



# 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:	61	32
VLCCs avail. in MEG next 30 days:	128	132

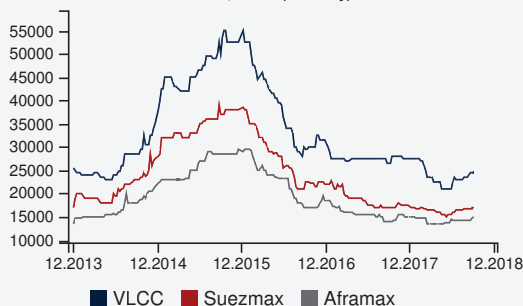
## Rates

DIRTY (Spot WS)		This week	Last week	Low 2018	High 2018
MEG / West	VLCC	23.00	23.50	16.00	26.00
MEG / Japan	VLCC	55.00	54.00	35.00	58.50
MEG / Singapore	VLCC	55.00	55.00	35.50	59.50
WAF / FEAST	260,000	55.00	54.00	37.50	58.50
WAF / USAC	130,000	67.50	70.00	50.00	75.00
Sidi Kerir / W Me	135,000	80.00	77.50	55.00	87.50
N. Afr / Euromed	80,000	100.0	105.0	75.00	145.0
UK / Cont	80,000	107.5	110.0	90.00	125.0
Caribs / USG	70,000	150.0	147.5	80.00	155.0

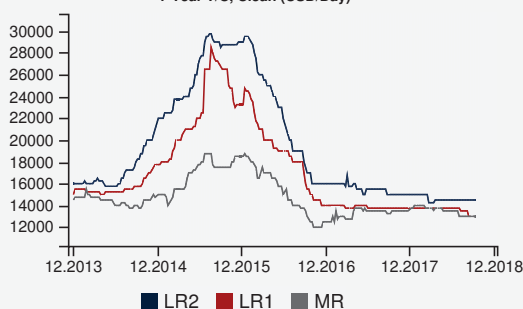
CLEAN (Spot WS)		This week	Last week	Low 2018	High 2018
MEG / Japan	75,000	97.50	100.0	80.00	120.0
MEG / Japan	55,000	112.5	102.5	90.00	120.0
MEG / Japan	30,000	115.0	115.0	110.0	150.0
Singapore / Japan	30,000	125.0	125.0	120.0	150.0
Baltic T/A	60,000	102.5	100.0	75.00	145.0
UKC-Med / States	37,000	105.0	125.0	100.0	165.0
USG / UKC-Med	38,000	100.0	85.00	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	17 000	15 000	17 000
Aframax (modern)	15 000	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 activity throughout for the VLCCs is high this week. End September business kept emerging in the MEG pushing the count up to about 140, which is healthy. The start of October with a flurry of early month cargoes in the MEG combined with increased volumes in the Americas. West Africa on schedule for the month, but the key is that there is still an oversupply of tonnage. The use of the older types, which are back in focus, is a major reason for rates remaining virtually flat. Optimism for the winter is however still there. SUEZMAX Suezmax activity over the past week has been sporadic with West Africa first decade cargoes fixing at last done levels, owners have become selective about the voyages presented to them and there has been an element of destination sensitivity. TD20 has settled at ws70 with earnings close to 7k per day. The Black Sea has seen many cargoes asking for east options which have not been preferable for owners who are reluctant to fix out of the northern hemisphere as the year draws to a close, this in turn has influenced a slightly firmer sentiment. The week ahead has a steadier outlook and owners will hope for an increase in cargo volume. AFRAMAX In the North Sea and Baltic, rates continued moving sideways this week. As quite a few vessels loading in Primorsk and Ust Luga got declared to discharge in Gdansk and Butinge, Charterers was left with more options for their end/early Baltic cargoes. Going forward into October we expect the offshore shuttle program being less busy. So, with more available tonnage, owners should not expect a quick recovery just yet. In the Med and Black Sea, rates have bottomed out at about ws100. The market should stay at present levels for at least one more week, if we are to believe the optimistic Owners. The majority of Mediterranean storms occur between August and November, so weather delays will certainly have an affect going forward.

