

Baltic Briefing

Baltic Exchange member news, views and events



Tanker Report – Week 39 2020

VLCCs

Owners again faced another week of downward pressure across the board. In the Middle East there has been more Contract of Affreightment nominations than fixing on spot market **tonnage this week, which hasn't had any real effect on the list of available vessels. Rates for 270,000mt to China slid about six points to settle just below WS29, while 280,000mt to USG via the Cape/Cape routing are assessed a point lower than a week ago at WS17.5. For voyages of 260,000mt West Africa to China the market eased four points to WS33. For 270,000mt US Gulf/China rates slipped just over \$80k to a shade under \$4.85m.**

Suezmax

Rates for 135,000mt Black Sea/Med remain unmoved at WS45. In West Africa we saw a few more ballasters from the East becoming serious players for cargoes from Nigeria-Angola range to Europe, which had a slightly detrimental effect on rates for voyages of 130,000mt

Nigeria/UKC, weakening from about WS35 last Friday to WS32.5 now. In the Middle East little change was seen and rates remain weak at just below WS16 for 140,000mt Basrah/Med.

Aframax

The 80,000mt Ceyhan/Med market maintained last week's level of WS57.5, while a similar sentiment was seen on the 80,000mt Cross-North Sea route where rates held at WS72.5-75 level. Rates for 100,000 mt Baltic/UKC improved three points to WS42.5. Across the Atlantic rates for 70,000mt Carib/USGulf again remained static at WS55 and a similar story on 70,000mt USG/UKC where rates are stuck at WS50.

Clean

It was overall another disappointing week for owners. In the 75,000mt Middle East Gulf/Japan trade, rates are down around eight points and BP were able to fix Frontline tonnage at WS60. In the LR1 trade WS65 was agreed for a run to Japan, although brokers feel there is potential here in the market for 55,000mt to Japan to firm very modestly. At the start of this week, the market for 37,000mt UKC/USAC stood in the low WS90s and there was even talk of a replacement cargo from Sines being covered at WS100. However, with only limited enquiry, rates have bowed to the inevitable and now sit at between WS85/87.5 region. Trips to West **Africa are paying little more than WS100. Owners' cause is not helped by the very weak** backhaul market where rates for 38,000mt from US Gulf to UK Continent have softened further to around WS57.5, with charterers looking to break this level now. For a trip to Brazil rates have seemingly settled at WS82.5. The 30,000mt clean cross-Med trade has come under relentless downward pressure and is now in the low WS100s, representing a drop here of 20 points from a week ago.

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