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EDITOR'S WORD

A cargo of Libyan Es Sider crude could set sail for Tunisia this month for the first time for more than 12 years, possibly to replace rival BTC Blend crude which recently faced quality issues.

HEADLINES

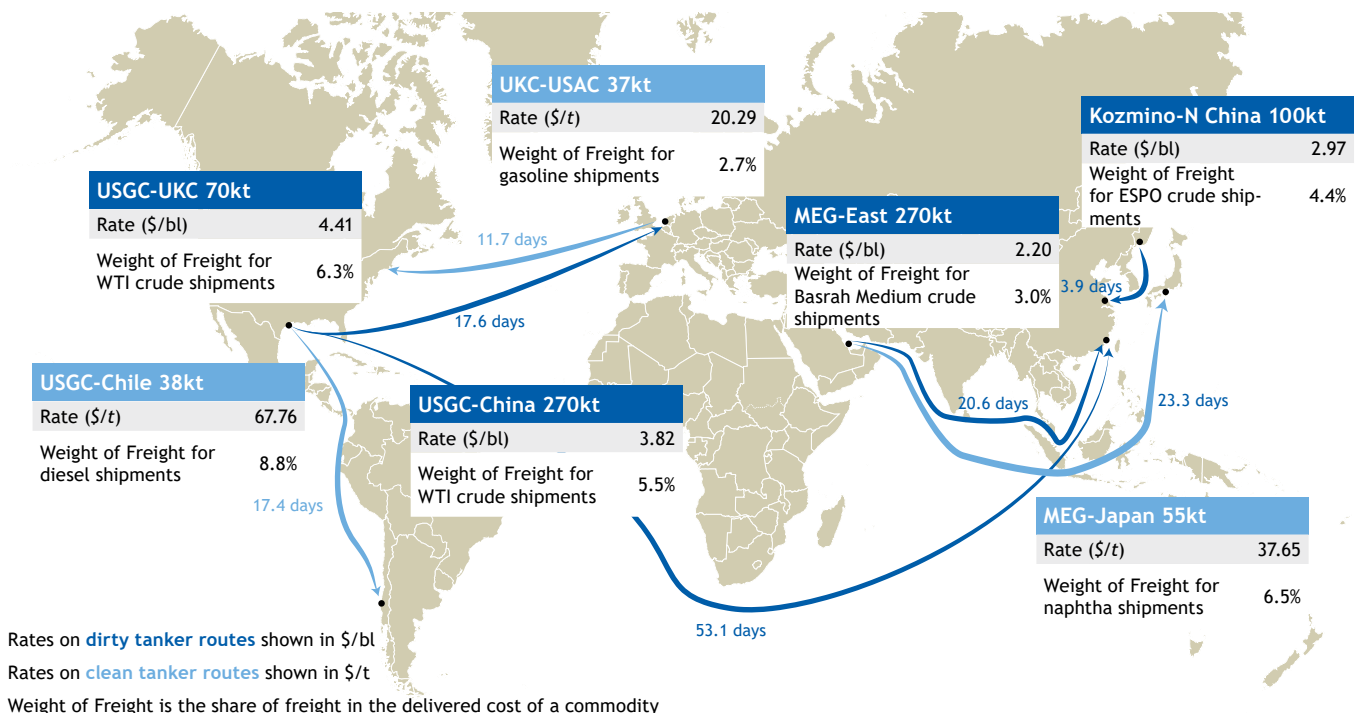
- Mideast Gulf rates fall on tepid Asian demand
- Libyan crude may return to Tunisia
- Rare Qatari gasoline cargo arrives in Europe

KEY PRICES

Tanker rates						
Route	Size '000t	Rate	±	\$/t	TCE (non-scrubber) \$/day	
Very large crude carriers (VLCCs)						
Mideast Gulf-East	270	67.00	nc	15.69	46,573	
West Africa-China	260	65.00	nc	23.07	42,272	
USGC-China	270	7,950,000	+100,000	29.44	34,365	
Suezmax						
Mideast Gulf-north-east Asia	130	120.00	+20.00	29.68	48,827	
West Africa-India	130	4,175,000	nc	32.12	-	
Aframax						
Kozmino-N China*	100	2,200,000	nc	22.00	129,094	
Primorsk-WC India*	100	6,750,000	+100,000	67.500	-	
USGC-UKC	70	155.00	nc	34.01	28,886	
Long range (LR) tankers						
Mideast Gulf-Japan	75	142.50	+5.00	34.61	28,014	
Mideast Gulf-S Korea	55	160.00	-2.50	36.19	-	
USGC-N Brazil	60	-	-	31.27	-	
Medium range (MR) tankers						
UKC-USAC	37	120.00	+2.50	20.29	7,662	
USGC-Pozos	38	1,075,000	nc	28.29	37,547	
USGC-Chile	38	2,575,000	+25,000	67.76	24,728	
South Korea-Singapore	35	660,000	+10,000	18.86	21,106	

* assessed weekly

WEIGHT OF FREIGHT



DIRTY TANKERS - EUROPE, MIDDLE EAST AND AFRICA

VLCC rally takes a pause

Freight rates in the largest tanker segment remained steady on Friday after yesterday's surge. The number of cargoes was limited ahead of the weekend, but supply remains tight and rates may rise further next week. Suezmax and Aframax chartering activity was relatively slow, with some demand in the cross-Mediterranean and cross-UK Continent routes.

VLCC rates hold near recent highs

Freight rates in the VLCC segment were steady on Friday at the recent peak, as chartering activity eased after a surge in Mideast Gulf to China demand on Thursday pushed the market to new heights.

The Mideast Gulf to China VLCC rate was flat at WS67 on Friday. A number of September-loading cargoes were still available in the Mideast Gulf as well as in the US Gulf.

Suezmax rates surge

Suezmax rates from the Mideast Gulf rallied on Friday as fixing activity picked up. The surge followed an increase in VLCC rates from the region the previous day, driven by a rush of available cargoes.

Suezmax rates to southeast Asia and northeast Asia jumped by WS20 to WS122.5 and WS120 respectively. The rate to west coast India was higher by WS17.5 to WS127.5.

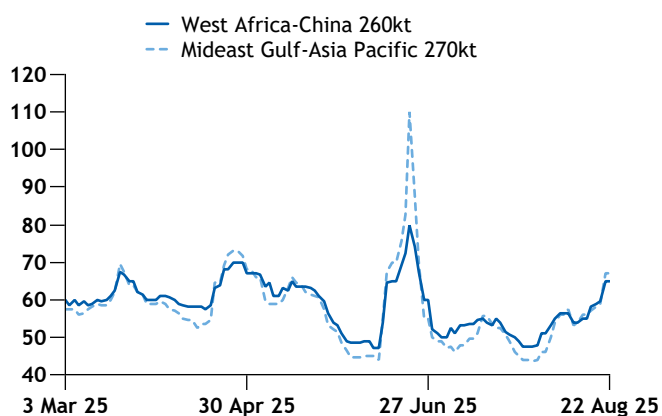
Saudi Arabia's state-controlled Aramco Trading ATC put the Pertamina Halmahera on subjects at WS122.5 from the Mideast Gulf to east Asia, loading from 3 September. Trader Mercuria put the Desh Shobha on subjects from the Mideast Gulf to west coast India, loading from 3 September.

Three other charterers, namely KPC, Repsol and Tupras, put a Suezmax vessel on subjects each for westbound shipments from the Mideast Gulf.

Private equity company Quantum Energy and trader Newton sought a Suezmax vessel each from the Mideast Gulf to east Asia, loading from 3 and 5 September, respectively.

VLCC rates

WS



Dirty tanker rates - Europe, Middle East, Africa

Route	Size '000t	Rate	±	\$/t
Middle East				
Mideast Gulf-UKC/Med	280	37.00	+2.00	11.64
Mideast Gulf-USGC	280	34.50	+2.00	12.97
Mideast Gulf-USWC	280	51.50	+2.50	21.07
Mideast Gulf-East	270	67.00	nc	15.69
Mideast Gulf-Singapore	270	68.00	nc	10.58
Mideast Gulf-west coast India	270	78.00	+4.50	6.50
Mideast Gulf-Med	140	52.50	nc	10.25
Mideast Gulf-northeast Asia	130	120.00	+20.00	29.68
Mideast Gulf-southeast Asia	130	122.50	+20.00	18.93
Mideast Gulf-west coast India	130	127.50	+17.50	9.97
Mideast Gulf-northeast Asia	80	127.50	nc	27.08
Mideast Gulf-southeast Asia	80	130.00	nc	19.55
Mideast Gulf-west coast India	80	132.50	nc	10.72
Red Sea-China	80	167.50	nc	42.51
Northern Europe				
North Sea-northeast Asia*	270	7,000,000	+250,000	25.93
Baltic-Med	100	125.00	+7.50	26.19
Baltic-UKC	100	115.00	+7.50	12.97
Cross UKC	80	142.50	+7.50	10.93
UKC-Med	80	125.00	nc	21.70
UKC-US Atlantic coast	80	95.00	nc	16.76
UKC-USGC fuel oil	55	120.00	+5.00	26.82
ARA-Azores fuel oil	30	225.00	nc	22.48
Baltic-Med fuel oil	30	-	-	-
Baltic-UKC fuel oil	30	-	-	-
Black Sea and Mediterranean				
Black Sea-Med	140	139.82	+2.41	14.22
Black Sea-east Asia*	135	6,000,000	nc	44.44
Black Sea-Med	135	145.00	+2.50	17.05
Black Sea-Singapore*	135	5,400,000	nc	40.00
Black Sea-west coast India*	135	5,400,000	nc	40.00
Cross Med	135	127.50	-5.00	9.27
Med/Black Sea-east Asia*	135	5,300,000	nc	39.26
Med-east Asia*	135	4,600,000	nc	34.07
Med-Singapore*	135	4,100,000	nc	30.37
Med-USGC	135	80.00	+10.00	17.68
Black Sea-Med	80	155.00	nc	18.23
Black Sea-UKC	80	150.00	nc	28.23
Cross Med	80	145.00	nc	11.96
Med-UKC	80	135.00	nc	18.82
Med-USGC	80	75.00	nc	17.21
Med-USGC fuel oil	55	120.00	+5.00	29.53
Black Sea -Med fuel oil	30	-	-	-
Cross Med fuel oil	30	230.00	nc	17.76
Med to Madeira	30	230.00	nc	26.84
West Africa				
West Africa-China	260	65.00	nc	23.07
West Africa-east coast India*	260	4,700,000	+100,000	18.08
West Africa-Singapore	260	66.00	nc	18.55
West Africa-USGC	260	67.00	nc	14.56
West Africa-west coast India*	260	4,400,000	nc	16.92
West Africa-east coast India*	130	4,250,000	nc	32.69
West Africa-India*	130	4,175,000	nc	32.12
West Africa-UKC/Med	130	110.00	nc	20.25
West Africa-USGC	130	105.00	nc	22.82
West Africa-west coast India*	130	4,100,000	nc	31.54
Delays				
Turkish Straits NB		3.0	nc	-
Turkish Straits SB		3.0	nc	-

* \$ lumpsum

DIRTY TANKERS - EUROPE, MIDDLE EAST AND AFRICA

Aframax rates to southeast Asia and northeast Asia held at WS130 and WS127.5 respectively. The rate to west coast India remained stable at WS132.5.

Chinese refiners have reduced their term purchases of crude from Saudi Arabia to the lowest level since April, as India's slowdown in Russian crude imports has made the alternative medium sour grade, Urals, more attractive.

But strong interest in Mideast Gulf crude from Taiwanese and Japanese energy firms could keep overall Asian demand sustained and lend some support to eastbound freight rates from the Mideast Gulf in the medium term.

Taiwan's private-sector refiner Formosa bought Oman crude from China's state-owned Sinochem. Formosa is a regular buyer of Oman crude.

Japanese refiner Cosmo Oil bought two cargoes of October-loading Abu Dhabi's light sour Das crude, one each from trading firm Glencore and Chinese state-owned Petro-China. Japanese refiner Idemitsu Kosan bought two cargoes of October-loading Abu Dhabi's light sour Murban crude, one each from China's state-owned Sinochem and private-sector firm Zhenhua Oil.

Aframax rates up in north Europe

Chartering activity persisted in the cross-UK Continent market on Friday, lifting rates in the Aframax segment.

The cross-UK Continent rate rose to WS142.5 from WS135. Norway's Equinor put a vessel on subjects at WS141.25 and the market subsequently edged higher.

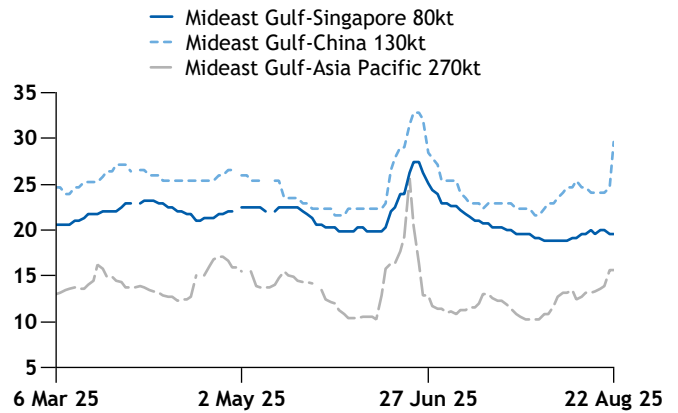
The cross-Mediterranean rate and the Black Sea to Mediterranean rate remained steady at WS145 and WS155, respectively. Turkey-based trader BGN put the Safeen Baroness, loading from Libya to the Mediterranean, on subjects at WS145.

Crude shipments through the Druzhba pipeline have been disrupted following another Ukrainian attack on 21 August. Loadings could be halted for at least five days, Hungarian foreign minister Peter Szijjarto said.

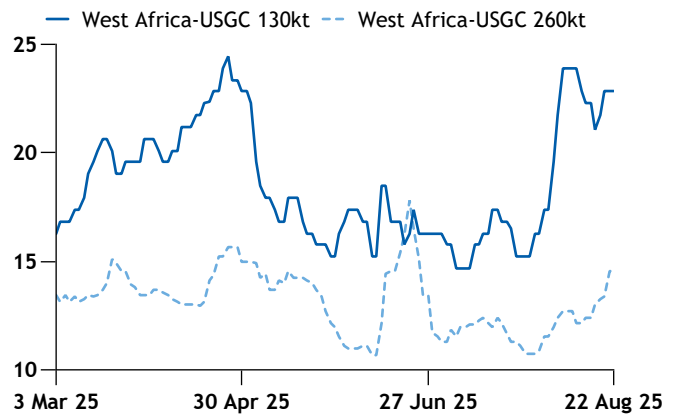
Hungarian refiner Mol is looking for alternatives to keep crude supply stable. This may support Black Sea and Mediterranean markets, as Kazakh state-controlled Kazmunaigaz (KMG) delivered its first CPC shipment for Mol to Omisalj on 4 August.

The Suezmax market remained relatively steady again on Friday.

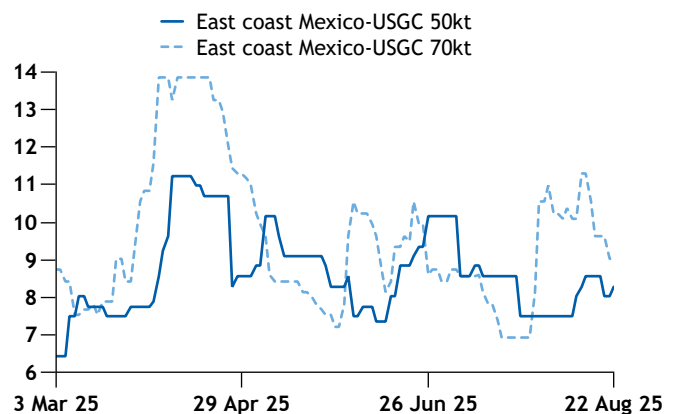
Mideast Gulf to Asia-Pacific dirty tanker rates \$/t



West Africa-US dirty tanker rates \$/t



Mexico-US dirty tanker rates \$/t



DIRTY TANKERS - AMERICAS

USGC VLCC rates rise ahead of weekend

Rates in the largest tanker segment in the US Gulf coast (USGC) rose on Friday, pushed up by a string of deals that rounded out a week of slow but steady activity.

Suezmax rates pushed higher, while Aframax rates held steady.

VLCC chartering activity persists

Mercuria and Vitol both put VLCCs on subjects loading out of the USGC for Asia-Pacific destinations at \$7.7mn lumpsum excluding \$250,000 Corpus Christi load-port fees. The USGC-China rate rose to \$7.95mn including those load-port fees, equal to \$3.82/bl for WTI and the highest since 26 June.

The USGC-Rotterdam VLCC rate rose by \$50,000 to \$3.7mn including load-port fees after Vitol put a Sinocor vessel on subjects for that equivalent rate and route loading from 8 September.

Chinese refiner Unipet signed up the New Prosperity with a contract of affreightment for a cargo from the Trans-Panama pipeline to China loading from 5 September.

Chartering activity for VLCCs loading out of Brazil was more muted, holding rates there steady. The flat end to the week was in-line with activity for adjacent markets on the other side of the Atlantic.

Suezmax rates end week higher

The USGC-Europe Suezmax rate rose by WS10 to WS97.5 after Repsol and Eni both put Suezmaxes on subjects for adjacent routes loading out of east coast Mexico from the first week of September.

Hess put the Suezmax Front Cascade on subjects for a Guyana-Panama voyage at WS115 loading from 3 September. The deal replaced a vessel after Hess failed to fully fix it previously in the week.

Aframax rates hold steady

The USGC-UKC Aframax rate was flat at WS155, equal to \$3.43/bl for a 90,000t cargo of WTI. Short-haul voyages were flat as well. Phillips 66 failed to fully fix the Kalahari for an east coast Mexico-USGC voyage at WS150, replacing it with the Ephesos for the same rate and route.

