Vol. 41, No. 2 | **Monday, January 13, 2020**

Oil Price Information Service

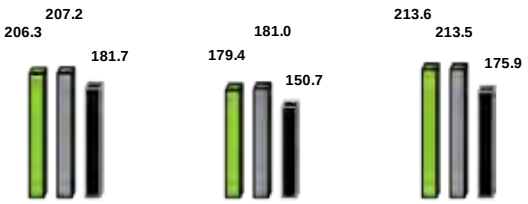
Independent Refined Products Prices and Comprehensive Analysis for All US Markets

OPIS By IHS Markit

Inside Every Issue…

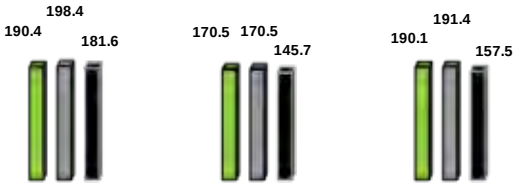
AVERAGE U.S. CONTRACT PRICES

IN CTS/GAL



AVERAGE U.S. SPOT PRICES

IN CTS/GAL



Source: Oil Price Information Service

U.S. PETROLEUM PRODUCT AVERAGES

Product	Spot	▲ Last Wk.	Rack	▲ Last Wk.
Gasoline	170.54	0.06	179.40	-1.58
ULS No.2	190.37	-8.00	206.25	-0.95
Jet	194.84	-6.05	209.72	0.14
Ethanol	136.85	-6.46	152.23	-5.74
Curr RIN	14.63	5.75		
Pre RIN	8.38	3.63		
MTBE	230.00	0.00		
Propane	39.91	1.91	61.51	-2.85
Resid	43.52	-3.20		
Naphtha	144.15	-6.05		
Med.VGO	174.08	-3.15		

Note: All price averages in cts/gal except resid ($/bbl)

NATIONAL SPOT-RACK-RETAIL MARGINS

National Index	Gasoline	▲ Last Wk.	Diesel	▲ Last Wk.
Retail	256.89	1.01	300.16	0.50
Net	202.04	0.84	240.11	0.01
Wholesale	179.61	0.14	205.19	-0.11
Rack-Retail Margin	**22.43**	**0.69**	**34.93**	**0.12**
Spot	170.54	0.06	190.37	-8.00
Spot-Retail Margin	**31.50**	**0.78**	**49.74**	**8.01**

Note: All price averages in cts/gal

Market Overview:

A Possible Top Already

It's barely two weeks in to the new year and already the possibility has emerged that West Texas Intermediate (WTI) crude has hit its peak price for 2020.

The market saw the biggest one-day intraday range in a little more than five years after Iran launched missiles at two U.S. bases in Iraq, bringing with it potentially the year's high trade in the U.S. benchmark crude. Shortly after headlines on the retaliatory strike hit, WTI futures spiked to $65.65/bbl. Now that prices have retreated by $6, there's a case to be made that the benchmark has peaked for 2020.

There are 357 more days to go in this year, so such a proclamation is indeed a bold stance. A lot can happen before 2021 is rung in, but the fundamental and technical outlooks are more likely to be headwinds than tailwinds for oil markets in the months ahead.

Despite the recent brinksmanship by the Trump administration and Iran, there has been no disruption in oil flows from the Middle East. The market may need to see an actual (and perhaps extended) supply interruption for a price spike to last for weeks instead of days as witnessed in the last couple of run-ups.

A look at the latest Commodity Futures Trading Commission data shows speculators behaving like it is mid-spring, judging by the amount of length they are holding in WTI futures and options. After the latest decline in prices, some of the speculative length may have indeed become "trapped" and if those players have to get out, their exit could exacerbate the downside for WTI prices.

In addition, it seems recently that WTI spending any time in the low $60s/bbl attracts a wave of producers looking to lock in prices.

The story from the technical side is just as gloomy for market bulls, according to noted technical analyst Walter Zimmerman.

The latest price spike that took WTI to its $65.65/bbl high coincides quite nicely with Zimmerman's bearish case resistance level at $65.35. Bulls will need a weekly close above that level to even entertain higher prices, not to mention that last week's high also represents a double-top against the 2019 highs.

"It's like the bulls have been locked in a closet with their mouths duct-taped shut," Zimmerman said.

The support level to watch going forward, according to Zimmerman, is $51.60/bbl. If that gives way, prices would likely drop into the $40s.

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In Cash Markets

Weekly Averages Spot Report

GULF COAST

	Gulf Coast Pipeline Wk Avg.	Gulf Coast Waterborne Wk Avg.
Reg Unl	167.933	169.183
Mid Unl	174.631	175.881
Pre Unl	184.678	185.928
RBOB	164.963	N/A
Pre RBOB	183.683	N/A
CBOB	164.208	N/A
Pre CBOB	181.683	N/A
CPL 01	.400	N/A
CPL 02	1.450	N/A
Alkylate	N/A	200.133
ULSD	192.355	193.355
ULSD63	N/A	N/A
ULS HO	190.385	191.385
ITT ETH	N/A	N/A
LSHO	N/A	N/A
HS No2	182.745	183.995
LS2OFF	N/A	184.495
Jet 54	192.585	194.085
ULS Kero	206.085	N/A
55Kero	201.085	202.585
B100 SME	305.300	N/A

NORTHEAST

N.Y. Harbor Barge Wk Avg.	N.Y. Harbor Cargo Wk Avg.	Linden Wk Avg.	Boston Cargo Wk Avg.
N/A	174.838	174.313	N/A
N/A	182.518	182.003	N/A
N/A	194.038	193.538	N/A
171.148	171.898	171.338	173.398
187.538	188.288	N/A	189.788
171.328	N/A	171.293	N/A
189.038	N/A	N/A	N/A
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A
200.265	201.015	199.845	202.515
N/A	N/A	199.845	N/A
198.410	N/A	198.455	N/A
141.650	N/A	N/A	N/A
198.370	N/A	198.450	N/A
190.720	N/A	190.720	N/A
N/A	N/A	N/A	N/A
199.845	200.595	199.745	N/A
216.095	N/A	N/A	N/A
208.220	N/A	N/A	N/A
310.800	N/A	N/A	N/A

MIDWEST

	Chicago Pipeline Wk Avg.	Group 3 Pipeline Wk Avg.
Sub-oct REG	N/A	162.428
Mid Unl	184.728	175.522
Pre Unl	198.788	180.738
Pre RBOB	212.288	N/A
RBOB	166.038	N/A
CBOB	161.288	N/A
ULSD	180.145	191.835
Jet 54	190.320	202.220
B100 SME	325.800	N/A

BUCKEYE/LAUREL

	Buckeye Pipeline Wk Avg.	Laurel Pipeline Wk Avg.
RBOB	171.148	170.848
Pre RBOB	187.538	187.238
CBOB	171.328	171.028
Pre CBOB	189.038	188.738
ULSD	200.345	198.285
ULS HO	198.490	N/A
LSHO	198.370	N/A
Jet 54	199.845	199.845
55Kero	208.220	N/A

WEST COAST

	Los Angeles Pipeline Wk Avg.	San Francisco Pipeline Wk Avg.	Pac Northwest Pipeline Wk Avg.
CARBOB-R	185.163	170.188	N/A
CARBOB-P	202.913	193.188	N/A
AZRBOB-R	197.413	N/A	N/A
AZRBOB-P	232.413	N/A	N/A
Sub-oct REG	185.163	170.188	171.338
Sub-oct Pre	197.913	193.188	205.838
SEA Sub	N/A	N/A	171.338
SEA SubPre	N/A	N/A	205.838
CARB No.2	203.895	187.320	N/A
ULS No.2	203.795	187.320	192.420
Jet	204.145	204.145	205.645
B5	N/A	N/A	189.420

Methodology: OPIS spot weekly averages are calculated by averaging the daily averages, adding each low and high for each business day and dividing by the total.

Tracking weaker crude oil prices, U.S. gasoline futures slumped by around 5cts/gal last week while ULSD on NYMEX tumbled by 10cts/gal.

Meanwhile, California physical gasoline trading values drew attention for their moves higher. Both Los Angeles and San Francisco CARBOB basis premiums strengthened by at least 10cts/gal, suggesting some tightness in the prompt market despite a 1-million-bbl build in West Coast gasoline stocks in the latest EIA reporting week.

As of presstime, L.A. CARBOB had last changed hands at 20cts over February RBOB futures. Sources told OPIS that unplanned flaring at Marathon Petroleum's Los Angeles complex had sparked buying interest.

S.F. CARBOB was last confirmed done at 6cts/gal over the screen, having flipped a similarly-sized discount seen one week earlier as trading values closely tracked the uptick in the Southern California gasoline market.

Chicago CBOB basis discounts narrowed by 3-4cts/gal last week to reach 8cts/gal under futures, which represented a one-month high. Midwest spot trading values have been steadily increasing in the early days of 2020, leaving behind basis discounts in the low- to mid-teens during the latter half of December.

Similarly, Group 3 "V-grade" sub-octane regular gasoline pricing at February futures minus 8cts/gal constitutes the strongest trading values seen in the region in almost two months. Over the last week, V-grade strengthened by about 2cts/gal.

Frank Tang, ftang@opisnet.com

GROUP 3 SPOT MARKET FORWARD INDEX

Month	ULSD Spot Midpoint	ULSD Spot Buy x Sell	Sub-Oct R Spot Midpoint	Sub-Oct R Spot Buy x Sell
Pmt Jan	186.01	-9.25 x -8.75	156.77	-9 x -8
Any Jan	186.51	-9 x -8	157.27	-8.5 x -7.5
Pmt Feb	187.57	-8 x -7	158.81	-8 x -7
Any Feb	188.57	-7 x -6	160.81	-6 x -5
Pmt Mar	188.41	-6.5 x -5.5	167.79	-17.5 x -16.5

It is hard to say with certainty that 2020 has already seen its high but without a major geopolitical event that significantly rattles supply, it's likely that WTI has put in its price peak.

Denton Cinquegrana, dcinquegrana@opisnet.com

Permian Pipeline Cos Race to Lure Shippers, But Is Export Ready?

Permian Basin pipeline operators are cutting tariffs to vie for incremental barrels and fill excess capacity but that crude oil could hit a snag in reaching the U.S. Gulf Coast for export, analysts say.

After scrambling to build additional pipelines to cash in on a Permian crude bottleneck, U.S. midstream companies now find themselves in a pricing war to attract shippers as pipeline capacity is set to almost double and significantly outpace oil production in the next two years.

Meanwhile, shipping constraints in Gulf Coast ports, a lack of terminals to dock large tankers to provide economics for exports and changing U.S. crude price dynamics could derail the prospect of future Permian crude shipment, analysts say.

Permian crude output has begun growing again in recent months with the start-up of three new takeaway systems, IHS Markit said in a recent North American crude oil markets outlook. They are the 670,000-b/d Cactus II pipeline run by Plains All American, the 900,000-b/d Gray Oak which is a joint venture between Phillips 66, Marathon Petroleum and Enbridge, and the 400,000-b/d EPIC line operated by private equity firm Ares.

