

WEBER WEEKLY TANKER REPORT



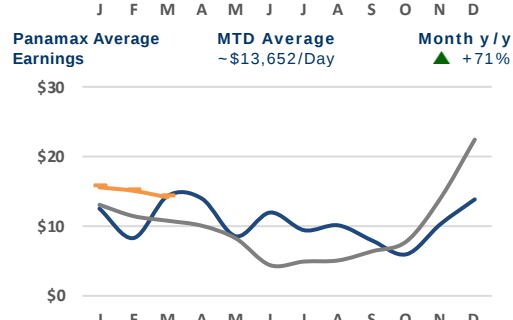
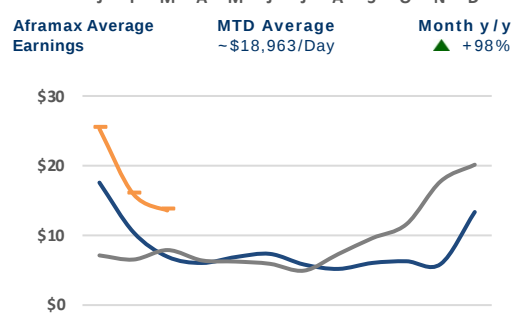
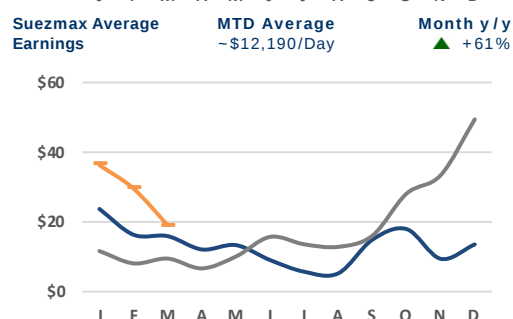
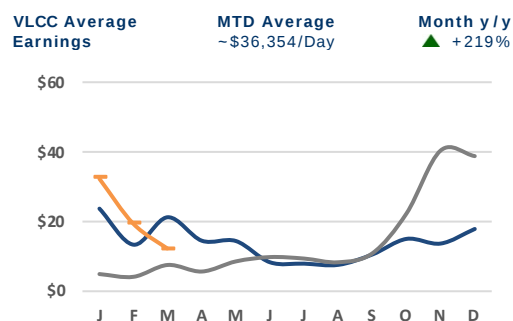
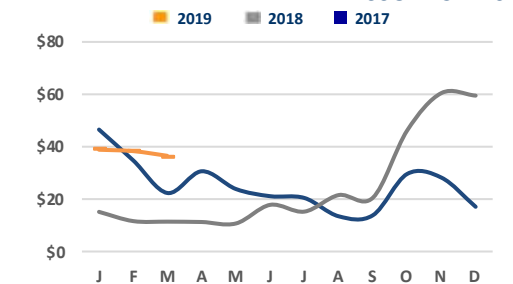
WEEK 13 – 29 MARCH 2019

