



## Checkmate, but what if it wasn't "mate"?

Seemingly out of nowhere, Suezmaxes have gained momentum. However, in WAFR, congestions and an element of misdirection have failed to translate to levels above WS 60. Perhaps, Suezmax overconfidence is not yet justified and one wonders if there is much upside potential TD20 at the moment, given the summer blues.

The Med has been far quieter, by comparison. Volumes are low and the CPC and Novorossiysk programs released for the first decade of August were underwhelming. There is some hope from the widening fuel arb, which is up to USD 40 - 50 / T, but enquiry is yet to catch up.

After two relatively depressing years, expectations of an escalation in 2019 have been high, so how much longer is the wait? Can we not just party like it's 2015 again?

For now, Suezmax owners will be keeping an eye out for VLCCs who could spoil the party for Suezmaxes. There is a flat and soft (if not outright depressing) feeling this week for VLCCs. The activity, or rather the lack thereof, has not been what one anticipated, or indeed hoped for.

Although better earning days are surely ahead, one cannot help but wonder, is soon really soon enough?

In the AG market, WS 44 has been done, which has set a new low for the market. West Africa is still stuck at WS 46. However, there has been a fair amount of chatter around the market, which suggests that we may see a busier third decade.

Aframaxes have had a similarly tough time of things. Rates across the major routes have inched up or down, if any there has been any movement at all. Activity has

been stifled and rates are pretty much exactly where they were a week ago, with the exception of the Caribs market. Falling bunker prices have been a consolation for owners, but otherwise, they will be looking forward to the anticipated pick-up towards the end of the year.

As anticipated, the Caribs market picked up following the impacts of Storm Barry, but operations in the USG restarted sooner than anticipated and the boost to TD9 will likely not last for long.

Underwhelming Baltic and Black Sea loading programmes do not suggest any improvements in the short term, with both early date schedules falling well short of July's totals.

Product tankers in the West have had a bit of a rough week, with earnings, particularly in the transatlantic trade, coming off heavily. TC2 is down to its lowest level this year, dipping below WS 100 for only the second time. TC14, meanwhile, has almost halved over the past few weeks, with owners now paying for the privilege of carrying out runs. Tropical Depression Barry is largely to blame, forcing refineries to temporarily shutdown and closing trade routes in the USG.

In the East, earnings in the AG are deeply uninspired. MRs have had an alarmingly quiet week while sentiment in both LR markets has softened. Long tonnage lists and a lack of enquiry has forced rates under continued pressure, with TC1 down to WS 80 and TC5 at WS 95.

Iran's seizing of a tanker in the Persian Gulf may push rates up in the AG with a higher war risk premium, but otherwise it seems like the quiet start to Q3 will continue.

	BDTI	BCTI
	625	491
Δ W-O-W	↓Softer	↓Softer
<b>BDA</b>		
(USD/LDT)	D/SUBCON	C/SUBCON
This week	417.0	413.6
Δ W-O-W	1.5	0.0

<b>BALTIC TCE DIRTY</b>				
	Route	Qnt	USD / Day	Δ W-O-W
TD1	ME Gulf / US Gulf	280,000	-11,317	↓Softer
TD3C	ME Gulf / China	270,000	14,031	↓Softer
TD6	Black Sea / Med	135,000	10,034	↑Firmer
TD8	Kuwait / Sing.	80,000	10,518	↑Firmer
TD9	Caribs / US Gulf	70,000	1,756	↑Firmer
TD14	Asia / Australia	70,000	10,202	↓Softer
TD17	Baltic / UKC	100,000	5,441	↑Firmer
TD20	WAF / Cont	130,000	9,677	↓Softer