As a whole, the three pipelines are still flowing below nameplate capacity, and full utilization will only take place when additional export terminal capacity is added in 2020, according to IHS Markit.

IHS Markit said it expects additional Permian pipeline capacity to emerge in 2020-2021, due to more available pipeline space, including the Wink-to-Webster project. The joint venture by several companies including ExxonMobil, Plains and Marathon Petroleum should bring 1.0 million b/d to 1.5 million b/d of additional capacity by 2021.

Musical Chairs

With more supply than demand for pipeline space, Permian pipeline operators have aggressively cut pipeline tariffs since the summer of 2019, coinciding with the start-up of EPIC and Cactus II, which added a combined 1 million b/d of new pipeline capacity to Corpus Christi.

OPIS notes that EPIC has previously cut tariffs to around $2.50/bbl from $5/bbl, and it offers tariffs as low as $1.05/bbl for some committed shippers.

Also, Phillips 66 in November cut its Gray Oak tariffs for both spot and committed rates to $3.90/bbl, down from $4.75/bbl previously. In addition, Permian Express pipeline system, a JV by Energy Transfer and ExxonMobil to ship crude to Houston, also more than halved its tariffs to $1.50/bbl.

"There is now plentiful takeaway capacity from the Permian. So, all these pipelines are slugging it out, fighting for barrels to keep their pipelines full. To do that, they are lowering their tariffs," said Aaron Brady, vice president of energy oil market services at IHS Markit.

Pipeline companies heavily slashing tariffs to fill new capacity are playing musical chairs with a diminishing number of shippers, said Sandy Fielden, director of oil and products research at research firm Morningstar.

"Not only are they discounting to attract new shippers, but they are also effectively trying to lure away shippers from the older pipelines" such as Magellan Longhorn whose committed shippers are up for renewals, Fielden said.

Another major driver behind lower tariffs is the changing pricing dynamics between Houston and Midland WTI crude prices. Midland's discount to Houston went as high as $12/bbl in May 2019, and that narrowed to $8/bbl in July, and has shrunk to just $2/bbl currently, highlighting growing takeaway capacity and the easing of the Permian bottleneck.

Lost Incentive, Shipping Constraints

When the price of Midland WTI rises relative to WTI Houston, the financial incentive for shippers to pay for Midland crude disappears, lowering demand to ship Permian crude to the Gulf Coast, said Fielden.

IHS Markit said it expects Midland prices to remain fairly strong due to near-term additional capacity, and the Midland-Houston price differential could compress further due to flattening Permian output amid high base decline rates for the newer and younger shale wells.

Another challenge to move more Permian crude barrels to the coast for export could come from constraint in moving vessels in and out of major ports including Corpus Christi, Houston and Beaumont-Port Arthur, said Fielden.

For example, there are traffic regulations in Corpus Christi, the Houston Ship Channel and Port Arthur on how many and when tankers can use the port. In addition, channel depth could also pose an issue, as supertankers can only be loaded out in the Gulf of Mexico.

"Right now, we haven't come to a point where we see distress – a bunch of crude that can't find its way onto a ship – but it's possible that could happen," he said.

The follow-up to Permian pipeline projects is a race to build the first terminal in the U.S. Gulf Coast that can fully load Very Large Crude Carriers (VLCC) to provide better shipping economics for oil all the way to Asia, said Mason

CHICAGO SPOT MARKET FORWARD INDEX

Month	ULSD Spot Midpoint	ULSD Spot Buy x Sell	CBOB Spot Midpoint	CBOB Spot Buy x Sell
Pmt Jan	175.76	-19.75 x -18.75	157.77	-8 x -7
Any Jan	175.01	-20.5 x -19.5	157.27	-8.5 x -7.5
Pmt Feb	175.57	-20 x -19	159.31	-7.5 x -6.5
Any Feb	179.07	-16.5 x -15.5	160.31	-6.5 x -5.5
Pmt Mar	187.41	-7.5 x -6.5	166.79	-18.5 x -17.5

Hamilton, petroleum market analyst at the U.S. Energy Information Administration.

Hamilton cited Moda Midstream, which is adding VLCC berths and new storage capacity at its Ingleside Energy Center in Corpus Christi, which can be used to export barrels shipped by the EPIC, Gray Oak and Cactus II pipelines.

The South Texas Gateway export terminal in Ingleside near the entrance of Corpus Christi will also have the capacity to partially load VLCC at two deepwater docks. Its start-up is expected by mid-2020 with a nameplate export capacity of 800,000 b/d, according to IHS Markit. Also, the Pin Oak Terminals project in Corpus Christi is also nearing completion and will be able to load Suezmax tankers.

However, there is growing uncertainty following the October 2019 withdrawal of private equity firm Carlyle Group from the Lone Star Ports project. Envisioned for Corpus Christi's Harbor Island, the project would build a terminal servicing fully loaded VLCCs.

"My question really wasn't when or how is that crude is going to make its way to the Gulf Coast. The question I think more important is where is that crude going to go once it hits the Gulf Coast," Hamilton said.

Frank Tang, ftang@opisnet.com

Ship Fuel Selling for Six Times the Value of RBOB in North Atlantic

A funny thing happened while most of the oil world was rightly focused on scenarios that could play out in Iran and Iraq following the assassination of Iranian commander Qassem Suleiman.

Refiners and traders in the North Atlantic are now looking at a midwinter landscape where IMO-compliant bunker fuel (No. 6 oil with less than 0.5% sulfur) fetches a price that yields six times the margin available for winter gasoline.

OPIS confirmed on Jan. 8 that 0.5% sulfur max VLSFO (Very Low Sulfur Fuel Oil, or No. 6 residual fuel) saw Northeast deals consummated at $24/bbl over the front-month Brent number. As of the morning of Jan. 7 that equated to a price of about $89.40/bbl, with March Brent at $65.40/bbl.

Diesel, which represents the cut of the barrel that many analysts speculated might be the biggest beneficiary of IMO, commanded a margin of about $16.50/bbl over Brent, with a presstime outright number of $81.90/bbl. Jet fuel, a cut where some other molecules might slide into VLSFO production, was a penny shy of the spot diesel numbers.

RBOB, which typically slumps until spring turnarounds and the shift to difficult-to-manufacture low-RVP summer blend, was just $4/bbl above Brent with a measly value of $1.6525/gal. If the price of RINs for RFS compliance were considered, some merchant refiners saw margins under $4/bbl.

Put into cents per gallon for comparison, gasoline blendstock fetched a price that was almost 50cts/gal below the gallon value for VLSO.

Does this represent the new IMO world, and will refinery executives trumpet the high returns for VLSFO in upcoming earnings reports?

Not likely, say most analysts who OPIS talked to. Simple, light-sweet-crude refiners can't make a lot of VLSFO unless they run very expensive sweet crudes that have heavier gravity and yield a reasonable No. 6 oil. Many of the worldwide crude grades best for a highly compliant residual fuel fetch large premiums to benchmarks or feature challenges such as high metals or high acid.

Two crude oil blends bandied about as attractive are Doba crude from Chad and some other blends from Angola. But suspicions are that these high-priced heavy sweet crudes represent only a percentage point or two of global blends.

Window Spot-to-Rack Netback Spreads

Downstream netbacks are determined by subtracting the Average Rack price from the Delivered Spot price (total of the Spot Average and Delivery Costs).

New York Harbor Wholesale Netbacks

	Diesel			Unleaded Gasoline		
	spot average		196.38	conventional spot avg		164.96
				reformulated spot avg		164.96
	Delivered Spot	Average Rack	Netback	Delivered Spot	Average Rack	Netback
Albany	200.03	212.83	12.80	168.61	181.40	12.79
Boston	199.23	213.10	13.87	167.81	179.89	12.08
Newark	197.68	208.35	10.67	166.26	179.36	13.10
New Haven	198.38	211.96	13.58	166.96	180.22	13.26
Portland	199.88	218.06	18.18	168.46	184.05	15.59

Gulf Coast Colonial Pipeline Wholesale Netbacks

	Diesel			Unleaded Gasoline		
	spot average		188.63	spot average		159.96
	Delivered Spot	Average Rack	Netback	Delivered Spot	Average Rack	Netback
Atlanta	191.52	202.59	11.07	165.60	172.74	7.14
Baltimore	192.04	206.04	14.00	163.37	179.51	16.14
Fairfax	192.04	203.64	11.60	163.37	177.12	13.75
Greensboro	191.79	203.06	11.27	165.87	172.15	6.28
Philadelphia	192.11	209.57	17.46	163.44	179.97	16.53
Chicago	192.63	189.36	-3.27	0.00	0.00	0.00
St. Louis	191.63	192.82	1.19	165.71	176.69	10.98
Birmingham	192.04	202.64	10.60	166.12	171.17	5.05
Dallas	191.03	206.27	15.24	162.36	173.11	10.75
Houston	190.13	204.50	14.37	161.46	173.36	11.90

Group 3 Williams Pipeline Wholesale Netbacks

	Diesel			Unleaded Gasoline		
	spot average		188.23	spot average		158.21
	Delivered Spot	Average Rack	Netback	Delivered Spot	Average Rack	Netback
Kansas City	190.83	203.30	12.47	160.81	168.72	7.91
Minnesota	192.59	203.50	10.91	162.57	171.23	8.66
Omaha	191.53	205.93	14.40	161.51	171.47	9.96
Tulsa	189.48	200.19	10.71	159.46	166.73	7.27
Denver	191.23	188.02	-3.21	161.21	167.14	5.93

West Coast Netbacks

	Diesel			Unleaded Gasoline		
	spot average		205.74	spot average		190.72
	Delivered Spot	Average Rack	Netback	Delivered Spot	Average Rack	Netback
Los Angeles	207.34	240.96	33.62	192.32	248.15	55.83
Phoenix	209.49	218.07	8.58	194.47	205.77	11.30
San Francisco	190.34	222.20	31.86	173.07	208.35	35.28

OIL PRICE INFORMATION SERVICE (ISSN 0279-7801) is published weekly by OPIS by IHS Markit, 2099 Gaither Road., 5th Floor, Rockville, MD 20850-4089.
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In the U.S., refiners running Uinta crude might be able to manufacture a compliant No. 6 oil, but that crude is mostly run by Salt Lake City processors with no means to move marine fuel to tidal water.

Thus, some refinery executives may use conference calls to point out that they are doing better than standard crack spread metrics, but it's tough to trumpet a fuel that might represent just 5% or 10% (or less) of refinery yields.

"This will not be the new normal," one refinery analyst told OPIS, adding that refiners "need to make their money on the large cuts of the barrel, whether it be distillate or gasoline."

There is speculation that more distillate molecules will find their way into compliant bunker fuel through blending, and there is evidence that vacuum gasoil is getting blended into the new fuels as well. The diversion of vacuum gasoil from fluid catalytic crackers hasn't impacted gasoline inventories, but it may play a role in lower total motor fuel output.

Ultimately, this may prove to be a very odd quarter. Refiners collecting margins of nearly $25/bbl on residual fuel won't make investments to hydrotreat barrels since such an investment might be stranded thanks to scrubber installation on ships or a preference for LNG.

