



# WEBERSEAS

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## WEEKLY MARKET REPORT

June 27th, 2008 / Week 26

On the dry, the market turned again from mid this week showing that good rates are here to stay, supporting the optimistic views which we have been commenting on for a while. China is sustaining the strong growth and demand for raw materials even though some views have been expressed that cargo availability may slow down towards the end of the summer. However, we have to say that by having the BDI maintained at excess 9000 points by end June, it is a good sign and indeed supports what market experts say that we are "steaming" for a "hot" 4th quarter.

To illustrate the Chinese demand, it has been on the news this week that Baosteel, as well as the rest of the Chinese steel makers, have already reached an agreement for the supply of iron ore with Australian suppliers RIO TINTO even though with notable price hikes (i.e. we understand prices were fixed with increases by 96.5 pct for lump ores & 79.88 pct for fines year-to-year). BHP BILLITON however, it is said that continues to play "hard ball" with the Chinese asking for even higher increases. This tends to be a "love-and-hate relationship", but the outcome of such negotiations is very important for the market simply because the Chinese are already looking for alternatives elsewhere and this has to do with the tonne-miles. Someone may wonder here, what will be the case and the impact in the market if the BHP BILLITON hostile take over or RIO TINTO finally goes through.

While the Chinese are trying to secure iron ore for their growing demand, India is said to have growing demand for coal not only in the long-run (for the power stations under construction in the South), but also in the short-run for steel production plants. For example, it has been on the news that Indian state-owned Vizag Steel is on the search to fix handymax/supramax tonnage to carry coal from Australia as it is planning to increase its production substantially in the years to come. It said that these coal shipments are expected to run from August this year until July 2013.

With these interesting developments on this weeks' news, second-hand sales continue to take place with an increasing pace. Listed companies continue to lead the way for modern tonnage acquisition. Following last week's 3 CAPES +3 HANDIES en bloc deal by GENCO, Navios announced the acquisition of two supramax vessels at USD 152.5 mil. Koreans buyers have moved again for panamax bulkers in the late 80s, committing MV GREAT HARVEST (68,192 mtdw / blt 86 Japan) for the reported firm price of USD 41.5 mil basis cfree dely Nov/Dec 2008.

It is also rumored and reported that PacBasin has sold one more (MV MOUNT OWEN) of the 2008 built Japanese handysizes in a deal that has been said to be very similar (if not identical) to the BEREKE BAY deal. Rumored she is gone for about USD 55.2 mill basis 1 yr t/c back at a u/d rate.

On the tanker market we have noted a very strong demand for modern and re-sale aframax and suezmax tankers as well as for nb VLCCs. Fredriksen's controlled acquired this week all 5 suezmax tankers built early - mid 90s from the listed TopShips (NASDAQ) for a reported price of USD 240 mill.

Moreover, reportedly it is said that Koenig disposed one or two 114,000 dwt aframax tanker with dely 3rd Q 2009 ex New Times, PRC at USD 78.8 mil, which is about USD 5 mil more than the price paid by Greek buyers for sister vessels a few months ago.

On the VLCC class; the trend that started from last week continued and what initially had seemed a balanced supply/demand equation quickly changed into an extremely tight situation and left several charterers struggling at week's end to secure suitable units for their cargoes. Double hulls AG/SPORE started the week at the ws215/220 level, initially holding near the top of that range, before pushing to the ws230 level with a high of ws245 being paid at week's end and the upward pressure continuing. Singles on the AG/JAPAN trade, while less active predominantly due to the lack of vettable units around, after they were all grabbed last week, showed a steadier trend with rates ranging from ws190 to the lower ws200's, depending on the age, size and approvals, but like the doubles we can expect the next to be higher.

On the suezmax class; Markets started the week lacking a bit in interest, with not much fixing for the Wafr/Ta trade, or other trades in the Atlantic Basin. However, by mid week interest increased with rates for cross med at ws 225-230 and t/a staying ws 195. However by weeks end, activity increased and with it modest rate gains were made by owners with rates improving to +200 for Wafr/Ta trade and with a few cargoes outstanding expect this market to remain firm. In the east - suezmaxes remain nominally firm as the VLCC market in this area also bullish.

