



# Fearnleys Weekly Report

## Activity level

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

	Last week	Prev. week
VLCCs fixed all areas last week:	42	34
VLCCs avail. in MEG next 30 days:	128	115

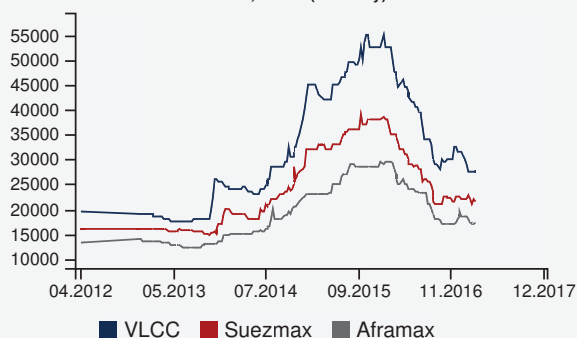
## Rates

DIRTY (Spot WS)		This week	Last week	Low 2017	High 2017
MEG / West	VLCC	33.00	39.00	33.00	60.00
MEG / Japan	VLCC	70.00	74.00	70.00	96.50
MEG / Singapore	VLCC	71.00	75.00	71.00	96.00
WAF / FEAST	260,000	71.00	75.00	71.00	97.50
WAF / USAC	130,000	77.50	80.00	70.00	117.5
Sidi Kerir / W Me	135,000	77.50	77.50	75.00	117.5
N. Afr / Euromed	80,000	107.5	95.00	95.00	190.0
UK / Cont	80,000	100.0	110.0	95.00	110.0
Caribs / USG	70,000	142.5	115.0	100.0	215.0

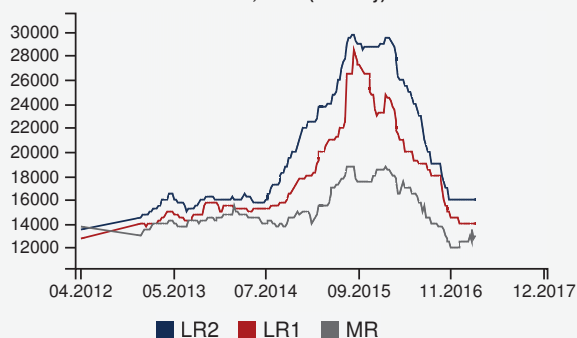
CLEAN (Spot WS)		This week	Last week	Low 2017	High 2017
MEG / Japan	75,000	120.0	120.0	80.00	155.0
MEG / Japan	55,000	125.0	120.0	107.5	150.0
MEG / Japan	30,000	135.0	142.5	135.0	167.5
Singapore / Japan	30,000	150.0	160.0	150.0	180.0
Baltic T/A	60,000	120.0	110.0	110.0	150.0
UK-Med / States	37,000	130.0	130.0	130.0	200.0
USG / UKC-Med	38,000	100.0	80.00	80.00	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)	21 500	22 000	21 000	22 800
Aframax	(modern)	17 250	17 000	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	13 000	13 000	12 500	13 500

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



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



## TANKERS

### Crude

The pressure on VLCC owners mounted up as last week progressed and rates came off on a steady basis. With about 30 cargoes done ex MEG up to 10th March and more than ample supply of tonnage in sight, charterers are not in a rush to cover whatever they have left for 1st decade. A drop in rates were also recorded ex typical load areas in the Atlantic such as Wafar and Caribs, but not as significant as in MEG. The IP week in London may distract charterers a bit, but with the general consent about weaker levels ahead there are limited reasons to expect any change to recent trend. Suezmaxes experienced reasonable gains last week with TD20 rates hitting ws85 and earnings close to USD 25k per day, both consistent activity combined with renewed confidence were the contributing factors, however as the week progressed the momentum was lost as charterers waited to see who would get their subs for 1st decade dates before showing fresh stems. The Bsea market has been sparse with a trickle of cargoes to wet the owners' appetites and rates stabilizing at ws82.5 for TD6. The outlook for the coming week is potentially softer as charterers will look to wrestle back control in their favour. In the North Sea and Baltic, owners managed to squeeze charterers for quite some time as the number of ships with firm itineraries willing to provide full flexibility was rather small. However this week's IP week in London have taken its toll and pushed rates down as the activity level have been slow at best. We also believe that further down the line, the position list will open up, and as such, rates will continue to soften. This week in the Med and Bsea, we can finally say that the rates are firming. It looked rather gloomy last week until the first half of the Bsea program came out mid-week. The 2nd decade gave the owners a reason to hold back as it showed a healthy amount of stems. Consequently, rates moved about 10 points ex Bsea. Ceyhan Botas stems are also up this month, so it looks like we will stay at three digits for the remaining of the week and the week to come.

