

# FIS Fuel Oil Daily Morning Report

London +44 20 7090 1134 - info@freightinvestor.com | Singapore +65 6535 5189 - info@freightinvestor.asia | Shanghai +86 21 63012568

11 July 2022

## Oil and Energy Market News

Oil prices fell on Monday in volatile trade, reversing some gains from the previous session as markets braced for new mass COVID testing in China potentially hitting demand, a worry that outweighed ongoing concerns about tight supply. Brent crude futures fell \$1.02, or 1%, to \$106.00 at 0605 GMT, after climbing 2.3% on Friday. U.S. West Texas Intermediate (WTI) crude futures declined by \$1.38, or 1.3%, to \$103.41, paring a 2% gain from Friday.

Trading was thinned by a public holiday in parts of Southeast Asia, including oil trading hub Singapore. The market was rattled by news that China had discovered its first case of a highly transmissible Omicron subvariant in Shanghai and that new cases had jumped to 63 in the country's largest city from 52 a day earlier.

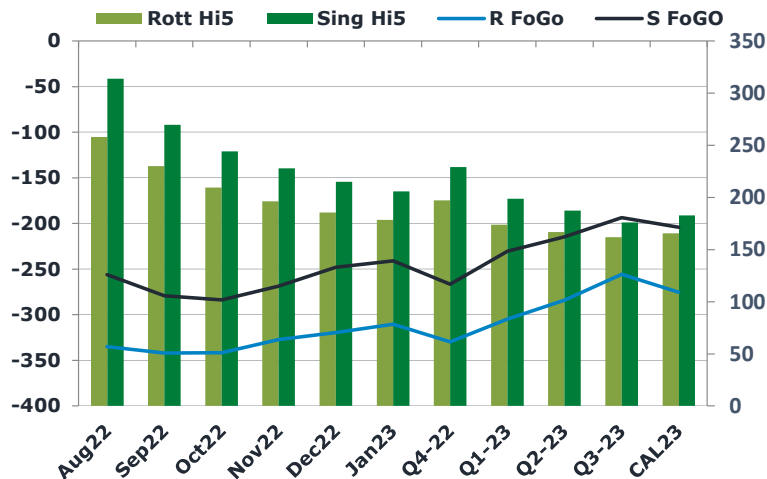
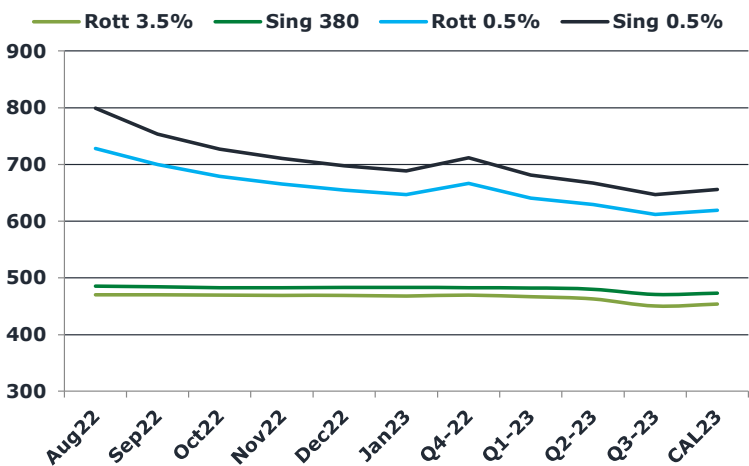
Traders were nervous that the discovery of the new subvariant and the highest number of daily new cases in Shanghai since May could lead to another round of mass testing, which would hurt fuel demand, he said. Both benchmark crude contracts traded lower in early trade on Monday, turned positive, then turned back down again after the latest COVID news from China.

"Net long positions in WTI crude futures are now at their lowest level since March 2020, when demand collapsed amid the initial outbreak of COVID-19. This is despite ongoing signs of tightness," ANZ Research analysts said in a note.

## Brent

105.59

	Barges 3.5 %	Sing 380cst	Rott 0.5%	Sing 0.5%	Sing Hi5
Aug22	470.30	485.30	728.15	799.25	314
Sep22	470.05	484.05	700.15	753.75	270
Oct22	469.55	482.55	679.15	726.75	244
Nov22	469.05	482.55	665.40	710.50	228
Dec22	469.05	482.80	654.65	697.75	215
Jan23	468.05	482.80	646.65	688.75	206
Q4-22	469.20	482.65	666.40	711.65	229
Q1-23	466.47	482.13	640.40	681.00	199
Q2-23	462.63	479.88	629.48	667.25	187
Q3-23	450.05	470.63	611.90	646.58	176
CAL23	453.65	472.86	619.36	655.69	183



## Fuel Oil Market News

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

- \* Gasoline Prices in US See Biggest One-Day Drop Since 2008
- \* Marathon's Richards Sees 'That '70s Show' Bringing Debt Pain
- \* Gasoline Is Cheaper Than \$4.50 in 13 States After Recent Slump
- \* Vietnam Cuts Gasoline Prices for the 2nd Time This Month
- \* Fuel Theft Becomes Billion-Dollar Problem Again in AMLO's Mexico
- \* US Oil Rig Count Up 2 to 597, Baker Hughes Says

