



Fearnleys Weekly Report

Activity level

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

	Last week	Prev. week
VLCCs fixed all areas last week:	28	46
VLCCs avail. in MEG next 30 days:	129	122

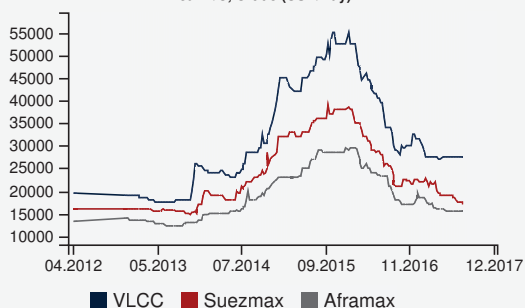
Rates

DIRTY (Spot WS)		This week	Last week	Low 2017	High 2017
MEG / West	VLCC	24.00	26.00	23.00	60.00
MEG / Japan	VLCC	50.00	55.00	45.00	96.50
MEG / Singapore	VLCC	51.00	56.00	45.00	96.00
WAF / FEAST	260,000	50.00	56.00	50.00	97.50
WAF / USAC	130,000	57.50	62.50	52.50	117.5
Sidi Kerir / W Me	135,000	62.50	67.50	62.50	117.5
N. Afr / Euromed	80,000	90.00	80.00	72.50	190.0
UK / Cont	80,000	90.00	90.00	87.50	117.5
Caribs / USG	70,000	92.50	82.50	82.50	215.0

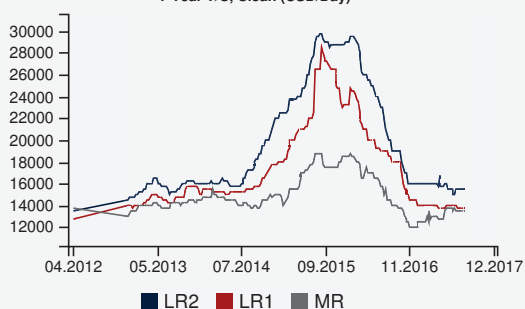
CLEAN (Spot WS)		This week	Last week	Low 2017	High 2017
MEG / Japan	75,000	92.50	95.00	80.00	155.0
MEG / Japan	55,000	107.5	112.5	100.0	150.0
MEG / Japan	30,000	132.5	135.0	120.0	167.5
Singapore / Japan	30,000	150.0	145.0	130.0	180.0
Baltic T/A	60,000	125.0	125.0	100.0	155.0
UKC-Med / States	37,000	125.0	135.0	120.0	210.0
USG / UKC-Med	38,000	105.0	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)	17 000	17 500	17 000	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	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

A week with very low volumes for the VLCCs has increased the pressure on rates and have softened some. The August program in the MEG about to start in earnest, but the tonnage list has grown considerably and charterers ambitious. Same for Wafr/East with rates somewhat off as activity sluggish. No immediate crash on the horizon, but rates under severe attacks. The status quo of the Suezmax market has developed a more steady tone and has settled into summer market mode with TD20 hovering at ws60. In Wafr, end 3rd decade dates were being mopped up by charterers in the latter part of last week, however some aggressive charterers even reached out to early 2nd August dates with low rate ideas and were successful in capturing tonnage at below last done for a named voyage to US Gulf. It is hard to build a bullish argument for owners currently although is expected that the Wafr activity will pick up next week for 1st decade August and owners will be keen to reignite the sentiment flame if given the opportunity if there is a flood of cargoes shown. Fundamentals in both the Med and Bsea are pointing to steady week ahead but charterers will need to drip feed the market to keep enthusiasm at bay as currently tce are paltry at best. There was very good Aframax activity in the north this week. So far, rates still remain at last done, i.e. ws62.5 ex Baltic and ws90 for cross Nsea voyages. However, owners are holding back a bit now aiming for higher than last done in the current fixing window. We expect this market to tick up a few points for end/early fixing dates. Last week we saw increased activity in the Med and Bsea. The position list have slowly but surely become tighter, and as such owners have managed to push rates into the low 90's. An increasing amount of Libya cargoes have been a key-factor, and it seems like this may continue into August. However, this alone will not be enough to keep rates firming. Expect the rates to flow between 80's and 90's.

