

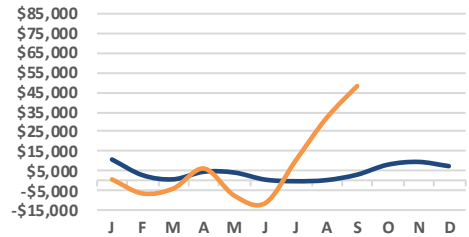
# WEEKLY MARKET REPORT



Week 37 • September 16, 2022

Issue WM37-22

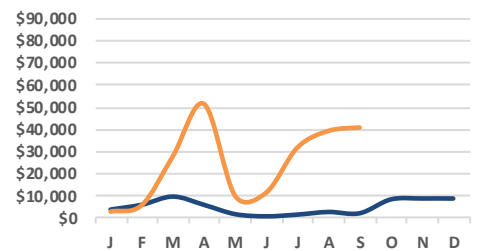
**VLCC:** Following a sluggish start to the week, inquiries picked up pushing TD3 and TD 15 levels to year-to-date highs, levels approaching the ws100 level on both routes. An initial lull of inquiries, led to some easing of sentiment, but an influx of early October inquiries led to ws99 being concluded for AG-China, which yields a TCE of about \$80,000 per day for those vessels with scrubbers. We look for the upward pressure to continue as we progress into the historically stronger fourth quarter.



**VLCC Average Earnings\* MTD 2022 v. CY 2021**

MTD '22 Avg/Day: \$48,105      MTD '22 v. CY '21: +1640%

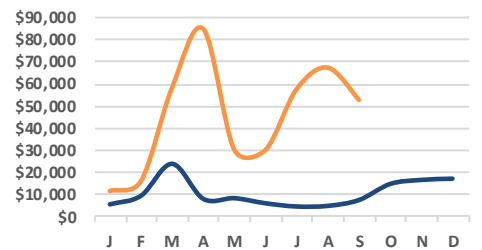
**SUEZMAX:** A very active front half of the week for the sector in West Africa with several charterers entering the market on top of one another boosting sentiment amongst owners. Fundamentals remain tight as increased demand coupled with a highly volatile VLCC market has assisted in pushing rates up to ws135 for WAF>UKC after hovering in ws120's levels for the past 2 weeks. Overall, the TD20 route was up a moderate 7.5 points on the week boosting the TD20 TCE returns up to \$48,000/day (IFO 380) and \$40,700/day (0.5%) basis current bunker prices. In the Americas, inquiries were steady with several cargoes surfacing throughout the region (US Gulf, Guyana, and South America). Tonnage fundamentals remain patchy/tight at the front half of the lists as rates should remain steady going into early next week off the back of bullish sentiment amongst owners with vessels in the region. Rates for USG>TA ended the week higher than the previous week, up at ws115 (basis 145,000mt) and up-coast is pegged at around ws125 levels (basis 150,000mt). The USG>EAST route pushed a touch higher this week with Singapore discharge commanding \$6.25-6.3m levels and remains date sensitive. We expect to continue to see additional improvement for rates across the board within the Atlantic Basin in order to keep the pace with the firming VLCC sector. BDTI- TD20 ended the week settling at ws136.25 which is up 9.80 points from this time last week.



**Suezmax Average Earnings\* MTD 2022 v. CY 2021**

MTD '22 Avg/Day: \$40,662      MTD '22 v. CY '21: +2216%

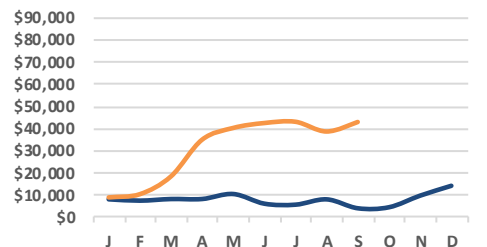
**AFRAMAX:** After the list had a chance to tighten up early in the week, owners began to show resistance across all routes. Locally, rates topped off at ws285 for the week, a 15-point jump with TCEs earning around \$62,000 per day. Transatlantic routes reached ws220 with rates projected at ws230 for the next fixture. Now, with tonnage appearing tight through the weekend, if inquiries can maintain a steady enough pace early next week, we could see rates continue to climb to start things off on Monday. Over in Europe markets were rather sideways for much of the week. Cross UKC and North Sea routes hovered around ws145 levels; however, some pressure in the North Sea by the end of the week left the market poised for growth for Monday. In the Mediterranean, the market seemed to be finding some stability around ws150 after a spike in activity during the middle of the week. Outlook for much of Europe remains poised and next week should be a good indicator as to where the market is headed.



