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Argus *Tanker Freight*

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CONTENTS

EDITOR'S WORD

Russian refinery throughput was cut by over 500,000 b/d in March and April as a result of a spate of Ukrainian drone attacks that began in late January, the IEA said.

HEADLINES

- TMX shakes up west coast freight equation
- US asks Iran allies to prevent attack on Israel
- Russia outages weigh on refinery throughput growth: IEA

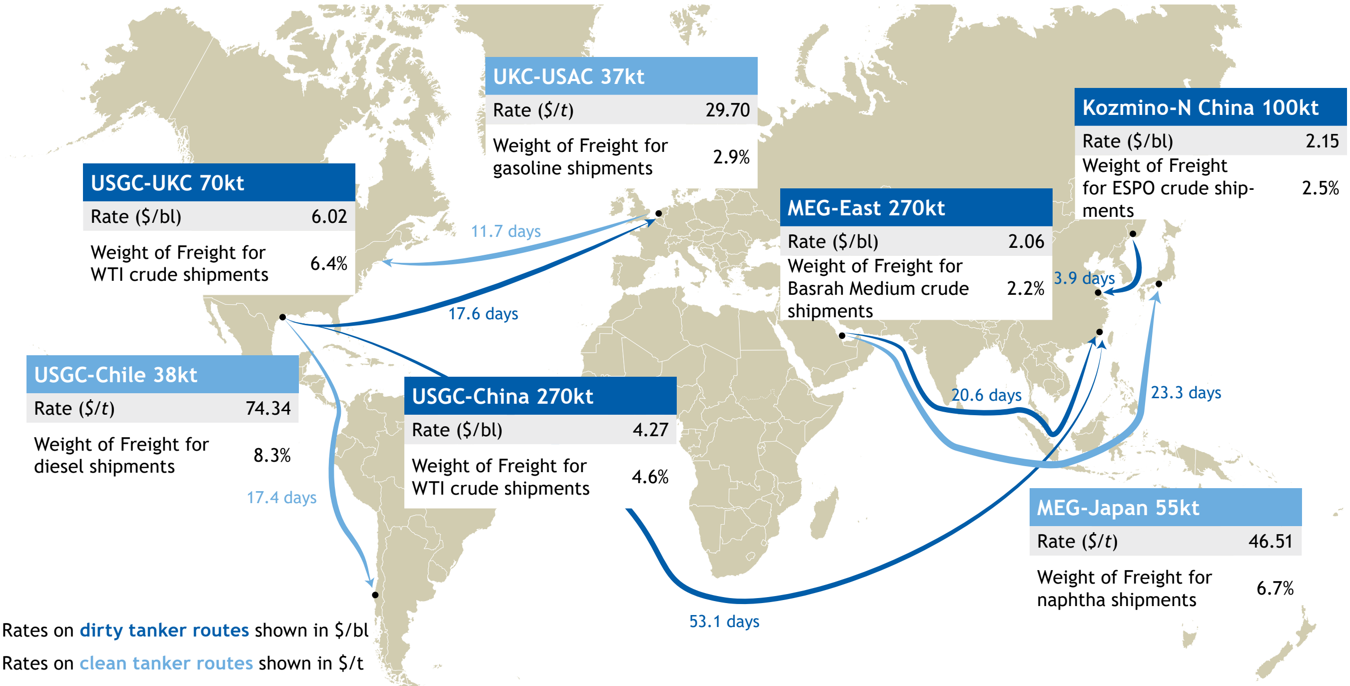
KEY PRICES

Tanker rates

Route	Size '000t	Rate	±	$/t	TCE (non-scrubber) $/day
Very large crude carriers (VLCCs)					
Mideast Gulf-East	270	62.50	+0.50	14.69	32,913
West Africa-China	260	64.50	+2.00	23.06	33,966
USGC-China	270	8,900,000	+250,000	32.96	34,027
Suezmax					
Mideast Gulf-China	130	-	-	28.44	38,104
West Africa-India	130	5,025,000	+250,000	38.65	-
Aframax					
Kozmino-N China	100	1,590,000	nc	15.90	82,095
Primorsk-WC India*	100	8,500,000	nc	85.00	-
USGC-UKC	70	220.00	nc	46.42	44,043
Long range (LR) tankers					
Mideast Gulf-Japan	75	160.00	-2.50	39.17	28,815
Mideast Gulf-S Korea	55	195.00	-2.50	44.44	-
USGC-N Brazil	60	-	-	40.14	-
Medium range (MR) tankers					
UKC-USAC	37	180.00	nc	29.70	15,236
USGC-Pozos	38	885,000	-65,000	23.29	24,807
USGC-Chile	38	2,825,000	nc	74.34	27,075
South Korea-Singapore	35	895,000	-5,000	25.57	30,398

** assessed weekly*

WEIGHT OF FREIGHT



Rates on dirty tanker routes shown in $/bl

Rates on clean tanker routes shown in $/t

Weight of Freight is the share of freight in the delivered cost of a commodity

DIRTY TANKERS - EUROPE, MIDDLE EAST AND AFRICA

VLCCs tick up, midsize rates steady

VLCC rates rose on a busier Atlantic market, while Aframax and Suezmax freight held broadly steady on Friday.

Atlantic activity supports EMEA VLCCs

A busy Atlantic market supported VLCC rates in west Africa and the Mideast Gulf on Friday.

Freight for west Africa to China shipments rose by WS2 to WS64.5, while freight for Mideast Gulf to Asia-Pacific shipments ticked up by WS0.5 to WS62.5.

Chinese state-run trader Unipec put the Seaking on subjects from west Africa to China at WS62 loading from 10 May, and the Erbil on subjects from the Mideast Gulf to China at WS60 loading from 1 May.

Chinese oil firms have slowed crude purchases as a jump in crude prices threatens to squeeze their already thin refining margins. Chinese state-owned firms ramped up crude purchases for April-May delivery and managed to buy large amounts of June-arriving Brazilian crude before the latest jump in prices.

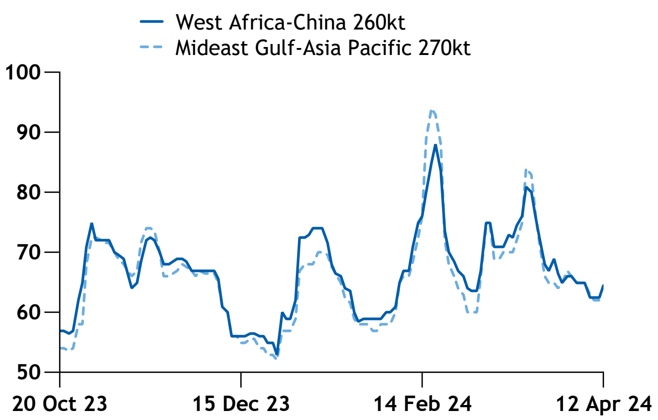
But buyers held off making significant purchases of June-arriving crude from west Africa while they waited to gauge where Mideast Gulf producers would set formula prices for cargoes loading in May and arriving in June. Chinese firms have, *Argus* surveys suggest, bought around 8mn bl of June-arriving west African crude — half what they bought for May arrival. Unsold Angolan and Congolese cargoes are now competing on price with crude from the Mideast Gulf.

South Korean refiner S-Oil put the 2009-built Nave Galactic on subjects from Ras Tanura to Onsan at WS58.75 loading from 28 April, while Indian refiner HPCL put the Ithaki on subjects from Angola's Girassol and Kizomba terminals to Vizag, east coast India at $5mn loading from 7 May.

Mideast Gulf Aframax rates lower

Aframax rates for eastbound shipments fell as demand proved insufficient to sustain last done levels.

VLCC rates WS



Dirty tanker rates - Europe, Middle East, Africa

Route	Size '000t	Rate	±	$/t
Middle East				
Mideast Gulf-UKC/Med	280	43.00	nc	12.78
Mideast Gulf-USGC	280	41.00	nc	15.56
Mideast Gulf-USWC	280	42.50	nc	17.51
Mideast Gulf-East	270	62.50	+0.50	14.69
Mideast Gulf-Singapore	270	63.50	+0.50	9.87
Mideast Gulf-west coast India	270	70.00	nc	5.64
Mideast Gulf-Med	140	67.50	nc	12.66
Mideast Gulf-China	130	-	-	28.44
Mideast Gulf-east Asia	130	115.00	nc	-
Mideast Gulf-Singapore	130	-	-	17.74
Mideast Gulf-west coast India	130	125.00	nc	9.64
Mideast Gulf-east Asia, fuel oil	80	172.50	-2.50	26.01
Mideast Gulf-west coast India	80	180.00	-2.50	14.65
Red Sea-China	80	225.00	nc	57.49
Northern Europe				
North Sea-northeast Asia*	270	7,800,000	+50,000	28.89
Baltic-Med	100	137.50	nc	26.66
Baltic-UKC	100	127.50	nc	13.35
Cross UKC	80	142.50	nc	10.37
UKC-Med	80	127.50	nc	20.73
UKC-US Atlantic coast	80	110.00	nc	19.14
UKC-USGC fuel oil	55	155.00	nc	33.31
ARA-Azores fuel oil	30	255.00	nc	23.26
Baltic-Med fuel oil	30	-	-	-
Baltic-UKC fuel oil	30	-	-	-
Black Sea and Mediterranean				
Black Sea-Med	140	115.71	-2.42	10.81
Black Sea-east Asia*	135	6,150,000	nc	45.56
Black Sea-Med	135	120.00	-2.50	12.76
Black Sea-Singapore*	135	5,550,000	nc	41.11
Black Sea-west coast India*	135	5,150,000	nc	38.15
Cross Med	135	120.00	-5.00	8.35
Med/Black Sea-east Asia*	135	5,650,000	nc	41.85
Med-east Asia*	135	5,150,000	nc	38.15
Med-Singapore*	135	4,650,000	nc	34.44
Med-USGC	135	82.50	-2.50	18.55
Black Sea-Med	80	210.00	nc	22.32
Black Sea-UKC	80	200.00	nc	34.68
Cross Med	80	205.00	nc	16.17
Med-UKC	80	195.00	nc	25.94
Med-USGC	80	110.00	nc	25.38
Med-USGC fuel oil	55	155.00	nc	37.12
Black Sea -Med fuel oil	30	-	-	-
Cross Med fuel oil	30	180.00	nc	13.28
Med to Madeira	30	180.00	nc	19.12
West Africa				
West Africa-China	260	64.50	+2.00	23.06
West Africa-east coast India*	260	5,000,000	+100,000	19.23
West Africa-Singapore	260	65.50	+2.00	18.53
West Africa-USGC	260	66.50	+2.00	14.70
West Africa-west coast India*	260	4,700,000	+100,000	18.08
West Africa-east coast India*	130	5,100,000	+250,000	39.23
West Africa-India*	130	5,025,000	+250,000	38.65
West Africa-UKC/Med	130	127.50	nc	22.24
West Africa-USGC	130	122.50	nc	27.08
West Africa-west coast India*	130	4,950,000	+250,000	38.08
Delays				
Turkish Straits NB		3.0	nc	-
Turkish Straits SB		3.0	nc	-

** $ lumpsum*

DIRTY TANKERS - EUROPE, MIDDLE EAST AND AFRICA

Freight rates for Aframax shipments from the Mideast Gulf to east Asia and to the west coast of India fell by WS2.5 each to WS172.5 and WS180 respectively. But rates could be supported in the short-term if earnings in the Mediterranean continued to rise owing to limited tonnage supply, encouraging shipowners to ballast their vessels towards the west, a shipbroker said. *Argus* TCE spread for Aframaxes in the Mediterranean widened against the Mideast Gulf to $15,978/d on 11 April, from $9,806/d on 9 April. On cargoes, trader Levantine remained in the market for its 80,000t shipment from Marsa Bashayer, Sudan to east Asia, loading from 24 April.

Argus estimated TCE spread for Suezmaxes in the Mideast Gulf widened against Aframaxes to about $2,439/d, before Singapore's market close. from $1,548/d on 11 April.

Freight rates for Suezmax shipments from the Mideast Gulf to east Asia and to the west coast of India held at WS115 and WS125 respectively. Shell booked the Achilleas at WS115 for its 130,000t shipment from the Mideast Gulf to east Asia, loading from 18 April. On cargoes, Indian state-controlled refiners MRPL and BPCL each remained in the market for 130,000t shipments from Basrah, Iraq and Ras Tanura, Saudi Arabi, to the west coast of India, loading from 23 and 24 April respectively.

European Aframax rates steady

European Aframax markets were steady on Friday as fixing activity was muted at the end of the week.

Mediterranean Aframax rates held steady on light activity at the end of the week. Libyan cargoes have been fixed up until the final third of the month. Charterers should come into the market next week with cargoes for loading in the final third of April which, with tight vessels availability, should apply upward pressure to rates in the Mediterranean.

Polish refiner Orlen put the Volta River on subjects from Sidi Kerir to Gdansk at $1.8mn loading from 21-23 April, while trader Heritage put the Nissos Delos on subjects from Ceyhan to the Mediterranean loading from 25-26 April.

US president Joe Biden is expected to address efforts to resolve the political dispute that shut in oil exports from Iraqi Kurdistan when he hosts Iraqi prime minister Mohammed Shia al-Sudani in Washington on 15 April.

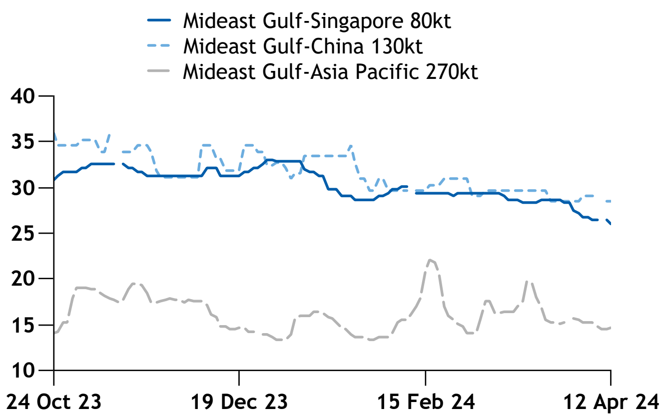
The pipeline that transports northern Iraqi crude to the port of Ceyhan on Turkey's Mediterranean coast was shut in more than a year ago after Ankara lost an arbitration case with Baghdad. Turkey said in October that the pipeline was ready to resume operations, but it blamed the continued shut-in on internal Iraqi politics.

The shut has resulted in the loss of approximately 400,000 b/d of exports out of Ceyhan, reducing the supply of crude cargoes in the Mediterranean, and forcing owners to look for other opportunities, according to analysts at shipbroker Gibson.

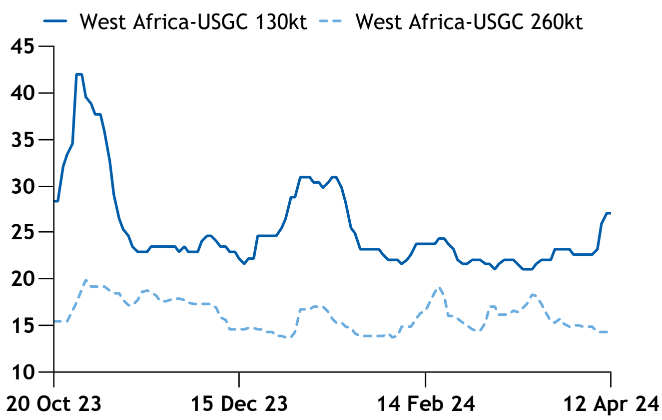
The Caspain Pipeline Consortium (CPC) said today that crude exports from the Yuzhnaya Ozereyevka terminal on Russia's Black Sea coast resumed full operations on 11 April after exports were halted on 9 April for planned maintenance.

The Aframax market held steady in the North Sea as well on Friday despite little outstanding activity working. Tonnage supplies remain tight as shipowners look to ballast to more fruitful markets.

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



West Africa-US dirty tanker rates $/t



DIRTY TANKERS - AMERICAS

Suezmax, VLCC rates up on rising demand

Firm Asia-Pacific demand helped to raise Americas VLCC rates, while cross-Caribbean demand continued to push Suezmax rates up on Friday.

Aframax rates were largely unchanged on comparatively muted demand, with European demand pulling a single vessel from the US Gulf coast.

Asia-Pacific VLCC demand up

ST Shipping put the Front Tyne on subjects for a US Gulf coast-South Korea voyage from 16-18 May at $8.9mn lumpsum, including $250,000 Corpus Christi load port fees, raising the rate on the route by $250,000 to that level. The deal included demurrage at $80,000/d.

Occidental put a Sinokor-owned VLCC on subjects for a US Gulf coast-China voyage from 19 May, also at $8.9mn including load port fees.

Suezmax tonnage thin, Aframax demand muted

PetroChina put the Marlin Somerset Suezmax on subjects for a Guyana-Panama voyage from 28-29 April at WS135, raising the rate on the route by WS12.5 to that level. Rates for Suezmax voyages loading in the Atlantic basin rose in the wake of the deal on the overall tighter tonnage profile in the region.

Meanwhile, Phillips 66 put the Ionic Ariadne Aframax on subjects for a US Gulf coast-Europe voyage from 23 April at WS220, holding the rate on the route flat at that level.

