

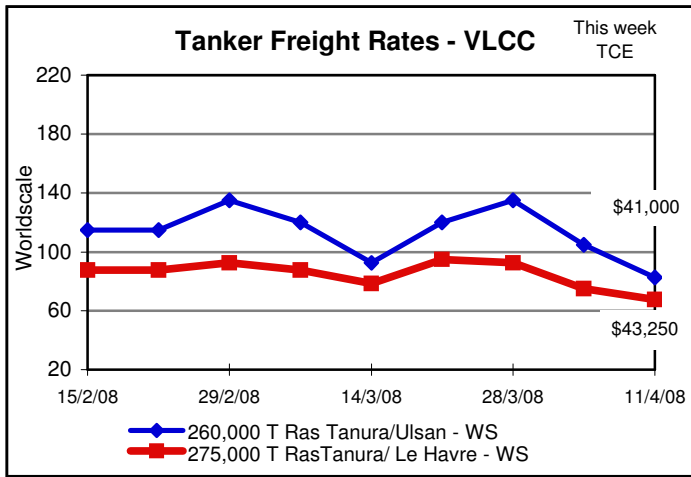


TANKER NEWSLETTER

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

N° 567 - April 11th, 2008

CRUDE

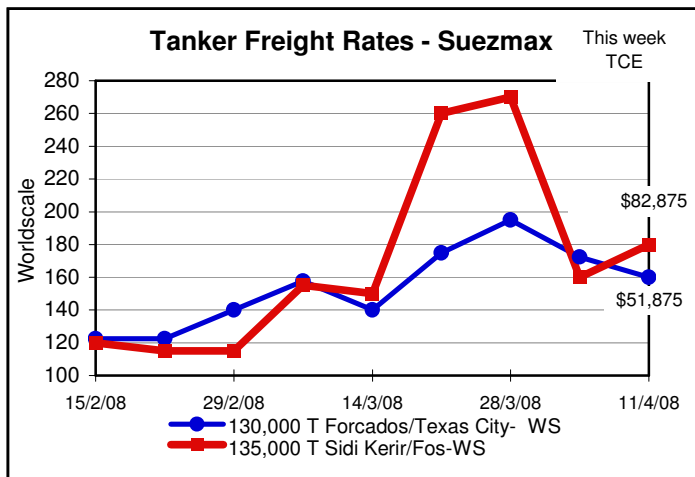


Number of stems covered:

For April = 106
For May = 6

Number of ships till:

30th April = 45
11th May = 86



WAF Figures:

Number of stems covered:

For April = 50
For May = 13

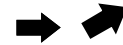
Number of ships till:

30th April = 4
11th May = 35

While oil prices keep climbing (now fetching the US\$110 per barrel) and bunkers are at their historical highest (MDO now above US\$1,000/ton!), most shipping markets maintained a strong instability this week. Volatility remains the key word these days ...

The **VLCC** market kept sliding down, having reached its lowest level since mid November last year. Modern double hull units have lost another 20 points for voyages to the East and, in the low WS80s, daily returns were getting close to US\$40,000. These returns are about equivalent for voyages to the West with rates as low as WS67.5 (-7.5 pts). However, as long as demand stays on the present path, we may see stabilisation, if not a slight improvement from next week. The West African market has been severely affected with rates for voyages to the US Gulf losing more than 40 points at WS100. There again the market should improve in line with the increase registered in the Suezmax category.

VLCC MEG WS TREND :



After having suffered a short term slump, the West African **Suezmax** market showed signs of life again as rates jumped from approximately WS130 levels to the current level around the WS160 mark. The list remains relatively tight for the next ten days and while rates may have ceased to increase, they should remain steady for a short while. Current returns for 130,000t at WS160 on West Africa/US Gulf are slightly superior to US\$50,000/day.

The Black Sea/Med market benefited from an active West African market and, while not as active, rates firmed as well with the high water mark at WS185. The tonnage list remains extremely limited for end April ex Black Sea (if any cargo remains) and owners will likely look to the Aframax market (80,000t x WS360) for signs of inspiration.

Rates have not been tested recently, however, and with the early May Black Sea nominations around the corner, rates should settle in around the WS200 level. At WS185 for cross-Med voyages, returns are in excess of US\$85,000/day.

SUEZMAX WAF WS TREND :

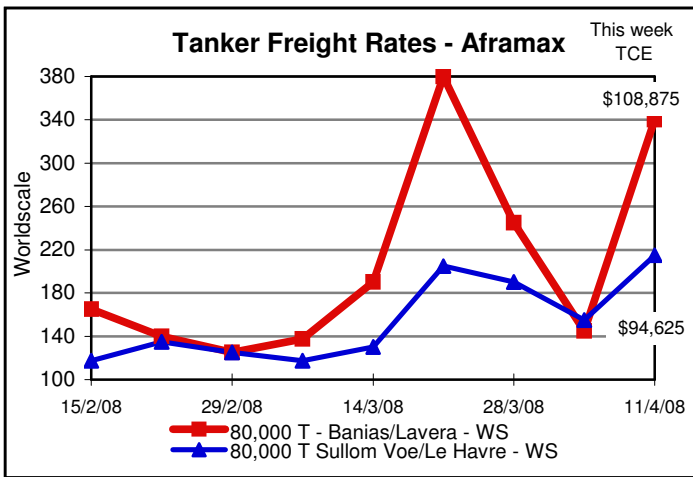


SUEZMAX MED WS TREND :



