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## ***ARGUS CRUDE***

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The most up-to-date Argus Crude methodology is available on [www.argusmedia.com](http://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 indicators of commodity market values, free from distortion and representative of spot market values. As a result, the specific currencies, volume units, locations and other particulars of an assessment are determined by industry consensus to facilitate seamless bilateral trade and Argus mirrors these industry conventions.

In the global crude markets, Argus reflects physical market prices employing a range of methodologies. These include time stamped bid/ask ranges, averages of deals done in a window, volume-weighted averages of deals done over the entire day as well as cumulative transaction averages across a month and cumulative daily averages. The rationale for each methodology will vary by market.

Argus often applies crude basis differentials to various prices – such as WTI and North Sea Dated – to arrive at fixed prices because this is a representative method of converting differential prices into fixed price assessments

When Argus uses a deals based approach for price identification deals must meet the minimum volume, delivery, timing, and specification requirements in our methodology and the deals must be bona fide. The same requirements apply to most volume-weighted averages.

The time period used to produce representative price indications is that which in the opinion of Argus, following consultation with market participants, can be used to produce a reliable indicator of physical market value.

Argus will announce its publishing schedule in a calendar located at [www.argusmedia.com](http://www.argusmedia.com). Argus may not assess prices on certain public holidays even when the exchanges are open, due to anticipated illiquidity in the cash spot markets.

### 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 methodological criteria for the relevant assessment. Argus encourages all sources of market data to submit transaction data from back office functions when and where possible.

Throughout all markets, Argus is constantly seeking to increase the number of companies willing to provide market data. Reporters are mentored and held accountable for expanding their pool of contacts. The number of entities providing market data can vary significantly from day to day based on market conditions. Should the number of entities providing market data repeatedly fall to a level that assessment quality may be affected, supervising editors will review the viability of the assessment.

For certain price assessments identified by local management, should more than 50pc of the market data upon which the assessment is based come from a single entity, then the supervising editor will engage in an analysis of the market data with the primary reporter to ensure that the quality and integrity of the assessment has not been affected.

Argus has committed to deliver many of our final published prices to clients by a particular deadline each day. Because compiling and confirming transactions and other market data in advance of this deadline is a lengthy process, price assessment procedures must be concluded well before that deadline. As a result, Argus has instituted cut-off times for the submission of data by market participants. Argus will review all data received after the cut-off time and will make best efforts to include in the assessment process all verifiable transactions and market data received after the cut-off time but reserves the right to exclude any market data from the process if received after the cut-off time.

### 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:

1. Transactions
2. Bids and offers
3. 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 obtains, 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.

### Verification of transaction data

Reporters carefully analyse all data submitted to the price assessment process. This data includes transactions, bids, offers, volumes, counterparties, specifications and any other information that contributes materially to the determination of price. This high level

of care 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.

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 certain price assessments identified by local management, 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.

### Primary tests applied by reporters

- Transactions not transacted at arms-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.
- Transaction details that are reported by one counterparty differently than the other counterparty.
- Any transaction details that appear to the reporter to be illogical or to stray from the norms of trading behavior. This could include but is not limited to divergent specifications, unusual delivery location and counterparties not typically seen.
- Transactions that involve the same counterparties, the same price and delivery dates are checked to see that they are separate deals and not one deal duplicated in Argus records.

### Secondary tests applied by editors for transactions identified for further scrutiny

#### Transaction tests

- The impact of linkage of the deal to possible other transactions such as contingent legs, exchanges, options, swaps, or other derivative instruments. This will include a review of transactions in markets that the reporter may not be covering.
- The nature of disagreement between counterparties on transactional details.
- The possibility that a deal is directly linked to an offsetting transaction that is not publicly known, for example a "wash trade" which has the purpose of influencing the published price.

- The impact of non-market factors on price or volume, including distressed delivery, credit issues, scheduling issues, demurrage, or containment.

#### Source tests

- The credibility of the explanation provided for the outlying nature of the transaction.
- The track record of the source. Sources will be deemed more credible if they
  - Regularly provide transaction data with few errors.
  - Provide data by Argus' established deadline.
  - Quickly respond to queries from Argus reporters.
  - Have staff designated to respond to such queries.
- How close the information receipt is to the deadline for information, and the impact of that proximity on the validation process.

### Assessment guidelines

When insufficient, inadequate, or no transaction information exists, or when a transaction based methodology will not produce representative prices, Argus reporters will make an assessment of market value by applying intelligent judgment based on a broad array of factual market information. Reporters must use a high degree of care in gathering and validating all market data used in determining price assessments, a degree of care equal to that applying to gathering and validating transactions. The information used to form an assessment could include deals done, bids, offers, tenders, spread trades, exchange trades, fundamental supply and demand information and other inputs.

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 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.
- Analysis of prices in forward markets for physically deliverable commodity that allow extrapolation of value into the prompt timing for the commodity assessed.
- 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).

Throughout this methodology, Argus will explain, in more detail and on a market by market basis, the criteria and procedures that are used to make an assessment of market value by applying intelligent judgment.

## Volume minimums and transaction data thresholds

In establishing each methodology, Argus will list specific minimum volume for each assessment. Because of the varying transportation infrastructure found in all commodity markets, 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. 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 certain price assessments identified by local management, 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 and confidentiality

Argus values transparency in energy markets. As a result, we publish lists of deals in our reports that include price, basis, 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.

Argus asks for transaction counterparty names from contacts in order to confirm deals and to avoid double-counting in certain volume-weighted averages. In some markets, Argus does not publish counterparty names. In other markets, Argus does publish counterparty names in its reports.

## Basis differentials and absolute prices

In the global crude markets, prices are often negotiated bids, offers, and transaction values at differentials to futures prices or to reference prices. Argus fixed prices are derived by adding the assessed differentials to the reference price.

## 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.

## Publications and price data

Argus global crude prices are published in the Argus Crude report. The Argus Americas Crude report contains a subset of these prices. Other Argus publications also include some Argus Americas Crude pricing data. The price data is 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.

## 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](http://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:

1. A global price reporting manual describing among other things the guidelines for the exercise of judgment.
2. 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.
3. Experienced editors overseeing reporting teams are involved in daily mentoring and assisting in the application of judgment for illiquid markets.
4. 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 indicators of commodity market values, free from distortion and representative of spot market values. 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 physical 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
- 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 published in the relevant Argus report, to include a date for implementation, publication of stakeholders' comments that are not subject to confidentiality, and Argus' response to those comments.

### Updates to methodology

The Argus Crude methodology is constantly updated and revised. The latest available methodology (which may supersede the one you are reading) is available at [www.argusmedia.com](http://www.argusmedia.com).

## Overview

Argus provides an overview of the day's crude market activity, highlighting changes in key crude prices and the price differences among the various regional crudes. The report discusses that day's market activity with particular reference to the main crude benchmark prices. The summary has a global scope, allowing readers to quickly understand the key market drivers.

## North Sea

North Sea Dated is the main price benchmark against which other crudes are valued.

Argus North Sea Dated is derived from a methodology that involves the price of six grades, Brent, Forties, Oseberg, Ekofisk, Troll and WTI.

### Calculating North Sea Dated

Argus North Sea Dated is based on four building blocks: the forward price of crude, the contract for difference market, the prices for physical crude cargoes and a set of quality premiums.

#### Timing

Argus North Sea Dated is based on a period starting 10 days after the date of assessment and ending on the same day the following month. This is referred to as the 10 days-month ahead period. For example, on 6 February, the pricing period begins on 16 February and ends on 6 March.

WTI cif Rotterdam assessments used in the assessment of Argus North Sea Dated are based on a period starting 12 days after the date of assessment and ending on the same day plus two the following month, to align with the timing of Argus North Sea Dated plus the two days' distance between Rotterdam and a virtual North Sea fob loading location.

This trade is brought back in time by two days to align with the North Sea fob grades' 10 days-month ahead forward period. For example, on 6 February, the cif Rotterdam pricing period begins on 18 February and ends on 8 March. A trade done for Rotterdam arrival on 19 February would be considered as a 17 February-loading trade for the purpose of inclusion in the Argus North Sea Dated assessment and would fall within the 10 days-month ahead forward period.

A North Sea Dated month-ahead calendar is available online, illustrating the start and the end of the North Sea Dated assessment period and the cargo loading dates that may be delivered to settle forward contracts on each working day of the year. [Click here](#) to view the calendar.

### Freight adjustment of the cif WTI Rotterdam component

Argus also adjusts the WTI cif Rotterdam component of Argus New North Sea Dated by removing from the delivered price the nominal cost of moving crude from this virtual North Sea loading point to Rotterdam. This WTI freight adjustment factor is calculated as 80pc of the cost of freight between Rotterdam and the virtual loading point based on the average of the Argus UK-UK continent weighted average freight

rate in the 10 previous publishing days. Argus converts the published rate from \$/t to \$/bl using a conversion factor of 7.71.

Argus publishes the WTI Freight Adjustment Factor. The Cross UKC - weighted average freight rate is weighted by previous year's crude loading programmes. See the [Argus Tanker Freight methodology](#).

### The forward price

The first building block from which the North Sea Dated assessment is derived is the forward price. It is the price for Brent crude (with Forties, Oseberg, Ekofisk, Troll and WTI substitutability) for loading in a future calendar month (or in the case of WTI, arriving in a future calendar month).

The forward price is typically a volume-weighted average of the most actively traded North Sea forward month (partial and full cargo) between 4:29 and 4:30pm London time.

If less than 100,000 bl of North Sea forward trade is reported for the time period, the forward price is the assessed value of an exchange of futures for physical (EFP) contract and the prevailing Ice Brent futures price, as reported by Ice as the Ice 1 minute marker.

In the absence of an Ice 1-minute marker, Argus will calculate a suitable replacement.

In the last three sessions in the life of the front-month futures contract Argus uses second-month Ice Brent futures and the corresponding EFP differential.

### Contracts for difference

The second building block is the contracts for difference market, which is used to transform the North Sea forward price described above into an Anticipated Dated price for the 10 days-month ahead period.

Argus assesses the price of contracts for difference (CFDs) — between the monthly forward price discussed above and an anticipated value of the Dated benchmark — for each day in the 10 day-month ahead assessment period, including weekends, based on the published Argus assessment of weekly CFD prices. Argus uses the assessed price of CFDs and the forward price to calculate the Anticipated Dated price.

### Physical crude differentials

The third building block is the price of physical cargoes of Brent, Forties, Oseberg, Ekofisk, Troll and WTI expressed as a differential to the Anticipated Dated price at the time of loading.

Argus uses these differentials to construct a price curve for each of Brent, Forties, Oseberg, Ekofisk, Troll and WTI, with a value for each day in the 10 days-month ahead forward period. See the explanation of North Sea differentials below.

### Quality premiums

The fourth building block is a set of quality adjustments that make Ekofisk, Oseberg and Troll prices comparable with those of Brent, Forties and WTI.



Argus publishes quality premiums for Oseberg, Ekofisk and Troll and takes them into account in the Argus North Sea Dated assessment process. Argus publishes the relevant quality premiums for Oseberg, Ekofisk and Troll on the first publishing day of each month. The quality premiums are applied to cargoes loading in the following month.

For example, the quality premium announced on 1 May 2018 was applied to June loading cargoes.

The quality premium for each grade is calculated as 60pc of the difference between the price of that grade and the most competitive benchmark grade in the second month prior to the month of loading.

### Final Argus North Sea Dated calculation

For each day in the 10 day-month ahead forward period, including weekends, the lowest priced of the following benchmark grades is selected.

- Brent
- Forties
- Oseberg (with quality premium applied)
- Ekofisk (with quality premium applied)
- Troll (with quality premium applied)
- WTI

The average of those lowest selected prices for the 10 days-month ahead period is the Dated price.

### Argus Brent Sour

Argus also publishes a variant of North Sea Dated for heavy sour crudes in the region. Argus Brent Sour is constructed in the same way as Argus North Sea Dated based on a basket of Brent, Forties, Grane, Flotta Gold and Johan Sverdrup crudes. No quality premiums are used in the calculation of Argus Brent Sour. An Argus Brent Sour-Argus North Sea Dated differential is also published.

### Final Argus Brent Sour calculation

For each day in the 10 day-month ahead forward period, including weekends, the lowest priced of Brent, Forties, Grane, Flotta Gold and Johan Sverdrup is established. The average of those lowest selected prices for the 10 day-month ahead period is the Argus Brent Sour price.

### North Sea differentials

Argus assesses the physical grade differential for each working day of the 10 days-month ahead assessment period for Brent, Forties, Oseberg, Ekofisk and Troll and for the whole of the 10 days-month ahead period for other grades. Argus identifies the physical price differentials at 4:30pm for each loading date which has market depth at 4:30pm and will use information gathered throughout the day to make inferred price assessments for every loading day of the 10 days-month ahead assessment period. Argus will take into account price movements beyond the assessment period when the bulk of trade in a given month moves beyond these parameters.

