

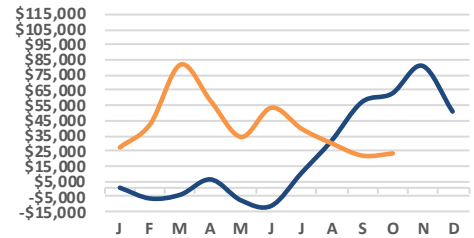
# WEEKLY MARKET REPORT



Week 40 • October 6, 2023

Issue WM40-23

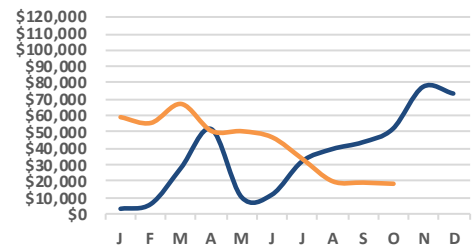
**VLCC:** A tale of two markets this week in the VLCC sector. The Arabian Gulf continued its sluggish pace with TD3 falling into the mid ws30's, yielding TCEs of below \$15,000 per day for those vessels with scrubbers and below OPEX for those vessels burning VLSFO. Those few cargoes that entered the market received double digits offers and kept softer sentiment in play. In the Atlantic Basin, after a slow start, we saw an influx of US Gulf cargoes and while rates initially fell to the \$7.3m level for Long East, the added inquiries put upward pressure on sentiment, indicating higher levels ahead.



**VLCC Average Earnings\* MTD 2023 v. CY 2022**

MTD '23 Avg/Day: \$22,929      MTD '23 v. CY '22: -64%

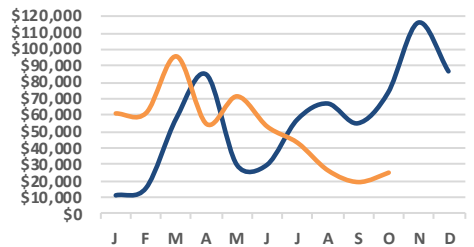
**SUEZMAX:** Tonnage fundamentals continue to show signs of improvement in West Africa which helped apply upward pressure on last-done levels resulting in a modest uptick in rates. TD20 traded up to ws75 levels off the back of steady cargo demand and bullish sentiment amongst owners and certainly appears to have found firm footing going into next week. In the Americas, the tonnage list remains very "patchy" at the top coupled with increased demand for US Gulf reverse lighterings, which have now pushed up to \$90,000 per day levels, resulting in charterers to target USAC and EC Canada discharge turnarounds to cover their 2<sup>nd</sup> decade US Gulf export liftings. This helped boost USG>UKCM rates up to ws72.5 (basis 145,000mt cargo) levels and Guyana>UKCM up to ws80 (basis 130,000,mt cargo) by week's end. The USG>EAST rates were up slightly this week with Singapore discharge commanding \$4.5m levels and Long East at \$5.0m levels and should remain date sensitive going into next week. BDTI- TD20 ended the week settling at ws74.55, which is up 7.05 points from this time last week.



**Suezmax Average Earnings\* MTD 2023 v. CY 2022**

MTD '23 Avg/Day: \$17,948      MTD '23 v. CY '22: -65%

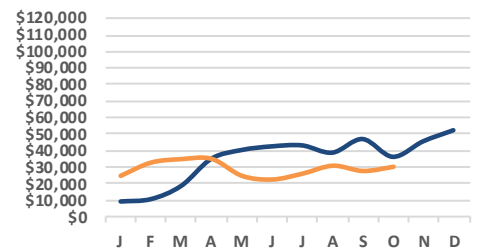
**AFRAMAX:** The market finally saw some excitement this week. As predicted, activity picked up in the 4<sup>th</sup> quarter of the year leading to a firming US Gulf market. Routes out of East Coast Mexico saw a jump to ws117.5-120 by the end of the week with TCEs into the US Gulf earning owner approximately \$15,000 per day. Cargoes into Europe were projected between ws120-125, earning owners \$20,000 to \$22,000 per day. As long as activity can remain steady enough, expect the list to remain tighter going forward. Rates will continue to stay propped up through the weekend and into next week.



