

**GIBSON**

**SHIPPING ENERGY**

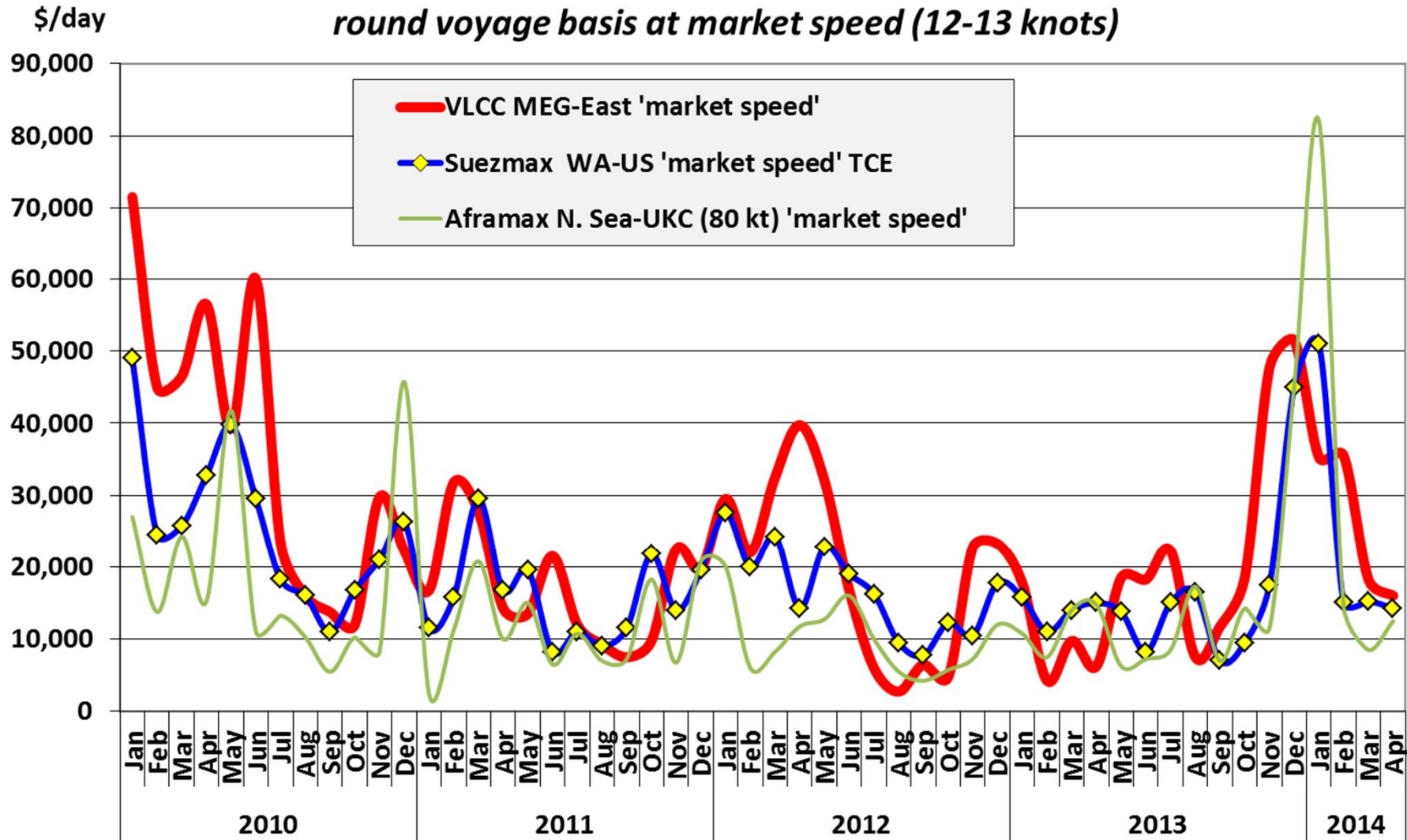
**TRENDS IN TANKER MARKET**

**IMSF**  
**May 2014**

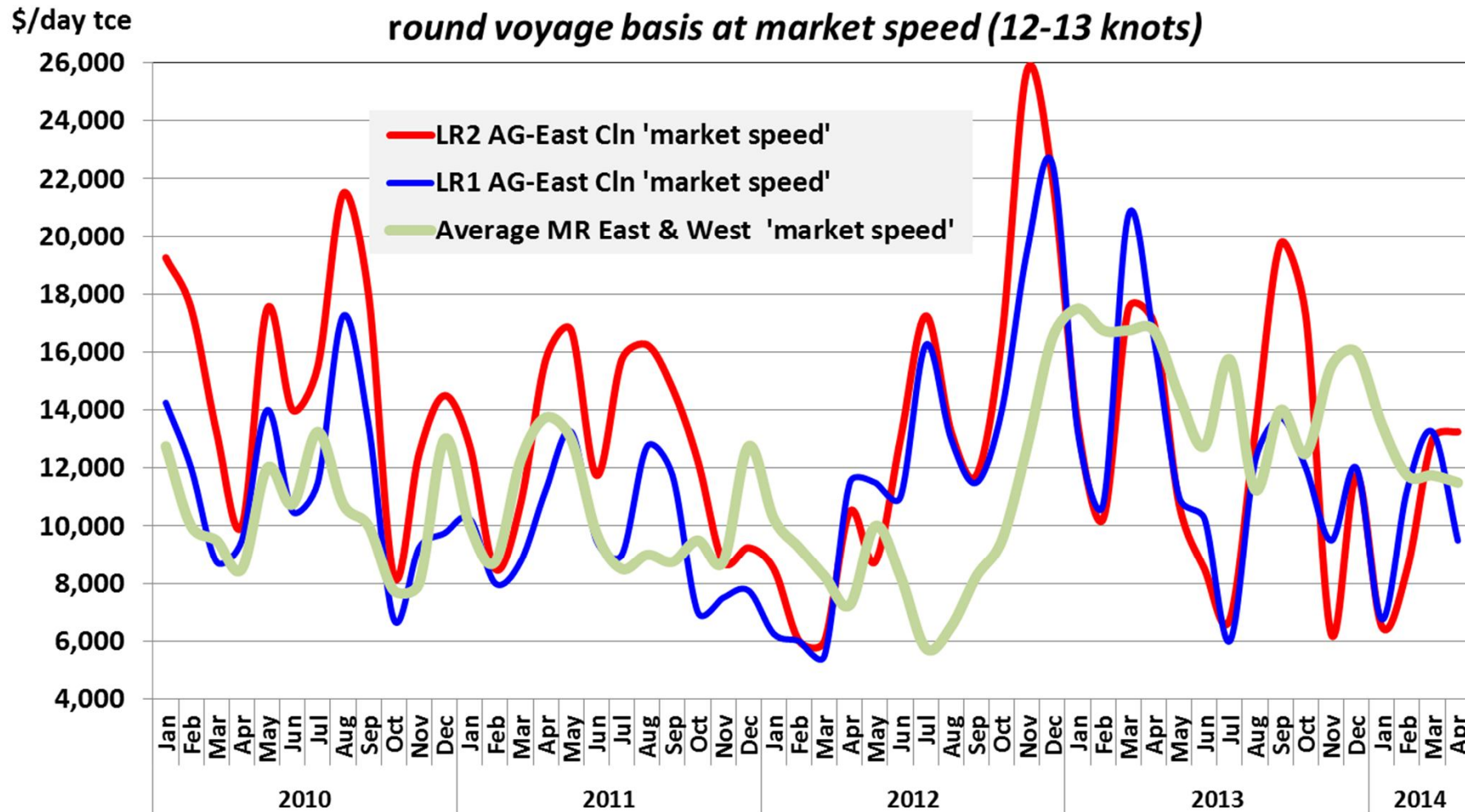


crude tankers • lpg, lng, petchem gases • offshore • product tankers  
dry bulk • consultancy & research • sale and purchase • specialised tankers

## Monthly Average Crude Tanker Earnings *round voyage basis at market speed (12-13 knots)*



## Monthly Average Clean Product Tanker Earnings



(a) MR incorporates assumptions on triangulation, LR1 & LR2 based solely on round voyage economics

## Number of New Tanker Orders Placed Each Year

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014 to date
<b>VLCC</b>	37	90	37	98	26	55	13	13	50	28
<b>Suezmax</b>	9	81	46	51	27	74	21	9	3	3
<b>LR2</b>	15	68	58	24	0	11	1	2	66	7
<b>Aframax</b>	31	85	48	31	7	25	13	16	7	6
<b>LR1</b>	17	59	54	22	30	18	5	3	0	16
<b>Panamax</b>	5	3	1	6	0	0	2	0	0	0
<b>MR/Handy</b>	131	237	187	68	31	36	50	115	227	14
<b>Total</b>	<b>245</b>	<b>623</b>	<b>431</b>	<b>300</b>	<b>121</b>	<b>219</b>	<b>105</b>	<b>158</b>	<b>353</b>	<b>74</b>

## Change in Vessel Prices (past 12 months)

VLCC				
	New	5 yr old	10 yr old	15 yr old
Apr 2013	90	54	36	24
Apr 2014	102	74	48	28
<b>% change</b>	<b>+13%</b>	<b>+37%</b>	<b>+33%</b>	<b>+17%</b>

