

# Clean Tankerwire

Volume 41 / Issue 146 / Tuesday, August 1, 2023

## East of Suez MRs (PGT page 2920)

From	To		Cargo size (kt)		Worldscale		\$/mt
Red Sea	Singapore	PFAMDSZ	35	PFAMD00	220.00	TCABN00	42.09
Red Sea	Japan	PFAMESZ	35	PFAME00	180.00	TCABJ00	54.18
Red Sea	South Korea	PFAMFSZ	35	PFAMF00	185.00	TCABL00	52.71
Red Sea	East Africa	PFAMRSZ	35	PFAMR00	255.00	TCABH00	32.74
Arab Gulf	West Coast India	PFABMSZ	35	PFABM10	220.00	TCAAF00	20.33
Arab Gulf	Singapore	PFABQSZ	35	PFABQ00	205.00	TCAAN00	34.17
Arab Gulf	Japan	PFABNSZ	35	PFABN10	165.00	TCAAH00	45.54
Arab Gulf	South Korea	PFAPKSZ	35	PFAPK10	170.00	TCAAK00	44.20
Arab Gulf	East Africa	PFAMRSZ	35	PFAMS00	255.00	TCAAE00	31.49
Arab Gulf	South Africa	TCASXSZ	35	TCASX00	245.00	TCASW00	49.86
Singapore	Japan	PFAEBSZ	30	PFAEB10	191.00	TCABP00	25.98
Singapore	South Korea	PFAPKSZ	30	PFAPK10	196.00	TCABR00	23.54
Singapore	Australia	AAJLPSZ	30	AAJLP00	249.67	AAJVP00	42.79
Singapore	Australia	TCCSASZ	35	TCCSB00	214.00	TCCSA00	36.68
South Korea	Australia	TDSKASZ	35	TDSKA00	235.00	TDSKB00	48.86
West Coast India	Singapore	TCAEDSZ	35	TCAED00	205.00	TCAEC00	25.26
West Coast India	Japan	TCAEFSZ	35	TCAEF00	165.00	TCAEE00	38.33
West Coast India	South Korea	TCAEHSZ	35	TCAEH00	170.00	TCAEG00	36.77
West Coast India	South Africa	TCAIVSZ	35	TCAIV00	245.00	TCAIU00	48.61
Lumpsum							
Red Sea	UK Continent	PFAMXSZ	40	PFAMX00	1725	TCACW00	43.13
Red Sea	Mediterranean	PFAMZSZ	40	PFAMZ00	1625	TCACX00	40.63
Red Sea	Arab Gulf	PFANASZ	35	PFANA00	690	TCACY00	19.71
Arab Gulf	UK Continent	PFABPSZ	40	PFABP10	2225	TCADB00	55.63
Arab Gulf	Mediterranean	PFABOSZ	40	PFABO10	2125	TCADC00	53.13
Arab Gulf	Arab Gulf	PFABKSZ	30	PFABK00	455	TCADD00	15.17
Singapore	India	PFAEASZ	30	PFAEA10	590	TCADG00	19.67
Singapore	Singapore	PFAEESZ	30	PFAEE00	290	TCADH00	9.67
Singapore	Hong Kong	PFAPKSZ	30	PFAPK10	530	TCADI00	17.67
Singapore	US West Coast	PFAEFSZ	30	PFAEF00	2160	TCADJ00	72.00
South Korea	Singapore	PFANFSZ	30	PFANF00	780	TCADK00	26.00
South Korea	Japan	PFANGSZ	30	PFANG00	540	TCADL00	18.00
South Korea	Hong Kong	PFANHSZ	30	PFANH00	650	TCADM00	21.67
South Korea	US West Coast	PFANISZ	30	PFANI00	2050	TCADN00	68.33
South Korea	US Atlantic Coast/Gulf Coast	PFANJSZ	30	PFANJ00	2500	TCADO00	83.33

## Market Commentary

### Platts East of Suez Clean Tanker Daily Commentary

LR rates across the Asia-Pacific region were higher for the eighth successive trading day Aug. 1 as owners held back their tonnage in anticipation of further increases while charterers capitulated and paid more as the loading-days range, or laycan, drew closer.

The entire LR freight market is passing through a period where fixtures are being done at rates higher than the previous deals.

Also during this period, shorter voyages are fetching higher returns, a broker in Copenhagen said. He cited the example of Okyroe, an LR1 which was placed on subjects by 1Energis at \$1.2 million for Aug. 7 gasoline loading on the Fujairah-Pakistan route.

Shorter voyages are translating into daily earnings of around \$80,000-\$100,000, making the benchmark Persian Gulf-Japan route seem like a poor man's route, with earnings of up to \$35,000, the broker said.

ATF could not find a suitable LR1 to replace the PM Monarch, which had earlier been placed on subjects at \$775,000 on the Vadar-Fujairah route and instead took an LR2, the Clearocean Ajax at \$1.15 million, he said. ATF could not be immediately reached for comment.

Charterers are also trying to get hold of older discounted tankers to slowdown the increase in costs but even their freight has gone up.

An 18-year-old LR1, the Chemtrans Baltic, was placed on subjects by Marubeni at w175 for Aug. 10 naphtha loading on the same route, sources said.

