



Fearnleys Weekly Report

Activity level

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

	Last week	Prev. week
VLCCs fixed all areas last week:	54	54
VLCCs avail. in MEG next 30 days:	134	134

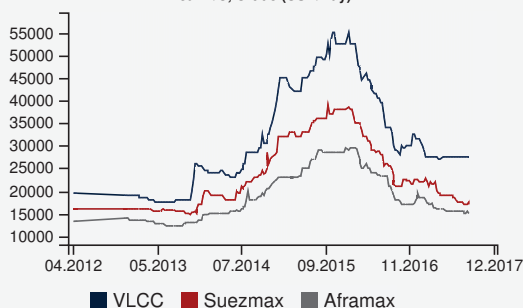
Rates

DIRTY (Spot WS)		This week	Last week	Low 2017	High 2017
MEG / West	VLCC	24.00	23.50	23.00	60.00
MEG / Japan	VLCC	40.00	43.00	40.00	96.50
MEG / Singapore	VLCC	41.00	44.00	41.00	96.00
WAF / FEAST	260,000	48.50	50.00	48.00	97.50
WAF / USAC	130,000	60.00	65.00	52.50	117.5
Sidi Kerir / W Me	135,000	70.00	75.00	62.50	117.5
N. Afr / Euromed	80,000	72.50	70.00	70.00	190.0
UK / Cont	80,000	87.50	85.00	85.00	117.5
Caribs / USG	70,000	90.00	87.50	82.50	215.0

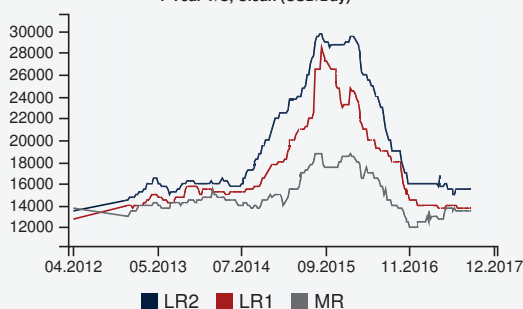
CLEAN (Spot WS)		This week	Last week	Low 2017	High 2017
MEG / Japan	75,000	120.0	117.5	80.00	155.0
MEG / Japan	55,000	125.0	130.0	100.0	150.0
MEG / Japan	30,000	156.0	145.0	120.0	167.5
Singapore / Japan	30,000	165.0	160.0	130.0	180.0
Baltic T/A	60,000	85.00	105.0	85.00	155.0
UKC-Med / States	37,000	105.0	115.0	105.0	210.0
USG / UKC-Med	38,000	145.0	72.00	72.00	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)	15 000	15 000	15 000	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 remained in charterers favour as the oversupply of tonnage continued in most load areas. Rate levels are at or just below operation cost with no imminent change expected in the near term. Only an uptick in activity ex Caribs has been recorded, but all in all not having an impact on rates for the other main VLCC routes. The Suezmax market general sentiment from an owners perspective is that we are now at the bottom of the trough. The past week has seen fairly sparse activity in West Africa with the focus being on 1st decade September dates TD20 has eroded marginally down to w62.5. September dates for the Black sea first decade have yet to be shown in earnest, there has been sporadic action for east destinations but little momentum to stimulate owners and rates have hovered at w75 for TD6, whilst too the Mediterranean has been light on volume with tce hovering around USD 7k per day for a cross med voyage at w80. The outlook for the week ahead is steady across the board and expectations are for increased cargo activity across the sector. Baltic and Nsea markets continued moving sideways from last week with a minor upward adjustment on TD7. Charterers are being more creative in terms of doing untraditional voyages, and owners are doing all they can to keep their ships moving in order to minimize losses and maintaining their approvals. In the Med and Bsea we are continuing in the same dull track as the week before. Owners are fixing red numbers, and the increasing tension in Libya is not helping the situation. We should see some more activity out of Bsea the next 10 days, but it is still a long list of ships waiting for employment so rates should stay around bottom levels going into next week as well.

