

WEEKLY REVIEW OF BITUMEN MARKET IN IRAN & THE WORLD



Bitumen Petro Co.

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Highlights

- According to Kpler analysts “Russia’s crude oil production should fall 350,000 barrels per day from February 2023 levels, reaching 10.709 million bpd.” This note from Kpler analysts demonstrate that Russia is finally has decided to make good on its promise in order to cut 500,000 bpd.
- On May 18, Exxon announced in a U.S. Securities and Exchange Commission communication that, “The likelihood of the world reaching net-zero carbon dioxide emissions by 2050 is remote.”
- Soaring demand in China and the United States skyrocketed the global oil demand by 3 million barrels per day in March compared to February and reaching the highest level on record.
- The result of a meeting between Iranian officials and a Russian delegation on May 18 was that both countries are planning the joint development of 10 oil and gas fields in Iran.
- China’s CNOOC reported that it has received the first cargo of LNG paid with Chinese yuan from the UAE.
- According to S&P Global website, “Expectations of a ramp-up in operations at Dhamra LNG terminal and the hot weather will likely keep spot LNG procurement supported in India, despite a rise in domestic natural gas production.”
- Venezuela’s PDVSA has got new management that considering a boost in crude production to 1.17 million barrels per day, by the end of the 2023.
- The Russian gas giant, Gazprom, is planning to have a record-high level of gas reserves during next winter. As a result, the company’s natural gas exports and production dropped.

Iran Bitumen News

- Last week 100,000 MT VB were supplied in IME, by 47% increase 292,000 MT demand were registered. In prior week, the supply rate was declined by 33,000 MT clearly the whole amount was sold and statistically fluctuation trend was from 11.9% to 68.2%. Due to halted outputs from Tehran refinery, the amount of offers have decreased and Abadan VB with 68.2% increased the most. Furthermore, VB close price and IME's export bitumen ratio reached 83%, also VB's average value in Free Market USD assessed at 259\$. In addition, VB's value in Dollar Bill have reached 310\$. (Minus taxes and other fees)
- Supplies in IME's export market were around 38,000 MT, although it was 19,000 MT less than the monthly average of prior month and totally, it demonstrates declining in outputs. Halted offers from Bandar Abbas, Abadan, Tabriz Pasargad Oil and Pars Behin Qeshm Oil were the main reasons. For this amount of outputs, 41,100 MT demand were registered and all offers were traded. Considering the free market USD to IRR exchange rate, at published date, the bargained equivalent rate for Bandar Abbas Jey Oil Bulk Bitumen was 326\$ and Bandar Abbas Pasargad Oil Drum Bitumen was 368\$. In addition, Abadan Pasargad Oil Bulk Bitumen output was 296\$.
- Isfahan Oil Refinery firm have published its financial statement for 2022-23, which demonstrated operation revenues and net profit were increased 50% and 131% respectively. In addition, the statement showed that gross profit from VB sales has reached 43,000 billion IRR and experienced 300% increase; mentioned value is forming 10% of the net profit. Soaring in gross profit was because of a profit margin increase in producing VB.
- The central bank's chairman announced "Foreign currency market is consists of several participants such as exporters, importers and exchanges, all mentioned participants should obey the laws of country's foreign currency market. Therefore, we are following up these items on supply side and fortunately, government is cooperating as well." He added, "285,000 IRR dollar is coming from oil sales revenues and it is completely different form 420,000 IRR dollar."
- Iran's oil minister, Javad Owji, mentioned that, "Iran has the highest levels of oil and gas resources in the world, the amount of mentioned resources are 154 billion barrels and 33 trillion cubic meters." He added, "As the government's attempts in producing oil, gas and other products were positive, we achieved the capacity of producing 3 million barrels of oil, 1 billion cubic meters of gas, 2.4 million liters of refining products and 95 million MT of petrochemicals. In addition, in prior year several incomplete oil projects worth above 12 billion dollars came into operation phase that had a direct impact on country's economic growth."

