

# WEBER WEEKLY TANKER REPORT



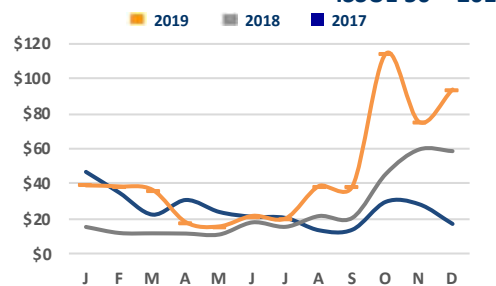
WEEK 50 – 13 December 2019

ISSUE 50 – 2019

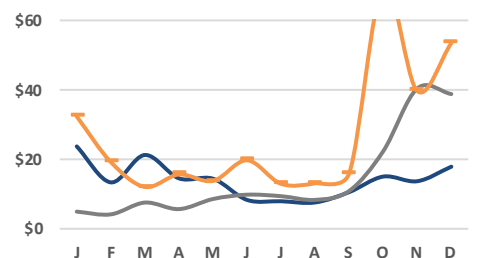
| Spot Market                     | WS/S              | TCE             | WS/S               | TCE             |
|---------------------------------|-------------------|-----------------|--------------------|-----------------|
| <b>VLCC</b> (13.0 Kts L/B)      | Week Ending 6-Dec |                 | Week Ending 13-Dec |                 |
| AG>USG 280k                     | 58.00             | --              | 61.00              | --              |
| AG>SPORE 270k                   | 95.70             | \$84,914        | 108.50             | \$97,592        |
| AG>JPN 265k                     | 93.40             | \$86,078        | 106.00             | \$98,978        |
| AG>CHINA 270k                   | 95.70             | \$82,508        | 109.10             | \$96,109        |
| WAFR>CHINA 260k                 | 95.30             | \$81,617        | 105.50             | \$91,774        |
| USG>SPORE 275k                  | 9.95m             | \$87,872        | 10.21m             | \$89,955        |
| AG>USG/USG>SPORE/AG             | --                | \$126,451       | --                 | \$130,950       |
| <i>VLCC Average Earnings</i>    |                   | <i>\$88,346</i> |                    | <i>\$98,988</i> |
| <b>SUEZMAX</b> (13.0 Kts L/B)   |                   |                 |                    |                 |
| WAFR>USG 130k                   | 126.00            | \$54,672        | 137.00             | \$60,422        |
| WAFR>UKC 130k                   | 131.00            | \$50,672        | 142.00             | \$56,228        |
| BSEA>MED 140k                   | 141.00            | \$70,692        | 145.00             | \$73,273        |
| CBS>USG 150k                    | 144.00            | \$79,493        | 145.00             | \$79,880        |
| USG>UKC 150k                    | 107.50            | \$50,893        | 105.50             | \$49,176        |
| CBS>USG/USG>UKC/WAFR            | --                | \$68,640        | --                 | \$67,415        |
| AG>USG 140k                     | 63.00             | \$30,745        | 62.50              | \$30,510        |
| USG>SPORE 130k                  | 6.74m             | --              | 5.75m              | --              |
| AG>USG/USG>SPORE/AG             | --                | \$75,722        | --                 | \$66,202        |
| <i>Suezmax Average Earnings</i> |                   | <i>\$51,970</i> |                    | <i>\$55,392</i> |
| <b>AFRAMAX</b> (13.0 Kts L/B)   |                   |                 |                    |                 |
| N.SEA>UKC 80k                   | 167.00            | \$67,155        | 213.00             | \$100,720       |
| BALT>UKC 100k                   | 129.00            | \$50,976        | 181.70             | \$84,550        |
| CBS>USG 70k                     | 192.00            | \$46,404        | 201.00             | \$49,295        |
| USG>UKC 70k                     | 167.00            | \$37,911        | 190.50             | \$45,479        |
| CBS>USG/USG>UKC/NSEA            | --                | \$67,848        | --                 | \$77,556        |
| MED>MED 80k                     | 185.50            | \$59,849        | 178.50             | \$56,263        |
| AG>SPORE 70k                    | 173.00            | \$42,975        | 178.50             | \$43,990        |
