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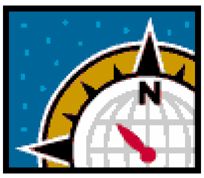


# MARKET REPORT MARCH 2003

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## DRY CARGO SHIPS SOLD DURING THIS MONTH MARCH 2003

| NAME | TYPE | YEAR | BUILT | DWT | GEAR | PRICE | BUYER | NOTES |
|---|---|---|---|---|---|---|---|---|
| ACE CONTAINER | CONT | 1998 | JAPAN | 23,752 | 1510 TEU | - | UNDISCLOSED | P+C TERMS |
| AGELI | BC | 1977 | JAPAN | 26,855 | 3X21T 2X3T | $1.45m | PHILIPPINO BUYERS | SOLD AS IS PHILIPPINES |
| ALBERNI DAWN | BC | 1980 | JAPAN | 31,247 | 2X40T | $4.10m | GREEK BUYERS | 1299 TEU, INCL T/C 2 YEARS |
| ALETHINI | BC | 1982 | JAPAN | 24,733 | 4X25T | $3.30m | GREEK BUYERS | |
| ANANGEL FAITH | BC | 1984 | JAPAN | 37,017 | 5X25T | $5.30m | ALLOCEANS SHIPPING | REPORTED SOLD $5.2 SOUTH KOREAN BUYERS |
| ANGELIC FAITH | BC | 1984 | JAPAN | 65,772 | - | $6.80m | GREEK BUYERS | DD/SS DUE 1/04 |
| ANGLIAN REEFER | REEF | 1988 | JAPAN | 14,933 | 4X8T | $10.00m | DENADAI | EN BLOC ANGLIAN REEFER, ARGENTINIAN REEFER FOR $10M EACH UNIT |
| ARGENTINIAN REEFER | REEF | 1988 | JAPAN | 14,933 | 4X8T | $10.00m | DENADAI | EN BLOC ANGLIAN REEFER, ARGENTINIAN REEFER FOR $10M EACH UNIT |
| ARIADNE PALACE | PAX | 2001 | KOREA | 7,680 | 2182 PAX | $67.00m | S.I.M.E TRE SPA | SOLD BY MINOAN. |
| AZALEA | BC | 1976 | JAPAN | 30,253 | 4X25T | $1.50m | GREEK BUYERS | OTHER REP SAYS $1.7M |
| BAVANG | BC | 1996 | KOREA | 161,059 | - | $28.50m | ANANGEL | |
| BELGIAN EXPRESS | CONT | 2000 | KOREA | 21,150 | 1679 TEU | $22.00m | UNDISCLOSED | INCL T/C BACK TO VROON $11,250 P/D |
| BERGON | BC | 1978 | NORWAY | 5,514 | 220 TEU | $1.80m | EUROPEAN BUYERS | 220 TEU, SELLERS ARE B&N SWEDEN |
| BERMUDIAN EXPRESS | CONT | 2000 | KOREA | 21,420 | 1645 TEU | $22.00m | GERMAN BUYERS | SOLD WITH 3Y T/C $11,250 P/D |
| BULKTIGER | BC | 1982 | JAPAN | 134,806 | - | $5.90m | A.M.NOMIKOS (TRANSWORLD) | INCL 1Y T/C @ $11,000 P/D |
| CAPT. ALEX | BC | 1985 | RUSSIA | 52,670 | - | $3.80m | CHINESE BUYERS | SELLERS ARE TRANSMED |
| CAPTAIN GEORGE L. | BC | 1982 | KOREA | 64,583 | - | $4.50m | GREEK BUYERS | |
| CAPTAIN JOHN L. | BC | 1982 | KOREA | 64,413 | - | $4.50m | GREEK BUYERS | INCL 12 MOS T/C BACK TO CERES HELLENIC |
| CHANNEL FRONTIER | BC | 1997 | JAPAN | 172,091 | - | - | BELGIAN BUYERS | |
| COLUMBUS CARAVELLE | PASS | 1990 | FINLAND | 7,560 | 330 PAX | $20.00m | UNDISCLOSED | |
| CREDO | MPP | 1978 | | 10,620 | | $2.50m | BELDEN SHIPPING | |
| DELMAS SURCOUF | MPP | 1983 | JAPAN | 22,312 | 863 TEU | $2.60m | PRIMERA MARITIME | |
| DIMITRA | MPP | 1973 | SPAIN | 5,792 | - | $0.35m | SYRIAN BUYERS | |
| DOCEISLAND | BC | 1997 | KOREA | 72,861 | - | $18.00m | GREEK BUYERS | IN DEC 2002 SOLD TO GREEKS FOR 17.25M FAILED, IN OCT REPORTED SOLD FOR $16.5 TO ELCANO-SPAIN FAILED SOLD EN BLOC WITH DOCEISLAND, DOCELAKE FOR $17.25M EACH, SELLERS DOCENAVE, LATEST NEWS SALE WAS OFF |
| DOCELAKE | BC | 1997 | KOREA | 72,861 | - | $18.00m | GREEK BUYERS | IN DEC 2002 SOLD TO GREEKS FOR 17.25M FAILED, IN OCT REPORTED SOLD FOR $16.5 TO ELCANO-SPAIN FAILED SOLD EN BLOC WITH DOCEISLAND, DOCELAKE FOR $17.25M EACH, SELLERS DOCENAVE, LATEST NEWS SALE WAS OFF |
| DONAU ORE | BC | 1992 | CHINA | 149,391 | - | $20.10m | SEACREST SHIPPING | SOLD WITH T/C BOCIMAR AT $13,750 UNTIL SEP 2003, WITH ONE MORE YEAR CHOPT @ $14,750 P/D |
| EARLY BIRD | BC | 1973 | JAPAN | 7,044 | - | $0.40m | SYRIAN BUYERS | |
| FCC PROSPERITY | CONT | 1983 | TURKEY | 7,523 | 2X12T 4X5T | $1.00m | UNDISCLOSED | 116 TEU |
| FIKRET MANOGLOU | BC | 1985 | JAPAN | 42,842 | 4X25T | $6.30m | ER DENIZCILIK | OTHER REP SAYS $6.15M |
| GIUSEPPE D'AMATO | BC | 1995 | ITALY | 75,473 | - | - | GERMAN BUYERS | |
| GLORIOUS MARINE | BC | 1997 | CHINA | 47,200 | 4X30T | $14.85m | ELMIRA SHIPPING & TRAD | ELMIRA ARE ACTUAL BUYERS, OTHER REP LST MONTH SAID $14.85M, AEGEUS SHIPPING |
| HARMON | BC | 1988 | RUSSIA | 52,650 | - | $4.50m | GOLDENPORT | EN BLOC HARMON, NOMAR FOR 8.75 ALL 2 SHIPS |
| NOMAR | BC | 1987 | RUSSIA | 52,650 | - | $4.25m | GOLDENPORT | EN BLOC HARMON, NOMAR FOR 8.75 ALL 2 SHIPS |
| INDEPENDENCE | PASS | 1950 | USA | 7,250 | - | $4.00m | FAR EAST BUYERS | |
| INSAN KAMIL | BC | 1991 | JAPAN | 7,956 | 2X30T 2X20T | $3.20m | CHINESE BUYERS | |
| KONLINK | CONT | 1994 | JAPAN | 15,414 | 818 TEU | $8.75m | HONG KONG BUYERS | |
| LA PAMPA | BC | 1994 | POLAND | 165,289 | - | $23.30m | TRANSMED SHIPPING | OTHER REP SAYS $23.5M |
| LEPTA MERCURY | BC | 1997 | JAPAN | 46,670 | 4X30T | $15.00m | BYZANTINE | SOLD FOR EXCESS $15M |
| LOVISA GORTHON | RORO | 1979 | SWEDEN | 7,596 | | $1.65m | RUSSIAN BUYERS | |
| MONTAUK | BC | 1982 | JAPAN | 64,978 | - | $4.75m | GREEK BUYERS | DD DUE 3/04 |
| MSC KERRY | CONT | 1995 | POLAND | 45,330 | 321 TEU | $21.10m | ITALIAN BUYERS | |
| MSC LEBANON | CONT | 1989 | JAPAN | 23,724 | 1X25T | $7.50m | KRISTEN MARINE | 1210 TEU, INCL T/C TO MSC UNTIL NOV 2003 @ $7,500 P/D |
| NST CHALLENGE | BC | 1984 | JAPAN | 29,192 | 5X25T | $4.50m | SEASTAR NAVIGATION | SELLERS ARE HONG KONG - TOP GLORY |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **OCEAN GOLD** | BC | 1982 | KOREA | **46,745** | 3X20T | **$4.30m** | **MARYVILLE MARITIME** | |
| **ORIENTE HOPE** | BC | 1986 | JAPAN | **26,842** | 4X30T | **$5.50m** | **JAPANESE BUYERS** | |
| **ORIENTAL HOPE** | BC | 1995 | KOREA | **43,683** | 4X25T | **$12.65m** | **SEAWORLD MANAGEMENT** | |
| **PACASIA** | BC | 1985 | JAPAN | **26,667** | 4X30T | **$4.95m** | **CHINESE BUYERS** | SELLERS ARE LASCO SHIPPING - OTHER REP SAYS $5M |
| **PAN EXPRESS** | BC | 1977 | JAPAN | **36,486** | 4X25T | **$1.80m** | **KOREAN BUYERS** | SELLERS ARE PANOCEAN |
| **PERMA BRIDGE** | CONT | 1983 | JAPAN | **8,302** | 528 TEU | **$2.30m** | **FUJIAN SHIPPING** | SELLERS ARE SIMATECH - DUBAI |
| **PRABHU JIVESH** | BC | 1983 | JAPAN | **37,651** | 4X25T | **$4.60m** | **GREEK BUYERS** | SELLERS ARE TOLANI SHIPPING - INDIA |
| **PUTRI AYU** | BC | 1989 | KITANIHON | **3,765** | - | **$3.00m** | **SINGAPORE BUYERS** | |
| **QUIBERON** | FERRY | 1975 | GERMANY | **8,314** | - | **-** | **MEDMAR** | |
| **SANMAR PAGEANT** | BC | 1986 | KOREA | **41,808** | 4X25T | **$6.50m** | **GREEK BUYERS** | |
| **SEA LARK** | CONT | 1984 | JAPAN | **11,300** | 568 TEU | **$3.20m** | **ASIAN BUYERS** | |
| **SILVERSTONE** | BC | 2000 | KOREA | **72,917** | - | **$20.50m** | **ROTH** | |
| **TWADIKA** | MPP | 1981 | JAPAN | **6,974** | 2X20T | **$0.75m** | **INDONESIAN BUYERS** | |
| **UMBERTO D'AMATO** | BC | 1996 | ITALY | **75,264** | - | **-** | **GERMAN BUYERS** | |
| **UND MARMARA** | RORO | 1988 | DENMARK | **13,925** | 725 TEU | **-** | **EGON OLDENDORFF** | |
| **UNITED OCEAN** | BC | 1997 | JAPAN | **45,600** | 4X30T | **$14.75m** | **GREEK BUYERS** | |
| **WILRIDER** | BC | 1995 | JAPAN | **74,044** | - | **$15.92m** | **GREEK BUYERS** | SOLD BASIS DD PASSED |
| **WORLD NORD** | BC | 1995 | KOREA | **150,903** | - | **$25.00m** | **LYKIARDOPOULOS** | SELLERS ARE WORLD WIDE SHIPPING |