<b>BALTIC TCE CLEAN</b>				
	Route	Qnt	USD / WS	Δ W-O-W
TC1	ME Gulf / Japan	75,000	5,008	↓Softer
TC2	Cont / USAC	37,000	4,255	↓Softer
TC5	ME Gulf / Japan	55,000	6,078	↑Firmer
TC6	Algeria / EU Med	30,000	WS 166	↑Firmer
TC7	Sing. / ECA	30,000	11,061	↓Softer
TC8	ME Gulf / UKC	65,000	WS 26	↑Firmer
TC9	Baltic / UKC	30,000	WS 133	↑Firmer



Bunker Prices								
(USD/T)	Fujairah	Δ*	Houston	Δ*	Rotterdam	Δ*	Singapore	Δ*
IFO 380	420	↑	390	↓	388	↓	452	→
IFO 180	460	↑	438	↓	409	↓	484	→
MGO	705	↑	615	↑	567	↑	600	↑

EXCHANGE RATES			CRUDE PRICES		
	Value	Δ*	(USD/Bbl)	Price	Δ*
EUR-USD	0.00	↓	Brent	63.61	↓
GBP-USD	0.00	↓	WTI	56.50	↓
USD-JPY	0.00	↓			
EUR-GBP	0.00	↓			
USD-KRW	0.00	↓			
USD-SGD	0.00	↓			
GBP-SGD	0.00	↓			

GDP GROWTH					
(%)	EU	India	US	China	World
Q4 2018	1.2	6.6	2.2	6.4	3.6
Q1 2019	1.2	5.8	3.1	6.4	3.6

	Demolition		New Contracts	
	2019 YTD	2018	2019 YTD	2018
Handysize	2	12	0	3
Medium Range	8	25	54	69
Panamax / LR1	4	7	0	17
of which LR1:	3	3	0	14
Aframax / LR2	4	45	19	26
of which LR2:	1	7	12	9
Suezmax	5	24	15	14
VLCC	2	33	17	44
Grand Total	25	146	105	173
			Y-O-Y% Δ*	-39%

Tankers	Fleet					Deliveries			Orderbook				
	2015	2016	2017	2018	Jun-19	Delivered 2017	Delivered 2018	Delivered 2019	2019	2020	2021	Total Orderbook (Through to 2021)	% of Fleet
Handysize	560	575	586	582	591	18	8	11	7	8	1	16	2.7%
Medium Range	1435	1525	1576	1607	1647	66	56	48	48	80	17	150	9.4%
Panamax / LR1	413	430	444	449	452	21	12	7	16	8	6	30	6.6%
of which LR1:	344	359	372	381	383	18	12	5	12	4	6	22	5.7%
Aframax / LR2	922	967	1003	1009	1044	64	51	39	15	30	21	74	7.4%
of which LR2:	290	323	351	362	383	34	18	22	5	13	9	29	7.6%
Suezmax	486	513	560	568	586	57	32	23	8	30	8	46	7.8%
VLCC	645	690	730	736	773	50	39	39	30	41	11	82	10.6%
Grand Total	4,461	4,700	4,899	4,951	5,093	276	198	167	124	197	64	398	8.8%

\*Δ : Change Week on Week



World Oil	Demand			Supply		
Actuals (Mn bpd)	2019	Q2-2019	Q3-2019	2019	Q2-2019	Q3-2019
OECD						
Canada	2.36	2.30	2.48	5.25	5.17	5.37
Europe	14.27	14.14	14.64	-	-	-
Japan	3.67	3.38	3.45	-	-	-
Other OECD	6.44	6.38	6.41	4.67	4.60	4.53
U.S. (50 States)	20.70	20.30	21.14	19.87	19.59	20.19
Mexico	-	-	-	2.00	2.02	2.05
<b>Total OECD</b>	<b>47.55</b>	<b>46.61</b>	<b>48.23</b>	<b>31.80</b>	<b>31.39</b>	<b>32.14</b>
<b>As % of World</b>	<b>47.07</b>	<b>46.47</b>	<b>47.33</b>	<b>31.45</b>	<b>31.21</b>	<b>31.58</b>