### Product

EAST OF SUEZ Last week we have experienced a two-tier market in the Middle East Gulf. Rates for LR2 fixing eastwards have been more or less stable around the ws97.5/100 mark, whilst owners of LR1 have been able to increase the rate from ws102.5 to ws112.5, and seems to could be room for more. For westward discharge for both sizes, rates have not moved much and is still around USD 1.9 mill for LR2s and USD 1.475 for LR1s. For MRs in the region, not much have changed this week with West Coast India to Far East still fixing at ws115 level. An uneventful week in the Far East this week with the short haul voyage from South Korea to Japan still being fixed at USD 240,000 level and the straight voyage from Singapore to Japan covered at ws125 level. WEST OF SUEZ Mixed week in the Atlantic. MRs fixing from the Continent to States have had to accept a drop in rate from ws125 level to ws105 level, on the other hand the back haul cargo from the US Gulf has gained about ws15 points and is today at ws100 level, meaning vessels who are able to triangulate are still obtaining almost same daily earning as last week at around USD 7500. LR1s trading from the Continent to West Africa is still being fixed around the ws100 mark. The best times have been for the LR2s loading in the Mediterranean for Far East were rate have increased from USD 1.55 mil to USD 1.7 mill today. For the handy sizes, rate in the Mediterranean is still at the ws115 level whilst their sisters on trading short haul on the Continent have seen rates drop from ws140 to ws130 this week.



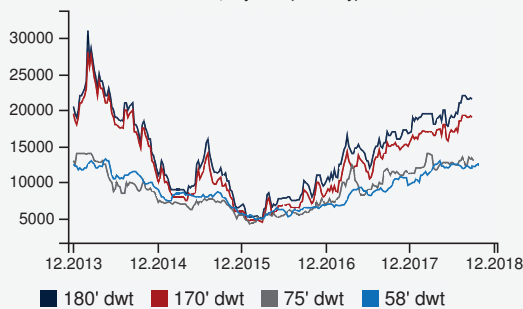
# Fearnleys Weekly Report

## Activity level

Capesize	Panamax	Supramax
Moderate	Mixed	Weak

Rates	This week	Last week	Low 2018	High 2018
<b>CAPESIZE (usd/day, usd/tonne)</b>				
TCT Cont/Far East (180' dwt)	35 000	34 250	18 000	44 000
Tubarao / R.dam (Iron ore)	8.00	8.30	5.30	11.50
Richards Bay/R.dam	8.00	8.20	5.40	12.30
<b>PANAMAX (usd/day, usd/tonne)</b>				
Transatlantic RV	12 000	13 000	7 100	15 000
TCT Cont / F. East	19 800	20 300	15 000	21 800
TCT F. East / Cont	4 950	4 821	4 300	5 200
TCT F. East RV	12 500	11 500	8 300	13 750
Murmansk b.13-ARA 15/25,000 sc	8.30	8.55	6.40	9.00
<b>SUPRAMAX (usd/day)</b>				
Atlantic RV	14 500	14 500	11 000	16 000
Pacific RV	11 500	11 000	8 000	12 500
TCT Cont / F. East	17 500	17 500	16 000	20 500
<b>1 YEAR T/C (usd/day)</b>				
Capesize 180,000 dwt	21 500	21 500	17 000	22 000
Capesize 170,000 dwt	19 000	19 000	15 750	19 250
Panamax 75,000 dwt	13 000	13 300	11 250	14 000
Supramax 58,000 dwt	12 500	12 500	10 000	13 000
<b>Baltic Dry Index (BDI):</b>	<b>1373</b>	<b>1411</b>	<b>n/a</b>	<b>n/a</b>

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



## DRY BULK

### Capesize

Drifting sideways at uninspiring levels but with positive undertone - average spot earnings down 6 pct w-o-w to print at USD 15,500. Fronthaul volumes again picking as major Brazilian miners discretely pick distressed early units after a very slow period, lifting tc-values for Atlantic-Far East trips into the USD 34-35k territory and beyond. Pacific levels performing equally modest, on a combination of limited fresh enquiry and a common desire for owners to keep trading their early ships on quick rounds for subsequent harvesting in a strong q4. Period activity reflecting a generally positive forward view, with representative fixtures including 176k dwt/built 2011 open China mid Sept for 2 years at USD 21,250.