Product

EAST OF SUEZ Last week has been fairly uneventful in the Middle East Gulf and owners of LR2's and LR1's have not been able to put any pressure on charterers and rates are more or less unchanged. LR2's still fixing around the ws120 mark for Far east destinations and LR1's still concluding business around the ws125 mark. For west destinations lumpsum USD 1.750' mill is paid for LR2's and USD 1.375' mill for LR1's which is also in same range as last week. The MR's in the region have been able to increase rate slightly and today West Coast India to Japan is today at ws155 level. In the Far East rates are slowly ticking upwards and today the short haul voyage from south Korea to Japan pays USD 280.000 and the voyage from Singapore to Japan, basis 30.000 mtons, is at ws165. WEST OF SUEZ In the Atlantic the market has been a little bit more fragmented. For the MR's fixing Transatlantic cargoes the rate is unchanged at ws105 level but luckily for owners the usld export from the U.S. gulf has surged and rates have gone from ws115 to ws145 today for a voyage back to the Continent. This has increase daily earnings on an MR which is triangulating from about USD 10.500 per day to USD 14.000 per day today. The LR1's have not been able to end the downward pressure from charterers and rates for west Africa discharge has slid further and is today worth ws85 level. The pressure is also very much on the LR2's, a voyage from the Mediterranean to Far East is today only paying slightly below USD 1,5 mill. The Handies trading in the Mediterranean and on the Continent is still enjoying the summer and rates are unchanged from last week at ws 115 in the Mediterranean and ws120 level on the Continent



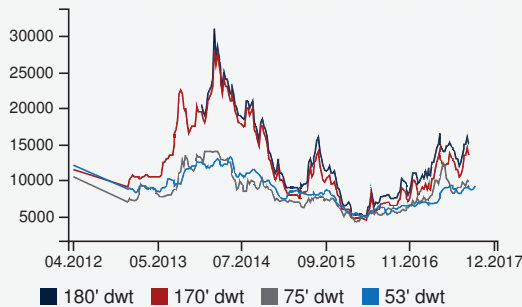
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Activity level

Capesize	Panamax	Supramax
Low	Weakening	Moderate

Rates	This week	Last week	Low 2017	High 2017
CAPE SIZE (usd/day, usd/tonne)				
TCT Cont/Far East (180' dwt)	31 500	33 000	12 000	35 000
Tubarao / R.dam (Iron ore)	7.80	7.80	4.00	8.25
Richards Bay/R.dam	7.30	6.90	4.00	7.60
PANAMAX (usd/day, usd/tonne)				
Transatlantic RV	10 500	11 500	5 600	14 800
TCT Cont / F. East	17 500	18 000	11 600	21 000
TCT F. East / Cont	3 600	3 600	2 500	8 600
TCT F. East RV	9 800	10 000	2 500	12 000
Murmansk b.13-ARA 15/25,000 sc	7.10	7.25	5.00	7.45
SUPRAMAX (usd/day)				
Atlantic RV	9 000	8 500	8 250	12 000
Pacific RV	9 000	7 500	3 900	9 200
TCT Cont / F. East	16 000	15 000	12 000	18 000
1 YEAR T/C (usd/day)				
Capesize 180,000 dwt	15 000	16 000	10 250	16 500
Capesize 170,000 dwt	13 500	14 500	8 650	14 500
Panamax 75,000 dwt	9 800	10 000	7 250	12 400
Supramax 53,000 dwt	9 200	8 900	6 600	9 300
Baltic Dry Index (BDI):	1222	1207	n/a	n/a

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



Activity level

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

LPG Rates

* Excl. waiting time, if any

SPOT MARKET (usd/month)*	This week	Last week	Low 2017	High 2017
VLGC / 84,000	265 000	255 000	180 000	765 000
LGC / 60,000	380 000	380 000	350 000	500 000
MGC / 38,000	420 000	420 000	420 000	550 000
HDY / 22,000	350 000	360 000	350 000	550 000
ETH / 10,000	440 000	445 000	440 000	540 000
SR / 6,500	400 000	400 000	400 000	450 000
COASTER Asia	195 000	195 000	190 000	195 000
COASTER Europe	165 000	165 000	110 000	195 000

