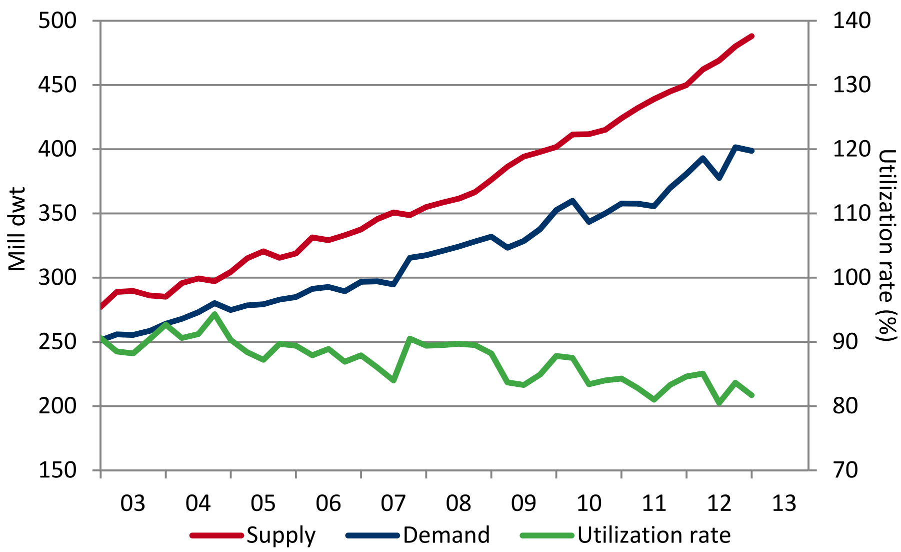
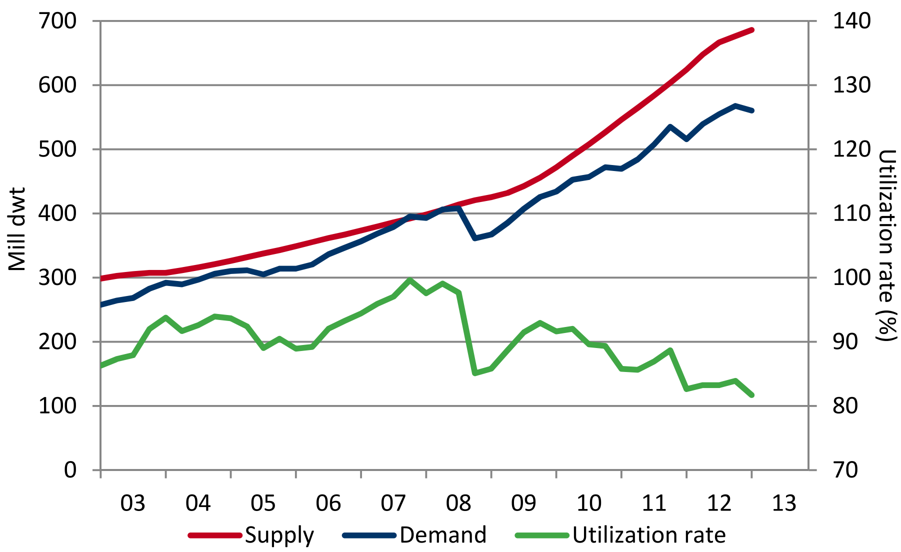
# RS Platou Monthly

April 2013

Supply, demand and utilization rate, tanker fleet (10,000 dwt +)




Supply, demand and utilization rate, dry bulk fleet (10,000 dwt +)




**Analytical topic of the month:**

## Crude and clean tankers; Pulled in opposite directions

Page 2



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# Analyses and comments

## Crude and clean tankers; Pulled in opposite directions

**The US shale oil boom is the key factor behind the sharply diverging trends in the crude and clean markets so far this year.**

For the first four months of the year our tonnage weighted Tanker Index, including all segments from MRs to VLCCs, is down some 35% y-y. The weak performance hides some significant differences, however, with MR earnings having effectively doubled from $10,000 per day to nearly $20,000 per day. VLCCs, on the other hand, have collapsed from $30,000 to $6,000 per day. The trend is similar for other segments, although the y-y differences are far smaller. This is noteworthy because the crude and clean markets have a long history of close correlation. The US shale oil revolution is altering the structure of the oil trade, however, with dramatically different implications for the two segments.

Changes are most obvious for the crude tanker market. US production growth has continued to accelerate and beat expectations. So far this year output is up some 1.2 mbd, or 20%. With demand growth still feeble, seaborne imports have fallen more than 1.0 mbd (17%), based on preliminary figures. Importantly, long-haul imports from the Middle East Gulf are down markedly, reversing the positive trend from last year. Saudi Arabia cut its oil production by nearly 1.0 mbd in the fourth quarter as demand in the rest of the world was not sufficient to compensate for the decline in US imports. The global seaborne crude trade has thus taken a significant hit. We estimate that total seaborne crude imports were down 3-4% y-y in Q1 while average distances were little changed. In addition, the crude fleet has continued its steady expansion, rising by nearly 6% y-y. Fleet capacity utilization has thus declined to around 82%. This is a level which theoretically should pressure freight rates down towards operating costs and that has been the case for the VLCC market.

The clean market, on the other hand, has continued the strong trend from the fourth quarter. Volume growth has been robust for the past six months, although part of that may simply be a function of last year's relatively strong increase in crude oil imports which in turn has led to higher refinery runs. Provisional trade data indicates that trade growth is taking place in Asia, Latin America and Africa, regions which have a positive effect on tonnage demand growth either via longer than average distances, longer than normal port time, or both.

The US has played a key role in the clean market as well, but it has been a mostly positive one. Access to cheaper crude oil has made refineries more competitive in the global market and clean exports have more than doubled since 2007 to around 3.0 mbd. While imports have gone in the other direction, from 3.4 to 2.1 mbd, the country still remains a significant player on this end as well. The combination has thus made the US an even more important trade hub for owners always in search for voyage triangulation opportunities.

The crude and clean markets used to swing together because the mature OECD countries dominated oil demand and refinery capacity. The present oil market is dramatically different. High oil prices are stimulating growth in expensive, short haul - or even "no haul" (pipeline) - crude supplies, while refinery capacity is expanding in markets closer to the crude source, thus boosting clean volume rather than crude.

The structural backdrop is thus improving for clean and deteriorating for crude tankers. There are two caveats, however; One is that both markets ultimately depend on growth in oil demand and thus will need the world economy to pick up. This year's increase in clean volumes may well turn out to be transitory unless that happens. The other is that the oil market has a long period of cyclicality in which periods of high prices tend to lead to periods of lower prices which in turn affect demand and supply fundamentals. Owners can only hope that the present very negative trade structure for the crude market will not remain carved in stone.

Ole-Rikard Hammer
Head of Research
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# World economy and world shipping

The IMF released an update on world economic outlook where expectations for this year's world GDP and trade volume were adjusted downwards by 0.2 percentage points. They affirmed that in the major advanced economies activity should gradually accelerate, following a weak start this year, with the United States in the lead. In emerging market and developing economies activity has already picked up steam.

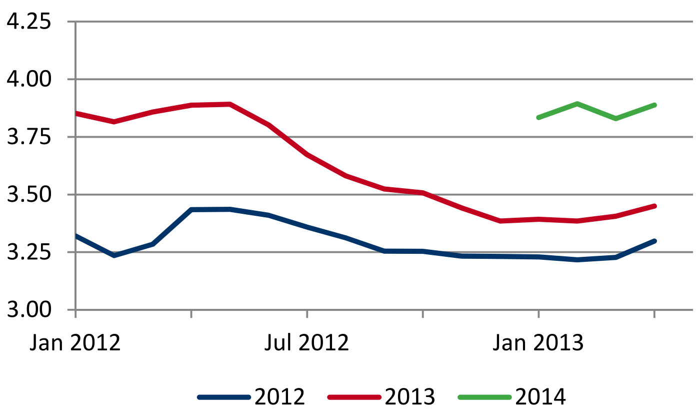
In the US first quarter GDP was reported up 2.5 percent from the previous quarter, where a 3.2 percent increase in private consumption contributed to the growth in spite of expiration of previous tax cuts. Chinese PMI from HSBC came in at a weak 50.5 in April. The index for export orders fell considerably below March level, weakened by slow growth in the Euro area.

