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## EDITOR'S WORD

Refiners in the EU-15 and Norway produced an even lighter mix of products in September, according to the latest Euroilstock data, as the crude bought to replace Russian Urals skews lighter, leading to a surplus of naphtha available for export.

## HEADLINES

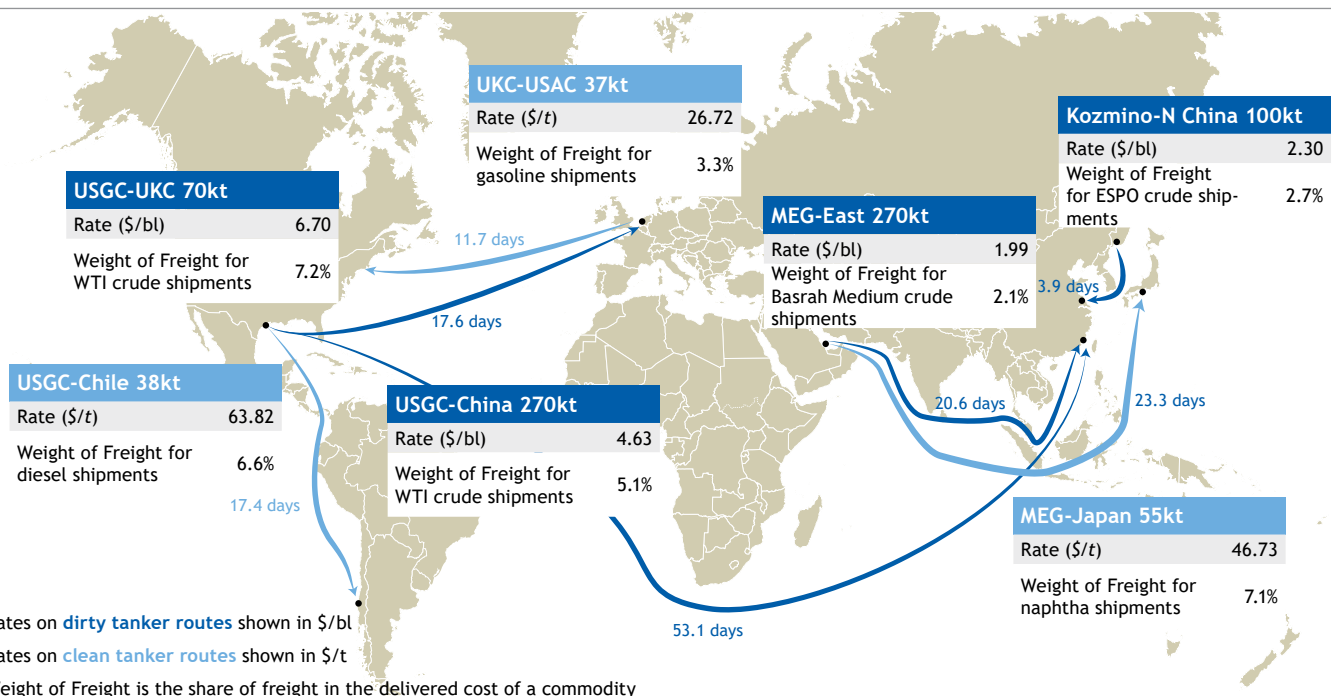
- Aramco expands Asian presence with Korean crude deal
- Nigeria works to upgrade insufficient refining capacity
- Asian gasoline exports build to Mexico

## KEY PRICES

Tanker rates						
Route	Size '000t	Rate	±	\$/t	TCE (non-scrubber) \$/day	
<b>Very large crude carriers (VLCCs)</b>						
Mideast Gulf-East	270	54.00	+0.50	14.22	29,885	
West Africa-China	260	57.00	+0.50	22.90	32,641	
USGC-China	270	9,750,000	nc	36.11	40,497	
<b>Suezmax</b>						
Mideast Gulf-China	130	-	-	34.56	52,571	
West Africa-India	130	6,125,000	+1,000,000	47.12	-	
<b>Aframax</b>						
Kozmino-N China	100	1,700,000	nc	17.00	89,374	
Primorsk-WC India*	100	7,000,000	+1,500,000	70.00	-	
USGC-UKC	70	225.00	+20.00	52.27	54,255	
<b>Long range (LR) tankers</b>						
Mideast Gulf-Japan	75	172.50	+2.50	47.42	39,874	
Mideast Gulf-S Korea	55	175.00	-5.00	44.64	-	
USGC-N Brazil	60	-	-	28.76	-	
<b>Medium range (MR) tankers</b>						
UKC-USAC	37	150.00	+10.00	26.72	11,555	
USGC-Pozos	38	650,000	-50,000	17.11	12,566	
USGC-Chile	38	2,425,000	+25,000	63.82	19,292	
South Korea-Singapore	35	825,000	-25,000	23.57	26,377	

\* assessed weekly

## WEIGHT OF FREIGHT



## DIRTY TANKERS - EUROPE, MIDDLE EAST AND AFRICA

## Mideast Gulf VLCC rise, Suezmax fall

In the Mideast Gulf, VLCC rates moved up slightly on Wednesday and Suezmax rates in the region fell. And in west Africa Suezmax rates rose further.

## Mideast Gulf VLCC rates tick up

Freight for 270,000t Mideast Gulf to east Asia shipments ticked up by WS0.5 to WS54 on Wednesday.

Trader Trafigura put the Marina on subjects from the Mideast Gulf to Myanmar at WS60 loading from 5-7 November, and Exxon put the 2008-built Kokkari on subjects from the Mideast Gulf to Singapore at WS51 and \$48,000/d demurrage loading from 9-11 November.

Demand will peak for all fossil fuels – oil, gas, and coal – before the end of this decade with China cited as a key reason in [an IEA scenario](#).

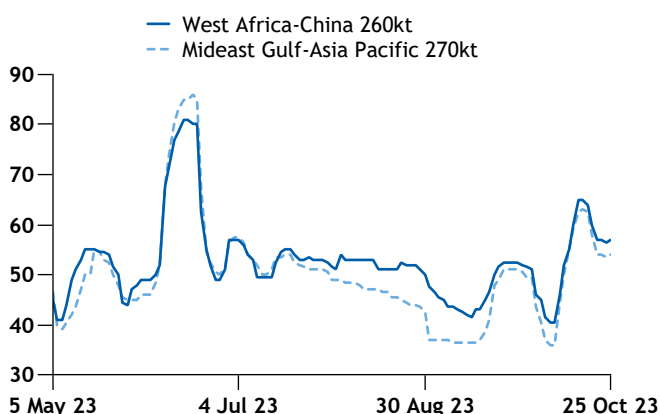
China also accounts for around a third of VLCC demand and a slowdown in the country's economy and its appetite for oil could significantly reduce VLCC utilisation. China's oil demand growth is expected to weaken in the next few years and decline over the long run.

Some support may come from other east Asian countries. A brief rally earlier this month – during which Mideast Gulf to east Asia freight rose to WS63 – was partly driven by a surge in demand from South Korean and other east Asian refiners following the end of refinery maintenance and public holidays.

South Korea's crude imports rose in September as refinery run rates recovered from a two-month low. But this is unlikely to make up for a sustained drop in Chinese demand in the long term. And next month, Taiwan's Formosa – another player in the recent rally – will cut run rates at its 540,000 b/d Mailiao refinery because of a planned turnaround.

## VLCC rates

WS



## Dirty tanker rates - Europe, Middle East, Africa

Route	Size '000t	Rate	±	\$/t
<b>Middle East</b>				
Mideast Gulf-UKC/Med	280	33.00	nc	10.90
Mideast Gulf-USGC	280	30.50	nc	12.97
Mideast Gulf-USWC	280	43.50	nc	20.03
Mideast Gulf-East	270	54.00	+0.50	14.22
Mideast Gulf-Singapore	270	55.00	+0.50	9.56
Mideast Gulf-west coast India	270	60.00	nc	5.33
Mideast Gulf-Med	140	82.50	nc	17.11
Mideast Gulf-China	130	-	-	34.56
Mideast Gulf-east Asia	130	125.00	-5.00	-
Mideast Gulf-Singapore	130	-	-	21.59
Mideast Gulf-west coast India	130	132.50	-5.00	11.18
Mideast Gulf-east Asia, fuel oil	80	185.00	+2.50	31.25
Mideast Gulf-west coast India	80	190.00	+2.50	16.97
Red Sea-China	80	192.50	+2.50	55.21
<b>Northern Europe</b>				
North Sea-northeast Asia*	270	8,600,000	nc	31.85
Baltic-Med	100	230.00	nc	48.37
Baltic-UKC	100	220.00	nc	24.33
Cross UKC	80	210.00	nc	15.54
UKC-Med	80	205.00	nc	35.22
UKC-US Atlantic coast	80	132.50	nc	23.62
UKC-USGC fuel oil	55	140.00	nc	33.03
Baltic-Med fuel oil	30	-	-	-
Baltic-UKC fuel oil	30	-	-	-
<b>Black Sea and Mediterranean</b>				
Black Sea-Med	140	137.41	+7.23	13.36
Black Sea-east Asia*	135	6,150,000	+400,000	45.56
Black Sea-Med	135	142.50	+7.50	16.17
Black Sea-Singapore*	135	5,550,000	+400,000	41.11
Black Sea-west coast India*	135	5,150,000	+400,000	38.15
Cross Med	135	140.00	+7.50	10.35
Med/Black Sea-east Asia*	135	5,575,000	+325,000	41.30
Med-east Asia*	135	5,000,000	+250,000	37.04
Med-Singapore*	135	4,500,000	+250,000	33.33
Med-USGC	135	110.00	+5.00	27.50
Black Sea-Med	80	235.00	+5.00	26.67
Black Sea-UKC	80	230.00	+5.00	43.38
Cross Med	80	220.00	+5.00	18.57
Med-UKC	80	215.00	+5.00	31.18
Med-USGC	80	135.00	nc	34.67
Med-USGC fuel oil	55	140.00	nc	37.04
Black Sea -Med fuel oil	30	-	-	-
Cross Med fuel oil	30	300.00	nc	23.79
Med to Madeira	30	300.00	nc	34.62
<b>West Africa</b>				
West Africa-China	260	57.00	+0.50	22.90
West Africa-east coast India*	260	4,800,000	nc	18.46
West Africa-Singapore	260	58.00	+0.50	18.42
West Africa-USGC	260	62.50	nc	15.44
West Africa-west coast India*	260	4,500,000	nc	17.31
West Africa-east coast India*	130	6,200,000	+1,000,000	47.69
West Africa-India*	130	6,125,000	+1,000,000	47.12
West Africa-UKC/Med	130	140.00	+5.00	27.12
West Africa-USGC	130	135.00	+5.00	33.35
West Africa-west coast India*	130	6,050,000	+1,000,000	46.54
<b>Delays</b>				
Turkish Straits NB		4.0	nc	-
Turkish Straits SB		4.0	nc	-

\* \$ Lumpsum

## DIRTY TANKERS - EUROPE, MIDDLE EAST AND AFRICA

In the short term, China will remain a key driver of the VLCC market and record-low additions to an aging fleet next year is likely to result in rates rising again with seasonal demand and the end of Opec and Saudi output cuts. But longer term, VLCCs may struggle to find sufficient demand.

### Mideast Gulf Suezmax rates lower

Eastbound Suezmax shipments rates fell, pressured by lower VLCC rates.

Freight rates for Suezmax shipments from the Mideast Gulf to east Asia and to the west coast of India each fell by WS5 to WS125 and WS132.5, respectively. Market expectations weakened, as freight for 270,000t shipments from the Mideast Gulf to east Asia slipped by WS0.5 to WS53.5 on 24 October. Indian private-sector refiner Nayara Energy booked Jag Leena for its 130,000t shipment from Basrah, Iraq to Vadinar, loading from 5 November. But details for the fixture had yet to emerge as of Wednesday's close. On cargoes, Indian state-owned refiner Bharat Petroleum (BPCL) sought a vessel for its 95,000t part cargo from Ras Tanura, Saudi Arabia to Mumbai, loading from 11 November.

Freight rates for Aframax shipments from the Mideast Gulf to east Asia and to the west coast of India rose by WS2.5 each to WS185 and WS190 respectively on firm demand in the neighbouring Mediterranean Sea, and as new regional cargoes emerged. On cargoes, Pakistan state-owned shipping company PNSC sought a vessel for its 80,000t shipment from Ras Tanura to Karachi, loading from 29 October. Trading firm Vitol sought a vessel for its 80,000t shipment from Marsa Bashayer, Sudan to Fujairah, UAE, loading from 11 November. Vitol remained in the market for its 80,000t shipment from the Red Sea to the US Gulf, loading from 5 November.

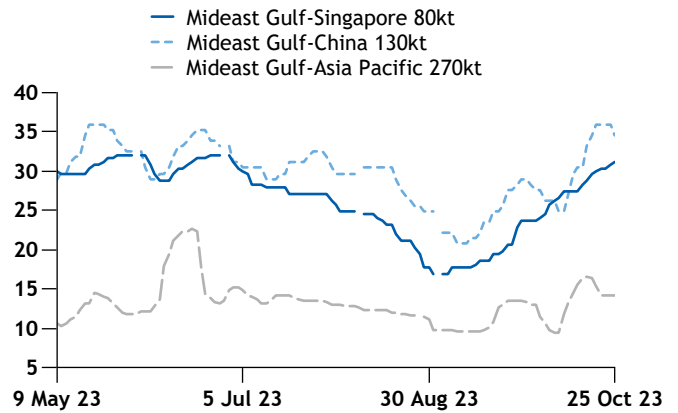
### West African Suezmax rates move higher

Freight for 130,000t west Africa to UK Continent-Mediterranean shipments rose by WS5 to WS140 on Wednesday – its highest level since June and close to double where it was two weeks ago.

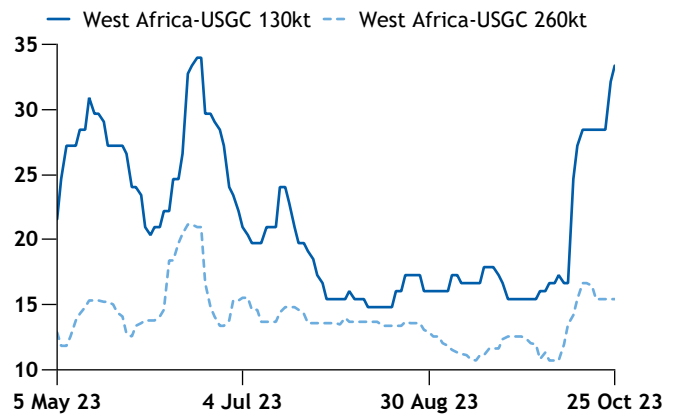
Spain's Cepsa put the Fairway on subjects from Angola to Spain at WS132.5 loading from 14 November, TotalEnergies put the Maran Penelope on subjects from west Africa to the UK Continent-Mediterranean at WS137.5 loading from 13-14 November, and Shell put the Sonangol Kalandula on subjects from west Africa to the UK Continent-Mediterranean at WS140 loading from 15 November.

In Europe, freight for 80,000t cross-Mediterranean ticked higher by WS5 to WS220 and freight for 80,000t cross-UK Continent shipments was steady at WS210.

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



West Africa-US dirty tanker rates \$/t



Equinor put the Ligurian Sea on subjects from Mellitah, Libya to Fos at WS240 loading from 2-4 November, Italy's Saras put the Aegean Power on subjects from Bourri, Libya to Sarroch at WS245 loading from 2-4 November, and BP put the Fulmar on subjects from Skikda, Algeria to the Mediterranean at WS245 loading from 4-5 November. These deals were done above the cross-Mediterranean market level because they are short voyages using lower Worldscale flat rates, a market participant said.

Polish refiner Orlen put the Sea Hymn on subjects at \$1.85mn loading from 4-6 November and the Savir Lion on subjects at \$1.75mn loading from 3-5 November for Sidi Keir to Gdansk voyages.

## DIRTY TANKERS - AMERICAS

### Suezmaxes, Aframaxes add to gains

European demand for crude ahead of winter boosted Suezmax and Aframax rates in the Americas on Wednesday, continuing a rally that began earlier in the week, while VLCC rates were unchanged on muted demand.

Refinery utilization in the US held at 86pc for the third consecutive week in the week ending 20 October, according to the US Energy Information Administration, making more crude available for export at a time of rising European demand.

### Midsize rates at highest level since May

Suezmax and Aframax rates for US-loading voyages leapt higher today on tight tonnage. The US Gulf coast-Europe 145,000t rate rose by WS10 to WS127.5 after a charterer put the Brugge Suezmax on subjects at that level, equivalent to \$3.92/bl for WTI.

Aframax rates climbed as well, after under-the-radar activity ate into available tonnage in the region in the first half of the week. The USGC-UKC rate climbed by WS20 to WS225, or \$5.21/bl for 90,000t cargoes of WTI, after ATMI provisionally hired the Aqualegend at that level. In the north Atlantic, Chevron put the Minerva Libra on subjects for an east coast Canada-Europe voyage loading from 6 November at WS245.

Aframax tonnage will be limited in the Gulf of Mexico for the next seven days, shipbrokers said, indicating an influx of cargoes could push rates higher.