Loading Report

****Due to confidential reasons we are not able to mention the full name of vessels****

May 13 - May 19

Jetty No.		PG1	PG3	PG4	PG5	PG6	PG9	PG10	Total Amount
Vessel Name									
MT G G		5,000							5,000
MT G S		7,700							7,700
MT S			5,000						5,000
MT CH			5,400						5,400
MT K			10,000						10,000
MT A X			3,000						3,000
MT AA				3,000					3,000
MT I				5,600					5,600
MT IN				10,000					10,000
MT D					5,000				5,000
MT B H						3,800			3,800
MT R O						3,100			3,100
MT R 1						3,500			3,500
MT C							8,500		8,500
MT B M							1,500		1,500
MT D 01							1,000		1,000
MT G R							4,000		4,000
MT P							4,500		4,500
MT K							3,700		3,700
MT M1								1,000	1,000
Total Amount	94,300	12,700	23,400	18,600	5,000	10,400	23,200	1,000	94,300

May 13 - May 19 Vessels Locations

****Due to Confidential reasons we are not able to mention the full name of vessels****

NO.	VESSEL NAME	FROM	TO	LAST LOCATION
1	MT P	KHOR AL ZUBAIR, IRAQ	FUJAIRAH, UAE	PERSIAN GULF
2	MT B	SITRAH, BAHRAIN	SHARJAH ANCH., UAE	PERSIAN GULF
3	MT C	BASRAH, IRAQ	SHARJAH ANCH., UAE	PERSIAN GULF
4	MT B H	SHARJAH, UAE	SHARJAH, UAE	PERSIAN GULF
5	MT G P	UMM QASR ANCH., IRAQ	PORT KLANG, MALAYSIA	OMAN GULF
6	MT G R	UMM QASR ANCH., IRAQ	DIBBA, UAE	OMAN GULF
7	MT A 2	RAJAEI, IRAN	BANDAR ABBAS ANCH., IRAN	PERSIAN GULF
8	MT A	HAMRIYA, UAE	BASRAH, IRAQ	PERSIAN GULF
9	MT Y	SHARJAH, UAE	SINGAPORE	LACCADIVE SEA
10	MT G S	MINA SAQR, UAE	KAZ, IRAQ	PERSIAN GULF

Mercantile Exchange

VB Transactions

Supplier	Open		Close			Supply Volume		Demand	Transaction Volume (MT)		
	May 13 - May 19	May 06 - May 12	May 13 - May 19	May 06 - May 12	Change	May 13 - May 19	Monthly Average	May 13 - May 19	May 13 - May 19	May 06 - May 12	Last Month
Tabriz Refinery	0	0	0	0	-	0	1,600	0	0	0	3,000
Tehran Refinery	0	76,900	0	137,499	-	0	8,600	0	0	8,000	35,000
Shiraz Refinery	80,700	80,700	131,000	98,100	33.5%	5,000	10,000	15,000	5,000	10,000	45,000
Esfahan Refinery	76,900	76,900	135,024	80,256	68.2%	40,000	40,000	135,025	40,000	0	200,000
Abadan Refinery	76,900	76,900	125,120	77,007	62.5%	15,000	9,000	40,000	15,000	15,000	50,000
Bandar Abbas Refinery	80,700	80,700	146,223	146,280	-	30,000	36,000	59,500	30,000	50,000	170,000
Arak Refinery	76,900	76,900	132,331	118,265	11.9%	10,000	11,000	42,700	10,000	10,000	55,000
Total						100,000	116,200	292,225	100,000	93,000	558,000

