

# FIS Fuel Oil Daily Evening Report

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## 24 July 2020

### Oil and Energy Market News

Oil prices ended the day down 0.25% at \$43.05 as prices moved lower as worries remain over rising U.S. inventories and coronavirus cases, as well as escalating tensions between the US and China.

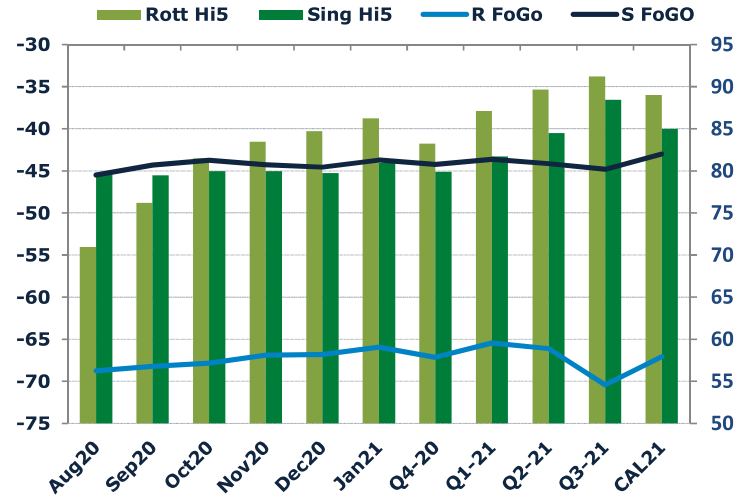
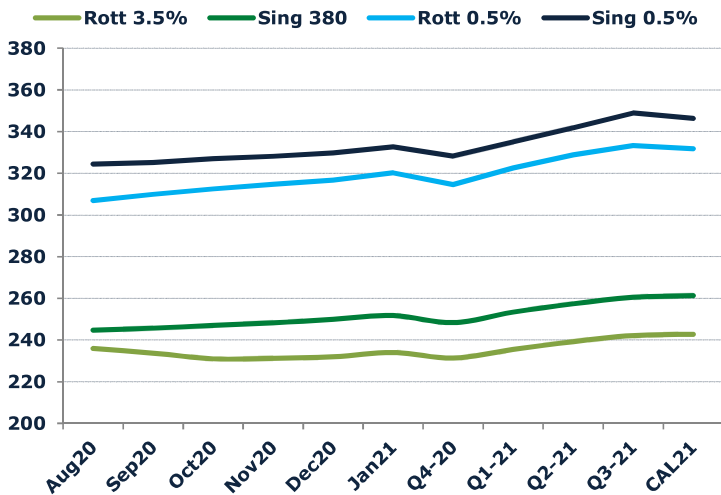
China ordered the United States to close its consulate in the city of Chengdu on Friday, responding to a U.S. demand this week that China close its Houston consulate.

In China, congestion at east coast oil ports is adding to costs for shippers and importers even as fuel demand stalls. Oil prices could see a near-term correction if a recovery in fuel demand slows further, especially in the United States, Barclays Commodities Research said.

### Brent

**43.05**

	Barges 3.5 %	Sing 380cst	Rott 0.5%	Sing 0.5%	Sing Hi5
Aug20	235.95	244.70	306.92	324.42	80
Sep20	233.70	245.70	309.92	325.17	79
Oct20	230.95	246.95	312.42	326.92	80
Nov20	231.20	248.20	314.67	328.17	80
Dec20	231.95	249.95	316.67	329.67	80
Jan21	233.95	251.70	320.17	332.67	81
Q4-20	231.35	248.35	314.60	328.25	80
Q1-21	235.45	253.37	322.59	335.09	82
Q2-21	239.20	257.37	328.84	341.84	84
Q3-21	242.12	260.45	333.34	348.92	88
CAL21	242.75	261.25	331.75	346.25	85



### Fuel Oil Market News

The crack opened at -6.15, weakening to -6.30, before strengthening to -6.20, closing -6.35. The Cal 20 crack was valued around -7.75.

The Singapore 0.5pc sulphur marine fuel oil market has flipped to backwardation on lower arbitrage arrivals and a slowdown in low-sulphur residuals production. It moved to backwardation on 22 July, with prompt-month August swaps at a \$0.25/t premium to September. The backwardation was last at a wide backwardation on 14 February at \$1.25/t.

