MR

Monthly Fundamentals

Spot Market Overview

- Spot TCEs corrected downwards significantly from recent peaks
- Current TCE levels are around US$ 20,450 / day for Eco units

Fleet Overview

- 57 units delivered so far this year with further 76 scheduled for delivery
- Delivery schedule remains strong although levelling off, with 102 units scheduled to be delivered in 2027 and a further 108 in 2028

Period Market Overview

- 1 year TC for an eco vessel sits at US$ 28,000 / day

Oil Fundamentals Overview

- Crude oil prices dropped significantly following MOU between the USA and Iran
- Refinery margins remain elevated with the exception of Asia

S&P Market Overview

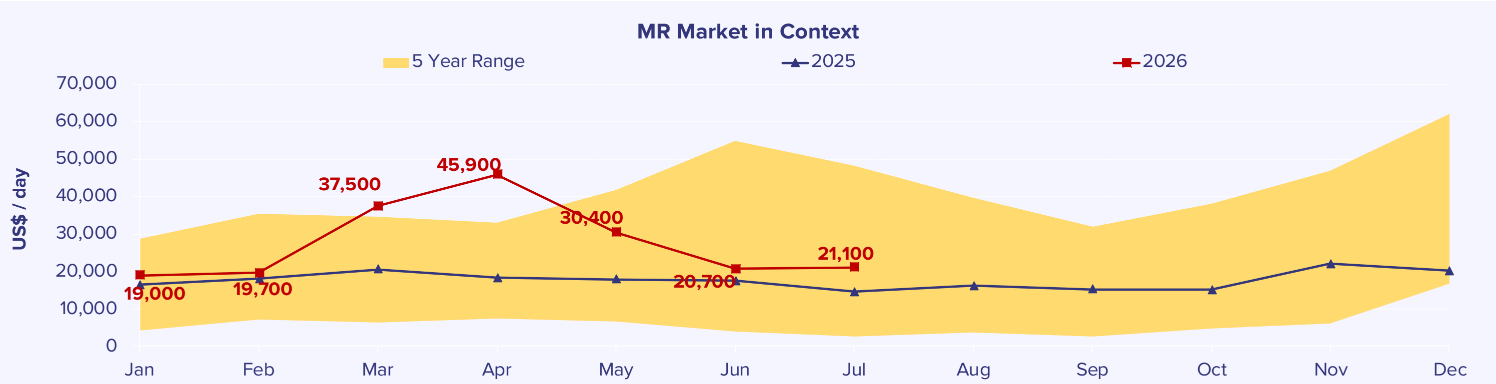
- Increases in second hand pricing continue

July 2026

Spot Market Overview

IG Assessments

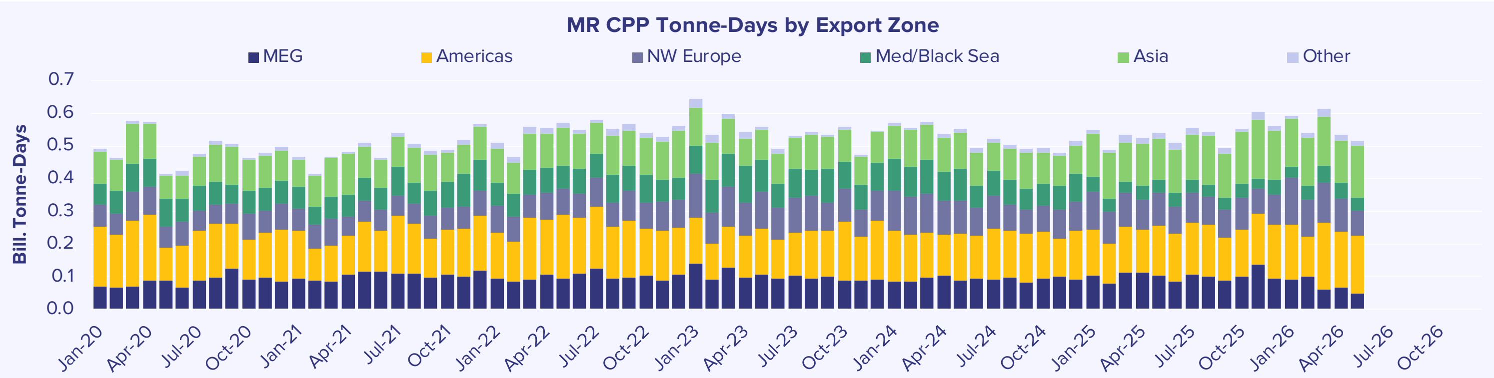
10 Jul 2026	UKCont / USAC 37kt		USG / UKCont 38kt		UKCont / WAF 37kt		Global Basket - TCEs			
	WS	TCE	WS	TCE	WS	TCE	Non Eco	Non Eco Scrubber	Eco	Eco Scrubber
Current	**140.0**	**8,562**	**250.0**	**34,263**	**192.5**	**20,940**	**15,809**	**19,369**	**20,449**	**22,698**
May-26	197.3	16,714	211.4	22,243	301.1	39,566	24,641	27,484	30,382	31,916
Jun-26	134.8	6,303	209.4	24,447	189.2	19,626	15,156	19,840	20,660	23,681
Jul-26	**131.8**	**7,076**	**235.6**	**31,516**	**180.0**	**18,662**	**16,462**	**20,235**	**21,099**	**23,515**
2024	160.5	17,941	170.4	20,654	184.3	21,994	20,055	22,280	23,694	25,298
2025	132.7	11,989	147.1	16,393	170.8	18,223	14,175	15,492	17,612	18,506
2026 ytd	**182.8**	**16,880**	**291.7**	**41,975**	**268.4**	**35,918**	**23,730**	**26,409**	**28,580**	**30,118**



