



Fearnleys Weekly Report

Activity level

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

	Last week	Prev. week
VLCCs fixed all areas last week:	51	52
VLCCs avail. in MEG next 30 days:	130	115

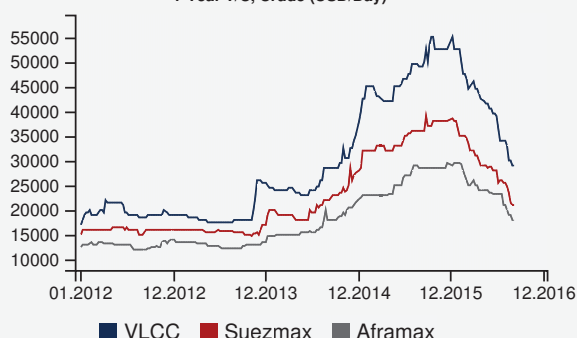
Rates

DIRTY (Spot WS)		This week	Last week	Low 2016	High 2016
MEG / West	VLCC	24.00	25.00	21.00	63.00
MEG / Japan	VLCC	32.00	35.00	32.00	111.5
MEG / Singapore	VLCC	33.00	36.00	33.00	113.5
WAF / FEAST	260,000	39.00	40.00	39.00	113.0
WAF / USAC	130,000	45.00	42.50	35.00	115.0
Sidi Kerir / W Me	135,000	50.00	47.50	42.50	135.0
N. Afr / Euromed	80,000	55.00	65.00	55.00	122.5
UK / Cont	80,000	80.00	77.50	75.00	125.0
Caribs / USG	70,000	95.00	82.00	75.00	145.0

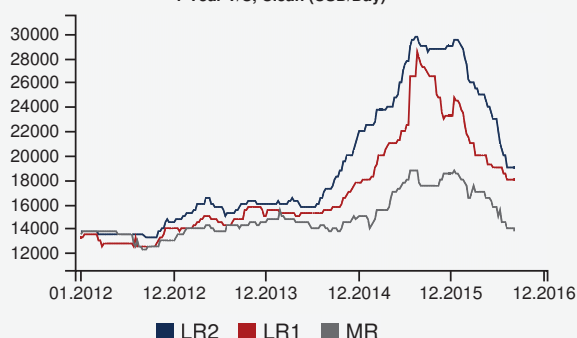
CLEAN (Spot WS)		This week	Last week	Low 2016	High 2016
MEG / Japan	75,000	102.5	105.0	80.00	160.0
MEG / Japan	55,000	110.0	115.0	90.00	150.0
MEG / Japan	30,000	100.0	105.0	100.0	135.0
Singapore / Japan	30,000	117.5	117.5	115.0	150.0
Baltic T/A	60,000	85.00	85.00	65.00	155.0
UK-Med / States	37,000	90.00	80.00	80.00	152.5
USG / UKC-Med	38,000	57.50	50.00	50.00	125.0

1 YEAR T/C (USD/day) (theoretical)		This week	Last week	Low 2016	High 2016
VLCC	(modern)	29 000	29 000	29 000	55 000
Suezmax	(modern)	21 000	21 000	21 000	38 500
Aframax	(modern)	18 000	18 000	18 000	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	13 750	14 000	13 750	18 750

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



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



TANKERS

Crude

This week very similar to the previous week except the fact that rates have corrected down further for the major Vlcc routes. Meg/East activity still at a modest tempo with fierce completion among owners with 'issues' and those with all 'bells-and-whistles'. The result is that those who can use the former type will, with a rebate, and with few alternatives rates Meg/East have dipped below w30. It does have a domino effect on the other routes as well with sub w25 done Meg/West. Very slow in the Atlantic as well expect Caribbean/East with a least some activity, but rates very soft. I.e. well over tonnaged all over and volumes simply insufficient for now. After last week's surge the suezmax market established a new ground level and is now fixing away relatively stable across the board. Meg seeing more cargoes out of Kharg Island for western destinations which have helped rates improve to high 30s for Meg/Ukcm. West-Africa have seen a good amount of activity lately, combined with requirements in both the Med and Caribs which helps clearing the prompt side of the tonnage list. The trend in the North Sea and Baltic on aframaxs these last couple of months, with rates hovering at bottom levels finally changed direction to the better. Activity level increased and there are still quite a few Baltic and North Sea cargoes to be covered up to the middle of the month. Also, quite a few ships has left the area as fixed on long voyages, so watch this space. In the Med and Bsea we still see a decent amount of cargoes being worked. The only problem for the owners is the endless list of available ships, putting a constant downward pressure on rates. WS65 has been done from Bsea, but even with a busy black sea program, we expect rates to remain stable for the week to come.

