



SHIPPING RATES & BUNKERS ( 10:15 am ET )							
S H I P	DIRTY TANKER (KT - \$/day)		Voyage	Spot TCE earnings	2018 avg. rate	10 day trend	
	VLLC, 270	AG-FE		39,800	11,200		
	Suezmax, 130	WAF-UKC		14,500	5,400		
	Aframax, 70	CAR-USG		8,900	7,400		
	Panamax, 50	CAR-USG		2,800	6,800		
P I N	CLEAN TANKER (KT - \$/day)		Voyage	Spot TCE earnings	2018 avg. rate	10 day trend	
	MR, 37	UKC-USAC		9,200	6,200		
	MR, 38	USG-UKC		(2,800)	600		
	TIME CHARTER (KDWT)		1yr eco vessel rate (\$/day)	Yearly trend	Newbuild price (\$M)	Secondhand 5yr old price (\$M)	
	VLLC, 200+		26,000		90.0	61.0	
R A T E S	Suezmax, 130-200		19,000		60.0	42.0	
	Aframax, 80-130		16,500		48.0	29.0	
	LR2, 80-130		15,250		50.0	30.0	
	LR1, 60-80		13,750		43.0	26.0	
	MR, 42-60		13,500		36.0	25.5	
&	Handymax, 30-42		12,500		33.0	23.0	
	US FLAG (KT - \$/day)		Voyage	Weekly spot rate	2018 avg. rate	10 week trend	
	Handy, 38	USG-USAC		55,988	61,479		
	LNG (\$/day)		Weekly spot rate	Sentiment	Current month rate	2018 avg. rate	
	160M3 Tri-fuel diesel electric (West)		90,000	Flat	91,500	70,026	
B U N K E R	138-150M3 Steam turbine (West)		68,000	Flat	68,000	49,213	
	160M3 Tri-fuel diesel electric (East)		10,000	Increasing	90,750	60,179	
	138-150M3 Steam turbine (East)		65,000	Increasing	63,750	40,333	
	LPG (KT)		Last posted spot rate (\$/mt)	Spot TCE rate (\$/day)	1yr time charter rate (\$/day)		
	VLGC, 44 (AG-Japan)		47.96	27,467	19,737		
S	BUNKERS (\$/mt)		IFO 380	10 day trend	MDO	10 day trend	
	US Gulf		478.5		765.0		
	Rotterdam		480.5		706.0		
	Singapore		523.5		757.5		

**DEVELOPMENTS**

**India is reportedly buying 9 mb of Iranian oil in Nov.** The world's third biggest oil importer is reportedly continuing to buy oil from Iran despite the US sanctions beginning on Nov. 4. Indian Oil Corp will take 6 mb of Iranian oil and Mangalore Refinery and Petrochemicals Ltd will lift 3 mb. Meanwhile, the US is imposing new sanctions on the Islamic Republic with the aim to halt the country's crude exports. [Reuters Oct. 5, 2018](#)

**Cuadrilla to begin fracking for gas in England next week.** The Shale gas developer will start fracking for gas at its Preston New Road site in northwest England as early as next week. Fracking was stopped in Britain seven years ago after causing earth tremors. However, the regulation is being relaxed as the British government moves to reduce its reliance on imports which have risen to more than 50% of British gas supplies. Shale gas resources in northern England alone are estimated to amount to 1,300 Tcf of gas, 10% of which could meet the country's demand for almost 40 years. The decision to allow Cuadrilla to frack has been met with opposition by protestors. [Reuters Oct. 5, 2018](#)

**US purchases of Venezuelan oil rose in Sept., driven by Citgo, Valero.** Venezuela's Sept. crude sales to the US were their highest in over a year as Citgo Petroleum and Valero Energy boost their purchases. Also, a collision in Aug. at a dock of Venezuela's main oil port obstructed exports to Asia. This led to a boost for medium-sized tankers which include those typically covering routes to the US. The US imported 601,505 bpd of Venezuelan crude last month, a 28% increase compared to Aug. Of that, Valero and Citgo bought over 250,000 bpd last month, compared with an average of 170,00 bpd earlier this year. [Reuters Oct. 5, 2018](#)

