



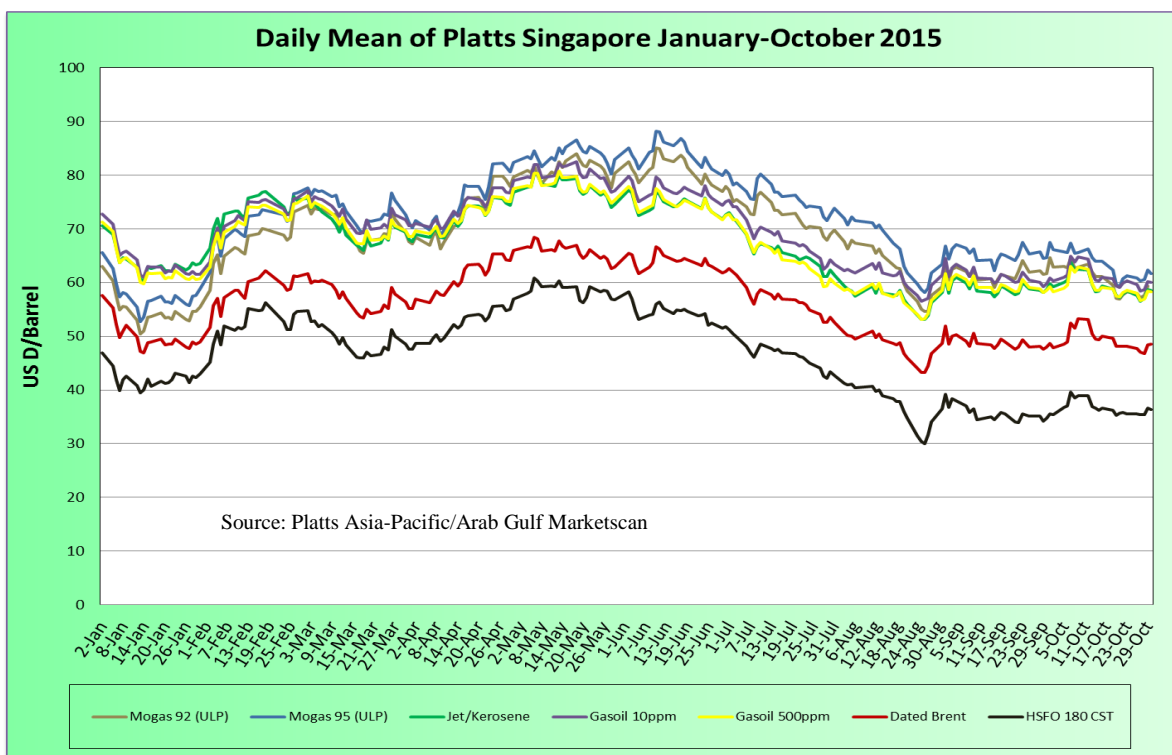
This report has been prepared by the Petroleum Advisory Service of the SPC Economic Development Division Energy Programme to review and analyse regional fuel and LPG prices for November 2015.

WHATS INSIDE:

1. Regional Fuel Price Movement
2. Asian mogas (gasoline 97, 95 & 92 RON)
3. Asian jet fuel / kerosene
4. Diesel (Gasoil 10, 50 & 500 ppm)
5. High Sulfur Fuel Oil 180 CST
6. Weekly Average Price
7. Refiners Margin
8. Freight Rates
9. Saudi Aramco Liquefied Petroleum Gas (LPG) (propane & butane) Contract Price
10. Exchange Rates
11. Currency Charts

1. REGIONAL FUEL PRICE MOVEMENT

Crude oil prices increased again in October despite a surge in US crude oil inventories. Oil prices improved on renewed geopolitical tensions in the Middle East, and threats to supply from Hurricane Joaquin. Prices were also boosted by a rally in US gasoline prices and a report showing the fifth-weekly decline in the US oil rig count (Source: OPEC).



2. ASIAN MOGAS (GASOLINE 97, 95 & 92 RON)

The Asian gasoline price decreased as a result of weakening in regional demand, mainly from the key importer Indonesia, where requirements have been falling with the startup of new refining facilities.

3. ASIAN JET FUEL/KEROSENE

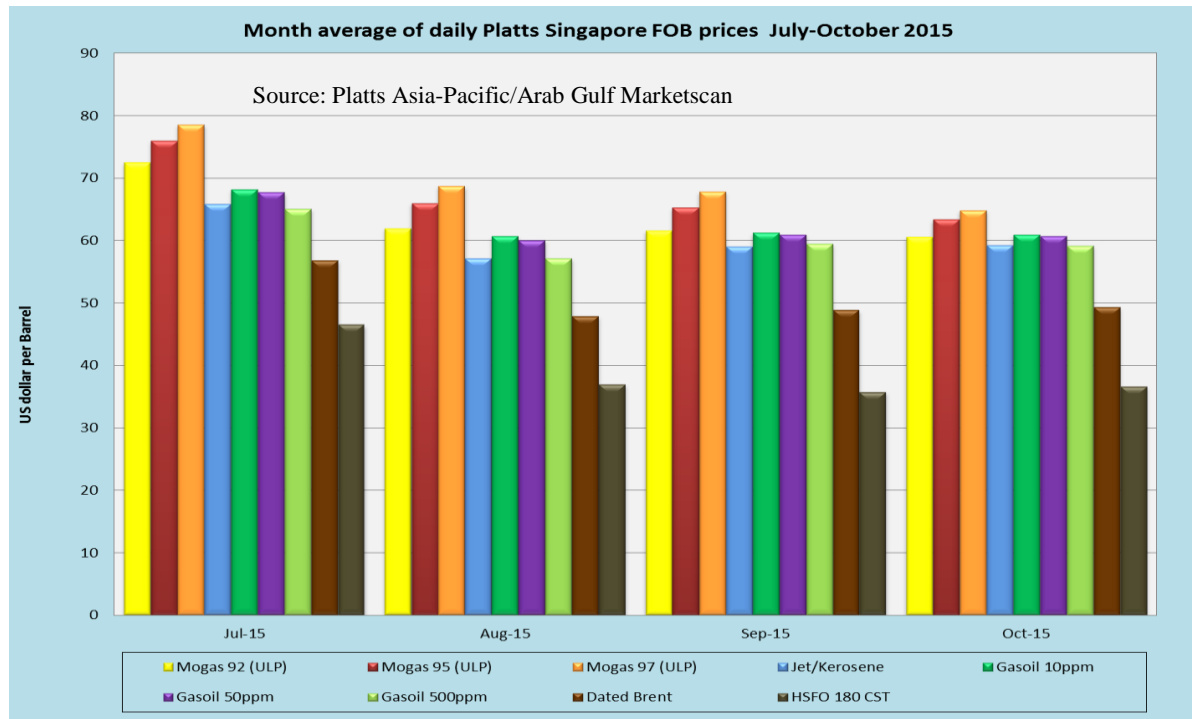
The Asian jet fuel/kerosene market strengthened due to strong buying demand from Northeast Asia.

