WEBER WEEKLY TANKER REPORT

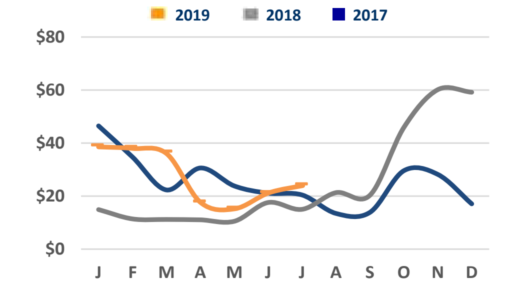
WEEK 27 – 5 July 2019

ISSUE 27 – 2019

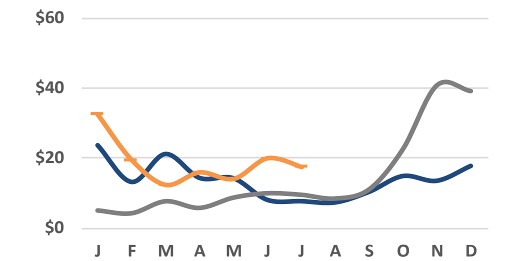
Spot Market	WS/LS	TCE	WS/LS	TCE
VLCC (13.0 Kts L/B)	Week Ending 28-June		Week Ending 05-July	
AG>USG 280k	23.2	--	21.0	--
AG>SPORE 270k	49.0	$26,164	47.88	$24,149
AG>JPN 265k	47.0	$25,699	46.0	$23,755
AG>CHINA 270k	51.4	$26,299	49.75	$23,745
WAFR>CHINA 260k	50.7	$28,452	47.5	$25,943
USG>SPORE 270k	$4.97m	$28,453	$4.52m	$24,506
AG>USG/USG>SPORE/AG	--	$40,938	--	$34,115
VLCC Average Earnings		*$27,920*		*$24,255*
SUEZMAX (13.0 Kts L/B)				
WAFR>USG 130k	58.5	$13,159	64.38	$16,124
WAFR>UKC 130k	64.0	$11,255	68.13	$13,129
BSEA>MED 140k	78.0	$20,675	79.38	$21,433
CBS>USG 150k	66.5	$19,836	62.5	$16,644
USG>UKC 150k	51.5	--	45.0	--
CBS>USG/USG>UKC/WAFR	--	$15,959	--	$20,462
AG>USG 140k	44.0	--	44.38	--
USG>SPORE 130k	$3.04m	--	$2.95m	--
Suezmax Average Earnings		*$13,978*		*$18,235*
AFRAMAX (13.0 Kts L/B)				
N.SEA>UKC 80k			88.25	$9,117
BALT>UKC 100k	63.7	$8,848	63.47	$8,670
CBS>USG 70k	85.5	$5,794	73.75	$1,356
USG>UKC 70k	76.5	--	68.75	--
CBS>USG/USG>UKC/NSEA	--	$16,052	--	$23,504
MED>MED 80k	936	$14,465	102.21	$18,062
AG>SPORE 70k	119.5	$21,084	117.63	$21,0842 $20,005
Aframax Average Earnings		*$11,753*		*$12,789*
PANAMAX (13.0 Kts L/B)				
CBS>USG 50k			120	$9,760
CONT>USG 55k	96.0	$7,464	90.0	$7,264
ECU>USWC 50k	155.0	$19,214	155.0	$18,873
Panamax Average Earnings		*$10,239*		*$9,533*
LR2 (13.0 Kts L/B)				
AG>JPN 75k			95.13	$13,542
AG>UKC 80k	$2.07m	$16,052	$2.03m	$15,106
MED>JPN 80k	$1.69m	$8,917	$1.67m	$8,157
AG>UKC/MED>JPN/AG	--	$17,210	--	$16,313
LR2 Average Earnings		*$15,776*		*$14,465*
LR1 (13.0 Kts L/B)				
AG>JPN 55k	110.9	$12,299	100.13	$9,417
AG>UKC 65k	$1.76m	$14,223	$1.67m	$12,248
UKC>WAFR 60k	95.4	$9,329	92.13	$8,196
AG>UKC/UKC>WAFR/AG	--	$17,313	--	$15,540
LR1 Average Earnings		*$14,806*		*$12,443*
MR (13.0 Kts L/B)				
UKC>USAC 37k	146.0	$13,163	144.38	$12,730
USG>UKC 38k	107.5	$6,928	103.75	$6,042
USG>UKC/UKC>USAC/USG	--	$21,792	--	$20,782
USG>CBS (Pozos Colorados) 38k	$531k	$17,424	$535k	$17,525
USG>CHILE (Coronel) 38k	$1.32m	$18,208	$1.33m	$18,322
CBS>USAC 38k	136.0	$13,496	137.5	$13,643
WCIND>JPN/ROK>SPORE/WCIND	--	$15,216	--	$12,394
MR Average Earnings		*$16,399*		*$13,967*
Handy (13.0 Kts L/B)				
MED>EMED 30k	135.1	$11,622	151.88	$16,490
SPORE>JPN 30K	128.8	$7,528	124.38	$6,931
Handy Average Earnings		*$8,829*		*$10,372*

