



TANKERS

CHARTERING

Crude

The momentum in the VLCC market turned around as more requirement came to the market resulting in increasing rate levels. The supply situation seems still to be adequate next 30 days. One can always discuss if the market is driven by psychology or physical facts, but VLCC owners should still be able to enjoy healthy levels. Rates for Suezmax tonnage basis WAFR loading took an upwards leap at the end of last week reaching ws220 for TA destinations. Presently this market is holding for ws215/220 level. Owners' resistance could cease unless charterers soon resume interest. The NSEA market remained flat in spite of fairly slow activity. To the contrary, Suezmax owners enjoyed healthy activity in Med and Blsea resulting in increasing rates to ws250 level for Blsea/Med voyages. These markets are expected to remain stable to firm due to tonnage being tied up in the Lavera strike situation. The rate levels for Aframax tonnage in NSEA, MED AND CARIBS continued, as expected, to increase from levels seen last week. June stems should at this stage more or less be covered and consequently limited available tonnage remaining. This again has led to a date sensitive market with large spread on rates.

Product

The transatlantic market has continued to strengthen this week and rates have reached it highest levels this year on the MR size. Ws380 is reportedly on subs basis 37,000m/t for an UKCont/USAC voyage. LR1 market is holding ws275-280 basis 65,000m/t for Balt/USAC, but there is little activity on LRS. Handies trading cross NWEurope is maintaining same numbers as last week which is ws290-295 basis 22,000m/t. The Caribbean market is maintaining at ws310 for an upcoast voyage, whilst the backhaul cargoes is going at 205-210 level basis 38,000m/t for Caribbean or USG to the Continent. It is a tight tonnage situation on the Continent up til end month and rates will remain firm next week. East of Suez market started to show softer signs on all routes. MR trading Spore/JAPAN was seen last done ws260 basis 30,000 mt, a 10 ws point drop from last week. LR1 basis 55,000 from AG to JAPAN is slightly soft and the going rate is ws310 level. LR2 on the same trade went down by 20-25 ws points to ws265-270 basis 75,000 mts. AG/UKC route is now being traded at usd 3.3-3.4 million basis 65,000m/t whilst last week number was usd 3.5 million. The market has started to adjust itself to tonnages availability and we have seen freight stabilized at some level. We do expect to see a slightly soft trend in freight for the coming week.

ACTIVITY LEVEL

VLCC Firm	Suezmax Mixed	Aframax Mixed	Product Mixed		
		This Week	Last Week	Low 2008	High 2008
RATES					
DIRTY (Spot WS)					
MEG / West	VLCC	140.0	130.0	65.0	175.0
MEG / Japan	VLCC	202.5	190.0	77.5	255.0
MEG / Singapore	260,000	205.0	195.0	80.0	265.0
WAF / USG	260,000	175.0	145.0	85.0	240.0
WAF / USAC	130,000	220.0	160.0	115.0	270.0
Sidi Kerir / W Me	135,000	240.0	160.0	110.0	300.0
N. Afr / Euromed	80,000	315.0	230.0	115.0	395.0
UK / Cont	80,000	300.0	170.0	117.5	300.0
Caribs / USG	70,000	325.0	305.0	105.0	410.0
CLEAN (Spot WS)					
MEG / Japan	75,000	265.0	290.0	135.0	300.0
MEG / Japan	55,000	310.0	320.0	155.0	325.0
MEG / Japan	30,000	360.0	375.0	215.0	380.0
Singapore / Japan	30,000	260.0	270.0	170.0	270.0
Baltic T/A	65,000	275.0	270.0	165.0	275.0
UKC-Med / States	37,000	380.0	330.0	195.0	380.0
Caribs / USNH	38,000	315.0	310.0	180.0	315.0
1 YEAR T/C (usd per day) (theoretical)					
VLCC (modern)	85,000	82,500	60,000	85,000	
Suezmax (modern)	45,000	44,500	42,000	47,500	
Aframax (modern)	35,000	34,000	30,000	35,000	
LR2	105,000	34,000	34,000	31,500	34,000
LR1	80,000	27,000	27,000	26,000	27,000
MR	40,000	23,250	23,250	21,750	23,750
VLCCs fixed all areas last week:	35	previous week:	18		
VLCCs avail. in MEG next 30 days:	79	last week:	82		

SALE AND PURCHASE

Vessel	Size	Built	Buyer	Price	Comm.
Jiangnan resale	297,000	2009	Hosco	145.	
Luti Spirit	46,750	2005	TMM	59.	
Freja Asia	45,750	1998	Mantinia	37.	
Formosa Ten	36,200	1998	36.	Imo2	
Puspawati	19,900	2008	Norway	108.5	enbloc
Pramoni	19,900	2008	Norway	incl 12yr	at \$14300 pd
				BBB	

