

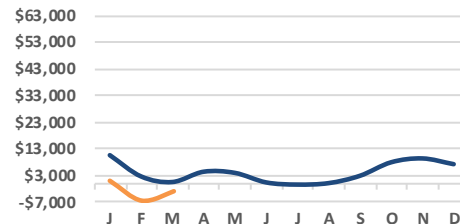
WEEKLY MARKET REPORT



Week 12 • March 18, 2022

Issue WM12-22

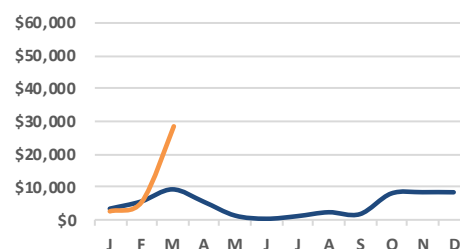
VLCC: Little change in the VLCC sector as over-supply continued to weigh on market sentiment. With rising bunker prices and sour fundamentals, returns pushed below daily operating costs, even for the modern-eco tonnage with scrubbers. Those non-scrubber fitted vessels were largely out of play as returns reached into the negative teens, making sitting more economical than fixing.



VLCC Average Earnings* MTD 2022 v. CY 2021

MTD '22 Avg/Day: \$-3,244 MTD '22 v. CY '21: -940%

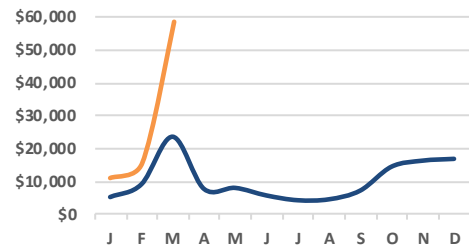
SUEZMAX: All eyes were fixated on the US Gulf export market this week as rates faced resistance from owners off the back of bullish sentiment in the Atlantic basin and tighter overall tonnage fundamentals. With limited tonnage availabilities for end March/early April dates, charterers were pushed to pay above last done levels repeatedly for cargo lifts originating in the US Gulf and CBS region throughout the week. A volatile Aframax market also assisted in allowing Suezmax rates to rise unimpededly as Transatlantic voyages pushed into the low ws90's (basis 145,000mt cargo) and local voyages within the region commanding ws115+ levels (basis 150,000mt cargo). The USG>SPORE route remains an interesting call as rates remain very date sensitive and are pegged around \$4.0m levels off natural dates and should command a touch higher if earlier load windows are required. Across the pond, WAFR inquiries were sluggish out the gate but slowly ramped up by mid-week as rates pushed higher off the back of bullish sentiment spilling over from the Americas and owners targeting higher returns by ballasting UKC & WMED positions across the Atlantic. TD20 finished the week at ws92.5, up 12.5 points on the week, which yields a TCE of around \$14,000/day (IFO 380) and \$6,900/day (0.5%) basis current bunker prices. BDTI- TD20 ended the week settling at ws89.32 which is up 10.00 points from last week.



Suezmax Average Earnings* MTD 2022 v. CY 2021

MTD '22 Avg/Day: \$28,687 MTD '22 v. CY '21: +209%

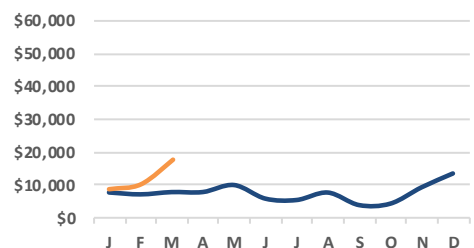
AFRAMAX: It was a busy start this week. Rates out of EC Mexico finished up nearly 30 Worldscale points from the beginning of the week, projected to close near ws190. Similar to the local routes, Transatlantic saw a significant jump as well, finishing up nearly 45 Worldscale points from the start of the week and closing around ws190. Activity started to quiet down as we headed into the second half of the week; however, another spike in inquiries on Friday was enough to allow owners to continue to build on their momentum through the weekend. Expect next week to start off in a similar fashion as owners will look to squeeze whatever remains out of this week's firming market. Over in Europe rates have seemed to settle. Cross-UKC routes held around ws122.5-125 for the week; however, with some of the fleet ballasting over to get in on the firming US market, there is some potential for the market to firm next week. Cross-Mediterranean routes settled down from ws140 to ws135 despite multiple failed cargoes this week but with some news regarding CPC possibly coming back online, there is some potential for rates to pick back up. Next week should be a good indicator as to where the European markets are headed.



