

## IMO 2020 Watch™

As of April 2018, PKVerleger LLC (Twitter: @pkverlegerllc) will post summaries of relevant articles focusing on the International Maritime Organization's coming imposition of the 0.5-percent sulfur limit on marine bunker fuel. We anticipate maintaining this service until the end of 2019. It may end sooner, however, if the IMO decides to revise its mandated restriction on marine-fuel sulfur content.

(Note: Right-click on links to open in a new browser window.

September 16, 2019

Hellenic Shipping News

[IMO 2020 and the Forties de-escalator in Dated Brent](#)

"Among the many questions raised by the imminent 0.5% cap on sulfur in marine fuels, some crude oil market participants are now asking what the implications could be for the Forties de-escalator, the key sulfur value adjustment mechanism that lies at the heart of the North Sea's Brent crude complex."

September 13, 2019

John Kingston, FreightWaves

[FreightWaves oil report: a "new" refinery about to launch to help supply the East Coast](#)

"When the Philadelphia Energy Solutions refinery closed this year after an explosion and fire, there was concern that taking out the East Coast's biggest refinery right ahead of the introduction of IMO 2020 could be one more factor that could lead to fuel problems for the market and particularly the East Coast. And now coming to the "rescue" is a quasi-new refinery: Limetree Bay Refining, at St. Croix in the U.S. Virgin Islands."

Surabhi Sahu, Sameer C. Mohindru, S&P Global Platts

[APPEC: Scrubbers still integral for IMO 2020 compliance despite some unease](#)

"Scrubbers will be vital to ensure compliance to the International Maritime Organization's low sulfur mandate despite facing skepticism from some quarters about their limitations, delegates said at an industry event this week."

September 12, 2019

Firat Kayakiran, Bloomberg

[Shipping Fears Linger That Fuel Switch May Lead to Accidents](#)

"The global shipping industry is about to undergo one of the biggest changes in its recent history with concerns lingering about just how safe the shift is going to be."

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Greg Miller, American Shipper

### [IEA: Trucks, ships may face less IMO 2020 risk than feared](#)

“The disaster scenario for the International Maritime Organization’s 2020 fuel rule (IMO 2020) goes like this: Ships without exhaust-gas scrubbers must switch en masse to more expensive low-sulfur fuel on Jan. 1. To meet demand, refineries produce more distillate-based marine fuel. That marine-fuel demand competes with diesel and jet fuel for distillate refining capacity. All else being equal, fuel prices surge, not just for ships, but for trucks, trains and airplanes. In the trucking sector, higher diesel prices spark more bankruptcies. But there’s a big “if” embedded in this doomsday scenario – that all other factors remain equal. What if they aren’t?”

September 11, 2019

Robert Fischer, Market News Wire

### [Bunker Oil Market to Witness Huge Growth by 2025](#)

“AMA recently published a detailed study of over 180+ pages in its repository on ‘Bunker Oil’ market covering interesting aspects of market with supporting development scenario till 2025.”

Mike King, FreightWaves

### [Shipping coalition takes aim to IMO 2020 fuel preparations](#)

“Shipping is not ready to safely implement IMO 2020 low-sulfur fuel rules by the start of next year, according to a coalition of shipping trade associations.”

Hellenic Shipping News

### [Compliance with IMO 2020 set to accelerate despite initial hiccups](#)

“Compliance with the International Maritime Organization’s lower global sulfur limit for marine fuels from January 1 could reach as high as 95% in the first few months, well above some industry estimates that pointed to around 65%-70% a year ago, an industry event in Singapore was told Monday.”

September 10, 2019

Saket Sundria, Bill Lehane, Bloomberg

### [Oil Refining Executive Sees European Plants Halting After IMO 2020](#)

“Multiple oil refineries in Europe will be too unprofitable to continue trading once the industry has dealt with sweeping new rules governing shipping fuel that start next year, according to an executive at a UK plant.”

Costas Paris, The Wall Street Journal

### [JPMorgan Says Shipping Loans Will Only Go to Clean Vessels](#)

“J.P. Morgan Asset Management is joining a chorus of global financiers saying that protecting the environment will be a key consideration for extending shipping loans.”

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Florence Tan, Reuters

### [Asian oil refiners' light, sweet tooth drives changes in purchases](#)

“Asian refiners are buying more light crude and trimming purchases of heavy oil, as they tweak production to meet rising demand for low-sulphur fuels in the shipping sector.”

September 9, 2019

Hwee Hwee Tan, Lloyd's List

### [Refineries ramp up production runs and upgrades ahead of IMO 2020](#)

“Preparations for the sulphur cap regulations, along with changes in crude quality due to increasing seaborne crude exports from the US, are cited as two factors driving up refinery turnarounds to new records since 2015. These have breached 'unprecedented levels' year after year.”

Koustav Samanta, Reuters vis Financial Post

### [New emission norms for ships: Dirty fuel down but not out](#)

“But as the [IMO 2020] deadline approaches, analysts and traders agree that demand for the dirtier HSFO will not die out completely as an increasing number of ships get equipped with sulfur-cleaning devices in the coming years to combat pollution.”

Julia Payne, Reuters

### [Trafigura co-head of oil bearish on oil until year end, sees 2020 recovery](#)

“Starting from January, a new lower cap on sulfur content in shipping fuel set by the International Maritime Organization (IMO) will come into effect. The shift is expected to create many market dislocations.”

September 6, 2019

Ship & Bunker

### [Another Annex VI Signatory Suggests It Won't Fully Enforce IMO2020](#)

“India has cast further doubt on whether it will uphold its obligations to fully enforce the upcoming 0.50% sulfur cap on marine fuel.”

John Kingston, FreightWaves

### [FreightWaves oil report: signs of IMO 2020 in physical market are tough to find](#)

“If you're concerned you've missed some early market movements getting ready for IMO 2020, don't worry; not a lot has happened yet.”

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Greg Miller American Shipper

### [Hurdles persist to hedging IMO 2020 fuel fallout](#)

“The looming IMO 2020 rule is predicted to hike transportation fuel costs across the board, begging the question: With just four months left until the deadline, are those facing this risk hedging their exposure?”

Rystad Energy, Oilprice.com

### [Three Essential Factors for Oil Prices in 2020](#)

“In a market update, Bjørnar Tonhaugen, head of oil market research at Rystad Energy, argues that a balanced oil market in 2020 is contingent on these pillars: 1) No global recession, 2) Continued OPEC production cuts, and 3) The effect of new IMO 2020 regulations”

September 5, 2019

Greg Miller, American Shipper

### [Another shipping giant brings its IMO 2020 fuel in-house](#)

“During a lengthy, in-depth conference call with analysts on Sept. 5, Euronav executives disclosed that the company has been spending the past six months stocking up on compliant fuel in preparation for IMO 2020.”

Hwee Hwee Tan, Lloyd’s List

### [Total readies for six month low-sulphur transition](#)

“TOTAL’S marine fuels unit is gearing up for an expected six-month long, low-sulphur transition starting from this October.”

Koustav Samanta, Reuters

### [Cheaper compliant fuel oil stalks gasoil’s lead in IMO 2020 switch](#)

“Very-low sulfur fuel oil (VLSFO) has emerged as a dark horse to challenge MGO [marine gasoil] as a replacement for high-sulfur fuel oil, with a 3.5% sulfur limit, once the switch begins in 2020.”

Transport Topics

### [Energy Experts Fear Price of Diesel to Spike Because of New Shipping Mandate](#)

“Trucking executives fear sharp hikes in the cost of diesel, and perhaps a shortage, as the industry competes for fuel with ocean carriers, which have a mandate to sharply reduce pollution in fewer than 90 days.”

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Eesha Muneeb, Ada Taib, S&P Global Platts

### [Brent/Dubai EFS continues climb to 3-month high](#)

“The spread between ICE Brent futures and Dubai crude futures trekked upward Thursday morning in Asia, as crude quality spreads began catching up to plummeting fuel oil cracks ahead of January 2020 deadline for low sulfur maritime fuel.”

Julia Payne, Reuters

### [Oil trader Vitol sees softer oil price in short term: CEO](#)

“The chief executive of the world’s biggest oil trader, Vitol, told Reuters he expects a weaker oil price in the short term but does not see sustained levels below \$50 a barrel.”

Hellenic Shipping News

### [IMO 2020: Are Asian refiners ready?](#)

“The refining industry is on the brink of a major shift in the demand structure of bunker fuels, and refiners are making plans to meet changing product demand brought about by the IMO 2020 deadline.”

Koustav Samanta, Reuters

### [Asia fuel oil spot premium at record, market says last sputter before dying out](#)

“Asia’s spot premium for marine fuel benchmark 380-centistoke (cst) high-sulphur fuel oil (HSFO) has touched record highs this week as shippers clamoured for limited supplies ahead of a sulphur cap in shipping fuels that starts next year.”

Mike Wackett, the Loadstar

### [Maersk hedges against shortage of low-sulphur fuel by producing its own](#)

“Maersk is taking steps to insure itself against the risk of a shortage of compliant low-sulphur fuel oil (LSFO) when the IMO’s 0.5% sulphur cap becomes law on 1 January next year.”

September 4, 2019

Hwee Hwee Tan, Lloyd’s List

### [Many port states not ready for IMO 2020](#)

“Most signatory states to this green shipping regulation could struggle with enforcing compliance to the global sulphur cap. Of the 95 signatories only 30 countries have experience with enforcing sulphur limits.”

Andy Hipskind, Seeking Alpha

### [IMO 2020 And What It Means for Midstream](#)

“The shift to IMO 2020 compliant fuels will have a wide range of effects for energy and midstream, including an expected increase in demand for the light sweet crude produced by the US. Today we'll

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explore shippers' paths to compliance, effects on global oil demand, and the related opportunities for US midstream.”

Logistics Management

### [IMO 2020 is Coming to Town: Will the spiking cost of fuel cause you pain?](#)

“**Editors’ Note:** In a recent Logistics Management (LM) readership survey, more than 90% of respondents told us that they have “little or no awareness” of IMO-2020 and the impending regulations, while 80% have done no analysis or forecasting relating to the impact on their domestic transportation cost.”

September 3, 2019

Ara Barsamian and Daniel Byeong C. Son, Ship & Bunker

### [IMO2020: RAI 2020 Marine Fuel Availability Study Re-Boot](#)

“The BIG question is, what will be available as 2020-compliant marine fuel? Meeting what specs? At what price? We decided to take a fresh look at our December 2017 study and update it with the latest publicly available data. Here’s what we found out.”

Mike King, FreightWaves

### [Shippers brace for sharp rise in ocean fuel costs as IMO 2020 looms](#)

“Container shipping bunker adjustment factors (BAFs) will rocket later this year as the deadline for the mandatory use of new low-sulfur fuels across the global maritime fleet draws closer. According to London-based consultant Drewry, the BAFs shippers will face from container lines ‘will soar between 4Q19 and 1Q20 first and will be very volatile in the first half of 2020.’ Scheduled to enter into force Jan. 1, 2020, the new International Maritime Organization (IMO) regulations will be a major boost to the environmental performance of ocean freight. However, the premium prices of low-sulfur fuels are expected to drive up global supply chain costs.”

Jeslyn Lerh, Surabhi Sahu, Rajesh Nair, S&P Global Platts

### [Feature: IMO 2020 draws more participants into Singapore’s bunkering pool](#)

“More companies are entering the Singapore marine fuel market, hunting for opportunities ahead of the International Maritime Organization's global sulfur limit for bunker fuels that is expected to drive demand for cleaner fuels, industry sources told S&P Global Platts.”

September 2, 2019

Koustav Samanta, Reuters Africa

### [Europe set to buy more Asian gasoil as shippers switch to cleaner fuels](#)

“More Asian gasoil is expected to head to Europe as buyers take advantage of the biggest seasonal price gap between the two regions in at least seven years to build up stocks ahead of a switch to cleaner marine fuels, traders and ship brokers said.”

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Hellenic Shipping News

### [IMO 2020: VLSFO to price at US \\$531/mt in Rotterdam as compared to US \\$309/mt for HSFO Says Mcquilling Services in Mid-Year Tanker Market Outlook](#)

“Our view on bunker supply for IMO 2020 is predicated on the notion that VLSFO will be longer-term solution from the refinery complex, at the expense of MGO, which could see some higher demand in the early parts of the adoption period due to compatibility concerns for blended fuel oil solutions. For 2020, we project VLSFO to price at US \$531/mt in Rotterdam as compared to US \$309/mt for HSFO, allowing for some economic benefit to a scrubber solution. The increase in scrubber-equipped ships, which are projected to number near 5,000 by the end of 1H 2020, will deflect demand back to HSFO. Refinery efficiency in optimizing VLSFO solutions will cause the narrowing of the differential to US \$85/mt over HSFO by 2022, impacting negatively owners’ decision to retrofit existing tonnage with scrubbers.”

Will Waters, Lloyd’s List

### [Shippers prepare for sharp fuel price rises](#)

“Many cargo owners are still uncertain about the impact of IMO 2020 on their freight costs, although better information is now becoming available, says Drewry. It predicts bunker adjustment factors will soar from the fourth quarter of 2019 and be very volatile in the first half of 2020, before falling in 2021.”

Shipping Watch UK

### [Low-sulfur fuel is so far 30 percent more expensive](#)

“So far, fuels with low sulfur contents are 30 percent more expensive than conventional fuels, according to data compiled by Drewry. Though much can change once the calendar shows 2020, the consultancy writes.”

August 29, 2019

Reuters via Yahoo Finance

### [U.S. sour crude prices slide ahead of low-sulfur fuel mandate – traders](#)

“U.S. sour crude prices this week tumbled to the lowest in a year alongside a drop in high-sulfur fuel oil as marine shippers gear up to meet environmental rules aimed at curbing emissions from ocean-going vessels, traders said.”

August 28, 2019

Stephanie Mercier, AgWeb

### [Changes Coming on the High Seas—How Will They Affect US Agriculture?](#)

“How will this new regulation affect U.S. agriculture? Over the long term, all farmers will benefit by reduced incidence of acid rain globally.... In the short term, it will increase ocean freight rates for both commercial exports and U.S. food aid shipments, especially early in 2020 as shipping companies are scrambling to re-write contract specifications.”

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S&P Global Platts

### [As IMO 2020 deadline nears, shipping sector makes final push to adapt](#)

“Benjamin Franklin once said: ‘You may delay, but time will not.’ This is certainly true for the international shipping industry as it prepares for a plethora of stricter environmental rules that are set to bring escalating costs and operational challenges.”

August 27, 2019

Niagara Frontier Publications

### [EPA to provide relief for certain marine diesel engines](#)

“On Monday, the Environmental Protection Agency proposed to amend the national marine diesel engine program to provide relief to boat builders and manufacturers of lightweight and high-power marine diesel engines that are used in high-speed commercial vessels such as lobster fishing boats and pilot boats.”

August 26, 2019

Sharon Cho, Serene Cheong, Bloomberg

### [Heavy Oil Premiums Shrink as Asian Fuel Oil Profits Collapse](#)

“A plunge in fuel oil margins driven by impending environmental rules for shipping is beginning to take its toll on heavier grades of crude.”

Roslan Khasawneh, Koustav Samanta, Reuters Africa

### [RPT-Asian refiner profits hammered by freefall in fuel oil margins](#)

“Asian refining margins have tumbled more than 50% since mid-July on anticipation of plummeting demand for high sulphur fuel oil (HSFO) ahead of a shift to cleaner marine fuels next year.”

Ship & Bunker

### [IMO2020: Market Continues to Wait for VLSFO Spot Pricing in Most Ports](#)

“The price of IMO2020 compliant VLSFO bunkers is still an unknown for the majority of ports, much to the frustration of many market participants.”

August 23, 2019

Ada Taib, Andrew Toh, Avantika Ramesh, S&P Global Platts

### [Indonesia's Duri crude gets a boost from IMO 2020 demand for LSFO](#)

“Indonesia's Duri crude oil this month traded at strong premiums for August and September loading, driven up by blending requirements ahead of the IMO 2020 low sulfur marine fuel regulation, several trade sources said this week.”



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Reuters

### [Argus to launch Singapore bunker fuel derivative contract on CME](#)

“Oil price reporting agency Argus is launching a Chicago Mercantile Exchange (CME) listed Singapore marine fuels future contract on Monday, catering primarily to suppliers and end-users of the fuel.”

Janet McGurty, S&P Global Platts

### [Trade tariffs seen muting IMO 2020 impact for US refiners](#)

“Weakening export demand for US-made products is skewing the impact of the change to cleaner ship fuel on US refined products as marine gasoil prices fall and cracks widen ahead of the IMO's mandated January 1, 2020, deadline to reduce sulfur content to 0.5% from 3.5%.”

Avantika Ramesh, Wanda Wang, S&P Global Platts

### [Singapore HSFO/marine fuel oil spreads touch fresh highs ahead of IMO 2020](#)

“The spread between Singapore high sulfur and Marine 0.5% sulfur fuel oil for the prompt months have widened to fresh highs on Thursday, as fundamentals for the fuel oil industry adjust before the International Maritime Organization's sulfur mandate kicks in January 2020.”

August 22, 2019

Noah Browning, Reuters

### [West African oil hits sweet spot as shipping upgrades to cleaner fuel](#)

“African states like Chad and Cameroon are shaping up to be big winners from new rules to cut sulphur emissions from ships, providing just the right type of oil to produce cleaner fuels.”

Reuters

### [W. Africa Crude-Angolan heavier sweet oil offered at high prices](#)

“Angola was offering its heavier sweet crudes at high prices ahead of new low-sulphur fuel rules for marine shipping, while more Nigerian programmes began to emerge for October export.”

Surabhi Sahu, Jeslyn Lerh, S&P Global Platts

### [Malaysia will have adequate LSFO to meet demand as IMO 2020 looms: Transport Minister](#)

“Malaysia is readying for the International Maritime Organization's global sulfur limit rule for marine fuels and will have sufficient low sulfur fuel oil to meet upcoming demand as the IMO 2020 rule inches closer, Loke Siew Fook, Malaysia's Transport Minister said during an industry event in the country this week.”

Carla Sertin, OilandGas.com Middle East

### [Cap on sulphur emissions to drive global demand for LNG as shipping fuel](#)

“Demand for liquefied natural gas (LNG) as a conventional source of energy in the maritime industry will continue to grow because of its technological advantages in meeting the standards and requirements in

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limiting the emissions of sulphur, a greenhouse gas. According to marine fuel expert Sergey Ivanov, the global sulphur cap of 0.50 per cent which is set to be implemented by the International Maritime Organization (IMO) next year could drive the global uptake on LNG as bunker fuel.”

August 21, 2019

John Kingston, FreightWaves

### [Diesel prices will spike due to IMO 2020: Fitch](#)

“In anticipating the price impact on diesel prices from the launch of IMO 2020 on January 1 – with any impacts expected to start before that – most forecasters have been fairly moderate in their outlook, with some exceptions. But Fitch Solutions, a unit of Fitch Group, recently came out with its forecast. Prominent in the title is the ‘S’ word – spike.”

August 20, 2019

Ship & Bunker

### [IMO2020: Lack of Enforcement Does Not Change Requirement for Compliance](#)

“Vessels flagged with MARPOL Annex VI signatory states need to comply with the upcoming IMO 2020 rule at all times, even when they are operating in waters where the IMO 2020 rule is not being enforced, sulfur regs enforcement lobby Trident Alliance has stressed.”

Reuters

### [Indonesia will implement IMO low-sulfur fuel rule on schedule: ministry](#)

“Indonesian-flagged ships will comply with new low-sulfur fuel rules that start next year, the country’s Ministry of Transportation said on Tuesday, after earlier saying more time was needed to meet the requirement.”

August 19, 2019

Brian Straight, American Shipper

### [Shippers face uncertain supply chain impacts as IMO 2020 approaches](#)

“Maritime interests have certainly heard about, and are preparing for the IMO 2020 regulations that go into effect on January 1, 2020. But those without direct interest in ocean shipping may not understand the potential impact these regulations could have on global trade.”

Janet McGurty, S&P Global Platts

### [Refinery Margin Tracker: US margins rise as crude price drop mutes bullish IMO impact](#)

“US margins got a boost from lower crude prices, while distillate cracks stubbornly remained range-bound as the countdown to IMO 2020 marches forward, an analysis by S&P Global showed Monday.”

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Ship & Bunker

### [IMO2020 Profit Uptick for Asian Refineries](#)

“Refineries in Asia are beginning to see a lift to their profits from the imminent start to IMO2020.”

August 18, 2019

Sharon Cho, also on Bloomberg

### [Oil Refiners Go From Profit Pain to Gain on Ship-Fuel Rules](#)

“The imminent overhaul of global ship-fuel regulations is finally delivering a long-awaited benefit to Asian oil refiners. Profits from turning crude into diesel in the second half of 2019 are forecast to be about 31% higher than the first six months, according to Goldman Sachs Group Inc. Margins have already expanded around 40% since late April as International Maritime Organization rules that prohibit ships from using dirty fuel from Jan. 1 are set to bolster diesel demand, while cutting fuel oil use.”

Mriganka Jaipuriyar, S&P Global Platts via ET Energyworld.com

### [Falling oil prices may find some support from IMO 2020](#)

“Overwhelmingly bearish economic sentiment has sent oil prices spiraling down and persistent cuts in demand growth forecasts are indicative of further downside risk. The oil markets, however, could find some support in the near-to-medium term from a demand spike led by tighter marine fuel specifications by the International Maritime Organization that are set to kick in on January 1, 2020.”

August 16, 2019

Benjamin Morse, John Morley, Rason Chen, S&P Global Platts

### [Asia, ARA fuel oil stocks fall, cracks tumble in run-up to IMO 2020](#)

“The impending to change to lighter sulfur bunker fuel in 2020 has had a wide ranging impact on related markets as fuel oil stocks are driven lower in Asia and Europe, regional premiums get blown out in Asia, and fuel oil cracks suffer.”

S&P Global Platts

### [European middle distillates cracks hit 2019 highs as crude slips](#)

“European middle distillate cracks have climbed to their highest this year amid falling crude prices, a closed arbitrage from Asia and expectations of greater demand as International Maritime Organization 2020 regulations on marine fuels loom.”

Ahmad Ghaddar, Julia Payne, Reuters

### [Dirty shipping fuel margins plunge as cleaner fuel rules loom](#)

“Margins for European high sulphur fuel oil (HSFO), used to power ships, sank this week as preparations for a global shift to cleaner maritime fuel next year start to weigh on prices.”

August 15, 2019

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Kristian Paris Tialios, Catherine Wood, S&P Global Platts

### [Feature: IMO 2020 preparations and their impacts on US exports](#)

“Ahead of IMO 2020, shipowners are increasingly taking ships off the water for scrubber installations, reducing tonnage availability in the Americas and supporting expectations that freight will firm in the coming months, impacting US export competitiveness.”

Bill Barnes, Petroleum Economist

### [European storage adjusts to IMO 2020](#)

“There are signs that European operators and refiners are getting comfortable with inventory levels ahead of the IMO 2020 switch.”

August 14, 2019

Sam Chambers, Splash247

### [HSFO availability tightens as sulphur cap nears](#)

“With 140 days until the start of the International Maritime Organization-mandated global sulphur cap, *Splash* has been hearing plenty of reports of the supply of heavy sulphur fuel oil (HSFO) becoming more tight, especially in Singapore, the world’s top bunkering hub.”

August 13, 2019

Tsvetana Paraskova, Oilprice.Com

### [Crude Oil Markets Brace for Fuel Market Disruption](#)

“The oil market is grappling with a lot of uncertainties in both supply and demand side factors, but one certainty sure to affect oil markets, refiners, and price differentials is just around the corner—the new regulations limiting the use of sulfur-heavy fuels in shipping.”

August 12, 2019

Robert Boslego, Seeking Alpha

### [Asian Gasoline Glut May Prevent the Predicted Oil Price Spike Due to IMO 2020](#)

“Grave expectations of the [IMO 2020] impact on the oil market have been published in advance of this event, but it appears that an Asian gasoline glut may in fact ease the transition after all.”

