

RIM CRUDE/CONDENSATE INTELLIGENCE DAILY

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--Tokyo, 15:30 Mar 15 2016

## Notice

### Addition and removal of RIM assessments

Rim added assessments of Malaysia's Cendor in Physical Crude (Asia) starting from January 18. RIM at the same time has ended assessments of East Timor's Kitan. For this matter, please contact RIM's crude/condensate team if you have any questions.

Tell: 813-3552-2411, E-Mail: [info@rim-intelligence.co.jp](mailto:info@rim-intelligence.co.jp)

### Changes to Assessment lists in Crude/Condensate report

On Apr 1, Rim Intelligence Co will make some changes of designs to the assessment lists in the Crude/Condensate report. As an example, you can see the renovated version of Bunker Oil report by clicking the image shown below.

## New Look for Rim Price Assessments: Starts **Apr 1**

**Old Look**



**Stronger Lines  
Make for Easier View**

**Bolder Print Offers  
Quicker Reference**

**New Look**



[RIM Reports] \*Please click on the following links to see samples of each type of report: **Samples are not today's issue:**

[Bunker](#) [LPG](#) [LNG](#) [Petrochemical](#) [Products](#)

[RIM Data File](#) [Petrochemical Data](#) [RIM Website \(Chinese Ver.\)](#)

◎TOKYO SPOT CRUDE ASSESSMENTS (15Mar16)

○—Cash Crude

	Apr	May	Jun	Jul	Aug
WTI	36.75 – 36.80	38.41 – 38.46	39.36 – 39.41	40.07 – 40.12	40.62 – 40.67
BFO	–	39.06 – 39.11	39.68 – 39.73	40.20 – 40.25	40.73 – 40.78
JPN DTD**	38.40 – 38.45	39.05 – 39.10	39.64 – 39.69	40.27 – 40.32	40.83 – 40.88
Dubai	–	34.50 – 34.55	35.40 – 35.45	35.86 – 35.91	36.32 – 36.37

Spreads

	Apr	May	Jun	Jul	Aug
WTI/BFO	/	-0.68 / -0.63	-0.35 / -0.30	-0.16 / -0.11	-0.14 / -0.09
BFO/Dubai	/	4.53 / 4.58	4.25 / 4.30	4.31 / 4.36	4.38 / 4.43
Oman/Dubai	/	1.25 / 1.30	0.83 / 0.88	1.22 / 1.27	1.30 / 1.35

Intermonth Spreads

	Apr/May	May/Jun	Jun/Jul	Jul/Aug	Aug/Sep
BFO	/	-0.65 / -0.60	-0.55 / -0.50	-0.56 / -0.51	-0.57 / -0.52
Dubai	/	-0.93 / -0.88	-0.49 / -0.44	-0.49 / -0.44	-0.62 / -0.57
Oman*	/	-0.03 / 0.01	-0.02 / 0.02	-0.02 / 0.02	-0.02 / 0.02

\*Intermonth spreads of Oman is premium/discount to OSP.

\*\*JPN DTD refers to JPN Dated Brent, or Dated Brent assessed by RIM at 15:30 Tokyo time.

○—Paper Crude

	Mar	Apr	May	Jun	Jul
Dubai	34.50 – 34.54	35.40 – 35.44	35.86 – 35.90	36.32 – 36.36	36.91 – 36.95
DME/Dubai	1.24 / 1.32	0.82 / 0.90	1.21 / 1.29	1.29 / 1.37	1.29 / 1.37
Murban swp	3.80 / 4.00	3.85 / 4.05	3.90 / 4.10	/	/
JPN DTD/Dubai	/	2.98 / 3.02	3.17 / 3.21	3.30 / 3.34	3.34 / 3.38

\*DME/Dubai is the spread between DME Oman swap and Dubai swap.

