

WEBER WEEKLY TANKER REPORT



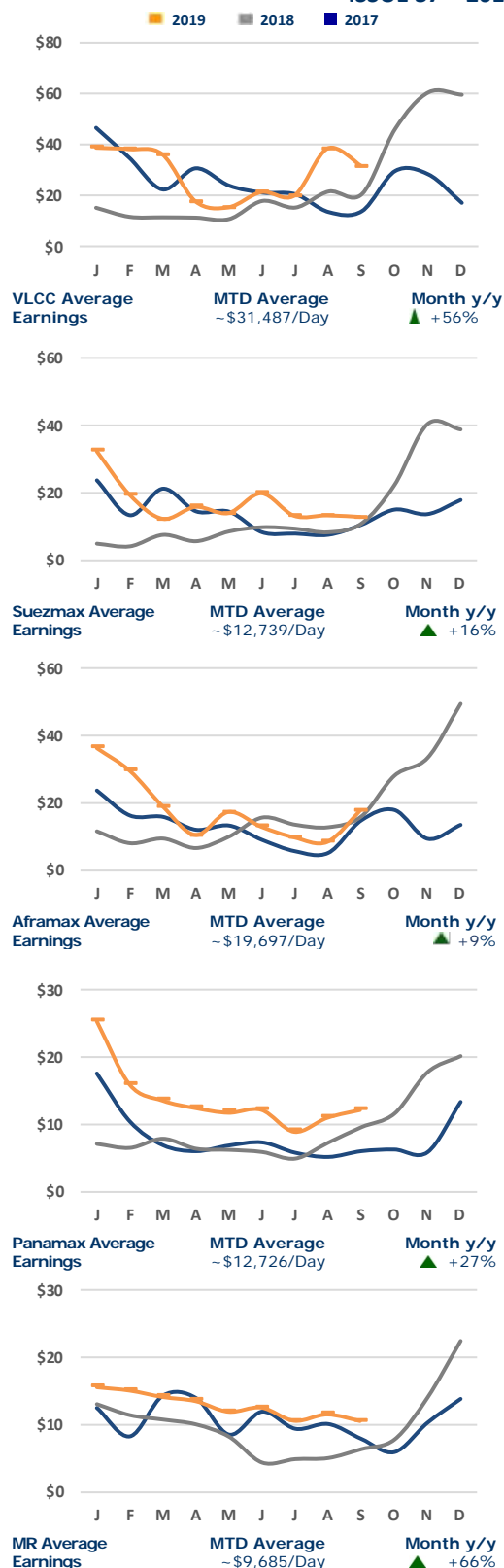
WEEK 37 – 13 September 2019

ISSUE 37 – 2019

Spot Market	WS/S	TCE	WS/S	TCE
VLCC (13.0 Kts L/B)	Week Ending 06-Sep		Week Ending 13-Sep	
AG>USG 280k	26.80	--	26.20	--
AG>SPORE 270k	51.70	\$29,780	52.20	\$28,433
AG>JPN 265k	49.80	\$29,545	50.90	\$28,840
AG>CHINA 270k	53.70	\$29,540	53.20	\$27,168
WAFR>CHINA 260k	52.50	\$33,070	56.60	\$35,484
USG>SPORE 275k	5.21m	\$33,912	5.33m	\$33,149
AG>USG/USG>SPORE/AG	--	\$49,618	--	\$47,987
<i>VLCC Average Earnings</i>		<i>\$32,307</i>		<i>\$31,487</i>
SUEZMAX (13.0 Kts L/B)				
WAFR>USG 130k	56.00	\$13,513	53.70	\$10,916
WAFR>UKC 130k	60.00	\$10,869	58.70	\$8,869
BSEA>MED 140k	67.50	\$15,534	69.50	\$16,821
CBS>USG 150k	64.00	\$19,430	74.44	\$25,984
USG>UKC 150k	47.00	\$8,680	59.50	\$15,948
CBS>USG/USG>UKC/WAFR	--	\$14,409	--	\$22,648
AG>USG 140k	33.00	\$5,747	32.50	\$4,061
USG>SPORE 130k	3.50m	--	3.80m	--
AG>USG/USG>SPORE/AG	--	\$28,017	--	\$29,139
<i>Suezmax Average Earnings</i>		<i>\$12,766</i>		<i>\$12,739</i>
AFRAMAX (13.0 Kts L/B)				
N.SEA>UKC 80k	89.50	\$10,556	104.00	\$20,649
BALT>UKC 100k	65.50	\$10,527	82.20	\$20,646
CBS>USG 70k	109.50	\$15,670	119.00	\$18,067
USG>UKC 70k	93.00	\$11,785	110.50	\$16,642
CBS>USG/USG>UKC/NSEA	--	\$26,966	--	\$33,943
MED>MED 80k	88.50	\$13,750	95.50	\$15,791
AG>SPORE 70k	102.00	\$15,953	101.00	\$14,490
<i>Aframax Average Earnings</i>		<i>\$15,619</i>		<i>\$19,697</i>
PANAMAX (13.0 Kts L/B)				
CBS>USG 50k	129.00	\$13,084	143.00	\$15,760
CONT>USG 55k	90.30	\$8,641	91.50	\$8,139
ECU>USWC 50k	160.00	\$21,381	172.00	\$23,412
<i>Panamax Average Earnings</i>		<i>\$11,782</i>		<i>\$12,726</i>
LR2 (13.0 Kts L/B)				
AG>JPN 75k	107.85	\$18,449	103.30	\$15,860
AG>UKC 80k	2.22m	\$20,439	2.20m	\$18,964
MED>JPN 80k	1.84m	\$13,106	1.93m	\$13,513
AG>UKC/MED>JPN/AG	--	\$21,747	--	\$21,389
<i>LR2 Average Earnings</i>		<i>\$19,547</i>		<i>\$17,701</i>
LR1 (13.0 Kts L/B)				
AG>JPN 55k	118.38	\$14,375	112.38	\$12,033
AG>UKC 65k	1.78m	\$15,805	1.75m	\$14,336
UKC>WAFR 60k	84.75	\$7,774	82.88	\$6,319
AG>UKC/UKC>WAFR/AG	--	\$17,578	--	\$16,035
<i>LR1 Average Earnings</i>		<i>\$15,976</i>		<i>\$14,034</i>
MR (13.0 Kts L/B)				
UKC>USAC 37k	96.50	\$4,305	97.50	\$3,908
USG>UKC 38k	88.50	\$4,203	76.50	\$1,210
USG>UKC/UKC>USAC/USG	--	\$12,938	--	\$10,298
