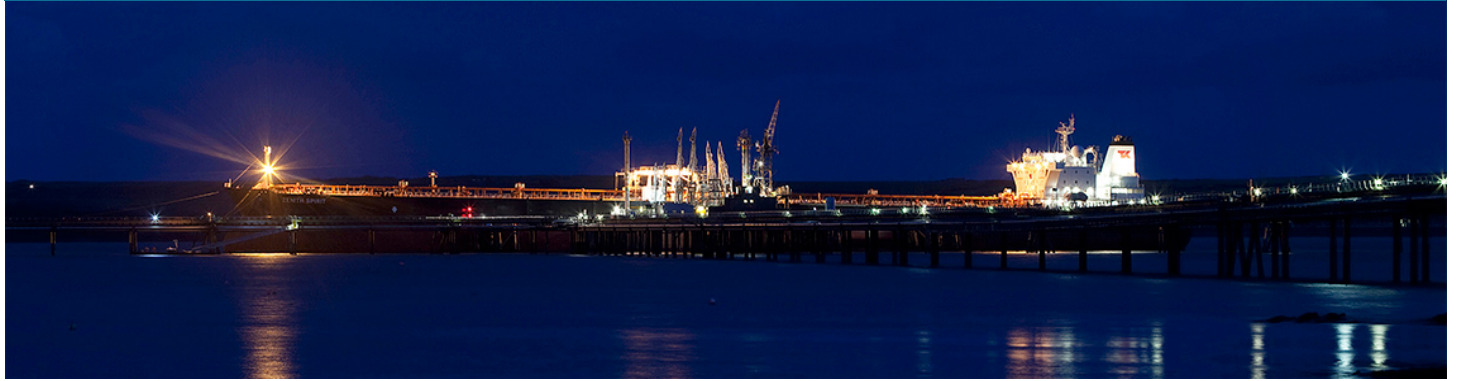




Tanker report – Week 19 2016

VLCCs

It has been another positive week for owners as an active start saw rates firm significantly with 270,000 tonnes going long east being fixed at WS 72.5, representing a gain of around 8 points. There was even WS 74 agreed, but this was on basis of 144 hours laytime. However, the market would now appear to have peaked, with charterers holding back in an effort to stem owners' confidence. To a degree they have been successful, as charterers who can take over aged tonnage managed to achieve a sizeable discount, as shown by GSC who are understood to have covered a trip to Korea at WS 61 on a 2000 built ship. Going west, the market for 280,000 tonnes to US Gulf has been stable at around WS 40 cape/cape.

West Africa rates moved in sympathy with the Middle East Gulf with rates adding around 7.5 points to WS 67.5 for China discharge, although WS 62.5 was subsequently done here, but this was on a 2000 built vessel. On the Continent, a Hound Point to South Korea voyage went at \$5.65 million, and there is a report today of fuel oil being fixed on subjects from Rotterdam to Singapore at around \$3.7 million. In the Caribbean, \$5.25 million is understood to have been paid for Singapore discharge, while a trip to WC India is said to have been fixed

at around \$3.65 million.

Suezmaxes

In West Africa, the market has been largely unchanged at WS 72.5 for Europe, while early in the week WS 67.5 was paid for US Gulf discharge. However, with significant delays in Nigeria now, it would appear that some owners prefer to avoid loading here, and brokers today feel that, with a number of ships committed to ballasting to West Africa from Asia, rates could potentially ease here.

Black Sea rates gained around 10 points with a high of WS 95 being paid, as a couple of replacement cargoes were fixed. Delays came about on the back of Trieste temporarily not berthing suezmaxes and also tug strikes in Fos. However, with the ongoing delays in Nigeria and owners with spot tonnage on the Continent keen to get fixed, the Med and Black Sea have become more attractive alternatives. Delays in Trieste have now eased leading to more tonnage, and rates would appear to be under downward pressure here. For a straight Sidi kerir to UKCont run WS 77.5 was agreed basis 130,000 tonnes.

Aframaxes

An active start to the week in the Mediterranean, with a tight tonnage list, enabled owners to push rates up a further 5 points to WS 115 for both Black Sea and East Med loaders. However, with the market quietening down, brokers feel owners may struggle to maintain these levels.

In the Baltic, there was an early downward correction to WS 67.5 basis 100,000 tonnes cargo, and this flurry of activity did help cover a number of early ships and with more enquiry for fuel oil, the market has now regained some lost ground with WS 70 now said to be on subjects here.

The 80,000tonnes cross North Sea market has moved in tandem with the Baltic, with the market now around WS 100, although early tonnage is helping keep rates in check here. The Caribbean has continued to suffer from an oversupply of early tonnage and rates have continued to ease with the market for 70,000 tonnes going up coast losing a further 10 points to settle at around WS 95.

Panamaxes

It has been a busier week on the Continent and with the tonnage list looking tighter, and early ships covered, rates are marginally firmer at WS 97.5 with potential for further upward pressure here.

Clean

In the 37,000 tonnes Cont/USAC trade, a lack of enquiry has seen rates ease around 2.5 points to WS 117.5, and with a lack of enquiry for West Africa discharge owners have fewer alternatives to look at, leaving rates under potential downward pressure here.

On the 38,000 tonnes backhaul run from US Gulf/UKCont, it has been a volatile week with rates initially gaining around 7.5 points to WS 102.5 before easing back to settle now in the low WS90s.

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