

# WEBER WEEKLY TANKER REPORT



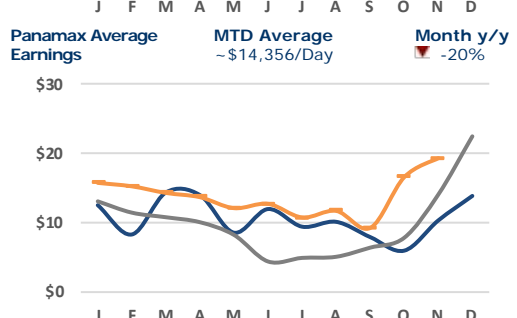
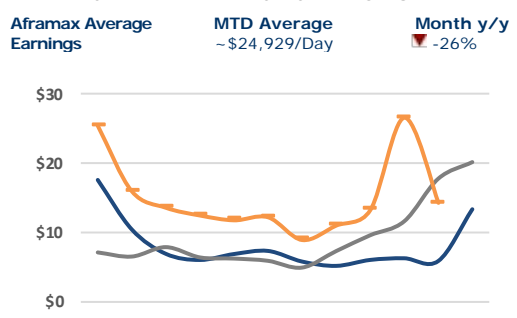
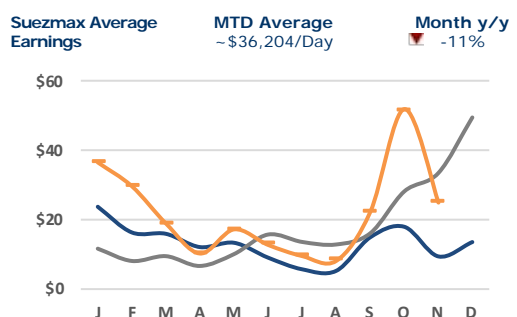
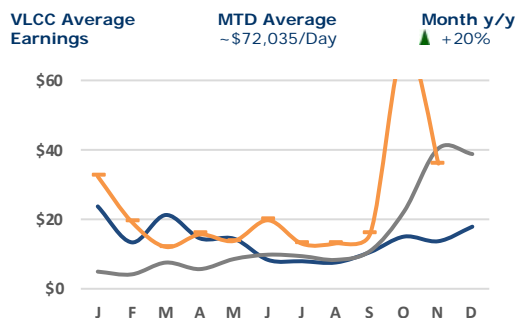
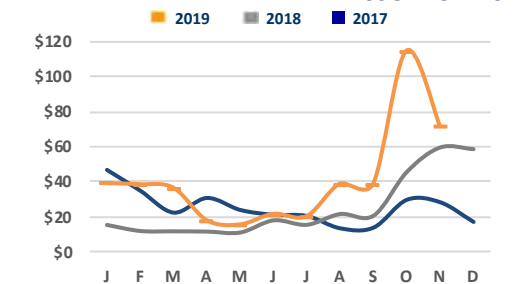
WEEK 45 – 8 November 2019

