

☆RIM PRODUCTS INTELLIGENCE DAILY

★No.8214 Aug 28 2020

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

## ◎RECX-22 index

RECX-22 index for Friday was 67.97, down 0.57 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

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©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	45,300 - 45,800	-500 / 500	+ 45,300 - 45,800 +	-500 / 500
Kerosene	42,000 - 43,000	-500 / 500	41,500 - 42,500	-500 / 500
Gasoil-0.001%S	48,000 - 48,900	-500 / 500	48,500 - 49,000	-500 / 500
AFO-0.5%S	45,300 - 45,900	-500 / 500	45,300 - 45,900	-500 / 500
AFO-0.1%S	45,800 - 46,400	-500 / 500	45,800 - 46,400	-500 / 500
LSCFO-0.3%S	40,000 - 41,000	-500 / 500	40,000 - 41,000	-500 / 500
HSCFO-3.0%S	33,750 - 34,750	-500 / 500	33,750 - 34,750	-500 / 500
<b>Marine Fuel Oil</b>				
VLSFO-0.5%S	42,750 - 43,750		42,750 - 43,750	
HSCFO-3.0%S	33,750 - 34,750		33,750 - 34,750	
Floating price assessments in premiums or discounts against Rim monthly average				
<b>-Tokyo Bay Refinery Rack Index-</b>				
Gasoline	44,525	-150		
Kerosene	46,275	+50		
Gasoil-0.001%S#	46,400	unch.		
AFO-0.5%S	45,150	unch.		
LSAFO-0.1%S	45,525	-50		
# before-tax gasoil				
<b>-Japan Crude Cocktail or JCC(MOF CIF Japan Crude Prices, in Yen/kl)-</b>				
20/06/01-30	16,644r	20/07/01-31	22,055r	20/08/01-31 due out on Sep 16
20/06/01-10	15,891	20/07/01-10	20,236	20/08/01-10 27,919
20/06/11-20	16,168	20/07/11-20	21,814	20/08/11-20 due out on Sep 07
20/06/21-30	17,386	20/07/21-31	23,636	20/08/21-31 due out on Sep 16

©Japan Product Paper Swap Assessments (FOB Tokyo Bay in Yen/kl)			
	Sep	Oct	Nov
Gasoline	45,300 - 45,800	+ 42,000 - 43,000 +	42,300 - 43,300
Kerosene	42,000 - 43,000	44,000 - 45,000	44,200 - 45,200
Gasoil	48,000 - 48,900	- 49,700 - 50,700 -	- 49,900 - 50,900 -
AFO-0.5%S	45,300 - 45,900	45,500 - 46,100	- 45,600 - 46,200 -
AFO-0.1%S	45,800 - 46,400	46,000 - 46,600	- 46,100 - 46,700 -
LSCFO	40,000 - 41,000	40,200 - 41,200	- 40,300 - 41,300 -
HSCFO	33,750 - 34,750	33,950 - 34,950	- 34,050 - 35,050 -

©TOCOM Energy Futures (FOB Tokyo Bay Refinery/Primary Storage in Yen/kl)						
	Open	High	Low	Settle	Change	Volume
<b>Gasoline</b>						
Oct	40,890	41,000	40,890	41,000	+100	3
Nov	41,300	41,300	41,300	41,300	+50	1
Dec	41,000	41,390	41,000	41,210	+20	6
Jan	41,130	41,420	41,130	41,250	-20	25
Feb	41,530	41,530	41,170	41,210	-180	147
Mar	41,730	42,060	41,530	41,690	-70	72
Total						254
<b>Kerosene</b>						
Oct	-	-	-	42,970	0	-
Nov	-	-	-	43,200	0	-
Dec	43,260	43,470	43,260	43,470	-220	3
Jan	43,270	43,360	43,200	43,360	-140	3
Feb	43,480	43,510	43,230	43,230	-360	30
Mar	44,130	44,130	43,100	43,520	-260	25
Total						61



Gasoil						
Oct	-	-	-	48,700	-300	-
Nov	-	-	-	48,900	-300	-
Dec	-	-	-	49,100	-300	-
Jan	-	-	-	49,300	-300	-
Feb	-	-	-	49,500	-300	-
Mar	-	-	-	49,700	-300	-
Total						
Crude oil						
Aug	29,290	29,290	29,290	29,290	0	6
Sep	29,840	29,940	29,740	29,780	-320	18
Oct	30,010	30,180	29,990	30,000	-340	105
Nov	30,230	30,280	30,140	30,140	-380	110
Dec	30,340	30,450	30,200	30,320	-320	479
Jan	30,530	30,660	30,400	30,460	-360	4,055
Total						4,773
In contracts of 50 kiloliters						
Open interest (08/27) (Short): Gasoline 1,785 Kerosene 952 Gasoil 0 Crude oil 160,938						
Open interest (08/27) (Long): Gasoline 1,785 Kerosene 952 Gasoil 0 Crude oil 160,938						

