



TANKERS

CHARTERING

Crude

Owners of VLCCs in MEG saw a week of fairly steady activity, with rates more or less unchanged. WAF on the other hand saw rates increase briefly, before the market once again ran out of steam. The markets in the MEG and WAF can best be described as stable to soft. There were some replacement jobs done ex WAF which demanded fairly firm rates, but in general activity seems to have settled down. There was a firm undertone in the Suezmax market west of Suez, mainly attributable to uncertainties with regards to barrels out of Ceyhan. This kept the market on its toes, and prevented rates from slipping in an otherwise lacklustre trade. However there is a certain date-sensitivity, and some charterers might have to pay a slight premium to cover stems on short notice. The NSEA Aframax saw little change from last week. Even though activity was limited, so was tonnage availability. In the MED a long list of vessels for first half of November gave charterers the upper hand and rates declined. CARIBS Aframax saw less activity and also in this area there was a decline in rate levels.

Product

There was little activity of note in the east of Suez market this week, and rates remained soft. MRs carrying 30,000 m/t lots Spore/Japan saw rates fall to around WS 180-185 where they remained. 55,000 m/t cargoes on LR1s MEG/Japan were drawing rates of WS 145, which is both 15 points down from last week and a record low for the year; we wouldn't be surprised if a new record is set once again next week. LR2 rates stood their ground at WS120, and there was even some anticipation of a slight improvement. There was a modest increase in rates for 65,000 m/t cargoes MEG/UKC from USD 1.8 million to USD 1.85 million. In the Atlantic Basin there was less activity on transatlantic routes and this caused rates to fall about 5 WS points resulting in rates of WS 197.5 basis 37,000 m/t. Rates were maintained at WS 140 for larger units loading 65,000 m/t Baltic/USAC. Activity improved for Handies trading inter NWEurope with rates averaging WS 220 basis 22,000 m/t. Caribbean rates remained largely unchanged at WS 155 basis 38,000 m/t upcoast. It appears unlikely that we will see any significant change in Atlantic freight levels in the next week.

ACTIVITY LEVEL

VLCC	Suezmax	Aframax		Product	
Stable	Stable	Mixed		Soft	
RATES		This Week	Last Week	Low 2007	High 2007
DIRTY (Spot WS)					
MEG / West	VLCC	47.5	50.0	42.5	77.5
MEG / Japan	VLCC	62.5	60.0	50.0	105.0
MEG / Singapore	260,000	65.0	65.0	50.0	107.5
WAF / USG	260,000	77.5	80.0	46.0	100.0
WAF / USAC	130,000	115.0	110.0	72.5	175.0
Sidi Kerir / W Me	135,000	155.0	150.0	67.5	200.0
N. Afr / Euromed	80,000	175.0	190.0	80.0	260.0
UK / Cont	80,000	150.0	150.0	80.0	220.0
Caribs / USG	70,000	180.0	185.0	92.5	260.0
CLEAN (Spot WS)					
MEG / Japan	75,000	120.0	120.0	115.0	175.0
MEG / Japan	55,000	145.0	160.0	145.0	210.0
MEG / Japan	30,000	200.0	250.0	200.0	360.0
Singapore / Japan	30,000	180.0	190.0	170.0	315.0
Baltic T/A	65,000	140.0	140.0	135.0	245.0
UKC-Med / States	37,000	197.5	200.0	155.0	350.0
Caribs / USNH	38,000	155.0	155.0	130.0	300.0

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

VLCC	(modern)	45,000	45,000	42,500	60,000
Suezmax	(modern)	40,000	40,000	40,000	45,000
Aframax	(modern)	31,000	31,000	31,000	35,000
LR2		105,000	31,000	31,000	32,500
LR1		80,000	26,500	26,000	29,500
MR		40,000	23,000	23,500	26,500

VLCCs fixed all areas last week:	43	previous week:	42
VLCCs avail. in MEG next 30 days:	73	last week:	87

SALE AND PURCHASE

Vessel	Size	Built	Buyer	Price	Comm.
Tribuana	147,500	1989	TMT	34.	
Archangelos R	97,000	1992	TMT	30.	
Magnificia	37,000	2008	Italy	undisc	incl 3yr tc \$23,000
Dominia	37,000	2008	Italy	undisc	incl 3yr tc \$23,000

DRY BULK

CHARTERING

Handy

It was a bit more quiet week with only the slight improvements of the rates by the comparison to the previous hectic weeks. The average index went up but by the modest usd 250. In the Atl. the rates even eased off a bit. Nonetheless we have seen good numbers on some of the routes and on the period fixtures. Dubai Ambassador was fixed at the nice usd 85000 for the voy from Longkou to BtSea. Mv Serenity was said to be fixed at usd 75K for 4/6 mos. Namrun is allegedly done at usd 62500 basis 2 yrs empl and Avra was done at usd 68,000 for 18/20 mos.

