



Fearnleys Weekly Report

Activity level

VLCC	Suezmax	Aframax	P.E. of Suez	P.W. of Suez
Soft	Soft	Soft	Stable	Stable

	Last week	Prev. week
VLCCs fixed all areas last week:	47	47
VLCCs avail. in MEG next 30 days:	115	110

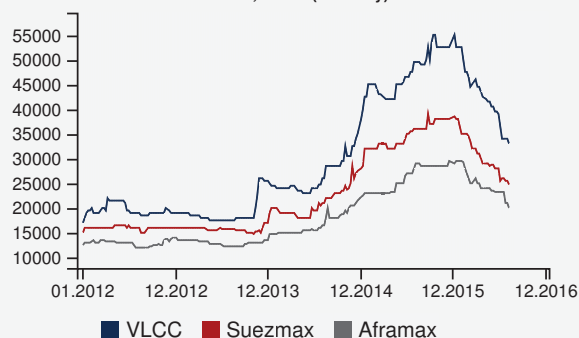
Rates

DIRTY (Spot WS)		This week	Last week	Low 2016	High 2016
MEG / West	VLCC	21.00	24.00	21.00	63.00
MEG / Japan	VLCC	32.50	35.00	32.50	111.5
MEG / Singapore	VLCC	33.00	36.00	33.00	113.5
WAF / FEAST	260,000	41.50	44.00	41.50	113.0
WAF / USAC	130,000	40.00	47.50	40.00	115.0
Sidi Kerir / W Me	135,000	50.00	55.00	50.00	135.0
N. Afr / Euromed	80,000	70.00	72.50	70.00	122.5
UK / Cont	80,000	75.00	82.50	75.00	125.0
Caribs / USG	70,000	75.00	85.00	75.00	145.0

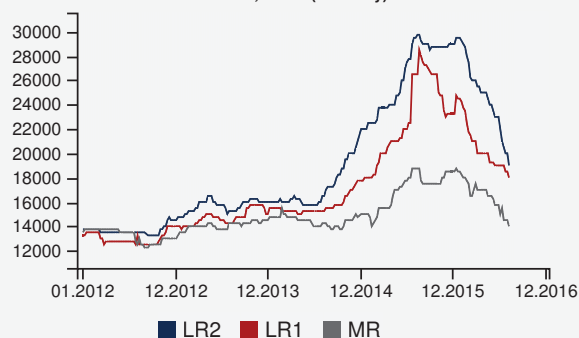
CLEAN (Spot WS)		This week	Last week	Low 2016	High 2016
MEG / Japan	75,000	105.0	102.5	80.00	160.0
MEG / Japan	55,000	105.0	100.0	90.00	150.0
MEG / Japan	30,000	110.0	110.0	100.0	135.0
Singapore / Japan	30,000	120.0	120.0	120.0	150.0
Baltic T/A	60,000	90.00	92.50	65.00	155.0
UK-Med / States	37,000	82.00	90.00	82.00	152.5
USG / UKC-Med	38,000	55.00	55.00	55.00	125.0

1 YEAR T/C (USD/day) (theoretical)		This week	Last week	Low 2016	High 2016
VLCC	(modern)	33 000	34 000	33 000	55 000
Suezmax	(modern)	24 750	25 500	24 750	38 500
Aframax	(modern)	20 000	21 000	20 000	29 500
LR2	105,000	19 000	19 000	19 000	29 500
LR1	80,000	18 000	18 000	18 000	24 750
MR	47,000	14 000	14 000	14 000	18 750

