

WEBER WEEKLY TANKER REPORT



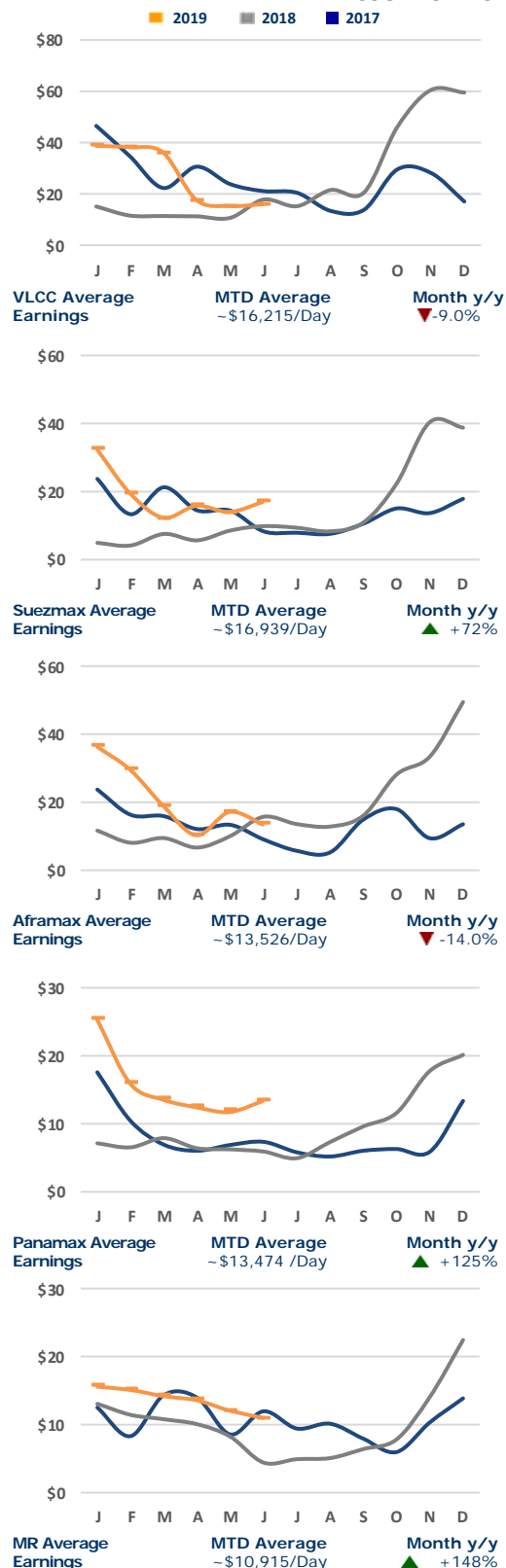
WEEK 23 – 7 June 2019

ISSUE 23 – 2019

Spot Market	WS/S	TCE	WS/S	TCE
VLCC (13.0 Kts L/B)	Week ending 31-May		Week ending 7-June	
AG>USG 280k	18.0	--	18.0	--
AG>SPORE 270k	37.9	\$14,220	36.6	\$13,982
AG>JPN 265k	36.6	\$14,105	35.2	\$13,758
AG>CHINA 270k	39.5	\$13,256	38.0	\$12,881
WAFR>CHINA 260k	40.0	\$16,936	39.6	\$17,730
USG>SPORE 270k	\$4.05m	\$18,458	\$4.04m	\$19,698
AG>USG/USG>SPORE/AG	--	\$27,303	--	\$28,695
VLCC Average Earnings		\$16,076		\$16,215
SUEZMAX (13.0 Kts L/B)				
WAFR>USG 130k	50.6	\$8,513	56.0	\$12,643
WAFR>UKC 130k	54.4	\$5,879	60.5	\$10,258
BSEA>MED 140k	75.0	\$17,708	77.5	\$20,650
CBS>USG 150k	52.5	\$18,085	57.5	\$23,638
USG>UKC 130k	40.9	--	46.9	--
CBS>USG/USG>UKC/WAFR	--	\$16,710	--	\$24,296
AG>USG 140k	32.5	--	35.0	--
USG>SPORE 130k	\$2.5m	--	\$2.56m	--
AG>USG/USG>SPORE/AG	--	\$18,355	--	\$21,058
Suezmax Average Earnings		\$12,692		\$16,939
AFRAMAX (13.0 Kts L/B)				
N.SEA>UKC 80k	100.0	\$17,312	100.0	\$18,652
BALT>UKC 100k	73.8	\$14,808	73.0	\$15,758
CBS>USG 70k	84.4	\$5,185	85.0	\$6,350
USG>UKC 70k	76.3	--	77.5	--
CBS>USG/USG>UKC/NSEA	--	\$15,517	--	\$17,128
MED>MED 80k	103.8	\$18,994	79.0	\$8,433
AG>SPORE 70k	108.8	\$17,746	107.5	\$18,044
Aframax Average Earnings		\$14,409		\$13,526
PANAMAX (13.0 Kts L/B)				
CBS>USG 50k	135.0	\$13,404	138.0	\$14,913
CONT>USG 55k	100.0	\$10,050	100.0	\$10,899
ECU>USWC 50k	155.0	\$19,232	155.0	\$19,927
Panamax Average Earnings		\$12,362		\$13,474
LR2 (13.0 Kts L/B)				
AG>JPN 75k	106.9	\$17,799	105.5	\$18,063
AG>UKC 80k	\$2.26m	\$19,717	\$2.24m	\$20,111
MED>JPN 80k	\$1.81m	\$10,733	\$1.73m	\$10,158
AG>UKC/MED>JPN/AG	--	\$20,235	--	\$19,988
LR2 Average Earnings		\$18,610		\$18,704
LR1 (13.0 Kts L/B)				
AG>JPN 55k	117.1	\$13,796	116.8	\$14,291
AG>UKC 65k	\$1.79m	\$14,625	\$1.82m	\$15,949
UKC>WAFR 60k	83.4	\$5,974	83.0	\$6,583
AG>UKC/UKC>WAFR/AG	--	\$16,147	--	\$17,228
