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## Argus Marine Fuels IMO 2020-Compliant Assessments

For Europe, the US and Singapore



### What has Argus launched?

IMO 2020-compliant 0.5% sulphur fuel oil and gasoil prices at the three key trade hubs: Rotterdam, New York, and the US Gulf coast, in addition to a previously launched 0.5% sulphur fuel oil price for Singapore.

### What do these prices represent?

The bulk price of a bunker-suitable fuel that contains no more than 0.5% (5,000ppm) sulphur, the maximum allowable sulphur level from 1 January 2020.

### Where do I find the prices?

You can find all of the new Argus 0.5% sulphur assessments in Argus Marine Fuels, and regional subsets are available in each of Argus' three key refined products reports: Argus Asia-Pacific Products, Argus European Products and Argus US Products.

### Why now?

Even though the requirements do not take effect until 1 January 2020, refineries are starting to clarify the fuel oil blends they expect to sell into the new 0.5% sulphur market. Cost curves are emerging, test blends are being run and our customers are asking us to give them pricing indications for this market that is soon to rapidly emerge. The new 0.5% sulphur fuel has already started trading in Asia, where it is needed to satisfy the Chinese emissions control areas.

### What are the fuel oil specs?

Argus' new assessments are for 0.5% sulphur fuels meeting the ISO RMG180 and RMG380 quality standards. New ISO standards are still under discussion, and in the world of 0.5% sulphur fuels, many "limiting" specs are no longer constraints on the market. Most blends come in well below existing viscosity and density maximums, many of them meeting the 80cst viscosity "RMD" standard. Meanwhile, ship operators worry that loose density and viscosity standards will allow non-bunker-suitable material to find its way into the bunker pool. Argus will expect to tighten, adjust and focus quality specifications as the industry standard and market-traded fuel qualities emerge.

### What are the gasoil specs?

Argus' new marine gasoil (MGO) assessments are for 0.5% sulphur fuels meeting the ISO DMA quality standards. These "clear and bright" fuels will be in firm demand for the initial transition period, as ship operators guard against anticipated fuel oil compatibility issues. DMA is the prevailing quality standard for almost all MGOs, although the same fuels may be closer to a marine diesel (DMZ) quality after passing through bunker barges and hoses that have been used for heavy fuels.

## Argus Marine IMO 2020-Compliant Assessments – Frequently Asked Questions

How does Argus price these markets?

Argus has decades of experience pricing emerging fuels markets. To establish the price of 0.5% sulphur marine fuels, we employ a combination of blend calculations, actual market surveys of pricing indications and trade, and statistical correlations. Every price is reporter-tested, editor-tested and market-tested by the time it hits your inbox and becomes available for download and use. For more information on our methodologies, visit [www.argusmedia.com/methodology](http://www.argusmedia.com/methodology).

What are the identifier codes for the new prices?

Identifier Code	Description
PA0025324	Fuel oil 0.5%S NWE barge
PA0025325	MGO 0.5%S NWE barge
PA0025510	Fuel oil 0.5% del NYH
PA0025512	MGO 0.5% fob NYH barge
PA0025511	Fuel oil 0.5% fob USGC
PA0025159	Fuel oil 0.5%S bunker Singapore

What about the forward markets?

Argus has established a set of forward curves for its new 0.5% sulphur marine fuel assessments in New York and the US Gulf. These fuels correlate closely to low-sulphur distillates and low-sulphur residual fuel oil, but may show different seasonalities depending on the particular region. You can get a sample of our 0.5% sulphur forward curves by contacting your primary Argus representative.

How can I learn more about fuel pricing ahead of IMO 2020?

Daily price assessments for IMO 2020-compliant marine fuels are available via the above-listed Argus services. To learn more about our prices, contact us at [ussalesteam@argusmedia.com](mailto:ussalesteam@argusmedia.com).