



Fearnleys Weekly Report

Activity level

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

	Last week	Prev. week
VLCCs fixed all areas last week:	37	
VLCCs avail. in MEG next 30 days:	79	

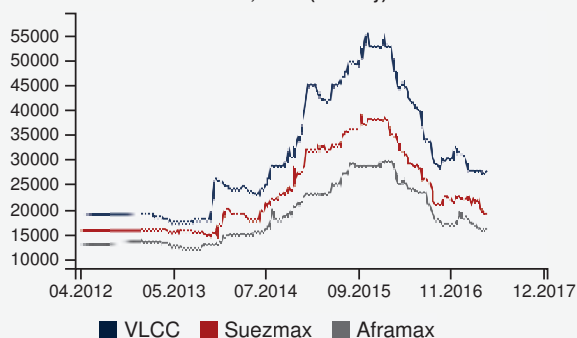
Rates

DIRTY (Spot WS)		This week	Last week	Low 2017	High 2017
MEG / West	VLCC	42.50	34.00	25.00	60.00
MEG / Japan	VLCC	75.00	67.50	45.00	96.50
MEG / Singapore	VLCC	76.00	69.00	45.00	96.00
WAF / FEAST	260,000	72.50	70.00	55.00	97.50
WAF / USAC	130,000	72.50	70.00	70.00	117.5
Sidi Kerir / W Me	135,000	80.00	82.50	75.00	117.5
N. Afr / Euromed	80,000	105.0	97.50	95.00	190.0
UK / Cont	80,000	107.5	105.0	92.50	110.0
Caribs / USG	70,000	115.0	90.00	90.00	215.0

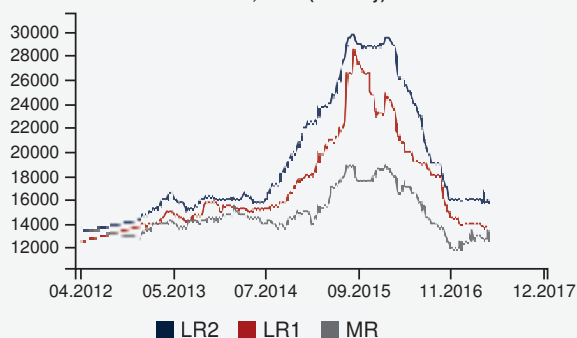
CLEAN (Spot WS)		This week	Last week	Low 2017	High 2017
MEG / Japan	75,000	85.00	97.50	80.00	155.0
MEG / Japan	55,000	100.0	105.0	100.0	150.0
MEG / Japan	30,000	125.0	135.0	125.0	167.5
Singapore / Japan	30,000	142.5	145.0	142.5	180.0
Baltic T/A	60,000	110.0	115.0	110.0	155.0
UKC-Med / States	37,000	145.0	170.0	130.0	210.0
USG / UKC-Med	38,000	120.0	140.0	80.00	150.0

1 YEAR T/C (USD/day) (theoretical)		This week	Last week	Low 2017	High 2017
VLCC	(modern)	27 500	27 000	27 000	30 000
Suezmax	(modern)	19 000	18 500	18 500	22 800
Aframax	(modern)	16 000	16 000	16 000	18 500
LR2	105,000	16 000	15 750	15 750	16 750
LR1	80,000	13 750	13 750	13 750	14 000
MR	47,000	13 500	12 750	12 500	13 500

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



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



TANKERS

Crude

Despite the Easter holidays in the west, the week has been very active for VLCC. Thinning tonnage lists basically all over and steady supply both Wafr and Meg for East has created a sharply upward momentum on rates. Earnings closing on \$30k/day, which far better than many had feared at this stage. Therefore optimism among owners for now and question remains how sustainable the present trend will be. Pre-Easter we saw a surge in Suezmax activity as charterers left it late to cover the 1st decade of May for Wafr in a condensed week. The owners sensed an opportunity and pressed for higher levels gaining some ground with Td20 briefly hitting the ws80 mark. The Bsea and Med followed suit and managed some moderate gains improving the sentiment going into the holidays. We have seen a more measured approach from the charterers this week with cargoes being shown in a orderly fashion and they have wrestled back some control steadying the rates. Current earnings could be described as reasonable but the forward paper curve suggests that there will be erosion in the coming weeks, in the short term the owners will be looking for any excuse to capitalize. Aframaxes in the NSea and Baltic have been pretty well balanced the last week. The ice season is coming to an end in strategic ports in the Baltic. However, we expect the market to hover around present levels in the week to come. The days leading up to Easter proved to be quite busy in the Med and Bsea. But a very long position list kept rates under downward pressure and as such rates moved down to ws100, despite this good activity. Now that a small ship clearance have taken place and Libya activity have blossomed, the market is slowly firming again.

