

OVERVIEW

- December Nymex WTI today rose by \$1.65/bl to \$85.39/bl 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. Nymex RBOB rose by 1.66¢/USG to \$2.2842/USG and ultra-low sulphur diesel fell by 1.44¢/USG to \$3.0305/USG.
- US gasoline inventories ticked higher last week while diesel inventories fell to a 20-week low while demand for both road fuels fell, according to Energy Information Administration (EIA) data. A gain in diesel exports, up by 26pc from the prior week, with gasoline exports falling helped explain the shift in domestic stock levels.
- The price of gasoline along the US Gulf coast posted ticked higher on Wednesday following the release of fresh inventory data by the US Energy Information Administration. Gasoline ranges along the US Atlantic coast were mostly unchanged despite a marginal draw on regional stockpiles last week.
- US Gulf coast diesel prices faced downward pressure from declines in both the cash differentials and Nymex ultra-low sulphur diesel (ULSD) futures. US Atlantic coast diesel markets were lower despite shrinking supplies last week.
- The Argus Renewable Volume Obligation closed the session at 11.85¢/USG, up 0.25¢/USG on the day. Physical ethanol market prices fell for a third consecutive session.

Contents

Gasoline	3
Distillates	8
Biofuels and blending components	13
Feedstocks and residual fuel oil	18
Latest news	22
Announcements	29

MARKET SUMMARY

Price	¢/USG			
	New York	Houston	Chicago	Los Angeles
CBOB/suboctane	231.170	210.580	201.880	251.380
RBOB	231.170	212.580	203.880	251.380
87 conv	243.045	221.830	201.880	
Ethanol	233.500	232.625	219.000	260.000
Jet fuel	285.050	277.985	295.410	290.910
ULSD	303.050	288.410	271.910	299.410
Bunker fuel \$/t	527.500	480.500		453.000

Differential to Nymex	¢/USG			
	New York	Houston	Chicago	Los Angeles
CBOB/suboctane	+2.750	-16.300	-25.000	+24.500
RBOB	+2.750	-14.300	-23.000	+24.500
87 conv	+14.625	-5.050	-25.000	
Jet fuel	-18.000	-17.925	-0.500	-5.000
ULSD	0.000	-7.500	-24.000	+3.500
Bunker fuel \$/t	-1.879	-9.319		-13.673

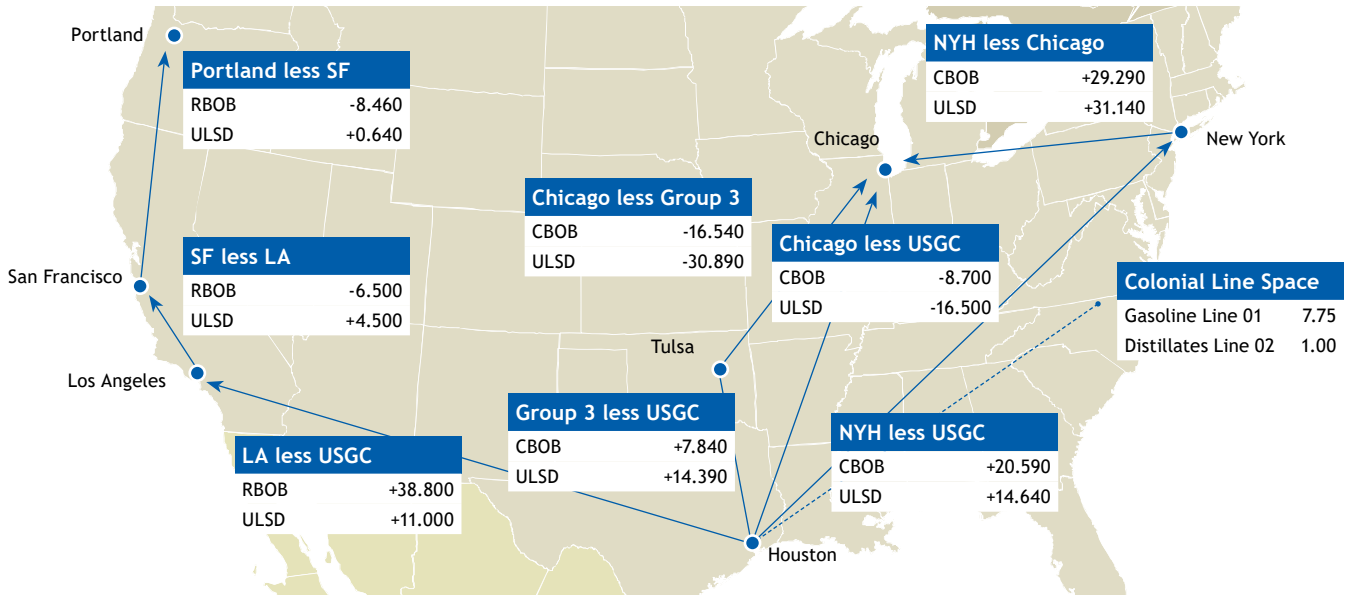
Change on day	¢/USG			
	New York	Houston	Chicago	Los Angeles
CBOB/suboctane	+1.660	+1.310	-10.640	+6.110
RBOB	+1.660	+1.060	-12.880	+6.110
87 conv	+1.660	+2.310	-10.640	
Ethanol	-6.000	-3.300	-3.300	nc
Jet fuel	-1.440	+0.485	-13.830	-9.340
ULSD	-1.565	-1.015	-1.840	-0.840
Bunker fuel \$/t	+5.000	-9.500		nc

CME Nymex futures	¢/USG	
	RBOB	ULSD
Nov	228.42	303.05
Dec	226.88	295.91
Jan	226.46	291.90
Feb	227.11	288.81
Mar	228.38	284.42
Apr	248.09	279.00

*Tables include hyperlinks to those values maintained in the Argus database.

ARGUS MARKET MAP

¢/USG



LATEST NEWS

PAGE 22

87M vs 83.7 Rbob Colonial

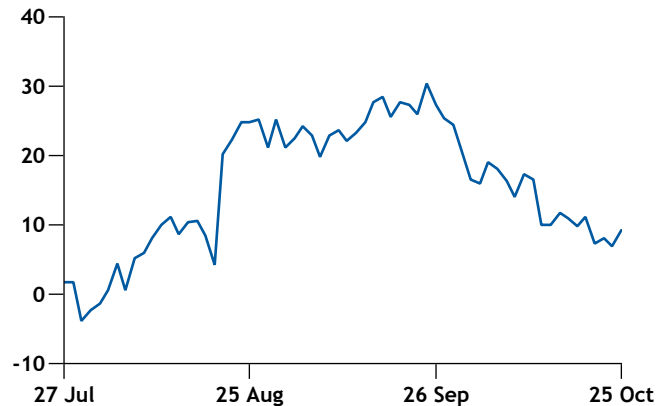
¢/USG

Infrastructure

- ExxonMobil Beaumont refinery reports flaring
- Phillips 66 Wilmington refinery flares
- Valero Three Rivers refinery SRU upsets

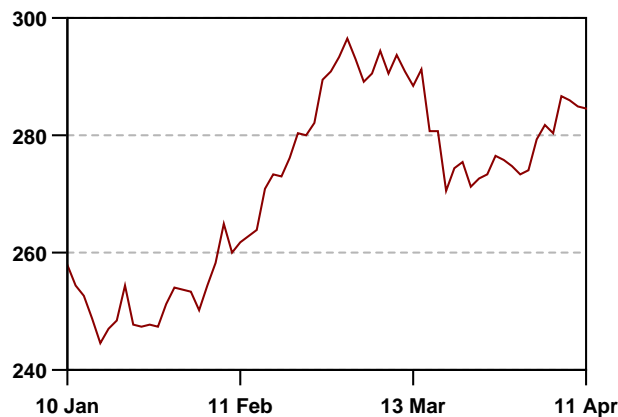
Industry

- US motor fuel demand down, stocks mixed: EIA
- ANS production up again, USWC runs steady
- US jet fuel stocks fall on demand, exports
- US truck tonnage in Sep tumbles on year: ATA
- Bolivia, Venezuela eye joint refining
- Petroecuador seeks to refine crude in the US



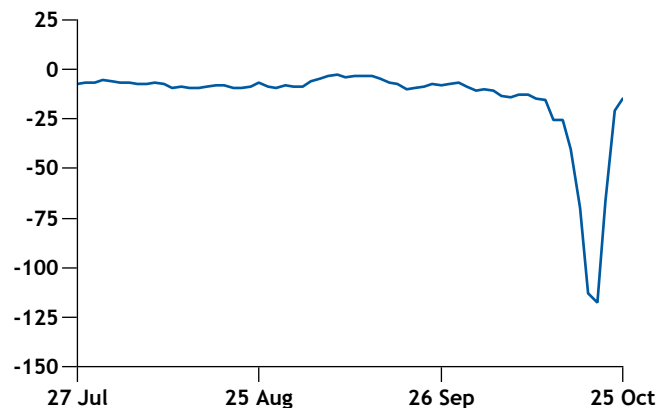
83.7 Rbob Colonial cash

¢/USG



Colonial ULSD vs Group Three ULSD

¢/USG



GASOLINE

Atlantic coast

Gasoline ranges along the US Atlantic coast were mostly unchanged on Wednesday despite a marginal draw on regional stockpiles last week.

Buckeye and barge RBOB gasoline was last done at November RBOB Nymex +1.15¢/USG yesterday for October F4 any's. Sellers today were shown at November Nymex RBOB +1.25¢/USG, though this level did not entice a bid.

Prompt F4 and 358 RBOB remained assessed either side of November RBOB Nymex +2.75¢/USG based on ranges seen yesterday. Cash prices eased lower to \$2.31/USG, down 1.66¢/USG on the day.

Newly prompt cycle 58 Colonial offline CBOB gasoline traded at November RBOB +1.25¢/USG. Forward cycle 59 saw trades struck from November RBOB +0.50¢/USG to +1.50¢/USG and cycle 60 at +0.50¢/USG. Based on rising forward curve, the prompt assessment was pegged from November RBOB +1.25¢/USG to +2.00¢/USG, lowering the midpoint by 1.13¢/USG on the day.

The most recent report from the Energy Information Administration (EIA) showed US Atlantic coast gasoline inventories drew down to 56.1mn bl last week, down around 1mn bl from the prior report.

Gulf coast

The price of gasoline along the US Gulf coast posted ticked higher on Wednesday following the release of fresh inventory data by the US Energy Information Administration (EIA) for the week ended 20 October.

National gasoline stocks rose to 223.5mn bl, according to EIA data as 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, national inventories were up by 7.5pc.

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.

Regional production of the fuel was up by 192,000 b/d to 2.25mn b/d in weekly comparison. This was roughly 4pc higher than year-ago levels.

Prompt differentials were directionally mixed following the roll to a newly prompt Colonial Pipeline cycle 62. Trades for 13.5 RVP regular CBOB (A4) ranged between December Nymex -16.85¢/USG and -15.75¢/USG, drawing the differential midpoint lower by 0.55¢/USG on the day.

Atlantic coast				¢/USG
	Basis	Differential	Price	±
New York waterborne				
87 conv inc duty 11.5	Nov	+14.50/+14.75	242.92-243.17	+1.66
87 conv ex duty 11.5	Nov	+0.91/+1.16	229.33-229.58	+1.41
Reg CBOB inc duty 12.9	Nov	+4.75/+5.50	233.17-233.92	+1.66
Reg CBOB ex duty 12.9	Nov	-8.83/-8.08	219.59-220.34	+1.41
Reg RBOB inc duty 13.5	Nov	+4.75/+5.50	233.17-233.92	+1.66
Reg RBOB ex duty 13.5	Nov	-8.83/-8.08	219.59-220.34	+1.41
89 conv inc duty 11.5			254.43-254.68	+1.66
Prem RBOB inc duty 13.5	Nov	+47.50/+48.25	275.92-276.67	+1.66
93 conv inc duty 11.5	Nov	+47.38/+47.63	275.80-276.05	+1.66
New York waterborne winter				
87 conv inc duty 11.5	Nov	+14.50/+14.75	242.92-243.17	+1.66
87 conv ex duty 11.5	Nov	+0.91/+1.16	229.33-229.58	+1.41
89 conv inc duty 11.5			254.43-254.68	+1.66
93 conv inc duty 11.5	Nov	+47.38/+47.63	275.80-276.05	+1.66
Boston waterborne				
Reg RBOB 13.5	Nov	+5.50/+6.00	233.92-234.42	+1.66
Colonial Linden				
87 conv M Cycle 58 11.5	Nov	+14.50/+14.75	242.92-243.17	+1.66
89 conv Cycle 58 11.5			254.30-254.81	+1.66
93 conv V Cycle 58 11.5	Nov	+47.00/+48.00	275.42-276.42	+1.66
Reg CBOB Cycle 58 13.5	Nov	+1.25/+2.00	229.67-230.42	+0.54
Reg RBOB Cycle 58 13.5	Nov	+3.00/+4.00	231.42-232.42	+1.16
Colonial Linden Winter				
87 conv M Cycle 58 11.5	Nov	+14.50/+14.75	242.92-243.17	+1.66
89 conv Cycle 58 11.5			254.30-254.81	+1.66
93 conv V Cycle 58 11.5	Nov	+47.00/+48.00	275.42-276.42	+1.66
Reg CBOB Cycle 58 13.5	Nov	+1.25/+2.00	229.67-230.42	+0.54
Reg RBOB Cycle 58 13.5	Nov	+3.00/+4.00	231.42-232.42	+1.16
New York barge				
Reg CBOB dead prompt 12.9	Nov	+3.50/+4.00	231.92-232.42	+1.66
Reg CBOB prompt 12.9	Nov	+2.50/+3.00	230.92-231.42	+1.66
Reg RBOB dead prompt 13.5	Nov	+3.50/+4.00	231.92-232.42	+1.66
Reg RBOB prompt 13.5	Nov	+2.50/+3.00	230.92-231.42	+1.66
Prem CBOB dead prompt 12.9	Nov	+45.00/+46.00	273.42-274.42	+1.66
Prem CBOB prompt 12.9	Nov	+45.00/+46.00	273.42-274.42	+1.66
Prem RBOB dead prompt 13.5	Nov	+45.00/+46.00	273.42-274.42	+1.66
Prem RBOB prompt 13.5	Nov	+45.00/+46.00	273.42-274.42	+1.66
Buckeye				
Reg CBOB dead prompt 12.9	Nov	+3.50/+4.00	231.92-232.42	+1.66
Reg CBOB prompt 12.9	Nov	+2.50/+3.00	230.92-231.42	+1.66
Reg RBOB dead prompt 13.5	Nov	+3.50/+4.00	231.92-232.42	+1.66
Reg RBOB prompt 13.5	Nov	+2.50/+3.00	230.92-231.42	+1.66
Prem CBOB dead prompt 12.9	Nov	+45.00/+46.00	273.42-274.42	+1.66
Prem CBOB prompt 12.9	Nov	+45.00/+46.00	273.42-274.42	+1.66
Prem RBOB dead prompt 13.5	Nov	+45.00/+46.00	273.42-274.42	+1.66
Prem RBOB prompt 13.5	Nov	+45.00/+46.00	273.42-274.42	+1.66
Laurel				
Reg CBOB 12.9	Nov	+3.50/+4.00	231.92-232.42	+1.66
Prem CBOB 12.9	Nov	+45.00/+46.00	273.42-274.42	+1.66

CME Nymex RBOB				
Price	¢/USG		Crack spread	
Month		±	Month	\$/bl
Nov	228.42	+1.66	Dec	+9.90
Dec	226.88	+1.61	Jan	+10.42
Jan	226.46	+1.78	Feb	+11.53

GASOLINE

Atlantic coast supplemental				¢/USG
	Basis	Differential	Price	±
New York barge				
Reg CBOB prompt 14.5	Nov	+0.75/+1.25	229.17-229.67	+1.66
Reg RBOB prompt 15.0	Nov	+0.75/+1.25	229.17-229.67	+1.66
Prem CBOB prompt 14.5	Nov	+43.00/+44.00	271.42-272.42	+1.66
Prem RBOB prompt 15.0	Nov	+43.00/+44.00	271.42-272.42	+1.66
Buckeye				
Reg CBOB prompt 14.5	Nov	+0.75/+1.25	229.17-229.67	+1.66
Reg RBOB prompt 15.0	Nov	+0.75/+1.25	229.17-229.67	+1.66
Prem CBOB prompt 14.5	Nov	+43.00/+44.00	271.42-272.42	+1.66
Prem RBOB prompt 15.0	Nov	+43.00/+44.00	271.42-272.42	+1.66
Laurel				
Reg CBOB prompt 14.5	Nov	+0.75/+1.25	229.17-229.67	+1.66
Prem CBOB prompt 14.5	Nov	+43.00/+44.00	271.42-272.42	+1.66

Conventional 87 finished gasoline (M4) prices rebounded by 3.31¢/USG on Wednesday, as differentials strengthened by 1.70¢/USG session-on-session.

