



## Crude Tanker Comments

It was a slow start to the week for VLCCs in the AG, amid a slow drip of final third decade cargoes, most of which are getting worked under the radar. On Wednesday, the whole complex stalled amid a dearth of activity as the market was waiting for confirmation of March stem dates. And, even as the dates got subsequently confirmed, charterers remained quiet until the very end, seemingly in no hurry to fix. Meanwhile, owners managed to successfully keep upwards pressure on rates, amid expectations of an uptick in enquiry for early March dates. As the week comes to an end, TD3C is assessed slightly above WS 68, about 10 WS points above last Friday's levels.

In the Atlantic, there was a continuous pattern of fixing and failing throughout the first half of the week. Rates there kept inching upwards unperturbed - USD 8.5 Mn went on subs overnight between Tuesday and Wednesday for USG/Ningbo (22-26 Mar). However, steady activity at the tail-end of the week pushed TD22 even higher, with a few ships getting tucked away, thus clearing the list even further and paving the way for further rate increases after the weekend. For now, TD22 is on subs at USD 8.75 Mn for 29 March dates, and the Baltic Exchange is assessing the same at USD 9 Mn levels.

These have been busy days for Suezmaxes in WAF amid steady fixing throughout the first half of the week. Owners managed to push TD20 to WS 120 on Wednesday and, while there were few stems left outstanding, a tight prompt tonnage list helped shore rates up by another 5 WS points, with WS 125 going on subs on Friday (for 2-3 March dates). However, the list seems to open up considerably from 9 March, which might put a cap on rates, unless demand keeps up. The AG remained slow throughout the week, but this market is one to watch with the ever-firming Atlantic markets likely to draw in further ballasters and decrease the tonnage available for AG liftings.

It was a very uninspiring start to the week for Afras in the Med. The refresh in positions has created a very long list, enabling a couple of market quotes to take big bites out of the market. Even with Ceyhan loadings restarting, it felt like further corrections were due. As of Wednesday, the position list still presented options, however, owners' ideas seemed to be bottoming. From the second half of the week, cargoes continued to roll, although charterers had to increase their counters amid owners' firm resistance. Meanwhile, US markets kept attracting ballasters throughout. Overall sentiment continued to slowly increase as the week draws to a close, with TD19 at WS 178 levels. It has been a rather slow week in the North, with very little coverage across the board. Vessels continued to look at ballasting out, seeking better TCEs in the Med and US markets. Activity started to gradually increase only towards the end and, while rates keep repeating at basement levels, the list is thinning, which might bode well for the coming week.

## Product Tanker Comments

Going into the week with an ever-thinning list of LR2s was encouraging for owners, who capitalised on the opportunity to finally test the waters by pointing their ships westward. On Tuesday, Yanbu/West – which had not been tested for weeks - went on subs for USD 3.2 Mn, a USD 900k move up from last done. While AG/West comfortably settled at USD 4 Mn levels, it seems that westbound rates are set to stay at these levels, covering shortfalls from the G7 and EU Russian CPP sanctions. While western routes may have been flavour of the week, eastbound was by no means left behind and it steadily ticked up, with TC1 on subs at WS 175, a WS 57.5 move up on the week. The LR1s' fortunes were slightly different. In tandem with the buzz on the MR and LR2 market, LR1 owners believed their moment in the sun was surely not far behind. The steady ticking up of rates demonstrated these expectations and patience was needed to wait out the week and cash in the reward at week's end to the tune of USD 3.8 Mn on subs for westbound and WS 210 for TC5.

MRs in North Asia started the week on the wrong foot. Korea/Australia went on subjects at WS 280, about 27.5 WS points off previous done. However, around mid-week, ships started to disappear from the tonnage list, covered by off-market private cargoes. There are now only 10 available MRs marketed for the next two weeks, and the expectation is that we will see rates rebound. There has also been increasing activity in SE Asia. However, unlike the North, there are still ships to choose from in the list, so the upside might be more limited for owners.

It was a subdued week for the MRs in the UKC, as a lack of cargo enquiry put some downward pressure on rates. TC2 is around WS 260 at the time of writing and will probably need further testing. The list is starting to replenish as more ships get orders, but many owners still have different agendas - some are still focusing purely on Russian price cap business, which means that the list could look longer than it actually is. There have been also pockets of activity to WAF, with rates paying 10 WS points over TC2.

The Handies have enjoyed a busy week with plenty of cargoes to choose from, and a short list of ships driving rates up to around WS 280 for cross-cont voyages. Several owners in the north have sent their ships to the Med in recent weeks, helping narrow the list on the Continent, which has only added support to freight rates. Med Handies have remained buoyant and steady this week, with a decent turnover of fixtures, and WS 265 becoming the established conference rate for TC6 runs. Good amounts of activity are needed next week in order to keep freight at current levels, especially given the potential downwards pressure from the MRs.

		BDTI	BCTI	
		1261	1084	
Δ W-O-W		↑Firmer	↑Firmer	
BDA				
(USD/LDT)		TKR/LRG	TKR/MED	TKR/SML
This week		534.4	539.9	543.3
Δ W-O-W		1.9	1.5	0.6
BALTIC TCE DIRTY				
Route		Qnt	\$/ Day	W-O-W
TD1	ME Gulf / US Gulf	280,000	16,309	↑Firmer
TD3C	ME Gulf / China	270,000	48,843	↑Firmer
TD6	Black Sea / Med	135,000	87,304	↑Firmer
TD8	Kuwait / Sing.	80,000	45,171	↑Firmer
TD9	Caribs / US Gulf	70,000	50,179	↑Firmer
TD14	Asia / Australia	70,000	46,620	↑Firmer
TD20	WAF / Cont	130,000	54,573	↑Firmer
BALTIC TCE CLEAN				
Route		Qnt	\$/ Day	W-O-W
TC1	ME Gulf / Japan	75,000	47,115	↑Firmer
TC2	Cont / USAC	37,000	37,356	↑Firmer
TC5	ME Gulf / Japan	55,000	41,935	↑Firmer
TC6	Algeria / EU Med	30,000	46,232	↑Firmer
TC7	Sing. / ECA	30,000	31,668	↑Firmer
TC8	ME Gulf / UKC	65,000	44,164	↑Firmer
TC23	ARA / UKC	30,000	35,618	↑Firmer