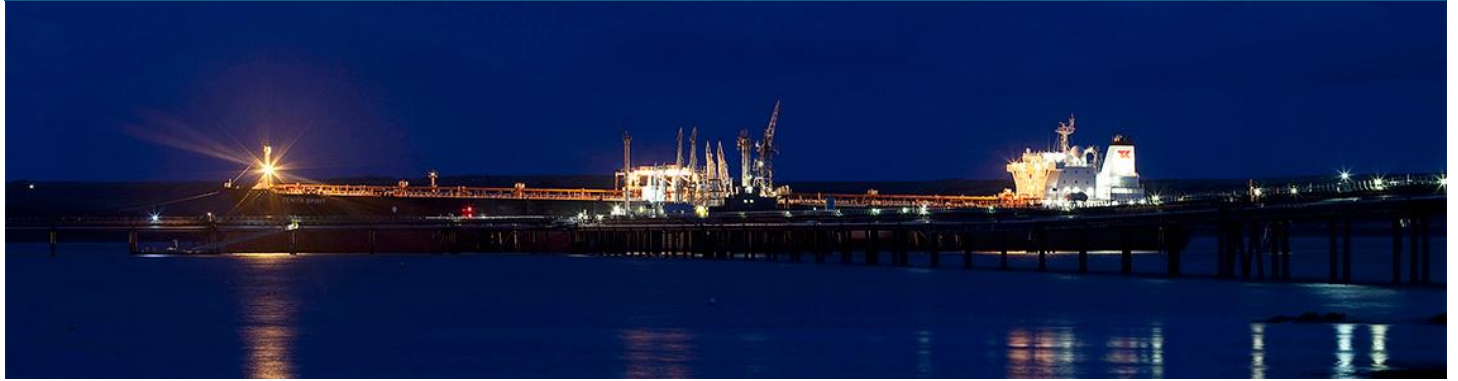




Tanker report – Week 1 2017

VLCCs

Market rates at present are very much guided by the type of ship that charterers are willing to fix. Idemitsu took two ships for 270,000 tonnes each to Japan at the equivalent of very low WS100s while a new building was fixed also for 270,000 tonnes equating to low WS 80s to South Korea and a 2000 built vessel was fixed in the high WS 80s to South Korea. Going west, rates for 280,000 tonnes to the US Gulf are now assessed in the high WS 50s, although the

equivalent of about WS 61.75 cape/cape was paid by Shell, however this was for a cargo requiring full east/west options so would have commanded a premium.

In West Africa, the market has slipped with rates for 260,000 tonnes to China now assessed at around WS 93.5. On the Continent, Petroineos are said to have paid \$5.75 million on Front Page for a Skaw/China run while Shell took the Aquila at \$5.8 million from Hound Point/Korea trip at \$5.8 million with the option of Skaw/Singapore at \$5.5 million. In the Caribbean, \$5.1 million was paid for a voyage to Singapore with WC India rates hovering around \$4.2 million. In the Mediterranean, Socar are said to have paid \$5.4 million from Ceyhan to Taiwan on the 2001 built BW Utik.

Suezmaxes

It has been a difficult week for owners in West Africa with a force majeure in some Nigerian ports, leading to a build-up of tonnage, and rates have slumped accordingly with the market dropping down to just below WS 110 for 130,000 tonnes cargo to Europe.

Although the delays in the Turkish straits are around a week each way, rates have come under pressure with the market hovering around the WS115/117.5 level, with Vitol and Chevron active here. A short Algeria/Lavera trip is said to have been fixed equating to

around WS 134 while a Libya/UK-Cont voyage went at around WS 114, both basis 130,000 tonnes cargo. A Ceyhan Singapore run off 8 January failed at \$2.55 million and replacement tonnage subsequently achieved around \$2.6 million here.

Aframaxes

In the Mediterranean and Black Sea markets, rates for 80,000 tonnes have crept back up to about WS 120 representing a gain of almost 10 points from the holiday period.

With the ice season kicking in now, rates for 100,000 tonnes from Primorsk have settled at around WS 115 with a premium payable for Med discharge as the ice ships prefer to stay in the north. However in the 80,000 tonnes cross North Sea market, enquiry has been limited and rates have eased with Vitol fixing a Total relet at WS 100.

In the 70,000 tonnes Caribs/upcoast trade, tonnage availability has improved significantly and the market has tumbled from the highs of WS 210/220 level seen at the end of December with rates dropping down to WS 145 level.

Panamaxes

On the Continent, tonnage has been tight with tonnage in the Caribs tending to stay local to capitalize on the strong market there, and this has led to rates for 55,000 tonnes from ARA to the US Gulf firming to around very low WS 190s.

Clean

It has been another positive week in the Middle East Gulf, where rates consolidated at around WS 152.25 for 75,000 tonnes to Japan, while in the 55,000 tonnes AG/Japan trade the market has been steady at in the mid WS 140s aided by some prompt requirements and replacement business. With decent amounts of enquiry in the natural fixing window, brokers see the market remaining unchanged.

In the 37,000 tonnes Cont/USAC trade, the market has been steady with WS 195 being paid.

However in the 38,000 tonnes US Gulf/Continent trade, plenty of tonnage has seen the market come under downward pressure and close to WS 110 is said to have been fixed although some say this may not be a true reflection of the market as the ship concerned apparently needed to get back across.

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