



# Fearnleys Weekly Report

## Activity level

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

	Last week	Prev. week
VLCCs fixed all areas last week:	53	70
VLCCs avail. in MEG next 30 days:	130	130

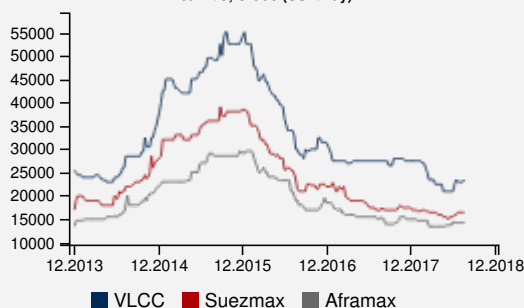
## Rates

DIRTY (Spot WS)		This week	Last week	Low 2018	High 2018
MEG / West	VLCC	21.00	20.00	16.00	23.50
MEG / Japan	VLCC	52.50	50.00	35.00	57.50
MEG / Singapore	VLCC	53.50	51.50	35.50	58.00
WAF / FEAST	260,000	52.00	49.00	37.50	57.50
WAF / USAC	130,000	70.00	67.50	50.00	75.00
Sidi Kerir / W Me	135,000	85.00	75.00	55.00	87.50
N. Afr / Euromed	80,000	115.0	125.0	75.00	145.0
UK / Cont	80,000	115.0	125.0	90.00	125.0
Caribs / USG	70,000	105.0	87.50	80.00	145.0

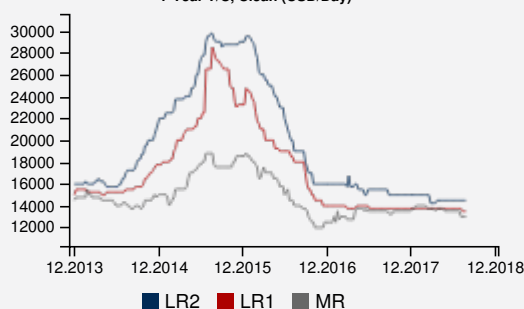
CLEAN (Spot WS)		This week	Last week	Low 2018	High 2018
MEG / Japan	75,000	102.5	105.0	80.00	120.0
MEG / Japan	55,000	110.0	117.5	90.00	120.0
MEG / Japan	30,000	140.0	150.0	110.0	150.0
Singapore / Japan	30,000	150.0	145.0	120.0	150.0
Baltic T/A	60,000	82.50	85.00	75.00	145.0
UKC-Med / States	37,000	100.0	115.0	100.0	165.0
USG / UKC-Med	38,000	70.00	80.00	67.00	135.0

1 YEAR T/C (USD/day) (theoretical)		This week	Last week	Low 2018	High 2018
VLCC	(modern)	23 500	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	13 500	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

**VLCC:** The general activity for the VLCCs has been pretty stable this week, but it has not been sufficient for owners to get firmly back in the driving-seat. The slide in rates has however stopped, and rates for the benchmark routes have tended somewhat higher. The delays in the Far East is in focus to see if the supply of tonnage will give owners an opportunity to push rates up. In the meantime, steady and increased volumes in both Americas, West Africa, and MEG necessary for any major changes in present levels. **Suezmax:** On the Suezmaxes we have seen some continued resistance from owners in the Black Sea as tonnage has thinned which has kept the upward momentum early this week with the TD6 currently at WS 95. This has now influenced West Africa where there has been a tick up in the rates with TD20 at WS 72.5 but it will need a lot more cargo action to stimulate further rate improvement there. It needs the North Sea and Baltic to start poaching ships as it stands currently that area is quiet. The limited fixing action in the MEG is a concern for Eastern ballasting owners, rates are scraping along the bottom with earnings just above zero. **Aframax:** The North Sea and Baltic markets has been rather difficult to pin down during the last week. Rates have fluctuated a lot and it's all been down to whether owners are willing to give short options or not. In a strong market you don't want to end up with a 2-day voyage and miss the spike. At the time of writing we are down 20 points out of Baltic for a straight Continent voyage, but that could all change if the next cargo up will need all options. In the Med and Bsea we have seen some high rates done ex Libya after force majeure was lifted. This put some pressure on charterers and yesterday we saw ws125 done from Bsea. There is a lot of ships in the area now though, so we expect the market to slowly come off the rest of the week.