Dirty tanker rates - Americas

Route	Size '000t	Rate	±	\$/t
Caribbean-China*	270	7,665,000	+100,000	28.39
Caribbean-Singapore*	270	6,665,000	+100,000	24.69
Caribbean-WC India*	270	6,765,000	+100,000	25.06
USGC-China*	270	7,950,000	+100,000	29.44
USGC-China (STS)*	270	7,700,000	+100,000	28.52
USGC-Rotterdam*	270	3,700,000	+50,000	13.70
USGC-Singapore*	270	6,950,000	+100,000	25.74
USGC-South Korea/Japan*	270	8,800,000	+100,000	32.59
USGC-WC India*	270	6,950,000	+100,000	25.74
USGC-west Africa	270	3,950,000	+50,000	14.63
USWC-China	270	3,700,000	+125,000	13.70
West coast Panama-China	270	5,200,000	+150,000	19.26
Brazil-China	260	63.00	nc	25.31
Brazil-USWC	260	68.00	nc	20.99
Brazil-UKC	260	65.50	nc	13.09
Caribbean-UK continent	145	110.00	+26.00	21.43
USGC-Europe	145	97.50	+10.00	21.66
Brazil-UKC	130	107.50	+2.50	21.36
Caribbean-Panama	145	115.00	+26.00	5.37
Caribbean-USGC	145	110.00	+26.00	10.49
Guyana-Panama	145	115.00	+26.00	8.77
Guyana-UKC	145	100.00	+4.00	16.68
Panama-USWC	130	110.00	nc	13.45
USGC/Caribs-Singapore*	130	4,675,000	+50,000	35.96
USGC-China*	130	4,975,000	+50,000	38.27
Ecuador-USWC	100	340.00	nc	49.91
Esmeraldas-Los Angeles	100	-	-	14.93
USGC-UK continent	90	-	-	26.45
USGC-Med	90	-	-	33.07
Vancouver-USWC	80	130.00	nc	11.01
Vancouver-Panama	80	130.00	nc	21.85
Vancouver-China*	80	1,850,000	-50,000	23.13
Caribbean-UK continent	70	160.00	nc	31.73
Caribbean-USGC	70	145.00	nc	15.56
East coast Mexico-USGC	70	150.00	nc	9.03
USGC-east coast Canada	70	160.00	nc	23.55
USGC-UK continent	70	155.00	nc	34.01
USGC-Med	70	155.00	nc	42.52
Argentina-USWC	65	-	-	42.46
Argentina-USAC	65	-	-	36.63
Argentina-USWC	50	160.00	nc	-
Argentina-USAC	50	160.00	nc	-
Caribbean-USGC	50	155.00	+5.00	16.63
East coast Mexico-USGC	50	155.00	+5.00	8.29
Ecuador-USWC	50	425.00	nc	62.39
Esmeraldas-Houston	50	-	-	31.65
US west coast STS cost		150,000	nc	-
West coast Panama STS cost		150,000	nc	-
USGC Aframax reverse lightering*		440,000	nc	-

* \$ lumpsum

Dirty tanker rates - Jones Act (weekly)

Route	Size '000bl	\$/bl	±
Corpus Christi-Delaware Bay	260-330	5.17	+0.01
Corpus Christi-St. James	260-330	2.56	+0.01
Corpus Christi-St. James	140-260	3.42	+0.01

DIRTY TANKERS - ASIA-PACIFIC

Southeast Asia rates hold

Aframax rates from southeast Asia remained flat again on Friday as some fixing activity kept vessel supply in check.

The rate from Indonesia to Japan was steady at WS107.5. The rate from southeast Asia to east coast Australia remained at WS105.

Exxon put the Proteus Sinead on subjects at WS110 to replace the Seadoyssey from Pluto, northwest Australia to east Asia, loading from 29 August. The rate included a premium to the prevailing market level because the vessel was a replacement for a prompt loading requirement.

Chevron and trader Chimbusco put the New Advance and Desh Suraksha on subjects, respectively, for northbound shipments from Singapore, loading from the first week of September.

Trader Vitol sought a vessel loading via ship-to-ship transfer from Malaysia's Linggi to Geelong, Australia, loading from 8 September. Thailand's state-controlled PTT sought a vessel from Kumul, Papua New Guinea to Thailand, loading from 12 September.

Tonnage availability was balanced against charterers' requirements over the week.

The Argus assessed freight rate for an Aframax vessel from southeast Asia to east coast Australia held at WS105 on Thursday, same from a week ago. The bunker price for 0.5pc sulphur fuel oil in Singapore remained generally stable during the same period, hovering between \$485 to \$490 per tonne. As a result, the Argus assessed time-charter equivalent earnings on the route remained almost flat at \$17,656/d on Thursday, from \$17,724 a week ago.

Dirty tanker rates - Asia-Pacific

Route	Size '000t	Rate	±	\$/t
Indonesia to Japan	80	107.50	nc	15.28
SE Asia to EC Australia	80	105.00	nc	19.13
Kozmino to Singapore*	100	3,180,000	+10,000	31.80
Kozmino to Sikka*	100	4,740,000	+10,000	47.40
Kozmino-Paradip*	100	4,060,000	nc	40.60
Yeosu STS to Paradip*	100	4,200,000	nc	42.00
Yeosu STS to Mundra*	100	4,800,000	nc	48.00
De-Kastri to Yeosu*	100	2,530,000	nc	25.30
De-Kastri to Yeosu STS*	100	2,510,000	nc	25.10
De-Kastri to Kiire*	100	2,680,000	nc	26.80
De-Kastri to Qingdao*	100	2,760,000	nc	27.60
De-Kastri to Yantai*	100	2,800,000	nc	28.00
De-Kastri to Dongjiakou*	100	2,780,000	+10,000	27.80
De-Kastri to Zhoushan*	100	2,780,000	nc	27.80
De-Kastri to Batangas*	100	3,280,000	nc	32.80
De-Kastri to Sriracha*	100	3,860,000	+10,000	38.60
De-Kastri to Singapore*	100	3,890,000	nc	38.90
De-Kastri to Paradip*	100	4,760,000	nc	47.60
De-Kastri to Sikka*	100	5,430,000	nc	54.30
De-Kastri to Nakhodka*	100	710,000	nc	7.10
De-Kastri to Nakhodka STS*	100	960,000	nc	9.60
De-Kastri to Yangshan*	100	2,730,000	nc	27.30

* \$ lumpsum

Additional De-Kastri and Yeosu STS dirty tanker assessments available on Argus Direct [here](#)

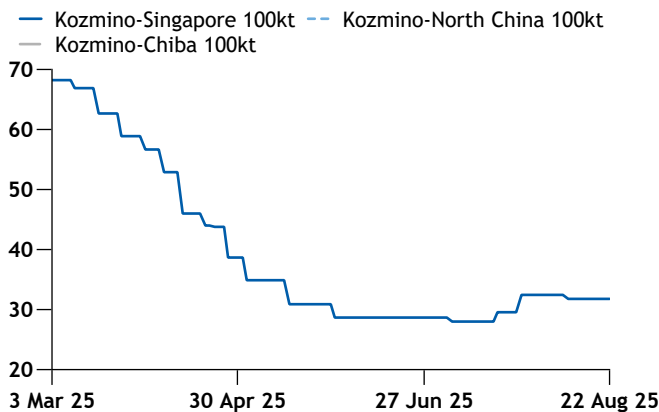
Workspaces

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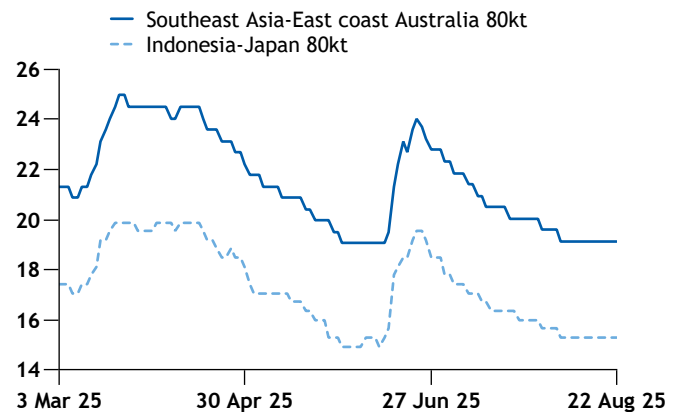
Kozmino dirty tanker rates

\$/t



Southeast Asia dirty tanker rates

\$/t



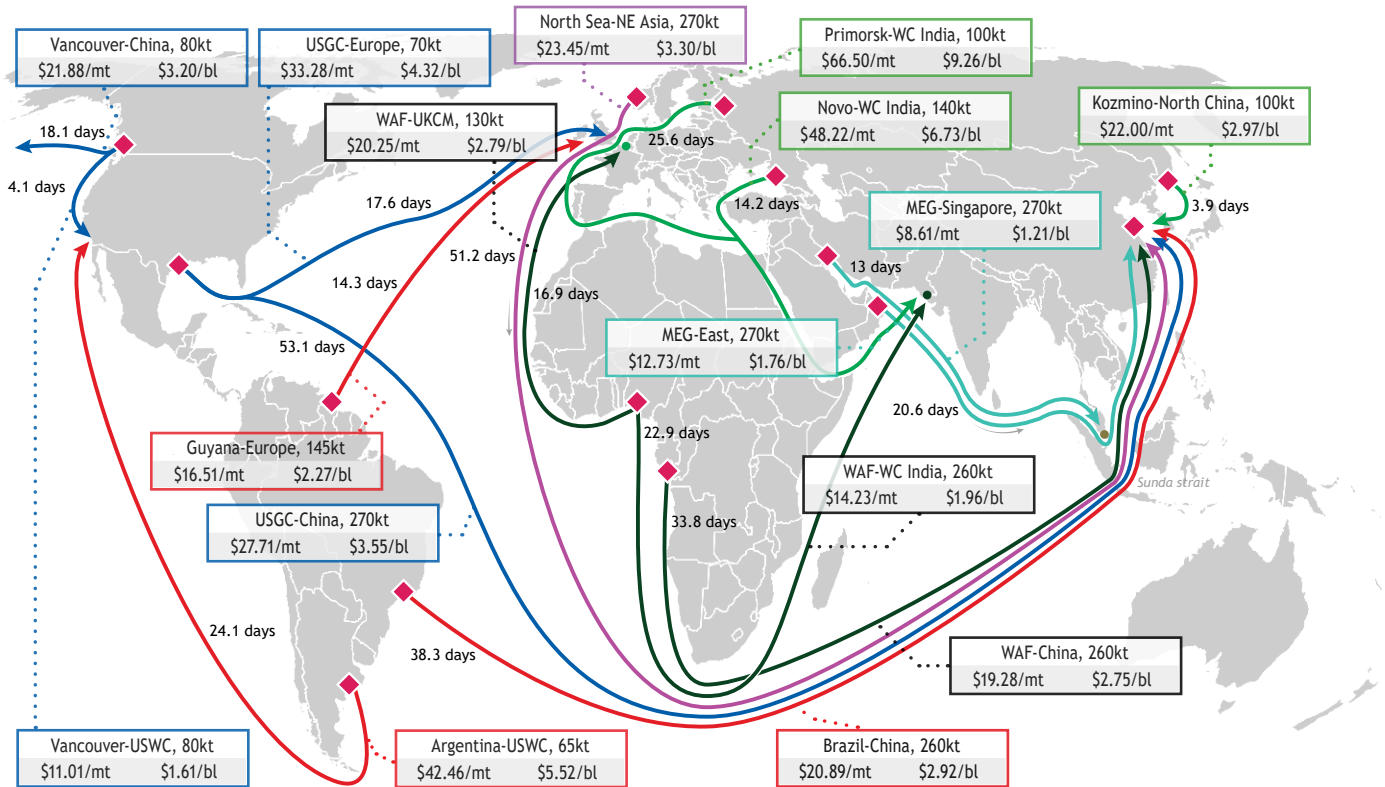
CRUDE TRADE ROUTES Weekly price updates

Published date: Friday 22 August 2025

Period: 33

The prices used are mid-week (Tue-Wed-Thu) averages for the previous assessment week, providing a broad snapshot of key seaborne trade routes for crude around the globe.

- ◆ Key benchmark locations
- Freight prices for trade routes and vessel size



Crude trade routes						
Crude	Origin	FOB Price \$/bl	Destination	Freight		Delivered price \$/bl
				\$/bl	\$/t	
WTI	US Gulf	64.42	Rotterdam	4.32	33.28	69.27
WTI	US Gulf	64.42	China	3.55	27.71	68.28
Tupi	Brazil	65.62	Shandong	2.92	20.89	68.54
Johan Sverdrup	Norway	66.07	Shandong	3.30	23.45	69.37
Bonny Light	Nigeria	68.78	Rotterdam	2.79	20.25	71.57
Bonny Light	Nigeria	68.78	India	1.96	14.23	70.74
Djeno	Rep. Congo	67.43	Shandong	2.75	19.28	69.54
Urals, Baltic	Primorsk	55.04	WC India	9.26	66.50	64.63
Urals, Black Sea	Novorossiysk	55.43	WC India	6.73	48.22	64.63
Basrah Medium	Iraq	68.58	Singapore	1.21	8.61	69.80
ESPO Blend	Kozmino	61.68	Shandong	2.97	22.00	67.94
Oman	Oman	67.83	Shandong	1.76	12.73	61.04
Cold Lake (fob Vancouver)	Vancouver	58.68	USWC	1.61	11.01	60.29
Cold Lake (fob Vancouver)	Vancouver	58.68	China	3.20	21.88	61.88
Medanito	Argentina	63.26	USWC	5.52	42.46	68.78
Liza	Guyana	67.53	Europe	2.27	16.51	69.80

To learn more about Argus' daily price assessments, market-moving news and in-depth analysis, please visit:

Argus Crude: argusmedia.com/en/crude-oil/argus-crude

CLEAN TANKERS - EUROPE, MIDDLE EAST AND AFRICA

Clean tanker rates - Europe, Middle East, Africa				
Route	Size '000t	Rate	±	\$/t
Middle East				
Mideast Gulf-UKC*	90	3,850,000	nc	42.78
Red Sea-Med*	90	2,600,000	nc	28.89
Red Sea-UKC*	90	2,700,000	nc	30.00
Mideast Gulf-Japan	75	142.50	+5.00	34.61
Mideast Gulf-South Korea	75	147.50	+5.00	33.36
Mideast Gulf-UKC*	65	3,000,000	nc	46.15
Red Sea-Med*	65	1,750,000	nc	26.92
Red Sea-UKC*	65	1,850,000	nc	28.46
Mideast Gulf-Brazil*	40	2,700,000	nc	67.50
Mideast Gulf-Japan	55	155.00	-2.50	37.65
Mideast Gulf-Singapore	55	170.00	-2.50	24.94
Mideast Gulf-South Korea	55	160.00	-2.50	36.19
Cross Mideast Gulf (excl Hormuz transit)*	35	390,000	-10,000	-
Cross Mideast Gulf (excl Hormuz transit)	35	317.46	-8.14	-
Cross Mideast Gulf (Hormuz transit)*	35	415,000	-10,000	-
Cross Mideast Gulf (Hormuz transit)	35	285.03	-6.87	-
NW India-Mideast Gulf (excl Hormuz transit)*	35	465,000	-10,000	-
NW India-Mideast Gulf (excl Hormuz transit)	35	242.00	-5.20	-
NW India-Mideast Gulf (Hormuz transit)*	35	490,000	-10,000	-
NW India-Mideast Gulf (Hormuz transit)	35	232.17	-4.74	-
Mideast Gulf-Durban	35	-	-	30.31
Mideast Gulf-Durban**	35	-	-	34.85
Mideast Gulf-east Africa	35	190.00	-5.00	23.12
Mideast Gulf-east Africa**	35	225.00	-5.00	27.38
Mideast Gulf-east coast India	35	215.00	nc	-
Mideast Gulf-east coast India*	35	1,052,800	nc	30.08
Mideast Gulf-Japan	35	170.00	nc	40.82
Mideast Gulf-Singapore	35	210.00	nc	31.58
Mideast Gulf-UKC*	40	2,250,000	nc	56.25
Mideast Gulf-Walvis Bay	35	-	-	40.60
Mideast Gulf-Walvis Bay**	35	-	-	48.08
Mideast Gulf-west coast India	35	215.00	nc	-
Mideast Gulf-west coast India*	35	619,200	nc	17.69

Mideast Gulf LR2 market steps up

Clean LR2 tanker rates in the Mideast Gulf firmed while the European MR market stalled despite rising volumes to west Africa.

Mideast Gulf LR rates diverge

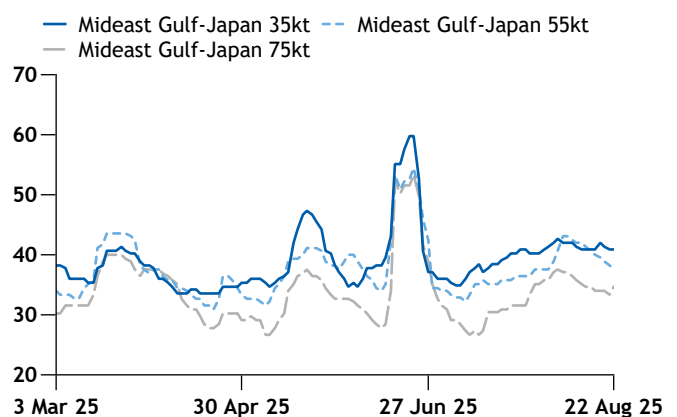
The Japan-bound LR2 rate from the Mideast Gulf rose on Friday on the back of heightened fixing activity. Charterers booked tankers for their cargoes, tightening vessel availability in the region. But the LR1 rate on the same route declined, as the supply of tankers of this size still outpaced demand despite some chartering activity.

Clean tanker rates - Europe, Middle East, Africa				
Route	Size '000t	Rate	±	\$/t
Northern Europe				
UKC-west Africa	60	115.00	nc	22.26
ARA-Durban	37	-	-	39.28
ARA-Walvis Bay	37	-	-	32.76
UKC-east coast Mexico	37	105.00	+2.50	23.07
UKC-South America	37	145.00	+2.50	29.77
UKC-US Atlantic coast	37	120.00	+2.50	20.29
UKC-west Africa	37	140.00	+2.50	27.10
Baltic-UKC	30	160.00	nc	17.26
Cross UKC	30	150.00	nc	10.29
Cross UKC	22	205.00	nc	14.06
Black Sea and Mediterranean				
Med-Japan*	80	2,950,000	nc	36.88
Med-Japan*	60	2,750,000	nc	45.83
Med-US Atlantic coast	37	130.00	+12.50	23.80
Black Sea-Med	30	145.00	nc	19.75
Cross Med	30	135.00	nc	10.81
Cross Med gasoline	30	135.00	nc	10.81
Cross Med jet	30	135.00	nc	10.81
Cross Med naphtha	30	135.00	nc	10.81
Med gasoline premium	30	0.00	nc	-
Med jet premium	30	0.00	nc	-
Med naphtha premium	30	0.00	nc	-
Med-UKC	30	145.00	nc	21.10
Med-UKC gasoline	30	145.00	nc	20.26
Med-UKC jet	30	145.00	nc	20.26
Med-UKC naphtha	30	145.00	nc	21.04
Med-Walvis Bay	35	202.00	-4.50	45.90

* \$ lumpsum **inclusive of anti-piracy fees

Mideast Gulf clean rates

\$/t



The LR2 rate from the Mideast Gulf to Japan ticked higher by WS5 to WS142.5.

Shell booked the Navig8 Perseverance at the rate on the route, loading from 1 September. At least three charterers remained in the market with a cargo for a LR2 vessel each in the region.

CLEAN TANKERS - EUROPE, MIDDLE EAST AND AFRICA

The LR1 rate from the Mideast Gulf to Japan stepped down by WS2.5 to WS155.

BP booked the Pacific Julia and Sanmar Sonatina at WS155 each, on the route loading from 4 September.

The Mideast Gulf to Japan MR rate was stable at WS170. The MR rate from the Mideast Gulf to east Africa edged lower by WS5 to WS225.