4. DIESEL (GASOIL 10, 50 & 500 PPM)

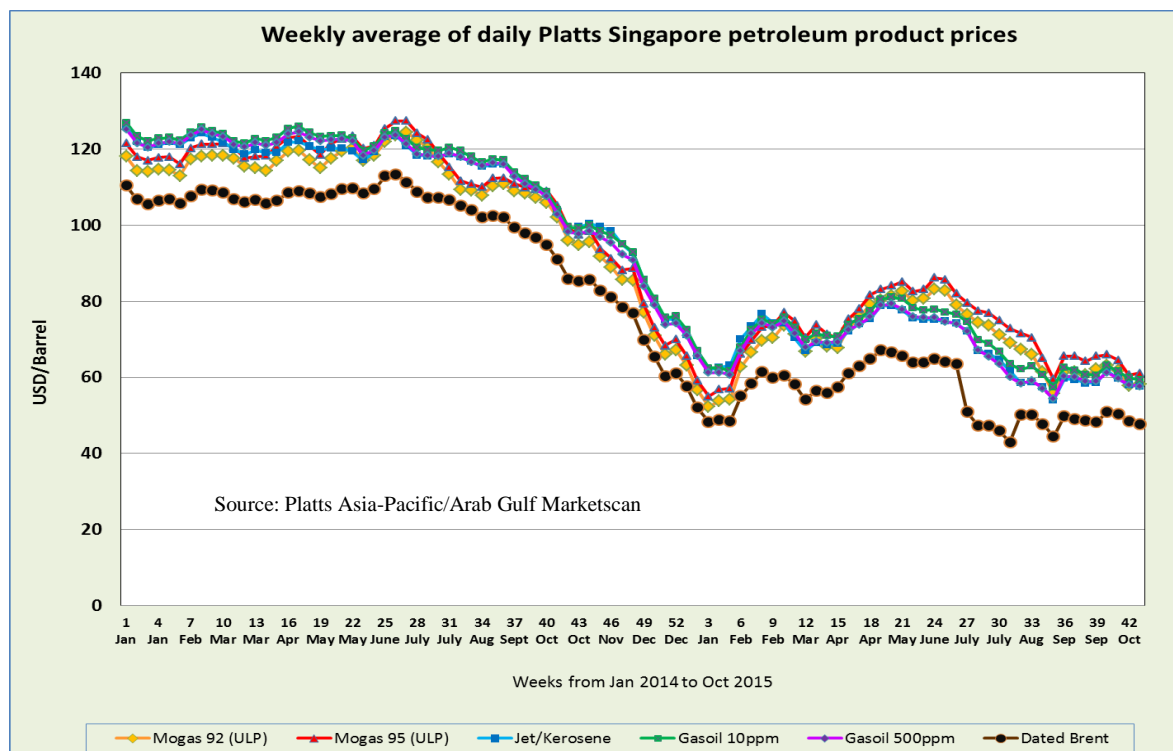
The Asian gasoil market has generally continued the recovery seen in the previous month as the market continued to be supported by strong regional gasoil requirements, mainly from India, amid tightening sentiment, fuelled by the heavy maintenance season.

