

MARKET COMMENTARY

LNG demand so far this summer appears unprecedented and doesn't seem to be slowing, fortunately for Owners as a consequence vessel availability continues to fall away with single voyage and multi-month requirements firming up swiftly. Cargo pricing clearly shows an open West to East arb and due to the dearth of vessels in the USGC and European regions, Middle Eastern and South American positioned vessels are the focus but are so infrequent that Singapore based vessels are attracting high levels of attention. Pacific charterers no longer see the luxury of prompt TFDE vessels to pick from and, in general, have to work off vessel dates in the Singapore F.E range, as Owners shun such requirement to focus on Western requirements requiring vessels to raise anchor and set sail for July liftings. Rates have reacted quickly and the curve continues to steepen daily, some talk has started to suggest how long can it continue but is swiftly interrupted with a new requirement. The second half of 2018 looks set for record levels and 2019 likely to follow in similar fashion. It's easy to get carried away with such sentiment and vessel demand can disappear as quickly as it comes, particularly with Australian production due to come online later this year and as early as next month. Another question that will start to emerge with higher rates, will we see Owners jumping the gun and ordering speculatively for 2020 – 2021 only to see the cycle repeat itself. In any case new build prices firm as do second hand prices.

OUTSTANDING CARGO REQUIREMENTS / OFFERS

START DATE	BUYER / (SELLER)	FROM	TO	COMMENTS
15Jun - 15Jul	Calamari LNG		Colombia FSRU	1 DES
01Jul - 31Aug	EGAS		Egypt	9 DES
11Jun - 31Aug	CFE		Manzanillo	12 DES
16Nov - 31Jan 19	GAIL	Cove Point		4 FOB

SPOT CHARTER RATES

CHARTER	AV. 2015	AV. 2016	AV. 2017	AV. YTD	THIS WEEK	TREND
East of Suez 145k cbm ST	26,760	18,442	25,250	31,729	39,000	FIRM
West of Suez 145k cbm ST	28,115	22,375	27,635	39,583	50,000	FIRM
East of Suez 160k cbm TFDE	34,750	31,231	39,990	51,000	60,000	FIRM
West of Suez 160k cbm TFDE	37,288	35,827	47,135	61,083	70,000	FIRM

1 YEAR TERM CHARTER RATES

CHARTER	AV. 2015	AV. 2016	AV. 2017	AV. YTD	THIS WEEK	TREND
145k ST	27,772	16,433	22,490	28,292	30,000	STEADY
160k TFDE	40,221	30,885	36,750	56,292	70,000	FIRM

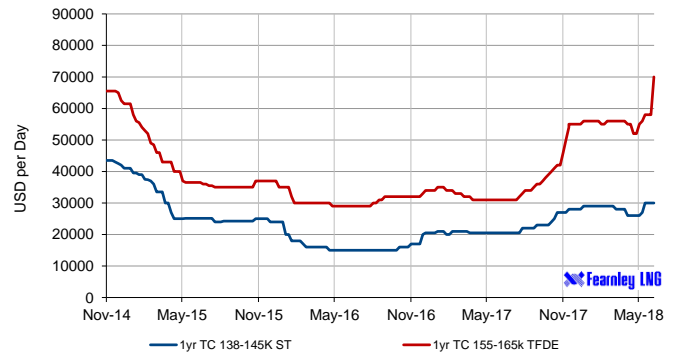
BALLAST BONUS SENTIMENT

One Way Only	One Way & Fuel	Partial RV	Full RV
One Way Only: One Way & Fuel: Partial RV: Full RV:	Delivery loadport and re-delivery Disport – no additional payments Delivery loadport and re-delivery Disport with fuel only back to Singapore, Fujairah, Gibraltar or loadport (whichever is closer) Delivery at Loadport and re-delivery at Disport with Ballast Bonus calculated on fuel and a percentage of hire Positioning payment to loadport and full ballast bonus back to loadport (calculated on fuel and hire)		

