

LATEST NEWS

- Peak jet demand reduces ARA stocks
- Wizz Air lifts profit, traffic in April-June
- American Airlines expects 2H demand recovery
- Calif jet stocks rise to multi-month high: CEC
- Southwest lowers projected 2025 earnings
- Alaska Airlines optimistic on 2025 performance
- UK Heathrow lifts SAF target to 3.5pc in 2026
- Diamond Green Diesel's SAF optimism fades

OVERVIEW

- The Singapore August-September spread jet fuel spread remained stable as more market discussions emerged for August jet fuel supplies in far east and south Asia.
- European jet fuel values moved lower on Thursday, despite independently-held stocks at ARA dropping on the week to a level more than 20pc lower than a year ago.
- US jet fuel prices fell on bearish Nymex futures in all but the Chicago market, where stronger buying interest offset the basis decline.

NEWS

Peak jet demand reduces ARA stocks

Oil products stocks in independent storage in the Amsterdam-Rotterdam-Antwerp (ARA) hub were down by 2.3pc at 5.27mn t on the week to 23 July, with the drop caused by high demand for jet and fuel oil, according to consultants Insights Global.

Jet fuel stocks were down by 7.7pc to 745,000t on the week as summer demand peaked, Insights Global said. Argentina imported one mixed cargo of jet and gasoline, while other jet cargoes were exported to France and the UK.

Independently-held naphtha stocks were down by 6.3pc week on week to 564,000t, mainly the result of domestic gaso-

PRICE SUMMARY

Price	€/USG	\$/t	\$/bl
Singapore	209.76	694.23	88.10*
South Korea	207.98	688.14	87.35*
Mideast Gulf	201.79	667.83	84.75*
Rotterdam	224.03	741.25*	94.09
Rotterdam SAF	579.740	2,015.130*	243.490
New York	222.54*	729.14	93.47
Houston	213.62*	699.92	89.72
Los Angeles	246.87*	808.86	103.69

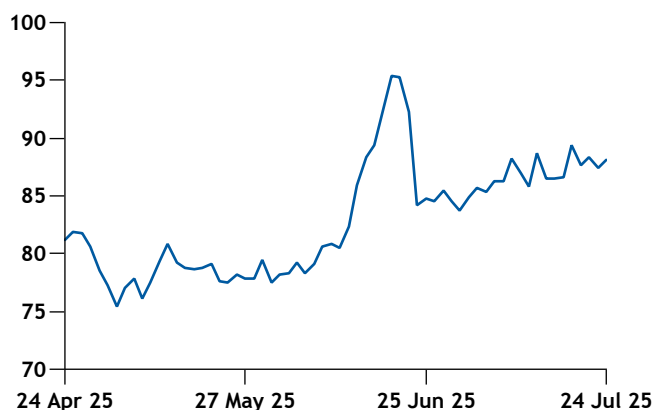
Change on day	€/USG	\$/t	\$/bl
Singapore	+1.55	+5.12	+0.65*
South Korea	+1.43	+4.73	+0.60*
Mideast Gulf	+1.43	+4.73	+0.60*
Rotterdam	-0.15	-0.50*	-0.06
Rotterdam SAF	-1.18	-4.11*	-0.50
New York	-3.61*	-11.83	-1.52
Houston	-2.54*	-8.32	-1.07
Los Angeles	-0.03*	-0.10	-0.01

*assessed unit

*Tables include hyperlinks to those values maintained in the Argus database.

Singapore jet fuel cargo fob

\$/bl



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line blending demand. At the same time, independent gasoline stocks edged up by almost 1pc at 1.21mn t, but Insights Global expect more exports out of the ARA hub in the coming week.

Fuel oil stocks fell on continued demand from the Mediterranean, and arrivals were lower this week. Fuel oil stocks were down by 2.5pc to just under 1mn t.

By Isabella Reimi

Wizz Air lifts profit, traffic in April-June

Hungarian budget airline Wizz Air increased passenger numbers, expanded capacity and boosted profit in April-June, supported by a seasonal rise in demand and favourable currency movements.

The airline carried 17mn passengers in the second quarter, up by 10.6pc on the year. Available seat kilometres (ASKs) – a measure of capacity – rose by 11pc to 32.4bn km, while the load factor – a measure of capacity utilisation – held steady at 91.1pc.

Total revenue climbed by 13.4pc to €1.43bn. Profit rose to €38.4mn from €1.2mn a year earlier, supported by unrealised foreign exchange gains. But profit growth was constrained by higher airport, handling and en-route charges, as well as engine-related groundings.

Wizz Air said it had hedged 73pc of its projected jet fuel

demand for the current financial year, which began in April, at \$700-773/t. This includes sustainable aviation fuel (SAF) blends, in line with EU and UK mandates. Argus assessed cif northwest European jet fuel at around \$678/t and fob ARA SAF at around \$2,235/t over the April-June quarter.

Earlier this month, the airline announced it would suspend all Middle East operations via Wizz Air Abu Dhabi from 1 September.

By Josh Michalowski and Amaar Khan

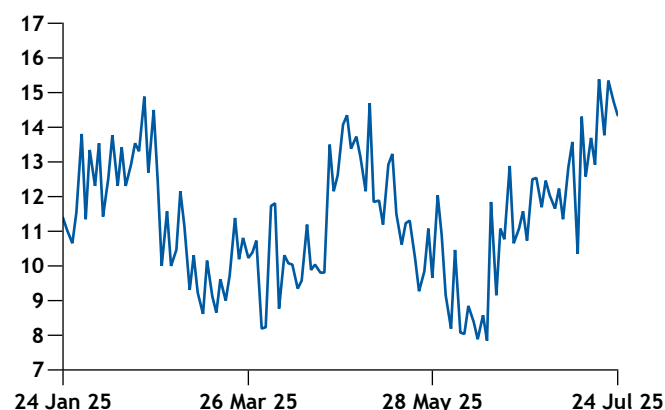
American Airlines expects 2H demand recovery

American Airlines expects travel demand to strengthen in the latter half of 2025 after a mixed second quarter marked by soft domestic demand.

