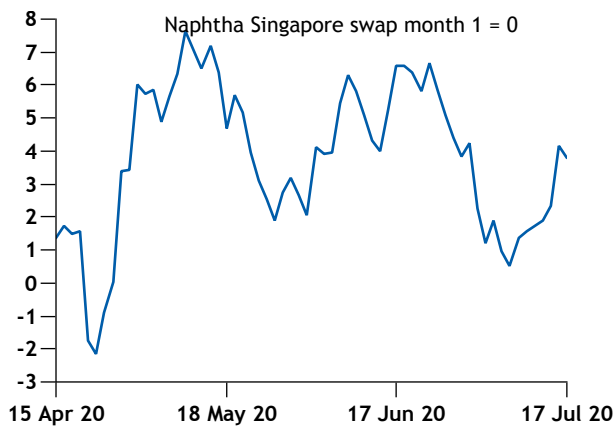


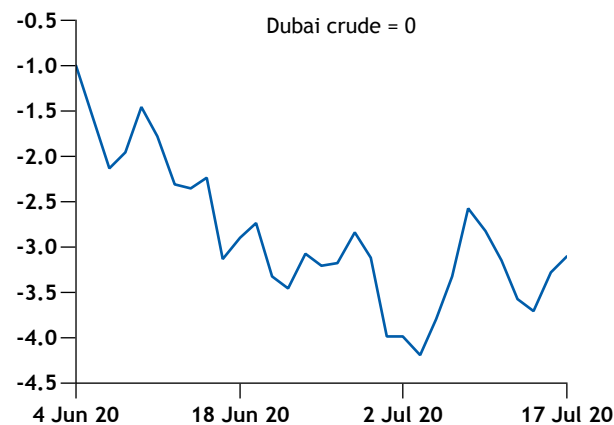
## OVERVIEW

Petron sought a gasoil spot cargo for August loading from Asia. Petron also sought a spot gasoline cargo for mid-August delivery to the Philippines. KPC sold its first spot jet fuel cargo for August loading. ATC offered August loading A990 straight-run fuel oil cargoes.

### Gasoline 92R vs Singapore naphtha swaps \$/bl



### Fuel oil crack spreads \$/bl



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## PRICES AT GLANCE

Singapore		Diff to Mops		\$/bl	
	Low	High	Low	High	±
97R gasoline	-	-	47.15	47.35	-1.00
95R gasoline	-0.30	-0.10	45.90	46.10	-1.00
92R gasoline	-0.30	-0.10	44.40	44.60	-0.90
Naphtha	+1.20	+1.40	42.15	42.30	-0.63
Jet-kerosine	-0.35	-0.15	44.00	44.20	-0.30
Gasoil 0.5%	-1.05	-0.85	48.05	48.25	nc
Gasoil 0.25%	-0.50	-0.30	48.60	48.80	nc
Gasoil 0.05%	+0.30	+0.50	49.40	49.60	nc
Gasoil 0.005%	+0.50	+0.70	49.60	49.80	+0.05
Gasoil 0.001%	+0.60	+0.80	49.70	49.90	+0.05
HSFO 180cst \$/t	-3.50	-2.50	247.75	248.75	-2.75
HSFO 380cst \$/t	+0.50	+1.50	246.75	247.75	-3.00
Marine fuel 0.5%S \$/t	-0.75	+0.25	316.00	317.00	+0.75

South Korea		Diff to Mops		\$/bl	
	Low	High	Low	High	±
Jet-kerosine	0.00	+0.20	44.35	44.55	-0.30
Gasoil 0.05%	-0.25	-0.05	48.85	49.05	nc
Gasoil 0.001% (10ppm)	+0.25	+0.45	49.35	49.55	nc
HSFO 180cst \$/t	-	-	258.75	259.75	-2.75

Mideast Gulf		Diff to Mopag		\$/bl	
	Low	High	Low	High	±
95R gasoline	+2.25	+2.45	44.50	44.70	-0.95
92R gasoline	+2.05	+2.25	43.00	43.20	-0.85
Naphtha LR1 \$/t	+22.75	+24.75	361.45	367.70	-4.88
Naphtha LR2 \$/t	-	-	359.35	365.60	-4.23
Jet-kerosine	+0.70	+0.90	42.75	42.95	-0.30
Gasoil 0.2%	-1.20	-1.00	46.20	46.40	nc
Gasoil 0.05% (500ppm)	+0.25	+0.45	47.65	47.85	nc
Gasoil 0.001% (10ppm)	+0.95	+1.15	48.35	48.55	+0.05
HSFO 180cst \$/t	-	-	237.35	238.35	-2.75
HSFO 380cst \$/t	0.00	+2.00	236.30	237.30	-3.00

Japan		Diff to Mopj		\$/bl	
	Low	High	Low	High	±
Naphtha \$/t	+13.75	+15.75	375.50	381.75	-4.88
Jet-kerosine	-	-	45.35	45.55	-0.30
Gasoil 0.005%	-	-	51.10	51.30	nc
HSFO 180cst \$/t	-	-	256.35	257.35	-2.10

Indonesia		Diff to Pertamina		\$/bl	
	Low	High	Low	High	±
LSWR V-1250	+9.25	+9.45	47.33	47.53	+0.09

## GASOLINE

Singapore 92R gasoline prices continued to fall by more than Brent crude values. Margins narrowed, while the market structure flipped into a contango.

Three physical deals were done during the afternoon online trading session. Total sold to trading firm Vitol a 5-9 August loading 92R gasoline cargo at \$44.44/bl. Thailand's state-controlled trading firm PTT sold to Chinese state-controlled trading firm Unipecc two 7-11 August loading 95R gasoline cargoes at \$46/bl.

Gasoline margins fell to their lowest levels this month, while gasoline's prompt swap fell below forward months as the market sees limited impact from the fire at Formosa's 540,000 b/d Mailiao refinery residual desulphurisation (RDS) unit.

