

MARKET COMMENTARY

Gasoline cargoes

Northwest European gasoline prices and cracks to crude firmed on Tuesday, with up to 2mn b/d of US Gulf refining capacity still shut-in after Hurricane Ida made landfall over the weekend.

Benchmark Eurobob oxy gasoline closed at a three-week high of \$724/t, with cracks to front-month ICE October Brent up to \$13.82/bl – wider by 91¢/bl from 27 August.

Up to 2mn b/d of refining capacity in the US Gulf is still closed after Hurricane Ida brought 150mph (240km/h) winds and a nine-foot storm surge to areas near New Orleans, coastal Louisiana and stretches of the Mississippi River on 29 August. Most refinery operators with facilities in the storm's path shut down ahead of its arrival, but the extent of damage and potential re-start times may not be known for several days.

Phillips 66's 250,000 b/d Alliance refinery in Belle Chasse, Louisiana, was flooded after the storm surge broke through a temporary levee. Other refineries closed on Tuesday include Valero's 215,000 b/d St Charles and 135,000 b/d Meraux refinery, Shell's 225,000 b/d refinery in Norco, Marathon Petroleum's 565,000 b/d refinery in Garyville, and ExxonMobil's 500,000 b/d refinery in Baton Rouge. PBF Energy's 190,000 b/d Chalmette, Louisiana refinery lost power on 29 August, but the company did not give a timeline for restoration of power or comment on operations.

European markets were still waiting for their US counterparts to assess the damage on Tuesday, but plenty of gasoline is already on its way across the Atlantic. Approximately 900,000t of European gasoline was booked for transatlantic export in the week to 27 August, according to shipping fixtures, the highest seven-day total since the US arctic storms

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PRICES

Northwest Europe light products \$/t			
	Low	High	±
fob			
95R gasoline 10ppm	730.25	730.75	+13.75
91R gasoline	715.75	716.25	+13.75
cif			
95R gasoline 10ppm	737.75	738.25	+13.75
Gasoline non-oxy 10ppm	748.25	748.75	+10.25
Gasoline non-oxy 10ppm [^]	+17.25		
91R gasoline	723.75	724.25	+13.75
Naphtha 65 para	654.25	655.25	+1.50
barge			
98R gasoline	789.50	790.00	+13.75
95R gasoline 10ppm*	+2.25		
95R gasoline 10ppm	726.00	726.50	+3.25
Eurobob oxy	723.75	724.25	+13.75
VWA diff to Eurobob swap	+24.00		
Eurobob non-oxy	731.00	731.50	+9.00
VWA diff to Eurobob swap	+27.75		
91R gasoline	723.75	724.25	+13.75
MTBE	810.50	811.25	+15.38
MTBE factor	1.12		
ETBE	1,162.50	1,163.25	+15.38
ETBE diff to MTBE	+352.00		
Naphtha 65 para	650.25	651.25	+1.50

*differential to Eurobob oxy midpoint

[^]differential to Eurobob non-oxy midpoint

West Mediterranean light products \$/t			
	Low	High	±
fob			
95R gasoline 10ppm	724.25	724.75	+13.75
Naphtha 65 para	640.00	641.00	+1.50
cif			
95R gasoline 10ppm	731.75	732.25	+13.75
Naphtha 65 para	647.50	648.50	+1.50
Ice settlements			
Contract	Gasoil \$/t	Brent 1-minute \$/bl	
Sep	601.50	na	
Oct	601.75	73.09	
Nov	599.00	72.01	
IMO 2020 compliant fuels \$/t			
	Low	High	±
Fuel oil 0.5%S barge NWE fob	501.50	505.50	+6.00
Fuel oil 0.5%S barge NWE fob diff ICE gasoil M1	-98.00		+3.00
Marine gasoil 0.1%S NWE barge	580.25	584.25	+2.75
Marine gasoil 0.1%S NWE barge diff ICE gasoil M1	-19.25		-0.25
Marine gasoil 0.1%S NWE barge diff ICE gasoil M2	-19.50		-0.50



in March. A further 185,00t has been booked so far this week, although European markets were largely closed on 30 August.

Freight rates for clean MRs between northwest Europe and the Atlantic coast are up by 20 points from the end of last week, assessed at WS135 on Tuesday, or approximately \$17.40/t, from \$14.82/t on 27 August.

Louisiana and Mississippi have received an emergency waiver to immediately start selling winter gasoline blends, a change the US Environmental Protection Agency (EPA) expects will reduce fuel supply shortages caused by the storm. The waiver will move up by 15 days the date when distributors and retailers are allowed to make the switch to winter gasoline blends, which are more volatile and prone to evaporating in the summer heat.

Winter blending economics are under pressure from rising costs of gasoline component butane, which is typically used more when RVP limits are widened. Butane ARA barges closed just \$4.50/t below Eurobob oxy gasoline at the end of last week, its narrowest discount since February.

Non-oxy gasoline cargoes in northwest Europe were assessed at \$748.50/t on a cif Thames basis, from \$724.75/t the previous trading day. In the absence of liquidity, a \$3.50/t blending value and \$10/t freight differential between ARA and Thames was applied to non-oxy barges at 16:30 BST. Its premium to the final non-oxy VWA was \$17.25/t, from a \$16/t premium the previous day.

Gasoline barges

Eurobob gasoline firmed on an outright basis and against the underlying swap on Tuesday.

A total of 10,000t of Eurobob oxy gasoline changed hands at a volume-weighted average of \$724/t, from \$710.25/t on the same volume on 27 August. And 10,000t of non-oxy changed hands at \$731.25/t, from \$722.25/t on 4,000t in the prior session.

Trafigura, Shell and Vitol sold oxy gasoline to BP, Sahara and ExxonMobil at \$722.50-724.50/t, all in the morning at an approximate \$24/t premium to the underlying Eurobob September swap. It compares to trades at an average \$14.75/t premium to the swap on 27 August.

Shell, Litasco and TotalEnergies sold non-oxy gasoline to Varo at \$728/t in the morning and \$736/t in the afternoon. Trades were completed at an average \$27.75/t premium to the September swap, from a \$27/t premium in the prior session.

No gasoline changed hands in the afternoon trading window, with premium unleaded gasoline best offered at \$726/t on 7-11 September dates. The offer tested prevailing value and finished-grade barges were assessed at a \$2.25/t premium to prompt Eurobob oxy barges, from a \$12.75/t

Assessment rationale

Gasoline Eurobob oxy grade NWE barges (PA0005643) were assessed at \$724/t, using a volume-weighted average of trades meeting Argus criteria. These trades are listed in *Argus European Products* and published on the Argus gasoline bulletin board.

Northwest Europe middle distillates							\$/t
	Ice mth	Differential					±
		Low	High	Low	High	±	
fob							
Jet	-	-	-	620.75	621.75	+2.00	
Diesel French 10ppm	-	-	-	600.75	601.75	+2.25	
Diesel German 10ppm	-	-	-	598.50	599.50	+2.25	
Heating oil 0.1%S	-	-	-	591.75	592.75	+3.25	
cif							
Jet	Sep	+25.00	+26.00	626.50	627.50	+2.00	
Diesel UK ULS	Sep	+5.00	+6.00	606.50	607.50	+2.25	
Diesel French 10ppm	Sep	+5.00	+6.00	606.50	607.50	+2.25	
Diesel ARA 10ppm	Sep	+3.75	+4.75	605.25	606.25	+2.25	
Diesel Hamburg 10ppm	Sep	+2.75	+3.75	604.25	605.25	+2.25	
Heating oil 0.1%S	Sep	-4.00	-3.00	597.50	598.50	+3.25	
barge							
Jet	Sep	+23.75	+24.25	625.25	625.75	+2.00	
Diesel German 10ppm	Sep	-0.75	-0.25	600.75	601.25	+2.75	
Heating oil 0.1%S	Sep	-13.75	-13.25	587.75	588.25	+3.00	
Heating oil German 50ppm	Sep	-3.25	-2.25	598.25	599.25	+2.75	

West Mediterranean middle distillates							\$/t
	Ice mth	Differential					±
		Low	High	Low	High	±	
fob							
Jet	-	-	-	613.25	614.25	+2.00	
Diesel French 10ppm	-	-	-	598.25	599.25	+2.00	
Heating oil 0.1%S	-	-	-	591.75	592.75	+2.50	
cif							
Jet	Sep	+26.00	+27.00	627.50	628.50	+2.00	
Jet diff to fob Med	-	+13.75	+14.75	-	-	nc	
Diesel French 10ppm	Sep	+4.25	+5.25	605.75	606.75	+2.00	
Diesel 10ppm diff to spot	-	-1.00	0	-	-	nc	
Heating oil 0.1%S	Sep	-2.25	-1.25	599.25	600.25	+2.50	

premium the previous trading day.