Dirty tanker rates - Americas

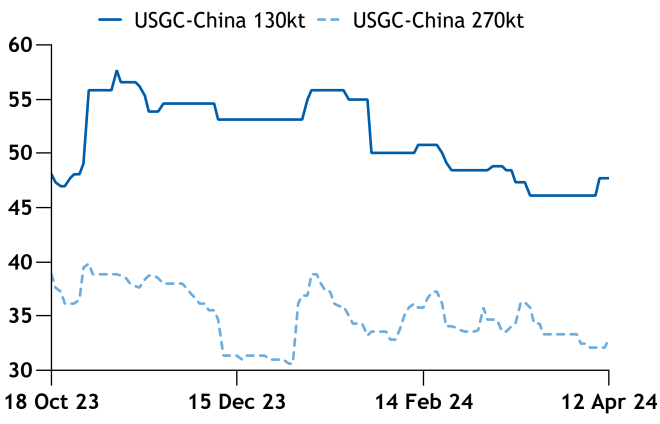
Route	Size '000t	Rate	±	$/t
Caribbean-China*	270	8,650,000	+250,000	32.04
Caribbean-Singapore*	270	7,650,000	+250,000	28.33
Caribbean-WC India*	270	7,450,000	+250,000	27.59
USGC-China*	270	8,900,000	+250,000	32.96
USGC-China (STS)*	270	8,650,000	+250,000	32.04
USGC-Rotterdam*	270	4,150,000	+100,000	15.37
USGC-Singapore*	270	7,900,000	+250,000	29.26
USGC-South Korea/Japan*	270	8,900,000	+250,000	32.96
USGC-WC India*	270	7,700,000	+250,000	28.52
West coast Panama-China	270	5,050,000	+150,000	18.70
Brazil-China	260	62.50	+2.50	25.26
Brazil-USWC	260	75.00	+2.50	23.39
Brazil-UKC	260	72.50	+2.50	13.69
Caribbean-UK continent	145	112.50	+2.50	20.78
USGC-Europe	145	107.50	+2.50	23.32
Brazil-UKC	130	122.50	+5.00	23.51
Caribbean-Panama	145	135.00	+12.50	6.26
Caribbean-USGC	145	125.00	+12.50	12.01
Guyana-Panama	145	135.00	+12.50	10.37
Guyana-UKC	145	112.50	+2.50	17.78
Panama-USWC	130	125.00	nc	15.50
USGC/Caribs-Singapore*	130	5,700,000	nc	43.85
USGC-China*	130	6,200,000	nc	47.69
Ecuador-USWC	100	335.00	nc	49.78
Esmeraldas-Los Angeles	100	-	-	20.04
USGC-UK continent	90	-	-	36.10
USGC-Med	90	-	-	44.76
Vancouver-USWC	80	155.00	nc	13.84
Vancouver-Panama	80	155.00	nc	26.92
Vancouver-China*	80	3,750,000	nc	46.88
Vancouver-China via 270kt Panama STS	80	-	-	47.50
Caribbean-UK continent	70	225.00	nc	42.46
Caribbean-USGC	70	235.00	nc	25.57
East coast Mexico-USGC	70	245.00	nc	14.75
USGC-east coast Canada	70	225.00	nc	34.81
USGC-UK continent	70	220.00	nc	46.42
USGC-Med	70	220.00	nc	57.55
Argentina-USWC	65	-	-	56.36
Argentina-USAC	65	-	-	48.54
Argentina-USWC	50	210.00	nc	-
Argentina-USAC	50	210.00	nc	-
Caribbean-USGC	50	210.00	nc	22.85
East coast Mexico-USGC	50	210.00	nc	11.17
Ecuador-USWC	50	420.00	nc	62.41
Esmeraldas-Houston	50	-	-	37.95
USGC Aframax reverse lightering*		575,000	nc	-

** $ lumpsum*

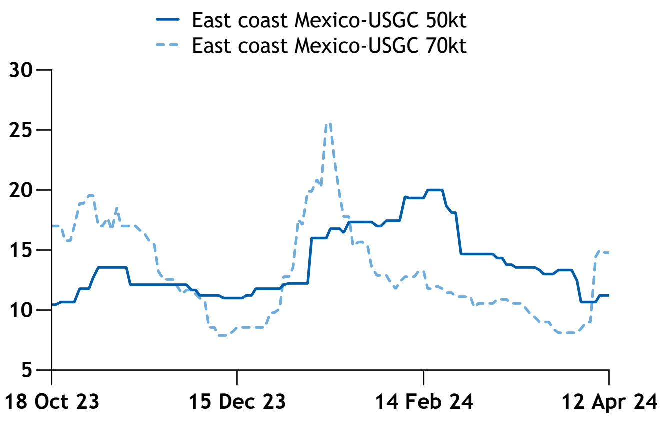
Dirty tanker rates - Jones Act (weekly)

Route	Size '000bl	$/bl	±
Corpus Christi-Delaware Bay	260-330	5.05	-0.02
Corpus Christi-St. James	260-330	2.60	-0.02
Corpus Christi-St. James	140-260	3.46	-0.03

US-China dirty tanker rates $/t



Mexico-US dirty tanker rates $/t



DIRTY TANKERS - ASIA-PACIFIC

Southeast Asian Aframax rates hold

Aframax rates from the southeast Asia region held on the back of new cargo enquiry for end-April loading window.

Southeast Asian Aframax rates to east coast Australia, and from Indonesia to Japan held at WS152.5 and WS157.5 respectively. Regional tonnage supply thinned after a slew of short-haul regional chartering activity concluded on Thursday, participants said, but were insufficient to lift rates, they added. Trading firm Thai Integrated Services (TIS) booked the Pusaka Borneo for its 80,000t shipment from Blang Lanchang, Indonesia to Thailand, loading from 21 April.

On cargoes, trading firm Vitol sought a vessel for its 80,000t shipment from Dulang, Malaysia to Geelong, Australia, loading from 17 April. Sinopec's trading arm Unipec sought a vessel for a similar-sized shipment from Rang Dong, Vietnam to China, loading from 25 April. ExxonMobil sought a vessel for its 80,000t shipment from Banyu Urip, Indonesia to Singapore and Thailand, loading from 27 April. Glencore's trading subsidiary ST Shipping sought a vessel for a similar-sized shipment from Brunei's Seria to Indonesia's Balikpapan and Cilacap, loading from 27 April. Thailand's PTT sought two vessels for 80,000t shipments from Sao Vang, Vietnam and Sungai Linggi, Malaysia to Thailand, loading from 22 and 25 April respectively.

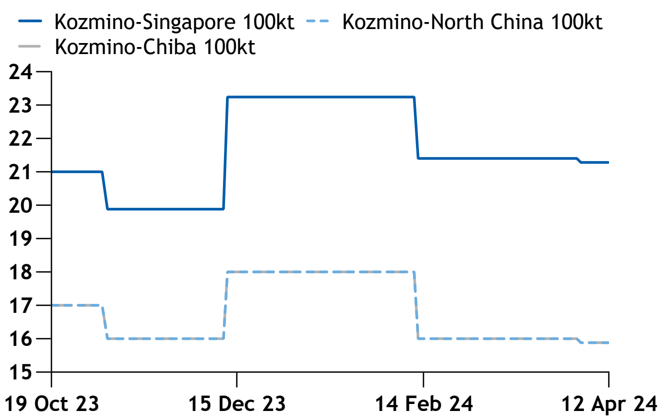
Argus estimated TCE spread for Aframaxes in the Mideast Gulf narrowed against the southeast Asia region to about $1,253/d, before Singapore's market close. from $2,144/d on 11 April following lower Mideast Gulf activity. This could pressure southeast Asian rates as shipowners could opt to remain within the region if the spread continued to narrow.

Dirty tanker rates - Asia-Pacific

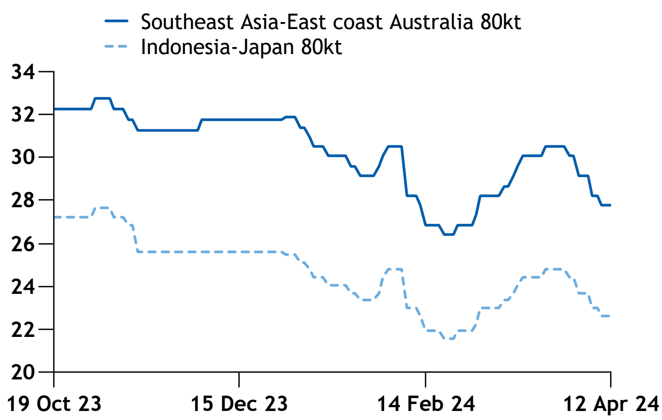
Route	Size '000t	Rate	±	$/t
Indonesia to Japan	80	157.50	nc	22.62
SE Asia to EC Australia	80	152.50	nc	27.77
Kozmino to Yeosu*	100	1,260,000	nc	12.60
Kozmino to Chiba*	100	1,590,000	nc	15.90
Kozmino to north China*	100	1,590,000	nc	15.90
Kozmino to Singapore*	100	2,130,000	nc	21.30
Kozmino to Sikka*	100	3,000,000	nc	30.00
Kozmino-Paradip*	100	2,580,000	nc	25.80
Yeosu STS to Paradip*	100	2,615,000	nc	26.15
Yeosu STS to Mundra*	100	2,620,000	nc	26.20
De-Kastri to Yeosu*	100	2,070,000	nc	20.70
De-Kastri to Yeosu STS*	100	2,050,000	nc	20.50
De-Kastri to Kiire*	100	2,200,000	nc	22.00
De-Kastri to Qingdao*	100	2,260,000	nc	22.60
De-Kastri to Yantai*	100	2,300,000	nc	23.00
De-Kastri to Dongjiakou*	100	2,280,000	nc	22.80
De-Kastri to Zhoushan*	100	2,290,000	nc	22.90
De-Kastri to Batangas*	100	2,630,000	nc	26.30
De-Kastri to Sriracha*	100	2,990,000	nc	29.90
De-Kastri to Singapore*	100	3,030,000	nc	30.30
De-Kastri to Paradip*	100	3,520,000	nc	35.20
De-Kastri to Sikka*	100	4,020,000	nc	40.20

** $ lumpsum*

Kozmino dirty tanker rates $/t



Southeast Asia dirty tanker rates $/t



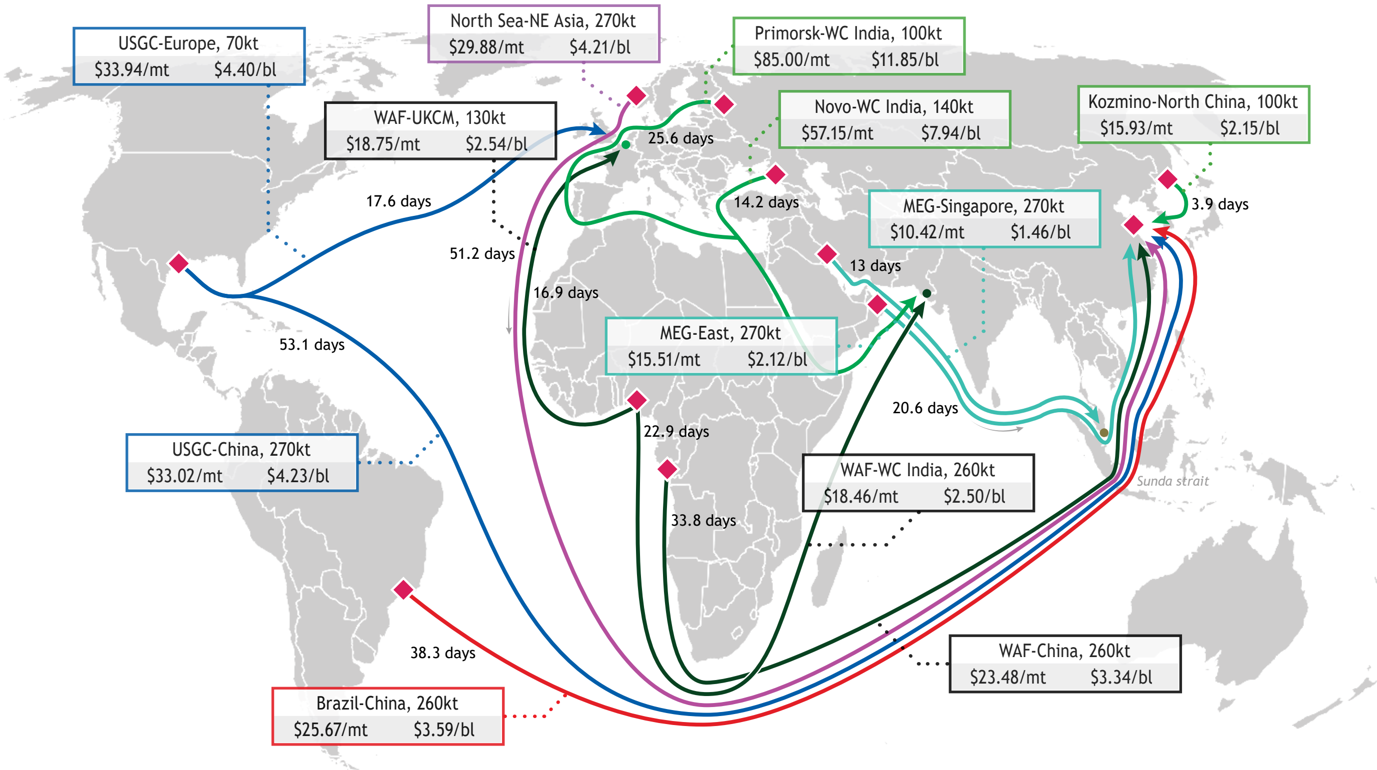
CRUDE TRADE ROUTES Weekly price updates

Published date: Friday 12 April 2024 Period: 14

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 $/bl	Freight $/t	Delivered price $/bl
WTI	US Gulf	88.09	Rotterdam	4.40	33.94	91.85
WTI	US Gulf	88.09	China	4.23	33.02	92.19
Tupi	Brazil	88.44	Shandong	3.59	25.67	92.03
Johan Sverdrup	Norway	88.38	Shandong	4.21	29.88	92.59
Bonny Light	Nigeria	92.74	Rotterdam	2.54	18.75	95.28
Bonny Light	Nigeria	92.74	India	2.50	18.46	95.24
Djeno	Rep. Congo	88.45	Shandong	3.34	23.48	91.55
Urals, Baltic	Primorsk	72.75	WC India	11.85	85.00	86.65
Urals, Black Sea	Novorossiysk	72.90	WC India	7.94	57.15	86.65
Basrah Medium	Iraq	88.21	Singapore	1.46	10.42	89.67
ESPO Blend	Kozmino	83.32	Shandong	2.15	15.93	88.07
Oman	Oman	89.34	Shandong	2.12	15.51	84.13

CLEAN TANKERS - EUROPE, MIDDLE EAST AND AFRICA

Mideast Gulf eastbound market drops again

Clean tanker rates in the Mideast Gulf fell further on Friday while cross-UK Continent Handysize rates stepped higher as charterers switched their focus back to Handysize tankers and away from the larger MR ships.

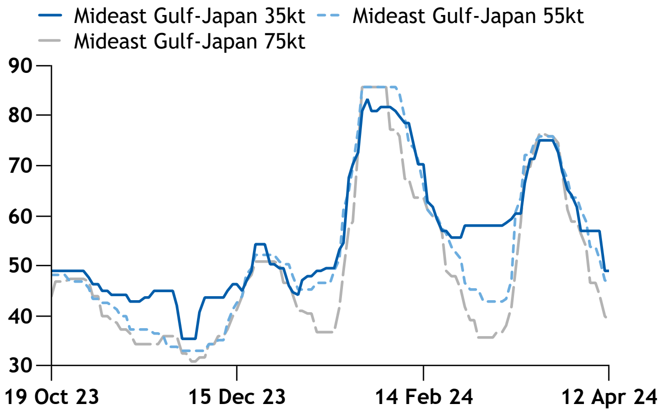
Mideast Gulf clean LR rates fall

Clean LR tanker rates from the Mideast Gulf to Japan continued to fall in line with a fixture.

Rates for 75,000t LR2 and 55,000t LR1 shipments from the Mideast Gulf to Japan fell by WS2.5 each to WS160 and WS190 respectively. Japanese trading firm Idemitsu booked the Torm Helene at WS160 for its LR2 shipment from the Mideast Gulf to Japan, loading from 21 April. Japanese trading firm Marubeni booked the Swarna Jayanti for a similar-sized shipment on the route, loading from 20 April. On cargoes, BP sought a vessel, while Abu Dhabi Marine International Chartering (Admic) remained in the market for their LR2 shipments from the Mideast Gulf to Japan and east Asia, loading from 22 and 27 April respectively. Admic also remained in the market for a LR1 shipment from the Mideast Gulf to Japan, loading from 22 April.

Freight for 35,000t MR shipments from the Mideast to Japan and Singapore remained at WS202.5 and WS242.5 respectively on muted chartering activity on the routes. But freight rates could be supported by new cargo requirements and reduced vessel supply. On cargoes, trading firm Vitol sought a vessel, while Saudi Arabia's state-controlled Aramco Trading ATC remained in the market for their MR shipments from the Mideast Gulf to Japan and Singapore, loading from 17 and 16 April respectively. BP sought a vessel, while Sinopec's trading arm Unipec remained in the market for their MR shipments from Mumbai, west coast of India to east Asia, both loading from 21 April.