### Panamax

A positive rate-increase in the Pacific region has been offset by decreasing rates in the Atlantic. Severe weather in Asia and the USEC caused delays, while increased tonnage on the North Continent and less grain activity from US Gulf led to an inequitable distribution of supply and demand factors, pushing the market slightly down. A transatlantic round voyage currently yields around USD 12,000, while a short fronthaul from the Continent pays owners high USD 19k's. In the East, coal rounds from Indonesia and Australia were shipped in significant volumes while Nopac trips also saw improved levels. A transpacific round voyage now yields around mid USD 12k's, and the BPI Index is down 20 points for the week to 1530.

### Supramax

Almost all routes drifted in positive territory, more activity from Pacific basin this week. Atlantic has kept stable pace. USG trips to Far East still done at mid usd 20s per day, to Cont rates dropped a bit and was fixed around usd 20k, ultras were fixed at low 20s for same. Only ECSAM showed firmed rates, where sugar runs from Santos to SW Africa were done ca usd 18k. Less activity from Cont. ARAG - Med coal runs were done at usd 12-13k. Black Sea rather stable with fhuals fixing still at low 20s. In Pacific nickel ore rounds were done at ca usd 15k. Salt from WC India to China were done around usd 12-13k. Clinker cargoes from S China to Bangladesh were done at 15k. Trip from AG to India closed at usd 11500. ...

## Activity level

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

### LPG Rates

\* Excl. waiting time, if any

SPOT MARKET (usd/month)*	This week	Last week	Low 2018	High 2018
VLGC / 84,000	877 000	660 000	105 000	877 000
LGC / 60,000	550 000	500 000	375 000	550 000
MGC / 38,000	485 000	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	285 000	250 000	320 000
COASTER Europe	295 000	295 000	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)	558.8	565.7	642.7
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	90 000	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

## GAS

### Chartering

The market activity in the VLGC market in the East has picked up again. On the back of a somewhat tight position list and a few cargo inquiries on rather prompt dates, the Baltic freight index has been firming quite considerably. The current last done (at time of writing) is USD 46 pmt, and we do foresee the index will follow suit up to a level in the mid-to-high USD 40's very soon. The Time Charter Equivalent (T/C/E) rates of the current last done level, is around 28-30,000 per day (depending on vessel type). During the course of the last week the West market activity has slowed down compared to a fortnight ago, however, spot rates are still firm. Tight vessel supply in the USG in October parallel to a couple of vessels running late and a few spot FOB sales have resulted in freight establishing itself in the mid/low USD 70's bss Houston/Chiba. With the recent developments in the East, where vessels now trading at higher returns, Owners may look to re position their vessels in the East rather than taking the long ballast to the West, and thereby maintaining the vessel supply situation and put further pressure on freight levels.



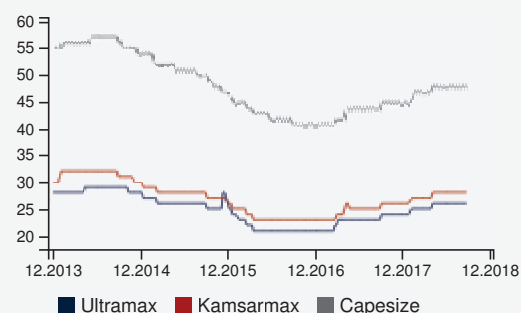
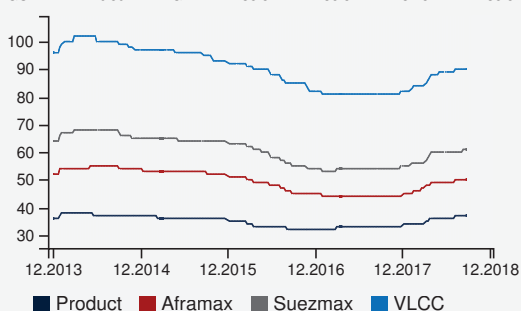
# Fearnleys Weekly Report