East of Suez demurrage (\$/day) (PGT page 2910)

MR			
Singapore clean demurrage	AALPY00	34000	

East of Suez LRs (PGT page 2922)

From	To	Cargo size (kt)		Worldscale		\$/mt	
Red Sea	Singapore	PFANMSZ	55	PFANM00	193.00	TCAB000	36.28
Red Sea	Japan	PFANNSZ	55	PFANN00	178.00	TCABK00	52.97
Red Sea	South Korea	PFANOSZ	55	PFANO00	183.00	TCABM00	51.53
Arab Gulf	West Coast India	PFAMGSZ	55	PFAMG00	198.00	TCAAG00	18.30
Arab Gulf	Japan	PFAEYSZ	55	PFAEY10	173.00	TCAA100	46.61
Arab Gulf	Japan	PFAMTSZ	75	PFAMT00	153.00	TCAAJ00	42.23
Arab Gulf	South Korea	PFAKNSZ	55	PFAKN10	178.00	TCAAL00	45.11
Arab Gulf	South Korea	PFAMUSZ	75	PFAMU00	158.00	TCAAM00	41.08
Arab Gulf	Singapore	PFAFBSZ	55	PFAFB10	188.00	TCAA000	30.10
Arab Gulf	Singapore	TCAEASZ	80	TCAEA00	168.00	TCAEB00	27.87
Lumpsum							
Red Sea	UK Continent	PFADUSZ	90	TCAUL00	2850.00	TCAUD00	31.67
Red Sea	Mediterranean	PFADMSZ	90	TCAML00	2750.00	TCAMD00	30.56
Red Sea	UK Continent	PFANKSZ	65	PFANK00	2600	TCADP00	40.00
Red Sea	Mediterranean	PFANLSZ	65	PFANL00	2500	TCADQ00	38.46
Arab Gulf	UK Continent	PFAFASZ	65	PFAFA10	3200	TCADR00	49.23
Arab Gulf	UK Continent	PFANTSZ	75	PFANT00	3900	TCADW00	52.00
Arab Gulf	Mediterranean	PFAEYSZ	65	PFAEZ10	3100	TCADS00	47.69
Arab Gulf	Mediterranean	PFANUSZ	75	PFANU00	3800	TCADX00	50.67
Arab Gulf	US West Coast	PFANVSZ	75	PFANV00	4475	TCADY00	59.67
Arab Gulf	US Atlantic Coast/Gulf Coast	PFANRSZ	55	PFANR00	3800	TCADT00	69.09
Arab Gulf	US Atlantic Coast/Gulf Coast	PFANSSZ	75	PFANS00	4500	TCADZ00	60.00
West Coast India	UK Continent	TCAFASZ	65	TCAFA00	3100	TCAFE00	47.69
West Coast India	UK Continent	TCAFBSZ	90	TCAFB00	3800	TCAFF00	42.22

East of Suez LPG freight rates (PGT page 2940)

From	To	kt	\$/mt	
Persian Gulf	Japan	11-44	AAPNI00	98.50
Persian Gulf	South China	11-44	AAPNG00	93.50
Persian Gulf	East China	11-44	AAPNH00	96.50
Thailand	Guangzhou	1-3	AAPNJ00	180.50
Thailand	Guangxi	1-3	AAPNK00	178.50
Thailand	Shantou	1-3	AAPNL00	181.50
Japan	Shanghai	1-3	AAPNM00	130.50
Korea	Shanghai	1-3	AAPNN00	115.50

Assessment notes: Worldscale Freight Assessments are quoted as a percentage of Worldscale flat rates. Other assessments are quoted in a total rate for chartering the ship, expressed as a lumpsum in 000's of \$. S&P Global Commodity Insights determines \$/mt freight rates based on a basket of Worldscale flat rates on several key routes between the two regions noted. Spot assessments are applied against this basket, to produce the assessment for a \$/mt rate. For lumpsum assessments, the amount is divided by the size of the cargo to determine the \$/mt figure.

This implies that the cost of cargo insurance will go up, a market participant said. Owners will “happily” cite this fixture to get a higher rate on the next deal, the participant said.

Among other LR1 fixtures heard, ATC replaced the Meltemi with the Hafnia Yarra at w165 for Aug. 8 naphtha loading on the Persian Gulf-Japan route, sources said.

In MRs, North Asia started the week with a couple of replacement fixtures as freight continued to inch up, a broker said. Supply remains tight up to mid-August as charterers tread carefully hoping not to get caught out, he added.

Clean Arab Gulf Japan 55kt LR1 Assessment Rationale & Exclusions

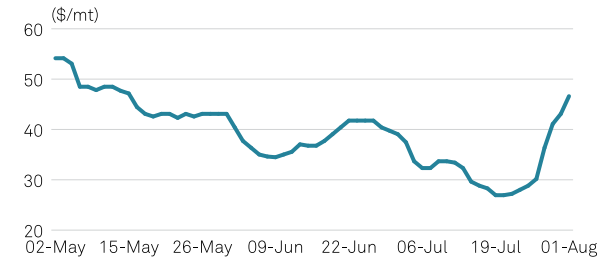
Platts assessed the Persian Gulf-Japan LR1 route for Aug. 8-16 loading at w173 for a 55,000-mt cargo, based on relevant fixtures and the most competitive bids and offers during the Platts Market on Close assessment process Aug. 1.

ATC replaced the Meltemi with the Hafnia Yarra at w165 for Aug. 8 naphtha loading on the Persian Gulf-Japan route, sources said. An 18 year old LR1, the Chemtrans Baltic was placed on subjects by Marubeni at w175 for Aug. 10 naphtha loading on the same route, sources added.