5. HIGH SULFUR FUEL OIL (HSFO) 180 CST

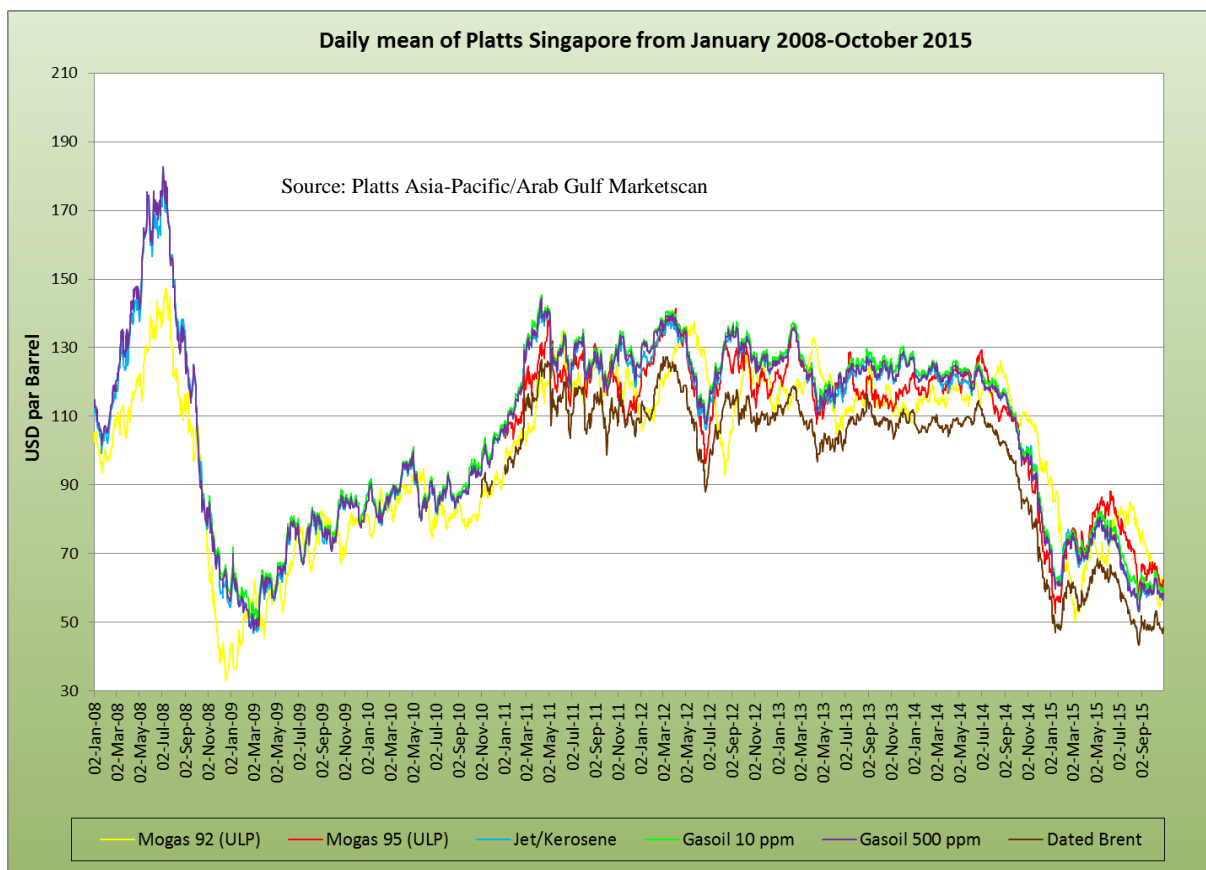
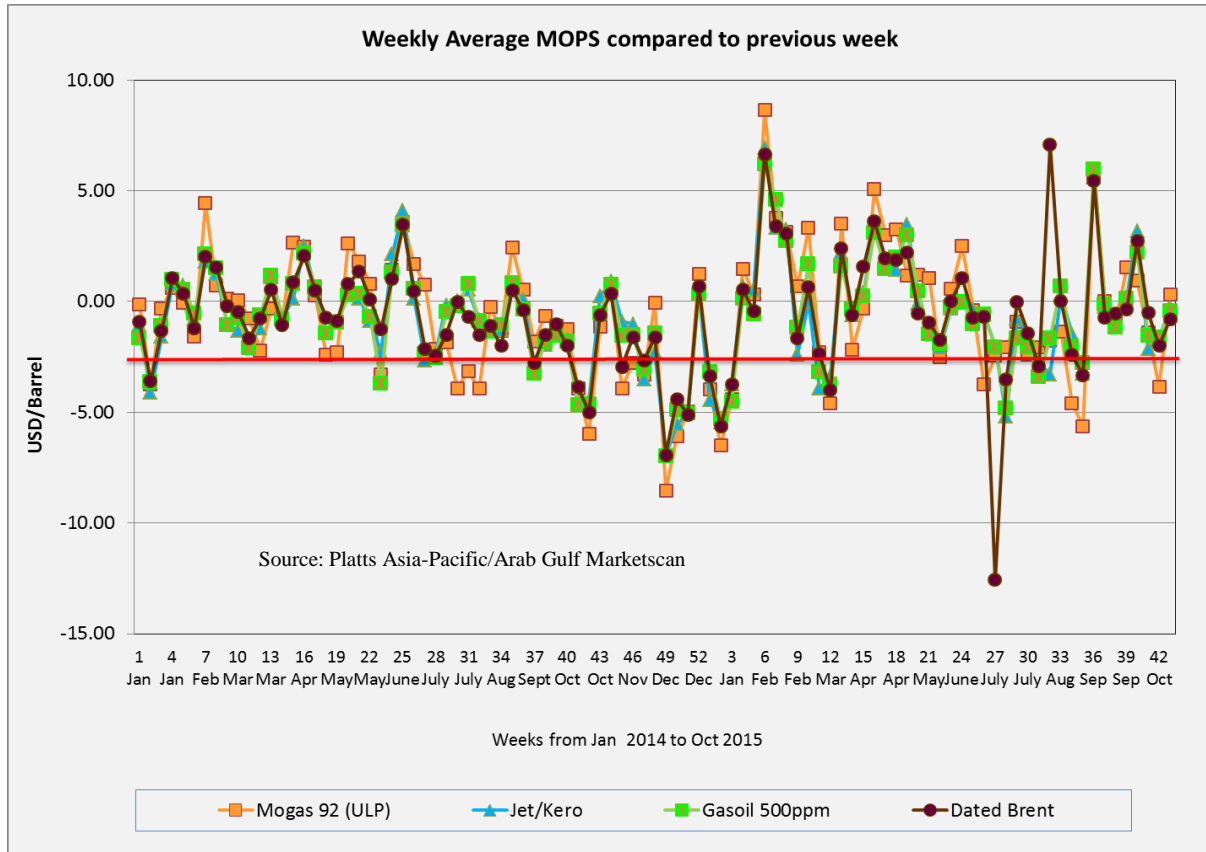
The Singapore high sulfur fuel oil market strengthened on back of support that came from the drop seen in Singapore's inventories and stronger demand reported from China and South Korea.



