

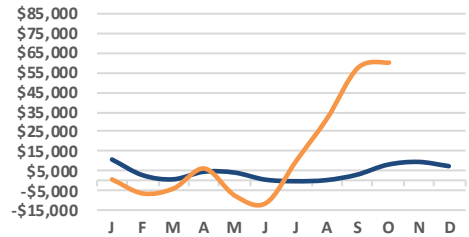
# WEEKLY MARKET REPORT



Week 42 • October 21, 2022

Issue WM42-22

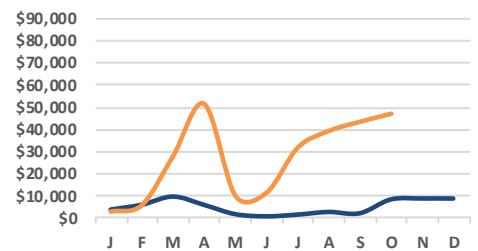
**VLCC:** After VLCC rates pushed up to year-to-date highs, we saw some slight giveback as owners looked to lock in returns that approached TCE's of \$100,000 per day. TD3 dipped from the high of ws112.5, back down to ws107.5, while Eastbound rates from the US Gulf moved up to \$11,500,000 for long east, despite reports of rates north of \$12,000,000 were concluded. Sentiment remains strong but profit taking will continue, at least until we see another influx of inquiries.



**VLCC Average Earnings\* MTD 2022 v. CY 2021**

MTD '22 Avg/Day: \$60,012      MTD '22 v. CY '21: +655%

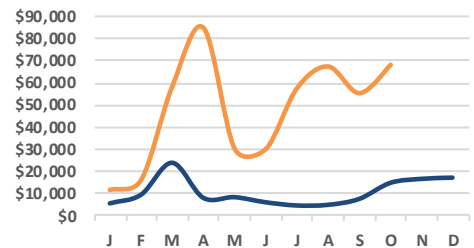
**SUEZMAX:** A bit of a rollercoaster in West Africa as rates crashed out of the gates off the back of a pair of fixtures from the previous week being released as charterers scrambled to rearrange their programs to steer clear of firming rates. Charterers successfully tested the WAFR>UKC route down to ws150 by mid-week only to stabilize after as result of stronger returns being posted in both the AG and MED resulting in a resurgence of resistance by owners. West Africa rates finished the week at ws175 for UKCM, which is up 25 points since Wednesday but actually down 2.5 points on the week-to-week. TD20 last done levels yield a similar TCE from last week's close (slightly down) of roughly \$72,300/day (IFO 380) and \$64,300/day (0.5%) basis current bunkers. In the Americas, plenty of activity on all size classes as charterers remain focused on covering their 1<sup>st</sup> decade November programs while keeping an eye on an active Aframax market to keep pace. Tonnage fundamentals within the region remain tight at the top of the list leaving rates in a promising position for further firming next week. Rates for USG>TA ended the week flat at ws145 (basis 145,000mt cargo) while CBS>USG pushed higher up to ws165 levels (basis 150,000mt cargo). The USG>EAST trade witnessed a moderate uptick with Singapore discharges now commanding \$6.85m levels and Long East at \$7.4-\$7.45m levels and should remain date sensitive going into next week. BDTI- TD20 ended the week settling at ws168.64 which is up 12.00 points from this time last week.



**Suezmax Average Earnings\* MTD 2022 v. CY 2021**

MTD '22 Avg/Day: \$46,887      MTD '22 v. CY '21: +484%

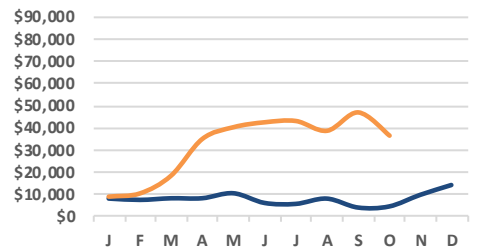
**AFRAMAX:** The market continued firming early on in the week and after a surge in activity picked off the remaining tonnage in the area, rates hit their year-to-date highs across all markets. Cargoes into Europe topped off at ws295 by the end of the week with next done ahead of the weekend projected at ws300 while East Coast Mexico and the Caribbean saw rates hit ws415 and ws380, respectively. After the damage was done, activity slowed down some through the second half of the week as charterers look to try and cool things off over the weekend. That being said, if activity picks up the pace again early next week, the market will pick up right where it left off, with owners pushing for more on each fixture. In Europe markets continued to firm through the week after the lists began to thin out. Cargoes out of the North Sea hit ws210. Cross Mediterranean rates topped off at ws235 after some steady activity in the region. For now, expect rates to remain at last done levels in both markets to start off next week.



