

# Monthly Oil and Tanker Market Update

## April 4, 2023

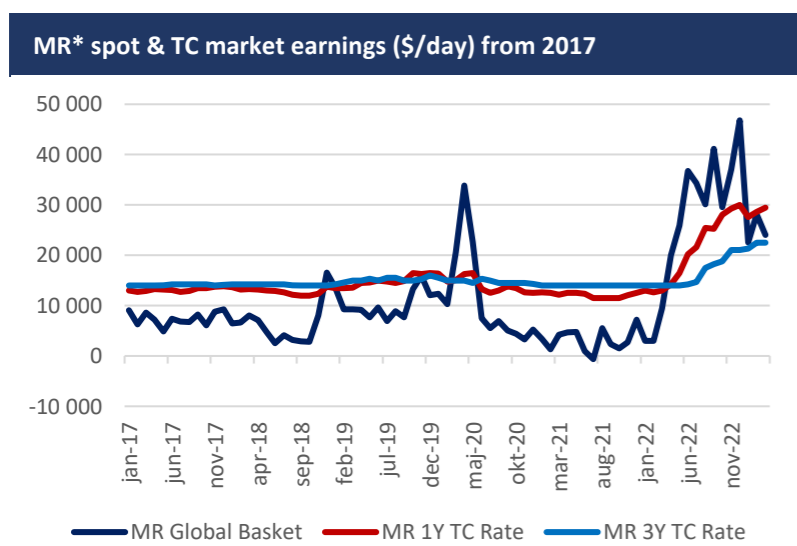
### Disclaimer

This report and/or presentation is based on our knowledge of relevant market conditions. Our estimates are made on the basis of this knowledge, but other circumstances, or new circumstances, as well as general uncertainty could cause the market to develop differently. We take general reservation for misprints. Concordia Maritime is not responsible or liable for any damages or losses resulting or arising directly or indirectly from your use of the report.

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### Product tanker earnings

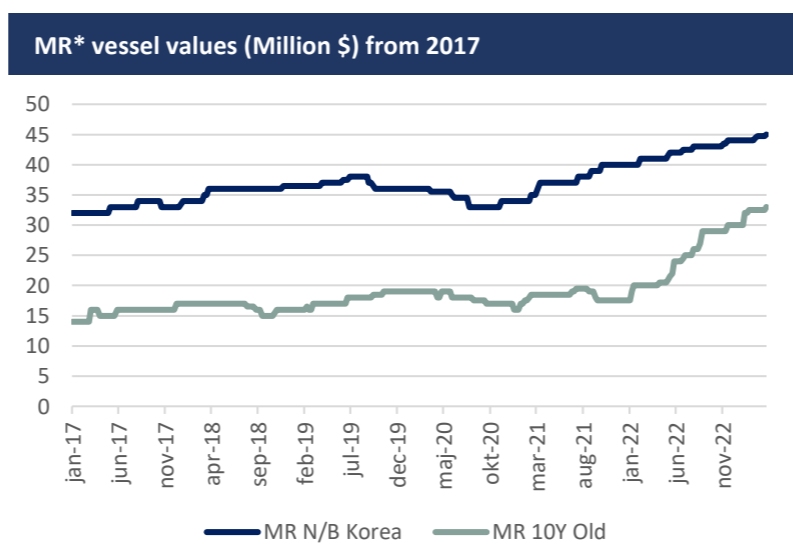


Employment	Avg for Mar	Trend 1 month	YTD Avg	12 month ago	36 month ago
Spot global basket**	24 020	➔	24 901	9 467	20 576
T/C 1 year	29 500	➔	28 575	13 000	15 050
T/C 3 years	22 500	➔	22 100	14 000	15 000

\*MR 47,000 DWT, non-scrubber, built after 2010

\*\*Global basket- simple Avg of Baltic exchange index routes TC2, TC14, TC10, TC11, and TC12

