

## ASIA

- PTT Global Chemical sells VLSFO on a delivery ex-ship basis
- Hindustan Petroleum awards LVFO tender to a trader
- Fuel oil inventory level in Singapore climbs to a six-week high

## EUROPE

- Tight VLSFO availability at bunker ports in Rotterdam and Gibraltar
- VLSFO East/West spread narrows by \$2.98/mt to \$17.62/mt
- Shell expects refining margins to be significantly lower in Q3

## AMERICAS

- Panama VLSFO bunkers done between \$303-309 per metric ton ex-wharf
- VLSFO in New Orleans confirmed stemmed at \$305/mtw for 300 metric tons
- Bulk VLSFO trades in Gulf Coast at \$293.50/mt FOB

### SINGAPORE BUNKERS (\$/mt delivered)

PRODUCT	LOW	HIGH	MEAN	CHANGE
LSMGO	339.75	340.25	340.000	7.000
0.5% VLSFO	333.75	334.25	334.000	12.000
HS 380 CST	257.75	258.25	258.000	8.000

### ROTTERDAM BUNKERS (\$/mt delivered)

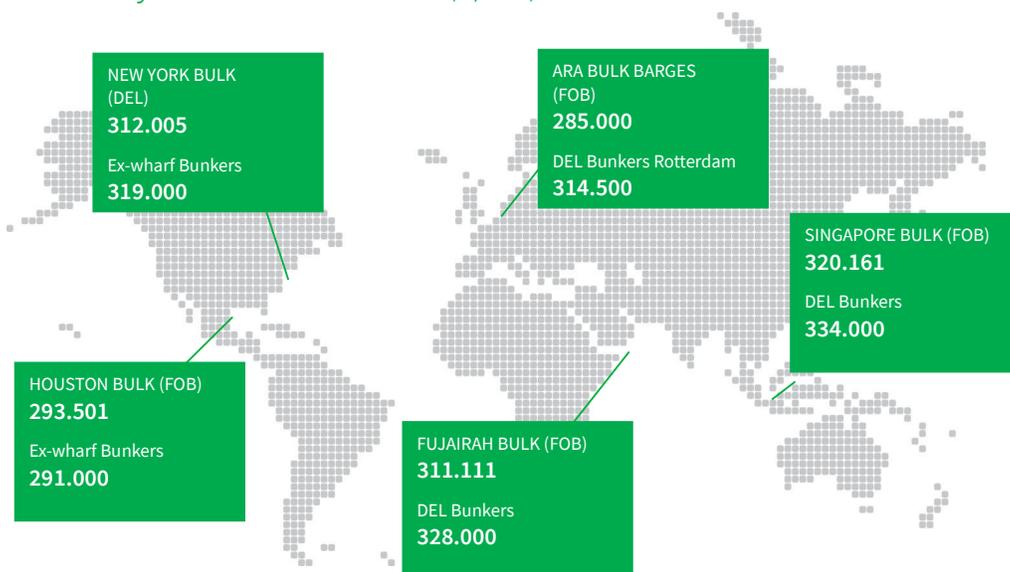
PRODUCT	LOW	HIGH	MEAN	CHANGE
DMA	332.00	337.00	334.500	18.000
0.5% VLSFO	312.00	317.00	314.500	16.000
HS 380 CST	246.00	251.00	248.500	6.000

### HOUSTON BUNKERS (\$/mt ex-wharf)

PRODUCT	BASIS DIFF*	LOW	HIGH	MEAN	CHANGE
LSMGO	---	330.00	340.00	335.000	-5.000
0.5% VLSFO	-61.01	289.00	293.00	291.000	-4.000
HS 380 CST	---	232.00	236.00	234.000	-6.000

\* Diff to Front Month NYMEX ULSD Futures Price as Displayed on Page 8

## 0.5% Very Low Sulfur Fuel Oil (\$/mt)



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## ASIA

### PTTGC sells end Oct-loading VLSFO

PTT Global Chemical (PTTGC) awarded a tender to export 35,000mt minimum 100 CST very low sulfur oil (VLSFO) from Map Ta Phut. The tender closed on Sept 21 with loading from Oct 29-31. The tender was awarded on a delivered ex-ship (DES) basis to Singapore at around \$4.20/mt premium to Singapore marine fuel 0.5% assessment, said traders.

The latest sale was less than PTTGC's typical export volume of around 60,000mt of VLSFO per month.

In India, Hindustan Petroleum Corporation (HPCL) sold 24,000mt of maximum 125 CST low viscosity fuel oil (LVFO) of 3.5% sulfur from its Mumbai refinery via a tender possibly to Trafigura. The tender closed on Sept 29. The LVFO cargo is scheduled to load from Jawahar Dweep, Mumbai over Oct 14-16.

