

WEBER WEEKLY TANKER REPORT



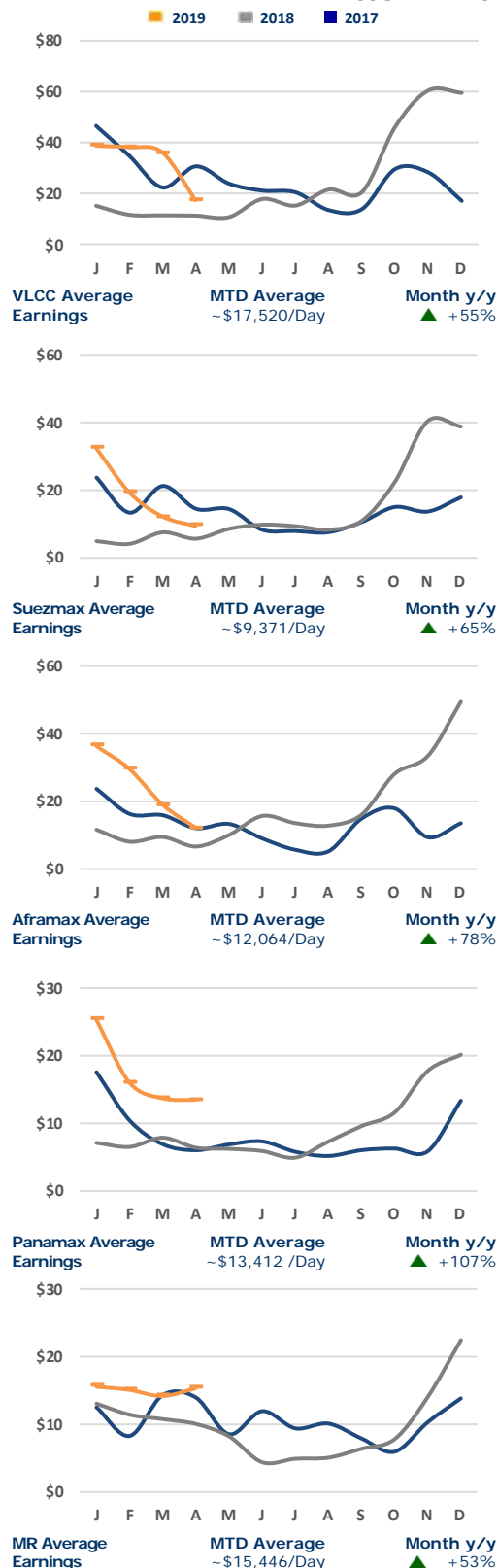
WEEK 14 – 5 April 2019

ISSUE 14 – 2019

Spot Market	WS/S	TCE	WS/S	TCE
VLCC (13.0 Kts L/B)		29-Mar		5-Apr
AG>USG 280k	22.0	--	20.4	--
AG>SPORE 270k	45.0	\$22,268	38.6	\$15,007
AG>JPN 265k	44.0	\$23,669	37.6	\$16,007
AG>CHINA 270k	46.0	\$21,720	39.9	\$14,680
WAFR>CHINA 260k	45.0	\$22,205	43.4	\$20,297
USG>SPORE 270k	\$4.50m	\$22,856	\$3.78m	\$14,801
AG>USG/USG>SPORE/AG	--	\$33,185	--	\$24,887
<i>VLCC Average Earnings</i>		<i>\$23,901</i>		<i>\$17,520</i>
SUEZMAX (13.0 Kts L/B)				
WAFR>USG 130k	45.0	\$5,248	50.0	\$8,017
WAFR>UKC 130k	50.0	\$3,338	55.0	\$5,976
BSEA>MED 140k	62.5	\$2,885	63.5	\$3,326
CBS>USG 150k	55.0	\$11,809	53.0	\$10,047
USG>UKC 130k	47.5	--	47.5	--
CBS>USG/USG>UKC/WAFR	--	\$21,966	--	\$21,205
AG>USG 140k	42.5	--	40.0	--
USG>SPORE 130k	\$2.75m	--	\$2.70m	--
AG>USG/USG>SPORE/AG	--	\$30,588	--	\$29,408
<i>Suezmax Average Earnings</i>		<i>\$7,700</i>		<i>\$9,371</i>
AFRAMAX (13.0 Kts L/B)				
N.SEA>UKC 80k	90.0	\$10,301	87.0	\$7,916
BALT>UKC 100k	65.0	\$10,682	69.0	\$13,166
CBS>USG 70k	97.5	\$9,983	84.0	\$5,864
USG>UKC 70k	92.5	--	80.5	--
CBS>USG/USG>UKC/NSEA	--	\$25,691	--	\$18,763
MED>MED 80k	90.0	\$10,979	87.5	\$9,814
AG>SPORE 70k	107.5	\$17,132	101.5	\$15,111
<i>Aframax Average Earnings</i>		<i>\$13,923</i>		<i>\$12,064</i>
PANAMAX (13.0 Kts L/B)				
CBS>USG 50k	125.0	\$11,112	125.0	\$11,027
CONT>USG 55k	115.0	\$14,603	113.0	\$13,936
ECU>USWC 50k	170.0	\$22,712	165.0	\$21,401
<i>Panamax Average Earnings</i>		<i>\$13,848</i>		<i>\$13,412</i>
LR2 (13.0 Kts L/B)				
AG>JPN 75k	102.0	\$16,561	98.8	\$15,457
AG>UKC 80k	\$2.0m	\$14,652	\$1.95m	\$13,590
MED>JPN 80k	\$1.95m	\$9,054	\$1.94m	\$8,758
AG>UKC/MED>JPN/AG	--	\$18,872	--	\$18,126
<i>LR2 Average Earnings</i>		<i>\$17,331</i>		<i>\$16,346</i>
LR1 (13.0 Kts L/B)				
AG>JPN 55k	110.0	\$12,101	106.4	\$11,190
AG>UKC 65k	\$1.78m	\$13,977	\$1.75m	\$13,270
