

WEBER WEEKLY TANKER REPORT



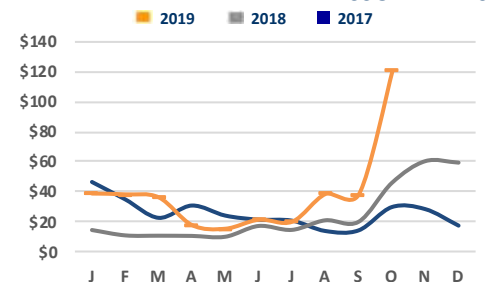
WEEK 41 – 11 October 2019

ISSUE 41 – 2019

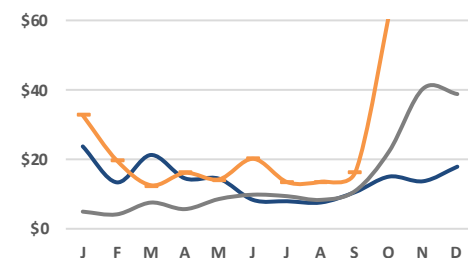
Spot Market	WS/S	TCE	WS/S	TCE
VLCC (13.0 Kts L/B)	Week Ending 4-Oct		Week Ending 11-Oct	
AG>USG 280k	44.50	--	90.50	--
AG>SPORE 270k	96.20	\$78,425	176.00	\$167,918
AG>JPN 265k	92.50	\$77,848	169.00	\$166,704
AG>CHINA 270k	95.70	\$75,990	174.00	\$164,798
WAFR>CHINA 260k	94.40	\$75,414	161.00	\$147,606
USG>SPORE 275k	9.40m	\$76,506	13.92m	\$126,464
AG>USG/USG>SPORE/AG	--	\$102,844	--	\$189,852
VLCC Average Earnings		\$79,253		\$161,335
SUEZMAX (13.0 Kts L/B)				
WAFR>USG 130k	110.00	\$42,468	207.50	\$98,212
WAFR>UKC 130k	115.00	\$38,965	214.50	\$93,261
BSEA>MED 140k	118.50	\$52,164	220.50	\$127,783
CBS>USG 150k	106.00	\$49,164	150.00	\$82,266
USG>UKC 150k	90.00	\$36,493	126.00	\$61,591
CBS>USG/USG>UKC/WAFR	--	\$47,082	--	\$78,442
AG>USG 140k	45.50	\$15,749	84.00	\$47,165
USG>SPORE 130k	5.22m	--	6.71m	--
AG>USG/USG>SPORE/AG	--	\$50,245	--	\$84,859
Suezmax Average Earnings		\$38,043		\$87,356
AFRAMAX (13.0 Kts L/B)				
N.SEA>UKC 80k	158.00	\$60,275	186.00	\$80,951
BALT>UKC 100k	133.80	\$53,735	147.40	\$62,617
CBS>USG 70k	157.50	\$31,760	188.00	\$43,358
USG>UKC 70k	149.50	\$29,706	177.00	\$39,664
CBS>USG/USG>UKC/NSEA	--	\$54,186	--	\$69,591
MED>MED 80k	173.00	\$51,028	201.00	\$64,714
AG>SPORE 70k	129.50	\$24,914	176.00	\$41,461
Aframax Average Earnings		\$45,361		\$58,840
PANAMAX (13.0 Kts L/B)				
CBS>USG 50k	193.00	\$27,927	208.00	\$32,097
CONT>USG 55k	120.00	\$16,041	157.00	\$26,927
ECU>USWC 50k	197.00	\$27,904	206.00	\$29,461
Panamax Average Earnings		\$21,612		\$28,462
LR2 (13.0 Kts L/B)				
AG>JPN 75k	114.10	\$20,657	144.50	\$32,029
AG>UKC 80k	2.19m	\$18,697	2.59m	\$27,259
MED>JPN 80k	2.45m	\$22,399	2.64m	\$26,589
AG>UKC/MED>JPN/AG	--	\$26,508	--	\$33,360
LR2 Average Earnings		\$22,605		\$32,472
LR1 (13.0 Kts L/B)				
AG>JPN 55k	108.63	\$12,334	132.00	\$19,227
AG>UKC 65k	1.60m	\$11,432	1.82m	\$16,319
UKC>WAFR 60k	107.25	\$12,812	129.13	\$19,435
AG>UKC/UKC>WAFR/AG	--	\$16,859	--	\$23,078
LR1 Average Earnings		\$14,597		\$21,153
MR (13.0 Kts L/B)				
UKC>USAC 37k	103.50	\$5,074	129.00	\$10,382
USG>UKC 38k	73.00	\$514	90.00	\$4,263
USG>UKC/UKC>USAC/USG	--	\$10,413	--	\$17,068
USG>CBS (Pozos Colorados) 38k	355k	\$5,943	460k	\$13,377
USG>CHILE (Coronel) 38k	1.14m	\$13,200	1.35m	\$19,862
CBS>USAC 38k	114.50	\$9,340	127.00	\$12,316
WCIND>JPN/ROK>SPORE/WCIND	--	\$13,430	--	\$15,562
MR Average Earnings		\$9,275		\$14,369
Handy (13.0 Kts L/B)				
MED>EMED 30k	113.70	\$5,926	138.20	\$13,110
SPORE>JPN 30k	132.70	\$8,197	134.50	\$9,528
Handy Average Earnings		\$7,379		\$10,817