## World economy - YoY change in %

| GDP growth | 2012 | | 2013 | | 2014 | |
|---|---|---|---|---|---|---|
| US | 2.2 | | 2.1 | (1.9) | 2.7 | |
| Euro area | -0.5 | | -0.5 | (-0.3) | 0.9 | |
| China | 7.8 | | 8.3 | (8.4) | 7.9 | |
| Japan | 2.0 | | 1.3 | (1.1) | 1.3 | |
| India | 5.2 | (5.3) | 6.3 | (6.4) | 7.0 | (7.4) |
| **World** | **3.3** | **(3.2)** | **3.4** | | **3.9** | **(3.8)** |
| World trade | 2.5 | (2.8) | 3.6 | (3.8) | 5.3 | (5.5) |

*Various sources* *( ) previous month, if changed*

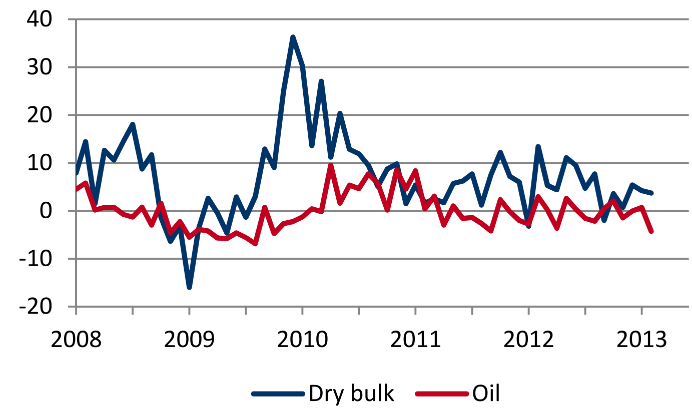
## Forecasts for world GDP, monthly revisions YoY change in %




## World merchant fleet - YoY change in %

| | 2011 | 2012E | 2013F |
|---|---|---|---|
| Tonnage demand | 7.7 | 6.6 | 5.5 |
| Fleet growth | 8.2 | 7.7 | 5.5 |
| Utilization rate | 84.7 | 83.8 | 83.8 |

## Seaborne trade YoY change in %




## Market indicators - YoY change in %

| Seaborne trade* | | 3Q2012 | 4Q2012 | 2013-2m |
|---|---|---|---|---|
| Oil | | -1.1 | 0.2 | -1.8 |
| Dry bulk | | 0.7 | 4.1 | 2.9 |
| **Oil** | | **Feb 2013** | **Mar 2013** | **2013-3m** |
| Oil consumption | World | 1.3 | 1.6 | 1.6 |
| | US | -0.5 | 1.9 | 1.1 |
| | China | 1.0 | 4.3 | 4.0 |
| Crude imports | US | -26.3 | -17.8 | -19.3 |
| | China | -9.0 | -2.1 | -1.4 |
| **Dry bulk** | | **Feb 2013** | **Mar 2013** | **2013-3m** |
| China imports | Total | -9.7 | 3.7 | 4.4 |
| | Iron ore | -13.4 | 2.6 | -0.6 |
| Steel production | China | 9.8 | 6.6 | 9.1 |
| | US | -11.8 | -8.4 | -7.6 |
| **Container** | | **Feb 2013** | **Mar 2013** | **2013-3m** |
| US imports | | 18.5 | -12.2 | 5.3 |

## Indian iron ore USD/t


## Commodity prices

| | | Apr 2012 | Mar 2013 | Apr 2013 |
|---|---|---|---|---|
| Brent oil - spot | USD/bbl | 119.1 | 109.6 | 103.6 |
| Bunkers - Singapore | USD/t | 723.0 | 637.0 | 613.0 |
| Indian iron ore | USD/t | 147.5 | 136.5 | 134.5 |
| Steam coal | USD/t | 100.0 | 87.9 | 85.8 |
| Steel - HRC B. Sea | USD/t | 620.0 | 570.0 | 535.0 |

* For details on sources and methods, visit www.platou.com

# Newbuilding

The high newbuilding activity from last month continued into April as many Japanese and Korean shipyards have been busy securing new orders. Korea Electric Power Co will charter nine Capesize newbuildings long-term, which will be built at Hanjin Philippines, Sungdong and STX. Samsung Heavy Industries have confirmed an order for two LNG carriers for SK Shipping with long-term charter to Total. Petredec and KSS Line have signed VLGCs at HHI, while Unigas declared their LPG options at STX.

### Newbuilding prices in mill USD

| | | Dec 2012 | Mar 2013 | Apr 2013 |
|---|---|---|---|---|
| Tank* | VLCC | 89 | 87 | 87 |
| | Suezmax | 57 | 55 | 55 |
| | Aframax | 45/46 | 45 | 45/46 |
| | MR Clean | 32 | 32/33 | 33 |
| Bulk* | Capesize | 45 | 47 | 47/48 |
| | Kamsarmax | 26 | 26/27 | 27 |
| | Ultramax (from Jan 2013) | 24 | 25 | 25/26 |

* Tankers from Korean yards, bulk carriers from Chinese yards

### Order book in no. / mill dwt

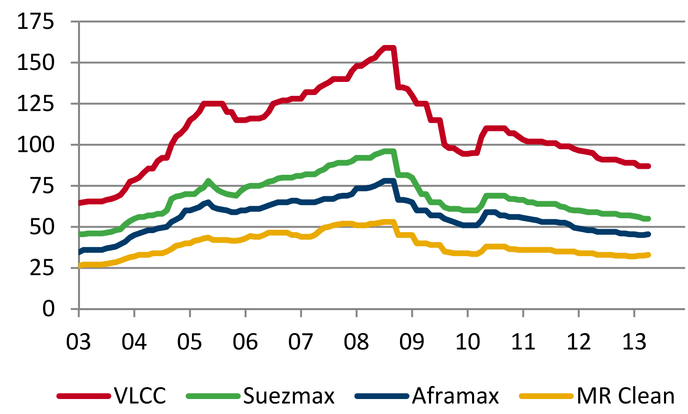
| | | Total | | Rest 2013 | | 2014 | | 2015+ | |
|---|---|---|---|---|---|---|---|---|---|
| Tank* | VLCC | 56 | 17.8 | 30 | 9.6 | 22 | 6.9 | 4 | 1.3 |
| | Suezmax | 65 | 9.6 | 31 | 4.8 | 11 | 1.6 | 23 | 3.2 |
| | Aframax | 50 | 5.7 | 11 | 1.2 | 28 | 3.2 | 11 | 1.2 |
| | Smaller | 320 | 14.7 | 121 | 5.0 | 125 | 6.0 | 74 | 3.6 |
| | **Total** | **491** | **47.7** | **193** | **20.6** | **186** | **17.8** | **112** | **9.4** |
| Bulk* | Capesize | 200 | 40.6 | 99 | 20.9 | 50 | 10.4 | 51 | 9.4 |
| | Post Panamax | 51 | 5.0 | 38 | 3.7 | 10 | 1.0 | 3 | 0.3 |
| | Pan./Kamsarmax | 345 | 27.4 | 216 | 17.0 | 101 | 8.1 | 28 | 2.3 |
| | Handy/Supramax | 303 | 17.0 | 179 | 9.9 | 99 | 5.7 | 25 | 1.4 |
| | Handysize | 327 | 11.0 | 161 | 5.3 | 110 | 3.7 | 56 | 2.0 |
| | **Total** | **1226** | **100.9** | **693** | **56.8** | **370** | **28.9** | **163** | **15.2** |

### New orders in no. / mill dwt

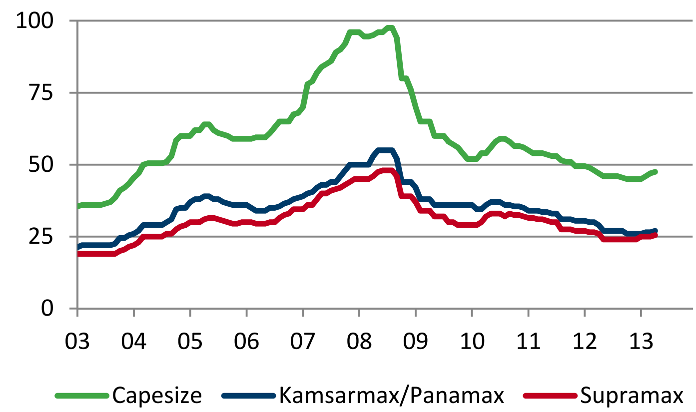
| | | 2012 | | 2013 YTD | | Apr 2013 | |
|---|---|---|---|---|---|---|---|
| Tank* | VLCC | 17 | 5.3 | 10 | 3.2 | 0 | 0.0 |
| | Suezmax | 19 | 2.5 | 3 | 0.5 | 2 | 0.3 |
| | Aframax | 8 | 0.9 | 27 | 3.1 | 10 | 1.1 |
| | Smaller | 135 | 6.4 | 65 | 2.9 | 7 | 0.3 |
| | **Total** | **179** | **15.1** | **105** | **9.6** | **19** | **1.8** |
| Bulk* | Capesize | 21 | 3.9 | 62 | 11.5 | 18 | 3.2 |
| | Post Panamax | 4 | 0.4 | 1 | 0.1 | 0 | 0.0 |
| | Pan./Kamsarmax | 56 | 4.4 | 16 | 1.3 | 5 | 0.4 |
| | Handy/Supramax | 99 | 5.6 | 57 | 3.3 | 20 | 1.2 |
| | Handysize | 131 | 4.3 | 62 | 2.0 | 26 | 0.9 |
| | **Total** | **311** | **18.6** | **198** | **18.3** | **69** | **5.7** |