South Korea's naphtha demand from the Mideast Gulf may decline by around 10pc in the medium to long term, following recent announcements of cracker capacity cuts in the country. But the impact could be lesser than the estimated 25pc reduction in capacity, as many crackers were already running below optimal levels because of weak margins.

A 10pc drop in demand from one of Asia's key naphtha importers could lead Mideast Gulf exporters to reduce cargo shipments to the region, potentially decreasing clean tanker demand.

However, moderate naphtha demand from other Asian countries may reduce the impact of South Korea's demand slowdown and help stabilize freight rates from the Mideast Gulf.

Pressure remains on European MRs

The European MR tanker market closed the week slightly higher although the summer lull continued to hold activity slow.

Clean product volumes to west Africa have grown in recent weeks and reached 127,000 b/d so far in August, up from 113,000 b/d in July and just 61,000 b/d in June, Kpler data show. This is more in line with volumes from earlier in the year but remains significantly below the levels of 150-200,000 b/d, that were more common in previous years.

One of the key drivers behind the overall fall in west African demand is the Dangote refinery, which continues to ramp up its exports of clean products. Around 100,000 b/d of clean products have been shipped from Nigeria on the cross-west Africa route in March, May, June and July this year. And shipments in August have averaged 169,000 b/d, Kpler data show. This much shorter journey is unlikely to boost Atlantic MR rates significantly, but volumes to the Mediterranean and northwest Europe are climbing – which could shift the balance of MR trade in the Atlantic.

The UK Continent to west Africa MR rate rose by WS2.5 to WS140 on Friday but cargo numbers in the market remained limited.

US gasoline demand is rising and the US gasoline price in New York has jumped as a result. But European prices have also risen, which has kept European material as uncompetitive in the US markets. The UK Continent to US Atlantic coast MR rate rose by WS2.5 to WS120 but remains close to a multi-month low.

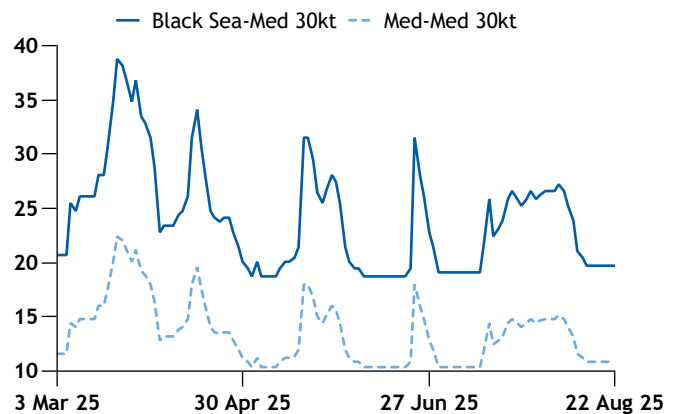
In the Handysize market, the cost of cross-Mediterranean freight was stable at WS135 and remained close to the lowest point of the year. MR tankers continue to dominate the Handysize route and have carried 422,000 b/d of clean products in August – which is stable with July but significantly higher than June's 202,000 b/d, Kpler data show. If the transatlantic MR market rebounds, these tankers will likely pull back from the cross-Mediterranean market, leading to a rush of demand for Handysizes. But September demand is often slow, which could hamper any rebound.

Workspaces:

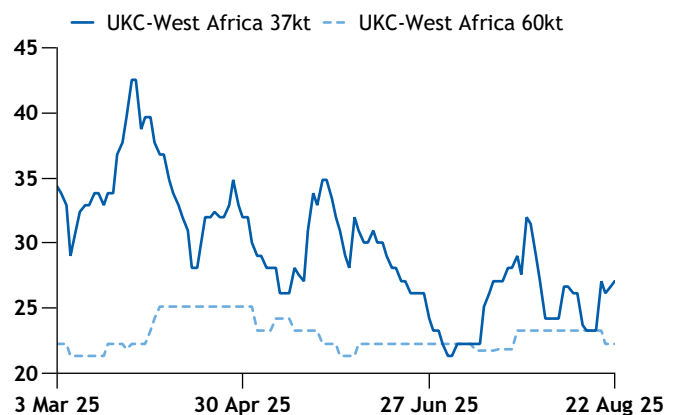
- Russian-origin Products + Freight - Global
- Products + Freight - Europe
- Products + Freight - US Gulf coast

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Black Sea/Mediterranean clean tanker rates \$/t



UKC-west Africa clean tanker rates \$/t



CLEAN TANKERS - AMERICAS

Rates flat-to-up ahead of UK bank holiday

Rates for MR shipments loading in the US Gulf coast were flat-to-up on Friday, though chartering activity began to taper compared with the start of the week.

The slight decrease in physical activity in the spot market comes just before a three day weekend in the England, where a banking holiday will have most away from their desks.

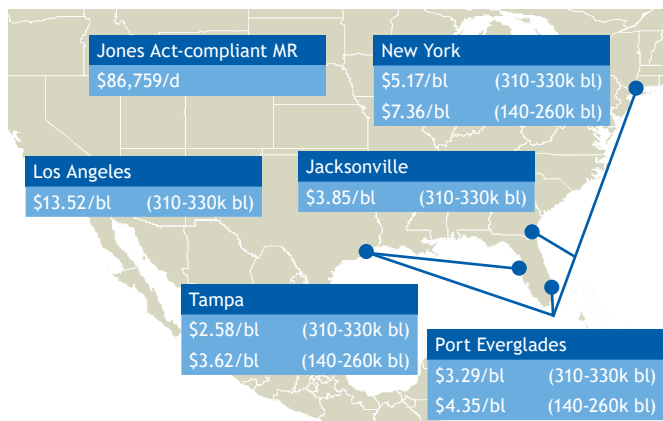
European demand holds

Valero put the SV Wakili on subjects for a USGC-UKC voyage at WS205 loading from 27 August, raising the rate on that route by WS10 to that level. That deal came after Exxon-Mobil fully fixed the Alia for a transatlantic voyage loading out of the USGC from 24-25 August. ExxonMobil also put the Torm India on subjects for the same route and loading date, though that vessel had previously been heard on subjects for a short-haul voyage in the Caribbean loading from 21 August.

Physical activity was otherwise absent from the market, with the upcoming banking holiday in the UK creating a three-day weekend and storm activity in the Atlantic still acting as a potential delaying factor for vessels. Market participants will have another week of opportunity before those in the US wind down ahead of the Labor day holiday on 1 September.

Clean tanker rates - Americas				
Route	Size '000t	Rate	±	\$/t
Worldscale				
USGC-Brazil	60	185.00	nc	-
USGC-north Brazil	60	-	-	31.27
USGC-south Brazil	60	-	-	39.79
USGC-UKC	60	150.00	nc	34.23
Caribbean-USAC	38	230.00	+10.00	26.34
USAC-UKC	38	195.00	+10.00	33.58
USGC/Caribbean-UKCM	38	205.00	+10.00	40.63
USGC-Argentina/Uruguay	38	-	-	65.18
USGC-east coast Canada	38	245.00	+10.00	33.66
USGC-east coast South America	38	250.00	+10.00	-
USGC-north Brazil	38	-	-	42.25
USGC-south Brazil	38	-	-	55.33
Lumpsum				
USGC-Japan	60	3,175,000	nc	52.92
EC Canada - USAC	38	750,000	+150,000	19.74
USGC-Chile (not south of Coronel)	38	2,575,000	+25,000	67.76
Calbuco diff	38	250,000	nc	6.58
Caldera diff	38	-100,000	nc	-2.63
Mejillones/Antofagasta diff	38	-125,000	nc	-3.29
Quintero diff	38	-50,000	nc	-1.32
USGC-Dominican Republic	38	1,025,000	nc	26.97
USGC-east coast Mexico	38	875,000	nc	23.03
USGC-Ecuador	38	1,975,000	+25,000	51.97
USGC-Japan	38	2,525,000	+25,000	66.45
USGC-Las Minas	38	1,025,000	nc	26.97
USGC-Lazaro Cardenas	38	2,325,000	+25,000	61.18
USGC-Peru	38	2,325,000	+25,000	61.18
Callao/Conchan diff	38	-100,000	nc	-2.63
USGC-Pozos	38	1,075,000	nc	28.29
Barranquilla diff	38	-45,000	nc	-1.18
Bolivar diff	38	-45,000	nc	-1.18
Cartagena diff	38	-30,000	nc	-0.79
USGC-Rosarito	38	2,475,000	+25,000	65.13
USGC-west coast Central America	38	1,975,000	+25,000	51.97
USGC-Vancouver	38	2,425,000	+25,000	63.82
USWC-Chile (not south of Coronel)	38	1,317,500	+12,500	34.67
Calbuco diff	38	250,000	nc	6.58
Caldera diff	38	-100,000	nc	-2.63
Mejillones/Antofagasta diff	38	-125,000	nc	-3.29
Quintero diff	38	-50,000	nc	-1.32
USWC-Lazaro Cardenas	38	775,000	nc	20.39
USWC-Rosarito	38	575,000	nc	15.13
Vancouver-Rosarito	38	875,000	nc	23.03
Vancouver-west coast Central America	38	915,000	+10,000	24.08
Vancouver-Peru	38	1,215,000	+10,000	31.97
Vancouver-Chile (not south of Coronel)	38	1,517,500	+12,500	39.93
USWC-Topolobampo	19	-	-	18.29
USGC-Guaymas	12	-	-	66.18
USWC-Guaymas	12	-	-	23.46

Clean tanker rates - Jones Act



Clean tanker rates - Jones Act (weekly)				\$/bl
Route	Size '000bl	Rate	±	
Houston-Tampa	310-330	2.58	+0.01	
Houston-Tampa	140-260	3.62	+0.01	
Houston-Port Everglades	310-330	3.29	nc	
Houston-Port Everglades	140-260	4.35	nc	
Houston-Jacksonville	310-330	3.85	nc	
Houston-New York	310-330	5.17	+0.01	
Houston-New York	140-260	7.36	+0.01	
New Orleans-Los Angeles	310-330	13.52	nc	
US-US \$/d	310-330	86,759	-26	

CLEAN TANKERS - AMERICAS

Panama Canal auction prices (weekly)		\$
Trasit slot type		Price
Neopanamax		305,000.00
Panamax		62,500.00

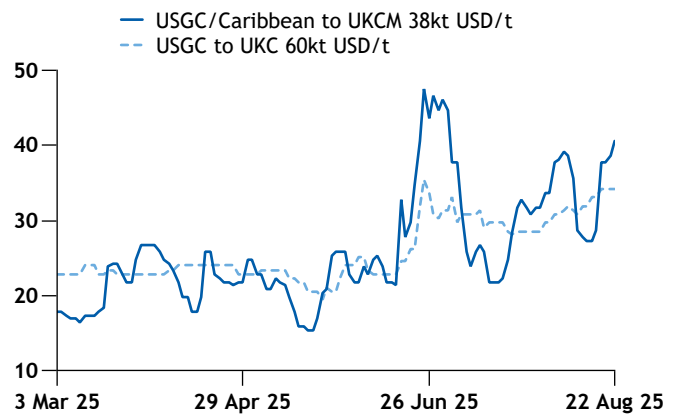
Delays		
Location	Days	±
Panama Canal Neopanamax locks NB	2	nc
Panama Canal Neopanamax locks SB	2	nc
Panama Canal Panamax locks NB	2	nc
Panama Canal Panamax locks SB	2	nc

Caribbean demand muted, rates hold

The rate for a Pozos-bound voyage held at \$1.075mn by the end of the trading day on the tighter supply in the region, after rising by \$100,000 in the previous day, keeping it at the highest level since 2 July. A charterer was looking to book a vessel on that route but no vessel was heard to have been put on subjects by the end of the trading day.

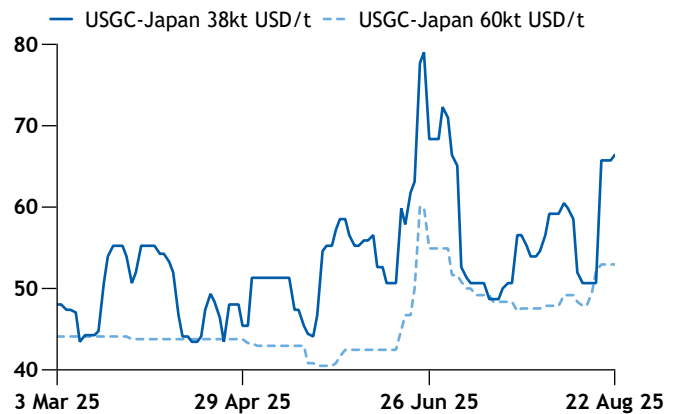
US-Europe clean tanker rates

\$/t



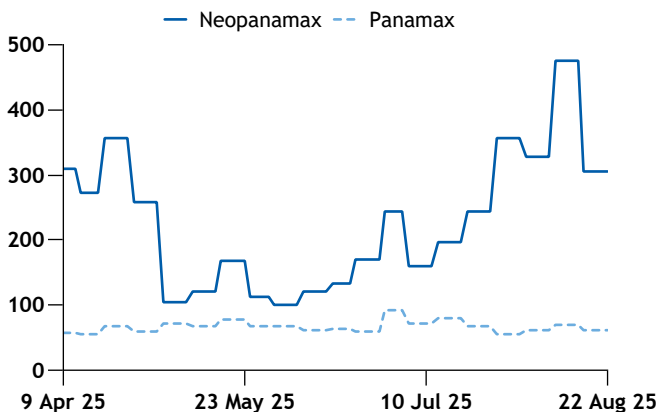
US-Japan clean tanker rates

\$/t



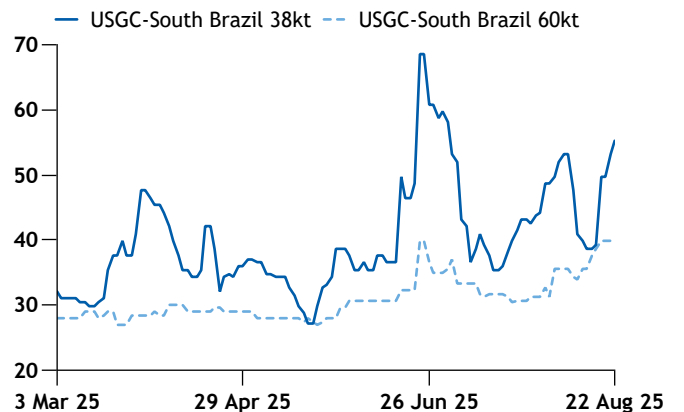
Panama Canal auction prices

\$



US-Brazil clean tanker rates

\$/t



CLEAN TANKERS - ASIA-PACIFIC

Asia-Pacific rates higher

Clean MR freight rates in Asia-Pacific rose on Friday, supported by a seasonal uptick in gasoil demand in the region and tightening vessel supply.

Rates from Singapore to Japan and from southeast Asia to Australia stepped up by WS2.5 each, to WS172.5 and WS207.5 respectively.

The cost of freight for a MR shipment from South Korea to US west coast increased by \$15,000 to \$1.715mn. The South Korea to Singapore rate rose by \$10,000 to \$660,000. The rate from South Korea to Australia edged higher by WS2.5 to WS215.

Glencore's subsidiary ST Shipping replaced the Tabit with the Torm Agnes at WS215 from Japan to Australia, loading from 29 August.

A seasonal uptick in gasoil demand from Asian countries during autumn could further support MR freight rates in Asia-Pacific.

Demand in China traditionally rises in autumn with the end of a summer fishing ban and an increase in construction activity. Demand from Australia, Asia-Pacific's biggest import centre, could also pick up during the coming weeks, because of higher mining activity. The country's 128,000 b/d Geelong refinery is also undergoing a 10-week long turnaround that started this month, which may add to a rise in demand for gasoil.

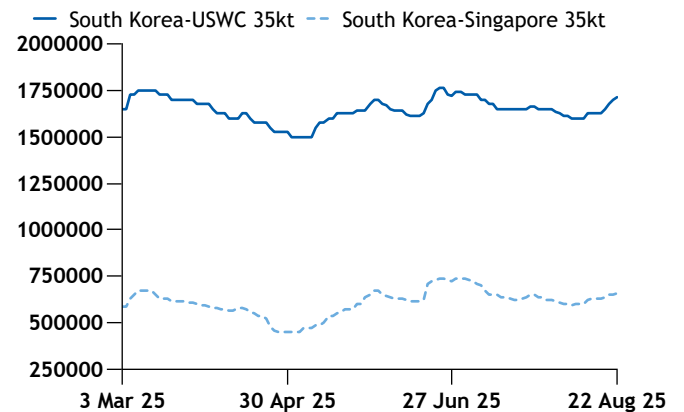
Clean tanker rates - Asia-Pacific

Route	Size '000t	Rate	±	\$/t
West coast India-south Brazil*	90	4,000,000	nc	44.44
West coast India-UKC*	90	3,750,000	nc	41.67
West coast India-south Brazil*	65	3,100,000	nc	47.69
West coast India-UKC*	65	2,900,000	nc	44.62
West coast India-south Brazil*	40	2,600,000	nc	65.00
SE Asia-EC Australia	35	207.50	+2.50	35.25
South Korea-Australia/New Zealand	35	215.00	+2.50	-
South Korea-Chile*	35	2,415,000	+15,000	69.00
South Korea-east coast Australia	35	-	-	37.07
South Korea-New Zealand	35	-	-	44.29
South Korea-Singapore*	35	660,000	+10,000	18.86
South Korea-USWC*	35	1,715,000	+15,000	49.00
North China-east coast Australia	35	215.00	+2.50	41.73
North China-west coast Australia	35	215.00	+2.50	36.81
Dalian-Singapore*	35	704,000	+11,000	20.11
SE Asia-EC Australia	30	242.00	+3.00	41.12
Singapore-Japan	30	172.50	+2.50	21.03
SE Asia-Walvis Bay	35	226.50	-4.50	52.08
Singapore-ARA*	40	2,200,000	nc	55.00

