



Fearnleys Weekly Report

Activity level

VLCC	Suezmax	Aframax	P.E. of Suez	P.W. of Suez
Stable	Weakening	Soft	Stable	Stronger

	Last week	Prev. week
VLCCs fixed all areas last week:	54	74
VLCCs avail. in MEG next 30 days:	104	106

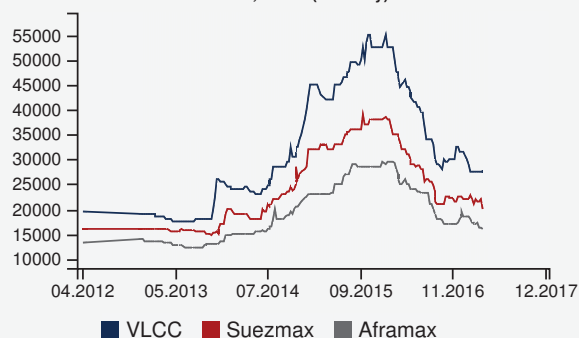
Rates

DIRTY (Spot WS)		This week	Last week	Low 2017	High 2017
MEG / West	VLCC	28.50	28.00	28.00	60.00
MEG / Japan	VLCC	54.00	54.00	54.00	96.50
MEG / Singapore	VLCC	55.00	55.00	55.00	96.00
WAF / FEAST	260,000	63.50	59.00	59.00	97.50
WAF / USAC	130,000	92.50	95.00	70.00	117.5
Sidi Kerir / W Me	135,000	105.0	95.00	75.00	117.5
N. Afr / Euromed	80,000	105.0	117.5	95.00	190.0
UK / Cont	80,000	92.50	105.0	92.50	110.0
Caribs / USG	70,000	110.0	132.5	100.0	215.0

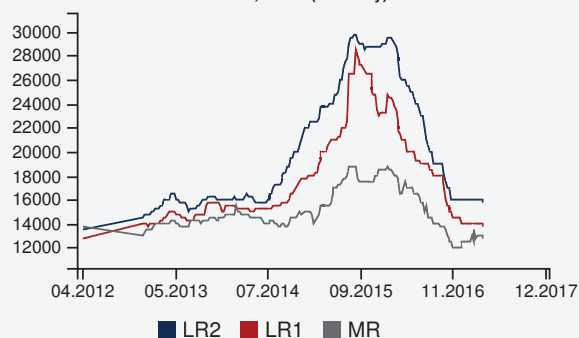
CLEAN (Spot WS)		This week	Last week	Low 2017	High 2017
MEG / Japan	75,000	120.0	105.0	80.00	155.0
MEG / Japan	55,000	130.0	125.0	107.5	150.0
MEG / Japan	30,000	135.0	135.0	135.0	167.5
Singapore / Japan	30,000	150.0	150.0	150.0	180.0
Baltic T/A	60,000	130.0	120.0	110.0	150.0
UK-Med / States	37,000	145.0	140.0	130.0	200.0
USG / UKC-Med	38,000	100.0	125.0	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)	20 000	22 000	20 000	22 800
Aframax	(modern)	16 000	16 250	16 000	18 500
LR2	105,000	15 750	16 000	15 750	16 000
LR1	80,000	13 750	14 000	13 750	14 000
MR	47,000	12 750	13 000	12 500	13 500

