

☆RIM PRODUCTS INTELLIGENCE DAILY

★No.7954 Jul 30 2019

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--TOKYO, 20:00 JST Jul 30 2019<Assessment Closing Time>

## ◎RECX-22 index

RECX-22 index for Tuesday was 93.91, down 0.24 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	South Asia Gas (Weekly)	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	+ 60,500 - 61,500 +	-500 / 500	+ 59,500 - 60,500 +	-1,500 / -500
Kerosene	56,500 - 57,000	500 / 1,000	56,000 - 57,000	0 / 1,000
Gasoil-0.001%S	+ 63,300 - 64,300 +	-200 / 800	+ 63,300 - 64,300 +	-200 / 800
AFO-1.0%S	58,000 - 59,000	-500 / 500	58,000 - 59,000	-500 / 500
AFO-0.1%S	58,500 - 59,500	-500 / 500	58,500 - 59,500	-500 / 500
LSCFO-0.3%S	51,500 - 52,500	-500 / 500	51,500 - 52,500	-500 / 500
HSCFO-3.0%S	47,500 - 48,500	-500 / 500	47,500 - 48,500	-500 / 500
Floating price assessments in premiums or discounts against Rim monthly average				
<b>-Tokyo Bay Refinery Rack Index-</b>				
Gasoline	58,650 unch.			
Kerosene	59,000 unch.			
Gasoil-0.001%S#	61,200 unch.			
AFO-1.0%S	58,750 unch.			
LSAFO-0.1%S	59,000 unch.			
# before-tax gasoil				
<b>-Japan Crude Cocktail or JCC(MOF CIF Japan Crude Prices, in Yen/kl)-</b>				
19/05/01-31 50,995r	19/06/01-30 50,132r	19/07/01-31	due out on Aug 19	
19/05/01-10 50,785	19/06/01-10 50,981	19/07/01-10	47,273	
19/05/11-20 51,095	19/06/11-20 50,046	19/07/11-20	due out on Aug 07	
19/05/21-31 51,026	19/06/21-30 49,564	19/07/21-31	due out on Aug 19	

©Japan Product Paper Swap Assessments (FOB Tokyo Bay in Yen/kl)			
	Aug	Sep	Oct
Gasoline	+ 60,500 - 61,500 +	+ 56,600 - 57,200 +	+ 54,400 - 55,000 +
Kerosene	55,500 - 56,500	+ 59,000 - 59,600 +	+ 59,000 - 59,600 +
Gasoil	+ 63,000 - 64,000 +	+ 63,000 - 64,000 +	+ 63,000 - 64,000 +
AFO-1.0%S	58,000 - 59,000	58,000 - 59,000	58,000 - 59,000
AFO-0.1%S	58,500 - 59,500	58,500 - 59,500	58,500 - 59,500
LSCFO	51,500 - 52,500	51,500 - 52,500	51,500 - 52,500
HSCFO	47,500 - 48,500	47,500 - 48,500	47,500 - 48,500

©TOCOM Energy Futures (FOB Tokyo Bay Refinery/Primary Storage in Yen/kl)						
	Open	High	Low	Settle	Change	Volume
<b>Gasoline</b>						
Sep	55,570	56,100	55,570	56,100	+810	26
Oct	53,640	53,930	53,640	53,880	+780	27
Nov	52,200	52,660	52,200	52,580	+730	20
Dec	51,400	51,550	51,400	51,470	+730	31
Jan	50,220	50,650	50,220	50,570	+740	302
Feb	49,980	50,290	49,980	50,210	+710	256
Total						662
<b>Kerosene</b>						
Sep	59,100	59,290	59,100	59,260	+1,050	23
Oct	59,190	59,280	59,120	59,260	+860	25
Nov	58,840	59,180	58,840	59,180	+940	55
Dec	58,790	59,130	58,780	59,130	+1,000	73
Jan	58,080	58,990	58,080	58,980	+1,010	157
Feb	57,690	58,550	57,690	58,520	+1,080	267
Total						600
<b>Gasoil</b>						
Sep	-	-	-	62,200	0	-



Oct	-	-	-	61,900	0	-
Nov	-	-	-	61,600	0	-
Dec	-	-	-	61,300	0	-
Jan	-	-	-	61,000	0	-
Feb	-	-	-	60,700	0	-
Total						-
<b>Crude oil</b>						
Jul	43,010	43,010	42,870	42,960	+30	13
Aug	42,630	42,700	42,610	42,700	+680	75
Sep	42,090	42,220	42,050	42,220	+720	50
Oct	41,480	41,580	41,470	41,580	+630	92
Nov	40,850	40,980	40,850	40,980	+680	432
Dec	40,370	40,500	40,370	40,490	+680	1,908
Total						2,570
In contracts of 50 kiloliters						
Open interest (07/29) (Short): Gasoline 4,413 Kerosene 1,653 Gasoil 0 Crude oil 53,157						
Open interest (07/29) (Long): Gasoline 4,413 Kerosene 1,653 Gasoil 0 Crude oil 53,157						