©CFR Japan MR Cargoes (Naphtha and FO in \$/mt, Others in \$/bbl)			
	-Physical-	-Premium-	Import Cost (Yen/kl)
Naphtha	- 406.25 - 407.25 - **		30,653
Oct 1st-half	- 406.25 - 406.75 -	-0.75 / -0.25#	
Oct 2nd-half	- 406.25 - 406.75 -		
Nov 1st-half	- 406.75 - 407.25 -		
Jet/Kerosene	- 43.15 - 43.25 -	0.65 / 0.75	32,400
Gasoil 0.001%S	- 48.40 - 48.50 -	-0.10 / 0.00	36,359
FO 0.3%S	- 347.00 - 357.00 -	75.00 / 85.00*	39,998
FO 380cst 3.5%S	- 255.75 - 256.75 -	-11.00 / -10.00	29,947
--Exchange rate (TTS Yen/\$ as of Aug 28) 107.66 (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 LSF0 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	- 42.10 - 42.20 -	-0.40 / -0.30	31,078
Gasoil CARB DIESEL	- 47.65 - 47.75 -	-0.85 / -0.75	34,802
Gasoil 0.001%S	- 47.40 - 47.50 -	-1.10 / -1.00	34,634
FO 380cst 3.5%S	- 245.25 - 246.25 -	-21.50 / -20.50	28,356
--Exchange rate (TTM Yen/\$ as of Aug 28) 106.66 (MUFG Bank)			
*Yen/kl prices include Yen 2,800/kl refund.			

©FOB Singapore Cargoes (FO in \$/mt, Others in \$/bbl)			
	-Physical-	-Premium-	
Mogas 97RON	- 49.55 - 49.65 -	2.75 / 2.85*	
95RON	- 47.85 - 47.95 -	1.05 / 1.15*	
92RON	- 46.75 - 46.85 -	-0.10 / 0.00*	
Naphtha	- 44.00 - 44.10 -	0.90 / 1.00	
Jet/Kerosene	- 41.20 - 41.30 -	-1.30 / -1.20	
Gasoil 0.001%S	- 48.10 - 48.20 -	-0.40 / -0.30	
Gasoil 0.05%S	- 46.40 - 46.50 -	-2.10 / -2.00	



FO 0.5%S	- 320.00 - 330.00 -	-5.00 / 5.00
FO 180cst 3.5%S	- 273.00 - 274.00 -	1.00 / 2.00
FO 380cst 3.5%S	- 267.50 - 268.50 -	0.75 / 1.75

\* Premium to FOB Singapore Mogas 92RON. 92RON Physical price does not include Premiums.

©FOB Indonesia LSWR Cargoes		
	-Physical-	-Premium-
LSWR 0.45%S (\$/mt)	- 315.00 - 317.00 -	43.00 / 45.00*
LSWR 0.45%S (\$/bbl)	- 47.75 - 48.05 -	

\*Premium to Singapore HSFO 180cst paper swaps

©Singapore Paper Swaps (FO in \$/mt, Others in \$/bbl)			
	Sep	Oct	Nov
Naphtha	- 43.05 - 43.15 -	- 43.05 - 43.15 -	- 42.90 - 43.00 -
Jet/Kerosene	- 42.45 - 42.55 -	- 43.40 - 43.50 -	- 44.40 - 44.50 -
Regrade	+ -6.05 - -5.95 +	-5.60 - -5.50	- -5.10 - -5.00 -
Gasoil 0.001%S	- 48.45 - 48.55 -	- 48.95 - 49.05 -	- 49.45 - 49.55 -
FO 0.5%S	- 324.75 - 325.25 -	- 327.75 - 328.25 -	- 330.00 - 330.50 -
FO 180cst 3.5%S	- 271.75 - 272.25 -	- 271.00 - 271.50 -	- 271.75 - 272.25 -
FO 380cst 3.5%S	- 266.50 - 267.00 -	- 265.50 - 266.00 -	- 265.25 - 265.75 -

©Singapore Crack Margins (Against Dubai Swaps, in \$/bbl)			
	Sep	Oct	Nov
Naphtha	-1.29	-1.62	-1.98
Jet/Kerosene	-1.89	-1.27	-0.48
Gasoil 0.001%S	4.11	4.28	4.57
FO 0.5%S	5.61	5.74	5.88
FO 180cst 3.5%S	-2.54	-2.99	-3.08
FO 380cst 3.5%S	-3.35	-3.84	-4.08