Potentially higher Chinese exports continue to loom over the gasoline market. Chinese export volumes have inched up against higher crude runs and production volumes. Crude throughputs averaged 14.08mn b/d in June, up by 9pc from a year earlier to the highest level on record, data from the national statistics bureau showed. Gasoline exports fell to over a year-low of 675,000t in May, but is estimated to rise to around 1mn t in June and to 1.2mn t in July, according to estimates by market participants.

Philippine refiner Petron has issued a tender to buy gasoline cargoes for August loading. It sought a 90,000-100,000 bl 87R gasoline cargo and a similar volume 92R gasoline cargo for loading on 12-16 August or 20-24 August. The buyer will declare a three-day loading date range later. The gasoline cargo will load from Singapore, Malaysia, Indonesia, South Korea, China or Taiwan. The pricing basis will be on the Singapore spot 92R gasoline spot assessments. Both 87R and 92R gasoline cargoes will have a maximum sulphur content of 50ppm. Suppliers will have to indicate that there is no addition of oxygenates such as methyl tertiary butyl ether (MTBE) but oxygen content can be at a maximum of 0.5pc. The tender closes on 22 July and remains valid until the same day.

Petron last concluded its tender for July loading. It bought 100,000-150,000 bl of 87R and 100,000-150,000 bl of 92R for 1-6 July loading from either Singapore, Malaysia, Indonesia, South Korea, China or Taiwan. Both gasoline cargoes will be non-oxygenated with a maximum sulphur content of 50ppm. Suppliers must indicate that there is no intentional addition of oxygenates such as MTBE. The price was around a small discount for the 87R cargo and at a small premium for the 92R cargo. The pricing basis will be on Singapore spot 92R assessments. The tender closed on 5 June.

Singapore					\$/bl
	Diff to Mops		Low	High	±
	Low	High			
97R gasoline	-	-	47.15	47.35	-1.00
95R gasoline	-0.30	-0.10	45.90	46.10	-1.00
92R gasoline	-0.30	-0.10	44.40	44.60	-0.90
Non-oxy gasoline	+0.90	+1.10	45.60	45.80	-0.90

Mideast Gulf					\$/bl
	Diff to Mopag		Low	High	±
	Low	High			
95R gasoline	+2.25	+2.45	44.50	44.70	-0.95
92R gasoline	+2.05	+2.25	43.00	43.20	-0.85

Durban				\$/t	
	Low		High		±
	95R gasoline	384.91	385.11		

Singapore reforming spread				\$/bl	
	Today		Previous		±
	97R gasoline	5.03	5.40		
95R gasoline	3.78	4.15			-0.37
92R gasoline	2.28	2.55			-0.27

Singapore 95R gasoline swap				\$/bl	
	Low		High		±
	Aug	46.25	46.45		
Sep	46.40	46.60			-0.70
Oct	46.35	46.55			-0.65

Singapore 92R gasoline swap				\$/bl	
	Low		High		±
	Aug	44.60	44.80		
Sep	44.65	44.85			-0.70
Oct	44.50	44.70			-0.65

## NAPHTHA

Japanese naphtha prices continued to fall by more than Brent crude values. Asian petrochemical producers remained on the sidelines as prices fell.

There were no deals done during the Singapore afternoon online trading session. The second-half September delivery cargo was bid at \$374/t, while the first-half October delivery cargo was bid and offered at \$373/t and \$377/t respectively. The first-half September and second-half September spread traded at \$6/t in backwardation, while the second-half September and first-half October spread traded at \$5.25/t in backwardation.

The cfr South Korea market was muted for the second consecutive session as buyers continued to stay on the sidelines after completing second-half August delivery purchases, which ended with a wide range of premiums as the market structure narrowed sharply in backwardation from 1-15 July. Buyers will be reluctant to pull the trigger on the last day of the week and rather monitor the market and wait for spreads to fall further before emerging to buy first-half September delivery cargoes, said market participants.

The naphtha market was on a bull run since the middle of May. The naphtha margin or the cfr Japan price premium against Ice Brent crude traded at around a \$1.325/t discount on 14 May but has strengthened to a peak of \$78.303/t on 9 July before it weakened to \$56.171/t yesterday. The market structure was assessed at around a \$1/t contango on 14 May and peaked at around \$20.50/t in backwardation on 8 July before falling to \$11/t in backwardation yesterday.

Indian private-sector refiner Reliance Industries has concluded its tender to sell an August loading naphtha cargo. It sold a 55,000t naphtha cargo for 20-25 August loading from Sikka. The naphtha will have a minimum paraffin content of 77pc. The price was around a \$24-25/t premium to Mideast Gulf spot assessments, said traders. The price was reported to be at around a mid-high \$20s/t premium. The tender closed on 15 July and remained valid until the same day.

Shipping fixtures show that Azeri trading firm Socar placed the *Celsius Palermo* on subjects to load 35,000t of naphtha on 20 July from Chennai to Japan for WS55. Trading firm Socar could have bought an IOC cargo recently. IOC sold a 35,000t cargo for 20-22 July loading from Chennai. The price was around a \$40s/t premium. The pricing basis could not be confirmed but IOC typically sells on an IOC formula, which takes the average of Argus and Platts' Mideast Gulf spot naphtha assessments. The tender closed on 6 July and remained valid until the same day.