Naphtha

European naphtha cargo prices rose by less than the underlying crude futures contract on Tuesday, bringing notional refining margins to their lowest level since the beginning of July.

Northwest European naphtha cargoes were assessed at a 48¢/bl premium to Ice October Brent on Tuesday, the lowest level since 1 July. The fifth consecutive day-on-day fall in notional refining margins was the result of ample inflows

from the US Gulf Coast and lacklustre buying interest from Asia-Pacific.

Tuesday's cargo assessment at \$654.75/t was \$69.25/t below the level of benchmark Eurobob oxy gasoline barges, the deepest discount to gasoline since May. Gasoline prices were supported on Tuesday by the prospect of an increase in demand for European gasoline from across the Atlantic, where Hurricane Ida resulted in the temporary closure of several major refineries as well as the Colonial Pipeline from the USGC to the US Atlantic Coast. Naphtha prices are typically heavily influenced by those of gasoline, owing to naphtha's use as a blending component, so could rise later in the week if evidence of a sustained rise in European gasoline production emerges.

The cargo assessment of northwest European naphtha cargoes on Tuesday at \$654.75/t reflected the day-on-day move in the September swap contract and respected the price ceiling set by the lowest offer tabled in the afternoon trading window. Shell offered a 32,000t cargo for delivery into Rotterdam during 10-14 September at a \$2/t premium to the assessments of 1-10 September.

Fresh bookings emerged for European naphtha cargoes to depart the continent for Asia-Pacific, but only as part of term contracts. Saudi Aramco booked the *SKS Driva* to load 90,000t from the Greek port of Eleusis during 12-14 September, while Socar booked the *Bahra* to load the same-sized cargo during the same dates from the Black Sea port of Tuapse.

Jet

European jet fuel prices ticked up on Tuesday, supported by marginal gains in front-month ICE gasoil futures as well as continuing increases in air travel demand.

Global air passenger traffic is gradually picking up, although it remains a long way behind pre-pandemic levels. Air New Zealand reported on Tuesday that it carried more than one million passengers in July for the first month since March 2020 – but it was still around 21pc short of the num-

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Northwest Europe fuel oil and VGO			\$/t
	Low	High	±
fob			
Fuel oil 1%S	451.50	455.50	+3.00
Fuel oil 3.5%S	397.75	401.75	+3.25
Fuel oil straight-run 0.5%S	527.50	531.00	+3.88
Fuel oil straight-run 0.5%S* \$/bl	+5.00	+5.50	nc
VGO 0.5%S	532.25	535.75	+4.00
VGO 0.5%* \$/bl	+5.25	+5.75	nc
VGO 2.0%S	519.75	523.00	+3.88
VGO 2.0%* \$/bl	+4.25	+4.75	nc
cif			
Fuel oil 1%S	453.25	457.25	+3.00
Fuel oil 3.5%S	409.50	413.50	+3.25
Fuel oil straight-run M-100	423.25	426.25	+3.25
Fuel oil straight-run M-100†	+27.50	+30.50	nc
VGO 0.5%S	540.75	544.25	+3.75
VGO 0.5%* \$/bl	+6.50	+7.00	nc
VGO 2.0%S	529.75	533.25	+3.75
VGO 2.0%* \$/bl	+5.75	+6.25	nc
barge			
Fuel oil 1%S	449.50	453.50	+3.00
Fuel oil 3.5%S RMG	393.75	397.75	+3.25
Fuel oil VWA	395.75		+3.25
3.5%S RMK	393.75		+3.25
3.5%S RMK diff to RMG	-2.00		nc
VGO 0.5%S	525.25	528.75	+3.75
VGO 0.5%* \$/bl	+4.25	+4.75	nc
VGO 2.0%S	512.75	516.25	+3.75
VGO 2.0%* \$/bl	+3.25	+3.75	nc

* differential to Brent crude futures (\$/bl) † premium to barge VWA

West Mediterranean fuel oil and VGO			\$/t
	Low	High	±
fob			
Fuel oil 1%S	458.25	462.25	+2.50
Fuel oil 3.5%S	393.75	397.75	+4.25
cif			
Fuel oil 1%S	465.50	469.50	+3.00
Fuel oil 3.5%S	401.00	405.00	+4.75
VGO 0.5%S	540.75	544.25	+3.75
VGO 0.5%* \$/bl	+6.50	+7.00	nc
VGO 2.0%S	531.50	535.00	+3.75
VGO 2.0%* \$/bl	+6.00	+6.50	nc

* differential to Brent crude futures (\$/bl)

Ice crude futures - 16:30 London time			\$/bl
	Month	Value	±
Brent 1-minute marker	Nov	72.01	+0.56

Black Sea VGO			\$/t
	Low	High	±
fob			
VGO 0.5%S	529.25	532.75	+3.50
VGO 0.5%* \$/bl	+4.75	+5.25	-0.13
VGO 2.0%S	520.00	523.50	+3.50
VGO 2.0%* \$/bl	+4.25	+4.75	nc

* differential to Brent crude futures (\$/bl)

ber carried in that month. Nearly all of those carried in July 2021 were domestic travellers. The total was 55.4pc higher year-on-year and around 20pc higher month-on-month.

European jet fuel cargo premiums to North Sea Dated have been fluctuating in recent weeks at less than half the levels recorded two years ago.

By contrast with passenger traffic, global air cargo traffic is continuing to record sharp gains over pre-pandemic volumes, according to the International Air Transport Association (IATA).

Air freight demand, measured in cargo-tonne-kilometres (CTKs), was 8.6pc higher in July 2021 than in July 2019. The greatest increase over pre-pandemic volumes was in North America, while Latin America was the only region that had still not recovered to those levels. European CTKs were 6.1pc above 2019 levels.

It actually marked a slight deceleration in growth from the previous month. Global air cargo demand was 9.2pc higher in June than in the same month two years ago.

The IATA forecasts that "the impact of the Delta variant on supply chains and operations will likely put pressure on CTKs in August".

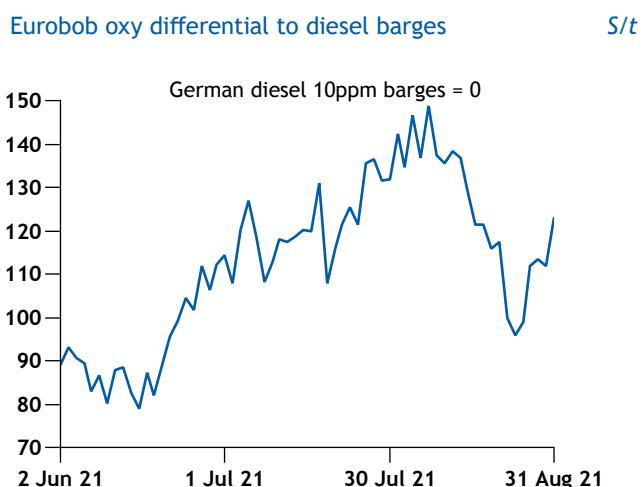
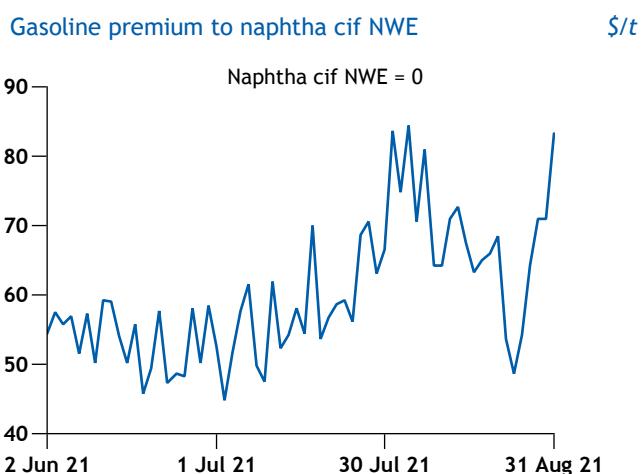
Air cargo capacity continued to recover in July, although it remained below 2019 levels. In July, it was 10.3pc down from the same month in 2019, marginally making up the 10.8pc deficit from the previous month.

