

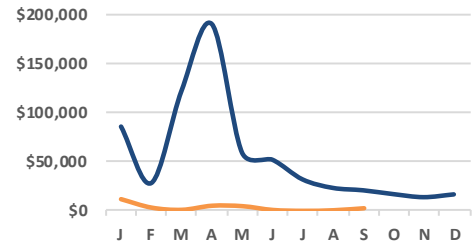
WEEKLY MARKET REPORT



Week 38 • September 24, 2021

Issue WM38-21

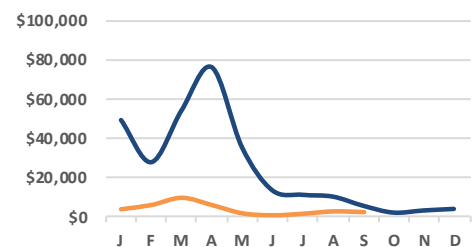
VLCC: We approach this weekend with the VLCC market a little quieter which is not surprising as rates in all sectors pushed up towards their year-to-date highs this week. TD3 is above ws39 for the first time since January, and the USG>China/ROK route pushed up almost one million dollars to the \$5.0 mil level. In the case of the latter, this was well above this year's average rate of \$4.2 million. Meanwhile, the upward pressure in the Atlantic Basin was driven up by the appearance of multiple cargoes from West Africa and the US Gulf.



VLCC Average Earnings* MTD 2021 v. CY 2020

MTD '21 Avg/Day: \$1,899 MTD '21 v. CY '20: -90%

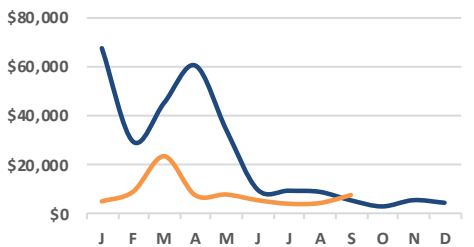
SUEZMAX: Demand in the West Africa market was limited as charterers continue to display patience with their remaining 2nd decade October programs and as sentiment amongst owners continues to dissipate. The TD20 route remains pegged in the low ws50's. Despite several vessels getting absorbed in alternative load regions, the overall fundamentals remain in favor of charterers. WAFR> UKCM ended the week at ws52.5 which yields a TCE return of roughly \$2,500/day (IFO 380) and \$-1,000/day (0.5%) basis current bunker prices. In the Americas, inquiries were once again steady with South American liftings leading the way. However, local rates remain flat to soft as sufficient tonnage availability continues to hamper any significant rate improvements from materializing. Rates for USG>TA ended the week down at ws42.5 (basis 145,000mt cargo) and up-coast is pinned at around ws65 (basis 150,000mt cargo). The USG>EAST route slipped a touch lower this week with Singapore discharge commanding \$2.55m levels and remains date sensitive. BDTI- TD20 ended the week settling at ws52.45 which is up 0.23 points from this time last week.



Suezmax Average Earnings* MTD 2021 v. CY 2020

MTD '21 Avg/Day: \$1,961 MTD '21 v. CY '20: -67%

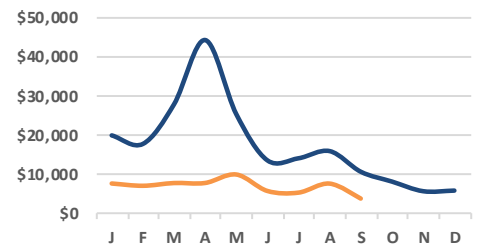
AFRAMAX: Despite a busy start to the week charterers were able to successfully test rates downward after tonnage began stacking up across the region. Rates out of EC Mexico fell to ws100 with the next done projected at ws90 while Transatlantic routes hovered in the ws82.5-85 range. The longer list and drop in inquiries during the second half of the week were the main contributing factors to the easing sentiment. Now, with tonnage still lingering throughout the US Gulf charterers will likely continue to have the upper hand next week as they look to test owners' willingness to fix below last done levels. Over in Europe the Cross UKC market remained stagnant with most deals getting done under the radar, holding rates at ws90. The Cross Mediterranean market was quiet as well for most of the week until Thursday when activity increased enough to clear out the back log of tonnage. Rates did not increase as much as owners would have hoped but there is optimism on the horizon as the firmer market should allow for additional growth through the first half of next week.



