



Fearnleys Weekly Report

Activity level

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

	Last week	Prev. week
VLCCs fixed all areas last week:	55	48
VLCCs avail. in MEG next 30 days:	110	135

Rates

DIRTY (Spot WS)		This week	Last week	Low 2018	High 2018
MEG / West	VLCC	21.00	19.00	16.00	23.50
MEG / Japan	VLCC	57.50	48.00	35.00	57.50
MEG / Singapore	VLCC	58.00	48.00	35.50	58.00
WAF / FEAST	260,000	57.50	47.50	37.50	57.50
WAF / USAC	130,000	70.00	62.50	50.00	75.00
Sidi Kerir / W Me	135,000	77.50	82.50	55.00	87.50
N. Afr / Euromed	80,000	85.00	115.0	75.00	145.0
UK / Cont	80,000	105.0	115.0	90.00	115.0
Caribs / USG	70,000	137.0	142.5	80.00	145.0

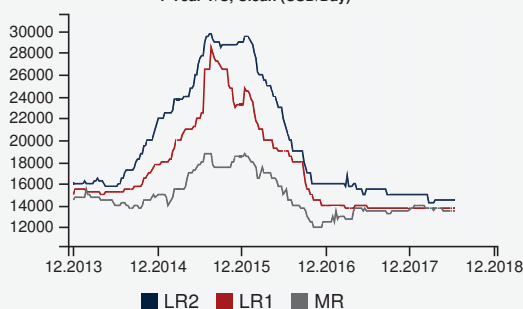
CLEAN (Spot WS)		This week	Last week	Low 2018	High 2018
MEG / Japan	75,000	110.0	97.50	80.00	120.0
MEG / Japan	55,000	115.0	115.0	90.00	117.5
MEG / Japan	30,000	112.0	117.5	110.0	140.0
Singapore / Japan	30,000	122.0	127.5	122.0	147.5
Baltic T/A	60,000	80.00	80.00	80.00	145.0
UKC-Med / States	37,000	105.0	115.0	105.0	165.0
USG / UKC-Med	38,000	67.00	67.50	67.00	135.0

1 YEAR T/C (usd/day) (theoretical)		This week	Last week	Low 2018	High 2018
VLCC	(modern)	23 500	22 500	21 000	27 500
Suezmax	(modern)	16 000	16 000	15 000	17 000
Aframax	(modern)	14 250	14 250	13 500	15 000
LR2		105,000	14 500	14 250	15 000
LR1		80,000	13 750	13 750	13 750
MR		47,000	13 500	13 500	14 000

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



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



TANKERS

Crude

A gradual tightening of particularly modern tonnage for the major VLCC routes have given owners a 'taste' of improved earnings. Volumes have been healthy during the week as the July MEG volumes got under way. Wafr/East much the same with charterers reaching well forward on dates. Rates under upward pressure and owners aiming to propel rates further. Charterers probably looking for ways around the optimistic owners and further tests likely throughout the week to see if present trend is sustainable. Suezmaxes have enjoyed a good week of persistent activity in all areas, keeping ships from ballasting towards Wafr. After having cherry-picked the spot ships, Charterers eventually found themselves in a position where all the "cheap" ships were gone and the next ones in line where asking for more than last done levels in order to play ball. There is still a good amount of activity in all areas, which will keep owners mostly focused on local business. There is a firmer touch to the market than since we last spoke. With July usually being a quieter month it remains to be seen how much more there is to it, but we expect the rather firm sentiment to persist for the balance of this week. The Aframax market in the Nsea and Baltic experienced quite a significant upwards correction in the last decade of the June fixing window. Supply of tonnage in this window was quite scarce compared to what was expected as quite a few vessels went long or was floating in the North Sea basin with unsold cargo onboard. Going forward rates will again be under downward pressure, but Owners are still putting up a good fight to keep rates at current levels. In the Med and Bsea it could be looking like we are entering the summer-market already. A long list of available tonnage have pushed rates down to mid w80's levels. In addition to this we have seen new attacks on Libyan oil facilities, in both Ras Lanuf and Es Sider. Storage capacity in Ras Lanuf have been reduced with 400,000bbls and will take years to rebuild. All in all, we believe owners are facing some difficult months going ...