Colonial Pipeline gasoline line space values retained most of their strength, with trades for space on the line’s 62nd cycle ranged between +7.25¢/USG and +8.25¢/USG.

Midcontinent

Chicago gasoline prices fell on Wednesday amid the region’s transition to lower cost specifications and the December Nymex RBOB contract trading basis.

Chicago’s West Shore/Badger CBOB traded at a 25¢/USG discount to the December RBOB Nymex, decreasing cash sinking cash differentials 5¢/USG lower.

Chicago’s Buckeye Complex CBOB was traded between 17.50¢/USG and 15¢/USG below the December RBOB Nymex, marking a 2.25¢/USG decrease from the previous session.

West Shore/Badger and Buckeye Complex RBOB were each assessed at a 2¢/USG premium to their respective location’s CBOB. West Shore/Badger RBOB settled at a December Nymex -23¢/USG while Buckeye Complex was at December Nymex -14.25¢/USG.

Chicago gasoline transitioned from 13.50 RVP to the less expensive 15 RVP specification on Wednesday. This RVP transition along with the change from the November Nymex basis to the December Nymex could have contributed to falling cash differentials in the region. 13.50 RVP gasoline was assessed at

Gulf coast				¢/USG
	Basis	Differential	Price	±
Colonial				
87 conv M 13.5 Cycle 62	Dec	-5.60/-4.50	221.28-222.38	+2.31
Weighted average		-5.05	221.83	
87 conv M 13.5 Cycle 63	Dec	-5.60/-4.50	221.28-222.38	+2.31
Reg RBOB F 13.5 Cycle 62	Dec	-14.85/-13.75	212.03-213.13	+1.06
Weighted average		-14.30	212.58	
Reg RBOB F 13.5 Cycle 63	Dec	-14.85/-13.75	212.03-213.13	na
Reg CBOB A 13.5 Cycle 62	Dec	-16.85/-15.75	210.03-211.13	+1.31
Weighted average		-16.51	210.37	
Reg CBOB A 13.5 Cycle 62	Dec	-16.85/-15.75	210.03-211.13	na
Reg CBOB A 13.5 Cycle 63	Dec	-16.85/-15.75	210.03-211.13	+1.44
89 conv 13.5			231.43-232.53	+3.31
Prem CBOB D 13.5 Cycle 62	Dec	+7.15/+8.25	234.03-235.13	na
93 conv V 13.5 Cycle 62	Dec	+23.40/+24.50	250.28-251.38	+3.31
93 conv V 13.5 Cycle 63	Dec	+23.40/+24.50	250.28-251.38	na
Prem RBOB 13.5 Cycle 62	Dec	+8.15/+9.25	235.03-236.13	+1.06
Prem RBOB 13.5 Cycle 63	Dec	+8.15/+9.25	235.03-236.13	na
Colonial Line Space				
Gasoline Line 01 Cycle 62			7.25/8.25	na
Weighted average			7.69	
Waterborne*				
Reg CBOB A 13.5	Dec	-15.10/-14.00	211.78-212.88	+1.06
87 conv M 13.5	Dec	-3.85/-2.75	223.03-224.13	+3.31
89 conv 13.5			233.18-234.28	+3.31
Prem CBOB 13.5	Dec	+8.90/+10.00	235.78-236.88	+1.06
93 conv V 13.5	Dec	+25.15/+26.25	252.03-253.13	+3.31
Waterborne ex-RVO*				
Reg CBOB A 13.5	Dec	-26.95/-25.85	199.93-201.03	+0.81
87 conv M 13.5	Dec	-15.70/-14.60	211.18-212.28	+3.06
89 conv 13.5			221.33-222.43	+3.06
93 conv V 13.5	Dec	+13.30/+14.40	240.18-241.28	+3.06
Texas				
Reg Texas CBOB 13.5			210.58	+1.06
Prem Texas CBOB 13.5			234.58	+1.06
Reg Texas RBOB 13.5			212.580	+1.060
Prem Texas RBOB 13.5			235.580	+1.060

*"at cost" prices - see www.argusmedia.com/methodology for more information

a 1.54¢/USG premium to 15 RVP gasoline in the prompt cycle on valuations received from market participants.

Group Three V grade suboctane gasoline traded in a range of 8¢/USG to 12¢/USG below the November RBOB Nymex, easing cash differentials lower by 4.25¢/USG from the previous session. V grade prices were down by 2.59¢/USG at \$2.18/USG, despite gains in the Nymex. The arbitrage for shipping gasoline to Group Three was at its narrowest level since 2 October with V grade only notching a 7.84¢/USG premium to US Gulf coast product. This was 0.84¢/USG over shipping costs between the two regions.

Group Three A grade 91 conventional gasoline was bid and offered in a range if 5¢/USG to 13¢/USG over the November

GASOLINE

fob USGC cargo					¢/USG
Basis	Differential	Price	±		
	¢/USG	\$/m ³	¢/USG	¢/USG	
87 Conv M	Colonial +1.50/+2.00	603.32-604.64	228.38-228.88	+1.61	
Colonial Pipeline 87 Conv M Weight Average Strip			221.83		

Delivered Florida				¢/USG
Origin	Price	±		
Port Everglades, Florida				
Reg CBOB A 13.5	USGC	222.14	+1.06	
Prem CBOB D 13.5	USGC	246.14	+1.06	
Tampa, Florida				
Reg CBOB A 13.5	USGC	220.83	+1.06	
Prem CBOB D 13.5	USGC	244.83	+1.06	

Delivered South America				\$/m ³
Origin	Price	±		
Montevideo, Uruguay				
87 conv ex-RVO	USGC	601.08	+9.11	
Eurobob Oxy	ARA	639.05	-15.61	
Buenos Aires, Argentina				
87 conv ex-RVO	USGC	602.93	+9.19	
Eurobob Oxy	ARA	640.52	-15.44	
Pozos, Colombia				
87 conv	USGC	605.75	+7.80	
Barranquilla, Colombia				
87 conv	USGC	603.91	+7.81	
Cartagena, Colombia				
87 conv	USGC	603.86	+7.80	
Callao, Peru				
87 conv ex-RVO	USGC	638.19	+8.58	

RBOB Nymex, decreasing cash differentials by 4.50¢/USG on the day.

West coast

California CARBOB markets traded on Wednesday, strengthening cash differentials and cash prices.

Prompt Los Angeles regular CARBOB cash differentials firmed when it was heard done at December Nymex +23¢/USG and +24¢/USG and confirmed traded at December Nymex +26¢/USG. This caused the cash differential midpoint to increase by 4.5¢/USG over the prior session to December Nymex +24.5¢/USG. Cash prices climbed by 6.1¢/USG to end the day at \$2.51/USG.

December Los Angeles regular CARBOB with 12.5 RVP had a bid-ask range of January Nymex +10¢/USG to +16¢/USG which

Midcontinent					¢/USG
Basis	Differential	Price	±		
Group 3					
Suboctane V 11.5 prompt	Nov	-12.00/-8.00	216.42-220.42	-2.59	
Weighted average		-10.00	218.42		
Suboctane V 11.5 any Oct	Nov	-13.38/-12.88	215.04-215.54	-2.60	
91 conv A 11.5 prompt	Nov	+5.00/+13.00	233.42-241.42	-2.84	
West Shore/Badger					
Reg CBOB 15.0 1st Nov	Dec	-25.25/-24.75	201.63-202.13	-10.64	
Reg CBOB 15.0 2nd Nov	Dec	-23.25/-22.75	203.63-204.13		
87 conv 15.0 1st Nov	Dec	-25.25/-24.75	201.63-202.13	-10.64	
87 conv 15.0 2nd Nov	Dec	-23.25/-22.75	203.63-204.13		
89 conv 15.0			229.28-229.78	-3.92	
91 conv 15.0 1st Nov	Dec	+53.75/+54.25	280.63-281.13	-2.89	
91 conv 15.0 2nd Nov	Dec	+53.00/+53.50	279.88-280.38		
Reg RBOB 15.0 1st Nov	Dec	-23.25/-22.75	203.63-204.13	-12.88	
Reg RBOB 15.0 2nd Nov	Dec	-21.25/-20.75	205.63-206.13		
Prem RBOB 15.0 1st Nov	Dec	+60.75/+61.25	287.63-288.13		
Chicago BCX					
Reg CBOB 15.0 1st Nov	Dec	-17.50/-15.00	209.38-211.88	-2.89	
Reg CBOB 15.0 2nd Nov	Dec	-17.25/-16.75	209.63-210.13		
91 conv 15.0 1st Nov	Dec	+53.75/+54.25	280.63-281.13		
Reg RBOB 15.0 1st Nov	Dec	-14.50/-14.00	212.38-212.88		
Prem RBOB 15.0 1st Nov	Dec	+60.75/+61.25	287.63-288.13		
Chicago Wolverine					
Reg CBOB 15.0 1st Nov	Dec	-17.75/-17.25	209.13-209.63		
91 conv 15.0 1st Nov	Dec	+53.75/+54.25	280.63-281.13		
Detroit					
Reg CBOB 15.0			209.38		
Prem CBOB 15.0			280.88		

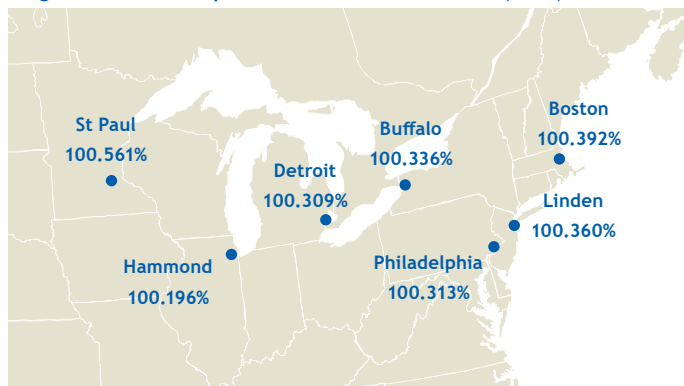
West coast					¢/USG
Basis	Differential	Price	±		
Los Angeles					
Reg CARBOB 10.5 Nov	Dec	+23.00/+26.00	249.88-252.88	+6.11	
Weighted average		+26.00	252.88		
Reg CARBOB 12.5 Dec	Jan	+10.00/+16.00	236.46-242.46	+3.78	
Prem CARBOB 10.5 Nov	CARBOB	+15.75/+16.25	267.13-267.63	+6.11	
Suboctane 11.5 Nov	Dec	+23.00/+26.00	249.88-252.88	+6.11	
Reg AZRBOB 8.0 Nov	CARBOB	+15.75/+16.25	267.13-267.63	+6.11	
Prem AZRBOB 8.0 Nov	CARBOB	+31.75/+32.25	283.13-283.63	+6.11	
San Francisco					
Reg CARBOB 12.50 Nov	Dec	+17.75/+18.25	244.63-245.13	+7.11	
Prem CARBOB 12.50 Nov	CARBOB	+21.25/+21.75	266.13-266.63	+7.11	
San Francisco waterborne					
Reg CARBOB 12.5 Nov	Dec	+19.25/+19.75	246.13-246.63	+7.11	
Reg CARBOB ex-RVO 12.5 Nov	Dec	+7.40/+7.90	234.28-234.78	+6.86	
Portland					
Suboctane 13.5 Oct	Nov	+7.75/+8.25	236.17-236.67	+1.66	

lifted the assessment by 2¢/USG over the previous session. Cash prices ended the day at \$2.39/USG, an increase of 3.8¢/USG, keeping the forward curve in backwardation.

Prompt November San Francisco regular CARBOB with 12.5

GASOLINE

Argus Gasoline Temperature Correction Factors (TCFs)



TCFs shown are for a specific terminal in that city. See [TCF Methodology](#) for details. For a given amount of fuel, the Argus TCF is the volume at 60° F divided by the volume at the real in-tank temperature. See all TCFs.

Spot crack spreads				\$/bl
Region	Basis	Yield	Spread	±
USAC	Brent	3-2-1	17.74	-1.30
USGC sweet	WTI Houston	3-2-1	16.14	-0.89
USGC sour	Mars	3-2-1	17.17	-1.72
Chicago	WCS	6-3-2-1	32.95	-3.25
Group Three	WTI Cushing	3-2-1	17.47	-3.53
USWC	ANS	5-3-1-1	10.19	-0.43

RVP traded at December Nymex +18¢/USG, increasing the assessment by 5.5¢/USG over the prior day. Outright prices rose by 7.1¢/USG to close the day at \$2.45/USG.

October Portland gasoline cash differentials continued to be unchanged at November Nymex +8¢/USG. Increased in the underlying Nymex basis boosted cash prices by 1.7¢/USG to conclude at \$2.36/USG.

US west coast total gasoline stockpiles, including CARBOB, decreased to 28.7mn bl, down from 29.7mn bl for the week ending 20 October, according to the Energy Information Administration (EIA) report. Refinery utilization rates in the region increased to 85pc, up from 84.4pc in the prior week.

