



Fearnleys Weekly Report

Activity level

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

	Last week	Prev. week
VLCCs fixed all areas last week:	59	48
VLCCs avail. in MEG next 30 days:	99	98

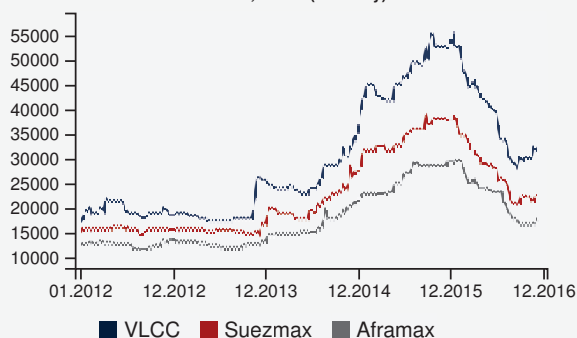
Rates

DIRTY (Spot WS)		This week	Last week	Low 2016	High 2016
MEG / West	VLCC	40.00	40.00	21.00	63.00
MEG / Japan	VLCC	67.50	70.00	32.00	111.5
MEG / Singapore	VLCC	69.00	70.00	33.00	113.5
WAF / FEAST	260,000	68.50	70.00	38.00	113.0
WAF / USAC	130,000	95.00	95.00	35.00	115.0
Sidi Kerir / W Me	135,000	105.0	105.0	42.50	135.0
N. Afr / Euromed	80,000	180.0	170.0	55.00	190.0
UK / Cont	80,000	137.5	135.0	75.00	137.5
Caribs / USG	70,000	155.0	135.0	75.00	155.0

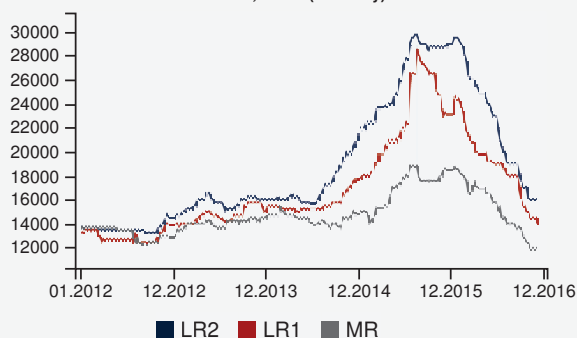
CLEAN (Spot WS)		This week	Last week	Low 2016	High 2016
MEG / Japan	75,000	75.00	62.50	55.00	160.0
MEG / Japan	55,000	77.50	75.00	75.00	150.0
MEG / Japan	30,000	92.50	92.50	92.00	135.0
Singapore / Japan	30,000	102.5	102.5	102.0	150.0
Baltic T/A	60,000	90.00	95.00	55.00	155.0
UK-Med / States	37,000	100.0	110.0	70.00	155.0
USG / UKC-Med	38,000	95.00	90.00	50.00	125.0

1 YEAR T/C (USD/day) (theoretical)		This week	Last week	Low 2016	High 2016
VLCC	(modern)	31 500	32 500	28 000	55 000
Suezmax	(modern)	22 500	22 500	21 000	38 500
Aframax	(modern)	18 000	17 250	17 000	29 500
LR2	105,000	16 000	16 000	16 000	29 500
LR1	80,000	14 000	14 500	14 000	24 750
MR	47,000	12 000	12 000	12 000	18 750

