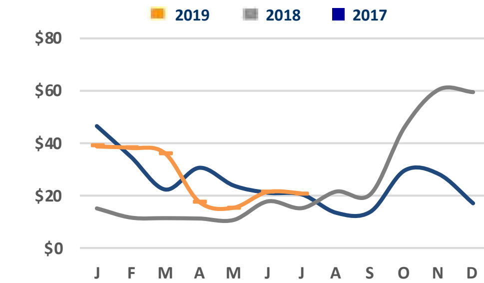
WEBER WEEKLY TANKER REPORT

WEEK 29 – 19 July 2019 **ISSUE 29 – 2019**

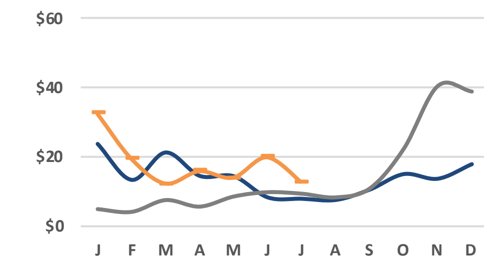
Spot Market	WS/LS	TCE	WS/LS	TCE
VLCC (13.0 Kts L/B)	Week Ending 12-July		Week Ending 19-July	
AG>USG 280k	20.0	--	19.8	--
AG>SPORE 270k	45.5	$19,282	43.0	$17,600
AG>JPN 265k	43.8	$18,939	41.0	$16,855
AG>CHINA 270k	46.9	$18,471	44.1	$16,355
WAFR>CHINA 260k	47.0	$22,870	46.2	$22,740
USG>SPORE 270k	$4.14m	$17,878	$4.00m	$17,134
AG>USG/USG>SPORE/AG	--	$28,407	--	$27,716
VLCC Average Earnings		*$20,173*		*$18,668*
SUEZMAX (13.0 Kts L/B)				
WAFR>USG 130k	56.0	$10,690	53.5	$9,740
WAFR>UKC 130k	60.5	$8,345	58.5	$7,697
BSEA>MED 140k	75.0	$18,046	70.5	$14,162
CBS>USG 150k	58.5	$13,102	55.5	$11,251
USG>UKC 150k	40.0	$1,541	38.0	$571
CBS>USG/USG>UKC/WAFR	--	$6,771	--	$5,323
AG>USG 140k	38.5	--	36.5	--
USG>SPORE 130k	$2.62m	--	$2.44m	--
AG>USG/USG>SPORE/AG	--	$18,620	--	$17,783
Suezmax Average Earnings		*$11,111*		*$9,706*
AFRAMAX (13.0 Kts L/B)				
N.SEA>UKC 80k	88.5	$9,067	87.9	$8,715
BALT>UKC 100k	63.78	$8,620	63.72	$8,674
CBS>USG 70k	67.5	$1,420	75.5	$1,769
USG>UKC 70k	65.0	--	71.0	--
CBS>USG/USG>UKC/NSEA	--	$8,363	--	$12,085
MED>MED 80k	86.56	$10,269	88.5	$11,581
AG>SPORE 70k	110.4	$16,324	109.0	$16,505
Aframax Average Earnings		*$7,853*		*$9,308*
PANAMAX (13.0 Kts L/B)				
CBS>USG 50k	110.0	$6,921	114.0	$8,137
CONT>USG 55k	90.0	$6,808	91.8	$7,585
ECU>USWC 50k	155.0	$18,410	155.0	$18,517
Panamax Average Earnings		*$8,096*		*$8,972*
LR2 (13.0 Kts L/B)				
AG>JPN 75k	83.0	$8,327	80.3	$8,327
AG>UKC 80k	$1.94m	$12,731	$1.83m	$12,731
MED>JPN 80k	$1.64m	$6,859	$1.62m	$6,859
AG>UKC/MED>JPN/AG	--	$14,396	--	$13,608
LR2 Average Earnings		*$10,348*		*$9,943*
LR1 (13.0 Kts L/B)				
AG>JPN 55k	94.63	$6,987	95.38	$7,684
AG>UKC 65k	$1.64m	$11,190	$1.64m	$11,507
UKC>WAFR 60k	90.5	$7,221	87.75	$6,822
AG>UKC/UKC>WAFR/AG	--	$14,370	--	$14,377
LR1 Average Earnings		*$10,679*		*$11,030*
MR (13.0 Kts L/B)				
UKC>USAC 37k	132.0	$10,023	106.5	$5,260
USG>UKC 38k	79.0	$923	66.5	-$1,240
USG>UKC/UKC>USAC/USG	--	$14,454	--	$9,199
USG>CBS (Pozos Colorados) 38k	$430k	$10,207	$368k	$6,319
USG>CHILE (Coronel) 38k	$1.19m	$13,904	$1.10m	$11,626
CBS>USAC 38k	123.0	$8,758	111.5	$8,971
WCIND>JPN/ROK>SPORE/WCIND	--	$11,556	--	$11,556
MR Average Earnings		*$11,504*		*$8,417*
Handy (13.0 Kts L/B)				
MED>EMED 30k	169.2	$20,494	163.6	$19,169
SPORE>JPN 30K	122.5	$5,257	122.3	$5,603
Handy Average Earnings		*$10,742*		*$10,486*

