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Tanker Report – Week 48 2020

VLCCs

Rates climbed slightly. However, with the bunker prices rising about \$25/mt, the net result is lower earnings for owners and a deepening of the chasm between income and expenditure. In the Middle East, rates firmed a couple of points to WS28 for 280,000mt to China, while voyages of 270,000mt to USG via the Cape/Cape routing continue to be assessed at WS15/16 level. In the Atlantic, rates for 260,000mt West Africa to China remain rooted at around WS29.5 and rates for 270,000mt US Gulf to China were assessed a marginal \$20k higher at \$4.62m.

Suezmax

Rates for 135,000mt Black Sea/Med are flat at WS52.5. In the 130,000mt Nigeria to UKContinent market, owners were able to recover three points to WS39. In the Middle East market, rates slipped another one to two points to WS18-19 region for 140,000mt Basrah/Med.

Aframax

In the 80,000mt Ceyhan/Lavera market, owners have managed to regain some recent lost ground with rates having initially dipped to WS57.5 and now seemingly settled at WS60. In Northern Europe, rates for 80,000mt cross-North Sea gained about 3.5 points week-on-week to WS77.5-80 level. The 100,000mt Baltic/UK Cont rose another 2.5 points to WS47.5 level. Across the Atlantic, the three-day week due to the Thanksgiving holiday caused a rush of activity which in turn gave owners some impetus and enabled them to raise the market for 70,000mt Carib/US Gulf about 20 points to WS105-107.5. Rates for 70,000mt US Gulf/UK Cont were pushed up about 12.5 points to WS80.

Clean

In the Middle East Gulf/Japan trade, charterers held the upper hand and were able to squeeze down rates from low WS80s to mid WS70s. Similarly, in the LR1 trade, rates for 55,000mt to Japan drifted down three points to settle now at around WS77.5. The MR market saw decent activity with rates for 35,000mt AG/East Africa peaking at WS145 before easing back to mid WS130s. Closer to home, the 37,000mt UKContinent/USAC trade flattered to deceive with rates initially sustained at the improved levels of WS100 from a week ago. However, with plenty of ballasters coming across the recovery was brutally snuffed out with WS75 paid by BP. There is now talk of even WS70 having been agreed here. Prior to the Thanksgiving holiday in USA, the backhaul trip of 38,000ms from US Gulf to UKContinent saw rates flat at WS50. Meanwhile, the 38,000mt US Gulf to Brazil run was steady at between WS67.5/70 region. There was at last life in the 30,000mt cross-Mediterranean trade and owners managed to push rates up 15 points to around WS85.

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