AFFINITY TANKER WEEKLY

19 DECEMBER 2025

Affinity Research LLP, 44th Floor,
The Leadenhall Building, 122 Leadenhall Street,
London, EC3A 8EE, United Kingdom

T. +44 203 142 0100
F. +44 203 142 0101

E. research@affinityship.com
W. affinityship.com

Crude Tanker Comments

This week was marked by anticipation rather than decisive action with regards to VLCCs. Early on, the expected surge in AG January stems failed to materialise, leaving sentiment flat and lists looking replenished. Owners had hoped for more cargoes to come to light, but charterers held back, keeping pressure on rates and frustrating those expecting an early uptick. By Thursday, some stems finally emerged in the MEG, bringing the first signs of life. A MEG-East run tested down to WS 115, sparking reactions and a handful of follow-up fixtures coming in around the same level. In the Americas, charterers continued to secure lower levels, including a Brazil-East run at WS 97.5, reinforcing their ability to push rates down. Despite these moves, overall activity remained measured, and owners resisted further drops, confident that January volume would surface eventually. Next week, charterers are expected to keep probing lower, but they will have their work cut out as most owners are unwilling to drop further. With the festive season approaching, an active start is possible as charterers rush to cover their dates, though significant rate erosion will require serious effort.

It is the last week before Christmas, and Suezmax owners are feeling very merry indeed after another week of consolidated gains in the western market! The main reason for the improvement in rates was the tight supply of tonnage, with the USG particularly lacking; charterers had to reach ahead in order to secure tonnage. Rates from the USG rose up to WS 130 for TA, and although this was done on a replacement, it is still up 17.5 points from the beginning of the week. The tight tonnage supply has also led to West Africa rates to move up, with a TD20 run paying WS 150 today, also 17.5 points above Monday's level. Ex-CPC rates are currently at WS 165 for the TD6 benchmark. The bombing of SPM 2 led to a bottleneck for oil exports from which Suezmaxes have gained, and the load programme is now 45 cargoes. Rates are up a more modest five points from the start of the week, but due to the electrifying markets in the Atlantic, rates have definitely got further to go. All in all, the Western markets have truly been blessed with the magic of Christmas this week.

The AG Suezmax market, in contrast, is more like Whoville after the Grinch stole all the presents and decorations, with rates for Basrah/West flat at WS 72.5. With very limited activity occurring, AG-East lingers around the mid WS 140s as there is a healthy supply of ships for early January dates.

At the beginning of the week, rates for benchmark X-Med Aframax runs had settled at WS 205, and dates were end-month and had natural options. There was reasonable enquiry on Monday, and owners spent the next few days trying to cover their tonnage before the Christmas week; there was less reported activity starting on Thursday. Some business at the end of the week was conducted under the radar. Rates did not see any large daily changes this week, though a Zawia-Med fixture was agreed on Friday at WS 230.

By Monday, the North Sea Aframax list had thinned slightly due to consistent ballasters out, but there was not sufficient enquiry to force rates to pick up and follow the trend set by the Med. Monday saw a few ships taken quietly at last-done levels, but prompt ships continued to explore Med-TA ballast with adjacent markets providing attractive TCEs. The rest of the week followed suit – there was no pre-Christmas rush to send rates up. TD7 ends Friday at WS 157.5.

Product Tanker Comments

There was some speculation that AG LR freight levels would sink this week, but they have not done so to the extent which some feared. 75,000 MT Naphtha has slipped 5 points from last week's level of WS 155, with WS 150 being concluded three or four times in the past 24 hours. Some stability has been sensed at this level. The future supply of ballasting vessels into the AG is not as plentiful as it has been for the last four weeks, so owners can harbour some reassurances that, even without very strong demand at the end of the year, the list should be supportive enough to prevent any further capitulation in demand. A continually strong West of Suez loading market has led to a further USD 100,000 increase to USD 3.25 Mn being agreed on subs twice in the last 48 hours for 90,000 MT ULSD Yanbu-UKCONT, which can return around USD 60,000 per day TCE for those ships coming from an East Mediterranean ballast option. Overall, the market is holding up better than foreseen into the last week of 2025.

LR1 segments in the AG-WCI markets have been rather drab this week. The exception is the Red Sea, where volumes and tightness have surged back from a poor summer and autumn. X-Red Sea rates are now all between USD 800,000 and USD 850,000, and exports have moved up well towards USD 2.5 Mn for NWE discharge. Back in the AG, things are softer, with WS 167.5 agreed on subs for 55,000 MT, a 10-point weekly drop. USD 3.4 Mn was confirmed for New York-WCI, USD 150,000 below last-done levels. X-AG rates also suffered, with USD 525,000 confirmed, well below last week's figures. The LR1 fleet is shorter, especially for modern tonnage which usually lends well to the list; it is thinning more quickly than those of LR2s and MRs, but for now, this low demand means that more short-term softening would not be a surprise.

Rates for LRs in North Asia have slipped off the highs seen last week, partly in response to a weakening in the Middle East freight market. The LR1s had firmed off the back of a strong MR market, but as this week progressed, MR rates have dropped away, and LR1s are expected to soften as well. The festive period will be stop-start and normally bring an accumulation of tonnage and lower freight levels.

