



## TANKERS

## CHARTERING

## Crude

There appears to be no foreseeable end to the momentum achieved by VLCCs trading in the MEG and WAF as rates continue to go from strength to strength. Some charterers are now fixing for more forward laycans than usual, and this could possibly result in demand easing off and rates stabilising for a while. Nonetheless, the underlying strength of market seems pretty unshakeable at the moment. With a strong resurgence of activity and a firm and thinly tonnage parallel VLCC market, Suezmax rates in WAF are once again on the rise. Suezmax rates in the Nsea and in the Med/Bsea areas seem to be following suit, especially with Suezmax activity in the Mediterranean Basin increasing. As Aframax activity in the Med and the Nsea began heating up owners took full advantage of the situation and gave new meaning to the concept of the word 'volatility'. There was a weakness in the market for Caribbean Aframaxes, but this seems to have turned around, and upcoast rates are currently around the ws270 level.

## Product

Transatlantic markets firmed up once again, and we have seen vessels confirmed at rates as high as ws320 basis 37,000 m/t. LR1 rates ex Baltic continue to hold at the ws225-230 level basis 65,000 m/t. Also Handies trading cross NWEurope saw rates remain at the ws290-295 level basis 22,000 m/t. The Caribs upcoast market reached ws290, and with a generally firm Atlantic market, we would expect these rates to improve in the coming week or so. Given the tight tonnage situation on the Continent and some May positions yet to be covered, we also expect that the MR transatlantic market will improve. Some interesting improvements were registered in the east of Suez market. MRs trading Spore/Japan saw rates firm 5-10 ws points to ws175 basis 30,000 m/t, and some believe this is only the beginning. LR1s trading MEG/Japan firmed 10 ws points to ws175 basis 55,000 m/t, whilst LR2s on the same route experienced a rate increase of 15-20 ws points to ws160 basis 75,000 m/t. Also lumpsum rates for 65,000 m/t liftings MEG/UKC improved from usd 1.9 million to usd 2.1 million. These are positive signs and we remain cautiously optimistic that owners will build on these improvements if activity continues.

## ACTIVITY LEVEL

VLCC Firm	Suezmax Firm	Aframax Firm		Product Firmer	
		This Week	Last Week	Low 2008	High 2008
<b>RATES</b>					
DIRTY (Spot WS)					
MEG / West	VLCC	150.0	122.5	65.0	175.0
MEG / Japan	VLCC	210.0	200.0	77.5	255.0
MEG / Singapore	260,000	210.0	205.0	80.0	265.0
WAF / USG	260,000	172.5	150.0	85.0	190.0
WAF / USAC	130,000	225.0	200.0	115.0	250.0
Sidi Kerir / W Me	135,000	240.0	230.0	110.0	280.0
N. Afr / Euromed	80,000	305.0	170.0	115.0	395.0
UK / Cont	80,000	255.0	180.0	117.5	270.0
Caribs / USG	70,000	270.0	270.0	105.0	325.0
CLEAN (Spot WS)					
MEG / Japan	75,000	160.0	140.0	135.0	200.0
MEG / Japan	55,000	175.0	170.0	155.0	240.0
MEG / Japan	30,000	260.0	250.0	215.0	330.0
Singapore / Japan	30,000	190.0	170.0	170.0	265.0
Baltic T/A	65,000	225.0	230.0	165.0	250.0
UKC-Med / States	37,000	320.0	305.0	195.0	345.0
Caribs / USNH	38,000	295.0	300.0	180.0	300.0
1 YEAR T/C (usd per day) (theoretical)					
VLCC (modern)	75,000	75,000	60,000	75,000	
Suezmax (modern)	43,000	42,500	42,000	47,500	
Aframax (modern)	31,000	31,000	30,000	35,000	
LR2	105,000	31,500	32,000	31,500	32,000
LR1	80,000	26,000	26,000	26,000	27,000
MR	40,000	22,500	21,750	21,750	23,750
VLCCs fixed all areas last week:	39	previous week:		31	
VLCCs avail. in MEG next 30 days:	57	last week:		57	

## SALE AND PURCHASE

Vessel	Size	Built	Buyer	Price	Comm.
Barunawati	111,700	1992	China	28.	single
Fantasy/Fidelity	106,500	2002	Genmar	137.	enbloc
Techiarhis I	71,800	1986	China	12.3	
Gulf Grace/Progress	65,000	2000	Undisc	109.	enbloc
Samothraki	46,500	1989	Undisc	25.	D.hull
High Peace	45,800	2004	Vietnam	55.	