DRY BULK

CHARTERING

Handy

In the Atlantic, Handies are still unstable with Charterers aiming to fix at beg of April levels for vessels with spot positions in the South Atlantic. The market direction is still dependent on the Argentinian strike and the flooded crops in the States. Supermax's ex USG are seeing about usd 100,000 for trips to Med alternatively mid usd 70s for 2 1/1 or short period with Atlantic redely. It seems that there is a lack of early tonnage in the Handymax sector in SE Asia. On voyage basis coal ex Balikpapan to N China has been fixed at low 30's. T/c trips ex Indonesia to EC India are in the low 50s for Supramax. Also see a 45,000 dwt open China end June seeking high usd 50s for short period, slightly smaller vessels ex China are seeing high 40s for trips to Middle East and modern Handysize vessels are seeking upper 30s for similar trips.

Panamax

The average of the 4 BPI tc routes went down this week with usd 7461. There was a over-supply of prompt vsls in the Atlantic, and the rates were then sliding. Early in the week LME fixed 70,000 vs low 60s for rv end of the week. Fronthaul slid because of the equalizing of Atl and Pac, and LME type fetched early in the week 90,000s vs 76,000 end of the week. In the Pacific the bpi went down usd 6000, and LME's concluded at low usd 70,000. Backhaul was the only route that kept stable and vsls fixed in usd 57/59,000 region.

Capesize

Nothing grows into heaven...or perhaps we must admit we have been in heaven for some time already, as far as rates are concerned! 2nd half of last week we experienced the most DRAMATIC FREE FALL ever seen since computers invaded our business; A drop of 25 % in spot rates over 3 days, te average from usd 213,000 to usd 159,000, and indeed similar drops in most trades. How can this happen so quickly? The 2 majors in the busiest trade W.Austr/China - had vacuum cleaned the market for weeks and rates shooting up. And when they suddenly stay out of the market for a week and no fresh cargoes emerging, overoptimistic owners find themselves chasing same cargoes and the fall accelerated. Already now however we see market stabilise and rates creeping up again. Quarterly cargoes Brazil/China over 2009 rumoured fxd at usd 72 pr mt but period-activity has been quiet.

ACTIVITY LEVEL

Capesize Slow	Panamax Low	Handysize Low			
		This Week	Last Week	Low 2008	High 2008
RATES					
CAPESIZE (usd/day, usd/tonne)					
TCT Cont/Far East (172' dwt)		210,000	260,000	120,000	285,000
Tubarao / R.dam (Iron ore)		46.00	55.00	24.50	58.50
Queensland / R.dam (Coal)		57.40	68.00	38.00	69.00
PANAMAX					
Transatlantic RV		64,000	85,000	50,000	110,000
TCT Cont / F. East		75,000	101,000	58,500	116,000
TCT F. East / Cont		58,000	59,000	30,750	59,000
TCT F. East RV		72,000	79,500	33,500	79,500
Murmansk b.13-ARA 15/25,000 sc		23.25	27.50		35.00
Murmansk b.13-L.pool 15/25,000 sc		24.75	29.25		36.50

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

HANDYSIZE

Atlantic RV	70,500	73,150	94,750
Pacific RV	58,500	60,750	60,750
TCT Cont / F. East	81,800	83,750	86,250

1 YEAR T/C (usd per day)

Capesize	150,000 dwt	145,000	149,000	95,000	154,000
Capesize	170,000 dwt	160,000	165,000	110,000	170,000
Panamax	75,000 dwt	76,000	80,000	55,000	84,000
Handysize	53,000 dwt	62,000	62,000		63,500

Baltic Dry Index (BDI): This Week: 14154 Last week: 11105

SALE AND PURCHASE

Vessel	Size	Built	Buyer	Price	Comm.
3x Cape resales	170,500	2009	Genco	530.00	enbloc
3x Handy resales	32,000	2008	Genco		enbloc
Australian Fame II	145,500	1982	Undisclosed	38.00	
Medi Roma	74,255	2001	Greeks	86.50	
Mandarin Sea	57,000	2008	Turkey	75.00	4/35cr
Cosco Zhoushan resale	57,000	2009	Undisclosed	68.00	
Benete Bay	28,350	2008	Japanese	55.20	4/30,5cr 1yr
					tcb@36k/d
Krymchakhlar	26,814	1980	Undisclosed	9.00	4/25derr
Ispat Star	26,450	1977	Undisclosed	7.50	5/15cr 6hh
Laurada	26,400	1982	Greeks	16.00	4/25cr blt A&P
Harutec	26,354	1981	Undisclosed	14.10	5/25cr blt Govan
Sea Trader	19,038	1977	Undisclosed	7.20	4/25derr

