



TANKERS

CHARTERING

Crude

The VLCC market came to a stand still with limited fixtures being reported during the last week, resulting in a build up of tonnage in MEG. Owners have managed to maintain and turn around obtainable levels, although charterers should have a strong hand as June stems basically finished, July cargoes still a bit away and ample tonnage around. Consequently the VLCC rates below are estimated only on limited facts. Rates for Suezmax in WAFR soften further due to little interest and bottomed at ws 150. However, inquiries are slowly picking up and rates are showing signs of an upward trend. Black sea and Med seems to have leveled and is believed to gradually recover in owners favour as volumes are expected to increase. Aframax in the NSEA/MED and Caribs saw increased activity last week and more favourable rates followed. Momentum first changed in the MED before the NSEA and Caribs followed suit. At the time of writing all areas are still in motion, and rates are expected to gain more strength.

Product

The transatlantic rates have strengthened this week. Last week we saw some signs of rates easing off, and a couple of fixtures have been concluded at ws 320 mark basis 37,000 m/t. But this week rates have firmed further and ws 330 has been fixed a couple of times. 60,000 m/t for transatlantic voyages has been fixed around ws 270 level. Handies trading on the Continent are still obtaining ws 295 level, basis 22,000m/t. The Caribbean rates for an upcoast voyage are unchanged from last week i.e. ws 310 level basis 38,000m/t. We have seen increased activity for backhaul cargoes and rates today are around the ws 185 mark, basis 38,000 mtons. The east of Suez market is still very firm in both the MR and the LR market. MR trading Spore/Jpn took a big leap of 40 ws points to ws 270 basis 30,000mts. LR1 trading Ag/Japan is still firm at ws 320 level for 55,000 m/t and LR2 remains at ws 290 basis 75,000m/t. AG/UKC is traded at usd 3.5 million, an increase from usd 3.0 million last week. Tonnage is running tight and most owners have several cargoes to play with. We can't say the market will be firmer, but with this tonnages scarcity the market should continue at present level.

ACTIVITY LEVEL

VLCC	Suezmax	Aframax	Product	
Soft	Stable	Firm	Firm	Firm

RATES

		This Week	Last Week	Low 2008	High 2008
DIRTY (Spot WS)					
MEG / West	VLCC	130.0	135.0	65.0	175.0
MEG / Japan	VLCC	190.0	175.0	77.5	255.0
MEG / Singapore	260,000	195.0	180.0	80.0	265.0
WAF / USG	260,000	145.0	190.0	85.0	240.0
WAF / USAC	130,000	160.0	200.0	115.0	270.0
Sidi Kerir / W Me	135,000	160.0	200.0	110.0	300.0
N. Afr / Euromed	80,000	230.0	130.0	115.0	395.0
UK / Cont	80,000	170.0	150.0	117.5	300.0
Caribs / USG	70,000	305.0	260.0	105.0	410.0
CLEAN (Spot WS)					
MEG / Japan	75,000	290.0	300.0	135.0	300.0
MEG / Japan	55,000	320.0	325.0	155.0	325.0
MEG / Japan	30,000	375.0	380.0	215.0	380.0
Singapore / Japan	30,000	270.0	235.0	170.0	270.0
Baltic T/A	65,000	270.0	265.0	165.0	270.0
UKC-Med / States	37,000	330.0	320.0	195.0	345.0
Caribs / USNH	38,000	310.0	310.0	180.0	310.0

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

VLCC	(modern)	82,500	80,000	60,000	82,500
Suezmax	(modern)	44,500	44,500	42,000	47,500
Aframax	(modern)	34,000	32,000	30,000	35,000
LR2		105,000	34,000	32,000	31,500
LR1		80,000	27,000	26,500	27,000
MR		40,000	23,250	22,500	21,750

VLCCs fixed all areas last week:	18	previous week:	25
VLCCs avail. in MEG next 30 days:	82	last week:	64

SALE AND PURCHASE

Vessel	Size	Built	Buyer	Price	Comm.
Causeway	146,200	1989	Chinese	30.00	S/H
Kriti Episkopi	145,250	1992	Far Eastern	32.00	S/H
STX LR2 resale	115,000	2008	Lykiardopoulo	91.00	
St. Clemens	47,100	2000	TMM	47.50	
Luit Spirit	46,900	2006	TMM	59.00	
Wabash	46,700	2006	Bluemarine	62.50	
African Future	40,200	2005	Bluemarine	53.00	
Corinth	45,500	1988	Greeks	17.00	
Isola Gialla	43,100	1999	Champion	69.00	IMO II/III
			Tankers		
Isola Rossa	40,700	1997			enbloc
Overseas neptune	40,000	1989	Chinese	16.00	each, for conversion
Overseas Uranus	40,000	1988			enbloc