Assessment rationale

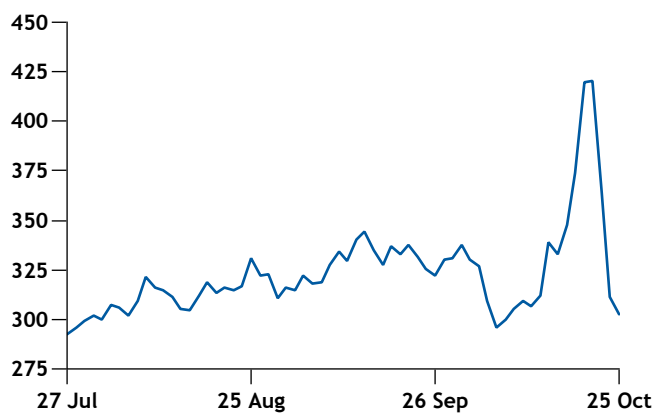
Chicago's West Shore/Badger CBOB's midpoint was assessed at the level it traded with the high and low 0.25¢/USG above and below.

The US Gulf coast regular CBOB market met the volume mini-

Gulf coast deals			
Grade	Timing	Price	Volume
Colonial A4	cycle 62	-16.85	25
	cycle 62	-16.75	25
	cycle 62	-16.75	25
	cycle 62	-16.75	25
	cycle 62	-16.75	25
	cycle 62	-16.75	25
	cycle 62	-16.50	25
	cycle 62	-16.50	25
	cycle 62	-16.50	25
	cycle 62	-16.25	25
Colonial F5	cycle 62	-16.25	35
	cycle 62	-16.25	35
Colonial M4	cycle 62	-5.50	25
Colonial line01	cycle 62	+7.25	25
	cycle 62	+7.25	25
	cycle 62	+8.00	25
	cycle 62	+8.25	25

Group Three ULSD cash

¢/USG



mums needed to calculate the VWA in accordance with the methodology.

The US Gulf coast regular RBOB F market failed to trade. A regrade value of +2.00¢/USG to regular CBOB grade, derived from the previous session, was used to set the day's range.

GASOLINE

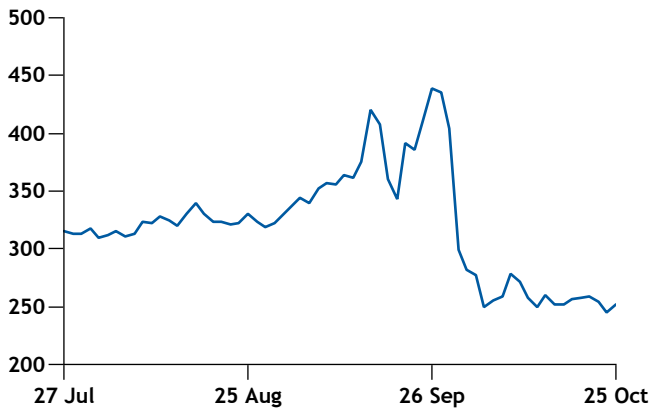
Atlantic coast deals			
Grade	Timing	Price	Volume
reg CBOB A CPL (13.50)	cycle 58	Nov +1.25	25
	cycle 59	Nov +0.50	25
	cycle 59	Nov +1.00	25
	cycle 59	Nov +1.50	25
	cycle 60	Nov +0.50	25
	cycle 60	Nov +0.50	25

West coast deals			
Grade	Timing	Price	Volume
reg CARBOB LA (10.50)	Nov	Dec +26.00	25
	Nov	Dec +26.00	25
reg CARBOB SF (12.50)	Nov	Dec +18.00	25

Midcontinent deals			
Grade	Timing	Price	Volume
reg CBOB BCX (13.50)	C3 Oct	Nov -21.00	19
reg CBOB BCX (15.00)	C1 Nov	Dec -17.50	25
	C1 Nov	Dec -15.00	10
reg CBOB West Shore (15.00)	C1 Nov	Dec -25.00	10
reg CBOB Wolverine (15.00)	C1 Nov	Dec -17.50	25
	prompt	Nov -12.00	10
suboctane V MPL Group 3 (11.50)	prompt	Nov -12.00	15
	prompt	Nov -10.00	10
	prompt	Nov -10.00	15
	prompt	Nov -8.00	10
	prompt	Nov -8.00	15

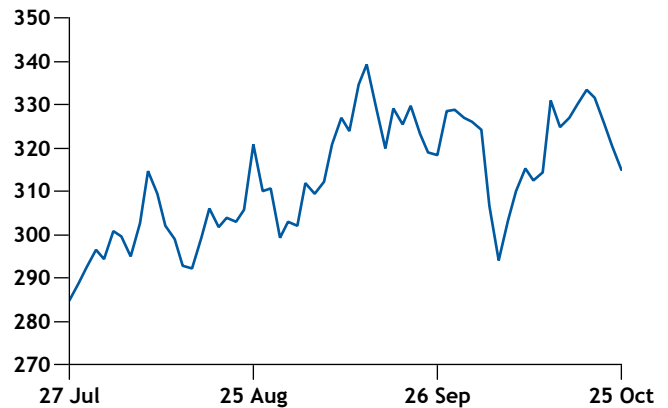
LA Carbob cash

¢/USG



Group Three jet fuel cash

¢/USG



Eurobob is switching from E5 to E10

Europe is moving to E10 gasoline, and the Argus Eurobob benchmark is moving with it. Stay ahead of the curve by switching your futures exposure to Argus non-oxy (E10) gasoline before methodologies change in January 2024.

The Argus Eurobob index is used in most physical gasoline contracts, and settles a full suite of swap futures contracts, including arbs to New York Harbor.

Argus will continue to assess Eurobob oxy (E5) gasoline, but as a premium or a discount to non-oxy (E10).

Learn more



Argus Eurobob is the benchmark for gasoline in Europe

Learn more about Argus Eurobob non-oxy and the financial markets it serves [here](#).

DISTILLATES

Atlantic coast

US Atlantic coast diesel markets were lower on Wednesday, despite shrinking supplies last week.

Buckeye and barge ultra-low sulphur diesel (ULSD) assessed either side of even to the November Nymex ULSD contract based on feedback from market sources. Cash differentials for both delivery modes shed 0.13¢/USG from yesterday's close. Cash prices were clipped to \$3.03/USG, down 1.57¢/USG.

Prompt Colonial offline ULSD on cycle 57 was assessed either side of November Nymex ULSD +7.25¢/USG. The decline on cycle 57 was based off a trade for cycle 58 at November Nymex +1.50¢/USG, which reduced cash differentials by 0.5¢/USG on the day. Cycle 59 ULSD traded from November Nymex +0.50¢/USG to even.

Ultra-low sulphur heating oil (ULSH) for prompt Buckeye and barge remained at parity. Barge trade was heard at November Nymex -8.75¢/USG for forward barrels loading 3-5 November. Bids were last seen at -10.75¢/USG for 4-8 November timing, while offers at -8.50¢/USG were seen for flexible 1-10 November timing. Based on the offer, cash differentials shed 1.5¢/USG on the prompt assessment. Colonial offline 67-grade traded at November Nymex -6.50¢/USG for cycle 56 and -7.50¢/USG for cycle 58. Prompt cycle 57 was assessed at November Nymex -7.00¢/USG.

Distillate fuel oil stockpiles, including ULSD and (ULSH), in the central Atlantic markets drew down to 13.1mn bl last week, down around 0.6mn bl, according to the most recent report from the Energy Information Administration (EIA).

Jet fuel differentials were unchanged in the Northeast today. Buckeye jet fuel with 1 November timing traded at November Nymex -18.00¢/USG, repeating the prior day's midpoint and leaving cash differentials steady. Colonial 54-grade jet fuel remained assessed even to Buckeye and barge jet. Cash prices moved 1.44¢/USG lower to \$2.85/USG.

Jet fuel production on the US Atlantic coast was reduced to 36,000 b/d last week, according to EIA data. Regional jet inventories shrank to just 10.7mn bl last week, down from 12.5mn bl in the prior week.

CME Nymex ultra low-sulfur diesel				
Price		Crack spread		
Month	¢/USG	±	Month	\$/bl
Nov	303.05	-1.44	Dec	+38.89
Dec	295.91	-0.34	Jan	+37.91
Jan	291.90	+0.20	Feb	+37.44

Atlantic coast				¢/USG
	Basis	Differential	Price	±
New York waterborne				
Heating oil	Nov	-37.00/-36.00	266.05-267.05	-1.44
ULSD	Nov	-0.25/+0.25	302.80-303.30	-1.57
Jet	Nov	-18.50/-17.50	284.55-285.55	-1.44
Kerosine	Nov	-18.00/-17.00	285.05-286.05	-1.44
ULSK	Nov	+41.00/+42.00	344.05-345.05	-1.44
Boston waterborne				
ULSHO	Nov	-4.75/-4.25	298.30-298.80	-2.94
New York barge				
Heating oil prompt	Nov	-37.00/-36.00	266.05-267.05	-1.44
Heating oil any Oct	Nov	-51.70/-50.70	251.35-252.35	+3.11
ULSHO	Nov	-9.00/-8.50	294.05-294.55	-2.94
ULSD prompt	Nov	-0.25/+0.25	302.80-303.30	-1.57
ULSD any Oct	Nov	-0.25/+0.25	302.80-303.30	-1.57
Jet	Nov	-18.25/-17.75	284.80-285.30	-1.44
Kerosine	Nov	-17.75/-17.25	285.30-285.80	-1.44
ULSK	Nov	+41.00/+42.00	344.05-345.05	-1.44
Buckeye				
ULSHO	Nov	-9.00/-8.50	294.05-294.55	-2.94
ULSD	Nov	-0.25/+0.25	302.80-303.30	-1.57
Jet	Nov	-18.25/-17.75	284.80-285.30	-1.44
Kerosine	Nov	-17.75/-17.25	285.30-285.80	-1.44
Laurel				
ULSHO	Nov	-9.00/-8.50	294.05-294.55	-2.94
ULSD	Nov	0.00/+1.00	303.05-304.05	-1.44
Jet	Nov	-18.25/-17.75	284.80-285.30	-1.44
Colonial Linden				
ULSHO Cycle 57	Nov	-7.25/-6.75	295.80-296.30	-3.69
HO 77 Cycle 57	Nov	-37.00/-36.00	266.05-267.05	-1.44
ULSD Cycle 57	Nov	+7.00/+7.50	310.05-310.55	-1.94
Jet 54 Cycle 57	Nov	-18.25/-17.75	284.80-285.30	-1.44

Gulf coast				¢/USG
	Basis	Differential	Price	±
Colonial				
ULSHO 67 Cycle 62	Dec	-18.95/-18.45	276.96-277.46	
Heating oil 77 Cycle 62	Dec	-100.00/-	195.91-197.91	-0.34
Weighted average		-99.00	196.91	
Heating oil 77 Cycle 63	Dec	-100.00/-	195.91-197.91	-0.34
ULSD 62 Cycle 62	Dec	-7.75/-7.25	288.16-288.66	-1.02
Weighted average		-7.75	288.16	
ULSD 62 Cycle 63	Dec	-8.50/-8.00	287.41-287.91	-0.89
Jet 54 Cycle 62	Dec	-18.00/-17.85	277.91-278.06	+0.49
Weighted average		-17.96	277.95	
Jet 54 Cycle 63	Dec	-18.25/-18.10	277.66-277.81	+0.49
Kerosine 55 Cycle 62	Dec	-17.75/-17.60	278.16-278.31	+0.49
Kerosine 55 Cycle 63	Dec	-18.00/-17.85	277.91-278.06	+0.49
Colonial Line Space				
Distillates Line 02 Cycle 62			+0.75/+1.25	
Waterborne*				
Heating oil	Dec	-98.25/-96.25	197.66-199.66	-0.34
Diesel 2000 ppm max sulphur	Dec	-26.00/-23.00	262.41-265.41	-2.14
ULSD 62	Dec	-6.00/-5.50	289.91-290.41	-2.14
ULSD 62 ex-RVO	Dec	-17.85/-17.35	278.06-278.56	-2.39
Jet 54	Dec	-16.25/-16.10	279.66-279.81	+0.49
Kerosine 55	Dec	-16.00/-15.85	279.91-280.06	+0.49

*"at cost" prices - see www.argusmedia.com/methodology for more information

DISTILLATES

fob USGC cargo					¢/USG
	Basis	Differential	Price	±	
		¢/USG	\$/m ³	¢/USG	¢/USG
Jet fuel A	Colonial	+2.25/+2.75	738.49-739.81	279.55-280.05	+0.44
Diesel 45 cetane	Colonial	+1.00/+1.50	759.49-760.82	287.50-288.00	-1.43
Diesel EN 590	Colonial	+1.75/+2.25	761.48-762.80	288.25-288.75	-1.43
Diesel S10	Colonial	+1.50/+2.00	760.82-762.14	288.00-288.50	-1.43
Colonial Pipeline ULSD Weight Average Strip				286.50	
Colonial Pipeline Jet fuel Weight Average Strip				277.30	

Delivered Florida					¢/USG
	Origin		Price	±	
Port Everglades, Florida					
ULSD 62	USGC		299.97	-2.14	
Jet 54	USGC		289.54	+0.48	
Tampa, Florida					
ULSD 62	USGC		298.66	-2.14	
Jet 54	USGC		288.23	+0.48	

Delivered South America					\$/m ³
	Origin		Price	±	
Santos, Brazil					
ULSD ex-RVO	USGC		783.50	-5.16	
Jet	USGC		782.91	+2.36	
Rio de Janeiro, Brazil					
Jet	USGC		782.12	+2.34	
Paranagua, Brazil					
ULSD ex-RVO	USGC		785.81	-5.11	
Itaqui, Brazil					
ULSD ex-RVO	USGC		773.21	-5.48	
Jet	USGC		771.28	+2.07	
Suape, Brazil					
ULSD ex-RVO	USGC		775.44	-5.36	
Jet	USGC		775.50	+2.17	
Montevideo, Uruguay					
ULSD ex-RVO	USGC		785.76	-5.12	
Buenos Aires, Argentina					
ULSD ex-RVO	USGC		787.77	-5.03	
Pozos, Colombia					
ULSD	USGC		784.75	-6.82	
Barranquilla, Colombia					
ULSD	USGC		782.55	-6.81	
Jet	USGC		753.80	+0.23	
Cartagena, Colombia					
ULSD	USGC		782.49	-6.82	
Callao, Peru					
ULSD ex-RVO	USGC		783.86	-5.75	
Jet	USGC		783.91	+1.83	

Includes AFRMM of 8% for Brazilian ports

Midcontinent					¢/USG
	Basis	Differential	Price	±	
Group 3					
ULSD X prompt	Nov	-0.50/0.00	302.55-303.05	-8.44	
Weighted average		-0.25	302.80		
ULSD X any Oct	Nov	-1.00/-0.50	302.05-302.55	-0.19	
Jet Q prompt	Nov	+11.75/+12.25	314.80-315.30	-5.44	
West Shore/Badger					
ULSD 1st Nov	Dec	-24.25/-23.75	271.66-272.16	-1.84	
ULSD 2nd Nov	Dec	-24.25/-23.75	271.66-272.16		
Jet 1st Nov	Dec	-2.00/+1.00	293.91-296.91	-13.83	
Jet 2nd Nov	Dec	-1.25/-0.75	294.66-295.16		
Chicago BCX					
ULSD BCX 1st Nov	Dec	-24.25/-23.75	271.66-272.16	-1.84	
ULSD BCX 2nd Nov	Dec	-24.25/-23.75	271.66-272.16		
Chicago Wolverine					
ULSD 1st Nov	Dec	-24.25/-23.75	271.66-272.16		

West coast					¢/USG
	Basis	Differential	Price	±	
Los Angeles					
Carb ULSD Nov	Dec	+3.00/+4.00	298.91-299.91	-0.84	
Weighted average		+3.50	299.41		
EPA ULSD Nov	Dec	+3.00/+4.00	298.91-299.91	+0.16	
Jet Nov	Dec	-5.25/-4.75	290.66-291.16	-9.34	
Weighted average		-5.00	290.91		
LAX					
Jet Nov	Dec	-9.25/-8.75	286.66-287.16	-9.34	
San Francisco					
Carb ULSD Nov	Dec	+7.50/+8.50	303.41-304.41	-0.34	
EPA ULSD Nov	Dec	+7.50/+8.50	303.41-304.41	-0.34	
Jet Nov	Dec	-5.25/-4.75	290.66-291.16	-9.34	
San Francisco waterborne					
Carb ULSD Nov	Dec	+9.00/+10.00	304.91-305.91	-0.34	
Carb ULSD ex-RVO Nov	Dec	-2.85/-1.85	293.06-294.06	-0.59	
Portland					
ULSD Oct	Nov	+1.00/+2.00	304.05-305.05	-1.44	

Gulf coast

US Gulf coast diesel prices faced downward pressure from declines in both the cash differentials and Nymex ultra-low sulphur diesel (ULSD) futures on Wednesday.