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



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



TANKERS

Crude

Steady activity from virtually all the major load areas for the VLCC's has managed to withstand charterers fierce attempts to shade off the prevailing rate-levels. Rates in the Meg, and particularly for East, is however very dependent on 'type' (read:age) of ships and destinations with spreads as high as 15 ws points between the older and the newer. The newbuildings have also had a dampening effect and it's a clear three-tier-market. Still optimism for the winter among owners, but earnings in mid \$40's pd appears palatable for many of them. The Suezmax market ended the week on a firm note with rates breaking through the ws100 barrier at tce returns of close to \$40,000 pd. However Charterers had other ideas, the latter part of the week saw the supply of cargoes dry up and the tonnage lists began to accumulate more positions. The past few days have seen cargoes drip fed into the market in both West Africa and the Med with last done levels achieved as the owners resolve has been tested. The outlook is however is not bright as tonnage continues to build and the supply outweighs the demand, a tough week lies ahead for owners. The North Sea Aframax market is still giving a better TCE than the Baltic Market is at the time of writing. This is mainly a knock-on effect from the ever so booming Med and Black Sea rates, but with the bad weather and the upcoming holidays, Baltic rates are expected to increase going forward. In the Med and Bsea we have seen rates stabilize around ws180. Activity is still good and there are still plenty of cargoes left from Bsea. What could prevent this from going even further, are ballasters coming into the med from Red sea, North and Caribs. We expect rates to stay around current levels, with a possibility of firming towards the end of the month.

Product

EAST OF SUEZ It has been yet another week where it seems that the market does not know in what direction it is heading. It has been a slight increase in the rates for LR2's which today will be able to obtain ws72,5/75 level for their services, up from ws62,5 last week, but for the LR1's the rate is the same as last week at around the ws77,5 level. This is for discharge Japan/south Korea range. For the longer haul voyages westwards rate for both sizes is unchanged around lumpsum USD 1,6 mill for LR2 and USD 1,1 mill for LR1's. also the MR market seems without any firm direction and rates for Japan/south Korea range is still at ws92,5. Clean MR rates in the Far East is also moving sideways with Singapore to Japan, basis 30.000 still paying ws 102,5 and the short haul voyage south Korea to Japan is today at USD 250.000 a slight increase since last week. **WEST OF SUEZ** The market in the Atlantic has been without any positive impulses and rates have slightly eased. The straight MR Continent to States voyage is today worth around ws100 level for owners and the backhaul cargo from U.S. gulf is today worth ws95. This is almost unchanged from last week. For LR1's trading to West Africa the market is still fairly flat and going rate today is around ws90. LR2's on the Continent and in the Mediterranean have seen slightly more activity and with a couple of fixtures reported from the Continent and several from the Mediterranean, going east, the rate from Mediterranean has further increased to about USD 1,850 mill today. Handies trading on the Continent is unchanged at ws105 level, but in the Mediterranean after the steep rise in rates last week up to ws160 the rates are again softening and today ws140 is paid but rates still soft.



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Activity level

Capesize	Panamax	Supramax
Moderate	Firm	Firm

Rates	This week	Last week	Low 2016	High 2016
CAPESIZE (usd/day, usd/tonne)				
TCT Cont/Far East (180' dwt)	21 500	25 000	6 100	28 000
Tubarao / R.dam (Iron ore)	8.00	9.15	2.00	9.15
Richards Bay/R.dam	8.00	8.35	2.00	8.35
PANAMAX (usd/day, usd/tonne)				
Transatlantic RV	16 600	15 000	1 400	16 600
TCT Cont / F. East	17 200	17 000	5 000	18 000
TCT F. East / Cont	4 200	3 500	250.0	4 200
TCT F. East RV	8 600	8 000	1 925	9 000
Murmansk b.13-ARA 15/25,000 sc	8.45	8.75	3.60	8.75
SUPRAMAX (usd/day)				
Atlantic RV	13 400	12 500	2 510	13 400
Pacific RV	5 800	5 800	2 000	7 000
TCT Cont / F. East	14 500	14 000	1 100	14 500
1 YEAR T/C (usd/day)				
Capesize 180,000 dwt	11 000	11 000	5 000	11 000
Capesize 170,000 dwt	9 500	10 000	4 500	10 000
Panamax 75,000 dwt	7 000	6 750	4 250	7 250
Supramax 53,000 dwt	7 000	6 800	4 900	7 000
Baltic Dry Index (BDI):	1204	1224	n/a	n/a

