



Tanker Report – Week 12 2020

VLCCs

After the Saudis lifted subjects on nearly all their VLCC in-charters last week, there seemed to be an activity vacuum, with only a few other fixtures being concluded, whilst charterers waited for the natural gravity effect of sentiment driven rises. In the Middle East, rates for 280,000mt to the US Gulf via Cape to Cape routing, fell back to WS120 having reached just over WS200. 270,000mt to China is now worth WS130, down almost 100 points from its peak. In West Africa the trip for 260,000mt to China rates have dropped 75 points week-on-week to WS120 level. The market for 270,000mt US Gulf to China has settled back to \$13.8 million, as no activity was seen and sentiment alone had pushed rates close to \$20 million.

Suezmaxes

In the West Africa to UK-Continent market, owners continued to ride the metaphorical wave of the VLCCs, which turned ugly, and rates crashed 100 points down to WS120. On the 135,000mt Black Sea to Mediterranean market, rates fell 50 points to WS150. In the Arabian

Gulf, rates also fell away on the 140,000mt Basrah to Mediterranean market, having risen to close to WS200, are last assessed at WS120.

Aframaxes

Rates for 80,000mt Ceyhan to the Mediterranean climbed another 30+ points to WS177.5, while in Northern Europe, 80,000mt Cross-North Sea gained 60+ points to WS185 level. 100,000mt Baltic to UK-Continent shared the same uptick to WS155-157.5 region. On the other side of the Atlantic, 70,000mt Caribbean to US Gulf saw a modest rise of 7.5 points to WS192.5-195 level. Rates for 70,000mt US Gulf to the Mediterranean remained flat at WS172.5-175.

Clean

Another positive week for owners saw rates in the Middle East Gulf to Japan trade for 75,000mt gain 17 points to very high WS170s, though there now appears a marginally softer sentiment here. The LR1s firmed 15 points to peak at around WS177.5/178 region, though here too, there is seen by brokers a potential slight weakening in the market. In the 37,000mt UK-Continent to US Atlantic Coast trade, the start of the week saw a 12.5 point jump to low WS180s, with the market peaking at WS185. However, Exxon are said to have paid WS180 from Sines, and the market is now coming under downward pressure. Rates in the 38,000mt backhaul trade from the US Gulf to the UK-Continent have been slipping all week against a build-up of early tonnage. Consequently, the market now sits in the low WS120s, down from WS135 region earlier in the week, with potential to slide further. The 30,000mt clean cross-Med market gained almost 12 points to about WS195 level.

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