

RIM LPG INTELLIGENCE

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## Rim Launches Petrochemicals Daily Report in Chinese from Sep 16

### Amendments to Rim LPG Price Assessments

Starting Sep 1, the first line of Rim's LPG price assessment for CFR Japan and CFR China would be two half-months forward. For example, on Sep 1, price assessments for CFR Japan would be for 1st half Oct, 2nd half Oct and 1st half Nov, while those for CFR China would be for 1st half Oct and 2nd half Oct; on Sep 16, price assessments for CFR Japan would be for 2nd half Oct, 1st half Nov and 2nd half Nov, while those for CFR China would be for 2nd half Oct and 1st half Nov. Rim Asia Index is calculated based on the average of 4 quotations: the first two lines for CFR Japan and the two lines for CFR China. Further, a Japan Index and a China Index will be included. The Japan Index is the average of the first two lines for CFR Japan while the China Index is the average of the two lines for CFR China. In addition, for VLGC freight assessment, USGC-Northwest Europe will be included.

### Rim Asia Index Monday: Propane 835 (+2.5)/Butane 875 (+12.5)

The Rim Asia Index is a reflection of the CFR Far East spot market and is calculated based on the average of 4 quotations: the first two lines for CFR Japan and the two lines for CFR China. Each line refers to the price assessment for one half-month. The front line for both CFR Japan and CFR China changes every 1st and 16th of the month.

### RECX-22 index for Monday was 150.90, down 0.32 points from the previous day

Starting Oct 15, 2013, Rim Intelligence Co began publishing an in-house developed index to be applied as a broad-based economic indicator. Known as the RIM Energy Composite Index or RECX-22, the index is derived from daily price assessments of crude oil, petroleum products, LPG, LNG and a wide range of petrochemicals. The basis for the index, 100, was formed on data sets from 2010.

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

[Crude/Condensate](#)   [Bunker](#)   [LNG](#)   [Petrochemical](#)   [Products](#)

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



**FOB MIDDLE EAST SPOT PRICES (\$/mt)**

FOB MIDDLE EAST	PROPANE	BUTANE
FOB spot prices (Sep) -2	725-735 -2	+8 775-785 +8
FOB spot prices (Oct)	754-760	+10 794-800 +10
FOB premiums (Sep)	-20/-10	-10/ 0
FOB premiums (Oct)	- 3/+3	- 3/+3
Aramco CP (Aug)	780	800
Aramco CP (Sep)	745	785
Expected CP (Oct)	757	797 +10
Expected CP (Nov)	772	812

**SAUDI CP SWAPS (\$/mt)**

	PROPANE	BUTANE
Oct	755.00-760.00	-
Nov	-	-
Dec	-	-

**REFRIGERATED CARGOES**

**CFR JAPAN SPOT PRICES**

	(\$/mt)		**Yen/mt	
CFR Japan	PROPANE	BUTANE	PROPANE	BUTANE
Oct 1st-half	835-840 +10	875-880 +10	89,646	93,852
Oct 2nd-half	835-840	875-880	89,646	93,852
Nov 1st-half	840-845	880-885	90,172	94,377
premiums (Oct)	+78/+83	+78/+83		
Japan Index	837.50	877.50		
Exchange rate (TTS yen/\$ as of Sep 1)			105.13	

\*CFR Japan Naphtha Oct 2nd-half 903.25-903.75

\*CFR Japan Naphtha prices are as of 19:00 Tokyo time.

\*\*including Yen 1,600 Tax

**CFR CHINA SPOT PRICES**

	(\$/mt)		*Yuan/mt	
CFR China	PROPANE	BUTANE	PROPANE	BUTANE
Oct 1st-half	830-835	870-875	5,860	6,142
Oct 2nd-half	830-835	870-875	5,860	6,142
premiums (Oct)	+73/+78	+73/+78		
China Index	832.50	872.50		

Exchange rate (Middle yuan/\$ as of Sep 1)

6.1680

\*Yuan/mt prices include tariff and the value added tax.

**RIM ASIA INDEX (\$/mt)**

PROPANE	BUTANE
835.00	875.00

**CUMULATIVE MONTHLY AVERAGE (Sep 2014) (\$/mt)**

PROPANE	BUTANE
835.00 (824.96)	875.00 (865.43)

--Figures in brackets are previous month's average--

**CFR FAR EAST PROPANE SWAPS**

Sep	-
Oct	-

**CFR FAR EAST FORWARD**

	(\$/mt)	
	PROPANE (22kt)	PROPANE/BUTANE (11/11kt)
CFR Japan Oct 2nd-half	-	-
Nov 1st-half	-	-



Nov 2nd-half - -

**EXPECTED CIF JAPAN VALUES (IN YEN/MT)**

	Sep	Aug	Jul*	Jun*
PROPANE	86,400()	88,800()	89,746()	90,110()
BUTANE	89,200()	90,900()	92,324()	93,541()

The figures above are RIM's expected CIF values for each grade, NOT including the power fuel-use LPG. The quotations in the parenthesis refer to power fuel-use inclusive.

\*The figures are preliminary CIF values, announced by the Japanese Ministry of Finance.