**GAS****CHARTERING**

The VLGC market is back in better shape after the rate dip last week - the Ras Tanura/Chiba index voyage is at current in the very high usd 50s. Some spot cargoes emerged in the MEG over the week, the acceptances of July contract liftings were at large in line with nominations - in sum a rather comfortable situation seen from the owners' side. There has not been too much chartering activity in July yet as some programming still remains to be done, but it is expected that over the next few weeks the rate downside is very limited and the likelihood of the index rate reaching usd 60s is greater as it looks now. The Baltic VLGC freight index has been pointing upwards the last week - the latest assessments being defined as a 30 days' loading window between end of June and end of July.

ACTIVITY LEVEL

COASTER	15-23,000 cbm		82,000 cbm		
	Low	Slower	Low		
RATES		This Week	Last Week	Low 2008	High 2008
SPOT MARKET					
82,000 cbm / FR		1,160,000	905,000	160,000	1,540,000
57,000 cbm / FR		920,000	920,000	890,000	980,000
35,600 cbm / FR		860,000	855,000	855,000	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		585,000	570,000	565,000	585,000
COASTER Europe		275,000	295,000	225,000	325,000
COASTER Asia		187,500	190,000	187,500	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)	949.52	997.66	1059.85
Sonatrach : Bethioua	890.00	890.00	

SALE AND PURCHASE

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

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
MT Seraya Baru	31,102	6,969	1978	Bangladesh	725
MT Jag Prayog	29,990	7,226	1982	Bangladesh	710
MV Lafayette	14,947	9,818	1971	China	682
MV Crown	3,043	7,303	1966	India	672

NEWBUILDING**GENERAL COMMENT**

It has been a busy week with a total of 43 newbuildings reported. Most of these were bulk carriers, despite the sudden fall of the BDI. Jiangnan received orders for eight Panamax bulkers from China Shipping Development Corporation. While Rizhao Steel placed orders for eight Capesizes at Dalian Shipbuilding and Shanghai Waigaoqiao, the ships were reported at abt usd 90 million, with delivery from 2010. Dalian Shipbuilding also succeeded in securing 2 VLCC orders from German owner Dr. Peters, at a reported price of usd 140 million.

ACTIVITY LEVEL

Tankers	Dry Bulkers	Others
Stable	Stable	Stable

Average Far Eastern Prices

PRICES	This Week	Last Week	Low 2008	High 2008	
VLCC	300'dwt	152.0	152.0	141.0	152.0
Suezmax	150'dwt	93.0	93.0	88.0	93.0
Aframax	110'dwt	74.0	74.0	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	Mills	Comm.
BC	8	4500 dwt	Shandong	Wilson EuroCarriers	2010/2011/2012	10.4	
BC	6	6250 dwt	Yangzijiang	Carisbrooke	2010/2011	13	
BC	4	33500 dwt	Daesun	Chang Myung	2011/12	37.9	
BC	1	57000 dwt	Jinling	Giuseppe Bottiglieri	2010	47	
BC	8	76000 dwt	Jiangnan	CSDC	2011/12	53.5	
BC	4	177000 dwt	SWS	Rizhao Steel	2010/2011	89	
BC	4	177000 dwt	DSIC	Rizhao Steel	2010/2012	90	
PC	2	8500 dwt	Dingheng Jiangsu	John T Essberger	2010/11		
MT	2	297000 dwt	DSIC	Dr Peters	2011	140	
CO	1	3600 teu	HHI	MPC Munchmeyer	2011		
CO	3	4500 teu	HHI	Maersk Line	2011	91	

MARKET BRIEF

Rate of exchange	This Week	Last Week	Low 2008	High 2008	
JPY/USD	108.12	107.31	96.90	111.45	
KRW/USD	1030.50	1029.50	937.35	1047.63	
NOK/USD	5.19	5.15	4.96	5.54	
USD/EUR	1.55	1.55	1.46	1.60	
Interest rate					
Eurodollar 12 mnths	3.60	3.60	2.48	4.25	
EuroNOK 12 mnths	6.83	6.95	5.67	6.95	
Commodity prices					
Brent spot (USD)	134.12	132.43	87.52	134.12	
Bunker prices					
Singapore	180 CST	655.00	655.00	451.00	655.00
	380 CST	634.00	629.00	440.00	634.00
	Gasoil	1255.00	1282.00	770.00	1282.00
Rotterdam	180 CST	663.00	638.00	432.00	663.00
	380 CST	611.00	598.00	404.00	611.00
	Diesel	1149.00	1155.00	702.00	1155.00