LPG/FOB prices (usd/tonne)	Propane	Butane	ISO
FOB North Sea / ANSI	384.5	378.5	
Saudi Arabia / CP	420.0	460.0	
MT Belvieu (US Gulf)	394.7	425.8	446.5
Sonatrach : Bethioua	400.0	410.0	

LNG

SPOT MARKET (usd/day)	This week	Last week	Low 2017	High 2017
East of Suez 155-165'cbm	39 000	39 000	25 000	40 000
West of Suez 155-165'cbm	43 000	43 000	29 000	52 000
1 yr TC 155-165'cbm	34 000	34 000	31 000	35 000

DRY BULK

Capesize

With FFA market under pressure, dry shares losing value and lack of cargoes in general the picture has changed from the prosperous previous week. However, close to everyone believes the drop is temporary. It is difficult to define the c3 market at the moment with no activity, but most likely the index value of USD 16,9 pmt is slightly optimistic. As always c5 being more transparent, with index level in the USD 6,8s pmt. Period market is non existing right now.

Panamax

It has been a new week with firm rates in both hemispheres, but mid-week we saw a softer mood especially in the north Atl with more tonnage available and little fresh cargoes emerging. Less activity from the grain houses in both US Gulf and ECSA has led to somewhat weaker rates compared to last week. TA and FH rates are respectively at levels mid 10k's and mid 17k's. The sentiment in Asia appears to remain, despite some softer rates the last couple of days. A transpacific RV is now priced at high 9k's with decent activity been reported. Generally, the short term outlook for the panamaxes appears to be softer going forward. FFA's, Sep is priced at low 10k's, while Q4 is now priced at mid 10k's on the P4TC index.

Supramax

This week Supras from Black Sea on fhaul have seen numerous orders and improving rates. 53-57k dwt vessels have been fixed at everything between 17k-20k/daily. Scrap cargoes go now at 10k+/daily from Baltic to Emed. Supra with fertz from Baltic to Brazil got covered around 8.5k daily. The Pacific market is relatively stable this week, with Nopac rounds fixing around mid USD 9k. Indo coal trips to India are getting fixed arnd low USD 10k and same trips with China destination paying around USD 10k with Spore delivery. N.ore trips via Philippines to China also getting fixed around mid 10k. There is a risk we can see the market coming off a bit next week with more Chinese flagged tonnage looking to become available.

GAS

Chartering

After a busy last week in the MEG, this week has been considerably less active so far. Most end August cargoes have been covered apart from an Indian requirement end August/early September and a potential spot enquiry at the very end of this month. The increase in the Baltic LPG index seen last week has flattened out, largely due to inactivity, however, owner's freight ideas are still north of current Baltic quotations. The West market has remained quiet, although we are seeing some charterers sniffing for freight both ex USG off September dates in USG and ex West Africa on the back of a cargo tender ex Soyo closing Thursday this week. US cancellations for September has reached six and there are speculations that a further three to four cargoes might be cancelled. There are a couple of prompt open vessels in the USG which are still searching for employment.



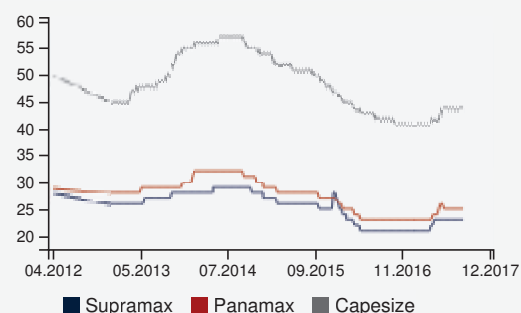
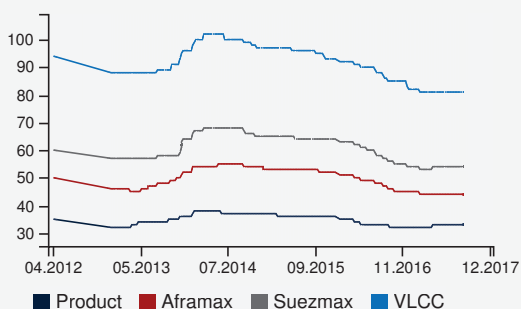
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Activity level