DRY BULK

CHARTERING

Handy

Atlantic rates have been easing off, USG to Continent/Mediterranean have been done at around usd 100,000. The week started off slow again. Supermax tonnage for quick Australia or Indonesia rounds to China are getting fixed at very high 50's/60k with S.China delivery. Nopac rounds with longer duration being fixed at low/mid 60's depending on delivery. With the monsoon kicking in on the WC of India with most ports closed by now, there are less cargoes being shipped and freight has come off a couple of dollars from last week being now at low 40's on voyage bss 50,000/10 and 10000 shinc bends. Mv Tenshu Maru was said to be fixed at usd 83,000 for 3/5 months trading but with the delivery in the Atlantic. Same period and the Far East deliveries have been done at usd 62/64500. Mv Kastro was booked for 12 months period at the rate around usd 63,000. The average index closed at usd 66759.

Panamax

The BPI this week ended at 78027, down 2162 from last week, with decreasing rates in the Atlantic and a positive trend in the Pacific. In the Atlantic the rv were paid arnd USD 84000 for LME, Kamsarmax fixed USD 95000 and fronthauls fixed high USD 90 s. The Pacific started positive but declined a bit at end of the week. Nopac rounds fixed USD 77000 with nchina delivery. TPRV fixed around USD 78000. Backhaul were the only route which had a positive trend throughout the week where vsls fetched arnd USD 57/58000.

Capesize

The average of the 4 tc routes decreased by about 8 % from last week and reached usd 213,000 daily. A slower activity was evident and rates were softening in both basins. In the Atlantic a modern 172,000 dwt obtain usd 216,000 daily for a round voyage or usd 260,000 daily for trip via Brazil to the Far East. In the Pacific the main route 160,000 mt 10 pct iron ore W.Aussie/Qingdao was hovering at usd 46 pmt or usd 225,000 daily for a round voyage bss modern 172,000 dwt. Some deals were concluded for long period where a 177,000/newbuilding was reported fixed for 10 yrs at usd 42,000 daily bss delivery ex yard SWS Oct/Dec 2010.

ACTIVITY LEVEL

Capesize	Panamax	Handysize	
Weakening	Low	Slower	Slower

RATES

	This Week	Last Week	Low 2008	High 2008
CAPESIZE (usd/day, usd/tonne)				
TCT Cont/Far East (172' dwt)	260,000	275,000	120,000	285,000
Tubarao / R.dam (Iron ore)	55.00	57.00	24.50	58.50
Queensland/ R.dam (Coal)	68.00	69.00	38.00	69.00
PANAMAX				
Transatlantic RV	85,000	88,000	50,000	110,000
TCT Cont / F. East	101,000	99,250	58,500	116,000
TCT F. East / Cont	59,000	56,000	30,750	59,000
TCT F. East RV	79,500	78,000	33,500	79,500
Murmansk b.13-ARA 15/25,000 sc	27.50	29.25	35.00	
Murmansk b.13-L.pool 15/25,000 sc	29.25	30.50	36.50	

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

HANDYSIZE

Atlantic RV	73,150	74,750	94,750
Pacific RV	60,750	58,250	60,750
TCT Cont / F. East	83,750	83,250	86,250

1 YEAR T/C (usd per day)

Capesize	150,000 dwt	149,000	154,000	95,000	154,000
Capesize	170,000 dwt	165,000	170,000	110,000	170,000
Panamax	75,000 dwt	80,000	80,000	55,000	84,000
Handysize	53,000 dwt	62,000	63,000	63,500	

Baltic Dry Index (BDI):	This Week: 11105	Last week: 11623
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SALE AND PURCHASE

Vessel	Size	Built	Buyer	Price	Comm.
Aenaos	72,413	1998	Undisclosed	75.00	
Quinn J	47,665	1987	Greeks	28.00	4/15cr
Elise D	42,628	1985	Greeks		4/25cr
Desert Explorer	39,402	1985	USA	34.00	5/25cr
George Lyras	35,730	1984	Greeks	28.50	3/26 1/36cr blt Sunderland
Svyataya Aleksandra	18,295	1977	Greeks	6.00	gearless

**GAS****CHARTERING**

Freight rates for the VLGCs came off quite a bit over the last week when a spot voyage was confirmed in the very low usd 50s for the index voyage Ras Tanura/Chiba, down some 25% from the peak fixture at the end of May at usd 67 (this fixture was eventually cancelled). In the meantime there were a couple of confirmations in the mid usd 50s, and there were at that time indications that the spot rates were under some pressure. Several market players were, however, surprised that rates came off that fast and there are very mixed comprehensions about further market development. Some believe in a strong rebound within short, others fear that a "risky" commodity market may tempt more players to offer freight (only) rather than CFR cargoes whereby more vessels will be made available. There are not too many VLGCs showing open through July (yet), but the question is really whether there will be sufficient spot FOBs (and willing buyers) from the MEG suppliers.