**FOB US GULF COAST SPOT PRICES**

				PROPANE	
				\$/mt	cts/gal
FOB USGC spot prices (Sep)	+ 3	619-629	+ 3	+ 118.750-120.750	+
FOB USGC spot prices (Oct)	+ 3	622-632	+ 3	+ 119.250-121.250	+
*FOB USGC premiums (Sep)		+84/+94		+16/+18	
*FOB USGC premiums (Oct)		+84/+94		+16/+18	

\*Premium to Mont Belvieu quotations

**MONT BELVIEU SWAPS**

	PROPANE		BUTANE	
	(cts/gal)	(\$/mt)	(cts/gal)	(\$/mt)
Sep	102.500-103.000	534.03-536.63	-	-
Oct	103.000-103.500	536.63-539.24	-	-
Nov	103.750-104.000	540.54-541.84	-	-

**VLGC FREIGHT (\$/mt)**

Ras Tanura/F.East	98- 100
Algeria/F.East	152- 155
NWE/F.East	217- 223
Yanbu/MED	60- 62
Algeria/NWE	40- 42
Algeria/USGC	85- 88
USGC/Far East	238- 242
USGC/NWE	108- 112

**TERM/SPOT COMBINED FREIGHT RATE (\$/mt) - SINGLE-PORT LOADING/DISCHARGING**

Middle East/Japan	66.4
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**PRESSURIZED CARGOES**

**FOB CHINA SPOT PRICES**

	(\$/mt)	*Yuan/mt
***FOB South China	PROPANE/BUTANE	PROPANE/BUTANE
Sep 2nd-half	855-865	5,274-5,335
Oct 1st-half	855-865	5,274-5,335

**FOB SOUTHEAST ASIA SPOT PRICES (\$/mt)**

***FOB Southeast Asia	PROPANE/BUTANE	Premiums to Applied CP
Sep 2nd-half	860-870	-5 +87/+ 97 -5 (Sep)
Oct 1st-half	860-870	+75/+ 85 (Oct)

**CFR VIETNAM SPOT PRICES (\$/mt)**

**CFR Vietnam	PROPANE/BUTANE	Premiums to Applied CP
Sep 2nd-half	+5 883-893 +5	+110/+120 (Sep)
Oct 1st-half	895-905	+110/+120 (Oct)

\*Yuan/mt prices exclude tariff and the value added tax.

\*\* Refers to a propane-to-butane ratio of 30:70.



\*\*\* Refers to a propane-to-butane ratio of 50:50.

**PRESSURIZED FREIGHT RATES (\$/mt)**

Singapore/ Ho Chi Minh	55- 60
South China/ Haiphong	38- 43

**CHINA DOMESTIC WHOLESALE PRICES (Yuan/mt ex-terminal)**

<b>SOUTH CHINA</b>		<b>*Refinery Posted Price</b>
East Guangdong	-5,940-6,000-	
Shenzhen	-6,030-6,050-	
Guangzhou	-5,930-6,010-	-5,960-5,960-
Zhuhai	-5,950-6,050-	
Western Guangdong	-5,890-5,990-	-5,890-5,890-
Guangxi	-5,920-5,940-	-5,940-5,940-
Hainan	6,360-6,380	

**EAST CHINA**

<b>EAST CHINA</b>		<b>*Refinery Posted Price</b>
Jiangsu	+5,995-6,095+	+5,995-6,000+
Shanghai	+5,910-5,950+	+5,910-5,950+
Zhejiang	+6,180-6,280+	+6,530-6,530+
Fujian	5,850-5,900-	-5,850-5,850-

**NORTH CHINA**

<b>NORTH CHINA</b>		<b>*Refinery Posted Price</b>
North-East*	+5,650-5,750+	+5,600-6,050
South-East**	+5,850-5,950+	+5,850-5,950+
Shangdong***	+5,750-5,810+	+5,750-5,810+

\*Refinery posted price of Dagang, Tianjin, Yanshan, Huabei and Cangzhou Refinery

\*\* Refinery posted price of Shijiazhuang, Henan Youtian, Luoyang and Zhongyuan Refinery

\*\*\* Refinery posted price of Shengli Youtian, Qilu, Jinan, Qingdao and local Refineries

**NORTHEAST CHINA**

<b>NORTHEAST CHINA</b>		<b>*Refinery Posted Price</b>
Dalian*	5,450-5,550	5,450-5,600
West Liaoning**	+5,830-5,910+	+5,830-5,910+
Hei Longjiang***	5,570-5,590	5,590-5,590

\* Refinery posted price of Dalian Petrochem and WEPEC

\*\* Refinery posted price of Jinzhou Petrochem and Jinxi Refinery

\*\*\* Refinery posted price of Daqing Petrochem and Daqing Refinery

**RIM CHINA DOMESTIC INDEX**

South China	5,992-
East China	6,058+

**CONTRACT PRICES/POSTINGS (\$/mt)**

		<b>PROPANE</b>	<b>BUTANE</b>
North Sea	Sep14	660.50	727.50
Algeria-Sonatrach	Sep14	655.00	730.00
Saudi ARAMCO CP	Sep14	745.00	785.00

**CALORIFIC VALUES (\$/mt)**

		<b>PROPANE</b>	<b>BUTANE</b>
Arabian Light (\$/bbl)		103.27	
LPG Calorific values		846.67	835.05
FOB Spot Cargo prices (Sep)		730.00	780.00
Spot LPG vs AL		86%	93%

