



Fearnleys Weekly Report

Activity level

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

	Last week	Prev. week
VLCCs fixed all areas last week:	32	51
VLCCs avail. in MEG next 30 days:	132	130

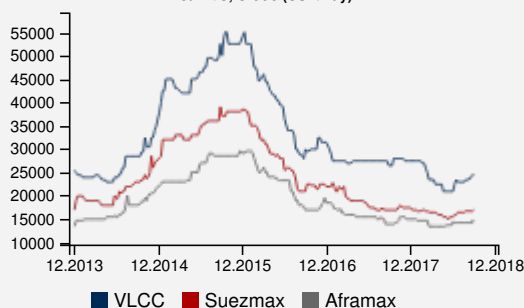
Rates

DIRTY (Spot WS)		This week	Last week	Low 2018	High 2018
MEG / West	VLCC	23.50	24.00	16.00	26.00
MEG / Japan	VLCC	54.00	53.00	35.00	58.50
MEG / Singapore	VLCC	55.00	54.00	35.50	59.50
WAF / FEAST	260,000	54.00	56.00	37.50	58.50
WAF / USAC	130,000	70.00	67.50	50.00	75.00
Sidi Kerir / W Me	135,000	77.50	77.50	55.00	87.50
N. Afr / Euromed	80,000	105.0	120.0	75.00	145.0
UK / Cont	80,000	110.0	95.00	90.00	125.0
Caribs / USG	70,000	147.5	155.0	80.00	155.0

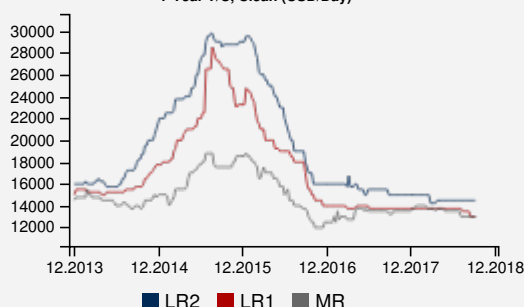
CLEAN (Spot WS)		This week	Last week	Low 2018	High 2018
MEG / Japan	75,000	100.0	98.50	80.00	120.0
MEG / Japan	55,000	102.5	105.0	90.00	120.0
MEG / Japan	30,000	115.0	115.0	110.0	150.0
Singapore / Japan	30,000	125.0	125.0	120.0	150.0
Baltic T/A	60,000	100.0	85.00	75.00	145.0
UKC-Med / States	37,000	125.0	145.0	100.0	165.0
USG / UKC-Med	38,000	85.00	90.00	67.00	135.0

1 YEAR T/C (USD/day) (theoretical)		This week	Last week	Low 2018	High 2018
VLCC	(modern)	24 500	24 500	21 000	27 500
Suezmax	(modern)	17 000	16 750	15 000	17 000
Aframax	(modern)	14 750	14 750	13 500	15 000
LR2		105,000	14 500	14 250	15 000
LR1		80,000	13 000	13 000	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 volumes for the VLCCs are still lagging this week. However some more activity in the MEG, but also here behind normal whilst West Africa still quiet. Owners are obviously still waiting for a flurry of fresh business and have tried to keep the powder dry. Some doubt has however crept in but rates so far relatively stable while owners trying to schedule ships back to load areas for the long awaited boost in the market later this autumn/early winter. **SUEZMAX** As described in last week's update, the sensitive Suezmax market in the Atlantic later re-bounced on the back of a flurry of fresh cargoes. Having started this week off on a quiet note, again, rates are moving sideways. Hurricane season in the Americas have made those lucky few with safe ships able to capitalize and push rates up as a consequence. The early ships in West Africa is still controlled by strong owners and we don't expect them to disappoint any of their peers in the near future to come. Market situation going forward looks balanced, but with downside potential unless we see more cargoes coming into the market. **AFRAMAX** In the North Sea and Baltic, rates continued moving sideways going into this week despite maintenance in the strategic port of Primorsk. Once again giving short options out of the Baltic seems to be the Achilles' heel of the North, and we should see another small upward correction prior the weekend. That being said, there's still sufficient tonnage available for end month, and the sideways movement should continue next week. In the Mediterranean and Black Sea, we have seen an increasing tonnage list the last week. Even with delays in some of the major ports, there are still plenty of ships to choose from. With this many ships and a "normal" Black Sea program, we expect market to drop below ws100 for the first time in over a month.