6. WEEKLY AVERAGE PRICES

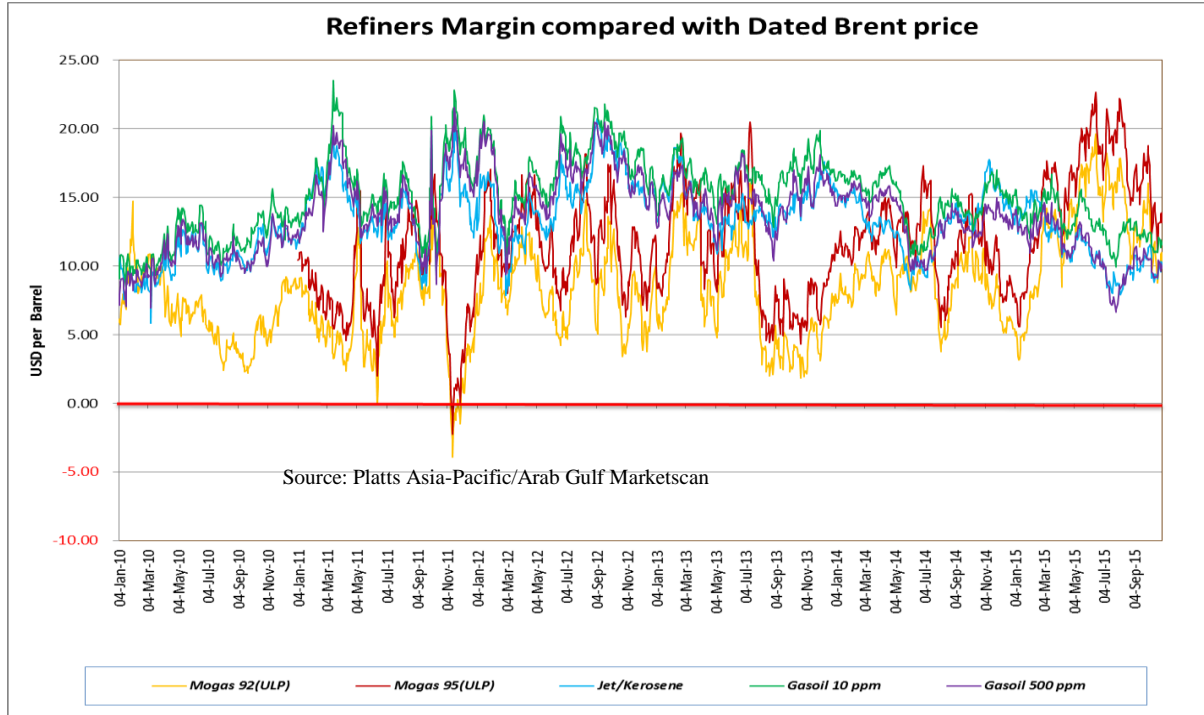


The weekly average pricing for both crude and petroleum fuels exhibited mixed performance in October. The amplitude of the weekly changes indicates fuel market instability.



7. REFINERS MARGIN

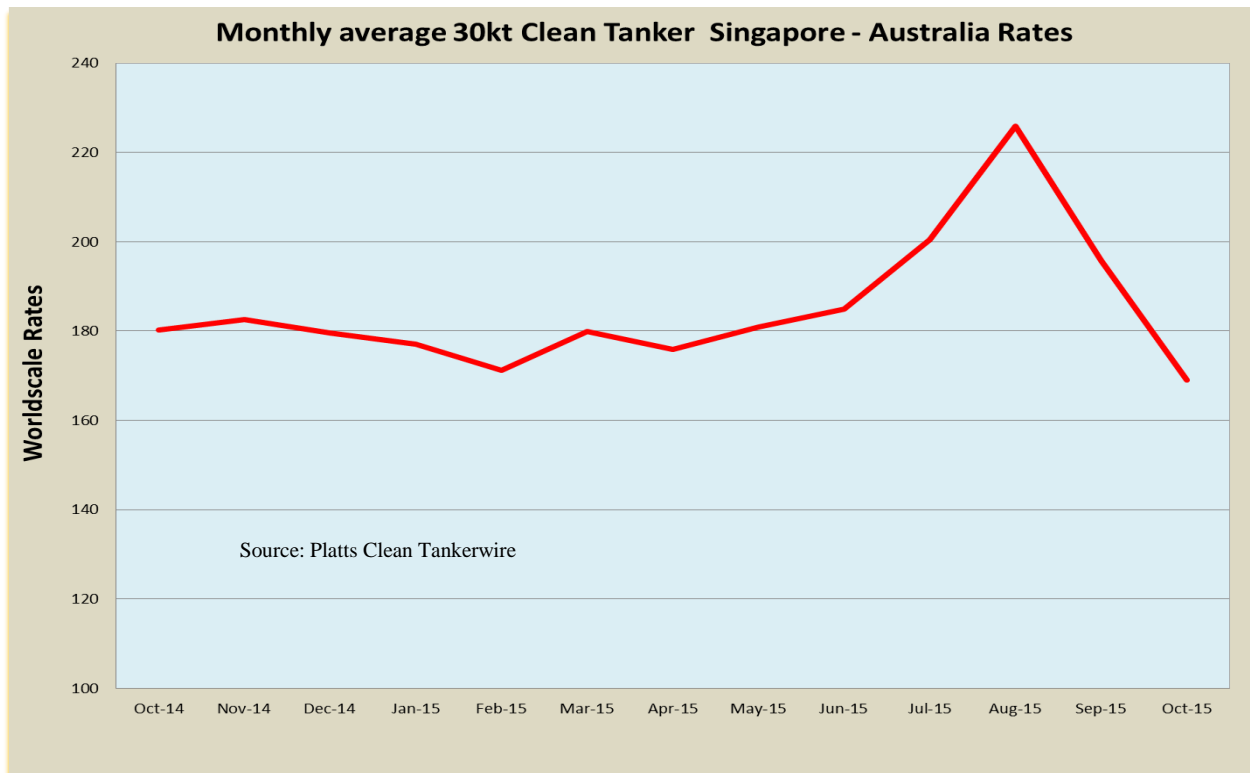
Asian margins lost some momentum despite tightening sentiment fueled by the peak of the refinery maintenance season in the region. Notably it is high Mogas margins that are supporting the refined fuels markets, which could be a significant flag for a future market tumble.



Note: Dated Brent crude oil used for calculating refiners margin.

8. SINGAPORE-AUSTRALIA CLEAN TANKER FREIGHT RATES

The freight market weakened in October, translating to a decrease in the freight component for this month's fuel prices. East of Suez, spot freight rates on reported route Singapore to Australia fell by 13.71% from last month. The Singapore–Australia route was assessed at 169.02WS points, a decrease of 26.85WS points from the previous month.