Mideast Gulf clean rates $/t



Clean tanker rates - Europe, Middle East, Africa

Route	Size '000t	Rate	±	$/t
Middle East				
Mideast Gulf-UKC*	90	5,600,000	+800,000	62.22
Red Sea-Med*	90	3,800,000	+500,000	42.22
Red Sea-UKC*	90	3,900,000	+500,000	43.33
Mideast Gulf-Japan	75	160.00	-2.50	39.17
Mideast Gulf-South Korea	75	165.00	-2.50	37.60
Mideast Gulf-UKC*	65	4,000,000	nc	61.54
Red Sea-Med*	65	2,700,000	+50,000	41.54
Red Sea-UKC*	65	2,800,000	+50,000	43.08
Mideast Gulf-Brazil*	40	3,550,000	+100,000	88.75
Mideast Gulf-Japan	55	190.00	-2.50	46.51
Mideast Gulf-Singapore	55	205.00	-2.50	29.77
Mideast Gulf-South Korea	55	195.00	-2.50	44.44
Mideast Gulf-Durban	35	-	-	38.97
Mideast Gulf-Durban**	35	-	-	43.52
Mideast Gulf-east Africa	35	242.50	nc	29.34
Mideast Gulf-east Africa**	35	277.50	nc	33.58
Mideast Gulf-east coast India	35	247.50	nc	-
Mideast Gulf-east coast India*	35	1,192,900	nc	34.08
Mideast Gulf-Japan	35	202.50	nc	48.98
Mideast Gulf-Singapore	35	242.50	nc	36.57
Mideast Gulf-UKC*	40	3,350,000	+100,000	83.75
Mideast Gulf-Walvis Bay	35	-	-	52.02
Mideast Gulf-Walvis Bay**	35	-	-	59.52
Mideast Gulf-west coast India	35	247.50	nc	-
Mideast Gulf-west coast India*	35	703,400	nc	20.10
Northern Europe				
UKC-west Africa	60	195.00	-5.00	35.82
ARA-Durban	37	-	-	55.67
ARA-Walvis Bay	37	-	-	46.49
UKC-east coast Mexico	37	165.00	nc	34.42
UKC-South America	37	215.00	nc	41.88
UKC-US Atlantic coast	37	180.00	nc	29.70
UKC-west Africa	37	210.00	nc	38.58
Baltic-UKC	30	245.00	+5.00	24.60
Cross UKC	30	230.00	+5.00	14.79
Cross UKC	22	312.50	+5.00	20.09
Black Sea and Mediterranean				
Med-Japan*	80	3,900,000	-200,000	48.75
Med-Japan*	60	3,500,000	-200,000	58.33
Med-US Atlantic coast	37	200.00	nc	36.26
Black Sea-Med	30	200.00	nc	24.46
Cross Med	30	190.00	nc	14.54
Cross Med gasoline	30	190.00	nc	14.54
Cross Med jet	30	190.00	nc	14.54
Cross Med naphtha	30	190.00	nc	14.54
Med gasoline premium	30	+0.00	nc	-
Med jet premium	30	+0.00	nc	-
Med naphtha premium	30	+0.00	nc	-
Med-UKC	30	200.00	nc	27.32
Med-UKC gasoline	30	200.00	nc	25.62
Med-UKC jet	30	200.00	nc	25.62
Med-UKC naphtha	30	200.00	nc	27.56
Med-Walvis Bay	35	266.50	+1.50	57.08

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

CLEAN TANKERS - EUROPE, MIDDLE EAST AND AFRICA

Spot MR vessels available over the next 10 days from the Mideast Gulf region fell to nine on 9 April, from 12 on 2 April, according to a freight participant.

European clean MRs hold steady

European clean tanker rates remained stable on Friday as charterers were slow to make new MR cargoes available but a spate of Handysize bookings this week using the larger MR vessel class has tightened the supply of MR tankers.

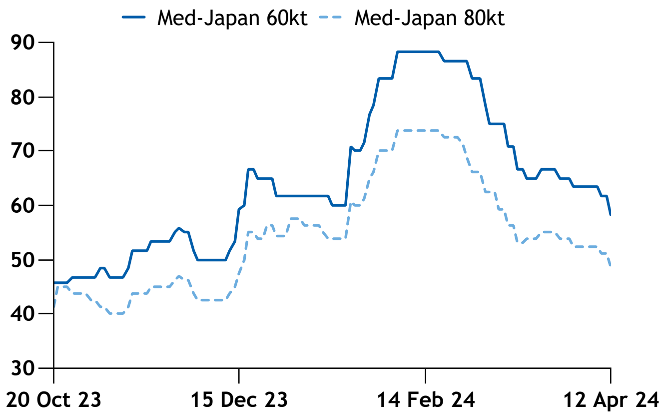
In the MR market, the UK Continent to US Atlantic coast held at WS180. There were just eight MR ships available over the next five days compared to 14 at the beginning of the week as charterers have booked several ships on cross-UK Continent Handysize voyages. Refinery maintenance, both planned and unplanned, in north Europe has created requirements for diesel to be redistributed across the region and the lack of transatlantic MR cargoes had led to charterers using the larger and more economic vessel class.

But cross-UK Continent voyages take less than 10 days and MR shipowners that conducted this shorter voyage likely will be back on the transatlantic MR market soon. The continued shortage of US demand for European diesel — as domestic supply appears enough to sustain current US demand — will likely keep MR rates under pressure in the near-term.

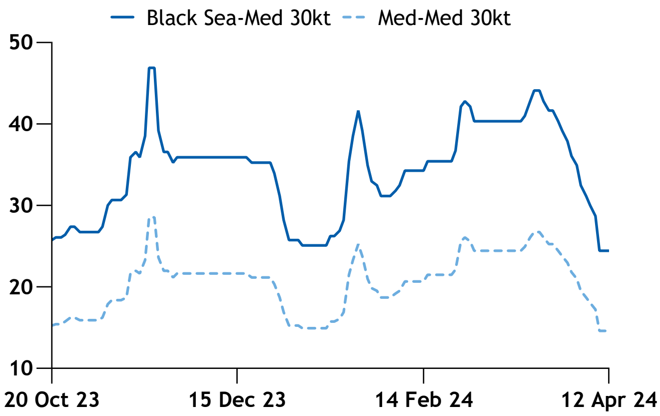
In the Handysize market, the cross-Mediterranean rate held at WS190 and appears to have reached a floor. The Mediterranean market has dropped sharply so far this month as April cargo numbers have been lower, in part because refinery maintenance in south Europe has been less extensive than in the north and because of a decline in exports from Turkey.

The Handysize cross-UK Continent rate conversely climbed by WS5 to WS230. The increased redistribution of diesel across the region as a result of extensive refinery maintenance has deplete the pool of available ships. Charterers have mostly focused on the larger MR class but most of these have now been used and the higher cargo numbers have pushed Handysize rates up.

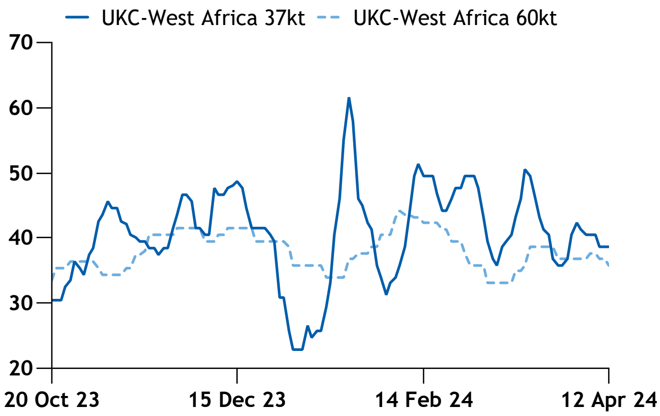
Med-Japan LR rates $/t



Black Sea/Mediterranean clean tanker rates $/t



UKC-west Africa clean tanker rates $/t



CLEAN TANKERS - AMERICAS

USGC MR rates drop

Muted demand and rising tonnage lowered MR tanker rates in the US Gulf coast on Friday.

At the start of the trading session, there were 17 MR tankers available to load in the seven-day window, up by one from the 16 available on Thursday, according to a shipbroker.

Limited Caribbean demand drops short-duration rates

ATMI put an MR tanker on subjects for a US Gulf coast-Caribbean voyage from 17-18 April at $885,000 lumpsum, dropping the rate on the route by $65,000 to that level. The deal dropped other short-duration voyage rates on the day.

PMI put the Seadrive on subjects for a US Gulf coast-east coast Mexico voyage, while the rate on the route also dropped by $65,000 to $635,000.

Raizen sought an MR tanker for a US Gulf coast-Brazil voyage from 16-18 April, but no vessel was heard to have been put on subjects as of 6pm ET.

Europe-bound rates hold

Valero put the Nord Vanguard on subjects to carry an ultra-low diesel cargo for a US Gulf coast-Europe from 17 April at WS195, holding the rate on the route steady at that level. The deal included demurrage at $46,000/d.

Rising European refinery utilization as the region exits its turnaround season could help to pull vessels to the other side of the Atlantic in the coming weeks, potentially reversing downward pressure in the Americas.

Panama Canal auction prices (weekly)	$
Transit slot type	Price
Neopanamax	300,556.00
Panamax	94,314.00

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

Clean tanker rates - Americas				
Route	Size '000t	Rate	±	$/t
Worldscale				
USGC-Brazil	60	235.00	nc	-
USGC-north Brazil	60	-	-	40.14
USGC-south Brazil	60	-	-	51.14
USGC-UKC	60	190.00	nc	41.34
Caribbean-USAC	38	260.00	nc	30.24
USAC-UKC	38	185.00	nc	30.95
USGC/Caribbean-UKCM	38	195.00	nc	36.78
USGC-Argentina/Uruguay	38	-	-	73.11
USGC-east coast Canada	38	275.00	nc	39.90
USGC-east coast South America	38	280.00	nc	-
USGC-north Brazil	38	-	-	47.82
USGC-south Brazil	38	-	-	62.61
Lumpsum				
USGC-Japan	60	3,950,000	nc	65.83
EC Canada - USAC	38	850,000	nc	22.37
USGC-Chile (not south of Coronel)	38	2,825,000	nc	74.34
Calbuco diff	38	+150,000	nc	+3.95
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	835,000	-65,000	21.97
USGC-east coast Mexico	38	635,000	-65,000	16.71
USGC-Ecuador	38	2,225,000	nc	58.55
USGC-Japan	38	2,675,000	nc	70.39
USGC-Las Minas	38	835,000	-65,000	21.97
USGC-Lazaro Cardenas	38	2,625,000	nc	69.08
USGC-Peru	38	2,525,000	nc	66.45
Callao/Conchan diff	38	-100,000	nc	-2.63
USGC-Pozos	38	885,000	-65,000	23.29
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	2,775,000	nc	73.03
USWC-Chile (not south of Coronel)	38	2,050,000	nc	53.95
Calbuco diff	38	+100,000	nc	+2.63
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	1,050,000	nc	27.63
USWC-Rosarito	38	750,000	nc	19.74
USWC-Topolobampo	19	-	-	22.89
USGC-Guaymas	12	-	-	74.08
USWC-Guaymas	12	-	-	28.07

Clean tanker rates - Jones Act (weekly)			$/bl
Route	Size '000bl	Rate	±
Houston-Tampa	310-330	2.62	-0.02
Houston-Tampa	140-260	3.68	-0.03
Houston-Port Everglades	310-330	3.27	-0.01
Houston-Port Everglades	140-260	4.48	-0.01
Houston-Jacksonville	310-330	3.83	-0.01
Houston-New York	310-330	5.05	-0.02
Houston-New York	140-260	7.41	-0.03
New Orleans-Los Angeles	310-330	13.56	-0.14
US-US $/d	310-330	84,966	-31

CLEAN TANKERS - ASIA-PACIFIC

Northeast Asia clean MR rates lower

Clean MR tanker rates from the northeast Asia region fell as chartering activity proved insufficient to support last done levels.

Freight rates for 35,000t MR shipments from South Korea to Australia fell by WS2.5 to WS292.5. BP booked the Garnet Express at WS292.5 for its MR shipment from Quanzhou, China to Australia, loading from 24 April. Glencore's trading subsidiary ST Shipping booked the Lian Xi Hu at WS295 for its MR shipment from Japan to Australia, loading from 18 April. But the fixture was concluded at a premium to prevailing market levels because of prompt loading dates.

MR lumpsum rates for 35,000t shipments from South Korea to Singapore fell by $5,000 to $895,000. Shell booked the STI Seneca at $895,000 for its MR shipment from Yosu, South Korea to Singapore, loading from 20 April, with an option to discharge in the Philippines and Hong Kong. South Korea's GS Caltex booked the Morning Ibis at $800,000 for its MR shipment from Yosu, South Korea to Singapore, loading from 20 April. But the fixture was concluded at discount to prevailing market levels because this would be the vessel's first shipment after completing dry-dock.

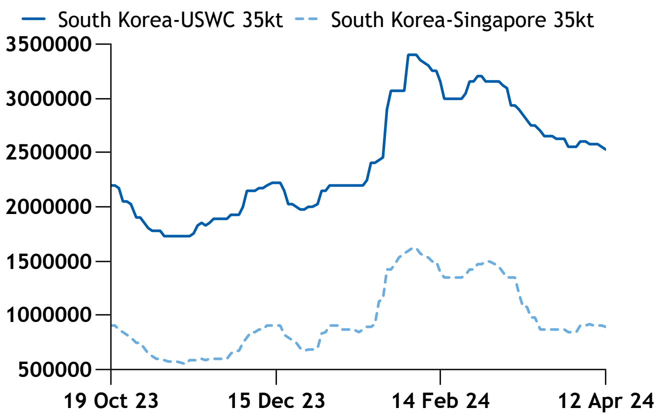
MR rates for 35,000t shipments from southeast Asia to Australia remained at WS285 as fundamentals were relatively stable. Private-sector firm Rongsheng booked a vessel at WS287.5 for its MR shipment from Singapore to Australia, loading from 14 April. But the fixture was concluded at a premium to prevailing market levels because of prompt loading dates.

Clean tanker rates - Asia-Pacific

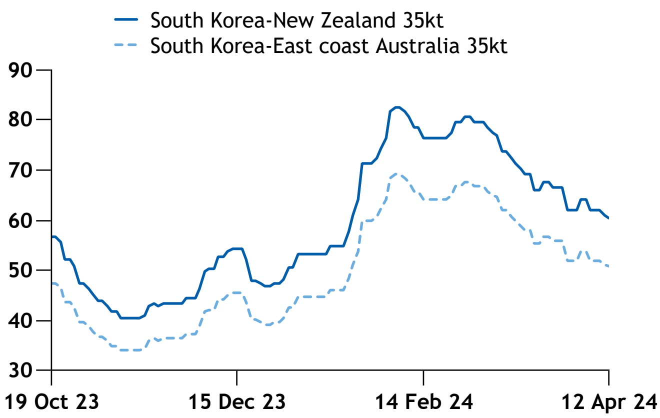
Route	Size '000t	Rate	±	$/t
West coast India-south Brazil*	90	5,550,000	+900,000	61.67
West coast India-UKC*	90	5,500,000	+800,000	61.11
West coast India-south Brazil*	65	3,950,000	nc	60.77
West coast India-UKC*	65	3,900,000	nc	60.00
West coast India-south Brazil*	40	3,350,000	+100,000	83.75
SE Asia-EC Australia	35	285.00	nc	48.65
South Korea-Australia/New Zealand	35	292.50	-2.50	-
South Korea-Chile*	35	3,450,000	-25,000	98.57
South Korea-east coast Australia	35	-	-	50.69
South Korea-New Zealand	35	-	-	60.43
South Korea-Singapore*	35	895,000	-5,000	25.57
South Korea-USWC*	35	2,525,000	-25,000	72.14
North China-east coast Australia	35	292.50	-2.50	57.04
North China-west coast Australia	35	292.50	-2.50	50.16
Dalian-Singapore*	35	956,000	-5,000	27.31
SE Asia-EC Australia	30	332.50	nc	56.76
Singapore-Japan	30	250.00	nc	30.83
SE Asia-Walvis Bay	35	277.00	nc	64.16

** $ lumpsum*

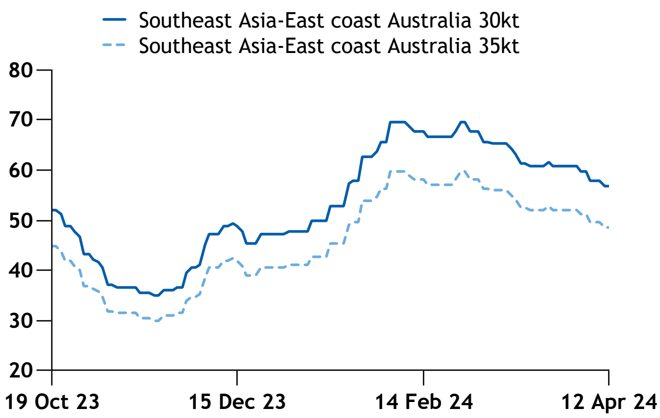
South Korea clean tanker lumpsum rates $



