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Weekly Tanker Newsletter

23 February 2026

Crude Tanker Markets

VLCC

Middle East

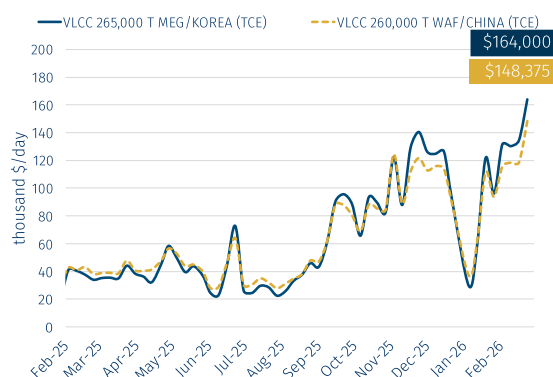
West Africa

MEG: In the Middle East, despite holidays in several countries in the Far East, a steady flow of under the radar activity persisted. The tonnage list continued to tighten, and sentiment remained upbeat throughout the week off the back of rising rates in the Atlantic. Several cargoes were worked off very prompt dates which pushed rates higher as charterers faced limited options. Rates for MEG/China firmed from w145 to end the week at the w170 level. With tonnage still tight, owners are in no rush to fix and sentiment remains firm.

WAF/Brazil: In West Africa, after a prolonged quiet period the region finally showed signs of life with several WAF cargoes worked privately. Rates for WAF/China rallied from w135 to end the week at w152.5 driven by the rally in Brazil. With the front end of the list in the Atlantic very tight several market quotes from Brazil encountered limited attention from owners and drove rates higher on each successive fixture.

USG: Several cargoes were worked throughout the week yet only a couple went on subs, driving rates for USG/China to 14.45m. For ships open in the Atlantic, Brazil/East continued to offer significantly higher earnings than the US Gulf, driving USG/East rates higher. Several cargoes emerged and quickly withdrew to end last week yet rate expectations remain elevated off the back of firm adjacent markets.

TCE MEG/Korea & WAF/China - speed 13kn



Suezmax

West Africa

Mediterranean

WAFR: Charterers are choosing to fix off-market and forward in an attempt to contain owners' sentiment and keep momentum somewhat tamed. List is slowly shrinking and with a firm Atlantic basin and a serious lack of Eastern ballasters, rates have potential to firm further. TD20 for now at w162.5 and to the East 130 at w175. Eastern ballasters: in total 2 / 2 on subs or hold - until 15th Mar bss Angola.

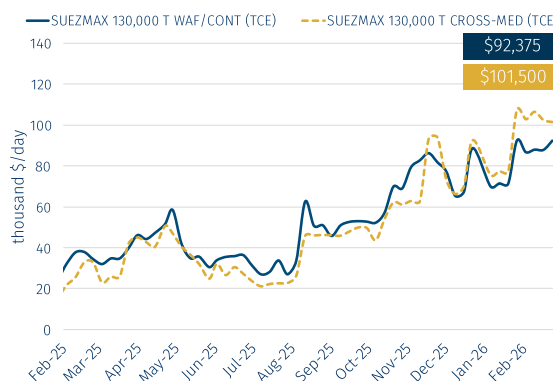
BSEA-MED: Into the end of the week, CPC took a breather with next expected dates moving into the third decade but the conference rates unchanged; CPC/UKCM 135 x w195-200 and CPC/Korea via Cape \$9.5m. In the Med, the market is tracking sideways also at these levels, we are maintaining cross Med 135 x w170+ for Hariga/Trieste whilst Hariga/Ningbo via Cape we hold at \$7.25m lvls.

UKC-BALTIC: Some questions on fuel oil to the East albeit freight levels seem too high at the moment to make it work. Owners are adamant they want to stay West now. WCN/UKC 135 at w167-170 lvls and Rdam/Sing pegged at \$6.85M lvls.

USG-CBS-LATAM: Steady flow of activity combined with scarce local tonnage are keeping rates firm as European units arb between WAF versus USG/Guyana load. USG/UKCM 145 at w137.5-140 lvls. Guyana has been active as we now enter 15th onwards. Guyana/UKCM 130 at w162.5 lvls. Brazil has also been active under the surface. Brazil/UKCM 130 at w160 lvls.

MEG: Increased demand in the region supported by regular local flows and boosted by traders splitting V stems. Fundamentals remain very tight as charterers reached forward to secure tonnage. AG/East 130 at w180+, Basrah/UKCM 140 at w82.5 lvls and USG pegged at \$4.6m lvls.

