

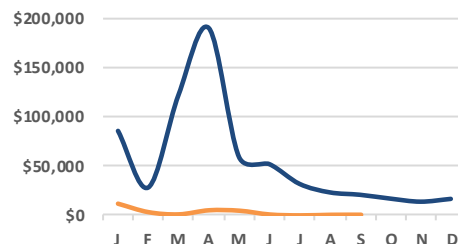
# WEEKLY MARKET REPORT



Week 35 • September 3, 2021

Issue WM35-21

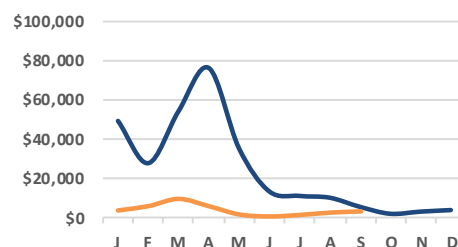
**VLCC:** With a second consecutive active week on the VLCC front, we saw a slight uptick in rates, as owners looked to build on the sentiment the aforementioned activity created. TD3 pushed up above ws33 for the first time in three months. Despite an over-supply of tonnage that remains, activity drove sentiment and with multiple cargoes in the market, owners were able to move rates higher.



**VLCC Average Earnings\* MTD 2021 v. CY 2020**

MTD '21 Avg/Day: \$10                      MTD '21 v. CY '20: -100%

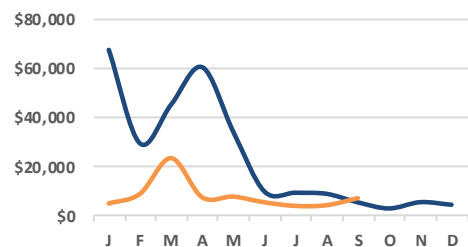
**SUEZMAX:** Despite West Africa inquiries being fairly steady this week, rates for the TD20 route sputtered back down into the mid ws50's off the back of a build in tonnage, including eastern ballasters. Corresponding TCE's for the WAFR>UKC were slightly down on the week-to-week comparison yielding a return of around \$5,100/day (IFO 380) and \$1,500/day (0.5%) basis ws55, respectively. In the Americas, increased demand coupled with a patchy tonnage list have left rates in a promising position as owners continue to show resistance to breaking last done levels. As a result, local rates remain strong going into next week with USG>UKCM continuing to bounce around the ws50-52.5 levels (basis 145,000mt cargo) and Upcoast rates pushing up around ws60 levels (basis 150,000mt cargo). The USG>EAST route continues to inch higher with Singapore discharge commanding \$2.55m levels and remains very date sensitive. BDTI- TD20 ended the week settling at ws55.00 which is down 2.27 points from this time last week.



**Suezmax Average Earnings\* MTD 2021 v. CY 2020**

MTD '21 Avg/Day: \$2,921                      MTD '21 v. CY '20: -50%

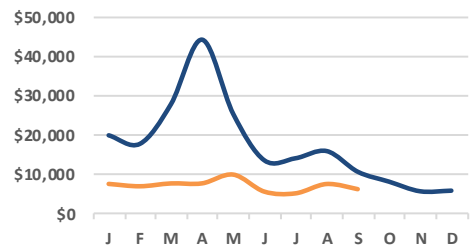
**AFRAMAX:** It was an exciting week in the market. Despite the market still being below breakeven levels for owners, rates did see a significant increase on local and Transatlantic routes with the last reported EC Mexico cargo going for ws115 and Transatlantic cargoes at ws95. It seemed a lot of charterers were trying to clear up their schedules before the long weekend here in the U.S. and coming off last week's momentum, owners took full advantage. Now, with a three-day weekend looming ahead, some tonnage freeing up in the wake of hurricane Ida could put a damper on whatever momentum owners have left through the weekend and we could see charterers start to test rates back in the other direction early on next week. Over in Europe, rates remained stagnant for yet another week with Cross UKC routes holding at ws90 and Cross Mediterranean staying sideways at ws87.5. Both markets saw some activity under the radar; however, there just was not enough inquiries out in the market to really get things moving for owners. Next week could see a slight jump in the positive direction but with forecasts looking less than optimistic, owners may have to suffer through another week at the bottom.