\*Arabian Light Price is from RIM Crude Report

\*Sep Arabian Light premium against Dubai/Oman is \$+1.65

**JAPAN DOMESTIC SPOT PRICE ASSESSMENTS (Yen/mt)****EX-TERMINAL BARGE**

	<b>PROPANE</b>	<b>BUTANE</b>
Tokyo Bay (Keihin)	88,000-89,000	90,000-91,000
Hanshin.Kyushu	88,000-89,000	90,000-91,000

**EX-TERMINAL TRUCK**

	<b>PROPANE</b>	<b>BUTANE/AUTO GAS</b>
Tokyo Bay (Keihin)	88,000-89,000	+ 90,800-91,300 +
Hanshin	88,000-89,000	+ 90,800-91,300 +

**CUMULATIVE MONTHLY AVERAGE (Sep 2014) (Yen/mt)****EX-TERMINAL BARGE**

	<b>PROPANE</b>	<b>BUTANE</b>
Tokyo Bay (Keihin)	88,500	90,500
Hanshin.Kyushu	88,500	90,500

**EX-TERMINAL TRUCK**

	<b>PROPANE</b>	<b>BUTANE</b>
Tokyo Bay (Keihin)	88,500	91,050
Hanshin	88,500	91,050

**MIDDLE EAST MARKET**

September propane loadings stayed intact at a discount of \$10-20/mt to the September CP on Monday. Butane loadings showed no change at a discount of \$10/mt to flat to the September CP. The Aramco CP was set at \$745/mt for propane and \$785/mt for butane, down \$35/mt and \$15/mt respectively from the August CP. The CP fell for the third straight month for propane and for the second straight month for butane, both to the lowest level this year. In the spot market, some sellers were believed to be holding spot cargoes. Turkish trader Bayegan apparently had a cargo of 33,000mt propane/11,000mt butane and a cargo of 22,000mt propane/22,000mt butane loading Ruwais in late September. In addition, Qatar's Tasweeq was said to have a cargo of 33,750mt propane/11,250mt butane or 22,500mt propane/22,500mt butane loading Sep 20-30. As reported, Tasweeq had previously offered this cargo in a sell tender but the tender was eventually canceled. On the other hand, buyers were trying to grasp market directions ahead and refrained from firm discussions.

October propane and butane loadings were stable at a discount of \$3/mt to a premium of \$3/mt to the October CP. The expected October CP was for propane was maintained at \$757/mt while that for butane was revised up to \$797/mt. With demand emerging from Southeast Asia for cargoes containing butane, the butane/propane spread in the expected October CP widened.

In CP swap, the October propane contract was discussed at \$755-760/mt.

**ASIA MARKET****REFRIGERATED CARGOES****Summary**

In the CFR Far East market on Monday, butane prices strengthened due to increased spot demand of cargoes containing butane from Southeast Asia. On the other hand, propane prices showed no change. As a result, the butane/propane spread widened.

**CFR Japan/Korea**

CFR Japan propane prices for first-half October delivery stayed intact at \$835-840/mt while butane prices rallied \$10/mt from last Friday to \$875-880/mt. Prices for second-half October delivery were assessed at the same level. For October delivery, a number of spot cargoes were seen in the market. Although both 22,000mt propane and 50:50 cargoes were apparently available, pure propane cargoes seemed to be in more plentiful supply than even-split



cargoes. For pure propane, Cargill offered a 22,000mt propane cargo for first-half October delivery at \$838/mt and at a discount of \$9/mt to October CFR Far East quotes (50% each). Apart from this, a European trader was believed to be moving two 44,000mt propane cargoes of US Houston origin to the Far East. One of the cargoes would arrive in first-half October while the other was expected to arrive in second-half October. As for buyers, another European seemed to have spot demand for a 22,000mt propane cargo for October delivery but firm bids were not heard. As for Japanese importers, some of considered purchasing 22,000mt propane cargoes for October delivery. Buying ideas were heard at a premium in the \$60's/mt to the October CP. In addition, one importer appeared interested to buy a 44,000mt 75:25 cargo for first-half October delivery. Several deals were reportedly done last week. A North Sea producer procured a 22,000mt 50:50 cargo for second-half October delivery last week, but declined to comment on the price. Also last week, a major Japanese importer apparently bought a 33,000mt propane cargo of US Targa origin for mid-October delivery from a European trader at a premium of about \$70/mt to the October CP, and a 22,000mt propane cargo of Algerian origin for October delivery at a premium in the high \$70's/mt to the October CP. Sources reckoned that the 22,000mt propane cargo of Algerian origin was part of a 44,000mt propane cargo, of which the balance 22,000mt propane would also be delivered to Japan.

Talks on CFR Japan for second-half September delivery were also heard. Vilma bid for a 22,000mt propane cargo for second-half September delivery at \$835/mt and at flat to September CFR Far East quotes (50% each). Two weeks ago, the above major Japanese importer was said to have purchased a 22,000mt 50:50 cargo for second-half September delivery from a Korean importer at about \$830/mt, and another 44,000mt 50:50 cargo for second-half September delivery at a discount of \$70/mt to the September naphtha quotes. As reported, a European trader was said to have purchased a pure butane cargo for September delivery last week. Sources perceived that this was a 22,000mt butane cargo for second-half September delivery and that the deal was done at a discount of \$20/mt to naphtha quotes.

CFR Japan propane and butane prices for first-half November delivery were assessed at \$840-845/mt and \$880-885/mt respectively. Activity was subdued as most players deemed it too early to begin talks for this timing.

Open spec naphtha prices for second-half October delivery were assessed at \$903.25-903.75/mt.