Philippine refiner, Petron possibly cancelled a tender to export 80,000mt 180 CST 3.5% high sulfur fuel oil (HSFO) from Bataan over Sept 27-29, said market participants

Fuel oil stocks in Singapore climbed 414,000 bbls to a 6-week high of 24.047 million bbls for the week to Sept 30.

#### SINGAPORE BULK FUEL (FOB)

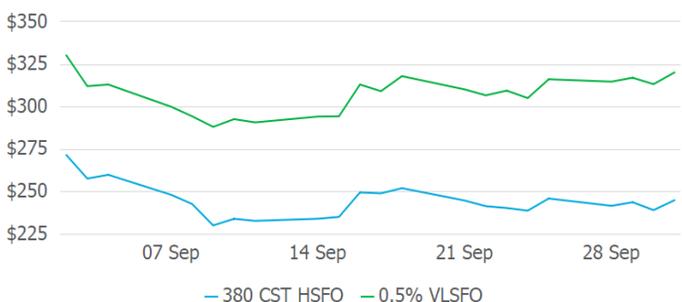
PRODUCT (\$/mt)	BASIS DIFF*	LOW	HIGH	MEAN	CHANGE
0.5% VLSFO	1.36	319.91	320.41	320.161	6.934
380 CST HSFO	1.36	244.59	245.09	244.836	5.834
PRODUCT (\$/bbl)	BASIS DIFF*	LOW	HIGH	MEAN	CHANGE
0.5% VLSFO	0.20	47.73	47.81	47.771	1.035
380 CST HSFO	0.21	38.52	38.60	38.557	0.919

\* Cash mean differential to swaps for both grades

#### FUJAIRAH BULK FUEL (FOB)

PRODUCT	LOW	HIGH	MEAN	CHANGE
0.5% VLSFO (\$/mt)	310.86	311.36	311.111	6.934
0.5% VLSFO (\$/bbl)	46.38	46.46	46.421	1.035

#### 30-DAY PRICES FOR SINGAPORE BULK VLSFO (\$/mt FOB)



#### SINGAPORE FUEL BTU INDICATOR

FUEL	API	BTUs/bbl	BTUs/mt	(\$/bbl)	(\$/mt)	BTUs/\$
LSMGO	35.5	5,838,000	43,493,100	45.638	340.000	127,921
0.5% VLSFO	19	6,116,255	40,991,141	49.836	334.000	122,728
HS 380 CST	11.3	6,246,000	39,662,100	40.630	258.000	153,729

\* General Indication of the number of BTUs per US dollar spent for various grades of fuel based on API.

#### SINGAPORE BUNKERS (\$/mt delivered)

PRODUCT	LOW	HIGH	MEAN	CHANGE
LSMGO	339.75	340.25	340.000	7.000
0.5% VLSFO	333.75	334.25	334.000	12.000
HS 380 CST	257.75	258.25	258.000	8.000

#### FUJAIRAH BUNKERS (\$/mt delivered)

PRODUCT	LOW	HIGH	MEAN	CHANGE
LSMGO	399.75	400.25	400.000	-15.000
0.5% VLSFO	327.75	328.25	328.000	3.000

#### CHIBA BUNKERS (\$/mt delivered)

PRODUCT	LOW	HIGH	MEAN	CHANGE
LSMDO	581.75	582.25	582.000	13.000
0.5% VLSFO	339.75	340.25	340.000	12.000

#### BUSAN BUNKERS (\$/mt delivered)

PRODUCT	LOW	HIGH	MEAN	CHANGE
LSMGO	394.75	395.25	395.000	17.000
0.5% VLSFO	364.75	365.25	365.000	20.000

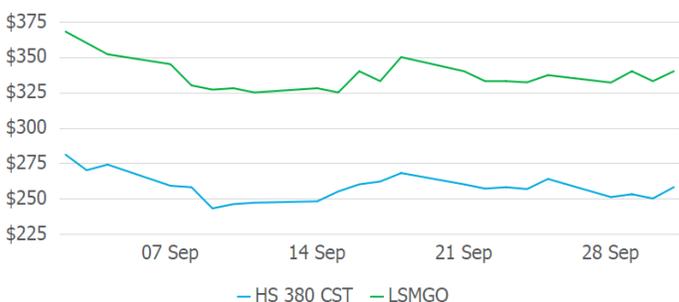
#### KAOHSIUNG BUNKERS (\$/mt delivered)

PRODUCT	LOW	HIGH	MEAN	CHANGE
LSMGO	406.75	407.25	407.000	7.000
0.5% VLSFO	374.75	375.25	375.000	12.000

#### ZHOUSHAN BUNKERS (\$/mt delivered)

PRODUCT	LOW	HIGH	MEAN	CHANGE
LSMGO	376.75	377.25	377.000	7.000
0.5% VLSFO	354.75	355.25	355.000	35.000

#### 30-DAY PRICES FOR SINGAPORE BUNKERS (\$/mt delivered)



## EUROPE

### Bunker VLSFO tight in Rotterdam and Gibraltar

Availability of VLSFO at bunker ports in Rotterdam and Gibraltar is tight, a broker reported on Thursday.

