ARGUS EUROPEAN BASE OILS

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LAST UPDATED: JUNE 2019
The most up-to-date Argus European Base Oils methodology is available on www.argusmedia.com
Methodology overview

Methodology rationale
Argus strives to construct methodologies that reflect the way the market trades. Argus aims to produce price assessments which are reliable and representative indicators of commodity market values and are free from distortion. As a result, the specific currencies, volume units, locations and other particulars of an assessment are determined by industry conventions.

In the European base oils market, Argus publishes physical market prices in the open market, and refiners’ posted prices as laid out in the specifications and methodology guide. Argus uses the trading period deemed by Argus to be most appropriate, in consultation with industry, to capture market liquidity.

In order to be included in the assessment process, deals must meet the minimum volume, delivery, timing and specification requirements in our methodology. In illiquid markets, and in other cases where deemed appropriate, Argus assesses the range within which product could have traded by applying a strict process outlined later in this methodology.

Survey process
Argus price assessments are informed by information received from a wide cross section of market participants, including producers, consumers and intermediaries. Argus reporters engage with the industry by proactively polling participants for market data. Argus will contact and accept market data from all credible market sources including front and back office of market participants and brokers. Argus will also receive market data from electronic trading platforms and directly from the back offices of market participants. Argus will accept market data by telephone, instant messenger, email or other means.

Argus encourages all sources of market data to submit all market data to which they are a party that falls within the Argus stated methodologies, full details of the transactions verified are published electronically and are accessible by subscribers. In those methodologies, the deals are also published in the daily report.

Verification of transaction data
Reporters carefully analyse all data submitted to the price assessment process. These data include transactions, bids, offers, volumes, counterparties, specifications and any other information that contributes materially to the determination of price. This high level of care described applies regardless of the methodology employed. Specific to transactions, bids, and offers, reporters seek to verify the price, the volume, the specifications, location basis, and counterparty. In some transactional average methodologies, reporters also examine the full array of transactions to match counterparties and arrive at a list of unique transactions. In some transactional average methodologies, full details of the transactions verified are published electronically and are accessible by subscribers. In those methodologies, the deals are also published in the daily report.

Several tests are applied by reporters in all markets to transactional data to determine if it should be subjected to further scrutiny. If a transaction has been identified as failing such a test, it will receive further scrutiny. For assessments used to settle derivatives and for many other assessments, Argus has established internal procedures that involve escalation of inquiry within the source’s company and escalating review within Argus management. Should this process determine that a transaction should be excluded from the price assessment process, the supervising editor will initiate approval and, if necessary, documentation procedures.

Market data usage
In each market, Argus uses the methodological approach deemed to be the most reliable and representative for that market. Argus will utilise various types of market data in its methodologies, to include:

- Transactions
- Bids and offers
- Other market information, to include spread values between grades, locations, timings, and many other data.

In many markets, the relevant methodology will assign a relatively higher importance to transactions over bids and offers, and a relatively higher importance to bids and offers over other market information. Certain markets however will exist for which such a hierarchy would produce unreliable and non-representative price assessments, and so the methodology must assign a different relative importance in order to ensure the quality and integrity of the price assessment. And even in markets for which the hierarchy normally applies, certain market situations will at times emerge for which the strict hierarchy would produce non-representative prices, requiring Argus to adapt in order to publish representative prices.

Primary tests applied by reporters
- Transactions not transacted at arm’s length, including deals between related parties or affiliates.
- Transaction prices that deviate significantly from the mean of all transactions submitted for that day.
- Transaction prices that fall outside of the generally observed lows and highs that operated throughout the trading day.
- Transactions that are suspected to be a leg of another transaction or in some way contingent on an unknown transaction.
- Single deal volumes that significantly exceed the typical transaction volume for that market.
- Transaction details that are identified by other market participants as being for any reason potentially anomalous and perceived by Argus to be as such.
metrics mirror the process used by physical commodity traders

The assessment process employing judgment is rigorous, replicable, and uses widely accepted valuation metrics. These valuation metrics mirror the process used by physical commodity traders to internally assess value prior to entering the market with a bid or offer. Applying these valuation metrics along with sound judgment significantly narrows the band within which a commodity can be assessed, and greatly increases the accuracy and consistency of the price series. The application of judgment is conducted jointly with the supervising editor, in order to be sure that guidelines below are being followed. Valuation metrics include the following:

Relative value transactions
Frequently transactions occur which instead of being an outright purchase or sale of a single commodity, are instead exchanges of commodities. Such transactions allow reporters to value less liquid markets against more liquid ones and establish a strong basis for the exercise of judgment.