#### **CFR China**

CFR China propane prices for October delivery were assessed at \$830-835/mt and \$870-875/mt respectively. With the domestic wholesale market in South China softening, Chinese importers were cautious about procuring spot cargoes for October delivery. As a result, firm bids were not heard.

#### **Rim Asia Index**

The Rim Asia Index on Monday was \$835/mt for propane and \$875/mt for butane, up \$2.5/mt and \$12.5/mt respectively from last Friday. The Rim Asia Index is a reflection of the CFR Far East spot market and is calculated based on the average of 4 quotations: the first two lines for CFR Japan and the two lines for CFR China. Each line refers to the price assessment for one half-month. The front line for both CFR Japan and CFR China changes every 1st and 16th of the month.

#### **Others**

On delivery to Taiwan, one importer had room to purchase a 22,000mt propane or 50:50 cargo for second-half October delivery for use as a feedstock at its petrochemical plant. Sources reckoned that the importer would target to buy at a discount of \$50/mt to naphtha quotes, or lower.

Spot demand from Southeast Asia was firm. Thailand's PTT issued a buy tender for a 44,000mt 50:50 cargo for delivery during Oct 1-5. The tender closes on Tuesday at 11:00 hours Bangkok time with offers valid through 18:00



hours on the same day. As reported, Indonesia's Pertamina was looking to buy via a tender a 44,000mt 50:50 cargo to be delivered in early October. The tender closed last Thursday with validity till Monday. In addition, PetroVietnam issued a buy tender for a 44,000mt 50:50 cargo to be delivered during Oct 1-15. The tender closed on last Friday but results were as yet unknown.

Deals were reported today as follows:

---Propane/Butane 11kt each, unknown to North Sea producer, price unknown for delivery H2 Oct (last week)

**VLGC FREIGHT MARKET (SINGLE-PORT LOADING/DISCHARGING) :**

Freight rates for Middle East-Far East posted no change at \$98-100/mt on Monday. "Promise" was reportedly chartered for late September loading in the high \$90's/mt. Apart from this, "Avance" and "Kikyo" were heard fixed for loading mid-September and for discharge in India. The rate for each fixture was said to be \$3.1-3.2 million. West of Suez, discussions on Houston-Northwest Europe for end-September loading were heard at around \$110/mt. "Reimei" was said to have been chartered to load a cargo at Balboa, Panama in late September via ship-to-ship transfer (STS), and for discharge in the Far East. Sources reckoned that the rate was equivalent to slightly above \$100/mt on a Ras Tanura-Chiba basis.

**US/NWE Markets**

FOB US Gulf Coast propane prices for September and October loading climbed \$3/mt from last Friday to \$619-629/mt and \$622-632/mt on Monday, respectively. Rising crude prices sent the market higher. Relative to Mont Belvieu quotations in the respective months, the premium for September and October loading was stable at 16-18 cts/gallon. With the RIM Asia Index, a reflection of CFR Far East prices, at \$835/mt for propane and USGC-Far East freight rates seen to be around \$238-242/mt, the netback from CFR Far East to FOB USGC was about \$595/mt (or 114.20cts/gallon). As September Mont Belvieu swaps were around 102.75cts/gallon, FOB USGC prices for cargoes loading September had to be at a premium of about 11cts/gallon and below to Mont Belvieu quotations in order for the arbitrage from the U.S. Gulf Coast to the Far East to be open.

Far East Arrival Cost of USGC Spot Cargoes

Sep MB +	Premium* +	Freight =	CFR Arrival Cost
535 +	89 +	240 =	864
RIM ASIA INDEX			= 835
Unit:\$/mt		ARBITRAGE: CLOSED	
*Premium: Propane 17cts/gal			

Far East Arrival Cost of USGC Term Cargoes

Sep MB +	Terminal Cost*+	Freight =	CFR Arrival Cost
535 +	73 +	240 =	848
RIM ASIA INDEX			= 835
Unit:\$/mt		ARBITRAGE: CLOSED	
*USGC Terminal Cost: Propane 14cts/gal			

US Gulf Coast ex-pipeline propane prices last Friday gained \$7/mt to \$539/mt, lifted by firm crude prices. On the other hand, butane prices slipped \$1/mt to \$556/mt amid thin trades.

In the CIF ARA market last Friday, propane prices stayed intact in the high \$670's/mt while butane prices rose \$4/mt to the mid \$750's/mt due to improved buying interest.

The crude market strengthened last Friday, buoyed by an increase in manufacturing activity in Chicago and in the University of Michigan consumer sentiment index for August. The October NYMEX WTI contract gained \$1.41/bbl



to close at \$95.96/bbl while the October ICE Brent contract moved up 73cts/bbl, closing at \$103.19/bbl.