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



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



TANKERS

Crude

After the sharp downward correction in rates for the VLCC's we are now in the 'interim-month-period'. Activity therefore measured even after the BOT stem confirmations for April came out. The disparity in rates between modern and old ships remain whilst rates for the longer voyages like Wafr/East have been better maintained. Elsewhere its subdued with ample tonnage and rates likely to remain under pressure for the time being. Last week was a game of patience for the Suezmax owners, key owners maintained their bullish stance as they sensed they had the charterers backed into a corner, several weaker candidates were rapidly picked off thinning the list. The game changer was in the 3rd decade in Wafr where rates accelerated from the mid ws80's up to ws100 quite rapidly. There was further resistance as a batch of cargoes to S-Africa were shown together proving tricky. Early April dates for cargoes have been slow in appearing in order to dampen the momentum and allow new positions to materialise. The Bsea and Med have mirrored the Wafr trend and have now slowed with a more steady sentiment prevailing. The outlook for the week ahead has the potential for a softer landing. Expectations for higher Aframax rates in the last decade of March came to a sudden end with last week lack of activity. Ice tonnage is ample and as such charterers will seize the opportunity to push rates down. However, this downward correction could be a short lived one as we expect rates to recover already again next week on the back of higher activity end month. In the Med and Bsea cargoes have been moving under the radar as owners have tried to keep lower rates hidden from the market. After a couple of owners managed to score a very good W120 for prompt and short voy's from Algeria and Libya to Spain, we are again seeing the more normal x-Med and Bsea/Med trips going in at ws107.5 levels. The Bsea April stems came out this week, and with few Afra stems and a gap of up to three days out of CPC mid-month, we expect a downward correction of the market.

Product

EAST OF SUEZ The positive trend we saw an early start of last week have not yet given owners an ecstatic feeling but rates have improved slightly and in combination with lower bunker prices it has been a positive week in the Middle East Gulf. LR2 rates are today sitting around ws120 and ws125 for 1's for Far east destination and that gives owners a daily Return around USD 14.000 per day and USD 11.500 per day, respectively. The going rate for shipments on the LR2's to the Continent is today at lumpsum USD 1,5 mill, up some USD 100.000 since last week. Unfortunately we are not able to detect any spillover effect to MR's in the region and a trip from west coast India to Far east is still paying ws135. In the Far East the benchmark voyage basis 30.000 tons is unchanged from last week at ws130 and South Korea to Japan also unchanged at lumpsum USD 280.000. **WEST OF SUEZ** The market in the Atlantic has experienced a mixed trend this week. For MR's the straight voyage from Continent to States have only marginally moved and sits today at ws145, up ws5 points, but the backhaul cargo from U.S. gulf have declined to ws100 today from ws125 last week. This has reduced daily earnings for MRs from USD 14.000 per days to around USD 12.000 per day. The happiest should be the LR1's which have seen the voyage from Continent to west coast Africa move from ws120 to ws130. We still put the market for the LR2's from the Mediterranean to Far east at Lumpsum USD 2,0 mill, unchanged from last week. Handies trading on the Continent have had a flat market this week and the going rate is stable around ws180 level, their sisters in the Mediterranean have has some more fun this week and rates have improved from ws150 to ws 180 level.



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Activity level

Capesize	Panamax	Supramax
Active	Slow	Slower

Rates	This week	Last week	Low 2017	High 2017
CAPESIZE (usd/day, usd/tonne)				
TCT Cont/Far East (180' dwt)	27 000	21 600	12 000	27 000
Tubarao / R.dam (Iron ore)	7.78	6.40	5.10	8.00
Richards Bay/R.dam	7.26	6.15	4.70	7.26
PANAMAX (usd/day, usd/tonne)				
Transatlantic RV	9 000	10 000	6 800	11 000
TCT Cont / F. East	14 000	15 000	12 000	15 000
TCT F. East / Cont	3 850	3 800	2 500	3 850
TCT F. East RV	10 100	10 100	5 000	10 100
Murmansk b.13-ARA 15/25,000 sc	6.35	6.75	6.00	7.00
SUPRAMAX (usd/day)				
Atlantic RV	11 000	11 000	9 400	12 000
Pacific RV	8 200	8 000	3 900	8 200
TCT Cont / F. East	13 500	13 500	12 000	14 000
1 YEAR T/C (usd/day)				
Capesize 180,000 dwt	14 500	13 500	10 250	14 500
Capesize 170,000 dwt	12 500	11 500	8 650	12 500
Panamax 75,000 dwt	10 000	10 000	7 250	10 000
Supramax 53,000 dwt	9 000	8 800	6 600	9 000
Baltic Dry Index (BDI):	1147	1045	n/a	n/a

