



Fearnleys Weekly Report

Activity level

VLCC	Suezmax	Aframax	P.E. of Suez	P.W. of Suez
Firmer	Firmer	Mixed	Soft	Mixed

	Last week	Prev. week
VLCCs fixed all areas last week:	41	50
VLCCs avail. in MEG next 30 days:	100	90

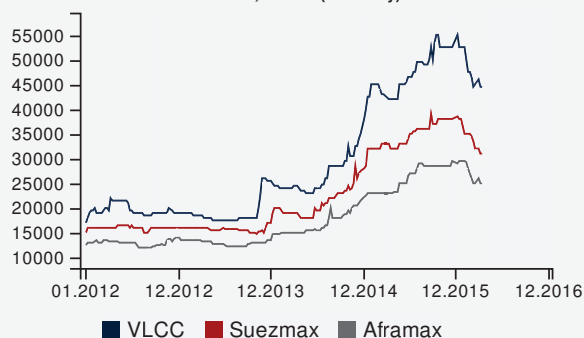
Rates

DIRTY (Spot WS)		This week	Last week	Low 2016	High 2016
MEG / West	VLCC	40.00	47.50	26.00	63.00
MEG / Japan	VLCC	66.00	72.50	49.50	111.5
MEG / Singapore	VLCC	67.50	73.50	50.00	113.5
WAF / FEAST	260,000	67.50	70.00	55.00	113.0
WAF / USAC	130,000	85.00	72.50	67.50	115.0
Sidi Kerir / W Me	135,000	82.50	75.00	72.50	135.0
N. Afr / Euromed	80,000	82.50	85.00	82.50	117.5
UK / Cont	80,000	110.0	112.5	92.50	125.0
Caribs / USG	70,000	100.0	90.00	90.00	142.5

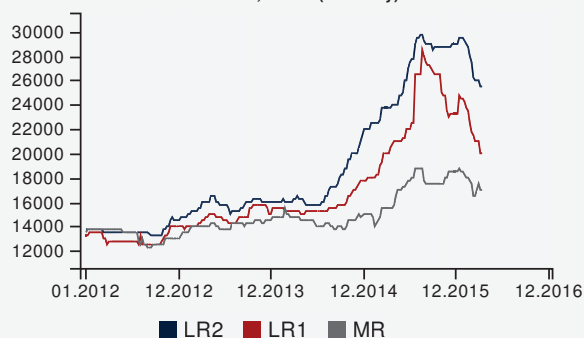
CLEAN (Spot WS)		This week	Last week	Low 2016	High 2016
MEG / Japan	75,000	90.00	97.50	87.50	160.0
MEG / Japan	55,000	90.00	110.0	90.00	150.0
MEG / Japan	30,000	105.0	122.5	100.0	135.0
Singapore / Japan	30,000	130.0	145.0	127.5	150.0
Baltic T/A	60,000	95.00	95.00	90.00	155.0
UKC-Med / States	37,000	112.5	102.5	92.50	152.5
USG / UKC-Med	38,000	90.00	105.0	67.50	125.0

1 YEAR T/C (USD/day) (theoretical)		This week	Last week	Low 2016	High 2016
VLCC	(modern)	44 500	44 500	44 500	55 000
Suezmax	(modern)	31 000	31 000	31 000	38 500
Aframax	(modern)	25 000	25 000	25 000	29 500
LR2		105,000	25 500	25 500	29 500
LR1		80,000	20 000	20 000	24 750
MR		47,000	17 000	16 500	18 750

1-Year T/C, Crude (USD/Day)



1-Year T/C, Clean (USD/Day)



TANKERS

Crude

The general activity for the VLCCs was steady the last week. Rates remain a 'rollercoaster' and feels like it is more driven by sentiment than changes in fundamentals. Rates both in the Meg and also in West Africa corrected down early in the week but have rebounded some towards the end. A bit of 'who-blinks-first-game' out there for the time being. BOT May program came out thinner than some had expected and charterers are trying to hold back. Owners are still hoping for more April stems prior to Saudi stem confirmations over the week-end. Wafr/East already working dates upto third decade May and could correct up above last down w60. The activity in West Africa has picked up for Suezmaxes after several weeks with rates moving sideways. Due to unexpected injection bbls for end April load ex Nigeria load in combination with tight position list for Ely May it has created a stronger momentum for owners with firming rates. The Med/Black sea remains slow at time of writing with the April loading program in the Black covered. In the East activity seems to have settled for now, but with the May Basrah cargo program out, it might create enough commotion for the rates to hold. The North Sea and Baltic markets have been on its way down since last week, but with a massive Urals program this month, that could easily change. We are also seeing several Aframax leaving the area, giving owners hope for a swift recovery. In the Med and Bsea we started the week with a long list of tonnage ready to fix. Charterers took the opportunity and almost fixed their whole April program in one go. Unfortunately for the Owners, the poss list has been so long that the charterers have managed to keep rates at bottom levels. Going forward we believe the market to remain at bottom levels, as we expect lower cargo activity for the week to come.