To be considered for inclusion in the differential assessments

New cif bids or offers must be placed no later than 3.45pm London time

New fob bids or offers must be placed no later than 4.10pm London time

### Argus North Sea Dated calculation

| Date of assessment: 28 April 2023 |          |      |                   | Brent       |                     | Forties         |               | Oseberg       |     | Ekofisk      |               | Troll |              | WTI           |      |              |                        |               |                   |       |       |
|-----------------------------------|----------|------|-------------------|-------------|---------------------|-----------------|---------------|---------------|-----|--------------|---------------|-------|--------------|---------------|------|--------------|------------------------|---------------|-------------------|-------|-------|
| Day                               | Date     | CFD  | Anticipated Dated | Forward day | Lowest priced grade | Dated component | Dated related | Dated related | QP  | Including QP | Dated related | QP    | Including QP | Dated related | QP   | Including QP | Rotterdam arrival date | Dated related | Including freight |       |       |
| Wed                               | 26 April | 1.82 | 81.91             |             |                     |                 |               |               |     |              |               |       |              |               |      |              | 28 April               |               |                   |       |       |
| Thu                               | 27 April | 1.77 | 81.85             |             |                     |                 |               |               |     |              |               |       |              |               |      |              | 29 April               |               |                   |       |       |
| Fri                               | 28 April | 1.71 | 81.80             |             |                     |                 |               |               |     |              |               |       |              |               |      |              | 30 April               |               |                   |       |       |
| Sat                               | 29 April | 1.66 | 81.74             |             |                     |                 |               |               |     |              |               |       |              |               |      |              | 01 May                 |               |                   |       |       |
| Sun                               | 30 April | 1.6  | 81.69             |             |                     |                 |               |               |     |              |               |       |              |               |      |              | 02 May                 |               |                   |       |       |
| Mon                               | 01 May   | 1.55 | 81.63             |             |                     |                 |               |               |     |              |               |       |              |               |      |              | 03 May                 |               |                   |       |       |
| Tue                               | 02 May   | 1.49 | 81.58             |             |                     |                 |               |               |     |              |               |       |              |               |      |              | 04 May                 |               |                   |       |       |
| Wed                               | 03 May   | 1.44 | 81.53             |             |                     |                 |               |               |     |              |               |       |              |               |      |              | 05 May                 |               |                   |       |       |
| Thu                               | 04 May   | 1.34 | 81.43             |             |                     |                 |               |               |     |              |               |       |              |               |      |              | 06 May                 |               |                   |       |       |
| Fri                               | 05 May   | 1.24 | 81.33             |             |                     |                 |               |               |     |              |               |       |              |               |      |              | 07 May                 |               |                   |       |       |
| Sat                               | 06 May   | 1.14 | 81.23             |             |                     |                 |               |               |     |              |               |       |              |               |      |              | 08 May                 |               |                   |       |       |
| Sun                               | 07 May   | 1.04 | 81.13             |             |                     |                 |               |               |     |              |               |       |              |               |      |              | 09 May                 |               |                   |       |       |
| Mon                               | 08 May   | 0.94 | 81.03             | 10          | WTI                 | 81.13           | 1.45          | 82.48         | 2.9 | 1.65         | 82.28         | 2.60  | 1.12         | 82.51         | 4.50 | 1.69         | 83.84                  | 10 May        | 1.45              | 82.48 | 81.13 |
| Tue                               | 09 May   | 0.84 | 80.93             | 11          | WTI                 | 81.03           | 1.45          | 82.38         | 2.9 | 1.65         | 82.18         | 2.60  | 1.12         | 82.41         | 4.50 | 1.69         | 83.74                  | 11 May        | 1.45              | 82.38 | 81.03 |
| Wed                               | 10 May   | 0.74 | 80.83             | 12          | WTI                 | 80.93           | 1.45          | 82.28         | 2.9 | 1.65         | 82.08         | 2.60  | 1.12         | 82.31         | 4.50 | 1.69         | 83.64                  | 12 May        | 1.45              | 82.28 | 80.93 |
| Thu                               | 11 May   | 0.70 | 80.79             | 13          | WTI                 | 80.89           | 1.45          | 82.24         | 2.9 | 1.65         | 82.04         | 2.60  | 1.12         | 82.27         | 4.50 | 1.69         | 83.60                  | 13 May        | 1.45              | 82.24 | 80.89 |
| Fri                               | 12 May   | 0.67 | 80.75             | 14          | WTI                 | 80.85           | 1.45          | 82.20         | 2.9 | 1.65         | 82            | 2.60  | 1.12         | 82.23         | 4.50 | 1.69         | 83.56                  | 14 May        | 1.45              | 82.20 | 80.85 |
| Sat                               | 13 May   | 0.63 | 80.71             | 15          | WTI                 | 80.81           | 1.45          | 82.16         | 2.9 | 1.65         | 81.96         | 2.60  | 1.12         | 82.19         | 4.50 | 1.69         | 83.52                  | 15 May        | 1.45              | 82.16 | 80.81 |
| Sun                               | 14 May   | 0.59 | 80.68             | 16          | WTI                 | 80.78           | 1.45          | 82.13         | 2.9 | 1.65         | 81.93         | 2.60  | 1.12         | 82.16         | 4.50 | 1.69         | 83.49                  | 16 May        | 1.45              | 82.13 | 80.78 |
| Mon                               | 15 May   | 0.55 | 80.64             | 17          | WTI                 | 80.74           | 1.45          | 82.09         | 2.9 | 1.65         | 81.89         | 2.60  | 1.12         | 82.12         | 4.50 | 1.69         | 83.45                  | 17 May        | 1.45              | 82.09 | 80.74 |
| Tue                               | 16 May   | 0.52 | 80.60             | 18          | WTI                 | 80.70           | 1.45          | 82.05         | 2.9 | 1.65         | 81.85         | 2.60  | 1.12         | 82.08         | 4.50 | 1.69         | 83.41                  | 18 May        | 1.45              | 82.05 | 80.70 |
| Wed                               | 17 May   | 0.48 | 80.57             | 19          | WTI                 | 80.67           | 1.45          | 82.02         | 2.9 | 1.65         | 81.82         | 2.60  | 1.12         | 82.05         | 4.50 | 1.69         | 83.38                  | 19 May        | 1.45              | 82.02 | 80.67 |
| Thu                               | 18 May   | 0.46 | 80.54             | 20          | WTI                 | 80.64           | 1.45          | 81.99         | 2.9 | 1.65         | 81.79         | 2.60  | 1.12         | 82.02         | 4.50 | 1.69         | 83.35                  | 20 May        | 1.45              | 81.99 | 80.64 |
| Fri                               | 19 May   | 0.43 | 80.52             | 21          | WTI                 | 80.62           | 1.45          | 81.97         | 2.9 | 1.65         | 81.77         | 2.60  | 1.12         | 82            | 4.50 | 1.69         | 83.33                  | 21 May        | 1.45              | 81.97 | 80.62 |
| Sat                               | 20 May   | 0.41 | 80.50             | 22          | WTI                 | 80.60           | 1.45          | 81.95         | 2.9 | 1.65         | 81.75         | 2.60  | 1.12         | 81.98         | 4.50 | 1.69         | 83.31                  | 22 May        | 1.45              | 81.95 | 80.60 |
| Sun                               | 21 May   | 0.39 | 80.47             | 23          | WTI                 | 80.57           | 1.45          | 81.92         | 2.9 | 1.65         | 81.72         | 2.60  | 1.12         | 81.95         | 4.50 | 1.69         | 83.28                  | 23 May        | 1.45              | 81.92 | 80.57 |
| Mon                               | 22 May   | 0.37 | 80.45             | 24          | WTI                 | 80.55           | 1.45          | 81.90         | 2.9 | 1.65         | 81.70         | 2.60  | 1.12         | 81.93         | 4.50 | 1.69         | 83.26                  | 24 May        | 1.45              | 81.90 | 80.55 |
| Tue                               | 23 May   | 0.34 | 80.43             | 25          | WTI                 | 80.53           | 1.45          | 81.88         | 2.9 | 1.65         | 81.68         | 2.60  | 1.12         | 81.91         | 4.50 | 1.69         | 83.24                  | 25 May        | 1.45              | 81.88 | 80.53 |
| Wed                               | 24 May   | 0.32 | 80.41             | 26          | WTI                 | 80.51           | 1.45          | 81.86         | 2.9 | 1.65         | 81.66         | 2.60  | 1.12         | 81.89         | 4.50 | 1.69         | 83.22                  | 26 May        | 1.45              | 81.86 | 80.51 |
| Thu                               | 25 May   | 0.30 | 80.39             | 27          | WTI                 | 80.49           | 1.45          | 81.84         | 2.9 | 1.65         | 81.64         | 2.60  | 1.12         | 81.87         | 4.50 | 1.69         | 83.20                  | 27 May        | 1.45              | 81.84 | 80.49 |
| Fri                               | 26 May   | 0.29 | 80.37             | 28          | WTI                 | 80.47           | 1.45          | 81.82         | 2.9 | 1.65         | 81.62         | 2.60  | 1.12         | 81.85         | 4.50 | 1.69         | 83.18                  | 28 May        | 1.45              | 81.82 | 80.47 |
| Sat                               | 27 May   | 0.27 | 80.36             | 29          | WTI                 | 80.46           | 1.45          | 81.81         | 2.9 | 1.65         | 81.61         | 2.60  | 1.12         | 81.84         | 4.50 | 1.69         | 83.17                  | 29 May        | 1.45              | 81.81 | 80.46 |
| Sun                               | 28 May   | 0.26 | 80.34             | 30          | WTI                 | 80.44           | 1.45          | 81.79         | 2.9 | 1.65         | 81.59         | 2.60  | 1.12         | 81.82         | 4.50 | 1.69         | 83.15                  | 30 May        | 1.45              | 81.79 | 80.44 |
| Mon                               | 29 May   | 0.24 | 80.33             | 31          | WTI                 | 80.43           | 1.45          | 81.78         | 2.9 | 1.65         | 81.58         | 2.60  | 1.12         | 81.81         | 4.50 | 1.69         | 83.14                  | 31 May        | 1.45              | 81.78 | 80.43 |
| Tue                               | 30 May   | 0.23 | 80.31             |             |                     |                 |               |               |     |              |               |       |              |               |      |              | 01 Jun                 |               |                   |       |       |
| Wed                               | 31 May   | 0.21 | 80.30             |             |                     |                 |               |               |     |              |               |       |              |               |      |              | 02 Jun                 |               |                   |       |       |
| Thu                               | 01 Jun   | 0.19 | 80.28             |             |                     |                 |               |               |     |              |               |       |              |               |      |              | 03 Jun                 |               |                   |       |       |
| Fri                               | 02 Jun   | 0.18 | 80.26             |             |                     |                 |               |               |     |              |               |       |              |               |      |              | 04 Jun                 |               |                   |       |       |
| Sat                               | 03 Jun   | 0.16 | 80.25             |             |                     |                 |               |               |     |              |               |       |              |               |      |              | 05 Jun                 |               |                   |       |       |
| Sun                               | 04 Jun   | 0.15 | 80.23             |             |                     |                 |               |               |     |              |               |       |              |               |      |              | 06 Jun                 |               |                   |       |       |
| Mon                               | 05 Jun   | 0.13 | 80.22             |             |                     |                 |               |               |     |              |               |       |              |               |      |              | 07 Jun                 |               |                   |       |       |
| <b>Argus North Sea Dated</b>      |          |      |                   |             |                     | <b>80.67</b>    |               |               |     |              |               |       |              |               |      |              |                        |               |                   |       |       |

Changes to bids or offers must be made no later than 4.25pm London time

Trades must be made no later than 4.30pm London time.

The prices for North Sea grades of crude oil are established by adding the current Argus North Sea Dated price to the current market differential for that grade of crude. Formulas for Dated-related crudes are an indication of the differential to Dated around bill of lading assessed as achievable on the day of the report. Argus does not consider ship-to-ship transfers when assessing the grade differentials.

### Cif trade

Argus includes trade done on a cif Rotterdam basis in assessing the fob price of the benchmark grades.

Offers or deals done on a cif basis will take precedence over fob activity for the same days.

Trades done on a cif Rotterdam basis are brought back two days in time to align with the 10 days-month ahead forward period of the fob assessment.

To be considered for inclusion in the assessment, market information must be for delivery during a period starting 12 days after the date of assessment and ending on the same day plus two the following month.

### Freight

Argus also adjusts cif Rotterdam prices the nominal cost of moving crude from the Brent, Forties, Oseberg, Ekofisk and Troll loading terminals to Rotterdam.

This freight rate is calculated as 80pc of the cost of freight between Rotterdam and the loading point based on the average of the Argus UK-UK continent weighted average freight rate in the 10 previous publishing days. See the [Argus Tanker Freight methodology](#).

Differentials are assessed and outright prices calculated for:

- Brent
- Forties
- Oseberg
- Ekofisk
- Troll
- Statfjord cif Rotterdam
- Statfjord fob platform - note: no modifications are made to the prevailing premium or discount in respect of freight arrangements.
- Gullfaks cif Rotterdam
- Gullfaks fob platform - note: no modifications are made to the prevailing premium or discount in respect of freight arrangements.
- Flotta Gold
- Grane
- Johan Sverdrup

Argus also publishes the component values for Brent, Forties, Oseberg (with quality premium applied), Ekofisk (with quality premium applied), Troll (with quality premium applied), and WTI that are used to calculate the price of Argus North Sea Dated. The component

values for these crudes are not necessarily the same as the prices for these crudes, as the prices are calculated by adding the market premium for the grade to the current Argus North Sea Dated value and the component values are calculated by adding the same market premium to the Anticipated Dated value.

### WTI cif Rotterdam

Argus also assesses WTI arriving in the Rotterdam area on a cif basis. Prices are assessed in the same way as the North Sea differentials described above, as a differential to Argus North Sea Dated.

### Timing

WTI cif Rotterdam is assessed and published for two delivery periods, one starting 12 days after the date of assessment and ending on the same day plus two the following month, to align with the timing of Argus North Sea Dated plus the two days' distance between Rotterdam and Hound Point, and a second starting the following day, one month and three days after the date of assessment, and ending 60 days after the date of assessment.

For example, on 6 February, the cif Rotterdam pricing period begins on 18 February and ends on 8 March.

### North Sea EFP

Argus publishes the North Sea EFP or the exchange of futures for physical price, which is the traded differential between 600,000 bl of Ice Brent futures and an equivalent volume of equivalent month North Sea forward contracts.

### Ice Bwave

Argus also shows the Bwave price for three months forward. This is a weighted average of trade on the Ice Brent contract on the previous working day as calculated by the IntercontinentalExchange. It is used as a component in the Saudi Aramco formula for crude sales into Europe. Argus shows the Saudi Formula Base price which is derived from the Bwave that is the underlying price in its sales formula to European customers. The same formula is used by Kuwait and Iran in sales to European customers.

### Ice minute markers

Argus shows the Ice 1 minute marker price which is a weighted average of trade on the Ice Brent contract between 4:29 and 4:30pm for two months forward as calculated by the IntercontinentalExchange.