**Aframax Average Earnings\* MTD 2022 v. CY 2021**

MTD '22 Avg/Day: \$67,845      MTD '22 v. CY '21: +372%

**MR:** An active start to the week in Europe helped owners build momentum and carry TC2 levels up to ws300-305 (basis 37,000mt cargo), before settling down. Decent volume into Brazil set a repetitive 15-point premium, while a less busy West Africa market still maintained its 10-point spread. A quieter finish on Friday will require additional cargo volume next week if freight rates expect to hold. US Gulf owners did a solid job of navigating through their own market this week. Despite some scattered lulls, rates held firm particularly for the longer hauls. With an optimistic fourth quarter in sight, owners pushed USG>Chile up to the \$3.0m mark and ws320 for USG>Brazil (both basis 38,000mt cargo) considering the longer duration of these voyages. TC14 hovered between ws190-200 as talk of an open arbitrage for USG>TA started to enter the conversation. Shorter hauls to the Caribbean and EC Mexico were preferred by many, but still hovered in the mid-\$800,000's for Caribbean and \$600,000 for EC Mexico. Markets appear stabilized for now which should continue as we enter next week.



**MR Average Earnings\* MTD 2022 v. CY 2021**

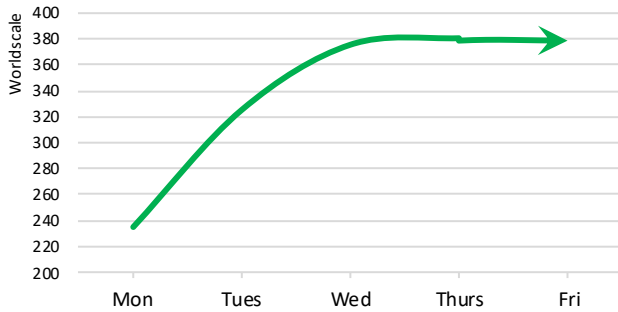
MTD '22 Avg/Day: \$36,647      MTD '22 v. CY '21: +776%