○—Singapore Crack Margins (Against Dubai Crude Oil, in \$/bbl) (14Mar16)

	Apr	May	Jun
Naphtha	2.69	2.45	2.15
Jet	11.79	11.45	11.35
Gasoil	10.54	10.35	10.20
FO 180cst	-7.76	-7.92	-8.23
FO 380cst	-8.38	-8.72	-9.00

○—Singapore Crack Margins (Against DTD Brent Crude Oil, in \$/bbl) (14Mar16)

	Apr	May	Jun
Naphtha	-0.42	-0.81	-1.16
Jet	8.68	8.19	8.04
Gasoil	7.43	7.09	6.89
FO 180cst	-10.87	-11.18	-11.54
FO 380cst	-11.49	-11.98	-12.31

○—Physical Crude (Middle East)

—May—	Outright value	Premium
Dubai*	- 34.50 – 34.55 –	-1.38 / -1.33
Oman	- 35.78 – 35.83 –	0.01 / 0.06
Oman*	- 35.78 – 35.83 –	- -0.10 / -0.05 -
Murban	- 40.08 – 40.13 –	0.20 / 0.25
Das	- 39.53 – 39.58 –	0.15 / 0.20
Upper Zakum	- 35.65 – 35.70 –	- 0.34 / 0.39 -
Qatar Land	- 38.79 – 38.84 –	-0.02 / 0.03
Qatar Marine	- 34.43 – 34.48 –	-0.07 / -0.02
Al Shaheen*	- 35.11 – 35.16 –	-0.77 / -0.72
Arab Medium**	- 33.67 – 33.72 –	0.23 / 0.28
Basrah Light	- 34.17 – 34.22 –	+ 0.93 / 0.98 +
Basrah Heavy	- 30.97 – 31.02 –	+ 1.68 / 1.73 +
D. F. Condensate*	- 39.96 – 40.01 –	+ 4.08 / 4.13 +



# RIM INTELLIGENCE CRUDE/CONDENSATE

3F, Yaesu Dori Hata Bldg, 1-9-8 Hatchobori, Chuo-ku, Tokyo, 104-0032 Japan  
Tel:3552-2411 Fax:3552-2415 Singapore Office TEL:65-6345-9894 FAX:65-6345-9894

L. S. Condensate*	- 38.96 - 39.01 -	+ 3.08 / 3.13 +
Masila***	- 40.00 - 40.05 -	0.95 / 1.05
Marib Light***	- 39.55 - 39.60 -	0.50 / 0.60
Iran Light	- 35.32 - 35.37 -	
Iran Heavy	- 33.22 - 33.27 -	
—June—	Outright value	Premium
Dubai*	- 35.40 - 35.45 -	+ -0.94 / -0.89 +
Oman	- 36.26 - 36.31 -	0.02 / 0.07
Oman*	- 36.26 - 36.31 -	+ -0.08 / -0.03 +

\*Premiums for Dubai, Oman, Al Shaheen and D.F. Condensate, L. S. Condensate are over Dubai quote.  
 \*\*Premium for Arab Medium is over Aramco formula for Arab Medium.  
 \*\*\*Premiums for Masila and Marib Light are over DTD Brent.  
 -Premiums for all other grades are over each OSP.  
 -D.F. Condensate is Deodrised Field condensate.

O—Physical Crude (Africa)			
—April—	Outright value	Premium	
Bonny Light*	- 38.60 - 38.70 -	0.20 / 0.30	
Brass River*	- 38.50 - 38.60 -	0.10 / 0.20	
Qua Iboe*	- 39.25 - 39.35 -	0.85 / 0.95	
Agbami*	- 38.70 - 38.80 -	0.30 / 0.40	
Cabinda*	- 37.30 - 37.40 -	-1.10 / -1.00	
Djeno*	- 34.40 - 34.50 -	-4.00 / -3.90	
Girassol*	- 38.15 - 38.25 -	-0.25 / -0.15	
Hungo*	- 35.70 - 35.80 -	-2.70 / -2.60	
Nemba*	- 37.80 - 37.90 -	-0.60 / -0.50	
Dalia*	- 34.85 - 34.95 -	-3.55 / -3.45	
Pazflor*	- 34.75 - 34.85 -	-3.65 / -3.55	
Zafiro*	- 37.30 - 37.40 -	-1.10 / -1.00	
Doba*	- 31.35 - 31.45 -	-7.05 / -6.95	
Nile Blend**	- 36.50 - 36.60 -	3.10 / 3.20	
Dar Blend*	- 31.85 - 31.95 -	-6.55 / -6.45	

