

# US Gulf Coast HSFO

Recommended differential to reflect benchmark assessment  
specification change from January 2017

SUBSCRIBER NOTE: Platts to rename, update USGC 3%S fuel benchmark from Jan 2017

Houston (Platts)--6Oct2015/1236 pm EDT/1636 GMT

Following a review and formal proposal, Platts will update the specifications reflected in its benchmark US Gulf Coast 3%S physical residual fuel oil assessment to reflect RMG 380 3.5%S quality fuel oil, as per ISO 8217 specifications, with effect from January 3, 2017.

At the same time, Platts will rename the assessment as "USGC HSFO" and standardize its name across all publications. The name change will also take effect January 3, 2017. These changes follow a review of the existing specifications announced May 27, 2015, and a formal proposal announced July 14, 2015.

This assessment will continue to be published under the product code PUAZF00.

SPECIFICATION UPDATE: Once implemented, the USGC HSFO assessment will reflect residual fuel oil intended for end-use by the bunker sector to meet maritime fuel demands. The specifications include the following parameters:

Sulfur max 3.5%

Gravity Min 11.2 API

Viscosity max 380 CST at 50 C

Vanadium max 300 ppm

Al+Si max 80 ppm

Flash point min 60 C

Pour point max 30 C

Water max 0.5%

Ash max 0.1%

NAME UPDATE: Platts will rename this assessment "USGC HSFO" and standardize the name of the assessment across all publications. This assessment is currently published in the Platts price database under the data code PUAZF00, in Platts US Marketscan as "No. 6 3%" in its "Gulf Coast" table, in Oilgram Price Report as "Gulf Coast No. 6 3.0%S (Waterborne) Fuel Oil," in Latin American Wire as "Fuel Oil 3%S," and in North American Crude and Products Scan as "Resid 3%."

TIMING UPDATE: The January 2017 implementation date is the result of extensive feedback, and marks a delay of three months from the original proposal date of October 2016.

For questions or comments, please email [americas\\_products@platts.com](mailto:americas_products@platts.com) and [pricegroup@platts.com](mailto:pricegroup@platts.com).

Please provide a clear indication if comments are not intended for publication by Platts for public viewing. Platts will consider all comments received and will make comments not marked as confidential available upon request.

# Platts subscriber note on recommended differential

SUBSCRIBER NOTE: Platts recommends USGC HSFO differential of \$1.45/b  
Houston (Platts)--6Oct2015/1238 pm EDT/1638 GMT

Platts recommends a one-time differential of \$1.45/b that may be used in amending US Gulf Coast 3%S fuel oil derivatives and other contracts that will settle against Platts' physical 3%S fuel oil benchmark assessment from January 2017 onwards. The recommendation follows a decision announced October 6, 2015, by Platts to update the specification of its US Gulf Coast 3%S fuel oil assessment with effect from January 3, 2017.