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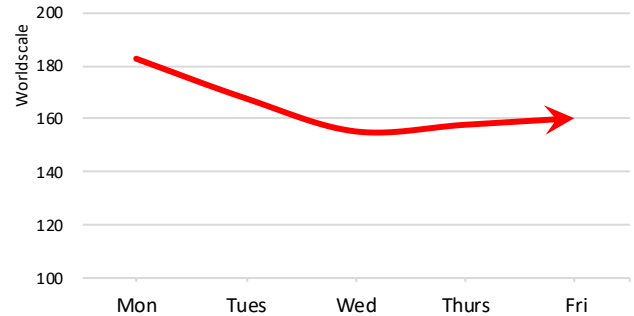
TANKER ROUTES (13kts L B)	Week 41 WS L\$	Week 42 WS L\$	Week 41 TCE**	Week 42 TCE**	*Week 41 Bunkers VLSFO \$748/MTD	**Week 42 Bunkers VLSFO \$729/MTD
<b>VLCC</b>						
AG>USG • 280,000 (dwt)	50.60	<b>60.40</b>	--	--		
AG>SPORE • 270,000	83.80	<b>108.00</b>	\$51,452	<b>\$81,084</b>	<b>Time Charter 1 Year v. 3 Years (\$ day):</b> \$34,000   \$34,000	
AG>JPN • 265,000	82.70	<b>104.70</b>	\$52,991	<b>\$80,900</b>		
AG>CHINA • 270,000	83.70	<b>108.00</b>	\$46,875	<b>\$76,647</b>		
WAFR>CHINA • 260,000	85.50	<b>106.50</b>	\$52,614	<b>\$77,678</b>	<b># Ships Trading:</b>	871
USG>SPORE-AG	9.10m	<b>10.6m</b>	\$100,998	<b>\$126,553</b>	<b>% Fleet on Order:</b>	4.2%
AG>USG/USG>SPORE-AG	--	--	\$85,704	<b>\$110,965</b>	<b>Ships to Breakers:</b>	No Activity
<b>VLCC Average Earnings<sup>+</sup></b>	--	--	\$51,659	<b>\$78,278</b>		
<b>SUEZMAX</b>						
WAFR>USG • 130,000	132.50	<b>156.00</b>	\$40,919	<b>\$55,673</b>		
WAFR>UKC • 130,000	139.70	<b>159.00</b>	\$38,773	<b>\$50,599</b>	<b>Time Charter 1 Year v. 3 Years (\$ day):</b> \$32,000   \$26,000	
BSEA>MED • 140,000	179.50	<b>193.00</b>	\$82,513	<b>\$93,289</b>		
CBS>USG • 150,000	127.50	<b>159.50</b>	\$47,609	<b>\$72,603</b>		
USG>UKC • 145,000	110.50	<b>145.00</b>	\$29,788	<b>\$53,553</b>	<b># Ships Trading:</b>	598
CBS>USG/USG>UKC-WAFR	--	--	\$46,181	<b>\$74,314</b>	<b>% Fleet on Order:</b>	2.0%
AG>USG • 140,000	67.50	<b>90.50</b>	\$18,421	<b>\$37,346</b>	<b>Ships to Breakers:</b>	No Activity
USG>SPORE	6.32m	<b>6.69m</b>	--	--		
AG>USG/USG>SPORE-AG	--	--	\$52,938	<b>\$68,354</b>		
<b>Suezmax Average Earnings<sup>+</sup></b>	--	--	\$43,515	<b>\$56,073</b>		
<b>AFRAMAX</b>						
N.SEA>UKC • 80,000	200.00	<b>208.00</b>	\$72,261	<b>\$79,125</b>		
BALT>UKC • 100,000	223.20	<b>230.10</b>	\$82,822	<b>\$88,080</b>	<b>Time Charter 1 Year v. 3 Years (\$ day):</b> \$33,000   \$26,000	
CBS>USG • 70,000	196.70	<b>339.00</b>	\$34,025	<b>\$87,767</b>		
USG>UKC • 70,000	215.50	<b>294.00</b>	\$36,540	<b>\$64,057</b>		
CBS>USG/USG>UKC-NSEA	--	--	\$70,294	<b>\$123,500</b>	<b># Ships Trading:</b>	650
MED>MED • 80,000	218.00	<b>231.00</b>	\$66,763	<b>\$73,788</b>	<b>% Fleet on Order:</b>	4.3%
AG>SPORE • 80,000	198.00	<b>213.00</b>	\$38,590	<b>\$44,418</b>	<b>Ships to Breakers:</b>	1
<b>Aframax Average Earnings<sup>+</sup></b>	--	--	\$59,489	<b>\$83,326</b>		
<b>PANAMAX</b>						
CBS>USAC(USG) • 50,000	316.50	<b>345.00</b>	\$53,591	<b>\$61,859</b>	<b>Time Charter 1 Year v. 3 Years (\$ day):</b> \$25,000   \$25,000	
MED>USG • 55,000	220.00	<b>244.00</b>	\$34,020	<b>\$41,582</b>		
ECU>USWC • 50,000	380.00	<b>380.00</b>	\$65,059	<b>\$65,642</b>	<b># Ships Trading:</b>	55
USG>CBS • 50,000	320.00	<b>345.00</b>	\$48,002	<b>\$54,566</b>	<b>% Fleet on Order:</b>	0.0%
<b>Panamax Average Earnings<sup>+</sup></b>	--	--	\$52,631	<b>\$58,715</b>	<b>Ships to Breakers:</b>	No Activity
<b>LR2</b>						
AG>JPN • 75,000	189.30	<b>198.30</b>	\$34,445	<b>\$38,199</b>	<b>Time Charter 1 Year v. 3 Years (\$ day):</b> \$33,000   \$27,000	
AG>UKC	4.09m	<b>4.35m</b>	\$41,820	<b>\$47,554</b>		
MED>JPN	3.75m	<b>3.74m</b>	\$31,215	<b>\$31,801</b>	<b># Ships Trading:</b>	423
AG>UKC-MED>JPN-AG	--	--	\$45,842	<b>\$49,118</b>	<b>% Fleet on Order:</b>	12.5%
<b>LR2 Average Earnings<sup>+</sup></b>	--	--	\$38,240	<b>\$41,835</b>	<b>Ships to Breakers:</b>	No Activity
<b>LR1</b>						
AG>JPN • 55,000	187.40	<b>197.90</b>	\$23,559	<b>\$26,737</b>	<b>Time Charter 1 Year v. 3 Years (\$ day):</b> \$35,000   \$27,000	
AG>UKC	3.26m	<b>3.37m</b>	\$32,743	<b>\$35,352</b>		
UKC>WAFR • 60,000	231.00	<b>229.50</b>	\$42,230	<b>\$42,389</b>	<b># Ships Trading:</b>	391
AG>UKC/UKC>WAFR-AG	--	--	\$45,388	<b>\$47,187</b>	<b>% Fleet on Order:</b>	0.8%
<b>LR1 Average Earnings<sup>+</sup></b>	--	--	\$34,474	<b>\$36,962</b>	<b>Ships to Breakers:</b>	No Activity
<b>MR</b>						
UKC>USAC • 37,000	257.00	<b>295.50</b>	\$20,886	<b>\$28,373</b>		
USG>UKC • 38,000	188.00	<b>197.00</b>	\$12,011	<b>\$14,241</b>	<b>Time Charter 1 Year v. 3 Years (\$ day):</b> \$28,000   \$22,000	
USG>UKC/UKC>USAC(USG)	--	--	\$31,813	<b>\$38,068</b>		
USG>CBS (Pozos Colorados)	795k	<b>835k</b>	\$26,135	<b>\$29,274</b>		
USG>CHILE (Coronel)	2.59m	<b>2.80m</b>	\$45,809	<b>\$52,215</b>	<b># Ships Trading:</b>	1,907
CBS>USAC(USG) • 38,000	285.00	<b>293.00</b>	\$36,252	<b>\$38,424</b>	<b>% Fleet on Order:</b>	5.1%
WCIND>JPN-ROK>SPORE-WCIND	--	--	\$38,066	<b>\$41,053</b>	<b>Ships to Breakers:</b>	1
<b>MR Average Earnings<sup>+</sup></b>	--	--	\$32,539	<b>\$37,846</b>		
<b>HANDYSIZE</b>						
MED>EMED • 30,000	333.60	<b>316.70</b>	\$77,428	<b>\$72,241</b>	<b>Time Charter 1 Year v. 3 Years (\$ day):</b> \$21,000   \$19,000	
SPORE>JPN • 30,000	309.38	<b>303.50</b>	\$27,683	<b>\$27,216</b>		
<b>Handysize Average Earnings<sup>+</sup></b>	--	--	\$45,591	<b>\$43,425</b>	<b># Ships Trading:</b>	547
					<b>% Fleet on Order:</b>	2.9%
					<b>Ships to Breakers:</b>	No Activity

