



# Cape Town

## Tanker Chartering Report

October 2009

# Volatility remains a feature of the Tanker Market

'05-'07

'07-'08

'08-'09

BDTI - 60%

+ 70%

- 64%

BCTI - 61%

+ 82%

- 65%

# Tanker Chartering Report

## Bunker Prices in Rotterdam

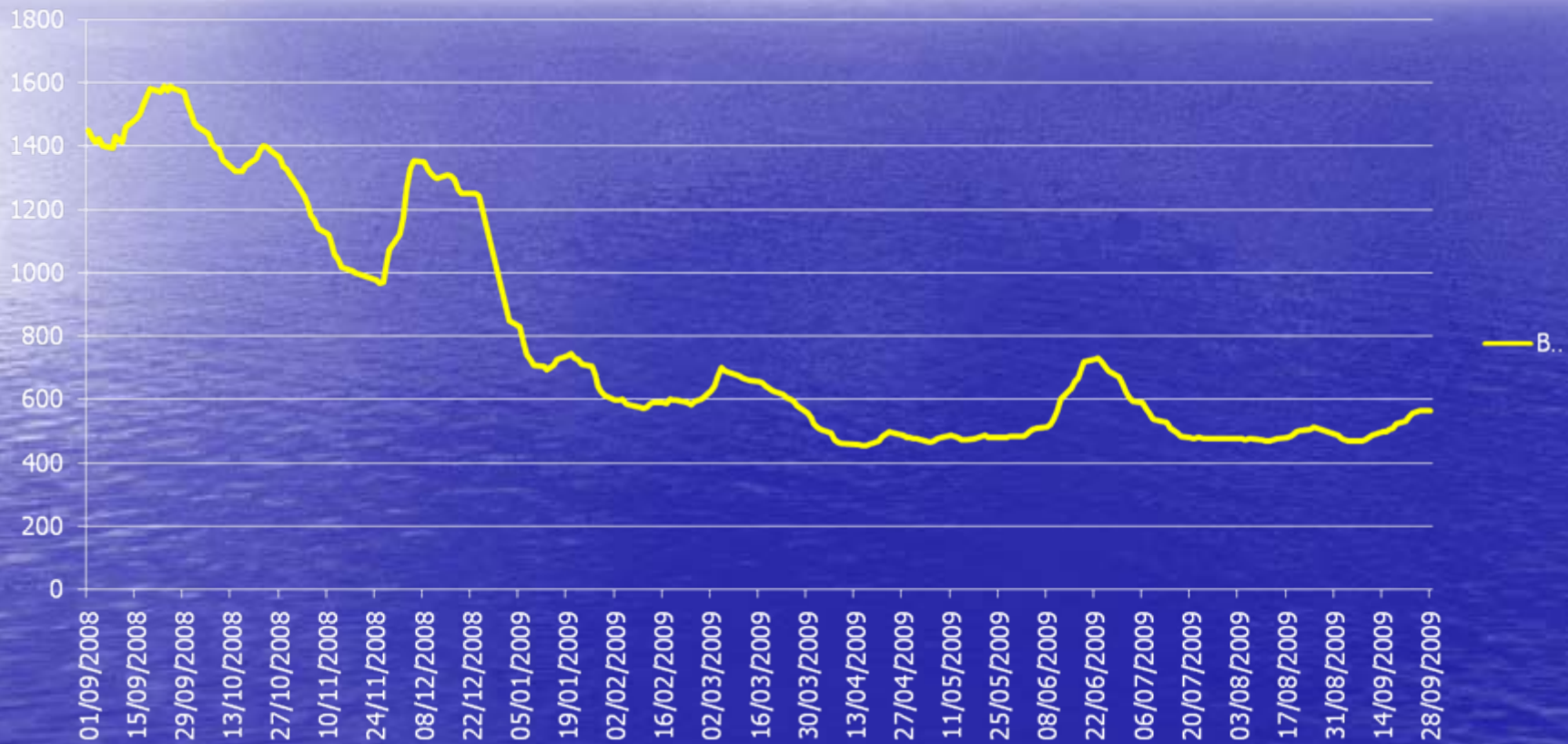
Fell from \$634 to \$165 per tonne  
minus 74.0%

Now approx \$400 (\$357 Oct '08)



