



TANKERS

CHARTERING

Crude

The VLCC market east of Suez saw a correction of rates for east destinations due to less activity and increase in availability for next 30 days basis MEG. VLCC rates basis WAFR loading eased off a touch but bounced back. Presently there is a surplus of DH VLCC tonnage prior to 20th June in MEG which need to find employment before further increase can be expected. WAFR Suezmaxes remained unchanged from last week with fixing rates around WS 270 level but this market could easily increase against a more active cargo program for end June. In the MED tonnage availability became tighter, and rates for a standard voyage North Africa to Euromed went up to WS 300 for certain positions. Aframaxes in the NSEA and MED saw less activity last week and due to the market being very volatile, rates decreased substantially. Caribs was the only area where rates remained stable for Aframaxes trading at the WS 400 level at time of writing.

Product

The activity in the western hemisphere firmed from last week, and there are a few transatlantic and WAFR cargoes on early June dates. The MR market has firmed and ws320 is now on subs basis 37,000m/t for UKC/USAC-G route. The LR1 market ex Baltic is not as active, but with a few stems around and lack of tonnage, the rate is expected to firm to ws230 basis 65,000m/t. The Handies remain unchanged at ws295-300 level basis 22,000m/t for cross NWEurope. The Caribbean MR market seems to be holding ws295 basis 38,000m/t for up coast voyage, but could gain with a few cargoes inquiries for both backhaul and WCSAM. The east of Suez market is pretty much on fire where we see all routes firm up. MR market, trading Spore/Japan, is firming to ws220 level basis 30,000m/t and it is most likely that rate will continue to go up. The LR markets are definitely the winner this week. LR1 trading AG/Japan has gone up by 55 ws points to ws235 basis 55,000m/t whilst LR2 trading on the same route jumped by 45 ws points to ws215 basis 75,000m/t. Cargoes ex AG to UKC have experienced similar improvement from USD 2.2 millions last week to USD 2.5-2.6 millions. The market shows favourable sign to Owners' side. Charterers are looking for more vessels and it seems the majority of vessels are committed. We expect market east of Suez will continue to firm up for the weeks to come.

ACTIVITY LEVEL

VLCC	Suezmax	Aframax	Product		
Stable	Firm	Mixed	Firm	Firm	
RATES					
		This Week	Last Week	Low 2008	High 2008
DIRTY (Spot WS)					
MEG / West	VLCC	145.0	145.0	65.0	175.0
MEG / Japan	VLCC	192.5	205.0	77.5	255.0
MEG / Singapore	260,000	195.0	210.0	80.0	265.0
WAF / USG	260,000	240.0	235.0	85.0	240.0
WAF / USAC	130,000	270.0	270.0	115.0	270.0
Sidi Kerir / W Me	135,000	300.0	270.0	110.0	300.0
N. Afr / Euromed	80,000	200.0	310.0	115.0	395.0
UK / Cont	80,000	250.0	300.0	117.5	300.0
Caribs / USG	70,000	410.0	292.5	105.0	410.0
CLEAN (Spot WS)					
MEG / Japan	75,000	215.0	175.0	135.0	215.0
MEG / Japan	55,000	235.0	200.0	155.0	240.0
MEG / Japan	30,000	280.0	250.0	215.0	330.0
Singapore / Japan	30,000	220.0	220.0	170.0	265.0
Baltic T/A	65,000	230.0	225.0	165.0	250.0
UKC-Med / States	37,000	320.0	315.0	195.0	345.0
Caribs / USNH	38,000	295.0	285.0	180.0	300.0
1 YEAR T/C (usd per day) (theoretical)					
VLCC	(modern)	80,000	80,000	60,000	80,000
Suezmax	(modern)	44,500	44,000	42,000	47,500
Aframax	(modern)	32,000	32,000	30,000	35,000
LR2	105,000	32,000	32,000	31,500	32,000
LR1	80,000	26,500	26,000	26,000	27,000
MR	40,000	22,500	22,500	21,750	23,750

VLCCs fixed all areas last week:	30	previous week:	38
VLCCs avail. in MEG next 30 days:	57	last week:	46

SALE AND PURCHASE

Vessel	Size	Built	Buyer	Price	Comm.
Sunlight Jewel	300,000	1993	Undisclosed	112.00	D/H
Grand Mountain	260,000	1993	Zodiac	40.00	S/H
2 x Resales	114,000	2010	Brave	74.00	Coated
Lotus	100,300	1991	Undisclosed	24.00	S/H
Trader II	63,700	1987	Undisclosed	16.50	D/H
Perigawati	36,300	1993	Undisclosed	20.00	D/S
Botany Tradition	12,700	1985	Undisclosed	3.35	D/B, IMOII/III

DRY BULK

CHARTERING

Handy

The rates in the Atl. finally eased off. USG to Cont lost usd 10-15,000 in 2 ds. Some operators still try to fix cheap tonnage in the Pac for short period, make one backhaul trip, and relet them for balance of period at good money in the Atl, but Owners are still asking for high numbers. Mv Spar Orion was paid usd 57,000 for 3-5 mos trading while Supramax mv Shanghai Venture was said to be concl. at usd 61,900. Mv Port Macau 58,000, was fixed at usd 65,000 basis 4-5 mos. In the western hemisphere the similar tonnage would get much more. Mv Korian was paid usd 85,000 for 5-7 mos employment with delivery in Cristobal. The average index went below usd 70,000 and now stands at usd 68,738.