**Aframax Average Earnings\* MTD 2023 v. CY 2022**

MTD '23 Avg/Day: \$24,547      MTD '23 v. CY '22: -67%

**MR:** TC2 rates started the week off high with a good amount of activity around the low ws190's levels. Rates drifted a tick down through the week but there was the right balance of ships and cargoes to end the week around the ws180 level. Rates in the Americas followed the opposite path and increased during the week. TC14 started the week with a fixture just above ws100 and ended the week around ws140. A tight tonnage list allowed owners to push up TC21 voyages to just under \$1.0m after starting the week in the low \$700,000 levels. TC18 followed the same trend and started the week just above ws200 and ended in and around the mid ws240 levels.



**MR Average Earnings\* MTD 2023 v. CY 2022**

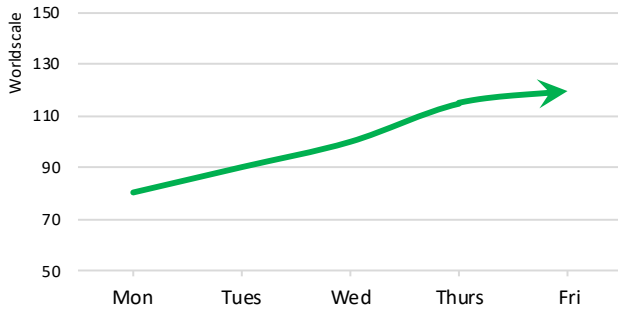
MTD '23 Avg/Day: \$30,267      MTD '23 v. CY '22: -17%

