



# Fearnleys Weekly Report

## Activity level

VLCC	Suezmax	Aframax	P.E. of Suez	P.W. of Suez
Firm	Slower	Mixed	Soft	Soft

	Last week	Prev. week
VLCCs fixed all areas last week:	51	53
VLCCs avail. in MEG next 30 days:	128	130

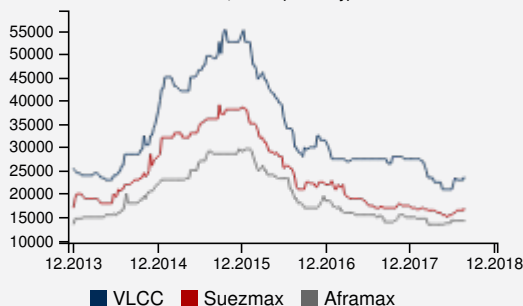
## Rates

DIRTY (Spot WS)		This week	Last week	Low 2018	High 2018
MEG / West	VLCC	26.00	21.00	16.00	26.00
MEG / Japan	VLCC	54.00	52.50	35.00	57.50
MEG / Singapore	VLCC	55.00	53.50	35.50	58.00
WAF / FEAST	260,000	54.00	52.00	37.50	57.50
WAF / USAC	130,000	62.50	70.00	50.00	75.00
Sidi Kerir / W Me	135,000	77.50	85.00	55.00	87.50
N. Afr / Euromed	80,000	95.00	115.0	75.00	145.0
UK / Cont	80,000	100.0	115.0	90.00	125.0
Caribs / USG	70,000	117.5	105.0	80.00	145.0

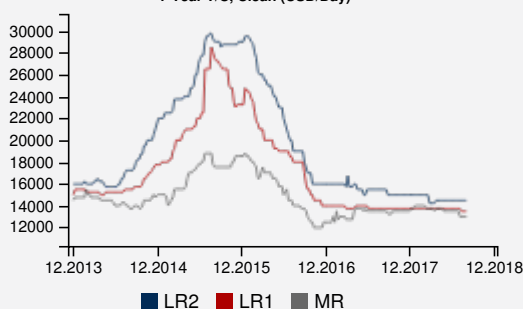
CLEAN (Spot WS)		This week	Last week	Low 2018	High 2018
MEG / Japan	75,000	100.0	102.5	80.00	120.0
MEG / Japan	55,000	97.50	110.0	90.00	120.0
MEG / Japan	30,000	127.5	140.0	110.0	150.0
Singapore / Japan	30,000	130.0	150.0	120.0	150.0
Baltic T/A	60,000	85.00	82.50	75.00	145.0
UKC-Med / States	37,000	100.0	100.0	100.0	165.0
USG / UKC-Med	38,000	70.00	70.00	67.00	135.0

1 YEAR T/C (usd/day) (theoretical)		This week	Last week	Low 2018	High 2018
VLCC	(modern)	23 500	23 500	21 000	27 500
Suezmax	(modern)	16 750	16 750	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 After last week's flurry of activity and rates moving up we have had a somewhat slower start this week. Owners had set their aim to propel rates further up but are a bit on the weakening front again both in MEG and Wafr. Still volumes left in the MEG for August and only first decade about to be covered in Wafr for September. A slightly tighter tonnage list of modern ships from the East, combined with still some optimism left among owners, may hold rates steady for now. Suezmax Activity on the Suezmaxes during the past week has been fading which has allowed tonnage to build in the West, and of course rates have been eroding consequently. We are in the middle of the European summer refinery maintenance season which inevitably reduces the appetite for barrels. It will be a challenge for the owners in the coming weeks to keep their fleets moving long east cargoes maybe the solution. TD20 has eroded down to ws65 levels, whilst TD6 has fallen back to ws87.5 where earnings are close to USD 10,000 pd. A challenging market lays ahead, but first of all, owners will need to put the brakes on the current rate decline. Aframax In the Baltic, rates kept coming off from last week, but should move sideways or even correct slightly up moving forward. North Sea Aframax's seems to have bottomed out at 80 at ws100 which is far better than what we have seen in the past. The Baltic crude program for August is rather light, so we would need a busier Fuel Oil program together with bad weather and tank tops to get Baltic rates back into 3 digits. In the Med and Bsea we have seen rates dropping from three digits to low 90's. The drop in rates have made charterers pop out from everywhere and we could be looking at a re-bounce in the market. With owners now holding back, we believe we could see three digits again by the end of the week.