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



Southeast Asia-Australia clean tanker rates $/t



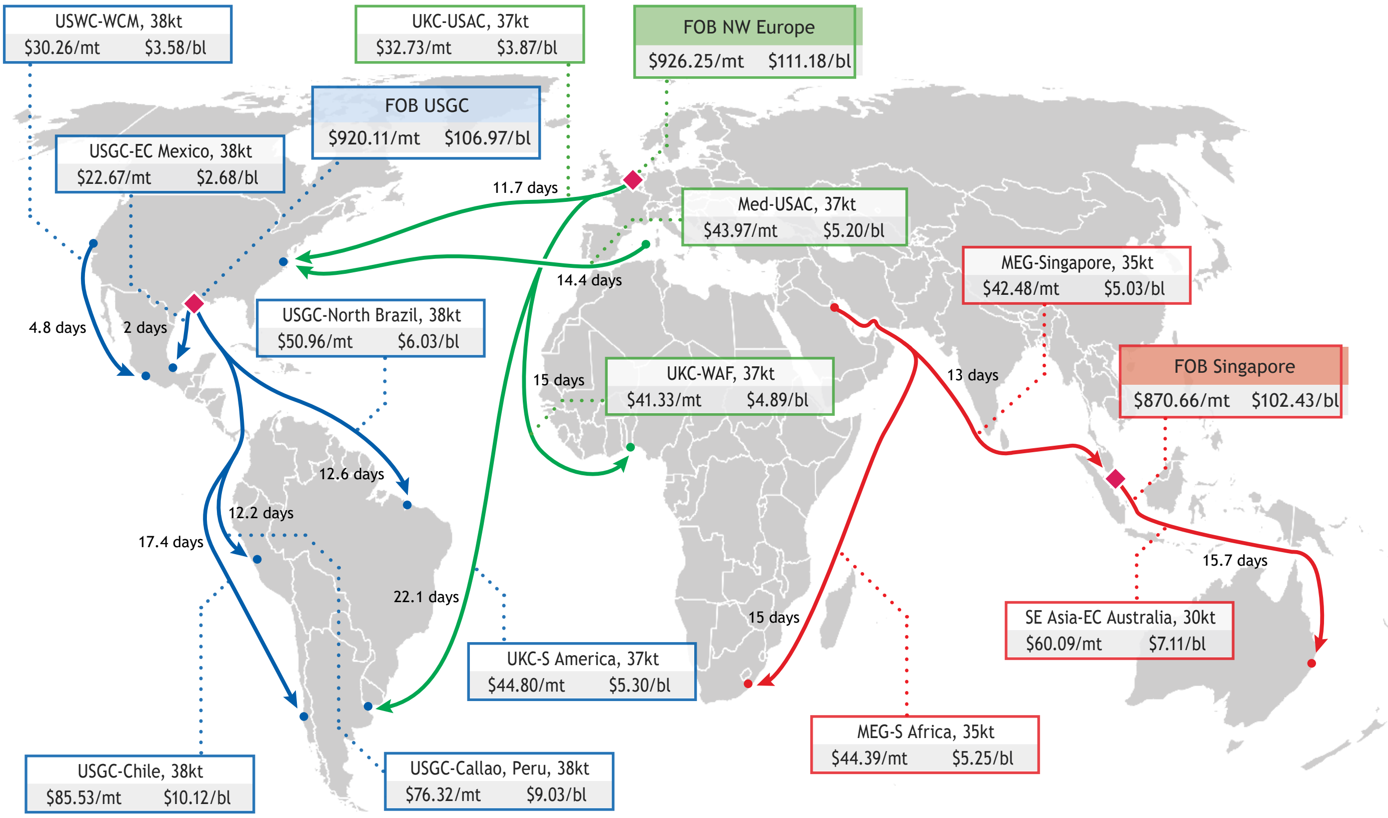
GASOLINE TRADE ROUTES Weekly price updates

Published date: Friday 12 April 2024 Period: 14

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	920.11	106.97
to East Coast Mexico	942.78	109.65
to Peru	996.43	116.00
to Chile	1,005.64	117.09
to Brazil	971.07	113.00
Gasoline reg CARBOB SF WB fob ex RVO	1,217.00	144.86
to West Coast Mexico	1,247.26	148.44

Europe Trade Routes

Exports from regional hub	$/mt	$/bl
Eurobob Oxy barges	926.25	111.18
to USAC	958.98	115.05
to Argentina (Gasoline Eurobob oxy NWE del Buenos Aires)	991.46	119.01
to West Africa (Gasoline Eurobob delivered west Africa)	967.58	116.14
Gasoline 95r 10ppm W Med fob	915.75	109.92
to USAC	959.72	115.12

Asia Trade Routes

Exports from regional hubs	$/mt	$/bl
Gasoline 92r Singapore	870.66	102.43
to Australia	930.75	109.54
Gasoline 92r Mideast Gulf	826.97	97.87
to South Africa (Gasoline 95r c+f Durban)	908.97	107.57

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

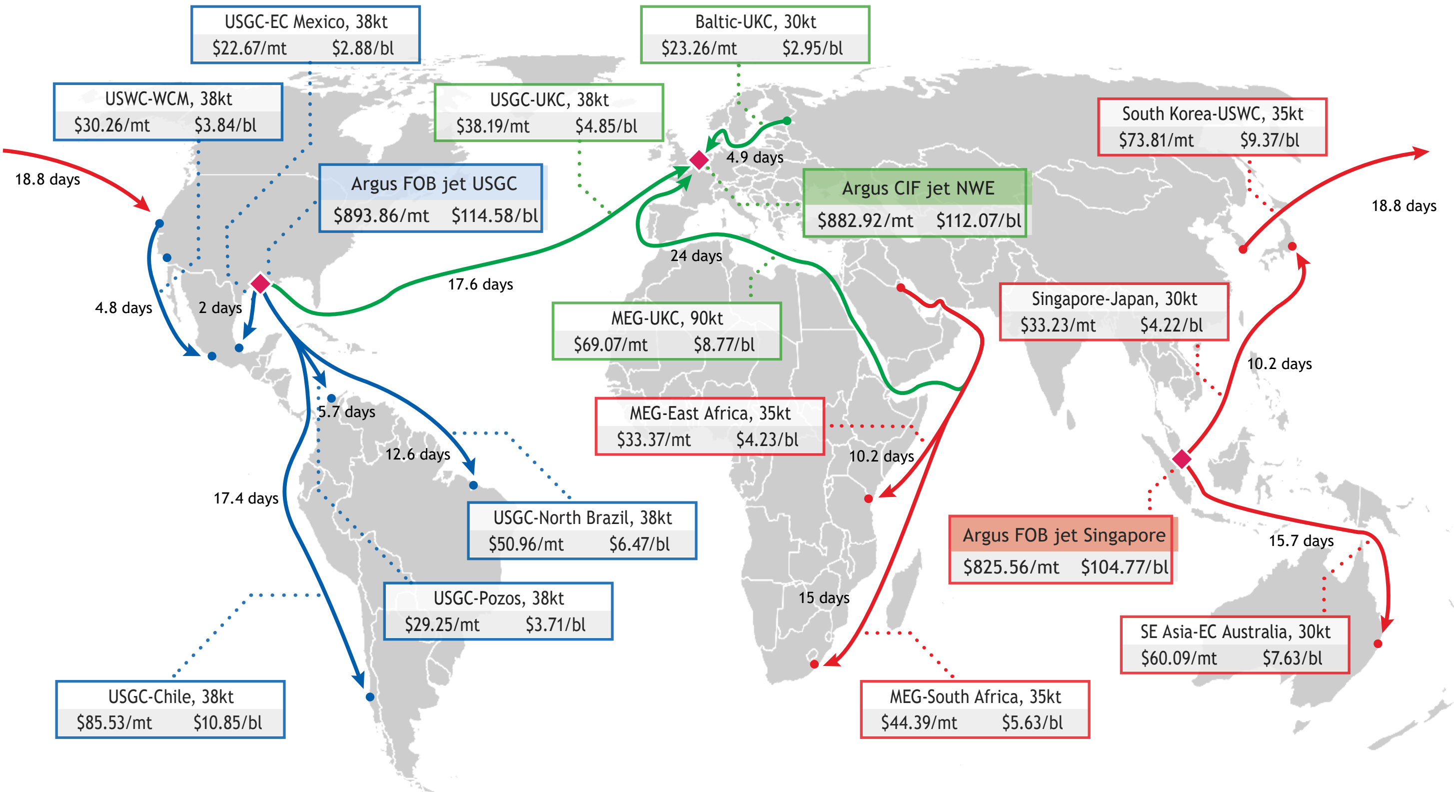
KEY JET FUEL TRADE ROUTES Weekly price updates

Published date: Friday 12 April 2024 Period: 14

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	893.86	114.58
to East Coast Mexico	916.53	117.46
to Pozos/Caribbean	923.11	118.29
to Chile	979.39	125.43
to Brazil	936.28	120.02
Argus FOB jet USWC	879.80	112.78
to West Coast Mexico	974.13	124.87

Asia Trade Routes		
Exports from regional hubs	**$/mt**	**$/bl**
Argus FOB jet Singapore	825.56	104.77
to Australia	885.65	112.40
to Japan	858.57	108.98
Argus FOB jet MEG	784.59	99.57
to South Africa	828.78	105.20
to East Africa	817.96	103.80
Argus FOB jet South Korea	819.57	104.03
to USWC	879.80	112.78

Europe Trade Routes		
Imports to regional hub	**$/mt**	**$/bl**
Argus CIF jet NWE	882.92	112.07
ex MEG	784.59	99.57
ex USGC	893.86	114.58
ex Baltic	859.66	109.12

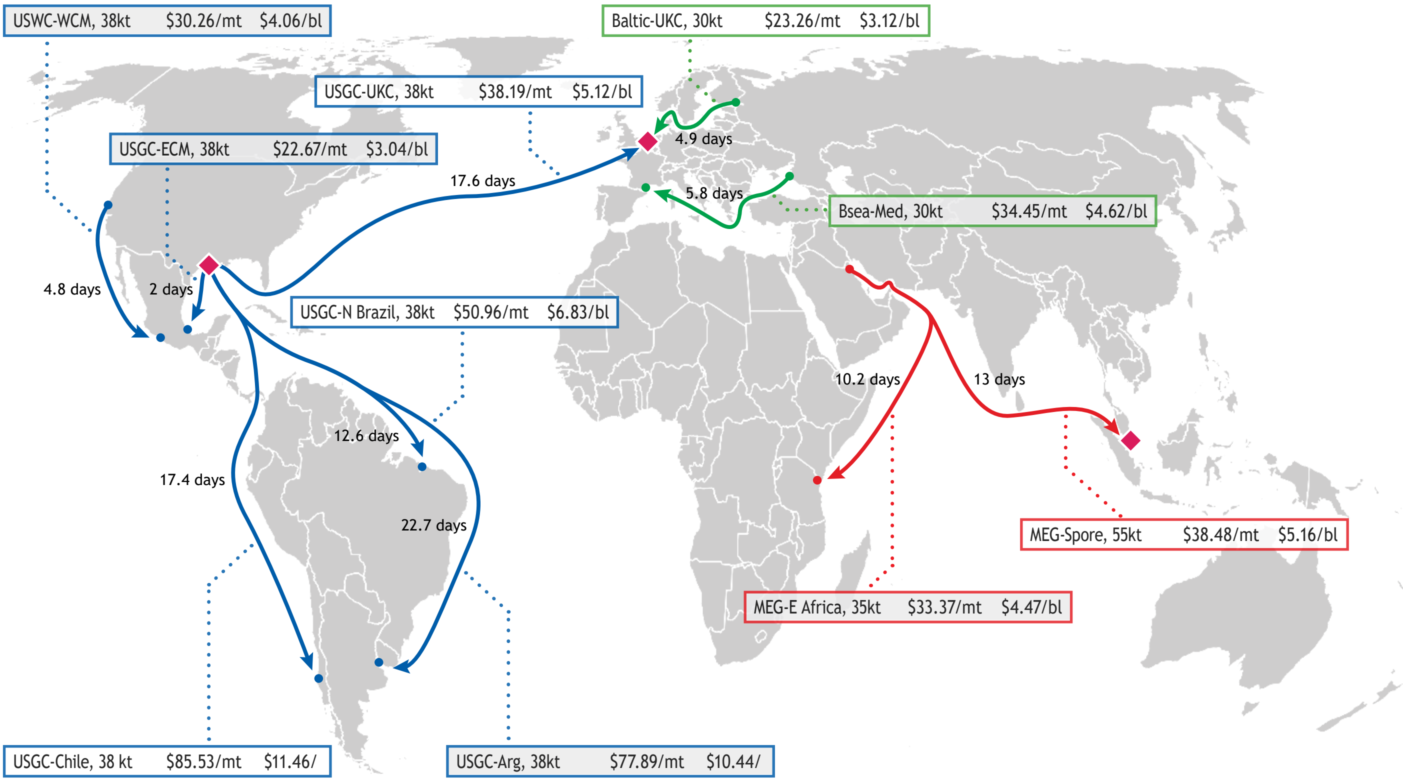
KEY DISTILLATES TRADE ROUTES Weekly price updates

Published date: Friday 12 April 2024 Period: 14

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



Americas Trade Routes		
Exports from regional hubs:	**$/mt**	**$/bl**
FOB USGC	781.12	108.81
del EC Mexico	803.79	111.85
del Chile	866.64	120.27
del N Brazil	859.01	119.25
del Argentina	945.25	131.26
del NW Europe	864.00	116.07
FOB USWC	810.73	113.73
del WC Mexico	840.99	117.79

Europe Trade Routes		
Imports to regional hubs:	**$/mt**	**$/bl**
Argus Diesel French 10 ppm NWE cif		
ex Baltic	864.00	116.07
Argus Gasoil Diesel French 10 ppm W Med cif		
ex Black Sea	859.25	115.44

Asia Trade Routes		
Exports from regional hub:	**$/mt**	**$/bl**
Argus Gasoil 10 ppm MEG	754.70	101.17
to Singapore	793.18	106.32
to East Africa	788.08	105.64

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**

TANKER TCE RATES

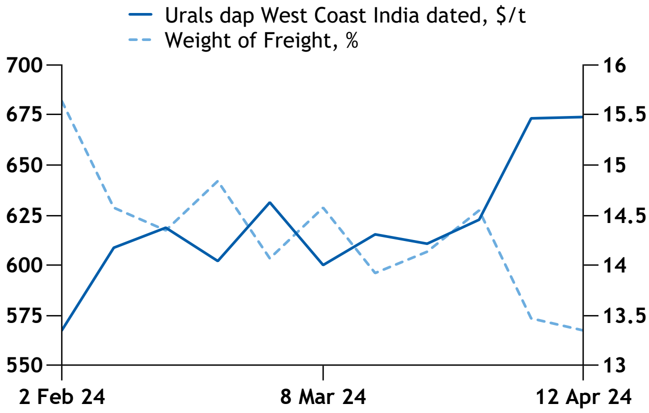
Dirty tanker time charter equivalent rates					
Route	WS/LS	TCE (non-scrubber) USD/day	±	TCE (scrubber) USD/day	±
Dirty Tankers - VLCC					
EMEA					
Basrah-Los Angeles	42.50	14,530	nc	22,414	nc
Bonny-Ningbo	64.50	33,966	+2,290	41,080	+2,231
Ras Tanura-LOOP	41.00	17,441	-39	24,205	-95
Ras Tanura-Ningbo	62.50	32,913	+558	39,604	+501
Ras Tanura-Rotterdam	43.00	14,124	-28	20,575	-82
Americas					
Corpus Christi-Ningbo	8,900,000	34,027	+2,004	41,183	+1,944
Dirty Tankers - Suezmax					
EMEA					
Basrah-Trieste	67.50	-5,565	-40	-530	-82
Bonny-Rotterdam	127.50	34,630	+221	38,688	+238
Novorossiysk-Ningbo	6,150,000	46,904	-62	52,285	-107
Ras Tanura-Qingdao	115.00	38,104	-63	43,531	-108
Ras Tanura-Singapore	115.00	35,891	-35	40,936	-78
Americas					
Houston-Rotterdam	107.50	40,168	+1,266	43,342	+1,783
Dirty Tankers - Aframax					
EMEA					
Arzew-Trieste	205.00	50,472	+116	-	-
Fujairah to Singapore	172.50	33,445	-933	-	-
Americas					
Dos Bocas-Houston	245.00	52,228	-293	-	-
Houston-Rotterdam	220.00	44,043	-462	-	-
Asia-Pacific					
Bukit Tua-Kikuma	157.50	32,771	-24	-	-
Kimanis-Geelong	152.50	31,627	-45	-	-
Kozmino-Longkou	1,590,000	82,095	nc	-	-

Clean tanker time charter equivalent rates			
Route	WS/LS	TCE (non-scrubber) USD/day	±
Clean Tankers-Long Range 2			
EMEA			
Arzew-Oita	3,900,000	16,021	-2,629
Ras Tanura-Chiba	160.00	28,815	-904
Ras Tanura-Rotterdam	5,600,000	62,823	+14,187
Yanbu-Rotterdam	3,900,000	62,117	+13,441
Asia-Pacific			
Sikka-Rotterdam	5,500,000	62,353	+14,574
Clean Tankers-Long Range 1			
EMEA			
Arzew-Oita	3,500,000	17,271	-2,621
Ras Tanura-Chiba	190.00	26,938	-671
Ras Tanura-Singapore	205.00	29,618	-638
Ras Tanura-Rotterdam	4,000,000	40,988	+110
Yanbu-Rotterdam	2,800,000	37,760	+1,461
Asia-Pacific			
Sikka-Rotterdam	3,900,000	40,251	+111
Clean Tankers-Medium Range			
EMEA			
Ras Tanura-Chiba	202.50	23,383	-37
Ras Tanura-Singapore	242.50	21,433	-28
Ras Tanura-Dar es Salaam	277.50	26,917	nc
Rotterdam-New York	180.00	15,236	+222
Americas			
Houston-Coronel	2,825,000	27,075	-313
Houston-Pozos	885,000	24,807	-3,699
Asia-Pacific			
Daesan-Port Botany	292.50	31,108	-736
Singapore-Port Botany	285.00	30,066	-33
Yeosu-Los Angeles	2,525,000	40,290	-853
Yeosu-Singapore	895,000	30,398	-270
Clean Tankers-Handysize			
Arzew-Trieste	190.00	11,035	+64
Brofjordan-Rotterdam	230.00	17,472	+1,106