## DRY BULK

## CHARTERING

## Handy

The rates are breaking the new records. USG to Continent came to usd 130,000 level, usd 18,000 improvement in one week. Black Sea and Baltic to Far East went over usd 80,000 which is usd 3/5000 more compared to the last week. Mv Port Mubert was concluded at usd 90,000 for the voyage from Black Sea to Persian Gulf. Mv Triton Seagull was done at usd 89,000 daily for short period employment based on delivery in Dominican Republic. Mv Namrun was booked for 16/18 months trading at usd 56,000 with the delivery world wide in July/August. The average of the main routes came to over usd 64,000 a day.

## Panamax

The With Monday in Europe did not seem to affect the market: This week BPI started at 77,861 and ended at 79,817. The Atlantic and fronthaul business kept its strong trend from last week, and Atlantic round voyage fixtures for LME were concluded in region 100,000 to usd 110,000. A Murmansk round fetched 110,000 and quick tarv fixed 115,000. The fronthaul business for LME was fixed around usd 110,000. In the Pacific a round voyage was fixed in region 60,000 for LME, and backhaul business was paid around mid usd 50,000. High activity from owners in Pacific to do period, big Panamax fixed 72,500 for 3/5 months bss China. For same period in the Atlantic, a LME fixed usd 85,000. For 12 months a LME fetched usd 80,000.

## Capesize

The tc spot index reaching highest ever today - usd 196,134, beating the record from November 07 (usd 194 000)!! Especially in Pacific tc rates jumped up after the 2 main players - BHPB and RTS - consumated 10-12 ships in the West Australia/China trade. Voyage rate this route now stand at usd 37.50 and tc at low/mid usd 170,000. Fronthaul Brazil/Far East hovering in excess of impressive usd 250,000 and voyage rates to China mid usd 90. Period market continue active and 172,000 dwt fetched usd 151,000 for 12 mos whilst 170,000 dwt dely China ppt obtained usd 170,000 for 4-6 mos. After writing above reported WAust rv fxd as high as usd 196,000 for 176,000 basis dely S China!!

## ACTIVITY LEVEL

Capesize Stable	Panamax Strong	Handysize Active			
		This Week	Last Week	Low 2008	High 2008
<b>RATES</b>					
CAPESIZE (usd/day, usd/tonne)					
TCT Cont/Far East (172' dwt)	265,000	245,000	120,000	265,000	
Tubarao / R.dam (Iron ore)	52.50	52.00	24.50	52.50	
Queensland/ R.dam (Coal)	60.00	57.00	38.00	60.00	
PANAMAX					
Transatlantic RV	101,000	95,000	50,000	101,000	
TCT Cont / F. East	105,000	100,000	58,500	105,000	
TCT F. East / Cont	52,000	54,000	30,750	54,000	
TCT F. East RV	64,000	64,000	33,500	67,000	
Murmansk b.13-ARA 15/25,000 sc	31.00	29.50		31.00	
Murmansk b.13-L.pool 15/25,000 sc	32.50	31.00		32.50	
Murmansk/Rotterdam and Murmansk/Liverpool rates calculations are always based on Wednesday's Baltic TARV index value as reported					
HANDYSIZE					
Atlantic RV	86,750	74,500		86,750	
Pacific RV	50,000	49,000		55,750	
TCT Cont / F. East	81,750	75,500		81,750	
1 YEAR T/C (usd per day)					
Capesize 150,000 dwt	134,000	133,000	95,000	142,000	
Capesize 170,000 dwt	151,000	150,000	110,000	157,000	
Panamax 75,000 dwt	81,000	80,000	55,000	81,000	
Handysize 53,000 dwt	62,000	61,750		62,000	
Baltic Dry Index (BDI):	This Week: 10649		Last week: 10104		

## SALE AND PURCHASE

Vessel	Size	Built	Buyer	Price	Comm.
CMB Laetitia	76,000	2007	Genco	257.00	enbloc
CMB Aurelie	76,000	2007	Genco		enbloc
CMB Yangtze	53,617	2007	Genco		enbloc 4/35cr
Lowlands Comfort	75,961	2000	Undisclosed	80.00	
Menorca	71,662	1997	Chinese	73.00	
Fructidor	53,500	2005	Croatia	127.00	4/35cr enbloc
NB Resale	53,000	2008	Croatia		4/35cr enbloc
Lena	34,070	1983	Koreans	23.00	4/25cr
Eastern Star	27,348	1978	Greeks	11.50	4/25cr
Alexia M	25,550	1979	Chinese	9.50	4/16cr 7h/h
			Varna		
Oriental Spirit	10,762	1997	Koreans	17.00	3/30cr 1/30d



**GAS**

**CHARTERING**

The VLGC market was busier last week than for quite a while. Five VLGCs were fully confirmed and a couple of boats are at press-time fixed on subs. It is interesting to see that one of the vessels on subs is BW Clipper that has been in CPP market for quite a while, and is now shifting back to the LPG market. The tonnage availability between now and middle of June is very scarce, hence spot rates are closing in on the USD 50 mark after an early June VLGC was booked at USD 48/49 for the index voyage Ras Tanura/Chiba. The only thing that may slow down (or even stall) a further improvement of rates is less LPG appetite from consumers caused by very high CFR prices. However, in short term we are confident that rates are apt to strengthen further.