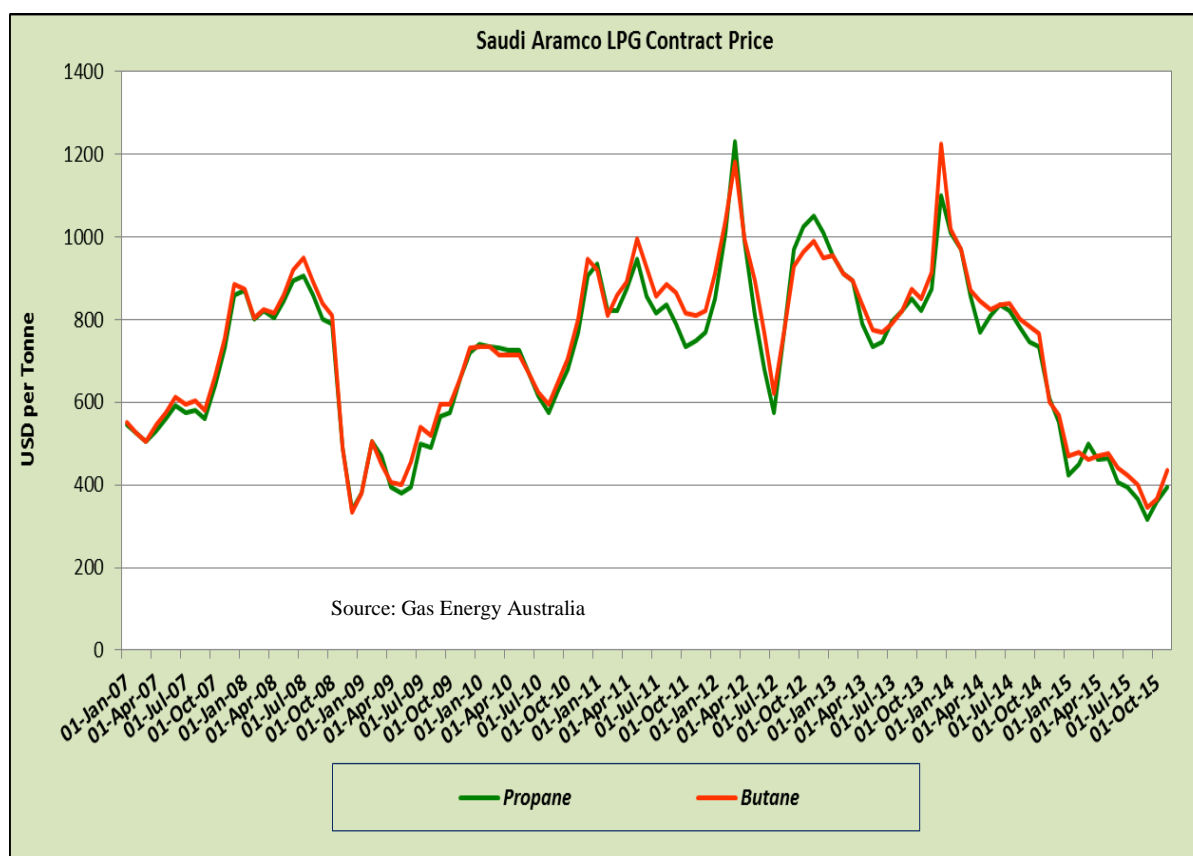
9. SAUDI ARAMCO LIQUEFIED PETROLEUM GAS (PROPANE & BUTANE) CONTRACT PRICE

State-run Saudi Aramco has increased its November contract price for propane to \$395 a tonne, up \$35 from the October level. Butane prices for November 2015 were set to \$435 a tonne, up \$70 from October level of \$365. The prices provide a benchmark against which Middle East sales of liquefied petroleum gas (LPG) to Asia are priced. Following is a table of Saudi Aramco's contract prices of propane and butane per tonne in US dollars.

Table 1: Monthly average of Saudi Aramco LPG (propane and butane) contract prices

Monthly average of Saudi Aramco Butane and Propane prices		
	Propane (USD/T)	Butane (USD/T)
November Average	395.00	435.00
October Average	360.00	365.00
Difference (Nov avg. – Oct avg.)	35.00	70.00
% Change	9.72	19.18

(Source: Gas Energy Australia)



10. EXCHANGE RATES:

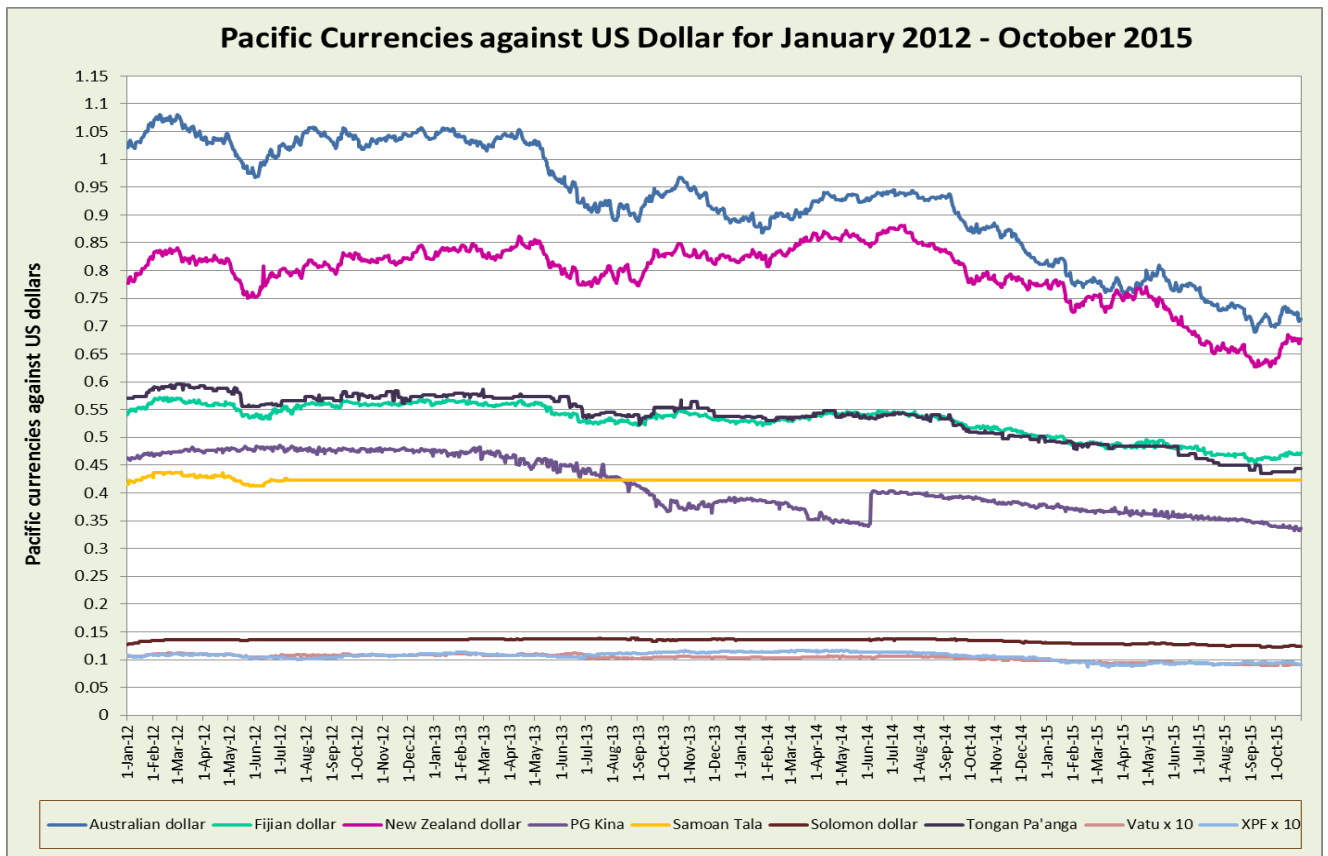
Most local currencies appreciated against the US dollar in October. The Samoan Tala remained virtually unchanged against the US dollar while the Kina and Pa'anga depreciated.

