



## TANKERS

## CHARTERING

## Crude

Rates in the VLCC market continued their downward spiral in the face of limited demand for and plenty of supply of tonnage. The same malaise was seen in the Atlantic VLCC market as the interest in VLCC movements from the Cont and WAF to the F.East diminished. Given the approach of Easter holidays next week, we fear that the current lackluster market may be with us for the time being. The Atlantic Suezmax market firmed up last week with rates reaching ws 160, but the air appears to have now gone out of the balloon and rates have declined to ws 142.5. The Suezmax market in the MED/Bsea remained more stable and is still trading at ws 150/155. There was little change for Aframax in the Nsea where rates are unchanged at the ws 120 level. Aframax in the Med/Bsea saw things pick up and rates here were in the mid ws 160s and still firming. In the Caribs upcoast, rates dipped to ws 175 at the end of last week but have now revived to previous levels of ws 215.

## Product

There were few apparent changes in the east of Suez LR market this week and the MEG has been particularly quiet. MRs on the Spore/Japan route saw rates increase marginally to ws 200 basis 30,000 m/t. LR1s trading MEG/Japan remained unchanged at the ws 180 level basis 55,000 m/t, whilst LR2s on the same route were unable to sustain last week's levels, with rates softening slightly to ws 145 basis 75,000 m/t. Lump sum rates for MEG/UKC cargoes were stable at around usd 2.1 million basis 65,000 m/t. At present, the market east of Suez is not showing any particular trend, and we suspect that rates will remain stable for the next week or so. With activity slowing down, transatlantic rates moved downwards from ws 240 to ws 225 basis 37,000 m/t, and with plenty of available tonnage and the upcoming Easter holidays next week, rates may be in for a rough patch. The LR1 market from the Baltic to the USAC was quiet and rates were maintained at ws 185 basis 65,000 m/t. There were no improvements to report in the handy cross NWEurope market and rates were steady at around ws 245 basis 22,000 m/t. The Caribs was also bereft of activity and the prevailing rate here basis 38,000 m/t upcoast voyages was ws 190. Given the wide availability of all sizes of vessels in the Atlantic, we don't envision any improvement in the coming week or two.

## ACTIVITY LEVEL

VLCC Soft	Suezmax Mixed	Aframax Mixed		Product Mixed	
		This Week	Last Week	Low 2008	High 2008
<b>RATES</b>					
DIRTY (Spot WS)					
MEG / West	VLCC	75.0	85.0	75.0	175.0
MEG / Japan	VLCC	90.0	120.0	90.0	255.0
MEG / Singapore	260,000	92.5	122.5	92.5	265.0
WAF / USG	260,000	117.5	120.0	85.0	190.0
WAF / USAC	130,000	142.5	155.0	115.0	250.0
Sidi Kerir / W Me	135,000	150.0	160.0	110.0	245.0
N. Afr / Euromed	80,000	165.0	115.0	115.0	195.0
UK / Cont	80,000	120.0	120.0	117.5	200.0
Caribs / USG	70,000	215.0	230.0	105.0	325.0
CLEAN (Spot WS)					
MEG / Japan	75,000	145.0	150.0	145.0	200.0
MEG / Japan	55,000	180.0	180.0	175.0	240.0
MEG / Japan	30,000	300.0	265.0	215.0	330.0
Singapore / Japan	30,000	200.0	190.0	180.0	265.0
Baltic T/A	65,000	185.0	185.0	165.0	215.0
UKC-Med / States	37,000	225.0	240.0	195.0	260.0
Caribs / USNH	38,000	190.0	195.0	180.0	235.0
1 YEAR T/C (usd per day) (theoretical)					
VLCC (modern)	72,000	70,000	60,000	72,000	
Suezmax (modern)	42,000	42,000	42,000	47,500	
Aframax (modern)	30,000	30,000	30,000	35,000	
LR2	105,000	32,000	32,000	31,500	32,000
LR1	80,000	27,000	27,000	26,500	27,000
MR	40,000	22,500	22,500	22,500	23,750
VLCCs fixed all areas last week:	27	previous week:	28		
VLCCs avail. in MEG next 30 days:	78	last week:	68		

## SALE AND PURCHASE

Vessel	Size	Built	Buyer	Price	Comm.
Tohdoh	261,200	1991	Undisc.	42.5	
Apollo Sun	259,000	1985	Pvt		
Piemonte	114,000	1987	China	18	Dbl sides
Emerald Isle	68,300	1989	China	25	Dbl sides
Relentless	47,000	1992	Undisc.	28	D.hull
Aristofanis	12,000	2005	Undisc.	23	tc \$13k till 03/10

## DRY BULK

## CHARTERING

## Handy

The market was improving in all areas. As a result, the average index rose by more than usd 2000. Mv Medi Dublin was said to be fixed at a dazzling usd 100,000 for the voyage from Ec India to China. Dubai Knight was done at usd 87,000 daily for a trip from USG to Far East. The short period employment went up to usd 64,500 levels. The newly built Emmanuel C was fixed at usd 55,000 based on two years trading, with delivery in China 15-30 March.

