



CLARKSONS
RESEARCH & PUBLICATIONS DIVISION

CRS Sector Report No. 3
The MR Product Tanker Sector Report

Clarkson Research Studies Publishes New Sector Report

The third in Clarkson Research Studies' series of **Shipping Sector Reports** focuses on "MR Product Tankers" between 25-50,000 dwt.

Since the start of 2000 this has been one of the most active segments of the shipping market, undergoing a sustained period of newbuilding investment. As a result, within 2 years over a quarter of the fleet will be less than 2 years old.

This report looks at some of the causes and consequences of this building boom. Special attention is given to the impact of the *Erika* and *Prestige* sinkings, and their role in accelerating the transition of the fleet. More than half of the fleet is still without a double hull, and so despite the massive amount of recent investment in new vessels, replacement demand is still an important issue. The report looks at the possible impact of new "post-*Prestige*" regulations and the implications for vessel supply over the next decade, as well as the ability of the shipyards to deal with anticipated levels of newbuilding demand.

Analysis of the Clarkson Fleet and Fixture Databases also sheds light on the choice facing owners and investors between two dominant size ranges: 35-37,000 dwt, and 45-47,000 dwt. The current orderbook is split with 87 "smaller MRs" and 123 "larger MRs".

On the demand side, the report outlines the global seaborne movements in oil products. We estimate that last year MR tankers accounted for around 48% of all product tanker cargoes, and our report highlights the major trading regions for MR tankers. It also looks at the balance between regional oil consumption and refinery capacity, and how expansion of both over the next few years could provide new growth areas for the product tanker market.

As is the case with all of our Sector Reports, the purpose of the study is to provide readers with a well thought out package of information and analysis relating to supply and demand issues, much of which is not readily available elsewhere. A succinct summary will help decision-makers to quickly reach conclusions for themselves, whilst the in-depth tables will provide the scope for deeper analysis. An orderform and full contents are attached. More information regarding the Clarkson Research range of publications and studies can be found at our on-line shop, www.clarksonresearch.com.

Yours

Steve Willcox
Clarkson Research
March 2003



The MR Product Tanker Sector Report

Full Contents Details

Executive Summary

Summary

Page 1

Section 1. Product Tanker Demand

| | | |
|-----|--------------------------------------|----|
| 1.1 | Overview | 7 |
| 1.2 | Global Oil Demand | 11 |
| 1.3 | North American Oil Demand by Product | 15 |
| 1.4 | Asian Oil Demand by Product | 19 |
| 1.5 | European Oil Demand by Product | 23 |
| 1.6 | Refinery Capacity | 27 |
| 1.7 | Products Trade & Demand Outlook | 33 |

Section 2. The MR Tanker Fleet

| | | |
|-----|-----------------------|----|
| 2.1 | Overview | 37 |
| 2.2 | Fleet Age Profile | 39 |
| 2.3 | Fleet Characteristics | 43 |
| 2.4 | Fleet Class & Flag | 45 |
| 2.5 | Fleet Ownership | 47 |
| 2.6 | Pooling Arrangements | 51 |
| 2.7 | Builders of the Fleet | 53 |
| 2.8 | Fleet Safety | 55 |
| | MR Tanker Fleet List | 57 |

Section 3. MR Tanker Sale & Purchase Markets

| | | |
|-----|--|----|
| 3.1 | Overview | 71 |
| 3.2 | Newbuilding | 75 |
| 3.3 | Secondhand Sales | 83 |
| 3.4 | Demolition & Phase Out | 87 |
| 3.5 | Replacement Demand for Smaller Tankers | 91 |

Section 4. MR Tanker Freight & Charter Markets

| | | |
|-----|--------------------------------|-----|
| 4.1 | Overview | 93 |
| 4.2 | Products Trade by Vessel Size | 95 |
| 4.3 | Clean Products Trading Routes | 97 |
| 4.4 | Dirty Products Trading Routes | 99 |
| 4.5 | Major Charterers | 101 |
| 4.6 | Major Owners | 103 |
| 4.8 | Charter Rates & Market Outlook | 105 |

Appendices

| | | |
|--------------|---|-----|
| Appendix I | Product Tanker Demand Database | 109 |
| Appendix II | Tanker Fleet Database | 121 |
| Appendix III | MR Tanker Sale & Purchase Database | 131 |
| Appendix IV | MR Tanker Freight & Charter Market Database | 139 |
| Appendix V | IMO Regulation 13G | 155 |



ORDERFORM

How to Order

The MR Product Tanker Sector Report is published by Clarkson Research Studies. It is available at a price of 300 GB Pounds. This includes an accompanying diskette containing the Statistical Appendix in Electronic Format.

The report can be ordered through the following channels:

- ◆ Contact Clarkson Research sales office at the telephone, fax or e-mail numbers listed.
- ◆ Order from our web-site shop at www.clarksonresearch.com

Clarkson Research Studies 12 Camomile Street London EC3A 7BP
Tel: +44 (0)20 7334 3134 Fax: +44 (0)20 7522 0330
E-mail: sales.crs@clarksons.co.uk Web-site: <http://www.clarksonresearch.com>