### Product

**EAST OF SUEZ** It is still very quiet in the Middle East Gulf and rates have come under pressure this week. LR2s trading to the Far East today are obtaining about ws102.5 for their services, down from ws105 last week, and LR1s trading to same destination have had to accept a ws7.5 drop to ws110. For both sizes, rates for fixing to the Continent have eased to USD 1.95 mill for LR2s and USD 1.6 mill for LR1s. MRs in the region fixing from West Coast India to South Korea have not been able to maintain last week's rates and have been forced to take a ws10 cut and is today fixing at ws140. A slightly more positive sentiment in the Far East where MRs have seen rates increase slightly this week. The short haul voyage from South Korea to Japan has gained USD 10' and is today at lumpsum USD 270, and the voyage from Singapore to Japan is up ws5 points to ws150 level. **WEST OF SUEZ** Not a very prosperous week either this week in the Atlantic, with rates declining in all segments. A straight MR Continent to States voyage is today at ws100, a drop from ws115. Simultaneously the back-haul cargo from the US Gulf has also declined this week with about ws10 points to ws70. This means owners triangulating have had their daily earnings reduced from USD 6500 to USD 3250 per day. LR1s trading for the Continent to West Africa are today trading at ws70, down from ws80. LR2s loading in the Mediterranean for the Far East are today being paid about USD 1.750 mill for their services only marginally down from last week. For the Handies in the Mediterranean and on the Continent, rates have been flat this week with ws135 being paid on the Continent and ws125 in the Mediterranean.



# Fearnleys Weekly Report

## Activity level

Capesize	Panamax	Supramax
Firm	Slower	Stable

Rates	This week	Last week	Low 2018	High 2018
<b>CAPE SIZE (usd/day, usd/tonne)</b>				
TCT Cont/Far East (180' dwt)	43 800	44 000	18 000	44 000
Tubarao / R.dam (Iron ore)	11.50	11.00	5.30	11.50
Richards Bay/R.dam	10.70	10.00	5.40	10.70
<b>PANAMAX (usd/day, usd/tonne)</b>				
Transatlantic RV	14 500	15 000	7 100	15 000
TCT Cont / F. East	21 800	21 100	15 000	21 800
TCT F. East / Cont	5 000	5 050	4 300	5 200
TCT F. East RV	9 000	9 500	9 000	13 750
Murmansk b.13-ARA 15/25,000 sc	8.30	8.60	6.40	8.60
<b>SUPRAMAX (usd/day)</b>				
Atlantic RV	12 000	12 390	11 000	16 000
Pacific RV	10 000	9 900	8 000	12 500
TCT Cont / F. East	18 750	19 300	16 000	20 500
<b>1 YEAR T/C (usd/day)</b>				
Capesize 180,000 dwt	22 000	21 000	17 000	22 000
Capesize 170,000 dwt	19 250	18 500	15 750	19 250
Panamax 75,000 dwt	13 000	13 500	11 250	14 000
Supramax 58,000 dwt	12 150	12 300	10 000	13 000
<b>Baltic Dry Index (BDI):</b>	<b>1760</b>	<b>1772</b>	<b>n/a</b>	<b>n/a</b>

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



## Activity level

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

### LPG Rates

\* Excl. waiting time, if any

SPOT MARKET (usd/month)*	This week	Last week	Low 2018	High 2018
VLGC / 84,000	670 000	675 000	105 000	675 000
LGC / 60,000	500 000	500 000	375 000	550 000
MGC / 38,000	485 000	485 000	430 000	485 000
HDY SR / 20-22,000	445 000	445 000	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	285 000	250 000	320 000
COASTER Europe	340 000	340 000	280 000	385 000

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

	Propane	Butane	ISO
FOB North Sea / ANSI	535.0	534.0	
Saudi Arabia / CP	555.0	570.0	
MT Belvieu (US Gulf)	498.9	485.8	
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	58 000	58 000	35 000	80 000
West of Suez 155-165'cbm	70 000	70 000	44 000	85 000
1 yr TC 155-165'cbm	78 000	78 000	52 000	80 000

## DRY BULK

### Capesize

The counter seasonally strong market during the summer months bodes well for the remainder of the year. The current market environment is reminiscent of what we saw during the second half of last year so we would not bet on it dropping much below 20,000 USD p/d in spite of the usual oscillations of the Capesize market. We are likely to see new highs for the year being reached either during the remainder of Q3 or in Q4 given the high global steel output and relatively low fleet growth.