Product

– EAST OF SUEZ – The LR2 market in the Middle East remain soft this week also and we see rates around 1.75mill for MEG/UKC and about WS90 for MEG/JPN. Without too much activity to work with and a rather heavy position list, rates could potentially slide even further. In a typical fashion the LR1 market has followed suit with rates for MEG/JPN at around WS90 and MEG/UKC at USD 1.35mill. Activity is slumping and the already soft levels are looking shaky. As much as we would like to end on a high note saying "at least the MR market is kicking ass and taking name", that would be a lie. The truth is very similar to what is happening in the LR1 and LR2 markets, namely sluggish rates and quiet days. – WEST OF SUEZ – Even though we have seen a rather slow week in the LR2 market so far, a tighter position list has given owners a bit of momentum and as a result rates have started to firm. Currently we assess UKC/JPN at around 2-2.1mill, and with a couple of uncovered cargoes in the market the next few days will set the pace. The LR1 market has not been too eventful this week, but with a handful of fixtures reported in the market rate levels have gone held up at the least. In the Atlantic MR market have seen softening tendencies in the US Gulf and firming (apparently for real this time..) on the Continent. With talks of the gasoline-arb from Europe to the States activity has started to pick up with rates moving slowly but surely in the upward direction. Handy's trading in the Mediterranean has scored big this week with rates climbing some 35-40points since Friday on the x-MED trade.



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Activity level

Capesize	Panamax	Supramax
Moderate	Firmer	Stable

Rates	This week	Last week	Low 2016	High 2016
CAPESIZE (usd/day, usd/tonne)				
TCT Cont/Far East (180' dwt)	11 000	8 700	6 100	12 200
Tubarao / R.dam (Iron ore)	4.10	3.70	2.00	4.10
Richards Bay/R.dam	3.30	2.90	2.00	3.30
PANAMAX (usd/day, usd/tonne)				
Transatlantic RV	6 700	5 500	1 400	6 700
TCT Cont / F. East	10 000	9 500	5 000	10 000
TCT F. East / Cont	650.0	600.0	250.0	650.0
TCT F. East RV	4 600	4 400	1 925	4 700
Murmansk b.13-ARA 15/25,000 sc	5.50	4.90	3.60	5.50
SUPRAMAX (usd/day)				
Atlantic RV	6 500	5 000	2 510	6 500
Pacific RV	5 500	5 000	2 000	5 500
TCT Cont / F. East	10 500	9 750	5 100	10 500
1 YEAR T/C (usd/day)				
Capesize 180,000 dwt	6 500	6 300	5 000	7 000
Capesize 170,000 dwt	6 000	5 700	4 500	6 000
Panamax 75,000 dwt	5 750	5 000	4 250	5 750
Supramax 53,000 dwt	6 000	5 800	4 900	6 000
Baltic Dry Index (BDI):	567	500	n/a	n/a

1-Year T/C, Dry bulk (USD/Day)



Activity level

COASTER	15-23,000 cbm	82,000 cbm
Moderate	Low	Low

LPG Rates				
* Excl. waiting time, if any				
SPOT MARKET (usd/month)*	This week	Last week	Low 2016	High 2016
VLGC / 84,000	550 000	635 000	550 000	1 765 000
LGC / 60,000	715 000	815 000	715 000	1 500 000
MGC / 38,000	895 000	915 000	895 000	1 075 000
HDY / 22,000	860 000	880 000	860 000	920 000
ETH / 10,000	500 000	510 000	500 000	530 000
SR / 6,500	440 000	440 000	440 000	460 000
COASTER Asia	142 500	142 500	142 500	155 000
COASTER Europe	170 000	175 000	170 000	190 000

LPG/FOB prices (usd/tonne)			
	Propane	Butane	ISO
FOB North Sea / ANSI	252.5	256.0	
Saudi Arabia / CP	320.0	350.0	
MT Belvieu (US Gulf)	241.0	259.4	270.3
Sonatrach : Bethioua	260.0	295.0	

