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Tanker Report – Week 9 2020

VLCCs

Despite the concerns and uncertainties linked to the Coronavirus outbreak, the Middle East market made some slight gains as cargoes in the first half of March had fewer competing owners. Rates for 270,000mt to China rose five points to WS 48, while 280,000mt to US Gulf, via the Cape/Cape routing, remained around the WS 30 level. In the Atlantic region, rates for 260,000mt West Africa to China recovered 2.5 points to WS 49 level and in the 270,000mt US Gulf to China market, rates hovered around \$6.5m.

Suezmaxes

Activity in this sector has been maintained at recent levels, with rates down a point or so at WS 84 for 135,000mt Black Sea to the Mediterranean. Rates for 130,000mt West Africa to UK-Continent remained at WS 77.5. In the Middle East, the 140,000mt Basrah/Mediterranean route was again tested with charterers able to take about 2.5 points off last week's levels to low WS 30s.

Aframaxes

Rates for 80,000mt Ceyhan/Mediterranean remain static at WS 85, while in the Northern European market, voyages of 80,000mt Cross-North Sea were taken down about 25 points to low WS 100s. 100,000mt Baltic/UK-Continent fell back another 15 points to WS 80. On the other side of the Atlantic 70,000mt Caribbean to US Gulf rates collapsed 45 points to WS 145 and 70,000mt US Gulf/Mediterranean weakened further to WS 107.5, 17.5 points below a week ago.

Clean

IP week and Coronavirus saw the market in lacklustre mood, with rates in the Middle East Gulf/Japan trade for 75,000mt easing five points from last week to barely WS 100. It was a similar tale in the 55,000mt size, with rates easing around 10 points to also sit now at WS 100 region. In the 37,000mt UK-Continent to US Atlantic Coast trade, it was a more volatile week with rates initially dipping down to low WS 150s at the start of the week, only for an uptick in demand leading rates to firm to WS 177.5, which was repeated three times. A run to West Africa is now on subjects at WS 215. In the 38,000mt backhaul trade from US Gulf to UK-Continent, rates also firmed, with several ships ballasting across to the UK-Continent market and this has seen rates recover 10 points, now nudging close to WS 100. There is even talk of WS 117.5 now being on subjects. The 30,000mt clean cross-Mediterranean market eased 15 points to WS 175, though brokers feel there is potential for the market to firm.

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