## 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	60.50	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 - 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	112.4	111.5	105.8	113.0
USD/KRW	1 121	1 129	1 061	1 133
USD/NOK	8.15	8.32	7.68	8.43
EUR/USD	1.17	1.16	1.13	1.25
<b>Interest rate</b>				
LIBOR USD 6 mths	2.57	2.56	1.84	2.57
NIBOR NOK 6 mths	1.21	1.18	0.89	1.24
<b>Commodity prices</b>				
Brent spot (USD)	79.15	79.19	62.46	79.19
<b>Bunker prices</b>				
Singapore 380 CST	465.0	464.0	360.0	471.0
180 CST	473.0	472.0		503.0
Gasoil	692.0	689.0	554.0	698.0
Rotterdam 380 HSFO	429.0	429.0		443.0
180 CST	454.0	454.0		469.0
Diesel	645.0	658.0	527.0	668.0

## NEWBUILDING

Moderate newbuilding activity this week. Imabari secured an order for two firm VLOCs from Mitsui, 240,000 dwt. Hyundai Mipo received an order from the domestic owner Seaworld Express Ferry for a RoPax, reported to USD 60.5 million.

## NEWBUILDING CONTRACTS

Type	No	Size	Yard	Buyer	Del	Price	Comm
BC	1	64,000 dwt	Wuhu Shipyard	Dingxin Shipping	2020		
BC	2	240,000 dwt	Imabari	Mitsui OSK Lines	2020		
RoPax	1	1,300 PAX	Hyundai Mipo	Seaworld Express Ferry	2020		
TANK	4	50,000 dwt	Hyundai Mipo	Empire Navigation	2019		Product Carrier
TANK	2	114,000 dwt	Daehan	Capital Maritime and Trading	2020	abt. \$ 49 m	

## SALE AND PURCHASE TRANSACTIONS

Type	Vessel	Size	Built	Buyer	Price	Comm.
MT	Hyundai Samho S877	158 000	2020	Polembros	64,00	Scrubber fitted
MT	Hyundai Samho S876	158 000	2020		64,00	Scrubber fitted
MT	Megacore Philomena	74 574	2010	Undisclosed	19,00	Auction
MT	Blue Marlin	35 970	2001	Middle Eastern	5,80	
MT	Maersk Rhode Island	34 801	2002	Undisclosed	7,00	
BC	Mineral Antwerpen	172 424	2004	Greek	14,50	
BC	JPO Delphinus	56 819	2009	Chinese	region 11	
BC	JPO Dorado	56 686	2009		region 11	
BC	Global Bay	29 567	2009	Undisclosed	low 8's	
BC	Ourania	27 786	1998	Middle Eastern	5,50	
BC	Mukarnas	23 712	1995	Chinese	4,00	

## DEMOLITIONS

### Sold for demolition

Vessel name	Size	Ldt	Built	Buyer	Price
MT Seaways Sakura	298 641	40 495	2001	Undisclosed	440
MT Ataka	280 889	38 726	1998	Pakistani	438
OBO SKS Torrens	109 846	18 642	1999	Indian	445
MT Lion M	98 629	17 030	1997	Pakistani	458
CONT X-Press Suez	24 561	8 355	1998	Indian	460
MT Hika	36 457	7 301	1994	Bangladeshi	462
MT Victory	29 998	6 088	1990	Undisclosed	430