



TANKERS

CHARTERING

Crude

The VLCC market in the MEG continued its ascent with rates reaching ever higher levels. It is believed that there is still considerable upside potential in this market as there is little double hull tonnage left for the first three weeks of May. VLCC activity in the Atlantic also continued to be brisk with plenty of inquiry and with rates around ws160 from WAF to the USG and ws145 to the Far East. Suezmax rates in both WAF and in the Med/Bsea firmed once again in the face a hectic market activity. As we go to press, it appears that activity in these markets is easing off slightly, and rates will need to be tested to determine where we go from here. There was little change in Aframax rates in the Nsea and Med, even though the market appears to be waiting for early May stems to materialize. Upcoast Aframax rates in the Caribs moved downwards in a market with plenty of available tonnage.

Product

The bad times for shipowners in the east of Suez market continued unabated with rates softening further this week. MRs trading Spore/Japan were recently reported to have been fixed at ws170 basis 30,000 m/t; this is down ten wspoints from last week and sets a new low for the year. LRs trading MEG/Japan were also under duress with LR1 rates dropping 5 wspoints to ws155 basis 55,000 m/t and with LR2 rates also dropping 5 wspoints to ws135 basis 75,000 m/t. Cargoes traded from the MEG to the UKC also saw lumpsum rates drop to usd 1.8 million basis 65,000 m/t. With not too much in the way of cargoes for owners to sink their teeth into, it is expected that the gloom east of Suez will continue for the foreseeable future. In the Atlantic, the firm trend already established in recent weeks continued to provide owners with good returns. Rates in the Atlantic have now reached their highest levels so far this year and there is nothing to indicate that we have reached the top yet. There are still some transatlantic cargoes for early May positions which have yet to be covered, and tonnage for these cargoes is limited. The latest we have seen paid for such a cargo was ws345 basis 37,000 m/t UKC/USAC-G. Also LR1s trading ex Baltic for the States enjoyed firming rates with last done being ws240 basis 60,000 m/t. Owners are now aiming for ws255-260 level for the same voyage. Handies trading cross NWEurope also saw rates rising to the ws260-270 level basis 22,000 m/t. With a lot of inquiry for backhaul cargoes, the Caribs market strengthened considerably, and upcoast rates reached ws290 basis 38,000 m/t; this is 100 ws-points up on last week's levels. So far it appears that the situation in the Atlantic is self-perpetuating, and unless there is a strong decline in inquiry or a strong injection of vessels, we see little chance of rates weakening.

ACTIVITY LEVEL

VLCC	Suezmax	Aframax	Product
Firm	Slow	Mixed	Mixed

RATES This Week Last Week Low 2008 High 2008

DIRTY (Spot WS)

MEG / West	VLCC	105.0	80.0	65.0	175.0
MEG / Japan	VLCC	140.0	115.0	77.5	255.0
MEG / Singapore	260,000	145.0	120.0	80.0	265.0
WAF / USG	260,000	160.0	130.0	85.0	190.0
WAF / USAC	130,000	250.0	167.5	115.0	250.0
Sidi Kerir / W Me	135,000	280.0	190.0	110.0	280.0
N. Afr / Euromed	80,000	280.0	350.0	115.0	395.0
UK / Cont	80,000	250.0	270.0	117.5	270.0
Caribs / USG	70,000	200.0	260.0	105.0	325.0

CLEAN (Spot WS)

MEG / Japan	75,000	135.0	140.0	135.0	200.0
MEG / Japan	55,000	155.0	157.5	155.0	240.0
MEG / Japan	30,000	235.0	235.0	215.0	330.0
Singapore / Japan	30,000	170.0	177.5	170.0	265.0
Baltic T/A	65,000	250.0	225.0	165.0	250.0
UKC-Med / States	37,000	345.0	265.0	195.0	345.0
Caribs / USNH	38,000	290.0	215.0	180.0	290.0

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

VLCC (modern)	70,000	70,000	60,000	72,000
Suezmax (modern)	42,500	42,500	42,000	47,500
Aframax (modern)	30,000	30,000	30,000	35,000
LR2	105,000	32,000	32,000	31,500
LR1	80,000	26,000	26,500	27,000
MR	40,000	21,750	21,750	23,750

VLCCs fixed all areas last week:	56	previous week:	49
VLCCs avail. in MEG next 30 days:	63	last week:	72

SALE AND PURCHASE

Vessel	Size	Built	Buyer	Price	Comm.
Titan Venus	250,000	1986	Avin Int.	59.00	enbloc, S/H
Titan Leo	245,000	1988			enbloc, S/H
Action	115,000	2007	FSL	140.00	incl 10yrs TC
Aqua	115,000	2007			enbloc
St. Marco	47,000	2003	Undisclosed	51.00	
Siteam Leopard	46,100	1985	Undisclosed	12.00	D/H, IMO III
Nordic Swan	10,600	1986	Maltese	10.35	D/H, IMO II/III
Samho Ibis	3,400	2005	Undisclosed	12.00	IMO II