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

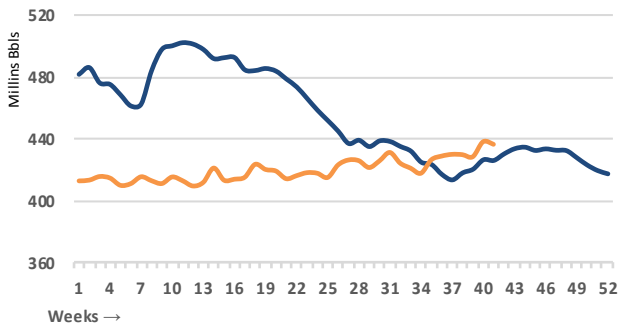
THE WEEK IN CHARTS



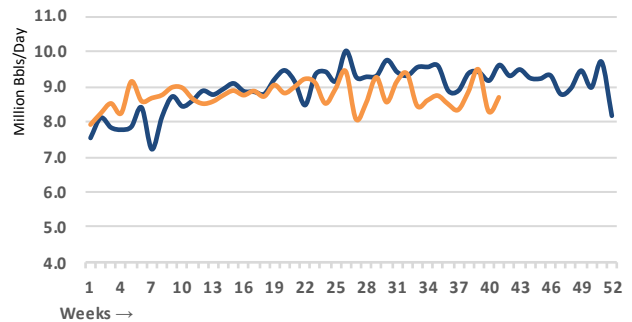
**Global Climber of the Week: AFRAMAX (CBS>USG) | 70,000mt | +61%**



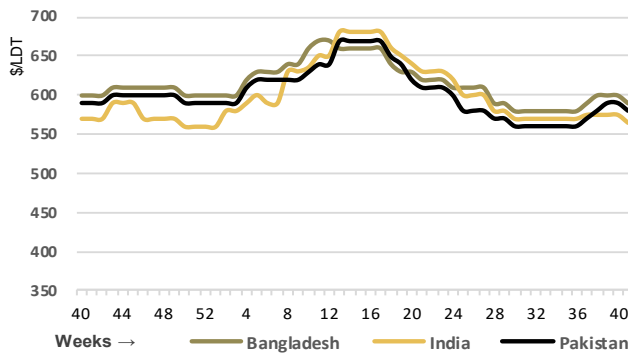
**Global Decliner of the Week: SUEZMAX (WAF>SPORE | 130,000mt) | -12%**



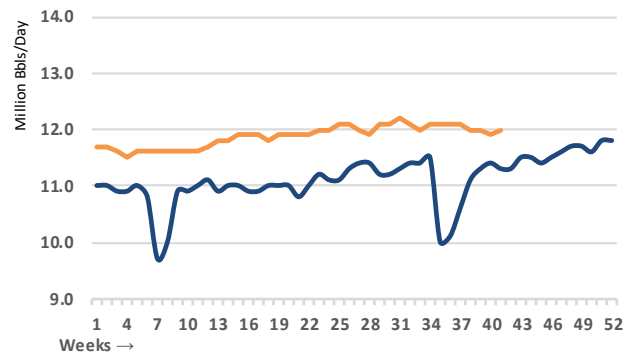
**US Crude Oil Stocks (EIA) WTD '22 v. CY '21**  
Last Week: 437.4m bbls Last Week '22 v. '21: +2.5%



**US Gasoline Demand (EIA) WTD '22 v. CY '21**  
Last Week: 8.678m bbls/day Last Week '22 v. '21: -9.9%



**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: 12.0m bbls/day Last Week '22 v. '21: +6.2%

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