**ACTIVITY LEVEL**

COASTER Firm	15-23,000 cbm		82,000 cbm	
	Moderate	Active	This Week	Last Week
<b>RATES</b>				
<b>SPOT MARKET</b>				
82,000 cbm / FR	910,000	745,000	160,000	1,050,000
57,000 cbm / FR	890,000	900,000	890,000	980,000
35,600 cbm / FR	865,000	865,000	865,000	955,000
20,000 cbm / SR*	880,000	880,000	850,000	960,000
10,000 cbm ETH**	780,000	770,000	720,000	780,000
6,500 cbm / SR	575,000	575,000	565,000	575,000
COASTER Europe	325,000	325,000	225,000	325,000
COASTER Asia	215,000	220,000	215,000	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	840.50	813.00	
Saudi Arabia / CP	845.00	860.00	
MT Belvieu (US Gulf)	894.81	944.32	1002.86
Sonatrach : Bethioua	820.00	820.00	

**SALE AND PURCHASE**

Vessel	Cbm	Type	Built	Buyers	Price	Misc
No reportable sales this week.	0					

**DEMOLITION**

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

**SOLD FOR DEMOLITION**

Vessel name	Size	Ldt	Built	Buyer	Price
MT Captain Takis	29,999	8,264	1986	Bangladesh	750
MT Halcyon	2,459	2,324	1980	India	695

**NEWBUILDING**

**GENERAL COMMENT**

Over the past weeks we have registered substantial VLCC ordering. This week's contracting is again dominated by the larger size vessels both of Tankers, but also interestingly, in the large size Dry Bulk sector. We are registering a total of 5 Capesizes and 4 VLOCs this week, contracted at yards in Korea, China and Japan. 4 VLCCs have been ordered at Korean yards for domestic owners. Prices are still remaining firm, despite the low activity for smaller sized vessels below Panamax size, as steel prices and equipment costs are still under pressure.

**ACTIVITY LEVEL**

Tankers	Dry Bulkers	Others
Stable	Firmer	Moderate

Average Far Eastern Prices

PRICES	This Week	Last Week	Low 2008	High 2008
VLCC	300'dwt	144.0	144.0	141.0
Suezmax	150'dwt	89.0	89.0	88.0
Aframax	110'dwt	71.0	71.0	69.0
Product	47'dwt	51.0	51.0	51.0
Capesize	180'dwt	93.0	93.0	93.0
Panamax	76'dwt	52.0	52.0	52.0
Handymax	56'dwt	46.0	46.0	45.0

**NEWBUILDING CONTRACTS**

Type	No	Size	Yard	Owner	Del	Mill\$	Comm.
Type	No	Size	Yard	Owner	Del	Mill\$	
BC	2	175800 dwt	Jiangsu Eastern	Polembros	2010	80	
BC	2	180000 dwt	Hyundai Samho	ER Schiffahrts	2010		
BC	1	180000 dwt	HHI	Daebo Shipping	2010		
BC	2	300000 dwt	Nantong Cosco	Zodiac	2012		
BC	2	300000 dwt	Cosco Dalian	Nippon Yusen Kaisha	2013	122.5	
CO	2	3426 teu	Nordseewerke	Unknown	2010-2011		
LPG	2	5100 cbm	Shitanoe	Daelim H&L	2011	38	
LPG	2	7200 cbm	Kyokuyo	Toda Kisen	2010		
MT	2	320000 dwt	HHI	Hanjin Shipping	2011	143.5	
MT	2	320000 dwt	STX	STX Pan Ocean	2010/2012	150	

**MARKET BRIEF**

Rate of exchange	This Week	Last Week	Low 2008	High 2008
JPY/USD	105.15	105.26	96.90	111.45
KRW/USD	1047.63	1029.88	937.35	1047.63
NOK/USD	5.08	5.09	4.96	5.54
USD/EUR	1.54	1.54	1.46	1.60
Interest rate				
Eurodollar 12 mnths	3.10	3.00	2.48	4.25
EuroNOK 12 mnths	6.58	6.45	5.67	6.58
Commodity prices				
Brent spot (USD)	121.92	120.17	87.52	121.92
Bunker prices				
Singapore	180 CST	610.00	592.00	451.00
	380 CST	571.00	564.00	440.00
	Gasoil	1260.00	1100.00	770.00
Rotterdam	180 CST	577.00	579.00	432.00
	380 CST	531.00	534.00	404.00
	Diesel	1127.00	1085.00	702.00

