

INDIA'S OIL AND GAS TANKER OUTLOOK – JUNE 2022

MARKET UPDATES

Indian state refineries maintain maximum runs in June

- Most Indian state-controlled refineries operated at maximum nameplate capacity or higher in June because of robust transport fuel demand and firm middle distillates crack spreads.
- MRPL operated its 300,000 b/d refinery in Mangalore at more than 110pc of nameplate capacity, while Hindustan Petroleum's 190,000 b/d Mumbai and 166,000 b/d Visakhapatnam refineries were running at maximum levels last month, market participants close to the refiners said.
- India's largest state-controlled refiner by capacity IOC followed the trend, despite a small pause earlier in the month. Its refinery utilisation rate was 100pc at the end of June. But an unexpected shutdown of a fluid catalytic cracker at its 300,000 b/d Paradip refinery on 13 June weighed on its runs for a short period.
- Bharat Petroleum (BPCL) bucked the trend because of planned maintenance of some units at its 240,000 b/d Mumbai refinery. Mumbai operated at about 68pc of nameplate capacity and is expected to return to normal levels next week, participants said.
- BPCL's 310,000 b/d Kochi refinery is likely to have a planned partial turnaround in September. It operated at maximum runs in June, along with the 156,000 b/d Bina refinery.

Indian crude imports from Russia exceed 1mn b/d

- India's crude imports from Russia have topped 1mn b/d so far this month as the country's refiners take advantage of cut-price cargoes being shunned by Moscow's traditional customers in the west.
- India took delivery of 1.06mn b/d of crude from Russia on 1-9 June, of which 776,000 b/d was shipped from Baltic Sea ports and 279,000 b/d from the Black Sea, according to preliminary data from Vortexa.
- India only imported around 50,000 b/d from Russia last year, before the invasion of Ukraine triggered a wave of international sanctions and customer-driven embargoes on Russian oil.
- Urals made up 79pc of India's June imports from Russian ports, Siberian Light accounted for 9pc and the rest was CPC Blend, which is a mix of Kazakh and Russian grades.
- Almost 30pc was delivered to Paradip on India's east coast, 23pc went to Vadinar — where Russian-owned Nayara Energy operates a 400,000 b/d refinery — and around 12pc was unloaded at Sikka — where Reliance Industries operates the 1.24mn b/d Jamnagar refinery complex.
- The daily rate of crude imports from Russia to India this month has outpaced the May average by 22pc, although this masks what appears to be a cooling off in India's appetite for Russia oil in recent weeks. Of the 2.27mn b/d of Urals that set sail from Baltic and Black Sea ports in May, around 27pc was destined for India, compared with 43pc of April's 2.19mn b/d of exports, according to Vortexa.

Swan Energy to commission India's first newbuild FSRU this year

- Indian conglomerate with interests in oil and gas Swan Energy is planning to commission India's first newbuild floating storage and regasification unit (FSRU) this year.
- Swan Energy is leading the project of constructing and operating an LNG receiving terminal offshore of Jafrabad, Gujarat, India. The Jafrabad FSRU is India's first newbuild FSRU project.
- The company said its terminal has a regasification capacity of 10 million tonnes per annum (mmtpa) of LNG and is implemented in a phase-wise manner.
- The first phase of the project includes LNG port facilities using an FSRU with a regasification capacity of five million tonnes per annum (mmtpa) and a floating storage unit (FSU) connected by ship-to-ship transfer equipment. The terminal was supposed to be commissioned back in 2019. However, due to two cyclones in the region and the pandemic, it was delayed.
- Vivek Merchant, general manager of the projects at the company said that the company signed regasification agreements including with Gujarat State Petroleum Corporation, Indian Oil Corporation, Bharat Petroleum Corporation, and Oil and Natural Gas Corporation covering the entire five mmtpa for 20 years.

GEECL to start shale gas prospecting

- Great Eastern Energy Corporation Ltd said it has signed an amendment to a petroleum mining lease that will allow it to prospect for shale gas in its Raniganj coal-bed methane (CBM) in West Bengal.
- The block is estimated to hold in-place shale gas reserves of 6.63 trillion cubic feet.
- The lease agreement will enable mining for shale gas in GEECL's existing CBM in Raniganj area in Paschim Burdwan.
- The shale gas mining will create further ancillary industries and generate thousands of new jobs. It will also boost industrial activity by providing cleaner and cheaper energy and aid the transportation sector growth.
- Prashant Modi, Managing Director & CEO of Great Eastern, said they are thrilled to achieve this significant milestone by executing an amendment to their PML and will now commence the shale programme. Given the large potential shale gas resource in the Raniganj (South) block of up to 6.63 Tcf of original gas in place, it provides an exciting and excellent growth opportunity for the company.

