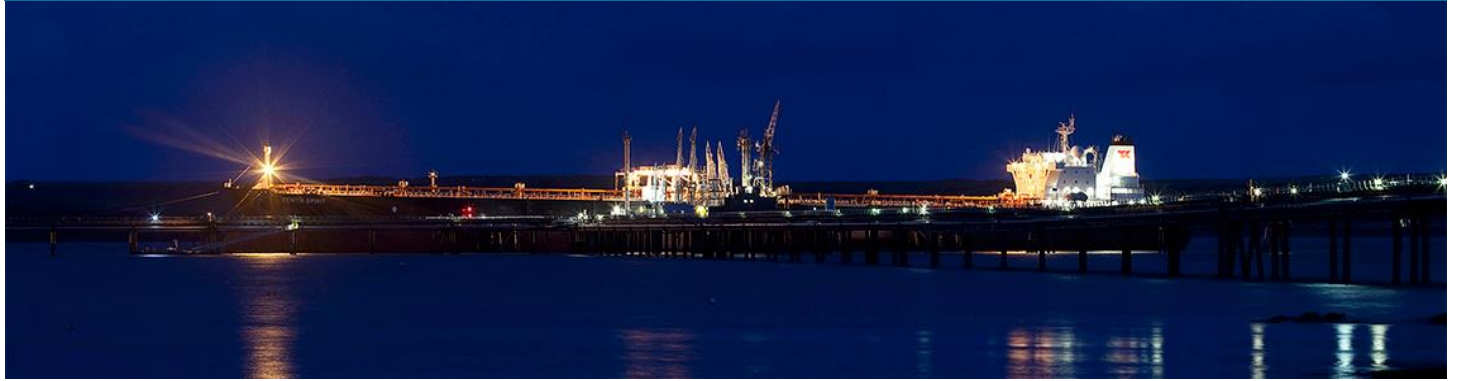


# Baltic Briefing

*Baltic Exchange member news, views and events*



## Tanker Report – Week 8 2021

### **VLCCs**

The return of Chinese charterers to the market after the Lunar New Year holiday saw a number of fixtures this week with rates under a little pressure. In the Middle East region, 280,000mt to US Gulf via the Cape/Cape routing continues to be assessed at WS18.5 level, while rates for 270,000mt to China eased about a point to WS31.5 (a TCE of minus \$2.9k/day) with Unipecc reported on subjects with several VLCCs at this level. In the Atlantic region, 260,000mt West Africa to China saw a similar single point decline on the rate to about WS34.5 (TCE of about \$1k/day) and 270,000mt from US Gulf to China saw rates decrease by \$237.5k to \$4.1375m, showing a TCE of just over \$3k/day basis a round trip.

### **Suezmax**

In the 135,000mt Black Sea/Med market rates have gained a point to the WS75 mark (\$6,750/day TCE) while the 130,000mt Nigeria/UK Continent market eased a point to WS55 (\$2,750/day TCE). The market for 140,000mt Basrah/Med remains at WS18, with a Spanish

charterer reported on subjects at this level with a trader's relet earlier in the week.

## **Aframax**

Another mostly positive week in this sector. The Mediterranean market saw further improvements with 80,000mt Ceyhan/Lavera gaining 12 points to WS132.5/135 level (basis a round voyage, about \$22,100/day TCE). It was a slightly different story in Northern Europe as 80,000mt cross-North Sea eased a point to WS97 while and 100,000mt Baltic/UKContinent lost six points to WS81.25. On the other side of the Atlantic, rates continued their upward trajectory. The 70,000mt Caribbean/US Gulf market gained 33 points to WS150 level (a TCE of about \$21,300/day round trip) while 70,000mt US Gulf/UK Continent saw a rise of 14 points to WS125.

## **Clean**

It has been a relatively uneventful week for LR Owners, where 75,000mt Middle East Gulf/Japan rates nudged up around five points to low WS70S. But due to higher bunker prices, this has had minimal effect on the TCE. It was a similar story on the LR1s, with rates for 55,000mt to Japan also gaining around five points to WS90. However, some cargoes subsequently went on LR2 tonnage at improved levels due to better \$/ton economics. Tonnage appears to be well balanced, but greater volume will be required going forward if **Owners are to see better levels. For MR's on AG to east Africa there was a surge in rates after** being stuck at WS120 region for a couple of weeks. The market climbed close to WS160 before easing back to WS150. It has been a rather disappointing week for Cont/USAC. A significant number of ballasters heading towards Europe duly took its toll on the market, sending rates down almost 25 points to WS125 level. For backhaul (USG/Cont) rates dipped a further five points to around WS60. The market for Continent to west Africa was similarly **affected and rates or MR's lost about 20 points to sit now at around WS130 level. MR rates for** US Gulf to Brazil have been hovering all week just above WS100. It was a difficult week for handy Owners trading cross-Mediterranean trade with rates losing almost 25 points to WS177.5. And, with plenty of tonnage available, brokers feel there is potential for further softening of rates.

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