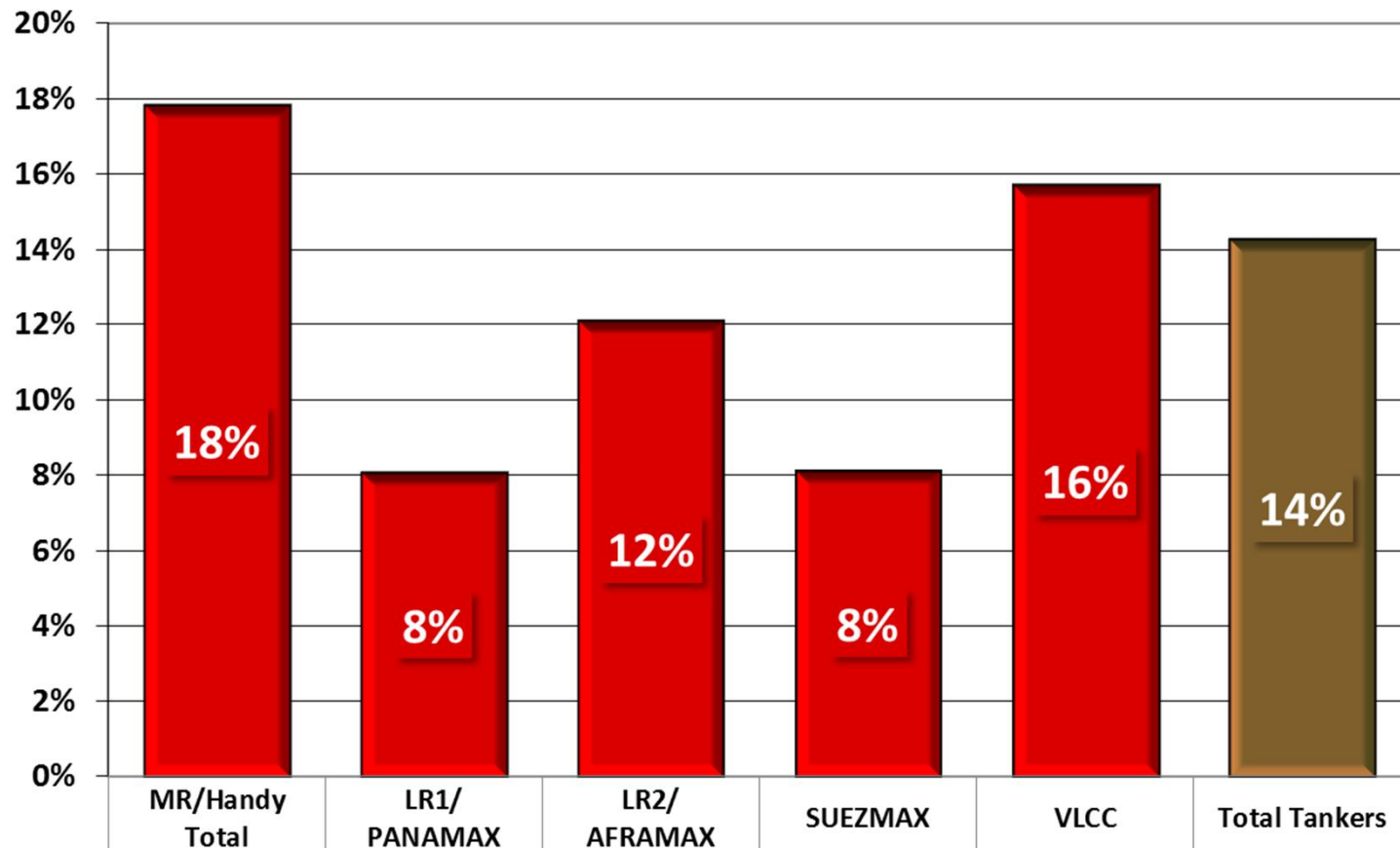
  

LR2			
	New	5 yr old	10 yr old
Apr 2013	49.5	30	21
Apr 2014	57.5	40	27
<b>% change</b>	<b>+16%</b>	<b>+33%</b>	<b>+29%</b>

MR			
	New	5 yr old	10 yr old
Apr 2013	33	24.75	15.5
Apr 2014	38	29	20
<b>% change</b>	<b>+15%</b>	<b>+17%</b>	<b>+29%</b>