LR1 Average Earnings		\$14,971		\$15,759
MR (13.0 Kts L/B)				
UKC>USAC 37k	135.0	\$10,818	116.5	\$8,029
USG>UKC 38k	87.5	\$2,939	72.5	\$761
USG>UKC/UKC>USAC/USG	--	\$16,629	--	\$12,338
USG>CBS (Pozos Colorados) 38k	\$393k	\$8,116	\$360k	\$6,556
USG>CHILE (Coronel) 38k	\$1.21m	\$15,071	\$1.11m	\$12,720
CBS>USAC 38k	120.0	\$10,130	114.5	\$9,645
WCIND>JPN/ROK>SPORE/WCIND	--	\$18,075	--	\$15,816
MR Average Earnings		\$13,666		\$10,915
Handy (13.0 Kts L/B)				
MED>EMED 30k	160.6	\$18,582	147.8	\$15,419
SPORE>JPN 30k	130.0	\$7,467	130.0	\$7,882
Handy Average Earnings		\$11,468		\$10,595

Average Earnings weighted proportionally to regional activity share of each size class' worldwide market (including routes not necessarily shown above).

Time Charter Market \$/day (theoretical)	1 Year	3 Years
VLCC	\$36,000	\$33,000
Suezmax	\$23,500	\$25,000
Aframax	\$21,000	\$22,000
LR 1	\$16,500	\$17,000
MR	\$14,500	\$16,000
Handy	\$13,500	\$13,500



Whilst every care has been taken in the production of this study, no liability can be accepted for any loss incurred in any way whatsoever by any person who may seek to rely on the information contained herein. All information is supplied in good faith and Charles R. Weber Company, Inc. accepts no responsibility for any and all errors and omissions contained within this study.

WEBER WEEKLY TANKER REPORT



SPOT MARKET SUMMARY

VLCC

The sluggish pace in the Arabian Gulf (AG) VLCC sector continued this week and, when coupled with the substantial over-supply of tonnage, kept downward sentiment en vogue. Those few cargoes that appeared drew large audiences, most attracting double-digit offers, leaving charterers in no rush to advance. Owners did show a strong resistance and looked to keep returns in positive territory. The over-supply shrunk some as more units ballasted to the Atlantic Basin. Despite that, the availability of tonnage significantly outweighs the expected demand.