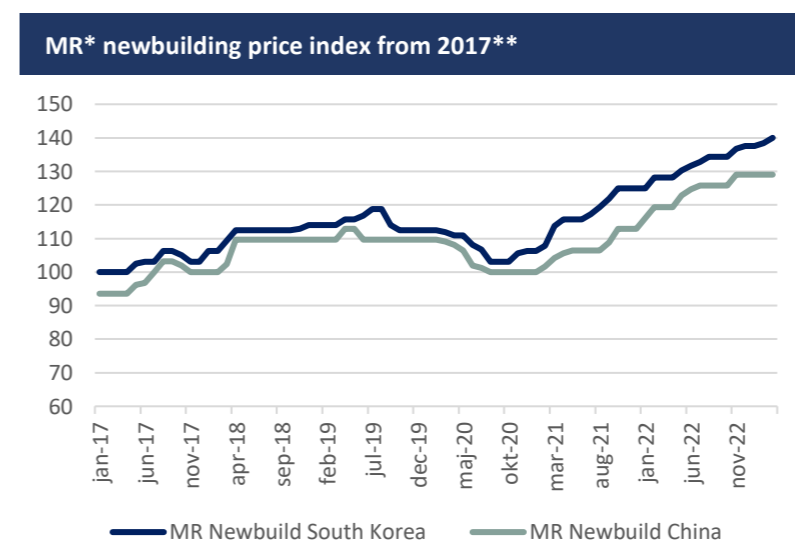
### MR vessel values



Ship type	Estimate	Trend 1 month	YTD Avg	12 month ago	36 month ago
N/B Korea	45	➔	44	41	36
N/B China	40	➔	40	37	34
PPT resale	48	➔	47	39	39
5 yr old	42	➔	41	29	30
10 yr old	33	➔	32	20	19
15 yr old	23	⬆	22	12	12

\*MR 47,000 DWT, non-scrubber

### MR fleet size

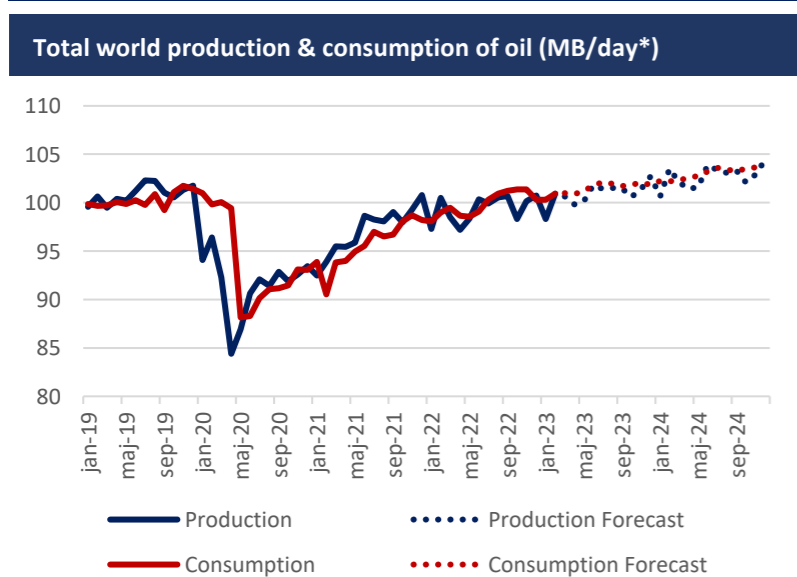


Tanker	Avg for Mar	12 month ago
Fleet size (No)	1 721	1 662
Orderbook (No)	112 (9%)	152 (9%)
Delivered (No)	9 YTD	
Scrapped (No)	0 YTD	
15+ years old (No)	596 (35%)	n.a.
20+ years old (No)	157 (9%)	n.a.

\*MR 47,000 DWT, non-scrubber

\*\*Jan 2010 = Index 100

### Crude oil – volumes

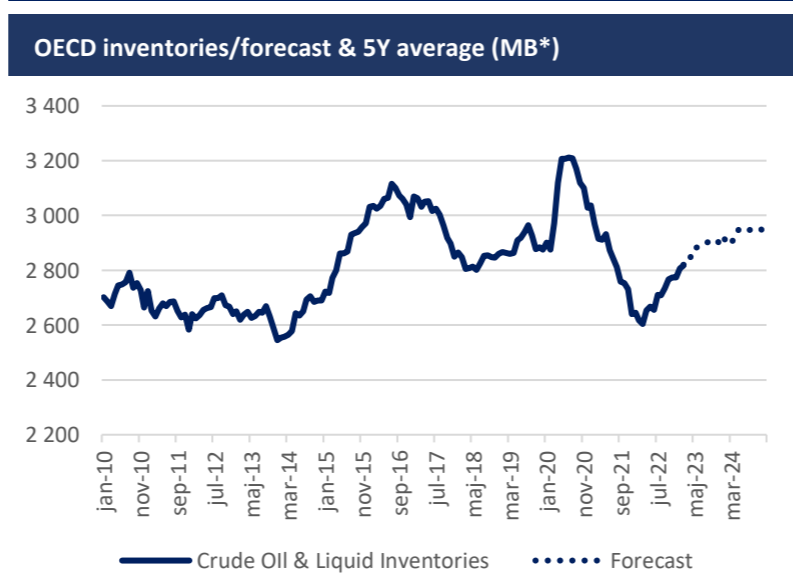


Volumes	Feb	1 month change	6 month change
Crude production m/bd*	100,9	+2,6%	0,2%
Crude consumption m/bd	100,9	+0,6%	-0,3%

\*Million barrels per day.