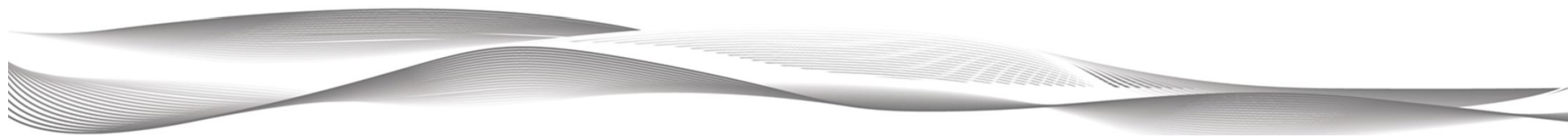
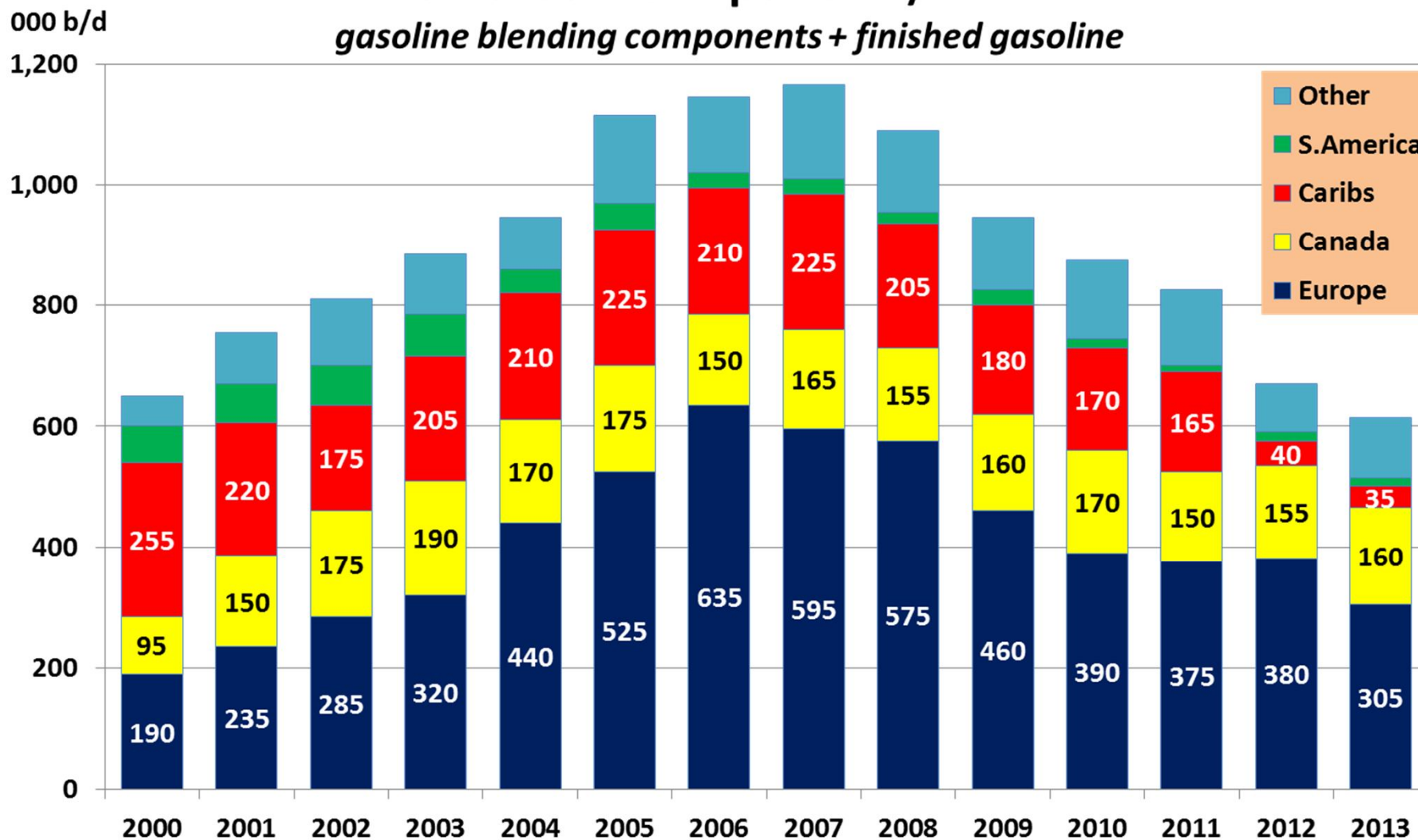
## Tanker Orderbook as % of the Existing Fleet



■ orders as % of fleet	18%	8%	12%	8%	16%	14%
On Order	336	35	111	39	99	620
Existing Fleet Feb 2013	1,884	434	917	479	630	4,344

