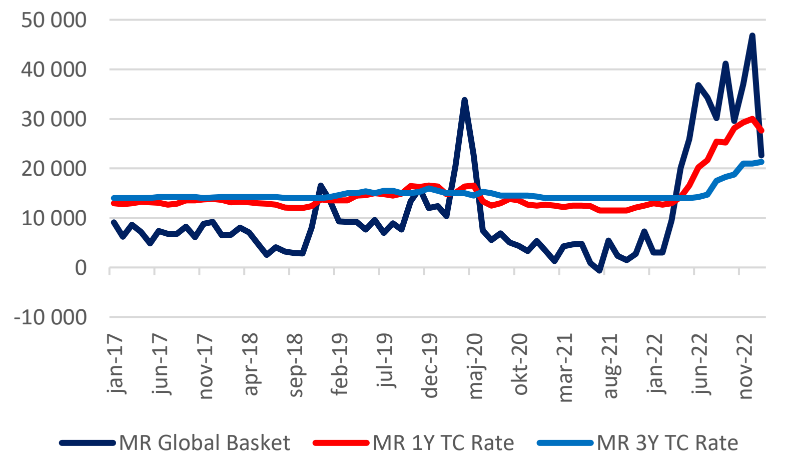
CONCORDIA MARITIME

Monthly Oil and Tanker Market Update
February 3, 2023

CONCORDIA MARITIME

Product tanker earnings

MR* spot & TC market earnings ($/day) from 2017



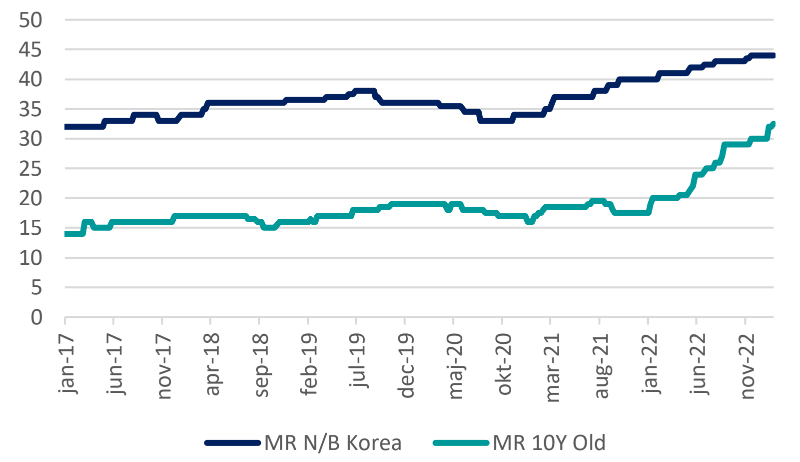
Employment	Avg for Jan	Trend 1 month	YTD Avg	12 month ago	36 month ago
Spot global basket**	22 567	↓	22 567	3 012	12 384
T/C 1 year	27 600	→	27 600	13 000	16 375
T/C 3 years	21 300	→	21 300	14 000	15 500

*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

MR* vessel values (Million $) from 2017

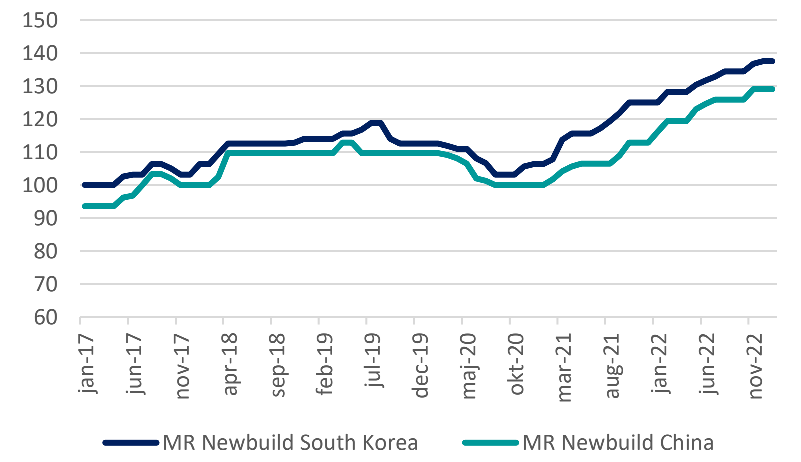


Ship type	Estimate	Trend 1 month	YTD Avg	12 month ago	36 month ago
N/B Korea	44	→	44	40	36
N/B China	40	→	40	35	34
PPT resale	48	→	47	38	39
5 yr old	42	↑	40	28	30
10 yr old	33	↑	30	18	19
15 yr old	23	↑	21	11	11

*MR 47,000 DWT, non-scrubber

MR fleet size

MR* newbuilding price index from 2017**



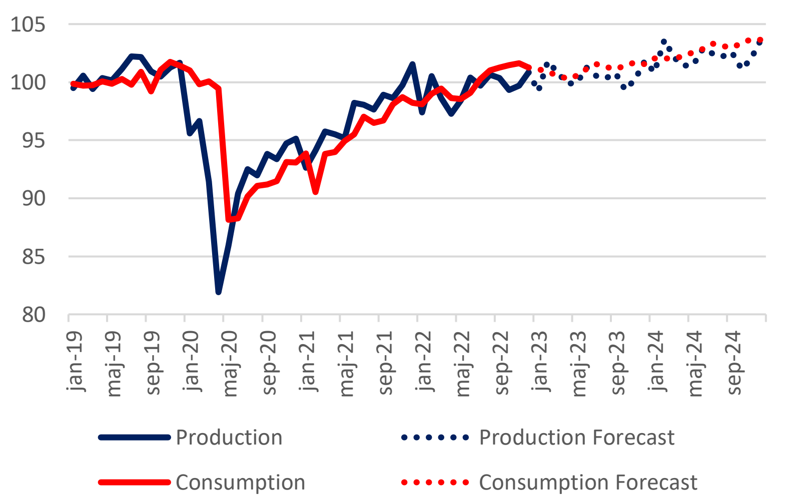
Tanker	Avg for Jan	12 month ago
Fleet size (No)	1 714	1 660
Orderbook (No)	105 (7%)	161 (10%)
Delivered (No)	0 YTD	
Scrapped (No)	0 YTD	
15+ years old (No)	474 (28%)	n.a.
20+ years old (No)	113 (7%)	n.a.