**IEA sees petrochemicals driving oil demand growth.** According to the International Energy Agency, petrochemicals are quickly advancing ahead of trucks, aviation and shipping as the biggest driver of global oil consumption, accounting for more than a third of the growth by 2030. This comes as transportation vehicles become less aggressive consumers, thanks to increased efficiency, alternative fuels and electrification. The chemicals products sector is growing quickly and is expected to account for nearly half of oil demand growth by 2050. Specifically, the plastics segment is the fastest-growing group of bulk materials in the world. However, there has been mounting environmental concerns over plastics pollution in oceans. But without significant improvements in waste management policies, the quantity of plastic waste will continue to rise, said the IEA chief. In addition, plastic consumption in emerging economies will likely outweigh any reduced usage, leading to robust oil demand. [FT Oct. 4, 2018](#)

COMMODITIES, ( 9:45 am ET )						
E N E R G Y	CRUDE	Source	Unit	Last price	Δ Prior day close	
	Brent	ICE	\$/bbl	84.28	↓ -0.30	
	WTI	NYMEX	\$/bbl	74.19	↓ -0.14	
	Dubai (Spot)	Bloomberg	\$/bbl	83.14	↓ -1.08	
	PRODUCTS	Source	Unit	Last price	Δ Prior day close	
RBOB Gasoline	NYMEX	¢/gal	209.21	↓ -0.83		
Heating Oil	NYMEX	¢/gal	239.42	↓ -0.55		
P R I C E S	NATURAL GAS		Source	Unit	Last price	Δ Prior day close
	US Henry Hub	NYMEX	\$/MMBtu	3.20	↑ 0.03	
	UK National Balancing Point	ICE	\$/MMBtu	9.76	↑ 0.06	
	NATURAL GAS LIQUIDS		Source	Last Price (¢/gal)	Last Price (\$/mt)	Δ Prior day close (¢/gal)
	US Mont Belvieu Propane (Spot)	Bloomberg	102.75	535.60	↓ -3.25	
PRICE SPREADS (\$/bbl)		Source	Last price	Δ Prior day close		
Brent 3-2-1 Crack	ICE		7.76	↓ -0.01		

**MARKET ANALYSIS**

**Asphalt:** The Gulf Coast asphalt barge range softened last week, with the flux barge ranges flat.

**LNG:** Prompt tonnage remained at low levels last week with 5 vessels prompt worldwide, 2 in the Far East, 3 in the Atlantic and none in the Middle East.

**LPG:** Activity in the Middle East FOB market picked up last week as Qatar Petroleum awarded their Oct. loading tender and at least two spot sales were reported.

**Oil prices rise on upcoming Iran sanctions, uncertain outlook.**

**Unemployment falls to 3.7%.**

MARKETS, ( 9:45 am ET )					
M A R K E T S	EQUITIES	Region/Country	Last value	Δ Prior day close	
	S&P 500	United States	2,901.61	↓ -23.90	
	FTSE 100	United Kingdom	7,331.94	↓ -86.40	
	DAX	Germany	12,130.33	↓ -113.81	
	Nikkei	Japan	23,783.72	↓ -191.90	
SH Composite	China	2,821.35	0.00		
C U R R E N C I E S	CURRENCIES		Region/Country	Last value	Δ Prior day close
	£/\$	United Kingdom	1.31	↑ 0.01	
	€/€	European Union	1.15	↑ 0.00	
	\$/JPY ¥	Japan	113.89	↓ -0.02	
	\$/CNY ¥	China	6.87	0.00	

**POTEN EVENTS**

Oct. 16-19: CWC Asia Pacific Summit, Singapore. Poten sponsoring, Stephen Thompson speaking.

Oct. 11: EIA Petroleum Status Report, 11:00am, ET.

SEPT. POSTED / SPOT PRICES (\$/mt)			
		Propane	Butane
Saudi Aramco		600.00	635.00
Sonatrach		585.00	605.00
OPIS North Sea		574.00	590.00
Spot AG		637.50	652.50
CFR Japan		669.50	687.50