On the Aframaxes, Carribean market started the week at ws 305ish levels, yealding around 65,9k per day but with prompt tonnage starting to build up and ample tonnage to cover the requirements, coupled with very limited enquiry across the pond, rates naturally softened closing the week at the worldscale 230s levels earning about 41.5k per day. In the Mediterranean and Bsea markets; with the Lavera strike over and tonnage getting freed, we saw rates sliding from the WS285 levels in the beginning of the week for cross med voyages to the WS235 levels before the sliding seemed to stabilize with a bit more activity absorbing tonnage. In the East of Suez Afras there was stable activity this week and with the NGT VLCC berth out of service and several vessels fixed either AG/Japan or STS Yosu/Japan, rates firmed closing the week at the WS 260-270 levels, yielding about 49k per day, whereby week started at the ws240 levels.

## TANKERS

**“STORMLESS”** 150,038/93 - MITSUI - B&W 20,940 - COILED - IGS - SBT - COW - DH

**“EDGELESS”** 147,048/94 - U.K. - B&W 17,578 - COILED - IGS - SBT - COW - DH

**“ELLEN P”** 146,268/96 - U.K. - B&W 20,850 - COILED - IGS - SBT - COW - DH

**“LIMITLESS”** 136,055/93 - BRAZIL - SUL 21,000 - COILED - IGS - SBT - COW - DH

**“ENDLESS”** 135,915/92 - BRAZIL - SUL 21,000 - COILED - IGS - SBT - COW - DH

Sold for \$240 mill. en bloc to Norwegian buyers (Frontline).

**“BEREKET KA”** 9,093/82 - HIGAKI - MITSUBISHI 6,000 - COILED - COATED - IGS - SBT - COW - SH

Sold for \$3.5 mill. to Iranian buyers.

LPG **“YORK”** 5,076/00 - HIGAKI - B&W 5,302 - 6,185 CBM

Sold for \$18 mill. to Greek buyers. Sale includes t/c for 3 years at about \$340,000/month.

LPG **“GITTA KOSAN”** 4,828/90 - HYUNDAI - MAK 4,500 - 4,415 CBM

LPG **“GITTA KOSAN”** 4,811/90 - HYUNDAI - MAK 4,500 - 4,415 CBM

Sold for \$24 mill. en bloc to Norwegian buyers (Viken Marine). Sale includes t/c back to the seller for 4 years at undisclosed rate.

## **BULKERS**

**“GREAT HARVEST”** 68,192/86 - KOYO MIHARA - B&W 10,900 - 7HH

Sold for \$41.5 mill. to Korean buyers basis charter free delivery in November/December 2008.

**“TSUNEISHI CEBU RESALE”** 58,500/03-09 - TSUNEISHI CEBU - B&W 12,889 - 5HH - C 4X30T

**“IKAN SEMBAK”** 55,728/07 - OSHIMA - B&W 11,160 - 5HH - C 4X30T

Sold for \$152.5 mill. en bloc (\$73.5 & 79 mil respectively) to Greek buyers (Navios Maritime).

**“KEN BLOSSOM”** 38,852/92 - IHI - SUL 7,900 - 5HH - C 4X25T

Sold for \$44 mill. to U.S. based buyers (TBS).

**“MOUNT OWEN”** 28,050/08 - IMABARI - B&W 7,954 - 5HH - C 4X30.5T

Sold for \$55.2 mill. to undisclosed buyers. Sale includes t/c back for 1 year at undisclosed rate.

**“MIRACH”** 27,192/82 - KANASASHI - SUL 13,230 - 5HH - C 5X15T

Sold on private terms to Turkish buyers.

**“REMBRANDT”** 26,680/75 - NAMURA - SUL 11,500 - 5HO 9HA - C 3X25T & 2X15T

Sold for \$9 mill. to undisclosed buyers.

**“GISELA OLDENDORFF”** 20,101/97 - WUHU - B&W 9,041 - 4HH - C 3X25T - 900 TEU

Sold for \$24 mill. to undisclosed buyers. Sale includes bareboat back for 18+6+6 months at \$9,500/day.

**“TRISTEIN”** 4,152/93 - TURKEY - B&W 4,568 - 2HH - C 2X25T - 214 TEU

Sold for \$7 mill. to New Zealand based buyers.

## **TWEENDECKERS/MPP**

**“LEONIS”** 16,487/79 - CROATIA - SUL 13,786 - 5HO 8HA - D 1X80T, 7X22T - 428 TEU

Sold for \$8.2 mill. to undisclosed buyers.

