

Oilgram Price Report

Yemeni oil output plunges as unrest persists

Saudi Arabia, UAE, Oman pledge crude to neighbor

Sanaa—Yemen's crude oil production has fallen to 160,000 b/d, roughly half of the 300,000 b/d average produced last year, as a result of the crisis that has gripped the impoverished country for the last six months, an oil ministry official said July 11.

Yemen's oil production, which has been in decline in the last decade, has plunged as a result of the political unrest that has forced foreign oil companies to evacuate workers, while a pipeline bombing in March in the province of Marib forced the shutdown of producing fields.

The fall in output has led to a severe fuel crisis in the country,

prompting OPEC kingpin Saudi Arabia, Yemen's wealthy neighbor to the north, to offer 3 million barrels of crude oil as a grant. An official at the 130,000 b/d Aden refinery said July 10 a third shipment of 500,000 barrels had arrived at Aden late July 9. The remaining Saudi crude will be sent through to the first week of August, he added.

Two shipments totaling 1.15 million barrels already had been delivered to the Aden refinery. The first shipment of 650,000 barrels of Saudi oil arrived in mid-June and the second, of 500,000 barrels, in early July, said Nasser Shayef, information director at

the plant.

The UAE and Oman also have pledged crude to Yemen. "The two Gulf countries assured Yemen they will grant it crude oil, but they have not talked about arrangements or schedules to start sending shipments," said Muhammad Ghalib, director of the office of the deputy minister for oil. "The UAE promised to give 3 million barrels of crude oil, while Oman has not disclosed the size of its part."

Canada's Calvalley Petroleum and Nexen are among international companies operating in Yemen. Others include Norway's DNO, the US' Hunt and Occidental Petroleum, China's Sinopec, Italy's Eni and India's Reliance.

Calvalley said in its latest operational update on Yemen June 30 that recent events there had affected its output and exports. "During the second quarter production operations continued at restricted levels to build inventory volumes both at the company's Central Processing Facility and at the Nexen-operated export terminal," it said.

"Calvalley's crude oil purchaser was unable to lift crude oil from the Red Sea terminal in the second quarter due to a pipeline disruption," the Calgary-based company said.

It said it had recently started delivering crude blended from the Hiswah and Ras Nowmah fields into inventory at the Nexen-operated Masila Export Pipeline System and was in the process of finalizing a term marketing agreement to undertake crude sales of its new blend.

"Deliveries of crude oil under these marketing arrangements are anticipated to begin a regular pattern of future crude oil liftings during the third quarter," the company said.

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China's crude oil imports at eight-month low

Singapore—China's crude oil imports fell to an eight-month low of 19.7 million mt, or an average 4.81 million b/d in June, preliminary data released July 10 by the country's General Administration of Customs showed.

June crude imports were down 11.5% from June 2010, marking the first year-on-year drop in six months, and were down 8.6% from May imports of 21.55 million mt. The last time imports were below this level was in October 2010, when China brought in only 16.39 million mt of crude oil.

"We expected crude runs to drop [in June] because of the scheduled maintenance [at refineries]," said Zhang Liutong, an analyst with Facts Global Energy in Singapore.

According to a Platts survey conducted in mid-June, crude throughput by China's state-run refineries was expected to drop to 82% of capacity in June, compared with 86% in May, due to turnarounds. The survey covered 31 of China's 61 state-run refineries.

A similar survey in June last year showed that the refineries ran at 88% in the month under review, but that survey covered only 24 of the state-run plants.

The drop in crude oil imports comes amid signs of a slowing down in the Chinese economy, even as inflationary pressures are rising.

China's total imports increased only 19.3% year on year in June, compared with a 28.40% growth in May, data released July 10 showed. This followed a drop announced earlier this month in the Purchasing Managers' Index—a key measure of the manufacturing sector—to nearly 51% in June, down 1.1 percentage points from the previous month.

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US looks to deliver some SPR crude ahead of August

Washington—After signing contracts for the largest-ever drawdown of US emergency oil reserves, the Department of Energy said July 11 that it hoped to deliver about a quarter of the 30.64 million barrels before August.

An agency spokeswoman said buyers wanted to pick up about 7 million barrels of the light sweet crude ahead of schedule in July. The remaining 23 million barrels are scheduled for delivery in August.

Early deliveries hinge on companies lining up vessels and securing waivers from the US Jones Act, a maritime law that prohibits foreign vessels from hauling cargo between US ports, DOE said.

Refiners, major producers and oil traders will pay a total of \$3.28 billion to the US Treasury, or an average of \$107.05/b, for the third-ever presidentially directed release from the Strategic Petroleum Reserve.

In announcing the signed contracts, DOE also released a list of the losing bidders. The lowest offers came from: Barclays Bank at \$91.96, Suncor Energy Marketing at \$92/b, Shell at \$93.68/b, Apex Oil at \$94.78/b and Husky at \$95/b. The winning bids, by contrast, ranged from \$104.98/b from Barclays Bank to \$109.76/b from one of Valero's many offers.

Valero, the largest US refiner, submitted winning bids for 22.5% of the release, or 6.9 million barrels. Vitol will buy 4 million barrels, or 13.1%, followed by Shell, which will get 3.65 million barrels, or 11.9% of the total release.

DOE said it is working with buyers, the Maritime Administration and the Department of Homeland Security to line up deliveries. About 23 million barrels, more than 75% of the release, will leave the stockpile by vessel. The rest will flow into pipelines from caverns in Louisiana and Texas.

"This completes the initial phase of the drawdown of the Strategic
(continued on page 19)

Market by Market

International crude: Forties bullish on planned bomb removal

North Sea crude differentials will likely remain well-supported until next week, traders said Monday, when the impact of the Forties pipeline shutdown would begin to wane.

The Forties differential was assessed at Dated Brent plus 78 cents/b, up 28 cents/b from Friday and at its highest level since August 5, 2010, Platts data showed.

The Forties pipeline system will be closed August 1-5 to remove an unexploded mine from World War II, shutting output of the grade that week.

There were eight cargoes tradeable in the Platts Market on Close assessment window Monday, down from 10 last Friday. The number of tradeable cargoes should fall further over the next few days, sources said, with parcel F0714 the only Forties shipment expected to load in the first week of August.

"The [North Sea] grades have cleared well, margins are OK and Urals is strong," said a trader. "I guess in the short term Forties can become incredibly strong."

Western African crude was the most likely replacement for Forties and Ekofisk crude, sources said.

In the Platts Market on Close assessment process, Vitol sold Forties parcel F0718 loading July 24-26 at Dated Brent plus 70 cents/b, but Mercuria bid both July 23-26 and July 26-29 at Dated Brent plus 75 cents/b, suggesting higher value than the trade.

Morgan Stanley also bid the July 29-August 1 laycan at Dated Brent plus 60 cents/b.

Brent Ninian Blend was assessed at parity with Forties, down from a small premium on Friday, as it was judged that the Brent oil field would not face the same logistical constraints than Forties during August.

Other grades were also assessed higher, with Oseberg at Dated plus \$2.00/b, up 10 cents/b from Friday, and Ekofisk at Dated plus \$1.90/b, also up 10 cents/b.

August Forties loadings may top 11 million barrels

The Forties crude loading program could rise above 11 million barrels in August, if deferrals of July cargoes rise, trading sources said Monday.

On Friday parcel F0714 initially scheduled to load July 22-24 was

postponed to August 4-6, becoming the first July-loading cargo to be deferred into August, said trading sources.

The August loading program was bolstered by one cargo to 10.2 million barrels as a result. But traders said other deferrals are possible.

"The August program looked shorter than many people thought but I think there's going to be one or two more deferrals," one trader said.

"Given what's happened over the last few months, we could potentially expect more disruptions to loading programs," a second trading source said.

Buzzard, an oil field that contributes around one-third of total Forties production, has had production problems all year, resulting in a spate of deferrals.

There were seven deferrals and a dropped cargo announced last week, up from one deferral the previous week, Platts data showed Monday.

There were also two advancements, up from zero the previous week. Loading programs are monthly schedules of crude cargoes compiled by field operators.

SPR release pressures Med sweets

Sweet grades in the Mediterranean Monday remained under pressure from the US release of strategic crudes.

The US government finalized contracts to sell 30.64 million barrels of light sweet crude from the Strategic Petroleum Reserve in the largest ever drawdown of the emergency stockpile (see story page 1).

Sources said Azeri Light and Saharan Blend bore the brunt of release, although heavier losses were seen in West African crude differentials.

"The WAF grades are seeing very bad times," said a trader. "Azeri Light has seen a bit of benefit [versus WAF], as it is a prompt market, prompt delivery and there is less structural risk with the backwardation."

However, values for sweet grades remained mixed. A return for Azeri crude oil deals was heard, but with lower demand for sweet grades from European refineries.

"I heard Azeri at Dated Brent about plus \$3.60/b. All sweet grades went under pressure with poor sweet margins and oversupply issues during the last few weeks," a trader said, calling buying demand "far from fantastic."

Urals bounces back

Urals values in the Mediterranean bounced back Monday after the release of the Iranian and Iraqi official selling prices showed higher prices for customers.

"There is still a lot of Iraqi Basrah in Europe," said a trader, adding, "but if they [the OSPs] are rising then some people will just look at Urals even more."

The Iranian and Iraqi August OSPs remained the main talking point in the market, although there was little surprise to the price changes.

"Iran and Iraq OSPs seem reasonable and at expected levels," another trader said.

Iraq's State Oil Marketing Organization raised the August Basrah Light OSP for Europe by 70 cents/b. The August Kirkuk OSP for Europe rose 80 cents/b.

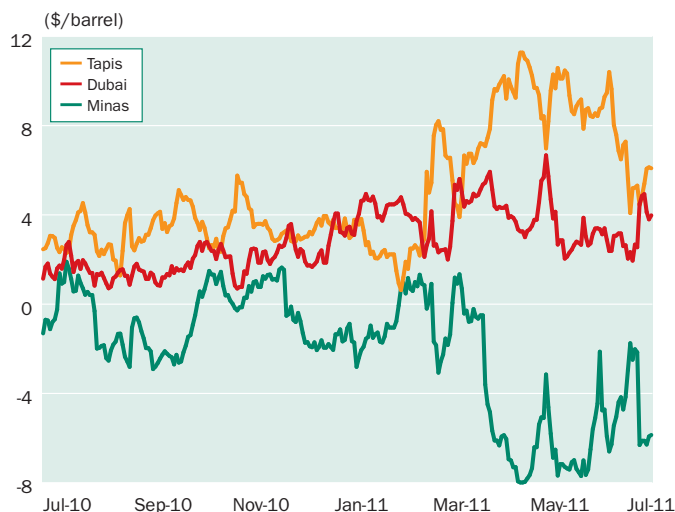
Crude values in the Med remained strong Monday, sources said, as Saudi Aramco continued to send most of its volumes East. Traders spoke of a desire from the company to keep Asian OSPs lower in order to service the sheer volume of clients, while Europe, with its smaller share of Saudi oil, saw relatively stronger prices.

In the Platts Market on Close assessment process, Eni bid an 80,000 mt stem of Urals CIF Augusta to Dated Brent minus \$1.05/b, loading July 25-29, and found Lukoil to be in selling mood.

Sokol holds steady

In Russia, levels for Sokol held steady with Rosneft selling 100,000 mt to BP at a premium of about \$7.60/b to the monthly average of Platts' front-month Dubai crude assessments, similar to an earlier

Singapore Cracking Margins



Source: Platts; Turner, Mason & Co.

ONGC tender.

Sakhalin Energy sold 730,000 barrels of Vityaz Blend crude for loading September 19-26 at a premium of about \$5/b to Platts' front-month Dubai crude assessments. The buyer was heard to be Sinochem, but this could not be confirmed.

Traders expressed surprise at the levels achieved for this tender as it was constant from the August loading Vityaz cargo. Sakhalin Energy sold 730,000 barrels of Vityaz Blend crude for loading August 4-11 from Prigorodnoye at a premium of about \$5/b to the monthly average of Platts' front-month Dubai assessments.

The buyer for that tender is not known.

"Naphtha has recovered, but [middle] distillates [cracks] are relatively lower than last time when the tender for August was closed ... it's not affordable at this price," said a source with a refiner.

Japan uncertain over Sudan's Nile Blend supply

Japanese buyers of Sudan's Nile Blend crude are waiting to see if there are any changes in their supplies of Sudanese low sulfur crude as a result of the split up of the largest country in Africa, industry sources said Monday.

Buyers are closely watching the situation following the formal declaration of independence by South Sudan even as they have seen delays in exports from Sudan in recent months, sources said.

A Japanese buyer while welcoming the formal declaration of independence as a step forward added that the company expected to see some confusion over supplies for a while.

The uncertainty surrounding the situation in Sudan and relatively sluggish demand for direct-burning crudes until recently has seen weak interest from Japan in the Nile Blend grade, trading sources said.

India's ONGC recently sold 600,000 barrels of Nile Blend crude to Petrobras for loading from Marsa Bashayar Marine Terminal in Sudan, but the price was not known. However, according to market sources, interest from Japanese buyers continued to be low.

An earlier tender by Sudapet Petroleum for a July-loading cargo was awarded to ChinaOil at a discount of about \$4/b to the Indonesian Crude Price for Minas.

The independence move has been closely watched by the Japanese oil industry as Japanese refiners and traders typically buy Sudanese low sulfur Nile Blend crude to supply power utilities as direct-burning feedstock for thermal power generation.

Japan's imports of Nile Blend rose in April as the March 11 earthquake led to outages at its nuclear power plants.

Japan imported 37,000 b/d of Nile Blend crude from Sudan in May, down 64% from 104,000 b/d in April, preliminary figures released June 30 by Japan's Ministry of Economy, Trade and Industry showed.

Meanwhile, on Saturday, Japan welcomed the independence of South Sudan, recognizing the republic as a new state, after Tokyo repeatedly expressed its concerns in recent months over armed clashes involving the use of heavy artillery and aerial bombing taking place between the Sudan Armed Forces and the Sudan People's Liberation Army in Abyei, a border district between Northern and Southern Sudan.

Separately, negotiations are still ongoing between North and South Sudan to sort out how the oil supply from the country will be shared and to work out details on how the existing infrastructure will be used.

Sudan's total oil production was around 490,000 b/d, media reports said.

Tepeco buys extra 1.26 million barrels of oil for July

Japan's Tokyo Electric Power Company late last week made an additional purchase of 200,000 kiloliters (1.26 million barrels) of crude and fuel oil as a result of hotter-than-usual weather experienced in the regions it serves since late June, a source close to the matter told Platts Monday.

Japan's peak summer power demand season lasts from July until September, when the weather has a direct impact on demand for crude, fuel oil and LNG for thermal power generation.

Tepeco's additional oil purchase order was placed to Japanese refin-

ers and traders for the supply of 30,000 kl of crude and 170,000 kl of fuel oil in July, the source said.

Tepeco now expects to receive a total 790,000 kl of crude and fuel oil in July, up from its earlier estimate of 520,000 kl. This figure includes delivery of 70,000 kl of oil, which it had originally expected to receive in June, the source said.

Tepeco's July oil purchase is triple the 260,000 kl in June due to the expected restart of its earthquake-hit Hirono thermal power plant by mid-July, earlier than its previous estimate of end August, the source said.

Tepeco plans to restart the 600 MW No. 2 oil-fired Hirono unit on July 11 and the 1 GW No. 4 Hirono oil-fired unit on July 13, the source said. Meanwhile, the 600 MW No. 1 Hirono-oil-fired unit should also be restarted by mid-July following an unexpected shutdown on July 3 after a brief restart, the source said.

As a result, all of Tepeco's earthquake-hit oil-fired Hirono power units will be restarted by mid-July. But it does not expect to maximize operation rates at the Hirono plant anytime soon due to ongoing repairs to its oil storage tanks and berths, the source added.

Prior to the restart of the Hirono plant, Tepeco could not maximize its oil-fired power generation. Instead, the utility increased gas-fired generation following the March 11 earthquake, which automatically shut its Fukushima-1 (Daiichi) and Fukushima-2 (Daini) nuclear power plants in the northeast.

Tepeco currently has only 4.912 GW of operational nuclear power generation capacity, representing 28% of the company's total installed nuclear capacity of 17.31 GW.

Americas crude: Gulf mixed on volatile Brent/WTI

US Gulf Coast crude differentials were mixed Monday on volatility in the Brent/WTI spread.

The Brent/WTI spread was assessed at \$21.96/b, from \$21.88/b Friday, after fluctuating from about \$21.10/b to \$22.75/b through the day.

August Light Louisiana Sweet crude was heard to trade from cash WTI plus \$18.10/b up to plus \$19.15/b. However, in the afternoon, bids were talked at plus \$18.35/b against offers at plus \$18.75/b.

LLS was assessed at cash WTI plus \$18.70/b, down 30 cents/b.

Heavy Louisiana Sweet was talked at a 25-cent/b premium to LLS, and August HLS was assessed at cash WTI plus \$18.95/b, down 5 cents/b.

The Bakken Blend ex-Clearbrook differential was assessed 5 cents/b higher at the NYMEX front calendar month average plus \$4.80/b, where it was last heard to trade Monday.

The Bakken Blend ex-Guernsey differential continued to be talked at plus \$2.50/b Monday and was assessed at that level, unchanged from Friday. Market sources said the trading of Bakken was expected to wrap up in the next few days.

Canadian diffs edge higher

Canadian pipeline crude differentials rose slightly Monday with several trades heard.

The Western Canadian Select differential was assessed 40 cents/b higher at the NYMEX front calendar month average minus \$19.70/b. The WCS differential was last heard to trade at minus \$19.75/b, but was then heard bid at that level.

The Syncrude differential was assessed 10 cents/b higher at plus \$8.85/b. It was last heard to trade at plus \$8.80/b, but was later heard bid at that level.