| <i>Aframax Average Earnings</i> |                   | <i>\$55,385</i> |                    | <i>\$63,042</i> |
| <b>PANAMAX</b> (13.0 Kts L/B)   |                   |                 |                    |                 |
| CBS>USG 50k                     | 153.50            | \$19,945        | 200.00             | \$31,048        |
| CONT>USG 55k                    | 154.00            | \$27,407        | 174.50             | \$32,846        |
| ECU>USWC 50k                    | 244.00            | \$36,753        | 250.00             | \$38,389        |
| <i>Panamax Average Earnings</i> |                   | <i>\$24,092</i> |                    | <i>\$31,291</i> |
| <b>LR2</b> (13.0 Kts L/B)       |                   |                 |                    |                 |
| AG>JPN 75k                      | 151.90            | \$36,849        | 152.70             | \$36,362        |
| AG>UKC 80k                      | 2.90m             | \$35,301        | 2.93m              | \$35,516        |
| MED>JPN 80k                     | 3.07m             | \$36,401        | 2.97m              | \$34,333        |
| AG>UKC/MED>JPN/AG               | --                | \$43,055        | --                 | \$42,010        |
| <i>LR2 Average Earnings</i>     |                   | <i>\$38,916</i> |                    | <i>\$38,242</i> |
| <b>LR1</b> (13.0 Kts L/B)       |                   |                 |                    |                 |
| AG>JPN 55k                      | 150.50            | \$25,524        | 154.50             | \$25,861        |
| AG>UKC 65k                      | 1.96m             | \$20,721        | 2.02m              | \$21,619        |
| UKC>WAFR 60k                    | 187.00            | \$36,703        | 176.88             | \$33,692        |
| AG>UKC/UKC>WAFR/AG              | --                | \$33,511        | --                 | \$32,856        |
| <i>LR1 Average Earnings</i>     |                   | <i>\$29,517</i> |                    | <i>\$29,359</i> |
| <b>MR</b> (13.0 Kts L/B)        |                   |                 |                    |                 |
| UKC>USAC 37k                    | 163.75            | \$17,872        | 175.50             | \$19,971        |
| USG>UKC 38k                     | 115.00            | \$10,155        | 120.50             | \$10,986        |
| USG>UKC/UKC>USAC/USG            | --                | \$26,776        | --                 | \$29,051        |
| USG>CBS (Pozos Colorados) 38k   | 531k              | \$19,180        | 487k               | \$16,036        |
| USG>CHILE (Coronel) 38k         | 1.58m             | \$27,590        | 1.62m              | \$28,612        |
| CBS>USAC 38k                    | 152.50            | \$18,482        | 165.00             | \$20,797        |
| WCIND>JPN/ROK>SPORE/WCIND       | --                | \$26,073        | --                 | \$28,395        |
| <i>MR Average Earnings</i>      |                   | <i>\$22,765</i> |                    | <i>\$24,274</i> |
| <b>Handy</b> (13.0 Kts L/B)     |                   |                 |                    |                 |
| MED>EMED 30k                    | 258.20            | \$47,151        | 263.40             | \$48,383        |
| SPORE>JPN 30k                   | 174.00            | \$16,517        | 177.00             | \$16,500        |
| <i>Handy Average Earnings</i>   |                   | <i>\$27,545</i> |                    | <i>\$27,978</i> |