Bunker VLSFO barges changed hands at \$314.50/mt in Rotterdam, only \$5/mt lower than Gibraltar where it was sold at \$319.50/mt, broker data showed.

“My take is that bunkering demand is gradually picking up while the start of turnaround season and refinery run cuts may have dented supply, tightening the market and supporting the VLSFO price,” said Hedi Grati, head of European/CIS refining research at IHS Markit.

The very low sulfur fuel oil (VLSFO) East/West swaps spread between Singapore and northwest Europe narrowed on Thursday.

The spread between Rotterdam and Singapore VLSFO paper September contract narrowed to \$17.62/mt on Thursday down \$2.98/mt to \$20.60/mt on Wednesday, OPIS pricing data shows.

The VLSFO front-month swap in Singapore was at \$302.25/mt and the VLSFO front-month for Rotterdam was at \$284.63/mt, broker data reported.

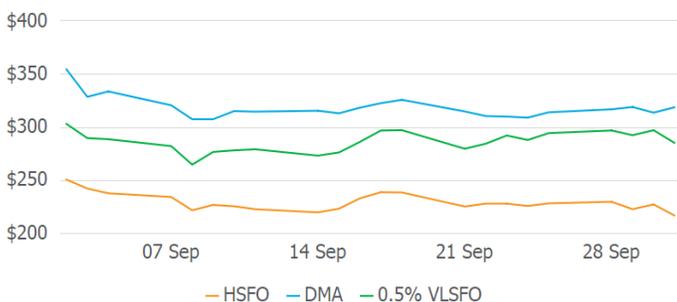
In refinery news, Royal Dutch Shell said it now expects refining margins to be significantly lower in Q3 2020 compared with Q2 2020.

In addition, trading and optimization results are expected to be lower than the historical average and significantly lower than Q2 2020, while marketing margins are expected to be significantly higher compared with the second quarter 2020.

The company expects Q3 2020 refinery utilization to be between 64% and 68%, and product sales volumes between 4 million and 5 million b/d.

In late July, Shell said in its Q2 2020 earnings announcement that it had expected refinery utilization of 68%-76% and product sales volumes of 4 million-5 million b/d.

#### 30-DAY PRICE FOR ARA BULK (\$/mt FOB Barge)



#### ARA FUEL BTU INDICATOR

FUEL	API	BTUs/bbl	BTUs/mt	(\$/bbl)	(\$/mt)	BTUs/\$
DMA	27.5	5,838,000	41,257,146	47.333	334.500	123,340
0.5% VLSFO	19	6,116,255	40,991,141	46.926	314.500	130,337
HS 380 CST	11.3	6,246,000	39,662,100	39.134	248.500	159,606

\* General Indication of the number of BTUs per US dollar spent for various grades of fuel based on API.

#### ROTTERDAM BUNKERS (\$/mt delivered)

PRODUCT	LOW	HIGH	MEAN	CHANGE
DMA	332.00	337.00	334.500	18.000
0.5% VLSFO	312.00	317.00	314.500	16.000
HS 380 CST	246.00	251.00	248.500	6.000

#### ANTWERP BUNKERS (\$/mt delivered)

PRODUCT	LOW	HIGH	MEAN	CHANGE
DMA	314.00	318.00	316.000	-1.000
0.5% VLSFO	303.00	307.00	305.000	1.000
HS 380 CST	246.00	250.00	248.000	0.000

#### HAMBURG BUNKERS (\$/mt delivered)

PRODUCT	LOW	HIGH	MEAN	CHANGE
DMA	330.00	334.00	332.000	3.000
0.5% VLSFO	304.00	308.00	306.000	3.000
HS 380 CST	266.00	270.00	268.000	2.000

#### ISTANBUL BUNKERS (\$/mt delivered)

PRODUCT	LOW	HIGH	MEAN	CHANGE
LSMGO	385.00	390.00	387.500	20.000
0.5% VLSFO	330.00	335.00	332.500	15.000
HS 380 CST	293.00	297.00	295.000	3.000

#### GIBRALTAR BUNKERS (\$/mt delivered)

PRODUCT	LOW	HIGH	MEAN	CHANGE
LSMGO	360.00	365.00	362.500	3.000
0.5% VLSFO	317.00	322.00	319.500	2.000
HS 380 CST	292.00	297.00	294.500	1.000

