

Fearnleys Weekly Report

Activity level

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

	Last week	Prev. week
VLCCs fixed all areas last week:	56	37
VLCCs avail. in MEG next 30 days:	100	79

Rates

DIRTY (Spot WS)		This week	Last week	Low 2017	High 2017
MEG / West	VLCC	34.00	42.50	25.00	60.00
MEG / Japan	VLCC	64.00	75.00	45.00	96.50
MEG / Singapore	VLCC	65.00	76.00	45.00	96.00
WAF / FEAST	260,000	67.50	72.50	55.00	97.50
WAF / USAC	130,000	92.50	72.50	70.00	117.5
Sidi Kerir / W Me	135,000	90.00	80.00	75.00	117.5
N. Afr / Euromed	80,000	105.0	105.0	95.00	190.0
UK / Cont	80,000	102.5	107.5	92.50	110.0
Caribs / USG	70,000	100.0	115.0	90.00	215.0

CLEAN (Spot WS)		This week	Last week	Low 2017	High 2017
MEG / Japan	75,000	85.00	85.00	80.00	155.0
MEG / Japan	55,000	100.0	100.0	100.0	150.0
MEG / Japan	30,000	125.0	125.0	125.0	167.5
Singapore / Japan	30,000	137.5	142.5	137.5	180.0
Baltic T/A	60,000	110.0	110.0	110.0	155.0
UKC-Med / States	37,000	175.0	145.0	130.0	210.0
USG / UKC-Med	38,000	90.00	120.0	80.00	150.0

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

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

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

TANKERS

Crude

The quiet days for the VLCC's early in the week started to create some doubt if the present firm trend could last. When firm business started to flow in the answer became evident as rates have corrected down in Meg and also ex Wafr and Americas to east. Softer undertones as tonnage is more ample on volumes in general thinner on the ground. The Suezmaxes in Wafr saw continuous activity through the last week and the pressure told with vessel availability inevitably tightening. Charterers were a little slow in showing end first decade cargoes and as natural dates moved on the owners naturally capitalized on this. As we write a replacement fixture is on subs at ws95 for Wafr/Ukcm and as we approach the psychological 3 digits, owners will look to aggressively drive over the line. Activity picked up also in both the Med and Bsea including a number of east cargoes managing to attract higher freights. With continuous activity ex NSea and the second decade in Wafr showing no signs in slowing down for the remainder of this week charterers are facing a sustained bullish nature from owners. The Aframax market in NSea and Baltic softened further this week after a solid accumulation of tonnage. The outlook for pre Bank Holiday fixing is looking far from ideal from an Owners perspective. There is just too much tonnage in position for the upcoming fixing window. In the Med and Bsea the cargo activity has been fairly good. The tonnage list is looking thinner for prompt days, but as charterers have been, and still are, reaching quite far out, it could seem like the market will remain stable at around w105 throughout the week.

Product

EAST OF SUEZ Without any positive impulses this week the marked in the Middle East Gulf is still trading at low levels. The LR2's and LR1's are still getting ws85 and ws100, respectively for their services which today gives daily earnings in the region of about USD 6.000 per day. The rate for west discharge is also the same as last week at around lumpsum USD 1,350 mill for the LR2's and USD 1,1 mill for the LR1's. Even the MR's have had a week without any changes and the standard voyage from west coast India to Japan is still at ws125 level. In the Far East the benchmark voyage from Singapore to Japan with 30kt has dropped with ws5 point to ws 137,5 level and the short haul voyage from south Korea to Hong Kong have continued its downward slide and is today at lumpsum USD 210.000. WEST OF SUEZ It has been a little bit more mixed in the western hemisphere. The straight MR transatlantic voyage has gained about ws30 points this week and is today paying ws175 level. The MR backhaul voyage from U.S gulf has dropped some ws30 points this week to ws90 level. But for the owners the daily earnings if you are able to triangulate is still in the region of USD 14.000 per day which is more or less unchanged from last week. The LR1's trading from Continent to west Africa are still obtaining ws100. LR2's fixing from the Mediterranean to Japan have also had a slow week and rates obtained is still in the region of USD 1,650 mill. The handy segment in the Mediterranean and on the Continent has both had to endure a decline this last week with the rates on the Continent dropping from ws190 to ws180 and ws210 to ws200 in the Mediterranean.