UKC>WAFR 60k	122.0	\$10,536	119.5	\$9,939
AG>UKC/UKC>WAFR/AG	--	\$20,973	--	\$20,150
<i>LR1 Average Earnings</i>		<i>\$16,537</i>		<i>\$15,670</i>
MR (13.0 Kts L/B)				
UKC>USAC 37k	195.0	\$23,334	158.0	\$15,848
USG>UKC 38k	95.0	\$4,534	98.0	\$5,051
USG>UKC/UKC>USAC/USG	--	\$19,088	--	\$17,098
USG>CBS (Pozos Colorados) 38k	\$465k	\$12,991	\$475k	\$13,603
USG>CHILE (Coronel) 38k	\$1.3m	\$17,561	\$1.32m	\$17,938
CBS>USAC 38k	130.0	\$12,258	127.0	\$11,578
WCIND>JPN/ROK>SPORE/WCIND	--	\$15,290	--	\$14,993
<i>MR Average Earnings</i>		<i>\$18,284</i>		<i>\$15,446</i>
Handy (13.0 Kts L/B)				
MED>EMED 30k	257.0	\$45,341	230.4	\$37,912
SPORE>JPN 30k	147.5	\$9,853	148.1	\$9,897
<i>Handy Average Earnings</i>		<i>\$22,629</i>		<i>\$19,982</i>

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	\$32,000	\$35,000
Suezmax	\$23,500	\$26,000
Aframax	\$20,000	\$21,500
Panamax	\$15,500	\$17,000
MR	\$13,500	\$15,500
Handy	\$12,750	\$13,500



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SPOT MARKET SUMMARY

VLCC

The VLCC sector continued its downward spiral this week with rates hitting fresh 2019 lows and the lowest levels since May of 2018, as returns dropped to just above daily operating costs for modern tonnage. The sluggish pace of fresh inquiry in both the AG and the Atlantic has left Charterers with ample choices, those fresh cargoes entering the market seeing large audiences. We are now about two-thirds of the way through the April cargo program in the AG, and on a pace that is five percent below the March program. Add to that the dearth of activity in the Atlantic Basin, which also limits ballasters and the fundamentals move further in the Charterers favor. Towards week's end we did see a slight uptick of inquiry and the May program from the USG showed some signs of life, but in the short term any significant gains will be capped by fundamentals.

