

## Tankers

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### Crude

VLCC Ag/East	47	(\$10k)	same. a lot of ships. Rate range 46-50 or so
SM Wafr/Usac	87	(\$18k)	firmer on good demand
AG Aug	68	up 7	
Wafr Aug	77m	up 6	
Wafr Sep	4m	same	
Turkish Straits	1/1	same	
Fujairah bunkers	472	same	

**Physical:** Healthy AG activity has moved the fixture count between the goal posts once again, though rates have not responded accordingly. Still too many ships...but...the position list is a touch thinner today, all else equal...so there is always the chance that continued inquiry starts to move the rate dial. It may take time, but at least the position list is not getting worse...for now. Wafr inquiry was sufficient enough to move rates 10 points to the upside. The barrel count is on par with where we stood one month ago.

**Crude FFAs:** Light volume. **TD3** Sep trades up 2 points to 66. **TD5** Sep trades up 1 point to 94.

### Clean

37kt Cont/ta	170	(\$10.7k)	softer
38kt Caribs/up	137	(\$5k)	softer
55kt Ag/East	157	(\$18k)	about same, some calling 160

**Physical:** Atlantic basin arbs are closed in both directions. The resulting light activity has allowed rates to slip a touch further. Eastern routes remain the same – somewhat firm / somewhat steady.

**Clean FFAs:** Light **TC2** volume. Sep trades down 1 point to 172. **TC4** Sep remains priced at 146 on negligible volume while **TC5** Sep trades up 2 points on good volume.

## Dry Bulk

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### Baltic Indices

BDI	2030	up 52
BCI	2194	up 165
BPI	2581	up 14
BSI	1731	down 3
BHSI	974	down 6

**Martin Korsvold:** The Russian government yesterday announced that they are banning the export of wheat due to severe draughts, after the Agriculture Ministry cut its grain crop forecast to 70 mill tons down from 97 mill tons last year. According to USDA the Russians exported 17.5 mill tons of wheat in the

2009/2010 season, which amounted to 14% of global exports. We do not have a figure on how much of this was seaborne, but it seems obvious that it for the most part will have to be substituted by seaborne trade from North America, Europe or Australia. The three regions had ending stocks of 33.4 mill tons, 15.6 mill tons and 4.6 mill tons respectively at the end of this season. The US then looks like the largest area for substitution, which means longer hauls and more to do for the Supramaxes. The most obvious beneficiary in the equity market is Eagle Bulk with a pure supramax fleet and 40% open exposure this year. The futures didn't react either yesterday, which we found surprising. We up our stance on Supramax FFAs from NEUTRAL to BULL.

#### Dry FFAs - light volume

	Spot	Q4 FFA
Cape:	18422 up 1826	29000 up 500
PM:	20733 up 112	26000 up 750
SM:	18096 down 34	22750 up 500

#### **Equities**

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- **Anders Karlsen upgrades GMR to HOLD** (from sell) and raises target to \$6.20 (from \$5.80).

#### **NAT – 2 Buy, 2 Hold**

- Platou Markets maintains BUY on NAT (\$33).
- Omar Nokta maintains BUY on NAT (\$37).
- Urs Dur maintains HOLD on NAT.
- Natasha Boyden maintains HOLD on NAT (\$28).

#### **EXM – 2 buy, 3 Hold, 2 Sell**

- Doug Mavrinac maintains BUY on EXM (\$9).
- Scott Burk maintains OP on EXM (\$7).
- Natasha Boyden maintains HOLD on EXM (\$5).
- Robert MacKenzie maintains PERFORM on EXM (\$6).
- Martin Korsvold maintains SELL on EXM though raises target to \$5 (from \$3).
- Anders Karlsen maintains SELL on EXM though raises target to \$4.70 (from \$3.40).

#### **EGLE – 2 Buy, 7 Hold**

- **Martin Korsvold upgrades EGLE to HOLD** (from sell) and raises target to \$5.30 (from \$3.50).
- Natasha Boyden maintains HOLD on EGLE (\$5).
- Jonathan Chappell maintains NEUTRAL on EGLE (\$5).
- Scott Burk maintains PERFORM on EGLE.
- Doug Mavrinac maintains BUY on EGLE (\$7).
- Urs Dur maintains BUY on EGLE (\$7).

#### **DSX – 13 Buy, 2 Hold**

- Greg Lewis maintains OP on DSX (\$20).
- Natasha Boyden maintains BUY on DSX (\$17).
- Doug Mavrinac maintains BUY on DSX though lowers target to \$20 (\$22).
- Urs Dur maintains BUY on DSX (\$21).
- Platou Markets maintains BUY on DSX (\$14).
- Omar Nokta maintains BUY on DSX (\$22).
- George Pickral maintains BUY on DSX (\$19).
- Scott Burk maintains OP on DSX (\$18).
- Jonathan Chappell maintains OW on DSX (\$16).
- Martin Korsvold maintains BUY on DSX (\$16).
- Robert MacKenzie maintains OP on DSX (\$15).

- Anders Karlsen maintains BUY on DSX though lowers target to \$18 (from \$18.60).
- Anders Rosenlund maintains HOLD on DSX (\$13.20).
- Kevin Sterling maintains HOLD on DSX.

#### **TNP – 3 Buy, 3 Hold, 1 Sell**

- Natasha Boyden maintains BUY on TNP and raises target to \$17 (\$16).
- Platou Markets maintains BUY on TNP (\$24).
- Martin Korsvold maintains BUY on TNP (\$19).
- Greg Lewis maintains NEUTRAL on TNP (\$16).
- Doug Mavrinac maintains HOLD on TNP (\$16).
- Omar Nokta maintains HOLD on TNP.
- Jonathan Chappell maintains UW on TNP (\$16).

#### **SSW – 5 Buy, 2 Hold**

- Natasha Boyden maintains BUY on SSW and raises target to \$14 (from \$13).
- Greg Lewis maintains OP on SSW (\$12).
- Urs Dur maintains BUY on SSW (\$16).
- Glenn Lodden maintains BUY on SSW (\$13).
- Omar Nokta maintains BUY on SSW (\$13).
- Justin Yagerman maintains HOLD on SSW (\$12).
- Doug Mavrinac maintains HOLD on SWW (\$9).

#### **FREE – 1 Buy, 2 Hold**

- Omer Nokta maintains BUY on FREE (\$2).
  - Natasha Boyden maintains HOLD on FREE and lowers target to \$1.50 (\$1.75).
  - Greg Lewis maintains NEUTRAL on FREE (\$2).
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- Anders Rosenlund maintains BUY (USD 0.75) on ECHEM ahead of Aug 10 earnings.