©FOB South Korea Cargoes (FO in \$/mt, Others in \$/bbl)			
MR Cargoes	-Physical-	-Premium-	
Mogas 91RON/0.001%S	- 48.00 - 48.20 -	1.20 / 1.40*	
Mogas 92RON/0.005%S	- 45.00 - 45.20 -	-1.80 / -1.60*	
Jet/Kerosene	- 42.15 - 42.25 -	-0.35 / -0.25	
Gasoil 0.001%S	- 47.40 - 47.50 -	-1.10 / -1.00	
Gasoil 0.05%S	- 46.40 - 46.50 -	-2.10 / -2.00	
Gasoil 0.25%S	- 44.45 - 44.55 -	-4.05 / -3.95	
Gasoil 0.5%S	- 43.95 - 44.05 -	-4.55 / -4.45	
FO 0.3%S	- 332.00 - 342.00 -	60.00 / 70.00***	
FO 0.5%S	- 335.00 - 345.00 -	10.00 / 20.00	
FO 380cst 3.5%S	- 246.25 - 247.25 -	-20.50 / -19.50	
SR Cargoes	-Physical-	-Premium-	Import Cost (Yen/kl) #
Mogas 91RON	- 49.00 - 49.10 -	2.20 / 2.30*	38,575
Kerosene	- 44.00 - 44.50 -	1.50 / 2.00	34,737
Gasoil 0.001%S	- 49.95 - 50.05 -	1.45 / 1.55	39,034
LSAFO 0.1%S	- 45.80 - 46.00 -	-2.70 / -2.50**	32,708
FO 0.3%S	- 342.00 - 352.00 -	70.00 / 80.00***	41,887

\*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 LSFO 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	- 46.85 - 47.05 -	0.05 / 0.25
Jet/Kerosene	- 42.25 - 42.35 -	-0.25 / -0.15
Gasoil 0.001%S	- 47.65 - 47.75 -	-0.85 / -0.75
Gasoil 0.05%S	- 46.60 - 46.70 -	-1.90 / -1.80
Gasoil 0.25%S	- 45.35 - 45.45 -	-3.15 / -3.05
Gasoil 0.5%S	- 44.65 - 44.75 -	-3.85 / -3.75

**◎FOB China Cargoes (in \$/bbl)**

MR Cargoes	-Physical-	-Premium-
Mogas 92RON	- 45.85 - 46.05 -	-0.95 / -0.75
Gasoil 0.001%S	- 47.10 - 47.30 -	-1.40 / -1.20
Gasoil 0.005%S	- 47.10 - 47.30 -	-1.40 / -1.20

**◎CFR China Cargoes**

	(FO in \$/mt, Others in \$/bbl)		(Yuan/mt)	(Yuan/mt)
	-Physical-	-Premium-	-Import Cost-	-Domestic-###
<b>North China</b>				
Mogas 92RON***	- 46.00 - 46.20 -	-0.80 / -0.60	5,434	5,550 - 5,600
Gasoil 0.001%S*	- 48.40 - 48.50 -	-0.10 / 0.00	4,471	5,150 - 5,200
<b>East China</b>				
Mogas 92RON***	- 45.90 - 46.10 -	-0.90 / -0.70	5,427	5,650 - 5,700
Gasoil 0.001%S*	- 48.30 - 48.40 -	-0.20 / -0.10	4,465	5,050 - 5,100
<b>South China</b>				
Mogas 92RON***	- 46.10 - 46.30 -	-0.70 / -0.50	5,440	5,650 - 5,700
Gasoil 0.001%S*	- 48.50 - 48.60 -	0.00 / 0.10	4,477	5,000 - 5,050
FO 380cst 3.5%S**	- 286.25 - 287.25 -	19.50 / 20.50	3,631	3,450 - 3,500 ##

--Exchange rate (MIDDLE Yuan/\$ as of Aug 28) 6.8891

\*\*\*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 HSF0 in \$/mt, Others in \$/bbl)**

	-Physical-	-Premium-
Naphtha	- 395.25 - 395.75 -	12.00 / 14.00
Jet/Kerosene	- 39.80 - 39.90 -	0.70 / 0.90
Gasoil 0.001%S	- 46.70 - 46.80 -	0.90 / 1.10
FO 380cst 3.5%S	- 254.00 - 255.00 -	

(Correction) In the Aug 27 issue, the premium of naphtha on an FOB Middle East basis was incorrect. The correct number is 12.00-14.00/mt. We apologize for any inconvenience this may have caused you.

