



# 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:	27	57
VLCCs avail. in MEG next 30 days:	135	105

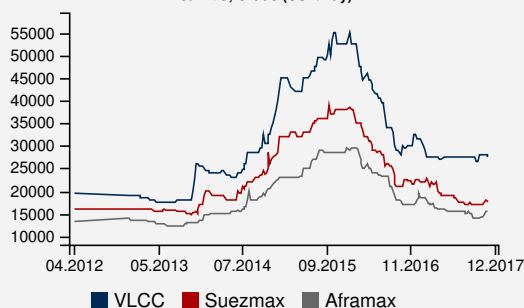
## Rates

DIRTY (Spot WS)		This week	Last week	Low 2017	High 2017
MEG / West	VLCC	27.00	27.00	20.00	60.00
MEG / Japan	VLCC	62.50	69.00	39.00	96.50
MEG / Singapore	VLCC	64.00	79.00	40.00	96.00
WAF / FEAST	260,000	68.00	70.00	46.00	97.50
WAF / USAC	130,000	77.50	72.50	52.50	117.5
Sidi Kerir / W Me	135,000	77.50	75.00	62.50	117.5
N. Afr / Euromed	80,000	97.50	100.0	70.00	190.0
UK / Cont	80,000	105.0	87.50	85.00	125.0
Caribs / USG	70,000	145.0	100.0	82.50	215.0

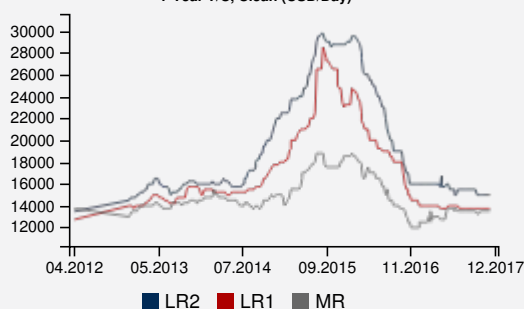
CLEAN (Spot WS)		This week	Last week	Low 2017	High 2017
MEG / Japan	75,000	122.5	122.5	80.00	155.0
MEG / Japan	55,000	130.0	125.0	100.0	150.0
MEG / Japan	30,000	180.0	175.0	120.0	180.0
Singapore / Japan	30,000	195.0	177.5	130.0	215.0
Baltic T/A	60,000	105.0	105.0	85.00	155.0
UKC-Med / States	37,000	125.0	140.0	97.50	210.0
USG / UKC-Med	38,000	140.0	135.0	70.00	150.0

1 YEAR T/C (usd/day) (theoretical)		This week	Last week	Low 2017	High 2017
VLCC	(modern)	27 500	28 000	26 500	30 000
Suezmax	(modern)	17 500	17 500	17 000	22 800
Aframax	(modern)	15 500	15 500	14 000	18 500
LR2	105,000	15 000	15 000	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

As the VLCC MEG program for November was basically concluded last week with about 132 deals, the Owning community had high hopes for the start of the December program. Much to owners' frustration, charterers started drip-feeding the market with 1st decade December stems, only to find rates correcting downwards – last done some 5 points less for MEG/Korea. At the time of writing, the tonnage list looks ample up to the current fixing window and hence add further downward pressure on the rates. The Suezmaxes have been hampered by tonnage lists reflecting over supply during the past week. Owners disappointed by a slip in rates dug in their heels and managed to claw back a few points but the fundamentals were against them. Even armed with an increased bullish attitude they have only been able to push TD20 to ws77.5 levels with TCE returns just below the USD 10k pd mark. Bsea delays have been steadily ticking up but even they have very limited impact and TD6 is hovering at ws85. The outlook looks steady for the week ahead, there are a number of West Africa stems unsold which will hold cargo supply in check for the rest of 2nd decade December dates, it seems a lot of this oil being pushed into January. As predicted, North Sea and Baltic rates moved up a bit as the end/early dates got in play. It seems to be a steady flow of cargoes moving into December, and present rates should be maintained for another week. This week in the Med and Bsea, rates have been under constant pressure. As seen many times before this year, a relet took the market down once again. Most charterers are now asking for Canakkale cancelling about 10 days prior to laycan as the winter months are here. Bsea stems have been fixed as far forward as 11th Dec. As a consequence for these two factors, we have seen a gap of more than 15 points for Bsea fixtures compared to cross Med.

