



# Fearnleys Weekly Report

## Activity level

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

	Last week	Prev. week
VLCCs fixed all areas last week:	55	64
VLCCs avail. in MEG next 30 days:	125	116

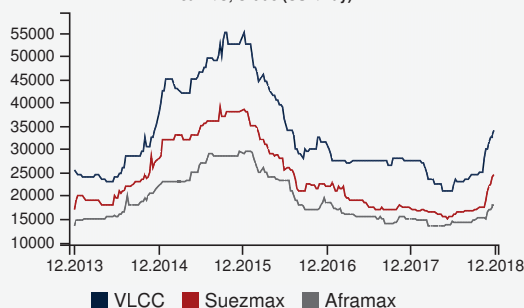
## Rates

DIRTY (Spot WS)		This week	Last week	Low 2018	High 2018
MEG / West	VLCC	37.00	43.50	16.00	43.50
MEG / Japan	VLCC	86.00	95.00	35.00	100.0
MEG / Singapore	VLCC	87.00	96.00	35.50	100.0
WAF / FEAST	260,000	84.00	97.50	37.50	97.50
WAF / USAC	130,000	100.0	115.0	50.00	132.5
Sidi Kerir / W Me	135,000	137.5	145.0	55.00	170.0
N. Afr / Euromed	80,000	205.0	190.0	75.00	205.0
UK / Cont	80,000	205.0	165.0	90.00	205.0
Caribs / USG	70,000	200.0	115.0	80.00	260.0

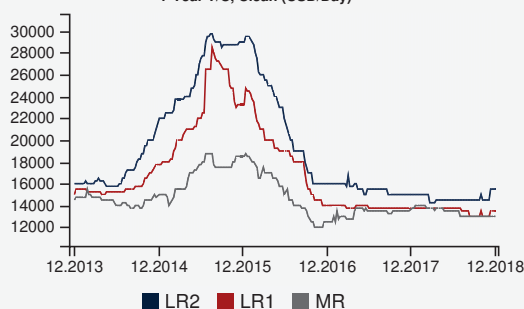
CLEAN (Spot WS)		This week	Last week	Low 2018	High 2018
MEG / Japan	75,000	0.00	0.00	80.00	120.0
MEG / Japan	55,000	0.00	0.00	90.00	127.5
MEG / Japan	30,000	0.00	0.00	110.0	150.0
Singapore / Japan	30,000	0.00	0.00	120.0	150.0
Baltic T/A	60,000	0.00	0.00	75.00	145.0
UKC-Med / States	37,000	0.00	0.00	100.0	165.0
USG / UKC-Med	38,000	0.00	0.00	67.00	135.0

1 YEAR T/C (usd/day) (theoretical)	This week	Last week	Low 2018	High 2018
VLCCL (modern)	34 000	33 000	21 000	34 000
Suezmax (modern)	24 500	24 000	15 000	24 500
Aframax (modern)	18 000	18 000	13 500	18 000
LR2	105,000	0.00	0.00	14 250
LR1	80,000	0.00	0.00	13 000
MR	47,000	0.00	0.00	13 000

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



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



## TANKERS

### Crude

As the 2018 cargo program is drawing to a close VLCC rates have been slipping, shedding some 10 WS points from the beginning of the week. Fears that announced production cutbacks will have a negative effect come January have prompted owners to try and lock in longer voyages, and have thus been willing to shed a point or two off last done levels to succeed. However, softening bunker prices have given some reprieve, and as a result TCE earnings remain comparatively strong. On a positive note the western hemisphere continue to attract tonnage, and with the usual winter weather issues we not expect a dramatic rate drop short term. The Suezmaxes have seen some of the recent gains eroded as the fixing volume has slowed down in the west. TD20 returns are still respectable at close to USD 25 k per day but we are close to seeing double digits again as the ws 100 levels looks likely to be broken. TD6 has held ground with tce above 50 k per day, this has been assisted by the increased weather delays but volumes of fixing have been thin. The CPC programme is now out for January so we should see more action in the coming week. Aframaxes in the North Sea and Baltic enjoyed even stronger rates this week compared to last. This firm sentiment will continue into next week as the tonnage list is tight for any cargoes loading in the 18-23 window in the North Sea and for 25-31 December window in the Baltic. Aframaxes in the Mediterranean and Black Sea have enjoyed a firming market over the last week. Turkish Straits delays has put further upward pressure on freight levels, as charterers have had to book quite forward for any Black Sea Stems. Black Sea currently being worked 1st decade January 2019 with last done levels at the time of writing standing at ws215. Cross Mediterranean barrels trading about ws10 points less. With a tightening Aframax tonnage list and Suezmaxes softening, we have seen charterers looking to slightly bigger tonnage if and when they can to try and take some steam of a firming Aframax segment.



