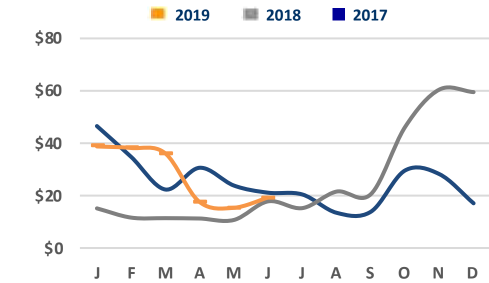
WEBER WEEKLY TANKER REPORT

WEEK 25 – 21 June 2019 | **ISSUE 25 – 2019**

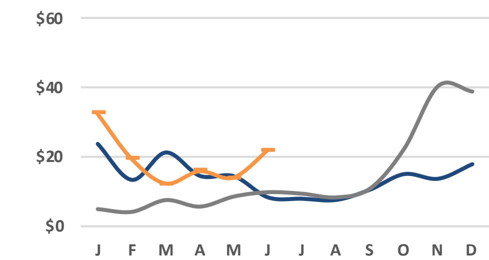
Spot Market	WS/LS	TCE	WS/LS	TCE
VLCC (13.0 Kts L/B)	Week Ending 14-June		Week Ending 21-June	
AG>USG 280k	18.0	--	21.2	--
AG>SPORE 270k	36.1	$13,668	45.9	$24,351
AG>JPN 265k	34.2	$12,871	44.4	$24,370
AG>CHINA 270k	37.5	$12,541	47.8	$23,918
WAFR>CHINA 260k	40.3	$18.804	46.9	$25,915
USG>SPORE 270k	$4.00m	$19,615	$4.64m	$26,576
AG>USG/USG>SPORE/AG	--	$28,687	--	$37,768
VLCC Average Earnings		*$15,922*		*$25,974*
SUEZMAX (13.0 Kts L/B)				
WAFR>USG 130k	74.5	$23,232	72.0	$21,902
WAFR>UKC 130k	79.5	$20,639	75.5	$18,569
BSEA>MED 140k	84.5	$26,045	86.5	$27,784
CBS>USG 150k	71.0	$35,606	77.5	$29,089
USG>UKC 150k	62.5	--	66.0	--
CBS>USG/USG>UKC/WAFR	--	$28,377	--	$27,778
AG>USG 140k	39.5	--	54.5	--
USG>SPORE 130k	$2.98m	--	$3.3m	--
AG>USG/USG>SPORE/AG	--	$27,178	--	$35,394
Suezmax Average Earnings		*$25,761*		*$21,155*
AFRAMAX (13.0 Kts L/B)				
N.SEA>UKC 80k	96.0	$15,723	88.5	$10,261
BALT>UKC 100k	69.0	$13,200	64.5	$10,354
CBS>USG 70k	90.0	$8,276	87.5	$7,440
USG>UKC 70k	77.5	--	77.5	--
CBS>USG/USG>UKC/NSEA	--	$18,020	--	$19,668
MED>MED 80k	82.5	$10,266	86.5	$12,115
AG>SPORE 70k	106.0	$17,707	122.0	$22,814
Aframax Average Earnings		*$13,328*		*$12,686*
PANAMAX (13.0 Kts L/B)				
CBS>USG 50k	133.5	$13,914	130.0	$13,103
CONT>USG 55k	100.0	$11,013	96.0	$9,948
ECU>USWC 50k	155.0	$19,903	155.0	$20,003
Panamax Average Earnings		*$13,116*		*$12,299*
LR2 (13.0 Kts L/B)				
AG>JPN 75k	101.9	$17,074	101.3	$16,921
AG>UKC 80k	$2.13m	$18,160	$2.09m	$17,449
MED>JPN 80k	$1.72m	$10,161	$1.70m	$10,009
AG>UKC/MED>JPN/AG	--	$18,928	--	$18,453
LR2 Average Earnings		*$17,691*		*$17,431*
LR1 (13.0 Kts L/B)				
AG>JPN 55k	113.5	$13,659	114.0	$13,775
AG>UKC 65k	$1.81m	$15,908	$1.81m	$15,890
UKC>WAFR 60k	89.5	$8,531	89.6	$8,575
AG>UKC/UKC>WAFR/AG	--	$18,035	--	$18,035
LR1 Average Earnings		*$15,847*		*$15,905*
MR (13.0 Kts L/B)				
UKC>USAC 37k	108.0	$6,447	108.0	$6,480
USG>UKC 38k	70.0	$379	93.5	$4,918
USG>UKC/UKC>USAC/USG	--	$10,896	--	$15,159
USG>CBS (Pozos Colorados) 38k	$363k	$6,850	$467k	$13,780
USG>CHILE (Coronel) 38k	$1.07m	$11,709	$1.24m	$16,421
CBS>USAC 38k	112.5	$9,332	126.5	$12,190
WCIND>JPN/ROK>SPORE/WCIND	--	$16,601	--	$17,885
MR Average Earnings		*$10,268*		*$13,009*
Handy (13.0 Kts L/B)				
MED>EMED 30k	137.0	$12,552	135.3	$12,118
SPORE>JPN 30K	130.9	$8,091	130.7	$8,083
Handy Average Earnings		*$9,697*		*$9,536*

