



Fearnleys Weekly Report

Activity level

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

	Last week	Prev. week
VLCCs fixed all areas last week:	32	54
VLCCs avail. in MEG next 30 days:	138	134

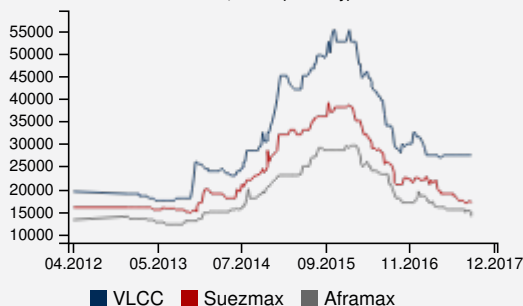
Rates

DIRTY (Spot WS)		This week	Last week	Low 2017	High 2017
MEG / West	VLCC	22.00	24.00	22.00	60.00
MEG / Japan	VLCC	39.00	40.00	39.00	96.50
MEG / Singapore	VLCC	40.00	41.00	40.00	96.00
WAF / FEAST	260,000	46.00	48.50	46.00	97.50
WAF / USAC	130,000	57.50	60.00	52.50	117.5
Sidi Kerir / W Me	135,000	72.50	70.00	62.50	117.5
N. Afr / Euromed	80,000	75.00	72.50	70.00	190.0
UK / Cont	80,000	85.00	87.50	85.00	117.5
Caribs / USG	70,000	145.0	90.00	82.50	215.0

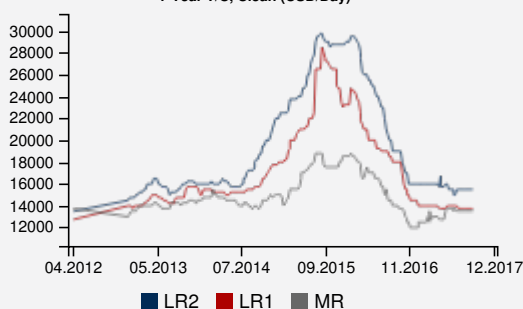
CLEAN (Spot WS)		This week	Last week	Low 2017	High 2017
MEG / Japan	75,000	105.0	120.0	80.00	155.0
MEG / Japan	55,000	120.0	125.0	100.0	150.0
MEG / Japan	30,000	148.0	156.0	120.0	167.5
Singapore / Japan	30,000	160.0	165.0	130.0	180.0
Baltic T/A	60,000	105.0	85.00	85.00	155.0
UKC-Med / States	37,000	210.0	105.0	105.0	210.0
USG / UKC-Med	38,000	90.00	145.0	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	17 000	17 000	22 800
Aframax	(modern)	14 000	15 000	14 000	18 500
LR2		105,000	15 500	15 000	16 750
LR1		80,000	13 750	13 750	14 000
MR		47,000	13 500	12 500	13 750

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



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



TANKERS

Crude

More of the same in the vlcc market, with little or no change from last week, and few signs of improvement in the near term. TCE earnings are now well below opex costs, and tonnage oversupply East of Suez is holding rates in check. Cargoes are being trickled into the market place, with charterers in no rush to cover their requirements. The Caribs market saw stronger rates last week, but activity has since tailed off, partly hampered by hurricane Harvey. Suezmaxes experienced limited activity leading up to the holiday weekend. The news of hurricane Harvey wreaking havoc in the USG dominated headlines. Expectations are the market will see an impact from this as ships are being tied up in the region. Both the Caribs and Wafr lists are expected to reflect the lack of date certain candidates going forward which could cause a squeeze effect and push rates upwards. TD20 has been hovering at the w60 level for the past week with earnings down to around \$ 4 k per day. The Bsea has been slow showing 2nd decade dates and it is expected that volume will pick up over the coming week. The week ahead has signs of a market set to turn the corner, currently Charterers have resorted to stealth tactics in order to secure the best tonnage for their requirements before the flood gates open. Aframaxes in the Nsea and Baltic were not given the joy of a cargo rush prior to the bank holiday weekend, as a consequence the rates remain unchanged. Rates should stay flat going forward, and spot ships might as well ballast to the firming Caribs market. That would at least make the Position list over here look a fraction better. In the Med and Bsea the uncertainty around Libya production is still in play, but so far ships fixed will be able to load. The hurricane Harvey could make west Med-positions ballast across, however this is yet to be seen. We believe that a minor jump in rates is achievable, but Market will continue to be dead cheap for the Charterers, and will not make a huge difference for any Owner, but at this point it is all about principal.