TCE WAFR/CONT & XMED - speed 13kn



Aframax

North Sea

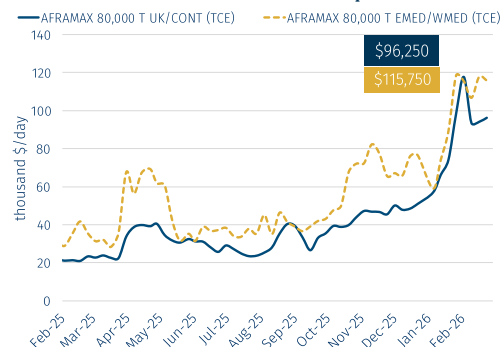
Mediterranean

Med: Activity slowly toned down during the second half of the week. The list is slowly opening up and as such, expect charterers to try their luck in shaving off a few points.
x-Med: 80 x w257.5.

North Sea: Steady levels of activity throughout the week, coupled with a tight list and weather delays fueled owners' endeavors to push rates slightly higher. Overall sentiment is firmer.
x-NSea: 80 x w195.

USG: TD9 and TD26 rates softened on the back of lack of local demand seen working, TA exports however have been consistently working, keeping TD25 fairly steady. Tonnage list ballasting from Europe saw a notable increase, something to keep an eye on going into this week.
USG/UKCM: 70 x w285.

TCE UK/CONT & XMED - speed 13kn



Clean Tanker Markets

Middle East Gulf

MR2



LR1



MR: The MR market started the week off on an optimistic note for owners as a few fresh stems have been quoted with some still in with late February laycan dates. The tonnage list naturally appears to be opening up in early March however with FFAs reflecting higher levels for March and still a few earlier stems to be covered, owners will hold a higher sentiment today with hopes that market will continue to creep up. Fundamentals are showing the market should continue to firm at an incremental rate.

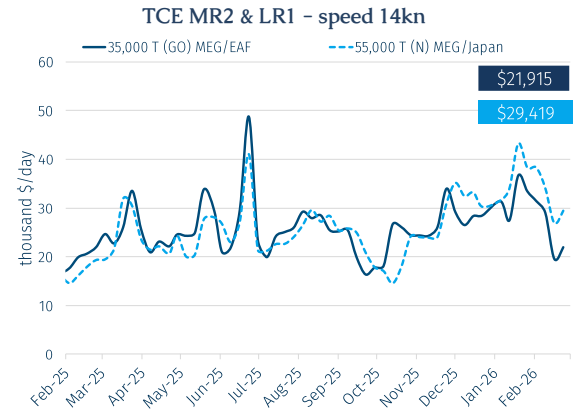
x-AG: 275k, AG/EAF: 35 x w215, AG/Spore: 35 x w220, TC12: 35 x w180.

LR1: Not much news in the LR1 market again today. A couple of new stems surfaced, but there remains significant work to do to clear the prompt overhang. The front end is playing host to a wealth of tonnage, much of it disadvantaged by age, SIRE status, or cargo history, which is keeping pressure on rates. As has been the case for a while, short-haul stems are conspicuously absent, which could help to mop up some excess tonnage. Owners are certainly keen to dig out these cargoes, which will no doubt soften short-haul rates. This is because, as we look forwards, there is more optimism. With mounting US-Iran tensions, TC5 March paper was propelled to w230 on Friday and as 2H March looks considerably tighter for tonnage and DPP markets remain strong, this positivity is well-grounded. Still, we'll need to see cargoes in the market for any improvements to take shape, and these are still sorely lacking.

AG/Jpn: 55 x w185, AG/UKC: 3.0M (via Cape), AG/Spore: 60 x w180, AG/EAF: 60 x w180.

LR2: The LR2 segment is seeing a few more vessels disappearing off the list under the radar. The fixing window has started to move into the first decade of March with yet a few owners missing the natural fixing window. Despite an overhang on the front end the rates have been steady so far as the geopolitical climate keeps everyone on their toes. There are still some pockets of weakness, but overall sentiment is present as the Chinese New Year comes to an end coupled with positive arbitrage should see more activity surfacing this week. Sentiment remains steady with potential for a push.

AG/Jpn: 75 x w170, AG/UKC: 4.4M (via Cape), AG/Spore-EAF: 90 x w165.