Product

EAST OF SUEZ It has been an uneventful week in the Middle east gulf and we could possibly see some signs of fatigue with a chance of rates coming under pressure. Rates for lr2's have dropped some ws2.5 points since last week, and is today paying ws 102.5 and ws110 is paid to the lr1's, a decline of some ws5 points since last week. Mr's have not either been able to maintain last week's level and have been forced to accept a ws5 points cut, to ws110 for Far east discharge. In the Far east rate have been maintained during the week and 30,000 mtons from Singapore to Japan is still paying ws117.5/120 level. WEST OF SUEZ On the Continent mr's trading trans-Atlantic have been able to improve rates by ws10 points this last week to ws90. Lr1 rates have been flat at ws85. Biggest winner has been back-haul fixtures from the U.S. gulf where rates have moved from ws50 to close to ws60 today basis 38.000 mtons, but it must be said that we are coming from very low levels. Activity for lr2's remain unchanged on the Continent with most tonnage becoming available have to ballast towards Mediterranean before being able to secure a cargo. Rate from Mediterranean remains unchanged from last week at around USD 1.8 mill for Far East destination. No big surprise but handy/mr market for inter Mediterranean and Continent more or less unchanged at ws112.5 and ws110 level, respectively.



Fearnleys Weekly Report

Activity level

Capesize	Panamax	Supramax
Stable	Stable	Active

Rates	This week	Last week	Low 2016	High 2016
CAPESIZE (usd/day, usd/tonne)				
TCT Cont/Far East (180' dwt)	12 350	12 300	6 100	17 000
Tubarao / R.dam (Iron ore)	4.70	4.00	2.00	5.10
Richards Bay/R.dam	4.25	3.00	2.00	4.25
PANAMAX (usd/day, usd/tonne)				
Transatlantic RV	5 000	5 700	1 400	8 500
TCT Cont / F. East	10 000	10 450	5 000	11 500
TCT F. East / Cont	990.0	1 000	250.0	1 200
TCT F. East RV	5 250	5 400	1 925	6 900
Murmansk b.13-ARA 15/25,000 sc	5.20	5.42	3.60	6.10
SUPRAMAX (usd/day)				
Atlantic RV	7 500	7 300	2 510	10 000
Pacific RV	7 000	6 800	2 000	7 000
TCT Cont / F. East	10 200	10 200	1 100	11 000
1 YEAR T/C (usd/day)				
Capesize 180,000 dwt	7 600	7 600	5 000	8 550
Capesize 170,000 dwt	6 500	6 500	4 500	7 800
Panamax 75,000 dwt	5 500	5 600	4 250	6 200
Supramax 53,000 dwt	6 500	6 500	4 900	6 500
Baltic Dry Index (BDI):	715	706	n/a	n/a

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



Activity level

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

LPG Rates				
* Excl. waiting time, if any				
SPOT MARKET (usd/month)*	This week	Last week	Low 2016	High 2016
VLGC / 84,000	220 000	260 000	220 000	1 765 000
LGC / 60,000	220 000	290 000	220 000	1 500 000
MGC / 38,000	560 000	560 000	560 000	1 075 000
HDY / 22,000	560 000	560 000	560 000	920 000
ETH / 10,000	480 000	480 000	460 000	530 000
SR / 6,500	400 000	410 000	400 000	460 000
COASTER Asia	142 500	142 500	142 500	155 000
COASTER Europe	135 000	135 000	135 000	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	
MT Belvieu (US Gulf)	250.7	281.4	292.6
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	36 000	35 000	29 000	36 000
West of Suez 155-165'cbm	41 000	41 000	29 000	41 000
1 yr TC 155-165'cbm	31 000	31 000	29 000	35 000

DRY BULK

Capesize

Last week ended on a firm note with freight rates for west Australia/China hitting the high USD 4 pmt level and Brazil/China route climbing up to the high USD 9 pmt. This week have been very slow so far with very low activity and rates for both West Aussie to China and Brazil to China taking a down turn to the mid usd 4 pmt and mid USD 9 pmt. However as we are mid week it does seem the market has stabilized at the present levels. we are now way into Q3 the expectations are increasing further. Seasonally we should be entering the most active period, and freight rates should be increasing simultaneously.