**◎Freights rates**

<b>SR Clean Tanker Freight Rates (\$/bbl)</b>			
Korea to Tomakomai	2.90 - 3.10	Korea to Keihin	2.60 - 2.80
Korea to Nagoya	2.30 - 2.50	Korea to Kanmon	1.90 - 2.10
<b>SR Dirty Tanker Freight Rates (\$/mt)</b>			
Korea to Tomakomai	24.00 - 26.00	Korea to Keihin	22.00 - 24.00
<b>MR Tanker Freight Rates (\$/bbl for clean \$/mt for dirty)</b>			



Korea to N.China	0.90 – 1.10	Korea to E.China	0.80 – 1.00
Korea to S.China	1.00 – 1.20	Korea to Japan clean	0.90 – 1.10
Korea to Japan dirty	8.50 – 10.50		
<b>LR Tanker Freight Rates (\$/bbl for clean \$/mt for dirty)</b>			
ME to Singapore clean	1.30 – 1.50	ME to Singapore dirty	12.50 – 14.50

**©Asia Bunker Prices (\$/mt)**  
**— 28Aug20 Closing Quotes —**

Port/Location	380cst		VLSFO		LSMGO (LSMDO: Japan) ##	
	Low – High	Change	Low – High	Change	Low – High	Change
Tokyo Bay	297.00 – 300.00	0.00	345.00 – 348.00	-2.00	529.00 – 539.00	-4.00
West Japan	303.00 – 306.00	0.00	351.00 – 354.00	-2.00	539.00 – 549.00	-4.00
Ise Bay	302.00 – 305.00	0.00	350.00 – 353.00	-2.00	529.00 – 539.00	-4.00
#Rim Average-Aug	291.60	0.00	349.21	-0.19	534.52	-0.38
S. Korea	324.00 – 327.00	+12.00	354.00 – 357.00	-11.00	381.00 – 391.00	-18.00
F. E. Russia*	262.00 – 265.00	0.00	362.00 – 365.00	0.00	390.00 – 400.00	0.00
Taiwan Kaohsiung PP**	326.00 – 329.00	-3.00	374.00 – 377.00	-3.00	422.00 – 425.00	-5.00
Taiwan Keelung PP**	NA – NA	-	374.00 – 377.00	-3.00	422.00 – 425.00	-5.00
Taiwan Taichung PP**	NA – NA	-	374.00 – 377.00	-3.00	422.00 – 425.00	-5.00
Taiwan Others PP**	NA – NA	-	374.00 – 377.00	-3.00	422.00 – 425.00	-5.00
Hong Kong	290.00 – 293.00	0.00	315.00 – 318.00	-17.00	348.00 – 358.00	-10.00
Singapore	275.00 – 278.00	-5.00	338.00 – 341.00	-6.00	363.00 – 373.00	-10.00

--Note: \*Nakhodka, Vostochny, Vladivostok, \*\*Posting Price  
#Rim Tokyo Bay monthly average, ## F.E Russia and Taiwan PP (MGO)

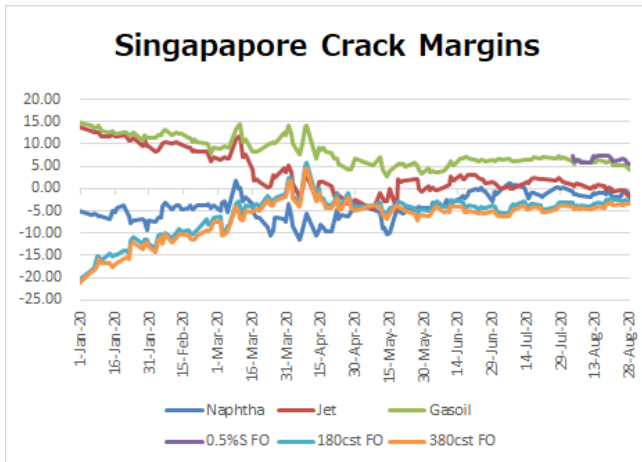
Port/Location	380cst		VLSFO		LSMGO	
	Low – High	Change	Low – High	Change	Low – High	Change
Shanghai	303.00 – 306.00	0.00	347.00 – 350.00	0.00	405.00 – 415.00	0.00
Bangkok	NA – NA	-	350.00 – 353.00	0.00	410.00 – 420.00	0.00
Colombo	NA – NA	-	377.00 – 380.00	0.00	430.00 – 440.00	0.00

--Prices at three ports listed above are reference numbers.

**©ASIA PRODUCTS MARKET COMMENTARY**  
**○Benchmark Crude Summary**

Aug 28 crude oil prices (As of the evening time in Tokyo)  
 NYMEX • WTI OCT \$42.82/bbl (down \$0.60/bbl versus a day before)  
 ICE • BRENT OCT: \$44.88/bbl (down \$0.97/bbl versus a day before)  
 DUBAI PAPER SEP \$44.39/bbl (down \$0.85/bbl versus a day before)

**○Singapore Crack Margins**



In the Singapore paper swap market, the crack spread of naphtha over Dubai crude oil for September was at minus \$1.29/bbl, down 55cts/bbl from a day before. The crack spread of jet fuel was at minus \$1.89/bbl, down 65cts/bbl, that of 0.001% sulfur gasoil at \$4.11/bbl, down 75cts/bbl, that of 0.5% sulfur fuel oil was at \$5.61/bbl, down 27cts/bbl, that of 180cst fuel oil at minus \$2.54/bbl, up 16cts/bbl, and that of 380cst fuel oil at minus \$3.35/bbl, up 20cts/bbl.