RUSSIAN-ORIGIN FREIGHT

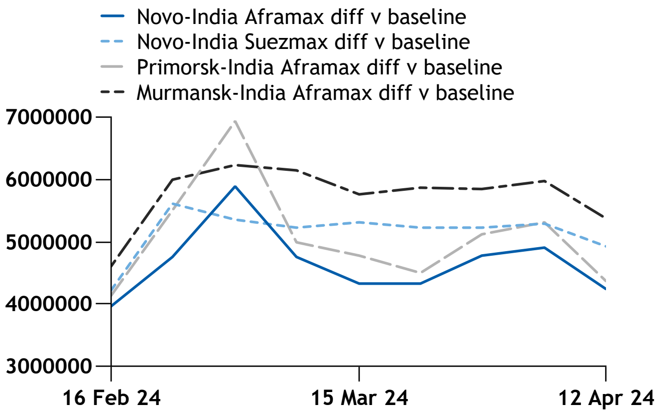
Russian-origin freight assessments						
Route	**Size '000t**	**Low**	**High**	**Midpoint**	**+/-**	**$/t**
Black Sea						
Novorossiysk-west coast India	80	6,400,000	8,000,000	7,200,000	-50,000	90.00
Novorossiysk-north China	80	8,400,000	10,500,000	9,450,000	-100,000	118.13
Novorossiysk-west coast India	140	7,000,000	9,000,000	8,000,000	nc	57.15
Novorossiysk-north China	140	9,400,000	11,500,000	10,450,000	-50,000	74.64
Baltic Sea						
Primorsk-west coast India	100	7,500,000	9,500,000	8,500,000	nc	85.00
Primorsk-north China	100	9,500,000	12,000,000	10,750,000	nc	107.50
Barents Sea						
Murmansk-west coast India	140	8,500,000	10,500,000	9,500,000	nc	67.86
Murmansk-north China	140	11,000,000	12,000,000	11,500,000	nc	82.14

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



Russian-origin Baseline				
Route	**Size '000t**	**Rate**	**+/-**	**$/t**
Black Sea				
Novorossiysk-west coast India	80	2,951,167	-163	36.89
Novorossiysk-north China	80	4,175,129	+11,195	52.19
Novorossiysk-west coast India	140	3,076,705	-91,051	21.98
Novorossiysk-north China	140	4,221,251	-119,545	30.15
Baltic Sea				
Primorsk-west coast India	100	4,137,125	-6,211	41.37
Primorsk-north China	100	5,322,329	+10,194	53.22
Barents Sea				
Murmansk-west coast India	140	4,131,759	-150,651	29.51
Murmansk-north China	140	5,304,127	-161,945	37.89

Russian-origin freight to India vs baseline *$*

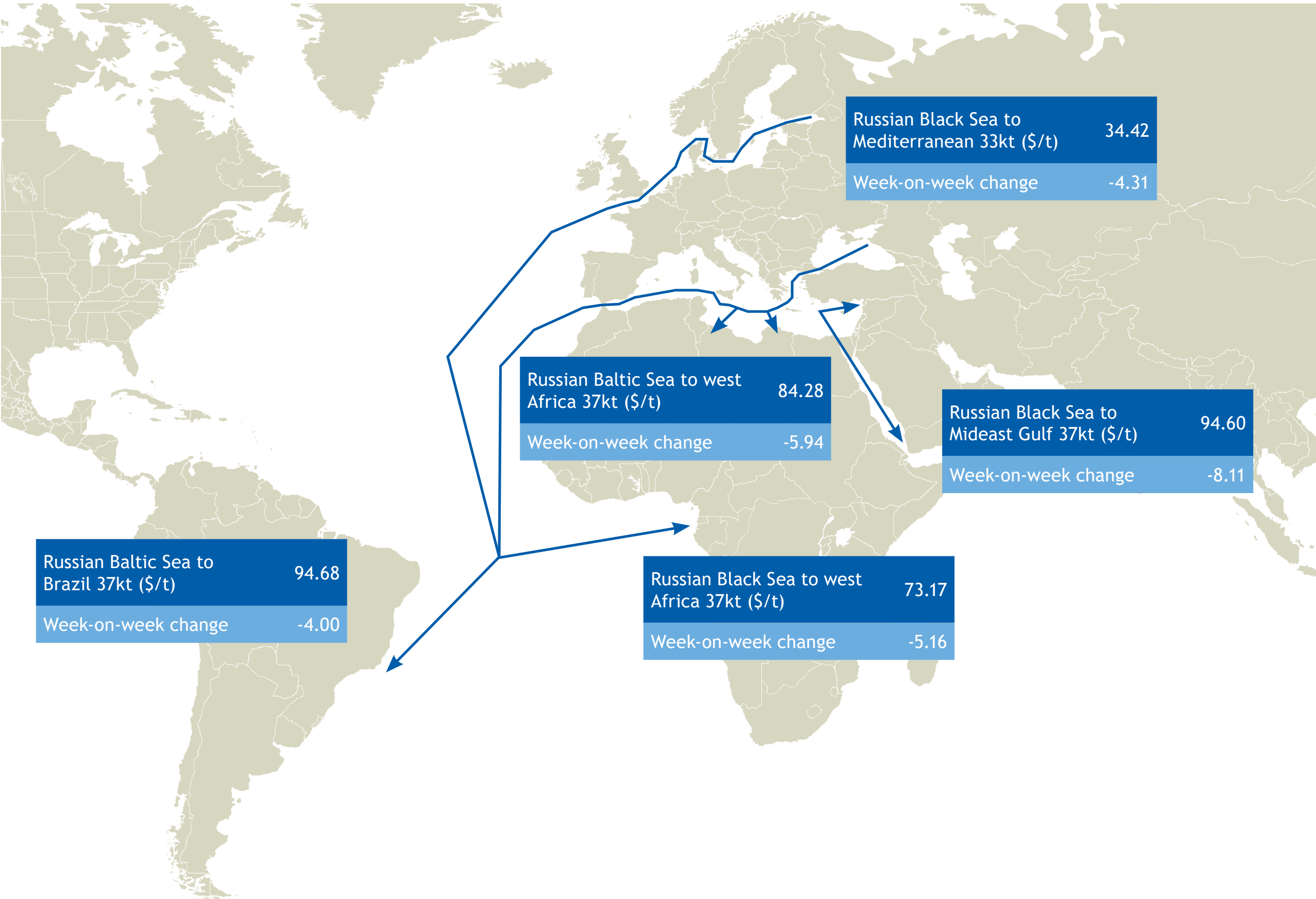


Additional War Risk Premium					
Region	**Low**	**High**	**Midpoint**	**+/-**	**$/t**
Aframax					
Black Sea	636,550	954,825	795,688	nc	9.95
Baltic Sea	63,655	159,138	111,396	nc	1.11
Suezmax					
Black Sea	735,300	1,102,950	919,125	nc	6.57
Barents Sea	73,530	183,825	128,678	nc	0.92

RUSSIAN-ORIGIN FREIGHT

Russian-origin clean freight assessments						
Route	**Size '000t**	**Low**	**High**	**Midpoint**	**+/-**	**$/t**
Black Sea						
Russian Black Sea-Mediterranean	33	330.00	390.00	360.00	-45.00	34.42
Russian Black Sea-west Africa	37	330.00	380.00	355.00	-25.00	73.17
Russian Black Sea-Mideast Gulf	37	3,000,000	4,000,000	3,500,000	-300,000	94.60
Baltic Sea						
Russian Baltic Sea-Mediterranean	37	330.00	380.00	355.00	-25.00	62.38
Russian Baltic Sea-west Africa	37	330.00	380.00	355.00	-25.00	84.28
Russian Baltic Sea-Brazil	37	330.00	380.00	355.00	-15.00	94.68
Russian Baltic Sea-Mideast Gulf	37	3,400,000	4,500,000	3,950,000	-100,000	106.76
Russian Baltic Sea-Singapore	37	4,800,000	5,700,000	5,250,000	-250,000	141.89
Russian Baltic Sea-west coast India	37	3,500,000	4,600,000	4,050,000	-50,000	109.46

Russian-origin clean products



FORWARD FREIGHT, CCF, DEMURRAGE AND SPECIALISED TANKERS

Forward Freight Agreement assessments

Route	Size '000t	Rate	±	$/t
Dirty tankers - EMEA				
Mideast Gulf-East	270	62.50	+0.50	14.69
Apr 24	270	66.00	+1.00	15.51
May 24	270	69.50	+2.00	16.33
Jun 24	270	65.50	+0.50	15.39
West Africa-UKCM	130	127.50	nc	22.24
Apr 24	130	119.50	nc	20.84
May 24	130	114.50	-2.00	19.97
Jun 24	130	106.00	-1.00	18.49
Dirty tankers - Americas				
USGC-China (STS)	270	8,650,000	+250,000	32.04
Apr 24	270	8,850,000	-50,000	32.78
May 24	270	8,750,000	nc	32.41
Jun 24	270	8,450,000	nc	31.30
USGC-UKC	90	-	-	36.10
Apr 24	90	-	-	33.15
May 24	90	-	-	31.83
May 24	90	-	-	31.83
USGC-UKC	70	220.00	nc	46.42
Apr 24	70	202.00	nc	42.62
May 24	70	194.00	nc	40.93
Jun 24	70	185.50	+2.50	39.14
Clean tankers - EMEA				
Mideast Gulf-Japan	55	190.00	-2.50	46.51
Apr 24	55	213.00	+1.00	52.14
May 24	55	227.50	-1.00	55.69
Jun 24	55	216.50	nc	53.00
UKC-US Atlantic coast	37	180.00	nc	29.70
Apr 24	37	198.00	-1.00	32.67
May 24	37	215.50	nc	35.56
Jun 24	37	201.00	+0.50	33.17
Cross Med	30	190.00	nc	14.54
Apr 24	30	227.50	nc	17.40
May 24	30	240.00	nc	18.36
Jun 24	30	228.00	nc	17.44
Clean tankers - Americas				
USGC/Caribbean-UKCM	38	195.00	nc	36.78
Apr 24	38	204.38	-2.08	38.55
May 24	38	201.00	-2.50	37.91
Jun 24	38	179.00	nc	33.76

Demurrage

Route	Segment	$/day	±
Atlantic basin-Asia	VLCC	80,000	+15,000
Mideast Gulf-East	VLCC	60,000	nc
Mideast Gulf-East	Suezmax	47,500	nc
Black Sea-Med	Suezmax	70,000	nc
Black Sea-Med	Aframax	65,000	nc
Kozmino-north China	Aframax	58,000	nc
De-Kastri-north China	Aframax	58,000	nc
De-Kastri-South Korea	Aframax	58,000	nc
De-Kastri-India	Aframax	58,000	nc
USGC-Europe	Aframax	95,000	nc
Atlantic coast Americas	MR	46,000	nc

Specialised tanker rates (weekly)

Route	Cargo	Size '000t	$/t	±
UKC-USGC	Biodiesel	10	48.45	nc
USGC-Itaqui	Ethanol	10-20	87.30	+1.45
South Brazil-UKC	Ethanol	10	101.85	+0.60
South Brazil-Ulsan	Ethanol	10	122.50	nc
USGC-east coast Mexico	Ethanol	5-10	28.70	nc
USGC-UKC	Ethanol	5	107.00	nc
USGC-UKC	Methanol	10	94.00	nc
USGC-Ulsan	Methanol	10	111.50	nc
Argentina+S Brazil (2p)-China (2p)	Vegetable oils	40	95.20	nc
Argentina+S Brazil (2p)-WC India (2p)	Vegetable oils	40	76.95	-1.20
Argentina-WC India (2p)	Vegetable oils	30	82.75	nc

Clean tanker rates - Ukraine $/t

Route	Size '000t	Low	High	Midpoint	+/-
East Med -Ukraine	5-6	52.00	60.00	56.00	-4.00

CCF (Carbon cost of freight) indexes

		Lump sum $		$/t		$/bl	
Route	Size '000 t	One-way	Round-trip	One-way	Round-trip	One-way	Round-trip
Dirty							
Ras Tanura-Rotterdam (Arab Light)	280	84,338	136,301	0.30	0.49	0.04	0.07
Bonny-Rotterdam (Bonny Light)	130	44,294	73,415	0.34	0.56	0.05	0.08
Houston-Rotterdam (WTI)	70	39,684	68,520	0.57	0.98	0.07	0.13
Clean							
Ras Tanura-Rotterdam	65	38,895	69,806	0.60	1.07	-	-
Houston-Rotterdam	38	24,980	43,638	0.66	1.15	-	-
Rotterdam-New York	37	17,409	29,695	0.47	0.80	-	-

CRUDE-SPECIFIC FREIGHT

North America

Delivery to	Size	$/bl
Cold Lake		
West coast Panama	80kt	3.94
China	80kt	6.87
China via 270kt Panama STS	80kt	6.96
US west coast	80kt	2.03
Mars		
China	270kt	4.62
China (STS)	270kt	4.49
China (STS) futures (Apr 24)	270kt	4.59
China (STS) futures (May 24)	270kt	4.54
China (STS) futures (Jun 24)	270kt	4.38
China	130kt	6.68
east coast Canada	70kt	4.88
Europe	145kt	3.27
Med	70kt	8.06
Rotterdam	270kt	2.15
Singapore	270kt	4.10
South Korea/Japan	270kt	4.62
UKC	70kt	6.50
UKC futures (Apr 24)	70kt	5.97
UKC futures (May 24)	70kt	5.73
UKC futures (Jun 24)	70kt	5.48
west coast India	270kt	4.00
WCS		
China	270kt	4.89
China (STS)	270kt	4.75
China (STS) futures (Apr 24)	270kt	4.86
China (STS) futures (May 24)	270kt	4.81
China (STS) futures (Jun 24)	270kt	4.64
China	130kt	7.08
Europe	145kt	3.46
Med	70kt	8.54
Rotterdam	270kt	2.28
Singapore	270kt	4.34
South Korea/Japan	270kt	4.89
UKC	70kt	6.89
UKC futures (Apr 24)	70kt	6.32
UKC futures (May 24)	70kt	6.07
UKC futures (Jun 24)	70kt	5.81
west coast India	270kt	4.23
WTI		
China	270kt	4.27
China (STS)	270kt	4.16
China (STS) futures (Apr 24)	270kt	4.25
China (STS) futures (May 24)	270kt	4.20
China (STS) futures (Jun 24)	270kt	4.06
China	130kt	6.19
east coast Canada	70kt	4.51
Europe	145kt	3.02
Med	90kt	5.81
Med	70kt	7.46
Rotterdam	270kt	1.99
Singapore	270kt	3.80
South Korea/Japan	270kt	4.27
UKC	90kt	4.68
UKC futures (Apr 24)	90kt	4.30
UKC futures (May 24)	90kt	4.13
UKC futures (Jun 24)	90kt	3.95
UKC	70kt	6.02
UKC futures (Apr 24)	70kt	5.53
UKC futures (May 24)	70kt	5.31
UKC futures (Jun 24)	70kt	5.08
west coast India	270kt	3.70

Middle East

Delivery to	Size	$/bl
Arab Heavy		
Asia-Pacific	270kt	2.06
China	130kt	3.99
Europe	280kt	1.79
Mediterranean	140kt	1.78
Singapore	270kt	1.39
Singapore	130kt	2.49
Singapore	80kt	3.65
US Gulf coast	280kt	2.19
west coast India	270kt	0.79
west coast India	130kt	1.35
west coast India	80kt	2.06
Arab Light		
Asia-Pacific	270kt	2.00
China	130kt	3.87
Europe	280kt	1.74
Mediterranean	140kt	1.72
Singapore	270kt	1.34
Singapore	130kt	2.41
USGC coast	280kt	2.12
west coast India	270kt	0.77
west coast India	130kt	1.31
west coast India	80kt	1.99
Arab Medium		
Asia-Pacific	270kt	2.02
China	130kt	3.92
Europe	280kt	1.76
Mediterranean	140kt	1.74
Singapore	270kt	1.36
Singapore	130kt	2.44
US Gulf coast	280kt	2.14
west coast India	270kt	0.78
west coast India	130kt	1.33
west coast India	80kt	2.02
Basrah Heavy		
Asia-Pacific	270kt	2.13
China	130kt	4.12
Europe	280kt	1.85
Mediterranean	140kt	1.83
Singapore	270kt	1.43
Singapore	130kt	2.57
US Gulf coast	280kt	2.25
US West coast	280kt	2.53
west coast India	270kt	0.82
west coast India	130kt	1.40
west coast India	80kt	2.12
Basrah Medium		
Asia-Pacific	270kt	2.06
Asia-Pacific futures (Apr 24)	270kt	2.18
Asia-Pacific futures (May 24)	270kt	2.29
Asia-Pacific futures (Jun 24)	270kt	2.16
China	130kt	3.99
Europe	280kt	1.79
Mediterranean	140kt	1.78
Singapore	270kt	1.38
Singapore	130kt	2.49
US Gulf coast	280kt	2.18
US West coast	280kt	2.46
west coast India	270kt	0.79
west coast India	130kt	1.35
west coast India	80kt	2.05
Kuwait		
Asia-Pacific	270kt	2.02
China	130kt	3.91
Europe	280kt	1.76
Mediterranean	140kt	1.74
Singapore	270kt	1.36
Singapore	130kt	2.44
US Gulf coast	280kt	2.14
west coast India	270kt	0.78
west coast India	130kt	1.33
west coast India	80kt	2.02

Middle East (continued)

