

☆RIM PRODUCTS INTELLIGENCE DAILY

★No.8133 Apr 28 2020

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--TOKYO, 18:30 JST Apr 28 2020<Assessment Closing Time>

◎Notice

○Golden Week Holiday Notice

Rim will not issue Products Report on Apr 29 and May 4-6, 2020 for the Golden Week holidays in Japan. The publication will resume on May 7 onward after the holidays. To view the Rim Intelligence 2020 holiday schedule, please visit the URL below:

<https://eng.rim-intelligence.co.jp/contents/info/RimHolidayNotice2020EN.pdf>

○Report on adherence to PRA principles

Rim Intelligence uploaded the report of the governance, processes and controls relating to the adherence to the PRA principles based on reasonable assurance on Feb 27, 2020. All of the daily reports of Rim Intelligence are subject to the principles. Please visit the following website for perusal.

<Reports>

Bunker Oil, Crude/Condensate, Asia Products (Products), LPG, Lorry Rack, Japan Products, Petrochemicals, LNG, Power

<https://www.rim-intelligence.co.jp/contents/info/pramenuEng4/>

◎RECX-22 index

RECX-22 index for Tuesday was 44.88, up 0.19 points from the previous day.

-----Introduction of Rim reports-----

Please access the URL below for a lineup of Rim reports. You can view sample reports as well as detailed explanations on the contents:

<https://eng.rim-intelligence.co.jp/first/report>

Lineup:

Bunker Oil	Crude/Condensate	Products	
LPG	Petrochemicals	Polyolefins	
LNG	Power	Daily Data	Rim Data File

For inquiries on the above, please contact:

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For the publication schedule during the Golden Week holidays in Japan, please refer to the Holiday Notice on the top page of this report.

©Japan Domestic Waterborne Spot Market (Barges FOB Refinery/Primary Storage, in Yen/kl)				
	Tokyo Bay (Keihin/Chiba)		West Japan (Hanshin/Setouchi)	
	Fixed Price	Floating	Fixed Price	Floating
Gasoline	– 30,500 – 30,700 –	–100 / 100	– 30,500 – 30,700 –	–100 / 100
Kerosene	27,100 – 28,100	–500 / 500	– 22,000 – 22,500 –	–5,600 / –5,100
Gasoil–0.001%S	– 30,700 – 31,700 –	–500 / 500	– 30,700 – 31,700 –	–500 / 500
AFO–0.5%S	– 30,000 – 31,000 –	–500 / 500	– 27,500 – 28,500 –	–500 / 500
AFO–0.1%S	– 30,500 – 31,500 –	–500 / 500	– 28,000 – 29,000 –	–500 / 500
LSCFO–0.3%S	33,000 – 34,000	–500 / 500	33,000 – 34,000	–500 / 500
HSCFO–3.0%S	24,500 – 25,500	–500 / 500	24,500 – 25,500	–500 / 500
Marine Fuel Oil				
VLSFO–0.5%S	35,400 – 36,400		35,400 – 36,400	
HSCFO–3.0%S	25,500 – 26,500		25,500 – 26,500	
Floating price assessments in premiums or discounts against Rim monthly average				
–Tokyo Bay Refinery Rack Index–				
Gasoline	25,050 –5,375			
Kerosene	27,050 –5,700			
Gasoil–0.001%S#	26,700 –6,200			
AFO–0.5%S	24,900 –6,300			
LSAFO–0.1%S	25,400 –6,300			
# before-tax gasoil				
–Japan Crude Cocktail or JCC(MOF CIF Japan Crude Prices, in Yen/kl)–				
20/02/01–29 48,648r	20/03/01–31 42,437r	20/04/01–30 due out on May 21		
20/02/01–10 49,482	20/03/01–10 46,350	20/04/01–10 33,734		
20/02/11–20 48,389	20/03/11–20 41,764	20/04/11–20 due out on May 12		
20/02/21–29 48,179	20/03/21–31 39,387	20/04/21–30 due out on May 21		

©Japan Product Paper Swap Assessments (FOB Tokyo Bay in Yen/kl)			
	May	Jun	Jul
Gasoline	- 30,500 - 30,700 -	- 22,500 - 23,100 -	- 23,600 - 24,200 -
Kerosene	27,100 - 28,100	28,600 - 29,200	- 26,000 - 26,600 -
Gasoil	- 30,700 - 31,700 -	- 30,700 - 31,700 -	- 30,700 - 31,700 -
AFO-0.5%S	- 30,000 - 31,000 -	- 30,000 - 31,000 -	- 30,000 - 31,000 -
AFO-0.1%S	- 30,500 - 31,500 -	- 30,500 - 31,500 -	- 30,500 - 31,500 -
LSCFO	33,000 - 34,000	33,000 - 34,000	33,000 - 34,000
HSCFO	24,500 - 25,500	24,500 - 25,500	24,500 - 25,500

©TOCOM Energy Futures (FOB Tokyo Bay Refinery/Primary Storage in Yen/kl)						
	Open	High	Low	Settle	Change	Volume
Gasoline						
Jun	22,940	22,940	22,000	22,000	-1,400	12
Jul	23,080	23,090	23,080	23,090	-1,860	2
Aug	24,780	24,780	23,800	24,100	-1,680	14
Sep	26,050	26,640	25,200	25,250	-1,650	44
Oct	27,360	27,360	26,000	26,140	-1,640	123
Nov	27,660	27,820	27,000	27,000	-1,600	57
Total						252
Kerosene						
Jun	-	-	-	28,090	0	-
Jul	27,450	27,450	25,450	25,450	-1,950	7