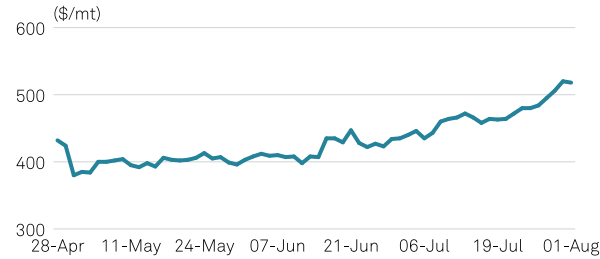
Platts is part of S&P Global Commodity Insights. This rationale relates to symbol <PFAEY10>, a daily assessed spot value which is applied to an annual constant to generate benchmark reference <TCAA100>. Exclusions: None

Platts Clean Arab Gulf Japan LR1 Bids, Offers, Trades

Bids:  
Broker - w165  
Broker - w180  
Broker - w160-165

**Arab Gulf-Japan 55kt**

Source: S&amp;P Global Commodity Insights

**Houston 380 CST HSFO**

Source: S&amp;P Global Commodity Insights

**West of Suez MRs (PGT page 1910)**

From	To	Cargo size (kt)		Worldscale		\$/mt
Baltic	UK Continent	TCAFLSZ	30	TCAFL00	195.00	20.26
UK Continent	UK Continent	TCAHMSZ	30	TCAHM00	185.00	12.12
UK Continent	UK Continent	PFALYSZ	22	PFALY00	252.25	16.52
Baltic	UK Continent	TCAHKSZ	40	TCAHK00	167.50	17.40
UK Continent	West Africa	PFAMHSZ	37	PFAMH00	167.50	33.01
UK Continent	US Atlantic Coast	PFAMASZ	37	PFAMA00	157.50	26.87
UK Continent	US Gulf Coast	PFAMBSZ	37	PFAMB00	152.50	36.30
Mediterranean	UK Continent Naphtha	AABDVSZ	27.5	AABDV00	177.25	24.76
Mediterranean	UK Continent	PFADCSZ	30	PFADC10	162.50	23.22
Mediterranean	Mediterranean Naphtha	AABDXSZ	27.5	AABDX00	166.25	12.37
Mediterranean	Mediterranean	PFADBSZ	30	PFADB10	152.50	11.35
Mediterranean	US Atlantic Coast	PFACWSZ	37	PFACW10	160.00	32.54
Mediterranean	US Gulf Coast	PFACYSZ	37	PFACY10	155.00	39.96
Mediterranean	West Africa	PFAMISZ	37	PFAMI00	170.00	31.30
Black Sea	UK Continent	PFABYSZ	30	PFABY00	202.50	37.56
Black Sea	Mediterranean	PFABXSZ	30	PFABX00	192.50	16.79

**West of Suez demurrage (\$ '000/day) (PGT page 1910)**

MR			
UK Continent — US Atlantic Coast	AAVTP00	34.00	

**West of Suez LRs (PGT page 1920)**

From	To	Cargo size (kt)		Worldscale		\$/mt
UK Continent	West Africa	TCAFNSZ	60	TCAFN00	120.00	23.65
UK Continent	US Atlantic Coast	PFAMPSZ	60	PFAMP00	120.00	20.47
UK Continent	US Gulf Coast	PFAMQSZ	60	PFAMQ00	120.00	28.56
Mediterranean	South America	PFAMMSZ	60	PFAMM00	130.00	24.64
Lumpsum						
Mediterranean	Japan	PFANESZ	60	PFANE00	2350	39.17
Mediterranean	Persian Gulf	ALRADSZ	60	ALRAD00	1300	21.67
ARA	Persian Gulf	ALRAASZ	60	ALRAC00	1400	23.33
Mediterranean	Japan	TCXWESZ	80	TCXWE00	2800	35.00
Mediterranean	S Korea	TCXWGSZ	80	TCXWG00	2725	34.06

Broker - w165  
 Broker - w165  
 Broker - w175  
 Broker - w165  
 Broker - w165  
 Broker - w167  
 Broker - w170-175  
 Charterer - w180  
 Charterer - w165  
 Offers:  
 Owner - w165  
 Owner - w165-170  
 Owner - w165  
 Trades:

Hafnia Yarra 55kt NA Aug8 PG-Japan w165 ATS  
 Chemtrans Baltic 55kt NA Aug10 PG-Japan w175  
 Marubeni

This assessment commentary relates to symbol <PFAEY10>, a daily assessed spot value which is applied to an annual constant to generate benchmark reference <TCAAI00>.

**Platts West of Suez Clean Tanker Daily Commentary**

- Med-Japan LR rates rise on sentiment
- TC2, cross-Med Handies remain bearish

West of Suez clean tanker freight markets experienced firmness in the cross-UK Continent Handysize and Mediterranean-Far East Long-Range routes Aug. 1, while rates for the UKC-US Atlantic Coast Medium Range and cross-Med Handysize routes continued to drop.

In the Handysize segment, the cross-UKC route rose for the second consecutive day, with market participants pointing to bullish supply-demand fundamentals.