### LPG Cargoes from West of Suez to Far East

LPG Cargo from West of Suez to Far East

Load Time	Place From	Player	Vsl name	Qty (kt)	C3	C4
Dec	USGC	Japanese	NA	44	44	--
Nov	USGC	Japanese	NA	44	44	--
05-Oct-14	USGC	Japanese Trader	NA	44	44	--
<i>End Sep</i>	<i>STS Panama</i>	<i>Euro Trader</i>	<i>Reimei</i>	<i>44</i>	<i>44</i>	<i>--</i>
28-Sep-14	USGC	Euro Trader	ERNEST N	33	33	--
Sep 5-10	Algeria	Euro Trader	HELLAS SERENITY	44	44	--
13-Sep-14	Nigeria	Euro Trader	NA	44	33	11
H1 Sep	USGC	Euro Trader	CLIPPER VICTORY	44	44	--
H1 Sep	USGC	N.Sea Producer	NA	44	44	--
Sep	USGC	Japanese	SUNNY VISTA	44	44	--
29-Aug-14	USGC	N.Sea Producer	CLIPPER SUN	44	44	--
26-Aug-14	USGC	Japanese	BERGE NINGBO	44	44	--
24-Aug-14	USGC	Euro Trader	ERNEST N	33	33	--
22-Aug-14	US Ferndale	British Major	BRITISH COURAGE	40	--	40
16-Aug-14	USGC	Korean	BW KYOTO	44	44	--
15-Aug-14	Nigeria	Euro Major	THETIS GLORY	44	22	22
05-Aug-14	USGC	Euro Trader	GAZ SUPPLIER	44	44	--

### PRESSURIZED CARGOES

FOB South China prices for cargoes of propane/butane ratio 50:50 for second-half September loading were unchanged at \$855-865/mt on Monday. Immediately after the release of the September CP, most refrigerated cargo importers were hesitant to enter firm discussions as they were trying to grasp the market situation going forward. Further, as the October CP was expected to be set above the September CP, sources reckoned that sellers with room for spot sale for September loading might be reluctant to show compromises to buyers by lowering their offers. Under this situation, talks were slow to progress. Prices for first-half October loading were assessed at \$855-865/mt.

On FOB East China, one supplier focused on supplying the domestic market and showed scant interest in spot sale. Overall, avails for September loading appeared to be limited.

FOB Southeast Asia prices for cargoes of propane/butane ratio 30:70 for second-half September loading held intact at \$860-870/mt. Prices for first-half October loading were assessed at \$860-870/mt. A condensate splitter on Jurong Island, Singapore (105,000 b/d) had started operations in late August. Delivery of LPG from the condensate splitter was expected to begin in September. As reported, LPG production from the condensate splitter was estimated to be about 280,000mt a year, comprising roughly 70,000mt of propane and 210,000mt of butane.

CFR Vietnam prices for second-half September delivery stayed intact at a premium of \$110-120/mt to the September CP. Although potential demand was anticipated from some importers in Vietnam for September arrival, they apparently wanted to check sellers' movements first and refrained from showing firm bids. On the other hand, active sellers were not seen in the market at the moment. One trader was focusing on term supply and had no plans to carry out spot sale at the moment. Prices for first-half October delivery were assessed at a premium of \$110-120/mt to the October CP. Activity for this timing had yet to pick up speed as players reckoned it was too early to begin talks. As for domestic cargoes, the term sell tender by Dinh Co. gas plant that closed last Friday was reportedly awarded at a premium in the mid-high \$110's/mt to the CP for delivery to South Vietnam. Offered in the tender was 13,500mt per month, including 9,500mt for barge and 4,000mt for truck delivery. The delivery period was from October 2014 through March 2015.



**PRESSURIZED FREIGHT**

Freight rates for Singapore-Ho Chi Minh and South China-Haiphong remained unchanged at \$55-60/mt and \$38-43/mt respectively on Monday.

**CHINA DOMESTIC WHOLESALE MARKET****SOUTH CHINA:**

The South China market weakened on Monday, weighed down by thin buying interest from end-users.

East Guangdong prices retreated yuan 90/mt from last Friday to yuan 5,940-6,000/mt. As end-users slowed down their buying, some wholesalers faced selling pressure and reduced their offers. Refinery cargoes were discussed in the low yuan 5,900's/mt. Offers for imported cargoes were heard at yuan 6,000/mt. A refrigerated cargo was expected to arrive in late September.

Shenzhen prices declined yuan 100/mt to yuan 6,030-6,050/mt. One wholesaler saw lackluster sales and lowered its offer for imported cargoes to yuan 6,050/mt. In nearby Dongguan, a refrigerated cargo was scheduled to arrive this week.

Guangzhou prices fell yuan 160/mt to yuan 5,930-6,010/mt. As sales were sluggish, some wholesalers reduced their offers for refinery cargoes to yuan 6,010/mt in an attempt to attract buying interest. Talks were also heard in the yuan 5,900's/mt. Guangzhou refinery cut its price by yuan 150/mt to yuan 5,960/mt. Its LPG production was about 1,500mt a day.

Zhuhai prices moved down yuan 100/mt to yuan 5,950-6,050/mt. Cargoes from a local oil field were available in the mid yuan 5,900's/mt. Imported cargoes were offered at yuan 6,200/mt.

Western Guangdong prices dropped yuan 150/mt to yuan 5,890-5,990/mt. One wholesaler suffered sluggish sales and lowered its offer to yuan 6,010/mt. Maoming refinery decreased its price by yuan 150/mt to yuan 5,890/mt. End-users focused on digesting current stocks and were not keen on spot purchase.

Guangxi prices lost yuan 130/mt to yuan 5,920-5,940/mt. Poor sales made Qinzhou refinery revise its price down by yuan 130/mt to yuan 5,940/mt.

Hainan prices stayed intact at yuan 6,360-6,380/mt.

**EAST CHINA:**

The East China market was mixed on Monday. While prices rose in most areas due to low inventories at local refineries, Fujian prices softened in view of losses in the neighboring East Guangdong market in South China.

