

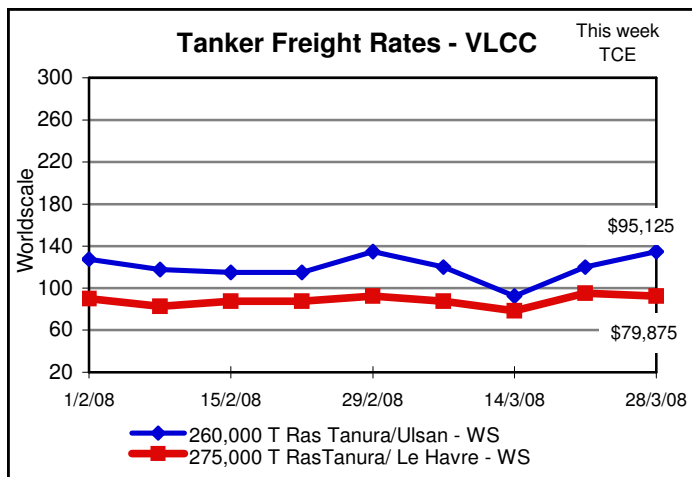


# TANKER NEWSLETTER

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

N° 565 - March 28th, 2008

## CRUDE

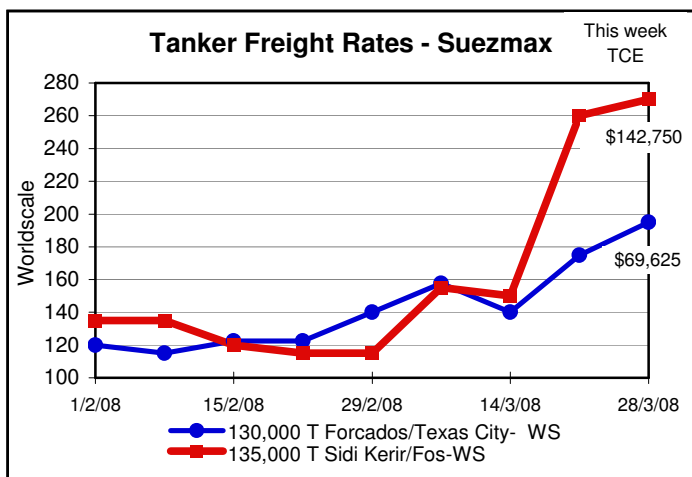


Number of stems covered:

For March = 94  
For April = 54

Number of ships till:

31st March = 5  
28th April = 92



WAF Figures:

Number of stems covered:

For March = 64  
For April = 38

Number of ships till:

31st March = 0  
28th April = 31

The recent attacks on pipelines in southern Iraq are bound to disrupt the exports from the Basrah terminal on **VLCC** tonnage. However, with less than 20 fixtures concluded this week from the Middle East Gulf, the impact on rates has not yet been felt. On the contrary and as we had anticipated, owners were even able to further improve their income on voyages to the East. Rates on double hull ships gained 15 points increasing to the mid WS130s, equivalent to about US\$95,000/day. Even single hull tonnage benefited from this situation with a few ships passing the WS100 mark. Strangely enough, the few voyages concluded to the West proved slightly weaker at WS90 (minus 5 points) giving 'only' about US\$80,000 TCE. This is partly due to the fact that the market in the Western hemisphere remains extremely attractive. With rates for voyages from West Africa to the US Gulf now over WS150, daily returns are above US\$110,000!

VLCC MEG WS TREND :



In West Africa, **Suezmax** rates continued to strengthen on the back of constant inquiry, and although most of the fixtures this week were concluded at or very close to the WS200 level, a couple of American charterers were able to take advantage of a closed European market on Monday to fix in the WS180s. Tonnage up to the end of the month is well balanced and with VLCCs holding very strong above WS150, signs of softening are not in the immediate future. A 130,000t West Africa/ US Gulf round voyage at WS195 returns in excess of US\$65,000/day. The Black Sea/Med market was calm but when tested, the very limited amount of vessels were able to keep rates strong, with a fixture in excess of WS300 fixing and failing for a replacement job. However the limited amount of fixtures was all finally concluded between WS240 - WS280 but with a couple of failures. While the list remains tight with Aframax 'crashing' (approaching WS200 down from WS375) owners will work hard to keep rates up. At current levels 135,000t at WS280, the TCE are approaching the US\$150,000/day mark!