Table 2: Monthly averages of currencies against the US Dollar

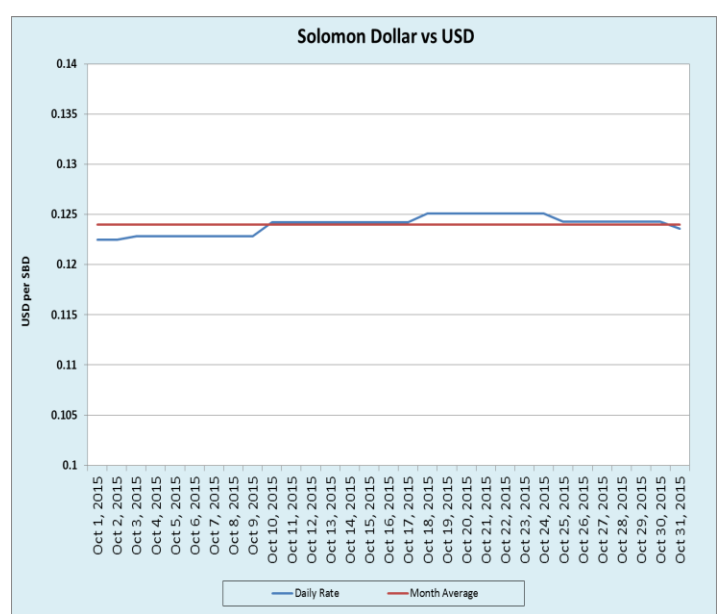
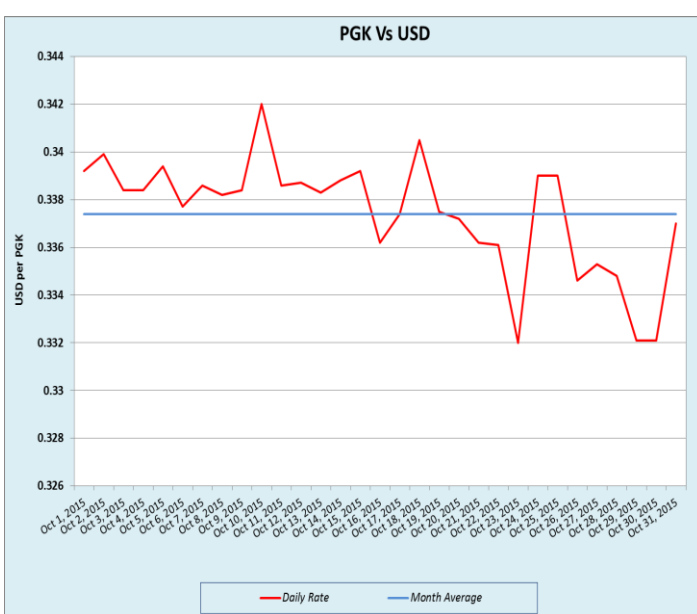
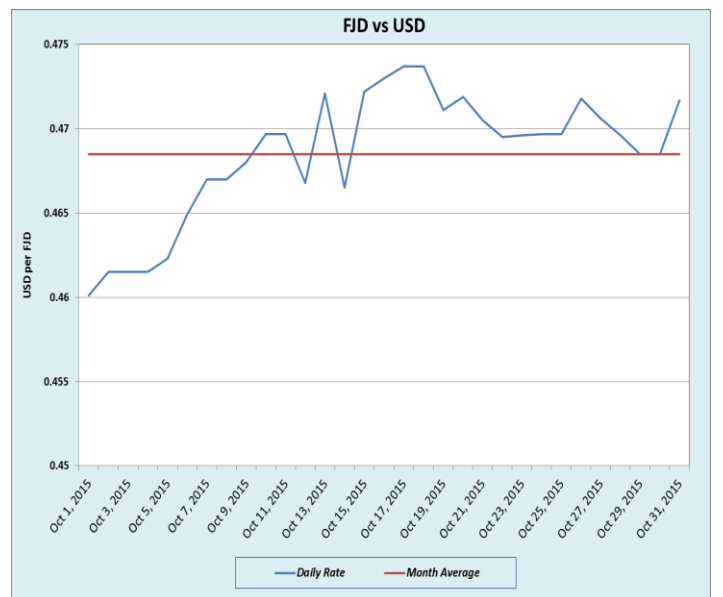
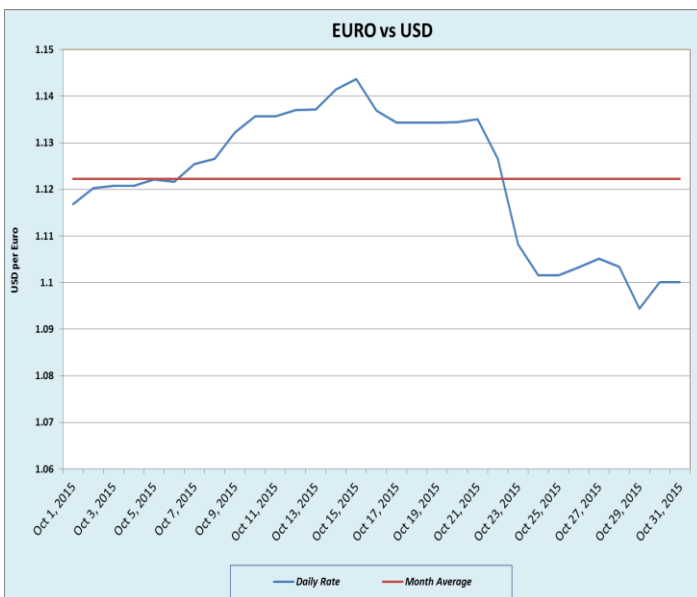
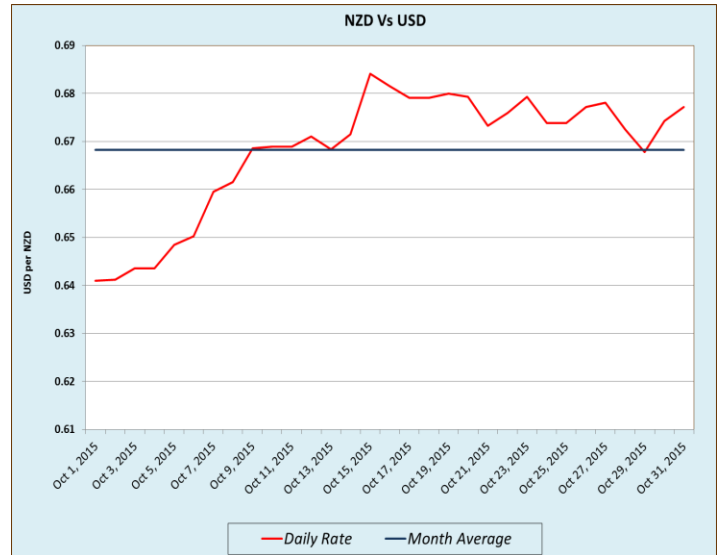
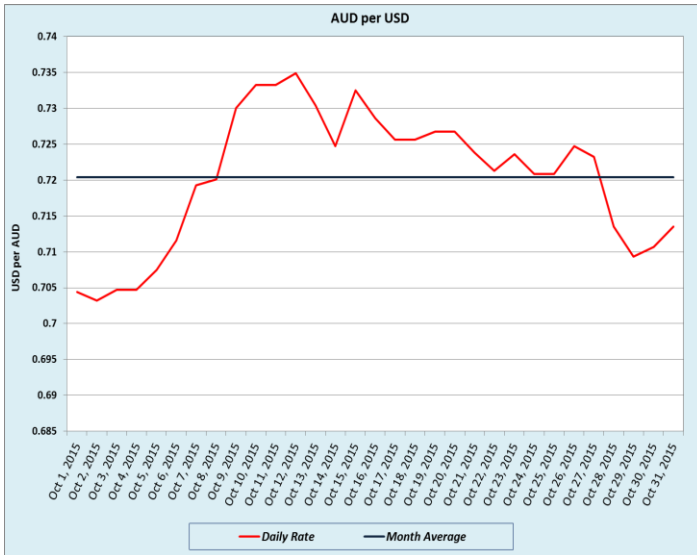
Monthly average of currencies against the US Dollar										
	AUS Dollar	Euro	Fiji Dollar	PNG Kina	NZ Dollar	Samoa Tala	Solomon Islands Dollar	Tongan Pa'anga	Vanuatu Vatu	French Polynesian Franc (XPF)
October Average	0.7204	1.1223	0.4685	0.3374	0.6682	0.4237	0.1240	0.4392	0.0091	0.0094
September Average	0.7057	1.1135	0.4612	0.3448	0.6335	0.4237	0.1237	0.4394	0.0090	0.0093
Difference (Oct avg. – Sept avg.)	0.0147	0.0088	0.0073	-0.0074	0.0347	-	0.0003	-0.0002	0.0001	0.0001
% Change	2.08	0.79	1.58	-2.15	5.48	-	0.24	-0.05	1.11	1.08