Product

EAST OF SUEZ Having a few days holiday does not seem to have had any positive effect on the market in the Middle East Gulf. The decline in rates for both LR1's and LR2's have continued and today rates obtained are around ws 85 for LR2's and ws100 for the LR1's and the sentiment is not actually very positive, on the other hand current levels are so low that there is not much downside. Today daily earnings for a voyage to Japan is about USD 5.500 for both LR1 and LR2. Current rate for Continent discharge for LR2's is around USD 1,3 mill and USD 1,1 mill down about USD 200.000 since last week. Mr's fixing out of Sikka for Japan discharge is fixing around the ws125 mark, down ws10 points from last week. In the Far east both the Singapore to Japan mr voyage and the short haul voyage from south Korea to Japan has declined to ws 140 mark for the Singapore to Japan and lumpsum USD 225.000 for south Korea to Hong Kong. **WEST OF SUEZ** In the western hemisphere rates are under continuous pressure from the charterers. The straight MR voyage from the Continent to the States have dropped from ws180 mark before Easter holiday's to ws145 level today and the back haul voyage from the U.S. gulf have also dropped from ws140 to ws120 level today. This means that the daily earnings for a combination voyage has dropped from USD 19.000 to USD 14.000 today. LR1's trading from Continent to west Africa have only lost ws10 points last week and is today fixing at ws 110 level. For the LR2's the levels paid are still low and latest assessment from Mediterranean to the Far east is at USD 1,650 mill. The handy segment in the Mediterranean and on the Continent as again going in opposite direction of each other with rates in the Mediterranean once again shooting upwards from ws 165 to ws210 level today whilst at the Continent rates have dropped ws10 points to ws190.



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Activity level

Capesize	Panamax	Supramax
-	Mixed	Firm

Rates	This week	Last week	Low 2017	High 2017
CAPESIZE (usd/day, usd/tonne)				
TCT Cont/Far East (180' dwt)	27 500	29 000	12 000	35 000
Tubarao / R.dam (Iron ore)	7.00	7.80	5.10	8.25
Richards Bay/R.dam	7.00	7.60	4.70	7.60
PANAMAX (usd/day, usd/tonne)				
Transatlantic RV	14 800	14 000	6 800	14 800
TCT Cont / F. East	21 000	19 000	12 000	21 000
TCT F. East / Cont	5 000	4 600	2 500	5 000
TCT F. East RV	12 000	11 000	5 000	12 000
Murmansk b.13-ARA 15/25,000 sc	7.45	0.00	6.00	7.45
SUPRAMAX (usd/day)				
Atlantic RV	11 500		9 400	12 000
Pacific RV	9 000		3 900	9 200
TCT Cont / F. East	18 000		12 000	18 000
1 YEAR T/C (usd/day)				
Capesize 180,000 dwt	14 000	15 500	10 250	16 500
Capesize 170,000 dwt	12 000	13 500	8 650	14 250
Panamax 75,000 dwt	12 400	12 400	7 250	12 400
Supramax 53,000 dwt	9 300		6 600	9 300
Baltic Dry Index (BDI):	1278	0	n/a	n/a

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



DRY BULK

Capesize

Taking a minor port-easter hit as volumes and consequent activity moderate and derivatives not supportive. West Australia/China conference trade slow with a corresponding 15-20 pct weakening w-o-w in earnings, coming in at a typical USD 12-12500 per day for standard 180kdwt types. Brazil/China trade suffering under increasing short term supply/demand imbalance, with resultant earning reduced by usd 2-3k over the last few days to usd 13k for the typical 100-day round. Immediate outlook nervous on falling commodity prices and paper values under pressure - representative 12-months' period levels for modern 180kdwt units down at least 15 pct to some USD 14k basis prompt China delivery.

