

FIS Fuel Oil Daily Evening Report

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19 August 2022

Oil and Energy Market News

US refineries are set to run at maximum utilisation this quarter as they are expecting oil demand to be robust for the remainder of the year. Refinery utilisation has strengthened to 93.5% this week, up from around 91% in the second half of July.

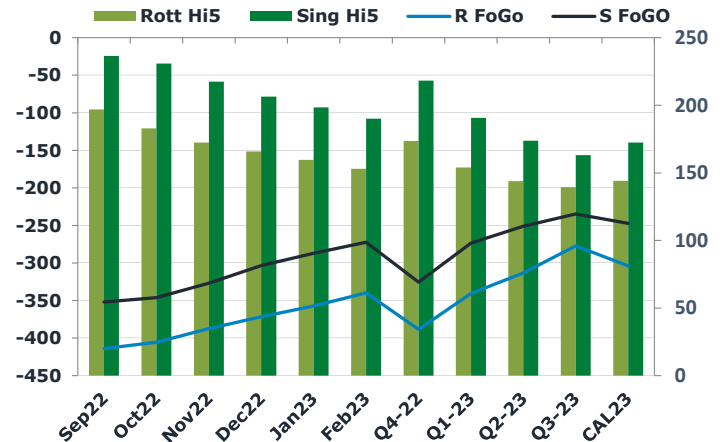
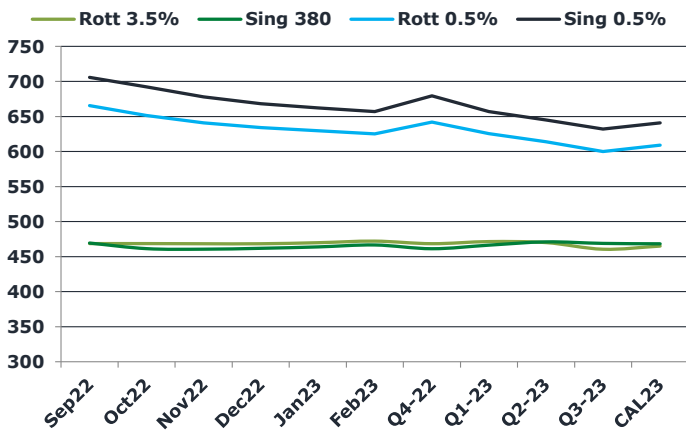
On the contrary, Shell has had to slash refinery output in the EU due to the ongoing heatwave that spreads most of the continent. The weather has resulted in water levels in the river Rhine becoming too low, thus halting the flow of goods.

Oil and gas production in China hits records highs between Jan22 and Jul22, with oil production up 3.7% on the year and natural gas production up 5.4% on the year – data that proves contrary to beliefs of a slowdown in the Chinese economy.

Brent

97.09

	Barges 3.5 %	Sing 380cst	Rott 0.5%	Sing 0.5%	Sing Hi5
Sep22	468.60	469.35	665.45	705.75	236
Oct22	468.60	461.35	651.45	692.25	231
Nov22	468.35	460.60	640.70	678.00	217
Dec22	468.35	461.85	634.20	668.25	206
Jan23	469.85	463.85	629.45	662.25	198
Feb23	472.10	466.60	625.20	656.75	190
Q4-22	468.45	461.25	642.10	679.50	218
Q1-23	471.43	466.35	625.37	657.08	191
Q2-23	470.02	471.02	613.95	644.83	174
Q3-23	460.52	468.85	599.95	632.00	163
CAL23	465.02	468.31	609.10	640.81	173



Fuel Oil Market News

Major Chinese shipping firms China Merchants Energy Shipping and COSCO Shipping Bulk see methanol as their main alternative fuel choice for the future after an earlier meeting to discuss decarbonisation.

Crude continues to trade with volatility in today's UK session, printing a low of \$94.25/bbl and a high of \$97.05/bbl 1630 BST as investors tussle in an environment of economic uncertainty.