Product

EAST OF SUEZ After last week's slight drop in rate for the LR2s, rate have now stabilized itself around the ws100 mark for a voyage to Japan/South Korea range. For the LR1s rates have dropped slightly to about ws102.5 today, and for both sizes daily earnings are still low at around USD 6000 for LR2s and USD 4250 for LR1s on a round voyage basis. No changes for MRs trading from West Coast India to Japan/South Korea range, and ws115 is going rate. For short haul business in the Far East the going rate for South Korea to Japan has improved slightly and is today paying around USD 240,000. For the classic straight voyage from Singapore to Japan rate is still at ws125 level for an MR. **WEST OF SUEZ** A little bit mixed in the Atlantic this week. MRs trading to the States have experienced a big drop of some ws20 points last few days, and rate is today at ws125 level. Backhaul cargo from US Gulf have on the other side gained a few points and are today at ws85, and for owners triangulating this has resulted in a reduction in daily hire from USD 10,000 to about USD 7500 today. Rate for LR1s trading to West Africa is still flat at ws100 level. Slightly improved rates for LR2s loading in the Mediterranean for Japan, which is today at lumpsum about USD 1.540 mill. For the intermediate handy vessels trading in the Mediterranean and on the Continent rates are more or less unchanged at ws140 on the Continent and ws115 in the Mediterranean.



Fearnleys Weekly Report

Activity level

Capesize	Panamax	Supramax
Slower	Mixed	Mixed

Rates	This week	Last week	Low 2018	High 2018
CAPE SIZE (usd/day, usd/tonne)				
TCT Cont/Far East (180' dwt)	34 250	34 500	18 000	44 000
Tubarao / R.dam (Iron ore)	8.30	8.00	5.30	11.50
Richards Bay/R.dam	8.20	8.00	5.40	12.30
PANAMAX (usd/day, usd/tonne)				
Transatlantic RV	13 000	13 000	7 100	15 000
TCT Cont / F. East	20 300	20 000	15 000	21 800
TCT F. East / Cont	4 821	4 650	4 300	5 200
TCT F. East RV	11 500	10 400	8 300	13 750
Murmansk b.13-ARA 15/25,000 sc	8.55	8.50	6.40	9.00
SUPRAMAX (usd/day)				
Atlantic RV	14 500	15 000	11 000	16 000
Pacific RV	11 000	11 000	8 000	12 500
TCT Cont / F. East	17 500	18 000	16 000	20 500
1 YEAR T/C (usd/day)				
Capesize 180,000 dwt	21 500	21 700	17 000	22 000
Capesize 170,000 dwt	19 000	19 200	15 750	19 250
Panamax 75,000 dwt	13 300	13 250	11 250	14 000
Supramax 58,000 dwt	12 500	12 200	10 000	13 000
Baltic Dry Index (BDI):	1411	1477	n/a	n/a

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



Activity level

COASTER	15-23,000 cbm	82,000 cbm
Soft	Mixed	Active

LPG Rates	* Excl. waiting time, if any			
SPOT MARKET (usd/month)*	This week	Last week	Low 2018	High 2018
VLGC / 84,000	660 000	640 000	105 000	756 000
LGC / 60,000	500 000	500 000	375 000	550 000
MGC / 38,000	480 000	480 000	430 000	485 000
HDY SR / 20-22,000	440 000	440 000	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	280 000	250 000	320 000
COASTER Europe	295 000	300 000	280 000	385 000

