

Asia-Pacific/Arab Gulf Marketscan

Volume 25 / No 43 / March 7, 2006

Asia Products

\$/bbl

Singapore

	FOB Singapore	MOPS strip	Premium/discount
Gasoline 97 unleaded	-70.38 - 70.42-		-11.60/11.64-
Gasoline 95 unleaded	-68.48 - 68.52-		-9.69/9.73-
Gasoline 92 unleaded	-67.68 - 67.72-		-8.90/8.94-
Naphtha	-59.36 - 59.40-	-58.76 - 58.80-	
Spot naphtha	-59.01 - 59.05-		0.20/0.30
Kerosene	-75.29 - 75.33-	-76.04 - 76.08-	-0.77/-0.73-
Gasoil 50 ppm	+85.27 - 85.31+		+12.98/13.02+*
Gasoil 0.05% sulfur	+79.77 - 79.81+		7.48+/-7.52 *
Gasoil 0.25% sulfur	-74.77 - 74.81-		+2.48/2.52+ *
Gasoil Reg 0.5% sulfur	-72.47 - 72.51-	-72.27 - 72.31-	+0.18/0.22+
Demurrage Clean (\$)	19000.00		
MTBE (\$/mt)	-545.00 - 555.00-		
Fuel oil 180 CST 2% (\$/mt)	-344.84 - 344.88-		
HSFO 180 CST (\$/mt)	-339.09 - 339.13-	-334.84 - 334.88-	+4.23/4.27+
HSFO 380 CST (\$/mt)	-323.80 - 323.84-	-322.70 - 322.74-	+1.08/1.12+
Demurrage Dirty (\$)	20000.00		
Ex-Wharf 180 CST	-339.00-341.00-		
Ex-Wharf 380 CST	-324.00-326.00-		
LSWR Mixed/Cracked	-51.00 - 51.10-		0.25/0.75 **

Spread to FOB Singapore naphtha; * Differential to FOB Singapore Gasoil Reg 0.5%; ** Differential to Pertamina mixed-cracked formula

Singapore paper

	Balance Mar *	Apr	May
Naphtha	-58.88/58.92-	-58.58/58.62-	-58.28/58.32-
Kero	-75.61/75.65-	-76.71/76.75-	-77.51/77.55-
Gasoil Reg 0.5%	-72.33/72.37-	-72.18/72.22-	-72.43/72.47-
HSFO 180 CST	-338.73/338.77-	-328.73/328.77-	-325.23/325.27-
HSFO 380 CST	-325.23/325.27-	-318.73/318.77-	-315.73/315.77-

* Bal Month swaps will be assessed from the 1st till 15th of the month, in February from 1st till 14th of the month.

Arab Gulf / Japan

	FOB Arab Gulf	Premium/discount **	C+F Japan
Gasoline unleaded			-69.87 - 69.91-
Gasoline 95 RON unleaded *	-65.72 - 65.76-		-70.67 - 70.71-
Naphtha LR2 (\$/mt)	-523.69-525.69-		
Naphtha (\$/mt)	-520.69-522.69-	17.50/18.50	-549.25 - 551.25-
Naphtha 2nd 1/2 Apr (\$/mt)			-553.25 - 553.75-
Naphtha 1st 1/2 May (\$/mt)			-550.75 - 551.25-
Naphtha 2nd 1/2 May (\$/mt)			-549.25 - 549.75-
Kerosene	-73.29 - 73.33-	1.28/1.32	-77.29 - 77.33-
Kerosene LR2	-73.67 - 73.71-		
Gasoil 0.05% sulfur	-73.46 - 73.50-	5.88/5.92	
Gasoil 0.25% sulfur	-70.96 - 71.00-	3.38/3.42	
Gasoil	-70.36 - 70.40-	2.78/2.82	
Gasoil LR2	-70.76 - 70.80-		
Gasoil ***			+86.47 - 86.51+
HSFO 180 CST (\$/mt)	-325.35-325.39-		-352.89-352.93-
HSFO 380 CST (\$/mt)	-310.06-310.10-	+16.00/-15.00+	