Andreas Exarheas, Rigzone

### [Oil Sector Going from Gloomy to Gloomier](#)

“The oil market is going from ‘gloomy’ to ‘gloomier’, according to Rystad Energy. In a statement sent to Rigzone on Friday, the energy research company said recent developments in the sector had sent ‘cold shivers’ through its oil market team and called into question the organization’s temporary bullish view for the first part of 2020.”

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August 11, 2019

KPMG International

### [IMO 2020 – value proposition](#)

“The International Marine Organization (IMO) will introduce its industry wide maximum sulfur content of marine fuel on the 1 of January 2020, known as IMO 2020.... The maritime industry is in the midst of a radical revamp with everything being assessed on its efficiency, profitability and overall necessity.”

August 9, 2019

John Kingston, FreightWaves

### [FreightWaves oil report: just about everything points to lower prices](#)

“If the price of diesel spikes because of IMO 2020, it increasingly looks like it is going to be coming from a very low base.”

Callum O'Reilly, Hydrocarbon Engineering

### [Gloomy oil market ahead](#)

“In its latest market update, Rystad Energy has revealed that recent developments in the oil market have sent cold shivers through the company’s oil market team, calling into question its temporary bullish view for the first part of 2020 linked to the new IMO shipping fuel regulations.”

Paul Hickin, S&P Global Platts

### [IEA sees oil supply glut in 2020 amid fragile demand outlook](#)

“Efforts to rebalance the oil market could be in vain after the International Energy Agency cut its oil demand growth forecasts for both 2019 and 2020 and pointed to strong non-OPEC supply driven by the US, Norway and Brazil...”

S&P Global Platts Analytics currently sees global demand growth this year at 1.19 million b/d and is confident that support from central banks and the impact of the IMO's tougher specifications on marine fuels will stave off any significant collapse in demand.”

Emma Jane Thomas, S&P Global Platts

### [Low crude gives airlines opportunity to increase jet fuel hedging](#)

“Airlines hedge the majority of their fuel costs against Brent crude but have diversified into ICE low sulfur gasoil futures and jet fuel swaps ahead of the International Maritime Organization's 0.5% sulfur cap on marine fuels at the start of next year, which [is] expected to tighten the whole middle distillates complex.”

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Dipka Bhambhani, Forbes

### [Oil Markets Could See Volatility, Arbitrage As Shipping Fuel Shifts](#)

“A United Nations mandate on the shipping industry to remove up to 85% of the sulfur content from its fuel to cut 3% of global carbon dioxide emissions could throw the industry into massive disruption.”

August 8, 2019

FreightWaves

### [Shifting From The Ocean To The Sky: Air Carriers Seek To Lure Away Sea-Freight](#)

“Aviation freight is experiencing a supply-demand imbalance. Soaring ocean costs because of IMO 2020 could make air freight look less expensive. And these factors are creating supply chain and risk management opportunities for agile shippers and freight forwarders, says air freight specialist C.H. Robinson.”

August 6, 2019

Irina Slav, Oilprice.com

### [Heavy Crude Shortage Is Taking Its Toll on U.S. Refiners](#)

“A shortage of heavy crude has prevented U.S. refiners from taking advantage of stronger margins ahead of the new sulfur emission rules of the International Maritime Organizations, which will enter into effect next January.”

August 5, 2019

Janet McGurty, S&P Global Platts

### [Refinery Margin Tracker: Complex US refiners feel the pinch of narrower crude spreads ahead of IMO 2020 rules](#)

“Most US refiners are seeing weaker coking margins ahead of sulfur limits under IMO 2020 rules as the price difference between light, sweet crudes and heavy crudes narrow, but expect spreads to widen back out as the January 1, 2020, deadline for the bunker fuel change nears, an analysis by S&P Global Platts shows.”

August 1, 2019

Irina Slav, Oilprice.com

### [Light Oil Set To Flood Global Market](#)

“Shale oil production growth to record highs in the United States drove a 2.5-million-bpd increase in global oil production last year despite OPEC+ cuts, Italy’s Eni said in the latest [edition](#) of its World Oil Review report, part of the company’s World Oil, Gas and Renewables Review.”

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Greg Miller, American Shipper

### [IMO 2020 has investors “on pins and needles”](#)

“It’s either the calm before the IMO 2020 storm or the calm before a goose egg for tanker owners and their investors.”

Craig Jallal, Riviera

### [Domestic Indonesian fleet will be allowed to ignore IMO 2020](#)

“The Indonesian domestic tanker fleet will be officially allowed to break IMO 2020 ruling in domestic waters to allow high stocks of HSFO to be cleared down.”

Eric Yep, Anita Nugraha, S&P Global Platts

### [Indonesia’s IMO 2020 pushback raises concern of wider non-compliance](#)

“Indonesia's backtracking on IMO 2020's January 1 target for sulfur caps on domestic shipping raises the specter of wider non-compliance, as the marine fuel regulation becomes increasingly disruptive and policymakers seek to control its economic fallout, executives said at a gas conference in Jakarta this week.”

Argus Media

### [Crude markets lag on IMO change: PBF](#)

“Heavy refiners have yet to see crude prices reflect a shrinking market for sulfurous products, US independent refiner PBF Energy said today.”

Bhanvi Arora, Bloomberg/Quint

### [Stricter Emissions Standards: Is India Ready for the Big Change in Shipping](#)

“Maritime trade will become expensive in about five months as merchant shipping firms need to comply with stricter fuel emission standards.”

July 31, 2019

Paul Gunton, ShipInsight

### [IMO 2020: Enforcement could slip through Marpol’s loopholes](#)

“Indonesia’s reported plans to ignore the sulphur cap for its national-flag vessels on domestic routes puts a spotlight on the biggest difficulty regulators will face: enforcement.”

Argus Media

### [Indonesia to maintain HSFO use in challenge to IMO](#)

“Indonesian-flagged vessels operating without scrubbers will be allowed to burn high-sulphur fuel oil (HSFO) in the country's territorial waters next year, contravening the International Maritime Organisation (IMO) rules on sulphur content in marine fuels.”

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Ng Jing Zhi, Su Yeen Cheong, Zameer Yusof, Jonathan Nonis, S&P Global Platts

### [Open interest for Q4 Singapore 10 ppm/500 ppm spread rises ahead of IMO 2020](#)

“A rise in open interest trading volumes for the Singapore 10 ppm/500 ppm spread in the fourth quarter suggests there is growing interest in medium sulfur gasoil as a hedging tool ahead of the International Maritime Organization's tightening of global sulfur limits for marine fuels from 2020, market sources said Wednesday.”

July 30, 2019

Philip Verleger, Oilprice.com

### [The First Country to Abandon IMO 2020](#)

“Indonesia announced last week that it would not enforce the upcoming IMO 2020 rule requiring marine vessels to burn bunker fuels containing no more than 0.5 percent sulfur on its domestic shipping fleet. The country thereby became the first “rat” to jump from the IMO ship.”

Surabhi Sahu, S&P Global Platts

### [Intercontinental Exchange launches more marine fuel contracts ahead of IMO 2020](#)

“Intercontinental Exchange, an operator of global exchanges and clearing houses, and a provider of listing services, said Monday it had launched a further nine marine fuel 0.5% futures contracts ahead of the implementation of International Maritime Organization's global sulfur limit rule for marine fuels.”

Rahul Varpe, TechMag

### [Global Oil Refining Market Size Report: Trends, Forecast and Competitive Analysis](#)

“Oil Refining Market is anticipated to reach over USD 7 trillion by 2024. Rising demand for lighter crude distillates coupled with air borne emission directives will enhance the industry growth.”

Noah Browning, Reuters

### [Chinese demand for Angolan oil rebounds ahead of IMO 2020](#)

“Angolan oil sales are bouncing back from a dismal summer as Asian refining margins have recovered and demand is rising ahead of a major change in marine fuel standards in 2020, traders say.”

July 29, 2019

Malcolm Latache, ShipInsight

### [Indonesia said to be ready to ignore 2020 rules for domestic fleet](#)

“According to a report by Reuters, Indonesia will not enforce the 2020 global rules mandating low-sulphur marine fuels on its domestic shipping fleet because of the high cost of cleaner fuel.”



## IMO 2020 Watch™

Robert Boslego, Seeking Alpha

### [Why U.S. Oil Refiners Will Benefit From IMO 2020 In 2019](#)

“Tank cleaning and potential inconsistencies in low sulfur bunker fuel blends necessitated the changeover process to begin in 2019. And so refiners will begin realizing the benefits of IMO 2020 in the third and fourth quarters of 2019.”

Mondovisione

### [Intercontinental Exchange Launches Further Marine Fuel Contracts In Advance of IMO 2020](#)

“Intercontinental Exchange, Inc. (NYSE:ICE), a leading operator of global exchanges and clearing houses and provider of data and listings services, today launched a further nine Marine Fuel 0.5% futures contracts in advance of the implementation of the 0.5% sulphur cap by the International Maritime Organization (IMO) in January 2020.”

Ship & Bunker

### [Feature: Fresh Signs of a Soft Start to IMO2020, But is it Really Possible?](#)

“Last week there were fresh signs there will be a soft start to IMO2020, the new global 0.5% sulfur cap on marine fuel that comes into force from January 1, 2020.”

Argus Media

### [Galp sees IMO refining margin boost in rest of 2019](#)

“Portuguese integrated Galp expects its refining margins to improve in the second half of this year as increased demand for marine fuels supports crack spreads for middle distillates.”

July 27, 2019

John Kingston, FreightWaves

### [FreightWaves oil report: the few market signs on IMO 2020 not flashing danger yet](#)

“There have been a slew of articles wondering whether the lack of any signs in the market regarding price movements tied to IMO 2020 mean the transition to the new rules won't be a big deal and won't impact diesel prices.”

July 26, 2019

Bernadette Christina, Roslan Khasawneh, Reuters via Financial Post

### [Indonesia will not enforce IMO low-sulfur fuel rules on domestic fleet](#)

“Indonesia will not enforce new global rules mandating low-sulfur marine fuels on its domestic shipping fleet because of the high cost of cleaner fuel, an official from the country's Ministry of Transportation said this week.”

## IMO 2020 Watch™

Peter Tirschwell, JOC.com

### [Upward pressure on low-sulfur fuels raises shipper risk](#)

“With virtually no possibility that the global low-sulfur mandate will fail to take effect Jan. 1, the container shipping industry is seeing signs that cost of meeting the International Maritime Organization (IMO) rule will come in on the higher side of various estimates, pointing not just to higher fuel surcharges but, ultimately, greater risk of pulled capacity and further slow steaming.”

Jane Chung, Reuters

### [SK Innovation sees diesel demand for IMO 2020 improving refining margins](#)

“South Korea’s SK Innovation, owner of South Korea’s biggest oil refiner SK Energy, said on Friday that refining margins are expected to improve, driven by solid diesel demand before new rules on marine fuels take effect from 2020.”

July 25, 2019

Shoaib Ur Rehman, Business Recorder

### [Singapore fuel oil inventories slide as IMO 2020 nears](#)

“Singapore fuel oil inventories dropped for a sixth straight week to a more than eight-month low in the week ended July 24, official data released on Thursday showed.”

Michael Angell, FreightWaves

### [Moody’s sees ships, trucks, and rail having elevated credit risks](#)

“Moody’s added shipping, surface transportation and automotive to the six industries facing “elevated” risk due to new laws being put in place to limit emissions. Moody’s said the assessment “reflects exposure to environmental risks that could be material to credit quality over the next three to five years.”

Eesha Muneeb, S&P Global Platts

### [Brent/Dubai spreads narrow despite looming IMO 2020 deadline](#)

“Benchmark Dubai crude futures' discount to Brent continued to narrow in early morning trading in Asia on Thursday, even as the International Maritime Organization's low sulfur cap rules on marine fuel from January 2020 draws closer and toward the tail end of September trading cycle.”

Clyde Russell, Reuters via Financial Post

### [China fuel exports cast shadow over Asian refining outlook: Russell](#)

“Higher fuel exports from China loom as the major threat to an otherwise fairly positive outlook for crude oil refiners across Asia, who have seen margins recover ahead of significant changes to the shipping industry.”

## IMO 2020 Watch™

January 24, 2019

Ship & Bunker

### [IMO2020: South Korean Suppliers Building Low Sulfur Stockpiles](#)

“Suppliers in South Korea have already begun building their stockpiles of low sulfur IMO2020 grade products, says S-Oil.

Tahani Karrar, Surabhi Sahu, Jeslyn Lerh, S&P Global Platts

### [Feature: Bunker market looks for extended credit lines as IMO 2020 nears](#)

“Shipowners and creditors are scrambling for additional credit lines to cover the anticipated rise in low sulfur fuel oil prices post IMO 2020, market participants said this week.”

S&P Global Platts Insight

### [Shipping industry needs to look beyond IMO 2020 to lower-carbon fuels](#)

“As the International Maritime Organization enters a phase of curbing shipping industry emissions more robustly, the search is on for cleaner alternatives to high sulfur fuel oil to power marine freight worldwide.”

Reuters via Financial Post

### [China to expand discharge ban on open-loop exhaust scrubbers – draft](#)

“China will extend a ban on discharging the waste water from open-loop scrubbers to more coastal regions starting in 2020, the country’s maritime authority said in a draft plan.”

July 23, 2019

Jane Chung, Reuters

### [South Korea’s S-Oil sees IMO 2020 stock build supporting refining margins](#)

“S-Oil, South Korea’s third-largest refiner, said on Wednesday it expects refining margins to strengthen in coming quarters, supported by demand for new low-sulfur marine fuels and the U.S. driving season.”

Laurissa Smith, Rural ABC News

### [Low-sulphur, cleaner shipping fuel oil transition looms signaling choppy waters ahead for maritime industry](#)

“The deadline is looming for the shipping industry to clean up its act on reducing air pollution, as from January vessels across the world will be required to use low-sulphur fuel oil.”

## IMO 2020 Watch™

Irina Slav, Oilprice.com

### [Heavy Oil Supply Crunch Cushions Canada From IMO 2020](#)

“An increasingly tighter supply of heavy crude will in all likelihood help Canada’s oil industry weather the unfavorable effects of the so-called IMO 2020 rules, which stipulate a much lower allowable level of sulfur in bunkering fuel.”

Alastair O’Dell, Petroleum Economist

### [IMO 2020: The calm before the storm](#)

“Prices of bunker fuels and the spreads between them are expected to change rapidly over the next 12 months.”

July 22, 2019

Chris Dupin, American Shipper

### [IMO 2020 safety concerns surface](#)

“The International Association of Dry Cargo Shipowners (INTERCARGO) is expressing concern about the limited availability of low-sulfur fuel needed to meet an International Maritime Organization mandate that goes into effect Jan. 1.”

July 21, 2019

Robert Boslego, Seeking Alpha

### [IMO 2020: Oil Refiners Will “Outwit, Outplay, Outlast” Shipowners Installing Scrubbers](#)

“Beginning on January 1, 2020, ships must either use a low sulfur fuel, LNG or install “scrubbers” to remove sulfur from high sulfur bunker fuels. Those opting for scrubbers would essentially be building and operating mini oil refineries onboard to comply with the lower sulfur fuel standard. In effect, buying scrubbers is a bet that the shipowners can beat complex oil refiners at their own game. This is going to be a losing proposition.”

Jessica Jaganathan, Roslan Khasawneh, Reuters

### [Singapore stocks up on low-sulphur fuel ahead of new shipping rules](#)

“Oil traders are chartering more ships and snapping up fuel oil storage tanks in and around Singapore, the world’s top bunkering port, to stock up cleaner fuel that will meet new shipping rules coming into force next year, industry sources said.”

July 19, 2019

Argus Media

### [IMO boost so far elusive for US diesel](#)

“US diesel markets appear largely untouched by bullish impacts of next year's switch to lower sulphur marine fuel.”

## IMO 2020 Watch™

Hellenic Shipping News

### [Canadian oil traders see IMO 2020 risk easing on demand, changing market](#)

“A surging differential for Western Canada’s benchmark heavy crude has traders and analysts wondering if predictions that tighter sulfur requirements for marine fuel will devalue the country’s oil assets are overblown.”

Ship & Bunker

### [INTERVIEW: Jamaica Growing as Major Bunkering Hub and Ready for IMO2020](#)

“Jamaica’s ambition to become a true logistics hub for the Caribbean is no secret.”

Alan Gelder, Forbes

### [Refiners Weigh Their Options As Energy Transition Gains Pace](#)

“While IMO 2020 is likely to provide a short-term lift to refining margins, the industry is over-building, which will cause margins to weaken.”

Chen Aizhu, Reuters

### [China’s refiners want tax cuts before making cleaner shipping fuel: sources](#)

“Chinese oil refiners want changes to tax laws on the consumption and sale of fuel oil in order to start producing low-sulphur marine fuel when new global clean fuel rules start in 2020, four executives at Chinese oil companies said this week.”

Surabhi Sahu, S&P Global Platts

### [LNG bunkering uptake could ease pressure on low sulfur fuel oil as IMO 2020 looms](#)

“LNG’s uptake as a bunker fuel could alleviate some pressure on demand for low sulfur fuel oil as the deadline for the International Maritime Organization’s global sulfur limit rule approaches, but it still remains a long term solution rather than an immediate one, industry sources said at an event this week.”

July 18, 2019

Janet McGurty, S&P Global Platts

### [Weakening global refining demand may offset strong margins for cleaner fuel](#)

“Refiners and analysts see stronger refining margins resulting from the International Maritime Organization’s impending requirement that ships use lower-sulfur bunker fuel, but waning global demand for crude and refined products could more than offset that optimism.”

Greg Miller, American Shipper

### [Will IMO 2020 change US ports of call](#)

“A fuel spike could push Asian containers to West Coast ports, but time and risk elements also must be considered.”

## IMO 2020 Watch™

Nick Cunningham, Oilprice.com

### [A New Gasoline Glut Is In The Making](#)

“But economic malaise is likely going to take the sting out of the new IMO rules.”

Roslan Khasawneh, Reuters

### [Singapore fuel inventories hit eight-month low ahead of IMO fuel switch](#)

“Oil product inventories in the Singapore storage and trading hub fell to an eight-month low in the week ended July 17, official data showed, in one of the latest signs that suppliers are gearing up for rule changes to make marine fuel cleaner.”

July 17, 2019

Argus Media

### [Chad's Doba crude attracts new buyers, IMO 2020](#)

“Chad's heavy sweet Doba crude has attracted new buyers looking to produce 0.5pc sulphur marine fuels ahead of new regulations.”

Pat Harrington, S&P Global Platts

### [FEATURE: Canadian oil traders see IMO 2020 risk easing on demand, changing market](#)

“A surging differential for Western Canada's benchmark heavy crude has traders and analysts wondering if predictions that tighter sulfur requirements for marine fuel will devalue the country's oil assets are overblown.”

Surabhi Sahu, S&P Global Platts

### [Compliance with IMO 2020 likely around 90%-95% in initial years: consultant](#)

“Compliance with the International Maritime Organization's global sulfur limit for marine fuels will likely settle around 90% or 95% in the initial years after 2020, well above some industry estimates that pointed to compliance of 70%-80% a year ago, a bunker industry veteran and senior partner at 2020 Marine Energy, Adrian Tolson, said at an industry event Monday.”

Surabhi Sahu, S&P Global Platts

### [Measures to transition to IMO 2020 to gain pace in Q3: Fratelli Cosulich CEO](#)

“Measures to transition to the International Maritime Organization's 2020 global sulfur limit rule will gain momentum during the third quarter, as majority of shipowners and operators make the switch to very low sulfur fuel oil, with scrubbers likely to account for only about 5% of the world fleet and 10%-15% of the bunker fuel mix in early 2020, Timothy Cosulich, CEO of Italy-based Fratelli Cosulich said at an industry event Monday.”

## IMO 2020 Watch™

Deborah Jaremko, JWN

### [New low-sulphur shipping rules now expected to be “non-event” for Canadian heavy oil](#)

“Canada’s heavy oil producers have been through too much to be distressed by the International Maritime Organization’s new rules limiting sulphur content in marine fuels, particularly as demand for their barrels surges on the U.S. Gulf Coast, says MEG Energy CEO Derek Evans.”

July 16, 2019

John Kemp, Reuters

### [Column: Freight fuel prices subdued as economy outweighs IMO](#)

“Refining margins for diesel and gasoil delivered next year are wilting as concerns about a recession-driven drop in consumption replace earlier fears about a shortage in fuel availability caused by new maritime regulations.”

Jane Chung, Florence Tan, Reuters

### [Asia refiners test the waters with exports of IMO 2020-compliant fuel](#)

“Refineries in Taiwan and South Korea are testing the market for fuels that meet new rules for low-sulphur ship fuel starting next year, exporting some cargoes of very low-sulphur fuel oil (VLSFO) this month.”

July 15, 2019

Jack Wittels, Bloomberg

### [An Oil Market Crisis Looks Averted, for Now](#)

“As recently as a year ago, the oil market was in a panic about changes to the kind of fuel that ships must burn.”

Sam Meredith, CNBC

### [The “biggest change in oil market history” is less than six months away](#)

“‘It is the biggest change in oil market history,’ Steve Sawyer, senior analyst at energy consultant Facts Global Energy, told CNBC. ‘It is going to affect crude oil producers, traders, ship owners, refiners, equity investors, insurance companies, logistical businesses, banks... Who’s left? I’m struggling to think of anyone it might not affect. That’s why it is a huge transition,’ Sawyer said.”

Ship & Bunker

### [Singapore-Rotterdam Bunker Price Spread Widens to New High](#)

“Market participants have pointed the finger firmly at IMO2020 as the reason why a recently rising premium for bunkers in Singapore vs Rotterdam hit new highs last week.”

## IMO 2020 Watch™

July 14, 2019

Robert Boslego, Seeking Alpha

### [Estimating Impacts of IMO 2020 on Oil Refiners](#)

“The change in marine fuels will benefit refiners by increasing their profits, compared to average. I have written articles on Valero Energy Corporation (VLO), Marathon Petroleum Corporation (MPC) and Phillips 66 (PSX), discussing the impacts. In this article, I provide some detailed data on how much impact the market currently expects.”

July 12, 2019

Lara Berton, Luke Milner, S&P Global Platts

### [Demand for methanol as marine fuel to grow ahead of IMO 2020: Methanex](#)

“Methanol's use as a marine fuel was expected to grow ahead of IMO 2020 -- the lower sulfur cap on marine fuel globally -- with Waterfront Shipping Company launching new vessels running on the clean fuel this year, executives from the company and its parent, Methanex, said.”

John Synder, Riveria

### [LNG as fuel outperforms scrubbers, says study](#)

“A recently released study contends that LNG as a marine fuel is ‘the most financially effective long-term method for complying with the IMO 2020 sulphur cap.’”

Florence Tan, Roslan Khasawneh, Reuters via Financial Post

### [Supply cuts lift Asia oil refining margins to highest since Sept 2017](#)

“Asia oil refining margins have more than tripled in the past three weeks to hit their highest since September 2017, Refinitiv data showed on Friday, after refiners cut output and tightened fuel supplies.”

July 11, 2019

Philp Vahn, Charles Lee, S&P Global Platts

### [South Korea's SK Innovation to raise supply of low sulfur fuels to 130,000 b/d next year](#)

“South Korea's top refiner SK Innovation will increase supply of low sulfur fuels to 130,000 b/d next year, from the current 23,000 b/d, to meet stronger demand due to the implementation of marine fuel regulation by International Maritime Organization from January 1, 2020, a company official said Thursday.”

John Kingston, FreightWaves

### [Scrubber total when IMO 2020 hits will be a number better for diesel buyers: execs](#)

“For the trucking and transport industry looking at the start of IMO 2020 next year, with impacts to start hitting in fall 2019, one key equation that needs to be understood is that every ship that installs a



## IMO 2020 Watch™

scrubber to meet the rule does not need to buy fuel that is drawn out of the diesel pool. Each scrubber reduces ever so slightly the potential for higher diesel prices.”

July 10, 2019

Ship & Bunker

[Analysts see Extended Higher Prices for Distillates](#)

“Analyst opinion sees higher pricing for marine fuels as ship operators and fuel sellers stock up ahead of the IMO2020 rule change on the sulfur content of bunker fuel.”