The Condensates differential was assessed 50 cents/b higher at plus \$12/b, where it was last heard to trade. The Mixed Sweet differential was assessed 5 cents/b higher at plus \$3.70/b, based on higher heard bids and offers.

The Light Sour Blend differential was assessed 10 cents/b higher at minus 55 cents/b on higher heard bids and offers.

The Midale differential was assessed unchanged at minus \$3.75/b.

Pluspetrol taking bids for Loreto

Pluspetrol will take bids through Thursday for a tender to sell 360,000 barrels, +/-10%, of Peruvian Loreto, sources said Monday.

Pluspetrol will load a Panamax-sized cargo of 18 API gravity, 1.36% sulfur from the port of Bayovar between September 5-15.

Bids are due July 14, with a buyer to be chosen July 15, said market sources.

The cargo will be based on a differential to the NYMEX WTI front-month and/or a differential to the mean of Platts Dated Brent assessments during the bill of lading date, on an FOB basis.

Pluspetrol sold a similar cargo on June 2 to Petrobras at a premium between \$1.00/b to cash WTI FOB loading July 28-August 8.

Meanwhile, the results of an auction to sell over 600,000 barrels of Ecuadorean Napo were not heard Monday. It was not known when the winner would be announced.

Ecuador took offers through Friday for a tender to sell 636,041 barrels of Napo. The loading window for this cargo is August 15-17 and offering companies were able to submit a bid by July 8.

These Napo barrels are production from the seized assets of French independent oil producer Perenco, which were taken by the Ecuadorean government in 2009.

Prior attempts by Petroecuador to offer production from the seized Perenco assets resulted in annulments as buyers were reluctant to purchase the barrels. At the time, Perenco was threatening to take legal action against anyone that purchased those barrels.

Gasoline: Gulf premium rallies on tight blendstocks

The US Gulf Coast 7.8 RVP unleaded cash differential rallied 5.85 cents/gal Monday on tight blendstock supplies.

The market was assessed by Platts at conventional unleaded plus 32.2 cents/gal compared to unleaded plus 26.35 cents/gal Friday.

The biggest cost for blenders right now is low RVP high octane blendstock reformat, which is running 60 cents/gal over waterborne conventional unleaded. Reformat is an attractive blend for premium 93 barrels because of its 1 RVP and 100 octane specifications.

It appears to be meeting the low RVP in the summer that is giving blenders challenges as 9.0 RVP conventional unleaded was mostly unchanged at 12.75 cents/gal over unleaded.

Monday's moves put 7.8 RVP 93 octane unleaded gasoline at a fairly rare premium to 93 octane RBOB. The difference between the two products shifted with premium 93 on Monday at premium RBOB plus 2.25 cents from premium 93 at premium RBOB minus 0.05 cents/gal.

The rest of the market was fairly sedate. The 7.8 RVP conventional unleaded moved 1.45 cents/gal lower to the August NYMEX RBOB contract minus 5.7 cents/gal from minus 4.25 cents/gal Friday. Conventional 9.0 RVP gasoline was 1.5 cents/gal higher at NYMEX RBOB minus 10 cents/gal compared to NYMEX RBOB minus 11.5 cents/gal Friday.

The CBOB markets were running at conventional unleaded minus 0.10 cents/gal and regular RBOB was at unleaded minus 5.45 cents/gal. Atlanta CBOB was at unleaded minus 5.35 cents/gal.

Colonial holding auction for surplus 9.0 RVP

Colonial Pipeline said Monday it has 50,000 barrels of surplus 9.0 RVP CBOB gasoline available for immediate delivery.

Colonial will accept bids for the barrels July 13, with the auction starting at 10 am EDT and ending 10:30 am EDT. The product will be delivered from Cycle 35 to Cycle 37 at Linden, New Jersey.

The minimum bid is \$2.85/gal. The US Gulf Coast 9.0 RVP CBOB was assessed by Platts at \$2.9714/gal Monday.

New York RBOB gains on refinery troubles

Cash RBOB prices trading in the New York Harbor market ended Monday higher, although most of the gains were locked in during the morning, market sources in the US Atlantic Coast said.

The rise came despite widespread reports of trouble at a wet gas compressor linked to a fluid catalytic cracking unit at Sunoco's Philadelphia refinery, market sources in the US Atlantic Coast said.

Sunoco has declined to comment on the matter.

According to market sources, the FCC has cut rates because of the compressor issues, and this may have led to some refinery run cuts.

Cash RBOB was assessed at NYMEX August RBOB plus 5.025 cents/gal, from Friday's plus 3.875 cents/gal.

Most traders were surprised at the calm response toward the Sunoco news on the physical market. But some suggested that a prolonged recent arbitrage window for RBOB imports across the Atlantic could have drawn several cargoes into the region, potentially thwarting any rally. Over the past few weeks, at least four cargoes have been heard sold into the US Atlantic Coast market for July delivery.

Sources also pointed out that RBOB stocks for the USAC rose in the week ending July 1, albeit by just 18,000 barrels to 15.5 million barrels, marking the third consecutive weekly rise.

However, others suggested that there were just too many people away on summer vacation, reducing the number of potential bids to spur a typical rally for such an incident.

Other grades in the cash market were stable to slightly stronger, amid thin liquidity. CBOB 328 was assessed at minus 5.125 cents/gal for barges and minus 4.625 cents/gal for Buckeye; on Friday, this grade was assessed for barges at minus 4.675 cents/gal, and Buckeye was assessed at minus 5.375 cents/gal.

There was talk of some CBOB grades, with various RVPs, on offer for end-July or early August delivery, but price and other details were unclear.

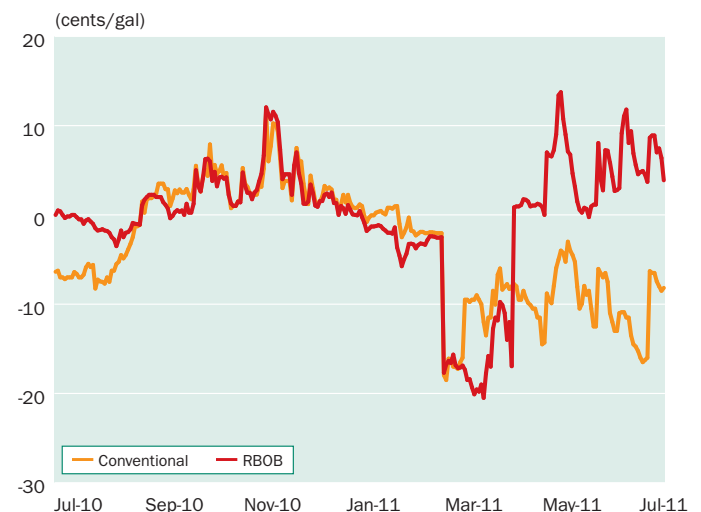
Asian cracks up on steady demand

Outright gasoline prices in Asia edged lower Monday, largely trekking weaker crude futures. But cracks ended mixed, as firm buying on the Platts Market on Close assessment process pulled 97 RON cracks higher by 52 cents/b to be assessed at \$13.59/b over front-month August ICE Brent futures, widening the 97/92 RON spread in the process as well.

Shell bought three 97 RON parcels and one 95 RON cargo on the Platts MOC, while Morgan Stanley sold a 92 RON cargo to Vitol.

Fundamentals were largely steady, with Japan heard drawing in up

NY Barge Differentials



Source: Platts

to four MR-sized spot cargoes for August loading from South Korean refiners.

Indonesian import demand is also seen steady for now, at about 7.9 million barrels planned for July. The volume includes a 200,000-barrel cargo of 88 RON that Indonesian state trader Petral is re-seeking for H2 July delivery into Tanjung Uban and Jakarta via a tender that closed earlier Monday.

Petral earlier sought two 200,000-barrel cargoes of 88 RON gasoline for H2 July delivery via tender, one of which was for July 14-16 delivery into Tuban and the second, a July 16-21 delivery cargo for Jakarta and Tanjung Uban.

The other requirement into Tuban was eventually covered by one of Petral's term suppliers.

SOMO buys 92 RON for 2H 2011

Iraq's State Oil Marketing Organization has bought 1.307 million mt of 92 RON gasoline for delivery over the second half of 2011, market sources said Monday.

The new premiums are set in the low \$30s/mt over Mean of Platts Mediterranean Premium unleaded 10 ppm gasoline assessments on a delivered basis into Khor Al Zubair Terminal—rangebound from the term levels for H1 2011.

Its term suppliers could not be directly confirmed.

At the same time, SOMO has also kept unchanged the specifications for its gasoline imports.

The company has earlier added a new quality specification—limiting the maximum benzene content at 3%—in its tender seeking H2 2011 supply.

Previously, SOMO's gasoline specifications did not have any clauses on benzene.

But price offers for maximum 5% benzene were heard in the low to mid \$40s/mt over MOPMED gasoline assessments on a CFR basis—which could have prompted SOMO to revert back to its previous specifications.

For the first half of this year, SOMO bought 880,000 mt of 92 RON gasoline at an average of MOPMED Premium unleaded 10 ppm gasoline plus \$30-35/mt, on a CIF basis.

Lack of prompt cargoes in Europe

The price spread between Northwest European gasoline CIF cargoes and FOB barges remained firm Monday, due to a lack of prompt availability for 10,000 mt volumes.

Gasoline CIF NWE cargoes were pricing some \$20/mt above FOB Rotterdam barges, up from last week when cargoes were \$13/mt above barges.

Exports out of Amsterdam-Rotterdam-Antwerp to the US took volumes out of the gasoline pool which otherwise would have supplied the 10 ppm cargo market.

Barges were trading stronger Monday, with premiums to the front-month swap ranging in between \$6.5-13/mt during the day. The gain in physical premiums supported Eurobob flat prices against falls made in upstream futures values.

Premium unleaded barges were trading in large volumes Monday, with some 19,000 mt traded during the Platts Market on Close assessment process, within the range of \$1,039-1,046/mt.

In the Mediterranean, supplies of EN228 gasoline remain limited. The balance of July Med/NWE spread was bid at plus \$10/mt and offered at plus \$18/mt. The August Med/NWE spread was bid at minus \$2/mt and offered at plus \$8/mt.

Diesel: Gulf up across the board

US Gulf Coast middle distillates gained across the board Monday as traders debated the strength of the export market.

Platts assessed ULSD up 25 points to NYMEX August heating oil plus 4.25 cents/gal on a deadline day to schedule barrels for the lat-

est Colonial Pipeline shipping cycle.

It traded 22 times for 550,000 barrels in the Platts Market on Close assessment process. Valero and Morgan Stanley led the selling with 10 and eight trades, respectively, while buyers were spread over eight companies, including Shell with six trades and Noble Petro with five.

Off-road low sulfur diesel was assessed up 55 points to minus 1.95 cents/gal, where Conoco Phillips sold to Morgan Stanley. USGC heating oil was assessed 15 points higher to minus 3.75 cents/gal, while jet fuel was assessed up about half a cent on a new cycle to plus 4.50 cents/gal.

Sources said distillate exports have been a key source of support for the US Gulf Coast but some question if it can continue at such a strong pace.

"There's always exports," one trader said. "But is it at such levels that we should completely ignore the domestic economics? I don't think so."

Other sources noted that while exports to Latin America remain strong and steady, USGC cargoes to Europe, already shut to Northwest Europe, are tapering off to the remaining strongholds of the Mediterranean and German heating oil pool.

"US values are so much stronger versus Europe," a second trader said. "I imagine the bulk of it is sourced from NWE."

But a third source noted strong contract buying by South American countries. "The exports are just tremendous," he said.

USAC buyers scramble for scarce supply

US Atlantic Coast ULSD climbed a penny Monday on supply tightness, pushing barge differentials to the NYMEX heating oil assessment plus 11 cents/gal, a fresh two-year high.

"There are too many fingers grabbing the pie," said a broker about demand for ULSD.

Platts assessed USAC ULSD for New York Harbor barges and for Buckeye Pipeline at the August NYMEX heating oil contract plus 11 cents/gal.

Those venturing into the spot market from June onward have said they found it difficult to find unallocated barrels of ULSD.

The key refiners in the region appear obligated to long-term supply contracts, and did not have incremental barrels for sale in the spot market, sources said.

Moreover, little ULSD was arriving from the US Gulf Coast via pipeline, a tightness stemming in part from the chronically closed arbitrage between that refining region and the US Northeast market, sources said.

Finally, what has been available from the USG to ship is said to be less than usual in 2011 due to an increase in exports of ULSD from the USGC to Latin America.

"There are some new players (in exports) this year. We saw PDVSA buying in addition to the Chile, Argentina, and Uruguay," said a source referring to the state-owned oil company in Venezuela, which made purchases of ULSD in late June.

Resid: Pressure mounts in Asia

The Singapore 180 CST high sulfur fuel oil cash premium fell by \$1.89/mt to 67 cents/mt Monday, amid continued selling pressure for the utility/blend-stock grade.

The premium was a six-month low for the cargo differential. The previous low was reached on January 11, at 42 cents/mt to Mean of Platts Singapore 180 CST HSFO assessments.

The bunker grade 380 CST cash premiums dipped 75 cents/mt to \$4.50/mt—a four-week low.

Hong Kong-listed trading house Brightoil continued its selling Monday. The trader has sold 261,000 mt of 180 CST HSFO, 445,000 mt of July outright swaps and 100,000 mt of August flat-price swaps, since July 1. The selling pressure on the 180 CST grade narrowed the cash 180 CST/380 CST viscosity spread, which recorded a 13-month

low at \$4.27/mt.

Talk of heavier than expected arbitrage volumes moving into Asia provided some bearishness to the market. Western arbitrage volumes have been revised to 3.5 million mt this month, and similar levels are being talked for August, traders said.

"We are seeing an average of 3.5 million mt in July, but a big gap in second-half July," a trade source said.

"But we expect to see a huge inventory decline in the next two to three weeks [due to the gap in supply], and with a fair chunk programmed to China, stocks should easily drop to 14-16 million barrels," said the source.

Earlier, arbitrage estimates were talked at around 3 million mt in July and 2 million mt for August.

In the spot market, Indian Oil Corporation is offering 30,000-35,000 mt of 380 CST fuel oil, with maximum 4.5% sulfur content, for loading August 2-4 from Chennai. The tender closes July 14 and will remain valid for one day.

If sold, the cargo will lift Indian HSFO exports in August to 255,000 mt, compared with 500,000 mt in July and 405,000 mt in June.

Elsewhere, Mangalore Refinery and Petrochemicals Ltd. has sold 80,000 mt of 380 CST HSFO, from New Mangalore, loading over August 25-27. The cargo was said to have gone to China's Unipac at a slight discount to MOPS 380 CST HSFO, five days around bill of lading.

Korea Western Power Company is seeking 30,000 mt of 540 CST, with maximum sulfur content of 2.59%, for August 22-26 delivery to Pyong Taek Power Plant. The tender will close on July 14, and remain valid on the same day.

Gasoil: Tight 50 ppm flips sulfur spread

The tight supply of 50 ppm gasoil on Monday drove premiums for the mainstay German heating oil grade above that of the lower sulfur 10 ppm road fuel for the first time since the introduction of Platts 50 ppm assessment earlier in 2011, data showed Monday.

Amsterdam-Rotterdam-Antwerp 50 ppm FOB barges were assessed at \$988.25/mt Monday, 50 cents/mt above 10 ppm ULSD FOB Rotterdam barges, which were assessed at \$987.75/mt. This is the first time ARA 50 ppm has been assessed above 10 ppm since the former assessment was launched January 4, Platts data shows.

"It is not easy to get anything as there is no product," a trader based in Germany said, adding: "I don't see much 50 ppm supply, there is some in ARA but [50 ppm] cargoes are tough to find."

"There is good demand for 50 ppm and I can see 10 ppm going

into the 50 ppm pool," another trader said.

A shortage of gasoil in the Mediterranean has seen the CIF Med 0.1% gasoil differential to ICE gasoil futures strengthen to the largest premium since January 2010, market sources said Monday.

The CIF Med 0.1% gasoil differential rose from \$10/mt above ICE gasoil futures July 5 to \$14.50/mt Monday.

Ongoing North African demand coupled with less supply coming out of the Black Sea, the principal supply source for the Mediterranean market, were leading to a very bullish picture for the product, sources said.

"There is not that much oil around, it's looking tight," one Med gasoil cargo trader said Monday.

The structure has been tightened further by Algerian state oil and gas company Sonatrach's refineries in Arzew and Skikda going into turnaround for at least two weeks. Algeria typically imports up to three cargoes a month of high sulfur gasoil, however, with the country's refineries in turnaround it is expected to pull in more product to cover the shortfall, sources said.

"Obviously any refinery being down is another bullish factor," the trader said.

No lack of sellers in Asia

Cash differentials across all Singapore gasoil grades fell Monday, with the 0.5% sulfur gasoil dropping 20 cents/b on the back of four physical trades amid heavy selling.

During Monday's Platts physical Market on Close assessment process, four cargoes totaling 1 million barrels were traded, for loading over laycans in the front and middle window of the strip. Shell first sold to Glencore at a floating price of Mean of Platts Singapore 0.5% sulfur gasoil minus 30 cents/b.

Glencore continued to bid on at the same level, but subsequently improved its bid to MOPS 0.5% sulfur gasoil minus 25 cents/b, which attracted Vitol to sell into it.

In between those two trades, Totsa sold to Unipac and BP sold to Cargill 250,000-barrel cargoes each. Both cargoes were done at MOPS 0.5% sulfur gasoil minus 25 cents/b.

The cash discount for the high sulfur grade was in turn assessed at minus 27 cents/b.

The gasoil market structure remained in marginal contango, with the balance July/August spread at minus 9 cents/b and August/September at minus 13 cents/b.

Sentiment for gasoil remains weak, amid high stocks and weak demand in the region, said a trader. Refineries are continuing to produce as cracks are strong—the front-month August gasoil/Dubai crack was assessed at \$19.10/b Monday.

