

WEBER WEEKLY TANKER REPORT



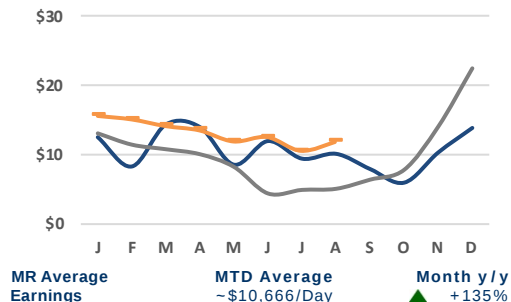
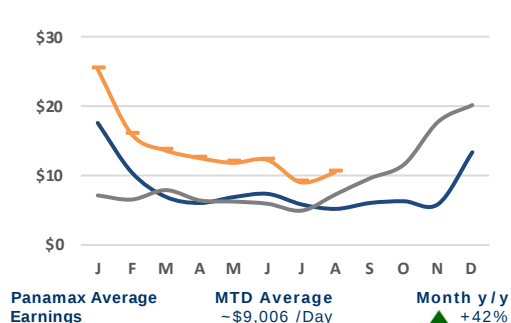
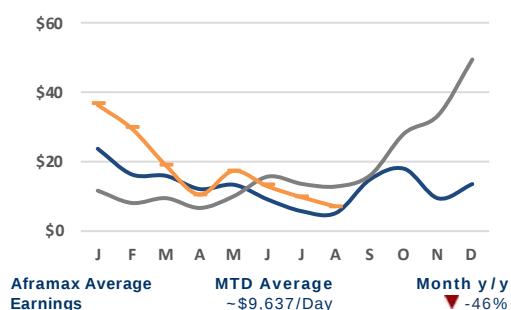
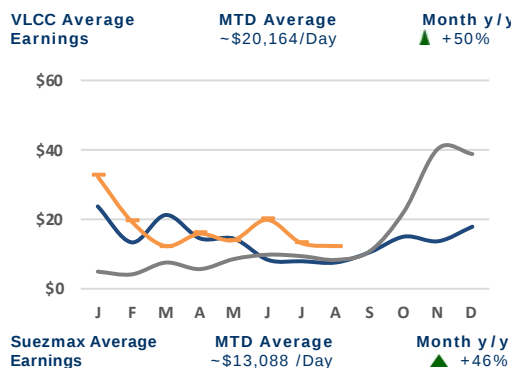
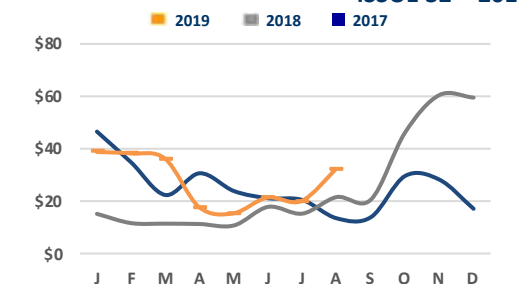
WEEK 32 – 9 August 2019

