

# FIS Fuel Oil Daily Morning Report

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## 23 May 2022

### Oil and Energy Market News

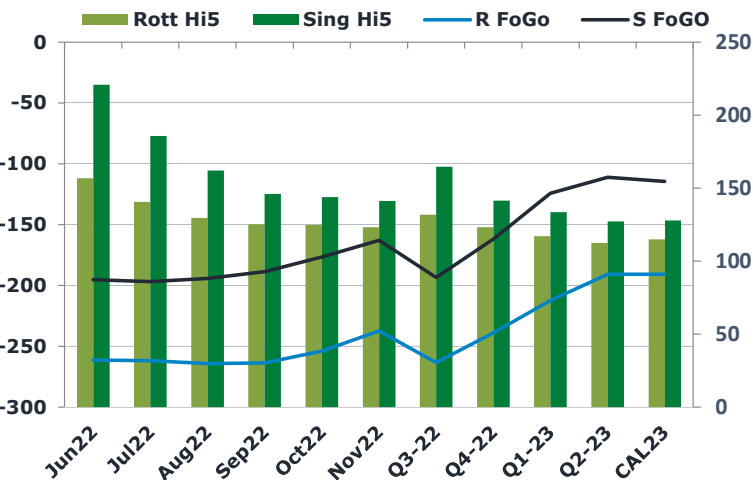
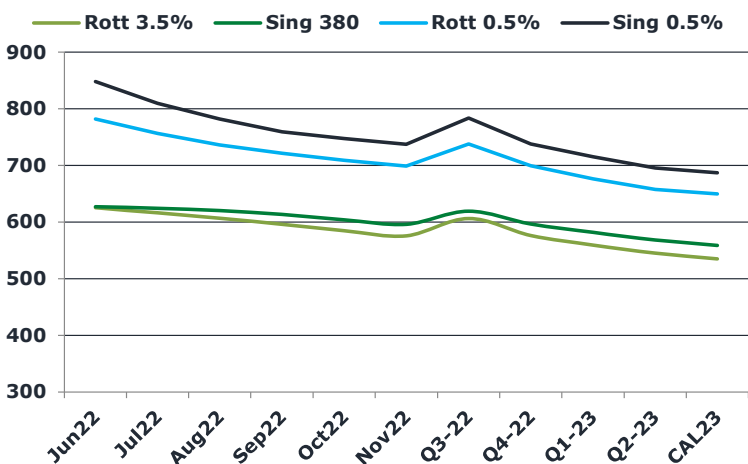
Speculative positioning in ICE Brent also continues to be fairly muted. Speculators increased their net long in ICE Brent by 23,801 lots over the last reporting week to 184,433 lots. This net long is well below levels seen over much of 2021, and significantly lower than the record net long of around 632k lots seen back in 2018. This arises despite the oil market being much tighter now than it was back in 2018.

The higher oil prices we are seeing at the moment should help to alleviate the tightness in the market, through demand destruction in the near term and stronger supply growth in the medium to long term. Already we have seen demand growth forecasts for 2022 revised down significantly due to China's Covid related lockdowns and the higher price environment. However, steps taken by governments - such as cutting fuel taxes and increasing fuel subsidies - make it more challenging for the market to resolve its current tightness. Over the weekend, the Indian government announced that it would be cutting retail taxes on both gasoline and diesel by INR8/litre and INR6/litre respectively in a bid to try tame inflation. (ING)

### Brent

113.49

	Barges 3.5 %	Sing 380cst	Rott 0.5%	Sing 0.5%	Sing Hi5
Jun22	625.20	627.20	782.05	848.05	221
Jul22	616.20	624.20	756.80	810.05	186
Aug22	606.70	620.20	736.30	782.30	162
Sep22	596.20	613.20	721.55	759.30	146
Oct22	584.45	603.70	709.30	747.55	144
Nov22	575.70	596.20	699.05	737.55	141
Q3-22	606.35	619.20	738.20	783.90	165
Q4-22	576.12	596.62	699.38	738.22	142
Q1-23	559.45	581.70	676.55	715.30	134
Q2-23	545.12	568.45	657.80	695.63	127
CAL23	534.78	558.91	649.74	686.76	128