Market Trends Market Trends Market Trends





This week was again ascension time for the **Aframaxes** in Europe. Black Sea and Med demand was such that tonnage was short again, resulting in rates exploding. The "signs" of shortage had a short life and rates in the Med rocketed some 170 points in just 1 day. Cross-Med rates have now topped around WS350 while Black Sea cargoes last traded at WS315, giving a 'mere' US\$110,000/day TCE return. The heat is not off yet but the pressure is under control. The evolution in the Med has pushed the Continent and Baltic rates up as end-month loading dates from the Baltic came into play. Both North Sea and Primorsk rates have reached the WS215/220 level for 80,000t and 100,000t respectively (TC equivalent close to US\$100,000/day). As expected, the Caribs/Up market was losing points this week and reached WS250 basis 70,000t, a 50 point drop compared to last week.

AFRAMAX NORTH SEA WS TREND : ↗ ↗

AFRAMAX MED WS TREND : ↘

PRODUCTS

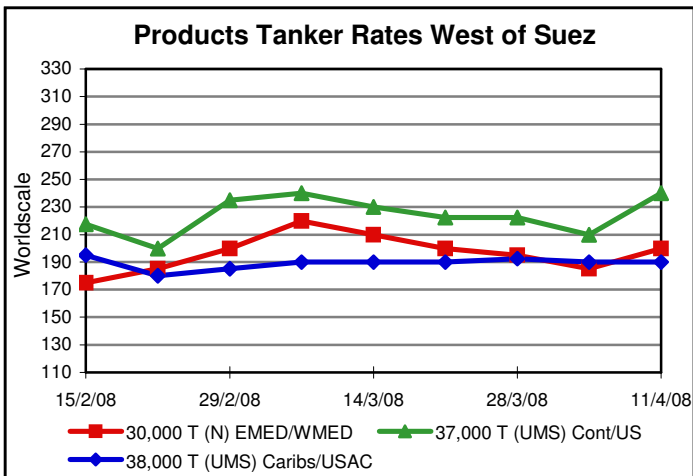
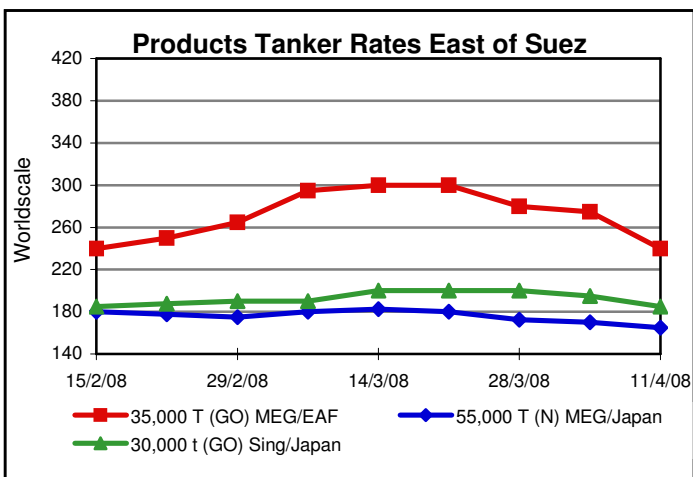
The East of Suez market continued in the same vein as in previous weeks. Weak activity and a lack of long haul cargoes put pressure on **MR** and **LR1** size segments, with 55,000t MEG/Japan fixing around the WS160 level. The **LR2s** however finally saw rates improve as expected, due to the tight tonnage situation. Hence 75,000t Nap MEG/Japan was done at WS155 levels, considerably higher than last week.

For the **MRs**, rates continued to slip gradually with 35,000t MEG/Japan being worked at WS220 levels, and cross-MEG cargoes being fixed below the lumpsum US\$200,000 mark. **LR1s** and **MRs** continue to compete for the same cargoes, as traders in the region report tightness in stem availability, notably on the middle distillates.

The second week of strong activity. As described last Friday, the position list was tight at the start of the week, pushing the clean market up. If the cross west Med cargoes were still fixing below WS200 basis 30,000t, charterers now have to pay WS230 to lift their stems ex-Black Sea. Owners seem to believe in a further increase, and are now just waiting to see what happens. This attitude does not help the charterers who are willing to cover themselves well in advance, perhaps also in expectation that rates will move up. One can bet that everyone will analyse the new position list on Monday and decide what to do.

The clean market in North West Europe was still quiet with handy rates at WS217.5 for 22,000t and WS195 basis 30,000t, both for cross or Baltic/UK Cont. UK Cont/West Africa cargoes were mainly fixed on Handies at WS225-WS230 basis 33,000t. The strong activity seen on this route was replaced by a sudden hectic trade on the **MR** transatlantic, which reached in a couple of days the WS265 mark, an increase of 60 points since last week's levels, basis 37,000t.

The clean **MR** Caribbean market was still soft at WS190 basis 38,000t Caribs/Up but some expect this route to gradually catch up with the transatlantic **MR** market.



The handy fuel oil market maintained its strong activity with rates at WS245 cross-Med and cross-UK/Cont.