#### PIRAEUS BUNKERS (\$/mt delivered)

PRODUCT	LOW	HIGH	MEAN	CHANGE
LSMGO	360.00	365.00	362.500	0.000
0.5% VLSFO	335.00	340.00	337.500	5.000
HS 380 CST	275.00	280.00	277.500	15.000

## ARA BULK BARGES (FOB)

PRODUCT (\$/mt)	BASIS DIFF*	LOW	HIGH	MEAN	CHANGE
DMA	-11.00	304.91	325.00	306.000**	-11.500
0.5% VLSFO	-32.00	283.00	287.00	285.000	-12.000
HSFO	-- --	216.00	217.25	216.500	-10.500

PRODUCT (\$/bbl)	BASIS DIFF*	LOW	HIGH	MEAN	CHANGE
DMA	-1.56	43.15	45.99	43.300**	-1.627
0.5% VLSFO	-4.77	42.23	42.82	42.525	-1.791
HSFO	-- --	34.02	34.21	34.094	-1.654

\* Diff to Front Month ICE LS Gasoil Futures Prices as Displayed on Page 8

\*\* The DMA price shows the average all day differential created by the OPIS450 methodology, and added to the front month LS Gasoil Settle.

## MEDITERRANEAN BULK CARGOES (CIF)

PRODUCT (\$/mt)	LOW	HIGH	MEAN	CHANGE
0.5% VLSFO	279.50	283.50	281.500	-12.500
HSFO	211.75	215.75	213.750	-10.250

PRODUCT (\$/bbl)	LOW	HIGH	MEAN	CHANGE
0.5% VLSFO	41.70	42.30	42.002	-1.865
HSFO	33.35	33.98	33.661	-1.614

## NWE BULK CARGOES (CIF)

PRODUCT (\$/mt)	LOW	HIGH	MEAN	CHANGE
DMA	306.00	310.00	308.000	-11.500
0.5% VLSFO	285.00	289.00	287.000	-12.000
HSFO	218.00	219.25	218.500	-10.500

PRODUCT (\$/bbl)	LOW	HIGH	MEAN	CHANGE
DMA	43.30	43.87	43.583	-1.627
0.5% VLSFO	42.52	43.12	42.823	-1.791
HSFO	34.33	34.53	34.409	-1.654

## AMERICAS

## Most marine fuels fall on weak demand, faltering wider complex

Most marine fuels closed the day lower, although values did strengthen from early in the day. December ICE Brent settled at \$40.93/bbl, down \$1.37/bbl, whereas at midday its level was down by \$2.12/bbl at \$40/12/bbl. One Houston supplier noted he "did not see anything move all day."

In the Gulf Coast, Houston VLSFO was heard in a wide range from the \$290s per metric ton ex-wharf to \$310/mtw, while marine gasoil was heard on offer at \$350/mtw by several suppliers. VLSFO was assessed \$4/mt lower to \$289-293/mtw, and MGO was marked \$5/mt weaker to \$330-340/mtw. HSFO was indicated at \$235/mtw and assessed \$6/mt lower to \$232-236/mtw.

New Orleans was heard tight on HSFO and one stem was confirmed at \$285/mtw for 1,500mt. NOLA HSFO was marked \$17/mt higher on the stem to \$281-285/mtw. That surge may be short-lived when

HSFO resupply comes to the port. VLSFO was done at \$305/mtw for 300mt and the fuel was assessed unchanged at \$301-305/mtw. MGO was assessed \$2.50/mt higher to \$350-355/mtw.

New York Harbor was all indication as little was heard in spot business. Seemingly tracking lower with the wider petroleum complex, all fuels were off by \$4-5/mtw. VLSFO and HSFO were assessed \$4/mt weaker to \$317-321/mtw and \$258-262/mtw, respectively. MGO was marked \$5/mt lower to \$340-350/mtw.

In Panama, 800 metric tons of VLSFO for October 11 delivery was heard done below \$309/mtw, and a smaller 200 mt parcel was done at \$303/mtw. Panama VLSFO was assessed \$2/mt higher at \$303-307/mtw. MGO was said to be done at \$358/mtw and assessed \$3/mt higher.

**HOUSTON FUEL BTU INDICATOR**

PRODUCT	API	BTUs/bbl	BTUs/mt	MEAN (\$/bbl)	MEAN (\$/mt)	BTUs/\$
GC ULSD	35.5	5,838,000	43,493,100	45.255	337.150	129,002
0.5% VLSFO	19	6,116,255	40,991,141	43.420	291.000	140,863
HS 380 CST	11.3	6,246,000	39,662,100	36.850	234.000	169,496

\* General Indication of the number of BTUs per US dollar spent for various grades of fuel based on API.

