

25/06/2024**Dirty Petroleum Products**

VLCC rates continued to push downwards with further pressure on owners due to an oversupply of tonnage. The spot currently sits at WS49.3, providing a TCE of approximately \$26,482 based on Baltic parameters. On the paper side, a resurgence at the time of writing saw July recover somewhat to WS54, after closing the previous day at a last done of WS52. There was little activity at the back end of the curve over the last week, with Q1-25 being the only trade at \$14.6/mt last Thursday. Cal25 is currently priced at \$13.8/mt. Good size on the TD3C quarters on Monday saw Q3 trade in good size at WS54, Q4 at WS69.5.

It was a steady week in the Suezmax market. The spot remained within a WS111.22 – WS112.33 range, giving a TCE of around \$44,000/day on Baltic parameters. Paper TD20 has shown signs of strength to open the new week, with July currently trading at WS100, up from WS95 at the same time last week. In the quarters, the Q3/Q4 spread witnessed fair volume at 17.5WS last week, with the same level trading on Monday (legs WS91.5 and WS109 respectively).

TD25 continued its downward slide, with the spot down almost 20 points on the week, WS185.83 being the current level. On the derivatives side, USGC/UKC Afra witnessed Bal Mo plummet down from WS195 to WS180 today. July traded at WS173 at the time of writing, off around a point on the day. Back-end activity saw Cal26 go through lower at \$32/mt.

Clean Petroleum Products

A further build-up of tonnage led to a steady decrease in TC2 rates, which saw the index drop by almost 10 points on the week, WS150 being the current mark. Perhaps some positive signs on Tuesday for TC2, with paper trading up to WS187 & WS186 in July, and Q3 trading 4 points higher on the day to WS183. The Q3/Q4 spread came to life on Monday at -7WS, tightening via legs to follow with last done levels currently WS180 and WS184 respectively.

Across the Atlantic, TC14 rates have seen a turbulent time, with rates dropping over 11 points to a week low of WS201.43 on Friday, before recovering slightly to WS204.29. The paper market saw TC14 Balmo get paid up to WS212 on Monday. The Q3/Q4 spread for TC14 traded at -2WS, with limited activity in the back end to report on.

The recent downward trend for TC6 appeared to have slowed down somewhat over the last week, WS145 being the current spot level. July traded at WS205 at the time of writing, 10 points lower than the same time last week. August saw a good clip go through last Wednesday, with 100kt trading at WS205, the same contract currently valued at WS204.

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