

Monthly Monitor

Tanker Fixtures Market (January)

VOLUME
008



AG-WCI FIXTURES INCREASED

EX MEG : VLCC FIXTURE
COUNT INCREASED

VLCC fixture count from Middle East rose
m/m.

PSU CPP FIXTURES FROM
INDIA DECREASED.

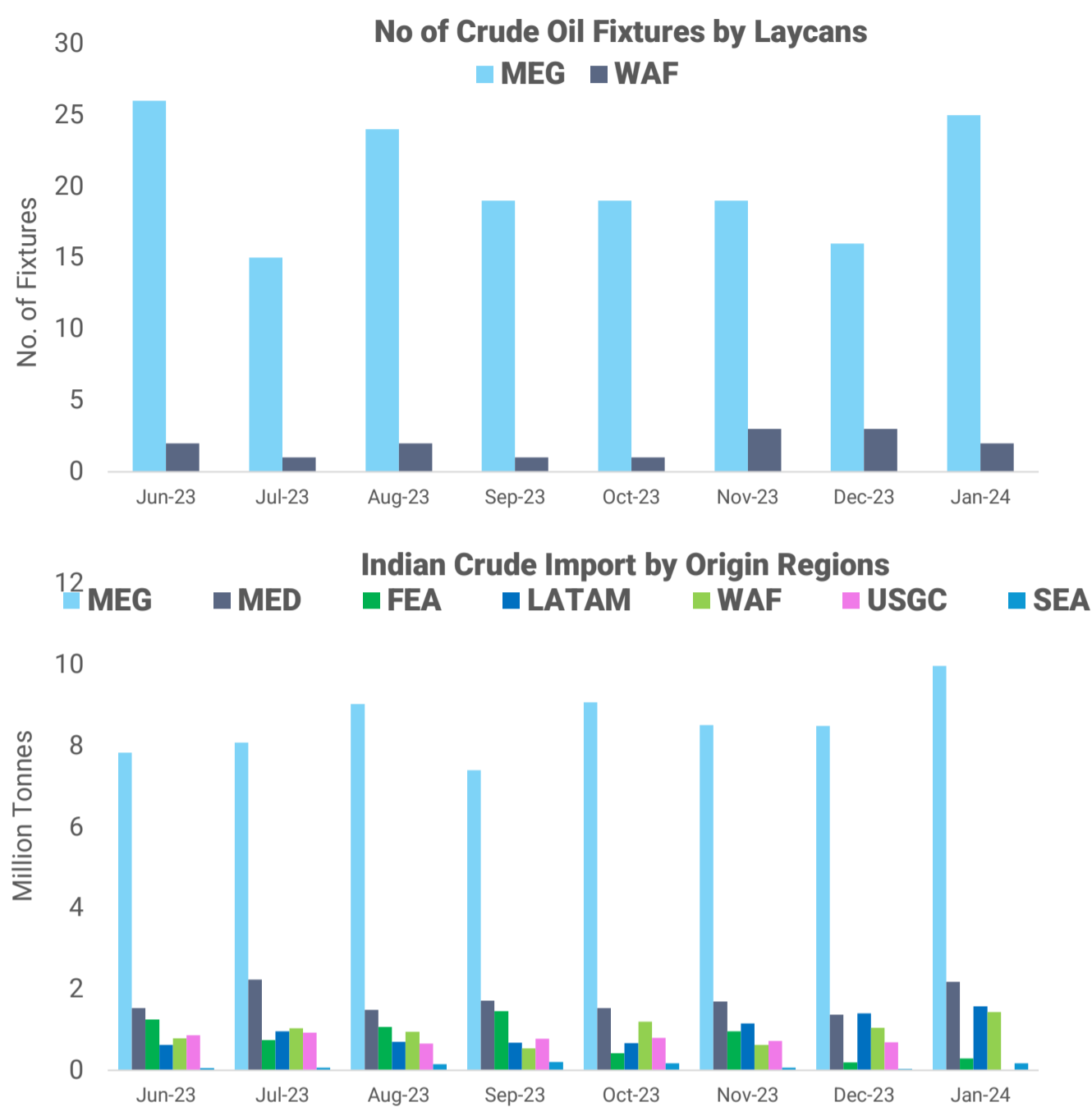
CPP fixtures decreased m/m.

LPG MONTHLY FIXTURES
UNCHANGED

Monthly LPG fixtures from India remain
unchanged m/m.

