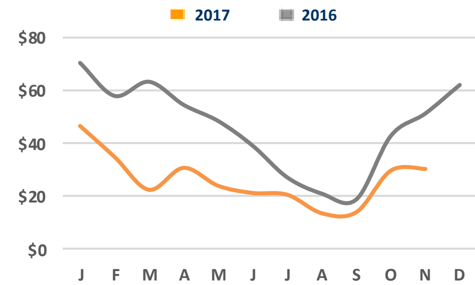
WEBER WEEKLY
TANKER REPORT

WEEK 46 – 17 NOVEMBER 2017 **ISSUE 46 – 2017**

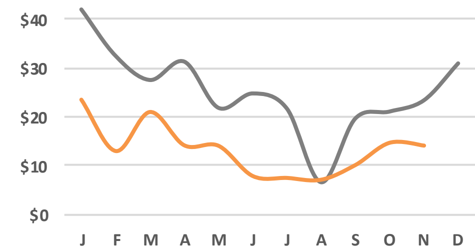
Spot Market	WS/LS	TCE	WS/LS	TCE
VLCC (13.0 Kts L/B)	**10-Nov**		**17-Nov**	
AG>USG 280k	28.5	$(2,601)	27.5	$(2,483)
AG>USG/CBS>SPORE/AG	--	$31,431	--	$31,266
AG>SPORE 270k	72.5	$29,966	69.0	$28,104
AG>JPN 265k	70.0	$31,464	68.0	$30,724
AG>CHINA 270k	72.5	$30,224	69.0	$28,266
WAFR>CHINA 260k	72.0	$30,995	70.0	$30,310
CBS>SPORE 270k	$4.55m	$30,088	$4.50m	$30,367
VLCC Average Earnings		*$30,711*		*$29,651*
SUEZMAX (13.0 Kts L/B)				
WAFR>USG 130k	80.0	$13,643	72.5	$11,114
WAFR>UKC 130k	82.5	$9,501	77.5	$8,122
BSEA>MED 140k	90.0	$10,098	87.5	$8,742
CBS>USG 150k	85.0	$20,600	75.0	$14,961
Suezmax Average Earnings		*$13,449*		*$10,985*
AFRAMAX (13.0 Kts L/B)				
N.SEA>UKC 80k	85.0	$(4,292)	97.5	$6,271
BALT>UKC 100k	70.0	$4,780	70.0	$5,043
CBS>USG 70k	110.0	$6,515	112.5	$7,758
USG>UKC 70k	70.0	--	80.0	--
CBS>USG/USG>UKC/NSEA	--	$8,543	--	$12,070
MED>MED 80k	95.0	$5,243	107.5	$10,068
AG>SPORE 70k	125.0	$12,205	110.0	$9,260
Aframax Average Earnings		*$5,863*		*$8,171*
PANAMAX (13.0 Kts L/B)				
CBS>USG 50k	115.0	$(455)	115.0	$(115)
CONT>USG 55k	115.0	$6,038	115.0	$6,422
ECU>USWC 50k	140.0	$8,295	140.0	$8,478
Panamax Average Earnings		*$4,804*		*$5,150*
LR2 (13.0 Kts L/B)				
AG>JPN 75k	122.5	$12,116	122.5	$12,685
AG>UKC 80k	$1.90m	$13,341	$1.80m	$11,887
MED>JPN 80k	$1.75m	$7,330	$1.72m	$7,373
AG>UKC/MED>JPN/AG	--	$16,634	--	$15,722
LR2 Average Earnings		*$16,320*		*$13,713*
LR1 (13.0 Kts L/B)				
AG>JPN 55k	124.5	$7,815	126.5	$8,615
AG>UKC 65k	$1.33m	$6,515	$1.34m	$7,025
UKC>WAFR 60k	109.0	$1,434	104.0	$1,088
AG>UKC/UKC>WAFR/AG	--	$10,262	--	$10,276
LR1 Average Earnings		*$9,038*		*$9,445*
MR (13.0 Kts L/B)				
UKC>USAC 37k	112.5	$1,348	135.0	$5,018
USG>UKC 38k	137.5	$6,901	140.0	$6,783
USG>UKC/UKC>USAC/USG	--	$10,019	--	$12,456
USG>CBS (Pozos Colorados) 38k	$450k	$12,129	$455k	$12,805
USG>CHILE (Coronel) 38k	$1.28m	$17,050	$1.28m	$17,390
CBS>USAC 38k	145.0	$8,737	150.0	$9,838
MR Average Earnings		*$10,109*		*$12,049*
Handy (13.0 Kts L/B)				
MED>EMED 30k	125.5	$5,102	147.0	$10,347
SPORE>JPN 30K	180.0	$7,987	180.0	$8,319
Handy Average Earnings		*$6,948*		*$9,049*