The average earnings have corrected quite significantly since the peaks in April this year, when the TCE average for the month reached US$ 46,900 / day for an Eco vessel. Since that point the average monthly earnings were on a downward curve with averages for June sitting at US$ 20,700 / day for the same vessel. Although the rates and sentiment corrected, for the current year the average monthly earnings were sitting above the 5 year range averages.

The current month average earnings are sitting at US$ 21,100 / day, which represents a slight upward correction compared to the month prior. However, as observed previously, the rates are still healthy and just above 5 year range averages, although well below the levels seen on larger sisters in the LR2 segment. With uncertainties around the potential deal between the US and Iran still ongoing, the sentiment is expected to remain on a softer side.

Volumes



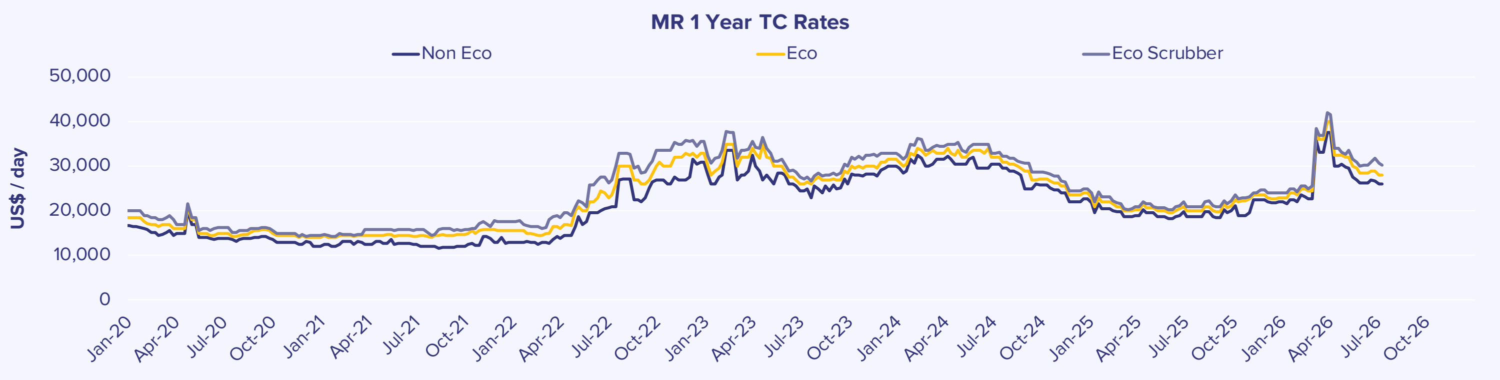
The cut of exporting barrels out of MEG most severely influenced the LR2 segment, as it is highly dependable on the volumes coming from the loading area. The global scramble for the volumes provided some support for smaller clean tankers including the MR segment. During March the utilisation levels as calculated in tonne days peaked. Despite downward correction during April and May, the utilisation levels remained elevated, particularly in comparison to larger clean segments.

It is worth noting that the traffic through Hormuz picked up slightly during the later part of June. However, at the time of writing some renewed attacks on commercial ships in the region and US attacks on Iran are not giving much confidence about the quick conflict resolutions.

