













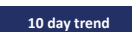
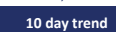






SHIPPING RATES & BUNKERS (9:40 am ET)

Thursday, December 13, 2018

S H I P I N G R A T E S	VLCC, 270	AG-FE	47,600	18,000		
	Suezmax, 130	WAF-UKC	22,700	9,700		
	Aframax, 70	CAR-USG	38,600	12,000		
	Panamax, 50	CAR-USG	16,500	8,800		
	CLEAN TANKER (KT - \$/day)		Voyage	Spot TCE earnings	2018 avg. rate	10 day trend
	MR, 37	UKC-USAC	22,300	6,700		
	MR, 38	USG-UKC	20,800	2,200		
	TIME CHARTER (KDWT)		1yr eco vessel rate (\$/dwt)	Yearly trend	Newbuild price (\$M)	Secondhand 5yr old price (\$M)
	VLCC, 200+	37,000		92.0	64.0	
	Suezmax, 130-200	24,000		62.0	44.5	
R A T E S	Aframax, 80-130	19,000		48.0	31.0	
	LR2, 80-130	18,500		50.0	32.0	
	LR1, 60-80	14,250		43.0	25.0	
	MR, 42-60	14,500		36.0	26.0	
	Handymax. 30-42	13,000		33.0	24.0	
	US FLAG (KT - \$/day)		Voyage	Weekly spot rate	2018 avg. rate	10 week trend
	Handy, 38	USG-USAC	67,563	61,390		
	LNG (\$/day)		Weekly spot rate	Sentiment	Current month rate	2018 avg. rate
	160M3 Tri-fuel diesel electric (West)	120,000	Decreasing	120,000	79,408	
	138-150M3 Steam turbine (West)	90,000	Decreasing	90,000	56,776	
B U N K E R S	160M3 Tri-fuel diesel electric (East)	140,000	Decreasing	140,000	79,735	
	138-150M3 Steam turbine (East)	95,000	Decreasing	95,000	52,612	
	LPG (KT)		Last posted spot rate (\$/mt)		Spot TCE rate (\$/day)	1yr time charter rate (\$/day)
	VLGC, 44 (AG-Japan)	39.32		21,382	21,382	
	BUNKERS (\$/mt)		IFO 380	10 day trend	MDO	10 day trend
	US Gulf	370.5		599.5		
	Rotterdam	360.5		538.5		
	Singapore	405.0		554.5		

DEVELOPMENTS

Exxon to develop Australian natural gas project along with BHP. The two companies said they approved development of the west Barracouta gas field in the Gippsland Basin in Australia, to bring fresh gas to Australian domestic markets. Exxon said the project is part of its existing investment portfolio in the Gippsland Basin, while BHP said it will invest about \$144.36M in the field. The Gippsland Basin joint venture covers about 40% of Australia's east coast gas demand. Natural gas prices in Australia, and especially on the east coast, have surged in recent years to the point where they have become a political issue.

[Reuters Dec. 13, 2018](#)

Global oil producers agree to min. \$60 bbl. According to the IEA, coordinated action among global oil producers to curtail supply has helped put a "floor" under crude prices around \$60 bbl. The IEA said the agreement is targeted to bringing relative stability and a balance to the market. So far, Brent crude prices seem to have found a floor, added the agency. Prices hit \$86 bbl in Oct. on fears of a squeeze, but Brent fell to below \$60 as producers overcompensated and importers received waivers from US sanctions on Iran. For Saudi Arabia and Russia, lower prices would strain their budgets.

[FT Dec. 13, 2018](#)

US solar slowed by tariffs. Installations of new solar power capacity in the US slowed in Q3 to the weakest rate since 2015 as the US imposes tariffs on imported panels. The cost of solar power has plummeted in recent years, making it more attractive and competitive against fossil fuel generation. Despite that, the pace of development in the sector has been significantly dependent on federal government policy, such as tax credits and tariffs. While the tariffs were imposed to protect US manufacturers, the Solar Energy Industries Association claims that tariffs had put a brake on investment and cost more than 20,000 jobs.