Non-OECD						
China	14.42	14.58	14.30	4.91	4.91	4.88
Europe	0.76	0.76	0.77	-	-	-
FSU	4.97	4.86	5.13	14.67	14.49	14.61
Other Asia	14.11	14.18	13.89	-	-	-
Other Non-OECD	19.21	19.33	19.58	14.28	14.41	14.79
Total OPEC	-	-	-	35.46	35.38	35.36
<b>Total Non-OECD</b>	<b>53.46</b>	<b>53.69</b>	<b>53.67</b>	<b>69.31</b>	<b>69.19</b>	<b>69.63</b>
<b>As % of World</b>	<b>52.93</b>	<b>53.53</b>	<b>52.66</b>	<b>68.55</b>	<b>68.79</b>	<b>68.42</b>
<b>Total World</b>	<b>101.00</b>	<b>100.30</b>	<b>101.90</b>	<b>101.11</b>	<b>100.58</b>	<b>101.77</b>

### Time Charter Rates

	1-Year	W-O-W	Avg 2018	Avg 2019	3-Year	W-O-W	5-Year	W-O-W
VLCC	34,000	→	23,582	30,431	32,000	→	28,500	→
Suezmax	24,000	→	17,004	22,802	23,250	→	22,250	→
LR2	21,000	→	14,937	19,831	20,500	→	19,250	→
Aframax	21,500	→	14,893	19,583	21,000	→	19,000	→
LR1	16,500	→	12,879	15,164	16,250	→	15,500	→
MR	14,750	→	13,064	14,028	15,250	→	14,250	→
Handysize	13,500	→	11,614	12,966	13,750	→	13,500	→

### Asset Values

	Newbuilding	W-O-W	Resale	W-O-W	5-YO	W-O-W	10-YO	W-O-W
VLCC	91.00	→	96.00	→	68.50	→	46.00	→
Suezmax	62.00	→	66.50	↑	49.50	↑	34.00	→
Aframax	51.00	→	52.50	↑	36.50	↑	25.50	→
LR2	52.50	→	53.50	↑	37.50	↑	26.50	→
LR1	42.00	→	41.50	→	31.00	→	18.00	→
MR	35.50	→	38.00	→	29.00	→	18.00	→
Handysize	33.00	→	35.00	→	24.50	→	13.50	→



### INDICATIVE VOYAGE FIXTURES

	Cargo Quantity	Grade	Load	Discharge	Vessel	Charterer	Laycan	Rate	Status	Comment
<b>VLCC</b>										
	270,000 MT	CRUDE	MEG	TAIWAN	ALSAMI	FORMOSA	26-28 JUL	WS 44	SUBS	SOFT
	260,000 MT	CRUDE	WAFR	CHINA	ERBIL	UNIPEC	17-19 AUG	WS 46	SUBS	SOFT
<b>Suezmax</b>										
	130,000 MT	CRUDE	WAFR	UKCM	RIO SPIRIT	CNR	25-30 JUL	WS 60	SUBS	FLAT
	135,000 MT	CRUDE	CPC	UKC - MED	MARLIN SILKEBORG	EXXON	28 JUL	WS 70 - 75	FIXED	SOFT
<b>Aframax</b>										
	80,000 MT	CRUDE	CEYHAN	MED	PROMETHUS LIGHT	ENI	26-28 JUL	WS 85	SUBS	SOFT
	80,000 MT	CRUDE	CPC	MED	MINERVA SOPHIA	ENI	28-29 JUL	WS 102.5	SUBS	SOFT
<b>Panamax</b>										
	55,000 MT	FO	WHITEGATE	TA	KEROS	FREEPOINT	23 JUL	WS 97.5	FIXED	FLAT
	55,000 MT	CRUDE	BEJAIA	BRAZIL	AMAZON BRILLIANCE	VITOL	28-30 JUL	WS 110	FIXED	FLAT

### Spot Market

Affinity Index: Percentage change of our TCE compared to the base day: 7/01/2015 =100