Product

EAST OF SUEZ Very little to comment on this week on the market in the Middle East Gulf. Rate and earnings are almost flat and at low numbers. LR2s are still fixing for Far East destinations at around ws95 level whilst their little sisters, the LR1s, have been forced to accept a ws5 points decline for same destination. For west destinations rate are also almost unchanged at around lumpsum USD 1.375 mill for the LR2s and about USD 1.150 for LR1s. The standard MR voyage from west coast India to South Korea/Japan range is still at ws135 level. In the Far East, the MR voyage from Singapore to Japan has gained ws5 points to ws150 today and the short haul voyage from South Korea to Japan has also had a slight increase to USD 275,000 lumpsum.

WEST OF SUEZ In the western hemisphere the action has been a little bit more varied. MRs have seen the straight Continent to States voyage drop some ws10 points last week and we have seen the same drop in the back haul voyage from US Gulf back to the Continent. The daily earnings for the Atlantic triangulation has then consequently been reduced from USD 13,500 to USD 11,000. Contrary to MRs, the LR1s trading for West Africa has been able to maintain the rate at ws125 this week. LR2s have been able to further increase rates paid from the Mediterranean to Far East by about USD 50,000 to lumpsum USD 1.85 mill. Handies trading in the Mediterranean have maintained last week's level at ws140, whilst handies trading on the Continent have seen a drop from ws160 to today's 140 level.

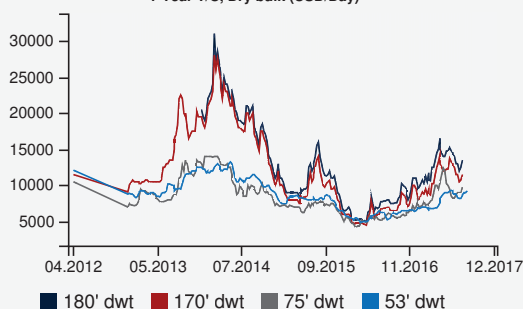


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Activity level

Capesize	Panamax		Supramax	
Active	Firm		Firmer	
Rates	This week	Last week	Low 2017	High 2017
CAPESIZE (usd/day, usd/tonne)				
TCT Cont/Far East (180' dwt)	19 000	17 600	12 000	35 000
Tubarao / R.dam (Iron ore)	4.00	4.00	4.00	8.25
Richards Bay/R.dam	4.00	4.00	4.00	7.60
PANAMAX (usd/day, usd/tonne)				
Transatlantic RV	11 000	9 000	5 600	14 800
TCT Cont / F. East	17 000	15 000	11 600	21 000
TCT F. East / Cont	3 500	3 200	2 500	8 600
TCT F. East RV	9 000	8 500	2 500	12 000
Murmansk b.13-ARA 15/25,000 sc	7.05	6.75	5.00	7.45
SUPRAMAX (usd/day)				
Atlantic RV	11 000	10 100	9 400	12 000
Pacific RV	8 750	7 000	3 900	9 200
TCT Cont / F. East	16 000	14 000	12 000	18 000
1 YEAR T/C (usd/day)				
Capesize 180,000 dwt	13 500	12 500	10 250	16 500
Capesize 170,000 dwt	11 500	10 750	8 650	14 250
Panamax 75,000 dwt	9 750	9 000	7 250	12 400
Supramax 53,000 dwt	9 250	9 000	6 600	9 300
Baltic Dry Index (BDI):	948	859	n/a	n/a

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



Activity level

COASTER	15-23,000 cbm		82,000 cbm	
Low	Low		Low	
LPG Rates				
* Excl. waiting time, if any				
SPOT MARKET (usd/month)*	This week	Last week	Low 2017	High 2017
VLGC / 84,000	240 000	285 000	240 000	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	380 000	390 000	380 000	550 000
ETH / 10,000	445 000	445 000	445 000	540 000
SR / 6,500	410 000	410 000	410 000	450 000
COASTER Asia	195 000	195 000	190 000	195 000
COASTER Europe	165 000	170 000	110 000	195 000
LPG/FOB prices (usd/tonne)		Propane	Butane	ISO
FOB North Sea / ANSI		315.0	284.5	
Saudi Arabia / CP		345.0	365.0	
MT Belvieu (US Gulf)		339.3	353.9	367.8
Sonatrach : Bethioua		315.0	315.0	