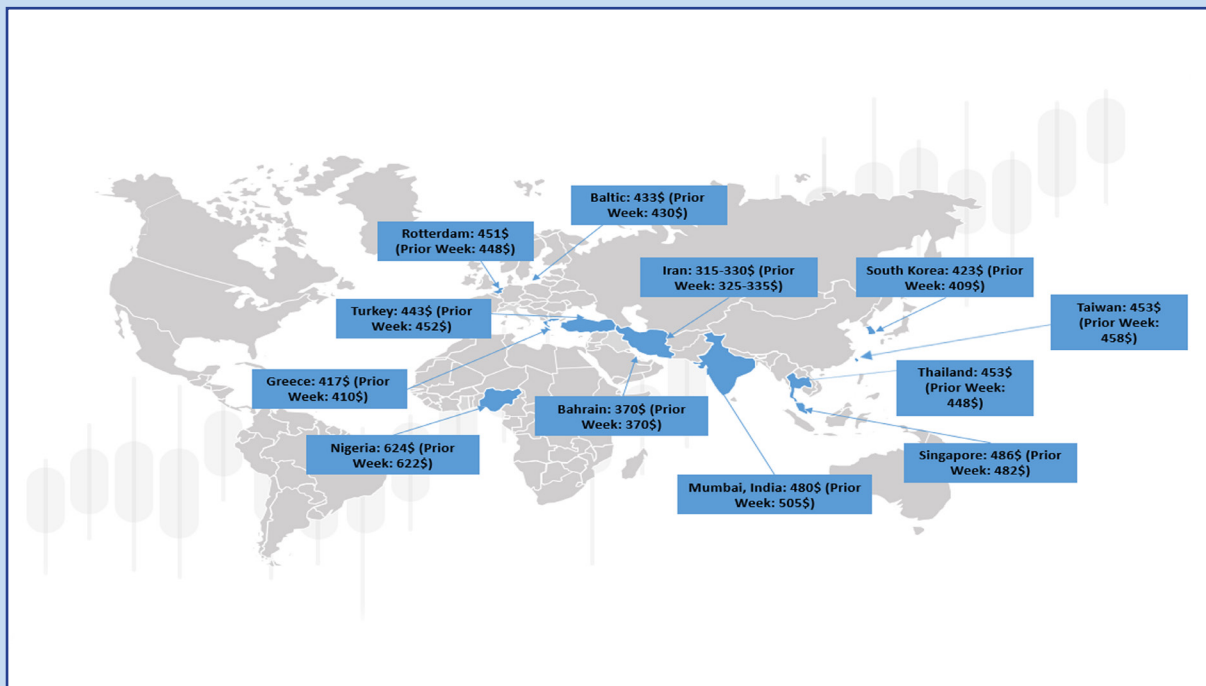
Export Bitumen Transactions

Supplier	Open		Close			Supply Volume		Demand	Transaction Volume (MT)		
	May 13 - May 19	May 06 - May 12	May 13 - May 19	May 06 - May 12	Change	May 13 - May 19	Monthly Average	May 13 - May 19	May 13 - May 19	May 06 - May 12	Volume Change
Jey Oil - Esfahan - BEX	0	0	0	0	-	0	9,800	0	0	0	36,000
Jey Oil - Esfahan - GEX	0	0	0	0	-	0	2,000	0	0	0	8,500
Jey Oil - Bandar Abbas - BEX	165,000	162,000	165,000	169,399	-2.6%	10,000	8,400	10,000	10,000	10,000	47,000
Pasargad Oil - Bandar Abbas - BEX	161,000	161,000	0	161,000	-	7,000	6,200	0	0	2,000	5,900
Pasargad oil - Bandar Abbas - GEX	186,000	191,500	186,000	191,500	-2.9%	3,000	3,000	2,000	2,000	3,000	6,500
Pasargad Oil Abadan	149,400	154,500	149,400	154,500	-3.3%	10,000	10,000	20,000	10,000	3,000	33,500
Pasargad Oil Tabriz	158,000	158,000	0	159,099	-	2,000	800	2,000	0	1,000	2,300
Pasargad Oil Tehran BEX	149,000	152,000	0	152,000	-	3,000	2,400	3,000	0	2,000	6,100
Pasargad Oil Arak Bex	152,000	152,000	152,000	152,000	-	3,000	2,400	4,100	1,100	700	3,900
Pars Behin Qeshm Oil Refining	0	160,399	0	160,399	-	0	12,000	0	0	10,000	35,000
Total						38,000	57,000	41,100	23,100	31,700	184,700