Period Market Overview

IG Assessments

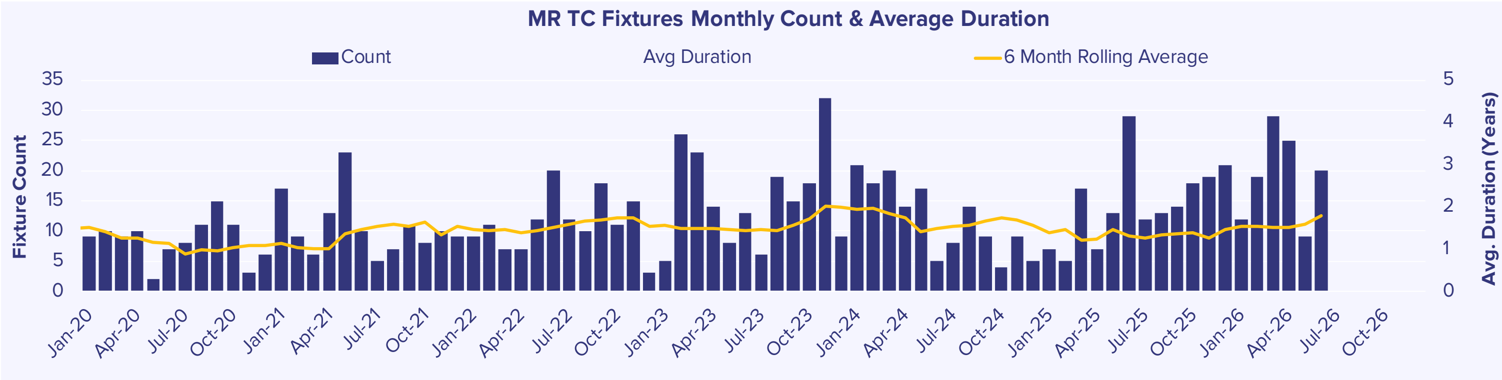
10 Jul 2026	1 Year TC			3 Year TC			5 Year TC		
	Non Eco	Eco	Eco Scrubber	Non Eco	Eco	Eco Scrubber	Non Eco	Eco	Eco Scrubber
Current	**26,000**	**28,000**	**30,250**	**19,500**	**21,500**	**23,750**	**18,000**	**20,000**	**22,250**
May-26	27,563	30,000	31,500	20,688	23,125	24,625	17,063	19,500	21,000
Jun-26	26,563	28,750	30,813	20,063	22,250	24,313	17,313	19,500	21,563
Jul-26	**26,000**	**28,000**	**30,500**	**19,750**	**21,750**	**24,250**	**18,000**	**20,000**	**22,500**
2024	28,178	30,087	31,519	25,024	26,534	27,976	21,125	22,635	24,077
2025	19,827	21,221	22,101	18,385	19,644	20,495	17,538	18,798	19,659
2026 ytd	**27,455**	**29,518**	**30,857**	**20,446**	**22,509**	**23,911**	**17,777**	**19,839**	**21,241**



Following closely on the fortunes of the spot market, the period market peaked around the April time, and since then the monthly average rates were on a downward curve. Monthly average for one year TC Eco rates softened in June to US$ 28,750 / day from US$ 30,000 / day a month prior. Early July rates softened further with 1 year TC rates for an Eco vessel sitting at US$ 28,000 / day at the time of writing. Longer term period rates mainly followed the similar trend as observed of 1 year TC rates, naturally with smaller amplitude of change. The only exemption were 5 year period rates that firmed slightly in early June compared to month prior.

Despite the softening the average period market rates remain elevated by historical standards.