* FOB Jebel Ali; **Spot differential to MOPAG quotes; ***Netback from FOB Singapore Gasoil 50ppm. Discount to FOB AG HSFO 180 CST quotes

Gasoline

MOGAS: Singapore FOB prices fell more than \$1/barrel Monday, tracking the weakness in benchmark values. But, fundamentals were supported by tight prompt availabilities in the region. The fire at Formosa's residue desulphurization unit Monday could tighten fundamentals, as the refiner could defer or cancel March or April term liftings, market sources said. Fundamentals could also receive support from Japan's summer gasoline demand during July-August, traders said. The tight specifications — 1% benzene and 10ppm sulfur could only be produced by refineries in Singapore or South Korea and prices for latter on FOB basis for SR-sized vessels were quoted at \$2-\$3/barrel, market sources commented. Typically, SK and S-Oil offers the volumes. In tender news, Formosa awarded its 3,000mt alkylate export tender at MOPS plus \$14.50-\$15.00/barrel to a major, market sources said. Formosa is likely to defer or cancel its March or April unleaded gasoline commitments to term lifters due to the fire at its residue desulphurization unit. The parties or the number of cargoes affected were not immediately known. In the Persian Gulf, Oman Refinery is seeking 30,000 cubic meters (188,694 bbl) of RON-95 (plus/minus 5%) unleaded gasoline on a C&F basis for Apr 13-15 delivery into the port of

Subscriber notes

2nd Annual Platts Futsal Tournament for the Singapore Oil Industry in support of UNICEF. We are delighted to inform you that Platts will be organizing the 2nd Annual Platts Futsal Challenge for the oil industry on Saturday, 11 March 2006, at Choa Chu Kang Sports Hall, Singapore. The 2nd Annual Platts Futsal Challenge (5-a-side indoor soccer) is held in support of UNICEF (the United Nations Children's Fund). We are pleased to invite you and your company to be part of this meaningful event. Please show us your support - send in your team now and make a generous pledge today! Closing Date is 28 February 2006. For more information and to participate, please email casey_yew@platts.com

Asia Products (continued)

\$/bbl

Freight netbacks

	S'pore-AG	Spore-Japan	Japan-AG	S'pore-Aus
Gasoline	-2.76	-2.19		4.88
Naphtha		-18.65	-28.56	
Naphtha-LR2			25.56	
Kerosene	-2.00			5.25
Kerosene-LR2	1.62			
Gasoil	-2.12			5.57
Gasoil-LR-2	1.71			
HSFO 180 CST	-13.74	-13.80		
HSFO 380 CST	-13.74			

All in \$/bbl, except HSFO 180 CST, 380 CST and AG-Japan naphtha in \$/mt.

Premium/Discount to Mean of Platts (MOP)

	Japan	Hong Kong
Naphtha (\$/bbl)	7.50/8.50 *	
Jet	-1.23/1.27-	
Gasoil Reg 0.5% sulfur		0.98/1.02

* C+F basis,

Australia

	C+F Australia
Gasoline 92	-72.56 - 72.60-
Gasoline 95	-73.35 - 73.39-
Jet	-80.54 - 80.58-
Gasoil 50ppm	+90.84-90.88+
Gasoil 0.05% sulfur	+85.34 - 85.38+
Gasoil 0.25% sulfur	-80.34 - 80.38-
Gasoil 0.5% sulfur	-78.04 - 78.08-

Korea

	FOB Korea	C+F Korea	Premium/discount
Gasoline 95 unleaded	-67.88 - 67.92-		
Naphtha (\$/mt)		-556.50-557.00-	6.00 / 7.00
Gasoil 0.5% sulfur	-71.87 - 71.91-		-0.42 / -0.38
Jet	-76.04 - 76.08-		-0.02 / 0.02
HSFO 180 CST 3.5% sulfur*	-342.34-342.38-		7.00 / 8.00
HSFO 380 CST 3.5% sulfur*	-327.05-327.09-		7.00 / 8.00
MSFO 180 CST 1.5% sulfur*	-344.34-344.38-		9.00 / 9.00