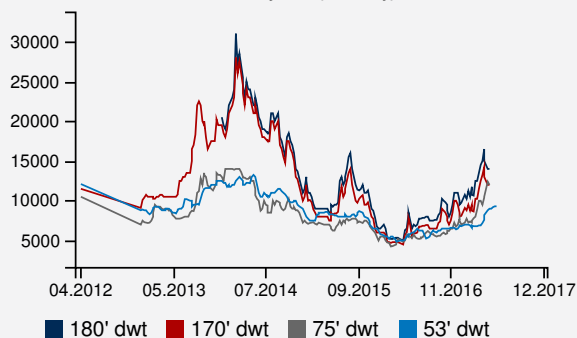
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Activity level

Capesize	Panamax	Supramax
Slower	Weakening	Slower

Rates	This week	Last week	Low 2017	High 2017
CAPE SIZE (usd/day, usd/tonne)				
TCT Cont/Far East (180' dwt)	24 250	27 500	12 000	35 000
Tubarao / R.dam (Iron ore)	6.35	7.00	5.10	8.25
Richards Bay/R.dam	6.50	7.00	4.70	7.60
PANAMAX (usd/day, usd/tonne)				
Transatlantic RV	11 000	14 800	6 800	14 800
TCT Cont / F. East	17 000	21 000	12 000	21 000
TCT F. East / Cont	5 000	5 000	2 500	5 000
TCT F. East RV	10 500	12 000	5 000	12 000
Murmansk b.13-ARA 15/25,000 sc	6.85	7.45	6.00	7.45
SUPRAMAX (usd/day)				
Atlantic RV	11 600	11 500	9 400	12 000
Pacific RV	8 500	9 000	3 900	9 200
TCT Cont / F. East	16 000	18 000	12 000	18 000
1 YEAR T/C (usd/day)				
Capesize 180,000 dwt	14 000	14 000	10 250	16 500
Capesize 170,000 dwt	12 000	12 000	8 650	14 250
Panamax 75,000 dwt	12 000	12 400	7 250	12 400
Supramax 53,000 dwt	9 300	9 300	6 600	9 300
Baltic Dry Index (BDI):	1147	1278	n/a	n/a

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



Activity level

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

LPG Rates					* Excl. waiting time, if any
SPOT MARKET (usd/month)*	This week	Last week	Low 2017	High 2017	
VLGC / 84,000	590 000	490 000	400 000	765 000	
LGC / 60,000	485 000	485 000	385 000	500 000	
MGC / 38,000	485 000	485 000	485 000	550 000	
HDY / 22,000	490 000	490 000	490 000	550 000	
ETH / 10,000	485 000	490 000	485 000	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	185 000	110 000	195 000	

LPG/FOB prices (usd/tonne)		Propane	Butane	ISO
FOB North Sea / ANSI		345.5	357.0	
Saudi Arabia / CP		430.0	490.0	
MT Belvieu (US Gulf)		328.6	352.7	365.5
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	26 000	26 000	38 000
West of Suez 155-165'cbm	33 000	30 000	29 000	52 000
1 yr TC 155-165'cbm	31 000	31 000	31 000	35 000

DRY BULK

Capesize

A slow and uneventful week where the activity have slowed down. There has been no big movement in freight rates, but there is generally a softer tendency. The Brazil market have gone very quiet, and fronthaul rates have dropped from around mid to low 20k level on tct. It has been some problems at some loading ports, combined with dropping iron ore prices. The west Australia market been more volatile with miners fixing some spot cargoes at mid USD 6 pmt level, but then later dropping to very low USD 6 pmt. There also been less activity on the period side. The general expectation is that the market might continue on a slow but stable basis for the next weeks.

