

Tankers

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Crude

VLCC Ag/East	120	(\$81k)	wow!
SM Wafr/Usac	165	(\$54k)	firmer
Jan AG	89	up 3	
Feb AG	3	up 3	
Jan Wafr	100m	up 5	
Feb Wafr bbls	16m	up 6	
Turkish Straits	8n/6s	same	
Fujairah bunkers	489	down 12	

Physical: “Navis venalicium omne perseverare in statu suo quiescendi vel movendi uniformiter in directum, nisi quatenus a viribus impressis cogitur statum illum mutare.” Only minutes after hitting send on yesterday’s report – I received a kindly worded head’s up from an industry veteran that rates were not flat or “maybe topped” as I had stated, but still on the rise (hat tip: PM). Sure enough, only an hour or so later did we hear chatter of a 112 on subs...and soon thereafter, even higher numbers we gristing themselves through rumor mill. The market with 9 lives battles on! Steady demand has eroded the position list further, allowing Owners more negotiating leverage each go around. Party on, JF!

Crude FFAs: Very strong volume. The surge in physical rates continues to move FFA pricing to the upside. **TD3** Jan up 8 to 106, Feb up 4 to 91 (bid on at 91.5), March up 2 to 77. Q3 and Q4 trade about flat at 71 and 80 – telling us that despite the recent rate run, the crystal ball crowd is not yet convinced of medium/long term sustainability.

Clean

37kt Cont/ta	205	(\$15k)	still softening
38kt Caribs/up	155	(\$7k)	likely touch softer
55kt Ag/East	150	(\$14.5k)	about same

Physical: Atlantic basin clean markets are coming off after a decent surge the past few weeks. Arbs are reported as marginally closed. Clean floating storage is said to still be declining. Vessels are still fixing above opex, but the current trend is down – and in these markets, it’s all about the trend. Eastern routes continue to show a bit of softness on some tradelanes while remaining steady on others.

FFAs: **TC2** has seen good/very good volume. Feb and March trade down 3-4 points each to 170 and 160. Eastern volumes have been good/fair. **TC4** and **TC5** Feb each trade up 2-3 points to 137 and 136.

EIA Estimates (Reuters)

Crude: + 1.2

Mogas: +1.2

Distillate: - 1.8

Dry Bulk

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Baltic Indices

BDI 3175 up 15

BCI 3865 up 106

BPI 4001 down 155

BSI 2542 up 35

BHSI 1188 up 3

Martin Korsvold: The official Xinhua News Agency reports that coal stockpiles at 598 power plants have fallen to only 9 days worth of supplies on the back of heavy snowfalls and low temperatures. At 11% of the power plants coal stockpiles are down to just 3 days of supplies; these plants may be shut down “any time”. This comes on the back of reports yesterday of coking coal shortages due to the government prioritizing movement of thermal coal.

Dry FFAs - volumes are good

	Spot	Q1 FFA
Cape:	35931, up 1368	41250, unch
PM:	32125, down 1244	27500, down 1000
SM:	26577, up 364	23750, down 500

Equities

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Capital Link Indices

Maritime:	2117.03	-34.04	-1.58%
Tanker:	2588.18	-49.95	-1.89%
Dry:	1074.42	-21.41	-1.95%

- Scott Burk maintains a PERFORM on GMR (“but would consider buying on the dips”)

Glenn Lodden’s conclusion on Dec 2009 Long Beach Container volumes: “Positive. Year over year growth in inbound container volumes are positive for the first time since Sept. 2007. Volumes were also seasonally strong.”