**“SUN EAST”** 7,719/86 - USUKI - ITO 3,090 - 2HH - D 4X20T

Sold for \$5.3 mill. to Chinese buyers.

**“CALYPSO III”** 4,175/84 - GERMANY - DEUTZ 1,788 - 1HH - C 2X30T - 256 TEU

Sold for \$5.4 mill. to undisclosed buyers.

## **CONTAINERS**

**“EWL WEST INDIES”** 13,729/06 - DAYANG - B&W 13,228 - C 2X45T - 1,114 TEU  
Sold for \$28 mill. to undisclosed buyers.

**“BRIGHT SILVER”** 12,368/97 - KYOKUYO - B&W 10,860 - 7HH- C 2X36T - 836 TEU  
Sold for \$17.5 mill. to Vietnamese buyers.

## **FRESH FOR SALE**

## **BULKERS**

**“BARCELONA BRIGHT”** 67,485/81 - IHI - SUL 12,310 - 7HH  
Vessel promptly inspectable in S. Korea where discharging.

**“JAG RISHI”** 41,093/84 - OSHIMA - SUL 8,670 - 5HH - C 4X25T  
Vessel inspectable Salalah, Oman end June.

**“VOGE KATJA”** 23,994/98 - KANDA - MITSUBISHI 7,199 - 4HH - C 4X30T  
Vessel inspectable Constantza July 6th.

## NEWBUILDING STATISTICS

<b>TYPE OF SHIP</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>* TOTAL ORDERBOOK</b>
ULCC/VLCC	22	68	60	65	8		223
SUEZMAX	14	57	51	30	5		157
AFRAMAX	57	102	87	40			286
PANAMAX	27	52	24	28			131
MR	135	210	183	85	4		617
0-35,000 DWT	199	204	135	36	6		580
CAPE SIZE	28	155	331	171	43	8	736
80-100,000 DWT	25	90	166	123	15	1	420
PANAMAX	37	45	67	42	12		203
SUPRAMAX	109	266	262	161	37	1	836
HANDYSIZE	82	232	230	145	40	3	732

\* Includes ALL vessels on order

## NEWBUILDING CONTRACTS

<b>No.</b>	<b>Size</b>	<b>Type</b>	<b>Yard</b>	<b>Delivery</b>	<b>Price (mill)</b>	<b>Owners</b>	<b>Comments</b>
2	320,000 dwt	Vlcc	Daewoo S.B.	2011/12	\$154	Angelikoussis Group	
3	318,000 dwt	Vlcc	Samsung H.I.	2011	n/a	Geden Lines	
2	105,000 dwt	Tank	Sumitomo	2010	n/a	Pleiades Shipping	
1	85,000 dwt	Tank	Jiangsu Eastern	2011	\$67.5	Pertamina	
2	50,000 dwt	Tank	STX	2010	n/a	European owner	IMO II
2	46,000 dwt	Tank	Hyundai Mipo	2011	\$58	Westfal-Larsen	IMO II
2	82,000 dwt	Bulk	Guanzhou Longxue	2010	n/a	Norden	
4	79,800 dwt	Bulk	Jiangsu Eastern	2011/12	\$45	Atlanska Plovidba	
1	57,000 dwt	Bulk	Jinling	2010	\$47	Giuseppe Bottiglieri	
7	36,000 dwt	Bulk	Hyundai Mipo	2011/12	\$41.7	Middle Eastern owner	KRW 302.3 billion
3	35,000 dwt	Bulk	Nantong	2010	n/a	Nordic Hamburg	
10	7,200 dwt	MPP	Damen Shipyard	2009/11	n/a	Oslo Marine Group	Ice-class 1A
18	4,500 teu	Cont	Hyundai H.I.	2011/12	n/a	Maersk Line	

## DEMOLITION

<b>DEMOLITION STATISTICS</b>				
<i>TYPE OF SHIP</i>	<i>THIS DATE 2008</i>	<i>THIS DATE 2007</i>	<i>2007 TOTAL</i>	<i>2006 TOTAL</i>
ULCC/VLCC	4	0	1	0
SUEZMAX	1	1	1	0
AFRAMAX	5	5	8	14
PANAMAX TANKER	7	3	5	7
CAPE/COMBO (100,000 dwt +)	0	0	0	3
PANAMAX/KAMSARMAX BULKER	0	2	2	13