Timecharter Statistics



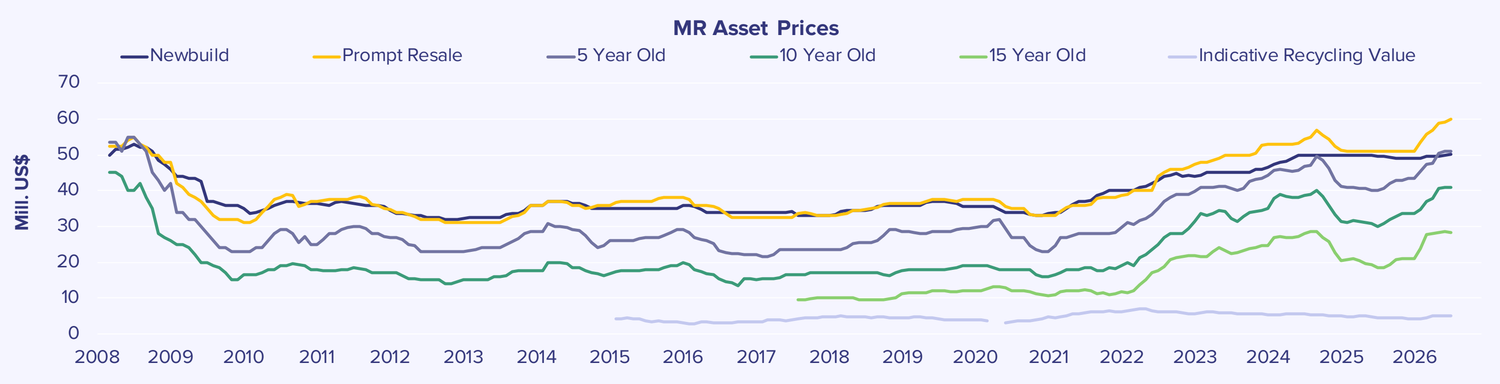
Contrary to its bigger sisters in LR1 and LR2 segments and judging by the number of reported period fixtures, MR period market is very active. After a dip in activity during May, when 9 deals were reported, the number of reported fixtures moved back upwards with 20 fixtures reported. Despite the drop in the number of fixtures in May, the average number of fixtures reported monthly sits at 19, which is way above last year, when on average 15 fixtures were reported on monthly basis.

The market activity remained relatively strong despite strong downward adjustments in the spot market.

Sale & Purchase Market Overview

IG Assessments

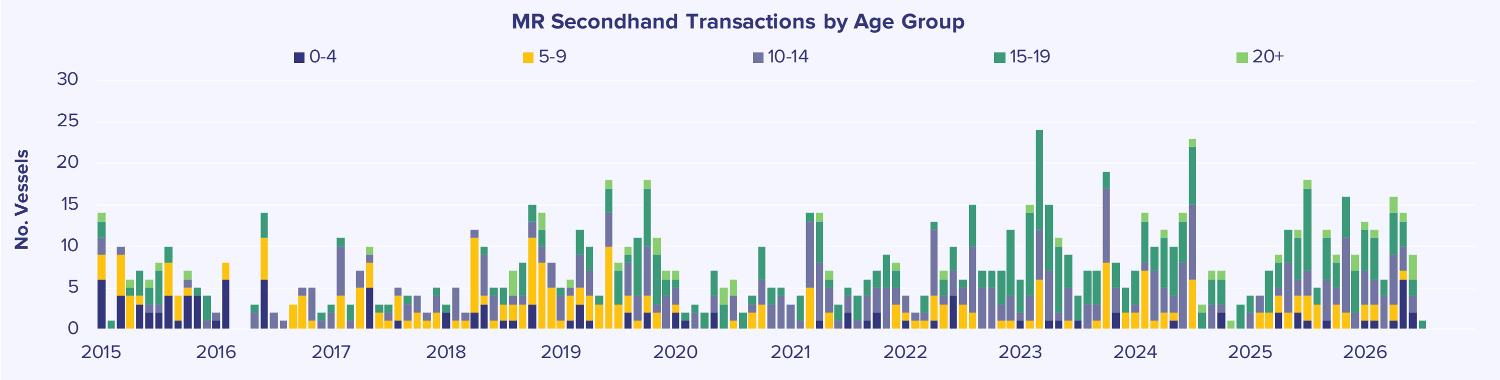
10 Jul 2026	Newbuild	Prompt Resale	5 Year Old	10 Year Old	15 Year Old	Indicative Recycling Value
Current	**50.5**	**60.0**	**51.0**	**41.0**	**28.0**	**5.1**
May-26	49.5	59.0	50.5	40.5	28.3	5.0
Jun-26	49.9	59.1	51.0	41.0	28.5	5.0
Jul-26	**50.3**	**60.0**	**51.0**	**41.0**	**28.3**	**5.1**
2024	49.1	54.0	46.3	37.8	26.7	5.3
2025	49.6	51.0	41.3	31.6	19.9	4.7
2026 ytd	**49.4**	**56.1**	**47.7**	**37.6**	**26.4**	**4.7**



The trend of strengthening the second hand asset prices in the MR sector continued for one more month. The 5 year old vessel prices inched from US$ 50.5m in May to US$ 51m in June. 10 year and 15 year old asset prices also moved in small increments to reach US$ 41m and US$ 28.5m respectively. The prices remained unchanged during early July. Despite the softening period market in the recent months, the demand for the vessels available for immediate trading remains high. This can be reflected in the fact that the 5 year old prices remain above the newbuilding prices.

Newbuild and prompt resale values also moved up in small increments over the last few months. However, a marginal upward movement was recorded during July.