Singapore					\$/bl
	Diff to Mops		Low	High	±
	Low	High			
Naphtha	+1.20	+1.40	42.15	42.30	-0.63

Japan					\$/t
	Diff to Mopj		Low	High	±
	Low	High			
Naphtha	+13.75	+15.75	375.50	381.75	-4.88

Mideast Gulf					\$/t
	Diff to Mopag		Low	High	±
	Low	High			
Naphtha LR1	+22.75	+24.75	361.45	367.70	-4.88
Naphtha LR2	-	-	359.35	365.60	-4.23

Japan open-specification naphtha forward prices				\$/t
	Low	High		±
1-15 Sep	386.75	387.75		-4.75
16-30 Sep	380.75	381.75		-4.75
1-15 Oct	375.50	376.50		-5.00

\*Please refer to pg 9 for the assessment rationale

Japan naphtha swaps				\$/t
	Low	High		±
Aug	372.00	373.00		-4.75
Sep	369.25	370.25		-3.75
Oct	368.00	369.00		-3.50

Singapore naphtha swaps				\$/bl
	Low	High		±
Aug	40.60	40.80		-0.55
Sep	39.85	40.05		-0.50
Oct	39.55	39.75		-0.45

NWE naphtha swaps				\$/t
	Low	High		±
Aug	359.40	359.60		-4.75
Sep	355.65	355.85		-3.75
Oct	353.65	353.85		-2.75

Naphtha arbitrage		\$/t
East-west Aug spread		+13.00
East-west Sep spread		+14.00
Japan Sep vs NWE Aug		+10.25
Japan Oct vs NWE Aug		+9.00

## JET-KEROSINE

Singapore jet fuel swaps fell by less than Dubai crude values, widening refining margins. Kuwait's state-owned KPC sold its first jet fuel spot cargo for August loading.

There were no physical deals during afternoon online trading in Singapore. Total posted three bids for August loading jet fuel cargoes at discounts of \$0.50/bl to Singapore spot assessments. Offers posted for August loading jet fuel cargoes were at parity to a \$0.44/bl premium to Singapore spot assessments.

KPC sold through a tender one 40,000t (315,000 bl) jet fuel cargo for 5-6 August loading from one or two safe Kuwaiti ports. The cargo will head east or west, excluding Ethiopia, Bangladesh and Pakistan. The price was around a \$0.70-0.90/bl premium to the average of Mideast Gulf spot assessments for five days around the bill of lading date, said traders. The tender closed on 15 July with same-day validity. KPC had awarded its tender offering a 60,000t jet fuel cargo for 11-12 July loading from Kuwait to oil major Shell, at around a \$0.60/bl premium to the same pricing basis, said market participants, although this could not be confirmed with the refiner.

Taiwan's jet fuel export increased on the year amid dampened domestic demand. Taiwan exported 148,556 kilolitres (30,141 b/d) of jet fuel in May, up by 42.6pc from 104,203 kl exported in May 2019, according to latest data from Taiwan's Bureau of Energy. Taiwan consumed 17,005 kl of oil equivalent (kloe) jet fuel in May, more than 33.5pc lower from 25,580 kloe consumed in May 2019.

Indian state-controlled refiners have increased jet fuel prices by 1.5pc after they raised them by 7.5pc at the beginning of the month. Domestic carriers will pay 42,628 rupees/kilolitre (\$561/kl) in the second half of July, compared with Rs41,993/kl in the first half. Prices for international carriers, which do not pay Indian taxes, rose to \$428/kl from \$421/kl.

India will resume international flights today to France and the US after concluding agreements with both nations. This resumption will eventually open up international air travel and increase demand for jet fuel, civil aviation minister Hardeep Singh Puri said. The country's jet demand fell to 28,000 b/d in May from 173,000 b/d a year earlier, according to the oil ministry.

Singapore					\$/bl
	Diff to Mops		Low	High	±
	Low	High			
Jet-kerosine	-0.35	-0.15	44.00	44.20	-0.30

South Korea					\$/bl
	Diff to Mops		Low	High	±
	Low	High			
Jet-kerosine	0.00	+0.20	44.35	44.55	-0.30

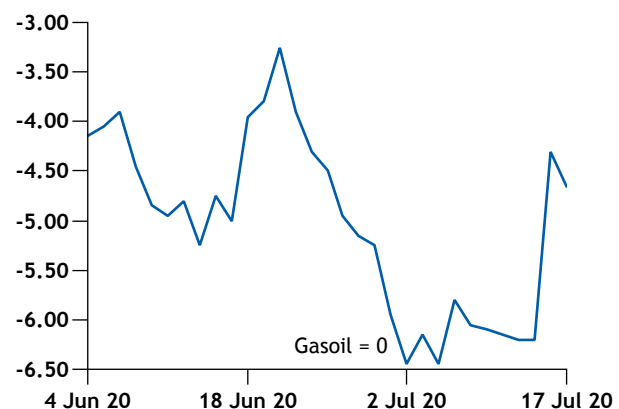
Mideast Gulf					\$/bl
	Diff to Mopag		Low	High	±
	Low	High			
Jet-kerosine	+0.70	+0.90	42.75	42.95	-0.30

Japan				\$/bl
		Low	High	±
		Jet-kerosine		45.35

Durban				\$/t
		Low	High	±
		Jet-kerosine		345.61

Singapore jet-kerosine swaps				\$/bl
		Low	High	±
		Aug		44.35
Sep		44.85	45.05	-0.35
Oct		45.45	45.65	-0.40
4Q20		46.05	46.25	-0.10
1Q21		48.15	48.35	-0.20
2Q21		49.90	50.10	-0.20

Singapore regrade: Jet-kerosine vs gasoil \$/bl



## GASOIL

Singapore gasoil swaps remained stable despite lower Dubai crude prices, widening refining margins. Philippine private-sector refiner Petron sought a spot cargo for mid-August delivery.

There were two physical deals during afternoon online trading in Singapore. Petrochina sold to Vitol one 150,000 bl 10ppm (0.001pc) sulphur gasoil cargo for 1-5 August loading at a \$0.80/bl premium to Singapore spot assessments. Vitol bought from BP one 250,000 bl cargo of 10ppm sulphur gasoil for 3-7 August loading at a \$0.75/bl premium to Singapore spot assessments.