<i>LOCATION</i>	<i>TANKERS</i>	<i>BULK CARRIERS</i>
CHINA	420	380
INDIA	680	640
BANGLADESH	720	660
PAKISTAN	700	645

### DEMOLITION:

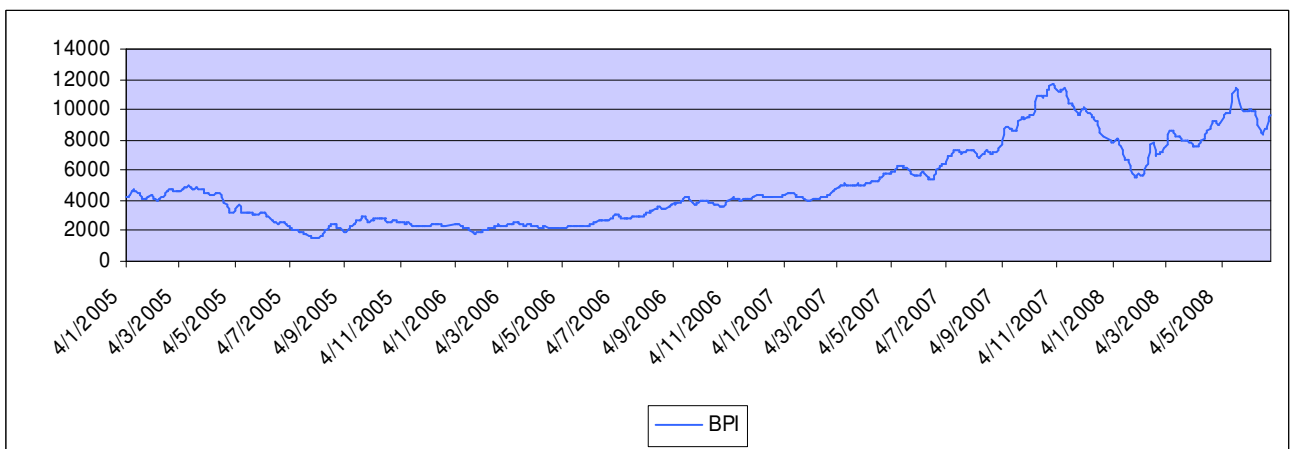
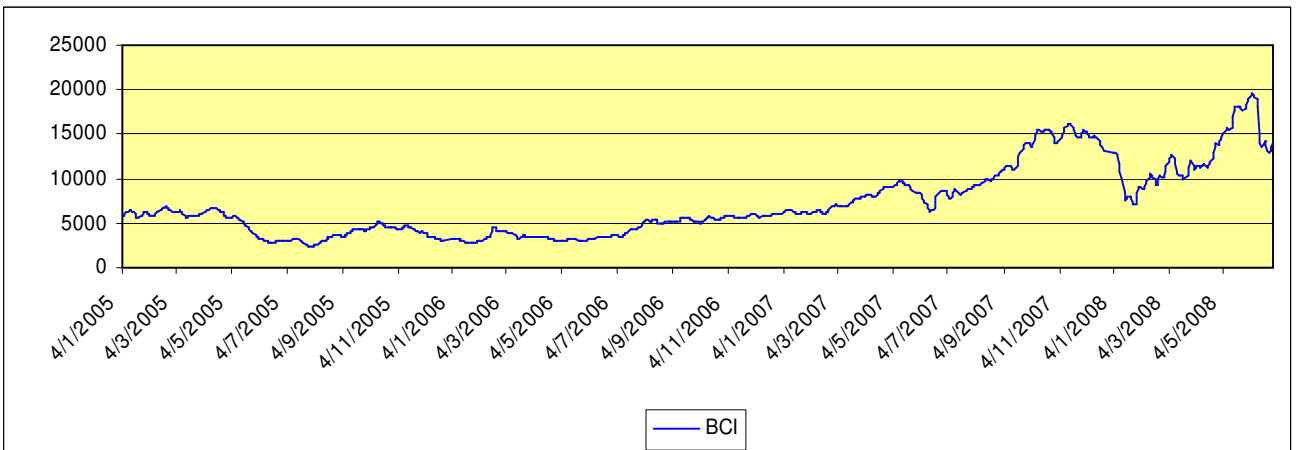
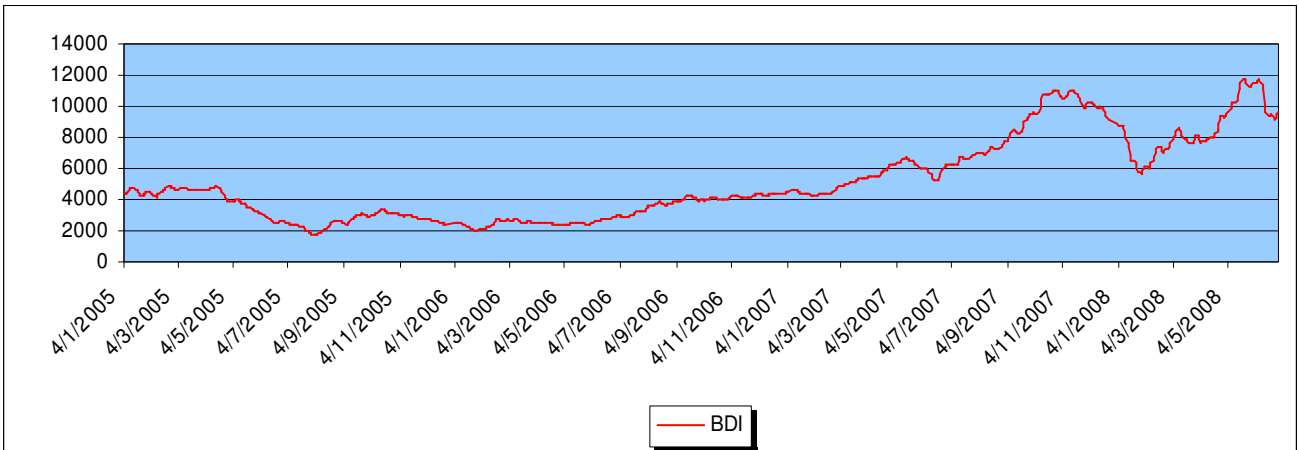
#### INDIA

