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Argus Bitumen

Europe, Africa, Middle East and Asia-Pacific prices and commentary

Incorporating **Argus** *Asphalt Report*

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SUMMARY

Bitumen prices rose across much of Europe, as supply tightened in the north and fuel oil values firmed, while in Asia weak demand continued to weigh on the market, with Singapore and South Korean prices both down on the week.

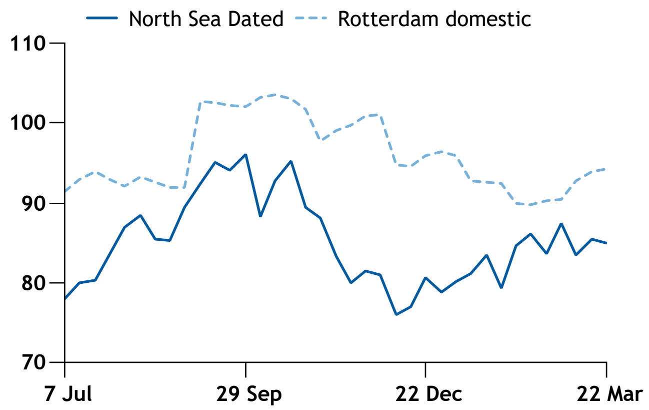
Disruptions at two French refineries continued to squeeze bitumen supply in northwest Europe, helping to push up Rotterdam and Baltic cargo differentials to fob Rotterdam high-sulphur fuel oil (HSFO) barges.

Mediterranean bitumen market activity and demand levels were starting to rise with warmer weather in many European markets, a factor that along with rising regional HSFO prices, pushed up domestic truck prices in some markets.

Price levels in most sub-Saharan African markets were broadly stable, although cargo values into west African terminals rose sharply, while there were some freight rate falls for container shipping movements into east Africa.

Singapore bitumen prices edged lower, as the southeast Asian market continued to see a lack of demand outlets, with only limited buyers seeking out April-loading cargoes. Several oil majors were still holding on to unsold April-loading volumes and some emerged on the *Argus* Open Markets (AOM) platform to seek out buyers.

North Sea Dated vs Rotterdam domestic *$/bl*



PRICES

Bitumen prices at key locations, 16-22 Mar				$/t
		Low	High	±
Export cargo prices fob				
Mediterranean		445.43	449.77	+29.05
Rotterdam		482.15	487.15	+26.00
Baltic		470.15	474.15	+26.00
Singapore		383.00	408.60	-6.70
South Korea		400.00	407.00	-5.00
Mideast Gulf		283.50	380.00	+9.75
Delivered cargo prices cfr				
North Africa	Alexandria, bulk	491.00	501.00	+32.00
East Africa	Mombasa, drum	430.00	440.00	+2.00
West Africa	Lagos, bulk	633.00	643.00	+29.00
East China coast		435.00	450.00	+5.00
Domestic prices				
Antwerp	ex-works	576	587	+2.00
Southern Germany	ex-works	522	533	-3.00
Hungary	ex-works	571	582	-3.00
Italy	ex-works inc tax	549	560	+8.00
Indonesia	ex-works	587.00	587.00	-3.00
Mumbai	bulk	499.00	502.00	-8.50

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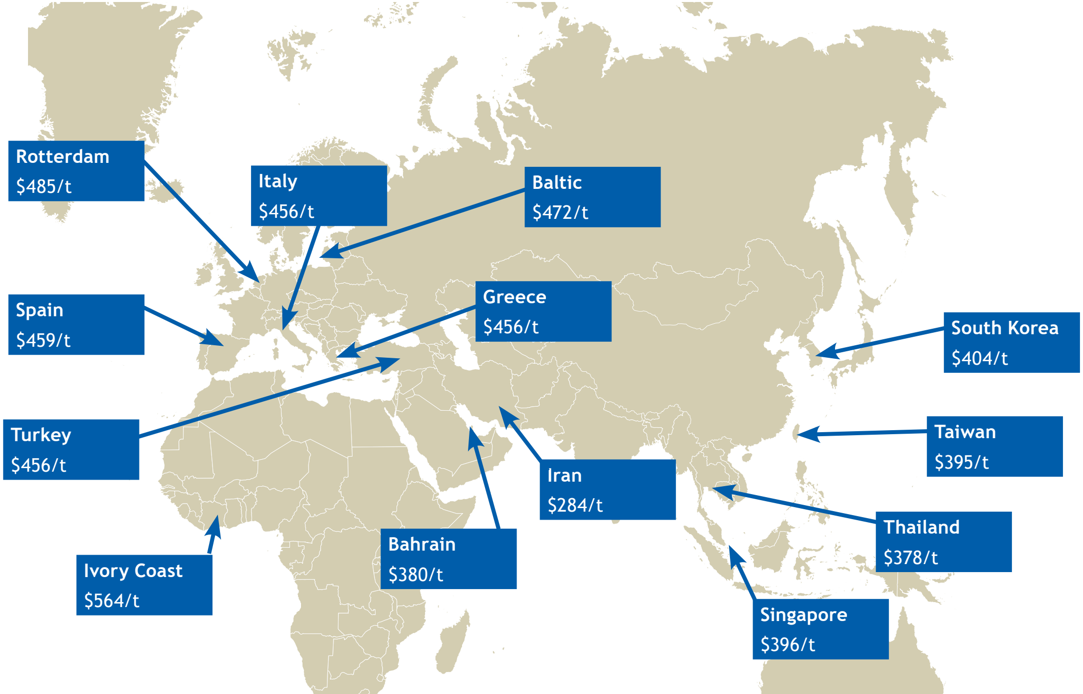
WATERBORNE BITUMEN PRICES, FOB



CARGO FLOWS

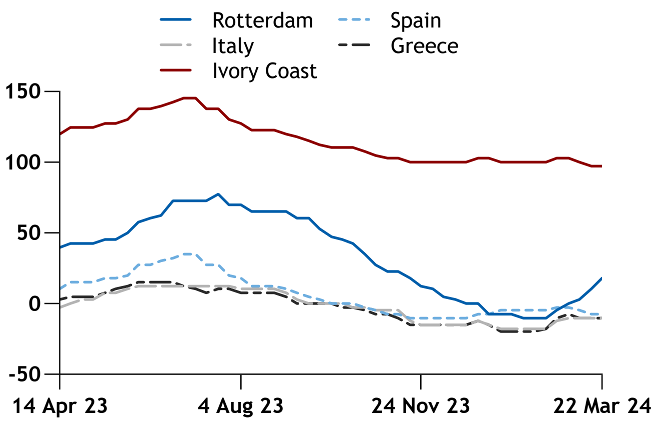
The 37,000 dwt *White Pearl*, loaded at Tarragona, Spain, was moving a cargo to Portsmouth, New Hampshire, on the US east coast, for 30 March arrival.

The 6,175 dwt *Iver Beauty*, also loaded at Tarragona, is on route to Takoradi, Ghana for 3 April arrival.

The 12,000 dwt Kemaman, Malaysia-loaded *Tasco Tara* is moving a cargo to Tauranga, New Zealand for 4 April arrival.

Europe and Africa cargo export differentials to HSFO	Low	High	±
			$/t
Mediterranean, basis Augusta	-20.67	-16.33	nc
Rotterdam, Netherlands	+15.00	+20.00	+7.50
Baltic	+3.00	+7.00	+7.50
Spain	-10.00	-5.00	nc
Italy	-12.00	-8.00	nc
Greece	-12.00	-8.00	nc
Turkey	-12.00	-8.00	nc
Ivory Coast	+95.00	+100.00	nc

Waterborne markets, differential to HSFO $/t



Europe and Africa cargo export differentials to crude	Differential to Ice Brent $/t	Differential to Ice Brent *$/bl*	±
Mediterranean, basis Augusta	-200.94	-13.58	+2.40
Rotterdam, Netherlands	-163.89	-7.58	+1.90
Baltic	-176.39	-9.60	+1.90
Spain	-189.94	-11.80	+2.40
Italy	-192.44	-12.206	+2.40
Greece	-192.44	-12.21	+2.40
Turkey	-192.44	-12.21	+2.40
Ivory Coast	-84.94	5.22	+2.40

Bitumen conversion factor t/bl 6.17 *Ice Brent conversion bl/t 7.53*

NORTH AND CENTRAL EUROPE MARKET COMMENTARY

Summary

Disruption at two French refineries continued to squeeze overall bitumen supply in northwest Europe (see news), pushing up Rotterdam and Baltic cargo differentials to fob Rotterdam high-sulphur fuel oil (HSFO) barges.

The halt to bitumen truck loadings at ExxonMobil's Port Jerome refinery in northern France mid-March ratcheted up regional supply restrictions, given the existing issues at TotalEnergies' Donges refinery on the French Atlantic coast.

ExxonMobil is also understood to have declared force majeure on at least two bitumen cargoes that were due to be loaded at Port Jerome in the late-March/early-April period, although the firm did manage to load one cargo onto the 6,165 dwt *An Hai Wan*, with that shipment heading to Antwerp, potentially to feed ExxonMobil's coker at its refinery there that has no bitumen production units, market participants said.

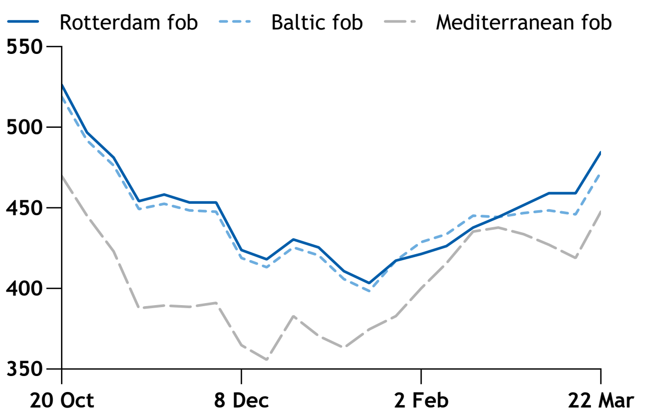
While the Donges refinery as a whole is not expected to restart before early-April, some bitumen production has gradually resumed, allowing a cargo to be loaded there on the 6,189 dwt *Iver Blessing* for shipments towards the Nordics.

While Shell's Pernis refinery turnaround through to mid-April was still not seen impacting bitumen production units there, the firm's significant commitment to term deals into Nordic buyers meant spot cargo availability remained scarce, forcing up assessed Rotterdam and Baltic fob cargo differentials to fob Rotterdam HSFO barges $7-8/t higher to $15-20/t and around $5/t premiums respectively.