LPG/FOB prices (usd/tonne)	Propane	Butane	ISO
FOB North Sea / ANSI	559.0	622.0	
Saudi Arabia / CP	600.0	635.0	
MT Belvieu (US Gulf)	559.4	566.8	668.6
Sonatrach : Bethioua	585.0	605.0	

LNG

SPOT MARKET (usd/day)	This week	Last week	Low 2018	High 2018
East of Suez 155-165'cbm	90 000	80 000	35 000	90 000
West of Suez 155-165'cbm	85 000	85 000	44 000	85 000
1 yr TC 155-165'cbm	84 000	84 000	52 000	84 000

DRY BULK

Capesize

Rates took a further drop in the beginning of the week, to later find a floor around mid-week reaching mid USD 7 level for c5 and just excess of USD 20 level for c3. Iron ore volumes out of Brazil are still surprisingly low for September, whilst there are hopes October volumes will be more in line with August, where freight rates exceeded USD 25 pmt at the most. Some longer period fixtures have been concluded lately, a handful of 2 to 3 years fixtures in the low to mid USD 20,000 range.

Panamax

After a declining week for rates in both basins, the present one started on a positive note, despite few reported fixtures. This quiet market continued for a couple of days, although the ones reported showed signs of slightly increasing rates. At the end of the week, a mixed market with clearly hesitant charterers makes it difficult to predict any directions going forward. A transatlantic round voyage currently yields about USD 13,000, while short fronthauls from the Continent pays shipowners in the low 20k's. In the Pacific, transpacific RV's are fixed at around USD 11,500, where NoPac rounds have increased the most. The BPI index is currently up 46 points to 1550.

Supramax

Mixed feelings. More supply of cargoes from Cont, but rates did not pick up. Trip to Brazil were discussed at USD 8k. No improvement from Med, hauls from Black Sea were still done at low 20s. USG kept flat pace, for TA one could eye low 20k and mid 20s for fronthaul. Trips from ECSA to Cont were concluded at USD 14500 and grains run from further South to Far East were done at mid teens + bb on Ultra. In the Pacific basin, Indo-India coal run was fixed close to USD 16k on Ultra. Indo-China runs were done at mid USD 12k in the beginning of the week, later same were fixed at low USD 11k. Nickel ore rounds were done at mid USD 13k. On period front Tess 58s are still discussed at mid 12k for 1 year.

GAS

Chartering

The VLGC market in the West has been fairly active this week. Already now, at mid-week, there are a few deals to report out of the US Gulf. Rate wise, the levels have remained rather stable in the high 60s, and at time of writing we believe it would be difficult for Charterers to obtain freight below 70. These levels reflect Time charter equivalent levels around USD 23-24,500 per day. Two cargo tenders have also been worked this week. One out of West Africa and one coming out of the US East Coast. Assumed Freight levels on the West African business, reflect T/C/E levels at par with the transatlantic rates. In the East, a couple of ships was fixed for September loading this week and we have slowly started to look at the October program as Qatar Petroleum and ADNOC dates are already out. At time of writing there is not a lot of traders with length on shipping in October, but this could change subject to further delays from the Middle Eastern suppliers. Current rates in the East reflect T/C/E of around 21-23,000 per day, depending on type of vessel.



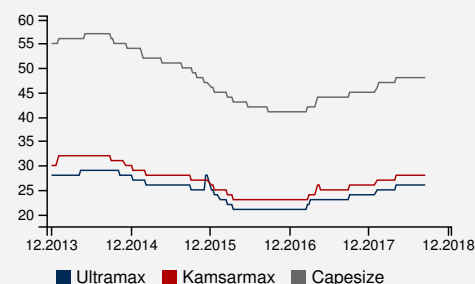
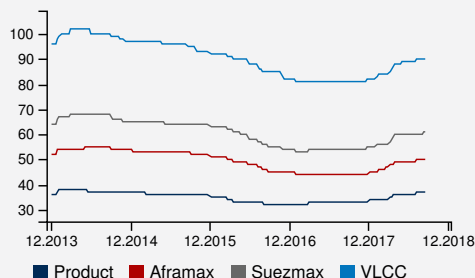
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Activity level