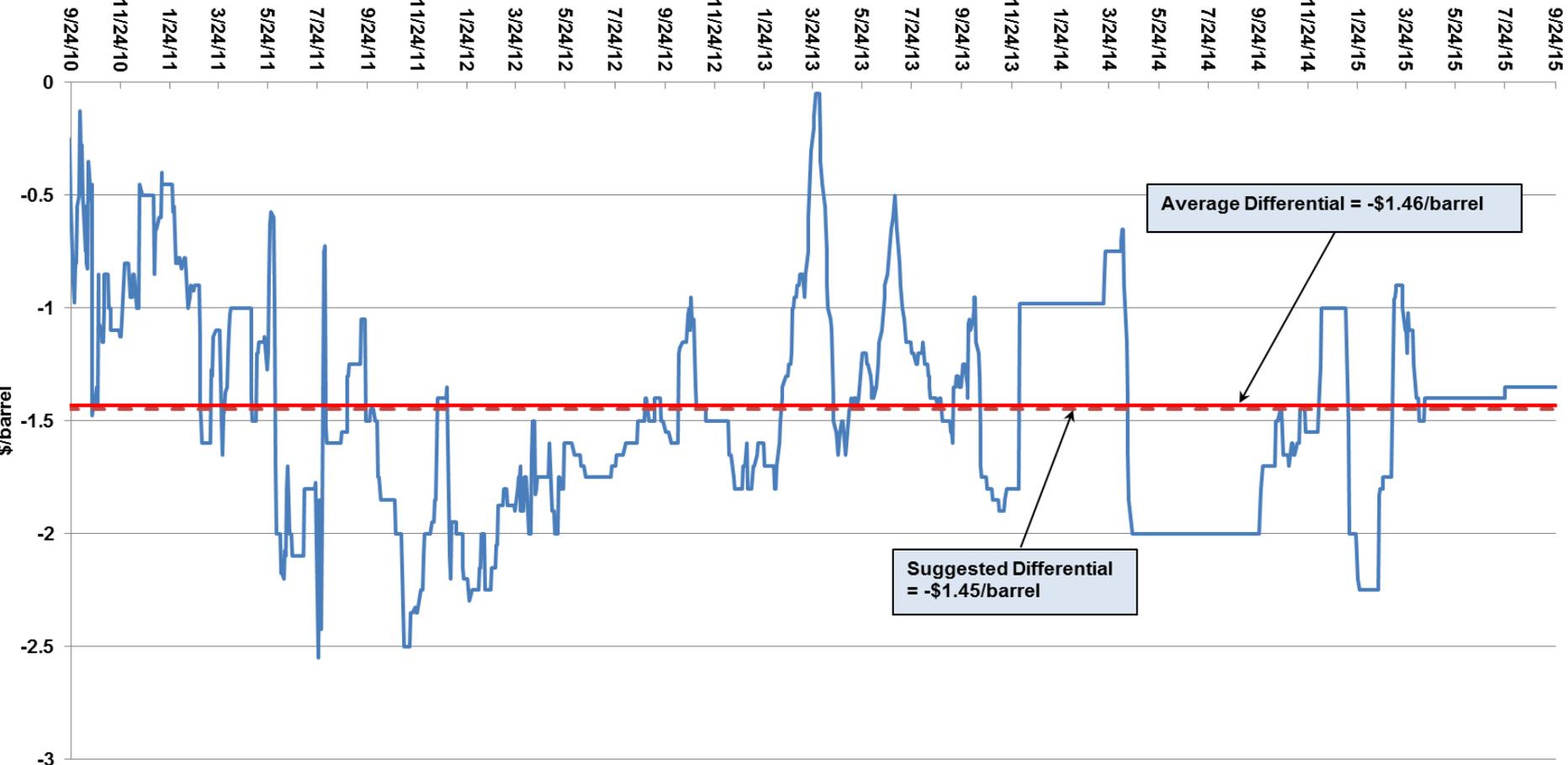
The differential is based on an extensive analysis of the difference between the existing US Gulf Coast 3%S fuel oil (PUAFZ00) and FO RMG 380 USGC Waterborne (Platts code PUBDM00) assessments from 2010 to 2015.

For questions or comments, please email [americas\\_products@platts.com](mailto:americas_products@platts.com) and [pricegroup@platts.com](mailto:pricegroup@platts.com).

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# No. 6 3.0% - RMG 380 USGC HSFO

### Fuel Oil No. 6 3.0% - Fuel Oil RMG 380 Price Differential USGC Waterborne



- Sep 2010 – Sep 2015
  - No 6. 3.0% Average = \$84.61/barrel
  - RMG 380 Average = \$86.07/barrel
  - Differential Average = -\$1.46/barrel
- Sep 2012 – Sep 2015
  - No 6. 3.0% Average = \$77.94/barrel
  - RMG 380 Average = \$79.37/barrel
  - Differential Average = -\$1.43/barrel
- Sep 2014 – Sep 2015
  - No 6. 3.0% Average = \$49.79/barrel
  - RMG 380 Average = \$51.26/barrel
  - Differential Average = -\$1.47/barrel
- SUGGESTED DIFFERENTIAL
  - -\$1.45/barrel
    - Balances out one-year and three-year average and is close to five-year average
    - In the month of Sep 2014, average = -\$2/barrel
    - In the month of Sep 2015 to date, average = -\$1.35/barrel

## PLATTS RECOMMENDS SINGAPORE GASOIL DIFFERENTIAL AT \$1.70/BARREL

London (Platts)--15May2012/445 am EDT/845 GMT

After broad consultation and reviewing extensive feedback from the industry and other interested parties, Platts recommends a one-time differential of \$1.70/barrel that may be used in amending gasoil derivatives and other contracts that will settle against Platts' Singapore Gasoil benchmark assessment from January 2013 onwards.

The differential is based on an analysis of the difference between FOB Singapore Gasoil 500 ppm sulfur and FOB Singapore Gasoil 0.5% (5,000 ppm) sulfur during 2011 and early 2012.

Platts announced in July 2011 that its Singapore "0.5%S Gasoil" assessment would be renamed Singapore "Gasoil" on January 3, 2012, and stated that Platts intended to steadily reduce the amount of sulfur reflected in the benchmark assessment over time.

Platts announced in November 2011 that it would lower the sulfur specification of the flagship Singapore Gasoil assessment to 500 ppm from the current 5,000 ppm on January 2, 2013.

The assessment appears on real-time service Platts Global Alert PGA 6, in APAGScan and in Oilgram Price Report.