### Product

EAST OF SUEZ A quiet start to the week in the Middle East Gulf region. We have seen west rates on LR1s softened a tad, now fixing around USD 1.425 million, while LR2s managed to maintain freight levels USD 1.9-1.95 million. It's not been a very encouraging trend on moves to the east either as we have seen reduced activity and declining rates on this leg as well. LR2s moving at ws100 levels and LR1s just shy of ws100. The MR segment following the same downward trend and another ws10 points been shaved off, fixing around ws135 from MEG to Japan. WEST OF SUEZ The Atlantic basin and straight TC2 been steady at ws100 level with a balanced flow of tonnage into the North. Not much of a change since last week on TC14 - ws70 still being done back to the Continent from the USG. LR activity from the North and Med for east destinations been rather disappointing, and those few moving been at same levels seen last weeks. LR1 however from the UKC/Baltic to West Africa seen a slight improvement, and owners managed to achieve ws80 levels. The cross Mediterranean Handy market seen another slow summer week and declining rates, dropping another ws5 points down to ws120. Cross UKC and Baltic Handies not doing any better, following the negative trend and market dropping ws5 for a cross UKC voyages and ws5-10 points on Baltic-UKC voyages.



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## Activity level

Capesize	Panamax	Supramax
Strong	Weakening	Moderate

Rates	This week	Last week	Low 2018	High 2018
<b>CAPESIZE (usd/day, usd/tonne)</b>				
TCT Cont/Far East (180' dwt)	43 250	43 800	18 000	44 000
Tubarao / R.dam (Iron ore)	11.50	11.50	5.30	11.50
Richards Bay/R.dam	10.70	10.70	5.40	10.70
<b>PANAMAX (usd/day, usd/tonne)</b>				
Transatlantic RV	11 700	14 500	7 100	15 000
TCT Cont / F. East	19 000	21 800	15 000	21 800
TCT F. East / Cont	4 600	5 000	4 300	5 200
TCT F. East RV	8 300	9 000	8 300	13 750
Murmansk b.13-ARA 15/25,000 sc	7.40	8.30	6.40	8.60
<b>SUPRAMAX (usd/day)</b>				
Atlantic RV	12 500	12 000	11 000	16 000
Pacific RV	9 750	10 000	8 000	12 500
TCT Cont / F. East	19 000	18 750	16 000	20 500
<b>1 YEAR T/C (usd/day)</b>				
Capesize 180,000 dwt	22 000	22 000	17 000	22 000
Capesize 170,000 dwt	19 250	19 250	15 750	19 250
Panamax 75,000 dwt	12 250	13 000	11 250	14 000
Supramax 58,000 dwt	11 950	12 150	10 000	13 000
<b>Baltic Dry Index (BDI):</b>	<b>1704</b>	<b>1760</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
Slower	Moderate	Low

## LPG Rates

\* Excl. waiting time, if any

SPOT MARKET (usd/month)*	This week	Last week	Low 2018	High 2018
VLGC / 84,000	667 000	670 000	105 000	675 000
LGC / 60,000	500 000	500 000	375 000	550 000
MGC / 38,000	480 000	485 000	430 000	485 000
HDY SR / 20-22,000	440 000	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	526.0	547.0	
Saudi Arabia / CP	580.0	595.0	
MT Belvieu (US Gulf)	513.6	471.0	
Sonatrach : Bethioua	555.0	570.0	