Eastbound rates ended last week in the high ws40's, a ws46 concluded to the most active route to China, but quickly softened as further sluggishness and over-supply weighed on sentiment. Eastbound rates to China dipped below ws40, hitting a low of ws37.5 which yields a TCE of about \$12,400 / day. The older tonnage continued to discount, but the delta much lower as these older ships are now operating below opex.

Westbound rates dipped down below ws20, as ws17.75 was concluded to the USG via the Suez. Triangulation still shows the highest possible returns as AG to the USG followed by USG to Singapore (basis ws17.5 and \$3.5 mil) yields a TCE of \$20,000 / day.

There were 28 fresh fixtures to report this week bringing the April cargo tally to 89, leaving some 40 cargoes to go for the month. This compares to a position list with 80 vessels available over that same period.

Looking to next week, we do expect an uptick in activity to continue as Charterers look to their final decade stems, although the over-supply will still be there limiting upward movement.

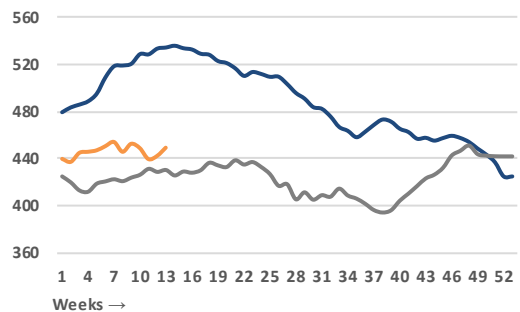
While an uptick in Venezuela exports is unlikely, an increase in USG exports could work towards easing the softening sentiment.

Suezmax

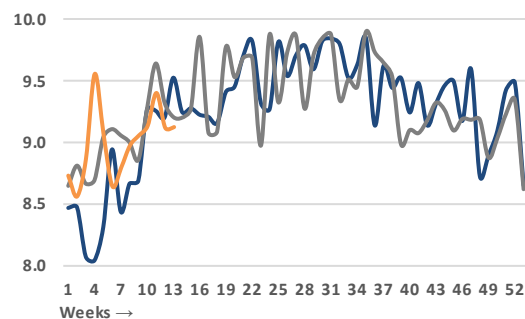
For the second week in a row, inquiry in West Africa was up 30% with 17 fixtures vs. 13 the previous week. Unlike last week, TD20 rates rallied to an increase of +12.5 pts off the back of improved fundamentals coupled with bullish sentiment amongst owners. TD20 TCE has emerged from sub-opex levels for the first time in a month yielding a return of around \$10,750 pdpr. Black Sea / Mediterranean market did not quite see the same boost in rates as in Wafr with only a slight uptick to around 135 x w67.5 levels to end the week (TD6 TCE / \$5,800 pdpr). In the USG/CBS region, Suezmax inquiry remains limited leaving rates grounded at around last week's levels. Rates for USG/TA were holding around ws47.5 basis 150k MT cargo size while USG/Spore rates dipped slightly down to \$2.6-2.65m levels. BDTI - TD20 ended the week settling at 62.27 which is up (+10.79) from this time last week.

Aframax

The Aframax market experienced a noteworthy decline this week, despite a comparatively active market, the oversaturation of tonnage throughout the region proved too overwhelming, with market levels reaching a new YTD low of ws77.5. The balance of the week remained relatively stagnant, with last done levels easily repeated, as many owners scrambled to simply secure business. Now, despite the current unfavorable weather conditions in the USG, adequate tonnage remains the fundamental issue owners face, as a substantial clear out of units is imperative for owners to have any prospect of change, if not, we will likely see more of the same.