DRY BULK

CHARTERING

Handy

All the rates moved up, especially in the Continent and Usgulf. Far East have also improved although the rates there were heavily imbalanced with west hemisphere. They were lower by usd 20000/40000 comparing to Cont to Far East voyages and USG to Continent route. As a result short period deals with East deliveries have remained discounted by about usd 10000 by the comparison to similar fixtures in the Atlantic. In the East short period tonnage was paid usd 54/55000 whilst in the Atlantic about usd 64,000. Josco Yangzhou was done at usd 63000 for 10/11 months trading. The average index improved more than by 3500 and reached usd 53784.

Panamax

The Panamax market kept its strong trend from last week, where the BDI numbers started at 66,716, and ended at 73,673! Owners kept their interest for short periods; an LME fixed usd 84,000 for 4/5 months delivery Med, and a 12 months LME fixture were concluded at usd 74,500 delivery cont. Best seen in the Atlantic was a vsl which fixed usd 89,000 for round trip. Fronthaul business really kicked off; the best seen this week for fronthaul was a good positioned 73,000 dwt vsl which fetched usd 95,000 via St Lawrence. The Pacific also continued the positive trend, and a Kamsarmax bss Japan delivery fetched usd 70,000 for a roundtrip. Backhauls have been fixed around mid usd 50,000, but seems like owners charter out the vessels for short periods instead of taking "small" money for trips back. It is rumoured that a Panamax delivery EC India fixed usd 80,000 for short period.

Capesize

Capers enjoy sharply improving rates as the spot scene comes out extremely tight on tonnage, especially in the Atlantic. There is no sign of short-term correction, as fundamentals for May also appear very healthy. Fronthaul trips for 170,000-tonners have jumped a good 15%, and now stand at in excess of usd 200,000. Similarly for Atlantic and Pacific routes, where usd 155,000 respectively usd 151,000 has just been concluded. Period activity is considerable, with 176,000-tonner concluded for 10-12 months at usd 142,000 basis China delivery end May, whilst 93-built 161,000-tonner fetched usd 75,000 for 5 years t/c basis China delivery June 2008.

ACTIVITY LEVEL

Capesize	Panamax	Handysize
Firming	Active	Active

RATES This Week Last Week Low 2008 High 2008

CAPE SIZE (usd/day, usd/tonne)

TCT Cont/Far East (172' dwt)	205,000	182,000	120,000	205,000
Tubarao / R.dam (Iron ore)	39.50	34.00	24.50	42.25
Queensland / R.dam (Coal)	53.00	48.80	38.00	57.00

PANAMAX

Transatlantic RV	82,500	72,500	50,000	82,500
TCT Cont / F. East	92,000	82,000	58,500	92,000
TCT F. East / Cont	54,000	49,000	30,750	54,000
TCT F. East RV	66,500	58,000	33,500	67,000
Murmansk b.13-ARA 15/25,000 sc	26.25	23.85		26.25
Murmansk b.13-L.pool 15/25,000 sc	27.50	24.85		27.50

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

HANDYSIZE

Atlantic RV	61,700	59,000		79,000
Pacific RV	46,250	41,500		55,750
TCT Cont / F. East	69,500	63,750		74,000

1 YEAR T/C (usd per day)

Capesize	150,000 dwt	125,000	118,000	95,000	142,000
Capesize	170,000 dwt	142,000	133,000	110,000	157,000
Panamax	75,000 dwt	75,000	72,000	55,000	75,000
Handysize	53,000 dwt	61,500	61,000		62,000

Baltic Dry Index (BDI): This Week: 8862 Last week: 7967

SALE AND PURCHASE

Vessel	Size	Built	Buyer	Price	Comm.
Castle Peak	151,000	1990	Indians	71.00	
Bellflower	76,423	2004	Ocean Fleet	77.00	del feb/mar 2009
Solana	75,000	1995	Chinese	126.00	enbloc
Waikiki	75,000	1995	Chinese		enbloc
Royal Accord	71,000	1997	Greeks	68.00	
Torm Marlene	69,548	1997	Far East	70.00	
YK Taurus	69,000	1997	Mercator	65.00	
Jin Ying	53,450	2007	Magna Marine	160.00	4/30 enbloc
Jin Feng	53,400	2008	Magna Marine		enbloc TC 1yr 55k/d
Nord Fighter	52,491	2004	Tolani	72.75	4/30cr
Ken Blossom	38,852	1992	Chinese	46.00	5/15cr
Aquadance	37,705	1984	Greeks	27.00	TC 9/08 20k/d
Clipper Transporter	30,570	2007	Undisclosed	50.00	TCB 4yr 25k/d
Clipper Treasure	30,548	2007	Undisclosed	50.00	TCB 4yr 25k/d
Safmarine Douala	18,050	1986	Undisclosed	12.00	5/25cr