Panamax

The Pmax market has increased significantly during the last two weeks, especially within the Atl region with north Atl still firm and a steady pace out of SA. A surge in activity pushed TA rates at high 14k's and FH rates above the 20k mark, a 83Dwt was reported fixed for 1tct from Gib via Col to Jp for 23k\$/day. However mid week we might face a change in trend due to several prompt available vsls and a stand off between ownrs and chrts. Those chrts that can wait to fix tend to do that in this heated market. The sentiment in Asia remain positive with a transpac RV at around 12k levels and the expectations for the ECSA market is still good. FFA's, Q2 is trading around mid 11k's, while Apr trading in the range 12.100/12.250.

Supramax

The week started slow after the holidays as expected, however market seems to be slightly picking up again. Some more activity in the nickle ore trade with Supras open Philippines able to get arnd USD 12k for nickle ore run to China. Indonesian coal is cooling down, supras open Spore fixed at USD 9500 for run via Indo to China. Smaller supras open S.China achieving around USD 7k for same. Atl basin looked bit more attractive, with firm activity in Cont and USG. Ultras got rated 11-12k from Cont to Brazil. Usual scrap cargoes from Cont to Med covered around 15-16k daily on ultra. ECSA to far east were fixed around 15k + bb and same from USG around 20k daily.

Activity level

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

LPG Rates

* Excl. waiting time, if any

SPOT MARKET (usd/month)*	This week	Last week	Low 2017	High 2017
VLGC / 84,000	490 000	525 000	400 000	765 000
LGC / 60,000	485 000	500 000	385 000	500 000
MGC / 38,000	485 000	495 000	485 000	550 000
HDY / 22,000	490 000	500 000	490 000	550 000
ETH / 10,000	490 000	500 000	490 000	540 000
SR / 6,500	430 000	430 000	420 000	450 000
COASTER Asia	190 000	190 000	190 000	190 000
COASTER Europe	185 000	190 000	110 000	195 000

LPG/FOB prices (usd/tonne)	Propane	Butane	ISO
FOB North Sea / ANSI	345.0	357.0	
Saudi Arabia / CP	430.0	490.0	
MT Belvieu (US Gulf)	355.6	386.2	385.4
Sonatrach : Bethioua	350.0	380.0	

LNG

SPOT MARKET (usd/day)	This week	Last week	Low 2017	High 2017
East of Suez 155-165'cbm	26 000	27 000	26 000	38 000
West of Suez 155-165'cbm	30 000	29 000	29 000	52 000
1 yr TC 155-165'cbm	31 000	31 000	31 000	35 000

GAS

Chartering

After a pretty hectic week last week for the VLGCs, especially with the Indian Oil companies in mind, the market took a bit of a breather over Easter. This week started slowly with a large part of the market also missing in action on Monday, but has gradually come back to life with some activity to report both in the West and in the East. A relet has been concluded in the west indicating a drop in transpacific rates, however the main owners are still holding back for levels talked about prior the Easter break. In the East, we have seen relets being offered at sub-Baltic rates, as well as fixtures being concluded above, so the market is somewhat undecided. With the above mentioned Indian fixtures in mind, where several ships was booked, there are indications in the market of a tightness going forward due to potential delays in Indian ports. As for the Baltic index, Although the latest quotes turned upwards, we have seen the Baltic coming down some 75 cents/mt (WOW) which reflects a drop just above \$800 per day on T/C/E.



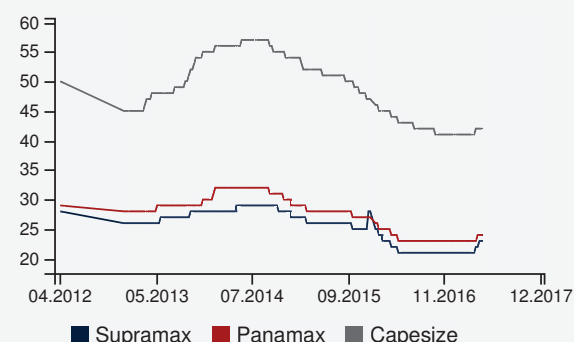
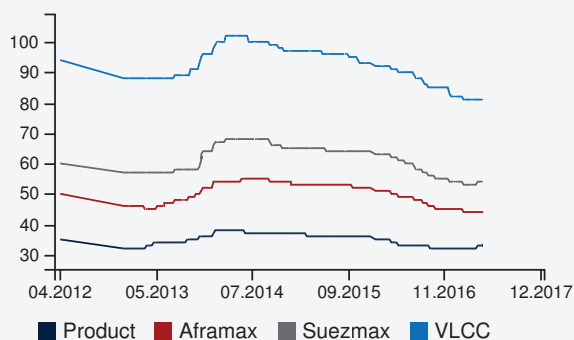
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Activity level

