

Tanker Freight Report

15 Oct 2024

Gasoline shipments to Nigeria dropped sharply in the first two weeks of Oct, as per S&P Global data, as the arrival of domestic supply from the Lagos-based Dangote refinery appeared to dim export appetite. However, with new 650 kb/d refinery operating at around half its capacity and the key gasoline-producing unit, still unstable as it ramps up, traders have warned that Nigeria could still face a substantial fuel deficit in the absence of imported supply. As per S&P Global, just 280,400 barrels of gasoline and blendstock was dispatched to Nigeria in the first week of the month, ending Oct. 6, via one MR, down from a weekly average of 1.3 mill barrels in August. In the week ending Oct. 13, just one product tanker reported shipping gasoline to Nigeria, with just 290,567 barrels departing from Antwerp for delivery to Lagos. These two October cargoes fall significantly lower than the 12 dispatched in the first half of August and September respectively. Since Oct. 8, no gasoline has been reported as shipped to Nigeria.

The latest US sanctions on Iran, in response to its missile attacks on Israel, are expected to tighten crude flows to China and reduce the competitiveness of these barrels due to a shortage of ships, with 23 ships sanctioned in one go and higher shipping costs in the near term, Chinese trade sources told S&P Global. These sanctions, along with worries about further measures, if the Iran-Israel conflict escalates, could create prolonged uncertainty for China's independent refiners, the biggest customers for Iranian crude, leading them to consider alternative supply options. A Shandong-based independent refiner said sanctions complicate financing for affected cargoes, as "no bank will dare to handle cargoes shipped by a sanctioned vessel." In September, about 30 vessels loaded with Iranian crudes were discharged for China's independent refineries, among these, six vessels were on the latest US sanctions list.

CRUDE & DIRTY TANKERS

Routes	VLCC	Comments	USD/Day	Change
TD2	Middle East Gulf to South East Asia		33,700	-1,350
TD3	Middle East to East Asia		31,500	-1,400
TD15	WAF to East Asia		36,600	-1,050
TD22	US Gulf to East Asia Lumpsum	8,355,000	40,300	-650
Average VLCC			36,100	-1,050

Routes	SUEZMAX	Comments	USD/Day	Change
TD 6	Black Sea to Mediterranean		34,400	775
TD 20	West Africa to UK / ARA / Continent		39,150	3,250
TD 23	Middle East Gulf to Mediterranean		45,400	200
TD 27	Guyana to ARA		36,300	3,150
Average Suezmax			36,750	2000

Routes	AFRAMAX / DPP	Comments	USD/Day	Change
TD7	North Sea to NW Europe		25,450	-650
TD8	Middle East Gulf to SE Asia		32,250	-250
TD9	Caribbeans to US Gulf		40,500	-850
TD14	SE Asia to ANZ		33,650	-850
TD18	Baltic to UK - Continent	30,000 MT	20,350	-250
TD19	Cross Mediterranean		52,700	-1,100
TD21	Caribbeans to US Gulf	50,000 MT	17,150	-350
TD25	USGC to ARA		39,300	-750
TD26	EC Mexico to US Gulf		45,450	-850
Average Aframax			38,150	-750

CLEAN PRODUCT TANKERS

Routes	LR CPP	Comments	USD/Day	Change
TC1	Middle East Gulf to North Asia	LR2	19,600	-250
TC5	Middle East Gulf to North Asia	LR1	13,450	-500
TC8	Middle East Gulf to UK-Continent	LR1	36,500	-450
TC15	Euro Med to SE Asia LR2 - Lumpsum	2,875,000	5,350	200
TC16	Europe to WAF	LR1	13,300	-550
TC 20	MEG to UK/Cont - LR2 - Lumpsum	4,081,500	37,950	-750
Average LR			22,950	-400

Routes	MR CPP	Comments	USD/Day	Change
TC2	Europe to US Atlantic coast		2,700	-475
TC6	X-Med	Handy	10,850	4,650
TC7	Singapore to East Coast Australia		16,300	-150
TC10	North Asia to West coast America		22,300	-450
TC11	North Asia to SE Asia		9,550	-750
TC12	Middle East Gulf / WCI to North Asia		12,500	200
TC14	US Gulf to Continent		16,250	-8,550
TC17	Persian Gulf to EAF		23,850	-150
TC18	US Gulf to Brazil		26,300	-6,850
TC19	NW Europe to WAF		9,200	-1,200
TC21	US Gulf to Caribbean Lumpsum	700,000	21,600	-11,500
TC 22	Korea to South Australia		16,200	-250
TC 23	ARA to UK Continent	Handy	8,300	-450
MR Atlantic Basket			21,150	-7,800
MR Pacific Basket			18,900	-100
Average MR			16,850	-2400

Tankers - TC rate indication - USD / Day >> 1 year period

VLCC Eco	VLCC	Suezmax	Aframax	LR2	LR1	MR Eco	MR	Handy	SS- J19
\$48,000	\$43,000	\$40,000	\$38,000	\$35,000	\$31,000	\$28,000	\$25,000	\$25,000	\$21,000
Sale and Purchase		Non Scrubber fitted, Non Ice, Built at Standard First class yard, SS Done							
Vessel Type		VLCC - 300 Kt Dwt	Suezmax 160Kt Dwt	Aframax 115Kt Dwt		MR 50 Kt Dwt - IMO			
Million USD - 5 Year		\$ 109 - 110 M	\$ 81 - 82 M	\$ 72 - 73 M		\$ 46 - 47 M			
Million USD - 10 Year		\$ 83 - 84 M	\$ 66 - 67 M	\$ 58 - 59 M		\$ 38 - 39 M			

Crude - ICE	USD	Change	Bunker Port	VLSFO	Change	MGO	Change
Brent	75.37	-2.09	Singapore	615	-5.0	689	-7.0
WTI	71.78	-2.05	Hongkong	620	2.0	687	-3.0
HFO - Max 3.5%	USD	Differential	Fujairah	603	-2.0	769	-7.0
East (SG / HK / FUJ)	484.0	128.7	Rotterdam	562	-1.0	684	-1.0
West (ARA/Hou/NY)	519.0	54.3	Houston	564	-2.0	702	-2.0