



Fearnleys Weekly Report

Activity level

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

	Last week	Prev. week
VLCCs fixed all areas last week:	38	62
VLCCs avail. in MEG next 30 days:	95	83

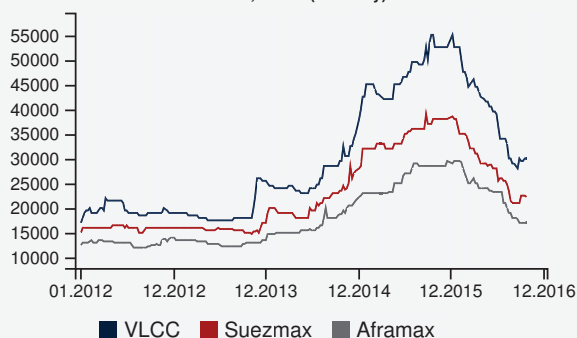
Rates

DIRTY (Spot WS)		This week	Last week	Low 2016	High 2016
MEG / West	VLCC	40.00	38.00	21.00	63.00
MEG / Japan	VLCC	69.00	65.00	32.00	111.5
MEG / Singapore	VLCC	70.00	66.00	33.00	113.5
WAF / FEAST	260,000	69.00	67.00	38.00	113.0
WAF / USAC	130,000	62.50	72.00	35.00	115.0
Sidi Kerir / W Me	135,000	85.00	77.00	42.50	135.0
N. Afr / Euromed	80,000	67.50	62.50	55.00	122.5
UK / Cont	80,000	95.00	90.00	75.00	125.0
Caribs / USG	70,000	112.5	95.00	75.00	145.0

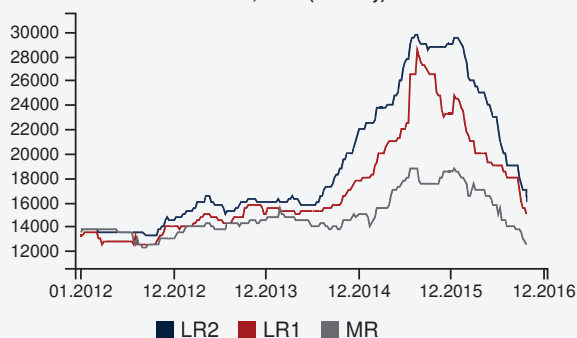
CLEAN (Spot WS)		This week	Last week	Low 2016	High 2016
MEG / Japan	75,000	90.00	60.00	55.00	160.0
MEG / Japan	55,000	95.00	80.00	75.00	150.0
MEG / Japan	30,000	92.50	92.50	92.00	135.0
Singapore / Japan	30,000	115.0	115.0	115.0	150.0
Baltic T/A	60,000	65.00	62.50	55.00	155.0
USG-Med / States	37,000	80.00	75.00	70.00	152.5
UKG / UKC-Med	38,000	52.50	50.00	50.00	125.0

1 YEAR T/C (USD/day) (theoretical)		This week	Last week	Low 2016	High 2016
VLCC	(modern)	30 000	30 000	28 000	55 000
Suezmax	(modern)	22 250	22 500	21 000	38 500
Aframax	(modern)	17 000	17 000	17 000	29 500
LR2	105,000	16 000	17 000	16 000	29 500
LR1	80,000	15 000	15 000	15 000	24 750
MR	47,000	12 500	12 500	12 500	18 750

