



Tanker Report – Week 38 2020

VLCCs

Another lacklustre week has seen a slight downturn in rates for most of the routes. The Middle East market has seen rates drop two to three points as 270,000mt AG/China is now W35, while 280,000mt to USG via the cape/cape routing is assessed at a shade under WS19. In the Atlantic region 260,000mt West Africa to China voyages saw rates dip to WS38. Meanwhile, for 270,000mt US Gulf/China rates improved by just over \$100k to \$4.93m as a Chinese charterer is reported to have paid \$5m for a trip loading from St Croix.

Suezmax

Rates for 135,000mt Black Sea/Med again saw a very slight weakening of about a point to WS46.5. For the 130,000mt West Africa/UKContinent market shifted 2.5 points down at WS35, as a major oil company had an owner of a 16-year-old vessel agree to this level and the position list remaining over-populated. The 140,000mt Middle East Gulf to Med market took

another hit this week with rates being assessed 1.5 points down at WS15.5. ENI were reported to have taken a ship at WS14.75, demonstrating the market weakness here.

Aframax

In the Mediterranean market, the 80,000mt Ceyhan/Med trade saw rates pushed down 2.5 points to WS57.5. In Northern Europe, the market for 80,000mt Cross-North Sea had a weaker feel to it with rates assessed between WS72.5-75, marginally down from last week. Meanwhile 100,000mt Baltic/UKC market lost a couple of points to just under WS40. On the other side of the Atlantic rates for 70,000mt Carib/USGulf remained static at WS55. It was a similar story on 70,000mt USG/UKC where rates remained at WS50.

Clean

In almost all areas, owners have been faced with falling markets. In the 75,000mt Middle East Gulf/Japan trade, rates are down around five points, sitting now close to WS70. While in the LR1 trade, the market for 55,000mt to Japan has fallen 7.5 points to WS65.

A week ago, the market for 37,000mt UKC/USAC stood at close to WS112.5. Whereas today owners are looking at rates of barely WS90 and a run to Tema only paid WS105. The situation is not helped by the number of ballasters from USA where the 38,000mt backhaul trade to UK-Continent is hovering at a paltry WS60 - down 2.5 points from the start of the week. For a trip to Brazil rates have eased further with the market here now hovering just above WS82.5, in contrast to the WS93.75 at the start of the week. The 30,000mt clean cross-Med trade has come under relentless downward pressure and is now in the very low WS130s, representing a drop of just over 20 points. Brokers feel there is potential for further softening here.

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