Panamax

Activity in the Pmax market has slowed down quite substantially the last week, especially in the Atl region putting a downward pressure on rates across all routes. TA and FH rates are respectively at levels around high 10K's and mid 16K's. The Atl market is expected to slide further in the coming days with negligible fresh biz. Less activity out of ECSA contributing to a Pacific market struggling to absorb all the tonnage available, and a transpacific RV is at time of writing facing levels around low 10k's. Levels obtained now, and the falling forward curve, could be seen as in line with historical seasonality as summer is approaching. FFA's, May is priced at mid 10k's, while Jun is mid at 9K's on the P4TC index.

Supramax

Relatively slow week, with both basins showing signs of cooling down. Although grain cargoes out ECSA and ECCA on Ultras still delivered good levels. Grain cargoes out Black Sea on fhaul paid around 15-16k daily, and from Black Sea to Cont around 8-9 k daily. Usual scrap runs from Cont to Med still payed around 15k daily. The sentiment in Pacific is softening too with more tonnage opening and less coal orders around. Indo/China is paying around mid 9k for with Spore delivery and n.ore ex Philippines to China is being concluded around similar levels or lower. China trips to MEG/WCI is paying around mid 8k, while ECI/Bangladesh destination gets a bit more.

GAS

Chartering

The VLGC spot market has not been much stable and predictable lately; one day it seems sluggish with momentum in a downwards spiral, the next day it looks like a rally is about to be kicked off. The last couple of days have been like that where the market was modestly heading south after the Baltic VLGC index stopped its equally modest recovery at the end of last week. All of a sudden there are today talks about a couple of first half May fixtures in the MEG where the spot rates are reported to shoot upwards to reach mid USD 30's for the index voyage. In the West there were a few fixtures as well, however, with the latest development on cargo pricing and spreads, there was no room for any freight recovery for cargoes loaded out of the US Gulf. There have been talks about a few more cancellations of May loadings due to shrinking spreads, but at the moment only a handful cargoes may have been definitely cancelled. The freight market in the East is undoubtedly looking stronger during the first decade of May and there appears to be more cargoes than vessels to be loaded in the MEG and discharged in the Far East before the end of May. Are we facing another month's delay of the traditional spring/summer backwardation ?

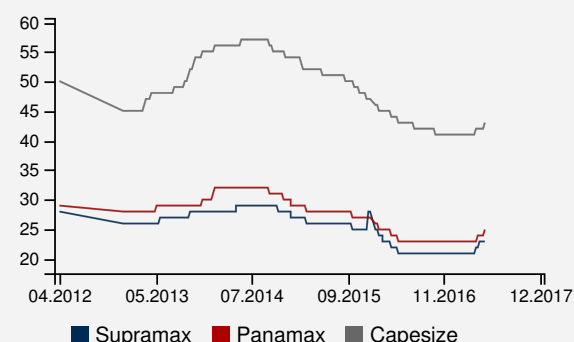
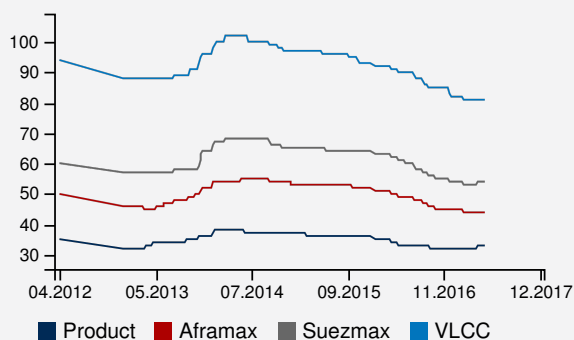
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Activity level

