

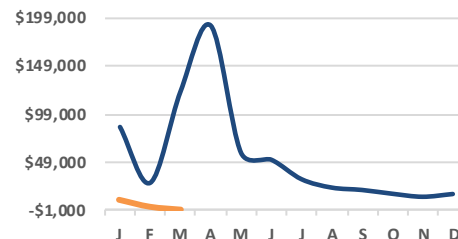
WEEKLY MARKET REPORT



Week 11 • March 19, 2021

Issue WM11-21

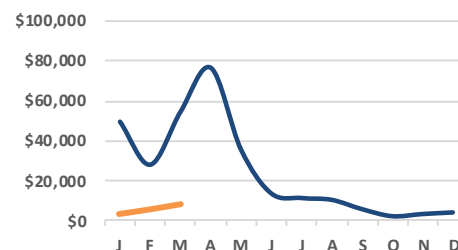
VLCC: More of the same lackluster pace this week in the Arabian Gulf market, as returns continued to hover around or below daily operating costs. Scrubber-fitted (as they make more financial sense) and disadvantaged units (with little other choice) remained in the forefront of the spot business due to the delta between VLSFO and HFO. Many non-scrubber units face negative returns and instead choose to sit and watch for now. April started off on the same slower pace and with crude prices coming off, there are questions if we will see an increase in OPEC's production come May. An uptick of US Gulf activity led to a slight increase in rates this week, but with several possible tenders in play, the sustainability and any further increases are still in question.



VLCC Average Earnings* MTD 2021 v. CY 2020

MTD '21 Avg/Day: \$-813 MTD '21 v. CY '20: -101%

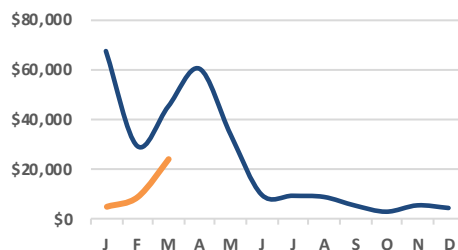
SUEZMAX: Demand in West Africa was stronger this week as charterers were actively working their first decade April programs while attempting to steer clear of the end March replacements from the previous week. The WAFR>UKCM route improved 5 points off the back of bullish sentiment amongst owners and improving rates and increasing activity in the Mediterranean. TD20 finished the week at ws70 which yields a TCE of around \$15,400/day (IFO 380) and \$12,400/day (0.5%). In the USG/CBS region, Suezmax inquiries were limited to only questions as rates continue to hover around last week's levels. Rates for USG>TA ended the week in the upper ws50's (basis 145,000mt cargo) and up-coast is still pinned at around ws62.5 (basis 150,000mt cargo). The USG>SPORE route continues to hang around \$2.9-2.95m levels throughout the week; however, the market trend remains date sensitive. BDTI- TD20 ended the week settling at ws69.77 which is up 5.32 points from this time last week.



Suezmax Average Earnings* MTD 2021 v. CY 2020

MTD '21 Avg/Day: \$8,016 MTD '21 v. CY '20: -85%

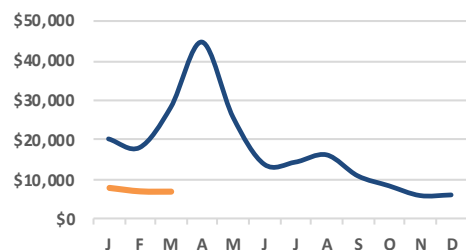
AFRAMAX: The market finally came off this week, and ultimately settled near ws127.5 for TD9 and ws95 for Transatlantic voyages. Coming off a quiet close last week, inquiries failed to pick up this week and ultimately allowed more tonnage to come back into the natural fixing window. As the week progressed, offers increased on each cargo, which started testing owner's willingness to fix below last done levels. It was not until Thursday when an EC Mexico cargo fixed at ws170 and soon after, rates corrected sharply downward when a Covenas>USG cargo went for ws127.5. All of that said, rates should continue to drop as we head into next week with more tonnage expected to open up. Over in Europe rates remained steady through the week. Cross UKC routes traded near ws115 as inquiries fluctuated, however not low enough for owners to start fixing below last done levels. Cross Mediterranean rates traded between ws132.5 and ws137.5 and closed near ws135 to finish off the week. Despite the stronger market in the Mediterranean, the end of the week saw little fresh inquiries which could allow charterers to start testing rates downward next week. Overall, the European market remained steady, and owners remain optimistic about carrying their momentum into next week.



