

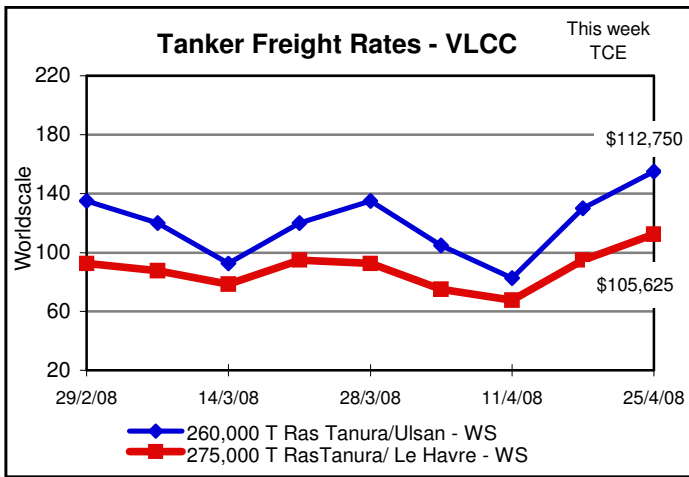


TANKER NEWSLETTER

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

N° 569 - April 25th, 2008

CRUDE

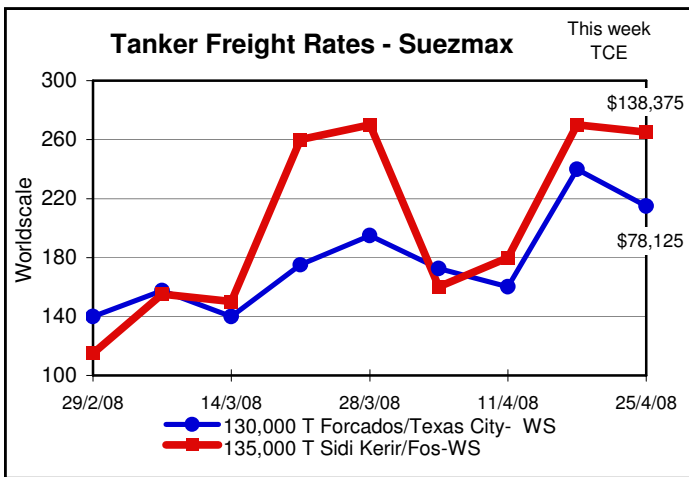


Number of stems covered:

For April = 111
For May = 70

Number of ships till:

30th April = 01
25th May = 40



WAF Figures:

Number of stems covered:

For April = 52
For May = 40

Number of ships till:

30th April = 0
25th May = 46

With more than 35 fixtures concluded this week on **VLCC** tonnage from the Middle East Gulf, owners keep pushing rates up and, for once, modern double hull units took the helm. Rates to the East have averaged between WS155 and WS160 (close to US\$115,000/day) with a pick in the high WS170's registered today for a voyage to Singapore... Similar improvement is anticipated for western destinations with rates gaining close to 20 points at about WS110/112.5 (slightly more than US\$110,000/day). Tonnage availability over the next 4 weeks is fairly scarce and one can anticipate the pressure will be well maintained. Despite new safety problems in Nigeria, the few fixtures concluded from this zone are still extremely beneficial to owners with WS160 to the US Gulf (more than US\$115,000/day) and WS145 for a voyage to the Far East.

VLCC MEG WS TREND :

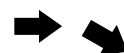


This week in West Africa, due to limited inquiry, rates for **Suezmax**, when tested, came off very sharply from WS250 levels - falling to WS215 in the course of just 2 fixtures! Although some owners were able to obtain strong rates for replacement business, with the bulk of cargoes covered up to and slightly after the 15th of May, the tonnage list quickly increased. The strike situation in French ports had little impact on the market. At current levels, owners are seeing returns around the US\$75,000/ day mark. However, in the Black Sea/ Med, heading into the week with a very limited supply of tonnage, charterers did their best to try and avoid fixing. The highest fixture was at WS290 for a cross-Med, with rumours of WS305 on subject ex Black Sea. At the WS265 levels for Sidi Kerir/ Fos, owners can expect returns in the region of US\$130,000/day. If the possible strike action from next Monday takes effect, there is a possibility that rates will continue upwards.

SUEZMAX WAF WS TREND :

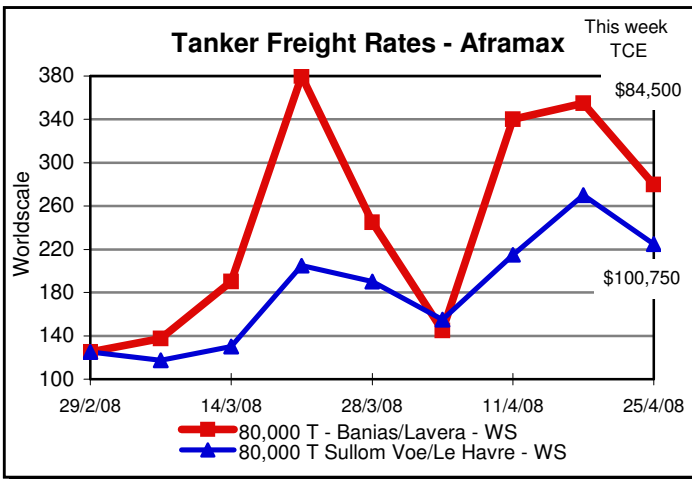


SUEZMAX MED WS TREND :