DIRTY MARKET TREND

VLCC FIXTURES TREND

Voyage Route	MAY-2022		JUNE-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	50.98	6	52.51	20%	3.02%
MEG-ECI	1	40.00	3	44.51	200%	11.29%
MEG-WCI+ECI	-	-	-	-	-	-
ECM-WCI	-	-	-	-	-	-
ECM-ECI	-	-	1	5.22	-	-
WAF-WCI	1	2.62	1	3.6	0%	37.40%
WAF-ECI	-	-	1	3.78	-	-

SUEZMAX FIXTURES TREND

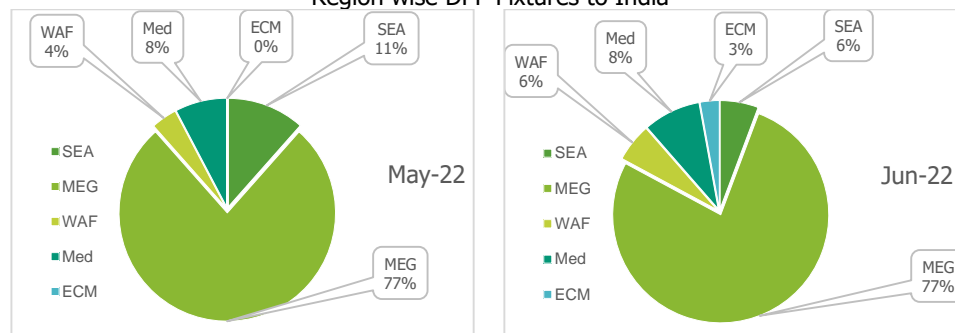
Voyage Route	MAY-2022		JUNE-2022		% CHANGE M/M	
	Fixtures	Avg. WS/Avg. (USD Mill. in L/S)	Fixtures	Avg. WS/Avg. (USD Mill. in L/S)	Fixtures	Avg. WS/Avg. (USD Mill. in L/S)
MEG-WCI	10	115.14	6	102.98	-40%	-10.56%
MEG-ECI	1	97	4	99.64	300%	2.73%
ECMEX-ECI	-	-	-	-	-	-
WAF-ECI	-	-	-	-	-	-
WAF-WCI	-	-	-	-	-	-
MED-WCI	1	3.30	2	3.27	100%	-0.76%
MED-ECI	1	3.05	1	3.37	0%	10.66%
SEA-WCI	-	-	-	-	-	-

AFRAMAX FIXTURES TREND

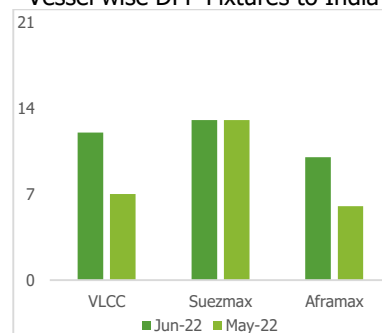
Voyage Route	MAY-2022		JUNE-2022		% CHANGE M/M	
	Fixtures	Avg. WS/Avg. (USD Mill. in L/S)	Fixtures	Avg. WS/Avg. (USD Mill. in L/S)	Fixtures	Avg. WS/Avg. (USD Mill. in L/S)
SEA-WCI	-	-	2	125.90	-	-
SEA-ECI	3	163.38	-	-	-	-
MEG-WCI	4	209.29	8	195.52	100%	-6.58%
MEG-ECI	-	-	-	-	-	-

