

INDIA'S OIL AND GAS TANKER OUTLOOK – NOVEMBER 2022

MARKET UPDATES

India's diesel use surges in November

- India's diesel use in November rose by 27pc on the year and by 21pc from the previous month as expansion of the economy, a harvesting season, and polls in two key states spurred use of diesel.
- Gasoline consumption rose by 12pc on the year and by 5pc on the month, according to preliminary data from state-controlled refiners that control more than 90pc of the country's fuel market.
- Demand for diesel, India's most consumed oil product, averaged 1.82mn b/d in November, up by about 21pc from 1.51mn b/d in October and by 27pc from 1.43mn b/d a year earlier. Gasoline consumption averaged 749,000 b/d in November, up by 4.6pc from 716,000 b/d in October and by 12pc from 671,000 b/d a year earlier. Jet fuel demand reached 150,200 b/d last month, rising by 21pc from 124,000 b/d a year earlier, but still trailing the 173,000 b/d in pre-pandemic 2019.
- There are state polls taking place in Gujarat and Himachal Pradesh, and electioneering involves heavy use of diesel vehicles. Demand for diesel and gasoline also grew from a lower base in Covid-19-affected November 2021. India's economy expanded by 6.3pc in the July-September quarter, according to government data.
- LPG demand rose by 8pc from a year earlier to 2.56mn t, and by 7pc from October's 2.39mn t.
- The Indian government has frozen retail prices of diesel, gasoline and LPG fuels for several months, leading to heavy losses for state refiners including IOC, Bharat Petroleum and Hindustan Petroleum.

India accepts more ethanol projects for loan support

- India has approved a further 95 ethanol projects under its interest subvention scheme, which offers government loan support to boost ethanol supplies.
- Of these projects, 68 will use grain feedstocks, 20 will use molasses and seven will use dual feedstocks, according to the country's department of food and public distribution.
- The department has given 243 projects in-principle approval since the new window under the interest subvention scheme opened on 22 April this year, which are expected to add up to 4.8bn litres of distilling capacity to the country.
- The scheme offers financial support to project proponents that already have land and environmental clearance, with applications open until 21 April 2023. The government will assist by funding distilleries' interest at 6pc/yr or half of the interest rate charged by banks, whichever is lower. The government support will be extended for five years, while banks must also offer a one-year moratorium on repayments.

India's Adani Ports to buy stake in Indian Oiltanking

- Indian private-sector ports operator Adani Ports and Special Economic Zone (APSEZ) will buy a stake in storage facility firm Indian Oiltanking (IOTL), in a move that will triple APSEZ's total oil storage capacity.
- IOTL is a joint venture between state-controlled refiner IOC and Oiltanking India – the Indian subsidiary of German storage logistics provider Oiltanking. APSEZ signed agreements with Oiltanking India and Oiltanking to acquire the former's 49.38pc stake in IOTL and the latter's 10pc stake in Indian infrastructure firm IOT Utkal Energy Services for 10.5bn rupees (\$128.5mn).
- The acquisitions will raise APSEZ's total oil storage capacity by 200pc to 3.6mn kilolitres (22.6mn bl), making it India's largest third-party liquid storage company, the firm's chief executive officer Karan Adani said on 9 November. The acquisition is likely to be completed within two months.
- APSEZ aims to diversify its product mix with the acquisitions and focus on products and services with higher margins, Adani added.
- IOTL — which provides liquid tank terminal services — and its subsidiaries have a network of terminals in Navghar in Maharashtra state, Paradip in Odisha, Raipur in Chhattisgarh, IOC's Jawaharlal Nehru (JNPT), in Goa and in Gujarat's Dumad with a total capacity of 13.2mn bl for tank storage and handling of crude and oil products, APSEZ said. IOTL also has a biogas production capacity of 15 t/d.

India's Reliance makes rare buy of Russian naphtha, ups fuel oil imports

- India's Reliance Industries, operator of the world's largest refining complex, is snapping up Russian refined fuels, including rare purchases of naphtha, after some Western buyers stopped Russian imports, trade flows data from Refinitiv showed.
- Western sanctions against Russia over its invasion of Ukraine have led to an emergence of rare trade routes for Russian crude and refined products that were mainly sold to European countries.
- India imported about 410,000 tonnes of naphtha, used for making petrochemicals, in Sept-Oct, the Refinitiv data showed.
- Of this figure, Reliance received about 150,000 tonnes from the Russian ports of Ust-Luga, Tuapse and Novorossiysk during the two months, the data showed.
- The private refiner did not buy Russian naphtha in 2020 and 2021. Its annual imports of Russian naphtha were restricted to just one parcel in four years to 2019, the data showed.
- The data showed a panamax carrier Okyroe sailing towards India laden with about 59,000 tonnes of Russian naphtha.