### Dated CFDs

Argus quotes prices for North Sea Dated CFDs, timestamped at 12:00pm and at 4:30pm London time. These are contracts for difference (or short-term swaps) for Dated against forward North Sea contracts. These North Sea Dated CFD prices are expressed as differentials to forward North Sea for six weekly periods forward.

### Intermonths

The forward North Sea market rarely trades at fixed prices. Instead, most trade is in the form of intermonth trades. Argus assesses the price levels for these intermonth trades in the forward intermonths table and uses these intermonth assessments to construct the fixed forward price assessments in the North Sea table on page 3.



## North Sea calculations

The North Sea calculations table shows how the component parts of Dated are used to derive the benchmark price.

**North Sea basis (flat price)** is a weighted average of forward North Sea trade in the minute leading up to 4:30pm London time. In the absence of reported trade, the Ice Brent, or Ice Brent NX, minute marker and an EFP are used.

**Anticipated Dated** was previously called Argus Synthetic BFO. It is an average of the prices 10 days-month ahead that are anticipated by the market for Dated as derived from the CFD market.

The **Brent, Forties, Oseberg (with quality premium applied), Ekofisk (with quality premium applied), Troll (with quality premium applied), and WTI components** are the average prices 10 days-month ahead using the Argus Dated methodology. The lowest of these components sets Argus Dated (see *Calculating North Sea Dated*).

## Argus alternative Dated illustrations

Argus publishes an alternative Dated illustration: **Argus Dated Average**, an average of the Brent, Forties, Oseberg, Ekofisk, Troll and WTI components. **Argus Dated BFOET**, (equivalent to Argus North Sea Dated without WTI) and North Sea Dated+JS (equivalent to Argus Dated BFOET plus Johan Sverdrup). The quality premiums used in Dated BFOET North Sea Dated+JS may differ from the quality premiums used in North Sea Dated, as the WTI component is not included in their calculation. The Johan Sverdrup quality pre-

mium is 140pc of the difference between the price of Johan Sverdrup and the most competitive of Brent, Forties, Oseberg, Ekofisk and Troll in the second month prior to the month of loading.

## Crude sulphur de-escalator

The Argus sulphur de-escalator is an assessment of the relative value of sulphur in crude delivered into northwest Europe. The Argus sulphur de-escalator is assessed on the first trading day of each month. Argus bases its assessment on the difference in the value of sulphurous crudes and non-sulphurous crudes traded in Europe in the previous month. In line with industry practice, the sulphur de-escalator is expressed in ¢/bl per 0.1pc weight of sulphur.

## Buzios cfr Rotterdam

Argus also assesses Brazilian crude Buzios arriving in the Rotterdam area on a cfr basis. Prices are assessed as a differential to the average Argus North Sea Dated price published during the month of arrival. Outright prices are calculated by applying the market differential to the daily Argus North Sea Dated price.

Argus will roll over the Argus North Sea Dated basis month when the bulk of activity is on that basis. Any trade after this rollover that is based on a different basis month will then be converted to its equivalent value against the current month by using inter-month spreads. The assessments are for cargoes of between 950,000 bl and 1mn bl arriving 35-60 days from the date of assessment.

| North Sea assessments   |              |                   |   |                             |                |
|-------------------------|--------------|-------------------|---|-----------------------------|----------------|
| Grade                   | Typical °API | Typical Sulphur % | Basis/Location  | Timing                      | Cargo size     |
| Dated                   |              |                   | fob Sullom Voe, Hound Point, Teesside, UK or Sture terminal | Loading 10 days-month ahead | 700,000 bl     |
| Brent                   | 38.6         | 0.35              | fob Sullom Voe  | Loading 10 days-month ahead | 700,000 bl     |
| Forties                 | 40.5         | 0.6               | fob Hound Point, UK   | Loading 10 days-month ahead | 700,000 bl     |
| Oseberg                 | 39.6         | 0.2               | fob Sture terminal  | Loading 10 days-month ahead | 700,000 bl     |
| Ekofisk                 | 38.9         | 0.21              | fob Teesside, UK  | Loading 10 days-month ahead | 700,000 bl     |
| Troll                   | 37.5         | 0.15              | fob Mongstad terminal                                       | Loading 10 days-month ahead | 700,000 bl     |
| Statfjord cif Rotterdam | 39.3         | 0.25              | cif Rotterdam   | Loading 10 days-month ahead | 855,000 bl     |
| Statfjord fob platform  | 39.1         | 0.22              | fob platform  | Loading 10 days-month ahead | 855,000 bl     |
| Gullfaks cif Rotterdam  | 39.2         | 0.2               | cif Rotterdam   | Loading 10 days-month ahead | 855,000 bl     |
| Gullfaks fob platform   | 36.2         | 0.26              | fob platform  | Loading 10 days-month ahead | 855,000 bl     |
| Flotta Gold             | 36.3         | 0.63              | fob Flotta terminal   | Loading 10 days-month ahead | 650,000 bl     |
| Grane                   | 28.8         | 0.6               | fob Sture terminal  | Loading 10 days-month ahead | 600,000 bl     |
| Johan Sverdrup          | 28.7         | 0.81              | fob Mongstad terminal                                       | Loading 10 days-month ahead | 600,000 bl     |
| Buzios                  | 28.4         | 0.3               | cfr Rotterdam   | Arriving 35-60 days ahead   | 950,000-1mn bl |

## Russia-Caspian

Argus assesses the price for a variety of Russian and Caspian crudes transported by ship, and by pipeline to central Europe. Argus also calculates netback values to the loading terminals for several crudes.

Russian and Caspian crude prices are calculated using the differentials to the current Dated price. The grade differentials are assessed during the course of the day with a cut off at 5:30pm London time. The current differentials and current Dated assessments are added together to generate the grade assessment.

Argus conducts quarterly surveys of market participants and surveyors as well as using quality certificates for loaded cargoes to ascertain average Urals gravity and sulphur content over the quarter. The average arrived at by this method will be applied to crude loading in the following quarter.

Seaborne Urals (Russian Export Blend) assessments assume an EU-standard double-hulled vessel.

The timing varies by assessment, see the table below.

### Russian-Caspian assessments

The **CPC Blend** assessment is the price of CPC Blend, a Kazakh export blend. The value of CPC Blend is calculated by applying the market differential of CPC Blend cif Augusta to the current Dated value. The prevailing market differential is also published separately. The assessment includes all freight and other costs, including an additional war risk premium (AWRP) (see the [Argus Nefte Transport methodology](#)).

The **BTC** assessment is the price of BTC origin crude. BTC is the Baku-Tbilisi-Ceyhan pipeline which has its terminal at Ceyhan, Turkey. The value of the BTC crude is calculated by applying the market differential of BTC cif Augusta to the current Dated value. The prevailing market differential is also published separately.

The **Azeri Light** assessment is the price of Azeri Light, a crude from Azerbaijan. The value of Azeri Light is calculated by applying the market differential of Azeri Light cif Augusta to the current Dated value. The prevailing market differential is also published separately. In the absence of trade, Azeri Light is assessed in relation to BTC.

The **Urals fob Primorsk** assessment is the price of Urals, or Russian export blend crude. The value of Urals fob Primorsk is calculated by applying the market differential of Urals fob Primorsk to the Dated value. The prevailing market differential is also published separately.

The **Urals fob Ust-Luga** assessment is the price of Urals, or Russian export blend crude. The value of Urals fob Ust-Luga is calculated by applying the market differential of Urals fob Ust-Luga to the Dated value. The prevailing market differential is also published separately.

The **Urals fob Novorossiysk Aframax** assessment is the price of Urals, or Russian export blend crude. The value of Urals fob Novorossiysk is calculated by applying the market differential of Urals

Aframax cargoes fob Novorossiysk to the Dated value. The prevailing market differential is also published separately.

The **Urals fob Novorossiysk Suezmax** assessment is the price of Urals, or Russian export blend crude. The value of Urals fob Novorossiysk is calculated by applying the market differential of Urals Suezmax cargoes fob Novorossiysk to the Dated value. The prevailing market differential is also published separately.

The **Siberian Light fob Novorossiysk** assessment is the price of Siberian Light, a Russian export blend. The value of Siberian Light is calculated by applying the market differential of Siberian Light fob Novorossiysk to the current Dated value. The prevailing market differential is also published separately.

The **Urals 80,000t cif Black Sea** netback is calculated from the Urals fob Novorossiysk assessment with added freight costs to the Black Sea ports of Constantza/Media (Romania) and Burgas (Bulgaria). The freight cost is for 80,000t vessels and is assessed daily based on Black Sea-Med spot freight rates from the Argus Tanker Freight report applied to average flat rate for Novorossiysk-Constantza and Novorossiysk-Burgas routes (see the [Argus Tanker Freight methodology](#)). Insurance costs are calculated as a percentage of the cif Black Sea price and include an additional war risk premium (AWRP) (see the [Argus Nefte Transport methodology](#)). The netback does not include transportation losses, ballast, port demurrage, commissions, bank loan expenses or market structure.

The **Urals dap west coast India** assessment is the price of Urals crude, or Russian export blend crude arriving at the west coast of India on a delivered at place (dap) basis. The west coast of India includes the ports of Sikka, Mundra, Vadinar, Jamnagar, Mumbai and Kochi. The value of Urals dap west coast India is calculated by applying the market differential of Urals dap west coast India to the Dated value. The prevailing market differential is also published separately. The Urals dap west coast India assessment is also expressed at a differential to Dubai. This price is calculated using the relevant 4.30pm London spread between North Sea Dated and the average of the Dubai assessment(s) for the delivery period 15-45 days forward.

The **Kebco cif Augusta** assessment is the price of Kebco, Kazakhstan-origin crude. The value of Kebco is calculated by applying the market differential of Kebco cif Augusta to the current Dated value. The prevailing market differential is also published separately.

The **Kebco fob Novorossiysk Aframax** netback is calculated from the price of Kebco cif Augusta, netted back to Novorossiysk. The Kebco fob Novorossiysk Aframax netback is derived from the Kebco cif Augusta assessment netted back for freight, insurance, additional war risk premium and demurrage costs. The freight cost and the additional war risk premium are for 80,000t vessels and are assessed daily based on spot freight rates from the Argus Tanker Freight report (see [Argus Tanker Freight methodology](#)). Insurance costs are calculated as a percentage of the outright cif price. Demurrage costs are assessed daily and multiplied by the number of days delay in both directions, north bound and south bound, in the Turkish straits above two days. The netback does not include

transportation losses, ballast, port demurrage, commissions, bank loan expenses or market structure.

The **Kebco fob Novorossiysk Suezmax** netback is calculated from the price of Kebco cif Augusta, netted back to Novorossiysk. The Kebco fob Novorossiysk Suezmax netback is derived from the Kebco cif Augusta assessment netted back for freight, insurance, additional war risk premium and demurrage costs. The freight cost and the additional war risk premium are for 140,000t vessels and are assessed daily based on spot freight rates from the Argus Tanker Freight report (see [Argus Tanker Freight methodology](#)). Insurance costs are calculated as a percentage of the outright cif price. Demurrage costs are assessed daily and multiplied by the number of days delay in both directions, north bound and south bound, in the Turkish straits above two days. The netback does not include transportation losses, ballast, port demurrage, commissions, bank loan expenses or market structure.

The **CPC Blend fob Terminal** netback is calculated from the price of CPC Blend, netted back to the CPC terminal near Novorossiysk, adjusted for other costs. The CPC Terminal fob netback is derived from the CPC Blend cif Augusta assessment netted back for freight, insurance and demurrage costs. The freight cost is for 80,000t vessels and is assessed daily based on spot freight rates from the Argus Tanker Freight report (see the [Argus Tanker Freight methodology](#)). Insurance costs are calculated as a percentage of the outright cif price and include an additional war risk premium (AWRP) (see the [Argus Nefte Transport methodology](#)). Demurrage costs are assessed daily and multiplied by the number of days delay in both directions, north bound and south bound, in the Turkish straits above two days. The netback does not include transportation losses, ballast, port demurrage, commissions, bank loan expenses or market structure.

The **BTC fob Ceyhan** quotation is an assessment but in the absence of strong trading indications will be based on a BTC fob netback derived from the BTC cif Augusta assessment netted back for freight and insurance costs. The freight cost will be for 80,000t vessels and will be assessed daily based on spot freight rates from the Argus Tanker Freight report (see the [Argus Tanker Freight methodology](#)). Insurance costs are calculated as a percentage of the outright cif price.

The **Azeri Light fob Supsa** netback is calculated from the price of Azeri Light, netted back to Supsa, adjusted for other costs. The Azeri Light fob netback is derived from the Azeri Light cif Augusta assessment netted back for freight, insurance and demurrage costs. The freight cost is for 80,000t vessels and is assessed daily based on spot freight rates from the Argus Tanker Freight report (see the [Argus Tanker Freight methodology](#)). Insurance costs are calculated as a percentage of the outright cif price. Demurrage costs are assessed daily and multiplied by the number of days delay in the Turkish Straits above two days. The netback does not include transportation losses, ballast, port demurrage, commissions, bank loan expenses or market structure.

#### Russia-Caspian retrospective assessments

These assessments are based on the publication date's North Sea Dated added to the average of the fob differentials published over the

retrospective period during which cargoes for loading that day are likely to have traded. They give the approximate price that a cargo loading on the day of publication could be expected to achieve.

The **Urals fob Primorsk retrospective** assessment is based on the publication date's North Sea Dated added to the average of the Urals fob Primorsk differentials for working days in a 10-25 day period before the publication date.

The **Urals fob Ust-Luga retrospective** assessment is based on the publication date's North Sea Dated added to the average of the Urals fob Ust-Luga differentials for working days in a 10-25 day period before the publication date.

The **Urals fob Novorossiysk Aframax retrospective** assessment is based on the publication date's North Sea Dated added to the average of the Urals fob Novorossiysk differentials for working days in a 10-25 day period before the publication date.

