



Fearnleys Weekly Report

Activity level

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

	Last week	Prev. week
VLCCs fixed all areas last week:	46	47
VLCCs avail. in MEG next 30 days:	130	135

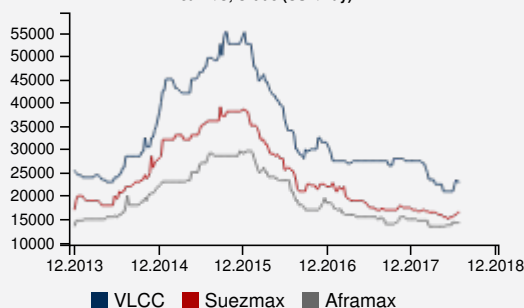
Rates

DIRTY (Spot WS)		This week	Last week	Low 2018	High 2018
MEG / West	VLCC	19.00	20.00	16.00	23.50
MEG / Japan	VLCC	48.00	50.00	35.00	57.50
MEG / Singapore	VLCC	49.00	50.00	35.50	58.00
WAF / FEAST	260,000	50.00	50.00	37.50	57.50
WAF / USAC	130,000	67.50	70.00	50.00	75.00
Sidi Kerir / W Me	135,000	75.00	70.00	55.00	87.50
N. Afr / Euromed	80,000	120.0	80.00	75.00	145.0
UK / Cont	80,000	125.0	102.5	90.00	125.0
Caribs / USG	70,000	100.0	110.0	80.00	145.0

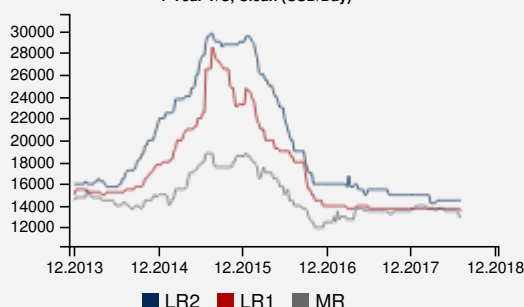
CLEAN (Spot WS)		This week	Last week	Low 2018	High 2018
MEG / Japan	75,000	105.0	97.50	80.00	120.0
MEG / Japan	55,000	120.0	120.0	90.00	120.0
MEG / Japan	30,000	140.0	112.5	110.0	140.0
Singapore / Japan	30,000	130.0	125.0	120.0	147.5
Baltic T/A	60,000	75.00	75.00	75.00	145.0
UKC-Med / States	37,000	100.0	110.0	100.0	165.0
USG / UKC-Med	38,000	90.00	90.00	67.00	135.0

1 YEAR T/C (usd/day) (theoretical)		This week	Last week	Low 2018	High 2018
VLCC	(modern)	23 000	23 000	21 000	27 500
Suezmax	(modern)	16 500	16 500	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	13 500	13 750	13 750
MR		47,000	13 000	13 000	14 000

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



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



TANKERS

Crude

As we are moving towards the end of July cancelling, the VLCC market is still in the same state as last week. Tonnage lists are thinning, but the drip-feeding of cargoes especially in the west, has softened the rates both in USG/CBS and Wafr. In the east, owners have been holding their grounds, but as waiting time is starting to weigh in the alternatives has been to give a discount by a point or so in order to secure employment. There are still maybe 15-20 cargoes left in MEG for July, and the owners left with ships in position will do what they can to gain a point or two before we move into August laycans. On the Suezmaxes, a quieter start to the week has put a damper on owners' spirits, tonnage is starting to build again in Wafr, an erosion in rates is evident, and charterers have been managing to achieve lower levels than end last week. There is not enough action in other areas either contributing to the malaise, we saw 12 offers in on the s-oil cargo out of Arzew/S.Korea in the end/early window surely a telling point there, with the fixing rate USD 2.525m down from the last done of 2.775m a month ago. The Bsea is ticking over in end month dates and steady for now with td6 at ws85. Aframax: On the back of increased activity, rates in Baltic and Nsea jumped nearly 20 ws points this week compared to last. This firm trend could continue moving into 3rd decade fixing window as we expect more injected stems ex strategic load ports as Primorsk and Ust-Luga. At the time of writing there is a stand-off between owners and charterers. We will have to let the dust settle to see who will be last man standing. In the Med and Bsea, we saw a stand-off at the beginning of the week. Owners were holding for higher and charterers refused to pay up. NOC then went out Wednesday announcing the force majeure is lifted in all Libyan ports, and charterers were forced to pick ships at higher rates. At time of writing, cross-Med is around ws120, but ppt Libya cargoes is done at much higher levels. On the back of this Libya situation we expect the market to be firm going in to next week.