# Fearnleys Weekly Report

## Activity level

Capesize	Panamax	Supramax
Slow	Moderate	Mixed

Rates	This week	Last week	Low 2018	High 2018
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### CAPE SIZE (usd/day, usd/tonne)

TCT Cont/Far East (180' dwt)	29 600	27 700	18 000	44 000
Tubarao / R.dam (Iron ore)	8.80	8.12	5.30	11.50
Richards Bay/R.dam	8.80	8.14	5.40	12.30

### PANAMAX (usd/day, usd/tonne)

Transatlantic RV	13 200	13 600	7 100	16 000
TCT Cont / F. East	19 700	20 000	15 000	23 000
TCT F. East / Cont	4 000	3 950	3 900	5 200
TCT F. East RV	9 400	9 400	8 300	13 750
Murmansk b.13-ARA 15/25,000 sc	8.10	8.35	6.40	9.70

### SUPRAMAX (usd/day)

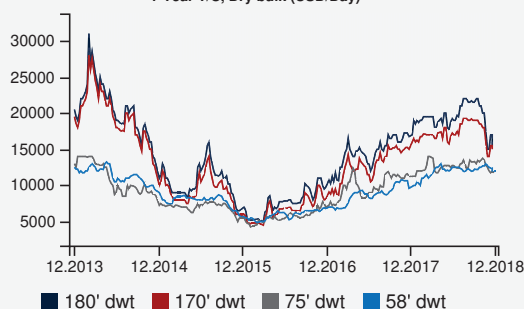
Atlantic RV	15 800	15 600	11 000	16 000
Pacific RV	8 000	7 500	7 500	12 500
TCT Cont / F. East	18 000	17 000	16 000	20 500

### 1 YEAR T/C (usd/day)

Capesize 180,000 dwt	15 500	17 000	15 000	22 000
Capesize 170,000 dwt	15 000	15 500	14 000	19 250
Panamax 75,000 dwt	11 750	12 000	11 250	14 000
Supramax 58,000 dwt	11 750	11 750	10 000	13 000

<b>Baltic Dry Index (BDI):</b>	<b>1353</b>	<b>1296</b>	<b>n/a</b>	<b>n/a</b>
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1-Year T/C, Dry bulk (USD/Day)



## Activity level

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

### LPG Rates

\* Excl. waiting time, if any

SPOT MARKET (usd/month)*	This week	Last week	Low 2018	High 2018
VLGC / 84,000	640 000	710 000	105 000	915 000
LGC / 60,000	550 000	600 000	375 000	650 000
MGC / 38,000	570 000	565 000	430 000	570 000
HDY SR / 20-22,000	500 000	500 000	395 000	500 000
HDY ETH / 17-22,000	750 000	750 000	700 000	770 000
ETH / 8-12,000	47 000	470 000	47 000	480 000
SR / 6,500	550 000	550 000	370 000	550 000
COASTER Asia	275 000	275 000	250 000	320 000
COASTER Europe	550 000	550 000	280 000	550 000

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

	Propane	Butane	ISO
FOB North Sea / ANSI	391.5	353.0	
Saudi Arabia / CP	445.0	415.0	
MT Belvieu (US Gulf)	356.0	357.0	384.0
Sonatrach : Bethioua	385.0	375.0	