ISSUE 32 – 2019

Spot Market	WS/LS	TCE	WS/LS	TCE
VLCC (13.0 Kts L/B)	Week Ending 2-August		Week Ending 9-August	
AG>USG 280k	19.7	--	24.5	
AG>SPORE 270k	41.8	\$16,128	50.7	\$30,183
AG>JPN 265k	40.7	\$16,343	49.3	\$30,511
AG>CHINA 270k	43.7	\$15,762	53.3	\$30,503
WAFR>CHINA 260k	46.4	\$23,338	53.5	\$33,689
USG>SPORE 275k	\$4.44m	\$22,244	\$4.97m	\$30,900
AG>USG/USG>SPORE/AG	--	\$32,135	--	\$44,768
VLCC Average Earnings		\$19,181		\$32,180
SUEZMAX (13.0 Kts L/B)				
WAFR>USG 130k	65.5	\$16,720	56.5	\$13,606
WAFR>UKC 130k	70.5	\$14,367	61.0	\$11,213
BSEA>MED 140k	72.5	\$16,424	69.5	\$14,738
CBS>USG 150k	58.5	\$13,637	57.5	\$14,615
USG>UKC 150k	46.5	\$6,501	40	\$3,883
CBS>USG/USG>UKC/WAFR	--	\$10,920	--	\$8,893
AG>USG 140k	33.5	\$4,409	35.0	\$8,177
USG>SPORE 130k	\$2.98m	--	3.00m	--
AG>USG/USG>SPORE/AG	--	\$21,593	--	\$25,435
Suezmax Average Earnings		\$14,085		\$12,206
AFRAMAX (13.0 Kts L/B)				
N.SEA>UKC 80k	82.6	\$4,863	81.6	\$5,034
BALT>UKC 100k	58.28	\$5,227	54.2	\$3,581
CBS>USG 70k	75.5	\$1,765	72.0	\$2,185
USG>UKC 70k	70.5	\$2,602	68.5	\$3,472
CBS>USG/USG>UKC/NSEA	--	\$11,966	--	\$12,140
MED>MED 80k	78.5	\$7,252	73.0	\$6,420
AG>SPORE 70k	110.0	\$16,718	106.5	\$18,282
Aframax Average Earnings		\$7,170		\$6,952
PANAMAX (13.0 Kts L/B)				
CBS>USG 50k	106.0	\$6,310	110.0	\$8,402
CONT>USG 55k	93.1	\$8,089	92.76	\$9,257
ECU>USWC 50k	155.0	\$18,642	155.0	\$20,078
Panamax Average Earnings		\$9,206		\$10,458
LR2 (13.0 Kts L/B)				
AG>JPN 75k	79.0	\$7,599	114.4	\$21,420
AG>UKC 80k	\$1.70 m	\$8,595	\$2.08m	\$17,637
MED>JPN 80k	\$1.74m	\$9,338	\$1.85m	\$13,071
AG>UKC/MED>JPN/AG	--	\$13,570	--	\$20,287
LR2 Average Earnings		\$9,587		\$21,042
LR1 (13.0 Kts L/B)				
AG>JPN 55k	95.0	\$7,509	115.0	\$14,353
AG>UKC 65k	\$1.64m	\$8,595	\$1.76m	\$15,391
UKC>WAFR 60k	92.92	\$8,396	91.13	\$9,317
AG>UKC/UKC>WAFR/AG	--	\$15,141	--	\$17,978
LR1 Average Earnings		\$11,325		\$16,166
MR (13.0 Kts L/B)				
UKC>USAC 37k	104.5	\$4,959	108.0	\$6,556
USG>UKC 38k	83.0	\$2,039	85.5	\$3,567
USG>UKC/UKC>USAC/USG	--	\$12,012	--	\$13,830
USG>CBS (Pozos Colorados) 38k	\$436k	\$10,942	\$459k	\$13,439
USG>CHILE (Coronel) 38k	\$1.19m	\$14,316	\$1.22m	\$16,406
CBS>USAC 38k	115.0	\$9,082	118.5	\$10,748
WCIND>JPN/ROK>SPORE/WCIND	--	\$11,639	--	\$14,011
MR Average Earnings		\$9,952		\$11,944
Handy (13.0 Kts L/B)				
MED>EMED 30k	122.8	\$8,081	111.8	\$5,895
SPORE>JPN 30K	121.25	\$5,394	128.2	\$7,963
Handy Average Earnings		\$6,361		\$7,218

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



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SPOT MARKET SUMMARY

VLCC

The Arabian Gulf August 5-9

An influx of third decade inquiry in the AG coupled with a busier Atlantic Basin put upward pressure on rates this week in the VLCC sector. Multiple days of increased activity in the AG led to a building sentiment in the Owners' camp, which intensified when inquiry in the Atlantic Basin also picked up. Eastbound rates picked up some twenty percent over the week, but ultimately reached a ceiling when multiple oil company relets appeared. The demand remained steady through the week, though, keeping rates stable.

The market remains at an inflection point but with ninety-two percent of the August cargo program complete, we could be in for a quiet week ahead. That is unless Charterers start to move earlier than normal on the forward month's cargoes. When we add multiple holidays to start the week, the uncertainty grows further. The supply-demand equation leaves ample, but not overly populated positions.

Eastbound rates for modern tonnage (for AG to China) moved from the high ws40's to the mid ws50's, the latest fixture at ws54 on a vessel that just had a scrubber installed. At the "conference level" of ws55, TCEs yield a return of about \$34,000 per day. Westbound business was inactive, but was arguably on the rise with eastbound business moving from the low to mid ws20's. The longer voyage remains preferred as triangulation still shows the highest possible return; AG to the USG followed by USG to Singapore (basis ws24 cc and \$5.2 mil) yields a tce of almost \$48,000 per day over the two voyages.

Position list and Cargo Avails

There were 25 fixtures reported this week bringing the August tally near completion with 121 cargoes. This leaves another ten or so cargoes to go which compares to a position list with some 32 vessels available over that same period.