July 9, 2019

BusinessWorld

[Hedge funds chart course through “IMO 2020” storm](#)

“Shipping companies, refineries, freight derivatives or diesel cracks? Investment funds are placing their bets as the shipping sector prepares for new rules limiting sulphur emissions from ocean-going vessels.”

Greg Miller, FreightWaves

[How IMO 2020 affects transport of ore, coal, grain and other dry bulk](#)

“Much of the focus on the IMO 2020 regulation – which limits the sulfur content of fuel used on ships and their emissions to 0.5 percent starting January 1, 2020 – has been on consequences for tanker and container-ship profitability. But the fallout is much more pervasive than that.”

Argus Media

[Analysis: Singapore bunker premiums surge](#)

“A shortage of fuel oil cargoes and tight barging schedules are pushing up delivered bunker premiums in the port of Singapore in the run-up to the IMO 2020 sulphur cap.”

July 8, 2019

Takeo Kumagai, S&P Global Platts

[Japan says first IMO-compliant bunker fuel trial on coastal vessels a success](#)

“Japan's first trial of bunker fuel complying with the International Maritime Organization's new 2020 rules went off smoothly on domestic coastal vessels, the transport ministry said on Monday, a move that takes the start of commercial supply of the low-sulfur marine fuels one step closer.”

Cho Chung-un, Korea Herald

[SK Innovation's trading unit to quadruple oil blending capacity](#)

“A trading unit of SK Innovation, which owns the country's largest refiner SK Energy, will quadruple its offshore low-sulfur fuel supply in 2020 to meet the growing demand for diesel fuel with substantially lowered sulfur content under toughening emission control regulations, the company said Monday.”

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Jonathan Scott, Maiya Keidan, Tom Arnold, Reuters

### [Hedge funds chart course through “IMO 2020” storm](#)

“Shipping companies, refineries, freight derivatives or diesel cracks? Investment funds are placing their bets as the shipping sector prepares for new rules limiting sulphur emissions from ocean-going vessels.”

Scott Mall, FreightWaves

### [IMO 2020: A new higher normal for diesel prices?](#)

“According to “IMO 2020: A new higher normal for diesel prices?,” a new report from the FreightWaves Freight Intel Group, when IMO 2020 goes into effect on January 1, 2020 the domestic U.S. logistics industry, including the shippers it serves, will be grossly unprepared for volatility in the diesel markets.”

Hellenic Shipping News

### [To scrub, or not to scrub? That is the question...](#)

“Llewellyn Bankes-Hughes, Managing Director, Petrosport talks about the controversial adoption of exhaust gas cleaning systems ahead of IMO 2020.”

July 5, 2019

Roslan Khasawneh, Reuters

### [Asia fuel oil premiums surge to record as global sulfur shift looms](#)

“SINGAPORE (Reuters) - High sulfur fuel oil premiums in Asia surged to a record on Thursday, one of the first signs of the impact of a shift in global ship fuel rules set to occur in 2020.”

Atskuko Kawasaki, S&P Global Platts

### [Taiwan’s Formosa starts selling LSFO for the first time on higher margins](#)

“Singapore — Taiwan's Formosa Petrochemical Corp. started selling low sulfur fuel oil cargoes for the first time as the margins of the grade jumped on strong stockpiling demand, a company source said Thursday.”

Gulf Times

### [First signs of IMO 2020 fuel demand rock bottom of the barrel](#)

“They may still be six months away, but new rules on marine fuels are already sending shock-waves through the little-known world of refinery feedstocks.”

Argus Media

### [Low-sulphur fuel prices at 16-year high](#)

“Prices of fuel oil with a maximum sulphur content of 1pc are edging towards parity with Brent crude values in Europe, as fresh demand from the shipping industry emerges ahead of the International Maritime Organisation's (IMO) 0.5pc sulphur cap in 2020.”

## IMO 2020 Watch™

John Kingston, FreightWaves

[FreightWaves Radio preview: the outlook for IMO2020; Convoy, retention, and the last-mile threesome](#)

“With IMO2020 just around the corner, FreightWaves Radio this weekend takes a look at how it might impact fuel markets.”

Christian Carlsen, ShippingWatch

[2020-regulations increase high-sulfur fuel price in Asia](#)

“The price of high-sulfur fuel has risen in Asia, one of the first signs of a global shift in fuel consumption to hit the markets in earnest once the new sulfur regulations enter force next year, according to Reuters.”

July 4, 2019

Chris Wood, OilandGasMiddleEast.com

[Comment: Feeling relief ahead to IMO 2020](#)

“A world first is sending ripples of relief through an unnerved global shipping and bunkering market. UED completed the largest ever single shipment of low sulfur fuel oil (LSFO) on the 14th May – while celebrating just its third year of operations. So, why does this earn a spot in the history books?”

Tsvetana Paraskova, Oilprice.com

[China Looks To Launch Low-Sulfur Fuel Oil Futures Contract](#)

“China plans to launch a low-sulfur bunker fuel oil futures contract in a bid to raise its pricing power in the world’s maritime fuel oil market.”

July 3, 2019

Hellenic Shipping News

[Oil quarterly: European fuel oil market strengthens ahead of IMO 2020](#)

“The high sulfur fuel oil market was relatively strong through the second quarter, with a generally tightening European market often overcoming slack buying demand from Asia.”

Jack Wittels, Bloomberg

[New Shipping Fuel Rules Are Starting to Rock the Oil Market](#)

“They may still be six months away, but new rules on marine fuels are already sending shock-waves through the little-known world of refinery feedstocks.”

## IMO 2020 Watch™

Surabhi Sahu, S&P Global Platts

### [ExxonMobil offers low-sulfur Engineered Marine Fuels ahead of IMO 2020](#)

“Singapore – ExxonMobil said Wednesday it was ready to offer a new range of low-sulfur Engineered Marine Fuels to help ship operators comply with the International Maritime Organization's global sulfur limit rule for 2020.”

July 1, 2019

Kevin Saville, JOC.com

### [Low-sulfur price indicators bullish; true view months away](#)

“With the global low-sulfur mandate now just six months away, analysts say key price indicators for the new bunker fuel product are trending upward, although they caution limited trading activity prevents full price discovery at this point.”

Ship & Bunker

### [Redouble IMO2020 Bunker Supply Efforts: ICS](#)

“The International Chamber of Shipping (ICS) has called on the industry to redouble its efforts to ensure there is adequate supply of fit-for-use IMO2020 compliant fuel.”

June 30, 2019

Chiranti Sengupta, Gulf News

### [Final countdown to sulphur 2020 begins](#)

“While the new regulation is projected to have far reaching consequences on the environment, it is also set to impact the global economy, requiring companies in commercial shipping, bunkering and refining industries to implement significant operational changes.”

The Medi Telegraph

### [IMO 2020, refineries have the capacity to make the oil](#)

“Refineries will have capacity to make the compliant fuel oil available, forecasts the International Energy Agency.”

June 29, 2019

Saudi Gazette

### [IMO2020 sulfur cap on marine fuel to kick into force starting Jan.](#)

“The International Maritime Organization (IMO) will enforce a new 0.5% global sulfur cap on fuel content from 1 January 2020, lowering from the present 3.5% limit. The global fuel sulfur cap is part of the IMO's response to heightening environmental concerns, contributed in part by harmful emissions from ships.”

Port News

### [IMO hosts roundtable industry meeting ahead of “sulphur” rule coming into force](#)

“At a roundtable industry meeting hosted by IMO at its London Headquarters (21 June), participants were updated on the latest guidance, treaty amendments and other instruments emanating from IMO to support the implementation of the "sulphur 2020" rule. All of these have been developed by Member States working through IMO, in collaboration with stakeholders, recognising the need for cooperation in order to develop and deliver technically robust instruments for international shipping.”

June 28, 2019

Robert Boslego, Seeking Alpha

### [Valero Energy: Positioned To Profit From IMO 2020](#)

“Refiners which have the ability to process the high sulfur fuels into lighter products will benefit. Valero (VLO) is the largest independent refiner on the U.S. Gulf Coast and its system of refineries are complex - that is, able to process or remove sulfur.”

June 27, 2019

Tyson Halsey, Seeking Alpha

### [Optima Announces Technology Milestone And Provides IMO2020 Update](#)

“IMO 2020, which will reduce the sulfur limit on bunker fuel from 3.5% to 0.5%, is expected to have a broad environmental and economic impact affecting the 90,000 vessels that make up the world’s shipping fleet. One year ago, energy market historian and Yale professor Philip K. Verleger, Jr. predicted that the IMO 2020 global environmental regulation could cause an economic collapse and drive oil prices to \$200/barrel. In spite of Verleger’s warning and significant reporting on the matter, insufficient industrial preparation has occurred to address this critical environmental regulation.”

Hellenic Shipping News

### [Beyond bunkers: The Surprising impact of IMO 2020](#)

“The impact of the upcoming IMO 2020 regulations on the shipping and refining industries is well understood. And we know that an increase in freight rates for raw materials such as iron ore and coal will likely translate to higher costs for the steel sector. But if we look a little deeper, there are a few surprises in store.”

Bunkerspot

### [Op-Ed: Precious Relief Ahead of IMO 2020](#)

“Larger and more frequent shipments of low sulphur fuel oil (LSFO) will help allay concerns over the availability of compliant bunkers, writes Chris Wood, Managing Director, Uniper Energy DMCC (UED).”

## IMO 2020 Watch™

Koustav Samantra, Reuters

### [Asian gasoil margins surge to near 4-month high](#)

“The only possible reason for cracks to strengthen seems to be paper activity. This could be looking at 1Q20 gasoil cracks as a consumer hedge in the event there is a shortage in the wake of IMO 2020. Other than that, there doesn't seem to be anything fundamental to warrant this increase,’ Vijayakar added.”

Hellenic Shipping News

### [Timely IMO 2020 compliance benefits U.S. economy; delay does not: Study also concludes IMO 2020 will have negligible impact on the fuel market](#)

“Yesterday Charles River Associates (CRA) released a new economic analysis of the International Maritime Organization's (IMO) 2020 fuel standards. The analysis, titled Economic Analysis of IMO 2020: The Benefits to the U.S. Economy of Full Participation and Compliance, evaluates the fuel price and macroeconomic impacts of significantly diminished IMO 2020 compliance, and found that it would not benefit the U.S. economy. In fact, non-compliance by the United States would likely benefit other global economies.”

First Kayakiran, Bloomberg

### [Oil Refineries Have Been Too Slow on Vital Fuel Change, Shipper Group Says](#)

“The world's oil refineries could have done more to be ready in time for new rules governing the kind of fuel that merchant vessels must burn, the president of the world's biggest shipping association said.”

Ship & Bunker

### [IMO 2020: Around 4,000 Scrubber Equipped Vessels by Jan 1](#)

“The Exhaust Gas Cleaning Systems Association (EGCSA) is predicting there will now be around 4,000 ships fitted with scrubbers by January 1, 2020.”

June 26, 2019

Hellenic Shipping News

### [The 2020 Global Sulphur Cap](#)

“We refer Members to our previous publications on the 2008 amendments to Annex VI of the IMO's International Convention for the Prevention of Pollution from Ships 1973 (as modified by the Protocol of 1978) (MARPOL) and which will come into force on 1 January 2020. The amendments will ensure a significant reduction in the sulphur emissions from ships (the 2020 Global Sulphur Cap) and thereby demonstrate that the shipping industry is committed to meeting its environmental obligations.”

## IMO 2020 Watch™

June 24, 2019

Logistics Middle East

### [IMO 2020 supply chain disruption of greater concern than costs say shippers](#)

“Most shippers appear to be more concerned about the impact IMO 2020 sulphur regulations will have on the supply chain than the increased costs because of it, according to a report from The Loadstar.”

Florence Tan, Reuters

### [Vitol building Malaysian oil refinery to meet new low-sulphur ship fuel rules](#)

“Vitol, the world’s largest independent oil trader, has started building a small oil refinery at its storage terminal in Malaysia that will provide low-sulphur fuel for ships, a senior company official said on Monday.”

June 23, 2019

John Kingston, FreightWaves

### [Connecting all the bones to project what will happen when IMO2020 hits the market](#)

“It’s all over but the shouting. That’s an old phrase that translates as everything is in place and now things just need to play out to see what happens. Politicians will sometimes say it on Election Day. It’s a perfect description of where the oil market stands – and by extension, the trucking and rail markets – as we await the introduction of IMO 2020 over the next few months.”

June 21, 2019

Todd Staples, MySA.com

### [Mandate for cleaner shipping fuel benefits Texas](#)

“The shale revolution has been an economic boon for Texas, creating middle-class jobs across the state, providing consumers with affordable, reliable energy, and reducing America’s dependence on foreign oil. Texas is perfectly positioned to continue to benefit from America’s renewed energy dominance for many reasons, one being if the International Maritime Organization’s 2020 standards — commonly called “IMO 2020” - are allowed to go into effect.”

Hellenic Shipping News

### [Singapore Faces Challenging Demand Shift from IMO 2020](#)

“ESAI Energy’s recently released Global Fuels 12-month Outlook highlights how Asia will bear the brunt of the demand shift caused by the International Maritime Organization’s new sulfur cap for shipping fuels in 2020.”

June 19, 2019

John Kemp, Reuters

### [Column: Global economic slowdown hits oil consumption](#)

## IMO 2020 Watch™

“Tepid demand from manufacturers and transport companies explains why distillate refining margins remain weak despite the scheduled introduction by the International Maritime Organization of new marine fuel rules at the end of the year.”

Baibhav Mishra, Sea News

### [IMO 2020: A Rocky Path to Sulphur Compliance](#)

“Ship owners, operators and carriers must comply with new rules on emissions from 2020. Scrubbers currently dominate discussions. In this latest “sulfur-smart” blog post, we give an update on the scrubber debate, but also shed light on the topic of fuel quality. The lack of standardization on the composition and quality of low-sulfur fuels could lead to downtime of ships – and increased cost.”

June 18, 2019

Myrna M. Velasco, Manila Bulletin

### [Shift in marine fuel use to push diesel prices up](#)

“Socially sensitive petroleum products, primarily shipping fuel, may rise by as much as P5.00 to P7.00 per liter early part of next year when the maritime industry shifts its fuel usage to a cleaner alternative with 5,000 parts per million (ppm) of sulfur from currently at 35,000 ppm of sulfur content, according to industry estimates.”

Jordan Blum, Chron

### [Rystad: Uncertain OPEC should keep current cuts flat](#)

“OPEC nations may be at odds with each other, but all they need to do is extend their current crude oil cutbacks through the end of the year to help keep the market relatively balanced, according to a new report.”

Hellenic Shipping News

### [Refiners' Q2 earnings to weaken on low refining margins: analysts](#)

“South Korea’s major refiners are likely to see weak earnings for the second quarter as they struggle to improve their margins, industry analysts here said Monday.”

June 14, 2019

John Kingston, FreightWaves

### [FreightWaves Oil Report: Some words of assurance on IMO2020 supplies from a veteran oil trader](#)

“It’s going to be OK. That was the message of Mike Winstone, a vice president at Freepoint Commodities and a long-time trader of the “bottom of the barrel,” the usually lowest-value refined products that among other things are used to power ships.”



## IMO 2020 Watch™

Greg Miller, FreightWaves

### [IMO 2020 credit risks to cascade across marine fuel supply chain](#)

“The global sulfur cap for marine fuel goes into effect in just six and a half months. There has been significant focus on how the new rule, known as IMO 2020, could affect land-based diesel pricing, and how it will upend the market for residual heavy fuel oil. What has yet to garner much attention is how IMO 2020 will heighten credit risks across the bunker fuel supply chain.”

Ship & Bunker

### [Zero Chance of IMO2020 Being Delayed, IMO Stresses Again](#)

“There is zero chance of IMO 2020 being delayed, Frederick Kenny, Director of Legal and External Affairs at the IMO has told BIMCO.”

Craig Fuller, FreightWaves

### [One of the biggest environmental regulations ever is coming and it will wreak havoc](#)

“One of the biggest environmental regulations ever is coming and it will wreak havoc on small trucking companies.”

June 13, 2019

Visual Capitalist via Equities.com

### [IMO 2020: The Big Shipping Shake-up](#)

[Graphic presentation]

June 12, 2019

Paul Hickin, S&P Global Platts

### [IMO 2020 could cause Brent price spike to \\$80/b by end-2019: Platts Analytics](#)

“The oil market is likely to tighten further in the second half of the year due to further supply restraints and relatively healthy demand, with IMO 2020 potentially pushing Brent crude toward \$80/b by end-2019.”

Hellenic Shipping News

### [IMO 2020 – Countdown to 1 January 2020 – How will the changes affect refining and shipping?](#)

“We know that the IMO’s regulations represent the biggest step change the shipping industry has ever seen and the implications will be felt throughout the value chain. But there are still a number of things we don’t know.”

June 11, 2019

Ship & Bunker

### [Refiners’ Profits to Rise on Higher Distillate Demand](#)

## IMO 2020 Watch™

“Analysts have reaffirmed their belief that distillate prices will rise ahead of the global switch to low sulfur bunker fuel which comes into force in six months’ time.”

June 10, 2019

Stephanie Kelly, Devika Krishna Kumar, Reuters

[Jet fuel costs could rise from new rules to improve air quality](#)

“Prices for jet fuel for later this year and into 2020 are expected to rise due to new marine fuel regulations - as the need for lower-sulfur fuels in ships cuts into the available supply for similar distillates like diesel or jet fuel.”

Erwin Seba, Reuters via Yahoo Finance

[New marine fuel rules to boost diesel prices for at least a year – analysts](#)

“Global prices for diesel and marine fuels should rise by October ahead of a January switchover to new, very low-sulfur marine fuels, and remain higher for at least a year as refiners shift production to make more of the new fuels, analysts said.”

Hellenic Shipping News

[IMO 2020 Will Bring Higher Costs, More Volatility and Cleaner Air](#)

“It will take years before we know what the true cost of IMO 2020 will be to consumers in the U.S. and around the globe, and whether that cost will be offset by better health and savings in medical care. But nothing good in life comes free, an immutable fact of life that makes no exception for regulations designed to create cleaner air.”

June 9, 2019

Javier Blas, Bloomberg

[Bulls Beware: The 2020 Market Is Quickly Turning Ugly](#)

“The bulls weren’t completely wrong in their analysis for next year: the shipping fuel changes, known as IMO 2020, are all but certain to boost demand for diesel, perhaps pushing that particular corner of the petroleum market into a deficit. However, supply growth, fueled by a resilient U.S. shale industry, continues to surprise to the upside.”

June 6, 2019

David Sheppard, Laurence Fletcher, Financial Times

[Top oil trader befuddled by “complicated” demand outlook](#)

“The top trader at Merchant Commodity Fund, a London-based hedge fund, has warned that oil prices are likely to remain volatile, describing the outlook for the market as ‘the most complicated’ in years.”

## IMO 2020 Watch™

June 4, 2019

Argus Media

### [IMO 2020 oil price effect may be minimal: Report](#)

“The chances a pending rule to lower sulphur emissions from ships will lead to a spike in oil and diesel prices have decreased, Bank of America said in a new report.”

June 3, 2019

Ken Spain, Inside Sources: Energy

### [IMO 2020, a Key Part of America’s Energy Dominance](#)

“Energy and Environmental Research Associates recently released a white paper co-authored by James J. Corbett and Edward W. Carr of the University of Delaware outlining the economic benefits of IMO 2020 and highlighting America’s readiness for the standards. According to the paper, ‘The global shift to cleaner fuels serves U.S. interests, both economic and environmental.’”

June 2, 2019

Greg Miller, FreightWaves

### [Where will all the residual fuel go after ships barred from using it?](#)

“Over the past few years, as the global cap on fuel sulfur content drew ever nearer, a common question at shipping industry cocktail parties, generally met with a bemused shrug, has been, “Where is all this crap going to go if we don’t burn it?” Refineries will still be creating HSFO as a byproduct of their production process, even after ship operators are driven away from buying it by environmental regulations.”

May 31, 2019

Ship & Bunker

### [IMO2020: Expect Bunker Prices to Rise 30-40%, says KPI Bridge Oil](#)

“KPI Bridge Oil is anticipating a price increase of 30-40%, depending on region and local availability, as a result of the upcoming IMO2020 global sulfur cap on marine fuel.”

May 30, 2019

Ship & Bunker

### [U.S. No Longer “Actively” Trying to Delay IMO 2020](#)

“The U.S. is no longer actively trying to delay the January 1, 2020 start date for the global 0.50% sulfur cap on marine fuel, the Wall Street Journal (WSJ) has concluded.”

## IMO 2020 Watch™

Transport Topics

### [Shipping and Trucking Industries Gearing Up for New 2020 Ocean Vessel Fuel Mandate](#)

“Six months before ocean vessels will be required to burn low-sulfur fuel, such as diesel used in trucks, a U.S. Department of Commerce advisory committee disclosed recommendations to mitigate potential fuel shortages and price spikes.”

Stephanie Roker, World Coal

### [New IMO 2020 regulations expected to have tangible effects on steel industry, says Wood Mac](#)

“The new IMO 2020 regulations are expected to have some tangible effect on the steel industry. Primarily, increasing freight rates for raw materials such as iron ore and coal as ship owners and operators pass on higher bunker costs. Yet the new regulations may have a further, more unexpected effect on the steel sector, and the nascent electric vehicle battery industry.”

May 29, 2019

Argus Media

### [US Caribbean utilities positioned poorly for IMO 2020](#)

“US Caribbean territories Puerto Rico and the US Virgin Islands may see the cost of the residual fuel oil they use for power generation spike in 2020 because of the International Maritime Organization (IMO) marine fuel regulation. Puerto Rico Electric Power Authority (Prepa) and Virgin Islands Water and Power Authority (Wapa) burn 0.5pc maximum sulphur resid. The regulation will cap the sulphur content of residual fuel oil used for bunkering to 0.5pc from 3.5pc, raising demand and prices of 0.5pc sulphur fuel oil.”

Oilprice.com

### [Quantifying the IMO 2020 Shock](#)

“The International Maritime Organization’s (IMO) decision to lower the Sulphur cap of marine fuel across the globe will be one of those few landmark moments which trigger a whole set of smaller trends, reshaping the oil market so as to make it leaner and more efficient. The IMO 2020 transformation will bring confusion to the refiners’ books – sophisticated refiners will seize the opportunity to buy cheaper sour crudes, whilst less sophisticated sites will see their feedstock bills rise in the tumultuous years of 2020-2021. In the upcoming weeks and months, we will be looking at how IMO 2020 influences oil markets as the implementation date draws nearer.”

David Blackmon, Forbes

### [IMO 2020 Will Bring Higher Costs, More Volatility and Cleaner Air](#)

“It will take years before we know what the true cost of IMO 2020 will be to consumers in the U.S. and around the globe, and whether that cost will be offset by better health and savings in medical care. But nothing good in life comes free, an immutable fact of life that makes no exception for regulations designed to create cleaner air.”

## IMO 2020 Watch™

May 28, 2019

Avantika Ramesh, Eesha Muneeb, S&P Global Platts

### [Impending IMO 2020 pushes discounted Asian crudes into premiums](#)

“The fast-approaching lower sulfur cap for global maritime shipping fuels pushed prices for specific 'cheap' crude grades into significant premiums in H1 2019, as markets prepare for the IMO 2020 kick off in January next year, sources told S&P Global Platts this month.”

May 27, 2019

Reuters

### [Australian Pyrenees crude sells at record premium ahead of IMO 2020 – sources](#)

“Australian oil and gas company Santos has sold heavy sweet crude Pyrenees at an all-time high premium of more than \$10 a barrel as traders continued to stock up the oil ahead of a ship fuel change mandate, three trade sources said on Monday.”

Hellenic Shipping News

### [IMO 2020 could create fierce competition for scarce water resources](#)

“The International Maritime Organization (IMO) regulations set to take effect in 2020 have sparked mountains of research on the expected costs for the energy and maritime sectors. Less thought has been given to IMO 2020’s environmental consequences, especially on water demand. The US refining complex will need more water than ever before after IMO 2020 comes into effect. This conclusion is based primarily on forecasting from S&P Global Platts Analytics and the US Energy Information Administration along with the findings of recent academic research.”