ISSUE 45 – 2019

Spot Market	WS/S	TCE	WS/S	TCE
<b>VLCC</b> (13.0 Kts L/B)	Week Ending 01-Nov		Week Ending 08-Nov	
AG>USG 280k	60.80	--	51.00	--
AG>SPORE 270k	91.60	\$75,151	84.50	\$65,453
AG>JPN 265k	89.50	\$76,243	81.90	\$65,665
AG>CHINA 270k	92.00	\$73,473	84.50	\$63,400
WAFR>CHINA 260k	97.60	\$81,681	90.20	\$73,942
USG>SPORE 275k	10.00m	\$85,904	9.52m	\$80,890
AG>USG/USG>SPORE/AG	--	\$126,895	--	\$113,336
<i>VLCC Average Earnings</i>		<i>\$81,636</i>		<i>\$72,035</i>
<b>SUEZMAX</b> (13.0 Kts L/B)				
WAFR>USG 130k	131.50	\$56,209	94.50	\$35,508
WAFR>UKC 130k	135.00	\$51,354	97.50	\$31,340
BSEA>MED 140k	159.50	\$83,535	127.00	\$59,674
CBS>USG 150k	133.00	\$70,131	113.00	\$55,509
USG>UKC 150k	108.00	\$49,888	83.50	\$33,439
CBS>USG/USG>UKC/WAFR	--	\$64,859	--	\$46,595
AG>USG 140k	86.50	\$43,473	61.00	\$24,645
USG>SPORE 130k	5.74m	--	5.40m	--
AG>USG/USG>SPORE/AG	--	\$73,284	--	\$57,522
<i>Suezmax Average Earnings</i>		<i>\$54,863</i>		<i>\$36,204</i>
<b>AFRAMAX</b> (13.0 Kts L/B)				
N. SEA>UKC 80k	117.00	\$30,080	97.50	\$15,860
BALT>UKC 100k	103.70	\$34,301	86.70	\$23,493
CBS>USG 70k	176.00	\$39,533	136.50	\$25,505
USG>UKC 70k	158.00	\$33,704	124.00	\$22,353
CBS>USG/USG>UKC/NSEA	--	\$61,047	--	\$42,524
MED>MED 80k	118.00	\$27,660	96.00	\$17,695
AG>SPORE 70k	173.00	\$39,746	147.00	\$30,288
<i>Aframax Average Earnings</i>		<i>\$37,349</i>		<i>\$24,929</i>
<b>PANAMAX</b> (13.0 Kts L/B)				
CBS>USG 50k	165.50	\$21,899	118.00	\$10,492
CONT>USG 55k	131.80	\$20,260	114.50	\$15,503
ECU>USWC 50k	220.00	\$32,265	220.00	\$31,549
<i>Panamax Average Earnings</i>		<i>\$21,332</i>		<i>\$14,356</i>
<b>LR2</b> (13.0 Kts L/B)				
AG>JPN 75k	169.70	\$39,165	123.40	\$23,401
AG>UKC 80k	3.08m	\$37,465	2.25m	\$21,500
MED>JPN 80k	2.89m	\$31,821	2.17m	\$19,521
AG>UKC/MED>JPN/AG	--	\$41,178	--	\$26,021
<i>LR2 Average Earnings</i>		<i>\$40,015</i>		<i>\$24,270</i>
<b>LR1</b> (13.0 Kts L/B)				
AG>JPN 55k	155.25	\$23,939	145.63	\$20,706
AG>UKC 65k	2.19m	\$24,029	1.92m	\$18,941
UKC>WAFR 60k	133.25	\$21,118	126.88	\$19,461
AG>UKC/UKC>WAFR/AG	--	\$29,131	--	\$24,853
<i>LR1 Average Earnings</i>		<i>\$26,535</i>		<i>\$22,779</i>
<b>MR</b> (13.0 Kts L/B)				
UKC>USAC 37k	153.50	\$15,236	140.20	\$12,706
USG>UKC 38k	94.00	\$5,325	117.00	\$9,776
USG>UKC/UKC>USAC/USG	--	\$21,030	--	\$23,547
USG>CBS (Pozos Colorados) 38k	456k	\$13,427	538k	\$18,905
USG>CHILE (Coronel) 38k	1.30m	\$18,904	1.58m	\$26,731
CBS>USAC 38k	126.00	\$12,396	148.50	\$16,974
WCIND>JPN/ROK>SPORE/WCIND	--	\$21,659	--	\$19,690
<i>MR Average Earnings</i>		<i>\$17,667</i>		<i>\$19,295</i>
<b>Handy</b> (13.0 Kts L/B)				
MED>EMED 30k	170.70	\$22,425	163.30	\$20,426
SPORE>JPN 30k	183.00	\$15,844	166.30	\$12,785
<i>Handy Average Earnings</i>		<i>\$18,213</i>		<i>\$15,536</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
<b>VLCC</b>	\$47,000	\$37,000
<b>Suezmax</b>	\$37,000	\$30,000
<b>Aframax</b>	\$26,000	\$23,000
<b>LR 1</b>	\$18,000	\$17,000
<b>MR</b>	\$17,000	\$16,000
<b>Handy</b>	\$15,000	\$14,000



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# WEBER WEEKLY TANKER REPORT



## SPOT MARKET SUMMARIES

### VLCC

#### The Arabian Gulf Nov 4 – 8

It proved to be another quiet week in the VLCC sector as Charterers maintained a slow progression through their November cargo programs. The lack of activity exerting further downward pressure on rates, despite a resistance from Owners who have expectations of a busier period ahead. Those Charterers that did enter the market found ample choices and Owners faced with the option of locking in returns in excess \$58,000 per day, found difficulty in not accepting it.

Next week marks the annual Bahri event in Dubai and should have a large contingent of the VLCC market present.

Eastbound rates continued a slow, softening trend as TD3 dipped from the low ws80's, down to the mid ws70, the latest fixture to China at ws76 which yields a tce of about \$58,000 per day. The lower activity, had even fewer deals concluded on distressed tonnage which remains 5-7.5 points below the modern units. Westbound rates saw ws46 concluded to the USG via the suez canal on an options cargo, putting a straight voyage the USG via the cape arguably around ws47.5. Triangulation still shows the highest possible returns, keeping the longer voyage in favor as a positioning voyage to get to the USG. AG to the USG followed by USG to Singapore (basis ws47.5 and \$8.8 mil) yields a tce of about \$102,000 per day.

