



Fearnleys Weekly Report

Activity level

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

	Last week	Prev. week
VLCCs fixed all areas last week:	57	37
VLCCs avail. in MEG next 30 days:	84	110

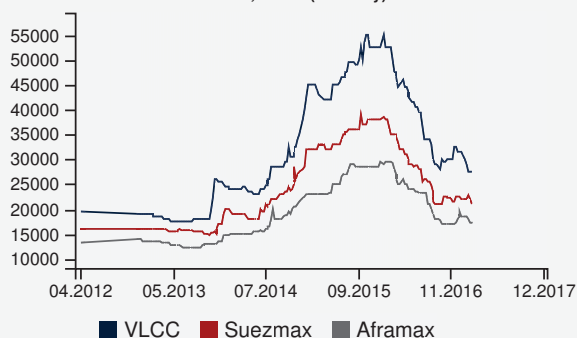
Rates

DIRTY (Spot WS)		This week	Last week	Low 2017	High 2017
MEG / West	VLCC	40.00	41.00	40.00	60.00
MEG / Japan	VLCC	75.00	70.00	70.00	96.50
MEG / Singapore	VLCC	75.00	71.00	71.00	96.00
WAF / FEAST	260,000	71.50	72.50	71.50	97.50
WAF / USAC	130,000	72.50	70.00	70.00	117.5
Sidi Kerir / W Me	135,000	75.00	80.00	75.00	117.5
N. Afr / Euromed	80,000	100.0	95.00	95.00	190.0
UK / Cont	80,000	95.00	100.0	95.00	100.0
Caribs / USG	70,000	100.0	135.0	100.0	215.0

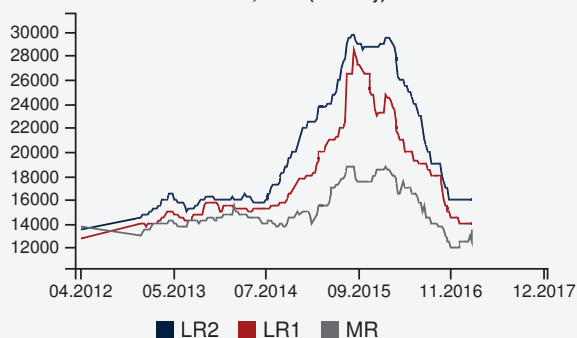
CLEAN (Spot WS)		This week	Last week	Low 2017	High 2017
MEG / Japan	75,000	80.00	80.00	80.00	155.0
MEG / Japan	55,000	107.5	110.0	107.5	150.0
MEG / Japan	30,000	152.5	155.0	152.5	167.5
Singapore / Japan	30,000	162.5	167.5	162.5	180.0
Baltic T/A	60,000	130.0	132.5	130.0	150.0
UK-Med / States	37,000	140.0	157.5	140.0	200.0
USG / UKC-Med	38,000	100.0	100.0	94.00	127.5

1 YEAR T/C (USD/day) (theoretical)		This week	Last week	Low 2017	High 2017
VLCC	(modern)	27 500	27 500	27 500	30 000
Suezmax	(modern)	21 000	21 000	21 000	22 800
Aframax	(modern)	17 000	17 250	17 000	18 500
LR2	105,000	16 000	16 000	16 000	16 000
LR1	80,000	14 000	14 000	14 000	14 000
MR	47,000	12 750	13 500	12 500	13 500

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



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



TANKERS

Crude

For the VLCC owners it has been a more positive week than feared. Sharp fall in rates due to ample supply of newbuildings brought a flurry of outstanding February cargoes in the MEG. As newbuildings and 'older' ladies were fixed off the sentiment changed and rates even showing firming tendency. February more or less covered in the MEG but steady activity in Wafr for March is keeping momentum up. Therefore stabilized for now but Opec cuts will eventually have effect on activity. The Suezmax owners have been under extreme pressure over the past week as rates have eroded and earnings dipped below USD 15k/day. The position lists had swelled after a quiet 2nd decade in Wafr and there was only limited enquiry in the Med and Black Sea. Collectively it seems that owners have gathered themselves and decided that they would resist any further erosion. Early this week TD20 has found its level at ws72.5 and TD6 is at ws80. The heavy Black Sea delays normally experienced at this time of year have failed to materialise, but all eyes are on the Baltic where the ice is building and will pull in the Ice class tonnage looking to capitalise. The outlook for the coming week is steady across the board but Charterers should be aware as the stealth fixing is currently picking off preferential tonnage. As expected, the market softened in the North Sea and Baltic, and rates are currently hovering around at bottom levels. On a positive note it has been rather busy so far this week, and with ice is building up in the Baltic and more ships leaving the area, we could see rates improve in the 3rd decade of the month. In the Med and Bsea we have seen more cargo activity than expected, mostly caused by Charterers reaching out almost 3 weeks ahead in the Bsea, trying to secure a ship at less than ws100. This created a tighter window towards end month from Bsea, and Owners are now holding for ws102.5-105. There are still some cargoes left to cover for the month, but we expect Charterers to remain calm and keep rates at current levels, as they have time to wait for the Owners to give in.