And there is still a chance that gasoline will surge back to the top of the margin pyramid this spring. Even lighter-than-normal refinery maintenance will knock out gasoline production just as the industry approaches its annual challenge to flush out winter gasoline and replace it with summer blends on the fly.

But in the meantime, the greatest responsibility and power in U.S. refined products markets may lie with the blenders, whether they be inside or outside the refinery. To the extent that they solve challenges related to what stable mixtures of components work on the high seas (typical residual fuel, diesel, jet fuel, light cycle oil, VGO and other streams) they can become heroes in a market that is as differentiated as we've seen in years.

Tom Kloza, tkloza@opisnet.com

Pennsylvania Moves to Reduce Sulfur in Home Heating Oil

Pennsylvania is moving ahead with a plan to significantly reduce the maximum allowable sulfur content for home heating oil, bringing its requirements in line with several surrounding states.

Under the proposal, the current sulfur limit of 500 parts per million for No. 2 and lighter commercial fuel oil will drop by 97% to 15ppm.

The rule is being supported by the Pennsylvania Petroleum Association, which says the change will result in reduced logistical headaches for suppliers, increased savings for customers and improved regional air quality.

"The regional storage infrastructure will be greatly enhanced when diesel and heating oil are the same 15 ultra-low-sulfur ppm specification. The current storage capabilities for two varying spec fuels will be combined to one fuel, thus creating the efficiency of the storage capacity dramatically," Ted Harris, executive vice president of the association, said in comments to state regulators.

"ULSHO will also aid pipeline capacity into the terminals across the state who already operate near capacity," he added. "This will be very beneficial to the heating oil industry as the need to bring in supply from other parts of the country will increase due to the closure of Philadelphia Energy Solutions which previously produced approximately 40% of the heating oil within the state."

Harris said the PPA, which represents more than 225 petroleum marketers, surveyed its members and found that more than 50% were already offering ultra-low-sulfur heating oil (ULSHO) on a consistent basis.

"We are pretty confident it's already in the marketplace in Pennsylvania," he said.

The commonwealth's largest city, Philadelphia, already requires ULSHO, so the change would also bring about "statewide consistency" in requirements, according to the Pennsylvania Department of Environmental Protection.

Pennsylvania is a member of the Mid-Atlantic/Northeast Visibility Union, a group of states that agreed to reduce the maximum allowable sulfur content of No. 2 and lighter commercial fuel oil to 500 ppm by 2012 and to 15 ppm by 2016.

But Pennsylvania officials held off on pursuing the tighter regulations due to concerns about the availability of ULSHO within regions of the commonwealth.

The state DEP notes that "the supply of distillate fuel oil throughout Pennsylvania and nationwide with 15 ppm or less is no longer a concern," with PADD 1 supplies of ULSHO easily outpacing higher-sulfur varieties in the last decade.

The rule would go into effect 60 days after it is published in its final form. Households and businesses that have purchased 500 ppm fuel could continue to use those supplies after the compliance date, the DEP said.

The DEP estimates the change will impact "up to 812 entities and 892,800 households," but that the ULSHO rule will have little or no economic impact on those who produce the fuel or its users. Refineries in the state already produce or have the ability to achieve a sulfur content of 15 ppm, the DEP said.

Pennsylvania refineries would also be able to continue producing higher-sulfur fuel and retailers could sell it for use in states such as Ohio, West Virginia, Virginia that allow its use, according to the DEP.

While consumers of ULSHO will likely see higher fuel costs, savings on maintenance and cleaning costs due to the lower-sulfur fuel could help to defray that impact, the DEP said.

The PPA said the National Oilheat Research Alliance estimates consumers could realize savings equal to up to 12cts/gal using ULSHO.

"This can be achieved through increased heating system efficiency, reduced need for annual heating system maintenance, and increased heating system longevity," the associa-

tion said. "These cost savings will offset any potential rack price differentials that currently exist between the high- and low-sulfur products."

On the spot level, market stakeholders in the Northeast have previously noted the lack of LSHO 500-ppm barrels in the past year, and in particular following the closure of the PES refinery, which was said to be a significant supplier of the 500-ppm specification.

While 500-ppm barrels should be less costly to produce than ULSHO, spot prices for LSHO 500-ppm and ULSHO have been running relatively close together in the Northeast, with Buckeye Pipeline LSHO 500-ppm sometimes even running stronger than ULSHO. Although ULSHO should in theory be able to be used in place of LSHO 500-ppm in most instances, according to one trader, some participants cannot take ULSHO into their tanks. As a result, LSHO 500-ppm prices occasionally overtake ULSHO values.

In recent weeks, LSHO 500-ppm barrels loading into Laurel Pipeline in Philadelphia, headed westward, have even been talked stronger on a spot basis than Laurel Pipeline ULSD - a dynamic which is not often seen.

The DEP estimates its efforts to reduce sulfur in fuel oil since 2016, combined with the new rules, will reduce sulfur emissions by 25,000 tons per year. The move to change the regulations will includes a DEP recommendation for a 60-day public comment period and three public hearings.

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Mexico Postpones Release of Joint Energy Investment Program to Feb.

MEXICO CITY – President Andres Manuel Lopez Obrador announced last week that by mid-February his administration would present a package of energy projects in its National Infrastructure Plan for public-private partnership investments.

Lopez Obrador said the government is still deciding which project companies will be able to work with state-owned companies Pemex and CFE.

The president previously said that the plan would be released in January. After launching the first package of the program in November, Lopez Obrador said energy projects would be in southern Mexico.

In that November release, the administration announced joint investments for 859 billion pesos ($44.2 billion) across close to 150 projects to advance the country's infrastructure.

Roads and highways will attract 100 billion pesos ($5.1 billion) of the infrastructure plan, a majority of which come from private investment funds. Those funds will finance 42 projects for roads and highways through 2024.

In November, Mexico City-based Politica Online leaked a draft of the infrastructure program before its announcement, listing the reconfiguration of Pemex's refineries in the group of energy projects to be tendered by the government.

In Crude Oil Markets

U.S. Crude Oil Buying Prices ($bbl)

	West Texas Intermediate	West Texas Sour	Louisiana Sweet	Change in Week	Effective Date
Plains Marketing	56.00	54.30	54.50	-1.63	1/9/20
Phillips 66	56.23	55.40	54.98	-1.57	1/9/20
Sunoco/ETP	56.00	51.00	54.50	-1.75	1/9/20
Shell	56.20	56.54	54.50	-1.65	1/9/20

Crude Oil Crack Spreads

			Crack Value	Crack Spread	Change from Last Week
NY Harbor	Brent 3:2:1	Feb	$76.72	$8.45	-$1.51
	*Bakken 3:2:1	Feb	$76.72	$9.62	-$2.13
	NYMEX 3:2:1	Feb	$76.68	$13.98	-$0.61
Chicago	WTI 2:1:1	Feb	$74.28	$11.58	$0.93
	*WCS 2:1:1	Feb	$74.28	$27.96	-$0.30
USGC	LLS 3:2:1	Feb	$73.96	$6.01	-$0.11
	WTI 3:2:1	Feb	$73.96	$6.80	-$0.40
USWC	ANS 3:2:1	Feb	$82.21	$11.11	$2.15

Note: Prompt Crack Spreads calculated as of 1/7/20. *Calendar Month Avg. for WTI and spot price differentials from Net Energy Exchange.

The projects listed include the conclusion of the Tula coker unit at a cost of $2 billion and an $888-million rehabilitation for the Cadereyta refinery, Politica Online reported.

Both initiatives are in the first 15-project infrastructure package the government expects to grant during the first quarter of 2020, according to the report.

The Tula reconfiguration is listed in Pemex's 2019-2023 Business Plan as one of the company's strategic projects. By building a coker, Pemex will eliminate Tula's fuel oil production and increase the production of ultra-low-sulfur diesel (ULSD).

The previous administration estimated the reconfiguration would expand Tula's production yield of diesel and gasoline to 85% compared with 65%, growing to 220,000 b/d from 154,000 b/d.

Building a coker would help Pemex improve its variable refining margin by eliminating Tula's production of high-sulfur fuel oil, a residual fuel whose value is being impacted by its ban for maritime use under new International Maritime Organization (IMO) regulations.

The refinery reconfiguration was started in 2013 under former President Enrique Peña Nieto. The construction of the coker is 63% completed. However, the reconfiguration in its entirety is only 33% completed.

According to the business plan, Pemex requires $3.2 billion to complete the project. Of this, the company needs $800 million to complete the integration and engineering work, $650 million to complete the coker, $650 million to complete a ULSD production unit, and $660 million for auxiliary services, hydrotreating naphtha, and sulfur recovery units.

The idea behind the Infrastructure Plan is to reactivate Mexico's construction sector, which has been stagnant over the last year. The project also aims to improve Mexico's infrastructure to incentivize the private sector to invest.

Among other projects listed in the first package of projects is the interconnection of Engie's Mayakan natural gas pipeline with the rest of the country as well as port and road expansions.

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Current EIA Statistics

Gasoline	Current	Last Week	3-Yr Avg
PADD 1 Inventories	64,600	63,900	62,300
PADD 2 Inventories	55,100	53,500	53,033
PADD 3 Inventories	91,000	85,600	85,333
PADD 4 Inventories	8,300	7,900	7,633
PADD 5 Inventories	32,600	31,600	30,700

ULSD	Current	Last Week	3-Yr Avg
PADD 1 Inventories	37,200	37,300	44,167
PADD 2 Inventories	31,400	29,100	30,233
PADD 3 Inventories	37,400	33,600	37,700
PADD 4 Inventories	4,400	4,200	3,800
PADD 5 Inventories	13,000	13,100	12,300

Crude Oil	Current	Last Week	3-Yr Avg
PADD 1 Inventories	9,300	9,800	12,367
PADD 2 Inventories	126,500	125,900	138,800
Cushing Inventories	35,500	36,300	52,933
PADD 3 Inventories	221,400	219,300	224,533
PADD 4 Inventories	22,800	22,900	22,400
PADD 5 Inventories	51,000	52,000	49,633

Inventories	Current	Last Week	3-Yr Avg
Crude	431,100	429,900	447,733
Gasoline	251,600	242,500	238,933
ULSD	123,500	117,300	128,167
HS Distillate	11,000	11,000	11,600

Oil Output (b/d)	Current	Last Week	3-Yr Avg
Lower 48	1,240	12,400	9,571
Alaska	483	487	515

Refinery (b/d)	Current	Last Week	3-Yr Avg
Gross Input	17,484	17,768	17,580
Mogas Output	9,035	9,942	9,314
ULSD Output	5,012	5,029	5,099

Exports (b/d)	Current	Last Week	3-Yr Avg
Weekly Mogas*	806	1,025	940
Weekly Distillate*	1,428	1,185	1,138
Monthly Mogas	843	843	811
Monthly Distillate	1,192	1,192	1,256

Imports (b/d)	Current	Last Week	3-Yr Avg
Crude	6,730	6,352	7,665
Mogas	401	473	540
Distillate	252	183	163

Demand (b/d)	Current	Last Week	3-Yr Avg
Mogas	8,133	8,961	8,617
4-week Avg	8,952	9,139	9,041
Distillate	3,373	3,055	3,112
4-Week Avg	3,691	3,780	3,904

Statistics are in thousands of bbl or thousands of b/d. *Weekly figures are EIA estimates.

