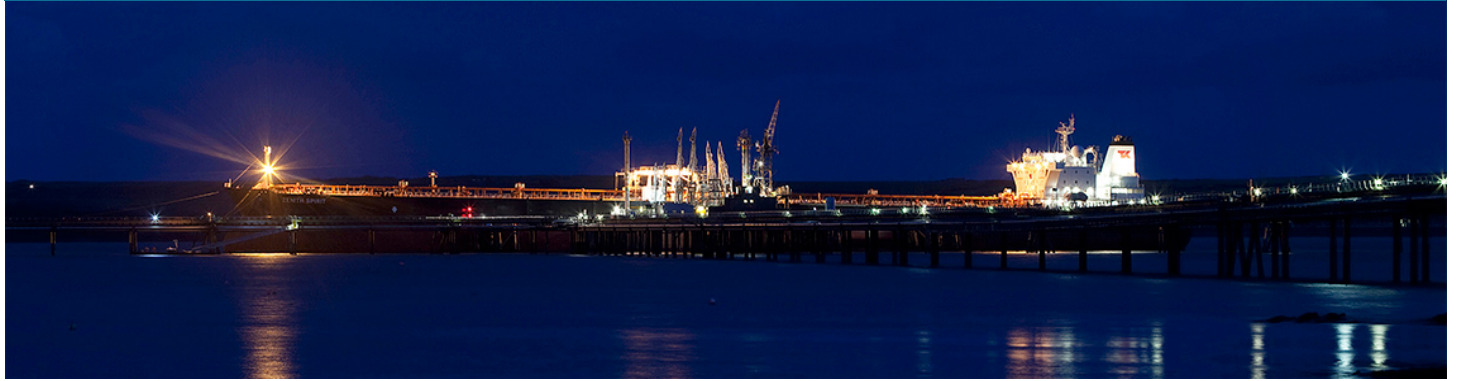




Tanker report – Week 16 2016

VLCCs

It has been a disappointing week for owners in the Middle East Gulf with only limited enquiry. Both Saudi and Basrah stems came out, showing a light May program. Subsequently, cargoes in the market have drawn a healthy response and rates have fallen away with rates for 270,000 tonnes short east losing around 11.5 points as PTT managed to cover a trip to Thailand at WS 59.5. S-Oil were able to cover a run to Onsan at WS 55.5 albeit on 1998 built tonnage. Going west, rates for 280,000 tonnes to the US Gulf are now assessed almost four points lower at around WS 37.75 cape/cape. A shorter voyage to UK-Cont was fixed at WS 42.5 basis Suez/Suez routing.

After Athenian tonnage was confirmed from West Africa at WS 70 for Far East, activity was thereafter predominantly from Indian charterers who covered 260,000 tonnes at equivalent rates of between WS 68 and WS 72.5 though the market has a somewhat softer feel, being pressurized by the weaker Middle East Gulf sector. Off the continent, fuel oil was reported covered at around \$3.95 million to Singapore, representing a drop of around \$800,000 from

last done here. Caribs to WC India was covered at \$4.3 million while Caribs/Singapore is now assessed at close to \$5.5 million but with lack of enquiry here, these levels remain under downward pressure.

Suezmaxes

In West Africa, rates have eased almost 10 points with a long voyage to East Med being covered at WS 85. West Africa to the US Gulf has been fixed at WS 82.5 and there is a rumour of Cepsa having taken a ship at WS 82.5 to Spain, but no details to hand, while ENI are understood to have initially started countering at WS 80 for their 12/13 May position. In the Black Sea, rates have held steady at around WS 90 basis 135,000 cargo although brokers feel this may subsequently be difficult to repeat as charterers start to work their second decade cargoes with more tonnage coming available.

Aframaxes

There is a sense of déjà vu in the Mediterranean with an active week but a healthy tonnage list, leaving rates largely unchanged at between WS 85/87.5 and Black Sea is also paying WS 87.5.

In the Baltic, good levels of enquiry at the start of the week, enabled owners to push the market from very low WS 80s to WS 100 which was paid by Neste for an early May position. However after 3/4 May, the tonnage list looks more healthy and the feeling is that 100,000 tonnes would pay around mid WS 90s. The 80,000 tonnes cross North Sea market benefitted from the stronger Baltic and rates here moved up from around WS 110 to between WS 117.5/120 level.

In the Caribbean, a surge of enquiry for end April position saw the market for 70,000 tonnes tighten considerably and rates subsequently gained around WS 27.5 Points to WS 127.5 with potential for further gains for owners.

Panamaxes

Rates for 55,000 tonnes from ARA to the US Gulf have lost around 15 points, easing to mid WS 90s as a lack of enquiry and plenty of tonnage left owners competing hard for coverage and with the Caribs upcoast market weak also, owners may struggle to maintain even these levels.

Clean

After last week's rally in the 37,000 tonnes Cont/USAC trade, owners' optimism proved unfounded. With sufficient tonnage around and despite enquiry also for trips from Continent to West Africa, the market has eased modestly from WS 120 at the start of the week, to settle at between WS 115 and WS 117.5.

On the 38,000 tonnes backhaul run from US Gulf/UK-Cont, it has been another disappointing week for owners, with a healthy tonnage list leading to levels easing further from WS 90 to settle now at WS 80.

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