Product

EAST OF SUEZ The momentum has come to a halt in the Middle East Gulf and rates have come under some pressure. The LR1s have been able to limit the pressure from charterers but have had to accept a ws5 points drop from last week to ws120 level. LR2s have had to accept a ws15 points drop since last week and is today fixing around the ws105 mark. Rates for liftings to the Continent, on both sizes, are more or less unchanged from last week at USD 1.375 mill for LR1s and USD 1.750 mill for LR2s. The quoted MR voyage west coast India to Japan is at ws150 level, slightly down from last week. Slightly declining rates also in the Far East where the straight MR voyage from Singapore to Japan has lost w5 points to ws160 level, and the short haul voyage from South Korea to Japan is today at USD 270,000, down USD 10,000. **WEST OF SUEZ** In the Atlantic, rates have due to the tropical storm 'Harvey' increased significantly for both MRs and LR1s. Today a straight MR voyage from the Continent pays about ws210 level, up from ws105 last week. On the other hand the export from the US Gulf are expected in the short term to almost stop, but the round voyage result today basis a straight Continent to States is in excess of USD 18,000 per day. Also the LR1s have been in more demand and rates have increased from ws85 to ws105. Not influenced by the tropical storm but also the LR2s have been able to secure slightly higher rates when loading in the Mediterranean for going to the Far East. Today lumpsum USD 1.550 is obtainable which is about USD 100,000 higher since last week, but keep in mind rates are still at very low levels. Handies trading in the Mediterranean have seen the rate increase with ws10 points to ws120 level. Same size vessels trading on the Continent have also been able to increase rates and is today getting ws135 level for their services.



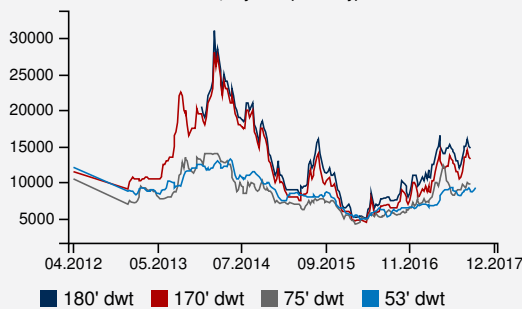
Fearnleys Weekly Report

Activity level

Capesize	Panamax	Supramax
Stable	Weakening	Stable

Rates	This week	Last week	Low 2017	High 2017
CAPE SIZE (usd/day, usd/tonne)				
TCT Cont/Far East (180' dwt)	29 000	31 500	12 000	35 000
Tubarao / R.dam (Iron ore)	7.60	7.80	4.00	8.25
Richards Bay/R.dam	7.20	7.30	4.00	7.60
PANAMAX (usd/day, usd/tonne)				
Transatlantic RV	9 100	10 500	5 600	14 800
TCT Cont / F. East	16 500	17 500	11 600	21 000
TCT F. East / Cont	3 500	3 600	2 500	8 600
TCT F. East RV	9 200	9 800	2 500	12 000
Murmansk b.13-ARA 15/25,000 sc	6.75	7.10	5.00	7.45
SUPRAMAX (usd/day)				
Atlantic RV	9 500	9 000	8 250	12 000
Pacific RV	9 500	9 000	3 900	9 500
TCT Cont / F. East	15 500	16 000	12 000	18 000
1 YEAR T/C (usd/day)				
Capesize 180,000 dwt	14 750	15 000	10 250	16 500
Capesize 170,000 dwt	13 250	13 500	8 650	14 500
Panamax 75,000 dwt	9 800	9 800	7 250	12 400
Supramax 53,000 dwt	9 300	9 200	6 600	9 300
Baltic Dry Index (BDI):	1181	1222	n/a	n/a

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



DRY BULK

Capesize

A bit slower week, where the activity level have decreased. The freight rates have been slowly sliding downwards, but there is a strong underlying demand and a strong optimism in the market for the future. Hence, the freight levels keeps up well. A few typhoons in the Far East have also created a bit of volatility in the market. In general, the average timecharter rates have not moved much from last week and is presently trading around USD 17,000 level as an average. There is still a high volume of cargoes from Brazil as seasonally expected. Expectations is for market to continue firm into Q4.