| **TANKERS SOLD DURING THIS MONTH** | | | | | | | **MARCH 2003** |
|---|---|---|---|---|---|---|---|
| **NAME** | **TYPE** | **YEAR** | **BUILT** | **DWT** | **PRICE** | **BUYERS** | **NOTES** |
| **ALDEBARAN** | TANKER | 1992 | JAPAN | **9,268** | **$5.60m** | **MALAYSIAN BUYERS** | IMO 2/3 |
| **AMBROSIA** | TANKER | 1990 | JAPAN | **7,332** | **$4.80m** | **UNDISCLOSED** | IMO 2/3 |
| **ARUBA** | TANKER | 1980 | JAPAN | **69,118** | **$3.20m** | **SEA OIL** | |
| **B. NOVA** | TANKER | 1982 | DENMARK | **13,845** | **$2.00m** | **MIDDLE EAST CLIENTS** | |
| **BRITISH STRENGTH** | TANKER | 1983 | UK | **127,575** | **$6.00m** | **LIQUIMAR TANKERS** | Sellers are BP, AUG 2002 was reported sold to Andromeda Monaco for $6.6m |
| **GAS AL KUWAIT** | LPG | 1978 | FRANCE | **47,481** | **$3.80m** | **GALAXY MARITIME** | 72,000 CBM, OTHER REP SAYS $4M |
| **GEDEN RESALES 1** | TANKER | 2003 | KOREA | **37,000** | **$29.25m** | **GERMAN KG BUYER** | LAST MONTH REPORTED SOLD TO BARBARO ITALY FAILED, DELY 2003, FOR $28.5M EACH UNIT WITH 5Y T/C @ $13,750 P/D WTH AGIP, BUILT IN HUYNDAI |
| **GEDEN RESALES 2** | TANKER | 2003 | KOREA | **37,000** | **$29.25m** | **GERMAN KG BUYER** | LAST MONTH REPORTED SOLD TO BARBARO ITALY FAILED, DELY 2003, FOR $28.5M EACH UNIT WITH 5Y T/C @ $13,750 P/D WTH AGIP, BUILT IN HUYNDAI |
| **GELIBOLU** | TANKER | 1987 | JAPAN | **89,960** | | **INDIA STEAMSHIP** | SOLD TO INDIA STEAMSHIP KOLKATA |
| **KENTUCKY** | TANKER | 1980 | JAPAN | **89,225** | **$3.20m** | **INDIAN STEAMSHIP** | CLIENTS OF GREAT EASTERN INDIA, SELLERS ARE GENMAR |
| **LUCY** | TANKER | 1986 | KOREA | **66,183** | **$9.00m** | **GREAT EASTERN** | OTHER REP SAYS $10M, SELLERS ARE OVERSEAS SHIPHOLDING GROUP (OSG) |
| | | | | | | | |
| **MARINE PACIFIC** | TANKER | 1979 | USA | **404,536** | **$19.00m** | **FAR EASTER BUYERS** | |
| **MORNING GLORY II** | TANKER | 1991 | JAPAN | **100,486** | **$14.50m** | **OCEAN TANKERS** | SBT IGS COW DB, OTHER REPS SAY GREEK BUYERS (BYZANTINE) $13.3M |
| **MYRIAD** | TANKER | 1991 | KOREA | **44,999** | **$13.20m** | **IONIA SHIPMANAGEMENT** | |
| **NAMURA RE HULL 234** | TANKER | 2003 | JAPAN | | **$39.20m** | **ITALIAN BUYERS** | |
| **NICHIWA** | TANKER | 1988 | KOREA | **242,510** | **$23.50m** | **DRYTANK** | INCL 12/18 MOS B/B BACK TO NISSHO @ $15,000 P/D |
| **ORCHID** | TANKER | 1976 | SPORE | **96,530** | **$3.65m** | **UNDISCLOSED** | SOLD FOR CONVERSION IN STORAGE |
| **OTOWASAN** | TANKER | 1986 | JAPAN | **239,783** | **$13.50m** | **STEALTH MARITIME** | OTHER REPORTS SAY $14M |
| **PATRICIA** | TANKER | 1984 | JAPAN | **29,974** | **$4.80m** | **AEGEAN SHIPPING MANAG** | EN BLOC PAULINA, PATRICIA $4.8M EACH UNIT |
| **PAULINA** | TANKER | 1984 | JAPAN | **29,992** | **$4.80m** | **AEGEAN SHIPPING MANAG** | EN BLOC PAULINA, PATRICIA $4.8M EACH UNIT |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| PHAROS | OBO | 1983 | GERMANY | 75,466 | $4.40m | CHINESE BUYERS | COILED IGS COW DB |
| PICARDIE | TANKER | 1999 | KOREA | 299,167 | $63.00m | KRISTEN NAVIGATION | SELLERS ARE EURONAV, SBT/IGS/COW - 15 TANKS 330,573 CBM |
| POLAR | TANKER | 1987 | ROMANIA | 153,471 | $9.80m | POLEMBROS | SELLERS ARE ERMIS MARITIME |
| POLYTRADER | TANKER | 1978 | SWEDEN | 127,545 | $8.30m | OCEAN TANKERS | REPORTED SOLD IN JAN 03 TO FRONTLINE, BUT SOLD EN BLOC POLYTRAVELLER, POLYTRADER FOR $8.3M ALL |
| POLYTRAVELLER | TANKER | 1978 | SWEDEN | 125,690 | $8.30m | OCEAN TANKERS | REPORTED SOLD IN JAN 03 TO FRONTLINE, BUT SOLD EN BLOC POLYTRAVELLER, POLYTRADER FOR $8.3M ALL |
| QUIRI | TANKER | 1978 | UK | 32,135 | $1.85m | GREEK BUYERS | |
| RICHARD MAERSK | TANKER | 2001 | CHINA | 35,000 | $28.50m | LLOYD FUNDHAUS | SOLD EN BLOC MAERSK RAMSEY, ROY MAERSK, RICHARD MAERSK TO GERMAN KG FOR $28.5MIL EACH, IGS, SNT, COW DH |
| MAERSK RAMSEY | TANKER | 2001 | CHINA | 35,000 | $28.50m | LLOYD FUNDHAUS | SOLD EN BLOC MAERSK RAMSEY, ROY MAERSK, RICHARD MAERSK TO GERMAN KG FOR $28.5MIL EACH, IGS, SNT, COW DH |
| ROY MAERSK | TANKER | 2001 | CHINA | 35,000 | $28.50m | LLOYD FUNDHAUS | SOLD EN BLOC MAERSK RAMSEY, ROY MAERSK, RICHARD MAERSK TO GERMAN KG FOR $28.5MIL EACH, IGS, SNT, COW DH |
| RITA MAERSK | TANKER | 1999 | CHINA | 29,999 | $27.00m | AHRENKIEL | SBT IGS COW DH, INCL 5YR T/C $13,000P/D |
| SAINT ANDREW | TANKER | 1983 | UK | 127,575 | $6.00m | LIQUIMAR TANKERS | COILED SBT IGS |
| SAMSUNG 1434 | TANKER | 2004 | KOREA | 159,600 | $53.00m | CERES HELLENIC | SELLERS ARE METROSTAR , DELY OCT 2004, BUILDERS SAMSUNG |
| SAMSUNG 1435 | TANKER | 2004 | KOREA | 159,600 | $53.00m | CERES HELLENIC | SELLERS ARE METROSTAR , DELY OCT 2004, BUILDERS SAMSUNG |
| SAMSUNG RESALE NB | TANKER | 2003 | KOREA | 160,000 | $53.00m | VELA INTERN. MARINE | |
| SOUTHERN LION | TANKER | 1997 | JAPAN | 10,600 | $10.40m | TRADEWIND TANKERS | STAINLESS STEEL, IMO 3 |
| SUZANNE | TANKER | 1986 | KOREA | 64,000 | $10.30m | GREAT EASTERN | SELLERS ARE OVERSEAS SHIPHOLDINGS (OSG) |
| TAMBA | TANKER | 1994 | JAPAN | 264,340 | $27.40m | DYNACOM TANKERS | SOLD WITH 6Y T/C TO SEVEN MOUNTAINS |
| TEEKAY FULMAR | OBO | 1983 | KOREA | 75,585 | $4.25m | TMT TAIWAN | COILED IGS COW |
| TRADER | TANKER | 1978 | SWEDEN | 127,545 | $8.00m | SINGAPORE BUYER | EN BLOC TRAVELLER. TRADER FOR $8M ALL |
| TRAVELLER | TANKER | 1978 | SWEDEN | 127,545 | $8.00m | SINGAPORE BUYER | EN BLOC TRAVELLER. TRADER FOR $8M ALL |
| TROGIR HULL 305 | TANKER | 2003 | TROGIR | 47,500 | $33.00m | CHEMIKALIEN SEETRANSPORT | INCL 7 YEAR T/C TO LAURIN MARITIME AT $15,000 P/D |
| ZEELAND | TANKER | 2001 | KOREA | 305,704 | $67.00m | KRISTEN NAVIGATION | OTHER REP SAYS $67.5M |

***Note1: With Red color are indicated all Greek interest buyers.***

***Note2: If you wish to obtain a copy of the monthly Timecharter fixtures you may download this every month from our website: www.cotzias.gr***

**SHIPSALE ACTIVITY:** This month we saw the much expected, unavoidable War against IRAQ. The immediate effects of the war that is staging in the background of our daily shipping events can not be quantified by anyone at this stage, it is a wait and see situation where everyone is seeming to be extra cautious in their actions. As the war is proving more hazardous than first anticipated the shipping market is receiving messages of extraordinary confusion. We had also mentioned in our previous reports and this was also strongly stated in Newsweek magazine, that the expectation of war, rather than the war itself, would be the driving factor behind our market implications good or bad. The viewpoints of the tanker, dry cargo and sale and purchase sectors are all seeming to be on a different wavelength.