Colonial 62 ultra-low sulphur diesel traded from December Nymex -7.25¢/USG to -7.75¢/USG on the newly prompt cycle 62, sending differentials down by 1.8¢/USG from the previous session. This marked a third consecutive session of declines in a backwardated market. Outright prices for ULSD shed 2.14¢/USG to \$2.88/USG, marking the lowest in 13 trading days.

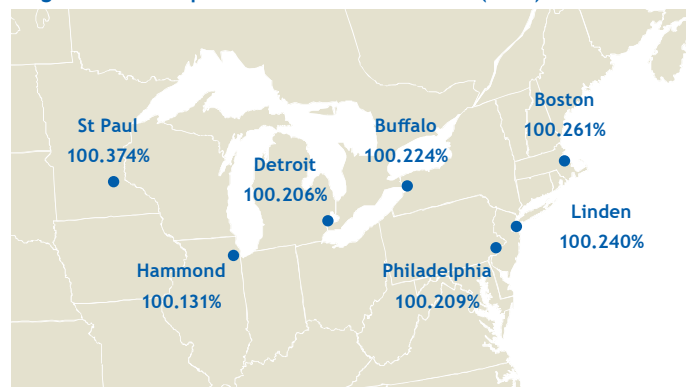
Regional ULSD prices fell despite fresh data revealing an eight-week low in stockpiles. Gulf coast diesel inventories fell by 2.6pc to 41.2mn bl last week, US Energy Information Administration (EIA) data show. Diesel production at the Gulf coast

DISTILLATES

DEF bulk, 20 Oct 23	¢/USG		
	Low	High	±
fof Atlanta	119.00	130.00	nc
fof Chicago	120.00	132.00	nc
fof Dallas	115.00	125.00	nc
fof Denver	125.00	136.00	nc
fof Los Angeles	130.00	144.00	nc
fof Philadelphia	126.00	140.00	nc

Gulf coast deals			
Grade	Timing	Price	Volume
Colonial 54	cycle 62	-18.00	25
	cycle 62	-18.00	25
	cycle 62	-18.00	25
Colonial 62	cycle 62	-17.85	25
	cycle 62	-7.75	25
	cycle 62	cycle 63 +0.75	50

Argus Diesel Temperature Correction Factors (TCFs)



TCFs shown are for a specific terminal in that city. See [TCF Methodology](#) for details. For a given amount of fuel, the Argus TCF is the volume at 60° F divided by the volume at the real in-tank temperature. See all TCFs.

was the highest in four weeks at 2.716mn b/d, up by 1.3pc from the prior week.

Prompt rolls to the 63rd cycle were done in backwardation at +0.75¢/USG.

Gulf coast jet fuel cash differentials ticked up by 0.82¢/USG on Wednesday with trades done from December Nymex -18¢/USG to -17.85¢/USG. This pushed outright prices up by 0.49¢/USG to \$2.78/USG. The forward curve for Gulf coast jet held at backwards by 0.25¢/USG per cycle in the absence of fresh trade on the cycle roll.

Gulf coast jet fuel stocks rose by 6.6pc to 14.6mn bl last week, marking a 30pc increase from the same week in 2022, EIA estimates show.

Midcontinent

Chicago's diesel and jet fuel prices fell on Wednesday after transitioning to November timings and December Nymex.

Ultra-low sulphur diesel (ULSD) at Chicago's West Shore/Badger and Wolverine pipelines traded at a 24¢/USG discount

to the December ULSD Nymex, easing cash differentials down by 2¢/USG at both locations. Outright ULSD prices for West Shore/Badger and Wolverine fell by 10.58¢/USG to \$2.72/USG.

Group Three ULSD traded flat to the November ULSD Nymex and was later reoffered at the same level, marking cash differentials down by 7¢/USG.

Prices for Group Three ULSD fell by 8.44¢/USG to \$3.03/USG, the lowest since 6 October. The arbitrage opportunity to ship ULSD to Group Three narrowed to a 14.39¢/USG premium to the US Gulf coast.

Jet fuel at Group Three received offers at a 12¢/USG premium to the November Nymex, dropping cash differentials by 4¢/USG.

Prices for Group Three jet dropped by 5.44¢/USG to \$3.15/USG. The arbitrage opportunity to ship jet fuel to Group Three narrowed to a 37.07¢/USG premium to the Gulf coast.

Chicago's West Shore/Badger jet fuel received bids and valuations in a range of 2¢/USG below the December Nymex and +1¢/USG, increasing cash differentials by 2.5¢/USG.

West Shore/Badger jet fuel prices fell by 6.08¢/USG to \$2.95/US, narrowing the arbitrage opportunity to ship jet fuel to Chicago to a 17.43¢/USG premium to the Gulf coast.

West coast

US west coast diesel cash differentials were mixed on Wednesday while jet fuel decreased.

Prompt Los Angeles in-state CARB ultra-low sulphur diesel (ULSD) and EPA ULSD, the export grade of diesel, were offered at December Nymex +4¢/USG, yet bids failed to surface. Los Angeles CARB ULSD and EPA ULSD were both assessed at December Nymex +3.5¢/USG. This lowered the cash differential for CARB ULSD by 0.5¢/USG from the previous session while pushing EPA ULSD differentials up by 0.5¢/USG. Outright prices concluded at \$2.99/USG, with CARB ULSD decreasing by 0.8¢/USG and EPA ULSD rising by 0.2¢/USG in daily comparison.

DISTILLATES

In San Francisco, November EPA ULSD and CARB ULSD continued to be at parity with each other, and cash differentials were unchanged from the prior day. Outright prices fell by 0.3¢/USG to end the session at \$3.04/USG.

October Portland ULSD differentials were unchanged in the absences of fresh information. Outright prices decreased by 1.4¢/USG to \$3.05/USG.

Production of ULSD on the US west coast was steady at 480,000 b/d for the week ended 20 October, according to data from the US Energy Information Administration (EIA). US West coast imports of ULSD increased three-fold to 24,000 b/d, up from 8,000 b/d. ULSD stocks rose by 1.7pc to 11.8mn bl.

Prompt November Los Angeles jet fuel cash differentials fell by 9¢/USG from the last assessment to December Nymex -5¢/USG based on trades. Los Angeles jet fuel with LAX only option traded at December Nymex -9¢/USG, also a decline of 9¢/USG.

Outright prices for pipeline Los Angeles jet fuel declined by 9.3¢/USG to \$2.91/US, and LAX only fell by 9.3¢/USG to \$2.87/USG.

Assessment rationale

The Colonial Linden ULSD market did not trade. Prompt Cycle 57 moved lower in relation to cycle 58, with the same spread as the previous day maintained.

The USAC Buckeye ULSD market did not trade. Feedback from market sources pegged the midpoint at even to the November Nymex ULSD contract.

The lowest price for Colonial ULSD 62 was set using a deal level in a narrow afternoon trading window, while the high price was set using the highest heard deal from market participants.

The NYH Barge ULSD market did not trade. Feedback from market sources pegged the midpoint at even to the November Nymex ULSD contract.

The USAC Colonial Linden ULSH market did not trade. Feedback from market sources pegged prompt cycle 57 at November Nymex ULSD -7.00¢/USG.

The USAC barge ULSH market did not trade. Offer levels at -8.50¢/USG, were used to set the day's high and the midpoint 0.25¢/USG below that.

The USAC Buckeye jet market was set either side of a trade reported at November Nymex ULSD -18.00¢/USG.

USAC barge jet did not trade. With no new information detected, barge jet remained assessed at parity with Buckeye jet.

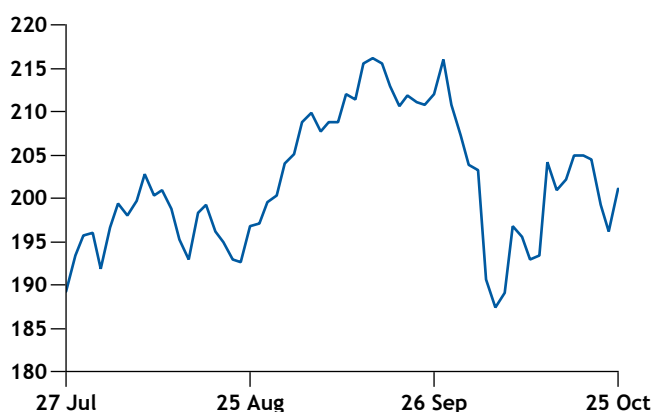
Atlantic coast deals			
Grade	Timing	Price	Volume
Diesel ULSD 62 CPL	cycle 59	Nov +0.00	25
	cycle 59	Nov +0.50	5
Heating oil 67 CPL	cycle 56	Nov -6.50	25
	cycle 58	Nov -7.50	25
Jet fuel Buckeye	1 Nov	Nov -18.00	25

Midcontinent deals			
Grade	Timing	Price	Volume
Diesel ULSD BCX	C3 Oct	Nov -30.00	15
	C3 Oct	Nov -30.00	15
	C3 Oct	Nov -30.00	15
	C3 Oct	Nov -28.00	10
	C3 Oct	Nov -25.00	15
Diesel ULSD MPL Group 3	prompt	Nov +0.00	10
Diesel ULSD West Shore	C1 Nov	Dec -24.00	10
	C1 Nov	Dec -24.00	10
Diesel ULSD Wolverine	C1 Nov	Dec -24.00	25
Jet fuel E Chicago	C3 Oct	Nov +5.00	25

West coast deals			
Grade	Timing	Price	Volume
Jet fuel LA	Nov	Dec -5.00	25
Jet fuel LA LAX-only	Nov	Dec -9.00	25

NYH 1.0pc sulphur fuel oil cash

\$/bl



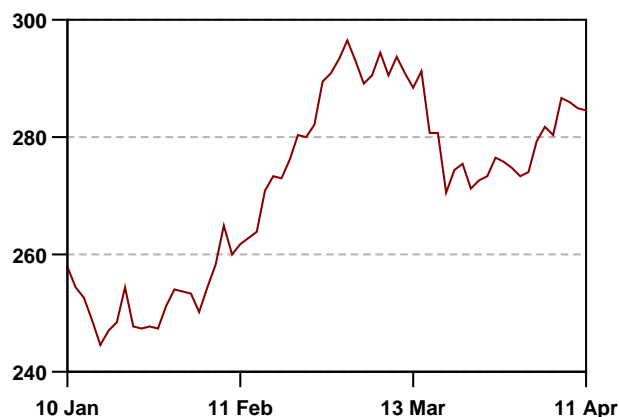
CLEAN PRODUCT FORWARD CURVES

Physical				¢/USG	
Timing	Basis	Differential	Price	±	
87 conv M Colonial Linden					
Cycle 58	Nov	+14.50/+14.75	242.92-243.17	+1.66	
Cycle 59	Nov	+14.50/+14.75	242.92-243.17	+1.66	
Cycle 60	Nov	+14.50/+14.75	242.92-243.17		
Reg CBOB A Colonial Linden					
Cycle 58	Nov	+1.25/+2.00	229.67-230.42	+1.29	
Cycle 59	Nov	+0.50/+1.50	228.92-229.92	+1.41	
Cycle 60	Nov	+0.25/+0.75	228.67-229.17		
Reg RBOB New York barge					
Prompt	Nov	+2.50/+3.00	230.92-231.42	+1.66	
10 days forward	Dec	+2.00/+2.50	228.88-229.38	+1.61	
15 days forward	Dec	+1.50/+2.00	228.38-228.88	+1.61	
20 days forward	Dec	+1.25/+1.50	228.13-228.38	+1.61	
Any Oct	Nov	+1.05/+1.25	229.47-229.67	+0.94	
Prem RBOB New York barge					
Prompt	Nov	+45.00/+46.00	273.42-274.42	+1.66	
10 days forward	Dec	+46.00/+47.00	272.88-273.88	+6.11	
15 days forward	Dec	+45.50/+46.50	272.38-273.38	+5.61	
20 days forward	Dec	+45.00/+46.00	271.88-272.88	+5.11	
87 conv Colonial M					
Cycle 62	Dec	-5.60/-4.50	221.28-222.38	+2.31	
Cycle 63	Dec	-5.60/-4.50	221.28-222.38	+2.31	
Cycle 64	Dec	-5.60/-4.50	221.28-222.38	+2.31	
Cycle 65	Dec	-5.60/-4.50	221.28-222.38	+2.31	
Reg CBOB Colonial A					
Cycle 62	Dec	-16.85/-15.75	210.03-211.13	+1.31	
Cycle 63	Dec	-16.85/-15.75	210.03-211.13	+1.44	
Cycle 64	Dec	-16.85/-15.75	210.03-211.13	+1.56	
Cycle 65	Dec	-16.85/-15.75	210.03-211.13		
Heating oil New York barge					
Prompt	Nov	-37.00/-36.00	266.05-267.05	-1.44	
10 days forward	Dec	-42.11/-41.11	253.80-254.80	+0.06	
15 days forward	Dec	-54.36/-53.36	241.55-242.55	+1.56	
20 days forward	Dec	-66.61/-65.61	229.30-230.30	+3.06	
Any Oct	Nov	-51.70/-50.70	251.35-252.35	+3.11	
ULSH Colonial Linden					
Cycle 57	Nov	-7.25/-6.75	295.80-296.30	-3.69	
Cycle 58	Nov	-7.75/-7.25	295.30-295.80	-3.94	
Cycle 59	Nov	-8.50/-7.50	294.55-295.55	-4.19	
ULSD New York barge					
Prompt	Nov	-0.25/+0.25	302.80-303.30	-1.57	
10 days forward	Dec	+6.89/+7.39	302.80-303.30	-1.94	
15 days forward	Dec	+6.89/+7.39	302.80-303.30	-1.94	
20 days forward	Dec	+6.89/+7.39	302.80-303.30	-1.94	
Any Oct	Nov	-0.25/+0.25	302.80-303.30	-1.57	
ULSD Colonial Linden					
Cycle 57	Nov	+7.00/+7.50	310.05-310.55	-1.94	
Cycle 58	Nov	+1.25/+1.75	304.30-304.80	-1.94	
Cycle 59	Nov	0.00/+0.50	303.05-303.55	-1.69	

