



20.03.2026

# Tanker Market Report

## Upstream Under Attack

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The past few days have seen the conflict extend beyond chokepoint disruption into direct strikes on production and refining infrastructure across the Gulf. Following Israel's attack on Iran's South Pars gas field on Wednesday, Iran retaliated with drone and missile strikes on energy facilities in Qatar, the UAE, Saudi Arabia, and Kuwait. Qatar's Ras Laffan industrial complex was targeted, and Abu Dhabi's Habshan gas facility and Bab oil field were shut down. Drone strikes

caused fires at Kuwait's Mina Al-Ahmadi (346 kbd) and Mina Abdullah (454 kbd) refineries, with the former being struck repeatedly, forcing a shutdown of the refinery. The SAMREF refinery in Yanbu and Haifa refinery in Israel were also struck, with damage still being assessed. After a brief pause over the weekend, attacks on vessels continued this week, as a ship was struck off Ras Laffan, and another off Khor Fakkan. Since 28 February, the UKMTO has reported a total of 19 attacks on commercial vessels.

The Yanbu developments merit particular attention. Saudi Aramco briefly halted crude loadings at the port on Thursday following the SAMREF strike and the interception of a ballistic missile in the vicinity, before resuming operations. Yanbu is currently Saudi Arabia's only functioning crude export outlet, and any sustained disruption there would remove the principal bypass route that the market has been relying upon since Hormuz closed, with VLCCs most exposed. The strike illustrated the acute vulnerability of oil exports via the Yanbu terminal.

Separately, Iran appears intent on formalising its grip on the Strait rather than relinquishing it. Reportedly, the IRGC is routing vessels through Iranian territorial waters between Larak and Qeshm islands, with passage subject to vetting and, in at least one case, a reported fee of \$2m. Elsewhere, leading European nations and Japan have signalled readiness to support efforts to ensure safe passage through the Strait of Hormuz, though few details were reported.

The most notable policy developments came from the US administration. Treasury Secretary Bessent stated that the US may, in the coming days, lift sanctions on approximately 140 million barrels of Iranian crude currently stranded on tankers. If implemented, sanctioned Iranian crude, carried by dark fleet VLCCs, would become available to a broader set of buyers. Further, the previously rumoured lifting of the Jones act was confirmed this week, as Trump issued a 60-day Jones Act waiver on Wednesday 18 March, allowing foreign-flagged vessels to carry energy products between US ports. For MRs especially, this supported further strength in MR rates out of the US Gulf over the past week.

On a more constructive note, Iraq and the Kurdistan Regional Government agreed on Tuesday to resume Kirkuk crude exports to Ceyhan via pipeline. Initial flows of 170 kbd are projected to gradually ramp up to 250 kbd. The volume does little to address the broader shortfall, but Suezmaxes and Aframax loading in the Mediterranean stand to benefit.

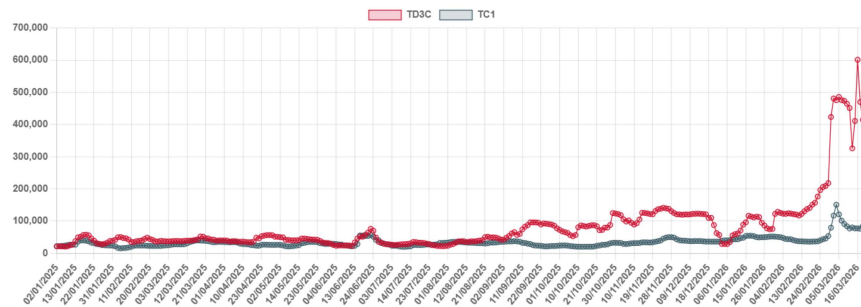
Oil prices remained highly volatile this week, with sharp moves in both directions. At the time of writing Brent is up 7% week on week. Notably, the WTI-Brent spread widened to extreme levels towards the latter half of the week, briefly reaching over -20\$/bbl before declining to -14\$/bbl, making WTI by far the cheapest crude globally and contributing to sharp increases in TD25 and TD22. Refining margins also continued their inexorable rise, as especially gasoil and jet pricing extended their gains. As a result, arbs are shifting rapidly, with clean barrels out of the UK/Continent and the US Gulf the most attractive globally. Crude exports out of Yanbu have picked up significantly, with March so far averaging over 2.5mbd of Arab Light vs. circa 800 kbd in February, with potential for further gains judging by volume of spot VLCC fixtures for loading this month.