#### Position list and Cargo Avails

There were 20 fresh fixtures to report this week, bringing the November cargo tally to 119, leaving some 25-30 cargoes to go through November. This compares to a position list with some 55 available vessels over that same period.

### Suezmax

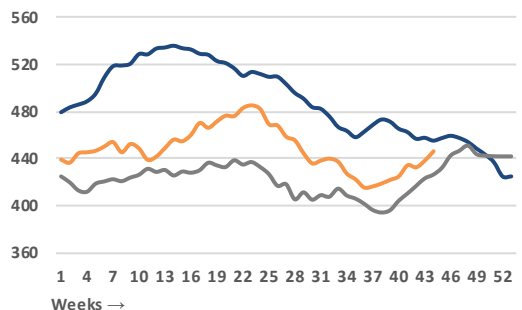
West Africa Suezmax inquiry once again was limited this week enabling charterers to test last done levels with relative ease. A saturated tonnage list also did not bode well for Owners as the West Africa-Europe route shed 25pts to conclude at ws85 to end the week. The corresponding TD20 TCE fell significantly once again yielding a return of ~\$26,500/day. The Black Sea-Med market also followed West Africa trend as limited inquiry resulted in a 20pt slip from week to week yielding a TCE return of ~\$48,500/day for the TD6 route. In the USG/CBS region, deteriorating sentiment amongst owners coupled with a top-heavy tonnage list left rates vulnerable to downward pressure all week. Even with a slight increase in inquiry on the preferred USG/TA route could not help stabilize rates as 145k MT x ws 80 was posted down almost 10pts on the week. The same can be said on the USG/Feast market as rates were pushed down to \$5.0m barrier for Singapore discharge. BDT1 – TD20 ended the week settling at 85.45 which is down (-23.64) from this time last week.

### Aframax

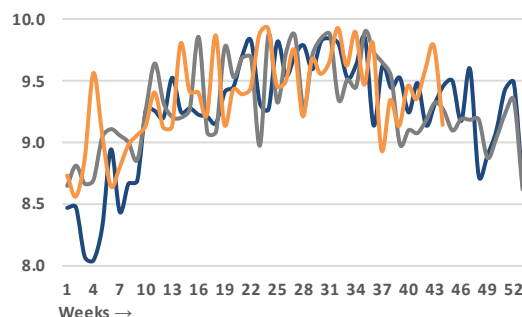
Witnessed an interesting week of trading in the USG that initially saw a softening trend, and ended with a rebound. Monday saw TD9 TCE returns hovering around 34k p/d, and dipped to 19k p/d by Thursday morning. Similarly TD25 started off around 63k p/d one way and almost halved to 37k p/d by Thursday. With Charterers trying to capitalize on the drop, they deemed it would be a good time to reach out a bit to try and lock in those levels before the suspected Thanksgiving spike. However, fortunately for Owners, many Charterers acted at the same time and subsequently reinserted some life back into the market. The week still closed at a lower level than it had opened, but with a poised momentum heading into next week.

### MR

Cont. levels suffered this week as a slow start had owners forced to accept lower rates for any workable mid-week cargoes. An ample list available for the next round of third decade liftings, should only add downward pressure as we head into Monday. Present TC2 rates stand at 37 x ws 130 with wafr ws 167.5. Positive momentum