LNG

SPOT MARKET (usd/day)	This week	Last week	Low 2017	High 2017
East of Suez 155-165'cbm	38 000	34 000	25 000	38 000
West of Suez 155-165'cbm	40 000	40 000	29 000	52 000
1 yr TC 155-165'cbm	31 000	31 000	31 000	35 000

DRY BULK

Capesize

Still challenging, but with a positive undertone. Markedly increased Brazil fronthaul iron ore activity has lifted not only the China-Brazil-China conference trade from USD 8k to almost USD 10k/day, but also influenced positively the Far East supply/demand balance - and consequently improved average spot earnings some 20 pct w-o-w to come in at a still moderate USD 8500/day. Summer doldrums still very evident, and market remains generally overtonnaged. As FFA values still give little support for solid premiums to spot, period activity keeps being limited and with focus on short duration - worthy of notion is the recent 181k dwt/built 2012 reportedly done at USD 14,500 basis 4-8 months with end July China delivery.

Panamax

Another active week with increasing rates in both hemispheres. The Atl market is again the region that keep the momentum up, especially in the north Atl/Black Sea. Straight TA's are being fixed at ard 11k's. However Baltic and Murmansk rounds are paying more than this due to lack of tonnage in the area. The BS market has been pushed up due to many grain cargoes with levels ard 20k's for FH from this area. We are still seeing a steady pace out of S.Am with ships being fixed both from the FE and the Atl at rates ard 17k's FH, whereas Singapore delivery pays ard 11k's. The sentiment in Asia remain positive with a transpacific RV at ard mid 9k's and the short term outlook for the Pmax market remain positive all in all.

Supramax

A positive week again in the Pacific with rates moving upwards. Nopac rounds are paying Supras around 9k dop, while trips from China to India is paying in the low 8k's and SE Asia trips to India getting fixed at around 9k. Indo coal rounds are trading around mid/high 11k with Singapore delivery and nickel ore trip via Philippines back to China is around mid/high 9k. Firmer rates within the Atlantic market. Supras on fronthaul from both Black Sea and Cont/Baltic have been offered healthy rates in 16-17k range daily. USG have encountered weaker fronthaul rates in these days, whereas ECSA have showed further signs of improvement.

GAS

Chartering

The VLGC market has carried on in the doldrums, and there doesn't seem to be any quick fix to get it back on track in the short term. Returns on the reported fixtures are pretty much at OPEX level in the East, i.e. roughly USD 8000/day. The Baltic index has not stopped its downward curve yet, but we are rather confident that the rates will not drop much more from now onwards. We cannot really see that the owners will charter out their vessels much below their operating cost. In the West some lower freight rates have been offered, too, low USD 40's from USG to Chiba via Panama and mid/high USD 40's via Cape of Good Hope. These levels are still a few buck above the East/Baltic equivalent rates and they may come under further pressure when the line-up of uncommitted vessels inevitably increases soon. We are half into the year and we are also half into the delivery programme of 2017, there are 13 more newbuildings before the end of the year, and vessel number 13 so far in 2017 was just delivered from a Japanese yard.



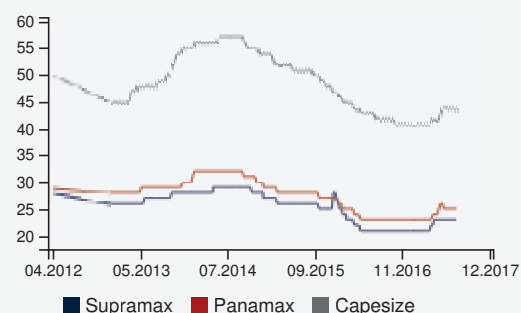
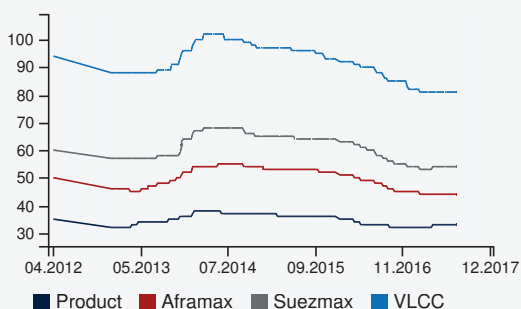
Fearnleys Weekly Report

