



Fearnleys Weekly Report

Activity level

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

	Last week	Prev. week
VLCCs fixed all areas last week:	54	41
VLCCs avail. in MEG next 30 days:	118	93

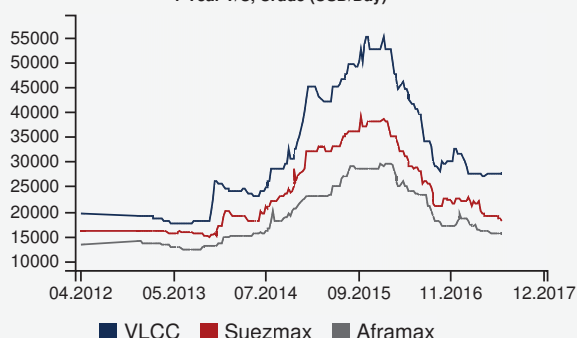
Rates

DIRTY (Spot WS)		This week	Last week	Low 2017	High 2017
MEG / West	VLCC	27.00	25.50	23.00	60.00
MEG / Japan	VLCC	53.00	50.00	45.00	96.50
MEG / Singapore	VLCC	52.50	51.00	45.00	96.00
WAF / FEAST	260,000	56.00	55.00	53.00	97.50
WAF / USAC	130,000	52.50	60.00	52.50	117.5
Sidi Kerir / W Me	135,000	62.50	72.50	62.50	117.5
N. Afr / Euromed	80,000	92.50	95.00	92.50	190.0
UK / Cont	80,000	96.50	100.0	92.50	117.5
Caribs / USG	70,000	85.00	90.00	85.00	215.0

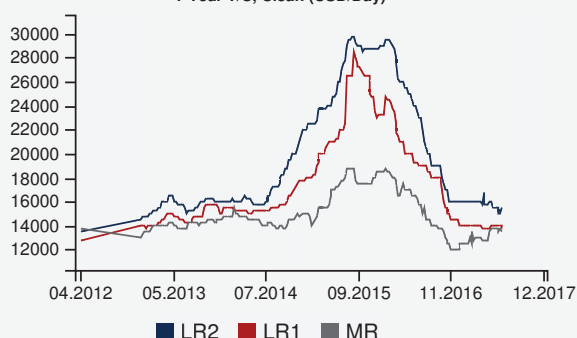
CLEAN (Spot WS)		This week	Last week	Low 2017	High 2017
MEG / Japan	75,000	85.00	87.50	80.00	155.0
MEG / Japan	55,000	105.0	105.0	100.0	150.0
MEG / Japan	30,000	127.5	127.5	120.0	167.5
Singapore / Japan	30,000	137.5	132.5	130.0	180.0
Baltic T/A	60,000	110.0	110.0	100.0	155.0
UKC-Med / States	37,000	130.0	130.0	120.0	210.0
USG / UKC-Med	38,000	120.0	105.0	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)	18 000	18 500	18 000	22 800
Aframax	(modern)	15 500	15 500	15 500	18 500
LR2	105,000	15 500	15 500	15 000	16 750
LR1	80,000	13 750	14 000	13 750	14 000
MR	47,000	13 500	13 500	12 500	13 750

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



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



TANKERS

Crude

Steady activity for the VLCCs this week and despite fierce attempts to shave rates owners have managed to add a couple of points for the major routes ex MEG. General activity may however not be sufficient for rates to add more in the short term. Earnings still only mid USD 10's/day which along expectations for the summer. Wafr/East also steady with rates and earnings mirroring MEG/East. Rates for Suezmaxes trading out of Wafr remained under pressure, as mentioned also last week. By time of writing a voyage with destination US Gulf has paid ws50. Going forward it seems we have not seen the bottom of the declining market as cargo activity remains lackluster and the tonnage keeps adding to the already plentiful list of available ships. Although with moderate activity in the Blsea and Mediterranean it was not enough to maintain rate levels in the area which also declined last week under the downward pressure. The Nsea and Baltic Aframax markets should soften another 2.5 ws points before reaching the unofficially agreed lows for 2017. Owners should not expect too much excitement going forward, if we take previous summers and the general tanker outlook into account. We might as well repeat last weeks Med and Blsea reports as we are currently in exact the same position this week. I.e. rates still stable around ws90-95 and it's Libya activity that is keeping the rates afloat. Please stay tuned for next week's repeat of above text.