Oil on water levels have declined sharply this month, with crude/DDP down to its lowest since Sep-25 and clean since Jun-25. Volumes held on larger LR2s and VLCCs have seen the sharpest correction (down to their lowest level since May-21 and Nov-24 respectively).

So, what's next for tanker markets? There is some hope that the increased escalation we saw this week marks the top in attacks on oil infrastructure. Over the last 24 hours a few de-escalatory statements have been reported from the US and Israeli administrations, though no such statements have come from the Iranian side. However, even if the crisis ends, damage incurred on infrastructure could take a significant amount of time to repair, and thus for flows to return to normal. A continued standoff or further escalation are likely to have a bearish impact on the tanker markets overall, due to heavily restricted clean and dirty flows. If refinery output declines and protectionist efforts continue, especially in the East, flows could shrink further. Any further disruptions of the Yanbu export terminal will make VLCCs even more vulnerable. On the other hand, as outlined in our **report** (**<https://www.gibsons.co.uk/report/locked-strait/>**).

last week, a stabilisation of the situation in the Middle East offers a more positive outlook in the longer run, with incremental flows and pent-up demand offering support.

### VLCC and LR2 TCEs (\$/day)



# Crude Oil

## East

The AG and Yanbu VLCC market remained very quiet throughout the week, with little fresh activity reported on the surface. Freight rates held largely unchanged, although the tonnage list gradually lengthened as more ships sought employment. While some fixtures were concluded quietly, overall activity stayed subdued, with owners continuing to avoid calling the AG region, keeping availability relatively healthy. Geopolitical tensions in the Gulf further weighed on market activity, with uncertainty limiting enquiry and slowing the emergence of Yanbu cargoes, as some vessels opted to ballast West instead. Overall, the market remains in wait-and-see mode, with a fresh test required to better assess current freight levels.

The Suezmax market in the East has been quieter this week with everything being done under the radar. With no owners willing to load inside the AG still, it is impossible to assess AG/East or West, and despite talks of the Iranians allowing certain countries' vessels to transit, there isn't realistically any change. The trade from Yanbu largely seems to be being picked up by VLCCs now that the requirements aren't all so prompt, and given the extra efficiency it seems likely to stay this way.

The Asia Aframax market saw limited encouragement this week, despite some late regional activity for first-decade April loadings. Owners have increasingly opted to ballast across the Pacific, with a noticeable flow of tonnage heading toward Argentina and Vancouver, where earnings remain more attractive, together with stronger Western markets. Sentiment in the Indo region is currently soft. However, elevated bunker prices are providing a degree of support to freight, even as regional runs trade slightly below last done levels. The tonnage list appears broadly balanced, though prompt availability is largely

dominated by AG-positioned units awaiting clearer direction from developments in that market. We close the week assessing Indo/Oz at 80kt × WS190.

## West Africa

The WAF VLCC market remained largely quiet throughout the week, with very limited activity reported on the surface. Freight rates softened at the start of the week before stabilising around last done levels, although a proper market test is still needed to assess direction. A growing number of ballasters heading West, partly driven by Middle East uncertainty, has increased tonnage availability in the region. While some deals are believed to have been concluded privately, overall enquiry remained limited, leaving the market waiting for a clearer pickup. Toward the end of the week, a few cargoes remained outstanding, and with some support from firmer USG activity, owners may look to push for higher levels if enquiry improves.

West Africa fell away at the beginning of the week but a rebounding USG market will have owners looking to push things back above 130 × WS270 next week. This market is still largely being dominated by ballasters from the East, as those who cannot transit Suez and can no longer pick up AG cargoes are forced to do so. This has pushed the premium down for East to around 10 points, but the extra difficulty in stemming bunkers after discharge has made India options far less favourable.