May 26, 2019

Timothy Puko, The Wall Street Journal

### [Refiners Poised for Boost from Clean-Fuel Rules](#)

“The oil refinery owned by PBF Energy Inc. near this Delaware Bay town was mothballed nearly a decade ago. Today it is running almost full-bore, and PBF and a business partner are spending \$100 million to expand it. The refinery is seeking to capitalize on new international rules that require cleaner-burning fuels on the world’s oceangoing ships starting Jan. 1.”

May 25, 2019

Waheed Abbas, Kahleej Times

### [Oil at a crossroads on US-China trade talks](#)

“In our view, the global business cycle is at a key junction. Weakness in manufacturing may drag down services if trade wars eventually hurt consumer sentiment. In a global downturn, Brent could slip to \$50 a barrel. On the other hand, under a US-China deal scenario, business confidence may return with a vengeance, resulting in a weaker US dollar and stronger global growth. If a cyclical global demand

upturn coincides with an IMO 2020 boost, Brent crude oil prices could spike to \$90 per barrel,' said Bank of America-Merrill Lynch analysts."

May 24, 2019

Katherine Dunn, Fortune

### [Summer Road Trip Ahead? Gasoline Supply Crunch Means You Should Beware at the Pump](#)

"While some refinery maintenance happens every spring, this year has been different, he said. 'We've seen high shutdowns in Asia, belated shutdowns. That's all tightening gasoline supply as we go into the summer period,' he said. That's because next year will bring a major change in the quality of fuel used in marine shipping, a shift known as IMO 2020 (it stands for the rules on fuel quality imposed by the International Maritime Organization). To make cleaner fuel on a mass scale, many companies have to tweak their refineries, bringing on a spate of maintenance work that has lasted longer and come later than in typical years, says Midgley."

Myra P. Saefong, Barron's

### [Higher Gas Prices Are Coming – Just in Time for Summer Driving](#)

"A new source of potential upward pressure on diesel fuels and gasoline is the move by the International Maritime Organization, or IMO, to enforce limits on the sulfur content in marine fuels for ocean vessels to 0.5% by volume from 3.5%; the change goes into effect at the start of 2020. Refineries, which go offline for spring maintenance, have extended the maintenance period this year to shorten any fall maintenance ahead of the IMO 2020 standard going into effect, says Ken Robinson, market research analyst at vehicle management and reimbursement platform Motus."

Hellenic Shipping News

### [Shipowners see increase in IMO-compliant fuel, but doubts persist](#)

"Shipowners, who are facing one of the biggest changes in the oil industry in decades, are seeing more fuels that will be compliant with new rules on sulphur emissions from ships, but some say the way forward is far from clear."

Transport Topics

### [CEOs Raise Concerns About Availability of Diesel and Other Fuels in 2020 Because of the IMO Bunker Fuel Mandate](#)

"A group of industry stakeholders is urging the Trump administration to take action to ensure adequate supplies of fuel for freight and air travel and home heating in advance of a change in the type of fuel the maritime industry will use beginning next year."

## IMO 2020 Watch™

May 23, 2019

Serene Cheong, Sharon Cho, Bloomberg

### [Dirty Fuel Clampdown Risks Nosedive for Middle East Crude](#)

“The global push for cleaner-burning ship fuel is threatening to drive the value of Middle East crude to a record low even as supplies are squeezed.”

Hydrocarbon Engineering

### [Rolling waves of change for the refining sector from 2020 to 2050](#)

“The refining industry has become known for its resilience and adaptability. These attributes will be essential to help it weather a perfect storm that is brewing, which will have far-reaching consequences for the sector through to 2050. The elements of the storm were discussed extensively at PRC Europe 2019 in Budapest, Hungary, on 20 and 21 of May. The congress attracted 400 participants from refineries and suppliers to the sector worldwide.”

Argus Media

### [Vitol plans Malaysian refinery to meet IMO demand](#)

“Trading firm Vitol has started construction of a small refinery in Malaysia that will be geared to producing marine fuel compliant with the International Maritime Organisation (IMO) 0.5pc sulphur cap.”

Aidan Smith, Farm Weekly

### [Cleaner fuel rule to have shipping impact](#)

“THE impact of an "obscure new rule" forcing shipping companies to use cleaner fuels in commercial vessels has the potential to make WA producers some of the most disadvantaged and uncompetitive in the world, according to the Pastoralists and Graziers Association (PGA).”

Ahmad Ghaddar, US News & World Report

### [Shipowners See Increase in IMO-Compliant Fuels, but Doubts Persist](#)

“Shipowners, who are facing one of the biggest changes in the oil industry in decades, are seeing more fuels that will be compliant with new rules on sulfur emissions from ships, but some say the way forward is far from clear.”

S&P Global Platts via Yahoo Finance

### [S&P Global Platts to Launch Marine Fuel 0.5% Bunker Price Assessments Beginning July](#)

“S&P Global Platts, the leading independent provider of information and benchmark prices for the commodities and energy markets, announced that it will begin publishing daily price assessments for IMO-compliant Marine Fuel 0.5% bunkers on delivered and ex-wharf basis at key ports globally from July 1, 2019.”

## IMO 2020 Watch™

May 21, 2019

Argus Media

### [Low-sulphur fuel oil swap premium hit five-year high](#)

“Low-sulphur fuel oil (LSFO) cargo swaps in northwest Europe yesterday traded at their widest premium to high-sulphur fuel oil (HSFO) barge swaps since July 2014. Values were close to recent 0.5pc sulphur trade levels, potentially signaling a pricing shift ahead of the implementation of the sulphur cap on shipping emissions.”

May 20, 2019

Alex Younevitch, S&P Global Platts

### [Into the storm: How will shipping cope with fuel bills from IMO 2020?](#)

Shipping special report, May 2019

“The effective date for the IMO 2020 regulation is approaching fast. The new sulfur cap of 0.5% on marine fuels promises to displace more than 3 million b/d of high sulfur fuel, shaking up the oil industry and giving all other commodity markets with exposure to seaborne freight a thing or two to think about.”

May 18, 2019

Hellenic Shipping News

### [Oil Market Dislocations Reduce US Refiner IMO 2020 Benefit](#)

“Dislocations in oil markets are dampening the outlook for light-heavy crude spreads and value US refiners expected from International Maritime Organization (IMO) 2020 emission standards but Canadian exploration and production (E&P) companies are benefiting, says Fitch Ratings. US sanctions on Iran and Venezuela and inadequate Canadian pipeline infrastructure resulting in Alberta’s oil curtailment have been disruptive.”

May 17, 2019

Hellenic Shipping News

### [Study concludes IMO 2020 promotes U.S. energy security, trade, and the environment](#)

“Yesterday Energy and Environmental Research Associates released a white paper co-authored by Drs. James J. Corbett and Edward W. Carr of the University of Delaware on the economic effects of the International Maritime Organization’s (IMO) 2020 standards to cap sulfur emissions from shipping fuels. According to the paper, IMO 2020 ‘is good policy for the United States, for energy security, the economy, and the environment.’”



## IMO 2020 Watch™

Hellenic Shipping News

### [Just How Disruptive Will IMO 2020 Be?](#)

“Effective January 1, 2020, in accordance with a mandate from the International Maritime Organization (IMO), the allowable percentage of sulfur in marine fuel will fall substantially, from 3.5% to 0.5%. This looming change, known informally as IMO 2020, could pose a major disruption to the markets and business practices of oil refiners, shipping companies, and other stakeholders.”

Digital Journal

### [Oil Refining Market Application Potential, Competitive Market Share & Forecast, 2018-2024](#)

“Oil Refining Market size will surpass USD 7 Trillion by 2024, as reported in the latest study by Global Market Insights, Inc.”

Oil Review Africa

### [IMO 2020 low sulphur regulation challenges global refinery industry](#)

“International Maritime Organization’s (IMO) low sulphur regulation challenges global refinery industry, according to GlobalData.”

Argus Media

### [Marine fuel rule could raise US utility costs](#)

“Pending global regulations to minimize sulphur emissions from ships could end up raising some fuel prices for US utilities.”

Reuters (via Yahoo Finance)

### [Global demand upturn, IMO rule could boost Brent oil to \\$90 a barrel – BoA](#)

“De-escalation of a trade war could result in a weaker dollar and stronger global growth, which along with International Maritime Organization (IMO) changes to shipping fuel rules could raise Brent oil to \$90 a barrel, Bank of America Merrill Lynch said.”

May 16, 2019

Erwin Seba, Reuters (via Yahoo Finance)

### [Coming marine fuel standard will disrupt markets for 1-5 years – BCG study](#)

“The marine industry’s January 2020 shift to using very low sulfur fuel oil (VLSFO) to power ships worldwide will launch a one- to five-year disruption in oil and refined products markets, according to a study released Thursday by Boston Consulting Group.”

## IMO 2020 Watch™

May 14, 2019

Jonathan Saul, Reuters (via Yahoo Finance)

[FACTBOX: IMO 2020 – a major shake-up for oil and shipping](#)

“What will the regulations mean for users and makers of marine fuel?”

May 13, 2019

Ship & Bunker

[IMO2020: Trafigura Sees Industry Facing the 350/350 Problem](#)

“We think there’s about 350,000 barrels per day of excess traditional fuel oil with higher sulfur levels. We think there’s about 350,000 barrels per day too little lower sulfur distillates.”

May 11, 2019

John Kingston, FreightWaves

[FreightWaves oil report: the EIA sticking to its forecast of what IMO2020 will do to diesel prices](#)

“The size of the increase in price that might be created by the introduction of IMO 2020 is unchanged since January. At least that’s the view of the U.S. Energy Information Administration (EIA).”

May 10, 2019

Maritime Logistics Professional

[Bunkers Management: Fifty Shades of Preparedness for IMO 2020](#)

“Get ready for unprecedented disruption as 2020 nears, says Alok Sharma, Senior Vice President at Inatech.”

MarineLink

[U.S. Refiners’ 2020 Plans Now Uncertain](#)

“U.S. refiners had a plan for 2020: use their complex operations to maximize profits by making products that would comply with new international laws capping sulfur content in shipping fuels. But after a series of unexpected market moves, heavy, sour crude oil processed by U.S. refiners has become more expensive, eating up hoped-for profit windfalls before they even materialized, forcing refiners to rethink plans to invest more in heavy crude processing units.”

May 9, 2019

Jack Roberts, HDT TruckingInfo

[Could Ocean-Going Fleets Raise Fuel Prices for Truck Fleets?](#)

“Have you heard about another round of emissions regulations coming in January of 2020 called IMO 2020?”

## IMO 2020 Watch™

Market Research Gazette

### [Oil Refining Market to Witness an Outstanding Growth by 2028](#)

“Vendors operating in the global oil refining market are expected to focus on production of cleaner fuels as the world reels under the pressure of global warming. To keep up with this trend, ExxonMobil announced its plans to make a multi-billion dollar investment in its Singapore facility. The move comes ahead of the new regulation for global shipping of fuel that is expected to take effect by 2020.”

May 8, 2019

Bunkerspot

### [Americas: Marathon Petroleum’s Coker Expansion Project to Benefit from IMO 2020](#)

“The US-based petroleum refining company is to press ahead with a coking expansion project at its Garyville refinery which will boost capacity by 14% and, according to CEO Gary Heminger, will ‘take advantage of the new IMO bunker requirements’.”

The Maritime Executive

### [CSA: Scrubbers Win Acceptance at 20 Seaports](#)

“The Clean Shipping Alliance 2020 (CSA 2020), the industry association for scrubber manufacturers and users, has been conducting a successful campaign to convince port authorities not to ban the use of open-loop scrubbers within their waters.”

Greg Miller, FreightWaves

### [How trucking can mitigate risks of IMO 2020 marine fuel rule](#)

“The trucking industry should keep a close eye on the forward curve of low-sulfur diesel fuel as implementation of IMO 2020 nears, according to speakers during the third day of Transparency19.”

Leon Izbicki, George Griffiths, Tom Washington, S&P Global Platts

### [Feature: Global debate on open-loop scrubbers adds to uncertainty ahead of IMO 2020](#)

“The global debate on the potential ban of open-loop scrubbers continues to add to uncertainty in the shipping industry ahead of the implementation of the lower-sulfur cap in 2020 mandated by the International Maritime Organization.”

May 7, 2019

Bill Mongelluzzo, JOC.com

### [Carriers warn of blank sailings tied to low-sulfur fuel](#)

“Carriers are telling customers to prepare for the likelihood of missed sailings in the fourth quarter when a number of vessels are taken out of service for a week at a time to prepare the ships for the transition to low-sulfur fuel.”

## IMO 2020 Watch™

Hector Forster, S&P Global Platts

### [IMO 2020 to raise shipping costs for iron ore: Wood Mackenzie](#)

“The IMO 2020 regulation on shipping fuel oil is set to increase iron ore freight rates, consultancy Wood Mackenzie said Tuesday.”

ETEnergyWorld

### [IMO 2020: 4 key impacts on the global oil and gas and commodities markets](#)

“The implementation of new IMO 2020 regulation is just eight months away and its implications are likely to be felt beyond the refining and shipping industries.”

May 6, 2019

Argus Media

### [Shell boosts drilling at Brazil heavy oil cluster](#)

“Heavy low-sulfur oil producers in Brazil are positioned to benefit from new marine fuel regulations that cap sulfur content at 0.5pc starting in January 2020. Shell's trading arm already has a sales agreement for the 13.2° API, 0.33pc crude produced at the Santos basin's Atlanta post-salt field, operated by Brazilian independent Enauta.”

Bruce Thompson, Washington Examiner

### [New sulfur caps for shipping fuels will help make the shale boom even bigger](#)

“The shale revolution here in the U.S. has reduced energy prices for consumers and saved taxpayers money on heating, cooling, and transportation bills. Because of our record production levels, America is less dependent on imports of crude oil and natural gas, which strengthens our trade balances, enhances energy security, and provides widespread economic benefits.

Now the shale revolution will help shippers across the world comply with the International Maritime Organization's 2020 standards, called “IMO 2020,” which cap sulfur emissions from ships. These standards will have significant benefits for American competitiveness, public health, and the U.S. shale revolution itself.”

Hellenic Shipping News

### [How the bottom of the barrel became the top of refining margins](#)

“Ship owners and refiners are scrambling to prepare for an international rule that will lower sulphur limits in marine fuel.”

## IMO 2020 Watch™

May 5, 2019

Simon Valeur, ShippingWatch

### [Global sulfur regulations will have a huge impact on public health](#)

“When the global sulfur regulations are introduced in January 2020, it will have a large positive effect on public health, especially in Asia, say several of the researchers who recently presented the first results of the new sulfur caps in the Baltic and North Seas.”

May 1, 2019

Peter Tirschwell, JOC.com

### [Slow-steaming hardly an emissions silver bullet](#)

“Things are beginning to get interesting — if not serious — on climate change as it pertains to container shipping, the most recent example being an international campaign to impose speed limits on ships.”

Sulaimon Salau, The Guardian

### [Oil firms struggle to meet IMO 2020 clean fuel for ships](#)

“Barely eight months to the take-off of the new shipping fuel regulations by the International Maritime Organisation (IMO), oil firms and refiners have begun jostling for significant share of the new fuel market created by the shipping sector. To this end, some of the leading oil companies have introduced new sulphur-content-compliant oil, while others are wooing shipping firms to Liquefied Natural Gas (LNG) for vessels under the new regime.”

Lee Hong Liang, Seatrade Maritime News

### [US Senators urge Trump to support IMO 2020](#)

“A group of 14 Republican Senators have urged US President Donald Trump to support the implementation of the IMO 2020 regulation on curbing sulphur emissions from ships.”

April 30, 2019

Andrew Tunnicliffe, Ship Technology

### [So long Sulphur emissions: navigating the new IMO regulations](#)

“In January 2020 the shipping industry, and those supplying its fuel, face one of the biggest challenges in decades. How is the sector preparing for the next adaptation of the MARPOL Convention?”

John Kemp, Reuters

### [Diesel traders anticipate shortage, but not just yet: Kemp](#)

“Gasoil traders expect the middle distillates market to stay well supplied until almost the end of 2019 before swinging into deficit with the introduction of new maritime fuel regulations.”

## IMO 2020 Watch™

Leon Izbicki, Tom Washington, S&P Global Platts

### [Feature: Changes to credit in bunker industry gain traction as IMO 2020 nears](#)

“Momentum is building behind changes in the bunker credit industry, as impending changes in marine fuel sulfur content signal higher costs.”

Brian Aoaeh, FreightWaves

### [Big changes looming in the maritime industry – it’s only just begun!](#)

“The International Maritime Organization (IMO) has ruled that as of January 1, 2020, marine sector emissions of sulfur oxides in international waters need to be significantly reduced. IMO 2020 regulations will see the largest reduction in the sulfur content of a transportation fuel undertaken at one time. These changes will have a huge impact on the industry – expect costs to rise – and it’s only just begun.”

Surabhi Sahu, S&P Global Platts

### [Interview: Industry’s preparations for IMO 2020 rule shows “significant progress” – ExxonMobil](#)

“With less than nine months to go before the International Maritime Organization's global sulfur limit rule for marine fuels kicks in, the industry is making 'significant progress' to prepare for it, ExxonMobil's marine fuels venture manager Luca Volta said recently.”

April 29, 2019

Meghan Gordon, S&P Global Platts

### [US senators urge White House to stay out of IMO 2020 implementation](#)

“Fourteen Republican US senators urged the White House on Monday to let tougher international marine fuel sulfur standards take effect without interference in January, arguing that US refiners and the US trade balance both stand to benefit.”

Serene Cheong, Alfred Cang, Bloomberg

### [A Fleet of Tankers Is Hoarding Oil for a Gathering Storm](#)

“The world’s biggest offshore oil supermarket is stocking up for anti-pollution rules that Goldman Sachs Group Inc. predicts will upend energy markets.”

April 28, 2019

Wendy Laursen, The Maritime Executive

### [Full Steam Ahead!](#)

“The IMO MEPC 73 meeting last October ended all speculation about a potential delay in the implementation of the 0.5 percent 2020 global sulfur cap. It's full steam ahead, regardless of the issues that continue to cause debate in the industry.”

## IMO 2020 Watch™

April 27, 2019

John Kingston, FreightWaves

[FreightWaves oil report: the prediction for the early days of IMO2020 is not good news for truckers](#)

“If you’re a trucking company or a shipper and you’re worried about the impact of IMO 2020 on the price you’ll pay for diesel as a result of it, the dialogue at a Houston conference this week would not have soothed your concerns.”

April 26, 2019

Argus Media

[Marine industry weighs IMO preparations, cost](#)

“Tougher global marine fuel specifications will strain the smallest players onshore and at sea, industry experts said as companies plan for major sulfur reductions beginning next year.”

April 25, 2019

Argus Media

[IMO 2020-ready US refiners call for steady course](#)

“US refiners who have invested early and heavily to prepare for tighter international marine fuel regulations in 2020 hope that the US administration stays the course on its commitment.”

Argus Media

[IMO 2020 violators face a number of legal risks](#)

“Shipowners caught exceeding the International Maritime Organization (IMO) 2020 sulphur limits, which start 1 January, could face a \$25,000 fine for each violation, said Briton Sparkman, an attorney with Chalos & Co who specializes in maritime law.”

April 24, 2019

Argus Media

[IMO to pose challenge for Iraq’s fuel oil surplus: IEA](#)

“Iraq is facing the growing challenge of tackling surplus high-sulphur fuel oil (HSFO) supplies ahead of the International Marine Organisation’s (IMO) sulphur cap coming into effect in 2020, the IEA said.”

Ship & Bunker

[Be Proactive on IMO2020 Compliance, says V.Group](#)

“V.Group says shipowners and operators need to be proactive on IMO 2020 compliance, and in particular make sure they have a Ship Implementation Plan (SIP).”

## IMO 2020 Watch™

Greg Knowler, JOC.com

### [Carrier hesitation hampers IMO-fueled scrubber rush](#)

“Carrier hesitation over the route to low-sulfur fuel compliance means less than half of the ships requiring retrofitted scrubbers will have the exhaust systems in place by the Jan. 1, 2020, deadline.”

Hellenic Shipping News

### [IMO 2020: Countdown to compliance](#)

“The UK Chamber is helping its members prepare for the IMO’s global sulphur cap in 2020, a new regulation that could be highly disruptive without the right guidance.”

Ship & Bunker

### [Physical Bunker Suppliers Will Help Keep IMO2020 Compliance at 90%: ClipperData](#)

“Physical bunker suppliers will play an important role in the industry achieving a high level of IMO2020 compliance, says ClipperData.”

John Kemp, Reuters

### [Column: Hedge funds bet big on spike in U.S. gasoline prices](#)

“Hedge funds are betting heavily on higher gasoline prices this summer, anticipating that refiners will struggle to produce enough gasoline to replenish depleted stocks while ramping up diesel output for the shipping industry.”

April 23, 2019

Ned Molloy, Petroleum Economist

### [IMO 2020 effect disrupts fuel oil contract renewals](#)

“Fuel oil is nine months away from a drastic fall in global demand due to tighter emissions standards in the shipping sector. As a result, annual fuel oil contracts worth billions of dollars that have largely peacefully rolled over for years are this year becoming the subject of frantic renegotiations, forcing even the most risk-averse companies to, in effect, take large bets on the future.”

Jack Wittels, Bloomberg via *Houston Chronicle*

### [Ban on dirty shipping fuel looms. Why are prices surging?](#)

“Demand for the shipping industry’s main fuel is widely expected to collapse like never before in 2020, so it might come as a surprise that its value is soaring.”



## IMO 2020 Watch™

April 22, 2019

Eric Yep, Mark Tan, Sue Koh, S&P Global Platts

### [Analysis: IMO 2020 net bullish for Asian gasoline, naphtha markets](#)

“The International Maritime Organization's 2020 marine fuel regulation is likely to be net bullish for Asian light distillates, as attempts to maximize middle distillate yields will tighten gasoline production, which in turn will ripple through naphtha markets.”

Shreyas Tanna, Wire News Now

### [U.S. refiners arranging significant plant redesigns in second quarter](#)

“U.S. oil refiners are arranging an overwhelming slate of plant redesigns in the second quarter, with all out generation this month off 8.5 percent contrasted and the beginning of the year, as indicated by information from the U.S. Vitality Information Administration.”

Terry Hutson, IOL

### [The sulphur compliance conundrum](#)

“If one is to believe the International Maritime Organisation (IMO), the air around our coastlines after January 2020 - now less than eight months away - will become much cleaner and more fresh.”

Pulse

### [LNG-fueled ships to make up 60% of world orders by 2025: study](#)

“Ships powered by liquefied natural gas (LNG) are expected to account for six out of 10 new vessel orders in six years due to toughened environmental standards, a South Korean study showed.”

Matt Miller, American Journal of Transportation

### [IMO 2020 – A planned beginning to an unplanned future](#)

“On New Year’s Day, ocean vessels will get slammed with new global regulations, which could provoke disruptions and will likely boost freight rates substantially. Containers being shipped from Asia to the US and Europe could see a \$200 or more jump in cost.”

April 19, 2019

Irina Slav, Oilprice.com

### [U.S. Refiners Gear Up for Busy Overhaul Season](#)

“American refiners are preparing for a busy overhaul season in the second quarter of the year as the entry into effect of the new International Maritime Organization’s emission rules approaches.”

## IMO 2020 Watch™

Hellenic Shipping News

### [Australia's Santos sells June Van Gogh crude at high premium – sources](#)

“Australia's Santos has sold a June-loading cargo of heavy sweet Van Gogh crude at more than \$9 a barrel above dated Brent, likely the highest premium ever seen for the grade, trade sources said on Thursday.”

Erwin Seba, Reuters (via KFGO)

### [U.S. refiners planning major plant overhauls in second quarter](#)

“U.S. oil refiners are planning a heavy slate of plant overhauls in the second quarter, with total production this month off 8.5 percent compared with the start of the year, according to data from the U.S. Energy Information Administration. Early spring and winter traditionally are heavy periods for U.S. refinery maintenance. But refiners are planning more upgrades than usual in the first half of 2019 to avoid fall and winter shutdowns as they prepare to meet coming low-sulfur standards.”

