



SHIPPING RATES & BUNKERS (9:42 am ET)

DIRTY TANKER (KT - \$/day)	Voyage	Spot TCE earnings	2018 avg. rate	10 day trend
VLCC, 270	AG-FE	10,600	8,500	
Suezmax, 130	WAF-UKC	2,900	600	
Aframax, 70	CAR-USG	14,400	6,000	
Panamax, 50	CAR-USG	5,800	6,800	
CLEAN TANKER (KT - \$/day)	Voyage	Spot TCE earnings	2018 avg. rate	10 day trend
MR, 37	UKC-USAC	2,100	8,600	
MR, 38	USG-UKC	(3,800)	1,900	
TIME CHARTER (KDWT)	1yr eco vessel rate (\$/day)	Yearly trend	Newbuild price (\$M)	Secondhand 5yr old price (\$M)
VLCC, 200+	25,000		88.0	61.5
Suezmax, 130-200	18,000		60.0	41.0
Aframax, 80-130	15,000		48.0	30.0
LR2, 80-130	15,250		50.0	30.5
LR1, 60-80	14,000		42.0	29.0
MR, 42-60	14,750		36.0	26.5
Handymax, 30-42	12,750		33.0	23.0
US FLAG (KT - \$/day)	Voyage	Weekly spot rate	2018 avg. rate	10 week trend
Handy, 38	USG-USAC	68,077	64,200	
LNG (\$/day)	Weekly spot rate	Sentiment	Current month rate	2018 avg. rate
160M3 Tri-fuel diesel electric (West)	60,000	Increasing	57,500	63,435
138-150M3 Steam turbine (West)	43,000	Increasing	41,500	42,261
160M3 Tri-fuel diesel electric (East)	47,000	Increasing	43,500	52,217
138-150M3 Steam turbine (East)	34,000	Increasing	32,000	33,522
LPG (KT)	Last posted spot rate (\$/mt)	Spot TCE rate (\$/day)	1yr time charter rate (\$/day)	
VLGC, 44 (AG-Japan)	29.21	9,211	16,447	
BUNKERS (\$/mt)	IFO 380	10 day trend	MDO	10 day trend
US Gulf	420.0		686.0	
Rotterdam	426.0		644.5	
Singapore	451.0		667.5	

DEVELOPMENTS

China's new tax rules hit teapot refiners. China has roughly 40 private refiners, or "teapots", which account for one-fifth of the country's nearly 10 mbpd in crude oil imports. Currently, they are losing both money and market share and as a result, several have shut for maintenance. The gains in gasoline retail prices have been eroded by higher costs of crude and a large consumption tax. The new tax rules resulted in teapots losing 300 yuan, or \$46.80 per ton of crude oil processed. That is a sharp decline from the 900 yuan profits in early 2016. Enacted in Mar., the new rules enforce collection of \$38 per bbl gasoline consumption tax and a \$29 bbl tax on diesel in response to the allege use of illicit fuel invoices by many of the teapots to evade taxes. State refiners must also pay the tax, but their size relatively offsets the impact.

[Reuters June 15, 2018](#)

Chevron starts second production unit at Wheatstone LNG. The \$34B unit began producing LNG, marking the completion of Chevron's two megaprojects in Australia after rising costs and long delays. The 2nd train is the last of five LNG production units built by the major in Western Australia over the past decade, costing a total of \$88B. At full capacity, Wheatstone is expected to make near 6% of Asia Pacific's LNG production, with a total capacity of 8.9 MT. Its partners in the project are Kuwait Foreign Petroleum Exploration Company (KUFPEC), Woodside Petroleum, Kyushu Electric Power Co and a JV partly owned by top buyer, Japan's JERA.

[Reuters June 15, 2018](#)

EIA sees Brent crude prices averaging \$71 in 2018, \$68 in 2019. The revised 2019 average price in the latest Short-Term Energy Outlook (STEO) is \$2 bbl higher than in the May (STEO). Prices have hit high levels as global inventories have generally fallen from Jan. 2017 to Apr. 2018. However, the EIA expects prices to fall in the coming months as global oil inventories are expected to rebound during 2H 2018 and 2019. Inventory is expected to grow as oil supply growth is projected to outpace forecast oil demand growth in 2019. Most of the growth in global oil production in the coming months is expected to come from the US. Meanwhile, the EIA expects OPEC production to decline in 2018 by 0.4 mbpd from 2017 levels.

