



# Fearnleys Weekly Report

## Activity level

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

	Last week	Prev. week
VLCCs fixed all areas last week:	62	53
VLCCs avail. in MEG next 30 days:	119	121

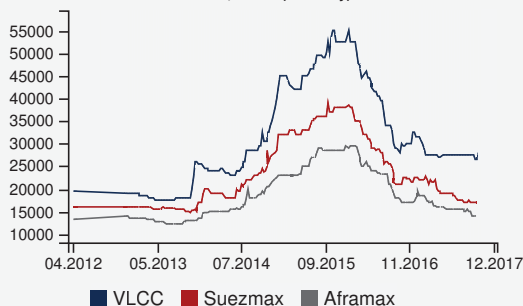
## Rates

DIRTY (Spot WS)		This week	Last week	Low 2017	High 2017
MEG / West	VLCC	26.50	23.50	20.00	60.00
MEG / Japan	VLCC	60.00	53.50	39.00	96.50
MEG / Singapore	VLCC	62.00	55.00	40.00	96.00
WAF / FEAST	260,000	62.00	55.00	46.00	97.50
WAF / USAC	130,000	75.00	72.50	52.50	117.5
Sidi Kerir / W Me	135,000	75.00	77.50	62.50	117.5
N. Afr / Euromed	80,000	102.5	85.00	70.00	190.0
UK / Cont	80,000	97.50	102.5	85.00	117.5
Caribs / USG	70,000	95.00	142.5	82.50	215.0

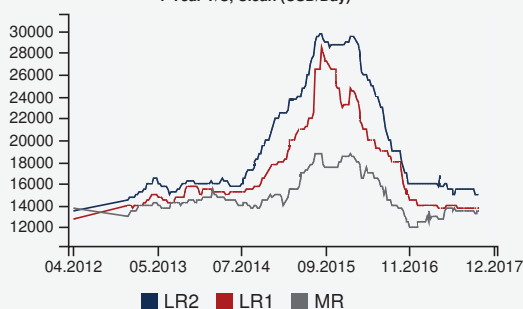
CLEAN (Spot WS)		This week	Last week	Low 2017	High 2017
MEG / Japan	75,000	142.5	137.5	80.00	155.0
MEG / Japan	55,000	140.0	150.0	100.0	150.0
MEG / Japan	30,000	172.5	175.0	120.0	175.0
Singapore / Japan	30,000	200.0	215.0	130.0	215.0
Baltic T/A	60,000	100.0	92.50	85.00	155.0
UKC-Med / States	37,000	120.0	125.0	105.0	210.0
USG / UKC-Med	38,000	77.50	72.50	72.00	150.0

1 YEAR T/C (USD/day) (theoretical)		This week	Last week	Low 2017	High 2017
VLCC	(modern)	28 000	26 500	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	13 500	12 500	13 750

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



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



## TANKERS

### Crude

After weeks with very soft rates for the VLCCs, the steady demand in both Caribbean, West Africa and MEG has resulted in thinner tonnage-lists. Owners have managed to regain the initiative and rates have steadily firmed to earnings up towards USD 20k/day. This despite extensive holidays in the Far East. The long awaited 'winter market' may well have started but rates could have found a temporary balance at present levels. Regarding Suezmaxes it could be said that the market has simply run out of steam after a flurry of activity over a week ago that stimulated a rise in rates on the back of tightening vessel availability in the west. Third decade dates in West Africa have been very slow in showing and naturally there has been rate erosion, as its stands TD20 is at the ws77.5 level but with potential to soften. Meanwhile the Black Sea has seen limited enquiry, which again has been the crux for owners, TD6 is holding shakily at ws85. November traded paper paints a different story, how we get there remains to be seen. Rates hovering around bottom levels are again a reality for Aframax trading in the Nsea and Baltic. Majority of the Baltic stems in the first decade got covered on own tonnage inevitably leading to a downward pressure on rates. In the short term, Charterers have a plentiful list of vessels to choose from. Going forward, we don't expect rates to firm up until we reach end October fixing window. After last week's 20-something drop in rates we are once again finding ourselves in the middle of a Mexican standoff. The Owners are holding back both ships and rates, while the Charterers are "calmly" searching the market for the weakest link. The question is; will they find it?