## Gasoline

The differential for MR-size cargoes of 92RON gasoline on an FOB China basis was at a discount in the range of 75-95cts/bbl to Singapore quotations, while the differential for MR-size cargoes of 92RON gasoline on an FOB South Korea basis was at a discount in the range of \$1.60-1.80/bbl to the same quotations, both unchanged from a day before. Refiners in China continued sales for cargoes loading in September. On Friday, China National Offshore Oil Co closed a sell tender for 92RON gasoline loading on Sep 29-30 from South China, but the results of the tender were unknown. Meanwhile, no spot purchases from Southeast Asia including Indonesia and Vietnam were reported.

CFR East MR-size cargoes of 92RON gasoline were at

a discount of 70-90cts/bbl to Singapore quotations, unchanged from a day before. In East China, domestic prices for 92RON gasoline on an ex-primary storage basis were in the range of Yuan 5,650-5,700/mt, unchanged from a day before. The price was above the import cost by Yuan 248/mt or \$4.24/mt.

FOB Singapore prices for 92RON gasoline went down \$1.80/bbl to \$46.75-46.85/bbl with a fall in the gasoline prices in the US. On Friday, PTT in Thailand sold 50,000bbl of 92RON gasoline loading on Sep 23-27 at \$46.80/bbl to Trafigura. Buying and selling ideas for 92RON gasoline were indicated at a discount of 10cts/bbl to flat to Singapore quotations, unchanged from a day before.

## Naphtha

Open-spec naphtha prices in Asia were in the range of \$406.25-407.25/mt, down \$8.00/mt from a day before with a falling Brent crude oil price.

One of Northeast Asian end-users said that the differential on a CFR Japan basis was conducting at around flat to Japan quotations. Also, with regard to the forward prices, the Northeast Asian end-user viewed that the prices would hover on balance of bullish and bearish factors.

In the US, amid landing hurricanes one after another in the Gulf of Mexico, supply for oil products as

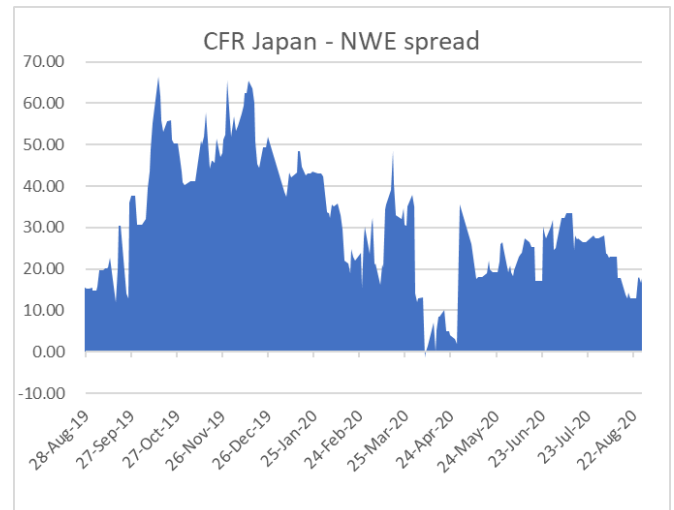
gasoline and naphtha as the feedstock of gasoline were tightening due to stoppage of operations for refineries in the Gulf regions. In the meantime, some saw that supply of arbitrage cargoes from Europe and the US to Asia would be capped and Asian markets would be supported if exports for European gasoline to the US market where was soaring up would rise.

In Brent crude oil futures trades on the Intercontinental Exchange (ICE) early in the evening in Asia, the Oct contract was at \$44.88/bbl, down 97cts/bbl from a day before. Open-spec naphtha prices for H1 Oct arrival and H2 Oct arrival were at

\$406.25-406.75/mt, and H1 Nov arrival at \$406.75-407.25/mt.

On a timing spread, a H1 Oct/H1 Nov spread was in contango of 50cts/mt, unchanged from a day before. An Oct Brent/H1 Oct naphtha spread was at \$70/mt in favor of naphtha, narrowing \$1/mt from a day before.

Early in the evening in Asia, Sep NWE naphtha prices were at \$387.75-389.75/mt. Prices for Oct and Nov were at \$384.25-386.25/mt and \$382.50-384.50/mt. A H1 Oct Asia/Sep NWE spread was at \$18/mt in favor of Asia, widening \$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 25-35cts/bbl to Singapore quotations, while the differential for MR-size cargoes of jet fuel on an FOB Taiwan basis was at a discount in the range of 15-25cts/bbl to the same quotations, both unchanged from a day before. Talks were shifting to cargoes loading in October, but market sentiment was weak as sluggish demand was unlikely to pick up. A trader said that the arbitrage window from Asia to the US West Coast was open. However, as demand in the US was also weak, so that only limited traders seemed to procure cargoes to be brought into the country. Meanwhile, some expected that prices in the US could go up after the hurricane hit the country, but impacts of the hurricane was lower than expected. Amid poor demand, the differential for jet fuel in the Singapore

market also kept worsening.