### Product

**EAST OF SUEZ** After last week's jump in rates in the Middle East Gulf it now seems the market has taken a breather with rates flattening and even showing signs of fatigue. Today the going rate for LR1s and LR2s today is ws125 and ws120, respectively. With the international petroleum week ongoing in London, do not think owners will get much help from charterers so we feel balance of the week will be flat, and rates might come under pressure. The rate for LR2 fixing westwards is also almost unchanged as per last week at around lumpsum USD 1.525 mill. The standard MR voyage from west coast India to Japan has dropped some ws7.5 points to ws135 level today. The market in the Far East has also not been able to maintain last week's rate levels with the Singapore to Japan voyage, basis 30,000 mtons, dropping almost ws10 points, to ws150 today. Short haul voyage from South Korea to Japan is today paying USD 260,000 level which is more or less same level as last week. **WEST OF SUEZ** A little bit different story in the Atlantic. Rates have mostly been maintained, and in some instances owners have also been able increase rates. The classic MR voyage from the Continent to US Atlantic coast have been flat around ws130 last week and owners have, due extra activity from the US Gulf, seen the back haul rate increase from ws80 to ws100 level. Owners who have been able to take advantage of this triangulation have increased their daily earnings with USD 2500 per day to USD 10,500 per day. LR1s trading from the Continent to West Africa are today being paid ws120 for their services, up ws10 point since last week. For LR2s fixing from the Mediterranean to Japan, the lumpsum rate has been stable around the USD 2.0 mill mark. Handies trading short haul on the Continent have maintained the levels since last week around ws175 mark, with their sisters trading in the Mediterranean still fixing around ws135 level, also more or less same rate as last week.



# Fearnleys Weekly Report

## Activity level

Capesize	Panamax	Supramax
Firming	Stable	Active

Rates	This week	Last week	Low 2017	High 2017
<b>CAPE SIZE (usd/day, usd/tonne)</b>				
TCT Cont/Far East (180' dwt)	15 250	12 000	12 000	21 750
Tubarao / R.dam (Iron ore)	5.65	5.10	5.10	8.00
Richards Bay/R.dam	5.15	4.70	4.70	7.25
<b>PANAMAX (usd/day, usd/tonne)</b>				
Transatlantic RV	6 800	7 650	6 800	11 000
TCT Cont / F. East	12 000	12 550	12 000	14 500
TCT F. East / Cont	2 900	2 800	2 500	3 000
TCT F. East RV	8 000	7 000	5 000	8 000
Murmansk b.13-ARA 15/25,000 sc	6.00	6.17	6.00	7.00
<b>SUPRAMAX (usd/day)</b>				
Atlantic RV	10 200	9 400	9 400	12 000
Pacific RV	7 000	5 200	3 900	7 000
TCT Cont / F. East	13 000	12 000	12 000	14 000
<b>1 YEAR T/C (usd/day)</b>				
Capesize 180,000 dwt	12 500	10 650	10 250	12 500
Capesize 170,000 dwt	10 250	8 650	8 650	10 250
Panamax 75,000 dwt	8 000	7 800	7 250	8 000
Supramax 53,000 dwt	7 600	7 200	6 600	7 600
<b>Baltic Dry Index (BDI):</b>	<b>806</b>	<b>688</b>	<b>n/a</b>	<b>n/a</b>