[FT Dec. 13, 2018](#)

Qatar's exit from OPEC frees it from US legal concerns. The country's Energy Minister and CEO of Qatar Petroleum (QP), Saad al-Kaabi, has been concerned about the OPEC membership for a long time. Al-Kaabi believes an OPEC membership could become a hurdle for QP's ambitions in the US, where it has one of the biggest LNG terminals and a distraction from its gas production plans. A proposed legislation in the US, called NOPEC, could expose members of the group to antitrust lawsuits. This poses a risk to QP at a time where it hopes to ramp up its investment in the US. QP is the majority owner of Golden Pass LNG in Texas, with potential plans to up its investment in the project. QP is also considering buying more US gas assets. Leaving OPEC would take Doha out of the debate within the US.

[Reuters Dec. 13, 2018](#)

COMMODITIES, (9:35 am ET)

E	CRUDE	Source	Unit	Last price	Δ Prior day close
N	Brent	ICE	\$/bbl	59.89	📉 -0.26
E	WTI	NYMEX	\$/bbl	50.72	📉 -0.43
R	Dubai (Spot)	Bloomberg	\$/bbl	58.93	📉 -0.81
G	PRODUCTS	Source	Unit	Last price	Δ Prior day close
Y	RBOB Gasoline	NYMEX	¢/gal	142.60	📈 0.56
	Heating Oil	NYMEX	¢/gal	183.93	📉 -1.16
P	NATURAL GAS	Source	Unit	Last price	Δ Prior day close
R	US Henry Hub	NYMEX	\$/MMBtu	4.28	📈 0.15
I	UK National Balancing Point	ICE	\$/MMBtu	8.42	📈 0.08
C	NATURAL GAS LIQUIDS	Source	Last Price (¢/gal)	Last Price (\$/mt)	Δ Prior day close (¢/gal)
S	US Mont Belvieu Propane (Spot)	Bloomberg	69.00	359.68	📈 0.63
	PRICE SPREADS (\$/bbl)	Source		Last price	Δ Prior day close
	Brent 3-2-1 Crack	ICE		5.73	📈 0.23

MARKET ANALYSIS

Asphalt: Rocky Mountain area selling ranges headed down in many locations last week, with demand diminishing.

LNG: The Atlantic and Middle East continued to be very quiet with very few discussions for tonnage emerging. Tonnage availability in both basins continued to remain at low levels and with limited availability, potential discussions became difficult.

LPG: Apart from the newly commissioned LPG terminal with 31,000 tons of planned capacity, Sri Lanka also has 8,000 tons of import capacity at Kerawalapitiya and 3,000 tons at Hambantota, taking the country's total installed terminal capacity to 41,000 tons.

MARKETS, (9:35 am ET)

EQUITIES	Region/Country	Last value	Δ Prior day close
S&P 500	United States	2,651.07	↑ 14.29
FTSE 100	United Kingdom	6,871.89	↓ -8.30
DAX	Germany	10,958.49	↑ 29.06
Nikkei	Japan	21,816.19	↑ 213.44
SH Composite	China	2,634.05	↑ 31.90
CURRENCIES	Region/Country	Last value	Δ Prior day close
£/\$	United Kingdom	1.26	↑ 0.00
€/€	European Union	1.13	↓ 0.00
\$/JPY ¥	Japan	113.56	↑ 0.27
\$/CNY ¥	China	6.88	↑ 0.00

DOE US INVENTORY (mb)	Week ended Dec. 7	Δ Prior week	Δ Prior year
Crude	441.95	↓ -1.21	↓ -1.03
Distillate	124.14	↓ -1.48	↓ -3.94
Gasoline	228.34	↑ 2.09	↑ 1.79

POTEN EVENTS

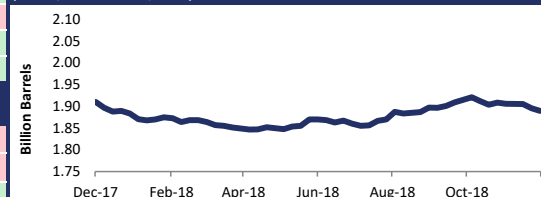
WORLD EVENTS

Jan. 28-30: European Gas Conference, Vienna, Austria. Oleg Vukmanovic speaking.

Dec. 13: EIA Natural Gas Report, 11:00am, ET.

Dec. 14: Baker Hughes Rig Count 1:00pm, ET.

EIA US WEEKLY ENDING STOCKS OF CRUDE OIL & PETROLEUM PRODUCTS (Dec. 8, 2017 - Dec. 7, 2018)



NEW YORK LONDON HOUSTON PERTH ATHENS SINGAPORE GUANGZHOU