Panamax

Activity has slowed down quite substantially the last week, especially in the Atl region putting a downward pressure on rates across all routes. TA and FH rates are respectively at levels around low 9k's and mid 16k's. The Atl market is expected to slide further in the coming days with negligible fresh biz, especially from US Gulf. Very little activity out of South America, both the Atlantic and Pacific region has been the main reason for the decreasing rates and a transpacific RV is at time of writing facing levels around low 9k's. Generally, the short term outlook for the Panamaxes appears to be soft going forward. FFA's, Sep is priced at low 10k's, while Oct is now priced at low 11k's on the P4TC index.

Supramax

A bit slow start to the week with UK holidays on Monday. Still strong rates for cargoes out of Black Sea, where fronthauls were done 19k+ daily. Usual scrap runs from Continent to Mediterranean were done around 10k daily. Rates from USG still looked promising; on fronthaul Supras were fixed at low 20k daily with grains. The Pacific market continued in a steady pace. Nickle ore trips via Philippines was fixed around mid USD 10k and Nopac round levels around mid USD 9k. Supras with delivery Thailand were fixing Indo/China coal trips at around USD 9k, while same trips with destination India were done around low/mid USD 11k with delivery Singapore.

Activity level

COASTER	15-23,000 cbm	82,000 cbm
Mixed	Low	Firmer

LPG Rates

* Excl. waiting time, if any

SPOT MARKET (usd/month)*	This week	Last week	Low 2017	High 2017
VLGC / 84,000	295 000	265 000	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	350 000	350 000	550 000
ETH / 10,000	440 000	440 000	440 000	540 000
SR / 6,500	390 000	400 000	390 000	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)	407.0	427.0	459.4
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	38 000	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	35 000	34 000	31 000	35 000

GAS

Chartering

A handful of fixtures have been concluded in the east of Suez market at rising rates. The market seems set to continue the increase slowly but surely in the short term with owners chasing freight rates in excess of Baltic quotations. A couple of relets have been absorbed and currently we are faced with a position list more or less dominated by "pure owners". The West markets are seeing healthy demand for shipping as the arbitrage has widened lately and several ships has been fixed. Available ships for September loadings are scarce and we expect freight markets will continue to move upwards in the foreseeable future. The devastating hurricane Harvey has not only taken lives, left thousands homeless and flooded Texas, it has also impacted LPG production as well as exports from the US Gulf terminals. It is not clear yet how long it will take until the terminals can open, hence the impact on VLGC freight market is somewhat uncertain. But, it will most likely not cause repositioning of the fleet, and with some 17/18 VLGCs on hold in the Gulf of Mexico the loading programme should normalize within a few days.



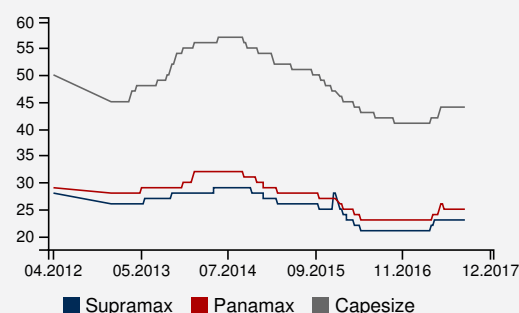
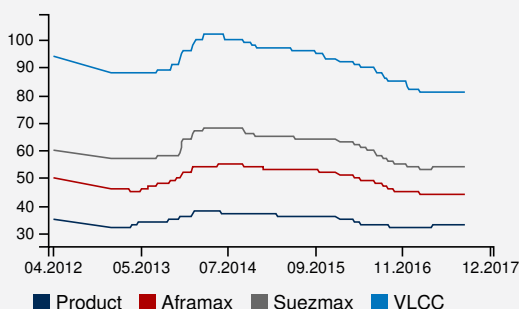
Fearnleys Weekly Report