Trafigura placed Seaconger on subjects for an Aug. 5-loading ULSD cargo from Le Havre to UKC at w180,

Americas MRs (PGT page 1912)

From	To	Cargo size (kt)		Worldscale		\$/mt
Caribbean	US Atlantic Coast	AALPDSZ	38	AALPD00	205.00	AALPP00 20.09
US Gulf Coast	UK Continent	TCAFJSZ	38	TCAFJ00	145.00	TCAFI00 34.52
US Gulf Coast	Mediterranean	TCAFHSZ	38	TCAFH00	145.00	TCAFG00 37.11
US Gulf Coast	Argentina	TCAFOSZ	38	TCAFO00	215.00	TCAFP00 64.52
US Gulf Coast	Brazil	TCAFQSZ	38	TCAFQ00	215.00	TCAFR00 51.39
US Gulf Coast	North Brazil	TCAFTSZ	38	TCAFT00	215.00	TCAFS00 40.81
Lumpsum						
US Gulf Coast	East Coast Mexico	TCATXSZ	38	TCATX00	725	TCATW00 19.08
US Gulf Coast	Caribbean	TCAXXSZ	38	TCAXX00	925	TCAXW00 24.34
US Gulf Coast	West Coast Central America	TCUWASZ	38	TCUWB00	2075	TCUWA00 54.61
US Gulf Coast	Ecuador	TCAWXSZ	38	TCAWX00	2000	TCAWW00 52.63
US Gulf Coast	Peru	TCAVXSZ	38	TCAVX00	2350	TCAVW00 61.84
US Gulf Coast	Chile	TCAUXSZ	38	TCAUX00	2700	TCAUW00 71.05
US Gulf Coast	Japan/S Korea	TCMNASZ	38	TCMNA00	2750	TCMNC00 72.37

Americas demurrage (\$/day) (PGT page 1912)

MR			
US Gulf Coast	ACDUA00	42,500	

Americas LRs (PGT page 1924)

From	To	Cargo size (kt)		Worldscale		\$/mt
US Gulf Coast	UK Continent	TCAFVSZ	60	TCAFV00	127.50	TCAFU00 29.73
US Gulf Coast	Mediterranean	TCAFXSZ	60	TCAFX00	127.50	TCAFW00 31.91
US Gulf Coast	Brazil	TCBRASZ	60	TCBRB00	162.50	TCBRA00 38.58
US Gulf Coast	North Brazil	TCNBASZ	60	TCNBB00	162.50	TCNBA00 30.91
Lumpsum						
US Gulf Coast	Japan/S Korea	TCLNASZ	60	TCLNA00	2800	TCLNB00 46.67

Platts

S&P Global  
Commodity Insights

Clean Tankerwire

Contact Client Services: ci.support@spglobal.com; Americas: +1-800-752-8878; Europe & Middle East: +44-20-7176-6111; Asia Pacific: +65-6530-6430

**London:**  
**Senior Managing Editor**  
Sam Garton-Eckett ,  
+44-20-7176-2863  
**Market Editor**  
Lei Zhong, +44-7974-850572  
IM: cleantankerplatts  
**Singapore:**  
**Senior Managing Editor**  
Pradeep Rajan, +65-6530-6540  
**Market Editor**  
Sameer Mohindru +65-9144-8170  
IM: platts\_asia\_cleantankers

**Houston:**  
**Senior Managing Editor**  
Barbara Troner, +1-281-785-6315  
IM: plattstankers\_americas  
**Market Editor**  
Eugenia Romero, +1-281-254-4636  
IM: plattscleantankers\_americas  
**Editorial Director,**  
**Global Shipping and Freight**  
Peter Norfolk  
**Global Head, Energy Pricing**  
Dave Ernsberger  
**President of S&P Global Commodity**  
**Insights**  
Saugata Saha

**Trade Data:** S&P Global Commodity Insights has defined standards for entities it considers to be related and verifies through a variety of inputs whether counterparties in reported trades meet these criteria.

© 2023 by S&P Global Inc. All rights reserved.

S&P Global, the S&P Global logo, S&P Global Commodity Insights, and Platts are trademarks of S&P Global Inc. Permission for any commercial use of these trademarks must be obtained in writing from S&P Global Inc.

You may view or otherwise use the information, prices, indices, assessments and other related information, graphs, tables and images ("Data") in this publication only for your personal use or, if you or your company has a license for the Data from S&P Global Commodity Insights and you are an authorized user, for your company's internal business use only. You may not publish, reproduce, extract, distribute, retransmit, resell, create any derivative work from and/or otherwise provide access to the Data or any portion thereof to any person (either within or outside your company, including as part of or via any internal electronic system or intranet), firm or entity, including any subsidiary, parent, or other entity that is affiliated with your company, without S&P Global Commodity Insights' prior written consent or as otherwise authorized under license from S&P Global Commodity Insights. Any use or distribution of the Data beyond the express uses authorized in this paragraph above is subject to the payment of additional fees to S&P Global Commodity Insights.

S&P Global Commodity Insights, its affiliates and all of their third-party licensors disclaim any and all warranties, express or implied, including, but not limited to, any warranties of merchantability or fitness for a particular purpose or use as to the Data, or the results obtained by its use or as to the performance thereof. Data in

but firming sentiment meant that next-done levels could be higher than this, according to market sources.

By contrast, the Handysize cross-Med route softened on the day, despite the flurry of activity seen before lunchtime. The downward movement was due to a lengthening tonnage list for early August loading and poor inquiry, according to a UK-based broker.

