



## Crude Tanker Comments

VLCC rates have remained on a steady, upwards trajectory, with owners pushing for more after each fixture amid strong demand for October-loading Eastbound cargoes. After a brief jaunt in the WS 90s levels, TD3C and TD15 corrected downwards by a few points. Still, there are several stems outstanding in the AG, which should keep activity flowing for the near term.

There is only one cargo in the woodworks in WAF but, after the long weekend, we might see some surprises given the still-strong demand levels. USG/East stole the show this week, getting very close to the USD 10 Mn mark for TD22. Also Brazil/East has been done a few times, and is currently on subs at WS 97.5 at the time of writing.

It looks like the Suezmax market is finally waking up! There was decent enquiry in WAF throughout the week and rates inched up progressively. And, while the week has ended on a quiet note, rates remain stable. The list is tight overall, and should expect owners to keep thing relatively firm here for the foreseeable.

The AG wasn't as busy this week, but market sentiment strengthened significantly given how things were looking in the West. We saw some steady fixing towards the end, nothing drastic, and we can expect things to remain steady as we go forward.

It was a busier week in the Med, with mounting optimism given that the latest CPC program is looking busy for October, and overall we can expect Suezmax rates here to firm going forward.

Aframaxes saw a decent amount of X-Med action this week, which paired with a few ballasters going out of the region in search of better fortunes, cleared out a sizable chunk of ships off the list. In fact, the tonnage list remains very short as we go into the weekend, with four FOC units ballasting out of the region, and no vessels expected to open over the weekend. As a result, rates have bottomed and, with the bank holiday Monday looming in the UK, charterers have already started to work forwards dates, which resulted in firming rates and market sentiment.

Meanwhile, slow days continue in the Baltic and North Sea amid low cargo enquiry, leaving sentiment weak. However, with five ships ballasting out of the region this week, the list needs watching as we might see the tide turn as we go into the next week.

## Product Tanker Comments

LR2 business in the Middle East was rather front-loaded this week. Monday was disproportionately busy and freight rates have been bumped up off the back of it. As the week went on, it was clear that we were not in for as much of a perfect storm. As a result, we saw owners take a less aggressive approach, taking (almost) whatever price was suggested. Still, it could have been worse, in fact, even if freight was at a discount to last done, returns are still rather princely, well above the historical seasonal averages.

The LR1s in the AG have had a stop-start week. Owners have not had a lot of long haul liquidity to work with, but the natural tightness is still evident with local cargoes and itineraries mopping up the position list. Levels are holding for now, but some more long-haul demand will be needed next week to shore up confidence, as a second week of intermittent activity will struggle to keep freight levels where they are.

On the other hand, North Asian MRs had another incredible week. The consistent flow of fresh cargoes and enquiry kept owners hungry for higher freight. As the week comes to an end, there still are several outstanding cargoes that should keep sentiment bullish as we go into the next week. Still, it feels a little toppish now, especially we have reached parity with the LRs, so some correction might occur soon. Also, bad weather will be a concern as we head into the weekend, so any late runners might face rates on the higher end of the spectrum to get replaced.

Singapore managed follow closely behind the North in terms of earnings, though actual trading overall remained on the slower side throughout this week. With the AG slipping, it might not be long before we start to see some pressure being applied also here. The tonnage list has opened up for end September/early October and, unless we see an influx of cargoes next week, chances are that the market wouldn't sustain this momentum.

In the West, it was a slow start for the MRs, and as all excitement was in the USG and Middle East, we started to see a few ballasters go in search of better fortunes. Towards the end of the week, activity picked up and owners capitalised on the tight list at the front end, pushing TC2 to WS 285 levels and leaving a firm feel to the market as we go into the weekend. The Handies have been active with some lightering off Southwold and X-UKC picked up to WS 185 and WS 175 basis Med discharge. Russian exports remain slow, with WS 325 seen on subs.

It was a strong week overall for the Med market, with the Handy list tightening and TC6 firming up to WS 220. MRs have also traded up, quiet in their own right, but boosted by the strength on the surrounding NWE, East and USG markets.

		BDTI	BCTI	
		1492	1255	
Δ W-O-W		↑Firmer	↑Firmer	
BDA				
(USD/LDT)	TKR/LRG	TKR/MED	TKR/SML	
This week	594.9	599.8	602.2	
Δ W-O-W	5.9	6.3	5.3	
BALTIC TCE DIRTY				
	Route	Qnt	\$ / Day	W-O-W
TD1	ME Gulf / US Gulf	280,000	17,654	↑Firmer
TD3C	ME Gulf / China	270,000	64,171	↑Firmer
TD6	Black Sea / Med	135,000	76,423	↑Firmer
TD8	Kuwait / Sing.	80,000	42,767	↑Firmer
TD9	Caribs / US Gulf	70,000	55,387	↑Firmer
TD14	Asia / Australia	70,000	51,704	↑Firmer
TD17	Baltic / UKC	100,000	49,908	↑Firmer
TD20	WAF / Cont	130,000	40,458	↑Firmer
BALTIC TCE CLEAN				
	Route	Qnt	\$ / WS	W-O-W
TC1	ME Gulf / Japan	75,000	59,990	↓Softer
TC2	Cont / USAC	37,000	27,790	↓Softer
TC5	ME Gulf / Japan	55,000	57,836	↓Softer
TC6	Algeria / EU Med	30,000	WS 224.06	↑Firmer
TC7	Sing. / ECA	30,000	62,019	↑Firmer
TC8	ME Gulf / UKC	65,000	71.89	↓Softer
TC9	Baltic / UKC	30,000	WS 326.79	↑Firmer