

Bassøe Friday Report

Week 16 – 22.04.2005

www.pfbassoe.no

Nr 16. Vol 28

Tanker chartering – Crude

Market comments

The divide between single hulls and doubles has deepened in the MEG this week, reaching historically high levels. Rates for double hull tonnage continued to improve and have now advanced into triple digit territory, driven by solid demand from Western charterers. In contrast, single hulls going east are facing much more challenging conditions and rates remain stuck in the WS 80-90 range. Single hull availability remains plentiful and the large spread in rates may continue until Asian refineries begin to return from maintenance next month. The suezmax market in the Atlantic has seen a solid recovery in this week. Aframaxes have taken a beating in all areas.

VLCC		Current trend: Flat		
Route	WS today	Last week	USD/day	
270' MEG – Korea	105.0	95.0	58,139	
275' MEG – UKC	90.0	87.5	59,640	
260' Bonny – LOOP	105.0	90.0	60,236	

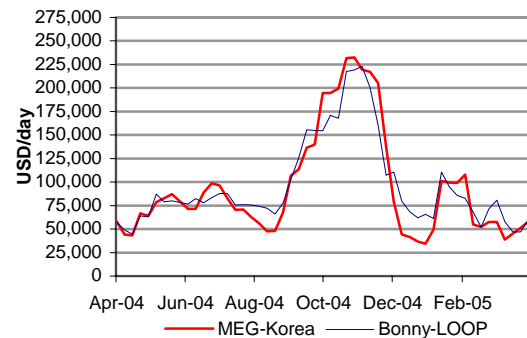
Suezmax		Current trend: Firm		
Route	WS today	Last week	USD/day	
130' Bonny – Phila.	152.5	117.0	44,353	
130' MAF – Ningpo	155.0	150.0	42,872	
135' Novo – Augusta	125.0	110.0	45,183	

Aframax		Current trend: Soft		
Route	WS today	Last week	USD/day	
80' TEES – R.dam	132.5	140.0	40,776	
70' PLC – Texas	145.0	180.0	17,619	
80' MEG – Singapore	190.0	210.0	32,392	

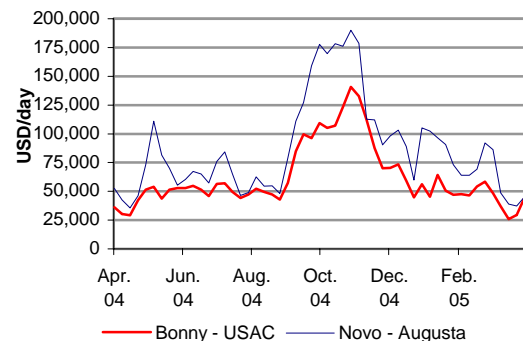
Availability in MEG (# vessels)			
	VLCC		ULCC
	Single hull	Double hull	
Spot	1	0	0
Next 30 days	50	16	0

Bunkers (USD/mt)			
Fujairah	255	Rotterdam	237

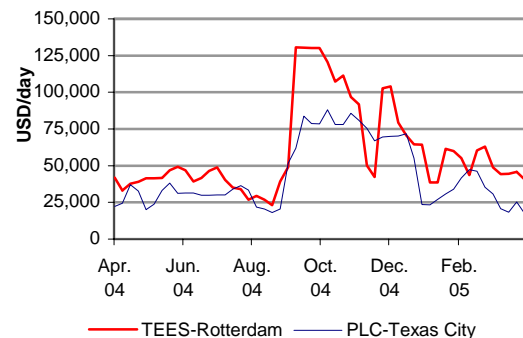
VLCC earnings



Suezmax earnings



Aframax earnings



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Tanker chartering – Clean

Market Comment

Both LR1 and LR2 have been stable, LR1 improving slightly. The gasoline trade Cont./US was very active towards the end of the week, and rates bounced back up to W290-292.5. The LR1 market ex Meg supported the panamaxes in the Atlantic. Caribs/USAC fell to W250 but could easily come back.