Based on the fixtures and indications, Platts assessed the 30,000 mt cross-UKC freight at w185, the 30,000 mt cross-Med freight at w152.5 and the 30,000 mt Black Sea-Med freight at w200.

In the MR segment, the UKC-USAC route continued to fall from its recent peak of w180.

A UK-based shipbroker said the market "is naturally coming off — charters are holding back cargoes and the list is building up. Last done was w162, but next done should be lower than this."

The Med-USAC MR rate also softened, as Cepsa placed BW Egret on subjects for an Aug. 5-loading UMS cargo from Algeciras to USAC at w160, although market participants called next-done levels at lower than this rate.

this publication includes independent and verifiable data collected from actual market participants. Any user of the Data should not rely on any information and/or assessment contained therein in making any investment, trading, risk management or other decision. S&P Global Commodity Insights, its affiliates and their third-party licensors do not guarantee the adequacy, accuracy, timeliness and/or completeness of the Data or any component thereof or any communications (whether written, oral, electronic or in other format), and shall not be subject to any damages or liability, including but not limited to any indirect, special, incidental, punitive or consequential damages (including but not limited to, loss of profits, trading losses and loss of goodwill).

ICE index data and NYMEX futures data used herein are provided under S&P Global Commodity Insights' commercial licensing agreements with ICE and with NYMEX. You acknowledge that the ICE index data and NYMEX futures data herein are confidential and are proprietary trade secrets and data of ICE and NYMEX or its licensors/suppliers, and you shall use best efforts to prevent the unauthorized publication, disclosure or copying of the ICE index data and/or NYMEX futures data.

Permission is granted for those registered with the Copyright Clearance Center (CCC) to copy material herein for internal reference or personal use only, provided that appropriate payment is made to the CCC, 222 Rosewood Drive, Danvers, MA 01923, phone +1-978-750-8400. Reproduction in any other form, or for any other purpose, is forbidden without the express prior permission of S&P Global Inc. For article reprints contact: The YGS Group, phone +1-717-505-9701 x105 (800-501-9571 from the U.S.).

For all other queries or requests pursuant to this notice, please contact S&P Global Inc. via email at ci.support@spglobal.com.

Based on the fixtures and indications, Platts assessed the freight rate for the 37,000 mt UKC-USAC route at w157.5 and the 37,000 mt Med-USAC route at w160. Freight for voyages to West Africa from the two loading regions was w10 higher than freight to the USAC for both routes.

Meanwhile, LR Med-Far East markets continued to firm on the day amid bullish sentiment, although no new fixtures were reported to test the higher rates.

Strength in the Persian Gulf-Far East market was in large part driving positive sentiment, according to a UK-based shipbroker.

“Owners are pushing [up rates] to make comparative earnings,” the broker added. “Otherwise they might as well just ballast to the Persian Gulf.”

The Clean Arab Gulf-Japan 55,000 mt LR1 route rose to w172.5 on the day, as it continued to rebound from the 16-month of low w100 it reached July 19.

UKC-Transatlantic routes remained flat, as recent softness in the MR UKC-USAC market has stifled the beginnings of a recovery.

Based on the indications, Platts assessed LR1 60,000 mt UKC-West Africa freight at w120 and LR1 60,000 mt Med-Japan freight at lump sum \$2.35 million. Freight for the LR2 Med-Japan shipment basis 90,000 mt was assessed at lump sum \$2.8 million.

## Platts Americas Clean Tanker Daily Commentary

- 38,000 mt USGC-Brazil route falls w10
- MR USGC-Peru run ticks up \$50,000
- Panama Canal delays keep stifling shipowner interest

Freight for the Americas clean MR tanker class saw mixed movements Aug. 1, with rates to discharge in Brazil and the UK Continent from the US Gulf pushed lower, while a number of West Coast South American routes saw a slight firming as spreads resettled.

