



Baltic Briefing

Baltic Exchange member news, views and events



Tanker Report – Week 25 2020

VLCCs

It has been a busier week than the previous two weeks in the Middle East as the July cargo stems came to the fore and charterers were able to bring rates down slightly, with 270,000mt to China now fixing around the WS57 mark – down three points from last week. For the long-haul trip of 280,000 mt to USG via the cape/cape-routing rates are presumed to be unchanged in the low WS30s, with no activity being seen on the route this week. In the Atlantic sector, no fixture activity was seen on the 260,000mt West Africa to China trip, so sentiment has pushed the rates down two to three points to the W56-57 region. Meanwhile, 270,000mt USG to China saw a couple of fixtures early in the week concluded at \$7.5m. The slight fall elsewhere has weakened the market and is now rated at \$7.25m.

Suezmaxes

It would appear that the bottom has been found in this market, certainly in the west this week. The main focus of fixing activity has been on west-to-east voyages with numerous fixtures

loading from the US Gulf, West Africa, Mediterranean and Black Sea. However, there have been a couple of fixtures for both 130,000mt West Africa/UKCont where rates have remained flat at WS47.5 and 135,000mt Black Sea/Med where rates again remain in the very low WS50s. In the Middle East, there has been good activity with VLCC cargoes being split on to the weaker over-supplied Suezmax vessels to go east. The effect has been that the rates now for 140,000mt Middle East Gulf to Med have fallen a couple of points to low WS20s.

Aframaxes

Rates for 80,000mt Ceyhan/Med have slipped five points to WS60. In Northern Europe the market steadied with 80,000mt Cross North Sea still rated at WS70, yet 100,000mt Baltic/UKC slipped another three points to WS40. Across the Atlantic, rates for 70,000 Carib/USG remained at around WS70. In the 70,000mt USG/UKC market, rates gained about 7.5 points to WS67.5 with the tonnage list beginning to thin out.

Clean

In the Middle East Gulf there was little excitement for owners. Rates for 75,000mt to Japan stumbled back to the WS85 region having briefly nudged low WS90s. Improved activity in the 55,000mt trade to Japan saw rates creep up to low/mid WS 70s representing a modest 5/7.5 point gain here. Elsewhere, though, rates were only heading in one direction. For owners plying the 37,000mt UKC to USAC trade, they were faced with stiff competition from plenty of early tonnage. Rates continued their downward trajectory losing another 10 points to sit now at WS85 level. There was no respite for owners looking for backhaul business from the US Gulf where rates for 38,000mt to UKC slipped from high WS70s a week ago to barely WS67.25 and remain under downward pressure here. The 30,000mt clean cross-Med trade continued to soften with East Med load fixed at WS 100. West Med load is now assessed in only the high WS90s with WS95 agreed for Italy load.

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