Physical (continued)				¢/USG	
Timing	Basis	Differential	Price	±	
Jet New York barge					
Prompt	Nov	-18.25/-17.75	284.80-285.30	-1.44	
10 days forward	Dec	-9.36/-8.86	286.55-287.05	+2.31	
15 days forward	Dec	-7.61/-7.11	288.30-288.80	+5.81	
20 days forward	Dec	-5.86/-5.36	290.05-290.55	+9.31	
Jet Colonial Linden					
Cycle 57	Nov	-18.25/-17.75	284.80-285.30	-1.44	
Cycle 58	Nov	-16.50/-16.00	286.55-287.05	+2.31	
Cycle 59	Nov	-14.75/-14.25	288.30-288.80	+5.81	
Kerosine New York barge					
Prompt	Nov	-17.75/-17.25	285.30-285.80	-1.44	
10 days forward	Dec	-8.86/-8.36	287.05-287.55	+2.31	
15 days forward	Dec	-7.11/-6.61	288.80-289.30	+5.81	
20 days forward	Dec	-5.36/-4.86	290.55-291.05	+9.31	
Heating oil Colonial 77					
Cycle 62	Dec	-100.00/-	195.91-197.91	-0.34	
Cycle 63	Dec	-100.00/-	195.91-197.91	-0.34	
Cycle 64	Dec	-100.00/-	195.91-197.91	-0.34	
Cycle 65	Dec	-100.00/-	195.91-197.91		
Heating oil Colonial 77 Linden					
Cycle 57	Nov	-37.00/-36.00	266.05-267.05	-1.44	
Cycle 58	Nov	-49.25/-48.25	253.80-254.80	+0.06	
Cycle 59	Nov	-61.50/-60.50	241.55-242.55	+1.56	
ULSD Colonial 62					
Cycle 62	Dec	-7.75/-7.25	288.16-288.66	-1.02	
Cycle 63	Dec	-8.50/-8.00	287.41-287.91	-0.89	
Cycle 64	Dec	-9.25/-8.75	286.66-287.16	-1.02	
Cycle 65	Dec	-10.00/-9.50	285.91-286.41	-1.64	
Cycle 66	Dec	-10.75/-10.25	285.16-285.66	-2.27	
Cycle 67	Jan	-7.49/-6.99	284.41-284.91		
Jet Colonial 54					
Cycle 62	Dec	-18.00/-17.85	277.91-278.06	+0.49	
Cycle 63	Dec	-18.25/-18.10	277.66-277.81	+0.49	
Cycle 64	Dec	-18.50/-18.35	277.41-277.56	+0.49	
Cycle 65	Dec	-18.75/-18.60	277.16-277.31	+0.49	
Cycle 66	Dec	-19.00/-18.85	276.91-277.06	+0.49	
Cycle 67	Jan	-15.24/-15.09	276.66-276.81	-3.46	

Refined products swaps

¢/USG



– Argus US Refined Products Forward Curves

BIOFUELS AND BLENDING COMPONENTS

RINs	¢/RIN		±
	Low	High	
Renewable fuel (ethanol D6)			
Weighted average		87.80	
2022	87.00	88.00	+2.50
2023	87.00	88.00	+2.25
2024	85.25	86.25	+2.75
Biomass-based diesel (D4)			
2022	90.25	90.75	+2.75
2023	87.25	88.50	+2.13
2024	86.75	87.25	+1.75
Cellulosic biofuels (D3)			
2022	347.00	349.00	-1.00
2023	348.00	350.00	-1.00
2024	297.75	298.25	+8.00
Advanced biofuels (D5)			
2022	89.25	89.75	+2.75
2023	86.25	87.50	+1.63
2024	85.75	86.25	+1.75
Renewable volume obligation (RVO) ¢/USG			
2022		11.26	+0.29
2023		11.85	+0.25

RIN spreads	¢/RIN			
	Today	±	Prior day	5-day avg
Category spreads, 2022				
Biodiesel D4-ethanol D6	3.000	+0.250	2.750	2.125
Biodiesel D4-advanced biofuel D5	1.000	nc	1.000	1.000
Advanced biofuel D5-ethanol D6	2.000	+0.250	1.750	1.125
Category spreads, 2023				
Biodiesel D4-ethanol D6	0.375	-0.125	0.500	0.250
Biodiesel D4-advanced biofuel D5	1.000	+0.500	0.500	0.900
Advanced biofuel D5-ethanol D6	-0.625	-0.625	0.000	-0.650
Category spreads, 2024				
Biodiesel D4-ethanol D6	1.250	-1.000	2.250	1.625
Biodiesel D4-advanced biofuel D5	1.000	nc	1.000	1.000
Advanced biofuel D5-ethanol D6	0.250	-1.000	1.250	0.625
Vintage spreads, 2022-2023				
Biodiesel D4	2.625	+0.625	2.000	2.025
Advanced biofuel D5	2.625	+1.125	1.500	1.925
Ethanol D6	0.000	+0.250	-0.250	0.150
Vintage spreads, 2023-2024				
Biodiesel D4	0.875	+0.375	0.500	0.475
Advanced biofuel D5	0.875	-0.125	1.000	0.575
Ethanol D6	1.750	-0.500	2.250	1.850

Tier 3 (CCO) sulphur credits	\$/mn USG credits		
	Low	High	±
Standard	3300.00	3500.00	nc

Ethanol

Physical ethanol market prices fell for a third consecutive session, as market participants largely shrugged off the weekly Energy Information Administration (EIA) report.

Front month CBOT corn futures fell by 4¢/bushel to 480¢/bushel due to favorable weather reports in South America.

Chicago Rule 11 railcars weakened by 1¢/USG to 214¢/USG

Ethanol	¢/USG		±
	Low	High	
Chicago			
Argo same-day	222.00	224.00	
Argo in-tank prompt	218.00	220.00	-3.30
Weighted average		218.00	
Argo in-tank any Oct	216.00	218.00	-2.00
Rule 11 rail prompt	213.00	215.00	-1.00
New York Harbor			
Barge any Oct	230.00	237.00	-6.00
New Jersey			
Sewaren in-tank prompt	244.50	246.50	-5.00
US Gulf coast/south			
Houston barge/rail	228.75	236.50	-3.30
Tampa rail	235.25	237.75	-3.30
Atlanta rail	226.25	229.75	-3.30
Dallas rail	226.50	234.75	-3.30
Nebraska			
Union Pacific rail	197.00	199.00	-2.00
BNSF rail	197.00	199.00	-2.00
Los Angeles			
Low-carbon intensity rail	257.50	262.50	nc
Brazil			
fob anhydrous \$/m ³	585.00	611.00	+0.50
fob anhydrous BRL/m ³	2,925.88	3,055.92	+0.89
del anhydrous \$/m ³	636.00	648.00	-5.00
del anhydrous BRL/m ³	3,180.95	3,240.97	-26.76

Biodiesel	¢/USG		
	Differential	Price	±
New York Harbor fob barge			
B100 Nov	+191.75/+201.75	494.80-504.80	+1.56
B99 Nov	-40.00/-30.00	263.05-273.05	-1.44
Houston rail/barge			
B100 Nov	+201.75/+206.75	504.80-509.80	+1.56
B99 Nov	-30.00/-25.00	273.05-278.05	-1.44
Chicago In-tank transfer Argo			
B100 Nov	+204.25/+209.25	507.30-512.30	+1.56
B99 Nov	-27.50/-22.50	275.55-280.55	-1.44
San Francisco fob			
B99 Nov	-25.50/-20.50	277.55-282.55	-1.44
Los Angeles fob			
B99 Nov	-17.50/-12.50	285.55-290.55	-1.44

Renewable diesel	¢/USG	
	Price	±
Los Angeles R99	332.89-337.89	-0.72
San Francisco R99	337.39-342.39	-0.22

50:50 split of retroactive blenders tax credit (BTC)	¢/USG
Credit	
BTC	0.00

Benzene credits	¢/USG	
	Low	High
CCO	90.00	105.00
		nc

Sustainable aviation fuel (SAF)	¢/USG		
	Bid	Ask	±
SAF del US west coast	683.05	684.23	-21.95

BIOFUELS AND BLENDING COMPONENTS

Blendstocks			¢/USG	
	Basis	Differential	Price	±
Alkylate				
NY barge ex duty	Nov	+29.50/+30.50	257.92-258.92	+1.66
Houston	87 NLT 9 RVP	+47.05/+49.05	268.88-270.88	+1.61
diff to Nymex RBOB	Dec	+42.00/+44.00	268.88-270.88	+1.61
Raffinate				
Houston	87 NLT 9 RVP	-45.95/-44.95	175.88-176.88	+1.61
diff to Nymex RBOB	Dec	-51.00/-50.00	175.88-176.88	+1.61
Reformate				
NY barge ex duty	Nov	+70.50/+71.50	298.92-299.92	+1.66
Houston	87 NLT 9 RVP	+75.05/+78.05	296.88-299.88	+0.11
diff to Nymex RBOB	Dec	+70.00/+73.00	296.88-299.88	+0.11
MTBE				
			Price	±
fob USGC			268.25-268.75	+1.75
Ethanol forward curves			¢/USG	
		Chicago	New York	
Oct		216.00-218.00	230.00-237.00	
Nov		198.00-200.00	207.25-214.25	
Dec		181.00-183.00	188.75-195.75	
Jan		164.00-166.00	170.25-177.25	
Biofuel spreads				
			Differential	
Ethanol crush \$/bushel			+1.25	
Heating oil-soybean oil ¢/USG			-0.91	
Futures				
			Settlement	
CBOT corn ¢/bushel				
Dec 23		480.00	-4.00	
Mar 24		494.50	-3.50	
May 24		503.00	-3.00	
Jul 24		508.75	-3.00	
CBOT soybean oil ¢/lb				
Dec 23		52.60	+1.28	
Jan 24		51.75	+1.10	
Mar 24		51.24	+1.08	
May 24		51.01	+1.05	
CBOT soybeans ¢/bushel				
Nov 23		1,288.25	-7.00	
CBOT soybean meal \$/t				
Dec 23		429.20	-5.00	

based on railcars with timing for this week being bid and offered at 213¢/USG and 215¢/USG.

Prompt in-tank transfers at Kinder Morgan's Argo terminal dipped by 3.3¢/USG to 219¢/USG following deals at 218¢/USG and 220¢/USG emerging. October any in-tank transfers slid by 2¢/USG to 217¢/USG as they traded at a 6¢/USG discount to

Carbon					
Vintage	Del	Bid	Ask	Price	±
California carbon allowances (CCA) \$/t					
2023	Oct 23	37.14	37.24	37.19	+0.19
2023	Dec 23	37.53	37.63	37.58	+0.18
2024	Dec 24	40.45	40.55	40.50	+0.26
Washington carbon allowances (WCA) \$/t					
	Oct 23	51.80	52.20	52.00	nc
2023	Dec 23	52.20	52.60	52.40	nc
CCA price ¢/USG		Winter		Summer	
Regular CARBOB		29.89	+0.15	29.97	+0.15
Month index Sep				29.57	+0.83
Midgrade CARBOB		29.89	+0.15	29.90	+0.16
Month index Sep				29.50	+0.83
Prem CARBOB		29.91	+0.15	29.84	+0.15
Month index Sep				29.44	+0.83
ULSD				38.07	+0.19
Month index Sep				37.56	+1.06
WCA price ¢/USG		Winter		Summer	
Regular gasoline		41.65	nc	42.65	nc
Month index Sep				42.65	-11.56
Midgrade gasoline		41.88	nc	42.71	nc
Month index Sep				42.71	-11.58
Prem gasoline		42.12	nc	42.76	nc
Month index Sep				42.76	-11.60
ULSD				53.23	nc
Month index Sep				53.23	-14.44
Quebec carbon price for gasoline, diesel C¢/l					
Gasoline				11.50	+0.10
Gasoline month index Sep				11.14	+0.37
Diesel				14.30	+0.13
Diesel month index Sep				13.86	+0.46
California low-carbon fuel standard (LCFS) credits \$/t					
LCFS		68.00	69.00	68.50	-0.50
VWA MTD				68.41	
Number of trades MTD				12	
Volume MTD				92,828	
Oregon LCFS credits \$/t					
LCFS		140.00	145.00	142.50	nc
Washington LCFS credits \$/t					
LCFS		62.00	66.00	64.00	nc
California LCFS premium per carbon intensity point ¢/USG					
Ethanol				0.56	nc
Biodiesel				0.86	-0.01
California LCFS cost for gasoline, diesel ¢/USG					
CARBOB				9.26	-0.07
ULSD				10.41	-0.07
Crude CI deficit Carbob				0.90	-0.01
Crude CI deficit diesel				1.01	-0.01
Canada CFR cost* C¢/l					
Canada - Gasoline				1.81	+0.03
Canada - Diesel				2.02	+0.04
Canada - marine gasoil \$/t				17.34	+0.26
Atlantic Canada - Gasoline				3.80	+0.09
Atlantic Canada - Diesel				4.23	+0.09

*Modelled series representing cost of compliance.

dead prompt in-tank transfers.

New York Harbor front month barges were freshly valued between 230¢/USG and 237¢/USG, dropping 6¢/USG to 233.5¢/

BIOFUELS AND BLENDING COMPONENTS

USG.

Prompt in-tank transfers at Sewaren were dealt 244.5¢/USG and 246.5¢/USG, retreating by 5¢/USG to 245.5¢/USG on the day.

Iowa and Nebraska railcars on the Union Pacific rail line ticked lower by 2¢/USG to 198¢/USG after volumes shipping this week exchanged hands at 197¢/USG and 199¢/USG, respectively.

Brazil

Ethanol values moved in mixed directions across Brazilian assessments this Wednesday, with markets reacting to sector data both in Brazil and in the US.