Product

EAST OF SUEZ Lack of activity following the hangover from Chinese New Year made some charterers overly aggressive as they sought to break the ws80 mark for LR2s trading MEG/Japan. An older unit was put on subs at a sharp ws75, but later failed. The cargo got re-fixed again at ws80 which is where the market currently sits at the time of writing. The same lack of activity can be said about LR1s where rates have slipped a couple of points since last week's update, now sitting at ws107.5 for MEG/Japan. On smaller sizes in Far East, charterers are now out again from hiding after a quiet period and rates have softened marginally as such. **WEST OF SUEZ** Owners managed to break the LS USD 2 million mark for Med/Japan this week, marginally up from last week, upping owners' expectations for next done in both the LR2 and LR1 market for long-haul cargoes going east. MRs have been crippled by soaring gasoline stockpiles in the USAC and rates have softened as such. A straight UKC/USAC run currently pays ws140 with the backhaul voyage from USG back to UKC still sitting at ws100. This is of course affecting the MR market on the Continent, lowering the market ex Baltic and the UKC/WAFR. Handies have been trading steadily with rates holding for now in both the Mediterranean and on the Continent.



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Activity level

Capesize	Panamax	Supramax
Weakening	Increasing	Moderate

Rates	This week	Last week	Low 2017	High 2017
CAPESIZE (usd/day, usd/tonne)				
TCT Cont/Far East (180' dwt)	13 000	16 500	13 000	21 750
Tubarao / R.dam (Iron ore)	5.30	6.00	5.30	8.00
Richards Bay/R.dam	5.20	6.00	5.20	7.25
PANAMAX (usd/day, usd/tonne)				
Transatlantic RV	8 750	9 000	7 000	11 000
TCT Cont / F. East	12 500	12 750	12 500	14 500
TCT F. East / Cont	2 500	2 500	2 500	3 000
TCT F. East RV	7 000	5 500	5 000	7 000
Murmansk b.13-ARA 15/25,000 sc	6.25	6.55	6.05	7.00
SUPRAMAX (usd/day)				
Atlantic RV	10 000	10 500	10 000	12 000
Pacific RV	4 000	3 900	3 900	5 500
TCT Cont / F. East	12 000	12 000	12 000	14 000
1 YEAR T/C (usd/day)				
Capesize 180,000 dwt	10 750	11 750	10 250	11 750
Capesize 170,000 dwt	8 750	9 500	8 750	9 500
Panamax 75,000 dwt	7 500	7 250	7 250	7 750
Supramax 53,000 dwt	6 900	6 800	6 600	6 900
Baltic Dry Index (BDI):	702	786	n/a	n/a

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



Activity level

COASTER	15-23,000 cbm	82,000 cbm
Stable	Moderate	Slow

LPG Rates				
* Excl. waiting time, if any				
SPOT MARKET (usd/month)*	This week	Last week	Low 2017	High 2017
VLGC / 84,000	440 000	615 000	435 000	670 000
LGC / 60,000	450 000	480 000	385 000	500 000
MGC / 38,000	520 000	530 000	520 000	550 000
HDY / 22,000	535 000	540 000	535 000	550 000
ETH / 10,000	520 000	530 000	520 000	540 000
SR / 6,500	430 000	430 000	420 000	430 000
COASTER Asia	190 000	190 000	190 000	190 000
COASTER Europe	120 000	120 000	110 000	125 000

LPG/FOB prices (usd/tonne)			
	Propane	Butane	ISO
FOB North Sea / ANSI	440.5	453.0	
Saudi Arabia / CP	510.0	600.0	
MT Belvieu (US Gulf)	408.3	506.2	490.0
Sonatrach : Bethioua	440.0	500.0	