Tankers	Dry Bulk	Others
Low	Moderate	Low

Prices

Average Far Eastern Prices					
PRICES (mill usd)		This week	Last week	Low 2017	High 2017
VLCC	300'dwt	81.00		81.00	82.00
Suezmax	150'dwt	54.00		53.00	54.00
Aframax	110'dwt	44.00		44.00	45.00
Product	50'dwt	33.00		32.00	33.00
Capesize	180'dwt	42.00		41.00	42.00
Panamax	82'dwt	24.00		23.00	24.00
Supramax	64'dwt	23.00		21.00	23.00
LNGC	170'cbm - MEGI	184.0		184.0	184.5



Market brief

	This week	Last week	Low 2017	High 2017
Rate of exchange				
USD/JPY	109.0	109.6	109.0	117.6
USD/KRW	140.9	1 142	140.9	1 206
USD/NOK	8.56	8.58	8.22	8.65
EUR/USD	1.07	1.06	1.04	1.08
Interest rate				
LIBOR USD 6 mnths	1.39	1.42	1.32	1.43
NIBOR NOK 6 mnths	1.13	1.09	0.99	1.29
Commodity prices				
Brent spot (USD)	54.65	56.54	50.20	56.77
Bunker prices				
Singapore	380 CST	320.0		345.0
	180 CST	348.0		360.0
	Gasoil	496.0		505.0
Rotterdam	380 HSFO	297.0		310.0
	180 CST	326.0		339.0
	Diesel	467.0		475.0

NEWBUILDING

Viking Line signed 1+1 Ropax at Xiamen Shipbuilding. Price was reported at EUR 190m. The ferry will operate in the Gulf of Bothnia between Sweden and Finland. Greek owner, Chartworld, increased its orderbook in China with 4+2 Kamsarmaxes at Jinglu Shipyard. Chartworld have previously this year ordered BCs at Yangzijiang and Jinhai Heavy.

NEWBUILDING CONTRACTS

Type	No	Size	Yard	Buyer	Del	Price	Comm
BC	4	82,000 dwt	Jinglu Shipyard	Chartworld	2018-2019	na	+2 options
Ropax	1	1500 lm	Xiamen	Viking Lines	2020	EUR 190	+1 option

SALE AND PURCHASE TRANSACTIONS

Type	Vessel	Size	Built	Buyer	Price	Comm.
MT	Kanata Spirit	113 022	1999	Undisclosed	7,80	
MT	Bursa	51 149	2008	DSD Shipping	17,40	
BC	CPO Asia	179 558	2011	JP Morgan	29,30	
BC	United Ocean	81 918	2014	Dryships	23,50	
BC	Ningbo Whale	76 039	2012	Undisclosed	16,00	
BC	Imperial	75 527	2007	Navios	13,60	
BC	Libertas	74 930	2007		13,70	
BC	Hanjin Santana	58 627	2012	Wilmar International	12,50	
BC	Topflight	52 544	2005	Union Maritime	8,20	
BC	Jin Yu	37 800	2012	Unui Steamship	15,00	
BC	Clipper Selo	32 389	2011	Undisclosed	9,20	
BC	Emanet	28 350	1996	Turkish	3,20	

DEMOLITIONS

Sold for demolition

Vessel name	Size	Ldt	Built	Buyer	Price
CONT Mozambique	82 275	28 440	1998	Undisclosed	398
CONT Botswana	81 819	26 362	1998	Indian	355
CONT MSC Alice	43 170	13 803	1988	Indian	390
CONT Mandalay Star	12 559	5 265	1996	Indian	360
CONT Yangon Star	12 575	5 230	1994	Indian	360
CONT Frontier	13 464	4 967	1987	Undisclosed	395
GC Fanja	8 480	3 542	2000	Undisclosed	390