The regional supply restrictions also pushed up spot prices for some inland sales, with domestic truck prices in France and Benelux markets assessed slightly firmer.

Recent drone strikes on Russian refineries were badly

Rotterdam v Baltic v Med (outright waterborne) $/t



North and central Europe bitumen prices, 16-22 Mar

	€/t			$/t		
	Low	High	±	Low	High	±
Domestic prices, ex-works						
Rotterdam, Netherlands	530	540	+5.00	576	587	+2.00
Antwerp, Belgium	530	540	+5.00	576	587	+2.00
Northern Germany	490	500	nc	533	543	-3.00
Northeast Germany	480	490	nc	522	533	-3.00
Southern Germany	480	490	nc	522	533	-3.00
Southwest Germany	485	495	nc	527	538	-3.00
Western Germany	490	500	nc	533	543	-3.00
Hungary	525	535	nc	571	582	-3.00
Romania	545	555	+55.00	592	603	+56.50
Poland	500	510	nc	543	554	-3.00
Czech Republic	435	450	-10.00	473	489	-13.50
Germany PMB (diff to Germany)	+140	+150	nc	+152	+163	-0.87
Germany PMB	625	645	na	679	701	-3.87
Export prices, ex-works						
Central Europe bitumen index	468	478	+1.00	509	520	-1.00
Poland-Romania (truck)	465	475	+5.00	505	516	+2.00
Hungary-Romania (truck)	525	535	+5.00	571	582	+3.00
Serbia-Romania (truck)	435	445	nc	473	484	-2.00
Austria-Romania (truck)	445	455	nc	484	495	-2.00
Germany-Poland (truck)	470	480	nc	511	522	-3.00
Hungary-Slovakia (truck)	470	480	nc	511	522	-3.00
Poland-Germany (truck)	445	455	nc	484	495	-2.00
Czech Republic-Germany (truck)	405	415	-45.00	440	451	-52.00
Rotterdam (cargo)				482.15	487.15	+26.00
Baltic (cargo)				470.15	474.15	+26.00
Domestic prices, delivered						
Southern UK *£/t*	465	475	nc	591	604	-4.00
Northern France	510	525	+2.50	554	571	nc
Central France	510	525	+2.50	554	571	nc
Volyn/Lviv region, Ukraine (truck) hryvnia/*t*	26,000	26,500	+750.00	667.98	680.82	+15.24

Crude and refined products, 16-22 Mar

	Low	High	Average	±
Ice Brent minute marker week range *$/bl*	85.50	87.31	86.128	+2.31
Fuel oil 3.5%S, fob RMG barge *$/t*	461.00	476.25	467.150	+18.50
Argus Brent Sour *$/bl*	82.64	82.70		-0.14
Vacuum gasoil 0.5%S cif cargo *$/t*	701.00	716.75		+18.88

Northern Europe cargo freight rates $/t

	Low	High	±
Rotterdam-Thames	30	35	nc
Hamburg-Thames	36	41	nc
Klaipeda-Thames	60	65	nc
La Coruna-Thames	49	54	nc

NORTH AND CENTRAL EUROPE MARKET COMMENTARY

affecting some such facilities, especially Lukoil's Volgograd refinery, which have impacted domestic supply.

UK/Ireland

Real-term cuts in local authority road maintenance budgets in England and Wales have caused a further deterioration in their road surfaces, UK asphalt industry body AIA said on 19 March (see news).

The steady deterioration of the road network contributed to a 43pc annual increase in the number of potholes reported by local authorities to have been filled in England and Wales during 2023-24, to an eight-year high of 2mn. In its survey conclusions, the AIA also said the "one-time catch-up cost" of bringing roads in England and Wales up to the standard enabling the network to be managed cost-effectively had jumped by 16pc to a new record high of £16.3bn.

Market participants said bitumen demand was starting to improve in the UK and Ireland as the weather has continued to get warmer, with second half March UK activity sharply up from the first half of the month.

UK delivered truck prices stayed assessed at £465-475/t.

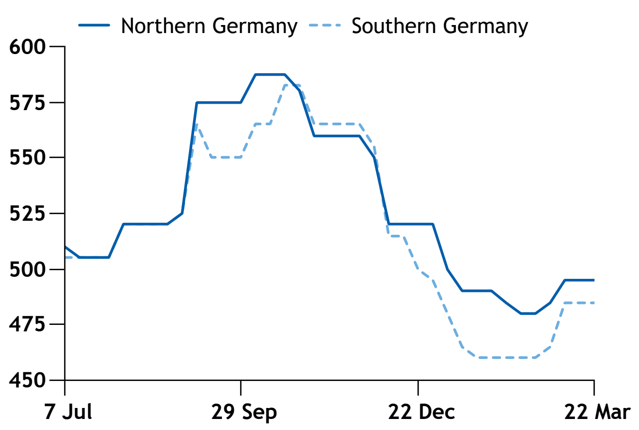
Two cargoes arrived at terminals on the Thames aboard the 6,314 dwt *Bithav* and 4,995 dwt *San Bacco* that were loaded at Rotterdam and Brunsbuettel respectively.

France

Warm and dry weather supported paving activity across France, while refinery disruptions limited supply, pushing delivered truck assessments in northern and central France €2-3/t higher to €510-525/t.

Delivered truck prices in southern France stayed assessed at €480-490/t as there remains plentiful Mediterranean bitumen supply.

Germany: North vs South $/t



The fire at the Port Jerome refinery and the subsequent halt to truck loadings of most grades of bitumen led one buyer to re-route term deal supplies from the south of the country to the north in order to avoid purchasing bitumen trucks on a spot basis.

Bitumen availability at TotalEnergies' Gonfreville refinery was also constrained, buyers said, indicating the refinery has yet to resume spot sales following the end of bitumen-focused planned maintenance there in mid-March.

According to CPDP data, French bitumen consumption in the first two months of the year was 135,000t, down 9pc from the same period of 2023, market participants said.

Benelux

Domestic truck prices across the Benelux region were assessed €5/t higher at €530-540/t ex-Antwerp and ex-Rotterdam as intra-month spot values rose with buyers looking to making up for supply shortfalls caused by issues at French refineries.

Enquiries for Benelux bitumen supplies into the French market continued to be strong for the same reason.

The 36,771dwt *Asphalt Synergy* was set to load a second large cargo at Agioi Theodoroi, Greece, for likely shipment to Antwerp, having delivered its first cargo of the year into Vitol's Antwerp terminal. The tanker left Antwerp in 18 March and was set to reach Gibraltar on 23 March on its way to Greece. Those flows have been helping to fill north European supply shortfalls, including in Benelux markets.

Germany

No week-on-week truck price changes emerged in Germany or for its exports to Poland.

Market participants said two out of three of Miro's shareholders did not have volumes of pen 70/100 available for loading at its Karlsruhe refinery, while truck queues were seen outside Shell's Godorf refinery after a technical issue briefly paused bitumen output there.

Bayernoil's Neustadt-Vohburg refinery remained in maintenance, with bitumen volumes set to resume in early April.

One market participant said a German buyer was seeking a Baltic-loaded bitumen cargo for delivery into a location near the Kiel Canal.

Czech Republic/Poland/Slovakia/Ukraine

Czech truck export prices to Germany were assessed €45/t lower at €405-415/t ex-works as Orlen sought to sell stored bitumen volumes ahead of its planned Litvinov refinery turnaround in April, market participants said.

NORTH AND CENTRAL EUROPE MARKET COMMENTARY

Czech domestic truck prices were assessed €10/t lower at €435-450/t ex-works, while Polish domestic truck prices stayed assessed at €500-510/t ex-works. Polish farmers set up roadblocks across most of the country on 20 March, making deliveries of bitumen difficult.

The first round of Slovakian presidential elections were set for 23 March, with some seeing the electoral process boosting activity and bitumen demand.

Ukrainian bitumen demand continued to be lacklustre due to lack of governmental funding and poor weather conditions. Ukrainian bitumen imports in the first 17 days of March amounted to 1,220t, mostly from Lithuania.

Orlen increased its export prices to Ukraine from its Plock refinery by €10/t to €460-465/t ex-works for pen 50/70 and 70/100. Independent Polish trading company Uni-Bitumen moved up its values for the Ukrainian market by €18/t to €521/t ex-Jaslo.

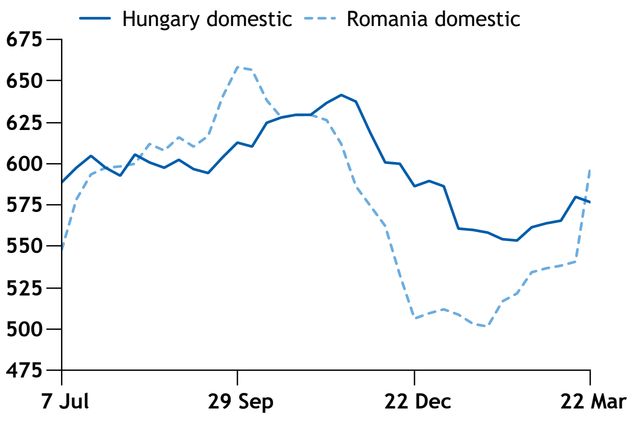
Domestic Ukrainian truck prices for Polish and Lithuanian bitumen in the western regions of Ukraine increased by 700-800 hryvnia/t to 26 000-26 500 hryvnia/t (€612-624/t) fca given the increase in import values coupled with the recent devaluation of the Ukrainian currency.

Prices for domestically produced bitumen in the central regions of Ukraine were flat on the week at 27,000-27,300 hryvnia/t (€636-643/t) ex-works.

Romania/Hungary/Balkans/Austria

Bitumen production restarted at Rompetrol's Vega refinery in Ploiesti, Romania, on 18 March, while market participants were told bitumen output would resume at the Burgas refinery in Bulgaria on 25 March.

Hungary and Romania domestic $/t



Bulgaria has been importing cargoes of Iraqi Basrah as well as Libyan and Egyptian crude grades after it halted imports of Russian Urals due to EU sanctions.

The Rompetrol restart, as well as cargo imports into Romanian Black Sea ports, were seen helping to build stocks ahead of strong anticipated activity and demand in Romania where multiple elections are to be be held this year. Rainy and cold weather for the time being restricted work in parts of the country, although southern Romania was busy with paving work.