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



Activity level

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

LPG Rates				
* Excl. waiting time, if any				
SPOT MARKET (usd/month)*	This week	Last week	Low 2016	High 2016
VLGC / 84,000	420 000	380 000	215 000	1 765 000
LGC / 60,000	375 000	375 000	215 000	1 500 000
MGC / 38,000	525 000	525 000	525 000	1 075 000
HDY / 22,000	540 000	530 000	520 000	920 000
ETH / 10,000	500 000	480 000	460 000	530 000
SR / 6,500	420 000	410 000	400 000	460 000
COASTER Asia	170 000	165 000	142 500	170 000
COASTER Europe	110 000	110 000	110 000	190 000

LPG/FOB prices (usd/tonne)			
	Propane	Butane	ISO
FOB North Sea / ANSI	346.0	363.5	
Saudi Arabia / CP	390.0	440.0	
MT Belvieu (US Gulf)	281.3	348.3	428.3
Sonatrach : Bethioua	350.0	383.0	

LNG

SPOT MARKET (usd/day)	This week	Last week	Low 2016	High 2016
East of Suez 155-165'cbm	32 000	32 000	29 000	36 000
West of Suez 155-165'cbm	48 000	45 000	29 000	48 000
1 yr TC 155-165'cbm	32 000	32 000	29 000	35 000

DRY BULK

Capesize

Q4 rally over or will there be another wave to ride before X-mas doldrums? Softening slightly from close to year-best levels as spot coal + iron ore volumes reduced, Australian exports in particular. Average daily earning down 17 pct to USD 14800, fronthaul and transatlantic only marginally negative w-o-w as Brazilian and Colombian flows relatively well maintained, whilst pacific nervous and presently taking a hit on lower demand. High period activity on back of positive physical and ffa's, with representative fixtures including 180000 dwt/blt2015 delivering China early dec at USD 11k, also 182000 dwt/bt 2014 delivering S.Korea beg dec for about 12 months done at USD 12k.

Panamax

Another wonderful week for the Owners. There is still very good demand for tonnage in the Atlantic, especially in the Cont/Baltic/Murmansk. The cargo holders had to face TC values well over USD 20000 a day for Baltic/Murmansk RV or Baltic to Medit. Orders for TARV were paying high teens, so not bad all. Vessel able to do fronthaul voyages would get 18/19000 daily. Pacific is not offering that good terms for the tonnage, but still Owners may expect quite good money: NOPAC orders were valued at USD 9/10000 daily, whilst Australia/China cargoes paid 8/8500 a day. Today average of 4 TC routes ended up at very decent level of USD 11688.

Supramax

A slower start to the week in the Pacific compared to last. Trips from N. China to S. China is paying in the range of low USD 5k, while Indo coal trips to China with delivery Singapore is around 7k for Supras. Nopac rv level is around mid USD 6k, however Ultras has achieved rates in the USD 7k's. More activity on the short period front, Ultramaxs achieving mid USD 7k, while Supras is getting covered at high 6k/7k for same in the Pacific, whereas in Atl supras see low teens for 4/6 mos. US Gulf remained the star performer in Atl, where Supras receive 18k for trip to Skaw. Same for bhaul, where some 50k vsls being fxd at low 10s with redel US Gulf. On fhaul Supras gain mid teens with del Antwerp redel Far East.

GAS

Chartering

It has not been a busy week in the VLGC spot market as players have been awaiting December posted prices from the MEG exporters – the outcome of today's OPEC meeting has been another reason for sitting back awaiting direction on pricing. The Baltic VLGC index has been in red nearly every quotation day in November, however, earlier this week the index froze and ticked upwards. Now that OPEC has agreed on crude cut and the December CP came out earlier today, it will be very interesting to see how LPG spot pricing develops ahead. The US LPG inventory levels will come out later today and MtBelvieu pricing going forward will have a big impact on arbitrage West to East and its allowance for freight. The most recent fixture MEG/Far East for loading first dec December pushed the actual more than a dollar above the index as tonnage availabilities are scarce in the first half of the month. With the aforesaid in mind we could be looking at a more exciting December than what we are used to see historically. VLGC newbuilding number 42 of 2016 was just delivered and with 2 more to go before year end we will soon look back at the busiest VLGC NB year ever.