Aframax Average Earnings* MTD 2022 v. CY 2021

MTD '22 Avg/Day: \$58,341 MTD '22 v. CY '21: +149%

MR: This week the European market saw similar levels of cargo inquiries as were seen last week. TC2 gained 5 points to go from ws195 to ws200. The rate increase was mostly due to the lack of ballasters heading from the US market. There is increased interest by some owners to take their vessels from the US market to Europe, so in the coming weeks we may see an increase in available tonnage returning. Weaker rates in the US Gulf for all routes were seen this week as the downward rate correction continued. The week opened with very little action and a heavy tonnage list. By mid-week the activity picked up and cleared out the excess tonnage, so by Friday, there was evidence that the low trend in rates started to show signs of leveling off and the market may have bottomed. Overall, USG>CBS dropped from \$750,000 to \$625,000, TC14 lost 20 points to go from ws175 to ws155, USG>Brazil dropped 20 points to go from ws205 to ws185 and Chile remained steady ranging between \$1.8m and \$1.75m (lumpsum).



MR Average Earnings* MTD 2022 v. CY 2021

MTD '22 Avg/Day: \$17,724 MTD '22 v. CY '21: +125%

Whilst every care has been taken in the production of this report, no liability can be accepted for any loss incurred in any way whatsoever by any person who may seek to rely on the information contained herein. All information is supplied in good faith and Charles R. Weber Company, Inc. accepts no responsibility for any errors and omissions contained within this report. The information contained herein may not be reproduced without the written permission of Charles R. Weber Research.