### Panamax

After four weeks of increasing average rates for Panamaxes, it has been slowing down in both basins this week. The Atlantic market has come under some pressure as both fresh and existing cargoes have been in short supply. Competition from Supramaxes has also dampened the number of fixtures from USG and NCSA. A transatlantic round is currently fixed at around USD 14,500, while a short fronthaul yields around high USD 21,000. The ECSAM market has been a little slower this week, with little trading evident. In the Pacific, the market has appeared oversupplied, which has pushed rates down below USD 9,000 per day for transpacific rounds. The BPI index is down 3 per cent to 1539 points.

### Supramax

An overall flat market for the Supras by mid-week with the holidays season. In the Atlantic, fronthaul via Baltic to Seasia is paying Ultras around USD 19000 while from the East Med/Bsea similar vessels are getting around USD 22500. Usual scrap runs is paying arnd USD 13000 from Cont to East Med. In Indian Ocean Supras are achieving around USD 12500 + 250k gbb for trip via Safr to China. Further in Pacific, Indo/China coal rv's is paying around USD 11000 to Supras bss delivery Spore, while Nopac rv is getting fixed around USD 10000. Nickle ore rounds is paying around mid USD 10000 via Philippines to S.China and backhauls fm N.China to Med is paying around USD 6000 for 65 days.

## GAS

### Chartering

In the Eastern markets, one trader relet was booked out for last decade August this week, but otherwise not much activity to report. Naturally we see the market calming down after awaiting CP earlier, and now the first September acceptances for Middle Eastern suppliers. Freight rates are somewhat under pressure, as there is still some shipping length from Traders in August, while the various Owners also have available tonnage. We do however only expect rates to come off slowly, unless there is a significant appetite from Traders to charter in for 2H August. In the Western markets the week has come off at a very slow start. Not much inquiries, nor fixtures to report. Owners holding for levels in the low \$70's pmt for the Houston/Japan route via Panama, whilst it remains to be seen if trader relets in the market are interested to put some pressure on this level. The current levels are slightly above the Eastern (Baltic) rates reflecting time charter equivalent (T/C/E) rates in the \$23-25,000 per day range, compared to \$22-23,000 per day in the East.



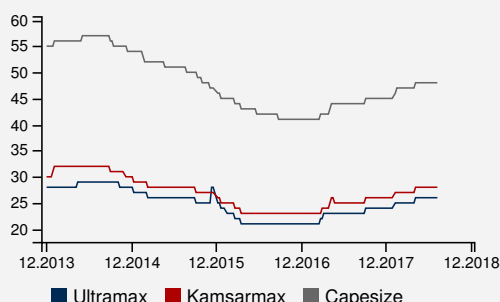
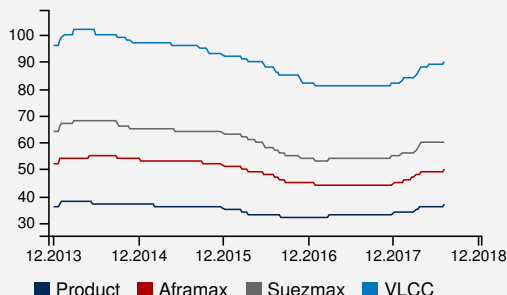
# Fearnleys Weekly Report