Trafigura put the Sonangol Namibe Suezmax on subjects for a Venezuela-Europe voyage loading from 14 November at WS150, with shipowners likely charging a premium to load

Dirty tanker rates - Americas

Route	Size '000t	Rate	±	\$/t
Caribbean-China*	270	9,500,000	nc	35.19
Caribbean-Singapore*	270	8,500,000	nc	31.48
Caribbean-WC India*	270	8,300,000	nc	30.74
USGC-China*	270	9,750,000	nc	36.11
USGC-China (STS)*	270	9,500,000	nc	35.19
USGC-Rotterdam*	270	4,150,000	nc	15.37
USGC-Singapore*	270	8,750,000	nc	32.41
USGC-South Korea/Japan*	270	9,750,000	nc	36.11
USGC-WC India*	270	8,550,000	nc	31.67
West coast Panama-China	270	5,000,000	nc	18.52
Brazil-China	260	55.00	nc	24.93
Brazil-USWC	260	60.00	nc	20.83
Brazil-UKC	260	65.00	nc	13.67
Caribbean-UK continent	150	130.50	+12.00	26.57
USGC-Europe	145	127.50	+10.00	30.54
Brazil-UKC	130	135.00	+5.00	28.81
Caribbean-Panama	130	175.00	+5.00	9.10
Caribbean-USGC	130	165.00	+5.00	17.31
Guyana-Panama	130	175.00	+5.00	15.16
Panama-USWC	130	105.00	nc	14.52
USGC/Caribs-Singapore*	130	6,000,000	+50,000	46.15
USGC-China*	130	6,250,000	+50,000	48.08
Esmeraldas-Los Angeles	100	-	-	18.68
USGC-UK continent	90	-	-	40.65
USGC-Med	90	-	-	50.52
Vancouver-USWC	80	140.00	nc	13.41
Vancouver-Panama	80	140.00	nc	26.91
Vancouver-China via 270kt Panama STS	80	-	-	47.31
Caribbean-UK continent	70	230.00	+20.00	47.70
Caribbean-USGC	70	230.00	+20.00	27.23
East coast Mexico-USGC	70	270.00	+20.00	17.01
USGC-east coast Canada	70	240.00	+20.00	40.32
USGC-UK continent	70	225.00	+20.00	52.27
USGC-Med	70	225.00	+20.00	64.96
Argentina-USWC	65	-	-	59.29
Argentina-USAC	65	-	-	50.55
Argentina-USWC	50	200.00	nc	-
Argentina-USAC	50	200.00	nc	-
Caribbean-USGC	50	190.00	nc	22.50
East coast Mexico-USGC	50	190.00	nc	10.70
Ecuador-USWC	50	385.00	nc	61.95
Esmeraldas-Houston	50	-	-	36.74
USGC Aframax reverse lightering*	635,000	+50,000	-	-

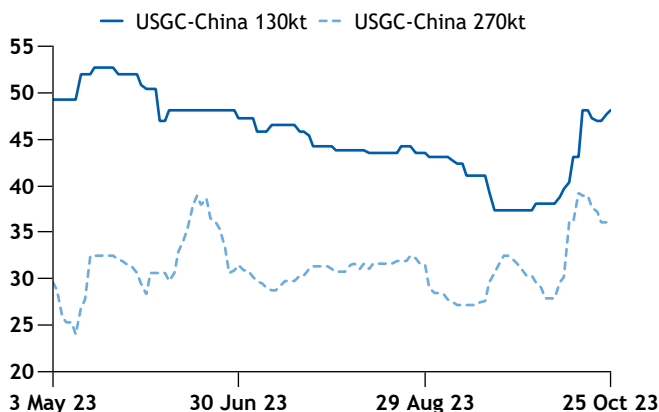
\* \$ lumpsum

Dirty tanker rates - Jones Act (weekly)

Route	Size '000bl	\$/bl	±
Corpus Christi-Delaware Bay	260-330	4.80	+0.02
Corpus Christi-St. James	260-330	2.52	+0.02
Corpus Christi-St. James	140-260	3.34	+0.03

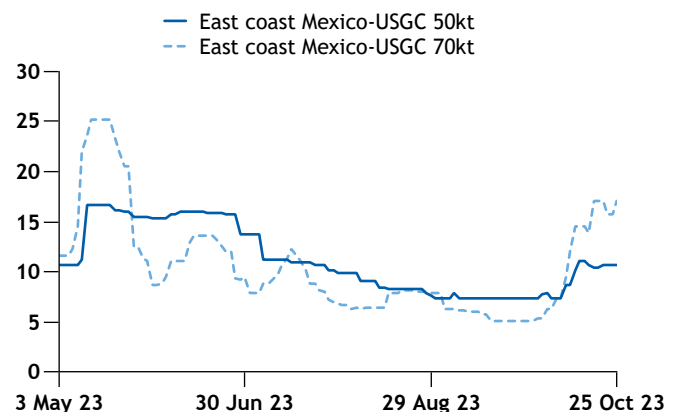
US-China dirty tanker rates

\$/t



Mexico-US dirty tanker rates

\$/t



## DIRTY TANKERS - ASIA-PACIFIC

### Southeast Asian Aframax rates flat

Aframax rates from the southeast Asia region were stable on relatively unchanged fundamentals.

Southeast Asian Aframax rates to east coast Australia, and from Indonesia to Japan held at WS160 and WS170 respectively. But freight rates could drop in the short-term if demand remained limited, participants said. It emerged that Thai-energy firm Bangchak replaced the Gunung Geulis with the Seaways Redwood for its 80,000t shipment from Bunga Orkid, Malaysia to Thailand, loading from 23 October. But the fixture's rate had yet to emerge as of Singapore's market close.

On cargoes, Shell sought a vessel for its 80,000t shipment from Kidurong, Malaysia to Singapore, loading from 6 November. Thailand's PTT sought two vessels for its 80,000t shipments from Sungai Linggi, Malaysia to Thailand, loading from 7 and 8 November.

But northeast Asia-bound freight rates could be pressured as Taiwanese private-sector refiner **Formosa Petrochemical will cut run rates at its 540,000 b/d Mailiao refinery** in November because of a planned turnaround at a delayed coking unit (DCU).

The refiner will cut overall crude runs to about 334,000 b/d next month as its delayed coking unit will be fully shut for a two-month turnaround, a Formosa spokesperson told Argus.

The refinery will run at the same reduced rate of about 61.8pc capacity in December also, until the end of its DCU turnaround on 2 January. Formosa should raise crude runs back to their current rate after the turnaround, the spokesman added. The refinery is currently operating at about 88pc, or about 475,000 b/d, of its capacity.

This should be Formosa's final planned turnaround for this year. It last had a major turnaround in March when it shut a crude distillation unit and other secondary units at Mailiao for at least 40 days.

### Dirty tanker rates - Asia-Pacific

Route	Size '000t	Rate	±	\$/t
Indonesia to Japan	80	170.00	nc	27.23
SE Asia to EC Australia	80	160.00	nc	32.27
Kozmino to Yeosu*	100	1,360,000	nc	13.60
Kozmino to Chiba*	100	1,700,000	nc	17.00
Kozmino to north China*	100	1,700,000	nc	17.00
Kozmino to Singapore*	100	2,100,000	nc	21.00
Kozmino to Sikka*	100	2,750,000	nc	27.50
Kozmino-Paradip*	100	2,360,000	nc	23.60
Yeosu STS to Paradip*	100	2,325,000	nc	23.25
Yeosu STS to Mundra*	100	2,330,000	nc	23.30
De-Kastri to Yeosu*	100	1,930,000	nc	19.30
De-Kastri to Yeosu STS*	100	1,910,000	nc	19.10
De-Kastri to Kiire*	100	2,060,000	nc	20.60
De-Kastri to Qingdao*	100	2,110,000	nc	21.10
De-Kastri to Yantai*	100	2,150,000	nc	21.50
De-Kastri to Dongjiakou*	100	2,130,000	nc	21.30
De-Kastri to Zhoushan*	100	2,140,000	nc	21.40
De-Kastri to Batangas*	100	2,340,000	nc	23.40
De-Kastri to Sriracha*	100	2,540,000	nc	25.40
De-Kastri to Singapore*	100	2,580,000	nc	25.80
De-Kastri to Paradip*	100	2,760,000	nc	27.60
De-Kastri to Sikka*	100	3,140,000	nc	31.40

\* \$ lumpsum

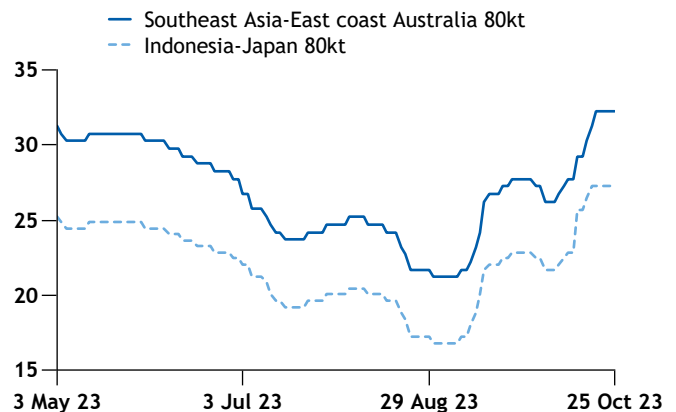
### Workspaces:

- Russian-origin Crude + Freight - Global
- WTI Arbitrages + Freight - Global
- Crude Imports + Freight - China
- Crude + Freight - Atlantic Basin
- Crude Exports + Freight - US
- Crude Imports + Freight - India

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### Southeast Asia dirty tanker rates

\$/t



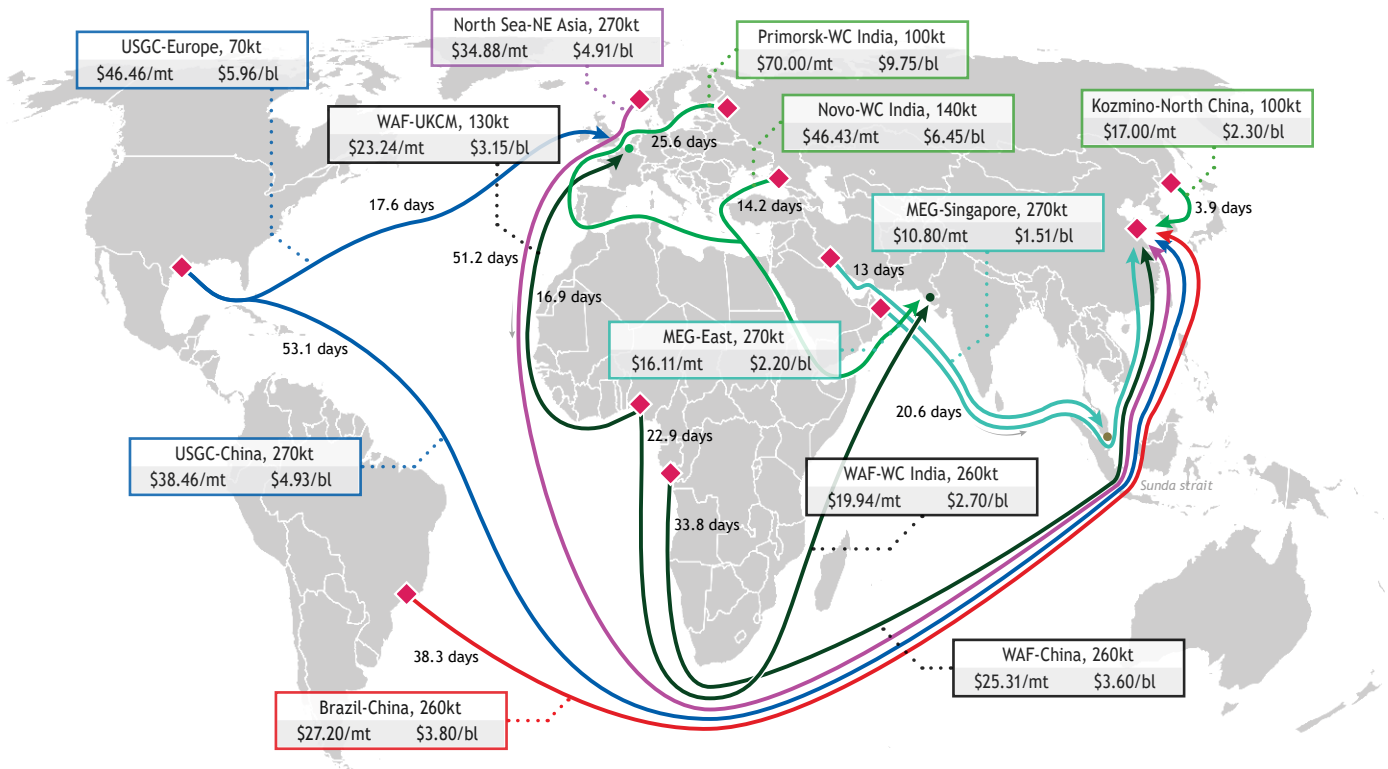
# CRUDE TRADE ROUTES Weekly price updates

Published date: Wednesday 25 October 2023

Period: 42

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

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



Crude trade routes						
Crude	Origin	FOB Price \$/bl	Destination	Freight		Delivered price \$/bl
				\$/bl	\$/t	
WTI	US Gulf	89.54	Rotterdam	5.96	46.46	96.04
WTI	US Gulf	89.54	China	4.93	38.46	94.75
Tupi	Brazil	89.64	Shandong	3.80	27.20	93.44
Johan Sverdrup	Norway	90.56	Shandong	4.91	34.88	95.47
Bonny Light	Nigeria	96.14	Rotterdam	3.15	23.24	99.29
Bonny Light	Nigeria	96.14	India	2.70	19.94	98.84
Djeno	Rep. Congo	92.29	Shandong	3.60	25.31	95.12
Urals, Baltic	Primorsk	79.72	WC India	9.75	70.00	87.67
Urals, Black Sea	Novorossiysk	80.62	WC India	6.45	46.43	87.67
Basrah Medium	Iraq	92.65	Singapore	1.51	10.80	94.20
ESPO Blend	Kozmino	85.38	Shandong	2.30	17.00	90.23
Oman	Oman	91.52	Shandong	2.20	16.11	76.03

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

Argus Crude: [argusmedia.com/en/crude-oil/argus-crude](https://argusmedia.com/en/crude-oil/argus-crude)

## CLEAN TANKERS - EUROPE, MIDDLE EAST AND AFRICA

### Mideast Gulf LR clean rates slip

Clean tanker rates dropped in the Mideast Gulf while momentum started to build in the European markets several charterers back in the market.

### Mideast Gulf to Japan LR1 rates fall

Clean LR1 tanker rates from the Mideast Gulf to Japan fell, as vessel supply was high and demand was scarce.

LR1 rates for 55,000t shipments from the Mideast Gulf to Japan fell by WS5 to WS170. BP booked the Morning Ibis at WS170 for its LR1 shipment from Qatar to east Asia, loading from 1 November.

In contrast, LR2 rates for 75,000t shipments from the Mideast Gulf to Japan rose by WS2.5 to WS172.5, as vessel supply was limited amid firm demand from the UKC. Japanese refiner Eneos booked the Proteus Tracy at WS172.5 for its LR2 shipment from Mideast Gulf to Japan, loading from 8 November. India's Haldia Petrochemical (HPL) booked the Nord Marlin for its LR2 shipment from the Mideast Gulf to east coast of India, loading from 6 November.

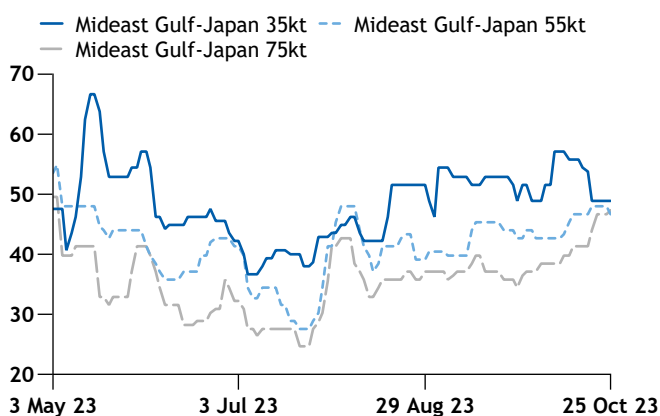
Freight rates for 35,000t shipments from the Mideast Gulf to east Africa rose by WS5 to WS240 on increased demand. BP booked the High Seas at WS240 for its MR shipment from the west coast of India to east Africa, loading from 2 November, with an option to discharge in South Africa at WS230. India's private-sector refiner Reliance booked the Jag Prabha, and TotalEnergies booked the Bubyán, at WS245 each for their MR shipments from the Mideast Gulf to east Africa, loading from 26 and 28 October respectively, with an option to discharge in South Africa at WS235. But the fixtures were concluded at a premium to prevailing market levels because of prompt loading dates.