* For tonnage definitions, visit www.platou.com

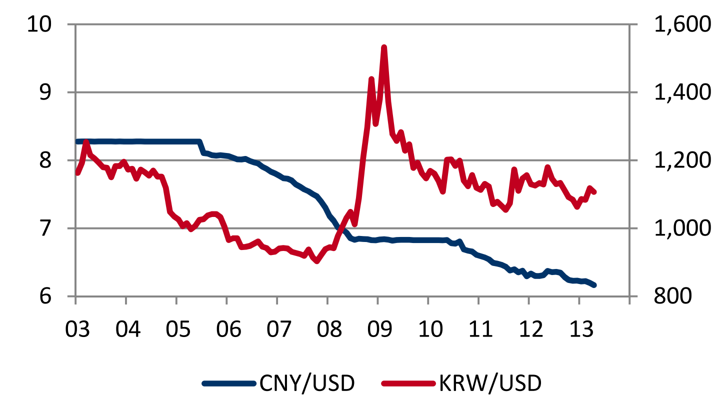
### Building prices for tankers Mill USD




### Building prices for bulk carriers Mill USD




### Exchange rates Left: CNY/USD | Right: KRW/USD



# Tankers | Freight market

On the face of it, April remained an uneventful month in the crude tanker market - but there are some signs “behind the scenes” which offer grounds for slight encouragement. Freight rates were little changed, with VLCC daily TCE returns around operating costs and Suez/Aframaxes only slightly better. Refinery maintenance is ending and chartering activity has consequently begun to pick up. Tonnage supply remains plentiful for now, so there is little impact on rates. Cheaper Atlantic Basin crude prices have stimulated more crude movements from West Africa to Asia which - if sustained - should have a positive bearing.

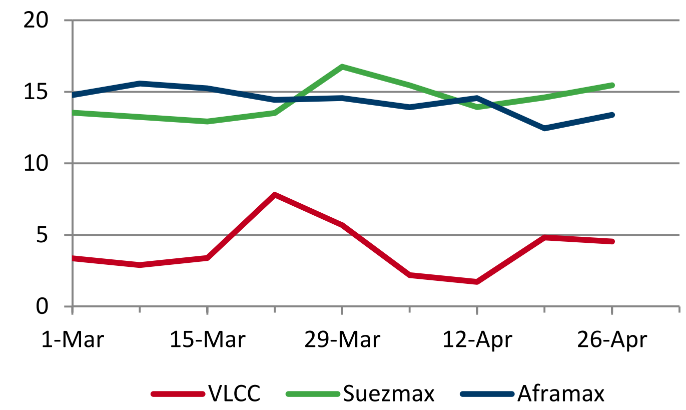
The clean markets continue to outperform crude as volume growth has been relatively healthy. Voyage rates are on a declining trend, however, as demand is turning down for seasonal reasons. The steep drop in US gasoline prices during April is likely to be a deterrent to further import growth in coming months.

### Average freight rates in 1,000 USD/day

| | | 2012 YTD | 2013 YTD | Mar 2013 | Apr 2013 |
|---|---|---|---|---|---|
| Spot | VLCC | 30.9 | 6.6 | 4.6 | 3.3 |
| | Suezmax | 19.7 | 12.8 | 14.0 | 14.9 |
| | Aframax | 15.3 | 14.1 | 14.9 | 13.6 |
| | LR2 Clean | 6.6 | 15.5 | 17.4 | 19.2 |
| | LR1 Clean | 10.3 | 21.2 | 25.3 | 23.7 |
| | MR Clean | 10.9 | 19.8 | 20.5 | 21.8 |
| 12m T/C | VLCC | 19.8 | 19.4 | 19.3 | 18.5 |
| | Suezmax | 15.8 | 15.9 | 16.3 | 15.5 |
| | Aframax | 13.1 | 13.1 | 13.5 | 12.5 |
| | LR2 Clean | 13.2 | 15.8 | 16.0 | 16.0 |
| | LR1 Clean | 12.0 | 13.6 | 13.8 | 14.3 |
| | MR Clean | 13.9 | 13.6 | 13.8 | 13.5 |

For weekly freight rates, visit www.platou.com

### Weekly spot rates for crude carriers# 1,000 USD/day



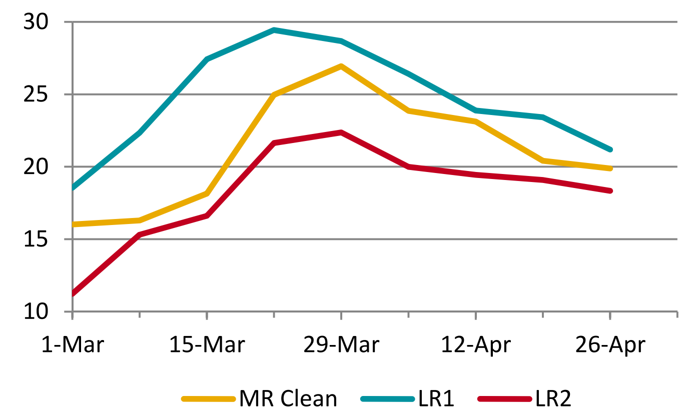

# World-wide averages

### Tanker fleet development in mill dwt *

| | Deliveries 2013 YTD | Removals 2013 YTD | Fleet end Apr 2013 | YoY in % |
|---|---|---|---|---|
| VLCC | 4.4 | 0.9 | 189.7 | 6.2 |
| Suezmax | 3.1 | 0.1 | 75.6 | 8.3 |
| Aframax | 1.0 | 0.9 | 99.9 | 0.5 |
| Smaller | 2.1 | 0.6 | 103.5 | 3.1 |
| **Total tanker fleet** | **10.7** | **2.5** | **468.7** | **4.6** |

* For tonnage definitions, visit www.platou.com

### Weekly spot rates for clean carriers# 1,000 USD/day

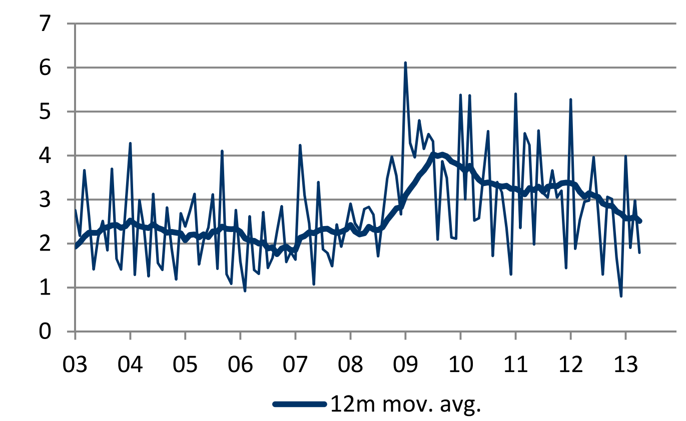



# World-wide averages

### Oil market in mill bpd

| | | 2012-3m | 2013-3m | YoY in % |
|---|---|---|---|---|
| Demand | OECD | 46.2 | 46.0 | -0.4 |
| | Non-OECD | 42.3 | 43.8 | 3.8 |
| | **World demand** | 88.5 | 89.9 | 1.6 |
| Supply | Middle East | 23.5 | 22.6 | -3.7 |
| | Africa | 8.7 | 8.6 | -0.8 |
| | Latin America | 10.7 | 10.6 | -0.3 |
| | North America | 13.3 | 14.6 | 9.5 |
| | Western Europe | 3.8 | 3.4 | -11.7 |
| | Asia | 7.8 | 7.8 | 0.5 |
| | FSU | 13.7 | 13.8 | 0.7 |
| | Others | 9.3 | 9.2 | -1.1 |
| | **World supply** | 90.8 | 90.6 | -0.1 |
| | | 2011 | 2012 E | 2013 F |
| **World seaborne oil trade** | | **44.6** | **45.0** | **44.6** |

### Deliveries of tankers (10,000 dwt +, monthly) Mill dwt



# Tankers | Sale and purchase

Another month with continued interest for tankers, where activity was primarily dominated by bank related deals and a few stocklisted companies seizing the opportunity to enter into larger transactions. The majority of the interest is centered around the clean segment where prices remained stable, while values in the dirty segment are still weighed down by a depressed freight market and few buyers. Hungry for news, the market has latched on to rumors of several VLCC deals which are all but confirmed.