The cargo load factor, meaning the utilisation of the available capacity, was 54.4pc in July – which is the highest ever recorded in that month in any year.

The EU published a regulation on Tuesday formally excluding flights from UK airports into the EU, Iceland, Liechtenstein and Norway from the bloc's emissions trading system (ETS). Flights from the UK to the EU have been excluded since 1 January under the terms of the UK's withdrawal from the EU.

No jet fuel cargoes were reported to have traded in northwest Europe on Tuesday. Shell bid for a cargo on a cif Le Havre basis at a \$23/t premium to Ice September gasoil. Meanwhile, Uniper offered two cargoes on a cif Rotterdam basis at a \$26/t premium to the same gasoil contract. The northwest European jet fuel cargo premium to Ice September gasoil was assessed lower by \$1/t on the day at \$25.50/t.

No jet fuel barges were reported trading in northwest Europe. No bids were reported in the barge market, but Litasco offered barges at various differentials to spot assessments. Jet fuel barges in northwest Europe were assessed at a \$24/t premium to Ice September gasoil, lower by \$1/t on the day, in line with the change in cargo premiums.



Diesel/Gasoil

European diesel cargo premiums to the front-month gasoil contract narrowed on Monday, partially offsetting a \$3/t rise in the value of the underlying contract.

Traders looked to the US in order to assess the impact of Hurricane Ida on the US Gulf coast refining system. The major storm left behind widespread power outages and flooding in Louisiana, where more than 2mn b/d of refining capacity was shut. The region includes major facilities such as Exxon-Mobil's 500,000 b/d Baton Rouge complex, which was taken offline on 30 August, and Marathon Petroleum's 565,000 b/d Garyville refinery, which was shutdown ahead of the storm.

The hurricane also led to the shutdown of main lines of the 5,500-mile Colonial pipeline, which distributes fuel from refineries in Texas and Louisiana to consumers along the Atlantic coast – although the pipeline has since been restarted.

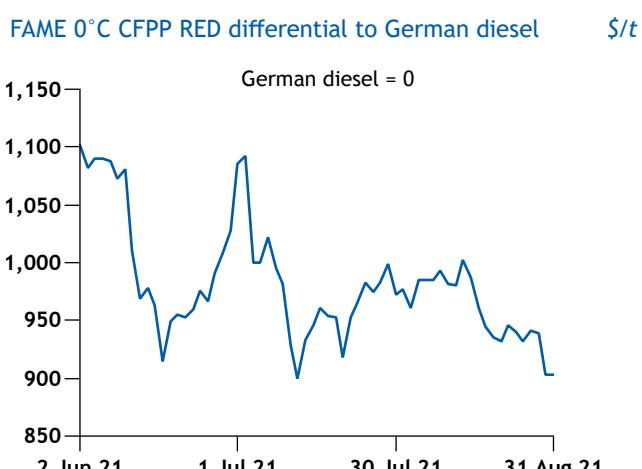
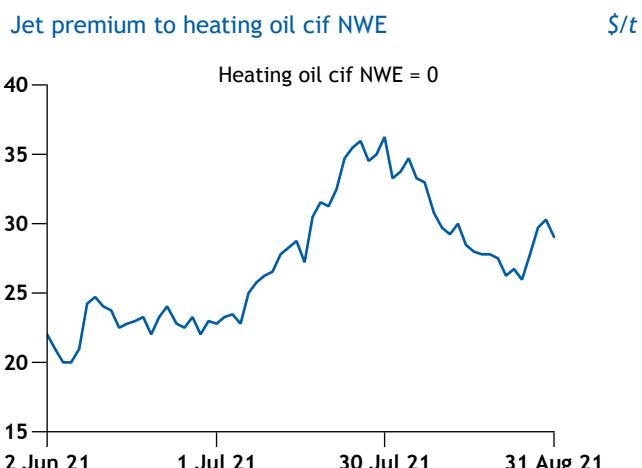
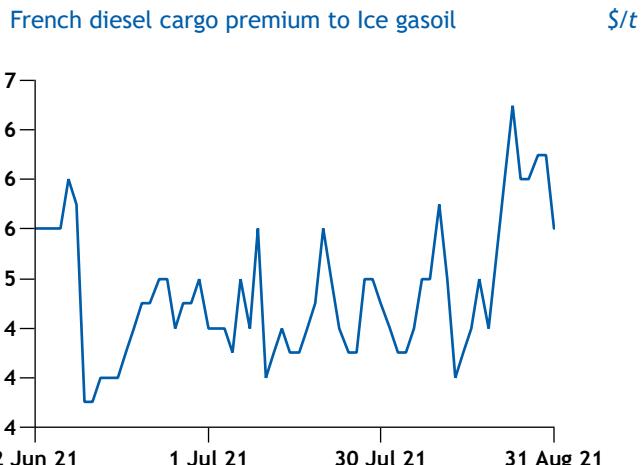
The widespread disruption could be set to provide a boost for the European diesel market by reigniting cargo flows from Europe to the US, which have fluctuated this year despite a structural balance favouring US flows into Europe. Cargoes have already been provisionally booked to move diesel on the route, such as the *Luzon Spirit*, which has been placed on subjects to load a 90,000t cargo from ARA on 2 September.

The outages could also have a knock-on effect from Latin America, which may need to draw diesel cargoes from Europe should US Gulf coast flows be considerably impeded.

But market participants on Monday stressed that it remains too early to fully assess the extent of the disruption to typical diesel flows, which should become clearer over coming days. The underlying Ice September gasoil contract's premium to front-month Brent crude futures was little changed at \$7.54/bl – down from \$7.60/bl in the previous session which was the highest since April 2020.

No cargo deals emerged in the afternoon trading window on Monday. Litasco bid for a Le Havre basis diesel cargo at a \$4/t premium to Ice September gasoil, while Mabanaft bid for an Amsterdam basis diesel cargo at a \$3.50/t premium to Ice September gasoil. Meanwhile Total offered Amsterdam basis diesel at premiums to spot pricing ranging 0-50¢/t and Trafigura offered Amsterdam basis diesel at a \$5/t premium. And Vitol offered a Le Havre basis diesel cargo at a \$3/t premium to Ice October gasoil, equivalent to a \$3.25/t premium to Ice September gasoil.

The ARA basis diesel cargo premium to Ice September gasoil narrowed by 25¢/t to \$4.25/t to reflect bids and offers in the window. The German diesel cargo premium to Ice September gasoil tracked the fall in ARA. The Le Havre basis diesel cargo premium to Ice September gasoil fell to \$5.50/t to reflect Vitol's offer, and the Thames basis diesel cargo



assessment moved down in line with Le Havre.

Elsewhere in the window Litasco bid for a Mersin basis diesel cargo, and Repsol offered a Lavera basis diesel cargo at a 25¢/t premium to spot Mediterranean pricing. The west Mediterranean diesel cargo premium to Ice September gasoil fell to \$4.75/t to reflect Repsol's offer.

No trading interest emerged for heating oil cargoes in either northwest Europe or the Mediterranean. The northwest European heating oil cargo discount to Ice September gasoil narrowed to \$3.50/t on the basis of swaps values. The west Mediterranean heating oil cargo discount to Ice September gasoil widened to \$1.75/t on the same basis.

A total of 7,370t of German diesel changed hands in the ARA gasoil barge market on Tuesday. Vitol purchased 5,170t from BP at a 50¢/t discount to Ice September gasoil, and picked up the remainder from TotalEnergies at the same level. The German diesel barge discount to Ice September gasoil was marked at 50¢/t, in line with the day's trade.

No heating oil barges traded. Glencore and Belgomine offered 50ppm sulphur heating oil, the latter as low as a \$2.25/t discount to Ice September gasoil, while no trading interest emerged for 0.1pc sulphur heating oil. The 50ppm sulphur heating oil barge discount to Ice September gasoil widened to \$2.75/t to reflect Belgomine's offer, while the 0.1pc sulphur heating oil barge discount held firm at \$13.50/t.

