



Lorentzen & Stemoco

Joint Shipping Service Morning Report



November 21, 2011

Dry Bulk Market

	Today	Previous	Change	Change YTD
Average TCEs				
Capesize (\$/day)	\$28,340	\$28,795	-1.6 %	51.6 %
Panamax (\$/day)	\$14,635	\$14,441	1.3 %	2.3 %
Supramax (\$/day)	\$14,438	\$14,309	0.9 %	-2.8 %
BDI	1,895	1,898	-0.2 %	11.9 %
Dry Commodities				
India Iron Ore China Landed 63% Fe (\$/ton)	\$143	\$143	0.0 %	-18.8 %
China Average HR Sheet (\$/ton)	\$667	\$668	-0.1 %	-4.3 %
Amsterdam Coal API#2 (\$/ton)	\$114.85	\$114.85	0.0 %	-13.0 %
Red Hard Wheat KCBT (\$/bushel)	\$6.47	\$6.45	0.3 %	-16.6 %

According to Financial Times, Golden Ocean, one of the world's highest-profile dry bulk shipping companies, is to pay no dividend for the third quarter to preserve cash, it said on Friday, in a sign of the stress caused by prolonged earnings weakness in most shipping markets. Oslo-listed Golden Ocean, controlled by John Fredriksen, the world's most influential shipowner, made the cut in spite of making an USD 11.1m net profit for the quarter, down from USD 38.7m for the same period last year, on revenue down 17 per cent to USD 71.6m. While dry bulk rates earlier in the year were too low to cover owners' operating costs, the sector has been performing far more strongly than tanker and container shipping in recent months

Tanker Market

	Today	Previous	Change	Change YTD
Average TCEs				
VLCC TD3 MEG-Japan (\$/day)	\$22,435	\$17,228	30.2 %	38.5 %
Suez Average (\$/day)	\$7,009	\$6,138	14.2 %	-67.1 %
Aframax Average (\$/day)	\$3,437	\$2,926	17.5 %	-63.6 %
MR Average (\$/day)	\$9,264	\$9,009	2.8 %	-11.0 %
Oil Commodities				
Brent Front Month (\$/bbl)	\$107.55	\$107.56	0.0 %	13.4 %
WTI Front Month (\$/bbl)	\$97.41	\$98.82	-1.4 %	6.0 %
Brent Forward Spread, 2M-1M (\$/bbl)	-\$0.31	-\$0.16	-93.8 %	-
NWE-USG Gasoline Arbitrage (\$/mt)	-\$23.02	-\$26.21	\$3.2	-

Bloomberg writes that oil tanker supply in the Persian Gulf expands, quoting Marex Spectron. The supply of oil tankers competing to load 2 million-barrel cargoes of crude from ports in the Persian Gulf expanded, said Marex Spectron Group Ltd., a London-based commodities and freight brokerage. There are 67 vessels available for charter over the next four weeks compared with 59 yesterday, the broker's Singapore-based unit said today in an e-mailed note. Still, demand for the ships is likely to strengthen and freight rates are "firm," it said.

Gas Market

	Today	Previous	Change	Change YTD
Freight Rates				
LPG Average (\$/ton)	71.19	72.44	-1.7 %	85.8 %
Gas Commodities				
Propane AG Spot (\$/ton)	746.00	757.00	-1.5 %	-18.3 %
Butane AG Spot (\$/ton)	791.00	812.00	-2.6 %	-11.9 %
Natural Gas (\$/MMBTU)	3.02	3.12	-3.2 %	-33.5 %
Bunkers				
380 cSt Fujairah	689.50	695.50	-0.9 %	32.7 %
380 cSt Rotterdam	660.50	665.50	-0.8 %	34.0 %
380 cSt Houston	670.00	675.00	-0.7 %	34.1 %

Vast US shale gas reserve generates surplus gas for export, writes Lloyd's List. More than 100 liquefied natural gas carriers could be added to the global fleet to service new US LNG export projects. The latest forecasts on potential LNG carrier orders come as the US is poised to become a major LNG exporter as it extracts ever greater quantities of its domestic shale gas. Emphasizing the high expectations for US LNG exports, by 2020 combined LNG exports from the US and Canada could be the fourth-largest in the world after Qatar, Australia and Indonesia, analysts have said. As such, the development of a US LNG export industry has been labeled a paradigm shift in the global gas market.