Panamax

The BPI started at 90,296 and came down to 79,645. In the Atl, RVs were fixed arnd 112,000 early week, and arnd 95,000 end week. LME fetched 125,000 del Balt with trip to UKC. 2 LL fixed 105,000 with SkawPass relet early in the week, while 2 LL with not so delicate del fixed 87,500 later in the week. Fronthaul biz was again the strongest contributor to the BPI. An Adam delivered Pmax fixed 114,000 via SiLaw to China, and LME with central Med del via ECSA to China fixed 100,000. In the Pac, RV fixed arnd 79,000 for LME early week, against 75,000 level later in the week. NOPAC rounds kept stable around 77,000. A Kamsarmax via Indo with relet SkawPass fixed 53,000. This week also had a lot of interest for period, 3yr fixed 60,500 dely FEast, and 4-6 mos fixed 95,000 del Rdam.

Capesize

The market fell from last week's record levels, although a 2% drop can hardly be called more than an "adjustment". The Brz/China route still paid over usd 100 and the fronthaul tc rate slid only to the low usd 260,000's. WAust/China was stable at about usd 45 whilst the Pac rv dropped slightly to about usd 212,000. Increased port congestion was evident in Brz and in several Chinese and WAustr ports, taking a big portion of the Cape fleet out of the spot market. Period interest subsided as the market softened and players waited to see a clear tendency, but a 1990 blt 149,000 tonner achieved a solid usd 97,500 for 3 yrs from June and a 2000 built 172,000 tonner fixed 30-32 mos at usd 105,000 from Nov/Dec.

ACTIVITY LEVEL

Capesize	Panamax	Handysize			
Active	Moderate	Stable	Stable		
RATES					
		This Week	Last Week	Low 2008	High 2008
CAPESIZE (usd/day, usd/tonne)					
TCT Cont/Far East (172' dwt)		260,000	285,000	120,000	285,000
Tubarao / R.dam (Iron ore)		53.00	58.50	24.50	58.50
Queensland / R.dam (Coal)		66.00	66.00	38.00	66.00
PANAMAX					
Transatlantic RV	92,500	110,000	50,000	110,000	
TCT Cont / F. East	99,000	116,000	58,500	116,000	
TCT F. East / Cont	52,500	57,000	30,750	57,000	
TCT F. East RV	73,000	77,000	33,500	77,000	
Murmansk b.13-ARA 15/25,000 sc	30.75	35.00		35.00	
Murmansk b.13-L.pool 15/25,000 sc	32.00	36.50		36.50	
Murmansk/Rotterdam and Murmansk/Liverpool rates calculations are always based on Wednesday's Baltic TARV index value as reported					
HANDYSIZE					
Atlantic RV	89,250	94,750		94,750	
Pacific RV	55,000	55,000		55,750	
TCT Cont / F. East	86,000	86,250		86,250	
1 YEAR T/C (usd per day)					
Capesize	150,000 dwt	142,000	146,000	95,000	146,000
Capesize	170,000 dwt	158,000	163,000	110,000	163,000
Panamax	75,000 dwt	82,000	84,000	55,000	84,000
Handysize	53,000 dwt	63,000	63,500		63,500

Baltic Dry Index (BDI): This Week: 11245 Last week: 11771

SALE AND PURCHASE

Vessel	Size	Built	Buyer	Price	Comm.
Bet Performer	172,091	1997	Pacific King	132.00	
Castle Peak	151,418	1990	Blystad	81.50	
Falcon Cape	150,940	1991	Undisclosed	87.00	
Vega III	139,650	1983	Undisclosed	40.00	
Primera	72,945	1998	Greeks	76.00	Del 10/2008
Darya Noor	70,112	1990	Undisclosed	56.00	
Ri Zhao Steel No. 1	68,676	1988	Koreans	46.75	
Golden Venture	53,410	2007	Eagle Bulk S.	76.50	4/36cr
Ocean Symphony	52,421	2002	Eagle Bulk S.	69.50	4/30cr
Pilion	48,218	1994	Koreans	54.00	4/25cr blt Dany.
Resale Qingshan	57,000	2009	Undisclosed	67.00	4/ cr dely 1/09
Jade Breeze	33,220	1982	Undisclosed	16.50	4/15cr
Merve Ince	31,432	1983	Turkish	21.00	4/25cr ss/dd ok
Kuiseb	30,650	1983	Croatian	19.75	4/25cr
Sealink	28,234	1983	Greeks	22.00	4/25cr del 09/2008
Global Pioneer	24,406	1997	Greeks	38.50	4/30.5cr 4hh