Aug	27,000	27,000	26,500	26,500	-1,200	3
Sep	28,450	28,500	27,900	27,900	-1,550	7
Oct	30,990	30,990	28,440	28,440	-1,810	31
Nov	30,180	30,550	29,260	29,260	-1,260	26
Total						74
Gasoil						
Jun	-	-	-	38,800	-800	-
Jul	-	-	-	39,800	-800	-
Aug	-	-	-	40,800	-800	-
Sep	-	-	-	41,800	-800	-
Oct	-	-	-	42,800	-800	-
Nov	-	-	-	43,800	-400	-
Total						-
Crude oil						
Apr	-	-	-	13,740	0	-
May	14,600	14,940	14,130	14,200	-1,210	127
Jun	16,710	16,950	16,160	16,300	-1,000	202
Jul	17,320	17,780	16,950	17,050	-1,170	334
Aug	18,500	18,740	17,900	18,040	-1,070	1,319
Sep	19,390	19,470	18,620	18,700	-1,110	13,925
Total						15,907
In contracts of 50 kiloliters						
Open interest (04/27) (Short): Gasoline 1,799 Kerosene 726 Gasoil 0 Crude oil 133,127						
Open interest (04/27) (Long): Gasoline 1,799 Kerosene 726 Gasoil 0 Crude oil 133,127						

©CFR Japan MR Cargoes (Naphtha and FO in \$/mt, Others in \$/bbl)			
	-Physical-	-Premium-	Import Cost (Yen/kl)
Naphtha	- 143.75 - 147.50 - **	3.25 / 3.75#	11,040
Jun 1st-half	- 147.25 - 147.75 -		
Jun 2nd-half	- 147.00 - 147.50 -		
Jul 1st-half	- 143.75 - 144.25 -		
Jet/Kerosene	- 16.00 - 16.10 -	-2.15 / -2.05	14,079
Gasoil 0.001%S	- 25.30 - 25.40 -	-0.55 / -0.45	20,819
FO 0.3%S	- 168.50 - 178.50 -	50.00 / 60.00*	21,369
FO 380cst 3.5%S	- 108.50 - 109.50 -	-4.50 / -3.50	14,559
--Exchange rate (TTS Yen/\$ as of Apr 28) 108.30 (MUFG Bank)			
*Premium in density at 0.95			
#Price gap between first half-month and third half-month is reference information.			
**Index price for reference			
The yen/kl price for jet/kerosene includes Yen 2,800/kl petroleum tax and Yen 346/kl import duty.			
The yen/kl price for gasoil 0.001%S includes Yen 2,800/kl petroleum tax and Yen 750/kl import duty.			
The yen/kl prices for FO 380cst and LFO include Yen 2,800/kl petroleum tax and Yen 249/kl import duty.			

©FOB Japan MR Cargoes (HSFO in \$/mt, Others in \$/bbl)			
	-Physical-	-Premium-	Export Cost (Yen/kl) *
Jet/Kerosene	- 13.45 - 13.55 -	-4.70 / -4.60	11,911
Gasoil CARB DIESEL	- 23.05 - 23.15 -	-2.80 / -2.70	18,391
Gasoil 0.001%S	- 22.80 - 22.90 -	-3.05 / -2.95	18,222
FO 380cst 3.5%S	- 91.50 - 92.50 -	-21.50 / -20.50	12,425
--Exchange rate (TTM Yen/\$ as of Apr 28) 107.30 (MUFG Bank)			
*Yen/kl prices include Yen 2,800/kl refund.			

©FOB Singapore Cargoes (FO in \$/mt, Others in \$/bbl)		
	-Physical-	-Premium-
Mogas 97RON	- 20.50 - 20.60 -	3.35 / 3.45*
95RON	- 18.80 - 18.90 -	1.65 / 1.75*

92RON	- 17.10 - 17.20 -	-0.55 / -0.45*
Naphtha	- 12.80 - 12.90 -	-3.45 / -3.35
Jet/Kerosene	- 14.25 - 14.35 -	-3.90 / -3.80
Gasoil 0.001%S	- 23.85 - 23.95 -	-2.00 / -1.90
Gasoil 0.05%S	- 21.05 - 21.15 -	-4.80 / -4.70
FO 0.5%S	- 163.50 - 173.50 -	45.00 / 55.00
FO 180cst 3.5%S	- 111.00 - 112.00 -	-7.50 / -6.50
FO 380cst 3.5%S	- 105.50 - 106.50 -	-7.50 / -6.50
* Premium to FOB Singapore Mogas 92RON. 92RON Physical price does not include Premiums.		