### Fuel Oil Market News

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

- \* Saudi Arabia Continues to Support Russia's Place in OPEC+: FT
- \* Shale Drillers Are Picking Up the Pace After Fracklog Drawdown
- \* OIL DEMAND MONITOR: US Guzzles Gasoline Even as Pump Prices Soar
- \* Sizzling New York Diesel, Jet Fuel Prices Get Brief Respite
- \* India Cuts Taxes and Boosts Subsidies to Fight Inflation

	Rott GOFO	Sing GOFO	R FoGo	S FoGo	Rott Hi5
Jun22	418.08	416.08	-261.25	-195.25	157
Jul22	402.40	382.58	-261.75	-196.75	141
Aug22	393.80	356.03	-264.25	-194.00	130
Sep22	388.94	334.72	-263.50	-188.50	125
Oct22	378.68	320.38	-253.75	-176.50	125
Nov22	360.68	304.04	-237.25	-162.75	123
Q3-22	395.05	357.87	-263.25	-193.25	132
Q4-22	361.95	303.38	-238.75	-161.75	123
Q1-23	329.43	257.70	-212.25	-124.00	117
Q2-23	303.50	238.17	-190.75	-111.00	113
CAL23	305.69	242.22	-190.75	-114.25	115



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## TIME SPREADS FUEL

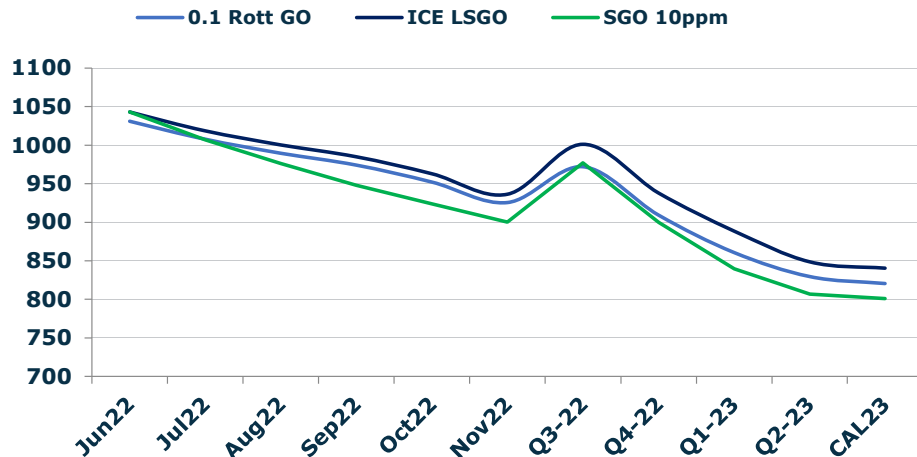
	Barges 3.5	S 380	Rott 0.5%	Sing 0.5%
Jun22/Jul22	9.00	3.00	25.25	38.00
Jul22/Aug22	9.50	4.00	20.50	27.75
Aug22/Sep22	10.50	7.00	14.75	23.00
Sep22/Oct22	11.75	9.50	12.25	11.75
Oct22/Nov22	8.75	7.50	10.25	10.00
Q3-22/Q4-22	30.23	22.58	38.82	45.68
Q4-22/Q1-23	16.67	14.92	22.83	22.92
Q1-23/Q2-23	14.33	13.25	18.75	19.67
CAL23/CAL24	53.18	43.39	50.1	48.24

## GASOIL CURVES

	Rott 0.1	SGO 10ppm	ICE GO
Jun22	1031.3	1043.3	1043.3
Jul22	1007.8	1006.8	1018.6
Aug22	989.8	976.2	1000.5
Sep22	974.4	947.9	985.1
Oct22	952.4	924.1	963.1
Nov22	925.6	900.2	936.4
Q3-22	972.2	977.1	1001.4
Q4-22	909.4	900.0	938.1
Q1-23	860.9	839.4	888.9
Q2-23	829.5	806.6	848.6
CAL23	820.7	801.1	840.5

## EW SPREAD

	EW380	EW0.5%
Jun22	2.00	66.00
Jul22	8.00	53.25
Aug22	13.50	46.00
Sep22	17.00	37.75
Oct22	19.25	38.25
Nov22	20.50	38.50
Q3-22	12.85	45.70
Q4-22	20.50	38.83
Q1-23	22.25	38.75
Q2-23	23.33	37.83
CAL23	18.75	37.02



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