



# Fearnleys Weekly Report

## Activity level

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

	Last week	Prev. week
VLCCs fixed all areas last week:	54	44
VLCCs avail. in MEG next 30 days:	118	123

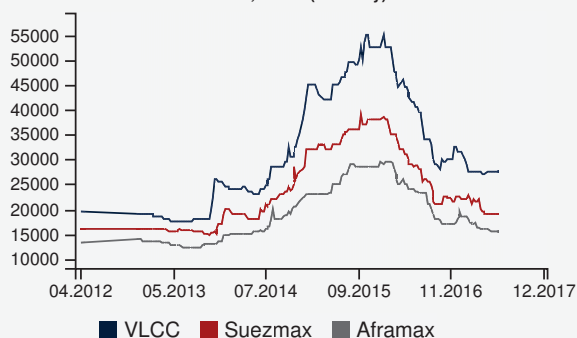
## Rates

DIRTY (Spot WS)		This week	Last week	Low 2017	High 2017
MEG / West	VLCC	23.00	23.00	23.00	60.00
MEG / Japan	VLCC	47.50	50.00	45.00	96.50
MEG / Singapore	VLCC	48.50	51.00	45.00	96.00
WAF / FEAST	260,000	53.00	53.00	53.00	97.50
WAF / USAC	130,000	82.50	80.00	70.00	117.5
Sidi Kerir / W Me	135,000	85.00	90.00	75.00	117.5
N. Afr / Euromed	80,000	100.0	150.0	95.00	190.0
UK / Cont	80,000	105.0	117.5	92.50	117.5
Caribs / USG	70,000	140.0	140.0	90.00	215.0

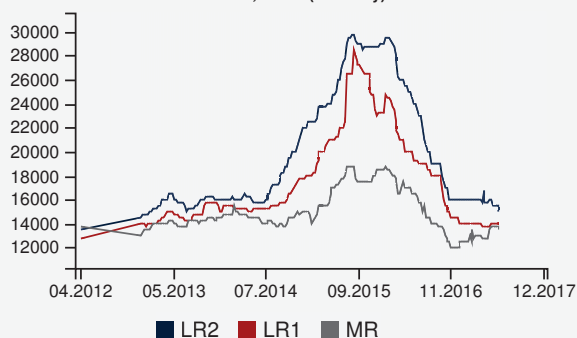
CLEAN (Spot WS)		This week	Last week	Low 2017	High 2017
MEG / Japan	75,000	90.00	85.00	80.00	155.0
MEG / Japan	55,000	105.0	100.0	100.0	150.0
MEG / Japan	30,000	122.5	122.5	120.0	167.5
Singapore / Japan	30,000	130.0	130.0	130.0	180.0
Baltic T/A	60,000	105.0	100.0	100.0	155.0
UK-Med / States	37,000	160.0	135.0	120.0	210.0
USG / UKC-Med	38,000	90.00	90.00	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)	15 500	15 500	15 500	18 500
LR2	105,000	15 000	15 500	15 000	16 750
LR1	80,000	14 000	14 000	13 750	14 000
MR	47,000	13 500	13 750	12 500	13 750

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



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



## TANKERS

### Crude

The VLCC market ex MEG continued to suffer from lack of demand and oversupply of tonnage. Rates remained under pressure and as low as ws39 has been concluded twice for MEG/Rok basis older/ex dd units. In the Atlantic charterers kept on securing tonnage ex Wafr at a steady pace hence rates remained flat. During the last week, we saw increased activity on the Suezmaxes, which in turn stimulated rate levels with the market becoming more date sensitive. Td20 briefly peaked at ws95 as owners took advantage of an ever tightening position list in the second decade before settling back to ws90. The squeeze on tonnage availability was also felt in the Med and Black Sea with owners picking and choosing their cargo preferences. A further contributing factor was a more active Caribs market, and the Nsea and Baltic consistently poaching vessels all added to the overall picture and increased owner bullish sentiment. However, this week has been a different story with sparse action in all geographical areas so far and rates are starting to dip as several owners find themselves long on ships. The Nsea and Baltic Aframax market seems fairly balanced at the time of writing, but moving towards mid-month fixing rates should deteriorate. With a short program ex Primorsk and Ust Luga, rates should remain under pressure for the week to come. The Med and Bsea market took a hit last week. Three fixtures was all it took for the market to go from ws140 down to ws100, this mainly due to a rapidly growing position list. For the remaining of the week, we expect the market to hover around high ws90 to low ws100.