ISSUE 13 – 2019

Spot Market	WS/LS	TCE	WS/LS	TCE
VLCC (13.0 Kts L/B)				
		22-Mar		29-Mar
AG>USG 280k	23.5	--	22.0	--
AG>SPORE 270k	56.5	\$34,553	45.0	\$22,268
AG>JPN 265k	55.0	\$36,304	44.0	\$23,669
AG>CHINA 270k	57.5	\$34,416	46.0	\$21,720
WAFR>CHINA 260k	52.5	\$30,269	45.0	\$22,205
USG>SPORE 270k	\$4.75m	\$25,293	\$4.50m	\$22,856
AG>USG/USG>SPORE/AG	--	\$36,358	--	\$33,185
VLCC Average Earnings		\$34,267		\$23,901
SUEZMAX (13.0 Kts L/B)				
WAFR>USG 130k	42.5	\$3,666	45.0	\$5,248
WAFR>UKC 130k	47.5	\$1,810	50.0	\$3,338
BSEA>MED 140k	65.0	\$4,092	62.5	\$2,885
CBS>USG 150k	55.0	\$11,561	55.0	\$11,809
USG>UKC 130k	45.0	--	47.5	--
CBS>USG/USG>UKC/WAFR	--	\$30,580	--	\$21,966
AG>USG 140k	45.0	--	42.5	--
USG>SPORE 130k	\$2.75m	--	\$2.75m	--
AG>USG/USG>SPORE/AG	--	\$37,379	--	\$30,588
Suezmax Average Earnings		\$7,398		\$7,700
AFRAMAX (13.0 Kts L/B)				
N.SEA>UKC 80k	95.0	\$13,424	90.0	\$10,301
BALT>UKC 100k	75.0	\$16,685	65.0	\$10,682
CBS>USG 70k	95.0	\$8,657	97.5	\$9,983
USG>UKC 70k	87.5	--	92.5	--
CBS>USG/USG>UKC/NSEA	--	\$22,558	--	\$25,691
MED>MED 80k	100.0	\$15,119	90.0	\$10,979
AG>SPORE 70k	110.0	\$17,696	107.5	\$17,132
Aframax Average Earnings		\$15,871		\$13,923
PANAMAX (13.0 Kts L/B)				
CBS>USG 50k	125.0	\$10,607	125.0	\$11,112
CONT>USG 55k	115.0	\$13,931	115.0	\$14,603
ECU>USWC 50k	170.0	\$22,037	170.0	\$22,712
Panamax Average Earnings		\$13,237		\$13,848
LR2 (13.0 Kts L/B)				
AG>JPN 75k	102.0	\$16,283	102.0	\$16,561
AG>UKC 80k	2.075m	\$15,773	\$2.0m	\$14,652
MED>JPN 80k	\$1.96m	\$8,792	\$1.95m	\$9,054
AG>UKC/MED>JPN/AG	--	\$19,225	--	\$18,872
LR2 Average Earnings		\$17,263		\$17,331
LR1 (13.0 Kts L/B)				
AG>JPN 55k	115.5	\$12,909	110.0	\$12,101
AG>UKC 65k	\$1.86m	\$15,035	\$1.78m	\$13,977
UKC>WAFR 60k	116.5	\$8,817	122.0	\$10,536
AG>UKC/UKC>WAFR/AG	--	\$20,844	--	\$20,973
LR1 Average Earnings		\$16,877		\$16,537
MR (13.0 Kts L/B)				
UKC>USAC 37k	175.0	\$18,971	195.0	\$23,334
USG>UKC 38k	100.0	\$5,248	95.0	\$4,534
USG>UKC/UKC>USAC/USG	--	\$19,088	--	\$19,088
USG>CBS (Pozos Colorados) 38k	\$515k	\$16,070	\$465k	\$12,991
USG>CHILE (Coronel) 38k	\$1.3m	\$17,316	\$1.3m	\$17,561
CBS>USAC 38k	130.0	\$11,900	130.0	\$12,258
WCIND>JPN/ROK>SPORE/WCIND	--	\$18,142	--	\$15,290
MR Average Earnings		\$17,426		\$18,284
Handy (13.0 Kts L/B)				
MED>EMED 30k	174.5	\$22,041	257.0	\$45,341
SPORE>JPN 30K	145.0	\$9,427	147.5	\$9,853
Handy Average Earnings		\$13,968		\$22,629

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

Time Charter Market	1 Year	3 Years
\$/day (theoretical)		
VLCC	\$32,500	\$34,000
Suezmax	\$24,000	\$26,000
Aframax	\$18,500	\$22,000
Panamax	\$15,000	\$16,500
MR	\$13,750	\$16,000
Handy	\$13,250	\$14,500



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WEBER WEEKLY TANKER REPORT



SPOT MARKET SUMMARY

VLCC

For the past couple of weeks fundamentals have been weighing on sentiment in the VLCC sector while rates have been buoyed, largely by Owners confident expectations of busier times ahead. This week saw fundamentals finally take their toll on the market, leading eastbound rates down over twenty percent, TCEs tumbling below the \$22,000/day level for modern tonnage. Those cargoes that entered the market saw large audiences, many seeing offer counts in the double digits. In addition to the over-supply of ships, sluggish activity continued, as the AG cargo program lagged behind the pace seen in March, and the inquiry from the USG (and Venezuela) was very limited. The slower Americas inquiry, in addition to resulting in less business, also limited the inclination of eastern tonnage to ballast into the Atlantic Basin. While civil unrest and widespread blackouts restrict production in Venezuela, the recent shortage of USG exports remains a question mark.