Delivery to	Size	$/bl
Murban		
Asia-Pacific	270kt	1.92
Asia-Pacific futures (Apr 24)	270kt	2.03
Asia-Pacific futures (May 24)	270kt	2.14
Asia-Pacific futures (Jun 24)	270kt	2.01
China	130kt	3.72
Europe	280kt	1.67
Mediterranean	140kt	1.66
Singapore	270kt	1.29
Singapore	130kt	2.32
US Gulf coast	280kt	2.04
west coast India	270kt	0.74
west coast India	130kt	1.26
west coast India	80kt	1.92
Oman		
Asia-Pacific	270kt	2.01
China	130kt	3.88
Europe	280kt	1.74
Mediterranean	140kt	1.73
Singapore	270kt	1.35
Singapore	130kt	2.42
US Gulf coast	280kt	2.12
west coast India	270kt	0.77
west coast India	130kt	1.32
west coast India	80kt	2.00

West Africa

Delivery to	Size	$/bl
Bonny Light		
China	260kt	3.13
east coast India	260kt	2.61
east coast India	130kt	5.32
UKCM	130kt	3.01
UKCM futures (Apr 24)	130kt	2.82
UKCM futures (May 24)	130kt	2.71
UKCM futures (Jun 24)	130kt	2.51
west coast India	260kt	2.45
west coast India	130kt	5.16
Cabinda		
China	260kt	3.16
east coast India	260kt	2.64
east coast India	130kt	5.38
UKCM	130kt	3.05
west coast India	260kt	2.48
west coast India	130kt	5.22
Dalia		
China	260kt	3.34
east coast India	260kt	2.79
east coast India	130kt	5.69
UKCM	130kt	3.22
US Gulf coast	260kt	2.13
US Gulf coast	130kt	3.92
west coast India	260kt	2.62
west coast India	130kt	5.52
Djeno		
China	260kt	3.28
east coast India	260kt	2.74
east coast India	130kt	5.58
UKCM	130kt	3.16
west coast India	260kt	2.57
west coast India	130kt	5.42

CRUDE-SPECIFIC FREIGHT

West Africa (continued)		
Delivery to	Size	$/bl
Egina		
China	260kt	3.27
east coast India	260kt	2.72
east coast India	130kt	5.56
UKCM	130kt	3.15
west coast India	260kt	2.56
west coast India	130kt	5.40
Escravos		
China	260kt	3.13
east coast India	260kt	2.61
east coast India	130kt	5.33
UKCM	130kt	3.02
west coast India	260kt	2.46
west coast India	130kt	5.18
Forcados		
China	260kt	3.21
east coast India	260kt	2.68
east coast India	130kt	5.46
UKCM	130kt	3.10
west coast India	260kt	2.52
west coast India	130kt	5.30
Girassol		
China	260kt	3.19
east coast India	260kt	2.66
east coast India	130kt	5.43
UKCM	130kt	3.08
west coast India	260kt	2.50
west coast India	130kt	5.27
Qua Iboe		
China	260kt	3.09
east coast India	260kt	2.57
east coast India	130kt	5.25
UKCM	130kt	2.98
US Gulf coast	260kt	1.97
US Gulf coast	130kt	3.62
west coast India	260kt	2.42
west coast India	130kt	5.10

Latin America		
Delivery to	Size	$/bl
Castilla		
China	270kt	4.29
Panama	130kt	0.84
US Gulf coast	130kt	1.61
US Gulf coast	70kt	3.42
US Gulf coast	50kt	3.06
west coast India	270kt	3.69
Isthmus		
US Gulf coast	70kt	2.01
US Gulf coast	50kt	1.52
Liza		
UKC	145kt	2.45
Maya		
US Gulf coast	70kt	2.16
US Gulf coast	50kt	1.64
Medanito		
US west coast	65kt	7.33
US Atlantic coast	65kt	6.31

Latin America (continued)		
Delivery to	Size	$/bl
Napo		
Houston	50kt	5.75
Los Angeles	100kt	3.04
Oriente		
Houston	50kt	5.53
Los Angeles	100kt	2.92
US west coast	100kt	7.25
US west coast	50kt	9.09
Payara Gold		
UKC	145kt	2.51
Tupi		
China	260kt	3.53
UKC	260kt	1.91
UKC	130kt	3.28
US west coast	260kt	3.27
Unity Gold		
UKC	145kt	2.41
Vasconia		
Panama	145kt	0.90
US west coast	130kt	2.24

North Sea, Baltic, Barrents		
Delivery to	Size	$/bl
Ekofisk		
east Asia	270kt	3.84
Mediterranean	80kt	2.76
UKC	80kt	1.38
US Atlantic coast	80kt	2.54
Forties		
east Asia	270kt	3.69
Mediterranean	80kt	2.65
UKC	80kt	1.32
US Atlantic coast	80kt	2.44
Johan Sverdrup		
east Asia	270kt	4.07
Mediterranean	80kt	2.92
UKC	80kt	1.46
US Atlantic coast	80kt	2.70
Urals		
West coast India	100kt	11.79
North China	100kt	14.91
Mediterranean	100kt	-
UKC	100kt	-
Urals (Baseline)		
West coast India	100kt	5.77
North China	100kt	7.42
Varandey		
West coast India	100kt	9.03
North China	100kt	10.94
Varandey (Baseline)		
West coast India	100kt	3.93
North China	100kt	5.05

Asia-Pacific		
Delivery to	Size	$/bl
ESPO		
Chiba	100kt	2.15
north China	100kt	2.15
Singapore	100kt	2.87
Yeosu	100kt	1.70

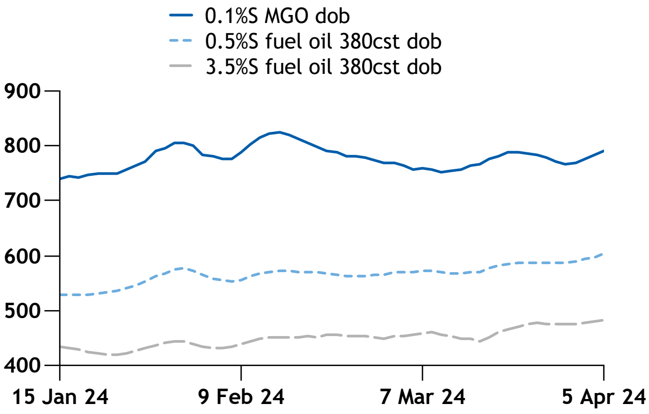
Mediterranean		
Delivery to	Size	$/bl
Arab Light (Sidi K)		
Mediterranean	80kt	2.20
UKC	80kt	3.53
BTC		
east Asia	130kt	5.54
Mediterranean	130kt	1.10
Mediterranean	80kt	2.14
UKC	80kt	3.43
Es Sider		
east Asia	130kt	5.61
Mediterranean	80kt	2.17
UKC	80kt	3.48
US Gulf coast	130kt	2.49
US Gulf coast	80kt	3.40
Saharan		
east Asia	130kt	5.30
Mediterranean	130kt	1.06
Mediterranean	80kt	2.05
UKC	80kt	3.29
US Gulf coast	130kt	2.35
US Gulf coast	80kt	3.22

Black Sea		
Delivery to	Size	$/bl
Azeri Light (Supsa)		
Mediterranean	80kt	3.00
UKC	80kt	4.66
CPC		
east Asia	130kt	5.30
Mediterranean	130kt	1.62
Mediterranean	80kt	2.83
UKC	80kt	4.40
US Gulf coast	130kt	-
Kebco		
Mediterranean	140kt	1.50
Urals		
West coast India	80kt	12.49
North China	80kt	16.39
West coast India	140kt	7.93
North China	140kt	10.35
east Asia	130kt	-
Mediterranean	140kt	-
Mediterranean	80kt	-
UKC	80kt	-
US Gulf coast	130kt	-
Urals (Baseline)		
West coast India	80kt	5.14
North China	80kt	7.28
West coast India	140kt	3.06
North China	140kt	4.20

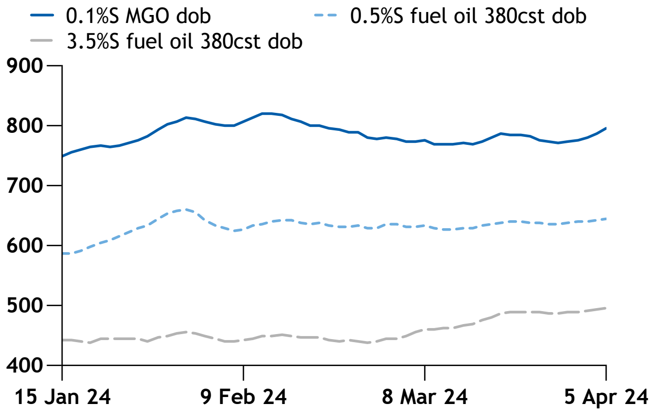
BUNKERS

Conventional

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

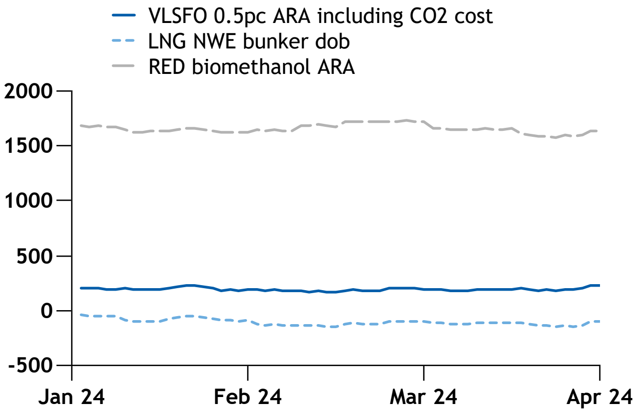


Singapore bunker prices (0.5%S, 3.5%S, MGO) $/t

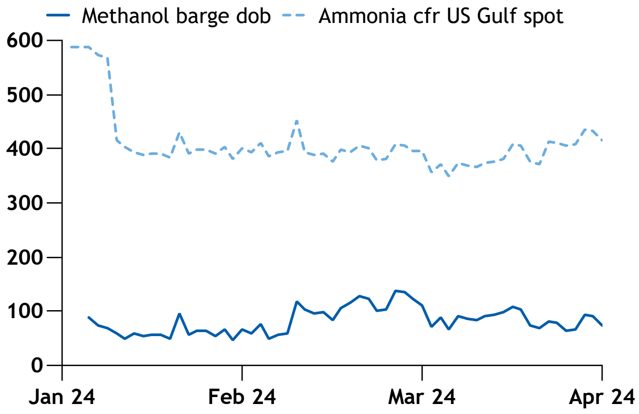


Alternative

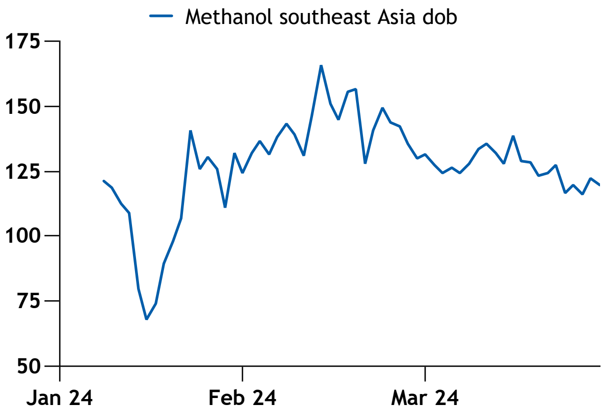
Rotterdam - LNG, others as premiums to VLSFO $/t



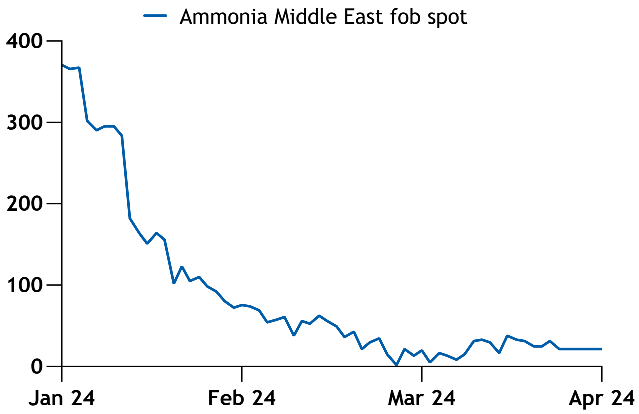
USGC - Methanol, ammonia as premiums to VLSFO $/t



Singapore - Methanol premium to VLSFO $/t



Middle East - Ammonia premium to VLSFO $/t



NEWS

TMX shakes up west coast freight equation

The looming start-up of the Trans Mountain Expansion (TMX) to Canada's Pacific coast presents the most significant change to North American crude flows in years and is poised to reshuffle crude tanker movement in the region.

The expanded pipeline and marine terminal project, which will nearly triple the crude takeaway capacity from Alberta to Vancouver, British Columbia, to 890,000 b/d, will go into commercial service starting on 1 May.

A large cast of market players including TMX's 10 committed shipper, trading houses and tanker operators face a complex freight equation that will dictate whether the extra pipeline volumes will be delivered to refineries in the Pacific Northwest and California or make the long journey across the Pacific ocean to new markets in Asia.

Complicating matters further are the complex logistics for tankers that will load at the Westridge Marine Terminal at Burnaby, a city in metro Vancouver and the terminus of the TMX line. The terminal's three berths will be limited to just 34 Aframax vessels per month total, loaded to about 550,000 bl because of tide and draft restrictions, well short of the 700,000 bl crude cargo that the vessels can carry.

With new access to Asia-Pacific markets, where oil demand is growing, Canadian crude will compete primarily with oil from Russia and the Middle East. On the US west coast, where demand is stagnant at 1.4mn b/d, TMX crude will need to replace other well-established supplies, shipbroker Poten said.

It will be difficult to dislodge medium sour Alaskan North Slope (ANS) crude, which makes up about a third of supplies on the US west coast, Poten said. Many US west coast refiners have been configured to run ANS for decades, and a well-integrated fleet of US flagged tankers hauls ANS from Alaska to California and Washington, as required by the Jones Act.

Chinese refiners are dipping their toes into the market and have already purchased two Aframax-size cargoes of TMX crude for June delivery. Asia-Pacific demand for Canadian crude is expected to increase, even though how much demand materializes depends on the pricing of export supplies, the availability of suitable tonnage and the competitive response from other producers, Poten said.

In the first quarter of 2024, Vancouver-China Aframax rates ranged from $4.25mn-$5.5mn lumpsum, or $7.78-$10.07/bl for Cold Lake crude, according to *Argus* data. Shipowners likely would reposition their tonnage to or near Vancouver from other regions if rates remain at those levels, a shipowner said.

Everyone needs a PAL

Shippers are investigating alternative ways to build up larger cargoes. These include enquiring about freight rates from Vancouver to the Pacific Area Lightering (PAL) zone — the ship-to-ship transfer area off Los Angeles, California — and then by very large crude carrier (VLCC) from there to China. Another possibility is to take TMX cargoes to Panama where they can be transferred on to larger vessels and co-loaded with other crudes from Latin America.

Shippers regularly offload smaller cargoes into larger vessels like VLCCs to improve the economics for long trips like those across the Pacific. But those operations are more likely to occur near Los Angeles, according to marine crude logistics company Lightering, far from the Canadian Pacific.

Wind and sea conditions represent one of the biggest hurdles in doing ship-to-ship (STS) transfers, according to Jesus Parra, chartering and commercial management director of Lightering. The further north one goes along the Pacific coast, the more likely one is to find challenging and disruptive conditions. Waters off the coast of British Columbia regularly see 10ft waves, making STS particularly challenging.

The weather at PAL would be much more hospitable for such operations, said Parra.

"[PAL] would be the place where you can do it all year round," said Parra, whose company already operates in the area. "You don't want to be in a place where you create a bottleneck, you need to be in an area where you can handle the volume."

Lightering has one ship already operating at PAL and intends to add another to meet growing demand, according to Parra. The Texas-based company also has three ships on the US Gulf coast and another at Panama doing lightering operations.

Canadian crude traders will need to weigh a range of factors — from ship availability, transit times and other costs — to determine whether an Aframax with 550,000 bl of crude direct to Asia is more economical than loading a 2mn bl VLCC at PAL, including the potential for multiple demurrage fees on each vessel.

It takes 17-18 days to ship crude directly from Vancouver, British Columbia, to China while a route via PAL is likely to take at least one week longer. That would include the roughly four-day transit time from Vancouver to PAL, a ship-to-ship transfer of one to three days and the 19-20 day journey to China.

The added time to route through PAL is still less than half the 53 days it takes to reach China from the US Gulf coast.

Using PAL for Canadian crude also opens the prospect of co-loading crude from Latin America before embarking on the transpacific trip.

"The market has been interested in these barrels for quite a number of years now," said Parra. "[PAL] is a solution

NEWS

to get better shipper economics."
By Tray Swanson and Brett Holmes

US asks Iran allies to prevent attack on Israel

US military forces in the Middle East are taking precautionary measures because of a possible Iranian retaliatory strike against Israel, while Washington has asked Tehran's partners to intervene to defuse tensions.

Tehran has vowed to retaliate for a 1 April suspected Israeli strike on an Iranian diplomatic mission in Damascus, Syria. "It's a serious threat, and we're watching it very, very closely," the White House said today. "We will continue to stay in close touch with our Israeli counterparts about preparations for this threat and are making prudent adjustments on our own."

US secretary of state Tony Blinken spoke with his counterparts in China, Turkey and Saudi Arabia on Thursday to ask them to persuade Tehran not to launch such an attack.

Tehran would have refrained from a retaliatory strike if the UN Security Council condemned the "act of aggression on our diplomatic premises in Damascus and subsequently brought to justice its perpetrators," Iran's mission to the UN said on Thursday.

The US has said it was not responsible for nor participated in the Damascus attack and has warned Iran not to target US forces in the Middle East. But Washington has not condemned the suspected Israeli strike, in part because the US is still assessing whether the target of the attack was indeed an Iranian diplomatic facility.
By Haik Gugarats

Russia outages weigh on throughput growth: IEA

Global refinery runs will average 1mn b/d above 2023 levels this year, the IEA forecast in its latest *Oil Markets Report (OMR)*, marking a downward revision of 160,000 b/d since its previous projection.