An active week on Med MRs saw Med-TA rates bottom at the 37 x WS 135 mark early on, and the market has traded flat here for the remainder of the week. The front of the list is now tight, aided by multiple units taking 30,000 T parcels at 37 x WS 160 levels for X-Med. However, looking into early January, the list begins to open up, and charterers may feel that lower is achievable next week as owners look for quick coverage over Christmas.

At the beginning of the week, after a buildup of prompt tonnage over the weekend and a lack of stems in circulation, NWE MR rates began to trend downwards, with TC2 having gone on subs at WS 115, bringing freight levels back down to those seen in the first and second weeks of November. The premiums being paid over TC2, which have been uncommon in recent months, have returned, now sitting at +20 for WAFR and Brazil runs. However, with more activity seen near the end of the week, helping to clear out prompt tonnage in NWE, rates have begun to stabilise, trading at WS 115 for TC2 and WS 135 for WAFR and Brazil. With owners' preference still being TA but the gasoline arb being closed, owners' route optionality has begun to expand, given that the alternative would be sitting prompt. At week's end, two stems currently remain outstanding, and market sentiment is steady.

	BDTI	BCTI
	1401	751
Δ W-O-W	↑Firmer	↑Firmer

BDA

(USD/LDT)	TKR/LRG	TKR/MED	TKR/SML
This week	409.1	415.8	419.5
Δ W-O-W	-0.5	-0.9	-1.4

BALTIC TCE DIRTY

	Route	Qty	$ / Day	W-O-W
TD3C	ME Gulf / China	270,000	110,068	↓Softer
TD7	UKC / UKC	80,000	71,230	↑Firmer
TD15	WAF / China	260,000	94,771	↓Softer
TD19	Med / Med	80,000	69,018	↓Softer
TD20	WAF / Cont	130,000	77,027	↑Firmer
TD22	USG / China	270,000	82,809	↓Softer
TD25	USG / Cont	70,000	63,437	↑Firmer
TD26	EC Mex / USG	70,000	78,573	↑Firmer
TD27	Guyana / UKC	130,000	73,879	↑Firmer

BALTIC TCE CLEAN

	Route	Qty	$ / Day	W-O-W
TC1	ME Gulf / Japan	75,000	36,146	↓Softer
TC2	Cont / USAC	37,000	9,765	↓Softer
TC5	ME Gulf / Japan	55,000	28,705	↓Softer
TC6	Algeria / EU Med	30,000	40,265	↑Firmer
TC7	Sing. / ECA	30,000	27,785	↓Softer
TC8	ME Gulf / UKC	65,000	31,463	↓Softer
TC14	USG / UKC	38,000	21,574	↓Softer
TC17	ME Gulf / EAFR	35,000	28,184	↑Firmer
TC20	ME Gulf / UKC	90,000	36,993	↓Softer
TC21	USG / Caribs	38,000	22,118	↓Softer

AFFINITY

Disclaimer

The information contained in this report is the property of Affinity (Shipping) LLP, and may not be reproduced in any format by anyone without prior written approval from Affinity (Shipping) LLP. None of the information contained in this document constitutes or forms, and should not be construed as constituting or forming an invitation or inducement to engage in investment activity.

This document should not be relied upon as being an impartial or objective assessment of the subject matter and is not deemed to be "objective research" for the purposes of the FSA rules. This document has been issued by Affinity (Shipping) LLP for information purposes only and should not be construed in any circumstances as an offer to sell or solicitation of any offer to buy any security or other financial instrument, nor shall it, or the fact of its distribution, form the basis of, or be relied upon in connection with, any contract relating to such action.

The information, including projections, contained herein is based on publicly available materials and sources that have been obtained and compiled in good faith from sources Affinity (Shipping) LLP believes to be reliable. Any opinions expressed are Affinity (Shipping) LLP's current opinions as of the date appearing on this document only. Any opinions expressed are subject to change without notice and Affinity (Shipping) LLP is under no obligation to update the information contained herein.

Affinity (Shipping) LLP makes no representation or warranty, either express or implied, in relation to the accuracy, adequacy, completeness, fairness or reliability of the information contained herein and expressly disclaims any liability for any errors or omissions. As such, any person acting upon or in reliance of this document does so entirely at his or her own risk. Any projections or other forward-looking statements regarding future events are not necessarily indicative of, and may differ from actual events.

To the fullest extent allowed by law, Affinity (Shipping) LLP, its members, officers and employees shall not be liable, whether in tort (including negligence), breach of contract or otherwise, for any direct, indirect or consequential losses, damages, costs or expenses of whatever nature (including, without limitation, any consequential, indirect or unforeseeable loss or loss of opportunity or profit or damage of any kind, even if foreseeable) incurred or suffered by you or any third party arising out of or in connection with the information in this document.

The distribution of this document in certain jurisdictions may be restricted by law and therefore persons unto whose possession this document comes should before proceeding inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the laws of any such other jurisdictions.

Affinity (Shipping) LLP, 44th Floor,
The Leadenhall Building, 122 Leadenhall Street,
London, EC3A 8EE, United Kingdom

T. +44 (0) 20 3696 7110
F. +44 (0) 20 3696 7111

E. affinity@affinityship.com
W. affinityship.com