

Argus Marine Fuels

Launch of new bunker price assessments delivered to Zhoushan

IMO-Compliant fuel oil and 0.1pc sulphur marine gasoil

What has Argus launched?

IMO-compliant 0.5pc sulphur fuel oil (LSFO 0.5%S) and 0.1pc sulphur marine gasoil (MGO 0.1%S) price assessments at Zhoushan.

Why now?

The IMO 2020 regulation will cap sulphur content of marine fuels at 0.5pc, from the current 3.5pc. Although the regulation does not take effect globally until 1 January 2020, most of the ports along the Chinese coastline are already regulated by a 0.5pc sulphur cap.

Why Zhoushan?

Zhoushan is China's largest bunker port with 3.5mn t sold in 2018, having recently overtaken Shanghai. Zhoushan is a large centre of bunker demand for bulk carriers, and the Chinese government is investing heavily in making the port one of Asia's biggest bunker hubs.

Argus already assesses 3.5pc high sulphur fuel oil (HSFO 380) bunkers at Zhoushan.

What are the price specifications?

The Zhoushan Bunker Index (ZBI) for LSFO 0.5%S is for delivered-on-board cargoes ranging 300-3,000t. It will be published daily in \$/t. The delivery timing is four to 12 days ahead.

The Zhoushan Bunker Index for MGO 0.1%S is for delivered-on-board cargoes ranging 50-500t. It will be published daily in \$/t. The delivery timing is four to 12 days ahead.

How does Argus price the market?

Argus' assessments of Zhoushan-delivered marine fuels prices are based on trades, bids, offers and other market information. If more than two assessment-relevant trades meet the volume, timing and specification criteria and take place on the assessment date reported for a given market, the assessment will be published as the volume-weighted average price for these trades.

Submitted trade data will be subject to a statistical analysis to remove outliers and duplicates before the volume-weighted average price is calculated. Trades received after 7pm China time may not be considered for inclusion in the assessment. Zhoushan-delivered marine fuels prices are published as a single value in US dollar/metric tonne.

Where can I learn more?

To find out more information about the new prices launched or about Argus Marine Fuels subscription, please contact us at singapore@argusmedia.com or call us at **+65 6496 9966**.