## Activity level

Tankers	Dry Bulk	Others
Moderate	Moderate	Moderate

## Prices

Average Far Eastern Prices					
PRICES (milli usd)		This week	Last week	Low 2018	High 2018
VLCC	300'dwt	90.00	89.00	82.00	90.00
Suezmax	150'dwt	60.00	60.00	55.00	60.00
Aframax	110'dwt	49.50	49.00	44.50	49.50
Product	50'dwt	36.50	36.00	33.50	36.50
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
<b>Rate of exchange</b>				
USD/JPY	112.0	111.0	105.8	113.0
USD/KRW	1 121	1 126	1 061	1 132
USD/NOK	8.17	8.16	7.68	8.21
EUR/USD	1.17	1.17	1.15	1.25
<b>Interest rate</b>				
LIBOR USD 6 mnths	2.53	2.52	1.84	2.53
NIBOR NOK 6 mnths	1.19	1.22	0.89	1.24
<b>Commodity prices</b>				
Brent spot (USD)	73.35	73.83	62.46	78.70
<b>Bunker prices</b>				
Singapore 380 CST	471.0	464.0	360.0	471.0
180 CST	503.0	473.0		503.0
Gasoil	645.0	644.0	554.0	698.0
Rotterdam 380 HSFO	431.0	426.0		443.0
180 CST	456.0	451.0		469.0
Diesel	622.0	620.0	527.0	667.0

## NEWBUILDING

Newbuilding activity continues at a stable pace with 22 firm orders reported this week. Delos Shipping have been reported to firm up three VLECs at both Samsung and Hyundai, with three options at both yards. In the Bulker sector, amongst other orders, Seno Kisen have firmed up a Kamsarmax at Namura on the back of a T/C with MOL. For Box-ships, XT Shipping have firmed up four 1,800 TEU vessels at Hyundai, with options for four more. Arkas Line are looking at four 3,100 TEU vessels with a the CSSC controlled yard Guangzhou Wenchong.

## NEWBUILDING CONTRACTS

Type	No	Size	Yard	Buyer	Del	Price	Comm
BC	2	12,500 dwt	Wuhu	Zhuhai Port Shipping	2019 / 2020		
BC	2	64,000 dwt	Nantong Xiangyu	Doun Kisen	2020		+ 2 options
BC	1	85,000 dwt	Namura	Seno Kisen	2020		T/C to MOL    Coal Carrier
CONT	4	1,800 teu	Hyundai Mipo	XT Shipping	2020		+ 4 options
Deck Cargo Carrier	4	13,000 dwt	Wuchang	Louis Dreyfus Armateurs	2019 / 2020		
TANK	1	5,500 dwt	Ningbo Xinle	Zhejiang Xin Yi Hai Shipping	2019		Product Tanker
TANK	2	115,000 dwt	Daehan	Sinokor Merchant	2020		+ 2 options
VLEC	3	93,000 cbm	Hyundai	Delos Shipping			+ 3 options
VLEC	3	93,000 cbm	Samsung	Delos Shipping			+ 3 options

## SALE AND PURCHASE TRANSACTIONS

Type	Vessel	Size	Built	Buyer	Price	Comm.
MT	Nichioh	303 994	2004	Cypriot	23,50	
MT	River Eternity	105 445	2006	Undisclosed	14,50	
MT	Sigma Integrity	105 291	2009	Undisclosed	21,50	
MT	ST Aqua	23 000	2006	Vietnamese	12,50	
MT	Lina Run 158	4 373	2013	Guangxi Wuzhou	8,10	
BC	True Windsor	180 012	2012	Goodbulk	68,30	
BC	True Navigator	179 905	2011	Goodbulk		
BC	Stella Annabel	180 337	2011	S. Korean Sinokor	115,00	
BC	Stella Charlene	177 000	2011	S. Korean Sinokor		
BC	Stella Grace	176 000	2011	S. Korean Sinokor		
BC	Stella Jade	175 932	2012	S. Korean Sinokor		
BC	Hampton Bay	81 508	2009	Undisclosed	17,90	
BC	Trade Prosperity	82 086	2016	Paviar	24,50	T/C at \$13,500/day to Lous Dreyfus
BC	Dubai Star	75 080	2001	Chinese	8,20	
BC	Aquapride	61 456	2012	Suisse Bulk	20,00	
BC	Bulk Neptune	55 657	2009	Undisclosed	15,00	
BC	Tschaikowsky	58 000	2008	Undisclosed	14,20	Online auction
BC	Oceana Sun	42 529	1995	Undisclosed	5,50	
BC	Evangelia L	37 000	2015	Middle Eastern	19,00	Unconfirmed
BC	Ideal Bulker	28 460	1994	Hong Kong Based	4,00	