S-Oil, the South Korean refiner controlled by Saudi Aramco, said demand for oil products will steadily increase in the current quarter as restrictions stemming from the Covid-19 pandemic are eased and economies around the world are revived.

	Rott GOFO	Sing GOFO	R FoGo	S FoGO	Rott Hi5
Aug20	139.72	125.22	-68.75	-45.50	71
Sep20	144.43	123.77	-68.21	-44.30	76
Oct20	149.32	123.71	-67.85	-43.74	81
Nov20	150.36	124.25	-66.89	-44.28	83
Dec20	151.55	124.29	-66.83	-44.57	85
Jan21	152.18	124.70	-65.96	-43.73	86
Q4-20	150.40	124.15	-67.15	-44.25	83
Q1-21	152.58	125.34	-65.45	-43.62	87
Q2-21	155.74	128.59	-66.10	-44.13	90
Q3-21	161.64	133.28	-70.43	-44.82	91

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### TIME SPREADS FUEL

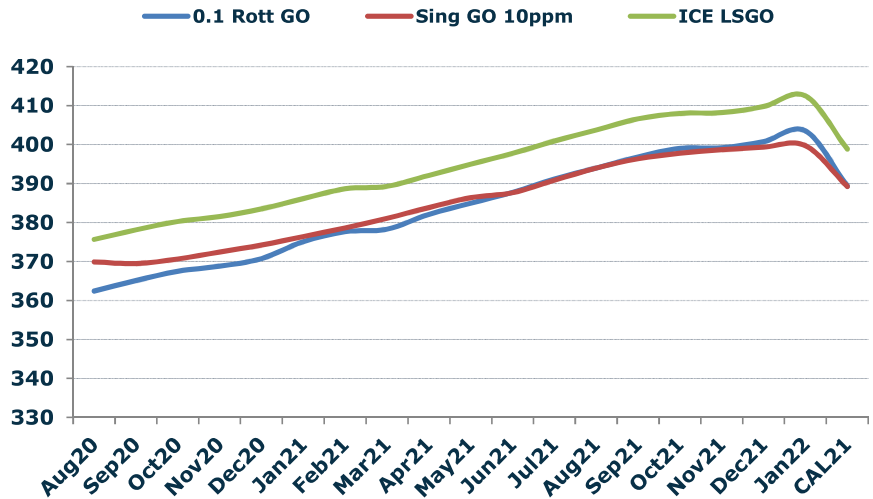
	Barges 3.5 %	Sing 380cst	Rott 0.5%	Sing 0.5%
Aug20/Sep20	2.25	-1.00	-3.00	-0.75
Sep20/Oct20	2.75	-1.25	-2.50	-1.75
Oct20/Nov20	-0.25	-1.25	-2.25	-1.25
Nov20/Dec20	-0.75	-1.75	-2.00	-1.50
Dec20/Jan21	-2.00	-1.75	-3.50	-3.00
Q4-20/Q1-21	-4.10	-5.02	-7.99	-6.84
Q1-21/Q2-21	-3.75	-4.00	-6.25	-6.75
Q2-21/Q3-21	-2.92	-3.08	-4.50	-7.08
CAL21/CAL22	-10.00	-12.00	-10	-22.00

### GASOIL CURVES

	Rott 0.1	SGO 10ppm	ICE GO
Aug20	362.4	369.9	375.7
Sep20	365.1	369.5	378.1
Oct20	367.5	370.7	380.3
Nov20	368.8	372.5	381.6
Dec20	370.8	374.2	383.5
Jan21	375.1	376.4	386.1
Q4-20	369.0	372.5	381.8
Q1-21	377.0	378.7	388.0
Q2-21	384.9	386.0	394.9
Q3-21	394.0	393.7	403.8
CAL21	389.3	389.3	398.8

### EW SPREAD

	EW380	EW0.5%
Aug20	8.75	17.50
Sep20	12.00	15.25
Oct20	16.00	14.50
Nov20	17.00	13.50
Dec20	18.00	13.00
Jan21	17.75	12.50
Q4-20	17.00	13.65
Q1-21	17.92	12.50
Q2-21	18.17	13.00
Q3-21	18.33	15.58
CAL21	18.50	14.50
CAL22	20.50	26.50



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