



SHIPPING RATES & BUNKERS (9:30 am ET)

Thursday, August 9, 2018

DIRTY TANKER (KT - \$/day)				
Voyage	Spot TCE earnings	2018 avg. rate	10 day trend	
VLCC, 270	AG-FE	13,400	9,600	
Suezmax, 130	WAF-UKC	4,400	5,100	
Aframax, 70	CAR-USG	3,100	5,700	
Panamax, 50	CAR-USG	6,100	6,400	

CLEAN TANKER (KT - \$/day)				
Voyage	Spot TCE earnings	2018 avg. rate	10 day trend	
MR, 37	UKC-USAC	1,400	6,800	
MR, 38	USG-UKC	(3,400)	900	

TIME CHARTER (KDWT)				
1yr eco vessel rate (\$/day)	Yearly trend	Newbuild price (\$M)	Secondhand 5yr old price (\$M)	
VLCC, 200+	26,000		88.0	61.0
Suezmax, 130-200	17,750		60.0	42.0
Aframax, 80-130	16,000		48.0	30.0
LR2, 80-130	16,000		50.0	31.0
LR1, 60-80	13,750		42.0	28.0
MR, 42-60	13,750		35.5	26.0
Handymax, 30-42	12,500		33.0	23.0

US FLAG (KT - \$/day)				
Voyage	Weekly spot rate	2018 avg. rate	10 week trend	
Handy, 38	USG-USAC	58,063	62,938	

LNG (\$/day)				
Weekly spot rate	Sentiment	Current month rate	2018 avg. rate	
160M3 Tri-fuel diesel electric (West)	Flat	74,000	66,452	
138-150M3 Steam turbine (West)	Flat	56,000	46,097	
160M3 Tri-fuel diesel electric (East)	Flat	63,000	55,484	
138-150M3 Steam turbine (East)	Flat	44,000	36,581	

LPG (KT)				
Last posted spot rate (\$/mt)	Spot TCE rate (\$/day)	1yr time charter rate (\$/day)		
VLGC, 44 (AG-Japan)	39.21	21,053	17,270	

BUNKERS (\$/mt)				
IFO 380	10 day trend	MDO	10 day trend	
US Gulf	433.5	677.5		
Rotterdam	429.0	624.5		
Singapore	470.0	657.5		

Oil supplies to Canada will not be affected by diplomatic row, says Saudi Energy Minister. The Kingdom, responding furiously to Canada's demand that jailed activists be released immediately, expelled the Canadian ambassador, blocked imports of Canadian grain and ended state-sponsored educational and medical programs in Canada. Riyadh reassured its oil customers in Canada after it froze new trade and ruled out mediation efforts. When it comes to oil, Saudi Arabia has a "firm and long-standing policy" that petroleum supplies are not influenced by political considerations, said Minister Khalid al-Falih. The current diplomatic crisis will not, in any way, impact Saudi Aramco's relations with its customers in Canada, he added. Bilateral trade between the two countries is worth more than \$3B a year.

DHT considers funding VLCC scrubber project. The shipowner is working with Alfa Laval to retrofit scrubbers on 12 VLCCs built between 2004 and 2012. Capital expenditure on the project hits \$55M, with yard space secured to complete all of the dry-dockings in 2019. Co-chief executive Svein Moxnes Harfjeld said many proposals to finance the project have been received. Based on the present fuel price spread, he says a standard VLCC fitted with a scrubber will have a \$12,000 per day advantage on a TCE basis and the payback on such investments may be less than one year. According to Evercore, 14 of DHT's 27 VLCCs are set to be scrubber-ready by the beginning of 2020.

Danish offshore wind powerhouse Orsted to acquire US firm Lincoln Clean Energy (LCE). The deal gives the US firm a value of \$580M. Orsted said LCE had an "attractive" portfolio, including 513 MW of recently commissioned wind and solar assets. Meanwhile, Orsted has installed 5.1 GW of offshore wind capacity in Europe, with 3.8 GW currently under construction. LCE's current management team will continue to run the company as it would exist as a separate unit outside of the Danish firm's wind power business. The transaction remains subject to approval from US competition authorities and is expected to close before year-end.