### Product

**EAST OF SUEZ** After last week's rally for the LR1s and LR2s in the Middle East Gulf the momentum have now slowed down, but rates for LR2s have gained another ws5 points and is today at ws142.5 level, whilst LR1s have had to take a beating and is today ws10 less than last week at ws140 level. For both sizes rates going to the Continent is more or less unchanged at lumpsum USD 1.8 mill for LR2s and USD 1.7 mill for LR1s. Only minor changes for the MRs trading from west coast India to Japan where the rate is still around the ws175 mark. In the Far East, where there is local holidays several places, rates have eased off and owners fixing their MRs from Singapore to Japan today is paying around the ws200 mark. We have not seen any reports of the short haul voyage from South Korea to Japan but we estimate rate should at least be below last week's USD 350' lumpsum. **WEST OF SUEZ** It now seems that the rate decline in the Atlantic have come to an end. This week, rates for transatlantic MR voyages are concluded around the ws120 mark and the back haul cargo from the U.S. to Continent is today at ws77.5 level, up ws5 points since last week. Owners able to triangulate are obtaining almost same daily earnings as last week around USD 7000 per day. LR1s trading from the Continent to West Africa have been able to increase rate this week to ws100, up from ws92.5. On the back of the increased LR2 market in the Middle East Gulf, rates ex Mediterranean has also improved this week and is up another USD 50,000 to lumpsum USD 1.725 mill. Handies have been trading at a slower pace and rates are down both in the Mediterranean and on the Continent with respectively ws15 and ws10 points.



# Fearnleys Weekly Report

## Activity level

Capesize	Panamax	Supramax
Stable	Increasing	Soft

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

TCT Cont/Far East (180' dwt)	28 000	31 000	12 000	35 000
Tubarao / R.dam (Iron ore)	8.80	9.30	4.00	9.30
Richards Bay/R.dam	8.40	8.80	4.00	8.80

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

Transatlantic RV	9 500	10 500	5 600	14 800
TCT Cont / F. East	17 500	18 250	11 600	21 000
TCT F. East / Cont	4 200	4 450	2 500	8 600
TCT F. East RV	10 500	12 000	2 500	13 500
Murmansk b.13-ARA 15/25,000 sc	6.90	7.30	5.00	7.55

### SUPRAMAX (usd/day)

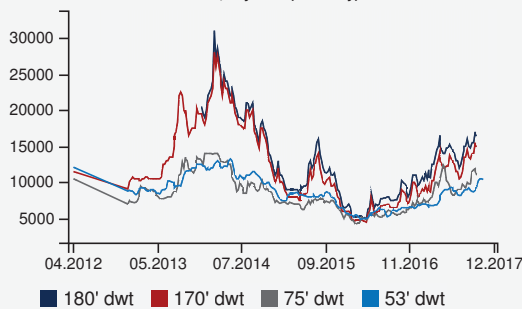
Atlantic RV	11 250	11 600	8 250	12 000
Pacific RV	9 000	10 000	3 900	11 000
TCT Cont / F. East	18 500	19 250	12 000	19 250

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

Capesize 180,000 dwt	16 500	16 500	10 250	17 000
Capesize 170,000 dwt	15 000	15 000	8 650	15 500
Panamax 75,000 dwt	11 000	11 500	7 250	12 400
Supramax 53,000 dwt	10 400	10 500	6 600	10 500

<b>Baltic Dry Index (BDI):</b>	<b>1320</b>	<b>1429</b>	<b>n/a</b>	<b>n/a</b>
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1-Year T/C, Dry bulk (USD/Day)