April 17, 2019

Bunkerspot

### [Europe: IMO 2020 – The “Once-in-a-Generation Disruptor”](#)

“With the implement [sic] of IMO 2020 now just months away, the UK Chamber of Shipping says that there are ‘four key areas’ that need to be addressed ahead of the deadline.”

Ship & Bunker

### [IMO2020: Uncertainty on Pricing, Quality Persists](#)

“The start of the new global sulfur cap may be getting closer, but clarity on key issues including the price and quality of the new 0.50%S low sulfur fuels is not getting any clearer, delegates gathered at the 7<sup>th</sup> Bunkernet Bunker Conference have heard.”

April 16, 2019

FreightWaves

### [EU Pushes for IMO 2020 Implementation Consistency](#)

“The European Commission and European Union (EU) member states, including the United Kingdom, have submitted a proposal to modify shipping's existing reporting mechanisms to enable the enforcement of the International Maritime Organization's (IMO) 2020 Sulfur Regulation.”

April 15, 2019

Robert J. Bowman, SupplyChainBrain

### [Shipping Industry Isn't Ready for Looming Low-Sulphur Fuel Requirement](#)

## IMO 2020 Watch™

“The ‘IMO Scramble’ isn’t the name of a new breakfast dish at a fast-food restaurant. It describes the plight of ocean carriers, who find themselves woefully unprepared for a new mandate on switching to cleaner-burning fuel.”

Ship & Ports

### [Denmark to deploy sniffer drone to enforce IMO 2020 sulphur cap](#)

“Ahead of the implementation of the International Maritime Organisation (IMO) fuel sulphur cap rule in January 2020, the Danish Maritime Authority plans to deploy a large drone to check emissions from ships in Danish waters to make sure they comply with the sulfur limit.”

Dan Molinski, *The Wall Street Journal*

### [Oil Prices Fall on Concern That U.S. and Russia Could Increase Output](#)

“Brent \$82? Energy analysts at Bank of America Merrill Lynch said in a research note Monday that they are maintaining their view that Brent crude oil could hit \$82 by late June, in part because of new sulfur regulations for shipping fuels, known as IMO 2020, to make them more environmentally friendly.”

Lina Zeldovich, *Hakai Magazine*

### [Ships Scrub Up to Meet New Pollution Standard](#)

“If you live in a coastal city with a large port, January 2020 might bring you a bit of fresh air. The ships arriving at your docks should be puffing out cleaner exhaust with significantly less sulfur.”

April 12, 2019

Daron Jones, S&P Global Platts

### [FEATURE: US Q1 jet prices could take off in Q2 after lower Q1 demand](#)

“US jet fuel spot prices slipped slightly in the first quarter of 2019, but sources believe they should gain altitude in the second quarter as the industry prepares for the new International Maritime Organization regulations to take effect on January 1, 2020.”

John Dizard, *Financial Times*

### [Cleaner shipping will drive up motoring and flying costs](#)

“The standard business-class moan from the buy-side is over how hard it is to find an investible trade. Every asset class is overpriced, every yield too low. The only cheap thing these days, according to your seat-mate, are their own portfolio management services, which are terribly underpriced. Whinge, whine, rinse, repeat. And yet right in front of them, mostly ignored, is a worldwide trillion-dollar wealth transfer that begins about four months from now and stretches out over two or three years. I refer to the International Maritime Organisation regulations known as ‘IMO 2020’ that restrict shipowners’ ability to burn high-sulphur fuel oil.”

## IMO 2020 Watch™

Chris Midgley, Gulf News

### [The Middle East could be in a win-win situation from upcoming shipping rules](#)

“The Middle East is well positioned to adapt to the biggest shift in the global shipping industry since the late 1800s — and it starts in just nine months.”

April 11, 2019

Paul Hicken, S&P Global Platts

### [IEA highlights demand concerns amid oil market tightness](#)

“The IEA said that the 0.5% cap on sulphur in marine fuels being introduced at the start of 2020 under new International Maritime Organization fuel specifications could have repercussions for middle distillate stocks.”

Grace Quinn, Ship & Bunker

### [IMO 2020: By Hook or by Crook](#)

“The shipping and refining industries are in the eve of a new regulation which will affect marine fuel specifications and in turn the global market.

Hellenic Shipping News

### [IMO 2020 and the rocky road to full compliance](#)

“With less than a year to go until the new regulations from the International Maritime Organisation (IMO) kick in, how prepared is the industry and what are the potential stumbling blocks? We’ve been fielding questions from our clients on everything from compliance rates and coping strategies, to the potential responses of refiners. There has also been keen interest in what this could mean for trade flows, pricing dynamics and the storage infrastructure in Singapore, which is currently the world’s largest bunkering hub.”

Balbhav Mishra, Sea News

### [IMO 2020: The Scrubber Debate](#)

“With Sulphur Cap 2020 right at the horizon, pressure on ship-owners to find ways to comply with the new regulations established by IMO is mounting at an exponential rate. Out of the limited feasible options to limit the emission of Sulphur, scrubbers are turning out to be a favourite for the ship-owners due to cost and convenience.”

April 10, 2019

Jack Jordan, S&P Global Platts

### [France proposes mandatory slow steaming to cut shipping emissions](#)

“France's delegation to the International Maritime Organization has proposed mandatory slow steaming as a means of cutting the shipping industry's greenhouse gas emissions.”

## IMO 2020 Watch™

Stephen Cunningham, Bloomberg

### [With an Eye on Trump, Refiners Tout Clean Fuel Rule as U.S. Win](#)

“U.S. oil refiners, in line for a windfall from new ship-fuel rules, are taking steps to lock in the change quickly, concerned it could fall victim to President Donald Trump’s re-election push.”

Hellenic Shipping News

### [IMO 2020: What Shippers Need to Know Now](#)

“While the world has been enthralled by the US-China trade war, another extremely pressing situation is happening in the logistics industry — the International Maritime Organization is preparing to roll out a landmark set of regulations that will cost carriers at least \$15B per year. IMO Sulfur 2020 (IMO 2020) will limit the sulfur content of ships’ oil and have far-reaching consequences throughout the environment and the global economy, affecting consumer products, public health, and even politics. The regulations go into effect on Jan. 1, 2020, but our customers and carrier partners must prepare now if they hope to mitigate the effects of the regulations on their businesses.”

April 8, 2019

Dan Eberhart, Forbes

### [IMO Low Sulfur Rule Could Mean Bumpy Road Ahead for Trump, Truckers](#)

“Retail diesel prices, now averaging \$3.08 a gallon, should be watched closely as the 2020 deadline for implementing new international marine fuel standards draws near. The International Maritime Organization (IMO) environmental regulations, aimed at lowering the sulfur content in marine fuels, could create a supply gap and price spike for similar grades of petroleum products, including diesel.”

Hellenic Shipping News

### [What Is The IMO 2020 Effect On The Fuel Bunker Mix Short- And Long Term?](#)

“Essentially, ship owners have three options: 1) Switch to compliant fuels, such as oil products with low sulfur content or alternative fuels such as LNG; 2) Install SOx scrubbers (exhaust gas cleaning systems); or 3) Fail to comply with regulations (non-compliance). Our base case forecasts a volatile transition with a mix of these three options.”

Kallanish Energy

### [Bunker fuel transition will be “volatile” post-IMO 2020](#)

“The oil industry will experience a ‘volatile’ transition after Imo 2020 goes into effect, according to research/analytics company Rystad Energy, Kallanish Energy learns.”

Laxman Pai, MarineLink

### [IMO 2020 Impact on Fuel Bunker](#)

“When new International Maritime Organization’s (IMO’s) bunker fuel regulations come into effect on January 1, 2020, there remains uncertainty regarding the availability and pricing for all marine fuel, as owners grapple with technical solutions for compliance.”

## IMO 2020 Watch™

Florence Tan, Reuters

### [Australia's heavy-sweet crudes surge in preparation for IMO 2020](#)

“Prices for Australian heavy-sweet crude grades are rising as traders snap up cargoes for blending ahead of new rules on shipping fuel, putting them among the most expensive crudes in the world.”

April 7, 2019

Ara Barsamian and Lee Curcio, The Maritime Executive

### [IMO 2020 Stability and Compatibility Headaches](#)

“2020 will be a mess from fuel oil stability and compatibility point of view. 2020 is clearly price-driven, so the temptation to “cut corners” is great, meaning a set of highly variable number of blend components to manufacture the fuel oil will open a “Pandora’s Box” of large numbers of complex and questionable formulations.”

Bill Lehane, Bloomberg

### [Oil Refiners to OPEC+: We're Going to Need More of Your Crude](#)

“The world’s refineries will need to process about 700,000 barrels a day more oil by next year directly as a result of a rule to cut the maritime industry’s sulfur emissions, according to refining analysts interviewed by Bloomberg. The extra supplies mightn’t be easy to find in a market where OPEC and allied producers are removing millions of barrels of supply, and may extend their curbs.”

Dan Colover, ZAWYA

### [The next chapter in oil benchmarks?](#)

“Change is constant but the next 12 months will be particularly busy for the global oil community. The implementation of International Maritime Organisation’s (IMO) new sulphur limit of 0.5 per cent for marine fuels, down from 3.5 per cent, from the first day of 2020 will have ramifications for refiners around the world, which in turn affects the producers of different grades of crude.”

April 6, 2019

George Landrith, The Alexander City Outlook

### [Trump's maritime fuel policy will sink energy markets](#)

“The Trump administration is working to slow down the implementation of a major international environmental regulation that’s set to take effect in 2020. The administration hopes the effort will ease the compliance burden on businesses by phasing in the rules gradually rather than all at once.”

April 5, 2019

Ara Barsamian, Ship & Bunker

### [INSIGHT: Everything You Want to Know About IMO 2020 and Were Afraid to Ask](#)

“Big questions around the IMO 2020 issues are swirling around without crystal clear answers.”

## IMO 2020 Watch™

Jim Wilson, FreightWaves

### [ExxonMobil Singapore plant upgrade will produce more low-sulfur fuel](#)

“Oil giant ExxonMobil (NYSE: XOM) has announced a multi-billion dollar upgrade of its Singapore integrated manufacturing complex to convert more fuel oil and other “bottom-of-the-barrel” crude products into higher value lube base stocks and distillates.”

April 4, 2019

Michael Angell, FreightWaves

### [Port Report: Shipowners to rely on oil majors more than ever to meet IMO 2020 goals](#)

“ExxonMobil’s (NYSE: XOM) latest plan to boost output of low-sulfur ship fuel is one of the many that are being made to allay concerns about fuel supply once the International Maritime Organization’s global sulfur cap begins next year. But it’s still unclear whether those pledges will be enough to keep the shipping industry from tapping [the] global diesel market. Moreover, market experts say the IMO 2020 switchover will present an array of logistical headaches well beyond the refinery.”

Costas Paris, *The Wall Street Journal*

### [Shipping Comes to Term With \\$50 Billion Clean-Fuel Bill](#)

“With eight months to go, however, preparations are in full swing and the doomsday predictions are dissipating as more fuel providers set up depots and distribution sites. A consensus also is building in the shipping world that customers will have to bear the higher costs across supply chains, as long as carriers are clear and transparent about how much more they have to pay to keep ships moving.”

Hellenic Shipping News

### [Shipowners, refiners at odds over IMO fuel quality](#)

“Fuel quality is the great unknown for the shipping and oil refining industry. The International Maritime Organization’s (IMO) January 2020 deadline could see the majority of vessel owners switching to cleaner marine fuels incompatible with each other. Other solutions look similarly haphazard.”

Oilprice.com

### [Why Oil Markets Need New OPEC+ Cuts](#)

“As oil prices approach \$70 a barrel, Rystad Energy expects that a short-lived price rally through the first half of 2020 will then lose momentum and be replaced by a need for additional production cuts by Russia and the cartel of oil producing countries, OPEC.”

Reuters

### [IMO rules to cause 0.6mln marine gasoil deficit in 2020 – Rystad](#)

“The upcoming International Maritime Organization sulphur regulations for marine fuel will lead to a deficit of 600,000 barrel per day of marine gasoil in 2020, according to consultancy Rystad Energy.”

## IMO 2020 Watch™

Offshore

### [New OPEC+ production cuts needed to prop up oil prices](#)

“As oil prices approach \$70/bbl, Rystad Energy expects that a short-lived price rally through the first half of 2020 will then lose momentum and be replaced by a need for additional production cuts by Russia and OPEC.”

Andreas Exarheas, Rigzone

### [Rystad Maintains Bullish Stance](#)

“Rystad Energy is maintaining its “bullish stance” for the second half of this year and first half of 2020, according to Bjornar Tonhaugen, the company’s head of oil market research. “We retain our bullish stance for the second half of 2019 and first half of 2020 as we anticipate OPEC+ to extend production cuts through 2019, while we also expect bullish oil market effects due to the introduction of IMO 2020 regulations on sulfur content in marine fuels,” Tonhaugen said in a statement sent to Rigzone on Thursday.”

April 3, 2019

Hellenic Shipping News

### [The time is now for bunker buyers to find fuel](#)

“Bunker buyers should find their fuel suppliers as soon as possible, as compatibility and availability of compliant low sulfur fuel and scrubber-ready high sulfur fuel remains uncertain ahead of the January 1, 2020, implementation of the International Maritime Organization 0.5% sulfur bunker fuel regulation, panelists on the IMO 2020 & Beyond forum at Capital Link Forum said Monday.”

Glen Hallick, *Manitoba Co-operator*

### [Rising diesel prices coming](#)

“Higher diesel prices are on the horizon for Canada and the U.S. in 2019. GasBuddy.com senior petroleum analyst Dan McTeague pointed to an increase in overall demand, combined with a slowdown in heavy oil production and the federal carbon tax as well as pending IMO 2020 regulations — that is, the International Marine Organization’s planned reductions in sulfur content for all marine fuels, from 3.5 per cent to 0.5 per cent, by Jan. 1, 2020.”

Transport Topics

### [Diesel Prices May Increase as Cargo Industry Makes 2020 Fuel Switch, Experts Say](#)

“The looming adoption of a mandate that will require maritime vessels to burn cleaner fuel is projected to put upward pressure on diesel prices next year, but transportation experts are more concerned about how the change will affect the supply of diesel fuel for trucks.”



## IMO 2020 Watch™

Barry Parker, Seatime Marine News

### [IMO 2020 – differing perspectives across shipping sectors](#)

“IMO 2020 continues to dominate discussions in shipping the annual Capital Link conference in New York this week was no exception providing a variety of perspectives from across different sectors of shipping even if there an acknowledgement that “nobody knows” precisely what will happen.”

Ship & Bunker

### [US Admiral: No Delay to IMO2020](#)

“There will be no delay from the US over implementing the 0.5% sulfur cap on bunker fuel which comes into force in under a year’s time, a US admiral has said.”

Saket Sundria, Ann Koh, Bloomberg

### [Two Years in Singapore Jail Sound Good? Just Use the Wrong Ship Fuel](#)

“Singapore has a message for shipping companies considering cheating on rules starting next year to combat pollution to save a few dollars on their fuel bills: don’t.”

Hellenic Shipping News

### [Marine fuel 0.5%: Global prices rise on storage, testing demand](#)

“Asia low-sulfur fuel prices firmed up progressively throughout March relative to high-sulfur fuel oil on account of emerging demand to stockpile low sulfur materials in the run up to 2020.”

April 2, 2019

Paul Gunton, ShipInsight

### [Residual fuels will dominate post-2020 supplies](#)

“Most of the 0.5% sulphur very low sulphur fuel oils (VLSFOs) used after 1 January 2020 will be residual fuels, not distillates, said Dr. Markus Hoffman, Alfa Laval’s global application manager for marine fuels and lubes.”

Jim Mladenik, Ralph Grimmer, Stillwater Associates via Ship & Bunker

### [IMO 2020 In-Depth: How Will the New Compliant Marine Fuels Be Valued by the Marketplace?](#)

“Implementation of IMO 2020 will impact prices markedly for crude oil and refined products—well beyond just marine fuel—beginning in the second half of 2019. Both absolute prices and key price differentials will be impacted. The magnitude and duration of these price changes, though, are still unknowns.”

## IMO 2020 Watch™

April 1, 2019

Tamara Sleiman et al., S&P Global Platts

### [Oil quarterly: Fuel oil to remain strong as IMO 2020 preparations ramp up](#)

“The high sulfur fuel oil market saw counter-seasonal strength in the first quarter due to increased demand from Asia for European cargoes. This combined with falling supply as a result of lower Russian exports and refinery upgrades in Northwest Europe in preparation for the International Maritime Organization's tighter marine fuel sulfur cap in 2020.”

John Gallagher, FreightWaves

### [IMO 2020 “cheating” still a wildcard for bunker fuel prices](#)

“The start of the IMO 2020 regulation is just nine months away, but it’s still too early to tell the level at which vessel owners and operators will comply with the law and how well countries will enforce it – both of which will affect the price of bunker fuel for ships.”

Dan Molinski, *The Wall Street Journal*

### [Gasoline Prices Creep Toward \\$3 a Gallon](#)

“Gasoline prices may get even more volatile toward the end of the year due to the International Maritime Organization 2020, according to some analysts. The IMO 2020 is a shift in marine sulfur regulations that takes effect next year. The new rules will force refiners to blend a lot more lighter products into heavier fuel oil grades to meet new sulfur specifications, potentially disrupting markets like gasoline and diesel.”

March 30, 2019

John Kingston, FreightWaves

### [FreightWaves oil report: “infected” oil, IMO2020, and the fall of the Trump tweet](#)

“As we’ve noted previously, the risk to diesel markets in the switch to IMO 2020 is not what might happen two to three years down the road.... The concern is what happens later this year when the switch begins in anticipation of the January 1 launch of IMO 2020.”

March 29, 2019

Gregory Vouvounis, Seeking Alpha

### [IMO 2020: An Overview of Its Effects in Shipping, Oil and Other Industries](#)

“The oil industry and refiners more specifically are facing changes on multiple factors and the outcome doesn't seem significant from an investing perspective.”

## IMO 2020 Watch™

Jonathan Leitch, Gordon McManus, Hellenic Shipping News

### [IMO 2020: Ready or not?](#)

“New Year’s Day 2020 is firmly marked in the calendar as the refining and shipping industries prepare for change. The International Maritime Organisation (IMO)’s rules, in force from 1 January 2020, will see the current maximum fuel oil sulphur limit of 3.5 weight per cent (wt%) reduced to 0.5 wt%. This is the largest reduction in the sulphur content of a transportation fuel undertaken at any one time. With less than a year to go, there are still many uncertainties as to how the change will play out. Are European refiners ready to accommodate big shifts in fuel demand? What will the new specifications mean for refining margins and fuel product prices in the medium and longer term?”

March 28, 2019

Sarah Jane Flaws, Tamara Sleiman, S&P Global Platts

### [Boost to global LSSR storage demand ahead of IMO 2020](#)

“Storage demand for low sulfur straight-run fuel oil will increase globally in the run up to the International Maritime Organization’s sulfur cap, as blenders seek the product as a component to making compliant 0.5% bunker fuel, market sources say.”

Paul Hickin, Jack Jordan, The National

### [Fuel uncertainty looms large at sea as clean oil deadline nears](#)

“Fuel quality is the great unknown for the shipping and oil refining industry. The International Maritime Organization’s (IMO) January 2020 deadline could see the majority of vessel owners switching to cleaner marine fuels incompatible with each other. Other solutions look similarly haphazard.”

Jack Jordan, S&P Global Platts

### [Bitumen industry wary of IMO 2020 fuel oil price drop](#)

“The bitumen market is seeking a new benchmark for its contracts as a knock-on effect of changes in shipping emission rules next year threatens a steep price drop for the product. When the International Maritime Organization’s global sulfur limit drops to 0.5% in 2020, high sulfur fuel oil prices are expected to plummet as most ships switch to burning cleaner, distillate-based bunker fuel blends. The bitumen market typically prices its term contracts at a premium to HSFO cargoes and risks being dragged down alongside it next year.”

March 27, 2019

John Kemp, Reuters

### [Oil traders wait to assess impact of IMO regulations: Kemp](#)

“If oil traders and consumers are worried about the impact of new maritime fuel regulations from the start of next year, they have not yet started to mark up prices for low-sulfur middle distillate fuels.”

## IMO 2020 Watch™

*The Virginian-Pilot*

### [Editorial: Fuel changes bring more turmoil to shipping](#)

“IN THE GRAND scheme of things, it’s great that the international shipping industry is taking strong measures to reduce the air pollution that harms human and environmental health. But new fuel standards mean further turmoil in trade and those tremors are certain to be felt in Hampton Roads, where the economy leans heavily of shipping through the Port of Virginia facilities.”

US EIA

### [Analysis & Projections: The Effects of Changes to Marine Fuel Sulfur Limits in 2020 on Energy Markets](#)

“The first section of this report explains the findings related to IMO 2020 from the STEO and AEO2019 analysis. The second section discusses the uncertainties that might affect the way that actual outcomes deviate from EIA’s forecasts and projections.”

March 26, 2019

Barry Parker, Seatrade Maritime News

### [IMO 2020 goes mainstream and its political ramifications](#)

“MO 2020 is everywhere - conferences, expert briefings, webinars, blog posts, newsletter articles, ad ot [sic] has gone beyond the province of shipping industry insiders (and readers here) and certainly reached into the mainstream media. Witness two articles in the prestigious Financial Times (FT) within one week.”

Miriam Malek, S&P Global Platts

### [New ISO specs for IMO 2020 compliant fuel expected mid-2019: IMO official](#)

“New ISO standards for IMO 2020-compliant marine fuel are expected to be issued by ISO by the middle of 2019, Edmund Hughes, head of air pollution and energy efficiency at IMO, told delegates at Fujcon, a conference being held in Fujairah.”

Philip Verleger, Oilprice.com

### [IMO 2020: Can We Expect Extreme Price Shocks?](#)

“The Trump administration has two assessments of the impact of the IMO 2020 marine fuel sulfur regulation to consider. The first was issued in January by the Energy Information Administration (EIA), a division of the Department of Energy (DOE). The second was released by the president’s Council of Economic Advisers (CEA) last week as part of the *2019 Economic Report of the President*. The two analyses are, shall we say, a bit different.”

Surabhi Sahu, S&P Global Platts

### [Interview: Marine gasoil, MDO set to be main short-term fuel choices for IMO 2020 – Glander CEO](#)

“Most shipowners are expected to switch from high sulfur fuel oil to marine gasoil or marine diesel oil in the short term, and to 0.5% LSFO blends in the mid- to long term, to meet the International Maritime

## IMO 2020 Watch™

Organization's tightening global sulfur limit on marine fuels from January 1 next year, Glander International Bunkering CEO Carsten Ladekjaer said Monday."

Reuters

### [Refiners invest \\$1 billion to meet shift to cleaner marine fuel: BP](#)

"Refiners around the world have invested about \$1 billion so far to produce low-sulfur marine fuel to meet new regulations coming into force in 2020, a BP executive said on Tuesday."

March 25, 2019

Anthony Dipaola, Bloomberg

### [Arcane Pollution Rule May Cost Saudis and Neighbors Billions](#)

"The world's biggest oil-exporting region may lose billions of dollars in annual revenue when an obscure United Nations requirement for ships to burn cleaner fuel takes effect next year."

Reuters

### [Exxon says high-sulfur fuel oil demand to decline 25 percent](#)

"Exxon Mobil Corp expects high-sulfur fuel oil demand to fall 25 percent by 2025, as a new set of emission regulations kick in next year, a top-level official at the U.S. oil and gas company said on Monday."

Julia Payne, Reuters

### [Trading firm Trafigura sees oil price rising to \\$70s/bl in 2020](#)

"Looking ahead to next year when a new, lower sulfur cap on shipping fuels is due to take effect, Trafigura's Rahim expects a deficit in diesel capacity of around 350,000 barrels per day (bpd), which could be met by China."