Following a strong first quarter with returns averaging almost \$37,000 pdpr, rates have come off and q2 is averaging ~\$16,400 pdpr to date. In the short term little change is expected as we move into the historically slower summer doldrums.

Eastbound rates came off slightly, hovering between 37.5 and 38.5 for the most active route to China, with tces ending the week at about \$12,200 pdpr as bunker prices pushed back up toward the \$400 level. The older vessels traded at their usual discount, the latest fixture at ws31.5 (on 274,000 mt cargo size) for preferred business to Korea, yielding a return just below opex at around \$9,000 pdpr.

Westbound business was inactive, although it remains preferred for positioning purposes. Rates to the USG via the cape were untested, but held at ws18 as triangulation shows a tce of about \$27,300 per day over the two voyages (basis ws18 and \$4.00 mil)

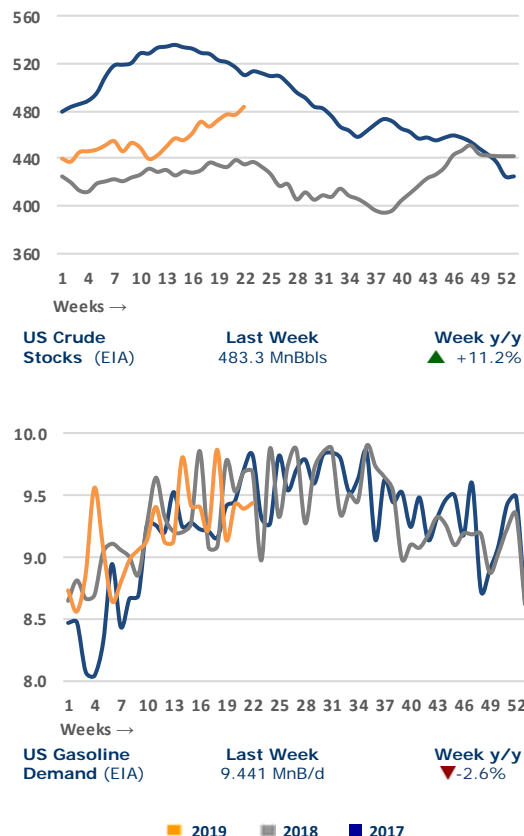
There were 16 fresh fixtures to report this week, bringing the tally for the June cargo program to 102. A busier than usual first decade was back on track, while a slower pace in the middle decade leaves an anticipated 30-35 cargoes to for the month. This compares to a position list with some 60+ vessels available over that same period.

Suezmax

Demand in the West Africa Suezmax market was stronger this week, enabling a modest uptick in rates. Fixture activity was up almost 33% in West Africa with 16 fixtures conducted this week vs 12 fixtures from the previous week. The TD20 route rallied to an increase of +20 pts off the back of improved supply/demand fundamentals and rising rates in alternative markets. TD20 TCE levels also showed a moderate increase on the week improving to just over ~\$17,500/day. The BSEA – MED route added +7.5 points, which elevated TD6 up to ws82.5 and yielding a TCE of around ~\$24,600/day. In the USG/CBS region, increased demand coupled with a patchy tonnage list have left rates in a promising position early in the Summer Season. The USG-TA route received a boost from the tighter tonnage list that helped elevate rates up +12.5 points from last week to ws54 basis 150k MT cargo. The double-digit increase in rates over last week equates to a TCE of around ~\$29,000/day for the active transatlantic route. The USG-SPORE route also witnessed a boost from owners' bullish sentiment pushing rates up to \$2.7m (1:1) lump sum off. BDTI - TD20 ended the week settling at 71.36 which is up (+18.31) from this time last week.

Aframax

To start off the week, the general outlook appeared rather uninviting in the Aframax world, as local market levels remained motionless. The previous week's close carried over and rates floated in and around the ws85 level. As the market swiftly experienced a significant uptick in activity, tonnage began to disappear, and owners' sentiment quickly firmed to the point that a handful of them grew reluctant to jump in and repeat last done levels. Owners successfully kept tabs on tonnage availability, patiently allowed the list to tighten and the low hanging fruit to be consumed. When things got tighter, they quickly went on the offensive and managed to inch rates up to the ws90 levels. Now, as we turn over into next week, when noticeably less tonnage is available, we expect owners' sentiment to remain optimistic, and many are likely to hold back their availability, ready to pounce on any opening to move rates up further.