FOB Singapore prices for jet fuel oil went down \$1.35/bbl to \$41.20-41.30/bbl. Although the differential went up, the falling paper swaps value led the market down. The Sep swaps contract was valued at \$42.50/bbl, down \$1.50/bbl from a day before. Buying and selling ideas were indicated at a discount of \$1.20-1.30/bbl to Singapore quotations, up 15cts/bbl from a day before. Purchases surfaced due to cheaper prices at the moment. On Friday, Mabanft showed a bid for jet fuel loading on Sep 23-27 at a discount of \$1.30/bbl to Singapore quotations.

### OGasoil

The differentials for MR-size cargoes of 0.001% sulfur gasoil on an FOB South Korea basis was at a discount in the range of \$1.00-1.10/bbl to Singapore quotations, the differential for MR-size cargoes of 0.001% sulfur gasoil on an FOB Taiwan basis was at a discount in the range of 75-85cts/bbl to the quotations, and the differential for MR-size cargoes of 0.001% sulfur gasoil on an FOB China basis was at a discount in the range of \$1.20-1.40/bbl to the quotations, all unchanged from a day before. Talks on cargoes loading in October just started, and market players still stayed

in a wait-and-see stance. Therefore, not many players were making moves, and the differentials did not change. However, as a refiner in South Korea reportedly kept operation rates at its refinery almost full, so that the company was expected to increase spot sales loading in October. Meanwhile, it was also pointed out more refiners were blending jet fuel into gasoil for a past few months as sales of jet fuel remained sluggish. As the density of gasoil got lower, those cargoes could be traded at a low differential by some buyers.



The differential for MR-size cargoes of 0.005% sulfur gasoil on an FOB China basis was at a discount in the range of \$1.20-1.40/bbl to Singapore quotations, unchanged from a day before. The differential did not change without any fresh offers and bids for cargoes loading in October. In the Philippines, one of outlets of 0.005% sulfur gasoil, Pilipinas Shell Petroleum Co shut down its Batangas refinery. A market source said that there were no signs that imports would increase soon as demand of gasoil in the country was still low in part due to the lockdown of its capital Manila. It was possible that imports would increase in the long term, but it may be hard to anticipate if demand would pick up amid the COVID-19 outbreak. For cargoes to be brought into the Philippines, 0.001% sulfur gasoil was sometimes supplied instead of 0.005% sulfur gasoil due to its small supply in the market.

CFR East China MR-size cargoes of 0.001% sulfur gasoil were at a discount of 10-20cts/bbl to Singapore quotations, unchanged from a day before. In East China, domestic prices for 0.001% sulfur gasoil on an ex-primary storage basis were in the range of Yuan 5,050-5,100/mt, unchanged from a day before. The price was above the import cost by Yuan 610/mt or \$11.81/mt.

FOB Singapore prices for 0.001% sulfur gasoil went down \$1.60/bbl to \$48.10-48.20/bbl. The falling paper swaps value pushed down the market. The Sep swaps contract was valued at \$48.50/bbl, down \$1.60/bbl from a day before. Buying and selling ideas were indicated at a discount in the range of 30-40cts/bbl to Singapore quotations, unchanged from a day before.

## ○Fuel 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 of \$10.00-20.00/mt to Singapore quotations (0.5%S), holding steady from a day before. Instead, the FOB Korea premiums were keeping strong sentiment. All oil companies in South Korea except S-Oil which have been sustaining high operation at its refinery were moving to pull down their refinery runs. Due to this, tightening supply of 0.5% sulfur fuel oil was supporting the market. On the other hand, Formosa Petrochemical Co (FPCC) in Taiwan has been halting several units for maintenance at present due to a fire at its refinery as reported. It was not clear when the units would come back online. Also, concerning an increase or decrease in supply of fuel oil including residue fuel oil from FPCC, the company reported that future forecasts were uncertain so far.

### 【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 \$43.00-45.00/mt to Singapore quotations (180cst), unchanged from a day before.

### 【Singapore Cargoes】

FOB Singapore prices for 0.5% sulfur fuel oil I dropped by \$7.25/mt to \$320.00-330.00/mt. The falling paper swaps value pushed down the market. The Sep 0.5% sulfur fuel oil swaps contract was valued at \$325.00/mt, down \$7.25/mt from a day before. Buying and selling ideas were indicated at a discount of \$5.00/mt to a premium of \$5.00/mt to Singapore quotations (0.5%S), unchanged from a day before.