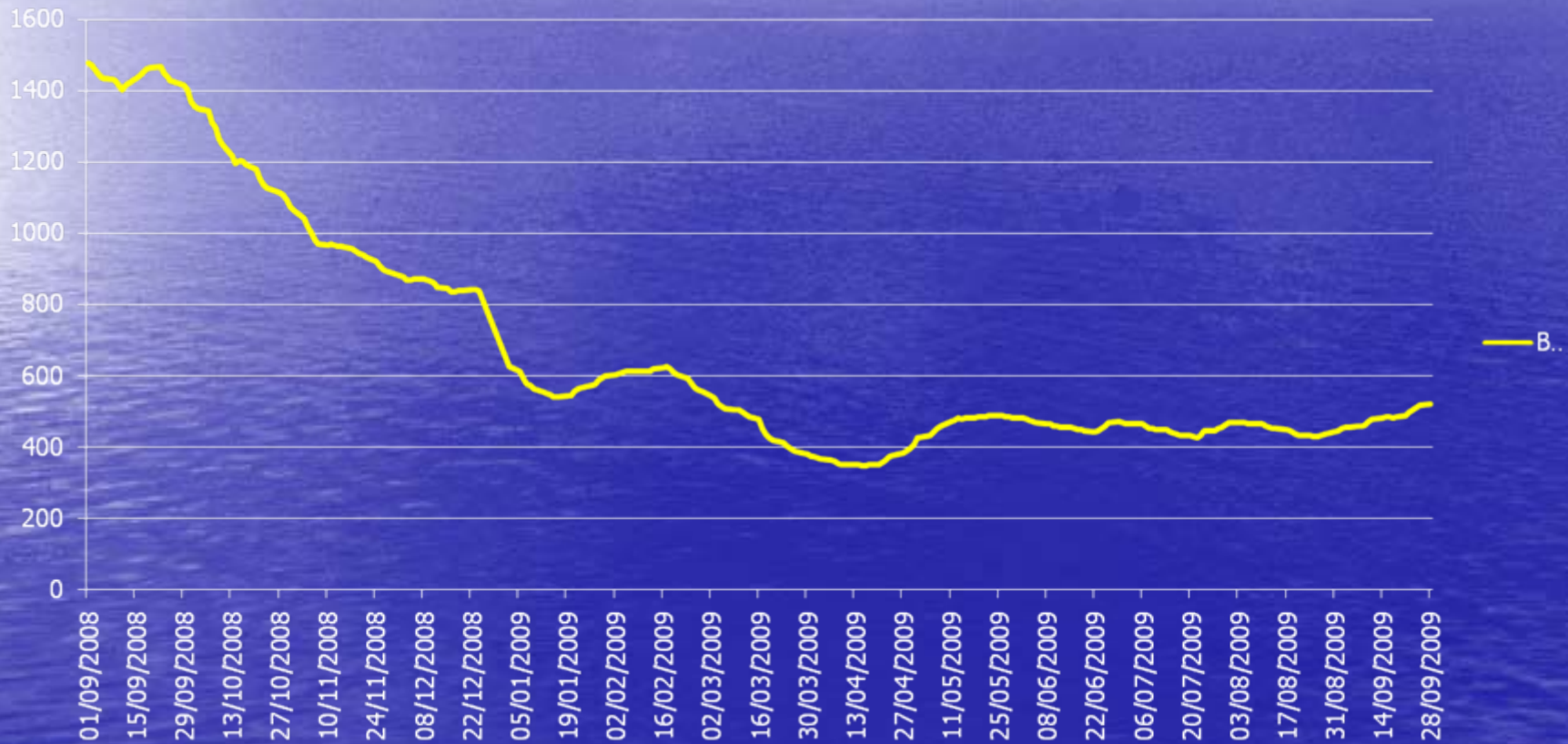
# Baltic Dirty Tanker Index

## October 2008-2009

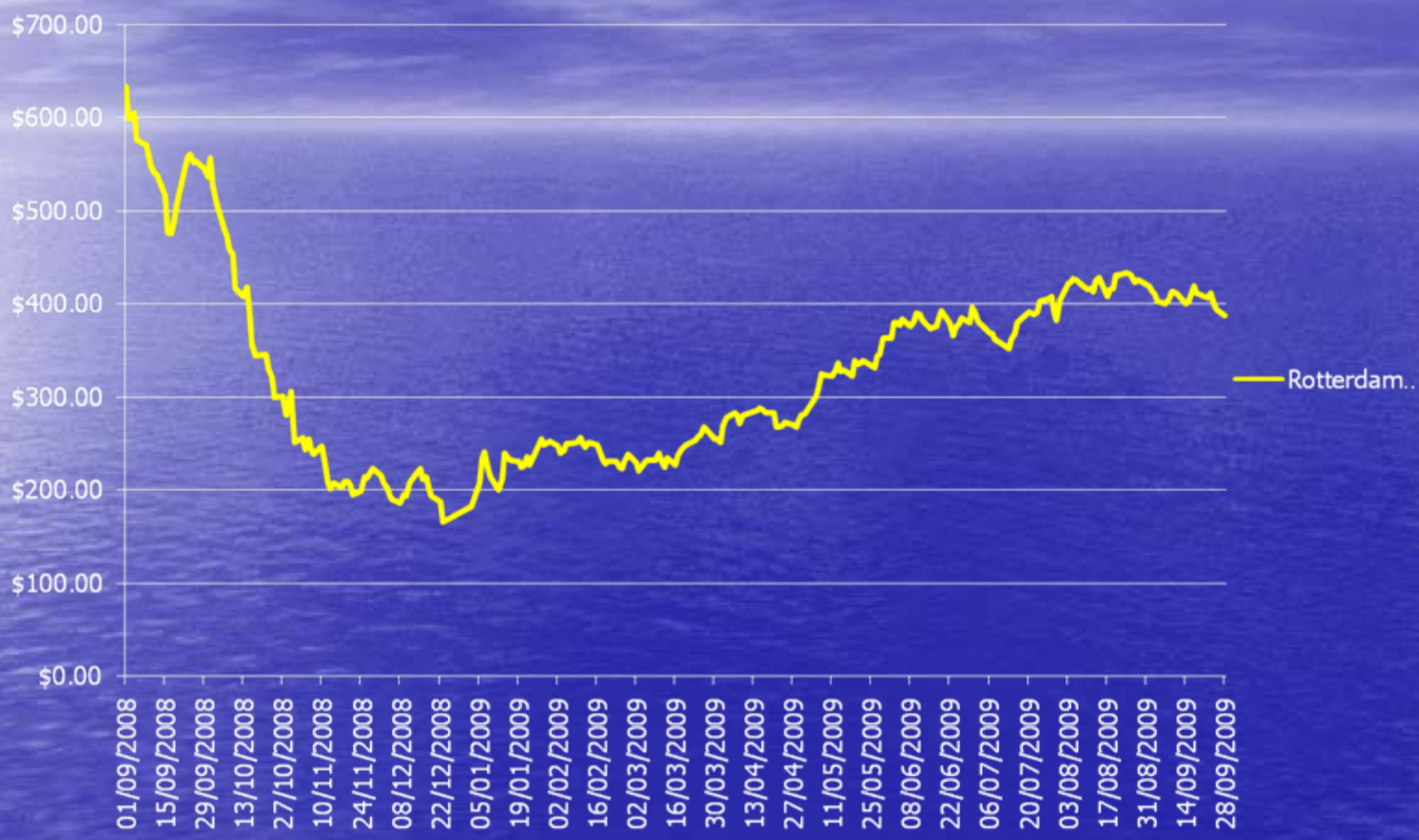


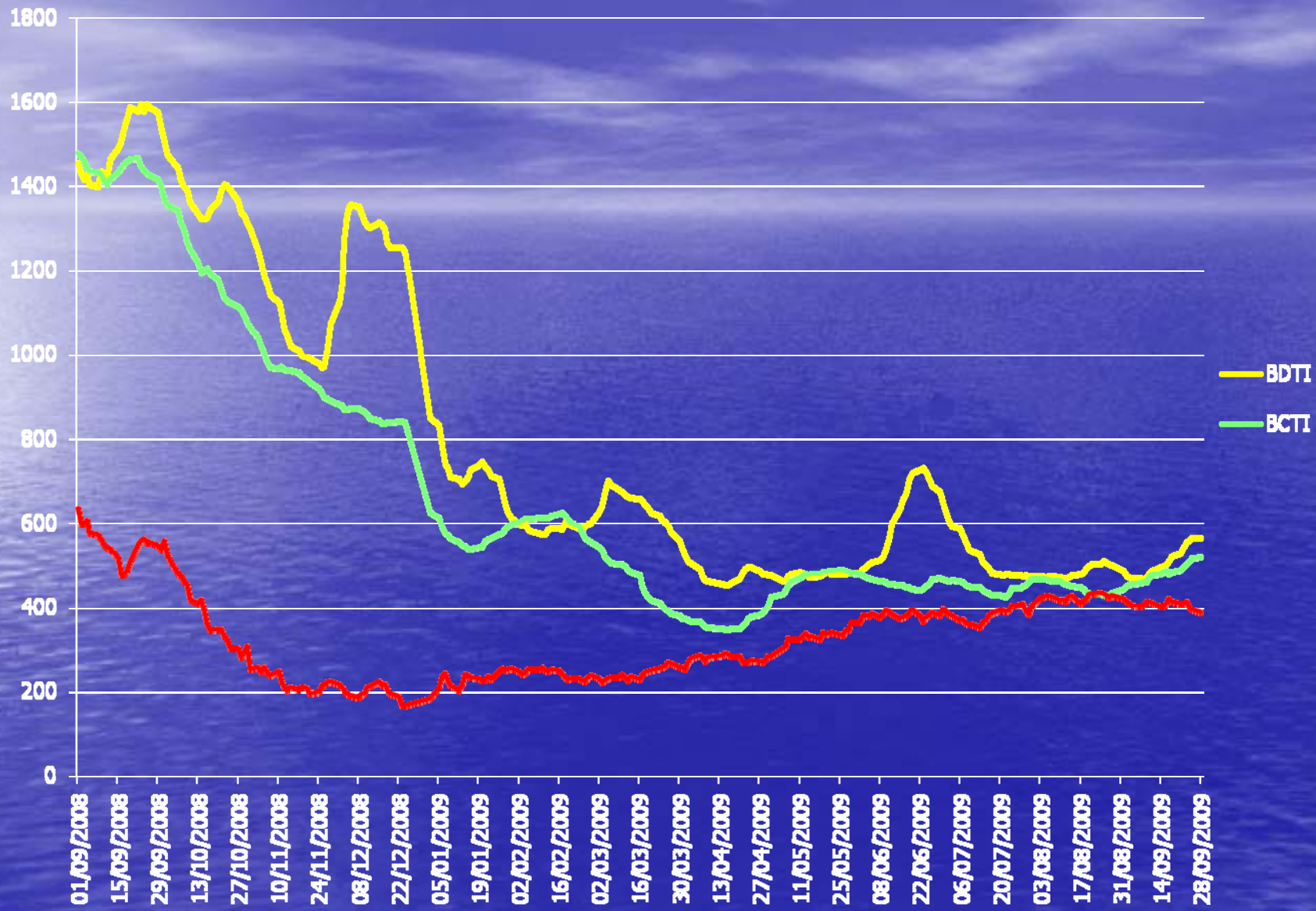
# Baltic Clean Tanker Index

## October 2008-2009









# Tanker Chartering Report

- Global Oil Demand slumped 2009 due to global economic downturn
- Estimated 84m bbls/d (- 2.7% vs '08)  
small rise 2010 to 85m bbls/d
- Oil Price \$81/bbl 2010 ('09 = \$90)
- Now \$70



# Tanker Chartering Report

High level of oil stocks – worldwide

Imports	Crude	Products
USA	-31.4%	-33.2%
Europe	-49.5%	-37.8%
Japan	-44.8%	-56.9%
World	-40%	-37.1%

# Tanker Chartering Report

- China

- Car ownership

- Jan forecast for 2009 +5.3m

- Sept forecast for 2009 +7.3m

Oil product exports +74% yoy