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



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



TANKERS

Crude

A week not very different than the previous for the VLCC's. Overtonnaged and 'under-supplied' with fresh business for virtually all major VLCC routes. Rates therefore remain under heavy pressure with earnings dipping sub USD 20k/day for MEG/East. Wafr/East activity remains slow as well with earnings just about USD 20k/day for round voyages, levels we have not seen for some years. There are few pointers out there for any changes for the balance of the summer and even into the autumn. In the meantime, NB's continue to be delivered to the market. The Suezmax market has taken another beater this week as rates are dropping further to owners' frustration. The activity has picked up, but the overhang of tonnage has seen rates dropped to a year low for Wafr/UKCM voyages. The position list still looks ample as spot vessels located at Wafr and Gibraltar are sitting patiently looking for cargoes. The West African market are not getting any help from Med/Blsea as the small amount of cargoes rptd has been absorbed by oil companies own vessels or a few chartered in vessels with rates below last done. In the North Sea and Baltic, rates continued to soften as the list of spot ships keeps getting longer. We are still experiencing lack of North Sea and Baltic FO activity, but on a positive note we have seen several North Sea cargoes going down to the Med. Moving forward we might as well quote the legend Billy Ocean "When the going gets tough, the tough get going". Med and Blsea keeps on dropping and we know it's like a broken record saying that, but unfortunately that is the reality. For the first time this year we have seen a cargo being fixed out of Blsea at ws70. The Demurrage rate will not cheer up the owners either as it's down to 18.5. The lack of activity is astonishing and the above mention cargoes coming from the North Sea to the Med is not making things any better for the owners.

Product

EAST OF SUEZ With well-balanced position lists in the Middle East Gulf for both LR1s and LR2s, and with a steady flow of cargoes from charterers, owners have been able to maintain, and even get a few points extra this week. Today owners of both LR1s and LR2s have been able to secure ws105 for their services for Far East destinations. The rate for UKC destination, basis LR2, is still around the USD 2.1 mill mark and the LR1 getting around the USD 1.5 mill mark. The MR market in the Middle East Gulf is still stable and rates for Far East is still around ws120. In the Far East, the MR market is also unchanged with the benchmark voyage from Singapore to Japan still around ws120. WEST OF SUEZ Another week with softening rates in western hemisphere as owners have not been able to fend off the slightly negative trend, which started last week. MRs have seen the rate for a trans-Atlantic voyage drop from ws90 level to ws80 level today and they have not been able to get any help with higher rates for the backhaul cargo ex US Gulf since this rate is unchanged at ws55. LR1s trading to West Africa have also been struggling to maintain last week's rates but have only had to accept a 2.5 point drop in rates to ws90. On the positive note, LR2s have been able to maintain the slightly positive momentum from last week and the benchmark voyage from Mediterranean to Far East has picked up another USD 100,000 and is today at USD 1.750 mill. The Handy market rates on the Continent and Mediterranean are unchanged from last week at ws110 and ws115 respectively.



Fearnleys Weekly Report

Activity level

Capesize	Panamax	Supramax
Slow	Soft	Soft

Rates	This week	Last week	Low 2016	High 2016
CAPESIZE (usd/day, usd/tonne)				
TCT Cont/Far East (180' dwt)	12 000	12 500	6 100	17 000
Tubarao / R.dam (Iron ore)	4.00	4.20	2.00	5.10
Richards Bay/R.dam	3.50	3.65	2.00	4.20
PANAMAX (usd/day, usd/tonne)				
Transatlantic RV	5 200	6 350	1 400	8 500
TCT Cont / F. East	9 100	10 250	5 000	11 500
TCT F. East / Cont	1 000	1 100	250.0	1 200
TCT F. East RV	5 000	6 100	1 925	6 900
Murmansk b.13-ARA 15/25,000 sc	4.80	5.70	3.60	6.10
SUPRAMAX (usd/day)				
Atlantic RV	8 700	9 100	2 510	10 000
Pacific RV	6 000	6 300	2 000	6 600
TCT Cont / F. East	9 500	9 700	1 100	11 000
1 YEAR T/C (usd/day)				
Capesize 180,000 dwt	7 500	7 500	5 000	8 550
Capesize 170,000 dwt	6 500	6 500	4 500	7 800
Panamax 75,000 dwt	5 800	6 000	4 250	6 200
Supramax 53,000 dwt	6 000	6 100	4 900	6 500
Baltic Dry Index (BDI):	641	679	n/a	n/a

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



Activity level

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

LPG Rates					* Excl. waiting time, if any
SPOT MARKET (usd/month)*	This week	Last week	Low 2016	High 2016	
VLGC / 84,000	390 000	410 000	390 000	1 765 000	
LGC / 60,000	390 000	400 000	390 000	1 500 000	
MGC / 38,000	590 000	590 000	590 000	1 075 000	
HDY / 22,000	590 000	590 000	590 000	920 000	
ETH / 10,000	480 000	460 000	460 000	530 000	
SR / 6,500	425 000	425 000	425 000	460 000	
COASTER Asia	142 500	145 000	142 500	155 000	
COASTER Europe	160 000	160 000	160 000	190 000	

