

WEBER WEEKLY TANKER REPORT



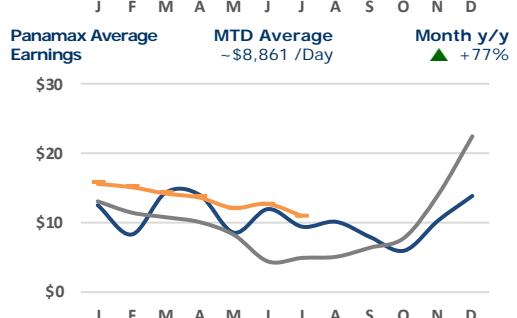
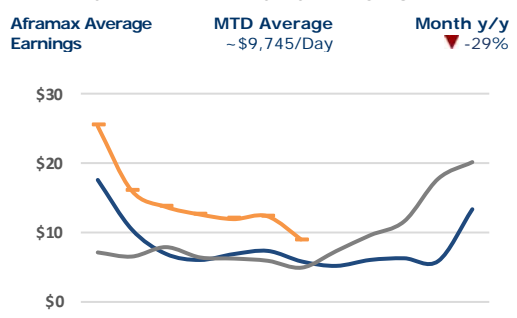
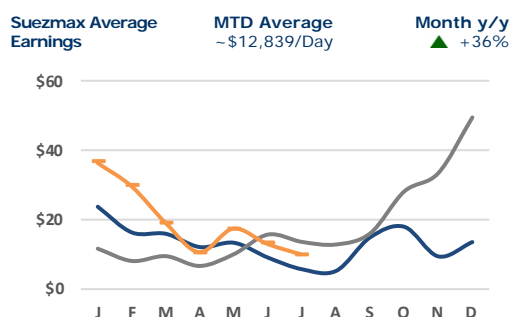
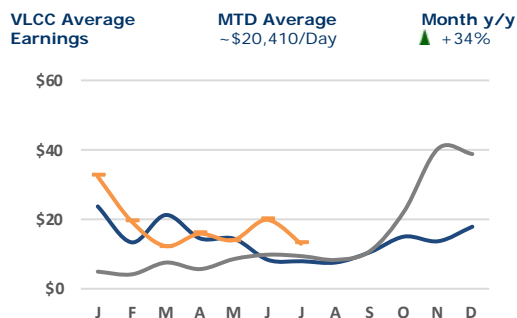
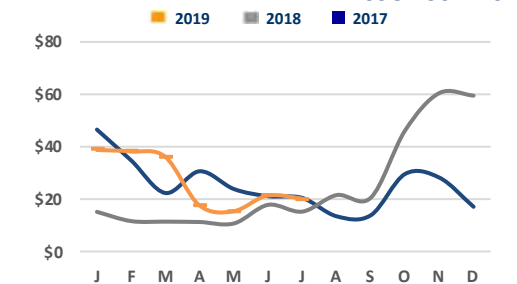
WEEK 30 – 26 July 2019