Eastbound rates ended last week in the high ws50's with a ws57 concluded to Taiwan. A slow start to this week pressured rates down into the low ws50's before ws45 was concluded (on modern tonnage) for preferred business to Korea on a larger cargo size. The older units trailed behind modern tonnage, offering arguably a 5 – 7.5 point discount.

Westbound rates were largely untested, but remain preferred as a positioning voyage. Triangulation still shows the highest possible returns. AG to the USG followed by USG to Singapore yields a TCE of about \$34,000/day over the two voyages, basis ws23 and \$4.5 mil.

There were 24 fresh fixtures to report this week, bringing the April cargo tally to 58 with the first decade nearing completion and some 30 cargoes remaining through the middle decade of the month. This compares to a position list that still shows some 70 units available over that same period.

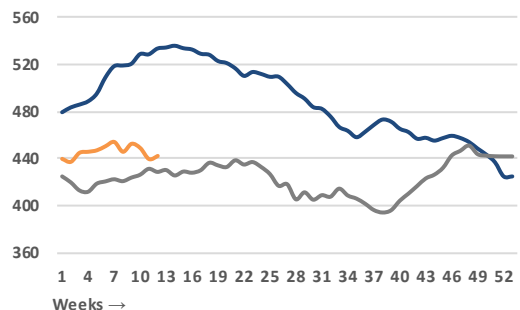
Looking to next week, with the over-supply still the story, little is expected to change in the current environment. While an uptick in Venezuela exports is unlikely, an increase in USG exports could buttress the softening sentiment.

Suezmax

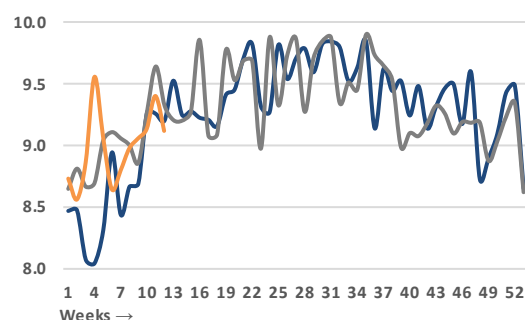
Inquiry in West Africa was up 30% to 13 fixtures vs. 10 the previous week. Despite the additional cargo flow, TD20 rates only managed a marginal increase of +2.5 pts as charterers utilized the ample tonnage avails to keep rates level. TD20 TCE remains at sub-opex levels for the fourth week in a row yielding a return of only \$4,000/day. The Black Sea / Mediterranean market also witnessed a slight uptick in activity but rates remain stagnant holding around 135 x w65 for TD6 / \$4,500/day. In the USG/CBS region, limited demand (at least on the surface) coupled with a building tonnage list, thanks partly to European ballasters, have left rates in limbo once again. Rates for USG/TA were down slightly to ws47.5 basis 150k MT cargo size while USG/Spore rates remain hovering around \$2.7-2.75m levels. BDT1 - TD20 ended the week settling at 51.48 which is up (+3.32) from this time last week.

Aframax

The week began with some issues in the Houston Ship Channel, causing a significant backlog as inbound and outbound traffic halted. The disruption gave owners a glimmer of hope, and the market had an opportunity to see some sort of rally to start the week. The backlog was quickly rectified, though, and traffic began moving, quickly quelling any expectations owners had for a mini rally. While much of the week appeared lackluster, a prompt, case-specific replacement managed to achieve a ws127.5. However, owners experienced no positive effects from it as charterers quickly achieved ws97.5 immediately thereafter. Now, with weather looking quite favorable, and tonnage remaining plentiful throughout the region, it's expected next week will be more of the same.