**Aframax Average Earnings\* MTD 2022 v. CY 2021**

MTD '22 Avg/Day: \$52,456      MTD '22 v. CY '21: +636%

**MR:** The market on the Continent continued its rise from last week and rates rose each day to end the week for TC2 at ws285 (basis 37,000mt cargo). The US Gulf started the week with a bang. On Monday rates jumped over 100 Worldscale points for a USG>Brazil run fixed ws397.5 (basis 38,000mt cargo) and USG>Chile rose to lumpsum \$3.30 million dragging up rates for all destinations. Then a USG>ECC voyage went on subjects ws475 (basis 38,000mt cargo) and USG>CBS went on subjects at lumpsum \$1,595,000, however, both later failed. A few days of limited action allowed the tonnage list to repopulate and give charterers the ammunition to stem the rising tide and grab back the momentum. A few quoted market cargoes were able to receive double digit offers and bite a big chunk off the rates. USG>Chile was concluded at lumpsum \$2,700,000 and USG>EC Mexico was concluded at lumpsum \$900,000. All other routes such as USG>UKC-MED and USG>Brazil will need to be re-tested as we head for the weekend.



**MR Average Earnings\* MTD 2022 v. CY 2021**

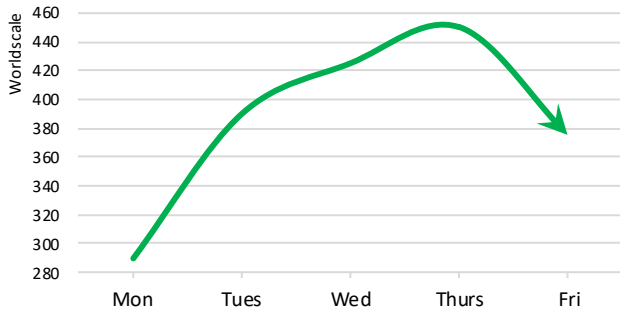
MTD '22 Avg/Day: \$43,184      MTD '22 v. CY '21: +1062%