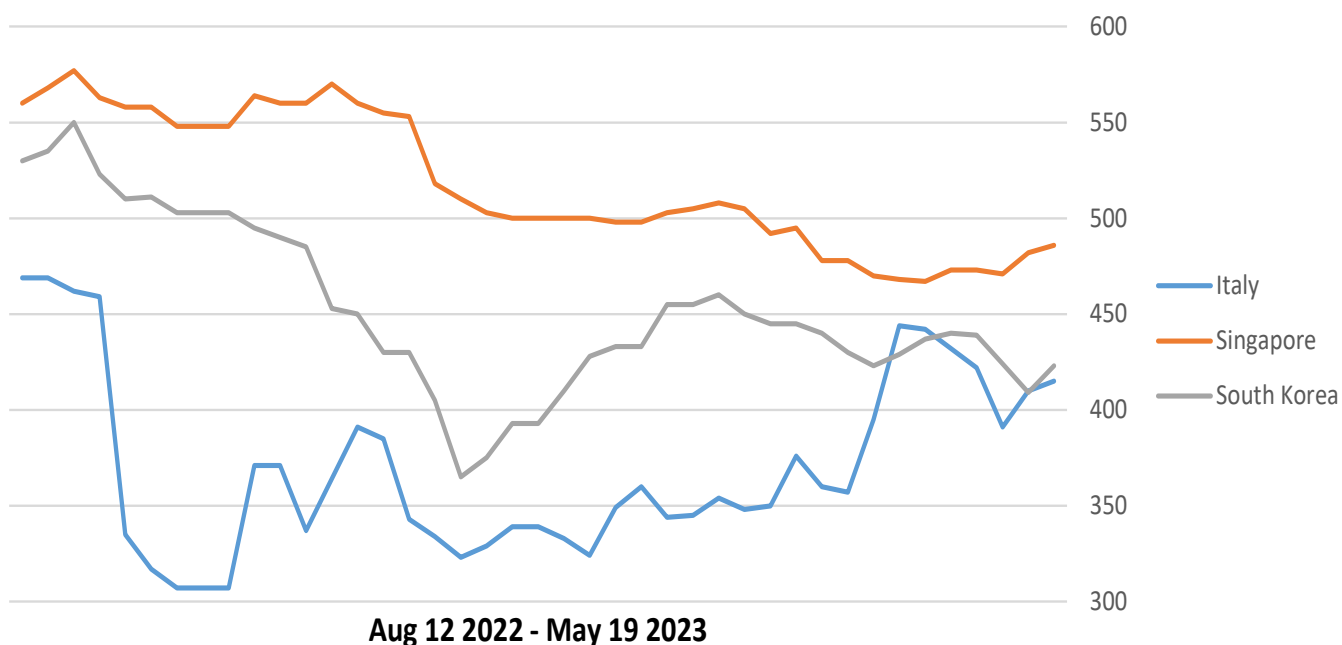
Bitumen & Jumbo Bag Prices

Product	Weekly Range - May 13 to May 19	Product	Weekly Range - May 13 to May 19
Drum FOB Private	380-390	Bulk FOB Private	315-330
Drum FOB Embossed	405-415	Bulk FOB Governmental	330
Jumbo Bag Governmental	--	Jumbo Bag Private	370
Bulk Ex-Work To Pakistan	299	Bulk Ex-Work Tabriz	300