Activity level

Tankers	Dry Bulk	Others
Low	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	110.1	109.4	109.0	117.6
USD/KRW	1 124	1 130	140.9	1 206
USD/NOK	7.79	7.88	7.79	8.66
EUR/USD	1.19	1.18	1.04	1.19

Interest rate

LIBOR USD 6 mnths	1.45	1.45	1.32	1.46
NIBOR NOK 6 mnths	0.87	0.91	0.87	1.29

Commodity prices

Brent spot (USD)	51.67	51.80	46.15	56.77
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Bunker prices

Singapore	380 CST	313.0	310.0	345.0
	180 CST	317.0	345.0	360.0
	Gasoil	475.0	466.0	505.0
Rotterdam	380 HSFO	292.0	292.0	310.0
	180 CST	320.0	320.0	339.0
	Diesel	458.0	445.0	475.0

NEWBUILDING

Newbuilding activity takes a step up from last week, with fourteen new orders plus three options. The positive development in the Baltic Dry Index triggers an increased interest for newbuildings in the dry bulk segment, latest by eight firm orders for Kamsarmax vessels and one Handysize vessel. Also, two IMO II chemical tankers have been ordered, along with one option. In the LNG segment Hyundai Heavy have received an FSRU order from Swan Energy, vessel scheduled to be delivered in 2020. Pasha Hawaii has placed an order for two dual fuel 2525 teu Container vessels at Keppel, Texas. Interesting to notice reports of a new deal for eleven 22,000 teu Container vessels from the liner giant MSC. MSC is supposedly planning to build six of them at Samsung Heavy and five at DSME. Along with last week's LOI between CMA CGM and two CSSC shipyards we see an increase in the upper mega container segment.

NEWBUILDING CONTRACTS

Type	No	Size	Yard	Buyer	Del	Price	Comm
BC	1	20,500 dwt	Fujian Southeast	Fujian Anda	2019		
BC	4	80,000 dwt	Hyundai Mipo	Bahri	2020	120 mill USD total	
BC	2	82,000 dwt	Jiangsu New Yangzi	Angelakos	2019	24 mill USD / unit	+ 2 options
BC	2	85,000 dwt	Oshima	Foremost Group	2019		
CHEM	2	7,950 dwt	Avic Dinhang	Socatra	2019		+ 1 option
CON	2	2,252 teu	Keppel, Texas	Pasha Hawaii	2020		Dual Fuel, LNG
FSRU	1	180,000 cbm	Hyundai Heavy	Swan Energy	2020		

SALE AND PURCHASE TRANSACTIONS

Type	Vessel	Size	Built	Buyer	Price	Comm.
MT	Tanja Jacob	73 004	2003	Greek	Undisclosed	
MT	Prestigious	72 908	2003	Undisclosed	Undisclosed	
MT	Overseas Petromar	35 768	2001	Undisclosed	Undisclosed	
BC	Shandong Da Ren	402 285	2012	Clients of BoCom Leasing	87,20	12 Years TCB
BC	Shandong Da Zhi	400 000	2012	Clients of BoCom Leasing	90,80	12 Years TCB
BC	IVS Cabernet	177 173	2007	Monaco Based (Goodbulk)	20,00	
BC	Boavista	93 062	2010	Clients of Oldendorff carriers	14,30	
BC	HB Princess	81 684	2013	Chinese (Hosco)	17,50	Bank driven
BC	Privatlantic	75 051	2012	Clients of Ocean Longevity	18,50	
BC	Star Jing	63 562	2013	Undisclosed	14,00	Bank sale
BC	Star Vivian	63 562	2013	Undisclosed	14,00	Bank sale
BC	Ocean Leader	56 136	2010	Greek (Unisea)	14,65	
BC	Pacific Korea	56 452	2012	Singaporean	11,00	
BC	Ocean Prosperity	51 687	2010	Greek	12,70	
BC	Nicolina	24 159	1997	Undisclosed	2,75	