ISSUE 30 – 2019

Spot Market	WS/S	TCE	WS/S	TCE
VLCC (13.0 Kts L/B)	Week Ending 19-July		Week Ending 26-July	
AG>USG 280k	19.8	--	19.0	--
AG>SPORE 270k	43.0	\$17,600	41.2	\$15,878
AG>JPN 265k	41.0	\$16,855	39.8	\$15,744
AG>CHINA 270k	44.1	\$16,355	42.7	\$15,041
WAFR>CHINA 260k	46.2	\$22,740	45.4	\$22,499
USG>SPORE 270k	\$4.00m	\$17,134	\$4.36m	\$21,622
AG>USG/USG>SPORE/AG	--	\$27,716	--	\$30,982
<i>VLCC Average Earnings</i>		\$18,668		\$18,545
SUEZMAX (13.0 Kts L/B)				
WAFR>USG 130k	53.5	\$9,740	63.2	\$15,576
WAFR>UKC 130k	58.5	\$7,697	68.2	\$13,283
BSEA>MED 140k	70.5	\$14,162	71.5	\$15,648
CBS>USG 150k	55.5	\$11,251	55.0	\$11,191
USG>UKC 150k	38.0	\$571	43.0	\$4,271
CBS>USG/USG>UKC/WAFR	--	\$5,323	--	\$8,276
AG>USG 140k	36.5	--	37.5	--
USG>SPORE 130k	\$2.44m	--	\$2.52m	--
AG>USG/USG>SPORE/AG	--	\$17,783	--	\$17,954
<i>Suezmax Average Earnings</i>		\$9,706		\$13,216
AFRAMAX (13.0 Kts L/B)				
N.SEA>UKC 80k	87.9	\$8,715	85.1	\$6,752
BALT>UKC 100k	63.72	\$8,674	62.39	\$7,917
CBS>USG 70k	75.5	\$1,769	78.5	\$3,127
USG>UKC 70k	71.0	--	73.0	--
CBS>USG/USG>UKC/NSEA	--	\$12,085	--	\$13,528
MED>MED 80k	88.5	\$11,581	83.44	\$9,635
AG>SPORE 70k	109.0	\$16,505	108.0	\$16,327
<i>Aframax Average Earnings</i>		\$9,308		\$8,939
PANAMAX (13.0 Kts L/B)				
CBS>USG 50k	114.0	\$8,137	109.0	\$7,125
CONT>USG 55k	91.8	\$7,585	92.8	\$8,123
ECU>USWC 50k	155.0	\$18,517	155.0	\$18,817
<i>Panamax Average Earnings</i>		\$8,972		\$8,844
LR2 (13.0 Kts L/B)				
AG>JPN 75k	80.3	\$8,327	79.5	\$8,002
AG>UKC 80k	\$1.83m	\$12,731	\$1.76m	\$10,071
MED>JPN 80k	\$1.62m	\$6,859	\$1.64m	\$7,890
AG>UKC/MED>JPN/AG	--	\$13,608	--	\$13,475
<i>LR2 Average Earnings</i>		\$9,943		\$9,825
LR1 (13.0 Kts L/B)				
AG>JPN 55k	95.38	\$7,684	96.38	\$8,030
AG>UKC 65k	\$1.64m	\$11,507	\$1.62m	\$11,295
UKC>WAFR 60k	87.75	\$6,822	87.44	\$7,018
AG>UKC/UKC>WAFR/AG	--	\$14,377	--	\$14,281
<i>LR1 Average Earnings</i>		\$11,030		\$11,156
MR (13.0 Kts L/B)				
UKC>USAC 37k	106.5	\$5,260	102.5	\$4,639
USG>UKC 38k	66.5	-\$1,240	79.5	\$1,448
USG>UKC/UKC>USAC/USG	--	\$9,199	--	\$11,201
USG>CBS (Pozos Colorados) 38k	\$368k	\$6,319	\$398k	\$8,497
USG>CHILE (Coronel) 38k	\$1.10m	\$11,626	\$1.18m	\$14,119
CBS>USAC 38k	111.5	\$8,971	118.5	\$9,860
WCIND>JPN/ROK>SPORE/WCIND	--	\$11,556	--	\$11,607
<i>MR Average Earnings</i>		\$8,417		\$9,490
Handy (13.0 Kts L/B)				
MED>EMED 30k	163.6	\$19,169	137.06	\$12,062
SPORE>JPN 30k	122.3	\$5,603	124.0	\$5,923
<i>Handy Average Earnings</i>		\$10,486		\$8,133

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	\$35,000	\$32,500
Suezmax	\$23,000	\$25,000
Aframax	\$20,000	\$21,500
LR 1	\$16,000	\$17,000
MR	\$14,500	\$16,000
Handy	\$14,000	\$13,500



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SPOT MARKET SUMMARY

VLCC

The Arabian Gulf July 22-26

Although we saw an increase in activity this week in the VLCC sector, rates actually showed a modest softening as the surplus tonnage further weighed on sentiment. With more than sufficient supply around and plenty of choice, Charterers reached further ahead to secure suitable tonnage and rates wilted. The older, distressed units saw earnings fall to break-even levels, while rate for modern units hovered in the mid-teens (thus covering slightly more than opex, but certainly not finance costs for most). The VLCC sector has followed the typical historical trend of a slower summer period and if not for several geo-political incidents in the AG affecting sentiment, the market would have arguably been even more depressed.

Eastbound rates for modern tonnage (for AG to China) held in the low ws40's, the latest fixture at ws42, which yields a tce of about \$14,600 per day. The older tonnage gave the usual discount to compete, and the latest fixture was at ws35 on a 2003 built unit destined for Vietnam. This yields a tce of about \$9,600 per day. Westbound business was inactive, hovering around ws19 to the USG via the cape. The longer voyage remains preferred as triangulation still shows the highest possible return; AG to the USG followed by USG to Singapore (basis ws19 cc and \$4.3 mil) yields a tce of almost \$30,600 per day over the two voyages.

