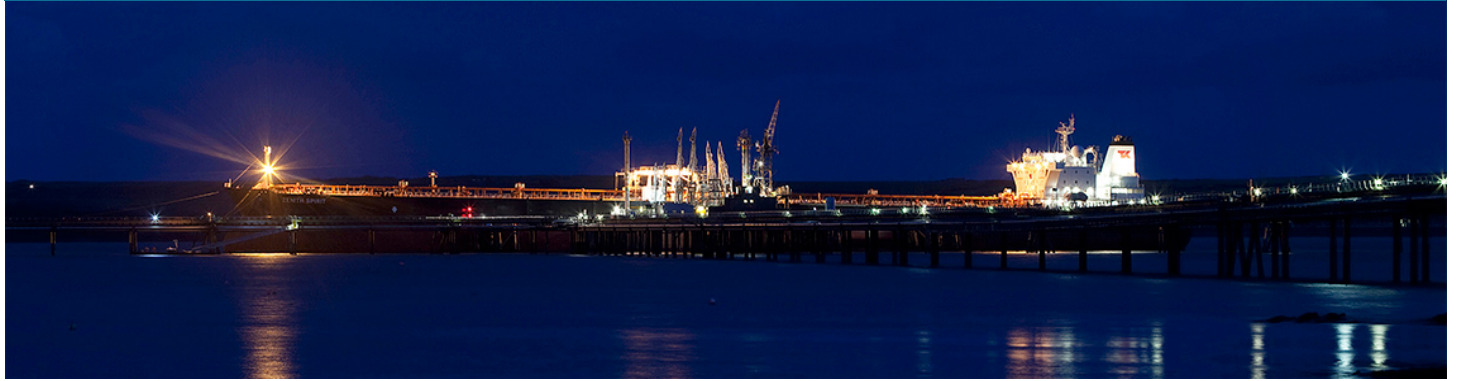




Tanker report – Week 23 2016

VLCCs

A grim week for owners as tonnage continued to build in the Middle East Gulf. Charterers saw a healthy response and rates for 270,000 tonnes going long east shed around 21 points over the week. Litasco paid WS 44.25 to China on the 2002 built *TI Topaz*. The 17 year old *Maran Callisto* and the *Genmar Vision* built 2001 reportedly went for short runs to Singapore at WS 45 and WS 46.25 respectively. Subsequently the 15 year old Koch re-let *Formosa Petrochallenger*, ex dry dock, fixed *Formosa* at WS 39 for Taiwan. Rates dropped nine points for 280,000 tonnes heading to the US Gulf with Valero booking the *Maxim* ex drydock at ws 25 cape/cape. BP previously paid WS 30 cape/cape but this business included wide discharge options. July stem lists for both Basrah and West Africa provided little cheer for owners as they now await the Saudi program.

West Africa rates moved in tandem with the Middle East Gulf – the last done seen at WS 52.5 for China discharge – down almost 12.5 points from a week ago. The one bright spot for owners was the possibility of more co-loading opportunities as the suezmax market

strengthened in West Africa. Inquiry from the Caribbean was limited but a run to Singapore allegedly fixed at \$4.65 million and \$3.5 million was paid for a west coast India cargo – down \$400,000 from earlier in the week. Slow trading from the North Sea and little interest for fuel from Rotterdam to Singapore prompted owners to divert their attention to West Africa and Caribbean adding to the woes there.

In the Mediterranean, Bahri took the 2000 built *BW Ulan* for a Sidi Kerir/Continent trip at WS 50 basis 280,000 tonnes cargo.

Suezmaxes

In West Africa, healthier levels of inquiry lead to a tighter tonnage list enabling owners to regain lost ground with the market firming from mid WS 70s to low WS 80s for Europe. A run to USAC fixed at WS 80. Shorter voyages for discharge in South Africa gained 10 points to WS 95.

In the Black Sea rates firmed marginally to around WS 80/82.5 basis 135,000 tonnes cargo.

Aframaxes

In the Mediterranean, the market regained some ground. Increased inquiry, a tighter tonnage list for end June positions, delays in Trieste and tonnage still strike-bound in Fos saw rates rebound from the low of WS 95. Statoil fixed two aframaxes from Ceyhan at WS 107.5 and WS 110.

An active third decade in both the North Sea and Baltic saw rates jump significantly. End June positions remained tight and the market in the Baltic gained around 22 points to WS 100 for 100,000 tonnes. The 80,000 tonne cross North Sea market moved in tandem with the Baltic, gaining around 12.5 points with WS 125 the last done here. There was a deal done at WS 130, but this apparently failed on subjects.

The Caribbean was under pressure throughout the week as tonnage continued to build. Lacklustre levels of Inquiry for 70,000 tonnes going up-coast saw rates ease from WS 97.5 to WS 95 and then talk that Clearlake booked a ship at WS 90 with potential for further softening.

Panamaxes

On the Continent, a slow start to the week saw rates for 55,000 tonnes from ARA to the US Gulf drop around 25 points to WS 90 level. There was talk of WS 85 having been agreed but this was allegedly for a ship back-loading in its current discharge port. A subsequent uptick in inquiry has enabled owners to start to push for rates in the low/mid WS 90s.

Clean

Another difficult week for owners moving 37,000 tonnes from the Continent to the USAC. A plentiful supply of tonnage and a lack of fresh cargoes saw rates plunge 15 points to WS 90, although a WS 87.5 was agreed but failed on subjects. Rates for 37,000 tonne cargoes to West Africa also lost ground dropping 20 points to WS 115.

In contract, in an active US Gulf market rates for 38,000 tonnes to the Continent gained around 20 points to WS 80 with further potential.

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