Tankers	Dry Bulkers	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	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	109.4	110.7	109.0	117.6
USD/KRW	1 130	1 137	140.9	1 206
USD/NOK	7.88	7.95	7.88	8.66
EUR/USD	1.18	1.17	1.04	1.19

Interest rate

LIBOR USD 6 mths	1.45	1.45	1.32	1.46
NIBOR NOK 6 mths	0.91	0.93	0.91	1.29

Commodity prices

Brent spot (USD)	51.80	50.90	46.15	56.77
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Bunker prices

Singapore	380 CST	310.0	308.0	345.0
	180 CST	345.0	342.0	360.0
	Gasoil	466.0	470.0	505.0
Rotterdam	380 HSFO	292.0	292.0	310.0
	180 CST	320.0	322.0	339.0
	Diesel	445.0	452.0	475.0

NEWBUILDING

Newbuilding activity continues at moderate levels, with only one firm order to report over the past week. The Hong Kong listed owner SITC has returned to Dae Sun for an order of four 1,100teu container vessels. The French giant CMA CGM, has entered into LOI stage with the CSSC shipyards Waigaoqiao and Hudong for up to 9 container ships that will become the largest container ships to date, with a capacity of 22,000teu. The vessels will be delivered with dual fuel engines and possibly 14,000 cbm membrane-type LNG tanks.

NEWBUILDING CONTRACTS

Type	No	Size	Yard	Buyer	Del	Price	Comm
CO	4	1011 TEU	Dae Sun	SITC	2019-		+2 options

SALE AND PURCHASE TRANSACTIONS

Type	Vessel	Size	Built	Buyer	Price	Comm.
MT	Aulac Ange	10 198	2003	Undisclosed	Undisclosed	
MT	KY Venus	13 022	2010	Singaporean	10,00	Att auction
MT	Jubilee	3 384	1996	US Based (World Fuel Services)	Undisclosed	
MT	Athenia	9 010	2008	US Based (World Fuel Services)	Undisclosed	
MT	Metis	8 700	2008	US Based (World Fuel Services)	Undisclosed	
MT	Lian Run Yang Fan	11 137	2009	Undisclosed	Undisclosed	
MT	Epiphany	47 465	2002	Clients of IMS	8,00	
MT	Cape Bon	39 999	2003	Middle Eastern	9,00	
BC	Calypso	18 233	1995	Middle Eastern	2,40	
BC	N/B RESALE HULL 1058*	35 200	2018	Clients of Oldendorff Carriers	15,00	
BC	N/B RESALE HULL 1059*	35 200	2018	Clients of Oldendorff Carriers	15,00	
BC	In Shimanami	61 392	2014	Clients of Oldendorff Carriers	18,60	
BC	Tiger Beijing	63 493	2015	Undisclosed	20,00	
BC	Tiger Hongkong	63 570	2015	Undisclosed	20,00	
BC	Tiger Zhejiang	63 488	2015	Undisclosed	20,00	
BC	Tiger Tianjin	63 592	2015	Undisclosed	20,00	
BC	Fortune Clover	77 430	2006	Greek	11,70	
BC	Goddess Santosh Devi	81 918	2014	Songa Bulk	22,80	
BC	Harbor Hirose	83 494	2011	Songa Bulk	19,20	
BC	Cape Elektra	179 430	2011	Middle Eastern	30,00	
BC	Shandong Da De	402 303	2011	Clients of BoCom Leasing	87,20	
BC	Shandong Da Cheng	402 285	2012	Clients of BoCom Leasing	90,80	12 Years TCB