©CFR Japan MR Cargoes (Naphtha and FO in \$/mt, Others in \$/bbl)			
	-Physical-	-Premium-	Import Cost (Yen/kl)
Naphtha	+ 509.00 - 511.25 + **	2.25 / 3.25#	39,240
Sep 1st-half	+ 511.75 - 512.25 +		
Sep 2nd-half	+ 510.75 - 511.25 +		
Oct 1st-half	+ 509.00 - 509.50 +		
Jet/Kerosene	+ 79.95 - 80.05 +	1.05 / 1.15	58,443
Gasoil 0.001%S	+ 80.20 - 80.30 +	0.65 / 0.75	59,019
FO 380cst 3.5%S	+ 412.00 - 413.00 +	5.50 / 6.50	47,245
LSFO 0.3%S	+ 571.25 - 581.25 +	155.00 / 165.00*	64,790
--Exchange rate (TTS Yen/\$ as of Jul 30) 109.89 (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	+ 78.60 - 78.70 +	-0.30 / -0.20	56,669
Gasoil CARB DIESEL	+ 79.05 - 79.15 +	-0.50 / -0.40	56,977
Gasoil 0.001%S	+ 78.80 - 78.90 +	-0.75 / -0.65	56,806
FO 380cst 3.5%S	+ 401.00 - 402.00 +	-5.50 / -4.50	45,426
--Exchange rate (TTM Yen/\$ as of Jul 30) 108.89 (MUFG Bank)			
*Yen/kl prices include Yen 2,800/kl refund.			

©FOB Singapore Cargoes (FO in \$/mt, Others in \$/bbl)			
	-Physical-	-Premium-	
Mogas 97RON	+ 74.75 - 74.85 +	5.10 / 5.20*	
95RON	+ 72.55 - 72.65 +	2.90 / 3.00*	
92RON	+ 69.60 - 69.70 +	0.95 / 1.05*	
Naphtha	+ 55.10 - 55.20 +	0.10 / 0.20	
Jet/Kerosene	+ 79.10 - 79.20 +	0.20 / 0.30	
Gasoil 0.001%S	+ 79.70 - 79.80 +	0.15 / 0.25	
Gasoil 0.05%S	+ 78.75 - 78.85 +	-0.80 / -0.70	
FO 180cst 3.5%S	+ 437.75 - 438.75 +	21.50 / 22.50	
FO 380cst 3.5%S	+ 420.50 - 421.50 +	14.00 / 15.00	

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

**©FOB Indonesia LSWR Cargoes**

	-Physical-	-Premium-	
LSWR 0.45%S(\$/mt)	+ 469.25 - 471.25 +	53.00 / 55.00*	
LSWR 0.45%S(\$/bbl)	+ 71.10 - 71.40 +		

\*Premium to Singapore HSFO 180cst paper swaps

**©Singapore Paper Swaps (FO in \$/mt, Others in \$/bbl)**

	Aug	Sep	Oct
Naphtha	+ 54.95 - 55.05 +	+ 54.70 - 54.80 +	+ 54.55 - 54.65 +
Jet/Kerosene	+ 78.85 - 78.95 +	+ 78.50 - 78.60 +	+ 78.20 - 78.30 +
Regrade	- -0.70 - -0.60 -	-0.65 - -0.55	- -0.60 - -0.50 -
Gasoil 0.001%S	+ 79.50 - 79.60 +	+ 79.10 - 79.20 +	+ 78.75 - 78.85 +
FO 180cst 3.5%S	+ 416.00 - 416.50 +	+ 383.00 - 383.50 +	+ 359.50 - 360.00 +
FO 380cst 3.5%S	+ 406.25 - 406.75 +	+ 371.50 - 372.00 +	+ 345.00 - 345.50 +

**©Singapore Crack Margins (Against Dubai Swaps, in \$/bbl)**

	Aug	Sep	Oct
Naphtha	-7.65	-7.25	-6.60
Jet/Kerosene	16.25	16.55	17.05
Gasoil 0.001%S	16.90	17.15	17.60
FO 180cst 3.5%S	1.39	-3.04	-5.85
FO 380cst 3.5%S	-0.11	-4.81	-8.08

**©FOB South Korea Cargoes (FO in \$/mt, Others in \$/bbl)**

MR Cargoes	-Physical-	-Premium-	
Mogas 91RON/0.001%S	+ 70.55 - 70.75 +	0.90 / 1.10*	
Mogas 92RON/0.05%S	+ 68.05 - 68.25 +	-1.60 / -1.40*	
Jet/Kerosene	+ 78.65 - 78.75 +	-0.25 / -0.15	
Gasoil 0.001%S	+ 78.90 - 79.00 +	-0.65 / -0.55	
Gasoil 0.05%S	+ 78.50 - 78.60 +	-1.05 / -0.95	
Gasoil 0.25%S	+ 76.30 - 76.40 +	-3.25 / -3.15	
Gasoil 0.5%S	+ 75.90 - 76.00 +	-3.65 / -3.55	
FO 380cst 3.5%S	+ 402.00 - 403.00 +	-4.50 / -3.50	
LSFO 0.3%S	+ 561.25 - 571.25 +	145.00 / 155.00***	