Product

EAST OF SUEZ It has been yet another quiet week in the Middle east gulf and levels are unchanged. Lr1's fixing for Japan/south Korea range is still at ws115 level and the Lr2's are still fixing at ws100 level. Lr2's have not been able to increase rates for west destination and is still getting about Usd 1,850 mill level for their services but the Lr1's have been able to press rate upwards to Usd 1,650 level up from Usd 1,550 mill. The Mr's have had to accept slightly lower rates for the voyages from west coast India to Japan with rates slipping from ws120 level to w112,5 today. In the Far east rates have been slipping further this week and the short haul voyage from south Korea to Japan is today at Usd 250' down From Usd 265'. The voyage from Singapore to Japan have also been weaker and owners is today fixing at ws120 level down from ws127,5 WEST OF SUEZ We have seen the same quiet and uneventful market in the west with rates going nowhere except for Mr voyages from the Continent to the States where rates have dropped from ws115 level to ws105 today whilst the back haul cargo from the U.S. gulf back to the Continent is unchanged at ws67,5. The decline in Continent to States rates have made the daily return for owners triangulating slip from about Usd 4.750 to Usd 4.000 daily today. Lr1's are still fixing at ws80 for destination west Africa. The Lr2 liftings from the Mediterranean to the far east have softened slightly this week to lumsom Usd 1,750 mill this week. for the handies the market in the Mediterranean is unchanged from last week at ws135 level whilst their sisters on the Continent have seen a ws10 drop since last week to ws135 today.



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Activity level

Capesize	Panamax	Supramax
Slow	Weakening	Moderate

Rates	This week	Last week	Low 2018	High 2018
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CAPESIZE (usd/day, usd/tonne)

TCT Cont/Far East (180' dwt)	31 000	32 500	18 000	37 000
Tubarao / R.dam (Iron ore)	8.65	8.00	5.30	10.00
Richards Bay/R.dam	8.10	8.00	5.40	10.00

PANAMAX (usd/day, usd/tonne)

Transatlantic RV	10 500	12 000	7 100	13 750
TCT Cont / F. East	18 600	18 700	15 000	19 500
TCT F. East / Cont	5 200	5 100	4 300	5 200
TCT F. East RV	11 300	11 500	9 000	13 750
Murmansk b.13-ARA 15/25,000 sc	7.60	8.20	6.40	8.55

SUPRAMAX (usd/day)

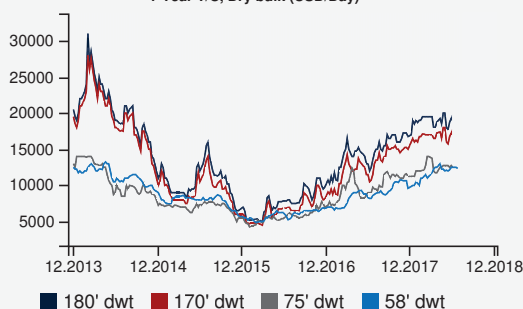
Atlantic RV	12 150	12 000	11 000	16 000
Pacific RV	10 750	12 000	8 000	12 500
TCT Cont / F. East	17 000	17 500	16 000	20 500

1 YEAR T/C (usd/day)

Capesize 180,000 dwt	19 000	19 250	17 000	20 000
Capesize 170,000 dwt	17 000	17 250	15 750	18 000
Panamax 75,000 dwt	12 500	12 750	11 250	14 000
Supramax 58,000 dwt	12 350	12 500	10 000	13 000

Baltic Dry Index (BDI):	1373	1404	n/a	n/a
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1-Year T/C, Dry bulk (USD/Day)



DRY BULK

Capesize

Disappointing week, where the freight rates dropped heavily. Extremely few cargoes out of west Australia hence the general activity level for pacific market this week been very low. The freight rates are presently around mid usd 7 pmt level on this route. The south Africa market have had quite a few cargoes, but the freight rates dropped from mid usd 15 pmt level to mid usd 13 pmt level. Brazil market have followed the downward trend and freight rates presently in the high usd 18 pmt level. The present average timecharter rates are now down close to 15,000 mark. As we are entering the summer months expectations are slightly negative short term, but medium and long terms sentiment still very bullish.

Panamax

A reduced outpour of fresh cargoes in the market over the last week, in addition to holidays in Singapore on Friday and China on Monday, has led to a significant fall in rates in both basins. Transatlantic rates have been under pressure for some time and are now hovering around mid USD 10.000's. FH-rates had a positive ending last week before taking part in the downturn from Monday and is currently paying mid 18k's. ECSAM is still active, but not enough to compensate for the reduced cargo flows elsewhere. The Pacific basin has not been hit as hard but is also falling with the transpacific RV now paying low 11k's. The reduced activity in Indonesia might push the rates further down in the coming days.

Supramax

A relatively stable opening of the week in the Atlantic with scrap runs from Cont to Emed is getting fixed around USD 12500, while fronthaul to Seasia is paying around high USD 16k-17k. Similar fronthauls from Emed/Bsea is trading around low/mid USD 15000. In the Pacific, the Seasia market is picking up after Indonesian ramadan, Indo coal trips to China is paying around USD 12000 bss Spore delivery, while same trips to Philippines with mid-China delivery is paying in the high USD 9000. From S.Africa to Spore/Japan, vessels are fixing around low/mid USD 12000 + 250k gbb. CIS coal is paying around USD 11000 to China, while China steels rounds are is getting fixed around USD 10000.