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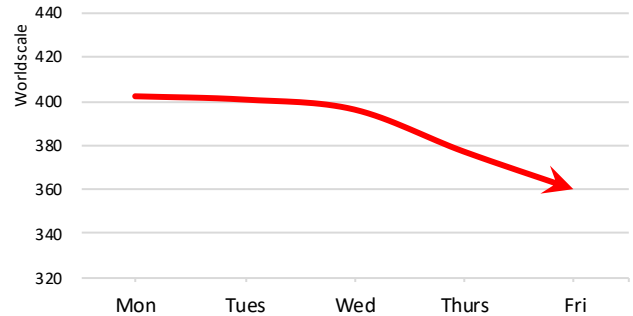
TANKER ROUTES (13kts L B)	Week 36 WS L\$	Week 37 WS L\$	Week 36 TCE**	Week 37 TCE**	*Week 36 Bunkers VLSFO \$730/MTD	**Week 37 Bunkers VLSFO \$734/MTD
<b>VLCC</b>						
AG>USG • 280,000 (dwt)	44.50	47.00	--	--		
AG>SPORE • 270,000	74.70	87.20	\$41,772	\$56,282	<b>Time Charter 1 Year v. 3 Years (\$ day):</b> \$25,500   \$25,000	
AG>JPN • 265,000	72.00	85.90	\$41,033	\$57,722		
AG>CHINA • 270,000	74.70	88.20	\$37,485	\$53,356		
WAFR>CHINA • 260,000	75.30	88.30	\$41,950	\$53,356	<b># Ships Trading:</b>	868
USG>SPORE-AG	7.59m	8.84m	\$77,536	\$97,627	<b>% Fleet on Order:</b>	4.6%
AG>USG/USG>SPORE-AG	--	--	\$66,697	\$80,770	<b>Ships to Breakers:</b>	No Activity
<b>VLCC Average Earnings<sup>+</sup></b>	--	--	\$40,421	\$55,789		
<b>SUEZMAX</b>						
WAFR>USG • 130,000	118.50	128.50	\$33,727	\$39,822		
WAFR>UKC • 130,000	126.50	132.00	\$32,341	\$35,647	<b>Time Charter 1 Year v. 3 Years (\$ day):</b> \$26,000   \$24,000	
BSEA>MED • 140,000	181.00	180.00	\$84,324	\$83,439		
CBS>USG • 150,000	118.50	120.50	\$42,159	\$44,250		
USG>UKC • 145,000	106.00	110.00	\$28,052	\$31,194	<b># Ships Trading:</b>	595
CBS>USG/USG>UKC-WAFR	--	--	\$42,654	\$45,854	<b>% Fleet on Order:</b>	2.2%
AG>USG • 140,000	65.00	68.00	\$17,398	\$19,788	<b>Ships to Breakers:</b>	1
USG>SPORE	6.00m	6.16m	--	--		
AG>USG/USG>SPORE-AG	--	--	\$49,695	\$52,568		
<b>Suezmax Average Earnings<sup>+</sup></b>	--	--	\$39,496	\$41,827		
<b>AFRAMAX</b>						
N.SEA>UKC • 80,000	157.50	148.50	\$42,793	\$37,445		
BALT>UKC • 100,000	192.20	179.90	\$65,804	\$59,710	<b>Time Charter 1 Year v. 3 Years (\$ day):</b> \$27,000   \$25,000	
CBS>USG • 70,000	231.00	264.00	\$47,702	\$60,269		
USG>UKC • 70,000	210.00	226.00	\$35,698	\$41,513		
CBS>USG/USG>UKC-NSEA	--	--	\$74,952	\$86,761	<b># Ships Trading:</b>	648
MED>MED • 80,000	169.40	147.00	\$43,494	\$32,355	<b>% Fleet on Order:</b>	4.6%
AG>SPORE • 80,000	235.80	224.00	\$52,213	\$48,018	<b>Ships to Breakers:</b>	1
<b>Aframax Average Earnings<sup>+</sup></b>	--	--	\$52,819	\$52,093		
<b>PANAMAX</b>						
CBS>USAC(USG) • 50,000	400.00	371.00	\$76,577	\$69,208	<b>Time Charter 1 Year v. 3 Years (\$ day):</b> \$19,500   \$19,000	
MED>USG • 55,000	220.00	220.00	\$34,766	\$34,896		
ECU>USWC • 50,000	380.00	380.00	\$65,675	\$65,725	<b># Ships Trading:</b>	55
USG>CBS • 50,000	400.00	371.60	\$67,734	\$60,997	<b>% Fleet on Order:</b>	0.0%
<b>Panamax Average Earnings<sup>+</sup></b>	--	--	\$66,954	\$62,545	<b>Ships to Breakers:</b>	No Activity
<b>LR2</b>						
AG>JPN • 75,000	277.40	285.00	\$65,130	\$67,576	<b>Time Charter 1 Year v. 3 Years (\$ day):</b> \$28,000   \$25,000	
AG>UKC	5.29m	5.44m	\$65,747	\$68,697		
MED>JPN	4.26m	4.47m	\$40,698	\$44,297	<b># Ships Trading:</b>	420
AG>UKC-MED>JPN-AG	--	--	\$63,987	\$67,688	<b>% Fleet on Order:</b>	13.3%
<b>LR2 Average Earnings<sup>+</sup></b>	--	--	\$64,749	\$67,614	<b>Ships to Breakers:</b>	No Activity
<b>LR1</b>						
AG>JPN • 55,000	320.60	338.40	\$57,384	\$61,718	<b>Time Charter 1 Year v. 3 Years (\$ day):</b> \$22,500   \$21,000	
AG>UKC	4.61m	4.68m	\$59,437	\$60,699		
UKC>WAFR • 60,000	234.10	218.40	\$43,762	\$39,198	<b># Ships Trading:</b>	391
AG>UKC/UKC>WAFR-AG	--	--	\$64,556	\$63,407	<b>% Fleet on Order:</b>	0.8%
<b>LR1 Average Earnings<sup>+</sup></b>	--	--	\$60,970	\$62,563	<b>Ships to Breakers:</b>	No Activity
<b>MR</b>						
UKC>USAC • 37,000	220.00	259.00	\$15,051	\$22,467		
USG>UKC • 38,000	168.00	271.50	\$8,299	\$28,488	<b>Time Charter 1 Year v. 3 Years (\$ day):</b> \$21,000   \$19,000	
USG>UKC/UKC>USAC(USG)	--	--	\$25,335	\$46,763		
USG>CBS (Pozos Colorados)	775k	1.31m	\$25,367	\$60,984		
USG>CHILE (Coronel)	2.27m	2.98m	\$37,093	\$57,197	<b># Ships Trading:</b>	1,902
CBS>USAC(USG) • 38,000	247.00	363.00	\$28,943	\$53,275	<b>% Fleet on Order:</b>	5.2%
WCIND>JPN-ROK>SPORE-WCIND	--	--	\$71,180	\$72,880	<b>Ships to Breakers:</b>	1
<b>MR Average Earnings<sup>+</sup></b>	--	--	\$33,318	\$49,088		
<b>HANDYSIZE</b>						
MED>EMED • 30,000	174.60	203.00	\$26,057	\$35,220	<b>Time Charter 1 Year v. 3 Years (\$ day):</b> \$16,000   \$14,500	
SPORE>JPN • 30,000	409.50	449.00	\$43,134	\$48,986		
<b>Handysize Average Earnings<sup>+</sup></b>	--	--	\$36,986	\$44,030	<b># Ships Trading:</b>	547
					<b>% Fleet on Order:</b>	2.9%
					<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).