### European clean rates edge up

European clean tanker rates stepped higher on Wednesday as charterers started to absorb the surplus of available ships

Mideast Gulf clean rates

\$/t



Clean tanker rates - Europe, Middle East, Africa

Route	Size '000t	Rate	±	\$/t
<b>Middle East</b>				
Mideast Gulf-UKC*	90	4,450,000	+50,000	49.44
Red Sea-Med*	90	3,200,000	+50,000	35.56
Red Sea-UKC*	90	3,300,000	+50,000	36.67
Mideast Gulf-Japan	75	172.50	+2.50	47.42
Mideast Gulf-South Korea	75	177.50	+2.50	45.28
Mideast Gulf-UKC*	65	3,550,000	-50,000	54.62
Red Sea-Med*	65	2,500,000	-50,000	38.46
Red Sea-UKC*	65	2,600,000	-50,000	40.00
Mideast Gulf-Brazil*	40	2,300,000	nc	57.50
Mideast Gulf-Japan	55	170.00	-5.00	46.73
Mideast Gulf-Singapore	55	185.00	-5.00	30.06
Mideast Gulf-South Korea	55	175.00	-5.00	44.64
Mideast Gulf-Durban	35	-	-	37.37
Mideast Gulf-Durban**	35	-	-	41.93
Mideast Gulf-east Africa	35	208.00	+5.00	27.98
Mideast Gulf-east Africa**	35	240.00	+5.00	32.28
Mideast Gulf-east coast India	35	225.00	nc	-
Mideast Gulf-east coast India*	35	1,202,600	nc	34.36
Mideast Gulf-Japan	35	180.00	nc	48.92
Mideast Gulf-Singapore	35	220.00	nc	37.16
Mideast Gulf-UKC*	40	2,100,000	nc	52.50
Mideast Gulf-Walvis Bay	35	-	-	50.02
Mideast Gulf-Walvis Bay**	35	-	-	57.72
Mideast Gulf-west coast India	35	225.00	nc	-
Mideast Gulf-west coast India*	35	698,600	nc	19.96
<b>Northern Europe</b>				
UKC-west Africa	60	175.00	nc	35.46
ARA-Durban	37	-	-	47.30
ARA-Walvis Bay	37	-	-	39.38
UKC-east coast Mexico	37	135.00	+10.00	30.94
UKC-South America	37	165.00	+10.00	35.62
UKC-US Atlantic coast	37	150.00	+10.00	26.72
UKC-west Africa	37	160.00	+10.00	32.42
Baltic-UKC	30	190.00	nc	20.08
Cross UKC	30	175.00	nc	11.62
Cross UKC	22	237.50	nc	15.77
<b>Black Sea and Mediterranean</b>				
Med-Japan*	80	3,600,000	nc	45.00
Med-Japan*	60	2,750,000	nc	45.83
Med-US Atlantic coast	37	150.00	nc	29.78
Black Sea-Med	30	202.50	+2.50	26.41
Cross Med	30	192.50	+2.50	15.69
Cross Med gasoline	30	192.50	+2.50	15.69
Cross Med jet	30	192.50	+2.50	15.69
Cross Med naphtha	30	192.50	+2.50	15.69
Med gasoline premium	30	+0.00	nc	-
Med jet premium	30	+0.00	nc	-
Med naphtha premium	30	+0.00	nc	-
Med-UKC	30	202.50	+2.50	30.09
Med-UKC gasoline	30	202.50	+2.50	28.19
Med-UKC jet	30	202.50	+2.50	28.19
Med-UKC naphtha	30	202.50	+2.50	30.38
Med-Walvis Bay	35	229.00	+4.50	54.61

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

## CLEAN TANKERS - EUROPE, MIDDLE EAST AND AFRICA

although momentum remained limited.

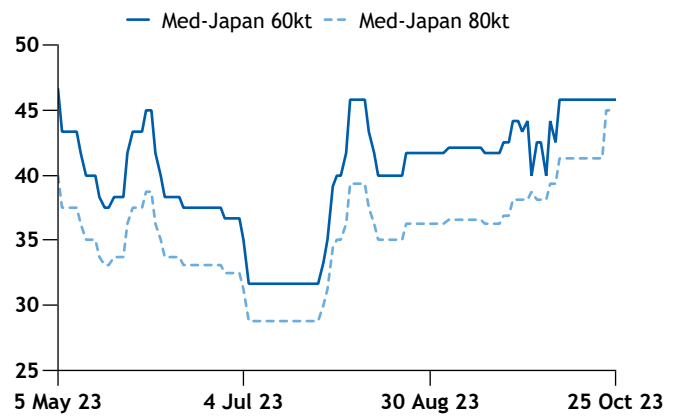
In the MR market, the UK Continent to US Atlantic coast MR market stepped WS10 higher to WS150 with several charterers back into the market after a recent absence. Traders Mercuria and TotalEnergies as well as Spain’s Repsol had cargoes available and the market traded higher as owners increased their offers. The market is unlikely to rise far without further cargoes because of the significant number of available ships available from the ARA ports before the end of October.

European gasoline prices have followed crude lower – potentially limiting MR demand in the longer term – as the latest US Energy Information Administration (EIA) data revealed marginally weaker fundamentals in the US. Nationwide gasoline inventories rose by 0.1pc to 223.5mn bl in the week to 20 October primarily driven by a 2.2pc rise in Gulf coast stocks, which rose to 87mn bl. However, Atlantic coast stocks fell by 1.7pc to 56.1mn bl, dipping to a four-week low. Refinery maintenance in the region could have led to the draw. The 199,000 b/d Monroe Energy plant in Pennsylvania is offline through to mid-November, and Irving Oil’s 320,000 b/d Saint John refinery in New Brunswick – which typically helps to supply the northern Atlantic coast – is also down until 3 November.

In the Handysize market, the cost of cross-Mediterranean freight edged WS2.5 higher to WS192.5 with charterers more active in the market. The cross-UK Continent market held steady at WS175.

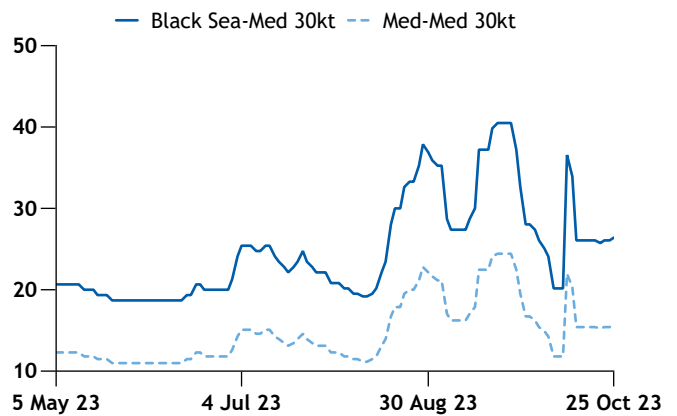
Med-Japan LR rates

\$/t



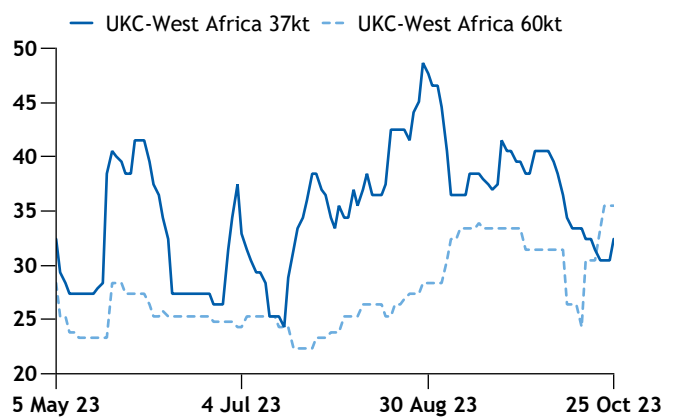
Black Sea/Mediterranean clean tanker rates

\$/t



UKC-west Africa clean tanker rates

\$/t



### Workspaces:

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

- These Workspaces are templates, curated by the Freight editorial team
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## CLEAN TANKERS - AMERICAS

### USGC MR rates diverge on routing

Rates for MR shipments from the US Gulf coast rose on longer-duration voyages, while shipowners competing for short-duration voyages ending near the US Gulf coast seemed willing to discount, pressuring rates lower.

At the start of the trading session, 26 MR tankers were available to load in the US Gulf coast within the seven-day window, and 33 MR tankers were available in the ten-day window, according to a shipbroker.

**Long-duration voyages up, short-duration voyages down**  
BB Energy put the Alpine Link on subjects for a US Gulf coast-Caribbean voyage from 26 October carrying high-sulphur diesel at \$650,000 lump sum, dropping the rate on the route by \$50,000 to that level.

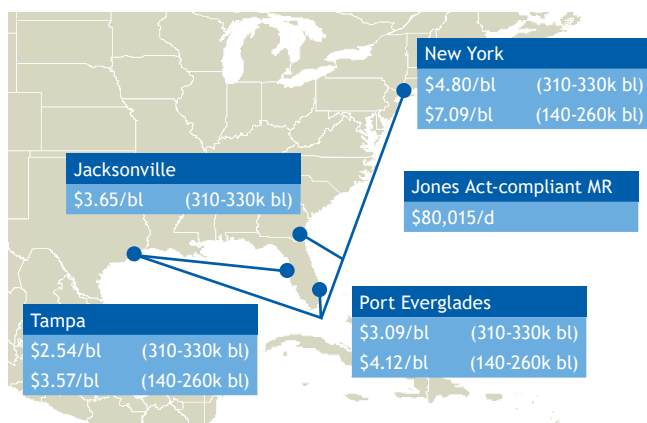
The deal included discharge options in Balboa and Ecuador at \$1.725mn and \$1.825mn, respectively, raising the rate on the latter route by \$25,000 to that level.

Other Panama Canal-transiting rates were pressured higher as a result, while short-duration voyage rates mostly dipped.

The preference among shipowners for short-duration voyages was likely centered on positioning as shipowners looked to keep close to the US Gulf coast as refinery maintenance in the region begins to wind down.

Meanwhile, Panama Canal transits remained a risky proposition for shipowners without reservations as auctions have been suspended until the end of October, when the Panama Canal Authority will begin a new set of restrictions that could further increase wait times for MR tankers.

### Clean tanker rates - Jones Act



Delays		
Location	Days	±
Panama Canal Neopanamax locks NB	5	nc
Panama Canal Neopanamax locks SB	13	nc
Panama Canal Panamax locks NB	7	nc
Panama Canal Panamax locks SB	8	nc

### Clean tanker rates - Americas

Route	Size '000t	Rate	±	\$/t
<b>Worldscale</b>				
USGC-Brazil	60	152.50	nc	-
USGC-north Brazil	60	-	-	28.76
USGC-south Brazil	60	-	-	36.83
USGC-UKC	60	132.50	nc	31.60
Caribbean-USAC	38	175.00	+5.00	21.77
USAC-UKC	38	105.00	+5.00	19.11
USGC/Caribbean-UKCM	38	115.00	+5.00	23.85
USGC-Argentina/Uruguay	38	-	-	56.14
USGC-east coast Canada	38	190.00	+5.00	29.83
USGC-east coast South America	38	195.00	+5.00	-
USGC-north Brazil	38	-	-	36.78
USGC-south Brazil	38	-	-	48.40
<b>Lumpsum</b>				
USGC-Japan	60	3,150,000	+50,000	52.50
EC Canada - USAC	38	595,000	nc	15.66
USGC-Chile (not south of Coronel)	38	2,425,000	+25,000	63.82
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
USGC-Dominican Republic	38	650,000	nc	17.11
USGC-east coast Mexico	38	450,000	-50,000	11.84
USGC-Ecuador	38	1,825,000	+25,000	48.03
USGC-Japan	38	2,475,000	+25,000	65.13
USGC-Las Minas	38	600,000	-50,000	15.79
USGC-Lazaro Cardenas	38	2,225,000	+25,000	58.55
USGC-Peru	38	2,125,000	+25,000	55.92
Callao/Conchan diff	38	-100,000	nc	-2.63
USGC-Pozos	38	650,000	-50,000	17.11
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	2,375,000	+25,000	62.50
USWC-Chile (not south of Coronel)	38	2,300,000	nc	60.53
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	-	-	63.55
USWC-Guaymas	12	-	-	28.07

### Clean tanker rates - Jones Act (weekly) \$/bl

Route	Size '000bl	Rate	±
Houston-Tampa	310-330	2.54	+0.02
Houston-Tampa	140-260	3.57	+0.03
Houston-Port Everglades	310-330	3.09	+0.01
Houston-Port Everglades	140-260	4.12	+0.01
Houston-Jacksonville	310-330	3.65	+0.01
Houston-New York	310-330	4.80	+0.02
Houston-New York	140-260	7.09	+0.03
US-US \$/d	310-330	80,015	-85

## CLEAN TANKERS - ASIA-PACIFIC

### South Korea to Singapore MR rates slip

Clean MR tanker rates from South Korea to Singapore fell, as demand was thin and vessel supply was ample.

MR lumpsum rates for 35,000t shipments from South Korea to Singapore fell by \$25,000 to \$825,000. It emerged that Trafigura failed the Torm Amorina which it booked at \$925,000 on 20 October for its MR shipment from South Korea to Singapore. State-controlled Saudi Aramco's trading arm ATS then booked the Torm Amorina at \$800,000 for its MR shipment from Zhoushan, south China to Singapore, loading from 4 November. Lumpsum freight rates for 35,000t shipments to Singapore from south China are typically concluded at a lower level from South Korea.

But northeast Asian freight rates could be pressured lower as Taiwanese private-sector refiner [Formosa Petrochemical will cut run rates at its 540,000 b/d Mailiao refinery](#) in November because of a planned turnaround at a delayed coking unit (DCU).

The refiner will cut overall crude runs to about 334,000 b/d next month as its delayed coking unit will be fully shut for a two-month turnaround, a Formosa spokesperson told *Argus*.

The refinery will run at the same reduced rate of about 61.8pc capacity in December also, until the end of its DCU turnaround on 2 January. Formosa should raise crude runs back to their current rate after the turnaround, the spokesman added. The refinery is currently operating at about 88pc, or about 475,000 b/d, of its capacity.

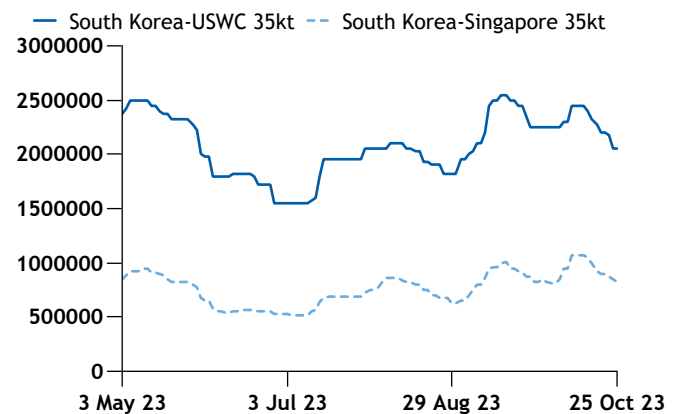
This should be Formosa's final planned turnaround for this year. It last had a major turnaround in March when it shut a crude distillation unit and other secondary units at Mailiao for at least 40 days.

Clean tanker rates - Asia-Pacific

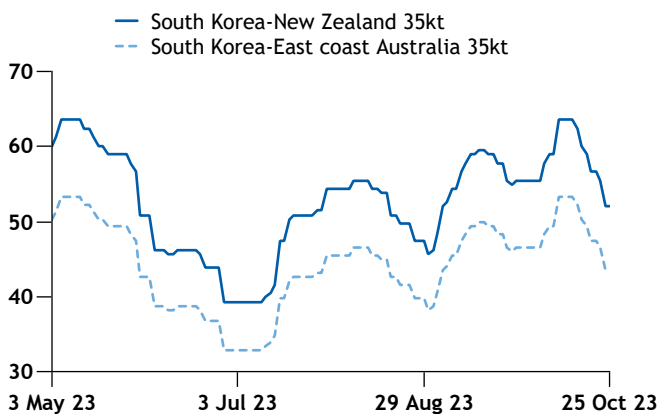
Route	Size '000t	Rate	±	\$/t
West coast India-south Brazil*	90	4,450,000	+50,000	49.44
West coast India-UKC*	90	4,350,000	+50,000	48.33
West coast India-south Brazil*	65	3,600,000	-50,000	55.38
West coast India-UKC*	65	3,450,000	-50,000	53.08
West coast India-south Brazil*	40	2,200,000	nc	55.00
SE Asia-EC Australia	35	220.00	nc	41.84
South Korea-Australia/New Zealand	35	225.00	nc	-
South Korea-Chile*	35	2,965,000	nc	84.71
South Korea-east coast Australia	35	-	-	43.56
South Korea-New Zealand	35	-	-	52.02
South Korea-Singapore*	35	825,000	-25,000	23.57
South Korea-USWC*	35	2,050,000	nc	58.57
North China-east coast Australia	35	225.00	nc	49.05
North China-west coast Australia	35	225.00	nc	43.34
Dalian-Singapore*	35	881,000	-27,000	25.17
SE Asia-EC Australia	30	256.50	nc	48.79
Singapore-Japan	30	205.00	nc	28.35
SE Asia-Walvis Bay	35	239.50	+4.50	62.28