South Korean refiner GS Caltex earlier in July sold a spot cargo for loading at the end of August. GS Caltex sold a Medium Range (300,000 bl) cargo of 500ppm sulphur gasoil for loading at the end of August, said traders. The price was at a \$0.05-0.25/bl discount to Singapore spot assessments of 10ppm sulphur gasoil, although this could not be confirmed.

The refiner could have sold spot cargoes of 500ppm sulphur gasoil for July loading, with prices around parity to \$0.25/bl to the same pricing basis, said traders.

Fellow South Korean refiner Hyundai Oilbank is unlikely to offer any gasoil cargoes on a spot basis for loading during July and August, said traders. Most of the refiner's gasoil sales are typically done through term contracts.

Petron issued a spot tender seeking one 50ppm sulphur gasoil cargo for mid-August delivery, said traders. It sought the 300,000-350,000 bl cargo for 16-20 August delivery to the Philippines. The pricing basis is likely on Singapore spot assessments of 10ppm sulphur gasoil. Offers are to be submitted by 20 July.

Petron's last known purchase of gasoil was for early-July loading. It sought through a spot tender 300,000-350,000 bl of 50ppm sulphur for 2-8 July loading from south China/Taiwan, or 30 June-6 July loading from north, mid-China/Singapore/South Korea. The price was around parity to a small premium to Singapore spot assessments of 10ppm sulphur gasoil. The tender closed on 4 June and was valid until the next day.

Petron began a scheduled turnaround at its 180,000 b/d Bataan refinery at the start of May. The refinery is expected to shut for maintenance until an unspecified date in July, although this was not confirmed by the refiner. Shell's Philippine affiliate Pilipinas Shell Petroleum has shut operations at its 110,000 b/d Tabangao refinery since the middle of May.

Singapore						\$/bl
	Diff to Mops		Low	High		±
	Low	High				
Gasoil 0.5%	-1.05	-0.85	48.05	48.25		nc
Gasoil 0.25%	-0.50	-0.30	48.60	48.80		nc
Gasoil 0.05% (500ppm)	+0.30	+0.50	49.40	49.60		nc
Gasoil 0.005% (50ppm)	+0.50	+0.70	49.60	49.80		+0.05
Gasoil 0.001% (10ppm)	+0.60	+0.80	49.70	49.90		+0.05
South Korea						\$/bl
	Diff to Mops		Low	High		±
	Low	High				
Gasoil 0.05%	-0.25	-0.05	48.85	49.05		nc
Gasoil 0.001% (10ppm)	+0.25	+0.45	49.35	49.55		nc
Mideast Gulf						\$/bl
	Diff to Mopag		Low	High		±
	Low	High				
Gasoil 0.2%	-1.20	-1.00	46.20	46.40		nc
Gasoil 0.05% (500ppm)	+0.25	+0.45	47.65	47.85		nc
Gasoil 0.005% (50ppm)	+0.85	+1.05	48.25	48.45		+0.05
Gasoil 0.001% (10ppm)	+0.95	+1.15	48.35	48.55		+0.05
Japan						\$/bl
			Low	High		±
Gasoil 0.005% (50ppm)			51.10	51.30		nc
Durban						\$/t
			Low	High		±
Gasoil 0.05% (500ppm)			364.26	364.46		nc
Gasoil 0.005% (50ppm)			368.73	368.93		+0.37
Gasoil 0.001% (10ppm)			369.48	369.68		+0.38
Singapore gasoil swaps						\$/bl
			Low	High		±
Aug			49.00	49.20		nc
Sep			48.90	49.10		-0.05
Oct			49.00	49.20		-0.15
4Q20			49.20	49.40		-0.20
1Q21			50.25	50.45		-0.20
2Q21			51.35	51.55		-0.20
Gasoil arbitrage						\$/t
East-west Aug spread						-1.71
East-west Sep spread						-4.71
Singapore Aug vs ICE Sep gasoil						-3.96
Singapore Aug vs ICE Oct gasoil						-7.96

## FUEL OIL, BUNKERS AND LSWR

Singapore August 180cst fuel oil fell by less than Dubai crude swaps. ATC offered August loading A990 straight-run fuel oil (SRFO) cargoes from Ras Tanura.

Trafigura bought two 20,000t cargoes of the 380cst high-sulphur fuel oil (HSFO) grade from Glencore on a fob straits basis. The two cargoes traded at a premium of \$1/t to August average of Singapore spot assessments and at \$247/t.

South Korea's S-Oil issued a fresh tender offering two slurry oil cargoes for August loading. The refiner is offering two 24,000-25,000t cargoes of slurry oil for mid-August loading from Onsan on a fob basis, according to market participants. S-Oil typically exports one to two cargoes of slurry oil every month. This tender will be priced against Singapore 10ppm gasoil spot assessments.

S-Oil had previously offered two slurry oil cargoes for July loading. The refiner offered two 24,000-25,000t cargoes of slurry oil for 13-15 July and 27-29 July loading from Onsan on a fob basis. This tender was awarded to Shell but the price could not be confirmed.

Saudi Aramco's trading arm ATC issued a fresh tender offering August loading A990 SRFO for August loading. ATC is offering three 600,000 bl of SRFO for loading on 2-8 August, 15 August and 22-31 August from Ras Tanura on a fob basis. The tender will be priced against Singapore 180cst HSFO spot assessments and will close on 20 July.

ATC had closed a tender that also offered the same amount of A990 SRFO for July loading. ATC offered three 600,000 bl cargoes for loading on 1 July, 12 July and 23 July from Ras Tanura on a fob basis. South Korean refiner GS Caltex won the 23 July loading cargo, traders said. Other details could not be confirmed but the cargo was priced against Singapore 180cst HSFO spot assessments. Details of the other two cargoes are unclear.

GS Caltex is buying the cargo for 380cst bunker fuel blending and not for refining, traders said. GS Caltex is a frequent importer of low-density fuel oil to blend with its high-viscosity and high-density residuals into the 380cst RMG bunker grade. GS Caltex took the Aframax *Solomon Sea* to load 80,000t of fuel oil from Ras Tanura on 21-23 July to head towards Yosu.

