

## 19 June 2020

## Oil and Energy Market News

Oil prices ended the day up 0.9% at 42.41 as oil rose to above \$42 a barrel, adding to gains in the previous session, after OPEC producers and allies promised to meet supply cuts and on signs of demand, hit by the coronavirus crisis, recovering.

Iraq and Kazakhstan, during a meeting of an OPEC+ panel on Thursday, pledged to comply better with oil cuts, sources said. This means curbs by the Organization of Petroleum Exporting Countries and allies, known as OPEC+, could deepen in July.

Commodity analysts also said that renewed talks about a recovery fund to help Europe's troubled economies and easing Sino-American relations were helping to lift the outlook for crude demand.

## Brent Basis:

42.41

	Barges 3.5 %	Sing 380cst	Rott 0.5%	Sing 0.5%	Sing Hi5
Jul20	232.00	238.50	293.10	308.35	70
Aug20	230.25	242.25	297.60	314.85	73
Sep20	227.00	243.25	301.60	320.10	77
Oct20	224.25	244.00	304.85	324.35	80
Nov20	223.75	245.25	307.35	327.60	82
Dec20	225.00	247.25	309.60	329.85	83
Q3-20	229.75	241.35	297.45	314.45	73
Q4-20	224.33	245.50	307.27	327.27	82
Q1-21	227.92	249.75	316.27	337.02	87
Q2-21	231.00	252.67	325.10	345.35	93
CAL21	232.25	251.25	324.25	347.25	96

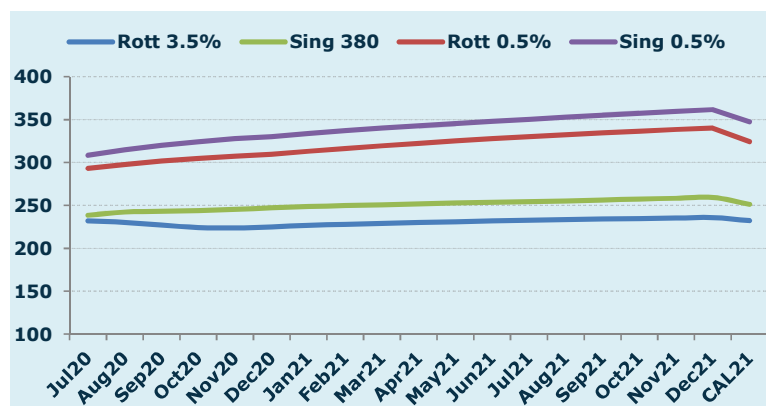
## Fuel Oil Market

The crack opened at -6.65, weakening to -5.90, before strengthening to -5.80. The Cal 20 crack was valued around -7.30.

China's marine fuel futures contract that debuts on Monday on the Shanghai International Energy Exchange (INE) is likely to attract strong interest, despite weakened ship fuel demand amid the coronavirus pandemic, industry participants said.

The new low-sulphur fuel oil (LSFO) contract features marine fuel meeting stricter international emissions rules and is the latest commodity futures product - and second oil contract after Shanghai crude - open to foreign investment.

Brazil's oil and gas giant Petrobras during the month of May exported 1.11 million tons of fuel oil, surpassing the previous record set in February 2020 by 10%. The amount of fuel oil exported was 231% above the volume exported in May last year.



	Rott GOFO	Sing GOFO	R FoGo	S FoGO	Rott Hi5
Jul20	133.10	122.85	-72.00	-53.00	61
Aug20	138.73	115.00	-71.38	-42.40	67
Sep20	145.46	112.07	-70.86	-35.22	75
Oct20	150.68	113.33	-70.08	-32.98	81
Nov20	152.90	114.46	-69.30	-32.11	84
Dec20	153.90	114.25	-69.30	-31.65	85
Q3-20	139.10	116.62	-71.40	-43.52	68
Q4-20	152.49	114.01	-69.56	-32.25	83
Q1-21	155.51	116.82	-67.16	-29.55	88
Q2-21	159.77	120.28	-65.67	-27.60	94
CAL21	161.01	124.71	-69.01	-28.71	92