FOB Okinawa cargoes

Gasoil 0.5% sulfur	-71.77 - 71.81-	-0.52 / -0.48
HSFO 180 CST 3.5% sulfur*	-342.34-342.38-	7.00 / 8.00
MSFO 180 CST 1.5% sulfur*	-344.34-344.38-	9.00 / 10.00

* \$/mt

European products

\$/mt

Mediterranean

\$/mt	FOB (Italy)	CIF (Genova/Lavera)
Prem Unl 50ppm	-528.00-529.00-	-538.75-539.75-
Naphtha	489.00-489.50	506.25-506.75
Jet aviation fuel	586.00-587.00	
Gasoil .2%	549.25-550.25	567.25-568.25
Ultra low sulfur diesel 50ppm	-574.75-575.75-	-586.75-587.75-
1%	318.75-319.75	326.25-327.25
3.5%	282.00-283.00	289.50-290.50
Jet FOB Med premium	4.00-5.00	

Mina Al-Fahal. The tender closes on Mar 18 and will remain valid until Mar 20. In the Platts assessment window, one cargo changed hands. The RON-92 was supported by 6 bids with 2 bids each from Ron 95 and 97. Offers concentrated on the low octane and Lukoil took out only RON-95 offer by Sietco at \$68.50/barrel.

Naphtha

NAPHTHA: CFR Japan naphtha fell Tuesday, in line with the decline in western crude benchmarks, as demand for the material has strengthened substantially. This is especially so for prompt second half of April cargoes given the recent scramble by Japanese and South Korean end-users for these cargoes. Stronger demand has also caused the H2 April/H2 May spread to widen further to be assessed at plus \$4.00/mt Tuesday from +\$3.25/mt previously. However, cargoes for all three cycles were assessed between \$5.50-\$6.25/mt lower at between \$549.50-\$553.50/mt in anticipation that supply would get a boost from naphtha cargoes from India. Indian sellers had reduced the volume of naphtha cargoes it normally exports per month in March on hopes of fetching higher premiums. Recently, there were indications, through tenders and otherwise, that more naphtha cargoes from India are likely to enter the market. India's HPCL has issued a tender offering 30kt of heavy naphtha for Mar 29-31 loading from Vizag. The tender will close Tuesday. It was also heard that HPCL had awarded its 30kt open-spec naphtha tender, which closed Monday, FOB Mumbai basis for loading over Mar 15-Apr 7 to Vitrol. Indonesia's Chandra Asri has not restarted its naphtha cracker Tuesday because there is some problem with the cracker's compressor, a source said. It is unclear when the cracker will be restarted. During the Platts assessment window, four deals were done. MOA had sold two first half May cargoes each to Sietco and Totsa as well as a H2 April cargo to Marubeni. In addition, Glencore sold a H1 May cargo to Jaron. Singapore naphtha swaps for balance March and April were assessed 85 cents/barrel lower at \$58.90/barrel and \$58.60/barrel respectively.

Jet

JET: Values fell Tuesday as the market fundamentals continued to be mostly bearish, said traders. The main factor hampering the jet mar-

European products**\$/mt****Northwest Europe cargoes**

	CIF Basis ARA	FOB NWE
Premium unleaded	539.00-540.00	510.00-511.00
Prem Unl 10ppm	-540.50-541.50-	-511.50-512.50-
Regular unleaded	536.00-537.00	507.00-508.00
Naphtha Swap	516.00-516.50	
Naphtha Phy	513.25-513.75	
Jet	605.25-606.25	592.00-593.00
Ultra low sulfur diesel	582.00-582.50	566.00-566.50
Ultra low sulfur diesel 50ppm	-578.00-578.50-	-560.00-560.50-
Gasoil .2%	555.50-556.50	538.00-539.00
Russian Gasoil 0.2	-560.75-561.75-	
10 PPM	582.00-582.50	567.25-567.75
1%	316.50-317.50	304.75-305.75
3.5%	277.50-278.50	264.25-265.25
0.5-0.7% straight run		375.00-378.00
Low sulfur VGO	430.50-433.50	420.50-423.50
High sulfur VGO	420.00-423.00	408.00-411.00