### Product

**EAST OF SUEZ** Finally, it seems rates have reached a floor in the Middle East Gulf, and have flattened out and even shown some positive signs last couple of days. Both LR2s and LR1s have been able to increase rates with about ws5 points last week to ws90 and ws105, respectively. Still, owners' daily earnings are not more than about USD 7000 per day for a voyage to Japan. Rates for West discharge is unchanged at around lumpsum USD 1.35 mill for LR2 and USD 1.1 mill for LR1. The fixing level for MRs from west coast India to Far East is unchanged from last week at ws122.5 level. In the Far East, the MR voyage from Singapore to Japan is still at ws130 and the short haul voyage from South Korea to Japan is USD 230,000, slightly down from last week.

**WEST OF SUEZ** The market in the Atlantic has been positive, and rates have been maintained and in some cases improved. The straight MR voyage from the Continent to the States have increased to ws160, up ws30 points last week, whilst the backhaul cargo ex US Gulf is unchanged at ws90. For the triangulation voyage, this give owners a daily earning of about USD 12,500 per day, up from USD 10,000 last week. The LR1s have also been able to get a few points more for their services and is today being paid ws105 for a voyage to West Africa. The rate for LR2s moving eastwards is unchanged from last week with USD 1.6 mill being paid from the Mediterranean to Japan. For the Handies trading in the Mediterranean and on the Continent, rates are around ws135 level, down marginally from ws140.



# Fearnleys Weekly Report

## Activity level

Capesize	Panamax	Supramax
Slow	Slow	Weakening

Rates	This week	Last week	Low 2017	High 2017
<b>CAPESIZE (usd/day, usd/tonne)</b>				
TCT Cont/Far East (180' dwt)	21 500	21 000	12 000	35 000
Tubarao / R.dam (Iron ore)	5.85	6.10	5.10	8.25
Richards Bay/R.dam	5.85	5.90	4.70	7.60
<b>PANAMAX (usd/day, usd/tonne)</b>				
Transatlantic RV	5 700	5 700	5 700	14 800
TCT Cont / F. East	12 000	12 000	12 000	21 000
TCT F. East / Cont	6 200	6 500	2 500	8 600
TCT F. East RV	3 150	3 300	3 150	12 000
Murmansk b.13-ARA 15/25,000 sc	5.85	5.75	5.00	7.45
<b>SUPRAMAX (usd/day)</b>				
Atlantic RV	10 500	10 700	9 400	12 000
Pacific RV	6 800	7 300	3 900	9 200
TCT Cont / F. East	13 000	13 000	12 000	18 000
<b>1 YEAR T/C (usd/day)</b>				
Capesize 180,000 dwt	14 500	14 750	10 250	16 500
Capesize 170,000 dwt	13 000	13 250	8 650	14 250
Panamax 75,000 dwt	8 250	8 500	7 250	12 400
Supramax 53,000 dwt	8 200	8 300	6 600	9 300
<b>Baltic Dry Index (BDI):</b>	<b>878</b>	<b>934</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
Low	Low	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	395 000	442 000	395 000	765 000
LGC / 60,000	485 000	485 000	385 000	500 000
MGC / 38,000	460 000	470 000	460 000	550 000
HDY / 22,000	450 000	465 000	450 000	550 000
ETH / 10,000	450 000	455 000	450 000	540 000
SR / 6,500	420 000	430 000	420 000	450 000
COASTER Asia	190 000	190 000	190 000	190 000
COASTER Europe	180 000	180 000	110 000	195 000