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

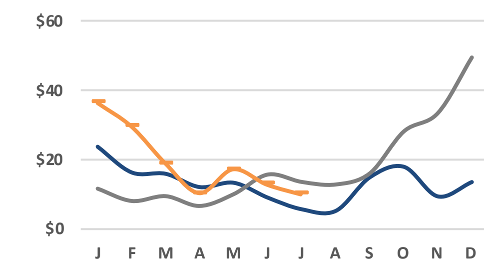
Time Charter Market *$/day (theoretical)*	1 Year	3 Years
VLCC	$35,000	$32,500
Suezmax	$23,000	$25,000
Aframax	$20,000	$21,500
LR 1	$16,000	$17,000
MR	$14,500	$16,000
Handy	$14,000	$13,500



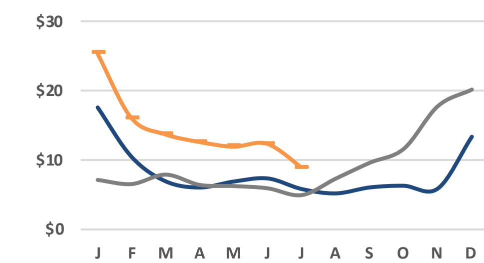
VLCC Average Earnings	MTD Average ~$21,032/Day	Month y/y ▲ +38%



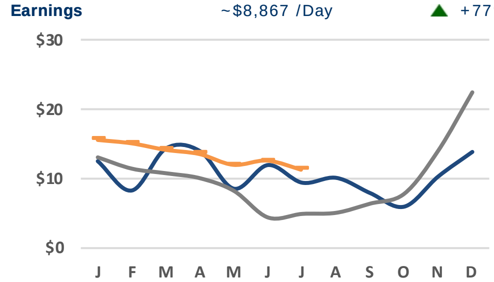
Suezmax Average Earnings	MTD Average ~$12,713/Day	Month y/y ▲ +35%



Aframax Average Earnings	MTD Average ~$10,013/Day	Month y/y ▼ -27%



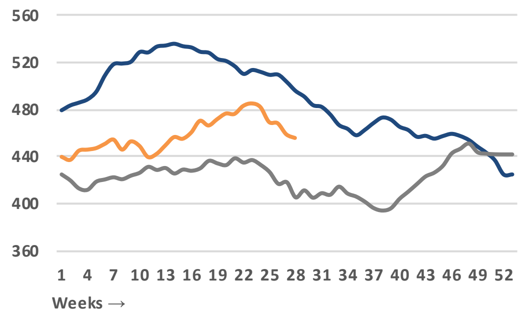
Panamax Average Earnings	MTD Average ~$8,867 /Day	Month y/y ▲ +77%



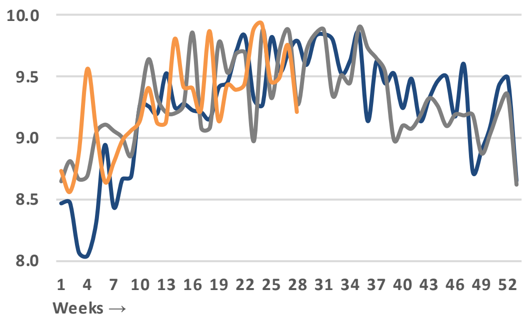
MR Average Earnings	MTD Average ~$11,296/Day	Month y/y ▲ +129%

SPOT MARKET SUMMARY

VLCC



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



US Gasoline Demand (EIA)	Last Week	Week y/y
	9.214 MnB/d	▼ -0.7%

2019 2018 2017

The Arabian Gulf (AG) Market 15-19 Jul 2019

The lackluster pace of inquiry continued in the Arabian Gulf VLCC sector as Charterers finished their remaining July stems and slowly began their progression into the August program. With half of those August stems being COA fixtures, the inquiry seemed even lower and those few cargoes that did enter the market drew crowds. In fact, at the time of writing, a preferred cargo to Korea received fourteen offers, before deciding to leave it until after the weekend. The over-supply continues to weigh on sentiment and little change is anticipated in the short term.