Fuel oil

Fuel oil prices were higher in northwest Europe in the week's opening session, with HSFO in the Mediterranean assessed at parity with northwest Europe for the first time in almost a year.

High-sulphur fuel oil (HSFO) cargo prices in the west Mediterranean were assessed at parity with Rotterdam barges on a fob basis from a \$1/t discount on 27 August – the first time it moved to the same level with the north since 25 September 2020.

Market participants said HSFO supply was limited in the Mediterranean, with some refineries shipping product east to the Middle East and Asia-Pacific. Greek fuel oil loadings, most of which is typically HSFO, reached a four-month high of 250,000t in June from 140,000t a month earlier, according to Vortexa. But around 200,000t of the total was shipped to Saudi Arabia last month.

Elsewhere in the Mediterranean, Italian fuel oil loadings dipped to their lowest since January this month at 270,000t compared with 410,000t in July. Some of the Italian loadings is likely to be very-low sulphur fuel oil (VLSFO).

HSFO barge trades were concluded at a range of \$395-398/t in Monday's session and they were at a volume-weighted average (VWA) of \$395.75/t, up by \$3.25/t on the day.

Saudi Aramco's trading arm ATC sold 14,000t in the afternoon session, after the firm offloaded 95,000t during the last week.

Shipping lists showed that ATC booked the *Eagle Kangar* to load 100,000t of fuel oil in a Baltic port on 9 September with discharge options in northwest Europe and the US Gulf.

Elsewhere in the Mediterranean, trading firm Coral has booked the *Stena Surprise* to load 130,000t of fuel oil on a ship-to-ship basis offshore Malta on 5 September for Singapore discharge.

VLSFO barges were reported to have traded at a volume-weighted average (VWA) of \$503.50/t, gaining \$6/t day-on-day. VLSFO's notional discount to Ice September gasoil narrowed by \$3/t from the previous close to \$98/t.

VLSFO discounts to front-month Ice gasoil hit their widest since December 2019 at \$101/t on 27 August, as the link between the two products has become less significant in previous months, with more firms trading the 0.5pc product off flat VLSFO prices instead of differentials to Ice gasoil futures.

There were fresh signs of a recovery in shipping at European ports this week. Total throughput at the port of Hamburg was up by 4pc on the year in the first half of 2021, figures from the port authority showed.

Feedstocks

VGO premiums to Ice November Brent were stable in Europe on Monday, as market participants switched their focus to the US Gulf in the wake of Hurricane Ida.

Outright VGO prices moved higher on Tuesday, tracking the Ice November Brent crude futures contract. Ice November Brent closed at \$72.01/bl at 16:30 BST in its final session as the second-month futures contract. The expiring Ice October Brent contract was marked at \$73.09/bl at 16:30 BST.

VGO market participants were largely focussed on the fallout from Hurricane Ida. The US Gulf comprises the world's largest buying region of VGO, meaning that any major disruptions to refining in will likely impact VGO supply and demand balances in Europe. Widespread power outages and flooding are so far hampering recovery efforts in Louisiana as more than 2mn b/d of refining capacity remains offline. But with the extent of damage and the duration of downtime at affected refineries still unclear, market participants suggested it was too early to tell what the impact would be on the European VGO market. Traders must also mull logistical problems, with many Louisiana and Mississippi ports still closed.

Affected refineries include Phillips 66's 250,000 b/d Alliance refinery in Belle Chasse, Louisiana, which confirmed that it had experienced flooding during the hurricane's storm surge, while other refineries in the same state's areas

of St. Charles, Meraux and Norco were also still shut down. Refineries in the Lake Charles, Garyville and Baton Rouge areas were meanwhile thought to be operating at reduced capacities or had shut down units ahead of the storm. The extent of damage and potential restart times may not be known for several days.

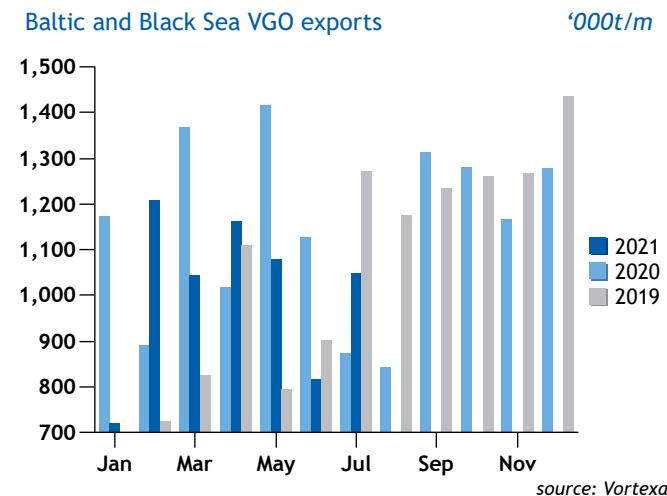
US netbacks to northwest Europe eased 25¢/bl lower on the day to \$3.75/bl for high-sulphur VGO fob and to \$3.50/bl for low-sulphur VGO, as a slightly wider Brent-WTI spread at 16:30 BST close pushed netbacks lower.

Otherwise, some market participants suggested that VGO cargo values could be slightly weaker than a \$6/bl premium to Ice November Brent for high-sulphur VGO cif ARA on Tuesday, though that level is where latest trades were thought to have occurred. No fresh trades were reported on Tuesday, while latest offers for high-sulphur VGO cargoes were heard to have come in around a \$6.50/bl premium cif ARA.

Meanwhile in the Mediterranean, traders viewed high-sulphur VGO at around a \$6/bl premium to Ice November Brent cif Malta, and low-sulphur VGO at around a \$6.75/bl premium, broadly in line with recent assessments at \$6.25/bl and \$6.75/bl.

Argus VGO differentials to Ice November Brent were unchanged on Tuesday in both the Mediterranean and in northwest Europe.

Elsewhere, the independent 132,000 b/d Il'sky refinery in southern Russia was heard to have sold straight-run fuel oil to BP, Vitol and Coral Energy in its latest tender, which offered product for September-November loading. The product will load in 30-35,000t parcels on a fob Novorossiysk basis. The results were not confirmed. Argus straight-run assessments in northwest Europe were kept steady on the day on Tuesday.



NEWS

Air freight demand holds gains over 2019: IATA

Global air cargo traffic is maintaining its sharp gains over pre-pandemic levels, according to the International Air Transport Association (IATA), adding to jet fuel demand at a time when passenger traffic is still lagging.

Air freight demand, measured in cargo-tonne-kilometres (CTKs), was 8.6pc higher in July 2021 than in July 2019. The greatest increase over pre-pandemic volumes was in North America, while Latin America was the only region that had still not recovered to those levels. European CTKs were 6.1pc above 2019 levels.

The total marked a slight deceleration in growth from the previous month. Global air cargo demand was 9.2pc higher in June than in the same month two years ago.

IATA said that the effects of the Delta variant on supply chains and operations "will likely put pressure on CTKs in August."

Air cargo capacity continued to recover in July, although it remained below 2019 levels. In July, it was 10.3pc down from the same month in 2019, marginally up from a 10.8pc deficit from the previous month. The cargo load factor, meaning utilisation of the available capacity, was 54.4pc in July, the highest ever recorded for that month in any year.

Air passenger demand is still a long way behind pre-pandemic levels, meaning that jet fuel demand is still very subdued. European jet fuel cargo premiums to North Sea Dated crude have been fluctuating in recent weeks at less than half the levels of two years ago.

By Benedict George

Turkish diesel demand hit 8-month high in June

Diesel sales in Turkey rose to an eight-month high in June, owing to the easing of measures to tackle the Covid-19 pandemic.

Diesel sales jumped to 2.34mn t from 1.82mn t in May and were higher than the 2.17mn t in June of last year, official statistics from the energy regulator EPDK show.

The rise drove an increase in Turkish refinery output to a 20-month high of 3.17mn t in June, compared with 3mn t in

the prior month. Diesel output at two of the largest producing units increased in June, with refining firm Tupras' 217,000 b/d Izmit plant and Azerbaijan state-controlled Socar's 200,000 b/d Aliaga refinery ramping up the production of the fuel.