North West Europe

MR

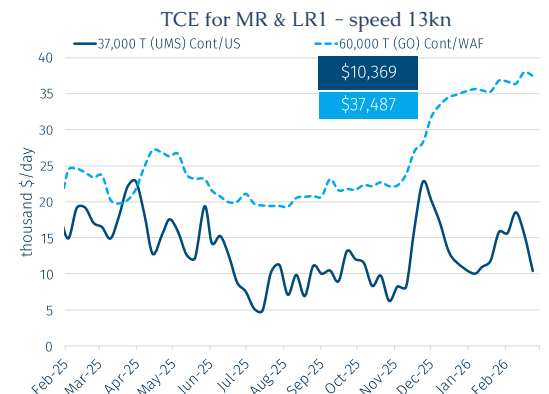


LR1



MR CONT: Although there was a bit of a resurgence in the last few days of the week, rates have slipped from where they were at the start. Cargoes have been drip fed into the market and, as a result, rates have softened. Lots of the vessels have been fixed for shorties and will be opening up in early March, so we expect the list to repopulate then. The differentials for TA versus the other routes have gone out the window, with most owners keen to head that way as it is constantly performing better than the Cont. Ballast heading that way from this side of the pond are becoming a far more frequent occurrence.

TC2: w117.5, ARA/WAF: w180



Mediterranean

MR1



MR2

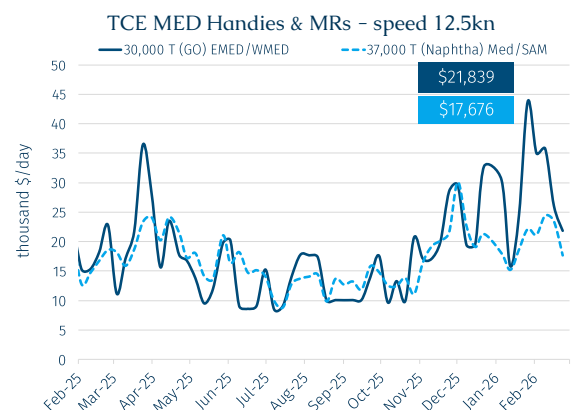


MR: Down in the Med, it has been rather quiet overall last week and ships have slowly gone on subs together with a few replacements. There are still ships to work end month and rates have not been really consistent, mainly cargo and date dependent. Let's see how we start on Monday but it feels steady out there.

x-Med MR: w200.

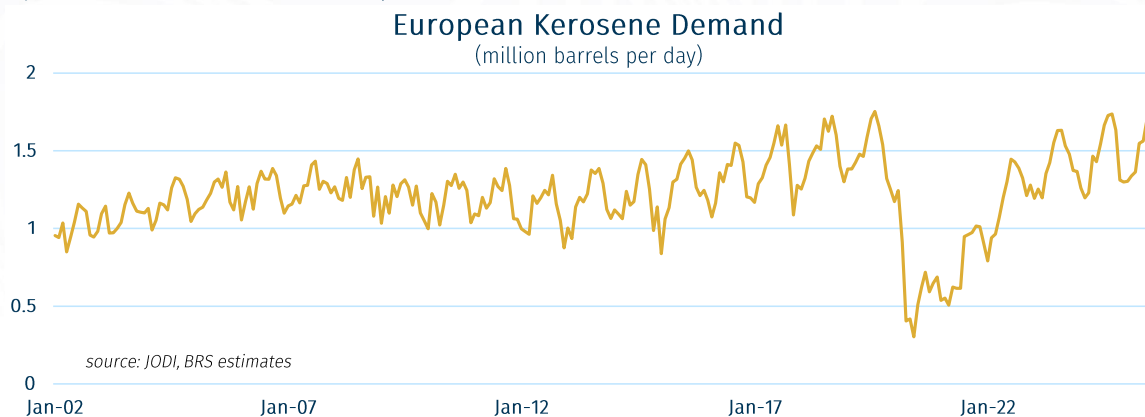
Handy: The Med Handies have dropped slightly last week but owners have managed to stop the fall. It has been pretty quiet and last done is the rule for now. It ends pretty flat and tight at the top end but from the 25th onwards the list is looking pretty long. Let's see on Monday if there are a good amount of cargoes dropped in the market; if not we may see rates fall even more.

x-Med Handy: w190.



Jet fuel in Europe: Supply tightening and increasingly import-dependent

While diesel has captured headlines in oil product markets over the past year, jet fuel has been quietly tightening in Europe. Unlike other refined products which face demand pressure due to changing regulations, jet fuel continues to show steady growth since the post-Covid recovery of international air travel. Indeed, global seaborne jet fuel exports have jumped by 40% to 1.7 mb/d in 2025 from 2021 when global exports hit a low of 1.2 mb/d. Considering there is no substitute for jet fuel, this market is highly sensitive to supply disruptions and trade flow shifts. Against this backdrop, this week, we discuss Europe's jet fuel balance and the implications for clean tanker demand.