\* All premiums are over DTD Brent.  
 \*\* Premium is over Minas ICP on FOB basis.

O—Physical Crude (Other)			
—May—	Outright value	Premium	
Sokol*	- 41.21 - 41.31 -	5.35 / 5.45	
Sakhalin B*	- 40.96 - 41.06 -	5.10 / 5.20	
ESPO**	- 40.56 - 40.66 -	4.70 / 4.80	
Azeri***	- 43.05 - 43.15 -	4.00 / 4.10	
Urals****	- 41.25 - 41.35 -	2.20 / 2.30	
Forties****	- 41.35 - 41.45 -	2.30 / 2.40	
Castilla B*****	- 30.46 - 30.56 -	-5.40 / -5.30	

\*Premiums for Sokol and Sakhalin B are over Dubai quote on CFR Yosun.  
 \*\*Premium for ESPO is over Dubai quote on FOB Kozmino.  
 \*\*\*Premium for Azeri is over DTD Brent on CFR South East Asia.  
 \*\*\*\*Premiums for Urals and Forties are over DTD Brent on CFR North East Asia.  
 \*\*\*\*\*Premium for Castilla B is over Dubai quote on CFR North East Asia.

O—Physical Crude (Asia)				
—April—	Outright value	Prem. (vs ICP)	Prem. (vs JPN DTD)	
Minas	- 34.15 - 34.25 -	0.75 / 0.85	- -4.25 / -4.15 -	
Cinta	- 35.00 - 35.10 -	0.00 / 0.10	- -3.40 / -3.30 -	
Widuri	- 35.10 - 35.20 -	0.15 / 0.25	- -3.30 / -3.20 -	
Duri	- 34.60 - 34.70 -	2.45 / 2.55	- -3.80 / -3.70 -	
Lalang	- 36.35 - 36.45 -	0.95 / 1.05	- -2.05 / -1.95 -	
Handil Mix	- 35.45 - 35.55 -	3.85 / 3.95	- -2.95 / -2.85 -	
Attaka	- 37.25 - 37.35 -	2.60 / 2.70	- -1.15 / -1.05 -	



Belida	- 38.00 - 38.10 -	2.05 / 2.15	- -0.40 / -0.30 -
Ardjuna	- 33.90 - 34.00 -	2.45 / 2.55	- -4.50 / -4.40 -
Arun Con	- 35.00 - 35.10 -	0.30 / 0.40	- -3.40 / -3.30 -
Walio	- 30.20 - 30.30 -	0.80 / 0.90	- -8.20 / -8.10 -
Senipah Con	- 35.00 - 35.10 -	0.30 / 0.40	- -3.40 / -3.30 -

—Indonesian Crude Basket Prices—			
Indonesian Light Crude Basket Price	- 36.90 - 37.00 -		
Indonesian Medium Crude Basket Price	- 34.75 - 34.85 -		
Indonesian Medium-Heavy Crude Basket Price	- 34.71 - 34.81 -		

—Rim Special Crude Basket Prices—		
Crude Basket Price for China Products*	- 35.97 - 36.07 -	
*The average price of Dubai, DTD Brent, Cinta, to which the Chinese government refers when adjusting domestic retail prices for refined products.		