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

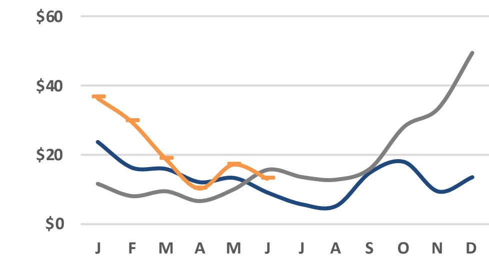
Time Charter Market *$/day (theoretical)*	**1 Year**	**3 Years**
VLCC	$36,000	$33,000
Suezmax	$23,500	$25,000
Aframax	$21,000	$22,000
LR 1	$16,500	$17,000
MR	$14,500	$16,000
Handy	$13,500	$13,500



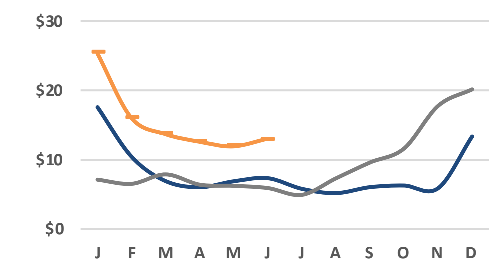
VLCC Average Earnings | **MTD Average** ~$25,974/Day | **Month y/y** ▲ +9%



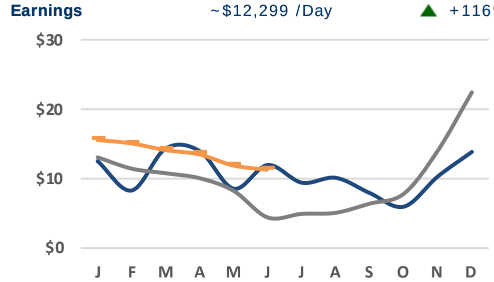
Suezmax Average Earnings | **MTD Average** ~$27,429/Day | **Month y/y** ▲ +121%



Aframax Average Earnings | **MTD Average** ~$12,686/Day | **Month y/y** ▼ -17.0%



Panamax Average Earnings | **MTD Average** ~$12,299 /Day | **Month y/y** ▲ +116%



MR Average Earnings | **MTD Average** ~$13,009/Day | **Month y/y** ▲ +159%

SPOT MARKET SUMMARY

VLCC

A little quieter to end the week, following what has been an active period which saw eastbound rates increase more than 30% due to the attacks on two oil tankers at the end of last week. The event gave initial pause to all parties and the increased risk had Owners looking for higher levels and to pass the added costs (AWRP) onto Charterers. After an initial standoff, rates did move up and Charterers were forced to take on AWRP costs.

Eastbound rates currently stand in the low ws50's for modern units to China, TCEs around the $28,000 / day.

The tension remains in the AG and is sustaining pressure to the upside, despite what is a sufficient supply of available tonnage. Political tensions remain and risk continues to be high at the moment.

Suezmax

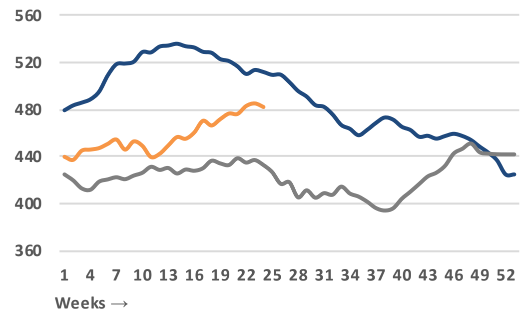
A lack in inquiry in the West Africa market has caused a collapse of rates. With fewer than a scant dozen fixtures reported for the week in this region, rates plunged from a high of ws 80, done as a replacement fixture, to a low of ws 65 for a preferred longer haul TD20 run. TD 20, which had started the week at ws 80.8, finished at ws 64.09. It is notable that the final two fixtures of the week were responsible for at least 10 points of the decrease, indicating that a building position list competing against limited inquiry has taken its toll.