Socar's plant either conducted maintenance or had an unplanned outage during the month, as it continued output of residual fuel oil – which it is not designed to produce. Its fuel oil production dropped to 7,000t in June from 78,000t in May, which could suggest a gradual recovery of the refinery's coking unit.

Turkish products demand has most likely continued to recover since June, as the country reported fewer Covid-19 infections in the past two months following a quick vaccination programme during summer.

By Enes Tunagur

Turkish crude imports hit 9-month high in June

Turkish crude imports rose by 14pc on the month to 700,000 b/d in June, marking the highest monthly volume since September 2020, the latest data from energy regulator EPDK showed.

The Turkish government eased Covid-19 restrictions from mid-May after a 17-day long lockdown. Further curbs on movement were lifted in June with international flights also allowed to resume.

The month-on-month increase was largely driven by

Clarification

Argus recognises that delays can occur in physical markets but wishes to remind market participants that frequent or consistent delays can lead to a disorderly market and complicate the price assessment process.

Accordingly, in keeping with its methodology, Argus may exclude from consideration in the assessment process any trades for which it has reason to believe that sold product will not be deliverable under normal industry nominations and loading procedures.

Argus successfully completes annual losco assurance review

Argus has completed the ninth 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>

NEWS

Norwegian crude deliveries – likely Johan Sverdrup – to Turkey rising to a seven-month high at 78,000 b/d in June, after the country took just 6,000 b/d in May. The Chinese government's crackdown on crude quotas for independent refiners' has pushed sellers of [Johan Sverdrup to find outlets elsewhere](#) such as the Mediterranean. Some Turkish refiners run Johan Sverdrup as an alternative to sour crude supplies.

Sour crude imports from Iraq – Turkey's main supplier – fell 6pc on the month to 240,000 b/d in June. The slight decline in interest coincides with the [two-month shutdown of Tupras' 22,000 b/d bitumen-focused refinery](#) in early June.

But deliveries of other competing sour crudes rose. Turkey took 41,000 b/d Saudi crude in June, an increase from the 34,000 b/d imported in May. Meanwhile, imports of Russian crude rose sharply by 71pc on the month to 139,000 b/d in June. This marked the highest monthly volume since February 2020 before Covid-19 caused lockdown measures.

Turkey's intake of Kazakh crude – likely light sour CPC Blend – fell by 12pc on the month to 87,000 b/d. Imports of Libyan crude – both sweet and sour – fell to 58,000 b/d in June, from 76,000 b/d in May. Argus tracking show that Libyan grades Es Sider and Al Jurf loaded for Turkey in May and June.

Imports of Tunisian crude reached just 25,000 b/d in June, though this is still the highest monthly volume since Argus records began in 2011. Turkey received no sweet crudes from Nigeria for the third consecutive month.

Kuganiga Kuganeswaran

Rosneft offers naphtha-like products

Rosneft has offered up to 300,000t of "stable gas gasoline" – similar in quality to naphtha – for export in October-December. The product will come from the company's eastern refineries – 160,000 b/d Komsomolsk, 268,000 b/d Angarsk and 130,000 b/d Achinsk.

The product is available of a fob basis at the far east ports of Nakhodka and/or Vostochny, or on a cpt basis at any Russian border crossing or port. It will be priced against average naphtha prices on a c+f Japan basis. The results of the tender should be announced by 15 September.

Separately, Rosneft has offered up to 60,000t of naphtha for export in October-December, on a fob basis at the company's far north Arkhangelsk terminal on the White Sea. The product can also be supplied on fob basis at any Baltic, White, Barents or Black Sea port, or on a cpt basis at any Russian border crossing or port. The naphtha will come from the 360,000 b/d Yaroslavl refinery, which Rosneft co-owns with Gazpromneft.

Product loading on a fob Baltic, White and Barents Seas basis, and on a cpt northwest railway stations basis will be priced against cif northwest Europe and fob Rotterdam naphtha prices. Product for export on a fob Black Sea terminals or cpt southwest railway stations basis, will be based on naphtha prices cif Genoa/Lavera and fob Mediterranean ports.

Rosneft has also offered up to 300,000t of cat-cracked gasoline for export in the fourth quarter. The product is



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similar in quality to naphtha and used for blending with higher-quality gasoline. The sulphur content of the cat-cracked gasoline is 0.4pc and olefin content is 38pc.

The product from the 140,000 b/d Kuibyshev, 190,000 b/d Novokuibyshev, Angarsk and 200,000 b/d Syzran refineries, and Rosneft's 480,000 b/d Ufa complex is available on a fob Arkhangelsk basis, loading in 22,500t cargoes. It can also be supplied on a fob basis at any Baltic, White, Barents and Black Sea port, as well as on a fob Vostochny or cpt at any Russian border crossing or port.

The price of product supplied on westbound routes will be based on the price of cat-cracked gasoline produced by the Yaroslavl refinery. Eastbound exports will be priced against average c+f Japan naphtha prices. The results of this tender should be announced by 15 September.

Combined naphtha exports from refineries listed in Rosneft's tenders were 1.52mn t in January-July, 5.6pc lower than a year earlier, according to freight forwarding companies. The product was mainly shipped through Rosneft terminals at Arkhangelsk, Nakhodka and the Black Sea port of Tuapse in the first seven months of this year – 381,920t, 377,850t and 408,690t, respectively.

By Ulyana Rudyagina

Introduction of Eurobob barge certification requirement: Clarification

Following the announcement made on 31 July 2018 regarding gasoline quality testing, Argus wishes to clarify that the requirements are binding on both sellers from refineries and those from commercial tank storage.

From 1 October 2018, Argus is adding a certification of product testing requirement to the methodologies governing Eurobob oxy and non-oxy gasoline barge price assessments.

For a trade to be considered for inclusion in either assessment, the seller must commit at the time of trade to provide the buyer with a full quality certificate at the start of barge loading, at the start of loading ex-refinery or at the start of pump-over into the buyer's tank.

The certificate must be for volumes loaded directly ex-refinery or from a single certified shore-tank. For the avoidance of doubt, trades involving a "proportional composite" analysis of streams from multiple tanks or a "hand blend" test may not be considered for inclusion in the assessment.

For more information, please contact Elliot Radley at elliott.radley@argusmedia.com or +44 20 7780 4205, or by post to Elliot Radley, Argus Media Limited, Lacon House, 84 Theobald's Road, London, WC1X 8NL.

Power outages, flooding hamper Ida recovery

Widespread power outages and flooding in some areas are hampering recovery efforts in Louisiana in the wake of Hurricane Ida, as more than 2mn b/d of refining capacity remains offline.

About 1mn households and businesses in the state were still without power as of 9:30am ET on 31 August, while about 87,000 were in the dark in Mississippi, according to the website PowerOutage.US.

All eight power transmission lines serving the New Orleans area were knocked out of service by the hurricane which made landfall on 29 August in Port Fourchon, Louisiana, as a Category 4 storm. Local power utility Entergy has started to assess the vast damage in New Orleans and southeast Louisiana, but it may take days to get a clear picture of the damage and weeks to repair it. Entergy expects a team of more than 20,000 workers to begin work on the system this week.

Most refinery operators with facilities in the storm's path shut down ahead of its arrival, but the extent of damage and potential re-start times may not be known for several days.

Phillips 66's 250,000 b/d Alliance refinery in Belle Chasse, Louisiana, was flooded after the storm surge broke through a temporary levee set up by the company.

"Phillips 66 can confirm that there is some water in the refinery," the company said on 30 August. "Our team will conduct a full, post-storm assessment of the refinery when it is deemed safe to do so."

The 5,500-mile Colonial pipeline which moves fuel from refineries in Texas and Louisiana to the Atlantic coast, restarted its main lines to Greensboro, North Carolina, late on 30 August, after shutting them on 29 August.

US offshore oil and gas operators, who had shut down nearly all production in advance of the storm, are still assessing damage in hopes of restarting platforms.