Trading activity remained sluggish in the domestic spot market in response to a persistent gap between buyers and sellers' price ideas. Still, most local producers felt encouraged to raise their offer levels after a report from sugarcane industry association Unica reiterated a scenario of greater hydrous ethanol demand. As a result, the *Argus* hydrous price assessment increased by R9/m³ to R2,714/m³ ex-mill Sao Paulo state inc-tax.

Imported anhydrous cargoes from the US Gulf Coast moved downwards, retreating by \$5/m³ to \$674-686/m³ cif Brazil, in tandem with losses in Chicago ethanol papers today as the market digested bearish weekly sector data released by the Energy Information Administration (EIA).

Export quotes closed the session at \$574-611/m³ fob Santos, up by just \$0.5/m³ from Tuesday, amid minor exchange rate fluctuations.

RINs

Credit gains on D4 and D6 supported the Argus Renewable Volume Obligation (RVO).

The RVO closed Wednesday's session at 11.85¢/USG, up 0.25¢/USG on the day.

Ethanol D6 RIN credits with 2023 vintage were dealt between 87¢/RIN and 88¢/RIN, boosting their value by 2.25¢/RIN. Prior year credits were offered flat to 2023 D6 credits while 2024 credits were valued at a 1.75¢/RIN discount.

2023 biomass-based diesel D4 credits were dealt between 87.25¢/RIN and 88.5¢/RIN over the course of the day, trading flat to 2023 D6 credits at certain points. Prior year credits exchanged hands at 90.5¢/RIN while transactions for D4 RINs with 2024 vintage were confirmed at 87¢/RIN.

Deals for cellulosic biofuel D3 credits with 2023 vintage

Ethanol deals			
Grade	Timing	Price	Volume
Chicago Argo	30 Oct-9 Nov	218.00	5
	30 Oct-9 Nov	218.00	5
	30 Oct-9 Nov	218.00	5
	30 Oct-9 Nov	218.00	5
	30 Oct-9 Nov	218.00	5
Nebraska UP	26-28 Oct	197.00	4
	26-28 Oct	197.00	4
	26-28 Oct	199.00	4
Sewaren in-tank	30 Oct-9 Nov	244.50	5
	30 Oct-9 Nov	246.50	5

RINS deals			
Grade	Timing	Price	Volume
Biodiesel	2022	90.50	1350
	2023	88.00	1350
	2023	88.50	1000
	2024	87.00	500
Cellulosic	2023	348.00	500
	2023	348.00	500
	2023	350.00	350
	2023	350.00	500
Ethanol	2024	298.00	1000
	2023	87.00	500
	2023	87.50	1000
	2023	88.00	1000
	2023	88.00	1000
	2023	88.00	1500
	2024	85.25	2000
	2024	85.50	1300

were struck between 348¢/RIN and 350¢/RIN, dropping their value by 1¢/RIN. Prior year credits were bid at 347¢/RIN and offered at 349¢/RIN. Trades involving 2024 vintage materialized at 298¢/RIN during the session, while deals at 300¢/RIN were done after the assessment window.

Assessment rationale

The RVO was calculated as per the [Argus methodology](#).

Biodiesel

The soybean oil-heating oil (BOHO) spread was pushed higher by losses in the heating oil market and gains in soybean oil futures on Wednesday.

B100 premiums rose by 3¢/USG across the New York Har-

BIOFUELS AND BLENDING COMPONENTS

bor, Houston and Chicago markets, along with 2023 vintage D4 RIN values which increased by 2¢/RIN to 88¢/RIN. B99 biodiesel cash differentials were unchanged absent new market indications.

November ULSD futures dipped by 1.4¢/USG to 303¢/USG, while front-month CBOT soybean oil futures firmed by 1.3¢/lb to 52.6¢/lb, pushing the BOHO spread higher by 11¢/USG to 91.5¢/USG.

Assessment rationale

No B99 fob NYH barge deals were reported amid lack of trade activity for prompt volumes. Absent of new information, the assessment was unchanged.

Argentina

In Argentina, differentials for soybean oil lots held steady on Wednesday, while futures benchmark values rallied in Chicago.

Product to be shipped in November remained unchanged at CBOT -10.9¢/lb. On the December front, differentials rose by 0.5¢/lb to CBOT -11¢/lb.

For the upcoming months, January discounts settled at CBOT -10¢/lb, rallying by 1¢/lb. February physical market shed 1¢/lb to CBOT -13¢/lb.

Futures benchmark rebounded, closing at 52.60¢/lb, up by 1.28¢/lb.

RED-certified biodiesel edged lower \$1/t to \$1,105.71/t fob Rosario.

CCAs

California Carbon Allowances (CCAs) moved higher Wednesday in a relatively volatile session, building on anticipation for an upcoming California-Quebec joint workshop.

December 2023 CCAs rose by 18¢ to \$37.58/metric tonne after trading 77 times for nearly 1.4mn t. The contract traded as high as \$37.77/t early in the second half of the session but pulled back later to limit the day's gains.

Prompt-month CCAs moved up by 19¢ to \$37.19/t after trading four times for 30,000t.

December 2024 CCAs rose by 26¢ to \$40.50/t and traded nine times for over 300,000t. The contract traded at its highest price of the year so far, at \$40.63/t, in the first half of the session.

California allowances traded to just under their record highs during the session but retreated over the second half to

limit the day's gains. The early-day rise in trade values came as market participants look to a workshop next month to be held by the California Air Resources Board (CARB) and the Quebec environmental ministry. The 16 November workshop will cover the results of each agency's independent allowance cost modeling covering three potential 2030 emissions-reduction targets and the reduced allowance budgets CARB is considering this year.

Prompt and forward year contracts, which achieved modest gains earlier this week have risen more significantly over the past two sessions.

Washington Carbon Allowances (WCAs) have returned to quieter market movements as participants await the cost containment auction next month. The auction will offer 5mn allowances on 8 November at a fixed Tier 1 price of \$51.90/t.

WCAs for December 2023 remained at \$52.40/t, with prompt-month allowances steady at \$52/t. Neither contract traded today.

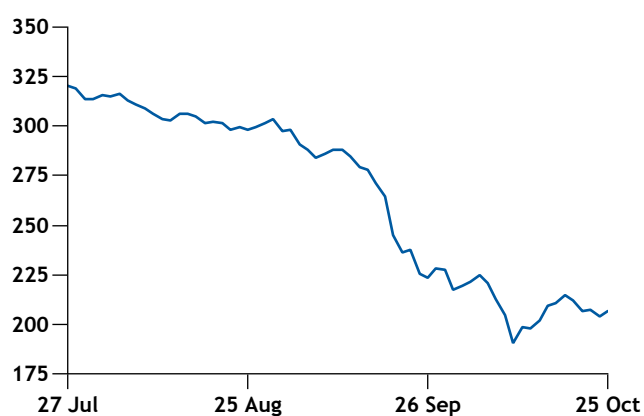
LCFS

California Low Carbon Fuel Standard (LCFS) credits fell today in a lightly traded session.

Spot credits fell by 50¢ to \$68.50/metric tonne. Fourth quarter 2023 credits traded at least twice at \$69/t before trading at \$68.50/t. Third quarter 2024 credits traded at least twice at \$72/t.

Trade started slowly and discussion never spread much wider than the two traded transfer periods. Some market par-

Chicago fob B100 vs Nymex heating oil ¢/USG



BIOFUELS AND BLENDING COMPONENTS

Participants focused on California Carbon Allowances (CCA) stoked by a regulatory workshop during the session.

US independent refiner Calumet intends to expand its Montana Renewables plant in Great Falls, Montana, by 3,000 b/d to 18,000 b/d in 2025. The company could convert that additional capacity to sustainable aviation production in the future. Rising consumption of renewable diesel have weighed on both LCFS and federal renewable identification number (RIN) credit prices and slashed petroleum diesel demand in California.

British Columbia's Ministry of Energy, Mines and Low Carbon Innovation will hold three presentations and question-and-answer sessions next month on upcoming changes to the province's Low Carbon Fuel Standard. Changes contemplated to begin next year include requiring reductions to jet fuel carbon intensity beginning in 2025 and a minimum renewable jet fuel blending requirement beginning in 2028.

The US Commodity Futures Trading Commission will release draft guidance on standardizing the voluntary carbon offsets market by the end of the year, the agency's top official [said today](#). The commission does not have direct jurisdiction over futures contracts but can act against fraud or manipulation in offsets listed on futures markets.

Blending components

Reformat cash differentials along the US Gulf coast moved lower on Wednesday.

Offers and bids of 96.4 octane/1.38 RVP reformat in the low +50¢/USG range resulted in generic 100 octane/1 RVP

reformat finishing the session down by 1.5¢/USG to December Nymex +71.5¢/USG.

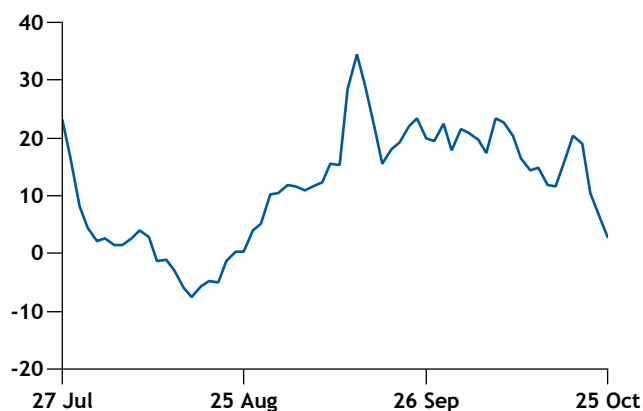
Raffinate was heard unchanged at -50.5¢/USG, while alkylate was level at +43¢/USG.

After two straight days of declines, the December Nymex was higher on Wednesday, ending the day up by 1.66¢/USG.

Gulf coast gasoline prices were higher by 3.31¢/USG.

Weekly inventories of Gulf coast components rose by 3.3pc to 31mn bl in the week ending 20 October, according to data from the Energy Information Administration (EIA). Stocks reached 30mn bl during the same week in 2022, the EIA said.

Physical Chicago vs CBOT ethanol futures ¢/USG



FEEDSTOCKS AND RESIDUAL FUEL OIL

Vacuum gasoil

VGO cash differentials to Brent crude were stagnant on Wednesday despite emerging reports of higher cargo offers.

There had been talk of VGO cargo offers extending to January Brent +\$10/bl and +\$11/bl, but there was no buying interest close to those levels.

These much higher offer levels were also contrary to consecutive days of weak product cracks at the Gulf coast.

The cargo talk may have surfaced after an unplanned fluid catalytic cracker (FCC) outage at a major's refinery on the Mississippi River over the past weekend.

The said refiner was reportedly considering selling cargoes after the outage, including a low sulphur VGO cargo originating from India.

However, there were no specific discussions revealed and the higher offers were not attributed to any seller in particular.

Meanwhile, the mentioned FCC on the River may restart in the coming weekend, according to some market sources.

To this end, the refiner purportedly purchased a barge of VGO on the Mississippi River on Tuesday, but no details emerged due to confidentiality.

VGO buying indications had been mentioned far below publication levels, but actual bids had been hard to pin down.

Tight barging remained an obstacle to trading. The lack of liquidity has obscured VGO values, making it difficult to exact changes in assessment.

The VGO market will also transition to pricing against the January Brent next week, and most VGO discussions are already pegged to this basis.

Similar sluggishness was reported in related low sulphur markets, with barges difficult to secure.

The atmospheric tower bottoms (ATBs) market was quiet as well, with no new prices detected after tracing VGO values lower earlier in the month.

CME Nymex		
	Price	±
WTI crude \$/bl		
Dec	85.39	+1.65
Jan	84.69	+1.72
Feb	83.86	+1.72
Henry Hub natural gas \$/mmBtu		
Nov	3.010	+0.04
Dec	3.376	+0.05

Vacuum gasoil Gulf coast			
	Basis	Differential	Price
Differential to WTI \$/bl			
0.5% cargo	Dec	+10.24/+10.74	95.63-96.13
0.5% barge	Dec	+9.24/+9.74	94.63-95.13
1.0% cargo	Dec	+10.24/+10.74	95.63-96.13
1.0% barge	Dec	+9.24/+9.74	94.63-95.13
2.0% cargo	Dec	+10.24/+10.74	95.63-96.13
2.0% barge	Dec	+9.24/+9.74	94.63-95.13
Differential to Ice Brent \$/bl			
0.5% cargo	Dec	+5.50/+6.00	95.63-96.13
0.5% barge	Dec	+4.50/+5.00	94.63-95.13
1.0% cargo	Dec	+5.50/+6.00	95.63-96.13
1.0% barge	Dec	+4.50/+5.00	94.63-95.13
2.0% cargo	Dec	+5.50/+6.00	95.63-96.13
2.0% barge	Dec	+4.50/+5.00	94.63-95.13
Differential to 70:30 87 conv/heating oil ¢/USG			
0.5% cargo		+11.59/+12.78	227.69-228.88
0.5% barge		+9.21/+10.40	225.31-226.50
1.0% cargo		+11.59/+12.78	227.69-228.88
1.0% barge		+9.21/+10.40	225.31-226.50
2.0% cargo		+11.59/+12.78	227.69-228.88
2.0% barge		+9.21/+10.40	225.31-226.50
Differential to 70:30 87 conv/ULSD ¢/USG			
0.5% cargo		-15.86/-14.67	227.69-228.88
0.5% barge		-18.24/-17.05	225.31-226.50
1.0% cargo		-15.86/-14.67	227.69-228.88
1.0% barge		-18.24/-17.05	225.31-226.50
2.0% cargo		-15.86/-14.67	227.69-228.88
2.0% barge		-18.24/-17.05	225.31-226.50
70:30 formulas ¢/USG			
87 conv waterborne/heating oil		+2.22	215.42-216.79
87 conv waterborne/ULSD		+1.68	243.09-244.01

Naphtha barge Gulf coast			
	Basis	Differential	Price
Heavy (40 N+A) ¢/USG	87 NLT 9 RVP	-49.70/-44.70	173.88-178.88
Heavy (40 N+A) \$/t			619.01-636.81
Heavy (40 N+A) diff to Nymex RBOB ¢/USG	Dec	-53.00/-48.00	173.88-178.88
Full range ¢/USG	87 NLT 9 RVP	-57.70/-49.70	165.88-173.88
Full range \$/t			602.14-631.18
Full range diff to Nymex RBOB ¢/USG	Dec	-61.00/-53.00	165.88-173.88
LSR/LV ¢/USG	C5	+4.50/+6.50	156.50-162.25
LSR/LV \$/t			622.87-645.76
Natural gasoline ¢/USG			152.00-155.75
Natural gasoline \$/t			638.40-654.15

Light cycle oil				
	Basis	Differential	Price	±
0.5% sulphur	HO pipe	+69.45/+69.96	266.36-266.87	-0.95
2.0% sulphur	HO pipe	+68.45/+68.96	265.36-265.87	-0.95

FEEDSTOCKS AND RESIDUAL FUEL OIL

The low sulphur VGO premium to low sulphur fuel oil (LSFO) was unchanged at \$3.25/bl, with differentials for both products stable on the day.