A number of trades were heard done after the

## International clean tanker fixtures (PGT page 2904)

Ship name	Size	Type	Date	Route	Rate	Charterer
<b>East of Suez</b>						
Ellie Lady	90	ULSD	Aug10	PG-EAfrica	w190	ATC
Bouvardia	90	NA	Aug13	Skikda-Japan	\$2.35m	Chevron
Clearocean Ajax	90	UNL	Aug5	Vadinar-Fujairah	\$1.15m	ATF
Bw Thalassa	75	NA	Aug20	PG-Japan	w155	Trafigura
Front Vega	75	NA	Aug8	PG-Japan	rnr	Admic
Okyroe	60	UNL	Aug7	Fujairah-Pakistan	\$1.2m	1Energim
Charm	60	UNL	Aug10	Sikka-Jebel Ali, K Al Zubair, Pakistan	\$725k, \$875k, \$925k	Total
Nave Rigel	60	JET	Aug12	NMangalore-UKC	\$3.1m	Admic
Gulf Coral	60	UNL	Aug3	Jubail-Spore	rnr	ATF
Aligote	60	CL	Aug8	Kuwait-UKC	\$3.1m	Petro
Karimata	60	JET	Aug7	Sikka-UKC	\$3.05m	BP
Hafnia Yarra	55	NA	Aug8	PG-Japan	w165	ATS
Chemtrans Baltic	55	NA	Aug10	PG-Japan	w175	Marubeni
Jag Prabha	35	CL	Aug3	Gizan-Fujairah	\$590k	ATC
Bahri Tulip	35	CL	Aug6	WCI-Colombo	\$950k	RIL
Maria Glory	35	CL	Aug4	Mumbai-NMangalore	\$875k	Nayara
STI Grace	75	CL	Aug12	Spore-Australia	o/p	Exxon
Tbn	35	ULSD	Aug4	Zhoushan-Spore	rnr	Vitol
Challenge Prelude	35	JET	Aug4	SKorea-Alaska	\$1.625m	Marathon
Chang Hang Xian Feng	35	CL	Aug8	Japan/SKorea-Australia	w235	Ampol
STI Black Hawk	35	CL	Aug9	Jinzhou-HongKong	\$778k	PetroChina
Calandria	35	CL	Aug10	SKorea-Australia	w235	Idemitsu
Dai Phu	35	ULSD	Aug10	Yeosu-Spore, Chittagong	\$770k, \$1.04m	Unipac
Atlantic Prince	35	CL	Aug10	Taiwan-Australia	w235	Vitol
Grand Winner 2	35	CL	Aug10	Spore-Australia	w207.5	Ampol
Lakatamia	27	UNL	Aug4	Spore-Balongan	\$280k	Pertamina
<b>Baltic/UKC</b>						
Torm Australia	37	UNL	Aug8	ARA-TA	w162.5	CSSA
Seaconger	30	ULSD	Aug5	Le Havre-UKC	w180	Trafigura
Nina	30	ULSD	Aug2	ARA-UKC	w175	CSSA
<b>Med</b>						
BW Egret	37	UNL	Aug5	Algeciras-TA, UKC, WCAm	w165, w165, w190	Cepsa
Hafnia Phoenix	30	ULSD	Aug7	Porto Romano-Med	w150	OMV
Chemtrans Uranus	30	ULSD	Aug9	Huelva, Algeciras-Med, ECCan	w155, w165	Cepsa
STI Wembley o/o	30	UNL	Aug3	Sicily-Med	w160	Trafigura
Futura	30	ULSD	Aug2	Aliaga-Med, UKC, CZA	w160, w170, w170	UML
Tbn	30	CL	dnr	Sicily-Med	w150	Trafigura
Milano	30	ULSD	Aug6	Ashkelon-Med, Som, BSea	w175, w175, rnr	Reliance
Arsos M	30	NA	Aug7	Algeria-Med	w160	Clearlake

(continued on page 6)



close of the July 31 Platts Market on Close assessment process. Shell booked the Elandra Palm for a US Gulf Coast-East Coast Mexico run at \$715,000, loading Aug. 3-5.

Following that, Trafigura booked two ships for USGC-Caribbean runs, both loading Aug. 6-7, the Atlantic Mirage at \$950,000 and the Sea Elephant, at \$925,000.

The order in which Trafigura booked the two ships could not be confirmed, leaving shipbroker indications largely at between \$900,000-\$925,000 as tonnage remained available, while shipowner indications stuck near the \$950,000 mark.

One shipbroker report listed 48 MRs available to load on the USGC over the next 10 days out from Aug. 1, and 16 MRs available to load over the next five days, only one less than July 31.

Platts assessed freight for the 38,000 mt USGC-Caribbean run rangebound at \$925,000.

Also heard after the close of the July 31 MOC, Raizen placed the Maria on subjects for a Aug. 5-7 loading USGC-Brazil run at w212.

The bulk of market indications for the USGC-Brazil route were heard slightly above the w212 following a more recent trade, done before the close of the Aug. 1 MOC, wherein Valero booked the UACC Riyadh for a USGC-Transatlantic run at w145.

"I think [w212] was the market yesterday," a shipowner said. "I think for the round-trip commitment, that rate is too soft."

Platts assessed the MR USGC-Brazil route sliding w10 to w215, and the USGC-UK Continent down w5 to w145.

With a \$42,500/d demurrage level negotiated to the UACC Riyadh, the MR USGC demurrage was assessed dropping \$2,500 to \$42,500/d.

Fresh testing for the USGC to West Coast South America routes continued to be absent amid continued Panama Canal delays, and the spread between the USGC-Chile and USGC-Peru routes was heard to be narrowing.

## International clean tanker fixtures (continued) (pgt page 2904)

Ship name	Size	Type	Date	Route	Rate	Charterer
<b>Americas</b>						
Elandra Palm	38	UNL+ULSD	Aug3	USGC-ECMex, Demurrage	\$715k, \$45k/d	Shell
Maria	38	ULSD	Aug5	USGC-Brazil, Demurrage	w212, \$42k/d	Raizen
Sea Elephant	38	CL	Aug6	USGC-Caribs	\$925k	Trafigura
Atlantic Mirage	38	CL	Aug6	USGC-Caribs	\$950k	Trafigura
UACC Riyadh	38	NA	Aug7	USGC-TA, FEast, Demurrage	w145, rnr, \$42.5k/d	Valero

CL:Clean, NA:Naphtha, UN:Unleaded, JT:Jet, GO:Gasoil, ++:Update, F:Failed

While the majority of market indications for the USGC-Chile route were heard steady at \$2.7 million, indications for the USGC-Peru route ticked up, narrowing the spread slightly from the previously heard \$400,000.

The 38,000 mt USGC-Peru route finished the day inching up \$50,000 to \$2.35 million, while the USGC-Chile route held stable at \$2.7 million.

"Owners right now are looking at the path of least resistance, so they'll prefer to go elsewhere," a shipowner said.