Aframax Average Earnings* MTD 2021 v. CY 2020

MTD '21 Avg/Day: \$7,718 MTD '21 v. CY '20: 46%

MR: Once again the Transatlantic markets struggled to overcome the constant battle of excess ship availability on both sides of the Atlantic. Despite decent cargo volume, TC2 rates continued their sideways monotony at ws100 (basis 37,000mt cargo) for the entire week. Demurrage in West Africa is still a strong incentive for owners, resulting in no premium right now for those voyages. US Gulf export volume continued its road to recovery, but much like Europe, had a significant amount of tonnage to contend with. The list gradually thinned each day moving rates up slightly from their bottoms. Naptha suitable ships were able to boost TC14 and TC18 up to ws60 and ws90, respectively. Diesel voyages to Chile added about \$25,000 edging rates up to \$1.025m, and USG>CBS now stands close to lumpsum \$300,000. The market still has a way to go, especially with increasing bunkers prices, but any sign of improvement is welcomed by owners in this climate.



MR Average Earnings* MTD 2021 v. CY 2020

MTD '21 Avg/Day: \$3,772 MTD '21 v. CY '20: -65%

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TANKER ROUTES (13kts LJB)	Week 37 WS L\$	Week 38 WS L\$	Week 37 TCE**	Week 38 TCE**	*Week 37 Bunkers VLSFO \$556/M TD	**Week 38 Bunkers VLSFO \$563/M TD
VLCC						
AG>USG • 280,000 (dwt)	18.50	19.60	--	--		
AG>SPORE • 270,000	34.00	37.60	\$523	\$4,000		
AG>JPN • 265,000	32.70	35.85	\$3,940	\$7,401		
AG>CHINA • 270,000	34.10	38.00	-\$2,104	\$1,670		
WAFR>CHINA • 260,000	36.00	40.00	\$955	\$4,667		
USG>SPORE-AG	3.20m	4.52m	\$15,053	\$36,523		
AG>USG/USG>SPORE-AG	--	--	\$9,865	\$22,688		
VLCC Average Earnings⁺	--	--	\$836	\$5,655		
SUEZMAX						
WAFR>USG • 130,000	50.00	49.50	\$1,441	\$858		
WAFR>UKC • 130,000	51.40	52.50	-\$2,216	-\$1,961		
BSEA>MED • 140,000	62.50	62.50	\$5,664	\$5,326		
CBS>USG • 150,000	66.00	64.50	\$12,191	\$10,819		
USG>UKC • 150,000	55.00	47.50	\$4,788	-\$198		
CBS>USG/USG>UKC-WAFR	--	--	\$9,555	\$5,092		
AG>USG • 140,000	24.00	24.80	-\$6,955	-\$6,696		
USG>SPORE	2.67m	2.63m	--	--		
AG>USG/USG>SPORE-AG	--	--	\$7,268	\$6,943		
Suezmax Average Earnings⁺	--	--	\$1,525	\$1,273		
AFRAMAX						
N.SEA>UKC • 80,000	90.50	90.00	\$3,231	\$2,607		
BALT>UKC • 100,000	59.40	60.70	-\$246	\$170		
CBS>USG • 70,000	123.00	100.50	\$13,555	\$5,524		
USG>UKC • 70,000	105.50	85.00	\$7,553	\$936		
CBS>USG/USG>UKC-NSEA	--	--	\$25,222	\$14,654		
MED>MED • 80,000	87.50	87.50	\$6,022	\$5,792		
AG>SPORE • 80,000	91.00	89.50	\$6,519	\$5,804		
Aframax Average Earnings⁺	--	--	\$9,448	\$5,994		
PANAMAX						
CBS>USAC(USG) • 50,000	133.00	138.00	\$11,188	\$12,171		
UKC>USG • 55,000	91.50	92.60	\$933	\$971		
MED>USG • 55,000	95.00	95.00	\$4,073	\$3,839		
ECU>USWC • 50,000	170.00	170.00	\$17,338	\$17,254		
Panamax Average Earnings⁺	--	--	\$5,805	\$6,241		
LR2						
AG>JPN • 75,000	108.80	107.77	\$11,322	\$10,754		
AG>UKC	2.27m	2.25m	\$15,172	\$14,541		
MED>JPN	1.78m	1.94m	\$4,752	\$7,387		
AG>UKC-MED>JPN-AG	--	--	\$15,115	\$16,374		
LR2 Average Earnings⁺	--	--	\$12,586	\$12,626		
LR1						
AG>JPN • 55,000	111.10	112.60	\$7,744	\$7,884		
AG>UKC	1.63m	1.63m	\$7,753	\$7,625		
UKC>WAFR • 60,000	81.23	81.20	\$2,919	\$2,699		
AG>UKC/UKC>WAFR-AG	--	--	\$9,670	\$9,515		
LR1 Average Earnings⁺	--	--	\$8,707	\$8,700		
MR						
UKC>USAC • 37,000	100.00	100.00	-\$423	-\$611		
USG>UKC • 38,000	55.00	60.00	-\$6,721	-\$6,051		
USG>UKC/UKC>USAC(USG)	--	--	-\$145	\$400		
USG>CBS (Pozos Colorados)	275k	280k	-\$2,336	-\$2,169		
USG>CHILE (Coronel)	1.00m	100m	\$5,813	\$5,790		
CBS>USAC(USG) • 38,000	95.00	95.00	\$1,528	\$1,359		
WCIND>JPN-ROK>SPORE-WCIND	--	--	\$9,951	\$9,737		
MR Average Earnings⁺	--	--	\$2,463	\$2,519		
HANDYSIZE						
MED>EMED • 30,000	112.60	115.70	\$6,930	\$7,777		
SPORE>JPN • 30,000	145.30	143.00	\$5,561	\$5,088		
Handysize Average Earnings⁺	--	--	\$6,054	\$6,056		

