



# Fearnleys Weekly Report

## Activity level

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

	Last week	Prev. week
VLCCs fixed all areas last week:	49	62
VLCCs avail. in MEG next 30 days:	124	125

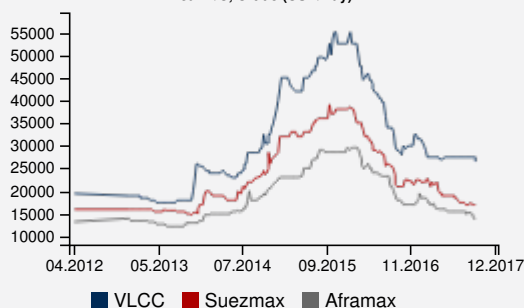
## Rates

DIRTY (Spot WS)		This week	Last week	Low 2017	High 2017
MEG / West	VLCC	20.00	22.00	20.00	60.00
MEG / Japan	VLCC	41.00	41.00	39.00	96.50
MEG / Singapore	VLCC	40.00	42.50	40.00	96.00
WAF / FEAST	260,000	47.00	50.00	46.00	97.50
WAF / USAC	130,000	72.50	67.50	52.50	117.5
Sidi Kerir / W Me	135,000	77.50	77.50	62.50	117.5
N. Afr / Euromed	80,000	125.0	100.0	70.00	190.0
UK / Cont	80,000	107.5	95.00	85.00	117.5
Caribs / USG	70,000	140.0	165.0	82.50	215.0

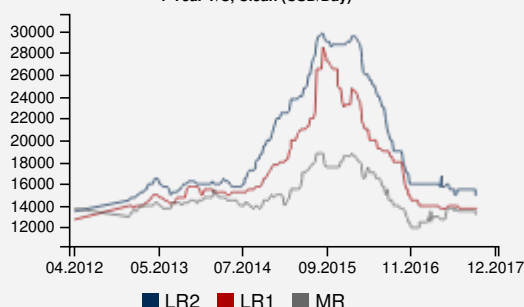
CLEAN (Spot WS)		This week	Last week	Low 2017	High 2017
MEG / Japan	75,000	112.5	100.0	80.00	155.0
MEG / Japan	55,000	132.5	125.0	100.0	150.0
MEG / Japan	30,000	165.0	146.0	120.0	167.5
Singapore / Japan	30,000	190.0	160.0	130.0	190.0
Baltic T/A	60,000	105.0	120.0	85.00	155.0
UKC-Med / States	37,000	110.0	150.0	105.0	210.0
USG / UKC-Med	38,000	87.50	105.0	72.00	150.0

1 YEAR T/C (usd/day) (theoretical)		This week	Last week	Low 2017	High 2017
VLCC	(modern)	26 500	27 500	26 500	30 000
Suezmax	(modern)	17 000	17 000	17 000	22 800
Aframax	(modern)	14 000	14 000	14 000	18 500
LR2		105,000	15 000	15 000	16 750
LR1		80,000	13 750	13 750	14 000
MR		47,000	13 250	12 500	13 750

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



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



## TANKERS

### Crude

The demand dwindled over the past week for VLCC tonnage ex MEG as charterers remained in control backed by a more than ample list of available tonnage. It seems no help to the beleaguered market that owners are ballasting from Far East to the Atlantic on spec. Under pressure on all fronts. The Suezmax market experienced a quieter period after a frenzy of fixing recently. Charterers have been taking a more measured approach resorting to drip feeding the market keeping rates in check. TD20 has peaked at ws 75 giving owners still meagre returns of close to to usd 10k per day whilst TD6 has found its level at ws 85 for end month dates. Interestingly even after the hurricane devastation in the region the usg and caribs market has seen fairly significant volume with demand up in the east. Overall predictions are for a steady week ahead with early October dates upon us, the fourth quarter beckons. As expected, rates for Aframax trading in the Nsea and Baltic have increased further this week. A busy 3rd decade loading program coupled with a more balanced list in Owners favour pushed rates upwards. As the US crude (WTI) is quite cheap compared with Nsea crude (Brent) we could see more vessels coming in to the area from the US as the arb seems wide open. However, the current firm trend will continue as bad weather in the North Sea could cause some vessels delaying and as such add to the upward pressure we currently experience. In the Med and Bsea we can announce that the Owners are once again earning some well-deserved \$. Libya volumes did not let us down after all, and a lot of changes and confusion in the Bsea program made it the perfect habitat for hungry Owners. We are at the time of writing ticking off rates up to mid w120 and demurrages almost touching 30k pd. More good news, there are still cargoes to be fixed and few ships to play with. To all the Owners out there, please enjoy this for all it is worth.