Platts is part of S&P Global Commodity Insights.

## News

### Brazil's Petrobras holds diesel, gasoline prices steady amid market volatility

- Oil, product prices on the rise
- Monitors impact local market
- Follows shift in pricing policy

Brazilian state-led oil company Petrobras is monitoring a recent upturn in volatility that has affected international oil and refined product prices, but has not yet decided on adjusting domestic diesel and gasoline prices, the company said in a regulatory filing.

"Petrobras has attentively observed the development of global market fundamentals and the impact on Brazil," the company said in a filing submitted to local stock regulators after markets closed July 31. "Eventual adjustments, when necessary, will be carried out and supported by independent, technical analysis."

International oil and refined product prices trended higher in July amid expectations for solid economic growth in the US and Europe, which should help offset a downturn in China's economic activity, especially in its daunting manufacturing sector. Petrobras, meanwhile, has held domestic diesel and gasoline prices at the refinery gate steady over that period of time. That has raised expectations that the company could make an upward adjustment in response to the market turmoil.

"The moment is one of great uncertainty with regard to the global economic recovery, which directly influences energy demand, as well as the supply of oil and refined products in general," Petrobras said. "The combination of factors caused, in the short term, an elevation in reference prices and volatility."

Imports of cheaper diesel from Russia, which has been cut off from traditional markets by international sanctions related to the country's invasion of Ukraine, also have trended higher in recent months, Petrobras noted. Russian diesel accounted for 64% of diesel imports in June and has been the leading source

for Brazilian diesel imports since April, according to Brazil's Ministry for Development, Industry, Commerce and Services, or MDIC.

Brazil imported 6.793 million barrels of diesel in June, up 12.5% from 6.037 million barrels in June 2022, according to data from the National Petroleum Agency, or ANP, released Aug. 1. June's diesel imports, however, fell 20.8% from 8.574 million barrels in May.

### Holding steady

Petrobras last adjusted domestic wholesale gasoline prices July 1, when a 5.5% reduction was implemented. Diesel prices were last adjusted May 17, with a 12.7% price cut. The price cuts continued the series of downward adjustments that started in mid-2022, when Petrobras suffered heavy criticism for its fuel-pricing policy.

President Luiz Inacio Lula da Silva, also known as Lula, pledged during the 2022 presidential campaign to end Petrobras' use of import parity to price domestic diesel and gasoline. Lula, who was sworn in for a third term on Jan. 1, installed a new CEO and voted in a new board of government-aligned directors to implement the changes.

In May, Petrobras announced a new commercial strategy that will focus on beating the price for clients' best supply alternatives rather than keeping domestic prices at parity with international imports. Lula and his Workers' Party, or PT, also want Petrobras to process more of the company's subsalt crude output at home and pass along the savings to domestic consumers.

The new strategy "allows Petrobras to compete more efficiently, taking into consideration the company's market share and the optimization of refining assets in a profitable, sustainable manner," the company said.

Critics, however, have warned that Petrobras' new pricing policy could shut off import markets, potentially causing shortages during periods of peak demand such as during the height of the country's oil seed

and sugarcane harvests that typically takes place in the third quarter of each year. Brazil has historically imported about 25% of diesel and LPG demand, as well as about 15% of gasoline consumption.

Arbitrage windows for third-party importers have largely been closed since early June, according to the Association of Brazilian Fuel Importers, or Abicom. Domestic gasoline prices were at a 21% discount to import parity at Brazil's primary ports and delivery points as of Aug. 1, while diesel was trading at a 20% discount, Abicom said.

Refined product imports, however, have continued to grow, albeit at a slower pace in recent months, according to the ANP. In the first half of 2023, refined product imports climbed 6.4% year on year to 109.8 million barrels.

### OIL FUTURES: Crude weakens on lackluster Chinese factory data for July

- Caixin manufacturing PMI at 49.2 in July, signaling contraction
- Positive economic data from Europe fails to bolster crude prices

Crude oil futures were down in morning European trade Aug. 1 after factory activity data from China signaled a slowdown for last month.

At 1045 GMT, the ICE October Brent futures contract was down 44 cents/b from the previous close at \$85.43/b, while the September NYMEX light sweet crude contract fell 51 cents/b to \$81.29/b.

The Caixin manufacturing purchasing managers' index fell to 49.2 in July from 50.5 in the previous month, pointing toward a slowdown in China's energy-intensive manufacturing sector. A reading above 50 indicates an expansion, while a reading below 50 reflects a contraction.

Further reflecting weak global demand, South Korea's overall exports declined for the tenth

straight month in July, the country's industry ministry said Aug. 1.

South Korea's trade data is considered a bellwether for global commerce, given its early publication and the country's main exports of semiconductors and refined oil products that reflect the state of global consumption. The world's fourth-largest importer of crude reported a 42.3% decline in petroleum product outflows in July.

Price declines were moderated by expectations of a further draw in US crude inventories in the week ended July 28, according to a poll by S&P Global Commodity Insights analysts.

On average, those polled said they were expecting US crude stocks to decline by 3.7 million barrels, which would put stocks at 453.1 million barrels, roughly 2% above the five-year average, based on the most recent US Energy Information Administration data.

In terms of refined products, analysts that S&P Global polled expected US gasoline stocks to have declined by 1 million barrels in the week ended July 28, and distillate stocks to have fallen by 400,000 barrels.