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

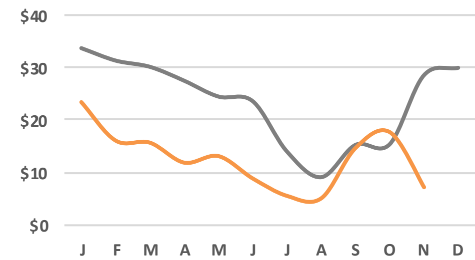
Time Charter Market *$/day (theoretical)*	1 Year	3 Years
VLCC	$27,250	$30,000
Suezmax	$17,500	$19,000
Aframax	$15,500	$17,500
Panamax	$12,000	$13,500
MR	$13,750	$14,500
Handy	$12,250	$13,000



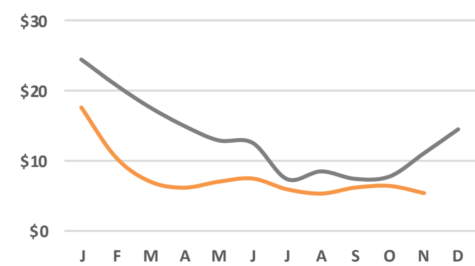
VLCC Average Earnings — **MTD Average** ~$30,398/Day — **Month y/y** ▼ -41%



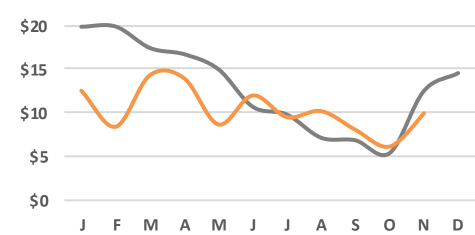
Suezmax Average Earnings — **MTD Average** ~$14,272/Day — **Month y/y** ▼ -39%



Aframax Average Earnings — **MTD Average** ~$7,253/Day — **Month y/y** ▼ -75%



Panamax Average Earnings — **MTD Average** ~$5,207/Day — **Month y/y** ▼ -53%



MR Average Earnings — **MTD Average** ~$9,833 /Day — **Month y/y** ▼ -21%

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SPOT MARKET SUMMARY

VLCC

Rates in the VLCC market were largely range bound this week with an expected upward push prevented by the appearance of hidden positions, which altered the supply/demand balance for the Middle East market's November program. A pause by charterers between the Middle East market's November and December programs also tempered the positive undertones that had prevailed at last week's close and led to modest losses at the start of the week, which were ultimately pared as the week progressed.

There were 16 Middle East fixtures this week, marking a 24% w/w decline. Meanwhile, there were six fixtures in the West Africa market, a gain of one on last week's tally. Draws on Middle East positions were augmented by one fixture for loading in South Africa and two speculative ballasts to the Atlantic basin. With the November Middle East program now complete, we note that the month's availability surplus was unchanged from October's 14 units. Looking forward to the first decade of the December program, the surplus is likely to narrow to eight units, which should substantiate a positive progression from the narrow range of rates observed over the past month. Furthering the likelihood of gains during the upcoming week, we note that the number of commercially disadvantaged units populating tonnage lists has declined markedly, implying that requirements will be more heavily vying for competitive units.

Historically, the supply surplus narrows progressively during the December program and the declining replenishment of units on position lists from an earlier surge in Atlantic basin demand is likely to contribute to this year's trend, which will likely see rates extend gains through the conclusion of the December program.

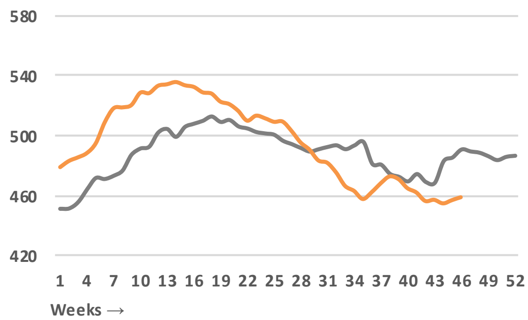
Middle East
AG-FEAST rates concluded off by two points to ws68. Corresponding TCEs were off 6% to ~$29,045/day. Rates to the USG via the Cape lost two points to conclude at ws26.5. Triangulated AG-USG/CBS-SPORE/AG TCEs declined by 3% w/w to ~$30,623/day.

Atlantic Basin
Rates on the WAFR-FEAST route shed two points to conclude at ws70. The corresponding TCE was down 2% to ~$30,311/day.