The price for 380cst in Tokyo Bay, Japan was in the range of \$297.00-300.00/mt, flat from Thursday. Offers were cast in the range of \$300.00-305.00/mt.

The price for VLSFO with a sulfur content of less than 0.5% was in the range of \$345.00-348.00/mt, down \$2.00/mt from Thursday tracking weak Singapore 0.5%S fuel oil paper swap values. Offers were cast in the range of \$345.00-355.00/mt. Parcels of VLSFO were traded at a discount of \$20-30/mt to o Singapore 0.001% gasoil futures quotations on Friday. However, details were not clear. The current VLSFO prices in

Tokyo Bay were said to be at the same level as those for delivered prices in Singapore. A wait-and-see stance prevailed in the market as there were few inquiries at the beginning of month.

The price for LSMDO with a sulfur content of less than 0.5% was in the range of \$519.00-529.00/mt, down \$14.00/mt from Thursday tracking weak Singapore gasoil paper swap values. Offers were posted in the range of \$529.00-539.00/mt. The August average price for VLSFO in Tokyo Bay was estimated at \$340.50/mt, down \$8.71/mt from a month earlier.

### ○South Korea

The price for 380cst in South Korea was in the range of \$324.00-327.00/mt, increasing by \$12.00/mt from Thursday on tight demand/supply fundamentals. A joint enterprise posted offers at \$327.00-330.00/mt.

The price for VLSFO with a sulfur content of less than 0.5% was in the range of \$354.00-357.00/mt, dropping by \$11.00/mt from Thursday following weak Singapore 0.5%S fuel oil paper swap values. A conglomerate company offered at \$354.00-360.00/mt, a petroleum processing company at \$362.00-365.00/mt, and the joint enterprise at \$360.00-371.00/mt.

The price for LSMGO was in the range of \$381.00-391.00/mt, sinking by \$18.00/mt from

Thursday with a fall in gasoil paper swap value. The conglomerate company offered at \$381.00-405.00/mt, the petroleum processing company at \$393.00-405.00/mt, and the joint enterprise at \$401.00-405.00/mt.

In South Korea, supply of bunker fuel had been suspended due to a typhoon, but it was resumed on Thursday at some of main ports in the country such as Ulsan and Busan. On Friday, supply was completely restarted at all ports including Daesan and Incheon in the country. However, a market source said that bad weather was forecast in the country late next week, so that suppliers who held orders had intentions to sell out volumes by Sep 3.

### ○F.E.Russia

The price for 380cst in Far East Russia was in the range of \$262.00-265.00/mt, showing no change from Thursday. Offers were heard in the range of \$265.00-268.00/mt. The price for VLSFO with a sulfur content of less than 0.5% was in the range of \$362.00-365.00/mt, unchanged from Thursday. Selling ideas were shown in the range of \$365.00-368.00/mt. The price for MGO was in the range of \$390.00-400.00/mt, flat from Thursday. Offers were posted in the range of \$400.00-410.00/mt. For LSMGO

with a sulfur content of less than 0.1%, offers were quoted in the range of \$420.00-450.00/mt.

Sales prices in the Far East Russia hovered at a high level as transportation costs of VLSFO by trains from inland Russia remained high. Market players mentioned that some suppliers who determined that demand in Far East Russia couldn't be expected in September onwards were reducing their inventories. Market was quiet without any inquires on Friday.

**○Hong Kong**

The price for 380cst in Hong Kong was in the range of \$290.00-293.00/mt, leveling off from Thursday. Offers were posted in the range of \$290.00-305.00/mt. The price for VLSFO with a sulfur content of less than 0.5% was in the range of \$315.00-318.00/mt, sinking by \$17.00/mt from Thursday with a fall in Singapore 0.5%S fuel oil

paper swap values. Offers were cast in the range of \$315.00-354.00/mt. The price for LSMGO was in the range of \$348.00-358.00/mt, falling by \$10.00/mt from Thursday following weak Singapore gasoil paper swap values. Offers were heard in the range of \$358.00-372.00/mt.

**○Singapore**

The price for 380cst in Singapore was in the range of \$275.00-278.00/mt, falling by \$5.00/mt from Thursday in reaction to weaker Singapore fuel oil paper swap values. Offers were heard in the range of \$275.00-288.00/mt.

The price for VLSFO with a sulfur content of less than 0.5% was in the range of \$338.00-341.00/mt, down by \$6.00/mt from Thursday following bearish Singapore 0.5%S fuel oil paper swap values. Offers were shown in the range of \$338.00-353.00/mt. For talks on a fixed price basis, VLSFO parcels with a total of more than 1,500mt for delivery on Sep 2 onward were traded in the mid-\$340's/mt on Aug 27. Meanwhile, parcels with a total of more than 1,000mt for delivery on Sep 4 onwards were traded at a discount of \$20-26/mt to Singapore gasoil futures prices and traded at a premium of \$5-15/mt to

Singapore 0.5%S fuel oil future prices on Friday.