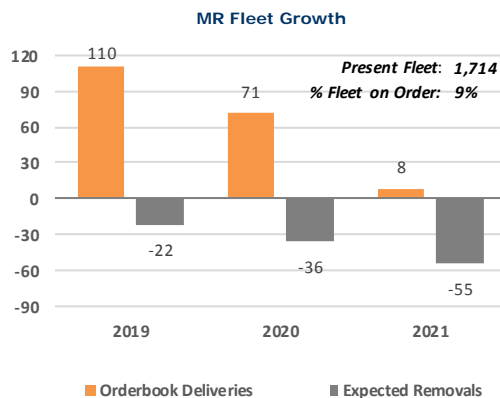
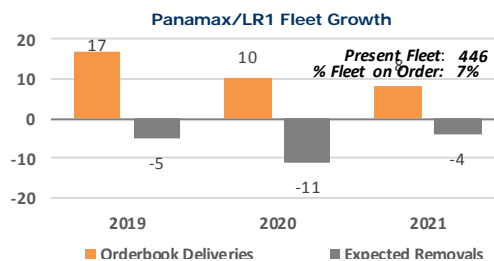
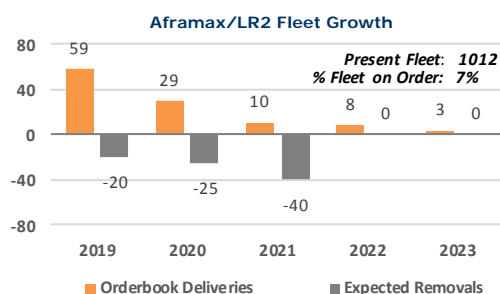
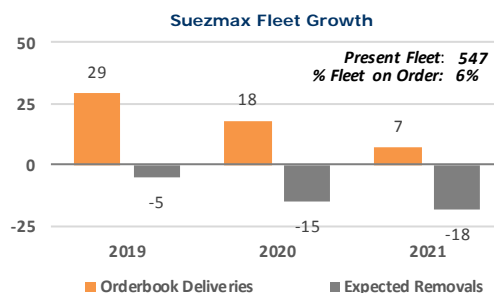
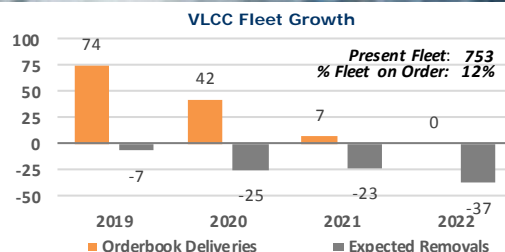
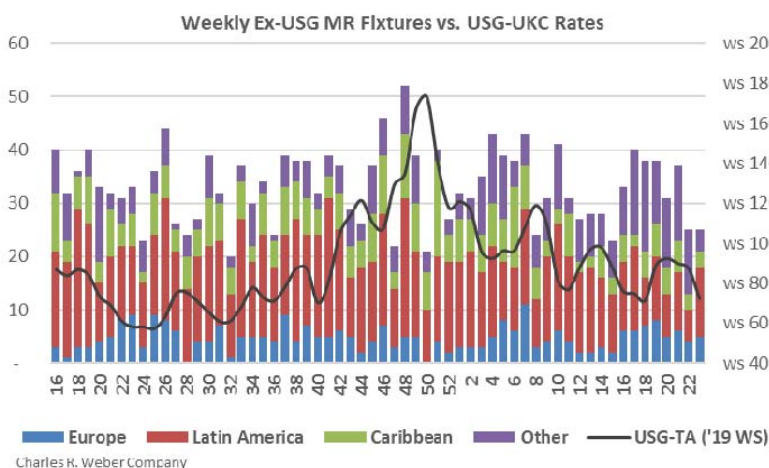
WEBER WEEKLY TANKER REPORT



MR

After a slow start to the beginning of the week, owners with tonnage on the Continent were able to boost tc2 mid-week levels upwards of 5 pts to 37 x ws 117.5-120. Since then, rates have settled into trading mainly sideways as most charterers have decided to hold off until next week. Lethargic demand from Wafr has eased the premium to just 10 pts over transatlantic voyages.

