

14/05/2024

Prices movement (front month)	02-May	13-May	% Change (Settlement Prices)
Brent Crude	83.70	83.36	-0.41%
VLSFO (Singapore)	604.91	607.26	+0.39%

### Crude Oil Market :

Oil prices have been pretty rangebound since the benchmark contracts dropped sharply at the start of the month. During the May 1<sup>st</sup> trading session, Jul24 Brent crude futures plummeted from \$85.89/bbl to \$83.29/bbl and have since traded across only a \$2.50 range, touching lows of \$81.71/bbl.

Today, prices are in the red with concern for future US monetary policy set against a market expectation of extended OPEC+ production cuts. OPEC kept their demand growth forecast for 2024 stable from last month's assessment at 2.2m b/d, according to their May Monthly Oil Market Report. As well as this, the compliance of members with the pledged cuts was in focus, amid today's headlines that several major OPEC exporters are seeking to have their levels upgraded, with a view to securing the right to pump more crude in 2025, according to a Bloomberg meeting preview. This caused Brent to touch daily lows of \$82.10/bbl before rebounding slightly.

US PPI data from today showed a greater than expected rise in April of 0.5%, topping the 0.3% forecasts. The market looks to CPI data tomorrow for further signs of future Fed rates.

### Jun24 Brent Crude Futures From 01/05/24 to Date



Source: FIS, Reuters, Oil Price, Bloomberg, BBC News, Morningstar

## Tanker Weekly Report 7thMay-14thMay

### Dirty Petroleum Products

This week witnessed a further surge in VLCC rates, TD3C spot gained around 5.5ws points to ws72, giving a TCE rate of approximately \$50,617. The paper side however remained relatively unchanged over a quiet week of trading activity. Balmo remained between ws70-ws73 for most of the week, ws69 the last done level at time of writing. Good size on the Cal 25/26 spread TD3c saw 85kt trade at \$0.80 on Tuesday 14<sup>th</sup>. Q3 & Q4 sit at a last done of ws59 and ws72.5 respectively, around where they have remained for the last week or so.

A resurgence in Suezmax rates saw TD20 spot move 10 points higher to ws110.94, equating to a TCE rate of \$43,592. TD20 paper has seen a low amount of activity over the past week, June remained within a range of ws106 - ws110, with ws106 last done as of Thursday. Balance of the month for TD20 is currently valued at ws102.

A softer USGC Afra market has seen the TD25 rate drop down to ws183.06, giving a TCE of around \$35,800/day based on Baltic parameters. USGC Afra paper saw June soften down to a last done of ws183, the same contract trading up at ws190 this time last week. Activity at the back end saw Cal 25 trade \$34.2/mt.

### Clean Petroleum Products

A stronger MR market saw TC2 spot strengthen to a month high of ws199.44 on Thursday, softening to ws190.28 on Monday 13<sup>th</sup>. TC2 June made good gains to ws198 on Thursday, before coming under pressure at the time of writing, last done currently ws190. TC2 Q4 trading flat on this time last week, ws194 the last done level.

TC14 physical (38,000 mt US-Gulf/UK-Continent) continued its upward momentum over the last week, spot currently sits at ws171.07. TC14 Bal mo sits significantly lower than this time last week, trading off from ws185 to ws161 at the time of writing. Further down the curve, activity on the Cal 25 has seen \$30.25 and \$30 trade, with the latter level printing this afternoon (14/05/23).

TC5 physical showed signs of recovery over the past week, ws233.13 the current spot from ws218.75 this time last week, Balmo strengthening from ws229 to ws239 over the same period. Cal 25 activity in TC5 has seen \$40 trade at last done, June & Q4 sits at ws222 and ws195 respectively.

TC6 spot appeared to have settled down and lost some momentum following gains early last week. The current spot level sits at ws242.78, after a week high of ws273.44 last Wednesday. Bal month now sits well bid through its last done of ws253, June has made gains from ws242 to ws250 where it traded this afternoon (14/5/23).

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