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

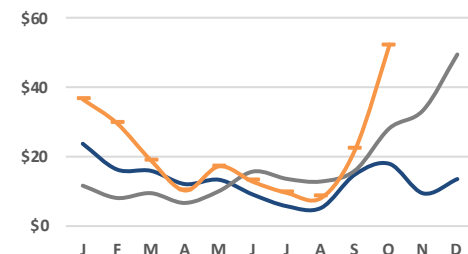
Time Charter Market \$/day (theoretical)	1 Year	3 Years
VLCC	\$55,000	\$39,000
Suezmax	\$40,000	\$30,000
Aframax	\$26,000	\$23,500
LR 1	\$19,000	\$18,000
MR	\$18,500	\$17,500
Handy	\$15,000	\$14,500



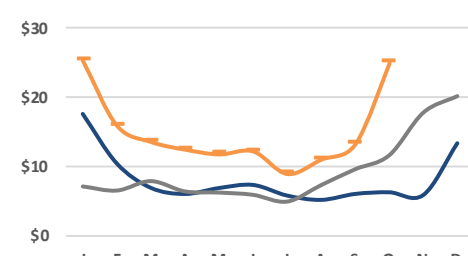
VLCC Average Earnings MTD Average ~\$161,335/Day Month y/y ▲ +162%



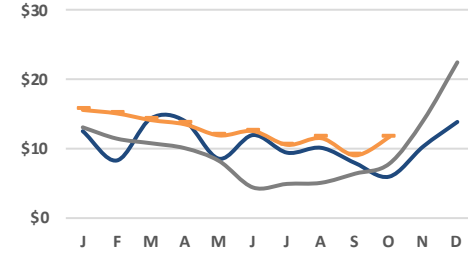
Suezmax Average Earnings MTD Average ~\$87,356/Day Month y/y ▲ +179%



Aframax Average Earnings MTD Average ~\$58,840/Day Month y/y ▲ 85%



Panamax Average Earnings MTD Average ~\$28,462/Day Month y/y ▲ +114%



MR Average Earnings MTD Average ~\$14,369/Day Month y/y ▲ +51%

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SPOT MARKET SUMMARY

VLCC

The Arabian Gulf October 7 – 11

Rates in the VLCC sector continued their resounding surge upwards, reaching what are arguably some of the highest levels on record. Returns in the sector pushed up above \$300,000 per day, the latest fixture for a voyage to Singapore yielding a tce of over \$327,000 per day. While the very start of the week was muted, the pace quickly picked up, as Charterers advanced from end of October into the first decade of November. The daily influx of inquiry put continued upward pressure on sentiment, Charterers competing against each other to secure tonnage. The demand seemed even greater as the October program proved five percent busier than September and Charters reached out further ahead than usual. At this point last month (Sept 11th) we had yet to see any forward month (October) cargoes, but today (Oct 11th) we have 25 November fixtures already recorded. At some point the activity will slow, but for now the market exuberance continues to push levels to new highs.

Eastbound rates for modern tonnage firmed dramatically; starting off at ws120, moving up above ws135 to ws140 by mid-week. From there the surges increased, rates increasing almost 65 point on Thursday to ws205 and seeing the largest daily increase on Friday, where levels moved from ws240, to ws280 and ultimately ws325 for a voyage to Singapore.