Panamax

It was a very quiet start to the week with bank holiday in London. Several owners were reluctant to move as they wanted to wait and see when traders were back. Mid week we see a flat market with some fresh Baltic cgos and expectations of a firming market for September stems out of USG. Some grain traders are already entering the market with forward cargoes and there are reports of good crops in the US. TA's are being fixed in region of USD 5k while Fhaults are being fixed in excess of USD 10k. In the Far East we see the same flat tendency as in the Atlantic. Levels are abt the same with 5k being fixed for rounds. The period market is slow although some takers out there for the shorter periods.

Supramax

This week started slower with London on bank holiday Monday. The south east Asian market seems to have been taking a breather with charterers holding off from a very heated market. Smax getting levels of mid/higher 7k del Spore for trips to China and ard 9k for direction India. ECSA front hauls have been very quiet but still seems alive with latest rumors of a nice Umax getting 11k+150k ppt del for a trip to PG. In the Atlantic we see more activity and also here big expectations for USG grains coming up now in September. USG/Cont are fixing Umax at ard Usd 14k and levels are quite healthy. The period market is also active with Smax being fixed in the 7's for short period and the bigger Ultras fixing 8k for same.

GAS

Chartering

We do not have much to write about from last week's lacklustre VLGC market. There were of course freight discussions, open market freight inquiries as well as FOB cargoes/swaps talked about both in the East and in the West. Spot rates were attempted pushed further down everywhere, one fixture was concluded in the high USD 10's basis MEG/Far East and with a rising bunker price lately, the daily net came to USD 7500. For some owners this is below their OPEX cost, for others it just about covers OPEX, but it is surely not a sustainable level for anyone. The September posted prices from MEG suppliers came out today very much in line with expectations as well as dispositions made already, hence market players now focus on CFR values rather than FOB prices ahead. We struggle to see any upside in the short term freight market, the spot charterers are more busy in the paper market than in physical trading lately. Inventory levels in the Far East seem ample for the time of the year and there is no ullage for stockbuilding in preparation for winter yet. A US East coast Ethane export facility has been delayed from end of 2016 to middle of 2017, the dedicated 35000 cbm ETH/LPG is already in service so rather than carrying Ethane from USEC to NWE she will have to find employment in the LPG market for a few months.



Fearnleys Weekly Report

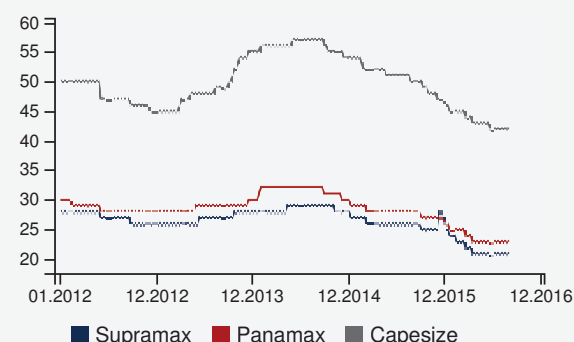
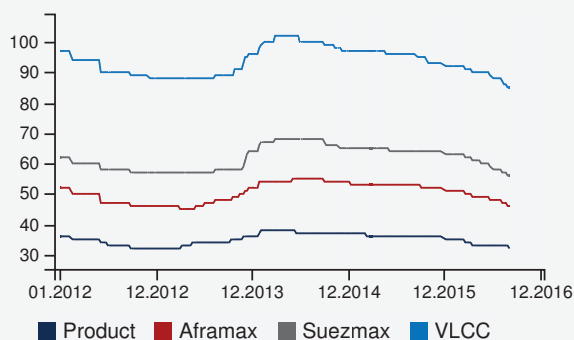
Activity level