Aframax Average Earnings* MTD 2021 v. CY 2020

MTD '21 Avg/Day: \$24,174 MTD '21 v. CY '20: -46%

MR: The market in Europe began the week with much promise on the back of a big rate boost from the previous Friday. Rates quickly jumped to ws165 as an open arbitrage for TC2 kept inquiries consistent. Unfortunately, the difficulty finding homes for cargos back in the US did result in some failures which temporarily dragged rates down to ws145 by mid-week. A later rebound and tighter list buoyed by an active Mediterranean market, saw rates rebound back to ws165-170 levels for TC2 (basis 37,000mt cargo) with West Africa premium presently standing at ws182.5. Anticipation is for rates to hold or even firm further next week as sentiment remains bullish. Status quo in the US Gulf as rates and earnings remain very lackluster for all benchmark routes. A two-day trade on a USG>Chile cargo brought rates under the \$1.2m mark settling at \$1.175m. Alternative options for owners remain thin as limited cargoes to Brazil saw a brief bounce to ws115 (basis 38,000mt cargo), before ultimately sliding to a lower ws107.5 level. Short hauls for CBS hover in the mid \$300,000's and USG>ECMEX at \$175,000. TC14 continues to be more a paper traded route, as an inactive physical market still being quoted close to ws70. Time chartered controlled ships combined with adequate COA coverage leaves only the drip-fed cargo flow for others to compete over. Therefore, the short-term outlook looks flat with a potential for an even softer tone come next week.



