

API report points to increase in crude oil stocks ahead of the weekly EIA oil stocks report

Yesterday's oil stocks data from the American Petroleum Institute (API) showed a build in US crude oil inventories of 851 kbbl, which likely was the reason oil prices saw additional volatility as the expectations were of a 2600 kbbl draw.

Expect additional intraday volatility today as the EIA releases the official inventory data (16.30 CET) Consensus is a draw of around 2.5 mio. barrels of crude, small build in distillates and small draw in gasoline inventories. The U.S. is in the middle of the driving season, which traditionally provokes larger consumption. If this build is exact the inventory would be around 509 mbbl compared to the 5-year-avg which is just above 400 mbbl.

Market consensus is that there has been a sell-off of long positions as the oil price has been decreasing until last week. What is left this week is a market likely waiting for a reason to buy oil, which is why the inventory count today will be of great interest.

Libya's oil production continues to increase and is approaching 900,000 barrels per day, close to 4-year-high. The country has Africa's largest proven oil reserves, but has been hit by supply disruptions for years due to fighting and unrest in the country.

Turning to economic data front, today sees U.S. trade balance, speeches by ECB's Draghi, BoE's Carney, BoJ's Kuroda and Fed's William.

Expect support around \$46 and resistance around \$47.5 today.

Price indications for Major ports

Port	IFO38	IFO18	MGO 0.1%
Mediterranean			
Gibraltar	307	331	450
Kali Limenes	315	338	495
Ashdod			
Eilat			
Limassol	342	360	505
Malta	297	312	438
Piraeus	299	320	445
Black Sea			
Constantza	319	334	495
Istanbul	307	321	465
Kavkaz	200		495
Novorossiysk	295		495
Tuapse	295		495
North Europe – Baltic Sea			
Antwerp	284		412
Hamburg	298	317	432
Murmansk	276		490
Rotterdam	284		412
St. Petersburg	256	310	422
Middle East			
Dubai	330	365	555
Fujairah	308	315	540
Asia			

* Please note that the above levels are bunker indications only and are subject to local product and barge (if applicable) availability.

* Please note that for the port of Vladivostok the indicative price of MGO 0.1% refers to 0.5% LSMGO.

* All indicative prices are basis metric tons.

* Product specs subject to ports and local regulation as in some cases only local non-ISO product is available. Additional port-specific delivery costs may apply.

Hong Kong	310	316	455
Shanghai	318	338	565
Singapore	308	314	431
Vladivostok	265		515

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