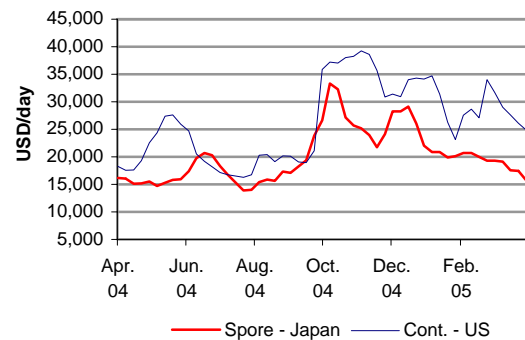
Market assessment – MR

Route	WS today	Last week	USD/day
30' Spore - Japan	287.5	292.5	15,750
37' Cont. - US	290.0	295.0	24,869
38' Car. - USAC	255.0	270.0	19,733

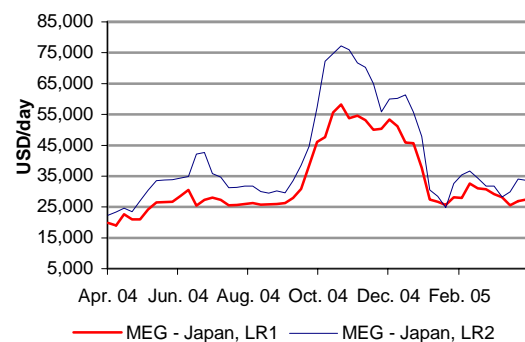
Market assessment – LR

Route	WS today	Last week	USD/day
55' MEG – Japan	235.0	230.0	27,378
75' MEG – Japan	215.0	215.0	33,609

MR earnings



LR earnings



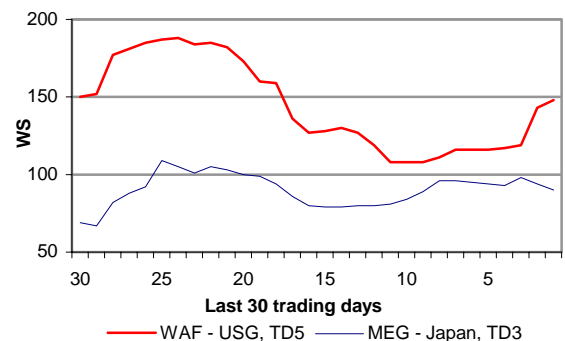
Freight derivatives

The biggest movers in the paper market were the clean MR routes both East and West that firmed up considerably, especially in the longer term. Both TD3 and TD5 went through bullish runs but lost steam towards the end of the week, and the market adjusted accordingly with a lot of focus on the may/june roll on TD3.

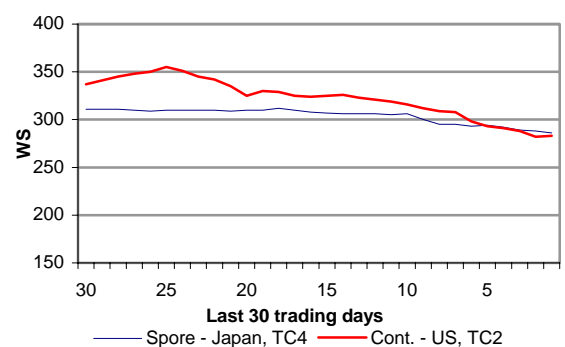
Weekly change in key FFA contracts

May	Jun	Q3	Q4	Q1'06	CAL06
TD3 MEG-Japan, 250' dwt					
107.0	112.0	111.0	126.0	117.0	100.0
-8.0	-	-1.0	-1.0	-	0.0
TD 5 West Africa – USAC, 130' dwt					
145.0	147.0	142.0	163.0	155.0	141.0
0.0	-	3.0	0.5	-	3.0
TD 7, North Sea, UKC, 80' dwt					
131.0	130.0	125.0	157.0	152.0	140.0
-7.0	-	0.0	2.0	-	0.0
TC 2 Cont-USAC, 37' dwt					
294.0	275.0	247.5	285.0	278.0	245.0
29.0	-	7.5	1.0	-	7.5
TC 4, Spore-Japan, 30' dwt					
287.0	277.5	270.0	300.0	280.0	270.0
7.0	-	5.0	5.0	-	25.0

