

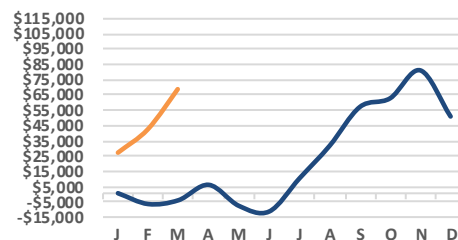
WEEKLY MARKET REPORT



Week 10 • March 10, 2023

Issue WM10-23

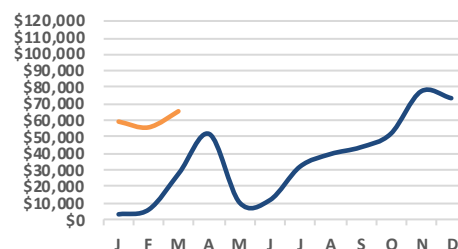
VLCC: An active week in the VLCC market saw all sectors escalate to year-to-date highs. Eastbound levels from the US Gulf had already moved above the \$10,000,000 mark and are somewhere north of \$11,000,000 by the close of business today. In the Arabian Gulf, TD3 is rising towards triple digits with TCE's north of \$100,000 per day. Although off to a quiet start, when the Arabian Gulf activity picked up, it corresponded with owners ballasting on speculation towards the Atlantic Basin which led to a 25% increase in rates overnight. The firming Arabian Gulf sector will limit ballast units to the West, increasing sentiment in the Atlantic Basin.



VLCC Average Earnings* MTD 2023 v. CY 2022

MTD '23 Avg/Day: \$69,425 MTD '23 v. CY '22: +1732%

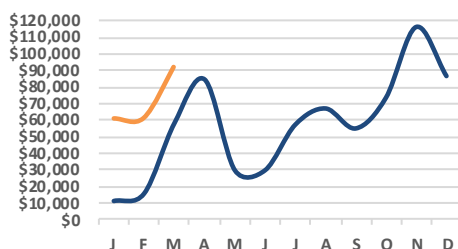
SUEZMAX: A rather lackluster week in West Africa as charterers strategically held back on working their 3rd decade March programs in an effort to quell any remaining bullish sentiment from last week's rate uptick. Charterers were able to test last done levels with ease off the back of weaker than anticipated demand from European load regions which helped push the TD20 route down to ws110 levels by mid-week. However, this downward trend proved to be short-lived and reversed its course late in the week as rates inched their way back up to ws115 by Friday morning. In the Americas, inquiries were fairly limited as rates encountered a slight downward correction in correlation to diminishing sentiment in the Atlantic Basin, and a softening Aframax sector. Rates for US>UKCM slipped down 7.5 points on the week to ws120 levels (basis 145,000mt cargo) while USG>EAST rates remain bullish with Singapore discharge commanding \$6.9m levels and should remain elevated going into next week in order to keep pace with the firming VLCC sector. BDTI- TD20 ended the week settling at ws115.45, which is down 26.71 points from this time last week.



Suezmax Average Earnings* MTD 2023 v. CY 2022

MTD '23 Avg/Day: \$65,055 MTD '23 v. CY '22: +134%

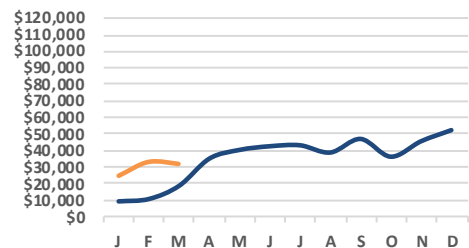
AFRAMAX: The week began on a strong note, with rates holding steady at recent levels. However, as the week progressed and activity slowed, charterers were able to exert pressure on rates, driving them down on routes to Europe and East Coast Canada. In fact, by the end of the week, Transatlantic routes were forecast to trade at around ws235, as charterers secured deals at ws245 for an East Coast Mexico-Transatlantic run (a significant drop of 25 Worldscale points from rates out of the US Gulf). Local runs out of East Coast Mexico to the US Gulf were also expected to fall, possibly reaching as low as ws350, or even lower if there is an increase in tonnage over the weekend and activity remains subdued. Looking ahead, the market is likely to continue its downward trend into next week if current conditions persist. This week, the European markets faced their own challenges, as Cross Med rates slipped from ws195 to ws180, and Cross UKC rates dropped from ws180 to ws170. As with the U.S. markets, the lack of demand was not enough to sustain rates at their previous levels, and with tonnage building up, overall sentiment softened by week's end. Going forward, it is likely that charterers will continue to put pressure on rates as the market remains somewhat fragile heading into next week.



