

# DAILY ENERGY MARKETS FORUM

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### Are we finally seeing real support for jet fuel recovery?

If we look at the Chinese market, we've had a year of the typical migratory patterns diminish but the more recent Golden Week has been a relatively positive sign for demand in Asia. Meanwhile, US passenger traffic is approaching the highest level seen since March 2020 and that really says to me that the market is recovering, obviously for gasoline, but also for jet. In general, we're seeing a more productive and constructive pattern than we've seen in quite a while.

### Is Asia now facing its phase of the big Covid challenge?

We're going to see departures on economic recovery at different rates both across regions and within Asia. The big merchant refiners in India for example, are now cutting runs because of weakness in the overall export oriented complex. Another example is that the Indian informal economy model faces a very different set of circumstances to Europe – the latter offers the option to work from home but clearly migrant workers in India cannot do that. Meanwhile, countries like Vietnam and Singapore have been exemplary in the way they've managed Covid overall but Malaysia, Indonesia and the Philippines have not been successful at all.

### Week ahead inventories outlook and market impact?

Looking at the US and China and elsewhere, inventories have started to draw but we're still above the five-year averages. The recovery in prices has been driven by OPEC taking 6 million bd off the market and we are starting to see the impact of that on inventories now. Sentiment is looking more constructive going forward into May. ■

*\*Paraphrased comments*

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