Position list and Cargo Avails

The 34 fixtures recoded this week brings the August cargo tally to 53, the first decade to completion and a quarter of the way through the middle decade. This leaves some 32 cargoes to go through the middle decade, which compares to a position list that shows some 65 vessels available over that same period.

Suezmax

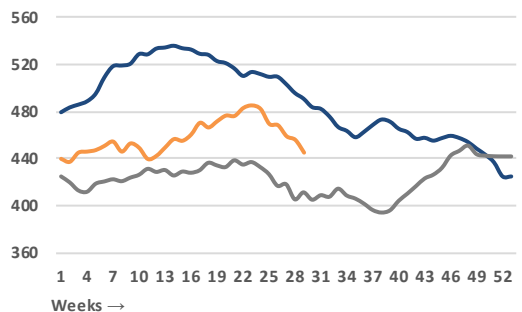
Well, well! Of all things, the Suezmax market had a reasonable push this week in West Africa, where TCEs for the week were over 50% higher than last week, averaging a little over \$13K/day for TD20. Of course, the market was starting from quite depressed levels, but it was still a perky week. The position list was favorable enough to start things moving up when a surge of cargoes came at the beginning of the week, but a real driver was one charterer's need to go back into the market for a fairly prompt replacement. That served to push things perhaps higher than would have otherwise been the case.

The rest of the Atlantic basin, including the Med and the U.S. Gulf didn't fare nearly as well, moving along mostly sideways. And when things got quiet at the end of the week in WAF, there was a sense that next week might see the gains there evaporate to bring that market back into line. Of course, a surge of cargoes early in the week might solidify the gains and bring the other markets along, but summertime doesn't often deliver such moves.

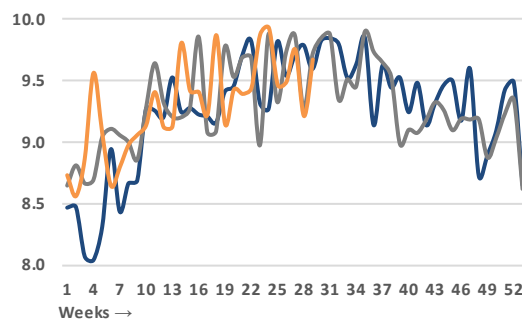
Aframax

The Aframax markets muddled along this week, giving no hint of strength anywhere in the world. The Med and Black Sea region, which had been the only point of (relative) strength, has more or less converged down to join the rest of the western markets in 4-digit TCE territory.

Both the Northern European and the U.S. markets continue to languish at or below opex, and it is fuel prices more than WS changes that are dictating the changes in TCEs from week to week. That said, the North Sea dropped sharply on Friday in WS terms and there is nothing to speak of that promises any rally next week.



