Fearnleys Weekly Report

Activity level

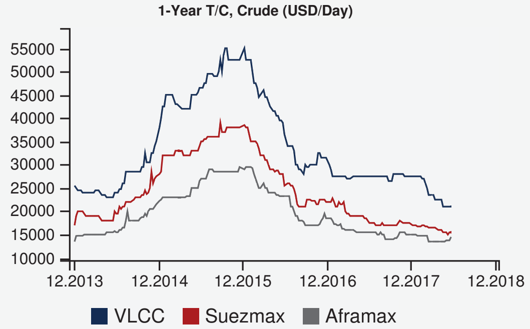
VLCC	Suezmax	Aframax	P.E. of Suez	P.W. of Suez
Stable	-	-	Active	Stable

	Last week	Prev.week
VLCCs fixed all areas last week:	54	48
VLCCs avail. in MEG next 30 days:	136	130

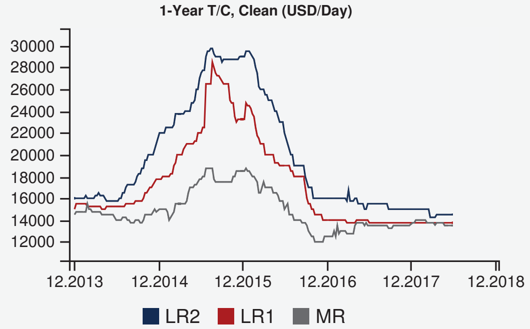
Rates

DIRTY (Spot WS)		This week	Last week	Low 2018	High 2018
MEG / West	VLCC	19.00	19.00	16.00	23.50
MEG / Japan	VLCC	49.00	50.00	35.00	50.00
MEG / Singapore	VLCC	49.00	50.00	35.50	51.00
WAF / FEAST	260,000	50.00	50.00	37.50	50.00
WAF / USAC	130,000	67.50	75.00	50.00	75.00
Sidi Kerir / W Me	135,000	82.50	87.50	55.00	87.50
N. Afr / Euromed	80,000	97.50	130.0	75.00	145.0
UK / Cont	80,000	100.0	105.0	90.00	110.0
Caribs / USG	70,000	145.0	117.5	80.00	145.0
CLEAN (Spot WS)		**This week**	**Last week**	**Low 2018**	**High 2018**
MEG / Japan	75,000	117.5	115.0	80.00	120.0
MEG / Japan	55,000	117.5	115.0	90.00	117.5
MEG / Japan	30,000	127.5	135.0	110.0	140.0
Singapore / Japan	30,000	132.5	132.5	130.0	147.5
Baltic T/A	60,000	80.00	87.50	80.00	145.0
UKC-Med / States	37,000	115.0	130.0	112.5	165.0
USG / UKC-Med	38,000	67.50	75.00	67.50	135.0
1 YEAR T/C (usd/day) (theoretical)		**This week**	**Last week**	**Low 2018**	**High 2018**
VLCC	(modern)	21 000	21 000	21 000	27 500
Suezmax	(modern)	15 500	15 500	15 000	17 000
Aframax	(modern)	14 500	13 750	13 500	15 000
LR2	105,000	14 500	14 500	14 250	15 000
LR1	80,000	13 750	13 750	13 750	13 750
MR	47,000	13 500	13 500	13 500	14 000

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



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



TANKERS

Crude

Another week with stable volumes for the VLCCs for all the major routes. A somewhat tighter tonnage list of modern ships from the East have given owners a few opportunities to push rates up. The result has however been negligent over the past week for MEG and Wafr to the East. Most attempts have been aborted by using own or controlled ships or the 'older' types for those who can use them. Somewhat tighter tonnage list in the USG-Caribs with rates under some upward pressure. All in all, stable throughout for now. This week charterers for Aframaxes in the North Sea and Baltic managed to push rates back down towards bottom levels. With the current bunker prices it will be challenging to push it further down. We expect the market to stay at current levels going forward with a healthy looking tonnage list at the time of writing. In the Mediterranean and Black Sea, we have seen the same scenario as we have seen so many times before. The good market attracts ballasters, and charterers have done a good job holding back their cargoes. This combination has pushed rates to ws100, but within the week we expect it to be closer to ws90.