Product

EAST OF SUEZ Without any positive impulses in the Middle East Gulf, the owners are still facing weak earnings. When owners of LR1s and LR2s are fixing voyages going to Japan/South Korea range rate is still around ws105/ws85, respectively. These rates give owners only daily earning in the region of USD 5/6000. Rate for West options have also been flat this week and is still around USD 1.3 mill for LR2s and USD 1.1 mill for LR1s. MRs fixing voyages from West Coast India to Japan/South Korea range have seen a slight increase in rates and is today at ws137.5 level. A little more positive trend have been detected for the MRs trading in the Far East. The benchmark voyage from Singapore to Japan have increased slightly with ws5 points to ws137.5, and the short haul voyage from South Korea to Japan is up from USD 260,000 to USD 270,000. **WEST OF SUEZ** In the Atlantic, the market has also been flat and uneventful this week. MRs trading from the Continent to the States are still getting ws130 for their services, but if owners are able to triangulate with a fixture from the US Gulf back to the Continent daily earning have increased from USD 12,000 to USD 13,000 today due to a 15 point increase in rates from US Gulf to Continent. LR1s have not seen the rate move for the voyage from Continent to West Africa, so fixing is still being done at ws110 level. LR2s fixing from the Mediterranean to the Far East have seen some positive signs last week and the rate have increase with USD 100,000 to about lumpsum USD 1.75 mill today. Handies trading on the Continent have seen rates drop to ws130 level whilst their sisters in the Mediterranean have seen a ws15 points increase to ws140 level.



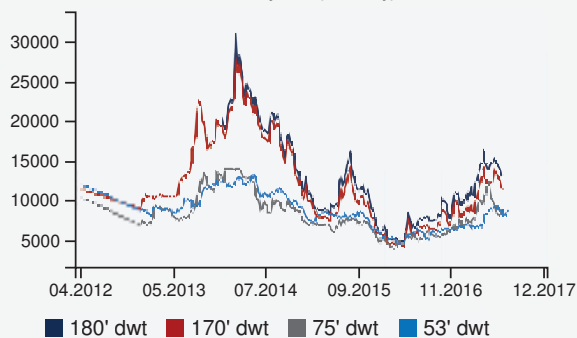
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Activity level

Capesize	Panamax	Supramax
Weak	Strong	Firmer

Rates	This week	Last week	Low 2017	High 2017
CAPE SIZE (usd/day, usd/tonne)				
TCT Cont/Far East (180' dwt)	19 000	20 000	12 000	35 000
Tubarao / R.dam (Iron ore)	5.10	5.70	5.00	8.25
Richards Bay/R.dam	5.00	5.50	4.70	7.60
PANAMAX (usd/day, usd/tonne)				
Transatlantic RV	9 000	7 500	5 600	14 800
TCT Cont / F. East	15 000	13 000	11 600	21 000
TCT F. East / Cont	7 500	6 500	2 500	8 600
TCT F. East RV	3 100	2 850	2 500	12 000
Murmansk b.13-ARA 15/25,000 sc	6.50	5.80	5.00	7.45
SUPRAMAX (usd/day)				
Atlantic RV	11 000	11 000	9 400	12 000
Pacific RV	7 600	6 900	3 900	9 200
TCT Cont / F. East	13 500	13 000	12 000	18 000
1 YEAR T/C (usd/day)				
Capesize 180,000 dwt	13 000	14 000	10 250	16 500
Capesize 170,000 dwt	11 500	12 500	8 650	14 250
Panamax 75,000 dwt	8 750	8 250	7 250	12 400
Supramax 53,000 dwt	8 750	8 600	6 600	9 300
Baltic Dry Index (BDI):	844	865	n/a	n/a