SR Cargoes	-Physical-	-Premium-	Import Cost(Yen/kl) #
Mogas 91RON	+ 71.25 - 71.35 +	1.60 / 1.70*	54,814
Kerosene	+ 80.40 - 80.90 +	1.50 / 2.00	60,689
Gasoil 0.001%S	+ 79.25 - 79.35 +	-0.30 / -0.20	60,160
AFO 1.0%S	+ 77.50 - 77.70 +	-2.05 / -1.85**	55,435
LSAFO 0.1%S	+ 77.90 - 78.10 +	-1.65 / -1.45**	55,711
LSFO 0.3%S	+ 571.25 - 581.25 +	155.00 / 165.00***	67,576

\*Premium to FOB Singapore Mogas 92RON

\*\*Premium to Singapore Paper Swaps values (0.001%S gasoil)

\*\*\*Premium in density at 0.95

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

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

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

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

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

**©FOB Taiwan Cargoes (in \$/bbl)**

MR Cargoes	-Physical-	-Premium-	
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Mogas 93RON	+ 70.75 - 70.95 +	1.10 / 1.30
Jet/Kerosene	+ 78.85 - 78.95 +	-0.05 / 0.05
Gasoil 0.001%S	+ 79.10 - 79.20 +	-0.45 / -0.35
Gasoil 0.05%S	+ 78.70 - 78.80 +	-0.85 / -0.75
Gasoil 0.25%S	+ 77.20 - 77.30 +	-2.35 / -2.25
Gasoil 0.5%S	+ 76.60 - 76.70 +	-2.95 / -2.85

◎FOB China Cargoes (in \$/bbl)		
MR Cargoes	-Physical-	-Premium-
Mogas 92RON	+ 70.55 - 70.75 +	0.90 / 1.10
Gasoil 0.001%S	+ 78.85 - 79.05 +	-0.70 / -0.50
Gasoil 0.005%S	+ 78.30 - 78.50 +	-1.25 / -1.05

◎CFR China Cargoes				
	(FO in \$/mt, Others in \$/bbl)		(Yuan/mt)	(Yuan/mt)
	-Physical-	-Premium-	-Import Cost-	-Domestic-###
<b>North China</b>				
Mogas 92RON***	+ 69.35 - 69.55 +	-0.30 / -0.10	6,992	+ 6,400 - 6,450 +
Gasoil 0.001%S*	+ 80.20 - 80.30 +	0.65 / 0.75	6,344	6,560 - 6,610
<b>East China</b>				
Mogas 92RON***	+ 69.25 - 69.45 +	-0.40 / -0.20	6,985	6,400 - 6,450
Gasoil 0.001%S*	+ 80.10 - 80.20 +	0.55 / 0.65	6,338	6,600 - 6,650
<b>South China</b>				
Mogas 92RON***	+ 69.45 - 69.65 +	-0.20 / 0.00	6,999	6,400 - 6,450
Gasoil 0.001%S*	+ 80.30 - 80.40 +	0.75 / 0.85	6,350	6,600 - 6,650
FO 380cst 3.5%S*	+ 416.50 - 417.50 +	10.00 / 11.00	4,654	4,230 - 4,280 ##
--Exchange rate (MIDDLE Yuan/\$ as of Jul 30) 6.8862				
***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, 17% value added tax and Yuan 1,218/mt consumption tax.				
## China FO Domestic prices are of bunker use grade.				
### China Domestic prices are reference information provided by Rim Beijing office.				

◎FOB Middle East Cargoes (Naphtha and HSFO in \$/mt, Others in \$/bbl)		
	-Physical-	-Premium-
Naphtha	+ 490.50 - 491.00 +	7.00 / 9.00
Jet/Kerosene	+ 77.40 - 77.50 +	1.00 / 1.20
Gasoil 0.001%S	+ 78.00 - 78.10 +	1.20 / 1.40
FO 380cst 3.5%S	+ 409.00 - 410.00 +	

◎Freights rates			
<b>SR Clean Tanker Freight Rates (\$/bbl)</b>			
Korea to Tomakomai	3.10 - 3.30	Korea to Keihin	2.80 - 3.00
Korea to Nagoya	2.50 - 2.70	Korea to Kanmon	2.10 - 2.30
<b>SR Dirty Tanker Freight Rates (\$/mt)</b>			
Korea to Tomakomai	27.00 - 29.00	Korea to Keihin	25.00 - 27.00
<b>MR Tanker Freight Rates (\$/bbl for clean \$/mt for dirty)</b>			
Korea to N. China	1.20 - 1.40	Korea to E. China	1.10 - 1.30
Korea to S. China	1.30 - 1.50	Korea to Japan clean	1.20 - 1.40
Korea to Japan dirty	9.00 - 11.00		
<b>LR Tanker Freight Rates (\$/bbl for clean \$/mt for dirty)</b>			
ME to Singapore clean	1.60 - 1.80	ME to Singapore dirty	10.50 - 12.50

