

# FIS Fuel Oil Daily Morning Report

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## 04 April 2022

### Oil and Energy Market News

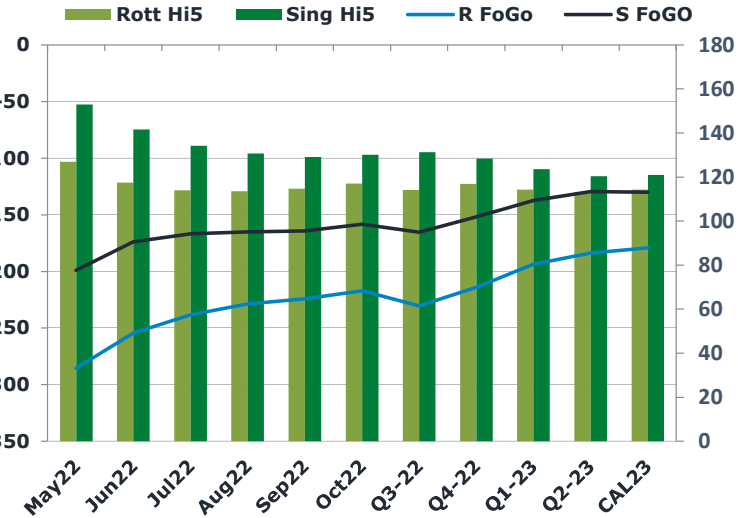
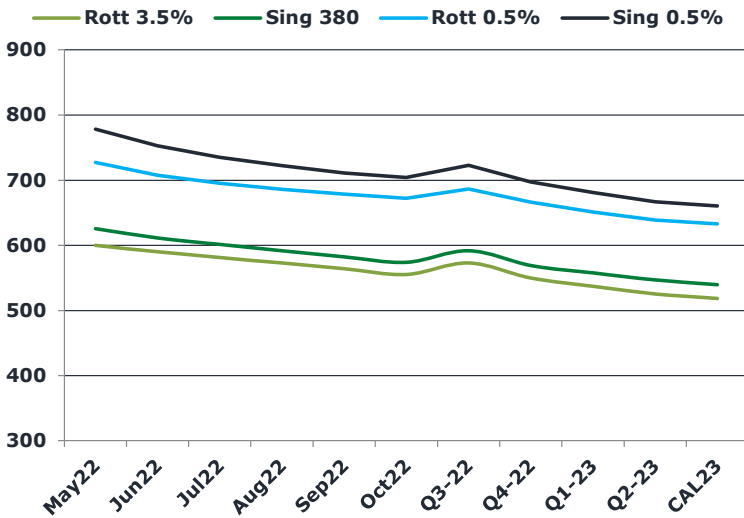
The oil market has traded lower during most of the morning session in Asia, with concerns over the deteriorating Covid situation in China. Shanghai started a staggered lockdown last week but surging cases appear to have left most of the city in lockdown now. The response by the authorities is a concern for oil demand, and is likely a risk that the market will have to continue to consider as long as China sticks to its zero-covid policy. International Energy Agency (IEA) members held an extraordinary meeting on Friday, where it was agreed that member countries would once again tap their emergency stockpiles to help ease the tightness in the market. This follows the US announcing a stock release of around 180MMbbls from its strategic petroleum reserves last week.

The IEA has not made public the details of the stock release yet, but the volumes should be released this week. This is the second time that IEA members have tapped their emergency reserves this year. In March, IEA members agreed to a stock release of 62.7MMbbls. We continue to believe that this action is more likely to cap prices, rather than provide significant downside in the medium term. Despite the tightness in the oil market, speculators continue to reduce their net long in ICE Brent. The managed money net long was reduced by 7,516 lots to stand at 152,921 lots as of last Tuesday, which is the smallest position held since November 2020. Higher initial margins and increased volatility mean that speculators continue to sit on the sidelines. (ing)

### Brent

105.41

	Barges 3.5 %	Sing 380cst	Rott 0.5%	Sing 0.5%	Sing Hi5
May22	599.95	625.45	726.95	778.35	153
Jun22	590.20	611.45	707.70	753.10	142
Jul22	581.45	601.20	695.45	735.35	134
Aug22	572.70	591.70	686.20	722.35	131
Sep22	563.95	582.20	678.70	711.35	129
Oct22	555.45	573.95	672.45	704.10	130
Q3-22	572.70	591.70	686.80	723.00	131
Q4-22	549.70	568.95	666.53	697.27	128
Q1-23	536.95	557.45	651.20	681.10	124
Q2-23	525.45	546.70	638.70	667.10	120
CAL23	518.60	539.60	632.83	660.60	121