US Crude Stocks (EIA) Last Week 439.7 MnBbls Week y/y ▲ +3.6%



US Gasoline Demand (EIA) Last Week 8.735 MnB/d Week y/y ▲ +1.0%

■ 2019 ■ 2018 ■ 2017

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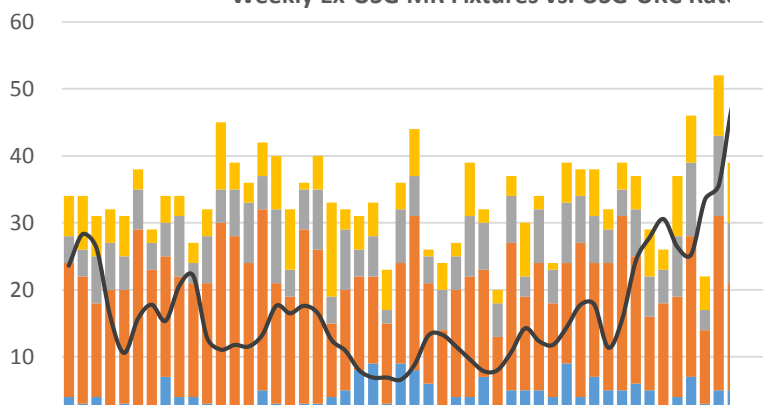
MR

The CLEAN market spiked on the Continent mid-week only to give back most of the gains by Friday. Cargoes dried up and a multitude of ballasting vessels arrived to knock rates off their recent highs.

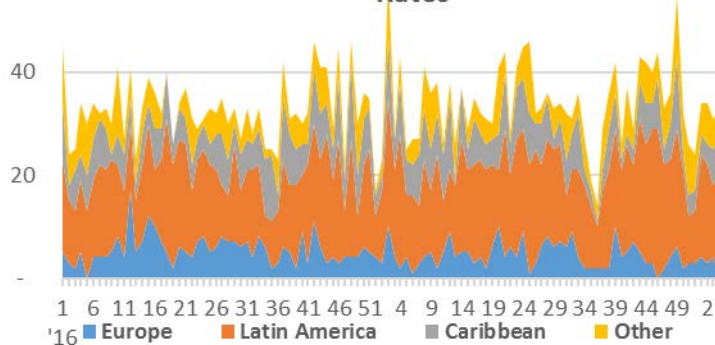
In the USG, rates have plateaued this week, with lots of fixing being done "under the radar." Charterers are targeting specific Owners with hidden tonnage to cover quietly at or near last done levels.

We head into the weekend with rates steady and a firm under-tone.

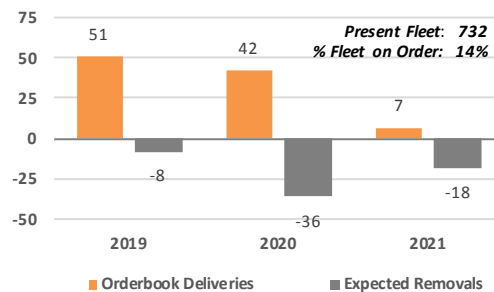
Weekly Ex-USG MR Fixtures vs. USG-UKC Rate



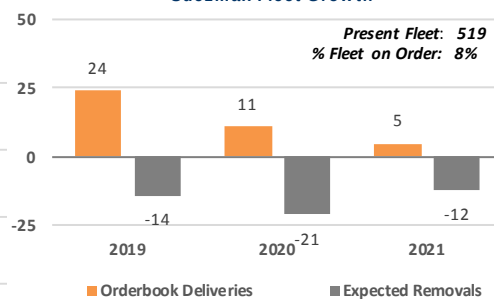
Weekly Ex-USG MR Fixtures vs. USG-UKC Rates



