen and 260,000mt West Africa/China is last reported done at WS107.5 down 180 points, and 270,000 USG/China now \$12.9m level, almost half of last Friday's assessment.

Suezmaxes

As with the biggest ships, rates here were realigned during the week. 130,000mt West Africa/UKC fell 80 points to WS200 level, while 135,000mt Black Sea/Med shrank about 30 points to WS225-230 region. 140,000mt Basrah/Med rates climbed 55 points earlier in the week but have since receded and are now assessed at WS152.5/155 level, still up 10 points

week-on-week.

Aframaxes

The Mediterranean market ebbed and flowed, with rates for 80,000mt Ceyhan/Med peaking at the WS225 region and now at WS202.5, still about 10 points higher than a week ago. In the North Sea, rates for 80,000mt ECUK/UKC dipped and recovered to last week's level of WS 192.5/195 level, while 100,000mt Baltic/UKC rose about 10 points to W160/162.5 level. Caribbean rates for 70,000mt have remained relatively flat, with Carib/USG at WS205/210 level and USG/Med hovering around WS195.

Clean

It has been a very positive week for owners in the 75,000mt Middle East/Japan trade with rates almost doubling to sit now at WS300 which has been repeated numerous times. The LR1s followed suit with rates of between W265/280 being shown, but these deals appear to have failed and the market is assessed potentially closer to WS220. This still represents a gain of almost WS75 points.

In the 37,000 Continent/USAC market, rates quickly firmed from WS125 a week ago, with WS210 put on subjects. This was not confirmed and subsequently WS170 was agreed and then Exxon reportedly did WS160 from Port Jerome. The 38,000mt USG/UKC backhaul trade gained 10 points to mid WS120s.

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