



Fearnleys Weekly Report

Activity level

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

	Last week	Prev. week
VLCCs fixed all areas last week:	61	45
VLCCs avail. in MEG next 30 days:	133	133

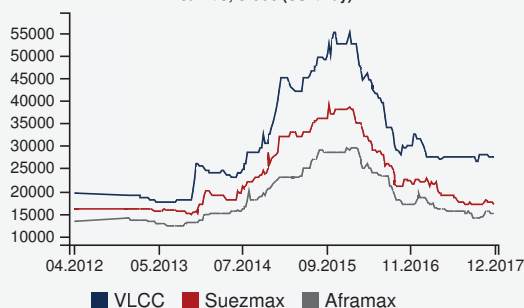
Rates

DIRTY (Spot WS)		This week	Last week	Low 2017	High 2017
MEG / West	VLCC	25.00	25.00	20.00	60.00
MEG / Japan	VLCC	49.00	53.00	39.00	96.50
MEG / Singapore	VLCC	50.00	53.00	40.00	96.00
WAF / FEAST	260,000	53.50	60.00	46.00	97.50
WAF / USAC	130,000	85.00	90.00	52.50	117.5
Sidi Kerir / W Me	135,000	85.00	87.00	62.50	117.5
N. Afr / Euromed	80,000	90.00	90.00	70.00	190.0
UK / Cont	80,000	102.5	92.50	85.00	125.0
Caribs / USG	70,000	165.0	170.0	82.50	215.0

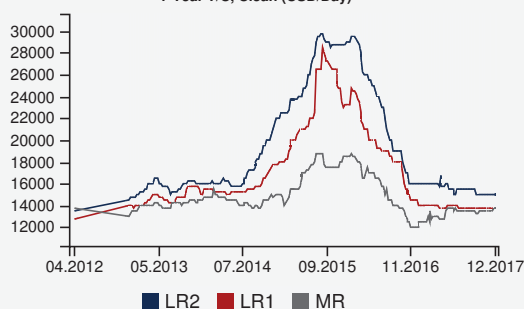
CLEAN (Spot WS)		This week	Last week	Low 2017	High 2017
MEG / Japan	75,000	110.0	110.0	80.00	155.0
MEG / Japan	55,000	137.5	135.0	100.0	150.0
MEG / Japan	30,000	172.5	175.0	120.0	180.0
Singapore / Japan	30,000	180.0	185.0	130.0	215.0
Baltic T/A	60,000	140.0	130.0	85.00	155.0
UKC-Med / States	37,000	150.0	170.0	97.50	210.0
USG / UKC-Med	38,000	145.0	105.0	70.00	150.0

1 YEAR T/C (USD/day) (theoretical)		This week	Last week	Low 2017	High 2017
VLCC	(modern)	27 500	27 500	26 500	30 000
Suezmax	(modern)	17 000	17 500	17 000	22 800
Aframax	(modern)	15 000	15 000	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	13 750	12 500	13 750

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



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



TANKERS

Crude

Despite steady demand during last week for the VLCCs, charterers managed to push rates further down. At time of writing increased resistance among owners with a growing feeling the market may have bottomed for now. With Christmas coming up, it was time for festivities in London last week leaving the unlucky few that had to stay behind completely in the doldrums. Scarce fresh cargo enquiry in Waf coupled with decreasing delays for transiting through Turkish straits indulged charterers into a new round of the all too familiar waiting game. Taking turns in hitting owners in their head, it became evident that rates were going to slip below last done. Luckily though, owners managed to mobilize a good wave of resistance giving charterers a good run for their money. Black Sea is going about its business with sentiment holding steady for now as owners are hoping for bad weather to disrupt the current market state of mind. This week big news was the shutdown of the Forties pipeline. Refineries in the area are expected to look elsewhere for crude as one expect increased delays at Hound Point loading terminal. The most pessimistic talk about 6 weeks before loading can commence, others say only 2-3 weeks. So far we haven't seen a huge impact on Afras trading in the North. But with a shortfall of Hound Point Afras cargoes the market will stay quite balanced and rates will stay around current levels for next week. The best word to describe the Med and Bsea is dull. The areas are so overpopulated with tonnage that we consider ourselves lucky to still be able to call the market stable at ws90 xmed and ws102.5 ex Bsea. Moving over to next week, we unfortunately don't see the market tightening, even if today has brought us more cargo activity. There is just too many ships available.