Northwest Europe barges

	FOB Rotterdam	Differentials 50ppm
Unleaded 98	523.00-524.00	
Premium Unleaded	519.00-520.00	-1.50/-0.50
Regular Unleaded	517.50-518.50	
MTBE	528.00-530.00	
Naphtha Phy	509.25-509.75	
Jet	593.75-594.75	
Ultra low sulfur diesel	569.75-570.75	
Euro 50ppm	-518.00-519.00-	
Gasoil .2%	544.00-544.50	
10 ppm	570.75-571.75	
1%	299.75-300.75	
3.5%	281.75-282.75	
Low sulfur VGO	435.50-438.50	
High sulfur VGO	405.00-408.00	

IPE gasoil average 16.30 (Ldn Time)

Mar	551.50	Mar 544.25
Apr	551.50	Apr 544.50

Rotterdam bunker

380 CST	290.00-292.00
---------	---------------

US West Coast Pipeline**cts/gal**

	Los Angeles	San Francisco
Unleaded 87	-185.85-186.85-	-180.35-181.35-
Premium 91	-192.85-193.85-	-187.35-188.35-
CARBOB	-185.85-186.85-	-180.35-181.35-
CARBOB PREM	-192.85-193.85-	-187.35-188.35-
Jet	-184.45-184.70-	-183.95-184.20-
Low sulfur (EPA) diesel	-195.95-196.45-	-195.45-195.95-
CARB diesel	-197.95-198.45-	-197.45-197.95-

Differential to NYMEX

CARBOB	-22.50-23.50-
CARBOB paper 1st month*	+23.50-24.50+
CARBOB paper 2nd month*	+21.50-24.00+
Jet Fuel	12.25-12.50-
LS (EPA) Diesel	+23.75-24.25+
CARB Diesel	+25.75-26.25+

* Premium to NYMEX gasoline settlement

ket in the last couple of weeks has been a fall in demand from North Asian countries, said sources. A fall in crude and gasoil benchmark futures values Tuesday also hit jet values in Asia. Cargoes loading in Singapore were pegged at \$75.31/barrel at the close Tuesday compared to \$76.91/barrel at the end of trading Monday. In the swaps markets, balance of March paper was at \$75.63/barrel Tuesday compared to \$77.18/barrel and April fell to \$76.73/barrel from \$78.23/barrel. In the meantime, regrade values narrowed to levels not seen for months due to a strengthening gasoil market combining with the weaker jet values. Balance of March regrade paper was pegged at \$3.28/barrel at the close Tuesday, compared to \$4.26/barrel Monday. Regrade for April and May also narrowed. On the NYMEX, front-month WTI futures, which were pegged at \$63.54/barrel at the close of Asia trading Monday, fell to \$62.58/barrel Tuesday. In the Platts market-on-close assessment window, Glencore and Morgan Stanley both bid for cargoes, while Mercuria, BP, SPC and Shell all offered. Glencore bid up to MOPS minus \$1.00/barrel for a cargo loading Mar 28-Apr 01, while Morgan Stanley bid for one cargo at MOPS -\$1.05/barrel for a Mar 22-26 lifting or MOPS -85 cents for a Mar 29-Apr 02 shipment. None of the bids were hit. The lowest offer was from Mercuria at \$75.20/barrel, which was equal to MOPS -67 cents at the close, for a Mar 23-27 cargo. The next lowest offer was from Shell at MOPS -30 cents for a Mar 22-26. None of the offers were lifted.