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



## Activity level

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

<b>LPG Rates</b>				
* Excl. waiting time, if any				
<b>SPOT MARKET (usd/month)*</b>	<b>This week</b>	<b>Last week</b>	<b>Low 2017</b>	<b>High 2017</b>
VLGC / 84,000	400 000	400 000	400 000	670 000
LGC / 60,000	425 000	425 000	385 000	500 000
MGC / 38,000	520 000	520 000	520 000	550 000
HDY / 22,000	530 000	530 000	530 000	550 000
ETH / 10,000	520 000	520 000	520 000	540 000
SR / 6,500	440 000	440 000	420 000	440 000
COASTER Asia	190 000	190 000	190 000	190 000
COASTER Europe	140 000	130 000	110 000	140 000

<b>LPG/FOB prices (usd/tonne)</b>			
	<b>Propane</b>	<b>Butane</b>	<b>ISO</b>
FOB North Sea / ANSI	440.5	453.0	
Saudi Arabia / CP	510.0	600.0	
MT Belvieu (US Gulf)	377.1	483.6	432.4
Sonatrach : Bethioua	440.0	500.0	

## LNG

<b>SPOT MARKET (usd/day)</b>	<b>This week</b>	<b>Last week</b>	<b>Low 2017</b>	<b>High 2017</b>
East of Suez 155-165'cbm	33 000	34 000	33 000	38 000
West of Suez 155-165'cbm	44 000	44 000	44 000	52 000
1 yr TC 155-165'cbm	33 000	34 000	33 000	35 000

## DRY BULK

### Capesize

Market have increased a lot in the Pacific as the West Australia-China route finally woke up after the Chinese New Year. Week-to-week the c5 is up almost USD 2 as all the majors been chasing freight. However, the other Brazil segment is showing very little sign of life though the bids have improved a bit from the very low last week.

### Panamax

The North Atlantic is showing clear signs of oversupply of tonnage. We see rates coming off for regular rounds while the ice classed Baltic rounds seems more stable at premium levels. Regular TAs paying around 7k while Baltic ice trades can achieve 11k. The ECSA grain market has been quite stable this week with Kmax unites fixing mid 9k plus USD 400-450k GBB. In the Eastern hemisphere the market has seen a fair flow of deals being done and market is coming up. Pacific rounds paying around 8k and the period market for larger Kmax units is in the 9k's.

### Supramax

The week started off quietly in the Atlantic with more activity in the Pacific basin. Fh from ECSA is paying around mid 11k + around 150k bb, while Ultras are achieving in the low 12k + low 200k for same. USG to East Med is paying around 17k for Supras, while fh from Continent to SE Asia is getting fixed at around low 14k. Another strong week in the Pacific with rates continuing to rise. WC India to China is paying owners around mid 8k, while on trips via Indo to India Ultra owners are able to get around 10-11k bss Singapore delivery. Supras open Spore are achieving 9k for trips to China and Ultras open N.China/Japan range are fixing nopac rv's at around low 8k.

## GAS

### Chartering

The somewhat active VLGC market we saw last week has calmed down this week, maybe not too surprising as the IP week in London has gathered a substantial amount of market players for various events and meetings this week. The few freight discussions that have taken place elsewhere were at similar level to last week, meaning that the market fundamentals and margins have not changed. The Baltic VLGC index had been in red for one month when the curve froze and turned slightly up a couple of days ago, hardly surprising as the daily nets were on their way to OPEX levels. We do not believe in any radical improvement of spot rates in the short term, FOB prices particularly in USG are coming down, however, it seems CFR prices in Asia head down at the same pace leaving unchanged margins for freight. A 25-year old VLGC has been taken for a 2-3 years' timecharter for floating storage purposes at a hire reported to be around USD 14/15,000 per day, this is a level reflecting market assessment for a vessel not supposed to trade. The Indian owner who invited VLGC owners to offer 10-15 years old sales candidates some weeks ago has had to retender this week, we can only assume that the response from sellers was poor and the buyer has had to allow them some more time.