## DRY BULK

### Capesize

Average daily earnings down 9 percent w-o-w to come in at USD 18,500 for the big ships - but presently UP on all fronts again despite major importing countries on holidays and volumes moderate. Limited supply of fresh tonnage and more hidden demand than anticipated giving positive pressure for mainly October liftings ex W.Australia, S.Africa, and Brazil. News on Chinese domestic ore production cut plans combined with corresponding Brazilian expansion plans adding fuel to the expectations fire. Major operators actively securing good forward period units, last exemplified by 180k dwt/built 2016, delivering end 2017, onwards for 20-23 months at an index-linked ave5tc plus 20 pct.

### Panamax

With Golden week holidays in Asia combined with little new fresh cargoes in the market the rates came under pressure, especially in the Pacific region. In the Atlantic region, the TA market came down to levels around 7k's, (which was the level fixed for a tct via Norway to Cont with iron ore). FH rates hovered around mid 17k's. However, on Tuesday a sudden change in the market appeared. Suddenly the charters came out of the woodwork with enough new cargoes in the Atlantic to send the paper rocketing. Activity in the Pacific was also limited until Tuesday, but was also affected by the rise in the market thereafter. As of now the TA market hovers around mid 10k's and the Pacific RV are paying similar levels.

### Supramax

A quiet and uneventful week so far, with China off for Moon Festival holidays leading the market to soften. In the Pacific, Supras are seeing around low USD 12k for Indo/China coal trip with Spore delivery. In the Indian Ocean, vessels has fixed trip with del S.Africa to MEG/India at USD 12k+200k gbb. Indian coastal trips fixed around mid 11k del ECI and USD 13k for del WCI via MEG to ECI. Softening rates seen in the Atlantic this week as well. ECSA to Cont/Med is paying around USD 15k, while trips from the USG is paying around USD 20k on Supras for fronthauls and around USD 15k to Med. Hopefully we will experience more activity already from next week when China returns from their holidays.

## Activity level

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

### LPG Rates

\* Excl. waiting time, if any

#### SPOT MARKET (usd/month)\*

	This week	Last week	Low 2017	High 2017
VLGC / 84,000	380 000	390 000	180 000	765 000
LGC / 60,000	470 000	445 000	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	420 000	420 000	540 000
SR / 6,500	370 000	380 000	370 000	450 000
COASTER Asia	200 000	200 000	190 000	200 000
COASTER Europe	210 000	200 000	110 000	210 000

#### 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)	450.7	458.7	472.5
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	40 000	39 000	25 000	40 000
West of Suez 155-165'cbm	47 000	47 000	29 000	52 000
1 yr TC 155-165'cbm	39 000	38 000	31 000	39 000

## GAS

### Chartering

It has been rather quiet in the West this week, however, a few ships were programmed for COAs ex WAF and a relet were reportedly fixed against a FOB resale off November dates ex US Gulf. The number of open positions in the West remains scarce and owners' freight ideas are around USD 60 per ton basis Houston/Chiba via Panama, and low USD 30s for Houston/Flushing. For the East, the Baltic LPG index remains flat throughout the week amidst a relatively quiet MEG market. It seems the Baltic has established itself in the short term around USD 26 pmt with relets fetching similar levels and refusing to accept lower rates. Owners keep reaching towards the high USD 20's per ton mark. A couple of fixtures off October dates ex MEG have been concluded, and two Indian cargoes are being worked at the time of writing. In all likelihood, there are some remaining cargoes unfixed in the last decade of October.