Product

EAST OF SUEZ Whilst many people are enjoying the festivities in Greece at Posidonia, rates in the Middle East Gulf have moved sideways this week after a couple of firming weeks. Both LR2s and LR1s are fixing voyages to the Far East at more or less the same rate; ws117.5, same as last week. There is not much change in rates obtained for west destination either, which is being covered at around USD 1.950 mill for LR2s and USD 1.6 mill for LR1s. The standard MR voyage from west coast India to Japan has softened this week, and going rate today is in the ws127.5 region, down from ws135 level. Also very little change in the market in the Far East with the short-haul voyage from South Korea to Japan still at USD 300' level and the voyage from Singapore to Japan, for an MR, is still at ws132.5. WEST OF SUEZ It has been a dismal week in the Atlantic with rates softening in all segments. A straight Continent to States voyage is today fixing around ws115 level, down from ws130 last week, and the back-haul cargo from US Gulf has been soft and is today at ws67.5 level. Daily return for an MR owner triangulating has dropped from USD 9000 to about USD 5000 today, according to our calculations. LR1s fixing from Continent to West Africa is also very slow this week and rates have dropped from ws90 level to ws80 today. LR2s moving cargoes form the Mediterranean have been able to secure slightly higher rate this week and is today fixing at around USD 1.780 mill mark. For Handies trading on the Continent and in the Mediterranean rates are unchanged from last week at ws140 in the Mediterranean and ws150 level on the Continent.

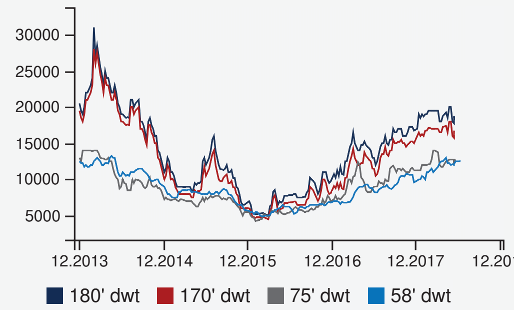
Fearnleys Weekly Report

Activity level

Capesize	Panamax	Supramax
Strong	Increasing	Mixed

Rates	This week	Last week	Low 2018	High 2018
CAPESIZE (usd/day, usd/tonne)				
TCT Cont/Far East (180' dwt)	30 000	22 000	18 000	37 000
Tubarao / R.dam (Iron ore)	8.25	6.85	5.30	10.00
Richards Bay/R.dam	7.85	6.60	5.40	10.00
PANAMAX (usd/day, usd/tonne)				
Transatlantic RV	9 000	7 100	7 100	13 750
TCT Cont / F. East	17 000	15 000	15 000	19 500
TCT F. East / Cont	4 800	4 600	4 300	5 200
TCT F. East RV	10 700	10 250	9 000	13 750
Murmansk b.13-ARA 15/25,000 sc	7.35	6.80	6.40	8.55
SUPRAMAX (usd/day)				
Atlantic RV	11 250	11 000	11 000	16 000
Pacific RV	12 000	12 350	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	18 750	17 750	17 000	20 000
Capesize 170,000 dwt	16 750	15 750	15 750	18 000
Panamax 75,000 dwt	12 750	12 500	11 250	14 000
Supramax 58,000 dwt	12 500	12 500	10 000	13 000
Baltic Dry Index (BDI):	**1340**	**1042**	**n/a**	**n/a**

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



DRY BULK

Capesize

A rapid rebound in the Cape market, which again indicate how volatile this market can be. West Australia activity started off the rally with high activity and freight rates quickly moved up to the low USD 8 pmt level. Pacific round on tct is trading around the USD 20k mark. Atlantic market also picked up with a strong increase in Brazil cargoes, where freight rates jumping to the mid USD 19 pmt level. The front-haul tct market is now above the USD 30k level. There also appear some Safr to China cargoes, where the bids presently are in the low USD 14 pmt range. A surprisingly strong push in the market considering the season. Most expect market to be steady for next months before a new in push in August/September.

Panamax

A week with a long-awaited positive development in both hemispheres. The increased cargo flow, particularly ex ECSAM, provided a strengthened demand. Even with a disrupted start to the week with many players located in Greece for Posidonia, freight rates increased across the board. The Pacific, in particular (including tonnage being booked for ECSAM rounds), but also the Atlantic picked up the pace somewhat with TA rates now priced around the mid 8k's and FH rates at mid 16k's. In the East, transpacific RV also rose to mid 10k's, and period (especially short) picked up as well. FFA's also traded slightly up for the week.