The **CPC Blend fob CPC Terminal retrospective** assessment is based on the publication date's North Sea Dated added to the average of the CPC Blend fob CPC Terminal differentials for working days in a 20-40 day period before the publication date.

#### Druzhba pipeline prices

Argus publishes monthly price assessments for inland deliveries of Russian Urals crude to refineries in eastern Europe by the Druzhba (Friendship) pipeline. Prices reflect competitive spot and term deals between the last Russian seller and the first independent buyer — trader or refiner. Argus establishes a buy-sell range based on the lowest price level of the market. Prices on the Druzhba line are usually established in the first week of a month for the past month's supplies.

**Monthly price assessments** are derived retrospectively from prices agreed between buyers and sellers to determine the differential to North Sea Dated based on formulas linking Druzhba and seaborne Urals prices. The monthly differentials emerge at the beginning of the following month. So the July differentials to Dated for Druzhba appear at the beginning of August. Argus assesses the low and high differential to Dated for different locations on the Druzhba pipeline, based on the lowest and highest trades for a given month. These are combined with an average of Dated values over the appropriate month to give an outright price.

The **Druzhba Slovakia assessment** is the price of Urals fit Budkovce for delivery to Slovakia along the Druzhba pipeline at first point of export. The value of Druzhba Slovakia is calculated by applying a low and high differential of Druzhba Slovakia to the Dated value for the previous month. The prevailing market differentials are also published separately.

The **Druzhba Hungary assessment** is the price of Urals fit Fenyestitke for delivery to Hungary along the Druzhba pipeline at first point of export. The value of Druzhba Hungary is calculated by applying a low and high differential of Druzhba Hungary to the Dated value for the previous month. The prevailing market differentials are also published separately.

| Russian-Caspian assessments     |              |                   |                               |  |                                     |                 |
|---------------------------------|--------------|-------------------|-------------------------------|--|-------------------------------------|-----------------|
| Grade                           | Typical °API | Typical Sulphur % | Conversion factor <i>t/bl</i> | Basis/Location                           | Timing                              | Cargo size      |
| Kebco                           | 30.37        | 1.73              | 7.1956                        | cif Augusta, Italy                       | Loading 10-25 days ahead            | 80,000-140,000t |
| Siberian Light Novorossiysk     | 35.29        | 0.56              | 7.4143                        | fob Novorossiysk, Black Sea              | Loading 10-25 days ahead            | 80,000-100,000t |
| CPC Blend*                      | 46.00        | 0.60              | 7.8904                        | cif Augusta, Italy                       | Loading 20-40 days ahead            | 80,000-135,000t |
| BTC                             | 38.50        | 0.15              | 7.5570                        | cif Augusta, Italy                       | Loading 15-35 days ahead            | 80,000-135,000t |
| Azeri Light                     | 34.90        | 0.14              | 7.3970                        | cif Augusta, Italy                       | Loading 15-35 days ahead            | 80,000-135,000t |
| Urals fob Primorsk*             | 29.83        | 1.68              | 7.1716                        | fob Primorsk, Baltic                     | Loading 10-25 days ahead            | 100,000t        |
| Urals fob Ust-Luga*             | 31.19        | 1.69              | 7.2321                        | fob Ust-Luga, Baltic                     | Loading 10-25 days ahead            | 100,000t        |
| Urals fob Novorossiysk Aframax* | 30.37        | 1.73              | 7.1956                        | fob Novorossiysk, Black Sea              | Loading 10-25 days ahead            | 80,000t         |
| Urals fob Novorossiysk Suezmax* | 30.37        | 1.73              | 7.1956                        | fob Novorossiysk, Black Sea              | Loading 10-25 days ahead            | 140,000t        |
| Urals cif Black Sea Aframax*    | 30.37        | 1.73              | 7.1956                        | cif Black Sea                            | Loading 10-25 days ahead            | 80,000t         |
| Urals dap west coast India*     | 29.83        | 1.68              | 7.1716                        | dap west coast India                     | Delivered 15-45 days ahead          | 80,000-135,000t |
| CPC Terminal*                   | 46.00        | 0.60              | 7.8904                        | fob CPC terminal                         |                                     | 80,000t         |
| BTC*                            | 38.50        | 0.15              | 7.5570                        | fob Ceyhan                               |                                     | 80,000t         |
| Azeri Light                     | 34.90        | 0.14              | 7.3970                        | fob Supsa                                |                                     | 80,000t         |
| Druzhba Slovakia*               | 31.23        | 1.71              | 7.2338                        | fit Budkovce (for Slovak delivery)       | Delivered during the previous month | 10,000t tranche |
| Druzhba Hungary*                | 31.23        | 1.71              | 7.2338                        | fit Feneshlitke (for Hungarian delivery) | Delivered during the previous month | 10,000t tranche |

\*1Q24 qualities used in 2Q24 calculations

## Mediterranean

Argus assesses a variety of sweet and sour grades of crude in the Mediterranean. The crudes chosen are not only those for which there is open spot market activity but also those that allow price comparisons on sulphur and other specifications. The published prices are not meant to be official selling prices. Official selling prices will also be published in Argus Crude and clearly labelled as such.

Mediterranean crude prices are calculated using the differentials to the current North Sea Dated price. The methodology behind the Dated assessment can be found in the North Sea section and on [www.argusmedia.com](http://www.argusmedia.com). The grade differentials are assessed during the course of the day with a cut off time at 5:30pm London time. The current differentials and current Dated assessments are added together to generate the grade assessment.

The timing of the price assessments is for an average price in the period 10-25 days ahead except for Saharan Blend, which is for an average of 15-35 days ahead.

### Mediterranean assessments

The value of **Saharan Blend**, an Algerian crude, fob Arzew, is calculated by applying the market differential of Saharan Blend to the current Dated value. The prevailing market differential is also published separately.

The value of **Zarzaitine**, an Algerian crude, fob Tunisia, is calculated by applying the market differential of Zarzaitine to the current Dated value. The prevailing market differential is also published separately.

The value of **Es Sider**, a Libyan crude, fob Libya, is calculated by applying the market differential of Es Sider to the current Dated value. The prevailing market differential is also published separately. In the absence of trade, the differential will be left unchanged.

The value of **Kirkuk**, an Iraqi crude, fob Ceyhan, is calculated by applying the market differential of Kirkuk to the current Dated value. In the absence of trade, the Kirkuk assessment will be left unchanged.

The value of **Basrah Medium**, an Iraqi crude, fob Basrah Oil Terminal (BOT) for European destinations, is calculated by applying the market differential to the official formula price and the current Dated value. The prevailing market differential is also published separately.

The value of **Basrah Heavy**, an Iraqi crude, fob Basrah Oil Terminal (BOT) for European destinations, is calculated by applying the market differential to the official formula price and the current Dated value. The prevailing market differential is also published separately.

The value of **Iran Light**, an Iranian crude, fob Sidi Kerir is assessed using the latest available official formula price, the prevailing Dated-to-Frontline (DFL) value (the difference between North Sea Dated and Ice Brent futures on a calendar month basis) for the appropriate month and changes in the value of the Basrah Medium Mediterranean assessment. The prevailing market differential to the Dated value is also published separately. Prior to February 2022, Argus used changes in the value of the Urals Aframax assessment.

The value of **Iran Heavy**, an Iranian crude, fob Sidi Kerir, is assessed using the latest available official formula price, the prevailing Dated-to-Frontline (DFL) value (the difference between North Sea Dated and Ice Brent futures on a calendar month basis) for the appropriate month and changes in the value of the Basrah Medium Mediterranean assessment. The prevailing market differential to the Dated value is also published separately. Prior to February 2022, Argus used changes in the value of the Urals Aframax assessment.

The value of **Suez Blend**, an Egyptian crude, fob Ras Shukeir, is assessed using the latest available official formula price and changes to the Basrah Medium Mediterranean assessment. The prevailing market differential to the Dated value is also published separately. Prior to February 2022, Argus used changes in the value of the Urals Aframax assessment.

### Official formula prices

Argus also publishes official formula prices for crude from Algeria, Syria and Libya. These are expressed as differentials to Dated or Urals in the Mediterranean for a given loading month and are set by national oil companies.

| Mediterranean assessments |              |                   |                               |                          |                 |
|---------------------------|--------------|-------------------|-------------------------------|--------------------------|-----------------|
| Grade                     | typical °API | Typical Sulphur % | Basis/ Location               | Timing                   | Cargo size      |
| Saharan Blend             | 46.0         | 0.10              | fob Arzew                     | Loading 15-35 days ahead | 80,000-130,000t |
| Zarzaitine                | 42.8         | 0.06              | fob La Skhirra                | Loading 10-25 days ahead | 80,000-130,000t |
| Es Sider                  | 36.2         | 0.49              | fob Libya                     | Loading 10-25 days ahead | 80,000-130,000t |
| Kirkuk                    | 36.0         | 2.00              | fob Ceyhan                    | Loading 10-25 days ahead | 80,000-130,000t |
| Basrah Medium             | 29           | 3                 | fob Basrah Oil Terminal (BOT) | Month of loading         | 80,000-130,000t |
| Basrah Heavy              | 24           | 4.1               | fob Basrah Oil Terminal (BOT) | Month of loading         | 1mn-2mn bl      |
| Iran Light                | 33.7         | 1.50              | fob Sidi Kerir                | Loading 10-25 days ahead | 80,000-130,000t |
| Iran Heavy                | 30.7         | 1.80              | fob Sidi Kerir                | Loading 10-25 days ahead | 80,000-130,000t |
| Suez Blend                | 30.4         | 1.65              | fob Ras Shukeir               | Loading 10-25 days ahead | 80,000-130,000t |

## West Africa

Argus assesses a variety of west African crudes. The crudes chosen are not only those for which there is open spot market activity but also those that allow price comparisons among the various grades. The published prices are not meant to be official formula prices. Official formula prices will also be published in Argus Crude and clearly labelled as such.

West African crude prices are calculated using the differentials to the current North Sea Dated price. The methodology behind the Dated assessment can be found in the North Sea section and on [www.argusmedia.com](http://www.argusmedia.com). The grade differentials are assessed during the course of the day with a cut off time at 5:30pm London time. The current differentials and current Dated assessments are added together to generate the grade assessment. The timing of the Nigerian price assessments is for an average price in the period 20-45 days ahead. The timing of the Angolan price assessments is for an average price in the period 25-60 days ahead.

### West Africa assessments

The value of **Agbami**, a Nigerian crude, is calculated by applying the market differential of Agbami to the current Dated value. The prevailing market differential is also published separately.

The value of **Amenam**, a Nigerian crude, is calculated by applying the market differential of Amenam to the current Dated value. The prevailing market differential is also published separately.

The value of **Bonga**, a Nigerian crude, is calculated by applying the market differential of Bonga to the current Dated value. The prevailing market differential is also published separately.

The value of **Bonny Light**, a Nigerian crude, is calculated by applying the market differential of Bonny Light to the current Dated value. The prevailing market differential is also published separately.

The value of **Brass River**, a Nigerian crude, is calculated by applying the market differential of Brass River to the current Dated value. The prevailing market differential is also published separately.

The value of **CJ Blend**, a Nigerian crude, is calculated by applying the market differential of CJ Blend to the current Dated value. The prevailing market differential is also published separately.

The value of **EA Blend**, a Nigerian crude, is calculated by applying the market differential of EA Blend to the current Dated value. The prevailing market differential is also published separately.

The value of **Egina**, a Nigerian crude, is calculated by applying the market differential of Egina to the current Dated value. The prevailing market differential is also published separately.

The value of **Erha**, a Nigerian crude, is calculated by applying the market differential of Erha to the current Dated value. The prevailing market differential is also published separately.

The value of **Escravos**, a Nigerian crude, is calculated by applying the market differential of Escravos to the Dated value. The prevailing market differential is also published separately.

The value of **Forcados**, a Nigerian crude, is calculated by applying the market differential of Forcados to the current Dated value. The prevailing market differential is also published separately.

The value of **Qua Iboe**, a Nigerian crude, is calculated by applying the market differential of Qua Iboe to the current Dated value. The prevailing market differential is also published separately.

The value of **Usan**, a Nigerian crude, is calculated by applying the market differential of Usan to the current Dated value. The prevailing market differential is also published separately.

The value of **Cabinda**, an Angolan crude, is calculated by applying the market differential of Cabinda to the current Dated value. The prevailing market differential is also published separately.

The value of **Dalia**, an Angolan crude, is calculated by applying the market differential of Dalia to the current Dated value. The prevailing market differential is also published separately.

The value of **Girassol**, an Angolan crude, is calculated by applying the market differential of Girassol to the current Dated value. The prevailing market differential is also published separately.

The value of **Hungo**, an Angolan crude, is calculated by applying the market differential of Hungo to the current Dated value. The prevailing market differential is also published separately.

The value of **Kissanje**, an Angolan crude, is calculated by applying the market differential of Kissanje to the current Dated value. The prevailing market differential is also published separately.

The value of **Mostarda**, an Angolan crude, is calculated by applying the market differential of Mostarda to the current Dated value. The prevailing market differential is also published separately.

The value of **Nemba**, an Angolan crude, is calculated by applying the market differential of Nemba to the current Dated value. The prevailing market differential is also published separately.

The value of **Zafiro**, a crude from Equatorial Guinea, is calculated by applying the market differential of Zafiro to the current Dated value. The prevailing market differential is also published separately.

The value of **Jubilee**, a Ghanaian crude, is calculated by applying the market differential of Jubilee to the current Dated value. The prevailing market differential is also published separately.

The value of **Doba**, a Chadian crude, is calculated by applying the market differential of Doba to the current Dated value. The prevailing market differential is also published separately.



The value of **Djeno**, a Congolese (Brazzaville) crude, is calculated by applying the market differential of Djeno to the current Dated value. The prevailing market differential is also published separately.