Only transport fuel with growing demand. Europe's jet fuel demand has shown resilience, adding almost 100 kb/d in 2025 even as other transport fuels plateau or decline. Despite post-Covid fleet aircraft renewal initially slowing demand as fuel-inefficient units were retired, rising flight frequency and longer-haul routes have now outweighed these efficiency gains. The International Air Transport Association's (IATA) preliminary estimates for 2025 suggest that passenger traffic increased by 5.2% y-o-y, and although growth is slowing, the IATA is forecasting an annual increase of 4.9% in 2026. This is reflected in jet fuel demand with data from the International Energy Agency (IEA) showing global jet fuel and kerosene demand hitting 4.5 mb/d last year, an annual increase of 2%. The Agency projects global demand to increase by 2.5% in 2026. When looking at Europe specifically, IATA data reveals a 5% annual increase in passenger traffic and forecasts a 3.8% annual increase for 2026. Therefore, European demand for jet fuel and kerosene increased by 3% y-o-y in 2025. Although further growth is expected, this year it should remain slightly below its 2019 peak.

Tightening supply backdrop. Against this resilient demand profile, Europe's jet fuel supply balance has quietly tightened over the past year so that inflows in 2025 averaged a record 760 kb/d while net-imports averaged around 600 kb/d. The region has been a net importer of jet fuel (importing about 30% of its regional demand) for many years,

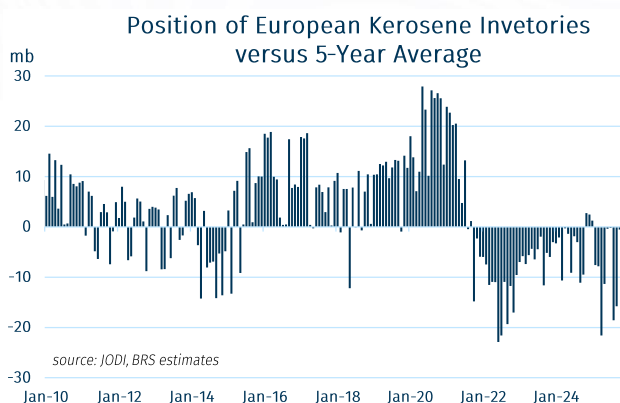
and the steady rationalisation of European refining capacity has been supporting imports. When examining only kerosene which is by far the world's major aviation fuel, JODI data indicate that, at end-December 2025, inventories in Europe stood at around 57 mb, 19 mb below their five-year average. Furthermore, inventories covered only 34 days of forward demand, their lowest coverage since mid-2018. Although absolute stock levels do not yet point to a significant jet fuel shortage, the market is increasingly exposed to short-term disruptions given the increasing reliance on imports and that seaborne supplies have recently been exposed to geopolitical volatility and logistical constraints such as rerouting away from the Red Sea.

Operational constraints limit supply flexibility. Jet fuel tanker logistics are more tightly constrained than diesel and gasoline. Jet fuel cannot be stored in tanks containing zinc and cannot be loaded on vessels if any of the previous three cargoes were crude. Meanwhile, jet fuel is also rarely carried on newbuild crude tankers. As a result, jet fuel movements are largely restricted to dedicated clean product tankers. This sharply reduces logistical flexibility compared with other middle distillates and concentrates jet fuel trades within the MR, LR1 and LR2 segments.

Trade flows from farther away. Europe's incremental jet fuel requirements are increasingly coming from beyond the Atlantic Basin. There has...

Topic of the Week (cont.)

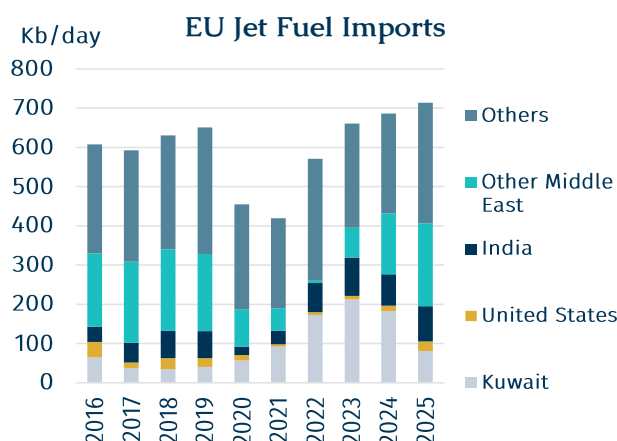
...been an evident increase in jet fuel imports from the Middle East and more particularly from Kuwait. Across 2024-25 Europe's imports from Kuwait averaged over 200 kb/d, making it Europe's top supplier with around a 28% share of regional imports. These flows are significantly higher than the 30-60 kb/d exported at the tail end of last decade and reflects the 2024 start-up of KPC's mammoth 615 kb/d Al Zour refinery which produces around 100 kb/d of jet fuel. Meanwhile, India has emerged as the second largest jet fuel exporter to Europe, shipping 90 kb/d to Europe last year. Other major suppliers last year included the UAE and Saudi Arabia.