Rates in the Med and Black sea are also under the same pressure as West Africa, with further downward corrections expected. The uncertainty of security in the Arabian Gulf, which initially led to a 20 point spike in rates (as well as severely increased war risk insurance premiums) at last week's end, has fallen victim to the weight of available tonnage. As a result, the market shaved 10 points off these levels.

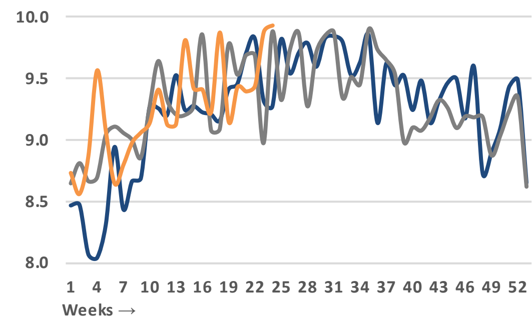
The Caribbean market is the only region not severely impacted by the downward move in sister markets. Robust numbers of export cargoes departing the U.S. Gulf coast/East Coast Mexico complex have kept tonnage availability on the thin side, and therefore rates more stable. However, looking forward, this region should eventually feel the effects of a softening Atlantic Basin market.

Aframax

The Aframax market experienced another lackluster week as a whole, where modest activity resulted in a stagnant market that remained at ws87.5 throughout the week. With owners, in essence, facing a continuous flow of revolving tonnage, and unable to clear the slate, charterers were left with an abundance of choice. At the tail end of the week, a series of prompter enquiries gave owners a glimmer of hope, and many seemed to hold back, in a "roll the dice" mindset, hoping next week will bring an increase in activity. Looking at the current tonnage count, and what's projected to come free, owners will undoubtedly have their work cut out for them. It will be a struggle to keep market levels from slipping further.



US Crude Stocks (EIA)	Last Week	Week y/y
	482.4 MnBbls	▲ +11.6%



US Gasoline Demand (EIA)	Last Week	Week y/y
	9.928 MnB/d	▲ +0.5%

2019 2018 2017

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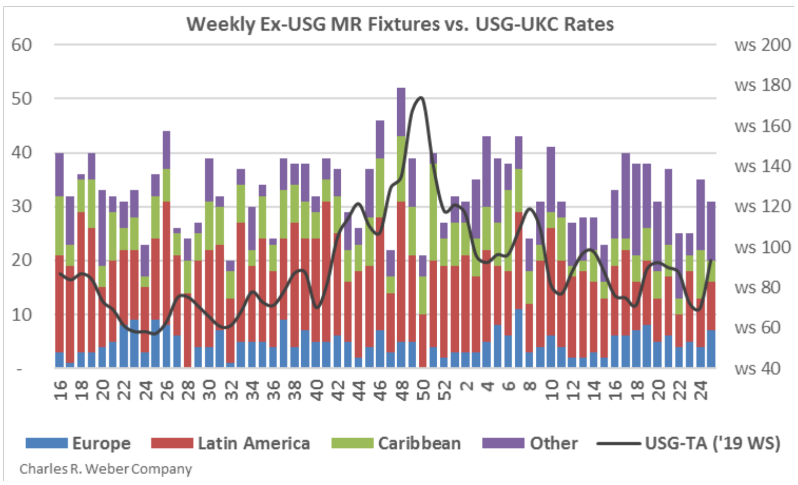
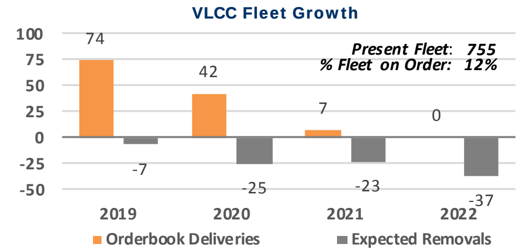
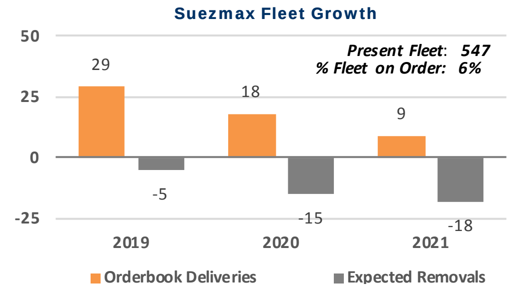
MR