Source: Bloomberg / Lorentzen & Stemoco AS

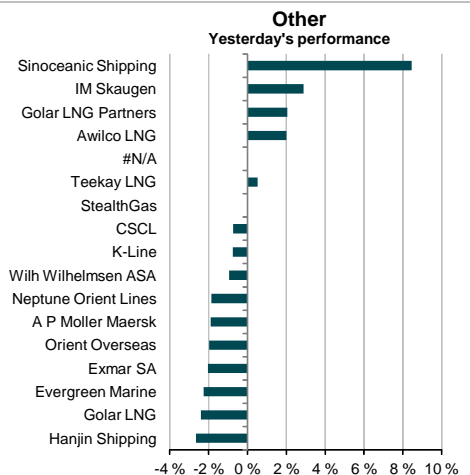
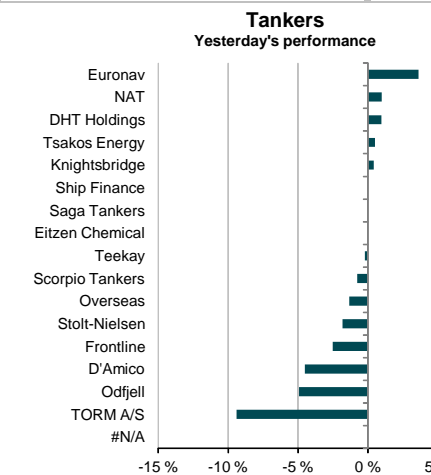
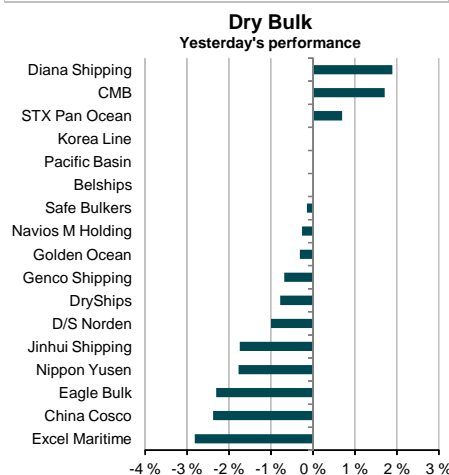
Shipping Equities

Selected news:

Holders of \$175m of General Maritime's \$300m notes due 2017 challenge the \$75 debtor-in-possession loan from a Nordea-led group of lenders intended to give the company a soft landing into Chapter 11, Tradewinds reports. The noteholders argue the loan gives certain creditors an unfair advantage and that the loan comes at the cost of unsecured creditors. GMR filed for Chapter 11 last Thursday.

Tsakos Energy Navigation reported a net loss of \$24.1m, or \$0.52/share, for the three months ending 30 September. The loss was \$0.12/share larger than consensus' expectations. Despite the loss, the company is looking for attractive opportunities arising from the current challenging environment. The focus is on tankers, but also LNG carriers.

Norwegian Car Carriers has entered into new time charter contracts for the two 100% owned car carriers NOCC Kattegat and NOCC Caribbean for a period of 12 months starting right after the New Year. Charter rates are on average 4% above current charter rate levels. Further, a partnership owned 51% of NOCC has entered into a 6-months charter contract for its shortsea-carrier Vinni starting from April next year. The Vinni is currently in lay-up. Short sea car carrier markets are challenging and the concluded charter rates for the Vinni is lower than its previous rate.