• Exchange one commodity for a different commodity in the same market at a negotiated value.
• Exchange delivery dates for the same commodity at a negotiated value.
• Exchange a commodity in one location for the same commodity at another location at a negotiated value.

Bids and offers
If a sufficient number of bids and offers populate the market, then in most cases the highest bid and the lowest offer can be assumed to define the boundaries between which a deal could be transacted.

Comparative metrics
The relative values between compared commodities are readily discussed in the market and can be discovered through dialogue with market participants. These discussions are the precursor to negotiation and conclusion of transactions.

• Comparison to the same commodity in another market centre.
• Comparison to a more actively traded but slightly different specification commodity in the same market centre.
• Comparison to the same commodity traded for a different delivery timing
• Comparison to the commodity’s primary feedstock or primary derived product(s).
• Comparison to trade in the same commodity but in a different modality (as in barge versus oceangoing vessel) or in a different total volume (as in full cargo load versus partial cargo load).

Volume minimums and transaction data thresholds
Argus typically does not establish thresholds strictly on the basis of a count of transactions, as this could lead to unreliable and non-representative assessments and because of the varying transportation infrastructure found in all commodity markets. Instead, minimum volumes are typically established which may apply to each transaction accepted, to the aggregate of transactions, to transactions which set a low or high assessment or to other volumetrically relevant parameters.

For price assessments used to settle derivatives, Argus will seek to establish minimum transaction data thresholds and when no such
threshold can be established Argus will explain the reasons. These thresholds will often reflect the minimum volumes necessary to produce a transaction-based methodology, but may also establish minimum deal parameters for use by a methodology that is based primarily on judgment.

Should no transaction threshold exist, or should submitted data fall below this methodology’s stated transaction data threshold for any reason, Argus will follow the procedures outlined elsewhere in this document regarding the exercise of judgment in the price assessment process.

**Transparency**

Argus values transparency in energy markets. As a result, where available, we publish lists of deals in our reports that include price, basis, counterparty and volume information. The deal tables allow subscribers to cross check and verify the deals against the prices. Argus feels transparency and openness is vital to developing confidence in the price assessment process.

**Swaps and forwards markets**

Argus publishes forward assessments for numerous markets. These include forward market contracts that can allow physical delivery and swaps contracts that swap a fixed price for the average of a floating published price. Argus looks at forward swaps to inform physical assessments but places primary emphasis on the physical markets.

**Publications and price data**

Argus base oil prices are published in the Argus European Base Oils report. The price data are available independent of the text-based report in electronic files that can feed into various databases. These price data are also supplied through various third-party data integrators. The Argus website also provides access to prices, reports and news with various web-based tools. All Argus prices are kept in a historical database and available for purchase. Contact your local Argus office for information.

A publication schedule is available at www.argusmedia.com

**Corrections to assessments**

Argus will on occasion publish corrections to price assessments after the publication date. We will correct errors that arise from clerical mistakes, calculation errors, or a misapplication of our stated methodology. Argus will not retroactively assess markets based on new information learned after the assessments are published. We make our best effort to assess markets based on the information we gather during the trading day assessed.