Romanian domestic truck prices were assessed €55/t higher at €545-555/t ex-works as Rompetrol issued its first prices for this season, while Hungarian domestic truck prices stayed assessed at €525-535/t ex-works. Hungarian exports to Romania were assessed €5/t higher at €525-535/t ex-works. Polish exports to Romania were assessed €5/t firmer at €465-475/t ex-works.

There remained no Serbian or Austrian export flows to Romania, keeping those assessments unchanged.

The 5,897 dwt *Action* arriving at Constanta, Romania, with an Agioi Theodoroi, Greece cargo, while the 6,065 dwt *Fuji Lava*, loaded at Taranto, Italy was set to arrive at Galati on 24 March.

Nordics/Baltics

Suppliers pointed to a sharp rise in project activity in the Baltic states, drawing substantial truck volumes from Orlen Lietuva's Mazeikiai refinery in Lithuania, as well as regional storage terminals.

Truck prices from the Mazeikiai refinery stayed at €500/t ex-works for customers in the Baltic states, while lower prices were offered to importers in Ukraine.

The 11-25 March strike by the Central Organisation of Finnish Trade Unions (SAK), affecting Finnish ports, forced a Finnish bitumen importer to reschedule bitumen cargo deliveries at the country gears up for the impending start of its paving season (see news).

The importer said it had been able to re-arrange vessels to arrive after the end of the strike period, but said there are concerns about potential further strike action.

The 8,297 dwt *Stella Polaris*, loaded at Delfzijl, went on to deliver a part cargo into Norrkoping, Sweden after an initial delivery into Kolding, Denmark. The 4,972 dwt *Bitland* moved a cargo from Nynashamn to Sandarne, both in Sweden. The 4,900 dwt *Bitfjord* moved a Rotterdam cargo to Stavanger, Norway, arriving there on 20 March.

MEDITERRANEAN MARKET COMMENTARY

Summary

Mediterranean bitumen market activity and demand levels were starting to rise with warmer weather in many European markets, a factor that along with rising regional high-sulphur fuel oil (HSFO) prices, pushed up domestic truck prices in some markets.

Italian domestic truck prices were assessed €10/t higher at €505-515/t ex-works, including the €31/t tax on the sale of bitumen, while those in Greece rose by €20-25/t to €485-490/t ex-works and Turkish refiner Tupras raised its posted domestic truck prices by Turkish Lira 730/t ($19/t) to TL16,651/t ($516/t).

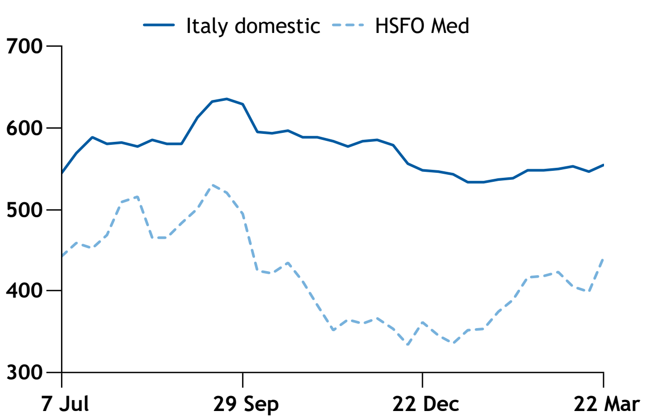
Spot demand for both cargoes and bitumen tankers was still fairly weak, keeping freight rates under pressure.

Differentials to HSFO remained steady and this was in part linked to hefty new Mediterranean HSFO price gains that also dramatically narrowed the fob Rotterdam HSFO barge premium to fob Mediterranean cargoes to around $1/t from $11-12/t in the previous week. That made it difficult to justify spot cargo flows from south to north to help meet supply shortfalls into northwest European and Scandinavian markets caused by French refinery stoppages.

Spanish fob cargo discounts to fob Mediterranean HSFO cargoes stayed assessed at $5-10/t, with Greek, Turkish and Italian exports all remaining in the same assessed range around $10/t fob discounts. With fob Rotterdam and Baltic cargo differentials to fob Rotterdam HSFO barges strengthening, that at least gave some encouragement to potential arbitrage flows from the Mediterranean to northern Europe.

But Mediterranean supply continues to far outstrip bitumen requirements within the region, with some tanker movements made to the US and west Africa, as well as northwest Europe.

Italy domestic and Mediterranean HSFO fob cargoes $/t



Mediterranean price index			$/t
	Low	High	±
Mediterranean fob (Augusta)	445.43	449.77	+29.05
Differential to HSFO	-20.67	-16.33	nc

Mediterranean bitumen prices, 16-22 Mar	*Local currency/t*			*$/t*		
	Low	High	±	Low	High	±
Domestic prices, ex-works						
Italy, including tax	505	515	+10.00	549	560	+8.00
Southern France (delivered)	480	490	nc	522	533	-3.00
Spain	565	575	nc	614	625	-3.00
Izmit, Turkey	16,651	16,651	+730.00	516	516	+19.00
Izmir, Turkey	16,651	16,651	+730.00	516	516	+19.00
Batman, Turkey	16,651	16,651	+730.00	516	516	+19.00
Kirikkale, Turkey	16,651	16,651	+730.00	516	516	+19.00
Export prices, fob *$/t*	Differential to HSFO					
Italy	-12.00	-8.00	nc	454.10	458.10	+29.05
Greece	-12.00	-8.00	nc	454.10	458.10	+29.05
Spain	-10.00	-5.00	nc	456.10	461.10	+29.05
Turkey	-12.00	-8.00	nc	454.10	458.10	+29.05
Delivered cargo prices, cfr						
Alexandria, Egypt				491.00	501.00	+32.00
Ghazaouet, Algeria				499	509	+33.00
Rades, Tunisia				496	506	+33.00
Economics				Mid		±
Bitumen's value as a fuel oil blendstock *$/t*				399.733		+37.69

Crude and refined products, 16-22 Mar	Low	High	Average	±
Fuel oil 3.5% 0.998 fob	460.50	475.50	466.100	+29.05
Basrah Heavy fob Med *$/bl*	76.29	76.35		-0.26
VGO 0.5% west Med cif *$/t*	707.75	723.75		+22.25

Mediterranean cargo freight rates			$/t
	Low	High	±
Augusta-Mohammedia	62	65	-2.00
Tarragona-Mohammedia	43	46	-2.00
Augusta-Alexandria	48	51	-0.50
Augusta-Tunis-Rades	38	42	nc
Livorno-Tunis-Rades	41	44	nc
Tarragona-Gazaouet	41	45	nc
Aspropyrgos-Corinth-Agio Theodori-Alexandria	37	39	-0.50

MEDITERRANEAN MARKET COMMENTARY

The 37,000 dwt *White Pearl*, loaded at Tarragona, Spain, shipped its cargo to Portsmouth, New Hampshire, on the US east coast, while the 6,175 dwt *Iver Beauty*, also loaded at Tarragona, moved its cargo to Takoradi, Ghana.

Shipments bound for northwest Europe, in part responding to refinery issues at ExxonMobil's Port Jerome refinery and TotalEnergoes' Donges refinery, included one on board the 6,115 dwt *Ping Hai Wan* that was loaded at Agioi Theodoroi, Greece, before sailing to Bayonne on France's Atlantic coast. The 6,118 dwt *Ning Hai Wan* shipped another cargo to Bayonne, having been loaded at Huelva, Spain.

The 6,123 dwt *Xing Hai Wan*, loaded at Agioi Theodoroi, was passing Gibraltar, with its destination so far undisclosed, while the Izmit, Turkey, loaded 21,500 dwt *Baltic Narval* was making another regular shipment to northwest European import terminals. The 36,771 dwt *Asphalt Synergy* returned was expected to load another large cargo at Agioi Theodoroi after making a delivery into Vitol's Antwerp terminal in Belgium.

Shipping market players said the Mediterranean region was still long on ships, with a lack of spot tanker requirements, partly because of the Ramadan Islamic fasting month affecting some buying. Cross-Mediterranean freight rate assessments fell $2/t for Augusta-Mohammedia and Tarragona-Mohammedia routes to $62-65/t and $43-46/t respectively, while other regional routes were either assessed unchanged or with slim declines.

Algeria/Morocco/Tunisia

Market participants said there were strong levels of construction activity and import demand in Algeria, with one estimating total March cargo imports into Algeria will amount to 70-80,000t, with Ramadan not causing any construction sector slowdown so far.

Delivered cargo premiums to fob Mediterranean HSFO into Algerian and Moroccan terminals were indicated from the high $30s/t up to the $45/t.

While Algerian state-owned Sonatrach was set to redeliver the 8,021dwt *Poestella* back to its owners at the end of March when its time charter period ends, market participants were awaiting confirmation that the firm had secured another bitumen tanker under a fresh time charter arrangement. Sonatrach also runs two of its own bitumen tankers, the *Ain Zeft* and the *Ras Tomb*, both 4,999dwt vessels.

Diring the week ending 22 March, the 6,187 dwt *Iver Best*, loaded at Agioi Theodoroi, shipped a cargo to Annaba, Algeria, while the 8,021 dwt Augusta, Sicily, loaded *Poestella* was waiting to unload its cargo at Skikda on 22 March.

The 8,353 dwt *Castillo de Pambre* delivered a Tarragona, Spain, cargo into Mohammedia, Morocco, while the 5,897 dwt *Iver Accord* made a part-cargo discharge into Gabes after an initial delivery into Sousse, both in Tunisia.

Egypt/Libya

The EU announced an $8.06bn aid package and an upgraded relationship with Egypt on 17 March.

The proposed funding includes $5.45bn in concessional loans and $1.96bn of investments, according to a summary of the plan published by the EU. The deal comes on top of the recent agreement between Egypt and the International Monetary Fund (IMF) where the terms of that $8bn loan stipulated lower spending on infrastructure.

There was still no market optimism of any near-term resumption of cargo imports by state-owned EGPC into its Alexandria terminal.

There were no fresh cargo deliveries into Libyan ports, with the last discharge made into Tripoli on 24 February.

Spain/Portugal

Spanish domestic truck prices stayed assessed at €565-575/t ex-works, while Spanish fob bitumen cargo differentials to fob Mediterranean HSFO cargoes were still assessed at discounts of $5-10/t.

MEDITERRANEAN MARKET COMMENTARY

Numerous cargoes were exported from Tarragona, Huelva and La Coruna throughout the week, feeding demand in Morocco, Portugal, France, the US and west Africa. More cargoes were likely to be exported over the 23-24 March weekend with the 9,230 dwt *Asphalt Teranga* and the 7,066 dwt *Herbania* both waiting on 22 March to load at Tarragona.