Tankers	Dry Bulk	Others
Low	Low	Low

Prices

Average Far Eastern Prices

PRICES (mill usd)		This week	Last week	Low 2016	High 2016
VLCC	300'dwt	85.00	85.00	85.00	92.00
Suezmax	150'dwt	56.00	56.00	56.00	63.00
Aframax	110'dwt	46.00	46.00	46.00	51.00
Product	50'dwt	32.00	32.50	32.00	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	186.0	186.0	186.0	203.0



Market brief

	This week	Last week	Low 2016	High 2016
Rate of exchange				
USD/JPY	103.2	100.4	100.4	118.6
USD/KRW	1 115	1 120	1 093	1 234
USD/NOK	8.33	8.20	8.08	8.96
EUR/USD	1.11	1.12	1.07	1.15

Interest rate

LIBOR USD 6 mnths	1.24	1.23	0.85	1.24
NIBOR NOK 6 mnths	1.26	1.30	1.05	1.31

Commodity prices

Brent spot (USD)	48.03	49.66	28.06	52.40
------------------	-------	-------	-------	-------

Bunker prices

Singapore	380 CST	257.0	253.0	145.0	257.0
	180 CST	264.0	265.0	148.0	265.0
	Gasoil	418.0	428.0	265.0	460.0
Rotterdam	380 HSFO	241.0	240.0	107.0	242.0
	180 CST	271.0	268.0		271.0
	Diesel	413.0	414.0	245.0	452.0

NEWBUILDING

Little activity this week. Only a pair of Jones Act Conro vessels ordered at General Dynamics in San Diego. We estimate the price to be abt 3-4 times higher than for a similar Chinese built vessel.

NEWBUILDING CONTRACTS

Type	No	Size	Yard	Buyer	Del	Price	Comm
CONRO	2	3500 teu	NASSCO	Matson Inc	2019-2020	255	

SALE AND PURCHASE TRANSACTIONS

Type	Vessel	Size	Built	Buyer	Price	Comm.
MT	Daehan 5013	114 900	2017	NS Lemos	44,00	Tier 2. Ice 1c
MT	Daehan 5014	114 900	2017	NS Lemos	44,00	
MT	CE-Merapi	105 274	1996	Russian	11,10	
MT	Samsung Ningbo Sha116	52 000	2017	KLC	31,00	Incl. 5yrs TC at USD14,900/day
MT	Samsung Ningbo Sha115	52 000	2017		31,00	
MT	St. Marien	51 218	2008	S. Korean	17,70	Incl. TC
MT	St. Johannes	51 218	2007		17,70	
MT	Nord Thumbelina	38 461	2006	Valloebey Shipping	14,00	
MT	Dong-A-pontus	12 940	2006	Vietnamese	10,30	
BC	Shin Heiryu	203 315	2003	Winning Shipping	10,40	
BC	Toro Orient	76 636	2008	Greek	9,00	
BC	JS Loire	63 500	2012	Celcius Shipping	12,80	
BC	JS Rhin	63 500	2012		12,80	
BC	Heroic	57 721	2012	Chinese	7,30	
BC	Conti Fuchsit	57 000	2012	Undisclosed	high 7	
BC	Conti Flint	57 000	2011	Undisclosed	high 7	
BC	Temara	53 410	2007	Undisclosed	5,50	
BC	Crimson Jupiter	48 205	1996	Far Eastern	3,30	
BC	Marguerite	47 304	2002	Greek	4,20	
BC	Nosco Victory	45 585	1996	Undisclosed	2,10	
BC	Tan Binh 234	32 936	2006	European	7,20	
BC	Siam Win	12 519	2006	Undisclosed	4,00	

DEMOLITIONS

Sold for demolition

Vessel name	Size	Ldt	Built	Buyer	Price
M/V Sing Fu Star	171 039	19 992	1996	Undisclosed	285
M/V Cemtex Diligence	80 470	11 763	1999	Indian	258
M/V Harefield	41 651	11 240	1985	Indian	270
M/V C. Iris	71 393	10 205	1996	Bangladeshi	290
M/V Ever Excellent	73 965	9 770	1998	Bangladeshi	288
M/V Bao Yue	40 085	8 546	1989	Pakistani	286