Aframax Average Earnings* MTD 2023 v. CY 2022

MTD '23 Avg/Day: \$91,888 MTD '23 v. CY '22: +58%

MR: TC2 started the week slowly with ample tonnage in the front end. However, a tighter Mediterranean market spiked Med>TA levels to ws200 (basis 37,000mt cargo) which resulted in a carryover effect in the UKC market. Fresh inquiries for Transatlantic voyages poured into the market midweek driving TC2 levels up 40 points to ws195. Despite, a quiet finish with some cargoes being withdrawn without fixing, rates should hold up on the back of continued stronger Mediterranean inquiries heading into next week. Rates rebounded sharply in the US Gulf this week after previously finding a floor. A thinner list and some multi-option cargoes helped owners justify higher asking prices which led to a boost in earnings. Longer hauls voyages USG>Chile now stands at \$3.0m, climbing up from a low of \$2.275m seen on Monday. Popular shorter hauls to the Caribs also served as a market catalyst, as rates levels increased from \$850,000 to over \$1.0m over the same period. Limited naphtha movements for USG>TA have set TC14 close to WS165, with a quiet TC18 USG>Brazil standing around ws275 (basis 38,000mt cargo). Steadiness in Europe combined with Panama Canal delays should keep excessive ballasters from entering the area enabling levels to hold for now.



MR Average Earnings* MTD 2023 v. CY 2022

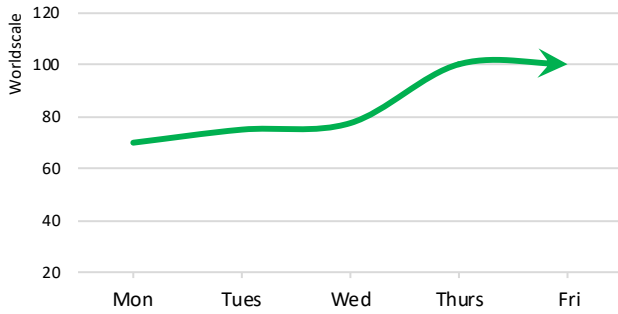
MTD '23 Avg/Day: \$31,707 MTD '23 v. CY '22: +72%