The latest statistics from Spain's strategic reserve body Cores showed consumption of asphalt products was 42,824t in January, down nearly 10,000t from the same month last year.

The 6,239 dwt *Iver Brilliant* shipped a cargo from the Spanish Atlantic refinery and terminal at La Coruna to Lisbon, Portugal. Around 21,000t of bitumen has been exported from La Coruna since the flows were resumed in February, according to Vortexa.

Italy

Italian domestic truck prices were assessed €10/t higher at €505-515/t ex-works, including the €31/t tax on bitumen sales, while Italian fob bitumen cargo discounts to fob Mediterranean HSFO cargoes stayed assessed at around $10/t.

Market participants pointed to gradually improving seasonal demand thanks to better weather conditions.

A fluid catalytic cracker at Eni's Sannazzaro refinery remained offline after it was shut on 12 March due to a potential catalyst problem, according to market sources in the region, but bitumen production has remained strong there, recently being ramped up to around 1,000t/day. One market participant said bitumen stocks at Livorno have almost been exhausted after the refinery was permanently shut, but the 6,180 dwt *Iver Balance,* understood to be under time charter with Eni, was waiting outside Livorno on 22 March.

The latest data from Italian industry body Unem showed bitumen consumption was provisionally 101,000t in February, up 1,000t from February 2023. Bitumen consumption in the first two months of the year reached 199,000t, up 7.6pc from 185,000t consumed in first two months of 2023.

The 8,476 dwt *Black Shark* moved a cargo from Augusta to Naples, arriving 22 March, while other Augusta loading vessels made shipments to Algeria. The 6,065 dwt *Fuji Lava* shipped a cargo from Taranto to Galati, Romania, for 24 March arrival, while *The Amigo*, a 14,911 dwt vessel, was waiting to load outside Taranto after returning from deliveries in South America.

Greece

Greek fob bitumen cargo differentials to fob Mediterranean HSFO cargoes stayed assessed at discounts of around $10/t, while domestic truck prices increased from €466/t ex-works at the start of the week up to €488/t ex-works by 22 March, according to a government website.

Numerous cargoes were exported from Agioi Theodoroi, with the 5,897 dwt *Action* and 6,115 dwt *Ping Hai Wan* moving bitumen to terminals at Constanta, Romania, and Bayonne, France.

Turkey

Tupras raised its posted domestic truck prices to Turkish Lira 16,651/t ($516/t) with effect from 20 March, an increase of TL 730/t ($19/t).

Turkish fob bitumen cargo discounts to fob Mediterranean HSFO cargoes stayed assessed at around $10/t.

Numerous vessels were waiting to load at Izmit for extended periods of time. The 19,928 dwt *T.Aylin* finished loading there on 16 March, although the tanker has largely been moving its cargoes between Tupras terminals with internal Tupras product transfers. The 21,500 dwt *Baltic Narval* departed from Izmit on 20 March, although its destination was so far undisclosed.

The 45,986 dwt *Bitu Atlantic* was waiting to load at Izmit on 22 March, having arrived there two days earlier.

One market participant said a resumption of bitumen cargo exports of Iraqi bitumen trucked into terminals in southern Turkey could resume quickly if export demand picks up, although much will also depend on on evolving export price levels and the state of the Turkish construction season and domestic bitumen requirements.

SUB-SAHARAN AFRICA MARKET COMMENTARY

Summary

Price levels in most sub-Saharan African markets were broadly stable, although cargo values into west African terminals rose sharply, while there were some freight rate falls for container shipping movements into east Africa.

South African demand began to slow as local constructors started the Easter break, while there were more signs of a slippage in Nigerian bitumen requirements after recent sharp gains in domestic truck prices.

West Africa

A number of shipments, including spot cargo volumes, continued to be made into Nigeria and other regional destinations like Ghana and Sierra Leone, although bitumen requirements have eased into the key Nigerian market in recent weeks.

A surge in cargo prices did little to encourage west African buying, although market participants in Nigeria said there had been a modest retreat in local Naira truck prices after huge gains following the country's devaluation of its currency at the end of January.

Spanish cargo discounts to fob Mediterranean high-sulphur fuel oil (HSFO) cargoes were assessed unchanged at $5-10/t on a fob basis, while Ivory Coast fob cargo premiums to the Mediterranean HSFO values were also assessed in an unchanged $95-100/t range. Freight rate assessments for Spain to Nigeria 5,000t cargo movements on bitumen tankers were assessed $5/t down at $185-195/t, after one unconfirmed indication around $150/t. Assessed rates from Ivory Coast to Nigeria and Ghana were $2/t and $1/t down respectively at $57-61/t and $40-45/t.

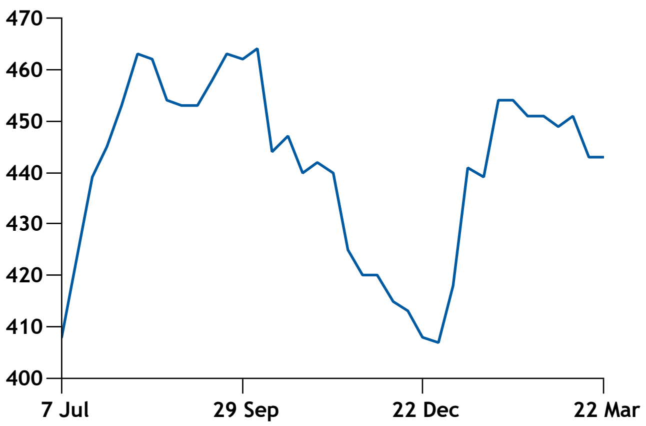
The week's hefty HSFO gains however forced up indicated values for delivered prices into Nigerian and Ghanaian import terminals to around $635-640/t and $610/t respectively after trading firms had been pointing to some cfr Nigeria discussions around the $600/t level.

One cargo bid for imports into Nigeria was as low as fob Mediterranean HSFO plus $40/t cfr, far below what market participants viewed as likely deal values for standard 5,000t spot cargoes.

The 45,986dwt *Bitu Atlantic* sailed back to the Mediterranean after its latest deliveries into west African markets, the last of them into Dakar, Senegal, earlier in March, with the tanker set to load its next cargo at Turkish refiner Tupras export terminals at Izmir and Izmit after arriving at the latter location on 20 March.

The 11,406dwt *Biskra* was located off Freetown, Sierra Leone, after making a part-cargo discharge there following an earlier delivery into into Conakry, Guinea.

Tanzania, cfr Dar es Salaam drums $/t



Sub-Saharan Africa bitumen prices, 16-22 Mar

	Local currency/t Low	Local currency/t High	±	$/t Low	$/t High	±
Domestic prices, ex-works						
South Africa	12,600	13,000	nc	668	689	-6.50
Import/export prices						$/t
Ivory Coast, fob Abidjan (export, cargo)				561.10	566.10	+29.05
Nigeria, cfr Lagos (import cargo)				633.00	643.00	+29.00
Ghana, cfr Takoradi-Tema (import, cargo)				603	613	+31.00
Kenya, cfr Mombasa (import, drums)				430.00	440.00	+2.00
Tanzania, cfr Dar es Salaam (import, drums)				438	448	nc

Africa freight rates $/t

	Low	High	±
Abidjan-Lagos-Warri-Port Harcourt (cargo)	57	61	-2.00
Abidjan-Takoradi-Tema (cargo)	40	45	-1.00
Tarragona-Lagos-Warri-Port Harcourt (cargo)	185	195	-5.00
Bandar Abbas/Jebel Ali-Mombasa (drums)	85	100	nc
Bandar Abbas/Jebel Ali-Dar es Salaam (drums)	95	105	-2.50
Bandar Abbas/Jebel Ali-Djibouti (drums)	145	155	-15.00

Nigeria/Ghana/Angola

Local market participants said Nigerian bitumen demand had waned over recent weeks after huge gains in local currency prices for domestic truck supplies, but those truck values after the Nigerian currency rebounded against the dollar.

The official and parallel market rates for Naira against the dollar strengthened to N1,414 and N1,490 respectively on 22 March, compared with N1,550 and N1,600 respectively on

SUB-SAHARAN AFRICA MARKET COMMENTARY

8 March. Before a massive end-January Naira devaluation, the currency's official rate had stood at N890 to the dollar. That had helped drive up domestic ex-works truck prices to as high as N1.55-1.6mn/t around mid-March. Those values slipped in the week ending 22 March to N1.42-1.43mn/t ex-works, according to one market participant.

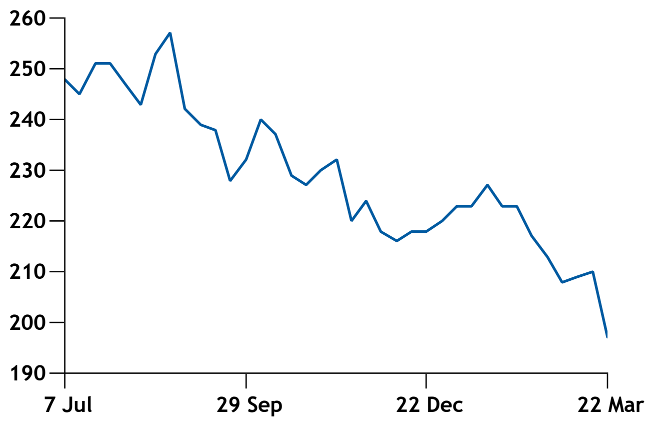
The 7,444dwt *Lilstella*, which had been loaded at Tarragona, Spain, was waiting to discharge its cargo fully into a Nigerian import terminal at Port Harcourt after arriving there on 19-20 March, with some local players expecting further such journeys on the tanker into Nigeria in the coming few weeks.

The 6,033dwt *Jane Asphalt* returned to the SMB export terminal at Abidjan on 17 March after a delivery into Gradient Bitumen's 27,000t capacity terminal in Warri - the fourth such delivery in a row, with one those movements made on board SMB's own time-chartered 4,900dwt *San Biagio*. The latter vessel was understood to have delivered a separate cargo into another Warri terminal, leaving that facility on 21 March and heading back to Abidjan - for 24 March arrival - to load a fresh cargo.

A rare European spot cargo shipment was being made by an international trading firm from Tarragona, Spain, to the Takoradi import terminal in Ghana, with arrival likely around end-March. It was being made on the 6,175dwt *Iver Beauty*.