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

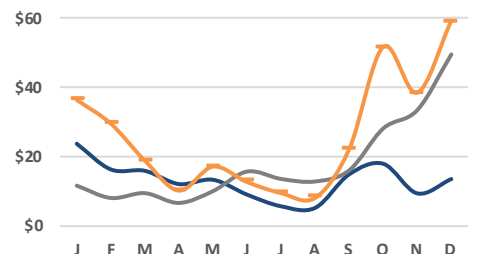
| Time Charter Market<br>\$/day (theoretical) | 1 Year   | 3 Years  |
|---|----------|----------|
| <b>VLCC</b>                                 | \$48,000 | \$35,000 |
| <b>Suezmax</b>                              | \$38,000 | \$30,000 |
| <b>Aframax</b>                              | \$28,000 | \$22,000 |
| <b>LR 1</b>                                 | \$17,500 | \$17,000 |
| <b>MR</b>                                   | \$18,000 | \$17,000 |
| <b>Handy</b>                                | \$15,000 | \$14,000 |



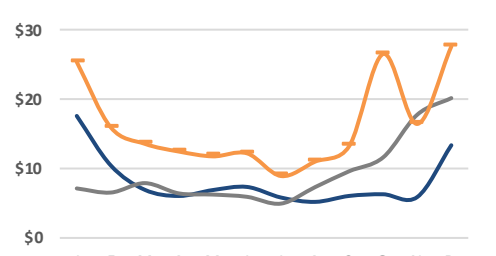
VLCC Average Earnings MTD Average ~\$98,988/Day Month y/y +59%



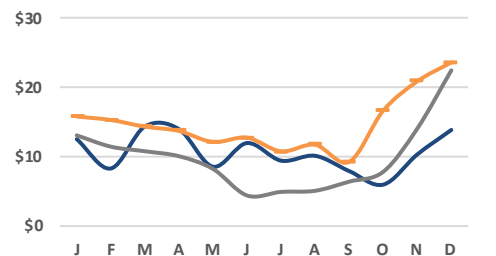
Suezmax Average Earnings MTD Average ~\$55,392/Day Month y/y +37%



Aframax Average Earnings MTD Average ~\$63,042/Day Month y/y +20%



Panamax Average Earnings MTD Average ~\$31,291/Day Month y/y +37%



MR Average Earnings MTD Average ~\$24,274/Day Month y/y +5%

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## SPOT MARKET SUMMARIES

### VLCC

With holiday parties in Houston this week it was another disjointed period with many travelling and led to a noticeable slower period in the VLCC sector. Charterers were slow to progress on their remaining stems for 2019 and Owners were quick to lock in still stout returns, even if slightly below last done levels. The sluggish pace did, however, pick up at week's end with an influx of inquiry in the Atlantic Basin. Several tenders from the USG coupled with the normal second half January cargoes coming into play put upward pressure on eastbound rates, yielding to returns increasing above levels from the AG, even taking into account the long ballast.

Next week marks the last full week of the year (as the final two weeks have the Christmas and New Year's holidays right at mid-week), and Owners expectations are for an uptick in activity ahead of that period.

Eastbound rates softened moderately through the week as Owners looked to lock in still quite stout returns. TD3 started the week in the low ws110's, but softened moderately; the latest fixture at ws100 on a larger cargo size (274,000 mt) for preferred business to Korea. Rates to China arguably stand at ws105 which yield a tce of about \$75,700 per day. Westbound business was largely out of play, but held steady in the low ws60's. Strong export rates from the USG made the ballast directly there a more attractive alternative; keeping levels relatively steady.

There were 31 fixtures to report this week bringing the December cargo program near completion with 136 reported fixtures for the month. This compares to a position list that still shows some 20 vessels load-ready within December in the AG. However, with a few of those likely ballasting and a couple of more fixtures, the hangover will be one of the lowest of 2019.