Dry cargo holds a steady path with good increasing rates firm. Tanker rates are after the first haf of this month on free down-flight and the sale and purchase market soars upward into increasingly thinner air. Not all of these can be right but sale prices are only ever a function of the charter market supporting them. Are we about to see a dramatic divergence in values as tankers fall away and bulk carriers continue to climb?

Despite all mentioned above, a spur of OBO activity has hit the secondhand market this month. With rates what they are, it's a good time for owners to take advantage and see what they can get for these ships. It sems that demand has picked up dramatically and that these rare units are back in the second hand market.

This month Teekay has sold its 78,000-dwt Teekay Fulmar (built 1983) to TMT of Taiwan for $4.25m. The vessel according to uor records shows Dry Docking to be due in May 2003. This may partially explain why the price is slightly less than a similar OBO, the 78,000-dwt Pharos (built 1983), achieved. Pharos (still not firm) is said to be going to a Chinese buyer for between $4.3m and $4.5m. The owner, Laeisz of Germany, had earlier been seeking $5.25m for the Bremer Vulkan-built ship.

Meanwhile, Ravenscroft Shipping of Miami has come to market with an aframax-sized OBO, the 98,000-dwt Lynn Craig (built 1986), which it acquired from Ceres Hellenic in March 2000. We expect it to sell for considerably more than the panamax deals reported this week.

Our opinion is that an OBO, is basically a mid 80s-built aframax tanker, and OBOs may be the best bargains out there at the moment as long as you're trading them wet because they're effectively double-hull tankers. Prominent sellers of OBO's can be, Vancouver-based Teekay, NY's Genmar, and Piraeus based Prime Marine Management, These companies could have a few more bargains to offer. All 3 companies mentioned above own twenty panamax/aframax and cape OBOs built between 1981 and 1986.

The benchmark sales of the month are Euronav's sale of the 2001 built 305,000 dwt VLCC 'Zeeland' (Daewoo) for $67.5m and the 1999 built 299,000 dwt "Picardie" (Daewoo) for $67m, sold to different companies under same family control (Angelikousis – Kanellakis).

Substantial is also the sale of the NYK controlled 1994 built (single Hull) 264,158 dwt "Tamba" for $27.4m again to Greek Buyers (Dynacom). The saleprice is higher than 'last done' but arguably still reasonable when considering the extremely strong earning potential of the big ships in the current spot markets, excess Usd 60,000pd for an ag/east RV Vlcc cargo and nearly Usd 30,000pd for a Capesize outward trip respectively.

Substantial is also the sale the 1995 built 150,900 dwt bulker 'World Nord' (Daewoo) at $25.0m, sold to Greek buyers, Lykiardopoulos.

**DRY CARGO 2ND HAND MARKET STATS**

The dominance of the Greeks in the second hand dry markets is still strong like eery month. 83 units out of a total of 196 have been sold to Greeks. The table on the left clearly shows that Greek interests are responsible for 54.9% of all the deadweight that has changed ownership during this first 3 months of 2003.

Our fellow Greek-owners have spent a total of $733 million USD out of the total $1,715 million spent for second hand dry tonnage. This represents a nice portion of 42.7% and again clearly shows that the Greeks are as usual the most dominant nation in the 2nd hand dry market.

| 2003 DRY CARGO 2ND HAND STATISTICS UNTIL MAR 2003 | | | | | | |
|---|---|---|---|---|---|---|
| COUNTRY | UNITS | % | OUTLAY ($) | % | DWT | % |
| GREECE | 83 | 42.3% | $732.69m | 42.7% | 4,085,747 | 54.9% |
| CHINA | 12 | 6.1% | $48.65m | 2.8% | 314,521 | 4.2% |
| NORWAY | 3 | 1.5% | $37.00m | 2.2% | 52,172 | 0.7% |
| RUSSIA | 5 | 2.6% | $8.25m | 0.5% | 48,661 | 0.7% |
| GERMANY | 17 | 8.7% | $349.25m | 20.4% | 987,418 | 13.3% |
| HOLLAND | 2 | 1.0% | $16.00m | 0.9% | 36,879 | 0.5% |
| TAIWAN | 2 | 1.0% | $26.95m | 1.6% | 142,754 | 1.9% |
| FAREAST | 7 | 3.6% | $19.95m | 1.2% | 113,378 | 1.5% |
| KOREA | 3 | 1.5% | $19.65m | 1.1% | 115,132 | 1.5% |
| ALL OTHER | 43 | 21.9% | $354.78m | 20.7% | 1,209,050 | 16.2% |
| UNDISCL | 19 | 9.7% | $102.05m | 5.9% | 342,734 | 4.6% |
| TOTAL | 196 | 100.0% | $1,715.22m | 100.0% | 7,448,446 | 100.0% |

| DRY CARGO 2ND HAND DEALS MAR 2003 | | | |
|---|---|---|---|
| 2003 | UNITS | OUTLAY$ | DWT |
| JANUARY | 71 | $682.68m | 2,454,484 |
| FEBRUARY | 64 | $497.77m | 2,247,713 |
| MARCH | 61 | $534.77m | 2,746,249 |
| TOTAL | 196 | $1,715.22m | 7,448,446 |

In our monthly sales table on the left, we see that a substantial number of 61 dry deals have been concluded this month (March) and a strong $534m has been generated out of these 61 deals. These 196 deals compared to the dry bulk second hand deal of the same period in 2002, is far better, as we had a mere 171 deals and slightly more than $1.1b spent during Jan-Mar 2002. Then again during last year same period it was the sudden and strong hotting up of last years dry market that had caused 94 deals to be performed just during Mar 2002.

**TANKER 2ND HAND MARKET STATISTICS**

The strong dominance of the Greeks in the second hand TANKER sector is equaly as strong as in the Dry sector, even stronger to say the least. Greek interests are responsible for 51.3% of all the deadweight that has changed ownership during these 2 first months of 2003. A number of 59 units out of a total of 131 have been sold to Greeks. Singapore buyers are coming second this month as their buying activity is increasing. German buyers have emerged strong and have made an impact this month

This month a good 43 tanker ships have been reported sold, and a strong $783m (excluding some private deals whose price levels are unknown) has been spent for these deals.

| 2003 TANKER 2ND HAND STATISTICS UNTIL MAR 2003 | | | | | |
|---|---|---|---|---|---|
| COUNTRY | UNITS | OUTLAY ($) | % | DWT | % |
| GREECE | 59 | $1,274.93m | 57.8% | 6,327,111 | 51.3% |
| CHINA | 5 | $53.15m | 2.4% | 475,851 | 3.9% |
| SINGAPORE | 12 | $102.40m | 4.7% | 1,850,482 | 15.2% |
| RUSSIA | 3 | $92.50m | 4.2% | 388,041 | 3.2% |
| GERMANY | 9 | $260.00m | 11.9% | 330,039 | 2.7% |
| NORWAY | 2 | $10.35m | 0.5% | 62,475 | 0.5% |
| USA | 6 | $107.20m | 4.9% | 281,311 | 2.3% |
| FAREAST | 1 | $19.00m | 0.9% | 404,536 | 3.3% |
| MIDEAST | 2 | $6.10m | 0.3% | 79,895 | 0.7% |
| ALL OTHER | 22 | $229.03m | 10.5% | 1,843,606 | 15.1% |
| UNDISCL | 10 | $51.15m | 2.3% | 294,970 | 2.4% |
| TOTAL | 131 | $2,205.80m | 100.0% | 12,338,317 | 100.0% |

| TANKER 2ND HAND DEALS MAR 2003 | | | |
|---|---|---|---|
| 2003 | UNITS | OUTLAY$ | DWT |
| JANUARY | 49 | $867.55m | 4,900,341 |
| FEBRUARY | 39 | $555.80m | 2,926,212 |
| MARCH | 43 | $782.45m | 4,511,764 |
| TOTAL | 131 | $2,205.80m | 12,338,317 |

Comparing these first 3 months with the same period of 2002, we have more than double activity in terms of ships sold and also capital spent. During Jan-Mar 2002 only 59 units were sold and only $900m were spent for these deals.

**NEWBUILDING SECTION:** In the Newbuilding sector, Tanker and container ship orders boost Korean yards. Last year world output grew by 1.3 per cent but global exports decreased by 1.5 per cent and world seaborne trade declined by one per cent. Those figures come from the United Nations Conference on Trade and Development's (UNCTAD) Review of Maritime Transport, 2002. But the world's merchant fleet grew by 2.1 per cent.

In both the tanker and dry bulk markets there is a lot of old tonnage that will need replacing soon. The pressure on older, single-hull tankers is now relentless. Italy has confirmed it is banning all single hull tankers of over 5,000 dwt and older than 15 years from entering its ports with heavy oils from early May. An EU-wide ban on similar lines is a possibility. The realisation that single-hull tankers have a very restricted life ahead of them now has been the driver behind a recent surge in tanker orders. As with earlier newbuilding booms it could be gathering momentum as owners see available building slots moving further away.

There are said to be few building berths for large tankers in 2005 that are not spoken for and prices are, at last, edging upwards slightly. Some in the newbuilding market believe, however, that there will be an easing of demand now following what was a race to secure new tonnage required in 2005. The situation in the dry bulk sector is less dramatic but again the pressure is on for a younger fleet while technicals seems to be moving towards the view that double hulls are the way forward for at least larger bulk carriers.

At present there is no real rush of bulk carrier orders coming through though as prices start to rise, in response to tanker demand, owners may decide to order soon before they rise further. The point is, that accelerated scrapping of older tonnage is likely and there may not necessarily be over-ordering of tonnage for now. That view is less easy to sustain when it comes to the container ship sector. Most deepsea container carriers have had a real bashing last year and the prospects of long-term freight rate stability at levels that would bring sensible returns on investment look as slim as ever.

Nevertheless there is a container ship building boom going on. Only one contract is featured in today's list but over the past few weeks some very hefty orders have been placed. The recent upturn in the newbuilding market has benefited the major South Korean yards which had been facing shortening backlogs. Japanese and Chinese yards had been winning contracts through much of last year while until late 2002 most major South Korean yards could still promise deliveries within 2005. The situation has changed dramatically and, ironically, the Koreans, long criticised for allegedly charging 'dumping' prices are now in the position of taking orders as prices in the newbuilding market start to firm up.

S Korean shipyards forecast record year. Orders for 2003 may hit all-time high of over 11m cgt. WITH its No 5 shipyard reporting a substantial order for container ships, South Korea's shipbuilding industry is forecasting a record haul this year, cementing the country's place as the world's foremost builder.