**Aframax Average Earnings\* MTD 2021 v. CY 2020**

MTD '21 Avg/Day: \$7,354                      MTD '21 v. CY '20: 39%

**MR:** TC2 rose quickly to begin the week after Hurricane Ida sent European charterers scrambling to cover against any U.S. based supply disruptions. Rates climbed from a starting point of ws115 (basis 37,000mt cargo) to peak at ws137.5. Unfortunately, for owners, these gains were short lived as a replenishment of tonnage supplied by ballasters had the market easing back down to ws105 by Friday. Dismal conditions in the U.S. Gulf will only send more ships heading into the UKC/GIB region adding to the already softer sentiment. As the case after most storms, power outages and shut ins at U.S. Gulf refineries have all but halted export activity. Rate calls are pretty much meaningless as prompt ships continue to stack up and the scenario will not change for a bit. Levels have slid down to ws60 (basis 38,000mt cargo) for Transatlantic and lumpsum \$150,000 for EC Mexico. Voyages to Latin America have been non-existent but being assessed at an untested ws95 for Brazil and \$1.1m for Chile. Not much else to add, as reports are calling for 2-3 more weeks before we see full restoration and hopefully, a sense of normalcy to the market.



**MR Average Earnings\* MTD 2021 v. CY 2020**

MTD '21 Avg/Day: \$6,402                      MTD '21 v. CY '20: -40%

*Whilst every care has been taken in the production of this report, 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 errors and omissions contained within this report. The information contained herein may not be reproduced without the written permission of Charles R. Weber Research.*