BITR rates, crude



BITR rates, clean



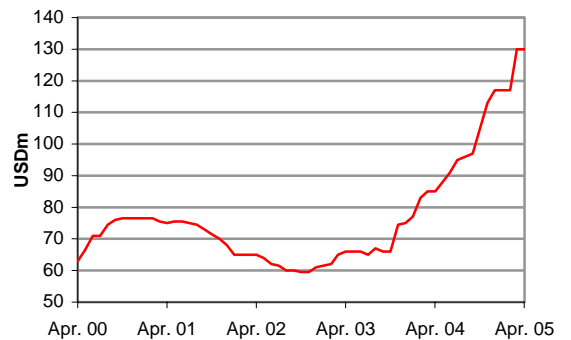
Sale and purchase

Market comment

After the market seemed to settle down last week, prices for single hull VLCCs remains firm after Titan Petrochemicals, Hong Kong, acquired the two single hull VLCCs M/T “Vasant J Sheth” – 261,167 TDW (built 1990), and M/T “Verona” – 275,341 TDW (built 1989) for USD 60 and USD 59 mill.

In September 2003 Great Eastern bought Vasant J Sheth for USD 23.4 mill!

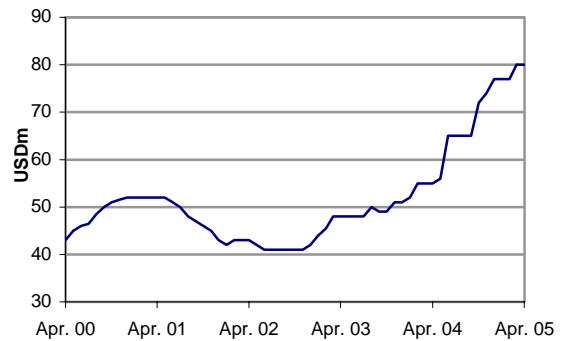
VLCC – 3 year old



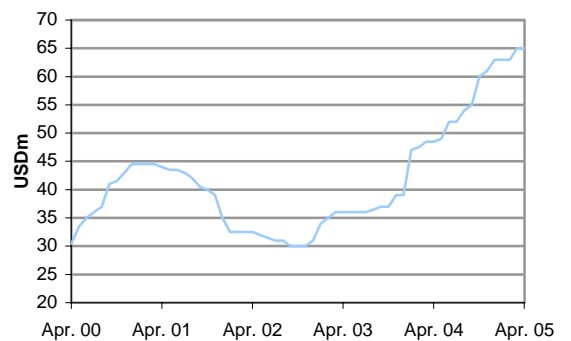
Second hand values

Vessel /USDm	Latest	1 mth	2 mth	3 mth	12 mth
300' D/D 3	130.0	130.0	117.0	117.0	85.0
300' D/D 10	100.0	100.0	87.0	86.0	59.0
280' S/S 1990	60.0	58.0	58.0	58.0	34.0
150' D/D 3	80.0	80.0	77.0	77.0	55.0
150' D/D 10	67.0	67.0	63.0	63.0	42.5
140' S/S 1990	30.0	30.0	32.0	37.0	20.0
105' D/D 3	65.0	65.0	63.0	63.0	48.5
95' D/D 10yrs	47.0	47.0	46.0	46.0	32.0
95' S/S 1990	21.0	22.0	25.0	27.0	19.0
70' D/D 3 yrs	47.0	47.0	45.0	45.0	34.0
47' D/D 3 yrs	45.0	45.0	44.0	43.0	35.0
45' D/D 10	32.0	32.0	32.0	30.0	22.0
40' S/S 1990	16.0	16.0	17.0	15.0	14.0