### Estimated values in mill USD

| | Apr 2012 | Feb 2013 | Mar 2013 | Apr 2013 |
|---|---|---|---|---|
| 310,000 dwt resale | 90.0 | 85.0 | 85.0 | 83.0 |
| 305,000 dwt 5 years | 65.0 | 60.0 | 60.0 | 58.0 |
| 300,000 dwt 10 years | 37.0 | 38.0 | 36.0 | 35.0 |
| 160,000 dwt resale | 58.0 | 56.0 | 55.0 | 55.0 |
| 160,000 dwt 5 years | 47.0 | 43.0 | 43.0 | 43.0 |
| 160,000 dwt 10 years | 31.0 | 30.0 | 30.0 | 30.0 |
| 105,000 dwt resale | 45.0 | 43.0 | 43.0 | 43.0 |
| 105,000 dwt 5 years | 35.0 | 29.0 | 29.0 | 29.0 |
| 105,000 dwt 10 years | 22.0 | 18.0 | 18.0 | 18.0 |
| C 75,000 dwt resale | 40.0 | 38.0 | 38.0 | 38.0 |
| C 75,000 dwt 5 years | 30.0 | 27.0 | 27.0 | 27.0 |
| C 50,000 dwt resale | 35.0 | 34.0 | 35.0 | 35.0 |
| C 47,000 dwt 5 years | 26.0 | 26.0 | 27.0 | 27.0 |
| C 47,000 dwt 10 years | 17.0 | 16.0 | 16.0 | 16.0 |
| C 37,000 dwt 5 years | 23.0 | 23.0 | 23.0 | 23.0 |

### Baltic Sale & Purchase Assessments in mill USD

| Average Baltic panel assessments | 15 Apr | 29 Apr |
|---|---|---|
| VLCC - 5 years old 305,000 dwt | 53.6 | 53.6 |
| Aframax - 5 years old 105,000 dwt | 26.2 | 26.4 |
| MR Prod. - 5 years old 45,000 dwt | 22.4 | 22.5 |

### Demolition prices in USD/ldt

| | Apr 2012 | Feb 2013 | Mar 2013 | Apr 2013 |
|---|---|---|---|---|
| Far East | 430 | 400 | 380 | 375 |
| Sub continent * | 500 | 425 | 440 | 445 |

* India/Bangladesh/Pakistan

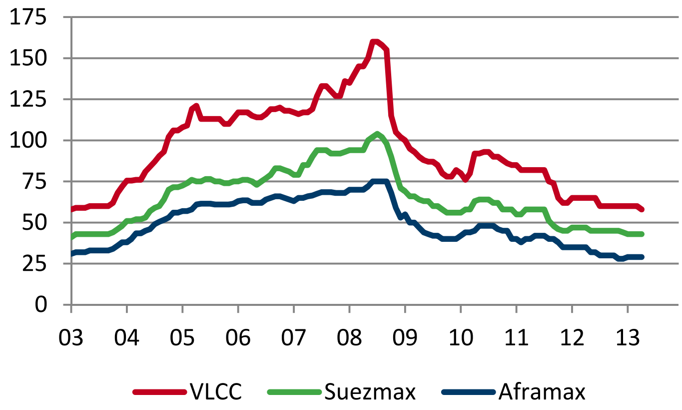
### Sold for scrapping and other removals* in no. / mill dwt

| | 2012 YTD | | 2013 YTD | | Apr 2013 | |
|---|---|---|---|---|---|---|
| VLCC - double hull | 3 | 0.9 | 1 | 0.3 | 1 | 0.3 |
| Suezmax - double hull | 10 | 1.5 | 1 | 0.1 | 0 | 0.0 |
| Aframax - double hull | 13 | 1.2 | 7 | 0.7 | 0 | 0.0 |
| Smaller - double hull | 7 | 0.3 | 3 | 0.1 | 0 | 0.0 |
| **Total - double hull** | **33** | **3.9** | **12** | **1.3** | **1** | **0.3** |
| Single hull | 18 | 1.2 | 18 | 1.2 | 2 | 0.3 |
| **Total** | **51** | **5.1** | **30** | **2.5** | **3** | **0.6** |

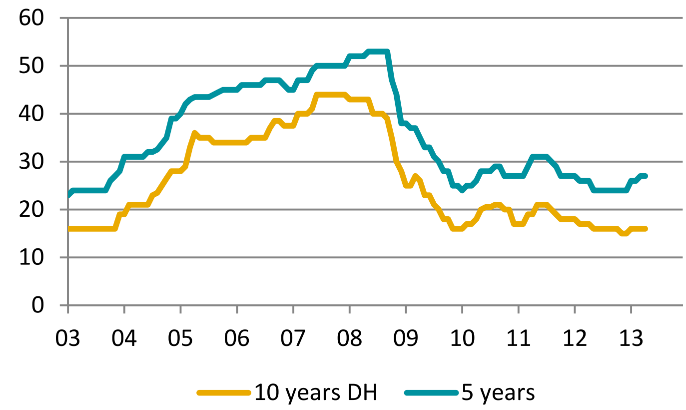
* Including total loss/conversion/reclass

For tonnage definitions, visit www.platou.com

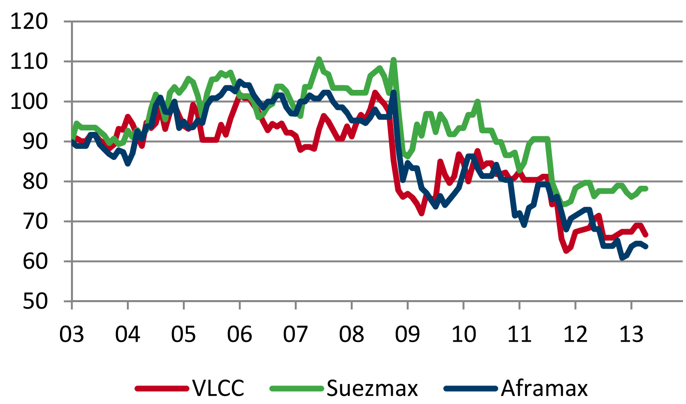
Second hand values, 5 years old Mill USD




Second hand values for clean carriers, 40/45,000 dwt Mill USD




5 years second hand values in percent of newbuilding prices



# Bulk carriers | Freight market

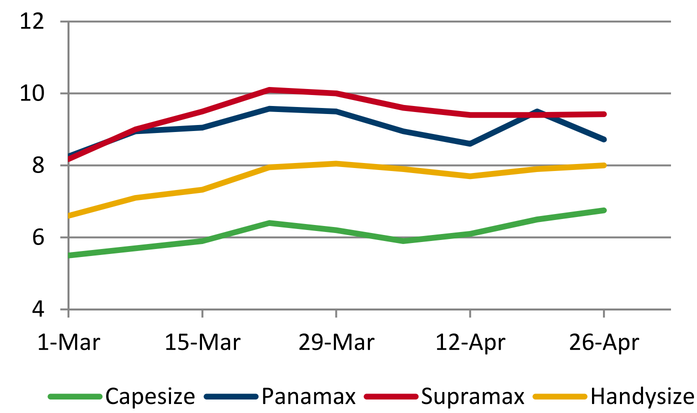
Relatively small changes were noticed in freight rates over the last month. The Capesize sector continued at very depressed levels due to stagnating exports of Brazilian iron ore into Asia, which naturally affected ton-mile growth negatively. In other segments, demand for tonnage was positively influenced by strong growth in South American exports of cereals and higher activity in intra-Pacific mineral trades. We also registered higher steel product imports to the US. Deliveries of newbuildings totaled around 5 mill dwt, while ships sent to recycling amounted to 1.1 mill dwt. The year-on-year fleet growth thereby slowed to 8.3 percent.