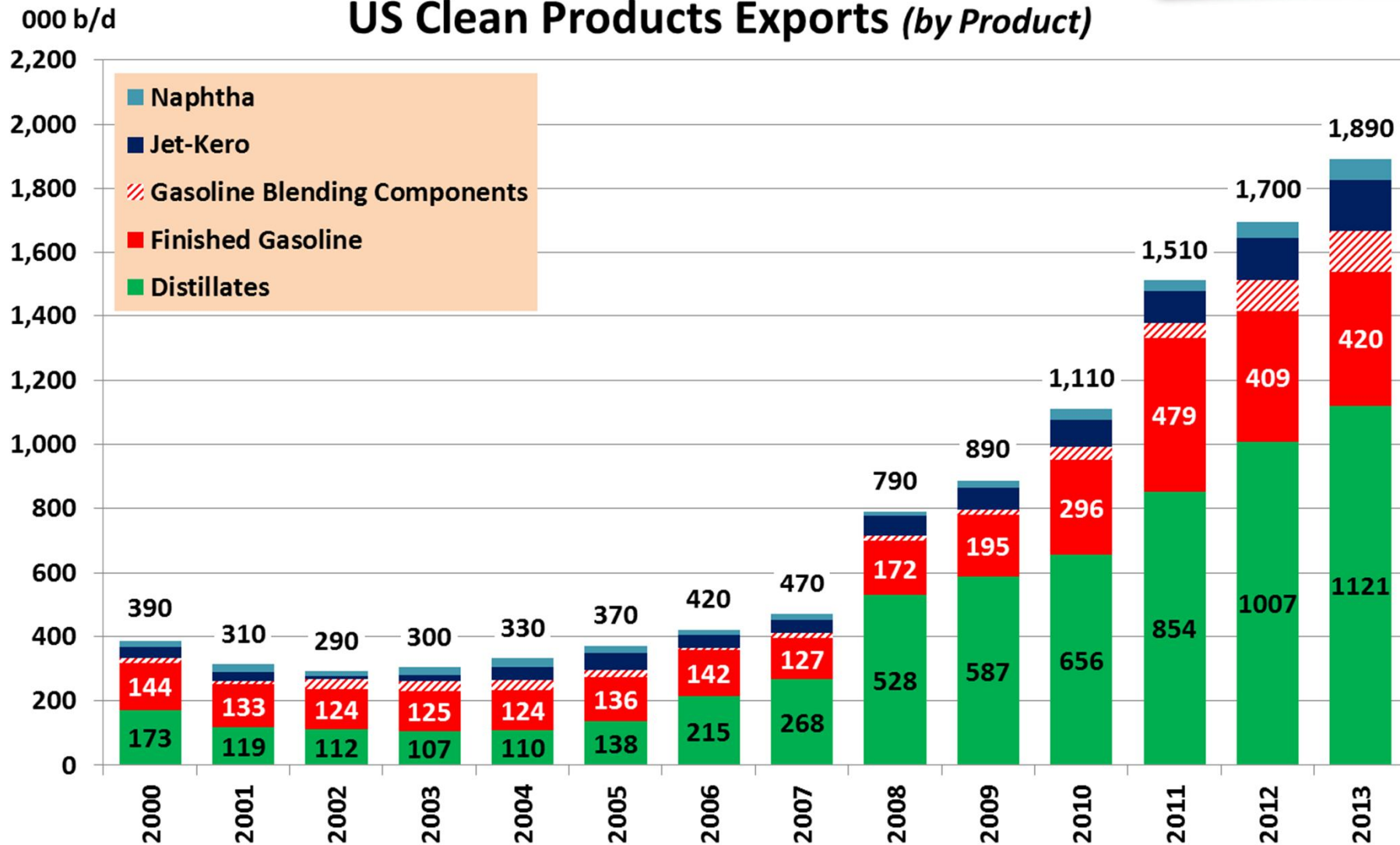
## US Gasoline Imports - by source

*gasoline blending components + finished gasoline*



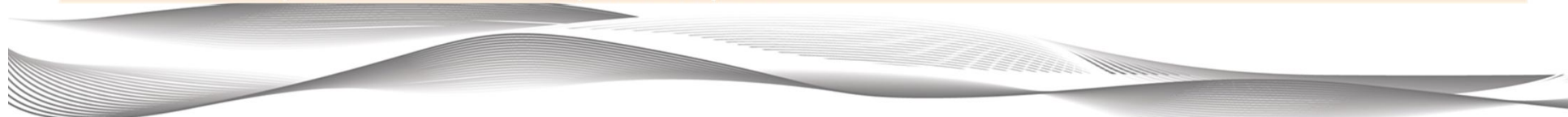
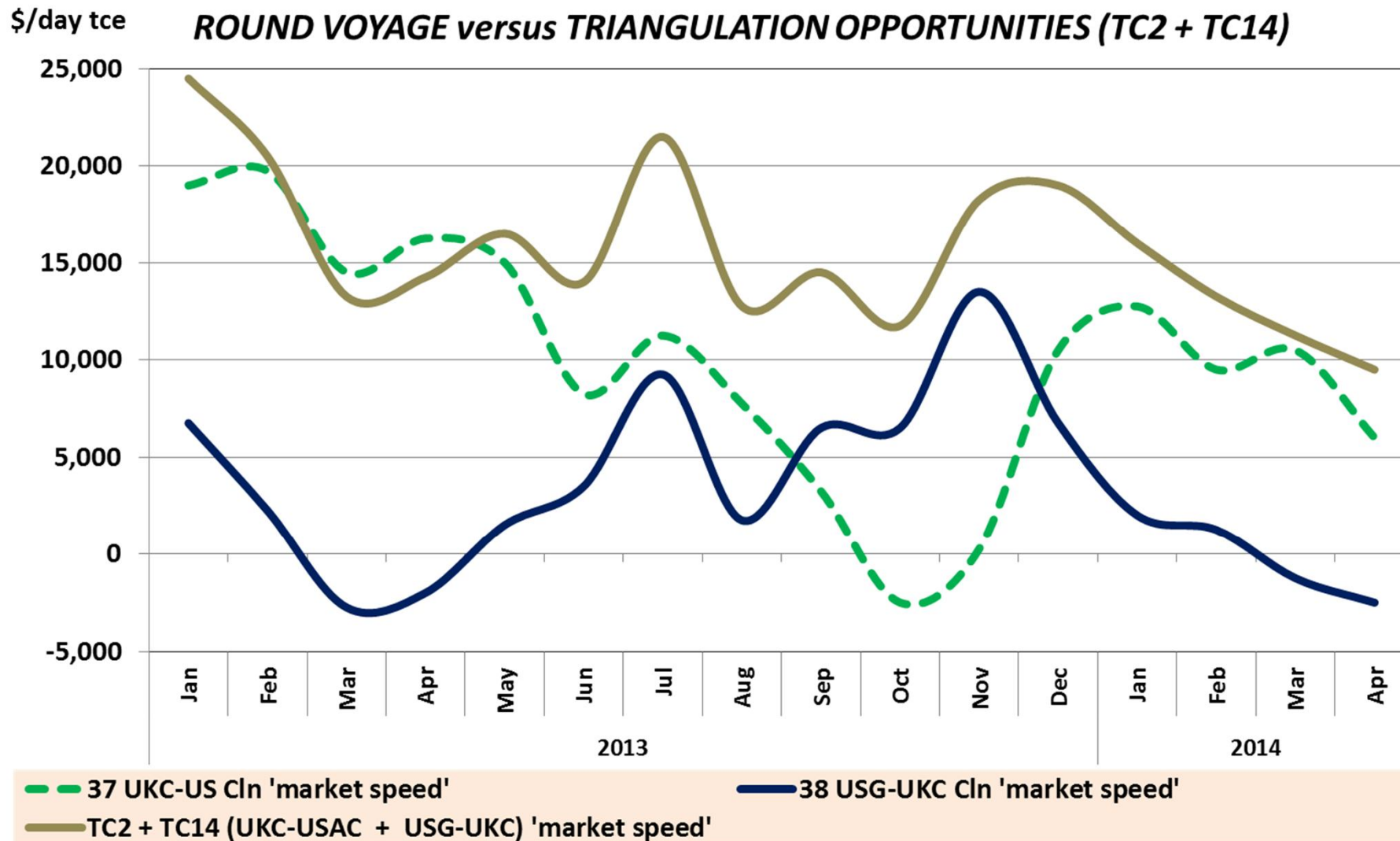