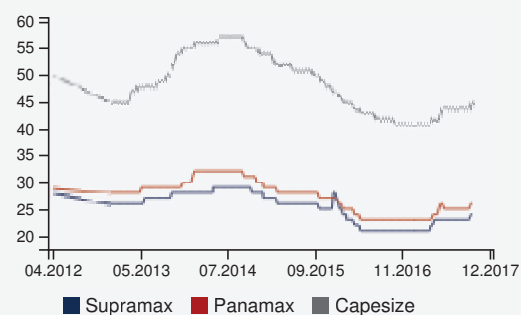
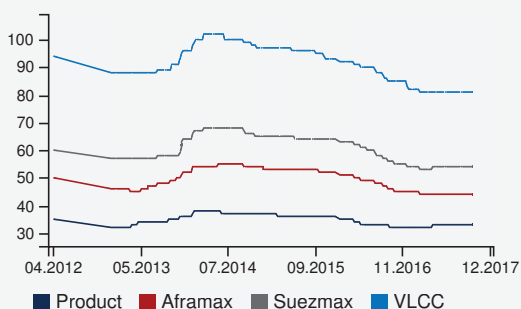
# Fearnleys Weekly Report

## 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	45.00	45.00	41.00	45.00
Panamax	82'dwt	25.50	25.50	23.00	25.50
Supramax	64'dwt	23.50	23.50	21.00	23.50
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	112.6	112.8	108.9	117.6
USD/KRW	1 142	1 142	140.9	1 206
USD/NOK	7.95	7.95	7.77	8.66
EUR/USD	1.18	1.17	1.04	1.20

## Interest rate

LIBOR USD 6 mths	1.52	1.50	1.32	1.52
NIBOR NOK 6 mths	0.86	0.90	0.86	1.29

## Commodity prices

Brent spot (USD)	55.84	57.70	46.15	57.70
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## Bunker prices

Singapore	380 CST	334.0	345.0	345.0
	180 CST	337.0	370.0	370.0
	Gasoil	500.0	520.0	520.0
Rotterdam	380 HSFO	312.0	322.0	322.0
	180 CST	340.0	350.0	350.0
	Diesel	498.0	527.0	527.0

## NEWBUILDING

Some bulk activity this week with Canadian owner, Fednav, returning to Oshima for an order of 6 laker newbuildings, all ice-class 1C vessels.

## NEWBUILDING CONTRACTS

Type	No	Size	Yard	Buyer	Del	Price	Comm
BC	6	34,500 dwt	Oshima	Fednav	2019/2020		

## SALE AND PURCHASE TRANSACTIONS

Type	Vessel	Size	Built	Buyer	Price	Comm.
MT	Atlantic Diana	47 128	2007	Scandinavian	15,80	
MT	Atlantic Blue	47 128	2007			
MT	New Glory	4 147	1996	Undisclosed	2,40	
BC	Ocean Antwerp	76 596	2007	Greek	14,00	
BC	Marto	74 470	2001	Chinese	8,30	
BC	Golden Libra	63 679	2017	Scorpio Bulk	142,50	
BC	Golden Taurus	63 658	2015			
BC	Golden Aries	63 655	2015			
BC	Golden Leo	63 650	2016			
BC	Golden Virgo	63 629	2017			
BC	Golden Gemini	63 605	2015			
BC	Ocean morning	57 814	2015	Greek	21,90	
BC	MS Jupiter	57 000	2008	Undisclosed	9,40	
BC	S-Bravery	53 553	2002	Undisclosed	9,00	
BC	Doric Pride	52 428	2001	Far Eastern	8,60	
BC	Ocean Friend	51 758	2009	US Based	High 12's	
BC	Tai Harvest	51 008	2002	Far Eastern	8,30	
BC	KSL Huayang	50 244	2000	Far Eastern	7,60	
BC	Ocean Platinum	37 198	2012	Greek	12,50	
BC	Aster K	32 588	2006	Greek	8,60	
BC	King Beans	28 642	2010	Undisclosed	8,80	
BC	Shinwa	28 351	2010	Greek	8,30	

## DEMOLITIONS

### Sold for demolition

Vessel name	Size	Ldt	Built	Buyer	Price
MT Silver Bridge	107 212	16 665	1999	Undisclosed	430
MV Four Springs	109 009	15 856	1992	Pakistani	380
CONT Maersk Pembroke	38 250	12 250	1998	Turkish	302