(continued on page 16)

platts Oilgram Price Report

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US Wholesale Posted Prices

	Unleaded	Midgrade	Premium	Kerosene	Diesel No.2	Low Sulfur Diesel	ULSD
PAD1							
Albany, NY	302.65-316.30	308.75-321.15	322.90-333.40	346.85-371.30	311.00-340.35	-	319.10-329.05
Allentown	300.91-317.70	308.53-325.80	323.83-350.55	-	310.86-315.25	-	321.95-328.14
Atlanta	306.75-322.92	313.90-325.11	324.40-347.68	349.35-349.35	-	-	313.95-318.44
Baltimore (a)	309.55-329.20	319.48-340.52	328.95-361.25	338.00-343.38	306.80-310.66	-	314.90-320.00
Binghamton	306.35-308.39	314.35-318.09	326.85-341.50	-	315.02-318.98	-	322.10-333.04
Boston (a)	311.85-318.92	318.85-325.72	332.85-340.70	354.47-354.47	313.86-317.02	-	321.50-328.90
Charleston	301.65-304.60	307.49-314.45	322.10-331.55	338.48-338.48	-	-	321.27-325.30
Charlotte	302.75-309.61	310.25-324.31	321.50-344.89	-	-	-	314.45-319.49
Fairfax (a)	307.75-317.65	319.31-330.25	332.27-353.65	-	-	-	315.50-321.05
Greensboro	303.70-309.45	310.35-322.75	322.85-345.31	334.00-334.00	-	-	314.40-319.45
Miami	307.05-311.75	311.50-320.68	326.10-340.73	-	-	-	318.35-320.55
New Haven (a)	311.95-321.05	319.20-330.90	328.88-349.20	356.70-391.00	309.05-313.11	-	320.14-325.27
New York City (a)	315.30-319.95	321.80-327.95	333.05-341.35	-	311.95-316.96	-	323.48-332.16
Newark (a)	310.50-318.50	318.50-333.75	331.85-345.90	384.57-384.57	306.46-314.20	-	317.50-324.20
Norfolk (a)	310.89-324.05	317.25-331.40	327.75-347.44	342.39-342.39	-	-	316.50-320.81
Orlando	303.45-305.22	309.20-313.25	321.10-328.48	-	-	-	319.64-322.35
Philadelphia (a)	310.45-317.85	317.95-328.01	332.45-341.55	354.96-354.96	307.30-310.10	-	317.34-321.70
Pittsburgh	315.50-318.50	322.50-327.25	342.35-345.50	366.55-366.55	311.34-313.58	-	318.70-323.98
Providence	312.75-326.75	320.15-332.60	333.25-343.50	-	310.26-321.00	-	320.87-331.65
Portland	316.48-320.60	324.26-328.30	328.90-338.20	-	317.52-329.80	-	321.59-326.09
Raleigh	304.25-312.25	311.50-318.75	324.85-331.25	-	-	-	314.60-318.75
Richmond	309.38-317.53	319.38-329.39	336.00-347.35	337.00-337.00	-	-	315.30-319.68
Savannah	305.00-305.00	313.00-313.00	327.85-327.85	-	-	-	321.54-323.90
Spartanburg	296.50-312.33	302.50-312.88	314.85-324.09	-	-	-	313.75-320.41
Tampa	307.20-312.05	314.16-318.65	327.35-336.96	-	-	-	317.00-320.56
PAD2							
Cape Girardeau	305.02-312.00	312.94-313.15	320.65-347.35	-	-	-	321.25-333.55
Chattanooga	296.90-306.43	303.80-310.75	313.45-328.52	-	-	-	314.10-319.60
Chicago (a)	310.90-320.00	317.90-322.94	331.90-369.42	-	-	-	314.20-319.50
Cleveland	302.90-307.44	310.75-310.75	325.90-325.90	-	-	-	313.85-321.35
Columbus	298.00-310.66	306.00-318.66	323.00-332.41	-	-	-	316.25-319.83
Duluth	306.36-311.69	308.34-312.50	319.35-328.50	-	-	-	325.85-328.83
Des Moines	306.00-314.33	318.92-320.21	328.28-362.50	-	-	-	319.55-330.41
Detroit	308.30-317.79	317.10-317.88	334.10-358.38	-	-	-	312.60-326.13
Fargo	309.05-323.10	317.22-322.50	331.70-353.65	-	-	-	320.70-329.71
Green Bay	300.40-311.60	308.22-314.01	321.88-327.34	-	-	-	318.90-323.73
Indianapolis	297.00-307.58	298.60-315.08	316.05-330.95	-	-	-	315.35-326.13
Kansas City	307.05-313.40	315.76-329.00	321.38-335.33	-	-	-	320.15-325.45
Knoxville	297.00-306.67	302.65-308.68	310.50-326.20	352.35-352.35	-	-	313.75-319.79
Milwaukee	313.75-318.00	320.75-323.52	333.75-369.12	-	-	-	318.15-322.00
Minneapolis/St.Paul	301.25-310.55	302.75-312.05	315.25-330.05	330.50-330.50	-	-	316.75-325.96
Oklahoma City	304.35-311.75	312.35-319.25	323.35-341.45	-	-	-	317.20-324.00
Omaha	305.64-314.18	316.15-318.29	329.08-362.60	-	-	-	319.20-325.81
Sioux Falls	305.70-314.32	318.53-318.53	326.85-362.20	-	-	-	319.25-334.19
St.Louis	313.88-323.00	320.81-331.60	333.68/351.50	-	-	-	319.05-322.84
PAD3							
Albuquerque	308.25-314.75	315.75-323.25	326.75-332.75	-	-	-	320.15-336.90
Amarillo	306.45-310.10	319.85-321.45	332.10-332.10	-	-	-	316.65-320.65
Baton Rouge	303.90-305.55	315.55-318.90	328.90-329.55	-	-	-	314.35-316.25
Birmingham	307.25-309.54	314.10-317.56	326.60-337.25	373.40-373.40	-	-	313.25-319.50
Corpus Christi	305.10-306.01	313.53-313.60	325.10-326.01	-	-	-	315.45-315.86
Dallas/Ft.Worth (a)	313.05-314.25	319.47-324.45	338.13-344.25	-	-	-	315.16-323.55
Houston (a)	305.80-312.62	316.35-320.90	332.60-340.70	343.90-343.90	-	-	312.45-320.80
Little Rock	299.05-306.00	304.48-311.95	317.05-336.80	-	-	-	319.80-323.35
New Orleans	304.15-307.40	313.15-316.40	325.15-331.40	-	-	-	313.40-315.50
San Antonio	306.15-313.70	313.65-317.08	326.65-333.68	-	-	-	317.78-325.75
PAD4							
Aberdeen	309.00-315.42	326.95-326.95	331.75-344.13	-	-	-	324.05-332.02
Billings (b)	305.61-309.87	-	323.93-331.65	-	-	-	295.52-302.20
Casper (b)	297.05-297.05	-	316.85-316.85	-	303.93-308.50	-	-
Denver	292.79-311.80	301.70-320.25	312.59-329.90	-	-	-	314.82-324.20
Salt Lake City	296.26-307.00	304.18-316.25	315.07-325.50	-	-	-	310.07-316.50
PAD5							
Anacortes	307.25-307.25	316.25-316.25	325.25-325.25	-	-	-	308.45-312.85
Las Vegas (e)	300.75-301.00	310.75-311.00	320.75-321.00	-	-	-	307.00-323.50
Los Angeles(e)	300.50-301.75	309.50-309.75	317.75-319.50	-	-	-	313.25-318.50
Phoenix	288.00-309.00	294.00-310.50	300.00-329.00	-	-	-	304.65-316.00
Portland	304.50-308.25	313.50-320.25	320.75-326.25	-	-	-	306.75-313.00
SanFran-EBay (e)	299.75-300.50	308.75-310.50	317.75-320.50	-	-	-	316.50-317.96
Seattle/Tacoma	307.00-308.75	316.00-317.75	325.00-326.75	-	-	-	310.60-318.40
Spokane	300.86-305.75	308.88-315.75	319.87-325.75	-	-	-	317.75-325.00

All prices are provided by DTN. Discounts or temporary allowances offered by individual companies are not included in posted prices. Prices are unbranded unless noted. Prices are conventional gasoline unless noted. All prices in cts/gal. (a)=RFG. (b)=Branded postings (e)=CARB gasoline/No.2 oil

Five-Day Rolling Averages*

*Five Days ending Jul 11

Naphtha	\$/Bbl	c/Gal
Singapore	103.92—103.96	247.43**247.52
	\$/MT	c/Gal
Japan C/F	955.75—956.80	252.84**253.12
Arab Gulf	923.91—924.96	244.42**244.70
CIF NWE Physical	964.20—964.70	255.08**260.73
Rotterdam Barge	960.20—960.70	254.02**259.65
FOB Med	942.25—942.75	249.27**254.80
CIF Genoa	957.80—958.30	253.39**259.00
US Gulf W	980.16**980.52	276.10—276.20
Carib Cargo	885.36—885.71	243.90**244.00
Jet Kerosene	\$/MT	c/Gal
CIF NWE Cargo	1039.55—1040.05	315.02**313.27
Rotterdam Barge	1039.75—1040.25	315.08**313.33
FOB Med	1021.05—1021.55	309.41**307.70
US Gulf Water	1026.34**1026.67	309.14—309.24
US Gulf Pipe	1023.02**1023.35	308.14—308.24
Carib Cargo	1044.16—1044.49	323.27**323.37
NY Cargo	1022.47**1022.80	309.84—309.94
LA Pipeline	1002.64**1002.96	314.31—314.41
Group 3	1033.04**1033.38	311.16—311.26
Chicago	1042.01**1042.34	313.86—313.96
Low Sulfur Resid Fuel Oil	\$/Bbl	\$/Mt
Indonesia LSWR Mixed/Cracked	114.18—114.22	765.01**765.27
CIF ARA 1%	105.97**106.05	688.80—689.30
Rot Bar 1%	107.05**105.48	685.10—685.60
NWE FOB 1%	105.88**104.32	677.60—678.10
Med FOB 1%	107.12**105.55	685.55—686.05
NY Cargo .3% HP	117.76—117.86	788.99**789.66
NY Cargo .3% LP	119.78—119.88	802.53**803.20
NY Cargo .7% Max	108.83—108.93	707.40**708.05
NY Cargo 1% Max	106.45—106.55	691.93**692.58
US Gulf 1%	103.36—103.45	653.24**653.80
Hi Sulfur Resid Fuel Oil	\$/Bbl	\$/Mt
Singapore 180	101.39**101.39	659.01—659.05
Singapore 380	102.02**102.03	652.94—652.98
Arab Gulf 180	100.51**100.52	643.29—643.33
CIF ARA 3.5%	99.60**98.89	627.45—627.95
NWE FOB 3.5%	97.48**96.79	614.10—614.60
Med FOB 3.5%	100.33**99.61	632.05—632.55
CIF Med 3.5%	102.30**101.57	644.50—645.00
NY Cargo 2.2%	101.21—101.31	647.74**648.38
NY Cargo 3.0%	101.16—101.26	647.42**648.06
US Gulf 3%	99.96—100.05	639.74**640.32
Carib 2.0%	94.21—94.31	602.94**603.58
Carib 2.8%	93.16—93.26	596.22**596.86

Crude Oil, FOB Source	\$/Bbl	c/Gal
West Texas Int	96.63—96.65	
NYMEX Crude	96.67	
Mars	107.92—107.94	
Brent (DTD)	115.89—115.91	
Brent (First Month)	115.75—115.77	
Dubai (First Month)	108.32—108.34	
Oman (First Month)	108.70—108.72	
Urals CIF Med	114.11—114.16	
WTI Posting Plus	2.74 —2.76	
Gasoil/Heating Oil	\$/Bbl	c/Gal
Singapore	126.54—126.58	301.29**301.39
Arab Gulf	124.11—124.15	295.50**295.60
L.A. LS Diesel	127.20**127.24	302.86—302.96
S.F. LS Diesel	126.95**126.99	302.26—302.36
	\$/MT	c/Gal
0.1 CIF ARA	956.35—956.85	305.54**305.70
50 ppm Rotterdam Barge	975.80—976.30	311.76**311.92
0.1 Rotterdam Barge	948.65—949.15	303.08**303.24
0.1 FOB NWE	941.00—941.50	300.64**300.80
0.1 CIF MED	960.55—961.05	306.88**307.04
NY Cargo	950.38**950.70	301.71—301.81
NY Barge	953.53**953.85	302.71—302.81
US Gulf Water	926.95**927.26	300.96—301.06
US Gulf Pipe	923.87**924.18	299.96—300.06
Carib Cargo	926.46—926.77	297.90**298.00
NYMEX No. 2	947.70	300.86
Gasoline, Intl. Market	c/Gal	Prem \$/Mt
R dam Barge Prem Unl	295.26**295.40	1036.35—1036.85
Gasoline, U.S. Market	Unleaded	Premium
NY Cargo	297.52—297.61	309.28—309.37
NY Barge	296.95—297.04	310.37—310.46
US Gulf Water	302.50—302.60	330.64—330.74
US Gulf Pipe	301.25—301.35	329.39—329.49
Group	299.99—300.09	318.29—318.39
LA Pipeline	203.72—204.22	323.57—323.67
SF Pipeline	291.77—291.87	321.42—321.52
Chicago	300.42—300.52	325.22—325.32
NYMEX Unl	158.13	

Conversions either side of asterisks

Product Price Assessments (\$/MT)

	Cargoes FOB Med Basis Italy	Cargoes CIF Med Basis Genoa/Lavera	Cargoes CIF NWE Basis ARA	Barges FOB Rotterdam	Cargoes FOB NWE
European Bulk					
98 RON Unl				-1064.75-1065.25-	
Prem Unl				-1044.75-1045.25-	
Prem Unl Non Oxy					-1048.25-1048.75-
Gasoline 10ppm			-1053.50-1054.00-		
Prem Unl 10 ppm	-1043.50-1044.00-	-1052.75-1053.25-			
Eurobob				-1034.25-1034.75-	
Reg Unl Non Oxy					-1041.25-1041.75-
MTBE (1)				+1249.75-1250.25+	
Naphtha Physical	-940.75-941.25-	-956.25-956.75-	-962.50-963.00-	-958.50-959.00-	
Naphtha Swaps			-960.25-960.75-		
Jet Kerosene			-1050.50-1051.00-	-1049.75-1050.25-	-1040.00-1040.50-
Jet Av. Fuel	-1032.00-1032.50-				
ULSD 10ppm	-991.25-991.75-	-1002.50-1003.00-	-993.25-993.75-		-980.00-980.50-
Diesel 10ppm NWE			-995.75-996.25-		-981.75-982.25-
Diesel 10ppm UK			-996.75-997.25-		
Diesel 10ppm				-987.50-988.00-	
Gasoil 50 ppm				-988.00-988.50-	
Gasoil 0.1%	-959.75-960.25-	-973.25-973.75-	-966.25-966.75-	-959.25-959.75-	-951.25-951.75-
Biodiesel FAME - 10				-1477.00-1482.00-	
1% Fuel Oil	-686.25-686.75-	-698.75-699.25-	-690.25-690.75-	-683.75-684.25-	-679.00-679.50-
3.5% Fuel Oil	-634.75-635.25-	-647.25-647.75-	-629.50-630.00-	-633.00-633.50-	-616.00-616.50-
380 CST				-644.00-645.00-	
0.5%-0.7% Straight Run					-787.00-788.00-

0.2 PCT Gasoil does not include -5 -15 spec. IPE gasoil GWAVE* (Jul) 967.25. IPE gasoil GWAVE* (Aug) 970.75. *The IPE gasoil average data refer to the previous days business

1) MTBE FOB Amsterdam-Rotterdam-Antwerp

Product Price Assessments

New York/Boston	Cargo	Cargo Ex-Duty	Barge
9.0 RVP			
Uni 87	-299.46-299.56-	-296.39-296.49-	-298.89-298.99-
Uni 89	-304.47-304.57-	-301.39-301.49-	-304.47-304.57-
Uni 93	-311.98-312.08-	-308.89-308.99-	-312.84-312.94-
9.0 RVP			
CBOB	-302.71-302.81-	-299.64-299.74-	-301.54-301.59-
Prem CBOB	-323.74-323.84-	-320.64-320.74-	-321.64-321.74-
9.0 RVP			
Uni RBOB	-312.63-312.73-	-309.54-309.64-	-311.69-311.74-
Prem RBOB	-332.20-332.25-	-329.09-329.14-	-331.19-331.29-
Uni RBOB (Boston)	-313.13-313.23-		
Ethanol NYH (JUL)			-287.20-287.30-
Ethanol NYH (AUG)			+278.20-278.30+
Duty+RINS***	3.07		
Jet Fuel	-314.30-314.40-		-315.55-315.65-
LS Jet/Kero	-321.80-321.90-		-322.80-322.90-
ULS Kero	-329.55-329.65-		-330.55-330.65-
LS Jet/Kero(Boston)	-323.80-323.90-		
ULS Kero (Boston)	-331.55-331.65-		
No. 2	-305.80-305.90-		-306.80-306.90-
LS Diesel Off-road	-308.30-308.40-		-309.30-309.40-
ULSD	-317.80-317.90-		-318.80-318.90-
No. 2 (Boston)	-307.80-308.40-		
LS Diesel Off-road (Boston)	-311.05-311.15-		
ULSD (Boston)	-320.55-320.65-		

All RVP references are after ethanol;

	\$/Bbl	1S strip	Differential vs 1S strip
No. 6 0.3%S HiPr	+120.80-120.90+		14.25 -14.35
No. 6 0.3%S LoPr	+122.80-122.90+		16.25 -16.35
No. 6 0.7%S Max	+109.90-110.00+		3.35 -3.45
No. 6 1%S Max	+107.15-107.25+	106.54 -106.56	0.60 -0.70
No. 6 2.2%S Max	-101.85-101.95-		-4.70 -4.60
No. 6 2.2%S Max (Bstn)	-102.00-102.10-		
No. 6 3.0%S Max	-101.80-101.90-		-4.75 -4.65
No.6.1S Max Pap. BAL M	-106.74-106.76-		
No. 6 1.0%S Pap. 1st M	-105.94-105.96-		
No. 6 1.0%S Pap. 2nd M	-105.29-105.31-		
No. 6 1.0%S Pap. Qtrly	+104.39-104.41+		

This assessment reflects 150 max a/si.*These assessments reflect gasoline cargoes sold on a delivered, ex-duty basis New York, excluding import duty, import taxes/fees, and Renewable Identification Number (RINS) credits. *This assessments reflects import duty, import fees, and the value of RINS credits for a gasoline cargoes sold into New York Harbor. The RINS value is derived from Platts assessments of prompt calendar-year RINS.