### Nigerian official formula prices

Argus also publishes official formula prices for crude from Nigeria. These are expressed as differentials to Dated for a given loading month and are set by Nigeria's national oil company NNPC.

| West Africa assessments |              |                   |                                |                          |            |
|-------------------------|--------------|-------------------|--------------------------------|--------------------------|------------|
| Grade                   | typical °API | typical sulphur % | Basis/Location                 | Timing                   | Cargo size |
| Agbami                  | 47.2         | 0.05              | fob Nigeria                    | Loading 20-45 days ahead | 950,000 bl |
| Amenam                  | 40.8         | 0.093             | fob Nigeria                    | Loading 20-45 days ahead | 950,000 bl |
| Bonga                   | 29.11        | 0.292             | fob Nigeria                    | Loading 20-45 days ahead | 950,000 bl |
| Bonny Light             | 34.5         | 0.14              | fob Nigeria                    | Loading 20-45 days ahead | 950,000 bl |
| Brass River             | 36.5         | 0.13              | fob Nigeria                    | Loading 20-45 days ahead | 950,000 bl |
| CJ Blend                | 35.72        | 0.10              | fob Nigeria                    | Loading 20-45 days ahead | 650,000 bl |
| EA Blend                | 30.47        | 0.11              | fob Nigeria                    | Loading 20-45 days ahead | 950,000 bl |
| Egina                   | 27.27        | 0.165             | fob Nigeria                    | Loading 20-45 days ahead | 1mn bl     |
| Erha                    | 33.7         | 0.1798            | fob Nigeria                    | Loading 20-45 days ahead | 950,000 bl |
| Escravos                | 34           | 0.15              | fob Nigeria                    | Loading 20-45 days ahead | 950,000 bl |
| Forcados                | 30           | 0.15              | fob Nigeria                    | Loading 20-45 days ahead | 950,000 bl |
| Qua Iboe                | 36.6         | 0.13              | fob Nigeria                    | Loading 20-45 days ahead | 950,000 bl |
| Usan                    | 30.6         | 0.23              | fob Nigeria                    | Loading 20-45 days ahead | 1mn bl     |
| Cabinda                 | 32.5         | 0.13              | fob Angola                     | Loading 25-60 days ahead | 950,000 bl |
| Dalia                   | 23.7         | 0.49              | fob Angola                     | Loading 25-60 days ahead | 950,000 bl |
| Girassol                | 31           | 0.33              | fob Angola                     | Loading 25-60 days ahead | 950,000 bl |
| Hungo                   | 27.4         | 0.65              | fob Angola                     | Loading 25-60 days ahead | 950,000 bl |
| Kissanje                | 30.7         | 0.36              | fob Angola                     | Loading 25-60 days ahead | 950,000 bl |
| Mostarda                | 28.17        | 1.083             | fob Angola                     | Loading 25-60 days ahead | 950,000 bl |
| Nemba                   | 38.7         | 0.19              | fob Angola                     | Loading 25-60 days ahead | 950,000 bl |
| Zafiro                  | 29.5         | 0.26              | fob offshore Equatorial Guinea | Loading 25-60 days ahead | 950,000 bl |
| Jubilee                 | 36.4         | 0.26              | fob Ghana                      | Loading 25-60 days ahead | 950,000 bl |
| Doba                    | 25.1         | 0.08              | fob offshore Cameroon          | Loading 25-60 days ahead | 950,000 bl |
| Djeno                   | 27.59        | 0.341             | fob Congo Brazzaville          | Loading 25-60 days ahead | 920,000 bl |

## Mideast Gulf

### Mideast Gulf assessments

#### Dubai

Argus assesses the price of physical Dubai crude for four forward months. Front-month physical Dubai is for cargoes loading two months from the month of publication. For example, on 21 September, the front month is November and prices are published for crude loading in November, December, January and February. On 1 October, the front month becomes December and prices are published for crude loading in December, January, February and March.

The physical price of Dubai crude is assessed using two or three components, depending on the forward month being assessed — the price of Ice Brent futures, the price of Brent-Dubai exchange of futures for swaps (EFS) and the price spreads between forward months in the Dubai swaps market.

This approach reflects the way in which the market manages Dubai price exposure by linking the price of Dubai crude to one of the world's most liquid exchange-traded futures contracts, Ice Brent, and the active trade in Brent-Dubai EFS and Dubai swaps.

Two of the components of the physical Dubai price assessment are assessed by Argus reporters — the price of the Brent-Dubai EFS contract at 4.30pm Singapore time, and the price spreads between forward months in the Dubai swaps market at 4.30pm Singapore time.

The Ice Brent futures price component is the Ice Brent 4.30pm Singapore one-minute marker, a weighted average of trades done for the month of loading during a one-minute period from 16:29:00 to 16:30:00 local Singapore time.

Typically, and due to the relative liquidity of the underlying Brent-Dubai EFS and Dubai swaps markets, the physical Dubai price for the third forward month (four months from the date of publication) is assessed using the corresponding Ice Brent futures price and the Brent-Dubai EFS price. The physical Dubai price for the first, second and fourth forward months are assessed using the physical Dubai price for the third forward month and the price of spreads between forward months in the Dubai swaps market.

#### Example (forward month three):

On 21 September: The Ice Brent futures price for November minus the Brent-Dubai EFS price for November results in the Dubai swap price for November. Dubai swaps are settled against prices for cargoes loading two months after the date of trade.

In this example, the Brent-Dubai EFS is an exchange of a November Brent futures contract for a November Dubai swaps contract that will settle against the price of physical delivery two months later, in January.

| Forward month 3 (January) |          |             |
|---------------------------|----------|-------------|
| Component                 | Timing   | Price \$/bl |
| Ice Brent                 | November | 47.76       |
| EFS                       | November | -1.76       |
| Dubai swap                | November | 46.00       |
| Dubai physical assessment | January  | 46.00       |

Therefore, the price of physical Dubai crude loading in January is the Ice Brent futures price for November minus the Brent-Dubai EFS price for November.

#### Example (forward months one, two and four):

On 21 September: The physical Dubai price for the third forward month (January) was \$46/bl as explained above. Argus reporters assessed the following inter-month spreads between Dubai swaps prices

November/December -1.35  
 December/January -0.82  
 January/February -0.74

which allow for the calculation of physical Dubai prices for November, December and February.

| Forward month 1 (November) |                   |       |
|----------------------------|-------------------|-------|
| Component                  | Timing            | Price |
| Dubai physical             | December          | 45.18 |
| Intermonth spread          | November/December | -1.35 |
| Dubai physical assessment  | November          | 43.83 |

| Forward month 2 (December) |                  |       |
|----------------------------|------------------|-------|
| Component                  | Timing           | Price |
| Dubai physical             | January          | 46.00 |
| Intermonth spread          | December/January | -0.82 |
| Dubai physical assessment  | December         | 45.18 |

| Forward month 4 (February) |                  |       |
|----------------------------|------------------|-------|
| Component                  | Timing           | Price |
| Dubai physical             | January          | 46.00 |
| Intermonth spread          | January/February | -0.74 |
| Dubai physical assessment  | February         | 46.74 |

### Oman

Argus assesses the price of physical Oman crude for three forward months. Front-month physical Oman is for cargoes loading two months from the month of publication. For example, on 21 September, the front month is November and prices are published for crude loading in November, December and January. On 1 October, the front month becomes December and prices are published for crude loading in December, January and February.

The physical price of Oman crude is assessed relative to the anticipated official selling price from the Ministry of Oil and Gas (MOG), which is itself based on the price of DME Oman futures.

Argus adds to the DME Oman futures price a market differential for full cargoes, to reflect physical OTC market prices.

| Oman     |                                   |                    |                            |
|----------|-----------------------------------|--------------------|----------------------------|
| Month    | Differential to DME Oman futures* | DME Oman futures † | Oman Physical assessment ‡ |
| November | 0.06                              | 44.58              | 44.64                      |
| December | 0.06                              | 45.41              | 45.47                      |
| January  | 0.06                              | 46.28              | 46.34                      |

\*Assessed by Argus †Exchange settlement ‡Assessed market differential + DME Oman futures

### Murban

Argus assesses the price of Murban relative to the monthly average of physical Dubai assessments in the month of cargo loading. Outright prices are calculated using Dubai swaps and the spot market premium or discount to the anticipated monthly average of front-month Dubai assessments.

#### Example

On 19 May:

- The Dubai front-month swaps contract (for July) is assessed at \$64.70/bl
- The current spot market differential of July-loading Murban to the anticipated monthly average of Dubai assessments in July is +\$1.73/bl
- The outright Argus assessment for July-loading Murban is \$66.43/bl.

| Murban    |              |                                     |                   |
|-----------|--------------|-------------------------------------|-------------------|
| Component | Dubai swaps* | Current spot differential to Dubai* | Murban assessment |
| Month     | July         | July                                | July              |
| Price     | 64.70        | +1.73                               | 66.43             |

\*Assessed by Argus

### Das, Umm Lulu and Upper Zakum

Argus assesses the prices of Das, Umm Lulu and Upper Zakum relative to the monthly average of physical Dubai assessments in the month of cargo loading. Outright prices are calculated using Dubai swaps and the spot market premium or discount of the grade to the anticipated monthly average of front-month Dubai assessments.

### Example

On 19 May:

- The Dubai front-month swaps contract (for July) is assessed at \$64.70/bl
- The current spot market differential of July-loading Upper Zakum to the anticipated monthly average of Dubai assessments in July is +\$1.33/bl
- The outright Argus assessment for July-loading Upper Zakum is \$66.03/bl.

| Upper Zakum |              |                                     |                        |
|-------------|--------------|-------------------------------------|------------------------|
| Component   | Dubai swaps* | Current spot differential to Dubai* | Upper Zakum assessment |
| Month       | July         | July                                | July                   |
| Price       | 64.70        | +1.33                               | 66.03                  |

\*Assessed by Argus

### Qatar Land and Qatar Marine

Argus assesses the prices of Qatar Land and Qatar Marine relative to the latest forward official formula price (OFP), front-month Dubai swaps prices and the currently traded market premium or discount to the anticipated OFP for each grade.

#### Example

On 21 September:

- The most recent OFP for the grade is for October and was published at \$1.95/bl below the average of front-month Dubai price assessments. *Note the OFP is published as a differential, rather than an outright price*
- The current market differential for Qatar Marine to the anticipated November Qatar Marine OFP is assessed at -95¢/bl
- The front-month Dubai swaps contract (for November) is assessed at \$46/bl

Assessments are of the price of crude loading two months from the month of publication.

| Qatar Land |                 |                          |                                    |                         |
|------------|-----------------|--------------------------|------------------------------------|-------------------------|
| Component  | Most recent OFP | Dubai front-month swaps* | Current spot differential to OSP † | Qatar Land assessment ‡ |
| Month      | October         | November                 | November                           | November                |
| Price      | -1.95           | 46.00                    | -0.95                              | 43.10                   |

\*Assessed by Argus †DME Oman front-month futures settlement ‡Average of Dubai and Oman front-month prices #Anticipated OFP+ current Qatar Land spot market differential

### Al-Shaheen

Argus assesses the price of Al-Shaheen relative to the market differential of Al-Shaheen to Dubai swaps for the month of loading.

#### Example

On 21 September:

- The market differential of Al-Shaheen to the front-month Dubai swaps price is -\$2.83/bl
- The front-month Dubai swaps contract is assessed at \$46/bl

| Al-Shaheen |              |   |                        |
|------------|--------------|---|------------------------|
| Component  | Dubai swaps* | Al-Shaheen differential to Dubai swaps* | Al-Shaheen assessment† |
| Month      | November     | November                                | November               |
| Price      | 46.00        | -2.83                                   | 43.17                  |

\*Assessed by Argus †Dubai swaps + Al-Shaheen differential assessment

### Banoco Arab Medium

Argus assesses the prices of Banoco Arab Medium relative to the latest forward official formula price (OFP) for Arab Medium, the front-month Dubai swaps and Oman futures prices and the currently traded market premium or discount to the anticipated OFP for Arab Medium.

#### Example

On 21 September:

- The most recent Saudi OFP for Arab Medium is for October and was published at \$1.30/bl below the average of front-month Dubai and front-month Oman price assessments. *Note the Saudi OFP is published as a differential, rather than an outright price*
- The current market differential for Banoco Arab Medium to the anticipated November Arab Medium OFP is assessed at -70¢/bl
- The Dubai front-month swaps contract (for November) is assessed at \$46/bl
- The Oman front-month futures price (for November) is \$44.58/bl
- The Dubai/Oman front-month average is therefore \$45.29/bl

Assessments are of the price of crude loading two months from the month of publication.

| Banoco Arab Medium |                 |                          |                               |                                 |                                     |                    |
|--------------------|-----------------|--------------------------|-------------------------------|---------------------------------|-------------------------------------|--------------------|
| Component          | Most recent OFP | Dubai front-month swaps* | DME Oman front-month futures† | Dubai/Oman front-month average‡ | Current Banoco differential to OFP† | Banoco assessment# |
| Month              | October         | November                 | November                      | November                        | November                            | November           |
| Price              | -1.30           | 46.00                    | 44.58                         | 45.29                           | -0.70                               | 43.29              |

\*Assessed by Argus †DME Oman front-month futures settlement ‡Average of Dubai and Oman front-month prices #Anticipated OFP+ current Banoco spot market differential

### Basrah Medium and Basrah Heavy

Argus assesses the prices of Basrah Medium and Basrah Heavy relative to the latest forward official formula price (OFP), the relevant Dubai swaps for the cargo loading month, second-month Oman futures prices and the currently traded market premium or discount to the OFP for each grade.