MR Average Earnings* MTD 2021 v. CY 2020

MTD '21 Avg/Day: \$7,093 MTD '21 v. CY '20: -75%

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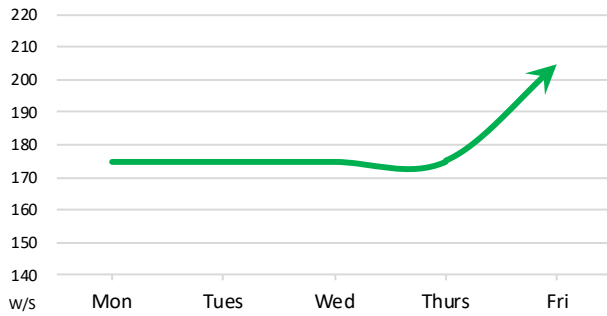
TANKER ROUTES (13kts L B)	Week 10 WS L\$	Week 11 WS L\$	Week 10 TCE*	Week 11 TCE**	*Week 10 Bunkers VLSFO \$529/MTD	**Week 11 Bunkers VLSFO \$524/MTD
VLCC						
AG>USG • 280,000 (dwt)	18.50	18.50	--	--		
AG>SPORE • 270,000	28.00	28.00	-\$4,314	-\$4,088	Time Charter 1 Year v. 3 Years (\$ day): \$29,000 \$31,000	
AG>JPN • 265,000	27.40	27.50	-\$760	-\$560		
AG>CHINA • 270,000	29.20	29.00	-\$5,393	-\$5,497		
WAFR>CHINA • 260,000	33.00	32.80	\$1,402	\$1,258	# Ships Trading:	823
USG>SPORE-AG	3.12m	3.24m	\$17,096	\$19,353	% Fleet on Order:	10%
AG>USG/USG>SPORE-AG	--	--	\$11,197	\$12,468	Ships to Breakers:	No Activity
VLCC Average Earnings⁺	--	--	-\$1,561	-\$1,349		
SUEZMAX						
WAFR>USG • 130,000	59.00	62.00	\$7,699	\$9,625		
WAFR>UKC • 130,000	65.50	67.00	\$6,466	\$7,551	Time Charter 1 Year v. 3 Years (\$ day): \$19,500 \$22,500	
BSEA>MED • 140,000	75.00	81.00	\$16,182	\$20,547		
CBS>USG • 150,000	69.50	63.50	\$16,318	\$12,571		
USG>UKC • 150,000	62.00	58.00	\$10,770	\$8,678	# Ships Trading:	562
CBS>USG/USG>UKC-WAFR	--	--	\$15,523	\$12,502	% Fleet on Order:	7%
AG>USG • 140,000	18.30	22.00	-\$5,567	-\$2,870	Ships to Breakers:	No Activity
USG>SPORE	3.00m	2.92m	--	--		
AG>USG/USG>SPORE-AG	--	--	\$13,431	\$14,373		
Suezmax Average Earnings⁺	--	--	\$8,211	\$9,337		
AFRAMAX						
N.SEA>UKC • 80,000	106.50	116.50	\$15,725	\$22,893		
BALT>UKC • 100,000	95.80	117.50	\$22,063	\$34,737	Time Charter 1 Year v. 3 Years (\$ day): \$18,000 \$20,000	
CBS>USG • 70,000	184.00	160.30	\$35,859	\$27,955		
USG>UKC • 70,000	134.00	115.50	\$17,726	\$12,327		
CBS>USG/USG>UKC-NSEA	--	--	\$45,447	\$35,988	# Ships Trading:	1,043
MED>MED • 80,000	104.00	133.00	\$14,357	\$27,610	% Fleet on Order:	9%
AG>SPORE • 80,000	92.50	96.50	\$7,929	\$9,363	Ships to Breakers:	No Activity
Aframax Average Earnings⁺	--	--	\$24,173	\$27,752		
PANAMAX						
CBS>USAC(USG) • 50,000	156.00	181.00	\$19,366	\$25,712	Time Charter 1 Year v. 3 Years (\$ day): \$13,500 \$15,500	
UKC>USG • 55,000	74.60	81.60	-\$814	\$1,248	# Ships Trading:	458
MED>USG • 55,000	78.00	81.00	\$2,030	\$3,040	% Fleet on Order:	1%
ECU>USWC • 50,000	190.00	192.00	\$23,112	\$23,851	Ships to Breakers:	Low Activity
Panamax Average Earnings⁺	--	--	\$8,561	\$12,056		
LR2						
AG>JPN • 75,000	87.20	92.65	\$5,525	\$7,403	Time Charter 1 Year v. 3 Years (\$ day): \$18,500 \$20,500	
AG>UKC	1.57m	1.80m	\$2,796	\$7,361		
MED>JPN	1.97m	1.98m	\$9,105	\$9,317	# Ships Trading:	1,043 [^]
AG>UKC-MED>JPN-AG	--	--	\$11,004	\$13,514	% Fleet on Order:	9% [^]
LR2 Average Earnings⁺	--	--	\$7,349	\$9,438	Ships to Breakers:	No Activity [^]
LR1						
AG>JPN • 55,000	104.90	116.30	\$7,110	\$9,867	Time Charter 1 Year v. 3 Years (\$ day): \$15,500 \$16,000	
AG>UKC	1.50m	1.60m	\$6,164	\$8,365		
UKC>WAFR • 60,000	91.20	112.40	\$6,468	\$12,294	# Ships Trading:	458 ^o
AG>UKC/UKC>WAFR-AG	--	--	\$9,977	\$14,028	% Fleet on Order:	1% ^o
LR1 Average Earnings⁺	--	--	\$8,543	\$11,947	Ships to Breakers:	No Activity ^o
MR						
UKC>USAC • 37,000	117.00	156.50	\$3,358	\$10,022		
USG>UKC • 38,000	67.50	72.50	-\$3,709	-\$2,650	Time Charter 1 Year v. 3 Years (\$ day): \$13,250 \$14,500	
USG>UKC/UKC>USAC(USG)	--	--	\$4,408	\$9,299		
USG>CBS (Pozos Colorados)	360k	364k	\$4,067	\$4,508		
USG>CHILE (Coronel)	1.13m	1.22m	\$10,324	\$12,871	# Ships Trading:	1,784
CBS>USAC(USG) • 38,000	110.00	113.00	\$5,206	\$5,970	% Fleet on Order:	7%
WCIND>JPN-ROK>SPORE-WCIND	--	--	\$11,717	\$12,304	Ships to Breakers:	Low Activity
MR Average Earnings⁺	--	--	\$6,306	\$9,829		
HANDYSIZE						
MED>EMED • 30,000	119.90	121.10	\$9,433	\$9,886	Time Charter 1 Year v. 3 Years (\$ day): \$11,000 \$13,000	
SPORE>JPN • 30,000	149.00	149.00	\$7,327	\$7,430	# Ships Trading:	613
Handysize Average Earnings⁺	--	--	\$8,085	\$8,314	% Fleet on Order:	6%
					Ships to Breakers:	No Activity

+ "Average Earnings" are weighted proportionally to each size class' worldwide market activity (may include routes not necessarily shown in this report).