U.S. Buckeye Pipeline

		Laurel	9.0 RVP
Uni 87	-298.89-298.99-	RBOB	-312.19-312.24-
Uni 89	-304.47-304.57-	Prem RBOB	-332.69-332.79-
Uni 93	-312.84-312.94-		
9.0 RVP		Laurel	10.0 RVP
Uni RBOB	-311.69-311.74-	Uni CBOB	-297.49-297.54-
Prem RBOB	-331.19-331.29-	Prem CBOB	-312.89-312.99-
9.0 RVP			
CBOB	-302.04-302.09-		
CBOB Prem	-321.64-321.74-		
CBOB-PA	-296.99-297.04-		
CBOB-PA Prem	-311.89-311.99-		
No.2	-306.80-306.90-		
ULSD	-318.80-318.90-		
Jet fuel	-315.55-315.65-		
LS Jet/kero	-322.80-322.90-		

All RVP references are after ethanol;

Latin America, FOB

\$/Bbl		Ecuador	
Argentina			
Gasoline84	-125.87-125.91-	Naphtha	-108.23-108.27-
Gasoil*	-130.64-130.68-	FO2.2%S	-98.97-99.07-
FO0.7%S	+108.55-108.65+	Peru	
Brazil		Naphtha	-113.48-113.52-
FO0.5-0.6%S	+113.65-113.75+	FO2.0%S	+101.57-101.67+
Ethanol (cts/gal)	336.95-337.05	FO1.6%S	+102.07-102.17+
Colombia			
FO1.75%S	+101.07-101.17+		

*Argentina gasoil is assessed CIF Buenos Aires

U.S. Gulf Coast	Waterborne	Pipeline
9.0 RVP—Supplemental Summer		
Uni 87	-297.89-297.99-	-296.64-296.74-
Uni Midgrade 89	-302.99-303.09-	-301.74-301.84-
Prem Uni 93	-310.64-310.74-	-309.39-309.49-
7.8 RVP		
c/Gal		
Uni 87	-302.19-302.29-	-300.94-301.04-
Uni 89	-315.07-315.17-	-313.82-313.92-
Prem Uni 93	-334.39-334.49-	-333.14-333.24-
7.0 RVP		
RBOB 83.7		-306.39-306.49-
7.0 RVP		
RBOB 91.4		-330.89-330.99-
7.0 RVP		
Atl.CBOB 87		-306.29-306.39-
7.0 RVP		
Atl.CBOB 93		-330.79-330.89-
7.8 RVP		
CBOB 87		-300.84-300.94-
7.8 RVP		
CBOB 93		-330.24-330.34-
Ethanol***	286.95-287.05	
MTBE	+356.20-356.30+	
Alkylate**	34.95-35.05	
Naphtha	-277.69-277.79-	
Naphtha Barge	-278.69-278.79-	
Hvy Naphtha	-278.69-278.79-	
Hvy Naphtha Barge	-279.69-279.79-	
Paraffinic Naphtha (barge)(\$/mt)	923.19-923.56-	
Paraffinic Naphtha diff.(a)	-7.00	
Naphtha differential**	-24.50	
Naphtha Barge differential**	-23.50	
Heavy Naphtha differential**	-23.50	
Heavy Naphtha Barge diff**	-22.50	
Jet/Kero 54	-313.30-313.40-	-312.30-312.40-
Jet/Kero 55	-314.05-314.15-	-313.05-313.15-
ULS Kero	-315.55-315.65-	-314.55-314.65-
No. 2	-305.05-305.15-	-304.05-304.15-
LS Diesel	-306.85-306.95-	
LS Diesel off-road	-306.85-306.95-	-305.85-305.95-
ULSD	-313.05-313.15-	-312.05-312.15-
Biodiesel (99.9%****)	-466.95-467.05-	

	\$/Bbl	3S strip	Differential vs 3S strip
Slurry Oil	-101.80-101.85-		1.82 -1.87
No. 6 1.0%S 6 API	-103.00-103.05-		3.02 -3.07
No. 6 3.0%S	-99.60-99.65-	99.97 -99.99	-0.38 -0.33
RMG 380	-101.40-101.45-		1.42 -1.47
No. 6 3.0%S Pap Bal M	-99.94-99.96-		
No. 6 3.0%S Pap. 1st M	-99.34-99.36-		
No. 6 3.0%S Pap. 2nd M	-98.94-98.96-		
No. 6 3.0%S Pap. Qtrly	-98.49-98.51-		

=Premium to Gulf Coast waterborne Uni 87. *=FOB Tank Houston 5-15 days. ****=Truck or rail delivered Houston. (a)=Differential to Mt.Belview Non-Targa Natural Gasoline.

U.S. Gulf Coast Pipeline Cycles

Gasoline 7.8 RVP	Cycle		Cycle
Uni-87	39	-300.94-301.04-	42 -300.34-300.44-
Uni-87	40	-300.74-300.84-	43 -300.13-300.23-
Uni-87	41	-300.54-300.64-	44 -299.93-300.03-
Prem 93	39	-333.14-333.24-	42 +332.54-332.64+
Prem 93	40	+332.94-333.04+	43 +332.33-332.43+
Prem 93	41	+332.74-332.84+	44 +332.13-332.23+
Supplemental 9.0 RVP	Cycle		Cycle
Uni-87	39	-296.64-296.74-	42 -296.04-296.14-
Uni-87	40	-296.44-296.54-	43 -295.78-295.88-
Uni-87	41	-296.24-296.34-	44 -295.58-295.68-
Prem 93	39	-309.39-309.49-	42 -308.79-308.89-
Prem 93	40	-309.19-309.29-	43 -308.53-308.63-
Prem 93	41	-308.99-309.09-	44 -308.33-308.43-
CBOB 87	9	-296.54-296.64-	
CBOB 93	9	-309.29-309.39-	
Distillates			
No. 2	39	-304.05-304.15-	42 -304.50-304.60-
No. 2	40	-304.20-304.30-	43 -304.69-304.79-
No. 2	41	-304.35-304.45-	44 -304.84-304.94-
Jet Kero	39	-312.30-312.40-	42 -312.75-312.85-
Jet Kero	40	-312.45-312.55-	43 -312.89-312.99-
Jet Kero	41	-312.60-312.70-	44 -313.04-313.14-
ULSD	38	-312.05-312.15-	41 -312.05-312.15-
ULSD	39	-312.05-312.15-	42 -312.05-312.15-
ULSD	40	-312.05-312.15-	43 -312.24-312.34-

Chicago Pipeline

NA RVP		
c/Gal		
Unleaded 87	-301.09	-301.19-
Unleaded 89	-311.49	-311.59-
Prem. Uni 93	-327.09	-327.19-
CBOB	-300.59	-300.69-
PBOB	+348.59X	-348.69+X
RBOB	-318.09	-318.19-
Jet Fuel	-319.30	-319.40-
LS Diesel Off-road	-315.55	-315.65-
ULSD	-315.80	-315.90-
Ethanol (terminal)	+276.95	-277.00+
Biodiesel (99.9%) (truck/rail)	466.95	-467.05
ULS No. 1 Jet Fuel	NA	NA

Atlantic Resid/Contract Cargoes Posted Prices

	No. 2 Barge	No. 4 Fuel	No. 6 Fuel
Castle			
New York 0.2%S (cents/gal)	331.95		
New York 0.3% (\$/barrel)		152.90	145.35
Global			
Albany 1.5%			125.45
Boston 0.5%		149.70	143.30
Boston 1.0%		143.90	132.70
Boston 2.2%			120.95
Portland 1.5%		143.90	124.70
Providence 1.0%		143.90	132.70

Product Price Assessments

Spot Tanker Rates

DIRTY

Route	Size (MT)	WS	Rate (\$/MT)	Route	Size (MT)	WS	Rate (\$/MT)
Carib/USAC	70k	93	7.64	AG/Asia	80k	+119	+21.92
Carib/USGC	50k	140	10.95	AG/USGC	270k	+38	+15.12
Med/Med	80k	90	4.92	AG/Asia	260k	-48	-8.84
Med/USGC	80k	95	18.90	UKC/UKC	80k	105	6.68
Med/USGC	135k	64	12.73	UKC/USGC	135k	63	11.21
WAF/USGC	130k	65	13.51	UKC/USAC	80k	107	14.10

CLEAN

Route	Size (MT)	WS	Rate (\$/MT)	Route	Size (MT)	WS	Rate (\$/MT)
Carib/USAC	30k	193	14.65	AG/India	30k	-199	-13.85
Carib/USGC	30k	193	15.59	AG/Japan	30k	-169	-38.52
Carib/UKC	30k	112	17.60	AG/Japan	55k	-120	-27.35
Med/UKC	30k	-150	-17.10	AG/Japan	75k	119	27.12
Med/USAC	33k	+173	+27.40	UKC/UKC	22k	-182	-10.59
Med/Med	30k	-140	-7.60	UKC/USAC	37k	+150	+20.12
Sing/HK	30k	360	12.00	UKC/USGC	37k	+150	+28.02
Sing/Japan	30k	146	16.44	BSea/Med	30k	148	16.09

Group Three

9.0 RVP c/Gal	Unleaded	-300.54-300.64-
	Prem. Unleaded	-319.54-319.64-
	ULSD	-315.30 -315.40-
	Jet Fuel	-315.80-315.90-

Caribbean Cargoes, FOB

	\$/MT	c/Gal
Naphtha	-890.98-891.34-	-251.69-251.79-
Jet Kerosene	-1058.10-1058.43-	-315.85-315.95-
Gasoil	-938.94-939.25-	-307.85-307.95-
S/Bbl	No.6 2.0%S	-94.85-94.95-
	No.6 2.8%S	-93.80-93.90-

Caribbean Product Postings (cts/Gal)

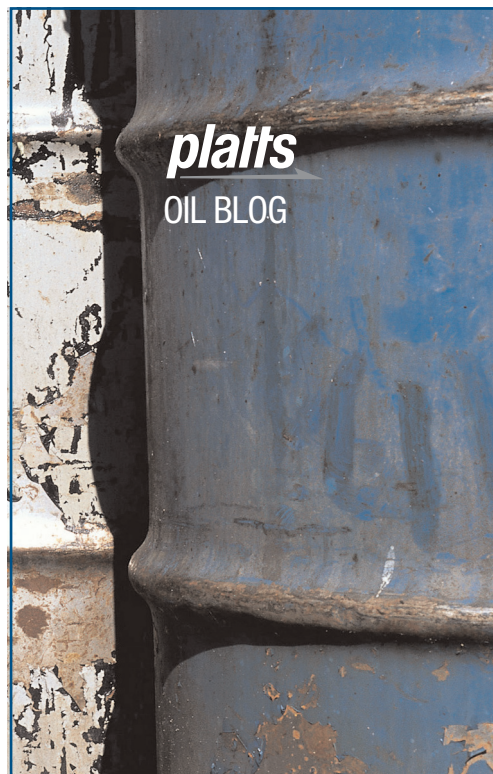
Effective Date	Exxon	Shell	Petrotrin	Chevron
	Curacao	West		
Avgas 100/130	07/08 420.00	07/07 500.00	07/07 650.00	W
98 Oct. Unl	320.00	331.00		
95 Oct. Unl	314.00	323.00	334.00	W
92 Oct Unl			332.50	
87 Oct. Unl	305.00	319.00		W
83 Oct Unl			328.50	
Dpk/Jet	323.00	326.00	327.00	W
45 Cet 0.5%S Gasoil	314.00	320.00	319.00	W
LS Gasoil		323.00		
ULS Gasoil		331.00		
Heavy Fuel Oil (\$/BBL)	105.00	104.00	111.00	W

W=withdrawn effective July 1, 2010

PLATTS Index

Jet Kerosene*	361.00	-1.36
Gasoline	414.74	-3.49
Gasoil	572.43	-2.31
Naphtha	644.65	-9.94
Resid	788.44	-4.35
Atlantic Sweet Crude	726.85	-6.59
Mediterranean Sour Crude	769.38	-3.23
PG/Asia Crude	782.02	-8.72
U.S.Pipeline Crude	590.17	-8.42

Platts Indexes reflect the value of baskets of various grades of crude and oil products with reference to a base period equal to 100, using average prices for the period Jul 1987-Dec 1988. Indexes have been published since July 1990. No adjustment is made for inflation. * = Jet Fuel Index based on Index value 2000 = 100%.



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Product Price Assessments

West Coast Pipeline

California		Los Angeles(a)	San Francisco(b)
c/Gal	Unl 87/84	+294.64-294.74+	+293.89-293.99+
	Prem Unl 91	-319.64-319.74-	-318.89-318.99-
	CARBOB Unl	-296.64-296.74-	-295.89-295.99-
	CARBOB Prem	-303.64-303.74-	-302.14-302.24-
	Jet Fuel	-318.30-318.40-	-318.30-318.40-
	ULS (EPA) Diesel	-306.30-306.40-	-302.55-302.65-
	CARB Diesel	-313.55-313.65-	-309.80-309.90-
\$/MT	180 cst	-720.00-722.00-	+710.00-712.00+
	380 cst	-690.00-692.00-	+680.00-682.00+
Differential to NYMEX			
	CARBOB	-10.05—9.95	
	CARBOB Paper 1-mo	-2.75—2.25	
	CARBOB Paper 2-mo	-1.00—0.50	
	Jet Fuel	10.45-10.55	
	ULS (EPA) Diesel	-1.55—1.45	
	CARB Diesel	5.70-5.80	

Other West

		Phoenix(e)
	CBG Unl	-296.89-296.99(e)
	CBG Prem	-303.89-303.99(g)

Southern California Rail Car Assessments

	Ethanol Prompt 7-14 days	+291.95-292.05+
	Ethanol Forward 15-30 days	+291.95-292.05+

North California Rail Car Assessments

	Ethanol Prompt 7-14 days	+291.95-292.05+
	Ethanol Forward 15-30 days	+291.95-292.05+

Northwest

		Portland (c)	Seattle (d)
c/Gal	Unl 87	-301.39-301.49-	-300.24-300.34-
	Prem Unl 91	-312.39-312.49-	-311.24-311.34-
	Jet Fuel		-318.30-318.40-
	LS (EPA) Diesel	-310.55-310.65-	-309.40-309.50-
	ULS (EPA) Diesel	311.55-311.65	310.40-310.50
\$/MT	180 cst	+728.00-730.00+	+688.00-690.00+
	380 cst	+698.00-700.00+	+658.00-660.00+

WEST COAST PIPELINE NOTES:(a)=84/91 octane RVP is 9.0; CARBOB RVP is 6.0; Clear reflects Arizona/Las Vegas specs. (b)= 87/91 octane RVP 7.8; CARBOB RVP is 6.0; Clear reflects Nevada specs. (c)=RVP is 7.8; (d)=RVP is 9.0; (e)=87 octane;(f)=84 octane; (g)=91 octane; (h)=92 octane; (j)=RVP is 7.0;

West Coast Waterborne

c/Gal	Unl 87	+293.64-293.74+
	Jet Fuel	-317.30-317.40-
\$/Bbl	Gasoil 0.05%S	-128.24-128.26-
	No. 6 0.5%S	-111.81-111.83-
	No. 6 1.0%S	-111.31-111.33-
	No. 6 2.0%S	-108.81-108.83-

Gas Liquids (c/Gal)

	Mont Belvieu	Conway	Other Hubs
Ethane/Propane	-76.950-77.050-	+55.950-56.050+	
Ethane Purity	-80.700-80.800-		
Propane	-151.850-151.950-	-142.900-143.000-	
Propane LST	-152.100-152.200-		
Normal Butane	-186.800-186.900-	-171.700-171.800-	
Butane LST	-176.800-176.900-		
Isobutane	-199.650-199.750-	-189.700-189.800-	
Isobutane LST	-199.650-199.750-		
Natural Gasoline		-228.400-228.500-	
Natural Gasoline LST	-247.000-247.100-		
Natural Non-Targa	-244.000-244.100-		
Natural Targa	-247.000-247.100-		
Bushon Propane			-143.000-143.100-
Hattiesburg Propane			-152.350-152.450-
River Natural Gasoline			-247.000-247.100-

US Renewable Identification Number

	Calendar-Year 2010	0.45-0.55
	RIN Calendar-Year 2011	-3.45-3.55-

Platts Euro denominated product assessments

Cargoes CIF NWE/Basis ARA (Euro/mt)		Barges FOB Rotterdam (Euro/mt)	
Nap Phy	686.08 - 686.44	Prem Unl	744.71 - 745.06
Jet	748.81 - 749.16	10 PPM	703.90 - 704.26
		Gasoil 0.1%	683.76 - 684.12
		3.5%	451.21 - 451.56

Cargoes FOB NWE(Euro/mt)	
1%	484.00 - 484.35

Conventional cargoes NY harbor (Euro/gallon)	
Unleaded 87	211.80 - 211.83
Unleaded 89	215.44 - 215.48
Unleaded 93	220.90 - 220.94
No. 2	216.79 - 216.86

Euro/US\$ forex rate: 1.4029 .Platts Euro denominated European & US product assessments are based on market values and a Euro/US\$ forex rate at 4:30 PM local London time.