Year-End Tendencies, Weather Delays Dot Latest Data

Some petroleum supply and demand patterns of the last few years apparent in the latest EIA weekly report were exacerbated by recent weather delays in the Houston.

The 9.1-million-bbl build in U.S. inventories of gasoline in the week ended Jan. 3 was eye-catching, although such increases often appear in statistics for the last few days of one year and the first few of the next.

The Gulf Coast's 5.6-million-bbl contribution to the total was said to be a function of fog delays in the Houston Ship Channel. Gasoline exports – most of which originate in PADD 3 – declined by 219,000 b/d or about 1.5 million bbl in total.

Meanwhile, production of gasoline slid to 9.035 million b/d, a nearly four-year low. Also, imports slowed to 401,000 b/d, off another 72,000 b/d on the week. The two moves together more typically lead to inventory drawdowns, but gasoline stocks rose in each PADD region.

Gasoline demand as gauged by EIA – often slack at this time of year – was particularly weak. At 8.133 million b/d, demand was close to a three-year low and the rest of January may not allow for much of an increase if history is any indication.

Distillate inventories notched a solid build of 5.3 million bbl, but total levels in storage continue to run more than 10 million bbl below the five-year average.

Midwest and Gulf Coast distillate grew the most in the latest reporting week, with the Gulf Coast tally increasing by 3.1 million bbl even as exports ramped up by roughly 250,000 b/d, to 1.428 million b/d.

Distillate demand at 3.373 million b/d may look soft, but it rose by 318,000 b/d on the week and stands 418,000 b/d higher year on year.

The fact that crude oil inventories rose (by 1.2 million bbl) instead of fell was also a surprise amid expectations for a drawdown.

However, refinery inputs of crude decreased and exports fell back by almost 1.4 million b/d from a record level, to 3.064 million b/d. Lower exports appeared to be responsible for the 2.1 million-bbl increase in Gulf Coast crude stocks, which still trail the level seen a year ago. However, at more than 220 million bbl, PADD 3 supply on hand is considered comfortable.

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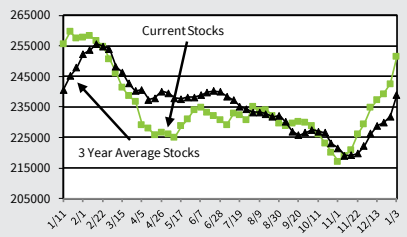
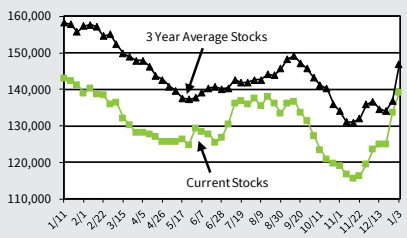
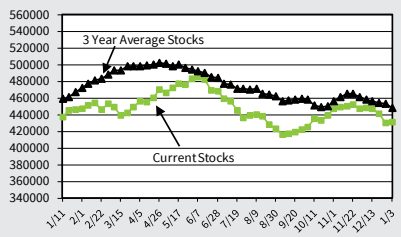
Gasoline Stocks



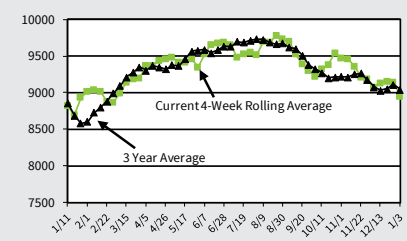
Distillate Stocks



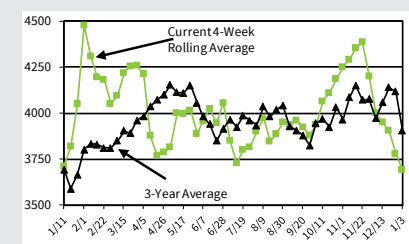
Crude Stocks



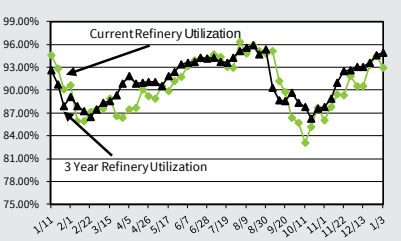
Gasoline Consumption



Distillate Consumption



Refinery Utilization



Regional Downstream Profitability Analysis

PADD 1 Northeast

NORTHEAST SPOT-RACK-RETAIL MARGINS

National Index	Gasoline	▲ Last Wk.	Diesel	▲ Last Wk.
Retail	267.94	2.66	319.67	1.84
Net	206.10	2.58	257.09	-0.78
Wholesale	181.87	0.00	209.87	-0.80
Rack-Retail Margin	24.23	2.58	47.22	0.02
NY Spot	165.13	-5.15	195.47	-6.56
Regional Spot-Rack Margin	16.74	5.15	14.40	5.76
Regional Spot-Retail Margin	40.97	7.73	61.62	5.78

Note: All prices are averages in cts/gal

- Final bids for the Philadelphia Energy Solutions refinery property were due at presstime but it is likely no names of suitors will surface until the bankruptcy auction on January 17.
- Gasoline margins had wild swings last week, moving from desperate to decent in the space of three wild days. Most marketers confirm the slump in demand suggested by latest weekly EIA statistics.
- Motivation to manufacture E15 blends has continued thanks to a swan dive for ethanol prices in all parts of the U.S.

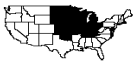
PADD 1 Southeast

SOUTHEAST SPOT-RACK-RETAIL MARGINS

National Index	Gasoline	▲ Last Wk.	Diesel	▲ Last Wk.
Retail	247.58	3.67	297.13	0.98
Net	192.49	3.44	240.09	-1.42
Wholesale	176.42	-0.38	205.85	-1.37
Rack-Retail Margin	16.07	3.82	34.24	-0.06
NY Spot	165.13	-5.15	195.47	-6.56
Regional Spot-Rack Margin	11.29	4.77	10.38	5.19
Regional Spot-Retail Margin	27.36	8.59	44.62	5.14

Note: All prices are averages in cts/gal

- There has been virtually no demand for ultra-low sulfur kerosene this year, and it is about a nickel per gallon cheaper than compliant ships' bunkers.
- Several multistate fuel jobbers got nailed in the bankruptcy of Borden Dairy, which has a huge fleet of vehicles for distribution.
- The Lower Atlantic region stood out among most clusters of states last week in that it did not see gasoline stocks increase (like the rest of the country) in the EIA reporting week ended Jan. 3, but instead saw a 1-million-bbl inventory decline.



PADD 2 Midwest

MIDWEST SPOT-RACK-RETAIL MARGINS

National Index	Gasoline	▲ Last Wk.	Diesel	▲ Last Wk.
Retail	247.03	-0.21	294.16	-0.27
Net	192.83	-0.25	236.07	1.80
Wholesale	174.28	-0.84	200.21	1.84
Rack-Retail Margin	18.56	0.59	35.86	-0.04
Chicago Spot	162.88	0.08	177.32	-1.46
Regional Spot-Rack Margin	11.40	-0.92	22.89	3.30
Regional Spot-Retail Margin	29.95	-0.33	58.75	3.26

Note: All prices are averages in cts/gal

- PBF Energy's 188,000-b/d refinery in Toledo, Ohio, will undergo a turnaround of 40-50 days that will include work on a crude unit in February and FCC maintenance in March, according to an industry source.
- Refinery utilization in the Midwest slid by 3.5 percentage points to 93.8% in the week ended Jan. 3, retreating from a 16-week high, according to EIA data.
- PADD 2 gasoline stocks rose to more than 55 million bbl in the latest EIA reporting week, hitting the highest inventory level since March.

PADD 3 Gulf Coast

GULF COAST SPOT-RACK-RETAIL MARGINS

National Index	Gasoline	▲ Last Wk.	Diesel	▲ Last Wk.
Retail	231.04	1.29	282.92	0.79
Net	189.50	1.06	228.39	-0.99
Wholesale	174.91	0.00	206.61	-0.95
Rack-Retail Margin	14.59	1.06	21.79	-0.04
Gulf Coast Spot	160.38	-4.42	187.07	-6.96
Regional Spot-Rack Margin	14.53	4.42	19.54	6.01
Regional Spot-Retail Margin	29.12	5.48	41.32	5.97

Note: All prices are averages in cts/gal

- Gulf Coast gasoline and distillate spot prices tumbled to some of their lowest marks in about a month last week, driven by a steep round of NYMEX selling following heightened geopolitical tensions between the U.S. and Iran.
- Last week's EIA report showed PADD 3 distillate stocks soared by 3.2 million bbl, to 44.8 million bbl, the highest inventories have been since February 2019. Gasoline inventories also skyrocketed by 5.4 million bbl, to 91 million bbl, which is ahead of both year-ago levels and the five-year average.

PADD 4 Rockies

National Index	Gasoline	▲ Last Wk.	Diesel	▲ Last Wk.
Retail	265.11	-2.61	306.81	-2.53
Net	217.07	-3.24	228.01	-3.83
Wholesale	170.42	0.15	201.34	-4.08
Rack-Retail Margin	46.65	-3.39	26.67	0.25
Group 3 Spot	157.63	-1.42	187.07	-4.96
Regional Spot-Rack Margin	12.79	1.57	14.27	0.88
Regional Spot-Retail Margin	59.44	-1.82	40.94	1.13

Note: All prices are averages in cts/gal

- The midweek slide in futures prices offset some recent upticks at Rockies racks, OPIS data reveal. That has left rack and retail prices relatively static, resulting in continued strong rack-to-retail margins.
- PADD 4 product supply appears to be comfortable. Gasoline inventories rose 5% in the week ended Jan. 3, resulting in an almost-1-million-bbl surplus to a year ago. Distillate appears to be less cushioned year on year, running 454,000 bbl ahead of a year ago.

PADD 5 West Coast

National Index	Gasoline	▲ Last Wk.	Diesel	▲ Last Wk.
Retail	332.89	-1.69	348.50	1.34
Net	263.01	-2.18	277.29	-0.60
Wholesale	218.25	3.17	224.68	-2.08
Rack-Retail Margin	44.76	-5.35	52.61	1.48
LA Spot	193.76	14.58	198.07	-11.46
Regional Spot-Rack Margin	24.49	-11.41	26.61	9.38
Regional Spot-Retail Margin	69.26	-16.76	79.22	10.86

Note: All prices are averages in cts/gal

- Los Angeles and San Francisco CARBOB were assessed at multi-week highs on Jan. 8 following market talk of buying by refiners.
- Regional refinery utilization slipped by four percentage points to 86% for the week ended Jan. 3, according to the EIA.
- New York-based JetBlue in July will start offsetting carbon emissions from all U.S. flights, it said, and will start using sustainable aviation fuel on flights from San Francisco International Airport by mid-2020.