SUEZMAX WAF WS TREND :

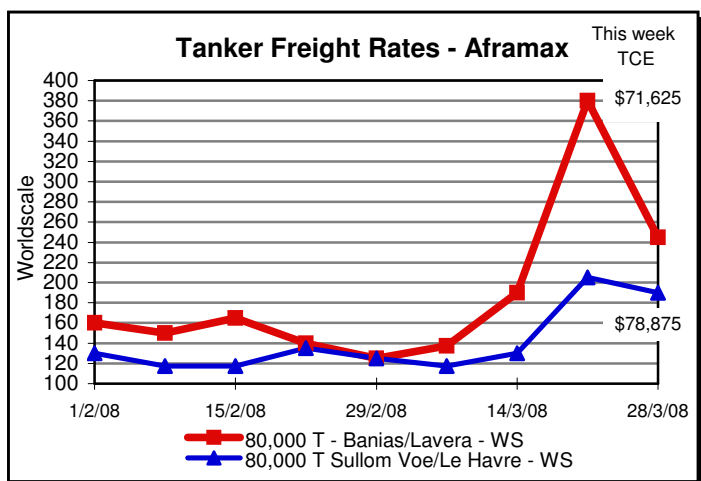


SUEZMAX MED WS TREND :



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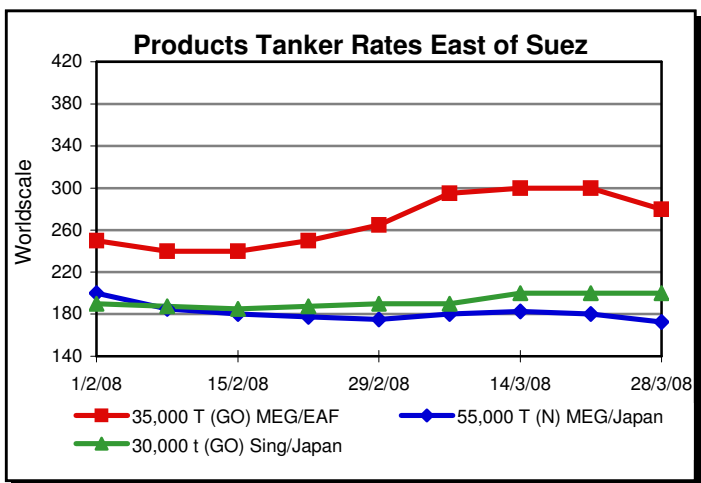




It was "correction" time for **Aframaxes** in the West after two weeks of hype. In a rather short week - Monday closed and Friday being very quiet - demand wasn't sustained enough nor comparable to the previous weeks. In the Med, rates quickly entered a downward swirl and dropped from about WS375 to around WS225 today (still about US\$65,000/day TCE). The Continent "only" lost some 20 points to end at WS185 for both 80,000t North Sea and 100,000t Primorsk cargoes (TCE about US\$75,000/day). Rates in Europe and the Med will register further decreases next week. The Caribs/Up market lost more than 50 points in one session but thereafter traded at a steady WS240 level with some increase expected next week. After having been the spectator of the jump in the West, the East of Suez rates finally started with a timid increase.

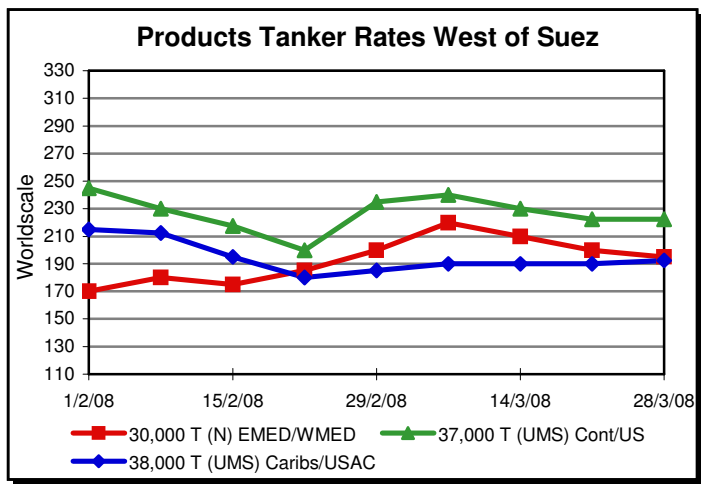
**AFRAMAX NORTH SEA WS TREND :** ↗  
**AFRAMAX MED WS TREND :** ↘

## PRODUCTS



The expected slump in the Arabian Gulf market materialised this week. The **LR** segment slipped further with 75,000t naphtha MEG/Japan fixed at WS135, and 55,000t naphtha MEG/Japan down to WS170 levels. The **MR** market suffered the most, especially older units, which fixed at levels that had not been seen for a while.

As a result 35,000t cpp MEG/Japan were concluded at WS250 levels and cross-MEG cargoes were fixed below US\$200,000 lumpsum. Despite the slump it still remains hard to predict which direction the market will take next week. Most of the cargoes are not shown and fixtures are concluded on a private basis. Nevertheless not much seems to be happening on early dates for now, barring some tender barrels which will be awarded only next week.



There was little excitement for this short Easter week in the Med cpp market. The number of ships available was impressive and demand extremely slow, and as from Tuesday the freight rates came down by about 20 Worldscale points and stayed at those levels until Friday. Cross-Med was fixed at about WS180 and Black Sea Med between WS190 and WS195 basis 30,000t cargoes.

The clean market in NW Europe was again not particularly active with handy rates at WS242.5 for 22,000t and WS215 basis 30,000t, both for cross- and Baltic/UK Cont. A couple of UK Cont/West Africa cargoes were fixed at WS230 basis 33,000t. The clean MR transatlantic market was quiet as well with only a handful of cargoes fixed around WS220 basis 37,000t UK Cont/USAC and WS180 basis 60,000t.

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