©FOB Indonesia LSWR Cargoes			
	-Physical-	-Premium-	
LSWR 0.45%S(\$/mt)	- 141.50 - 143.50 -	23.00 / 25.00*	
LSWR 0.45%S(\$/bbl)	- 21.45 - 21.75 -		
*Premium to Singapore HSFO 180cst paper swaps			

©Singapore Paper Swaps (FO in \$/mt, Others in \$/bbl)			
	May	Jun	Jul
Naphtha	- 16.20 - 16.30 -	- 17.70 - 17.80 -	- 19.35 - 19.45 -
Jet/Kerosene	- 18.10 - 18.20 -	- 21.40 - 21.50 -	- 24.50 - 24.60 -
Regrade	-7.75 - -7.65	- -6.30 - -6.20 -	- -5.00 - -4.90 -
Gasoil 0.001%S	- 25.80 - 25.90 -	- 27.65 - 27.75 -	- 29.45 - 29.55 -
FO 180cst 3.5%S	- 118.25 - 118.75 -	- 129.50 - 130.00 -	- 140.00 - 140.50 -
FO 380cst 3.5%S	- 112.75 - 113.25 -	- 123.50 - 124.00 -	- 133.50 - 134.00 -

©Singapore Crack Margins (Against Dubai Swaps, in \$/bbl)			
	May	Jun	Jul
Naphtha	-5.39	-6.33	-5.88
Jet/Kerosene	-3.49	-2.63	-0.73
Gasoil 0.001%S	4.21	3.62	4.22
FO 180cst 3.5%S	-3.41	-4.12	-3.70
FO 380cst 3.5%S	-4.26	-5.04	-4.70

©FOB South Korea Cargoes (FO in \$/mt, Others in \$/bbl)			
MR Cargoes	-Physical-	-Premium-	
Mogas 91RON/0.001%S	- 18.05 - 18.25 -	0.90 / 1.10*	
Mogas 92RON/0.005%S	- 13.45 - 13.65 -	-3.70 / -3.50*	
Jet/Kerosene	- 13.50 - 13.60 -	-4.65 / -4.55	
Gasoil 0.001%S	- 22.80 - 22.90 -	-3.05 / -2.95	
Gasoil 0.05%S	- 20.50 - 20.60 -	-5.35 / -5.25	
Gasoil 0.25%S	- 19.15 - 19.25 -	-6.70 / -6.60	
Gasoil 0.5%S	- 18.65 - 18.75 -	-7.20 / -7.10	
FO 0.3%S	- 153.50 - 163.50 -	35.00 / 45.00***	
FO 0.5%S	- 143.50 - 153.50 -	25.00 / 35.00	
FO 380cst 3.5%S	- 92.50 - 93.50 -	-20.50 / -19.50	
SR Cargoes	-Physical-	-Premium-	Import Cost(Yen/kl)#
Mogas 91RON	- 18.60 - 18.70 -	1.45 / 1.55*	18,210
Kerosene	- 19.65 - 20.15 -	1.50 / 2.00	18,473
Gasoil 0.001%S	- 26.10 - 26.20 -	0.25 / 0.35	23,135
LSAFO 0.1%S	- 19.90 - 20.10 -	-5.95 / -5.75**	15,395
FO 0.3%S	- 163.50 - 173.50 -	45.00 / 55.00***	23,481
*Premium to FOB Singapore Mogas 92RON			
**Premium to Singapore Paper Swaps values (0.001%S gasoil)			
***Premium in density at 0.95			

in Yen/kl, Basis Nagoya (Basis Keihin for LSF0 0.3%S)

The yen/kl price for Mogas includes Yen 2,800/kl petroleum tax and Yen 934/kl import duty.

The yen/kl price for kerosene includes Yen 2,800/kl petroleum tax and Yen 346/kl import duty.

The yen/kl price for gasoil 0.001%S includes Yen 2,800/kl petroleum tax and Yen 750/kl import duty.

The yen/kl price for LSF0 includes Yen 2,800/kl petroleum tax and Yen 249/kl import duty.

©FOB Taiwan Cargoes (in \$/bbl)

MR Cargoes	-Physical-	-Premium-
Mogas 93RON	- 14.90 - 15.10 -	-2.25 / -2.05
Jet/Kerosene	- 13.60 - 13.70 -	-4.55 / -4.45
Gasoil 0.001%S	- 23.50 - 23.60 -	-2.35 / -2.25
Gasoil 0.05%S	- 20.70 - 20.80 -	-5.15 / -5.05
Gasoil 0.25%S	- 20.05 - 20.15 -	-5.80 / -5.70
Gasoil 0.5%S	- 19.35 - 19.45 -	-6.50 / -6.40

©FOB China Cargoes (in \$/bbl)

MR Cargoes	-Physical-	-Premium-
Mogas 92RON	- 13.75 - 13.95 -	-3.40 / -3.20
Gasoil 0.001%S	- 22.75 - 22.95 -	-3.10 / -2.90
Gasoil 0.005%S	- 22.30 - 22.50 -	-3.55 / -3.35