Market Trends Market Trends Market Trends

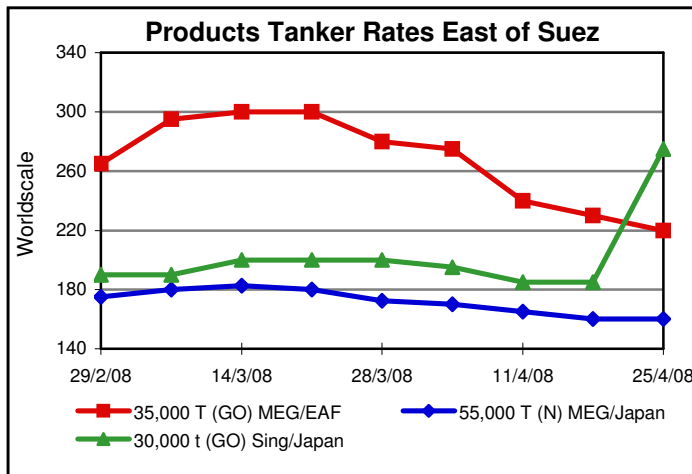




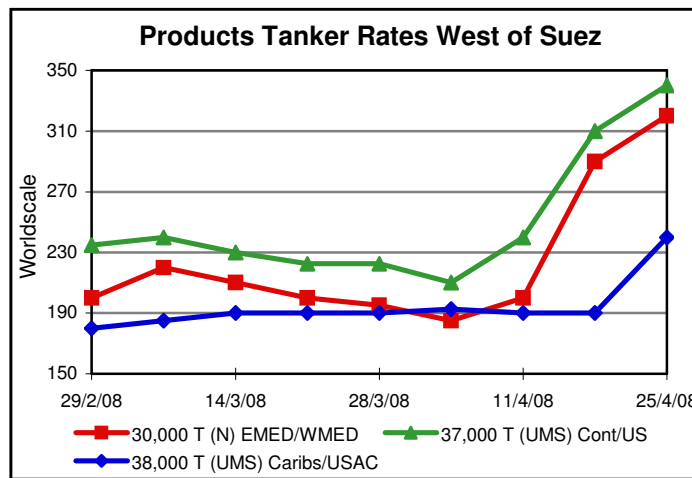
Demand is up in the East of Suez and down in the Atlantic basin, is the summary from this week's **Aframax** market. After rates consolidated in the Med last week, they were bound to come off due to a lack of demand. The prevailing French strike situation did not stop the rot as more ships will come open in the early days of May. Presently, the cross Med rates are in the WS280 region (TC return mid US\$80,000/day) with Black Sea/Med trips paying a 15/20 pts premium. The North Sea rates remained pretty stable around WS215 but the Primorsk rate gave up some 40 points to end around WS195 (TCE just under US\$100,000). Rates are likely to further reduce in Europe and the Med. Rates in the East came under fire as double hull tonnage was lacking and rates were pushed up with daily returns around US\$50,000, still behind those registered in the West.

AFRAMAX NORTH SEA WS TREND : → ↘
AFRAMAX MED WS TREND : →

PRODUCTS



The East of Suez clean market continued to suffer from the long lasting cargo drought. **LR1** are still fixing at same levels, and **LR2** have come down after the earlier 20 point jump they benefited from last week. Naphtha 75,000t MEG/Japan went at WS137.5 this week while Naphtha 55,000t MEG/Japan barely managed to maintain WS160 levels. However the paper market seemed to have a life of its own with the TC5 (55,000t MEG/Japan) trading at 20 points more than the physical market for the month of May. On the back of this trend, many owners have decided to hold off fixing this week. The **MR** have continued to survive on shorthaul cargoes and it looks like we are starting to hit the bottom of the market as bunker prices continue to punish owners and kill earnings. Cross-MEG cargoes went at US\$185,000 lumpsum this week and 35,000t MEG/east Africa was being talked about at WS220 on modern tonnage. It will be interesting to see if a standoff occurs as a result of the strong paper market next week.



Activity seemed slower this week for the Med CPP market, but demand and a lack of tonnage were enough to maintain the positive trend. Some transatlantic cargoes were fixed at very high levels from the Med on the Handies (30,000-33,000t at WS400) which helped to maintain the sharp end of the market in this zone. By the end of the week Black Sea/Med was being fixed at WS330/340 and cross-Med at WS340 basis 30,000t cargoes.

The clean market in NW Europe soared due to a lack of positions and plus-50 WS points was logged for each size, reaching WS290 basis 22,000t, and WS300 basis 30,000t for cross UK/Cont or Baltic/UK Cont. There is even room for more gains according to the latest cargo quotations. The clean MR transatlantic market was sustained by a strong market to reach WS350 or more, basis 37,000t UK Cont/USAC.

The Handy fuel oil market maintained its strong activity with rates at WS280 cross-Med, to WS300 from Black Sea and WS280 level for cross-UK/Cont, always basis 30,000t.

The clean MR Caribbean market climbed by 100 points to WS340 basis 38,000t Caribs/Up.

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