LPG/FOB prices (usd/tonne)		Propane	Butane	ISO
FOB North Sea / ANSI		247.5	243.5	
Saudi Arabia / CP		285.0	290.0	302.6
MT Belvieu (US Gulf)		213.6	266.1	
Sonatrach : Bethioua		252.0	262.0	

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	37 000	35 000	29 000	37 000
1 yr TC 155-165'cbm	29 000	29 000	29 000	35 000

DRY BULK

Capesize

There is a lack of fresh cargoes and consequently rates are remaining at depressing levels. In the Pacific there is a steady demand out of West Australia but freight rates have been dropping slowly to present levels around USD 3,8 pmt. In Atlantic, demand is weak resulting in owners keeping their ships waiting rather than accepting rates below operational expenses. With the European holiday season coming up, a sudden recovery seems unlikely.

Panamax

Over the last week the Atlantic rates have dropped despite a decent flow of fresh cargoes. Fertilizer from Baltic to Usg paying arnd 10 USD for 60.000 5 pct stem. Owners not really there to face the low levels yet. Ta rounds now being fixed in the low 5 k. Grain volumes still good but rates softening also here. ECSA / feast front hauls being fixed at 17,50 -18 USD for end august beg Sept. Aps ECSA rates typically arnd 7500 + 230 bb. Pacific dropping further and Aussie/ China rounds being fixed in the mid 5 k. Indo/India coal covered in the mid upper 6k. Nopac rounds paying around 5 k for a Panamax while a good Kamsarmax touch 6 k. Limited period business reported. 1 year should pay arnd high 5 maybe 6 ...

Supramax

Last week has been one of the slowest for some time with rates under pressure in most areas. BSI ending up with 660 points and with average TC value at USD 6,902. Atlantic has been performing poorly and the Asian rates are not better off. A 53,889-dwt has been fixed for a trip from Santos to West Africa around USD9,000 daily. In Far East 61-65,000-dwt has been fixed with coal del East Coast India to China USD5250 daily. Continent/Baltic continues with weak supply of vessels and owners remain with a desire to stay in Atlantic rather than going to Far East. Fertilizer business seeing rates around USD18 for 30,000t from Baltic to Brazil and for Baltic to U.S Gulf with 60,000t around USD11.

GAS

Chartering

The market for the largest LPG carriers (VLGCs) are continuing to move sideways. A couple of Indian cargoes has been quoted on the market this week, and at time of writing, one of these has been placed on subjects at a level below the current Baltic rate. As these cargoes normally being done at a premium to the Baltic, it underlines the current rough state of the market. In the Western hemisphere, there have also been some activity. One transatlantic cargo out of the USEC has been concluded on levels at a slight premium to the Baltic, whilst in the more long-haul trades out of the US Gulf, traders have been aiming for ships willing to slow-steam and store product in order to land the cargoes in the Far East in a slightly better forward market. One such deal has been concluded, whilst it is thought a couple more is in the works. The Baltic VLGC Index for the bench-mark voyage from Ras Tanura to Chiba, have only dropped close to 50 cents on a week-on-week basis, thus still very much hovering in the mid/low 20s pmt, which has more-or-less been the situation for the last 3-4 weeks. The current level reflects time charter levels around USD 13,000 per day.



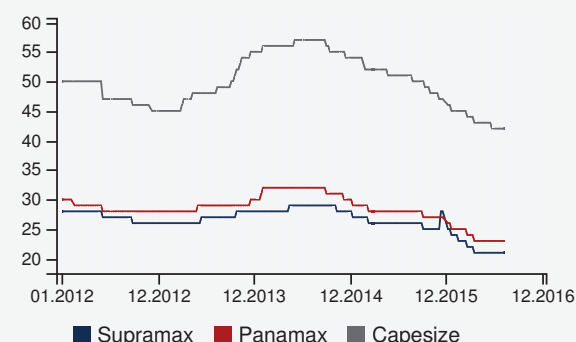
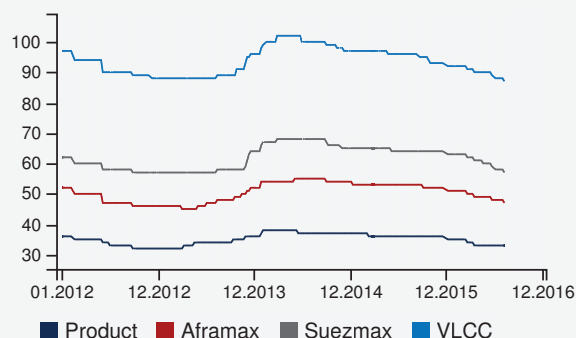
Fearnleys Weekly Report