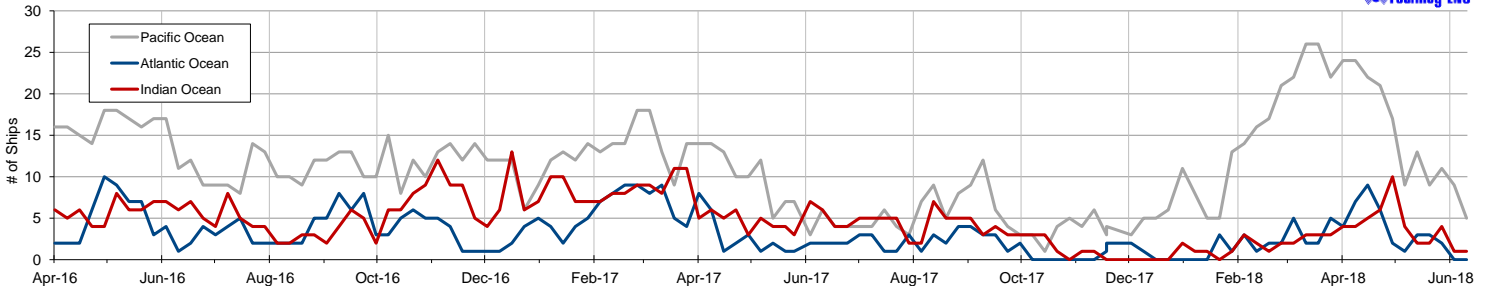
AVERAGE LNG SPOT CHARTER RATES



LNG 1 YEAR CHARTER RATES



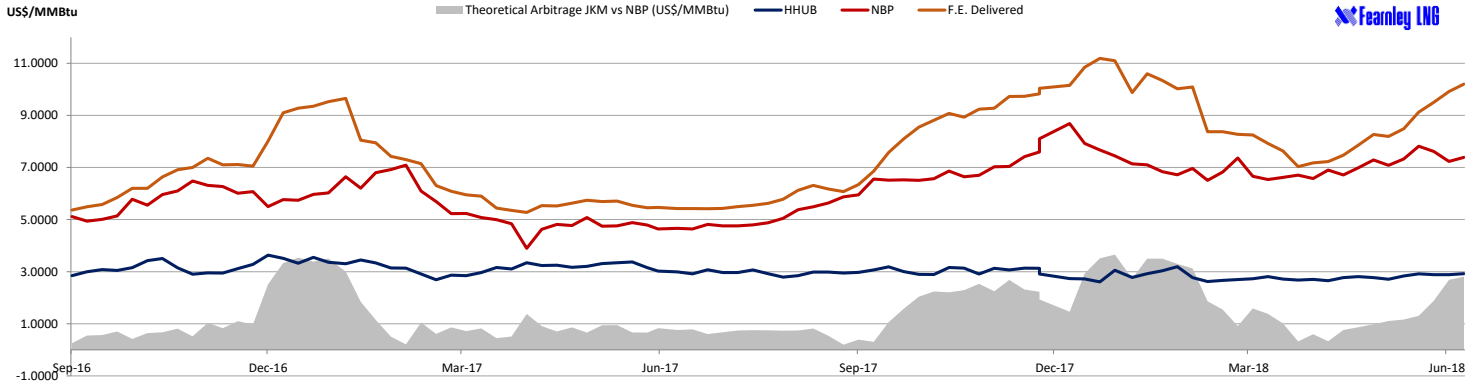
NUMBER OF AVAILABLE VESSELS IN SPOT MARKET



All rates published in this report do not necessarily reflect actual transactions occurring in the market. Certain estimates may be based on prevailing market conditions. In some circumstances, rates for certain vessel types are based on theoretical assumptions of premium or discount for particular vessel versus other vessel types.