French Refineries Blockaded, Few Workers on Strike

Three Total-operated refineries in France remain blockaded on Jan. 9, but union representatives leading the actions have yet to call for strikes that would precipitate shutdowns.

"(Product deliveries from) the refineries of Donges, Feyzin, Grandpuits and the bio-refinery of La Mède ... are blocked due to the social movement currently ongoing in France," a spokeswoman for Total told OPIS on Jan. 7. "The sites themselves are prepared for such blockades, and no shutdown is foreseen," she added.

As of presstime, the situation was unchanged, the spokeswoman said. Asked how many Total refinery workers were estimated by the company to be on strike, she put the figure at 5% of refinery employees.

Only output at Grandpuits, which has a 100,000-b/d capacity, has been particularly affected by worker strike action, according to local media reports. Donges has capacity of 230,000 b/d, while maximum output at Feyzin is around 120,000 b/d.

The renewed blockades at Donges and Feyzin on Tuesday came after the CGT union called for all of the country's refineries to be blockaded over Jan. 7-10. The actions hitting the country's refineries have been timed to coincide with a monthlong series of protests and strikes that have crippled parts of France's transport network.

The strikes were called in reaction to government plans to unify France's 42 pension schemes into a single national system. Some of those schemes allow for early retirement, while the new system would raise the eligibility age for retirement for all workers from 62 to 64.

Union representatives have appeared wary of calling for shutdowns of France's refineries. Fabien Privé Saint-Lanne, the CGT's delegate representing workers at Donges, told French newspaper Libération: "Be aware that shutting down the refinery facilities would be a big deal, which can take three or four days to be effective but would require between a week and a month to restart."

Strikes Lift French Retail Fuel Prices in December

Diesel retail prices in the five largest European economies increased in December in line with firmer oil prices, while French drivers paid extra for their fuel due to ongoing strikes, data from OPIS NAVX shows.

Diesel prices increased by an average of 5 Euro cents/liter (8.8 U.S. cts/liter) in Germany, Spain, France and Italy, while prices in the U.K. stayed flat. Meanwhile, Brent prices rose by an average of $2.40/bbl to $58.69/bbl in December compared to November.

Gasoline prices in all countries, bar France, remained flat in December.

French fuel prices were lifted by union strikes during the month. The protesters blocked three large refineries, which in turn led to increased fuel imports, price rises and shortages in fueling stations.

Gasoline prices in France increased by 1.2 Euro cts/liter (U.S. 2.3 cts/liter) and diesel prices rose by 1.8 Euro cts/liter (U.S. 2.8 cts/liter).

The Italians paid the most for their gasoline, doling out 1.6 Euro/liter (US $1.78/liter). Italy also has the highest diesel prices in the Eurozone, with drivers paying 1.49 Euro/liter (US $1.65/liter) for the fuel.

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SELECTED REFINERY FEEDSTOCKS PRICES

	U.S. Gulf Coast	West Coast (Los Angeles Basis)
NAPHTHA	150.180	N/A
DOM. NAPHTHA	150.680	N/A
PAR. NAPHTHA#	536.450	N/A
DOM. FR NAPHTHA	146.680	N/A
LT.CYCLE	187.990	167.110
LS LT CYCLE	190.240	N/A
ST.RUN H.S.*	60.630	N/A
ST.RUN L.S.*	70.380	N/A
CARGO L.S. VGO	179.495	N/A
CARGO Med. VGO	178.725	N/A
CARGO H.S. VGO	177.715	N/A
BARGE L.S. VGO	179.495	186.750
BARGE Med. VGO	178.725	N/A
BARGE H.S. VGO	177.715	182.750

Prices U.S. cts/gal except where noted.
*Prices shown in U.S. $/bbl. # Prices shown in U.S. $/MT

Methodology: OPIS spot weekly averages are calculated by averaging the daily averages, adding each low and high for each business day and dividing by the total.

Suncor Asks Court to Review EPA Denial of SRE Petition

Canada's Suncor Energy is suing EPA over its October determination that the company's Denver-area refining operations are not eligible for a small-refinery exemption (SRE) under the Renewable Fuel Standard (RFS).

The company on Dec. 23 asked the 10th U.S. Circuit Court of Appeals to overturn the agency's Oct. 25 final decision denying its requests for economic hardship waivers for the 2018 RFS compliance year for its West and East refineries in Commerce City.

In its petition to the court, Suncor attached a redacted copy of EPA's decision that found the company's Colorado refineries were ineligible to receive SREs because "they function as a single refinery" with an average daily throughput that exceeded 75,000 bbl (the small-refinery capacity threshold under the RFS) in 2017 and 2018.

"Based on the information available to EPA, including Suncor's own statements, it is evident that the Suncor East Refinery and the West Refinery have been integrated to the point that they are now operated as a single refinery with an average daily crude oil throughput that exceeded 75,000 bbl in both 2017 and 2018," the agency said.

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SPOT MARKET PRICES

ETHANOL
(in U.S. $/gal.)

	Wk Avg.
Chicago	1.2838
Chicago Rule 11	1.3023
New York	1.4065
Gulf Coast	1.4125
Dallas	1.3820
Tampa	1.4910
Nebraska	1.1880
Los Angeles	1.5500
San Francisco	1.5720
Phoenix	1.4190

MTBE/ALKYLATES

	Wk Avg.
MTBE	2.3000
Alkylate	1.9852

U.S. ETHANOL RIN VALUES
(in U.S. $/gal.)

	Wk Avg.
Current	0.14450
Previous	0.08175

Methodology: OPIS spot weekly averages are calculated by averaging the daily averages, adding each low and high for each business day and dividing by the total.

For more detailed daily Ethanol, RIN and MTBE pricing, please see OPIS Ethanol and Biodiesel Information Service or call 1-888-301-2645.

Slack Seasonal Blending Keeps Ethanol on the Skids

The transition into a new year is often a slow period for ethanol markets dealing with what usually turns out to be some of the stingiest demand levels of the year. Last week was true to form due to both a lack of trade activity as well as bearish supply and blending indications.

Even as the Chicago-area bulk ethanol market remained exceedingly thin in terms of cash trading, spot ethanol prices for transfers last week slumped under $1.30/gal. Talks last heard at $1.27 by $1.28/gal were failing to drum up a confirmed deal. Volume available this week had offers slumping as low as $1.265/gal. That was down by as much as a dime from New Year's Eve and had ebbed as much as 2.6cts since the start of the week.

Some of the backwardation through January remained flattened, with prices for any-January discussed at or near prompts and week-out transfers at different times. However, it is also notable that some in the trade called any-February values upwards of several cents higher than January.

Railcars trading for last week under Rule 11 terms showed a bit more firmness than other markets by midweek, with trades at $1.295/gal before word that $1.31/gal also changed hands.

Although other U.S. bulk ethanol markets remained even more thinly discussed, January barge talk out of New York Harbor continued to depict an unusually wide price contango versus February. Sources attributed the gap to the growing disparity in Renewable Identification Number vintages.

Market sources explained that January barges offer a seller's option on RINs, but February carries current-year RINs that are lately priced at a premium of about 6cts or more over the 2019 vintage. January barge discussions by the latter part of last week sagged back to $1.385-$1.39/gal, while February ran in the $1.445-$1.45/gal area. At the same time, RIN values for 2020 traded as high as 14.75cts/RIN versus 2019 vintage values topping out at 8.75cts/RIN.

Meantime, weekly EIA data didn't lend ethanol spot prices any traction. U.S. inventories were reported to have increased by 1.428 million bbl nationwide in the week ended Jan. 3 to 22.462 million bbl, a 14-week high. The huge build's impact may be mitigated by the fact that stockpiles remained 3.4% lower than a year ago, but decreased ethanol blending added to the bearish nature of the report.

Gasoline demand slid steeply and EIA reported that ethanol blender net input marked a two-year low. At 801,000 b/d, the blender input measure dropped 82,000 b/d week to week, and by more than 14.6% over the last two weeks. Inputs were also 1.7% lower than a year ago.

Ethanol output fell 4,000 b/d to 1.062 million b/d. Over the last two weeks production has declined by 1.9%. Still, ethanol output is relatively sturdy, holding 6.2% ahead of the same week in 2019.

Ethanol imports recorded by EIA remained at zero for the fourth week in a row after averaging more than 29 million b/d the previous four weeks. The lack of imports in recent EIA accounting could represent delayed data compilation on import figures rather than a complete shutoff of overseas deliveries.

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Los Angeles E10 Soars, Jumps Over Other Markets

After vying with New York as one of the more expensive markets in the nation last week, Los Angeles 10%-ethanol-blended gasoline (E10) shot sharply higher to tower over the rest of the U.S.

L.A. CARBOB spiked by more than 14.50cts/gal to $1.8765/gal. It was the only blendstock market to see values over $1.70 and now exceeds New York levels by some 20cts. At the beginning of January premiums were 2.50-3.00ctc. However, ethanol values stumbled by 6.50cts to $1.5350/gal.

E10 in L.A. jumped by almost 12cts on the week, moving to $1.8275/gal, or more than 20cts higher than the next nearest market. Margins for L.A. blenders are the best in the nation, having climbed by 2.68cts on the week to reach 4.88cts/gal.

Chicago remained the weakest market in the nation. CBOB in the region saw the smallest loss on the week (just 0.67cts), but at $1.5688/gal the price is still a few pennies below the next nearest market. Ethanol saw a drop of 9cts to $1.2750/gal, again ranking as the least expensive market in the U.S.

Chicago E10 saw a small slide of 2cts, to $1.52479/gal, but blenders there are seeing the second-best margins in the nation at 4.40cts/gal thanks to the region's inexpensive ethanol.

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U.S. Propane, Propylene Inventories Increase, Contradicting Estimates

U.S. propane and propylene stocks increased by 700,000 bbl in the week ended Jan. 3, to a total combined inventory of 88.9 million bbl, the EIA reported last week. Propylene inventories increased by 100,000 bbl week over week to 6.1 million bbl.

An OPIS survey of analysts and traders forecast an average propane and propylene stock draw of 990,000 bbl. It was noted that one polled source estimated a build of 1 million bbl.

Combined propane and propylene stocks in the Gulf Coast increased by 1.2 million bbl to 59.4 million bbl week over week. Midwest inventories decreased by 600,000 bbl to 19.5 million bbl. East Coast inventories increased by 400,000 bbl to 6.8 million bbl, and Rockies and West Coast inventories together decreased by 300,000 bbl to 3.2 million bbl.

Implied demand for propane and propylene increased by 229,000 b/d to 1,514,000 b/d.

Propane and propylene imports saw a decrease of 25,000 b/d to 137,000 b/d for the week, and exports decreased as well by 284,000 b/d to 988,000 b/d.

U.S. inventories are up 29.3% from the year-ago period.