The 15,000 dwt *Bitu River*, loaded in ship-to-ship (STS) operations off Lome, Togo, left Luanda, Angola, on 21 March after discharging a part-cargo there following a similar discharge into Douala, Cameroon. The vessel was due to arrive back off Lome around 27 March.

West Africa cargo cfr- Med HSFO fob cargoes



East Africa

Trading activity slowed considerably as Iranian market participants began their Nowruz celebrations and holiday recess that is set to last through into the first week of April.

Export prices from the Mideast Gulf port of Bandar Abbas showed little change, with bulk cargoes assessed $0.50/t down at $280-287/t on a fob basis, while drummed exports were assessed $2/t up at $335-350/t. Bahraini bulk cargo export prices set by state-owned Bapco were raised by $20/t to $380/t fob Sitra after they had been held unchanged for several weeks.

Freight rate assessments for container shipping movements from Bandar/Jebel Ali (UAE) to east African ports were steady to softer. Assessed rates for drummed flows to Mombasa, Kenya, were held steady at $85-100/t, while rates to Dar es Salaam, Tanzania were assessed $2-3/t down at $95-105/t. Rates to the Horn of Africa port of Djibouti, which mainly serves the Ethiopian market, were assessed $15/t down at $145-155/t as market participants reported rates for indirect Iranian drummed shipments to Djibouti from Jebel Ali had been reduced by international container shipping lines in March to $3,000/container ($150/t) from $3,500/container in both January and February after a sharp elevation in rates in the wake of Houthi attacked on Red Sea shipping.

Kenya

A tanker carrying around 3,800t of bulk bitumen, loaded in the Mideast Gulf, remained en route to the Skytrade Global import terminal in Mombasa, with scheduled arrival there on 2 April.

Suppliers continued to see regular bulk as well as drummed business into end-users in Kenya, as well as South Sudan and the Democratic Republic of Congo (DRC), with some bitutainer and bulk truck movements made into the latter market alongside drummed flows. Trade financing issues remained in the way of concluding deals into Ethiopia.

In Uganda, late payments to road contractors by government agencies led those bitumen buyers to seek extended payment periods for import volumes, mainly moved by truck from Mombasa into the land-locked country, terms that didn't suit some suppliers.

Southern Africa

A planned May-June maintenance shutdown at the Natref refinery in Sasolburg, South Africa (see news) was likely to invite more import cargoes before winter starts to cause an activity and demand slowdown, mainly in South Africa.

For the time being, South African constructors began

SUB-SAHARAN AFRICA MARKET COMMENTARY

to slow work for the Easter holiday, while there continued to be regular truck movements from South African supply points into markets like Zambia, Mozambique, Zimbabwe and Namibia.

South Africa

Domestic truck prices were assessed unchanged at Rand 12,600-13,000/t ex-works, but there remained intense competition from several cargo receivers into the country looking to sell off sizeable incoming flows to maintain or enhance their market share.

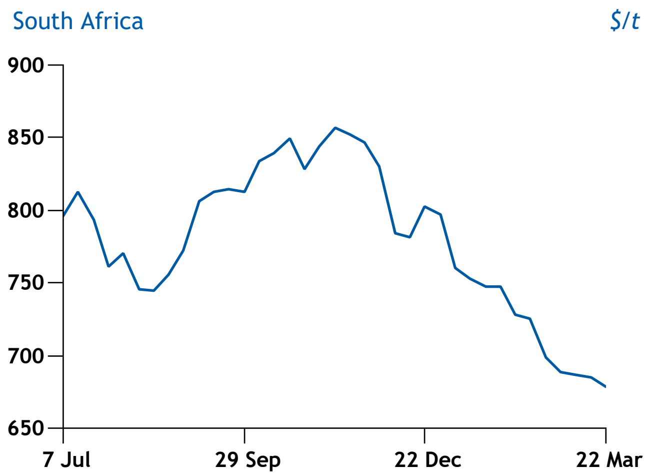
One local truck supplier was understood to have cut its selling price by R100/t to R12,800/t ex-works, while another was offering its volumes at R12,600/t ex-works, with even lower prices expected for some forthcoming import volumes.

An upcoming maintenance shutdown at the 108,500 b/d Sasol majority owned Natref refinery in Sasolburg - which market participants said was set to begin on 15 May and last until the end of June (see news) - was thought likely to invite yet more import cargoes into Durban and Cape Town, although bitumen use in road projects slows down for the southern hemisphere winter from June through to August.

The immediate activity and demand picture was slow as construction sector firms began their Easter holiday recess affecting much of their road-building operations from around 18 March through to the week commencing 1 April (Easter Monday), with that week itself exported to see only a slow return towards normal operations.

Sizeable cargo volumes were meanwhile heading into the country, with the 5,985dwt *R S G* arriving at Durban on 21 March with a cargo loaded at Sitra, Bahrain. The 21,500dwt *Atlantic Narval* was still located at Durban after arriving there on 17 March for a part-cargo discharge into the FFS Refiners/Rubis Asphalt ship-to-tank bitumen terminal there, having made am initial discharge into a similar set-up at Cape Town.

The 5,261 dwt *Bitumen Kosei*, which was loaded at Port Qasim, Pakistan, was scheduled to arrive at Durban on 30 March.



ASIA-PACIFIC AND MIDDLE EAST MARKET COMMENTARY

Singapore

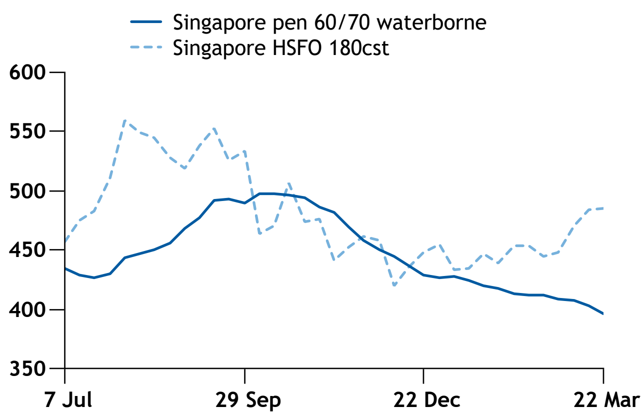
Singapore bitumen prices edged lower, as the southeast Asian market continues to see a lack of demand outlets, with only limited buyers seeking out April-loading cargoes. Several oil majors were still holding on to unsold April-loading volumes and emerged on the *Argus* Open Markets (AOM) platform to seek out buyers.

Price spreads with high-sulphur fuel oil (HSFO) 380cst values have grown increasingly wide, with Singapore ABX 1 currently trading at around discounts of over $70/t to that of HSFO 380cst. Such spreads have not been seen since late August 2023. While some refineries in south China have either cut production or temporarily shut due to increasingly squeezed margins amid firm upstream crude feedstock costs, oil majors in Singapore have yet to follow suit.

Cargoes were discussed over a wide range during the week. A deal for a 3,500t cargo was done to Indonesia at around $375-380/t fob Singapore on a netback basis, with the cargo loading in the middle of April. Buying indications fell to around $380-385/t fob following the conclusion of the deal, with importers unwilling to commit unless steep discounts were provided. A second deal for a 3,000-3,500t cargo loading in first-half April was also done towards the end of the week, at around $379-385/t fob Singapore on a netback basis. A third deal was done to Indonesia, for a 3,000-4,000t cargo loading in April at around $403-408/t fob Singapore on a netback basis.

Two deals were initiated on the AOM platform during the week. Puma Energy placed a bid for a 3,500t cargo loading over 2-5 April at $400/t fob Singapore on AOM, which was raised to $410/t fob Singapore, before a deal was initiated by PetroChina. Puma Energy also bid for a 3,000t cargo loading over 9-13 April at $400/t fob Singapore. The bid was raised

Singapore pen 60/70 and HSFO cargoes *$/t*



Asia bitumen prices, 16-22 Mar

	Local currency/t			*$/t*		
	Low	High	±	Low	High	±
Domestic prices, ex-works						
Mumbai, India	41,430	41,730	-570.00	499.00	502.00	-8.50
Mumbai, India (drums)	50,730	51,630	-570.00	611	622	-8.00
Indonesia	9,200,000	9,200,000	nc	587.00	587.00	-3.00
Singapore	617	646	+3.50	460	482	nc
Singapore-Malaysia ex-ref	540	558	-10.00	403	416	-10.00
Japan	86,000	86,000	nc	572	572	-11.00
East China	3,470	3,770	+70.00	482	524	+9.00
South China	3,400	3,440	+30.00	472	478	+3.50
Waterborne, fob						
Iran				280.00	287.00	-0.50
Iran (drums)				335	350	+2.00
Bahrain	143	143	+7.00	380	380	+20.00
Singapore	514.00	548.00	-5.50	383.00	408.60	-6.70
Thailand	13,342	13,883	-88.50	370	385	-7.50
South Korea	533,786	543,128	+761.50	400.00	407.00	-5.00
Taiwan	12,397	12,715	-35.50	390	400	-5.00
Waterborne, cfr						
East China coast	3,131	3,239	+41.00	435.00	450.00	+5.00
South China coast	3,095	3,239	+58.50	430	450	+7.50
Economics					Mid	±
Bitumen's value as fuel oil blendstock, Singapore					435.035	+20.65

Asian Bitumen Price Index

	Index	±
ABX 1 fob Singapore	395.80	-6.70
ABX 2 fob South Korea	403.50	-5.00

Monthly Average (contract)		
Contract	Feb 24	Jan 24
ABX 1	412.13	424.18
ABX 2	416.13	401.27

Fob Mideast Gulf Price

	Low	High	±
Mideast Gulf fob ($/t)	283.50	380.00	+9.75

Bitumen Vessel Demurrage Rate

	Low	High	±
Singapore, 5,000 dwt vessel per day	10,000	13,000	nc
Singapore, 5,000 dwt vessel per tonne	4.00	5.20	nc

Crude and refined products, 16-22 Mar

	Low	High	±
Dubai fob Dubai *$/bl*	85.23	86.61	+2.39
Banoco Arab Medium *$/bl*	85.39	86.74	+2.45
Fuel oil HS 180cst fob Singapore *$/t*	484.50	495.25	+19.75
Fuel oil HS 380cst fob Singapore *$/t*	470.00	476.75	+17.75
Gasoil 0.5% fob Singapore *$/bl*	101.40	105.10	+2.40

ASIA-PACIFIC AND MIDDLE EAST MARKET COMMENTARY

to $415/t fob Singapore and a deal was once again initiated by PetroChina.