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



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



TANKERS

Crude

The general activity for the VLCCs is not as high as some had expected when the Saudi stems for November were clear on Monday. Additionally the BOT program for the early Nov was also thinner than expected. Rates have however still firmed in the Meg, though with a bigger delta between the older types and the modern ones which are thin on the ground. The rates Meg/West and Wafr/East have therefore strengthened. Americas/East volumes continue briskly, absorbing tonnage in the area. Still optimism in general for the VLCCs with owners waiting for volumes to increase whilst charterers trying to work quietly to avoid noise as supply of tonnage may get impaired by delays both due to weather and inventories. The Smax market stabilised in the 3rd decade at w72.5 levels, Charterers began to drip feed the cargoes starving the owners of much needed momentum. Several ships remained prompt into the early part of this week and finally the pressure told with last done w66.25 being paid for TD20. The Black sea programme for Nov revealed a larger than average cargo count and vessel supply was tight around early Nov dates, the pressure told with TD6 experiencing a jump to w85. The Wafr outlook remains soft in the short term until prompt tonnage is cleared out while the Black sea and med will likely further firm. Nsea And Baltic Aframaxes had all the fundamentals for an increase in rates for 3rd decade fixing. This did not materialize as expected due to ballasters from poor neighboring markets. One fixture in the Nsea paid a 7.5 point premium as they needed a big lifter during a rush of end month cargoes. At the time of writing both market could be on the verge of stepping up a notch. Med and Bsea continue to be a troublesome area for owners. Laden ships keep coming down from the north, and as such supplying the charterers with a lot of tonnage. However at the time of writing, rates have stabilized at mid to high 60's, due to decent amount of cargo actively. The two first decades of the Bsea program is looking healthy making it an interesting period ahead where rates can improve.

Product

EAST OF SUEZ The positive direction the market in the Middle East Gulf took last week has continued also this week. With a healthy stream of cargoes, owners have been able to increase rates to ws90 for LR2s and ws95 for LR1s for Far East destinations, an increase of ws30/ws15 points respectively. This increased activity have also owners of LR2s loading for the Continent benefitted from, and they are today being paid about lumpsum USD 1.800 million, up from USD 1.450 last week. For the MRs in the Middle East Gulf, it has been another uneventful week, and the going rate from west coast India to Japan is still around the ws92.5 mark. The same can we say about the MR market in the Far East, with the benchmark voyage from Singapore to Japan still unchanged at ws115 level. **WEST OF SUEZ** In the Atlantic, there has not been much change since last week. With ample tonnage for charterers to pick from, the rates for both MRs and LR1s are more or less unchanged from last week. Continent to States today pays around ws80 level for an MR and the rate for LR1s to West Africa is still stable around the ws65 mark. Back haul cargoes ex U.S. Gulf to the Continent has also flat around the ws52.5 level. With the increased activity in the Middle East Gulf for the LR2s, the rate have also improved from the Mediterranean to Far East. Latest fixed from Mediterranean is USD 1.350, up from USD 1.2 mill last week. It is still very quiet on the Continent for LR2s and most vessels have to ballast, but if you are lucky to get fixed, we assess the rate to be around USD 1.3 mill mark from the Continent. Handies on the Continent is still trading around the ws105 mark, whilst we have seen a slight increase in the Mediterranean to ws107.5.



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Activity level

Capesize	Panamax	Supramax
Weak	Firming	Firmer

Rates	This week	Last week	Low 2016	High 2016
CAPESIZE (usd/day, usd/tonne)				
TCT Cont/Far East (180' dwt)	17 700	21 000	6 100	21 000
Tubarao / R.dam (Iron ore)	6.80	7.30	2.00	7.30
Richards Bay/R.dam	6.40	6.80	2.00	6.80
PANAMAX (usd/day, usd/tonne)				
Transatlantic RV	8 500	6 000	1 400	8 500
TCT Cont / F. East	12 000	11 000	5 000	12 000
TCT F. East / Cont	1 400	1 200	250.0	1 400
TCT F. East RV	7 750	6 400	1 925	7 750
Murmansk b.13-ARA 15/25,000 sc	6.10	5.55	3.60	6.10
SUPRAMAX (usd/day)				
Atlantic RV	7 200	7 000	2 510	10 000
Pacific RV	6 200	6 100	2 000	7 000
TCT Cont / F. East	10 000	10 000	1 100	11 000
1 YEAR T/C (usd/day)				
Capesize 180,000 dwt	8 750	9 500	5 000	10 250
Capesize 170,000 dwt	7 500	8 000	4 500	9 000
Panamax 75,000 dwt	6 250	5 900	4 250	6 250
Supramax 53,000 dwt	6 600	6 600	4 900	6 600
Baltic Dry Index (BDI):	872	906	n/a	n/a