\* \$ lumpsum

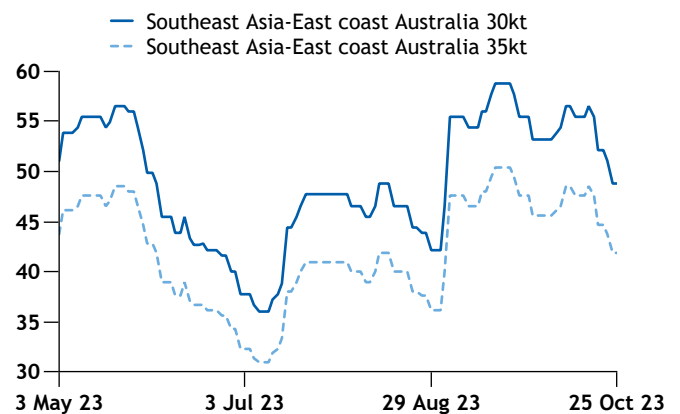
South Korea clean tanker lumpsum rates



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



Southeast Asia-Australia clean tanker rates \$/t



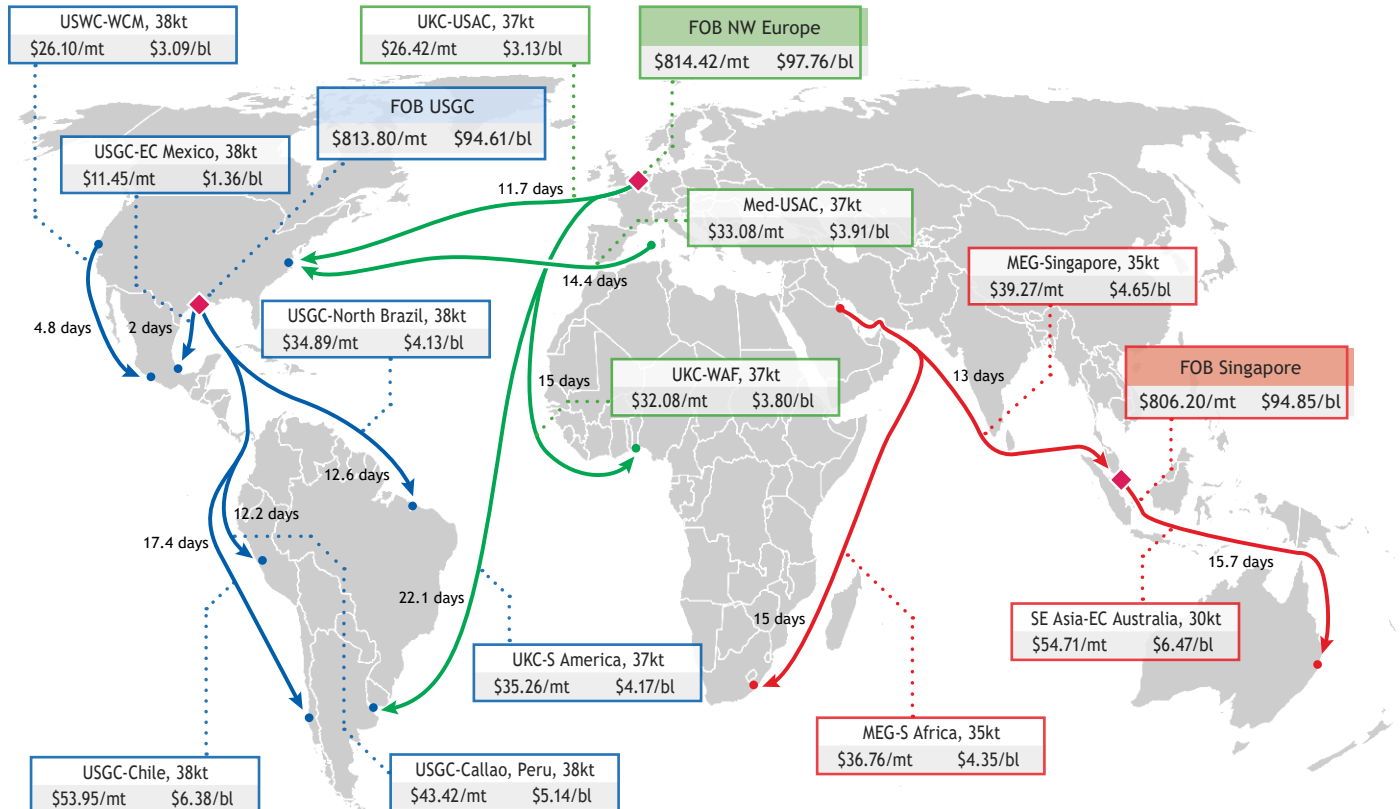
# GASOLINE TRADE ROUTES Weekly price updates

Published date: Wednesday 25 October 2023

Period: 42

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	813.80	94.61
to East Coast Mexico	825.25	95.97
to Peru	857.23	99.75
to Chile	867.75	100.99
to Brazil	848.69	98.74
Gasoline reg CARBOB SF WB fob ex RVO	835.30	99.43
to West Coast Mexico	861.40	102.52

Europe Trade Routes		
Exports from regional hub	\$/mt	\$/bl
<b>Eurobob Oxy barges</b>	<b>814.42</b>	<b>97.76</b>
to USAC	840.84	100.89
to Argentina (Gasoline Eurobob oxy NWE del Buenos Aires)	865.28	103.86
to West Africa (Gasoline Eurobob delivered west Africa )	846.50	101.61
<b>Gasoline 95r 10ppm W Med fob</b>	<b>816.42</b>	<b>98.00</b>
to USAC	849.50	101.91

Asia Trade Routes		
Exports from regional hubs	\$/mt	\$/bl
Gasoline 92r Singapore	806.20	94.85
to Australia	860.91	101.32
Gasoline 92r Mideast Gulf	765.85	90.63
to South Africa (Gasoline 95r c+f Durban )	840.08	99.42

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

Argus Road Fuels: [argusmedia.com/en/oil-products/road-fuels](https://argusmedia.com/en/oil-products/road-fuels)

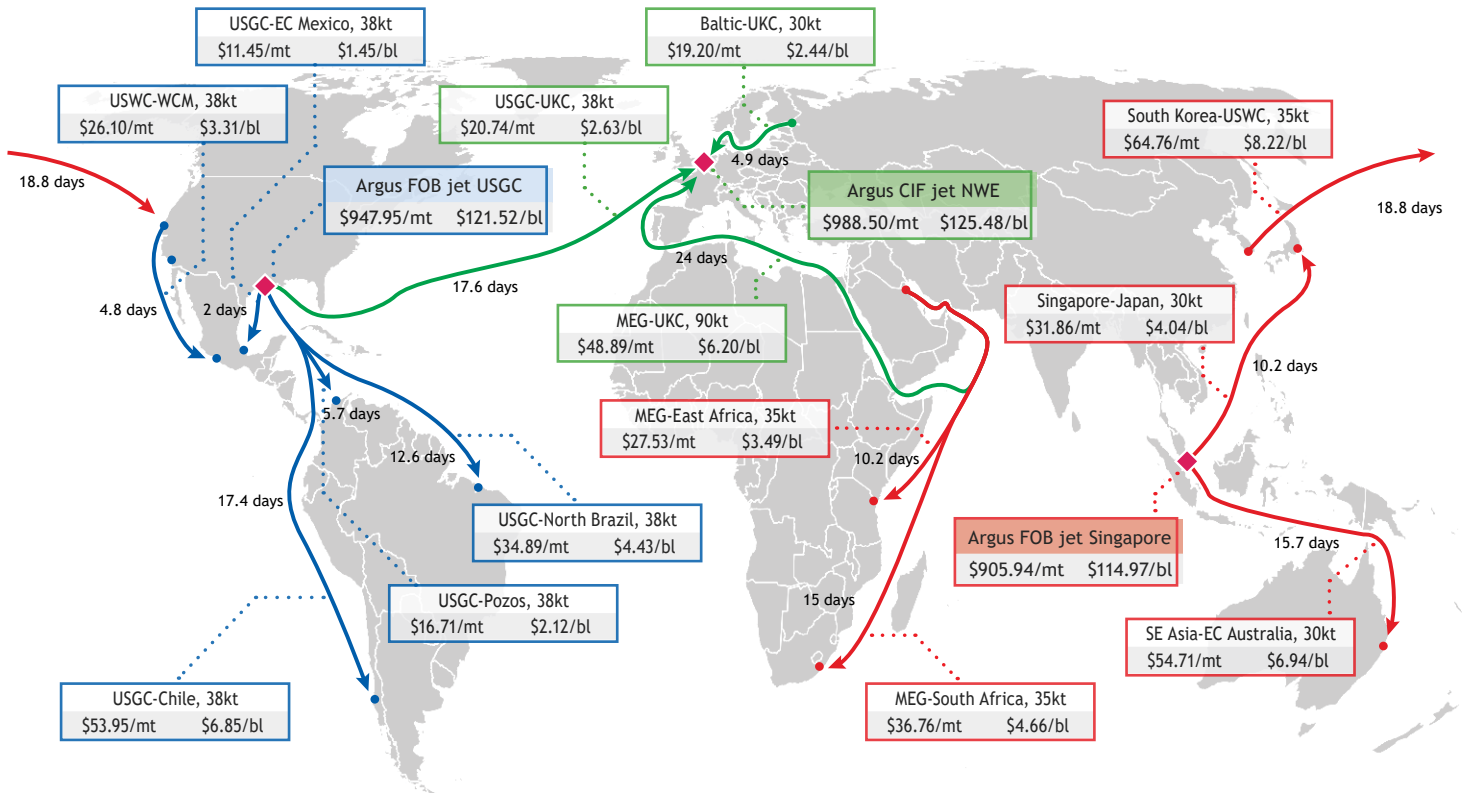
# KEY JET FUEL TRADE ROUTES Weekly price updates

Published date: Wednesday 25 October 2023

Period: 42

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	947.95	121.52
to East Coast Mexico	959.40	122.97
to Pozos/Caribbean	964.66	123.64
to Chile	1,001.90	128.37
to Brazil	986.15	126.41
Argus FOB jet USWC	1,068.56	136.98
to West Coast Mexico	996.64	127.76

Asia Trade Routes		
Exports from regional hubs	\$/mt	\$/bl
Argus FOB jet Singapore	905.94	114.97
to Australia	960.65	121.91
to Japan	937.48	119.00
Argus FOB jet MEG	873.76	110.88
to South Africa	910.30	115.55
to East Africa	901.29	114.37
Argus FOB jet South Korea	902.69	114.58
to USWC	1,068.56	136.98

Europe Trade Routes		
Imports to regional hub	\$/mt	\$/bl
Argus CIF jet NWE	988.50	125.48
ex MEG	873.76	110.88
ex USGC	947.95	121.52
ex Baltic	969.30	123.04

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

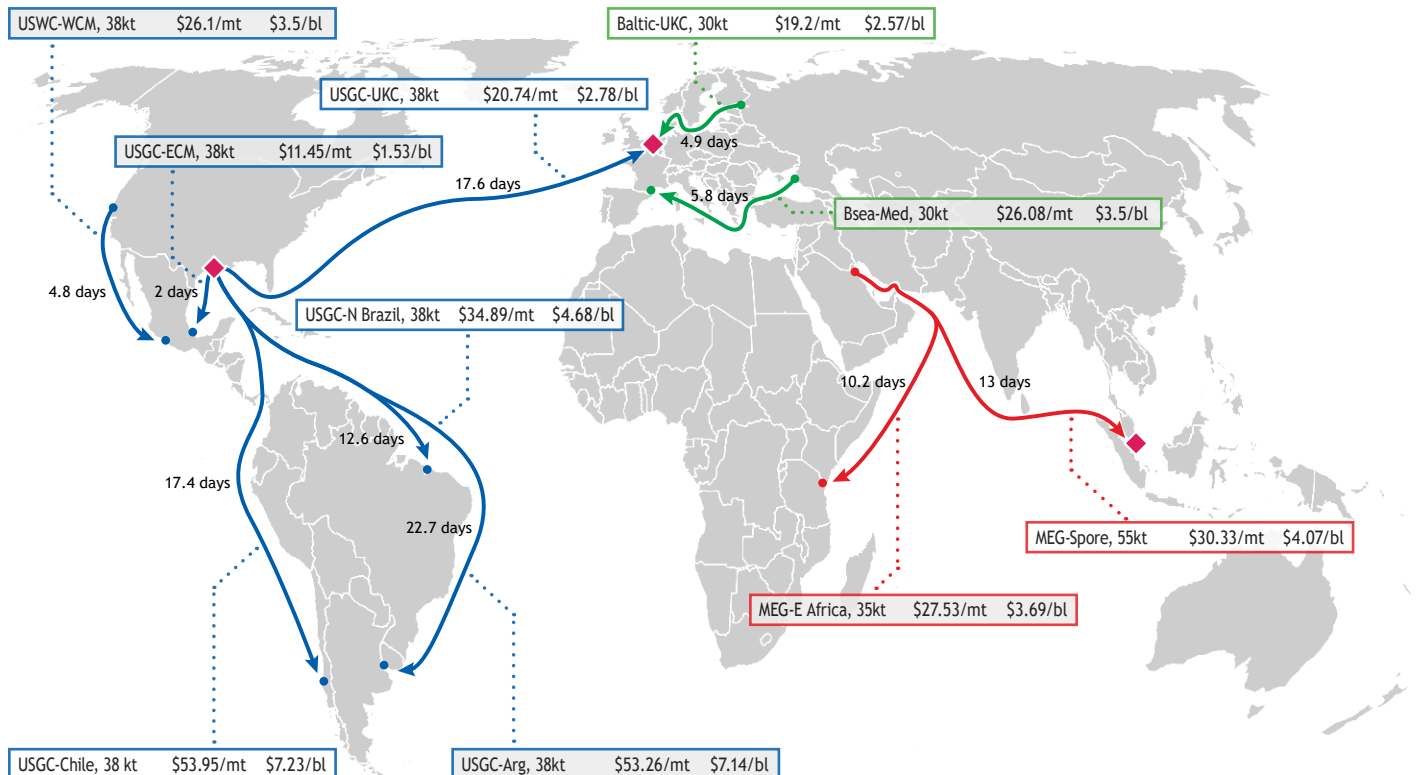
# KEY DISTILLATES TRADE ROUTES Weekly price updates

Published date: Wednesday 25 October 2023

Period: 42

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	890.98	124.11
del EC Mexico	902.43	125.64
del Chile	944.93	131.34
del N Brazil	944.24	131.25
del Argentina	1,001.38	139.21
del NW Europe	927.25	124.57
FOB USWC	1,028.27	142.61
del WC Mexico	1,054.37	146.11

Europe Trade Routes		
Imports to regional hubs:	\$/mt	\$/bl
Argus Diesel French 10 ppm NWE cif		
ex Baltic	927.25	124.57
Argus Gasoil Diesel French 10 ppm W Med cif		
ex Black Sea	920.67	123.69

Asia Trade Routes		
Exports from regional hub:	\$/mt	\$/bl
Argus Gasoil 10 ppm MEG	853.80	114.45
to Singapore	884.13	118.52
to East Africa	881.32	118.14

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

Argus Oil Products: [argusmedia.com/en/oil-products](https://argusmedia.com/en/oil-products)

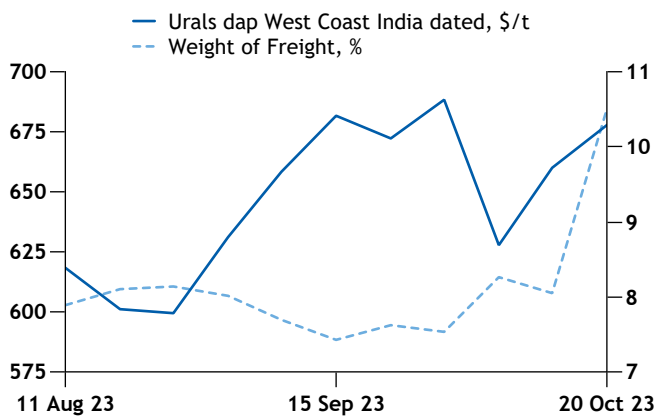
## TANKER TCE RATES

Dirty tanker time charter equivalent rates						
Route	WS/LS	TCE (non-scrubber) USD/day	±	TCE (scrubber) USD/day	±	
<b>Dirty Tankers - VLCC</b>						
<b>EMEA</b>						
Basrah-Los Angeles	43.50	22,365	+285	32,726	+153	
Bonny-Ningbo	57.00	32,641	+1,394	42,015	+1,135	
Ras Tanura-LOOP	30.50	5,115	+782	14,027	+535	
Ras Tanura-Ningbo	54.00	29,885	+1,434	38,702	+1,189	
Ras Tanura-Rotterdam	33.00	2,843	+766	11,344	+531	
<b>Americas</b>						
Corpus Christi-Ningbo	9,750,000	40,497	+728	49,927	+467	
<b>Dirty Tankers - Suezmax</b>						
<b>EMEA</b>						
Basrah-Trieste	82.50	8,402	+559	15,036	+375	
Bonny-Rotterdam	140.00	51,176	+3,894	54,013	+4,092	
Novorossiysk-Ningbo	6,150,000	46,409	+6,256	53,499	+6,060	
Ras Tanura-Qingdao	125.00	52,571	-2,754	59,722	-2,952	
Ras Tanura-Singapore	125.00	49,744	-2,659	56,393	-2,842	
<b>Americas</b>						
Houston-Rotterdam	127.50	64,992	+8,875	68,426	+8,767	
<b>Dirty Tankers - Aframax</b>						
<b>EMEA</b>						
Arzew-Trieste	220.00	64,162	+2,474	-	-	
Fujairah to Singapore	185.00	45,165	+1,510	-	-	
<b>Americas</b>						
Dos Bocas-Houston	270.00	65,231	+8,322	-	-	
Houston-Rotterdam	225.00	54,255	+8,184	-	-	
<b>Asia-Pacific</b>						
Bukit Tua-Kikuma	170.00	44,599	+465	-	-	
Kimanis-Geelong	160.00	41,703	+463	-	-	
Kozmino-Longkou	1,700,000	89,374	nc	-	-	
<b>Clean tanker time charter equivalent rates</b>						
Route	WS/LS	TCE (non-scrubber) USD/day	±			
<b>Clean Tankers-Long Range 2</b>						
<b>EMEA</b>						
Arzew-Oita	3,600,000	11,783	+454			
Ras Tanura-Chiba	172.50	39,874	+1,410			
Ras Tanura-Rotterdam	4,450,000	42,877	+1,331			
Yanbu-Rotterdam	3,300,000	46,257	+1,789			
<b>Asia-Pacific</b>						
Sikka-Rotterdam	4,350,000	41,841	+1,356			
<b>Clean Tankers-Long Range 1</b>						
<b>EMEA</b>						
Arzew-Oita	2,750,000	7,340	+362			
Ras Tanura-Chiba	170.00	26,903	-1,028			
Ras Tanura-Singapore	185.00	29,831	-986			
Ras Tanura-Rotterdam	3,550,000	33,305	-519			
Yanbu-Rotterdam	2,600,000	32,531	-965			
<b>Asia-Pacific</b>						
Sikka-Rotterdam	3,450,000	32,342	-543			
<b>Clean Tankers-Medium Range</b>						
<b>EMEA</b>						
Ras Tanura-Chiba	180.00	23,088	+299			
Ras Tanura-Singapore	220.00	21,772	+291			
Ras Tanura-Dar es Salaam	240.00	25,055	+1,091			
Rotterdam-New York	150.00	11,555	+2,415			
<b>Americas</b>						
Houston-Coronel	2,425,000	19,292	+894			
Houston-Pozos	650,000	12,566	-2,230			
<b>Asia-Pacific</b>						
Daesan-Port Botany	225.00	23,667	+584			
Singapore-Port Botany	220.00	23,211	+292			
Yeosu-Los Angeles	2,050,000	28,910	+537			
Yeosu-Singapore	825,000	26,377	-1,024			
<b>Clean Tankers-Handysize</b>						
Arzew-Trieste	192.50	13,817	+488			
Brofjordan-Rotterdam	175.00	9,161	+315			