	Cargo Quantity	Route	Affinity Index*	Affinity TCE (\$/Day)	Δ* WOW	Δ* MOM	Average Year to Date (\$/day)	Average 2018 (\$/day)
<b>VLCC</b>		(TD1 & TD3C)	<b>11</b>	5,192	<b>-31%</b>	<b>-39%</b>	11,170	9,080
TD1	280,000 MT	ME Gulf / US Gulf	<b>-59</b>	<b>-5,814</b>	23%	152%	<b>-432</b>	<b>-5,233</b>
TD3C	265,000 MT	ME Gulf / China	<b>19</b>	16,197	<b>-18%</b>	<b>-16%</b>	22,771	23,393
<b>Suezmax</b>		(TD6 & TD20)	<b>29</b>	16,610	<b>-3%</b>	<b>-46%</b>	23,090	23,065
TD6	135,000 MT	Black Sea / Med	<b>32</b>	22,813	<b>-6%</b>	<b>-39%</b>	31,926	32,537
TD20	130,000 MT	West Africa / Cont	<b>25</b>	10,406	5%	<b>-57%</b>	14,254	13,593
<b>Aframax</b>		(TD8, TD14 & TD17)	<b>32</b>	14,923	<b>-5%</b>	<b>-20%</b>	19,799	16,069
TD8	80,000 MT	Kuwait / Sing.	<b>54</b>	17,667	<b>-7%</b>	<b>-18%</b>	18,531	13,851
TD9	70,000 MT	Caribs / US Gulf	<b>20</b>	6,299	142%	<b>-46%</b>	17,061	13,272
TD14	70,000 MT	Asia / Australia	<b>45</b>	15,018	<b>-7%</b>	<b>-19%</b>	17,237	13,944
TD17	100,000 MT	Baltic / UK Cont	<b>16</b>	12,084	<b>-2%</b>	<b>-23%</b>	23,627	20,413

\*Affinity Index: Base day is 07/01/2015. The Affinity Index is calculated based on our freight rate estimates of the above routes. Starting on 7 January 2015, the Affinity index registers the freight rates from each day and then compares them to the base rate of the start date.