Jiangsu prices gained yuan 100/mt from last Friday to yuan 5,995-6,095/mt. Jinling and Yangzi refinery had low stocks and raised their price by yuan 100/mt and yuan 50/mt to yuan 5,995/mt and yuan 6,000/mt respectively. On imported cargoes, offers were reported at yuan 6,100/mt for butane-rich cargoes and at yuan 6,200/mt for propane cargoes.

Shanghai prices strengthened yuan 65/mt to yuan 5,910-5,950/mt. Gaoqiao and Jinshan refinery had limited avails and increased their price by yuan 80/mt and yuan 50/mt to yuan 5,950/mt and yuan 5,910/mt respectively. Gaoqiao would enter full-scale maintenance from Sep 11 for about two months. As for imported cargoes, a major supplier kept its offer for propane cargoes at yuan 6,400/mt.

Zhejiang prices climbed yuan 30/mt to yuan 6,180-6,280/mt. Talks were heard at about yuan 6,200/mt for refinery cargoes and at yuan 6,250-6,300/mt for imported cargoes. Zhenhai refinery made a price hike of yuan 60/mt to yuan 6,530/mt but gave a discount. Its stocks were relatively low.

Fujian prices slipped yuan 25/mt to yuan 5,850-5,900/mt. One wholesaler offered refinery cargoes to yuan 5,900/mt. Fujian and Quanzhou refinery cut their price by yuan 100/mt to yuan 5,850/mt. With losses in the nearby East Guangdong market giving rise to bearish sentiment, end-users exercised caution on spot purchase.

**NORTH CHINA:**



Prices in the Northeast, Southeast and Shandong strengthened yuan 100/mt, yuan 100/mt and yuan 40/mt from last Friday to yuan 5,650-5,750/mt, yuan 5,850-5,950/mt and yuan 5,750-5,810/mt on Monday, respectively. An increase in spot demand sent the market higher. End-users with low stocks showed keen interest in spot purchase. In the Southeast, Shijiazhuang refinery halted delivery on Monday owing to quality issues. Refinery posted prices in the Northeast, Southeast and Shandong gained yuan 30/mt, yuan 85/mt and yuan 40/mt to yuan 5,600-6,050/mt, yuan 5,850-5,950/mt and yuan 5,750-5,810/mt respectively.

**NORTHEAST CHINA:**

Prices in Dalian and Heilongjiang were stable at yuan 5,450-5,550/mt and yuan 5,570-5,590/mt respectively on Monday. Prices in West Liaoning climbed yuan 25/mt from last Friday to yuan 5,830-5,910/mt, lifted by smooth sales. Refinery posted prices in Dalian and Heilongjiang were maintained at yuan 5,450-5,600/mt and yuan 5,590/mt respectively, while those in West Liaoning were up yuan 25/mt to yuan 5,830-5,910/mt.

**Refrigerated LPG cargo arrival schedule in China (mt)**

## CHINA LPG Terminal Cargo Arrivals

Date of Arrival	Destination	Carrier	Qty	C3	C4	Origin
H2 Sep	Qinzhou	NA	22	NA	NA	NA
20-Sep-14	Fangcheng	NA	22	NA	NA	NA
H1 Sep	Ningbo	NA	44	NA	NA	NA
H1 Sep	Jiaxing	NA	22	NA	NA	NA
H1 Sep	Tianjin	NA	44	NA	NA	NA
H1 Sep	Dongguan	NA	22	NA	NA	NA
H1 Sep	Shenzhen	NA	22	NA	NA	NA
H1 Sep	Guangzhou	NA	22	NA	NA	NA
H1 Sep	Zhuhai	NA	22	NA	NA	NA
9-Sep-14	NA	CRYSTAL SUNRISE	NA	NA	NA	Kuwait
7-Sep-14	Shantou	GAS BERYL	NA	NA	NA	NA
3-Sep-14	Tianjin	GAS CAPRICORN	NA	NA	NA	NA
3-Sep-14	Shanghai	NA	22	NA	NA	NA
1-Sep-14	Ningbo	GAS JENNY	NA	NA	NA	NA
1-Sep-14	NA	GAS CRYSTAL	NA	NA	NA	NA
1-Sep-14	Wenzhou	GAS COMMERCE	NA	NA	NA	NA
1-Sep-14	Ningbo	GAS JENNY	NA	NA	NA	NA

\*Loaded quantity

**JAPAN DOMESTIC MARKET****BARGE:**

Propane and butane prices for September lifting showed no change at yen 88,000-89,000/mt and yen 90,000-91,000/mt respectively on Monday. With the peak of the summer season passing, the weather seemed to be turning less hot. Forecasts by the Meteorological Service showed temperatures this week in both eastern and western Japan had a 30% chance of being normal and a 60% chance of being below normal. For the entire month of September, however, temperatures were expected to be mostly normal. Under such circumstances, sources reckoned that water temperatures were unlikely to fall sharply. Many buyers, therefore, focused on lifting their quota of term cargoes and deemed it prudent not to rush into spot purchase at present. On the other hand, sellers were also in the midst of ascertaining their supply situation and firm offers were not heard.

## &lt;EXPECTED CIF JAPAN VALUES (IN YEN/MT)&gt;

	Sep	Aug	Jul*	Jun*
PROPANE	86,400	88,800	89,746	90,110
BUTANE	89,200	90,900	92,324	93,541

The figures above are RIM's expected CIF values for each grade, NOT including



the power fuel-use LPG. The quotations in the parenthesis refer to power fuel-use inclusive.