Gasoil

GASOIL: The market continued to strengthen Tuesday with the front of the swaps forward curve flipping into backwardation, said traders. In addition, the physical market for 0.5% sulfur gasoil switched to a premium over the swaps Tuesday, compared with a discount to the paper curve Monday. Outright values fell Tuesday on lower crude futures values, though the decline in crude benchmarks outstripped the fall in gasoil values in Asia. The spread between balance of March and April gasoil paper was 15 cents at the close Tuesday, compared to minus 10 cents Monday. The strengthening in the front-month gasoil swaps spread was due to a tightening of supply in the physical cargo market, said sources. The outright values for the swaps were \$72.35/barrel from \$72.92/barrel for March and \$72.20/barrel from \$73.02/barrel for April. Meanwhile, the 0.5% car-

West Coast Waterborne

Los Angeles

San Francisco

Light ends

Gasoil	-81.75-82.25-
Unleaded 87	-184.85-185.85-
Jet	-183.45-183.70-

Fuel oil

0.5% S	55.25-55.75
1.0% S	54.75-55.25
2.0% S	52.25-52.75

Bunkers

180 CST	346.00-348.00	330.00-335.00
380 CST	-330.00-337.00+	328.00-330.00

Seattle

Portland

Unleaded 87	-178.20-178.70-	-179.35-179.85-
Premium 92	-189.20-189.70-	-190.35-190.85-
Jet	-184.45-184.70-	— - —
Low sulfur (EPA) diesel	-209.60-211.60-	-210.75-212.75-
180 CST	357.00-361.00	360.00-365.00
380 CST	+341.00-343.00+	+331.00-333.00+

Phoenix 7.0

Las Vegas 8.0

RBOB unleaded 87	-188.85-189.85-	-186.85-187.85-
RBOB premium 91	-195.85-196.85-	-193.85-194.85-

Pacific Rim spot crude assessments

\$/bbl

		Prem./Disc.			Prem./Disc.
Tapis	-66.82-66.86-	1.95/2.05	Minas	-61.77-61.81-	2.20/2.30
Cossack	-64.32-64.36-	-0.55/-0.45	Attaka	-63.94-63.98-	1.85/1.95
Griffin	-64.52-64.56-	-0.35/-0.25	Senipah	-61.76-62.00-	-0.60/-0.50
Kutubu	-64.77-64.81-	-0.10/0.00	Ardjuna	-62.71-62.75-	2.10/2.20
Nanhai	-65.62-65.66-	0.75/0.85	Handil Mix	-62.18-62.22-	1.65/1.75
NW Shelf	-60.69-60.73-	-1.70/-1.60	Cinta	-59.65-59.69-	2.20/2.30
Labuan	-67.27-67.31-		Duri	-56.43-56.47-	1.40/1.50
Miri	-67.22-67.26-		Widuri	-60.05-60.09-	2.20/2.30
Gippsland	-64.37-64.41-		Belida	-63.95-63.99-	1.85/1.95
Paper Tapis (Apr)	-64.82-64.86-		Daqing	-60.26-60.30-	
Paper Tapis (May)	-65.50-65.54-		Shengli	-56.93-56.97-	
			Bach Ho	-66.66-66.70-	2.65/2.75
			Nile Blend	60.22-60.26	0.65/0.75

Foreign Exchange rates:

USD/Yen	117.7550	USD/MYR	3.7090
USD/EUR	1.1953	USD/HK	7.7604
USD/Stg	1.7440	USD/AUD	0.7375
USD/Sing	1.6314		

Tanker Fixtures

Ship name	Size	Type	Date	Route	Rate	Charterer
INTERNATIONAL TANKER FIXTURES						
Agathonissos	75kt	CL	Mar19	AG-Japan	rn	cnr
FP Cosmo	55kt	NA	Mar15	AG-East	rn	cnr
Gammataank	48kt	CL	Mar16	AG-Taiwan	w185	CPC
Ocean Moonbeam	30kt	GO	Mar19	Sing-Japan	w310	STB
Formosa 15	30kt	UN	Mar12	Sing-HK/Philippines	\$460k	Chevron
Nord Stream	30kt	UN	Mar20	Sing-Aust	rn	Chevron