Count of Sales by Age Grouping



Similar to maintaining relatively strong interest in the period tanker market, the second hand market remained active over the last few months. Despite maintaining a decent level of activity in the second hand market, the trend is downward. After 16 units reportedly exchanged hands during April, further 14 were reportedly sold during May, while June numbers dropped into single digit territory by just one unit, as 9 MR tankers were reportedly sold during the month.

Halfway into the year, 70 units were reportedly sold in the segment. If the pace of activity continues, the year is expected to shape up as a better year compared to the year before, when 117 units were reportedly sold.

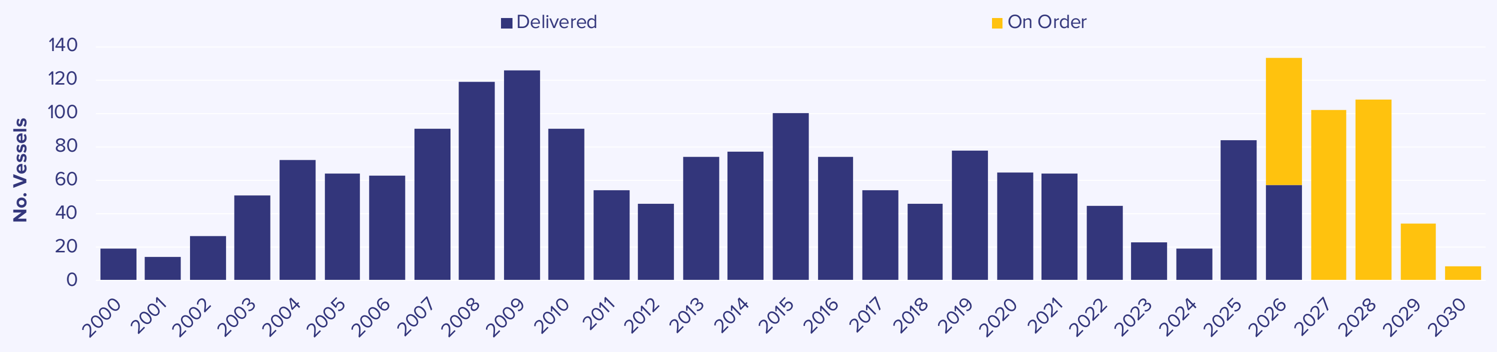
Fleet Overview

Fleet Summary

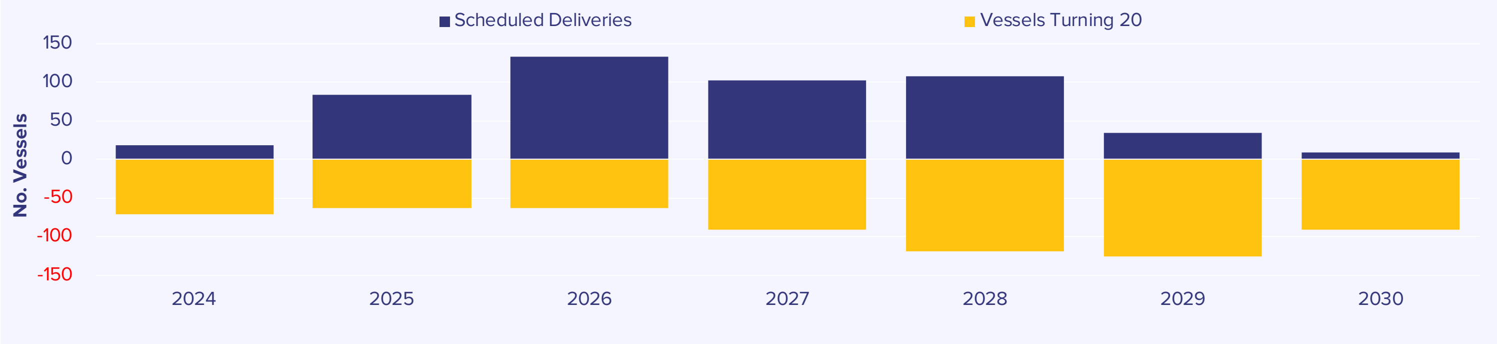
Jun-26	Total Fleet	Deliveries (ytd)	Orderbook Schedule							Recycling	
			2026	2027	2028	2029	2030	Total Orderbook	Orderbook as % of Fleet	Recycled	Sold for Recycling
VLCC+	**904**	**19**	**23**	**69**	**127**	**114**	**9**	**342**	**38%**	**2**	**0**
Suezmax/LR3	**656**	**24**	**26**	**53**	**84**	**65**	**9**	**237**	**36%**	**2**	**0**
Of Which:											
Crude	632	24	26	53	84	65	9	237	38%	2	0
Products	24	0	0	0	0	0	0	0	0%	0	0
Aframax/LR2	**1,216**	**44**	**46**	**83**	**78**	**69**	**2**	**278**	**23%**	**2**	**0**
Of Which:											
Crude	663	5	7	10	12	5	0	34	5%	1	0
Products	553	39	39	73	66	64	2	244	44%	1	0
Panamax/LR1	**456**	**14**	**12**	**24**	**23**	**4**	**0**	**63**	**14%**	**2**	**1**
Of Which:											
Crude	56	2	0	2	4	0	0	6	11%	0	1
Products	400	12	12	22	19	4	0	57	14%	2	0
MR	**1,720**	**57**	**76**	**102**	**108**	**34**	**9**	**329**	**19%**	**4**	**2**
Of Which:											
Crude	0	0	0	0	0	0	0	0	0%	0	0
Products	1,720	57	76	102	108	34	9	329	19%	4	2