Source: First Securities AS / JCF FactSet / Bloomberg / TradeWinds / Lloyd's List / Fairplay



Lorentzen & Stemoco

Shipping Equities



Dry bulk

Company	Ticker	(Local curr) Last	Performance				(mUSD) M cap	P/E		EV/EBITDA		Yield		Gearing	
			1d	1w	1m	YTD		11	12	11	12	11	12	Net debt/EV	
Golden Ocean	GOGL NO	4.44	-0.3 %	-3 %	-2 %	-45 %	351	5.5	5.1	7.4	6.8	13 %	10 %	62 %	
Jinhui Shipping	JIN NO	11.30	-1.7 %	-5 %	-13 %	-42 %	164	1.6	3.4	3.7	4.8	0 %	0 %	69 %	
CMB	CMB BB	16.09	1.7 %	0 %	-7 %	-30 %	762	7.3	8.0	7.6	7.6	6 %	6 %	53 %	
DryShips	DRYS US	2.54	-0.8 %	-11 %	-5 %	-52 %	1,040	5.7	3.8	8.4	5.7	0 %	0 %	78 %	
Diana Shipping	DSX US	8.09	1.9 %	-5 %	0 %	-30 %	668	6.2	10.1	3.7	4.4	0 %	0 %	Neg.	
Genco Shipping	GNK US	8.72	-0.7 %	-7 %	-4 %	-39 %	314	12.4	na	7.2	8.9	0 %	0 %	82 %	
Navios M Holding	NM US	3.77	-0.3 %	1 %	2 %	-29 %	383	6.5	6.8	5.8	5.4	6 %	6 %	74 %	
Excel Maritime	EXM US	2.07	-2.8 %	-7 %	-26 %	-63 %	177	na	na	7.9	11.1	0 %	0 %	84 %	
Eagle Bulk	EGLE US	1.27	-2.3 %	-5 %	-21 %	-74 %	80	na	na	11.3	9.3	0 %	0 %	93 %	
Safe Bulkers	SB US	6.78	-0.1 %	1 %	3 %	-23 %	481	4.5	4.5	6.8	6.3	9 %	9 %	47 %	
Korea Line	005880 KS	7,500	0.0 %	0 %	0 %	-71 %	107	na	na	na	na	na	na	na	
STX Pan Ocean	STX SP	7.25	0.7 %	-6 %	-13 %	-45 %	1,151	na	na	na	na	0 %	0 %	69 %	
Nippon Yusen	9101 JP	166	-1.8 %	-5 %	-19 %	-54 %	3,671	na	15.1	9.8	8.5	2 %	2 %	76 %	
Pacific Basin	2343 HK	3.35	0.0 %	-5 %	-6 %	-35 %	833	na	14.3	7.5	6.7	2 %	3 %	21 %	
Belships	BEL NO	5.68	0.0 %	0 %	-5 %	-22 %	24	na	na	na	na	na	na	na	
China Cosco	1919 HK	3.70	-2.4 %	-8 %	-3 %	-55 %	8,771	na	na	na	na	0 %	0 %	32 %	
D/S Nordco	DNORD DC	149	-1.0 %	-1 %	-6 %	-26 %	1,163	12.5	15.9	5.3	5.3	4 %	3 %	Neg.	
Market cap weighted average			-1.4 %	-6.2 %	-7.2 %	-48.3 %		7.7	11.5	7.8	7.1	2 %	2 %		

