

# FIS Fuel Oil Daily Morning Report

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28 March 2022

## Oil and Energy Market News

Having settled lower in the two previous weeks, last week ICE Brent managed to settle almost 12% higher, which took the market back above \$120/bbl. The key driver behind this strength was uncertainty over whether the EU would take steps to ban Russian oil. Adding further strength to the market on Friday were reports of yet another attack by Iranian backed Houthi rebels on Saudi Arabia. A storage site in Jeddah was hit this time. This facility focuses on the domestic market rather than the export market.

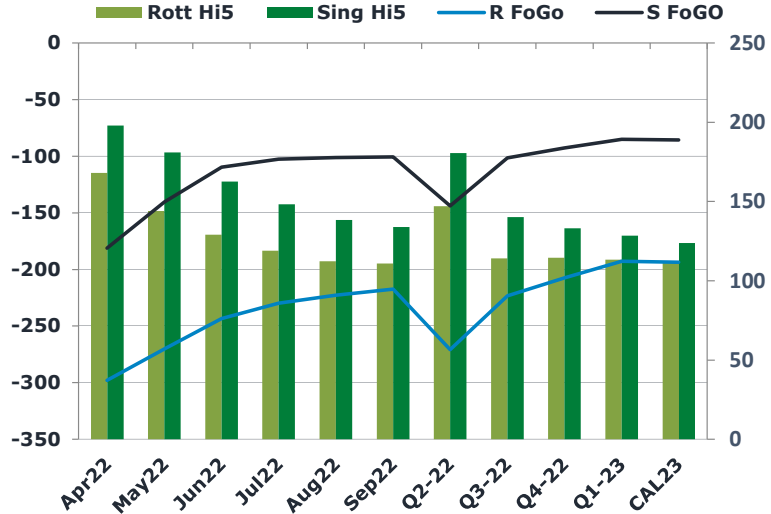
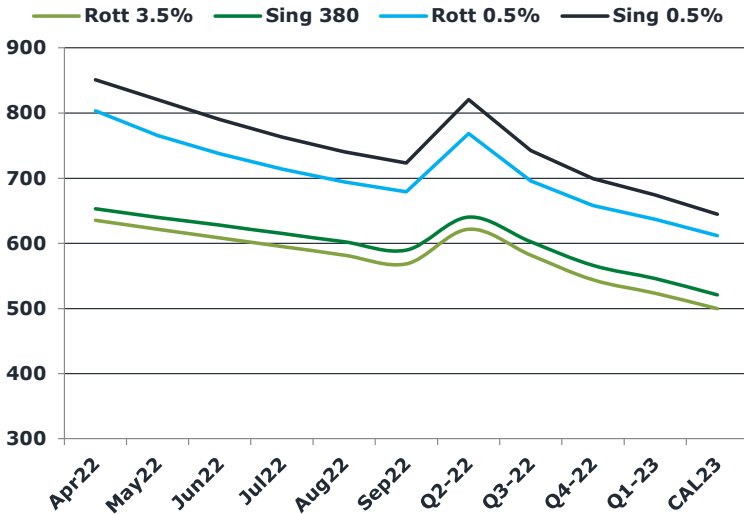
However, the strength seen last week has not continued in trading this morning. The market has come under pressure with the latest Covid developments in China. Authorities have decided to impose a staggered lockdown in order to carry out mass testing. This action yet again highlights that China is not willing to drop its zero-covid policy and so continues to be a downside risk for the market. (ING) The US appears less confident that we will see an Iranian nuclear anytime soon. Discussions have dragged on for a while. The latest obstacle is that Iran wants its Islamic Revolutionary Guards Corp to be taken off the US terrorist list. The attacks by Iranian backed Houthis on Saudi Arabia are unlikely to help matters. Therefore, it is looking less likely that Iran will be able to help partially offset Russian supply disruptions in the near term.

OPEC+ meet on Thursday. And this meeting has the potential to be the most interesting so far this year. The group will need to decide whether they will stick to their current plan of increasing output by 400Mbbbl/d per month or be more aggressive with their production hikes. OPEC+ have had more time to assess the impact of the Russia-Ukraine war and so might feel more confident to act. However, we are assuming that the group will stick to the current plan. Given that Russia is a member of OPEC+, they clearly have a say on what the group decides. (ING)

## Brent

115.65

	Barges 3.5 %	Sing 380cst	Rott 0.5%	Sing 0.5%	Sing Hi5
Apr22	635.20	653.20	803.15	851.10	198
May22	621.60	639.95	765.65	820.85	181
Jun22	608.50	627.70	737.65	790.35	163
Jul22	595.25	614.95	714.15	763.10	148
Aug22	582.00	602.20	694.40	740.60	138
Sep22	568.50	589.45	679.40	723.35	134
Q2-22	621.75	640.30	768.80	820.75	180
Q3-22	581.92	602.20	695.98	742.35	140
Q4-22	543.75	566.12	658.23	699.27	133
Q1-23	523.50	545.70	636.73	674.18	128
CAL23	499.54	521.03	611.61	644.81	124