#### Example

On 20 November:

- The most recent OFP for the Basrah Medium is for December and was published at 45¢/bl above the average of front-month Dubai and front-month Oman price assessments in December. *Note the OFP is published as a differential, rather than an outright price*
- The current spot market differential for Basrah Medium to the December Basrah Medium OFP is assessed at +1.60/bl
- The Dubai swaps contract (for December) is assessed at \$44.02/bl
- The Oman second-month futures price (for February) is \$43.37/bl
- The Dubai/Oman front-month average is therefore \$44.20/bl

Assessments are of the price of crude for Asia-Pacific destinations loading one month from the month of publication.

| Basrah Medium |                 |              |                   |                     |  |                           |
|---------------|-----------------|--------------|-------------------|---------------------|--|---------------------------|
| Component     | Most recent OFP | Dubai swaps† | DME Oman futures* | Dubai/Oman average‡ | Current Basrah Medium differential to Basrah Medium OSP† | Basrah Medium assessment# |
| Month         | December        | December     | February          | na                  | November   | November                  |
| Price         | 0.45            | 44.02        | 44.37             | 44.20               | 1.60   | 46.25                     |

†Assessed by Argus \*DME Oman futures settlement ‡Average of Dubai and Oman prices #Anticipated OFP+current Basrah Medium spot market differential

### Qatari DFC and LFC

Argus assesses the prices of Qatari deodorised field condensate (DFC) and low sulphur condensate (LSC) relative to the spread between the spot market premium or discount to Dubai front-month swaps prices.

#### Example

On 21 September:

- The current market differential for DFC fob Qatar is assessed at 65¢/bl
- The Dubai front-month swaps contract is assessed at \$46/bl

Assessments are of the price of crude loading two months from the month of publication.

| Qatari DFC |  |                          |                        |
|------------|--|--------------------------|------------------------|
| Component  | Current DFC differential to Dubai front month swaps* | Dubai front month swaps† | Qatari DFC assessment† |
| Month      | November   | November                 | November               |
| Price      | 0.65   | 46.00                    | 46.65                  |

*\*The Oman/Dubai component of this spread is the average of the front-month assessment published in August †Assessed by Argus*

| Mideast Gulf assessments |              |                   |  |                  |            |
|--------------------------|--------------|-------------------|--|------------------|------------|
| Grade                    | Typical °API | Typical sulphur % | Basis/location                         | Timing           | Cargo size |
| Dubai                    | 31.0         | 2.04              | fob Dubai                              | Month of loading | 400,000 bl |
| Oman                     | 33.3         | 1.06              | fob Oman                               | Month of loading | 500,000 bl |
| Murban                   | 40.4         | 0.79              | fob UAE                                | Month of loading | 500,000 bl |
| Das                      | 39.2         | 1.30              | fob UAE                                | Month of loading | 500,000 bl |
| Umm Lulu                 | 41.6         | 0.68              | fob UAE                                | Month of loading | 500,000 bl |
| Upper Zakum              | 34.0         | 1.95              | fob UAE                                | Month of loading | 500,000 bl |
| Qatar Land               | 41.1         | 1.22              | fob Qatar                              | Month of loading | 500,000 bl |
| Qatar Marine             | 36.2         | 1.60              | fob Qatar                              | Month of loading | 500,000 bl |
| Al-Shaheen               | 30.3         | 1.9               | fob Qatar                              | Month of loading | 600,000 bl |
| Banoco A M               | 31.8         | 2.45              | fob Bahrain                            | Month of loading | 500,000 bl |
| Basrah Medium            | 29           | 3                 | fob Iraq for Asia-Pacific destinations | Month of loading | 2mn bl     |
| Basrah Heavy             | 24           | 4.1               | fob Iraq for Asia-Pacific destinations | Month of loading | 2mn bl     |
| Qatari DFC               | 55           | 0.74              | fob Qatar                              | Month of loading | 500,000 bl |
| Qatari LSC               | 59.05        | 0.098             | fob Qatar                              | Month of loading | 500,000 bl |

### Calculated IFAD Murban differentials

Argus publishes the price of key grades as differentials to the IFAD Murban crude futures. The differential is calculated as the spread between the Argus assessed outright price of each crude grade, and the daily IFAD Murban crude Singapore marker.

Murban differentials are published for

- Dubai
- Oman
- Qatar Al-Shaheen

- Banoco Arab Medium
- Basrah Medium fob Iraq\*
- Basrah Heavy fob Iraq\*
- DFC fob Qatar
- LSC fob Qatar
- ESPO Blend
- Substitute North Sea Dated

\*Asia-Pacific destination-restricted cargoes

### Calculated Murban RGV differentials

Argus publishes differentials of Abu Dhabi and Qatar crudes to Murban, using the refinery gate values (RGV) of each grade to demonstrate the relative value of each based on an assumed marginal refining configuration in Asia.

Assumed product yields are combined with daily Argus refined products price assessments to generate an RGV for each grade. Freight differentials will also be taken into consideration by comparing the cost difference in the voyage from each load port to Singapore. The refinery model's assumptions are reviewed and any revisions made on a semi-annual basis during the first and third quarters of each calendar year.

Murban differentials based on RGV are published for

- Das
- Upper Zakum
- Umm Lulu
- Qatar Land
- Qatar Marine

## Asia-Pacific

Argus assesses the price for a variety of Asia-Pacific crude grades. Argus assessments of Asia-Pacific crudes consist of a fixed-price or formula assessment and a differential assessment. All of these price assessments are made with a cut off of 4:30pm Singapore time, with the exception of those grades assessed on a North Sea Dated basis.

For those grades assessed relative to North Sea Dated, the differentials are assessed with a cut off of 4.30pm Singapore time, while the underlying North Sea Dated price is assessed at 4.30pm London time. The methodology behind the Dated assessment can be found in the North Sea section and on [www.argusmedia.com](http://www.argusmedia.com).

### Asia-Pacific assessments

#### Indonesia

Argus publishes assessments for Indonesian grades based on spot deals and market information for cargoes loading 15-45 days from the publication date.

The **Minas** assessment is calculated by applying the grade's differential relative to North Sea Dated to the same day's North Sea Dated value. The Minas spot market premium/discount is also published separately. The market premium/discount is assessed with a cut off of 4:30pm Singapore time. In the absence of specific market discussion, Argus may look at other Vietnamese or Malaysian grades of similar quality, to assess the Minas spot market premium/discount.

The **Duri** assessment is calculated by applying the grade's differential relative to North Sea Dated to the same day's North Sea Dated value. The Duri spot market premium/discount is also published separately. The market premium/discount is assessed with a cut off of 4:30pm Singapore time. In the absence of specific market discussion, Argus may look at other Vietnamese or Malaysian grades of similar quality, to assess the Duri spot market premium/discount.

The **Belida** assessment is calculated by applying the grade's differential relative to North Sea Dated to the same day's North Sea Dated value. The Belida spot market premium/discount is also published separately. The market premium/discount is assessed with a cut off of 4:30pm Singapore time. In the absence of specific market discussion, Argus may look at other Vietnamese or Malaysian grades of similar quality, to assess the Belida spot market premium/discount.

#### Vietnam

Argus publishes assessments for Vietnamese grades based on spot deals and market information for cargoes loading in the second month forward from the publication date.

The **Bach Ho** assessment is calculated by applying the grade's differential relative to North Sea Dated to the same day's North Sea Dated value. The Bach Ho spot market premium/discount is also published separately. The market premium/discount is assessed with a cut off of 4:30pm Singapore time. In the absence of specific market discussion, Argus may look at other Vietnamese grades of similar quality, to assess the Bach Ho spot market premium/discount.

The **Sutu Den** assessment is calculated by applying the grade's differential relative to North Sea Dated to the same day's North Sea Dated value. The Sutu Den spot market premium/discount is also published separately. The market premium/discount is assessed with a cut off of 4:30pm Singapore time. In the absence of specific market discussion, Argus may look at other Vietnamese grades of similar quality, to assess the Sutu Den spot market premium/discount.

#### Malaysia

Argus publishes assessments for Malaysian grades based on spot deals and market information for cargoes loading in the second month forward from the publication date.

The **Tapis** assessment is calculated by applying the grade's differential relative to North Sea Dated based on a market consensus to the same day's North Sea Dated value. The differential is assessed with a cut off of 4:30pm Singapore time and applied to North Sea Dated. Two outright prices are published, one calculated using Substitute Dated at a 4:30pm Singapore timestamp and the other using North Sea Dated, which becomes available after 4:30pm London time. On days when North Sea Dated is unavailable due to a UK public holiday, both outright prices are calculated using Substitute Dated (*see below for the relevant methodology*).

The **Kikeh** assessment is calculated by applying the grade's differential relative to North Sea Dated based on a market consensus to the same day's North Sea Dated value. The differential is assessed with a cut off of 4:30pm Singapore time and applied to North Sea Dated, which becomes available after 4:30pm London time. On days when North Sea Dated is unavailable due to a UK public holiday, Argus will use a substitute North Sea Dated price (*see below for the relevant methodology*).

The **Kimanis** assessment is calculated by applying the grade's differential relative to North Sea Dated based on a market consensus to the same day's North Sea Dated value. The differential is assessed with a cut off of 4:30pm Singapore time and applied to North Sea Dated, which becomes available after 4:30pm London time. On days when North Sea Dated is unavailable due to a UK public holiday, Argus will use a substitute North Sea Dated price (*see below for the relevant methodology*).

The **Labuan** assessment is calculated by applying the grade's differential relative to North Sea Dated based on a market consensus to the same day's North Sea Dated value. The differential is assessed with a cut off of 4:30pm Singapore time and applied to North Sea Dated, which becomes available after 4:30pm London time. On days when North Sea Dated is unavailable due to a UK public holiday, Argus will use a substitute North Sea Dated price (*see below for the relevant methodology*).

The **Miri** assessment is calculated by applying the grade's differential relative to North Sea Dated based on a market consensus to the same day's North Sea Dated value. The differential is assessed with a cut off of 4:30pm Singapore time and applied to North Sea Dated, which becomes available after 4:30pm London time. On days when North Sea Dated is unavailable due to a UK public holiday,



Argus will use a substitute North Sea Dated price (see below for the relevant methodology).

### Australia and PNG

Argus publishes assessments for Australian and PNG grades based on spot deals and market information for cargoes loading in the second month forward from the publication date.

PNG's **Kutubu Light** assessment is calculated by applying the grade's differential relative to North Sea Dated to the same day's North Sea Dated value. The differential is based on a market consensus, assessed with a cut off of 4:30pm Singapore time, and applied to North Sea Dated, which becomes available after 4:30pm London time. On days when North Sea Dated is unavailable due to a UK public holiday, Argus will use a substitute North Sea Dated price (see below for the relevant methodology).

The **Cossack** assessment is calculated by applying the grade's differential relative to North Sea Dated based on a market consensus to the same day's North Sea Dated value. The differential is assessed with a cut off of 4:30pm Singapore time and applied to North Sea Dated, which becomes available after 4:30pm London time. On days when North Sea Dated is unavailable due to a UK public holiday, Argus will use a substitute North Sea Dated price (see below for the relevant methodology). In the absence of specific market discussion, Argus will also take into account the spread between the Tapis APPI-linked Cossack price and North Sea Dated.

The **North West Shelf** condensate assessment is calculated by applying the grade's differential relative to North Sea Dated based on a market consensus to the same day's North Sea Dated value. The differential is assessed with a cut off of 4:30pm Singapore time and applied to North Sea Dated, which becomes available after 4:30pm London time. On days when North Sea Dated is unavailable due to a UK public holiday, Argus will use a substitute North Sea Dated price (see below for the relevant methodology).

The **Ichthys** condensate assessment is calculated by applying the grade's differential relative to North Sea Dated based on a market consensus to the same day's North Sea Dated value. The differential is assessed with a cut off of 4:30pm Singapore time and applied to North Sea Dated, which becomes available after 4:30pm London time. On days when North Sea Dated is unavailable due to a UK public holiday, Argus will use a substitute North Sea Dated price (see below for the relevant methodology).

The **Vincent** assessment is calculated by applying the grade's differential relative to North Sea Dated based on a market consensus to the same day's North Sea Dated value. The differential is assessed with a cut off of 4:30pm Singapore time and applied to North Sea Dated, which becomes available after 4:30pm London time. On days when North Sea Dated is unavailable due to a UK public holiday, Argus will use a substitute North Sea Dated price (see below for the relevant methodology). Note: the Vincent assessment was suspended in May 2018 and resumed in September 2019 as production was halted for modification of the field's floating production, storage and offloading (FSPO) facility.

The **Pyrenees** assessment is calculated by applying the grade's differential relative to North Sea Dated based on a market consensus to the same day's North Sea Dated value. The differential is assessed with a cut off of 4:30pm Singapore time and applied to North Sea Dated, which becomes available after 4:30pm London time. On days when North Sea Dated is unavailable due to a UK public holiday, Argus will use a substitute North Sea Dated price (see below for the relevant methodology).

The **Van Gogh** assessment is calculated by applying the grade's differential relative to North Sea Dated based on a market consensus to the same day's North Sea Dated value. The differential is assessed with a cut off of 4:30pm Singapore time and applied to North Sea Dated, which becomes available after 4:30pm London time. On days when North Sea Dated is unavailable due to a UK public holiday, Argus will use a substitute North Sea Dated price (see below for the relevant methodology).

### Sudan

Argus assessments of Sudanese crudes consist of a market differential to North Sea Dated and an outright price calculated by applying the differential to North Sea Dated.

Argus will publish assessments for Sudanese grades based on spot deals and market information for 600,000-1mn bl cargoes loading 15-45 days from the publication date. The cut off time for Sudanese assessments is 4:30pm Singapore time.

The **Nile Blend** assessment is calculated by applying the differential of Nile Blend relative to North Sea Dated based on a market consensus to the same day's North Sea Dated value. The differential is assessed with a cut off of 4:30pm Singapore time and applied to North Sea Dated, which becomes available after 4:30pm London time.

On days when North Sea Dated is unavailable due to a UK public holiday, Argus will use a substitute North Sea Dated price (see above for the relevant methodology).

The **Dar Blend** assessment is calculated by applying the differential of Dar Blend relative to North Sea Dated based on a market consensus to the same day's North Sea Dated value. The differential is assessed with a cut off of 4:30pm Singapore time and applied to North Sea Dated, which becomes available after 4:30pm London time.

On days when North Sea Dated is unavailable due to a UK public holiday, Argus will use a substitute North Sea Dated price (see above for the relevant methodology).