**GAS****CHARTERING**

Is the VLGC market volatile or what? It is - big time! A handful of fixtures were what it took to push rates 25% up when USD 67 per ton was fixed this morning on a modern vessel loading 10th June. Most of June has already been tight tonnage-wise for some time, but when independent owners are those with tonnage and on top charters in potential "soft" vessels, it is party-time in the VLGC market. The Baltic VLGC panel rate reacted concurrently to the freight rally and ended yesterday 43 cents only below Baltic All time high (July 2006). Needless to say, the IFO hike since then makes it "impossible" to compare - a modern 82,000 cbm vessel makes USD 47,800 per day with current fuel prices but would have made USD 63, 100 per day if the IFO prices of July 2006 had been the same today. Crude has come off somewhat the last couple of days - and LPG market and freight will depend on onwards crude fluctuations.

ACTIVITY LEVEL

COASTER	15-23,000 cbm	82,000 cbm	
Stable	Moderate	Strong	

RATES	This Week	Last Week	Low 2008	High 2008
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SPOT MARKET	This Week	Last Week	Low 2008	High 2008
82.000 cbm / FR	1,530,000	1,060,000	160,000	1,530,000
57.000 cbm / FR	900,000	890,000	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**	770,000	780,000	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	210,000	215,000	210,000	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)	892.21	957.94	1001.10
Sonatrach : Bethioua	820.00	820.00	

SALE AND PURCHASE

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

DEMOLITION

Vessels sold for demolition	VLCC/VLCO	SUEZMAX	CAPE/OBO
Year to date 2008:	3	0	0
Year to date 2007:	0	2	0
2007 total:	0	2	0

SOLD FOR DEMOLITION

Vessel name	Size	Ldt	Built	Buyer	Price
FPSO Jamestown	23,915	13,792	1957	Bangladeshi	475
LPG Clipper Victoria	11,440	5,463	1976	Indian	650

NEWBUILDING**GENERAL COMMENT**

Another active week in the newbuilding market, with new VLCC orders ruling the headlines. Interesting to observe that Geden Lines is about to make their debut in the VLCC sector by ordering 2 VLCCs at Samsung at a record breaking contract price of 160 mill usd. This will also be Samsungs first VLCC order this year. So far this year 45 VLCCs have been ordered, mainly at Korean yards, where HHI has secured the majority of these contracts with 19 units booked. Last but not least, the Brazilian iron ore giant Vale has placed a significant order for 14 VLOCs at the Chinese Rongsheng yard worth 2bn usd.

ACTIVITY LEVEL

Tankers	Dry Bulkers	Others
Active	Active	Moderate

Average Far Eastern Prices

PRICES		This Week	Last Week	Low 2008	High 2008
VLCC	300'dwt	150.0	144.0	141.0	150.0
Suezmax	150'dwt	92.0	89.0	88.0	92.0
Aframax	110'dwt	73.0	71.0	69.0	73.0
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	53.0	52.0	52.0	53.0
Handymax	56'dwt	47.0	46.0	45.0	47.0

NEWBUILDING CONTRACTS

Type	No	Size	Yard	Owner	Del	Mill\$	Comm.
Asp. & Bit.	2	5000 dwt	Rousse	Hyproc Shipping	2009		
BC	3+2	34000 dwt	Dae Sun	Perosea	2011/12	37	
BC	7	58000 dwt	SLS	SLSJ	2009-11		
BC	1	59760 dwt	Oshima	Jinhui	2011		
CO	4	3607 teu	HHI	European owner	2010/11		
MPP	4	4450 dwt	Chowgule	Flinter	2010/11		
MT	3	317000 dwt	HHI	SK Shipping	2011		
MT	2	320000 dwt	Zhoushan Jinhaiwan	Frontline	2012	135	declared options
MT	2	318000 dwt	Samsung	Geden	2011	160	
VLO C	14	400000 dwt	Rongsheng Heavy	Vale	2011-	142	

MARKET BRIEF

Rate of exchange	This Week	Last Week	Low 2008	High 2008
JPY/USD	103.93	103.36	96.90	111.45
KRW/USD	1037.30	1039.50	937.35	1047.63
NOK/USD	4.99	4.99	4.96	5.54
USD/EUR	1.57	1.58	1.46	1.60
Interest rate				
Eurodollar 12 mnths	3.07	2.94	2.48	4.25
EuroNOK 12 mnths	6.71	6.76	5.67	6.76
Commodity prices				
Brent spot (USD)	127.92	126.92	87.52	127.92
Bunker prices				
Singapore	180 CST	633.00	635.00	451.00
	380 CST	599.00	616.00	440.00
	Gasoil	1265.00	1275.00	770.00
Rotterdam	180 CST	602.00	613.00	432.00
	380 CST	559.00	568.00	404.00
	Diesel	1122.00	1152.00	702.00