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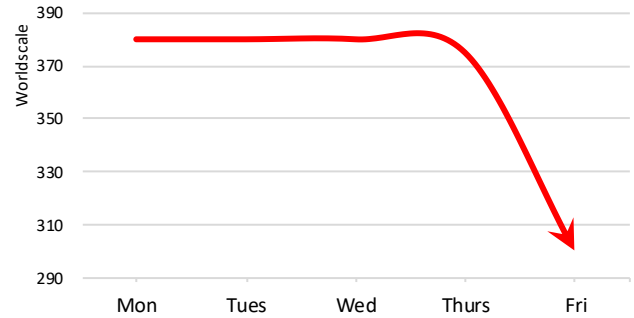
TANKER ROUTES (13kts L B)	Week 9 WS L\$	Week 10 WS L\$	Week 9 TCE**	Week 10 TCE**	*Week 9 Bunkers VLSFO \$623/MTD	**Week 10 Bunkers VLSFO \$624/MTD
VLCC						
AG>USG • 280,000 (dwt)	40.00	50.20	--	--		
AG>SPORE • 270,000	68.60	85.90	\$60,477	\$85,776	Time Charter 1 Year v. 3 Years (\$ day):	
AG>JPN • 265,000	67.10	84.50	\$58,640	\$84,232	\$39,000	\$38,000
AG>CHINA • 270,000	69.40	86.10	\$56,395	\$80,435		
WAFR>CHINA • 260,000	69.50	83.80	\$57,608	\$77,254	# Ships Trading:	889
USG>SPORE-AG	9.18m	9.92m	\$109,923	\$121,899	% Fleet on Order:	0.9%
AG>USG/USG>SPORE-AG	--	--	\$92,499	\$111,919	Ships to Breakers:	No Activity
VLCC Average Earnings⁺	--	--	\$58,971	\$79,879		
SUEZMAX						
WAFR>USG • 130,000	137.50	122.50	\$69,062	\$58,285		
WAFR>UKC • 130,000	142.80	130.50	\$66,147	\$57,617	Time Charter 1 Year v. 3 Years (\$ day):	
BSEA>MED • 140,000	167.50	170.00	\$105,922	\$108,158	\$42,000	\$32,000
CBS>USG • 150,000	134.00	136.00	\$84,491	\$86,489		
USG>UKC • 145,000	127.50	127.50	\$69,190	\$69,313	# Ships Trading:	601
CBS>USG/USG>UKC-WAFR	--	--	\$90,081	\$90,817	% Fleet on Order:	2.0%
AG>USG • 140,000	61.00	65.50	\$30,006	\$34,310	Ships to Breakers:	No Activity
USG>SPORE	6.83m	6.96m	--	--		
AG>USG/USG>SPORE-AG	--	--	\$66,908	\$70,742		
Suezmax Average Earnings⁺	--	--	\$67,061	\$63,049		
AFRAMAX						
N.SEA>UKC • 80,000	166.00	177.00	\$80,253	\$90,144		
BALT>UKC • 100,000	N/A	N/A	N/A	\$36,605	Time Charter 1 Year v. 3 Years (\$ day):	
CBS>USG • 70,000	345.00	363.00	\$126,858	\$135,284	\$40,000	\$32,000
USG>UKC • 70,000	282.00	267.00	\$88,886	\$82,649		
CBS>USG/USG>UKC-NSEA	--	--	\$165,031	\$161,948	# Ships Trading:	655
MED>MED • 80,000	174.50	189.00	\$64,506	\$72,835	% Fleet on Order:	4.1%
AG>SPORE • 80,000	198.00	202.00	\$58,946	\$60,606	Ships to Breakers:	No Activity
Aframax Average Earnings⁺	--	--	\$89,359	\$94,417		
PANAMAX						
CBS>USAC(USG) • 50,000	300.00	361.00	\$73,645	\$93,767	Time Charter 1 Year v. 3 Years (\$ day):	
MED>USG • 55,000	250.00	250.00	\$62,248	\$62,279	\$35,000	\$30,000
ECU>USWC • 50,000	400.00	408.00	\$103,501	\$106,003	# Ships Trading:	55
USG>CBS • 50,000	300.00	363.00	\$65,297	\$84,117	% Fleet on Order:	0.0%
Panamax Average Earnings⁺	--	--	\$74,899	\$88,575	Ships to Breakers:	No Activity
LR2						
AG>JPN • 75,000	187.40	192.60	\$52,212	\$54,334	Time Charter 1 Year v. 3 Years (\$ day):	
AG>UKC	4.58m	4.65m	\$56,275	\$57,639	\$42,000	\$32,000
MED>JPN	4.04m	3.90m	\$40,786	\$38,344	# Ships Trading:	432
AG>UKC-MED>JPN-AG	--	--	\$58,469	\$57,754	% Fleet on Order:	10.2%
LR2 Average Earnings⁺	--	--	\$54,296	\$55,473	Ships to Breakers:	No Activity
LR1						
AG>JPN • 55,000	185.40	186.30	\$36,785	\$37,030	Time Charter 1 Year v. 3 Years (\$ day):	
AG>UKC	3.72m	3.72m	\$45,650	\$45,727	\$39,000	\$31,000
UKC>WAFR • 60,000	174.10	171.60	\$40,455	\$39,577	# Ships Trading:	391
AG>UKC/UKC>WAFR-AG	--	--	\$52,947	\$52,609	% Fleet on Order:	0.8%
LR1 Average Earnings⁺	--	--	\$44,866	\$44,819	Ships to Breakers:	No Activity
MR						
UKC>USAC • 37,000	159.30	174.50	\$15,381	\$19,381		
USG>UKC • 38,000	177.50	151.00	\$21,695	\$15,686	Time Charter 1 Year v. 3 Years (\$ day):	
USG>UKC/UKC>USAC(USG)	--	--	\$28,967	\$26,869	\$27,000	\$22,000
USG>CBS (Pozos Colorados)	1.02m	9.25k	\$44,646	\$38,387		
USG>CHILE (Coronel)	2.87m	2.65m	\$56,806	\$50,583	# Ships Trading:	1,934
CBS>USAC(USG) • 38,000	237.50	226.00	\$42,005	\$39,090	% Fleet on Order:	4.8%
WCIND>JPN-ROK>SPORE-WCIND	--	--	\$36,006	\$28,902	Ships to Breakers:	No Activity
MR Average Earnings⁺	--	--	\$32,786	\$30,628		
HANDYSIZE						
MED>EMED • 30,000	197.20	205.50	\$43,541	\$46,576	Time Charter 1 Year v. 3 Years (\$ day):	
SPORE>JPN • 30,000	226.50	182.00	\$24,793	\$16,739	\$24,000	\$19,000
Handysize Average Earnings⁺	--	--	\$31,542	\$27,480	# Ships Trading:	549
					% Fleet on Order:	2.7%
					Ships to Breakers:	No Activity