GAS MARKETS

MARKET	MONTH	THIS WEEK	LAST WEEK	TREND
NYMEX HENRY HUB - (US\$/MMBTU)	July	2.923	2.887	FIRM
UK NBP - (US\$/MMBTU)	July	7.392	7.231	FIRM
LNG - FAR EAST EST. (US\$/MMBTU)	July	10.08-10.33	9.76-10.07	FIRM



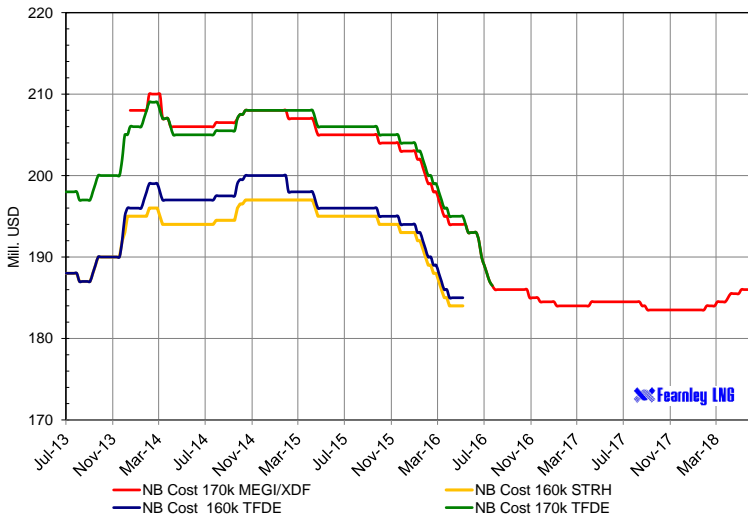
RECENT VESSEL TRANSACTIONS AND NEW ORDERS

WEEK	SHIP TYPE	SELLER / YARD	BUYER	PRICE	DEL. / BLT	COMMENTS
No new transactions						

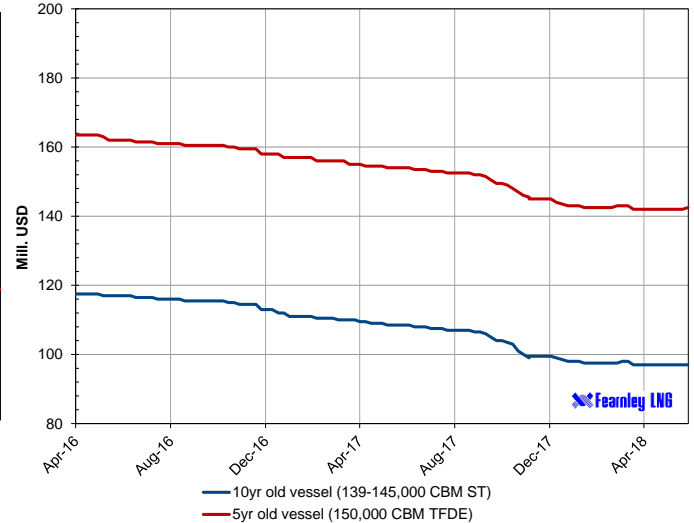
NEWBUILDING PRICE INDICATIONS

SHIP TYPE	AV. 2016	Av. 2017	AV. YTD	THIS WEEK	TREND	COMMENTS
170k CBM - MEGI/XDF	191	184	184.7	186.0	STEADY	

NEWBUILDING PRICE INDICATIONS



SECONDHAND PRICE INDICATIONS



FEARNEYS AS
P.O BOX 1158 SENTRUM
0107 OSLO, NORWAY
PHONE: + 47 22 93 60 00

TEAM ADDRESSES
Ing@fearnleys.no
Ingchartering@fearnleys.com

PER-CHRISTIAN FETT
Mobile: + 47 95 88 21 20

RICHARD PRATT
Mobile: +1 713 692 3175

CHRISTIAN STEIMLER
Mobile: + 47 95 17 00 29

SHINOBU NAKAGAWA
Mobile: +81 80 5652 2215

TATSUO 'TOM' OSAKABE
Mobile: +81 90 1530 7679

GEORGIA STEFOU
Mobile: + 44 7476 844 367

MICHAEL NEWMAN
Mobile: + 44 7468 560 557

TRISTAN JONES
Mobile: + 44 7852 919 314

ALEXANDER NILSEN
Mobile: + 47 952 27 208

GAO BO
Mobile: + 86 13811 536170

PATRICK O'NEILL
Mobile: + 44 7586 836 731

DINO SAPUTRA
Mobile: + 65 9125 7888

TUOMAS MALJANEN
Mobile: + 65 9170 2009

MATTHEW QUEK
Mobile: + 65 8228 6442