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

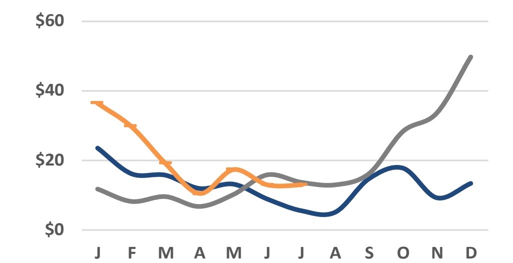
Time Charter Market *$/day (theoretical)*	1 Year	3 Years
VLCC	$35,000	$33,000
Suezmax	$23,500	$25,000
Aframax	$21,000	$22,000



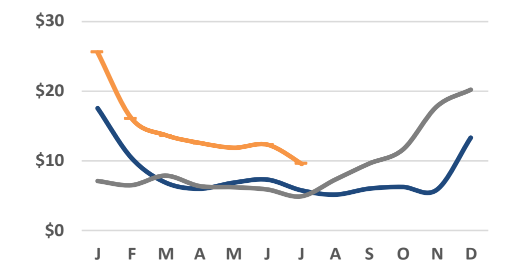
VLCC Average Earnings | **MTD Average** ~$24,255/Day | **Month y/y** ▲ +60%



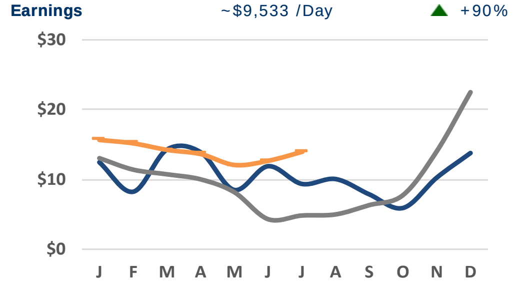
Suezmax Average Earnings | **MTD Average** ~$17,321/Day | **Month y/y** ▲ +84%



Aframax Average Earnings | **MTD Average** ~$12,789/Day | **Month y/y** ▼ -6%



Panamax Average Earnings | **MTD Average** ~$9,533 /Day | **Month y/y** ▲ +90%



MR Average Earnings | **MTD Average** ~$10,372/Day | **Month y/y** ▲ +184%

LR 1	$16,500	$17,000
MR	$14,500	$16,000
Handy	$14,000	$13,500

SPOT MARKET SUMMARY

VLCC

It proved to be a rather active week in regards to volume with an uptick in the number of fixtures in the Arabian Gulf (AG) VLCC sector. However, despite the increased action, rates showed little change as much of the activity was under the radar and the supply of available units was more than sufficient to cover demand.

Eastbound rates showed little change over the week, hovering at ws48, on modern tonnage, for the most active route to China. Preferred business to Korea fluctuated from ws46 to ws45 for modern tonnage, while distressed tonnage saw the usual discount, trading in the high ws30's. At current levels (basis ws48 to China) we are seeing a TCE return of about $23,000 pdpr.
Westbound business was inactive, although remains preferred for positioning purposes. Rates to the USG via the cape were untested, but held at ws20 level as triangulation shows a tce of about $29,900 per day over the two voyages (basis ws20 and $4.25 mil)

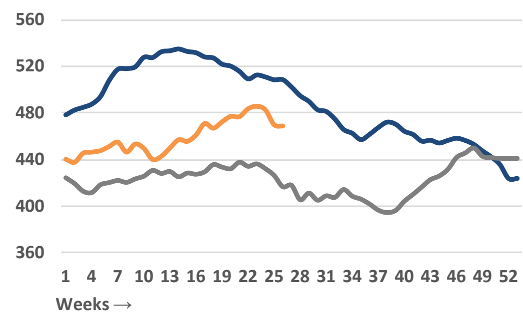
There were 30 fresh fixtures to report this week, bringing the August cargo tally 87 fixtures, leaving another expected 40 or so cargoes to go. This compares to a position list with some 65 available ships over that same period.