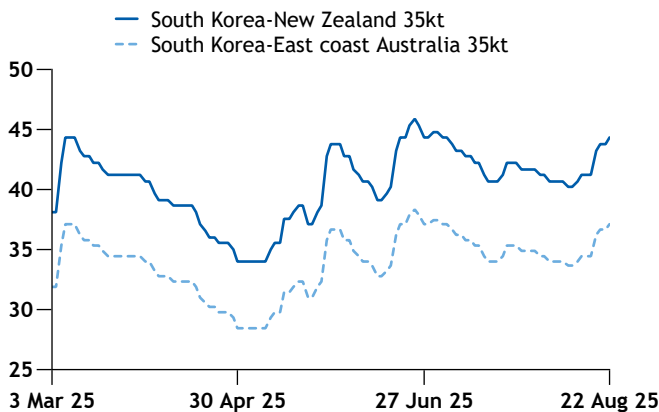
* \$ lumpsum

South Korea clean tanker lumpsum rates

\$

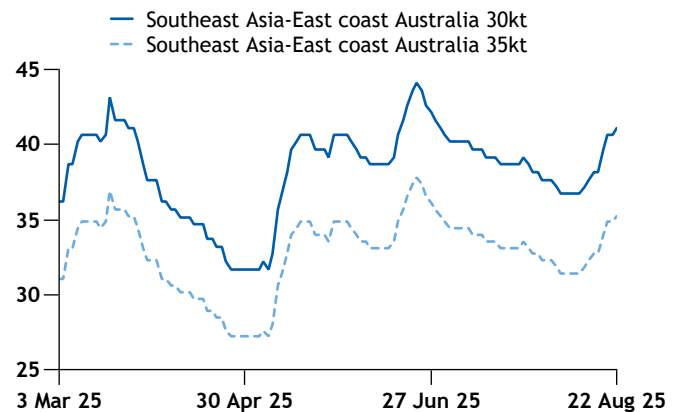


South Korea-Australia/New Zealand clean tanker rates \$/t



Southeast Asia-Australia clean tanker rates

\$/t



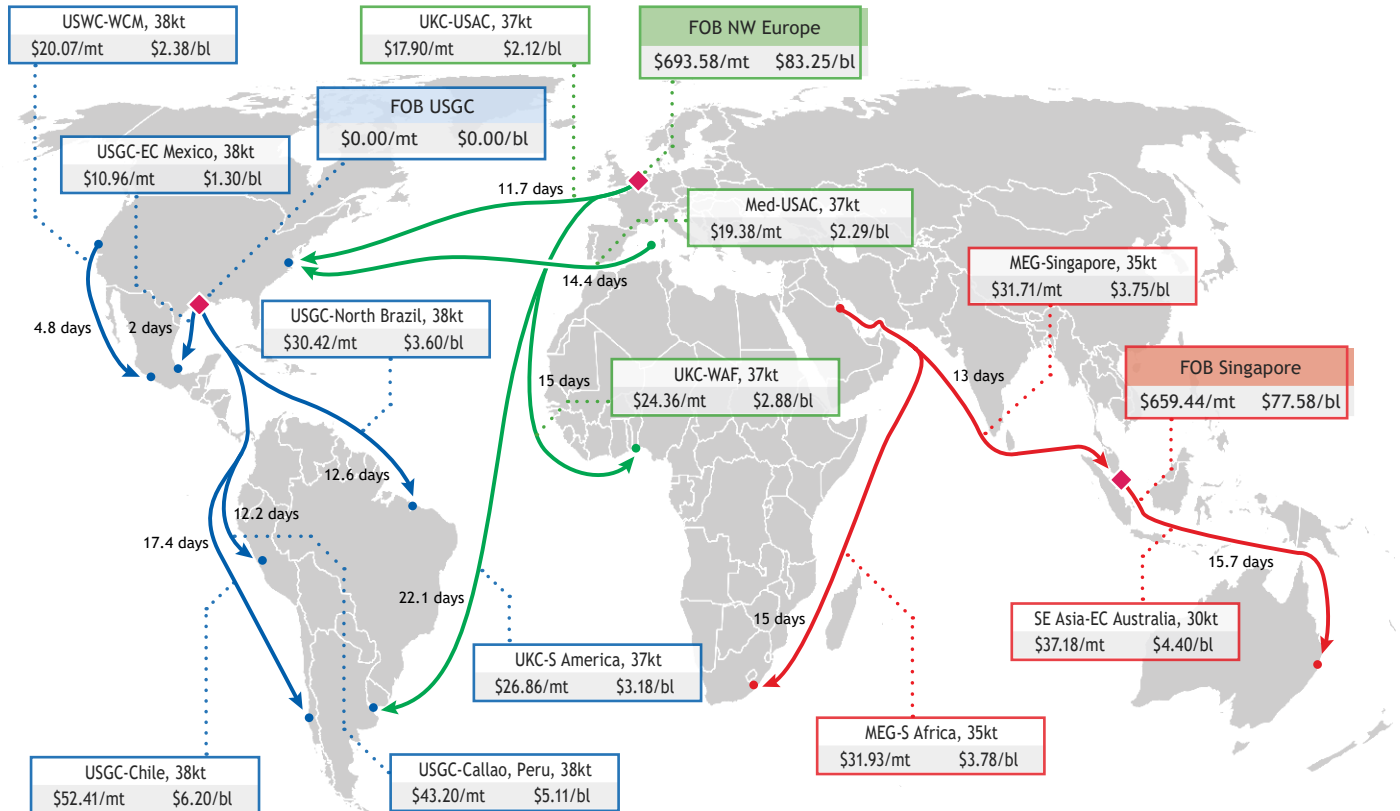
GASOLINE TRADE ROUTES Weekly price updates

Published date: Friday 22 August 2025

Period: 33

The prices used are mid-week (Tue-Wed-Thu) averages for the previous assessment week, providing a broad snapshot of key seaborne trade routes for gasoline around the globe.

- ◆ Key benchmark locations
- Freight prices for trade routes and vessel size



Americas Trade Routes		
Exports from regional hubs	\$/mt	\$/bl
Gasoline 87 conv USGC WB ex RVO	n/a	n/a
to East Coast Mexico	10.96	1.30
to Peru	43.20	5.11
to Chile	52.41	6.20
to Brazil	30.42	3.60
Gasoline reg CARBOB SF WB fob ex RVO	n/a	n/a
to West Coast Mexico	20.07	2.38

Europe Trade Routes		
Exports from regional hub	\$/mt	\$/bl
Eurobob Oxy barges	693.58	83.25
to USAC	711.48	85.37
to Argentina (Gasoline Eurobob oxy NWE del Buenos Aires)	732.71	87.95
to West Africa (Gasoline Eurobob delivered west Africa)	717.95	86.18
Gasoline 95r 10ppm W Med fob	695.50	83.49
to USAC	714.88	85.78

Asia Trade Routes		
Exports from regional hubs	\$/mt	\$/bl
Gasoline 92r Singapore	659.44	77.58
to Australia	696.62	81.98
Gasoline 92r Mideast Gulf	626.85	74.18
to South Africa (Gasoline 95r c+f Durban)	678.64	80.31

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Argus Road Fuels: argusmedia.com/en/oil-products/road-fuels

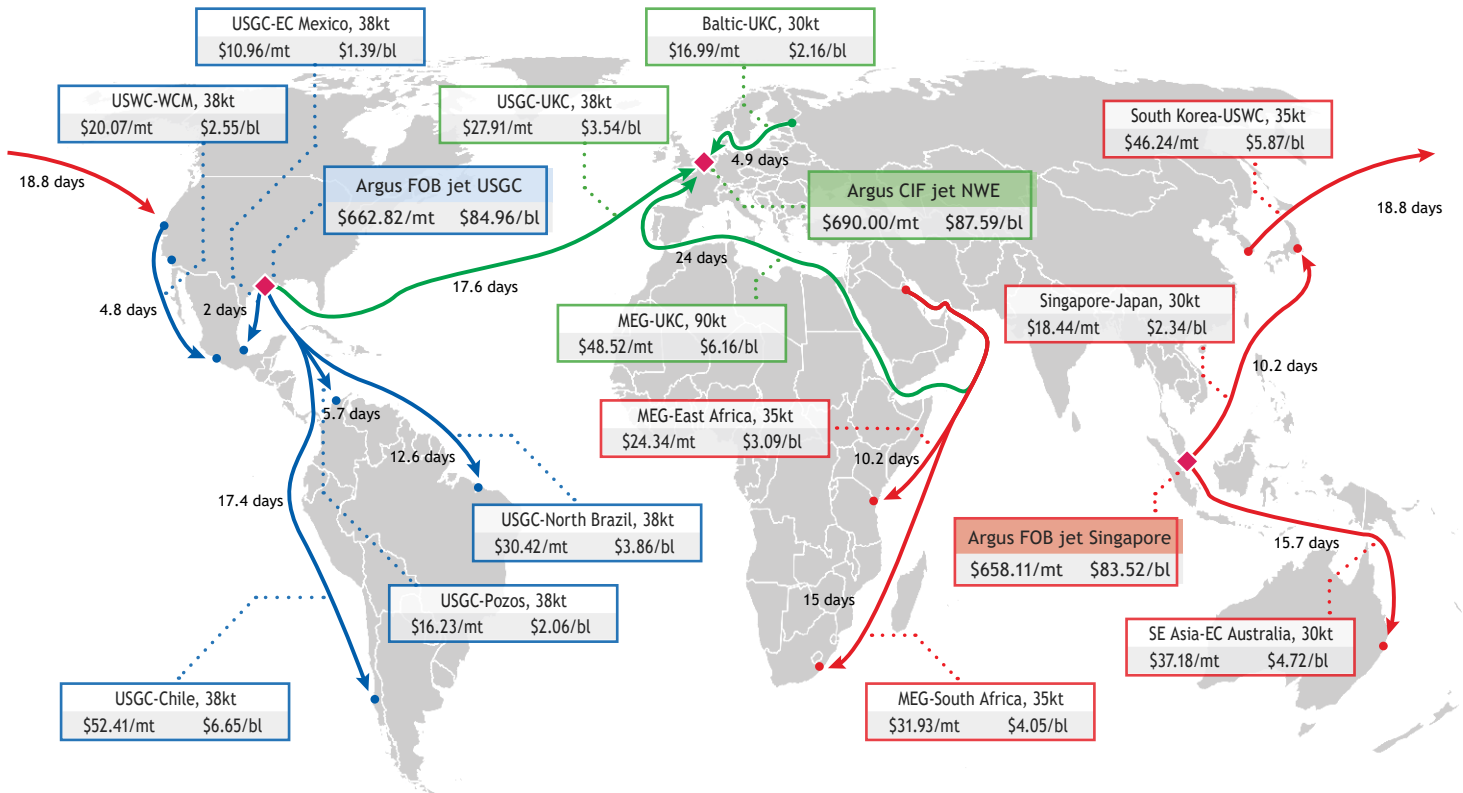
KEY JET FUEL TRADE ROUTES Weekly price updates

Published date: Friday 22 August 2025

Period: 33

The prices used are mid-week (Tue-Wed-Thu) averages for the previous assessment week, providing a broad snapshot of key seaborne trade routes for jet fuel around the globe.

- ◆ Key benchmark locations
- Freight prices for trade routes and vessel size



Americas Trade Routes		
Exports from regional hubs	\$/mt	\$/bl
Argus FOB jet USGC	662.82	84.96
to East Coast Mexico	673.78	86.35
to Pozos/Caribbean	679.05	87.02
to Chile	715.23	91.61
to Brazil	695.54	89.16
Argus FOB jet USWC	721.25	92.45
to West Coast Mexico	708.64	90.84

Asia Trade Routes		
Exports from regional hubs	\$/mt	\$/bl
Argus FOB jet Singapore	658.11	83.52
to Australia	695.29	88.24
to Japan	676.46	85.87
Argus FOB jet MEG	628.30	79.73
to South Africa	660.07	83.79
to East Africa	652.64	82.82
Argus FOB jet South Korea	648.23	82.28
to USWC	721.25	92.45

Europe Trade Routes		
Imports to regional hub	\$/mt	\$/bl
Argus CIF jet NWE	690.00	87.59
ex MEG	628.30	79.73
ex USGC	662.82	84.96
ex Baltic	673.01	85.43

To learn more about Argus' daily price assessments, market-moving news and in-depth analysis, please visit:
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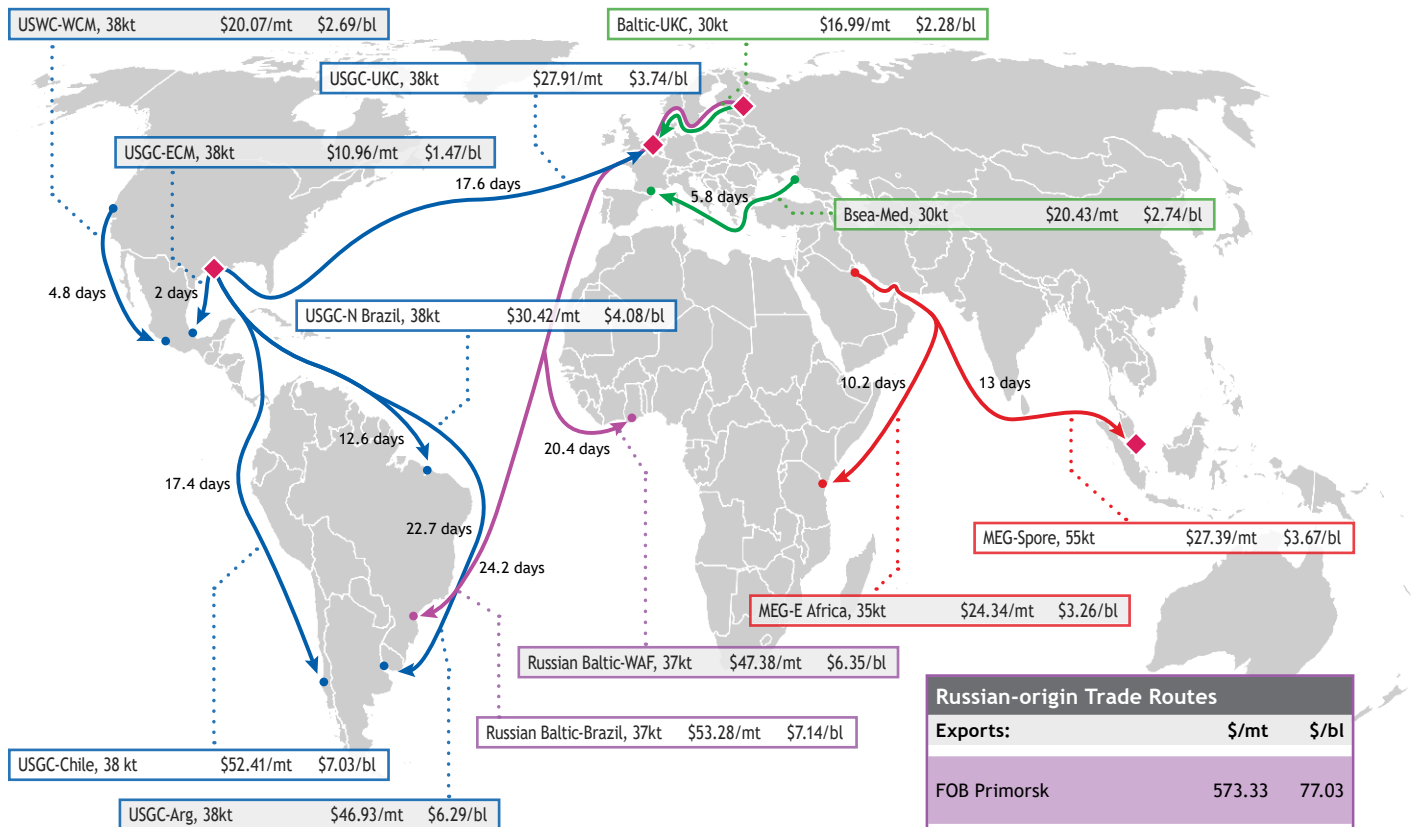
KEY DISTILLATES TRADE ROUTES Weekly price updates

Published date: Friday 22 August 2025

Period: 33

The prices used are mid-week (Tue-Wed-Thu) averages for the previous assessment week, providing a broad snapshot of key seaborne trade routes for distillates around the globe.

- ◆ Key benchmark locations
- Freight prices for trade routes and vessel size



Russian-origin Trade Routes		
Exports:	\$/mt	\$/bl
FOB Primorsk	573.33	77.03
del Brazil	626.61	84
del WAF	620.71	83

Americas Trade Routes		
Exports from regional hubs:	\$/mt	\$/bl
FOB USGC	n/a	n/a
del EC Mexico	10.96	1.47
del Chile	52.41	7.03
del N Brazil	46.93	6.29
del Argentina	730.47	101.51
del NW Europe	664.83	89.32
FOB USWC	n/a	n/a
del WC Mexico	20.07	2.69

Europe Trade Routes		
Imports to regional hubs:	\$/mt	\$/bl
Argus Diesel French 10 ppm NWE cif		
ex Baltic	664.83	89.32
Argus Gasoil Diesel French 10 ppm W Med cif		
ex Black Sea	666.08	89.48

Asia Trade Routes		
Exports from regional hub:	\$/mt	\$/bl
Argus Gasoil 10 ppm MEG	607.12	81.38
to Singapore	634.51	85.05
to East Africa	631.46	84.65

To learn more about Argus' daily price assessments, market-moving news and in-depth analysis, please visit:
[Argus Oil Products: argusmedia.com/en/oil-products](https://argusmedia.com/en/oil-products)

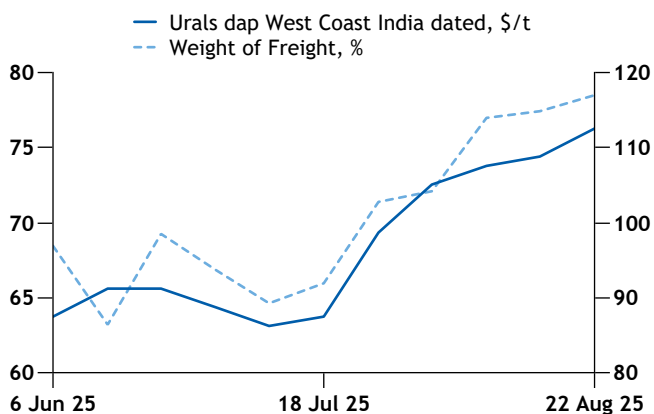
TANKER TCE RATES

Dirty tanker time charter equivalent rates						
Route	WS/LS	TCE (non-scrubber) USD/day	±	TCE (scrubber) USD/day	±	
Dirty Tankers - VLCC						
EMEA						
Basrah-Los Angeles	51.50	34,495	+2,847	40,327	+3,113	
Bonny-Ningbo	65.00	42,272	-242	46,803	-737	
Ras Tanura-LOOP	34.50	14,387	+3,077	18,695	+2,606	
Ras Tanura-Ningbo	67.00	46,573	-277	50,835	-744	
Ras Tanura-Rotterdam	37.00	15,900	+3,346	20,009	+2,897	
Americas						
Corpus Christi-Ningbo	7,950,000	34,365	+597	38,923	+98	
Dirty Tankers - Suezmax						
EMEA						
Basrah-Trieste	52.50	-6,877	-202	-3,670	-553	
Bonny-Rotterdam	110.00	33,928	+24	35,757	-141	
Novorossiysk-Ningbo	6,000,000	51,034	-185	54,461	-560	
Ras Tanura-Qingdao	122.50	48,827	+11,612	52,284	+11,234	
Ras Tanura-Singapore	122.50	46,754	+11,370	49,968	+11,019	
Americas						
Houston-Rotterdam	97.50	41,521	+6,986	44,825	+6,775	
Dirty Tankers - Aframax						
EMEA						
Arzew-Trieste	145.00	32,759	-278	-	-	
Fujairah to Singapore	130.00	23,697	-183	-	-	
Americas						
Dos Bocas-Houston	150.00	22,752	-503	-	-	
Houston-Rotterdam	155.00	28,886	-476	-	-	
Asia-Pacific						
Bukit Tua-Kikuma	107.50	17,920	-175	-	-	
De-Kastri-Nakhodka	710,000	35,000	nc	-	-	
Kimanis-Geelong	105.00	17,497	-159	-	-	
Kozmino-Longkou	2,200,000	129,094	-163	-	-	
Dirty Tankers - Handysize						
ARA to Azores	225.00	24,729	-49	-	-	
Clean tanker time charter equivalent rates						
Route	WS/LS	TCE (non-scrubber) USD/day	±			
Clean Tankers-Long Range 2						
EMEA						
Arzew-Oita	2,950,000		9,030		-146	
Ras Tanura-Chiba	142.50		28,014		+1,537	
Ras Tanura-Rotterdam	3,850,000		37,225		+59	
Yanbu-Rotterdam	2,700,000		35,211		+13	
Asia-Pacific						
Sikka-Rotterdam	3,750,000		35,903		+56	
Clean Tankers-Long Range 1						
EMEA						
Arzew-Oita	2,750,000		11,822		-113	
Ras Tanura-Chiba	155.00		22,354		-733	
Ras Tanura-Singapore	170.00		25,452		-728	
Ras Tanura-Rotterdam	3,000,000		27,527		+54	
Yanbu-Rotterdam	1,850,000		16,462		+18	
Asia-Pacific						
Sikka-Rotterdam	2,900,000		26,299		+50	
Clean Tankers-Medium Range						
EMEA						
Ras Tanura-Chiba	170.00		20,301		-97	
Ras Tanura-Singapore	210.00		19,869		-100	
Ras Tanura-Dar es Salaam	225.00		22,398		-842	
Rotterdam-New York	120.00		7,662		+381	
Americas						
Houston-Coronel	2,575,000		24,728		+299	
Houston-Pozos	1,075,000		37,547		-286	
Asia-Pacific						
Daesan-Port Botany	215.00		21,068		+313	
Singapore-Port Botany	207.50		20,505		+312	
Yeosu-Los Angeles	1,715,000		24,979		+213	
Yeosu-Singapore	660,000		21,106		+411	
Clean Tankers-Handysize						
Arzew-Trieste	135.00		6,146		-135	
Brofjordan-Rotterdam	150.00		8,117		-172	