Product

EAST OF SUEZ It seems owners are unable to find some upward momentum in the Middle East Gulf, and rates for all sizes are more or less flat this week. Rates for LR2s fixing for Far East discharge is still at ws110 level and rate for LR1s are also unchanged at about ws137.5. Lumpsum rates for vessels going westwards are still around USD 1.7 mill for LR2s and USD 1.325 mill for LR1s. The MR benchmark voyage from west coast India to Japan has dropped ws5 points and is today at ws170 level. In the Far East, the market has slightly declined this last week with the short haul voyage from South Korea to Japan dropping from USD 370' to USD 350 and the standard Singapore to Japan MR voyage is down from ws185 to ws180 today. **WEST OF SUEZ** In the Atlantic, rates have for the most strengthened this week, except for the straight MR transatlantic voyage where the rate have dropped ws20 points to ws150 level. But on the other hand, the back haul from US Gulf has gained almost ws40 points this week meaning owners triangulating have actually seen daily earnings gaining about USD 3000 to USD 16,500 for a round voyage. LR1s have also been busy this week and rate for Continent to West Africa have due increased activity eastwards moved up to ws140 level. LR2s have also been active and rate from Mediterranean to Far East is now slightly in excess of USD 2.0 mill. In the Handy segment, owners trading in the Mediterranean have seen a little bit slower activity and rates are today at ws180 level, down from ws185. On the Continent, rates have gone in the opposite direction with higher activity and demand for Ice class vessels have lifted the rate ws10 point to ws190.



Fearnleys Weekly Report

Activity level

Capesize	Panamax	Supramax
Active	Strong	Moderate

Rates	This week	Last week	Low 2017	High 2017
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CAPE SIZE (usd/day, usd/tonne)

TCT Cont/Far East (180' dwt)	41 300	41 500	12 000	41 500
Tubarao / R.dam (Iron ore)	13.60	13.00	4.00	13.60
Richards Bay/R.dam	12.40	12.00	4.00	12.40

PANAMAX (usd/day, usd/tonne)

Transatlantic RV	18 000	15 000	5 600	18 000
TCT Cont / F. East	20 500	19 500	11 600	21 000
TCT F. East / Cont	5 200	5 000	2 500	8 600
TCT F. East RV	11 500	11 000	2 500	14 000
Murmansk b.13-ARA 15/25,000 sc	9.50	8.70	5.00	9.50

SUPRAMAX (usd/day)

Atlantic RV	15 000	13 000	8 250	15 000
Pacific RV	10 000	9 250	3 900	11 000
TCT Cont / F. East	18 000	16 000	12 000	20 000

1 YEAR T/C (usd/day)

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

Baltic Dry Index (BDI):	1730	1670	n/a	n/a
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1-Year T/C, Dry bulk (USD/Day)



Activity level

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

LPG Rates

* Excl. waiting time, if any

SPOT MARKET (usd/month)*	This week	Last week	Low 2017	High 2017
VLGC / 84,000	570 000	474 000	180 000	765 000
LGC / 60,000	550 000	525 000	350 000	550 000
MGC / 38,000	440 000	440 000	420 000	550 000
HDY / 22,000	370 000	370 000	350 000	550 000
ETH / 10,000	420 000	410 000	410 000	540 000
SR / 6,500	370 000	360 000	360 000	450 000
COASTER Asia	250 000	250 000	190 000	250 000
COASTER Europe	350 000	300 000	110 000	350 000

LPG/FOB prices (usd/tonne)

	Propane	Butane	ISO
FOB North Sea / ANSI	556.5	503.0	
Saudi Arabia / CP	590.0	570.0	
MT Belvieu (US Gulf)	483.9	457.5	477.1
Sonatrach : Bethioua	560.0	530.0	

LNG

SPOT MARKET (usd/day)	This week	Last week	Low 2017	High 2017
East of Suez 155-165'cbm	80 000	73 000	25 000	80 000
West of Suez 155-165'cbm	85 000	80 000	29 000	85 000
1 yr TC 155-165'cbm	55 000	55 000	31 000	55 000

DRY BULK

Capesize

Despite the year end approaching, the market remains at extremely firm levels. Over the last week the average 5 tc index crossed the USD 30,000 mark and West Australia is still being concluded around USD 10 pmt. Delays in Chinese ports and a generally tight tonnage supply in the Atlantic is supporting continuously stronger rates towards Christmas as well as for the beginning of the new year.

