

November 2023

10-day rolling average for the cross-UKC 80kt Aframax assessment

General overview

Platts cross-UKC 80,000 mt dirty tanker assessment reflects Worldscale freight on the UK Continent to UK Continent Aframax route. It is published under code PFAKD10 in Platts pricing database, on the PGA-MH1960 fixed page and in the Dirty Tankerwire publication. Platts has been assessing it since September 1, 1994.

Platts started publishing the 10-day rolling freight average (RFA) of the Dirty Cross-UK Continent 80,000 mt Worldscale assessment as of September 2, 2019. This assessment is reflected in the Dated Brent crude oil benchmark through the Freight Adjustment Factor (FAF) to adjust CIF Rotterdam offers, including cargoes of WTI Midland as of May 2, 2023.

Platts is publishing Worldscale RFA on the day before the applicable crude Platts Market on Close assessment process to ensure the freight factor is fully known before the North Sea crude oil assessment process begins. This is based on its 10 previous assessments of the Dirty Cross-UK/Continent 80,000 mt freight. It appears under the code TDUUW00 in the pricing database and on the PGA-MH1960 fixed page.

Assessment methodology explained

Cross-UKC 80,000 mt WS assessment

- Reflects the transactable value of chartering a vessel at 16:30 London time;
- Based on double-hull vessels up to 15 years of age;
- Laycan window of 7-25 days applies to this assessment. It is a general window for all Platts EMEA Aframax assessments. Rates of cargoes outside this window are normalized, depending on market conditions and are checked on individual basis;

- Reflects general region-to-region Worldscale tradeable rate and NOT based on any specific \$/mt Worldscale flat rate;
- UK Continent region: All ports west of Gibraltar to Hamburg, plus southern Sweden and western Norway. Platts typically views the Oresund Bridge, joining Denmark and Sweden, as the eastern extent of this range.
- Rate pegs from market sources like shipbrokers, shipowners and charterers as well as reported fixtures, bids and offers are all considered in the daily assessment.

10-day rolling freight average (RFA)

- Worldscale RFA assessment is based on the 10 last Worldscale assessments of the Dirty Cross-UKC 80,000 mt route, including the current freight assessment day. It appears under the code TDUUW00 in the pricing database and on the PGA-MH1960 fixed page.
- Published the day before the applicable crude Platts Market on Close assessment process. For example, Worldscale RFA published on Monday, January 17, 2022, would be used in the Freight Adjustment Factor for Tuesday, January 18, to adjust CIF Rotterdam offers for that day.

Freight Adjustment Factor (FAF) and \$/mt RFA assessments

Worldscale RFA is applied against five \$/mt Worldscale flat rates, representing each of the Rotterdam delivered Dated Brent grades:

1. Brent (Sullom Voe-Rotterdam)
2. Forties (Hound Point-Rotterdam)
3. Ekofisk (Teeside-Rotterdam)
4. Oseberg (Sture-Rotterdam)
5. Troll (Mongstad-Rotterdam)

Formula: $WS\ RFA \times flat\ rate / 100$



As a result, five \$/mt RFA values are published on the fixed page PGA - MH1960 and in the Platts pricing database under the following codes:

RFA assessment	Code
Sullom Voe-Rotterdam	TDSVR00
Hound Point-Rotterdam	TDHPR00
Teesside-Rotterdam	TDTER00
Sture-Rotterdam	TDSTR00
Mongstad-Rotterdam	TDMGR00

\$/mt RFA assessments then feed into \$/b FAF, which is used to adjust CIF Rotterdam offers for each of the respective grades in the Dated Brent crude oil benchmark.

Daily \$/mt cross-UKC 80,000 mt assessment and difference from \$/mt RFA

Platts also publishes a daily \$/mt cross-UKC assessment, which appears in the Platts pricing database under the code TDACD00, on the fixed page PGA - MH1960 and in Dirty Tankerwire.

- Produced by applying the cross-UKC 80,000 mt daily Worldscale assessment to an average of a basket of Worldscale flat rates.
- The current basket consists of: Sullom Voe-Rotterdam, Mongstad-Le Havre and Flotta-Rotterdam flat rates. The basket average value from November 1, 2023 is \$10.20/mt.

Formula: $WS \times \text{flat rate basket average} / 100$

Calculation Example (November 1, 2023): $w155 \times \$10.20/\text{mt} = \$15.81/\text{mt}$.

- This assessment will NOT be used in FAF for CIF Rotterdam offers and will NOT be included in the Dated Brent assessment.

For more information, please refer to the Platts freight methodology guide at <https://www.spglobal.com/platts> or email tankers@spglobal.com.

Platts

S&P Global

Commodity Insights

Contact Client Services:

E-mail: ci.support@spglobal.com; Americas: +1-800-752-8878; Europe & Middle East: +44-20-7176-6111; Asia Pacific: +65-6530-6430

© 2023 by S&P Global Inc. All rights reserved.

S&P Global, the S&P Global logo, S&P Global Commodity Insights, and Platts are trademarks of S&P Global Inc. Permission for any commercial use of these trademarks must be obtained in writing from S&P Global Inc.

You may view or otherwise use the information, prices, indices, assessments and other related information, graphs, tables and images ("Data") in this publication only for your personal use or, if you or your company has a license for the Data from S&P Global Commodity Insights and you are an authorized user, for your company's internal business use only. You may not publish, reproduce, extract, distribute, retransmit, resell, create any derivative work from and/or otherwise provide access to the Data or any portion thereof to any person (either within or outside your company, including as part of or via any internal electronic system or intranet), firm or entity, including any subsidiary, parent, or other entity that is affiliated with your company, without S&P Global Commodity Insights' prior written consent or as otherwise authorized under license from S&P Global Commodity Insights. Any use or distribution of the Data beyond the express uses authorized in this paragraph above is subject to the payment of additional fees to S&P Global Commodity Insights.

S&P Global Commodity Insights, its affiliates and all of their third-party licensors disclaim any and all warranties, express or implied, including, but not limited to, any warranties of merchantability or fitness for a particular purpose or use as to the Data, or the results obtained by its use or as to the performance thereof. Data in this publication

includes independent and verifiable data collected from actual market participants.

Any user of the Data should not rely on any information and/or assessment contained therein in making any investment, trading, risk management or other decision. S&P Global Commodity Insights, its affiliates and their third-party licensors do not guarantee the adequacy, accuracy, timeliness and/or completeness of the Data or any component thereof or any communications (whether written, oral, electronic or in other format), and shall not be subject to any damages or liability, including but not limited to any indirect, special, incidental, punitive or consequential damages (including but not limited to, loss of profits, trading losses and loss of goodwill).

ICE index data and NYMEX futures data used herein are provided under S&P Global Commodity Insights' commercial licensing agreements with ICE and with NYMEX. You acknowledge that the ICE index data and NYMEX futures data herein are confidential and are proprietary trade secrets and data of ICE and NYMEX or its licensors/suppliers, and you shall use best efforts to prevent the unauthorized publication, disclosure or copying of the ICE index data and/or NYMEX futures data.

Permission is granted for those registered with the Copyright Clearance Center (CCC) to copy material herein for internal reference or personal use only, provided that appropriate payment is made to the CCC, 222 Rosewood Drive, Danvers, MA 01923, phone +1-978-750-8400. Reproduction in any other form, or for any other purpose, is forbidden without the express prior permission of S&P Global Inc. For article reprints contact: The YGS Group, phone +1-717-505-9701 x105 (800-501-9571 from the U.S.).

For all other queries or requests pursuant to this notice, please contact S&P Global Inc. via email at ci.support@spglobal.com.