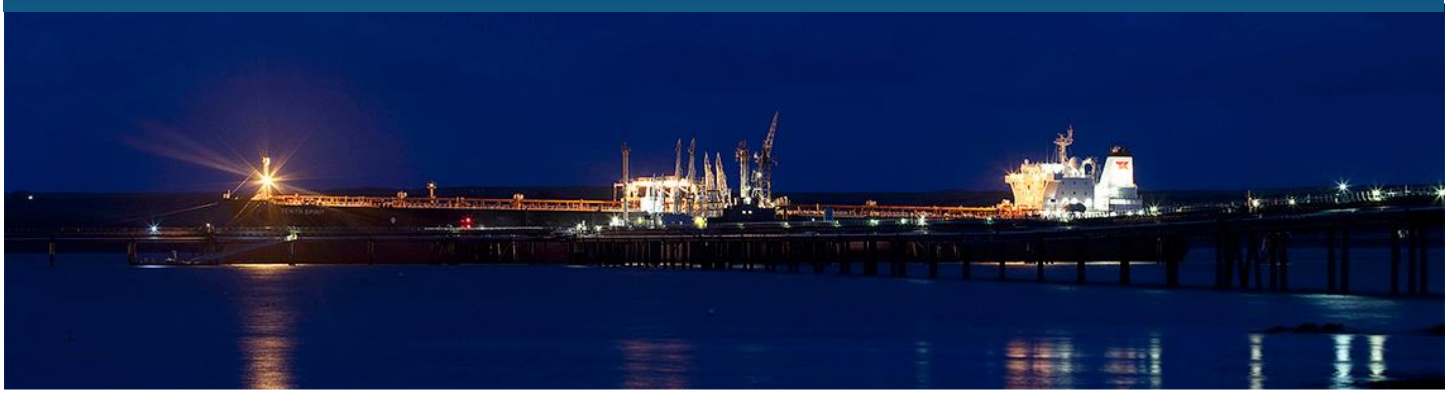
Baltic Briefing
Baltic Exchange member news, views and events



Tanker Report – Week 27 2021

VLCC

In the Middle East the market for 280,000mt to US Gulf (routing via Cape/Cape) continues to be assessed around the WS18-18.5 mark while rates for 270,000mt to China have remained flat at WS31.5-32 level (showing a round-trip TCE of about minus $5k/day). In the Atlantic, rates for 260,000mt West Africa to China were again kept flat at WS33.5 (a TCE of minus $1,800/day round trip) and 270,000mt US Gulf to China is now assessed $20k lower at $3.95m (a roundtrip TCE of just below zero/day).

Suezmax

In the 130,000mt Nigeria/UK Continent market rates have been hovering around the WS49-50 level (a round-trip TCE of about minus $1,800/day). Meanwhile in the Mediterranean rates for 135,000mt Black Sea/Med are being assessed static at WS60 (a round-trip TCE of about minus $6,400/day). The market for 140,000mt Basrah/Med softened 1.5 points to WS30.

Aframax

In the Mediterranean, the market looks to have bottomed out and is rebounding - albeit currently on a small scale. Rates for 80,000mt Ceyhan/Lavera are up six points to nearly WS94 (showing a round-trip TCE of $4,300/day). In Northern Europe, the market continued to slide with the rate for 80,000mt Cross-North Sea now at WS93 (a round trip TCE of minus $4,600/day), down six points from a week ago. In the 100,000mt Baltic/UK Continent market the rate fell eight points this week to WS60 (a round trip TCE of minus $1,400/day). Across the Atlantic the market has eased slightly as rates for 70,000mt Caribbean/US Gulf and East Coast Mexico/US Gulf sunk two points to WS78 (a TCE of about minus $3,200/day and minus $2,800/day round trip respectively), while the 70,000mt US Gulf/UK Continent market saw a slight gain early in the week and then eased off, ultimately slipping two points week-on-week to WS69.5 (which shows a TCE of about minus $2,400/day basis a roundtrip, turning positive basis single trip economics).

Clean

Levels continued to be flat in the Middle East Gulf, with LR2's to Japan (TC1 75k) hovering around WS75 and for LR1's (TC5 55k) about WS78, both barely showing a positive TCE. For the MR cargoes to east Africa (TC17 35k), by midweek levels fell about 10 points to WS135, which ATC fixed on the BW Hawk for 15/17 July. But by end of week they might have paid WS145 for 10/12 July. Naphtha rates from WC India to Japan (TC12 35k) dropped a similar amount to around WS87 level, which is about minus $1,500/day TCE. In Asia MR's for Singapore to EC Australia (TC7 35k) fell three points with recent fixture at WS117.50 by Ampol on Nord Miyako. There was a fall of over $1/ton on South Korea to USWC (TC10 40k) where last done was $750k lumpsum. A cargo to Hawaii for 18/20 July was covered at around $625k level. For South Korea to Singapore (TC11 40k) $190k was fixed by Shell, which is about 40 cent drop. The TCE for this shows over minus $5,500 on a roundtrip. Atlantic rates for Cont/ west Africa were static at WS80 on LR1 (TC16 60k) and around WS120 for MRs (TC19 37k). Continent to USAC (TC2 37k) perked up a little early in the week but was last fixed at WS115 and looking softer. For Handies on Baltic/Continent market (TC9 30k) and cross Mediterranean (TC6 30k) rates are stuck at around WS120, showing a TCE in the region $1,500-$1,200/day. The US Gulf market lost about 10 points with cargoes for Continent (TC14 38k) fixing around WS80-82.50 level and for Brazil (TC18 38k) WS122.50 was fixed twice.

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