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

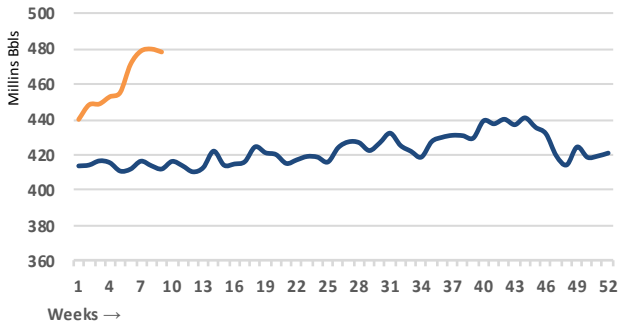
THE WEEK IN CHARTS



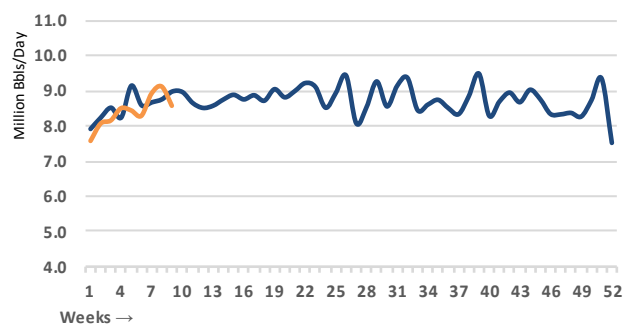
Global Climber of the Week: VLCC (AG>Japan | 270,000mt) | **+43%**



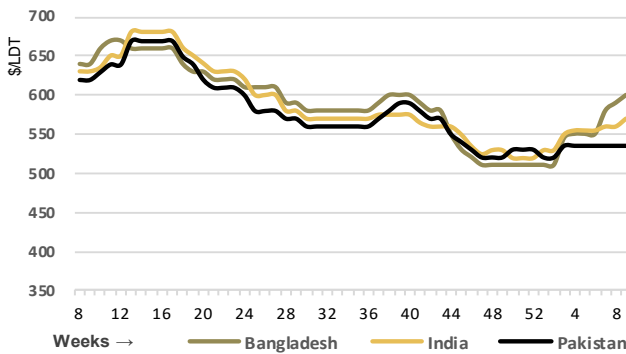
Global Decliner of the Week: AFRAMAX (CBS>USG | 70,000mt) | **-21%**



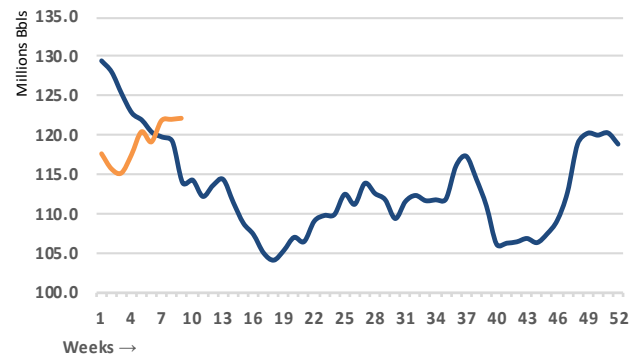
US Crude Oil Stocks (EIA) WTD '23 v. CY '22
Last Week: 478.5m bbls Last Week '23 v. '22: +16.3%



US Gasoline Demand (EIA) WTD '23 v. CY '22
Last Week: 8.562m bbls/day Last Week '23 v. '22: -4.5%



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



Charley's Chart of the Week: Weekly US Distillate Fuel Oil Stocks (EIA)
WTD '23 v. CY '22
Last Week: 122.252m bbls Last Week '23 v. '22: +7.4%

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