### Product

EAST OF SUEZ Finally owners have been able to push back and put some pressure on charterers. Both sizes, LR1's and LR2's, have gained about ws10 points this last week for fixtures to Far East. Rates paid today is ws112,5 for LR2's and ws132,5 for LR1's and there could be room for more improvements. Unfortunately rates for Continent discharge has not yet followed suit and is still around USD 1,6 mill for LR2's and USD 1,4 for LR1's. MR's fixing from west coast India to Japan/south Korea range have also had a good week with rates improving ws20 points to ws165 level. Also in the Far East the market has improved this last week with the standard voyage from Singapore to Japan moving from ws160 to ws190 and the short haul cargo from south Korea to Japan has increased from usd 280' to USD 335' WEST OF SUEZ The activity in the Atlantic have slumped this week and rates have declined, maybe harder than everyone thought they would after the uptick due to tropical storms in the U.S. The straight Continent to States voyage is today paying about ws110 level, down from ws150 a week and down from ws250 2 weeks ago. The backhaul rate from U.S. gulf to Continent has also slipped and is today at ws85 level. Daily earnings today for a triangulation voyage is today about USD 7.000 per day down from USD 23.000 ten days ago. Also the LR1's have due to less activity for supplying product to the states seen the rate drop from ws120 to about ws105 level. LR2 stems from the Mediterranean have also slipped from USD 1,580 mill to USD 1,525 mill level. Handies trading in the Mediterranean have traded at more or less same levels as last week around the ws135 mark, whilst handies on the Continent Have seen activity and rates drop from ws175 to ws130 level today.



# Fearnleys Weekly Report

## Activity level

Capesize	Panamax	Supramax
Stable	Strong	Firm

Rates This week Last week Low 2017 High 2017

### CAPESIZE (usd/day, usd/tonne)

TCT Cont/Far East (180' dwt)	30 000	31 000	12 000	35 000
Tubarao / R.dam (Iron ore)	8.30	7.00	4.00	8.30
Richards Bay/R.dam	7.80	7.00	4.00	7.80

### PANAMAX (usd/day, usd/tonne)

Transatlantic RV	11 500	10 000	5 600	14 800
TCT Cont / F. East	19 500	18 000	11 600	21 000
TCT F. East / Cont	4 500	3 800	2 500	8 600
TCT F. East RV	12 500	10 500	2 500	12 500
Murmansk b.13-ARA 15/25,000 sc	7.15	7.10	5.00	7.45

### SUPRAMAX (usd/day)

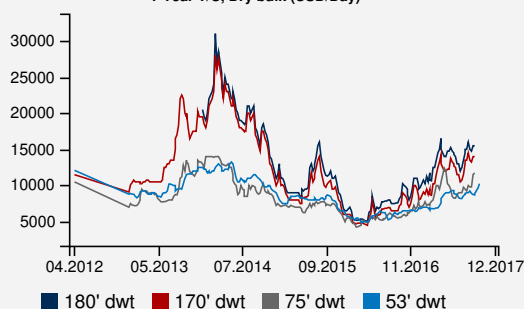
Atlantic RV	10 000	9 600	8 250	12 000
Pacific RV	10 500	9 900	3 900	10 500
TCT Cont / F. East	19 000	17 000	12 000	19 000

### 1 YEAR T/C (usd/day)

Capesize 180,000 dwt	15 500	15 500	10 250	16 500
Capesize 170,000 dwt	14 000	14 000	8 650	14 500
Panamax 75,000 dwt	11 750	11 500	7 250	12 400
Supramax 53,000 dwt	10 250	9 600	6 600	10 250

Baltic Dry Index (BDI): 1337 1250 n/a n/a

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



## DRY BULK

### Capesize

A bit of a slow week so far, especially the volumes from Brazil and South Africa have been very limited. The main activity have been on the west Australia market, where the rates have kept steady this week at just below the USD 8 pmt mark. Several typhoons are hitting China and the vessels are getting delayed in their discharge port, which again putting pressure on early tonnage. The rates for timecharter in the pacific is trading around the USD 20,000 daily mark. And the expectations are that the market will continue upwards for the next months to come. The underlying fundamentals looks good with further increase in the commodity prices and with a very low fleet growth in the Capesize market.

