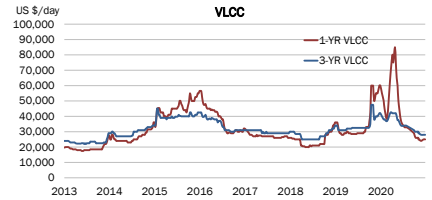




# 14-JAN-21

Bank of America expecting oil demand, as well as tanker recovery in 2021. Bank of America is not the only one forecasting a tanker rate surge in the second half of 2021 — but they appear the most confident. The bank's shipping desk said in its year-ahead note published on Tuesday that an oil demand recovery is a matter of "when, not if", boosting both crude and product tankers in the second half of 2021. The note said the first half of the year would see rate seasonality capped due to floating storage drawdowns that add capacity back into the market, with scrapping potentially helping to buoy rates. The second half will see demand in Europe and North America return as the Covid-19 vaccine becomes widespread, allowing for more personal travel. Product tankers will be further supported by refinery closures, boosting tonne-mile demand.



## VLCC - Market

• This week was significantly quieter than last week on the time charter front with weakening spot markets keeping Charterers from entertaining long term discussions. With TD3C (AG/China) returning a paltry US \$10,000/day for eco, scrubber fitted tonnage (negative for non-eco, non-scrubber), it's going to be tough to get a Charterer to consider anything in a prompt position. Unipet has entered the market again for a VLCC for 12 months delivery worldwide prompt onwards. We feel that a combination of forward delivery and lower than last done levels will be needed to conclude.

### Fixtures

Vessel Class	Date	Vessel	DWT	Year Built	Commercial Owner	Period	Rate (US \$/day)	Charterer	Notes
Nil									

## Suezmax - Market Overview

• The Suezmax sector has gathered little time charter interest as TD20 (WAFR/UKC) returns are negative for eco and non-eco tonnage leaving charterers bearish on this sector. We expect Charterers to continue redelivering tonnage in the near term, however we anticipate some will begin taking longer term positions where the backend looks more favorable. There was one fixture reported: the Zeynep (158,060 dwt, 2020, HHI, Koch Relet) to CSSA for 30-120 Days for clean storage in West Africa.

### Fixtures

Vessel Class	Date	Vessel	DWT	Year Built	Commercial Owner	Period	Rate (US \$/day)	Charterer	Notes
Suezmax	12-Jan	Zeynep	158	2020	Koch Relet	30-120 Days	\$19,500/Day	CSSA	Rptd

## Aframax/LR2 Market Overview

• The Aframax spot market softened further this past week with earnings on USG/TA roundtrip voyages moving into the negatives for eco tonnage. This sector has struggled to start the year with the average earnings on this route up until this point sitting close to US \$4,000/day, a far cry from where we were at this point last year when returns were closer to US \$75,000/day. This has left Charterers less than enthusiastic of the prospects on the time charter market right now. Charterers still view short term durations with optionality on the back end as the main interest when seeking out time charter coverage in this sector.

• The LR2's are enjoying a better spot market relative to the other sectors this week with returns moving up slightly on TC1 (AG/Japan) voyages from US \$8,000/day to US \$10,000/day at time of printing. There has been interest on this size for coverage up to 6 or 12 months since the start of the new year, but activity remains light as Charterers wait to see if the spot market can build further momentum before recommitting to taking in prompt tonnage.

### Fixtures

Vessel Class	Date	Vessel	DWT	Year Built	Commercial Owner	Period	Rate (US \$/day)	Charterer	Notes
Nil									

## Panamax/LR1 - Market Overview

• The LR1 spot market was flat this week halting the downward spiral to start the year. TC5 (AG/Japan) returns just over \$5,000/Day for eco tonnage, down \$2,000/Day since last week. As with other sectors right now, time charter interest appears minimal other than short term inquiry. Look for this to be the new norm until spot rates consistently improve.

### Fixtures

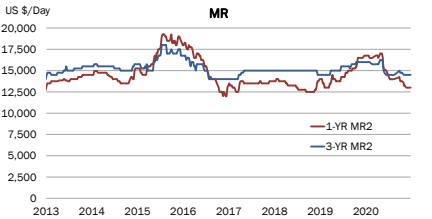
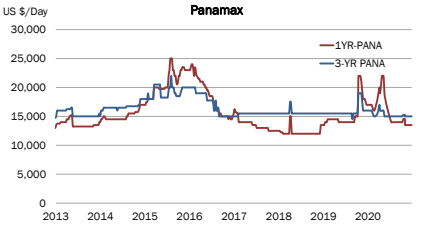
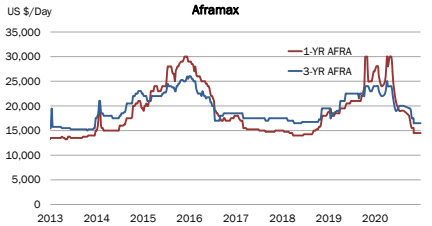
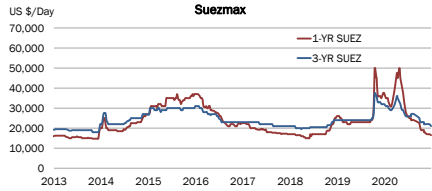
Vessel Class	Date	Vessel	DWT	Year Built	Commercial Owner	Period	Rate (US \$/day)	Charterer	Notes
Nil									

## MR/Handy - Market Overview

• The Atlantic Basin spot market has had little movement in any direction this week with Atlantic Basin Triangulation (TC2/TC14) returning \$10,000/Day for eco tonnage. Charterers continue to be restrained seeking out time charter on this space as most are not optimistic for a quick turnaround any time soon. Until the spot market shows continued forward trajectory, expect short term time charters to be the main focus from Charterers for the time being.

### Fixtures

Vessel Class	Date	Vessel	DWT	Year Built	Commercial Owner	Period	Rate (US \$/day)	Charterer	Notes
Nil									



Size	1 Year	2 Year	3 Year	5 Year
VLCC	\$24,000	\$26,000	\$27,000	\$28,000
VLCC (ECO)	\$26,000	\$28,000	\$29,000	\$30,000
SUEZMAX	\$16,500	\$18,000	\$19,000	\$20,000
SUEZMAX (ECO)	\$17,500	\$20,000	\$21,000	\$22,000
AFRAMAX (115,000 dwt)	\$14,500	\$15,250	\$16,250	\$18,000
AFRAMAX (ECO)	\$16,500	\$17,250	\$18,250	\$19,000
LR2	\$16,000	\$17,000	\$18,000	\$18,000
LR2 (ECO)	\$17,000	\$18,000	\$19,000	\$19,000
PANAMAX	\$13,500	\$14,000	\$15,000	\$14,500
LR1	\$14,250	\$15,500	\$16,000	\$16,000
LR1 (ECO)	\$15,250	\$16,250	\$17,000	\$17,500
MR	\$12,500	\$13,750	\$14,000	\$14,000
MR (ECO)	\$13,750	\$14,750	\$15,250	\$15,250