◎Asia Bunker Prices (\$/mt)	
--- 30Jul19 Closing Quotes ---	



Port/Location	180cst		380cst		LSMGO (MDO: Japan) ##	
	Low - High	Change	Low - High	Change	Low - High	Change
Tokyo Bay	477.00 - 480.00	+15.00	470.00 - 473.00	+15.00	565.00 - 575.00	+5.00
West Japan	483.00 - 486.00	+15.00	476.00 - 479.00	+15.00	574.00 - 584.00	+5.00
Ise Bay	482.00 - 485.00	+15.00	475.00 - 478.00	+15.00	565.00 - 575.00	+5.00
#Rim Average-Jul	462.89	+1.30	455.89	+1.30	566.96	+0.44
S. Korea	499.00 - 501.00	+6.00	479.00 - 482.00	+4.00	630.00 - 640.00	+10.00
F. E. Russia*	425.00 - 427.00	-3.00	407.00 - 410.00	-3.00	640.00 - 650.00	0.00
Taiwan Kaohsiung PP**	507.00 - 510.00	0.00	498.00 - 501.00	0.00	692.00 - 695.00	0.00
Taiwan Keelung PP**	507.00 - 510.00	0.00	498.00 - 501.00	0.00	692.00 - 695.00	0.00
Taiwan Taichung PP**	507.00 - 510.00	0.00	498.00 - 501.00	0.00	692.00 - 695.00	0.00
Taiwan Others PP**	511.00 - 514.00	0.00	511.00 - 514.00	0.00	692.00 - 695.00	0.00
Kaohsiung	502.00 - 504.00	0.00	495.00 - 498.00	0.00	682.00 - 692.00	0.00
Hong Kong	481.00 - 483.00	+3.00	465.00 - 468.00	+5.00	590.00 - 600.00	+5.00
Singapore	483.00 - 485.00	+2.00	452.00 - 455.00	+2.00	600.00 - 610.00	+5.00

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

Port/Location	180cst		380cst		LSMGO	
	Low - High	Change	Low - High	Change	Low - High	Change
Shanghai	523.00 - 525.00	0.00	515.00 - 518.00	0.00	695.00 - 705.00	0.00
Bangkok	518.00 - 520.00	0.00	467.00 - 470.00	0.00	680.00 - 690.00	0.00
Colombo	588.00 - 590.00	+15.00	490.00 - 493.00	+15.00	700.00 - 710.00	+10.00

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

©Bunker fuel Oil(0.5%) indications in \$/mt		
	Singapore	
A	570.00	
B	550.00	
C	560.00	

\*Sulfur content 0.5% or less

**©ASIA PRODUCTS MARKET COMMENTARY**

**○Benchmark Crude Summary**

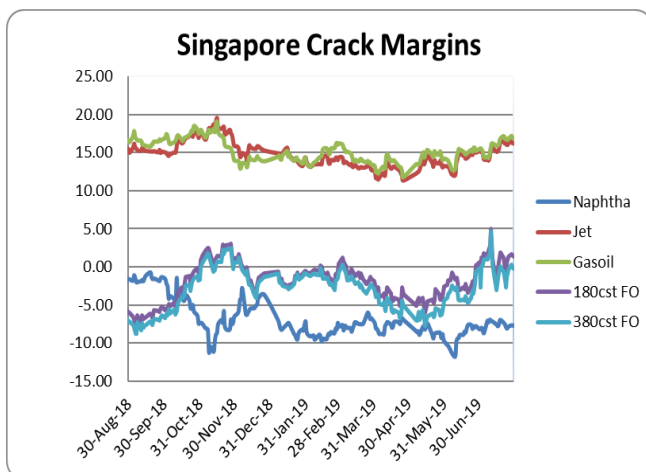
Jul 30 crude oil prices (As of the evening time in Tokyo)

NYMEX • WTI SEP: \$57.25/bbl (up \$1.15/bbl versus a day before)

ICE • BRENT SEP: \$64.12/bbl (up \$1.04/bbl versus a day before)

DUBAI PAPER AUG: \$62.65/bbl (up \$1.10/bbl versus a day before)

**○Singapore Crack Margins**



In the Singapore paper swap market, the crack spread of naphtha over Dubai crude oil for August was at minus \$7.65/bbl, down 5cts/bbl from a day before. The crack spread of jet fuel was at \$16.25/bbl, down 35cts/bbl, that of 0.001% sulfur gasoil at \$16.90/bbl, down 30cts/bbl, that of 180cst fuel oil at \$1.38/bbl, down 29cts/bbl, and that of 380cst fuel oil at minus 11cts/bbl, down 37cts/bbl from a day before.