\*The figures are preliminary CIF values, announced by the Japanese Ministry of Finance.

## &lt;ESTIMATED END-MONTH STOCKS (IN KT)&gt;

	Sep	Aug	Jul*	Jun*
PROPANE/BUTANE	2,100 (-2.1%)	2,000 (-2.4%)	1,907 (-5.2%)	1,833 (-6.0%)

\*The figures are actual inventories, announced by the Japanese LP Gas Association. Figures in brackets are year-on-year changes

## Japan LPG Terminal Cargo Arrivals

Date of Arriva	Destination	Carrier	C3*	C4*	Origin
Mid Oct	NA	ERNEST N	33	--	Houston
12-Oct-14	NA	CLIPPER SUN	44	--	Houston
16-Sep-14	NA	GAS POWER	22	22	Ras Laffan
15-Sep-14	Kashima	BW CONFIDENCE	44	--	Houston
11-Sep-14	Nagasaki	BRITISH COURAGE	--	40	US Ferndale
9-Sep-14	Sakaide	ASTOMOS EARTH	11	33	Australia
9-Sep-14	Keihin	MUSANAH	22	22	Ras Laffan
6-Sep-14	NA	G.SYMPHONY	22	22	Ruwais
5-Sep-14	NA	BW TOKYO	22	22	Ras Laffan
31-Aug-14	Namikata	GAS VISION	22	22	Ras Laffan
31-Aug-14	Kinuura	GAS TAURUS	22	22	Ruwais
30-Aug-14	Kawasaki/Aomory	SUNNY JOY	22	22	Das Island
30-Aug-14	Chiba/Wakayama	HELLAS GLORY	22	22	Ruwais
29-Aug-14	NA	GAS CAPRICORN	44	--	Houston
27-Aug-14	Keihin	PACIFIC CENTURY	22	22	Juaymah
25-Aug-14	Chiba	CAPTAIN MARKOS NL	22	22	Ras Laffan
25-Aug-14	Oita	REIMEI	22	22	Juaymah

\* Loaded quantity

**TRUCK:**

Keihin: Propane prices for September lifting were stable at yen 88,000-89,000/mt on Monday. Butane prices increased yen 550/mt from last Friday to yen 90,800-91,300/mt, boosted by firm buying interest. For propane, buying ideas were heard at slightly below yen 87,000/mt. Many buyers felt that they had sufficient stocks to meet prompt demand and saw no need to engage in spot purchase at the moment. As for butane, one buyer was keen on spot purchase and indicated a bid at slightly below yen 91,000/mt. On the other hand, spot avails were not seen to be ample. Immediately after the release of the September CP, some players were waiting to see if importers would re-emerge to conduct spot sale.

Hanshin: Propane prices for September lifting were maintained at yen 88,000-89,000/mt. Butane prices climbed yuan 550/mt from last Friday to yen 90,800-91,300/mt, lifted by gains in the Keihin market. Some buyers contemplated spot purchase. One dealer indicated buying ideas at yen 88,000/mt for propane and yen 90,000/mt for butane. Another buyer, however, wanted to check the supply/demand situation of its customers first and refrained from firm talks.

Other regions: In Kyushu, one dealer showed buying ideas for propane in the yen 88,000's/mt and for butane in the yen 90,000's/mt.

As for supply to end-users in September, one dealer offered into a propane buy tender in Hanshin at yen 93,000/mt on a delivered basis but was not awarded. The awarded price was said to be yen 91,000-92,000/mt on a delivered basis. Transportation costs were estimated to be about yen 3,500/mt.

The September term price of Japan Gas Energy fell yen 3,710/mt from the previous month for propane and was down yen 2,670/mt for butane. The freight in its September term price was set at yen 7,400/mt, down yen 300/mt from August. The September term price of Eneos Globe was down yen 3,700/mt from the month before for propane and was down yen 2,600/mt for butane. As



reported, the freight in its September term price was set at yen 7,500/mt, down yen 600/mt from August.

Please refer to the Rim Domestic Market Methodology at, <http://www.asia-energylinks.com/method/method.html>

### Refrigerated Cargo Arrival in Korea, Taiwan, Southeast Asia:

#### KOREA LPG Terminal Cargo Arrivals

Date of Arrival	Destination	Carrier	Qty	C3	C4	Origin
12-Sep-14	Incheon	ENERGY ORPHEUS	44*	11	33	Australia
11-Sep-14	Incheon	SUMMIT RIVER	44*	44	--	Mesaieed
7-Sep-14	NA	GAS FOUNTAIN	NA	NA	NA	Juaymah
3-Sep-14	Pyeongtaek	HELLAS GLORY	44*	22	22	Ruwais
1-Sep-14	Ulsan	AYAME	44*	22	22	Ruwais
1-Sep-14	Incheon	FOUNTAIN RIVER	44*	22	22	Kuwait
31-Aug-14	Ulsan	POLAR	44*	44	--	Houston
24-Aug-14	Pyeongtaek	CAPTAIN MARKOS	44*	22	22	Ras Laffan
23-Aug-14	Pyeongtaek	GAS AL GURAIN	44*	22	22	Kuwait
22-Aug-14	Ulsan	G.ARETE	44*	22	22	Ruwais
21-Aug-14	Ulsan	BW VISION	44*	22	22	Nigeria
18-Aug-14	Ulsan	BU SIDRA	44*	22	22	Ruwais
18-Aug-14	Pyeongtaek	G PARAGON	44*	22	22	Kuwait