American reported a record \$14.4bn in revenue during the second quarter, but domestic demand weighed on the carrier's operating margins. Passenger load factor, a measure of capac-

Singapore jet fuel premium to Tapis crude

\$/bl



DATA AND DOWNLOADS

[SAF offtake agreements >> click here](#)

[SAF Refinery Database >> click here](#)

ANNOUNCEMENT

Argus successfully completes annual losco assurance review

Argus has completed the 13th external assurance review of its price benchmarks covering crude oil, oil products, LPG, chemicals, thermal and coking coal, natural gas, biofuels, biomass, metals, fertilizers and agricultural markets. The review was carried out by professional services firm PwC. Annual independent, external reviews of oil benchmarks are required by international regulatory group losco's Principles for Oil Price Reporting Agencies, and losco encourages extension of the reviews to non-oil benchmarks. For more information and to download the review visit our website <https://www.argusmedia.com/en/about-us/governance-compliance>

Argus global spot market prices

			Daily spot prices						Contract averages		
			Differentials			Prices			Prior week	Prior month	Current MTD
	Timing	Basis	Low	High	Mean	Low	High	Mean	Mean	Mean	Mean
Asia-Pacific											
Singapore fob cargo \$/bl	Prompt	Mops	+0.25	+0.45	+0.35	88.00	88.20	88.10	87.54	84.75	86.80
South Korea fob cargo \$/bl	Prompt	Mops	-0.50	-0.30	-0.40	87.25	87.45	87.35	86.98	84.02	86.15
Japan c+f cargo \$/bl	Prompt		-	-	-	90.50	90.70	90.60	90.08	87.42	89.36
Mideast Gulf											
Mideast Gulf fob cargo \$/bl	Prompt	Mopag	+2.75	+2.95	+2.85	84.65	84.85	84.75	84.28	80.91	83.60
Mideast Gulf fob diff to Ice \$/bl	Prompt	Ice	-8.65	-8.45	-8.55	-	-	-	-8.02	-7.32	-10.03
Fujairah fob cargo \$/bl	Prompt	Mopag	+2.75	+2.95	+2.85	86.90	87.10	87.00	86.74	83.15	85.99
Africa											
Durban c+f cargo \$/t	Prompt					698.68	698.88	698.78	692.16	671.78	686.48
West Africa delivered \$/t	Prompt							760.75	774.95	746.38	772.07
FSU											
Moscow formula incl VAT Rbs/t	Prompt	Basis	Low	High	Mean	Low	High	Mean	Mean	Mean	Mean
Moscow formula ex VAT \$/t	Prompt	Ice	-	-	-	-	-	62,418	63,221	61,261	62,961
Moscow spot fit incl VAT Rbs/t	Prompt		-	-	-	75,200	81,500	78,350	78,350	78,600	78,350
Moscow spot fit ex VAT \$/t	Prompt		-	-	-	798.83	865.76	832.30	836.31	832.66	833.69
Chimkent fca incl VAT \$/t, 22 Jul*	Prompt		-	-	-	737	756	747	753.50	744.25	746.75
Pavlodar fca incl VAT \$/t, 22 Jul*	Prompt		-	-	-	737	756	747	753.50	739.63	740.63
Atyrau fca incl VAT \$/t, 22 Jul*	Prompt		-	-	-	725	744	735	742.00	729.25	735.63
Russian-Kazakh border dap \$/t, 22 Jul*	Prompt		-	-	-	710	750	730	725.00	625.00	693.75
Russian-Kazakh border fca \$/t, 22 Jul*	Prompt		-	-	-	795	840	818	812.00	699.88	777.00
Europe											
Northwest Europe fob cargo \$/t	Prompt	Basis	Low	High	Mean	Low	High	Mean	High	High	High
Northwest Europe cif cargo \$/t	Prompt	Ice	+34.00	+35.00	+34.50	740.75	741.75	741.25	749.50	721.52	743.49
Northwest Europe fob barge \$/t	Prompt	Ice	+24.75	+25.25	+25.00	731.50	732.00	731.75	749.65	718.37	747.93
Mediterranean fob cargo \$/t	Prompt	-	-	-	-	714.25	715.25	714.75	726.50	699.58	721.53
Mediterranean cif cargo \$/t	Prompt	Ice	+32.750	+33.750	+33.250	739.50	740.50	740.00	748.25	720.27	742.24
Mediterranean cif diff to Med fob \$/t	Prompt	fob	+24.75	+25.75	+25.25	-	-	-	+22.25	+21.19	+21.21
US											
New York cif waterborne 54 grade €/USG	Prompt	Basis	Low	High	Mean	Low	High	Mean	Mean	Mean	Mean
New York del Colonial 54 grade €/USG	Prompt	Aug	-19.25	-17.25	-18.25	222.04	224.04	223.04	228.63	213.79	226.11
New York fob barge 54 grade €/USG	Prompt	cycle 40	-19.00	-18.50	-18.75	222.29	222.79	222.54	228.13	213.28	225.61
New York fob Buckeye 54 grade €/USG	Prompt	Aug	-19.00	-18.50	-18.75	222.29	222.79	222.54	228.13	213.28	225.61
Philadelphia fob Laurel 54 grade €/USG	Prompt	Aug	-19.00	-18.50	-18.75	222.29	222.79	222.54	228.13	213.32	225.61
del Port Everglades, FL 54 grade €/USG	Prompt	Colonial	+11.000	+12.000	+11.500	224.820	225.820	225.320	230.68	217.94	229.11
del Tampa, FL 54 grade €/USG	Prompt	Colonial	+11.000	+12.000	+11.500	224.820	225.820	225.320	230.68	217.94	229.11
US Gulf fob waterborne 54 grade €/USG	Prompt	Sep	-24.25	-22.75	-23.50	214.62	216.12	215.37	220.74	207.99	218.55
US Gulf fob Colonial 54 grade €/USG	Prompt	cycle 44	-26.00	-24.50	-25.25	212.87	214.37	213.62	219.48	206.24	216.95
US Gulf fob Colonial 54 wgt avg €/USG	Prompt	Sep	-	-	-24.92	-	-	213.95	219.03	206.24	216.78
Jet fuel export cargo €/USG	Prompt	Colonial	+2.90	+3.10	+3.00	216.72	216.92	216.82	222.18	209.44	220.61
Jet fuel A-1 export cargo €/USG	Prompt	Colonial	+3.90	+4.10	+4.00	217.72	217.92	217.82	223.18	na	na
Colonial Pipeline Jet Fuel Weighted Average Strip	Prompt	-	-	-	-	-	-	213.82	-	-	-
Tulsa fob Group Three Q grade €/USG	Prompt	Aug	-9.75	-9.25	-9.50	231.54	232.04	231.79	236.23	212.53	233.65
West Shore/Badger fob €/USG	Prompt	Aug	-23.00	-22.00	-22.50	218.29	219.29	218.79	224.86	211.55	232.57
Los Angeles fob €/USG	Prompt	Sep	+7.75	+8.25	+8.00	246.62	247.12	246.87	244.38	217.72	245.61
LAX fob €/USG	Prompt	Sep	+6.75	+7.25	+7.00	245.62	246.12	245.87	243.38	216.72	244.61
San Francisco fob €/USG	Prompt	Sep	+7.75	+8.25	+8.00	246.62	247.12	246.87	244.38	217.72	245.61
Argus US Jet Fuel Index™ €/USG	Prompt		-	-	-	-	-	225.46	229.23	212.18	230.19
California LCFS premium per carbon intensity point €/USG								0.67			
Oregon LCFS premium per carbon intensity point €/USG								1.30			
Latin America											
del east coast Mexico €/USG	Prompt	Basis	Low	High	Mean	Low	High	Mean	Mean	Mean	Mean
del Rosarito €/USG	Prompt		-	-	-	219.04	220.54	219.79	223.67	213.14	222.70
del Lazaro Cardenas €/USG	Prompt		-	-	-	231.09	232.59	231.84	235.04	224.93	234.55
del Progresso \$/m3	Prompt		-	-	-	229.88	231.38	230.63	233.83	223.72	233.34
del Santos \$/m3	Prompt		-	-	-	220.08	221.58	220.83	224.72	214.18	223.74
del Rio de Janeiro \$/m3	Prompt		-	-	-			610.80	621.67	594.77	621.98
del Suape \$/m3	Prompt		-	-	-			610.37	621.29	594.30	621.54
del Itaquí \$/m3	Prompt		-	-	-			604.81	616.86	588.21	616.76
del Barranquilla \$/m3	Prompt		-	-	-			600.98	612.74	584.01	611.86
del Callao \$/m3	Prompt		-	-	-			589.39	599.55	572.59	598.99
del Arica, Chile \$/m3	Prompt		-	-	-			612.50	620.95	594.42	621.28
del Paraguay \$/m3	Prompt		-	-	-			768.90	779.37	746.21	779.79
*weekly prices								761.18	774.34	741.65	775.16