The A990 SRFO cargoes offered all have guaranteed sulphur content of 3.5pc, viscosity of 180cst and density of 0.9786 kg/l.

Singapore					\$/t
	Diff to Mops		Low	High	±
	Low	High			
HSFO 180cst	-3.50	-2.50	247.75	248.75	-2.75
HSFO 380cst	+0.50	+1.50	246.75	247.75	-3.00
HSFO 180cst 2% sulphur	-	-	253.25	254.25	-3.00
Marine Fuel 0.5%S	-0.75	+0.25	316.00	317.00	+0.75
Marine Fuel 0.5%S (Diff to 380cst)	+69.75	+70.75	-	-	-

Mideast Gulf					\$/t
	Diff to Mopag		Low	High	±
	Low	High			
HSFO 180cst	-	-	237.35	238.35	-2.75
HSFO 380cst	0.00	+2.00	236.30	237.30	-3.00

South Korea				\$/t
	Low	High		±
HSFO 180cst	258.75	259.75		-2.75

Japan				\$/t
	Low	High		±
HSFO 180cst	256.35	257.35		-2.10

Indonesia					\$/bl
	Diff to Pertamina		Low	High	±
	Low	High			
LSWR V-1250	+9.25	+9.45	47.33	47.53	+0.09

Singapore				\$/t
HSFO 180cst swaps	Low	High		±
Aug	251.00	252.00		-2.75
Sep	251.75	252.75		-2.75
Oct	253.25	254.25		-2.50
4Q20	254.50	255.50		-2.25
1Q21	260.75	261.75		-2.00
2Q21	266.00	267.00		-1.75

Singapore				\$/t
HSFO 380cst swaps	Low	High		±
Aug	245.75	246.75		-2.75
Sep	246.00	247.00		-2.75
Oct	246.50	247.50		-2.50
4Q20	247.25	248.25		-2.25
1Q21	251.50	252.50		-1.75
2Q21	255.00	256.00		-1.75

Singapore				\$/t
Marine Fuel 0.5%S Swaps	Low	High		±
Aug	316.75	317.75		+0.75
Sep	318.50	319.50		+0.25
Oct	320.50	321.50		-0.25



## CHINA FUEL OIL, BUNKERS AND MARINE FUELS

Bunker prices rose today in Zhoushan, unaffected by stable gasoil paper prices during the Asian trading hours.

Higher Zhoushan prices undermined spot demand. Spot volumes reported in Zhoushan fell to 1,450t today from 5,450t yesterday. Bunker suppliers in Zhoushan were again pressured to clear inventory to free up space for incoming shipments.

Prices of very-low sulphur fuel oil (VLSFO) in Zhoushan gained more than \$10/t from Thursday to \$340.20/t on Friday. Shanghai's demand for VLSFO increased from Thursday, as VLSFO values there increased by less than Zhoushan, by only \$3/t, to \$334/t. Shanghai's spot volumes for VLSFO rose to about 2,800t from below 2,000t on Thursday.

Trades of high-sulphur fuel oil were muted on Friday despite lower Singapore fuel oil swaps values during the Asian trading hours.

South China 180cst fuel declined by 20 yuan/t from Thursday to Yn3,860/t today. The front month VLSFO futures contract in Shanghai decreased by Yn19/t to Yn2,491/t.

South China fuel oil fob			yuan/t
	Low	High	±
HSFO 180cst barge ex-terminal	3,850.00	3,870.00	-20.00

South China fuel oil differentials			\$/t
	Diff to Mops		±
	Low	High	
M100 C+F east China	+35.00	+37.00	nc
M100 C+F south China	+36.00	+38.00	nc