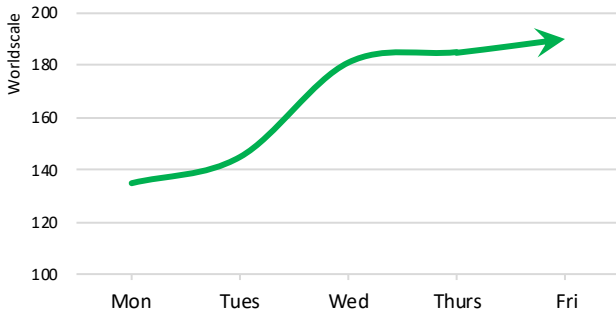
TANKER ROUTES (13kts LJB)	Week 11 WS L\$	Week 12 WS L\$	Week 11 TCE**	Week 12 TCE**	**Week 11 Bunkers VLSFO \$882/MTD	**Week 12 Bunkers VLSFO \$931/MTD
VLCC						
AG>USG • 280,000 (dwt)	23.20	22.40	--	--		
AG>SPORE • 270,000	42.60	37.20	-\$4,853	-\$14,072	Time Charter 1 Year v. 3 Years (\$ day): \$26,000 \$28,000	
AG>JPN • 265,000	39.60	34.80	-\$7,391	-\$16,143		
AG>CHINA • 270,000	42.20	36.60	-\$8,454	-\$18,293		
WAFR>CHINA • 260,000	43.60	37.20	-\$2,727	-\$12,778	# Ships Trading:	850
USG>SPORE-AG	4.06m	4.27m	\$11,011	\$11,307	% Fleet on Order:	7.4%
AG>USG/USG>SPORE-AG	--	--	\$3,175	\$779	Ships to Breakers:	No Activity
VLCC Average Earnings⁺	--	--	-\$6,323	-\$14,462		
SUEZMAX						
WAFR>USG • 130,000	73.50	76.50	\$3,500	\$2,511		
WAFR>UKC • 130,000	77.50	84.50	\$821	\$2,062	Time Charter 1 Year v. 3 Years (\$ day): \$21,000 \$21,500	
BSEA>MED • 140,000	250.00	210.00	\$130,382	\$98,744		
CBS>USG • 150,000	98.00	105.50	\$25,008	\$27,222		
USG>UKC • 145,000	67.70	79.70	\$624	\$5,294	# Ships Trading:	576
CBS>USG/USG>UKC-WAFR	--	--	\$13,864	\$19,176	% Fleet on Order:	5.6%
AG>USG • 140,000	47.50	45.70	-\$1,240	-\$5,143	Ships to Breakers:	1
USG>SPORE	3.85m	3.78m	--	--		
AG>USG/USG>SPORE-AG	--	--	\$16,008	\$12,112		
Suezmax Average Earnings⁺	--	--	\$25,723	\$20,919		
AFRAMAX						
N.SEA>UKC • 80,000	120.50	123.50	\$18,102	\$16,301		
BALT>UKC • 100,000	548.60	321.00	\$282,494	\$141,393	Time Charter 1 Year v. 3 Years (\$ day): \$18,000 \$19,500	
CBS>USG • 70,000	150.00	168.00	\$14,596	\$18,846		
USG>UKC • 70,000	132.30	167.20	\$6,575	\$15,678		
CBS>USG/USG>UKC-NSEA	--	--	\$31,278	\$44,183	# Ships Trading:	1,062
MED>MED • 80,000	130.70	140.50	\$19,375	\$22,543	% Fleet on Order:	8.1%
AG>SPORE • 80,000	140.50	140.00	\$14,080	\$12,167	Ships to Breakers:	No Activity
Aframax Average Earnings⁺	--	--	\$56,173	\$39,949		
PANAMAX						
CBS>USAC(USG) • 50,000	213.00	208.00	\$24,764	\$21,168	Time Charter 1 Year v. 3 Years (\$ day): \$16,000 \$15,500	
UKC>USG • 55,000	149.60	144.70	\$8,514	\$4,806		
MED>USG • 55,000	160.00	157.00	\$14,141	\$11,273	# Ships Trading:	447
ECU>USWC • 50,000	225.00	225.00	\$25,513	\$23,850	% Fleet on Order:	0.7%
Panamax Average Earnings⁺	--	--	\$14,956	\$11,741	Ships to Breakers:	1
LR2						
AG>JPN • 75,000	183.40	171.60	\$27,599	\$21,808	Time Charter 1 Year v. 3 Years (\$ day): \$19,500 \$19,000	
AG>UKC	3.74m	3.54m	\$31,609	\$25,721		
MED>JPN	3.07m	2.69m	\$14,614	\$6,327	# Ships Trading:	1,062 [^]
AG>UKC-MED>JPN-AG	--	--	\$31,339	\$23,596	% Fleet on Order:	8.1% [^]
LR2 Average Earnings⁺	--	--	\$28,844	\$22,403	Ships to Breakers:	No Activity
LR1						
AG>JPN • 55,000	197.80	186.00	\$22,260	\$17,884	Time Charter 1 Year v. 3 Years (\$ day): \$17,000 \$16,000	
AG>UKC	3.16m	2.86m	\$27,998	\$20,640		
UKC>WAFR • 60,000	155.10	147.10	\$17,007	\$12,975	# Ships Trading:	447 [°]
AG>UKC/UKC>WAFR-AG	--	--	\$31,292	\$24,674	% Fleet on Order:	0.7% [°]
LR1 Average Earnings⁺	--	--	\$26,776	\$21,279	Ships to Breakers:	No Activity
MR						
UKC>USAC • 37,000	183.00	197.50	\$7,812	\$8,323		
USG>UKC • 38,000	193.10	167.50	\$11,830	\$5,307	Time Charter 1 Year v. 3 Years (\$ day): \$13,500 \$14,500	
USG>UKC/UKC>USAC(USG)	--	--	\$24,546	\$19,886		
USG>CBS (Pozos Colorados)	820k	705k	\$26,359	\$17,239		
USG>CHILE (Coronel)	2.02m	1.81m	\$27,269	\$20,029	# Ships Trading:	1,820
CBS>USAC(USG) • 38,000	234.00	207.00	\$24,462	\$17,248	% Fleet on Order:	6.7%
WCIND>JPN-ROK>SPORE-WCIND	--	--	\$25,380	\$21,110	Ships to Breakers:	No Activity
MR Average Earnings⁺	--	--	\$21,253	\$17,175		
HANDYSIZE						
MED>EMED • 30,000	242.10	200.25	\$45,557	\$31,177	Time Charter 1 Year v. 3 Years (\$ day): \$11,500 \$13,500	
SPORE>JPN • 30,000	272.80	259.00	\$19,234	\$16,080		
Handysize Average Earnings⁺	--	--	\$28,710	\$21,515	# Ships Trading:	596
					% Fleet on Order:	4.1%
					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).

