



Fearnleys Weekly Report

Activity level

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

	Last week	Prev. week
VLCCs fixed all areas last week:	59	51
VLCCs avail. in MEG next 30 days:	110	130

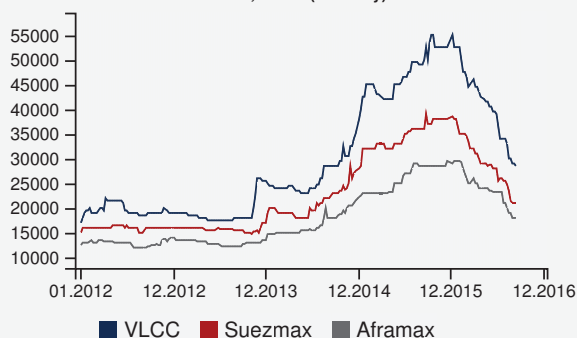
Rates

DIRTY (Spot WS)		This week	Last week	Low 2016	High 2016
MEG / West	VLCC	24.00	24.00	21.00	63.00
MEG / Japan	VLCC	34.00	32.00	32.00	111.5
MEG / Singapore	VLCC	35.00	33.00	33.00	113.5
WAF / FEAST	260,000	38.00	39.00	38.00	113.0
WAF / USAC	130,000	47.00	45.00	35.00	115.0
Sidi Kerir / W Me	135,000	52.00	50.00	42.50	135.0
N. Afr / Euromed	80,000	70.00	55.00	55.00	122.5
UK / Cont	80,000	90.00	80.00	75.00	125.0
Caribs / USG	70,000	105.0	95.00	75.00	145.0

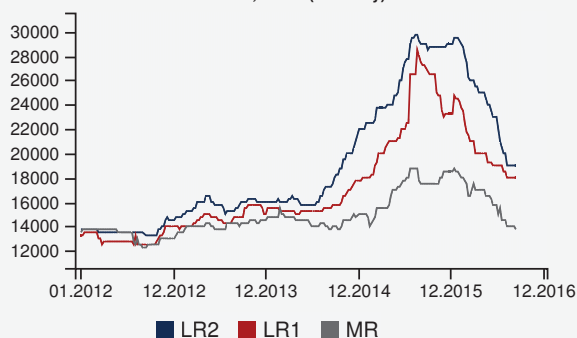
CLEAN (Spot WS)		This week	Last week	Low 2016	High 2016
MEG / Japan	75,000	95.00	102.5	80.00	160.0
MEG / Japan	55,000	100.0	110.0	90.00	150.0
MEG / Japan	30,000	95.00	100.0	95.00	135.0
Singapore / Japan	30,000	117.5	117.5	115.0	150.0
Baltic T/A	60,000	77.50	85.00	65.00	155.0
UK-Med / States	37,000	77.50	90.00	77.50	152.5
USG / UKC-Med	38,000	55.00	57.50	50.00	125.0

1 YEAR T/C (usd/day) (theoretical)		This week	Last week	Low 2016	High 2016
VLCC	(modern)	28 500	29 000	28 500	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	13 750	13 750	18 750

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



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



TANKERS

Crude

The VLCC market recorded steady activity for most VLCC routes during last week, but much to owners regret rates remained stable. Owners tried to show some weak resistance and the market ex MEG increased a point or so just to ease off again so for all practical reasons no change to the better for owners. The Atlantic also saw more off the same with steady activity, but charterers managed to maintain levels. Unfortunately for owners no imminent change to recent trend is expected. Although last week proved to be more active for Suezmaxes in West Africa it was not enough to have any impact on rates which remained more or less unchanged. A slightly more bullish sentiment from owners reacting to a few prompt replacement cargoes with few candidates to choose from was dampened as Charterers remained patient and did not rush to cover, in tandem natural market dates stems were worked accordingly. The same was evident also in the Med / Bsea, a well balanced tonnage list in the area kept rates more or less unchanged. As expected Baltic and Nsea Aframax firmed on the back of increased activity ex Baltic. At time of writing Baltic rates are ws65 ex Baltic and ws90 cross Nsea. Rates are still under upward pressure as we expect an even busier 3rd decade ex Baltic. In the Med and Bsea we have, as expected, seen a very busy market the last week. For the first time in a couple of months owners feel like it's their time to put pressure on charterers. On the back of increasing cross med cargo activity, combined with a very busy Bsea-program, we have now seen w70 paid three times from Bsea, and we believe it will continue to look interesting the week to come.