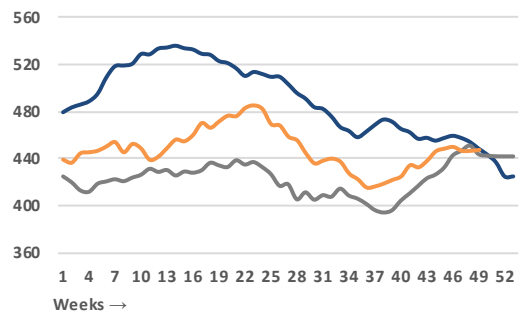
### Suezmax

West Africa demand was up significantly this week by over 50% with 17 fixtures concluded vs. 9 from the previous week. Despite the additional cargo flow, TD20 rates teetered in place holding around the ws140 barrier for much on the week mainly due to a balanced tonnage list. TD20 TCE remained relatively flat this week as expected holding around the around ~\$55,000/day (IFO 380) / ~\$45,900/day (0.5%). The Black Sea / Mediterranean market did not receive the same boost in inquiry as in West Africa however, rates were held in check for both local and Far East voyages. The TD6 TCE is yields around ~\$73,300/day (IFO 380) / ~\$63,400/day (0.5%) to end the week and shows positive signs of improvement off the back of a rallying Aframax cross Mediterranean market. In the USG/CBS region, inquiry was steady however TA rates were successfully tested by charterers and shed 2.5pts off last done levels. Short local voyages on the other hand witnessed a boost off the back of the bullish Aframax sector pushing rates higher for both up coast and cross Caribbean voyages. USG / Far East voyages should see some improvement going into next week in order to keep pace with the firming VLCC market. DT1 - TD20 ended the week settling at 140.45 which is up (+1.59) from this time last week.

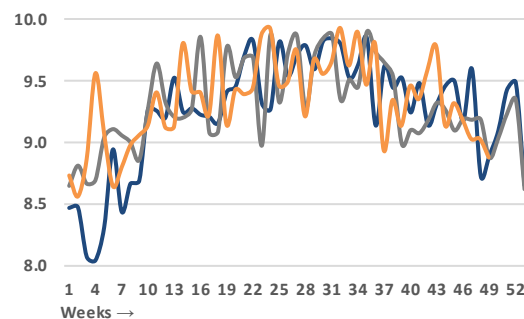
### Aframax

Rates are strong in the USG and Caribs region with T/A cargoes trading at ws215, up almost 50 points from the start of the week. A thinner list coupled with owners resistance were the main factors in keeping rates on the upward trend. Owners are now seeing TCEs earning upwards to 90k p/d on T/A voyages and over 50k p/d on EC Mexico voyages and with 2020 closing in, most owners are confident that the momentum will continue to roll in to the new year.

Similarly, the European markets saw a large jump in rates as well with the big winner being the Cross UKC market which closed at ws250, up 75 points from the start of the week. Baltic/Cont and Cross med topped off near ws195 and things seemed to start tapering off toward the end of the week. TCEs are earning near and over 100kp/d for Baltic UKC and Cross UKC cargoes.