## INDICATIVE VOYAGE FIXTURES

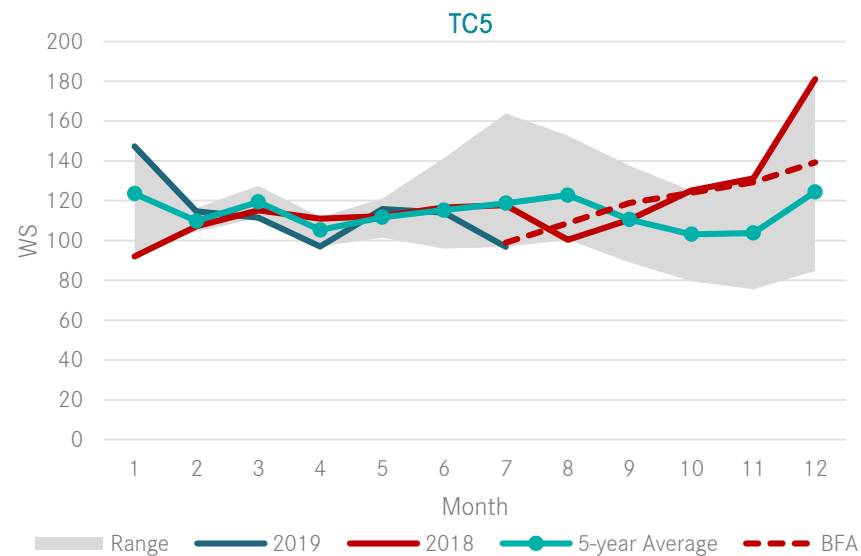
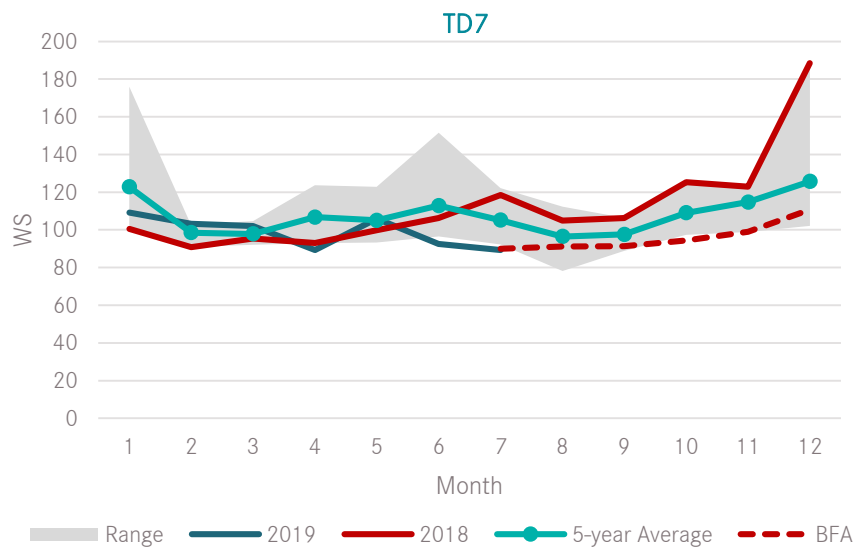
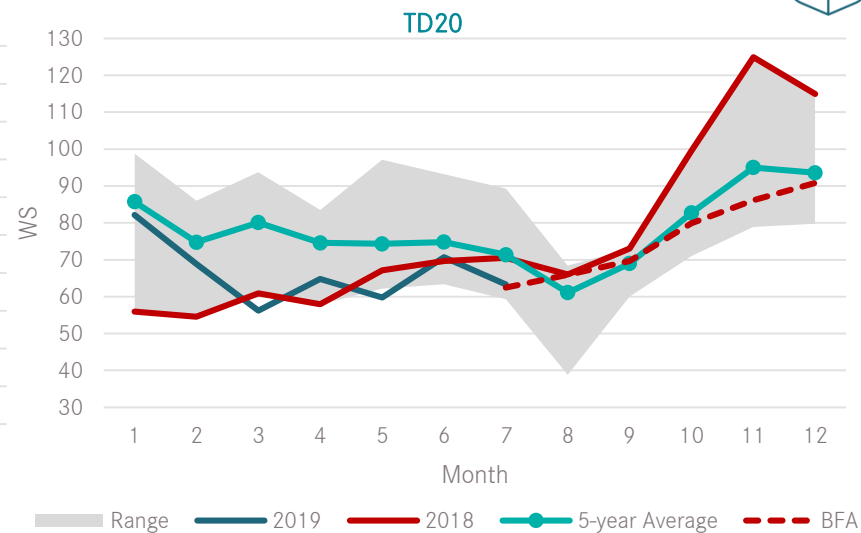
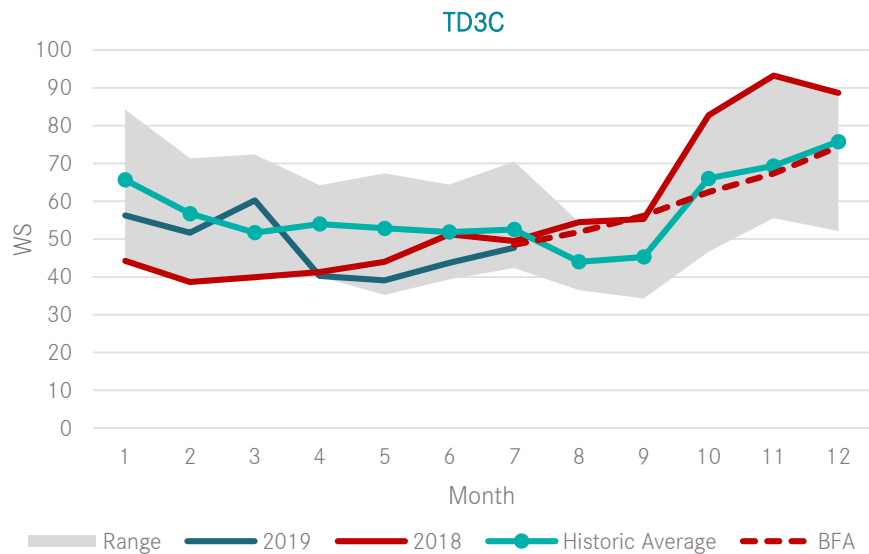
	Cargo Quantity	Grade	Load	Discharge	Vessel	Charterer	Laycan	Rate	Status	Comment
<a href="#">LR2</a>										
TC 1	75,000 MT	NAP	AG	JAPAN	PRO ALLIANCE	SOCAR	29-30 JUL	WS 80	FIXED	WEAK
<a href="#">LR1</a>										
TC 5	60,000 MT	NAP	AG	JAPAN	STI RAMBLA	PDS	03 AUG	WS 82.5	FIXED	WEAK
TC 8	55,000 MT	JET	AG	WEST	HAFNIA HONG KONG	CHEVRON	29-30 JUL	WS 1.675 Mn / USD 270K x AG	SUBS	WEAK
<a href="#">MR</a>										
TC 12	40,000 MT	JET	KWT	WEST	UACC MIRDIF	KPC	23-24 JUL	USD 1.1975 Mn	FIXED	WEAK
TC 2	37,000 MT	UMS	PORVOO	TA-UKC-ECC	HIGH LOYALTY	SHELL	28-29 JUL	WS 100-105-115	SUBS	WEAK
TC 6	30,000 MT	UMS	SARROCH	MED	LUCKY SAILOR	VITOL	23-24 JUL	WS 170	FIXED	SOFTER
TC 7	35,000 MT	JET	JAPAN	US-OPTS	ELANDRA PINE	VALERO	23 JUL	USD 1.135 Mn	FIXED	STEADY
TC 9	33,000 MT	ULSD	BALTIC	UKC	PLUTO	LITASCO	26 JUL	WS 120	SUBS	TIGHT

