



Fearnleys Weekly Report

Activity level

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

	Last week	Prev. week
VLCCs fixed all areas last week:	46	36
VLCCs avail. in MEG next 30 days:	122	119

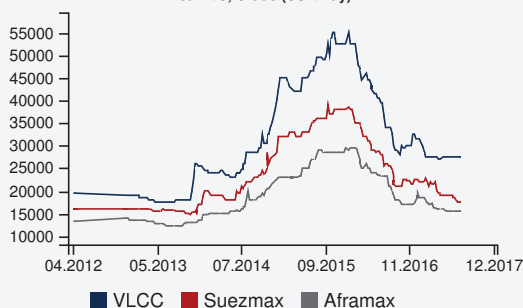
Rates

DIRTY (Spot WS)		This week	Last week	Low 2017	High 2017
MEG / West	VLCC	26.00	25.50	23.00	60.00
MEG / Japan	VLCC	55.00	52.50	45.00	96.50
MEG / Singapore	VLCC	56.00	53.00	45.00	96.00
WAF / FEAST	260,000	56.00	55.50	53.00	97.50
WAF / USAC	130,000	62.50	62.50	52.50	117.5
Sidi Kerir / W Me	135,000	67.50	65.00	62.50	117.5
N. Afr / Euromed	80,000	80.00	72.50	72.50	190.0
UK / Cont	80,000	90.00	87.50	87.50	117.5
Caribs / USG	70,000	82.50	87.50	82.50	215.0

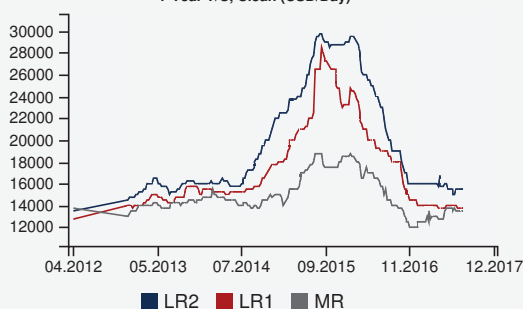
CLEAN (Spot WS)		This week	Last week	Low 2017	High 2017
MEG / Japan	75,000	95.00	92.50	80.00	155.0
MEG / Japan	55,000	112.5	117.5	100.0	150.0
MEG / Japan	30,000	135.0	135.0	120.0	167.5
Singapore / Japan	30,000	145.0	145.0	130.0	180.0
Baltic T/A	60,000	125.0	105.0	100.0	155.0
UKC-Med / States	37,000	135.0	125.0	120.0	210.0
USG / UKC-Med	38,000	115.0	115.0	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)	17 500	17 500	17 500	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	13 750	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

The VLCC market saw more activity and increasing rates ex MEG during end last week, which to owners' disappointment dwindled last few days due to less demand in the spot market. The market needs to see more action to avoid rate levels to start easing off again. Owners are hoping the BOT stem nominations, which are to be released soon, will support their cause, but on the other side the supply situation looks pretty amble. It was a game of patience for the charterers in the Suezmax market, throughout last week there was sustained pressure from key owners driving a bullish sentiment sitting back and showing high numbers against cargoes due to tightening lists reflecting some pressure on fundamentals especially in West Africa with increased volumes of cargo steadily poaching tonnage. Finally one by one owners succumbed realising that there was very little to support any upward movement in the rates and by the end of last week stability had returned with last done levels being achieved at ws65 for TD 20 as the market found its balance. The Med and Black Sea have seen limited enquiry and stability has prevailed there too with TD6 going sideways at ws75. This week has started on a quieter note with first decade of August dates in Waf being lighter than last month, stable is the trend going forward and time will tell if charterers can find a way to squeeze owners further. North Sea and Baltic keeps moving sideways at bottom levels as charterers are fixing further forward than what we have seen recently. The tonnage list is thinning out, but nevertheless we expect the rates to stay unchanged and the week to end on a quiet note. In the Med and Bsea, owners can finally see some positive signs in the market. High cargo activity last week have thinned out what seemed to be an endless tonnage list, and as a consequence the owners are now pushing for higher numbers. At the time of writing ws80 is the going rate, but as we have fixed far forward, and there still are some prompt ships left on the list, we do not expect rates to go much further for the time being.