LNG

SPOT MARKET (usd/day)	This week	Last week	Low 2016	High 2016
East of Suez 155-165'cbm	30 000	30 000	29 000	30 000
West of Suez 155-165'cbm	32 000	32 000	29 000	32 000
1 yr TC 155-165'cbm	30 000	30 000	30 000	35 000

DRY BULK

Capesize

Its has been a positive freight market for the past few weeks, however this week the market is taking a small breather. The activity level has dropped and freight rates followed. The main driver of the latest market increase has been the high activity from the west Australian mining companies. This week the activity on this route have slowed down, and the wc Aussie/China freight level have dropped rom around usd 4 pmt to usd 3,70 pmt. Though the Atlantic market is also showing more positive tendencies, with higher activity and increased freight rates. Despite a small dip down again now in the Cape market, it is for the first time this year a bit more optimism in the market.

Panamax

The Panamax market continues to firm in both hemispheres this week. The grain season out of ECSA is the main driver, and has again put pressure on the North Atlantic. It was rumored mid week a Kmax had fixed 11k APS SW Pass for a tct to Continent. Another Kmax fixed USD 6,650 retro Spore for ECSA/Feast while NoPac rounds are being fixed in the low/mid 4k. The lack of early ships force charterers to fix ballasters and if we take into consideration the number of ships that are tied up in the long duration of ECSA/Feast, we do believe in a firm couple of weeks ahead of us. The period market is back into play and a kmax fixed at USD 6,300 for abt 11/15 mos.

Supramax

Supra numbers have improved across the board. Notably grains from East Coast South America are commanding high numbers. Also positions on the continent are getting big numbers for scrap cargo. The USG market which was lagging has now turned the corner and now paying improved numbers albeit the cargos are mainly petcoke. The short period market is still relatively active and good units now can expect to achieve something starting with a USD 6 in front. The transaction volume in the East is slowing leading players to believe we may have reached a temporary top

GAS

Chartering

The VLGC market has been much less busy this week than last week. One reason for the market silence is of course MEG lifters' wait for suppliers' acceptances of May loading nominations. The few fixtures talked about in the market have been Baltic related (monthly averages), i.e. we will not know the actual rates until April is over. The Baltic VLGC index has kept on dropping in small increments and is on it's way to 25 USD per ton. Very few, if anyone, in the market was able to foresee that the index would come that low in April. April has been the month of Hallelujah for the VLGC owners in recent years, but it seems April 2016 will be quite the opposite. As crude prices have gone up a bit recently the bunker prices have risen by some 25% over a fortnight and therefore impacts the net voyage results negatively. The current Baltic level barely returns USD 17,000/day on a modern vessel, however, the good news is that there has not been much idletime in the fleet as the owners have been able to accommodate the spreads the recent market have allowed. On the SandP side, the Indian VLGC has grown by one unit when GESCO acquired a 1996 built vessel only weeks after the previous addition. The most interesting about the latest transaction is the price of USD 27M, obviously 2nd hand prices have come down along with the freight market sentiment ahead.



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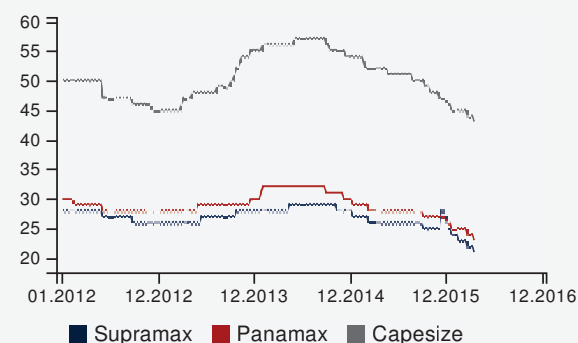
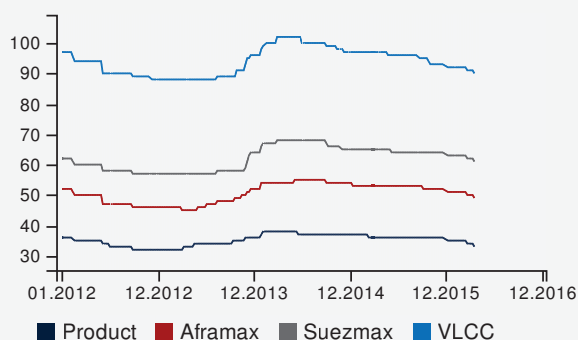
Activity level