### Average freight rates in 1,000 USD/day

| | | 2012 YTD | 2013 YTD | Mar 2013 | Apr 2013 |
|---|---|---|---|---|---|
| Spot | Capesize | 7.6 | 7.0 | 5.9 | 6.3 |
| | Panamax | 9.1 | 7.6 | 9.1 | 8.9 |
| | Supramax | 9.2 | 8.5 | 9.4 | 9.5 |
| | Handysize | 7.3 | 7.1 | 7.4 | 7.9 |
| 12m T/C | Capesize | 12.9 | 10.6 | 11.0 | 10.8 |
| | Panamax | 10.9 | 8.6 | 9.8 | 8.8 |
| | Supramax | 11.0 | 7.3 | 10.0 | 9.0 |
| | Handysize | 8.1 | 8.2 | 7.8 | 7.5 |

For weekly freight rates, visit www.platou.com

Weekly spot rates 1,000 USD/day

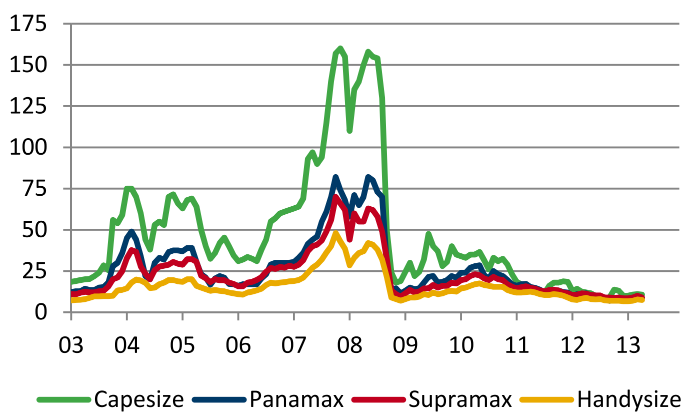



### Dry bulk fleet development in mill dwt

| | Deliveries* 2013 YTD | Removals 2013 YTD | Fleet end Apr 2013 | YoY in % |
|---|---|---|---|---|
| Capesize | 9.8 | 3.7 | 270.8 | 7.5 |
| Post Panamax | 1.6 | 0.2 | 45.6 | 19.5 |
| Panamax/Kamsarmax | 6.4 | 1.1 | 137.3 | 13.2 |
| Handymax/Supramax | 4.6 | 1.9 | 147.5 | 6.2 |
| Handysize | 2.2 | 2.2 | 85.0 | 1.7 |
| **Total dry bulk fleet** | **24.6** | **9.1** | **686.2** | **8.3** |

* Including conversions

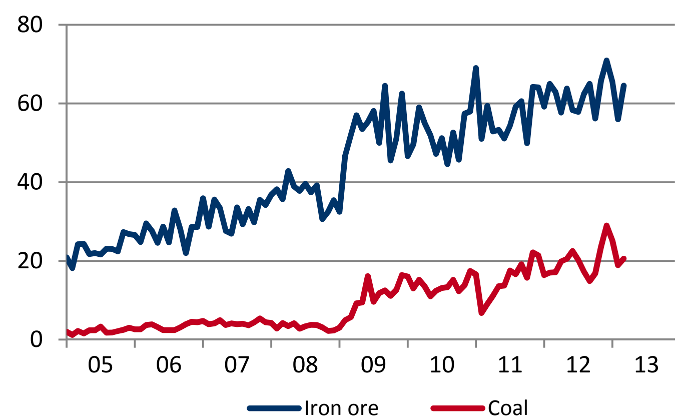
12 months T/C rates 1,000 USD/day




### Industrial production, YoY in %

| | 2012 | 2013F | 2014F |
|---|---|---|---|
| USA | 3.6 | 2.5 | 3.6 |
| Euro area | -2.1 | -1.0 | 2.0 |
| Japan | -0.6 | 1.2 | 3.1 |
| China | 10.1 | 10.9 | 10.7 |
| Other Asia | 2.9 | 5.5 | 6.1 |

Chinese commodity imports Mill tons/month




### Steel production in mill tons

| | 2012-3m | 2013-3m | YoY in % |
|---|---|---|---|
| USA | 23.2 | 21.5 | -7.6 |
| Japan | 26.6 | 26.6 | 0.2 |
| EU27 | 43.8 | 41.5 | -5.4 |
| China | 175.9 | 191.9 | 9.1 |
| Other Asia | 41.8 | 41.3 | -1.3 |
| **Total world** | **380.1** | **388.7** | **2.3** |

# Bulk carriers | Sale and purchase

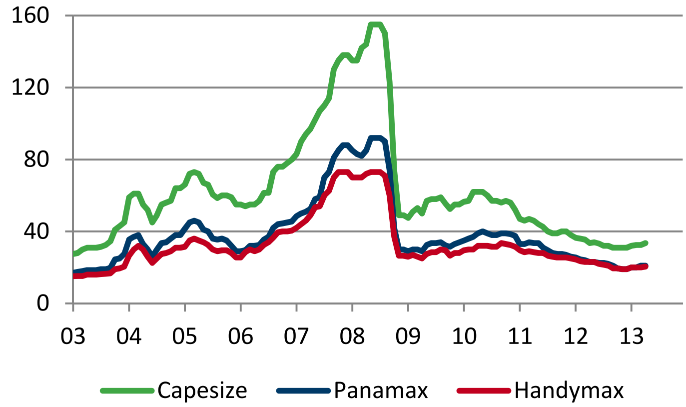
The chase for quality modern tonnage has continued throughout April with most buyers still strongly preferring Japanese-built vessels. However, two Kamsarmax resales from Chinese yards have changed hands at levels above those previously obtained for resales around the turn of the year, indicating that prices are also firming for such units.

There is still a lack of very modern sales candidates and with presumably high book values on the most modern vessels, it is reasonable to assume that owners will continue disposing of vessels between 5 and 15 years old rather than taking substantial losses on their most prized assets. Looking at the buyers, it seems the Greeks have an insatiable appetite for dry bulk tonnage across all segments.

### Estimated values in mill USD

| | Apr 2012 | Feb 2013 | Mar 2013 | Apr 2013 |
|---|---|---|---|---|
| 180,000 dwt resale | 44.0 | 42.5 | 43.0 | 43.0 |
| 172,000 dwt 5 years | 33.5 | 32.5 | 32.5 | 33.5 |
| 170,000 dwt 10 years | 25.0 | 22.5 | 22.5 | 23.5 |
| 82,000 dwt resale | 30.5 | 27.0 | 28.0 | 28.5 |
| 74,000 dwt 5 years | 23.0 | 20.0 | 21.0 | 21.0 |
| 72,000 dwt 10 years | 17.5 | 14.5 | 14.5 | 15.0 |
| 56,000 dwt resale | 29.0 | 26.0 | 26.0 | 26.5 |
| 56,000 dwt 5 years | 23.0 | 20.0 | 20.0 | 20.5 |
| 50,000 dwt 10 years | 17.0 | 15.5 | 15.5 | 15.5 |
| 32,000 dwt resale | 21.5 | 22.0 | 23.0 | 23.0 |
| 28,000 dwt 5 years | 17.0 | 17.0 | 18.0 | 18.0 |
| 28,000 dwt 10 years | 13.0 | 12.5 | 12.5 | 12.5 |

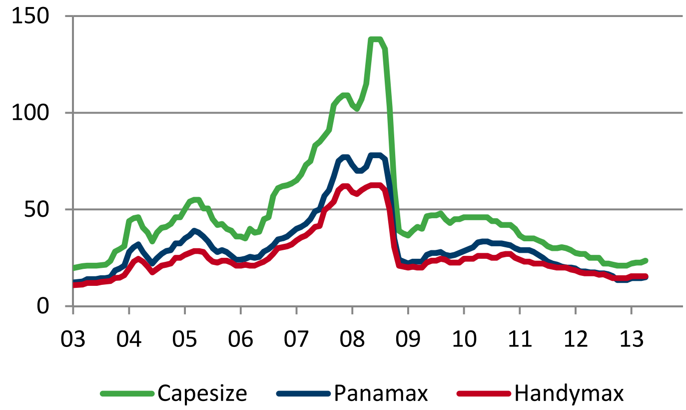
Second hand values, 5 years old Mill USD




### Baltic Sale & Purchase Assessments in mill USD

| Average Baltic panel assessments | 15 Apr | 29 Apr |
|---|---|---|
| Capesize - 5 years old 172,000 dwt | 30.5 | 30.7 |
| Panamax - 5 years old 74,000 dwt | 18.9 | 19.2 |
| Super Handy - 5 years old 56,000 dwt | 18.6 | 19.2 |

Second hand values, 10 years old Mill USD




### Demolition prices in USD/ldt

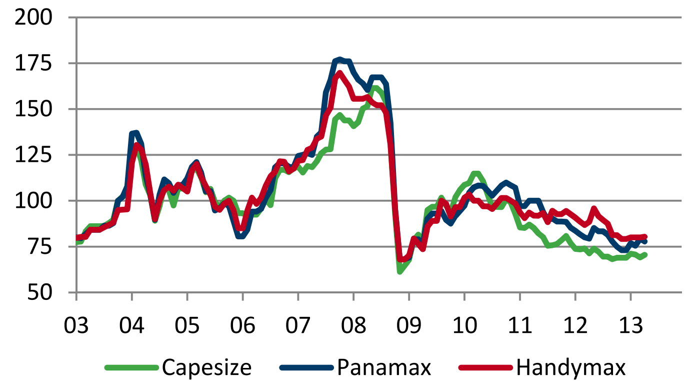
| | Apr 2012 | Feb 2013 | Mar 2013 | Apr 2013 |
|---|---|---|---|---|
| Far East | 415 | 375 | 360 | 365 |
| Sub continent* | 480 | 400 | 410 | 415 |