### Product

EAST OF SUEZ Charterers in the Middle East Gulf is still fairly quiet and therefore rates have been more or less flattish this week. LR2s fixing for Far East discharge is today at ws122.5 and same voyage for LR1s is up slightly to ws130. For vessels fixing the opposite way, to the Continent, rates have moved only slightly north to USD 1.875 mill for LR2s and USD 1.4 mill for LR1s. Same quiet trend also for the MRs fixing West Coast India to Japan where the rate is still around the ws180 mark. A little bit more divided in the Far East. The short-haul voyage from South Korea to Japan is more or less unchanged at USD 390' whilst the MR voyage from Singapore to Japan has gained ws15 points this is week, and is today at ws195 level. WEST OF SUEZ In the same fashion as the Far East, the market in the Atlantic has been uneventful and rates have not moved much. MRs trading to the States have had to accept a ws10 point drop this week to ws125 level today, on the other hand the backhaul cargo from US Gulf has gained ws10 points this week to ws140. But owners have seen their Atlantic triangulation earnings drop from about USD 14,500 per day to USD 13,750 today. LR1s fixing from the Continent to West Africa is still at ws105. The downward trend for LR2s fixing from the Mediterranean to the Far East has continued this week, and close to USD 1.7 mill is the going rate today. Slightly more activity for the Handies trading in the Mediterranean and on the Continent, and rates have increased on average ws20 points to ws155 on the Continent and ws150 in the Mediterranean.



# Fearnleys Weekly Report

## Activity level

Capesize	Panamax	Supramax
Active	Mixed	Mixed

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

TCT Cont/Far East (180' dwt)	33 500	32 000	12 000	35 000
Tubarao / R.dam (Iron ore)	11.00	11.00	4.00	11.00
Richards Bay/R.dam	10.00	10.00	4.00	10.00

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

Transatlantic RV	11 000	11 250	5 600	14 800
TCT Cont / F. East	17 000	17 000	11 600	21 000
TCT F. East / Cont	4 500	5 000	2 500	8 600
TCT F. East RV	9 000	9 000	2 500	14 000
Murmansk b.13-ARA 15/25,000 sc	7.60	7.70	5.00	8.20

### SUPRAMAX (usd/day)

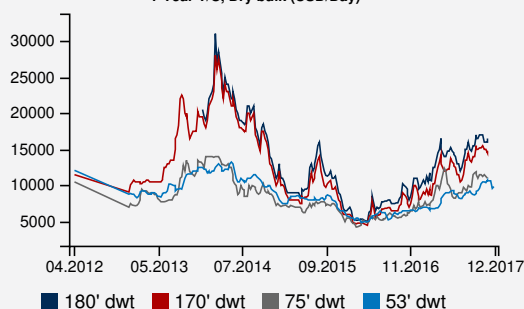
Atlantic RV	13 000	12 800	8 250	13 000
Pacific RV	8 000	8 000	3 900	11 000
TCT Cont / F. East	17 000	17 500	12 000	20 000

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

Capesize 180,000 dwt	16 500	16 000	10 250	17 000
Capesize 170,000 dwt	14 800	14 500	8 650	15 500
Panamax 75,000 dwt	11 000	11 000	7 250	12 400
Supramax 53,000 dwt	9 850	9 600	6 600	10 750

<b>Baltic Dry Index (BDI):</b>	<b>1413</b>	<b>1374</b>	<b>n/a</b>	<b>n/a</b>
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1-Year T/C, Dry bulk (USD/Day)



## DRY BULK

### Capesize

At the end of last week the Cape market did take a beating, and freight rates for West Aussie to China went down close to mid USD 7 pmt mark. The market started to be nervous that we had hit the peak of Q4 and was entering the seasonally more depressing Q1 market. However, at the mid of this week, the freight rates jumped back up to the mid USD 8 pmt level on West Aussie to China route. Again there was delays in China ports in combination with all the West Aussie miners entering the market with spot/ppt cargoes that was pushing it up again. Present bounce back in freight rates show that the present market is solid and have the ability to push back.