Product

EAST OF SUEZ Whilst a lot of shipping people have been attending the yearly Apec festivities in Singapore, the market in the Middle East Gulf has not been in the best of moods. The slight drop in rates which started last week has continued this week with LR2 rates dropping ws7,5/10 points and LR1 saw their rates reduced with ws10 points to ws95 and ws100 respectively. For west destinations rates are today about USD 2,05/2,1 mill basis LR2 and about USD 1,5 mill for LR1's. Nor MR's have been able to maintain rates and owners have had to reduce rates for Japan discharge to ws95. MR's locally in the Far East have seen a more stable market this week and the benchmark voyage from Singapore to Japan still pays ws117,5 level. **WEST OF SUEZ** Also in the west the market has been under attack. Today the MR rate for a trans-Atlantic voyage is paying around ws77,5, down from ws90 last week. The MR backhaul rate from U.S. gulf is stable around the ws55/57,5 mark. LR1 owners have had to reduce their rate for west Africa discharge to ws77,5 level, down ws7,5 points since last week. LR2's have also not had a very good week with the Mediterranean Far east rate drop almost USD 200.000 to lumpsum USD 1,575/1,6 mill mark. For the Handysize market, cross Continent is unchanged at ws105 and cross Mediterranean pays ws105 level.



Fearnleys Weekly Report

Activity level

Capesize	Panamax	Supramax
Active	Mixed	Stable

Rates	This week	Last week	Low 2016	High 2016
CAPESIZE (usd/day, usd/tonne)				
TCT Cont/Far East (180' dwt)	14 700	12 350	6 100	17 000
Tubarao / R.dam (Iron ore)	5.40	4.70	2.00	5.40
Richards Bay/R.dam	5.00	4.25	2.00	5.00
PANAMAX (usd/day, usd/tonne)				
Transatlantic RV	5 000	5 000	1 400	8 500
TCT Cont / F. East	10 000	10 000	5 000	11 500
TCT F. East / Cont	1 000	990.0	250.0	1 200
TCT F. East RV	5 500	5 250	1 925	6 900
Murmansk b.13-ARA 15/25,000 sc	5.10	5.20	3.60	6.10
SUPRAMAX (usd/day)				
Atlantic RV	7 550	7 500	2 510	10 000
Pacific RV	6 800	7 000	2 000	7 000
TCT Cont / F. East	10 000	10 200	1 100	11 000
1 YEAR T/C (usd/day)				
Capesize 180,000 dwt	8 200	7 600	5 000	8 550
Capesize 170,000 dwt	7 200	6 500	4 500	7 800
Panamax 75,000 dwt	5 600	5 500	4 250	6 200
Supramax 53,000 dwt	6 500	6 500	4 900	6 500
Baltic Dry Index (BDI):	773	715	n/a	n/a

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



Activity level

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

LPG Rates					* Excl. waiting time, if any
SPOT MARKET (usd/month)*	This week	Last week	Low 2016	High 2016	
VLGC / 84,000	215 000	220 000	215 000	1 765 000	
LGC / 60,000	215 000	220 000	215 000	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	400 000	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		261.5	305.5	
Saudi Arabia / CP		295.0	320.0	
MT Belvieu (US Gulf)		239.0	279.8	287.0
Sonatrach : Bethioua		280.0	325.0	

LNG

SPOT MARKET (usd/day)	This week	Last week	Low 2016	High 2016
East of Suez 155-165'cbm	36 000	36 000	29 000	36 000
West of Suez 155-165'cbm	41 000	41 000	29 000	41 000
1 yr TC 155-165'cbm	32 000	31 000	29 000	35 000

DRY BULK

Capesize

The rates have improved substantially with the demand out of Brazil being the main driver; C3 has improved more than a dollar since beginning of this week, and is still expected to improve. Transatlantic rates having been more or less flat throughout the summer is finally moving, with c7 approaching usd 6 pmt. West Australia started the day at usd 5,30 and ended at usd 5,50 pmt and transpacific round voyage is excess of usd 10,000 daily. The sentiment is solid.

Panamax

Sentiment is abit nervous, with a falling tendency in Atlantic but holding to slightly improving in Pacific. Typical Atlantic rounds still paying close to 5.000 on T/C and fronthaul above 10 K from Cont depending on duration and destination. USG activity still not able to meet the number of inbound ballaster from the Med or the Pacific. Rates under pressure at abt 10500 + 250 APS. ECSA longhaul less active, but levels are holding at abt 7500 + 250' for LME. Busier and healthier in the eastern hemisphere where rates have come up from mid week to 6.000 for good units for NOPAC r/v. Period interest and levels not moving much – short medium period is in the mid/upper 5's for LME, low 6's for KMAX. Will Q4 perform ?

Supramax

A quiet start with Labour Day celebrations in the United States today leading to very little being reported from the Atlantic basin. Supramaxes has seen around 10k+130k ppt del ECSA for fronthauls to Singapore/Japan. Ultramax 60' dwt got 12k for USG to Spain with petcoke. Fertz biz out of Baltic amongst 30000 mts have seen rates around USD 35 to India and USD 16 to Brazil. In the Pacific Supramaxes are getting around low/mid 7k bss del CJK via Phil to China for nickel ore cargoes and around high 6's for del Singapore for coal to China via Indonesia. Smax for short periods in being fixed around low-mid 7k's and Ultramax around 8k for same.