Global Bitumen Prices



Prices Chart



Freight Rate



Phone/WhatsApp: +98-9124323703

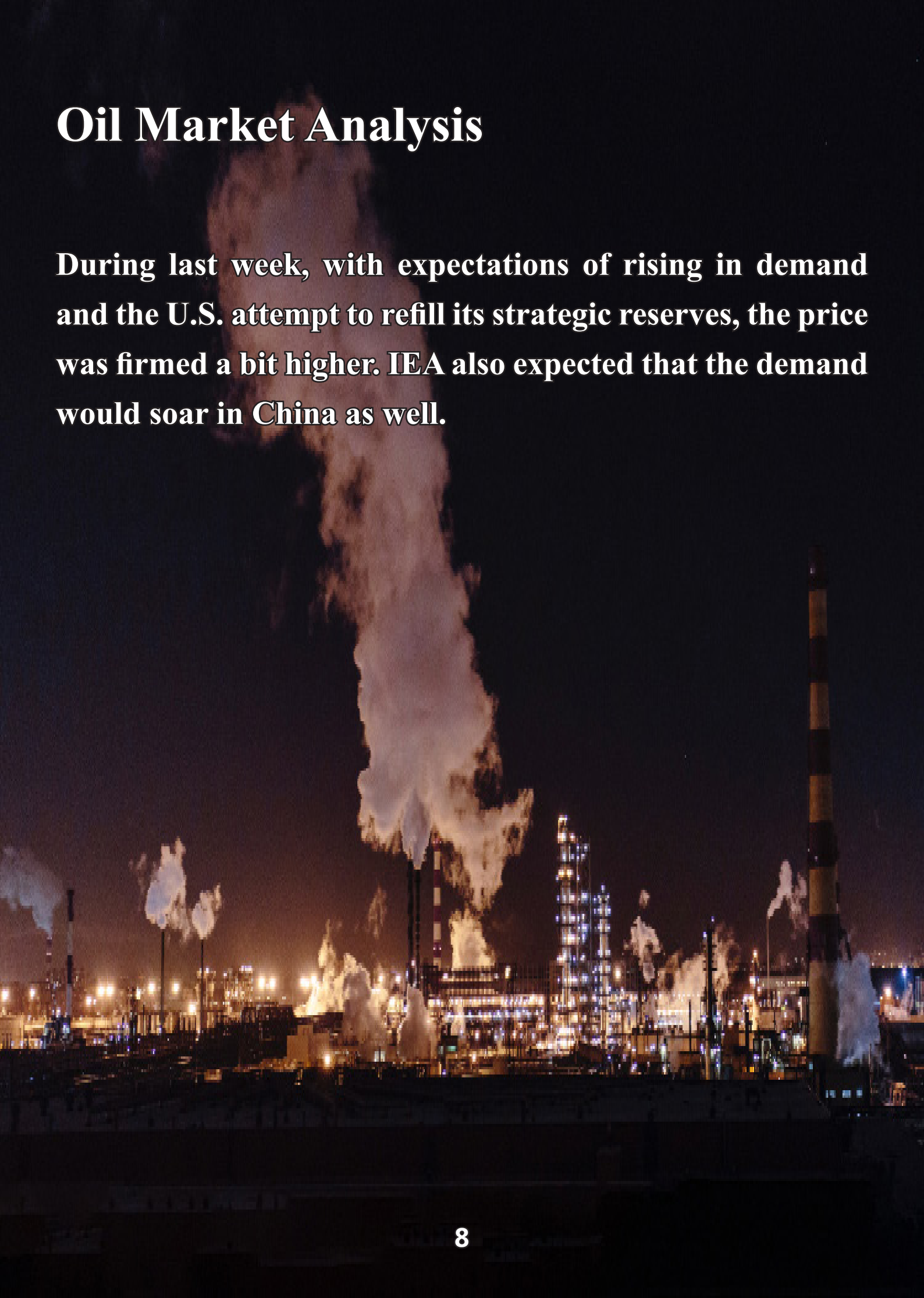
Email: shirin@radianshipping.com

Sponsored By: Radian Daryaye Mahan Company

From	To	Rate (\$)	To	Rate (\$)	To	Rate (\$)	Capacity - Foot
 Bandar Abbas	Nhava Sheva	300	Mombasa	1275	Bintulu	1350	20
	Kandla	300	Dar es Salam	1350	Aden	1350	
	Mundra	300	Djibouti	1300	Salalah	1400	
	Haldia	1400	Berbera	1700	Karachi	600	
	Chittagong	1100	Sudan	1700	Um Qasr	700	
	Colombo	950	Aqaba	1600	Jakarta	850	
	Port Klang	300	Mugla	2000	Singapore	850	
	Jebel Ali	50	Kuching	1450	Maputo	2750	

Oil Market Analysis

During last week, with expectations of rising in demand and the U.S. attempt to refill its strategic reserves, the price was firmed a bit higher. IEA also expected that the demand would soar in China as well.



Oil Analysis

Weekly Timeframe



1-hour Timeframe



Technical Analysis

One of the presented charts for this week is in comparative pattern with gold and short-term chart is based on Fibonacci pattern. According to above charts, in a repetitive timelines gold and oil are either having a direct or reverse behavior. In other words, as future markets are the main leaders of the crude trend, during those timelines that the crude price, despite having positive fundamental factors, is under pressure, the dollar index will increase. During the current timeline, the behavior is in reverse order and as gold plunged in prior week, the crude trend was bullish. It is expected that the gold price is going to be supported on 1930\$ and in the coming week the price will increase at first, then it will decline to lower bottoms. Furthermore, Fibonacci lines are showing a strong support for crude on 72\$ and 80\$.