Around 95pc, or 1.7mn b/d, of offshore crude output and

ANNOUNCEMENT

On Eurobob oxy barges, Argus specifications assume blendstock meeting EN228 gasoline specifications of maximum 10ppm sulphur and maximum vapour pressure of 90kPa in the winter and 60kPa in the summer after blending with 4.8pc ethanol of minimum 98.7pc purity. Oxygen content is limited to 0.9pc. On Eurobob non-oxy barges, Argus specifications reflect blendstock meeting EN228 gasoline specifications of maximum 10ppm sulphur and maximum vapour pressure of 90kPa in the winter and 60kPa in the summer after blending with 9.7pc ethanol of minimum 98.7pc purity.

94pc, or 2.1 Bcf/d, of natural gas production were shut in as of 12:30pm ET on 30 August, the US Bureau of Safety and Environmental Enforcement said.

Shell said on 31 August that it had resumed production on its floating storage and offloading vessel, *Turritella*. The company also said its Perdido platform in the southwestern Gulf of Mexico remained on line throughout the storm. All other Shell offshore platforms remain shut.

By Eunice Bridges

Ida-hit states speed switch to winter gasoline

Louisiana and Mississippi have received an emergency waiver to immediately start selling winter gasoline blends, a change the US Environmental Protection Agency (EPA) expects will reduce fuel supply shortages caused by Hurricane Ida.

The waiver will move up by 15 days the date when distributors and retailers are allowed to make the switch to winter gasoline blends, which are more volatile and prone to evaporating in the summer heat. EPA said it was granting the waiver in response to power outages, refinery shutdowns and flooding from Hurricane Ida that have been hindering the distribution of summer gasoline blends.

"The fuel supply shortages caused by Ida can be reduced by waiving the requirements to sell low volatility gasoline," EPA administrator Michael Regan said on 30 August in a letter approving waivers.

More than 2mn b/d of refining capacity in Louisiana was shut in because of the storm, which made landfall on 29

August as a Category 4 storm with wind speeds of 150mph (240km/h). The wind was the primary cause of "catastrophic" damage across the region and its electric transmission system, Louisiana governor Bel Edwards (D) said on 30 August. More than 1mn customers were without power as of 30 August, and electric utility officials expect it will take weeks to fully restore service.

EPA's emergency fuel waiver will continue through 15 September, when the switch to winter gasoline blends usually takes place. The early switch for Louisiana and Mississippi could free up refiners and distributors to begin selling stocks of winter gasoline blends they manufactured in anticipation of the switch.

President Joe Biden's administration has tapped a handful of other emergency powers to ease supply chain constraints from the storm. The US Transportation Department on 29 August issued an emergency declaration waiving hours-of-service limits on truckers in Alabama, Arkansas, Louisiana, Mississippi, Tennessee and Texas. The administration has yet to take any actions related to drawing down crude from the US Strategic Petroleum Reserve, but the US Energy Department said it was prepared to do so if an emergency release was authorized.

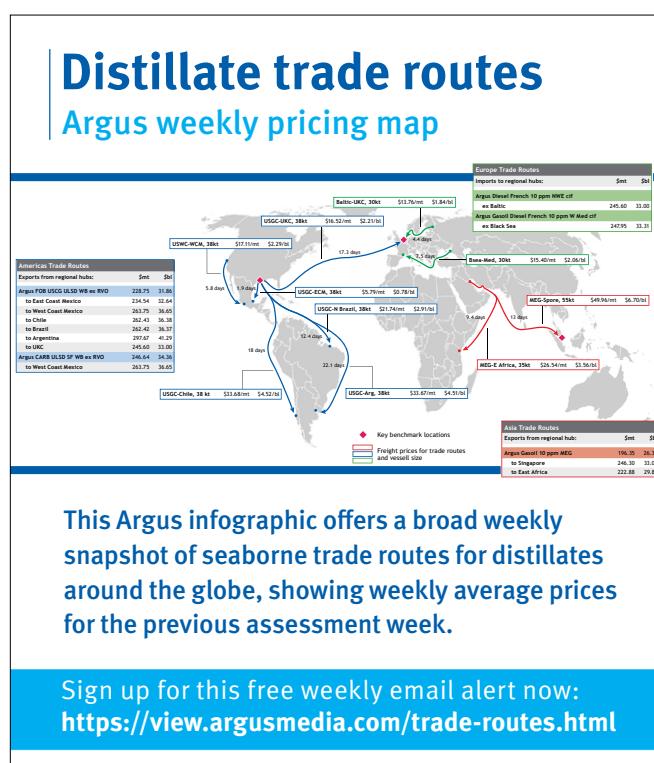
By Chris Knight

ANNOUNCEMENTS

For trades to be included in *Argus* gasoline barge assessments, standard nomination procedures must be followed. The buyer should give two working days' notice of barge ETA. Nominations received after 14:00 London time or on Fridays after 13:00 London time will be deemed to be received on the following working day. Otherwise, the original day of nomination will count as day one of the two days notice.

Quality testing: On gasoline barges, standard industry practice assumes seller's discretion to appoint an inspections company from a list of widely recognised entities. But if a buyer has reasonable cause* to request an alternative but widely recognised inspector, the nominated inspection company should be changed by mutual agreement. If changing the nominated inspection company is not acceptable to the seller, the seller should agree to allow a re-test of the product by an alternative inspections company before loading.

*Reasonable cause may include recent history of deviations between test results at loadport and/or on delivery, where the deviation is in excess of industry accepted margins of reproducibility and repeatability.



Biofuels share of German road fuel mix fell

The share of biofuels in Germany's road fuel mix dropped year on year in June, when near-record high biodiesel and ethanol prices weighed on demand and prompted participants to purchase additional greenhouse gas (GHG) savings on the country's certificate market.

Sales of biodiesel and hydrotreated vegetable oil (HVO) fell by 3pc on the month and by 16pc year on year to 210,000t in June, according to latest data from export control authority Bafa. Diesel consumption rose by 14pc from May to 3mn t in June, higher by 10pc than in June 2020.

This meant biodiesel and HVO accounted for a 6.8pc share of Germany's diesel pool in June, falling from 7.5pc in May to its lowest since March.

Ethanol consumption rose by 3pc year on year to 96,100t, but this was down by 8pc from May. Gasoline sales increased by 8pc year on year and by 13pc on the month to 1.5mn t, meaning ethanol's share of the German gasoline pool was 6.5pc in June, lower by 1.4 percentage points on the month at a two-month low.

E10's share of German gasoline consumption was 14.5pc in June, up from 13.6pc a year earlier. Sales slid by 2pc on the month to 216,500t.

The Argus RED Ucome fob ARA range spot price averaged \$1,760/t in June, up from \$1,694/t in May and from \$1,200/t a year earlier. Meanwhile, liquidity leaped in the German GHG certificate market, with prices for 2021 compliance averaging €340/t CO2 equivalent (CO2e) or around €60/t CO2e lower than a year earlier. The purchase of GHG credits is an alternative to physical blending to comply with Germany's GHG emission reduction quota.

By Sophie Barthel

Neste flags sharp rise in Finland's HVO demand

Finnish refiner Neste said on 31 August that domestic consumption of its renewable diesel, or hydrotreated vegetable oil (HVO), more than tripled across the public sector between 2019 and the middle of this year.

The proportion of Neste-produced renewable diesel in overall diesel consumption doubled in Finland's manufacturing industry and increased more than fivefold in the country's goods transport sector over the same time period, according to results from a company survey conducted this month. Aside from Neste's Porvoo refinery, there is just one other operational HVO plant in Finland – UPM's Lappeenranta facility – and a further 16 in Europe.

Neste has launched a service for companies to monitor emissions caused by transport fuels – the first of its kind in Finland. Road transport accounts for more than 90pc of the country's total transport emissions, according to Neste, making it a key focus given that Finland aims to be carbon

neutral by 2035.

Finland has transposed the majority of the recast European Renewable Energy Directive (RED II), including the RED II sustainability requirements for biofuels, which were implemented into national legislation from 1 January this year, the country's energy authority told Argus. RED II obligations for renewable energy and feedstocks in the transport sector have been transposed into Finnish national legislation and came into effect on 30 June this year.

Neste produced 764,000t of HVO in the second quarter, down by 7.8pc on January-March. It expects its HVO capacity to increase by up to 1.3mn t/yr once its [Singapore refinery expansion](#) is complete.