Arab Gulf, FOB

\$/M T		\$/Bbl	
Naphtha	-930.72-931.72-	Kerosene	-127.16-127.20-
Naphtha LR2	-932.40-933.40-	Kerosene LR2	-127.17-127.21-
HSFO 180 cst	-648.04-648.08-	Gasoil 0.05%S	-129.19-129.23-
HSFO 380 cst	-643.77-643.81-	Gasoil 0.25%S	-127.54-127.58-
95 RON Unleaded	-124.81-124.85-	Gasoil	-126.64-126.68-
		Gasoil LR2	-126.66-126.70-

Asia

	C&F Japan	Singapore*	C+F Australia
\$/Bbl	Mogas Unl	-126.63-126.67-	
	Mogas 92 Unl	-124.34-124.38-	-128.63-128.67-
	Mogas 95 Unl	-127.61-127.65-	-131.90-131.94-
	Mogas 97 Unl	-130.11-130.15-	
\$/MT	MTBE	-1184.00-1186.00-	
	Naphtha	-962.25-963.25-	-104.66-104.70-
	Naphtha 30-45	-961.75-962.25-	
	Naphtha 45-60	-962.25-962.75-	
	Naphtha 60-75	-962.75-963.25-	
\$/Bbl	Jet Kerosene	-130.77-130.81-	-129.43-129.47-
	Gasoil	-132.39-132.43-	-134.05-134.09-
	Gasoil 0.05%S		-130.42-130.46-
	Gasoil 0.25%S		-129.62-129.66-
	Gasoil 0.5%S		-129.05-129.09-
	Gasoil 10ppm		-131.52-131.56-
	Gasoil 50ppm		-131.17-131.21-
	Gasoil 50ppm 0.5%		-1.83-1.87-
	Naphtha Pap. (Bal Month)		-104.53-104.57-
	Naphtha Pap.(AUG)		-104.98-105.02-
	Naphtha Pap.(SEP)		-105.38-105.42-
	Kerosene Pap.(Bal Month)		-129.81-129.85-
	Kerosene Pap.(AUG)		-130.36-130.40-
	Kerosene Pap.(SEP)		-130.81-130.85-
	Gasoil 0.5% Pap.(Bal Month)		-129.28-129.32-
	Gasoil Pap.(AUG)		-129.37-129.41-
	Gasoil Pap.(SEP)		-129.50-129.54-
\$/MT	FO 180 cst 2%		-688.92-688.96-
	HSFO 180cst	-676.60-676.64-	-663.92-663.96-
	180cst Disc/Premium		-0.65-0.69-
	HSFO 380cst		-659.66-659.70-
	HSFO 180cst Pap (Bal Month)		-663.98-664.02-
	HSFO 180cst Pap.(AUG)		-662.53-662.57-
	HSFO 180cst Pap.(SEP)		-660.08-660.12-
	Biodiesel FOB Southeast Asia**+1113.95-1114.05+		

*Singapore Naphtha priced in \$/Bbl; **Loadings in Southeast Asia normalized to Singapore, Pasir Gudang and Dumai

Indonesia

	FOB Indonesia	Spot prem/disc
\$/Bbl	LSWR Mixed/Cracked	-115.03-115.07-
		+15.98-16.02+

Asia Product Premium/Discount Assessments

	MOP* Singapore	MOP* Arab Gulf	MOP* Japan
Jet	-0.67—0.63-	1.63 1.67	
Gasoil 0.25%S	-0.28—0.32-	1.33- 1.37	
Gasoil Reg 0.5%	-0.29—0.25-	0.43 0.47	
380 CST	-4.48-4.52-	+4.29—4.25+**	
Naphtha	-0.05-0.15-		-8.25—7.75-
HSFO 180 CST		-10.75- 11.25-	
HSFO 380 CST		-10.75- 11.25-	
	MOP* West India (\$/mt)	MOP* West India (\$/barrel)	
Gasoline (92 RON)	1041.48	122.53	
Gasoline (95 RON)	1056.51	125.78	
Naphtha	932.55	103.62	
Jet kero	1007.08	127.48	
Gasoil (10ppm)	986.75	129.50	
Gasoil (500ppm)	956.20	128.35	
Gasoil (2500ppm)	950.24	127.55	

*Mean of Platts. **=Differential to FOB Arab Gulf HSFO 180 CST.

China

	South China FOB	South China, C&F	Hong Kong
\$/MT	Unl 90 RON	-1039.75-1043.75-	
	Unl 93 RON	-1055.00-1059.00-	
	Jet Kerosene		-1031.50-1035.50-
	Gasoil 0.2%		-973.25-977.25-
	Gasoil L/P 0.5%S		-968.50-972.50-
	Fuel Oil 180 cst		-686.00-687.00-
	Fuel Oil 380 cst	-669.22-669.42-	-679.50-680.50-
	Marine Diesel		-982.50-983.50-

Crude price assessments (\$/bbl)

International

Brent (AUG)	-116.46-116.48	Dubai (SEP)	-110.10-110.12	Brent EFP (AUG)	0.13-0.15	BRENT/WTI 1st	-21.78—21.80	MOG (AUG)*	-110.67-110.71
Brent (SEP)	-115.66-115.68	Dubai (OCT)	-110.28-110.30	Brent EFP (SEP)	0.10-0.12+	BRENT/WTI 2nd+20.49—20.51+		MOG (SEP)*	-110.87-110.91
Brent (OCT)	-115.60-115.62	Dubai (NOV)	-110.48-110.50	Brent EFP (OCT)	0.10-0.12+	BRENT/WTI 3rd+19.95—19.97+		MOG (OCT)*	-111.07-111.11
Brent (DTD)	-116.84-116.85	MEC (SEP)	-110.10-110.12	Dubai (AUG)*	-110.27-110.31	Oman (SEP)	-110.50-110.52		
NS Basket	-117.39-117.42	MEC (OCT)	-110.28-110.30	Dubai (SEP)*	-110.47-110.51	Oman (OCT)	-110.68-110.70		
DTD NSL	-116.84-116.85	MEC (NOV)	-110.48-110.50	Dubai (OCT)*	-110.65-110.69	Oman (NOV)	-110.88-110.90		

*Swaps

Oman/Dubai Swap (AUG)*	-0.38-0.42
Oman/Dubai Swap (SEP)*	0.38-0.42
Oman/Dubai Swap (OCT)*	+0.40-0.44+
Oman cash/OSP (SEP)	-0.54-0.58

North Sea

	Spread vs fwd DTD Brent	
NS DTD Strip	-116.06-116.07-	
BNB	-116.83-116.86	0.77-0.79
Forties	-116.83-116.86	0.77-0.79
Ekofisk	-117.90-117.93	1.84-1.86
Statfjord	-118.90-118.93	2.84-2.86
Oseberg	-118.00-118.03	1.94-1.96
Statfjord(CIF)	-118.90-118.93	2.84-2.86
Gullfaks (CIF)	-120.15-120.18	4.09-4.11
Flotta	-115.30-115.33	-0.76—0.74

London

	Brent CFD	Dated Swap
1wk (SEP)	1.17-1.19+	116.83-116.87
2wk (SEP)	0.74-0.76+	116.40-116.44
3wk (SEP)	0.34-0.36+	116.00-116.04
4wk (SEP)	0.04-0.06+	115.70-115.74
5wk (SEP)	-0.08—0.06-	115.58-115.62
6wk (SEP)	-0.15—0.13	115.51-115.55
7wk (SEP)	-0.17—0.15	115.49-115.53
8wk (SEP)	-0.18—0.16	115.48-115.52

Asia \$/Bbl

Brent (AUG)	-116.78-116.82
Brent (SEP)	-115.86-115.90
Brent (OCT)	-115.80-115.84
Brent(DTD)	-116.81

West Africa

	Spread vs fwd DTD Brent	
WAF DTD Strip	-115.61-115.62-	
Brass River	-116.51-116.57-	0.90-0.95
Forcados	-117.54-117.60-	1.93-1.98
Agbami	-115.69-115.75-	0.08-0.13
Escravos	-117.06-117.12-	1.45-1.50
Qua Ibo	-117.36-117.42-	1.75-1.80
Bonny Light	-117.29-117.35-	1.68-1.73
Girassol	-115.81-115.87-	0.15—0.20
Hungo	-113.16-113.22-	-2.50—2.45
Kissanje	-114.73-114.79-	-0.93—0.88
Angola DTD Strip	-115.66-115.67-	
Cabinda	-114.96-115.02-	-0.70—0.65
Nemba	-115.06-115.12-	-0.60—0.55
Dalia	-111.41-111.47-	-4.25—4.20

Canada

	Spread vs fwd DTD Brent	
Can DTD Strip	-115.53-115.54-	
Terra Nova	-116.53-116.64-	1.00-1.10
Hibernia	-116.73-116.84-	1.20-1.30
White Rose	-116.93-117.04-	1.40-1.50

Brent/Dubai	-5.76-5.78
WTI(AUG)	-94.93-94.97
WTI(SEP)	-95.42-95.46
WTI(OCT)	-95.94-95.98

Mediterranean

	Spread vs fwd DTD Brent	
MED DTD Strip	-115.85-115.86-	
BTC DTD Strip	-115.79-115.80-	
Urals (Rdam)	-115.05-115.11-	-0.80—0.75
Urals (Med)	-114.78-114.83-	-1.07—1.03
Urals FOB Ven	-113.96-114.02-	+1.89—1.84+
Urals FOB Novo	-113.87-113.92-	+1.98—1.94+
Urals FOB Novo 80KT	-113.62-113.67-	+2.23—2.19+
Urals (Primorsk)	-113.91-113.97-	+1.94—1.89+
Urals (RCMB)	-115.77-115.82-	
Iran Lt (Sidi)	-113.32-113.39-	-2.53—2.47
Iran Hvy(Sidi)	+111.27-111.34+	-4.58—4.52
Es Sider	-115.72-115.77-	-0.13—0.09
Siberian Lt	-116.10-116.16-	+0.25-0.30+
Saharan Bld	-116.03-116.08-	-0.18—0.22-
Azeri Lt	-119.42-119.47-	-3.63-3.67-
Azeri Lt FOB	-118.72-118.77-	-2.93—2.97-
Azeri Lt FOB 80KT	-118.52-118.58-	-2.73—2.78-
BTC FOB Ceyhan	-118.61-118.66-	-2.82—2.86-
Suez Blend	-111.93-111.98-	-3.92—3.88
Kirkuk	-114.96-115.01-	-0.89—0.85
Kumkol	-117.85-117.91-	2.00-2.05
Zarzitaine	-116.23-116.28-	-0.38-0.42-
Syrian Hvy	-112.38-112.43-	+3.47—3.43+
Syrian Lt	-116.18-116.23-	+0.33—0.37+
CPC Blend CIF	-116.20-116.26-	0.35—0.40
CPC Blend FOB	-115.40-115.46-	-0.45—0.40
CPC FOB 80KT	-115.17-115.23-	-0.68—0.63

Urals CFD

1mo(Aug)	-115.08/115.13-	—1.76/-1.72-
2mo(Sep)	-114.68/114.73-	—2.16/-2.12-

Asia-Pacific / Middle East spot crude assessments (\$/barrel)

	Assessment (Asian MOC)	Diffs (Asian MOC)	Diff to Dated Brent (Asian MOC)	Assessment (London MOC)		Assessment (Asian MOC)	Diff to ICP (Asian MOC)	Diff to Dated Brent (Asian MOC)	Assessment (London MOC)
Condensate					Medium (cont.)				
NW Shelf	111.93-111.97		-4.85	112.00	Minas	121.02-121.06	1.51/1.61	4.24	121.09
Ras Gas	112.37-112.41	1.85/1.95***	-4.41	112.44	Nile Blend	115.46-115.50	-4.05/-3.95	-1.33	115.52
Qatar LSC	111.17-111.21	0.65/0.75***	-5.61	111.24	Bach Ho	121.53-121.57	1.31/1.41*	4.74	121.59
South Pars	-109.37-109.41-	-1.15/-1.05***	-7.41	109.44	Widuri	117.28-117.32	0.98/1.08	0.49	117.34
Senipah	113.37-113.41	0.60/0.70**	-3.42	113.43	Daqing	115.68-115.72		-1.10	115.75
Light					Cinta	117.36-117.40	1.18/1.28	0.57	117.42
Cossack	119.05-119.09		2.27	119.12	* Differential to Bach Ho OSP				
Gippsland	118.47-118.51		1.69	118.54	Heavy				
Tapis	121.02-121.06		4.24	121.09	Dar Blend	-98.96-99.00-		-17.83	99.02
Belida	118.55-118.59	3.01/3.11**	1.77	118.62	Shengli	114.33-114.37		-2.46	114.39
Kutubu	121.00-121.04		4.21	121.06	Stybarrow	-123.20		6.39	123.24
Handil Mix	118.09-118.13	2.14/2.24**	1.30	118.15	Enfield	-123.88		7.07	123.92
Attaka	119.74-119.78	2.97/3.07**	2.95	119.80	Duri	114.70-114.74	3.85/3.95	-2.08	114.77
Vityaz Blend	-115.27-115.31-	4.75/4.85	-1.52	115.33	Vincent	-119.50		2.69	119.54
Ardjuna	118.18-118.22	2.50/2.60**	1.40	118.25	Spread vs OSP				
Sokol	118.17-118.21	7.45/7.55^	1.39	118.24	Murban	114.45-114.49	-0.05/0.05		
Kikeh	123.45-123.49		6.66	123.51	Lower Zakum	114.25-114.29	-0.05/0.05		
Miri Light	121.96-122.00		5.17	122.02	Upper Zakum	110.09-110.13	-0.05/0.05		
Labuan	121.88-121.92		5.10	121.95	Umm Shaif	113.85-113.89	-0.05/0.05		
** Differential to ICP, *** Differential to Dubai, ^ Differential to Oman/Dubai					Qatar Land	113.67-113.71	-0.40/-0.30		
Medium					Qatar Marine	110.37-110.41	-0.30/-0.20		
Nanhai	116.96-117.00		0.18	117.03	Banoco Arab Medium	110.07-110.11	-0.05/0.05		
Su Tu Den	-120.58-120.62-	-0.16/-0.06*	3.79	120.64	Al Shaheen	110.57-110.61	0.05/0.15*		
					* Differential to Dubai				

United States \$/Bbl

WTI (AUG)	-94.94-94.96	WTI EFP (AUG)	-0.01/ 0.01	Mars (AUG)	-108.99-109.01-	Mars/WTI (AUG)	14.04-14.06	PPlus WTI	+2.75-2.77+	Kern River	-102.06-102.08-
WTI (SEP)	-95.41-95.43	WTI EFP (SEP)	-0.01/ 0.01	Mars (SEP)	-109.01-109.03-	Mars/WTI (SEP)	13.59-13.61	P-5 WTI	91.66	Thums	-103.61-103.63-
WTI (OCT)	-95.87-95.89	WTI EFP (OCT)	-0.01/ 0.01	Mars (OCT)	-109.27-109.29-	Mars/WTI (OCT)	13.39-13.41	WTI-Delta	+0.63—0.61+	Line 63	-107.94-107.98-
Dated Brent	117.39/117.41									PPlus Line 63	1.49-1.51
Spread vs WTI					Spread vs WTI					Wyo.Sweet	
WTI Midland	-94.46-94.48-	-0.49—0.47		WTS(1st month)	-93.99-94.01-	-0.96—0.94			-90.44-90.46-	-4.51—4.49	
LLS (1st month)	-113.64-113.66-	18.69—18.71		WTS(2nd month)	-94.16-94.18-	-1.26—1.24		ANS (Cal)	-111.20-111.24-	15.71—15.73	
LLS (2nd month)	-113.91-113.93-	18.49—18.51		Poseidon	-108.99-109.01-	14.04—14.06		Basrah Lt	-109.01-109.03-	13.59—13.61	
HLS(1st month)	-113.89-113.91-	18.94—18.96		Eugene Island	-111.54-111.56-	16.59—16.61		Bonito	-111.54-111.56-	16.59—16.61	
HLS(2nd month)	-114.16-114.18-	18.74—18.76		Thunder Horse Bld	-114.44-114.46-	19.49—19.51		SGC	-107.59-107.61-	12.64—12.66	

Crude price assessments cont. (\$/bbl)

Spread vs 1st line WTI CMA		
Bakken ex-Guernsey	98.05-98.07	2.49—2.51
Bakken ex-Clearbrook	100.35-100.37	4.79—4.81
Americas Crude Marker (AUG)	107.59-107.61	
ACM (SEP)	107.61-107.63	
ACM (OCT)	107.87-107.89	

Americas Crude Marker assessed at the Americas market close at 3:15pm Eastern Time.

US domestic crude assessments London close (\$/bbl)

		spread
WTI (AUG)	94.67-94.69	-0.01/0.01*
WTI (SEP)	95.16-95.18	-0.01/0.01*
WTI (OCT)	95.64-95.66	-0.01/0.01*
LLS (AUG)	112.96-113.00	18.29/18.31**
LLS (SEP)	113.35-113.39	18.19/18.21**
MARS (AUG)	107.96-108.00	13.29/13.31**
MARS (SEP)	108.25-108.29	13.09/13.11**

WTI, LLS, and Mars assessments reflect value at 16:30 London Close.

*=Differential value at 16:30 London close. WTI EFP versus NYMEX light sweet crude futures.