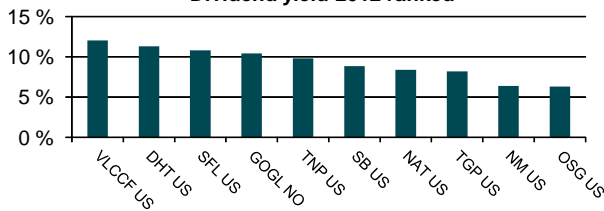
Tankers

Company	Ticker	(Local curr) Last	Performance				(mUSD) M cap	P/E		EV/EBITDA		Yield		Gearing	
			1d	1w	1m	YTD		11	12	11	12	11	12	Net debt/EV	
Frontline	FRO NO	33	-2.5 %	-4 %	14 %	-78 %	442	na	na	12.9	11.8	3 %	1 %	84 %	
Ship Finance	SFL US	14.45	0.0 %	-2 %	3 %	-33 %	1,143	8.7	8.8	14.2	12.7	11 %	11 %	63 %	
Euronav	EURN BB	3.45	3.6 %	-5 %	-10 %	-73 %	241	na	na	9.8	11.5	0 %	0 %	84 %	
General Maritime	GMR US	na	na	na	na	na	na	na	na	na	na	na	na	na	
Teekay	TK US	28.07	-0.2 %	1 %	8 %	-15 %	1,965	na	na	10.8	8.7	5 %	5 %	72 %	
Overseas	OSG US	13.99	-1.3 %	-3 %	-4 %	-61 %	426	na	na	na	16.4	9 %	6 %	83 %	
NAT	NAT US	14.33	1.0 %	0 %	-1 %	-45 %	677	na	na	na	19.6	8 %	8 %	21 %	
Tsakos Energy	TNP US	6.12	0.5 %	-1 %	2 %	-39 %	282	na	na	15.6	11.7	10 %	10 %	82 %	
Saga Tankers	SAGA NO	1.70	0.0 %	13 %	13 %	-70 %	26	na	na	5.5	6.1	0 %	0 %	20 %	
Knightsbridge	VLCF US	16.60	0.4 %	-8 %	-3 %	-25 %	405	12.1	13.3	7.9	7.9	12 %	12 %	17 %	
DHT Holdings	DHT US	1	1.0 %	-6 %	-44 %	-77 %	66	4.4	13.3	5.9	6.6	25 %	11 %	79 %	
Odffjell	ODF NO	30.90	-4.9 %	-12 %	-16 %	-43 %	475	na	na	9.8	8.2	3 %	4 %	69 %	
TORM A/S	TORM DC	4.20	-9.4 %	-16 %	-38 %	-89 %	56	na	na	na	na	0 %	0 %	97 %	
Stolt-Nielsen	SNI NO	108.00	-1.8 %	-3 %	-4 %	-24 %	1,198	11.9	8.3	8.3	7.1	5 %	5 %	55 %	
Eitzen Chemical	ECHEM NO	0.15	0.0 %	-17 %	36 %	-92 %	29	na	na	na	na	0 %	0 %	97 %	
Scorpio Tankers	STNG US	6.50	-0.8 %	-1 %	17 %	-36 %	118	na	na	18.7	17.4	0 %	0 %	48 %	
D'Amico	DIS IM	0.49	-4.5 %	-12 %	-21 %	-50 %	99	na	7.5	10.5	5.5	0 %	1 %	75 %	
Market cap weighted average			-0.8 %	-2.5 %	0.6 %	-35.3 %		10.5	9.3	11.1	10.8	6 %	6 %		