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



DRY BULK

Capesize

The Capesize market is showing strength. The main driver is the Brazil and SAfrica market where demand is strong and the number of ballasting vessels are limited. The Brazil to China market is presently at around USD 16 pmt and vessels on North Continent are being fixed at USD 26-27,000 on tct for same. This is putting pressure on the Transatlantic market as well. The South Africa to China market is above USD 12 pmt level. The WAus to China market have not been too active, as BHP have been absent from the market for the last week. Pac tct market have pushed though, and is presently around USD 16,000 - as most owners are looking to ballast towards the better Atlantic market, creating competition for the WAus market.

Panamax

The week has been very quiet so far for the Panamaxes. Most charts holding back, as index turned negative mainly due to the lack of business reported. In Nopac LME's were fixed in range of USD 10,500/ 10,750 dely North china while for 1 year period USD 10,350 was reported dely Seasia. Ecsa remains strong with Kmsx fixing at USD 11,000 dop dely Paradip while TA looks slightly softer much lead of lack of activity. FFA still seen a good volume with q2 trading in a narrow range of USD 9,750 -10,250 . Overall market feels softer and we might see lower rates across both basins in the near term.

Supramax

The Atl market faced less activity from the USG whereas at the Cont tonnage seemed to tighten up with more cargoes emerging. Despite this it was few fixtures as owners tended to wait and see. Ultras on fhaul from USG to Far East remained around 21k daily. Bigger Supras from Cont for TA got 11k and same to WA ca 14k. At end of the last week the Pacific market slowed down, the same trend has continued into this week. Indo rv's to China is paying owners around high USD 10k-11k for Supras with Spore delivery, while for Nopac rv's Supras are getting fixed at around low 9k for with redel EC/Bdesh. From MEG to EC/Bdesh ows are achieving around low USD 14k and China to India trips are paying around high USD 8k.

Activity level

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

LPG Rates

* Excl. waiting time, if any

SPOT MARKET (usd/month)*	This week	Last week	Low 2017	High 2017
VLGC / 84,000	400 000	430 000	400 000	670 000
LGC / 60,000	460 000	445 000	385 000	500 000
MGC / 38,000	505 000	510 000	505 000	550 000
HDY / 22,000	515 000	520 000	515 000	550 000
ETH / 10,000	510 000	520 000	510 000	540 000
SR / 6,500	430 000	450 000	420 000	450 000
COASTER Asia	190 000	190 000	190 000	190 000
COASTER Europe	195 000	170 000	110 000	195 000

LPG/FOB prices (usd/tonne)	Propane	Butane	ISO
FOB North Sea / ANSI	408.5	449.0	
Saudi Arabia / CP	480.0	600.0	
MT Belvieu (US Gulf)	345.8	358.4	363.1
Sonatrach : Bethioua	405.0	490.0	

LNG

SPOT MARKET (usd/day)	This week	Last week	Low 2017	High 2017
East of Suez 155-165'cbm	29 500	31 000	29 500	38 000
West of Suez 155-165'cbm	35 000	37 000	35 000	52 000
1 yr TC 155-165'cbm	32 000	33 000	32 000	35 000

GAS

Chartering

This week has been more active for the largest LPG carriers, and we have seen more cargoes being discussed in most loading regions. There were a few fixtures at rates marginally stronger than last week's talks, however, it is probably fair to say that the downwards BLPG trend has stopped and we may see a modestly stronger freight market in coming days. More than anything else the Far East CFR market has remained strong and still pays spot premiums CFR cargo) above indexes. The overall sentiment from the Tokyo LPG seminar last week was probably more positive than expected as far as LPG supply and demand is concerned when producers/exporters and importers at large presented bigger figures than what keen listeners had anticipated. The recent fall in crude oil prices have taken down HFO prices as well and owners have enjoyed better voyage returns caused by the 10% reduction in bunker costs – that equals approximately 1 USD/ton nominally MEG/Far East at current market levels.