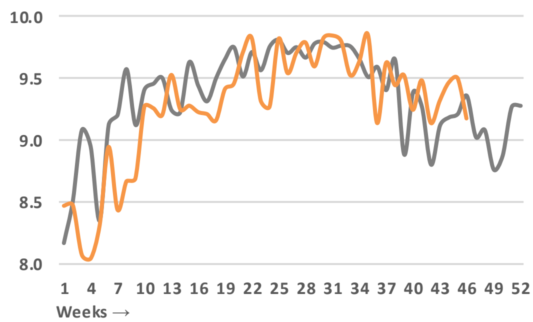
Rates in the Atlantic basin remained soft on a decline in regional demand, including, notably, no fresh US crude export fixtures from the USG for the first time in nearly two months. Rates on the CBS-SPORE benchmark route shed $50k to conclude at $4.50m lump sum. Round-trip TCEs on the route were largely unchanged, concluding at ~$30,367/day.

Suezmax

Rates in the West Africa Suezmax market were soft through most of the week, though there was a modest paring of losses on Friday. Demand levels were unchanged from last week with 11 fresh fixtures. Demand in the Middle East market rallied to a YTD high following two weeks of very slow demand and Caribbean market busied as well, with both having the effect of reducing the specter of ballasters into the West Africa market. Rates in the WAFR-UKC route shed 5 points for the week to conclude at ws77.5, having touched a low of ws75 at mid-week. Rates could extend their gains during the upcoming week as demand is poised to strengthen. Low VLCC coverage of the first two decades of December program implies greater Suezmax cargo availability as charterers progress into month.



US Crude Stocks (EIA)	Last Week	Week y/y
	459.0 MnBbls	▼ -6.4%



US Gasoline Demand (EIA)	Last Week	Week y/y
	9.172 MnB/d	▼ -2.0%

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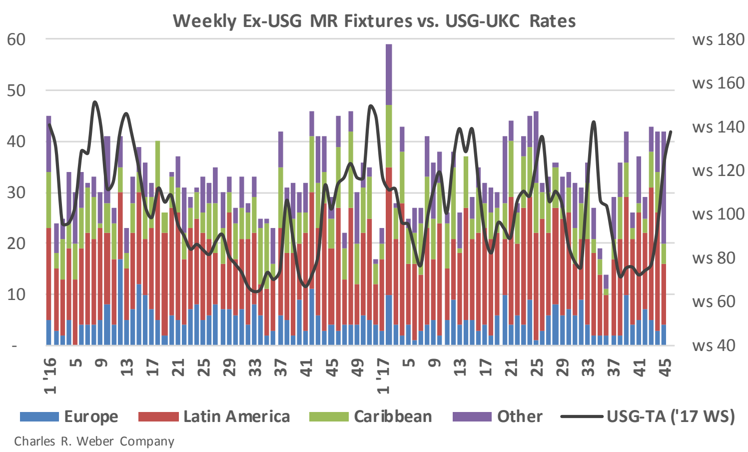
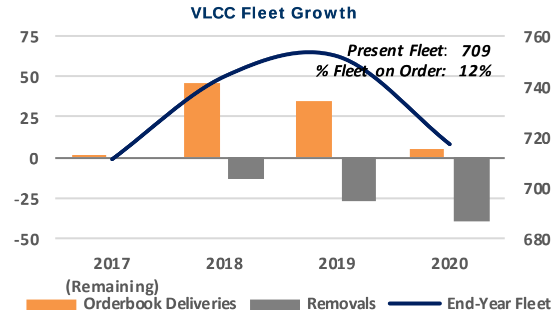
Aframax

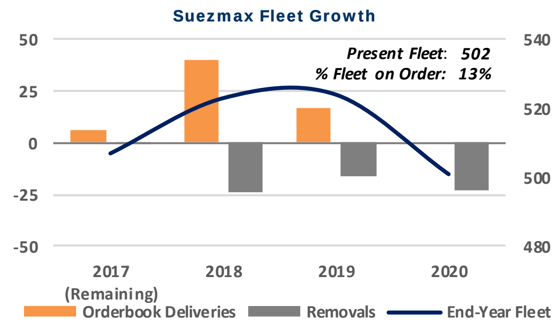
Rates in the Caribbean Aframax market commenced the week with an extending of the soft trend of recent weeks. However, as demand levels improved considerably and progressively reduced availability levels, rates reversed direction towards the end of the week. The CBS-USG route added 2.5 points on the week to conclude at ws112.5 – having dipped earlier to the ws100 level. With owners expected to remain bullish at the start of the upcoming week, further rate gains should materialize, particularly if demand remains elevated ahead of the Thanksgiving weekend.