USG>CBS (Pozos Colorados) 38k	434k	\$11,860	390k	\$8,294
USG>CHILE (Coronel) 38k	1.21m	\$16,123	1.10m	\$12,263
CBS>USAC 38k	117.00	\$10,508	110.00	\$8,459
WCIND>JPN/ROK>SPORE/WCIND	--	\$16,905	--	\$16,409
<i>MR Average Earnings</i>		<i>\$11,580</i>		<i>\$9,685</i>
Handy (13.0 Kts L/B)				
MED>EMED 30k	100.60	\$2,950	100.80	\$2,433
SPORE>JPN 30k	133.50	\$8,163	138.50	\$8,176
<i>Handy Average Earnings</i>		<i>\$6,287</i>		<i>\$6,109</i>

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	\$32,000
Suezmax	\$23,000	\$24,000
Aframax	\$20,000	\$21,500
LR 1	\$16,000	\$17,000
MR	\$15,000	\$16,500
Handy	\$14,000	\$13,500



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SPOT MARKET SUMMARY

VLCC

The Arabian Gulf September 9-13

The steady pace of inquiry from both the AG and Atlantic sectors, while not overwhelming, proved enough to keep upward pressure on rates. With September's cargo program nearing completion and on pace with August, (highest monthly tally of 2019), Owners ideas were bullish with expectations of fewer hangover ships and a busy period ahead. Charterers looked to slow the progression of those remaining September stems in hopes of easing the firming sentiment that was developing. While they did slow the ascent, rates still ticked upwards. Charterers saw sufficient audiences, but Owners resistance led to a gradual escalation in rates.

Eastbound rates for modern tonnage (for AG to China) firmed from the low to mid ws50's, with the latest fixture at ws54 as an option for China discharge. The older tonnage followed suit, increasing from the mid to high ws40's, and the latest fixture was at ws47 for a short east run.

Westbound business was finally tested, as ws25 via the cape was concluded on a unit ex dry-dock at the end of last week and that rate is arguably slightly higher now. AG to the USG followed by USG to Singapore (basis ws27 cc and \$5.4 mil) yields a TCE of around \$47,500 per day over the two voyages.

Position list and Cargo Avails

There were 22 fresh fixtures to report this week bringing the September cargo tally near completion at 132. The handful of cargoes that remain will face a supply of some 23 available ships. Looking further out, an expected 45-50 cargoes through the first decade face 65 available units.