—April—	Outright value	Premium	
Tapis*	- 40.90 - 41.00 -	2.50 / 2.60	
Labuan*	- 41.85 - 41.95 -	3.45 / 3.55	
Kikeh*	- 41.85 - 41.95 -	3.45 / 3.55	
Miri*	- 41.85 - 41.95 -	3.45 / 3.55	
Kimanis*	- 41.65 - 41.75 -	3.25 / 3.35	
Cendor*	- 42.30 - 42.40 -	3.90 / 4.00	
Gippsland*	- 40.80 - 40.90 -	2.40 / 2.50	
Mutineer Exeter*	- 41.75 - 41.85 -	3.35 / 3.45	
Cossack*	- 42.00 - 42.10 -	3.60 / 3.70	
NWS Con*	- 42.45 - 42.55 -	4.05 / 4.15	
Laminaria*	- 42.35 - 42.45 -	3.95 / 4.05	
Varanus*	- 41.10 - 41.20 -	2.70 / 2.80	
Kutubu*	- 41.85 - 41.95 -	3.45 / 3.55	
Daqing**	- 35.03 - 35.13 -	0.20 / 0.30	
Enfield*	- 41.70 - 41.80 -	3.30 / 3.40	
Vincent*	- 39.70 - 39.80 -	1.30 / 1.40	
Pyrenees*	- 39.90 - 40.00 -	1.50 / 1.60	
Van Gogh*	- 39.05 - 39.15 -	0.65 / 0.75	
Bach Ho Light*	- 40.80 - 40.90 -	2.40 / 2.50	
Bach Ho Heavy*	- 39.60 - 39.70 -	1.20 / 1.30	
Rang Dong*	- 39.80 - 39.90 -	1.40 / 1.50	
Su Tu Den*	- 39.85 - 39.95 -	1.45 / 1.55	
T. G. T. *	- 39.05 - 39.15 -	0.65 / 0.75	
Chim Sao*	- 40.65 - 40.75 -	2.25 / 2.35	
Seria Light	- 40.95 - 41.05 -		
*Premiums are over DTD Brent.			
**Premium for Daqing is over OSP.			

©NYMEX FUTURES (14Mar16)				
—WTI Crude				
	Apr	May	Jun	Jul
Settle	37.18	38.84	39.80	40.52
Change	-1.32	-1.25	-1.18	-1.13
Open	38.17	39.85	40.80	41.39
High	38.77	40.30	41.13	41.57
Low	36.68	38.41	39.43	40.18
Estimated Volume: 1,004,414      Open Interest (Mar 11): 1,824,039				

©ICE BRENT CRUDE FUTURES (14Mar16)				
	May	Jun	Jul	Aug
Settle	39.53	40.16	40.67	41.21

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3F, Yaesu Dori Hata Bldg, 1-9-8 Hatchobori, Chuo-ku, Tokyo, 104-0032 Japan  
 Tel:3552-2411 Fax:3552-2415 Singapore Office TEL:65-6345-9894 FAX:65-6345-9894

Change	-0.86	-0.93	-0.97	-1.00
Open	40.25	40.80	41.48	42.04
High	40.65	41.29	41.83	42.38
Low	38.82	39.50	40.05	40.62
Waited avg	39.43	40.10	40.63	41.17
Estimated Volume: 712,356      Open Interest (Mar 11): 2,152,278				

**©TOCOM MIDEAST CRUDE FUTURES (15Mar16) (Yen/kl)**

	Mar	Apr	May	Jun	Jul	Aug
Change	-550	-880	-920	-980	-980	-990
Volume	27	246	261	195	2,259	9,809
Open	24,940	25,510	26,020	26,320	26,820	27,210
High	24,940	25,690	26,130	26,470	26,940	27,410
Low	24,390	25,190	25,550	25,880	26,260	26,700
Settle	24,410	25,260	25,570	25,910	26,330	26,770
Open Interest (Mar 14): 66,594    1lot = 50kl						
Exchange rate: 113.9						