REGION WISE AND VESSEL WISE FIXTURES TREND

Region wise DPP Fixtures to India

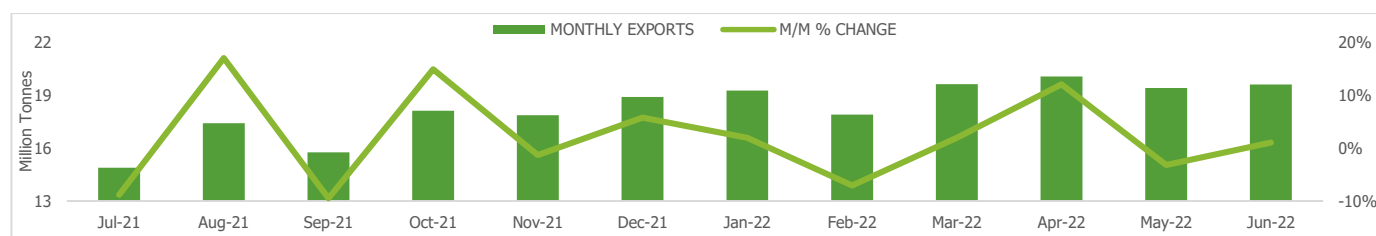


Vessel wise DPP Fixtures to India



DPP Fixtures Trend M/M-> MEG ▲ 35%, SEA ▼ 33%, MED ▲ 50%

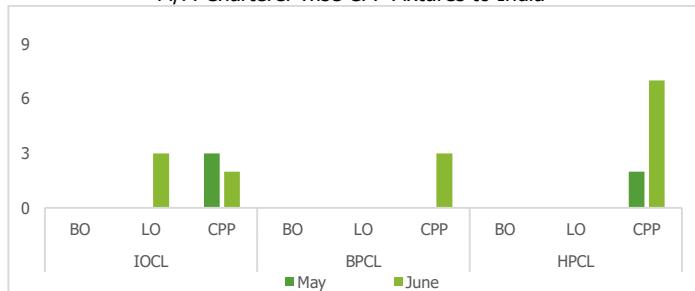
INDIAN MONTHLY CRUDE OIL IMPORTS



PRODUCT MARKET TREND

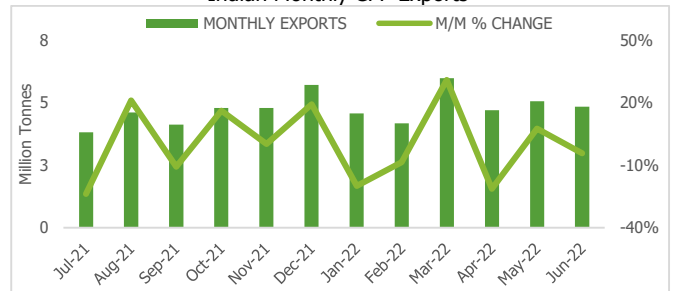
Trade Routes	May-22 Avg. Freight (USD Millions)	Jun-22 Avg. Freight (USD Millions)	Percentage Change
WCI-WCI	-	0.52	-
WCI-ECI	2.48	1.25	-49%
WCI-ECI+WCI	-	-	-
WCI-WCI+ECI	-	-	-
ECI-ECI	-	0.33	-
ECI-WCI	1.10	0.30	-73%
ECI-ECI+WCI	-	-	-
ECI-WCI+ECI	-	-	-
AG-WCI & ECI	-	-	-
ECI-Colombo	0.85	-	-
WCI-Colombo	RNR	-	-
No. of Fixtures	5	6	20%

M/M Charterer wise CPP Fixtures to India



CPP Fixtures Trend M/M-> IOCL CPP ▼ 33%

Indian Monthly CPP Exports

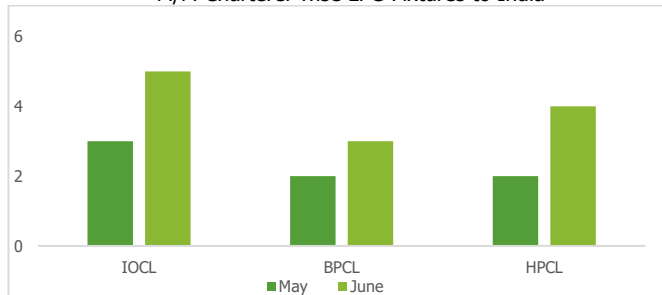


INDIAN CPP Exports Trend M/M-> ▼ 4%

LPG MARKET TREND

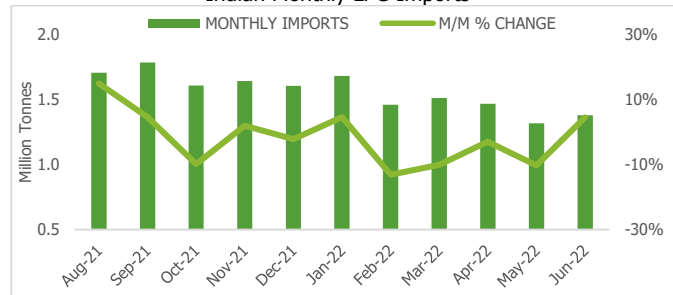
Vessel Type	Avg Freight (USD Millions) MAY-2022	Avg Freight (USD Millions) JUNE-2022	M/M % CHANGE
VLGC	3.34	2.75	-17%
MGC	1.83	-	-
No. of Fixtures	7	12	71%

M/M Charterer wise LPG Fixtures to India



LPG Fixtures Trend M/M-> ▲ 71%

Indian Monthly LPG Imports



INDIAN LPG IMPORT Trend M/M-> ▲ 5%

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