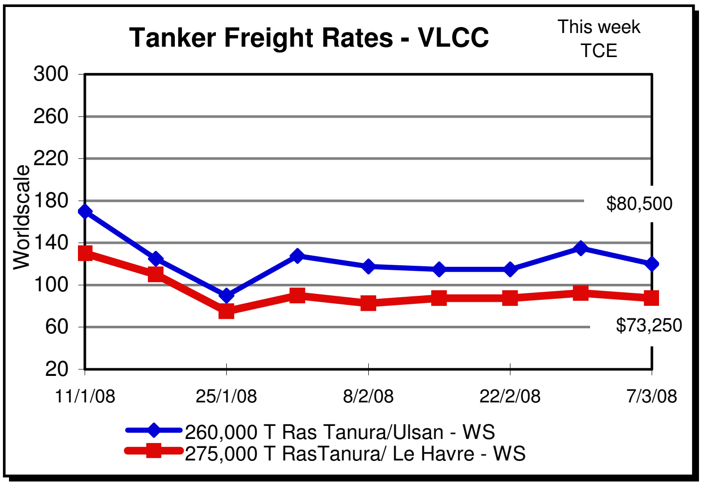
BARRY ROGLIANO SALLES
SHIPBROKERS SINCE 1856

TANKER NEWSLETTER

BRS Tanker Newsletter is a summary for BRS clients of current market trends and developments.

N° 562- March 7th, 2008

CRUDE

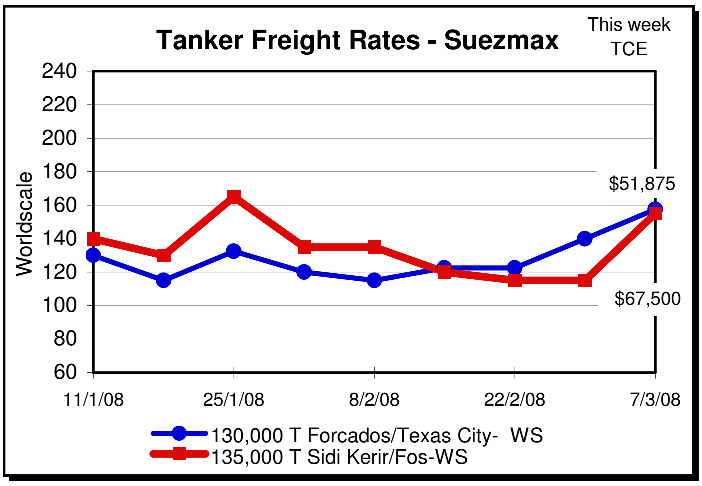


Number of stems covered:

For March = 76
For April = 1

Number of ships till:

31st March = 62
7th April = 92



WAF Figures:

Number of stems covered:

For March = 58
For April = 4

Number of ships till:

31st March = 13
7th April = 33

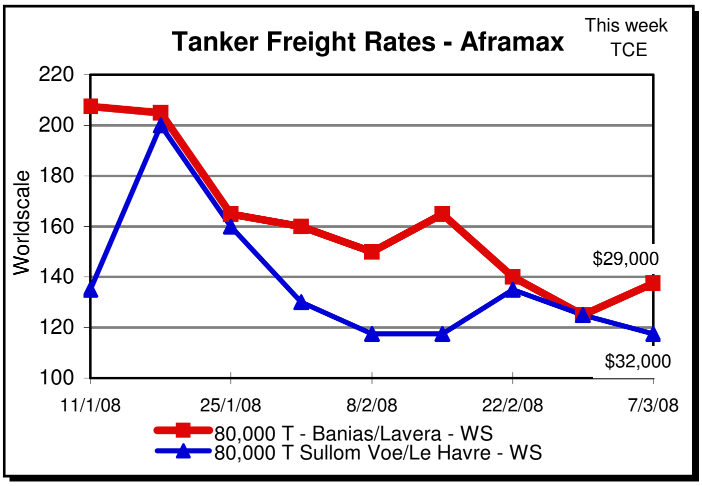
In addition to the 'traditional' zones of tension, the new severe situation now prevailing between Venezuela and Columbia has largely participated to the increase in oil prices … As an example, the ICE index exceeded the US$100 mark most of the week. This has automatically resulted in a strong push on bunker prices between US$20 and US$30/ ton. With hardly a dozen **VLCC** fixtures concluded from the Middle East Gulf this week and again more than 90 units able to load from this zone over next 4 weeks, charterers managed to cool the owners of modern ships down… Rates to the East drop by about 15 points and top at WS120 (about US$80,000/day). Fixtures concluded to the West averaged WS87.5 (US$73,000/day) and one last fixture was even reported at WS80, equivalent to below US$65,000 per day. In comparison, West Africa (at least so far) maintained its better trend with rates gaining another few points at WS127.5 for US Gulf discharge. However, with Suezmaxes now topping around WS155, one can at best expect stabilisation for these large sizes.

VLCC MEG WS TREND : ➡ ↘

As anticipated, West Africa has again proved to be a busy market for **Suezmax** tankers this week. With more than 15 fixtures concluded, rates averaged the high WS150's equivalent to slightly more than US$50,000/day. A couple of 'special' replacement jobs even allowed much higher scores. However, we anticipate stabilisation in the mid/high 150's next week, especially due to the new slowdown on VLCCs. In the Med and from the Black Sea, demand was much more unstable but owners were able to benefit from the positive influence of West Africa and rates strongly (and punctually?) jumped by about 40 points to as high as WS155 for cross Med (US$67,500/day).