Panamax

It has been a new week with very strong freight rates in both hemispheres, especially in the north Atlantic region where we have seen talk about TA's done at over 20k and FH in the region 22-23k, depending on duration. Index is lagging, so we expect strong index numbers in the coming days because of the positive sentiment. Nevertheless, the cargo volumes seem a bit thin on the Atlantic side, so a little more tonnage into the market without a push on the cargo side will definitely have an adverse effect on the freight rates. The sentiment in Asia remain firm with a transpacific RV priced at around mid 11k's, but it seems that the expectations going forward it's a bit mixed with some talk of a softening trend.

Supramax

Atlantic basin kept its firm pace with chrts still busy with covering pre-holiday requirements. Ultras got close to 20k for ordinary scrap runs to Med. More stable atmosphere for fronthauls from both Continent and USG, where we can discuss ca 18k and 25k USD per day respectively. Supras from South America to SE Asia were fixed around 15k + bb. The Pacific market is negative this week on most of the routes. Supras fixing Indo coal to China around low USD 10k delivery Singapore, while WCI to China is paying Supra owners around USD 9k. S.China trips to N.China is paying around USD 11k, while CIS coal trips are paying around mid USD 8k delivery N.China. S.Africa trip to Feast is paying around mid USD 11k + 180k gbb.

GAS

Chartering

The market players were waiting for ADNOC to release their Jan acceptances, and when they arrived it turned out there were a few delays. However, the Saudi Aramaco January acceptances of January nominations are not out yet, and in anticipation of same the market will probably remain fairly calm until release. The East market was active end last week with several Indian cargoes being fixed for end Dec dates. A couple of MEG/Feast enquiries were also covered either through vessel swaps or straight charter in - i.e., the balance of remaining vessels for December and early Jan is rather scarce. A few relets from traders have emerged and they may slow down the owners' ambition to jack the market further up into the mid USD 30's MEG/Japan basis. The West was somewhat active ex US last week, too, and rates are hovering around low USD 60's/60'ish.



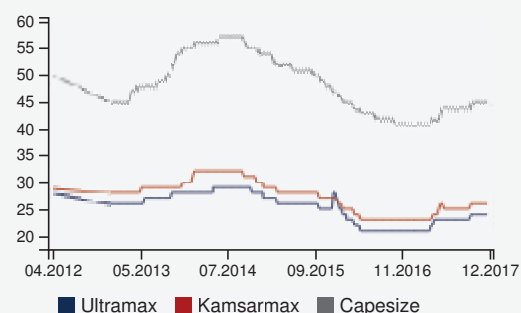
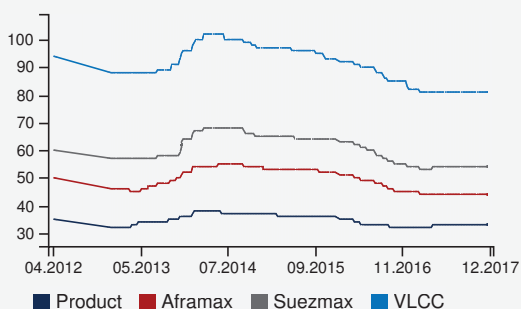
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Activity level

Tankers	Dry Bulkers	Others
Firm	Moderate	Moderate

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 - MEG1	184.5	184.5	184.0	184.5



Market brief

	This week	Last week	Low 2017	High 2017
Rate of exchange				
USD/JPY	113.1	112.2	108.9	117.6
USD/KRW	1 091	1 093	140.9	1 206
USD/NOK	8.36	8.25	7.77	8.66
EUR/USD	1.18	1.18	1.04	1.20