East China fuel oil cfr			\$/t
	Low	High	±
HSFO east China	283.75	284.75	-2.75

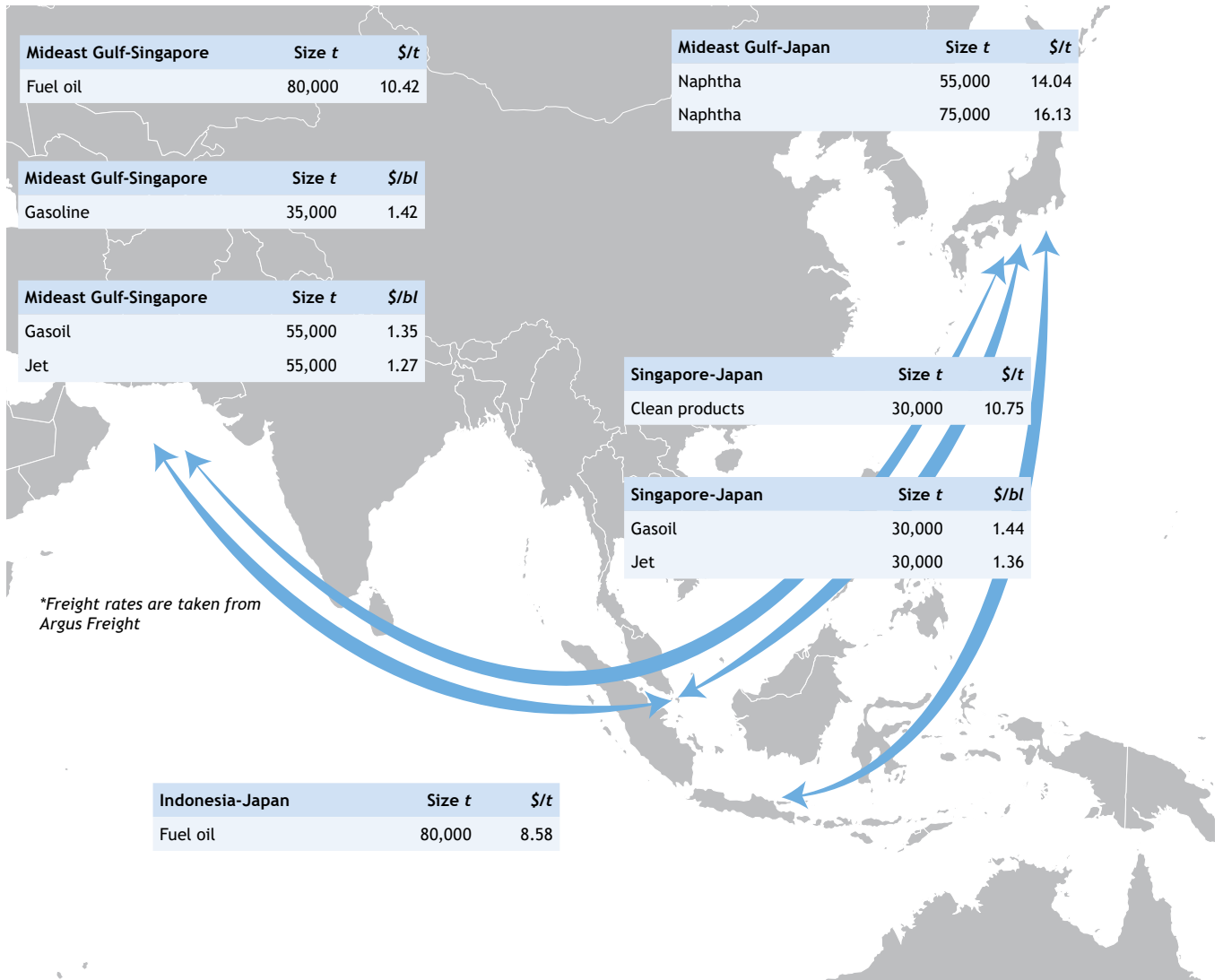
South China fuel oil c+f			\$/t
	Low	High	±
Aug	258.35	260.35	-2.70
Sep	259.10	261.10	-2.70
Oct	260.60	262.60	-2.45

Bunkers 380cst				\$/t
	Low	High	Mid	±
Singapore			269.00	+2.50
Singapore 0.5%			327.25	-0.79
South Korea	320.00	325.00	322.50	nc
Fujairah	na	na	226.00	+1.00
Hong Kong	254.99	264.99	259.99	+3.00
Shanghai	293.40	303.40	298.40	+3.40
Qingdao	305.00	315.00	310.00	+15.00

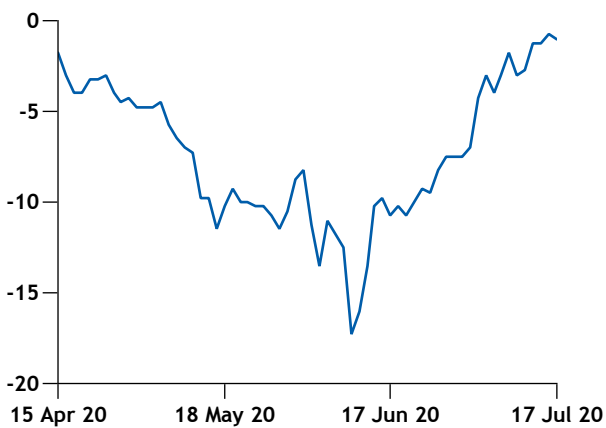
Bunkers 500cst			\$/t
		Mid	±
Singapore		268.50	+2.50