Supramax

Market woke up only by mid-week. US Gulf saw slightly better numbers; Ultramaxes to Med got high 17k, some Supras were fixed ca 14k for TA, front-haul to Far East increased to USD 20k. Ultras from ECSAM with grains to Far East got employed ca USD 15k+450k bb. From Continent usual scrap runs went ca 12k on Supra to Med, and Ultramax for 17k to MEG. Supras from Continent to Med with fertz could achieve 11k. In Pacific plenty of failing on subs. Back-haul from China to Med were discussed ca USD 8k levels. Nickel ore rounds were done around 14k. Indo-China rounds on Ultra were done at 12k. Supras from South Africa to MEG went around 12k on Supra+bb and USD 500 more on Ultras.

Activity level

COASTER	15-23,000 cbm	82,000 cbm
Weak	Moderate	Low

LPG Rates

* Excl. waiting time, if any

SPOT MARKET (usd/month)*	This week	Last week	Low 2018	High 2018
VLGC / 84,000	360 000	480 000	105 000	535 000
LGC / 60,000	375 000	375 000	375 000	550 000
MGC / 38,000	430 000	450 000	430 000	470 000
HDY SR / 20-22,000	430 000	450 000	395 000	450 000
HDY ETH / 17-22,000	730 000	730 000	730 000	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	290 000	290 000	250 000	320 000
COASTER Europe	300 000	320 000	280 000	385 000

LPG/FOB prices (usd/tonne)	Propane	Butane	ISO
FOB North Sea / ANSI	526.0	511.5	
Saudi Arabia / CP	560.0	560.0	
MT Belvieu (US Gulf)	459.8	463.2	643.9
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	44 000	42 000	35 000	80 000
West of Suez 155-165'cbm	58 000	53 000	44 000	85 000
1 yr TC 155-165'cbm	58 000	58 000	52 000	58 000

GAS

Chartering

The East market has remained relatively silent for this week. A few spot FOB sales were concluded, however, this didn't help to change the market mood. QP acceptance came out with big delays due to an LNG train being down. Subsequently, if we also see delays in ADNOC's and Aramco's acceptances for July, freight rates may be under downward pressure. In the Atlantic side, most lifters have been sitting on the fence in terms of shipping. Offers for market quote from a Brazilian importer is due later today for second decade July loading, whilst a FOB tender ex Bonny loading first decade July is also in play.

Fearnleys Weekly Report

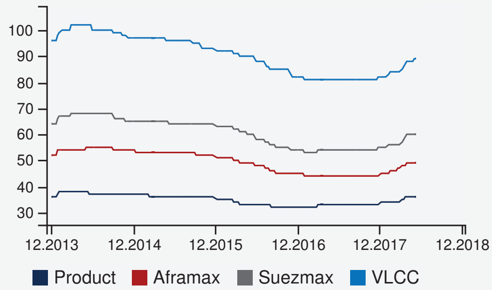
Activity level

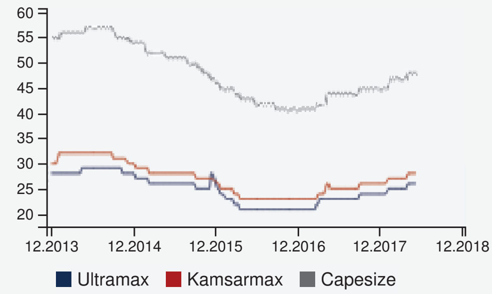
Tankers	Dry Bulkers	Others
Moderate	Moderate	Moderate

Prices

Average Far Eastern Prices

PRICES (mill usd)		This week	Last week	Low 2018	High 2018
VLCC	300'dwt	89.00	89.00	82.00	89.00
Suezmax	150'dwt	60.00	60.00	55.00	60.00
Aframax	110'dwt	49.00	49.00	44.50	49.00
Product	50'dwt	36.00	36.00	33.50	36.00
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 - MEGI	185.0	185.0	184.5	185.0