## Spot Market

Affinity Index: Percentage change of our TCE compared to the base day: 7/01/2015 =100

	Cargo Quantity	WS/LS	Affinity TCE (\$/Day)	Δ* W-O-W	Δ* M-O-M	Average 2019 YTD (\$/day)	Average 2018 (\$/day)
<a href="#">LR2</a>							
AG / Japan	75,000 MT	80.00	4,455	-1,722	-11,553	15,589	10,020
AG / UKC	80,000 MT	1.83	11,427	-4,122	-8,589	21,241	12,564
AG / EA	80,000 MT	90.00	9,027	-1,282	-5,682	16,694	11,505
<a href="#">LR1</a>							
AG / Japan	55,000 MT	95.00	4,725	-275	-8,210	11,652	7,985
AG / UKC	65,000 MT	1.65	15,049	-159	-5,559	18,182	10,783
AG / EA	65,000 MT	100.00	10,562	-2,160	-5,516	16,489	11,540
<a href="#">MR</a>							
AG / UKC	40,000 MT	1.19	11,040	-740	-3,882	15,271	10,046
WCI / Red Sea	35,000 MT	0.43	7,068	-653	-4,024	13,272	6,841
WCI / Japan	40,000 MT	110.00	2,930	-1,073	-5,869	7,489	4,646
AG / EA	35,000 MT	127.50	7,174	-960	-2,928	11,584	8,583