ACTIVITY LEVEL

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

RATES This Week Last Week Low 2008 High 2008

SPOT MARKET	This Week	Last Week	Low 2008	High 2008
82.000 cbm / FR	905,000	1,540,000	160,000	1,540,000
92.000 cbm / FR	920,000	920,000	890,000	980,000
35.600 cbm / FR	855,000	860,000	855,000	955,000
20.000 cbm / SR*		880,000		960,000
10.000 cbm ETH**		770,000		780,000
6.500 cbm / SR	570,000	575,000	565,000	575,000
COASTER Europe	295,000	320,000	225,000	325,000
COASTER Asia	190,000	200,000	190,000	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	895.00	853.00	
Saudi Arabia / CP	895.00	920.00	
MT Belvieu (US Gulf)	923.47	976.10	1024.60
Sonatrach : Bethouia	890.00	890.00	

SALE AND PURCHASE

Vessel	Cbm	Type	Built	Buyers	Price	Misc
Happy Lady	7 414	ETH	1994	TBA	N/R	3 years T/C back to Sellers

DEMOLITION

Vessels sold for demolition	VLCC/VLOO	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
LPG Laieta	39,782cbm	14,481	1970	Indians	910
MV Jag Prayog	29,990	7,342	1982	Bangladeshi	710
MV Blue Stream	5,890	4,360	1981	Bangladeshi	680

NEWBUILDING**GENERAL COMMENT**

On the back of a strong bulker market, orders for dry bulk carriers continue to tick in. The contracting activity ranges from Handysize to Capesize, and everything in between. The product carrier shipbuilding expert, Hyundai Mipo, received 4 orders from an unknown Asian buyer. Of the 12 dry newbuildings reported this week, Claus Peter Offen took 4 Capesizes from DSME, 2 in Rumania and 2+2 in Korea, all with 2010 deliveries. Pricewise, we note that dry bulk ships maintain the current levels, while prices for large tankers are firming.

ACTIVITY LEVEL

Tankers	Dry Bulkers	Others
Firm	Stable	Stable

Average Far Eastern Prices

PRICES	This Week	Last Week	Low 2008	High 2008	
VLCC	300'dwt	152.0	150.0	141.0	152.0
Suezmax	150'dwt	93.0	92.0	88.0	93.0
Aframax	110'dwt	74.0	73.0	69.0	74.0
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	53.0	52.0	53.0
Handymax	56'dwt	47.0	47.0	45.0	47.0

NEWBUILDING CONTRACTS

Type	No	Size	Yard	Owner	Del	Mill\$	Comm.
BC	4	37000 dwt	Hyundai Mipo	Asian owner	2011/12	39.75	
BC	2	58000 dwt	STX	TPC Korea	2010		
BC	2	92000 dwt	Sungdong	Tsakos	2010		
BC	2+2	180000 dwt	Daewoo	Claus-Peter Offen	2010		
BC	2	180000 dwt	Daewoo Mangalia	Claus-Peter Offen	2010		
CO	8	4250 teu	Jiangnan Changxing	CSCCL	2011/12		70
MPP	4	10000 dwt	YS Heavy	TPC Korea	2009/10		
MT	2	112000 dwt	Hyundai Samho	Sovcomflot	2010/11		opt decl
PC	4	13000 dwt	Krasnoye Sormovo	Palмали	2009		opt decl
VLG C	1	78000 cbm	Mitsubishi	KSS Line	2012		95
PCTC	4	11760 dwt	Yangfan Group	TMT	2010/11		50

MARKET BRIEF

Rate of exchange	This Week	Last Week	Low 2008	High 2008
JPY/USD	107.31	104.64	96.90	111.45
KRW/USD	1029.50	1017.90	937.35	1047.63
NOK/USD	5.15	5.16	4.96	5.54
USD/EUR	1.55	1.55	1.46	1.60
Interest rate				
Eurodollar 12 mnths	3.60	3.13	2.48	4.25
EuroNOK 12 mnths	6.95	6.68	5.67	6.95
Commodity prices				
Brent spot (USD)	132.43	123.30	87.52	132.43
Bunker prices				
Singapore				
180 CST	655.00	599.00	451.00	655.00
380 CST	629.00	574.00	440.00	629.00
Gasoil	1282.00	1205.00	770.00	1282.00
Rotterdam				
180 CST	638.00	582.00	432.00	638.00
380 CST	598.00	532.00	404.00	598.00
Diesel	1155.00	1076.00	702.00	1155.00