Product

EAST OF SUEZ Finally, owners of LR2s trading from the Middle East Gulf have been able to increase rates this week after a long period of a flat market. Today they are fixing at ws105 level for east discharge, which is about ws7.5 points higher than last week, and the rate for west discharge has increased from USD 1.85 mill to USD 1.95 mill. Maybe not much, but at least a positive trend. For the LR1s, the market is unchanged at ws120 for east discharge and USD 1.7 mill for west discharge. MRs trading in the region have also been able to join the party, and rate for west coast India loading to Japan is today at ws140, up from ws110 a week ago. In the Far East it has also been an active week, and rates for almost all movements have improved. The short haul voyage from South Korea to Japan is up from USD 255' to USD 290' today, and Singapore to Japan is up ws5 points to ws130 level today. WEST OF SUEZ In the western hemisphere the market is still slow, and rates are almost at same levels as last week. Continent to States voyages for MRs have dropped down to ws100 level and the back haul cargo from the US Gulf is unchanged at ws90. Daily earnings for owners triangulating has dropped from USD 6750 to about USD 5750 today, according to our figures. For the bigger sizes, the LR1s trading to west Africa is still at ws75 level and the LR2s loading in the Mediterranean for Far East discharge is still seeing the rate slowly declining and should today be around the USD 1.65 mill mark. For the handies, the market in the Mediterranean and on the Continent has been uneventful, and rates are at same levels they have been for weeks now at ws130 in both areas.



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Activity level

Capesize	Panamax	Supramax
Slower	Stronger	Mixed

Rates	This week	Last week	Low 2018	High 2018
CAPESIZE (usd/day, usd/tonne)				
TCT Cont/Far East (180' dwt)	40 000	42 500	18 000	42 500
Tubarao / R.dam (Iron ore)	10.50	10.00	5.30	10.50
Richards Bay/R.dam	9.40	9.00	5.40	10.00
PANAMAX (usd/day, usd/tonne)				
Transatlantic RV	13 000	10 000	7 100	13 750
TCT Cont / F. East	20 200	18 000	15 000	20 200
TCT F. East / Cont	5 100	5 100	4 300	5 200
TCT F. East RV	9 800	9 800	9 000	13 750
Murmansk b.13-ARA 15/25,000 sc	8.40	7.35	6.40	8.55
SUPRAMAX (usd/day)				
Atlantic RV	12 000	11 000	11 000	16 000
Pacific RV	9 000	9 750	8 000	12 500
TCT Cont / F. East	18 000	17 000	16 000	20 500
1 YEAR T/C (usd/day)				
Capesize 180,000 dwt	19 500	19 700	17 000	20 000
Capesize 170,000 dwt	17 000	17 500	15 750	18 000
Panamax 75,000 dwt	13 000	12 400	11 250	14 000
Supramax 58,000 dwt	11 900	11 950	10 000	13 000
Baltic Dry Index (BDI):	1586	1567	n/a	n/a

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



DRY BULK

Capesize

Cape market continue to be extremely volatile. Last week ended with a strong increase in freight rates, and this week started with a massive drop. Most of the volatility have been in the Pacific market. The west Australia market fell from low USD 9 pmt level to low USD 8 pmt level. The Brazil market have been fairly quiet so far this week, dropping slightly from above USD 22 pmt to mid USD 21 pmt level. The TC rate in the Pacific is hovering around 20k, with slight premium for longer Brazil R/Vs. Market now again seems to be bottoming out and expectations are we might see a rebound again. Market expected to continue volatile, and a longer period of stable increased freight rates only expected in a month or two.

Panamax

With a sudden shortfall in available tonnage in the north Atlantic this week, the tight supply on early cargo dates pushed the rates substantially. Owners suddenly had the upper hand, and transatlantic rates quickly rose from around 10k's to the current level of USD 13k/day. An increase in fronthaul cargoes from the Cont made the FH-rates rise as well, now at low USD 20k/day. Grain clean tonnage was especially well paid, and a Kamsarmax reportedly fixed a trip to China from the Continent for USD 25,750 per day. Despite an increase in Australian and Indonesian mineral trades, less excitement was seen in the Pacific basin due to many prompt vessels. The transpacific round voyage currently yields high USD 9k's.

Supramax

Brighter atmosphere in Atl with vessels covered at tick higher levels. Black Sea is recovering with more grain cargoes in sight. Fhauls fixing again closer to high teens and Med rounds ca 10k. More orders from Cont, where scrap runs paying ca 12k, fhauls fixed around 18k. Better rates for USG especially en route Cont/Med, grains to Med covered at abt 15k, also similar levels for coal cargoes to Cont. Still negative development in the Pacific, with the lack of coal inquires leaving the market soft. Indo/China coal rv is being fixed around USD 10500 bss Spore, while Nopac rv Ultras are getting fixed at around USD 10k bss Busan on Ultras. From Indian Ocean ultras open WCI are seeing around USD 12500 for tct to Feast.