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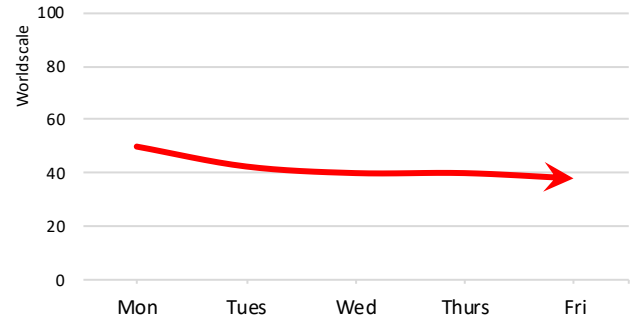
TANKER ROUTES (13kts L B)	Week 39 WS L\$	Week 40 WS L\$	Week 39 TCE**	Week 40 TCE**	*Week 39 Bunkers VLSFO \$670/MTD	**Week 40 Bunkers VLSFO \$656/MTD
<b>VLCC</b>						
AG>USG • 280,000 (dwt)	24.40	22.30	--	--		
AG>SPORE • 270,000	51.00	42.10	\$31,947	\$19,718	<b>Time Charter 1 Year v. 3 Years (\$   day):</b> \$42,000   \$40,000	
AG>JPN • 265,000	50.90	44.60	\$31,971	\$23,515		
AG>CHINA • 270,000	50.80	42.30	\$26,581	\$15,249		
WAFR>CHINA • 260,000	53.90	46.50	\$33,493	\$24,080	<b># Ships Trading:</b>	899
USG>SPORE-AG	7.08m	6.61m	\$72,900	\$66,110	<b>% Fleet on Order:</b>	1.3%
AG>USG/USG>SPORE-AG	--	--	\$50,519	\$44,536	<b>Ships to Breakers:</b>	No Activity
<b>VLCC Average Earnings<sup>+</sup></b>	--	--	\$31,781	\$22,929		
<b>SUEZMAX</b>						
WAFR>USG • 130,000	62.50	65.00	\$12,382	\$14,948		
WAFR>UKC • 130,000	67.50	70.00	\$16,543	\$18,290	<b>Time Charter 1 Year v. 3 Years (\$   day):</b> \$36,000   \$32,000	
BSEA>MED • 140,000	72.50	72.50	\$17,787	\$18,326		
CBS>USG • 150,000	64.00	66.00	\$16,585	\$19,345		
USG>UKC • 145,000	47.00	61.50	\$5,974	\$17,858	<b># Ships Trading:</b>	605
CBS>USG/USG>UKC-WAFR	--	--	\$10,088	\$21,564	<b>% Fleet on Order:</b>	6.8%
AG>USG • 140,000	58.00	57.00	\$24,799	\$24,545	<b>Ships to Breakers:</b>	No Activity
USG>SPORE	4.40m	4.46m	--	--		
AG>USG/USG>SPORE-AG	--	--	\$40,711	\$41,342		
<b>Suezmax Average Earnings<sup>+</sup></b>	--	--	\$16,278	\$17,948		
<b>AFRAMAX</b>						
N.SEA>UKC • 80,000	92.50	98.00	\$12,830	\$18,632		
BALT>UKC • 100,000	N/A	N/A	N/A	N/A	<b>Time Charter 1 Year v. 3 Years (\$   day):</b> \$43,000   \$35,000	
CBS>USG • 70,000	80.00	92.00	\$1,641	\$7,869		
USG>UKC • 70,000	90.00	113.00	\$5,439	\$15,876		
CBS>USG/USG>UKC-NSEA	--	--	\$20,523	\$34,274	<b># Ships Trading:</b>	663
MED>MED • 80,000	112.50	109.00	\$27,171	\$25,623	<b>% Fleet on Order:</b>	3.9%
AG>SPORE • 80,000	131.80	147.35	\$29,218	\$36,306	<b>Ships to Breakers:</b>	No Activity
<b>Aframax Average Earnings<sup>+</sup></b>	--	--	\$20,492	\$24,547		
<b>PANAMAX</b>						
CBS>USAC(USG) • 50,000	138.50	143.00	\$18,569	\$20,652	<b>Time Charter 1 Year v. 3 Years (\$   day):</b> \$40,000   \$35,000	
MED>USG • 55,000	150.00	150.00	\$25,852	\$26,400		
ECU>USWC • 50,000	385.00	385.00	\$97,299	\$97,758	<b># Ships Trading:</b>	55
USG>CBS • 50,000	138.50	143.00	\$15,524	\$17,334	<b>% Fleet on Order:</b>	0.0%
<b>Panamax Average Earnings<sup>+</sup></b>	--	--	\$31,796	\$33,418	<b>Ships to Breakers:</b>	No Activity
<b>LR2</b>						
AG>JPN • 75,000	132.90	138.90	\$27,892	\$30,888	<b>Time Charter 1 Year v. 3 Years (\$   day):</b> \$40,000   \$33,000	
AG>UKC	3.83m	3.73m	\$39,945	\$38,693		
MED>JPN	3.03m	3.14m	\$21,736	\$24,122	<b># Ships Trading:</b>	447
AG>UKC-MED>JPN-AG	--	--	\$38,845	\$39,518	<b>% Fleet on Order:</b>	19.0%
<b>LR2 Average Earnings<sup>+</sup></b>	--	--	\$31,539	\$33,762	<b>Ships to Breakers:</b>	No Activity
<b>LR1</b>						
AG>JPN • 55,000	155.50	155.50	\$26,315	\$26,722	<b>Time Charter 1 Year v. 3 Years (\$   day):</b> \$32,000   \$27,000	
AG>UKC	3.43m	3.40m	\$38,608	\$38,411		
UKC>WAFR • 60,000	160.90	156.20	\$34,216	\$33,019	<b># Ships Trading:</b>	391
AG>UKC/UKC>WAFR-AG	--	--	\$45,554	\$44,819	<b>% Fleet on Order:</b>	2.8%
<b>LR1 Average Earnings<sup>+</sup></b>	--	--	\$35,934	\$35,771	<b>Ships to Breakers:</b>	No Activity
<b>MR</b>						
UKC>USAC • 37,000	185.50	189.50	\$19,974	\$21,421		
USG>UKC • 38,000	141.50	126.50	\$11,909	\$8,940	<b>Time Charter 1 Year v. 3 Years (\$   day):</b> \$25,000   \$22,000	
USG>UKC/UKC>USAC(USG)	--	--	\$24,937	\$23,602		
USG>CBS (Pozos Colorados)	930k	884k	\$37,339	\$34,693		
USG>CHILE (Coronel)	2.82m	2.77m	\$54,187	\$53,132	<b># Ships Trading:</b>	1,955
CBS>USAC(USG) • 38,000	223.00	211.00	\$36,847	\$34,181	<b>% Fleet on Order:</b>	7.2%
WCIND>JPN-ROK>SPORE-WCIND	--	--	\$32,246	\$34,000	<b>Ships to Breakers:</b>	No Activity
<b>MR Average Earnings<sup>+</sup></b>	--	--	\$30,468	\$30,267		
<b>HANDYSIZE</b>						
MED>EMED • 30,000	239.50	178.50	\$58,341	\$36,138	<b>Time Charter 1 Year v. 3 Years (\$   day):</b> \$23,000   \$20,000	
SPORE>JPN • 30,000	227.80	219.80	\$23,994	\$22,858		
<b>Handysize Average Earnings<sup>+</sup></b>	--	--	\$36,359	\$27,639	<b># Ships Trading:</b>	547
					<b>% Fleet on Order:</b>	3.1%
					<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).