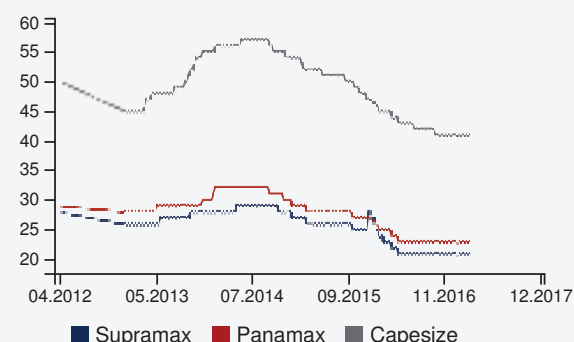
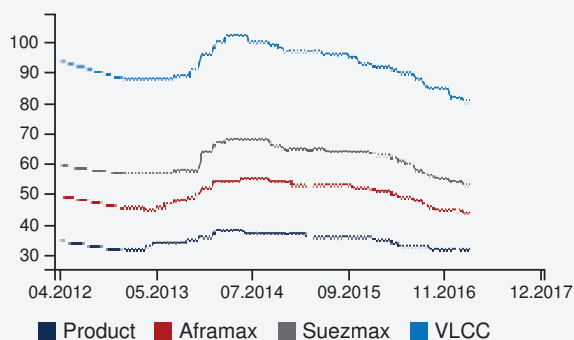
# Fearnleys Weekly Report

## Activity level

Tankers	Dry Bulk	Others
Low	Low	Active

## 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
<b>Rate of exchange</b>				
USD/JPY	113.1	114.4	111.9	117.6
USD/KRW	1 142	1 142	1 142	1 206
USD/NOK	8.38	8.39	8.22	8.65
EUR/USD	1.05	1.06	1.04	1.08

## Interest rate

LIBOR USD 6 mnths	1.36	1.34	1.32	1.36
NIBOR NOK 6 mnths	1.20	1.18	1.15	1.29

## Commodity prices

Brent spot (USD)	55.99	55.63	54.30	55.99
------------------	-------	-------	-------	-------

## Bunker prices

Singapore	380 CST	324.0	322.0	314.0	345.0
	180 CST	327.0	329.0	321.0	360.0
	Gasoil	500.0	495.0	479.0	500.0
Rotterdam	380 HSFO	302.0	310.0	295.0	310.0
	180 CST	330.0	330.0	317.0	339.0
	Diesel	475.0	475.0	427.0	475.0

## NEWBUILDING

Active week in the niche segments. NCL placed a giant USD 5.1bn cruise order at Ficantieri, stretching deliveries all the way until 2025 at the Italian Cruise specialist. Maersk Tankers confirmed an order for up to 10 LR2 newbuildings at Dalian, six firm and four options. The price is not revealed, however, similar tonnage in China is priced at about USD 42/43 mill.

## NEWBUILDING CONTRACTS

Type	No	Size	Yard	Buyer	Del	Price	Comm
PC	6	115,000dwt	Dalian	Maersk	2019		+ 4 options
Heavy	4	13,000dwt	Wuchang SB	Samsung C&T	2019		
Cruise	4	160,000gt	Ficantieri	NCL	2022-25	Euro 800M	+ 2 options

## SALE AND PURCHASE TRANSACTIONS

Type	Vessel	Size	Built	Buyer	Price	Comm.
MT	Hyundai Samho S811	114 200	2017	Cardiff Marine	41,75	
MT	Stena Important	49 731	2015	Japanese	36,00	Financial deal
BC	Shin-Zui	180 201	2007	Greek	15,10	
BC	Altair Dream	179 965	2012	Adani Shipping	25,90	
BC	Chubu Maru	91 384	1997	Middle Eastern	5,60	
BC	Bergen Trader II	85 500	2013	undisclosed	16,10	
BC	Bergen Trader I	82 500	2012	undisclosed	15,90	
BC	Red Gardenia	76 294	2005	Greek	low 7's	
BC	Lian Hua Feng	73 901	2002	undisclosed	4,60	
BC	Prabhu Daya	52 822	2001	S'Hail	5,50	
BC	26 Augustos	52 455	2002	Undisclosed	5,20	
BC	Blue Angel	44 950	1994	Middle Eastern	2,50	
BC	Alam Sakti	32 610	2006	US based	6,50	on subs
BC	Mardi Gras	28 500	2006	Undisclosed	6,00	
BC	Ocean Trader I	24 112	1999	Chinese	2,50	

## DEMOLITIONS

### Sold for demolition

Vessel name	Size	Ldt	Built	Buyer	Price
MV Cape trevor	172 515	21 272	1999	Bangladeshi	346
CONT MSC Noa	44 552	44 552	1986	Indian	337
GC Sea Pearl	38 760	38 760	1986	Indian	322