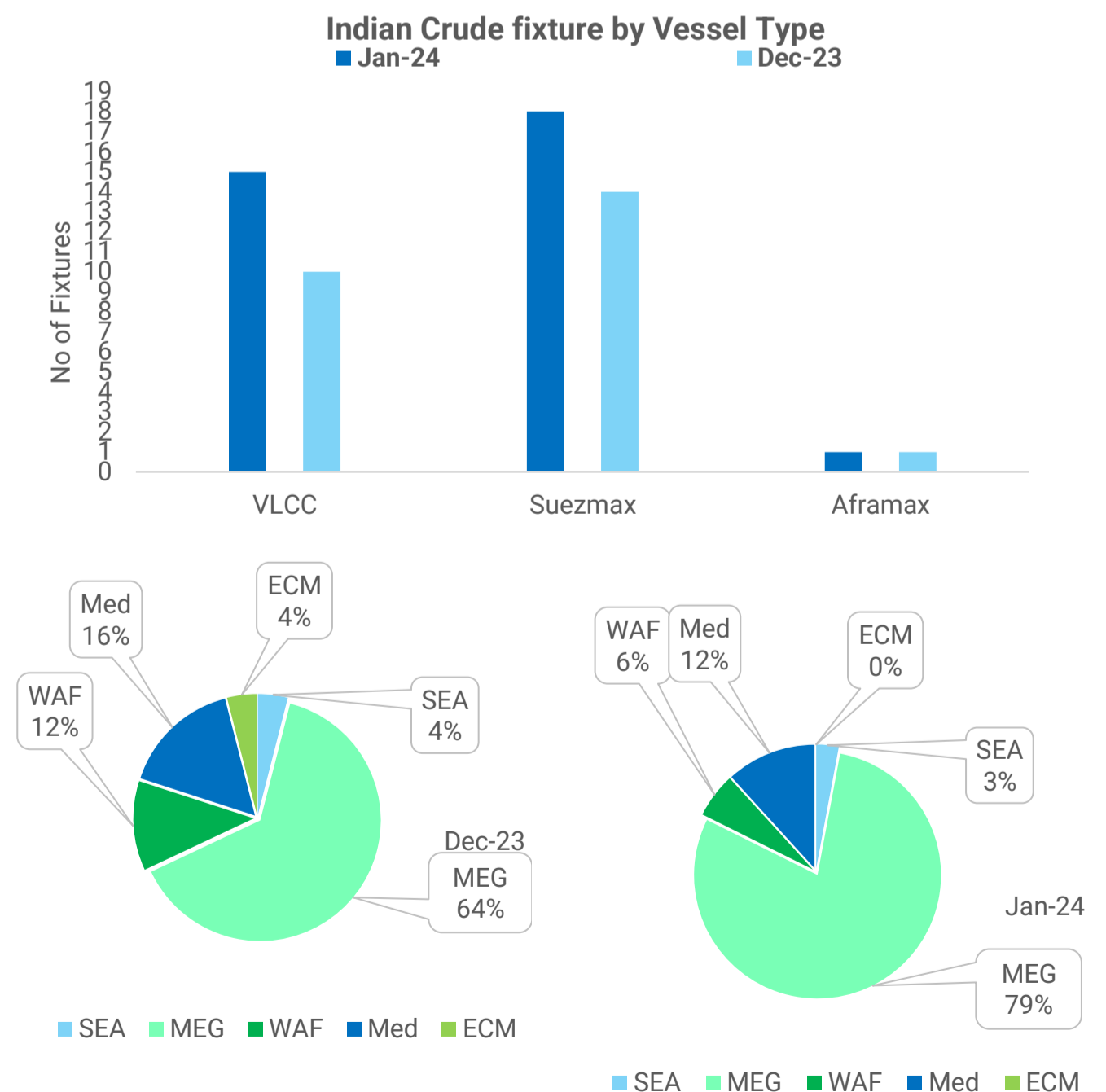
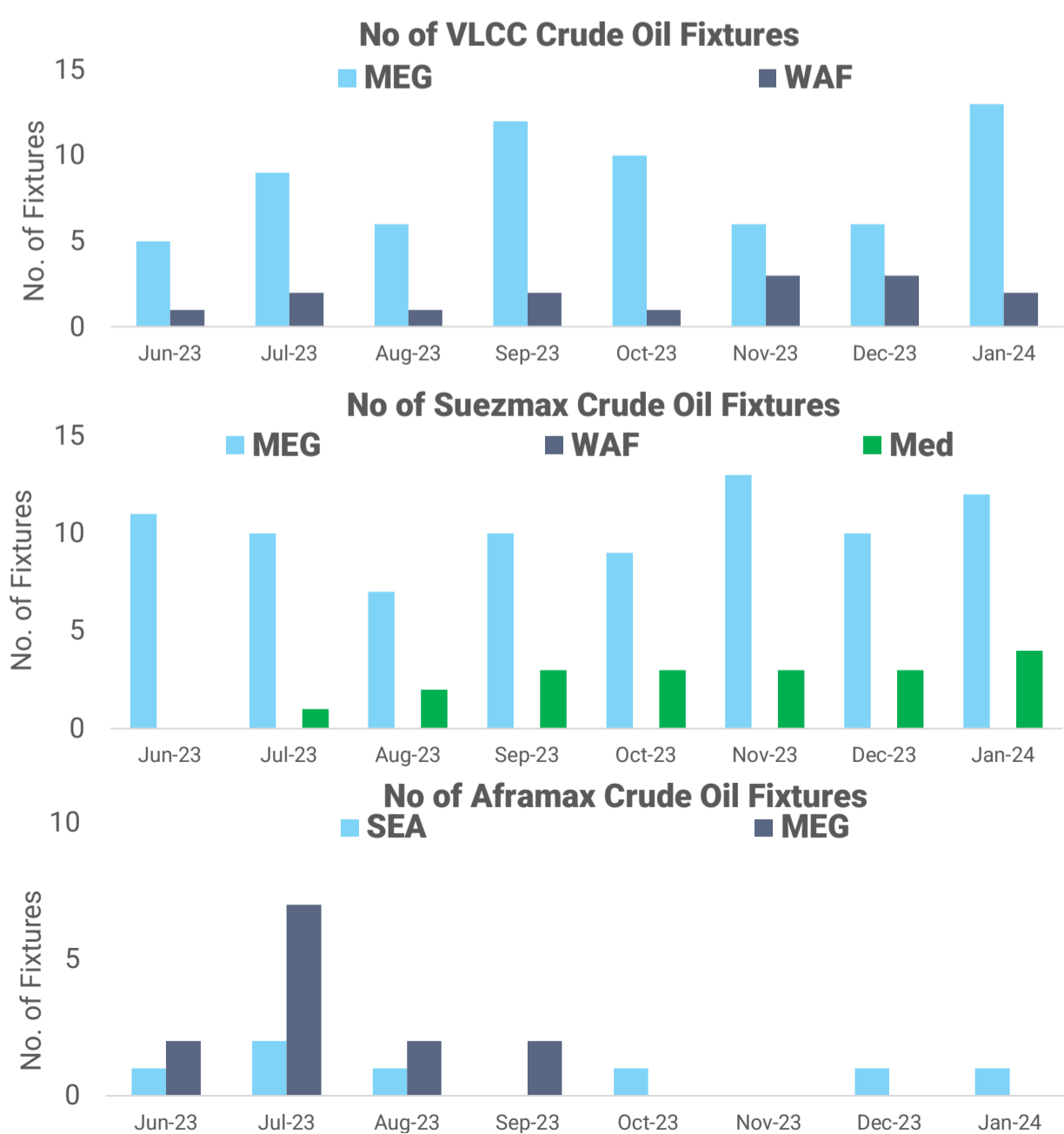
CRUDE TANKERS – MONTHLY FIXTURES TREND