### Fuel Oil Market News

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

- \* Oil Prices Don't Fully Reflect Russian Supply Risks, Says Vitol
- \* Singapore's Port Authority Investigating Tainted Ship-Fuel Sales
- \* OPEC Struggled With Modest Oil Supply Boost During Russia Tumult
- \* Spain's Road Fuel Sales Beat Pre-Pandemic Levels in February
- \* Putin Set for \$321 Billion Windfall If Oil, Gas Keep Flowing
- \* Saudi Aramco Raises Propane, Butane Prices to Highest Since 2014
- \* Iraq Adds 4 Oil Tankers to Prohibited List, Brings Tally to 138
- \* Mexico Has Enough Gasoline Supply for Northern Border: Ministry

	Rott GOFO	Sing GOFO	R FoGo	S FoGO	Rott Hi5
May22	412.69	352.19	-285.75	-199.25	127
Jun22	371.96	315.30	-254.50	-173.75	118
Jul22	352.32	300.97	-238.25	-166.75	114
Aug22	342.32	295.57	-228.75	-165.00	114
Sep22	339.01	293.52	-224.25	-164.25	115
Oct22	333.98	288.36	-217.00	-158.25	117
Q3-22	344.55	296.71	-230.50	-165.50	114
Q4-22	330.74	279.95	-214.00	-151.75	117
Q1-23	308.09	261.18	-193.75	-137.50	114
Q2-23	296.93	249.95	-183.75	-129.50	113
CAL23	293.43	251.12	-179.25	-130.00	114

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## TIME SPREADS FUEL

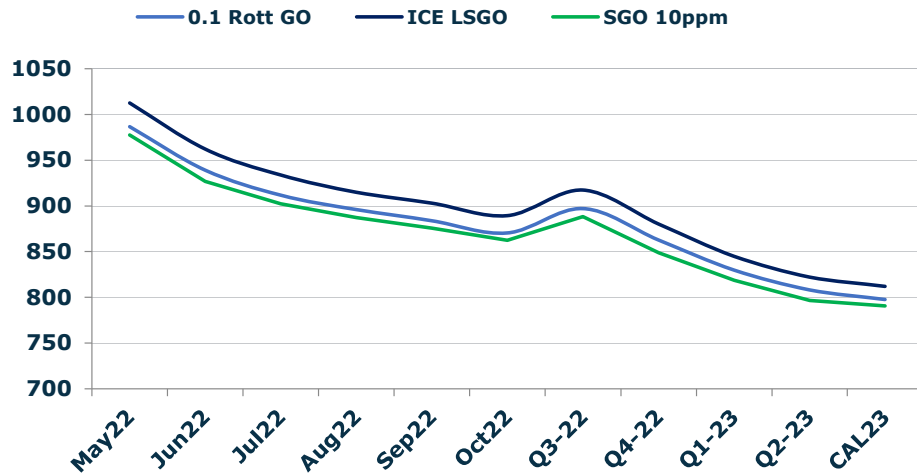
	Barges 3.5	S 380	Rott 0.5%	Sing 0.5%
May22/Jun22	9.75	14.00	19.25	25.25
Jun22/Jul22	8.75	10.25	12.25	17.75
Jul22/Aug22	8.75	9.50	9.25	13.00
Aug22/Sep22	8.75	9.50	7.50	11.00
Sep22/Oct22	8.50	8.25	6.25	7.25
Q3-22/Q4-22	23.00	22.75	20.27	25.73
Q4-22/Q1-23	12.75	11.50	15.33	16.17
Q1-23/Q2-23	11.50	10.75	12.50	14.00
CAL23/CAL24	35.00	34.00	29.2	10.00

## GASOIL CURVES

	Rott 0.1	SGO 10ppm	ICE GO
May22	986.6	977.6	1012.6
Jun22	939.2	926.8	962.2
Jul22	911.8	902.2	933.8
Aug22	896.0	887.3	915.0
Sep22	884.0	875.7	903.0
Oct22	870.4	862.3	889.4
Q3-22	897.3	888.4	917.3
Q4-22	862.8	848.9	880.4
Q1-23	830.0	818.6	845.0
Q2-23	808.4	796.7	822.4
CAL23	797.8	790.7	812.0

## EW SPREAD

	EW380	EW0.5%
May22	25.50	51.40
Jun22	21.25	45.40
Jul22	19.75	39.90
Aug22	19.00	36.15
Sep22	18.25	32.65
Oct22	18.50	31.65
Q3-22	19.00	36.20
Q4-22	19.25	30.73
Q1-23	20.50	29.90
Q2-23	21.25	28.40
CAL23	24.50	27.78



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