**AMERICAS BUNKERS (\$/mt ex-wharf)**

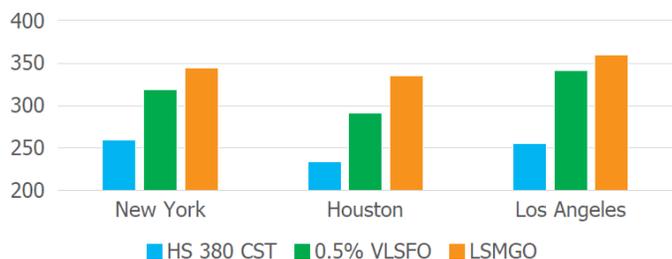
HOUSTON					
PRODUCT	BASIS DIFF*	LOW	HIGH	MEAN	CHANGE
LSMGO	-- --	330.00	340.00	335.000	-5.000
0.5% VLSFO	-61.01	289.00	293.00	291.000	-4.000
HS 380 CST	-- --	232.00	236.00	234.000	-6.000
NEW ORLEANS					
PRODUCT	BASIS DIFF*	LOW	HIGH	MEAN	CHANGE
LSMGO	-- --	350.00	355.00	352.500	2.500
0.5% VLSFO	-49.01	301.00	305.00	303.000	0.000
HS 380 CST	-- --	281.00	285.00	283.000	17.000
NEW YORK					
PRODUCT	BASIS DIFF*	LOW	HIGH	MEAN	CHANGE
LSMGO	-- --	340.00	350.00	345.000	-5.000
0.5% VLSFO	-33.01	317.00	321.00	319.000	-4.000
HS 380 CST	-- --	258.00	262.00	260.000	-4.000
PHILADELPHIA					
PRODUCT	BASIS DIFF*	LOW	HIGH	MEAN	CHANGE
LSMGO	-- --	340.00	350.00	345.000	-10.000
0.5% VLSFO	-28.01	322.00	326.00	324.000	-8.000
HS 380 CST	-- --	264.00	268.00	266.000	-6.000
NORFOLK					
PRODUCT	BASIS DIFF*	LOW	HIGH	MEAN	CHANGE
LSMGO	-- --	355.00	360.00	357.500	-12.500
0.5% VLSFO	2.99	353.00	357.00	355.000	-6.000
HS 380 CST	-- --	280.00	284.00	282.000	-3.000
SAVANNAH					
PRODUCT	BASIS DIFF*	LOW	HIGH	MEAN	CHANGE
LSMGO	-- --	345.00	350.00	347.500	-22.500
0.5% VLSFO	2.99	353.00	357.00	355.000	0.000
HS 380 CST	-- --	299.00	303.00	301.000	-1.000
SEATTLE					
PRODUCT	BASIS DIFF*	LOW	HIGH	MEAN	CHANGE
LSMGO	-- --	360.00	370.00	365.000	-5.000
0.5% VLSFO	-60.01	290.00	294.00	292.000	-4.000
HS 380 CST	-- --	255.00	259.00	257.000	-5.000

**AMERICAS BUNKERS - CONTINUED (\$/mt ex-wharf)**

LOS ANGELES					
PRODUCT	BASIS DIFF*	LOW	HIGH	MEAN	CHANGE
LSMGO	-- --	355.00	365.00	360.000	-5.000
0.5% VLSFO	-10.01	340.00	344.00	342.000	-3.000
HS 380 CST	-- --	253.00	257.00	255.000	-7.000
PANAMA					
PRODUCT	BASIS DIFF*	LOW	HIGH	MEAN	CHANGE
LSMGO	-- --	353.00	363.00	358.000	3.000
0.5% VLSFO	-47.01	303.00	307.00	305.000	2.000
HS 380 CST	-- --	276.00	286.00	281.000	13.000
VANCOUVER					
PRODUCT	BASIS DIFF*	LOW	HIGH	MEAN	CHANGE
LSMGO	-- --	363.00	370.00	366.500	-1.000
0.5% VLSFO	-55.01	295.00	299.00	297.000	-4.000
HS 380 CST	-- --	260.00	264.00	262.000	-5.000
MANZANILLO					
PRODUCT	BASIS DIFF*	LOW	HIGH	MEAN	CHANGE
LSMGO	-- --	1088.00	1098.00	1093.000	0.000
0.5% VLSFO	-- --	679.00	683.00	681.000	0.000
HS 380 CST	-- --	387.00	391.00	389.000	0.000
VERACRUZ					
PRODUCT	BASIS DIFF*	LOW	HIGH	MEAN	CHANGE
LSMGO	-- --	1088.00	1098.00	1093.000	0.000
0.5% VLSFO	-- --	679.00	683.00	681.000	0.000
HS 380 CST	-- --	387.00	391.00	389.000	0.000
VALPARAISO					
PRODUCT	BASIS DIFF*	LOW	HIGH	MEAN	CHANGE
LSMGO	-- --	550.00	560.00	555.000	0.000
0.5% VLSFO	-- --	376.00	380.00	378.000	0.000
HS 380 CST	-- --	367.00	371.00	369.000	0.000