Tankers	Dry Bulk	Others
Slow	Slow	Slow

Prices

Average Far Eastern Prices

PRICES (mill usd)		This week	Last week	Low 2016	High 2016
VLCC	300'dwt	90.00	90.50	90.00	92.00
Suezmax	150'dwt	61.00	61.50	61.00	63.00
Aframax	110'dwt	49.00	49.50	49.00	51.00
Product	50'dwt	33.00	33.50	33.00	35.00
Capesize	180'dwt	43.00	43.50	43.00	46.00
Panamax	82'dwt	23.00	23.50	23.00	26.00
Supramax	64'dwt	21.00	21.50	21.00	24.50
LNGC	160'cbm - DFDE	190.0	190.0	190.0	193.0
LNGC	170'cbm - DFDE	196.0	196.0	196.0	203.0



Market brief

	This week	Last week	Low 2016	High 2016
Rate of exchange				
USD/JPY	109.1	110.4	109.1	118.6
USD/KRW	1 147	1 156	1 147	1 234
USD/NOK	8.25	8.35	8.25	8.96
EUR/USD	1.13	1.13	1.07	1.13

Interest rate

LIBOR USD 6 mths	0.89	0.89	0.85	0.91
NIBOR NOK 6 mths	1.09	1.05	1.05	1.23

Commodity prices

Brent spot (USD)	44.09	38.84	28.06	44.09
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Bunker prices

Singapore	380 CST	197.0	172.0	145.0	197.0
	180 CST	208.0	177.0	148.0	208.0
	Gasoil	374.0	315.0	265.0	374.0
Rotterdam	380 HSFO	176.0	142.0	107.0	176.0
	180 CST		159.0		185.0
	Diesel	356.0	298.0	245.0	356.0

NEWBUILDING

Only one order to report this week. MSC has placed an order at STX France for up to 4 "World Class" 5400pax Cruise vessels. Delivery slated from 2022. These ships are designed to run on LNG Dual fuel. After this latest order, the cruise world fleet is set to grow to more than 370 ships by 2026, an increase of 55 ships from this year. All vessels, expect 1, to be delivered from European yards where the order book now stretches into 2026.

NEWBUILDING CONTRACTS

Type	No	Size	Yard	Buyer	Del	Price	Comm
Cruise	2	200000 GT	STX France	MSC	2022-2026		LOI, Dual Fuel

SALE AND PURCHASE TRANSACTIONS

Type	Vessel	Size	Built	Buyer	Price	Comm.
MT	Stresa	105 357	2002	Far Eastern	19,50	
MT	St. Johannis	51 218	2007	US Investors	21,00	Incl. 5 yr T/C back at \$15,000/day
MT	St. Marien	51 218	2007		21,00	Incl. 5 yr T/C back at \$15,000/day
MT	Lodestar Grace	14 298	2002	S. Korean	11,30	StSt
MT	Global Triton	12 990	2006	Japanese	12,00	StSt
MT	Zhong Da You 56	11 094	2010	Chinese	10,50	
MT	Simay G	7 100	2013	Undisclosed	11,00	
BC	Dong-A Leto	179 221	2010	Singaporean	45,00	Enbloc
BC	Dong-A Ether	179 213	2011			
BC	Serenata	75 561	2006	Greek	6,60	
BC	Ataman	72 867	2001	Chinese	3,50	
BC	Julius Oldendorff	53 702	2005	Greek	3,80	
BC	Lemessos	53 571	2008	Greek	30,00	Enbloc for low \$30.0 m
BC	Luzon	53 507	2009			
BC	Laguna	53 477	2009			
BC	Livorno	53 428	2009			
BC	Longkou	53 408	2008			
BC	Limas	53 406	2009			
BC	Ocean Chie	52 370	2003	Chinese	4,40	
BC	Harrier	50 296	2001	Greek	3,30	
BC	JS Phoenix	50 244	2000	Chinese	3,10	
BC	Marylebone	48 377	2001	Undisclosed	3,00	

DEMOLITIONS

Sold for demolition

Vessel name	Size	Ldt	Built	Buyer	Price
MV K Cosmos	240 853	29 453	1992	Bangladeshi	306
MV Front Climber	169 146	23 470	1991	Pakistani	307
MV C. Harmony	149 321	18 000	1994	Bangladeshi	306
CONT Swaziland	82 275	28 544	1998	Indian	300
MV Pioneer Atlantic	69 146	11 351	1998	Pakistani	307
MV Énergy Ranger	45 945	8 201	1996	Bangladeshi	296
MV Ocean Rider	41 712	8 400	1996	Bangladeshi	293
CONT Kota Akbar	22 257	8 998	1993	Bangladeshi	204