## Gasoline

The differential for MR-size cargoes of 92RON gasoline on an FOB China basis was at a premium in the range of \$0.90-1.10/bbl to Singapore quotations, unchanged from a day before, while the differential for MR-size cargoes of 93RON on an FOB Taiwan basis was also unchanged at a premium in the range of \$1.10-1.30/bbl to the same quotations. Market was quiet as it was a little too early to start talks on cargoes loading in September. Refiners in Northeast Asia did not seem to be making moves to sell spot cargoes loading in the month. On Tuesday, a refiner in China only closed a sell tender for an MR-size cargo of 92RON gasoline loading from Aug 31 to Sep 1 from South China. The results of the tender were unknown. Meanwhile, no spot purchases from Southeast Asia including Indonesia and Vietnam were still seen. Indonesia tended to reduce imports of gasoline as domestic refineries were increasing production of gasoline.

CFR North China MR-size cargoes of 92RON gasoline were assessed unchanged at a discount in the range of 10-30cts/bbl to Singapore quotations. In North China, domestic prices for 92RON gasoline on an ex-primary storage basis were in the range of Yuan 6,400-6,450/mt, up Yuan 20/mt from a day before. The price was below the import cost by Yuan 567/mt or \$9.69/bbl.

FOB Singapore prices for 92RON gasoline went up \$1.10/bbl to \$69.60-69.70/bbl with a rise in Dubai crude oil prices. On Tuesday, four 50,000bbl cargoes of 92RON gasoline loading in late August were traded in the range of \$69.50-69.85/bbl. Two 50,000bbl cargoes of 95RON gasoline loading on Aug 20-24 and Aug 25-29 were also traded at \$72.60/bbl. Buying and selling ideas were indicated at a premium of \$0.95-\$1.05/bbl to Singapore quotations, unchanged from a day before.

## Naphtha

Open-spec naphtha prices in Asia were in the range of \$509.00-511.25/mt, up \$9.25/mt from a day before due to firm Brent crude futures.

The differential for naphtha cargoes on an FOB Middle East basis was at a premium in the range of 10.00-12.00/mt to Middle East quotations, up \$3.00/mt from the previous day along with firmness in CFR Northeast Asia prices. The sale price for 28,000mt light

naphtha loading on Aug 13-14 by Kuwait Petroleum Co (KPC) as reported was found at a premium in the low \$10's/mt to Middle East quotations on an FOB basis after the survey. A market viewer reckoned that the present spot prices for Middle East loading were at a premium in the low \$10's/mt to the quotations.

In Northeast Asian spot market, several purchases for first-half September by South Korean end-users were

seen. Lotte Chem bought for Yeosu and Daesan delivery at flat and a premium of \$1/mt to Japan quotations, respectively. Further, GS Caltex procured at a premium of \$3/mt to the same quotations. The company seemed to be seeking heavy full range naphtha, also.

Bharat Petroleum Co (BPCL) in India was valid up on Jul 30 for a sell tender of 30,000mt naphtha loading on Aug 9-11 and 24-26. The result was not revealed. An Asian market player said that Indian oil companies were divided into exporters and importers, supply and demand fundamentals were balanced. Under such a circumstance, FOB India prices were deemed to be at a premium in the low to mid-\$10's/mt to Middle East quotations on an FOB basis.

In Brent crude oil futures trades on the

Intercontinental Exchange (ICE) early in the evening in Asia, the Sep contract rose by \$1.04/bbl to \$64.12/bbl. Open-spec naphtha prices for H1 Sep arrival were at \$511.75-512.25/mt, H2 Sep arrival at \$510.75-511.25/mt, and H1 Oct arrival at \$509.00-509.50/mt.

On a timing spread, a H1 Sep/H1 Oct spread was in backwardation of \$2.75/mt, widening by 50cts/mt from a day before. A Sep Brent/H1 Sep naphtha spread was at \$31/mt in favor of naphtha, slackening by \$2/mt from a day before.

Early in the evening in Asia, Aug NWE naphtha prices were \$495.50-497.50/mt, up \$7.50/mt from a day before. Prices for Sep and Oct were at \$492.75-494.75/mt and \$490.75-492.75/mt. A H1 Sep Asia/Aug NWE spread was at \$16/mt in favor of Asia, widening by \$2/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 15-25cts/bbl to Singapore quotations, unchanged from a day before, while the differential for MR-size cargoes of jet fuel on an FOB Japan basis was also unchanged at a discount in the range of 20-30cts/bbl to the same quotations. No offers for spot cargoes loading in September from Northeast Asia were reported. Some refiners in the region were expected to start talks on them from next week as they had yet to fix export plans in the month. Although prices for jet fuel in Europe were strengthening, the arbitrage window for cargoes from Asia was still closed. Therefore, demand for cargoes from Asia was not increasing. On Tuesday, China Aviation Oil (CAO) closed a buy tender for

25,000mt of jet fuel to be delivered in Huangpu, South China on Sep 4-8, but the results of the tender were unknown. In India, on Monday, Mangalore Refinery and Petrochemicals Ltd (MRPL) issued a sell tender for 40,000mt of jet fuel loading on Sep 1-3. The tender was scheduled to close on Jul 31 with its price validity date set on the same day.