\* Diff to Front Month NYMEX ULSD Futures as Displayed on Page 8

**BUNKER FUELS vs LSMGO (\$/mt ex-wharf)**



**AMERICAS BARGE RATES (\$/mt)**

LOCATION	LOW	HIGH
Houston	11.00	20.00
New Orleans	10.50	19.00
New York	9.10	14.80
Philadelphia	7.27	11.83
Norfolk, VA	9.10	14.80
Savannah	10.25	21.00
Los Angeles	13.00	20.00
Seattle	12.50	18.50
Panama	10.25	18.75
Vancouver, BC	11.25	18.74
Manzanillo	12.45	18.50
Veracruz	12.45	18.50
Valparaiso	12.25	19.25

\* Typical Barge Rates for Parcels of 600-1600mt

**OPIS Benchmark Rack ULSD**

**OPIS GROSS TERMINAL ULTRA LOW SULFUR DISTILLATE PRICES**

LOCATION	RACK LOW (\$/gal)	RACK LOW (\$/mt)	DIFF TO NYMEX* (\$/gal)	DIFF TO NYMEX* (\$/mt)	RACK AVG (\$/gal)	RACK AVG (\$/mt)	DIFF TO NYMEX* (\$/gal)	DIFF TO NYMEX* (\$/mt)
Houston**	1.1365	355.611	0.0115	3.598	1.1954	374.041	0.0704	22.028
New York	1.2090	378.296	0.0840	26.284	1.2226	382.552	0.0976	30.539
Philadelphia	1.1829	370.129	0.0579	18.117	1.2030	376.419	0.0780	24.406
Norfolk	1.1575	362.182	0.0325	10.169	1.1809	369.504	0.0559	17.491
Savannah	1.2410	388.309	0.1160	36.296	1.2883	403.109	0.1633	51.097
New Orleans	1.1040	345.442	-0.0210	-6.571	1.1618	363.527	0.0368	11.515
Los Angeles***	1.2122	379.297	0.0872	27.285	1.2552	392.752	0.1302	40.740
Seattle	1.1175	349.666	-0.0075	-2.347	1.1588	362.589	0.0338	10.576
Detroit	1.2578	393.566	0.1328	41.553	1.2863	402.483	0.1613	50.471
Vancouver	1.5069	471.509	0.3819	119.497	1.5103	472.573	0.3853	120.560

\* Diff to Front Month Nymex ULSD Settle

\*\* ULSD LED

\*\*\* CARB ULSD (adjusted to exclude CAR)

**HOUSTON BULK FUEL (FOB)**

PRODUCT (\$/bbl)	DIFF*	LOW	HIGH	MEAN	CHANGE
0.5% VLSFO	-3.46	43.29	44.29	43.793	-0.970
3% HSFO	-- --	35.25	35.35	35.300	-1.250
PRODUCT (\$/mt)	DIFF*	LOW	HIGH	MEAN	CHANGE
0.5% VLSFO	-58.51	290.16	296.84	293.501	-6.501
3% HSFO	-- --	223.84	224.47	224.155	-7.937

**BASIS NEW YORK HARBOR BULK FUEL (DELIVERED)**

PRODUCT (\$/bbl)	DIFF*	LOW	HIGH	MEAN	CHANGE
0.3% ULSFO	-- --	50.45	50.55	50.500	-0.800
0.5% VLSFO	-0.70	46.05	47.05	46.554	-0.857
1% SFO	-- --	41.10	41.20	41.150	-1.250
3% HSFO	-- --	36.20	36.30	36.250	-1.250
PRODUCT (\$/mt)	DIFF*	LOW	HIGH	MEAN	CHANGE
0.3% ULSFO	-- --	345.08	345.76	345.420	-5.472
0.5% VLSFO	-40.01	308.65	315.35	312.005	-5.744
1% SFO	-- --	260.99	261.62	261.303	-7.937
3% HSFO	-- --	229.87	230.51	230.188	-7.938

\* Diff to Front Month NYMEX ULSD Futures as Displayed on Page 8

**U.S. GULF COAST FOB LNG (\$/MMBtu)**

	1-15 DAY 10/02-10/16	16-30 DAY 10/17-10/31	31-45 DAY 11/01-11/15	46-60 DAY 11/16-11/30
Differential	2.401	1.492	1.039	1.100
NG Price	1.490	2.527	3.062	3.062
Assessment	3.891	4.019	4.101	4.162