RUSSIAN-ORIGIN FREIGHT

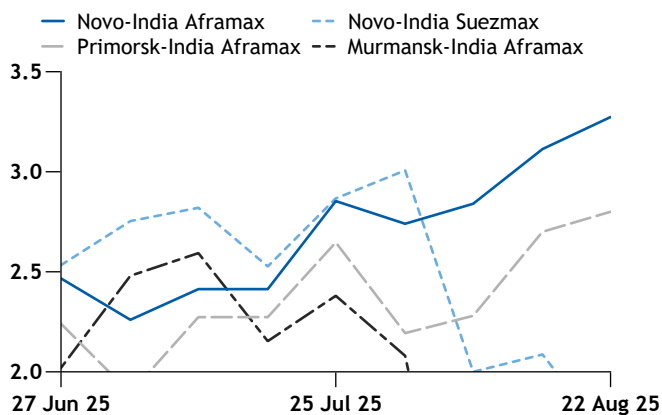
Russian-origin freight assessments, 22 Aug						
Route	Size '000t	Low	High	Midpoint	+/-	\$/t
Black Sea						
Novorossiysk-west coast India	80	5,600,000	6,600,000	6,100,000	+150,000	76.25
Novorossiysk-north China	80	7,600,000	8,400,000	8,000,000	+50,000	100.00
Novorossiysk-west coast India	140	6,300,000	7,500,000	6,900,000	+150,000	49.29
Novorossiysk-north China	140	8,300,000	9,500,000	8,900,000	+100,000	63.58
Baltic Sea						
Primorsk-west coast India	100	6,100,000	7,400,000	6,750,000	+100,000	67.50
Primorsk-north China	100	8,000,000	9,400,000	8,700,000	+50,000	87.00
Barents Sea						
Murmansk-west coast India	140	6,700,000	8,400,000	7,550,000	+50,000	53.93
Murmansk-north China	140	8,700,000	10,400,000	9,550,000	+50,000	68.22
Asia-Pacific						
Kozmino-Chiba	100	1,600,000	2,300,000	1,950,000	nc	19.50
Kozmino-north China	100	1,900,000	2,500,000	2,200,000	nc	22.00
Kozmino-south China	100	2,200,000	2,900,000	2,550,000	nc	25.50
Kozmino-Yeosu	100	2,100,000	2,800,000	2,450,000	nc	24.50

Weight of Freight for Urals del India (% of del price) \$mn/t



Russian-origin baseline, 22 Aug				
Route	Size '000t	Rate	+/-	\$/t
Black Sea				
Novorossiysk-west coast India	80	2,823,609	-4,380	35.30
Novorossiysk-north China	80	4,104,138	-8,244	51.30
Novorossiysk-west coast India	140	5,252,634	+94,566	37.52
Novorossiysk-north China	140	7,814,834	+150,180	55.82
Baltic Sea				
Primorsk-west coast India	100	3,952,897	-18,280	39.53
Primorsk-north China	100	5,223,975	-5,928	52.24
Barents Sea				
Murmansk-west coast India	140	7,752,736	+133,364	55.38
Murmansk-north China	140	10,181,547	+203,836	72.73

Russian-origin freight to India, diff vs baseline \$mn

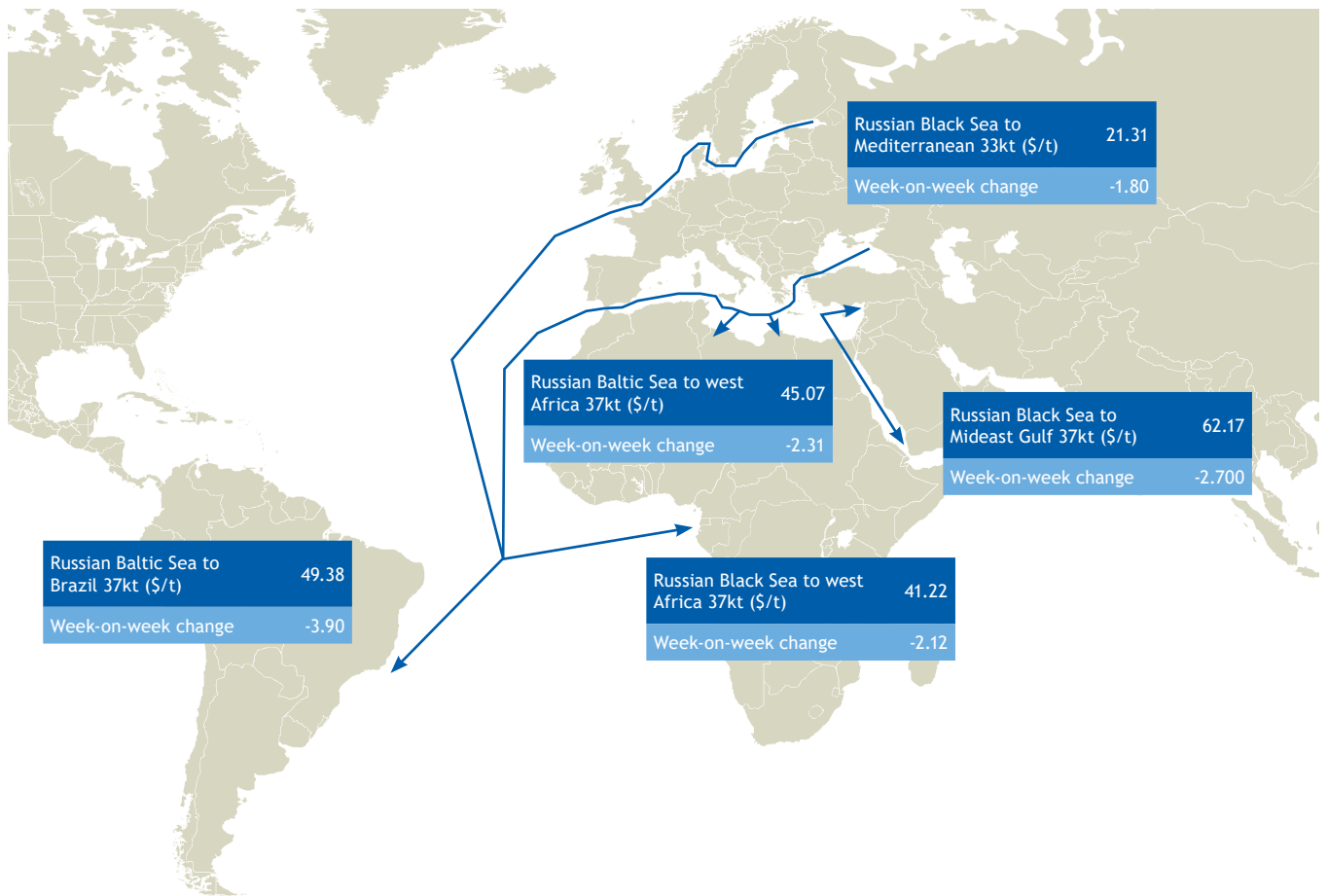


Additional War Risk Premium, 22 Aug					
Region	Low	High	Midpoint	+/-	\$/t
Aframax					
Black Sea	339,000	706,250	522,625	nc	6.53
Baltic Sea	56,500	141,250	98,875	nc	0.99
Suezmax					
Black Sea	414,000	862,500	638,250	nc	4.56
Barents Sea	69,000	172,500	120,750	nc	0.86

RUSSIAN-ORIGIN FREIGHT

Russian-origin clean products, 22 Aug						
Route	Size '000t	Low	High	Midpoint	+/-	\$/t
Black Sea						
Russian Black Sea-Mediterranean	33	190.00	225.00	207.50	-17.50	21.31
Russian Black Sea-west Africa	37	180.00	210.00	195.00	-10.00	41.22
Russian Black Sea-Mideast Gulf	37	1,700,000	2,900,000	2,300,000	-100,000	62.17
Baltic Sea						
Russian Baltic Sea-Mediterranean	37	180.00	210.00	195.00	-10.00	33.23
Russian Baltic Sea-west Africa	37	180.00	210.00	195.00	-10.00	45.07
Russian Baltic Sea-Brazil	37	180.00	200.00	190.00	-15.00	49.38
Russian Baltic Sea-Caribbean	37	180.00	200.00	190.00	-15.00	43.40
Russian Baltic Sea-Mideast Gulf	37	1,800,000	3,000,000	2,400,000	-50,000	64.87
Russian Baltic Sea-Singapore	37	2,400,000	3,600,000	3,000,000	-50,000	81.08
Russian Baltic Sea-west coast India	37	1,900,000	3,200,000	2,550,000	-50,000	68.92

Russian-origin clean products



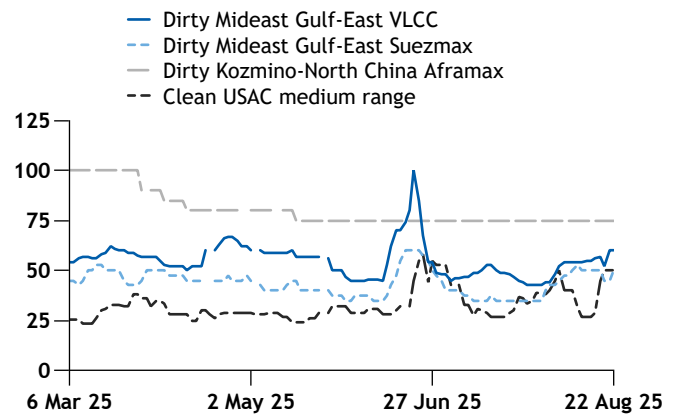
FORWARD FREIGHT, CCF AND DEMURRAGE

Forward Freight Agreement assessments				
Route	Size '000t	Rate	±	\$/t
Dirty tankers - EMEA				
Mideast Gulf-East	270	67.00	nc	15.69
Aug 25	270	62.50	+4.50	14.64
Sep 25	270	67.00	+1.50	15.69
Oct 25	270	70.00	+1.50	16.39
West Africa-UKCM	130	110.00	nc	20.25
Aug 25	130	109.50	-0.50	20.16
Sep 25	130	104.00	+2.00	19.15
Oct 25	130	103.00	+5.50	18.96
Dirty tankers - Americas				
USGC-China (STS)	270	7,700,000	+100,000	28.52
Aug 25	270	7,350,000	+100,000	27.22
Sep 25	270	8,250,000	+50,000	30.56
Oct 25	270	8,350,000	nc	30.93
USGC-UKC	90	-	-	26.45
Aug 25	90	-	-	27.04
Sep 25	90	-	-	28.41
Oct 25	90	-	-	28.67
USGC-UKC	70	155.00	nc	34.01
Aug 25	70	158.50	+0.20	34.77
Sep 25	70	166.50	+0.50	36.53
Oct 25	70	168.00	+2.00	36.86
Clean tankers - EMEA				
Mideast Gulf-Japan	55	155.00	-2.50	37.65
Aug 25	55	164.50	+0.50	39.96
Sep 25	55	158.00	+4.50	38.38
Oct 25	55	145.50	+1.50	35.34
UKC-US Atlantic coast	37	120.00	+2.50	20.29
Aug 25	37	112.50	nc	19.02
Sep 25	37	131.50	+3.50	22.24
Oct 25	37	126.00	+4.00	21.31
Cross Med	30	135.00	nc	10.81
Aug 25	30	153.00	-1.50	12.26
Sep 25	30	155.50	nc	12.46
Oct 25	30	160.00	+1.50	12.82
Clean tankers - Americas				
USGC/Caribbean-UKCM	38	205.00	+10.00	40.63
Aug 25	38	177.10	+1.20	35.10
Sep 25	38	145.00	+4.50	28.74
Oct 25	38	133.00	+1.50	26.36

Demurrage			
Route	Segment	\$/day	±
Atlantic basin-Asia	VLCC	68,000	nc
Mideast Gulf-East	VLCC	60,000	nc
Mideast Gulf-East	Suezmax	50,000	+5,000
Black Sea-Med	Suezmax	75,000	nc
Black Sea-Med	Aframax	50,000	nc
Kozmino-north China	Aframax	75,000	nc
De-Kastri-north China	Aframax	75,000	nc
De-Kastri-South Korea	Aframax	75,000	nc
De-Kastri-India	Aframax	75,000	nc
USGC-Europe	Aframax	55,000	nc
Atlantic coast Americas	MR	50,000	nc

Demurrage rates

'000 \$/d



Clean tanker rates - Ukraine (weekly)					\$/t
Route	Size '000t	Low	High	Midpoint	+/-
East Med -Ukraine	5-6	31.00	37.00	34.00	0.00

CCF (Carbon cost of freight) indexes							
Route	Size '000 t	Lump sum \$		\$/t		\$/bl	
		One-way	Round-trip	One-way	Round-trip	One-way	Round-trip
Dirty							
Ras Tanura-Rotterdam (Arab Light)	280	163,363	263,877	0.58	0.94	0.08	0.13
Bonny-Rotterdam (Bonny Light)	130	85,846	142,195	0.66	1.09	0.09	0.15
Houston-Rotterdam (WTI)	70	77,045	132,959	1.10	1.90	0.14	0.25
Clean							
Ras Tanura-Rotterdam	65	75,301	135,090	1.16	2.08	-	-
Houston-Rotterdam	38	48,485	84,665	1.28	2.23	-	-
Rotterdam-New York	37	33,879	57,766	0.92	1.56	-	-

CRUDE-SPECIFIC FREIGHT

North America			Middle East			Middle East (continued)		
Delivery to	Size	\$/bl	Delivery to	Size	\$/bl	Delivery to	Size	\$/bl
Cold Lake			Al-Shaheen section			Kuwait		
West coast Panama	80kt	3.23	Asia-Pacific	270kt	2.20	Asia-Pacific	270kt	2.17
China	80kt	3.41	Europe	280kt	1.63	northeast Asia	130kt	4.11
US west coast	80kt	1.63	US Gulf coast	280kt	1.82	Europe	280kt	1.61
Mars			US west coast	280kt	2.95	Mediterranean	140kt	1.42
China	270kt	4.11	Arab Heavy			Singapore	270kt	1.46
China (STS)	270kt	3.98	Asia-Pacific	270kt	2.20	southeast Asia	130kt	2.62
China (STS) Futures, Aug 25	270kt	3.80	northeast Asia	130kt	4.17	US Gulf coast	280kt	1.80
China (STS) Futures, Sep 25	270kt	4.27	Europe	280kt	1.63	west coast India	270kt	0.90
China (STS) Futures, Oct 25	270kt	4.32	Mediterranean	140kt	1.44	west coast India	130kt	1.38
China	130kt	5.34	Singapore	270kt	1.49	west coast India	80kt	1.48
east coast Canada	70kt	3.29	southeast Asia	130kt	2.66	Murban		
Europe	145kt	3.02	southeast Asia	80kt	2.75	Asia-Pacific	270kt	2.05
Med	70kt	5.93	US Gulf coast	280kt	1.82	Asia-Pacific futures, Aug 25	270kt	1.91
Rotterdam	270kt	1.91	west coast India	270kt	0.91	Asia-Pacific futures, Sep 25	270kt	2.05
Singapore	270kt	3.59	west coast India	130kt	1.40	Asia-Pacific futures, Oct 25	270kt	2.14
South Korea/Japan	270kt	4.55	west coast India	80kt	1.51	northeast Asia	130kt	3.88
UKC	70kt	4.75	Arab Light			Europe	280kt	1.52
UKC Futures, Aug 25	70kt	4.85	Asia-Pacific	270kt	2.13	Mediterranean	140kt	1.34
UKC Futures, Sep 25	70kt	5.10	northeast Asia	130kt	4.03	Singapore	270kt	1.38
UKC Futures, Oct 25	70kt	5.14	Europe	280kt	1.58	southeast Asia	130kt	2.47
west coast India	270kt	3.59	Mediterranean	140kt	1.39	US Gulf coast	280kt	1.70
WCS			Singapore	270kt	1.44	west coast India	270kt	0.85
China	270kt	4.32	southeast Asia	130kt	2.57	west coast India	130kt	1.30
China (STS)	270kt	4.19	USGC coast	280kt	1.76	west coast India	80kt	1.40
China (STS) Futures, Aug 25	270kt	4.00	west coast India	270kt	0.88	Oman		
China (STS) Futures, Sep 25	270kt	4.49	west coast India	130kt	1.36	Asia-Pacific	270kt	2.17
China (STS) Futures, Oct 25	270kt	4.54	west coast India	80kt	1.46	northeast Asia	130kt	4.10
China	130kt	5.62	Arab Medium			Europe	280kt	1.61
Europe	145kt	3.18	Asia-Pacific	270kt	2.16	Mediterranean	140kt	1.42
Med	70kt	6.24	northeast Asia	130kt	4.09	Singapore	270kt	1.46
Rotterdam	270kt	2.01	Europe	280kt	1.60	southeast Asia	130kt	2.62
Singapore	270kt	3.78	Mediterranean	140kt	1.41	US Gulf coast	280kt	1.79
South Korea/Japan	270kt	4.79	Singapore	270kt	1.46	west coast India	270kt	0.90
UKC	70kt	4.99	southeast Asia	130kt	2.61	west coast India	130kt	1.38
UKC Futures, Aug 25	70kt	5.11	US Gulf coast	280kt	1.79	west coast India	80kt	1.48
UKC Futures, Sep 25	70kt	5.36	west coast India	270kt	0.90	West Africa		
UKC Futures, Oct 25	70kt	5.41	west coast India	130kt	1.37	Delivery to	Size	\$/bl
west coast India	270kt	3.78	west coast India	80kt	1.48	Bonny Light		
WTI			Basrah Heavy			China	260kt	3.17
China	270kt	3.82	Asia-Pacific	270kt	2.27	east coast India	260kt	2.49
China (STS)	270kt	3.70	northeast Asia	130kt	4.30	east coast India	130kt	4.50
China (STS) Futures, Aug 25	270kt	3.53	Europe	280kt	1.68	UKCM	130kt	2.79
China (STS) Futures, Sep 25	270kt	3.96	Mediterranean	140kt	1.48	UKCM futures, Aug 25	130kt	2.77
China (STS) Futures, Oct 25	270kt	4.01	Singapore	270kt	1.53	UKCM futures, Sep 25	130kt	2.64
China	130kt	4.96	southeast Asia	130kt	2.74	UKCM futures, Oct 25	130kt	2.61
west Africa	270kt	1.90	US Gulf coast	280kt	1.88	west coast India	260kt	2.33
east coast Canada	70kt	3.05	US West coast	280kt	3.05	west coast India	130kt	4.34
Europe	145kt	2.81	west coast India	270kt	0.94	Cabinda		
Med	90kt	4.29	west coast India	130kt	1.44	China	260kt	3.16
Med	70kt	5.51	west coast India	80kt	1.55	east coast India	260kt	2.47
Rotterdam	270kt	1.78	Basrah Medium			east coast India	130kt	4.47
Singapore	270kt	3.34	Asia-Pacific	270kt	2.20	UKCM	130kt	2.77
South Korea/Japan	270kt	4.23	Asia-Pacific futures, Aug 25	270kt	2.05	west coast India	260kt	2.31
UKC	90kt	3.43	Asia-Pacific futures, Sep 25	270kt	2.20	west coast India	130kt	4.32
UKC Futures, Aug 25	90kt	3.51	Asia-Pacific futures, Oct 25	270kt	2.30	Dalia		
UKC Futures, Sep 25	90kt	3.68	northeast Asia	130kt	4.16	China	260kt	3.35
UKC Futures, Oct 25	90kt	3.72	Europe	280kt	1.63	east coast India	260kt	2.62
UKC	70kt	4.41	Mediterranean	140kt	1.44	east coast India	130kt	4.74
UKC Futures, Aug 25	70kt	4.51	Singapore	270kt	1.48	UKCM	130kt	2.94
UKC Futures, Sep 25	70kt	4.74	southeast Asia	130kt	2.65	US Gulf coast	260kt	2.11
UKC Futures, Oct 25	70kt	4.78	US Gulf coast	280kt	1.82	US Gulf coast	130kt	3.31
west coast India	270kt	3.34	US West coast	280kt	2.96	west coast India	260kt	2.45
			west coast India	270kt	0.91	west coast India	130kt	4.57
			west coast India	130kt	1.40			
			west coast India	80kt	1.50			