FOB Singapore prices for jet fuel oil edged up 75cts/bbl to \$79.10-79.20/bbl on Tuesday. The rising paper swaps values pushed up the market. The Aug swaps contract was valued at \$78.90/bbl, up 75cts/bbl from a day before. Buying and selling ideas were indicated at a premium of 20-30cts/bbl to Singapore quotations, unchanged from the previous day.

## OGasoil

The differential for MR-size cargoes of 0.05% sulfur gasoil on an FOB South Korea basis was at a discount in the range of \$0.95-1.05/bbl to Singapore quotations, unchanged from a day before, while the differential for MR-size cargoes of 0.05% sulfur gasoil on an FOB Taiwan basis was at a discount in the range of 75-85cts/bbl to the same quotations, also unchanged

from the previous day. Market players were getting keen on cargoes loading in September, but no fresh offers and bids were heard on Tuesday. Full-fledged talks were expected to start from next week. A refiner in Northeast Asia said that demand of 0.05% sulfur gasoil was expected to increase for fishery boats in China and Taiwan as the fishing ban along the coast of



China would be lifted soon.

Mangalore Refinery and Petrochemicals Ltd (MRPL) in India was conducting a sell tender for 65,000mt of 0.005% sulfur gasoil loading on Aug 27-29. The tender was scheduled to close on Jul 31 with its price validity date set on the same day.

CFR North China MR-size cargoes of 0.001% sulfur gasoil were assessed unchanged at a premium in the range of 65-75cts/bbl to Singapore quotations (0.001%S). In North China, domestic prices for 0.001% sulfur gasoil on an ex-primary storage basis were in the range of Yuan 6,560-6,610/mt, unchanged from a day

before. The price was above the import cost by Yuan 241/mt or \$4.67/bbl.

FOB Singapore prices for 0.001% sulfur gasoil went up 80cts/bbl from a day before to \$79.70-79.80/bbl. The rising paper swaps values pushed up the market. The Aug swaps contract was valued at \$79.55/bbl. Buying and selling ideas were indicated at a premium in the range of 15-25cts/bbl to Singapore quotations, unchanged from a day before. On Tuesday, China Aviation Oil bought two 150,000bbl cargoes of 0.001% sulfur gasoil loading on Aug 25-29 at a premium of 20cts/bbl to Singapore quotations from Hin Leong.

## ○Fuel Oil

### 【Northeast LSFO Cargoes】

The differential for MR-size cargoes of 0.3% sulfur fuel oil on a CFR Japan basis was at a premium in the range of \$155.00-165.00/mt to Singapore quotations (180cst), unchanged from a day before.

### 【Northeast HSFO Cargoes】

The differential for MR-size cargoes of 3.5% sulfur fuel (380cst) oil on an FOB South Korea basis was at a discount in the range of \$3.50-4.50/mt to Singapore quotations (380cst), unchanged from a day before. Supply for bunker fuel was tight in Singapore, a trading hub of oil products in Asia. Because of this, differentials for high sulfur fuel oil stayed relatively high in Northeast Asia including South Korea. On the other hand, demand for bunker fuel stayed weak. Bullish and bearish factors were balanced in the market. In the Middle East, a residual fluid catalytic cracker (RFCC) of Abu Dhabi National Oil Co in the United Arab Emirates was shut down for regular maintenance

until mid-August. Due to the maintenance, the company earlier seemed to have sold two 80,000-90,000mt cargoes of 2.0% sulfur straight run fuel oil loading on Aug 9-10 and Aug 15-16, respectively.

### 【Indonesia LSWR Cargoes】

The differential for MR-size cargoes of LSWR on an FOB Indonesia basis was at a premium in the range of \$53.00-55.00/mt to Singapore quotations (180cst), unchanged from a day before.

### 【Singapore Cargoes】

FOB Singapore prices for 180cst fuel oil went up \$5.25/mt to \$437.75-438.75/mt. The growing paper swaps values pushed up the market. The Aug swaps contract rose to \$416.25/mt, up \$5.25/mt from a day before. Buying and selling ideas were indicated at a premium of \$21.50-22.50/mt to Singapore quotations, unchanged from a day before.