**GAS****CHARTERING**

This week has seen more activity and increasing spot rates. As many as 5 spot sales have been done from Saudi Arabia and owners have pushed the rates up in the mid/low USD 40/mt for the standard voyage MEG/Japan. The first resale of a VLGC newbuild has been reported at USD 85-86 mill which is a bit down from previous discussions. Buyer is a j/v between Solvang, Norway and Ultra Gas, Chile.

ACTIVITY LEVEL

COASTER Firm	15-23,000 cbm		82,000 cbm	
	Increasing		Firming	

	This Week	Last Week	Low 2008	High 2008
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RATES	This Week	Last Week	Low 2008	High 2008
SPOT MARKET				
82.000 cbm / FR	755,000	665,000	160,000	1,050,000
57.000 cbm / FR	890,000	890,000	890,000	980,000
35.600 cbm / FR	885,000	885,000	885,000	955,000
20.000 cbm / SR*	850,000	850,000	850,000	960,000
10.000 cbm ETH**	740,000	740,000	720,000	740,000
6.500 cbm / SR	575,000	575,000	565,000	575,000
COASTER Europe	325,000	320,000	225,000	325,000
COASTER Asia	235,000	240,000	235,000	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	769.00	773.50	
Saudi Arabia / CP	805.00	815.00	
MT Belvieu (US Gulf)	885.70	914.81	963.50
Sonatrach : Bethioua	780.00	783.00	

SALE AND PURCHASE

Vessel	Cbm	Type	Built	Buyers	Price	Misc
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No reportable sales this week

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
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No reportable sales this week

NEWBUILDING**GENERAL COMMENT**

Yet another week with solid VLCC activity. Two weeks ago we saw 11 VLCC newbuildings contracted, this week another 6 is added. Could this be the start of a new bull run? Four of these large tankers were placed at Dalian Shipbuilding while 2 were placed at Hyundai Heavy. Pricewise, the market remains firm, however, activity is lower and shipyards are working harder to secure new orders. On the LNG side, Flex has declared yet another LNG production ship, 170,000 cbm, from Samsung Heavy; this brings Flex up to a total of four ships, all at SHI.

ACTIVITY LEVEL

Tankers	Dry Bulkers	Others
Active	Stable	Moderate

Average Far Eastern Prices

PRICES	This Week	Last Week	Low 2008	High 2008	
VLCC	300'dwt	144.0	144.0	141.0	144.0
Suezmax	150'dwt	89.0	89.0	88.0	89.0
Aframax	110'dwt	71.0	71.0	69.0	71.0
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	5	57000 dwt	Hantong HI	Peter Doehle	2011		
BC	2	180000 dwt	Daehan	Joong Ang Shipping	2011		
BC	1	180000 dwt	DSME	Joong Ang Shipping	2011		
PC	2	73500 dwt	SPP	OSG	2011		
MT	2	105000 dwt	Hyundai Samho	Alpha Tankers	2011		
MT	2	298000 dwt	Dalian, CSIC	Vanship	2010/11	135	
MT	2	298000 dwt	Dalian, CSIC	Hebei Ocean Shipping	2010	135	
MT	2	318000 dwt	HHI	Marmaras	2011	155	
LNG	1	170000 cbm	Samsung	Flex	2012		
PCTC	4	4300 cars	Nantong Mingde	PD Gram	2011		

MARKET BRIEF

Rate of exchange	This Week	Last Week	Low 2008	High 2008	
JPY/USD	102.94	101.32	96.90	111.45	
KRW/USD	991.50	990.95	937.35	1029.20	
NOK/USD	4.96	4.96	4.96	5.54	
USD/EUR	1.60	1.59	1.46	1.60	
Interest rate					
Eurodollar 12 mnths	3.10	2.63	2.48	4.25	
EuroNOK 12 mnths	6.50	6.37	5.67	6.50	
Commodity prices					
Brent spot (USD)	115.04	111.93	87.52	115.04	
Bunker prices					
Singapore	180 CST	552.00	551.00	451.00	552.00
	380 CST	530.00	531.00	440.00	531.00
	Gasoil	1077.00	1060.00	770.00	1077.00
Rotterdam	180 CST	545.00	550.00	432.00	557.00
	380 CST	506.00	514.00	404.00	527.00
	Diesel	992.00	977.00	702.00	1035.00