Time Charter 1 Year v. 3 Years (\$ | day):
\$24,000 | \$29,000

Ships Trading: 840
% Fleet on Order: 9%
Ships to Breakers: No Activity

Time Charter 1 Year v. 3 Years (\$ | day):
\$18,000 | \$21,000

Ships Trading: 571
% Fleet on Order: 7%
Ships to Breakers: No Activity

Time Charter 1 Year v. 3 Years (\$ | day):
\$16,500 | \$18,500

Ships Trading: 1,051
% Fleet on Order: 9%
Ships to Breakers: 1

Time Charter 1 Year v. 3 Years (\$ | day):
\$14,000 | \$15,500

Ships Trading: 456
% Fleet on Order: 3%
Ships to Breakers: 1

Time Charter 1 Year v. 3 Years (\$ | day):
\$18,250 | \$19,000

Ships Trading: 1,051[^]
% Fleet on Order: 9%[^]
Ships to Breakers: 1

Time Charter 1 Year v. 3 Years (\$ | day):
\$16,000 | \$16,000

Ships Trading: 456[°]
% Fleet on Order: 3%[°]
Ships to Breakers: 1

Time Charter 1 Year v. 3 Years (\$ | day):
\$13,000 | \$14,000

Ships Trading: 1,802
% Fleet on Order: 7%
Ships to Breakers: No Activity

Time Charter 1 Year v. 3 Years (\$ | day):
\$11,000 | \$13,000

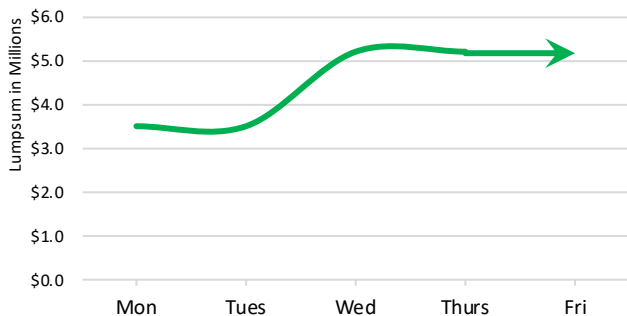
Ships Trading: 572
% Fleet on Order: 4%
Ships to Breakers: No Activity

⁺ "Average Earnings" are weighted proportionally to each size class's worldwide market activity (may include routes not necessarily shown in this report).