## **Mediterranean**

TD6 remains stable at 135 × WS350 this week, though this has been suppressed by some dates being deferred, lowering the number of fresh fixtures. With improvement in the Gulf it does seem we will see an uptick here, especially if activity starts to pick up. Med/East via Suez has remained active this week with a fair few deals being done, and those willing to transit are locking in some fantastic returns. Expect to see more next week — the replenishment of vessels willing to transit is on the lower side West of Suez, which is likely to bring in those from the East to ballast

via Suez to load. With the East scrambling for the most prompt oil and fuel oil, expect rates to push up on this run.

What a week for Med Aframax. A runaway market in the US, bolstered by underlying oil fundamentals, not only supports record freight levels in the Atlantic basin but also creates lasting disturbances to the forward supply of availability, especially where tonne miles from all major load zones have increased. Then there is what has been happening closer to home in Europe. Like always, when the Med lists are tight, Europe reacts in tandem with positive movements seen stateside, with this week being no exception. However, to see the week close at WS450 XMed, a 110-point positive swing where the majority of the increment happened in just two days, is rather exceptional. Furthermore, with supply looking extremely tight for first-decade April in the Med, and long-haul questions threatening to take ships away from the region that would otherwise have repopulated the lists against cyclical forward windows, there is a strong chance this market endures longer than some envisage.

## **US Gulf/Latin America**

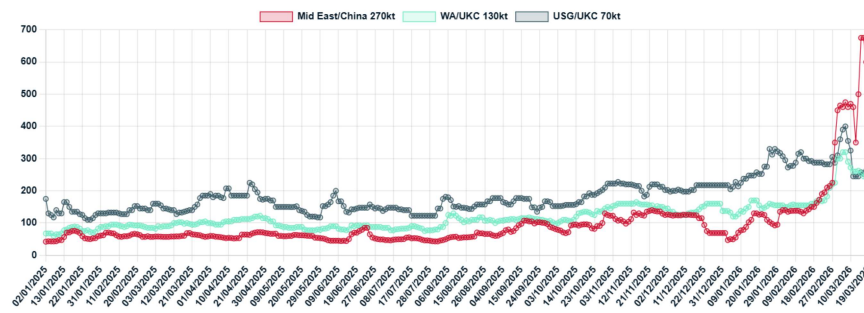
The States VLCC market started the week on a softer footing, with little fresh activity reported and freight rates easing following recent fixtures and weaker surrounding markets. A growing number of ballasters looking West added to tonnage availability, keeping pressure on rates as charterers aimed to secure deals below last done levels. As the week progressed, activity rose significantly on Wednesday, with six cargoes emerging and a relatively balanced list. Toward the end of the week, despite a slight pickup earlier on, the pace slowed again, although charterers continued to seek coverage and freight levels managed to hold relatively firm.

## **North Sea**

On Aframax, a week that should've gone higher earlier was held down by local players willing to leave for the more lucrative business in other regions. Levels are now starting to bounce as we see ideas push

towards WS300. Next week will be tricky with lots of tonnage eyeing up the States market which continues to attract high offers. Overall, the continent is uncertain with programs still up in the air and traders unsure of where to pull the trigger.

### Crude Tanker Spot Rates (WS)



# Clean Products

## East

The uncertainty continues within the Middle East for LRAs as for now there is no let up in the Iran conflict. Owners are still trying to reposition ships or having to

accept waiting time to secure a WCI export. With still no transiting of the SoH, the pressure being felt by both charterers and owners is building with each day that passes. Everyone is hoping for a resolution to be found as soon as possible, but currently it appears to be slow progress.

Another quiet week on MRs in the AG as ongoing regional tensions continue to suppress activity. With uncertainty around Hormuz persisting, owners remain cautious, particularly for loadings ex Fujairah and Sohar, while some continue to ballast away. Cargo flow has been inconsistent, with several stems withdrawn or failing to progress despite a seemingly healthy list. Sikka has remained notably quiet on MRs, offering little support.

## **UK Continent**

The north has been in export mode for the last two weeks supplying refined product into global shorts. The question is how much longer and what volume can still be earmarked for exports until some form of control or localised price inflection slows this volume.