LNG

SPOT MARKET (usd/day)	This week	Last week	Low 2017	High 2017
East of Suez 155-165'cbm	34 000	34 000	34 000	38 000
West of Suez 155-165'cbm	45 000	48 000	45 000	52 000
1 yr TC 155-165'cbm	34 000	34 000	34 000	35 000

DRY BULK

Capesize

A build-up of tonnage and a cyclone hitting Australia are making the headlines this week. More ships ballasting towards the Atlantic as well as a relatively small number of iron ore requirements from Brazil has resulted in c3 freight rates dropping close to USD 2 PMT in a week, to current level of USD 10 PMT on the c3 route. A cyclone hitting Western Australia has resulted in little activity from the miners and c5 levels are presently at USD 4.4 pmt. So far this week there has been an average drop in TC rates in the range of 500-700 daily.

Panamax

The first week after the Chinese Lunar New Year celebration, is always a "wait and see" week. However, we already see a tendency of an improving Pacific market with more activity and rising levels. Level-wise Nopac and Australia rounds are now well over USD 7k's and there is an increasing interest in vessels for longer trips (ECSA rounds) and short periods. For 4-6 mos ows asking mid USD 8k's. ECSA rounds are paying in the same region bss Kmax vsls del Spore. In the Atlantic, it is still less active and hire levels are still being affected by where you are open. The North Atlantic is paying a premium, and especially for breach of INL. TA is hovering in the high USD 8k and fronthauls are paying around 13k.

Supramax

A bit more life was injected into the market this week although indices kept dropping, mostly within Atlantic, while Pacific showed some improvement. Ultras positioned in Cont pocketed around 13-14k on fhaul and about 6k for backhaul trade. Usual scrap cargoes from Cont to Turkey went at 10k. Supras sailing from USG to Cont and Med were fixed around 14k and for fhaul around 12k. More activity in the Pacific this week, with rates slowly looking a bit stronger. Indo coal RV is paying ows around high USD 5k, while same trips with India destination is paying around 6k bss Singapore delivery. ECI to China levels around mid USD 5k, while same direction with WCI delivery is paying owners around USD 9k.

GAS

Chartering

The VLGC market has been very lacklustre lately – both the East and the West have lost the steam and drive we have observed earlier in the year. When most marketplayers had hoped for some more action in the market once Chinese New Year holidays were over, the market in reality just carried on in the same uninspired way. The fewer FOB tons available in the MEG caused by the OPEC cut as well as technical issues at a production line in Qatar matched with a backwardated cargo market in coming months seem to be the main reasons for the slowdown. And, what seemed to be fair FOB pricing 10 days ago is not workable at all today with the latest price curves. The latest reported spot fixture equals somewhere between 14 and 15,000 USD/day on a modern vessel and we believe the market will stay around that level in the short term. There are not too many uncommitted vessels showing open in coming weeks neither in the East nor in the West, let alone the number of owners in control of them, however, they may become too many in the event present pace continues much longer.



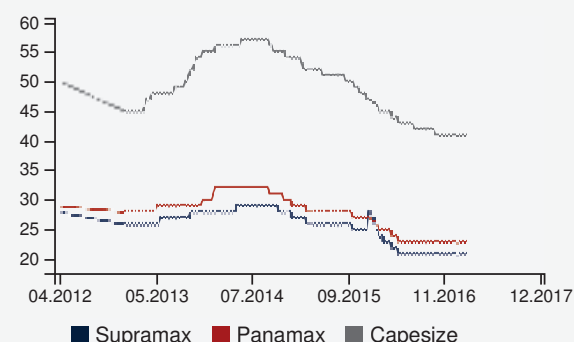
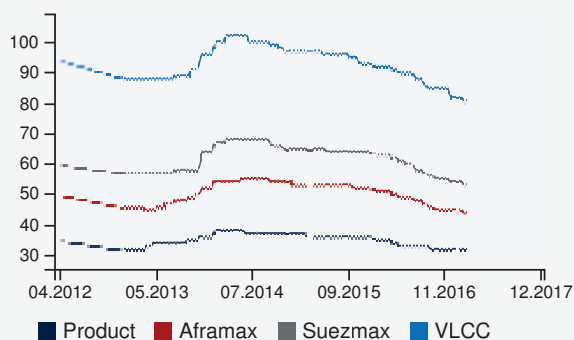
Fearnleys Weekly Report