Fellow Finnish bioenergy company St1 also plans to increase its HVO production capacity. It is building a biorefinery alongside its existing facility in Gothenburg, Sweden. It expects to complete the construction of the 200,000 t/yr plant in early 2023, with production beginning in summer 2023. The plant will be able to process "a wide range of raw materials", St1 said, although it gave no further detail on feedstocks.

By Georgia Gratton

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DEALS DONE

Gasoline (barges)						
Seller	Buyer	Loading from	Loading to	Price \$	Volume t	Notes
Trafigura	BP	02 Sep	08 Sep	724.50	2,000	Gasoline Eurobob oxy 09:00 approx Sep swap +\$24.00 included in VWA
Trafigura	BP	02 Sep	08 Sep	724.50	1,000	Gasoline Eurobob oxy 09:00 approx Sep swap +\$24.00 included in VWA
Trafigura	ExxonMobil	02 Sep	08 Sep	724.50	1,000	Gasoline Eurobob oxy 09:00 approx Sep swap +\$24.00 included in VWA
Shell	BP	02 Sep	08 Sep	724.50	2,000	Gasoline Eurobob oxy 09:00 approx Sep swap +\$24.00 included in VWA
Shell	Varo	02 Sep	08 Sep	728.00	2,000	Gasoline Eurobob non-oxy 09:10 approx Sep swap +\$28.00 included in VWA
Shell	BP	02 Sep	08 Sep	724.50	2,000	Gasoline Eurobob oxy 09:00 approx Sep swap +\$24.00 included in VWA
Vitol	Sahara	02 Sep	08 Sep	722.50	2,000	Gasoline Eurobob oxy 09:24 approx Sep swap +\$24.00 included in VWA
Shell	Varo	02 Sep	08 Sep	728.00	2,000	Gasoline Eurobob non-oxy 09:10 approx Sep swap +\$28.00 included in VWA
Litasco	Varo	02 Sep	08 Sep	728.00	2,000	Gasoline Eurobob non-oxy 10:21 approx Sep swap +\$27.00 included in VWA
TotalEnergies	Varo	02 Sep	08 Sep	736.00	2,000	Gasoline Eurobob non-oxy 16:20 approx Sep swap +\$28.00 included in VWA
TotalEnergies	Varo	02 Sep	08 Sep	736.00	2,000	Gasoline Eurobob non-oxy 16:20 approx Sep swap +\$28.00 included in VWA

Argus Eurobob gasoline barge assessments

Argus Eurobob gasoline barge assessments will be based on winter-only grades until 23 March 2021, and summer-only grades from 29 March 2021 until 22 September 2021. Winter-only grades will be assessed from 28 September 2021. During 24-28 March and 23-27 September, both grades will be included in the assessment, depending on there being a sufficient volume of bids, offers and trades to constitute a representative market.

Argus Assessment Rationale Database

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

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

Other subscribers may request access [here](#) or contact us by email at sales@argusmedia.com.

DEALS DONE

Middle distillates						
Grade	Seller	Buyer	Delivery mode	Location	Price \$	Volume t Notes
Gasoil German diesel ARA	BP	Vitol	fob	ARA	Ice gasoil (Sep) -0.50	2250 included in VWA
Gasoil German diesel ARA	BP	Vitol	fob	ARA	Ice gasoil (Sep) -0.50	1720 included in VWA
Gasoil German diesel ARA	BP	Vitol	fob	ARA	Ice gasoil (Sep) -0.50	1200 included in VWA
Gasoil German diesel ARA	TotalEnergies	Vitol	fob	ARA	Ice gasoil (Sep) -0.50	1100 included in VWA
Gasoil German diesel ARA	TotalEnergies	Vitol	fob	ARA	Ice gasoil (Sep) -0.50	1100 included in VWA

High sulphur fuel oil (barges)						
Seller	Buyer	Loading from	Loading to	Price \$	Volume t	Notes
Litasco	BP	03 Sep	07 Sep	397.00	2,000	included in VWA
Litasco	Mercuria	03 Sep	07 Sep	398.00	2,000	included in VWA
Aramco Trading Company	Shell	07 Sep	11 Sep	396.00	2,000	included in VWA
Aramco Trading Company	Shell	07 Sep	11 Sep	395.25	2,000	included in VWA
Litasco	BP	07 Sep	11 Sep	396.00	2,000	included in VWA
Litasco	Peninsula	07 Sep	11 Sep	396.25	2,000	included in VWA
Litasco	Peninsula	07 Sep	11 Sep	396.25	2,000	included in VWA
Aramco Trading Company	Mercuria	11 Sep	15 Sep	395.00	2,000	included in VWA
Aramco Trading Company	Shell	11 Sep	15 Sep	395.00	2,000	included in VWA
Aramco Trading Company	Trafigura	11 Sep	15 Sep	395.00	2,000	included in VWA
Aramco Trading Company	Trafigura	11 Sep	15 Sep	395.00	2,000	included in VWA
Aramco Trading Company	Trafigura	11 Sep	15 Sep	395.00	2,000	included in VWA
Mercuria	BP	11 Sep	15 Sep	395.50	2,000	included in VWA

DEALS DONE

Low sulphur fuel oil (barges)							
Seller	Buyer	Loading from	Loading to	Location	Price \$	Volume t	Notes
Glencore	Orim Energy	03 Sep	07 Sep	Rotterdam	504.50	2,000	included in VWA
Gunvor	Orim Energy	03 Sep	07 Sep	Rotterdam	504.00	2,000	included in VWA
Gunvor	TotalEnergies	03 Sep	07 Sep	Rotterdam	503.00	2,000	included in VWA
Gunvor	TotalEnergies	03 Sep	07 Sep	Rotterdam	502.00	2,000	included in VWA
Shell	Orim Energy	03 Sep	07 Sep	Rotterdam	504.00	2,000	included in VWA
Shell	Peninsula	03 Sep	07 Sep	Rotterdam	504.00	2,000	included in VWA
Shell	Trafigura	03 Sep	07 Sep	Rotterdam	503.00	2,000	included in VWA
Gunvor	Trafigura	07 Sep	11 Sep	Rotterdam	503.00	2,000	included in VWA
Shell	Orim Energy	07 Sep	11 Sep	Rotterdam	504.00	2,000	included in VWA
Shell	Peninsula	07 Sep	11 Sep	Rotterdam	504.00	2,000	included in VWA
Shell	Trafigura	07 Sep	11 Sep	Rotterdam	503.00	2,000	included in VWA
Gunvor	Trafigura	11 Sep	15 Sep	Rotterdam	503.00	2,000	included in VWA
Shell	Trafigura	11 Sep	15 Sep	Rotterdam	503.00	2,000	included in VWA
Shell	Trafigura	11 Sep	15 Sep	Rotterdam	504.00	2,000	included in VWA
Shell	Trafigura	11 Sep	15 Sep	Rotterdam	503.00	2,000	included in VWA