## Fuel Oil Market News

### OIL MARKET ROUND-UP: (Bloomberg)

- \* Russian Oil Flows to Asia Surges as Others Self-Sanction
- \* Oil Retreats on China's Virus Resurgence and Houthi Truce
- \* BP's Climate Targets Missing Bulk of Emissions, Report Says
- \* Russian Tankers Going Dark Raises Flags on Sanctions Evasion
- \* Yemen Rebels Announce 3-Day Halt to Attacks on Saudi Arabia
- \* TotalEnergies Doesn't Plan to Divest Russia Assets, CEO Says
- \* U.S. Says Iran Nuclear Deal Not Imminent Amid Deadlock Over IRGC

	Rott GOFO	Sing GOFO	R FoGo	S FoGO	Rott Hi5
Apr22	466.04	379.04	-298.00	-181.25	168
May22	414.28	321.51	-270.25	-140.50	144
Jun22	372.75	272.30	-243.50	-109.75	129
Jul22	348.59	250.78	-229.75	-102.75	119
Aug22	335.27	239.69	-222.75	-101.25	112
Sep22	328.17	234.56	-217.25	-100.75	111
Q2-22	417.70	324.10	-270.75	-143.75	147
Q3-22	337.34	241.68	-223.25	-101.50	114
Q4-22	322.06	225.86	-207.50	-92.75	114
Q1-23	306.24	213.62	-193.00	-85.25	113
CAL23	305.51	209.49	-193.50	-85.75	112

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## TIME SPREADS FUEL

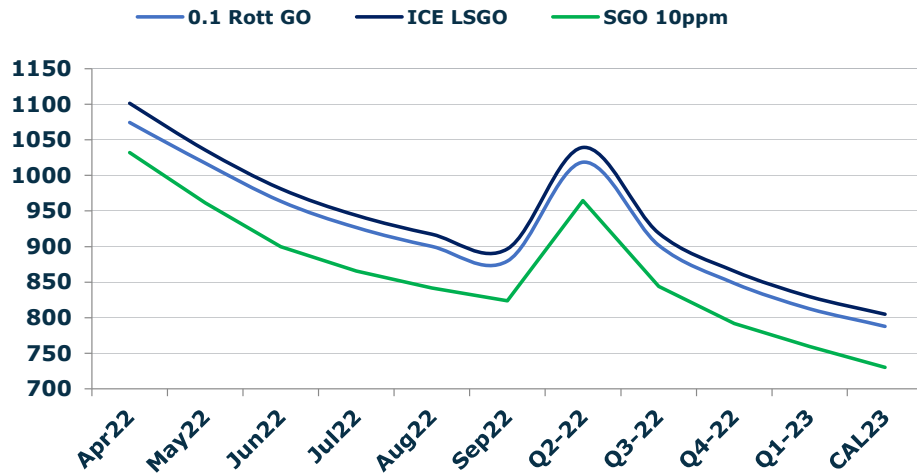
	Barges 3.5	S 380	Rott 0.5%	Sing 0.5%
Apr22/May22	13.60	13.25	37.50	30.25
May22/Jun22	13.10	12.25	28.00	30.50
Jun22/Jul22	13.25	12.75	23.50	27.25
Jul22/Aug22	13.25	12.75	19.75	22.50
Aug22/Sep22	13.50	12.75	15.00	17.25
Q2-22/Q3-22	39.83	38.10	72.82	78.40
Q3-22/Q4-22	38.17	36.08	37.75	43.08
Q4-22/Q1-23	20.25	20.42	21.50	25.08
CAL23/CAL24	38.00	36.75	30.1	15.53

## GASOIL CURVES

	Rott 0.1	SGO 10ppm	ICE GO
Apr22	1074.2	1032.2	1101.2
May22	1017.4	961.5	1035.9
Jun22	963.8	900.0	981.3
Jul22	926.8	865.7	943.8
Aug22	900.3	841.9	917.3
Sep22	879.7	824.0	896.7
Q2-22	1018.5	964.4	1039.5
Q3-22	902.3	843.9	919.3
Q4-22	848.8	792.0	865.8
Q1-23	812.7	759.3	829.7
CAL23	788.1	730.5	805.1

## EW SPREAD

	EW380	EW0.5%
Apr22	18.00	47.95
May22	18.35	55.20
Jun22	19.20	52.70
Jul22	19.70	48.95
Aug22	20.20	46.20
Sep22	20.95	43.95
Q2-22	18.55	51.95
Q3-22	20.28	46.37
Q4-22	22.37	41.03
Q1-23	22.20	37.45
CAL23	24.50	33.20



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