	Rott GOFO	Sing GOFO	R FoGo	S FoGO	Rott Hi5
Aug22	592.55	570.05	-334.75	-256.00	258
Sep22	572.22	548.95	-342.00	-279.25	230
Oct22	551.24	528.10	-341.75	-284.00	210
Nov22	523.71	496.44	-327.25	-268.50	196
Dec22	504.99	462.67	-319.50	-247.75	186
Jan23	489.08	447.02	-310.50	-241.00	179
Q4-22	526.65	495.54	-329.50	-266.50	197
Q1-23	478.72	429.43	-304.75	-230.50	174
Q2-23	450.94	401.76	-284.00	-214.50	167
Q3-23	417.53	369.54	-255.75	-193.50	162
CAL23	441.07	386.93	-275.25	-204.00	166

# FIS Fuel Oil Daily Morning Report

London +44 20 7090 1134 - info@freightinvestor.com | Singapore +65 6535 5189 - info@freightinvestor.asia | Shanghai +86 21 63012568

11 July 2022

## TIME SPREADS FUEL

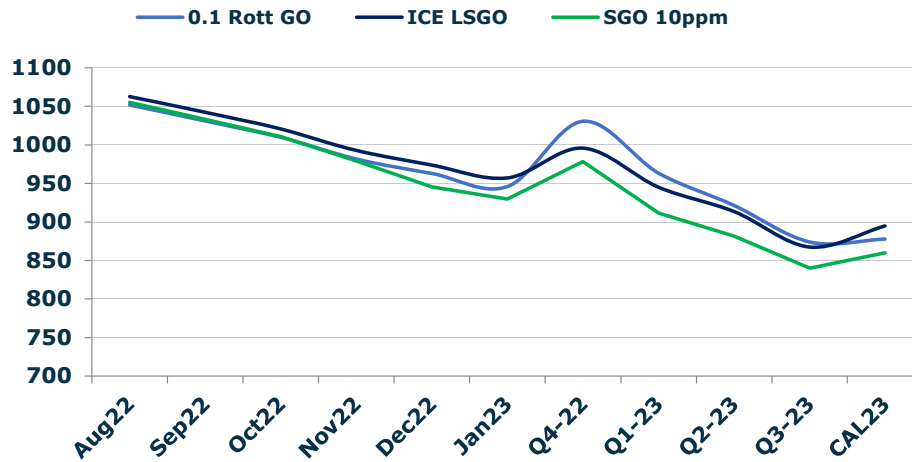
	Barges 3.5	S 380	Rott 0.5%	Sing 0.5%
Aug22/Sep22	-8.00	1.25	28.00	45.50
Sep22/Oct22	0.25	1.50	21.00	27.00
Oct22/Nov22	0.50	0.00	13.75	16.25
Nov22/Dec22	0.50	-0.25	10.75	12.75
Dec22/Jan23	0.00	0.00	8.00	9.00
Q4-22/Q1-23	2.73	0.52	26.00	30.65
Q1-23/Q2-23	3.83	2.25	10.92	13.75
Q2-23/Q3-23	12.58	9.25	17.58	20.67
CAL23/CAL24	47.50	42.00	95.2	84.82

## GASOIL CURVES

	Rott 0.1	SGO 10ppm	ICE GO
Aug22	1051.9	1055.4	1062.9
Sep22	1031.3	1033.0	1042.3
Oct22	1009.8	1010.7	1020.8
Nov22	981.8	979.0	992.8
Dec22	963.0	945.5	974.0
Jan23	946.1	929.8	957.1
Q4-22	1031.0	978.2	995.9
Q1-23	963.6	911.6	945.2
Q2-23	921.6	881.6	913.6
Q3-23	874.1	840.2	867.6
CAL23	877.9	859.8	894.7

## EW SPREAD

	EW380	EW0.5%
Aug22	15.00	71.10
Sep22	14.00	53.60
Oct22	13.00	47.60
Nov22	13.50	45.10
Dec22	13.75	43.10
Jan23	14.75	42.10
Q4-22	13.45	45.25
Q1-23	15.67	40.60
Q2-23	17.25	37.77
Q3-23	20.58	34.68
CAL23	8.00	36.33



## Contact US:

**Luke Longhurst**

Email: lukel@freightinvestor.com

Mobile: (+44) 7966 968761

**Jessie Deng**

Email: jessied@freightinvestor.com

Mobile: (+86) 13524516743

**Ricky Forman**

Email: rickyf@freightinvestor.com

Mobile: (+44) 7868 708719

**Jarryd Smith**

Email: jarryds@freightinvestor.com

Mobile: (+65) 8798 4987

**Sam Twyford**

Email: samt@freightinvestor.com

Mobile: (+44) 7729 118643

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at [freightinvestorservices.com](http://freightinvestorservices.com)