19 June 2020

## TIME SPREADS FUEL

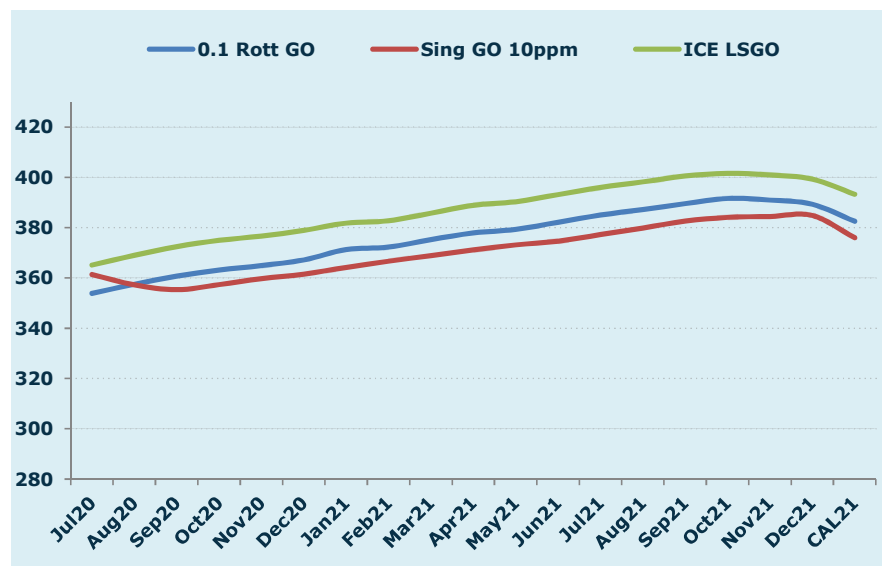
	Barges 3.5 %	Sing 380cst	Rott 0.5%	Sing 0.5%
Jul20/Aug20	1.75	-3.75	-4.50	-6.50
Aug20/Sep20	3.25	-1.00	-4.00	-5.25
Sep20/Oct20	2.75	-0.75	-3.25	-4.25
Oct20/Nov20	0.50	-1.25	-2.50	-3.25
Nov20/Dec20	-1.25	-2.00	-2.25	-2.25
Q3-20/Q4-20	5.42	-4.15	-9.82	-12.82
Q4-20/Q1-21	-3.58	-4.25	-9.00	-9.75
Q1-21/Q2-21	-3.08	-2.92	-8.83	-8.33
CAL21/CAL22	-14.50	-15.75	-14.5	-34.75

## GASOIL CURVES

	Rott 0.1	SGO 10ppm	ICE GO
Jul20	353.9	361.4	365.1
Aug20	357.5	357.3	369.0
Sep20	360.7	355.3	372.5
Oct20	363.2	357.3	374.9
Nov20	364.9	359.7	376.6
Dec20	367.2	361.5	378.9
Q3-20	357.4	358.0	368.9
Q4-20	365.1	359.5	376.8
Q1-21	372.9	366.6	383.4
Q2-21	379.8	372.9	390.8
CAL21	382.5	376.0	393.3

## EW SPREAD

	EW380	EW0.5%
Jul20	6.50	15.25
Aug20	12.00	17.25
Sep20	16.25	18.50
Oct20	19.75	19.50
Nov20	21.50	20.25
Dec20	22.25	20.25
Q3-20	11.60	17.00
Q4-20	21.17	20.00
Q1-21	21.83	20.75
Q2-21	21.67	20.25
CAL21	19.00	23.00
Jan-00	20.25	43.25



## Luke Longhurst

Email: lukel@freightinvestor.com  
Mobile: (+44) 7966 968761

## Chris Hudson

Email: chrish@freightinvestor.com  
Mobile: (+44) 7951 556947

## Ricky Forman

Email: rickyf@freightinvestor.com  
Mobile: (+44) 7868 708719

The information provided in this communication is general in nature only and does not constitute advice in relation to investment products nor constitute any recommendation on our part. The information has been prepared without taking into account your investment objectives, financial situation or knowledge and experience. Freight Investor Services Limited is authorised and regulated by the Financial Conduct Authority (FRN 211452).

Risk Disclosure: Trading derivative products such as swaps, futures and options carries with it a substantial risk of loss. Transactional fees such as broker commission and clearing costs will be applied and these can vary depending on the type of product traded as well as the venue used for execution. These products are not suitable for all investors. For any further information or to discuss the use of these products please speak to your broker or relationship manager.