## ◎ASIA BUNKER MARKET COMMENTARY

### ○Japan

The price for 380cst in Tokyo Bay, Japan was in the range of \$470.00-473.00/mt, up \$15.00/mt from a day before with a rise in the fuel oil cargo price in Singapore. Offers were heard in the range of \$470.00-480.00/mt. Some traders who posted offers under fair market

values to promote sales all revised up offers. As previously reported, prices in South Korea, China and Hong Kong all remained high. Under such circumstances, demand in Japan was expected to stay strong in August as well since more shipping

companies were seen to be willing to charge fuel oil in Japan instead. Also, with grown perceptions of future bullish market views, traders started taking a

wait-and-see stance. The July average price for 380cst in Tokyo Bay was estimated at \$455.89/mt, up \$51.34/mt from a month earlier.

### ○South Korea

The price for 380cst in South Korea was in the range of \$479.00-482.00/mt, up \$4.00/mt from a day before with a rise in the fuel oil cargo price in Singapore. Offers were heard in the range of \$479.00-500.00/mt. All suppliers set premiums to Singapore fuel oil futures prices at \$70-90/mt. The price for 180cst was in the range of \$499.00-501.00/mt, up \$6.00/mt from a day

before with a rise in the fuel oil cargo price in Singapore. Offers were shown in the range of \$499.00-510.00/mt. For MGO, offers were quoted in the range of \$630.00-640.00/mt. The price for LSMGO was in the range of \$630.00-640.00/mt, up \$10.00/mt from a day before with a rise in the gasoil cargo price in Singapore. Offers were posted in the range of \$640.00-650.00/mt.

### ○F.E.Russia

The price for 380cst in Far East Russia was in the range of \$407.00-410.00/mt, down \$3.00/mt from a day before on grown selling pressure. Offers were heard in the range of \$410.00-415.00/mt. On Tuesday, an ex-Posyet 140mt parcel was expected to be traded in the mid-\$410's/mt although no confirmation was obtained. A source said that arrival of a cargo from a refinery in

the inland wiped a tight supply/demand balance away. An ex-Vostochny 200mt parcel reported on Monday was said to have been dealt under \$410/mt eventually. The price for MGO was in the range of \$640.00-650.00/mt, showing no change from a day earlier. Offers were posted in the range of \$650.00-660.00/mt.

### ○Hong Kong

The price for 380cst in Hong Kong was in the range of \$465.00-468.00/mt, up \$5.00/mt from Monday reflecting strong Singapore fuel oil paper swap values. Offers were cast at \$465.00-501.00/mt. The price for 180cst was in the range of \$481.00-483.00/mt, up \$3.00/mt from Monday tracking firm Singapore fuel oil

paper swap values. Offers were heard at \$483.00-485.00/mt. The price for LSMGO was in the range of \$590.00-600.00/mt, up \$5.00/mt from Monday reflecting strong Singapore gasoil paper swap values. Offers were posted at \$590.00-610.00/mt.

### ○Singapore

The price for 380cst in Singapore was in the range of \$452.00-455.00/mt, up \$2.00/mt from Monday reflecting strong Singapore fuel oil paper swap values. Offers were cast at \$455.00-457.00/mt. For MGO, offers were heard in the range of \$602.00-608.00/mt. The price for LSMGO was in the

range of \$600.00-610.00/mt, up \$5.00/mt from Monday following strong Singapore gasoil paper swap values. Offers were heard at \$610.00-613.00/mt. In addition, indicative prices for bunker fuel oil with a sulfur content of 0.5% or less were heard in the range of \$550.00-570.00/mt.

### ◎PRODUCTS TRANSACTIONA

--NAPHTHA

07/30	TRADER⇒LOTTE CHEM	JPN+flat CFR KOREA	H1 SEPTEMBER
07/30	TRADER⇒LOTTE CHEM	JPN+ 1.00 CFR KOREA	H1 SEPTEMBER
07/30	TRADER⇒GS CALTEX	JPN+3.00 CFR KOREA	H1 SEPTEMBER

### ◎MARKET NEWS

**South Korea crude throughput at 3.02 mil b/d, up 10.2% on week**

Combined crude oil throughput for refiners in South Korea was at 3.02 mil barrels per day (b/d) as of Jul 30, up 10.2% as increasing by 380,000b/d on week, according to a Rim survey of operating rates. SK Energy and GS Caltex pulled up run rate for their refineries to 90%'s. The current figure equates to a utilization rate of 91.2% of the nation's total refining capacity of 3.31 mil b/d.