Suezmax

The Suezmaxes in West Africa remain the weak underbelly of an otherwise rising market. The benchmark TD20 rate hasn't moved much over the last few weeks, but the little movement that is happening seems to be to the downside. Things may be poised but no surge has occurred yet. Eastbound inquiry, especially out of the Med basin, is struggling to find willing owners but perhaps the charterers will eventually pay up and thin out the tonnage a bit more.

This stands in contrast to the U.S. Gulf, where the Suezmaxes have been able to take some advantage of the strength in the Aframax market, which is proving somewhat contagious. Unfortunately, it may be ballasters from WAF that are availing themselves of the rates on offer, which is not a great sign for the Gulf, but perhaps a sign of improvements to come for the patient (or timely) owners in WAF

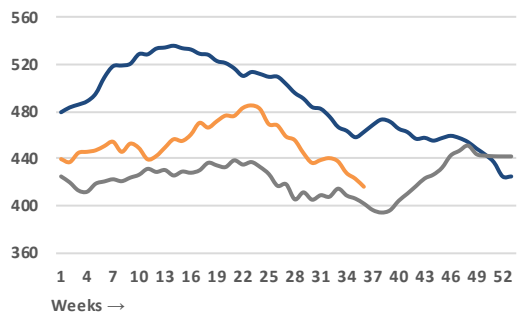
Aframax

The Aframax seem to be leading things in the U.S. Gulf, more or less in keeping with what we've noted in our last couple of reports. The cargoes are indeed appearing. There was a moment early in the week when it appeared rates in the U.S. Gulf were softer. But it was only a moment. Rates rallied back to where they finished last week (and higher) on the back of decent inquiry and relatively tight tonnage.

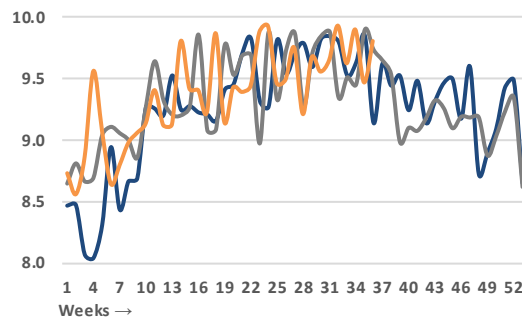
Rates are cooperating in Europe, more or less, and lending some credence to the idea that this might carry into the fourth quarter. We have to keep our eye on the fact that returns are still mostly in the teens, but things are certainly better than they were in the middle of August.

MR

An abundance of available tonnage combined with limited Transatlantic/West Africa enquiry to easily keep European rates in check this week. Current levels for the benchmark TC2 rate presently stand at WS95, exactly where they began the week.