Activity level

Tankers	Dry Bulk	Others
Moderate	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 - MEG	184.5	184.5	184.0	184.5



Market brief

	This week	Last week	Low 2017	High 2017
Rate of exchange				
USD/JPY	111.6	113.6	109.0	117.6
USD/KRW	1 121	1 145	140.9	1 206
USD/NOK	8.07	8.27	8.07	8.66
EUR/USD	1.15	1.15	1.04	1.15

Interest rate

LIBOR USD 6 mnths	1.46	1.46	1.32	1.46
NIBOR NOK 6 mnths	0.99	0.98	0.96	1.29

Commodity prices

Brent spot (USD)	48.95	48.17	46.15	56.77
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Bunker prices

Singapore	380 CST	301.0	298.0	345.0
	180 CST	307.0	305.0	360.0
	Gasoil	444.0	452.0	505.0
Rotterdam	380 HSFO	283.0	270.0	310.0
	180 CST	313.0	300.0	339.0
	Diesel	426.0	414.0	475.0

NEWBUILDING

Moderate newbuilding activity as we enter the European summer Holiday season. Last week's activity dominated by repeat orders. Maran Tankers returned to DSME for an order of 4 VLCCs. The Greek owner has currently a total of 17 ships under construction at the DSME yard. Oceanbulk returned to the CSSC SWS yard for an order of 2 firm plus 2 optional Capesize dry bulk vessels.

NEWBUILDING CONTRACTS

Type	No	Size	Yard	Buyer	Del	Price	Comm
MT	4	318000 dwt	DSME	Maran Tankers	2019-	81	
PC	2	50000 dwt	Hyundai Vinashin	Fukujin Kisen	2019		
PC	2	50000 dwt	Hyundai Vinashin	Masumoto	2019		
PC	1	50000 dwt	Hyundai Vinashin	Hisamoto Kisen	2019		
BC	2	180000 dwt	SWS	Ocean Bulk	2019-	44	

SALE AND PURCHASE TRANSACTIONS

Type	Vessel	Size	Built	Buyer	Price	Comm.
MT	Phoenix Advance	114 024	2011	Greek (Pantheon Tankers)	28,00	
MT	Seaborne	106 638	2003	Indonesian	10,90	
MT	PTI Volans	51 000	2006	Hong Kong Based (Island Navigation)	15,30	
MT	Global Vika	16 408	1999	Far Eastern	6,50	
MT	Global Jupiter	13 001	2008	Thai	12,00	StSt
MT	Tour Margaux	8 674	1992	Turkish	Undisclosed	
MT	Tebra	8 416	1990	Hong Kong based	2,40	
MT	Sophia III	6 338	2009	Greek	3,00	Auction Sale
BC	NSS ENDEAVOR	184 887	2002	Hong Kong Based	13,80	
BC	Hanjin Port Walcott	180 012	2012	UK based	26,50	
BC	Hanjin New Castle	179 905	2011	UK based	24,50	
BC	Sanvi	73 992	2000	Greek (Illios Shipping)	4,80	
BC	Nord Leader	55 808	2007	Undisclosed	11,00	
BC	Ocean Virgo	53 392	2005	Indonesian	8,00	Court sale Japan
BC	Ken Sirius	50 337	2003	Undisclosed	8,00	
BC	Royal Arsenal	48 203	1999	Undisclosed	5,40	
BC	Nordic Perth	37 300	2017	Greek (Aquavita International)	20,00	7-yr bbhp
BC	Nordic Drawin	37 300	2015	Greek (Aquavita International)	20,00	7-yr bbhp

DEMOLITIONS

Sold for demolition

Vessel name	Size	Ldt	Built	Buyer	Price
Bunga Kelana Dua	105 976	16 899	1997	Undisclosed	398
Caribbean Fantasy	6 737	10 557	1989	Undisclosed	145