

INDIA'S OIL AND GAS TANKER OUTLOOK – AUG 2022

MARKET UPDATES

ExxonMobil and ONGC to embark on deepwater oil & gas exploration off India

- U.S. energy giant ExxonMobil has joined forces with the Indian government-owned company Oil & Natural Gas Corporation (ONGC) to pursue hydrocarbon exploration opportunities in deep waters offshore India, which will help the country strengthen its energy security.
- ExxonMobil and ONGC signed a Heads of Agreement (HoA) on 17 August 2022 for deepwater exploration on the East and West coasts of India.
- According to ONGC, this collaboration will focus on the Krishna Godavari and Cauvery basins in the eastern offshore and the Kutch-Mumbai region in the western offshore.
- The Indian giant explained that there has been a scientific exchange of exploration data in the last few years, which has led to this partnership. Moreover, the collaboration between these two players is anticipated to be a strategic fit where ONGC's knowledge and past experience in these areas will be coupled with ExxonMobil's global insights.
- This deal comes only months after ONGC teamed up with Norway's state-owned energy giant Equinor to participate in several energy projects.
- The deal, which is valid for two years, covers upstream exploration & production, midstream, downstream, and clean energy options such as renewables as well as carbon capture utilisation and storage (CCS).

India's Reliance unveils \$9.4 bln plan to boost oil to chemicals

- Reliance Industries Ltd, operator of the world's biggest refining complex, will invest \$9.38 billion over 5 years to expand its oil to chemical business, its chairman Mukesh D Ambani said.
- Reliance's two refineries at Jamnagar in western India have the capacity to process about 1.4 million barrels per day of crude.
- Refiners in India and elsewhere are boosting petrochemicals output to meet rising demand and help hedge against lower margins for conventional fuels as consumption of gasoil and gasoline is set to ease with a global push for clean energy.
- Reliance last year announced a plan to invest over \$10 billion to build four giga factories at Jamnagar to produce solar cells and modules, energy storage batteries, fuel cells and green hydrogen.
- As part of its strategy to maximise oil to chemicals integration, Reliance will strengthen its polyester and Vinyl chains by 2026 through building of new facilities and expansion of existing units as well as setting up a carbon fibre plant.

State-run oil companies post strong August sales

- State-run oil companies sold 16% more petrol and 23.5% more diesel in August over last year as economic activity gathered pace and as sales at private retailers slumped. Petrol sales were 20.6% higher than in August of 2019 while diesel sales were 11.6% higher, according to the preliminary sales data obtained from state-run oil companies.
- State-run companies registered strong retail sales growth partly due to a shift in demand from private oil companies that are less keen to serve customers at a time when domestic fuel prices can't rise in sync with the international market, as per industry executives.
- Increased mobility for work and pleasure in an expanding economy has contributed to strong demand for petrol. The demand for diesel, which struggled for months since the Covid-related lockdowns were imposed in 2020, has now picked up, especially with the lift in industrial activity, retail consumption, and normalization of public transport and educational institutions.
- But the spectacular demand growth in retail sales of diesel is also due to the bulk buyers shifting to petrol pumps to source cheaper supplies, executives said.

After nearly 15 yrs, Oil India's Assam oil field resumes operations

- After almost 15 years, state-owned Oil India Limited's (OIL) Khagorijan oil field in eastern Assam's Dibrugarh started operation on Saturday.
- Assam Chief Minister Himanta Biswa Sarma attended the ceremonial function of resumption of Khagorijan oil field of OIL at Rohmorja, operations of which were suspended since November 2007 due to administrative and environmental issues.
- According to the Chief Minister, four wells were drilled after oil was discovered in the area in November 1998 and production started in December 2004, including Khagorijan located 1.8 km from the Brahmaputra.
- Due to severe erosion of Brahmaputra river, various local organisations of Khagorijan area obstructed OIL's operations in that area. After prolonged blockade by the local organisations, the OIL suspended all its operations in November 2007.
- The Chief Minister said that erosion caused by Brahmaputra river at Rohmorja has severely affected the local people and caused large-scale devastation.
- Aiming a lasting and permanent solution to the problem, several efforts have been made during the past many years but due to various reasons it could not be materialised, Sarma said.