©CFR China Cargoes

	(FO in \$/mt, Others in \$/bbl)		(Yuan/mt)	(Yuan/mt)
	-Physical-	-Premium-	-Import Cost-	-Domestic-###
North China				
Mogas 92RON***	- 15.95 - 16.15 -	-1.20 / -1.00	3,454	- 4,910 - 4,960 -
Gasoil 0.001%S*	- 25.30 - 25.40 -	-0.55 / -0.45	3,148	+ 5,190 - 5,240 +
East China				
Mogas 92RON***	- 15.85 - 16.05 -	-1.30 / -1.10	3,447	- 4,850 - 4,900 -
Gasoil 0.001%S*	- 25.20 - 25.30 -	-0.65 / -0.55	3,142	5,200 - 5,250
South China				
Mogas 92RON***	- 16.05 - 16.25 -	-1.10 / -0.90	3,460	- 4,550 - 4,600 -
Gasoil 0.001%S*	- 25.40 - 25.50 -	-0.45 / -0.35	3,154	- 5,000 - 5,050 -
FO 380cst 3.5%S**	- 132.50 - 133.50 -	19.50 / 20.50	2,450	3,300 - 3,350 ##

--Exchange rate (MIDDLE Yuan/\$ as of Apr 28) 7.0710

***Yuan/mt prices for Mogas include 1% duty, 13% value added tax and Yuan 2,082/mt consumption tax.

*Yuan/mt prices for Gasoil include 1% duty, 13% value added tax and Yuan 1,428/mt consumption tax.

**Yuan/mt prices for FO include 1% duty, 13% value added tax and Yuan 1,218/mt consumption tax.

China FO Domestic prices are of bunker use grade.

China Domestic prices are reference information provided by Rim Beijing office.

©FOB Middle East Cargoes (Naphtha and HSFO in \$/mt, Others in \$/bbl)

	-Physical-	-Premium-
Naphtha	- 59.25 - 59.75 -	14.00 / 16.00
Jet/Kerosene	- 11.35 - 11.45 -	-1.10 / -0.90
Gasoil 0.001%S	- 20.95 - 21.05 -	-0.10 / 0.10
FO 380cst 3.5%S	- 85.50 - 86.50 -	

©Freights rates
SR Clean Tanker Freight Rates (\$/bbl)

Korea to Tomakomai	3.10 - 3.30	Korea to Keihin	2.80 - 3.00
Korea to Nagoya	2.50 - 2.70	Korea to Kanmon	2.10 - 2.30

SR Dirty Tanker Freight Rates (\$/mt)

Korea to Tomakomai	26.00 - 28.00	Korea to Keihin	24.00 - 26.00
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MR Tanker Freight Rates (\$/bbl for clean \$/mt for dirty)

Korea to N.China	2.40 - 2.60	Korea to E.China	2.30 - 2.50
Korea to S.China	2.50 - 2.70	Korea to Japan clean	2.40 - 2.60
Korea to Japan dirty	15.00 - 17.00		
LR Tanker Freight Rates (\$/bbl for clean \$/mt for dirty)			
ME to Singapore clean	2.80 - 3.00	ME to Singapore dirty	19.00 - 21.00

©Asia Bunker Prices (\$/mt)						
— 28Apr20 Closing Quotes —						
Port/Location	380cst		VLSFO		LSMGO (LSMD0: Japan) ##	
	Low - High	Change	Low - High	Change	Low - High	Change
Tokyo Bay	160.00 - 163.00	-7.00	210.00 - 213.00	-5.00	363.00 - 373.00	-10.00
West Japan	166.00 - 169.00	-7.00	216.00 - 219.00	-5.00	373.00 - 383.00	-10.00
Ise Bay	165.00 - 168.00	-7.00	215.00 - 218.00	-5.00	363.00 - 373.00	-10.00
#Rim Average-Apr	175.82	-0.95	243.18	-0.68	407.23	-1.36
S. Korea	191.00 - 194.00	0.00	187.00 - 190.00	-13.00	210.00 - 220.00	-15.00
F.E. Russia*	120.00 - 123.00	0.00	220.00 - 223.00	-17.00	310.00 - 320.00	0.00
Taiwan Kaohsiung PP**	189.00 - 192.00	-10.00	247.00 - 250.00	-10.00	277.00 - 280.00	-10.00
Taiwan Keelung PP**	NA - NA	-	247.00 - 250.00	-10.00	277.00 - 280.00	-10.00
Taiwan Taichung PP**	NA - NA	-	247.00 - 250.00	-10.00	277.00 - 280.00	-10.00
Taiwan Others PP**	NA - NA	-	247.00 - 250.00	-10.00	277.00 - 280.00	-10.00
Hong Kong	146.00 - 149.00	-20.00	175.00 - 178.00	-18.00	180.00 - 190.00	-20.00
Singapore	120.00 - 123.00	-15.00	195.00 - 198.00	-12.00	183.00 - 193.00	-12.00
--Note: *Nakhodka, Vostochny, Vladivostok, **Posting Price						
#Rim Tokyo Bay monthly average, ## F.E. Russia and Taiwan PP (MGO)						
Port/Location	380cst		VLSFO		LSMGO	
	Low - High	Change	Low - High	Change	Low - High	Change
Shanghai	198.00 - 201.00	+15.00	202.00 - 205.00	+12.00	295.00 - 305.00	+25.00
Bangkok	NA - NA	-	196.00 - 199.00	-7.00	380.00 - 390.00	0.00
Colombo	NA - NA	-	317.00 - 320.00	+30.00	445.00 - 455.00	+5.00
--Prices at three ports listed above are reference numbers.						

For the publication schedule during the Golden Week holidays in Japan, please refer to the Holiday Notice on the top page of this report.