Claudia Carpenter, S&P Global Platts

### [Refiners moving maintenance to Q2 in preparation for IMO 2020: Wood Mackenzie](#)

"Refiners globally are bringing more plant maintenance forward to the second quarter from later in the year so they can be ready for increased demand resulting from new cleaner-fuel shipping rules, according to Wood Mackenzie."

March 24, 2019

Hellenic Shipping News

### [Turning Tides: The future of fuel oil after IMO 2020](#)

"Changing marine emissions regulations are at the core of current uncertainty over fuel oil's future – and the lower sulfur cap in 2020 won't be the last we hear from the IMO. S&P Global Platts looks beyond IMO 2020."

March 23, 2019

Holly Shively, *Dayton Daily News*

[\\$3 a gallon gas could be on the horizon sooner than you think](#)

“Another major seasonal impact is the refinery maintenance that started in February and March, which has narrowed supply. Maintenance could be front loaded this year because of new International Maritime Organization requirements for ships to use ultra low sulfur diesel starting in 2020.”

George Landrith, *The News-Herald*

[Trump’s maritime fuel policy will sink energy markets](#)

“The Trump administration is working to slow down the implementation of a major international environmental regulation that's set to take effect in 2020. The administration hopes that the effort will ease the compliance burden on businesses by phasing in the rules gradually, rather than all at once. Counterintuitively, phasing in the regulation could raise costs on American consumers, rather than reduce costs as the administration intends. It's smarter to let the rules go into effect as scheduled.”

March 22, 2019

John Gallagher, *Freight Waves*

[Ocean carrier group optimistic on IMO 2020 plans](#)

“Low-sulfur fuel availability in ocean shipping – and the higher prices expected to be paid for it – will not have the chaotic effect on the transportation and fuel markets as many are predicting, according to the leading lobbying group for the containership sector.”

Alexander Whiteman, *The Loadstar*

[Uncertainty remains over who will pay for compliance with IMO 2020](#)

“Carriers and shippers remain in dispute over who will pay for compliance with the pending sulphur fuel cap.”

Argus Media

[IMO compliant fuel oil trades at \\$445-455/t in Med](#)

“A cargo of 0.5pc sulphur fuel oil traded in the Mediterranean at around \$445-455/t, giving some indication of a nascent price point for product compliant with the forthcoming marine fuel sulphur cap.”

Surabhi Sahu, *S&P Global Platts*

[Interview: Locking in HSFO supplies is key for scrubber-fitted fleet post 2020 – consultant](#)

“Shipowners with scrubber-equipped vessels will need to lock in long-term HSFO supplies, and hedge if needed, amid concerns about consistent availability and quality when the International Maritime Organization's global sulfur limit rule for marine fuels kicks in from 2020, Adrian Tolson, a bunker industry veteran and senior partner at 2020 Marine Energy, said Wednesday.”

## IMO 2020 Watch™

March 21, 2019

Greg Knowler, JOC.com

### [Low-sulfur fuel supply fears wane; price still unclear](#)

“Carriers and oil majors are trying to ease concerns over the availability of low-sulfur fuel later this year when the shipping industry begins to comply with the International Maritime Organization (IMO) mandate. That’s leaving price as the key uncertainty that will determine the level of fuel surcharges to be paid by shippers.”

Argus Media

### [Last hurrah for high-sulphur fuel oil](#)

“High-sulphur fuel oil (HSFO) has been enjoying high cracks since the end of November, but prices are expected to ease at the end of the year as a result of the International Maritime Organization (IMO) 2020 marine fuel regulation.”

Hellenic Shipping News

### [IMO 2020 may not solve crude oil quality riddle](#)

“The global chasm in crude oil quality supply shows no signs of narrowing, prompting refiners to lighten their slate and leading to a market awash with gasoline, naphtha and LPG.”

David Sheppard, *Financial Times*

### [New shipping rules oil traders strangely paralysed](#)

“It does not take a huge shift in supply or demand to unsettle the 100m barrel-a-day global oil market, with most of the big price swings of the past two decades caused by one side of the equation moving out of alignment by 2 percent or less. So it’s little surprise that a looming shift in the global shipping fuel market, which makes up about 3 percent of the total oil market, has caught the attention of traders.”

March 20, 2019

Marissa Luck, *Houston Chronicle*

### [IMO 2020 could trigger refinery closures outside U.S.](#)

“As the global refining industry readies for the shipping industry’s shift to cleaner-burning marine fuels, analysts are warning that not all refineries are ready for what could be one of the biggest regulatory shocks to the refining industry in decades.”

Takeo Kumagi, S&P Global Platts

### [Japanese refiners will be ready to supply IMO-compliant bunker fuel by Oct-Nov: PAJ chief](#)

“Japanese refiners by October-November will be able to supply bunker fuel that complies with International Maritime Organization regulations that take effect from January, Petroleum Association of Japan President Takashi Tsukioka said Wednesday.”

## IMO 2020 Watch™

Daily Torch

### [America wins with new international cargo ship fuel regulation](#)

“An international regulation coming out of the United Nations International Maritime Organization (IMO) would both significantly lower pollution levels being generated by the container shipping industry while also benefitting the U.S. oil refining industry and those who work in it.”

March 19, 2019

JD Supra

### [IMO 2020 Full Sail Ahead: Incoming Waves for Refiners, Shipowners](#)

“There has been global debate about IMO 2020 being delayed or phased in, but as of now there has been no indication of any delay in the scheduled implementation. As if to underscore their position, in October 2018, the IMO adopted an additional ban on ships even carrying high-sulfur marine fuels starting in March of 2020 unless they have the required equipment on board to use them.”

Philip Verleger, Oilprice.com

### [Trump’s Last Chance to Subdue Gasoline Prices](#)

“The oil industry has done its best to play down the oil market effect of the impending IMO 2020 rule. Executive after executive has tried to reassure politicians and policy makers that no substantial impact will occur. As always, though, oil executives have been *parsimonious with the facts*. In my experience, these individuals do not lie; they just say as little as possible.”

Tsvetana Paraskova, Oilprice.com

### [Refiners Prepare to Profit from Dramatic Oil Product Switch](#)

“As 2020 draws nearer, oil refiners around the world, from Europe to the United States to Asia, are preparing to capture as high refinery margins for distillates like diesel and marine gasoil as they can get.”

Paul Gunton, ShipInsight

### [Drewry believes shippers must pay more or lose out after 2020](#)

“Shipping analysts Drewry believes the IMO 2020 low-sulphur rules could trigger more slow steaming and transshipment and failure by shippers to concede to carriers’ fuel surcharge demands could create risks to future service options, competition and rates.”

Peter R. Knight, The Maritime Executive

### [The IMO 2020 Sulfur Cap in the United States: Compliance Issues](#)

“While the operational aspects of the new regulations have come into sharper focus as the deadline approaches, the compliance and enforcement horizon is less clear. There is no uniform global policing of MARPOL provisions through the IMO. Each individual signatory nation is responsible for determining its own enforcement policies, and while these will vary from jurisdiction to jurisdiction, all non-compliant vessels can expect civil, and possibly criminal, sanctions.”



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Michael Angell, Freight Waves

### [Port Report: To slow steam or not slow steam; that is the latest IMO 2020 question](#)

“Shippers already suffer slings and arrows of poor schedule reliability, but ocean carriers may have little choice in meeting higher IMO 2020 costs. Shippers may pay the price in less choice and lower reliability as the ocean freight industry games out the best way to operate under next year’s cap on the sulfur output of marine fuel.”

Jonathan Saul, Nina Chestney, Reuters

### [Ship owners worry about clean fuel bill as ports ban “scrubbers”](#)

“More ports around the world are banning ships from using a fuel cleaning system that pumps waste water into the sea, one of the cheapest options for meeting new environmental shipping rules. The growing number of destinations imposing stricter regulations than those set by the International Maritime Organization (IMO) are expected to be a costly headache for cruise and shipping firms as they face tough market conditions and slowing world trade. They might have to pay for new equipment and extra types of fuel and adjust their routes.”

March 18, 2019

Hellenic Shipping News

### [IMO 2020 will cause upheaval for shippers and refiners](#)

“With fuel oil recently trading at a premium to motor gasoline, one may be excused for asking what all the fuss is about the forthcoming fuel oil specification changes for the shipping industry? Those changes, adopted by the International Maritime Organization, still pose the largest and most disruptive change that the shipping and oil refining industry have had to face.”

John Kingston, Freight Waves

### [The outlook of one energy economist for IMO 2020: chaos in the diesel market](#)

“Most analyses of the price impact of IMO 2020 have taken a fairly conservative approach. They look at the longer term ways in which the oil market will adjust and substitute lower-sulfur fuels for higher-sulfur fuels in order to meet the mandate that marine fuels can contain no more than 0.5 percent sulfur after January 1, down from the current level of 3.5 percent. They might refer to the possibility of disruption but it’s viewed as a short-term phenomenon that will correct itself. Then there’s Philip Verleger.”

Bloomberg via Energy Voice

### [Oil refiners’ next boom is revealed in what they’re not doing](#)

“The plants in Europe and the U.S. are scaling back planned maintenance later this year in anticipation of a surge in demand and fatter margins as the shipping industry gets ready for a historic fuel switch. Analysts say a similar picture is emerging in Asia, too. Refiners in the Mediterranean and Northwest Europe so far arranged to take about 60 percent less capacity offline for routine work from September to November than they did a year earlier, according to data compiled by Bloomberg. There’s been a

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similar plunge in planned U.S. work. Even though more maintenance will come to light, most industry observers are nonetheless expecting fewer shutdowns.”

March 15, 2019

Argus Media

### [Fuel oil supply tight ahead of 2020: IEA](#)

“The IEA expects supply of fuel oil to remain tight ahead of the marine-fuel sulphur cap in 2020, because of refinery upgrades and a reduction in medium-heavy crude production.”

March 14, 2019

Hellenic Shipping News

### [US refiners worry about White House wild card as IMO 2020 nears](#)

“Gulf Coast refiners are nevertheless skittish about one major wild card. The January 1, 2020 implementation date comes right in the middle of President Donald Trump’s re-election campaign, and this White House has shown a particular sensitivity to pump prices and their impact on voters.”

Gillian Tett, *Financial Times*

### [Shipping is the new frontier in the climate change fight](#)

“This week, a website for something calling itself the Coalition for American Energy Security suddenly materialised in cyber space — complete with a hyperactive twitter account dispatching messages about regulation and pollution.”

Daniel Rodriguez, S&P Global Platts

### [CERAWeek: Mexico to develop new catalytic units ahead of IMO 2020: Secretary Nahle](#)

“The Mexican government is planning to build new catalytic units at Pemex's refineries to overcome changes in international marine fuel market next year, Energy Secretary Rocio Nahle said Wednesday.”

March 13, 2019

Hellenic Shipping News

### [IMO 2020 Full Sail Ahead: Incoming Waves for Refiners, Shipowners](#)

“As of January 1, 2020, the International Maritime Organization (IMO) will begin enforcing a new regulation that caps the allowable sulfur content of all marine fuels from its current level of 3.5% m/m (mass/mass) to 0.5% m/m. While this new limit will not change the lower limits in existing sulfur Emission Control Areas (ECAs), it will inevitably have wide-ranging implications on oil refiners and the shipping industry, as well as force significant changes in the demands for certain bunker fuels. As a result, demand for the widely used 3.5% m/m high-sulfur fuel oil (HSFO) is expected to drop as shipowners seek alternatives to power their vessels. There has been global debate about IMO 2020 being delayed or phased in but as of now there has been no indication of any delay in the scheduled implementation. As if to underscore their position, in October 2018, the IMO adopted an additional ban

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on ships even carrying high-sulfur marine fuels starting in March of 2020 unless they have the required equipment on board to use them.”

ET Energyworld

### [India's oil refiners are well positioned ahead of IMO 2020](#)

“The move by the International Maritime Organization (IMO) to introduce a 0.5 per cent sulfur limit on fuel oil from January 2020 poses the largest and most disruptive change that the shipping and oil refining industry have had to face. Despite these global challenges, India's modern oil refiners have undertaken long-term investment in coking capacity leaving the sector well positioned to thrive by producing more valuable clean products over less attractive high sulfur fuel oil.”

March 12, 2019

Argus Media

### [Scrubber demand speeds up ahead of IMO 2020](#)

“About 3,500 vessels will have marine-exhaust cleaning equipment known as scrubbers by the end of this year as demand is rising ahead of new international regulations, a US-based manufacturer said.”

Brian Scheid, S&P Global Platts

### [CERAWeek: Ahead of IMO 2020, Cenovus executive sees gasoline as a refining byproduct](#)

“US refiners are increasingly looking to move away from gasoline and into export markets, as distillate demand from approaching global bunker fuel rules grows, an executive with Alberta-based Cenovus said Tuesday.”

Elza Turner, S&P Global Platts

### [Refinery news roundup: Companies in Europe prepare for bunker fuel sulfur cap](#)

“Maintenance works remain the focus in Europe, although attention has shifted to preparations for the upcoming lower global marine fuel sulfur cap.”

Reuters via EuroNews

### [Shell, HES to resurrect German oil refinery ahead of IMO 2020 shipping rules – sources](#)

“Royal Dutch Shell has struck a deal with Dutch tank terminal firm HES International to partially restart a German oil refinery mothballed since 2011 in response to new restrictions on marine fuels, two trading sources told Reuters.”

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March 11, 2019

Argus Media

### [Gasoil prices to rise at least 20pc on IMO 2020: IEA](#)

“The IEA expects gasoil prices to rise at least 20pc in 2020 on higher demand for marine gasoil (MGO) from the shipping industry, while the agency expects gasoil prices to more than double if the sulphur cap agreed by the International Maritime Organization (IMO) is strictly enforced.”

Jack Jordan, S&P Global Platts

### [IEA sees 700,000 b/d of non-compliant bunker fuel demand in 2020](#)

“Some 700,000 b/d of fuel oil demand next year could be generated by ships illegally continuing to use the heavy product after global sulfur emission limits are cut, according to the International Energy Agency.”

Surabhi Sahu, S&P Global Platts

### [Shipping needs to set timelines now to be IMO 2020 compliant: WSM executive](#)

“There should be an urgency now among various players in the shipping industry, including shipowners and charterers, to plan for the International Maritime Organization's global sulfur limit rule as the 2020 deadline is fast approaching and transition will be challenging, Rajiv Nigam, general manager, technical services group at Wilhelmsen Ship Management said Thursday.”

Jack Jordan, Tom Washington, S&P Global Platts

### [BP set to begin selling new 0.5% sulfur bunker fuel](#)

“Oil producer BP is ready to sell its new 0.5% sulfur marine fuel for use after global emissions limits drop to that level next year, the company said Monday.”

Julia Payne Reuters

### [High-sulphur fuel oil demand to fall 60 pct next year on IMO rules – IEA](#)

“High-sulphur fuel oil demand will fall 60 percent next year while marine gasoil demand will more than double due to new international regulations on shipping fuel, the International Energy Agency forecast on Monday.”

March 8, 2019

Debbie Carlson, The Street

### [Maritime Regulations, NOPEC, and What's Ahead for Crude Oil Markets](#)

“Two little-known news events could have a sizable influence on crude-oil prices this year. By 2020, new global pollution-control regulations to reduce sulfur use in marine fuels take effect, which may significantly boost container ships and other vessels' use of lower-sulfur light, sweet crude versus the heavy, sour crude types the industry relies on currently. Additionally, market watchers are keeping an eye on a recent passage of a bill in a U.S. House committee to make oil-producing and exporting cartels

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illegal. Together, these two factors could cause swings crude-oil prices, especially in spreads between other types of petroleum, particularly toward year's end when the International Maritime Organization's regulations, known as IMO 2020, draw near.”

Chris Midgley, Chron

### [IMO 2020 will cause upheaval for shippers and refiners](#)

“With fuel oil recently trading at a premium to motor gasoline, one may be excused for asking what all the fuss is about the forthcoming fuel oil specification changes for the shipping industry?”

March 7, 2019

Argus Media

### [IMO 2020 to lift US shale demand: Valero](#)

“New restrictions next year on the amount of sulfur in global marine fuels should lift export demand for US oil shale production, US independent refiner Valero said today.”

Hellenic Shipping News

### [IMO 2020: Global Shipping, Oil Refiners Brace for Sea Change](#)

“Despite hugely challenging logistics to comply, and continued concerns around enforcement and the availability of compliant low-sulfur fuels, Bloomberg Intelligence believe 1Q20 will mark a successful transition for most of the world’s fleet into the low-emission era. Larger ships primarily serving well-established trade routes that typically call at major ports will find comfort in compliant fuel availability, while availability at smaller ports should also improve as demand increases.”

Takeo Kumagai, Surabhi Sahu, S&P Global Platts

### [Feature: Japan supports open-loop scrubbers, discourages bans on discharge](#)

“Japan has decided it will support the use of open-loop scrubbers aboard ships and discourage other jurisdictions from banning the discharge of water from such units as the deadline for the International Maritime Organization's global sulfur limit rule for marine fuels draws nearer.”

March 6, 2019

Marcus Hand, Seatrade Maritime News

### [IMO 2020 – Majority of small bunkering ports won't have compliant fuel](#)

“Despite assurances from fuel suppliers over the availability of compliant fuel to meet IMO 2020 from 1 January next year, industry executives warn that logistics will be a mess and the majority of smaller bunkering ports will not have low sulphur fuel.”

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Sulaimon Salau, The Guardian

### [Anxiety builds over IMO 2020 ship content directive](#)

“Take-off of the International Maritime Organisation (IMO’s) low sulphur content for ships effective January 1, 2020, might begin on a slow pace, as fuel refiners are far behind schedule.”

Cruise Industry News

### [Carnival Corp. Releases Results of Scrubber Study](#)

“Carnival Corporation has released the results of an independent, two-year scientific wash-water study that shows the company’s advanced air quality systems (i.e. scrubbers) are in compliance with the International Maritime Organization’s (IMO) 2020 requirements, which include regulations for cleaner air emissions and strict wash-water quality standards.”

ThomasNet.com

### [Ocean Carriers Prepare for IMO Low Sulfur Rules](#)

“New International Maritime Organization (IMO) rules requiring ships to use fuel with less than 0.5% sulfur will take effect on January 1, 2020. With the IMO rejecting requests to slowly roll out the prohibition over a trial period, ocean carriers must ramp up plans in order to comply.”

Tamara Sleiman, Sarah Jane Flaws, S&P Global Platts

### [Trading activity picks up on ICE for new 0.5% marine fuels futures contract](#)

“Futures contracts settling against Platts FOB Rotterdam Marine Fuel 0.5% barge assessments traded numerous times Wednesday on the Intercontinental Exchange, showing increased activity since the launch of ICE’s futures contracts on February 19.”

Sarah Jane Flaws, Tamara Sleiman, S&P Global Platts

### [US sanctions on Venezuela creating strong pull for HSSR from Europe to USGC](#)

“The arbitrage from the Baltic Sea was said to be workable by numerous sources, with many attributing it to the counterseasonal strength in the high sulfur fuel oil crack amid falling supply from Russia, a strong pull for product from Singapore, and ongoing refinery upgrades globally in preparation for the International Maritime Organization’s sulfur cap, which will require sulfur content in marine fuels to be cut to 0.5% from next year from 3.5% currently.”

March 5, 2019

Inge Erhard, OPIS

### [Bunker Suppliers, Users Urged to Prepare While IMO 2020 Haze Lingers: IP Week](#)

“With the IMO 2020 deadline for stricter marine fuel specifications looming, there is an inherent risk that bunker sector participants pass the buck for action to others in the supply chain as suppliers wait for demand, refiners for price signals and consumers for clarity on low-sulfur fuel options.”

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Sambit Mohanty, Surabhi Sahu, Oceana Zhou, S&P Global Platts

### [Analysis: Asian refiners advance plans to produce IMO-compliant fuel despite hurdles](#)

“Leading Asian refiners have advanced plans to produce low-sulfur bunker fuels as the International Maritime Organization's deadline draws near, but analysts say high costs pose the biggest challenge and therefore production needs to be incentivized for more refiners in the region to join the bandwagon.”

March 4, 2019

Seabury Capital

### [New Fuel Emission Standards to Increase Freight Rates](#)

“Seabury Maritime LLC (“Seabury Maritime”), the global maritime and transportation investment & merchant banking and industry advisory firm, a division of Seabury Capital Group LLC, today released a whitepaper, produced in cooperation with Gemini Shippers Group, providing insight and a general overview of the issues related to the implementation of the International Maritime Organization 2020 (“IMO 2020”) regulation on sulfur oxide emission.”

William B. Cassidy, JOC.com

### [Low-sulfur fuel roll-out has Trump factor “caveat”](#)

“The International Maritime Organization’s (IMO’s) low-sulfur fuel mandate for ocean vessels “is going to happen, but I have one caveat,” Daniel Yergin, IHS Markit vice chairman, said Monday at the TPM 2019 Conference in Long Beach, California. That caveat is, “in two words: Donald Trump,” he said.”

Michael Angell, Freight Waves

### [Ocean carriers to take China-sized bite of global diesel markets as IMO 2020 hits](#)

“A widely cited oil market expert offered a pessimistic view on the transition to low-sulfur fuel in the ocean shipping industry, saying the steamship lines and their customers are largely unprepared for the switch. IHS Markit Vice Chairman Daniel Yergin says the International Maritime Organization’s (IMO) requirement that all ships burn fuel with no more than 0.5 percent sulfur starting next year will cause a “scramble” in ocean supply chains due to an industry-wide lack of preparedness.”

Hellenic Shipping News

### [Cyprus: Sulphur cap in shipping “game-changer” of the decade](#)

“Ship owners and ship managers in Cyprus are bracing for new emission rules that kick-in worldwide from January 2020, with the global umbrella group International Chamber of Shipping saying that the industry will need to detach itself from fossil fuels ahead of ambitious decarbonisation targets set for 2050.”

Sergey Ivanov, PortNews

### [The global bunker market still totally unready to play by new rules](#)

“With new global sulfur cap in marine fuel and other environmental initiatives coming into force, the markets of shipping, logistics, port infrastructure, production of oil products and LNG will face dramatic

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changes. Sergey Ivanov, Director, Marine Bunker Exchange (MABUX) AB in an interview with PortNews shares his view on how the new low sulfur marine fuel regulation could hit the entire industry.”

Associated Press

### [New Fuel Emission Standards to Increase Freight Rates](#)

“With less than ten months before the IMO 2020 regulation on sulfur oxide emission goes into effect Jan 1, carriers and shippers alike are facing an uncomfortable uncertainty over its potential effects on costs and freight rates as they enter the 2019-2020 trans-Pacific contracting period.”

Frank Kane, Arab News

### [New maritime measures threaten to rock oil industry’s boat](#)

“DUBAI: The clock is ticking down on the introduction of a piece of regulation that — if not managed properly — threatens to bring turmoil to global trade and energy markets.”

Sarah Jane Flaws, Tamara Sleiman, S&P Global Platts

### [Second trade on ICE for new 0.5% marine fuels futures contract](#)

“Futures contracts settling against Platts FOB Rotterdam Marine Fuel 0.5% barge assessments traded for the second time Monday on the Intercontinental Exchange, following the launch of ICE's futures contracts on February 19. Two lots, equivalent to 2,000 mt/month and total annual volume of 24,000 mt, of ICE's Calendar 2020 Rotterdam FOB Marine Fuel 0.5%/3.5% FOB Rotterdam barges (Platts) traded on the exchange at \$180/mt, the second trade since February 19, which traded at \$160/mt.”

March 1, 2019

Irina Slav, Oilprice.com

### [Brent Dips Below Sour Crude as Heavy Supply Tightens](#)

“...heavy crude blends are essential for the production of middle distillates used for other types of fuels, including bunkering fuel, where a seismic change is coming next year: the International Maritime Organization is implementing stricter sulfur emission rules that will require refiners to adjust their production accordingly. Still this adjustment does not meant demand for heavy crude will fall. In fact, it is expected to rise.”