**=LLS and Mars differentials versus same-month cash WTI.

Latin America Crude (\$/bbl)

		Spread vs WTI
Oriente	-101.41-101.53-	+6.00/6.10+
Vasconia	-107.11-107.23-	+11.70/11.80+
Roncador	-108.06-108.13-	+12.65/12.70
Escalante	-104.36-104.43-	+8.95/9.00
Loreto	-100.66-100.78-	+5.25/5.35+
CanoLimon	-108.11-108.23-	+12.70/12.80+
Mesa30	-107.61-107.73-	+12.20/12.30+
SantaBarbara	-112.86-112.98-	+17.45/17.55+
Marlim	-101.81-101.93-	6.40 /6.50
Napo	-97.41-97.53-	+2.00/2.10+
Castilla Blend	-99.41-99.53-	+4.00/4.10+

Canadian Spot Crude Assessments

	CDS/CM	US\$/bbl	Spread vs Canada Basis
Lloyd Blend	-459.36-459.97-	-75.56-75.66-	+20.00—19.90+
Mixed Sweet	-603.14-603.75-	-99.21-99.31-	+3.65-3.75+
Light Sour Blend	-577.30-577.91-	-94.96-95.06-	+0.60—0.50+
Midale	-557.85-558.45-	-91.76-91.86-	-3.80/-3.70
Condensates	-653.60-654.21-	-107.51-107.61-	+11.95-12.05+
Syn crude Sweet Blend	-634.45-635.06-	-104.36-104.46-	+8.80-8.90+
WCS	-460.88-461.49-	-75.81-75.91-	+19.75/-19.65+
Cold Lake	-447.20-447.81-	-73.56-73.66-	+22.00/-21.90+

*Canada Basis: See explanation at <http://www.platts.com/>

Daily Canadian Crude Posting Averages.

	CDS/CM	US\$/bbl
Par Crude	602.50-604.50	-99.10-99.43-
Mixed Lt. Sr	505.00-507.00	-83.07-83.40-
Bow River/Hardisty	472.00-474.00	-77.64-77.97-
Lt/Sr Cromer	578.75-580.75	-95.20-95.53-
Sr. Edmonton	555.33-557.33	-91.35-91.68-
Middale Cromer	565.00-567.00	-92.94-93.27-

Daily OPEC basket price (\$/Bbl)

08Jul	112.68	+1.92
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Effective June 16, 2005, the daily OPEC basket price represents an index of the following 11 grades: Algeria's Saharan Blend, Indonesia's Minas, Iranian Heavy, Iraq's Basra Light, Kuwait's Export, Libya's Es Sider, Nigeria's Bonny Light, Qatar's Marine, Saudi Arabia's Arab Light, Murban of the UAE and Venezuela's BCF 17.

Platts Euro denominated crude oil assessments (Euro/bbl)

Dated Brent	83.28-83.29	WTI (AUG)	67.48-67.50
Urals (Mediterranean)	81.82-81.85	Mars (AUG)	76.95-76.98

Euro/US\$ forex rate: 1.4029. Platts Euro denominated crude oil assessments are based on market values and a Euro/US\$ forex rate at 4:30 PM local London time.

Platts Futures Assessments Singapore MOC

NYMEX RBOB (cents/gal)

Aug	306.86
Sep	302.01
Oct	288.27

NYMEX heating oil (cents/gal)

Aug	305.96
Sep	307.16
Oct	308.55

Futures Settlements

	Settlement	Low	High	Change	Volume*	Open Interest
NYMEX Light Sweet Crude (\$/Bbl)						
AUG	95.15	94.14	96.75	-1.05	347999	241645
SEP	95.62	94.65	96.93	-1.08	131169	229238
OCT	96.11	95.16	97.02	-1.08	45367	79847
NOV	96.64	95.68	97.67	-1.08	32883	70679

Total volume 692799; PNT 38244

NYMEX No.2 Oil (cts/gal)

AUG	308.75	303.76	311.50	-0.89	62239	77971
SEP	309.82	305.00	312.53	-0.99	28032	51046
OCT	311.06	306.38	313.43	-1.11	13131	30477
NOV	312.62	307.96	313.87	-1.19	6465	24216

Total volume 128391; PNT 13635

NYMEX RBOB unleaded gasoline (cts/gal)

AUG	307.05	302.60	310.33	-2.21	50894	68710
SEP	302.49	298.30	305.76	-2.82	27375	52582
OCT	289.15	285.31	292.41	-3.10	11582	25670
NOV	285.61	281.77	288.50	-3.21	6154	14457

Total volume 113459; PNT 13775

NYMEX Natural Gas (\$/MMBtu)

AUG	4.288	4.182	4.338	0.08	86654	152570
SEP	4.277	4.179	4.330	0.07	47472	206245
OCT	4.302	4.200	4.350	0.07	34029	128508
NOV	4.447	4.348	4.492	0.06	25649	94281

Total volume 238817

DME Oman Crude (\$/bbl), **

SEP Asia	110.86			-1.28	1181	
SEP	111.36	110.24	112.20	-1.09	1573	4861
OCT	111.41	111.41	111.41	-1.10	1	112
NOV	111.61	111.61	111.61	-1.06	0	109
DEC	111.77	111.77	111.77	-1.03	0	200

Total volume 5574; PNT 4380

ICE/YPE Brent (\$/Bbl)

AUG	117.24	115.22	118.40	-1.09	217548	94931
SEP	116.46	114.51	117.56	-1.24	159515	199619
OCT	116.42	114.50	117.47	-1.21	70063	87376
NOV	116.53	114.63	117.56	-1.17	27554	41342

Total volume 597504; PNT 21792

ICE/YPE BWAWE (Brent Weighted Futures Average) (\$/Bbl)

AUG (1)	117.93
SEP (1)	117.37

BWAWE data refer to the previous business day.

ICE/YPE WTI (\$/Bbl)

AUG	95.15	94.16	96.60	-1.05	93873	56611
SEP	95.62	94.64	96.90	-1.08	44284	64119
OCT	96.11	95.13	97.06	-1.08	17016	35568
NOV	96.64	95.79	97.60	-1.08	11638	24562

Total volume: 213730

ICE/YPE Gasoil (\$/Mt)

JUL	958.75	952.00	974.25	-4.00	41597	47496
AUG	960.75	954.00	977.00	-5.75	101549	135506
SEP	962.75	956.25	978.75	-6.00	37498	107752
OCT	964.75	958.25	980.00	-6.00	11900	50449

Total volume 256285; PNT 11120

*Volume and open interest reflect prior trading day. PNT reflect volume for Privately Negotiated Trades or off-exchange; **Oman settlements are Post Close settlements

Platts Futures Assessments 3:15 pm ET

ICE Brent (AUG) US Close	116.88
ICE Brent (SEP) US Close	116.10

NYMEX light sweet crude (\$/barrel)*

Aug	94.95
Sep	95.42
Oct	95.88

NYMEX RBOB (cents/gal)*

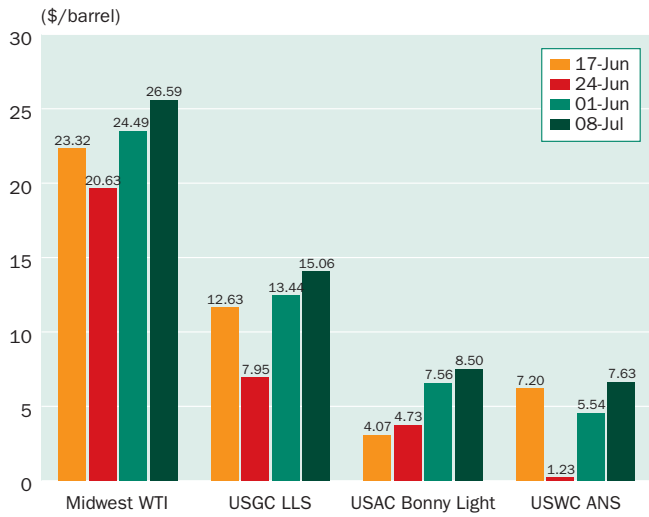
Aug	306.69
Sep	302.08
Oct	288.71

NYMEX heating oil (cents/gal)*

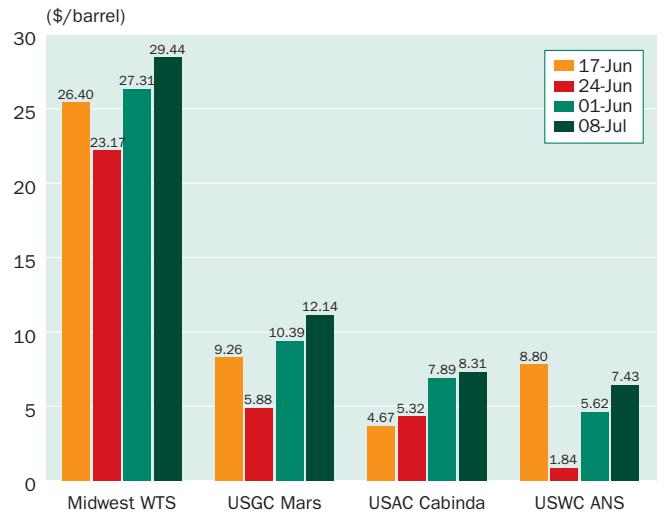
Aug	307.85
Sep	308.99
Oct	310.23

*These assessments reflect prevailing futures value exactly at 3:15 pm ET

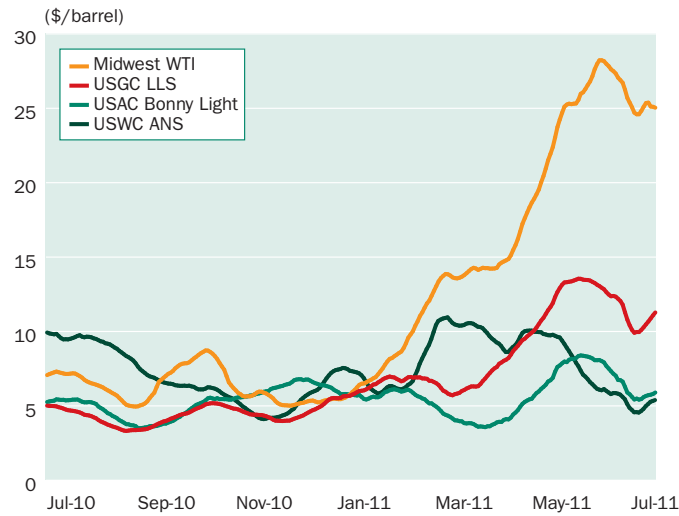
US Weekly Average Cracking Margins



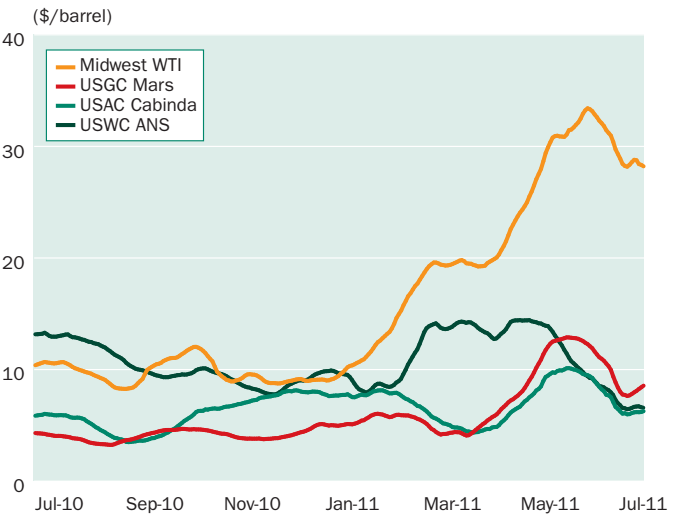
US Weekly Average Coking Margins



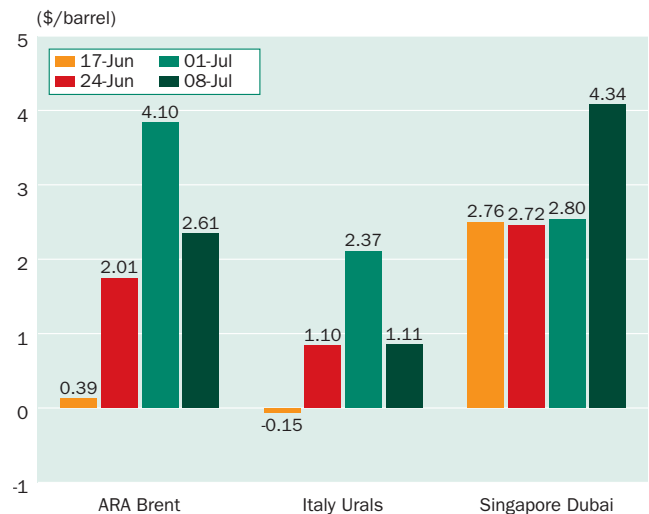
US Cracking Margins 30-day Rolling Average



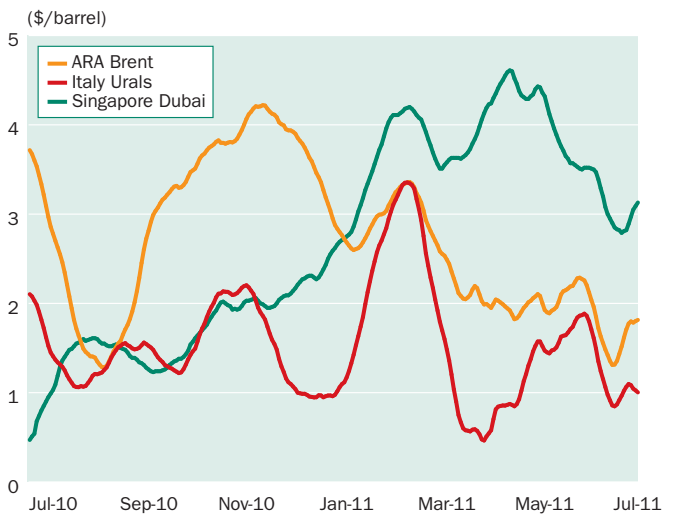
US Coking Margins 30-day Rolling Average



International Weekly Average Cracking Margins



International Cracking Margins 30-day Average



Source: Platts and Turner, Mason & Company. Refinery margins are derived from Platts daily spot assessments, and daily coking and cracking netbacks. For additional details, please contact Jeff Mower at jeff_mower@platts.com.