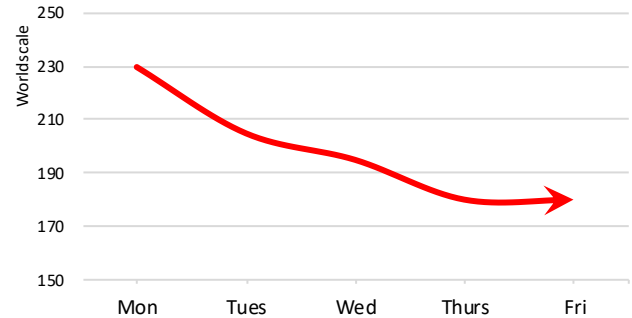
[^] Aframax and LR2 fleet numbers are combined for the purposes of these entries.

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

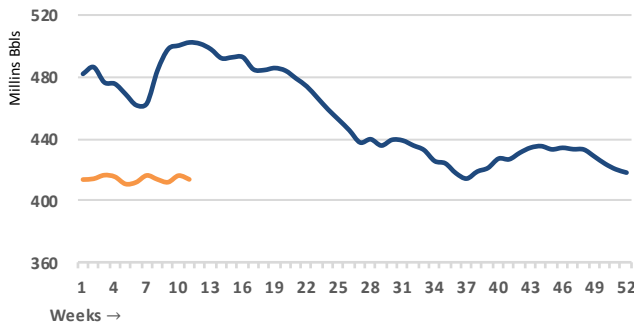
THE WEEK IN CHARTS



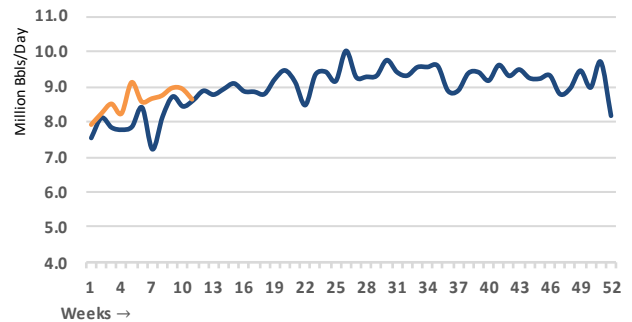
Global Climber of the Week: Aframax (USG>UKC | 70,000mt) | +40%



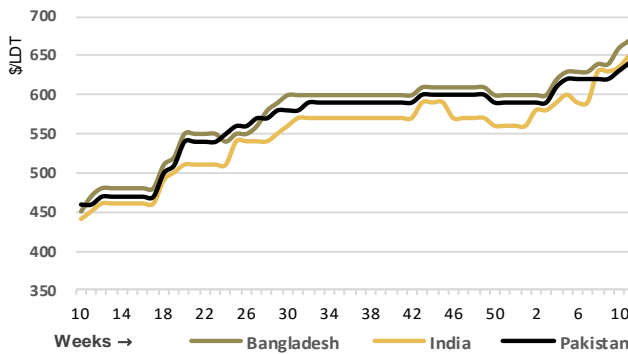
Global Decliner of the Week: MR (USG>Brazil | 38,000mt) | -21%



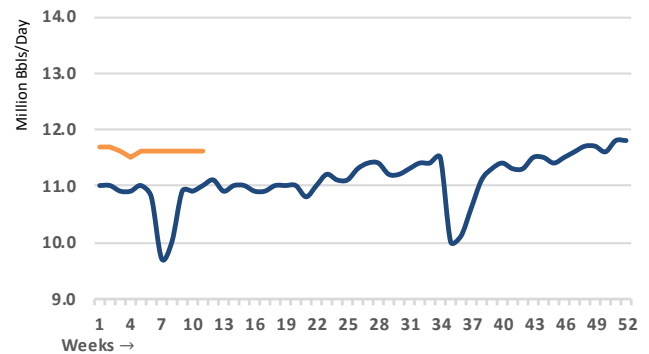
US Crude Oil Stocks (EIA) WTD '22 v. CY '21
Last Week: 413.4m bbls Last Week '22 v. '21: -17%



US Gasoline Demand (EIA) WTD '22 v. CY '21
Last Week: 8.637m bbls/day Last Week '22 v. '21: +0.2%



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



Charley's Chart of the Week: US Weekly Crude Oil Production (EIA)
WTD '22 v. CY '21
Last Week: 11.6m bbls/day Last Week '22 v. '21: 5.5%

Charles R. Weber Company, Inc. (Greenwich)
Greenwich Office Park 3
Greenwich, CT, 06831
T: +1 203 629 2300
E: research@crweber.com
W: www.crweber.com



Charles R. Weber Company, Inc. (Houston)
1001 McKinney Street, Suite 475
Houston, TX, 77002
T: +1 713 568 7233
E: research@crweber.com
W: www.crweber.com