### Panamax

Another active week with increasing rates in both hemispheres. The Atlantic market keeps its momentum as the driving force of the market with the north Atlantic being especially firm. We see a steady pace of cargoes out of US Gulf and South America pushing TA rates at ard 12k's. Fronthauls are being fixed in the 20 to 22k's depending on duration. A Pmax was reported fixed for 1tct from Gdynia via Baltic redel India for a healthy USD 25.000 daily. The sentiment in Asia remain very positive with transpacific RVs at mid 12k's and the expectations going forward still being positive. The short term outlook for the Panamax market remain positive all in all, however the ease off in the Cape sector may be a warning sign.

### Supramax

Week has brought Supras firm rates and numerous orders. Scrap orders from Cont to Med still pay USD 11k. Fertz from Baltic to Brazil went ard 7k. Ultras from USG on fhaul got almost 24k for trip to India, ard 20k with redel Singapore-Japan. Supras fixing from ECSA for a fhaul ard 14k daily + bb. The Pacific market is still firm with activity still on nickle ore, coal and period business being concluded. Ultras open S.China are able to obtain around USD 14k and Supras del CJK around USD 12k for n.ore rv via Philippines. The coal trade is also firm with supras fixing around low usd 13k with delivery Thailand. The period market has been active with Supras fixed USD 10500 for 1 year and Ultras USD 11500 for s.period.

## Activity level

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

### LPG Rates

\* Excl. waiting time, if any

SPOT MARKET (usd/month)\* This week Last week Low 2017 High 2017

VLGC / 84,000	420 000	340 000	180 000	765 000
LGC / 60,000	425 000	390 000	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	420 000	440 000	420 000	540 000
SR / 6,500	390 000	390 000	390 000	450 000
COASTER Asia	200 000	195 000	190 000	200 000
COASTER Europe	180 000	190 000	110 000	195 000

### LPG/FOB prices (usd/tonne)

	Propane	Butane	ISO
FOB North Sea / ANSI	447.0	445.0	
Saudi Arabia / CP	480.0	500.0	
MT Belvieu (US Gulf)	447.4	447.9	460.0
Sonatrach : Bethioua	475.0	475.0	

### LNG

SPOT MARKET (usd/day) This week Last week Low 2017 High 2017

East of Suez 155-165'cbm	39 000	38 000	25 000	40 000
West of Suez 155-165'cbm	43 000	43 000	29 000	52 000
1 yr TC 155-165'cbm	36 000	36 000	31 000	36 000

## GAS

### Chartering

The market in the East has taken a breather this week due to lack of enquiries as end September cargoes more or less are covered on shipping. Nonetheless, a couple of cargoes were fixed for September dates this week at rates around USD 26 pmt basis Ras Tanura/Chiba. One Indian PSU requirement off mid September dates remains on subjects at the time of writing at considerable premium to last done. The number of vessels left for September is scarce and most MEG lifters are awaiting the release of the Saudi acceptances for October to shuffle their programmes. ADNOC acceptances for October came out more or less as per nominations and have yet to create any large demand for shipping, however, time will show. Baltic has continued upwards and owners are still holding for high 20's for fixing. The West market continues at a wait and see mode, with little to report in terms of actual concluded fixtures. Going forward we see that Houston terminals slowly but surely are getting up to speed and we expect activity to pick up. For US Gulf cargoes, owners are stretching towards the high USD 50's per ton basis Houston/Chiba via Panama and around USD 30/high USD 20's per ton basis Houston/Flushing. Time will tell whether the product market is there to support such levels.