To see a visualization of this data, follow this link: https://tabsoft.co/2FgNnvx

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U.S. & CANADA LP-GAS WEEKLY AVERAGES

Mont Belvieu

	PROPANE*	I. BUTANE*	N. BUTANE*	ISOBUTANE*	N. GASOLINE*
Weekly Average	45.9875	70.7000	70.9000	82.4000	129.0375
	PROPANE**	**N. BUTANE****	**ISOBUTANE****	**N. GASOLINE****	**NGL BASKET****
Weekly Average	43.7250	70.6000	82.4000	123.1375	47.5024
	OTHER PROPANE**		**OTHER N.BUTANE****	**OTHER ISOBUTANE****	
Weekly Average	45.2875		70.6000	82.4000	
	E-P MIX	**N.G. (RIVER)**	**PURITY ETHANE**	**OTHER N.GASOLINE**	
Weekly Average	11.0750	129.1375	15.5750	127.9375	

Conway InWell

	PROPANE	N. BUTANE	ISOBUTANE	N. GASOLINE	ETHANE (in E-P)
Weekly Average	41.2000	72.2500	77.1000	121.2250	9.6000

Conway In-Line

	PROPANE	N. BUTANE	ISOBUTANE	N. GASOLINE	ETHANE (in E-P)
Weekly Average	41.2000	72.2500	77.1000	121.2250	9.6000

Bushton

	PROPANE KM	N.BUTANE KM	ISOBUTANE KM	N.GAS KM	ETHANE KM
Weekly Average	41.2000	72.2500	77.1000	121.2250	9.6000

NOTE: MAPC prices are now designated as In-Well, **NON-TET, *TET=LDH

Louisiana

FOB Napoleonville Area

	PROPANE	N. BUTANE	ISOBUTANE	N. GASOLINE	PUR. ETHANE	E-P MIX
Weekly Average	28.9750	64.3000	77.5250	115.3875	9.0750	11.0750

FOB Geismer/Sorrento Area

	PROPANE	N. BUTANE	ISOBUTANE	N. GASOLINE	PUR. ETHANE
Weekly Average	28.9750	64.3000	77.5250	115.3875	18.0750

Los Angeles

	PROPANE	N. BUTANE	BUTANE MIX	ISOBUTANE
Weekly Average	101.9625	104.0750	104.0750	112.4000

Bakersfield

	PROPANE	N. BUTANE	BUTANE MIX	N. GASOLINE
Weekly Average	101.6625	92.5750	92.5750	145.8250

San Franscisco

	PROPANE	N. BUTANE	BUTANE MIX	ISOBUTANE
Weekly Average	100.6000	104.0750	104.0750	112.4000

Other LP-Gas Markets

Sarnia

	PROPANE	N. BUTANE	ISOBUTANE
Weekly Average	77.8500	87.4000	82.4000

Edmonton

	PROPANE	N. GASOLINE	FIELD GRADE BUTANE***
Weekly Average	39.5500	147.7950	84.2250

Hattiesburg

	IN-LINE PROPANE	STORAGE PROPANE
Weekly Average	47.9250	47.8500

Methodology: OPIS LP-Gas spot weekly averages are calculated by averaging the daily "Any" averages, Friday - Thursday. ***Formerly N. BUTANE

Asia Petchem Makers to Cut LPG Use in Feb. to Four-Month Low

Asian petrochemical producers plan to cut liquefied petroleum gas (LPG) cracking for a second straight month in February, to a four-month low, as a surge in gas prices squeezes ethylene margins, a survey showed.

However, LPG cracking may pick up if tensions in the Middle East heighten further and even disrupt naphtha supplies, especially in the unlikely event of a closure of the Hormuz Strait, some respondents said. This would give U.S.-sourced propane an edge, industry sources said.

Sixteen petrochemical companies in North and Southeast Asia will crack 566,000 mt of LPG in February, down 8.6% from 619,000 mt planned in January, according to an IHS Markit OPIS poll conducted on Jan. 2-8. The February volume, if materialized, would be the smallest since October 2019.

"The recent jump in LPG price is due to deeper OPEC production cuts, some shipping delays in the U. S. Gulf Coast and winter heating demand," said Matthew Chew, principal oil analyst at IHS Markit in Singapore."The impact will diminish soon and should not have long-term impact," Chew said. "Once the seasonal factors are gone, probably in the second quarter, LPG cracking will rise again."

LPG prices usually strengthen in the northern hemisphere winter months as demand for heating use intensifies.

This winter, LPG found further support from Chinese petrochemical companies, tighter supply from the Middle East and fog in Houston which disrupted shipping.

All of these factors pushed CFR Japan LPG to a five-year peak of $702.00/mt on Dec. 30, 2019, IHS Markit OPIS data showed.

On the other hand, naphtha prices lost steam as some cracker operators reduced runs amid a squeeze in ethylene margins due to sluggish demand. The CFR Japan price fell to $577.625/mt on Jan. 8 compared with $588.500/mt on Dec. 27, 2019, the highest since late-April.

Tensions between the U.S. and Iran escalated last week after Tehran retaliated against the Washington airstrike that killed a top Iranian general by bombing U.S. military bases in Baghdad.

If tanker passage through the Strait of Hormuz is hindered, both naphtha and LPG prices will jump, although the impact on propane may be less pronounced due to the availability of U.S.-origin cargoes, traders said.

For now, producers are focused on feedstock economics as the U.S. and Iran standoff appeared to have cooled off slightly.

LPG cracking economics deteriorated with the propane/naphtha price ratio assessed at 101.0% on Dec. 30, the highest since Dec. 21, 2017, IHS Markit OPIS data showed.

The ratio compares the first physical trading cycle for naphtha with the second cycle for the CFR Japan price of 23,000 mt of propane.

The ratio has been above the 90% threshold since early November but most petrochemical producers have continued to use LPG over naphtha because they were still able to make a profit.

The recent surge in LPG prices, however, has deteriorated ethylene margins.

The cash cost of steam cracking in Southeast Asia using LPG was estimated at $968/mt, generating a margin of minus $343/mt as of Dec. 26, according to the IHS Markit Asia Light Olefins Weekly Report on Jan. 3.

The cost in Northeast Asia was $986/mt, with a margin of minus $261/mt, the data showed.

Ethylene margins derived from naphtha use were slightly better.

The cash cost of steam cracking naphtha in Southeast Asia was $909/mt, generating a margin of minus $284/mt, while in Northeast Asia it was $876/mt with a margin of minus $151/mt, the IHS Markit report showed.

As a result, gas usage, especially of propane, was reduced.

Among the survey participants, seven will crack propane in January and February.

Propane use by six will fall 9.3% to 360,000 mt in February from 397,000 mt this month. One will use both propane and butane but did not provide a breakdown.

LG Chem plans to close the LPG (propane) cracking portion of its petrochemical plant on Jan. 13 for a week of maintenance.

The 11 participants that can crack butane plan to maintain their volume at 146,000 mt next month, compared to January.

Ethylene prices tumbled with CFR Southeast Asia dropping to $640-$690/mt, the lowest since 2009, and CFR Northeast Asia in the week to Dec. 12 falling to a two-month low of $710-$750/mt, according to IHS Markit data.

"It doesn't matter which feedstocks we use. It's not economical," said a trader at a petrochemical company in Northeast Asia, which recently lowered cracker runs by 10%.

These output cuts, along with Chinese demand ahead of the Lunar New Year holidays in late January may support ethylene prices, although supply will limit its upside, traders said.

Moreover, the regional economy held its recovery momentum as the Asia manufacturing PMI held at a one-year high of 50.7 in December, according to IHS Markit data.

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Enterprise Confirms Departure of Ethylene Cargo from New HSC Terminal

Enterprise Products Partners and Navigator Holdings confirmed last week that the first cargo of ethylene was successfully exported from their 50/50 joint venture marine terminal located at Morgan's Point, Texas, along the Houston Ship Channel.

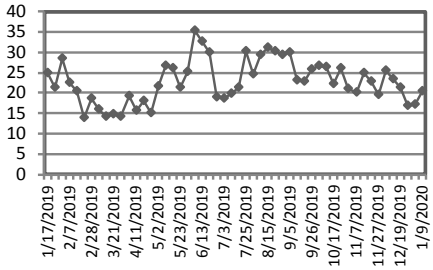
The cargo loaded onto the Navigator Europa at the end of December carrying 25 million pounds of ethylene for Marubeni, bound for Asia. The price of the ethylene was not disclosed.

The maiden voyage marks the official opening of the ter-

Current Margins By PADD vs Year-to-Date Margins

	Current Week				Year-To-Date			
PADD	Retail	Net	Rack	Margin	Retail	Net	Rack	Margin
PADD 1	256.47	199.33	178.99	20.34	255.23	198.13	177.94	20.19
PADD 2	247.03	192.83	174.28	18.56	246.40	192.20	173.39	18.81
PADD 3	231.04	189.50	174.91	14.59	230.72	189.24	173.62	15.63
PADD 4	265.11	217.07	170.42	46.65	266.26	218.39	169.69	48.70
PADD 5	332.89	263.01	218.25	44.76	333.52	263.84	215.54	48.31
National	**256.89**	**202.04**	**179.61**	**22.43**	**256.30**	**201.49**	**178.35**	**23.14**

PADD 1
Rack-To-Retail Margins



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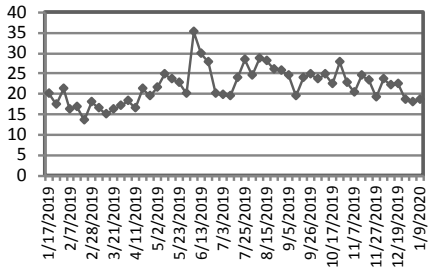

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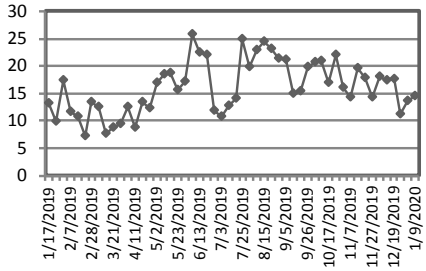

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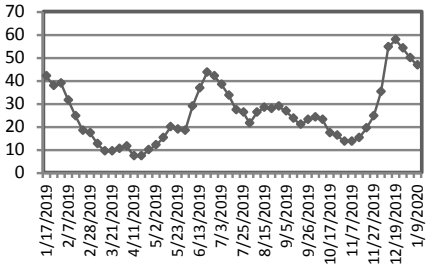

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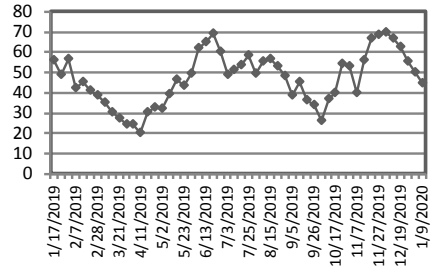

minal, which has the capacity to load 2.2 billion pounds per year of ethylene. A refrigerated storage tank for 66 million lbs is being built on-site and will increase the capability to load ethylene up to a rate of 2.2 million lbs/hour. Tank construction is expected to be completed in Q4 2020.