Panamax

Market sliding at the end of the week in the Atl, but still we see all time high numbers. Fronthaul concluded arnd low/mid usd 90,000 and Atl rv in the mid usd 80,000. There are some ballasters who have influenced the market by lowering their rates, but we don't expect a huge drop further into Nov. For short period we have seen LME type done at low usd 90,000, and 1 yr concluded at usd 82,750. Pac market was expected further up this week and did so in the beginning. However now mid week the FFA market is coming down heavily and therefore physical is expected to follow. Baltic index for Pac rv is again below usd 100,000 despite that most fixture in Pac is at higher level. A fixture is reported on subs at usd 100,000 for Pac. rv, which indicates that Pac keeps up. Tonnage open Indian Ocean is traded arnd usd 90,000 for trip to China, which is a bit down from prev fixtures done closer to usd 100,000. Considering "all time high" rates, the market is nervous. Few fixtures reported in the Pa

Capesize

The Cape market TUMBLING the last week from record high levels. Is this a big surprise?? Not really. After steady increase for months and rates reaching phenomenal heights, a correction was bound to come. In 1 week TC index dropped from usd 184,000 to 164,700. Similar fall in most trades. Those searching for excuses for the fall are blaming Coaltrans last week and Eisbein in Hamburg this week, where many of the market players are attending, for the sharp fall in rates. No changes in the demand ahead have been reported, so we believe the present fall is purely psychological. As a consequence, the period market has taken a pause and already we see chrs trying to cover forward cargoes at discounted rates. Few owners will be tempted and we believe the market soon will stabilize.

ACTIVITY LEVEL

Capesize	Panamax		Handysize	
Low	Stable		Slower	
RATES	This Week	Last Week	Low 2007	High 2007
CAPESIZE (usd/day, usd/tonne)				
TCT Cont/Far East (172´ dwt)	212,000	229,000	81,000	229,000
Tubarao / R.dam (Iron ore)	44.00	46.75	19.30	46.75
Queensland/ R.dam (Coal)	62.00	64.50	29.40	64.50
PANAMAX				
Transatlantic RV	87,000	85,000	32,000	87,000
TCT Cont / F. East	93,000	89,000	34,000	93,000
TCT F. East / Cont	99,000	92,500	30,000	99,000
TCT F. East RV	100,000	98,000	30,250	100,000
Murmansk b.13-ARA 15/25,000 sc	26.75	26.98		26.98
Murmansk b.13-L.pool 15/25,000 sc	28.00	28.04		28.04

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

HANDYSIZE

Atlantic RV	71,250	72,250	30,750	72,250
Pacific RV	75,000	73,650	28,350	75,000
TCT Cont / F. East	71,750	70,500	26,500	71,750

1 YEAR T/C (usd per day)

Capesize	150,000 dwt	132,000	140,000	53,000	140,000
Capesize	170,000 dwt	148,000	157,000	62,000	157,000
Panamax	75,000 dwt	82,000	81,000	30,000	82,000
Handysize	53,000 dwt	69,000	69,000	28,500	69,000

Baltic Dry Index (BDI):	This Week: 10656	Last week: 10984
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SALE AND PURCHASE

Vessel	Size	Built	Buyer	Price	Comm.
Peace Glory	166,000	1984	Ravenscroft	57.00	27,851 ldt
Marine Hunter	164,000	1984	WEM Lines	45.00	17-21m@30K/d
Loch Maree	75,845	2004	Greeks	85.00	
Golden Joy	70,109	1994	Undisclosed	62.50	
Mastrogioris	69,397	1984	Undisclosed	35.00	
Golden Bridge	69,057	1995	Rizhao Steel	68.00	
Astron Spirit	65,767	1984	Greeks	34.75	
Evangelia M	58,412	1981	Fearnley KS	22.90	5 yrs@15.5K/d
Nord Viking	45,208	1994	Chinese	55.00	4/25cr del feb/08
Hanjin Tampa	27,374	1995	Ocean L.	39.00	4/25cr
Hanjin Houston	27,369	1995	Koreans	40.00	4/25cr
Ever Success	27,106	1977	Vietnam	7.00	5/15cr
DS Splendour	19,167	1999	Greeks	33.00	3/36cr
Holmon	10,900	1978	Undisclosed	5.50	1/30cr self-disch

**GAS****CHARTERING**

In continuation of our last week's report, the VLGC market has regained strength the last couple of days. All it took was a small handful of COA-nominations and spot fixtures, and "oops" November tonnage was wiped out but one - and at press time it appears more than one party is asking freight on her. Therefore, it seems there is "party-time" in the VLGC market again - but as has been the case lately, it is difficult to predict its duration. Still a 20% jump in freight rates looks to be the minimum and mid 50s could be in reach within short if spot cargoes continue to pop up. Nominally mid USD 50s is not a bad rate, but when IFO is in the high USD 400s as of late, the net results are heavily influenced - on a modern VLGC about 40 cents per ton additional freight is required for each USD 10 per ton Fuel price increase to maintain same voyage result.