US Crude Stocks (EIA) Last Week 449.5 MnBbls Week y/y ▲ +4.6%



US Gasoline Demand (EIA) Last Week 9.131 MnB/d Week y/y ▼ -0.8%

■ 2019 ■ 2018 ■ 2017

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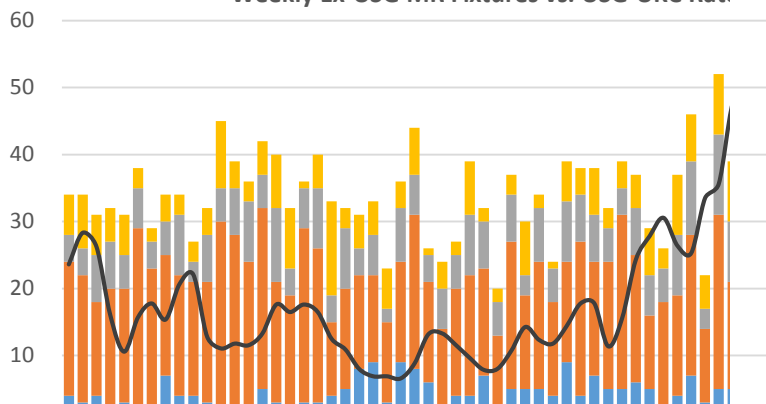


MR

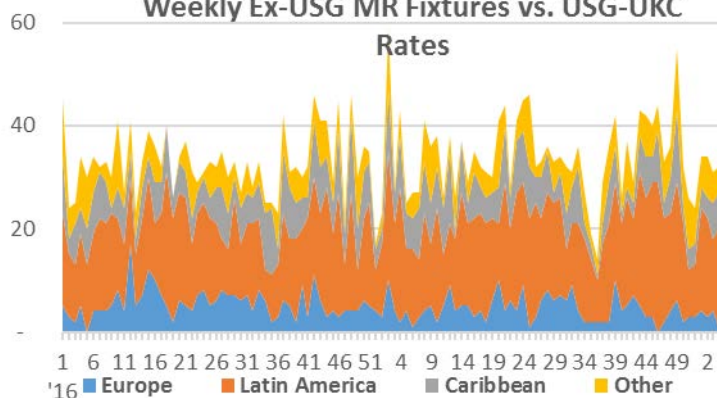
The CONT, over populated after weeks of vessels ballasting from the US and Brazil, lost ground throughout the week as charterers had more than enough tonnage to force their rate ideas on owners.

Despite tight prompt positions, nonexistent USG arbitrage opportunities limited cargo activity and did not allow owners to move freight rates upward, as many, earlier in the week, had hoped would happen. Next week may provide another chance for owners to improve rates, but that will depend on how many ships come free this weekend.

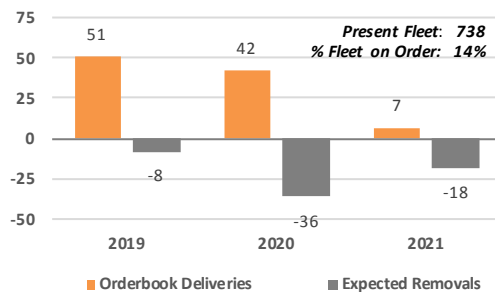
Weekly Ex-USG MR Fixtures vs. USG-UKC Rates



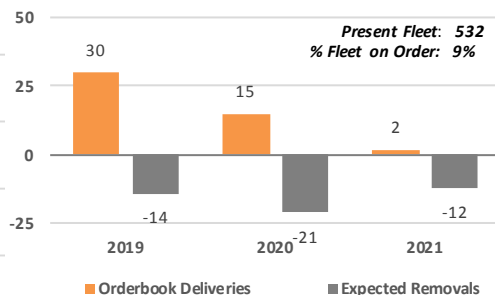
Weekly Ex-USG MR Fixtures vs. USG-UKC Rates