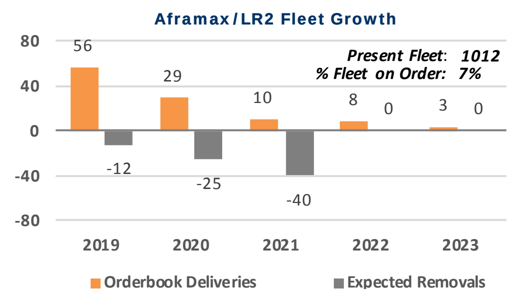
My word! What a difference a week makes. The Atlantic basin surged this week! Well…perhaps that's overstating things a bit. It did seem like TC2 found a bottom toward the end of last week it moved up steadily over the course of this one, reaching 120 by Thursday. But that market was supercharged Friday by the news of a significant fire at the Philadelphia Energy Solutions refinery. Rumors of 140 opened some eyes, and we headed into the weekend cautiously optimistic. That said, the TC2 July contract was being sold at 140 for most of the morning, giving one to think that there will be a limit well short of the sky.

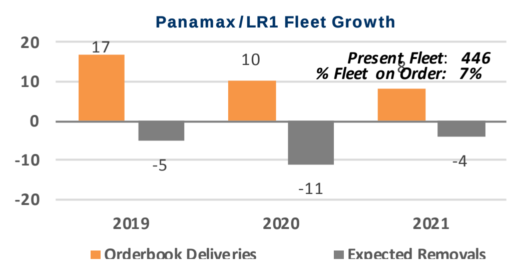
The USG was a similar story, experiencing a steady rise over the course of the week, and reaching the giddy heights of 100WS for TC14. The owners did manage to keep the charterers paying higher than last done as activity perked up early in the week and set the tone. That the owners were able to keep pushing was a little surprising but the nature of the activity did, in fact, justify the move. For now, it appears that things will carry into next week.

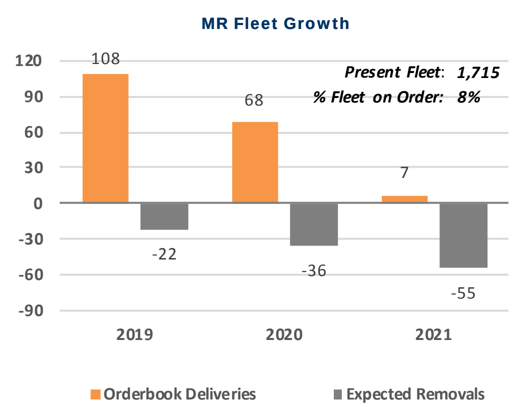












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REPORTED TANKER SALES

Hull 8022 – 300,000 /20 – Hyundai Samho – DH
-Sold for $92.5m to Frontline.

Hunter Atla– 300,000 /19 – DSME – DH
-Sold for $98.0m to SK Shipping. Scrubber fitted.

Atlantic Pegasus– 46,838 /10 – Hyundai Mipo – DH – SS 06/20
-Sold for $20m to Torm.

Atlantic Queen – 46,838 /10 – Hyundai Mipo – DH – SS 08/20
-Sold for $20m to Torm.

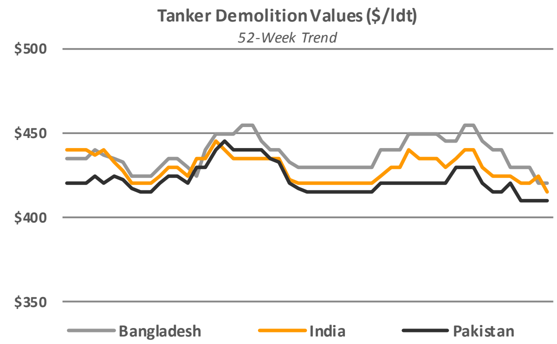
FPMC 20 – 50,994 /09 – STX Shipbuilding – DH – SS 09/19
FPMC 21 – 50,995 /09 – STX Shipbuilding – DH – SS 12/19
FPMC 22 – 50,997 /10 – STX Shipbuilding – DH – SS 01/20
-Sold en bloc for $45.0m to unknown European buyers.

High Efficiency – 46,547 /09 – Nakai Zosen – DH – SS 07/19
-Sold for $16.1m to unknown buyers.

REPORTED TANKER DEMOLITION SALES

Final Destination: **Bangladesh**

Brilliant – 44,484 /92 – 8,451 LDT – DH
-Sold for $421/ldt, as is SG - inc. 200T bunkers.



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