©ASIA PRODUCTS MARKET COMMENTARY

OBenchmark Crude Summary

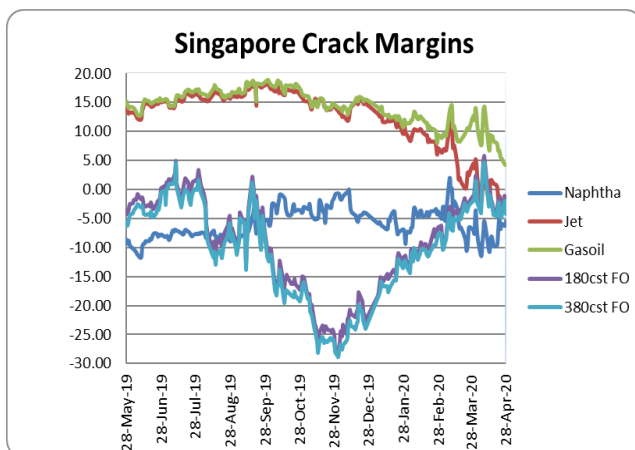
Apr 28 crude oil prices (As of the evening time in Tokyo)

NYMEX • WTI JUN \$10.48/bbl (down \$4.22/bbl versus a day before)

ICE • BRENT JUN: \$19.49/bbl (down \$1.00/bbl versus a day before)

DUBAI PAPER MAY \$21.64/bbl (down \$1.34/bbl versus a day before)

OSingapore Crack Margins



In the Singapore paper swap market, the crack spread of naphtha over Dubai crude oil for May was at minus \$5.39/bbl, down 84cts/bbl from a day earlier. The crack spread of jet fuel was at minus \$3.49/bbl, down 6cts/bbl, that of 0.001% sulfur gasoil at \$4.21/bbl, down 6cts/bbl, that of 180cst fuel oil at minus \$2.35/bbl, down \$3.41/bbl, and that of 380cst fuel oil at minus \$4.26/bbl, down \$2.31/bbl.

Gasoline

The differential for MR-size cargoes of 92RON gasoline on an FOB China basis was at a discount in the range of \$3.20-3.40/bbl to Singapore quotations, while the differential for MR-size cargoes of 93RON gasoline on an FOB Taiwan basis was at a discount in the range of \$2.05-2.25/bbl to the quotations, both unchanged from a day before. No fresh offers were reported as talks on cargoes loading in May were coming close to an end. Refiners in China and South Korea almost finished spot sales for cargoes loading in May. On the other hand, no spot purchases from Southeast Asian countries were seen. As reported, as the spread of COVID-19 continued, demand of gasoline in Southeast Asian nations was weakening.

CFR South China MR-size cargoes of 92RON gasoline

were at a discount of \$0.90-1.10/bbl to Singapore quotations, staying steady from the previous day. In South China, domestic prices for 92RON gasoline on an ex-primary storage basis were in the range of Yuan 4,550-4,600/mt, down Yuan 100/mt from the previous day. The price was above the import cost by Yuan 1,115/mt or \$18.54/mt.

FOB Singapore prices for 92RON gasoline dampened by \$1.65/bbl from a day earlier to \$17.10-17.20/bbl on weak US gasoline prices. Buying and selling ideas for 92RON gasoline were indicated at a discount of 45-55cts/bbl to Singapore quotations, up \$1.45/bbl from a day earlier. Shell purchased 50,000bbl 92RON gasoline loading on May 24-28 at a discount of 50cts/bbl to Singapore quotations from Vitol.

Naphtha

Open-spec naphtha prices in Asia were in the range of \$143.75-147.50/mt, down \$6.00/mt from a day before on slushes in Brent crude prices.

In the Northeast Asian spot market, LG Chem in South Korea reportedly bought naphtha to be delivered in the first half of June at a discount of \$2/mt to Japan quotations. The volume was unknown. Meanwhile, prices for naphtha on a CFR Japan basis were said to have already turned into a premium. As reported, Hanwha Total earlier bought full range naphtha at a discount in the low \$10's/mt to the quotations. For the deal, some pointed out that the grade was heavy

full-range, and the price was at a discount of \$7.5/mt to Japan quotations. A market source in Asia speculated that specification of naphtha Hanwha Total bought was different from usual cargoes, so that prices may have been lower than those for usual ones.

Abu Dhabi National Oil Co was likely to make a decision in early May if it would start a term talks with end-users in Northeast Asia starting in July. The period of the term deals was for six months both for traders and end-users. Talks on next term cargoes were expected to start from January next year. An end-user in Northeast Asia said that the price level could be

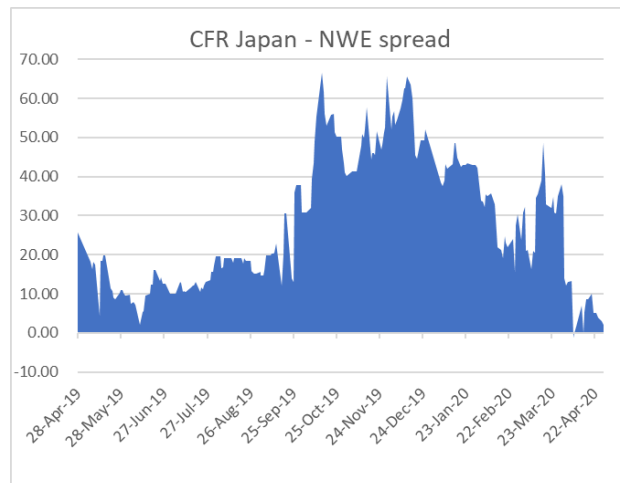
pushed up as prices for naphtha were rebounding in the spot market.