South Korea Crude Run Rate										
Capacity	SK Energy		GS Caltex		S-Oil		Hyundai		Total	
	1,215,000	b/d	785,000	b/d	669,000	b/d	650,000	b/d	3,319,000	b/d
Jul 30, 2019	90.5	%	90.4	%	94.2	%	90.4	%	91.2	%
	1,100,000	b/d	710,000	b/d	630,000	b/d	587,600	b/d	3,027,600	b/d
Jul 23, 2019	75.7	%	70.1	%	94.2	%	90.4	%	81.0	%
	920,000	b/d	550,000	b/d	630,000	b/d	587,600	b/d	2,687,600	b/d
Jul 16, 2019	75.7	%	70.1	%	94.2	%	90.4	%	81.0	%
	920,000	b/d	550,000	b/d	630,000	b/d	587,600	b/d	2,687,600	b/d
Jul 09, 2019	75.7	%	70.1	%	94.2	%	90.4	%	81.0	%
	920,000	b/d	550,000	b/d	630,000	b/d	587,600	b/d	2,687,600	b/d

**Average prices for bunker fuel at world main ports in 1H 2019**

Average prices for 380cst fuel oil, MDO and MGO and LSMGO from January to June in 2019 at main ports in the world are shown below, according to the survey conducted by Rim Intelligence. The lowest price for 380cst in Singapore was at \$327.00/mt on Jan 4, while the highest was at \$450.00/mt on Apr 25. The lowest price for 380cst in Tokyo Bay was at \$350.00/mt on Jan 4, while the highest was at \$470.00/mt on Apr 25. The prices were linked to fluctuations in crude oil prices.

**<Average Price For 2019 Jan-Jun>**
**(US\$/MT)**

Port/Location	180cst	380cst	MGO **
Vancouver BC *	442.66	416.16	652.85
Seattle/Tacoma *	482.58	420.08	664.46
Los Angeles *	469.14	414.64	661.11
New York *	443.00	414.50	610.96
Houston *	457.31	393.81	604.85
New Orleans *	516.34	414.84	619.43
Panama *	450.05	404.55	616.19
Rotterdam	432.10	387.51	562.20
Gibraltar	443.81	409.77	613.41
Fujairah	451.78	400.77	708.16
Tokyo Bay	443.51	436.51	565.20
S.Korea	456.73	436.84	634.88
F.E.Russia	394.48	376.86	667.48
Taiwan kaohsiung PP	455.97	447.84	676.74
Shanghai	433.87	426.52	692.29
Hongkong	428.97	419.13	599.63
Singapore	441.22	410.72	593.63

NYMEX(WTI) \$/BBL	57.44
ICE(BRENT) \$/BBL	66.17

\* Ex-wharf

\*\*Tokyo Bay MDO. Except F.E.Russia and Taiwan PP LSMGO after 1st March.

<Price Range For 2019 Jan-Jun>

Port/Location		Min		Max		Range
380cst	Houston *	325.00	4-Jan	442.00	3-May	117.00
	Rotterdam	307.00	3-Jan	441.00	3-May	134.00
	Tokyo Bay	350.00	4-Jan	470.00	25-Apr	120.00
	Singapore	327.00	4-Jan	450.00	25-Apr	123.00
NYMEX(WTI) \$/BBL		46.54	2-Jan	66.30	23-Apr	19.76
ICE(BRENT) \$/BBL		54.91	2-Jan	74.57	24-Apr	19.66

\* Ex-wharf

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OMOF TRADE: Jun,19 Petroleum exports from Japan

MOF TRADE: Oil type	19/6-Provisional Data-			19 May-Revised Data-	
	Volume (KL)	Yen/KL	Dlrs/bbl	Volume (KL)	Yen/KL
Petroleum spirits--mogas	60,517	55,209	80.52	183,694	58,724
others	4,963	90,861	132.53	15,583	70,997
Kerosene	391,886	54,576	79.60	457,022	96
Gasoil	787,917	54,097	78.90	947,371	57,632
Heavy Fuels	173,349	46,817	68.28	251,362	50,406
-Exchange rate (Yen/\$) (19 Jun)		109.00			

MOF TRADE: Jun,19 Petroleum imports into Japan

MOF TRADE: Oil type	19/Jun-Provisional Data-			19/May-Revised Data-	
	Volume (KL)	Yen/KL	Dlrs/bbl	Volume (KL)	Yen/KL
Crude Oil	11,748,445	50,132	73.09	14,790,993	50,995
Reformate	-	-	-	-	-
Gasoline	189,516	49,599	72.31	154,698	53,353
Naphtha--Petchem use	1,730,478	43,692	63.70	2,114,286	44,203
Kerosene--Jet Fuel	1,739	126,414	184.29	101,252	59,826
--Petchem use	-	-	-	-	-
--Others	12,249	59,280	86.42	13,367	67,776

Gasoil--Petchem use	-	-	-	-	-
--Others	60,623	57,218	83.41	50,199	60,377
AFO--(1)	5,990	51,669	75.33	12,125	58,890
--0.3%S or less	9,200	49,415	72.04	4,523	54,631
--more than 0.3%S	-	-	-	25	69,080
CF0--for Refining	24,361	53,563	78.09	14,400	53,816
--0.3%S or less	2,270	53,807	78.44	58,432	53,409
--more than 0.3%S	92,159	43,522	63.45	2,175	49,786
Exchange rate (Yen/\$)	19/Jun	109.07			
<i>*Reformat:Unit·MT, \$/MT</i>					
<i>*A fuel oil (1) is for use in the Agriculture, Fishery and Forestry only.</i>					



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