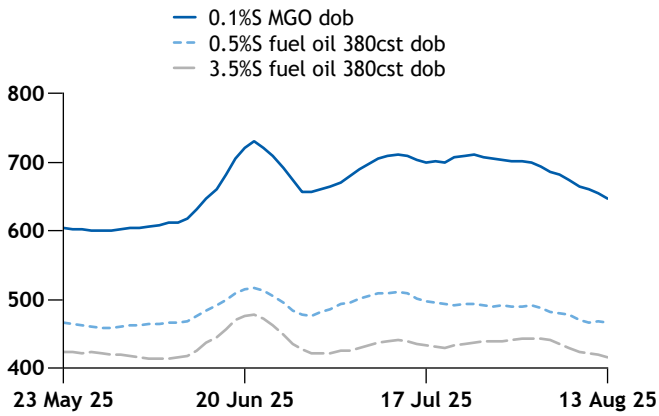
CRUDE-SPECIFIC FREIGHT

West Africa (continued)			Latin America (continued)			Asia-Pacific		
Delivery to	Size	\$/bl	Delivery to	Size	\$/bl	Delivery to	Size	\$/bl
Djeno			Maya			ESPO		
China	260kt	3.29	US Gulf Coast	70kt	1.33	Chiba	100kt	2.63
east coast India	260kt	2.58	US Gulf Coast	50kt	1.22	north China	100kt	2.97
east coast India	130kt	4.66	Medanito			Singapore	100kt	4.28
UKCM	130kt	2.89	US west coast	65kt	5.52	Yeosu	100kt	3.31
west coast India	260kt	2.41	US Atlantic coast	65kt	4.76			
west coast India	130kt	4.49	Napo			Mediterranean		
Egina			Houston	50kt	4.79	Delivery to	Size	\$/bl
China	260kt	3.27	Los Angeles	100kt	2.26	Arab Light (Sidi K)		
east coast India	260kt	2.56	Oriente			Mediterranean	80kt	1.63
east coast India	130kt	4.63	Houston	50kt	4.61	UKC	80kt	2.56
UKCM	130kt	2.87	Los Angeles	100kt	2.17	BTC		
west coast India	260kt	2.40	US west coast	100kt	7.22	east Asia	130kt	5.19
west coast India	130kt	4.47	US west coast	50kt	9.03	Mediterranean	130kt	1.22
Escravos			Payara Gold			Mediterranean	80kt	1.58
China	260kt	3.17	UKC	145kt	2.35	UKC	80kt	2.49
east coast India	260kt	2.48	Tupi			Es Sider		
east coast India	130kt	4.49	China	260kt	3.53	east Asia	130kt	5.27
UKCM	130kt	2.78	UKC	260kt	1.83	Mediterranean	80kt	1.60
west coast India	260kt	2.33	UKC	130kt	2.98	UKC	80kt	2.52
west coast India	130kt	4.33	US west coast	260kt	2.93	US Gulf coast	130kt	2.37
Forcados			Unity Gold			US Gulf coast	80kt	2.31
China	260kt	3.17	UKC	145kt	2.26	Saharan		
east coast India	260kt	2.49	Vasconia			east Asia	130kt	5.02
east coast India	130kt	4.50	Panama	145kt	0.80	Mediterranean	130kt	1.18
UKCM	130kt	2.79	US west coast	130kt	2.00	Mediterranean	80kt	1.53
west coast India	260kt	2.33	North Sea, Baltic, Barrents			UKC	80kt	2.41
west coast India	130kt	4.34	Delivery to	Size	\$/bl	US Gulf coast	130kt	2.26
Girassol			Ekofisk			US Gulf coast	80kt	2.20
China	260kt	3.21	east Asia	270kt	3.42			
east coast India	260kt	2.52	Mediterranean	80kt	2.86	Black Sea		
east coast India	130kt	4.55	UKC	80kt	1.44	Delivery to	Size	\$/bl
UKCM	130kt	2.82	US Atlantic coast	80kt	2.21	Azeri Light (Supsa)		
west coast India	260kt	2.35	Forties			Mediterranean	80kt	2.46
west coast India	130kt	4.39	east Asia	270kt	3.36	UKC	80kt	3.81
Qua lboe			Mediterranean	80kt	2.81	CPC		
China	260kt	3.07	UKC	80kt	1.42	East Asia	130kt	4.97
east coast India	260kt	2.41	US Atlantic coast	80kt	2.17	Mediterranean	130kt	2.16
east coast India	130kt	4.35	Johan Sverdrup			Mediterranean	80kt	2.31
UKCM	130kt	2.69	east Asia	270kt	3.64	UKC	80kt	3.57
US Gulf coast	260kt	1.94	Mediterranean	80kt	3.05	US Gulf Coast	130kt	-
US Gulf coast	130kt	3.04	UKC	80kt	1.54	Kebco		
west coast India	260kt	2.25	US Atlantic coast	80kt	2.36	Mediterranean	140kt	1.98
west coast India	130kt	4.20	US Gulf coast	80kt	2.55	Urals		
Latin America			Urals			West coast India	80kt	10.64
Delivery to	Size	\$/bl	West coast India	100kt	9.40	North China	80kt	13.95
Castilla			North China	100kt	12.11	West coast India	140kt	6.88
China	270kt	4.28	Mediterranean	100kt	-	North China	140kt	8.87
Panama	130kt	0.81	UKC	100kt	-	East Asia	130kt	-
US Gulf Coast	130kt	1.58	Urals (Baseline)			Mediterranean	140kt	-
US Gulf Coast	70kt	2.35	West coast India	100kt	5.50	Mediterranean	80kt	-
US Gulf Coast	50kt	2.51	North China	100kt	7.27	UKC	80kt	-
west coast India	270kt	3.78	Varandey			US Gulf Coast	130kt	-
Isthmus			West coast India	100kt	7.18	Urals (Baseline)		
US Gulf Coast	70kt	1.24	North China	100kt	9.08	West coast India	80kt	4.92
US Gulf Coast	50kt	1.14	Varandey (Baseline)			North China	80kt	7.14
Liza			West coast India	100kt	7.37	West coast India	140kt	5.22
UKC	145kt	2.30	North China	100kt	9.68	North China	140kt	7.77

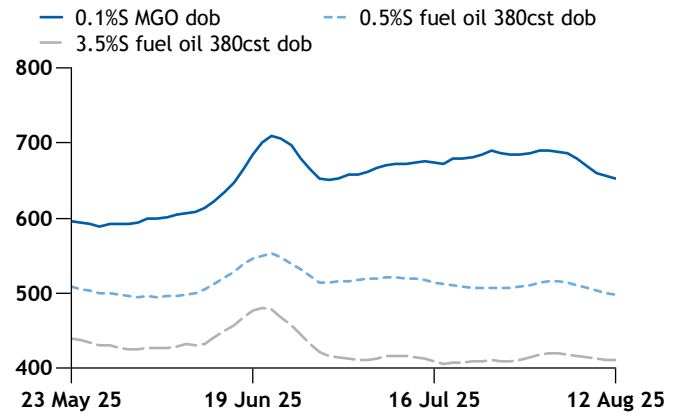
BUNKERS

Conventional

Rotterdam bunker prices (0.5%S, 3.5%S, MGO) \$/t

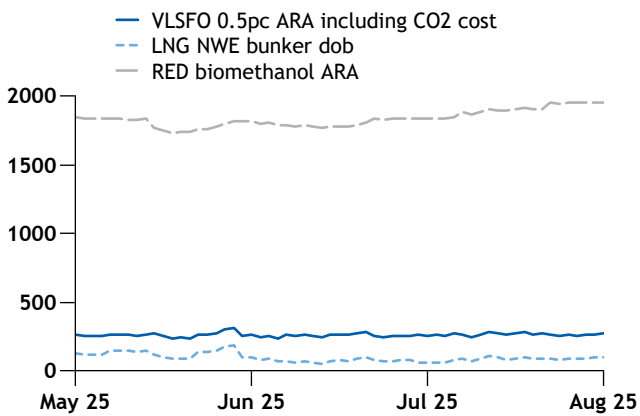


Singapore bunker prices (0.5%S, 3.5%S, MGO) \$/t

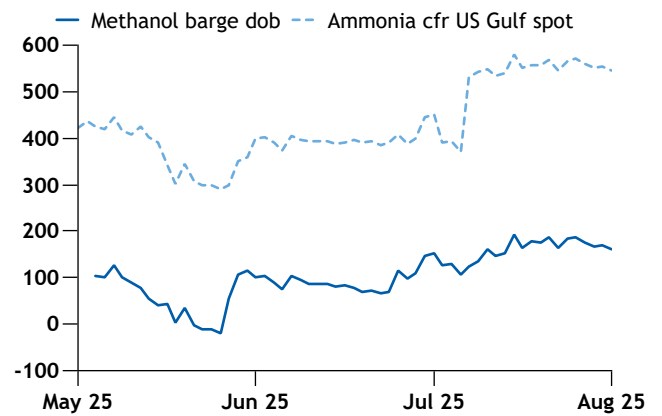


Alternative

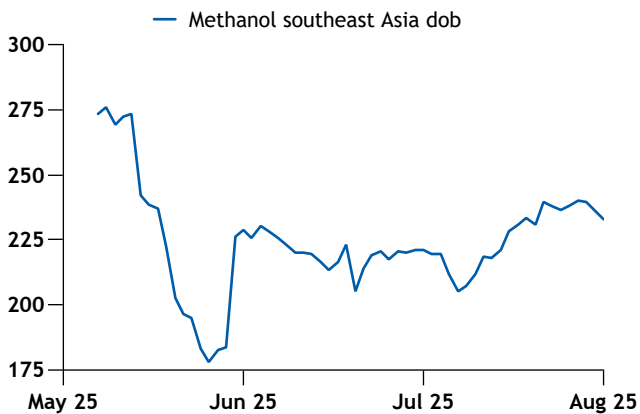
Rotterdam - LNG, others as premiums to VLSFO \$/t



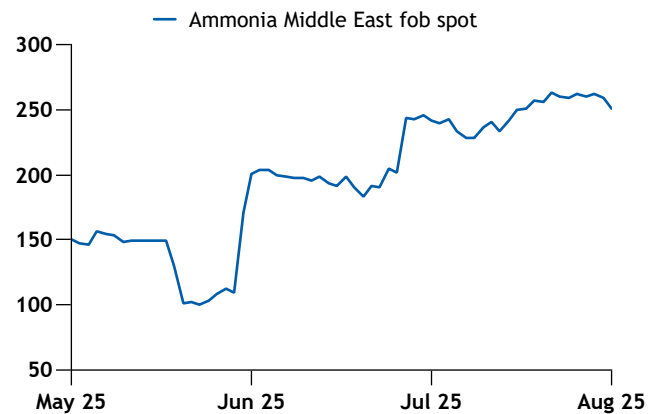
USGC - Methanol, ammonia as premiums to VLSFO \$/t



Singapore - Methanol premium to VLSFO \$/t



Middle East - Ammonia premium to VLSFO \$/t



Daily marine fuels prices and market intelligence are available in the [Argus Marine Fuels](#) service

NEWS

Mideast Gulf rates fall on tepid Asian demand

Clean long range (LR) 2 and medium range (MR) freight rates in the Mideast Gulf edged down in the week to 17 August compared with a week earlier because of lacklustre trading activity and ample vessel availability.

Refinery maintenance, disruptions at petrochemical facilities, and public holidays in India and South Korea weakened clean tanker demand, putting downward pressure on regional freight rates.

The LR2 weekly average rate from the Mideast Gulf to Japan was WS145.5 (\$35.45/t) in the week to 17 August, a 4.3pc drop from WS152 (\$36.92/t) in the week to 10 August.

Mideast Gulf to Japan and to east Africa MR weekly averages were WS171.50 (\$41.18/t) and WS202.5 (\$24.64/t) respectively in the week to 17 August, down by 2pc and 5.8pc from WS175 (\$42.02/t) and WS215 (\$26.17/t) in the week to 10 August.

Ongoing refinery maintenance in the Mideast Gulf, particularly at Saudi Aramco's 400,000 b/d Jizan facility, whose [reformer unit has remained off line since July](#), reduced export volumes of gasoline, decreasing demand for clean tankers. This effectively removed four to five MR cargoes from the regional market. A restart is expected by the end of August, according to market participants.

Short-lived disruptions at key petrochemical facilities added to the drop in freight rates. Petrochemical producer Lotte Chemical Indonesia's 1mn t/yr mixed-feed cracker in Merak was [unexpectedly shut on 7 August](#) because of a suspected power issue. Operations [resumed by 10 August](#). Meanwhile, a fire at Idemitsu refiner's 623,000 t/yr ethylene plant in Japan forced the shutdown of one cracking furnace, but the rest of the plant remained operational and shipments were reportedly unaffected.

Chartering activity was particularly sluggish on 15 August because of the public holidays in India and South Korea. Market participants were away from the market for India's Independence Day and South Korea's Liberation Day.

Prolonged decline in rates

The downtrend in clean freight rates persisted this week because trading activity in the Mideast Gulf remained subdued during the week.

There were ample clean cargoes for the September fixing window, but charterers were not in a rush to secure tonnage. This led to a build-up of tonnage in the region.

Japan-bound LR2 and LR1 rates from the Mideast Gulf were WS137.5 (\$33.40/t) and WS157.5 (\$38.26/t) respectively on 21 August, down by 1.8pc and 4.5pc from WS140 (\$34.01/t) and WS165 (\$40.08/t) respectively on 18 August.

The MR rate from the Mideast Gulf to east Africa was

WS195 (\$23.73/t) on 21 August, down by 3.7pc from WS202.5 (\$24.64/t) on 18 August.

Freight rates may remain under pressure because of expectations of tighter naphtha and gasoil supplies and further refinery turnarounds in the Mideast Gulf in the fourth quarter, which would limit clean product exports and weigh on tanker demand.

By Sureka Elangovan

Libyan crude may return to Tunisia

A cargo of Libyan Es Sider crude could set sail for Tunisia this month for the first time for more than 12 years, possibly to replace rival BTC Blend crude which recently faced quality issues.

The *Wave* is due to load around 750,000 bl of medium sweet Es Sider on 24 August and then head to Tunisia's Bizerte port on 29 August, according to data from trade analytics firms Vortexa and Kpler. The tanker is currently at the Es Sider terminal waiting to load.

Vortexa and Kpler list Azeri state-owned Socar as the charterer, but this was not directly confirmed. The fixture's destination could still change.

Libyan crude last sailed for Tunisia in March 2013, when the *Adafera* loaded a cargo of Es Sider for Bizerte, according to *Argus* tracking data.

Bizerte serves the same-named 34,000 b/d refinery operated by state-owned Tunisian Company of Refining Industries (STIR).

Bizerte's seaborne crude intake has averaged 16,000 b/d so far this year, Vortexa data show. Around 21pc was light sweet Zarzaitine arriving from Tunisia's La Skhirra terminal, while 79pc was light sweet BTC Blend. Socar is the main marketer of the Azeri crude.

The shipment of Es Sider could be a replacement for BTC Blend. High levels of organic chlorides were detected in BTC Blend supplies loaded from the Turkish port of Ceyhan in July. As a result, [Socar suspended loadings on 22 July](#), although loadings resumed the next day with shipments tested for contaminants and loaded onto tankers on a case by case basis. Charterers were given the option to accept cargoes or to reject them. Stakeholder BP said on 1 August that BTC Blend's [quality had returned to normal](#).

By Ellanee Kruck

Rare Qatari gasoline cargo arrives in Europe

Europe received its largest gasoline shipment on record from Qatar this month.