go market, which was pegged at MOPS -5 cents Monday, rose to MOPS plus 20 cents Tuesday. Cargoes loading in Singapore, which were pegged at \$72.91/barrel Monday, were at \$72.49/barrel Tuesday. On the NYMEX, front-month WTI futures, which were pegged at \$63.54/barrel at the close of Asia trading Monday, fell to \$62.58/barrel Tuesday. Differentials for the 500ppm and 50ppm markets FOB Singapore also rose Tuesday. Potentially boosting the ultra low sulfur gasoil grade was a fire at Formosa's 450,000 b/d Mailiao refinery in Taiwan Monday. A source at the company Tuesday said that Formosa would likely delay by about a week an offer of two to three cargoes of 50ppm, originally set for April loading. The fire broke out at the refinery's 70,000 b/d residual desulfurization unit. Formosa, however, will still be offering two 50ppm gasoil cargoes for loading in the middle of March, the source added. The refinery has two residue desulfurization units with 70,000 b/d and 52,000 b/d capacity and three crude distillation units.

Fuel oil

HSFO: Singapore HSFO prices slipped Tuesday as the market took a breather after surging to record high prices following heavy buying by BP in the physical market. BP has bought 235kt of 180 CST since the beginning of March up until Monday. In the Platts assessment window Tuesday, BP was bidding Mar 26-30 and Apr 1-5 for 180 CST HSFO, which were at MOPS plus \$3.00/mt and +\$4.00/mt respectively at the close. Shell's bid for Mar 27-31 and Apr 1-5 were at +\$3.50 and +\$4.00/mt at the close. Sumitomo's bid for Mar 22-26 was at +\$4.00/mt. SPC offered Mar 22-26 at \$348/mt or balance Mar MOPS +\$4.00/mt. Vitol offered at balance Mar MOPS +\$2.00/mt or \$350/mt, for Mar 27-31 or Apr 2-6. The other offer was from Westport at April MOPS +\$11.00/mt or \$355/mt for Mar 30-Apr 3. In swaps, balance March paper for 180 CST was assessed at \$338.75/mt, down \$3.25/mt from Monday. The March/April spread closed at \$10/mt backwardation, \$0.50/mt up from Monday, while April/May was at \$3.50/mt. For 380 CST, balance March swaps was assessed \$2/mt lower at \$325.25/mt. The March/April backwardation widened by \$0.25/mt to \$6.50/mt, while the April/May spread was steady at +\$3.00/mt. Traders said that the recent spike in HSFO prices in Singapore has led many buyers in Asia to retreat to the sidelines and most of the end-users are trying to run down their inventories.

Tanker Fixtures (continued)

Ship name	Size	Type	Date	Route	Rate	Charterer
Shp tbn	30kt	CL	Mar19	Kerteh/Malaa-Japan	w230	Petco
Dai Viet	30kt	CL	Mar9	SKorea-HCMC	\$385k	SKC
AnjasmoroF	30kt	UN	Mar10	Vld/Nakhd-SK/Jap	\$380k-400	China
Fronnt Opalia	275kt	CR	Mar19	AG-Sing	w110	Shell
A Progress III	270kt	CR	Mar27	AG-Japan	w94	Nippon
Grand Explorer	265kt	CR	Mar30	AG-SKorea	w82.5	GSCaltex
Titan Neptune	260kt	CR	Mar27	AG-East	w87.5	Shell
tbn	260kt	CR	Mar23	AG-SKorea	w72.5	GSCaltex
Europe	250kt	CR	Mar20	AG-East	w70	Xom
Neptune	260kt	CR	Mar30	Yanbu-Bataan	w87.5	Petron
Titan Gemini	255kt	CR	Mar28	AG-China	coa	Dong Yang
Ratna Shalini	80kt	CR	Mar16	AG-Thailand	w140	Thaioil
Genmar Trust	80kt	CR	ppt	Suez-East	\$1.6m	Clearlake
P Aquarius	80kt	DY	Mar17	Vungtao-Spore	\$300k	Sietco
Barunawati	80kt	DY	Mar16	Zhoushan-Spore	\$325k	Shell
CS Stealth	80kt	CR	Mar20	Indo-Yosu	coa	GSCaltex
K Line tbn	80kt	CR	Mar15	Dumai/Indo-Japan	coa	Nippon
B Kelana 9	80kt	CR	Mar17	Bintulu/Malacca	\$475k	Petco
Ocean Moonbeam	40kt	CR	Mar19	Sing-Wakayama/Kawa	rnr	Xom
Sophie	30kt	CR	Mar22	BalikPapan-Japan	\$812k	MSK
Scorpius-F	80kt	CR	Mar15	UKC-East	\$2.6m	Vitol
Eagle Carina	80kt	CR	Mar15	Baltic-Sing	\$2.9m	Clearlake
Scorpius	80kt	CR	Mar15	UKC-EAST	\$2.6m	cnr
Cape Brindisi	135kt	CR	Mar18	Novo-UKCM/FEast	\$4.5m	Clearlake
Eagle Carina-F	80kt	CR	Mar15	BSea-Sing	rnr	Rixo
Genmar Orion	130kt	DY	Mar22	CBS-China	rnr	Petrochim