* India/Bangladesh/Pakistan

### Sold for scrapping in no. / mill dwt

| | 2012 YTD | | 2013 YTD | | Apr 2013 | |
|---|---|---|---|---|---|---|
| Capesize | 22 | 3.9 | 22 | 3.7 | 3 | 0.5 |
| Post Panamax | 5 | 0.5 | 2 | 0.2 | 0 | 0.0 |
| Panamax/Kamsarmax | 28 | 2.0 | 16 | 1.1 | 1 | 0.1 |
| Handymax/Supramax | 53 | 2.8 | 38 | 1.9 | 6 | 0.3 |
| Handysize | 90 | 2.8 | 77 | 2.2 | 10 | 0.3 |
| **Total** | **198** | **11.8** | **155** | **9.1** | **20** | **1.1** |

5 years second hand values in percent of newbuilding prices



# Cellular container ships

Box rates were under downward pressure over the last month resulting from continued weak demand for tonnage combined with increasing ship capacity. Container imports to the US increased by 4 percent, while European imports dropped slightly from the previous month. Emerging market trade continued to increase, however at a slower pace than in previous months. The continuing high deliveries of new ships, in addition to around 4 percent of the fleet currently in lay-up and combined with weak outlook for tonnage demand, do not bode well for container ship fundamentals for the remainder of this year.

### Average charter rates in 1,000 USD/day

| | 2012 YTD | 2013 YTD | Mar 2013 | Apr 2013 |
|---|---|---|---|---|
| 1,000 TEU | 5.6 | 5.4 | 5.5 | 5.5 |
| 1,700 TEU | 6.7 | 6.5 | 6.8 | 6.8 |
| 3,000 TEU | 7.8 | 7.1 | 7.2 | 7.2 |
| 4,500 TEU | 8.6 | 9.2 | 9.3 | 9.3 |

### Container fleet development in mill TEU

| | Deliveries 2013 YTD | Removals 2013 YTD | Fleet end Apr 2013 | YoY in % |
|---|---|---|---|---|
| Below 1,000 TEU | 0.00 | 0.00 | 0.67 | -1.1 |
| 1,000 - 1,999 TEU | 0.02 | 0.04 | 1.80 | -2.6 |
| 2,000 - 3,999 TEU | 0.03 | 0.07 | 2.75 | -4.8 |
| 4,000 - 5,999 TEU | 0.07 | 0.01 | 4.58 | 4.4 |
| 6,000 - 7,999 TEU | 0.04 | 0.00 | 1.78 | 4.8 |
| 8,000 - 9,999 TEU | 0.14 | 0.00 | 2.85 | 12.5 |
| 10,000+ TEU | 0.16 | 0.00 | 2.21 | 25.9 |
| **Total container fleet** | **0.46** | **0.13** | **16.64** | **5.4** |

### Order book in no. / mill TEU

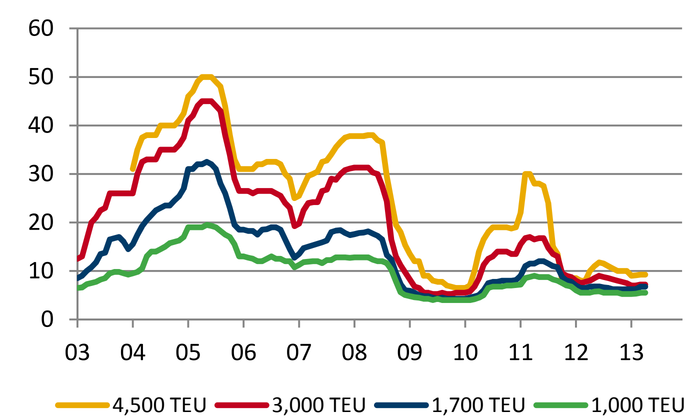
| TEU | Total | | Rest 2013 | | 2014 | | 2015+ | |
|---|---|---|---|---|---|---|---|---|
| Below 1,000 | 2 | 0.00 | 2 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| 1,000 - 1,999 | 54 | 0.08 | 24 | 0.04 | 28 | 0.04 | 2 | 0.00 |
| 2,000 - 3,999 | 77 | 0.24 | 44 | 0.14 | 16 | 0.05 | 17 | 0.06 |
| 4,000 - 5,999 | 68 | 0.32 | 44 | 0.20 | 19 | 0.09 | 5 | 0.03 |
| 6,000 - 7,999 | 26 | 0.17 | 19 | 0.12 | 3 | 0.02 | 4 | 0.03 |
| 8,000 - 9,999 | 76 | 0.68 | 36 | 0.32 | 27 | 0.24 | 13 | 0.12 |
| 10,000+ | 122 | 1.64 | 43 | 0.56 | 53 | 0.70 | 26 | 0.37 |
| **Total** | **425** | **3.13** | **212** | **1.39** | **146** | **1.14** | **67** | **0.60** |

### New orders in no. / mill TEU

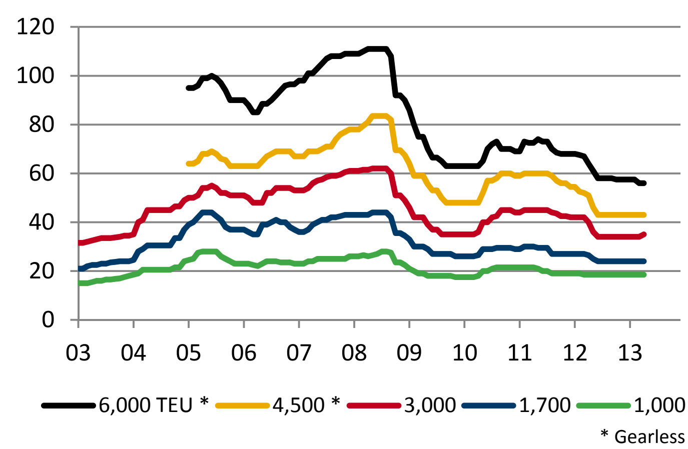
| | 2012 | | 2013 YTD | | Apr 2013 | |
|---|---|---|---|---|---|---|
| Below 1,000 TEU | 8 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| 1,000 - 1,999 TEU | 18 | 0.02 | 9 | 0.01 | 6 | 0.01 |
| 2,000 - 3,999 TEU | 20 | 0.06 | 12 | 0.04 | 0 | 0.00 |
| 4,000 - 5,999 TEU | 17 | 0.09 | 0 | 0.00 | 0 | 0.00 |
| 6,000 - 7,999 TEU | 3 | 0.02 | 2 | 0.01 | 0 | 0.00 |
| 8,000 - 9,999 TEU | 15 | 0.14 | 7 | 0.06 | 0 | 0.00 |
| 10,000+ TEU | 10 | 0.14 | 14 | 0.18 | 0 | 0.00 |
| **Total** | **91** | **0.47** | **44** | **0.31** | **6** | **0.01** |

* Due to the market turbulence and an increaslingly complex sale and purchase market, no second hand price updates have been provided since October 2011

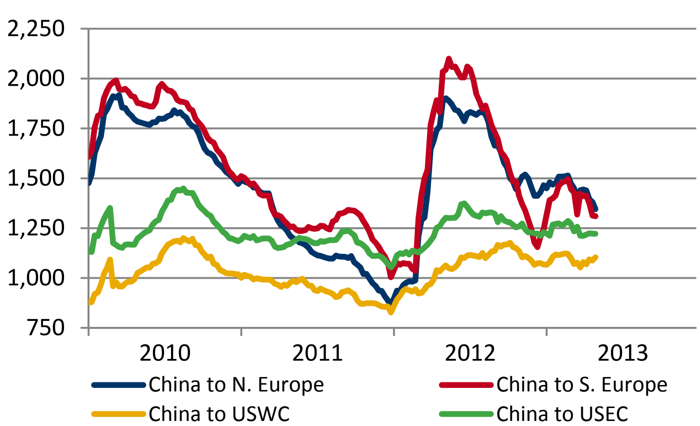
12 month T/C rates 1,000 USD/day




Building prices Mill USD




China Containerized Freight Index (CCFI) USD/TEU



# LNG carriers

Shell finally lifted the force majeure for feedgas to the 20 mtpa Bonny Island facility and production resumed on the 4.3 mtpa Snohvit project. This should help gain momentum in the overall LNG trade after a rather disappointing 4 percent fall in imported volumes for the two first months of the year.