Crude Tankers Spot Fixtures Trend



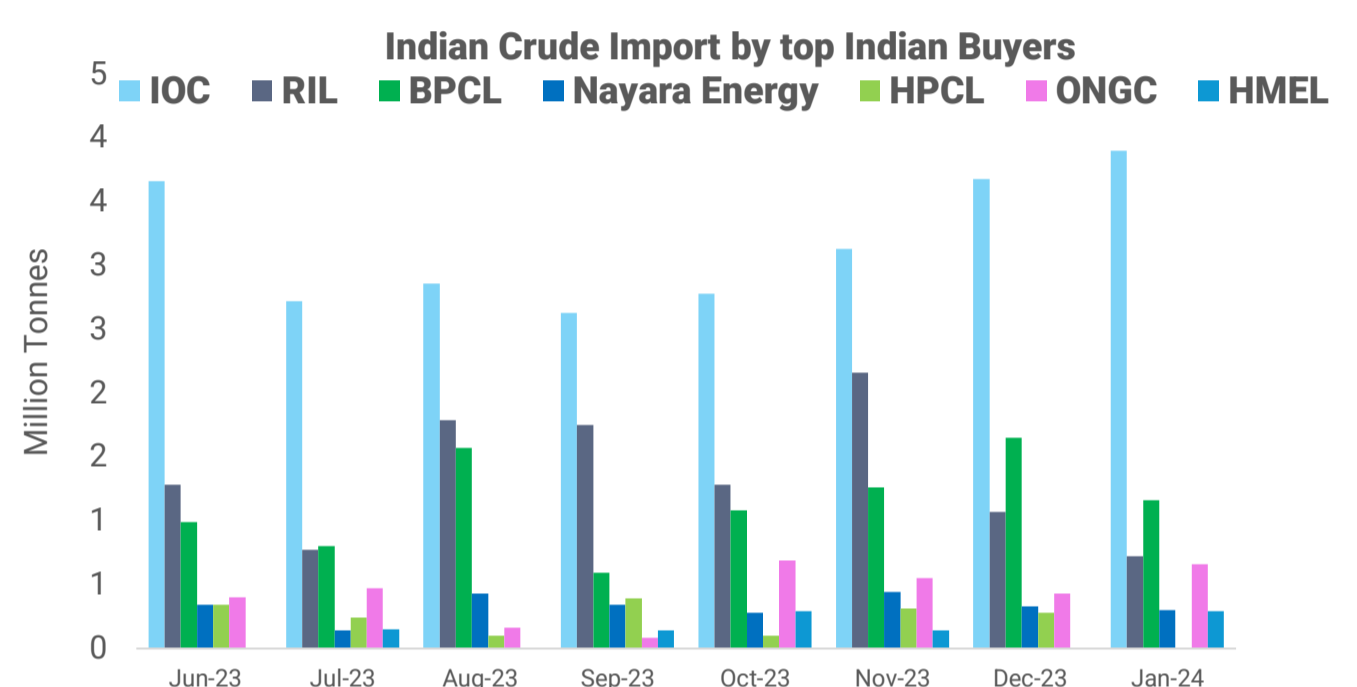
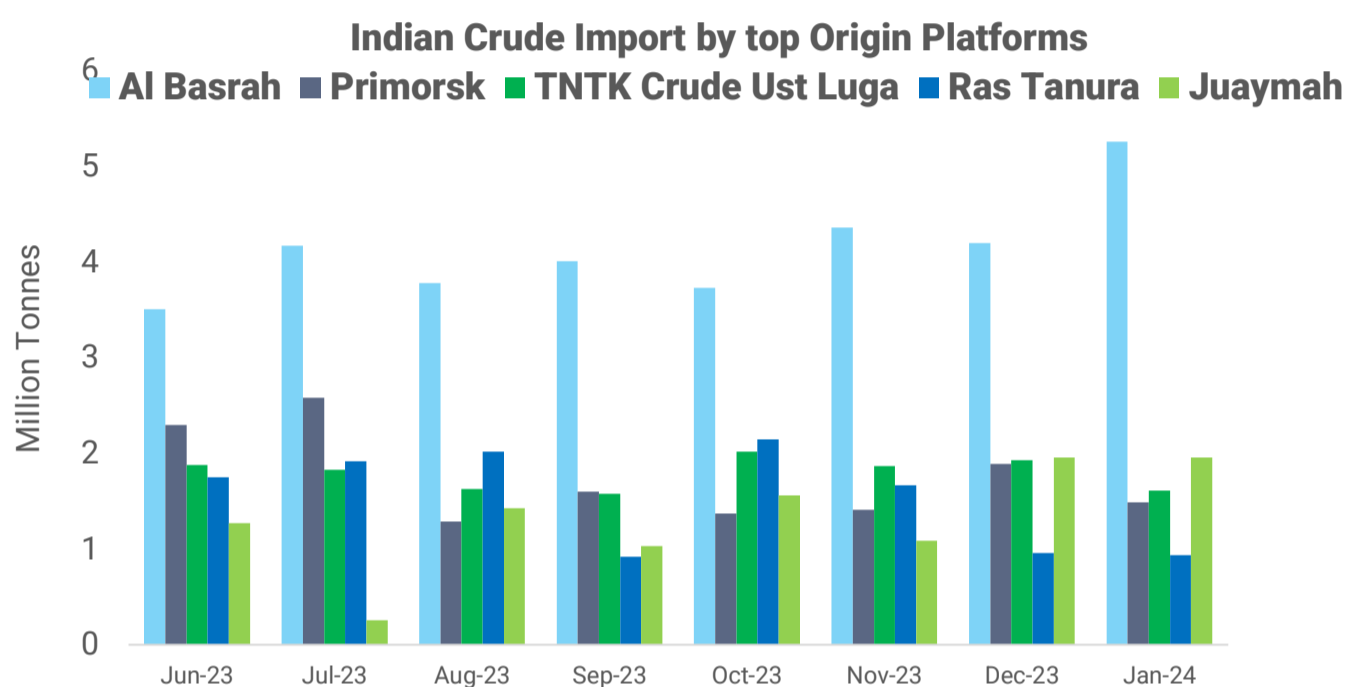
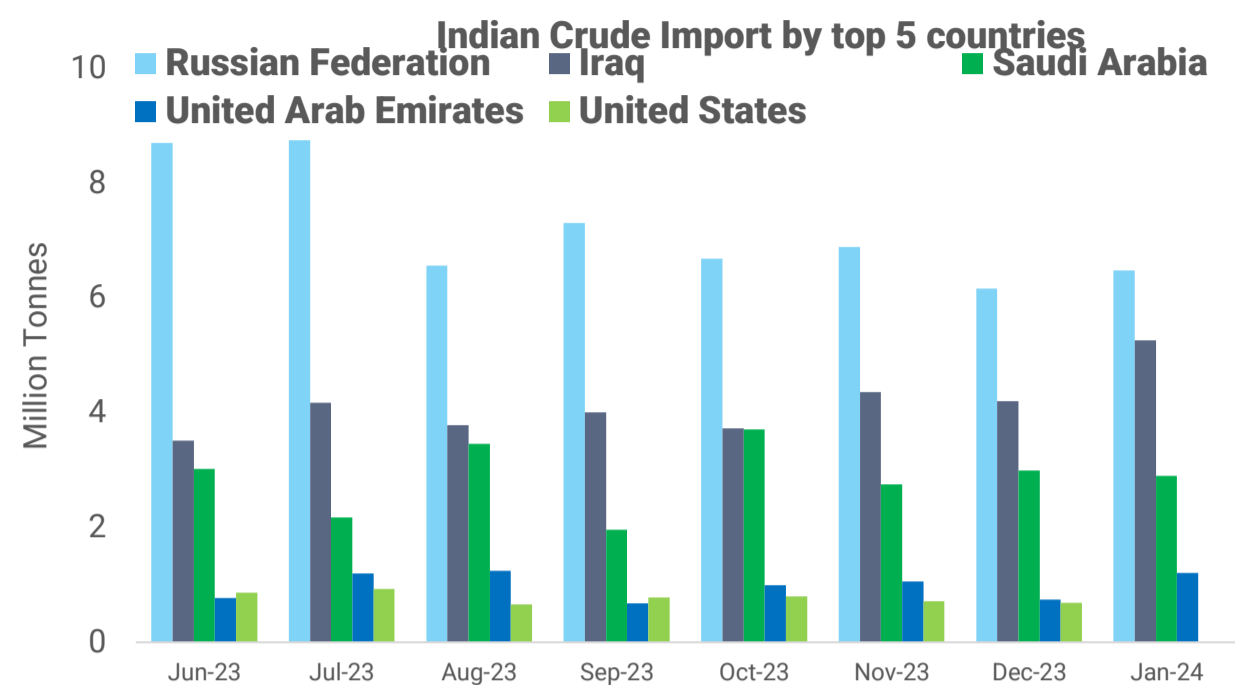
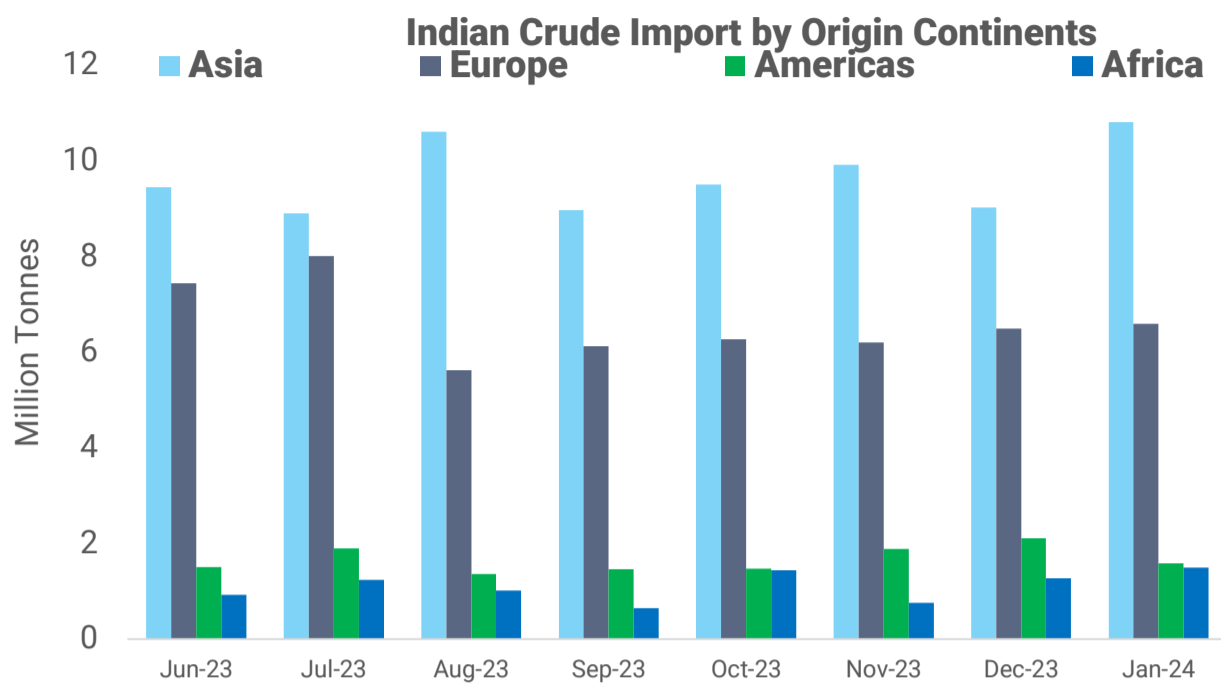
- In the past month, ex-MEG-India recorded 21 fixtures, indicating a modest surge of 2m/m. Substantial surge in fixtures involving VLCCs, with rise of 5 VLs m/m, totaling 11. Overall landscape for VLs was positive, reaching 12 VLs, upturn from the 10 m/m. However, Suezmax fixtures experienced a decline, contracting by 2 in Dec-23.
- The surge in VLCC fixtures underscores a heightened demand for larger crude carriers, potentially indicative of increased volumes or a strategic shift in shipping preferences. Conversely, the dip in Suezmax fixtures suggests a nuanced aspect of market dynamics, emphasizing the need for a comprehensive understanding of the factors influencing fixture trends.
- The rise in crude oil imports from Russia contributes to the evolving energy trade landscape for India. As the country solidifies its reliance on Russian crude, these import patterns underscore the significance of geopolitical relationships and market dynamics in shaping India's energy sourcing strategy.