GAS

Chartering

The VLGC spot market has continued its slow pace this week, with little activity to report. Various industry events has probably not helped the activity level either. In line with the slow market activity, the Baltic VLGC index is continuing to move sideways in the high USD 10's pmt, which represents a time charter equivalent (T/C/E) rate between USD 7000 and 7500 per day. Unfortunately, we do not see any sign of improvement in the nearest future. On the positive note, we have seen an increasing buying interest for Butane in NW Europe, which has open up the arbitrage between US Gulf and NWE. It's over a year ago since last time this arbitrage was open and consequently we have seen more activity on the Handy size segment. Going forwards and into the winter season we are optimistic that the Handy owners will see less idle time and potentially a tighter market.



Fearnleys Weekly Report

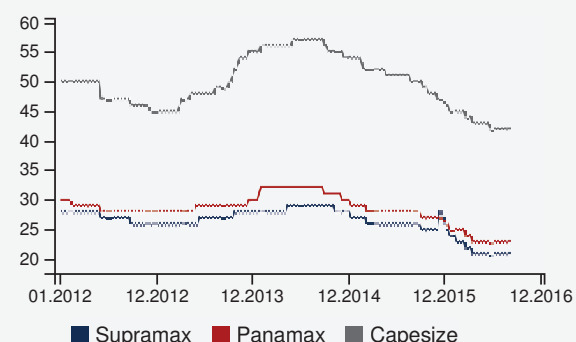
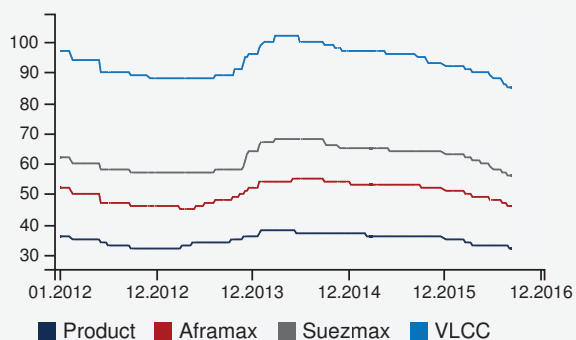
Activity level

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	32.00	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	101.5	103.2	100.4	118.6
USD/KRW	1 090	1 115	1 090	1 234
USD/NOK	8.17	8.33	8.08	8.96
EUR/USD	1.12	1.11	1.07	1.15

Interest rate

LIBOR USD 6 mnths	1.25	1.24	0.85	1.25
NIBOR NOK 6 mnths	1.29	1.26	1.05	1.31

Commodity prices

Brent spot (USD)	47.19	48.03	28.06	52.40
------------------	-------	-------	-------	-------

Bunker prices

Singapore	380 CST	255.0	257.0	145.0	257.0
	180 CST	262.0	264.0	148.0	265.0
	Gasoil	415.0	418.0	265.0	460.0
Rotterdam	380 HSFO	237.0	241.0	107.0	242.0
	180 CST	267.0	271.0		271.0
	Diesel	400.0	413.0	245.0	452.0

NEWBUILDING

A quiet week in the newbuilding market with only one order to report, as Carnival has returned to Meyer Werft Papenburg for an order of three 180,000 gt Cruise vessels. Vessels slated for delivery from 2020 to 2022, and will have LNG dual fuel propulsion.

NEWBUILDING CONTRACTS

Type	No	Size	Yard	Buyer	Del	Price	Comm
Cruise	3	180 000 gt	Meyer	Carnival	2020-22		

SALE AND PURCHASE TRANSACTIONS

Type	Vessel	Size	Built	Buyer	Price	Comm.
MT	Princimar Americas	19 707	2004	Uk based	18,50	
BC	Johannes Wulff	93 272	2010	Greek	high 8	
BC	C Fortune	76 000	2016	Chinese	11,00	
BC	Cape Scott	28 747	1997	Tsurumi Sunmarine	2,30	
BC	Daisy K	28 420	2012	European	7,90	
BC	Ana Ocean	24 318	1995	Chinese	1,60	
BC	Free Maverick	23 994	1998	Chinese	2,00	

DEMOLITIONS

Sold for demolition

Vessel name	Size	Ldt	Built	Buyer	Price
M/V CSK Beilun	172 561	21 000	1999	Undisclosed	279
CONT Heike P	39 128	13 062	2000	Indian	279
CONT Meta	39 128	13 062	2001	Indian	250
CONT Liwia P	39 128	13 062	2001	Indian	272
CONT Alexandra	39 128	13 062	2000	Indian	269
M/V Tong Ying	66 758	12 243	1989	Bangladeshi	284
M/V Sanmar Paragon	73 080	10 749	1996	Bangladeshi	279