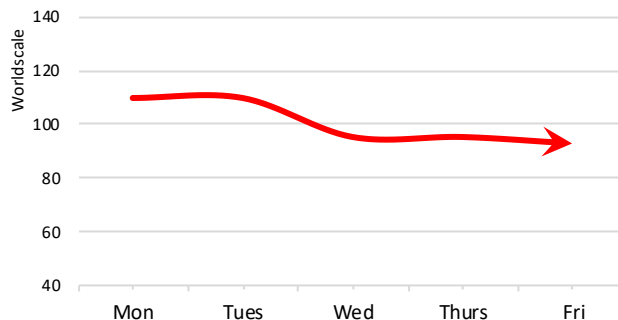
[^] Aframax and LR2 fleet numbers are combined for the purposes of these entries.

[°] Panamax and LR1 fleet numbers are combined for the purposes of these entries.

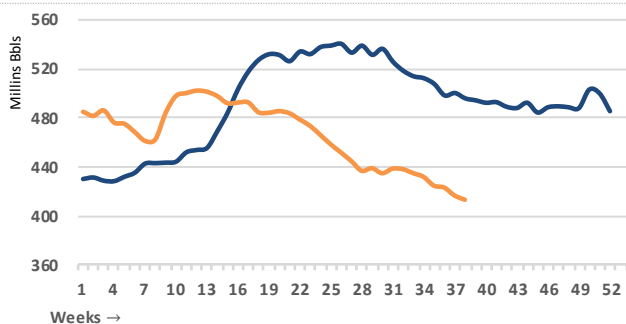
THE WEEK IN CHARTS



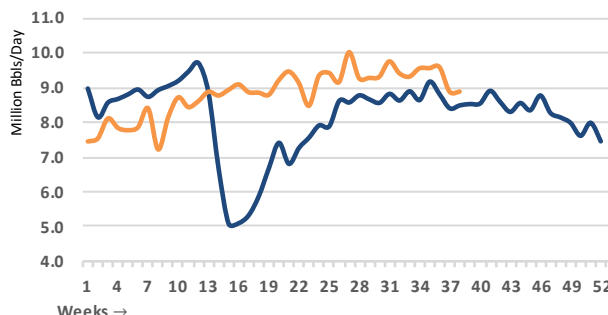
Global Climber of the Week: VLCC (USG>Singapore | 275,000mt) | +48%



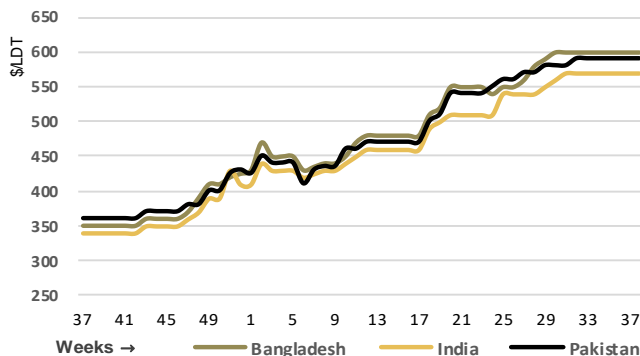
Global Decliner of the Week: Aframax (CBS>USG | 70,000mt) | -15%



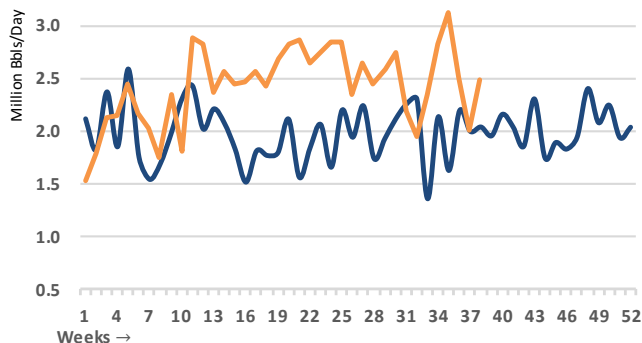
US Crude Oil Stocks (EIA) WTD '21 v. CY '20
This Week: 414.0m bbls This Week '21 v. '20: -16%



US Gasoline Demand (EIA) WTD '21 v. CY '20
This Week: 8.896m bbls/day This Week '21 v. '20: +4.9%



Tanker Demolition Market, 52-Week Ticker (\$/Ldt)



Charley's Chart of the Week: US Weekly Imports of Total Petroleum Products (EIA) WTD '21 v. CY '20
This Week: 2.481mbbls/day This Week '21 v. '20: +22%

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