**U.S. GULF COAST LIGHT CYCLE OIL (\$/gal)**

PRODUCT	LOW	HIGH	MEAN	CHANGE
LT Cycle Oil	1.07	1.08	1.075	-0.027
LS LT Cycle Oil	1.05	1.06	1.055	-0.027

## Swaps

## SINGAPORE (\$/mt)

MONTH	HSFO	VLSFO	SPREAD	SPREAD CHANGE
Oct	243.55	319.00	75.45	1.45
Nov	243.25	318.25	75.00	2.75
Dec	244.00	317.25	73.25	3.25

\* Values at 16:30 Singapore time

## EAST/WEST (\$/mt)

MONTH	HSFO	CHANGE	VLSFO	CHANGE
Oct	14.75	1.25	17.62	-2.98
Nov	13.75	-0.25	17.87	-2.23
Dec	14.50	0.50	17.37	-2.48

\* Values at 16:30 UK time

## ARA (\$/mt)

MONTH	HSFO	VLSFO	SPREAD	SPREAD CHANGE
Oct	218.64	284.63	65.99	-3.68
Nov	218.89	283.63	64.74	-4.18
Dec	219.14	283.38	64.24	-3.18

\* Values at 16:30 UK time

## HOUSTON

MONTH (\$/bbl)	HSFO	VLSFO	SPREAD	SPREAD CHANGE
Oct	35.85	46.25	10.40	0.05
Nov	35.45	46.10	10.65	0.05
Dec	35.35	46.10	10.75	0.00

MONTH (\$/mt)	HSFO	VLSFO	SPREAD	SPREAD CHANGE
Oct	227.65	309.97	82.32	-0.10
Nov	225.11	308.97	83.86	-0.09
Dec	224.47	308.97	84.50	-0.45

\* Values at 16:30 CST time

## Crack Spreads

## ASIA BULK RESIDUAL FUEL OIL vs CRUDE CRACK SPREAD (\$/bbl)

LOCATION	VLSFO	CHANGE	HSFO	CHANGE
Singapore/Brent	5.821	-0.085	-3.393	-0.201

\* Brent at 16:30 Singapore time

## ARA BULK RESIDUAL FUEL OIL vs CRUDE CRACK SPREAD (\$/bbl)

LOCATION	VLSFO	CHANGE	HSFO	CHANGE
Rotterdam/Brent	2.305	-1.201	-6.126	-1.064

\* Brent at 16:30 UK time

## HOUSTON BULK RESIDUAL FUEL OIL vs CRUDE CRACK SPREAD (\$/bbl)

LOCATION	VLSFO	CHANGE	HSFO	CHANGE
Houston/Brent	2.863	-0.950	-5.630	-1.230

\* Brent at Settle (19:30 UK time)

## GULF COAST LSVGO BARGE vs BUNKER SPREAD (\$/bbl)

LSVGO	0.5% VLSFO BULK	0.5% VLSFO BUNKER	LSVGO vs VLSFO BULK	LSVGO vs VLSFO BUNKER
45.47	43.79	43.42	1.68	2.05

## OPIS Spot

## OPIS SPOT ULSD

LOCATION	MEAN (\$/gal)	MEAN (\$/mt)	DIFF TO NYMEX (\$/gal)	DIFF TO NYMEX (\$/mt)
Gulf Coast	1.0775	337.150	-0.0475	-14.863
New York Harbor Barge	1.1225	351.230	-0.0025	-0.782
Los Angeles*	1.1700	366.093	0.0450	14.081
Pacific Northwest	1.1350	355.142	0.0100	3.129

\* ULS No.2

## Energy Futures

### ICE BRENT 16:30 SINGAPORE MARKER (\$/bbl)

MONTH	PRICE	CHANGE
Dec	41.95	0.58
Jan	42.40	0.61
Feb	42.77	0.62

### ICE BRENT 16:30 UK MARKER (\$/bbl)

MONTH	PRICE	CHANGE
Dec	40.22	-1.52
Jan	40.71	-1.46
Feb	41.14	-1.40

### ICE BRENT SETTLE (\$/bbl)

MONTH	PRICE	CHANGE
Dec	40.93	-1.37
Jan	41.44	-1.31
Feb	41.87	-1.25

### ICE LS GASOIL SETTLE (\$/mt)

MONTH	PRICE	CHANGE
Oct	317.00	-12.50
Nov	321.25	-12.50
Dec	325.75	-12.25

### NATURAL GAS (\$/mmBtu)

MONTH	PRICE	CHANGE
Nov	2.527	0.000
Dec	3.062	-0.055
Jan	3.204	-0.063

### NYMEX WTI CRUDE OIL (\$/bbl)

MONTH	PRICE	CHANGE
Nov	38.7200	-1.5000
Dec	39.0100	-1.4600
Jan	39.3800	-1.4100

### NYMEX ULSD (cts/gal)

MONTH	PRICE	CHANGE
Nov	112.5000	-2.7200
Dec	113.7700	-2.7800
Jan	115.3100	-2.7800