**TRANSACTIONS REPORTED ON THE DAY****North Sea/Africa/Russia crude/condensate (Mar 14)**

May Sokol: ExxonMobil to P&C at Dubai quotes +\$5.3/5.5/bbl (700kb, late-May loading)  
 May Okwuibome: European trader to IOC at DTD linked (950kb)  
 May Bonny Light: major to IOC at DTD linked (950kb x 2)  
 May Qua Iboe: P&C to IOC at DTD linked (950kb)  
 May Erha: major to IOC at DTD linked (950kb)  
 May Agbami: P&C to IOC at DTD linked (959kb x 2)  
 May Pazflor: P&C to IOC at DTD linked (950kb)  
 May Girassol: P&C to IOC at DTD linked (950kb)

**Middle East crude/condensate (Mar 14)**

Apr Basrah Heavy: major to major at OSP +about \$1.7/bbl (1,000kb)  
 May Al Shaheen: Maersk to Tonen at Dubai quotes -70/-80cts/bbl (600-1,200kb), Maersk to ExxonMobil at undisclosed price (1,200kb, frame contract)  
 May D.F.C.: Gazprom to Japanese refiner at Dubai quotes +about \$4.1/bbl, P&C to Tonen at Dubai quotes +\$3.7/+\$4.0/bbl, P&C to S-Oil at Dubai quotes +\$3.7/+\$4.0/bbl, P&C to Chinaoil at Dubai quotes +\$3.7/+\$4.0/bbl, P&C to ExxonMobil at Dubai quotes +\$3.7/+\$4.0/bbl

**Asia-Pacific crude/condensate (Mar 14)**

May to Jun arrival NWSC: Shell to Pertamina (for TPPI) at DTD linked (650kb)  
 May to Jun arrival Bintulu condensate: Shell to Pertamina (for TPPI) at DTD linked (250kb)

**MARKET COMMENTARY****--Benchmark Crude Summary, Mar 15 2016**

The front-month May Brent crude oil futures contract in electronic trading on the Intercontinental Exchange (ICE) as of 15:30 Tokyo time on Tuesday dipped by \$1.25/bbl from the same time the previous day at \$39.08/bbl. Uncertainties about a concerted action to freeze production by producers weighed down the market.

The April Dated Brent price, the benchmark for regional and arbitrage grades, as of 15:30 Tokyo time was down \$1.28/bbl from the previous day at \$38.42/bbl. The May contract was down \$1.32/bbl at \$39.07/bbl. Meanwhile, the April contract for DTD to Front Line (DFL) held stable at around minus \$1.30/bbl. The May DFL contract hovered at about minus



\$1.15/bbl.

The May Dubai paper, the benchmark price for Middle Eastern crude grades and Far East grades, slipped by \$1.23/bbl from the same time the previous day at \$35.88/bbl. In the trade of inter-month spreads, the April/May spread was bid at minus 36cts/bbl, countered by an offer at minus 33cts/bbl. In the trade of Brent/Dubai EFS, the May contract was bid at \$3.14/bbl, while the contract was offered at \$3.17/bbl. The April WTI contract, the benchmark crude for US and South American crude, was down \$1.5/bbl at \$36.77/bbl.

With regard to the Brent crude oil market moving forward, energy traders and market watchers in Tokyo expected the front-month contract to meet with resistance at the \$41/bbl level. With resistance to a plan promoted by some oil producing nations to freeze crude oil production, "the support we have seen for the market up until now has eroded," a trader at one large commodity house in Tokyo said. "With selling coming with ease last week when prices were either side of \$41 per barrel, would expect strong resistance at the point now that support has faded," the trader added.

#### --MIDDLE EAST CRUDE/CONDENSATE

Flat prices for May-loading Middle Eastern crude grades softened, in line with a fall in the benchmark Dubai papers. In floating based trade, premiums of Basrah Heavy widened sharply. In addition to demand from Asia, appetite from Europe was brisk, tightening demand/supply fundamentals further. In contrast to medium/heavy grades, trade for light grades led by Murban lacked momentum at this stage.