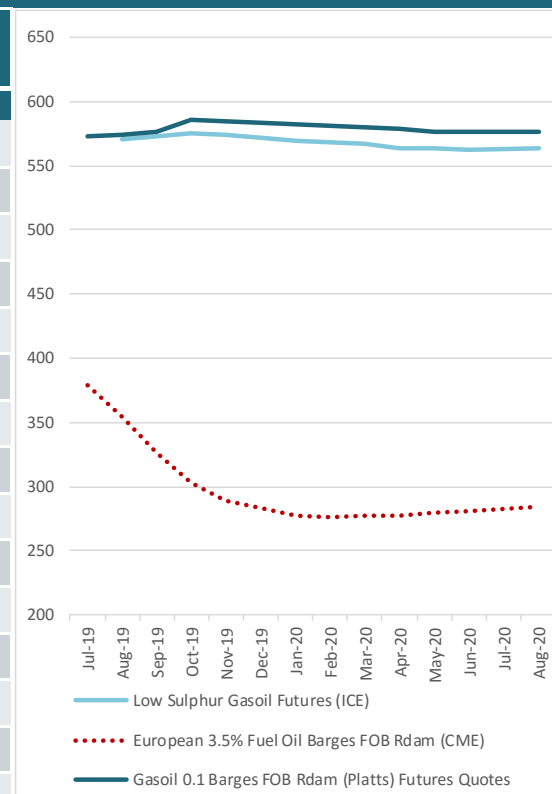
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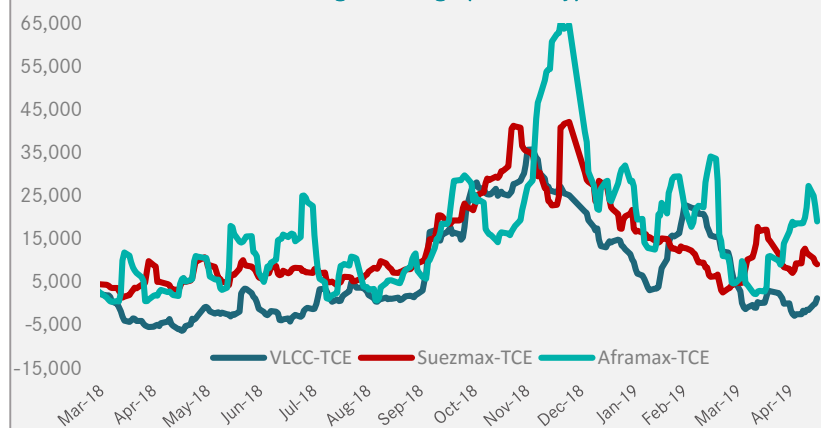
Rotterdam Futures

	Low Sulphur Gasoil Futures (ICE)			European 3.5% Fuel Oil Barges FOB Rdam (CME)			Gasoil 0.1 Barges FOB Rdam (Platts) Futures Quotes		
	18/07/2019	12/07/2019	%Δ	18/07/2019	12/07/2019	%Δ	18/07/2019	12/07/2019	%Δ
Jul-19				378.4	398.1	▼ -5%	572.7	586.3	▼ -2%
Aug-19	571.3	604.8	▼ -6%	354.3	384.9	▼ -8%	573.7	598.6	▼ -4%
Sep-19	573.3	607.3	▼ -6%	326.0	352.4	▼ -8%	576.3	601.6	▼ -4%
Oct-19	575.8	610.0	▼ -6%	302.8	324.8	▼ -7%	586.1	586.1	0%
Nov-19	573.8	608.8	▼ -6%	288.8	308.3	▼ -6%	584.5	584.5	0%
Dec-19	571.5	606.0	▼ -6%	282.8	300.6	▼ -6%	583.3	583.3	0%
Jan-20	570.0	605.5	▼ -6%	277.8	294.7	▼ -6%	582.7	582.7	0%
Feb-20	568.3	604.0	▼ -6%	276.2	292.7	▼ -6%	581.8	581.8	0%
Mar-20	567.8	602.5	▼ -6%	276.7	293.4	▼ -6%	580.6	580.6	0%
Apr-20	563.8	601.0	▼ -6%	277.8	294.9	▼ -6%	578.7	578.7	0%
May-20	563.8	599.0	▼ -6%	279.2	296.3	▼ -6%	577.0	577.0	0%
Jun-20	562.8	597.0	▼ -6%	280.8	297.8	▼ -6%	576.5	576.5	0%
Aug-20	564.0			284.0	301.0	▼ -6%	576.8	576.8	0%
Dec-20	558.5	591.8	▼ -6%	291.5	308.4	▼ -5%	571.8	571.8	0%
Dec-21	555.5	575.8	▼ -4%	303.9	321.3	▼ -5%	563.3	563.3	0%