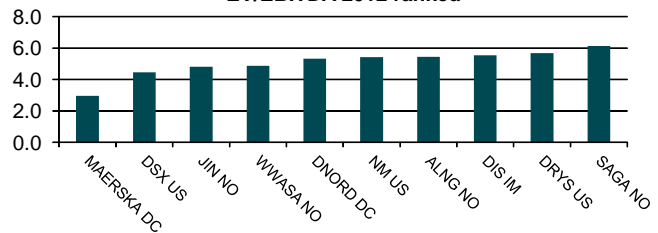
Other

Company	Ticker	(Local curr) Last	Performance				(mUSD) M cap	P/E		EV/EBITDA		Yield		Gearing	
			1d	1w	1m	YTD		11	12	11	12	11	12	Net debt/EV	
Golar LNG	GOL NO	244.00	-2.4 %	2 %	21 %	173 %	3,368	na	na	na	14.0	3 %	3 %	22 %	
Golar LNG Partners	GLMP US	28.42	2.0 %	0 %	12 %	na	1,111	19.7	15.1	14.2	11.1	4 %	6 %	40 %	
Høegh LNG Holdings	HLNG NO	44.50	1.1 %	7 %	10 %	na	349	na	na	na	na	0 %	0 %	47 %	
IM Skaugen	IMSK NO	28.50	2.9 %	-1 %	-1 %	-23 %	134	na	15.9	18.7	9.8	0 %	0 %	51 %	
Exmar SA	EXM BB	5.29	-2.0 %	-4 %	26 %	-2 %	426	na	10.2	10.7	8.1	5 %	3 %	68 %	
Teekay LNG	TGP US	33	0.5 %	-1 %	-7 %	-13 %	2,133	18.4	15.3	13.4	11.7	8 %	8 %	42 %	
StealthGas	GASS US	3.98	0.0 %	3 %	0 %	-50 %	84	7.8	5.2	na	na	na	na	na	
Awilco LNG	ALNG NO	20.40	2.0 %	1 %	10 %	na	239	na	7.1	na	5.4	0 %	0 %	Neg.	
A P Moller Maersk	MAERSKA DC	33,160.00	-1.9 %	-1 %	-1 %	-33 %	27,226	11.5	10.7	2.9	2.9	3 %	3 %	36 %	
Evergreen Marine	EVGFZ US	15.15	-2.3 %	-4 %	-11 %	-45 %	1,740	na	na	na	11.0	0 %	0 %	31 %	
Sinoceanic Shipping	SINO NO	6	8.4 %	0 %	-1 %	-26 %	15	na	na	na	na	na	na	na	
Hanjin Shipping	000700 KS	7,360	-2.6 %	-7 %	-6 %	-60 %	283	na	na	na	na	na	na	na	
K-Line	9107 JP	132.00	-0.8 %	-4 %	-14 %	-63 %	1,314	na	na	na	13.9	0 %	0 %	81 %	
CSC	2866 HK	1.35	-0.7 %	-8 %	1 %	-61 %	5,277	na	na	na	na	0 %	0 %	20 %	
Orient Overseas	316 HK	34.65	-2.0 %	-5 %	2 %	-43 %	2,785	15.9	12.8	7.5	6.2	2 %	2 %	19 %	
Neptune Orient Lines	NOL SP	1.06	-1.9 %	-2 %	-6 %	-52 %	2,103	na	na	na	10.3	0 %	0 %	36 %	
With Wilhelmsen ASA	WWASA NO	32	-0.9 %	-3 %	13 %	-26 %	1,199	8.1	5.6	5.7	4.9	3 %	4 %	49 %	
Market cap weighted average			-1.5 %	-2.1 %	0.5 %	-22.8 %		12.4	11.1	4.5	5.8	2 %	3 %		

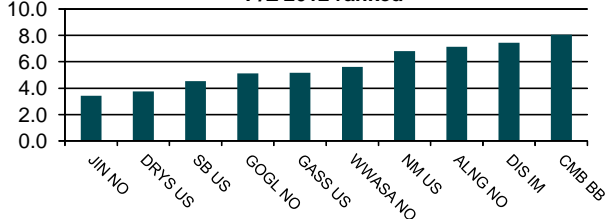
Dividend yield 2012 ranked



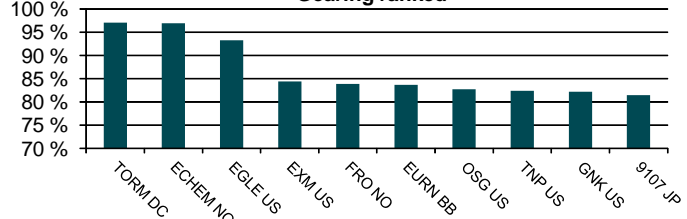
EV/EBITDA 2012 ranked



P/E 2012 ranked



Gearing ranked



Source: JCF FactSet / First Securities AS



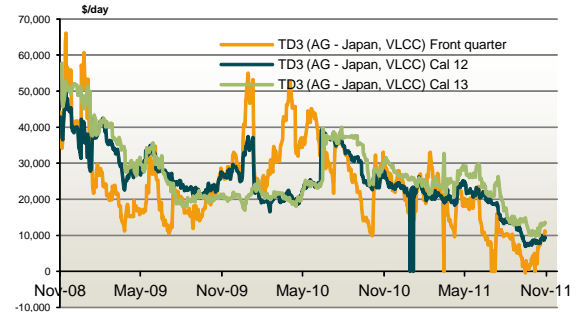
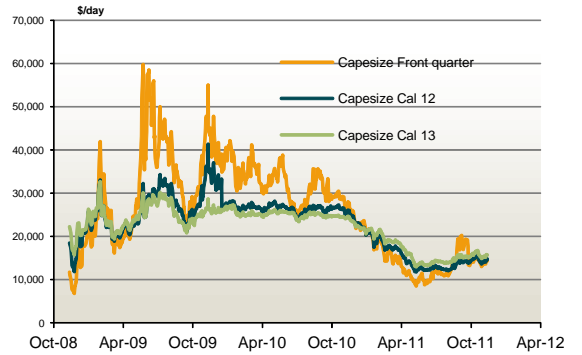
Currencies