Westbound business saw an even greater ascent; starting the week in the high ws70's, with the next fixture at ws173 via the Cape. While the eastbound returns are now higher than triangulated, such lofty levels make westbound business still attractive. AG to the USG followed by USG to Singapore (basis ws173 cc and \$18.0 mil) yields a tce of over \$305,000 per day over the two voyages.

Position list and Cargo Avails

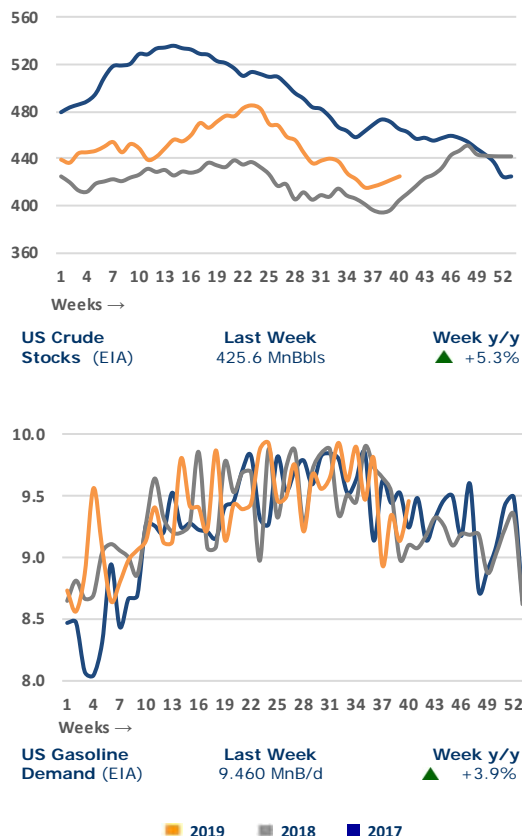
There were 57 fresh fixtures to report this week, bringing the October tally to completion with 148 cargoes, while November saw 25 fixtures reported already.

Suezmax

One word comes to mind to describe the current state of the Suezmax market, Chaotic. Intraday swings were roughly ws25+ points higher from the previous day as charterers continue to re-enter the market to seek forward program coverage across all trade routes. The Suezmax's largely benefited from the robust VLCC market as the trickledown effect has help push Suezmax TCE's up into the region of around ~\$130,000/day. Suezmax demand in the West Africa market was the strongest we have seen all year, enabling a massive uptick in rates. Fixture activity was up almost 42% compare to last week as the TD20 route rallied to an increase of ws127.5+ points since we last posted our previous weekly report. The USG export market also followed suit to VLCC's pushing East rates close to ~\$10.0m lump sum USG / Singapore the highest we've seen in at least 20 years after sorting through old fixture data. TA rates and local voyages also reaped the benefits as well as it appears no owner in these current market conditions are willing to do "last done levels" anymore. So far, there seems to be no visible cracks or anything otherwise to suggest any slowdown to the current market momentum going into next week. Expect more of the same after the weekend....

Aframax

Much like last week, the Aframax market surged, this time to almost YTD highs with markets in Europe and the Americas bringing returns near or more than \$50,000/day. The export market played a large role yet again in the USG trading near WS200 at the close for TD 9 and WS200 for TD 25. With the USG market poised and ready for the next move, owners are hopeful that they can continue to ride the wave into next week and push rates beyond last done levels.