<b>LPG/FOB prices (usd/tonne)</b>			
	<b>Propane</b>	<b>Butane</b>	<b>ISO</b>
FOB North Sea / ANSI	326.5	328.0	
Saudi Arabia / CP	385.0	390.0	
MT Belvieu (US Gulf)	340.0	343.7	355.4
Sonatrach : Bethioua	330.0	350.0	

## 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	28 000	27 000	25 000	38 000
West of Suez 155-165'cbm	38 000	38 000	29 000	52 000
1 yr TC 155-165'cbm	31 000	31 000	31 000	35 000

## DRY BULK

### Capesize

A very slow start with holidays in the beginning of the week in both UK, China and HK. The west Australian miners been very quiet so far, hence the low activity level have made freight rates drop. West Australia to China now trading sub USD 6 pmt mark again. Also limited with Brazil cargoes and the freight rates dropped sub USD 14 pmt on this route. We are entering what is normally a low season when it comes to demand, hence the expectations are modest for the next months. However, after the summer we expect to see a seasonal upswing in the demand for coal and iron ore, and with a combination of slower NB deliveries and high scrapping, the market remains positive for second half of the year.

### Panamax

It has been a slow and uneventful week for the Panamaxes. Ascension Day combined with holidays in the UK, US and China the trading was basically absent. With a holiday-disrupted week with little new fresh cargoes in the market, the rates are again under pressure, but the north Atlantic appeared to have steadied a bit. In the Atlantic region, the TA market is priced at mid 5k's, while FH rates are around 12k's. Activity in the Pacific has been limited and a trans-Pacific RV is now priced at low 6k's. FFA's, June is priced at around 7k's, while July is priced at high 7k's on the P4TC index.

### Supramax

With various holidays around the globe beginning of this week, including China, the market has started very slow this week both in the Pacific and in the Atlantic. More tonnage on Continent and few scrap cargoes have weakened the market there. Sugar cargoes from ECSA to Mediterranean have now been fixed around 9k. It was very little activity from the USG on spot basis, but some new cargoes appeared for fronthaul on forward basis. Few fixtures appeared also in the Pacific. Indonesia to China coal rounds are paying Supras around low/mid USD 7k, while nopac rounds going for around low USD 6k. For coal ex South Africa to MEG/WC India, Ultras are obtaining around USD 15k.

## GAS

### Chartering

The VLGC spot market did not quite pick up after a long weekend, both as far as activity and rates are concerned. The Baltic VLGC index has continued its way down confirming May to be a month in red practically every single quotation day. The cargo spreads and arbitrage West to East are still not favourable at all, hence we do not see that the market activity is going to radically improve in the short term. With a substantial list of available vessels for June loading in the Middle East, we do see a potential for rates to carry on downwards to some extent. There has been some activity in the term market where a few vessels have been taken on time charter both on fixed rate as well as on fully floating basis. A VLGC NB tender was floated by KOTC at a few selected shipyards for three vessels, if/when awarded for delivery towards the end of 2019 or beginning of 2020. It seems clear that the new vessels if successfully ordered will be replacement for a couple of early 1990's built VLGCs.