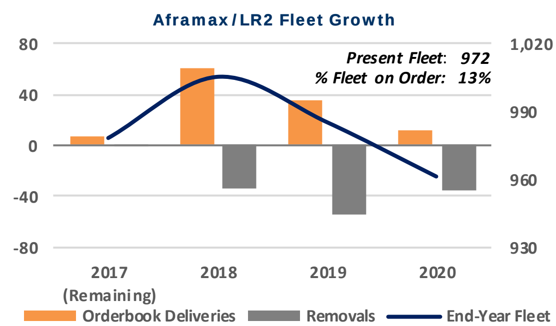
MR

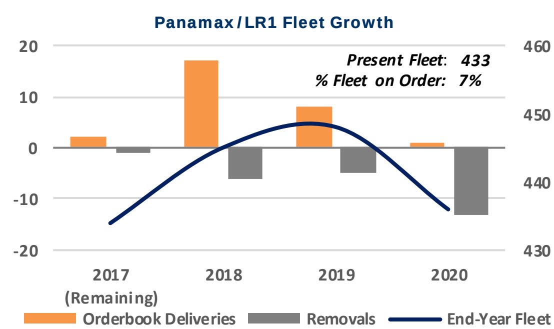
The USG MR market remained active this week, helping to support rates from mid-week. There were 44 fresh fixtures – a 10% w/w gain and the loftiest tally since May. Rates had commenced the week with softer undertones on rising availability levels, but after a brief spike in ex-UKC rates attracted potential ballast units away from the USG, demand levels were able to rebalance the supply/demand positioning. The USG-UKC route added 2.5 points to conclude at ws140 while the USG-CBS route rose $5k to $455k lump sum and the USG-CHILE route was unchanged at $1.275m lump sum. With rates in the UKC market easing again, we expect stronger resistance to trans-Atlantic trades from the USG, though ultimately the pace of demand early next week ahead of the Thanksgiving holiday will likely guide the overall direction of rates.

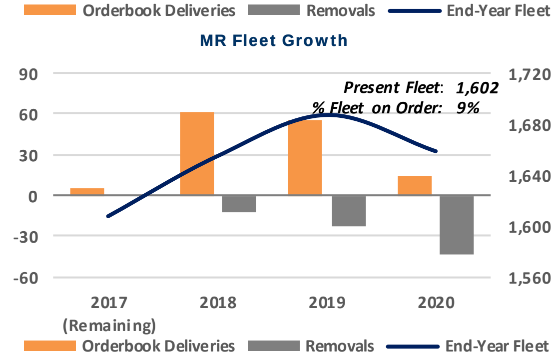








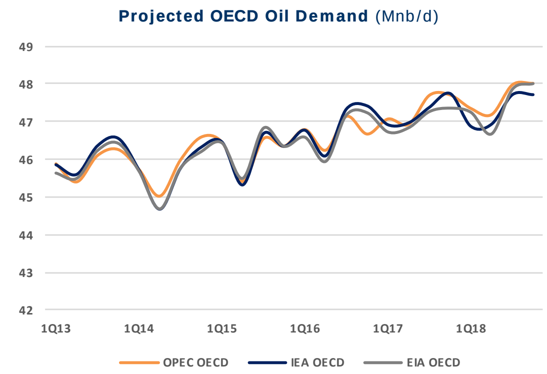


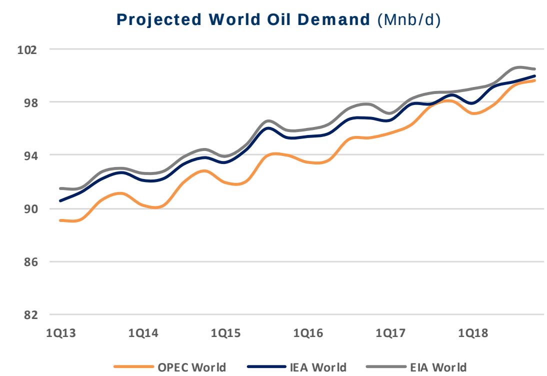


REPORTED TANKER SALES

"Cap Georges" – 146,652/98 – Samsung Geoje – DH
-Sold for $9.8m to undisclosed Indian buyers. SS/DD due 01/2018.

"Singapore Voyager" – 105,850/03 – Namura Imari – DH
-Sold for $9.0m to undisclosed buyers.



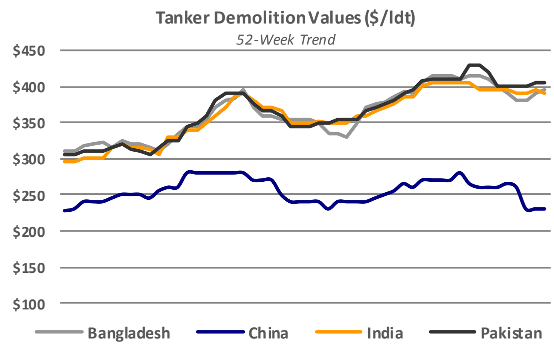


REPORTED TANKER DEMOLITION SALES

Bangladesh

"Pacific Cape" – 109,354/00 – 19,826 LTD – DH
-Sold for $417/ldt.

"Razna" – 4,999/84 – 3,131 LTD – DB
-Sold for $360/ldt. Laid up since 09/2012.



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