Nick Blenkey, Marine Log

### [IMO 2020 could cost box ship operators \\$10 billion this year](#)

“While 2018 was a turbulent year for the container shipping industry, it might have been “only a warm up for 2019” in the view of New York headquartered management consultancy AlixPartners LLP. The firm warns that IMO 2020 regulations could cost containership operators as much as \$10 billion globally this year and says ‘that cost could increase significantly in 2020.’”



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Shefali Kapadia, Supply Chain Dive

### [Ocean carriers need “significantly higher” surcharges to offset IMO 2020 costs: study](#)

“Ocean carriers must ‘impose significantly higher fuel surcharges in 2019 and beyond’ in order to maintain margins and cope with costs of low-sulfur regulations from the International Maritime Organization coming in 2020, according to a study by consulting firm AlixPartners.”

Patti Domm, CNBC

### [The biggest change in global fuel regulations since leaded gas went away could cause price shocks](#)

“While huge investments have already been made, the change on Jan. 1 could send ripples through the transportation industry, causing estimated price spikes of 20 percent or more for fuel of all sorts. As a result, cargo prices, airline tickets and the cost of sending a package could rise. Some analyst say there could even be temporary fuel shortages, as refiners and transport companies scramble to meet the needs of the shipping industry.”

February 28, 2019

Tom Washington, Jack Jordan, Daniel Colover, S&P Global Platts

### [HSFO in 2020 could contain 4.2% sulfur prior to scrubber treatment: Concawe](#)

“The level of sulfur in marine fuel, before it passes through an exhaust gas cleaning system, or scrubber, could rise from current levels to 4.2% in 2020, an industry expert said Thursday. The current de facto level of sulfur in bunker fuel is more commonly 2.9% than the maximum legal limit of 3.5%, Damien Valdenaire, science executive of refinery technology at industry body Concawe, said Thursday on the sidelines of the International Petroleum Conference in London.”

Meghan Gordon, S&P Global Platts

### [US energy secretary warns anti-OPEC bill could bring price spike](#)

“Asked if the Trump administration was worried about a price impact from the International Maritime Organization's sulfur cap taking effect January 1, 2020, Perry said Trump is always watching the oil price.”

February 27, 2019

Argus Media

### [Florida demand for HSFO to remain high post-2020](#)

“High-sulphur fuel oil bunker demand will not decline in Florida as sharply as in other US states because cruise ships are installing scrubbers to comply with International Maritime Organization (IMO) 2020 sulphur limits.”

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Sameer Mohindru, S&P Global Platts

### [Ships with scrubbers must lock in high sulfur fuel oil needs to avoid supply hassles: Lloyds](#)

“Shipowners with scrubber-equipped vessels may face challenges securing fuel unless they lock in their requirements well ahead of the new low sulfur emission limits on bunkers that apply from 2020, a senior industry executive said Tuesday. Large volumes of high sulfur fuel oil will be available next year but not all bunker suppliers will be willing to store, move and supply it, Douglas Raitt, Regional Consultancy Manager with Lloyd's Register Asia, said at the MARE Shipping Forum in Singapore.”

George Landrith, *The Independent*

### [Trump's maritime fuel policy will sink energy markets](#)

“The Trump administration is working to slow down the implementation of a major international environmental regulation that's set to take effect in 2020. The administration hopes that the effort will ease the compliance burden on businesses by phasing in the rules gradually, rather than all at once. Counterintuitively, phasing in the regulation could raise costs on American consumers rather than reduce costs as the administration intends. It's smarter to let the rules go into effect as scheduled.”

Jack, Jordan, Herman Wang, S&P Global Platts

### [Saudi Aramco targets zero fuel oil production by 2024](#)

“Saudi Aramco, the world's largest oil exporter, is planning to eliminate fuel oil production at its refineries within the next five years as emissions regulation shifts marine demand to cleaner fuels.”

February 26, 2019

Marcus Hand, Seatrade Maritime News

### [Owners installing scrubbers for IMO 2020 warned of availability of HFO](#)

“With just a small percentage of ships fitting scrubbers owners are warned they will need secure availability of high sulphur fuel oil (HFO) in 2020 as the supply chain will be geared to delivering compliant low sulphur fuel oil (LFSO).”

Sarabhi Sahu, S&P Global Platts

### [Hype around open loop scrubbers likely to risk IMO 2020 compliance: EGCSA](#)

“The Exhaust Gas Cleaning Systems Association said Monday that fanning unnecessary concerns over the use of open loop scrubbers were adding to the uncertainty around compliance to the International Maritime Organization's global sulfur limit for marine fuels.”

February 25, 2019

Alan Gelder, Forbes

### [Uncertainty Shrouds IMO 2020's Impact](#)

“But certainties are few and far between, with more unknowns than knowns.”

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Irina Slav, Oilprice.com

### [Vitol Sees Higher Prices As Heavy Crude Supply Shrinks](#)

“Venezuela, Iran, and the rest of OPEC are the factors that will drive this price rise, the first two not so voluntarily, but the latter consciously cutting mostly production of heavier grades rather than lighter ones. At the same time, demand for heavy crude is set to grow further as refiners gear up for the new International Maritime Organization rules on maritime vessel emissions.”

John Kemp, Reuters

### [Trump warns Saudi Arabia on oil prices as focus turns to re-election: Kemp](#)

“Finally, the administration is likely to prove exceptionally sensitive about any spike in diesel prices as a result of new regulations scheduled to be introduced by the International Maritime Organization from the start of 2020.”

February 22, 2019

Shailaja A. Lakshmi, MarineLink

### [IMO on Track for 2020 Sulphur Cap](#)

“The International Maritime Organization (IMO) made substantial progress towards the Organization’s final preparations for the new global Sulphur regulation which enters into force on 1 January 2020.”

Reuters via EuroNews

### [Asia’s surging fuel exports depress refining industry profits](#)

“Despite so many refineries coming to the market, the outlook is not entirely bleak. FGE's Brown said new regulations by the International Maritime Organization (IMO) that will require shippers to reduce the sulphur content in their fuel from next year meant demand for products like diesel and low-sulphur fuel oil (LSFO) would rise and improve refinery profits. ‘The main relief will come as the market shifts into IMO2020 mode in the fourth quarter,’ said Brown. ‘Margins will recover, restoring order to the market.’”

February 21, 2019

Ship & Bunker

### [IMO 2020: HFO + Scrubbers Better than Burning 0.5%S, Japan Tells IMO](#)

“Japan has come out heavily in favour of open-loop scrubbing, telling IMO today that when both human health and the marine environment are taken into account, burning HFO with a scrubber is a better choice than simply burning 0.5%S fuels alone.”

TradeWinds

### [Chalos: IMO 2020 enforcement will be a “disaster”](#)

“Shipping lawyer George Chalos has highlighted what he expects to be heavy-handed US enforcement of the IMO's looming emissions regulations.”

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Greg Knowler, JOC.com

### [Carrier earnings show scale of low-sulfur risk](#)

“Although Maersk marked rising tariffs as a key risk to the profitability of the container shipping industry, the impending low-sulfur fuel mandate poses the greatest threat as carriers struggle to achieve rate levels needed to compensate for the higher bunker prices.”

Nelson Bennett, Business in Vancouver

### [Paradigm shift coming for oil industry](#)

“New International Maritime Organization (IMO) caps on pollution from international shipping will likely have an impact on the price of many consumer goods, but the biggest impact for Canada will be on oil.”

S&P Global Platts

### [Shipowners with scrubbers should not hedge 2020 HSFO price risk: Goldman Sachs](#)

“Shipowners with scrubber-equipped vessels continuing to use fuel oil next year after the IMO's marine sulfur limit drops are best advised to avoid hedging their fuel requirements at first to maximize savings, according to investment bank Goldman Sachs.”

February 20, 2019

Mike Wackett, The Loadstar

### [Scrubber debate heats up as EC calls on IMO to restrict their use](#)

“The pro-scrubber Clean Shipping Alliance 2020 has strongly criticised the EC for urging the International Maritime Organization (IMO) to restrict the use of open-loop exhaust gas cleaning systems (scrubbers) in ports around the world.”

Hellenic Shipping News

### [Preparing for the 2020 sulphur limit](#)

“IMO’s Sub-Committee on Pollution Prevention and Response (PPR) meets this week (18-22 February) at IMO headquarters. The meeting will focus on finalizing draft Guidelines on consistent implementation of the 0.50% sulphur limit under MARPOL Annex VI.”

Nelson Bennett, *Vancouver Courier*

### [Why the price of almost everything could go up in 2020](#)

“In less than a year from now, an obscure new international regulation that most people have probably never heard of goes into effect that could have a wide-ranging impact on oil and gas prices, transportation costs and, ultimately, the cost of importing and exporting.”

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February 19, 2019

Bill Mongelluzzo, JOC.com

### [Enough low-sulfur fuel at US ports in 2020?](#)

“With implementation of the International Maritime Organization’s low-sulfur fuel requirement for vessel operators just 10 and one-half months away, the level of confidence that fueling infrastructure and adequate fuel supplies will be in place ranges from moderate to doubtful.”

Bunkerspot

### [Global: Not Passing On IMO 2020 Costs to Shippers Will Pressure Container Market’s Profit Spread](#)

“A failure to recover the extra fuel costs in full may even result in outright bankruptcies in the container shipping industry,’ says BIMCO’s Peter Sand. In an overview of the outlook for the sector in 2019, BIMCO says that the long-haul main lane trades – which are critical for the overall health of the container shipping market – could be in for a tough year.”

BusinessWire

### [Intercontinental Exchange Launches Marine Fuel Contracts in advance of IMO 2020](#)

“Intercontinental Exchange, Inc. (NYSE:ICE), a leading operator of global exchanges and clearing houses and provider of data and listings services, today launched new Marine Fuel 0.5% futures contracts in advance of the implementation of the 0.5% sulphur cap by the International Maritime Organization (IMO) in 2020.”

Surabhi Sahu, S&P Global Platts

### [Interview: About 8% of bunkers consumed in 2020 likely to be scrubbed – MECL MD](#)

“Despite recent announcements by some ports to ban wash water discharge from open-loop scrubbers in their waters, about 8% of total bunkers consumed in 2020 will be scrubbed to meet compliance with the International Maritime Organization's global sulfur limit rule for marine fuels, Robin Meech, MD at Marine and Energy Consulting Limited said.”

February 18, 2019

Muyiwa Lucas, *The Nation*

### [IMO sulphur cap may increase freight rate by 10%](#)

“Export freight rates for GCC producers could increase by as much as 10 per cent due to the International Maritime Organisation (IMO’s) sulphur cap on fuel content, the Secretary-General, Gulf Petrochemicals and Chemicals Association (GPCA), Dr. Abdulwahab Al Sadoun, has said.”

Argus Media

### [Q&A: Spain’s Cepsa details IMO plan](#)

“Argus spoke to Abu Dhabi-owned Spanish integrated energy firm Cepsa's head of marine fuels division Carlos Giner and international sales manager Francisco Diaz Castro. They discussed the firm's readiness

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ahead of the implementation of the International Maritime Organisation's (IMO) sulphur cap in January 2020, while highlighting uncertainties around compliance options for shipping firms, and storage.”

Ship & Bunker

### [IMO 2020: Scrubber Uptake Now 4% of Vessels, 10% by Tonnage](#)

“Some 4% of the world fleet plus order book is slated to have scrubbers, according to the latest data from Clarksons.”

Gillian Carr, Eklavya Gupte, S&P Global Platts

### [Europe feels strain from tighter sour crude oil market](#)

“There are already some signs refiners are gradually sweetening their crude slates ahead of IMO 2020. The appeal of light and sweet crudes from West Africa has broadened recently due to higher middle distillate margins and viable arbitrage economics.”

Hellenic Shipping News

### [Feature: US gasoline consumers poised to reap benefits of strong diesel margins in 2019](#)

“The International Maritime Organization’s sulfur emissions regulation changes in 2020 have ‘little to do with the decisions that refiners are making today. Looking away from the forward curve and at today’s economics, refiners have a clear incentive to make more diesel and jet. Those have great margins. That production will inevitably add more gasoline to an already oversupplied market in 2019 even though gasoline margins are poor,’ said Andy Lipow, President of Lipow Oil Associates. ‘This is likely to put on a ceiling on US gasoline prices.’”

February 17, 2019

Jude Clemente, *Forbes*

### [Mixed Signals for Oil Prices](#)

“**Sulfur Requirement.** It seems far off to worry about, but in what some say will be the biggest change in the global oil market in decades, new regulations from the International Maritime Organization to limit the sulfur content of shipping fuel could push the world's refining system to the brink. Bloomberg reports that the new requirement could add \$4 a barrel to the price of crude oil, although I think that is too high.”

February 14, 2019

Michelle Kim, Serene Cheong, Bloomberg

### [Global Prices Turn Topsy-Turvy as Scorned Crudes Become Dear](#)

“The outlook for heavy crudes will be determined by the ability of refiners to process them into valuable, low-sulfur products, especially in the second half of this year. That’s because new International Maritime Organization standards limiting the use of highly-polluting fuel will be implemented starting January 2020 in a bid to curb emissions.”

February 13, 2019

Eleni Pittalis, Tamara Sleiman, Sarah Jane Flaws, S&P Global Platts  
[European fuel oil crack reaches record high on tight supply, demand east](#)

“Falling supplies from Russia and extensive refinery upgrades in NWE in preparation for the International Maritime Organization's tighter sulfur cap from 2020 have supported fuel oil prices in Europe. Russian fuel oil exports have been delayed by low temperatures and inclement weather at ports, traders said.”

S&P Global Platts  
[IMO 2020 set to boost refinery margins: Wood Mackenzie](#)

“Tougher sulfur limits on marine fuel from January 2020 have been prompting large investments in the refining sector but changes to global markets should make the payments worthwhile, according to a senior executive at consultancy Wood Mackenzie.”

February 12, 2019

Alok Gupta, CGTN  
[Drones to monitor rising emissions from shipping](#)

“Hong Kong is gearing up to use drones to monitor emissions from ships. Highly efficient sensors developed after a series of extensive trials have been fitted on the drones. In real time, they accurately measure the pollution content present in the smoke plume released by a ship.”

BusinessWire  
[Refining and Shipping Industries Brace for New Fuel Regulations That Could Raise Prices on Everything from Fuels to Consumer Goods – Even Cruise Ship Tickets](#)

“The refining and shipping industries are ill-prepared for a massive change in fuel regulation set to go into effect next year. The resulting market impacts will be major, costly and far-reaching, says a new report from IHS Markit (Nasdaq: INFO), the leading global source of critical information and insight.”

February 11, 2019

Ship & Bunker  
[Bunker Suppliers and Buyers Both Need to Do Their Part for Successful IMO 2020: ICS](#)

“With the start of IMO 2020 less than 11 months away, the International Chamber of Shipping (ICS) today called on bunker suppliers and shipowners to each play their part in making the new global sulfur cap a success.”

February 8, 2019

Seeking Alpha

[Global Refinery Run Cuts Are Coming as Crude Quality Issues Worsen](#)

“To compensate for the needs from IMO 2020, refineries have to ramp up throughput to produce low sulfur diesel due to crude quality mismatch.”

Tamara Sleiman, Eleni Pittalis, S&P Global Platts

[Venezuelan sanctions could squeeze European fuel oil market](#)

“US sanctions imposed on Venezuela's state-owned PDVSA could further support an already tight high sulfur fuel oil market in Europe, sources said.”

Jung Min-hee, BusinessKorea

[Bunker C Is Now More Expensive Than Gasoline](#)

“The price of Bunker C oil, which is used mainly as a fuel for ships, recently exceeded the price of gasoline for automobiles for the first time in history. The latter was US\$10 to US\$30 higher than the former per barrel for the past 20 years, but the former exceeded the latter about four months ago as a result of a continuous oversupply. Under the circumstances, South Korean oil refining companies are increasingly worried about the huge investment they have made in facilities for producing value-added products such as gasoline, diesel and kerosene from heavy oils such as Bunker C.”

February 7, 2019

Tom Washington, Eleni Pittalis, S&P Global Platts

[Feature: Room for growth in VLSFO marine fuel prices as new futures contract looms](#)

“A month after the launch of S&P Global Platts physical assessments for 0.5% sulfur marine fuel and less than two weeks away from the launch of a new futures contract, the direction for the fuel's price looks to be upward.”

TradeWinds

[European Commission calls for “urgent” changes to IMO scrubber rules](#)

“Secretary-general says exhaust gas scrubbers are ‘expected to lead to a degradation of the marine environment.’”

Marcus Hand, *Seatrade Maritime News*

[Open-loop scrubbers – an own goal for the shipping industry](#)

“The debate currently raging over the use of open-loop scrubbers to meet the requirements of the IMO’s 2020 0.5% sulphur cap for marine fuel represents a massive own goal by the industry from both a PR and global regulatory perspective.”



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Erin Douglas, Chron

### [With international shipping rule rapidly approaching, there isn't enough fuel supply, analysts say](#)

“Not enough low-sulfur fuel oil is available to replace the fuels used by marine shippers ahead of a fast-approaching regulation, according to analysis by Wood Mackenzie.”

Ahmad Ghaddar, Reuters

### [Woodmac estimates 10 pct of marine fuel to be scrubbed of sulphur in 2020](#)

“Research firm Woodmac sees a rise in the use on ships of “scrubbers”, the equipment to clean up sulphur emissions, before the International Maritime Organization imposes new rules from Jan. 1 2020 to limit sulphur content in fuel.”

February 6, 2019

Argus Media

### [Waiver uncertainty complicates IMO 2020 deadline](#)

“Shipping industry executives should not count on receiving a waiver if they are not able to comply with the International Maritime Organization (IMO) marine fuel sulphur cap in 2020.”

February 4, 2019

Ship & Bunker

### [Fratelli Now Expecting Most to Comply with IMO 2020 Rule](#)

“Timothy Cosulich, who heads up the Fratellis Cosulich Group, says he’s had a change of heart for the better on IMO 2020 compliance levels.”

Ship & Bunker

### [Recovering Full IMO 2020 Costs Seen as Tough](#)

“Whether owner/operators choose to burn compliant fuel or go with scrubber equipped tonnage and continue to burn HSFO, passing the full cost of IMO 2020 onto their customers is seen as a tough sell.”

Michael Angell, *Freight Waves*

### [Port Report: Refiner inaction seen ahead of IMO 2020, but some planning for new fuel rules](#)

“As the world’s merchant ships switch to a low-sulfur fuel standard next year, ocean carriers are looking to assess how much the newer fuel will cost. As FreightWaves’ oil market expert John Kingston reports, the early indication based on trading in the futures markets shows low-sulfur fuel prices may be over 50 percent higher than the now standard high-sulfur fuel used in the shipping industry.”

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Nicholas Woodruff, *Hydrocarbon Engineering*

[EIA: more stringent marine sulfur limits mean changes for US refiners and ocean vessels](#)

“The implementation of new regulations affecting marine fuel specifications will have implications for crude oil and petroleum product markets over the coming decade, according to the EIA. Previous *Today in Energy* articles by the organisation described these regulations and the short-term implications for refining margins through 2020. The [EIA’s latest article](#) discusses the longer-term implications of the market changes projected in EIA’s recently released *Annual Energy Outlook 2019*, as the response to these regulations will likely involve changes to ships, marine fuels, refining, and some infrastructure in the next six to eight years.”

February 2, 2019

John Siciliano, *The Washington Examiner*

[Oil refiners get behind UN fuel rules that analysts say will drive up prices in 2020](#)

“Oil refiners are defending new United Nations environmental rules against private consultants' forecasts that they will hurt consumers in the run-up to the 2020 election, rather than aiding President Trump's energy dominance agenda.”

February 1, 2019

Liz Thang, S&P Global Platts

[Marine Fuel 0.5% futures trades suggest price surge for IMO-compliant fuels](#)

“The first trades in financial derivative contracts that settle against Platts Marine Fuel 0.5% assessments are offering early cues to a surge in global shipping fuel prices heading into 2020, market participants said Friday.”

January 30, 2019

Surabhi Sahu, S&P Global Platts

[Interview: Compliance to IMO 2020 rule likely 80% initially – Parker Kittiwake execs](#)

“Compliance with the International Maritime Organization's global sulfur limit for marine fuels will likely settle around 80% towards 2020 as most shipowners switch to 0.5% sulfur bunker fuels to meet the rule, senior executives at Parker Kittiwake told S&P Global Platts Friday.”

January 29, 2019

Queen Munguti, *Business Daily*

[New fuel rule set to push up cost of sea transport](#)

“Sea freight charges are set to increase later this year as shipping lines use a more expensive fuel in line with the International Maritime Organization (IMO) new regulations.”

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Hellenic Shipping News

### [S. Korea's S-Oil sees stronger refining margins on diesel demand](#)

"S-Oil Corp, South Korea's third-biggest refiner by capacity, said on Monday that refining margins are expected to improve in 2019, boosted by growing diesel demand."

January 28, 2019

Nathanial Gronewold, E&E News

### [Fears of oil price spikes precede new fuel rules](#)

"Less than a year remains before new marine fuel rules take effect, and the world's energy markets may be not ready in time."

January 27, 2019

George Landrith, *Houston Chronicle*

### [Trump's maritime fuel policy will sink energy markets](#)

"The Trump administration is working to slow down the implementation of a major international environmental regulation that's set to take effect in 2020. The administration hopes that the effort will ease the compliance burden on businesses by phasing in the rules gradually, rather than all at once. Counterintuitively, phasing in the regulation could raise costs on American consumers, rather than reduce costs as the administration intends. It's smarter to let the rules go into effect as scheduled."

January 25, 2019

Jason Jiang, Splash247

### [Gasoil super contango predicted](#)

"The uncertain outlook for the gasoil market ahead of IMO's 2020 sulphur cap forms the main research in the latest weekly report from Alphatanker. Although the past few months have seen spreads between gasoil and HSFO narrow, Alphatanker analysis suggests that they should once again widen over the second quarter of this year following projected shifts in global fuel oil and gasoil demand and as crude prices strengthen, potentially leading to a super contango in gasoil markets, which could support floating storage."

January 24, 2019

Argus Media

### [Crude Summit: Patents no obstacle to marine fuel blends](#)

"Patents on fuel blends needed to meet next year's global marine fuel regulations should not disrupt efforts to supply compliant fuel, Glencore's head of responding to the regulatory change said today."

Shefali Kapadia, Supply Chain Dive

### [How should shippers prepare? 6 questions about IMO 2020](#)

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“The shipping industry has 11 months until the International Maritime Organization's sulfur regulations — commonly referred to as IMO 2020 — take effect. Although the regulations and enforcement date were announced in late 2016, these next 11 months are the last chance for the industry to prepare for compliance.”

January 23, 2019

Argus Media

### [Crude Summit: Marine fuel changes not so sweet](#)

“Imminent changes to global shipping fuels may not force crude discounts US refiners once expected, Phillips 66 said today.”

Ship & Bunker

### [Product Price Hike Concerns Could Turn Trump's Attention to IMO 2020](#)

“The US president may well take an interest in the International Maritime Organization's 2020 sulfur cap on marine fuel once he realizes that higher product prices could hurt consumers, a Washington-based analyst has said.”

Balbhav Mishra, Sea News

### [IMO 2020: Set to Shake-Up the Shipping Industry](#)

“The shipping industry is vital to modern life, but it is also responsible for emitting around a billion tonnes of carbon dioxide (CO<sub>2</sub>) a year. As part of the International Maritime Organisation's (IMO) broader plan to clean up the industry in the coming decades, ships will be required to reduce their sulphur emissions by more than 80 percent from 2020. Changing the rules for a sector that guzzled half of the world's total demand for fuel oil in 2017 will have a significant knock-on effect for the entire oil value chain, impacting everyone from truckers and airlines to ordinary consumers.”

Hellenic Shipping News

### [As IMO 2020 lures newcomers to bunker sector, profit is far from guaranteed](#)

“A pharmaceutical company's ill-fated attempt to focus on trading bunker fuel derivatives highlights the unpredictability that IMO 2020 has injected into oil markets.”