M/t “CINDERELLA” (LNG)

13,400/66 - 11,186 LDT - USD 770/LDT (As is Karimun with approximately 300 tons SUS on board)

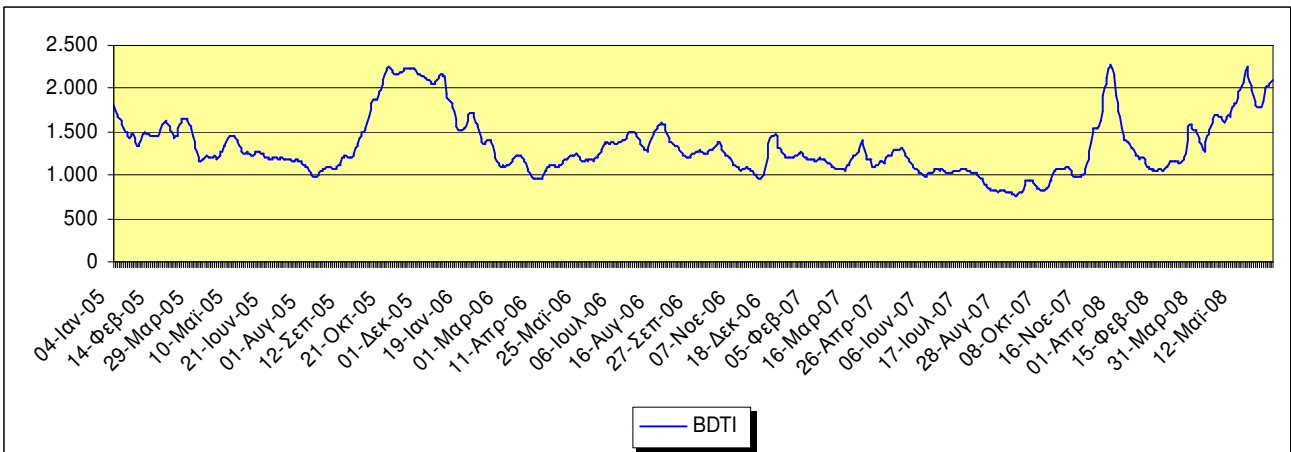
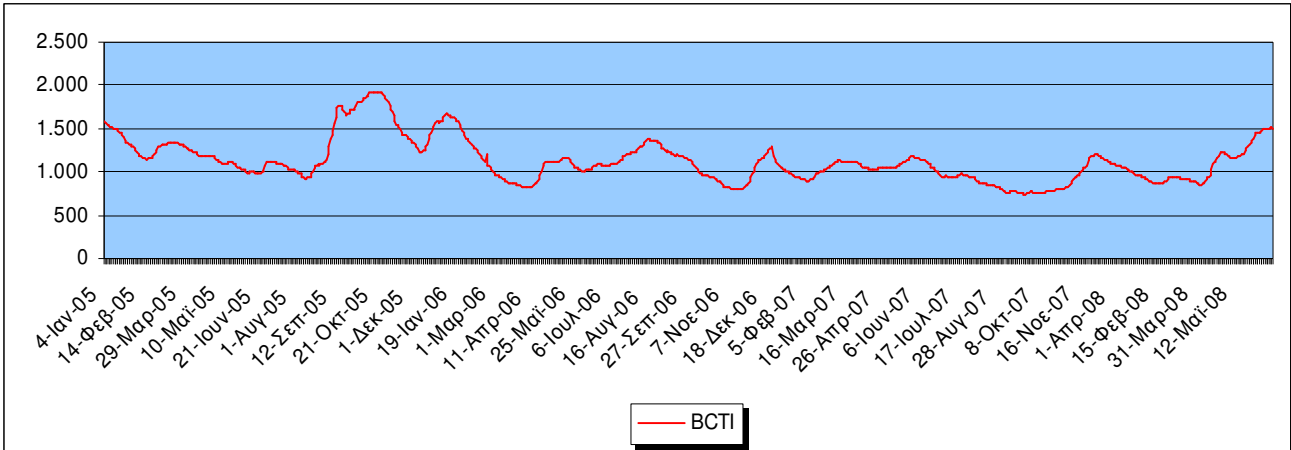
### BALTIC DRY EXCHANGE RATES