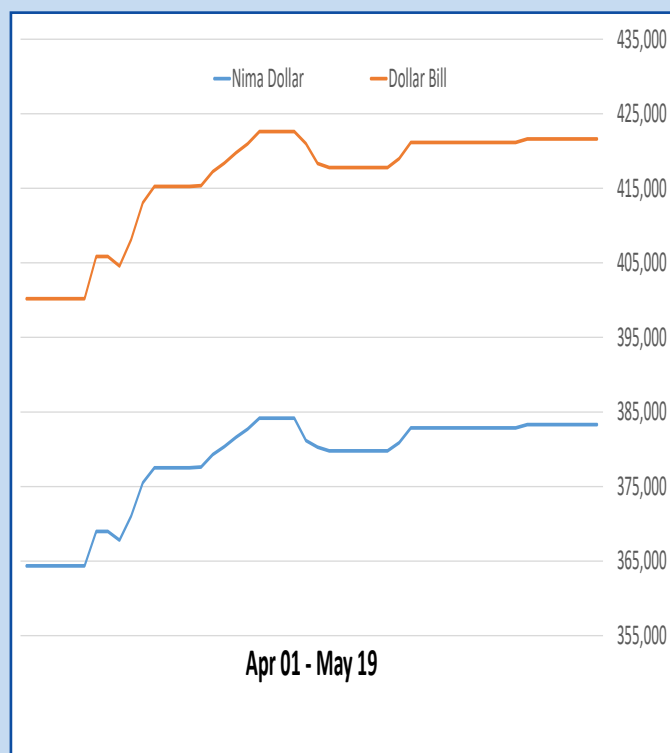
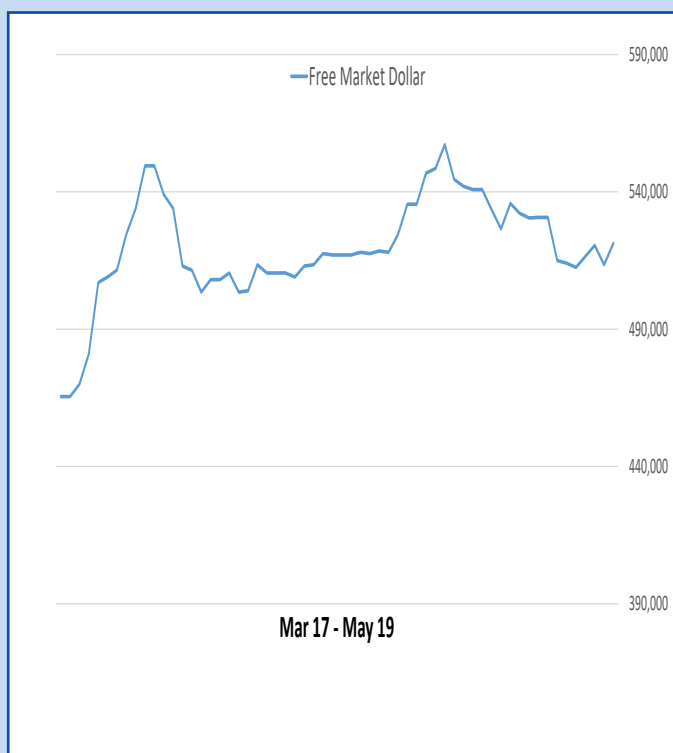
Fundamental Analysis

In prior week, the Brent price was in a steady bullish trend. Expectations about strong demand was the main reason. With rising risks about the U.S. financing politics, the crude prices became lower than 75.5\$ per barrel on Friday. Furthermore, as concerns were growing around the U.S. debt the crude price declined more than 2%. Despite this, the Brent crude index registered 1.7% increase on a weekly basis and it was the first rise in a week after prior month. The reason is that investors are expecting a deficit in the oil market from the second half of 2023. IEA expectations demonstrate that demand in second half of 2023 will soar 2 million barrels, mostly because of China. In addition, the U.S. government announced that in order to refill its strategic reserves it will purchase 3 million barrels and its planned to be delivered on August. On supply side, wildfires across oil fields in Canada and seizing tankers by Iran are adding to risks.