At least two suppliers were no longer looking to offer April-loading cargoes to south China due to unattractive pricing there, given the lower-cost of local products. Some offers to south China were at $430-460/t cfr and higher, but these attracted muted buying interest. Buying indications were as low as $360/t fob Singapore, though these remain completely unworkable for Singapore exporters.

Competitive domestic prices in Malaysia also kept interest for truck cargoes at bay. Prices for Singapore tank trucks sold into Malaysia fell again to $403-416/t ex-refinery from $415-424/t ex-refinery last week, in line with higher supplies relative to demand.

Bitumen freight, 16-22 Mar			$/t
Singapore-east Australia	160	180	nc
Singapore-west Australia	120	130	nc
Singapore-Gresik, Indonesia	40	45	nc
Singapore-north Vietnam	55	60	+0.50
Singapore-south Vietnam	38	43	nc
Singapore-south China	50	60	nc
Thailand-south China	50	60	nc
Thailand-east Australia	160	180	nc
Thailand-west Australia	125	130	nc
Taiwan-Haiphong, Vietnam	45	50	nc
South Korea-east China	30	39	nc
South China-Haiphong, Vietnam	30	35	nc

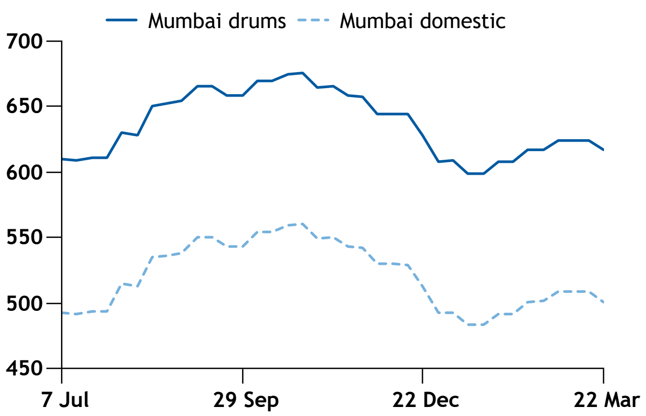
Malaysia

Singapore refiners continued to redirect supplies towards trucked bitumen exports to Malaysia. They also consecutively lowered offer prices again to remain competitive against each other. The export quotas of trucked bitumen were stable at around 6-7 truckloads per buyer daily.

Lifting of bitumen material was mixed, with some Singapore refiners experiencing slower lifting compared with domestic sellers. This is likely because of location advantages that domestic sellers have, on top of competitive pricing against Singapore offers.

Ex-Malacca listed prices fell further to 1,860-2,050 ringgit/t ($392.59-432.57/t) from 2,070-2,120 ringgit/t last week. Ex-Tanjung Langsat trucks were offered at between $422-425/t, depending on the timing of delivery. Trucks delivered into Johor fell to 2,040 ringgit/t, from 2,155 ringgit/t. Ex-Port Klang prices also fell to 2,040-2,080 ringgit/t, from 2,080-2,140 ringgit/t last week.

India domestic v drum $/t



Indonesia

Consumption in the country during this year's Ramadan period has been much slower than expected, especially compared with the previous year, because of a lack of ongoing road-paving projects.

Participants attribute this to a delay in the release of new road-paving tenders due to elections in February and a lack of funding.

Accumulated inventories from cargoes imported in late 2023 and early this year were also sufficient for contractors to cater to any remaining multi-year road-paving projects ahead of Ramadan. This contrasts with late 2022, when a vessel shortage situation caused a supply shortage in Indonesia, subsequently prolonging roadworks.

At least two 3,000-4,000t, Singapore-origin cargo loading over first-half April was procured at around $425-440/t cfr, which market participants estimated to net back to around $375-385/t fob Singapore. A 3,000-4,000t April laycan cargo was sold at around $450/t cfr toward the end of the week, with freight estimated to be around $40-45/t.

Most buying indications fell to $380-390/t fob Singapore, on the back of ample supplies and lacklustre demand. An offer was made at around $405-415/t fob Singapore to be loaded during April, which was counter bid at around $390-410/t fob Singapore.

Thailand

Domestic consumption remained slow, pushing domestic refiners to continue offering unsold stocks in the export market. Domestic demand will likely only return in May, once Songkran is over in April. This will reduce exports - as well as supply pressures - to the wider southeast Asian region.

A 3,000t second-half April, Thai-origin cargo was sold

ASIA-PACIFIC AND MIDDLE EAST MARKET COMMENTARY

to a southeast Asian destination at around $365-370/t fob Thailand.

Offers were otherwise around $370-380/t fob Thailand, while some buying indications were located around $360/t fob Thailand.

Vietnam

Consumption in Vietnam continued to be lacklustre on the back of unseasonal inclement weather, especially in the key northern region. This, along with weakness in Vietnamese dong against the US dollar, pressured domestic selling prices and kept inventories at higher levels.

Enquiries for seaborne April laycan cargoes were minimal because of ullage issues in the region, which also weighed on buying indications. A 3,000t southeast Asia origin, second-half April laycan cargo was sold at $430-435/t cfr Haiphong, with freight estimated to be around $60-65/t.

Buying indications for Singapore and Thailand origin cargoes were few and at around $380-385/t fob Singapore and around $360/t fob Thailand.

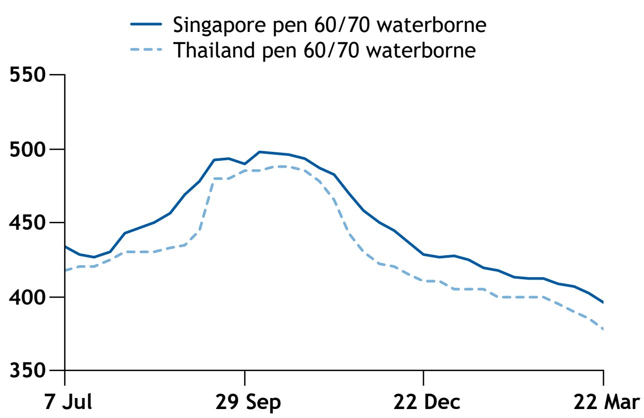
Meanwhile, market participants said that domestic selling prices were at 11,800 dongs/kg, mostly unchanged from last week. But domestic prices on a US dollar basis fell to around $468-470/t ex-tank from $483-488/t ex-tank last week, thanks to weakness in the Vietnamese dong. At least one importer noted that cargoes currently being discharged or scheduled to be discharged this month were dealt at around $465/t cfr Haiphong or $445/t cfr south Vietnam, and profit margins are likely to be squeezed.

South Korea

South Korean export pricing inched lower on weak demand from the east China market. An Onsan-based refiner concluded a tender to sell fourteen 5,000t cargoes loading over April on 21 March. Most of the volumes are understood to have been settled at discounts of around $60-70/t to HSFO 380 values. This is equivalent to around $400-410/t fob South Korea. Some smaller volumes were also settled at discounts of around $50/t to that of HSFO 380.

Despite gains on the Shanghai Futures Exchange, buying indications from some east China importers were initially maintained at around $400/t fob South Korea, as domestic prices still remain lower in comparison to that of imports.

Singapore and Rayong waterborne $/t



Australia import cargo prices, 16-22 Mar	Low	High	±
Thailand fob (Class 170)	406	416	-7.00
Thailand fob (Class 320)	411	421	-7.00
Singapore fob (Class 170)	409	419	-7.00
Singapore fob (Class 320)	411	421	-7.00

$/t

Mideast Gulf to India freight rates	Low	High	±
Bandar Abbas-Nhava Sheva (drums)	23	28	nc
Bandar Abbas-Mundra (drums)	23	28	nc
Bandar Abbas-Mundra (bulk)	70	75	nc
Bandar Abbas-Karwar (bulk)	80	90	nc
Bandar Abbas-Haldia (bulk)	105	115	nc
Bandar Abbas-Mumbai (bulk)	75	85	nc
Bandar Abbas-Mangalore (bulk)	90	95	nc

$/t

China

The domestic market in China drew support from higher costs resulting from firmer crude values. Domestic prices in the eastern and southern regions rose to 3,470-3,770 yuan/t ($479.99-521.49/t) and Yn3,400-3,440/t, respectively.

Clearer and warmer weather in most of the country's south and east encouraged some lifting, although overall trading activity was thin. Most buyers were on the sidelines this week, given volatile upstream crude values and an uncertain market outlook.

Reduced production across the country in April will likely keep prices afloat in the short term despite sluggish demand. Participants also say that any further reduction in domestic prices is highly unlikely, given some refineries were already incurring steep losses due to firm feedstock costs. Some refineries have also remained shut because of poor profit margins and demand, keeping spot supply limited.

ASIA-PACIFIC AND MIDDLE EAST MARKET COMMENTARY

Iranian export sales through the IME, 16-21 Mar

Grade	Seller	volume	Packing	*Price rials/kg*	Destination
Pen 60/70	Jey Oil	2,000	Drum	164,500	Export by truck ex-Esfahan
Pen 60/70	Jey Oil	11,000	Bulk	131,500	Export by truck ex-Esfahan

An approaching warmer spring season might uplift domestic consumption slightly in the short-term before the rainy season starts in the eastern regions during April-May. Funding constraints could continue to limit roading projects, though some market participants say demand could pick up in May or June, when the government issues fresh road-paving tenders for contractors.

Cargoes for import into east China were discussed at around $430-440/t cfr basis early in the week. But buying indications inched higher to around $440-445/t cfr, following the conclusion of the most recent South Korean export tender. This was against offers for April-loadings at $450-460/t cfr levels.

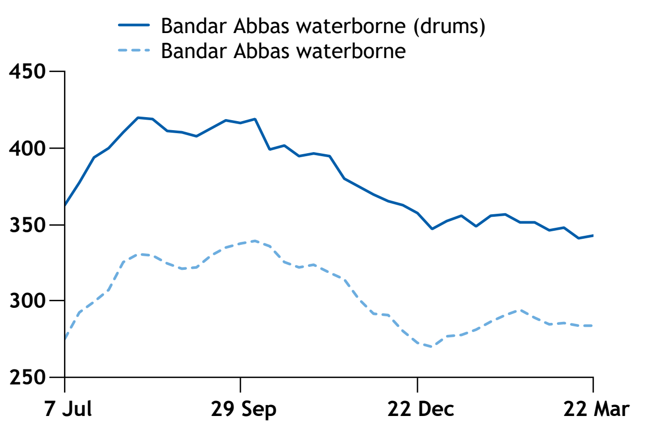
Import interest from south China remained lacklustre, as the region continues to grapple with slow consumption and higher inventory levels. Offers were around $440-450/t cfr south China, but this attracted little buying interest.