## RUSSIAN-ORIGIN FREIGHT

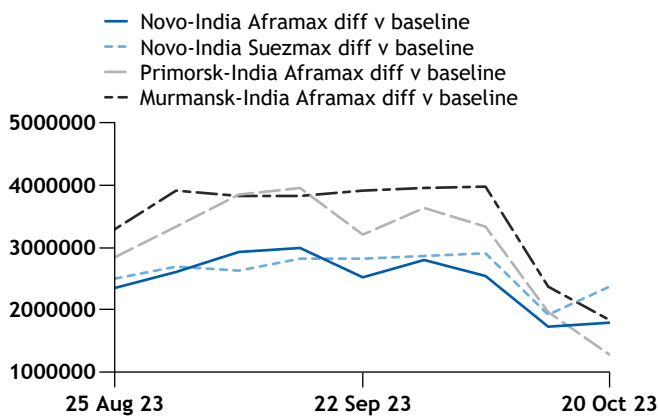
Russian-origin freight assessments						
Route	Size '000t	Low	High	Midpoint	+/-	\$/t
<b>Black Sea</b>						
Novorossiysk-west coast India	80	5,000,000	6,400,000	5,700,000	+1,450,000	71.25
Novorossiysk-north China	80	7,000,000	8,200,000	7,600,000	+1,400,000	95.00
Novorossiysk-west coast India	140	5,500,000	7,500,000	6,500,000	+1,800,000	46.43
Novorossiysk-north China	140	7,500,000	8,500,000	8,000,000	+1,200,000	57.14
<b>Baltic Sea</b>						
Primorsk-west coast India	100	6,000,000	8,000,000	7,000,000	+1,500,000	70.00
Primorsk-north China	100	7,800,000	10,000,000	8,900,000	+1,700,000	89.00
<b>Barents Sea</b>						
Murmansk-west coast India	140	7,000,000	8,500,000	7,750,000	+1,700,000	55.36
Murmansk-north China	140	8,800,000	10,500,000	9,650,000	+2,050,000	68.93

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



Russian-origin Baseline				
Route	Size '000t	Rate	+/-	\$/t
<b>Black Sea</b>				
Novorossiysk-west coast India	80	4,029,379	+122,694	50.37
Novorossiysk-north China	80	5,794,814	+205,580	72.44
Novorossiysk-west coast India	140	4,436,713	+301,544	31.69
Novorossiysk-north China	140	6,260,120	+454,502	44.72
<b>Baltic Sea</b>				
Primorsk-west coast India	100	5,878,149	+162,979	58.78
Primorsk-north China	100	7,491,737	+268,907	74.92
<b>Barents Sea</b>				
Murmansk-west coast India	140	6,368,244	+462,987	45.49
Murmansk-north China	140	8,074,211	+617,534	57.67

Russian-origin freight to India vs baseline

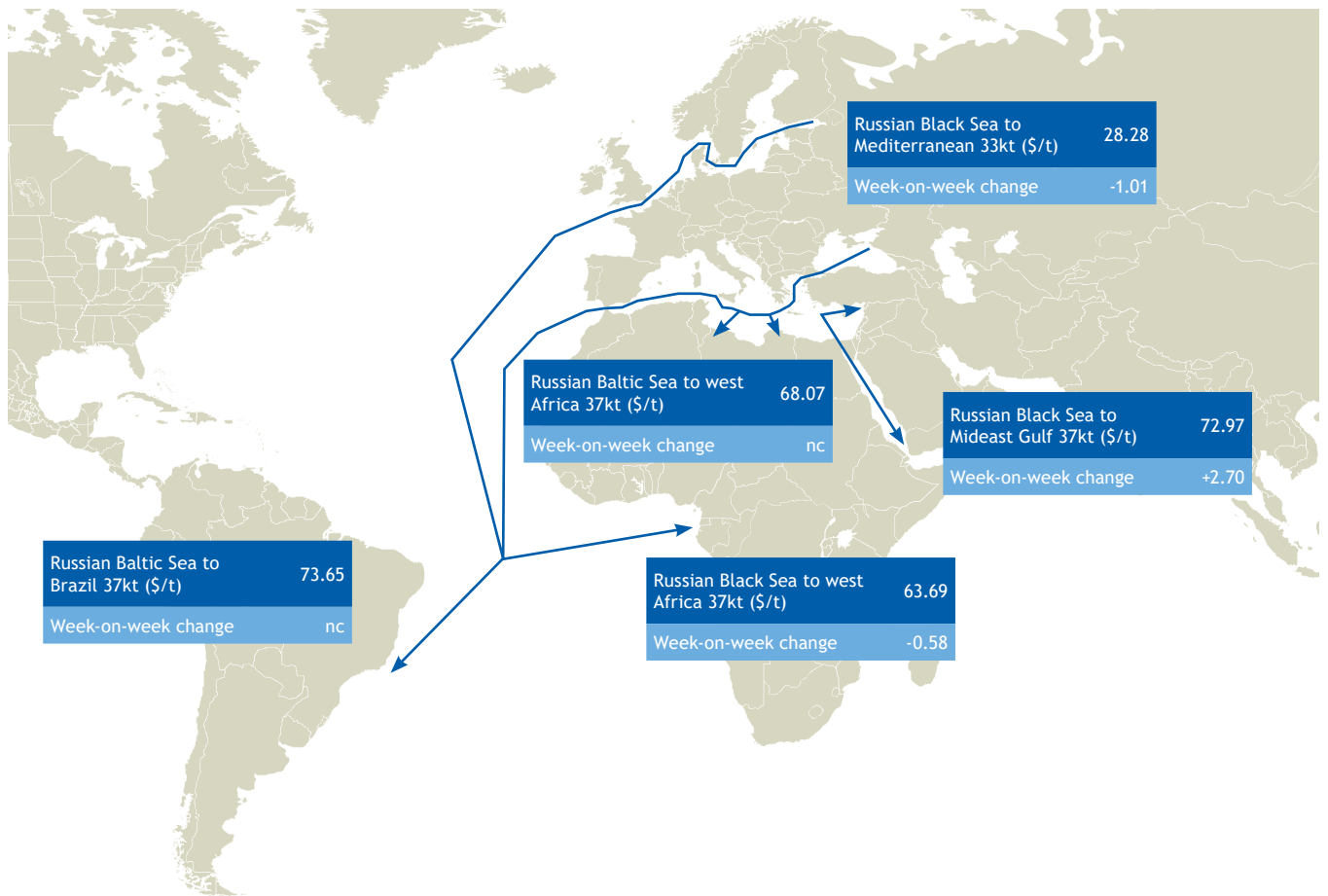


Additional War Risk Premium					
Region	Low	High	Midpoint	+/-	\$/t
<b>Aframax</b>					
Black Sea	571,500	857,250	714,375	nc	8.93
Baltic Sea	57,150	142,875	100,013	nc	1.00
<b>Suezmax</b>					
Black Sea	640,000	960,000	800,000	nc	5.71
Barents Sea	64,000	160,000	112,000	nc	0.80

## RUSSIAN-ORIGIN FREIGHT

Russian-origin clean freight assessments						
Route	Size '000t	Low	High	Midpoint	+/-	\$/t
<b>Black Sea</b>						
Russian Black Sea-Mediterranean	33	250.00	310.00	280.00	-10.00	28.28
Russian Black Sea-west Africa	37	250.00	300.00	275.00	-2.50	63.69
Russian Black Sea-Mideast Gulf	37	2,400,000	3,000,000	2,700,000	+100,000	72.97
<b>Baltic Sea</b>						
Russian Baltic Sea-Mediterranean	37	230.00	270.00	250.00	nc	47.93
Russian Baltic Sea-west Africa	37	240.00	280.00	260.00	nc	68.07
Russian Baltic Sea-Brazil	37	230.00	270.00	250.00	nc	73.65
Russian Baltic Sea-Mideast Gulf	37	2,800,000	3,300,000	3,050,000	nc	82.44
Russian Baltic Sea-Singapore	37	3,400,000	4,200,000	3,800,000	+100,000	102.70
Russian Baltic Sea-west coast India	37	2,800,000	3,500,000	3,150,000	nc	85.14

## Russian-origin clean products



## FORWARD FREIGHT, CCF, DEMURRAGE AND SPECIALISED TANKERS

Forward Freight Agreement assessments				
Route	Size '000t	Rate	±	\$/t
<b>Dirty tankers - EMEA</b>				
Mideast Gulf-East	270	54.00	+0.50	14.22
Oct 23	270	51.50	-0.50	13.57
Nov 23	270	60.50	+1.00	15.94
Dec 23	270	64.00	+2.50	16.86
West Africa-UKCM	130	140.00	+5.00	27.12
Oct 23	130	104.50	+2.00	20.24
Nov 23	130	120.50	+3.00	23.34
Dec 23	130	116.00	+2.00	22.47
<b>Dirty tankers - Americas</b>				
USGC-China (STS)	270	9,500,000	nc	35.19
Oct 23	270	8,850,000	nc	32.78
Nov 23	270	9,150,000	nc	33.89
Dec 23	270	9,450,000	nc	35.00
USGC-UKC	90	-	-	40.65
Oct 23	90	-	-	32.07
Nov 23	90	-	-	39.03
Nov 23	90	-	-	39.03
USGC-UKC	70	225.00	+20.00	52.27
Oct 23	70	177.50	+3.00	41.23
Nov 23	70	216.00	+9.50	50.18
Dec 23	70	200.50	+3.00	46.58
<b>Clean tankers - EMEA</b>				
Mideast Gulf-Japan	55	170.00	-5.00	46.73
Oct 23	55	167.00	+0.50	45.91
Nov 23	55	172.00	-1.00	47.28
Dec 23	55	182.00	-1.50	50.03
UKC-US Atlantic coast	37	150.00	+10.00	26.72
Oct 23	37	164.00	+0.50	29.21
Nov 23	37	189.50	+6.00	33.75
Dec 23	37	208.00	+3.00	37.04
Cross Med	30	192.50	+2.50	15.69
Oct 23	30	194.00	-1.00	15.81
Nov 23	30	240.00	+2.50	19.56
Dec 23	30	285.50	+2.50	23.27
<b>Clean tankers - Americas</b>				
USGC/Caribbean-UKCM	38	115.00	+5.00	23.85
Oct 23	38	118.00	+0.25	24.47
Nov 23	38	142.00	-2.00	29.45
Dec 23	38	161.00	-2.00	33.39

Demurrage				
Route	Segment	\$/day	±	
Atlantic basin-Asia	VLCC	80,000	-15,000	
Mideast Gulf-East	VLCC	50,000	nc	
Mideast Gulf-East	Suezmax	60,000	nc	
Black Sea-Med	Suezmax	80,000	+5,000	
Black Sea-Med	Aframax	65,000	nc	
Kozmino-north China	Aframax	60,000	nc	
De-Kastri-north China	Aframax	60,000	nc	
De-Kastri-South Korea	Aframax	60,000	nc	
De-Kastri-India	Aframax	60,000	nc	
USGC-Europe	Aframax	100,000	+5,000	
Atlantic coast Americas	MR	34,000	nc	

Specialised tanker rates (weekly)				
Route	Cargo	Size '000t	\$/t	±
UKC-USGC	Biodiesel	10	48.00	nc
USGC-Itaqui	Ethanol	10-20	74.50	+1.50
South Brazil-UKC	Ethanol	10	98.50	nc
South Brazil-Ulsan	Ethanol	10	110.60	nc
USGC-east coast Mexico	Ethanol	5-10	26.50	-0.65
USGC-UKC	Ethanol	5	87.00	nc
USGC-UKC	Methanol	10	79.50	+0.50
USGC-Ulsan	Methanol	10	86.00	nc
Argentina+S Brazil (2p)-China (2p)	Vegetable oils	40	77.50	nc
Argentina+S Brazil (2p)-WC India (2p)	Vegetable oils	40	61.00	nc
Argentina-WC India (2p)	Vegetable oils	30	65.50	nc

CCF (Carbon cost of freight) indexes							
Route	Size '000 t	Lump sum \$		\$/t		\$/bl	
		One-way	Round-trip	One-way	Round-trip	One-way	Round-trip
<b>Dirty</b>							
Ras Tanura-Rotterdam (Arab Light)	280	93,671	151,386	0.33	0.54	0.05	0.07
Bonny-Rotterdam (Bonny Light)	130	49,196	81,540	0.38	0.63	0.05	0.08
Houston-Rotterdam (WTI)	70	44,076	76,103	0.63	1.09	0.08	0.14
<b>Clean</b>							
Ras Tanura-Rotterdam	65	43,200	77,531	0.66	1.19	-	-
Houston-Rotterdam	38	27,744	48,468	0.73	1.28	-	-
Rotterdam-New York	37	19,335	32,981	0.52	0.89	-	-

## CRUDE-SPECIFIC FREIGHT

North America			Middle East			Middle East (continued)		
Delivery to	Size	\$/bl	Delivery to	Size	\$/bl	Delivery to	Size	\$/bl
<b>Cold Lake</b>			<b>Arab Heavy</b>			<b>Murban</b>		
West coast Panama	80kt	3.94	Asia-Pacific	270kt	2.00	Asia-Pacific	270kt	1.86
China via 270kt Panama STS	80kt	6.93	China	130kt	4.85	Asia-Pacific futures (Oct 23)	270kt	1.78
US west coast	80kt	1.96	Europe	280kt	1.53	Asia-Pacific futures (Nov 23)	270kt	2.09
<b>Mars</b>			Mediterranean	140kt	2.40	Asia-Pacific futures (Dec 23)	270kt	2.21
China	270kt	5.06	Singapore	270kt	1.34	China	130kt	4.52
China (STS)	270kt	4.93	Singapore	130kt	3.03	Europe	280kt	1.43
China (STS) futures (Oct 23)	270kt	4.59	Singapore	80kt	4.39	Mediterranean	140kt	2.24
China (STS) futures (Nov 23)	270kt	4.75	US Gulf coast	280kt	1.82	Singapore	270kt	1.25
China (STS) futures (Dec 23)	270kt	4.90	west coast India	270kt	0.75	Singapore	130kt	2.83
China	130kt	6.74	west coast India	130kt	1.57	US Gulf coast	280kt	1.70
east coast Canada	70kt	5.65	west coast India	80kt	2.38	west coast India	270kt	0.70
Europe	145kt	4.28	<b>Arab Light</b>			west coast India	130kt	1.46
Med	70kt	9.10	Asia-Pacific	270kt	1.93	west coast India	80kt	2.22
Rotterdam	270kt	2.15	China	130kt	4.70	<b>Oman</b>		
Singapore	270kt	4.54	Europe	280kt	1.48	Asia-Pacific	270kt	1.94
South Korea/Japan	270kt	5.06	Mediterranean	140kt	2.33	China	130kt	4.72
UKC	70kt	7.32	Singapore	270kt	1.30	Europe	280kt	1.49
UKC futures (Oct 23)	70kt	5.78	Singapore	130kt	2.93	Mediterranean	140kt	2.34
UKC futures (Nov 23)	70kt	7.03	USGC coast	280kt	1.76	Singapore	270kt	1.31
UKC futures (Dec 23)	70kt	6.52	west coast India	270kt	0.72	Singapore	130kt	2.95
west coast India	270kt	4.44	west coast India	130kt	1.52	US Gulf coast	280kt	1.77
<b>WCS</b>			west coast India	80kt	2.31	west coast India	270kt	0.73
China	270kt	5.36	<b>Arab Medium</b>			west coast India	130kt	1.53
China (STS)	270kt	5.22	Asia-Pacific	270kt	1.96	west coast India	80kt	2.32
China (STS) futures (Oct 23)	270kt	4.86	China	130kt	4.76	<b>West Africa</b>		
China (STS) futures (Nov 23)	270kt	5.03	Europe	280kt	1.50	<b>Delivery to</b>		
China (STS) futures (Dec 23)	270kt	5.19	Mediterranean	140kt	2.36	<b>Size</b>		
China	130kt	7.13	Singapore	270kt	1.32	<b>\$/bl</b>		
Europe	145kt	4.53	Singapore	130kt	2.97	<b>Bonny Light</b>		
Med	70kt	9.64	US Gulf coast	280kt	1.79	China	260kt	3.10
Rotterdam	270kt	2.28	west coast India	270kt	0.73	east coast India	260kt	2.50
Singapore	270kt	4.81	west coast India	130kt	1.54	east coast India	130kt	6.46
South Korea/Japan	270kt	5.36	west coast India	80kt	2.34	UKCM	130kt	3.68
UKC	70kt	7.76	<b>Basrah Heavy</b>			UKCM futures (Oct 23)	130kt	2.74
UKC futures (Oct 23)	70kt	6.12	Asia-Pacific	270kt	2.06	UKCM futures (Nov 23)	130kt	3.16
UKC futures (Nov 23)	70kt	7.45	China	130kt	5.00	UKCM futures (Dec 23)	130kt	3.05
UKC futures (Dec 23)	70kt	6.91	Europe	280kt	1.58	west coast India	260kt	2.35
west coast India	270kt	4.70	Mediterranean	140kt	2.48	west coast India	130kt	6.31
<b>WTI</b>			Singapore	270kt	1.38	<b>Cabinda</b>		
China	270kt	4.63	Singapore	130kt	3.12	China	260kt	3.14
China (STS)	270kt	4.51	US Gulf coast	280kt	1.88	east coast India	260kt	2.53
China (STS) futures (Oct 23)	270kt	4.20	west coast India	270kt	0.77	east coast India	130kt	6.54
China (STS) futures (Nov 23)	270kt	4.34	west coast India	130kt	1.62	UKCM	130kt	3.72
China (STS) futures (Dec 23)	270kt	4.49	west coast India	80kt	2.46	west coast India	260kt	2.37
China	130kt	6.16	<b>Basrah Medium</b>			west coast India	130kt	6.38
east coast Canada	70kt	5.17	Asia-Pacific	270kt	1.99	<b>Dalia</b>		
Europe	145kt	3.92	Asia-Pacific futures (Oct 23)	270kt	1.90	China	260kt	3.32
Med	90kt	6.48	Asia-Pacific futures (Nov 23)	270kt	2.24	east coast India	260kt	2.68
Med	70kt	8.33	Asia-Pacific futures (Dec 23)	270kt	2.36	east coast India	130kt	6.91
Rotterdam	270kt	1.97	China	130kt	4.85	UKCM	130kt	3.93
Singapore	270kt	4.16	Europe	280kt	1.53	US Gulf coast	260kt	2.24
South Korea/Japan	270kt	4.63	Mediterranean	140kt	2.40	US Gulf coast	130kt	4.83
UKC	90kt	5.21	Singapore	270kt	1.34	west coast India	260kt	2.51
UKC futures (Oct 23)	90kt	4.11	Singapore	130kt	3.03	west coast India	130kt	6.74
UKC futures (Nov 23)	90kt	5.00	US Gulf coast	280kt	1.82	<b>Djeno</b>		
UKC futures (Dec 23)	90kt	4.64	west coast India	270kt	0.75	China	260kt	3.26
UKC	70kt	6.70	west coast India	130kt	1.57	east coast India	260kt	2.63
UKC futures (Oct 23)	70kt	5.29	west coast India	80kt	2.38	east coast India	130kt	6.78
UKC futures (Nov 23)	70kt	6.43	<b>Kuwait</b>			UKCM	130kt	3.86
UKC futures (Dec 23)	70kt	5.97	Asia-Pacific	270kt	1.96	west coast India	260kt	2.46
west coast India	270kt	4.06	China	130kt	4.75	west coast India	130kt	6.62
			Europe	280kt	1.50			
			Mediterranean	140kt	2.35			
			Singapore	270kt	1.31			
			Singapore	130kt	2.97			
			US Gulf coast	280kt	1.78			
			west coast India	270kt	0.73			
			west coast India	130kt	1.54			
			west coast India	80kt	2.33			