### Substitute Dated

Substitute Dated replaces North Sea Dated as the base price for Cossack, North West Shelf condensate, Vincent, Nile Blend and Dar Blend on the few days each year when the Asian crude oil markets are operating, but a public holiday in the UK means that London will not produce a North Sea Dated price.

Substitute Dated is calculated at 4.30pm Singapore time. Substitute Dated comprises the Ice Brent 4.30pm Singapore one-minute mark-

er plus or minus a differential representing the difference between the Brent futures market and the physical North Sea market.

This differential is calculated in the following manner: Argus takes the most recently available North Sea Dated price assessed in London, then it subtracts the London Ice Brent one-minute marker from that same day.

**For example:** Dated on 24 December was \$72/bl and the Ice Brent 4.30pm London one-minute marker was \$70/bl – a difference of \$2/bl. To calculate Substitute Dated on 26 December, when Singapore is working but London is not, Argus will add this \$2/bl difference to the Ice Brent 4.30pm Singapore one-minute marker (\$69/bl) to give a Substitute Dated price of \$71/bl.

The market differentials for North West Shelf condensate, Nile Blend and Dar Blend will then be added to this Substitute Dated price in line with their respective methodologies.

### Des Shandong

Assessments are the range of deals done. In the absence of sufficient reported trade, assessments will be made based on the best bids and offers (highest bids and lowest offers) in the market and on a survey of market participants. Assessments are published as a low, high and midpoint, the average of the low and high assessments.

### Differentials

Assessments are expressed as \$/bl differentials to the frontline Ice Brent futures contract settlement price on the date of delivery.

For example, cargoes bought for delivery to ports around Qingdao in October will price in against the Ice December contract, and November cargoes against Ice January Brent.

Argus rolls the Ice Brent basis month when the bulk of deals done on the day is done for the first time on that basis. Any trade that is based on a different Ice Brent basis month will be converted to its equivalent value against the current basis month by using published Ice Brent inter-month spreads at the 4:30pm Singapore timestamp on the day the deal was done.

Tupi is also assessed and published as a differential to North Sea Dated in the month before delivery. For example, June arriving Tupi cargoes are priced as a \$/bl differential to the average of North Sea Dated assessments published in May. Trade done on a North Sea Dated basis is converted to an equivalent Ice Brent basis for the purpose of the assessments using Dated to Frontline (DFL) prices and Ice Brent time spreads.

### Location

Assessments are for cargoes delivering to Qingdao, Huangdao, Dongjiakou, Rizhao and Yantai ports in Shandong.

Deals based on other sized cargoes and ports — for example, smaller cargoes into Dongying or full cargoes into Ningbo — will inform the assessment based on discussions with market participants.

### Outright prices

An outright price is calculated in \$/bl for each reported trade, bid, offer or other relevant market information based on the reported differential and the relevant 4:30pm Singapore one-minute marker, depending on the anticipated date of delivery. A low, high and mid-point outright price is also published for each grade.

### Frequency

Prices are assessed daily. Trades completed before 9am Beijing time on the day of assessment or received by Argus after 4:30pm Beijing time may not be considered for inclusion in the assessment.

Assessments are for trades on a delivered ex-ship (des) basis. Argus publishes prices for trade with payment due 30 days after notice of readiness (NOR) at the port of discharge.

Argus will normalise, based on discussions with market participants, trades involving a premium related to unloading times, or to demurrage fees.

### Publication schedule

Des Shandong price assessments are published on all Argus Crude publication dates except for Singapore and Beijing holidays. A publication schedule is available at [www.argusmedia.com](http://www.argusmedia.com)

#### Des Shandong specifications

| Grade          | API*  | Typical sulphur % | Min size '000 bl | Delivery days forward |
|----------------|-------|-------------------|------------------|-----------------------|
| Tupi           | 29.3  | 0.36              | 1,000            | 50-90                 |
| ESPO Blend     | 34.93 | 0.55              | 740              | 30-70                 |
| Urals          | 30.37 | 1.73              | 740              | 50-70                 |
| Djeno          | 27.6  | 0.34              | 950              | 40-80                 |
| Oman           | 33.3  | 1.06              | 1,000            | 40-80                 |
| Johan Sverdrup | 28    | 0.8               | 1,000            | 60-100                |

### WTI delivered northeast Asia

The Argus assessment for WTI crude delivered northeast Asia is published as a differential to Dubai physical spot prices and as an outright price. Argus publishes the spot market differential based on trade, bids and offers, and other market information relevant to 2mn bl cargoes arriving in Yosu, South Korea, three months after of the publication date. The published differential is against Dubai physical spot price assessments in the calendar month before delivery. WTI deals done for cfr delivery to other South Korean locations, Japan, Taiwan or China will be normalised to cfr Yosu using spot freight rates, for consideration for inclusion in the assessment.

The outright price for WTI delivered northeast Asia is calculated by applying the published differential to the relevant Dubai swaps month. The cut-off time for the WTI delivered northeast Asia assessment is 4:30pm Singapore time.

#### WTI delivered northeast Asia specifications

| Grade | Typical API* | Typical sulphur % | Cargo size     | Basis/ Location | Timing                           |
|-------|--------------|-------------------|----------------|-----------------|----------------------------------|
| WTI   | 42-44        | ≤0.45             | 1.8mn-2.2mn bl | delivered Yosu  | Arrival three months after trade |

### Mideast Gulf and Atlantic basin crude cfr Asia

Argus calculates cfr China and cfr Singapore prices for various crudes. Cfr prices are calculated by adding the Argus assessment of the specified freight rate to the underlying crude price.

Freight rates are the latest available at the 4:30pm Singapore time-stamp. See the [Argus Tanker Freight methodology](#) for more information on freight rate assessments.

#### Mideast Gulf cfr Asia

##### Freight rates

- Dirty Mideast Gulf-East (double hull) 270,000t \$/t for cfr China
- Dirty Mideast Gulf-Singapore (double hull) 270,000t \$/t for cfr Singapore

##### Crudes

- Dubai
- Oman
- Murban
- Umm Lulu
- Upper Zakum
- Qatar Marine
- Al-Shaheen
- Basrah Medium
- Basrah Heavy

#### West Africa cfr Asia

Argus calculates an Asia timestamp price of Cabinda, Girassol Bonny Light, Qua Iboe and Escravos to allow for a comparison of delivered West African, Middle East and Asia-Pacific crudes at the same point in time. The Asia timestamp prices are the Argus assessments of each of the five grades on the previous publication date plus the difference between the previous publication date's Ice Brent 4:30pm London one-minute marker and the Ice Brent 4:30pm Singapore one-minute marker on the day of publication.

##### Freight rates

- Dirty West Africa-China 260,000t \$/t for cfr China
- Dirty West Africa-Singapore 260,000t \$/t for cfr Singapore

##### Crudes

- Cabinda
- Girassol
- Bonny Light
- Qua Iboe
- Escravos

#### North Sea cfr Asia

Argus calculates an Asia timestamp price of Forties to allow for a comparison of delivered North Sea, Middle East and Asia-Pacific crudes at the same point in time. The Asia timestamp prices are the Argus assessments of Forties on the previous publication date plus the difference between the previous publication date's Ice Brent 4:30pm London one-minute marker and the Ice Brent 4:30pm Singapore one-minute marker on the day of publication.

### Freight rates

- Dirty North Sea-northeast Asia 270,000t (lumpsum) for cfr China, converted to \$/t

### Crude

- Forties

#### US Gulf coast cfr Asia

Argus calculates an Asia timestamp price of WTI fob Houston, Mars and WCS Houston to allow for a comparison of delivered US Gulf coast, Middle East and Asia-Pacific crudes at the same point in time. The Asia timestamp prices are the Argus assessments of each of the three grades on the previous publication date plus the difference between the previous publication date's WTI futures settlement price and the WTI futures 4:30pm Singapore one-minute marker on the day of publication.

WTI fob Houston is the midpoint of the assessed range. Mars and WCS Houston are the published volume-weighted average.

Calculations for WTI fob Houston assume the use of three Aframax tankers to reverse lighter a VLCC with WTI crude and assumes port fees paid by the reverse lightering vessels, not the VLCC.

##### Freight rates

- Dirty USGC-China 270,000t (lumpsum) for cfr China, converted to \$/t
- Dirty USGC-Singapore 270,000 (lumpsum) for cfr Singapore, converted to \$/t
- Dirty USGC Aframax reverse lightering (lumpsum), converted to \$/t

##### Crudes

- WTI fob Houston
- Mars\*
- WCS Houston\*

\*Delivered prices for Mars and WCS Houston are calculated by adding the USGC-China 270,000t freight rate and export terminal costs to the underlying price of Mars and WCS Houston pipeline crude assessments. Argus periodically reviews the export cost used in calculating these delivered prices. That review is informed in part by the price spread between the WTI fob Houston waterborne and WTI Houston pipeline price assessments.

See the [Argus Americas Crude methodology](#) for more information on the WTI fob Houston, Mars and WCS Houston price assessments.

#### Argus Condensate Index

The Argus Condensate Index (ACI) represents the daily value of condensates in Asia-Pacific, and will be derived from either Qatari Deodorized Field Condensate (DFC) or Australian North West Shelf (NWS) condensate, which are the two most liquid condensate streams in the region. The ACI will be set by the lowest price of either DFC or NWS, on a delivered Singapore basis.

The price of DFC for the ACI will be derived by taking the Ice Brent futures price at 4:30pm Singapore time and subtracting the exchange-of-futures-for-swaps (EFS) value for the corresponding month. The market differential for DFC spot cargoes relative to front-line Dubai assessments will then be added together with the freight costs from Qatar to Singapore. See the [Argus Tanker Freight methodology](#) for information about the Qatar-Southeast Asia 270,000t assessment.

In more detail: August DFC will be August Ice Brent at 4:30pm Singapore time minus the August EFS at 4:30pm Singapore time plus the August DFC spot differential plus freight.

The price of NWS condensate for the ACI will be derived by taking the Ice Brent futures price at 4:30pm Singapore time and adding the relevant Dated-to-front-line (DFL) value. The market differential for NWS condensate spot cargoes relative to North Sea Dated and the freight cost for a dirty Aframax vessel from northwestern Australia to Singapore are then added. See the [Argus Tanker Freight methodology](#) for information about the northwest Australia-Southeast Asia 80,000t assessment.

In more detail: August NWS will be August Ice Brent at 4:30pm Singapore time plus the July DFL value plus the August NWS condensate spot differential plus freight.

## Russia Asia-Pacific

### ESPO Blend

The **ESPO Blend** assessment is the price of crude from the East Siberia-Pacific Ocean (ESPO) pipeline, loading at the port of Kozmino in the Russian Far East. The outright price of ESPO Blend is calculated by applying the daily volume-weighted average market differential for cargoes of ESPO Blend fob Kozmino to the relevant Dubai swaps assessment. To calculate the volume-weighted average market differential, Argus will multiply the differential for each cargo times the volume of that cargo, add the resulting values for all cargoes together, and then divide that total by the combined volume of all cargoes considered for the assessment on that day.

Where market sources provide Argus with a range rather than a specific price, Argus will use editorial judgement to assess the value of the cargo, which will then be included in the volume-weighted average.

To be considered for inclusion in the assessment, trade must be for spot loading of crude by the producer or by a term-contract holder selling crude into the spot market on a fob Kozmino basis. For the avoidance of doubt, subsequent trade of crude that has already traded in the spot market will not be included in the assessment.

ESPO Blend trading begins 30–75 days before cargo loading dates. For example, cargoes loading from mid-November to mid-December could trade from early September until early October, although discussion usually begins after loading schedules are issued and tenders awarded in late September.

Argus will roll over the Dubai basis month when the bulk of deals done on the day are done for the first time on that basis. Any trade after this rollover that is based on a different Dubai basis month will then be converted to its equivalent value against the current month by using published Dubai inter-month spreads applicable on the day the deal was done.

The Argus assessment of ESPO Blend reflects the market price of 100,000-270,000t cargoes loading 30-75 days ahead of the publication date.

The cut-off time for ESPO Blend deals to be taken into account for the day's assessment will be 4:30pm Singapore time. Any deals completed after this pricing timestamp will be considered on the next day of publication of Argus Crude. Argus will also exclude from the day's assessment any deals for which validation is not available by 8:00pm Singapore time, and will consider them, once validated, in the next day's assessment, together with any fresh deals, using a volume-weighted average. In the event that validation is still unavailable by 8:00pm Singapore time on the day after the deal was concluded, Argus will consider validated deals two publication days after the deal was concluded, provided there are no newer deals in that period, including the day when the deal was done. Any newer validated deals will supersede two-day-old deals. Argus will disregard any information on deals three publication days old or older.

On days when Argus moves the assessment time for Dubai crude forward to 12:30pm Singapore time because of an upcoming holiday, it will also use a cut-off time of 12:30pm Singapore time for any ESPO Blend deals. Validation on these days should be available before 4:00pm Singapore time for Argus to consider these deals for that day's assessment. Otherwise, they will be considered in the next day of publication as stated above.

### ESPO Blend differentials

Argus publishes the differential of the outright ESPO Blend price assessment to the relevant Dubai swaps price assessment and to the front-month Ice Brent minute-marker at 4:30pm Singapore time. Whenever the timing of the relevant Dubai swaps price assessment differs from the timing of the Ice Brent front-month contract, Argus will calculate an ESPO Blend value that corresponds to the timing of the Ice Brent front-month contract for the purpose of publishing an ESPO Blend-Ice Brent differential that reflects the monthly trading cycle of ESPO cargoes.

In this case, the ESPO Blend value is calculated by adding the appropriate Dubai intermonth spread to the outright ESPO Blend price assessment, producing an ESPO Blend price that corresponds with the timing of the Ice Brent front-month contract.