Hanjin Heavy Industries & Construction said it won orders for two ships worth US$1 billion (S$1.75 billion) from Germany's Rickmers Reederei. Each will have capacity of 5,000 TEUs (twenty-foot equivalent units) and maximum speed of 24.3 knots. Previously, Hanjin said it had an order for four 5,000-TEU ships worth about US$200 million each from Zweite Reederei Neumuhlen of Germany.

In the first two months of this year, vessel orders placed with Korean yards reached a record 5 million gross tons. Industry sources are forecasting orders for 2003 at an all-time high of over 11 million compensated gross tons. That compares with last year's 7.6 million cgt. If the current trend can be maintained, this year's total vessel orders will be higher than the 7.5-7.7 million cgt forecast by shipbuilders, including Hyundai Heavy Industries and Samsung Heavy Industries. Hyundai, the world's largest shipbuilder, reported orders worth US$1 billion in the first two months. Daewoo Shipbuilding & Marine Engineering, which ranks second, booked orders worth US$440 million.

The yards all said they were benefiting from a rebound in global trade and demand for safer oil tankers after a series of spills. New legislation will require most tankers to have double hulls as a precaution, forcing lines to scrap their fleets of single-hull types.

Daewoo reported orders for four double-hull oil tankers worth US$210 million from Kristen Navigation of Greece, Navigation Montanari of Italy and Naviera F Tapias of Spain. The ships will be delivered by the second half of 2005. Daewoo is forecasting a total of US$2.83 billion worth of shipbuilding and other contracts this year, which will keep its yards busy until the middle of 2006. Last year, it won US$3.27 billion worth of orders. Shipbuilding orders won by Korean yards amounted to 6.33 million cgt in 1999, 10.46 million cgt in 2000, 6.41 million cgt in 2001 and 7.59 million cgt last year.

Yards say they expect shipbuilding, exports and orders all to show growth as they contend with a backlog of orders dating from 1999. Late last year, a government-backed shipbuilding fund attracted its first overseas interest. German ship managing owner NSB of Bremen and US broker Mallory-Jones-Lynch-Flynn & Associates said they would join the planned 9.8-billion-won (S$13.6 million) Korean shipping fund management company. Daewoo Shipbuilding, Samsung Heavy and STX Shipbuilding - the former Daedong Shipbuilding - will contribute 2 billion won each. Korea Line intends to contribute 1 billion won. A spokesman for the fund manager said the size of the pool for new vessel investments will be decided on a case-by-case basis. Options for developing tanker, container ships and other projects have all been considered, he said. The fund management company will allot proceeds from ship charters to individual investors after vessels are built using the fund's cash.

The S Livanos group is to order STX Shipbuilding for up to four handymax units. Sun Enterprises of Greece, controlled by the S Livanos group, is said to have inked in an order for two firm 46,000-dwt products tankers with two options. The tankers are said to be slated for 2005 at around $29m each. We hear that price quoted is around $27.5m. Thenamaris of Greece has placed an order for another VLCC at Hyundai Heavy Industries (HHI). We hear the company has ordered a 319,000-dwt tanker at the Ulsan yard with delivery in the first half of 2005. Thenamaris is said to be paying around $65.2m for the tanker. HHI officials and Thenamaris are keeping quiet on the deal.

In addition to the bulkers, Thenamaris has also ordered two aframax tankers at Hyundai Samho Heavy Industries with delivery in January 2005. The aframaxes are said to be costing around $35m to $36m each. Thenamaris has two more aframaxes under construction at Hyundai Samho. They are slated for delivery in early 2004.

| NEWBUILDING ORDERS | | | | | | | MARCH 2003 |
|---|---|---|---|---|---|---|---|
| UNITS | TONNAGE | TYPE | YARD | YEAR | PRICE | BUYER'S NAME | NOTES |
| 1 | 60T BP | AHTS | KEPPEL OFFSHORE | 2004 | | HADI H. AL HAMMAN - SAUDI | |
| 2 | 60T BP | AHTS | KEPPEL OFFSHORE | 2004 | | PACIFIC RICHLIELD - SPORE | |
| 1+2 | 175,000 DWT | BULK | CHINA SB | 2005 | $34.85 | SINCERE NAVIGATION | |
| 2 | 76,000 DWT | BULK | SANOYAS | 2005 | $22.00 | YASA SHIPPING | |
| 1+1 | 75,000 DWT | BULK | STX | 2006 | $22.50 | EFNAV | |
| 2 | 74,500 DWT | BULK | HUDONG ZHONGHUA | 2005 | | KC MARITIME - H.K. | CHINA |
| 2 | 57,000 DWT | BULK | BOHAI | 2005 | $18.30 | CHINA SHIPPING | |
| 3 | 55,000 DWT | BULK | IMABARI | 2004 | | TSCHUDI & EITZEN | DROPPED OPTION FOR 7TH B/c |
| 3 | 55,000 DWT | BULK | OSHIMA | 2004 | | TSCHUDI & EITZEN | DROPPED OPTION FOR 7TH B/c |
| 4 | 53,000 DWT | BULK | CHENGXI | 2005 | $18.30 | GRAIG SHIPPING | |
| 4+2 | 53,000 DWT | BULK | XIAMEN | 2004 | $19.00 | ENTERPRISES (RESTIS) | DH |
| 1 | 49,500 DWT | BULK | NANTONG | 2005 | $18.00 | DA SIN SHIPPING | |
| 4 | 35,000 DWT | BULK | XIAMEN | 2004 | $17.00 | DENSAN | DH |
| 1 | 32,000 DWT | BULK | XIAMEN | 2005 | | EGGON OLDENDORFF | |
| 3 | 27,000 DWT | BULK | GUANGZHOU | 2005 | $15.00 | LAUTERJUNG | EXERCISED OPTION |
| 1 | 1,500 DWT | BULK | HAVYARS EID - NORWAY | 2004 | $10.70 | ARTIC SHIPPING - NORWAY | SELF UNLOADING SPECIALISED B/C |
| 1 | 44,800 DWT | CHEM | CHINA | 2005 | $30.00 | WAWASAN | |
| 1 | 37,000 DWT | CHEM | CHINA | 2005 | $28.00 | RIGEL SCHIFF. | |
| 1 | 16,400 DWT | CHEM | CHINA | 2005 | $23.00 | HARREN | |
| 1 | 7,000 DWT | CHEM | CELIKTEKNE | 2005 | | BESIKTAS | |
| 2+3 | 102,000 DWT | CONT | SAMSUNG | 2005 | | CONTI REEDEREI | 7,800 TEU |
| 3 | 100,000 DWT | CONT | SAMSUNG | 2005 | | OFFER | 8,100 TEU |
| 4 | 75,000 DWT | CONT | IHI | 2005 | | P&O NEDLLOYD | |
| 3 | 70,000 DWT | CONT | CHINA SB | 2005 | $53.00 | CSAV | 5,554 TEU |
| 3 | 66,500 DWT | CONT | KOYO | 2004 | | NOL | 5,500 TEU |
| 4 | 60,000 DWT | CONT | CHINA SB | 2005 | $42.50 | CSAV | 4,200 TEU |
| 2+1 | 60,000 DWT | CONT | HUYNDAI | 2005 | | DAULSBERG | |
| 1+1 | 60,000 DWT | CONT | HUYNDAI | 2005 | | OLTMANN | 5,000 TEU |
| 3 | 60,000 DWT | CONT | HUYNDAI | 2005 | $45.00 | SCHIFFAHRT | 5,040 TEU |
| 2 | 55,000 DWT | CONT | HANJIN | 2005 | $43.50 | RICKMERS | 5,060 TEU |
| 1 | 195,000 DWT | PC | HUYNDAI | 2005 | $45.40 | GREAT EASTERN - INDIA | |
| 1+1 | 110,000 DWT | PC | DALIAN | 2005 | $38.00 | MOLLER | |
| 1 | 75,000 DWT | PC | HUYNDAI | 2004 | | BERNARD SCHULTE | |
| 1 | 75,000 DWT | PC | HUYNDAI | 2005 | | TORM | |
| 1 | 73,000 DWT | PC | N. CENTURY | 2005 | | PARADISE NAVIGATION | |
| 3+3 | 53,000 DWT | PC | HUYNDAI | 2005 | $31.70 | WORLD TANKERS | |
| 2 | 47,000 DWT | PC | IMABARI | 2005 | $28.00 | MOSK | |
| 6 | 47,000 DWT | PC | KOREA | 2005 | | BP AMOCO | |
| 2 | 47,000 DWT | PC | MINAMI | 2005 | $28.00 | MOSK | |
| 2 | 47,000 DWT | PC | SHIN KURUSHIMA | 2005 | $28.00 | MOSK | |
| 2 | 46,000 DWT | PC | NISSHO | 2004 | | NISSHO | 7YEAR T/C @ $12,000 P/D |
| 2+2 | 46,000 DWT | PC | STX | 2005 | $28.50 | G.S. LIVANOS | |
| 1 | 45,500 DWT | PC | HANJIN - SKOREA | 2004 | $28.00 | GREAT EASTERN - INDIA | |
| 3 | 37,000 DWT | PC | HUYNDAI MIPO | 2005 | $30.00 | INTERORIENT | |
| 1 | 37,000 DWT | PC | SHIN A. | 2005 | $25.50 | CHEMIKALIEN | |
| 2 | 35,000 DWT | PC | HYUNDAI MIPO | 2005 | $25.00 | BOTTIGLIERI DI NAVIGAZIONE | IMO 3 |
| 2 | 34,200 DWT | PC | LINDENAU | 2004/5 | $30.00 | SEYCHELLES | |
| 1 | 32,300 DWT | PC | GERMANY | 2004 | | GERMAN TANKER | |
| 1 | 319,000 DWT | TANK | HUYNDAI | 2005 | $64.75 | N. S. LEMOS | |
| 1 | 308,000 DWT | TANK | SAMSUNG | 2006 | $65.50 | EASTMED | EXERCISED OPTION |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 1+1 | 305,000 DWT | TANK | DAEWOO | 2005 | $65.50 | KRISTEN NAVIGATION | |
| 2 | 165,000 DWT | TANK | HUYNDAI | 2005 | $46.50 | BESIKTAS | |
| 1 | 105,000 DWT | TANK | JAPAN | 2005 | | KUMIAI SENPAKEN | |
| 2 | 105,000 DWT | TANK | SAMSUNG | 2005 | | DUNYA DENIZCILIK | |
| 1 | 105,000 DWT | TANK | SAMSUNG | 2005 | $37.00 | EUROCEANICA - ITALY | |
| 2 | 105,000 DWT | TANK | SAMSUNG | 2005 | | FIN SCORPIO | |
| 1 | 72,000 DWT | TANK | KOREA | 2005 | | RESTIS | |
| 2 | 37,000 DWT | TANK | HYUNDAI MIPO | 2004 | $25 | NAVIGAZIONE MONTANARI | OPTIONS DECLARED |
| 1 | 35,000 DWT | TANK | STX | 2005 | $26.00 | BOTTIGLIERI DI NAVIGAZIONE | |
| ***** WITH RED COLOUR, IS GREEK INTEREST ORDERS* | | | | | | | |

