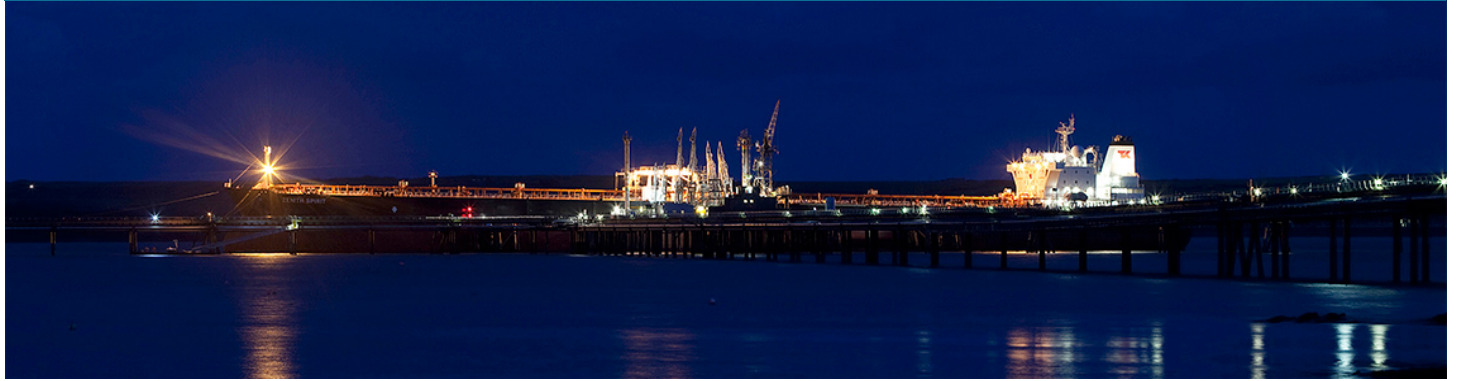




Tanker report – Week 10 2016

VLCCs

A very active third decade in the Middle East Gulf enabled owners to push the market up significantly. A lack of ullage in China combined with delays in Basrah saw a very tight end March position list and the momentum has been maintained going into April. Rates have increased by around 20 points from a week ago for 270,000 tonnes going long east, with last done being Bahri at WS 75 for Okinawa discharge. Similarly going west, rates have firmed with Bahri paying WS 35 cape/cape to the US Gulf and brokers are now assessing this route in the high WS 30s.

West Africa has also seen a busy week and rates have climbed on the back of the firming Middle East Gulf market. CPC covered a run to Taiwan at WS 72.5 representing a gain of around 12.5 points from a week ago. Off the Continent, ST are reported to have covered a Hound Point / Korea trip at \$6.0 million while fuel oil from Rotterdam to Singapore went at around \$4.1 million. In the Caribbean, there is a report of \$4.3 million being fixed for WC India discharge, up around \$400,000 from last week.

Suezmaxes

In West Africa, the market was flat at the start of the week, but due to subsequent increased enquiry thinning the tonnage lists, rates steadily crept up from WS 67.5 to reach a peak of WS 75 for Europe discharge while eastern trips went at WS 82.5 for Angola loading.

Black Sea rates have been steady throughout the week at between WS 77.5/80 for 135,000 tonnes to Europe. In the Mediterranean, Petrogal are understood to have paid WS 70 for Sidi Kerir to Portugal, while Exxon, who initially quoted for an aframax, ended up taking a suezmax at WS 80 for 130,000 tonnes for a short Sidi /Augusta run. A transatlantic cargo for 135,000 tonnes from Ceyhan to USAC was fixed at WS 57.5.

Aframaxes

A very active Black Sea market for late March saw a scramble for coverage and rates quickly firmed around 25/30 points with Black Sea now being fixed at WS 120 and Ceyhan loaders obtaining low/mid WS 120s. However, although tonnage has been reportedly offering around WS 150, the firmer market here is inducing tonnage to ballast down from the north where the market has been unchanged at WS 92.5 for 80,000 tonnes cross North Sea, while Baltic loaders have had to face unchanged rates of around WS 70.

A less active week in the 70,000 tonnes Caribbean/up coast market, saw rates stable around WS 140 as bad weather created uncertainty on itineraries. However, with the tonnage list lengthening gradually as the week has progressed, rates are under downward pressure and there is now a report of around WS 135 being on subjects for Caribs/US Gulf.

Panamaxes

Off the Continent, with the VGO arb closed, there is a sense of déjà vu with levels in a rut at around WS 90/95 for 55,000 tonnes from ARA to the US Gulf. Owners' cause here is not being helped by the weak market in the Caribbean where 50,000 tonnes

going up coast pays at best low WS 120s leading to tonnage ballasting from the US to Continent to try their luck here or from West Med.

Clean

In the 37,000 tonnes Cont/USAC trade, the build-up of tonnage on the Continent combined with a lack of enquiry saw rates lose around 12.5/15 points and have now settled at WS 97.5. It has been a volatile week in the US Gulf with the market quickly falling from WS 112.5 to WS 82.5 for 38,000 tonnes, although there is now talk of a recovery with a rumour of low/mid WS 90S possibly having been agreed on subjects.

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