## LNG

SPOT MARKET (usd/day)	This week	Last week	Low 2018	High 2018
East of Suez 155-165'cbm	60 000	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

After a strong previous week, rates came off slightly this week. Considering the overall levels we are at, such a small correction is nothing dramatic but rather a healthy correction. After the c3 route was at USD 25 pmt, partly as a result of Vale covering a big number of ships for August dates, a new floor was later found in the lower USD 24 region. In the Pacific, the supply of Australian iron ore is stable, but freight rates are off from USD 10 level to low USD 9's. Sentiment however remains super strong and Capesize players are enthusiastic about the rest of this year.

### Panamax

Another week with little trading and slowing rates in the North Atlantic. Transatlantic rounds are currently fixed at around high 11,000's, while short front hauls yields around USD 19,000. ECSA activity was steadier but somewhat calm during the week. In the East, a surplus of tonnage in the North-region pushed the rates slightly downwards, and period trading was standing still as owners were reluctant to drop their rate ideas. Transpacific rounds currently pay owners around USD 8300 per day, and the BPI index in total has dropped to 1365 points from last week's 1539.

### Supramax

Improvement in USG area - en route Far East Supras gaining ca USD 23-24k, better rates also for vessels heading to Med, which were done closer to 18k. B.Sea keeping steady pace, grains to SE Asia have concluded at low USD 20s. Tight on tonnage across Cont, Supras to ECSAM have been fixed ca 9.5k levels. Scrap runs have paid around 17k, and vessels to W.Afr ca USD 18-19k. Limited activity in the Pacific, from S.Africa vessels are fixing around USD 12200+220k bb to Feast. Indo coal RVs are paying around mid USD 9k bss delivery Vietnam back to China, while Nopac RVs are paying around USD 9750 bss passing Busan. From N.China to SE Asia, Supras are seeing around high USD 7-8k, while CIS coal are paying around USD 8k.

## GAS

### Chartering

We have seen more activity on shipping in the East this week. Indian Charterers have all started to secure their end August positions, while few traders have also been looking for ships against end August cargos. Time of writing there are still 2-3 outstanding fob stems available for early September, which in turn could develop into more spot shipping requirements. Meanwhile, several traders have started to re allocate vessels to the West rather than East, reducing some of the downward pressure that we saw on freight earlier. However, West/East arb economics are still looking tight, and it will be interesting to see how this affect shipping market going forward. The current freight level for the bench-mark route from the Middle-East to Japan, reflects a T/C/E rate of around USD 22-24,000 per day (depending on ship type). The VLGC market in the Western hemisphere has continued its slow pace from last week, with little activity to report. One Western trader was bidding freight ex USG for end August loading earlier, but so far nothing has materialized. Owners rate ideas have remained steady at T/C/E levels reflecting 23-25,000 per day for the transpacific route via Panama, and USD 33-35,000 per day for the transatlantic route. One cargo out of USEC was covered by a time charter fixture and owners are in general seeing more inquiries for term business.



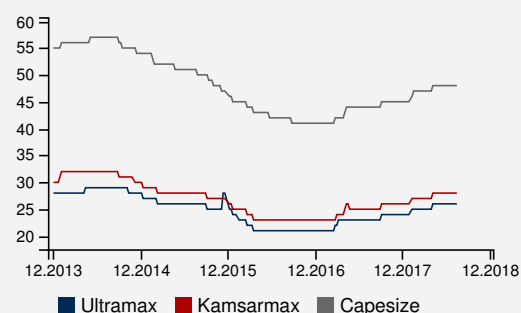
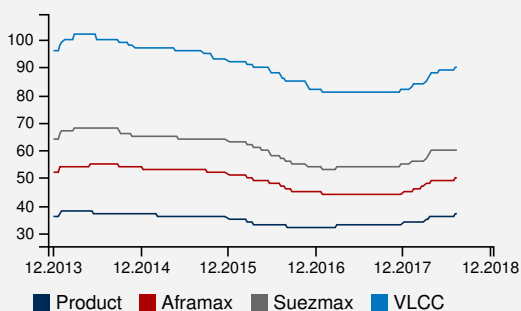
# Fearnleys Weekly Report