Crude Tankers Spot Fixtures Trend by Category



CRUDE TANKERS – MONTHLY FIXTURES TREND

Indian Crude Imports Trend by Category



Crude Import Fixtures - Fixing Levels Viewpoint

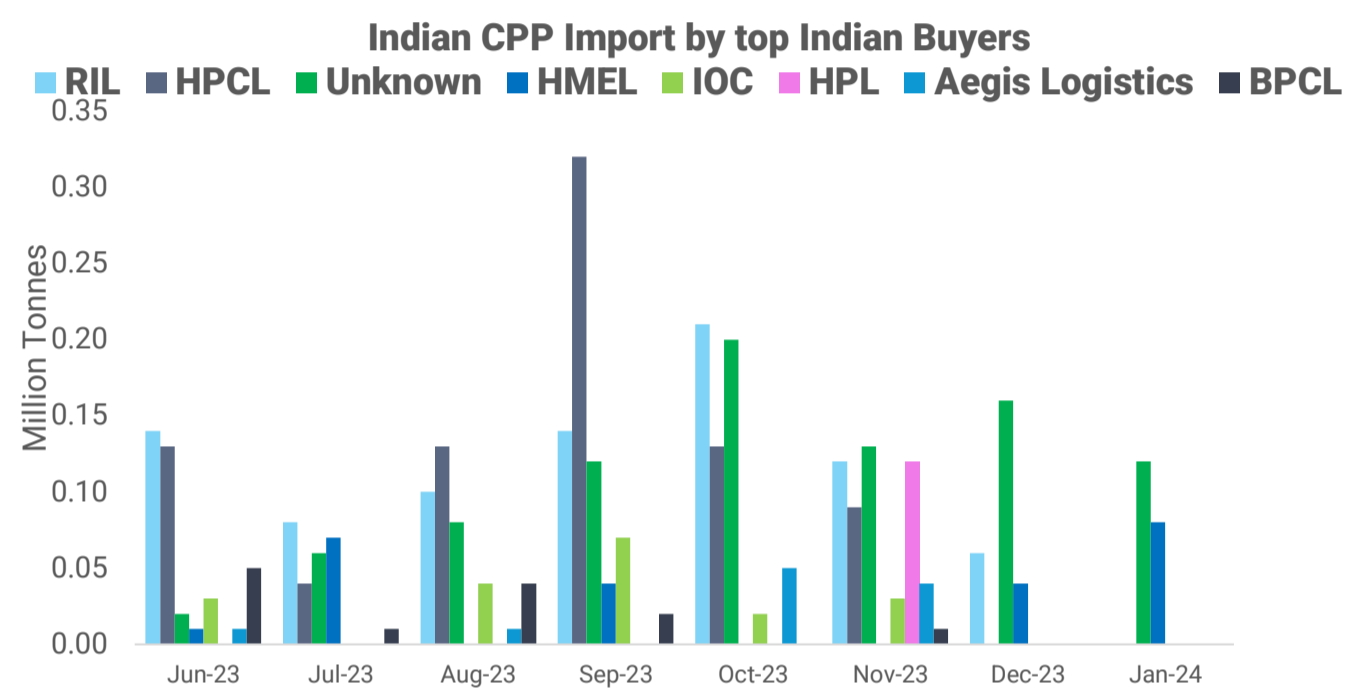
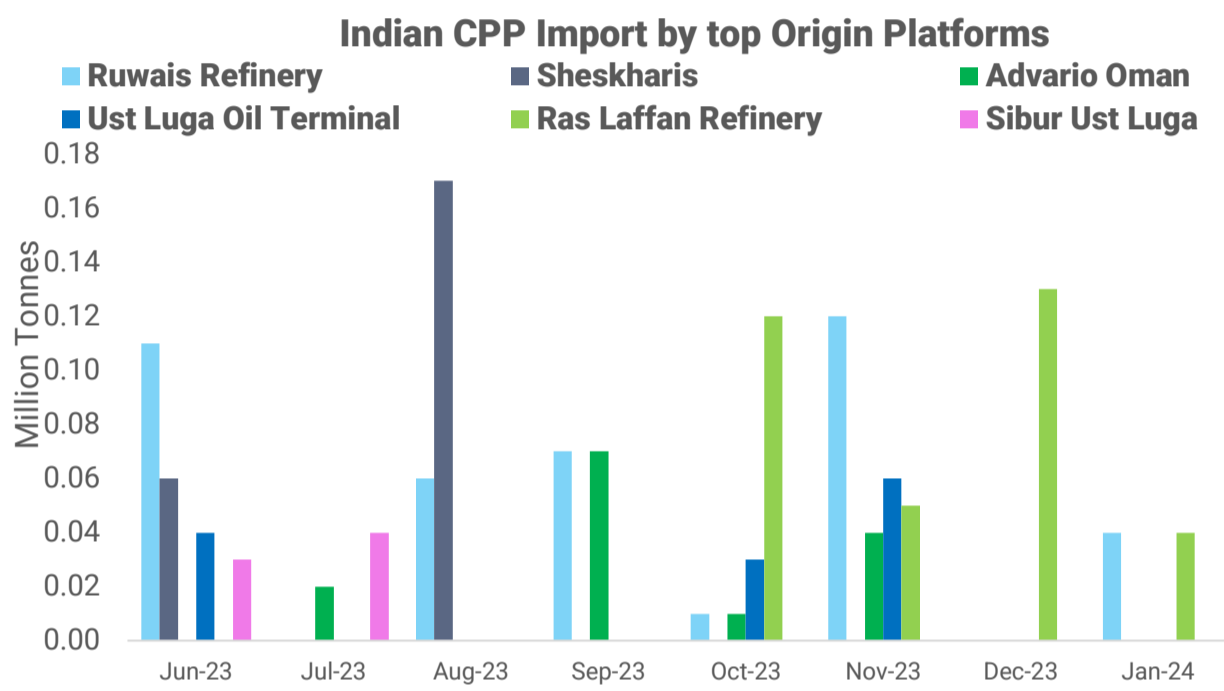
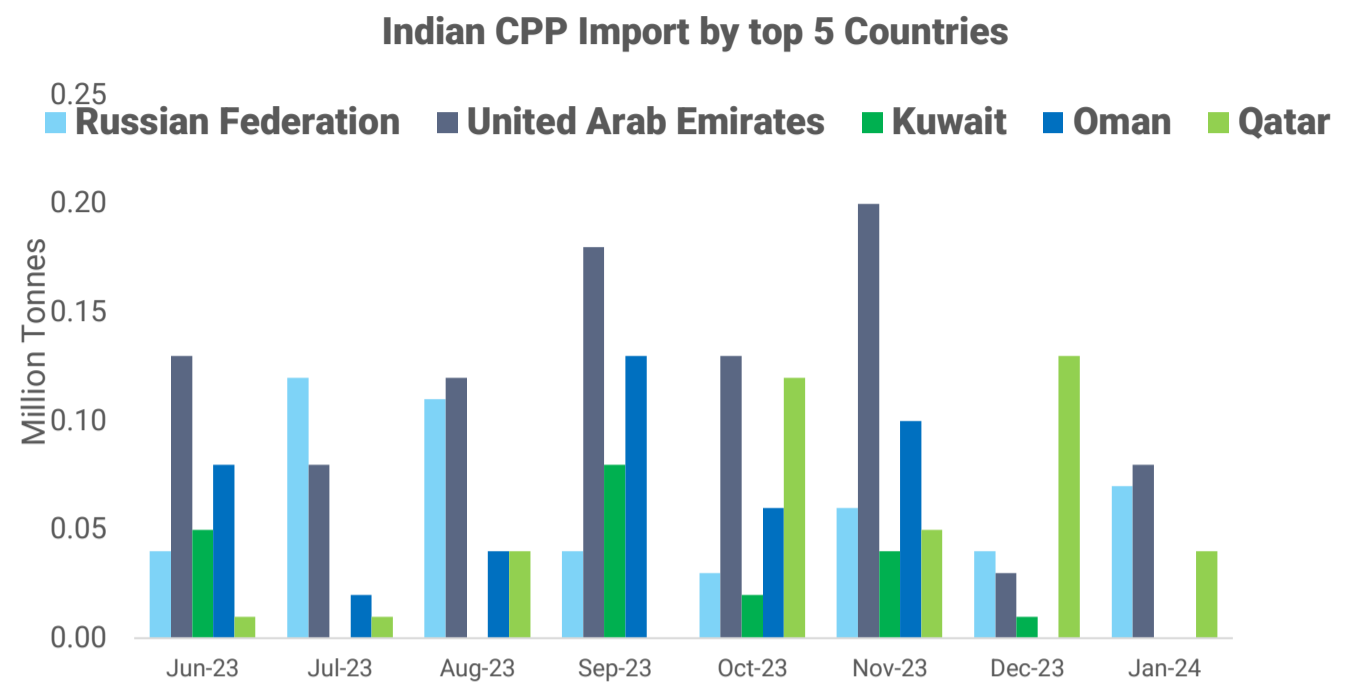
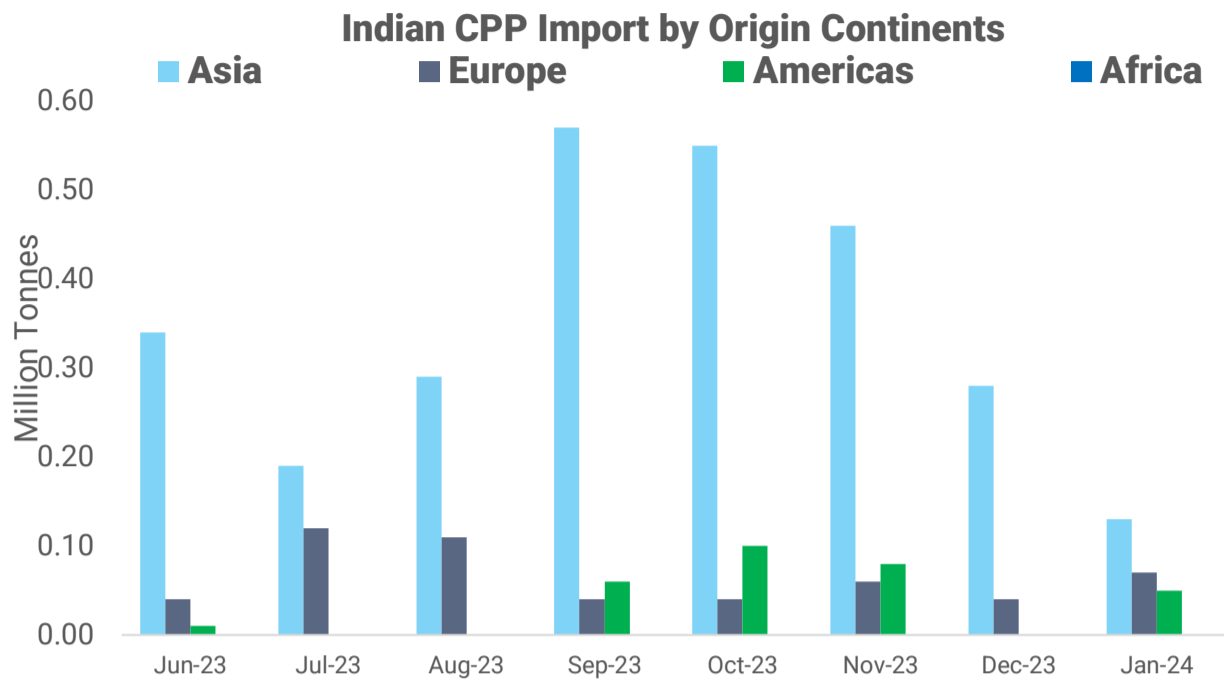
VLCC	DEC-23	Avg. WS/Avg. (USD Mill. in L/S)	JAN-24	Avg. WS/Avg. (USD Mill. in L/S)	% CHANGE M/M	
Voyage Route	Fixtures		Fixtures		Fixtures	Avg. WS/Avg. (USD Mill. in L/S)
MEG-WCI	8	68.59	11	66.32	38%	-3%
MEG-ECI	2	60.9	2	65		7%
MEG-WCI+ECI	1	52				
ECM-WCI						
ECM-ECI						
WAF-WCI	1	4.24	1	4.15		-2%
WAF-ECI			1	8		