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



Activity level

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

LPG Rates					* Excl. waiting time, if any
SPOT MARKET (usd/month)*	This week	Last week	Low 2016	High 2016	
VLGC / 84,000	320 000	275 000	215 000	1 765 000	
LGC / 60,000	270 000	250 000	215 000	1 500 000	
MGC / 38,000	525 000	530 000	525 000	1 075 000	
HDY / 22,000	525 000	525 000	525 000	920 000	
ETH / 10,000	470 000	470 000	460 000	530 000	
SR / 6,500	400 000	400 000	400 000	460 000	
COASTER Asia	145 000	145 000	142 500	155 000	
COASTER Europe	120 000	130 000	120 000	190 000	

LPG/FOB prices (usd/tonne)			
	Propane	Butane	ISO
FOB North Sea / ANSI	297.0	355.5	
Saudi Arabia / CP	340.0	370.0	
MT Belvieu (US Gulf)	306.1	356.0	430.6
Sonatrach : Bethioua	305.0	360.0	

LNG

SPOT MARKET (usd/day)	This week	Last week	Low 2016	High 2016
East of Suez 155-165'cbm	32 000	34 000	29 000	36 000
West of Suez 155-165'cbm	39 000	39 000	29 000	41 000
1 yr TC 155-165'cbm	32 000	32 000	29 000	35 000

DRY BULK

Capesize

Front haul rates dropping as Brazil stems for November is missing. C3 have been fixed at USD 11.35pmt and offered over meaning the rout is down more than 1 USD from las week (USD -2473 on the China-Brazil round voyage). Atlantic also weaker as the vessel count is increasing. On a positive note west Australia volumes are good, but levels under pressure as sentiment shifted

Panamax

Firm and moving up.Last weeks positive sentiment continues in both hemispheres, perhaps even stronger in the Atlantic with fresh requirements outnumbering the list of open positions. Short hauls Ex Cont and Med has reached Usd 10K level for good units. T/A in general hovering around 8K+. Fronthaul above 12K alt above 11K and 300 GBB for USG-->Far East. However, shorter trips out pays even better. ECSA activity low but pays 8K +300 GBB average.Good activity and strong numbers as well in the Pacific, with Pacific runs well into the 7's and NOAPC rounds even up to 8K for good units bss Japan. Period interest improving with KMAX done at mid/upper 7K's for 5-7 or similar.Interest in longer period increasing.Q 4 is here.

Supramax

A bit more activity with modest upturn in rates. US Gulf trip to Skaw-Passero has seen constant increase in rates on average 9k, mostly due to lack of tonnage in ECSA and US Gulf. Rates en route Cont to US Gulf still weak but have stayed more stable during the week with average rates being around 5,5k.On the fronthaul 56k dwt supra have been fixed at 12,5k for trip to India-Banglades with del in Canakkale. Supramaxes for Indo coal trips to China del Spore are fixing around 7k, while trips from N China to Seasia is paying around high 5k for Supras and low/mid 6k for Ultramaxs. Levels for Supras with delivery PG for trips to Seasia is around 6k, while trips from same destination to China has been concluded around 5k.

GAS

Chartering

The increased activity in the VLGC market noted last week has come off slightly at the beginning of this week, but bits and pieces are still being done, enabling the market rate to continue its gradual and modest upward movement. The rate for the Baltic VLGC benchmark voyage from Ras Tanura to Japan, has moved a very modest USD 1.4 pmt on a week-on-week basis, representing almost USD 50,000 pcm increase on a time charter equivalent (T/C/E) basis. Yesterday's rate represents a TCE of about USD 320,000 pcm, or 10,500 per day. We still expect modest forward upwards adjustments in the near-term future, CFR prices are on the increase, allowing for some more action. But then again, there is still no real shortage of available ships going forward.