Price sentiment for LNG in Asia has been stymied due to demand in South America and a trickling from the Far East. PTT of Thailand closed a purchase tender to supply 5 mtpa this summer and CPC have already covered demand for the same period while Japanese utilities are looking for cargoes.

### Average charter rates in 1,000 USD/day

| | 2012 YTD | 2013 YTD | Mar 2013 | Apr 2013 |
|---|---|---|---|---|
| 155k cbm - Spot | 124 | 103 | 98 | 90 |
| 155k cbm - T/C | 143 | 98 | 95 | 95 |

### LNG carrier fleet development in no. / mill cbm

| 1,000 cbm | Deliveries 2013 YTD | | Removals 2013 YTD | | Fleet end Apr 2013 | | YoY in % |
|---|---|---|---|---|---|---|---|
| 10-50 | 1 | 0.02 | 0 | 0.00 | 13 | 0.32 | 5.1 |
| 50-100 | 0 | 0.00 | 0 | 0.00 | 15 | 1.14 | 0.0 |
| 100-200 | 2 | 0.31 | 2 | 0.25 | 302 | 43.07 | 0.2 |
| 200+ | 0 | 0.00 | 0 | 0.00 | 45 | 10.37 | 0.0 |
| **Total** | **3** | **0.33** | **2** | **0.25** | **375** | **54.91** | **0.1** |

### Order book in no. / mill cbm

| 1,000 cbm | Total | | Rest 2013 | | 2014 | | 2015+ | |
|---|---|---|---|---|---|---|---|---|
| 10-50 | 6 | 0.14 | 0 | 0.00 | 0 | 0.00 | 6 | 0.14 |
| 50-100 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| 100-200 | 103 | 16.93 | 19 | 3.08 | 37 | 5.96 | 47 | 7.88 |
| 200+ | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| **Total** | **109** | **17.07** | **19** | **3.08** | **37** | **5.96** | **53** | **8.02** |

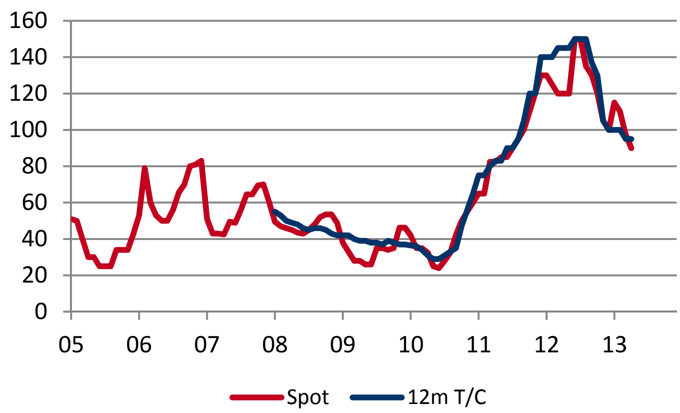
### New orders in no. / mill cbm

| 1,000 cbm | 2012 | | 2013 YTD | | Apr 2013 | |
|---|---|---|---|---|---|---|
| 10-50 | 0 | 0.00 | 6 | 0.14 | 0 | 0.00 |
| 50-100 | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| 100-200 | 33 | 5.45 | 10 | 1.74 | 3 | 0.52 |
| 200+ | 0 | 0.00 | 0 | 0.00 | 0 | 0.00 |
| **Total** | **33** | **5.45** | **16** | **1.89** | **3** | **0.52** |

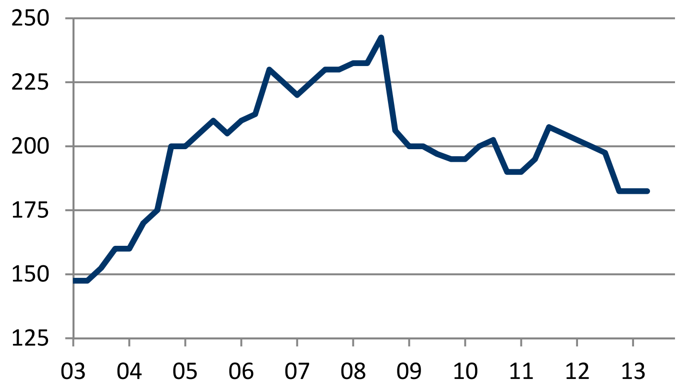
### LNG imports in mill mt

| | 2012-3m | 2013-3m | YoY in % |
|---|---|---|---|
| Japan | 23.94 | 23.49 | -1.9 |
| Korea | 11.03 | 12.30 | 11.5 |
| China | 3.264 | 4.16 | 27.4 |

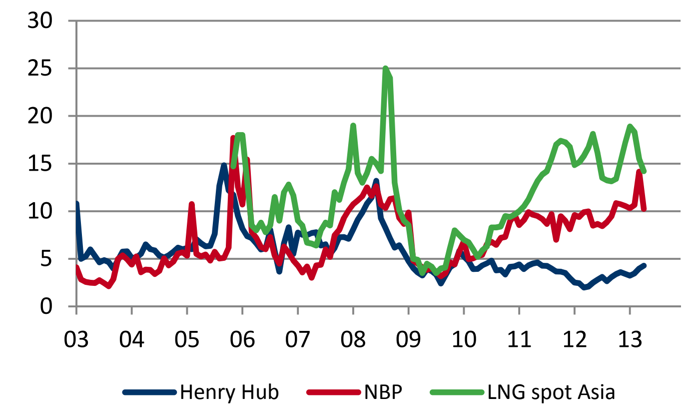
Freight rates, 155,000 cbm 1,000 USD/day




Building price, 155,000 cbm Mill USD




Natural gas prices USD/mmbtu



# Representative reported newbuilding contracts

## Tank

| Capacity | Shipyard | Owner | Reported price/unit | Delivery |
|---|---|---|---|---|
| 2 x 50,000 dwt | Guangzhou Shipyard | Stena Bulk | 38 mill USD | 2015/2016 |
| 2 x 50,000 dwt | Hyundai Mipo | Dong-A Tanker | 32.5 mill USD | 2015 |
| 2 x 50,000 dwt | STX Shipbuilding | Oceanbulk | 32/33 mill USD | 2016 |
| 1 x 106,000 dwt | Hyundai Gunsan | Densa Denizcilik | 47/48 mill USD | 2015 |
| 4 x 114,000 dwt | Daewoo Mangalia | Eastern Mediterranean | 45/46 mill USD | 2015 |
| 2 x 114,000 dwt | Hyundai H.I. | Kyklades | 48/49 mill USD | 2015 |
| 3 x 115,000 dwt | Hyundai Samho | Latsis | 48/49 mill USD | 2014/2015 |
| 2 x 158,000 dwt | Hyundai H.I. | Marmaras Navigation | 57/58 mill USD | 2015 |

## Bulk

| Capacity | Shipyard | Owner | Reported price/unit | Delivery |
|---|---|---|---|---|
| 4 x 34,000 dwt | Namura Shipbuilding | MUR Shipping | 23 mill USD | 2014/2015 |
| 2 x 34,000 dwt | Namura Shipbuilding | Wisdom Marine | 23 mill USD | 2015/2016 |
| 2 x 36,000 dwt | Shikoku Dockyard | Shih Wei Navigation | 22/23 mill USD | 2014/2015 |
| 1 x 37,000 dwt | Onomichi Shipbuilding | Shih Wei Navigation | 23 mill USD | 2015/2016 |
| 3 x 38,000 dwt | Imabari Shipbuilding | Uni-Asia | 24.3 mill USD | 2014/2016 |
| 3 x 38,800 dwt | Jiangsu Hantong | Peter Döhle | | 2015 |
| 2 x 38,800 dwt | Qingshan Shipyard | Atlantska Plovida | 20/21 mill USD | 2015 |
| 1 x 55,000 dwt | Kawasaki H.I. | Wisdom Marine | 27 mill USD | 2015 |
| 4 x 64,000 dwt | Chengxi Shipyard | Wah Kwong | 25 mill USD | 2015 |
| 3 x 82,000 dwt | Jiangsu New Yangzijiang | Marine Management | 26 mill USD | 2015 |
| 2 x 84,000 dwt | Oshima Shipbuilding | U-Ming Marine | 33.8 mill USD | 2015 |
| 3 x 150,000 dwt | Hanjin Philippines | Hyundai Merchant Marine | 45 mill USD | 2016/2018 |
| 2 x 150,000 dwt | STX Shipbuilding | STX Pan Ocean | 45 mill USD | 2016/2018 |
| 2 x 150,000 dwt | Sungdong Shipbuilding | Hanjin Shipping | 45 mill USD | 2016/2018 |
| 2 x 150,000 dwt | Sungdong Shipbuilding | S K Shipping | 45 mill USD | 2016/2018 |
| 2 x 180,000 dwt | Hyundai Gunsan | Golden Union | 49/50 mill USD | 2014/2015 |
| 3 x 180,000 dwt | Shanghai Waigaoqiao | Cargill | | 2015 |
| 1 x 208,000 dwt | Hyundai H.I. | Polaris Shipping | 52/53 mill USD | 2015 |
| 3 x 250,000 dwt | Hyundai H.I. | Polaris Shipping | | 2014/2015 |