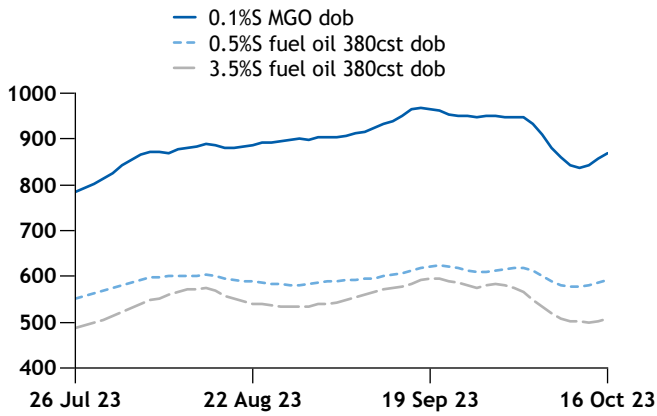
## CRUDE-SPECIFIC FREIGHT

West Africa (continued)			Latin America (continued)			Mediterranean		
Delivery to	Size	\$/bl	Delivery to	Size	\$/bl	Delivery to	Size	\$/bl
<b>Egina</b>			<b>Napo</b>			<b>Arab Light (Sidi K)</b>		
China	260kt	3.25	Houston	50kt	5.57	Mediterranean	80kt	2.52
east coast India	260kt	2.62	Los Angeles	100kt	2.83	UKC	80kt	4.24
east coast India	130kt	6.76	Oriente			BTC		
UKCM	130kt	3.84	Houston	50kt	5.35	east Asia	130kt	5.47
west coast India	260kt	2.45	Los Angeles	100kt	2.72	Mediterranean	130kt	1.37
west coast India	130kt	6.59	US west coast	50kt	9.02	Mediterranean	80kt	2.46
<b>Escravos</b>			<b>Tupi</b>			UKC		
China	260kt	3.11	China	260kt	3.48	80kt	4.13	
east coast India	260kt	2.51	UKC	260kt	1.91	<b>Es Sider</b>		
east coast India	130kt	6.48	UKC	130kt	4.02	east Asia	130kt	5.54
UKCM	130kt	3.69	US west coast	260kt	2.91	Mediterranean	80kt	2.49
west coast India	260kt	2.35	<b>Vasconia</b>			UKC	80kt	4.18
west coast India	130kt	6.33	Panama	130kt	1.31	US Gulf coast	130kt	3.69
<b>Forcados</b>			US west coast			80kt	4.65	
China	260kt	3.19	<b>North Sea, Baltic, Barrents</b>			<b>Saharan</b>		
east coast India	260kt	2.57	<b>Delivery to</b>			east Asia	130kt	5.23
east coast India	130kt	6.64	<b>Size</b>			Mediterranean	130kt	1.31
UKCM	130kt	3.78	<b>\$/bl</b>			Mediterranean	80kt	2.35
west coast India	260kt	2.41	<b>Ekofisk</b>			UKC	80kt	3.95
west coast India	130kt	6.48	east Asia			US Gulf coast	130kt	3.49
<b>Girassol</b>			Mediterranean			US Gulf coast	80kt	4.39
China	260kt	3.17	80kt					
east coast India	260kt	2.56	UKC					
east coast India	130kt	6.60	80kt					
UKCM	130kt	3.75	US Atlantic coast					
west coast India	260kt	2.40	80kt					
west coast India	130kt	6.44	<b>Forties</b>					
<b>Qua Iboe</b>			east Asia					
China	260kt	3.06	270kt					
east coast India	260kt	2.47	Mediterranean					
east coast India	130kt	6.38	80kt					
UKCM	130kt	3.63	UKC					
US Gulf coast	260kt	2.07	80kt					
US Gulf coast	130kt	4.46	US Atlantic coast					
west coast India	260kt	2.32	80kt					
west coast India	130kt	6.23	3.33					
<b>Latin America</b>			<b>Urals</b>			<b>Black Sea</b>		
<b>Delivery to</b>			<b>Size</b>			<b>Delivery to</b>		
<b>\$/bl</b>			<b>\$/bl</b>			<b>Size</b>		
<b>\$/bl</b>			<b>\$/bl</b>			<b>\$/bl</b>		
<b>Castilla</b>			<b>Urals (Baseline)</b>			<b>Azeri Light (Supsa)</b>		
China	270kt	4.71	West coast India			Mediterranean	80kt	3.58
Panama	130kt	1.22	100kt			UKC	80kt	5.83
US Gulf coast	130kt	2.32	North China			<b>CPC</b>		
US Gulf coast	70kt	3.64	100kt			east Asia		
US Gulf coast	50kt	3.01	10.44			130kt		
west coast India	270kt	4.11	<b>Varandey</b>			Mediterranean		
<b>Isthmus</b>			West coast India			130kt		
US Gulf coast	70kt	2.31	100kt			2.06		
US Gulf coast	50kt	1.45	7.37			Mediterranean		
<b>Maya</b>			North China			80kt		
US Gulf coast	70kt	2.49	9.18			5.53		
US Gulf coast	50kt	1.57	<b>Varandey (Baseline)</b>			US Gulf coast		
<b>Medanito</b>			West coast India			130kt		
US west coast	65kt	7.71	100kt			-		
US Atlantic coast	65kt	6.57	6.06			<b>Kebco</b>		
<b>Asia-Pacific</b>			North China			Mediterranean		
<b>Delivery to</b>			100kt			140kt		
<b>Size</b>			7.68			1.86		
<b>\$/bl</b>			<b>Asia-Pacific</b>			<b>Urals</b>		
<b>\$/bl</b>			<b>Delivery to</b>			West coast India		
<b>\$/bl</b>			<b>Size</b>			80kt		
<b>\$/bl</b>			<b>\$/bl</b>			9.89		
<b>ESPO</b>			Chiba			North China		
Chiba			100kt			80kt		
north China			100kt			13.19		
Singapore			100kt			West coast India		
Yeosu			100kt			140kt		
			1.84			6.45		
						North China		
						140kt		
						7.94		
						east Asia		
						130kt		
						-		
						Mediterranean		
						140kt		
						-		
						Mediterranean		
						80kt		
						-		
						UKC		
						80kt		
						-		
						US Gulf coast		
						130kt		
						-		
						<b>Urals (Baseline)</b>		
						West coast India		
						80kt		
						7.02		
						North China		
						80kt		
						10.10		
						West coast India		
						140kt		
						4.42		
						North China		
						140kt		
						6.23		

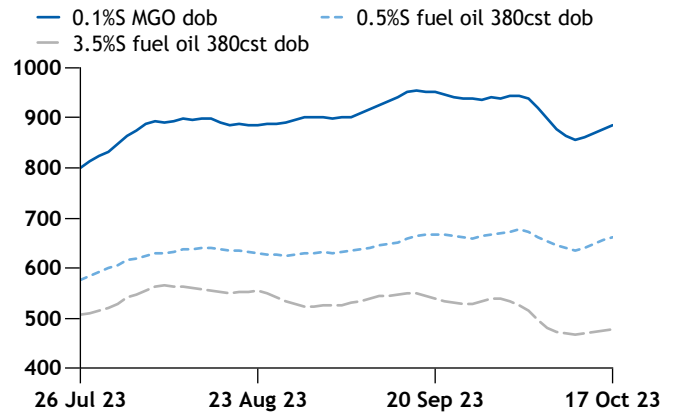
## BUNKERS

### Conventional

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

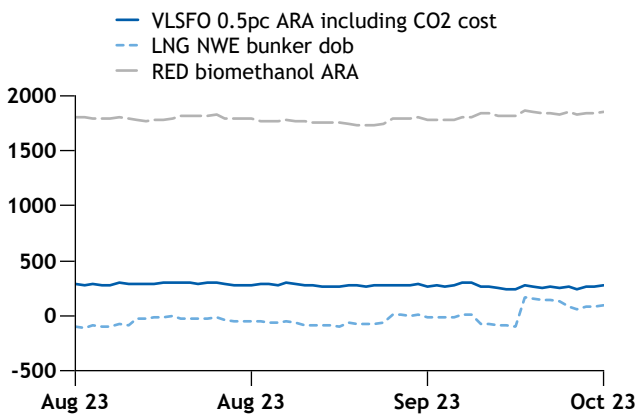


Singapore bunker prices (0.5%S, 3.5%S, MGO) \$/t

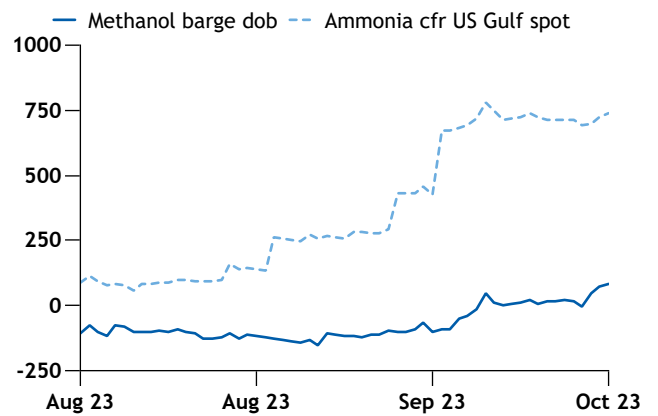


### Alternative

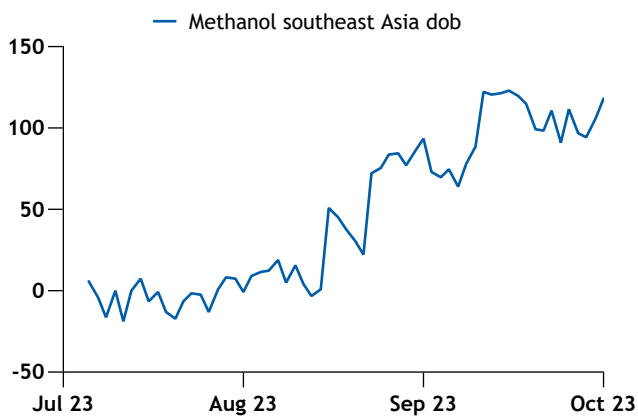
Rotterdam - LNG, others as premiums to VLSFO \$/t



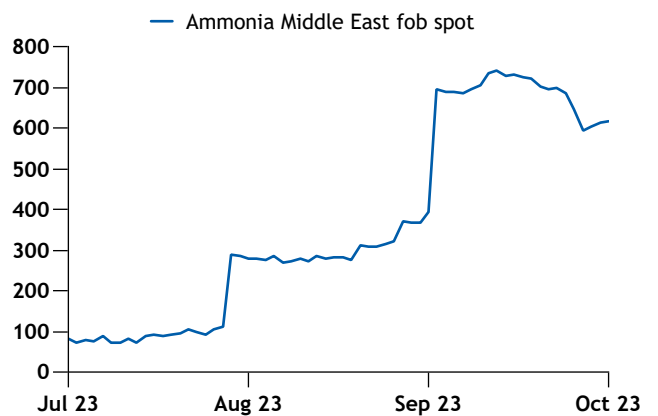
USGC - Methanol, ammonia as premiums to VLSFO \$/t



Singapore - Methanol premium to VLSFO \$/t



Middle East - Ammonia premium to VLSFO \$/t



## NEWS

**Aramco grows Asia presence with storage deal**

Saudi state-controlled firm Saudi Aramco's latest deal to store crude in its core export market South Korea further signals its shifting focus to Asia, coming on the heels of recent investments in Chinese refiners.

The South Korean deal allows Aramco to store 5.3mn bl of crude at state-owned KNOC's storage facility in Ulsan. The deal was signed during a visit by South Korean president Yoon Suk Yeol to Saudi Arabia and is part of [increased cooperation between the two countries](#) in the energy sector, KNOC said. KNOC added that by storing the crude, it has secured volumes that can be utilised in the event of an energy crisis.

KNOC also said that with oil prices fluctuating because of political instability in the Middle East owing to the Hamas-Israel conflict, it has strengthened its ability to respond to national energy security by attracting large quantities of Mideast Gulf crude into the country.

Saudi Arabia is the biggest crude supplier to South Korea. Around 890,000 b/d of Saudi crude flowed into South Korea over January-August, comprising nearly 33pc of South Korea's total crude imports. Mideast Gulf crude made up 72pc of South Korea's total crude imports of 2.72mn b/d in January-August.

The storage deal with KNOC adds to previous Aramco investments in South Korea, including a contract to [supply crude to South Korean refiner Hyundai Oilbank](#). This was part of a multi-billion swathe of agreements that Aramco signed with South Korean firms in 2019, including in ship-building and engine manufacturing.

Aramco has also extended a deal to [store crude in Japan for another three years](#) from the end of 2022, part of Japan's aims to bolster energy security.

Aramco is additionally expanding its downstream presence in China as it mulls a [10pc stake in the under-construction Shandong Yulong Petrochemical refinery](#) in China's eastern Shandong province. Aramco had earlier signed a [similar deal with private-sector Shenghong Petrochemical](#) where the Saudi energy giant said it was considering a 10pc stake in the company, which runs a 320,000 b/d refinery in Lianyungang, Jiangsu. Purchasing stakes in Chinese refineries provides an outlet for Saudi crude, especially as [Russian crude sellers turn more to Asia-Pacific](#) following EU sanctions on Russian imports. Chinese private-sector refiner Rongsheng has been lifting more Saudi crude since its new 480,000 b/d term agreement with Aramco came into effect in September, following Aramco's 10pc investment in its 800,000 b/d refinery for \$3.37bn (24.6bn yuan).

Some of Aramco's traditional customers, such as Indian refiners, have reduced Saudi crude imports as they buy

cheaper Russian crude. Saudi Arabia's share of crude imports to India [fell to 13pc in September](#) from 20pc in February 2022. But Asia-Pacific remains a key demand centre for Aramco's exports as refiners in Japan, South Korea, Singapore and southeast Asia prefer not to lift Russian crude. Asia-Pacific took at least 4mn b/d of Saudi crude in September, according to data from oil analytics firm Vortexa, close to [45pc of Saudi Arabia's crude production for the month](#).

Other Mideast Gulf producers are also maintaining a presence in Asia-Pacific. KNOC had signed a deal in January to allow Abu Dhabi's state-owned Adnoc to [store 4mn bl of crude at its Yeosu facility](#), in exchange for preferential buying rights in case of a domestic supply shortfall.