DY: Dirty, CR: Crude, FO: Fuel Oil, CO: Condensate, +: Update, pt: prompt, cnr: charterer not reported, rnr: rate not reported CL: clean, F: Failed, UL: Unleaded, NA: Naphtha, GO: Gasoil, ++: Update

Deals summaries**Naphtha physical**

- 1) Naphtha: CFR Japan: 25kt: H1 May: Glencore to Jaron at \$549/mt
- 2) Naphtha: CFR Japan: 25kt: H1 May: MOA to Sietco at \$550.50/mt
- 3) Naphtha: CFR Japan: 25kt: H1 May: MOA to Totsa at \$552.50/mt
- 4) Naphtha: CFR Japan: 25kt: H2 Apr: MOA to Marubeni at \$555/mt

Naphtha paper

No reported deals

Jet physical

No deals reported.

Jet paper

mar reg 3.40 cargill to bp, carg to aron; 3.50 carg to aron.
apr reg 4.40 shell itochu; 4.95 hess to totsai; 4.85 shell to totsai; 4.50 shell to itochu, hess to uniepec.

Gasoil physical

Shell lifts SPC offer GO MOPS + \$0.28 23-27 March 150mb
HL hits Shell's bid for 500ppm, 22-26 Mar, 150kb, MOPS 0.5% +\$7.50.

Gasoil paper

mar gas 72.40 vit to ms; 72.25 koch to ja, spc to hess; 72.35 koch to ms;
72.50 koch to totsai; 72.45 koch to ms; 72.30 vitol to ms.

LSWR

LSWR/LSFO: India's Tata Power has issued a tender seeking 28,000-30,000 mt of low sulfur fuel oil or low sulfur waxy residue for Mar 25 to Apr 5 delivery to Mumbai. In the current tender, Tata is seeking a cargo of LSFO with maximum 0.3% sulfur while a maximum sulfur content of 0.2% is required if the offer is for LSWR. The tender closes Tuesday and offers are valid for two days. This is the second tender from Tata Power after it received only one offer in an earlier tender last week. A Japanese trading house is believed to have submitted an offer at about \$6-7/barrel premium to LSWR assessments by Petroleum Argus. There was a lack of interest as the cargo sought was too prompt and traders were skeptical that Tata Power is keen to buy because it has not bought LSWR from the spot market since April 2004, traders said. Meanwhile, Tokyo Electric Power Company plans to mothball eight thermal power generation units with a total capacity of 1.459 GW as of Mar 27, 2006, and replace them with new LNG-fired units with higher heat efficiency.

US West Coast

Gasoline differentials strengthened on the US West Coast Tuesday on refiner buying and concerns over possible problems at BP's 260,000-bpd Carson, California refinery. In Los Angeles, CARBOB gasoline traded early at April NYMEX plus 21 cents/gal, though prices continued to rise throughout the day. By early afternoon, deals were reported at NYMEX plus 22, 22.50 and 23 cents/gal. Toward the end of the day, offers were heard at NYMEX plus 24 cents/gal offsetting bids at NYMEX plus 23 cents/gal. In San Francisco, gasoline traded at 5.5 cents/gal under Los Angeles. In Portland, unleaded gasoline traded at NYMEX plus 16.25 cents/gal for prompt barrels.