Suezmax

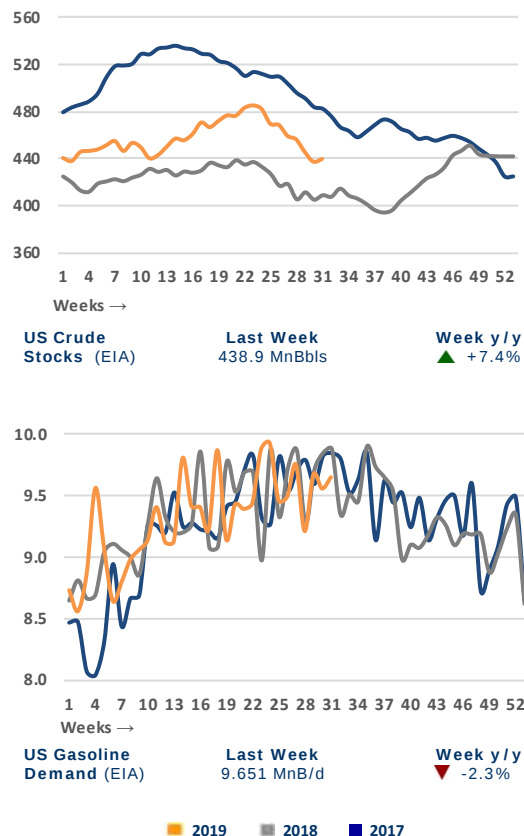
Suezmaxes had a difficult week, with rates getting softer in both WS and TCE terms. The lower fuel prices weren't enough to compensate for the falling WS numbers. In West Africa, WS rates in the high 50s are producing TCE numbers in the low teens. Owners are doing their best to triangulate where they can, but rates are still frustratingly low.

The only consistent flows seem to be heading east out of the Med, with some of that being driven by the return of Libyan barrels. This stabilization has provided some support for tankers in the region. Indeed, straight voyage calcs out of the Black Sea and the Med continue to see the highest TCEs for Suezmaxes. For better or worse, that hasn't been enough to keep things firm as all the surrounding markets struggle.

Aframax

Despite brisk activity in the USG this week, rates did nothing but move sideways. TCEs ticked up ever so slightly but continued to be solidly entrenched in four digit territory. The slight decline in WS rates seemed to be mostly a reflection of softer fuel prices. That said, there was enough activity that owners might come into next week with slightly higher expectations. Enough ships were cleared out to give some hope. However, the optimism will necessarily be tentative as the amount of tonnage remains more than adequate.

The European markets were equally lackluster, and didn't have the activity to engender optimism for next week. With the weaker Suezmaxes looming over the market, it seems a stretch to hope for stronger rates next week.