Dollar Market

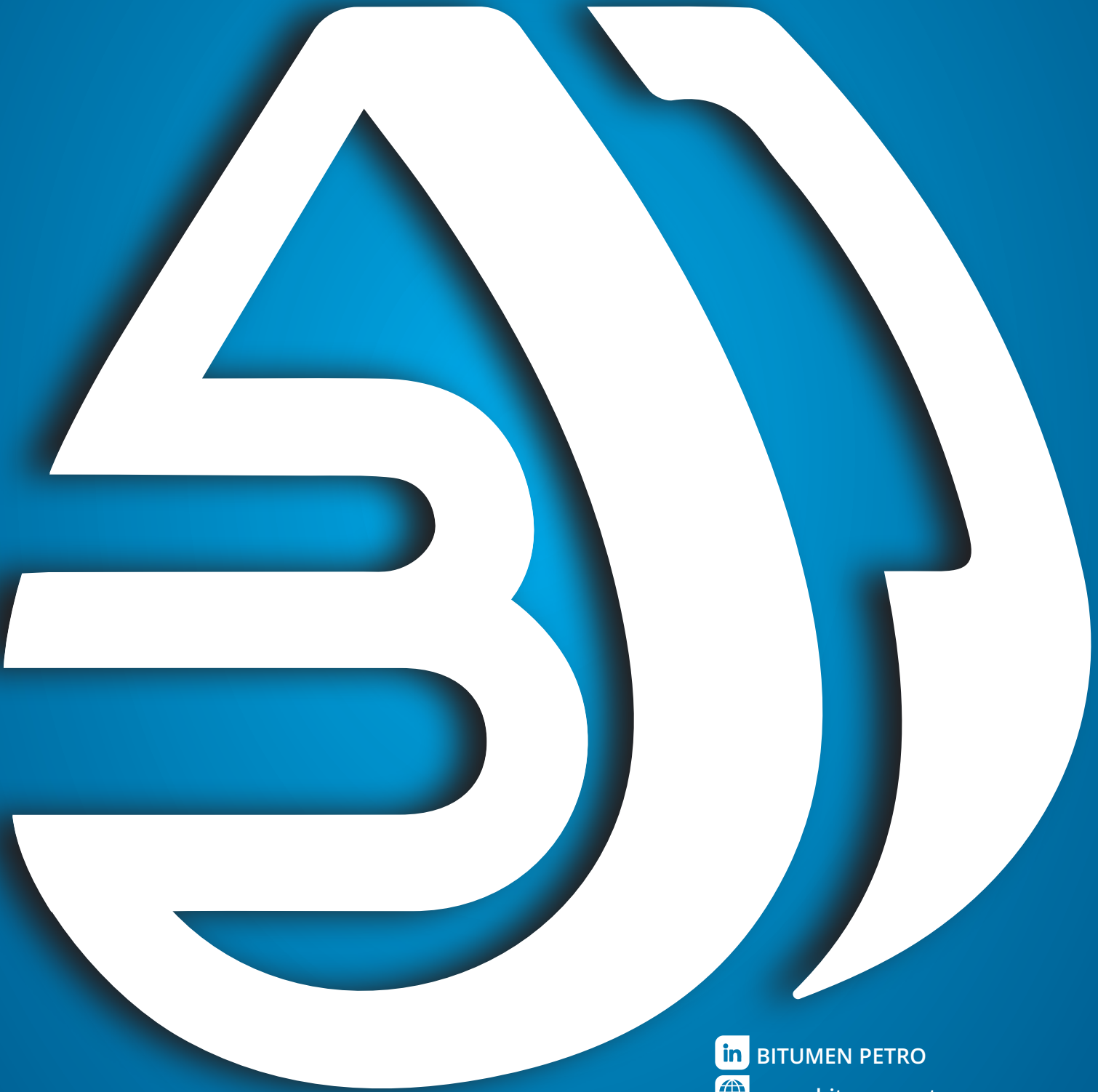
In previous week, the dollar price in the Center of Exchange was steady. On the other hand, in the Free Market it increased about 1.2% on a weekly basis. During prior week, the central bank's chairman explained more about the importance of steadiness in dollar's rate.

Exchange Rate - USD/IRR



Description	Date	5/19/2023	5/18/2023	5/17/2023	5/16/2023	5/15/2023	5/14/2023
Iran Center of Exchange Dollar Remittance	Change	383,292	383,292	383,292	383,292	383,292	383,292
	Weekly Change	0.0%	0.1%	0.1%	-4.9%	0.0%	0.1%
Iran Center of Exchange Dollar	Change	421,621	421,621	421,621	421,621	421,621	421,621
	Weekly Change	0.0%	0.1%	0.1%	-5.0%	0.0%	0.1%
Free Market Dollar	Change	521,300	513,500	520,500	516,500	512,500	514,000
	Weekly Change	1.2%	-3.2%	-1.9%	3.4%	10.3%	-4.1%

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