Some April-loading exports from south China were sold at prices well above $400/t fob, higher than current Singapore export prices.

Taiwan

Taiwan export prices were pressured lower, tracking losses in the wider Asia-Pacific region. Some offers and selling indications were at around $405/t fob Taiwan, but these were met with no buying interest from southeast Asian importers. Buying indications from the key consuming southeast Asian markets were at around $390/t fob, as the lack of available ullage curbed demand for imports.

Bandar Abbas: drums and bulk $/t



Australia & New Zealand

Domestic consumption is gradually waning ahead of Easter holidays. Participants said demand could fall significantly thereafter and the slow market momentum may last through April before picking up again in May-June, albeit not significantly, when contractors start wrapping up roadwork projects ahead of the end of the current financial year in June.

India

Consumption in some parts of country picked up as many contractors were trying to wrap up projects ahead of the end of the current financial year ending this month. But importers and dealers noted that demand was still below normal because of a funding crunch, which induced a slowdown in state-government linked works.

Demand for imported cargoes at Mangalore and Karwar port were robust, and this increased enquiries for seaborne cargoes for discharge into these ports. But demand was relatively lacklustre at Mumbai and some ports of Gujarat.

At least 9,000-10,000t of forward loading bulk bitumen was purchased at $280-290/t on fob basis. This was lower than the 33,000-38,000t transacted last week as most of the suppliers in the Middle East took to the sidelines to celebrate a regional new year, limiting market activity.

Although bids and indications were below $280/t on fob basis, limited prompt laycan supply kept the discussion and transaction range at $280-290/t fob, little changed from last week's $283-290/t fob. Importers also mentioned that despite improvement in domestic sales, profit margins continued to be squeezed also because of the additional demurrage incurred on the back of the port congestions in the Middle East. Meanwhile, market participants expect consumption to falter next week because of holidays linked to the Hindu Holi festival.

State-controlled refiners in Mumbai reduced listed VG10 and VG30 bulk and drummed bitumen prices by 570 rupees/t ($6.85/t) for the current fortnight, from the previous two-week period. Listed VG40 cargo prices were reduced by Rs660/t.

ASIA-PACIFIC AND MIDDLE EAST MARKET COMMENTARY

Bahrain

Listed seaborne bitumen prices in Bahrain increased by $20/t from the previous week to $380/t fob Sitra, supported by firm crude and fuel oil values, even though demand for Bahraini origin cargoes continued to be weak. News of any export activities were slow to emerge.

Iran

The Iranian export market was mostly silent for the Nowruz holidays. But exporters raised concerns over uncertainties in exchange rate volatility and supply-demand fundamentals.

Most producers and suppliers were on the sidelines and did not offer any fresh cargoes, as they were waiting for the fortnightly revision of vacuum bottom (VB) feedstock listed prices, which are expected to increase by more than 7pc from the previous fortnight.

Bids for prompt and forward laycan bulk were located at $280-285/t fob Iran, with some deals concluded into south Asia at $280-290/t fob Iran. Most suppliers were busy delivering previously sold cargoes.

Exporters expect an increase in seaborne prices in the coming week on the back of strong upstream crude and HSFO values. Given the slowdown in delivery of feedstock from the national refineries to private producers, the ongoing supply tightness is likely to prolong, providing further expected support to seaborne offers.

Drums were offered at $340-360/t fob Iran, but no fresh deals emerged at these prices with prices falling in the south Asia consuming market. Demand was strong for jumbo bags, but some suppliers were fully booked up to May deliveries. Bids were at $335-345/t fob this week.

No cargoes were offered on the Iran Mercantile Exchange (IME).

On the IME, export sales rose to 7.59mn t in the last financial year ended earlier this month, from 5.04mn t during the previous financial year. One of the largest bitumen exporters in Iran over the past Iranian financial year was state-owned Jey Oil, with the refiner selling a total of 1.02mn t of bitumen, according to official data.

State-owned Pasargad Oil sold 918,550t, while private producer Black Gold and White Gold sold a total of 879,000t. Private supplier, Spadana Bitumen Pasargadis, sold a total of 675,000t, while Parsian Energy sold a total of 600,119t.

The Pars Behin Qeshm Oil Refining Company, the sole refinery in the Qeshm island, exported 590,000t of bitumen on fob Qeshm basis in the last financial year.

Iranian Vacuum Bottom prices from NIOC*, 16-21 Mar

Refinery	Volume *t*	Rials/kg		$/t	
		Low	High	Low	High
Bandar Abbas	no supply			0	0
Esfahan	no supply			0	0
Shiraz	no supply			0	0
Tehran	no supply			0	0
Tabriz	no supply			0	0
Abadan	no supply			0	0
Arak	no supply			0	0

** Exclusive of the 9pc tax for domestic sales and 14pc duty for export sales*

Iranian domestic sales through the IME, 16-21 Mar

Grade	Volume	Price
60/70	100	131,462
40/50	No Supply	
85/100	No Supply	
Emulsion	No Supply	
PG6422	No Supply	
MC250	No Supply	

Iran domestic market

Trading activities on the IME was muted because of Nowruz. During the last financial year, VB feedstock sales on the IME increased to around 7.33mn t, up from 4.67mn t in the prior year. This volume does not include feedstocks sold in the domestic market.

Refineries delivered around 1.5-2.2mn t of complementary VB for rural contractors, based on the annual budget for domestic road paving projects in the previous financial year.

Iraq

Iraqi suppliers increased prices by about $5-7/t due to higher crude values and offered drums at $325-335/t fob Bandar Abbas. But demand was weak and no deals were reported.

VESSEL TRACKING INDICATIONS

Bitumen freight movements						
Vessel name	**Owner**	**Tonnage**	**Loading port**	**Discharge port**	**Current position**	**ETA**
Bithav	Cassiopeia	6,384	Rotterdam	Thames, UK	English Channel	20-Mar
An Hai Wan	COSCOSAS	6,165	Port Jerome	Antwerp, Belgium	English Channel	21-Mar
Ping Hai Wan	COSCOSAS	6,115	Agioi Theodoroi	Bayonne, France	North Atlantic	19-Mar
Bitfjord	ABC Maritime	4,900	Rotterdam	Stavanger, Norway	North Sea	20-Mar
San Bacco	ABC Maritime	4,995	Brunsbuttel	Thames, UK	English Channel	23-Mar
Stella Polaris	Tarbit Shipping	8,297	Delfzijl	Kolding, Denmark & Norrkoping,	Gulf of Bothnia	19-Mar
Fuji Lava	Asphaltos	6,065	Taranto	Galati, Romania	Black Sea	24-Mar
Action	Alliance Maritime	5,897	Agioi Theodoroi	Constanta, Romania	Black Sea	22-Mar
Iver Accord	Iver Ships BV	5,897	Agioi Theodoroi	Sousse and Gabes, Tunisia	Med	21-Mar
Baltic Narval	Continental Bitumen	21,500	Izmit	Thames, UK	Med	2-Apr
Black Shark	Mediterranea di Navigazione	8,476	Augusta	Naples, Italy	Med	22-Mar
Ning Hai Wan	Ninghaiwan Maritime Co Ltd	6,118	Huelva	Bayonne, France	North Atlantic	23-Mar
Iver Brilliant	Iver Ships BV	6,239	La Coruna	Lisbon, Portugal	North Atlantic	20-Mar
Castillo de Pambre	Ojeda Shipping	8,353	Tarragona	Mohammedia, Morocco	North Atlantic	21-Mar
Iver Beauty	Iver Ships BV	6,175	Tarragona	Takoradi, Ghana	North Atlantic	3-Apr
White Pearl	Gunvor	37,000	Tarragona	Portsmouth, New Hampshire, US	North Atlantic	30-Mar
Poestella	Bilsea	8,021	Augusta	Skikda, Algeria	Med	23-Mar
Iver Best	Iver Ships BV	6,187	Agioi Theodoroi	Annaba, Algeria	Med	21-Mar
Lilstella	Bilsea	7,944	Tarragona	Port Harcourt, Nigeria	WAF	23-Mar
Fang Cheng Gang	United Rich Maritime	6,193	Singapore	Dongguan, Humen, China	Malaysia	27-Mar
JS Onsan	Jisung Shipping Co., Ltd.	5,881	Ulsan, Onsan	Nanjing, China	Shanghai Province	22-Mar
Palanca Miami	Puma	37,000	Tanjung Langsat	Brisbane, Australia	Indonesia	3-Apr
Pusaka Abadi	Arkville Corp	6,033	Singapore	Tanjung Manis, Malaysia	Indonesia	23-Mar
Pusaka Prima	May Maritime Services	4,147	Singapore	Dumai, Indonesia	Singapore	23-Mar
Sidra Qatar	Woqod Marine Services Co	4,020	Singapore	Nha Be, Vietnam	Singapore	26-Mar
Tasco Amata	Tipco Asphalt	6,035	Rayong	Geelong, Australia	Cambodia	6-Apr
Tasco Anan	Tipco Asphalt	3,525	Singapore	Haiphong, Vietnam	Vietnam	25-Mar
Tasco Sakorn	Retalink	3,619	Singapore	Bangkok, Thailand	Indonesia	27-Mar
Transko Bima	Nanjing Petroleum T'ptn	4,999	Cilacap	Surabaya, Indonesia	Indonesia	22-Mar
VP Asphalt 2	VP Petrochemical	3,095	Singapore	Vung Tau, Vietnam	Vietnam	23-Mar

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French refinery fire squeezes regional supply

Disruptions at two French refineries have squeezed bitumen supply in northwest Europe just as the region's spring road paving season gets underway.

ExxonMobil halted bitumen truck loadings from its 236,000 b/d Port Jerome refinery in northern France last week after a fire hit a crude distillation unit on 11 March, compounding problems at TotalEnergies' 219,300 b/d Donges refinery.

In a letter sent to Port Jerome customers, ExxonMobil said it could not "confirm with certainty the date on which bitumen deliveries will become fully operational again and cannot advance any date on which sales of our products could resume normally".

The company is also understood to have declared force majeure on two bitumen cargoes that were due to be loaded from Port Jerome in the next few weeks, although it did manage to load one cargo onto the 6,165 dwt *An Hai Wan*, according to a market participant. That cargo was due to arrive at Antwerp 20 March.