The IEA now expects global throughput at 83.3mn b/d this year, compared with last month's forecast of 83.5mn b/d. In its first forecast for 2025, the agency said it expects runs to rise by 830,000 b/d next year to 84.2mn b/d.

The downgrade to 2024 growth mainly reflects the impact of drone attacks on Russian refineries in the first half of the year. "Unplanned outages in Europe and tepid Chinese runs also contribute to a slower rebound from the 1Q24 low point for the year," the IEA said.

The agency estimates that Russian refinery throughput was cut by over 500,000 b/d in March and April as a result of a spate of Ukrainian drone attacks that began in late January. The attacks have the potential to cause further disruption over the rest of the second quarter, the IEA said.

Eleven Russian refineries have been damaged by drone attacks, with some 800,000 b/d of crude processing capacity having been taken entirely or partially offline. The IEA expects crude throughput in the former Soviet Union to fall by 200,000 b/d this year to 6.4mn b/d. It notes that Russia's refining sector may be resilient enough to offset outages by delaying scheduled turnarounds or increasing runs at other sites.

Elsewhere, the IEA forecasts refinery runs in OECD Europe at 11.5mn b/d for 2024, unchanged from its last projection, with several unplanned French outages in March offset by stronger than previously estimated German throughput in January.

The main gains in global refinery throughput this year take place in the second half, the IEA said. It expects runs to rise most notably in five countries. China, Kuwait, Nigeria, Oman and Saudi Arabia all account for more than 80pc of the IEA's projected growth in throughput rates this year.

Nigeria's 650,000 b/d Dangote refinery should be fully operational by the end of the year. Further increases in Nigerian throughput depend on the possible ramp-up of the 210,000 b/d Port Harcourt refinery, but this is not yet factored into this year's forecast, the IEA said.

Middle Eastern crude runs are projected to rise by 610,000 b/d from 2023 to 9.2mn b/d this year, driven by new capacity in Kuwait and Oman and a lighter maintenance schedule in Saudi Arabia.

Chinese crude throughput is forecast to rise to 15.2mn b/d in 2024 and 15.4mn b/d in 2025, from 15mn b/d in 2023, as the country's 400,000 b/d Yulong refinery begins operations in the second half of this year. Product export quotas will also boost crude throughput rates, the IEA said, citing a possible second round of export quotas for the year.
By George Maher-Bonnett

PIS books two MR tankers to ship oil products

Indonesia's Pertamina International Shipping (PIS) has booked two spot Medium Range (MR) vessels through freight tenders to move two 200,000 bl shipments of clean oil products for mid-April loading.

PIS — a wholly-owned subsidiary of Indonesian state-owned refiner Pertamina — booked the 2004-built, 47,148dwt *Dai Minh* at $600,000 for its MR shipment from Singapore to Indonesia's Cilacap, loading on 16 April. The vessel's effective owner is Vietnam Ocean Shipping (Vosco), according to Vortexa data.

PIS also booked the 2021-built, 34,752dwt *Bowmore* at $800,000 for a similar-sized shipment from Singapore to two discharge ports in Indonesia's Bau Bau and Wayame, loading from 17 April.

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The tenders closed on 9 April. But the fixture for the Bowmore was concluded at a higher rate because it was for two discharge ports.
By Sean Zhuang

Union eyes strike over Exxon closure plan

ExxonMobil's plan to close its Gravenchon petrochemical plant in Normandy has raised the possibility of more strike action in France's downstream oil sector.

The CGT trade union has called on all ExxonMobil workers in France to down tools and for the "immediate shutdown of installations". The situation is fluid and it is not immediately clear whether workers will vote on strikes today or if ExxonMobil's operations in France will be stopped.

"We are preparing our plan of action. We will be announcing it very soon," a union official told *Argus*.

ExxonMobil said on 11 April that the Gravenchon plant has made more than €500mn ($540mn) in losses since 2018 and that it cannot afford to continue operating at such a loss. The firm expects the site to fully close, including the steam cracker and related derivatives units, at some point this year with the loss of 677 jobs.

"The configuration of the steam cracker, its small size compared to newer units, high operating costs in Europe and higher energy prices make it uncompetitive," it said.

The announcement coincided with news that a consortium comprising trading firm Trafigura and energy infrastructure company Entara is in talks to buy ExxonMobil's 133,000 b/d Fos refinery on the French Mediterranean coast.

As well as the direct job losses at Gravenchon, the CGT said there would be an additional loss of work for around 3,000 indirect positions and sub-contractors. The local prefecture of Seine Maritime said the decision will have a "very serious impact on employment and the local economy".

The CGT said upgrades costing around €200mn are needed at Gravenchon, which is "around 0.5pc" of ExxonMobil's total profit in 2023.

ExxonMobil said the decision to close the plant will not impact operations at its adjacent 236,000 b/d Port Jerome refinery. "In current market conditions, the refinery will continue to operate and supply France with fuels, lubricants, basestocks and asphalt," the firm said.

ExxonMobil has reduced its exposure to Europe's downstream sector in recent years, selling the 198,000 b/d refinery at Augusta in Italy to Algerian state-owned Sonatrach in 2018 and divesting its stake in the 126,500 b/d Trecate refinery in northern Italy to local refiner API last year.
By Adam Porter

IEA sees oil demand growth slowing next year

The IEA has released its first forecast for 2025 which shows global oil demand growth slowing to 1.15mn b/d next year — some 700,000 b/d lower than Opec's latest projection.

In its latest *Oil Market Report (OMR)*, the Paris-based agency also lowered its oil demand growth forecast for this year by 130,000 b/d to 1.2mn b/d, citing lower heating fuel use and a protracted factory slump in advanced economies.

The 2024-25 figures contrast sharply with 2022 when the global economy's emergence from the Covid-19 pandemic led to a demand increase of 2.25mn b/d — something the IEA said had now largely run its course.

"Despite the deceleration that is forecast, this level of oil demand growth remains largely in line with the pre-Covid trend," it said. The IEA also reiterated its view that a peak in oil consumption is in sight this decade, although it notes that without an increased investment push into clean energy technologies, "the decline in global oil demand following the peak will not be a steep one".

The IEA said its 2025 forecast reflects a "somewhat subpar economic outlook" and included vehicle efficiencies and an expanding electric vehicle (EV) fleet acting as "further drags on oil consumption."

China, which has led much of the world's oil demand growth over the past few decades, is slowing down, according to the IEA. The agency lowered its 2024 forecast for Chinese oil demand growth by 80,000 b/d to 540,000 b/d, falling to 330,000 b/d in 2025, although China still remains the single largest contributor to global growth next year.

The IEA's latest forecasts continue to reflect stark differences with Opec in the way they see oil demand unfolding over the years and decades ahead. Opec sees oil demand growth substantially higher at 2.25mn b/d in 2024 and 1.85mn b/d in 2025.

On global oil supply, the IEA nudged down its 2024 growth estimate by 30,000 b/d to 770,000 b/d. While non-Opec+ production is projected to expand by 1.6mn b/d, this is partially offset by an 820,000 b/d forecast fall from Opec+ — assuming the group's latest voluntary cuts remain in place until the end of the year.

Relentless oil supply growth from outside Opec+ is set to continue putting pressure on the alliance to keep production lower for longer. The IEA said that additional production from the US, Brazil, Guyana and Canada "alone could come close to meeting world oil demand growth for this year and next."

The IEA's latest supply forecast assumes Opec+ voluntary cuts remain in place until the end of 2024, which would keep the market in a deficit of 270,000 b/d, it estimates. Opec+

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has yet to decide on its output policy for the second half of the year and may do so at a ministerial meeting scheduled for 1 June in Vienna.

Global observed oil stocks increased by 43.3mn bl to a seven-month high in February, despite a further 24.6mn bl decline in on land stocks, the IEA said. Oil on water rose to a “sizeable” 67.8mn bl in February, driven by shipping disruptions in the Red Sea that have forced vessels to take the longer alternate route around the southern tip of Africa.
By Aydin Calik

Pakistan receives another Sokol crude shipment

A second cargo of Russian Sokol crude has unloaded in Pakistan, a month after the country resumed imports of the grade for the first time in more than three years.

The *Clyde Noble* delivered around 700,000 bl of light sweet Sokol to the Byco single point mooring (SPM) facility operated by private-sector oil firm Cnergyico on 10 April, according to vessel tracking data from global trade analytics platform Kpler and Vortexa. The Byco SPM serves Cnergyico's 155,000 b/d Hub refinery in Balochistan province.

Pakistan resumed Sokol imports in March for the first time since 2020. The country also received around 1mn bl of Russian medium sour Urals crude in March following a two-month pause, Kpler and Vortexa data show.

The Sokol volumes that unloaded at Pakistan in April had originally loaded at far east Russia’s De-Kastri port in early February, going through two ship-to-ship transfers before being transported to Pakistan on the *Clyde Noble*. Sokol exports had to find new outlets this year after Indian refiners, which had been the main buyers of the grade in 2023, slashed purchases because of payment issues and concerns about tighter US enforcement of sanctions against Russian oil exports.

More than 5mn of Sokol loaded on tankers under sanctions were idle at sea for several months after being turned away from their original destinations in India, before finally discharging in China last month.

China has now replaced India as the main destination for Sokol exports. Around 84pc of Sokol shipments departing from De-Kastri in this year's first quarter headed to Chinese ports, with another 8pc each bound for India and Pakistan. India had accounted for 67pc of De-Kastri exports in 2023, with China receiving the rest.
By Fabian Ng

Nymex WTI short positions rise by 18pc: CFTC

Speculative futures and options traders added to their short positions of Nymex light sweet crude by 18pc as prices inched higher.

Non-commercial, or speculative futures and options traders, increased their short positions by 15,000 contracts of 1,000 bl each in the week ended 9 April to 97,000, the US Commodity Futures Trading Commission’s (CFTC) Commitment of Traders data showed today.

Short positions are bets prices will fall while long positions are bets prices will rise.

The increase in short positions coincided with a slight rise in May Nymex WTI crude prices over the same period, settling at $85.23/bl on 9 April. This was up from $85.15/bl a week earlier and prices have since risen to $85.66/bl today.

Non-commercial long positions meanwhile edged higher by 4pc, rising by 12,000 to 406,000 in the latest week.

Overall open interest positions rose to 2.4mn contracts, up by 2pc compared with the week prior and 3pc higher than the same week 2023.
By Brett Holmes

Mexico must open fuel imports: Think tank

Mexico’s government should grant more fuel import permits to private-sector companies to prevent operational risks for state-owned Pemex, a think tank said.

Centralizing most of Mexico’s fuel supply in Pemex “exposes the company to operational, commercial and financial risks that it should be able to share with private-sector participants,” non-profit think-tank the Mexican research center on public policy (Imco) said this week.

Pemex’s gasoline and diesel imports amounted to 494,900 b/d, or 73pc, of Mexico’s total imports in February. But in 2021, before the energy ministry (Sener) cancelled dozens of permits, Pemex brought in 63pc of the total gasoline and diesel imports into Mexico, Sener data show.

The state-owned company held a monopoly on the fuel markets before the 2014 energy reform, but although the reform remains in force by law, in practice Sener and the CRE have aligned with President Lopez Obrador’s nationalistic energy policies.

After Sener cancelled or allowed to expire dozens of fuel import permits in 2022, only a handful of private-sector companies hold fuel import permits, including Valero, ExxonMobil, Shell, Marathon and Koch.

“Limiting [private-sector] imports jeopardizes Mexico’s energy security and overlooks the need of exploring all possible alternatives to ensure fuel supply in the country,” Imco said.

Upstream, the government should foster collaboration between Pemex and private operators, allowing the state-owned company to diversify operational and financial risks and benefit from the capacities of other operators, according to the think tank.
By Antonio Gozain

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USWC jet fuel imports shed 66pc this week

US west coast jet fuel imports fell by 66pc in the week that ended today, and the April full-month average is on course to decline from March even as flows are poised to grow.

Jet fuel arrivals into the region fell to 50,100 b/d from 148,000 b/d, according to the latest data by oil analytics firm Vortexa.

For the week ended 19 April, four vessels should discharge about 1mn bl into the region. *Ardmore Seaventure* left Ulsan, South Korea, on 30 March and was scheduled to arrive in the Port of Anchorage in Anchorage, Alaska, where it is to discharge 312,400 bl. *Blue Grass Mariner* departed from Ulsan on 1 April and was anticipated to arrive at Anchorage on 15 April, where it is to bring 213,300 bl to the region.

T. Jungfrau loaded 155,300 bl in Dalian, China, on 29 March before heading to Anchorage, where it is set to arrive on 16 April. The *Atalanta T* departed from Ulsan on 1 April with 332,300 b/d and should dock in Barbers Point-Honolulu, Hawaii, on 16 April.

From 20-30 April, four vessels were slated to bring an additional 1.2mn bl to the west coast, Vortexa data show. This will place estimated April total volumes at 128,000 b/d, subject to change as more vessels are scheduled to arrive in the US west coast.

Anticipated April totals are down by 13pc compared with March.

US west coast jet fuel production for the week ending 5 April rose by 3.8pc to 440,000 b/d, up from 424,000 b/d, according to separate data from the US Energy Information Administration (EIA). Jet fuel inventories for the region have been increasing over the past three weeks and peaked at 11.7mn bl for the latest reported week. This was an increase of 6.4 pc over the prior week and the highest since the week ended 5 January 1990.

The EIA's data showed imports of jet fuel at 122,000 b/d for the week ended 5 April, identical to the previous week reported totals of 122,000 b/d. Vortexa showed 148,500 b/d for the same time frame, an increase of 123pc from the prior week's 66,500 b/d.

By Carrie Carter

Oil futures: WTI rises on Iran threat

WTI crude futures prices climbed today as geopolitical tensions escalated in the Middle East ahead of a potential Iranian strike against Israel.

May Nymex WTI rose by 64¢/bl to $85.66/bl while June Ice Brent rose by 71¢/bl to $90.45/bl. The June Brent-June WTI spread was at $5.37/bl.

WTI at the Magellan East Houston terminal in Texas was shown on the *Argus* Crude Market Ticker (ACMT) at a prompt $1.75-$1.85/bl bid-ask spread above the Cushing benchmark today at Nymex settlement, below yesterday's $1.73/bl volume-weighted average.

Despite Friday's gain, WTI fell 1.4pc on the week as the market assessed the likelihood that the Federal Reserve may delay the start of its interest rate-cutting cycle because of stubbornly high inflation. But the market may extend gains if the Israel-Hamas conflict spreads throughout the region.

US military forces in the Middle East are taking precautionary measures because of a possible Iranian retaliatory strike against Israel, while Washington has asked Tehran's partners to intervene to defuse tensions. Tehran has vowed to retaliate for a 1 April suspected Israeli strike on an Iranian diplomatic mission in Damascus, Syria. "It's a serious threat, and we're watching it very, very closely," the White House said today. "We will continue to stay in close touch with our Israeli counterparts about preparations for this threat and are making prudent adjustments on our own."

US secretary of state Tony Blinken spoke with his counterparts in China, Turkey and Saudi Arabia on Thursday to ask them to persuade Tehran not to launch such an attack.

Elsewhere, the IEA has released its first forecast for 2025 which shows global oil demand growth slowing to 1.15mn b/d next year — some 700,000 b/d lower than Opec's latest projection. In its latest Oil Market Report (OMR), the Paris-based agency also lowered its oil demand growth forecast for this year by 130,000 b/d to 1.2mn b/d, citing lower heating fuel use and a protracted factory slump in advanced economies.

Separately, the US drilling rig count declined for a fourth week, according to Baker Hughes data released today. The number of active US rigs fell by three to 617 in the week ended 12 April. The tally of oil rigs slipped by two to 506, while natural gas rigs fell by one to 109. Miscellaneous rigs held steady at two.

Nymex RBOB rose by 2.88¢/USG to $2.8029/USG while Nymex ultra-low sulphur diesel rose by 2.53¢/USG to $2.6851/USG.

By Stephen Cunningham

US finalizes overhaul to federal drilling rules

Oil and gas companies drilling on federal land will have to post a bond of at least a $150,000 to cover future cleanup costs, under a regulatory overhaul that President Joe Biden's administration says will provide a more "balanced" approach to development.

The bonding rule, finalized today, is part of the US Bureau of Land Management's (BLM) first comprehensive changes to its framework for managing onshore federal oil and gas

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leasing in decades. Oil and gas producers currently only have to post $10,000 per site to cover cleanup costs in the event of a bankruptcy, an amount set in 1960 that if adjusted for inflation would be equivalent to more than $100,000.

“These are the most significant reforms to the federal oil and gas leasing program in decades," US interior secretary Deb Haaland said. "They will cut wasteful speculation, increase returns for the public and protect taxpayers from being saddled with the costs of environmental cleanups."

Many of the changes in the rule were mandated by the Inflation Reduction Act, such as raising royalty rates on federal land to 16.7pc from 12.5pc, increasing minimum bids on leases to $10/acre from $2/acre, and charging a $5/acre fee for expressing interest in leasing new acreage. BLM also finalized other changes it says will support a balanced approach to developing federal land, such as focusing on leasing in "appropriate locations" that avoid conflicts with vulnerable wildlife and recreation.