Activity level

COASTER	15-23,000 cbm	82,000 cbm
Soft	Slow	Increasing

LPG Rates

* Excl. waiting time, if any

SPOT MARKET (usd/month)*	This week	Last week	Low 2018	High 2018
VLGC / 84,000	360 000	340 000	105 000	535 000
LGC / 60,000	400 000	400 000	375 000	550 000
MGC / 38,000	450 000	435 000	430 000	470 000
HDY SR / 20-22,000	430 000	430 000	395 000	450 000
HDY ETH / 17-22,000	700 000	720 000	700 000	770 000
ETH / 8-12,000	450 000	450 000	440 000	480 000
SR / 6,500	430 000	430 000	370 000	430 000
COASTER Asia	290 000	290 000	250 000	320 000
COASTER Europe	290 000	290 000	280 000	385 000

LPG/FOB prices (usd/tonne)	Propane	Butane	ISO
FOB North Sea / ANSI	526.0	511.5	
Saudi Arabia / CP	560.0	560.0	
MT Belvieu (US Gulf)	445.5	454.7	611.6
Sonatrach : Bethioua	530.0	540.0	

LNG

SPOT MARKET (usd/day)	This week	Last week	Low 2018	High 2018
East of Suez 155-165'cbm	70 000	60 000	35 000	80 000
West of Suez 155-165'cbm	85 000	70 000	44 000	85 000
1 yr TC 155-165'cbm	80 000	70 000	52 000	80 000

GAS

Chartering

With all of the July acceptances out, one would expect a busy week of fixing in the East. However, the only real activity seen so far has continued to be from the Indian Charterers. For the current fixing window of 1H July - the bulk of available ships are all from the "pure" Owners'. It is also likely to assume that traders with length would rather bring their ships back to the West (i/o East) as the arb remains open, and the recent fixtures ex USG have all been concluded at larger premiums to the Baltic. Shipping availability in the East is therefore more tight than before. Several mid- and second half July VLGC cargoes were fixed this week ex US Gulf on a mix between trader relets and "pure" owners' vessels. A handful of these cargoes are destined for Western discharge. A couple of relets are popping up towards the end of July, however, there is no immediate sign that the market will come down to any large extent due to (yet again) increasing bunker prices.



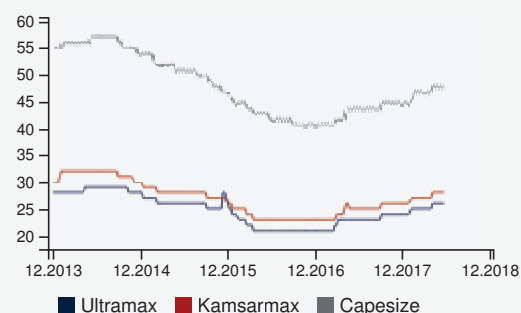
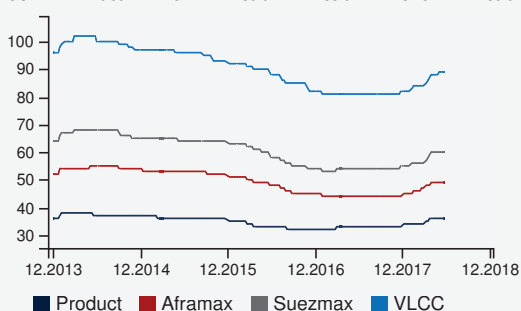
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Activity level

Tankers	Dry Bulk	Others
Moderate	Moderate	Moderate

Prices

Average Far Eastern Prices					
PRICES (mill usd)		This week	Last week	Low 2018	High 2018
VLCC	300'dwt	89.00	89.00	82.00	89.00
Suezmax	150'dwt	60.00	60.00	55.00	60.00
Aframax	110'dwt	49.00	49.00	44.50	49.00
Product	50'dwt	36.00	36.00	33.50	36.00
Capesize	180'dwt	48.00	48.00	45.00	48.00
Kamsarmax	82'dwt	28.00	28.00	26.00	28.00
Ultramax	64'dwt	26.00	26.00	24.00	26.00
LNGC	170'cbm - MEG	185.0	185.0	184.5	185.0



Market brief

	This week	Last week	Low 2018	High 2018
Rate of exchange				
USD/JPY	110.1	110.5	105.8	112.2
USD/KRW	1 085	1 086	1 061	1 086
USD/NOK	8.18	8.02	7.68	8.21
EUR/USD	1.15	1.18	1.15	1.25