Tankers	Dry Bulk	Others
Low	Low	Low

Prices

Average Far Eastern Prices					
PRICES (mill usd)		This week	Last week	Low 2017	High 2017
VLCC	300'dwt	81.00	81.00	81.00	82.00
Suezmax	150'dwt	54.00	54.00	53.00	54.00
Aframax	110'dwt	44.00	44.00	44.00	45.00
Product	50'dwt	33.00	33.00	32.00	33.00
Capesize	180'dwt	43.00	42.00	41.00	43.00
Panamax	82'dwt	25.00	24.00	23.00	25.00
Supramax	64'dwt	23.00	23.00	21.00	23.00
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	111.4	109.0	109.0	117.6
USD/KRW	1 132	140.9	140.9	1 206
USD/NOK	8.60	8.56	8.22	8.65
EUR/USD	1.08	1.07	1.04	1.08

Interest rate

LIBOR USD 6 mnths	1.42	1.39	1.32	1.43
NIBOR NOK 6 mnths	1.06	1.13	0.99	1.29

Commodity prices

Brent spot (USD)	52.30	54.65	50.20	56.77
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Bunker prices

Singapore	380 CST	305.0	320.0	345.0
	180 CST	332.0	348.0	360.0
	Gasoil	480.0	496.0	505.0
Rotterdam	380 HSFO	280.0	297.0	310.0
	180 CST	308.0	326.0	339.0
	Diesel	442.0	467.0	475.0

NEWBUILDING

It's quite a paradox with hardly any deal to report this week, at the same time as activity seems to be relatively high at the shipyards. The simplest explanation is naturally price checking and potential order preparations from owners, alternatively, a horde of NBs under negotiations soon to be announced, however, the first statement being more likely the latter. The one order confirmed this week is made by Greek owner, Neda, ordering 1+1 VLCCs at Hyundai Samho with a 3Q2018 delivery.

NEWBUILDING CONTRACTS

Type	No	Size	Yard	Buyer	Del	Price	Comm
MT	1	319,000 DWT	HHI	Neda Maritime	2018		+ 1 option

SALE AND PURCHASE TRANSACTIONS

Type	Vessel	Size	Built	Buyer	Price	Comm.
MT	Ratna Shalini	105 849	2010	TMS Tankers	25,00	
MT	Port Louis	37 791	2002	Undisclosed	6,70	
MT	ST Dare	15 015	1996	Far Estern	6,50	
MT	SB Count	10 452	1997	Undisclosed	3,50	
BC	Grain May	87 150	2013	Greek	20,30	
BC	Soya May	87 146	2013		20,10	
BC	United Splendour	82 129	2014	TMS	23,60	
BC	Seatrut	81 640	2013	Diana Shipping	22,60	
BC	Corona Dynamic	77 283	1998	Middle Eastern	6,10	
BC	Double Happiness	76 602	2005	Undisclosed	10,00	
BC	TTM Brilliance	75 200	2011	Undisclosed	12,50	
BC	Global F	73 729	1998	Undisclosed	5,00	
BC	Dominique Venture	63 500	2015	Undisclosed	21,70	Incl. TC at 112% BSI58
BC	Pilatus Venture	63 276	2016	Undisclosed	23,30	Incl TC at USD12,000/day
BC	JMU Isogo 5080	60 000	2017	Greek	25,50	
BC	Four Kitakami	55 668	2009	Undisclosed	14,80	
BC	Eressos Luck	55 429	2009	Undisclosed	14,50	
BC	Ocean Hawk	37 138	2011	Greek	11,80	
BC	Alpha Praxis	33 745	2004	Turkish	6,70	

DEMOLITIONS

Sold for demolition

Vessel name	Size	Ldt	Built	Buyer	Price
CONT AI Endurance	61 441	22 444	2003	Indian	390
MV Frontier	151 492	17 908	1992	Undisclosed	398
MT Santa Cruz I	101 605	16 327	1995	Bangladeshi	387
MV The Just	47 639	7 398	1995	Pakistani	385
MV Bosna	26 530	5 580	1985	Bangladeshi	380
CONT Armada Persada	12 577	5 237	1993	Bangladeshi	365
GAS Guapore	4 490	3 963	1982	Indian	182