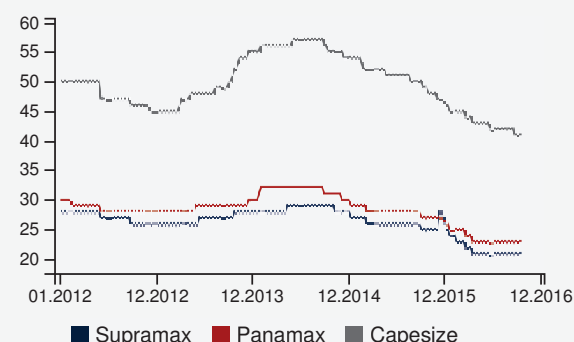
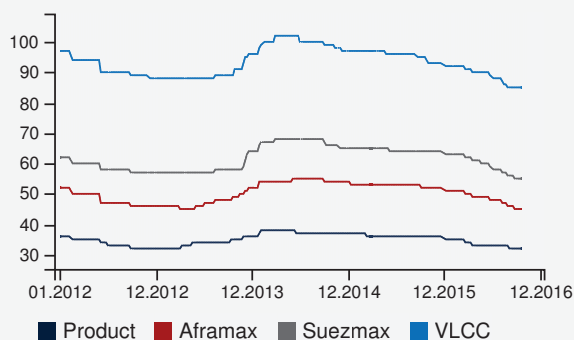
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Activity level

Tankers	Dry Bulk	Others
Slower	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	55.00	55.00	55.00	63.00
Aframax	110'dwt	45.00	45.00	45.00	51.00
Product	50'dwt	32.00	32.00	32.00	35.00
Capesize	180'dwt	41.00	41.00	41.00	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	103.4	104.4	100.4	118.6
USD/KRW	1 123	1 123	1 090	1 234
USD/NOK	8.17	8.23	8.03	8.96
EUR/USD	1.10	1.10	1.07	1.15

Interest rate

LIBOR USD 6 mnths	1.26	1.26	0.85	1.26
NIBOR NOK 6 mnths	1.29	1.28	1.05	1.32

Commodity prices

Brent spot (USD)	52.38	52.00	28.06	52.40
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Bunker prices

Singapore	380 CST	295.0	284.0	145.0	295.0
	180 CST	300.0	293.0	148.0	300.0
	Gasoil	475.0	467.0	265.0	475.0
Rotterdam	380 HSFO	275.0	269.0	107.0	275.0
	180 CST	295.0	297.0		297.0
	Diesel	448.0	452.0	245.0	452.0

NEWBUILDING

Only a pair of Suezmax tankers to report this week. Greek owner Restis, ordered on behalf of Enterprises Shipping, two 2018 deliveries at HHI. No price reported. The order has an option structure of 1+1.

NEWBUILDING CONTRACTS

Type	No	Size	Yard	Buyer	Del	Price	Comm
MT	2	158000dwt	HHI	Enterprises Shipping	2018		2 options

SALE AND PURCHASE TRANSACTIONS

Type	Vessel	Size	Built	Buyer	Price	Comm.
MT	Jacques Jacob	71 345	2000	Greek	10,10	
BC	Ocean Crescent	174 222	2007	New Shipping	11,95	
BC	Peace Bright	76 000	2013	Intermare transport	Undisclosed	Incl. 7yrs TC at 15,380/day
BC	Salandi	74 502	1999	Undisclosed	3,80	
BC	Ever Leader	74 001	1999	Chinese	4,10	
BC	Huang He	73 901	2005	Undisclosed	4,70	
BC	Future	72 893	1999	Chinese	3,90	
BC	Antiparos	63 500	2016	Malaysian	18,20	
BC	Star Manx	58 133	2009	Bangladeshi	12,00	
BC	Anna Bo	56 720	2010	Tomini	6,50	
BC	Atlantic Mazatlan	50 296	2000	Symphony	4,70	
BC	Clementine	50 238	2004	European	6,70	

DEMOLITIONS

Sold for demolition

Vessel name	Size	Ldt	Built	Buyer	Price
MV Ocean Vanguard	206 258	26 389	1994	Bangladeshi	310
CONT Chiswick Bridge	171 362	23 915	2001	Indian	325
MV Snowdon	170 079	21 898	1998	Bangladeshi	310
CONT Bear Hunter	65 006	21 500	2004	Undisclosed	300
CONT Bull Hunter	64 990	21 500	2004	Undisclosed	300
MV Keoyang Majesty	48 618	11 289	1997	Indian	210
MV Keoyang noble	51 662	11 106	1997	Undisclosed	240
MV Thor Energy	42 529	9 016	1994	Indian	297
MV Al Mukhtar	43 473	8 207	1991	Undisclosed	295
MV Rui Fu Ocean	43 595	8 085	1992	Bangladeshi	270