US coal cargoes head to China as Beijing prepares for new tariffs. At least four cargoes of US coal worth \$30M are headed to China as Beijing prepares to hit imports with 25% tariffs, threatening a niche supply of the fuel. The vessels, carrying a combined 335,000 tons of coal, are the only confirmed US cargoes en-route to China and are scheduled to arrive in time to avoid new duties. Last night, China published its final list of US items worth \$16B in imports that will incur an additional 25% tariff, including coal. These penalties are set to take effect on Aug. 23. The US shipped 3.2MT of coal to China last year, up from less than 700 tons in 2016.

COMMODITIES, (9:20 am ET)

CRUDE				
Source	Unit	Last price	Δ Prior day close	
Brent	ICE	\$/bbl	72.53	↑ 0.25
WTI	NYMEX	\$/bbl	67.02	↑ 0.08
Dubai (Spot)	Bloomberg	\$/bbl	71.08	↓ -2.09

PRODUCTS				
Source	Unit	Last price	Δ Prior day close	
RBOB Gasoline	NYMEX	¢/gal	201.13	↓ -0.82
Heating Oil	NYMEX	¢/gal	212.22	↑ 0.65

NATURAL GAS				
Source	Unit	Last price	Δ Prior day close	
US Henry Hub	NYMEX	\$/MMBtu	2.95	↑ 0.00
UK National Balancing Point	ICE	\$/MMBtu	7.79	↑ 0.03

NATURAL GAS LIQUIDS				
Source	Last Price (¢/gal)	Last Price (\$/mt)	Δ Prior day close (¢/gal)	
US Mont Belvieu Propane (Spot)	Bloomberg	96.25	501.72	↓ -2.87

PRICE SPREADS (\$/bbl)					
Source	Last price	Δ Prior day close			
Brent 3-2-1 Crack	ICE	10.60	↓ -0.23		

MARKET ANALYSIS

Asphalt: Wholesale selling prices last week climbed in some areas for flux and asphalt cement in the Midwest.

LNG: Interest in the Atlantic remained tentative last week with potential for additional chartering activity, but these opportunities did not materialized by the end of the week.

LPG: Of the total 37 VLGCs on order, all scheduled for delivery before the end of 2020, Poten counts 17 vessels to be constructed with scrubbers and just 2 vessels will have dual-fuel capability.

Oil prices rise as US sanctions on Iran come into effect.

US weekly jobless claims unexpectedly fall despite trade tensions.

MARKETS, (9:20 am ET)

EQUITIES					
Region/Country	Last value	Δ Prior day close			
S&P 500	United States	2,857.70	↓ -0.75		
FTSE 100	United Kingdom	7,729.82	↓ -46.83		
DAX	Germany	12,680.14	↑ 46.60		
Nikkei	Japan	22,598.39	↓ -45.92		
SH Composite	China	2,794.38	↑ 50.31		

CURRENCIES					
Region/Country	Last value	Δ Prior day close			
£/\$	United Kingdom	1.29	↑ 0.00		
€/€	European Union	1.16	↓ 0.00		
\$/JPY ¥	Japan	110.98	↓ -0.40		
\$/CNY ¥	China	6.82	↓ -0.02		

POTEN EVENTS

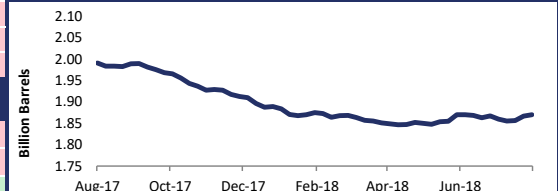
WORLD EVENTS

Sept. 17-20: Gastech, Barcelona, Poten sponsoring.

Aug 10: Baker Hughes Rig Count, 1:00pm, ET.

Aug 15: EIA Petroleum Status Report, 10:30am, ET.

EIA US WEEKLY ENDING STOCKS OF CRUDE OIL & PETROLEUM PRODUCTS (Aug 4, 2017 - Aug 3, 2018)



DOE US INVENTORY (mb)				
	Week ended Aug 3	Δ Prior week / Δ Prior year		
Crude	407.39	↓ -1.35	↓ -68.05	
Distillate	125.43	↑ 1.23	↓ -22.26	
Gasoline	233.87	↑ 2.90	↑ 2.77	