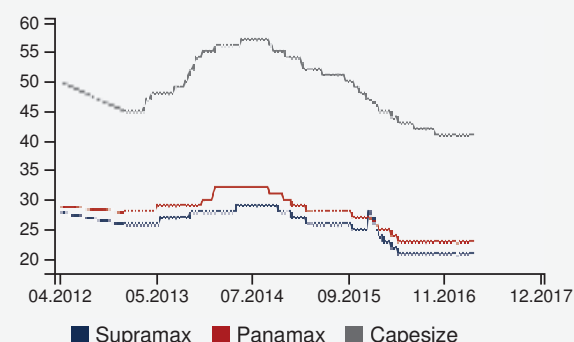
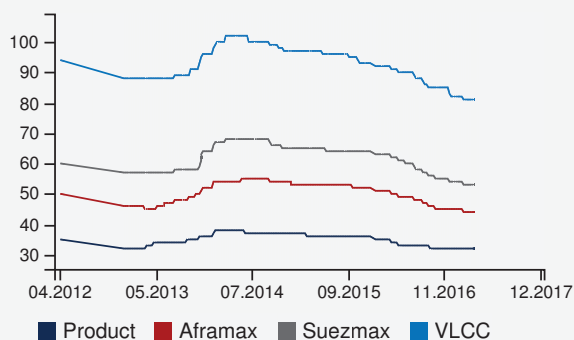
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Activity level

Tankers	Dry Bulkers	Others
Increasing	Increasing	Moderate

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	114.7	114.6	111.9	117.6
USD/KRW	1 144	1 154	1 142	1 206
USD/NOK	8.60	8.48	8.22	8.65
EUR/USD	1.06	1.06	1.04	1.08
Interest rate				
LIBOR USD 6 mnths	1.43	1.42	1.32	1.43
NIBOR NOK 6 mnths	1.08	0.99	0.99	1.29
Commodity prices				
Brent spot (USD)	51.20	55.30	51.20	56.77
Bunker prices				
Singapore				
380 CST	294.0	320.0	294.0	345.0
180 CST	272.0	345.0	272.0	360.0
Gasoil	470.0	500.0	470.0	505.0
Rotterdam				
380 HSFO	272.0	300.0	272.0	310.0
180 CST	303.0	329.0	303.0	339.0
Diesel	438.0	469.0	427.0	475.0

NEWBUILDING

European owners reported to be negotiating 4 firm capes at at Cosco Shipyard Group, price around USD 40 million mark apiece. Furthermore a Greek owner has placed 2 option 2 x 82.000 dwt at Yangzijiang Shipyard China, paying USD 22,8 mill per vessel. Yards are also being approached with Tanker enquiries these days, Greek owners placing 2 + 2 VLCC's at Hanjin Subic Bay, for delivery late 2018 and early 2019, at price as low as 76 million.

SALE AND PURCHASE TRANSACTIONS

Type	Vessel	Size	Built	Buyer	Price	Comm.
MT	Fairchem Kiso	21 167	2011	Undisclosed	21,80	Incl. T/C back, Stst
MT	Dong-A Peneus	12 891	2009	Prime	high 10's	
BC	Welsuccess	93 328	2010	Greek	15,80	Long subs
BC	Welhero	93 328	2010		15,80	
BC	Guan hai 228	82 500	2011	Chinese	10,00	
BC	Arethusa	75 319	2001	Undisclosed	6,50	
BC	Unico Jianna	73 763	1997	Chinese	3,30	

DEMOLITIONS

Sold for demolition

Vessel name	Size	Ldt	Built	Buyer	Price
RORO Topaz Ace	14 696	13 504	1995	Bangladeshi	365
MT Sentinel I	51 546	10 644	1985	Bangladeshi	360
CONT Meratus Java	28 366	9 702	1997	Bangladeshi	352
MV Sveti Nikola I	44 314	9 247	1997	Pakistani	357
CONT Thorstream	23 007	7 743	1998	Indian	345
CONT MSC Didem	43 108	5 511	1987	Indian	350