There were views that import volumes of VLSFO from Europe would increase, which could push down VLSFO prices for September delivery. Nevertheless, the price had not collapsed due to barge tightness as suppliers who needed cash on hand made moves to sell their barges in Singapore. Therefore, delivered prices for VLISO were likely to increase. Amid mixed market trends, recent VLSFO prices fluctuated in line with crude oil prices.

The price for LSMGO was in the range of \$363.00-373.00/mt, dropping by \$10.00/mt from Thursday tracking weak Singapore gasoil paper swap values. Offers were posted in the range of \$373.00-385.00/mt.

**◎MARKET NEWS**
**○Singapore crude throughput at 1.03mil b/d, unchanged on week**

Combined crude oil throughput for refiners in Singapore was at 1.03 mil barrels per day (b/d) as of Aug 28, unchanged on week, according to a survey conducted by Rim Intelligence. The current figure equates to a utilization rate of 73.8% of the nation's total refining capacity of 1.39 mil b/d.

**Singapore crude run rates**

Capacity	Shell		ExxonMobil		SRC		Total	
	500,000	b/d	605,000	b/d	290,000	b/d	1,395,000	b/d
<b>Aug 28, 2020</b>	<b>66.0</b>	<b>%</b>	<b>74.4</b>	<b>%</b>	<b>86.2</b>	<b>%</b>	<b>73.8</b>	<b>%</b>
	330,000	b/d	450,000	b/d	250,000	b/d	1,030,000	b/d
<b>Aug 21, 2020</b>	<b>66.0</b>	<b>%</b>	<b>74.4</b>	<b>%</b>	<b>86.2</b>	<b>%</b>	<b>73.8</b>	<b>%</b>
	330,000	b/d	450,000	b/d	250,000	b/d	1,030,000	b/d
<b>Aug 14, 2020</b>	<b>66.0</b>	<b>%</b>	<b>74.4</b>	<b>%</b>	<b>86.2</b>	<b>%</b>	<b>73.8</b>	<b>%</b>
	330,000	b/d	450,000	b/d	250,000	b/d	1,030,000	b/d
<b>Aug 07, 2020</b>	<b>66.0</b>	<b>%</b>	<b>74.4</b>	<b>%</b>	<b>86.2</b>	<b>%</b>	<b>73.8</b>	<b>%</b>
	330,000	b/d	450,000	b/d	250,000	b/d	1,030,000	b/d

**◎STATISTICS**
**○MOF TRADE: Jul,20 Petroleum exports from Japan**

MOF TRADE:		Jul,20 Petroleum exports from Japan			
Oil type	20/7-Provisional Data-			20 Jun-Revised Data-	
	Volume (KL)	Yen/KL	Dlrs/bbl	Volume (KL)	Yen/KL
Petroleum spirits--mogas	34,970	33,425	49.56	58,709	36,834
others	8,843	55,164	81.79	22,176	37,105
Kerosene	211,651	36,999	54.86	347,125	83
Gasoil	167,700	32,560	48.27	260,806	33,519
Heavy Fuels	139,323	33,272	49.33	116,118	30,736
-Exchange rate (Yen/\$) (20 Jul)		107.23			

**OMOF TRADE: Jul,20 Petroleum imports into Japan**

MOF TRADE:		Jul,20 Petroleum imports into Japan			
Oil type	20/Jul-Provisional Data-			20/Jun-Revised Data-	
	Volume (KL)	Yen/KL	Dlrs/bbl	Volume (KL)	Yen/KL
Crude Oil	11,512,104	22,055	32.71	10,025,096	16,644
Reformate	-	-	-	-	-
Gasoline	448,984	30,893	45.81	382,044	23,601
Naphtha--Petchem use	2,278,388	25,031	37.12	2,120,876	18,554
Kerosene--Jet Fuel	301	88,365	131.05	16,054	38,186
--Petchem use	-	-	-	-	-
--Others	58,459	33,219	49.26	43,736	32,243
Gasoil--Petchem use	-	-	-	-	-
--Others	72,805	36,123	53.57	77,971	32,070
AFO--(1)	10,744	34,898	51.75	6,552	31,775
--0.3%S or less	4,676	26,023	38.59	4,726	51,123
--more than 0.3%S	2,000	35,343	52.41	-	-
CFO--for Refining	-	-	-	9,958	24,025
--0.3%S or less	19,720	38,703	57.40	-	-
--more than 0.3%S	-	-	-	4,875	17,186
Exchange rate (Yen/\$)	20/Jul	107.22			

\*Reformate:Unit·MT, \$/MT

\*A fuel oil (1) is for use in the Agriculture, Fishery and Forestry only.


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