Activity level

Tankers	Dry Bulk	Others
Low	Low	Low

Prices

Average Far Eastern Prices					
PRICES (mill usd)		This week	Last week	Low 2017	High 2017
VLCC	300'dwt	81.00	81.00	81.00	82.00
Suezmax	150'dwt	53.00	53.00	53.00	54.00
Aframax	110'dwt	44.00	44.00	44.00	45.00
Product	50'dwt	32.00	32.00	32.00	32.00
Capesize	180'dwt	41.00	41.00	41.00	41.00
Panamax	82'dwt	23.00	23.00	23.00	23.00
Supramax	64'dwt	21.00	21.00	21.00	21.00
LNGC	170'cbm - MEGI	184.0	184.0	184.0	184.5



Market brief

	This week	Last week	Low 2017	High 2017
Rate of exchange				
USD/JPY	111.9	113.3	111.9	117.6
USD/KRW	1 147	1 158	1 147	1 206
USD/NOK	8.33	8.22	8.22	8.65
EUR/USD	1.07	1.08	1.04	1.08

Interest rate

LIBOR USD 6 mnths	1.34	1.35	1.32	1.35
NIBOR NOK 6 mnths	1.15	1.19	1.15	1.29

Commodity prices

Brent spot (USD)	54.85	55.70	54.30	55.70
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Bunker prices

Singapore	380 CST	317.0	314.0	314.0	345.0
	180 CST	323.0	321.0	321.0	360.0
	Gasoil	490.0	485.0	479.0	495.0
Rotterdam	380 HSFO	295.0	298.0	295.0	308.0
	180 CST	317.0	320.0	317.0	339.0
	Diesel	468.0	469.0	427.0	469.0

NEWBUILDING

Slow newbuilding activity, with Chinese shipyards closed for their New Year holiday. Cobelfret has returned to Hyundai Mipo ordering two 5400 Im RoRo vessels with options for 4 more. The Luxembourg based owner has already two 8000 Im RoRos on order at the same yard, and 2 5400 Im RoRos under construction at Croatia's Uljanik Group. All vessels slated for delivery 2018.

NEWBUILDING CONTRACTS

Type	No	Size	Yard	Buyer	Del	Price	Comm
BC	2	208000 dwt	Jinhai	Chartworld Shipping	2018	40	
Prod	1	50000 dwt	Hyundai Mipo	Fukujin Kisen	2018		
Ro-Ro	2	5400 Im	Hyundai Mipo	CLdN	2018		

SALE AND PURCHASE TRANSACTIONS

Type	Vessel	Size	Built	Buyer	Price	Comm.
MT	Athinea	107160	2006	Far Eastern	21	
MT	Shinei	106 361	2002	Eurotankers	10,60	
MT	CPO Korea	51 747	2009	Champion	18,70	
MT	CPO Japan	51 747	2010		17,30	
MT	Energy Pride	51 319	2004	Union Maritime	12,50	On subs
MT	Energy Protector	51 319	2004		12,50	
MT	High Endeavour	46 991	2004	Sea World Management	13,50	4yrs TC back at xs \$14000/day
MT	High Endurance	46 991	2004		13,50	
MT	BRO Combo	16 597	2003	Far Eastern	10,50	Epoxy
MT	ASL Troubadour	12 306	2007	Vietnamese	10,70	
BC	Portage	176 391	2002	Winning Shipping	8,50	
BC	Epson trader I	82 331	2009	Greek	13,50	
BC	Darya Bhakti	56 060	2005	Bangladeshi	8,00	
BC	Genco Carrier	47 000	1998	Undisclosed	3,50	
BC	CWB Marquis	39 400	2017	Undisclosed	14,00	Auction sale, Laker
BC	BBC Neptune	37 506	2010	European	low 9's	
BC	Indigo Felicity	28 375	2010	Greek	7,50	
BC	Bizon	23 800	2010	Chinese	3,80	Auction sale

DEMOLITIONS

Sold for demolition

Vessel name	Size	Ldt	Built	Buyer	Price
MT Chryssi	154 970	20 502	1992	Indian	327
CONT Halifax	62 740	19 838	2004	Pakistani	338
CONT Mare Siculum	52 357	15 999	1998	Undisclosed	310
MT Lobato	44 600	10 979	1993	Indian	220
CONT SSL Trust	14 342	6 407	1992	Bangladeshi	325