ity utilization, slipped by 1.9 percentage points from a year earlier to 84.7pc, driven by a 2.8 point drop in the domestic load factor to 84.2pc.

“Let’s face it, the domestic network has been under stress

because of the uncertainty in the economy and the reluctance of domestic passengers to get in the game,” American chief executive Robert Isom said on the company earnings call Thursday. “We think that that’s going to change. We think

Argus jet fuel forward curve

Timing	Singapore cargo swap \$/bl		Northwest Europe cargo swap \$/t		New York barge €/USG			Houston Colonial pipeline €/USG		
	Mean	Change	Mean	Change	Timing	Mean	Change	Timing	Mean	Change
Month 1	87.75	+0.65	30.00	-2.75	Prompt	222.54	-3.61	cycle 44	213.62	-2.54
Month 2	86.80	+0.65	35.00	-4.25				cycle 45	212.87	-4.41
Month 3	85.85	+0.60	40.00	-3.25				cycle 46	213.37	-4.41
Quarter 1	85.05	+0.65	43.50	-2.75				cycle 47	213.87	-4.41
Quarter 2	83.30	+0.70	48.00	-1.00				cycle 48	214.12	-4.41
Quarter 3	82.50	+1.00						cycle 49	214.37	-4.41

Antilles, FOB St Croix, posted prices

	23 Jul	18 Jul	16 Jul	14 Jul	10 Jul
Jet/Kerosine €/USG	241.00	246.00	242.00	242.00	238.00

Sustainable aviation fuel (SAF)*

	Bid	Ask	±
SAF diff to 7-28 days Ice gasoil** \$/m³, 18 Jul	935.000	945.000	0.00
SAF diff to 7-28 days Ice gasoil** \$/t, 18 Jul	1,230.260	1,243.420	0.00
SAF fob ARA range \$/m³	1,526.500	1,536.500	-3.12
SAF fob ARA range \$/t	2,008.550	2,021.710	-4.11
HVO fob ARA range (Class II) \$/t	2,194.23	2,207.05	53.68
SAF fob Singapore (Class II) netback \$/t	1,956.050	1,969.210	-4.11
SAF fob China \$/t	1,800.00	1,850.00	0.00
SAF del US west coast €/USG	473.510	474.470	-0.06
	Mid		±
SAF fob ARA range less HBE-IXB \$/t		355.810	-30.47
SAF diff to 7-28 days Ice gasoil** \$/m³, 18 Jul		940.000	0.00
SAF diff to 7-28 days Ice gasoil** \$/t, 18 Jul		1,236.840	0.00
SAF cif NWE range \$/m³		1,531.500	-3.12
SAF cif NWE range \$/t		2,015.130	-4.11
SAF100 (tallow-based) del California €/USG		480.88	1.07
SAF100 (tallow-based) del Illinois €/USG		571.59	3.79
SAF100 (tallow-based) del USCG €/USG		416.62	-2.95
SAF1 blend fob Singapore \$/t		706.91	5.03
SAF10 blend fob Singapore \$/t		821.07	4.20
SAF30 blend fob Singapore \$/t		1,074.75	2.35

*Hydrotreated Esters and Fatty Acids (HEFA-SPK)

**SAF-escalated

that's going to be a tailwind for us."

American Airlines said it expects to increase third-quarter capacity, as measured by available seat miles (ASMs), by 2-3pc from a year earlier. The carrier had withdrawn its 2025 forecasts earlier in the year, along with most of its peers, in response to macroeconomic uncertainty due to US import tariffs.