VGO barge differentials to December Brent had been unchanged since last Friday due to thin trading and a lack of transparency.

Barge prices have been consistently at parity across all VGO sulphur grades for the same reason. VGO cargo prices have also maintained a notional \$1/b premium to barges without firm negotiations and verified business.

The higher offer levels cited at double-digit premiums to Brent defied current bearishness in the US market as well as weakened VGO values observed in Europe this week.

Outright VGO cash prices gained alongside a stronger crude complex on Wednesday. December Brent was up \$2.06/bl to \$90.13/bl, \$1.01/bl above the January Brent and \$4.74/bl over the December Nymex WTI at \$85.39/bl.

Thin liquidity prevailed in the light cycle oil (LCO) market on Wednesday, with no firm deals or discussions noted.

Prices for lower sulphur LCO remained pegged around a 12¢/USG discount to the ultra-low sulphur diesel (ULSD) less Renewable Volume Obligation (RVO) basis, delivered Houston.

Recent selling interest on the Mississippi River was not seen reiterated on Wednesday.

Cash prices for ULSD and heating oil maintained a down-trend. The ULSD premium to heating oil narrowed to 91.5¢/USG from 93.3¢/USG with greater losses observed for ULSD on the day.

The Argus RVO was assessed at 11.85¢/USG on Wednesday, up 0.25¢/USG from the prior session.

Naphtha

Differentials for N+A naphtha gave back some of the previous session's gains on Wednesday alongside a stronger gasoline complex.

Cash prices for the Gulf coast waterborne conventional 13.5 RVP (GC WB M4) gasoline were up by 3.31¢/USG on the day while the December Nymex RBOB gained 1.61¢/USG on settlement.

Trading interest was improved, with business reported done for both heavy virgin naphtha (HVN) and good-quality full-range N+A naphtha that had the potential to enter the gasoline blending market.

HVN was reportedly traded around December Nymex RBOB -52¢/USG on a fob basis, but product specifications and other

Residual fuel oil		
	Price	±
Waterborne* \$/t		
NYH 0.5% fuel oil delivered	613.67-617.04	+3.77
USG 0.5% fuel oil fob	615.35-618.72	+13.87
New York waterborne \$/bl		
0.3% low pour	98.13-98.63	+0.56
0.3% high pour	98.13-98.63	+0.56
0.5%	91.13-91.63	+0.56
1.0%	84.34-84.52	+2.05
3.0%	77.05-77.55	-0.16
Gulf coast waterborne \$/bl		
0.5%	91.38-91.88	+2.06
3.0%	73.64-73.84	-0.16
RMG	74.05-74.55	-0.16
0.5% vs Brent \$/bl		
NYH	+1.00/+1.50	-1.50
USGC	+1.25/+1.75	0.00
0.5% vs WTI \$/bl		
NYH	+6.44/+6.94	-1.16
USGC	+6.69/+7.19	+0.34

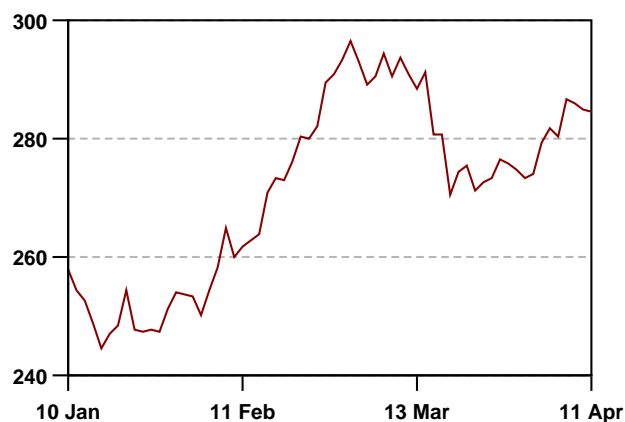
**The \$/bl and \$/t assessments for 0.5% sulphur fuel oil prices in the New York and US Gulf are assessed independent of each other. They are not directly correlated by fixed conversion factors due to density variables.*

Marine gasoil		¢/USG	
Nov	Differential	Price	±
New York 0.5%	-39.00/-38.00	264.05-265.05	-1.44

Bunker fuel		\$/t	
	Price	±	
	380cst		
New York	525.00-530.00	+5.00	
Philadelphia	530.00-535.00	+18.50	
Houston	478.00-483.00	-9.50	
Los Angeles	451.00-455.00	0.00	
Los Angeles 0.5%S	654.00-659.00	-10.00	
Seattle	458.50-463.50	-7.00	

Residual fuel oil swaps

¢/USG



– Argus US Refined Products Forward Curves

FEEDSTOCKS AND RESIDUAL FUEL OIL

details could not be verified. This would translate to around December Nymex RBOB -50¢/USG on a delivered basis.

A barge of good quality full-range N+A naphtha with 63.6 API, 40ppm sulphur, 6.2 RVP and 61 octane changed hands at December Nymex RBOB -55¢/USG on a fob basis.

Values for this good quality full-range barge typically overlaps with the lower end of the HVN price range.

A Calcasieu-quality N+A naphtha barge was offered at December Nymex RBOB -52¢/USG, delivered basis Gulf coast. Buying interest for this Calcasieu-quality barge was noted at December Nymex RBOB -58¢/USG, delivered Gulf coast. No business was confirmed to this end as of Wednesday afternoon. This grade is typically pegged between HVN and full-range N+A naphtha price ranges.

Other HVN talks were heard pegged between December Nymex RBOB -55¢/USG by -50¢/USG, fob Gulf coast on barges.

Gasoline blending and export demand for naphtha seemed to have improved slightly, but still overall thin.

Buying interest for HVN cargo volumes was slightly improved with bids seen moving up to the mid-50s¢/USG discounts to December Nymex RBOB on a fob Gulf coast basis.

The full-range N+A naphtha discount to HVN remained between 5-8¢/USG on Wednesday.

Light naphtha discussions were mostly inconclusive Wednesday.

Light sour naphtha available on barge for October delivery was offered up to a 6.75¢/USG premium to natural gasoline (C5), but buying interest was reported at C5 +4.5¢/USG.

Light sweet naphtha was offered at a 8.5¢/USG premium to November C5 for next month timing. The October-November C5 spread is noted at a 1.5¢/USG carry.

Explorer injects for November were discussed between C5 +2.75¢/USG by +3.75¢/USG.

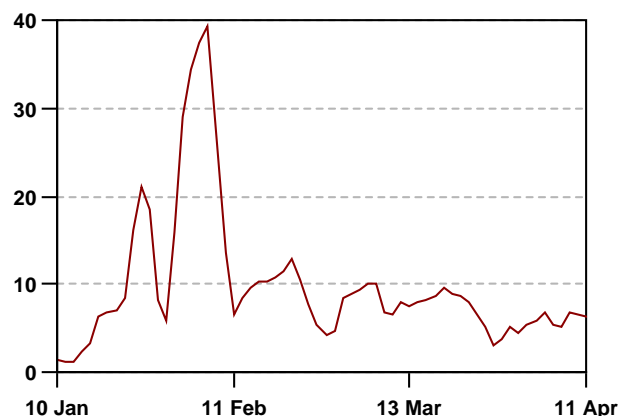
Fuel oil

US residual fuel oil prices continued to follow movements in crude futures on Wednesday as trade activity remained thin following the release of data revealing increased stockpiles and trimmed exports.

The price of US Gulf coast 0.5pc low-sulphur fuel oil (LSFO) climbed by \$2.06/bl to \$91.63/bl, a three-session high. Cash differentials remained steady at December Brent +\$1.50/bl as prices tracked an upswing in December Brent crude futures, which rose by \$2.06/bl to \$90.13/bl. December Brent crude

Antilles, FOB St Croix, posted prices					
	25 Oct	24 Oct	20 Oct	19 Oct	17 Oct
Gasoline 95r ¢/USG	259.00	265.00	278.00	271.00	272.00
Gasoline 92r ¢/USG	254.00	260.00	273.00	266.00	267.00
Jet/Kerosine ¢/USG	319.00	323.00	326.00	322.00	322.00
Gasoil 0.1%S¢/USG	301.00	307.00	317.00	310.00	314.00
Fuel oil \$/bl	92.00	94.00	97.00	95.00	92.00

NYH ethanol vs Chicago ethanol ¢/USG



settled \$1.01/bl above January Brent crude, widening from a spread of \$0.91/bl on Tuesday.

Gulf coast 3.5pc high-sulphur fuel oil (HSFO) changed hands at \$72.55/bl during a narrow afternoon trading window, but product specifications were not revealed. The market valued non-window HSFO at a \$1.75/bl premium to the window trade, causing prices to shed \$0.16/bl to \$74.30/bl, an eight-session low.

Gulf coast HSFO prices fetched the widest discount to LSFO in six months at \$17.33/bl, deepening from a \$15.11/bl spread on Tuesday.

US residual fuel oil stockpiles ticked up by 1.9pc to 27.3mn bl during the week ended 20 October, according to US Energy Information Administration (EIA) data. This came as stock draws at the US Atlantic coast, midcontinent, and west coast were offset by builds at the Gulf coast. Atlantic coast fuel oil stocks rose by 8.8pc to 6.2mn bl last week, while Gulf coast inventories eased by 1.9pc to 15.5mn bl, a six-week low.

US residual fuel oil exports were reduced by 77pc to 36,000 b/d, marking a 76pc decline from a year earlier to the

FEEDSTOCKS AND RESIDUAL FUEL OIL

lowest for any week since late February.

LSFO prices at the Atlantic coast rose by \$2.06/bl to \$92.88/bl on Wednesday, while cash differentials held at December Brent \$2.50/bl by +\$3/bl. Atlantic coast HSFO remained at a \$3/bl premium to Gulf coast 3.5pc HSFO.

Marine fuels

US Gulf spot bunker demand picked up on Wednesday. Houston market activity was up on cheaper prices. New Orleans prices gained tracing crude. The US Atlantic market activity remained soft.

In Houston, 600t of very low-sulphur fuel oil (VLSFO) sold at \$594/t with 150t of marine gasoil (MGO) at \$885/t ex-wharf. At nearby, Bolivar Roads, Texas, 200t of high-sulphur 380cst was quoted ex-wharf at \$483/t for 30-31 October. In Galveston, Texas, 300t of MGO went for \$1,033/t delivered.

In New Orleans, 600-800t of VLSFO sold ex-wharf at \$600/t

with 150-250t of MGO at \$885/t plus \$15,000 barging for 7 November. At the same port, 800t of VLSFO went for \$600/t ex-wharf. Lastly, 225t of MGO sold ex-wharf at \$905/t.

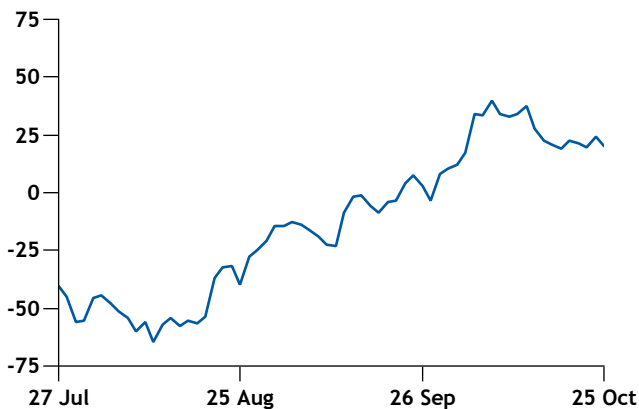
TotalEnergies' shipping arm CSSA booked tanker Amazon Virtue to load on 3 November from northwest Europe with the option to offload in the US Gulf coast or the Mediterranean.

A clip of 500t of MGO went for \$955/t ex-wharf in New York. In a combined ex-wharf deal in Philadelphia, 150t of VLSFO sold at \$620/t with 100t of MGO at \$920/t ex-wharf.

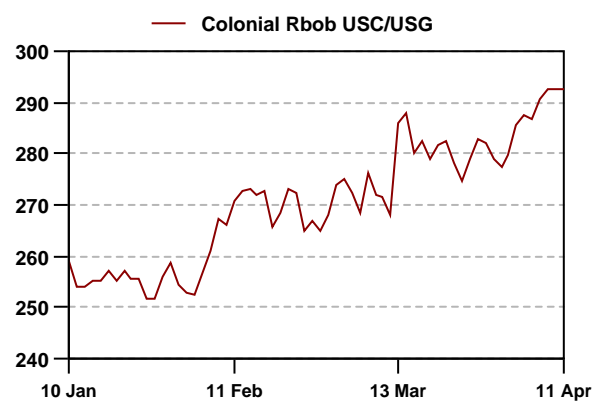
US Pacific coast bunker demand remained light on Wednesday. Market players waited to see if prices would continue to decrease. In Vancouver, British Columbia, 250-350t of VLSFO went for \$630/t ex-wharf with \$9,000 barging for 2 November. The Los Angeles to Singapore VLSFO premium fell to \$32.5/t. Prices at the two ports diverged.

For a full list of daily, spot bunker deals and firm price quotes collected by Argus globally [click here](#).

Gulf coast ethanol vs Colonial RBOB ¢/USG



New York ethanol ¢/USG



INFRASTRUCTURE NEWS

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.

Phillips 66 Wilmington refinery flares

Phillips 66 reported flaring at the Wilmington, California, side of their 139,000 b/d Los Angeles refinery this morning.

Planned flaring began at 10:43am ET, according to a notice filed by Phillips 66 with local environmental regulators. Flaring is expected to end by 29 October.

It is unclear which units will be affected.

The Wilmington side of the Los Angeles refinery is currently undergoing a turnaround from 21 September to 31 October because of an "essential operational need", according to an earlier filing.

Valero Three Rivers refinery SRU upsets

Valero reported a sulphur recovery unit (SRU) upset at its

89,000 b/d Three Rivers, Texas, refinery beginning on 24 October.

A temporary process upset occurred on the unit, resulting in excess sulphur dioxide and carbon monoxide emissions beginning at 1pm ET, according to a regulatory filing.

Workers made operational changes to the unit to reduce flaring, and the unit was expected to be brought to normal operations by 1pm on 25 October, according to the filing.

SRUs help to remove sulphur and other impurities from refinery products and gas streams.

Spill at FHR Corpus Christi East refinery

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

INDUSTRY NEWS

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 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 Oc-

tober 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.

INDUSTRY NEWS

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 turn-arounds 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

ANS production up again, USWC runs steady

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 0.6 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

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 mid-continent. 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.

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

By Jared Ainsworth

US truck tonnage in Sep tumbles on year: ATA

US freight carried by trucks declined in September by 4.1pc from the same month last year, the steepest drop in nearly three years, according to the American Trucking Association (ATA).

The year-over-year decrease was the largest for the ATA's seasonally-adjusted truck tonnage index since November 2020, when the transportation industry was weathering the greatest

INDUSTRY NEWS

impacts of the Covid-19 pandemic.