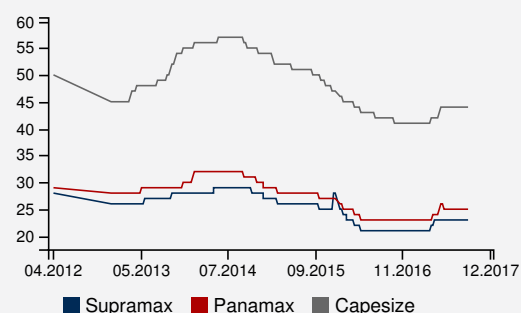
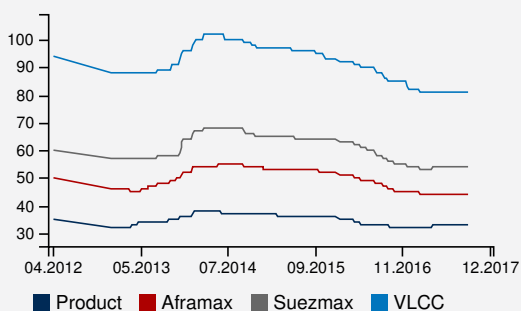
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## Activity level

Tankers	Dry Bulk	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 - MEG	184.5	184.5	184.0	184.5



## Market brief

	This week	Last week	Low 2017	High 2017
<b>Rate of exchange</b>				
USD/JPY	110.5	108.9	108.9	117.6
USD/KRW	1 128	1 136	140.9	1 206
USD/NOK	7.89	7.77	7.77	8.66
EUR/USD	1.19	1.19	1.04	1.19
<b>Interest rate</b>				
LIBOR USD 6 mnths	1.45	1.46	1.32	1.46
NIBOR NOK 6 mnths	0.88	0.88	0.87	1.29
<b>Commodity prices</b>				
Brent spot (USD)	54.48	54.16	46.15	56.77
<b>Bunker prices</b>				
Singapore 380 CST	334.0	331.0		345.0
180 CST	365.0	335.0		365.0
Gasoil	506.0	501.0		506.0
Rotterdam 380 HSFO	313.0	315.0		315.0
180 CST	340.0	343.0		343.0
Diesel	490.0	494.0		494.0

## NEWBUILDING

No new orders to report in the conventional shipping segments this week. Still, we see no change in the demand for new vessels, especially in the dry bulk segment.

## NEWBUILDING CONTRACTS

Type	No	Size	Yard	Buyer	Del	Price	Comm
Cruise	1	120 PAX	Vard Holdings	Coral Expeditions	2019		
Cruise	1	596 PAX	Fincantieri	Silversea Cruises	2020	373 mill USD	
Pass/Cat	2	550 PAX	Austal	Brave Line		abt. 17.5 mill USD	

## SALE AND PURCHASE TRANSACTIONS

Type	Vessel	Size	Built	Buyer	Price	Comm.
MT	Tara	160 036	2016	Cardiff	51,00	
MT	Neptune Voyager	104 875	2003	Spring Marine	10,20	
MT	Stellar Voyager	104 801	2003	Spring Marine	20,20	
MT	King Emerald	38 875	2004	Undisclosed	7,20	
BC	Cartigny	182 651	2016	JP Morgan	44,80	incl. 3-tr T/C back
BC	Chevrier	182 625	2016	JP Morgan	44,80	incl. 3-tr T/C back
BC	NPS Century	172 036	2000	Undisclosed	12,00	
BC	Navios Altair	83 001	2006	Greek	14,50	
BC	Ocean Sakura	76 596	2007	Greek	13,70	
BC	Nord Glory	55 657	2010	Unisea Shipping	14,40	
BC	Desert Serenity	53 820	2008	Far Eastern	9,20	
BC	Worldera-2	48 907	2001	Chinese	7,70	
BC	Dokos	45 600	1997	Undisclosed	4,10	
BC	Avic Weihai 396	37 877	2017	German	16,90	
BC	Sea Melody	34 468	2010	Undisclosed	10,80	

## DEMOLITIONS

### Sold for demolition

Vessel name	Size	Ldt	Built	Buyer	Price
MV Stellar Cosmo	261 310	40 000	1992	Undisclosed	423
CONT MSC Mykonos	60 639	23 451	1988	Indian	425
CONT Seven Seas	58 287	21 436	2005	Pakistani	415
MV Vinalines Trader	69 614	9 706	1997	Bangladeshi	394
ROPAX Ohamana	3 435	6 014	1989	Indian	315