AFFINITY TANKER WEEKLY

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

T. +44 203 142 0100
F. +44 203 142 0101
E. research@affinityship.com
W. affinityship.com

TC2 and TC14 rates erode as Continent markets see positive flurry of activity

VLCCs have kicked the week off on a positive note. The AG's tight position list hopes to see continued activity in the area. West Africa/Far East rates, meanwhile, have maintained an equally positive streak alongside the AG, off the back of owners' confident bullishness. Whether this is a momentary blip of bliss or something with a bit more long-term gravitas is still up in the air.

Suezmaxes have had a quiet time in the USG this week, with some of the only action stemming from the odd Aframax/Suezmax crossover cargo. An uptick in Dubai crude compared to Brent/WTI in recent weeks gives the expectation of potential resurrection in USG/East runs, though. West African erosion, on the other hand, slowed towards the end of the week, with minor activity and softening sentiment.

Aframaxes enjoyed a gradual climb in last done levels in the Baltic/North Sea, but with nothing outstanding left, all good things come to an end. Fresh inquiry will be key to seeing rates continue this positive trajectory, but until then, rates remain steady.

The Med/Black Sea remain quiet, meanwhile. Cross-Med rates have come off even more, with little outstanding. Delays are continuing to come off in the Straits, giving charterers the luxury of time and no need to rush with fixing ahead. With no April Black Sea fixing as of yet, for now, it's looking like a long list to come and dwindling rates.

European markets haven't been too shabby for MRs this week, with an early-week influx of cargoes filling in gaps of a now tight list, shifting rates up to WS 145 on TC2, although the same cannot be said for markets of its US counterpart TC14. Deliveries to West Africa have been on the less frequent side, but rumours of strong demand in the pipeline keep owners optimistic. On other segments, Handies were hoping for some uptick but closed the week relatively flat, while LR1s find themselves well oversupplied and LR2s holding steady.

The Mediterranean wasn't very forgiving for Handies as freight continues to come under pressure, with TC6 also having dropped a solid 20 points. The Black Sea has held onto a healthy premium though from Straits delays, although that premium may now be narrowing. MRs have fared better in the region, hiking near 30 WS points since last week. Speculation around future West Africa import volumes are keeping markets ready, which should offer more volume for a healthy MR list, but may also be eaten into by Handies trying to earn their keep beyond a dwindling TC6.

	BDTI	BCTI
	747	577
Δ W-O-W	↓Softer	↑Firmer

BDA (USD/LDT)	D/SUBCON	C/SUBCON
This week	433.0	428.5
Δ W-O-W	6.9	5.3

BALTIC TCE DIRTY

	Route	Qnt	USD / Day	Δ W-O-W
TD1	ME Gulf / US Gulf	280,000	5,483	↓Softer
TD3C	ME Gulf / China	270,000	37,829	↓Softer
TD6	Black Sea / Med	135,000	13,555	↓Softer
TD8	Kuwait / Sing.	80,000	7,677	↑Firmer
TD9	Caribs / US Gulf	70,000	WS 98.06	↑Firmer
TD14	Asia / Australia	70,000	10,895	↓Softer
TD17	Baltic / UKC	100,000	22,253	↓Softer
TD20	WAF / Cont	130,000	10,418	↓Softer

BALTIC TCE CLEAN

	Route	Qnt	USD / WS	Δ W-O-W
TC1	ME Gulf / Japan	75,000	11,507	↓Softer
TC2	Cont / UAC	37,000	11,662	↑Firmer
TC5	ME Gulf / Japan	55,000	9,702	↓Softer
TC6	Algeria / EU Med	30,000	WS 144.38	↑Firmer
TC7	Sing. / ECA	30,000	12,773	↓Softer
TC8	ME Gulf / UKC	65,000	WS 26.144	↑Firmer
TC9	Baltic / UKC	30,000	WS 168.93	↑Firmer

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44th Floor, The Leadenhall Building, 122 Leadenhall Street, London EC3A 8EE, United Kingdom
Tel +44 (0) 20 3142 0100
Email research@affinityship.com