## Container

| Capacity | Shipyard | Owner | Reported price/unit | Delivery |
|---|---|---|---|---|
| 4 x 1,000 TEU | Dae Sun Shipbuilding | Heung-A Shipping | 19.8 mill USD | 2016/2017 |

## LPG

| Capacity | Shipyard | Owner | Reported price/unit | Delivery |
|---|---|---|---|---|
| 3 x 12,000 cbm | STX Shipbuilding | Unigas International | 32/33 mill USD | 2014/2015 |
| 1 x 84,000 cbm | Hyundai H.I. | KSS Line | 72/73 mill USD | 2014 |
| 2 x 84,000 cbm | Hyundai H.I. | Petredec | 72/73 mill USD | 2015/2016 |

## LNG

| Capacity | Shipyard | Owner | Reported price/unit | Delivery |
|---|---|---|---|---|
| 1 x 164,700 cbm | Kawasaki H.I. | K-Line | 210 mill. | 2015 |
| 2 x 180,000 cbm | Samsung H.I. | SK Shipping | 220 mill. | 2016/2017 |

# Representative second hand sales

## Tank

| Name | Capacity | Built | Price | Buyers | Comments |
|---|---|---|---|---|---|
| Artois | 298,000 dwt | 2001/Japan | 28.5 mill USD | Netherlands | |
| British Oak | 106,000 dwt | 2003/Japan | 15 mill USD | Greece | |

## Chemical/Product

| Name | Capacity | Built | Price | Buyers | Comments |
|---|---|---|---|---|---|
| Northern Spirit | 113,000 dwt | 2009/China | 33 mill USD | Private | |
| Nordmark | 105,000 dwt | 1998/Korea | 8.2 mill USD | Ukraine | |
| Maran Altair | 99,000 dwt | 1997/Korea | Private terms | Private | |
| Morning Glory Vii | 74,000 dwt | 1999/Japan | 8.5 mill USD | Undisclosed | |
| Chemtrans Sun | 72,000 dwt | 2000/China | Region 7 mill USD | Nigeria | |
| *Hyundai Mipo 2348* | *52,000 dwt* | *2013/Korea* | *Enbloc 146 mill USD* | *United States* | *Enbloc* |
| *Hyundai Mipo 2349* | *52,000 dwt* | *2013/Korea* | *"* | *"* | *"* |
| *Hyundai Mipo 2350* | *52,000 dwt* | *2013/Korea* | *"* | *"* | *"* |
| *Hyundai Mipo 2347* | *52,000 dwt* | *2013/Korea* | *"* | *"* | *"* |
| *Ivory Point* | *51,000 dwt* | *2007/Korea* | *Enbloc 46.5 mill USD* | *Greece* | *Enbloc* |
| *Indigo Point* | *51,000 dwt* | *2007/Korea* | *"* | *"* | *"* |
| Stx Jinhae 1463 | 50,000 dwt | 2013/Korea | 34.5 mill USD | Greece | |
| Kaltene | 37,000 dwt | 2003/Korea | 12.9 mill USD | Greece | SS/DD due |
| Bow Rio | 20,000 dwt | 2005/Japan | 20 mill USD | Greece | |
| *Bow Lima* | *20,000 dwt* | *2007/Japan* | *Enbloc 46 mill USD* | *China* | *Enbloc* |
| *Bow Cape* | *20,000 dwt* | *2008/Japan* | *"* | *"* | *"* |

## Container

| Name | Capacity | Built | Price | Buyers | Comments |
|---|---|---|---|---|---|
| Mol Efficiency | 4,646 TEU | 2003/Japan | 17.2 mill USD | Hong Kong | |
| Mol Excellence | 4,646 TEU | 2003/Japan | 17.2 mill USD | Hong Kong | |
| Mol Expeditor | 4,646 TEU | 2003/Japan | 17.2 mill USD | Hong Kong | |
| Mol Express | 4,646 TEU | 2003/Japan | 17.2 mill USD | Hong Kong | |
| Keno | 2,824 TEU | 2007/Korea | 15 mill USD | Undisclosed | |
| Gemini | 2,452 TEU | 1998/Germany | 6.7 mill USD | Undisclosed | |
| R.R. America | 2,452 TEU | 2002/Germany | 7.8 mill USD | Germany | |
| Msc Hobart | 2,004 TEU | 1994/Korea | 4.2 mill USD | China | |
| Ym Earth | 1,620 TEU | 2003/Japan | High 8 mill USD | China | |
| Ym People | 1,620 TEU | 2003/Japan | High 8 mill USD | China | |
| Ym Sky | 1,620 TEU | 2003/Japan | High 8 mill USD | China | |

# Representative second hand sales

## Bulk

| Name | Capacity | Built | Price | Buyers | Comments |
|---|---|---|---|---|---|
| Pacific Tiara | 180,000 dwt | 2004/Japan | 25 mill USD | China | |
| Tamou | 177,000 dwt | 2005/Japan | 27 mill USD | Greece | |
| Seakoh | 172,000 dwt | 2000/Korea | 16 mill USD | Greece | |
| Brilliant River | 154,000 dwt | 1994/Japan | 9 mill USD | China | |
| Cape Europe | 149,000 dwt | 1993/Taiwan | 8 mill USD | China | |
| *Flag Hope* | *93,000 dwt* | *2011/China* | *Enbloc 42 mill USD* | *Greece* | *Enbloc* |
| *Flag Tom* | *93,000 dwt* | *2011/China* | *"* | *"* | *"* |
| Brilliant Trader | 87,000 dwt | 2006/Japan | 19 mill USD | Greece | |
| Sumatra | 83,000 dwt | 2013/China | Private terms | European | |
| Tsuneishi Zhoushan Ss-132 | 82,000 dwt | 2013/China | 28 mill USD | Greece | |
| Crest Voyager | 76,000 dwt | 2005/Japan | 16 mill USD | Greece | |
| Myrto | 74,000 dwt | 2001/Korea | 13 mill USD | Greece | |
| Sd Nova | 70,000 dwt | 1996/Japan | 7 mill USD | China | |
| Ym Cultivation | 69,000 dwt | 1997/Japan | 5 mill USD | Hong Kong | |
| Alicia | 64,000 dwt | 2012/China | 25 mill USD | Greece | |
| Yangzhou Dayang Dy4013 | 64,000 dwt | 2013/China | 25 mill USD | Greece | |
| Gl Primera | 59,000 dwt | 2007/China | 19 mill USD | European | |
| Valente Ace | 57,000 dwt | 2008/Japan | 20 mill USD | Greece | |
| Oshima 10705 | 56,000 dwt | 2013/Japan | 27 mill USD | Greece | |
| Ultra Paguera | 54,000 dwt | 2003/Japan | 15 mill USD | Undisclosed | SS/DD passed |
| Ken Unity | 49,000 dwt | 1999/Japan | 10 mill USD | Greece | |
| Star Sea Breeze | 49,000 dwt | 2001/Japan | 12 mill USD | United States | |
| Golden Elpis | 47,000 dwt | 1997/Japan | 9 mill USD | Greece | |
| Honesty Ocean | 47,000 dwt | 1997/Japan | 8 mill USD | Undisclosed | |
| Ken | 47,000 dwt | 1998/Japan | 9 mill USD | Greece | |
| World Swan | 47,000 dwt | 1995/Japan | 4 mill USD | India | |
| Glory Sanye | 45,000 dwt | 1994/Japan | 7 mill USD | Mid East | |
| C. Emerald | 42,000 dwt | 1994/Japan | 7 mill USD | Hong Kong | |
| Great Mary | 32,000 dwt | 2000/Japan | 11 mill USD | China | Box holds |
| Bright Laker | 31,000 dwt | 2001/Japan | 10 mill USD | Greece | |
| Northern Light | 30,000 dwt | 2001/Japan | 11 mill USD | Greece | |
| Venus Shining | 30,000 dwt | 2006/Japan | 15 mill USD | Greece | |
| Great Morning | 29,000 dwt | 2004/Japan | 13 mill USD | Greece | |
| New Light | 29,000 dwt | 2002/Japan | 11 mill USD | Greece | |
| Ideal Bulker | 28,000 dwt | 1994/Japan | 6 mill USD | Undisclosed | |
| Mount Fisher | 28,000 dwt | 2002/Japan | 12 mill USD | Undisclosed | |

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