**Ethics and compliance**

Argus operates according to the best practices in the publishing field, and maintains thorough compliance procedures throughout the firm. We want to be seen as a preferred provider by our subscribers, who are held to equally high standards, while at the same time maintaining our editorial integrity and independence. Argus has a strict ethics policy that applies to all staff. The policy can be found on our website at www.argusmedia.com. Included in this policy are restrictions against staff trading in any energy commodity or energy related stocks, and guidelines for accepting gifts. Argus also has strict policies regarding central archiving of email and instant messenger communication, maintenance and archiving of notes, and archiving of spreadsheets and deal lists used in the price assessment process. Argus publishes prices that report and reflect prevailing levels for open-market arms length transactions (please see the Argus Global Compliance Policy for a detailed definition of arms length).

**Consistency in the assessment process**

Argus recognises the need to have judgment consistently applied by reporters covering separate markets, and by reporters replacing existing reporters in the assessment process. In order to ensure this consistency, Argus has developed a programme of training and oversight of reporters. This programme includes:

- A global price reporting manual describing among other things the guidelines for the exercise of judgment.
- Cross-training of staff between markets to ensure proper holiday and sick leave backup. Editors that float between markets to monitor staff application of best practices.
- Experienced editors overseeing reporting teams are involved in daily mentoring and assisting in the application of judgment for illiquid markets.
- Editors are required to sign-off on all price assessments each day, thus ensuring the consistent application of judgment.

**Review of methodology**

The overriding objective of any methodology is to produce price assessments which are reliable and representative indicators of commodity market values and are free from distortion. As a result, Argus editors and reporters are regularly examining our methodologies and are in regular dialogue with the industry in order to ensure that the methodologies are representative of the market being assessed. This process is integral with reporting on a given market. In addition to this ongoing review of methodology, Argus conducts reviews of all of its methodologies and methodology documents on at least an annual basis.

Argus market report editors and management will periodically and as merited initiate reviews of market coverage based on a qualitative analysis that includes measurements of liquidity, visibility of market data, consistency of market data, quality of market data and industry usage of the assessments. Report editors will review:

- Appropriateness of the methodology of existing assessments
- Termination of existing assessments
- Initiation of new assessments

The report editor will initiate an informal process to examine viability. This process includes:

- Informal discussions with market participants
- Informal discussions with other stakeholders
- Internal review of market data
Should changes, terminations, or initiations be merited, the report editor will submit an internal proposal to management for review and approval. Should changes or terminations of existing assessments be approved, then formal procedures for external consultation are begun.

**Changes to methodology**

Formal proposals to change methodologies typically emerge out of the ongoing process of internal and external review of the methodologies. Formal procedures for external consultation regarding material changes to existing methodologies will be initiated with an announcement of the proposed change published in the relevant Argus report. This announcement will include:

- Details on the proposed change and the rationale
- Method for submitting comments with a deadline for submissions
- For prices used in derivatives, notice that all formal comments will be published after the given consultation period unless submitter requests confidentiality

Argus will provide sufficient opportunity for stakeholders to analyse and comment on changes, but will not allow the time needed to follow these procedures to create a situation wherein unrepresentative or false prices are published, markets are disrupted, or market participants are put at unnecessary risk. Argus will engage with industry throughout this process in order to gain acceptance of proposed changes to methodology. Argus cannot however guarantee universal acceptance and will act for the good order of the market and ensure the continued integrity of its price assessments as an overriding objective.

Following the consultation period, Argus management will commence an internal review and decide on the methodology change. This will be followed by an announcement of the decision, which will be published in the relevant Argus report and include a date for implementation. For prices used in derivatives, publication of stakeholders’ formal comments that are not subject to confidentiality and Argus’ response to those comments will also take place.

**Argus European Base Oils**

Argus publishes *Argus European Base Oils* once a week and publishes forward price updates on a daily basis. The report contains European base oil prices, market commentary and information on relevant crude oil and petroleum products prices.

**General methodology**

The global Argus base oils team consists of specialist market reporters/analysts in Singapore, Beijing, Moscow, London, Dubai and Houston, drawing on Argus’ global network of correspondents.

The team surveys a wide cross-section of base oil market participants during the week via telephone, instant messenger, and through email communication. A balance is maintained in the survey between base oil sellers, buyers and trading companies.