U.S. Energy Information Administration | Short-Term Energy Outlook

### Crude oil & product inventories

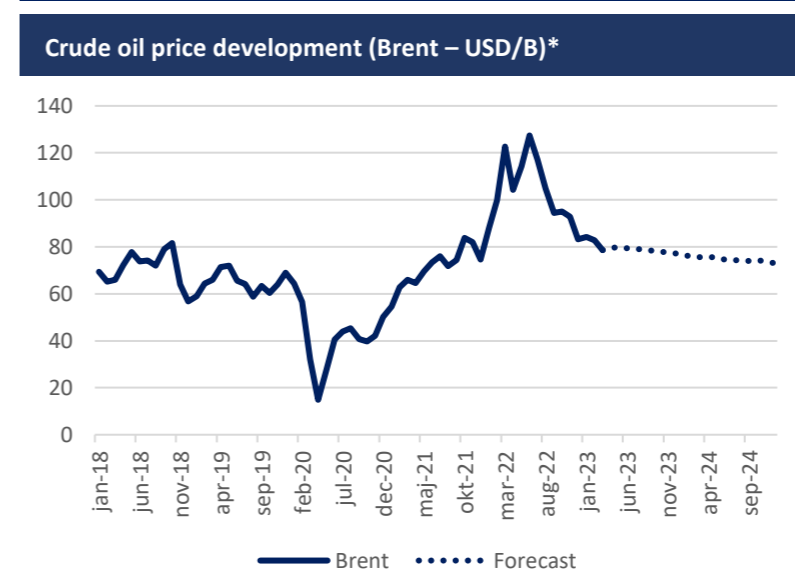


Inventories	Feb	1 month change	6 month change
OECD inventories	2 817	+0,4%	+3,9%
Avg 2007-2021	2 933	n.a.	n.a.

\*Million barrels. U.S. Energy Information Administration (EIA) -

OECD End-of-period Commercial Crude Oil and Other Liquids Inventories

### Crude oil – price



Price	Mar	1 month change	6 month change
Brent oil price, \$/BBL	78,7	-5,0%	-16,7%
WTI oil price\$/BBL	73,3	-4,6%	-13,0%

\*Refinitiv

Comment from Erik Lewenhaupt  
CEO, Concordia Maritime

Smooth sailing, stormy waters.

Concordia Maritimes fleet is fixed on long term charters. This report relates to the market in general.

The tanker market was relatively stable over the month of March where average clean MR spot rates started the month in the low twenties but rose to around \$32 k/day towards the end of March. Average earnings for the spot global basket landed at \$24 k/day which is a decrease of 14% compared to February. Larger LR2 product tankers had stable earnings around \$50 k/day while crude Suezmax tankers traded in the range \$70 - \$85 k/day.

The current market levels have tempted owners to lock in ships for longer duration and a couple of MR have been reported 2 years around \$30 k/day and a LR2 3-year charters at \$40 k/day.

Reports have shown that the amount of Russian products "on the water" have increased substantially since early February. However so has the volume of products from Saudi, Malaysia and US, likely highlighting the growth in ton-miles many cargoes travel.

Crude prices reminded us of what a volatile economic environment we are in right now, starting the month around \$84/bbl. but dropping sharply to around \$72 /bbl. due to financial markets concerns. An IEA report claimed supply would outstrip demand in first half 2023. Inventories have risen slightly. Thereafter we have seen a rebound in prices, ending the month at around \$80 /bbl. End March Sinopec claimed that Chinas oil demand would grow 5.1% this year and early April OPEC signaled new production cuts fueling more bullish sentiment.

Secondhand activity has continued to be active, especially for ships that can give prompt delivery, and asset values stable. Out of around 180 secondhand tankers changing hands YTD about 120 have been product tankers. Despite continued high yard prices, newbuilding order have trickled in for tankers – in total around 65 tankers across all sizes YTD compared to 180 for full 2022. Some ordering of dual fuel tonnage can be seen with about 100 methanol capable ships on order across all ship types.

Scrapping/recycling still very low numbers. However 157 MR tankers are over 20+ of age this year so at some point this will pick up. In the short term however, market levels and Ramadan may keep things slow.

The Euronext Oslo shipping index, comprising of 24 maritime companies, fell from 562 to 534 over the month.