**DEMOLITION SECTION:**

| REPORTED DEMOLITION DEALS | | | | | | | | MARCH 2003 |
|---|---|---|---|---|---|---|---|---|
| **NAME** | **TYPE** | **YEAR** | **BUILT** | **DWT** | **LDT** | **PRICE** | **BREAKER** | **NOTES** |
| A. A. VENTURE | MPP | 1978 | KOREA | 8,769 | 3,456 | $198.00 | INDIA | |
| ADONIS | TWEEN | 1977 | ARGENTINA | 15,679 | 4,880 | $212.00 | INDIA | SOLD AS IS BHAVNAGAR IN AUCTION |
| ANWAL | RORO | 1978 | FRANCE | 2,743 | 2,506 | $133.00 | AS IS | AS IS ALGECIRAS |
| ASIAN ENERGY | TANKER | 1976 | JAPAN | 229,945 | 33,634 | $165.00 | PAKISTAN | SOLD AS IS DUBAI |
| ASTORIA | LPG | 1977 | ITALY | 7,500 | 3,606 | $190.00 | INDIA | |
| BIG RED BOAT II | PAX | 1961 | ITALY | 16,604 | 24,500 | $112.00 | INDIA | AS IS BAHAMAS FOR DELY INDIA |
| BUKOM | TANKER | 1976 | JAPAN | 7,716 | 2,291 | $190.00 | CHINA | |
| CIUDAD DE ALICANTE | RORO | 1979 | SPAIN | 4,357 | 3,911 | $138.00 | AS IS | AS IS ARCELONA |
| CLEMENT | TANKER | 1976 | NORWAY | 59,650 | 11,950 | $205.00 | INDIA | INCL 500TS BUNKERS ROB |
| CRONOS I | LPG | 1969 | JAPAN | 17,566 | 9,870 | $190.00 | BANGLADESH | |
| EXPLORER S | BC | 1978 | BRAZIL | 37,880 | 8,935 | $210.00 | CHINA | |
| FOUR ASTRA | OBO | 1983 | SWEDEN | 54,499 | 12,478 | $189.00 | INDIA | EX NAME OBO STAR |
| GAZ MARMARA | LPG | 1975 | JAPAN | 49,882 | 20,074 | $200.00 | CHINA | DELIVERY HONG KONG |
| GRAY LAKER | BC | 1978 | JAPAN | 23,536 | 5,564 | $210.00 | INDIA | EX NAME MILLENIUM AMETHYST |
| GREEK FIGHTER | TANKER | 1974 | JAPAN | 123,893 | 19,330 | $196.00 | AS IS | AS IS DUBAI IN AUCTION |
| HALA | RORO | 1978 | GERMANY | 9,265 | 3,850 | $221.00 | INDIA | |
| HALKIS EXPRESS | BC | 1963 | UK | 28,342 | 7,250 | $130.00 | AS IS | SOLD AS IS PIRAEUS |
| HANJIN PENNSYLVANIA | CONT | 2002 | KOREA | 58,000 | 20,987 | - | CHINA | FIRE DAMAGED IN NOV 2002 – SRI LANKA |
| HANJIN PUSAN 92 | CONT | 1976 | KOREA | 58,000 | 15,678 | - | CHINA | SOLD AS IS DAMAGED COND |
| HIJAZ | TWEEN | 1978 | UK | 23,740 | 7,536 | $226.00 | INDIA | |
| IBERUS | OTHER | 1978 | FINLAND | 5,560 | 5,036 | $187.50 | CHINA | CABLE LAYER |
| KASSIAKOS | TWEEN | 1977 | JAPAN | 21,793 | 9,262 | $221.00 | INDIA | SELLERS ARE DIORYX |
| KATERINA K | BC | 1975 | JAPAN | 20,187 | 5,486 | $220.00 | INDIA | |
| KOTA SURIA | CONT | 1976 | RUSSIA | 15,128 | 8,321 | $221.00 | INDIA | |
| LEON | OBO | 1982 | RUSSIA | 108,480 | 23,750 | $200.00 | INDIA | OBO |
| LUCKY TRADER | BC | 1978 | POLAND | 33,608 | 10,237 | $201.25 | CHINA | |
| MARINEOS | RORO | 1965 | DENMARK | 9,536 | 8,351 | $114.00 | INDIA | SOLD IN AUCTION DUBAI DELY INDIA, LIVESTOCK CARRIER |
| MSC PAMELA | CONT | 1972 | JAPAN | 35,744 | 18,767 | - | INDIA | |
| MSC RITA | CONT | 1974 | JAPAN | 35,520 | 15,000 | $197.00 | INDIA | |
| ORCHID | TANKER | 1976 | SINGAPORE | 96,530 | 17,138 | $200.00 | INDIA | SOLD AS IS SPORE, SELLERS ARE DYNACOM |
| PACIFIC CARRIER | TWEEN | 1974 | RUSSIA | 7,700 | 4,470 | $205.00 | INDIA | |
| SAMMARINA 2 | MPP | 1978 | ROMANIA | 8,750 | 3,430 | $215.00 | INDIA | |
| SAMMI FRONTIER | BC | 1974 | JAPAN | 26,700 | 6,045 | $183.00 | INDIA | |
| SATURN II | BC | 1981 | JAPAN | 64,535 | 11,024 | $201.00 | INDIA | |
| SMOOTH SEA | TANKER | 1977 | SWEDEN | 135,500 | 19,987 | $180.00 | INDIA | |
| SUISEN | BC | 1976 | UK | 26,930 | 6,498 | $201.00 | BANGLADESH | SELLERS ARE TULIP MARITIME - CAMBODIA |

**DEMOLITION ACTIVITY:** activity this month was slightly subdued and if we follow the pattern, since January 10 less units are scrapped every month. It seems that although prices for scrap have stabilised around the mark of $200 per ldt, owners still can find some reasonable employment and chose to still keep old ships on their "payroll".

Despite record high prices being offered for mainly tanker tonnage, we have a few sales this month. It seems that the continuing good freight market is the reason for this slowdown.

What is notable is the fact that Chinese breakers have increased their intake capacity and have been offering in excess of $200 per ldt. Still their price levels lag behing Indias. Also Bangladesh have brought their price levels up to the $200 mark, while Pakistan remains in the low $160-$170/ldt region. What we have statistically noted which is rather strange is Turkey "ZERO POINTS" for the first 3 months fo 2003.

Most notable sale was the inevitable breaking up of the 2002 built 4,400 TEU contship "Hanjin Pennsylvania" which was totally damaged by fire in Nov2002 off the coast of Sri Lanka (80-100 nautical miles off Galle). We have different reports that she was scrapped in China and other that say that she went to Alang, however price achieved per ldt is unknown.

**DEMOLITION STATISTICS:** Up until the 31$^{th}$ MARCH 2003 we have seen 134 units reaching the breakers. Out of these 134 units 46 are Tanker ships (34.3%), while the other 88 ships (65.7%) consist of all other Dry cargo ships. 34 Bulkers and Single Deckers, 42 Tween deckers, Container & MPP's, 2 Reefer ships and 10 Roro/Cont, Pax, Cruise ships. This months figures (134 units) are slightly worse than last years same period (149 units). Total dwt scrapped so far for 2003 is 5.2m tonnes and 1,275k steel.

| MARCH 2003 | | | | | | |
|---|---|---|---|---|---|---|
| STATS | BULKERS /SD | TANK/ OBO/LPG | CONT/ TWEEN/ MPP | REEFER | RORO PAX CRUISE | TOTAL |
| UNITS | 34 | 46 | 42 | 2 | 10 | 134 SHIPS |
| % | 25.4% | 34.3% | 31.3% | 1.5% | 7.5% | |
| LDT | 231,758 | 618,205 | 356,608 | 5,846 | 62,421 | 1,274,838 LDT |
| DWT | 919,566 | 3,287,604 | 916,923 | 12,778 | 66,050 | 5,202,921 DWT |

| 2003 | UNITS | DWT | LDT |
|---|---|---|---|
| JANUARY | 54 | 2,000,236 | 484,809 |
| FEBRUARY | 44 | 1,712,918 | 394,941 |
| MARCH | 36 | 1,489,767 | 395,088 |
| TOTAL | 134 | 5,202,921 | 1,274,838 |

India is once again leading the intake race, and has absorbed so far an approximate 730k tonnes of steel. China coming 2nd strong with 354k tonnes of steel. A total of 5.2 million DWT has been withdrawn from the active market, out of which 3.3mil is tanker DWT, and the remaining 1.9 mil is dry cargo carrying capacity (Bulkers/SD's/Conts/Tweens/Mpps/Roro/Pax/Cruisers). In terms of lightship, the amount of steel taken, tallies up to 1,275k tonnes of steel that will hit the mills, and this can be split in 618k tonnes from tankers and 657k tonnes from the dry ships.

| BREAKER – STATS 'TIL MARCH 2003 | | |
|---|---|---|
| BREAKER | UNITS | LDT TAKEN |
| CHINA | 25 | 354,311 |
| INDIA | 87 | 729,751 |
| BANGLADESH | 7 | 69,765 |
| TURKEY | 0 | 0 |
| PAKISTAN | 1 | 33,634 |
| OTHER/CASH/AS IS | 14 | 87,377 |
| TOTAL | 134 | 1,274,838 |

The total number of VLCC's/ULCC's according to our sources of data scrapped during Jan- Mar 2003 are just 4 units of 1.2m dwt