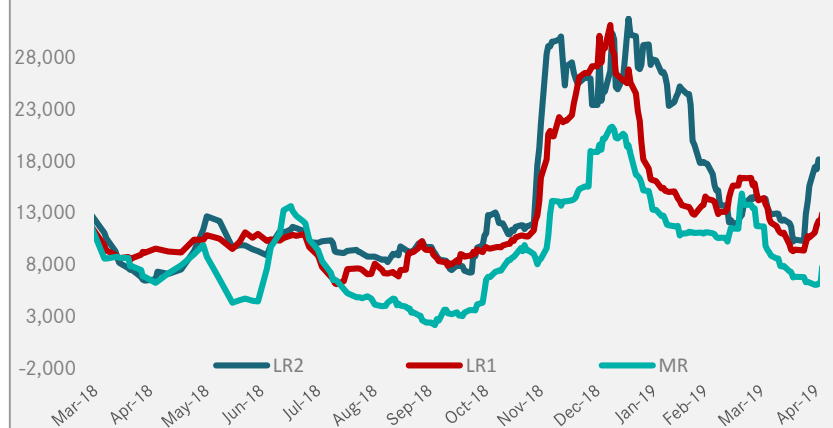




Baltic Crude Oil Tanker Average Earnings (USD/day)



Affinity Clean Tanker Average Earnings (USD/day)



### FFA Dirty

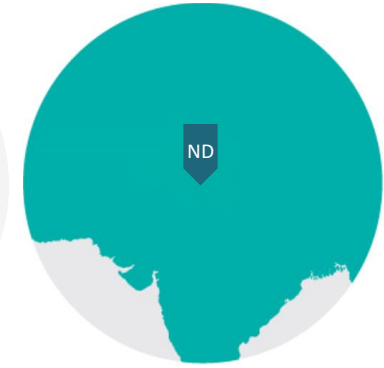
	Routes	Jul	Aug	Sep	Oct	Nov	Dec
TD3C	ME Gulf / China	35.7	41.0	43.6	45.5	49.6	57.0
TD7	North Sea / Cont	79.7	69.4	68.2	67.8	67.4	69.5
TD8	Kuwait / Sing.	112.9	106.0	106.3	108.3	111.4	116.4
TD17	Baltic / Cont	90.5	69.0	66.3	66.3	65.7	74.0
TD19	Baltic / Cont	103.9	105.3	95.9	94.0	94.6	96.7
TD20	West Africa / Cont	61.1	63.9	64.3	65.0	68.0	79.4

### FFA Clean

	Routes	Jul	Aug	Sep	Oct	Nov	Dec
TC2	Cont / UAC	113.5	123.6	120.5	115.8	122.3	134.6
TC5	ME Gulf / Japan	114.0	116.6	121.5	124.5	127.9	140.0
TC6	Algeria / EU Med	149.8	155.8	145.5	139.4	153.1	166.8
TC7	Sing / ECA	165.3	167.0	169.4	171.2	172.4	174.2
TC9	Baltic / UKC	133.1	138.3	132.9	131.2	130.5	136.5
TC12	WCI / Japan	127.4	132.0	130.8	133.3	137.2	148.2
TC14	USG / Cont	89.4	93.5	92.5	92.7	93.0	94.5
TC15	Skikda / Chiba	91.6	89.9	92.7	94.6	96.6	106.1



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Dry Cargo

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