Market brief

		This week	Last week	Low 2018	High 2018
Rate of exchange					
USD/JPY		110.1	108.9	105.8	112.2
USD/KRW		1 067	1 081	1 061	1 086
USD/NOK		8.09	8.21	7.68	8.21
EUR/USD		1.18	1.16	1.16	1.25
Interest rate					
LIBOR USD 6 mnths		2.48	2.47	1.84	2.52
NIBOR NOK 6 mnths		1.15	1.17	0.89	1.24
Commodity prices					
Brent spot (USD)		74.97	75.92	62.46	78.70
Bunker prices					
Singapore	380 CST	448.0	437.0	360.0	458.0
	180 CST	459.0	448.0	366.0	490.0
	Gasoil	653.0	665.0	554.0	698.0
Rotterdam	380 HSFO	426.0	424.0		441.0
	180 CST	451.0	449.0	368.0	469.0
	Diesel	637.0	643.0	527.0	667.0

NEWBUILDING

Even with the Posidonia in progress we have seen 13 firm newbuilding orders this week. The Angelicoussis led company Maran Gas have declared options for one firm LNGC and one firm FSRU, both at DSME. Another LNGC was also firmed up at Samsung by Gaslog. The VLCC orders continue as Guggenheim declares options for two vessels at DSME. In the Container sector, HMM are looking to firm up 20 box-ships with the three major Korean yards, Hyundai, Samsung, and DSME. The order is reported to be for eight 14,000 teu's at Hyundai, and seven and five 23,000 teu's at DSME and Samsung, respectively.

NEWBUILDING CONTRACTS

Type	No	Size	Yard	Buyer	Del	Price	Comm
BC	2	64,000 dwt	Taizhou Sanfu	Meghna Marine	2020		+ 1 option
CONT	2	1,100 teu	Ezhou Guangda	Wuhan XG	2020		
CONT	2	1,800 teu	Hyundai Mipo	Pan Ocean	2019 / 2020		
Cruise	1	200 PAX	China Merchants Heavy	SunStone Ships	2021		Expedition Cruise
FSRU	1	173,400 cbm	DSME	Maran Gas	2020		Option declared
LNGBV	1	7,500 cbm	Keppel	FueLNG	2020	abt. $ 37.5 m	
LNGC	1	173,400 cbm	DSME	Maran Gas	2020		Option declared
LNGC	1	180,000 cbm	Samsung	GasLog	2020		7-yr T/C to Centric
RoPax	1	3,100 lm / 1,000 pax	AVIC Weihai	Stena RoRo	2021		LNG-Fueled
TSH Dredgers	2	10,500 cbm	Keppel Singmarine	Van Oord	2020 / 2021		+ 1 option / Dual-F
VLCC	2	300,000 dwt	DSME	Guggenheim Capital	2020		

SALE AND PURCHASE TRANSACTIONS

Type	Vessel	Size	Built	Buyer	Price	Comm.
MT	Sparto	114 549	2004	Thenamaris	11,50	
MT	Pantelis	114 500	2004		11,50	
MT	United Ambassador	73 584	2007	Greek	10,30	
MT	Iver Exact	46 575	2007	Spring marine	14,00	
MT	CPO Larisa Hestia	27 229	2001	Chinese	6,00	
MT	Oceanic Cyan	13 241	2008	Undisclosed	7,70	
BC	Medi Genova	75 767	2004	Chinese	11,50	Poor condition
BC	Atlantic Hawk	74 204	2002	Chinese	9,50	
BC	Nearchos	72 413	1998	Chinese	high 5's	
BC	Jin Fu	50 700	2001	Chinese	8,70	
BC	Paraskevi	45 950	1996	Undisclosed	4,80	
BC	Sumemr Wind	43 176	1995	Middle Eastern	5,30	
BC	Ince Point	37 503	2015	Undisclosed	20,50	

DEMOLITIONS

Sold for demolition

Vessel name	Size	Ldt	Built	Buyer	Price
MT Nordic Jupiter	157 411	22 615	1998	Undisclosed	456
MT Nordic Fighter	153 328	21 853	1998	Undisclosed	456
GAS Gay Unity	53 171	21 377	1982	Undisclosed	435
CONT Itea	48 304	15 804	1998	Undisclosed	468
REEF Taganrogskiy Zaliv	10 582	6 418	1993	Indian	425
REEF Baltic Pride	10 695	6 263	1989	Indian	425
REEF Baltic Reefer	5 880	4 990	1975	Indian	425