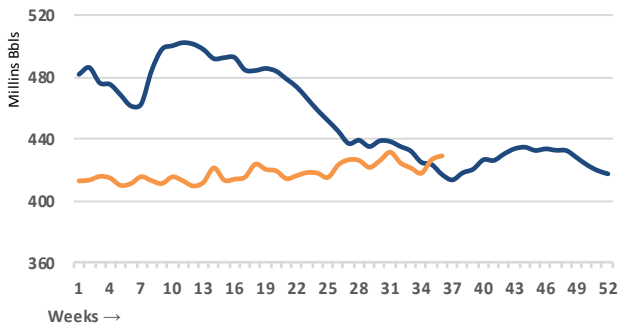
THE WEEK IN CHARTS



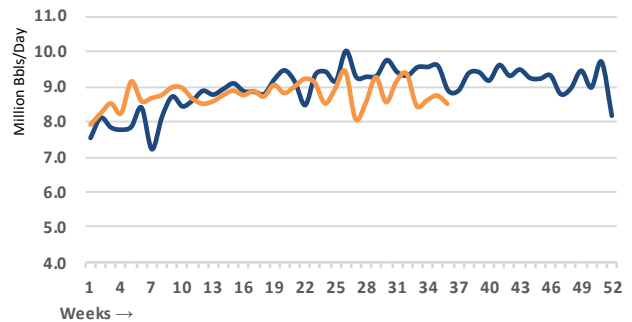
**Global Climber of the Week:** MR (USG>ECC) | 38,000mt | **+29%**



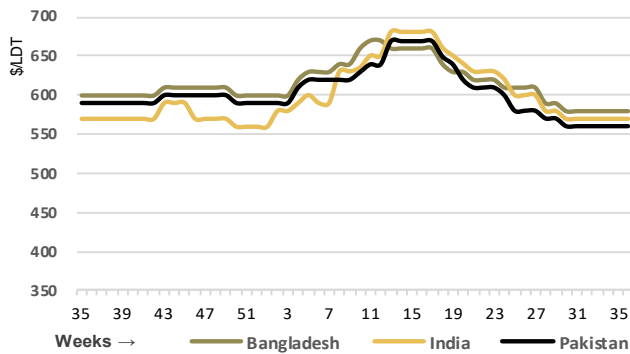
**Global Decliner of the Week:** MR (WC INDIA>Japan) | 35,000mt | **-10%**



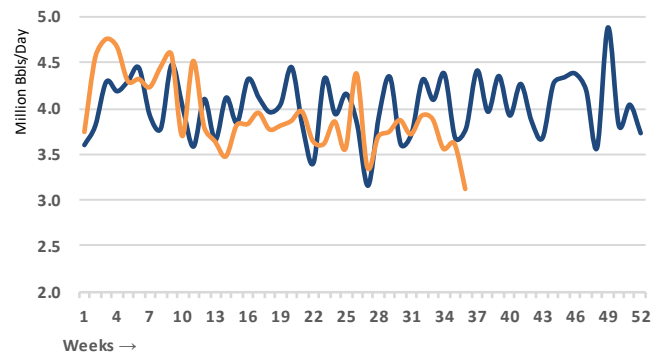
**US Crude Oil Stocks (EIA) WTD '22 v. CY '21**  
Last Week: 429.6m bbls Last Week '22 v. '21: +2.9%



**US Gasoline Demand (EIA) WTD '22 v. CY '21**  
Last Week: 8.494m bbls/day Last Week '22 v. '21: -4.5%



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



**Charley's Chart of the Week: Weekly US Distillate Fuel Oil Demand (EIA)**  
Last Week: 3.132m bbls/day Last Week '22 v. '21: -17.5%

**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