MR rates have peaked on most runs, but as the East becomes less attractive for owners due to lack of triangulation, we feel the next phase will be transatlantic runs with freight dropping further as owners get drawn to the resilient USG market. Other runs, especially East, are seeing higher printed deals as owners try to avoid intentionally fixing into the looming bunker situation in the East. WAF is still active and Med runs are aplenty, so we feel short-haul could be the volume trade going forward.

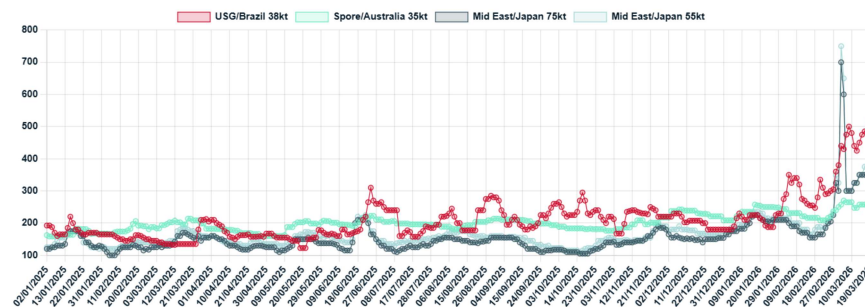
An active week draws to a close for Handies in the North as we have seen continued flow for XUKC and also UKC/Med barrels. TC23 closes at 30 × WS400, but with MRs now also entertaining short-haul runs at 37 × WS322.5 last done, we expect Handy owners to inflate their ideas to get closer to the prorated MR numbers. The weekend break has come at a good time for charterers and hopefully a few more vessels firm up for Monday's fixing. Owners are bullish here.

## Med

Despite being a slow week for MRs in the Med, there are some key talking points concerning surrounding markets which could come to have more of an effect on Med rates next week. The main factor is the Jones Act being waived for six days — it will be interesting to see how tonnage responds, with signs of ballast tonnage heading to the USG already. This could ultimately leave charterers short on options in the Med, but for this to have any real impact we will need to see demand pick up. Additionally, given the opportunity for USG products to remain in North America is now more viable, previous dynamics of USG-Brazil could be taken up by any natural players. Owners ideally want to stay in the Atlantic basin as the desire to go East has diminished for most due to the complexities it produces when the voyage finishes, and TA remains the golden ticket for owners, with WS460 and 140k demurrage on subs for TC14.

In all it has been a positive week for Handy owners in the Med, with rates firming over the last two days. We opened with a spread of rates on subs ranging from WS300 to WS320, and it was a case of who gets fixed and how many options remained available for charterers, with an uptick in enquiry expected given little had been seen quoted off end-month dates. As enquiry was drip-fed into the market we saw the list tighten, and coupled with elevated bunker rates we now sit at 30 × WS400 on a replacement stem ex WMed. It does seem this market has some legs, and given how attractive the North is, we are trending upwards here — eyes on what effect the weekend restock will have on owners' ambitions.

### Clean Tanker Spot Rates (WS)



# Dirty Products

## Handy

The North Handy market has seen another week of strength as enquiries picked up where they left off at the start of the week against a backdrop of a tight list. The week started with few naturally placed units available to work, which were soon clipped away on subs as freight rates firmed from the WS360 mark up to WS367.5, repeated a couple of times by the end of the week. We expect to see this trend continue early into next week, with WS380 soon in reach for owners.

The Med saw a mixed week in terms of activity, with a quiet Monday followed by a busier mid-week where levels were tested up to WS340. The storm soon settled and activity appeared to slump somewhat. However, under-the-radar activity chipped away at tonnage, allowing owners to push on to WS345 with

WS350 widely rumoured. Looking ahead, we expect to see a tight list from the off with owners looking to test rates upward.