AVERAGES AUGUST TO DATE

Gasoline \$/t				Fuel oil \$/t					
	NW Europe		W Mediterranean		NW Europe		W Mediterranean		
	Low	High	Low	High	Low	High	Low	High	
fob					fob				
95R gasoline 10ppm	708.92	709.42	706.79	707.29	Fuel oil 1%S	438.18	442.18	446.07	450.07
91R gasoline	693.46	693.96	-	-	Fuel oil 3.5%S	384.24	388.24	378.37	382.37
Naphtha 65 Para	-	-	633.87	634.87	Fuel oil straight-run 0.5%S	512.27	515.65	-	-
cif					VGO 0.5%S	516.85	520.30	-	-
95R gasoline 10ppm	717.13	717.63	714.39	714.89	VGO 2.0%S	504.45	507.86	-	-
Gasoline non-oxy 10ppm	723.83	724.33	-	-	cif				
91R gasoline	702.23	702.73	-	-	Fuel oil 1%S	440.45	444.45	453.42	457.42
Naphtha 65 Para	648.15	649.15	641.48	642.48	Fuel oil 3.5%S	396.70	400.70	385.71	389.71
barge					VGO 0.5%S	525.46	528.93	523.99	527.43
98R gasoline	758.82	759.32	-	-	VGO 2.0%S	513.44	516.85	513.70	517.12
95R gasoline 10ppm	708.36	708.86	-	-	barge				
Eurobob oxy VWA diff to Eurobob swap	702.23	702.73	-	-	Fuel oil 0.5%S NWE	483.85	487.85	-	-
+21.64	+21.64				Fuel oil 1%S	436.18	440.18	-	-
Eurobob non-oxy VWA diff to Eurobob swap	709.94	710.44	-	-	Fuel oil 3.5%S RMG	380.24	384.24	-	-
+28.11	+28.11				Fuel oil VWA	-	382.24	-	-
91R gasoline	702.23	702.73	-	-	Fuel oil 3.5%S RMK	-	380.24	-	-
MTBE	811.01	811.58	-	-	VGO 0.5%S	514.98	518.40	-	-
ETBE	1,110.73	1,111.30	-	-	VGO 2.0%S	499.26	502.69	-	-
Naphtha 65 Para	644.15	645.15	-	-					
Middle distillates \$/t									
	NW Europe		W Mediterranean						
	Low	High	Low	High					
fob									
Jet	597.60	598.60	590.71	591.71					
Diesel French 10ppm	577.08	578.08	576.70	577.70					
Diesel German 10ppm	575.18	576.18	-	-					
Heating oil 0.1%S	567.93	568.93	570.02	571.02					
cif									
Jet	603.99	604.99	604.99	605.99					
Diesel UK ULS	583.48	584.48	-	-					
Diesel French 10ppm	583.48	584.48	584.31	585.31					
Diesel ARA 10ppm	582.50	583.50	-	-					
Diesel German 10ppm	581.57	582.57	-	-					
Heating oil 0.1%S	574.32	575.32	577.63	578.63					
barge									
Jet	601.74	602.24	-	-					
Diesel German 10ppm	577.61	578.11	-	-					
Heating oil 0.1%S	565.70	566.20	-	-					
Heating oil German 50ppm	575.61	576.61	-	-					
Marine gasoil 0.1%S NWE	558.38	562.38	-	-					

Argus European Products Methodology

Argus uses a precise and transparent methodology to assess prices in all the markets it covers. The latest version of the Argus European Products Methodology can be found at: www.argusmedia.com/methodology.

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



SWAPS

Gasoline				High-sulphur fuel oil cargo			
	Low	High	±		Low	High	±
Sep	698.00	700.00	-0.75	Sep	388.25	389.25	+4.50
Oct	656.00	658.00	-2.75	Oct	382.00	383.00	+4.25
Nov	635.00	637.00	-3.00	Nov	376.25	377.25	+4.25
4Q21	637.50	639.50	-3.50	4Q21	376.50	377.50	+4.00
1Q22	619.25	621.25	-2.75	1Q22	367.00	368.00	+3.75
Naphtha				High-sulphur fuel oil barge			
	Low	High	±		Low	High	±
Sep	650.50	652.50	+3.25	Sep	392.25	393.25	+4.50
Oct	642.50	644.50	+3.25	Oct	386.00	387.00	+4.25
Nov	634.00	636.00	+3.50	Nov	380.25	381.25	+4.25
4Q21	634.25	636.25	+3.50	4Q21	380.50	381.50	+4.00
1Q22	611.00	613.00	+3.25	1Q22	371.00	372.00	+3.75
Jet cif NWE premium to Ice gasoil				Low-sulphur fuel oil			
	Low	High	±		Low	High	±
Sep	+22.50	+23.50	-0.75	Sep	450.00	451.00	+4.25
Oct	+22.00	+23.00	-0.50	Oct	445.00	446.00	+4.25
Nov	+25.25	+26.25	+1.00	Nov	440.50	441.50	+4.00
4Q21	+24.75	+25.75	+0.25	4Q21	440.75	441.75	+3.75
1Q22	+28.25	+29.25	+0.25	1Q22	431.75	432.75	+3.50
Gasoil premium to Ice gasoil				Ice settlements			
	Low	High	±	Contract	Gasoil	±	
Sep	-11.50	-11.00	+0.50	Sep	601.50	+3.00	
Oct	-11.50	-11.00	+0.50	Oct	601.75	+3.25	
Nov	-11.50	-11.00	+0.50	Nov	599.00	+3.50	
4Q21	-11.50	-11.00	+0.50				
1Q22	-11.75	-11.25	nc				
Diesel premium to Ice gasoil				ANNOUNCEMENT			
	Low	High	±	ANNOUNCEMENT			
Sep	+3.75	+4.25	-0.25	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			
Oct	+4.25	+4.75	nc				
Nov	+4.75	+5.25	+0.50				
4Q21	+4.25	+4.75	nc				
1Q22	+4.25	+4.75	+0.25				

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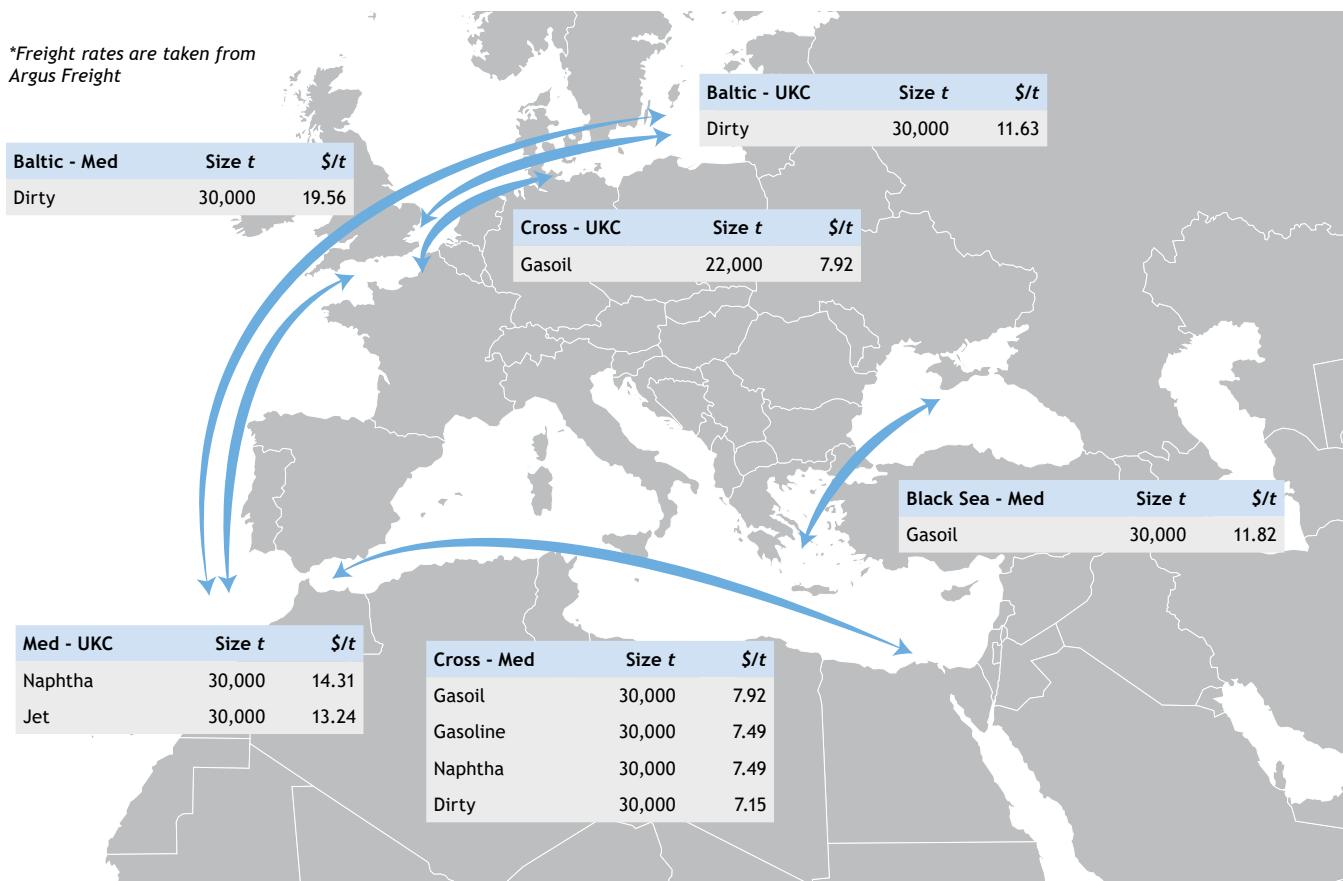
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