Suezmax

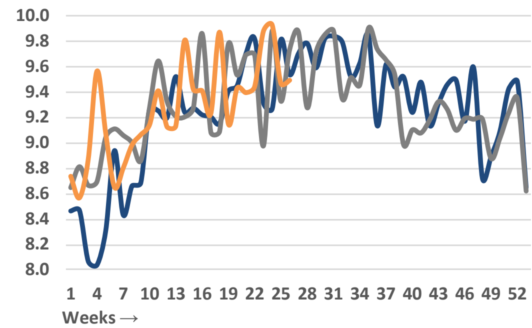
Demand in the West Africa Suezmax market was weaker, enabling charterers to test last done levels with ease. Fixture activity was down almost 35% in West Africa with 15 fixtures vs 23 fixtures from the previous week. The TD20 route shed 10 points off the back of a build in tonnage and decrease in firm cargoes from week to week. As a result, TD20 TCE levels have slipped back down to near OPEX levels of roughly ~$11,500/day. The BSEA – MED route held its ground despite the dip in the West Africa market as TD6 hovered around ws80 for most of the week, which yields a TCE of around ~$22,000/day. In the USG/CBS region, decreased demand coupled with a top-heavy tonnage list have left rates vulnerable to downward pressure. The USG-TA route remains flat from last week holding around ws43.5 basis 150k MT cargo. The USG-SPORE route is due for testing as limited inquiry within the area coupled with an increased demand amongst owners to get vessels east should peg the rate at just under $3.0m (1:1) lump sum. BDTI - TD20 ended the week settling at 61.48 which is down (-10.07) from this time last week.

Aframax

With the July 4th holiday in the US, expectations were for a quieter TD9 market, but even that proved to be an understatement. There are currently about one dozen spot ships in the USG and because of this, returns have dropped below break-even levels. WS Rates at the 70 level were done purely to get ships moving before the holiday/weekend to minimize waiting time. Next week we should see some firming in rates due solely to the fact that owners would rather sit their ship than fix at guaranteed losses, regardless if the market is over-supplied.



US Crude Stocks (EIA)	Last Week	Week y/y
	468.5 MnBbls	▲ +12.5%



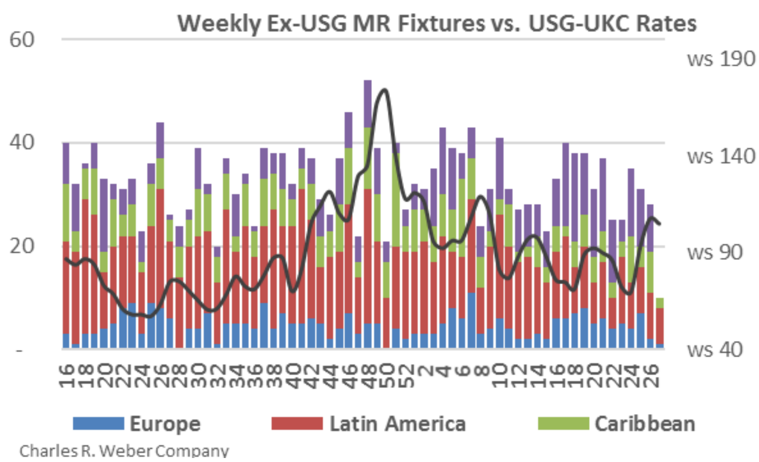
US Gasoline Demand (EIA)	Last Week	Week y/y
	9.492 MnB/d	▼ -2.5%