Oil and gas producers on federal and tribal land are allowed to post a bond for an individual well or a statewide bond. The $150,000 bond should cover plugging and reclamation costs that range from $35,000 to $200,000, BLM said. The final rule will also raise the cost of a statewide bond to $500,000, from a $25,000 rate set in 1951, and eliminate a $150,000 nationwide bond. BLM will provide operators one year to obtain new individual bonds, two years for statewide bonds and three years to phase out their nationwide bonds.

Oil industry groups had opposed many of the changes in the rule, which they say will drive production off of federal land and cut off royalty revenue for states. Industry officials say the new bonding requirements are excessive, when only a small fraction of operators on federal land have gone bankrupt and not covered their cleanup costs.

"Increasing bonding amounts 20-fold in order to take care of a problem on just 0.004pc of wells is way out of proportion" Western Energy Alliance president Kathleen Sgamma said. "Western Energy Alliance has no other choice but to litigate this rule.”

The Biden administration, along with environmental groups that support the rules, say the increased bonding requirements will reduce the risks of taxpayers having to pick up the bill to clean up abandoned wells. The US is in the process of distributing $4.7bn from the 2021 infrastructure law to clean up tens of thousands of "orphaned" wells on private, tribal and federal land.

Democratic lawmakers cheered the final rule as a change they see as overdue. US House Natural Resources Committee chairman Raul Grijalva (D-Arizona) said although his long-term goal was phasing out fossil fuels, the revisions will "help make sure the American people aren't getting ripped off in the meantime." BLM has already been weighing changes to limit what federal land is available for new leasing.
By Chris Knight

N. Dakota’s Feb oil output rebounds by 13pc

North Dakota’s crude production rose by 13pc in February as operators recovered from weather-induced shut-ins in January, according to the state regulator today.

North Dakota producers pumped out 1.25mn b/d of oil in February, up by 144,000 from the month prior, the state’s Department of Mineral Resources (DMR) said on Friday. This is also 89,000 b/d higher than February 2023.

Severe cold weather in mid-January had knocked off an estimated 650,000-700,000 b/d of oil output in the US’ third-largest producing state.

There were 18,734 producing wells across North Dakota in February, according to the latest DMR data, up by 31 wells from January. About 88pc of those wells were unconventional in the Bakken-Three Forks formations while the remaining 12pc are from legacy conventional pools, the DMR said.

A total of 92 completions were done in February, down from 102 in January while more current data shows completions falling to 56 in March.

There were 300 wells waiting to be completed in February, up from 284 the month before.

There are 36 active rigs in the state, up from the 40 reported in March.
By Brett Holmes

Mexico’s domestic auto sales could reach 1.5mn

Domestic sales of light vehicles in Mexico continue to expand and could reach 1.5mn in 2024, the highest level in more than six years, Mexican auto distributor association AMDA said.

While sales were 2.3pc lower than the group had estimated for March, AMDA still projects full-year sales to reach at least 1.45mn units, or 6.6pc higher than in 2023.

This could go higher based on conditions such as buyer sentiment, AMDA president Guillermo Rosales said.

“I am seeing elements that can bring us closer to a million and a half units, depending on the consumer mood, the recovery of purchasing power and also the increased competition that we have been seeing," said Rosales.

Mexico’s auto industry is also seeing the same post-pandemic recuperation in output occurring globally with supply-chain issues that forced raw materials and logistics costs to soar now resolving, he said.

AMDA reported auto prices rose by 2.13pc year-over-year

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in the first half of March in Mexico versus 4.48pc headline inflation in the same period. This compares to 3.43pc inflation for vehicles in February.

Consumer interest could also increase for vehicles imported from abroad because of the continued strength of the Mexican peso. The currency strengthened again in the last week, trading briefly at Ps16.26/$1 on 9 April — the lowest exchange rate since mid-2015.

Mexican auto industry association AMIA president Odracir Barquera stressed that Mexico continues to export more vehicles to the US than any other country, with Mexican-made vehicles comprising 16pc of all cars imported into the US in March, up to twice as much as next contenders of Japan, Korea and Germany.

He added that 81pc of all autos made in Mexico and then exported head to the US, with the value of auto exports comprising $16.65bn of the total $50.72bn of all goods exported in February. And while all exports saw a 13pc year-over-year increase in February, auto exports were up 27pc in the same comparison.

Mexico is the fourth-largest auto exporter worldwide.

The AMIA estimates that by 2024, Mexico will produce more than 4mn vehicles and export 3mn-3.5mn of them.

Still the EU will likely continue to lead, as it recorded $899bn worth of auto exports in 2022, compared to $189bn for Mexico that year. The US, Japan and China will continue to compete closely with Mexico for second place.

By James Young

Opec+ crude output above target again

Opec+ crude output was once again above target in March as serial overproducers Iraq and Kazakhstan continued to exceed their pledges. Kuwait and Gabon were the other notable overproducers.

March production by members subject to targets rose by 70,000 b/d to 34.59mn b/d, *Argus* estimates, leaving the alliance 270,000 b/d above target (*see table*). The surplus would have been higher were it not for war-related declines in non-Opec members Sudan and South Sudan.

Opec+ has been cutting production since November 2022 in a self-described attempt to support and balance the oil market. A new round of "voluntary" reductions by several members came into force in January this year and is set to run until the end of June.

The group is not relaxing its stance on production discipline, despite Ice front-month Brent crude futures moving above $90/bl for the first time in around six months in early April. The coalition's Joint Ministerial Monitoring Committee, which oversees compliance with production cuts and studies market dynamics, earlier this month said members that overshot targets in the first quarter will submit plans to compensate. "Participating countries with outstanding overproduced volumes for the months of January, February and March will submit their detailed compensation plans to the Opec secretariat by 30 April," the Opec secretariat said.

The nine Opec members bound by targets were 400,000 b/d above their combined production pledge in March, while the nine non-Opec members of the alliance were 130,000 b/d below.

Iraq reduced output by 50,000 b/d in March after using less crude for power generation, but it was still 180,000 b/d over its 4mn b/d target. To allay concerns, Baghdad last month pledged to drive its crude exports down to 3.3mn b/d, although state-owned marketer Somo reported exports of 3.42mn b/d for March.

Like Iraq, Kazakhstan has vowed to comply with its pledges and compensate for overproduction in January and February, but it made no progress last month — output was unchanged at 1.59mn b/d, 120,000 b/d above target.

Wide of the mark

Others that overshot the mark last month include Kuwait, where production rose by 40,000 b/d to 2.51mn b/d, leaving it 100,000 b/d above its pledge and around 70,000 b/d above target on average in the first quarter. Fellow Opec member Gabon exceeded its March quota by 80,000 b/d. Saudi Arabia and the UAE, which have shouldered much of the burden of the group's collective cuts over the past 16 months, were slightly above target last month too, after increasing output by a respective 30,000 b/d and 20,000 b/d.

Russian crude production rose by 30,000 b/d to 9.44mn b/d, just 10,000 b/d shy of its target. Drone attacks and refinery maintenance resulted in as much as 1.1mn b/d of crude processing capacity needing repairs last month, freeing up more crude for export — shipments hit an 11-month high in March. Energy minister Nikolai Shulginov said on 3 April that all recently damaged refineries would be fully repaired by June, or earlier — implying that there could be excess crude for export this month and in May.

Fellow non-Opec producers Sudan and South Sudan were both 40,000 b/d below their quotas last month, dragged down by the effects of Sudan's civil war. Output in South Sudan, which is entirely reliant on its northern neighbour to move its oil to international markets, nearly halved to around 80,000 b/d because of a blocked pipeline.

US cracks: Gulf margins mixed

US Gulf coast refining margins were mixed as stockpile gains for regional road fuels may have limited upward price movement.

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US Gulf coast

• The 3-2-1 West Texas Intermediate (WTI) sweet crack spread fell by $0.05/bl to $22.80/bl, the lowest weekly average since late February, as gains in crude prices outpaced higher gasoline and diesel prices.

• Conventional gasoline prices rose by 2.778¢/USG despite the latest data showing regional gasoline inventories at three-month highs heading towards the summer driving season.

• Gulf coast diesel prices posted similar increases, and widening arbitrage economics to the US midcontinent could buoy demand for shipping product on the Explorer Pipeline as spring agricultural activity ramps up.

US Atlantic coast

• US Atlantic coast margins shrank for the fourth consecutive week as rising crude values outpaced modest gains in road fuels.

• New York barge ultra-low sulfur diesel (ULSD) demand was soft, increasing ULSD stocks on the Atlantic coast, leading to lower cash differentials which mitigated cash prices gains.

• North Sea Dated crude prices hit a renewed five-month highs since last Thursday and averages week over week gained $2.34/bl to $91.81/bl.

US midcontinent

• US midcontinent cracks in Group Three and Chicago widened this week despite mixed crude values.

• ULSD cash prices in Group Three and Chicago rose on the week as regional inventories fell after three-weeks of gains, indicating increased demand.

• Demand for ULSD continues to rise in the region as planting season picks up pace.

• US midcontinent gasoline demand and high regional inventories may have subdued price movements on the week.

US west coast

• Refining margins on the US west coast fell this week as crude prices hit five-month highs, contrasting falling gasoline prices.

• Los Angeles CARBOB cash differentials averaged over 6¢/USG lower this week as regional inventories in Southern California rose last week. The decline was enough to offset modest gains in Nymex RBOB futures, shifting gasoline prices lower.

• CARBOB inventories in Southern California increased by nearly 3pc in the week ended 5 April, according to the California Energy Commission (CEC). Supplies in Northern California fell by over 26pc, prompting Bay Area differentials to spike 17¢/USG higher week-over-week.

• ANS crude price averages increased this week by around 2pc to $90.76/bl including $91.57/bl on 5 April, the highest prices since October last year.

By Craig Ross

US oil exports: Cargoes clear at lower prices

US light sweet waterborne spot crude prices fell as sellers discounted their cargo prices to clear volume in a market with limited apparent demand and while freight rates rose.

WTI loading 15-45 days forward at the US Gulf coast fell by 90¢/bl against July Ice Brent to a $1.68/bl discount in the week to 11 April. The transatlantic freight rate for 700,000 bl cargoes meanwhile rose by 95¢/bl to $4.68/bl for WTI-quality cargoes.

At least two WTI cargoes were heard trading Thursday at an estimated 40¢/bl premium to the secondary coastal crude benchmark WTI Houston for loading 5-10 May and 10-15 May after lackluster demand on an fob basis earlier in the week.

Eight cargoes also sold on a delivered-Europe basis, pushing up the freight rate. Deals were transacted at premiums to the North Sea Dated benchmark ranging from $1.35/bl to $1.95/bl for delivery to the Netherlands port of Rotterdam in April and May.

Indonesia's Pertamina was heard buying a cargo of WTI, along with several west African cargoes, in the tender it closed late last week seeking June deliveries. Pricing details were not confirmed. The company had listed WTI as eligible grade to offer in cargoes of 950,000 bl for 15-17 June delivery to the Cilicap terminal.

India's largest state-controlled refiner, IOC, was also heard buying a cargo of WTI in the tender it closed this session seeking 16-25 June deliveries to the Vadinar terminal on the western coast of India, but further details could not be confirmed.

Strong winds and high waves halted ship-to-ship (STS) transfers of crude and oil products off the Texas coast from Sabine Pass to Corpus Christi earlier in the week as the US National Weather Service (NWS) forecast winds up to 35 mph and waves up to 10 ft, but operations were expected to normalize by today.

Elsewhere, the fob spot value of Canadian high-TAN crude Access Western Blend (AWB) was heard estimated at a roughly $9.50/bl discount to Ice Brent for loading in the second half of May and early June, according to market participants.

Crude deliveries to Burnaby, British Columbia, via the new 590,000 b/d Trans Mountain expansion (TMX) pipeline are expected to begin in May, according to the latest estimate by the operator.

Trans Mountain last week issued new quality guidelines for the pipeline that would pool high-TAN grades like AWB with similar grades in a larger stream dubbed "Pacific Dilbit

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Blend" (PDB), but the service standards document indicates shippers may still request segregated injections from third-party facilities via a commodity approval process.
By Amanda Hilow

US traffic volumes climbed in Feb: FHA

Travel on all US roads increased by 1.4pc in February from a year prior, according to the Federal Highway Administration (FHA).

US motorists drove a seasonally-adjusted total of 274.8bn vehicle miles in February, 0.6pc above January 2024.

All regions of the US saw growth, with the south Gulf region showing the largest annual percentage gain at 2.8pc. The south Atlantic region had the most vehicle miles traveled (VMTs) in February with 55.4bn miles driven.

February's rebound came after US VMTs saw their first decline in over a year last month.

US retail regular gasoline prices averaged $3.212/USG in February, down by 17.7¢/USG from February 2023. US retail diesel prices averaged $4.044/USG in February, down by 36.9¢/USG on the year.
By Gordon Pollock

US rig count down by 3: Baker Hughes

The US drilling rig count declined for a fourth week, according to Baker Hughes data released today.

The number of active US rigs fell by three to 617 in the week ended 12 April.

The tally of oil rigs slipped by two to 506, while natural gas rigs fell by one to 109. Miscellaneous rigs held steady at two.

The number of rigs in the Permian basin of west Texas and southeastern New Mexico, the top shale region, shed one to 316, and was down by 37 from the last year.

There were 554 horizontal rigs in the US, a decline of three from last week. Directional rigs were unchanged at 51, as were vertical rigs at 12.
By Stephen Cunningham

New quotas to boost China product exports

Chinese oil companies expect the government will shortly award them a far larger second batch of export quotas than it did last year.

The government is likely to award a second 15mn t (121mn bl) batch of annual export quotas to refiners by the end of April. That would be significantly larger than the 9mn t second batch issued last year in May. And oil companies are increasingly optimistic that weak domestic demand, coupled with the imminent start up of Shandong's new 400,000 b/d Yulong refinery, will prod China's ministry of commerce (MOC) to increase the annual quota total to 50mn t.

The MOC handed out an average 37.5mn t for 2021-22 and 40mn t last year. Beijing opposes exports of gasoline, diesel and jet on the grounds that this encourages refiners to run more crude, increasing CO_2 emissions — but China increased crude runs by 1.3mn b/d last year anyway in order to provide feedstock for its growing petrochemical sector. The government is likely to prioritise GDP growth over emissions reduction this year, a PetroChina official says.

Glass quarter full

Domestic demand for diesel undershot refiners' expectations in the first quarter. The number of hours worked by Komatsu excavators, a commonly used barometer of construction sector activity, averaged just 28.3 hours in February. The 93-hour average for March was stronger, but still 11pc lower than a year earlier.

Chinese diesel crack spreads dropped to $11/bl this month, the lowest since *Argus* launched domestic diesel assessments in October 2022. Sinopec's retail sales of diesel in the first quarter fell by 11pc from a year earlier. Independent refiners, which have few retail assets and often sell directly to construction companies, have been hardest-hit. Many are scheduling early turnarounds. Trading companies in south and east China tend to step up fuel purchases when diesel prices are low. They have done so again this month but sales remain disappointing, they say (*see graph: Consumer region stocks vs diesel prices*).

A push to switch truck fleets from diesel to battery-powered electric fleets is further chipping away at fuel use. Lifen, a city in Shanxi province, has ample access to cheap coal-fired electricity but little diesel. Lifen has launched a push to electrify local trucks, and Inner Mongolia may follow suit.

Diesel stocks build

Poor demand caused stocks of diesel to swell, and de-stocking is now pushing refiners to cut runs. State owned firms' diesel storage tanks are more than 60pc full this month, *Argus* surveys indicate. Weak demand is also encouraging state owned oil firms to accelerate exports.

Preliminary customs data indicate that actual exports of refined product exceeded oil firms' plans in March. Much of that increase is likely to have been diesel. Diesel export margins averaged nearly $7/bl more than gasoline export margins in February, when March exports were scheduled. Limited quotas encourage Chinese firms to maximise revenue by prioritising exports of diesel over gasoline when diesel export margins are stronger, and vice versa (*see graph: Diesel vs gasoline*).

Diesel export margins, or the premium of Singapore cargo prices to Chinese prices plus freight, have risen by

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$2.20/bl this month to $5.16/bl (*see graph: China export margins*). Even so, oil companies are expected to cut April exports — by 20,000 b/d for gasoline, 80,000 b/d for jet fuel and 70,000 b/d for diesel — because they are running out of export quotas. They will use up three quarters of this year's initial 19mn t batch of quotas by the end of April, *Argus* surveys indicate. That "leaves just 4mn t, which is not enough for May," says an official at one state owned firm.

ANNOUNCEMENT

The holiday calendar showing which Argus reports are not published on which days is now available online https://www.argusmedia.com/en/methodology/publishing-schedule

ANNOUNCEMENTS

Changing Mideast Gulf Suezmax, Aframax rates

Following consultation, effective 19 April *Argus* will change its Mideast Gulf-Asia dirty tanker freight coverage.

The Mideast Gulf to Singapore 130kt USD/t, 80kt WS and 80kt USD/t rates will be expanded to include voyages to Malaysia, Thailand, Vietnam and Brunei as well as routes to Singapore and will be renamed "Mideast Gulf to southeast Asia".

The Mideast Gulf to China 130kt USD/t rate will be expanded to include voyages to South Korea, Taiwan and Japan as well as routes to China (including Hong Kong) and will be renamed "Mideast Gulf to northeast Asia". As part of this change, a Mideast Gulf to northeast Asia 130kt WS rate will be introduced.

The Mideast Gulf to east Asia 130kt WS rate will be redefined and renamed as "Mideast Gulf to southeast Asia" and will cover voyages to Singapore, Malaysia, Thailand, Vietnam and Brunei, and will no longer cover voyages to China, South Korea, Taiwan or Japan.

Associated crude-specific freight rates will change accordingly. To discuss this change, please contact freightteam@argusmedia.com.

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