	<i>THIS WEEK</i>	<i>LAST WEEK</i>	<i>CHANGE</i>	<i>CHANGE %</i>
<b>Baltic Dry Index</b>	9599	9428	+171	+1.81%
<b>Baltic Capesize</b>	13936	13858	+78	+0.56%
<b>Baltic Panamax</b>	9656	8699	+957	+11.00%
<b>Baltic Supramax</b>	5878	6236	-358	-5.74%
<b>Baltic Handysize</b>	2723	2826	-103	-3.64%



### BALTIC WET EXCHANGE RATES

	<i>THIS WEEK</i>	<i>LAST WEEK</i>	<i>CHANGE</i>	<i>CHANGE %</i>
<b>Baltic Clean Tanker</b>	1504	1501	+3	+0.20%
<b>Baltic Dirty Tanker</b>	2106	2010	+96	+4.78%



## MAJOR CAPITAL MARKETS

INDEX	THIS WEEK*	LAST WEEK*	CHANGE	CHANGE %	52 WEEKS HIGH	52 WEEKS LOW
NYSE	6,558.58	6,758.95	-200.37	-2.96%	7,963.84	6,160.94
NASDAQ	2,321.37	2,462.06	-140.69	-5.71%	2,861.51	2,155.42
AIM	957.66	991.85	-34.19	-3.45%	1,238.50	939.48
NIKKEI	13,822.32	14,130.17	-307.85	-2.18%	18,295.30	11,691.00

## PUBLIC COMPANIES

### DRY-CARGO SECTOR

NAME	SYMBOL	THIS WEEK*	LAST WEEK*	CHANGE	CHANGE %	52 WEEK HIGH	52 WEEK LOW
DIANA	DSX	\$31.87	\$32.81	-0.94	-2.86%	\$45.15	\$19.50
DRYSHIPS	DRYS	\$82.86	\$82.00	+0.86	+1.05%	\$131.34	\$39.74
EAGLE BULK	EGLE	\$28.63	\$29.10	-0.47	-1.61%	\$36.24	\$17.50
EXCEL MARITIME	EXM	\$38.47	\$41.40	-2.93	-7.08%	\$81.99	\$22.25
GENCO	GNK	\$64.14	\$62.79	+1.35	+2.15%	\$84.51	\$33.39
NAVIOS HOLDINGS	NM	\$9.30	\$9.96	-0.66	-6.62%	\$19.76	\$7.74
TBS INTERNATIONAL	TBSI	\$37.05	\$40.20	-3.15	-7.83%	\$71.15	\$17.69