Interest rate

	This week	Last week	Low 2017	High 2017
LIBOR USD 6 mnths	1.74	1.71	1.32	1.74
NIBOR NOK 6 mnths	0.92	0.85	0.85	1.29

Commodity prices

	This week	Last week	Low 2017	High 2017
Brent spot (USD)	63.58	62.07	46.15	63.58

Bunker prices

	This week	Last week	Low 2017	High 2017
Singapore				
380 CST	366.0	368.0		377.0
180 CST	370.0	398.0		398.0
Gasoil	561.0	554.0		563.0
Rotterdam				
380 HSFO	344.0	341.0		367.0
180 CST	374.0	369.0		395.0
Diesel	555.0	533.0		555.0

NEWBUILDING

As the end of 2017 is approaching, we see that owners look toward the tanker market with renewed interest. We see 10 firm orders in the tanker segment, most of them at Korean yards. The tanker orders are expected to be delivered by the end of 2019, beginning of 2020, which is when the market is expecting better rates. In the dry bulk segment, two new VLOC orders have been reported for the Vale COAs. Also, 8 firm ultramaxs have been ordered at New Times by FrontMarine, price reported at USD 26 mill. In the gas segment Maran Gas have returned to DSME for one firm FSRU and one firm LNGC.

NEWBUILDING CONTRACTS

Type	No	Size	Yard	Buyer	Del	Price	Comm
BC	8	63,000 dwt	New Times	Front Marine	2020		Tier III
CHEM	2	55,600 dwt	CSSC Chenxi	Goldwin			+ 2 options
CONT	4	1,500 teu	Huangpu Wenchong	Cosmoship	2019		
CONT	4	2,700 teu	Yangzijiang	SITC			Tier III
FSRU	1	173,400 cbm	DSME	Maran Gas	2020		
LNGC	1	173,400 cbm	DSME	Maran Gas	2020		
TANK	3	50,000 dwt	Hyundai	EastMed	2019		
TANK	3	52,000 dwt	CSSC OME	Formosa Plastics	2019/2020		
VLCC	1	318,000 dwt	DSME	Maran Shipping	2019		
VLCC	1	319,000 dwt	Hyundai	Hyundai Glovis	2019		
VLCC	1	319,000 dwt	Hyundai	Olympic Shipping	2019		Declared option
VLCC	1	319,000 dwt	Hyundai	NS Lemos	2019		Declared option
VLOC	2	325,000 dwt	Hyundai	H-Line	2019/2020		LNG-ready

SALE AND PURCHASE TRANSACTIONS

Type	Vessel	Size	Built	Buyer	Price	Comm.
MT	Arion	309 459	2001	Undisclosed	22,5	
MT	Amoureux	150 096	2008	SCI	32,50	Tender sale
MT	Hyundai Samho S813	113 284	2018	N.S Lemos	44,30	
MT	Posillipo	53 116	2010	M Sea Capital	18,10	
MT	Cenito	53 116	2009		17,90	
MT	Pretty Scene	51 255	2006	Chinese	12,00	Auction Sale
MT	Chemstar Seven	19 870	2005	S. korean	12,30	
MT	Nordport	13 127	2008	undisclosed	8,30	
MT	Copenhagen	2 945	2003	undisclosed	3,20	
BC	CPO America	179 570	2010	Rickmers	24,50	
BC	Ocean Celebirt	177 638	2003	Undisclosed	12,00	
BC	Trans Shanghai	93 260	2010	Undisclosed	16,00	
BC	Seawing I	73 901	2005	Chinese	9,50	
BC	Caroline Victory	58 713	2008	Undisclosed	Undisclosed	
BC	King Freight	58 163	2009	Empros	14,20	
BC	Trumpet	50 619	2004	Undisclosed	5,90	
BC	Tong Xiang	47 240	1997	Chinese	4,50	
BC	CY Thunder	45 406	1995	Undisclosed	4,50	
BC	Patria	21 021	1998	Undisclosed	4,20	

DEMOLITIONS

Sold for demolition

Vessel name	Size	Ldt	Built	Buyer	Price
OFFS Star Bright	298 900	40 970	1993	Undisclosed	391
OBO Karadeniz Powership Erol Bey	109 891	18 400	1996	Undisclosed	419