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



Activity level

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

LPG Rates				
* Excl. waiting time, if any				
SPOT MARKET (usd/month)*	This week	Last week	Low 2017	High 2017
VLGC / 84,000	430 000	460 000	395 000	765 000
LGC / 60,000	485 000	485 000	385 000	500 000
MGC / 38,000	420 000	450 000	420 000	550 000
HDY / 22,000	405 000	420 000	405 000	550 000
ETH / 10,000	445 000	445 000	445 000	540 000
SR / 6,500	420 000	420 000	420 000	450 000
COASTER Asia	195 000	190 000	190 000	195 000
COASTER Europe	175 000	185 000	110 000	195 000

LPG/FOB prices (usd/tonne)			
	Propane	Butane	ISO
FOB North Sea / ANSI	350.0	327.0	
Saudi Arabia / CP	385.0	390.0	
MT Belvieu (US Gulf)	301.5	314.3	325.5
Sonatrach : Bethioua	355.0	355.0	

LNG

SPOT MARKET (usd/day)	This week	Last week	Low 2017	High 2017
East of Suez 155-165'cbm	33 000	32 000	25 000	38 000
West of Suez 155-165'cbm	41 000	41 000	29 000	52 000
1 yr TC 155-165'cbm	31 000	31 000	31 000	35 000

DRY BULK

Capesize

The market continues to drop across the board. The West Australia route is down 13% w-o-w and the Brazil-China route down 18 % w-o-w. In addition to this, fixing activity has been very limited and the list of available tonnage is increasing. On a positive note, we are seeing more inquiries for US coal which seem to give the Atlantic a bit of support.

Panamax

Another active week with increasing rates in both hemispheres for the Panamaxes. The Atlantic market is again the region that keep the momentum up, especially within the North Atlantic which is still firm. We see a steady pace out of South America pushing TA rates at around 9k's and FH rates around 15k. The sentiment in Asia remain positive with a transpacific RV at around mid 7k's, and the expectations for the ECSA market is still good. The short-term outlook for the Panamax market remain positive all in all. There is still a lot of expectations in the FFA market, and July is priced at around mid 9k's, while 4Q is now priced above the 10k mark for the first time in a while on the P4TC index.

Supramax

A positive start to the week in both basins with rates climbing on most routes. From ECSA, Supra owners are getting paid around mid 10k for trip to Emed/Blsea, while fronthaul to Bangladesh are paying around 12.5k+ECSA to Emed/Blsea around mid 10k. Scrap runs from Cont to Med is getting fixed around USD mid 10k, while USG trips to Far East is paying between USD 17-18k. The Pacific is very active and hot this week with specially nickel ore market booming. Supras seeing around mid 9/10k for N.ore run via Philippines to China with delivery S.China. Indo/China coal runs are getting fixed around mid/high 9k. Market is moving quite rapidly upwards and we could be seeing even higher rates by the end of this week.

GAS

Chartering

There was rather limited activity in the spot market last week for the VLGCs despite announcements of cargo loading acceptances and spot rates on their way down closer to potential charterers' ideas. The latest spot fixture (trader relet) in the East for a very late June loading is reported at USD 24.50 per ton or corresponding to USD 13,000/day. It is going to be interesting to see the levels of the next few spot deals in the East now that mostly independent owners will be in control of the vessels. The highlight of the week is undoubtedly Petredec's order of 2 opt 2 VLGCs at Jiangnan Shipyard for delivery in 2nd and 3rd quarter 2019 at a price reported to be in the low USD 60's M. This is the first VLGC newbuilding order in quite some time, however, the market is not very surprised about it as the price is low and with an alleged favourable delivery timing. If the optional vessels are declared they will also be delivered in 2019. Even with this addition to the fleet, the order book only equals 11% increase of the number of trading vessels.



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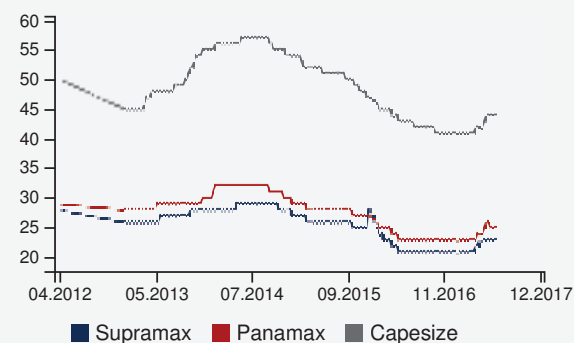
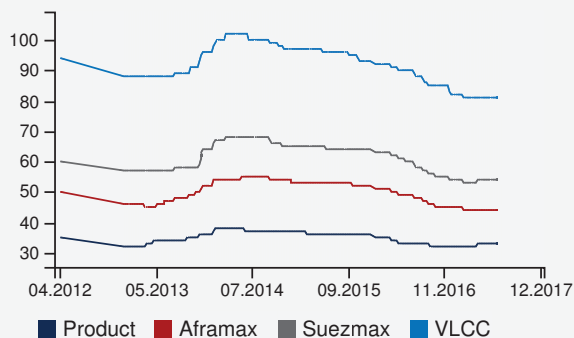
Activity level