The market reporters/analysts ask market participants in the survey whether they have bought or sold any base oil, whether they have heard of any trade in base oil, and whether they have received any bids or offers for base oil. The participants are asked where they see the level of prices for base oil traded on the international spot market. Argus will contact and accept market data from all credible market sources including front and back office of market participants and brokers.

Argus publishes prices that report and reflect prevailing levels for open-market arms length transactions (please see the Argus Global Compliance Policy for a detailed definition of arms length).

**Pricing procedure**

Base oil price assessments are based on two elements – a survey of market participants and a volume-weighted average of any trades in the past week which fit the standard industry specifications listed below and which Argus has been able to verify. The final price is based on an average of the survey value and the volume-weighted trade value. This final price is the midpoint price between the published low and high price. Argus applies editorial judgment to arrive at an intelligent assessment of the spread between the low and high price.

Information on transactions, bids and offers that lie outside the specifications of timing, size, location and quality will be taken into account but information that lies within the listed specifications of the assessment will be given most weight. Argus applies editorial judgment to the surveys and will eliminate information that appears to be ‘off the consensus’ in its final assessment of the price.

**Price assessment schedule**

Argus European Base Oils is published once a week. Spot physical prices are assessed on Thursdays and the report is produced and published on Fridays. Updated forward prices are sent to subscribers on the other working days of the week.

Reporters monitor the market on each working day of the week and the assessment includes all relevant trades reported to Argus during the week.

If Thursday is a public holiday in one or all of the regions covered, then the relevant price assessment process will take place on the previous working day.
Europe

Group I

SN 150 fob domestic NWE
Solvent neutral 150 (SN 150) base oil
Basis: delivery ex-tank for sale within Europe
The basis is fob northwest Europe.
Unit: US dollars/metric tonne
Timing: loading 1-30 days forward from date of assessment
Volume: 50-2,000t
Timestamp: 4.30pm London time on Thursday

SN 500 fob domestic NWE
Solvent neutral 500 (SN 500) base oil
Basis: delivery ex-tank for sale within Europe
The basis is fob northwest Europe.
Unit: US dollars/metric tonne
Timing: loading 1-30 days forward from date of assessment
Volume: 50-2,000t
Timestamp: 4.30pm London time on Thursday

Bright stock fob domestic NWE
Bright stock base oil
Basis: delivery ex-tank for sale within Europe
The basis is fob northwest Europe.
Unit: US dollars/metric tonne
Timing: loading 1-30 days forward from date of assessment
Volume: 50-2,000t
Timestamp: 4.30pm London time on Thursday

SN 150 fob European export
Solvent neutral 150 (SN 150) base oil
Basis: export cargoes on a fob Europe basis
Unit: US dollars/metric tonne
Timing: loading 15-30 days forward from date of assessment
Volume: 1,000-3,000t
Timestamp: 4.30pm London time on Thursday

SN 500 fob European export
Solvent neutral 500 (SN 500) base oil
Basis: export cargoes on a fob Europe basis
Unit: US dollars/metric tonne
Timing: loading 15-30 days forward from date of assessment
Volume: 1,000-3,000t
Timestamp: 4.30pm London time on Thursday

Bright stock fob European export
Bright stock base oil
Basis: export cargoes on a fob Europe basis
Unit: US dollars/metric tonne
Timing: loading 15-30 days forward from date of assessment
Volume: 1,000-3,000t
Timestamp: 4.30pm London time on Thursday

SN 150 cfr Gebze
Solvent neutral 150 (SN 150) base oil
Basis: deliveries into Turkey
The primary assessment points are cfr Gebze, Gemlik and Izmit
Unit: US dollars/metric tonne
Timing: delivered 5-30 days forward from date of assessment
Volume: 500-3,000t
Timestamp: 4.30pm London time on Thursday

SN 500 cfr Gebze
Solvent neutral 500 (SN 500) base oil
Basis: deliveries into Turkey
The primary assessment points are cfr Gebze, Gemlik and Izmit
Unit: US dollars/metric tonne
Timing: delivered 5-30 days forward from date of assessment
Volume: 500-3,000t
Timestamp: 4.30pm London time on Thursday