SUEZMAX	DEC-23	Avg. WS/Avg. (USD Mill. in L/S)	JAN-24	Avg. WS/Avg. (USD Mill. in L/S)	% CHANGE M/M	
Voyage Route	Fixtures		Fixtures		Fixtures	Avg. WS/Avg. (USD Mill. in L/S)
MEG-WCI	7	128.19	10	119.16	43%	-7%
MEG-ECI	3	79.79	4	79.79	33%	
ECMEX-ECI						
WAF-ECI						
WAF-WCI						
MED-WCI	2	3.75	3	3.97	50%	6%
MED-ECI	1	4.2	1	4.85		15%
SEA-WCI	1	99.38			-100%	-100%

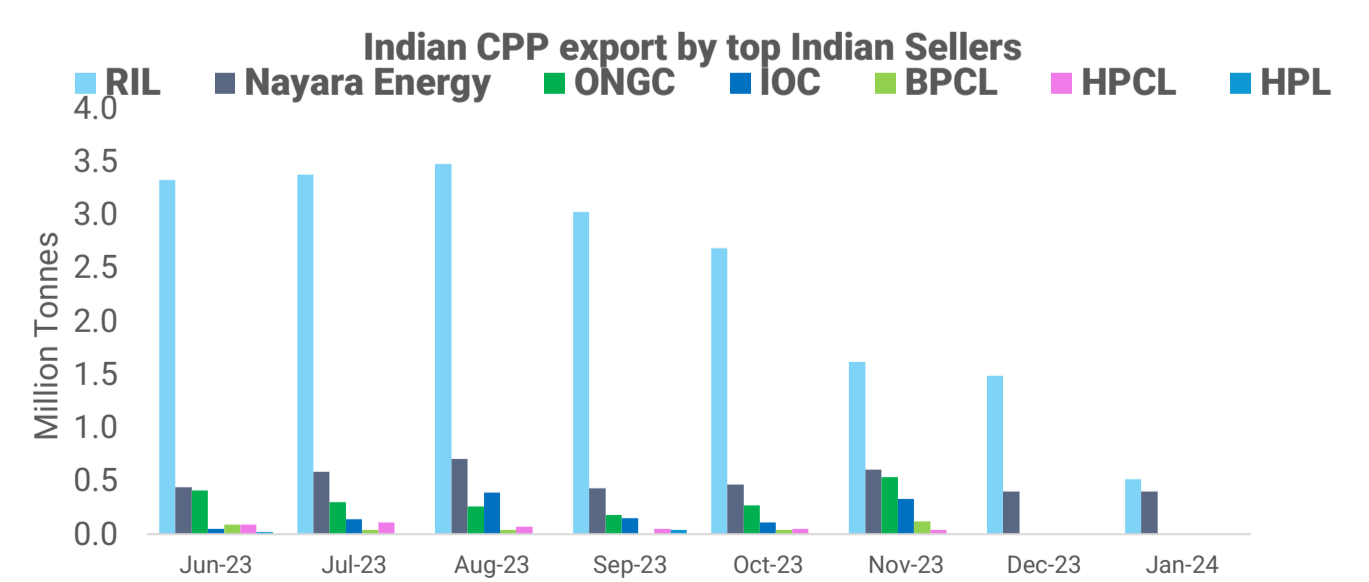
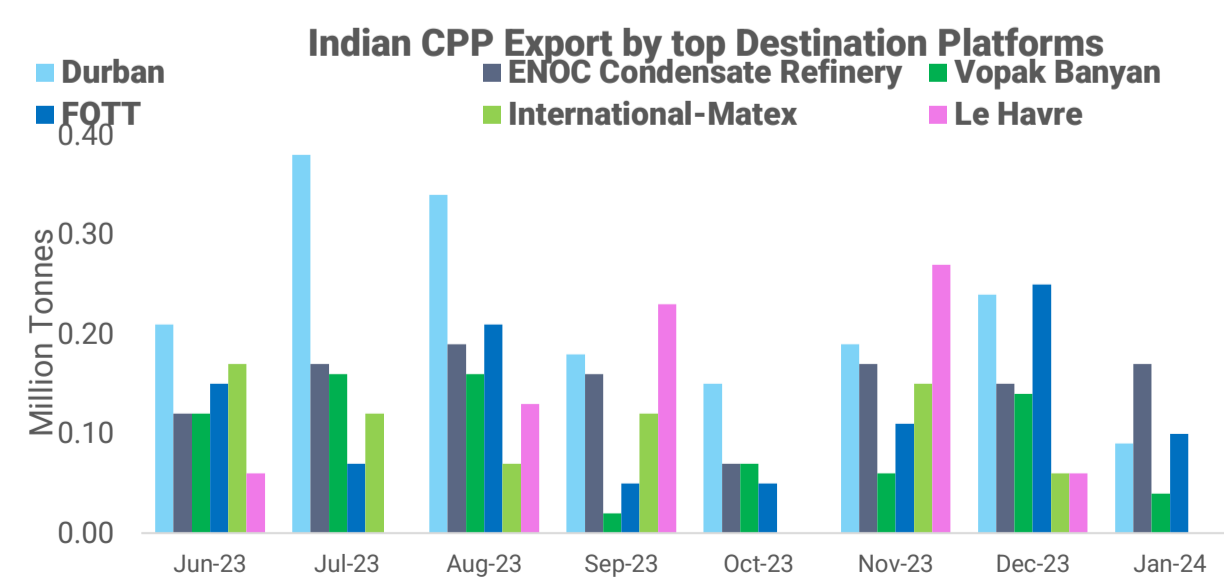
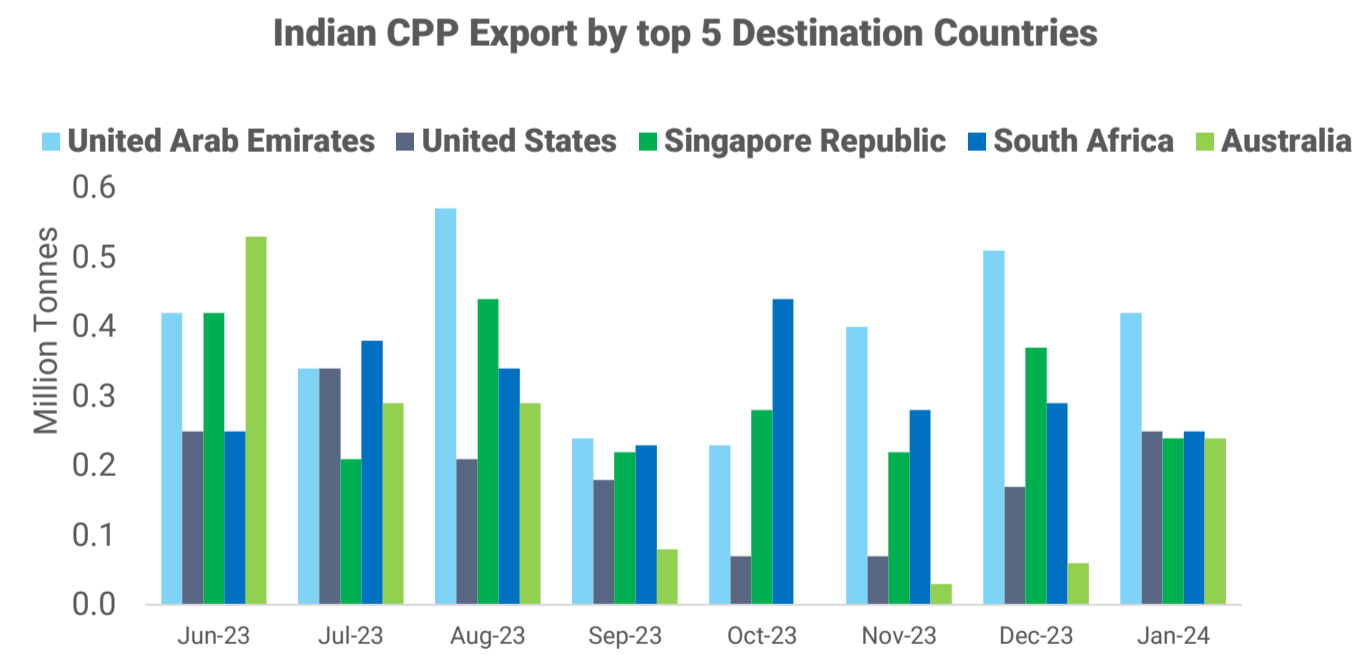
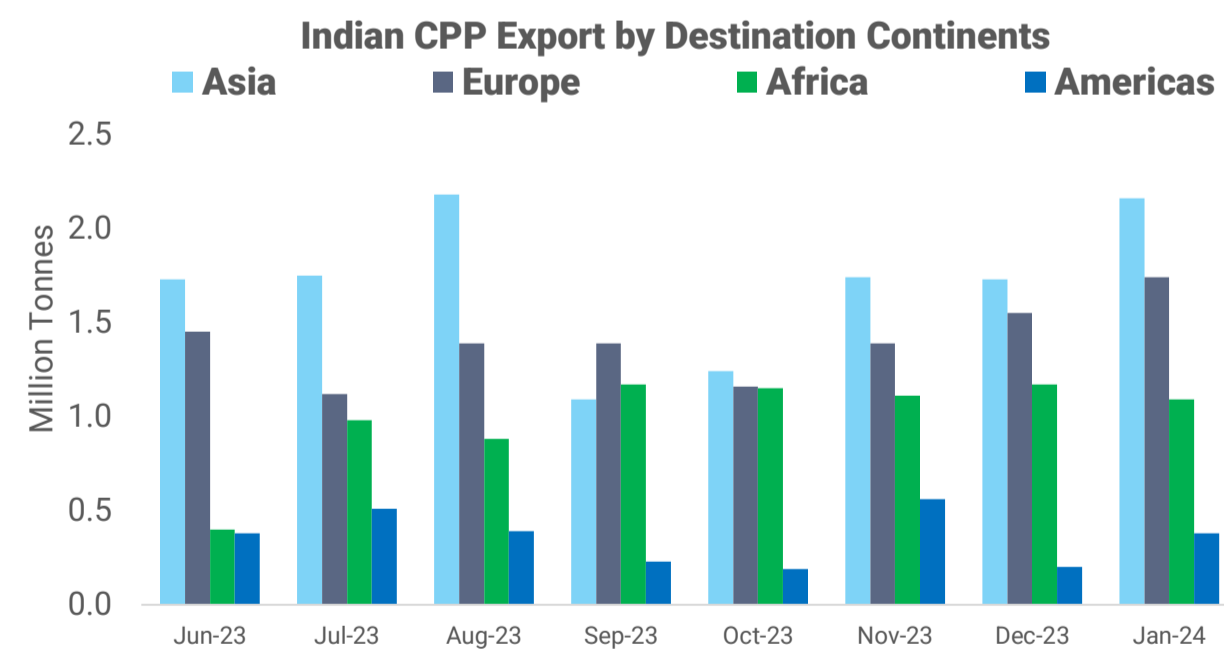
AFRAMAX	DEC-23	Avg. WS/Avg. (USD Mill. in L/S)	JAN-24	Avg. WS/Avg. (USD Mill. in L/S)	% CHANGE M/M	
Voyage Route	Fixtures		Fixtures		Fixtures	Avg. WS/Avg. (USD Mill. in L/S)
SEA-WCI	1	93.1				
SEA-ECI			1	135		
MEG-WCI						
MEG-ECI						