As we were compiling this report, the news hit that Iran had arrested an MR and a VLCC, presumably retaliating for the Grace I. While the fundamentals are weak, it remains to be seen if this development will override them

We did see a fresh influx of West Africa activity this week, but even that only managed to hold eastbound rates form the region at current levels. The fundamentals (over-supply) weighed on any possible push due to sentiment (increased inquiry).

Eastbound rates showed a slow softening as the week progressed, moving from the mid to low 40's for modern tonnage on the most active route to China. The latest fixture was at ws42 for China discharge yields a tce of about $14,700 per day. This puts preferred business to Korea below ws40 and rates for the older, distressed tonnage in the mid ws30's and back near break-even levels.

Westbound business was a bit more active as rates dipped below the ws20 level; ws19 concluded to the USG via the cape. Triangulation remains the highest possible returning business, as AG to the USG followed by USG to Singapore (basis ws19 cc and $4.2 mil) yields a tce of almost $30,000 per day over the two voyages.

Position List and Cargo Avails:

There were 26 fresh fixtures to report this week, bringing the July cargo tally seemingly to completion with 124 fixtures, while August has seen 16 thus far. This leaves another 25-30 cargoes to go through the first decade of August, which compares to a position list that still shows some 58 vessels over that same period.

Suezmax

While one could make the argument that Suezmax rates in West Africa moved up this week, with TD20 gaining maybe 2.5-5 WS points throughout, the truth is that the TCEs available to owners continue to bounce around at or lower than op-ex. There were a fair number of Vs loading mid-month in WAF, which did nothing more or less than reduce the number of cargoes available for the Suezmaxes.

The Caribs also showed a bare flicker of life but, again, it was illusory. And here too the argument could be made that increasing bunker rates were as much the driver as any change in fundamentals.

The Black Sea has been gradually shedding WS points for a couple of weeks now, which is to be expected when all the alternatives are worse. Of the straight routes we track, it continues to show the best returns but at around $14K / day, that's a dubious distinction.

Aframax

Aframax rates in the Caribs actually made a little move in WS terms this week, moving up over 10 WS points. Unfortunately for owners, the impact on TCEs was virtually eliminated by rising bunker prices. The WS improvement, however, was matched in the U.S. Gulf as things pushed a little higher on increased activity.

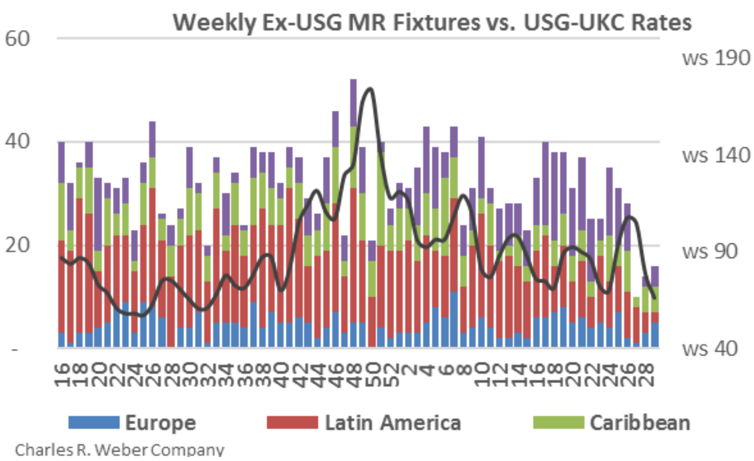
Across the Atlantic in the North Sea and the Med, though, rates remained stagnant. While one can remain optimistic that whatever push we saw in the Caribs and the U.S.

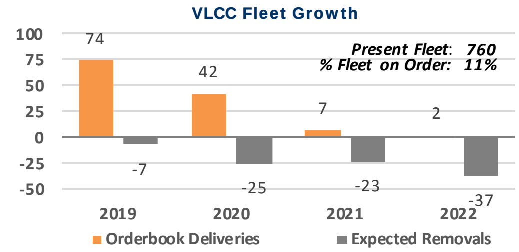
Gulf might spread to other markets, the fear is that the weakness is likely to be the more contagious.