Suezmax – 3 year old



Aframax – 3 year old



S&P Transactions

Tankers

- M/T "VERONA" - 275,341 TDW, BUILT 1989 HITACHI NAGASU SOLD FOR USD 59 MILL TO TITAN, HONG KONG.
- M/T "VASANT J SHETH" - 261,167 TDW, BUILT 1990 SASEBO SOLD TO TITAN, HONG KONG, FOR USD 60 MILL
- M/T "SIMUNYE" - 44,818 TDW, BUILT 1997 SZCZECINSKA SA (DOUBLE HULL) FIXED ON A BB CHARTER FOR 12 OR 18 MONTHS INCLUDING A PURCHASE OBLIGATION AT USD 25.5 MILL TO KOREAN BUYERS.
- M/T "BRO TINA" - 27,821 TDW, BUILT 1987 SAMSUNG SHIPBUILDING (DOUBLE HULL, COATED, IMO2, IMO3) SOLD TO NORWEGIAN BUYERS FOR REGION USD 18 MILL.
- M/T "GRACE A" - 10,885 TDW, BUILT 1983 ASAKAWA (DOUBLE BOTTOM, IMO3) SOLD TO UNDISCLOSED BUYERS FOR USD 4.25 MILL.
- M/T "DB CORAL" - 10,400 TDW, BUILT 1985 HYUNDAI HI (DOUBLE HULL, COILED, IMO2, IMO3) SOLD TO BRYGGEN SHIPPING, NORWAY, FOR USD 6.2 MILL.
- M/T "NEW PARTNER" - 7,544 TDW, BUILT 1985 TAIHEI HASHIHAMA (DOUBLE BOTTOM, IMO2, IMO3) SOLD TO SOUTH KOREAN BUYERS FOR USD 4.25 MILL.
- M/T "SOUTHERN NOBLE" - 4,065 TDW, BUILT 1998 SHITANOE (DOUBLE HULL, IMO2) SOLD FOR USD 7.5 MILL TO AKSAY DENIZCILIK, TURKEY.

Bulkers

- M/S "CSK TRIBUTE" - 140,000 TDW, BUILT 1991 SASEBO HVY IND.SOLD TO KOREANS FOR USD 45 MILL
- M/S "LA MER" - 138,166 TDW, BUILT 1980 MITSUBISHI NAGASAKI SOLD TO UNDISCLOSED BUYERS FOR USD 22 MILL.
- M/S "MIGHTY CONFIDENCE" - 29,089 TDW, BUILT 1995 MANGALIA 2 MAI SOLD TO GREEK BUYERS FOR USD 17.5 MILL.
- M/S "TK ROTTERDAM" - 8,580 TDW, BUILT 2001 BRAILA (CR 4X5T) SOLD TO GREEK BUYERS FOR USD 7.5 MILL.
- M/S "SIDER MONTEDIPROCIDA" - 5,751 TDW, BUILT 2003 BODEWES VOLHARDING BV SOLD ENBLOC TOGETHER WITH SISTERSHIP M/S "SIDER JOY", BUILT 2004, TO GERMAN BUYERS FOR EUR 8.1 MILL.
- M/S "UNI ACE" - 5,054 TDW, BUILT 1982 TOKUSHIMA KOMAT`MA (DR 3X25T 3X 25.0) SOLD FOR USD 2.5 MILL TO UNDISCLOSED BUYERS.

Demolition

Ocean Tankers, Singapore reportedly sold three of their tankers for demolition this week. However, the market for large tanker demolition still remains slow.

Demolition volume		
# vessels	YTD	Year ago
VLCC	-	3
Suezmax	2	7
Aframax	10	7

Demolition prices (tankers, USD/ldwt)			
China	India	Pakistan	Bangladesh
400	425	400	420

Transactions

M/T “BOW PRINCESS” – 32,574 TDW, BUILT 1975 MOSS ROSENBERG (7,216 LDT) SOLD TO CHINA FOR USD 388.

M/T “OCEAN JEWEL” – 32,200 TDW, BUILT 1975 (7,700 LDT) SOLD TO BANGLADESH FOR USD 420

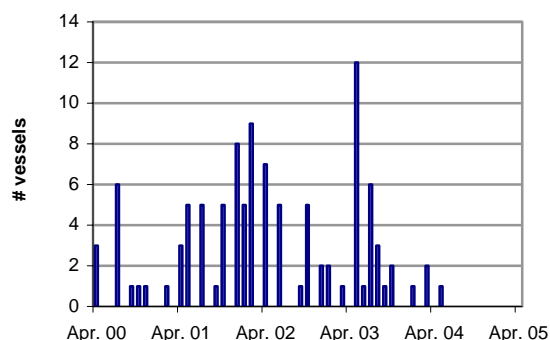
M/T “OCEAN OPAL” – 32,200 TDW, BUILT 1976 (7,700 LDT) SOLD TO BANGLADESH FOR USD 420