## FREIGHT ROUTES

### Spot freight rates

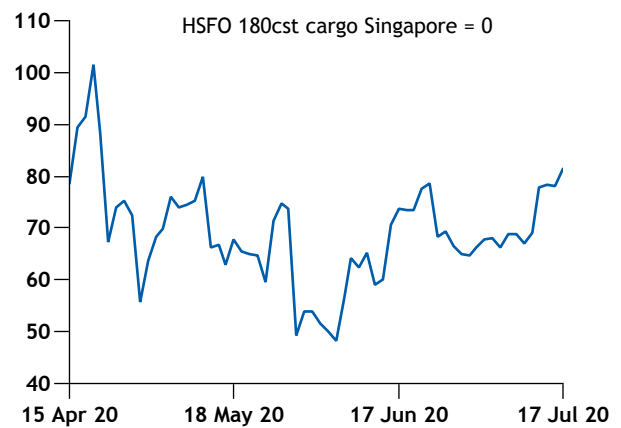


Singapore HSFO 380cst vs 180cst



\$/t

Singapore HSFO vs Indonesia LSWR



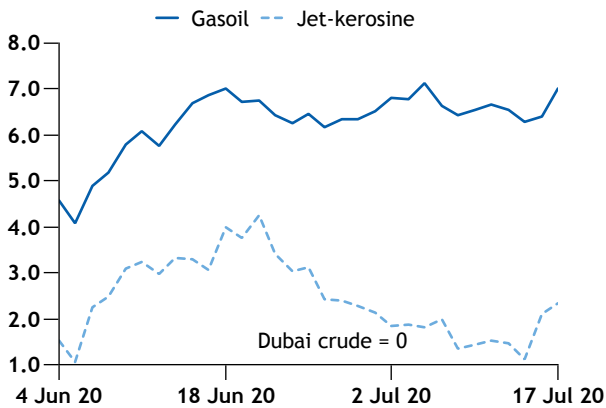
\$/t



REFINING MARGINS

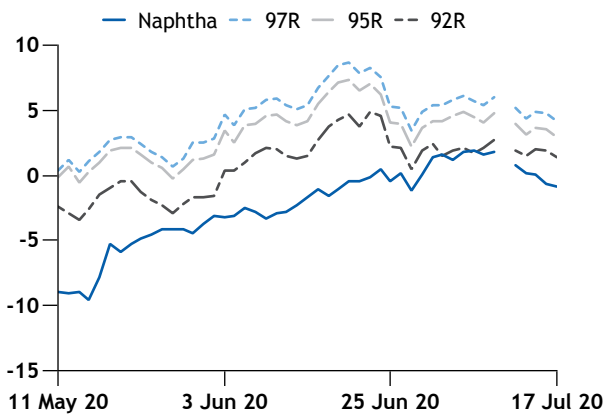
Gasoil and jet-kero refining margins

\$/bl



Naphtha and gasoline refining margins

\$/bl



Refining margins		
	Period	
Dubai swaps		\$/bl
Singapore fuel oil 180cst	Aug	-3.11
Singapore gasoil	Aug	+7.00
Singapore jet	Aug	+2.35
Ice Brent crude		\$/t
Japan naphtha c+f half month 1	1-15 Sep	+64.08
Japan naphtha c+f half month 2	16-30 Sep	+58.08
Japan naphtha c+f half month 3	1-15 Oct	+51.70
Ice Brent crude		\$/bl
Singapore naphtha fob spot	-	-0.86
Singapore 97R gasoline	-	+4.16
Singapore 95R gasoline	-	+2.91
Singapore 92R gasoline	-	+1.41

METHODOLOGY

Argus Asia-Pacific products price assessments represent the market over the course of the entire trading day. Argus believes that a fair and representative price will include trade throughout the day. If the market shows high intra-day volatility, Argus will weight the assessments towards trading activity at the end of the working day.

Price assessments rely on a wide variety of sources and platforms for information, including discussion with refiners, marketers, importers, traders and brokers, to reflect a daily consensus on the price of the day.

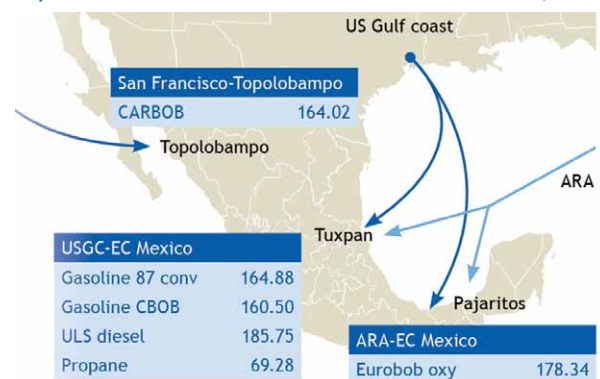
Argus works to verify all deal prices, counterparties, and volumes. Argus values transparency, so we publish as much price, volume, and specification information as we discover. This allows you to cross-check and verify the deals against the published prices.

The details of our methodology are available at: [www.argusmedia.com](http://www.argusmedia.com) or by calling any Argus office.

Argus Mexico Fuel Markets: A daily report

Key Delivered Prices

¢/USG



1. Prices of diesel and gasoline delivered to Mexican ports
2. Comprehensive geographic coverage for imports
3. News and analysis about Mexican domestic markets
4. International reference prices in US dollars and Mexican pesos
5. Prices of oxygenates such as ethanol and MTBE
6. LPG reference prices

For more information, visit <http://bit.ly/MexicoFuelMarkets>

## DEALS AND TENDERS

Deals done						
Seller	Buyer	Product	Volume	Diff Basis	Price \$	Timing
Glencore	Trafigura	Fuel oil HS 380 cst cargo Singapore	20,000	Mops	+1.00	01 Aug-05 Aug
Glencore	Trafigura	Fuel oil HS 380 cst cargo Singapore	20,000		247.00	01 Aug-05 Aug
Petrochina	Vitol	Gasoil 0.001% Singapore	150,000	Mops	+0.80	01 Aug-05 Aug
BP	Vitol	Gasoil 0.001% Singapore	150,000	Mops	+0.75	03 Aug-07 Aug
Total	Vitol	Gasoline 92R Singapore	50,000		44.44	05 Aug-09 Aug
PTT Trading	Unipecc	Gasoline 95R Singapore	50,000		46.00	07 Aug-11 Aug
PTT Trading	Unipecc	Gasoline 95R Singapore	50,000		46.00	07 Aug-11 Aug

Issued tenders					
Issuer	Trade	Timing	fob/cfr location	Close	Valid
BPC	Buy 75,000t of 0.5pc marine fuel oil	Aug-Dec 2020	cfr Chittagong	30-Jun	28-Sep
Pertamina	Buy 88R and 92R gasoline	Aug-Dec 2020	fob Asia/cfr Indonesia	6-Jul	31-Jul
ATC	Sell 3x600,000bl of A990 SRFO	Aug	fob Ras Tanura	20-Jul	20-Jul
S-Oil	Sell 2x24,000t of slurry oil	Mid-Aug	fob Onsan	20-Jul	20-Jul

## NEWS

## Singapore finds ex-BP marine fuels head guilty

Singapore has found BP's former regional marine fuels director Chang Peng Hong Clarence guilty for taking almost \$4mn in bribes from a bunker firm.

A Singapore district judge ruled that Chang, BP's former eastern regional director for marine fuels in Singapore, had accepted bribes from Koh Seng Lee, executive director of Pacific Prime Trading, on 19 occasions between July 2006 and July 2010 to advance the firm's business interests with BP.

Chang and Koh were found guilty of 20 corruption charges each yesterday. Both men are out on bail and will be back in court on 7 September for sentencing.

The city-state's commodity sector has been the scene of financial conflicts, leading banks in Singapore to overhaul financing standards for the industry.

## India resumes international flights

India will resume international flights today to France and the US after concluding agreements with both nations. This resumption will eventually open up international air travel and increase demand for jet fuel, civil aviation minister Hardeep Singh Puri said.

Delhi is working on similar arrangements with Germany and the UK. These bilateral treaties will facilitate international air travel from India to specific destinations until normal global air travel resumes. But there will be restric-

tions and rules on who can travel, Puri said.