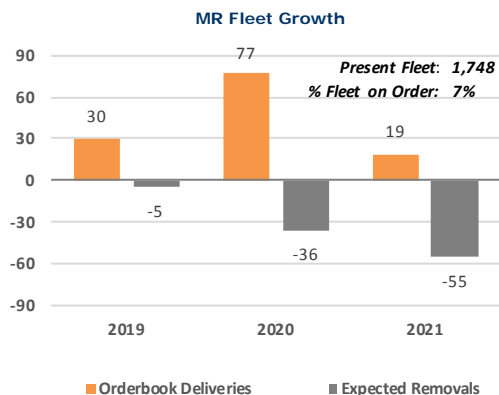
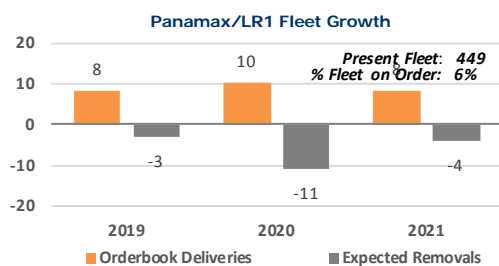
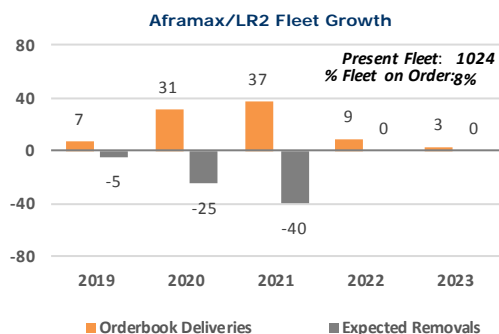
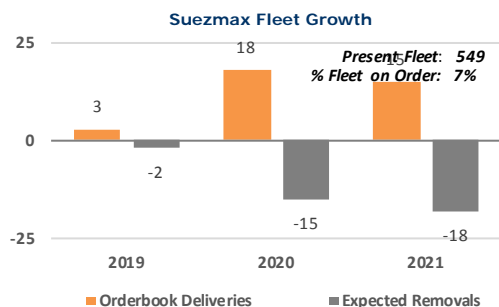
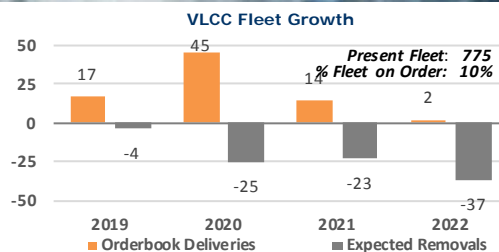
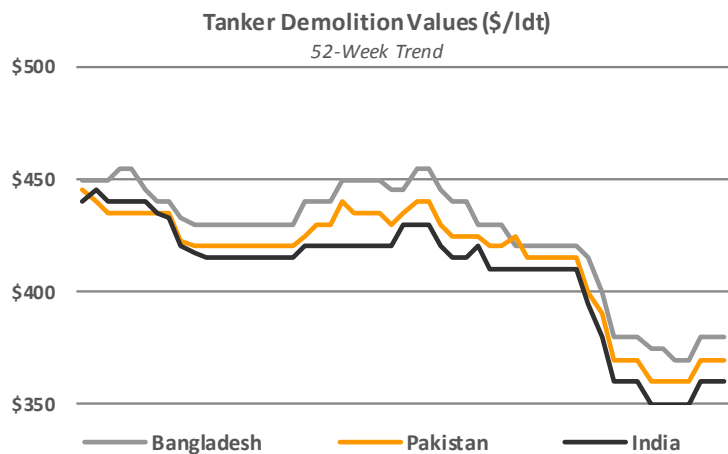
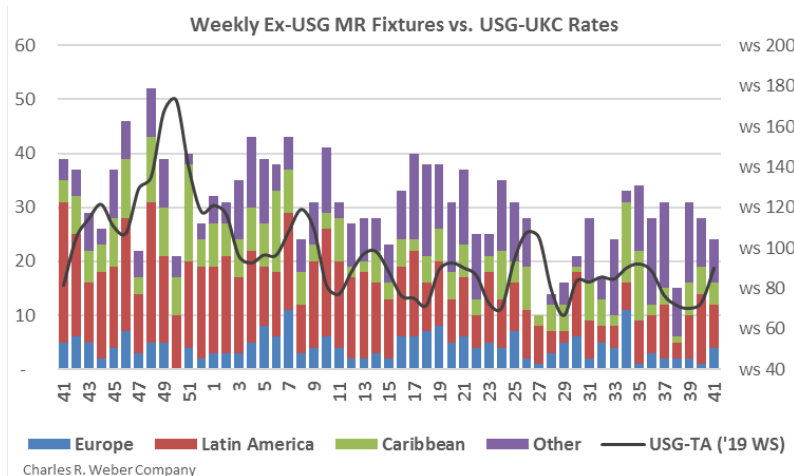
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Across the pond, European markets are trending in a similar fashion. Activity is up and lists are tighter, lifting the ceiling on rates. Other than cross med rates settling a bit, TD 7 and 8 trades were up and its likely owners will resist any attempt to move the market downward next week.

MR

USG freight has climbed dramatically throughout the week and owners will attempt to use US sanctions and 2020 demands to their advantage going forward. Despite these gains some are asking if the easing of CONT rates and continued refinery turnaround will upend CPP market sentiment next week. At this point it looks doubtful, but owners will need to plan strategically if they are going to keep sentiment at current levels.



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