# BALTIC DRY BULK MARKET INDICES until 31st MARCH 2003

| DATE | DRY | % | PANMX | % | HANDY | % | CAPE | % |
|---|---|---|---|---|---|---|---|---|
| 1/1/2003 | 1,738 | 0.0% | 1,729 | 0.0% | 9,815 | 0.0% | 2,393 | 0.0% |
| 28/2/2003 | 1,764 | 1.5% | 1,673 | -3.2% | 10,209 | 4.0% | 2,485 | 3.8% |
| 3/3/2003 | 1,762 | 1.4% | 1,672 | -3.3% | 10,262 | 4.6% | 2,474 | 3.4% |
| 4/3/2003 | 1,754 | 0.9% | 1,671 | -3.4% | 10,266 | 4.6% | 2,450 | 2.4% |
| 5/3/2003 | 1,749 | 0.6% | 1,663 | -3.8% | 10,296 | 4.9% | 2,440 | 2.0% |
| 6/3/2003 | 1,748 | 0.6% | 1,662 | -3.9% | 10,330 | 5.2% | 2,433 | 1.7% |
| 7/3/2003 | 1,753 | 0.9% | 1,671 | -3.4% | 10,395 | 5.9% | 2,431 | 1.6% |
| 10/3/2003 | 1,756 | 1.0% | 1,680 | -2.8% | 10,433 | 6.3% | 2,430 | 1.5% |
| 11/3/2003 | 1,765 | 1.6% | 1,699 | -1.7% | 10,495 | 6.9% | 2,429 | 1.5% |
| 12/3/2003 | 1,779 | 2.4% | 1,722 | -0.4% | 10,626 | 8.3% | 2,433 | 1.7% |
| 13/3/2003 | 1,802 | 3.7% | 1,751 | 1.3% | 10,772 | 9.8% | 2,459 | 2.8% |
| 14/3/2003 | 1,833 | 5.5% | 1,772 | 2.5% | 11,011 | 12.2% | 2,502 | 4.6% |
| 17/3/2003 | 1,863 | 7.2% | 1,789 | 3.5% | 11,247 | 14.6% | 2,548 | 6.5% |
| 18/3/2003 | 1,887 | 8.6% | 1,812 | 4.8% | 11,467 | 16.8% | 2,573 | 7.5% |
| 19/3/2003 | 1,909 | 9.8% | 1,829 | 5.8% | 11,657 | 18.8% | 2,600 | 8.7% |
| 20/3/2003 | 1,924 | 10.7% | 1,831 | 5.9% | 11,801 | 20.2% | 2,629 | 9.9% |
| 21/3/2003 | 1,935 | 11.3% | 1,832 | 6.0% | 11,885 | 21.1% | 2,651 | 10.8% |
| 24/3/2003 | 1,940 | 11.6% | 1,830 | 5.8% | 11,950 | 21.8% | 2,662 | 11.2% |
| 25/3/2003 | 1,940 | 11.6% | 1,824 | 5.5% | 12,016 | 22.4% | 2,660 | 11.2% |
| 26/3/2003 | 1,936 | 11.4% | 1,816 | 5.0% | 12,095 | 23.2% | 2,646 | 10.6% |
| 27/3/2003 | 1,933 | 11.2% | 1,817 | 5.1% | 12,172 | 24.0% | 2,630 | 9.9% |
| 28/3/2003 | 1,938 | 11.5% | 1,833 | 6.0% | 12,230 | 24.6% | 2,621 | 9.5% |
| 31/3/2003 | 1,939 | 11.6% | 1,845 | 6.7% | 12,255 | 24.9% | 2,609 | 9.0% |

The **Baltic Dry Index** started this month with hesitant rise, but as the month progressed managed to gain more than 170 points. It started at 1762 points, and closed at 1939 a good 11.6% increase since 1/1/03. For this month alone the increase is 10%. Record mark for 2003 was on 24/3/2003 and on 25/3/2003 (1940 points)

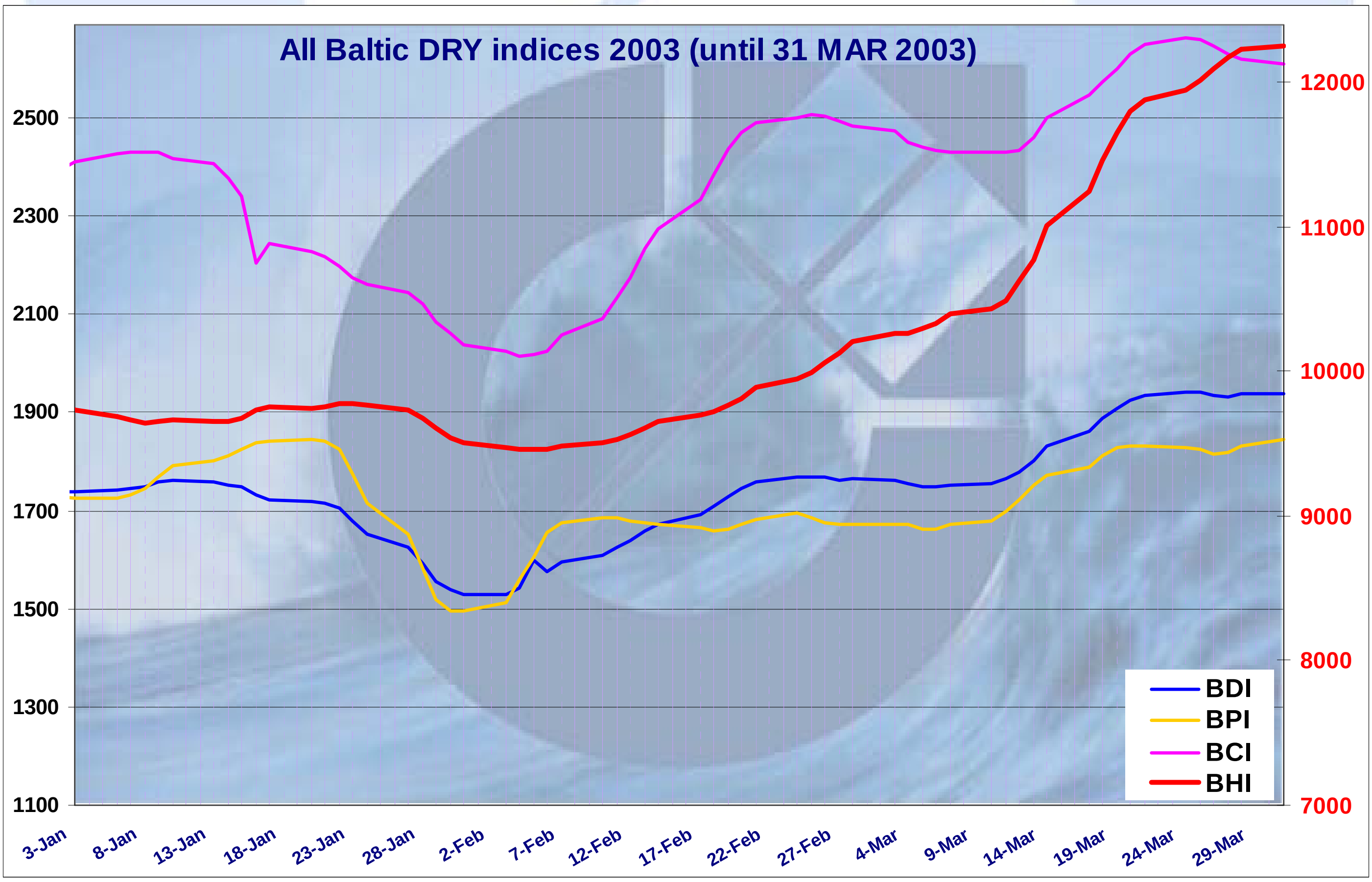
The **Panamax Index**, started losing until 6/3/2003 (1662 points) and since then steadily gained 180 points and closed 31/3/03 at 1845 points. This is very close to the peak of 2003 which was 1846 on 20/1/03. Since 1/1/2003 we have seen the BPI gaining 6.7%. for March alone we have a 10.3% increase.

The **Cape Index** made a good rally his month. It increased every day and closed at 12,255 points. This is a 24.9% increase since 1/1/2003. For this month alone the 2000 points gained represent a 19.4% increase. Highest point for 2003 is closing of 31 March (12255).

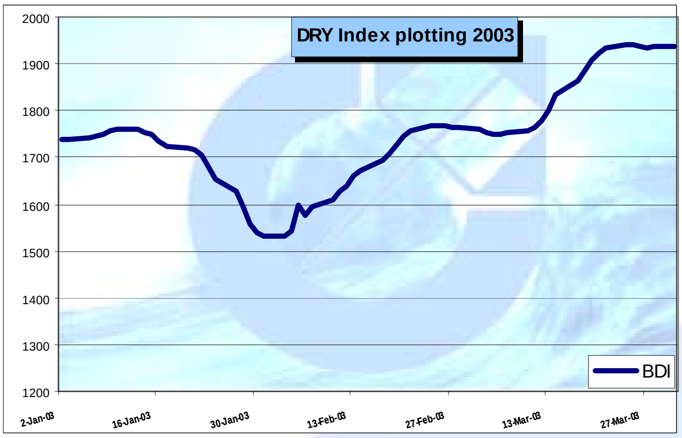
The **Handy Index** copied the BDI 100%. It started the month at 2485 points and closed at 2609. Since 1/1/2003 we have an overall gain of 9% and for March alone the 130 points gained mean a 5.5% increase.

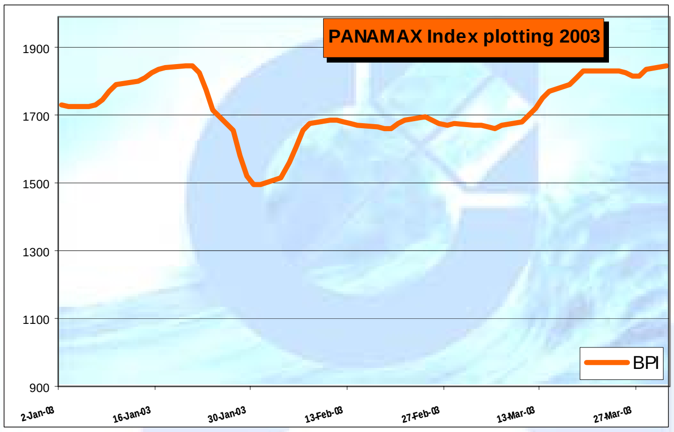
The **J.E Hyde Shipping index** decided its time we take the hills up. It gained 68 points during Feb 2003. It has gained 190 points since 1/1/2003, and has reached its highest mark for 2003 on 31/3 1183 points. Historicaly the JEHSI on this months closing has reached Sep/Oct 1995 high levels of 1190 points. The current levels represent highest point since 1995.