Tankers	Dry Bulk	Others
Slow	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
Rate of exchange				
USD/JPY	111.5	109.3	109.0	117.6
USD/KRW	1 144	1 117	140.9	1 206
USD/NOK	8.53	8.36	8.22	8.66
EUR/USD	1.12	1.13	1.04	1.13

Interest rate

LIBOR USD 6 mnths	1.43	1.42	1.32	1.45
NIBOR NOK 6 mnths	1.01	1.00	0.98	1.29

Commodity prices

Brent spot (USD)	46.15	48.50	46.15	56.77
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Bunker prices

Singapore	380 CST	292.0	303.0	345.0
	180 CST	298.0	331.0	360.0
	Gasoil	418.0	437.0	505.0
Rotterdam	380 HSFO	273.0	278.0	310.0
	180 CST	303.0	306.0	339.0
	Diesel	394.0	410.0	475.0

NEWBUILDING

Bulker orders keep surfacing, this week China Steel Express confirms two 208,000 dwt Newcastlemax orders at JMU and a similar vessel order at CSBC. Oldendorff has returned to Jiangsu Hantong for one more 82,000 dwt Kamsarmax with delivery scheduled 2018. Singapore based Petredec has ordered 2 firm plus 2 optional VLGCs at Jiangnan shipyard. Vessels scheduled for delivery from 2Q 2019, and price reported to 72 mill USD.

NEWBUILDING CONTRACTS

Type	No	Size	Yard	Buyer	Del	Price	Comm
BC	1	82000 dwt	Jiangsu Hantong	Oldendorff	2018		
BC	2	208000 dwt	JMU	China Steel Express	2019		
BC	2	208000 dwt	CSBC	China Steel Express	2019		
Ro-Ro	2	6700lm	Jinling	DFDS	2019		Options declared
LPG	2	84000 cbm	Jiangnan	Petredec	2019	72	

SALE AND PURCHASE TRANSACTIONS

Type	Vessel	Size	Built	Buyer	Price	Comm.
MT	Oriental Emerald	50 379	2005	Avin International	10,50	
MT	Oriental Ruby	50 375	2005		10,50	
MT	Martin	35 808	1993	Middle Eastern	3,60	
MT	Maersk Rapier	34 985	2000	Greek	6,75	
MT	Avic Dingheng AD0050	25 000	2017	Odjell	40,00	Stst
MT	Avic Dingheng AD0052	25 000	2018		40,00	Stst
MT	Avic Dingheng AD0054	25 000	2018		40,00	Stst
MT	Avic Dingheng AD0053	25 000	2018		40,00	Stst
MT	Avic Dingheng AD0051	25 000	2017		40,00	Stst
BC	Privbaltic	58 078	2013	Starbulk	low 13*s	
BC	Privgulf	58 000	2013		low 13*s	
BC	Union Erwin	56 260	2011	Norwegian	13,20	
BC	Wren	53 348	2008	Starbulk	8,00	
BC	Sunrise Miyajima	19 127	2007	Turkish	6,20	
BC	Orient Becrux	33 383	2013	Dabinovic	13,00	

DEMOLITIONS

Sold for demolition

Vessel name	Size	Ldt	Built	Buyer	Price
MT Tirupati	149 258	24 081	1994	Indian	330
MT Albasrawi	121 109	20 148	1989	Indian	332
MT Distya Ameya	95 420	16 480	1995	Indian	330
MV Almohandi 1	71 749	9 977	1990	Pakistani	352
MV Wan Li	28 358	5 496	1087	Bangladeshi	330