Spot differentials for May-loading Iraqi Basrah Heavy were quoted at a premium of \$1.68-1.73/bbl to OSP, up 45cts/bbl from the previous day. Tight demand/supply fundamentals helped boost the market. In the prompt April loading, end-users in Northeast Asia and majors were keen on procuring Basrah Heavy amid a sense that the current market was attractive, while the arbitrage window for Basrah Heavy for Europe was open on the back of the widening Brent/Dubai EFS. Some market sources predicted that Russian Lukoil and China National United Oil Corp (Chinaoil) could bring April-loading Basrah Heavy to their own refineries in Europe. As for the latest deal, one 1.0 million bbl cargo was traded among majors at a premium of about \$1.7/bbl to OSP. Following the deal, Malaysia's Petronas issued an additional sell tender for April-loading Basrah Heavy. It offered 1.0 million barrels. The tender closed on Tuesday. In line with a surge in the April market, the tradable levels for May-loading could have risen to the similar premiums.

In the trade of May-loading Qatari grades, Al Shaheen changed hands. Maersk in Denmark placed two cargoes out of seven to eight cargoes to US ExxonMobil under a frame contract. The remaining five or six cargoes were sold on the spot market. Of these, Tonen General Sekiyu KK purchased one or two cargoes. The prices for spot cargoes were said to be at discounts of 70-80cts/bbl to Dubai quotes. Meanwhile, Qatar International Petroleum Marketing Co (TASWEEQ) closed its May-loading Al Shaheen sell tender on Monday. But the award details were yet to surface as of 17:00 Tokyo time.

Spot differentials for May-loading Abu Dhabi Upper Zakum drifted within narrow ranges at a premium of 34-39cts/bbl to OSP, down 1ct/bbl from the previous day. British BP on Monday offered one 500,000bbl cargo of Upper Zakum at a premium of 39cts/bbl to OSP, but no buyers emerged to show interest in the offer. Meanwhile, French Total earlier





sold one cargo at a premium of 35-40cts/bbl to OSP as reported. More and more market players now believed that the buyer was Chinaoil.

Spot differentials for May-loading Qatar Deodorized Field Condensate (D.F.C) were quoted at a premium of \$4.08-\$4.13/bbl to Dubai quotes, up 35cts/bbl from the previous day. The market tracked a firm trend on the back of reduced supplies. There was no maintenance plan in the gas field in Qatar in May, but condensate volumes that are included in produced natural gas were in a downward trend. As a result, D.F.C. supplies could have been tightened, according to a source familiar with the matter. In Japan, Cosmo Oil, JX Nippon Oil & Energy, Tonen General Sekiyu K.K. so far bought one cargo each. In addition, ExxonMobil, Chinaoil and South Korea's S-Oil purchased one cargo each. About half of these deals were done in pre-tender negotiations by TASWEEQ. Among term contractors, Russian Gasprom and British BP were said to have resold one cargo each. The latest traded price was heard at a premium of about \$4.1/bbl to Dubai quotes, up 30cts/bbl from the first D.F.C. deal for May-loading.

In the trade of DME Oman, the May contract was bid at \$35.42/bbl as of 16:30 Tokyo time, countered by an offer at \$35.62/bbl on Tuesday. The gap between the mean of \$35.54/bbl and May Dubai swaps as of the same time was at 2cts/bbl in favor of Oman. The May marker price in Asian hours on Monday stood at \$36.65/bbl.

#### **--AFRICAN/EUROPEAN/RUSSIAN/AMERICANS CRUDE/CONDENSATE**

Flat prices of April-loading West African grades softened, mirroring a slide in the benchmark Dated Brent prices. In floating based trade, spot differentials for main grades were stable from the previous day. In the trade of Sakhalin grades, a sell tender for May-loading Sakhalin Blend was issued. A fresh deal for May Sokol changed hands at a similar premium as the previous deal. Meanwhile, it turned out that nine cargoes of West African grades for May-loading were already placed to India via its tender.

