



Baltic Briefing

Baltic Exchange member news, views and events



Tanker Report – Week 2 2020

VLCCs

Escalating tensions between the USA and Iran, in addition to a continuing strong market, made for an interesting week, with rates firming 2.5-3 points across the board. 270,000mt Middle East Gulf to China is now WS125, and 280,000mt to US Gulf, basis Cape/Cape, is assessed at WS65. Similarly, 260,000mt West Africa to China rose to WS115. The biggest climb was seen for 270,000mt voyages US Gulf to China, where rates went up about \$2.25m to be last assessed at \$15m. However, this rate is now under downward pressure.

Suezmaxes

Rates for 130,000mt West Africa to UK-Continent moved up about 12.5 points to high WS150s. For 135,000mt Black Sea to the Mediterranean, rates are assessed at mid WS160s. The market for 140,000mt Basrah to the Mediterranean saw a few fixtures done, improving just over 10 points to WS77.5-80 level.

Aframaxes

The 80,000mt cross-North Sea market eased, shedding about 15 points to mid WS140s. 100,000mt Baltic to UK-Continent also dipped 15 points to low WS130s. The 80,000mt Ceyhan to Lavera trade also fell back about 15 points to WS167.5 level. On the other side of the Atlantic, rates for 70,000mt Caribbean to the US Gulf initially continued firming to WS400, but are now under pressure and last assessed in the low WS390s. This is still up 27.5 points week-on-week. The 70,000mt US Gulf to Trieste run remains strong, however, rates have fallen 30 points to the WS277.5-275 region as ballasters from Europe have contributed to the growing list of tonnage.

Clean

Although bunker prices are high, and tension simmers there, the market for both 75,000mt and 55,000mt Middle East Gulf to Japan came under downward pressure. The market eased over 10 points to low WS140s on the larger size, with a similar weakening seen on the 55,000mt size where rates are now hovering in the mid WS140s. A slow week in the market for 37,000mt Amsterdam Rotterdam Antwerp (ARA) to the US Atlantic Coast saw rates lose 10 points to WS175, albeit on a ship with last cargo chemicals. However, brokers feel with the limited outstanding enquiry this could be achievable with conventional last cargo clean. In contrast, the 38,000mt backhaul route from US Gulf to UK-Continent had a positive week, with rates firming 15 points to WS145.

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