US Wholesale Posted Prices effective July 9

	Unleaded	Midgrade	Premium	Kerosene	Diesel No.2	Low Sulfur Diesel	ULSD
PADD1							
Albany, NY	303.10-316.30	308.75-321.15	323.10-333.40	346.85-371.30	311.00-340.35	-	321.82-329.05
Allentown	300.91-317.70	308.53-325.80	323.83-350.55	-	310.86-315.25	-	321.95-328.14
Atlanta	307.95-322.92	313.90-325.11	324.40-347.68	349.35-349.35	-	-	314.71-318.44
Baltimore (a)	312.06-329.20	319.48-340.52	328.95-361.25	338.00-343.38	306.80-310.66	-	316.30-320.00
Binghamton	308.39-309.35	315.85-318.09	328.35-341.50	-	315.02-318.98	-	325.10-333.04
Boston (a)	313.35-318.92	320.35-325.72	333.90-340.70	354.47-354.47	313.86-317.02	-	321.83-328.90
Charleston	301.65-304.60	307.49-314.45	322.10-331.55	338.48-338.48	-	-	321.27-325.30
Charlotte	306.06-309.61	314.07-324.31	325.30-344.89	-	-	-	316.77-319.49
Fairfax (a)	310.75-317.65	319.31-330.25	332.27-353.65	-	-	-	316.14-321.05
Greensboro	304.60-309.45	312.82-322.75	324.05-345.31	334.00-334.00	-	-	316.81-319.45
Miami	307.05-311.75	311.50-320.68	328.10-340.73	-	-	-	319.20-320.55
New Haven (a)	313.38-321.05	319.98-330.90	328.88-349.20	356.70-391.00	309.25-313.11	-	320.14-325.27
New York City (a)	315.30-319.95	321.80-327.95	333.05-341.35	-	311.95-316.96	-	323.48-332.16
Newark (a)	312.00-318.50	319.00-333.75	331.85-345.90	384.57-384.57	306.98-314.20	-	318.25-324.20
Norfolk (a)	311.75-324.05	317.25-331.40	327.75-347.44	342.39-342.39	-	-	317.64-320.81
Orlando	304.04-305.22	309.20-313.25	321.10-328.48	-	-	-	320.89-322.35
Philadelphia (a)	312.40-317.85	319.85-328.01	334.35-341.55	354.96-354.96	307.30-310.10	-	317.34-321.70
Pittsburgh	316.80-318.50	324.50-327.25	342.35-347.50	366.55-366.55	311.34-313.58	-	321.44-324.65
Providence	313.40-326.75	320.15-332.60	333.25-343.50	-	310.26-321.00	-	320.87-331.65
Portland	316.80-322.48	328.30-329.26	328.90-338.20	-	317.52-329.80	-	321.59-326.09
Raleigh	308.15-312.25	314.89-318.75	328.15-331.25	-	-	-	317.04-318.75
Richmond	311.38-317.53	320.95-329.39	336.00-347.35	337.00-337.00	-	-	316.85-319.68
Savannah	305.00-305.00	313.00-313.00	327.85-327.85	-	-	-	321.54-323.90
Spartanburg	299.95-312.33	305.45-312.88	316.95-324.09	-	-	-	316.20-320.41
Tampa	307.35-312.25	314.16-318.65	327.35-338.21	-	-	-	318.89-320.56
PADD2							
Cape Girardeau	305.02-312.00	312.94-316.15	323.65-347.35	-	-	-	321.74-333.55
Chattanooga	300.20-306.43	305.97-312.32	317.20-328.52	-	-	-	315.10-319.60
Chicago (a)	313.40-320.00	320.40-322.94	334.40-369.42	-	-	-	316.50-319.28
Cleveland	302.90-307.44	310.75-310.75	325.90-325.90	-	-	-	313.85-321.35
Columbus	298.00-310.66	306.00-318.66	323.00-332.41	-	-	-	316.25-319.83
Duluth	306.36-311.69	308.34-312.50	319.35-328.50	-	-	-	325.85-328.83
Des Moines	307.49-316.23	320.21-320.92	328.28-362.50	-	-	-	321.30-330.41
Detroit	308.30-317.79	317.10-317.88	334.10-358.38	-	-	-	312.60-326.13
Fargo	310.91-323.10	317.22-326.00	331.70-353.65	-	-	-	322.45-333.59
Green Bay	300.40-305.51	308.22-314.01	321.88-327.34	-	-	-	318.90-323.73
Indianapolis	297.00-307.58	301.10-315.08	319.05-333.45	-	-	-	315.35-326.13
Kansas City	310.05-313.40	315.76-330.53	321.38-337.13	-	-	-	320.86-325.45
Knoxville	299.65-306.67	305.42-309.37	314.20-326.20	352.35-352.35	-	-	315.34-319.79
Milwaukee	313.75-314.69	320.75-323.52	333.75-369.12	-	-	-	318.15-321.25
Minneapolis/St.Paul	304.25-310.55	305.75-312.05	318.25-330.05	334.00-334.00	-	-	320.25-326.38
Oklahoma City	305.25-311.75	315.35-319.25	326.35-341.45	-	-	-	319.65-324.00
Omaha	306.70-315.18	319.15-320.29	329.08-362.60	-	-	-	320.95-327.88
Sioux Falls	307.20-314.83	320.53-320.53	327.20-362.20	-	-	-	320.00-334.19
St.Louis	313.88-323.00	320.81-331.60	333.68/351.50	-	-	-	320.12-322.84
PADD3							
Albuquerque	309.00-314.75	318.00-323.25	327.00-332.75	-	-	-	323.15-336.90
Amarillo	306.45-313.10	321.45-322.85	335.10-335.10	-	-	-	319.65-320.65
Baton Rouge	303.90-307.55	317.55-318.90	328.90-331.55	-	-	-	314.85-316.25
Birmingham	307.60-309.54	314.10-318.95	326.60-339.25	373.40-373.40	-	-	314.76-319.50
Corpus Christi	306.01-307.10	313.53-315.60	326.01-327.10	-	-	-	315.65-316.95
Dallas/Ft.Worth (a)	313.05-314.25	319.47-324.45	338.13-344.25	-	-	-	315.16-323.55
Houston (a)	309.00-312.62	318.45-320.90	334.13-340.70	347.90-347.90	-	-	315.16-320.80
Little Rock	299.40-306.00	304.48-314.43	317.10-336.80	-	-	-	319.80-323.35
New Orleans	305.15-307.40	313.58-316.40	326.15-331.40	-	-	-	314.32-316.10
San Antonio	306.85-313.70	314.42-317.08	327.10-333.68	-	-	-	317.78-327.25
PADD4							
Aberdeen	310.75-319.42	326.95-326.95	331.75-344.13	-	-	-	324.85-334.02
Billings (b)	305.61-309.87	-	323.93-331.65	-	-	-	295.52-302.20
Casper (b)	297.05-297.05	-	316.85-316.85	-	303.93-308.50	-	-
Denver	292.79-311.80	301.70-320.25	312.59-329.90	-	-	-	314.82-324.50
Salt Lake City	296.26-307.00	304.18-316.25	315.07-325.50	-	-	-	310.07-316.50
PADD5							
Anacortes	309.25-309.25	318.25-318.25	327.25-327.25	-	-	-	308.45-312.85
Las Vegas (e)	301.00-301.00	311.00-311.00	321.00-330.00	-	-	-	310.00-323.50
Los Angeles(e)	301.00-301.75	309.50-310.00	317.75-319.50	-	-	-	315.70-318.50
Phoenix	288.00-309.00	294.00-310.50	300.00-329.00	-	-	-	305.50-316.00
Portland	306.25-308.25	315.50-320.25	322.25-326.25	-	-	-	306.75-313.00
SanFran-EBay (e)	299.75-300.50	308.75-310.50	317.75-320.50	-	-	-	316.50-317.96
Seattle/Tacoma	307.00-310.75	316.00-319.75	325.00-328.75	-	-	-	310.60-318.40
Spokane	300.86-305.75	308.88-315.75	319.87-325.75	-	-	-	317.75-325.00

All prices are provided by DTN. Discounts or temporary allowances offered by individual companies are not included in posted prices. Prices are unbranded unless noted. Prices are conventional gasoline unless noted. All prices in cts/gal. (a)=RFG. (b)=Branded postings (e)=CARB gasoline/No.2 oil

(Continued from page 6)

The market could start to see some support in the month of August from scheduled refinery turnarounds in countries like Vietnam, China and South Korea, the trader added.

Jet: NWE premium in check

Decent international supply has kept the Northwest European jet cargo premium in check despite the seasonal rise in demand, trade sources said Monday.

"Plenty of material is coming on arbitrage, buyers are taking the arbitrage barrel and that seems to keep a lid on it," a European cargo trader said.

"Suppliers knew a month ago what demand they had to meet and they have arranged enough to cover the increase," one airline buyer said.

The CIF NWE jet cargo premium has averaged \$92/mt premium to front-month ICE gasoil futures contract since the start of July. In June, the premium averaged \$91.22/mt, while in May the differential averaged \$99.24/mt, Platts data shows.

The highest premium Platts has assessed the CIF NWE cargo differentials since June 1 is \$93.50/mt, and the lowest was plus \$88/mt, Platts data shows.

Cargoes arriving from the Persian Gulf have been fulfilling much of the increased scheduled demand of the summer flying season, keeping a cap on differentials, sources said.

Traders said that around 1.3 million mt came to Europe in June and expected arrivals for July of around 1.6 million mt, market sources said.

"The fact we have very large arrivals in July, but people aren't really building much stock, says a lot about the strength of the demand," another trader said of the current market.

Asian demand lackluster

FOB Singapore jet fuel cargo differentials fell 5 cents/b to the year's low of 65 cents/b at the start of a new trading week, in line with the softer prompt balance July/August timespread in the paper market.

Three jet fuel cargoes changed hands during Platts Market on Close assessment process at Mean of Platts Singapore minus 70 cents/b. BP and Hin Leong bought into Glencore's offer for 100,000 barrels of jet fuel loading over July 26-30. Glencore sold two clips to BP and one to Hin Leong.

Demand for jet fuel in Asia remained lackluster but supplies continued to mount, given the still healthy crack spreads.

FOB Singapore jet crack spread against Platts' front-month cash Dubai assessment climbed to \$19.34/b, up 58 cents from Friday.

KPC awarded its sell tender for 40,000 mt of jet fuel loading August 2-3 to an unknown trader at a premium of \$1.80-1.90/b to Mean of Platts Arab Gulf jet/kerosene assessments on an FOB Kuwait basis. It is not immediately clear if KPC would offer more August-loading jet fuel, as demand for the product is still robust, said an industry source based in the Middle East.

Bahrain was heard to have also offered a 30,000-mt jet fuel cargo loading in early August. Platts' FOB Arab Gulf cargo differential, however, remained unchanged at plus \$1.65/b, as Vitol continued to offer a 100,000-barrel cargo of jet fuel loading July 26-30 at Mean of Platts Arab Gulf jet fuel assessments plus \$1.70/b.

Separately, India's MRPL has awarded its jet fuel tender for a 36,000-mt cargo loading August 23-25 from New Mangalore to Cargill at a discount of \$1.40/b to MOPS jet.

Blendstocks: Chicago ethanol stable ahead of Ag report

Chicago spot fuel ethanol opened the week mostly stable in Monday trade, as most market participants kept to the sidelines awaiting a key US Department of Agriculture report due Tuesday on the supply and demand conditions of the agricultural sector.

Platts assessed Chicago ethanol price at \$2.77/gal on Monday, up 2.5 points from its Friday assessment.

July corn futures on the Chicago Board of Trade settled 9 cents higher at \$6.81/bushel.

Corn prices staged a small recovery during the first week of July, after sharp declines were prompted by the last USDA report released on June 30, on renewed momentum of strong global demand, coupled with concerns of weather-related problems in crop production.

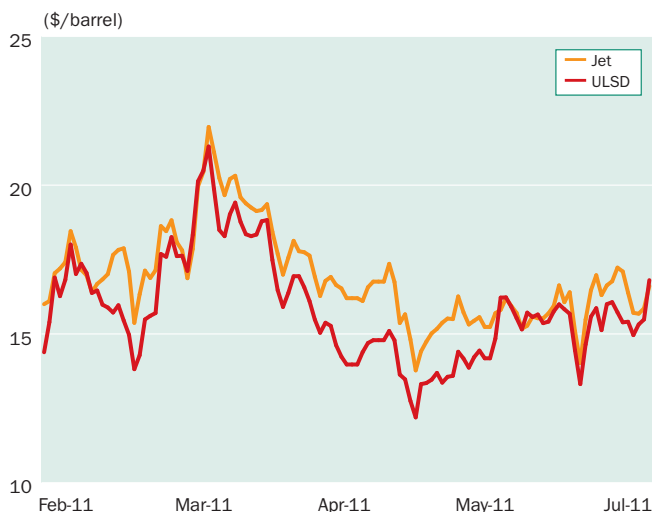
On June 10, corn futures reached a high of just under \$8/bushel, but by June 30 had slid back to \$6.15/bushel.

During the Platts Market on Close assessment process, Valero Energy sold 5,000 barrels of Chicago ethanol twice at \$2.77/gal, first to Vitol and then to Noble, and also bought a 25,000-barrel barge in New York Harbor from Global Energy at \$2.8725/gal.

Platts assessed New York Harbor Any-July at \$2.8725/gal on Monday, down 25 points from Friday.

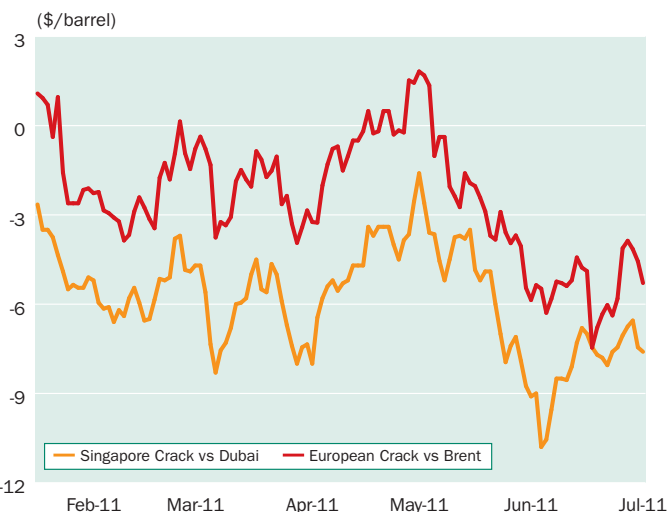
Morgan Stanley Monday said it expects a US Department of Agri-

European Barge Cracks vs Brent



Source: Platts

Naphtha crack spread swaps (1-month)



Source: Platts

culture report to prove bearish for agricultural markets with higher ending corn stocks and planted acreage.

USDA's World Agriculture Supply and Demand Estimates report is due to be released on Tuesday.

The bank in its pre-report comments added it further expects a muted response from markets in reaction to the report. Based on the USDA's quarterly stocks data, Morgan predicts a 41% year-on-year decline in March-May feed and residual demand, with a reduction of 50 to 100 million bushels from a current estimate of 5.15 billion bushels for the 2010/2011 marketing year.

"No other changes are expected for the 10/11 balance as ethanol production remains largely in line with expectations and although export sales continue to exceed USDA estimates, shipments are still lagging," it said.

For the 2011/2012 crop, the bank expects the USDA to revise acreage upwards to 92.3 million planted acres, and 83.2 million harvested acres.

Morgan's own estimates for planted and harvested acres remains unchanged at 91.5 million and 84.2 million acres, to account for futures downward revisions it expects in future USDA reports.

In exports, Chinese demand will likely warrant an upward revision to the 2011/2012 export estimates, with the recent purchases lifting current year and 2011/2012 imports by as much as 500,000 mt and 1.5 million mt, and frost in southern Brazil might push the USDA to lower its 2010/2011 Brazilian production figures to 55 million mt.

Current production has already surpassed 53 million mt.

Although there is a political possibility that the 45 cents/gal federal tax credit for blending ethanol might be eliminated by the end of July, current blending economics suggest ethanol production will not immediately suffer without a tax credit, sources said.

According to sources, USDA figures on raw corn use in producing ethanol do not provide an accurate estimate as some producers rely on using an industry-developed conversion ratio of 2.8 gallons per bushel of corn as compared to USDA's 2.74 gallon per bushel.

That has led to some questioning estimates of corn stocks dedicated to ethanol production, with the market poised for USDA's July 14 Feed Outlook report, which will contain 2010-2011 Q3 figures of corn stocks usage.

Ethanol in Brazil bottomed out?

Ethanol prices in Brazil may have already reached a bottom for the 2011-12 marketing year, data from Brazilian derivatives clearing house BM&F Bovespa shows.

BM&F's cash settled ethanol swaps point to a rise in ethanol prices to Real 1,277.50/cubic meter (\$786.85/cu m) in March 2012 from Real 1.172/cu m in July 2011.

The prices refer to duty-unpaid hydrous ethanol delivered at mills in the city of Paulinia, in the state of Sao Paulo.

Brazil's swap curve for hydrous ethanol follows the development of the sugarcane harvest in the center-south region of the country, which runs from April to December. Cane harvesting reaches full swing in July, when prices typically hit a bottom for the season.

A poorer-than-expected 2011-12 sugarcane harvest and heated demand for the biofuel held ethanol swaps about 40% higher than in 2010, when July paper was pricing at Real 821.50/cu m.

Ethanol values at the pump have also started to edge up after reaching lows so far for 2011 in June.

In the July 3-7 week, hydrous ethanol averaged Real 1.99/liter (\$4.82/gallon) at more than 8,000 filling stations polled by the national petroleum agency ANP, up over 4% from a month earlier.

On the average of June, ethanol prices at the pump jumped 25% year-on-year to Real 1.937/l from Real 1.537/l.

Asian naphtha extends losses

The Asian naphtha market extended losses Monday, continuing the downward momentum that started Friday.

The decline Monday was sharper, however, as the first-half Septem-

ber crack tumbled a steep \$10.31/mt to close the Asian trading session at \$93.47/mt, close to a one-week low.

The dip down came on determined offers tabled by BP during the Market On Close assessment process, with the trader's offers for two cargoes for delivery over H1 September CFR Japan at \$962/mt and \$963/mt lifted by Sietco and Noble, respectively.

For July, BP has stayed firmly on the selling side and has so far sold seven cargoes, or 175,000 mt for September delivery.

To date, 14 cargoes have changed hands during the Platts assessment process. This compares with 15 trades recorded for the whole of June, Platts data showed.

Trade sources said a combination of short covering efforts by trade participants and greater demand from North Asian end-users could have contributed to the increase in activity.

"The Koreans are buying—as compared to July when they needed 39 cargoes, for August it's projected that they will need 47 cargoes so that's quite a few more extra," a source said, adding that Japanese end-users were also engaged in private talks to secure spot volumes.

"It's only slightly constructive, but it definitely helps in clearing length, which doesn't hurt," the source said.

The contango structure in the physical cargo market was unchanged Monday, at minus \$1/mt for the H2 August/H2 September CFR Japan spread, even as a retreat was seen in the Japan swaps market.

The August/September and September/October intermonth spreads closed lower at minus \$3.50/mt and minus \$2/mt, respectively, from Friday's minus \$2.25/mt and minus \$1.25/mt.

In spot news, South Korea's KPIC Monday bought a 25,000-mt cargo of open spec naphtha, with a minimum paraffin content of 70% at parity to Mean of Platts Japan naphtha assessments, trade sources said Monday. The cargo is for delivery into Ulsan, over H2 August.

While fellow South Korean end-user Samsung Total last week bought a similar naphtha cargo at a discount of \$3/mt to MOPJ naphtha, that parcel was for H1 August delivery. With the Asian naphtha market now in a contango structure, cargoes for later delivery can command firmer prices.

Traders also said freight considerations as well as a shorter price counting basis of 30 days prior delivery, versus a basis of 45 days prior delivery, would have been factors in the firmer spot differential that KPIC paid for its cargo.

On the sell side, India's MRPL has sold a 35,000-mt cargo for loading from New Mangalore over August 28-30 to Totsa at a premium of \$12/mt to MOPAG naphtha.

Tankers: Failings heard in LR1s

LR markets in the East of Suez were slow Monday, with reports of failings heard in the LR1 segment.

Itochu was heard to have dropped the Energy Centurion for a Persian Gulf, West Coast of India-Japan voyage, loading July 16-17, at w127. It was also heard BP had failed the Energy Centaur for a cross Persian Gulf voyage.

According to sources the Marika was heard to be on subject for a prompt loading out of the Persian Gulf, with no details available. Most of the sources said the LR1 market was quiet.

A Japanese chartering source said that charterers have no incentive to use the LR2 vessels at the moment.

"[It is a] very small differential. Better to use LR1s [now] because

Corrections

In the July 11, 2011 Oilgram Price Report (prices effective July 8, 2011), Vol 89, Number 131, under Product Price Assessments, Chicago Pipeline, PBOB should have read: 348.59-348.69. Under Product Price Assessments, US Gulf Coast, 7.8 RVP Prem Unl 93 Waterborne should have read: 335.59-335.69, and 7.8 RVP Prem Unl 93 Pipeline should have read: 334.34-334.44.

of [fewer] load and discharging ports. So most of the job will be shifted to the LR1s," the source said.

Meanwhile, the source added that the supply of naphtha was continuing normally.

"We are seeing spot tenders every week ... [In fact], the trade flow has not decreased," the source said.

The LR1 rate on the benchmark Persian Gulf-Japan route was assessed at w120, a drop of w1 point. The LR2 market, one source said, was still stable around w120.