Lower jet fuel prices helped mitigate American's margin pressure. The airline's jet fuel costs in the second quarter fell by 15.3pc to \$2.29/USG, helping to reduce operating costs per ASM by 0.8pc from the second quarter of last year. The carrier consumed 1.16bn USG of jet fuel in the second quarter, up by 2.7pc from a year earlier.

Argus jet fuel differential to gasoil

	Prior week	Prior month	Prior three months	Prior six months
Singapore jet vs 0.5%	-0.73	-0.12	+0.53	+0.42
Rotterdam jet vs 0.1%	-1.66	+2.86	+3.88	+2.49
Houston jet vs heating oil	+3.96	+4.17	+6.05	+5.12

Argus jet fuel differential to crude

	Prior week	Prior month	Prior three months	Prior six months
Singapore jet vs Dubai Sep 25	+17.17	+15.56	+14.33	+13.78
Rotterdam jet vs North Sea Dated	+24.10	+20.17	+19.30	+18.74
Houston jet vs Nymex WTI Aug 25	+25.23	+19.12	+20.07	+20.88

Related markets

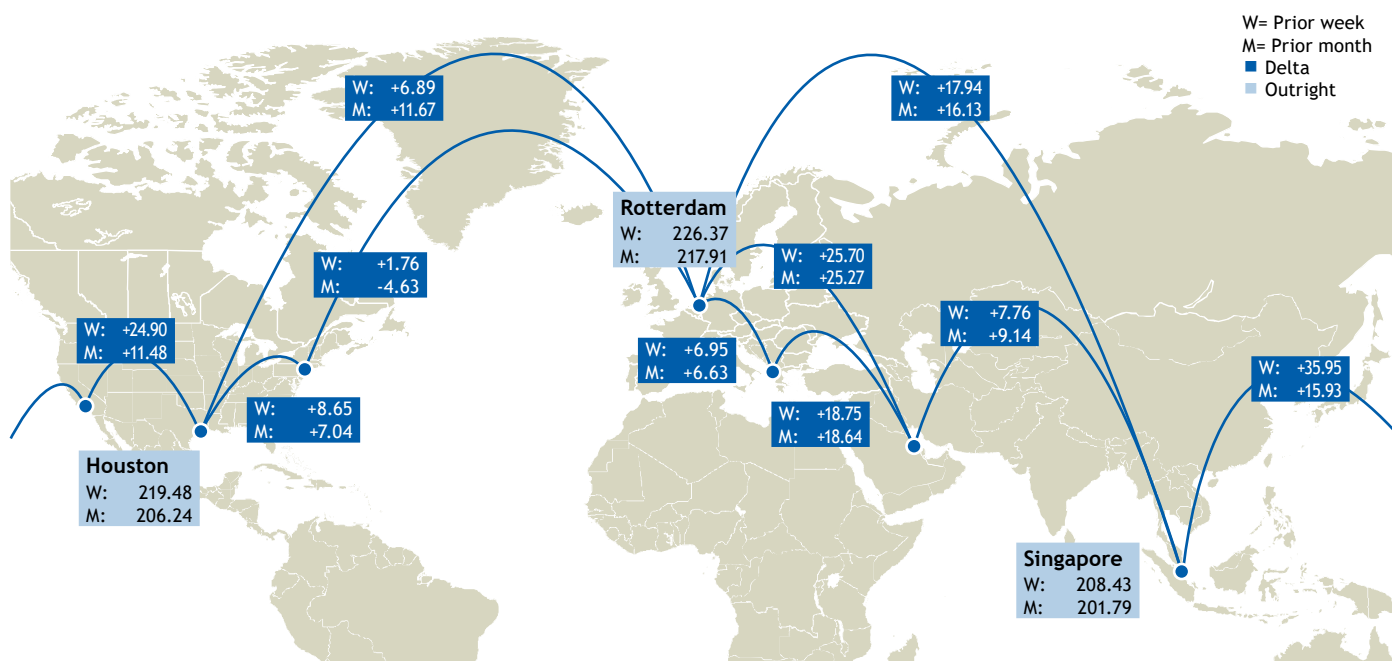
	Nymex heating oil benchmark €/USG	Ice gasoil benchmark \$/t	Nymex WTI settlement \$/bl	Ice Brent settlement \$/bl
Aug 25	241.29	706.75	-	-
Sep-25	238.87	693.25	66.03	69.18
Oct-25	237.27	687.00	65.13	68.36
Nov-25	234.65	674.00	64.48	67.77
Dec-25	230.95	660.50	64.03	67.37
Jan-26	229.30	655.25	63.76	67.13
Feb-26	227.73	651.50	63.59	66.98
Mar-26	225.05	646.50	63.49	66.89
Apr-26	221.65	640.25	63.42	66.82
Dec-26	218.65	633.00	63.07	66.60
Dec-27	217.10	629.25	62.95	66.68
Dec-28	216.78	629.75	62.84	66.89
Dec-29	-	636.25	62.60	66.95
Dec-30	-	640.50	62.22	66.78

Isom said that American has not finalized its fourth-quarter capacity forecast, but that it expects a rebound aligned with higher seasonal demand.

American plans to take delivery of 50 new jets in 2025, at the top end of the range of its previous expectation of 40-50 deliveries. American does not expect new aircraft deliveries

ARGUS MARKET MAP

€/US\$



Geographic comparisons

First center less second center		Price spreads in €/US\$				Price spreads in \$/t			
		Prior week	Prior month	Prior three months	Prior six months	Prior week	Prior month	Prior three months	Prior six months
Rotterdam	Singapore	+17.94	+16.13	+13.88	+11.32	+59.18	+53.19	+45.75	+37.30
Los Angeles	Singapore	+35.95	+15.93	+21.18	+19.75	+110.89	+45.52	+62.98	+57.94
Singapore	Mideast Gulf	+7.76	+9.14	+8.26	+7.93	+25.69	+30.26	+27.34	+26.24
Rotterdam	Mideast Gulf	+25.70	+25.27	+22.14	+19.25	+84.87	+83.45	+73.10	+63.54
Mediterranean	Mideast Gulf	+18.75	+18.64	+14.85	+11.39	+61.87	+61.51	+48.99	+37.53
Rotterdam	Mediterranean	+6.95	+6.63	+7.29	+7.86	+23.00	+21.94	+24.11	+26.01
New York	Rotterdam	+1.76	-4.63	+2.15	+4.94	-1.54	-22.22	+0.35	+9.24
Rotterdam	Houston	+6.89	+11.67	+7.35	+4.46	+29.88	+45.28	+30.78	+21.56
New York	Houston	+8.65	+7.04	+9.50	+9.40	+28.34	+23.07	+31.13	+30.80
Los Angeles	Houston	+24.90	+11.48	+14.65	+12.88	+81.58	+37.61	+48.00	+42.20

to significantly increase fourth-quarter ASMs, and it expects no aircraft retirements through the end of 2030.