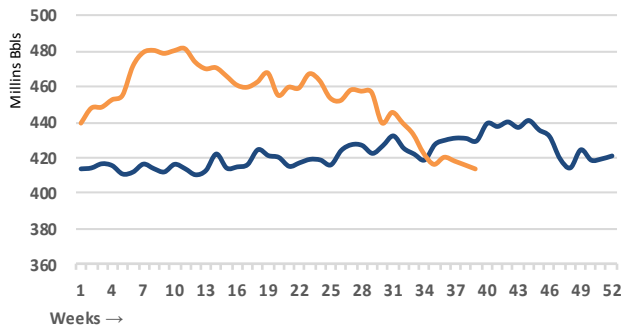
THE WEEK IN CHARTS



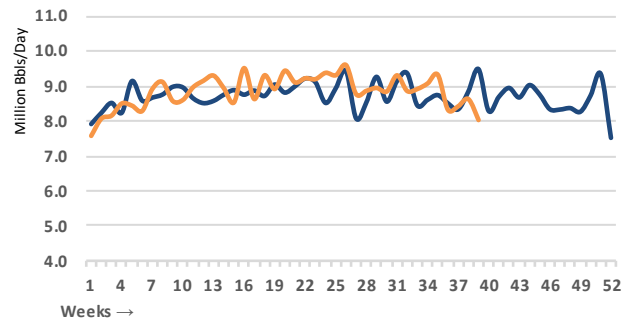
**Global Climber of the Week: AFRAMAX (ECMex>USG | 70,000mt) | +50%**



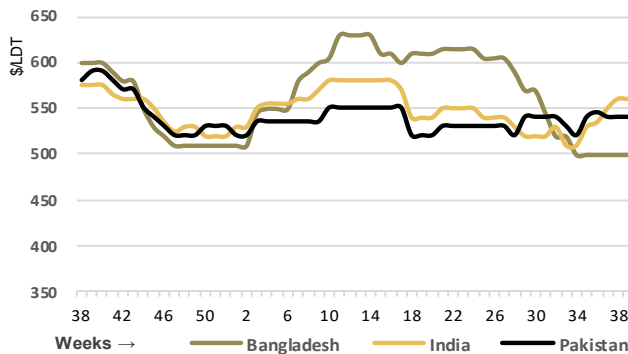
**Global Decliner of the Week: VLCC (AG>SPORE | 270,000mt) | -24%**



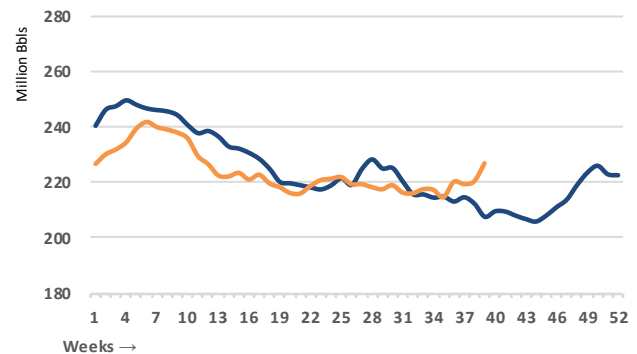
**US Crude Oil Stocks (EIA) WTD '23 v. CY '22**  
Last Week: 414.1m bbls Last Week '23 v. '22: -3.5%



**US Gasoline Demand (EIA) WTD '23 v. CY '22**  
Last Week: 8.014m bbls/day Last Week '23 v. '22: -15.3%



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



**Charley's Chart of the Week: US Weekly Gasoline Stocks (EIA)**  
WTD '23 v. CY '22  
Last Week: 226.984m bbls Last Week '23 v. '22: +9.4%

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