*MR 47,000 DWT, non-scrubber

**Jan 2010 = Index 100

Crude oil - volumes

Total world production & consumption of oil (MB/day*)



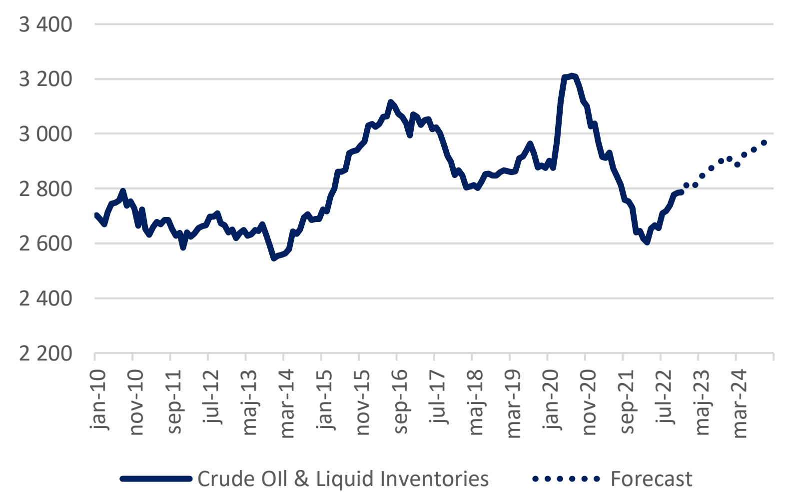
Volumes	Dec	1 month change	6 month change
Crude production m/bd*	100,9	+1,2%	1,2%
Crude consumption m/bd	101,3	-0,4%	+1,0%

*Million barrels per day.

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

Crude oil & product inventories

OECD inventories/forecast & 5Y average (MB*)



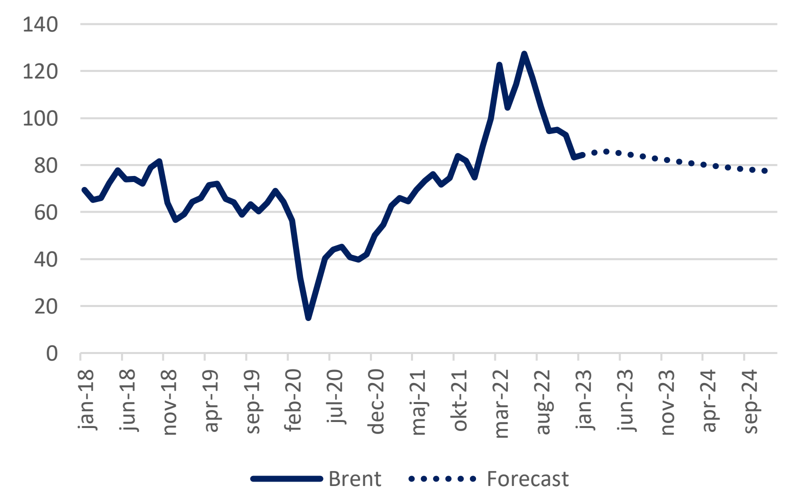
Inventories	Dec	1 month change	6 month change
OECD inventories	2 786	+0,0%	+4,9%
Avg 2007-2021	2 933	n.a.	n.a.

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

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

Crude oil - price

Crude oil price development (Brent – USD/B)*



Price	Jan	1 month change	6 month change
Brent oil price, $/BBL	84,2	+1,2%	-28,1%
WTI oil price$/BBL	78,1	+2,1%	-23,2%

*Refinitiv

Comment from Erik Lewenhaupt
CEO, Concordia Maritime

A bump in the road

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

The year has been off to a weaker start in tanker markets and product tankers in particular, also Container and LNG carriers have fallen. The monthly spot average earning for MR tanker fell to $22,500 /day which is a clear drop from December's record numbers. Bear in mind this is still historically high.

The difference between east and west was evident with Baltic Exchange Pacific MR basket ending the month around $27,000 /day and Atlantic MR basket around $11,000 /day partly due to an imbalance in the fleet positions. Contributing factors to the general softening is a milder than expected winter, start of the refinery maintenance season in the US/Middle east - and increased short haul stockpiling of Russian products ahead of the EU import ban on Feb 5th.

Period rates on 12 months has come down as a result and averaged $27,600 per day for January. The long-term outlook still looks bullish for the tanker sector though, with very low orderbooks and IEA forecasting a record increase in crude demand for 2023. It is worth noting however that the existing orderbook is front heavy with a large portion being delivered 1H 2023.

Asset values have held up and even increased on lager crude tankers where activity has been firm. S+P activity somewhat slower on secondhand product tankers as market is waiting for direction. Slow activity in ship recycling due to Chinese New Year holidays in Asia with Indian yards being most active.

As we approach the anniversary of the war in Ukraine expect to see a continued volatility for tanker earnings and the market adjusts to new political and economic situations.

Data supplied by:

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