A typical scenario in the USG has arisen again as an abundance of tonnage keeps all benchmark routes at yearly lows. Weaker bunker prices have now brought Tc14 levels down to 38 x ws 70 and usg/ecsa presently stands at ws 120. Unfortunately, Short hauls are providing no real relief (usg/cbs 350k usg/ecmex 155k) as Owners willingly will accept last done levels to keep tonnage employed and re-positioned for any potential upswing.



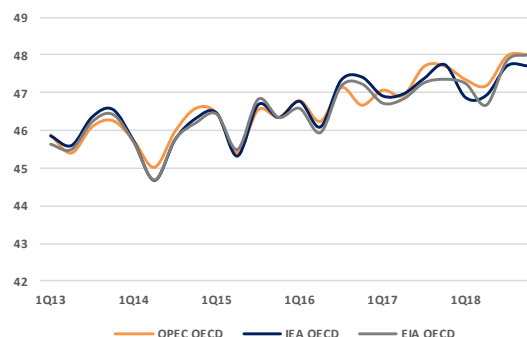
WEBER WEEKLY TANKER REPORT



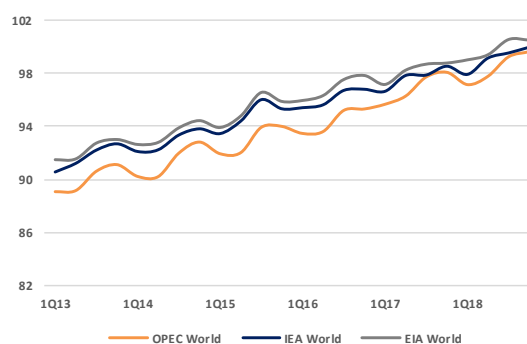
REPORTED TANKER SALES

Brightoil Gravity	319,911	2012	HHI - Gunsan	\$55.80	Unknown
Brightoil Lion	107,525	2010	Tsuneishi Holdings	~\$26.0	Brave Maritime (Vafias)
Kastav	52,610	2009	3 Maj Brodogradiliste	\$15.10	Unknown Turkish
Security	46,803	2004	Hyundai Mipo	PNR	Unknown
Tenacity	46,803	2004	Hyundai Mipo	PNR	Unknown
Bow Tone	33,000	2009	Kitanihon	~\$18	Hansa Tankers
CPO Australia	51,763	2011	Hyundai Mipo	\$20.75	Torm
CPO Singapore	51,737	2011	Hyundai Mipo	\$20.75	Torm
CPO Malaysia	51,762	2011	Hyundai Mipo	\$20.75	Torm
CPO New Zealand	51,717	2011	Hyundai Mipo	\$20.75	Torm
Torm Gunhild	45,457	1999	Halla Samho	\$6.00	Unknown

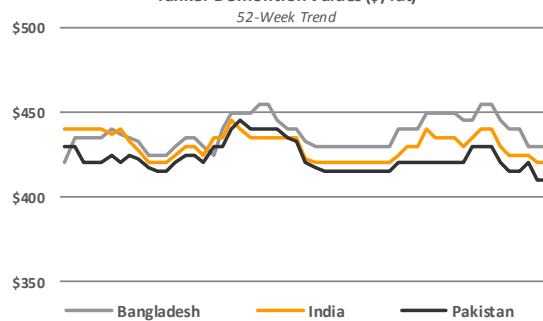
Projected OECD Oil Demand (Mnb/d)



Projected World Oil Demand (Mnb/d)



Tanker Demolition Values (\$/ldt)



WEBER WEEKLY **TANKER REPORT**



3 Greenwich Office Park,
Greenwich, CT 06831
Tel: +1 203 629-2300

Charles R. Weber Company, Inc.

1001 McKinney Street, Suite 475
Houston, TX 77002
Tel: +1 713 568-7233

www.crweber.com