[EIA June 15, 2018](#)

Spain's Gas Natural Fenosa signs €30B supply deal with Algeria to 2030. The company, one of Spain's largest in the energy sector, has renewed a deal to take natural gas from Algeria for another 12 years in a €30B agreement. Fenosa will be buying the gas equivalent of more than 40% of its annual gas purchases from Algeria's Sonatrach. Sonatrach owns 4% of the Spanish company.

[FT June 15, 2018](#)

COMMODITIES, (9:42 am ET)

CRUDE	Source	Unit	Last price	Δ Prior day close
Brent	ICE	\$/bbl	75.13	↓ -0.81
WTI	NYMEX	\$/bbl	66.53	↓ -0.36
Dubai (Spot)	Bloomberg	\$/bbl	74.33	↑ 0.95
PRODUCTS	Source	Unit	Last price	Δ Prior day close
RBOB Gasoline	NYMEX	¢/gal	206.97	↓ -2.13
Heating Oil	NYMEX	¢/gal	213.54	↓ -2.33
NATURAL GAS	Source	Unit	Last price	Δ Prior day close
US Henry Hub	NYMEX	\$/MMBtu	3.00	↑ 0.04
UK National Balancing Point	ICE	\$/MMBtu	7.36	↓ -0.13
NATURAL GAS LIQUIDS	Source	Last Price (¢/gal)	Last Price (\$/mt)	Δ Prior day close (¢/gal)
US Mont Belvieu Propane (Spot)	Bloomberg	88.75	462.63	↑ 0.25
PRICE SPREADS (\$/bbl)	Source	Last price	Δ Prior day close	
Brent 3-2-1 Crack	ICE	12.45	↓ -0.11	

MARKET ANALYSIS

Asphalt: Rockies retail price assessments climbed in most areas of the region last week.

LNG: Near term availability continued to decrease last week, there were 11 prompt vessels across all three basins (zero in the Atlantic, 3 in the Middle East and 8 in the Far East) which is the lowest level last seen in Feb.

LPG: Through the new Panama Canal locks, LPG carriers remain the second most frequent vessel class after container ships. Between Oct. 2017 and Mar. 2018, the Canal recorded a total 301 transits.

Oil prices dip ahead of key OPEC meeting next week, in which the group is expected to announce a raise in production.

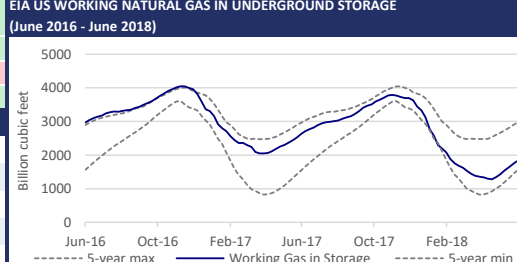
MARKETS, (9:42 am ET)

EQUITIES	Region/Country	Last value	Δ Prior day close
S&P 500	United States	2,782.49	↑ 6.86
FTSE 100	United Kingdom	7,688.53	↓ -77.26
DAX	Germany	13,017.70	↓ -89.40
Nikkei	Japan	22,851.75	↑ 113.14
SH Composite	China	3,021.90	↓ -22.26
CURRENCIES	Region/Country	Last value	Δ Prior day close
£/\$	United Kingdom	1.33	↑ 0.00
€/€	European Union	1.16	↑ 0.00
\$/JPY ¥	Japan	110.59	↓ -0.04
\$/CNY ¥	China	6.43	↑ 0.03

POTEN EVENTS WORLD EVENTS

POTEN EVENTS	WORLD EVENTS
June 18-19: LNG101 Energy for a Cleaner Future, Poten Training in with New York University School of Professional Studies.	June 15: Baker-Hughes Rig Count 1:00pm, ET. June 20: EIA Petroleum Status Report 10:30am, ET.

EIA US WORKING NATURAL GAS IN UNDERGROUND STORAGE (June 2016 - June 2018)



MAY POSTED / SPOT PRICES (\$/mt)	Propane	Butane
Saudi Aramco	560.00	560.00
Sonatrach	530.00	540.00
OPIS North Sea	525.00	516.00
Spot AG	547.50	554.50
CFR Japan	552.25	536.25