**US Crude Stocks (EIA)** Last Week 447.9 MnBbls Week y/y ▲ +1.1%



**US Gasoline Demand (EIA)** Last Week 8.882 MnB/d Week y/y ▲ +0.1%

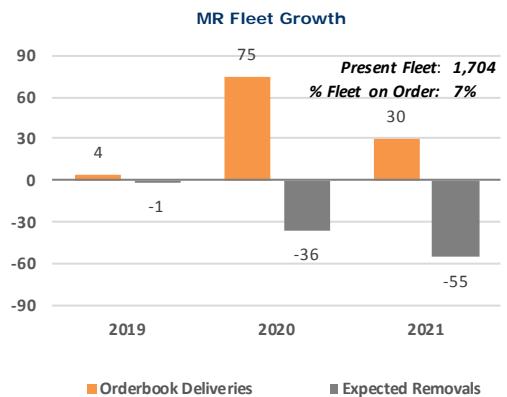
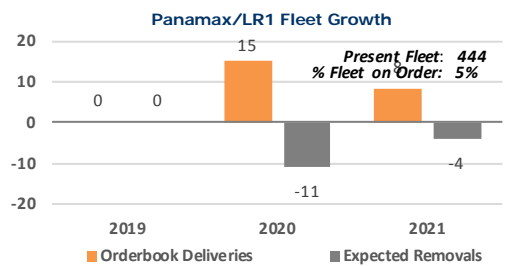
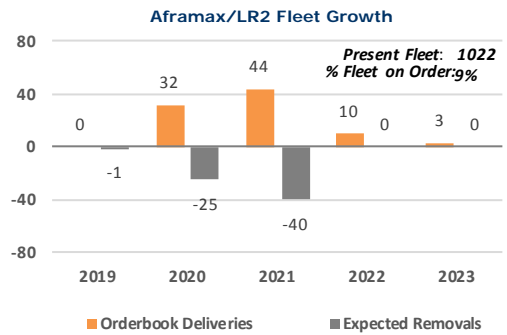
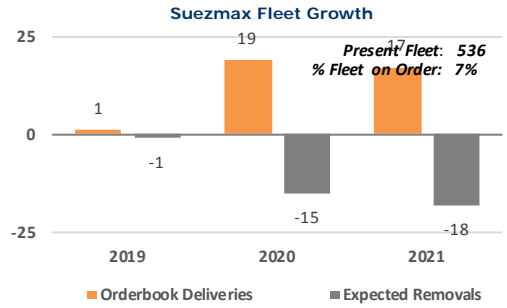
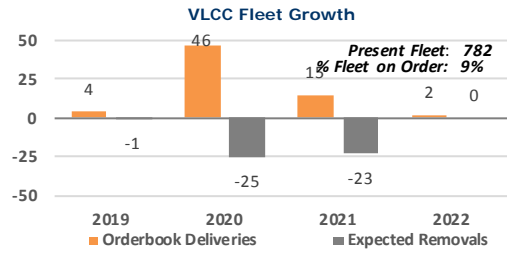
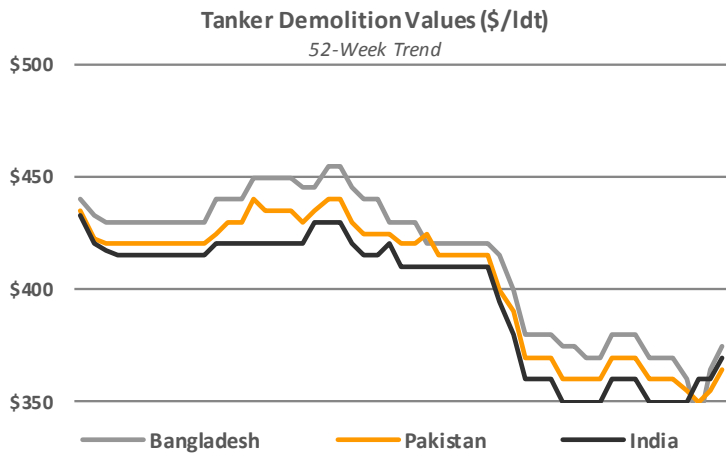
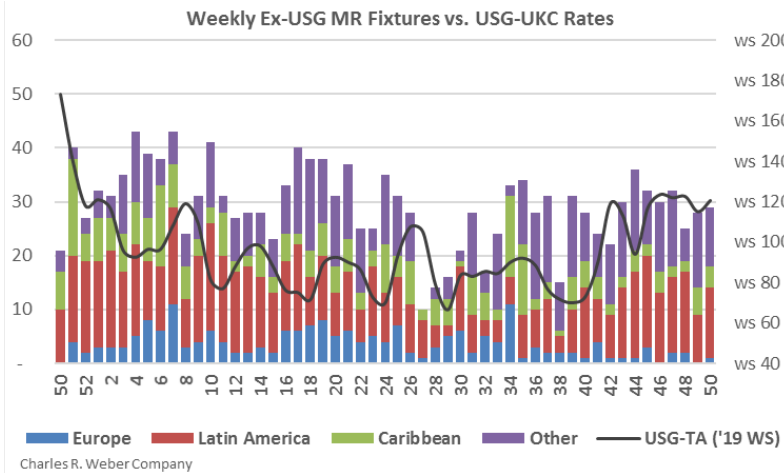
2019 2018 2017

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## MR

Rates in Europe encountered a sharp rise earlier in the week, only to retreat back down with a quieter end on Friday. After peaking in the ws 180's, tc2 levels have now softened closer to 37 x ws 170 and ws 190 for west Africa destinations. Despite a well-supplied list for the third decade of December, a combination of pre-holiday and end year fixing should keep rates somewhat stable. USG levels continued to pick up much expected steam for mid-December liftings as a lack of LR's and long haul demand both for Asia and Latin America helped absorb MR tonnage. USG/Asia now stands close to 1.8 m and usg/chile on the cusp of 1.7 m. Short hauls are also faring well and fetching over 600k for caribbean round destinations. Look for the fixing pace and firmer sentiment to continue as we edge close to Christmas break.



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