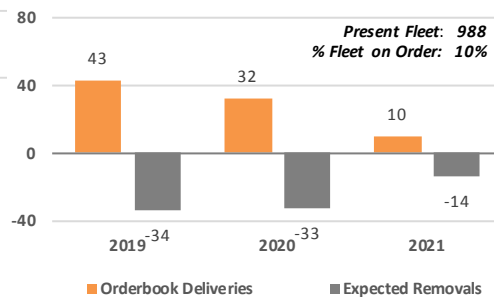
VLCC Fleet Growth



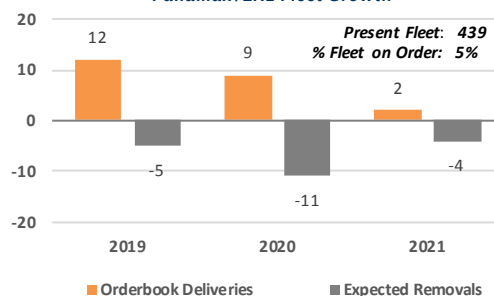
Suezmax Fleet Growth



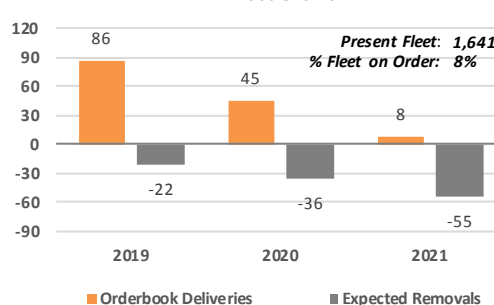
Aframax/LR2 Fleet Growth



Panamax/LR1 Fleet Growth



MR Fleet Growth



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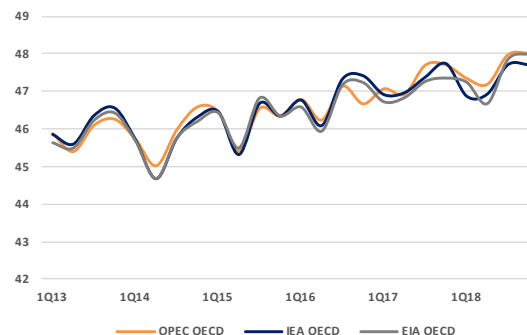
REPORTED TANKER SALES

CS Pioneer	281,705 '99	Hitachi Zosen	\$15.34	SG-Equatorial Marine
SCF Altai	159,417 '01	Hyundai Heavy	\$13.50	Undisclosed
La Mer	159,211 '98	DSME	\$11.00	Undisclosed
High Voyager	49,999 '14	Hyundai MIPO	\$25.70	JP-undisclosed
Alpine Mary	49,999 '14	SPP	\$27.00	GR-Undisclosed
Alpine Maria	49,999 '14	SPP	\$27.00	GR-Undisclosed
Desert Mariner	49,992 '18	Hyundai Vinashin	\$32.80	US-JP Morgan

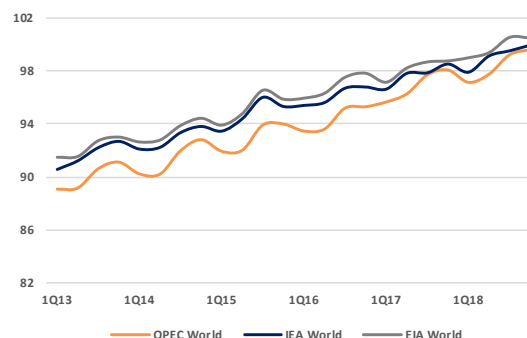
REPORTED DEMOLITION SALES

NOTHING TO REPORT

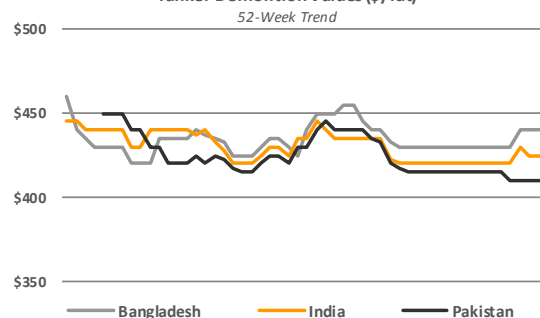
Projected OECD Oil Demand (Mnb/d)



Projected World Oil Demand (Mnb/d)



Tanker Demolition Values (\$/ldt)



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