US Crude Stocks (EIA) Last Week 416.1 MnBbls Week y/y ▲ +3.6%



US Gasoline Demand (EIA) Last Week 9.807 MnB/d Week y/y ▲ +0.7%

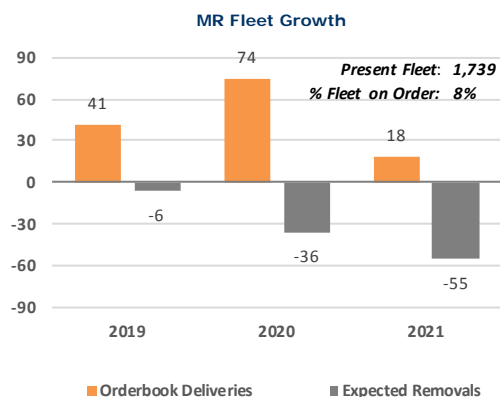
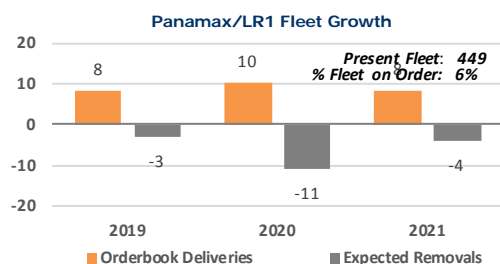
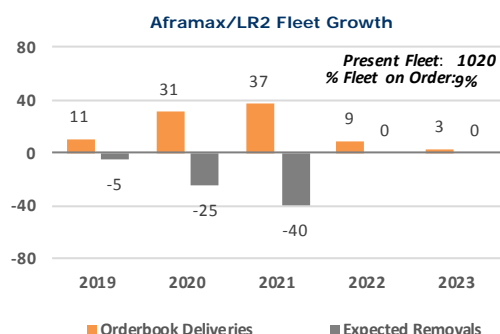
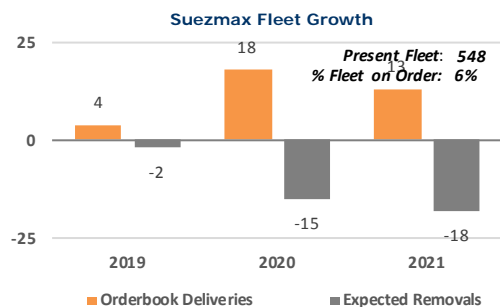
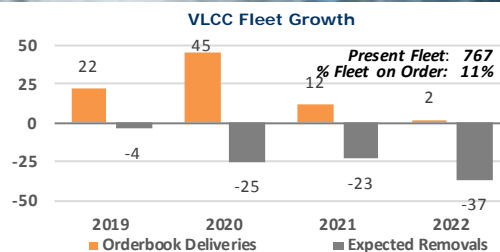
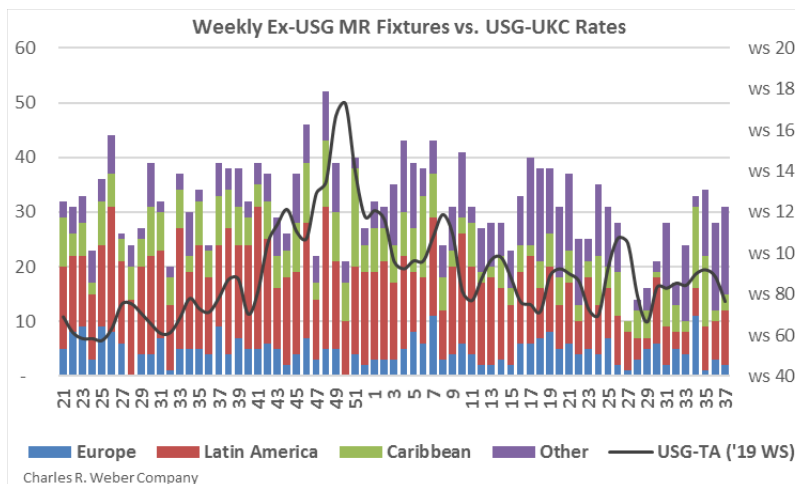
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There is not much to indicate any change for next week. One might hope that the refinery turnarounds happening in the U.S. Gulf, which struggled this week, might draw some cargoes from Europe but it hasn't happened yet.

Indeed, the diminished cargo flow and a growing list has only played to the advantage of charterers in the U.S. Gulf. Rates have sunk to new lows of WS75 for tc14, WS120 for Brazil, \$1.0 m for the Chile run, and \$350k for USG/CBS. Realistically speaking, an enormous amount of clearing will need to take place before we can expect any sustainable recovery for second half of September.



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REPORTED TANKER SALES

ADS Oslo– 107,127 /'03 – Imabari

-Sold at around \$13.3m to Buana Lintas Luatan

Anavatos– 104,875 /'03 – Samsung Heavy - Geoje

-Sold at around \$13.5m to Buana Lintas Luatan

Bright Fortune– 48,008 /'10 – Iwagi Zosen

Nord Imagination– 48,006 /'09 – Iwagi Zosen

-Sold on private terms to unknown Norwegian buyers

Ceylon– 46,001 /'02 – Shin Kurushima Onishi

-Sold around \$7.7m to 7 Islands

Global Marine No. 10– 45,858 /'00 – Shin Kurushima

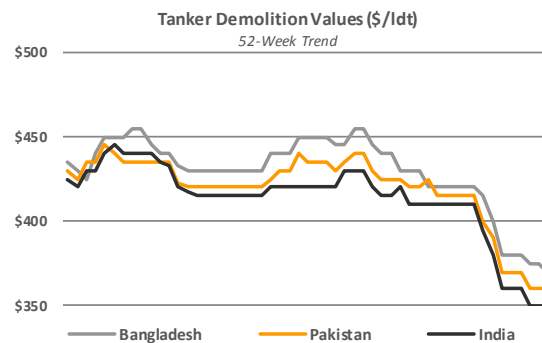
-Sold at around \$6.75 to unknown interest

Astral Express– 45,770 /'02 – Minaminippon

-Sold at around \$8.5m to unknown Chinese buyers

REPORTED TANKER DEMOLITION SALES

Nothing To Report



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