## 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	90.00	90.00	82.00	90.00
Suezmax	150'dwt	60.00	60.00	55.00	60.00
Aframax	110'dwt	49.50	49.50	44.50	49.50
Product	50'dwt	36.50	36.50	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	111.1	112.0	105.8	113.0
USD/KRW	1 120	1 121	1 061	1 132
USD/NOK	8.23	8.17	7.68	8.23
EUR/USD	1.16	1.17	1.15	1.25

## Interest rate

LIBOR USD 6 mnths	2.52	2.53	1.84	2.53
NIBOR NOK 6 mnths	1.21	1.19	0.89	1.24

## Commodity prices

Brent spot (USD)	74.23	73.35	62.46	78.70
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## Bunker prices

Singapore	380 CST	467.0	471.0	360.0	471.0
	180 CST	477.0	503.0		503.0
	Gasoil	654.0	645.0	554.0	698.0
Rotterdam	380 HSFO	428.0	431.0		443.0
	180 CST	453.0	456.0		469.0
	Diesel	629.0	622.0	527.0	667.0

## NEWBUILDING

The newbuilding activity continues at a steady pace. In the Dry Bulk sector Hermes Marine booked four firm Kamsarmaxes at COSCO Yangzhou at a reported price of about USD 27 m, with options for four more.

## NEWBUILDING CONTRACTS

Type	No	Size	Yard	Buyer	Del	Price	Comm
BC	4	82,000 dwt	COSCO Yangzhou	Hermes Marine Mgmt	2020		+ 4 options
BC	4	99,000 dwt	Tsuneishi Zhoushan	Safargo Shipping	2019 / 2020		Tier II
RoRo	1	6,700 lm	Jinling	DFDS	2021		
LNG	1	174,000	Hyundai Samho	NYK	2020		Options Declared

## SALE AND PURCHASE TRANSACTIONS

Type	Vessel	Size	Built	Buyer	Price	Comm.
MT	Sea Latitude	308 700	2001	Da Shun Shipping	22,5	
MT	Kazan	115 727	2003	New Shipping	9,80	
MT	Petrozavodsk	106 499	2003	New Shipping	9,80	
MT	Hafnia Arctic	79 910	2010	Norwegian	19,30	7-ysr BBB, with p.o at the end
MT	Hafnia Asia	73 719	2010	Norwegian		7-ysr BBB, with p.o at the end
MT	STI Meraux	49 990	2014	Undisclosed	Undisclosed	Sale Leaseback
MT	STI Texas City	49 990	2014	Undisclosed	Undisclosed	Sale Leaseback
MT	STI Wembley	38 734	2014	Undisclosed	Undisclosed	Sale Leaseback
MT	STI Battersea	38 734	2014	Undisclosed	Undisclosed	Sale Leaseback
MT	Silver Express	47 401	2009	Greek	15,20	
MT	Baltic Sea I	32 248	2003	Undisclosed	6,10	
MT	Rimar	45 999	1998	Midle Eastern	6,00	
BC	Navios Mars	181 259	2016	Navios Maritime Partners	49,70	Internal deal/sale
BC	Royal Chorale	177 544	2006	Greek	20,00	
BC	Navios Sphera	84 872	2016	Navios Maritime Partners	29,30	Internal deal/sale
BC	Genco Surprise	72 495	1998	Chinese	5,50	
BC	Aquapride	61 465	2012	Suisse Bulk	20,00	
BC	Sagar Jyoti	58 110	2011	HK Based (Pacific Basin)	16,50	
BC	Amazonit	56 952	2011	Chinese	Undisclosed	
BC	Jin Cheng	52 961	2003	Undisclosed	6,10	
BC	Oceana Sun	42 529	1995	Undisclosed	5,50	