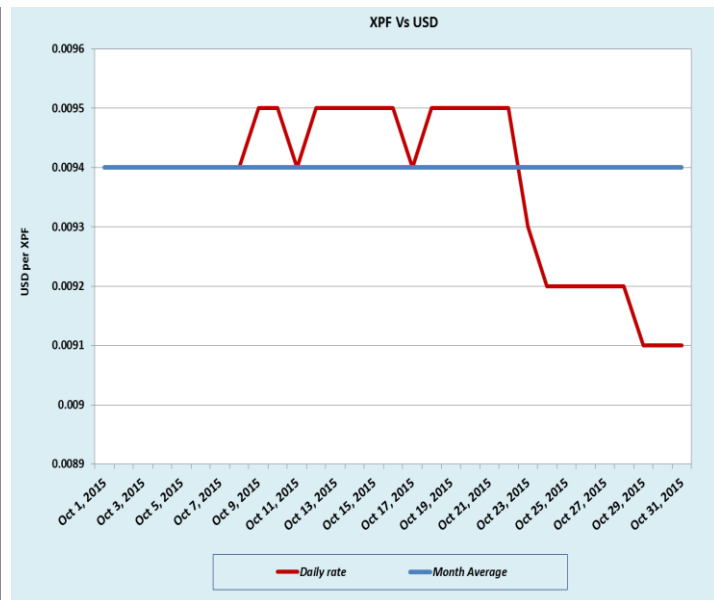
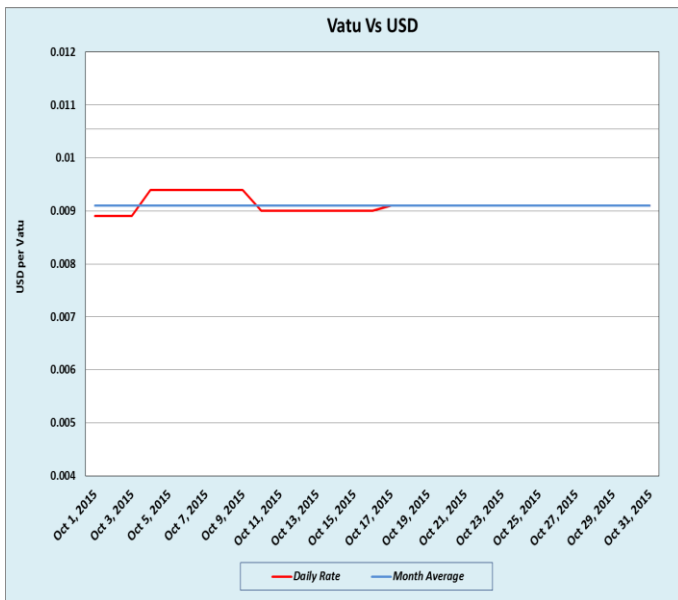
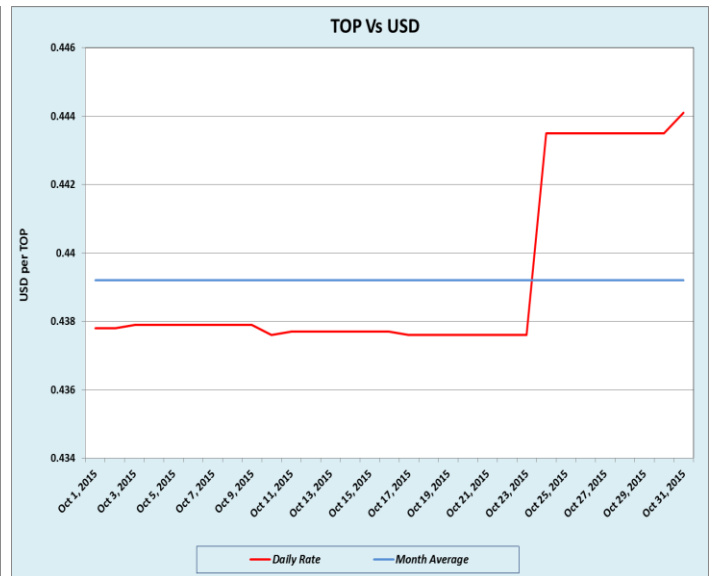
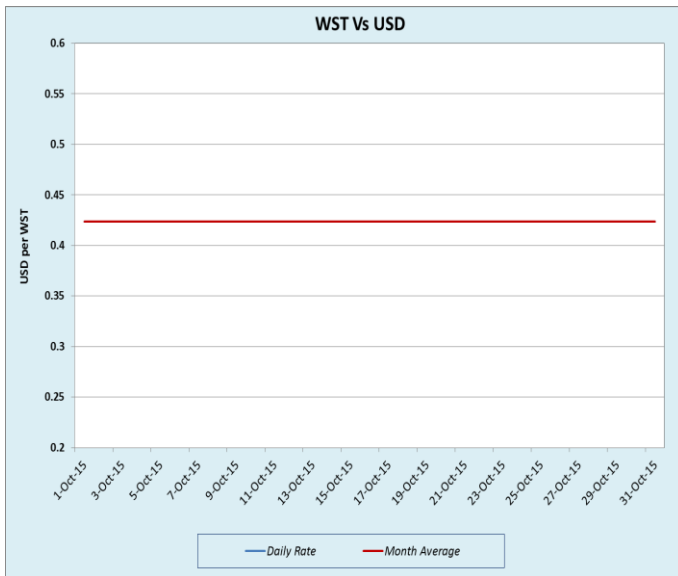
Exchange rates from www.oanda.com

11. CURRENCY CHARTS



*Note: Exchange rates sourced from www.oanda.com





NET RESULT:

Decrease in Singapore petroleum product prices, fall in freight rates and appreciation of all major currencies will result in a slight decrease in regional pump prices.

Regional LP gas prices are expected to increase since the Saudi Aramco contract prices for both propane and butane increased slightly for the month of November 2015.

The Samoan Tala remained unchanged against the US dollar.

Please contact us if you have any comments or feedback.

Sincerely

Pritanshu Singh
for Petroleum Adviser

Email:

Pritanshu Singh pritanhus@spc.int or
Alan Bartmanovich alanb@spc.int

Historical Reports:

Historical fuel and LPG review reports can be downloaded from: <http://prdrse4all.spc.int/production/content/fuel-and-lpg-price-review>

Data Sources:

1. Exchange rates is sourced from www.oanda.com
2. LPG price is sourced from <http://gasenergyaustralia.asn.au/>
3. Prices for diesel, gasoline and jet/kerosene prices are provided by Platts (The McGraw-Hill Companies, Inc).

Abbreviations and Glossary

bbl	Barrel (of oil)
ppm	Parts per million
RON	Research Octane Number
MT	Metric Tonne
USD/bbl	US dollars per barrel

Note: For detailed explanation of terms used in this report please download petroleum glossary from SPC's PRDR link: <http://prdrse4all.spc.int/production/node/1523>

© Copyright Secretariat of the Pacific Community (SPC), 2015

All rights for commercial / for profit reproduction or translation, in any form, reserved. SPC authorises the partial reproduction or translation of this material for scientific, educational or research purposes, provided that SPC and the source document are properly acknowledged. Permission to reproduce the document and/or translate in whole, in any form, whether for commercial / for profit or non-profit purposes, must be requested in writing. Original SPC artwork may not be altered or separately published without permission.

Disclaimer: While reasonable efforts have been made to ensure the accuracy and reliability of the material in this document, SPC cannot guarantee that the information contained in the report is free from errors or omissions. SPC does not accept any liability, contractual or otherwise, for the contents of this report for any consequences arising from its use.