

WEEKLY TANKER ROUND-UP



WEEK 27 & 28 13 JULY 2020

The so-called second wave corona virus has hit several shores across the globe, threatening whatever economic recovery (and Oil demand) we have been seeing in the recent times. India and USA reports record daily spikes almost every day. To this, WHO suspects the virus to be now air-borne, casting a shroud of a new-wave of infections that would be harder to control. Freight market remains stable, but outlook follows the bleak flavour of the macro world.

VLCC

Week 27 saw the bashing of owners of the preceding weeks continue. At some point we thought Charterers looked poised to breach the WS 30 mark on the benchmark MEG/China route. However there was some respite towards end of the week spilling over and we saw rates soar by 40% in Week 28, across the board. 270,000mt to China moved from Intensive care to general ward at WS46.5. A similar flurry of activity unfolded in the Atlantic region and rates for 260,000mt West Africa to China also saw 11 points gained to WS47.5. Per Day VLCC earnings are at about \$33-35k levels (compared to \$23-25k levels last week).

SUEZMAX

Caught in a continued sliding market on Week 27, owners managed to claw back couple of lost couple points in Week 28. The market continues to be active and finally the tonnage list was looking tight for dates being worked. We see a settling down of rates (after the initial spike in this couple weeks). In the East market seems to be deadlocked at WS50. Rates for 135,000mt Black Sea/Med is at WS55 level, while the market for 130,000mt West Africa/UKCont has steadied at WS52. Daily earnings are at \$14k levels up by a notch compared to \$9-10000 levels in the previous weeks.

Aframax

What can we say but nothing? The segment continues its lacklustre streak. The list of available tonnage remains very long compared to almost no market cargoes being floated in the current fixing window. TD19 (cross Med) is trading sub-60 on Worldscale, frustrating the owners with a return of around USD 500 PD. No respite for the segment seen in the short term. Daily TCE remain around \$1500-1700 levels.

Clean

A miserable slide of rates for owners. Week 27 saw the Middle East Gulf, rates for 75,000mt to Japan in the low/mid WS70s, representing a loss of around four points from a week ago. This slide continued and we saw another 5 points being lost in Week 28. It was a similar story in the 55,000mt trade with the market going south from WS70 to settle at WS61.5. Tonnage is aplenty at all loading regions. LR2 (75k dwt) TCE is at about \$10800 PD and MRs are in the region \$10000 PD.

Specialised Tankers/Chemicals/Edibles

BP's sale of its petrochemical Business to INEOS hogged the limelight in this period. Demand and Supply is somewhat in equilibrium across segments; which often means charterers get to remain on the driving seat.

Weekly Verdict: Going into Week 29 we expect the market to remain stable and at current levels.

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BUNKER PRICES

PORTS	MFO 0.5%	IFO 380 CST	IFO 180 CST	MGO (0.1%)
Asia Pacific				
Singapore	\$329.00(+4.00)	\$269.00(+10.25)	\$273.00(+9.25)	\$380.00(+5.00)
Hong Kong	\$364.00(-3.00)	\$280.00(+5.00)	\$284.00(+4.00)	\$382.00(+2.00)
Shanghai	\$340.00(+2.00)	\$294.00(+4.00)	\$298.00(+3.00)	\$405.00(0.00)
Busan	\$365.25(+15.25)	\$315.00(+5.00)	\$319.00(+4.00)	\$442.00(-3.00)
Colombo	\$365.00(+1.50)	\$334.00(+10.00)	\$338.00(+9.00)	\$437.00(+2.00)
Mumbai	\$340.00(0.00)	\$326.00(+10.00)	\$330.00(+9.00)	\$457.00(+2.00)
Middle East & Africa				
Fujairah	\$325.00(+3.00)	\$260.00(+15.00)	\$264.00(+14.00)	\$430.00(+5.00)
Jeddah	\$304.40(0.00)	\$236.60(0.00)	\$244.20(0.00)	\$413.00(0.00)
Durban	\$355.00(0.00)	-	\$265.00(0.00)	\$470.00(-3.00)
Port Elizabeth	\$390.00(+5.00)	-	-	\$530.00(+11.00)
Port Louis	\$373.00(-1.75)	-	-	\$460.00(-16.25)
Las Palmas	\$342.00(+7.00)	\$295.00(+4.00)	\$308.00(+4.00)	\$405.00(+6.00)
Europe				
Antwerp	\$299.00(-3.00)	\$245.00(+3.00)	\$263.00(+3.00)	\$363.00(-8.00)
Rotterdam	\$299.00(-3.00)	\$245.00(+3.00)	\$263.00(+3.00)	\$363.00(-8.00)
St. Petersburg	-	\$240.00(+5.00)	\$260.00(+5.00)	\$369.00(+10.00)
Gibraltar	\$342.00(+7.00)	\$290.00(+4.00)	\$303.00(+4.00)	\$405.00(+6.00)
Istanbul	\$357.00(+2.00)	\$275.00(+5.00)	\$285.00(+5.00)	\$410.00(-2.00)
Piraeus	\$375.00(+5.00)	\$280.00(+6.00)	\$290.00(+6.00)	\$398.00(+3.00)
Americas				
Los Angeles	\$345.00(+2.00)	\$268.50(+5.00)	\$315.50(+5.00)	\$406.50(+1.00)
New Orleans	\$333.50(+1.00)	\$306.50(+5.00)	\$332.50(+5.00)	\$395.50(+5.00)
Panama Canal	-	\$291.00(-2.00)	\$311.00(-2.00)	\$395.00(-5.00)
Houston	\$319.00(-26.50)	\$287.00(+5.00)	\$325.00(+5.00)	\$390.00(+10.00)
Santos	\$317.00(+4.00)	\$333.00(+10.25)	\$364.50(+10.25)	\$453.00(-1.00)
Zona Comun	\$356.50(-3.00)	-	-	\$505.00(+7.50)

*Delivered Indications of Previous Day.