The disruption at Port Jerome coincides with an ongoing shutdown at the Donges refinery linked to inspections by local authorities. Although TotalEnergies said it does not expect a full restart until the start of April, bitumen production appears to have resumed already, with tracking data from Kpler and Vortexa showing the 6,189dwt *Iver Blessing* loading a bitumen cargo from Donges on 20 March.

Bitumen availability at TotalEnergies' 246,000 b/d Gonfreville refinery in northern France's Normandy region is also constrained. Some buyers say the refinery has yet to resume spot sales following the end of maintenance last week.

The squeeze on French bitumen has led to a sharp increase in demand for alternative supply from elsewhere in northwest Europe, which has pushed up Rotterdam and Baltic fob cargo premiums to high-sulphur fuel oil (HSFO) barges in recent weeks.

Shell's 404,000 b/d Pernis plant, Europe's biggest refinery, is undergoing a rolling turnaround until mid-April. Although most regional market players say the work has had a minimal impact on Pernis' bitumen supplies, Shell's significant commitment to term deals with Nordic buyers has restricted surpluses available for the spot market. Some inland buyers in northwest Europe have reported limited availability of truck supplies from Pernis.

The French refinery outages have also increased demand for Mediterranean bitumen imports to northwest Europe. A large bitumen cargo that was loaded at Greece's Agioi Theodoroi export terminal arrived at trading firm Vitol's Antwerp terminal last week on board the company's 36,771 dwt *Asphalt Synergy*. It was a timely delivery and the first of its kind this year.

Bitumen cargoes are regularly moved from the Mediterranean to northern Europe as part of term supply deals. But even though the Mediterranean currently holds sizeable bitumen surpluses, the price gap between northwest European and Mediterranean bitumen prices is still too narrow to trigger significant south to north spot cargo flows.

This is partly because tight fuel oil supply and strong Mediterranean bunker demand have triggered a fresh spike in fob Mediterranean HSFO cargo prices, which reached a discount of just $0.75/t to fob Rotterdam HSFO barge values on 19 March, compared with a $17.25/t discount on 11 March and a $27/t discount on 19 January. Mediterranean and northwest European bitumen cargoes are mainly traded as differentials to HSFO prices in the respective regions.

UK inflation erodes real-term highway spending

Real-term cuts in local authority road maintenance budgets in England and Wales have caused a further deterioration in their road surfaces, UK asphalt industry body AIA said. UK bitumen consumption fell to a seven year low in 2023.

In its latest Annual Local Authority Road Maintenance (Alarm) survey of local government highways departments,

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the AIA said local authorities in England and Wales had in their financial year ending 31 March "experienced a real-term [spending] cut due to the impact of rising costs due to inflation". That was "despite average [road] maintenance budgets increasing by 2.3pc to £26.4mn per authority", the AIA said, finding that 45pc of local authorities reported a cut or freeze in their highway maintenance budgets even before inflation was taken into account.

The steady deterioration of the road network contributed to a 43pc annual increase in the number of potholes reported by local authorities to have been filled in England and Wales during 2023-24, to an eight-year high of 2mn.

UK bitumen consumption fell in 2023 to 1.54mn t, the lowest since 2016, according to provisional government data released earlier this month.

In its survey conclusions, the AIA also said today the "one-time catch-up cost" of bringing roads in England and Wales up to the standard enabling the network to be managed cost-effectively had jumped by 16pc to a new record high of £16.3bn, and that the work needed to address the shortfall would take a decade to complete. It said the additional funds English and Welsh local authorities would have needed to maintain their networks in accordance with their own targets is £1.22bn, meaning the average shortfall in their 2023-24 carriageway budget was £7.2mn per authority.

In its Alarm survey this time last year, the AIA had reported local authority road maintenance catch-up costs had in the 2022-23 year increased by nearly 11pc to £14.02bn, at that time the highest on record, with the association predicting further cost increases.

SA Natref refinery to shut for May-June work

The 108,500 b/d Natref refinery at Sasolburg, South Africa, will be fully shut for planned maintenance from mid-May until the end of June.

While the halt will hit production and supply of oil products as a whole, bitumen market participants have also been notified that there will be no supply of the product during the whole of May and June.

The refinery, South Africa's only remaining bitumen-producing refinery with typical output of the product estimated at 150,000-200,000 t/yr, is majority owned by South African integrated energy firm Sasol with a 63.64pc stake. TotalEnergies agreed late last year to sell its 36.36pc minority stake in the refinery to UK-based Prax for an undisclosed sum.

South Africa and the wider southern Africa region are now largely reliant on bitumen imports.

A total of almost 180,000t of bitumen was delivered into Durban and Cape Town by specialised tankers last year, according to Vortexa, compared with around 100,000t in 2022 and negligible amounts in 2021 — before several South African refineries were shut or stopped producing bitumen. Several international trading and supply firms compete to supply cargoes from the Mideast Gulf, Pakistan, Europe and west Africa to local importers.

Smaller quantities of bitumen are also imported into South Africa using heated bitumen containers — bitutainers — as well as drums and bags.

TotalEnergies sees Donges restart in early April

TotalEnergies has said its 219,000 b/d Donges oil refinery on the French Atlantic coast will not resume operations until the start of April.

The refinery has been shut since February, the second time in three months it had to halt operations. There have been a number of issues connected with inspections by local authorities, which started last year.

The refinery's catalytic cracker (FCC) has been offline since December. It was scheduled to resume operations at the end of March, but this now appears to have been pushed back. A worker said the early April restart could be optimistic. "This is what has been planned. But right now it is not possible to say we will make that."

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The closure of Donges has prompted a number of short haul oil products cargoes to be imported at the refinery terminal in March. Two crude cargoes are signalling arrival at the port around the turn of the month, suggestive of a restart. A shipment of about 130,000t of Angolan Clov and 90,000t of US WTI are slated to arrive on 29 March and 3 April, respectively.

Neste says Porvoo strike will not affect output

Finland's Neste said production will not be affected by a strike underway at its 205,000 b/d Porvoo oil refinery, but port and terminal operations will be disrupted.

The Central Organisation of Finnish Trade Unions (SAK) announced a two-week strike, between 11-25 March, in response to government plans to changes in labour laws, right to strike and social welfare.

"Neste and the industrial union agreed that essential work will continue during the announced strikes," the company said. "This essential work enables safe operations at Neste's Porvoo refinery and the continuation of critical product deliveries, safeguarding the national security of supply. Despite these agreed actions the strike will cause disruptions to the distribution of fuels."

An importer to Finnish bitumen terminals said the schedule for bitumen cargo movements in and out of the country has already been affected, just as this year's Nordic road paving and bitumen-consuming season starts to get into gear.

The importer said it had been able to re-arrange vessels to arrive after the end of the strike period, but said there are concerns about potential further action beyond those already planned by unions.

Neste plans a nine-week refinery-wide maintenance between April-June at Porvoo. The plant has a 250,000 t/yr Group III base oil unit that accounts for around 28pc of Europe's Group III nameplate capacity.

Neste will convert Porvoo into a 3mn t/yr renewables facility, and withdraw from crude refining. It will produce several renewable and circular products instead including, biodiesel, sustainable aviation fluid, polymers and chemicals as feedstocks.

Colombian Ecopetrol's sales rise in 2023

Colombian state-controlled oil company Ecopetrol's asphalt/bitumen sales increased in 2023, boosted by rising exports and domestic demand for several advanced road projects.

Ecopetrol's sold 698,225 metric tonnes (t) of asphalt to the domestic and international markets last year, a 4pc rise from 2022.

The increase helped the firm reduce scope 3 emissions, replace production of fuel oil and strengthen its position in the international market, it said.

Ecopetrol sold a little more than 50pc of its asphalt production in the international market last year, former product and petrochemicals manager Felipe Trujillo had said previously.

But the firm did not specify how much of the total sales were exported, saying that such information is confidential. Ecopetrol exported almost 270,560t of asphalt in January-October, up from approximately 254,900t shipped in all of 2022, according to Trujillo.

Ecopetrol exported around 342,170t of asphalt in 2023, according to data by trade analytics firm Kpler. That is a near 40pc hike from 2022.

The main export destinations were the US, Puerto Rico, Chile, Dominican Republic, Jamaica, Mexico and Honduras, Ecopetrol said. Latin American asphalt buyers shifted to buying more regionally in 2023, a source said.

Ecopetrol began exporting asphalt to Chile for the first time in July, when it shipped 12,000t to the country.

In the domestic market, Colombia moved forward with several road projects, according to infrastructure agency ANI. It inaugurated a stretch of a double-lane corridor that connects Bogota with towns in the capital's outskirts in August. The project is part of larger plan that comprises 66km (41 miles) in double-lane corridors demanding Ps1.87 trillion Colombian pesos ($477mn) in investments.

Spanish construction firm Sacyr started working on a stretch of the Pamplona-Cucuta road in May. Colombia also inaugurated a 49km stretch of the Autopista al Rio Magdalena 2 road, which comprises 153km, in July.

Colombia's $20bn 4G infrastructure plan comprises 29 publicly and privately funded highway projects.

Last year the country also paved a section of a Bogota El Dorado Airport taxiway with modified asphalt that contains 415kg of recycled plastic.

Early close for bitumen prices on 28 March

Argus will close its Europe and Africa bitumen assessments at 12:30pm London time and its Asia bitumen assessments at 12:30pm Singapore time on Thursday 28 March, when the weekly *Argus* Bitumen report is published a day earlier than usual because of a potential lack of representative physical market liquidity before the Easter holiday.

The *Argus* Open Markets (AOM) platform will open at 11:30am and close at 12:30pm Singapore time on 28 March. The AOM platform will be closed on 29 March for Asia bitumen markets.

For any queries please contact *Argus* Bitumen report editor, Jonathan Weston, at bitumen@argusmedia.com or +44 (0) 20 4570 1230.

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Registered office
Lacon House, 84 Theobald's Road,
London, WC1X 8NL
Tel: +44 20 7780 4200
email: sales@argusmedia.com

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Publisher
Adrian Binks

Chief operating officer
Matthew Burkley

Global compliance officer
Vladas Stankevicius

Chief commercial officer
Jo Loudiadis

President, Oil
Euan Craik

Global head of editorial
Neil Fleming

Editor in chief
Jim Washer

Managing editor
Andrew Bonnington

Editor
Jonathan Weston
Tel: +44 (0) 20 4570 1230
bitumen@argusmedia.com

Customer support and sales:

support@argusmedia.com
sales@argusmedia.com

London, Tel: +44 20 7780 4200
Houston, Tel: +1 713 968 0000
Singapore, Tel: +65 6496 9966

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