Can geopolitics shift jet flows? The fragile security situation in the Red Sea has cut transits via the Suez Canal, thereby lengthening voyages. This has seen Europe import more products, notably ULSD, from the USGC. Although US – Europe kerosene flows almost doubled last year, at 25 kb/d they remain relatively insignificant. Considering that the USGC exports 125 kb/d, they could rise further but this would involve a significant reshuffling of trade flows. USGC refiners direct the majority of their jet fuel exports to Latin America and if more was diverted to Europe, barrels from elsewhere would have to ‘plug’ this hole. A catalyst for this could be the newly introduced EU regulations banning the import of Russian-crude-derived oil products refined by third countries which could shift Indian and Turkish flows. Although Turkish flows to Europe are minimal (<10 kb/d), as discussed previously, Indian flows are far more significant. Preliminary shipping data suggest that exports by Reliance (India's largest exporter to Europe) to Europe have been maintained as they do not process Russian feedstock in their export refinery. However, flows

into Europe from India's other refiners have plunged, with these exports having been redirected to elsewhere in Asia rather than Latin America.

New player in West Africa. Considering that jet fuel demand is seasonal, the backing out of some Indian flows could see European markets tighten this summer and looking at new sources of supply. Against this backdrop, emerging suppliers such as Nigeria's Dangote refinery could play a more prominent role. While freight costs from West Africa remain relatively high, Dangote's growing jet fuel export capacity offers a geographically and politically distinct source of supply. Data suggest that 37 cargoes (averaging 20 kb/d), mostly on MRs, headed to Europe from Dangote in 2025. This was significantly above flows the previous year which averaged 8 kb/d.



Europe set to be import-dependent. As domestic supply seems to be constrained, and demand continues to be well supported, Europe has an increasing need for seaborne imports which has been supporting both volumes and voyage lengths. Longer-haul inflows from the Middle East generate higher tonne-mile demand than intra-Atlantic trades, favouring LR utilisation which made more than 90% of the Middle East to Europe trades, especially with rerouting away from the Suez Canal. Given expectations that Suez Canal traffic is unlikely to return to normal any time soon, this should continue to support tonne miles for some time to come. However, the full impact of the EU's ban on Russian-crude-derived products may not become apparent until the seasonal demand upswing in several months' time. When it does, this could be the catalyst for a shift towards more MRs hauling jet fuel across the Atlantic.

Market Pointers

US-Iran talks drive oil price gains, while Urals face steepest discount in nearly three years. Oil prices are currently trading at a six-month high as the window narrows for Washington and Tehran to agree on a nuclear deal. Despite no actual supply disruption even after Iran claimed to have briefly closed the Strait of Hormuz on Tuesday, oil prices still rose 5% last week. On the bearish side, US President Trump has issued a flat 15% tariff on all countries, in response to the US Supreme Court rejecting his targeted tariffs built up over the past year. It was also reported that the discount of Urals compared to Brent reached its widest level since April 2023, at around \$28/bbl FOB in Primorsk and Ust-Luga. It appears that this is largely driven by low buying interest as regular buyers increasingly shun Russian crude. Front-month ICE Brent and NMYEX WTI are currently trading at \$72.3/bbl and \$67.1/bbl, respectively, remaining in backwardation.

Venezuelan exports back up. Following the US imposing a de facto ban on Venezuelan crude lifted without its consent, ship tracking data appear to show Venezuelan crude exports have recently rebounded towards their 2025 average of 800 kb/d as so far in February exports have approached 760 kb/d. Given that all Venezuelan exports are now transported by the mainstream tanker fleet, the rebound has supported regional tanker demand, especially for Aframaxes delivering to the USG. The return of Venezuelan heavy sour crude to the USG has also reportedly begun to pressure Colombian exports to the region as well as Mexican fuel oil. With more residual fuel oil produced by USGC refiners processing Venezuelan crude, the need for Mexican fuel oil as coker feedstock is diminishing. As for Colombia, pressure from Venezuelan crude can be observed with prices for Colombia's heavy sours Vasconia and Castilla having fallen to their weakest differential levels since 2023.

France releases the Grinch. Last week, French authorities permitted the grey fleet Aframax *Grinch* to leave its waters after its owners pleaded guilty to being unable to justify flying the Comoros flag and paying an associated fine. According to French Foreign Minister Jean-Noël Barrot the fine was in the region of 'several million Euros'. After loading crude at the Russian port of Murmansk, the ship was seized in the

Mediterranean in late January and held at anchor off Fos-sur-Mer. This incident mirrors France's seizure of another grey fleet tanker last year where it was eventually allowed to leave after paying a fine. The issue of the grey tanker fleet appears to be increasing in importance with reports suggesting that the legality of, and measures for, tanker seizures were discussed by ministers from the UK and Baltic countries on the fringes of last week's Munich Security Conference.