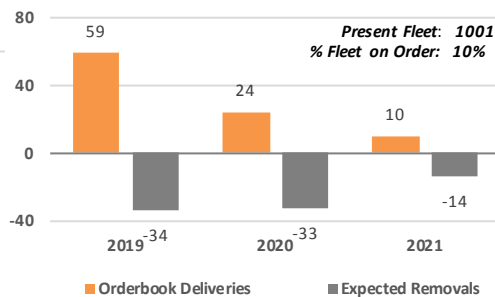
VLCC Fleet Growth



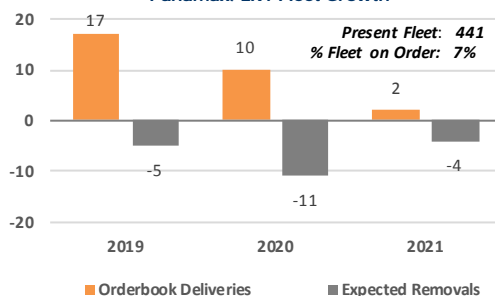
Suezmax Fleet Growth



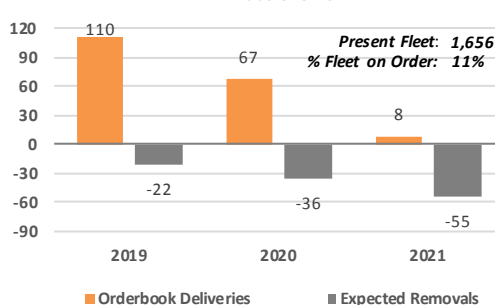
Aframax/LR2 Fleet Growth



Panamax/LR1 Fleet Growth



MR Fleet Growth



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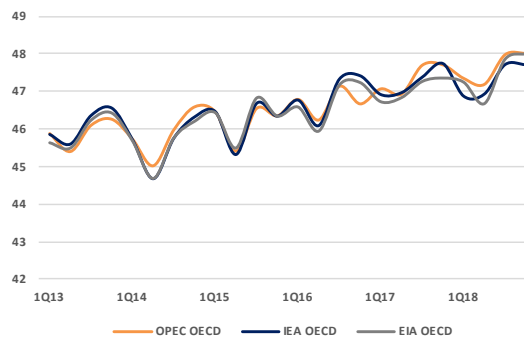
REPORTED TANKER SALES

CS Pioneer	281,705 '99	Hitachi Zosen	\$15.34	SG-Equatorial Marine
SCF Altai	159,417 '01	Hyundai Heavy	\$13.50	Undisclosed
La Mer	159,211 '98	DSME	\$11.00	Undisclosed
High Voyager	49,999 '14	Hyundai MIPO	\$25.70	JP-undisclosed
Alpine Mary	49,999 '14	SPP	\$27.00	GR-Undisclosed
Alpine Maria	49,999 '14	SPP	\$27.00	GR-Undisclosed
Desert Mariner	49,992 '18	Hyundai Vinashin	\$32.80	US-JP Morgan

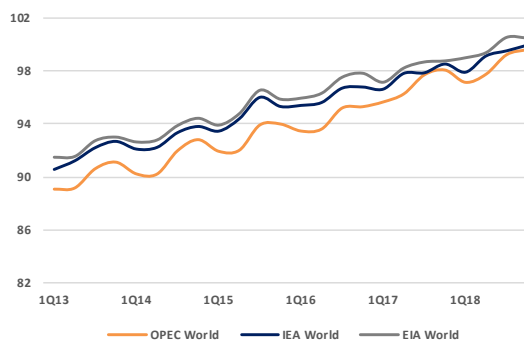
REPORTED DEMOLITION SALES

NOTHING TO REPORT

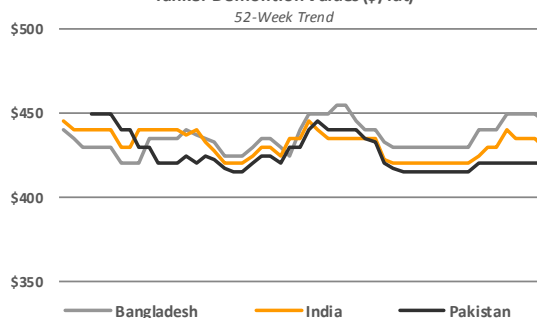
Projected OECD Oil Demand (Mnb/d)



Projected World Oil Demand (Mnb/d)



Tanker Demolition Values (\$/ldt)



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