Trading Fleet Overview

MR Fleet Overview by Build Year



MR Fleet Age Shift



So far this year, 57 MR vessels have been delivered, an increase of 10 units since our last report.

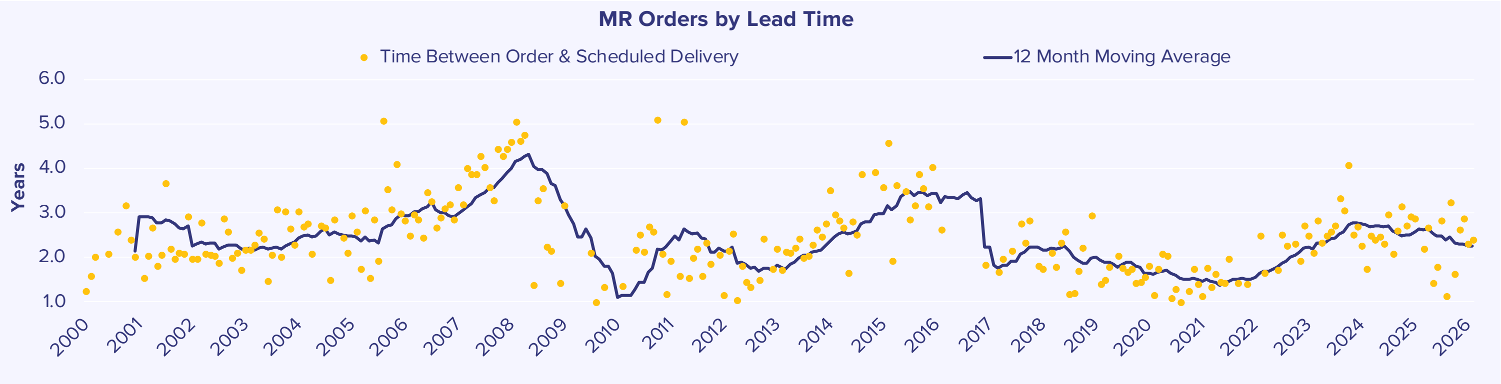
The 2023-25 period saw 351 vessels contracted in this market, a substantial increase on the previous 2020-22 period in which only 112 MRs were ordered. The delivery schedule over the next few years remains healthy. A further 76 MR's are set to be delivered this year with an additional 102 in 2027 and 108 in 2028, resulting from the higher contracting levels in prior years.

Data indicates that the orderbook to active fleet ratio has increased since our last report, rising to 19%.

Despite the elevated delivery schedule over the next few years, the MR fleet has an aging profile in which 427 vessels will turn over 20 years of age between 2027 and 2030.