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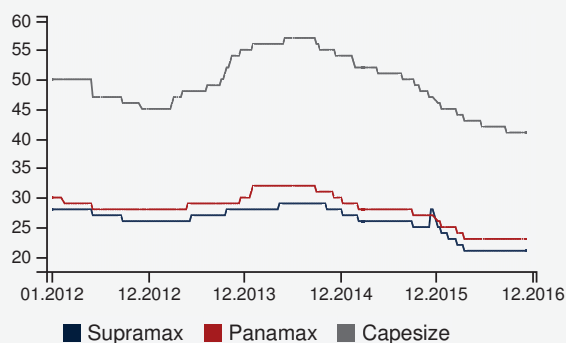
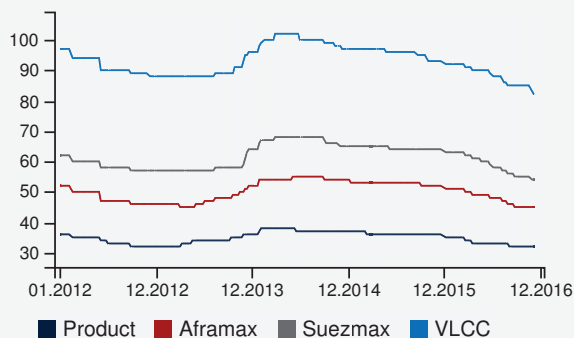
Activity level

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	82.00	82.50	82.00	92.00
Suezmax	150'dwt	54.00	54.00	54.00	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	113.6	112.0	100.4	118.6
USD/KRW	1 172	1 176	1 090	1 234
USD/NOK	8.50	8.60	8.03	8.96
EUR/USD	1.06	1.06	1.06	1.15

Interest rate

LIBOR USD 6 mnths	1.29	1.28	0.85	1.29
NIBOR NOK 6 mnths	1.32	1.30	1.05	1.32

Commodity prices

Brent spot (USD)	0.00	48.80	0.00	52.40
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Bunker prices

Singapore	380 CST	294.0	295.0
	180 CST	304.0	304.0
	Gasoil	458.0	475.0
Rotterdam	380 HSFO	260.0	275.0
	180 CST	285.0	299.0
	Diesel	425.0	452.0

NEWBUILDING

Nothing to report this week.

SALE AND PURCHASE TRANSACTIONS

Type	Vessel	Size	Built	Buyer	Price	Comm.
MT	British Curlew	114 809	2004	TEN Energy Navigation	14,65	
MT	British Merlin	114 761	2003	TEN Energy Navigation	14,65	
MT	Nord Princess	38 554	2006	Ancora	13,50	
BC	Bulk Singapore	177 173	2005	Chinese	12,10	
BC	Epson Trader	82 656	2007	Greek	10,80	
BC	Nemtas 4	56 023	2005	Undisclosed	8,80	
BC	Ingwar Selmer	47 390	2011	Greek	Undisclosed	
BC	Cielo Di Livorno	37 277	2008	Undisclosed	9,00	
BC	East Ambition	28 378	2000	Undisclosed	3,80	
BC	Bei kun	13 000	2006	Chinese	1,30	

DEMOLITIONS

Sold for demolition

Vessel name	Size	Ldt	Built	Buyer	Price
MT Andhika Larasat	149 849	23 537	1991	Undisclosed	305
CONT India Rickmers	50 574	17 333	2009	Indian	305
CONT Auguste Schulte	34 622	11 178	2002	Undisclosed	295
MV Martha	43 230	7 971	1995	Bangladeshi	280
MV Coral Ace	47 286	7 197	1999	Indian	240
GC Hidasse	15 107	5 689	1985	Undisclosed	230
GC Abbay	15 107	5 689	1984	Undisclosed	230
MV Zulal	23 911	5 332	1984	Pakistani	282