ACTIVITY LEVEL

5,000 cbm Increasing	12-20,000 cbm Stable	75,000 cbm Firmer		
		This Week	Last Week	Low 2007
				High 2007
RATES				
SPOT MARKET				
82.000 cbm / FR	895,000	815,000	370,000	1,420,000
75.000 cbm / FR	680,000	580,000	220,000	1,125,000
57.000 cbm / FR	930,000	930,000	925,000	1,025,000
35.600 cbm / FR	930,000	915,000	910,000	980,000
24.000 cbm / FR	850,000	840,000	815,000	860,000
15.000 cbm / SR	740,000	730,000	700,000	810,000
8.200 cbm / ET H	650,000	640,000	610,000	650,000
6.500 cbm / SR	590,000	590,000	580,000	630,000
3.500 cbm / PR (East)	250,000	250,000	205,000	250,000
3.200 cbm / SR	290,000	280,000	220,000	345,000

LPG/FOB prices	Propane	Butane	ISO
FOB North Sea / BP AP	658.00	713.50	
Saudi Arabia / CP	640.00	665.00	
MT Belvieu (US Gulf)	784.10	818.33	842.47
Sonatrach : Bethioua	650.00	673.00	

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 2007:	0	2	0
Year to date 2006:	0	0	3
2006 total:	0	0	3

SOLD FOR DEMOLITION

Vessel name	Size	Ldt	Built	Buyer	Price
MT DWI Samudra	2,387	898	1977	Pakistan	510

NEWBUILDING**GENERAL COMMENT**

Yet another week has passed with exceptional demand for dry bulk carriers. A new greenfield yard, Zhoushan Jinhaiwan, located on the island of Zhoushan outside the city of Ningbo, secured 8 Kamsarmaxes from listed company Golden Ocean at an estimated delivered price of USD 420 million, or an average of USD 52.5 million per vessel. Although less contracts in general over the week, it is believed that shipyards are still very active, preparing something that looks more like tender processes rather than the traditional offers. A rare occasion this week was the 5 Capesize vessels contracted at Zaliv in the Ukraine, a newcomer in this segment. The order has been placed by the Ukraine Finances and Credit Group, who is also the owner of the Zaliv Shipyard and controlled by Mr. Konstantin Zhevago.

ACTIVITY LEVEL

Tankers		Dry Bulkers		Others	
Stable		Stable		Stable	
Average Far Eastern Prices					
PRICES		This Week	Last Week	Low 2007	High 2007
VLCC	300'dwt	141.0	140.0	127.0	141.0
Suezmax	150'dwt	88.0	88.0	78.0	88.0
Aframax	110'dwt	69.0	69.0	64.0	69.0
Product	47'dwt	50.0	50.0	47.0	50.0
Capesize	170'dwt	92.0	90.0	68.0	92.0
Panamax	74'dwt	50.0	49.0	38.0	50.0
Handymax	50'dwt	44.0	44.0	34.0	44.0

NEWBUILDING CONTRACTS

Type	No	Size	Yard	Owner	Del	Mill\$	Comm.
BC	3	30000 dwt	Tsuji	Yasa	2011		
BC	2	35000 dwt	SPP	Premuda	2011/12	39	
BC	2	37000 dwt	Saiki	Formosa	2011/12		
BC	8	80000 dwt	Zhoushan Jinhaiwan	GOGL	2009/10/11		
BC	1	83000 dwt	Sanoyas	Yasa	2012		
BC	2	92500 dwt	Jiangsu Yangzijiang	G Bottiglieri	2011	60	
BC	1	95000 dwt	Imbaria	Misui	2012		
BC	5	175000 dwt	Zaliv	Finance & Credit Group	2009/10/11/12		
CO	6	2790 teu	Aker Yards	Reederei F Laeisz	2009/10	60	
MT	1	158000 dwt	Samsung	Yasa	2010	83	
PC	4	75000 dwt	Dalian Shipbuilding	Jacob Tankschiff	2010/11		
VLO	4	230000 dwt	Guangzhou Longxue	China Shipping Development	2011	90	

MARKET BRIEF

Rate of exchange	This Week	Last Week	Low 2007	High 2007
JPY/USD	115.13	114.31	113.84	123.56
KRW/USD	902.90	917.90	902.90	949.80
NOK/USD	5.35	5.44	5.35	6.45
USD/EUR	1.45	1.42	1.29	1.45
Interest rate				
Eurodollar 12 mths	4.65	4.76	4.65	5.47
EuroNOK 12 mths	5.83	5.76	4.49	5.87
Commodity prices				
Brent spot (USD)	87.44	82.73	51.18	87.44
Bunker prices				
Singapore	180 CST	487.00	462.00	273.00
	380 CST	477.00	452.00	266.00
	Gasoil	735.00	705.00	495.00
Rotterdam	180 CST	479.00	448.00	244.00
	380 CST	457.00	426.00	221.00
	Diesel	677.00	642.00	314.00