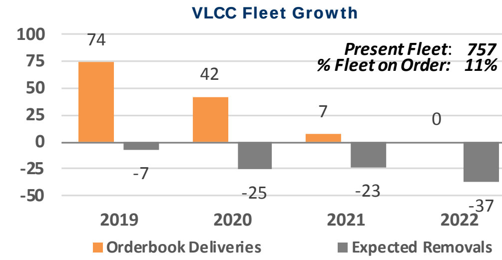
2019 2018 2017

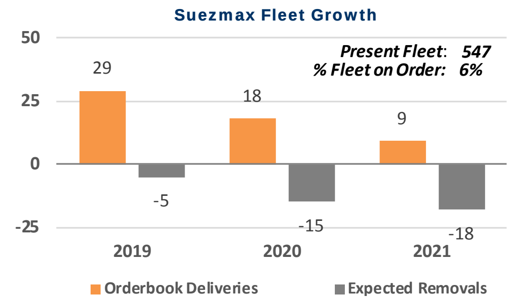
MR

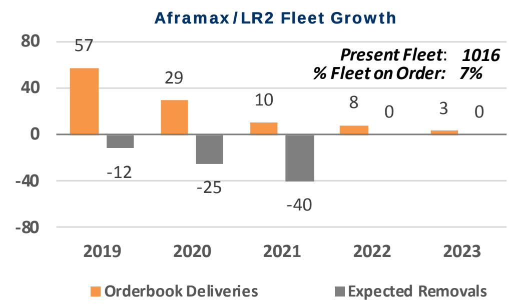
The much anticipated pre-4th market rally never came to fruition this week, much to the dismay of Owners.
The Cont witnessed decent activity levels early on, but sufficient tonnage kept things at bay and ultimately saw
Tc2 levels drift a tad southward over the course of the week. Rates for mid-July fixing windows are steady at best at 37 x ws 140, but the rise in demand and increased reliance on imports due to PES refinery closure should keep any major slippage in check.

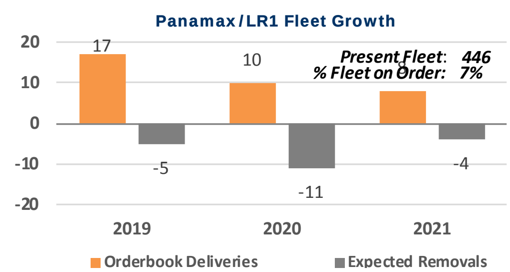
Plentiful tonnage and only a smattering of cargoes in the USG for the first 10 days July served as a disappointment as tonnage could only build. This eventually set a further decline in motion for all the usual benchmark voyages including long and short hauls. Expectations are for more of the same upon next week's opening.

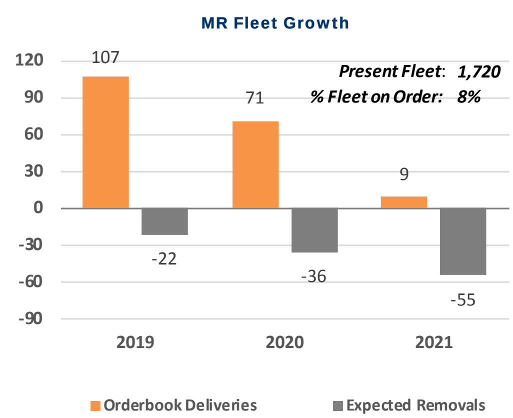










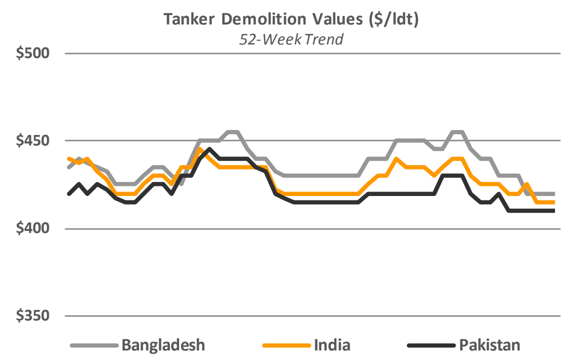


REPORTED TANKER SALES

Daehan 5037- 113,700/ '20 - Daehan
- Sold for $50 million to International Andromeda.

Daehan 5038- 113,700/ '20 - Daehan
- Sold for $50 million to International Andromeda.

REPORTED TANKER DEMOLITION SALES



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