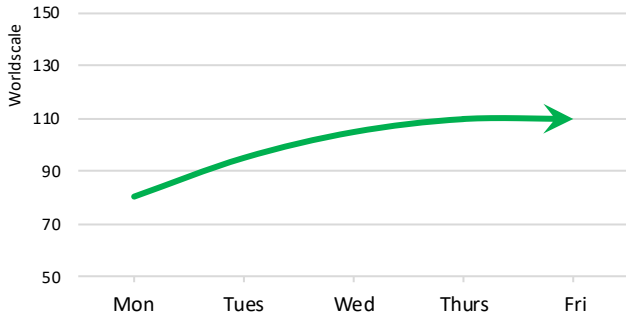
TANKER ROUTES (13kts LJB)	Week 34 WS L\$	Week 35 WS L\$	Week 34 TCE**	Week 35 TCE**	*Week 34 Bunkers VLSFO \$522/M TD	**Week 35 Bunkers VLSFO \$542/M TD
<b>VLCC</b>						
AG>USG • 280,000 (dwt)	18.00	18.20	--	--		
AG>SPORE • 270,000	32.00	33.20	\$338	\$472	<b>Time Charter 1 Year v. 3 Years (\$   day):</b> \$24,000   \$29,000	
AG>JPN • 265,000	30.50	31.70	\$3,246	\$3,538		
AG>CHINA • 270,000	32.00	33.00	-\$2,356	-\$2,467		
WAFR>CHINA • 260,000	32.80	33.40	-\$335	-\$904	<b># Ships Trading:</b>	840
USG>SPORE-AG	2.91m	2.97m	\$12,935	\$12,642	<b>% Fleet on Order:</b>	9%
AG>USG/USG>SPORE-AG	--	--	\$8,919	\$8,356	<b>Ships to Breakers:</b>	No Activity
<b>VLCC Average Earnings<sup>+</sup></b>	--	--	\$180	\$10		
<b>SUEZMAX</b>						
WAFR>USG • 130,000	54.50	54.50	\$5,331	\$4,452	<b>Time Charter 1 Year v. 3 Years (\$   day):</b> \$18,000   \$21,000	
WAFR>UKC • 130,000	58.25	56.75	\$2,781	\$1,136		
BSEA>MED • 140,000	62.50	62.50	\$6,795	\$6,191		
CBS>USG • 150,000	54.00	58.00	\$5,360	\$7,234	<b># Ships Trading:</b>	571
USG>UKC • 150,000	42.60	48.00	-\$1,424	\$1,035	<b>% Fleet on Order:</b>	7%
CBS>USG/USG>UKC-WAFR	--	--	\$2,007	\$4,764	<b>Ships to Breakers:</b>	No Activity
AG>USG • 140,000	27.00	25.00	-\$3,324	-\$5,634		
USG>SPORE	2.50m	2.53m	--	--		
AG>USG/USG>SPORE-AG	--	--	\$8,544	\$7,047		
<b>Suezmax Average Earnings<sup>+</sup></b>	--	--	\$3,880	\$2,921		
<b>AFRAMAX</b>						
N.SEA>UKC • 80,000	90.00	91.70	\$4,122	\$4,494	<b>Time Charter 1 Year v. 3 Years (\$   day):</b> \$16,500   \$18,500	
BALT>UKC • 100,000	58.50	60.30	\$557	\$754		
CBS>USG • 70,000	82.00	100.00	\$581	\$6,087		
USG>UKC • 70,000	71.00	94.00	-\$1,846	\$4,505	<b># Ships Trading:</b>	1,051
CBS>USG/USG>UKC-NSEA	--	--	\$8,638	\$18,357	<b>% Fleet on Order:</b>	9%
MED>MED • 80,000	85.00	87.30	\$6,011	\$6,392	<b>Ships to Breakers:</b>	1
AG>SPORE • 80,000	97.50	97.30	\$9,748	\$8,990		
<b>Aframax Average Earnings<sup>+</sup></b>	--	--	\$4,627	\$7,354		
<b>PANAMAX</b>						
CBS>USAC(USG) • 50,000	100.00	100.00	\$4,227	\$3,583	<b>Time Charter 1 Year v. 3 Years (\$   day):</b> \$14,000   \$15,500	
UKC>USG • 55,000	95.00	92.30	\$2,215	\$1,591		
MED>USG • 55,000	80.00	92.00	\$1,206	\$3,726	<b># Ships Trading:</b>	456
ECU>USWC • 50,000	160.00	160.00	\$16,090	\$15,755	<b>% Fleet on Order:</b>	3%
<b>Panamax Average Earnings<sup>+</sup></b>	--	--	\$3,215	\$2,751	<b>Ships to Breakers:</b>	1
<b>LR2</b>						
AG>JPN • 75,000	99.30	113.80	\$9,551	\$13,377	<b>Time Charter 1 Year v. 3 Years (\$   day):</b> \$18,250   \$19,000	
AG>UKC	1.92m	2.24m	\$9,667	\$15,161		
MED>JPN	1.65m	1.68m	\$3,717	\$3,630	<b># Ships Trading:</b>	1,051 <sup>^</sup>
AG>UKC-MED>JPN-AG	--	--	\$11,419	\$14,375	<b>% Fleet on Order:</b>	9% <sup>^</sup>
<b>LR2 Average Earnings<sup>+</sup></b>	--	--	\$10,173	\$13,709	<b>Ships to Breakers:</b>	1
<b>LR1</b>						
AG>JPN • 55,000	131.87	127.60	\$13,491	\$11,931	<b>Time Charter 1 Year v. 3 Years (\$   day):</b> \$16,000   \$16,000	
AG>UKC	1.86m	1.83m	\$13,138	\$12,018		
UKC>WAFR • 60,000	81.20	86.10	\$3,915	\$4,624	<b># Ships Trading:</b>	456 <sup>o</sup>
AG>UKC/UKC>WAFR-AG	--	--	\$13,720	\$13,332	<b>% Fleet on Order:</b>	3% <sup>o</sup>
<b>LR1 Average Earnings<sup>+</sup></b>	--	--	\$13,606	\$12,632	<b>Ships to Breakers:</b>	1
<b>MR</b>						
UKC>USAC • 37,000	103.50	121.00	\$981	\$3,310	<b>Time Charter 1 Year v. 3 Years (\$   day):</b> \$13,000   \$14,000	
USG>UKC • 38,000	75.00	65.50	-\$2,486	-\$4,601		
USG>UKC/UKC>USAC(USG)	--	--	\$4,013	\$3,814		
USG>CBS (Pozos Colorados)	380k	334k	\$5,386	\$1,882	<b># Ships Trading:</b>	1,802
USG>CHILE (Coronel)	1.17m	1.11m	\$11,547	\$9,386	<b>% Fleet on Order:</b>	7%
CBS>USAC(USG) • 38,000	106.00	101.00	\$4,406	\$2,986	<b>Ships to Breakers:</b>	No Activity
WCIND>JPN-ROK>SPORE-WCIND	--	--	\$14,920	\$15,615		
<b>MR Average Earnings<sup>+</sup></b>	--	--	\$6,389	\$6,402		
<b>HANDYSIZE</b>						
MED>EMED • 30,000	114.90	113.10	\$8,185	\$7,308	<b>Time Charter 1 Year v. 3 Years (\$   day):</b> \$11,000   \$13,000	
SPORE>JPN • 30,000	174.50	166.80	\$10,364	\$8,855		
<b>Handysize Average Earnings<sup>+</sup></b>	--	--	\$9,580	\$8,298	<b># Ships Trading:</b>	572
					<b>% Fleet on Order:</b>	4%
					<b>Ships to Breakers:</b>	No Activity

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

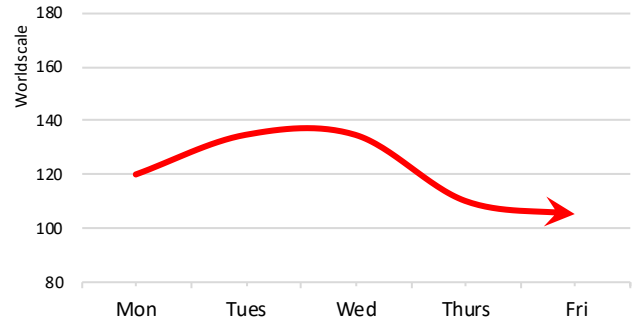
<sup>^</sup> Aframax and LR2 fleet numbers are combined for the purposes of these entries.