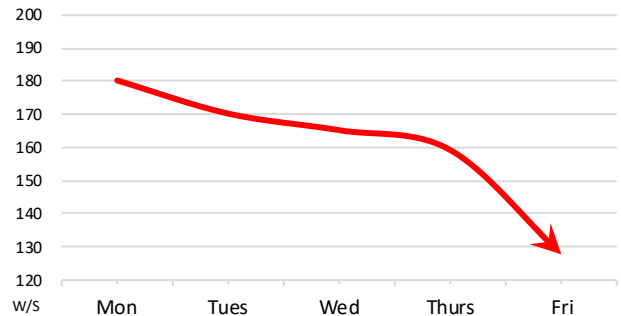
[^] Aframax and LR2 fleet numbers are combined for the purposes of these entries.

^o Panamax and LR1 fleet numbers are combined for the purposes of these entries.

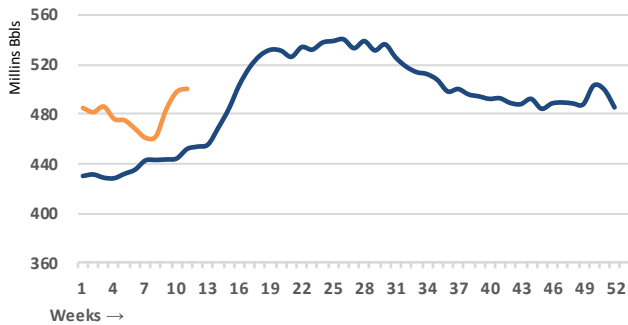
THE WEEK IN CHARTS



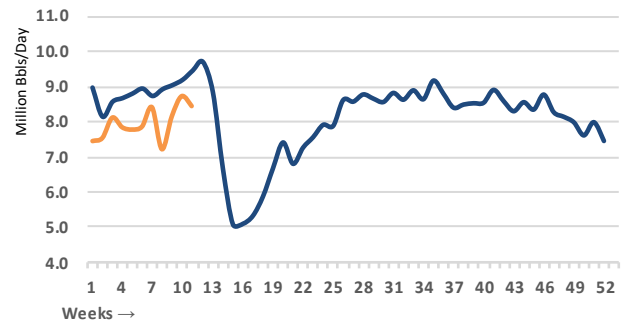
Global Climber of the Week: Panamax (CBS>USAC | 50,000mt) | **+17%**



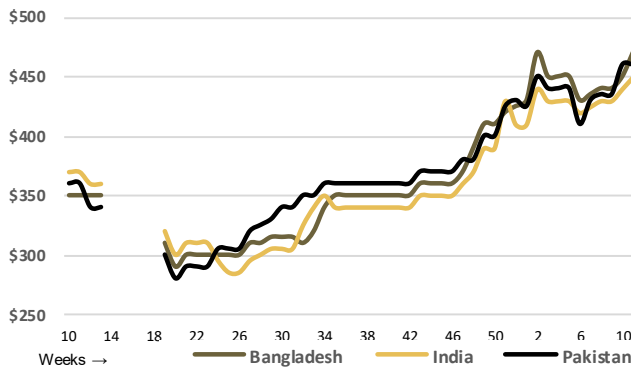
Global Decliner of the Week: Aframax (CBS>USG | 70,000mt) | **-29%**



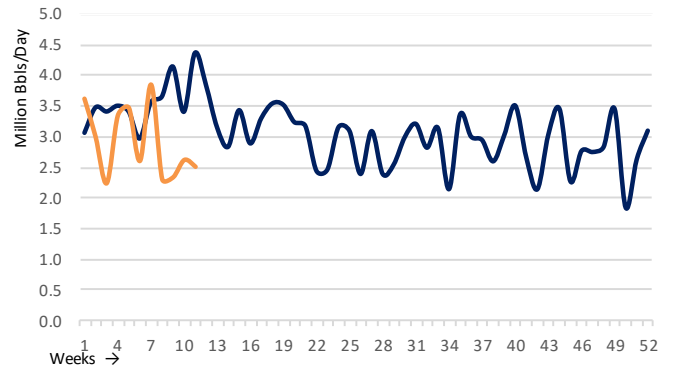
US Crude Oil Stocks (EIA) WTD '21 v. CY '20
This Week: 500.7m bbls This Week '21 v. '20: +10.8%



US Gasoline Demand (EIA) WTD '21 v. CY '20
This Week: 8.442m bbls/day This Week '21 v. '20: -10.7%



Tanker Demolition Market, 52-Week Ticker (\$|Ldt)



Charley's Chart of the Week: Weekly US Crude Oil Exports
This Week: 2.520m bbls/day This Week '21 v. '20: -42.4%

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