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Flat prices for September-loading regional grades inched higher, in line with a recovery of the benchmark Dated Brent prices. Meanwhile, in September-loading floating based trade linked to Dated Brent and ICP, trade for condensates led by NWSC, Malaysian and Australian light grades started to gain momentum. Crack spreads for middle distillates in Singapore remained weak, but players with necessary requirements started to **purchase** cargoes.

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In the trade of September-loading Malaysian grades, the countryfs state-owned Petronas closed its private tenders for Tapis and Bintulu on Monday. Of these, the Tapis was seem traded at a premium of the $3/bbl level to Dated Brent, but the details were unknown as of 17:00 Tokyo time. Meanwhile, Petronas was said to have sold Tapis and Kikeh at OSP based prices on the spot market. An **oil** refiner in India, which purchases term avails for Tapis and so on from Petronas, was said to have bought the Tapis and Kikeh at OSP based prices. The Malaysian **oil firm** was now working on selling an additional cargo of Tapis and Labuan. Of these, the Labuan was offered at a premium of mid-$6/bbl to Dated Brent.

For other September-loading light grades, additional information on Kutubu as reported on July 18 surfaced. It turned out that Australiafs Caltex purchased the two cargoes from Papua New Guineafs **Oil** Search. At least one of these cargoes was traded at a discount to Dated Brent. The crudefs naphtha yields increased sharply since nearly 50% of associated condensate was blended in the crude following a startup of liquefied natural gas (LNG) production in Papua New Guinea in May this year. As a result, the values for Kutubu were lowered before the blending. A European major source believed that prices for Kutubu are more than 50cts/bbl lower than the similar naphtha rich Cossack. Meanwhile, Australiafs Woodside Petroleum sold Cossack as reported. A major with a refinery in Singapore herd purchased the Cossack. The price was seen at a premium of about $1/bbl to Dated Brent on CFR. The values for FOB could be at a small premium to Dated Brent, though this hinged on freight rates from western Australia to Singapore.

In the trade of September-loading regional condensates, Woodside Petroleum sold one NWSC cargo for 7-11 loading on the spot market. gThe price was at a discount of around $2.1/bbl to Dated Brent,h said a producer for NWSC. Meanwhile, an end-user in Northeast Asia pointed out that the cargo was done at a discount of high $2/bbl to Dated Brent. But crack spreads for naphtha bounced back sharply in July, which could have lifted the values for condensates from the previous month. As for the buyer for the NWSC, South Koreafs Samsung Total was cited, but this was denied by the end-user in South Korea. After that, a few players said that a US major could have purchased the cargo, but the details were unknown.

For other September-loading condensates, Petronas issued a sell tender for Muda. It offered one 250,000bbl cargo for 1-7 loading. Petronas at the same time offered Cakaerawara condensate for 330,000bbl for 19-28 loading. Both of these tenders will close on Wednesday.

Vietnamfs state-owned PV **Oil** issued a semi-term tender for Rang Dong. It offered term Rang Dong for October to March 2015 loading. The tender will close on Friday. Buyers were requested to make bids at a minimum volume of 6,700 barrels per day (**b**/d), or about 200,000bbl per month. In the April to September period, **China** International United Petroleum & Chemical Co (UNIPEC) earlier purchased the term Rang Dong at a premium of $4.2/bbl to Dated Brent. A Japanese **oil** refiner expected the awarded price this time to be lower than the current term price, or a premium of $4.2/bbl to Dated Brent. The source at the refiner believed that buyers would hold a cautious buying stance, considering the sluggish current spot markets for regional medium/heavy grades. In addition, gKyushu Electric Power is likely to restart its Sendai nuclear power plant this coming winter. Rang Dong is not a main grade to be used by thermal power plants owned by Japanese power utilities, but the move would have more or less impacts on the tender,h said the refiner source. Bids in the tender will be valid until August 12.

In the trade of September-loading Australiafs medium/heavy grades, Woodside Petroleum sold a partial cargo of Enfield to an end-user in Japan, according to a few market sources. The cargo was heard sold at a CFR based price. A European player believed that the FOB values were at a premium of around $6/bbl to Dated Brent at the highest, considering that the upside of regional medium/heavy grades were seen limited. Meanwhile, September-loading Vincent and Pyrenees were currently offered to **Chinese oil firm** sources.

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 $3.0/bbl.

For other September-loading Indonesian grades, Mitsubishi Corp with a partial cargo of Kaji for end-September loading showed selling interest for it. The **company** offered the cargo at a Dated Brent linked price, instead of a ICP linked price. Meanwhile, Itochu Corp and Mitsubishi Corp had spot avails for Minas. Buying interest from power utilities in Japan led by Tokyo Electric Power (TEPCO) was weak, forcing those players to offer their cargoes for refining.

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