<sup>o</sup> Panamax and LR1 fleet numbers are combined for the purposes of these entries.

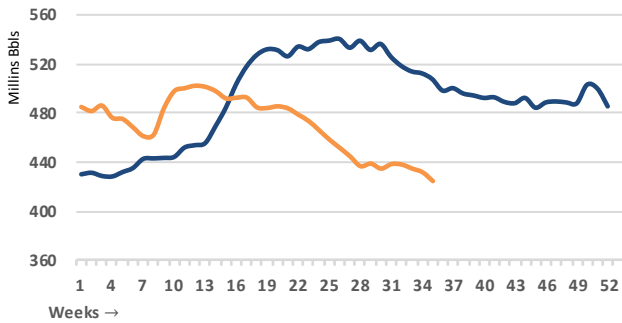
**THE WEEK IN CHARTS**



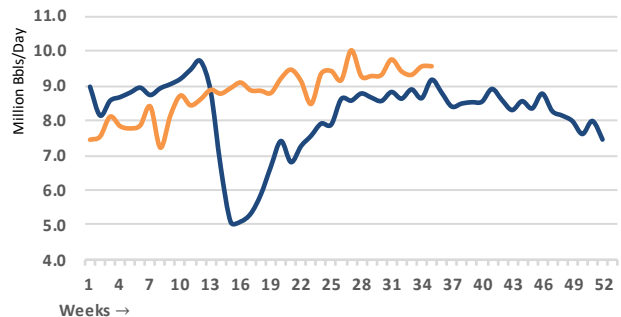
**Global Climber of the Week: Aframax (CBS>USG | 70,000mt) | +37%**



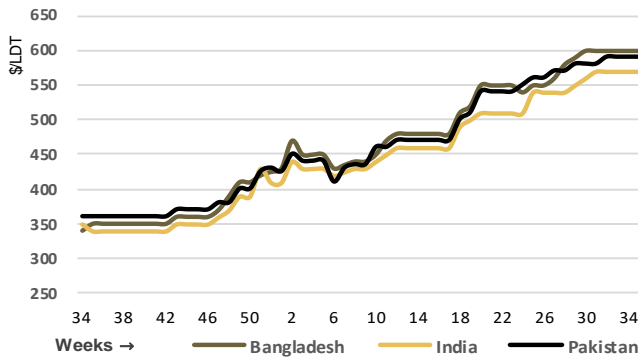
**Global Decliner of the Week: MR (UKC>USAC | 37,000mt) | -12%**



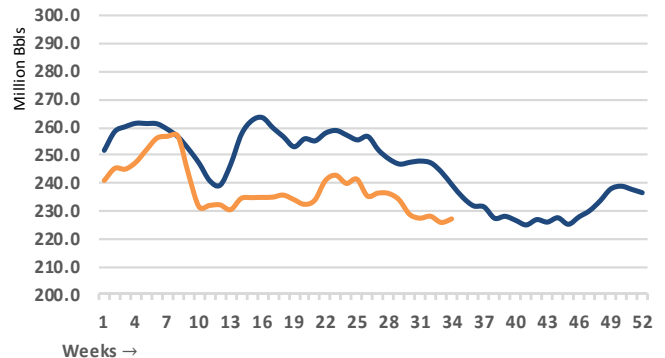
**US Crude Oil Stocks (EIA) WTD '21 v. CY '20**  
 This Week: 425.4m bbls      This Week '21 v. '20: -16%



**US Gasoline Demand (EIA) WTD '21 v. CY '20**  
 This Week: 9.578m bbls/day      This Week '21 v. '20: +4.6%



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



**Charley's Chart of the Week: US Gasoline Stocks (EIA) WTD '21 v. CY '20**  
 This Week: 227.2m bbls      This Week '21 v. '20: -5.0%

**Charles R. Weber Company, Inc. (Greenwich)**  
 Greenwich Office Park 3  
 Greenwich, CT, 06831  
 T: +1 203 629 2300  
 E: research@crweber.com  
 W: www.crweber.com



**Charles R. Weber Company, Inc. (Houston)**  
 1001 McKinney Street, Suite 475  
 Houston, TX, 77002  
 T: +1 713 568 7233  
 E: research@crweber.com  
 W: www.crweber.com