Group II

N100 fca ARA
Neutral 100 (N100) base oil
Basis: delivery ex-tank for sale from ARA
Unit: euros/metric tonne, with conversion into US dollars/metric tonne

Base oil specifications

<table>
<thead>
<tr>
<th>Group</th>
<th>Viscosity index</th>
<th>Viscosity at 40°C</th>
<th>Viscosity at 100°C</th>
<th>Flash point</th>
<th>Sulphur content</th>
<th>Pour point</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group I</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Group I SN 150</td>
<td>95-100</td>
<td>28-32 cst</td>
<td>4.4-5.6 cst</td>
<td>min. 195°C</td>
<td>0.15-0.6%</td>
<td>max. -6°C</td>
</tr>
<tr>
<td>Group I SN 500</td>
<td>95-100</td>
<td>90-105 cst</td>
<td>9.7-12 cst</td>
<td>min. 210°C</td>
<td>0.15-0.6%</td>
<td>max. -6°C</td>
</tr>
<tr>
<td>Bright stock</td>
<td>min. 95</td>
<td>min. 28 cst</td>
<td>min. 276°C</td>
<td>0.15-0.6%</td>
<td>max. -9°C</td>
<td></td>
</tr>
<tr>
<td>Group II</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Group II N100</td>
<td>95-105</td>
<td>18-21 cst</td>
<td>3.8-4.3 cst</td>
<td>min. 199°C</td>
<td>max. 0.015%</td>
<td>max. -12°C</td>
</tr>
<tr>
<td>Group II N150</td>
<td>95-110</td>
<td>28-32 cst</td>
<td>5.5-6.6 cst</td>
<td>min. 210°C</td>
<td>max. 0.012%</td>
<td>max. -12°C</td>
</tr>
<tr>
<td>Group II N220</td>
<td>95-110</td>
<td>40-46 cst</td>
<td>6.1-6.7 cst</td>
<td>min. 214°C</td>
<td>max.0.015%</td>
<td>max. -12°C</td>
</tr>
<tr>
<td>Group II N600</td>
<td>95-110</td>
<td>104-120 cst</td>
<td>11.7-12.65 cst</td>
<td>min. 250°C</td>
<td>max. 0.025%</td>
<td>max. -12°C</td>
</tr>
<tr>
<td>Group III</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Group III 4cst</td>
<td>min. 120</td>
<td>19-20 cst</td>
<td>4.1-4.4 cst</td>
<td>min. 220°C</td>
<td>max. 0.001%</td>
<td>max. -12°C</td>
</tr>
<tr>
<td>Group III 6cst</td>
<td>min. 120</td>
<td>32-37 cst</td>
<td>5.7-6.5 cst</td>
<td>min. 220°C</td>
<td>max. 0.001%</td>
<td>max. -12°C</td>
</tr>
<tr>
<td>Group III 8cst</td>
<td>min. 120</td>
<td>43.8-50.1 cst</td>
<td>7.6-8.2 cst</td>
<td>min. 220°C</td>
<td>max. 0.001%</td>
<td>max. -12°C</td>
</tr>
</tbody>
</table>
**METhOdOlOgy And spEcificATiOns guidE**

**Timing:** delivered 1-30 days forward from date of assessment  
**Volume:** minimum 20t  
**Timestamp:** 4.30pm London time on Thursday

**N150 fca ARA**  
Neutral 150 (N150) base oil  
**Basis:** delivery ex-tank for sale from ARA  
**Unit:** euros/metric tonne, with conversion into US dollars/metric tonne  
**Timing:** delivered 1-30 days forward from date of assessment  
**Volume:** minimum 20t  
**Timestamp:** 4.30pm London time on Thursday

**N220 fca ARA**  
Neutral 220 (N220) base oil  
**Basis:** delivery ex-tank for sale from ARA  
**Unit:** euros/metric tonne, with conversion into US dollars/metric tonne  
**Timing:** delivered 1-30 days forward from date of assessment  
**Volume:** minimum 20t  
**Timestamp:** 4.30pm London time on Thursday