In Brent crude oil futures trades on the Intercontinental Exchange (ICE) early in the evening in Asia, the Jun contract was at \$19.49/bbl, down \$1.00/bbl from a day before. Open-spec naphtha prices for H1 Jun arrival were at \$147.25-147.75/mt, H2 Jun arrival at \$147.00-147.50/mt, and H1 Jul arrival at \$143.75-144.25/mt.

On a timing spread, a H1 Jun/H1 Jul spread was in backwardation of \$3.50/mt, staying intact from a day before. A Jun Brent/H1 Jun naphtha spread became at \$1/mt in favor of Brent.

Early in the evening in Asia, May NWE naphtha prices were at \$144.50-146.50/mt, down \$5.00/mt from a day

before. Prices for Jun and Jul were at \$158.25-160.25/mt and \$171.25-173.25/mt. A H1 Jun Asia/May NWE spread was at \$2/mt in favor of Asia, narrowing \$1/mt from a day before.



OJet/Kerosene

The differential for MR-size cargoes of jet fuel on an FOB South Korea basis was at a discount in the range of \$4.55-4.65/bbl to Singapore quotations, while the differential on an FOB Japan basis was at a discount in the range of \$4.60-4.70/bbl to the same quotations, both unchanged from a day before. Talks were shifting to cargoes loading in June, but no fresh offers and bids were heard on Tuesday. Full-fledged talks were expected to start from May. A refiner in Northeast Asia said that it would aim to sell a jet fuel cargo loading in June at a higher price than that in May. Most cargoes loading in May from Northeast Asia had been traded at a discount in the \$4's/bbl to Singapore quotations on an FOB basis.

As reported, the number of vessels with jet fuel floating on the sea was increasing in Europe and Singapore. Therefore, it was pointed out that prices for cargoes from Northeast Asia would not improve unless those inventories on the sea would be sharply reduced.

FOB Singapore prices for jet fuel oil softened by \$1.40/bbl from a day earlier to \$14.25-14.35/bbl on Tuesday as paper swap values waned. The May swaps contract was valued at \$18.15/bbl, down \$1.40/bbl. Buying and selling ideas were indicated at a discount of \$3.80-3.90/bbl to Singapore quotations, staying flat from a day earlier.

OGasoil

The differentials for MR-size cargoes of 0.001% sulfur gasoil on an FOB South Korea basis and on an FOB Japan basis were at a discount in the range of \$2.95-3.05/bbl to Singapore quotations, while the differential for MR-size cargoes of 0.001% sulfur gasoil on an FOB Taiwan basis was at a discount in the range of \$2.25-2.35/bbl to the same quotations, all unchanged from a day before. Talks were shifting to cargoes loading in June. Refiners in Northeast Asia had yet to

fix export schedules in the month, so that talks on spot cargoes were not heard in the market. Discussions were expected to start from next week. On the other hand, traders stayed in a wait-and-see stance due to sluggish demand. In the meantime, oil companies in India kept exports of 0.001% sulfur gasoil due to declining demand at home on the back of the outbreak of COVID-19. On Monday, Mangalore Refinery and Petrochemicals Ltd (MRPL) issued a sell tender for

65,000mt of 0.001% sulfur gasoil loading on May 21-23 from New Mangalore. The tender was scheduled to close on Apr 29 with its price validity date set on the same day. As reported, the company earlier conducted a sell tender for 65,000mt of 0.001% sulfur gasoil loading on May 1-3.

CFR South China MR-size cargoes of 0.001% sulfur gasoil were at a discount in the range of 35-45cts/bbl to Singapore quotations, keeping unchanged from the previous day. In South China, domestic prices for

0.001% sulfur gasoil on an ex-primary storage basis were in the range of Yuan 5,000-5,050/mt, down Yuan 50/mt from the previous day. The price was above the import cost by Yuan 1,871mt or \$35.28/mt.

FOB Singapore prices for 0.001% sulfur gasoil slushed by \$1.40/bbl from a day earlier to \$23.85-23.95/bbl on Tuesday. The May swaps contract dropped to \$25.85/bbl. Buying and selling ideas were indicated at a discount of \$1.90-2.00/bbl to Singapore quotations, maintaining the same value as a day earlier.

OFuel Oil

【Northeast Asia LSFO Cargoes】

The differential for MR-size cargoes of 0.5% sulfur fuel oil on an FOB South Korea basis was at a premium in the range of \$25.00-35.00/mt to Singapore quotations, unchanged from a day before. No fresh discussions on cargoes loading in May were heard. A refiner in South Korea said that a 0.5% sulfur fuel oil from Taiwan was recently traded at a discount of \$50-60/mt to Singapore quotations (0.5% sulfur gasoil). Judging from the deal, a 0.5% sulfur fuel oil cargo from South Korea could be traded at a discount of \$60-70/mt to the same quotations. It was equivalent to a premium of around \$30/mt to Singapore quotations (180cst fuel oil). In South Korea, Hyundai Oilbank reported cut the operation rates at its refinery by 30% including regular maintenance of the residual fluid catalytic cracker, while S-Oil Co kept the operation rates of its refinery high to process crude oil from its shareholder Saudi Aramco.