US Crude Stocks (EIA) Last Week 446.8 MnBbls Week y/y ▲ +4.9%



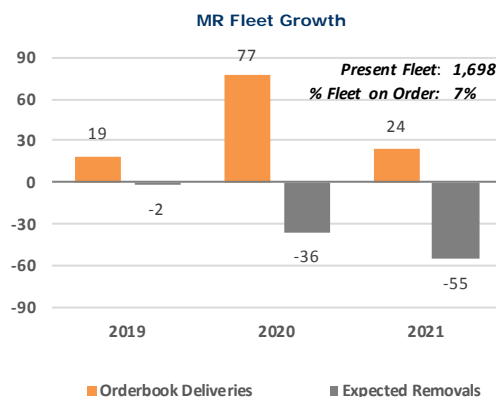
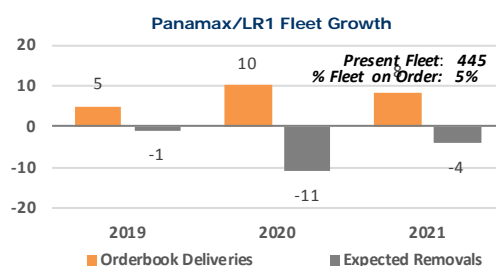
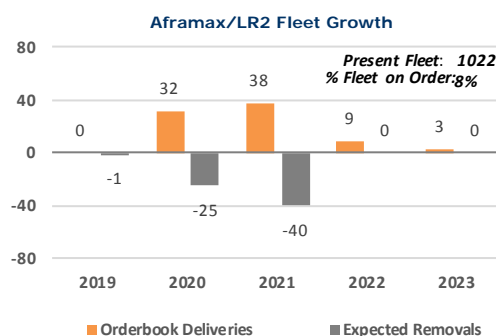
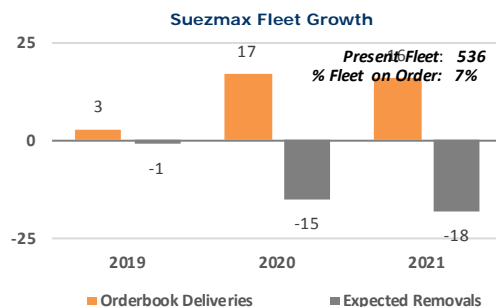
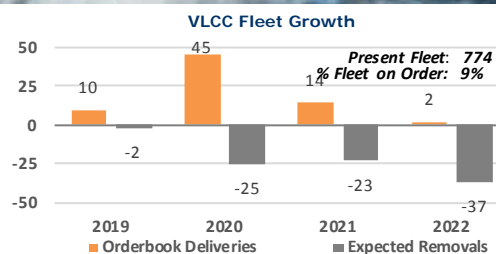
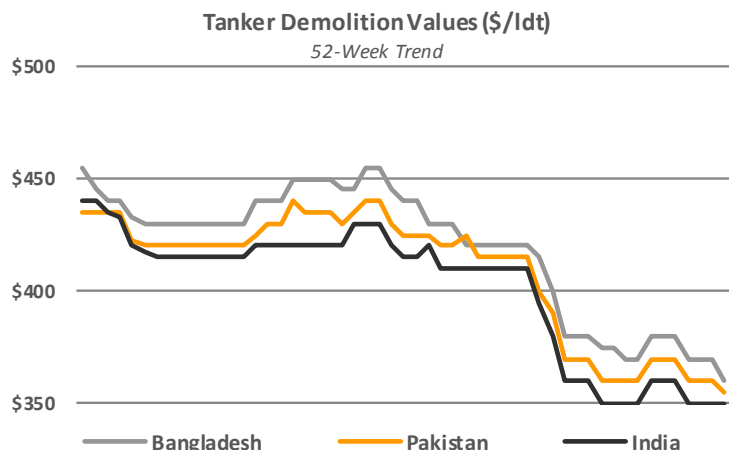
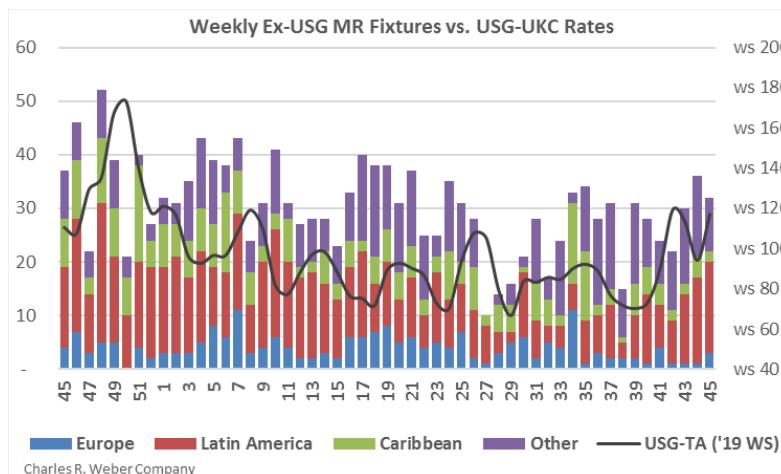
US Gasoline Demand (EIA) Last Week 9.145 MnB/d Week y/y ▼ -1.3%

2019 2018 2017

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throughout the course of the week showed continued signs of encouragement for USG markets. TC14 has now climbed to 38 x ws 122.5, while Latin American destinations stand at ws 200 ecsa, 1.65m levels for Chile. Firmer sentiment should prevail especially for longer haul voyages as owners strategize end of year positioning to be compliant with new fuel regulations.



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