Activity level

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

LPG Rates

* Excl. waiting time, if any

SPOT MARKET (usd/month)*	This week	Last week	Low 2018	High 2018
VLGC / 84,000	645 000	585 000	105 000	645 000
LGC / 60,000	475 000	400 000	375 000	550 000
MGC / 38,000	475 000	475 000	430 000	475 000
HDY SR / 20-22,000	425 000	415 000	395 000	450 000
HDY ETH / 17-22,000	700 000	700 000	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	285 000	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	527.0	520.0	
Saudi Arabia / CP	555.0	570.0	
MT Belvieu (US Gulf)	513.2	559.5	593.3
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	60 000	60 000	35 000	80 000
West of Suez 155-165'cbm	75 000	75 000	44 000	85 000
1 yr TC 155-165'cbm	80 000	80 000	52 000	80 000

GAS

Chartering

Shipping activity East of Suez has remained fairly inactive so far, with the expectation that market players will look to cover their 1H August positions as soon as Adnoc and Aramco acceptances are out. We are also seeing more trader relets slowly appearing in the market from end July/early August dates, and this is subsequently adding some pressure to the Baltic. Time of writing there are no reported deals done for 1H August, but we do expect activity to pick up for balance of the week. The West to East market has been trading at a discount to the East for the last week. With numerous fixtures concluded ex US for 1st and 2nd decade August, we expect that the West market will return back to normal and trade at a premium again in the near future. For 2H August the position list looks increasingly tight, dominated by the 2 largest owners and few firm relets. As a result, we will see owners' sentiment increasing further and they will work hard to push freight upwards.



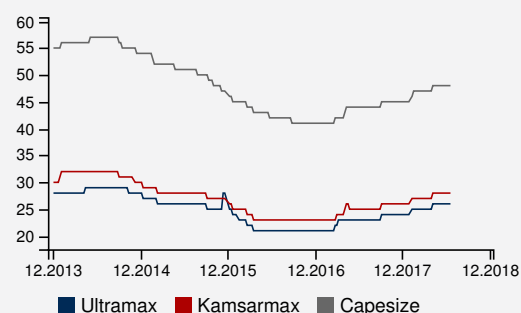
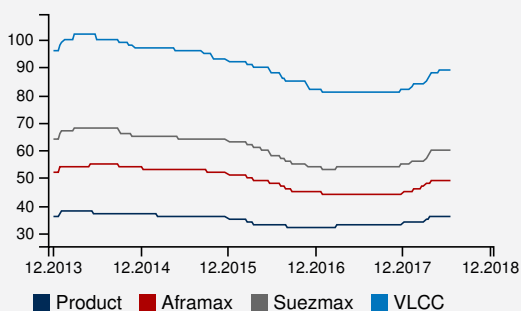
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Activity level

Tankers	Dry Bulkers	Others
Low	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	186.5	186.5	184.5	186.5



Market brief

	This week	Last week	Low 2018	High 2018
Rate of exchange				
USD/JPY	111.2	110.5	105.8	112.2
USD/KRW	1 120	1 115	1 061	1 120
USD/NOK	8.06	8.12	7.68	8.21
EUR/USD	1.17	1.16	1.15	1.25

Interest rate

LIBOR USD 6 mnths	2.51	2.51	1.84	2.52
NIBOR NOK 6 mnths	1.21	1.17	0.89	1.24

Commodity prices

Brent spot (USD)	77.10	77.88	62.46	78.70
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Bunker prices

Singapore	380 CST	467.0	463.0	360.0	467.0
	180 CST	476.0	473.0		490.0
	Gasoil	654.0	651.0	554.0	698.0
Rotterdam	380 HSFO	443.0	434.0		443.0
	180 CST	468.0	459.0		469.0
	Diesel	648.0	626.0	527.0	667.0

NEWBUILDING

We continue to see new LNGC orders as Seatankers books one firm vessel at DSME. Owners are opting for scrubbers as Central Shipping books 2 firm tankers at Hyundai.

NEWBUILDING CONTRACTS

Type	No	Size	Yard	Buyer	Del	Price	Comm
LNGC	1	173400	DSME	Seatankers	2020		
TANK	2	154000	Samsung	Teekay	2019/2020		DP2 / Ice class 1A / Shuttle Tankers
TANK	2	157000	Hyundai	Central Shipping	2020		Options Declared / Scrubbers Fitted

SALE AND PURCHASE TRANSACTIONS

Type	Vessel	Size	Built	Buyer	Price	Comm.
MT	F Whale	320 000	2011	Undisclosed	45	OBO
MT	Iver Experience	46 650	2000	Seven Islands	7,50	
MT	Andreas	35 966	1999	Undisclosed	5,80	
BC	Oriente Shine	31 820	2001	Chinese	7,00	
BC	Genco Explorer	29 952	1999	Chinese	5,50	
BC	Genco Progress	29 952	1999	Chinese	5,50	

DEMOLITIONS

Sold for demolition

Vessel name	Size	Ldt	Built	Buyer	Price
MV Ore Vitoria	233 016	26 695	1989	Bangladeshi	440
LPG Annapurna	17 562	8 124	1991	Indian	410
LPG Nanga Parbat	17 601	8 084	1991	Indian	410
LPG Andesgas	16 263	6 699	1991	Indian	440