In the trade of Sakhalin Blend, Sakhalin Energy issued a sell tender for May-loading. It offered a 730,000bbl cargo for May 18-25 loading. The tender will close on Thursday. The cargo has an API gravity of 44.3-45.3 degrees, slightly heavier than the previous month. Including the cargo, Sakhalin Energy planned to sell a total of five cargoes for late May to June-loading. In its previous tender, Sakhalin Energy sold one cargo for May 3-10 loading to an end-user in Japan at a premium of high \$5/bbl to Dubai quotes as reported. The values were seen lowered as naphtha crack spreads in Asia were weakening.

In the trade of May-loading Sakhalin Sokol, ExxonMobil sold one 700,000bbl cargo for late-May loading in its private tender closed on Monday. The identity of the buyer was unknown at this stage but the cargo was believed to be awarded at a premium of \$5.3-5.5/bbl to Dubai quotes. Two cargoes of Sokol were allocated to the major as reported, and the major was ready to sell an additional cargo, depending on the price. Equity holders in Sakhalin Oil and Gas Development (SODECO) -- Japan Petroleum Exploration Co (JAPEX), Marubeni Corp and ITOCHU Corp - were likely to start selling their spot cargoes soon. For May-loading Sokol, India's Oil and Natural Gas Corp (ONGC) last week awarded its sell tender for one cargo for 11-15 loading to European Trafigura at a premium of \$4.8/bbl to Dubai/Oman average as reported. The price was equivalent to a premium of about \$5.4/bbl to Dubai quotes when the cargo was awarded.



It turned out that Indian Oil Corp (IOC) so far procured a total of nine cargoes of West African grades in its May-loading sweet crude buy tenders, though the identities of the sellers were unknown at this stage. The company secured two cargoes each of Bonny Light and Agbami, and one cargo each of Angolan Pazflor and Girassol. It also secured one cargo each of Nigerian Erha, Qua Iboe and Okwuibome.

#### **--ASIA PACIFIC CRUDE/CONDENSATE**

Flat prices for April-loading regional grades weakened in line with a retreat in the benchmark Dated Brent prices. In April-loading floating based trade linked to Dated Brent and ICP, spot cargoes were largely committed and only the result of a Vietnamese condensate sell tender was heard. In the trade of May-loading cargoes, supply situations for Australian grades were unveiled. In tenders, sell tenders for May Malaysian grades would be issued this week, following tenders for Vietnamese grades.

In the trade of May-loading light sweet grades produced in Oceania, supplies were set to increase from April-loading. For Cossack, one 550,000bbl cargo would be supplied for end-May loading. The Cossack would be handled by Australia's BHP Billiton. No cargo was loaded for Cossack in April due to maintenance in the oil field as reported, but the supply would be resumed in May. Meanwhile, a partial cargo of Mutineer Exeter would be allocated to Australia's Santos as May-loading. There was no supply for Mutineer Exeter in April amid falling production. Elsewhere, three cargoes of Papua New Guinea's Kutubu would be slated for May-loading, one cargo more than April. Only two cargoes of Kutubu for April-loading were slated as one cross month cargo for end-March to early-April loading was allocated as March-loading. No deals for these May-loading Oceanian grades changed hands, but "Rising supplies could be a factor to weigh down the market," said a trader in Singapore.

In the trade of May-loading Malaysian Kimanis, Brunei's state-owned Petroleum Brunei plans to issue a sell tender for Kimanis later this week. It would offer a 600,000bbl cargo for late-May loading. Including the cargo, a total of five to six cargoes of Kimanis would be loaded, stable from normal months. Petroleum Brunei in its previous April-loading tender sold one 600,000bbl cargo to European Trafigura at a premium of about \$3.7/bbl to Dated Brent. But following the deal, the April market for Kimanis weakened to a premium of low \$3/bbl to Dated Brent amid shrinking crack spreads for gasoil in Asia.