	Today	Previous	Change
EURUSD	1.3478	1.3525	-0.3 %
EURJPY	103.56	104	-0.4 %
USDJPY	76.83	76.91	-0.1 %
USDKRW	1,140.6	1,139.1	0.1 %
USDCNY	6.3565	6.3551	0.0 %
USDNOK	5.8054	5.7915	0.2 %



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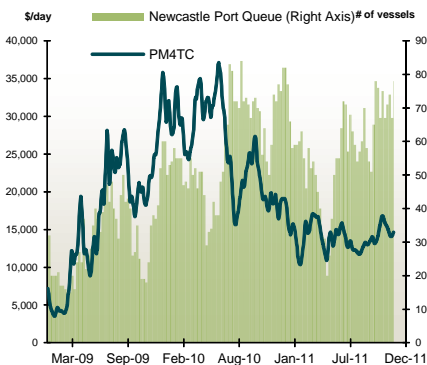
	Today	Previous	Change
Capesize Front quarter	14,329	14,317	0.1 %
Capesize Cal 12	14,641	14,619	0.2 %
Capesize Cal 13	15,721	15,671	0.3 %
	(\$/day)	(\$/day)	
Panamax Front quarter	11,950	11,929	0.2 %
Panamax Cal 12	11,901	11,891	0.1 %
Panamax Cal 13	12,286	12,300	-0.1 %
Supramax Front quarter	12,613	12,596	0.1 %
PM4TC Cal 12	12,130	12,190	-0.5 %
PM4TC Cal 13	12,217	12,250	-0.3 %
TD3 (AG - Japan, VLCC) Front quarter	11,045	11,167	-1.1 %
TD3 (AG - Japan, VLCC) Cal 12	9,378	9,517	-1.5 %
TD3 (AG - Japan, VLCC) Cal 13	13,437	13,601	-1.2 %
TD5 (W. Afr. - US Gulf, Suezmax) Front quarter	13,162	13,200	-0.3 %
TD5 (W. Afr. - US Gulf, Suezmax) Cal 12	11,877	11,960	-0.7 %
TD5 (W. Afr. - US Gulf, Suezmax) Cal 13	15,601	15,746	-0.9 %
TC2 (ARA - USEC, MR) Front quarter	8,534	8,608	-0.9 %
TC2 (ARA - USEC, MR) Cal 12	8,674	8,738	-0.7 %
TC2 (ARA - USEC, MR) Cal 13	10,034	10,120	-0.8 %



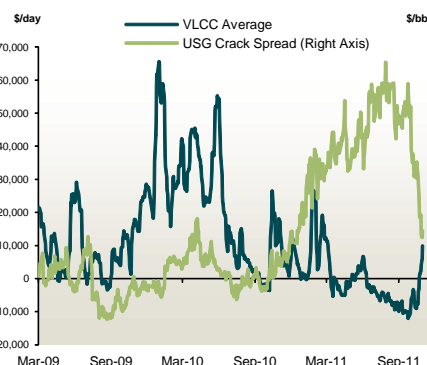
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Selected Indicators

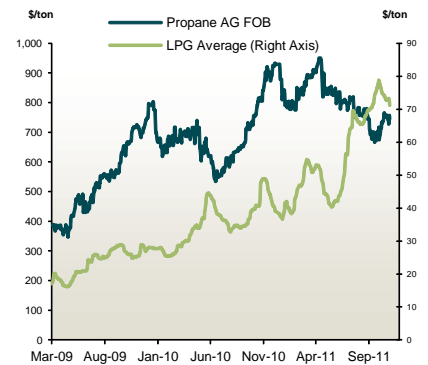
Dry Bulk



Tanker



Gas



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General Disclaimer



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