**N600 fca ARA**  
Neutral 600 (N600) base oil  
**Basis:** delivery ex-tank ARA for sale within Europe  
**Unit:** euros/metric tonne, with conversion into US dollars/metric tonne  
**Timing:** delivered 1-30 days forward from date of assessment  
**Volume:** minimum 20t  
**Timestamp:** 4.30pm London time on Thursday

**Group III (a)**

**4cst fca NWE (a)**  
**Basis:** delivery ex-tank from Antwerp or Rotterdam for sale within Europe  
**Unit:** euros/metric tonne, with conversion into US dollars/metric tonne  
**Volume:** minimum 20t  
**Specification:** base oils which have Volkswagen Oil Quality Standard VW 504 00/507 00 certification  
**Timing:** delivered 1-30 days forward from date of assessment  
**Timestamp:** 4.30pm London time on Thursday

**6cst fca NWE (a)**  
**Basis:** delivery ex-tank from Antwerp or Rotterdam for sale within Europe  
**Unit:** euros/metric tonne, with conversion into US dollars/metric tonne  
**Volume:** minimum 20t  
**Specification:** base oils which have Volkswagen Oil Quality Standard VW 504 00/507 00 certification  
**Timing:** delivered 1-30 days forward from date of assessment  
**Timestamp:** 4.30pm London time on Thursday

**8cst fca NWE (a)**  
**Basis:** delivery ex-tank from Antwerp or Rotterdam for sale within Europe  
**Unit:** euros/metric tonne, with conversion into US dollars/metric tonne  
**Volume:** minimum 20t  
**Specification:** base oils which have Volkswagen Oil Quality Standard VW 504 00/507 00 certification  
**Timing:** delivered 1-30 days forward from date of assessment  
**Timestamp:** 4.30pm London time on Thursday

**Group III (b)**

**4cst fca NWE (b)**  
**Basis:** delivery ex-tank from Antwerp or Rotterdam for sale within Europe  
**Unit:** euros/metric tonne, with conversion into US dollars/metric tonne  
**Volume:** minimum 20t  
**Specification:** base oils which do not have Volkswagen Oil Quality Standard VW 504 00/507 00 certification  
**Timing:** delivered 1-30 days forward from date of assessment  
**Timestamp:** 4.30pm London time on Thursday

**6cst fca NWE (b)**  
**Basis:** delivery ex-tank from Antwerp or Rotterdam for sale within Europe  
**Unit:** euros/metric tonne, with conversion into US dollars/metric tonne  
**Volume:** minimum 20t  
**Specification:** base oils which do not have Volkswagen Oil Quality Standard VW 504 00/507 00 certification  
**Timing:** delivered 1-30 days forward from date of assessment  
**Timestamp:** 4.30pm London time on Thursday

**8cst fca NWE (b)**  
**Basis:** delivery ex-tank from Antwerp or Rotterdam for sale within Europe
**Methodology and Specifications Guide**

**Unit:** euros/metric tonne, with conversion into US dollars/metric tonne

**Volume:** minimum 20t

**Specification:** base oils which do not have Volkswagen Oil Quality Standard VW 504 00/507 00 certification

**Timing:** delivered 1-30 days forward from date of assessment

**Timestamp:** 4.30pm London time on Thursday

**Crude**

The North Sea Dated crude oil price is an important indicator of the future direction of base oils prices in the region. A comparison of the crude price with the base oils price illustrates the effect of the past week’s change in price on the profitability of base oils relative to crude oil.

**North Sea Dated**

The North Sea Dated crude oil price as published in Argus Crude on the day corresponding with the base oils assessment.

**Ice Brent front month**

The Ice Brent front-month contract price as published in Argus European products on the day corresponding with the base oil assessment.

**Oil products**

Argus includes the regional benchmark price of vacuum gasoil to show the price of a key feedstock for base oils and heating oil and the effect of the change in that price on the profitability of base oils and heating oil. Argus also includes the regional price of heating oil to show the profitability of that product relative to crude oil and to base oils.