### TANKER/ENERGY SECTOR

NAME	SYMBOL	THIS WEEK*	LAST WEEK*	CHANGE	CHANGE %	52 WEEK HIGH	52 WEEK LOW
CAPITAL PRODUCT PARTNERS	CPLP	\$19.21	\$19.63	-0.42	-2.14%	\$32.50	\$16.35
GENERAL MARITIME	GMR	\$26.41	\$29.08	-2.67	-9.18%	\$31.00	\$19.81
OMEGA NAVIGATION	ONAV	\$16.30	\$17.25	-0.95	-5.51%	\$24.74	\$13.30
STEALTHGAS	GASS	\$14.33	\$14.97	-0.64	-4.27%	\$20.00	\$12.34
TEN	TNP	\$37.66	\$37.75	-0.09	-0.24%	\$39.48	\$27.51

### CONTAINER SECTOR

NAME	SYMBOL	THIS WEEK*	LAST WEEK*	CHANGE	CHANGE %	52 WEEK HIGH	52 WEEK LOW
DANAOS	DAC	\$21.98	\$24.23	-2.25	-9.28%	\$40.26	\$21.90

\* Prices reflect Thursday's closing values.

<b>RATES OF EXCHANGE</b>				
	<i>THIS WEEK</i>	<i>LAST WEEK</i>	<i>CHANGE</i>	<i>CHANGE %</i>
<b>Euro / \$</b>	1.5747	1.5516	+0.0231	+1.49%
<b>Sterling / \$</b>	1.9873	1.9769	+0.0104	+0.53%
<b>\$ / Yen</b>	106.14	107.64	-1.50	-1.39%
<b>\$ / Nok</b>	5.0709	5.1530	-0.0821	-1.59%
<b>\$ / Won</b>	1,041.30	1,029.30	+12.00	+1.16%
<b>Brent Crude</b>	\$141.64	\$132.90	+8.74	+6.57%
<b>LIBOR (3-month)</b>	2.81%	2.81%	0.00	0.00%

<b>ESTIMATED VALUES</b>						
<b>TANKERS</b>	<b>NB</b>	<b>PROMPT RESALE</b>	<b>5 YEARS</b>	<b>10 YEARS</b>	<b>20 YEARS</b>	<b>12 MONTH T/C</b>
VLCC	\$155.0m	\$180.0m	\$145.0m	\$125m (DH)	\$40.0m (SH)	\$80,000 PD
Suezmax	\$95.0m	\$112.0m	\$96.0m	\$79.0m (DH)	\$35.0m	\$46,000 PD
Aframax	\$78.0m	\$88.0m	\$75.0m	\$59.0m (DH)	\$28.0m (SH)	\$36,000 PD
Panamax	\$65.0m	\$70.0m	\$60.0m	\$50.0m (DH)	\$23.0m	\$29,000 PD
Product						
<b>BULK CARRIERS</b>	<b>NB</b>	<b>PROMPT RESALE</b>	<b>5 YEARS</b>	<b>10 YEARS</b>	<b>20 YEARS</b>	<b>12 MONTH T/C</b>
Capesize	\$97.0m	\$165.0m	\$151.0m	\$130.0m	\$82.0m	\$147,000 PD
Panamax	\$57.0m	\$102.0m	\$86.0m	\$77.0m	\$50.0m	\$77,000 PD
Supramax	\$48.0m	\$80.0m	\$71.0m	\$61.0m	\$41.0m	\$60,000 PD

<b>BUNKER PRICES</b>				
<b>FUEL GRADES</b>	<b>ROTTERDAM</b>	<b>FUJAIRAH</b>	<b>PIRAEUS</b>	<b>SINGAPORE</b>
<b>380cst:</b>	\$645.50	\$685.00	\$648.00	\$676.50
<b>180cst:</b>	\$700.50	-	\$700.50	\$699.00
<b>MGO:</b>	\$1262.50	\$1262.50	\$1245.00	\$1302.50

## WEBERSEAS CONTACTS

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Spyros Karamassis	6945-776757

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Christos Kalogeras	6944-514420
Lefteris Mystriotis	6946-762010
Dionysios Mitsotakis	6944-720337

### TANKER OPERATIONS

Kimon Polikratis	6932-300590
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### ADMINISTRATION

Yannis Mitropoulos	6936-530007
Ourania Savvaki	6934-257746

Very Truly Yours,

**WEBERSEAS (HELLAS) S.A.**

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