The export terminal is connected by pipeline to Enterprise's Mont Belvieu, Texas, complex. Enterprise is commissioning a high-capacity ethylene salt dome storage well with capacity of 600 million lbs. The company is also building a 24-mile pipeline between Mont Belvieu and Bayport, Texas, which is also expected to begin service in Q4 2020. Plans were also recently announced to build a 90-mile Baymark Pipeline from Bayport to Markham, Texas, that is expected to be completed in Q4 2020.

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Canada Kuwait Petrochemical Awards EPC Contract for PDH Plant

Canada Kuwait Petrochemical Corp. awarded a lump sum EPC contract for its Alberta propane dehydrogenation (PDH) facility and said that the propylene/polypropylene complex is expected to be placed into commercial service by the second half of 2023.

Once operational, its listed capacity will be 550,000 mt/yr of propylene, which will be fed from the PDH unit into the site's PP plant.

Previously, the in-service date was projected as mid-2023.

The contract, which was awarded to Heartland Canada Partners, a joint venture of Fluor and Kiewit, will fix approximately 60% of the cost so far of the PDH/PP facility. The contractor selection for the PP part of the complex is ongoing.

Pembina Pipeline Corp., which together with Petrochemical Industries Company of Kuwait is developing the PDH/PP complex, has revised its proportionate share of the capital cost of the PDH/PP facility, including the 100% directly owned supporting facilities, to $2.7 billion. Nearly a year ago, Pembina's share was estimated at $2.5 billion.

The complex will be capable of converting about 23,000 b/d of propane into 550,000 mt/yr of PP. The final investment decision for the PDH/PP complex was announced in February 2019. The facility will be located adjacent to the Redwater Fractionation Complex, just north of Fort Saskatchewan, Alberta.

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U.S. Reseller Propane Prices

Wkly Propane Contract Avgs.	Wkly Propane Contract Avgs.	Wkly Propane Contract Avgs.	Wkly Propane Contract Avgs.	Wkly Propane Contract Avgs.	Wkly Propane Contract Avgs.
CONWAY, KS AVERAGE 46.91	NORFOLK, NE AVERAGE 52.18	MANKATO, MN AVERAGE 53.64	TODHUNTER, OH AVERAGE 72.34	CORPUS CHRISTI, TX AVERAGE 61.88	
DIXIE PL ALBANY, GA AVERAGE 55.30	NORTH PLATTE, NE AVERAGE 52.70	MILWAUKEE, WI AVERAGE 107.00	WATKINS GLEN, NY AVERAGE 76.16	BALTIMORE, MD AVERAGE 69.90	
ALMA, GA AVERAGE 55.97	ROCK RAPIDS, IA AVERAGE 54.66	MOBERLY, MO AVERAGE 51.99	TIOGA, ND AVERAGE 61.18	EL DORADO, KS AVERAGE 51.10	
CHERAW, SC AVERAGE 57.24	WOLSEY, SD AVERAGE 54.00	MONEE, IL AVERAGE 55.19	WEST TEXAS - SLAUGHTER AVERAGE 58.10	CATLETTSBURG, KY AVERAGE 88.08	
DEMOPOLIS, AL AVERAGE 53.51	YANKTON, SD AVERAGE 52.12	OGDEN, IA AVERAGE 52.29	WEST TEXAS AVERAGE 58.10	LIMA, OH AVERAGE 75.93	
HATTIESBURG, MS AVERAGE 52.51	SUPERIOR, WI AVERAGE 75.60	PINE BEND, MN AVERAGE 54.80	CANTON, SD AVERAGE 60.50	HOBBS, NM AVERAGE 61.18	
LEXINGTON, SC AVERAGE 56.57	WOOD RIVER, IL AVERAGE 58.43	PINE BEND REF, MN AVERAGE 56.00	RAPID RIVER, MI AVERAGE 64.60	CALUMET, OK AVERAGE 57.60	
MILNER, GA AVERAGE 55.11	LINDEN NJ - LINDEN AVERAGE 74.90	ROSEMOUNT, MN AVERAGE 55.80	WATERTON, AB AVERAGE 56.60	GRIFFITH, IN AVERAGE 55.58	
OPELIKA, AL AVERAGE 54.50	LINDEN NJ AVERAGE 74.90	SANBORN, IA AVERAGE 52.13	STEPHENS CITY, VA AVERAGE 68.83	INVER GROVE HEI, MN AVERAGE 58.60	
RALEIGH/APEX, NC AVERAGE 58.38	LOS ANGELES, CA AVERAGE 110.50	WHITING, IA AVERAGE 50.63	COCHIN BENSON, MN AVERAGE 56.50	HUNTINGTON, IN AVERAGE 57.71	
ONEOK PL BUSHTON, KS AVERAGE 47.74	ARCADIA, TX AVERAGE 69.50	GRANGER, WY AVERAGE 50.60	MANDAN, ND AVERAGE 54.35	BRIDGEPORT, TX AVERAGE 59.60	
CLEAR LAKE, IA AVERAGE 56.91	MT. LAUREL, MT AVERAGE 80.50	HILITE, WY AVERAGE 53.10	NEW HAMPTON, IA AVERAGE 76.67	GREEN BAY, WI AVERAGE 68.35	
CORALVILLE, IA AVERAGE 57.03	MAPCO PL ALEXANDRIA, MN AVERAGE 59.50	MENTOR, MN AVERAGE 72.18	MARYSVILLE, MI AVERAGE 74.05	GREELEY, CO AVERAGE 70.35	
DES MOINES, IA AVERAGE 56.24	CANTRIL, IA AVERAGE 53.24	IGNACIO, CO AVERAGE 66.10	BAKERSFIELD, CA AVERAGE 111.00	CINIZA NM - CINIZA AVERAGE 58.00	
LEMONT, IL AVERAGE 57.45	CLAY CENTER, KS AVERAGE 49.07	OPAL, WY AVERAGE 55.60	HUTCHINSON, KS AVERAGE 46.19	CINIZA NM AVERAGE 58.00	
MORRIS, IL AVERAGE 56.86	COFFEYVILLE, KS AVERAGE 66.10	FT. LUPTON, CO AVERAGE 74.85	JUNCTION CITY, WI AVERAGE 64.50		
PLATTSMOUTH, NE AVERAGE 53.52	DUBUQUE, IA AVERAGE 54.76	MT. BELVIEU, TX AVERAGE 58.01	SHEERIN, TX AVERAGE 54.00		
ROBINSON, IL AVERAGE 66.00	FARMINGTON, IL AVERAGE 54.69	LITTLE ROCK, AR AVERAGE 85.90	VANCOUVER, WA AVERAGE 83.85		
ROCKFORD, IL AVERAGE 58.87	GREENWOOD, NE AVERAGE 50.35	TEPPCO COSHOCTON, OH AVERAGE 72.55	SAN FRANCISCO, CA AVERAGE 111.33		
TAMPICO, IL AVERAGE 58.27	IOWA CITY, IA AVERAGE 54.54	DUBOIS, PA AVERAGE 74.75	ROCKIES - BILLINGS AVERAGE 80.50		
TUSCOLA, IL AVERAGE 56.79	JACKSON, MN AVERAGE 53.82	GREENSBURG, PA AVERAGE 71.23	ROCKIES - CASPER AVERAGE 61.35		
EAST TEXAS, TX AVERAGE 69.50	JANESVILLE, WI AVERAGE 55.58	ONEONTA, NY AVERAGE 78.04	ROCKIES AVERAGE 70.93		
KANEB PL GENEVA, NE AVERAGE 50.55	KEARNEY, MO AVERAGE 50.68	PRINCETON, IN AVERAGE 63.62	TULSA, OK AVERAGE 56.60		
	LECOMPTON, KS AVERAGE 52.91	SELKIRK, NY AVERAGE 79.99	WOODHAVEN, MI AVERAGE 106.00		

Daily propane rack prices for the above markets are also available. To receive a complimentary 5-day pricing feed for one propane rack city or to trial any of our daily pricing services, call 1-888-301-2645 or e-mail us at energycs@opisnet.com.

Prices shown are for FOB terminal in cts/gal excluding taxes and discounts

U.S. Residual Fuel Prices

OPIS Weekly Residual Fuel (No.6 Oil) Spot Market Periscope

NY Harbor Barge Cargo

All values are cargo quantity

	Friday (01/03)	Monday (01/06)	Tuesday (01/07)	Wednesday (01/08)	Thursday (01/09)	Wk Avg.
NO.6 Oil 0.3% High Pour	96.00-96.10	97.75-97.85	96.90-97.00	95.40-95.50	94.90-95.00	96.240
NO.6 Oil 1.0%	80.65-80.75	82.40-82.50	81.55-81.65	80.05-80.15	78.85-78.95	80.750
NO.6 Oil 3.0%	48.75-48.85	50.50-50.60	49.65-49.75	46.05-46.15	44.05-44.15	47.850

Gulf Coast Cargo

All prices are in $/bbl

	(01/03)	(01/06)	(01/07)	(01/08)	(01/09)	Wk Avg.
NO.6 Oil 3.0%	46.00-46.10	42.15-42.25	41.80-41.90	40.90-41.00	41.55-41.65	42.530

U.S.-Canadian Rack Comparisons

	UNL	ULSD No.2	ULSD No.1		UNL	ULSD No.2	ULSD No.1
Albany, NY	188.60	202.55	223.43	Montreal	198.48	244.69	254.86
Buffalo, NY	198.19	203.75	242.52	Sarnia	189.47	227.83	238.59
Warren, PA	-- --	178.20	-- --	Toronto	190.93	229.29	240.04
Detroit, MI	206.03	189.15	250.15	Vancouver	231.61	222.31	236.84
Grand Forks, ND	179.00	195.69	222.17	Winnipeg	194.41	250.79	258.06
Seattle, WA	208.50	174.75	207.40				

U.S. net rack low market posting in cts/gal vs. Canadian low rack market postings in cts/gal after conversion by currency/volume factors. Approximately 3.785 liters comprise a U.S. gallon. Divide U.S. terms by 2.37 to convert to Canadian cts/liter. Canadian rack postings are offered as a barometer of market values and rarely reflect actual transacted prices.

Residual Fuel Rack Postings

All prices are in $/bbl, rack, unless otherwise noted. (B) indicates barge quantities, (C) indicates cargo quantities. Percent signs (%) indicate sulfur levels.

Company	%	No.4	%	No.5	%	No.6
BOSTON, MA						
Global	0.50%	103.00			0.50%	103.70
	1.00%	97.90			1.00%	93.40
					1.50%	70.80
					2.00%	70.10
					2.20%	66.50
QUINCY, MA						
Sprague	0.50%	109.48			0.50%	111.24
NEW HAVEN, CT						
Buckley					0.50%	118.59
	0.50%	114.62				
PORTLAND, ME						
Global	1.00%	96.60			2.00%	70.40
PROVIDENCE, RI						
Sprague	1.00%	0.00				

Monthly U.S. Crude Production

All volumes shown in thousands of b/d. Source: Form EIA-914

Region/State	Oct-19	Sep-19	Oct-18
PADD1			
Pennsylvania	19	19	19
W. Virginia	53	51	41
PADD2			
Kansas	88	89	93
N. Dakota	1,474	1,404	1,377
Ohio	86	88	79
Oklahoma	592	604	576
PADD3			
Arkansas	13	13	13
Louisiana	121	123	132
N.Mexico	982	979	775
Texas	5,273	5,220	4,725
Offshore GOM	1,904	1,898	1,751
PADDs 4,5			
California	431	440	465
Colorado	554	515	545
Montana	64	60	61
Utah	101	102	105
Wyoming	291	290	251

Note: Weekly EIA production estimates for Alaska and Lower 48 can be found in the table on page 7.