Tariff uncertainty rattles markets. The US Supreme Court's decision to annul many of President Trump's tariffs and his subsequent decision to introduce a 15% temporary tariff on imports from all countries has injected uncertainty and risk into oil markets and worried tanker market participants. By the time of writing, it was unclear what goods would be subject to the new tariff, but it already appears to have delayed the finalizing of the US' trade deal with India. Any delay could prove a headwind to US crude exports to India given that they were slated to pick up in the wake of the deal. Although this suggests that there could be some future shifts in oil flows and tanker demand, on a macro level the impact is likely to be minimal. Given how most economies have dealt pretty well with the tariffs imposed last year, we do not see the latest uncertainty materially impacting oil consumption.

EU extends Red Sea escort mission as Suez Canal transits cautiously resume. The European Union confirmed that its Aspides naval operation, launched in February 2024 to escort vessels threatened by Houthi attacks, will remain active with funding secured until February 2027. The mission operates around the Bab el-Mandeb Strait and monitors risks in the surrounding areas. Despite a lull in attacks since September 2025, traffic has been extremely slow to return to the Red Sea and Suez Canal. Notably, at least one major containership operator has shelved previously publicised plans to return to Suez. Tanker traffic remains broadly at its end-2025 levels. Nonetheless, the prolonged security presence supports a possible gradual return of mainstream tankers through the Suez Canal route, possibly easing the extensive rerouting around the Cape of Good Hope.

Fleet Statistics

TANKER FLEET BREAKDOWN						N° OF SHIPS
	> 19 YRS	15-19 YRS	10-14 YRS	5-9 YRS	< 5 YRS	IN SERVICE
VLCC/ULCC	205	187	180	241	103	916
SUEZMAX	168	118	135	183	110	714
AFRAMAX	246	174	79	109	75	683
LR2	54	112	87	128	142	523
PANAMAX	51	4	1	11	1	68
LR1	110	149	55	60	13	387
MR2	399	463	393	367	329	1951
MR1	260	128	77	32	9	506
TOTAL	1493	1335	1007	1131	782	5748

TANKER ORDERBOOK						N° OF SHIPS
2026 DELIVERED	2026	2027	2028	2029+	ON ORDER	
5	37	56	128	27	248	
9	44	61	58	17	180	
3	8	24	9	0	41	
11	62	83	48	28	221	
0	0	1	5	0	6	
4	22	19	16	3	60	
27	137	109	58	15	319	
0	13	13	0	2	28	
59	323	366	322	92	1103	

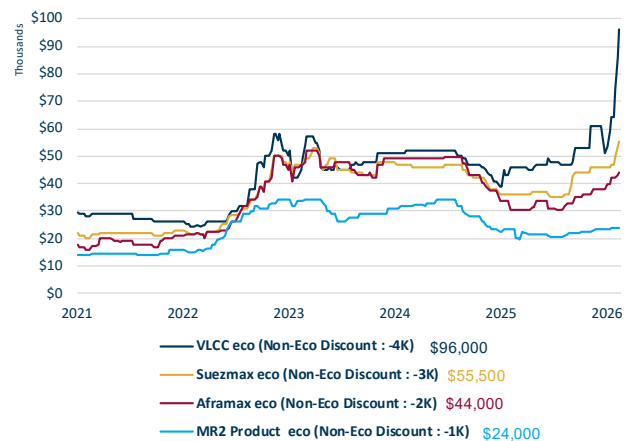
TANKER DELIVERIES					N° OF SHIPS
	11/2025	12/2025	1/2026	2/2026	
VLCC/ULCC	1	1	3	2	
SUEZMAX	2	1	8	1	
AFRAMAX	0	0	2	1	
LR2	4	2	7	4	
PANAMAX	0	0	0	0	
LR1	0	0	4	0	
MR2	10	4	17	10	
MR1	0	0	0	0	
TOTAL	17	8	41	18	

TANKER DELETIONS					N° OF SHIPS
DEMOLITION, LOSS AND CONVERSION					
	11/2025	12/2025	1/2026	2/2026	
VLCC/ULCC	1	0	0	0	
SUEZMAX	1	0	0	2	
AFRAMAX	1	0	1	0	
LR2	0	0	1	0	
PANAMAX	0	0	0	0	
LR1	2	0	0	1	
MR2	2	2	1	0	
MR1	0	1	0	0	
TOTAL	7	3	3	3	