By Cooper Sukaly

Calif jet stocks rise to multi-month high: CEC

California's jet fuel inventory swelled to a 25-week high in mid-July, despite a production curtailment as refiners instead prioritized diesel output.

Jet fuel stocks increased by 9.4pc to 3.45mn bl in the week

ended 18 July, the highest level since 24 January, according to latest data from the California Energy Commission (CEC). Refiners in the same week curbed weekly production by 4.6pc to 293,000 b/d as attention shifted toward output of both in-state and other diesel grades.

CARBOB gasoline inventories reached a three-week high of 6.55mn bl, although production was little changed from the week prior. Refineries produced about 735,000 b/d of CARBOB, a 0.1pc weekly decline to the lowest level in 13 weeks. Total

gasoline production dipped by 4.5pc to 832,000 b/d.

But production of both in-state diesel and other grades rose, particularly in southern California. Overall CARB diesel output jumped by 48pc to about 98,000 b/d, while production of other diesel grades – including export-grade, high-sulfur and renewable volume – climbed by 15pc to about 142,000 b/d. CARB diesel stocks shrank marginally, by 0.1pc to a seven-week low of 1.23mn bl. But a 15pc increase in inventories of other diesel fuels, to 1.37mn bl, buoyed the combined stock and added nearly 7.4pc to the state's overall diesel reserve. The combined inventory ended at 2.59mn bl by 18 July.

Participants in California's spot diesel markets have continually cited recent demand weakness in the Bay Area, broadly attributed to warmer weather and thin diesel-intensive activity within the region's agricultural sector. Two key renewable diesel producers also call the area home, offering a drop-in replacement for CARB diesel and adding to local availability.

Conventional refiners last week, possibly as a result, shifted their focus to southern California and more than doubled CARB diesel production there to 73,000 b/d by comparison and added nearly one-third to area inventories, which reached 605,000 bl. Producers concurrently curtailed northern California output by 19pc to 25,000 b/d and shaved 20pc from local stocks, which shrank to 622,000 bl.

Crude throughputs rose by 1.5pc to 1.39mn b/d across the state to support higher diesel output, but stocks still swelled by 20pc to a four-week high of 12.9mn bl.

By *Jasmine Davis*

Southwest lowers projected 2025 earnings

Southwest Airlines announced a lower expected profit for 2025 compared to a year earlier, with its third quarter capacity expected to be flat.

The US airline said it expects full-year 2025 earnings before interest and taxes (EBIT) of \$600mn-\$800mn, a change from earlier expectations of \$1.7bn. During its first quarter release, the airline chose not to release a full-year forecast because of economic uncertainty due to US import tariffs.

For the third quarter forecast available seat miles (ASM) – a measure of capacity – is expected to remain flat compared to the third quarter 2024. Third quarter jet fuel costs are expected to range from \$2.40-\$2.50¢/USG.

ASMs for the second quarter were up by 1.6pc to 47mn from a year earlier, while the airline's load factor fell by 4.1 points to 78.5pc.

Caspian jet fuel prices at airports		\$/t
Product	Latest month	Previous month
Kazakhstan		
Astana	1,042.50	1,042.50
Almaty	1,100.00	1,100.00
Karaganda	927.50	925.00
Aktobe	1,050.00	1,050.00
Uzbekistan		
Tashkent	1,225.00	1,225.00
Turkmenistan		
Ashgabat, Turkmenbashi	756.00	743.50
Kyrgyzstan		
Bishkek	1,225.00	1,200.00
Tajikistan		
Dushanbe	1,750.00	1,750.00
Afghanistan		
Kabul, Herat, Kandahar, Mazar-i-Sharif	1,150.00	1,150.00
Azerbaijan		
Baku	1,275.00	1,275.00
Georgia		
Tbilisi, Kutaisi, Batumi	905.00	894.50
Armenia		
Yerevan	1,124.50	1,125.50

Russian jet fuel prices at airports		RUB/t
Product	Latest month	Previous month
Russia		
Domodedovo	87,450.00	87,500.00
Koltsovo	92,900.00	93,500.00
Krasnoyarsk	97,300.00	95,940.00
Pulkovo	98,960.00	99,160.00
Sheremetyevo	85,800.00	86,760.00
Sochi	95,300.00	101,640.00
Tolmachevo	104,300.00	101,900.00
Vnukovo	91,900.00	92,350.00
Zhukovskiy	87,600.00	87,000.00

The airline paid \$2.32/USG from April to June, slightly higher than the expected \$2.20-\$2.30/USG range. The company's operating expenses were up by 0.9pc to \$7.02mn from second quarter 2024.

The company reported a 2.9pc increase of fuel efficiency year-over-year due to operating more Boeing 737-8 aircraft, the most fuel-efficient jets in its fleet. Jet fuel consumption was down by 1.2pc to 570mn USG when compared to second quarter in 2024.

Southwest posted second quarter net income of \$213mn, down by 42pc from the same quarter last year.

By *Carrie Carter*

Alaska Airlines optimistic on 2025 performance

Alaska Airlines' Air Group expects capacity growth for 2025 on a recent uptick in traffic as total available seat miles (ASMs) advanced by nearly a third in the second quarter on aircraft additions, even as profit narrowed in the latest quarter.

Alaska Airlines' Air Group expects 2pc capacity growth for 2025, even as a 1pc annual dip is expected in the third quarter on reduced off-season demand.

Total quarterly available seat miles (ASMs) across the Alaska Air Group – a measure of total capacity for Alaska Airlines, Hawaiian Airlines and its regional operations – rose by 32pc on the year to 24.1bn, according to Wednesday's second quarter earnings release. ASMs in the first half of 2025 led 2024 by nearly 35pc at 45.3bn. But year-prior values represent performance prior to the acquisition of Hawaiian Airlines in the fall.