US Crude Stocks (EIA) Last Week 445.0 MnBbls Week y/y ▲ +8.2%



US Gasoline Demand (EIA) Last Week 9.673 MnB/d Week y/y ▼ -0.4%

■ 2019 ■ 2018 ■ 2017

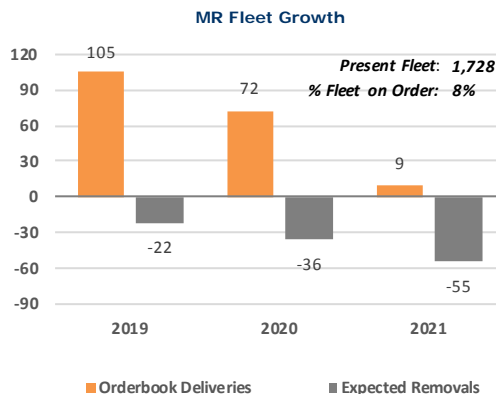
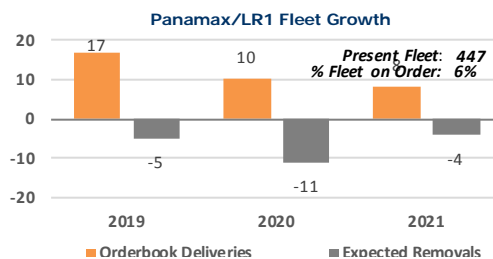
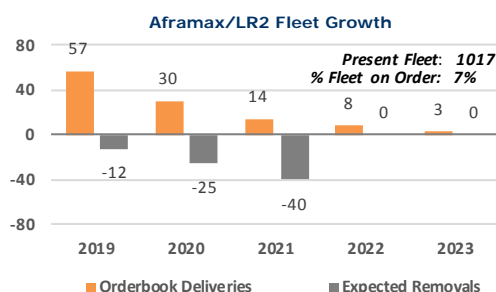
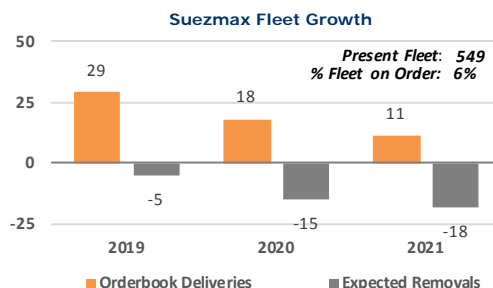
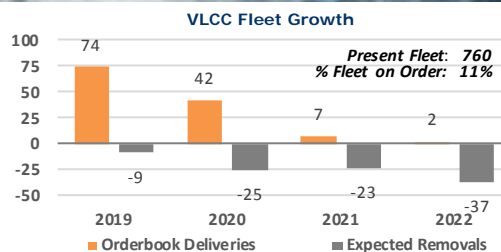
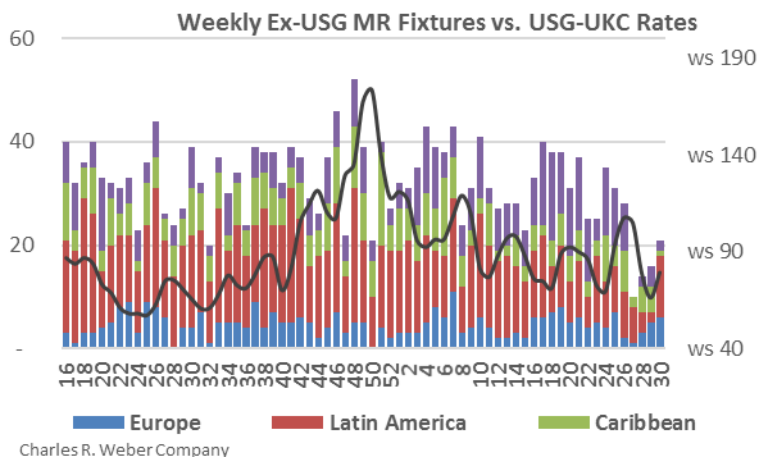
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MR

The MR market off the Cont spent most of the week inching up, after bottoming out at WS 95. It reached WS 105 for sure and there was talk that the market might be slightly higher, but the sense was that things were liable to level off at this point. As ever, a surge of cargoes could give things more traction next week. Things don't appear hopeless but a period of quiet could change that.

The USG was a bit different this week...almost confused. Things were certainly moving up but then the market might have gotten too far ahead of itself as WS 95 was done for TC14. It remains to be seen if subs will be lifted there but, either way, WS 87.5 was done shortly thereafter. Rates were reported all over the place, but with various caveats attached, so it remains to be seen whether the charterers or the owners possess the whip hand in the short term.



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REPORTED TANKER SALES

Nectar – 105,317/'05 – Sumitomo HI
-Sold for \$15.9 to unknown Greek buyer

FPMC 23 – 50,999/'10 – STX Offshore Jinhae
-PNR to Avin

Eagle Express – 45,902/'10 – Shin Kurushima Onishi
-Sold for \$16.3 to Union Maritime

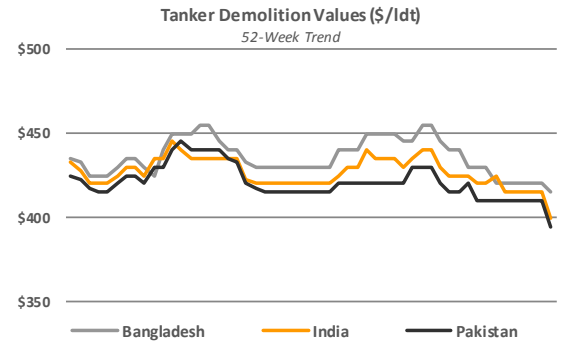
Eva Heron- 33,707/'08-Shin Kurushima Onishi
-Sold for PNR to Unknown buyer

Torm San Jacinto- 47,038/'02-Onomichi
-Sold for PNR to Unknown Buyer

REPORTED TANKER DEMOLITION SALES

Hawtah – 300,361/'96 – 48,500 LDT
-sold for \$417/ldt

Alizea - 46,801/95- 9,044 LDT
-Sold for \$420/ldt.



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