Tankers	Dry Bulkers	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	60.50	60.50	55.00	60.50
Aframax	110'dwt	50.00	50.00	44.50	50.00
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 - MEG1	186.5	186.5	184.5	186.5



Market brief

	This week	Last week	Low 2018	High 2018
Rate of exchange				
USD/JPY	111.5	111.6	105.8	113.0
USD/KRW	1 129	1 121	1 061	1 133
USD/NOK	8.32	8.40	7.68	8.43
EUR/USD	1.16	1.16	1.13	1.25

Interest rate

LIBOR USD 6 mths	2.56	2.54	1.84	2.56
NIBOR NOK 6 mths	1.18	1.17	0.89	1.24

Commodity prices

Brent spot (USD)	79.19	77.35	62.46	79.19
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Bunker prices

Singapore	380 CST	464.0	451.0	360.0	471.0
	180 CST	472.0	459.0		503.0
	Gasoil	689.0	684.0	554.0	698.0
Rotterdam	380 HSFO	429.0	431.0		443.0
	180 CST	454.0	456.0		469.0
	Diesel	658.0	668.0	527.0	668.0

NEWBUILDING

Activity in the Newbuilding market continues at a stable pace. In the Container Feeder segment, we have seen 26 firm orders the last three weeks. Interesting to note this week's order for Nordic Hamburg at Huangpu Wenchong, where the vessels have been reported with Dual-Fuel. CSIC Haijiang Financial Leasing firmed up two Kamsarmaxes at Tianjin Xingang at a reported price of USD 28 m per vessel, at market price. In the LNG Sector, Gasfin have firmed up a 28,000 cbm FRU at CSSC's Jiangnan.

NEWBUILDING CONTRACTS

Type	No	Size	Yard	Buyer	Del	Price	Comm
BC	1	61,000 dwt	DACKS	Akmar Denizcilik	2020		
BC	1	81,200 dwt	Taizhou Kouan	W Marine	2020		Option declared
BC	2	82,000 dwt	Tianjin Xingang	CSIC Haijiang Financial Leasing	2020	abt. \$ 28 m	
CONT	2	1,400 TEU	Huangpu Wenchong	Nordic Hamburg	2020		T/C to Finland's Containerships
CONT	8	2,800 TEU	JMU	Huanghai Shipping	2020		+2 +2 Options
CONT	2	3,100 TEU	Huangpu Wenchong	Arkas Line	2020		+ 2 options
FSRU	1	28,000 cbm	Jiangnan	Gasfin	2019		
TANK	4	50,000 dwt	Hyundai Mipo	Cargill	2019 / 2020		

SALE AND PURCHASE TRANSACTIONS

Type	Vessel	Size	Built	Buyer	Price	Comm.
MT	Britanis	304 732	2002	Modec	Undisclosed	For conversion
MT	Kai-ei	299 997	2004	Aeolos	23.75	
MT	High Beam	46 646	2009	Far Eastern	15.00	
MT	High Current	46 590	2009		15.00	
BC	Talia	92 000	2011	Greek	17.00	
BC	Shao Shan	75 409	2013	Chinese	17.00	Eco
BC	Sea Lantana	52 471	2004	Undisclosed	9.00	Delivery March 2019
BC	Maestro Lion	31 857	1999	Far Eastern	6.50	
BC	Maestro Tiger	31 828	1999		6.50	
BC	Nin	28 373	2000	Vietnamese	6.50	

DEMOLITIONS

Sold for demolition

Vessel name	Size	Ldt	Built	Buyer	Price
MT Ramlah	300 361	48 100	1996	Bangaldeshi	440
MV Equator Peace	171 191	20 489	2000	Bangaldeshi	437
MT C. V. Stealth	104 499	18 070	2005	Undisclosed	193