The company's combined second quarter load factor – the portion of available seats filled by paying customers – was nearly steady at about 84pc, while first-half 2025 load factor was flat at about 83pc from a year earlier.

The airline consumed a collective 293mn USG of jet fuel, nearly 34pc more on the year, at an average of \$2.39/USG. Fuel costs per-gallon were about 15pc lower on the year for both the quarter and first six months of 2025.

Air Group's fleet in the second quarter added 12 aircraft: three Boeing 737-8s, four 737-9s, a 787-9, two Embraer E175s and two Airbus A330-300 freight planes. Twelve Boeing 737-10s are expected for delivery through 2028, while Alaska sold four 737-900s in the second quarter and will sell a further eight by the end of the year.

The Air Group will launch a nonstop flight from Seattle to Rome in May 2026, its first transatlantic route. Daily nonstop service to Tokyo from Seattle began in the second quarter, while two daily summertime flights were added from Seattle to Anchorage.

The Air Group posted an overall profit of \$172mn for the second quarter, a 22pc drop from the same period last year, prior to the incorporation of Hawaiian Airlines' results. Profit in the first half of the year reached \$6mn, a 93pc drop from a year earlier.

By Jasmine Davis

UK Heathrow lifts SAF target to 3.5pc in 2026

The UK's Heathrow airport has raised its target for sustainable aviation fuel (SAF) to 3.5pc of fuel uptake in 2026, up from 3pc in 2025, chief executive Thomas Woldbye said on an earnings call on 23 July.

The airport's 2025 target is more ambitious than the UK's national [2pc SAF mandate](#), and Heathrow aims to reach 11pc SAF use by 2030 – exceeding the UK's 10pc target. But the 3.5pc target for 2026 brings Heathrow roughly in line with the UK's national mandate of 3.6pc for that year.

Heathrow partially covers the cost of SAF to encourage airline participation in its programme. Woldbye said the airport's 3pc SAF uptake is the highest of any airport globally.

By Aidan Lea

Diamond Green Diesel's SAF optimism fades

US biofuel producer Diamond Green Diesel has no imminent plans to shift course on its production of sustainable aviation fuel (SAF) despite major policy shifts and lagging demand.

Refiner Valero and food ingredients company Darling Ingredients run the Diamond Green Diesel joint venture and recently [upgraded](#) a Port Arthur, Texas, biorefinery to shift about half of its 31,000 b/d output to SAF. Mandates to use the lower-carbon fuel took force in the EU and UK this year, adding to incentives in the US and voluntary demand from airlines with emissions reduction goals.

While US SAF production has hit [record levels](#) so far this year, the market for the pricier fuel is still developing. "We thought there would be much more interest in this product, particularly from airlines. I think everyone is still feeling out this market," Valero senior vice president of renewables Eric Honeyman told analysts Thursday.

Biofuel producers and buyers are still waiting for clarity on various US government incentives, though support for SAF at least appears to be dwindling. The sprawling tax and energy bill President Donald Trump signed on 4 July adjusts a [tax credit](#) so that aviation fuels, starting next year, can no longer claim heftier subsidies than road fuels of equal carbon intensity through at least 2029. That shift could lead to a 35-40¢/USG loss in federal tax credit value, estimated Darling chief financial officer Bob Day.

Diamond Green Diesel has [idled](#) a renewable diesel (RD) unit in Norco, Louisiana, and might not immediately bring back online its SAF-focused Texas plant after an August turnaround if margins are weak. Executives, despite flirting in the past with investing in more SAF capacity, said there were no imminent plans to do so – and that the company also has the flexibility to switch some output back to RD.

"Right now we're running SAF as much as we can, and we expect for that to continue, but we do have that additional flexibility," said Darling chief operating officer for North

America Matt Jansen.

Executives, however, were still optimistic about the SAF market as US regulators provide more clarity on policy and clean fuel credit prices inch up.

While SAF will lose some federal subsidy next year, Honeyman said “we still see premiums for SAF over RD from the customer standpoint.” In other words, airlines spending more on SAF could at least partly reduce the pain of policy shifts.

And airlines buying SAF to meet government mandates are limited in what fuel they can use, Honeyman noted, making the waste feedstocks that Diamond Green Diesel uses attractive despite Republicans’ efforts to pivot biofuel policy to support farmers. The budget bill for instance shifts emissions tracking for the clean fuel tax credit, effectively upping subsidies for fuel from agricultural products like soybean and canola oil.

“A lot of the customers do not want vegetable oil as their feedstock base,” Honeyman noted.

By Cole Martin

MARKET COMMENTARY

Asia-Pacific

The Singapore jet fuel time spread remained stable on 23 July. More market discussions emerged for August jet fuel supplies in far east and south Asia.

The Singapore jet fuel market structure, or the August-September spread was at \$0.95/bl today, unchanged from the previous session.

In tender news, Chinese state-owned refiner Wepec is looking to sell its second August-loading jet fuel cargo. The 39,000-41,000t cargo (307,000 - 323,000 bl) should load from Dalian over 17-19 August. Bids are to be submitted by 24 July and remain valid until the same day. Wepec has sold a similar-sized cargo of jet fuel for loading from Dalian during 7-9 August. The deal was likely concluded at around a \$0.50-0.70/bl discount to Singapore spot jet fuel assessments, said trade sources. The tender closed on 22 July.

Over in south Asia, Indian state-controlled refiner MRPL is looking to sell an August-loading jet fuel cargo. The refiner offered, through a spot tender, one 60,000t of jet fuel for loading from New Mangalore during 8-9 August. Bids are to be submitted by 25 July with same-day validity. MRPL last sold a late-July loading cargo of jet A-1 fuel through a spot tender that closed on 10 July. The refiner sold 60,000t of jet fuel

for loading from New Mangalore during 27-28 July at a slight premium to the average of Argus’ and Platts’ Singapore spot jet fuel assessments. The premium was likely around \$0.05/bl, said market participants, although this could not be confirmed with the refiner.

Shipping fixture show oil major Shell could have provisionally booked the Paloma to load 60,000t jet fuel from New Mangalore during 28-29 July, and head towards Northwest Europe.