CPP TANKERS – MONTHLY FIXTURES TREND

Indian CPP Imports Trend by Category



Indian CPP Exports Trend by Category



CPP & LPG TANKERS – MONTHLY FIXTURES TREND

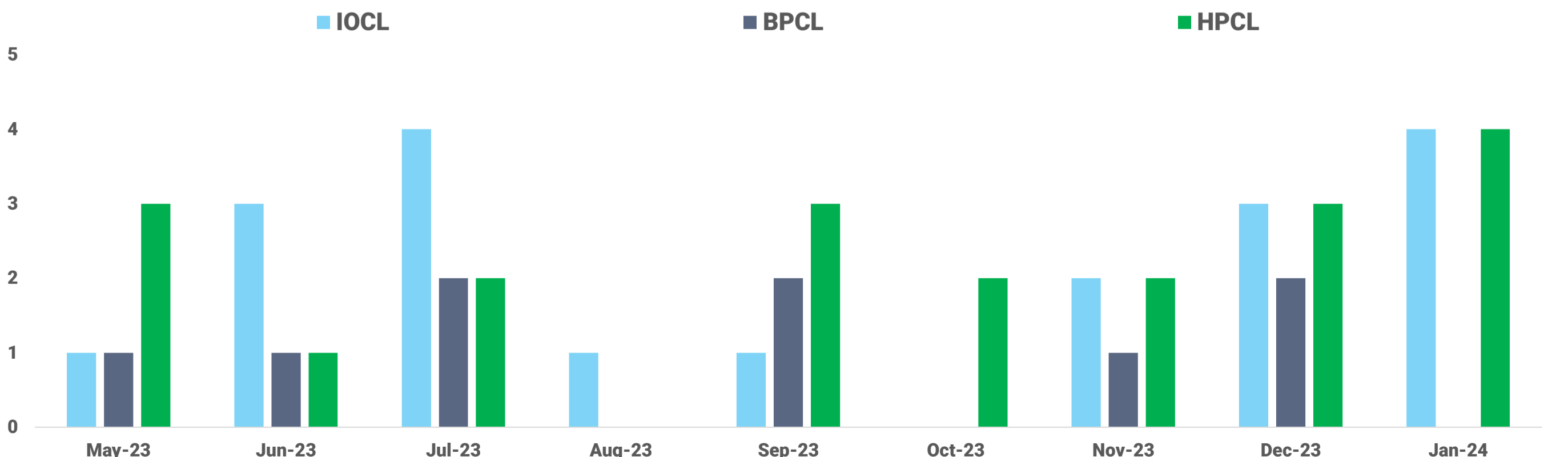
➔ CPP Fixtures Trend - Fixture Levels Viewpoint