## US Clean Products Exports (by Product)

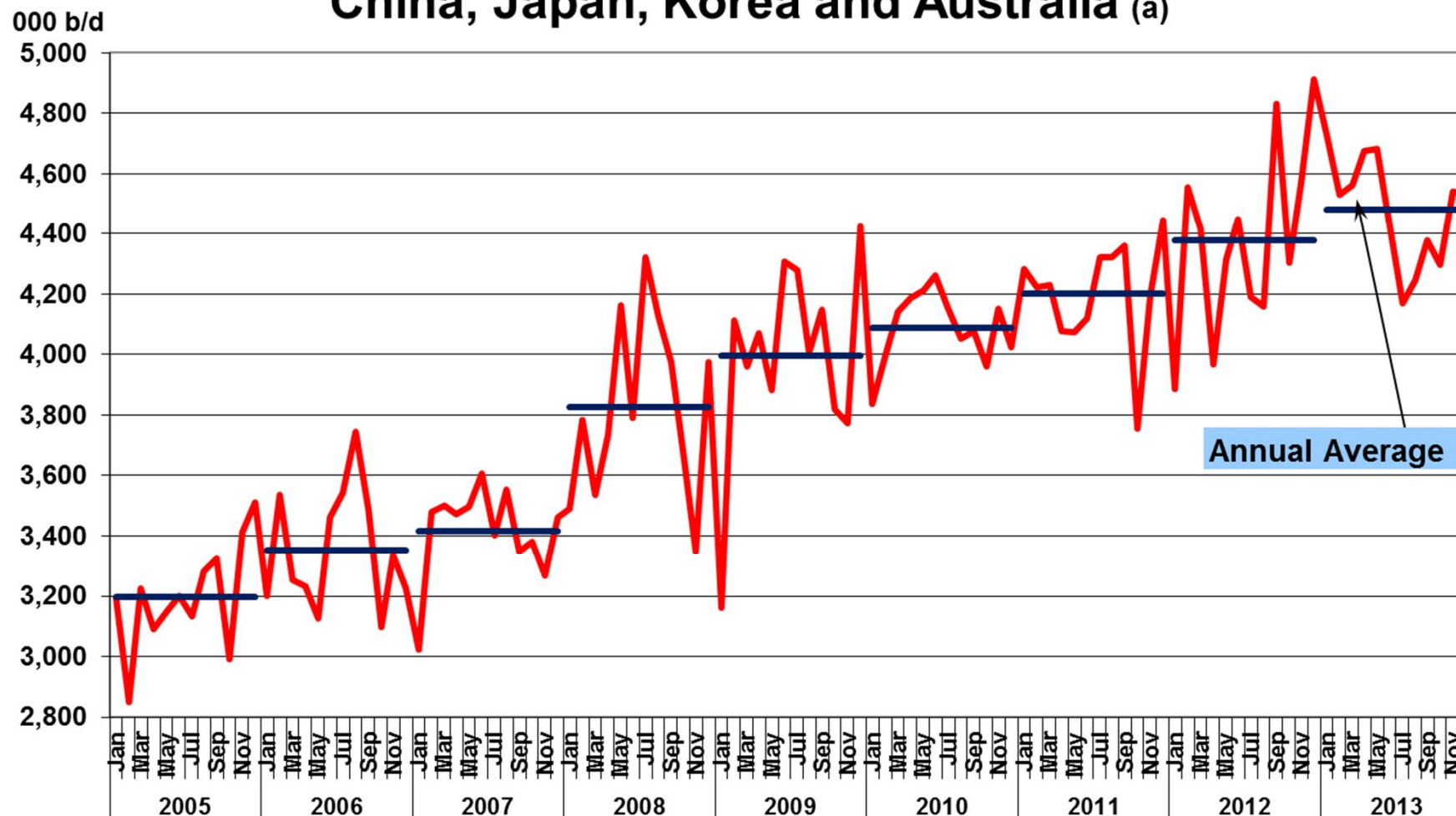


## MR Clean Product Tanker Earnings in the West

*ROUND VOYAGE versus TRIANGULATION OPPORTUNITIES (TC2 + TC14)*

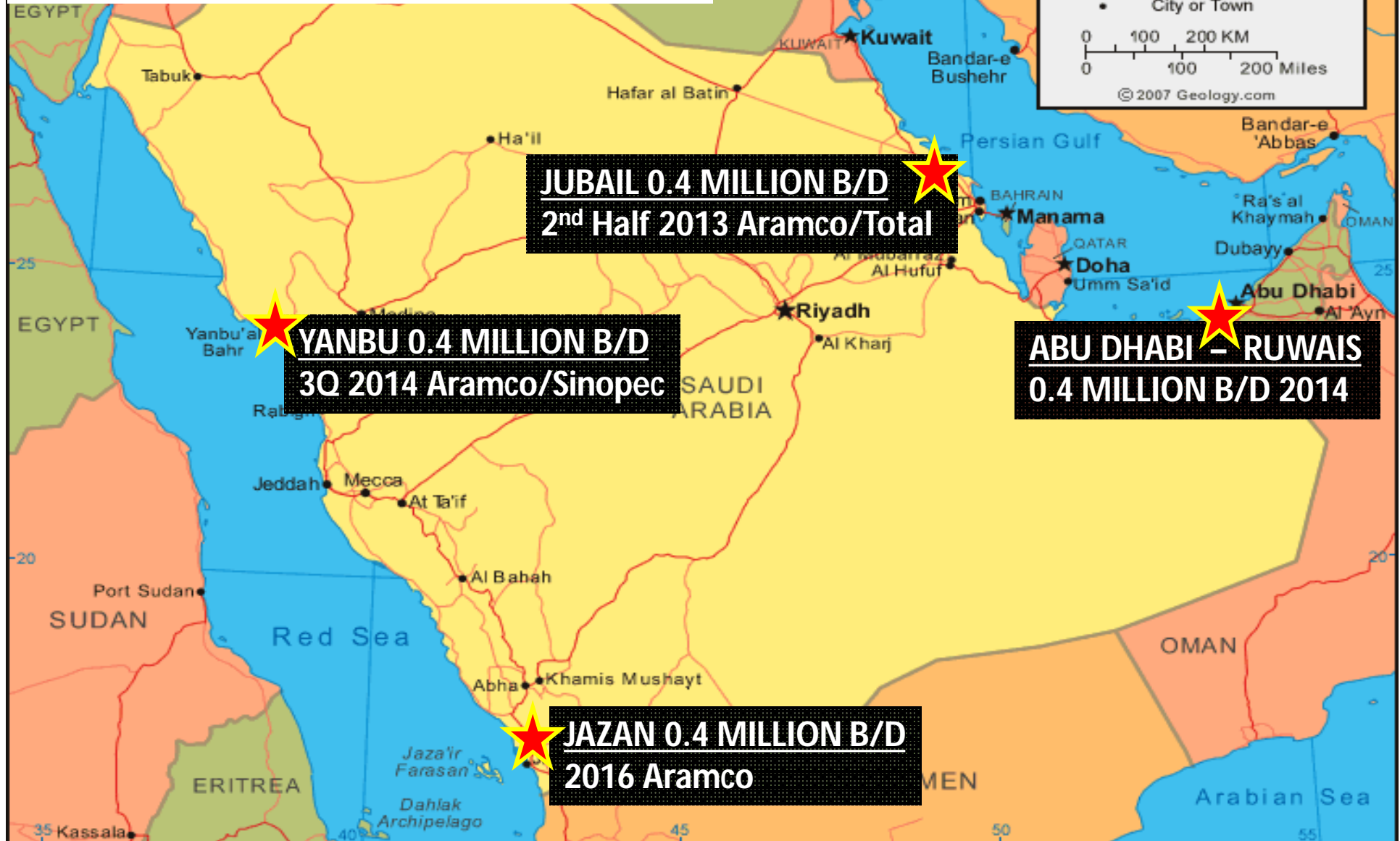


## Product Import/Export Volumes for China, Japan, Korea and Australia (a)



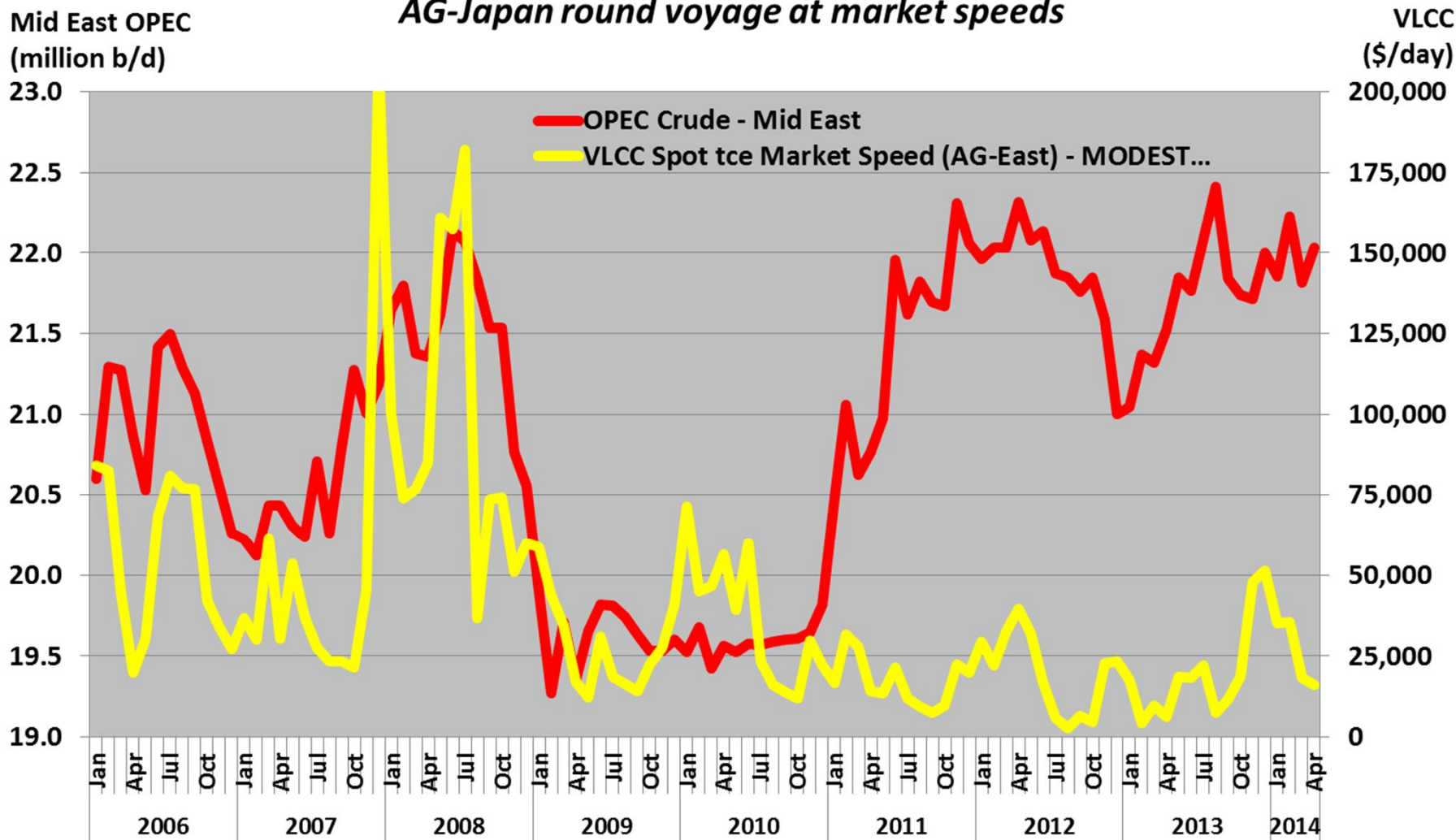
(a) there is no double counting of import and export volumes between any of these countries