Activity level

Tankers	Dry Bulkers	Others
Moderate	Low	Low

Prices

Average Far Eastern Prices					
PRICES (mill usd)		This week	Last week	Low 2016	High 2016
VLCC	300'dwt	87.00	88.00	87.00	92.00
Suezmax	150'dwt	57.00	58.00	57.00	63.00
Aframax	110'dwt	47.00	48.00	47.00	51.00
Product	50'dwt	33.00	33.00	33.00	35.00
Capesize	180'dwt	42.00	42.00	42.00	46.00
Panamax	82'dwt	23.00	23.00	23.00	26.00
Supramax	64'dwt	21.00	21.00	21.00	24.50
LNGC	170'cbm - MEGI	187.0	193.0	187.0	203.0



Market brief

	This week	Last week	Low 2016	High 2016
Rate of exchange				
USD/JPY	101.3	105.7	100.7	118.6
USD/KRW	1 118	1 133	1 118	1 234
USD/NOK	8.44	8.60	8.08	8.96
EUR/USD	1.12	1.10	1.07	1.15

Interest rate				
LIBOR USD 6 mnths	1.13	1.07	0.85	1.13
NIBOR NOK 6 mnths	1.23	1.17	1.05	1.23

Commodity prices				
Brent spot (USD)	42.30	44.70	28.06	52.40

Bunker prices				
Singapore	380 CST	212.0	225.0	145.0
	180 CST	218.0	237.0	148.0
	Gasoil	365.0	394.0	265.0
Rotterdam	380 HSFO	206.0	219.0	107.0
	180 CST	235.0	234.0	263.0
	Diesel	346.0	367.0	245.0

NEWBUILDING

Market remains quiet, which is explained by a combination of summer holiday season and weak freight markets. BW made a big move with DSME over the last week. In addition to placing an order for 2 VLCCs, they also swapped an existing LNGC order into a FSRU. BW now holds 3 LNGCs and 1 FSRU at DSME. The specialized FSRU is believed to have relatively large regas capacity. The Korean VLCC prices is currently at about USD 87 million depending on spec.

NEWBUILDING CONTRACTS

Type	No	Size	Yard	Buyer	Del	Price	Comm
MT		318000 dwt	DSME	BW	2018		
Ropax		31000 gt	HMD	Widong Ferry	2018		
LNG FSRU		174000 cbm	DSME	BW	2019		Swap

SALE AND PURCHASE TRANSACTIONS

Type	Vessel	Size	Built	Buyer	Price	Comm.
MT	Hyundai Samho S792	300 000	2016	Euronav	84,00	
MT	Hyundai Samho S791	300 000	2016		84,00	
MT	Akama	47 996	2003	Indonesian	rgn 11,5	Long subs
MT	Lynda Victory	40 577	1996	Indian	8,50	
MT	Alsterstern	17 080	1994	Undisclosed	5,70	
MT	Long Zhou	4 881	2009	Malaysian	4,00	Asphalt Tanker
BC	Mustang	180 000	2016	Greek	32,50	
BC	JT Citrus	86 926	2006	Chinese	7,80	
BC	United Fortune	82 600	2011	Greek	14,80	
BC	Ken Cape	45 690	1999	Undisclosed	2,80	
BC	Ethel L	34 399	2010	Greek	9,60	
BC	Caju	24 409	2000	Middle Eastern	2,50	

DEMOLITIONS

Sold for demolition

Vessel name	Size	Ldt	Built	Buyer	Price
M/V Star Monisha	164 218	23 961	2001	Bangladeshi	288
M/V Samudera Bangsa	72 421	10 201	1997	Bangladeshi	254
M/V Moonvazs	22 457	5 586	1983	Bangladeshi	250
M/V Apisara Naree	18 596	4 423	1996	Indian	265
LVSTCK Lincoln Express	1 748	1 446	1987	Bangladeshi	235