**Oil product price premiums**

The profitability of heating oil and SN 500 base oil by comparing their prices with each other and with feedstock vacuum gasoil.

**Heating oil premium to crude**

The premium of heating oil 0.1% barges to North Sea Dated crude oil. Prices are published in US dollars/barrel.

**Heating oil premium to VGO 2%**

The premium of heating oil 0.1% barges over VGO 2% barges. Prices are published in US dollars/barrel.

**SN 500 premium to heating oil**

The premium of SN 500 fob European export over heating oil 0.1% barges. Prices are published in dollars/barrel.

**SN 500 premium to VGO 2%**

The premium of SN 500 fob European export over VGO 2% barges. Prices are published in dollars/barrel.

**Russia and FSU**

**Group I**

**SN 150 fob Baltic Sea**

Solvent neutral 150 (SN 150) base oil

**Basis:** cargoes originating from Russian and FSU producers on a fob Baltic Sea basis

**Unit:** US dollars/metric tonne

**Timing:** loading 15-30 days forward from date of assessment

**Volume:** 1,000-5,000t

**Timestamp:** 4.30pm London time on Thursday

**SN 500 fob Baltic Sea**

Solvent neutral 500 (SN 500) base oil

**Basis:** cargoes originating from Russian and FSU producers on a fob Baltic Sea basis

**Unit:** US dollars/metric tonne

**Timing:** loading 15-30 days forward from date of assessment

**Volume:** 1,000-5,000t

**Timestamp:** 4.30pm London time on Thursday
Unit: US dollars/metric tonne  
Timing: loading 15-30 days forward from date of assessment  
Volume: 1,000-5,000t  
Timestamp: 4.30pm London time on Thursday

**SN 150 fob Black Sea**  
Solvent neutral 150 (SN 150) base oil  
Basis: cargoes originating from Russian and FSU producers on a fob Black Sea basis  
Unit: US dollars/metric tonne  
Timing: loading 15-30 days forward from date of assessment  
Volume: 1,000-3,000t  
Timestamp: 4.30pm London time on Thursday

**SN 500 fob Black Sea**  
Solvent neutral 500 (SN 500) base oil  
Basis: cargoes originating from Russian and FSU producers on a fob Black Sea basis  
Unit: US dollars/metric tonne  
Timing: loading 15-30 days forward from date of assessment  
Volume: 1,000-3,000t  
Timestamp: 4.30pm London time on Thursday

### Arbitrage opportunities

The implied profit or loss, before freight and other costs, calculated as the difference between Argus price assessments. Each pair below is calculated as the second listed Argus price assessment less the first.

**Group I**
- SN 150 fob Baltic Sea-SN 150 ex-tank Singapore  
- SN 500 fob Baltic Sea-SN 500 ex-tank Singapore  
- SN 150 fob European export-SN 150 ex-tank Singapore  
- SN 500 fob European export-SN 500 ex-tank Singapore  
- SN 150 fob European export-SN 150 (LVI) cfr UAE  
- SN 500 fob European export-SN 500 (LVI) cfr UAE  
- SN 150 fob European export-SN 150 fob domestic US  
- SN 500 fob European export-SN 500 fob domestic US  
- SN 150 fob Black Sea-SN 150 (LVI) cfr India  
- SN 500 fob Black Sea-SN 500 (LVI) cfr India  
- SN 150 fob Baltic Sea-SN 150 fob domestic US  
- SN 500 fob Baltic Sea-SN 500 fob domestic US  
- SN 150 fob Baltic Sea-SN 150 fob domestic NWE  
- SN 500 fob Baltic Sea-SN 500 fob domestic NWE

**Group II**
- N150 fob Asia-N150 fca ARA  
- N500 fob Asia-N600 fca ARA  
- N100 fob US export-N150 fca ARA  
- N600 fob US export-N600 fca ARA

See the [Argus Base Oils methodology](#) for more information on Asia-Pacific base oils prices and the [Argus Americas Base Oils methodology](#) for more information on US base oils prices.