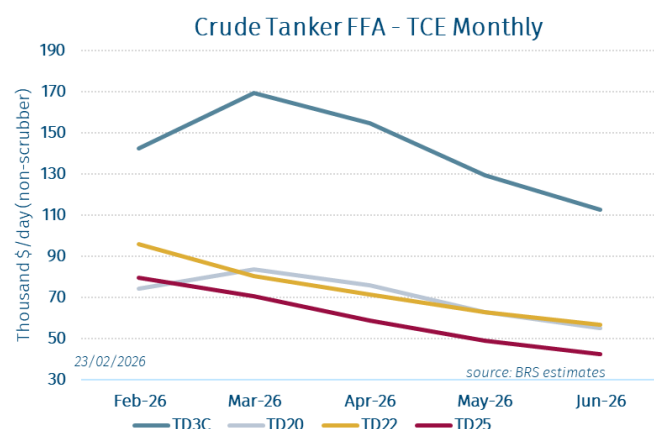
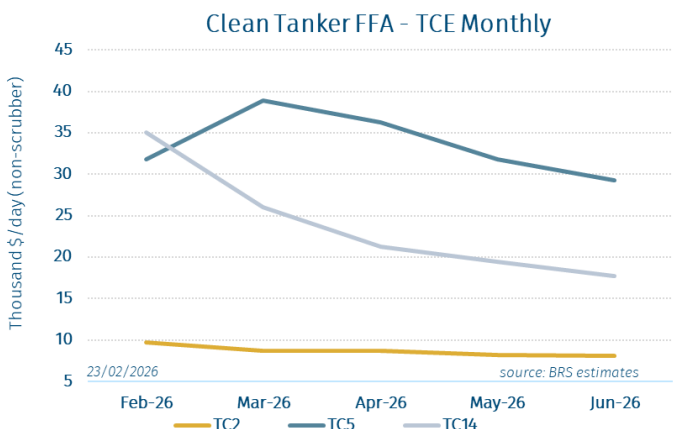
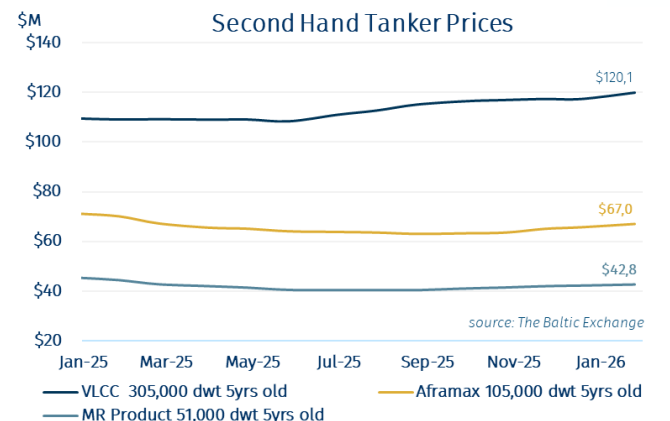
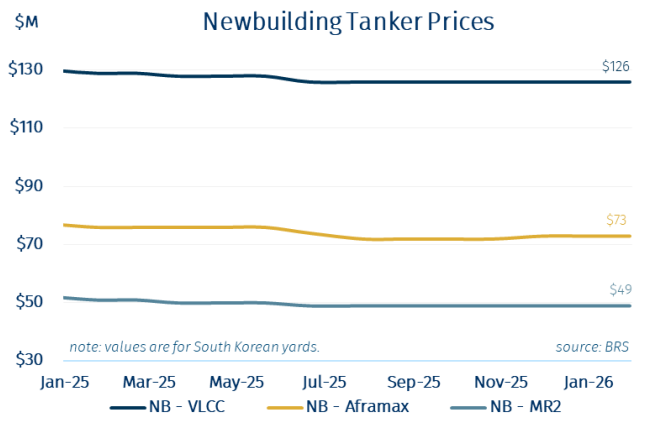
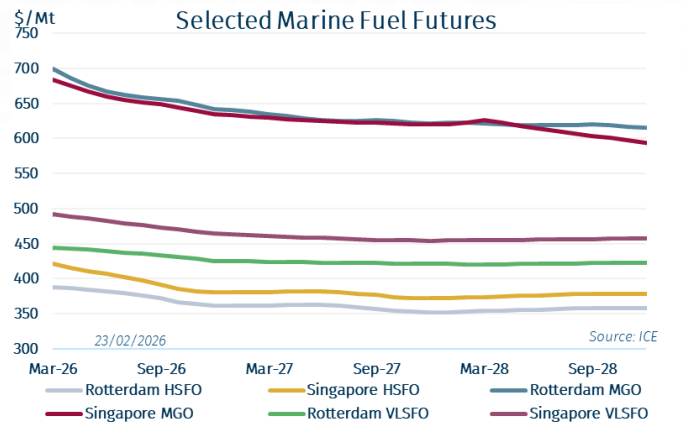
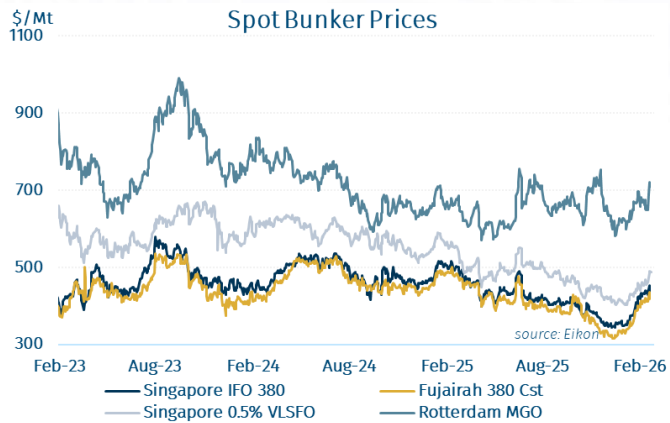
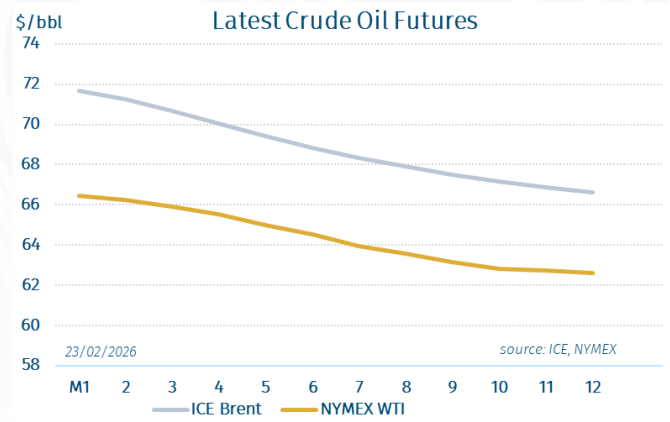
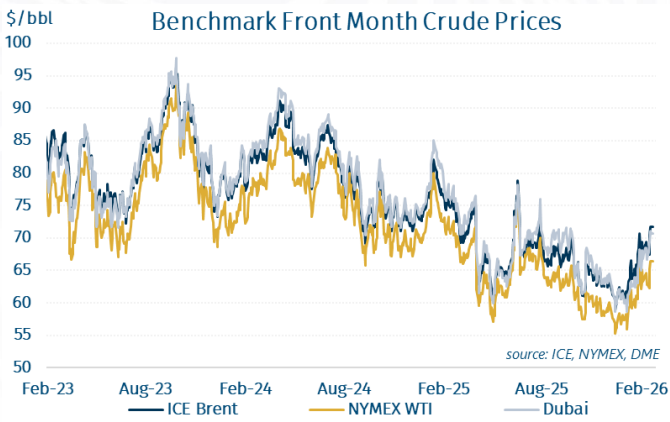
Time Charter Rates

