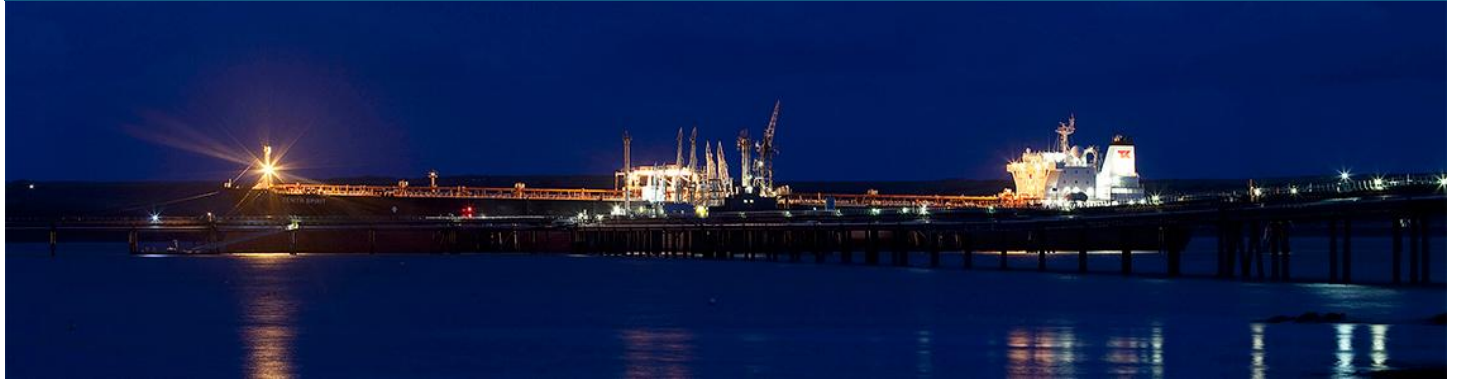




Tanker report – Week 43 2016

VLCCs

It has been a disappointing week with little fresh enquiry resulting in the market dropping to low WS 50s for long east, representing a loss of around 12 points from a week ago.

Competition from over aged tonnage and newbuildings keen to be fixed added to the lower levels. That said, with the tonnage now thinned out, sentiment is starting to firm and a 1998 built ship subsequently fixed a Basrah/China run at WS 55. Going west, rates for 280,000 tonnes to the US Gulf dropped from WS 39 level at the end of last week down to WS 35/36

region, but with a large proportion of the November program to be covered, brokers feel there is potential for an improvement in the market.

In West Africa, rates for 260,000 tonnes to China initially slipped down around five points to WS 62.5 but thereafter rates stabilised. In the Caribbean there has been steady enquiry enabling owners to maintain market levels, and rates for Singapore discharge stand at around \$4.6 million, while an EC Mexico to Korea run went at \$5.5 million. For WC India discharge, Essar are said to have paid \$3.75 million.

Suezmaxes

West Africa has seen a steady decline in rates this week, dropping around eight points to WS 57.5 as the tonnage list built up. However, the weakening in the market led to a number of new enquiries in as charterers looked to capitalize, with the feeling now being that the market has bottomed out.

With West Africa rates soft, Black Sea has followed suit, dropping from WS 87.5 down to around WS 82.5 basis 135,000 tonnes. However Turkish straits delays are minimal at present but expected to increase as the days get ever shorter. Med rates are also soft and a short

Algeria/Lavera run went at WS 70 while ENI fixed a longer voyage from Algeria at WS 62.5 to UK-Cont with US Gulf at WS 53.75, all basis 130,000 tonnes cargo.

Aframaxes

In the Mediterranean, a healthy tonnage list put rates under pressure and Petrogal were able to cover 80,000 tonnes from Sidi Kerir to Portugal at WS 65. Cross Med rates are in the high WS 60s now with Black Sea load paying around WS 70. More tonnage will need to be fixed before weather delays and berthing congestion in Trieste begin to have an effect on the market here. In the Baltic, rates for 100,000 tonnes cargo have dropped WS2.5 down to WS 72.5 and the market remains under downward pressure due to the maintenance at Primorsk from 7-11 November. The 80,000 tonnes cross North Sea market has moved in step with the Baltic with rates here now at WS 95 level, down four points from the start of the week.

The 70,000 tonnes Caribbean up coast market has shown its volatility as an active start to the week saw rates rebounding from low WS 90s to sit now at WS 110 as charterers have struggled to find tonnage with reliable itineraries.

Panamaxes

On the Continent, a lack of enquiry has left the market largely unchanged. The steady Caribs up coast market which sits at almost WS 110 basis 50,000 tonnes has led to a lack of ballasters to UK-Cont restricting charterers to 'local' tonnage with rates steady at around WS80/82.5 level for 55,000 tonnes from ARA to the US Gulf and rates from the Mediterranean at similar levels.

Clean

In the Middle East Gulf, some of the steam has come out of the market with rates easing around five points to mid WS 80s for 75,000 tonnes to Japan, while in the 55,000 tonnes AG/Japan trade rates have similarly come under pressure, down to high WS 80s in contrast to the WS 92.5 seen at the start of the week.

In the 37,000 tonnes Cont/USAC trade, an active start to the week enabled owners to push rates up almost five points to WS 90 with the market looking evenly balanced. In the 38,000 tonnes backhaul trade from the US Gulf, rates have hovered between low/mid WS 60s with last done here being Scorpio tonnage fixing to Vitol at WS 65.

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