【Northeast HSFO Cargoes】

The differential for MR-size cargoes of 3.5% sulfur fuel oil on an FOB South Korea basis was at a discount of \$19.50-20.50/mt to Singapore quotations (380cst), unchanged from a day before.

【Indonesia LSWR Cargoes】

The differential for MR-size cargoes of LSWR on an FOB Indonesia basis was at a premium in the range of \$23.00-25.00/mt to Singapore quotations (180cst), unchanged from a day before.

【Singapore Cargoes】

FOB Singapore prices for 0.5% sulfur fuel oil deepened by \$24.00/mt from a day earlier to \$163.50-173.50/mt on Tuesday with damp in paper swap values. The May swaps contract was valued at \$118.50/mt, down \$24.00/mt from a day earlier on the impact of falling crude prices. Buying and selling ideas were indicated at a premium of \$45.00-55.00/mt to Singapore quotations, remaining steady from a day earlier.

◎ASIA BUNKER MARKET COMMENTARY

○Japan

The price for 380cst in Tokyo Bay, Japan was in the range of \$160.00-163.00/mt, falling down by \$7.00/mt from a day before with a fall in the fuel oil cargo price in Singapore. Offers were heard in the range of \$160.00-170.00/mt.

The price for VLSFO with a sulfur content of less than 0.5% was in the range of \$210.00-213.00/mt, losing by \$5.00/mt from a day before with a fall in the gasoil cargo price in Singapore. Selling ideas were quoted in the range of \$210.00-230.00/mt. No major inquiries left the market subdued on Tuesday. As previously

reported, the outbreak of COVID-19 slowed shipments down, which has steadily dragged down bunker oil demand. Meanwhile, supply by Japanese oil companies has tightened since they have reduced production by regular maintenance and some works. A source said that demand and supply have both reduced and they were in balance. The earliest delivery date was expected to be on May 8 or after the Golden Week holiday week so that traders set offers along with ongoing benchmark prices.

The price for LSMDO was in the range of \$363.00-373.00/mt, falling down by \$10.00/mt from a day before with a fall in the gasoil cargo price in Singapore. Offers were heard in the range of \$373.00-383.00/mt. The April average price for VLSFO in Tokyo Bay was estimated at \$243.18/mt, down \$102.64/mt from a month earlier.

South Korea

The price for 380cst in South Korea was in the range of \$191.00-194.00/mt, unchanged from a day before. A joint enterprise offered at \$194.00-197.00/mt.

Tuesday, average crude run rates was 74.6% or a combined crude throughput was 2.47 mil b/d. Hyundai Oilbank lowered its operation to 70% as it was conducting regular maintenance.

The price for VLSFO with a sulfur content of less than 0.5% was in the range of \$187.00-190.00/mt, down \$13.00/mt from a day before with a fall in the gasoil paper swaps value in Singapore. Four suppliers in South Korea lowered crude throughput at their refineries due to weak demand. As of

The price for LSMGO was in the range of \$210.00-220.00/mt, down \$10.00/mt from a day before with a fall in the gasoil paper swaps value in Singapore. Offers were heard in the range of \$220.00-230.00/mt.

OF.E.Russia

The price for 380cst in Far East Russia was in the range of \$120.00-123.00/mt, unchanged from a day before. Offers were heard in the range of \$120.00-140.00/mt. There was a gap of offers between suppliers. No remarkable inquiries were heard on Tuesday.

\$220.00-240.00/mt. On Tuesday, an inquiry of a 300mt lot was heard in Vostochny. The price had yet to be heard. However, some speculated that it would be done in the low \$220's/mt as a deal had been heard at \$225/mt on Monday.

The price for VLSFO with a sulfur content of less than 0.5% was in the range of \$220.00-223.00/mt, down \$17.00/mt from a day before with a fall in crude oil prices. Selling ideas were shown in the range of

The price for MGO was in the range of \$310.00-320.00/mt, unchanged from a day before. Offers were posted in the range of \$320.00-330.00/mt. For LSMGO, offers were quoted in the range of \$350.00-360.00/mt.

OHong Kong

The price for 380cst in Hong Kong was in the range of \$146.00-149.00/mt, dropping by \$20.00/mt from Monday reflecting weak Singapore fuel oil paper swap values. Offers were posted in the range of \$146.00-168.00/mt. The price for VLSFO with a sulfur content of less than 0.5% was in the range of \$175.00-178.00/mt, declining by \$18.00/mt from

Monday tracking weak Singapore 0.5% fuel oil paper swap values. Offers were cast in the range of \$175.00-188.00/mt. The price for LSMGO was in the range of \$180.00-190.00/mt, falling by \$20.00/mt from Monday reflecting bearish Singapore gasoil paper swap values. Offers were heard in the range of \$190.00-200.00/mt.