Europe

European jet fuel values edged lower on Thursday, despite independently-held stocks at ARA dropping on the week to a level more than 20pc lower than a year ago.

Independently-held jet fuel stocks at the Amsterdam-Rotterdam-Antwerp hub fell by 7.7pc to 745,000t in the week to 24 July, according to consultancy Insights Global. Some market participants have commented that jet fuel stocks are particularly low, even accounting for stronger seasonal demand. Stocks are 24.4pc lower than in the same week last year, Insights Global data show. The volumes of jet outbound on cargoes signalling for France, the UK and Argentina outweighed arrivals from Kuwait and the UAE. Insights Global said that the cargo heading for Argentina held both gasoline and jet fuel. The Madelyn Grace departed from ARA carrying about 45,000t of either gasoline or jet fuel, and has declared Buenos Aires as its destination, according to Vortexa and Kpler. Europe only exported 38,000t of jet fuel to Argentina last year, according to Kpler.

Refining margins have started to fall after hitting a 17-month peak on Monday. Jet fuel cargoes on a cif northwest Europe basis held a \$24.65/bl premium against North Sea Dated crude on Wednesday, down by \$3.13/bl since Monday. Declining diesel values and lower jet fuel premiums against the Ice gasoil futures have eroded jet fuel refining margins. The front-month Ice gasoil contract lost 3pc of its value between 21-23 July, while North Sea Dated only lost 1.5pc of its value over the same period. And the premium of jet fuel cargoes on a cif northwest Europe basis dropped by \$12.25/t over the same period.

Hungarian airline Wizz Air increased passenger numbers and capacity in the second quarter of this year. The airline carried 17mn passengers in April-June, higher on the year by 10.6pc. Available seat kilometres – a measure of capacity – rose by 11pc on the year to 32.4bn km. The load factor, which is a measure of capacity utilisation, held steady on the year at 91.1pc.

Argus heard four bids but no offers for jet fuel cargoes in northwest Europe on Thursday. BP placed the most competitive bid for a cargo on a cif Isle of Grain basis at a \$6/t premium to the average of spot prices on 26 July to 8 August, for delivery on 13-18 August. After normalising to an Ice gasoil basis, this bid equated to a \$35/t premium against Ice August gasoil.

Jet fuel cargoes were assessed at a \$34.50/t premium to the Ice August gasoil futures on Thursday, up by \$4/t on the day, reflecting the floor set by BP's bid and accounting for port costs.

Liquidity remained thin in the jet fuel fob FARAG market, with only one bid reported by Glencore again. The bid was for a 4,000t barge loading on 2-6 August at a \$4/t discount to the average of spot quotes on the same days as loading. This bid equated to a \$22.50/t premium to Ice August gasoil after normalising, which did not challenge the previous assessment.

Jet fuel barges were assessed at a \$25/t premium to Ice August gasoil on Thursday, rising by 50¢/t on the day, following indications from the paper market.

Americas

US jet fuel prices fell on bearish Nymex futures in all but the Chicago market, where stronger buying interest offset the basis decline.

Buyers of cycle 3 July West Shore/Badger pipeline jet fuel submitted bids higher than the previous day and sellers responded with higher offers. With the spread between bids and offers being wide, the assessment was set using the bid of August Nymex -23¢/USG for the low range, and the cash differential midpoint increased by 6¢/USG to August Nymex -22.5¢/USG. Outright prices rose by 2.39¢/USG to close the session at

\$2.19/USG, the highest in a week.

Prompt Group 3 jet fuel at the southern midcontinent traded at August Nymex -9.5¢/USG, an increase of half a cent over the last assessment, but the increase was unable to offset losses in the underlying Nymex basis. Outright prices fell by 3.61¢/USG to close the day at \$2.39/USG – the lowest since 8 July. The arbitrage for the US Gulf coast to US midcontinent Group 3 region has been open since 24 June.

US Gulf coast jet fuel prices slipped to a two-week low on Thursday due to weakened Nymex basis.

Trades for 54-grade jet fuel on the last day of cycle 44 on the Colonial pipeline at September ultra-low sulphur diesel (ULSD) Nymex contract -26¢/USG to -24.5¢/USG, moving cash differentials up by 0.88¢/USG. But outright cash prices for jet fuel declined by 2.54¢/USG to \$2.14/USG, the lowest price since 10 July, as cash differential gains were offset by Nymex losses.

The US east coast's Colonial Linden pipeline jet fuel premium to the US Gulf coast Colonial pipeline narrowed by 1.08¢/USG to 8.92¢/USG, above the tariff rate on the pipeline by 1.32¢/USG, keeping arbitrage economics open.

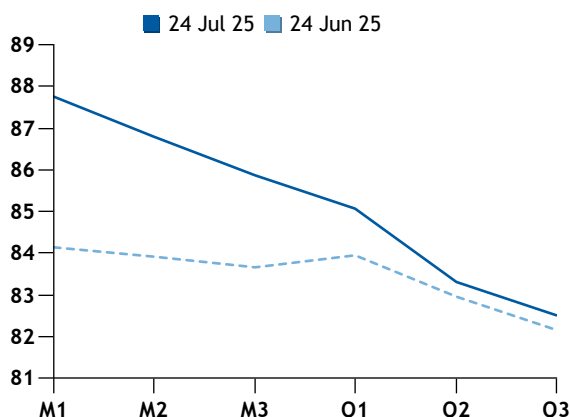
Buckeye jet fuel prices on the US Atlantic coast followed Nymex down by 3.61¢/USG to \$2.23/USG. Prompt bids and offers were far apart, keeping differentials at August Nymex -18.75¢/USG.

Gulf coast-to-New York Harbor jet arbitrage via Colonial pipeline narrowed to +1.32¢/USG from +2.40¢/USG the prior session on rising Gulf coast values.