Product

EAST OF SUEZ It has more or less been a flat week in the Middle East Gulf with the exception of the LR1s, which have had to accept a ws5 points reduction this week for Far East destinations, whilst the LR2s are still steadily being fixed around the ws95 mark. For Continent destination owners of LR1s and LR2s have had to reduce their rates with about USD 50,000 to USD 1.175 mill and USD 1.375 mill, respectively. The standard MR voyage from West Coast India to South Korea/Japan range is still at ws145. Owners have experienced the same flat market in the Far East. The standard MR voyage from Singapore to Japan is still at ws145 level and the short haul voyage from South Korea to Japan is still USD 270,000. WEST OF SUEZ Owners have had a much more positive week in the western hemisphere. The biggest rate gain has been for the LR1s fixing for West Africa where the rate has improved from ws105 to ws125 today. MRs trading to the States have also been able to put some pressure on the charterers and rates have moved from ws125 to ws135. The back haul cargo from US Gulf to Continent is unchanged at ws115. For MR owners triangulating in the Atlantic the daily earnings have improved from about USD 12,440 to USD 13,500. LR2s have also seen a turn for the positive with rates from Mediterranean to the Far East increase about USD 100,000 to lumpsum USD 1.8 mill. Handies trading on the Continent have seen rate drop some ws20 point to ws140 level, whilst rates for handies trading in the Mediterranean is still at ws140.



Fearnleys Weekly Report

Activity level

Capesize	Panamax	Supramax
Moderate	Active	Stable

Rates	This week	Last week	Low 2017	High 2017
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CAPESIZE (usd/day, usd/tonne)

TCT Cont/Far East (180' dwt)	17 600	17 900	12 000	35 000
Tubarao / R.dam (Iron ore)	4.00	4.85	4.00	8.25
Richards Bay/R.dam	4.00	4.70	4.00	7.60

PANAMAX (usd/day, usd/tonne)

Transatlantic RV	9 000	8 500	5 600	14 800
TCT Cont / F. East	15 000	14 500	11 600	21 000
TCT F. East / Cont	3 200	3 000	2 500	8 600
TCT F. East RV	8 500	8 000	2 500	12 000
Murmansk b.13-ARA 15/25,000 sc	6.75	6.45	5.00	7.45

SUPRAMAX (usd/day)

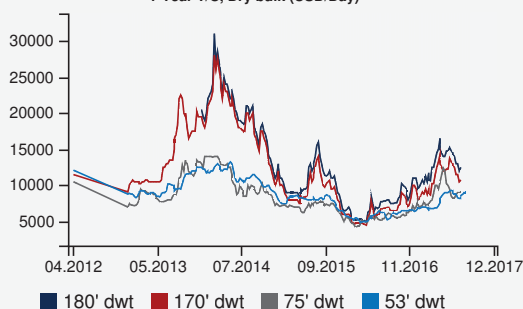
Atlantic RV	10 100	10 000	9 400	12 000
Pacific RV	7 000	7 200	3 900	9 200
TCT Cont / F. East	14 000	14 000	12 000	18 000

1 YEAR T/C (usd/day)

Capesize 180,000 dwt	12 500	12 000	10 250	16 500
Capesize 170,000 dwt	10 750	10 500	8 650	14 250
Panamax 75,000 dwt	9 000	9 000	7 250	12 400
Supramax 53,000 dwt	9 000	9 000	6 600	9 300

Baltic Dry Index (BDI):	859	847	n/a	n/a
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1-Year T/C, Dry bulk (USD/Day)