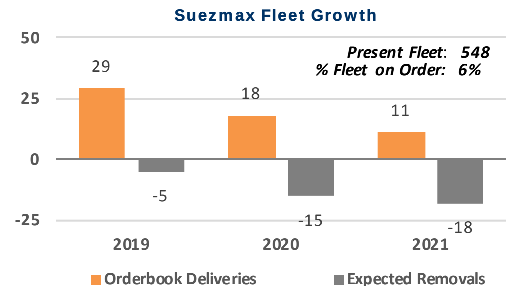
MR

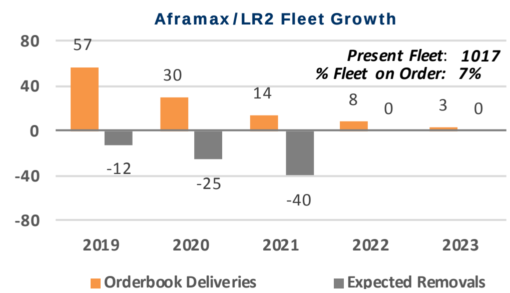
Signs of the summer doldrums were in full effect this week as rates for MRs plummeted to YTD lows for benchmark routes on both sides of the Atlantic. Tc2 shed some 25 ws points and hit 37 x ws 95 as an abundance of stacked up tonnage was proved the driver of a free fall in rates.
Despite a mid-week burst of activity, the USG faced a similar situation as Owners were forced to accept lower levels (38 x ws 65 tc14) as the only means of securing employment.
Although any real recovery still remains elusive, the single point of optimism at the moment would be that the market might have reached a floor and things can't get any worse.

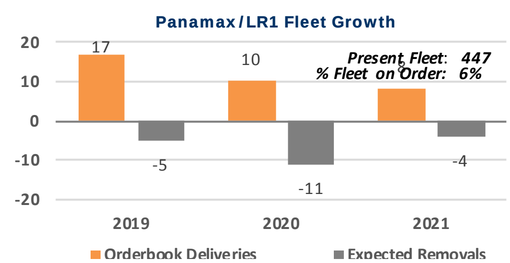
A thinner list and some increased activity should help Owners on the road to recovery.

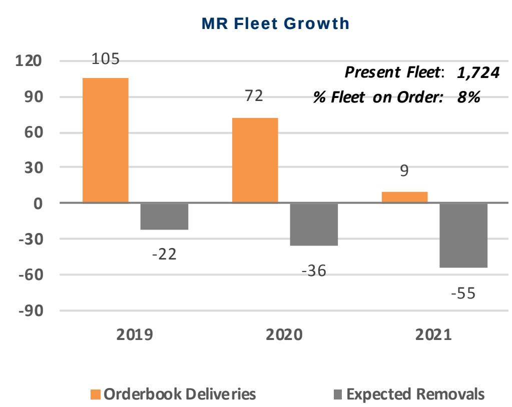












REPORTED TANKER SALES

Mahakamah I- 31,687/'01-Hanjin Heavy
-Sold to unknown buyer

Maersk Raleigh- 35,192/'05-Guangzhou Shipyard
-Sold for 11.2 million to James Fisher

Loengo- 73,626/'07-New Century
-Sold for $10.5 million to Unknown Danish

New Confidence- 73,897/'05-New Century
-Sold for PNR to Chemikalien

New Century- 73,901/'05-New Century
-Sold for PNR to Chemikalien

New Champion- 73,911/'05-New Century
-Sold for PNR to Chemikalien

New Challenge- 73,964/'05-New Century
-Sold for PNR to Chemikalien

Olympia I- 107,181/'99-Koyo Mihara
-Sold for $7.8 million to Sea Lead Shipping

Cape Bonny-159,152/'05-Hyundai Heavy
-Sold for $82 million to Ridgebury Tankers

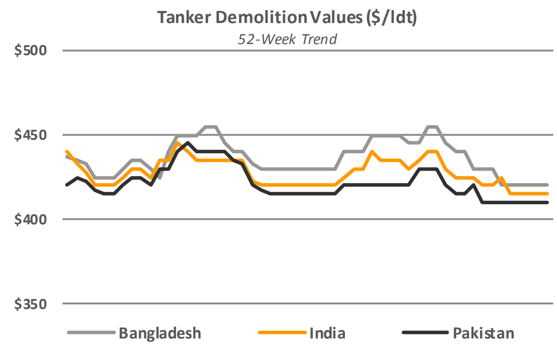
Cape Bastia-159,155/'05-Hyundai Heavy
-Sold for $82 million to Ridgebury Tankers

Cape Bari-159,186/'05-Hyundai Heavy
-Sold for $82 million to Ridgebury Tankers

Cape Brindisi-159,195/'05-Hyundai Heavy
-Sold for $82 million to Ridgebury Tankers

REPORTED TANKER DEMOLITION SALES

NOTHING TO REPORT



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