○Singapore

The price for 380cst in Singapore was in the range of \$120.00-123.00/mt, declining by \$15.00/mt from Monday reflecting weak Singapore fuel oil paper swap values. Offers were heard in the range of \$120.00-130.00/mt.

The price for VLSFO with a sulfur content of less than 0.5% was in the range of \$195.00-198.00/mt, falling by \$12.00/mt from Monday in reaction to weaker Singapore 0.5% fuel oil paper swap values. Offers were shown in the range of \$198.00-205.00/mt. For talks on a fixed price basis, parcels with a total of more than 700mt for delivery on Mar 2 were traded in the high \$200's/mt on Monday. Meanwhile, parcels with a total of less than 500mt for delivery on May 5 onwards were traded at a premium of \$20-30/mt to Singapore gasoil futures.

As reported earlier, prices for LSMGO were

declining along with a fall in gasoil demand. Therefore, VLSFO prices exceeded from those for LSMGO in Singapore. Sources said that the number of active barges was decreasing in Singapore, and that underpins VLSFO prices. In the country, a bunker fuel oil supplier with credit problems retreated from the bunker fuel oil trading market. The fall in the number of barges was cited as a bullish factor temporarily to VLSFO price, but the impact would be limited. Sources expected that barge tightness would be eased for talks for mid-May delivery onwards.

The price for LSMGO was in the range of \$183.00-193.00/mt, down \$12.00/mt from Monday reflecting weak Singapore gasoil paper swap values. Offers were posted in the range of \$193.00-205.00/mt.

◎PRODUCTS TRANSACTIONS

-NAPHTHA

04/28

TRADER⇒LG CHEM

JPN-2.00 CFR KOREA H1 JUNE

◎MARKET NEWS

○South Korea crude throughput at 2.47 mil b/d, down 1.8% on week

Combined crude oil throughput for refiners in South Korea was at 2.47 mil barrels per day (b/d) as of Apr 28, down 1.8% on week, according to a Rim survey of operating rates. Each South Korean oil company kept the operations at its refineries low due to the ongoing concerns about worldwide demand. Average refinery run rates were at around 70% as some refiners had conducted turnaround. The current figure equates to a utilization rate of 74.6% of the nation's total refining capacity of 3.31 mil b/d.

South Korea Crude Run Rate					
Capacity	SK Energy 1,215,000 b/d	GS Caltex 785,000 b/d	S-Oil 669,000 b/d	Hyundai 650,000 b/d	Total 3,319,000 b/d
Apr 28, 2020	71.6 % 870,000 b/d	70.1 % 550,000 b/d	90.0 % 602,000 b/d	70.0 % 455,000 b/d	74.6 % 2,477,000 b/d
Apr 21, 2020	74.1 % 900,000 b/d	73.9 % 580,000 b/d	90.0 % 602,000 b/d	70.0 % 455,000 b/d	76.4 % 2,537,000 b/d
Apr 14, 2020	82.3 % 1,000,000 b/d	82.8 % 650,000 b/d	82.2 % 550,000 b/d	80.0 % 520,000 b/d	82.0 % 2,720,000 b/d
Apr 07, 2020	84.8 % 1,030,000 b/d	85.4 % 670,000 b/d	85.2 % 570,000 b/d	84.6 % 550,000 b/d	85.0 % 2,820,000 b/d

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OMOF TRADE: Mar,20 Petroleum exports from Japan

Oil type	20/3-Provisional Data-			20 Feb-Revised Data-	
	Volume (KL)	Yen/KL	Dlrs/bbl	Volume (KL)	Yen/KL
Petroleum spirits--mogas	395,529	44,901	66.16	246,899	51,290
others	56,678	48,924	72.09	18,644	56,543
Kerosene	206,697	45,547	67.12	242,873	485
Gasoil	618,886	45,811	67.51	553,331	49,027
Heavy Fuels	643,745	39,336	57.96	640,959	47,479
-Exchange rate (Yen/\$) (20 Mar)		107.89			

OMOF TRADE: Mar,20 Petroleum imports into Japan

Oil type	20/Mar-Provisional Data-			20/Feb-Revised Data-	
	Volume (KL)	Yen/KL	Dlrs/bbl	Volume (KL)	Yen/KL
Crude Oil	14,782,441	42,437	62.48	12,415,682	48,648
Reformate	-	-	-	-	-
Gasoline	209,893	40,825	60.11	283,322	48,991
Naphtha--Petchem use	2,225,136	40,783	60.04	1,875,570	44,024
Kerosene--Jet Fuel	84,708	46,957	69.13	273,269	50,704
--Petchem use	-	-	-	-	-
--Others	146,322	45,039	66.31	214,074	54,231
Gasoil--Petchem use	-	-	-	-	-
--Others	97,106	38,777	57.09	67,328	48,854
AFO-- (1)	8,263	32,502	47.85	-	-
--0.3%S or less	9,100	53,644	78.98	13,799	51,433
--more than 0.3%S	3,000	33,333	49.08	-	-
CFO--for Refining	5,257	51,538	75.88	9,012	51,281
--0.3%S or less	-	-	-	-	-
--more than 0.3%S	-	-	-	-	-
Exchange rate (Yen/\$)	20/Mar	108.00			
*Reformate: Unit·MT, \$/MT					
*A fuel oil (1) is for use in the Agriculture, Fishery and Forestry only.					


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