## Panamax

Panamax market fairly stable this week with a slight increase during the week. Average on the 4 t/c up another usd 3000, but both physical and paper market turned south again towards end of the week. In the Atlantic, rounds are done in the usd 70,000 range, while trips to Far East about usd 80,000 daily. Some strong period fixtures confirmed during the week, with an LME type open Porto Vesme mid March at usd 77,000 for 11/13 months, and 10/12 months delivery end March in passero fixed usd 77,000. Salvator Cafiero is fixed for 2 yrs at usd 62,000 with delivery June in Atlantic. Pacific rounds now concluded around usd mid/high 60,000 lvl, while low/mid usd 50,000 for backhaul. Active period market, short period concluded low/mid usd 70,000 lvl. NB fixed usd 73,000 for 1 yr with delivery China end March, and MV Arabella 75563/01 del China end March fixed usd 74,000 for 1 yr. At then end of the week, market coming off a bit in both Atlantic and Pacific along with the paper trade, but no im

## Capesize

Rates peaked end last week, and a slower trend is evident this week. Still the tc index average today is abt usd 5000 higher than 1 week ago, but sliding. Lack of fresh cargoes both in Atlantic and Pacific. Main route Brazil/China today was ardtick under usd 70 and Tubarao/Rdam hovering ardt 34.70 lvl. Period market holding and rmdr ownr/chrs fixed in NB 176, 000tdw dely 4q 2009 at usd 48,000. Also rmdr major Japanese ownrs/chrs securing NB Capers for dely as far ahead as 2010, but no details reported.

## ACTIVITY LEVEL

Capesize Low	Panamax Moderate	Handysize Stable			
		This Week	Last Week	Low 2008	High 2008
<b>RATES</b>					
CAPESIZE (usd/day, usd/tonne)					
TCT Cont/Far East (172' dwt)	188,000	190,000	120,000	204,000	
Tubarao / R.dam (Iron ore)	34.70	33.00	24.50	42.25	
Queensland/ R.dam (Coal)	51.00	50.00	38.00	57.00	
PANAMAX					
Transatlantic RV	72,000	69,000	50,000	73,000	
TCT Cont / F. East	80,000	79,000	58,500	80,000	
TCT F. East / Cont	54,000	53,000	30,750	54,000	
TCT F. East RV	67,000	67,000	33,500	67,000	
Murmansk b.13-ARA 15/25,000 sc	22.35	22.45		23.65	
Murmansk b.13-L.pool 15/25,000 sc	23.35	23.45		24.90	

Murmansk/Rotterdam and Murmansk/Liverpool rates calculations are always based on Wednesday's Baltic TARV index value as reported

## HANDYSIZE

Atlantic RV	53,250	51,250	47,500	79,000
Pacific RV	55,750	51,500	27,500	55,750
TCT Cont / F. East	63,250	60,750	56,250	74,000

## 1 YEAR T/C (usd per day)

Capesize	150,000 dwt	130,000	130,000	95,000	142,000
Capesize	170,000 dwt	145,000	145,000	110,000	157,000
Panamax	75,000 dwt	74,000	74,000	55,000	74,000
Handysize	53,000 dwt	61,500	61,000	48,000	62,000

Baltic Dry Index (BDI): This Week: 8346 Last week: 8162

## SALE AND PURCHASE

Vessel	Size	Built	Buyer	Price	Comm.
Arethousa	171,779	1999	Undisclosed		del Aug/2008
Stellar Eagle	42,968	1990	European	31.00	3/15cr Wood chip carrier
Kent Voyager	15,912	1982	Syrian	9.75	4/20cr

**GAS****CHARTERING**

The VLGC spot market continued uninspired, as has been the case over the last few weeks. To a certain extent it is good rates haven't dropped further, but the current level simply isn't good enough and it is in everybody's interest that the freight market bounces back to where it should be. However, that will neither happen overnight nor in the short term - the market is so badly suffering from FOB export availabilities. The paradox is that the Far East CFR market is on its way to reach new heights, crude did it already, and the urge for more FOB LPG spot sales becomes stronger and stronger. This week, another ripe vessel was sold for onwards employment, most likely leading to an even older vessel being scrapped, and yet another was reportedly sold for demolition at a very good steel price. At the moment the market is anxiously awaiting the MEG suppliers' acceptances of April liftings, and once info is out, it may give the spot market a most welcome boost.

