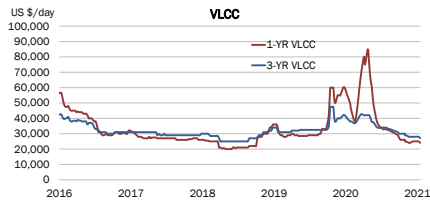




21-JAN-21

DHT Holdings has snapped up two modern scrubber-fitted VLCCs for a firm price. The company said it had agreed to pay \$136m for the pair, or \$68m each. The units were built in 2016 at South Korea's Daewoo Shipbuilding & Marine Engineering (DSME) for \$97m apiece, and later fitted with scrubbers for \$4m each. Reports indicate the ships are Awilco Eco Tankers' 300,000-dwt Eco Future and Eco Leader, two of four VLCCs the Norwegian owner had delivered from the yard that year.



VLCC - Market

• There continues to be a lack of time charter activity on the larger vessel classes and more requirements are temporizing than fixing. Unispec remains in the market for a VLCC for 12 months basis worldwide delivery prompt onwards, and with TD3C (AG/China) spot returns at US \$7,000/day for eco, scrubber fitted tonnage we could see the Charterer stall until market improvement occurs. While outlook is pessimistic in the near term, we do expect time charter activity to pick back up once oil demand improves, and we are hopefully heading in that direction with vaccine rollouts.

Fixtures

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

Suezmax - Market Overview

• Suezmax spot activity got a shot in the arm this week with TD20 (WAFR/UKC) returns improving to around US \$10,000/day for eco, non-scrubber fitted tonnage. We expect this to generate more interest from traders for short term positions with flexibility, and if the spot market continues to improve eventually the durations will increase to 6 months and onwards. Watch this space next week for hopefully some reported deals demonstrating the beginning of this trend.

Fixtures

Vessel Class	Date	Vessel	DWT	Year Built	Commercial Owner	Period	Rate (US \$/day)	Charterer	Notes
Suezmax		Kanaris 21	158	2021	NS Lemos	3+3+6 months	RNR	CSSA	subs

Aframax/LR2 Market Overview

• The Aframax market struggled this week with USG/TA voyages showing earnings in the negatives at time of printing. More tonnage is being pushed than considered for time charter in at the moment with spot returns not generating much optimism for the remainder of the quarter. Charterers entertaining taking tonnage on a prompt basis are looking for shorter durations with options attached and favoring more Eco, bigger lifting units. A few Charterers are also inquiring for longer durations basis deliveries commencing Q4 of this year and onwards, which will be worth watching to see what traction is gained on this in the coming weeks.

• The LR2 spot market is showing signs of weakness with returns on TC1 (AG/Japan) roundtrip voyages on eco units down US \$5,000/day to US \$8,000/day. Charterers have maintained a steady appetite on this size over last few weeks most recently shifting attention towards new buildings with gasoil movements in mind to start off the charters. A few fixtures reported on this basis – details below.

Fixtures

Vessel Class	Date	Vessel	DWT	Year Built	Commercial Owner	Period	Rate (US \$/day)	Charterer	Notes
Aframax		Bergitta	105	2007	Bergshav	12 months	avg \$14,000	Penfield	cnf
Aframax/LR2		Ebn Hawkel	111	2021	GNMTC	6-10 months	\$17,000	Trafigura	cnf
Aframax		Kastelorizo	110	2019	Eletson	60-120 days	\$15,750-60 days/\$17,250 balance	Trafigura	cnf
LR2		Atlantic Blue	110	2021	EPS	6+6 months	1-90days at \$15,000 91-180 days at \$19k+6 months \$25,000	ST Shipping	cnf

Panamax/LR1 - Market Overview

• The LR1 spot market trended lower as we close out the week with TC5 (AG/Japan) earnings now around US \$7,000/day on eco tonnage. Time charter activity has been slow recently as Charterers have scaled up looking more towards the LR2's rather than this sector. Spot rates need to bounce back before Charterers take a longer term approach to time charter coverage in this space.

Fixtures

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

MR/Handy - Market Overview

• The MR spot market was flat this week and time charter remains in neutral. With spot earnings this low at a time of year when returns are usually strong, Charterers have been reluctant taking longer positions opting for durations spanning from 3 to 6 months with options instead. Spot rates need to show further improvement before Charterers are likely to show interest again for long term.

Fixtures

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

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