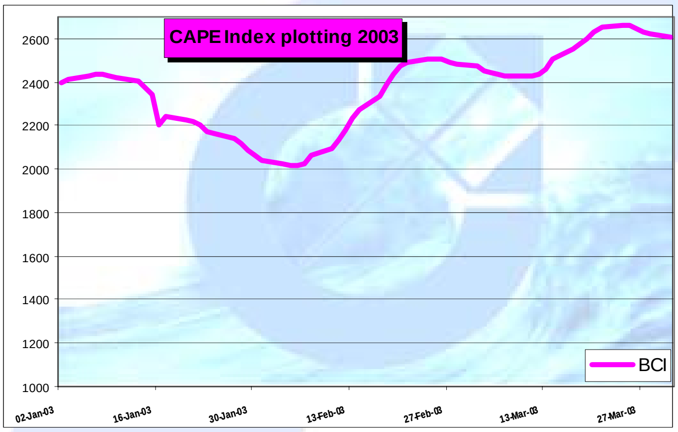
## ALL BALTIC DRY INDICES graph

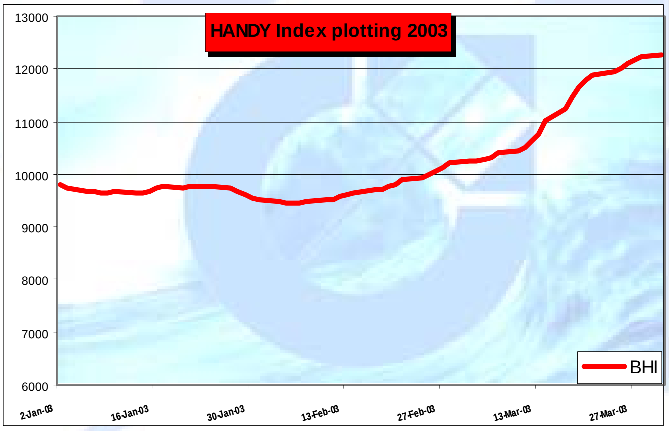


## BALTIC DRY INDICES – ANNUAL graphs

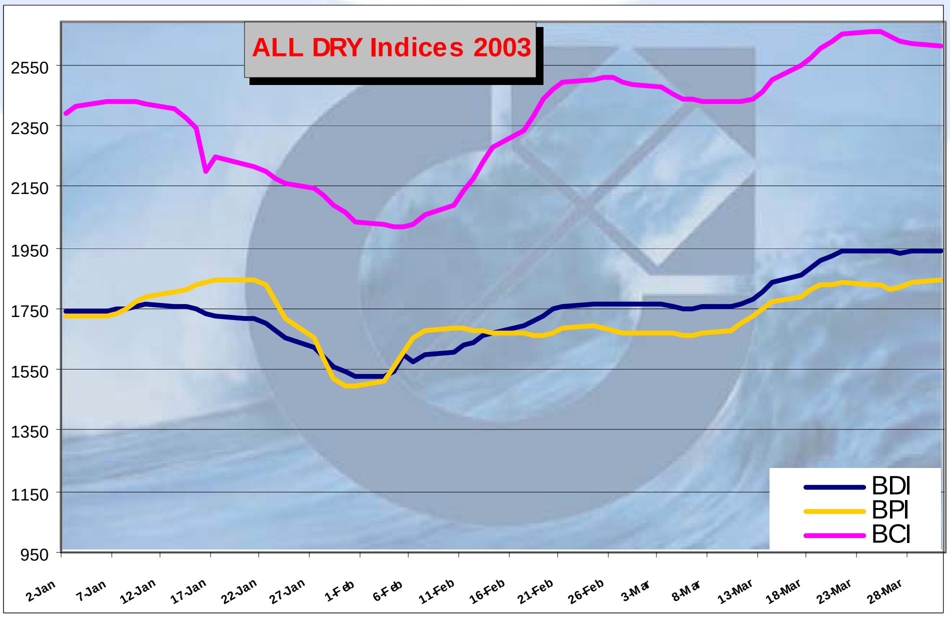


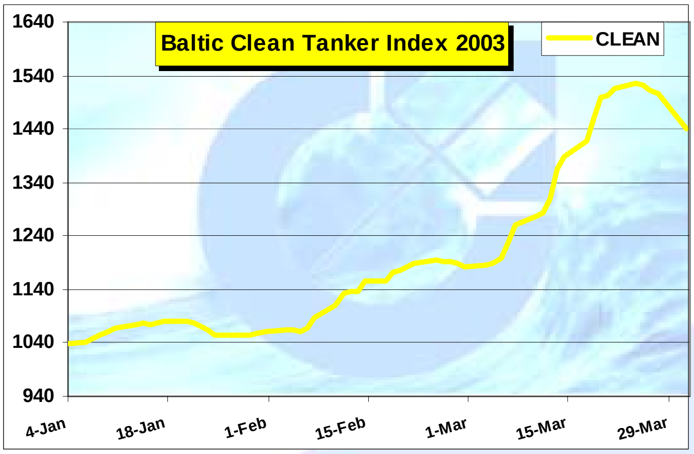



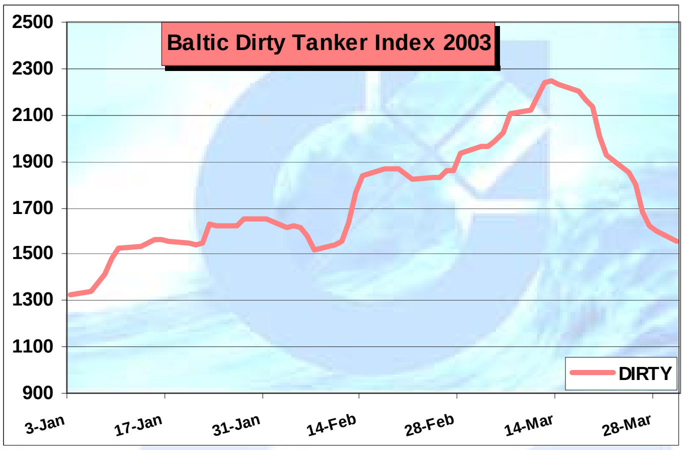



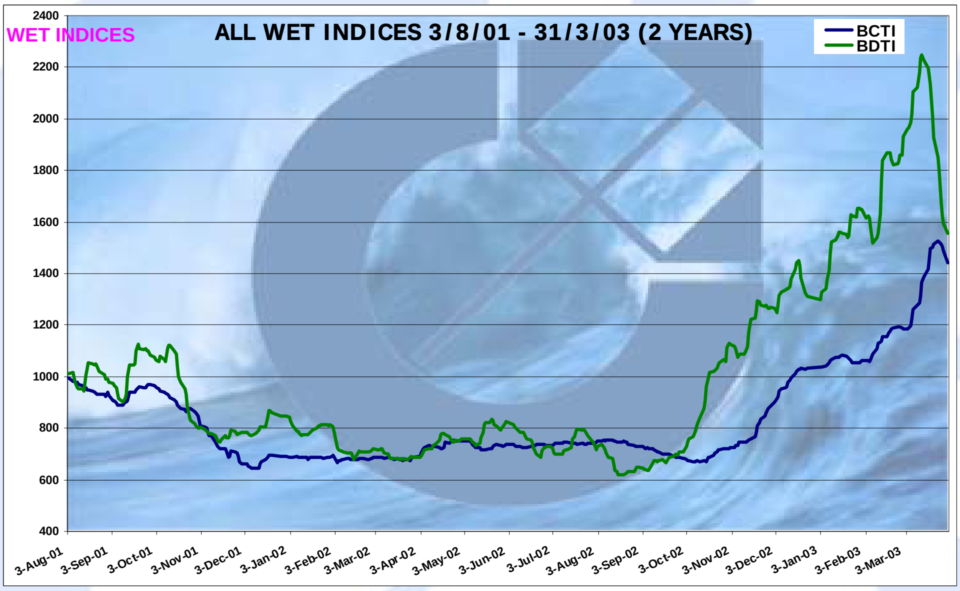




## Baltic TANKER INDICES



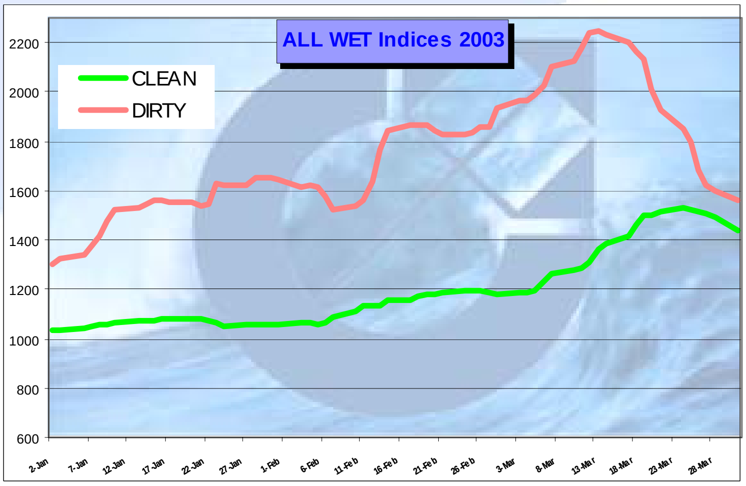

ALL WET INDICES FROM 3 AUG 2001 UNTIL 31 MARCH 2003

## BALTIC TANKER MARKET INDICES until 31$^{St}$ MARCH 2003

| DATE | CLEAN | % | DIRTY | % |
|---|---|---|---|---|
| 1/1/02 | 1,033 | 0% | 1,311 | 0% |
| 28/2/2003 | 1,183 | 14.1% | 1,931 | 48.7% |
| 3/3/2003 | 1,186 | 14.4% | 1,963 | 51.1% |
| 4/3/2003 | 1,189 | 14.7% | 1,965 | 51.3% |
| 5/3/2003 | 1,197 | 15.4% | 1,988 | 53.0% |
| 6/3/2003 | 1,229 | 18.5% | 2,022 | 55.7% |
| 7/3/2003 | 1,262 | 21.7% | 2,104 | 62.0% |
| 10/3/2003 | 1,278 | 23.2% | 2,121 | 63.3% |
| 11/3/2003 | 1,285 | 23.9% | 2,181 | 67.9% |
| 12/3/2003 | 1,310 | 26.3% | 2,236 | 72.1% |
| 13/3/2003 | 1,366 | 31.7% | 2,248 | 73.1% |
| 14/3/2003 | 1,388 | 33.8% | 2,229 | 71.6% |
| 17/3/2003 | 1,416 | 36.5% | 2,199 | 69.3% |
| 18/3/2003 | 1,459 | 40.7% | 2,164 | 66.6% |
| 19/3/2003 | 1,498 | 44.5% | 2,136 | 64.4% |
| 20/3/2003 | 1,502 | 44.8% | 2,011 | 54.8% |
| 21/3/2003 | 1,515 | 46.1% | 1,929 | 48.5% |
| 24/3/2003 | 1,527 | 47.3% | 1,850 | 42.4% |
| 25/3/2003 | 1,523 | 46.9% | 1,799 | 38.5% |
| 26/3/2003 | 1,514 | 46.0% | 1,680 | 29.3% |
| 27/3/2003 | 1,505 | 45.1% | 1,623 | 24.9% |
| 28/3/2003 | 1,489 | 43.6% | 1,596 | 22.9% |
| 31/3/2003 | 1,441 | 39.0% | 1,557 | 19.9% |

The **Baltic Clean Tanker Index** continued its past 4 months rally and peaked on 24/3 at 1527 points. After reaching the peak of 2003 on 24/3 (1527 points) and finaly closed slightly lower at 1441 points. Has gained 39% since 1/1/03 and for March alone an increase of 21.5%.