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For complete methodology, visit [www.opisnet.com/about/methodology](http://www.opisnet.com/about/methodology)

## Bulk VLSFO Trades in GC at \$293.50/mt FOB

Residual fuel oil markets saw light trading Thursday as prices came off with crude markets. On the Gulf Coast, one deal was heard done in the market for VLSFO, changing hands at \$293.50/mt for a delivery date of Oct 7-9. OPIS used the deal as the assessment, which put it down \$6.50/mt on the day. Using a 19 API, the level equates to December ICE Brent plus \$2.86/bbl, or \$43.79/bbl. Gulf Coast HSFO moved in tandem with swaps, dropping down \$1.25 to \$35.30/bbl.

On the East Coast, no trading was confirmed. VLSFO decreased \$5.75/mt to \$312/mt. Using a 19 API, the level equates to December ICE Brent plus \$5.62/bbl, or \$46.55/bbl. USAC 0.3%S went down with swaps, decreasing \$1.25 to \$36.25/bbl, while 1%S also was clipped \$1.25 to \$41.15/bbl. The 0.3%S product peeled back 80cts/bbl to \$50.50/bbl.

## Cargo Update

### ASIA

- The *Erik Spirit* is scheduled to load 80,000-mt HSFO from Kiire, Japan to north China over Oct 8

### EUROPE

- Glencore has chartered *Cielo Di Ulsan* to move a 28,000-mt fuel oil cargo from St Petersburg arriving in Skagen, Denmark by October 4

### AMERICAS

- The P66-chartered *Confidence* tanker on Wednesday set sail for New York from Sillamae with a 18,800-mt vacuum gasoil cargo

## US Fuel Oil Imports Down 24.2% in July; Mexico Largest Supplier

Total U.S. imports of residual fuel oil during July were down 24.2% compared with those of June, but up close to 23.6% compared with July 2019, as domestic residual fuel oil demand and stock levels were healthy at the start of summer, according to the latest company-specific information released by the U.S. Energy Information Administration this week.

Total imports of residual fuel oil by individual companies during July came in at about 5.1 million bbl.

In its report for of July, the American Petroleum Institute (API) noted that overall U.S. residual fuel oil consumption increased during that month as industrial and marine activities resumed after being weakened earlier in the year because of the COVID-19 pandemic. API also noted that July represented the first year-on-year increase for residual fuel oil deliveries since October 2019.

Domestic demand, as measured by U.S. product supplied, averaged around 356,000 b/d during July, which was the highest monthly average so far this year, according to EIA data. Also, in late June,

residual fuel oil stock levels hit 42.1 million bbl, the highest level since December 2016.

The U.S. imported the most residual fuel oil from Mexico at a total of 1.377 million bbl, EIA data showed. The breakdown of that product included 1.116 million bbl of residual fuel oil greater than 1% sulfur and 261,000 bbl of residual fuel oil that was less than 0.3%S. The lower-sulfur product was solely imported by Valero, the data showed.

Canada was the second-largest originator of U.S. imported residual fuel oil, at 989,000 bbl.

Saudi Arabia came in third, at about 656,000 bbl of residual fuel oil. Saudi Arabia-origin residual fuel oil has been sporadic in recent years as the EIA data show that the U.S. had not imported the product since February 2019.

Freepoint Commodities remained the top importer of residual fuel oil in the U.S., bringing in 1.23 million bbl, with the majority of product going to Puerto Rico to fulfill a power-generation contract.

Motiva was the second-largest importer of residual fuel oil, bringing in 700,000 bbl.

The third-largest was Chevron, which imported about 653,000 bbl of residual fuel oil that had a sulfur level greater than 1%, and all came from Saudi Arabia, the data showed. The cargoes were split between Chevron's Mobile, Alabama, and Pascagoula, Mississippi, facilities.

The U.S. saw imports of residual fuel oil greater than 1%S increase during July compared with the previous month and July 2019. The total residual fuel oil greater than 1%S was close to 3.5 million bbl, compared with 2.3 million in June and 2.13 million in July 2019. Close to 44%, or 2.21 million bbl, of the total residual fuel oil imported during July was 3%S or higher.

Further, imports of total residual fuel oil with sulfur levels between 0.31%S and 1%S totaled 1.32 million bbl, compared with 4.09 million in June and 1.34 million in July 2019. --Reporting by Eric Wieser, [eric.wieser@ihsmarkit.com](mailto:eric.wieser@ihsmarkit.com); Editing by Tom Sosnowski, [thomas.sosnowski@ihsmarkit.com](mailto:thomas.sosnowski@ihsmarkit.com)