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Market Reports

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We have witnessed a downward trend in the charter rates during the last 6 weeks with limited new requirements coming onto the charter market. Not only are many liner companies seemingly satisfied with their present tonnage portfolio, but they even have excess tonnage, and the presence of so many relets in all sizes has helped to pull the market down.

The 'spot' ship - a sight not seen for a while in the market has reemerged with a handful of vessels waiting for employment off Singapore. Looking at the recent developments and with the build up of this tonnage in Asia we believe that the market will remain under pressure until the end of the year unless demand noticeably increases.

It has been the 1700 TEU ships that have come under most pressure with rates coming down from about USD 18,500 for a period of 12 mos a few weeks ago to shorter term fixtures in the 14000s & 15000s depending on the specification for tonnage that was sitting prompt. We expect further pressure with limited new requirements expected. The rates in the smaller 1000 teu sizes have also come down, although at least there seems to be enough requirements to keep the vessels employed. Activity in the China / Japan / Korea feeder market has picked up a little compared to the summer months although freight rates remain very low.

It has been fairly active in the 3000 TEU plus sizes with CMA CGM and MSC being the most active. CMA CGM was heard to conclude a number of panamax relets from other Liner Companies and MSC were also rumoured to fix relet tonnage (4 x 5500 TEU Newbuildings from CSAV) at 4 years at a rate around USD 31,750. Further forward, Hamburg Sued was active by taking 3 x 3500 TEU Newbuildings from B. Schulte with delivery in 2007 and 2008 at a competitive rate of USD 23,300. The 2800 TEU sizes were also active with a number of relet deals concluded.

FIXTURES**Gearless**

3 x 3534 B Schulte ex Shanghai Shipyard '07/08 41,500 dwt 3534 teu (2353 at 14ts) 500 reefers / 23,5kn on 122,0ts 5 yrs ww trade	Hamburg Sued 23,300
Northern Vivicity '05 37,856 dwt 2742 teu (2126 at 14ts) 400 reefers / 22,5kn on 80,5ts 18 mos feast trade (sublet from Sinotrans)	CMA CGM 23,100
Hong Yun He '99 26,027 dwt 1702 teu (1350 at 14ts) 200 reefers / 20,5kn on 70,0ts 6 mos feast trade (relet fm CSCL)	KMTC 17,200
Rhoneborg '93 20,027 dwt 1646 teu (1295 at 14ts) 298 reefers / 19,0kn on 46,0ts 30-40 days feast trade	APL 16,250
Millenia Tower '90 22,734 dwt 1404 teu (1090 at 14ts) 200 reefers / 19,0kn on 41,0ts 14 days feast trade	APL 17,500
Cape Fraser '05 16,420 dwt 1200 teu (870 at 14ts) 150 reefers / 19,0kn on 45,0ts 10 mos aussie/feast trade (relet fm HMM)	US Lines 14,000
El Zorro '06 14,000 dwt 1118 teu (700 at 14ts) 220 reefers / 19,5kn on 36,0ts 12 mos transpac trade (relet fm delphis)	US Lines 13,300
Mare Balticum '93 12,715 dwt 1054 teu (660 at 14ts) 90 reefers / 17,5kn on 30,0ts 9 mos feast trade	Sea Consortium 11,000
Josco View '06 12,400 dwt 1043 teu (655 at 14ts) 180 reefers / 18,0kn on 33,0ts	Hanjin 10,500

6 mos feast trade	
Hudson Strait '99	Seacon
11,400 dwt 834 teu (590 at 14ts) 80 reefers / 18,0kn on 33,0ts 6 mos se asia trade	10,500

Geared

<p>Hermann Wulff '06</p> <p>39,300 dwt 2732 teu (2267 at 14ts) 500 reefers / 22,5kn on 85,5ts 12 mos feast trade</p>	<p>OOCL</p> <p>23,500</p>
<p>Anna Schulte 01</p> <p>34,717 dwt 2530 teu (1850 at 14ts) 600 reefers / 22,0kn on 87,0ts opt 12 feast trade</p>	<p>opt Maersk Line</p> <p>18,000</p>
<p>Wehr Elbe '01</p> <p>33,657 dwt 2524 teu (1186 at 14ts) 400 reefers / 21,7kn on 74,0ts opt 12 mos ww trade</p>	<p>CSAV</p> <p>17,250</p>
<p>Wehr Weser '01</p> <p>33,795 dwt 2524 teu (1886 at 14ts) 400 reefers / 21,7kn on 74,0ts opt 12 mos ww trade</p>	<p>opt CSAV</p> <p>17,250</p>
<p>Santa Alina '01</p> <p>32,299 dwt 2506 teu (1805 at 14ts) 420 reefers / 22,0kn on 86,0ts opt 12 mos ww trade</p>	<p>opt Maersk Line</p> <p>private</p>
<p>SAG Westfalen '03</p> <p>30,450 dwt 2207 teu (1740 at 14ts) 350 reefers / 21,5kn on 96,0ts 24 mos ww trade</p>	<p>CMA CGM</p> <p>21,250</p>
<p>Santa Giorgina '97</p> <p>30,200 dwt 2061 teu (1658 at 14ts) 150 reefers / 19,5kn on 51,0ts 32 mos feast trade</p>	<p>CMA CGM</p> <p>18,000</p>
<p>Arkona Trader '98</p> <p>30,300 dwt 2008 teu (1628 at 14ts) 250 reefers / 21,5kn on 73,0ts 24 mos ww trade</p>	<p>CMA CGM</p> <p>19,350</p>
<p>Jonni Ritscher '06</p> <p>22,300 dwt 1856 teu (1285 at 14ts) 385 reefers / 21,0kn on 67,0ts 18 mos atlantic trade</p>	<p>CMA CGM</p> <p>18,750</p>