DIRTY MARKET TREND

VLCC FIXTURES TREND

Voyage Route	JUL-2022		AUG-2022		% CHANGE M/M	
	Fixtures	Avg. WS/Avg. (USD Mill. in L/S)	Fixtures	Avg. WS/Avg. (USD Mill. in L/S)	Fixtures	Avg. WS/Avg. (USD Mill. in L/S)
MEG-WCI	5	61.24	6	81.51	20%	33%
MEG-ECI	4	59	1	67.4	-75%	14%
MEG-WCI+ECI						
ECM-WCI						
ECM-ECI	1	6.95				
WAF-WCI			2	4.7		
WAF-ECI	4	4.0125	1	6.9	-75%	72%

SUEZMAX FIXTURES TREND

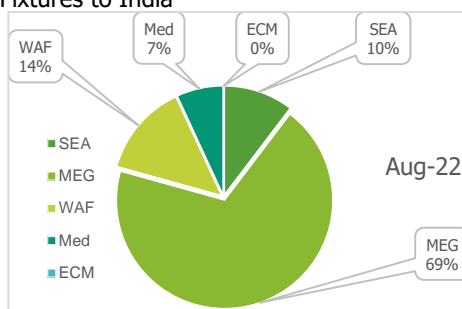
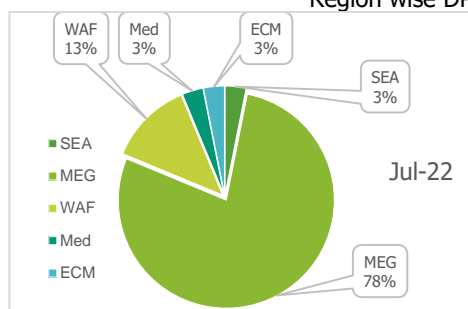
Voyage Route	JUL-2022		AUG-2022		% CHANGE M/M	
	Fixtures	Avg. WS/Avg. (USD Mill. in L/S)	Fixtures	Avg. WS/Avg. (USD Mill. in L/S)	Fixtures	Avg. WS/Avg. (USD Mill. in L/S)
MEG-WCI	6	120.59	6	156.82	0%	30%
MEG-ECI	3	121	3	132.66667	0%	10%
ECMEX-ECI						
WAF-ECI			1	4.2		
WAF-WCI						
MED-WCI	1	2.75	2	3.45	100%	25%
MED-ECI						
SEA-WCI						

AFRAMAX FIXTURES TREND

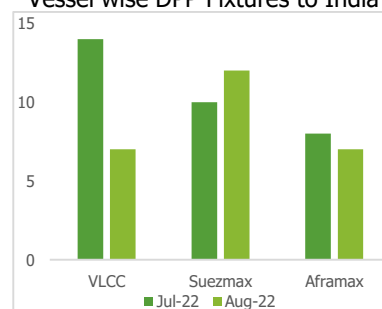
Voyage Route	JUL-2022		AUG-2022		% CHANGE M/M	
	Fixtures	Avg. WS/Avg. (USD Mill. in L/S)	Fixtures	Avg. WS/Avg. (USD Mill. in L/S)	Fixtures	Avg. WS/Avg. (USD Mill. in L/S)
SEA-WCI			2	163.535	-	-
SEA-ECI	1	194	1	243.75	0%	26%
MEG-WCI	7	179.92	4	217.92	-43%	21%
MEG-ECI						