DIRTY MARKET TREND

VLCC FIXTURES TREND

Voyage Route	OCT-2022		NOV-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	104.76	6	128.03	0%	22%
MEG-ECI	1	73.61	2	103.5	100%	41%
MEG-WCI+ECI						
ECM-WCI						
ECM-ECI						
WAF-WCI	1	7.55	2	6.3875	100%	-15%
WAF-ECI	1	8.25	2	8.2225	100%	0%

SUEZMAX FIXTURES TREND

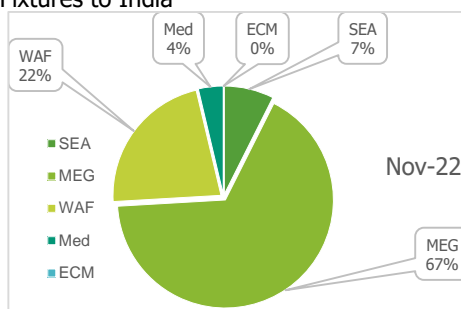
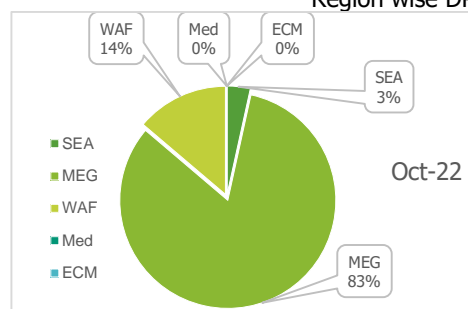
Voyage Route	OCT-2022		NOV-2022		% CHANGE M/M	
	Fixtures	Avg. WS/Avg. (USD Mill. in L/S)	Fixtures	Avg. WS/Avg. (USD Mill. in L/S)	Fixtures	Avg. WS/Avg. (USD Mill. in L/S)
MEG-WCI	12	171.89	8	204.09	-33%	19%
MEG-ECI	4	164.25	2	194	-50%	18%
ECMEX-ECI						
WAF-ECI	1	4.275	2	6	100%	40%
WAF-WCI	1	6			-	-
MED-WCI			1	5.8	-	-
MED-ECI						
SEA-WCI						

AFRAMAX FIXTURES TREND

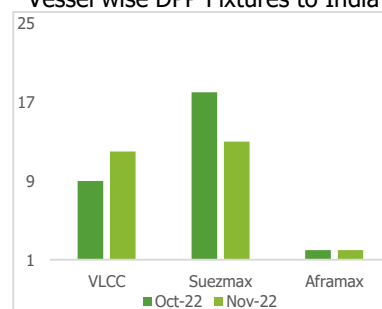
Voyage Route	OCT-2022		NOV-2022		% CHANGE M/M	
	Fixtures	Avg. WS/Avg. (USD Mill. in L/S)	Fixtures	Avg. WS/Avg. (USD Mill. in L/S)	Fixtures	Avg. WS/Avg. (USD Mill. in L/S)
SEA-WCI						
SEA-ECI	1	175	2	231.325	100%	32%
MEG-WCI	1	170	-	-	-	-
MEG-ECI						