In Jet Markets

Jet Fuel Prices Turn Lower Amid Futures Selloff

Jet fuel prices throughout the United States shed at least a few pennies last week, following a steep round of NYMEX selling due to continued geopolitical tensions between the U.S. and Iran. Those declines, OPIS data show, brought cash values to some of their lowest levels in about a month.

U.S. jet fuel prices were averaging $1.96-1.97/gal last week, down from the prior week's $2/gal level. All of that decline can be attributed to futures losses, which fell by more than 8cts/gal on the week.

Some of the steepest decreases were in southern California. Los Angeles jet fuel traded weaker by nearly 3cts/gal which, when combined with NYMEX selling, took outright prices down by more than 7cts/gal, averaging around $2.02/gal for the week. Also of note, L.A. jet fuel cash values dropped below $2/gal for the first time since mid-December.

Gulf Coast jet fuel basis discounts were relatively stable, trading right around 8cts/gal below February NYMEX ULSD. However, outright jet fuel prices shook off nearly 4cts/gal, averaging $1.91-1.92/gal. For comparison, the Gulf Coast remains the cheapest market for jet fuel in the country, and prices are now at a one-month low.

New York Harbor and Group 3 jet fuel trading values also slipped by at least three pennies last week and hit some of their lowest levels since mid-December.

Chicago jet fuel basis discounts narrowed by a sizable 6cts/gal. Although the stronger trading levels offset much of NYMEX decline, jet fuel cash prices shed less than a half-cent on the week.

With last week's downturn, all U.S. spot jet fuel markets are now pricing below the $2/gal threshold, with cash prices in the Gulf Coast and Chicago a few pennies beneath $1.90/gal.

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In Jet Markets

Aviation Gasoline U.S. Price Index

(Avgas prices in U.S. cts/gal)

Location	Price	Location	Price	Location	Price	Location	Price
Aberdeen, SD	351.96	Des Moines, IA	326.89	Oklahoma City, OK	324.55	San Francisco, CA	299.31
Akron/Canton, OH	353.77	Enid, OK	325.79	Omaha, NE	328.66	Shreveport, LA	329.47
Albuquerque, NM	332.87	Ft. Dodge, IA	354.56	Paducah, KY	345.82	St. Louis, MO	337.67
Amarillo, TX	316.88	Ft. Smith, AR	335.33	Pasco, WA	361.81	Tacoma, WA	309.00
Anniston/Oxford, AL	344.43	Harlingen, TX	338.43	Phoenix, AZ	316.17	Toledo, OH	381.63
Ardmore, OK	331.60	Houston, TX	281.00	Pierre, SD	375.58	Tulsa, OK	329.78
Argo, IL	295.00	Jefferson City, MO	327.66	Pn Bnd/FlntHlsRs, MN	297.00	Tyler, TX	287.08
Baton Rouge, LA	285.00	Kansas City, KS	284.00	Ponca City, OK	315.02	West Memphis, AR	321.00
Billings, MT	309.00	Knoxville, TN	340.31	Portland, ME	301.00	Wichita, KS	325.00
Burlington, VT	330.65	Lexington, KY	341.64	Portland, OR	301.00	National Average	328.53
Chicago, IL	295.00	Louisville, KY	343.08	Rapid City, SD	368.62		
Colorado Springs, CO	334.56	Lubbock, TX	327.55	Richmond, CA	299.31		
Columbia, MO	327.02	Mason Cty/Clr.Lk., IA	351.10	Rogers, AR	341.08		
Columbus, OH	323.70	Minneapolis, MN	297.00	Salt Lake City, UT	371.41		
Dallas Metro, TX	328.98	Missoula, MT	378.70	San Angelo, TX	355.25		
Dallas/Ft. Worth, TX	328.98	Muskegon, MI	319.89	San Diego, CA	341.86		

Commercial Airline Jet Fuel Ranges

(Contract prices into major airline storage in cts/gal, ex-taxes and discounts)

	LOW	HIGH	AVG	DEL. SPOT
ALBANY, NY	216.06	216.06	216.06	----
ATLANTA, GA	197.04	204.21	200.63	199.89
AUSTIN, TX	204.57	204.57	204.57	199.14
BALTIMORE, MD	198.21	200.71	199.46	199.89
BANGOR, ME	213.11	213.11	213.11	----
BATON ROUGE, LA	204.21	204.21	204.21	198.89
BIRMINGHAM, AL	----	----	----	201.39
BOND-MIAMI, FL	201.71	201.71	201.71	----
BOSTON, MA	208.11	208.11	208.11	201.89
BUFFALO, NY	211.61	214.11	212.86	214.33
CHARLESTON, SC	199.87	199.87	199.87	199.39
CHARLOTTE, NC	198.67	204.21	201.44	199.39
DALLAS METRO, TX	200.21	200.21	200.21	198.39
DC/DULLES, VA	200.21	200.21	200.21	199.24
FT. LAUDERDALE, FL	201.21	203.61	202.68	203.89
GREENSBORO, NC	198.87	204.21	201.54	199.89
GULF COAST, TX	----	----	----	197.14
HARTFORD, CT	210.21	210.21	210.21	206.33
HOOKER'S PT., FL	200.21	200.71	200.46	201.89
HOUSTON, TX	200.21	224.63	212.42	198.89
JFK, NY	206.11	206.11	206.11	202.69
LINDEN, NJ	----	----	----	201.14
LITTLE ROCK, AR	212.85	212.85	212.85	199.89
MIAMI, FL	201.21	201.21	201.21	204.39
MOBILE, AL	204.32	211.21	207.77	200.89
NASHVILLE, TN	----	----	----	200.14
NEW ORLEANS, LA	199.71	199.71	199.71	199.14
NEWARK, NJ	205.61	205.61	205.61	201.14
NEWBURGH, NY	213.11	213.11	213.11	213.33
NORFOLK, VA	204.21	204.21	204.21	201.14
ORLANDO, FL	201.71	235.89	213.19	204.89
PHILADELPHIA, PA	207.86	207.86	207.86	200.39
PITTSBURGH, PA	209.11	209.11	209.11	207.58
PORTLAND, ME	218.55	218.55	218.55	213.78
PT. EVERGLADES, FL	----	----	----	200.89
RALEIGH/APEX, NC	204.41	204.41	204.41	200.89
RICHMOND, VA	200.87	204.71	202.79	200.14
ROANOKE, VA	205.21	205.21	205.21	200.39
ROCHESTER, NY	212.36	212.36	212.36	214.33
SAN ANTONIO, TX	202.10	202.10	202.10	198.89
SAVANNAH, GA	199.97	199.97	199.97	193.89
SHREVEPORT, LA	225.98	225.98	225.98	200.89
SYRACUSE, NY	----	----	----	214.78
TAMPA, FL	210.21	210.21	210.21	201.39
WILMINGTON, NC	----	----	----	198.89
Contract Avg. East/Gulf Coast			**206.63**	
AKRON/CANTON, OH	230.15	230.15	230.15	201.89
CHATTANOOGA, TN	208.21	208.21	208.21	193.89
CHICAGO, IL	----	----	----	205.19
CINCINNATI, OH	196.28	196.28	196.28	201.44
CLEVELAND, OH	196.36	196.36	196.36	200.89
COLUMBIA, MO	243.28	243.28	243.28	201.14
COLUMBUS, OH	196.13	230.19	213.16	202.14
DAYTON, OH	195.98	195.98	195.98	200.39
DES MOINES, IA	199.24	199.24	199.24	201.69
DETROIT, MI	195.18	197.18	196.01	204.39
FARGO, ND	----	----	----	206.69
GREEN BAY, WI	----	----	----	205.89
INDIANAPOLIS, IN	203.04	203.04	203.04	203.39
KANSAS CITY, KS	194.92	194.92	194.92	201.14
LEXINGTON, KY	----	----	----	----
LOUISVILLE, KY	203.28	203.28	203.28	204.39
MEMPHIS, TN	200.79	200.79	200.79	200.39
MILWAUKEE, WI	191.87	191.87	191.87	205.89
MINNEAPOLIS, MN	----	----	----	205.14
OKLAHOMA CITY, OK	211.12	229.17	220.15	200.39
OMAHA, NE	194.77	234.99	214.88	201.89
RAPID CITY, SD	238.64	238.64	238.64	193.89
SALINA, KS	----	----	----	200.39
SIOUX FALLS, SD	----	----	----	193.89
ST. LOUIS, MO	226.63	226.63	226.63	200.49
TOPEKA, KS	----	----	----	193.89
TULSA, OK	195.17	228.71	211.94	199.64
WICHITA, KS	213.92	213.92	213.92	193.89
Contract Avg. Midwest			**209.94**	
AMARILLO, TX	228.55	228.55	228.55	----
ANCHORAGE, AK	214.37	214.37	214.37	216.60
BOISE, ID	226.33	226.33	226.33	----
BROWNSVILLE, TX	232.83	232.83	232.83	----
COLORADO SPRINGS, CO	236.38	236.38	236.38	----
DALLAS/FT. WORTH, TX	200.34	227.18	213.76	----
DENVER, CO	----	----	----	204.39
EL PASO, TX	205.21	205.21	205.21	----
HONOLULU, HI	212.47	212.47	212.47	218.35
LAS VEGAS, NV	210.08	210.08	210.08	212.85
LOS ANGELES, CA	218.30	219.80	219.05	208.95
LUBBOCK, TX	----	----	----	----
PHOENIX, AZ	209.58	210.75	210.17	212.85
PORTLAND, OR	----	----	----	210.35
SALT LAKE CITY, UT	220.71	220.71	220.71	220.89
SAN DIEGO, CA	----	----	----	211.35
SAN FRANCISCO, CA	209.58	209.58	209.58	210.60
SEATTLE, WA	208.48	210.83	209.66	214.35
SPARKS/RENO, NV	214.03	214.03	214.03	----
SPOKANE, WA	220.83	220.83	220.83	----
TUCSON, AZ	213.07	213.07	213.07	214.35
Contract Avg. Rocky Mt/West Coast			**217.47**	

U.S. Jet Fuel Inventory Picture

(figures in 1,000 b/d)

	Current Week	Last Week	Last Year
	01/03/20	**12/27/19**	**01/04/19**
Total Imports	136	223	223
Total US Distillates	139,100	133,700	140,000
Total Jet Kero Stocks (1000 bbls)			
U.S. Total	40,000	39,400	40,500
PADD 1	10,300	8,500	8,400
PADD 2	6,600	6,900	7,200
PADD 3	13,000	13,200	14,000
PADD 4	700	800	800
PADD 5	9,300	10,100	9,500