REGION WISE AND VESSEL WISE FIXTURES TREND

Region wise DPP Fixtures to India

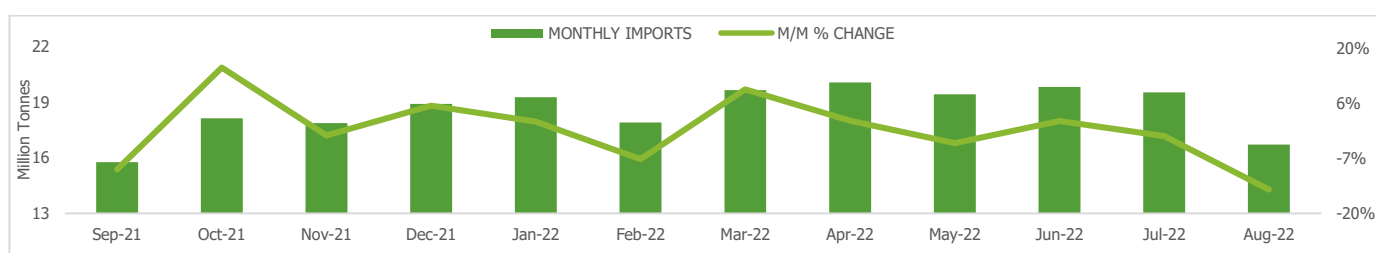


Vessel wise DPP Fixtures to India



DPP Fixtures Trend M/M-> MEG ▼20%

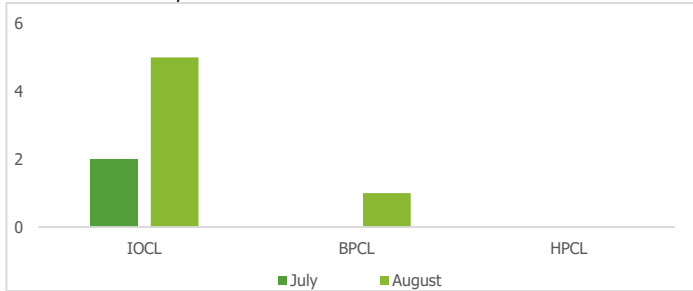
INDIAN MONTHLY CRUDE OIL IMPORTS



PRODUCT MARKET TREND

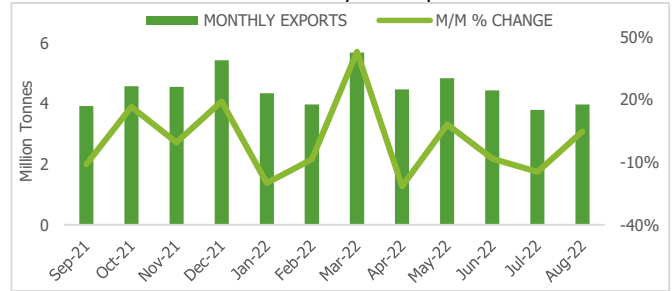
Trade Routes	Jul-22 Avg. Freight (USD Millions)	Aug-22 Avg. Freight (USD Millions)	Percentage Change
WCI-WCI	1.4	0.65	-54%
WCI-ECI	1.5	1.05	-30%
WCI-ECI+WCI	-	-	-
WCI-WCI+ECI	-	-	-
ECI-ECI	-	0.53	-
ECI-WCI	-	-	-
ECI-ECI+WCI	-	0.5	-
ECI-WCI+ECI	-	-	-
AG-WCI & ECI	-	-	-
ECI-Colombo	-	-	-
WCI-Colombo	-	-	-
No. of Fixtures	2	8	300%

M/M Charterer wise CPP Fixtures to India



CPP Fixtures Trend M/M-> IOCL CPP ▲ 300%

Indian Monthly CPP Exports

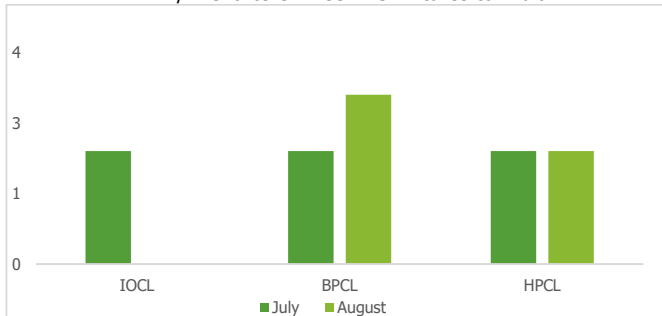


INDIAN CPP Exports Trend M/M-> ▼ 14%

LPG MARKET TREND

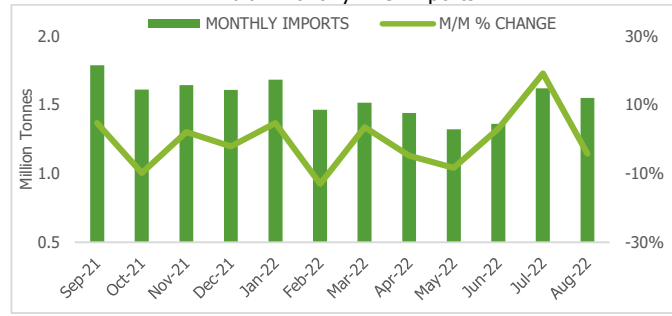
Vessel Type	Avg Freight (USD Millions) JULY-2022	Avg Freight (USD Millions) AUG-2022	M/M % CHANGE
VLGC	2.58	2.61	1%
MGC	1.40	1.342	-4%
No. of Fixtures	6	5	-17%

M/M Charterer wise LPG Fixtures to India



LPG Fixtures Trend M/M-> ▼ 17%

Indian Monthly LPG Imports



INDIAN LPG IMPORT Trend M/M-> ▼ 4%

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