US carrier United Airlines will fly 18 flights in a two-week trial between India and the US while Air France will run 28 flights between Delhi, Mumbai, Bengaluru and Paris in the same period. India is experiencing a surge in Covid-19 cases, exceeding a million cases as of today. Its numbers of infections trail only the US and Brazil.

India barred air travel from late March because of Covid-19 but allowed special aircraft operated by state-controlled Air India and army planes. Domestic flights resumed on 25 May but operated at a third of typical frequency. Domestic carriers are now allowed to operate up to 45pc of their pre-Covid flights, from a little over 30pc in June. This frequency will rise to 60pc by the festival season in October, according to the aviation ministry.

India's use of jet fuel fell by 66pc in June to 58,000 b/d from 171,000 b/d a year earlier. Demand fell to 28,000 b/d in May from 173,000 b/d a year earlier, according to the oil ministry.

## Chinese energy firms issue profit warnings

Chinese energy firms are issuing profit warnings for the first half of this year as the Covid-19 pandemic hits operations.

State-owned Norinco's Huajin Chemical unit, which operates a 120,000 b/d refinery at Panjin in Liaoning province, expects to make a net loss of 640-680mn yuan (\$91mn-97mn) in January-June after reporting a profit of Yn599mn a year

earlier. It blamed the decline on a fall in refinery utilisation rates, high costs and low product prices.

Private-sector petrochemical producer Jiangsu Shenghong which is building a 320,000 b/d integrated refinery and petrochemical project at Lianyungang in Jiangsu province, expects net profit to fall by 92-94pc from a year earlier to Yn45-65mn in January-June. The company said the refinery project is progressing as planned but did not provide an updated completion date. Work on the Lianyungang project started last year, targeting to come on stream in 2021.

Shenghong blamed lower product prices caused by the pandemic and volatile feedstock costs for the likely fall in profits.

But private-sector Rongsheng Petrochemical, which operates a 400,000 b/d refinery at Zhoushan in Zhejiang province, expects January-June net profit to rise by 196-221pc year on year to Yn3.1bn-3.4bn.

Rongsheng, whose operations are geared primarily towards providing feedstock for its downstream petrochemical units, has kept its plant and some petrochemical units running at relatively high rates so far this year, despite the impact of the coronavirus outbreak. The company recently obtained a product export licence for the first time.

By Karen Teo

## Independent ARA product stocks hit 2-mth lows

Total oil products held in independent storage in the Amsterdam-Rotterdam-Antwerp (ARA) trading hub fell by around 2pc on the week to 6.72mn t, reaching their lowest since 14 May, according to consultancy Insights Global.

Overall stocks reached two-month lows, but differing trends were seen across the different surveyed product groups.

Fuel oil stocks fell by around 12pc to 1.3mn t in the week to yesterday, to reach their lowest since 2 April. Several MR tankers departed for the Mediterranean and an aframax departed for the US. At least one tanker also departed for west Africa. Local bunkering demand remained low. Tankers arrived from Saudi Arabia, the US and the North Sea.

Gasoline inventories fell by 3.2pc on the week to 1.25mn t. Outflows to the US remained low, with just one or two tankers departing. The most recent data from the US Energy Information Administration show that implied gasoline demand in the week ending 10 July fell by 1.3pc to 8.6mn b/d, 6.1pc lower than the same week last year. Tankers also left the ARA area for China, the Mediterranean, Puerto Rico, Canada, Singapore and the Mideast Gulf, and arrived from France, the North Sea, Russia, Spain and Sweden.

ARA gasoil stocks rose by 1.5pc on the week to 2.72mn t. High inventories at destinations along the river Rhine continued to inhibit barge bookings from the ARA to terminals inland. Softening contango in the Ice gasoil forward curve is making storage less attractive to market participants, further reducing barge traffic around the area. Tankers departed the ARA area for France, the Mediterranean and the UK, and arrived from Saudi Arabia, the US and the North Sea.

Naphtha inventories rose by 5.6pc to reach 470,000t. No tankers departed the area, and cargoes arrived from Algeria, Norway, Russia and the UK. Local demand for the product from gasoline blenders remained low. And interest in stored volumes from petrochemical end-users appeared broadly stable on the week at a low level. As with gasoil, inland inventories appear sufficiently high to be inhibiting barge bookings.

Jet fuel inventories were the only surveyed product group to hit fresh all-time highs, for the fourth consecutive week. Stocks reached 976,000t from 968,000t the previous week. Demand from the aviation sector remained very low. No tankers arrived and one departed for the UK.

By Thomas Warner



## Iran Sanctions Hub

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## Argus successfully completes annual losco assurance review

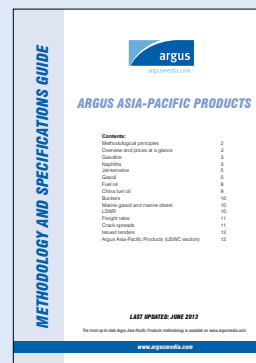
Argus has completed the eighth external assurance review of its price benchmarks covering crude oil, products, LPG, petrochemicals, biofuels, thermal coal, coking coal, iron ore, steel, natural gas and biomass benchmarks. The review was carried out by professional services firm PwC. Annual independent, external reviews of oil benchmarks are required by international regulatory group losco's Principles for Oil Price Reporting Agencies, and losco encourages extension of the reviews to non-oil benchmarks.

For more information and to download the review visit our website <https://www.argusmedia.com/en/about-us/governance-compliance>

## Argus Asia-Pacific Products Methodology

Argus uses a precise and transparent methodology to assess prices in all the markets it covers. The latest version of the Argus Asia-Pacific Products Methodology can be found at: [www.argusmedia.com/methodology](http://www.argusmedia.com/methodology).

For a hard copy, please email [info@argusmedia.com](mailto:info@argusmedia.com), but please note that methodologies are updated frequently and for the latest version, you should visit the internet site.



## 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>



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