### Panamax

Another slow and uneventful week for the Panamaxes with decreasing freight rates in both hemispheres. Nevertheless, during the last couple of days there has been a slightly more positive trend in the Pacific region compared to the sentiment in the last couple of weeks. People now wonder if we will see the same turnaround also in the Atlantic region, but that depends largely on the number of fresh cargoes coming out in the market in the coming days. Time of writing, TA and FH are respectively at levels around high 10k's and high 16k's, while a transpacific RV is priced at around 9k's. The short-term outlook remains mixed and the slightly more positive trend in the Pacific region questions the direction of the market.

### Supramax

A quiet start to the week. USG closed last week a bit tighter, and continued into the new week on a positive tone with little concluded, however. Trip to Far East fixing low USD 20k and trip to Continent mid 15k's. Continent Smx fixing via Baltic to Emed is at high USD 12k. Ultramax seeing mid USD 11k for short period redly Atl. As we see a little bit improvement from the SE Asia market, we believe the Far East market might have touched the bottom already, but recovery is going to be slow considering the amount of open tonnage. In SE Asia, less spot tonnage with a few more vessel requirements brought the market slightly up from last week's levels.

## Activity level

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

### LPG Rates

\* Excl. waiting time, if any

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

VLGC / 84,000	465 000	465 000	180 000	765 000
LGC / 60,000	525 000	525 000	350 000	525 000
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	410 000	410 000	410 000	540 000
SR / 6,500	360 000	360 000	360 000	450 000
COASTER Asia	245 000	245 000	190 000	245 000
COASTER Europe	240 000	240 000	110 000	240 000

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

Location / Source	Propane	Butane	ISO
FOB North Sea / ANSI	524.0	502.0	
Saudi Arabia / CP	575.0	580.0	
MT Belvieu (US Gulf)	515.1	469.4	484.2
Sonatrach : Bethioua	525.0	528.0	

### LNG

#### SPOT MARKET (usd/day)

East of Suez 155-165'cbm	65 000	53 000	25 000	65 000
West of Suez 155-165'cbm	70 000	64 000	29 000	70 000
1 yr TC 155-165'cbm	54 000	50 000	31 000	54 000

## GAS

### Chartering

After a softening in freight rates over the last week or so, the VLGC market activity in the MEG picked up again and several December cargoes have been covered on freight up to the beginning of the last decade. A couple of relets were absorbed and there are still a couple of trader controlled vessels being put on and off subjects for 10-20 December dates. Rates are currently hovering around the high USD 20's/Low 30's per ton and seems to have reached the short term trough. For the West market, it has been a quiet week in terms of spot fixtures. The arb. is not looking good and the number of cancellations reported in Houston is not helping the shipping market in the short term.



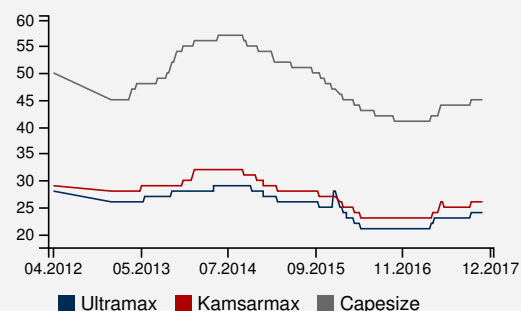
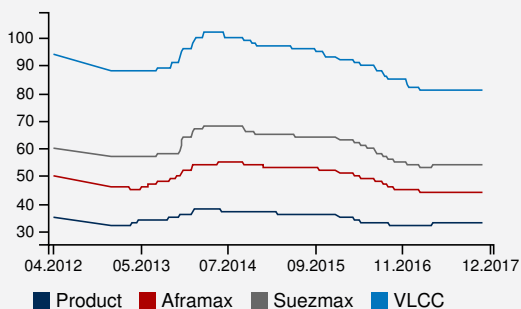
# Fearnleys Weekly Report