M/T “OCEAN SAPPHIRE” – 32,200 TDW, BUILT 1976 (7,700 LDT) SOLD TO BANGLADESH FOR USD 420

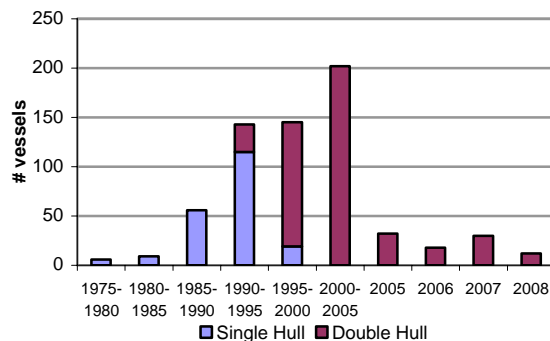
Demolition prices (VLCC, Bangladesh)



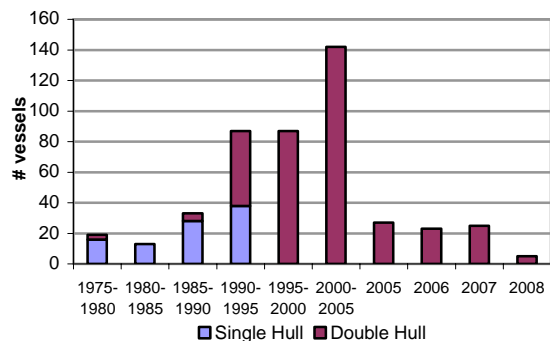
VLCCs sold for demolition



VLCC fleet – Age distribution



Suezmax fleet – Age distribution



BROKERS OF P. F. BASSØE AS

	AOH (+47)	Mobile (+47)
Gerhard N. Dahl - President	22 95 19 94	91 16 42 35
Einar B. Danbolt - Managing Director	22 44 62 81	92 05 08 08
SALE & PURCHASE / NEWBUILDING / PROJECT	22 01 08 25	
Richard Fuglesang	67 53 48 87	90 77 57 59
Herman Marcussen	22 49 59 90	91 34 00 97
Petter A. Thorendahl	22 44 63 83	90 12 33 06
FREIGHT DERIVATIVES	22 01 08 50	
Kristian Thunes	22 59 27 05	91 58 14 57
Nils Andreas Arnesen	22 43 05 25	90 18 46 49
Alf Fjetland	92 63 44 95	92 63 44 95
Fredrik Sagen Andersen	41 23 30 29	41 23 30 29
TANKER CHARTERING	22 01 08 20	
Gerhard N. Dahl	22 95 19 94	91 16 42 35
Svein Andersen	22 55 43 22	91 17 78 93
Morten Austvold	64 86 78 11	91 70 50 31
Halvor Ellefsen	22 23 11 62	90 01 08 20
Vegard B. Eriksen	32 13 55 91	95 72 52 10
Lars Irgens	22 49 32 72	90 60 13 99
Bjørn-Erik Løkken	22 92 14 74	90 18 80 44
Morten Røine	67 59 11 11	90 61 44 72
Sebastian Venjar	98 62 41 50	98 62 41 50
CLEAN	22 01 08 80	
Tom Ranum	67 12 01 01	90 69 72 10
Knut Ebbesen	22 49 16 95	90 11 09 15
Inge Wallentin	22 73 27 20	90 89 99 28
David Sand	66 82 01 05	90 14 34 31
OPERATION	22 01 08 30	
Gustav Myreng	67 14 92 37	90 12 19 47
Øystein Heggen	67 12 46 51	90 12 19 46
Åge Johnny Haug	69 88 56 80	90 03 55 40
RESEARCH	22 01 09 06	
Ole-Rikard Hammer	66 90 49 91	97 54 06 82
Lars Kalbakken	67 12 42 12	90 02 25 25

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