**ACTIVITY LEVEL**

COASTER	15-23,000 cbm	82,000 cbm
Moderate	Moderate	Low

**RATES** This Week Last Week Low 2008 High 2008

SPOT MARKET	This Week	Last Week	Low 2008	High 2008
82.000 cbm / FR	160,000	195,000	160,000	1,050,000
57.000 cbm / FR	910,000	920,000	910,000	980,000
35.600 cbm / FR	905,000	910,000	900,000	955,000
20.000 cbm / SR*	870,000	880,000	870,000	960,000
10.000 cbm ETH**	720,000	720,000	720,000	740,000
6.500 cbm / SR	570,000	570,000	565,000	570,000
COASTER Europe	240,000	225,000	225,000	290,000
COASTER Asia	250,000	250,000	250,000	262,500

\* 20,000 cbm s/r reflects average spot market, LPG and Petchems (segment 15,000 / 23,000 cbm)

\*\* 10,000 cbm eth reflects average spot market, Petchems and LPG (segment 8,200 / 12,500 cbm)

LPG/FOB prices	Propane	Butane	ISO
FOB North Sea / ANSI	783.50	790.00	
Saudi Arabia / CP	820.00	825.00	
MT Belvieu (US Gulf)	765.87	820.60	897.70
Sonatrach : Bethioua	795.00	795.00	

**SALE AND PURCHASE**

Vessel	Cbm	Type	Built	Buyers	Price	Misc
BW Strand	75,000	F	1982	Benelux	14.	

**DEMOLITION**

Vessels sold for demolition	VLCC/VLOO	SUEZMAX	CAPE/OBO
Year to date 2008:			
Year to date 2007:	0	1	0
2007 total:	0	2	0

**SOLD FOR DEMOLITION**

Vessel name	Size	Ldt	Built	Buyer	Price
MT B Elephant	239,351	30,950	1986	Bangladesh	715
MT Zeal	29,937	6,883	1983	Bangladesh	725
MT Ollie	24,430	7,188	1983	Bangladesh	710

**NEWBUILDING****GENERAL COMMENT**

This week we have seen a steady level of activity compared to last week. There is still a demand in the dry bulk segment and the yards are reporting a steady flow of enquiries across the size ranges. However, the demand is still well below the 2007 levels. Worth noticing is 5000 cbm and 7500 cbm LPG newbuildings contracted by Stealth Gas at Kanrei Zosen with deliveries stretching through 2010 and into 2011.

**ACTIVITY LEVEL**

Tankers	Dry Bulkers	Others
Slower	Stable	Stable

Average Far Eastern Prices

PRICES	This Week	Last Week	Low 2008	High 2008
VLCC 300'dwt	142.0	142.0	141.0	142.0
Suezmax 150'dwt	88.0	88.0	88.0	88.0
Aframax 110'dwt	70.0	70.0	69.0	70.0
Product 47'dwt	51.0	51.0	51.0	51.0
Capesize 180'dwt	93.0	93.0	93.0	95.0
Panamax 76'dwt	52.0	52.0	52.0	52.0
Handymax 56'dwt	46.0	46.0	45.0	46.0

**NEWBUILDING CONTRACTS**

Type	No	Size	Yard	Owner	Del	Mill\$	Comm.
BC	4	57000 dwt	Hyundai Mipo	Nordcapital	2010/	47.5	
					11		
BC	1	75000 dwt	Sasebo Heavy	Jinhui S&T	2011	54	
LPG	3	5000 cbm	Kanrei Zosen	Stealth Gas	2010/		
					11		
LPG	2	7500 cbm	Kanrei Zosen	Stealth Gas	2011		
PC	5+1	50000 dwt	SPP	Seaworld Mngt	2009/	50	
					10		
VLO	4	230000 dwt	Guangzhou	Shanghai Puyuang	2011/		
C			Longxue		12		

**MARKET BRIEF**

Rate of exchange	This Week	Last Week	Low 2008	High 2008
JPY/USD	102.38	103.73	102.38	111.45
KRW/USD	967.70	948.75	937.35	967.70
NOK/USD	5.10	5.17	5.10	5.54
USD/EUR	1.55	1.52	1.46	1.55
Interest rate				
Eurodollar 12 mnths	2.64	2.69	2.64	4.25
EuroNOK 12 mnths	6.19	6.01	5.67	6.19
Commodity prices				
Brent spot (USD)	105.62	98.46	87.52	105.62
Bunker prices				
Singapore				
180 CST	497.00	495.00	451.00	502.00
380 CST	487.00	479.00	440.00	492.00
Gasoil	932.00	876.00	770.00	932.00
Rotterdam				
180 CST	557.00	495.00	432.00	557.00
380 CST	527.00	469.00	404.00	527.00
Diesel	1035.00	840.00	702.00	1035.00