Activity level

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

LPG Rates

* Excl. waiting time, if any

SPOT MARKET (usd/month)*	This week	Last week	Low 2017	High 2017
VLGC / 84,000	285 000	280 000	280 000	765 000
LGC / 60,000	350 000	350 000	350 000	500 000
MGC / 38,000	420 000	420 000	420 000	550 000
HDY / 22,000	390 000	400 000	390 000	550 000
ETH / 10,000	445 000	445 000	445 000	540 000
SR / 6,500	410 000	420 000	410 000	450 000
COASTER Asia	195 000	195 000	190 000	195 000
COASTER Europe	170 000	175 000	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)	323.0	340.3	343.0
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	34 000	33 000	25 000	38 000
West of Suez 155-165'cbm	40 000	41 000	29 000	52 000
1 yr TC 155-165'cbm	31 000	31 000	31 000	35 000

DRY BULK

Capesize

Signs of recovery, but still dark days for owners of the big ships. High iron ore inventories, modest coal flows and general/seasonal volumes dip in commodities trade, coinciding with moderate congestion and a continued tonnage surplus, resulting in challenging times and consequent earnings at or even below OPEX. Spot levels on average unchanged at a miserable USD 7200/day w-o-w, with notably transatlantic trades now suffering the most. For obvious timing-wise reasons, period activity at fixed levels is insignificant - with the exception of 180k dwt/built 2007 delivering Zhoushan mid July done for 4-7 months at USD 11k and 177k dwt/built 2010 at Yantai mid July done for similar duration at USD 11,750.

Panamax

Activity in the Panamax market has increased gradually in both hemispheres this week. Grain out of ECSA has again been the driver, but general activity in the Pacific and the Atlantic has been stronger. More cargoes in the north Atlantic has changed the sentiment somewhat to a slightly more positive trend. TA and FH rates are respectively at levels around high 8k's and high 14k's. The activity out of South America has again picked up, and is a key feature to keep the momentum up in the coming weeks. More activity in the Pacific has pushed the rates for a transpacific RV to mid 8k's. There is a lot of expectations in the FFA market, Aug is priced at high 9k's, while Sep/Oct is priced around 10k's on the P4TC index.

Supramax

Activity in the Supramax market has been more active this week and the rates has increased slightly all over, especially the rates from US Gulf where more cargoes has pushed the market. Within the Atlantic, we have seen more interest for period tonnage, but little has been done so far. In the Pacific, the coal trading has been reported as more active, but little has been reported as clean fixed. USG to China is atm paying around 20k's, while the same trip to Skaw/Passero is around 15k's. A transpacific RV is now priced around 8k's, while a nickel ore trip to China via Philippines is priced at around 9k's.

GAS

Chartering

The VLGC freight market remains under pressure and there are still few signs of improvement in the short term. East of Suez activity levels have been low this week and with the amount of ships prompt open, most Charterers are of the view that freight has to come down even further. However, with earnings to owners hovering around OPEX costs, there might not be very much more to give. In the West, we have seen the premiums diminish and Houston-Flushing equivalent freight has been concluded at sub USD 20 PMT this week. There has been several enquiries in the West for Eastern destinations, but little has been concluded as there is still a gap to be filled between bids and ask between owners and charterers. Currently the Houston-Chiba via Panama freight rate is assessed around mid-high USD 40's PMT, while some trader relets are reportedly willing to consider Houston-Chiba via Cape of Good Hope at below mid USD 40's PMT, a freight rate that would yield well below current Baltic earnings of some USD 9000 per day at today's bunker prices.



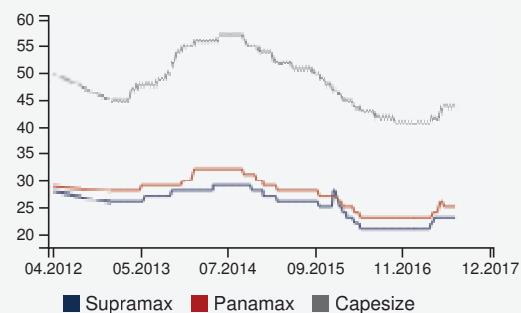
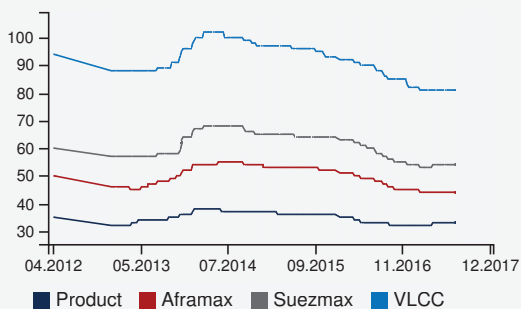
Fearnleys Weekly Report