\$/day		1yr	Trend	3yrs	5yrs
VLCC	NON ECO	\$89'000	UP		
	ECO	\$96'000		\$59'000	\$47'000
	ECO SCRB	\$100'000		\$62'000	\$50'000
SUEZMAX	NON ECO	\$51'500	UP		
	ECO	\$55'500		\$41'500	\$34'000
	ECO SCRB	\$57'000		\$42'500	\$35'000
AFRAMAX	NON ECO	\$40'000	UP		
	ECO	\$44'000		\$34'500	\$30'500
	ECO SCRB	\$45'000		\$36'000	\$31'500
LR2	NON ECO	\$39'000	STABLE		
	ECO	\$43'000		\$34'500	\$30'500
	ECO SCRB	\$44'000		\$36'000	\$31'500
LR1	NON ECO	\$26'000	STABLE	\$21'000	
	ECO	\$28'500		\$23'500	\$22'000
	ECO SCRB	\$30'000		\$25'000	\$23'500
MR2	NON ECO	\$20'000	STABLE		
	ECO	\$24'000		\$20'000	\$19'000
	ECO SCRB	\$24'500		\$20'500	\$19'500
MR1	NON ECO	\$20'250	STABLE	\$18'000	\$17'500
	ECO	\$21'750		\$19'500	\$19'000
	ECO SCRB	\$22'250			

Tanker Time Charter Rates - 1 year



Latest Prices and Freight Rates



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