### LNG

SPOT MARKET (usd/day)	This week	Last week	Low 2018	High 2018
East of Suez 155-165'cbm	130 000	160 000	35 000	195 000
West of Suez 155-165'cbm	130 000	160 000	44 000	175 000
1 yr TC 155-165'cbm	95 000	105 000	52 000	110 000

## DRY BULK

### Capesize

The market has recovered slightly from the disappointing lows of a few weeks ago when the index was in the low 8000s. Now we are at high 16,000s but the near term outlook remains uncertain. Surprisingly, China's iron ore import growth is set to end negative compared to last year in spite of strong growth in steel production. FFA cal 19 is currently priced at 15,300 USD p/d which marks a decrease from this year's market average of low 16,000s USD p/d, reflecting the uncertainty created by the Q4 disappointment. Just a few months ago Cal19 was priced at well over 20,000 USD p/d.

### Panamax

A less volatile week with only small changes in the rates. Short fronthauls from the continent fell to around mid USD 19,000's, while a transatlantic round voyage currently pays around the low USD 13,000's. East Coast South America has remained quite active throughout the week. In the Pacific basin, a transpacific round voyage yields about low USD 9,000, and a backhaul from China to Skaw/Passero pays around USD 4000. The BPI 4TC-index is down 27 points to 1445.

### Supramax

Still positive demand from USG, where trip to Med covered at low USD 20k and coal run to Far East could pay usd 27-28k. Cont has been fairly balanced. Supras have been fixing low USD 20k for Cont to India. Similar levels for steel runs from B.Sea to India. Usual scrap runs from Cont to Med were covered at USD13k. Trip from Med via B.Sea Far East now paying abt USD 23-24k. More fresh orders appearing in Pacific, especially from Nopac. Nopac rv fixing mid USD 8k levels. Backhaul from Spore to Cont was fixed around USD 7k. An Ultra was employed for a trip via Indo to WCI at mid USD 10k. An iron ore run from Bdes to China covered at USD 8k. Smaller Supra from MEG to WCI was trading around USD 13k with fertilizers.

## GAS

### Chartering

The VLGC market in the west really had a boost in activity this week, as Charterers seems to utilize the window of opportunity between a couple of weeks of festivities and before the actual holidays starts. Several cargoes were floated on the market, both for end of December and as well as January loading, and they were all snapped up rather quickly, more or less eliminating the expected overhang of vessels from December to January. Most recent deals have been concluded at rates in the mid/high-60s per ton for the bench-mark route from Houston to Japan via the Panama Canal. Such levels represent a Time charter Equivalent (T/C/E) rate around 23-24,000 per day, establishing the current "west premium" at around 6-7% for the transpacific route. For the Transatlantic market, rates are fixed at around 10-12% premium to the Baltic. In the market East of Suez the downward spiral on the Baltic seemed to have stopped and stabilized itself at a level in the mid-30s for Ras Tanura to Japan. Such level represent a time charter equivalent of around USD 20,000 per day. The average for the year seem to end up at level around 18-19,000 per day.



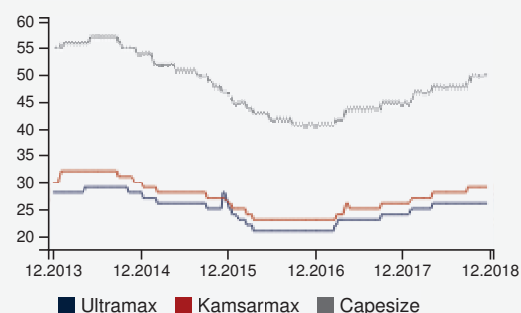
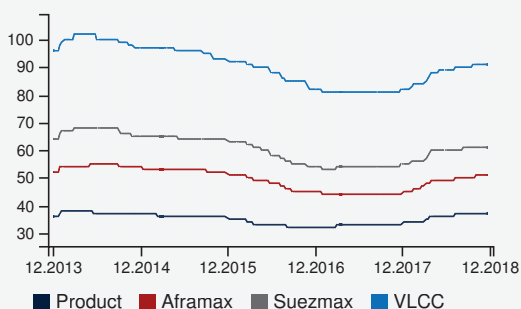
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## Activity level