*By Azlin Ahmad*

**Nigeria works to upgrade refining capacity**

A number of small-scale Nigerian refinery expansions were announced today at the OTL Conference in Lagos as speakers underscored issues in Nigeria's self-sufficiency in domestic refinery production.

Nigerian integrated oil firm Waltersmith Group began works to expand its 5,000 b/d refinery in Imo state this month, according to its chief operating officer Alex Osho. The 5,000 b/d refinery will be expanded to 10,000 b/d nameplate capacity by the second quarter of 2025. The group aims to reach 40,000 b/d capacity at the site in the medium-term, Alex Osho added.

Meanwhile, Nigerian integrated Aradel Holdings General Manager Temitayo Ogunbajo said a premium motor spirit (PMS) processing unit was set to come online by the second quarter of next year at its 11,000 b/d refinery in River state. The company is currently exporting its naphtha in the absence of a gasoline unit at the site.

But the announcements came as Francis Ogaree, executive director of hydrocarbon processing plants, installations and transportation infrastructure at the Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA), said national refinery throughput stood at 10,000 b/d in August – a utilisation rate of just 2.1pc. Total African crude throughput was 1.95mn b/d in July-September.

Nigerian refineries are in a state of stasis, despite small-scale expansion projects. The 650,000 b/d Dangote refinery has not yet begun its start-up, despite its commissioning in July. The state-owned Nigerian National Petroleum Company (NNPC's) [210,000 b/d Port Harcourt and 125,000 b/d Warri plants are currently being rehabilitated](#), albeit to 90pc and 60pc of capacity, respectively.

A source in the NNPC also told Argus on Tuesday there are issues around the number of trained engineers capable of carrying out the maintenance works, casting doubt over

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the feasibility of the works.

The net effects are massive downstream infrastructure imbalances, with a deficit in refining capacity, according to the managing director of NNPC Trading Lawal Sade.

But the energy transition in advanced economies may be giving rise to surpluses in road fuels for west African markets. The US and Europe are diverging from west African oil product markets in their pursuit of renewable or low-carbon fuels, according to Vitol's refining and refined products senior research analyst Maryro Mendez. West Africa may be positioned to benefit from the US' coming structural long in gasoline as ethanol displaces some 500,000 b/d of gasoline in the next ten year, while Europe may see biodiesel displace 300,000 b/d of diesel in this timeframe.

Sub-Saharan African product demand is only set to grow, according to executive secretary of the African Refiners and Distributors Association Anibor Kragha. Total oil product consumption is set to reach 177mn t/yr by 2040, up from 116mn t in 2023.

*By George Maher-Bonnett*

### Asian gasoline exports build to Mexico

China and Singapore exported more gasoline to Mexico during January-September this year than any full year during 2020-22.

China exported 741,000t (23,000 b/d) to Mexico during January-September that was about three times the volumes in 2021 and 2022, according to GTT customs data. China had exported 247,000t, 246,000t and 730,500t in 2022, 2021 and 2020 respectively. The last time more Chinese gasoline was exported to Mexico was in 2019 at 1mn t for the full year and around 950,000t during January-September.

Singapore exported 905,000t during the same period in 2023 against 66,000t, 106,000t and 35,000t in 2022, 2021 and 2020 respectively.

But these flows are slowing in October with cheaper cargoes from west of Suez. Mexico's state-owned trading firm PMI emerged to buy October- and November-loading gasoline from Asia-Pacific but failed to buy because of high offers, said traders.

*By Aldric Chew*

### European refinery output tilts even lighter

Refiners in the EU-15 and Norway produced an even lighter mix of products in September, according to the latest Euroil-stock data, as some planned autumn maintenance started.

Naphtha production was mostly flat month on month, while fuel oil output was down by 2.8pc and overall output remained steady. Naphtha is the lightest of the products surveyed and fuel oil is the heaviest.

This extended the trend of the last two years, which has seen European refiners replace sanctioned Russian Urals with a mixture of alternatives averaging somewhat lighter and consequently produce a lighter mix of products. Refiners were producing 10.3pc more naphtha year on year in September and 18.2pc less fuel oil.

The additional naphtha production has put pressure on refining margins for the product in recent months. Meanwhile, the reduction in fuel oil output has supported margins for that product. Naphtha delivered to northwest Europe averaged a discount of around \$15/bl against North Sea Dated crude in the third quarter, whereas high-sulphur fuel oil (HSFO) barges at Rotterdam averaged a discount of only around \$6/bl against Dated. Comparing with pre-Covid patterns, in the third quarter of 2019, naphtha averaged a discount of around \$8/bl and HSFO averaged a discount of around \$10.50/bl.

Some planned refinery maintenance began in Europe in September. BP started a partial turnaround at its 265,000 b/d Gelsenkirchen refinery in Germany's industrial southwest. Tamoil closed its 103,000 b/d Holborn refinery in northern Germany. Valero began work on the vacuum distillation unit (VDU) at its 210,000 b/d Pembroke refinery in Wales. And Equinor began work on the fluid catalytic cracker (FCC) at its 203,000 b/d Mongstad refinery in Norway.

*By Benedict George*

### FHR Corpus Christi East refinery reports spill

Flint Hills Resources (FHR) reported a chemical spill at the 74,500 b/d East plant of its combined 343,000 b/d Corpus Christi, Texas, refinery today.

Workers were responding to the spill this morning, according to a community alert sent by FHR at 10am ET. The spill was contained within the boundaries of the plant.

It is unclear which units were affected.

FHR Corpus Christi had previously undergone emergency flaring on 23 October alongside Citgo's 167,500 b/d after a third-party power outage impacted both facilities.

*By Gordon Pollock*

### US crude stocks up by 1.4mn bl: Update

US crude inventories rose by 1.4mn bl last week to 421.1mn bl on rising imports and falling exports, the Energy Information Administration (EIA) reported today.

Stocks at the Cushing storage hub in Oklahoma rose by 213,000 bl to 21.2mn bl in the week ended 20 October, one week after falling to its lowest since 31 October 2014. Inventories at Cushing are about 5.7mn bl lower than the same week last year.

Crude inventories at the US Strategic Petroleum Reserve

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(SPR) were unchanged at 351.3mn bl. SPR stocks are not included in the overall EIA commercial crude inventory figures.

Crude imports rose by 71,000 b/d to 6mn b/d in the latest week while exports fell by 468,000 b/d to 4.8mn b/d.

Domestic crude producers maintained their record level of production at 13.2mn b/d, unchanged from the previous seven-day period.

US refiners processed 15.2mn b/d of crude, down by 207,000 b/d from the week prior as a slowdown from the summer driving season continues. The US Gulf coast region accounted for all the weekly throughput declines, falling by 229,000 b/d to 8.2mn b/d and more than offsetting smaller weekly gains in other regions.

Refinery throughputs nationwide are down by 247,000 b/d compared with the same week in 2022 with declines in the East coast, Midwest and US Gulf coast regions outweighing gains on the West coast and in the Rockies.

Refinery utilization rates on average fell to 85.6pc, down from 86.1pc a week earlier and 88.9pc in the same week last year.

The EIA will not publish the weekly Petroleum Status Report, Natural Gas Storage Report and other data from 8-10 November, but will report two weeks of data the following week.

*By Brett Holmes*

### US extends Russian energy sanctions waiver

US president Joe Biden's administration once again is reassuring foreign buyers of Russian oil, natural gas and other energy commodities that they will not face US sanctions – so long as they abide by relevant price caps on Russian oil.

The Treasury Department today re-issued a [waiver](#) that allows trade and US dollar-denominated financial transactions by foreign buyers of Russian energy products, even if they involve entities on the US sanctions list. The new waiver is valid until 1 May 2024.

The sanctions waiver does not affect the terms of price caps that the US, the EU and other members of the G7 group of advanced economies have imposed on seaborne exports of Russian crude and refined products.

The authorization is part of a complex set of actions and messaging from the Biden administration and its allies, which are keen to ensure the continued flow of Russian oil and natural gas to world markets, to prevent supply disruptions and price hikes.

The US has already banned all Russian energy imports, while the EU and UK have banned imports of Russian crude and refined products. The G7 group of advanced economies at the same time is explicitly allowing buyers in emerging economies to continue importing Russian oil and natural gas.

The G7 scheme relies on western trading companies, brokers and providers of maritime insurance and financial services to ensure that the sales price for Russian crude cargoes is at or below the \$60/bl price cap, with caps of \$100/bl for high-value products such as diesel and \$45/bl for low-value products such as naphtha.

Russian sales through non-western providers are not subject to price caps or sanctions.

The US and EU sanctions regulators have [pledged](#) to step up enforcement of the price caps by targeting the "shadow fleet" of tankers that carry the bulk of Russian oil cargoes. The stated goal of that enforcement effort is not to cut Russian exports but to force more of that trade to rely on the western providers and be subject to price caps.

Russia's crude exports have been above the \$60/bl cap since July.

*By Haik Gugurats*

### Norway's gasoline and diesel demand down

Norwegian oil product demand fell in September, with total deliveries down by 8pc on the month and 16pc lower on the year at 135,600 b/d, according to figures from government data provider Statistics Norway.

Ahead of the winter season, gasoline demand dropped by 12pc on the month to 14,800 b/d, which was 8pc down on the same time last year and the lowest since February.

Dutiable diesel demand fell to 44,900 b/d, down by 6pc from August and 17pc lower than September 2022. Total road fuel deliveries were down by 14pc year on year.

Jet fuel deliveries were lower than in August but were 20pc higher than September last year at 21,100 b/d.

*By Isabella Reimi*

### S Korea's Sept crude imports up on higher runs

South Korea's crude imports rose in September as refinery run rates recovered from a two-month low.

Overall September crude imports into South Korea increased by 13pc from August to 2.837mn b/d, according to provisional data from state-owned KNOC. South Korean refiners had operated at 75.8pc of capacity in September, up from 72.1pc in August. The refinery operating rate in August was the lowest since June.

The Middle East remained the top source of crude for South Korean refiners, accounting for around 76pc of total crude imports in September at 2.147mn b/d – up by 4.2pc from August and higher by 4.4pc from September 2021.

The country's crude intake from top supplier Saudi Arabia hit a 13-month high. South Korea boosted its imports of Saudi crude to 988,000 b/d last month, the highest volumes since August 2022, and entrenching Saudi Arabia's position

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as the largest single crude supplier to South Korea. Concerns over tightening supplies on the back of sustained voluntary Opec+ output cuts may have prompted South Korean refiners to secure Saudi imports even after state-controlled Saudi Aramco [hiked its official September crude formula prices to Asia-Pacific above market expectations](#).

KNOC recently signed a deal with Saudi Aramco to [store 5.3mn bl of crude](#) at KNOC's storage facility in Ulsan, as the two countries stepped up cooperation in the energy sector. KNOC said that by storing the crude, it has secured volumes that can be utilised in the event of an energy crisis.

South Korea also imported higher volumes from the Americas in September, as refiners resumed imports of Mexican crude after a one-month hiatus. September imports from the Americas rose by 76pc from August and by 19pc from a year earlier to 542,000 b/d. South Korea imported 199,000 b/d of crude from Mexico in September, compared to none in August. But US crude imports fell by 2.4pc on the month to 269,000 b/d, keeping the US as the fourth-largest crude supplier behind Saudi Arabia, the UAE, and Kuwait.

*By Fabian Ng*

### [Volaris has 3Q loss despite low jet fuel costs](#)

Mexican low-cost airline Volaris reported a net loss of \$39mn in the third quarter, down from a profit of \$40mn in the same period last year despite lower jet fuel costs as 13pc of its fleet faced mandatory inspections.

Volaris, the leading airline in Mexico by number of passengers carried, consumed 97.89mn USG of jet fuel in the third quarter, up by 10pc from last year, according to the company's earnings results released this week.

The airline paid an average of \$3.17/USG for jet fuel in the third quarter, 20pc below the \$3.96/USG paid in the same period of 2022, when international prices surged because of the Russia-Ukraine conflict.

But "jet fuel prices have increased quickly [compared with the last quarter], and we expect to experience volatility in jet fuel prices given the recent geopolitical circumstances," Volaris chief financial officer Jaime Pous said during the company's earnings call today.

Volaris' average cost of jet fuel increased by 17pc in the third quarter compared to the second quarter, when it averaged \$2.70/USG.

The negative financial results were partially driven by accelerated preventative inspections to aircraft engines. The airline has 16 aircraft, or 13pc of its fleet, currently grounded on mandatory inspections from engine manufacturer Pratt & Whitney. It will eventually inspect more than half of the airline's fleet, Volaris chief executive Enrique Beltranena said.

In July, Pratt & Whitney said about 1,200 of its engines would have to be inspected and partially disassembled from 2023 to 2026, including up to 72 aircraft from Volaris.

*By Antonio Gozain*

### [USGC light crude diffs under pressure](#)

US Gulf coast light crude premiums to the Nymex-quality WTI benchmark have narrowed as a seasonal slump in gasoline prices weighs on refining margins alongside lower export demand.

Physical spot trade for WTI Houston yesterday fell to its lowest premium to Nymex-quality WTI since mid-December of last year, as the US Gulf coast sweet 3-2-1 crack spread fell to \$17.03/bl, down from \$45.02/bl during the summer peak of gasoline demand.

WTI Houston traded at a 37¢/bl weighted-average premium for November delivery yesterday and is so far averaging about a 90¢/bl premium for November trade to date, with just one session remaining before expiry. In the prior trade month, the grade averaged a \$1.57/bl premium to the benchmark.

Seasonally lower gasoline prices are contributing to declining refining margins for more gasoline rich crudes, reducing demand.

The spread between Nymex RBOB gasoline futures and the Nymex WTI benchmark has collapsed to around \$11.50/bl, from nearly \$44/bl in late July. But the spread between Nymex heating oil futures and Nymex WTI has held a steadier premium of around \$44/bl over the last week, from about \$59/bl in August.

US Gulf coast refiners transitioned fully to winter specifications for gasoline last week, which include cheaper blend components like butane, decreasing the price of finished gasoline and adding further pressure to refining margins for light crude grades like WTI.

### [Ample supplies add further pressure](#)

WTI crude exports may decline in November relative to October, contributing to weaker premiums for physical WTI compared with the Nymex WTI benchmark.

Spot purchases of WTI from Asia-Pacific have decreased by 10mn bl, according to Argus estimates, falling to 45mn bl in the November load cycle.

Incremental demand from Asia-Pacific was slow to surface for November trade, as competing grades like Murban offered [more attractive prices](#), though spot activity has recently [increased](#).

As refiners come out of turnaround season, they will be looking to maximize distillate production following the summer driving season, and as heating oil demand rises in the fall and winter. Middle distillate products have held a

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steadier premium to crude futures, offering economic incentive to run heavier grades which produce more products like diesel and heating oil.

By Scott Phillips and Paul Dahlgren

### Lower gas prices drive dip in CFE's 3Q costs

Mexico's state-owned utility CFE saw operating costs decrease by 14.1pc to Ps406.9bn (\$22.3bn) during the third quarter of this year as fuel costs, predominantly natural gas prices, declined.

But despite the decline in costs, CFE reported a Ps1.57bn loss during the quarter, compared to a Ps50.7bn loss in the prior-year period.

"This was mainly due to an adjustment in international natural gas prices once the markets overcame the initial impact of the Russia-Ukraine war," CFE said Tuesday.

Global natural gas prices soared last year as European markets sought alternatives to Russian gas amid the war in Ukraine, but prices have since stabilized at \$3/GJ during the third quarter, compared to \$8/GJ in the prior-year period, CFE said.

Mexico depends on natural gas for around 58pc of its electricity generation and given the country's reliance on US pipeline gas imports, CFE is vulnerable to global gas price fluctuations.

But CFE has accumulated profits of Ps87.3bn over the first nine months of the year, resources that will help the utility to partially compensate losses it suffered during a decrease in power demand during the Covid-19 pandemic and the cost overruns incurred during a 2021 Texas freeze.

CFE was hit with a Ps50bn (\$2.5bn) cost overrun because of the spike in natural gas prices during the Texas freeze that resulted in rolling power outages for up to a week in February 2021. The utility has been paying down that price surge for the last two years.

Mexico imported 6.69 Bcf/d of pipeline gas from the US in July, up by 9.3pc from 6.12 Bcf/d in July last year, according to the US Energy Information Administration.

Combined-cycle power plants account for 39pc of Mexico's 86,153MW installed power capacity, followed by 31pc in clean energy – wind, solar geothermal, hydroelectric and biomass – with the rest divided among coal, diesel and fuel oil fired power, according to the energy ministry.

By Rebecca Conan

### Oil futures: WTI up, ME supply concerns ease

WTI crude futures traded higher today even as diplomatic efforts eased fears of broader oil market turmoil, but worries persist over the effect of a broader economic slowdown on demand.

December Nymex WTI today rose by \$1.65/bl to \$85.39/bl while December Ice Brent rose by \$2.06/bl to \$90.13/bl. The December Brent-December WTI spread widened to \$4.74/bl.

West Texas Intermediate (WTI) at Magellan East Houston terminal in Texas was shown on the Argus Crude Market Ticker (ACMT) at a prompt 40-50¢/bl bid-ask spread above the Cushing benchmark at Nymex settlement today on the final day of the November physical trade month, above yesterday's 37¢/bl volume-weighted average.

The market continues to monitor the conflict in the Middle East. US president Joe Biden told Saudi crown prince Mohammad bin Salman on 24 October that the US will defend its Middle East partners [against terrorist threats](#) whether from state or non-state actors.

Diplomatic efforts to maintain Middle East stability appear to be working, investment bank Saxo's head of commodity strategy Ole Hansen wrote in a research note this morning: "The war premium continues to deflate in response to easing fears of a wider Middle East war."

