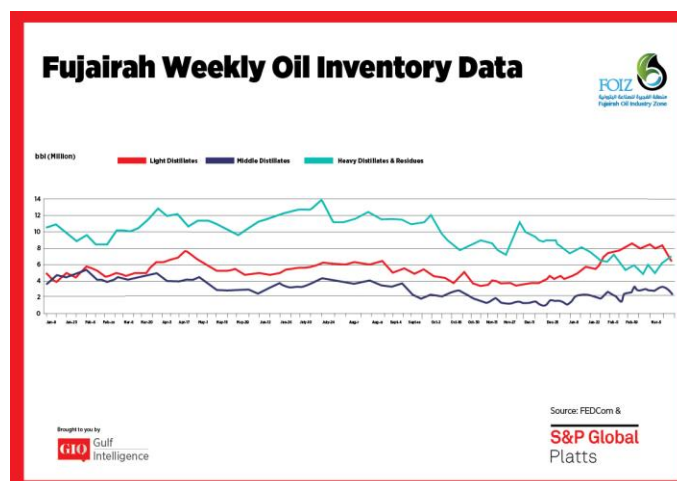
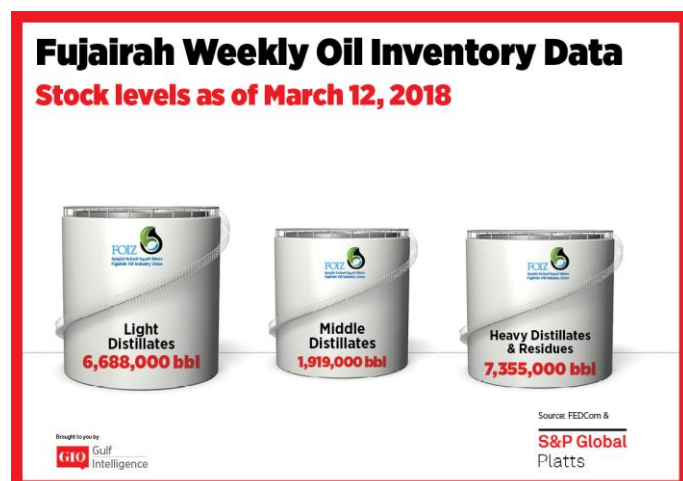


# Fujairah Weekly Oil Inventory Data

## Stocks Level as of Mar. 12, 2018

**Oil product stocks drop 4.5% on week to 15.962 million barrels**



- \*Light distillates down 12.5% on moderate demand
- \*Middle distillates fall 25.4% to 7-week low
- \*Heavy distillates up 13.2% to 8-week high

Total oil product stocks in Fujairah stood at 15.962 million barrels as of Monday, slipping 4.5% on the week as stocks of middle distillates fell by more than a quarter, according to latest data from the Fujairah Energy Data Committee, or FEDCom.

Stocks of middle distillates fell by 25.4% to 1.919 million barrels, a seven-week low. In the jet market, demand for Middle East export barrels to Asia is cooling. Singapore jet premiums recently rose to multi-year highs, but demand has begun to retreat with winter heating season now over, S&P Global Platts Analytics said in a report. Stocks of light distillates also fell, dropping 12.5% week on week to 6.688 million barrels. Demand in the Middle East is moderate, with spot premiums for Arab Gulf Gasoline RON 95 averaging \$2.46/b so far this month, and the region is expected to be well supplied by European gasoline cargoes.

### HEAVY DISTILLATE REBOUND CONTINUES

Stocks of heavy distillates and residues rose by 13.2% week on week to 7.355 million barrels, an eight-week high and continuing to rebound from the record low of 4.84 million barrels set on February 26. Premiums for benchmark Arab Gulf 180 CST FOB cargoes rose to a four-month high of \$10/mt Tuesday, in line with the strengthening of the 180 CST price in the Singapore market, the report said.

Market sources have attributed a widening viscosity spread to early pricing in of the IMO's 2020 bunker fuel regulations. The lower sulfur limits are expected to lead to a big increase in blending activity, which could increase demand for lower viscosity material.

Futures contracts for January 2020 are currently pricing a \$20/mt spread between 180 CST and 380 CST grades, compared to a historical average of around \$6-7/mt. In the near term, stronger premiums and backwardated front-month time spreads are further factors discouraging higher stocks.

#### About the S&P Global Platts and FOIZ Fujairah Data Project:

The government of Fujairah in 2016 announced a plan to publish weekly data on refined products held at onshore commercial terminals at Fujairah as part of its effort to position the Indian Ocean port as a global oil trading and storage. It appointed **S&P Global Platts** to distribute the weekly inventory data. **FEDCom was established by the Fujairah Oil Industry Zone** to collect, verify and distribute inventory data to replicate the data sets provided at other global trading centers such as Singapore and Rotterdam. Fujairah has about **41.5 million barrels of commercial oil product land storage available for leasing**.

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