



Baltic Briefing

Baltic Exchange member news, views and events



Tanker Report – Week 5 2020

VLCCs

The market in the Middle East tumbled this week, with most of the blame laying with the Chinese New Year holiday and the outbreak of the Coronavirus. Added to this, oil and bunker prices have fallen, which has increased the level uncertainty. Rates for 270,000mt to China fell 25 per cent to WS60, while 280,000mt to the US Gulf (USG) lost 21 per cent to WS37. The Atlantic region didn't fare much better, with rates for 260,000mt, West Africa to China, now assessed 15 per cent down to WS63.5. In the 280,000mt USG to China trade, rates have fallen 26 per cent to around \$8m, causing activity to pick up in the latter stages of the week.

Suezmaxes

Rates for 130,000mt West Africa to UK-Continent fell 20 per cent to WS105, while 135,000mt Black Sea to the Mediterranean is worth 22 points less than a week ago at WS115. For the 140,000mt Basrah to the Mediterranean route, too much tonnage and not enough enquiry has dragged the market down 35 per cent to WS50.

Aframaxes

Rates for 80,000mt Ceyhan to Mediterranean voyages have nose-dived, losing a third of their value to WS95. 80,000mt Cross-North Sea rates lost a quarter to WS120 level, with 100,000mt Baltic to UK-Continent down over 30 points at WS102.5-105 level. On the other side of the Atlantic, rates for 70,000mt Caribbean to the USG were halved, collapsing to WS160. 70,000mt USG to the Mediterranean shed another 40 points to WS150 level.

Clean

It was again another disappointing week for owners, with 75,000mt Middle East Gulf to Japan trade now hovering at around WS82.5. This contrasts with a week ago when rates were in the mid to high WS90s. 55,000mt rates were more settled in the low to mid WS90S, with last seen here being Vitol paying WS95, albeit for an early position of 3 February loading. There was no respite in the 37,000mt Amsterdam Rotterdam Antwerp (ARA) to US Atlantic Coast trade, with what limited enquiry there was, seeing the market fall from WS162.5 region to high WS 140s. The clean cross-Mediterranean market regained almost five points to sit now at WS165. Rates buckled in the 38,000mt backhaul trade from USG to UK-Continent, falling just over 25 points to barely WS155 level.

For daily tanker market assessments from the Baltic Exchange please visit

www.balticexchange.com/market-information/