Strong truck tonnage numbers from September 2022, which was a cycle high, contributed to the significant year-over-year drop, according to the ATA.

Compared with August, the index declined in September by 1.1pc to 113.9. The truck tonnage index is calculated monthly from a trucking activity survey of industry participants regarding, using 2015 as a base year at 100.

September's drop was the seventh consecutive year-over-year decline. Still, the index had increased from the prior month in three of four months during May-August

, and the latest drop likely indicates "a bottom has been hit in truck freight tonnage," ATA chief economist Bob Costello said.

The trucking industry had a rocky start to 2023 as large less-than-truckload (LTL) firm Yellow [declared bankruptcy and ceased operations this summer](#) after years of financial woes. Additionally, leading package carrier UPS is poised to report on Thursday its first quarterly earnings since inking a [comprehensive overhaul of its contract with the Teamsters Union](#) to avoid a strike in late July.

Trucking represents almost three quarters of freight tonnage carried across all modes of transportation in the US, so trends in the trucking industry can serve as an indicator of the health of the transportation industry and overall economy.

By Gordon Pollock

NorthAm transborder freight down in Aug: BTS

Total freight carried between the US, Canada, and Mexico declined by 1.7pc in August from the same time a year earlier, according to the Bureau of Transportation Statistics (BTS).

Total transborder freight fell 1.7pc to \$138bn in August. Freight between the US and Canada declined 4pc year-over-

year to \$67.2bn in August while US-Mexico freight grew 0.7pc to \$70.8bn during the same period.

Overall, declines were led by vessel and pipeline freight, which fell 11.8pc and 33.4pc, respectively, in September. Trucking, which moves the bulk of all freight between the three countries, grew 4.6pc to \$87.8bn from 2022. Air freight saw the largest gains, growing 9.8pc to \$5.1bn.

Multiple modes of transportation, notably vessel and pipeline, fell an average of 25pc on a yearly basis because of a sharp drop in oil and commodity prices in the same period, according to the BTS.

By Gordon Pollock

Calumet to expand Montana Renewables in 2025

Specialty refiner Calumet plans to add 3,000 b/d of capacity to its Montana Renewables refinery in 2025, but a plan to maximize sustainable aviation fuel (SAF) production is pending a final investment decision.

The company's board has approved a plan to expand capacity to 18,000 b/d at its Great Falls, Montana, facility from

Argus Assessment Rationale Database

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

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

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

ANNOUNCEMENT

Argus successfully completes annual losco assurance review

Argus has completed the 12th external assurance review of its price benchmarks covering crude oil, oil products, LPG, chemicals, thermal and coking coal, natural gas, biofuels, biomass, metals, fertilizers and agricultural markets. The review was carried out by professional services firm PwC. Annual independent, external reviews of oil benchmarks are required by international regulatory group losco's Principles for Oil Price Reporting Agencies, and losco encourages extension of the reviews to non-oil benchmarks. For more information and to download the review visit our website <https://www.argusmedia.com/en/about-us/governance-compliance>

INDUSTRY NEWS

the name plate capacity of 15,000 b/d, Calumet told *Argus*.

Whether the incremental 3,000 b/d of capacity will produce SAF is pending a final investment decision. Calumet has been assessing the engineering requirements for the project since at least August, according to a second quarter earnings call.

The Great Falls plant is undergoing repairs on the [steam recovery system](#) in its renewable hydrogen plant following a leak in August and will bring forward a turnaround originally planned for early 2024 to November of this year.

The hydrogen plant repair is expected to be complete in November and the refinery will run at reduced throughputs until the turnaround begins, Calumet said in an operational update this month. Production is expected to return to over 12,000 b/d in December when the turnaround is complete.

The company's Shreveport, Louisiana, facility underwent maintenance in the third quarter following a [weather-related disruption](#) in the second quarter. The downtime lowered lube oil and wax sales by 300,000 bl in the third quarter and the plant is now processing at least 45,000 b/d of feedstock.

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.

The EIA will not publish the weekly *Petroleum Status Re-*

port and other data from 8-10 November, but will report two weeks of data the following week.

By *Payne Williams*

US House elects Johnson as speaker

The US House of Representatives has elected representative Mike Johnson (R-Louisiana) as its new speaker, appointing a relative newcomer to lead the chamber ahead of upcoming fights to fund the government and provide military aid to Ukraine and Israel.

The Republican-led House voted 220-209 to elect Johnson as its speaker, bringing an end to a chaotic three-week period in which the chamber was unable to vote on legislation. Johnson, who is in his fourth term in the House, has said he wants the chamber to finish work on a dozen appropriation bills but suggested he would seek stopgap funding through 15 January or 15 April to allow negotiations to continue without triggering a government shutdown next month.

"We're going to serve the people of this country," Johnson said today. "We're going to restore their faith in Congress, this institution of government."

The weeks of Republican infighting have raised doubts about the capacity of the House to keep the government open once a short-term funding measure expires after 17 November, or to negotiate more complex legislation such as a comprehensive permitting deal. The leadership vacuum began after a handful of far-right members on 3 October ousted Kevin McCarthy (R-California) as speaker in retaliation for advancing – with the help of Democrats – a "clean" bill funding the government for 45 days.

Johnson, who serves on the House Judiciary and Armed Services committees, in 2017 said he did not believe greenhouse gas emissions from humans were a "primary" cause of climate change. Johnson has faulted the clean energy spending in last year's Inflation Reduction Act, has argued it was a mistake for the US to join the Paris climate accord and has pushed for the US to expand oil and gas drilling.

Democrats see Johnson's ascendancy to House speaker as a sign that Republicans will keep empowering far-right members. House minority leader Hakeem Jeffries (D-New York) said Republicans only voted for Johnson – who voted against certifying the 2020 election of President Joe Biden – in response to orders from former president Donald Trump.

Republicans settled on Johnson as speaker after repeatedly

INDUSTRY NEWS

considering, and then rejecting, a wide slate of other candidates. House majority leader Steve Scalise (R-Louisiana), who represents a district home to many offshore oil service companies, pulled out of the race on 12 October. Judiciary Committee chairman Jim Jordan (R-Ohio) and House majority whip Tom Emmer (R-Minnesota) each became speaker-designees only to withdraw when sufficient votes failed to materialize.

Johnson will be tasked with getting through a backlog of unfinished work, including funding the government for fiscal year 2024, reauthorizing the US Federal Aviation Administration, approving an annual military defense policy measure and approving a new farm bill. The House also will be considering Biden's request last week for \$106bn in new funding to support a package of military and economic aid for Israel, Ukraine, humanitarian aid and border security.

Biden's attempts to secure \$24bn in military aid for Ukraine failed to gain traction last month because of opposition from far-right Republicans, but the proposal enjoys broad support in both parties. Support for Israel enjoys near unanimous support from members of the House, so the White House request for approving aid for Israel in the same legislative measure as for Ukraine is meant to enable faster passage.

By Chris Knight and Haik Gugarats

CPKC railed energy shipments up in 3Q

Railroad Canadian Pacific Kansas City's (CPKC) energy-related sector carload volumes and revenues rose in the third quarter from the previous quarter because of stronger demand for refined products and plastics.

CPKC's energy, chemicals and plastics (ECP) carload volumes rose by 9pc to 127,500 carloads from the previous quarter and ECP revenues rose by 12pc to C\$643mn (\$466mn). Lower crude shipments caused by maintenance at an undisclosed customer facility and less demand for LPG was offset by solid growth in refined products and plastics.

Lower railed crude volumes were partially offset by shipments of undiluted bitumen from a new facility in Hardisty, Alberta. CPKC in 2021 started rail service from USD Group's diluent recovery unit (DRU) in Hardisty.

CPKC's coal-related carloads rose by 12pc to 128,400 units and sector revenue rose by 4pc to C\$219mn. The railroad said it expects coal volume growth in the fourth quarter to benefit in a year-earlier comparison because of an outage last year at an undisclosed customer's coal facility. Demand for metallurgi-

cal and thermal coal both remain strong, CPKC said.

CPKC said overall volumes were down by 5pc from a year-earlier and cited economic headwinds and a labor strike at the Port of Vancouver as near-term challenges.

This was the second quarter of financial earnings results that included the combined contributions from Kansas City Southern, which formally merged with Canadian Pacific in April after the US Surface Transportation Board approved the \$31bn merger to form the first single-line railroad to connect the US, Canada and Mexico.

By Chris Baltimore

Acapulco restoring power after hurricane

Hurricane Otis slammed into Mexico's Pacific coast city of 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

INDUSTRY NEWS

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*

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

Volaris posts 3Q loss even as fuel costs drop

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

Bolivia, Venezuela eye joint refining

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

INDUSTRY NEWS

posts to social media.

The agreements will "strengthen energy integration, 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

Petroecuador seeks to refine crude in US

Petroecuador will launch a tender in December to refine around 320,000 bls of heavy sour Napo crude in US Gulf coast refineries, the company's chief executive Reinaldo Armijos told *Argus*.

In exchange, Petroecuador will receive premium diesel with a maximum sulfur content of 51 ppm.

The tender is a pilot to evaluate how much Petroecuador could save refining its Napo crude in plants that have spare capacity, Armijos said.

The state-owned company is currently exporting Napo at \$65-70/bl and importing premium diesel at around \$125/bl, he said.

The plants will charge around \$15/bl to refine the crude and deliver the fuel, Armijos said. Adding logistics and transportation costs, Petroecuador will pay \$95-100/bl for the diesel.

The refineries that will bid in the tender will be able to keep the byproducts of refining the crude, such as fuel oil and petcoke, he said. Napo crude cannot be refined in Ecuador's refineries.

State-owned oil tanker fleet operator Flopec will transport the diesel from the refineries under fob delivery terms.

If the entire process is successful, Petroecuador might re-

fine all of its diesel in US Gulf coast refineries and would then replicate the project for naphtha and LPG, Armijos said.

Ecuador imports around 60,270 b/d of diesel, so it could save around \$500mn-600mn/yr in fuel imports with this new process, he said.

Refining crude in US Gulf coast refineries might help offset the end of operations at the Ishpingo, Tambococha and Tiputini fields (ITT) in block 43, Armijos said. The block has to shut its 250 wells by August 2024 following a national vote on a [20 August referendum](#). Ecuador's central bank expects crude production to fall in 2024 without output from the fields.

Petroecuador tried a similar operation in 2010 under former president Rafael Correa's administration. The company signed a two-year contract in January 2010 with Uruguay's national fuel administration (Ancap) to deliver crude and receive fuel in exchange. But Ancap only refined two of the 60 cargoes of crude sent by Ecuador. The remaining cargoes were sold, leading Correa to not renew the contract.

Ecuador consumed 75,120 b/d of premium diesel from January-September, a 2pc increase from the same period in 2022. The country imported 75pc of that total, according to Petroecuador data.

By Alberto Araujo

Brazil's Ipiranga launches R5 diesel

Brazilian fuel retailer Ipiranga will sell a new blend of diesel in southern Parana state to widen its renewable portfolio for supplying fleets.

Ipiranga's Ipimax Diesel 5 (R5) includes 5pc of co-processed diesel made with vegetable oil, in addition to the 12pc mandatory biodiesel blend.

Araucaria city, in Parana, has begun using the company's new product in its public transportation system.

Ipiranga's move attends companies' demand to tackle Brazil's energy transition. State-controlled Petrobras started producing R5 diesel this year at the 178,000 b/d President Bernardes refinery (RPBC) in Cubatao, in southeastern Sao Paulo state.

R diesel is part of the Petrobras' BioRefino program, which will invest almost \$600mn to generate sustainable fuels in the next five years.

Fuel distributor Vibra [conducted the first commercial tests of renewable diesel in bus lines](#) in Curitiba, Parana's capital, in September 2022.

By Gabrielle Moreira

INDUSTRY NEWS

Petrobras pricing 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 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

ANNOUNCEMENTS

Argus proposes ending Chicago 87 conventional assessments

Argus is soliciting feedback from the market on ending its Chicago conventional 87 gasoline assessments.

This feedback is being gathered as market sources have indicated the lack of liquidity has rendered the assessment irrelevant.

If approved, *Argus* would end the West Shore/Badger 87 conventional unleaded gasoline assessments for the prompt

and Second Forward (PA0002897) markets.

Please contact David Ruisard at David.Ruisard@argusmedia.com with any questions or comments. Formal comments should be marked as such and should be submitted by email to Houstonproducts@argusmedia.com by 10 November.

Please note, formal comments will be published after the consultation period unless confidentiality is specifically requested.



Argus Fuel Oil & Diesel Forum

October 27, 2023

The Bass Museum | Miami, Florida, US



« Event website for more info »

New service: Argus Biofuels Analytics

A quarterly report with 10-year forecasts for supply, demand and pricing of key biofuels and feedstocks.



«« Learn more »»



Argus US Products is published by Argus Media group

Registered office
Lacon House, 84 Theobald's Road, London, WC1X 8NL
Tel: +44 20 7780 4200

ISSN: 1086-2498
Copyright notice
Copyright © 2023 Argus Media group.
All rights reserved.

All intellectual property rights in this publication and the information published herein are the exclusive property of Argus, and/or its licensors (including exchanges) and may only be used under licence from Argus. Without limiting the foregoing, by accessing this publication you agree that you will not copy or reproduce or use any part of its contents (including, but not limited to, single prices or any other individual items of data) in any form or for any purpose whatsoever except under valid licence from Argus. Further, your access to and use of data from exchanges may be subject to additional fees and/or execution of a separate agreement, whether directly with the exchanges or via Argus.

Trademark notice
ARGUS, ARGUS MEDIA, the ARGUS logo, INTEGER, ARGUS US PRODUCTS, other ARGUS publication titles and ARGUS index names are trademarks of Argus Media Limited. Visit www.argusmedia.com/trademarks for more information.

Disclaimer
The data and other information published herein (the "Data") are provided on an "as is" basis. Argus and its licensors (including exchanges) make no warranties, express or implied, as to the accuracy, adequacy, timeliness, or completeness of the Data or fitness for any particular purpose. Argus and its licensors (including exchanges) shall not be liable for any loss, claims or damage arising from any party's reliance on the Data and disclaim any and all liability related to or arising out of use of the Data to the full extent permissible by law.

All personal contact information is held and used in accordance with Argus Media's Privacy Policy <https://www.argusmedia.com/en/privacy-policy>

Publisher
Adrian Binks

Chief operating officer
Matthew Burkley

Global compliance officer
Vladas Stankevicius

Chief commercial officer
Jo Loudiadis

President, Oil
Euan Craik

SVP, North America
Matthew Oatway

Global head of editorial
Neil Fleming

Editor in chief
Jim Washer

Managing editor
Jim Kennett

Editor: David Ruisard
Tel: +1 713 429 6306
houstonproducts@argusmedia.com

Customer support and sales:
support@argusmedia.com
sales@argusmedia.com

London, Tel: +44 20 7780 4200
Houston, Tel: +1 713 968 0000
Singapore, Tel: +65 6496 9966



Petroleum

illuminating the markets®