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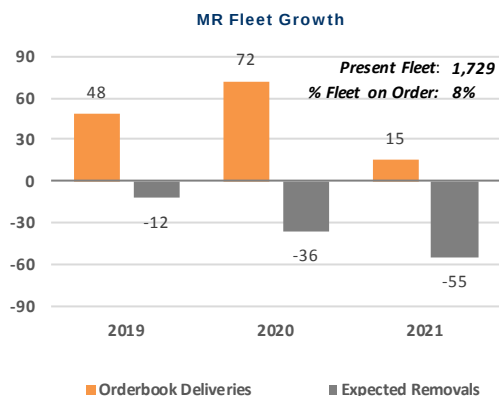
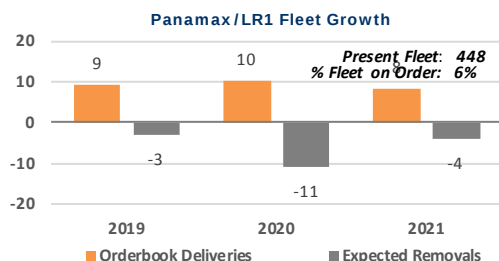
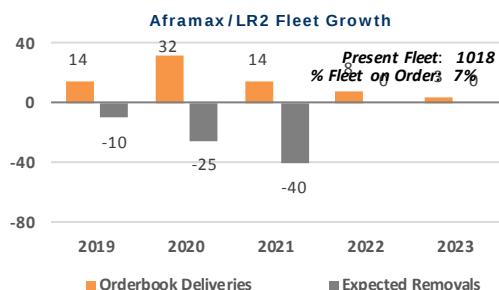
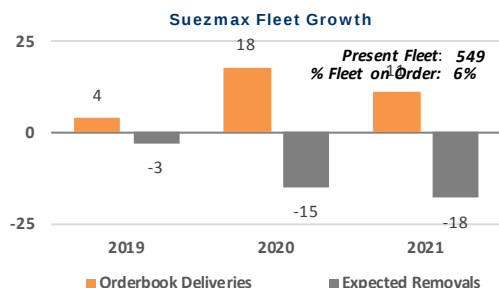
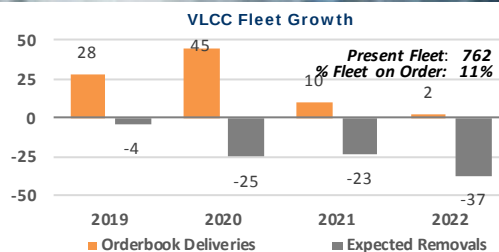
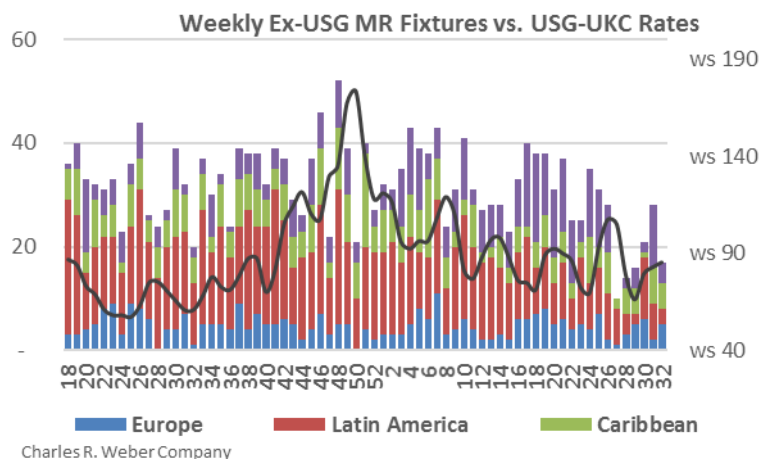
MR

This proved to be a humdrum week for MRs on the Continent as plenty of availability and subpar enquiry brought tc2 levels down to ws 100 basis 37kt. At the end of last week we saw ships discharging on the Atlantic Coast mainly choosing to head Europe. Sure enough, rates took a hit.

The only potential bright spot would be that virtually every time we've seen these levels this year, the market has bottomed and rebounded shortly thereafter. Cheaper fuel might change that dynamic this time around, but we'll see if the psychological barrier holds.

On the other hand, the USG started off at a torrid pace with the LR1s that fixed last week mostly getting confirmed. An unprecedented dozen or so ships were fixed, mainly to the ECSA for the mid-month load windows. This gave a temporary spurt of energy for MRs including some replacement coverage, but it didn't last. The LR1s accounted for enough volume to limit opportunities for MRs.

Despite the continual ebbs and flows week on week, rates appear to be holding steady for the immediate future.



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REPORTED TANKER SALES

VK Eddie – 305,261/'05 – Daewoo
-Sold at around \$38 million to Modec for conversion

Energy R – 319,012/'03 – Hyundai Samho
-Sold at \$28.5 million to unknown buyer

Power D – 319,012/'03 – Hyundai Samho
-Sold at \$28.5 million to unknown buyer

Nave Electron – 305,178/'02 – Daewoo
-Sold at \$25 million to Vitol

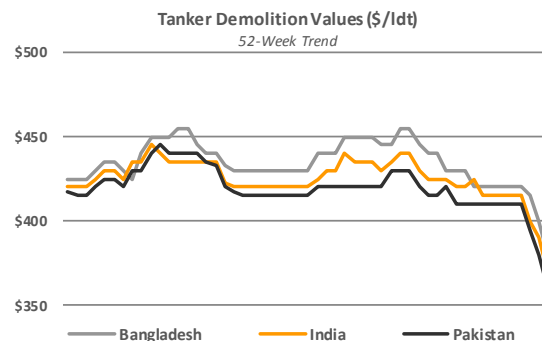
Eagle Sibiu – 105,365/'99 – Samsung Heavy
-PNR to unknown buyer

Torm Saone – 36,986/'04 – Hyundai Mipo
-Sold around \$8 million to unknown buyer

REPORTED TANKER DEMOLITION SALES

Agiri – 98,805/'96 – sold at \$392/ldt as is Fuj

An Yun – 43,397/'91 – sold at \$377/ldt as is Taiwan



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