MRs in the Persian Gulf and West Coast of India market were flat in the w145s for moving a 35,000-mt cargo to Japan. The Singapore region saw many prompt ships available, while the North Asia market was very strong with charterers fixing ships two weeks ahead.

Trans-Atlantic freight rates nudged higher Monday, although it was unclear how strong the momentum was with only a smattering of new fixtures and cargoes reported.

Neste was widely reported to have placed the Torm Lene on subs at w160 for a July 15-17 Porvoo-US Atlantic Coast voyage, although sources said the rate was somewhat higher than could be expected for loadings in Western Europe. Neste declined to comment on reports of the fixture.

Spain's Repsol was also reported to be in the market, placing the Sanko Libra on subs at w155 for a North Spain-USAC voyage, loading July 16-18.

With the arbitrage to take gasoline from Europe to the US marginally open of late, owners were somewhat hopeful that the upward trend would continue.

Market strength was decidedly less evident in the Mediterranean and Northwest European markets amid a paucity of activity.

Owners, brokers and charterers almost universally pegged rates at around w140 for Med-Med voyages, while the NWE market was also softer, with sources pegging rates for UKC-UKC voyages for 22,000 mt cargoes at around w180-185.

VLCC down despite increased activity

East of Suez VLCC market fell slightly Monday, amid increased activity.

Most of the fixtures heard were on subjects in the w48-48.5s, while a broker said the Persian Gulf-East rate was around w49, except for vessels just out of the dry-dock taking w48.

ExxonMobil was heard to have taken the Asian Progress IV for a Persian Gulf-Japan voyage, loading July 23, at w48. China's Unipac had the Astipalaia on subjects for a Persian Gulf-China voyage, loading August 22, at w48.

Chinese charterers such as Glasford and Zhenrong had the Lu San and Jiu Hua San for a Persian Gulf-China voyages, loading July 22-24 and 25-26, respectively, at w48.5 each.

The benchmark Persian Gulf-Japan rate on the VLCC vessel was assessed at w48, a drop of w1 point.

No fresh fixtures were seen in the Suezmax market.

It was heard that Iplom had a 130,000-mt crude cargo for a Persian Gulf-Mediterranean voyage, loading July 21, which was yet to be placed on subjects.

From the Persian Gulf region, there was talk of Chinese charterer Tianbao placing the Four Bay on subjects for a Bandar Mashahr-East voyage, loading August 1, at w128.5.

There were very few new fixtures in the West of Suez dirty tanker market as players decided to test the waters before committing to any ships.

In the Mediterranean, rates for Aframax cargoes were static as the Minerva Zenia and Maratha were both fixed by Socar last Friday to load July 13 from Ceyhan at w90, basis 80,000 mt.

The Eagle Kangar, reported last week, and the Torm Margit failed to be fixed on Socar's account for July 13 and 14 loadings.

For Suezmaxes in the region, rates also remained static at w71 for cross-Med voyages and w74 from the Black Sea, as no significant or conclusive movements were reported.

"It seems that the July program in the Black Sea has been almost

completed, there might be a few stems remaining," a source said.

Rates for Baltic loading 100,000 mt fixtures were assessed down w2 to w96 as demand slowed in the region.

"I think it [rates] are still very date-dependent," a source said. "The next fixture is key, there is maintenance in Primorsk at the end of the month [which means there are] eight fewer stems [available for loading]."

NEWS

Debt worries weigh on oil futures

New York—New York Mercantile Exchange August crude futures settled \$1.05 lower at \$95.15/b July 11, reeling from macroeconomic concerns and falling under the weight of a lofty US dollar.

On ICE, August Brent settled \$1.09 lower at \$117.24/b. Earlier, the Brent contract lost more than \$3 to a session low of \$115.22/b as the US dollar shot higher.

NYMEX August heating oil settled 89 points lower at \$3.0875/gal and August RBOB settled 2.21 cents lower at \$3.0705/gal.

Analysts said a confluence of macroeconomic factors, including concerns over US and eurozone debt, weighed heavily on oil futures and most other commodities as the US Dollar Index on ICE traded as high as 76.156. By the NYMEX settle, the US Dollar Index was more than 90 points higher at 75.986, while the euro was 2.38 cents lower at \$140.26 against the dollar.

Analyst Mike Fitzpatrick of Kilduff Group said that "policymakers failure to reach an accord over America's onrushing debt limit deadline, bond vigilantes now putting Italy in their sights and acceleration in inflation and moderation in growth in China" raised skepticism over the sustainability of recovery.

The euro fell as the debt crisis in Europe threatens to hit Italy and Spain, analysts said.

Eurozone finance ministers began talks July 11 on a new rescue for Greece and also the severe debt crisis contagion in the EU's third and fourth biggest economies, Italy and Spain, according to AFP reports.

Energy analyst Tim Evans of Citi Futures Perspective noted that Spanish and Italian bonds traded at record premiums over German bonds July 11, "underscoring ongoing concerns regarding sovereign debt around the perimeter of the eurozone."

In addition, the ongoing negotiations over raising the US debt ceiling as well as the release of US retail sales remain on the radar of the market this week, said Evans.

Gene McGillian, analyst at Tradition Energy, said spread trading was a feature of the session as the WTI/Brent spread had large swings as it tracked US dollar moves.

The WTI/Brent spread traded above minus \$22/b during the session before settling at minus \$22.09/b. The previous trading day, the spread settled at \$22.13/b, near a record minus \$22.29/b reached on June 15.

McGillian added that the oil complex was also reeling from the fallout from last week's disappointing US employment report. The report showed an increase of 0.1 percentage point to 9.2% in US unemployment, while non-farm payrolls grew by only 18,000 jobs, according to the Bureau of Labor Statistics.

Weekly oil data from the US Energy Information Administration and the American Petroleum Institute should show a draw of about 2.1 million barrels in US commercial crude stocks for the reporting week ended July 8, analysts polled by Platts said July 11.

Crude imports should retreat after last week's surge while inputs to refineries are expected to edge higher. Crude imports jumped 976,000 b/d to 9.854 million b/d the week ending July 1, according to data from EIA.

A crude stock decline would be in line with seasonal tendencies. Refinery inputs are expected to inch up 0.3 percentage points to 88.7%, based on last week's EIA data.

Gasoline stocks are projected to build by 700,000 barrels. Refiners have kept gasoline yields at very high levels, meeting what has been fairly robust demand readings. Gasoline yields the week ending July 1 were about 61%, according to the EIA.

Stocks of middle distillates are expected by analysts to build 800,000 barrels. Such inventory building tends to begin at the end of the second quarter, but thus far, stocks of middle distillates have failed to increase.

High gasoline yields tend to cause collateral damage to middle distillates production.

Non-commercials added 20,780 contracts of Brent futures the week ending July 5, leaving them long 58,699 lots, according to data released by the IntercontinentalExchange July 11.

Non-commercials primarily comprise managed money accounts.

The additional buying by non-commercials coincided with a gain of around \$5/b in the front-month August Brent contract back above \$110/b to finish at \$113.61/b.

Commercials were net short 56,058 contracts of Brent futures, with swaps dealers net long 111,016 lots. Merchants, processors and end-users were net short 167,074 contracts of Brent futures.

Non-commercials added 2,124 contracts of gasoil futures and options combined, leaving them net long 28,307 lots as of July 5.

During the course of the reporting week the gasoil contract strengthened from \$890.75/mt to \$928.50/mt, having climbed as high as \$938.25/mt.

Commercials were net short 31,850 contracts of gasoil futures and options combined, with swaps dealers net long 136,336 lots and merchants, producers and end-users net short 168,186 contracts.—
Alison Ciaccio, Linda Rafield, with Geoff King in London

US looks to deliver some SPR crude

(continued from page 1)

Petroleum Reserve as directed by President Obama and fulfills the United States' obligation under the International Energy Agency response to offset the disruption in oil supply caused by unrest in the Middle East," DOE said in a statement.

Most of the successful bidders declined to comment on delivery schedules and their plans for the crude.

"I have not heard anything about advancing deliveries but just speaking for Valero, we would be amenable to working with their schedule and assume others would be as well," spokesman Bill Day said of DOE.

Day declined to say where Valero wants to send its barrels.

US SPR Release

Buyer	Share of release	Barrels purchased	Total price	Average price paid per barrel
Valero	22.5%	6,900,000	\$742,908,500	\$107.67
Vitol	13.1%	4,000,000	\$432,200,000	\$108.05
Shell	11.9%	3,650,000	\$392,358,000	\$107.50
ConocoPhillips	6.9%	2,100,000	\$224,958,000	\$107.12
Plains	6.8%	2,080,000	\$223,142,400	\$107.28
Hess	6.5%	2,000,000	\$212,550,000	\$106.28
Marathon	6.5%	2,000,000	\$213,100,000	\$106.55
ExxonMobil	4.9%	1,510,000	\$163,571,400	\$108.33
JP Morgan	4.9%	1,500,000	\$157,995,000	\$105.33
Sunoco	4.6%	1,400,000	\$149,492,000	\$106.78
Tesoro	3.9%	1,200,000	\$128,493,840	\$107.08
Trafigura	3.6%	1,100,000	\$116,820,000	\$106.20
Murphy Oil	1.6%	500,000	\$53,365,000	\$106.73
BP	1.6%	500,000	\$52,520,000	\$105.04
Barclays Bank	0.7%	200,000	\$20,995,200	\$104.98

Source: US Department of Energy

"We approach this like we would approach any other opportunity to purchase oil," he said. "We buy oil from all over the place, so it's one more supply for us, but it's not the major supply."

The US is selling the crude as part of the coordinated release of some 60 million barrels of oil from International Energy Agency member countries to help make up for the continued absence from world markets of Libya's oil exports.

Earlier July 11, IEA trimmed the estimated size of the global release to 59.833 million barrels, down 784,000 barrels from a previous figure of 60.617 million barrels.

In a revised breakdown of the IEA stock release, the agency cut its estimate of how much oil Germany was expecting to put on the market to 2.77 million barrels, down from a previous estimate of 4.201 million barrels. That revision outweighed an increase in the expected stock release from the US, which agreed to sell 640,000 barrels more than the 30 million barrels it originally announced.

The revised IEA breakdown shows that crude oil will account for 40.149 million barrels of this total and refined products the remaining 19.684 million barrels.

As well as the cut in the estimated German stock release, the revised figures show that South Korea's 3.467 million barrel release is expected to include 1.469 million barrels of refined products, and not consist solely of crude as first estimated.

The South Korean release is expected to include 1.169 million barrels of diesel and 300,000 barrels of gasoline, the IEA said.—*Meghan Gordon, with Richard Swann in London*

South Africa refinery workers start strike over wages

Cape Town—Some 70,000 South African refinery workers kicked off a strike July 11 over demands for a salary increase, their union said, prompting fears of fuel shortages in the country.

South Africa has a refining capacity of some 485,000 b/d, the second largest in Africa after Egypt, though it still needs to import some products to meet demand.

The strike comes after unions' pay demands were not met. "All of the refineries will shut and it will definitely affect the supply of fuel," a spokesman for the Chemical Energy Paper Printing Wood and Allied Workers Union said.

The spokesman said workers want a 13% pay rise, while employers in the sector are offering a 6% wage increase for this year. Other demands were job security, maternity leave of six months fully paid and a 40-hour working week without pay loss.

The South African Petroleum Industry Association, which represents the country's major refiners, said its member have individual contingency plans to respond to the strike.

Engen, which operates a 135,000 b/d refinery in Durban and 1,200 retail service stations across South Africa, has contingency plans in place to make sure customers are not affected by the strike, the company said July 11. "We have put contingency plans in place to mitigate against supply disruptions as far as possible," spokeswoman Tania Landsberg said. "It really is too early to tell what the impact will be at this stage."

In Cape Town, Chevron said it would work to ensure sufficient fuel supplies to its customers and its network of Caltex service stations, and would address any potential knock-on effects that may arise from the strike.

Company spokeswoman Suzanne Pullinger said Chevron's contingency plans include arranging for additional drivers to be available to transport fuel should it be required.

"We have taken precautions to prepare for this period and while nothing can be guaranteed, we feel confident that we are doing as much as possible to ensure an adequate supply of fuel products," Pullinger said.

BP and Shell, the 50-50 owners of South Africa's largest refinery, the 180,000 b/d Sapref plant, said there was no intention of shutting down the refinery during the strike.

Meanwhile, in Nigeria, the ports workers union said July 11 it would withdraw its members from the ports, including oil export terminals, if the government does not begin payment by July 14 of an agreed 200% salary increase.

The Maritime Workers Union of Nigeria, as an affiliate of the Nigeria Labor Congress (NLC), will have no option than to shut down the ports if the demand for the payment of the new minimum wage is not met, union chief Anthony Nted told Platts.

The NLC on July 1 issued a 14-day ultimatum to the Nigerian government and the 36 states of the federation to pay the new minimum monthly salary of N18,000 (\$120) failing which the congress said it would declare a general workers strike.

"For now nothing has been decided, until the outcome of NLC's NEC [national executive council] meeting tomorrow [July 12]," Nted said.

The ports workers' strike could mainly disrupt Nigeria's fuel import programs, where the oil-producing West African country had only recently upped its imports of kerosene to address lingering shortages in the domestic market.

By contrast, crude oil export programs at Nigeria's eight oil terminals are mostly handled by employees belonging to both the blue-collar Nupeng and white-collar Pengassan unions. But it is feared that the more radical Nupeng, an affiliate of the NLC, would likely join the strike once the central labor union declares.—*Jacinta Moran*

China's crude oil imports

(continued from page 1)

Meanwhile, China's inflation climbed to its highest level in three years in June, with the consumer price index jumping 6.4% year on year, far above the government's annual inflation control target of 4%. Rising prices have prompted the People's Bank of China to raise interest rates and reserve requirements several times in the last few months.

China's crude oil imports in the first six months of the year rose 7% year on year to 126.21 million mt, or an average 5.1 million b/d, the data showed.

The country paid an average \$110.19/b for its crude imports in June, compared with \$114.99/b in May and \$77.21/b in June last year.

Meanwhile, China's crude oil exports in June more than doubled to 270,000 mt, or an average of 66,000 b/d, the data showed. Crude oil exports in the first six months of the year rose 14.04% year on year to 1.3 million mt.

China's refined product imports in June rose 2.72% year on year to 3.4 million mt and imports in the first six months of the year were up 13.32% to 21.02 million mt, the customs data showed.

Oil product exports, meanwhile, fell 5.12% from last June to 2.04 million mt in June this year, and exports over January-June 2011 fell 8.5% year on year to 13.13 million mt.—*Calvin Lee, Mriganka Jaipurjyar*

Yemeni oil output plunges

(continued from page 1)

Nexen, operator of Yemen's Masila crude fields, said last month its operations were not affected by the crisis, which has forced other foreign operators such as Austrian OMV to shut in production.

Yemen has witnessed mass anti-government protests for the last six months against President Ali Abdullah Saleh, who has ruled the nation for 32 years and is currently in Saudi Arabia recovering from severe injuries he sustained in an attack on his palace last month.

Saleh late last month ordered the Yemeni government to secure the area around the Marib pipeline to allow for repairs, though latest reports suggest the pipeline is still inactive due to difficulties in accessing the area because of the risk of tribal violence.

The fuel crisis has led to long queues of cars at gasoline retail stations, where some motorists have had to wait a week to fill up. Shayef said the Saudi oil and imports of refined products were not enough to overcome the fuel shortages, noting that distribution problems were a contributing factor.—*Fuad Rajeh*

Refinery updates

Refinery: Philadelphia, Pennsylvania

Owner: Sunoco Inc.

Overall capacity (b/d): 330,000

Unit affected: Wet gas compressor associated with fluid catalytic cracker

Unit capacity (b/d): N/A

Duration: Wet gas compressor shut since Wednesday

Notes: A wet gas compressor associated with a fluid catalytic cracker that had an unplanned shutdown Wednesday remains offline, market sources said. It's not clear if this outage has affected the FCC operations, they added. According to a report by the Philadelphia Department of Health, the wet gas compressor linked to the 868 FCC began a "first stage" shutdown Wednesday because of vibrations detected at the FCC. The agency did not respond to an email seeking an update on the status of that development. There was some flaring and smoke associated with the flaring. Sunoco has declined to comment. "We do not comment on day-to-day refinery operations or the status of specific units. We start up and shut down processing units all the time for a variety of reasons, including planned maintenance, unplanned maintenance, or market conditions," Sunoco spokesman Thomas Golembeski said in an email.

Source: Market sources, Philadelphia Department of Health

Refinery: Prince George, British Columbia

Owner: Husky Energy

Overall capacity (b/d): 12,000

Unit affected: Crude distillation unit

Unit capacity (b/d): 12,000

Duration: NA

Notes: Husky's Prince George refinery is ramping up production, with full rates expected to be reached by Tuesday, Husky spokesman Graham White said in an email Monday. The refinery's throughput had been reduced 46% to 6,500 b/d Friday due to Pembina shutting its 50,000 b/d Western crude pipeline system in northern British Columbia on June 26 as a result of wet weather causing the pipeline to become exposed, Husky spokeswoman Carla Yuill said in an email Friday. Pembina said Monday it resumed operation of its Western pipeline after a 15-day outage.

Source: Husky Energy

Refinery: Vadinar, Gujarat, India

Owner: Essar Oil

Overall capacity (mt/year): 14 million

Unit affected: All

Duration: 35 days

India's Essar Oil said it will start the planned shutdown of its Vadinar refinery, in Gujarat on the country's west coast from September 18 for 35 days for a tie-in of new units. The Vadinar refinery has a nameplate capacity of 10.5 million mt/year, but has been consistently running at 14 million mt/year. The capacity is being expanded to 18 million mt/year (375,000 b/d). Refinery throughput in Q1 was 3.62 million mt, indicating capacity utilization of 135%.

Source: Company

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