A gasoline cargo of around 65,000t of the product arrived in Europe aboard the vessel *Polar Ace*. The cargo loaded

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from the Ras Laffan refinery on 3 July and arrived in Europe on 16 August at the Shell Europort Terminal in Rotterdam, travelling via the Cape of Good Hope, according to vessel tracker Kpler. The vessel was also carrying around 205,000t of diesel.

Gasoline flows from the Mideast Gulf region to Europe are relatively atypical. This was the first cargo to arrive from the region since September 2024, and the first Qatari shipment since April 2024. Kpler data also marks this as the largest incoming gasoline cargo from Qatar, for data going back to 2017.

By Atishya Nayak

Cameroon targets partial refinery restart

Cameroon's state-owned Sonara plans to restart production at its 42,000 b/d Limbe refinery in December 2027. The plant has been idle since a fire in May 2019.

UK engineering consultancy Ekium has recommended a partial restoration of the site, Sonara said, although targeted nameplate capacity was not disclosed. Sonara and Ekium were approached for comment on this.

Ekium said 75pc of Limbe's original capacity are recoverable, with 8pc permanently lost and 17pc to be verified from September.

Sonara will construct a hydrocracker, diesel hydrotreatment plant and isomerisation unit in 2028-30, to allow gasoline and diesel output to meet Afri 5/6 standards containing 10ppm-50ppm sulphur, and fuel oil to meet Marpol specifications of no higher than 5,000ppm sulphur.

A second crude distillation unit (CDU) will be installed in 2031-35, alongside a second hydrocracker unit and a vacuum distillation unit (VDU), increasing output by 3.5mn t/yr.

Technical work will begin in January. Sonara will continue to supply refined products until the refinery restarts production, it said.

By George Maher-Bonnett

Antwerp canal traffic resumes following oil spill

A fuel oil spill in Belgium's Albert Canal, which serves Antwerp, Maastricht and Liege, has been cleaned up and barge traffic has resumed after a 20-hour operation.

A vessel struck a lock in Olen, 40km east of Antwerp, at 17:30 BST (16:30 GMT) on Wednesday, 20 August, releasing 10,000 litres of fuel oil into the Canal, according to the Flemish Waterway authority. The oil was removed and locks were reopened by 13:00 BST on Thursday.

The slick had stretched for several kilometres, barge broker Riverlake said. Barge traffic disruption on Thursday was confirmed by a Germany-based analyst yesterday.

By George Maher-Bonnett

Druzhba crude supply halts for second time

Supply of Russian crude to eastern Europe may be interrupted for five days after another Ukrainian attack halted movement through the Druzhba pipeline, Hungarian and Slovak officials said.

The countries' foreign ministers called on the EU to ensure security of supply through the pipeline, and to uphold the [guarantees received](#) in January about respect for the integrity of energy infrastructure.

"Given that in the past years, the EU and its member states have provided hundreds of billions of euros worth of support to Ukraine, we find Ukraine's actions, which severely threaten the energy security of Hungary and Slovakia completely unacceptable," said Hungary's Peter Szijjarto and his Slovak counterpart Juraj Blanar.

Ukraine's military said it attacked a Druzhba pumping station at Unecha on 21 August, state-controlled news agency Ukrinform reported. This resulted in a second halt this week to Druzhba deliveries into Hungary and Slovakia. Supply halted [on 18 August](#) after a Ukrainian drone attack caused a fire at a pumping station in the Tambov region. There was an [attack on Unecha on 13 August](#), although it is unclear if that affected supply.

"After all three strikes [the European Commission] has remained silent, taking no steps to defend the energy supply of member states," Szijjarto said today. "Brussels must understand: they are the EUROPEAN Commission, not the Ukrainian Commission!"

Hungarian oil firm Mol is the only European buyer of Russian pipeline crude, for its 161,000 b/d Szazhalombatta refinery in Hungary and 115,000 b/d Bratislava plant in Slovakia. Kazakh Kebco crude moves through the northern Druzhba system to the PCK consortium's 226,000 b/d Schwedt refinery in Germany.

By Bela Fincziczki and Ben Winkley

Australia's road user tax to hit EV drivers

Australia's federal Labor government has conceded that a road user tax to charge electric vehicle (EV) drivers will be introduced, but has not yet committed to a timeline for the plan.

The announcement came after a three-day Economic Reform Roundtable in Canberra, which canvassed government and business leaders' ideas for improving Australia's sluggish economy. The economy grew at just 1.3pc in the year to 31 March and -0.2pc on a per capita basis.

A final model for taxing EV usage was not agreed on, but conceptual support exists for the tax change, Australia's treasurer Jim Chalmers said after the summit's final session on 21 August. The treasurer, federal transport minister

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Catherine King and state government ministers will meet to discuss an options paper on 5 September.

A tax would add to the A\$16bn/yr (\$10.3bn/yr) income from the 51.6A¢/litre fuel excise that Canberra imposes on gasoline and diesel.

The turnaround comes two years after Canberra joined opposition to the state of Victoria's distance-based levy. The [High Court of Australia](#) ruled the distance-based levy invalid and said only the federal government could impose such a tax under the constitution.

That decision put New South Wales state's scheme on ice, which was due to start on 1 July 2027 or when EVs make up 30pc of new car sales. The state planned to charge drivers 2.974A¢/km for a battery EV or 2.379A¢/km for a plug-in hybrid EV, indexed to the consumer price index each financial year.

But this case was heard ahead of new emissions laws, which [impose penalties starting 1 July](#) on manufacturers that [fail to meet reduction goals targets](#) across the range of vehicles they sell.

This is expected to drive sales of low-emissions vehicles, such as EVs, higher. Transport makes up 98mn t/yr or 21pc of Australia's total greenhouse gas emissions, with government figures showing average passenger cars in Australia emit at a rate 20pc higher than the US' vehicle fleet.

EV uptake is increasing in Australia but from a low base, with battery EVs and plug-in hybrids making up 13.1pc of sales in April-June, up from 9.6pc in April-June 2024, data from the Australian Automobile Association data show.

Australia's gasoline consumption was 271,000 b/d in January-June (*see table*), 2.5pc below year earlier data, according to Australian Petroleum Statistics (APS). Meanwhile, diesel sales are steadier on the year.

The productivity-oriented summit failed to reach a consensus on taxation changes, 25 years after the Goods and Services Tax (GST) was introduced – Australia's last major economic reform.

But Chalmers also promised to remove hundreds of 'nuisance' tariffs, reform the national construction code to build more housing and speed up the pace of changes to the federal Environment Protection and Biodiversity Conservation Act, after [failing to do so in its previous term](#).

By Tom Major

Rising costs a headwind in early stage of M&A

Rising production costs signal potential headwinds in the early stages of integrating oil and gas assets following mergers and acquisitions (M&A), according to a study by EY.

Despite a frenetic round of US upstream M&A as well as lower commodity prices in 2024, production costs per barrel

of oil equivalent (boe) rose by 1pc from the previous year.

"Our research shows that rising production costs can often signal early integration challenges," said Bruce On, a partner at EY-Parthenon, Ernst & Young. "In today's complex oil and gas M&A environment, success requires more than just closing the deal and combining assets."

In a subsequent interview, he said that costs would probably start coming down this year, reflecting the time lag in incorporating assets and getting cost savings on track.

Dealmaking surged more than fourfold in 2024 to \$206.6bn, driven by five megadeals valued over \$10bn, the report showed. Consolidation has resulted in the US oil and gas industry shrinking from a top 50 to a top 40 publicly traded exploration and production firms. Despite the decline, those top 40 producers still made up around 41pc of overall US oil and gas production in 2024.

About 42pc of the acquired assets' value in 2024 was allocated to unproven assets, up from 18pc in 2023, reflecting a focus on building future drilling inventory, according to the report. Shareholder returns have fallen since peaking in 2022, as companies prioritized capital for M&A.

Although exploration and development costs fell by 7pc from the previous year, reserve replacement rates remained robust, demonstrating the sector's ability to grow reserves even while spending less on exploration.

By Stephen Cunningham

ND oil output down 3pc in June

North Dakota's crude output fell by 3pc in June compared with a year earlier as lower prices continued to weigh on operators.

North Dakota producers pumped 1.15mn b/d of crude in June, down from 1.19mn b/d in the same month of 2024, the state's Department of Mineral Resources (DMR) said on Friday. Production was up from 1.11mn b/d in May.

There were 19,494 producing wells in the state in June, up from 19,322 in May. About 89pc of those wells were unconventional in the Bakken-Three Forks formations while the remaining 11pc were from legacy conventional pools.

The tally of inactive wells came in at 2,301 in June, steady from the month prior but historically high, which the DMR says is because of some operators curtailing production on lower crude prices.

DMR director Nathan Anderson on Friday said that "\$60/bl is a hard environment for operators to get really excited about, but it also doesn't put them in a position to decrease activity too much, either."

There were 29 active rigs in the state as of Friday, according to DMR data, steady from July but lower than the 32 recorded in both May and June.

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The tally of hydraulic fracturing (frac) crews in the state rose to 14 in June from 13 in May.

There were 65 wells completed in June, down from 74 in May. More current data show a recovery to 77 completions in July, which will contribute to higher output in July and potentially August, according to North Dakota Pipeline Authority director Justin Kringstad.

“With frac crews, completion numbers, summertime ... I do expect a couple good months coming,” said Kringstad.

There were 318 wells waiting to be completed in June, down from 330 in May.

By Brett Holmes

USWC jet fuel imports taper throughout August

US west coast jet fuel imports thinned this week and are forecast to slow further through the end of August, after California refiners by mid-month boosted local production to a record high.

Garnet Express reached Anchorage, Alaska, on 21 August and discharged an estimated 349,000 bl of jet fuel that had departed from Ulsan, South Korea, at the beginning of the month, according to vessel tracking data from trade and analytics platform Vortexa. The ship's arrival marked the sole delivery of foreign jet fuel to the west coast from 16-22 August, a nearly 70pc drop in volume from the week prior.

Just one additional vessel is expected to reach the west coast by 29 August: *Wisteria*, which is due, also in Anchorage, on 24 August with 175,000 bl from Ulsan.

The decline in imports – a 50pc drop in the latest week, following a prior 70pc reduction from the week of 9-15 August, when four jet fuel-bearing vessels reached the west coast – occurred in tandem with a surge in jet fuel production from California's own refineries. Jet fuel production rates in California grew by nearly 6pc to 367,000 b/d for the week ended 15 August, according to data released on Thursday by the California Energy Commission (CEC). The figure marks the highest level in the CEC's 20-year database.

By Jasmine Davis

Petroecuador tenders 4.3mn bl of Napo crude

State-owned Petroecuador published three tenders seeking to sell a total of 4.3mn bl of heavy sour Napo crude for September-October loading.

Tenders will close from 25-27 August.

The first tender seeks to sell four 360,000 bl cargoes, with loading windows of 12-19 September. Bids are due by 25 August and will remain valid until 27 August.

The second tender intends to sell six 360,000 bl cargoes. Loading windows vary from 23 September to 27 October. Bids are due by 26 August and remain valid until 28 August.

The third tender is offering two 360,000 bl cargoes for loading from 27-30 September. Bids should be submitted by 27 August and remain valid until 29 August.

The crude can be loaded to either Panamax or Aframax from the OCP Terminal in Esmeraldas, Ecuador.

Bids must be submitted on an fob basis as differentials to Nymex WTI.

Petroecuador had not published Napo tenders since it declared force majeure in July. During that period, operator OCP Ecuador and Petroecuador shut Ecuador's two main crude pipelines – the 450,000 b/d OCP and 360,000 b/d Sote – because erosion along the banks of the Coca River's tributaries threatened to break them.

The company has already published three Oriente tenders, which closed on 16 and 18 August. Chinese companies offered the strongest bids.

Oriente pricing is at its strongest level since April 2024.

By João Scheller

Brazil's Bndes credit to support tariff-hit firms

Brazil will provide credit to exporters hurt by US tariffs through funding from development bank Bndes, the government said.

Brazilian president Luiz Inacio Lula da Silva [signed a decree](#) on 13 August to support small businesses hurt by US import tariffs.

The plan will prioritize companies that generated at least 5pc of their July 2024-June 2025 revenues through exports to the US. Companies whose gross revenue reached or exceeded 20pc under the same conditions will have access to more favorable funding, the government said.

Bndes will finance R30bn (\$5.5bn) from its credit line dedicated to exports, dubbed FGE. It will also finance another R10bn from its own resources, which even companies already supported by FGE can tap.

US imports from Brazil have been subject to a 10pc rate since 5 April, but some have reached a 50pc tax since 6 August. These additional tariffs are on key commodities such as coffee, beef, sugar, cocoa derivatives and steel. The latter is under a 50pc global US tariff on the metal effective since June.

By João Curi

US exempts small refiners from biofuel quotas

The US Environmental Protection Agency (EPA) today fully or partially granted the majority of small refiners' requests for waivers from federal biofuel blend mandates, while limiting the windfall for newly exempt refiners.

The agency fully accepted 63 petitions, offered 50pc relief in response to 77 petitions, denied 28 requests, and

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determined that 7 were ineligible. Program data shows 13 petitions still pending, mostly from the 2025 compliance year.

The Renewable Fuel Standard requires oil refiners and importers to blend biofuels into the conventional fuel supply or buy Renewable Identification Number (RIN) credits from those that do. Refiners that process no more than 75,000 b/d can request hardship exemptions from the mandates, which they have long cast as financially onerous. President Donald Trump's administration had an unprecedented backlog of requests to decide after courts took issue with former president Joe Biden's reasoning for mass denials.

While the number of exemptions frustrated biofuel and farm advocates, small refiners that lobbied officials for retroactive compensation were denied more sweeping relief. EPA said on Friday that it would return already-surrendered RINs to newly exempt companies but that only credits from 2023 and later could be used for future compliance. Returned older credits, effectively worthless, "are not expected to impact demand for biofuels", the agency said.

Because the older credits have no value, EPA does not plan to force oil companies to blend more biofuels to account for those exemptions. But EPA signaled a different approach for more recent years, saying that it planned to account for actual exemptions in 2023 and 2024 and expected exemptions in 2025 when setting future biofuel quotas. The agency said it would "in the near future" submit a proposal to the White House Office of Management and Budget that will clarify its plan.

EPA had already signaled that it would estimate future exemptions when setting biofuel mandates, but accounting for actual exemptions from active compliance years in addition would be a major shift that could increase costs for larger oil companies, if implemented.

Program data show that affected small refiners have to submit about 1.4bn fewer RINs across 2023 and 2024 following Friday's exemptions – but companies without exemptions could have to make up that lost volume in the future depending on EPA's pending proposal. The total mandates in those years were 20.9bn RINs and 21.5bn RINs respectively. EPA said Friday it aimed to ensure stability in the often-volatile RIN market, noting that replacing expired credits with active ones would have flooded the market with 3bn more RINs.

Current-year D6 ethanol credits rose 4pc and D4 biomass-based diesel credits rose 3pc on Friday, as traders saw EPA's solution to older-vintage credits as limiting supply increases.

Biofuel groups, while frustrated that most eligible refiners won at least some relief, expressed cautious optimism about EPA's plan. Renewable Fuels Association president

Geoff Cooper said Friday's exemptions "should have little or no effect on current and future levels of renewable fuel production and use".

But companies will eagerly await more details about EPA's proposal to account for 2023 and 2024 waivers, which could come as soon as next week. EPA has signaled that it wants to finalize new biofuel mandates before November, but that timeline appears ambitious if the agency has to first take comment on a proposal that could drastically shift its formula for setting those mandates.

Clean Fuels Alliance America, which represents biomass-based diesel producers, said that the new plan "will delay the finalization of the 2026 and 2027 rule". In a draft regulation earlier this year, EPA proposed [record-high biofuel blending](#) for those years.

Court fights await

Legal challenges are virtually guaranteed. The agency said that its decisions had "nationwide scope or effect" – an effort to [steer litigation](#) toward one federal circuit court rather than a hodgepodge of regional courts that might issue conflicting rulings.

Small refiners denied full relief are likely to challenge the Trump administration's reasoning. EPA said it almost entirely relied on recommendations from the Department of Energy (DOE), which scores individual applications for "disproportionate economic hardship" and considers factors like a refiner's output of diesel compared to gasoline and its local market's acceptance of renewables.

While EPA is legally required to consult with DOE, the new policy of largely deferring to that department's recommendations would be a major change from recent years. A 2022 study from the US Government Accountability Office concluded that DOE's methodology was "critically flawed", and EPA officials at the time told the watchdog agency that DOE's analysis no longer provided useful information.

Accepting DOE scores appears to have led to some counterintuitive results, though specific details from applications are kept confidential. Par Pacific's 18,000 b/d Wyoming refinery earned full exemptions for three straight years before losing relief the next. Ergon's 23,000 b/d facility in West Virginia won partial exemptions for 2021 and 2024, but not the years in between. And EPA offered at least some relief to Suncor's 36,000 b/d Commerce City East refinery over six straight years – while denying any relief for four of those years to Suncor's 67,000 b/d Commerce City West refinery at the same Colorado site.

"Not a lot of rhyme or reason to it", a refining source told *Argus*.

The unpredictability of the exemptions – with essentially all refiners receiving different answers depending on the

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year – could also make it hard for EPA to estimate future waivers when finalizing biofuel quotas. The agency has received some exemption petitions for 2025 but has yet to decide any for that year or beyond.

Large oil refiners will also hotly oppose any effort from EPA to raise their biofuel blending to compensate for their smaller competitors winning exemptions. While some oil companies joined with farm groups this year to push for higher biofuel mandates, the industry has more recently [expressed frustration](#) with Trump-backed biofuel policies that they say are boosting feedstock and fuel costs.

“It is inexplicable that EPA is even considering adding more mandated biofuels on top of the largest and most expensive [Renewable Fuel Standard] mandate ever proposed by reallocating exempted volumes”, the American Fuel and Petrochemical Manufacturers said.

By Cole Martin and Matthew Cope

Brazil biofuel industry slashes emissions

Brazil’s biofuels industry contributed to the overall reduction CO₂ emissions in 2024 and is expected to post an even larger contribution to Brazil’s decarbonization goals in the future, following the increase in the mandatory blend mandate.

Use of biofuels contributed to over 94mn tons of CO₂e (tCO₂e) avoided in 2024, up by 10pc from 84.2mn tCO₂e in 2023, according to the government’s energy research company Epe.

The jump in emissions avoidances from use of biofuels highlights the impact of the 2017 Renovabio biofuels law, which aimed to create incentives for using renewable fuels over fossil fuels by compensating producers for biofuels’ environmental attributes.

While some market participants have criticized the program, government officials stress that the law has contributed to the expansion of biofuel use and to overall decarbonization.

The law, fully implemented in 2020, contributed to total avoidances of nearly 148mn tCO₂e during its first five years, according to the crop research agency Embrapa. Recent changes in regulations are expected to strengthen the program, contributing to the decarbonization of the transport sector.