USWC distillates markets, on the other hand, thinned out following some morning activity. In Los Angeles, March barrels of jet fuel traded twice at April NYMEX plus 12.25 cents/gal. The afternoon saw a single trade at NYMEX plus 12.50 cents/gal. EPA diesel was heard traded at April NYMEX plus 24 cents/gal. CARB diesel traded at NYMEX plus 26 cents/gal.

USWC BUNKERS: Los Angeles 380cst prices widened Tuesday to \$330-337/mtw from \$332-335 with a two-tiered market apparently in place for reasons that were unclear. Despite lower

Deals summaries (continued)

mar/apr gas flat merc to shell, ml to shell; +10 merc to koch; +20 merc to koch, ml to koch.

Fuel oil physical

None

Fuel oil paper

180CST ppr: Mar at \$338.75x2, \$339; Apr at \$328.50, \$328.75x2; Mar/Apr at +\$10
380CST ppr: Mar at \$323.75, \$324x2

Mogas physical

Mogas Deals Summary: 1 Deal Done

1) Gasoline: 95 RON: FOB Singapore: 50kb: Mar 27-31: Sietco sold to Lukoil at \$68.50/bbl

Mogas paper

No reported deals.

Postings news

■ Caltex revises ex-Bahrain eff Mar 6: cts/gal: naphtha up 3.88; mogas up 2.28; kero up 5.31; gasoil up 10.07; \$/bbl: fuel oil up 1.86

prices in Asia and falling crude oil prices, LA was firm given an apparent limited supply base, at least so far this week. Seattle 380cst prices firmed with an overnight deal at \$342.50/mtw, up from Platts' Monday \$339-341 level, as supply and resupply remain tight with demand steady. Portland 380cst prices consolidated at \$331-333/mtw with two overnight deals at this level as that port's prices appear to be stabilizing more than \$20 off of highs seen early this year.

Crude

MIDDLE EAST SOUR CRUDE: Trading activity in the PG crude market was slow ahead of the upcoming OPEC meeting in Vienna Wednesday, in which the oil cartel is expected to maintain its output targets. As a result, many traders were reluctant to lock in any May cargoes. Prices on the May Oman market were wide, with bids/offers at MOG minus 15/-7 cents/barrel. June Oman was bid at MOG -5 cents/barrel and offers stood at MOG plus 5 cents/barrel. Qatar Petroleum has set its February OSP for Qatar Land at \$60.56/barrel, or February Oman OSP plus \$2.50/barrel and Qatar Marine at Oman +15 cents/barrel or \$58.21/barrel. Traders said that the lower spreads of these OSPs to Oman could give some support for May cargoes of the Qatari grades. Some April PG crude cargoes, including Dubai and Murban, might be available although sellers would have to cut offers sharply to draw any demand. Only one clip of May Dubai physical partials traded Tuesday at \$58.40/barrel (SK Energy-Morgan Stanley) before the market closed at \$57.80-\$58.45/barrel. Two clips of May Oman partials were done at \$59.40/barrel and at \$59.55/barrel, both from Unipac to Morgan Stanley.

ASIA PACIFIC SWEET CRUDE: Regional crudes took a hammering Tuesday with Tapis and Minas slumping \$1.43/barrel and \$1.36/barrel to \$66.84/barrel and \$61.79/barrel respectively. Bearishness on the back of a global surplus of light, sweet crudes was further exacerbated following the massive gasoline sell-off in the US. Sentiment was not helped after Saudi Oil Minister Ali Naimi suggested that OPEC was likely to maintain its quota in the upcoming meeting. The prompt time spread on Tapis fell deeper into negative territory with March/April and April/May assessed at minus \$1.01/barrel and -68 cents, 13 cents lower from the previous session. An overhang of regional crudes from the April-lifting program was also keeping the market in this unwavering contango, a trader said, adding that concerns about storage in Singapore being filled to maximum capacity would lead sellers to offload cargoes at big discounts. China's early purchases of competing West African grades such as April-delivery Cabinda has also contributed to fears, sources said.