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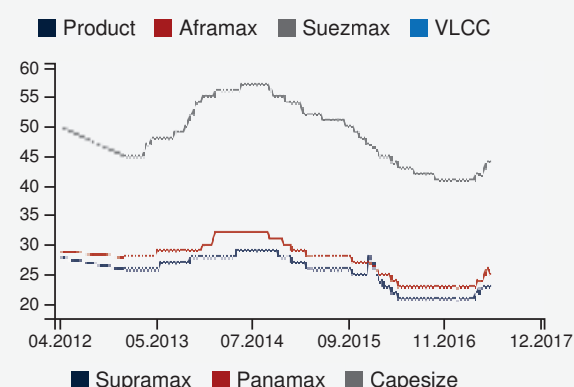
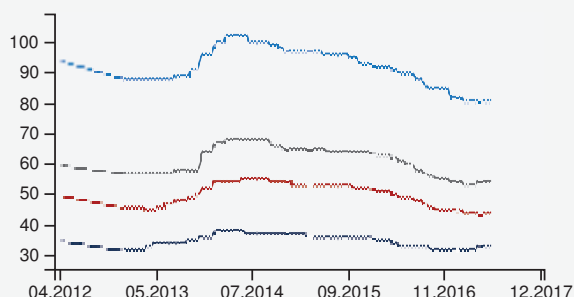
## Activity level

Tankers	Dry Bulk	Others
Active	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	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	44.00	44.00	41.00	44.00
Panamax	82'dwt	25.00	25.00	23.00	25.50
Supramax	64'dwt	23.00	23.00	21.00	23.00
LNGC	170'cbm - MEGI	184.5	184.5	184.0	184.5



## Market brief

	This week	Last week	Low 2017	High 2017
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### Rate of exchange

USD/JPY	110.9	111.8	109.0	117.6
USD/KRW	1 120	1 121	140.9	1 206
USD/NOK	8.43	8.40	8.22	8.66
EUR/USD	1.12	1.12	1.04	1.12

### Interest rate

LIBOR USD 6 mnths	1.41	1.41	1.32	1.45
NIBOR NOK 6 mnths	1.03	1.01	0.99	1.29

### Commodity prices

Brent spot (USD)	50.52	54.24	49.41	56.77
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### Bunker prices

Singapore	380 CST	308.0	321.0	345.0
	180 CST	319.0	359.0	360.0
	Gasoil	448.0	481.0	505.0
Rotterdam	380 HSFO	287.0	300.0	310.0
	180 CST	317.0	328.0	339.0
	Diesel	439.0	458.0	475.0

## NEWBUILDING

Still active tanker market with another 2 VLCCs being added to the orderbook. Hong Kong owner Tai Chong Cheang placed an order at HHI at a rumoured price of just below 80 mill. This brings the total VLCC tally up to above 40 orders so far this year (including options).

## NEWBUILDING CONTRACTS

Type	No	Size	Yard	Buyer	Del	Price	Comm
BC	2	82,000 dwt	Jinling	Transocean Maritime	2019		
BC	2	108,000 dwt	CSSC Shanghai Shipyard	Platano Eesti	2019		+ 1 option
LNG	2	7,500 cbm	Keppel Nantong	Stolt Nielsen	2019	37	+3 options
MT	2	319,000 dwt	HHI	Tai Chong Cheang	2019		
PC	2	50,000 dwt	HMD	Union Maritime	2018		+2 options

## SALE AND PURCHASE TRANSACTIONS

Type	Vessel	Size	Built	Buyer	Price	Comm.
MT	TI Topaz	319 430	2002	New Shipping	21	
MT	BLS Ability	84 999	2002	Avin international	9,00	
MT	Mare Pacific	68 467	2001	Kasco	6,80	
MT	Mare Atlantic	68 467	2001		6,80	
MT	Tamarin	50 129	2008	Greek	17,80	
MT	Shimanami Sunshine	47 999	2004	Greek	xs 10	
MT	Navig8 Spica	25 000	2017	SBI Holdings	37,00	
MT	Navig8 Sol	25 000	2017		37,00	
BC	Santa Paula	77 171	2009	Undisclosed	15,00	
BC	Acacia Bulker	32 759	2005	Far Eastern	7,50	

## DEMOLITIONS

### Sold for demolition

Vessel name	Size	Ldt	Built	Buyer	Price
GC Radiance	42 529	9 016	1994	Indian	333
GAS Navakun 17	785	773	1980	Bangladeshi	305