REGION WISE AND VESSEL WISE FIXTURES TREND

Region wise DPP Fixtures to India

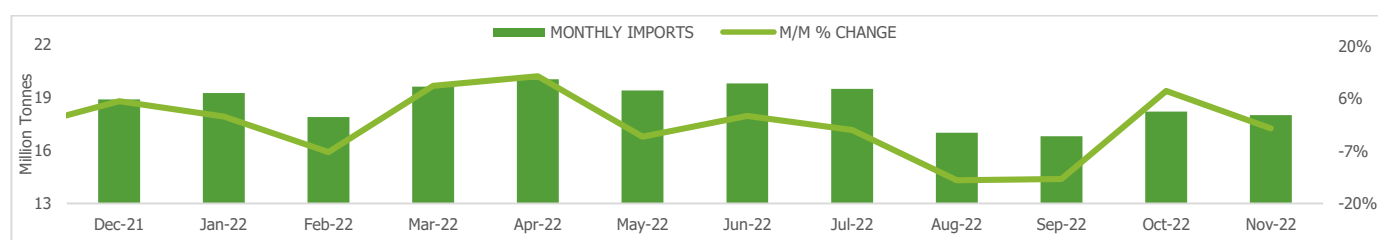


Vessel wise DPP Fixtures to India



DPP Fixtures Trend M/M-> MEG ▲14%

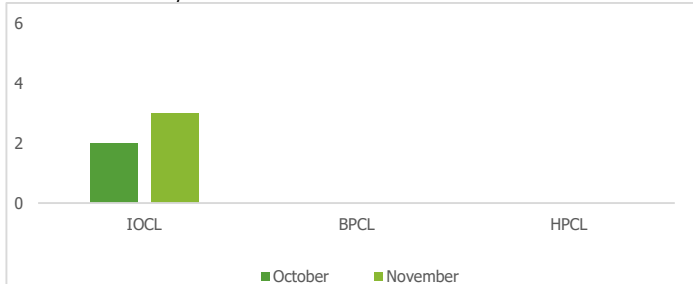
INDIAN MONTHLY CRUDE OIL IMPORTS



PRODUCT MARKET TREND

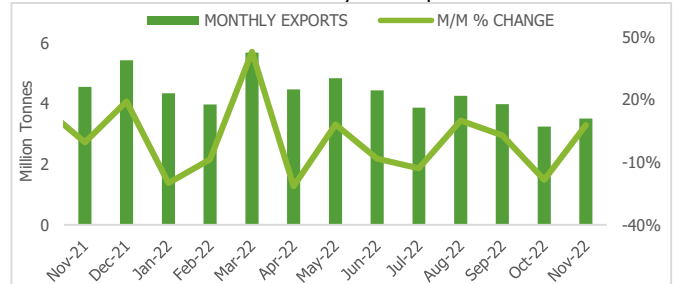
Trade Routes	Oct-22 Avg. Freight (USD Millions)	Oct-22 Avg. Freight (USD Millions)	Percentage Change
WCI-WCI		0.6875	-
WCI-ECI			
WCI-ECI+WCI			
WCI-WCI+ECI			
ECI-ECI	0.915	0.625	-32%
ECI-WCI			
ECI-ECI+WCI			
ECI-WCI+ECI			
AG-WCI & ECI			
ECI-Colombo			
WCI-Colombo			
No. of Fixtures	2	3	50%

M/M Charterer wise CPP Fixtures to India



CPP Fixtures Trend M/M->IOC CPP ▲50%

Indian Monthly CPP Exports

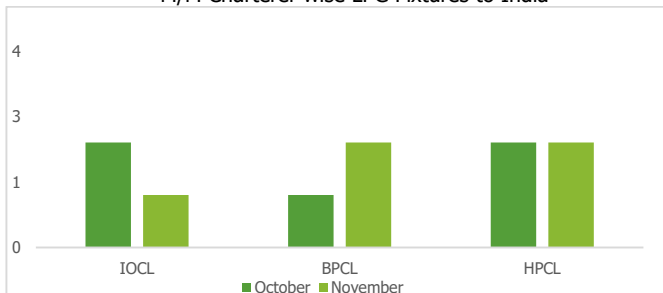


INDIAN CPP Exports Trend M/M-> ▲8%

LPG MARKET TREND

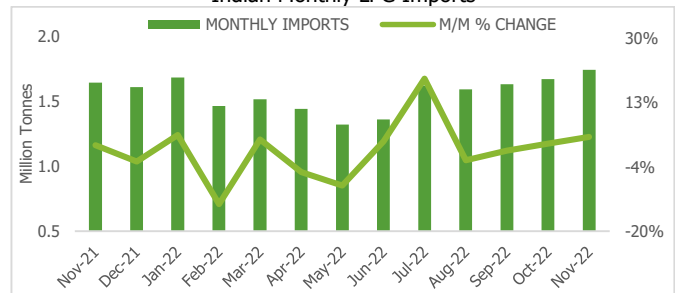
	Avg Freight (USD Millions)	Avg Freight (USD Millions)	M/M % CHANGE
Vessel Type	OCT-2022	NOV-2022	
VLGC	3.72	5.66	52%
MGC	-	-	-
No. of Fixtures	5	5	0%

M/M Charterer wise LPG Fixtures to India



LPG Fixtures Trend M/M-> No change m/m.

Indian Monthly LPG Imports



INDIAN LPG IMPORT Trend M/M-> ▲4%

Website Link - <https://www.saigalseatrade.com/>

For any queries, reach out to us at:

Email – tanker@saigalseatrade.com, gas@saigalseatrade.com, research@saigalseatrade.com

T : +91-22-24210505 (Mumbai) T : +91-11-26252389 (Delhi)

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