M/M Charterer wise CPP Fixtures to India							
CHARTERERS	August	September	October	November	December	January	Percentage Change
IOCL	1	1	2	2	4	4	0%
BPCL	3	1	0	0	0	0	-
HPCL	0	2	0	0	1	0	-

Trade Routes	Aug-23 Avg. Freight (USD Millions)	Sep-23 Avg. Freight (USD Millions)	Oct-23 Avg. Freight (USD Millions)	Nov-23 Avg. Freight (USD Millions)	Dec-23 Avg. Freight (USD Millions)	Jan-24 Avg. Freight (USD Millions)	Percentage Change
WCI-WCI	0.68	0.43				0.5	
WCI-ECI	0.90	0.80					
WCI-ECI+WCI							
WCI-WCI+ECI							
ECI-ECI		0.56	0.55		0.6	0.7	
ECI-WCI	0.63	0.53		0.6			9%
ECI-ECI+WCI			0.9				
ECI-WCI+ECI							
AG-WCI & ECI	0.75			0.7	0.8		
ECI-Colombo							
WCI-Colombo							
No. of Fixtures	4	4.00	2.00	2			

➔ LPG Fixtures Trend - Fixing Levels Viewpoint

	Avg Freight (USD Millions)	Avg Freight (USD Millions)	Avg Freight (USD Millions)	Avg Freight (USD Millions)	Avg Freight (USD Millions)	Avg Freight (USD Millions)	M/M % CHANGE
Vessel Type	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	
VLGC	3.20	6.41	3.80	5.53	4.71	2.31	-51%
MGC				2.30	3.00	3.60	30%
No. of Fixtures	1	6	2	5	8	8	



➔ MARKET UPDATES: CPP

Diesel exports from India slip 45 per cent in January as refiners avoid Red Sea

- In January 2024, India witnessed a substantial downturn in diesel exports, marking a stark contrast to the preceding month's 17-month high in December 2023. Notably, diesel shipments plummeted by over 45%, dropping from almost 5,51,000 barrels per day (b/d) in December to 3,02,000 b/d in January. This downturn was not isolated to diesel exports alone, as clean petroleum product (CPP) exports from India to key destinations such as the United States and the United Kingdom, along with nine other countries, also experienced significant contractions.
- The dwindling diesel and CPP exports can be attributed to the escalating geopolitical tensions in the Red Sea region, particularly after the January 12 air strikes led by the United States and the United Kingdom on Houthi rebel positions. In response to increased risks associated with the Red Sea, major transporters and refiners, including industry giants like Reliance Industries (RIL), are steering clear of the Bab-el-Mandeb route, a crucial passage connecting the Red Sea to the Gulf of Aden.
- This strategic shift has propelled the Cape of Good Hope (COGH) into prominence as the preferred maritime route, as evidenced by notable energy companies, such as Equinor, bp, Euronav, QatarEnergy, Torm, Shell, and Reliance, opting to avoid the Red Sea. Consequently, Indian refiner Reliance, a key supplier of diesel and gasoil to Europe, experienced a notable dip in exports during the initial weeks of January, with some vessels rerouting via the COGH instead of the traditional Suez Canal route.

➔ MARKET UPDATES: CRUDE

India's State Oil Refiners In Talks With Rosneft Over Term Deals

- India's three state oil refiners, Indian Oil Corp, Bharat Petroleum Corp, and Hindustan Petroleum Corp, are currently engaged in talks with Rosneft Oil Co PJSC to secure long-term supplies of Russian crude. The move aims to transition away from sporadic, one-off purchases that have left the refiners vulnerable to market competition. While negotiations are ongoing, the discussions have been protracted, with the buyers insisting on clauses to protect them from potential exits and penalties in case payment issues cause delays in cargoes.
- Sources familiar with the matter reveal that Indian refiners are collectively seeking to lock in approximately 500,000 barrels per day of Russian crude supplies. China, another major global buyer of Russian crude, has been quick to fill the gap left by India's reduced imports. Notably, China promptly acquired additional cargoes of the Sokol grade when India faced challenges in taking delivery of several shipments.
- Indian Oil Corp inked its initial term contract with Rosneft in 2020 as part of India's broader strategy to diversify its crude supply. However, the economic attractiveness of the deal only materialized in 2022, prompting both companies to agree to substantial increases in flows for 2023. Bharat Petroleum Corp and Hindustan Petroleum Corp, on the other hand, do not have existing long-term contracts with Rosneft.
- This development coincides with India hosting an annual oil and gas gathering in Goa, where the Russian presence is notably smaller than in the previous year. Rosneft's Chief Executive Igor Sechin, initially listed as a participant in a panel discussion, was later removed from the program lineup as Moscow aimed to maintain a low profile. These ongoing negotiations and strategic shifts underscore the evolving dynamics in India's efforts to secure stable and cost-effective sources of crude oil amidst changing global market conditions.

DISCLAIMER

→ Disclaimer Statement

- **DISCLAIMER** - This report is provided solely for general guidance and informational purposes and should be construed as such. While we have exercised due diligence to ensure the accuracy of the facts to the best of our knowledge, it is imperative to acknowledge that we do not guarantee the absence of errors in the underlying forward-looking statements.
- The content of this report is not intended to serve as a comprehensive or exhaustive source of information but rather as a tool for general understanding. It is not intended to replace professional advice, and users are encouraged to seek specific guidance tailored to their individual circumstances.
- Saigal Sea Trade explicitly disclaims any responsibility or liability, whether legal or financial, arising from the interpretation and/or utilization of this report or its contents. Users should be aware that the information presented here may not be exhaustive or up-to-date, and they are encouraged to verify and supplement it with additional sources as necessary.
- The report's information is subject to change, and Saigal Sea Trade is not obligated to update or revise it to reflect new developments or circumstances. Users should exercise their judgment and discretion when relying on the information provided and consider consulting relevant experts or authorities for specific advice.
- In conclusion, Saigal Sea Trade emphasizes that the report is provided on an "as-is" basis, and users should use their discretion, undertake additional research when necessary, and seek professional advice before making any decisions based on the content herein. By accessing and utilizing this report, users acknowledge and accept that Saigal Sea Trade bears no responsibility for any direct or indirect losses incurred as a result of the understanding and/or use of this report or its content.

MUMBAI OFFICE

Saigal Seatrade Pvt. Ltd.
J.V. House, 2nd Floor,
D. S. Babrekar Marg, Dadar (W),
Mumbai - 400 028. India

Email: tanker@saigalseatrade.com

Fax : +91-22-2423 1703

Tel: +91-22-2421 0505

DELHI OFFICE

Saigal Seatrade Pvt. Ltd.
DLF Corporate Greens,
Tower 4, Unit No. 0507,
Sector 74 A, Gurgaon,
Haryana. 122002, India

Email: tanker@saigalseatrade.com

CHARTERING DESK

Dry Cargo Desk

dry@saigalseatrade.com

Tanker Desk

tanker@saigalseatrade.com

Gas Desk

gas@saigalseatrade.com

Website

www.saigalseatrade.com

Follow us on Social Media



OPERATIONS & RESEARCH DESK

Dry Operations Desk

ops@saigalseatrade.com

Tanker Operations Desk

tankeroperations@saigalseatrade.com

Research Desk

research@saigalseatrade.com