Activity level

Tankers	Dry Bulk	Others
Moderate	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	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 - MEG	184.5	184.5	184.0	184.5



Market brief

	This week	Last week	Low 2017	High 2017
Rate of exchange				
USD/JPY	113.6	113.5	109.0	117.6
USD/KRW	1 145	1 150	140.9	1 206
USD/NOK	8.27	8.38	8.22	8.66
EUR/USD	1.15	1.13	1.04	1.15

Interest rate

	This week	Last week	Low 2017	High 2017
LIBOR USD 6 mths	1.46	1.46	1.32	1.46
NIBOR NOK 6 mths	0.98	0.96	0.96	1.29

Commodity prices

	This week	Last week	Low 2017	High 2017
Brent spot (USD)	48.17	49.22	46.15	56.77

Bunker prices

	This week	Last week	Low 2017	High 2017
Singapore				
380 CST	298.0	307.0		345.0
180 CST	305.0	317.0		360.0
Gasoil	452.0	450.0		505.0
Rotterdam				
380 HSFO	270.0	289.0		310.0
180 CST	300.0	319.0		339.0
Diesel	414.0	431.0		475.0

NEWBUILDING

Some activity in Korea and Japan this week. BW secured 6+2 LR2 tankers at Daehan. Delivery is scheduled in 2020. In addition, JMU received a single VLCC while Kawasaki received an order for a single VLGC. Finally, the Statoil Shuttle tender was concluded, resulting in two Aframax sized Shuttle tankers at SHI placed by AET.

NEWBUILDING CONTRACTS

Type	No	Size	Yard	Buyer	Del	Price	Comm
Shuttle	2	125,000 dwt	SHI	AET	2019		
MT	1	310,000 dwt	JMU	Kyoei Tanker	2020		
PC	6	115,000 dwt	Daehan	BW	2020		+2 options
LPG	1	82,000 cbm	KHI	Kumiai Nav	2020		

SALE AND PURCHASE TRANSACTIONS

Type	Vessel	Size	Built	Buyer	Price	Comm.
MT	Amba Bhavane	107 081	2003	Undisclosed	5,60	Auction sale, out of class
MT	Gener8 Pericles	105 674	2003	Far Eastern	11,70	
MT	Marlin	46 145	2000	Indian	Undisclosed	
MT	Torea	40 000	2004	Far Eastern	10,80	
MT	Oriental Clematis	14 227	2006	Far Eastern	14,00	StSt
MT	Sun Jupiter	8 833	2002	Far Eastern	6,50	StSt
BC	Cape Frontier	180 201	2006	Greek Intrests	17,00	
BC	BBG Glory	82 062	2013	Undisclosed	Undisclosed	
BC	BBG Hope	82 044	2013	Singaporean (Wilmar)	29,00	
BC	BBG Future	81 700	2014	Singaporean (Wilmar)	29,00	
BC	Sunrise Sky	58 100	2012	Taiwanese (Wisdom Marine Lines)	14,70	incl. 7-yr BB
BC	Elektra	53 260	2005	Undisclosed	7,50	
BC	Zheng Yuan 9	11 455	2009	Chinese Interests	Undisclosed	
BC	BO Ji	23 000	2010	Chinese	Undisclosed	

DEMOLITIONS

Sold for demolition

Vessel name	Size	Ldt	Built	Buyer	Price
MT Aura	303 184	39 731	1993	Undisclosed	330
MT Bright	299 085	38 996	1993	Undisclosed	330
MT Blue Trader	149 775	24 462	1997	Bangladeshi	378