## MR

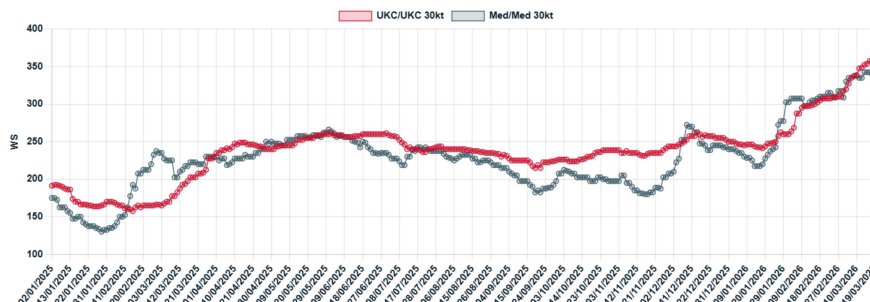
It has been a busy week for MR owners in the Med, as full-stem enquiries entered the market out of the gate. A prompt replacement caused a stir as WS300 was reported, galvanising owners to push on from last done. For a more vanilla run, 45 × WS165 was reported mid-week, and under-the-radar activity picked off a handful of additional units. Owners remain bullish and keen to test rates toward the WS275-280 mark next week.

The North has been the quieter of the two regions this week, mainly on account of there being less available tonnage to work. Enquiries seen have been predominantly long-haul, with WS320 reported paid for a run down to SAFR. That said, the few owners available to work in the next window are bullish, with rate ideas toward the WS275-280 mark as we look to next week.

## Panamax

The Panamax market out in the USG took a large swing upward this week, with TD21 printing at WS447.08 on Friday compared to WS372.08 on Monday. This can mainly be attributed to the surrounding Aframax market surging upward as demand TA increases following the war in Iran. Under-the-radar activity clips away at available tonnage, and owners are keen to test upward whilst the opportunity remains. Over this side of the Atlantic, rates are still in need of a well-publicised fresh test as off-market dealings clip some tonnage away. We assess UKC-USG at the WS180 mark as things stand.

### Dirty Product Tanker Spot Rates (WS)



# **Rates & Bunkers**

**Clean and Dirty Tanker Spot Market  
Developments - Spot WS and \$/day TCE (a)**

	<b>wk on wk change</b>	<b>Mar 19th</b>	<b>Mar 12th</b>	<b>Last Month*</b>	<b>FFA Q1</b>
TD3C					
VLCC					
AG- China WS	65	414	349	133	232
TD3C					
VLCC					
AG- China TCE \$/day	79,500	421,500	342,000	125,000	199,000
TD20					
Suezma x WAF- UKC WS	-5	257	261	158	196

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TD20					
Suezma					
x WAF-	-3,500	126,750	130,250	76,250	79,250
UKC TCE					
\$/day					

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TD25					
Aframax					
USG-	185	434	249	298	305
UKC WS					

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TD25					
Aframax					
USG-	69,000	127,750	58,750	88,500	71,750
UKC TCE					
\$/day					

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TC1 LR2				
AG-				
Japan	18	377	359	168
WS				

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TC1 LR2  
 AG-  
 Japan 9,000 93,000 84,000 40,250  
 TCE  
 \$/day

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TC18  
 MR  
 USG- 51 509 457 270 319  
 Brazil  
 WS

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TC18  
 MR  
 USG- 7,500 71,500 64,000 36,750 33,750  
 Brazil  
 TCE  
 \$/day

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TC5 LR1  
 AG-  
 Japan 27 388 361 180 256  
 WS

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TC5 LR1					
AG-					
Japan	9,000	66,500	57,500	30,250	29,500
TCE					
\$/day					

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TC7 MR					
Singapo					
re-EC	-1	254	255	220	241
Aus WS					

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TC7 MR					
Singapo					
re-EC	1,750	19,250	17,500	25,000	14,750
Aus TCE					
\$/day					

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*(a) based on round voyage economics at 'market' speed, eco, non-scrubber basis*

## **Bunker Prices (\$/tonne)**

	<b>wk on wk change</b>	<b>Mar 19th</b>	<b>Mar 12th</b>	<b>Last Month*</b>
Rotterdam VLSFO	<b>-16</b>	784	800	447
Fujairah VLSFO	<b>+191</b>	1248	1,057	478
Singapore VLSFO	<b>-98</b>	1034	1,132	474
Rotterdam LSMGO	<b>+187</b>	1360	1,174	662