Indonesia's state-owned Pertamina was said to have purchased Australian NWSC for 650,000bbl and Malaysia's Bintulu condensate for 250,000bbl as regional condensates in its May to June arrival tender for TPPI closed on February 26 on top of a 550,000bbl cargo of East Timor's Bayu Undan as reported. Pertamina earlier secured Bintulu condensate for April-arrival as reported, thus the purchase of Bintulu condensate was for a second straight month.

For other regional condensate trade, PV Oil sold Nam Con Son for April 18-27 loading in its sell tender closed on March 11. It turned out that an end-user in Vietnam secured the cargo, though the price was unknown. The offered volume 25,000bbl was smaller than other condensates, so that most of overseas players refrained from making bids due to rising freight costs, thus the tender was awarded to an end-user in Vietnam.





In the trade of the Rim Trading Board, BP Singapore offered a April-loading physical 100,000bbl cargo of Attaka at \$2.85/bbl below ICE Brent. The major also bid for Attaka/Ardjuna spread at \$3.75/bbl. Meanwhile, PetroDiamond bid for April Attaka/Minas paper spread, 50,000bbl, at \$4.50/bbl in favor of Attaka. Total Trading Asia PTE bid for Apr Attaka/Senipah condensate spread, 50,000bbl, at \$3.45/bbl. In addition, Lukoil Asia Pacific bid for Apr Attaka/Belida spread at 75cts/bbl.

#### --NYMEX WTI/ICE BRENT, Mar 14

NYMEX WTI crude fell back on Monday, with the front-month April contract ending down \$1.32/bbl at \$37.18/bbl. In post-weekend trade, selling pressure grew amid unlikelihood of coordinated output freezing by oil producers and high crude inventories in the US. The oil minister in Iran iterated the country would not agree to cap oil production unless its output reached 4.0-mil barrel per day. Meanwhile, the energy minister in Russia suggested oil producers would gather as late as April in Doha, Qatar to discuss an output freezing, shrugging off earlier expectations that the meeting would be held on Mar 20 in Moscow. Market intelligence company Genscape said crude oil inventories in Cushing, Oklahoma, a delivery point of US crude oil futures, apparently reached near full storage capacity.

North Sea Brent crude on the ICE also turned lower, with the front-month May contract giving up 86cts/bbl at \$39.53/bbl.

On NYMEX products, the April heating oil contract was down 2.15cts/gallon at 119.65cts/gallon. The April RBOB contract dropped 2.17cts/gallon at 142.26cts/gallon.

#### Market News

##### --Eni starts production of Goliat oil field in Barents Sea

Italian energy major Eni SpA started oil production at Goliat located within Production License 229 in the Barents Sea off Norway, Eni announced Mar 13. Goliat, the first oil field to start production in the Barents Sea, was developed through a floating cylindrical production and storage vessel (FPSO), a unit that has capacity to store 1.00-mil barrels (bbl) of oil and was designed to tackle technical and environmental challenges linked to operations in the Arctic, Eni said in the announcement. The field holds estimated reserves of about 180-mil bbl with daily output to ramp up to 100,000 barrels per day (b/d). Production will take place through a subsea system consisting of 22 wells. Of the 22 wells, 17 are already completed with 12 of the 17 dedicated to oil production. In Production License 229, Eni is operator with a 65% stake with Norway's Statoil ASA holding the remaining 35%.

Tokyo office - Tel: (81)3-3552-2411 Fax: (81)3-3552-2415 e-mail: rim@gol.com

Singapore office -- Tel (65)-6345-9894 Fax (65)-6345-9894 e-mail

Beijing office -- Tel: (86)-10-8527-1630 Fax: (86)-10-6428-1725 e-mail: [rimbj@163bj.com](mailto:rimbj@163bj.com)

Indian office - Tel: (91)-98795-50717 E-MAIL: kamlesh@rim-intelligence.co.jp

Shanghai office - Tel: (86)-21-5111-3575: e-mail: rim\_sh@rim-intelligence.co.jp

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