The bulk of avoided emissions in 2024 came from ethanol use, which reached 65.4mn tCO₂e, compared to 63 tCO₂e in 2023. Anhydrous ethanol accounted for the largest share of avoidances, with 34.5mn tCO₂e, compared with 36.7mn tCO₂e last year. The year-on-year drop in avoidances from anhydrous ethanol – used as a fuel additive to gasoline – was offset by rising use of hydrous ethanol, which is sold

at the pump for flex-fuel vehicles. Hydrous ethanol emission avoidances reached 30.8mn tCO₂e last year, up from 26.44mn tCO₂e in 2023.

Biodiesel also contributed to emissions avoidances equivalent to 26.8mn tCO₂e last year, up sharply from 2023, when avoidances totaled 21mn tCO₂e. The increase in biodiesel avoidances was the result of the 1 percentage point hike in the mandatory blend last year.

A growing number of biofuels producers are certified under the Renovabio program, with 338 plants authorized to issue CBio biofuels credits this year, up from 329 in 2024. Cane ethanol plants continue to represent the bulk of the certifications, with 281 mills certified, accounting for nearly 88pc of all cane ethanol produced.

Certification remains more challenging for biodiesel producers, with 37 plants authorized to issue the Cbios, representing nearly 42pc of production. Still, biodiesel certifications advanced from last year, when just 37 plants accounting for 39pc of output were certified to sell Cbios.

Emissions avoidances from biofuels will likely expand over the next decade, according to Epe, largely on the back of the fuel of the future law, which passed last year. The law cleared the way for the 1 August hike in the ethanol blend in gasoline to 30pc from 27pc previously, as well as the 1 percentage point hike in the biodiesel blend to 15pc. Future blend hikes are also permitted under the law, which is forecast to continue driving demand for ethanol and biodiesel.

With the outlook for stronger demand, Brazilian ethanol production is forecast to reach 50bn l/yr (862,000 b/d) in 2025, up from 37.4bn l/yr, while biodiesel production will rise to nearly 14bn l/yr by 2035.

Much of that expansion will come from the burgeoning corn ethanol sector, which is expected to see a 60pc jump in output in 2035 to 16.3bn l/y from 10bn l/y in 2025. The growing interest in corn ethanol is corroborated by the recent flurry of planned new mills. This month alone, sugar and ethanol producer Sao Martinho, agricultural conglomerate Grupo Potencial and multinational grain trader Cargill all announced investments in new corn ethanol capacity.

Additional decarbonization will come from next-generation biofuels, according to Epe projections. Second generation ethanol production is forecast to reach nearly 1bn l/yr by 2035. Sustainable aviation fuel production is also forecast to expand, with the government pegging output at 2.8bn l/yr by 2025.

US refiners ready for heavy crude return

US refiners expect a boost from returning medium and heavy crude supplies from Canada, Venezuela and the other Opec+ group of countries.

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About 2mn-2.5mn b/d of medium and heavy crude should be returning to the market in the autumn, coinciding with seasonal refinery maintenance, US independent PBF Energy chief executive Matthew Lucey said. This will cause light-heavy spreads to widen in the third and fourth quarters, he said. Additional supplies will be "a huge tailwind going forward" for PBF by lowering the cost of feedstocks, which has "a dollar-for-dollar impact" on the company's bottom line, Lucey said.

US sanctions against Venezuela pulled about 200,000 b/d out of the US Gulf coast market and Canadian wildfires took about 5mn bl of June supply off the market, Valero's chief operating officer Gary Simmons said. "Things will get better," probably starting in the fourth quarter, he said.

Marathon Petroleum chief commercial officer Rick Hessler said that he sees "positive trends" in Canadian oil for his company's refineries that consume large amounts of heavy and medium crude. These include less competition for supply because of turnarounds at the US Gulf coast in the autumn. "The signals and the differentials are already beginning to change," he said. Mars and WCS crudes have fallen by \$0.70-1.00/bl against benchmark WTI prices since late July (see graph).

Meanwhile, Chevron-linked oil tankers have started to deliver Venezuelan crude to the US Gulf coast again, with one tanker carrying a cargo of Boscan crude and another carrying Hamaca crude arriving on Thursday. The movements are signs that Chevron is ramping up its flow of Venezuelan crude after the administration of President Donald Trump reversed course on an earlier decision to cancel its license to operate.

Re-engagement rings

In another supply boost, eight predominantly sour crude producers in Opec+ will raise their collective production target by 547,000 b/d in September, matching an increase in August. This means the group will have restored all of a scheduled 2.46mn b/d increase in six months.

US refiners have not seen much of that rise in Opec+ production so far because of higher oil burn at power stations in the Mideast Gulf in the summer, Simmons said. "As we move out of summer, more of those barrels will make their way to the market," he said. Valero has recently "re-engaged" with historic partners in the Middle East, Simmons said, suggesting to him that Opec's Mideast Gulf members plan to sell more crude to the US.

HF Sinclair commercial vice-president Steven Ledbetter agrees that higher Opec+ production is not yet having an impact on light-heavy crude spreads in the US market. But it will in the longer term, together with Canadian production exceeding pipeline export capacity, he said.

Forward markets show heavy crude at a \$9-10/bl discount to light crude in the third quarter and a \$13/bl discount in the fourth quarter, he said. There is potential for that heavy crude discount to get even larger sometime in 2026, Ledbetter said.

Marathon is also looking forward to having access to more heavy crude produced in California because of the upcoming closures of two large refineries in the state, Hessler said.

The firm's 365,000 b/d Los Angeles refinery "will have access to a lot of local California crudes" to which it currently has limited or no access, he said. Valero is planning to shut or repurpose its 145,000 b/d Benicia refinery near San Francisco by April and Phillips 66 plans to shut its 139,000 b/d Los Angeles refinery complex by the end of this year.

By Eunice Bridges

US oil exports: WTI falls, TMX holds steady

US light sweet waterborne crude values against Ice Brent fell this week as the spread between November Ice Brent and September WTI Nymex widened, despite strengthening domestic pipeline differentials.

WTI loading 15-45 days forward fell by 77¢/bl over the week to a \$1.65¢/bl discount to November Ice Brent while value against the secondary coastal crude benchmark, WTI Houston, increased by 11¢/bl to a 19¢/bl premium.

Underlying domestic WTI pipeline differentials rose by 11¢/bl over the week to a 1.36¢/bl premium to September WTI Nymex, as WTI Houston differentials climbed to a new high on 18 August since 7 April.

In Europe, WTI trading was limited this week, with only a few cargoes changing hands. A mid-September cargo sold at Dated +1.70 cif Rotterdam, while a September 6-10 delivery cleared at Dated +1.80. One buyer also secured two early September cargoes earlier in the month, but additional bids for mid-to late September failed to attract sellers, and several offers were pulled.

Separately, crude throughputs at Indian refineries rose by 2pc to 5.5mn b/d in July from a year earlier, driven by higher runs at IOC's Paradip plant, though Koyali maintenance curbed output. Domestic production held steady at 567,482 b/d in July, while import dependence eased to 87.4pc. According to Vortexa data, India received around 10.79mn bl of WTI in July across 16 cargoes, showcasing continued interest for US crude even as overall imports slipped 3pc on the year to 4.51mn b/d.

America Pacific coast

Canadian waterborne crude assessments for October-loading cargoes out of the 890,000 b/d Trans Mountain system were little changed this session, but activity was heard for December-loading cargoes.

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October-loading High TAN cargoes out of Westridge, British Columbia, were valued around a \$4.00/bl October CMA Nymex discount fob Vancouver, or a \$7.65/bl discount to December Brent fob Vancouver. Heavy sour Cold Lake was assessed near October CMA discount of \$6.75/bl or between a \$1/bl and 80¢/bl premium to the High Tan assessment.

The October-loading pipeline arbitrage for waterborne Canadian crude appears less tight heading into the fourth quarter. Financial trade has valued October WCS Hardisty wider near a \$13/bl discount to the CMA Nymex, hinting that the heavy Edmonton to Westridge arbitrage appears less tight relative to recent months. The total cost for committed shippers to transport heavy crude to Westridge from Edmonton, Alberta, ranges from about \$9.11/bl to \$7.71/bl.

Market sources said a December-loading cargo of low TAN Cold Lake changed hands around \$2.95/bl December CMA Nymex discount on a fob Vancouver basis, although this was outside of the *Argus* assessment period for waterborne Cold Lake. This was one of the first trades for December-loading activity, and some sources suggested that it was completed above general market expectations for December-loading cargoes.

By Nicole Linares and John Cordner

California close to opening state to E15

California lawmakers are close to allowing a 15pc ethanol blend (E15) for gasoline sold in the state after a years-long battle to transition toward the higher biofuel blend, according to advocates.

E15 would be allowed in the state under bill AB 30, sponsored by assembly members David Alvarez (D) and Heath Flora (R), while the California Air Resources Board finishes a state-mandated evaluation of the fuel to formally approve it for sale and use. Following a state Senate Appropriations committee hearing on 18 August, the bill is on suspense-file to evaluate potential implementation costs.

California is aiming for net-zero emissions in its economy by 2045, but emissions from transportation remains a sizable obstacle and the state remains the lone US holdout that has yet to adopt E15.

Emissions from transportation are the largest sector in California, responsible for nearly 140mn t, or 37.6pc, of the state's 2022 emissions inventory, according to the latest state data. Passenger vehicles are responsible for the bulk of those emissions at 102.5mn t.

The path ahead for the bill appears smooth, said Chris Jonsmyr, Alvarez' communications director and legislative assistant. The bill, which has **unanimously cleared** the state Assembly in June, should pass quickly when it reaches the

Senate floor, highlighting the bipartisan support for the measure throughout the session, he said, adding that he expects the bill will go to the governor without new amendments.

"You can at least provide some short term or immediate small relief for consumers and give them another option for gas," Jonsmyr said.

State legislators and the administration of Governor Gavin Newsom (D) have grappled this legislative session over preserving consumer fossil fuels for consumers, after two of the state's refineries announced **potential closures**. Though E15 is not the final solution for the state's fueling concerns, it is something legislators can quickly do this session, Jonsmyr said.

The Renewable Fuels Association, an ethanol trade organization, said the state's efforts to extend its gasoline supply amid the refinery closures are complementary to a transition to E15. A full transition to E15 from E10, which would likely take several years, would result in an extra 600mn USG/yr of ethanol consumption, equivalent to about half of the lost gasoline output from the planned closure of Valero's 145,000 b/d Benicia refinery, according to RFA.

Jonsmyr indicated that in discussion with gasoline operators and vendors, estimates are that the E15 roll-out in California could happen within 48 hours after Newsom signs the bill, since it has an 'emergency clause' allowing implementation immediately.

California already has the necessary infrastructure needed to implement E15 statewide, according to RFA.

Storage tanks and most fuel pumps in the state are compatible with E15, while there is more than enough regional storage capacity for an E15 expansion, RFA said.

US west coast ethanol stocks were last measured at 2.27mn bl, according to the latest EIA data, which represents 57pc of regional shell storage capacity. The agency does not provide state-level storage figures.

The state's Department of Finance (DOF) testified on 18 August that it opposes the bill because implementation would require spending that was not approved in the 2025 budget. DOF estimates there is a one-time cost of \$845,000 for the state's Department of Food and Agriculture (CDFA) Division of Measurement Standards for new E15 testing equipment, and \$60,000/y after that.

The 2025-2026 state budget passed **in June** sets aside \$2.3mn and added permanent staff for CARB's E15 process. But CARB would only receive these funds after finalizing the E15 evaluation and submission to the California Environmental Policy Council (CEPC) for consideration.

The committee plans to vote on whether to advance AB 30 to the senate floor on 29 August.

By Denise Cathey and Payne Williams

NEWS

Powell hints Fed moving closer to rate cuts

US Federal Reserve chairman Jerome Powell hinted today that the Fed is moving closer to resuming rate cuts amid greater “downside risks to employment” after holding its target rate steady all year to gauge the impacts of President Donald Trump’s evolving tariff and fiscal policies.

“With policy in restrictive territory, the baseline outlook and the shifting balance of risks may warrant adjusting our policy stance,” Powell said in prepared remarks at the annual central banker’s symposium in Jackson Hole, Wyoming.

“While the labor market appears to be in balance, it is a curious kind of balance that results from a marked slowing in both the supply of and demand for workers,” he said. “This unusual situation suggests that downside risks to employment are rising.”

“And if those risks materialize, they can do so quickly in the form of sharply higher layoffs and rising unemployment,” he said.

‘September easing nailed on’

The CME’s FedWatch tool, after his remarks, showed 89.2pc probability the Fed will cut its target rate by a quarter point at its next meeting in late September, up from 75pc odds on Thursday. The S&P 500 stock index surged more than 2pc. The DXY dollar index fell by about 0.9pc to 97.74.

“A September easing looks nailed on, with more likely to follow,” Pantheon Macroeconomics headlined its analysis of Powell’s remarks.

Fed policymakers have kept the target rate unchanged at 4.25-4.5pc throughout 2025, after dropping it by 1 percentage point in three meetings late last year.

President Donald Trump has repeatedly lambasted Powell for not moving rates lower, threatening at times to sack him and ordering the launch of an investigation this week into a voting member of the Federal Open Market Committee (FOMC) over alleged mortgage fraud.

The Fed has a dual mandate to maintain low inflation and maximum employment. Its inflation target is about 2pc and unemployment has remained at a historically low 4-4.2pc for the past year.

But job growth, including revisions, in the three months through July slowed to just 35,000 a month, the lowest since 2020, when Covid-19 shutdowns pushed the US into a brief recession.

Powell also pointed out that GDP growth had slowed to an annual 1.2pc pace in the first half of the year, about half the 2.5pc rate in 2024.

At the same time, he said “higher tariffs have begun to push up prices in some categories of goods.”

He said estimates indicate that total Personal Consumption Expenditure inflation, the Fed’s favorite gauge of inflation, rose by 2.6pc over the 12 months ending in July. He said inflation has remained “above our target for more than four years,” but added longer-term inflation expectations “... appear to remain well anchored and consistent without our longer-run inflation objective of 2pc.”

Still, he said in closing: “Monetary policy is not on a pre-set course. FOMC members will make these decisions, based solely on their assessment of the data and its implications for the economic outlook and the balance of risks.”

By Bob Willis

WTI gains as Fed hints at lower rates

US benchmark WTI crude futures rose today as Federal Reserve chairman Jerome Powell hinted that the central bank is moving closer to resuming rate cuts amid greater “downside risks to employment.”

October Nymex WTI rose by 14¢/bl to \$63.66/bl while October Ice Brent rose by 6¢/bl to \$67.73/bl. The October Brent-October WTI spread narrowed by 8¢/bl to \$4.07/bl.

West Texas Intermediate (WTI) at Magellan East Houston terminal in Texas was shown on the Argus Crude Market Ticker (ACMT) at a prompt \$1.30-\$1.35/bl bid-ask spread above the Cushing benchmark today at Nymex settlement, below Thursday’s \$1.36/bl volume-weighted average.

“With policy in restrictive territory, the baseline outlook and the shifting balance of risks may warrant adjusting our policy stance,” Powell said in prepared remarks at the annual central banker’s symposium in Jackson Hole, Wyoming.

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Fed policymakers have kept the target rate unchanged at 4.25-4.5pc throughout 2025, after dropping it by 1 percentage point in three meetings late last year.

Elsewhere, supply of Russian crude to eastern Europe may be interrupted for five days after another Ukrainian attack halted movement through the Druzhba pipeline, Hungarian and Slovak officials said.

The countries’ foreign ministers called on the EU to ensure security of supply through the pipeline, and to uphold the guarantees received in January about respect for the integrity of energy infrastructure.

Nymex RBOB fell by 0.12¢/USG to \$2.1585/USG while Nymex ultra-low sulphur diesel fell by 1.7¢/USG to \$2.3081/USG.

By Stephen Cunningham

NEWS

Canada to remove tariffs on USMCA goods

Canada will remove retaliatory tariffs on US goods covered by the US-Mexico-Canada (USMCA) free trade agreement, effective 1 September, prime minister Mark Carney said today.

The move aligns Canada with the US' position made earlier this month that Canadian exports to the US will not be subject to International Emergency Economic Powers Act (IEEPA) tariffs imposed by President Donald Trump.

"We're matching what the United States has done, what the president has done," Carney said from Ottawa on Friday. "We have the best deal of any country with the United States, right now."

Canada's 25pc tariff on US steel, aluminum and automobiles will remain in place. The US still imposes a higher tariff, 50pc, on Canadian imports of steel and aluminum.

Canadian goods entering the US are subject to a 5.6pc tariff, on average, compared to almost 16pc worldwide, according to the Canadian government.

Carney, who spoke with Trump on 21 August, said the two agreed to intensify discussions relating to current trade challenges in strategic sectors. USMCA is set for a joint review in spring 2026, which will take anywhere between 6-18 months, according to Carney.

Trump welcomed Canada's decision to scrap the tariffs.

"He's removing his retaliatory tariffs, which I thought was nice, and we're going to have another call soon," Trump said on Friday. "We want to be very good to Canada."

Meanwhile, Carney plans to soon announce the first in a series of "nation-building projects" to boost development, tap into new markets and create deeper alliances with other foreign countries – moves spurred by Canada's historic strengths with the US becoming "vulnerabilities" under Trump.

By Brett Holmes



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EDITORIAL CONTACTS**Americas**

Editor: Nicholas Watt
Tel: +1 646 376 6132
nicholas.watt@argusmedia.com

Clean Tankers: Ross Griffith
ross.griffith@argusmedia.com
ICE: [arguscleanfreight.us](https://www.arguscleanfreight.us)

Dirty Tankers: David Haydon
david.haydon@argusmedia.com
ICE: [argusdirtyfreightamericas](https://www.argusdirtyfreightamericas.com)

Europe

Editor: John Ollett
Tel: +44 20 7780 4290
john.ollett@argusmedia.com

Clean Tankers: Erika Tsirikou
erika.tsirikou@argusmedia.com
ICE: [arguscleanfreightlondon](https://www.arguscleanfreightlondon.com)

Dirty Tankers: Rhys van Dinther
rhys.vandinther@argusmedia.com
ICE: [argusdirtyfreightlondon](https://www.argusdirtyfreightlondon.com)

Asia-Pacific

Editor: Anna Cherkizova
Tel: +65 6496 9978
anna.cherkizova@argusmedia.com

Clean Tankers: Sureka Elangovan
sureka.elangovan@argusmedia.com
ICE: [argusfreightapac](https://www.argusfreightapac.com)

Dirty Tankers: Sean Lui
sean.lui@argusmedia.com
ICE: [argusdirtyfreightsg](https://www.argusdirtyfreightsg.com)

Publisher: Adrian Binks

Global compliance officer: Vladas Stankevicius

Chief commercial officer: Martin Gijssel

President, Oil: Euan Craik

Global head of editorial: Neil Fleming

Editor in chief: Jim Washer

Editorial manager: Nicholas Watt

Lead editor: Sheel Bhattacharjee

Global Head of Freight:

Alex Younevitich
alex.younevitich@argusmedia.com

Customer support and sales:

support@argusmedia.com
sales@argusmedia.com

London: Tel: +44 20 7780 4200

Houston: Tel: +1 713 968 0000

Singapore: Tel: +65 6496 9966

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