Fleet Overview

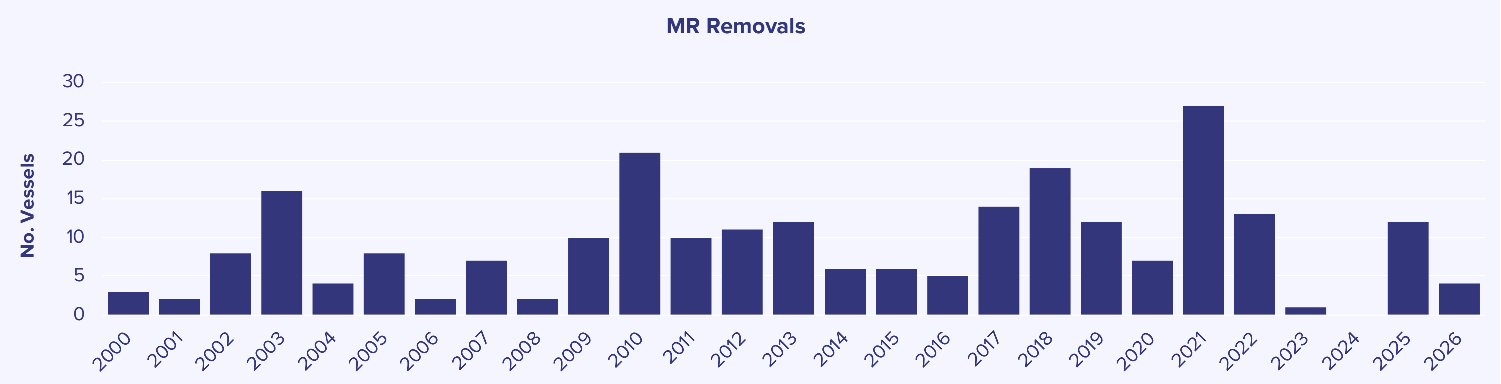
Newbuilding Summary



In 2026, 101 MR's have been contracted, in line with the levels seen in 2023 and 2024, and slightly greater the ordering seen in 2025 at 84 vessels. This figure represents a massive increase since last month with an addition of 24 vessels.

The average lead time for MR's has increased this month, rising to around 2.6, with the 12-month rolling average sitting just below 2.5 years.

Recycling Summary

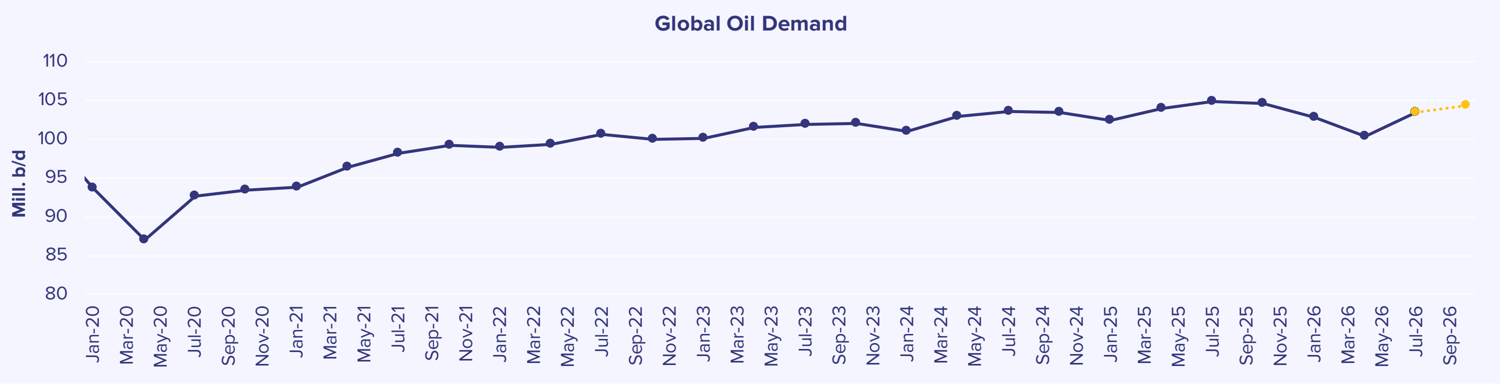


So far in 2026, only 4 MR's have been scrapped, with no change from our last report. This figure represents only a third of last years removals, signifying a moderate slowdown in MR recycling activity.

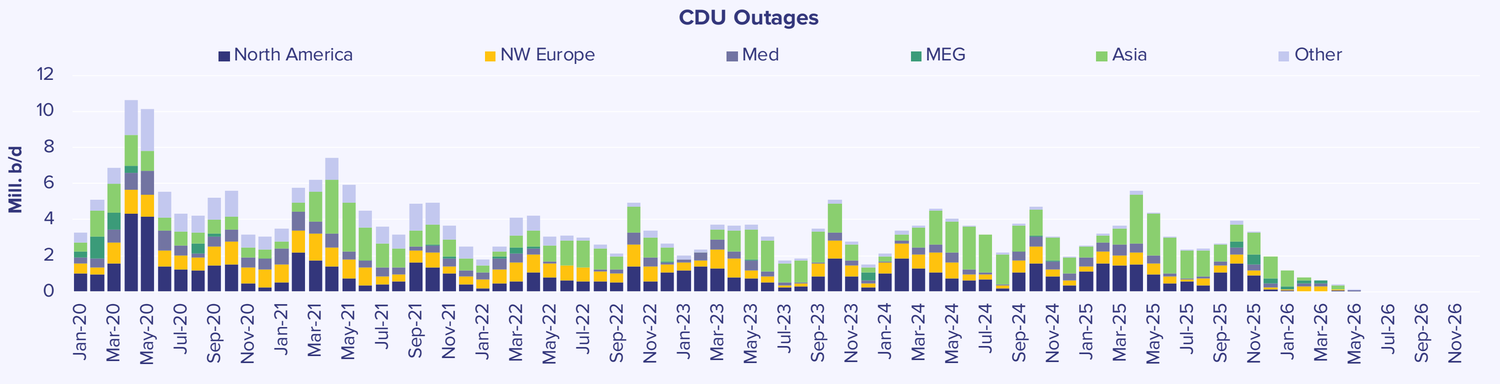
However, the strength of the upcoming delivery schedule, alongside the aging profile of the MR fleet, imply the list of demolition candidates could grow in the coming years.