#### TAIWAN LPG Terminal Cargo Arrivals

Date of Arrival	Destination	Carrier	QTY	C3	C4	Origin
Oct H1	NA	NA	22	22	--	NA
Sep 21-30	Kaoshiung/Shen-Ao	NA	22	--	22	NA
Sep 21-30	Mailiao	NA	44	22	22	NA
Sep 11-20	Mailiao	NA	22	22	--	NA
12-Sep-14	NA	G.FOREVER	44*	22	22	Yanbu
Sep 1-10	Kaoshiung/Shen-Ao	NA	22	--	22	NA
Late Aug-Ear Sep	Mailiao	NA	44	22	22	NA
Late Aug	Kaoshiung/Shen-Ao	NA	22	11	11	NA
22-Aug-14	Shen-Ao	ENERGY ORPHEUS	44*	22	22	Ruwais
20-Aug-14	Kaoshiung/Shen-Ao	GAS ARIES	44*	22	22	Ruwais

#### INDONESIA LPG Terminal Cargo Arrivals

Date of Arrival	Destination	Carrier	Qty	C3	C4	Origin
11-Sep-14	Kalbut Island	GALAXY RIVER	NA	NA	NA	Das
Sep	NA	NA	44	22	22	NA
End Aug	NA	NA	44	22	22	NA
End Aug	NA	NA	44	22	22	NA

#### THAI LPG Terminal Cargo Arrivals

Date of Arrival	Destination	Carrier	Qty	C3	C4	Origin
31-Aug-14	Sri Racha	BW VISION	44*	22	22	Nigeria
31-Aug-14	Sri Racha	CAPTAIN JOHN NP	44*	22	22	Ras Laffan
30-Aug-14	Sri Racha	GAS DIANA	44*	22	22	Kuwait
17-Aug-14	Sri Racha	BERGE NANTONG	44*	22	22	Ruwais

#### VIETNAM LPG Terminal Cargo Arrivals

Date of Arrival	Destination	Carrier	Qty	C3	C4	Origin
Mid Sep	NA	NA	44	22	22	NA
Late Aug	NA	NA	44	NA	NA	NA
17-Aug-14	Vung Tau	LYCASTE PEACE	44*	22	22	Ruwais

### TENDERS:

--PTT issues refrigerated LPG buy tender CFR



Thailand's PTT issued a refrigerated LPG buy tender for a 44,000mt (50:50) cargo to be delivered during Oct 1-5, trade sources said on Monday. The tender closes on Tuesday at 11:00 Thailand time with offers valid till 18:00 on the same day.

**MARKET NEWS:**

Following news stories were originally published on Rim Asia Energy Links, the real-time news service at

<https://www.rim-intelligence.co.jp/cgi-bin/e/index.cgi>

**--Algeria Sonatrach sets Sep loading LPG contract prices**

Algeria's Sonatrach set the contract price for September loading at \$655/mt for propane and \$730/mt for butane. Propane and butane prices dropped \$50/mt and \$40/mt from the previous month respectively.

**--Saudi Aramco sets Sep loading LPG contract prices**

Saudi Aramco announced that it would set the export prices for Sep loading at \$745/mt for propane and \$785/mt for butane. From the previous month, the price decreased \$35/mt and \$15/mt for propane and butane respectively.

**--Saudi Arabia SEPC shuts down olefins plant for turnaround**

Saudi Ethylene & Polyethylene Co (SEPC), an affiliate of Sahara Petrochemicals Co, will shut down an olefins plant in Jubail Industrial City in the eastern region of Saudi Arabia on Monday, Sep 1, for a 24-day planned maintenance period, Sahara Petrochemicals announced Aug 31. The plant has annual capacity to produce 1.0-mil mt of ethylene and 285,000mt of propylene. Sahara Petrochemicals hold an indirect 24.41% in SEPC along with TASNEE, a Saudi Arabian engineering firm that holds a 45.34% stake in SEPC.

**-- Redesign of Rim Website**

On April 7, 2014, Rim Intelligence launched a newly designed website that offers a more comprehensive front-page with active banners displaying current and future events taking place in the Energy Markets.

Access to market news, daily RIM market reports and other vital market information is now just a click away. Should you have any questions about the new design, functionality or access, please do not hesitate to contact us.

Regards,

Rim Intelligence IT Team

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**--Notice of Rim Data File Renewal**

We at Rim Intelligence will revamp the Rim Data File from June 2013. Besides the existing crude and petroleum products data, we plan to make the data file more comprehensive by adding LPG, LNG and petrochemical data as well. We will also include tables and graphs for easy reference. We believe that with more items added, the revamped Data File will find a wider scope of use.

For inquiries, please contact the Rim Data File team.

**--The renewal of the Rim Trading Board**

Rim Intelligence Co. released the renewed Rim Trading Board. Through the new trading board aimed at boosting the price transparency, market players will be able to directly insert bids/offers and spot deals for all of oil and gas products handled by Rim daily reports. Users can now register with RIM and post their bids/offers etc free of charge. For personal computers, prices for crude, petroleum products, LPG, LNG and petrochemical products can be entered. In addition, RIM has launched the board for smart phones both in the Android version and the iPhone version, which is only for domestic oil products.



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