The **Baltic Dirty Tanker Index** continued its past 4 months increase and peaked on 13/3 at 2248 points. The index started this month at 1963, and after an expected downfall, reached 1557 points and gained a total of 19.9% since 1/1/2003. For March alone we faced a decrease of -400 points, a -20.7%.



## SHIPPING ACTIVITY NEWS (*in alphabetical order*)

**ATHENS 2004** - The organizers of the 2004 Olympic Games in Athens confirms they have signed charters for two Holland America ships that will operate as floating hotels for the duration of the event. The International Olympic Committee will use the 1997 built, 59,652 GRT "Rotterdam" and the 2003 newbuilding 85,000 RT "Oosterdam" as good quality much-needed accommodation. Although most major hotels in Athens have been either rejuvenated, or expanded, it seemed like a good idea not to build any new hotels as these will only be required for the duration of the games and will be overabundant afer these are over. Most of the Athens Hotels have already been booked by the Olympic organizers and sponsors.

Coming down to these two HA ships, the two ships can hold a total of 3,164 passengers. Both the Rotterdam and the Oosterdam are normally operating in Europe during the period in August when the Games will be held. The Oosterdam is scheduled to begin its maiden voyage in August this year, after postponing its original July start date. The committee has already signed up Cunard's 2,620-passenger "Queen Mary 2", and plans to charter in another 8 ships in total mainly from leading Greek Cruise liner operator Royal Olympic Cruises (Potamianos Epirotiki & Louis Cruises).

**IRAQ CONFLICT** - THE war in Iraq is having only a very limited direct effect on international shipping. War risks insurance is 'held covered' in the Middle East Gulf area while shipping is, understandably, subject to closer scrutiny the further North one ventures in the Gulf. Otherwise, the message is that shipping everywhere should be vigilant for terrorist attack, But generally everything is business as usual, in quite stark contrast to the airline industry where the effects of war on an already struggling sector could well be profound.

Assuming, as it still seems reasonable to do, that the war will be over within at most a few weeks, the question for shipping is what effect will the aftermath of the conflict have on the shipping markets. In this respect there could be big differences between the wet and dry sectors.

For tankers, the end of pre-war uncertainty means the end of a run of high freight rates. Already it appears that the Iraqi oilfields are more or less intact, which would appear to rule out medium-term supply shortages. From the tanker market point of view, there is also much speculation that after a swift defeat of Saddam, market fundamentals could take hold resulting in a sharp fall in rates, snuffing out the boom times for tankers until the next set of unpredictable circumstances contrives to cause another rate spike. The market could fairly soon, it is true, be faced with a move back to relative normality as buyers relax about securing oil supply from the Gulf, as Venezuela's strike-hit production moves back towards normal levels, and as weather improves, reducing second quarter oil demand.

In normal times, one can expect a seasonal drop in crude oil tanker demand. This is likely to be the case this year though historically low US oil inventories and the need to build additional gasoline stocks might mean that crude imports continue at high levels. There is currently a lot of Middle East Gulf oil on the water and if the war is short and sharp with no significant disruption to supply, US reserves, for example, will not be released and we will be back to the normal realities of supply and demand, which centre on a crude carrying fleet growth of about 3 per cent this year and oil demand (hopefully) up about 1.5 per cent. In other words, the tanker market will be much more concerned about normal, mundane factors like owners ordering too many ships and how quickly the old single-hull fleet will disappear.

On the other markets, we also try to consider the effect of the war on the dry bulk shipping markets. If the war is short and sharp, then it will be quite beneficial for the dry cargo trade and for handy sized ships.

We can clearly expect a reconstruction-led boom in Iraq. It should be noted that the Iraqi economy has been under punitive sanctions for the last 12 years and the pent-up demand, when released, will be explosive. The amount of dry bulk goods that will be required for the Iraqi economy to rebuild itself will be staggering. The ports in Iraq are generally shallow drafted river ports and hence are best suited for ships in the small handy size sector of the tramp freight markets. Even in the best of times, Iraqi ports have always been characterised by congestion ie many ships waiting to discharge their cargoes with the ports remaining full at all times. If the pent-up demand for goods in Iraq is released, then the resultant demand for ships will push freight rates higher than they already are. It will also result in very severe congestion tying up ships for long periods of time and will result in 'squeezing' or reducing the supply of ships in the short term. This will exert additional upward pressure on freight rates.

On the other side a worst case scenario would still not be that bad. A long, drawn-out and inconclusive war would merely mean existing, very modest, demand from Iraq would be removed from the freight markets. But it is much more likely that reconstruction in Iraq will lead to a boom in trade to the Middle East Gulf, not just to Iraq but to the region. That would mean high demand for cement, construction steel and all the other cargoes that keep the project cargo specialists and operators of break bulk ships and small bulk carriers going.

**KEPPEL SHIPYARD** - Keppel Shipyard wins two contracts worth $100m. KEPPEL Corporation's wholly-owned subsidiary Keppel Shipyard has secured two conversion contracts totalling about $100 million. The first contract is for a fast-track conversion from repeat customer Single Buoy Mooring (SBM), Keppel Corp said yesterday. Keppel Shipyard has completed four similar fast-track projects for SBM since 2000. Work on the new contract starts soon and is expected to be completed in 11 months.

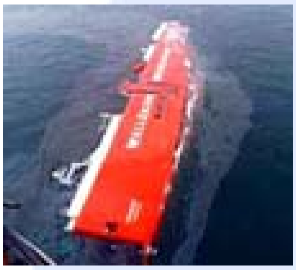
The second contract is to upgrade the trailing suction hopper dredger Vasco da Gama, owned by Belgium's Jan de Nul. When the upgrade is completed, the vessel will be the largest dredger in its class. Keppel Shipyard is an operating unit of Keppel Offshore & Marine (O&M) which has three main divisions - offshore, marine and specialised construction. The O&M division contributed the lion's share of KepCorp's earnings, with a record profit of $183 million or 51 per cent of the bottom line in 2002. The division has an order book totalling some $1.6 billion through 2004, and is chasing new orders worth some $5.5 billion. New exploration and production spending, as well as replacement orders for drilling rigs, are expected to drive demand for KepCorp's O&M division, although war in Iraq could delay some orders.

**SMIT SALVAGE** - Salvors have started to lighter a general cargo vessel, Springbok, which for a week has been stuck to the liquefied petroleum gas carrier Gas Roman after a collision near Horsburgh Lighthouse at the eastern end of the Singapore Strait.

Salvors Smit and Semco have started offloading the entire cargo of 3,165 tonnes of timber from the stricken Springbokin an effort to free the two ships which have been stuck together since February 27. The 55,000 dwt Korean-flagged LPG carrier Gas Roman was in collision with the Liberia-flagged general cargo ship Springbok16 miles from Horsburgh Lighthouse.

The Gas Roman was loaded with 44,000 tonnes of LPG at the time of the incident. “Reports indicate that the vessels are still connected and drifting in the vicinity of the South China Sea,” Smit said. “Tugs are attempting to keep them out of the shipping lane and in international waters.” Smit said that all work on the salvage operation was being performed under the close guidance of a marine chemist in order to prevent accidents.

**TRICOLOR** – SMIT will utilise the pioneering technology developed to salvage the nuclear powered Russian submarine Kursk in a similar way to remove the sunk car-carrier “Tricolor” from the English Channel.



Dutch firm **SMIT Salvage** will head a consortium appointed to clear the wreck from one of the world’s busiest shipping lanes. The Tricolor, which capsized in December after being holed by a containership, will be cut into seven sections of approximately 3,000 tons each, owner Wilh Wilhelmsen revealed. **SMIT**, which removed the bunker fuel from the ship, will be partnered by Scaldis, URS and Multraship in the salvage operation that is expected to take until the autumn. The contract value has not been officially announced but our information estimates it to be around $40m, making it one of the biggest ever wreck removal deals. The costs will be covered by Norwegian protection and indemnity club, Gard, but it is likely that the cost will be pooled with other mutuals and there will also be a recovery of about $10m from reinsurers.

The consortium has been named Combinatie Berging Tricolor. Clearing the ship will be one of the largest wreck removal operations concerning a commercial vessel ever undertaken, according to Morten Lund Mathisen of the Norwegian law firm Wikborg, Rein & Co, who represented the Tricolor interests in the negotiations. Full contracts should be signed in the coming week, he said. The ship will be sliced up using a specially designed cutting wire system also used in the lifting of the Kursk in the Barents Sea. Each section, including the cargo inside, will be lifted by means of two sheerleg crane barges, and then transferred to a transport barge and taken to a specially designed shore facility for further disposal.

*The Tricolor collided with the Bahamas registered Kariba on Saturday 14 December and sank in The English Channel approx. 20 nautical miles NNW of Dunkerque. None of the crew members were injured in the collision. The damages to the Norwegian vessel were so extensive that the vessel sank within 90 minutes after the collision.*

**WANT TO BET WHEN SADDAM WILL FALL?** - (NEW YORK) Think Saddam Hussein's days are numbered? Care to put a little money on it?

If so, tune up your Web browser to one of the many Internet gambling sites taking bets on how long Saddam Hussein will hold onto the presidency of Iraq. Big money is riding on the question - about US$1.25 million in wagers just on one site, **www.tradesports.com**. Late last week, on Thursday, the site put Mr Saddam's chances of lasting in office through Monday at about 90 per cent. But he was given only a one in three chance of being in power at the end of April.

Betonsports.com, which bills itself as the Internet's 'largest, legal and licensed sportsbook', puts Mr Saddam's chances of remaining in Baghdad until June 30 at one in 15. The site offers five-to-one odds he will be in US hands by then. Tradesports.com doesn't set any odds. Its bets are set up as futures contracts that bettors buy and sell directly to one another.

The most active 'Saddam security' pays US$100 if Iraq's leader is ousted by March 30. If he's still ruling on that date, it pays nothing. *(ASSOCIATED PRESS)*