Interest rate

LIBOR USD 6 mnths	2.49	2.50	1.84	2.52
NIBOR NOK 6 mnths	1.16	1.15	0.89	1.24

Commodity prices

Brent spot (USD)	74.58	75.80	62.46	78.70
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Bunker prices

Singapore	380 CST	450.0	442.0	360.0	458.0
	180 CST	482.0			490.0
	Gasoil	650.0	661.0	554.0	698.0
Rotterdam	380 HSFO	417.0	420.0		441.0
	180 CST	447.0			469.0
	Diesel	630.0	635.0	527.0	667.0

NEWBUILDING

In the tanker sector Tsakos firmed up two Aframaxes at Daehan on the back of a long term contract. VLCCs are still in the wind as Navios have been reported to have an LOI for two firm 300,000 dwt vessels at Imabari. Yangzijiang continues to receive bulk orders as the American Investment firm Mangrove Partners firmed up two Newcastlemaxes at the Chinese shipyard. In the cruise sector, MSC Cruises have firmed up a vessel at STX France reported to EUR 900 m, with dual-fuel propulsion.

NEWBUILDING CONTRACTS

Type	No	Size	Yard	Buyer	Del	Price	Comm
BC	2	82,000 dwt	Yangzijiang	Mitsui & Co	2020	\$ 27 m	
BC	2	82,000 dwt	Jiangsu Hantong	Oldendorff Carriers	2019 / 2020		
BC	1	100,000 dwt	Imabari	K Line	2020		
BC	2	100,000 dwt	Oshima	Oldendorff Carriers	2020		
BC	2	208,000 dwt	Yangzijiang	Mangrove Partners	2020	\$ 48.5 m	+ 2 options
Cement	1	7,350 dwt	Ferus Smith	JT Cement	2019		
Cruise	1	183,500 gt	STX France	MSC Cruises	2021	abt. \$ 1.03 bn	Dual-Fueled
LNGC	1	174,000 cbm	Hyundai	Thenamaris	2020		XDF propulsion
TANK	2	80,000 dwt	Onomichi	Marubeni	2020		
TANK	2	115,000 dwt	Daehan	Tsakos Energy Navigation	2019 / 2020		

SALE AND PURCHASE TRANSACTIONS

Type	Vessel	Size	Built	Buyer	Price	Comm.
MT	Krasnodar	115 605	2003	Horizon tankers	9,00	
MT	Sentosa River	115 146	2008	Bergshav	19,50	
MT	Biendong Melody	45 937	2004	Undisclosed	9,00	
MT	Iver Exporter	45 683	2000	Indian	7,00	
MT	Conti Guinea	37 554	2008	Atlantica	12,50	
MT	Aikaterini	35 770	2001	Waruna	6,20	
MT	Chembulk Shanghai	20583,00	2000	Undisclosed	7,80	
BC	Waterford	181060	2015	Genco	45	
BC	York	181060	2015		45	
BC	Trade Will	82 000	2011	Greek	15,50	Incl 6 months TC at 7500/day
BC	Ocean Forte	81 616	2015	Transmed	23,80	
BC	Energy G	79 387	2010	Chinese	14,70	
BC	Energy Prosperity	77 828	1998	MFH	7,80	
BC	Energy Midas	77 697	1998		7,80	
BC	Mendocino	76 623	2002	Chinese	9,60	
BC	Bargara	74 832	2002	Chinese	9,20	
BC	Sage Amazon	63 500	2012	Blue Planet	19,50	
BC	Sage Colorado	63 500	2012		19,50	
BC	Yorkgate	61 556	2014	Genco	24,00	
BC	Highgate	60 294	2016		27,00	
BC	Bulk Power	57 005	2010	Chinese	11,50	
BC	Bulk Progress	57 000	2010		11,50	
BC	Vela Ocean	53 549	2008	Undisclosed	11,50	
BC	Ocean Perfect	53 035	2003	Chinese	9,10	
BC	Tamarita	52 292	2001	Chinese	8,50	
BC	Jag Ratan	52 180	2001	Chinese	8,20	
BC	Sider Dream	33 588	2005	Dabinovic	9,50	
BC	Maple Glory	32 491	2011	Undisclosed	10,00	
BC	Prinsesa Sirena	28 378	2011	Greek	9,90	

DEMOLITIONS

Sold for demolition

Vessel name	Size	Ldt	Built	Buyer	Price
New Andros	301 620	41 601	1999	Bangladeshi	448
Cap Jean	148 000	24 910	1998	Undisclosed	426
Nordica Aurora	147 262	23 098	1999	Undisclosed	447
Nordic Saturn	157 331	22 689	1998	Undisclosed	447
Nordic Discovery	153 181	21 836	1998	Undisclosed	447
Yong Xiang 7	13 613	9 329	1985	Indian	370
Frio Athens	8 800	6 511	1988	Indian	420