# SAUDI ARABIA & ABU DHABI REFINERY DEVELOPMENTS crude distillation capacity



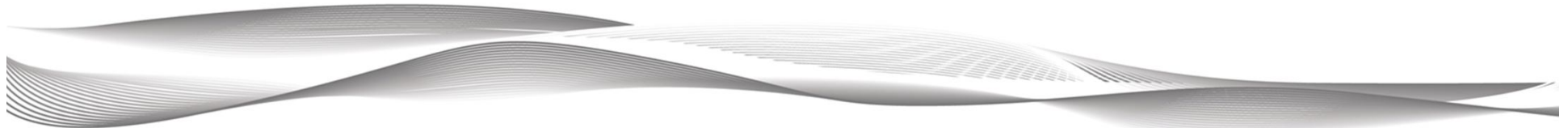
# Mid East OPEC Production versus VLCC Spot Earnings

*AG-Japan round voyage at market speeds*



## SUMMARY

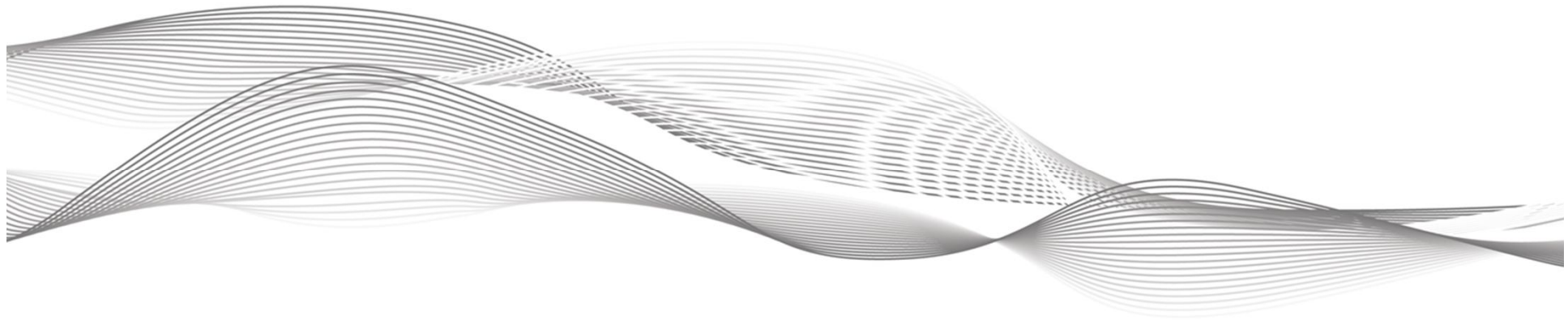
- **Strong demand prospects for MRs and LR2s but the size of orderbook is a threat, particularly for MRs**
- **The recent surge in VLCC orders is not supported by fundamentals, threatening any potential future recovery in VLCC earnings**



Gibson Shipbrokers  
16/20 Ely Place  
LONDON, EC1P 1HP  
www.gibson.co.uk



**Svetlana Kourmpeti**  
**Consultancy & Research**  
**0207 667 1247**  
**research@eagibson.co.uk**



**GIBSON SHIPBROKERS LTD**

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