



# Baltic Briefing

*Baltic Exchange member news, views and events*



## Tanker Report – Week 31 2017

### VLCCs

Improved amounts of enquiry in the Middle East Gulf have only served to highlight the quantity of surplus tonnage as rates have continued to drift down in the light of strong competition from owners. KPC fixed 270,000 tonnes to China at WS 41.75, representing the 'low' for the week, with other deals concluded at between WS 42.5/43.25 with a Singapore option at WS45.25. Going west, rates for 280,000 tonnes to US Gulf have been steady at around WS 23 cape-to-cape.

West Africa has seen rates for 260,000 tonnes to China recover modestly from WS 47.5 to WS 50 region as owners resist locking in to these long runs at such low rates. In the North Sea, Vitol are said to have taken the *'Dalian'* at US\$3.5 million for Hound Point to South Korea, while in the Mediterranean Litasco paid US\$2.7 million basis ship-to-ship for Malta to Singapore. In the Caribbean, P66 fixed and failed at US\$3.125 million to Singapore.

### **Suezmaxes**

The market has been steady in West Africa with rates to Europe hovering around WS 65, and a run to USAC went at WS 62.5. However, with tonnage availability continuing to grow, brokers feel rates may come under downward pressure. Black Sea rates for 135,000 tonnes to the Mediterranean have been steady at around WS 75/77.5. There was one deal done reportedly at WS 85, but there were also east options required here. In addition, there was a short Novorossisk/Turkey trip fixed at WS 80 basis 140,000 tonnes cargo. In the Mediterranean, Petroineos fixed an Algeria/Fos run at WS 85, while longer Ceyhan/UK Continent trips were reportedly fixed at around WS 75 level.

## **Aframaxes**

Limited amounts of enquiry in the Mediterranean led to the inevitable softening in rates, with the market now at barely WS 80 level depending on the precise voyage. A Black Sea/Mediterranean voyage was fixed by Litasco at WS 79 all basis 80,000 tonnes cargo.

An uneventful week in the Baltic has seen rates for 100,000 tonnes maintained at WS 60, while in the 80,000 tonnes cross North Sea market (excluding Sullom Voe-load) rates have similarly held at around WS 85.

It has been a marginally better week for owners in the 70,000 tonnes Caribbean up-coast market, with rates recovering from very low WS 80s a week ago to sit now at between WS 87.5/90 region with charterers facing determined resistance from owners.

## **Panamaxes**

There is a sense of déjà vu here with rates still stuck at WS 102.5/105 region for 55,000 tonnes from both ARA and Skikda to US Gulf.

## Clean

It has been a steady week for owners in the 75,000 tonnes AG to Japan trade with rates continuing to hover in the low to mid WS 120s region. In the 55,000 tonnes market rates have firmed around 7.5 points to around WS 135.

The modest gains of last week in the 37,000 tonnes Continent/USAC trade were quickly eroded as a lack of enquiry saw the market ease back around WS5 points to WS 115.

The oversupply of tonnage was also reflected in the Continent/West Africa trade, where rates fell 7.5 points to WS 130. In the 38,000 tonnes back haul trade, it was another grim week for owners with the market dropping down to WS 72.5 before recovering slightly to very high WS 70s.

For daily tanker market assessments from the Baltic Exchange please visit

[www.balticexchange.com/market-information/](http://www.balticexchange.com/market-information/)