- Gas Oil -6.3%

- Gasoline up, no figure available

# Tanker Chartering Report

## Tanker Fleet:

Current 5,194 vessels 429.0m dwt  
32.1m dwt delivered Jan-Aug (59%)  
(approx. 10% Single Hulls)

Net Growth est. Aug '09 – Dec '10 + 8%



# Tanker Chartering Report

## Tanker Fleet

On order:

1,505 vessels 141.8m dwt (33.1%)

# Tanker Chartering Report

Floating Storage (short term)

US/Europe/Asia

27 VLCC's + 5 Suezmaxes Crude Oil

9 VLCC's product (distillate)

84 Product tankers (distillate)

55m bbls CO + 60m bbls distillate

# Tanker Chartering Report

Laid up/idle tankers highest level since  
2003

700,000dwt July 800,000dwt August

7.1m dwt 'inactive' August = 62 consec  
days no recorded AIS movement



# Tanker Chartering Report

- VLCC average earnings:
  - 2006 \$60,289
  - 2007 \$55,744
  - 2008 \$92,511
  - 2009 \$33,324 (to date)
  - 1 Oct \$22,000

# Tanker Chartering Report

VLCC fleet :

1/3<sup>rd</sup> gone for scrap 2009.

conversions to Ore Carriers or FPSO's  
less popular

Earnings \$22,000/d

Storage low \$30,000's

# Tanker Chartering Report

- FFA's may provide a forecast
- TD3      260,000mt AG/Japan
  - Sept 09      \$9,000
  - Oct 09      \$18,250
  - Nov 09      \$24,250
  - Dec 09      \$27,500
  - Cal 10      \$30,250



# Tanker Chartering Report

- The Future:

- Global Economic recovery

- Arrest declining demand

- Production areas & pipelines

- Alternative Fuels eg wind/ solar/  
coal/gas

# *Tanker Market*

**Lookout**

**For the**

**Doldrums!**