Tanker Demand Fundamentals

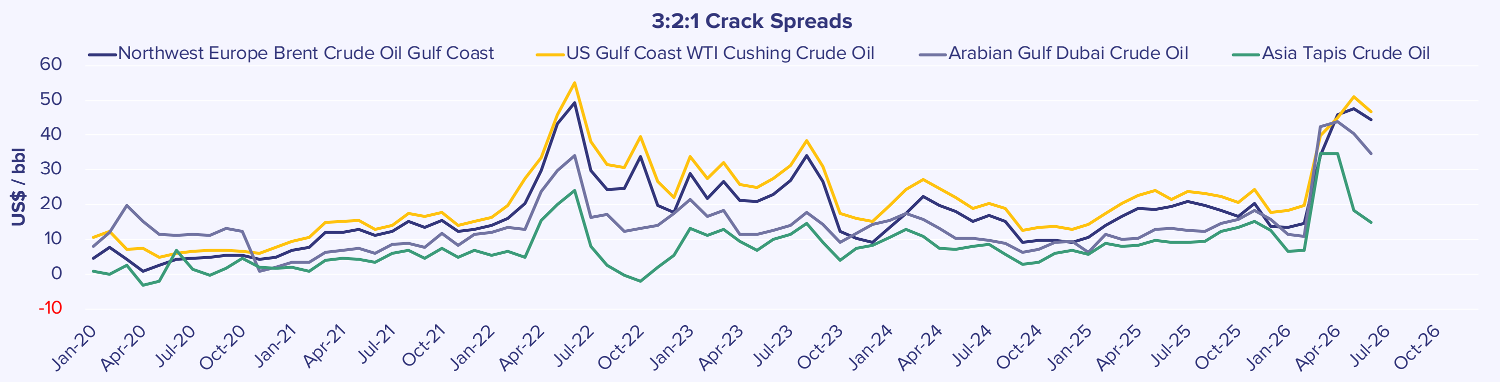
Global Oil Demand



Refinery Outages



Refinery Margins



There was some meaningful progress made last month with regards to talks about potential normalisation of the passage through the Strait of Hormuz. An MOU between the US and Iran was published by various media outlets in the second half of June, which is expected to outline the basis for the further negotiation. However, many major points remained undefined, and the situation further deteriorated very soon after that, with the attacks on the commercial ships reported in the region in recent days, and the US renewing the attacks on Iran as a consequence. Last month was also eventful from the perspective of the OFAC effectively authorising transactions related to Iranian oil and petroleum products, in line with point 10 of the MOU for the period between 22nd of June to 21st of August this year.

As a consequence of the MOU and OFAC temporary sanction removal, the crude oil prices retreated, and Brent remained below US$ 80 per barrel for the last few weeks. Recent attacks put an upward pressure on prices with Brent price closing to US$ 80/b mark. The traffic through the Straits started picking up, however still is remaining below the pre war levels. With the recent tensions it remains to be seen how many owners are willing to enter the area.

In their most recent report and taking into account the MOU and under presumption that the deal holds, the IEA outlook on both supply and demand improved. The second quarter demand is expected to drop by 5 mb/d year on year, and around 1.1 mb/d for 2026 as a whole. In 2026 the demand is projected to drop to 103.3 mb/d from 104.4 mb/d last year. Oil supply is expected to fall by 3.6 mb/d on average in 2026 to 102.4 mb/d. Refinery margins are still very high with the exception of Asia. Total refinery throughput is expected to be around 82 mb/d for 2026, mainly pulled down by the drop in Asia.

Source: IEA, Bloomberg

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