Tankers	Dry Bulkers	Others
Low	Low	Moderate

## Prices

Average Far Eastern Prices					
PRICES (mill usd)		This week	Last week	Low 2018	High 2018
VLCC	300'dwt	90.50	90.50	82.00	90.50
Suezmax	150'dwt	61.00	61.00	55.00	61.00
Aframax	110'dwt	50.50	50.50	44.50	50.50
Product	50'dwt	36.50	36.50	33.50	36.50
Capesize	180'dwt	50.00	50.00	45.00	50.00
Kamsarmax	82'dwt	28.50	28.50	26.00	28.50
Ultramax	64'dwt	26.00	26.00	24.00	26.00
LNGC	170'cbm - MEG	187.5	187.5	184.5	187.5



## Market brief

	This week	Last week	Low 2018	High 2018
<b>Rate of exchange</b>				
USD/JPY	113.0	113.0	105.8	114.1
USD/KRW	1 126	1 114	1 061	1 140
USD/NOK	8.56	8.52	7.68	8.60
EUR/USD	1.14	1.13	1.13	1.25
<b>Interest rate</b>				
LIBOR USD 6 mths	2.88	2.90	1.84	2.90
NIBOR NOK 6 mths	1.42	1.36	0.89	1.42
<b>Commodity prices</b>				
Brent spot (USD)	60.90	61.92	59.80	85.20
<b>Bunker prices</b>				
Singapore 380 CST	400.0	413.0	360.0	524.0
180 CST	432.0	418.0		556.0
Gasoil	550.0	565.0	550.0	760.0
Rotterdam 380 HSFO	360.0	382.0		486.0
180 CST	385.0	406.0		511.0
Diesel	534.0	550.0	527.0	708.0

## NEWBUILDING

Last week's rumours regarding LNG orders materialized this week. With a total of eight firm orders for large LNGCs distributed among the three major Korean yards. NYK booked five firm, three at Hyundai Samho on the back of a TC to Diamond Gas, and two at Samsung on the back of a TC to Total. All five NYK vessels are reported to include XDF propulsion.

## NEWBUILDING CONTRACTS

Type	No	Size	Yard	Buyer	Del	Price	Comm
LNGC 1	30,000	cbm	Hyundai	Knutsen OAS	2020		+ 1 option
LNGC 1	174,000	cbm	DSME	Maran Gas	2021		
LNGC 2	174,000	cbm	DSME	BW Gas	2021	\$ 185 m	+ 4 options
LNGC 2	174,000	cbm	Samsung HI	NYK	2021		XDF / TC to Total
LNGC 3	174,000	cbm	Hyundai	NYK	2020 / 2021		TC to Diamond Gas
TANK 2	114,000	dwt	COSCO	FSL Trust Management	2020 / 2021	abt. \$ 59 m	LR2

## SALE AND PURCHASE TRANSACTIONS

Type	Vessel	Size	Built	Buyer	Price	Comm.
MT	Singapore River	115 126	2009	Greek	23,30	
MT	Nordic Ruth	35 820	2000	Undisclosed	5,50	
BC	Frontier Coronet	182 674	2011	Unisea Shipping	29,00	
BC	Amorito	179 322	2012	Hyundai glovis	33,00	
BC	Veronique D	58 000	2012	Grrek	16,00	
BC	Mercury Ocean	53 452	2008	greek	11,30	
BC	Jin Quan	51 104	2002	Chinese	6,90	

## DEMOLITIONS

### Sold for demolition

Vessel name	Size	Ldt	Built	Buyer	Price
OFFSH Belokamenka	360 700	52 285	1980	Indian	409
GAS Tenaga Lima	72 083	29 492	1981	Bangladeshi	453
MV Hinyo Brilliance	172 964	21 198	2001	Undisclosed	440
RORO Van Cherry	12 249	16 042	1994	Bangladeshi	482
CONT Kota Jelita	22 420	7 426	1997	Bangladeshi	475
CONT Paul Abrao	22 026	7 393	1996	Bangladeshi	460
GAS Gas Puffin	9 466	4 426	1991	Indian	505