High sulphur barges crack Sep22 contract is trading at -\$22.50/bbl at UK close, a rather significant fall from a -\$21.05/bbl previous settlement, as the crude strengthened.

The Sep22/Oct22 low sulphur spreads in the Euro and Sing also weakened, both dropping around \$1.00/mt in value from settlement.

	Rott GOFO	Sing GOFO	R FoGo	S FoGO	Rott Hi5
Sep22	610.76	588.51	-414.00	-352.00	197
Oct22	588.42	577.14	-405.50	-346.25	183
Nov22	559.48	544.36	-387.25	-327.00	172
Dec22	537.69	509.96	-371.75	-303.50	166
Jan23	516.73	485.61	-357.25	-287.25	160
Feb23	492.90	462.75	-339.75	-272.50	153
Q4-22	561.85	543.76	-388.25	-325.50	174
Q1-23	494.42	464.11	-340.50	-273.50	154
Q2-23	457.25	424.80	-313.25	-251.00	144
Q3-23	416.71	397.92	-277.25	-234.75	139
CAL23	448.19	419.88	-304.00	-247.25	144

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TIME SPREADS FUEL

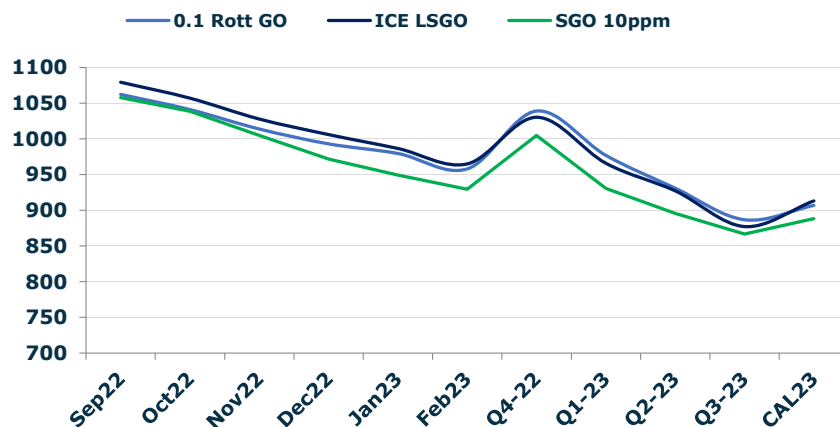
	Barges 3.5	S 380	Rott 0.5%	Sing 0.5%
Sep22/Oct22	0.00	8.00	14.00	13.50
Oct22/Nov22	0.25	0.75	10.75	14.25
Nov22/Dec22	0.00	-1.25	6.50	9.75
Dec22/Jan23	-1.50	-2.00	4.75	6.00
Jan23/Feb23	-2.25	-2.75	4.25	5.50
Q4-22/Q1-23	-2.98	-5.10	16.73	22.42
Q1-23/Q2-23	1.42	-4.67	11.42	12.25
Q2-23/Q3-23	9.50	2.17	14.00	12.83
CAL23/CAL24	14.00	9.75	46.1	44.25

GASOIL CURVES

	Rott 0.1	SGO 10ppm	ICE GO
Sep22	1062.4	1057.9	1079.4
Oct22	1041.0	1038.5	1057.0
Nov22	1013.8	1005.0	1027.8
Dec22	993.0	971.8	1006.0
Jan23	979.6	949.5	986.6
Feb23	958.0	929.3	965.0
Q4-22	1039.1	1005.0	1030.3
Q1-23	976.9	930.5	965.9
Q2-23	931.0	895.8	927.3
Q3-23	886.7	866.8	877.2
CAL23	906.8	888.2	913.2

EW SPREAD

	EW380	EW0.5%
Sep22	0.75	40.30
Oct22	-7.25	40.80
Nov22	-7.75	37.30
Dec22	-6.50	34.05
Jan23	-6.00	32.80
Feb23	-5.50	31.55
Q4-22	-7.20	37.40
Q1-23	-5.08	31.72
Q2-23	1.00	30.88
Q3-23	8.33	32.05
CAL23	1.25	31.72



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