SUEZMAX WAF WS TREND : ➡

SUEZMAX MED WS TREND : ➡



Mixed feelings again throughout the different **Aframax** markets. The Continent continued to suffer from low demand as well as the Caribs. The Med entered a short upswing while the East of Suez is consolidating its current levels without too much activity. Baltic and North Sea rates couldn't but decrease with ample tonnage available and little demand. Cargoes are currently traded around WS115/117.5 both from the North Sea (80,000t) and 100,000t from Primorsk, a further 10 pts drop compared to the previous week (t/c equivalent about US$32,000 p/d). After some 2 weeks of little activity, the Mediterranean hit the bottom at WS110 while the same day demand was at its highest. The next day, rates quickly hiked 30/35 points to WS145. With about a dozen ships free within the next week, freight levels will correct to around WS130 (t/c equivalent at about US$27,500 p/d).

AFRAMAX NORTH SEA WS TREND :

AFRAMAX MED WS TREND :

PRODUCT

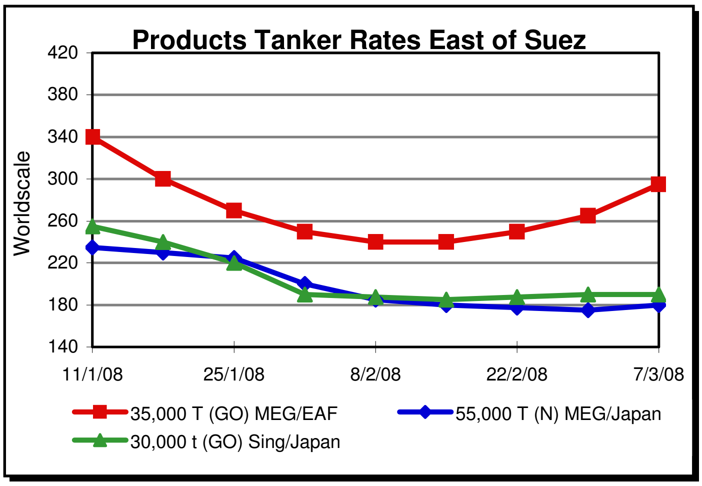
The **LR** market maintained at the same levels: **LR2** 75 MEG/Japan WS150 and **LR1** 55,000t MEG/Japan WS180, owners DNR dropping by about $500/day due to a bunkers price increase of about US$25/mt. From date to date, the market levels are the same as last year, but DNR have dropped US$8,000/day… The market went more active at the end of the week, 6/7 LR1 went on subs which, if subs are lifted, bodes well for next week rates.

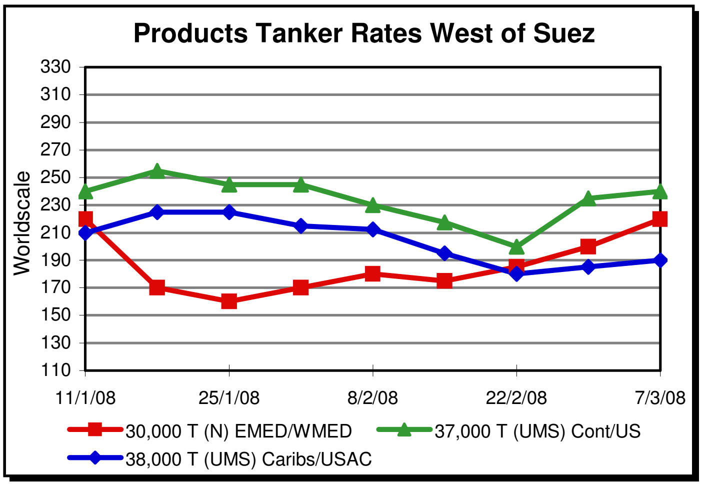
The **MR** market was active and rates firm up by 25/30 points for MEG/East Africa, whilst Far East remained fairly steady. We anticipate improvement for next week given the short list of available tonnage and the fact that ships incurred fairly long delays in the MEG due to ullage problems.

On the period front, Owners concerns about the spot market are not yet reflected in the time charter rates, although Flopec fixed a modern 37,000 dwt for 2 years at US$21,500, some US$4,000/day less than 18 months ago.

This week was a bit disappointing after a fortnight of good activity for the Med cpp market. Once again demand came off rather brutally. However, with many long hauls cargoes fixed recently, the tonnage availability is not too high. That is the reason why freight rates didn't decreased considerably cross Med being fixed at WS200 and Black Sea/Med at WS220 always basis 30,000t cargo. A possible strike in Lavera could help the owners to put the rates up again.

The clean **Handy** market in North West Europe was still relatively quiet for local trades, WS200 basis 30,000t cross UK Cont and at WS245 basis 22,000t. The clean MR market become quiet and rates were around WS230 at the end of the week basis 37,000t UK Cont/ Transatlantic, 10 points lower than the previous week.





The Caribs clean MR market followed the same trend at WS190 basis 38,000t.

The Fuel Handy market was still in a downward trend as well WS170 basis 30,000t cross-Med and WS195 basis cross-UK Cont.