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Flat prices for September-loading regional grades rebounded, mirroring a gain in the benchmark Dated Brent prices. Meanwhile, in the floating based September-loading trade linked to Dated Brent and ICP, prompt-loading Australian medium/heavy grades as well as light grades in Oceania led by Australia started to have changed hands. Vietnamfs Chim Sao also was traded, indicating September-loading business began gaining momentum.

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In the trade of September-loading Kutubu in Papua New Guinea, the countryfs Oil Search recently sold two cargoes. The producer with 60,000bbl each for first-half and late-half loading released them. A source familiar with the matter said that at least one cargo may have been done at a small premium to Dated Brent as the naphtha market was improving. Meanwhile, the buyer was unclear. Normally, Caltex Australia and InterOil in Papua New Guinea purchase mainly purchase Kutubu on the spot market. Meanwhile, European Trafigura would start buying crude oil for the 32,000 barrels per day (b/d) refinery operated by InterOil in Papua New Guinea from September-loading. The move came after Interoil sold its downstream assets including the refinery to Singapore-based Puma Energy. Tafigura is a major shareholder for Puma Energy.

Regarding the market for September-loading Australiafs light grades, the countryfs Woodside Petroleum heard sold Cossack on the spot market. The producer showed the Cossack at a premium of $1/bbl to Dated Brent as reported. Therefore, the cargo was seen traded at least at a premium to Dated Brent. Meanwhile, Australiafs resource firm Santos began marketing Mutineer Exeter. The company regarded the reasonable values for Mutineer as about $1/bbl above Malaysian Tapis. No firm offer emerged for September-loading Tapis, but a major source said that Tapis values should be at premiums of mid to high $3/bbl to Dated Brent. Based on the values, the tradable levels for Mutineer Exeter would be at a premium of mid to high $4/bbl to Dated Brent.

Discussions for Malaysiafs light grades as mentioned above have not started. Petronas is likely to start September business initially from Labuan, but no movements were detected so far. The Malaysian oil firm was seen reviewing September positions.

Vietnamfs state-owned PV Oil closed the second round of bids on Thursday in its September-loading Chim Sao sell tender for three cargoes. Those cargoes were heard awarded at premiums of high $4/bbl to low $5/bbl to dated Brent. The details about the loading dates were unknown. BP took one cargo at a premium of high $4/bbl while Vitol and Taiyo Oil purchased one cargo each at a premium of around $5/bbl and a premium of slightly larger than $5/bbl, to Dated Brent, respectively. gThose prices are largely in line with expectations,h said a Japanese trading house source.

For other Vietnamese grades, production for Su Tu Den is set to increase. PV Oil was proceeding repair works for the floating production storage and offloading (FPSO) facilities and the gas field, which could boost production sharply from the fourth quarter. The current production for Su Tu Den was slightly below 40,000 barrels per day (b/d). The production would be boosted to more than 70,000b/d. For the July to December period, Petro Diamond, Itochu Corp, Petro Summit and China International United Petroleum & Chemical Corp (UNIPEC) purchased Su Tu Den under term contracts, but PV Oil is likely to sell excess avails via tender in view of rising production.

In the trade of the Rim Trading Board (RTB), BP Singapore offered a physical 100,000bbl cargo of September-loading Attaka at $2/bbl below September ICE Brent. The major at the same time bid for September Attaka/Ardjuna paper spread, 50,000bbl, at $3.75/bbl. Meanwhile, Petro Diamond bid for

September Attaka/Minas paper spread, 50,000bbl, at $2.5/bbl. Elsewhere, Itochu Petroleum Singapore bid for September Attaka/Cinta paper spread, 50,000bbl, at $2/bbl, following the previous day.

In the trade of prompt-loading cargoes, additional information for Australian Enfield for June to July-loading surfaced. One cargo would arrive in the Yokohama port, Japan as reported, and the cargo was seen a partial cargo for June-loading, instead of a full 550,000bbl cargo. Meanwhile, one cargo was bound for US Gulf as reported, and it turned out that the cargo was for end-July loading. Both of these cargoes were sold by Woodside Petroleum and Mitsui & Co jointly. As for August-loading NWSC, Australiafs BHP Billiton sold one cargo for 23-27 loading as reported. **China** National United **Oil** Corp or **Chinaoil** was said to have purchased the cargo. The cargo was earlier thought to have been bought by South Koreafs Samsung Total, but this was denied by the end-user in South Korea.

CO cltxa : Caltex Australia Ltd

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