## 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	45.00	45.00	41.00	45.00
Kamsarmax	82'dwt	26.00	26.00	23.00	26.00
Ultramax	64'dwt	24.00	24.00	21.00	24.00
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	111.9	112.7	108.9	117.6
USD/KRW	1 089	1 112	140.9	1 206
USD/NOK	8.22	8.24	7.77	8.66
EUR/USD	1.18	1.18	1.04	1.20

## Interest rate

LIBOR USD 6 mths	1.64	1.62	1.32	1.64
NIBOR NOK 6 mths	0.85	0.90	0.85	1.29

## Commodity prices

Brent spot (USD)	63.14	61.47	46.15	63.47
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## Bunker prices

Singapore	380 CST	377.0	372.0	377.0
	180 CST	380.0	375.0	390.0
	Gasoil	563.0	536.0	563.0
Rotterdam	380 HSFO	347.0	346.0	367.0
	180 CST	377.0	374.0	395.0
	Diesel	539.0	525.0	545.0

## NEWBUILDING

Few orders for most yards this week, except for two Chinese yards. Dalian received orders for seven Tankers and ten Handysize bulk carriers. Both Tankers and Bulk carriers are ordered by domestic owners. Also, the Turkish owner Yasa ordered three firm Newcastlemaxes at Yangzijiang.

## NEWBUILDING CONTRACTS

Type	No	Size	Yard	Buyer	Del	Price	Comm
BC	10	25,800 dwt	CSIC Dalian	Dalian Success Innovation	2019		
BC	3	209,000 dwt	Yangzijiang	Yasa	2020		
CONT	1	2,700 teu	Guangzhou Wenchong	Log-in Logistica	2019		Tier II
Cruise	1	100 PAX	De Hoop	RCCL	2019		
TANK	3	158,000 dwt	CSIC Dalian	COSCO Shipping Energy	2020/2021		
TANK	4	319,000 dwt	CSIC Dalian	COSCO Shipping Energy	2020/2021		

## SALE AND PURCHASE TRANSACTIONS

Type	Vessel	Size	Built	Buyer	Price	Comm.
MT	Dong-A Spica	157 500	2017	TMS Tankers	48,00	
MT	Dong-A Capella	157 500	2017	New Shipping	48,00	
MT	Fidias	51 277	2007	PCL	16,70	
MT	Besiktas Halland	7 701	2208	Kiltank Shipping	9,00	
MT	Sara Theresa	2 955	2003	Undisclosed	4,50	
MT	FSL Tokyo	19 998	2006	Undisclosed	14,50	
BC	Ocean Ambition	82 000	2014	Undisclosed	22,00	
BC	Ocean Forte	81 616	2015		23,00	
BC	Ocean Vision	81 502	2015		23,00	
BC	Ocean Integrity	81 499	2015		23,00	
BC	Karaagac	53 350	2007	Chinese	9,80	
BC	DZ Qingdao	49 047	1996	Far Eastern	4,70	
BC	Franbo Wind	46 513	2001	Chinese	7,35	Pending CCS approval
BC	Magnolia	31 916	1997	Undisclosed	4,30	
BC	Jupiter II	27 000	2009	Undisclosed	6,10	

## DEMOLITIONS

### Sold for demolition

Vessel name	Size	Ldt	Built	Buyer	Price
MV Alexander Carl	208 189	24 871	1993	Pakistani	435
MT Pacific Singapore	106 042	17 000	1999	Bangladeshi	419
CONT Aggeliki P	30 360	10 581	1998	Indian	442
CONT Bonavia	30 743	10 286	1995	Indian	440
REEF Wei Li	12 570	6 971	1979	Indian	425
CONT CMA CGM Simba	15 166	5 514	1994	Bangladeshi	403
OFFS The Providence	2 012	3 924	1977	Undisclosed	420