Middle East geopolitics have driven recent oil price moves, but a seasonal and broader economic slowdown reducing oil demand is also weighing on prices in the background, Hansen said.

US crude inventories [rose by 1.4mn bl last week to 421.1mn bl](#) on rising imports and falling exports, the Energy Information Administration (EIA) reported today.

Stocks at the Cushing storage hub in Oklahoma rose by 213,000 bl to 21.2mn bl in the week ended 20 October, one week after falling to its lowest since 31 October 2014. Inventories at Cushing were about 5.7mn bl lower than the same week last year. Crude inventories at the US Strategic Petroleum Reserve (SPR) were unchanged at 351.3mn bl.

Israel's Ashkelon port this week entered a third week of closure after being shut by the Israeli navy on 9 October, according to oil traders. Ashkelon averaged 242,000 b/d of arrivals from January to September, according to Vortexa data.

China's slowing economy will have a major effect on global demand for fossil fuels and other commodities, IEA executive director [Fatih Birol said on 24 October](#). China is cited as a key reason behind the IEA's forecast yesterday that demand for all fossil fuels will peak before the end of this decade, based on current policy.

Nymex RBOB today rose by 1.66¢/USG to \$2.2842/USG and Nymex ultra-low sulphur diesel fell by 1.44¢/USG to \$3.0305/USG.

By Nathan Risser

### Acapulco restoring power after hurricane

Hurricane Otis slammed into Mexico's Pacific coast city of

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Acapulco as a category five hurricane in the early hours of this morning, knocking out power and communications infrastructure and causing damage to buildings.

“The hurricane behaved atypically and so far we do not have details about loss of life as we have lost communications with the affected area,” President Andres Manuel Lopez Obrador said at his daily press conference today.

Otis made landfall in Acapulco, Guerrero state, at 2:25am ET, having strengthened to a category five hurricane from a tropical storm in just 12 hours, making it the strongest hurricane in the city’s history, according to the national weather service SMN.

The city, a major tourist hub, is also home to 852,000 people.

Around 504,340 customers lost power across Guerrero state and state power company CFE had managed to restore electricity to around 40pc of its customers as of 10.30am ET, the utility said.

The hurricane also caused landslides that have shut down highways into Acapulco and along the coast to Zihuatanejo as well as damage to the military airport, Lopez Obrador said today.

Acapulco airport operator OMA has yet to comment on whether its installations were damaged by the hurricane.

Otis had been downgraded to a category 2 hurricane by 8am ET but is expected to bring continued rain, waves of up to 7m and wind gusts of 150km/hr, SMN said.

#### West coast fuel supplies

Meanwhile, farther north on Mexico’s west coast the passage of Category 1 Hurricane Norma across Baja California did not cause major damage or interrupt fuel supplies, as state-owned Pemex said it had prepared alternate routes.

Retail fuel stations on the upper west coast received regular supply this week, multiple retailers from Sinaloa, Jalisco and Colima states confirmed.

Truck transporters also worked with Pemex to prepare ahead of Hurricane Otis to supply gasoline, diesel, and jet fuel to the affected states.

In the case of disruptions, truck transporters adjust and transport fuel from alternate terminals, even when it means higher costs for the company, one truck transporter told *Argus*.

In addition to its own fleet, Pemex’s logistics arm coordinates 140 freight companies, with around 3,300 tanker trucks at its disposal.

Pemex operates 24 of its 73 storage and distribution terminals (TARs) in west coast Mexico. These terminals are mainly supplied by the 330,000 b/d Salina Cruz refinery and imports.

*By Rebecca Conan and Antonio Gozain*

#### ANS production up again last week

Alaskan North Slope (ANS) crude production rose again last week as US west coast refinery throughputs were largely steady.

ANS crude output the week ended 20 October climbed by 4.1pc to 477,200 b/d from 458,500 b/d a week earlier, according to the Alaska Department of Revenue.

Crude inventories at the port of Valdez ended the week with 1.79mn bl, down by about 200,000 b/d from 2mn bl the prior week.

As inventories fell, ANS in-transit rose by 417,000 bl to 3.87mn bl.

Refinery runs at the US west coast – the primary destination for ANS crude – was largely steady, inching up by 10,000 b/d to 2.12mn b/d from the prior week, according to US Energy Information Administration (EIA) data. Refinery utilization was up by .6 of a percentage point last week to 85pc.

ANS for December delivery to the US west coast was last reported trading at a \$4.30/bl premium to CMA Ice Brent. A trade for January delivery against CMA ICE Brent also was reported at the same level.

*By Calder Jett*

#### Petrobras’ policy lacks transparency: Acelen

Mubadala Capital subsidiary Acelen, the owner of Brazil’s largest private refinery, has called on state-controlled Petrobras to stop harming Brazil’s business climate with its opaque refined products pricing policy.

Earlier this year Petrobras [ditched its fuel import parity policy](#) – which more closely aligned prices at the pump with global oil prices and exchange rates – in favor of greater flexibility to smooth price swings.

“Oil products are international commodities just as much as sugar, soybeans or corn,” Acelen’s chief executive Luiz de Mendonca said at a sugarcane industry event in Sao Paulo this week. “In other words, to be very direct, I think that we have lost transparency.”

Petrobras’ new consumer-friendly commercial strategy has drawn criticism from other fuel industry participants in Brazil as well, including importers which could lose market share.

Some critics also claim the policy creates insecurity for new investors in the private-sector, as Petrobras’ pricing policy is now more opaque.

“Terms are used that do not have a very clear definition, [such as] ‘Brazilianize’ prices. What does that mean?” Mendonca said, referring to a term used by President Luiz Inacio Lula da Silva [during his election campaign](#) to refer to prices that reflect the domestic market. The term has [since been](#)

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adopted by Petrobras' chief executive Jean Paul Prates.

He said the company's decision to determine its own conditions on prices also "harms investments."

His concerns were echoed by Bruno Serapiao, chief executive of sugar and ethanol producer Atvos, which is also partially owned by Abu Dhabi's sovereign fund investment arm Mubadala Capital.

"Prices of international commodities, such as oil and gasoline, need to be projected for two, three years from now," he said. "Today, we [can only] see a week ahead. Without predictability, decision-making gets very hard."

### HVO, SAF business

Still, Acelen has a bullish stance on Brazil's growth prospects and plans to invest R12bn (\$2.40bn) over 10 years to expand its business towards producing emerging biofuels, such as hydrotreated vegetable oil (HVO) and sustainable aviation fuel (SAF), as of 2026.

The move could place the company among global leaders in these segments.

Acelen should begin building the new biorefinery early next year, Mendonca told *Argus* on the sidelines of the event. It will have capacity to produce around 1bn liters/yr (20,000 b/d) using a myriad of raw materials.

"At first, we will use first generation vegetable oils," he said. "But, at a later stage, our goal is to move on to second generation raw materials, such as palm oil and macauba."

Macauba – the Brazilian yellow coconut – is an underutilized palm from Bahia state with high energy content.

The new facility should be flex-fuel, meaning it will be able to adjust its production mix towards HVO or SAF without the need to revise processes, the same as sugarcane ethanol mills.

Meanwhile, Atvos is eyeing investments to convert ethanol from its mills into bio-jet fuel through the alcohol-to-jet (ATJ) pathway, according to Mendonca.

By *Vinicius Damazio*

### US jet fuel stocks fall on demand, exports

Rising airline passenger traffic last week helped trim US jet fuel stocks to a six-week low, as domestic demand rose alongside exports.

US jet fuel inventories during the week ended 20 October fell by 3pc to 41.769mn bl, the lowest stocks since the first full week of September, according to the US Energy Information Administration (EIA).

The drop was driven by the US Atlantic coast, where jet fuel stocks fell by 14pc to the lowest since early April at to 10.7mn bl, combined with a nearly 3pc decline in the US midcontinent. Inventory gains in the US Gulf coast mitigated the drop, rising by 6.6pc to 14.6mn bl, a three-week high.

US inventories fell as jet fuel products supplied – a proxy for domestic demand – surged by 17pc to 1.726mn b/d, a six-week high. Jet fuel demand rose as airline passenger traffic climbed to the highest in 10 weeks, according to separate data from the US Transportation Security Administration.

US jet fuel exports posted even sharper gains, rising last week by 56pc to 225,000 b/d, EIA estimates show. Exports were the highest since early March and surpassed year-earlier levels by 42pc.

The upswing in exports and domestic consumption prompted refiners last week to hike jet fuel output by 3.3pc to 1.631mn b/d, a three-week high. Jet fuel output rose at the Gulf coast and west coast but eased at the Atlantic coast and midcontinent.

By *Jared Ainsworth*

### Petroecuador reviews bids for Oriente, Napo

Ecuador's state-owned Petroecuador accepted three bids for its latest pair of tenders to sell Oriente and Napo crude, with several bids rejected.

The rejected bids failed to meet a clause in the tender that participants had to present bids for two payment options – one to pay for the nominated volume 15 calendar days from the date of the bill of lading, and the other to pay for the volume in advance.

In the Oriente tender Trafigura placed a bid under the first option at a discount of \$3.97/bl to Nymex WTI and Phillips 66 placed a bid at a discount of \$1.09/bl. For the second option, Trafigura and Phillips 66 placed bids at a discount of \$4.52/bl and \$1.63/bl, respectively. PetroChina's bid for Oriente was rejected.

In the Napo tender Phillips 66 placed its bid at a discount of \$7.09/bl for the first option and a \$7.23/bl discount for the second option. Bids from Mitsubishi, Trafigura and PetroChina were rejected.

Petroecuador did not announce the winning bidders but the results are expected this week.

By *Giovann Rosales*

### US motor fuel demand down, stocks mixed: EIA

US gasoline inventories ticked up last week while diesel inventories fell to a 20-week low, as demand for both road fuels fell, according to Energy Information Administration (EIA) data.

US gasoline stocks in the week ended 20 October rose slightly from the prior week to 223.5mn bl, according to EIA data. Inventory declines on the US Atlantic coast and west coast were offset by a 2mn bl stock build on the Gulf coast.

Compared with a year earlier, gasoline inventories were

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up by 7.5pc.

US finished gasoline product supplied – a proxy for demand – declined to 8.86mn b/d, down by 0.9pc from the prior week and down by 0.7pc from a year earlier. Weekly EIA demand data is prone to sharp swings, while EIA monthly data, released with a lag, provides a more accurate picture of US demand.

**Average US gasoline prices** in the seven days ended 23 October declined for the fourth straight week to a 17-week low, according to a separate EIA report. Average prices fell by 4.3¢/USG to \$3.53/USG nationwide.

US gasoline imports decreased on the week by 7.5pc to 653,000 b/d, driven by lower shipments to the Atlantic coast, Gulf coast and west coast. Total US imports were 0.3pc lower than a year earlier.

Gasoline exports decreased on the week by 23pc to 833,000 b/d. Prior-year exports were unavailable, as the EIA in June began including fuel ethanol, a gasoline blending component, in gasoline exports, and the agency has not backfilled the new data series.

#### Diesel stocks hit 20-week low

US diesel inventories declined by 1.5pc on the week to 112.1mn bl, the lowest level since 2 June. Compared with a year earlier, diesel stocks last week were up by 5.4pc.

Demand for US diesel last week was 4.1mn b/d, down by 7.9pc from the prior week but 4.9pc higher than a year earlier.

US diesel imports of 116,000 b/d were up by 51pc from the prior week and 17pc lower than the same week last year.

Diesel exports of 1.02mn b/d were up by 26pc from the prior week and down by 16pc from a year earlier.

US jet fuel inventories decreased on the week by 3pc to 42mn bl, but jet fuel stocks were up by 16pc from a year earlier. **US airline travel** in the week ended 21 October rose to a 10-week high, according to Transportation Security Administration data.

**US refiners processed** about 15.6mn b/d of crude last week, down by 101,000 b/d from the prior week and the lowest throughputs since 10 March, a typical seasonal decline. US refinery utilization rates were flat on the week at 86pc.

The EIA said in a separate report this month that turnarounds across the US are expected to reduce refinery throughputs by 150,000 b/d in the fourth quarter compared to the same period in 2022.

The EIA will not publish the weekly *Petroleum Status Report*, *Natural Gas Storage Report* and other data from 8-10 November, but will report two weeks of data the following week.

By Nathan Risser

#### US ethanol stocks, production rise: EIA

US ethanol stocks rose in the week ending 20 October, snapping three weeks of declines, according to Energy Information Administration (EIA) data.

Domestic ethanol inventories increased by 286,000 bl to 21.4mn bl, following the 22-month low inventory levels reached the previous week. Higher stocks at the west coast and the midcontinent drove growth, but lower east coast and Rocky Mountain inventories slightly offset total gains.

US inventories were still down by 893,000 bl from a year earlier.

Domestic ethanol production rose by 5,000 b/d to 1.04mn b/d, marking the second week of growth. East coast and midcontinent production led all gains, rising by 2,000 b/d to 12,000 b/d, and 2,000 b/d to 987,000 b/d, respectively.

From a year earlier, US production was up by 7,000 b/d.

Implied gasoline demand and ethanol blending both fell, with implied gasoline demand down by 79,000 b/d to 8.86mn b/d and ethanol blending sliding by 7,000 b/d to 908,000 b/d.

US ethanol exports decreased by over 40pc on the week, falling from 112,000 b/d to 65,000 b/d.

By Payne Williams

#### ExxonMobil Beaumont refinery reports flaring

ExxonMobil's 369,000 b/d refinery in Beaumont, Texas, was flaring beginning early Tuesday afternoon.

Flaring because of operational conditions occurred early on 24 October at the Beaumont complex, according to a notice published by ExxonMobil on a community alert system website at 1:37pm ET.

It was unclear what caused the flaring or which units were involved.

#### Bolivia, Venezuela eye joint oil projects

Bolivia and Venezuela are looking at working together on refining, hydrocarbons production and petrochemical projects in the wake of the US lifting of sanctions that will ease such plans.

Venezuela's oil minister and president of state-owned oil firm PdV Pedro Tellechea and Bolivian oil minister Franklin Molina signed cooperation agreements in Caracas, Venezuela, on Tuesday. They could lead to two state-controlled Bolivian oil companies, YPFB Andina and YPFB Chaco, refining oil and developing oil and natural gas fields in Venezuela, Tellechea's office said.

Venezuela's state petrochemicals firm Pequiven and Bolivian counterparts signed a similar agreement.

Sharing oil-field data will be the first step, Tellechea said in posts to social media.

The agreements will "strengthen energy integration,

## NEWS

enabling the transfer of data from Venezuelan fields for the development of oil and gas projects," Tellechea said.

Bolivia's hydrocarbons and energies ministry said the agreements would lead to "exploration, exploitation and refining of liquid and gaseous hydrocarbons, and the diversification of petrochemicals to strengthen industrialization in the two states."

Venezuela has been expanding oil production successfully since Tellechea, an engineer and Venezuelan army colonel, took over early in 2023. But new exploration and production will be necessary if production is to surpass the present roughly 800,000 b/d and reach 1mn b/d as officials have promised.

Spanish energy transnational Repsol retains a minority stake in YPFB Andina, and also has a presence in Venezuela where it is trying to expand through a license to export offshore gas obtained from Venezuela's oil ministry earlier this year. Bolivia wholly owns YPFB Chaco.

By Carlos Camacho

### US firm seeks Venezuela oil for Curacao asphalt

US firm Global Oil Management Group (GOMG) has asked the federal government to allow it to import Venezuelan crude for an asphalt unit it plans to commission by mid-2024 at Curacao's idled Isla refinery, it said this week.

The US has [temporarily lifted sanctions](#) targeting Venezuela's oil and natural gas sector after the South American country's government and the opposition agreed last week [to ensure free and fair presidential elections due next year](#).

Although this allows such imports of Venezuela crude, GOMG has requested a specific and separate permit from the US Office of Foreign Assets Control – which administers and enforces US economic and trade sanctions – it said.

The 335,000 b/d Isla refinery is shuttered since 2019 and a unit is being readied for processing 30,000 b/d to produce asphalt for the US market, Curacao said.

The asphalt unit will be operated by GOMG's subsidiary Cort, which envisions production to start in the second quarter of 2024.

"Neighbouring Venezuela will be the most efficient source of crude for the asphalt unit," a Curacao government official who is close to the refinery told *Argus* on Tuesday. "With the slackening of sanctions on Venezuela, we expect US authorities will approve imports so the project can start."

In a separate process, Curacao's state-owned holding company RdK is reviewing 15 bids to restart and operate the Isla refinery, it said.

The holding company terminated negotiations in February with US-Brazilian consortium CPR to restart the facility that was closed after a long-term lease to PdV expired.

Dutch-controlled Curacao has failed several times to find an operator for Isla since then. China's GZE, Germany's Klesch and a consortium led by Dutch contractor Corc, among other companies, have unsuccessfully vied to run the plant.

By Canute James

### 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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## ANNOUNCEMENTS

### Proposed early 10 Nov timestamp for Asia-Pacific freight

Argus proposes to advance the timestamp of its Asia-Pacific freight assessments in the Argus Tanker Freight and Argus Dry Freight reports to 12:30pm Singapore time on 10 November, the last publication day before a public holiday in Singapore, because of a potential lack of representative market activity.

Argus will accept comments on this proposed change until 2 November. To discuss comments on this proposal, please contact Andrew Khaw at [Andrew.Khaw@argusmedia.com](mailto:Andrew.Khaw@argusmedia.com). Formal comments should be marked as such and may be submitted by email to [freightteam@argusmedia.com](mailto:freightteam@argusmedia.com) and received by 2 November. Please note, formal comments will be published after the consultation period unless confidentiality is specifically requested.



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