Tightening supplies are also expected to strengthen prices amid mounting expectations that Saudi Arabia and Russia will extend their voluntary output cuts into September, analysts said.

However, following a month of rises for crude prices, elevated costs could lead to demand destruction, CMC Markets' Chief Market Analyst Michael Hewson said Aug. 1, highlighting the example of gasoline demand — a key driver of oil product consumption in the US.

The fall in crude oil futures Aug. 1 comes despite positive economic data from Europe. Eurozone unemployment rates fell to a record low of 6.4% in June, while inflation dropped further to 5.3% in July compared with 5.5% in June.

According to an Aug. 1 ING Bank note, the economics team at ING believes that inflation should be materially lower toward the end of the year.

EU GDP growth returned to positive territory last

quarter at 0.3% quarter-on-quarter compared with negative 0.1% in the preceding quarter, signaling further positive signs.

## Russian fuel oil prices surge on firm crude, export netbacks

- Prices boosted by firm domestic crude
- Weaker ruble pushes netbacks higher

Russian fuel oil prices are climbing on the back of high prices of domestic crude but also firm export netbacks, according to market sources.

Fuel oil basis Moscow added around Rb13,000/mt (\$142.1/mt) over the course of July to finish the month close to Rb30,000/mt on the St. Petersburg exchange.

The increase at a time of seasonally weak domestic demand has been attributed to firming of Russian domestic crude prices as well as high export netbacks.

The price of Russian crude oil delivered to refineries inside the country for processing domestically was up by around Rb10,000/mt month on month in August, with prices basis Western Siberia said to be around Rb43,000-44,000/mt.

“With higher crude, people are calculating the [refinery] economics and prices go up,” a Russia-based source said.

Fuel oil prices have been also boosted by the strong export netbacks, which have been pushed higher by international prices but also a weakening ruble.

The Russian ruble has been volatile lately, falling below Rb91 to the dollar compared with Rb88 in early July.

Fuel oil meanwhile is also getting support from the start of the autumn wave of refinery maintenance and the imminent start of stockpiling by utilities.

In August and September a host of refineries are scheduled to start maintenance, and later in August utilities start accumulating fuel oil for the upcoming winter heating season.

## Subscriber Notes

### Platts launches Red Sea-UKC, Red Sea-Med LR2 clean tanker assessments

Platts, part of S&P Global Commodity Insights, has launched two daily Long Range II or LR2 clean tanker route assessments for Red Sea-UK Continent and Red Sea-Mediterranean, effective Aug. 1.

The two lump sum and corresponding dollar per ton assessments will be for 90,000 mt loadings.

Platts first proposed the launch of these two assessments through a proposal note on June 14:

<https://www.spglobal.com/commodityinsights/en/our-methodology/subscriber-notes/061423-platts-proposes-to-launch-red-sea-ukc-red-sea-med-lr2-clean-tanker-assessments>

The decision to launch these assessments was announced through another note on June 28 :

<https://www.spglobal.com/commodityinsights/en/our-methodology/subscriber-notes/062823-platts-to-launch-red-sea-ukc-red-sea-med-lr2-clean-tanker-assessments>

The move follows observed changes in vessel flows and trading patterns.

With Saudi Arabia ramping up its refining capacity along its Red Sea coast by setting up new refineries and expanding existing units, the country is exporting substantial volumes of clean petroleum products to Northwest Europe and the Mediterranean.

The newly launched Jazan refinery has a daily processing capacity of 400,000 barrels and was

expected to ramp up production of ultra low sulfur diesel, which at full capacity can produce 250,000 b/d, according to industry estimates.

That is in addition to the exports by Yanbu Aramco Sinopec Refining Co (Yasref), which operates a 430,000 b/d refinery in the Red Sea.

An estimated 700,000 mt of diesel is moved from the Red Sea to the UKC and Mediterranean every month on LR2s, which equates to close to eight LR2 fixtures.

Market participants expect clean petroleum product exports from the Red Sea to Europe to increase further on the back of the ongoing Russia-Ukraine war, which has disrupted regular trade flows.

Also, the sanctions on Russia have forced buyers in Europe to look for products from other regions including the Red Sea.

The preferred class of tanker for trade on this route is the LR2 compared with Medium Range and LR1 tankers.

The Red Sea-UKC and the Red Sea-Mediterranean assessments will reflect value at the Asian market close at 4:30 pm Singapore time (0830 GMT) and follow the Singapore publishing schedule.

These assessments will be published in the Platts Clean Tankerwire, Clean Tankerwire Monthly and pages PGT2922, SHP0330, PGT2923 and SHP0331.

Please send any feedback, comments or questions to [shipping@spglobal.com](mailto:shipping@spglobal.com) and [pricegroup@spglobal.com](mailto:pricegroup@spglobal.com).

For written comments, please provide a clear indication if comments are not intended for publication by Platts for public viewing.

Platts will consider all comments received and will make comments not marked as confidential available to the public upon request.



December 6-7 | New York, USA

# Transforming innovation into profitability

In association with the Platts Global Energy Awards, this event will gather a global audience from a cross-commodity spectrum to network and discuss engaging topics with an entrepreneurial focus.

Use code **SUBSCRIBER20** to save 20%

Learn more at [spglobal.com/excellence-in-energy](https://spglobal.com/excellence-in-energy) >

**S&P Global**  
Commodity Insights

**Excellence<sup>23</sup>  
in Energy  
Conference**