For example, on 5 September, the ESPO Blend market was trading as a differential to October Dubai swaps, while the Ice Brent front-month market was for November. To publish an ESPO Blend-Ice Brent differential, a November ESPO Blend value is calculated as follows:

| ESPO Blend-Ice Brent differential |                                 |                        |                           |                             | \$/bl   |
|-----------------------------------|---------------------------------|------------------------|---------------------------|-----------------------------|---|
| Component                         | ESPO Blend assessment midpoint* | Ice Brent front month† | Dubai intermonth spread*‡ | ESPO Blend calculated value | ESPO Blend-Ice Brent front month differential |
| Month                             | October                         | November               | December/January          | November                    | November                                      |
| Price                             | 45.66                           | 46.31                  | +0.15                     | 45.81                       | -0.50   |

*\*assessed by Argus †Ice Brent 4:30pm Singapore minute marker ‡the intermonth spread of physical Dubai crude prices. Dubai swaps are for delivery two months after the list month*

### Cif basis Singapore assessments

The **BTC Blend cif basis Singapore** assessment is calculated by adding a freight component to the BTC fob Ceyhan assessment. The freight cost is for 135,000t vessels and is assessed daily based on spot Med-Singapore freight rates from the Argus Tanker Freight report.

The **Urals Black Sea cif basis Singapore** assessment is calculated by adding a freight component to the Urals fob Novorossiysk Suezmax assessment. The freight cost is for 135,000t vessels and is assessed daily based on spot Black Sea-Singapore freight rates from the Argus Tanker Freight report.

| Asia-Pacific, Sudan, ESPO Blend assessments |              |                   |                      |                            |                      |
|---|--------------|-------------------|----------------------|----------------------------|----------------------|
| Grade                                       | Typical °API | Typical sulphur % | Basis/ Location      | Timing                     | Cargo size           |
| Minas                                       | 35           | 0.08              | fob Indonesia        | Loading second month-ahead | 100,000 - 200,000 bl |
| Duri  | 21.5         | 0.20              | fob Indonesia        | Loading second month-ahead | 100,000 - 200,000 bl |
| Belida                                      | 45           | 0.02              | fob Indonesia        | Loading second month-ahead | 100,000 - 200,000 bl |
| Bach Ho                                     | 39           | 0.04              | fob Vietnam          | Loading second month-ahead | 450,000 - 600,000 bl |
| Sutu Den                                    | 35.8         | 0.051             | fob Vietnam          | Loading second month-ahead | 450,000 - 600,000 bl |
| Tapis                                       | 46           | 0.02              | fob Malaysia         | Loading second month-ahead | 450,000 - 600,000 bl |
| Kikeh                                       | 36.74        | 0.06              | fob Malaysia         | Loading second month-ahead | 600,000 bl           |
| Kimanis                                     | 38.61        | 0.06              | fob Malaysia         | Loading second month-ahead | 600,000 bl           |
| Labuan                                      | 29.92        | 0.028             | fob Malaysia         | Loading second month-ahead | 300,000 - 600,000 bl |
| Miri Light                                  | 29.79        | 0.0771            | fob Malaysia         | Loading second month-ahead | 300,000-600,000 bl   |
| Kutubu Light                                | 45           | 0.04              | fob Papua New Guinea | Loading second month-ahead | 500,000 - 650,000 bl |
| Cossack                                     | 48           | 0.04              | fob Australia        | Loading second month-ahead | 500,000 - 650,000 bl |
| NW Shelf                                    | 60           | 0.01              | fob Australia        | Loading second month-ahead | 500,000 - 650,000 bl |
| Ichthys                                     | 50           | 0.09              | fob Australia        | Loading second month-ahead | 650,000 bl           |
| Vincent                                     | 18.5         | 0.55              | fob Australia        | Loading second month-ahead | 500,000 - 650,000 bl |
| Pyrenees                                    | 19           | 0.21              | fob Australia        | Loading second month-ahead | 400,000 - 450,000 bl |
| Van Gogh                                    | 17           | 0.37              | fob Australia        | Loading second month-ahead | 500,000 - 650,000 bl |
| Nile Blend                                  | 32.76        | 0.045             | fob Bashayer, Sudan  | Loading 15-45 days ahead   | 600,000 - 1mn bl     |
| Dar Blend                                   | 26.4         | 0.116             | fob Bashayer, Sudan  | Loading 15-45 days ahead   | 600,000 - 1mn bl     |
| ESPO Blend                                  | 35.22        | 0.59              | fob Kozmino          | Loading 30-75 days ahead   | 100,000-270,000t     |

### Freight

Argus Crude includes rolling five-day average freight rates in \$/bl for 100,000t of crude from Kozmino republished from Argus Tanker Freight.

- Kozmino-Yosu
- Kozmino-north China
- Kozmino-Chiba
- Kozmino-Singapore

See the [Argus Tanker Freight methodology](#).

### Official formula prices

Argus publishes official formula prices for crude from Saudi Arabia, Iran, Yemen, Kuwait, Iraq, Qatar, Abu Dhabi and Dubai. These are expressed as differentials to various benchmarks for a given loading month and are set by national oil companies.

### Official selling prices

Argus publishes official selling prices for crude from Oman, Indonesia, Malaysia and Brunei. These are expressed as outright prices for a given loading month and are set by national oil companies.

### Reference prices

Argus publishes the Opec Reference Basket monthly average price.

### Argus Japanese Crude Cocktail Index (Argus JCC)

The Argus Japanese Crude Cocktail Index (Argus JCC) is an oil price index calculated and published by Argus that represents the price of Japan's monthly crude imports.

See the [Argus LNG Daily methodology](#) for a detailed description of the calculation.

### Americas

For information on Argus Americas crude assessments, please see the [Argus Americas Crude methodology](#) and [ASCI methodology](#).

### US Gulf coast and midcontinent

#### WTI

- WTI Cushing
- WTI ex-pipe
- CMA Nymex
- WTI Houston
- WTI Midland
- WTI Midland Enterprise
- WTI diff to CMA Nymex
- WTI postings plus
- WTI fob Houston

#### WTL

- WTL Midland

#### Midcontinent

- Bakken Clearbrook
- Bakken Cushing
- Bakken fob Beaumont/Nederland
- White Cliffs
- Niobrara
- WCS Cushing



### Texas

- Bakken Beaumont/Nederland
- WTS
- Southern Green Canyon
- WCS Houston

### Louisiana

- LLS
- HLS
- Thunder Horse
- Poseidon
- Mars

### Argus Sour Crude Index (ASCI™)

### Argus American GulfCoast Select Marker (Argus AGS Marker)

### Argus American GulfCoast Select (Argus AGS)

### US west coast pipeline

- Light postings average
- Heavy postings average

### US west coast waterborne

- ANS delivered

### South America

- Colombia
  - Vasconia
  - Castilla
- Argentina
  - Escalante
- Guyana
  - Liza
  - Unity Gold
  - Payara Gold

### Mexico

- Maya
- Isthmus
- Olmeca
- Zapoteco
- Mexico K-factors

### Canada

- Syncrude
- WCS Hardisty
- Condensate
- MSW
- LSB
- LLB
- Waterborne
  - Hibernia
  - Terra Nova

### US Gulf coast freight

- USGC Aframax reverse lightering (see the [Argus Tanker Freight methodology](#))

## Daily netbacks

Argus publishes daily simple and complex refinery netbacks for a number of different crude grades in northwest Europe, Singapore and the US Gulf. For information on the daily netbacks, please see the [Argus Netback Model methodology](#).

Yields and netbacks for complex and simple refineries are published for

### Northwest Europe

Arab Light  
 Arab Heavy  
 Azeri  
 Bonny Light  
 Brass River  
 Brent  
 Es Sider  
 Forties  
 Iranian Light  
 Kirkuk  
 Kuwait  
 Murban  
 Saharan Blend  
 Urals  
 Zueitina

### Singapore

Arab Light  
 Arab Heavy  
 Dubai  
 ESPO Blend  
 Iranian Heavy  
 Minas  
 Murban  
 Oman

### US Gulf coast

Arab Light  
 Arab Medium  
 Bonny Light  
 LLS  
 Mars  
 Maya  
 WTI

### US west coast

ANS  
 Oriente



## Argus intra-day North Sea forward physical crude assessments

On Ice front-month Brent futures expiry days, *Argus* publishes intra-day North Sea forward physical crude assessments for the corresponding expiring month at the following timestamps: 10:30,12:30,14:30,16:30,19:30 London time.

The 19:30 assessment will be done at 18:30 London time when the Ice Brent settlement takes place an hour earlier than usual in London because of an early US switch to Daylight Saving Time.

The methodology for identifying these price assessments is as follows: *Argus* bases its front-month North Sea forward physical crude assessments on a volume-weighted average of outright North Sea forward trade in the minute leading up to each timestamp.

In the absence of outright trade, *Argus* will base its assessment on a formula comprising the second-month exchange of futures for physical (EFP) differential, the North Sea forward physical front-month to second-month (intermonth) differential and a representative second-month Ice Brent futures value. Outright North Sea forward physical bids and offers will be taken into account if they fall within a range derived from the bid-offer spread on the second-month EFP market, the bid-offer spread of the North Sea forward physical intermonth market, and a representative second-month Ice Brent futures value.

The North Sea forward physical assessments are assessed individually, as follows:

The front-month North Sea forward physical value is assessed using a volume-weighted average of trade taking place in the minute leading up to the timestamp and reported to *Argus* no more than 10 minutes after the timestamp.

The second-month Ice Brent futures value is assessed using trade in the minute leading up to the timestamp, or if there is no activity, the last trade before the timestamp.

For the EFP and North Sea forward physical intermonth values, *Argus* takes into account reported trade or indications leading up to the timestamp. If there is a period without reported trade or indications, *Argus* will base its assessments on activity in the preceding period.

No minimum transaction data threshold exists for these assessments as, in the absence of outright trade, *Argus* will make its assessment in accordance with the above methodology.

These assessments, including the 16:30 London time assessment for North Sea Dated, are different and distinct from the assessments published in the *Argus Crude* report.

## Futures markets

*Argus Crude* shows market information from five world futures markets which trade crude oil. These futures exchanges are the London-based IntercontinentalExchange's Brent contract (Ice Brent), the New York Mercantile Exchange's Light Sweet Crude contract (Nymex WTI), the Tokyo-based Tocom Mideast Gulf crude contract, the Dubai Mercantile Exchange's Oman contract and the Shanghai International Energy Exchange's (INE) Medium Sour Crude Oil contract.

*Argus Crude* publishes representative price and market information from the futures exchanges including the Open, High, Low and Settle prices and where possible the estimated volume of trade.

## Forward spreads

*Argus Crude* shows the North Sea/Dubai spreads for three months forward, the WTI/North Sea spreads for four months forward and the WTI/Dubai spreads for three months forward, timestamped at 4:30pm London time.

## Forward markets

The forward markets tables show prices in the forward markets and the intermonth spreads between the different monthly prices. They also show various exchange of futures for physicals prices and exchanges for swaps prices. Various short-term swap price tables are shown. The section also contains pricing components that are used to calculate other *Argus* price assessments.

### North Sea forward Singapore close

The North Sea forward table for Singapore close shows prices for four months forward in the forward North Sea market at 4:30pm Singapore time. This market is the Brent forward market (with Forties, Oseberg, Ekofisk or Troll substitutability). It is called the North Sea forward market in *Argus Crude* to differentiate it from the 15-day Brent forward market that it replaced. This forward market trades in parallel to the Ice futures market in Brent as an over-the-counter market in Brent.

The contract trades at fixed prices and also in the form of inter-month spreads. *Argus* assesses the prices for the forward North Sea months by applying the intermonth spread assessments to the first-month North Sea forward price. *Argus* uses the EFP differential and the front-month Ice Brent futures to assess first-month forward North Sea, including expiry day, except for the last three sessions in the life of the front-month futures contract. On these sessions, *Argus* uses second-month Ice Brent futures and the corresponding EFP differential (see *Calculating North Sea Dated*).

### North Sea forward London close

The forward North Sea London close table duplicates the Dated price and also shows prices for four months forward in the forward North Sea market at 4:30pm London time. This market is the Brent

forward market (with Forties, Oseberg, Ekofisk or Troll substitutionality). It is called North Sea forward in *Argus Crude* to differentiate it from the 15-day Brent forward market that it replaced. This forward market trades in parallel to the Ice futures market in Brent as an over-the-counter market in Brent. A weighted average of trade on the most liquid forward North Sea month is also the forward (or flat price) used in the calculation of the Dated assessment.

The forward North Sea market trades at fixed prices and also in the form of intermonth spreads. *Argus* assesses the price levels for these intermonth trades in the forward intermonths table on page 2 and uses these intermonth assessments to construct the fixed forward price assessments in the North Sea table.

The BFOE forward contract rolls on the last working day of the previous month, so the March 2015 forward contract will roll on 27 February. If this date falls on a weekend or holiday, then the roll date will fall on the previous workday. The last day of trade will be the first workday prior to the roll date.

#### **Dubai Singapore close**

*Argus* quotes forward Dubai for four months forward at 4:30pm Singapore time. A more detailed explanation of the *Argus* Dubai methodology can be found in the Mideast Gulf section.

The components used in the calculation of the forward Dubai prices are the Dubai/Ice Brent EFS differentials, which *Argus* quotes for three months forward, and the Dubai Intermonths, which *Argus* quotes for three periods forward.

#### **Dubai London close**

*Argus* quotes the forward Dubai price for four months forward. These prices are assessed at London 4:30pm and so differ from the Singapore 4:30pm assessments.

#### **Dated to Ice Brent frontline**

*Argus* quotes prices for the Dated to Frontline (DFL) market which trades the difference between the Dated assessment and the frontline Ice assessment. *Argus* quotes this market for four months forward, two quarters and one year forward.

The front DFL month will roll either on 18th of the month or up to four days after the 18th of the month, depending on liquidity.

#### **WTI Cushing**

WTI is assessed on a cash market basis at 1:30pm Houston time. These prices reflect an intelligent assessment of the bid/ask range at the time stamp. Cash WTI rolls on the fourth business day following the expiry of the front-month Nymex Light Sweet crude futures contract.