Jet fuel at the US west coast timing rolled to prompt August on Thursday, with Los Angeles pipe/LAX volume last traded 8¢/USG above September ULSD. Higher last trade for August combated pressure from the lower basis, and cash

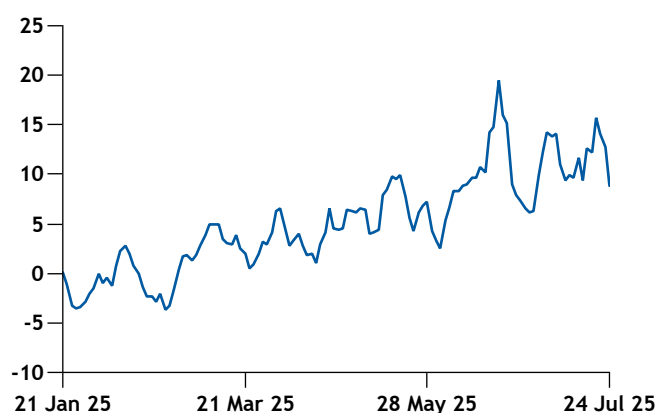
Jet swap Singapore forward curve

\$/bl



Med less Mideast Gulf: 3-day moving avg

¢/USG



prices were effectively steady at \$2.47/USG.

California's jet fuel inventory swelled to a 25-week high in mid-July, despite a production curtailment as refiners instead prioritized diesel output. Jet fuel stocks increased by 9.4pc to 3.45mn bl in the week ended 18 July, the highest level since 24 January, according to latest data from the California Energy Commission (CEC). Refiners in the same week curbed production by 4.6pc to 293,000 b/d as attention shifted toward output of both in-state and other diesel grades.

ANNOUNCEMENTS

US Florida basis change proposed

Argus is proposing to change the basis of its delivered Florida diesel, gasoline and jet fuel assessments to the prompt Colonial Pipeline prompt cycle assessment.

Prices for regular CBOB, premium CBOB, ULSD, and jet fuel delivered to Tampa and Port Everglades, Florida, will be assessed daily by adding an assessed differential to the trading day's prompt Argus Colonial Pipeline cycle.

As such, these prices will no longer be assessed using the an Argus Colonial Pipeline Cycle Weighted Strip.

All other current methodology elements will remain in place.

Argus will accept feedback on this proposal until 6 August 2025.

To discuss or comment on this proposal, please contact Jared Ainsworth at jared.ainsworth@argusmedia.com.

Formal comments should be marked as such and may be submitted via e-mail to houstonproducts@argusmedia.com or by post to David Ruisard, Argus Media, 2929 Allen Parkway, Suite 1800, Houston, TX 77019, and received by 6 August 2025.

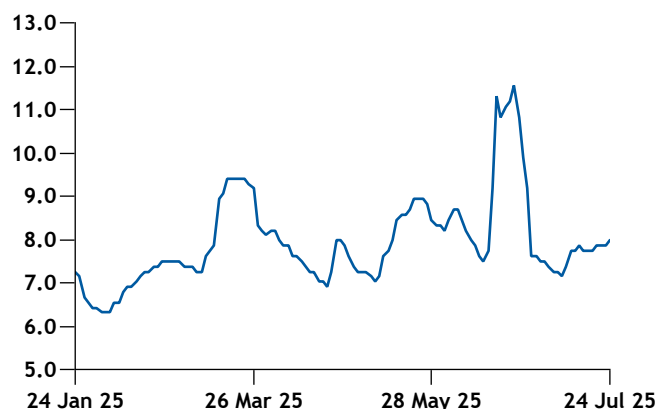
Please note, formal comments will be published after the consultation period unless confidentiality is specifically requested.

Announcement

The holiday calendar showing which Argus reports are not published on which days is now available online <http://www.argusmedia.com/Methodology-and-Reference/Publishing-Schedule>

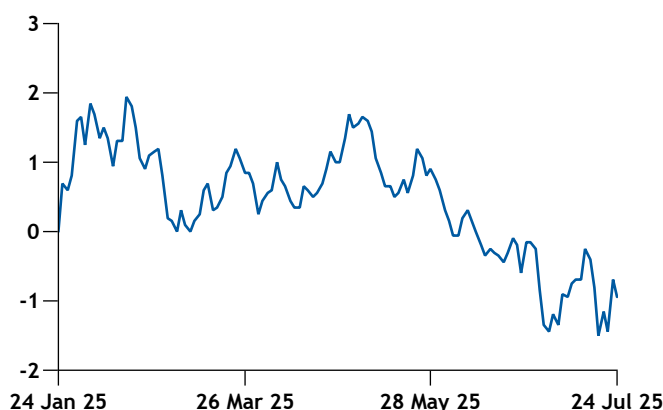
Singapore jet fuel less Mideast Gulf

¢/USG



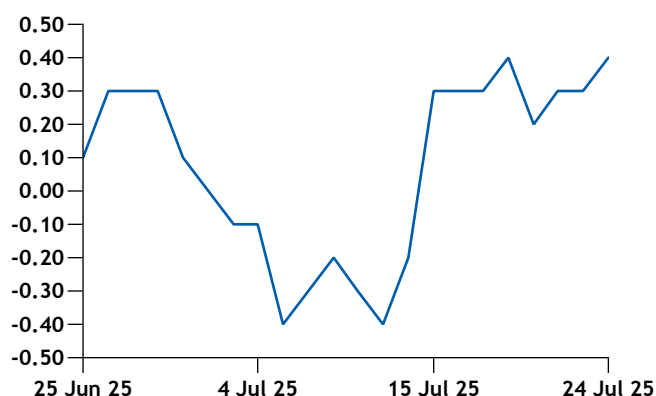
Singapore jet fuel less 0.5pc gasoil

\$/bl



Jet/kerosine Singapore: Differential mean

\$/bl



Argus Assessment Rationale Database

For prices used in financial benchmarks, Argus publishes daily explanations of the assessment rationale with supporting data. This information is available to permissioned subscribers and other stakeholders.

Subscribers to this report via Argus Direct or MyArgus may access the database [here](#).

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METHODOLOGY

Argus has been assessing daily global jet fuel prices since 1986. These prices appear in the Argus European Products, Argus Asia-Pacific Products, and Argus US Products reports. We have consolidated all our daily jet fuel prices, market commentary, and news into the Argus Jet Fuel report in order to better serve the airline and supplier community. The methodologies for all of the prices in this report are located at www.argusmedia.com within the methodology document for the above named market report. On our website you will also find the Argus Global Compliance Policy and other useful reference material.

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Argus Jet Fuel is published by Argus Media group

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ISSN: 2049-4688

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