<p>Cape Don '02</p> <p>30,537 dwt 1829 teu (1350 at 14ts) 150 reefers / 19,5kn on 62,0ts 24 mos pacific trade</p>	<p>Tasman Orient Line</p> <p>18,500</p>
<p>Santa Rosa '92</p> <p>30,078 dwt 1742 teu (1527 at 14ts) 100 reefers / 19,5kn on 47,5ts 40 days cont/feast</p>	<p>APL</p> <p>19,400</p>
<p>Macaro '96</p> <p>22,083 dwt 1608 teu (1110 at 14ts) 200 reefers / 21,0kn on 59,0ts 6 mos feast trade</p>	<p>MCC Transport</p> <p>16,500</p>
<p>Dollart Trader '97</p> <p>22,260 dwt 1608 teu (1124 at 14ts) 200 reefers / 21,0kn on 60,0ts 12 mos feast trade</p>	<p>MOSK</p> <p>16,250</p>
<p>Teval '94</p> <p>20,140 dwt 1388 teu (1012 at 14ts) 200 reefers / 18,6kn on 46,0ts 24 mos med/cuba trade</p>	<p>Melfi</p> <p>15,350</p>
<p>Westermuehlen '93</p> <p>20,140 dwt 1358 teu (1000 at 14ts) 150 reefers / 18,5kn on 43,0ts 6 mos med trade</p>	<p>COSCO</p> <p>15,250</p>
<p>Algol '06</p> <p>17,219 dwt 1355 teu (925 at 14ts) 449 reefers / 20,0kn on 52,0ts 12 mos feast trade</p>	<p>US Lines</p> <p>14,500</p>
<p>Bavaria '96</p> <p>18,355 dwt 1205 teu (820 reefers) 150 reefers / 20,0kn on 45,0ts 1 feast/wafrica r/v about 50 days</p>	<p>GSL</p> <p>13,500</p>
<p>Lucien G.A. '02</p> <p>17,254 dwt 1199 teu (912 at 14ts) 178 reefers / 19,0kn on 47,0ts 12 opt 12 mos feast trade</p>	<p>MISC</p> <p>13,750</p>
<p>Orient Spirit '82</p>	<p>Sea Consortium</p>

20,828 dwt 1152 teu (1050 at 14ts) 125 reefers / 16,0 kn on 34,0ts ext 12 mos feast trade	12,750
Ocean '96	Safmarine
14,587 dwt 1122 teu (748 at 14ts) 150 reefers / 19,0kn on 44,0ts ext 2 mos atlantic trade	14,200
Ocean '96	Safmarine
14,630 dwt 1122 teu (758 at 14ts) 150 reefers / 19,0kn on 44,0ts 1 Algeciras / wafrica r/v abt 20 days	14,200
Martha Russ '06	QC Line
13,760 dwt 1118 teu (700 at 14ts) 200 reefers / 19,6kn on 41,0ts 12 mos feast trade	13,500
Phoenix '90	MOL
15,162 dwt 1048 teu (741 at 14ts) 140 reefers / 18,5kn on 37,5ts 1 mos feast trade	12,800
Major '92	OEL
12,583 dwt 1012 teu (650 at 14ts) 104 reefers / 17,5kn on 28,0ts 6 mos feast trade	10,950
Bernhard Sibum '06	ZIM
12,500 dwt 957 teu (604 at 14ts) 244 reefers / 18,0kn on 37,0ts 12 mos feast trade	11,400
Medbay '06	RCL
12,500 dwt 957 teu (604 at 14ts) 244 reefers / 18,0kn on 37,0ts 12 mos feast trade	11,750
Eagle Strength '95	New Econ Line
15,326 dwt 954 teu (732 at 14ts) 100 reefers / 17,5kn 12 mos feast trade	11,500
Cape Hatteras '92	CMA CGM
12,854 dwt 923 teu (620 at 14ts9)	10,000

204 reefers / 18,0kn on 34,0ts 6 opt 12 mos atlantic trade	
Sea Space '86	Sinokor
16,882 dwt 884 teu (611 at 14ts) 45 reefers / 14,8kn on 31,5ts 14 days feast trade	10,000

This report reflects information given in good faith to the best of our knowledge, but without guarantee.