January 22, 2019

John P. Tretbar, Hays Post

### [News From the Oil Patch, Jan. 22](#)

“The U.S. Energy Information Administration says domestic refineries will be much busier by the end of this year. That's when a new international agreement lowers the maximum sulfur content of marine fuel oil used in ocean-going vessels. EIA says total U.S. refinery runs will spike four percent to a record 17.9 million barrels per day in 2020. Beginning next year, the International Maritime Organization is lowering the maximum sulfur content of marine fuel from 3.5% to 0.5% for ocean-going vessels.”

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Roslan Khasawneh, Reuters via CNBC

### [UAE's Fujairah to ban ship exhaust cleaner when IMO 2020 kicks in](#)

“The port of Fujairah in the United Arab Emirates has decided to ban the use of a type of ship exhaust cleaner, becoming the latest location to impose restrictions on so-called open-loop scrubbers, a port document showed.”

Ship & Bunker

### [Feature: Are Authorities Ready to Enforce IMO 2020?](#)

“IMO 2020 is a big deal. And coming in the era of mass social media it's meant there are suddenly a lot of people offering their opinion on what it all means. While it's great that more people than ever get to have their say, it also means there is a lot of misinformation and misunderstanding about the new 0.50% global sulfur cap.”

January 21, 2019

James Corbett, *The Hill*

### [America takes the lead on cleaner ship fuels](#)

“In 2020, we will see the first-ever worldwide shift to a cleaner transportation fuel, when global shipping and fuel providers will complete a 13-year plan to adopt cleaner marine fuels. Led by the United States, nations at the International Maritime Organization (IMO) agreed in 2008 to limit sulfur in residual petroleum for ships. Cleaner ship fuels represent a shared achievement for communities, for shipping and energy sectors, and for the economy. The United States should not lose sight of these benefits.”

Marissa Luck, *Midland Reporter-Telegram*

### [Cleaner, costlier shipping fuels could mean higher prices](#)

“New international rules that will require ships to burn cleaner, but more expensive fuel could raise prices for consumers, affecting everything from the cost of filling up pick-up trucks to the price of an airline ticket.”

Michael Angell, Freight Waves

### [Port Report: Tallying up impact on fuel markets as ships switch to low-sulfur mix](#)

“Fuel prices overall likely to rise as shipping becomes bigger customer of global diesel market, but refineries are stepping up production.”

January 19, 2019

Hellenic Shipping News

### [If 2018 was the tipping point for LNG as marine fuel, 2019 will be the year of acceleration](#)

“Overall, the LNG-powered fleet has grown globally from 118 LNG-powered vessels in operation in 2017, to 143 LNG-powered vessels in operation – with a further 135 on order and 135 LNG-ready ships either in operation or on order.”

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Shadia Nasralla, Reuters via Maritime Professional

### [IMO 2020: Oil Refining Capacity to Grow at Record Pace](#)

“Global oil refining capacity is set to increase at its fastest pace on record this year, possibly boosting stocks of products such as diesel, gasoline and marine fuel, the International Energy Agency said. Oil refining capacity will rise by 2.6 million barrels per day (bpd) and demand for refined products by around 1.1 million bpd, the IEA said in a monthly report.”

January 17, 2019

Kyunghee Park, Jason Clenfield, Bloomberg

### [How the Cargo Industry Is Cleaning Up Its Filthy Act](#)

“Air pollution from cars and factories has been regulated in much of the world since the 1970s. When it comes to the smoke-belching ships that carry global trade, the rules have been a lot looser. Big changes start next January, though, when long-debated standards from the International Maritime Organization mandate steep cuts of sulfur emissions associated with respiratory disease and acid rain. Much tougher rules are supposed to take effect in 2050, when the IMO will require ships also reduce carbon dioxide emissions by at least half.”

Hellenic Shipping News

### [European refiners boost low sulfur fuel oil production in preparation for IMO 2020](#)

“European refiners are increasing low sulfur fuel oil production in preparation for the January 2020 implementation of a 0.5% global marine fuel sulfur cap, sources said. Refiners in Europe are also cutting high sulfur fuel oil production.”

January 16, 2019

Xinhua

### [Changes in marine fuel sulfur limits to put pressure on diesel margins: EIA](#)

“The change in fuel specification is expected to put upward pressure on diesel margins and crude oil prices in late 2019 and early 2020, said EIA.”

The Maritime Executive

### [EIA: Sulfur Cap Effects Will Diminish Over Time](#)

“The U.S. Energy Information Administration (EIA) has predicted that the effects of the sulfur cap on crude oil and petroleum product markets will be most acute in 2020 and will diminish over time.”

Oil & Gas Journal

### [EIA: IMO regulations drive up US, global refinery runs](#)

“In its most recent Short-Term Energy Outlook, the US Energy Information Administration expects that, starting in this year’s fourth quarter, this regulation will encourage global refiners to increase refinery

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runs and maximize upgrading of high-sulfur heavy fuel oil into low-sulfur distillate fuel to create compliant bunker fuels.”

January 15, 2019

The Maritime Executive

### [Total: Shipping Is Not Ready for IMO 2020](#)

“The head of Total Marine Fuels is concerned that the shipping industry is not ready to implement the IMO 2020 sulfur rule next January, despite years of warnings.”

US EIA Today in Energy

### [Changes in marine fuel sulfur limits will put temporary upward pressure on diesel margins](#)

“The January 2019 *Short-Term Energy Outlook* (STEO), released at noon today, for the first time includes analysis of the effect that upcoming changes to marine fuel sulfur specifications will have on crude oil and petroleum product markets.”

January 14, 2019

Su Ling Teo et al., S&P Global Platts

### [China’s move on discharge from scrubbers may aid low sulfur fuel oil demand](#)

“China's recent move to ban the discharge of wash water from open-loop scrubber systems from January 1, when implemented on a wider scale, is likely to prop up demand for low sulfur fuel oil and low sulfur marine gasoil further, industry sources told S&P Global Platts.”

Hellenic Shipping News

### [Hellas: Ship owners With Larger Vessels Prefer to Install Scrubbers Ahead of IMO 2020 Rules](#)

“The debate over the strategy with the best results, when it comes to complying with the 2020 IMO rules for the use of lower sulphur fuels on the existing fleet, is still raging.”

January 9, 2019

Jack Wittels, Alex Longley, Bloomberg

### [How Environmental Rules Will Actually Make Shipping Dirtier](#)

“In fewer than 12 months’ time, thousands of merchant ships are going to start burning fuel containing higher concentrations of sulfur. That’s a quirky outcome of rules that are supposed to cut emissions of the pollutant.”

January 8, 2019

Neil Hume, David Sheppard, *Financial Times*

### [London vehicle seeks to raise \\$1bn to hedge marine fuel clampdown](#)

“Some of the biggest names in shipping and oil trading are looking to raise \$1bn for a vehicle aimed at profiting from a clampdown on highly polluting marine fuels, pitching the investment vehicle as an insurance policy for shipowners or airlines against a spike in fuel costs.

London-based Enerjen Capital, which is run by Stephen Schueler, a former top executive at shipping giant Maersk, and advised by renowned oil trader Andy Hall, plan to use the money to create a bespoke ‘hedging basket’ designed to profit from a price spike many fear could be triggered by new International Maritime Organisation rules.”

Katrine Gronvald Raun, Shipping Watch

### [Bunker companies will now have to vouch for sulfur content in fuel](#)

“New requirements for bunker suppliers came into force at the turn of the year. With one year left before the global sulfur cap goes into effect, bunker companies are now obliged to ensure that their fuel is compliant.”

January 7, 2019

Michael Angell, Freight Waves

### [Today's Pickup: Ocean carriers looking at price spreads for fuel as 2020 approaches](#)

“The ocean shipping industry has less than one year to prepare for one of its biggest changes in decades as new rules on using low-sulfur fuel oil go into effect in 2020.... Ship and Bunker reports that the current price spread between low- and high-sulfur fuel is hovering between \$40 and \$100 per metric ton, which is far from the \$200 to \$300 per metric ton higher cost originally predicted by some.”

Ashley Petersen, Oil and Gas Investor

### [What Will Affect Oil Prices in 2019?](#)

“**Will there be enough diesel?** The last quarter of 2018 saw diesel cracks rising on demand from shippers and industrial activity. In 2019, questions will be swirling around IMO 2020 implementation and diesel cracks are likely to be a driving force for margins in the latter half of the year. While many shippers have chosen to install scrubbers to comply with upcoming regulations, others are shifting fuels, which means that by the end of 2019 there will be a significant new source of demand for low-sulfur diesel fuels. In a repeat of the end of 2018, diesel demand will encourage higher run rates, likely leading to a build in associated products. Whether the global economy will be robust enough to absorb these extra products remains to be seen.”

Katrine Gronvald Raun, Shipping Watch

### [Media: China officially bans open-loop scrubbers](#)



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“According to several news outlets, China will now ban the use of open-loop scrubbers in port areas and emission control areas in coastal regions.”

January 6, 2019

Robert Rapier, *Forbes*

[Energy Sector Predictions for 2019](#)

“The diesel premium over gasoline will at least double in 2019.”

The Maritime Executive

[Norway Delays Emissions Cap in World Heritage Fjords](#)

“The Norwegian Maritime Authority has delayed the entry into force of the new emissions legislation that was originally planned for January 1, 2019. It is now scheduled for the end of February 2019.

The Authority is proposing that ships must use fuel with a sulfur content of maximum 0.10 percent by weight, that the use of both open and closed loop exhaust gas cleaning systems is prohibited and that the incineration of waste on board ships is also prohibited in the world heritage fjords.”

January 4, 2019

Hellenic Shipping News

[Singapore 2018 fuel oil trade volumes nearly halved as IMO rules loom](#)

“High-sulphur fuel oil (HSFO) volumes traded in S&P Global Platts’ Singapore price assessment process were nearly halved in 2018 from the previous year, signs of a market shift ahead of tougher global marine fuel rules coming in 2020.”

Jeslyn Lerh, Teo Su Ling, S&P Global Platts

[Outlook 2019: Asia bunker markets set for changes as IMO 2020 sulfur cap looms](#)

“Bunker fuel markets in Asia are speeding up for a wave of changes in 2019, as the industry accelerates towards the International Maritime Organization's global sulfur cap rule starting January 1, 2020.”

Pauline McCallon, Risk.net

[Shipping and energy firms revisit hedging on IMO 2020](#)

“Energy firms are bracing themselves for upcoming rules by the International Maritime Organization (IMO) designed to make shipping more environmentally friendly. Initially considered a regulation that would affect only shipping, the rules – commonly referred to as IMO 2020 – are now widely expected to reverberate throughout the entire energy complex.”

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Atsuko Kawasaki, Avantika Ramesh, S&P Global Platts

### [Outlook 2019: LSFO demand to displace HSFO in Asia ahead of IMO 2020](#)

“The Asian fuel oil market is expected to see a dynamic change from the third quarter of 2019 due to the implementation of new sulfur regulations mandated by the International Maritime Organization.”

January 3, 2019

Splash247

### [IMO 2020 will lead to “massification” of volumes on box trades: Alphaliner](#)

“IMO 2020 will be a game changer, as it will bring the fuel costs to the forefront. It should lead to a massification of volumes on all trades that will benefit the larger ships at the expense of smaller ones,” Alphaliner commented on the impending global sulphur cap, adding that it anticipated a very limited scrubber uptake among global box fleet.”

Sean Pratt, The Western Producer

### [Farmers advised to lock in their diesel supply this winter](#)

“Prices expected to rise next year because of a forecast for colder temperatures and increased demand from ship owners. Now may be a good time to lock in diesel prices, according to a couple of analysts.”

Clarice Chiam et al., S&P Global Platts

### [Outlook 2019: Asia middle distillates supply to tighten as market braces for IMO 2020](#)

“The Asian middle distillates market in 2019 would likely be shaped by the repercussions that marine fuel sulfur restrictions will have on the wider oil complex. On January 1, 2020, shippers will have to abide by a 0.5% marine fuel sulfur cap set by the International Maritime Organization. The current sulfur limit in force is 3.5%.”

January 2, 2019

Ship & Bunker

### [No “Best” IMO 2020 Compliance Strategy When It Comes to Securing Bunker Credit](#)

“The latter half of 2018 saw considerable debate over what the ‘best’ way to comply with IMO 2020 will be.... While that debate will undoubtedly continue into 2019, owners can at least take heart in knowing that their choice of compliance is unlikely to impact their credit lines.”

Rajesh Nair, S&P Global Platts

### [Platts new 0.5% marine fuel assessment hits \\$366.18/mt in Singapore](#)

“S&P Global Platts assessed FOB Singapore Marine Fuel 0.5% at \$366.18/mt Wednesday as part of its worldwide launch of pricing assessments for the low sulfur fuel ahead of next year's new 0.5% limit on sulfur content.”

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January 1, 2019

Simon Valeur, Shipping Watch

### [New figures show limited premium for low-sulfur fuel](#)

“Uncertainty regarding the future price of low-sulfur fuel, compliant with the IMO's 2020 directive, continues to be major. New figures indicate a limited premium price, significantly smaller than many expected.”

December 28, 2018

Christian Carlsen, Trine Vestergaard, Shipping Watch

### [Scrubber ordering will continue far beyond Jan 1, 2020](#)

“2018 was the year in which shipping companies started to invest in scrubbers for real, and the surge in demand has led to packed yards. As such, demand will continue after the sulfur regulations come into force on Jan. 1, 2020, projects DNB in an analysis.”

December 26, 2018

David Atkinson, The Marine Executive

### [Twelve Months to D-Day: Is the Industry Ready for the Sulfur Cap?](#)

“As we head into 2019, the sulfur cap regulation remains top of the agenda for shipowners and operators. Effective enforcement of the regulation continues to be a daunting challenge for shipowners and regulators alike, and with only 12 months to the implementation date, the lack of robust enforcement mechanisms is giving rise to widespread concerns - and rightly so.”

December 21, 2018

Ship & Bunker

### [Port State Control to Begin Warning Vessels Not Ready for IMO 2020](#)

“From January 1, 2019 the Tokyo and Paris MOU port state control authorities will begin warning vessels deemed not ready for the new IMO 2020 global 0.5% sulfur cap on marine fuel.”

S&P Global Platts via Hellenic Shipping News

### [Energy – What to Watch in 2019 – Top 22 List & 2018 Review and 2019 Outlook](#)

“Pricing across the global energy markets will face headwinds in 2019, with a weaker and more uncertain macroeconomic framework deflating price formation in general, according to two special reports just issued by S&P Global Platts Analytics. Such headwinds will require the industry and portfolio managers to take a big-picture approach.”

December 20, 2018

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Edwin Lopez, SupplyChainDrive

### [Ocean carriers adjust networks for 2019](#)

“Ocean carriers announced a series of network shifts this week, as the members of 2M and THE Alliance adjust their capacity and port calls to match demand trends expected in 2019 and prepare for IMO 2020.”

Gavin van Marie, The Loadstar

### [Container shipping industry calls for five-year extension to block exemption regulation](#)

“Container liner industry groups today called for the European Commission to renew the block exemption regulation that covers shipping services for a further five years.”

Bloomberg via Rigzone

### [Five Things to Watch in European Oil in 2019](#)

“With new International Maritime Organization (IMO) limits on maritime vessels’ exhaust emissions coming into force in 2020, the oil industry is gearing up for disruption as shipping companies choose whether to convert engines to rules-compliant fuel, install scrubbers to continue using heavy fuel oil or switch to liquefied natural gas. Repsol SA, Neste Oyj, BP Plc, Total and Saras SpA are best positioned to handle the changeover to so-called IMO 2020 regulations because of their refinery capacity for cleaner-burning products.”

December 19, 2018

Tsvetana Paraskova, Oilprice.com

### [What Will Drive Atlantic Basin Crude Prices in 2019?](#)

“Demand from Asia and fuel oil refining margins will be the key drivers of price strength of the crude grades in the Atlantic Basin next year, just like they have been in the fourth quarter this year, an S&P Global Platts analysis showed on Wednesday.”

Virginie Malicier et al., S&P Global Platts

### [Oil Quarterly: Logistical stresses ease; gasoline and IMO 2020 in focus](#)

This summary covers prospects for diesel, gasoil, jet fuel, gasoline, naphtha, LPG, and Russian domestic markets.

Alex Younevitch, S&P Global Platts

### [Shipping Quarterly: Container market braces for turbulent 2019 amid uncertain bunker fuel costs](#)

“The container market is to face strong headwinds in 2019 as volatility in bunker prices along with growing uncertainty shrouding the impact of International Maritime Organization's 2020 global sulfur cap threatens to make negotiating bunker recovery mechanisms and overall freight increasingly challenging.”

December 18, 2018

Ship & Bunker

### [IMO 2020: High/low Sulfur Price Differential Widens](#)

“A quarter of respondents [to shipping accountant Moore Stephens’ survey] expected the price differential between high-sulphur fuel oil and IMO-compliant low-sulphur fuel oil at 1 January 2020 to be between \$250 and \$324/mt.”

Argus Media

### [Viewpoint: Asia gasoil, jet fuel supported by IMO 2020](#)

“Plans by the International Maritime Organisation (IMO) to cut sulphur content in marine fuels from 2020 are poised to affect Asia-Pacific middle distillates markets, as marine fuel users seek to blend gasoil with high-sulphur fuel oil to bring down sulphur content. This implies a reduction in middle distillate availability, directly hitting gasoil and jet fuel supply — and so prices and differentials — in the run-up to the implementation of the new requirements in January 2020.”

Ship & Bunker

### [IMO 2020 Shaping Up to be Bad News for Small and Medium Sized Players](#)

“When it comes to IMO 2020, it seems there are very few things the industry can agree on.”

S&P Global Platts

### [Oil Quarterly: European fuel oil market to remain strong amid tight supply](#)

“The European high sulfur fuel oil market will head into 2019 supported by the solid demand from buyers east of Suez and ongoing reduction in supply that have underpinned values for much of this year.”

Ian Adams, IBC Asia

### [IMO 2020 Impacts to the Shipping Industry – An Expert’s Perspective](#)

“On 1 January 2020 the final piece of the jigsaw that is the amended International Maritime Organization’s (IMO) MARPOL Annex VI will fall into place. Ships will be required to consume fuel with a sulfur content of 0.5% m/m or less globally. This event has been widely referred to as IMO 2020. What impact is this going to have?”

Su Ling Teo, S&P Global Platts

### [Hong Kong Dec low sulfur marine gasoil price drops 18% from Nov on weak demand](#)

“Delivered low sulfur marine gasoil prices in Hong Kong tumbled 17.93% in December so far versus November, as demand has been surprisingly weak despite the upcoming implementation of the Emission Control Area regulation, due to ample supply.”

## IMO 2020 Watch™

Oceana Zhou, Surabhi Sahu, Su Ling Teo, S&P Global Platts

### [China's tighter sulfur limit rule for ships to spur LSMGO, LSFO demand](#)

"In less than a month, China is set to tighten its sulfur limit restrictions for ships by imposing a 0.5% bunker fuel sulfur limit in not only its initially designated Emission Control Areas but also along its entire coastline, a move likely to spur demand for cleaner fuels, industry sources said."

December 17, 2018

Irina Slav, Oilprice.com

### [Oil Industry Faces \\$1 Trillion Challenge](#)

"When the International Maritime Organization announced it would introduce a new, lower, sulfur emission ceiling for bunkering fuel, many in the energy industry worried that demand for high-sulfur fuel oil would suffer a blow from which it would not be able to recover. But then scrubbers—equipment that strips sulfur from bunkering fuel—were floated as a relatively easy to deploy alternative to switching to low-sulfur fuel. Now, however, scrubbers' future is questionable."

Mike Wackett, The Loadstar

### [Scrubber installation gathers pace ahead of new low-sulphur fuel rule](#)

"The number of exhaust gas cleaning systems (scrubbers) being installed on containerships is gathering pace, according to Drewry. It now accounts for 10% of the global fleet by teu capacity, and more than 40% of newbuild vessels are being fitted with the onboard fuel refineries."

Craig Jallal, Marine Propulsion

### [Fueling speculation on marine fuel prices in 2020](#)

"The last iteration of the Shipping Confidence Index -- the firm's regular survey of the industry -- included a supplementary question asking respondents to reply with their expectation of the price differential between high sulphur fuel oil and IMO-compliant low sulphur fuel oil on 1 January 2020. The spread of price differentials given by the bulk of respondents was very wide: from US\$175/tonne to nearly US\$400/tonne."

December 14, 2018

Talk Business & Politics

### [Ocean ship fuel regulations to create price uncertainty in crude oil, petroleum products](#)

"International regulations that limit sulfur in fuels for ocean vessels look to increase uncertainty in prices for crude oil and petroleum products for the short and long term, according to the U.S. Energy Information Administration. The regulations are set to take effect in January 2020."

## IMO 2020 Watch™

Hellenic Shipping News

### [Scrubbers under scrutiny by maritime industry as IMO 2020 nears](#)

“Looming 2020 regulations capping marine fuel sulfur at 0.5% have so far benefited manufacturers marketing scrubbers – or exhaust gas cleaning systems, as they are more formally known – but this solution is now being viewed with a more critical eye.”

Jack Jordan, S&P Global Platts

### [Outlook 2020: Credit-starved bunker industry limps towards IMO 2020](#)

“The bunker industry is in a fragile state as it enters its last year before tougher sulfur restrictions come into force, with several key players in retreat. The International Maritime Organization's lower 0.5% sulfur limit for bunkers comes into effect at the start of 2020, forcing a shift in shipping from fuel oil to cleaner, more expensive alternatives. The supply questions around fuel availability and compatibility for this change are starting to be answered, but a big question for the industry next year will be whether credit availability will be sufficient.”

Andrew Critchlow, *The Telegraph*

### [The world is sleepwalking into a \\$1 trillion energy nightmare](#)

“If the threat of higher diesel taxes was enough to cause riots on the streets of Paris then the impact of an obscure new rule forcing shipping companies to use cleaner fuels in commercial vessels has the potential to turn the gilet jaunes movement apoplectic with rage unless policymakers wake up to the danger.”

US Energy Information Administration

### [Coming changes in marine fuel sulfur limits will affect global markets](#)

“International regulations limiting sulfur in fuels for ocean-going vessels, set to take effect in January 2020, have implications for vessel operators, refiners, and global oil markets. Stakeholders will respond to these regulations in different ways, increasing uncertainty for crude oil and petroleum product price formation in both the short and long term.”

December 13, 2018

Hellenic Shipping News

### [2020: The year that will change shipping](#)

“The Institute of Chartered Shipbrokers Greek Branch held its 14th Annual Forum, on Tuesday, 11th of December 2018 at Eugenides Foundation. The title was: «2020: The year that will change shipping» and the Forum was well attended by over 500 shipping professionals of the Greek and International shipping market.”

Associated Press

### [Intercontinental Exchange Announces Launch of Marine Fuel Contracts in Advance of IMO 2020](#)

“Intercontinental Exchange, Inc. (NYSE:ICE), a leading operator of global exchanges and clearing houses and provider of data and listings services, announced plans to launch new Marine Fuel 0.5% futures contracts in advance of the implementation of the 0.5% sulphur cap by the International Maritime Organization (IMO) in 2020. The new contracts are expected to launch on February 4, 2019, subject to completion of relevant regulatory processes.”

Pratap John, Gulf Times

### [Airlines' fuel bill will rise to \\$200bn next year despite falling prices: IATA](#)

“However, the full benefit of lower oil will not be felt by airlines in 2019 because of the delay caused by hedging in some regions, Europe in particular, and the impact of increases in diesel demand from shipping responding to the IMO 2020 Sulphur regulations.”

OPIS

### [IMO 2020 Mandated Bunker Fuel Blending May See Patent Disputes](#)

“Although no one is blending the new 0.5% sulfur bunker, compared with the current 3.5% sulfur bunker, it did not stop major oil companies from formalizing their own branded blending patents or licensing for the low-sulfur bunker fuel.

Based on licensing documents obtained by OPIS, Shell and ExxonMobil have already filed U.S. patent or proprietary licensing for their own low-sulfur bunker blends, which dictates the fuel mix and specifications. The patents were registered by Shell Oil Company in Houston in June 2015 and ExxonMobil Research and Engineering Company in Annandale, N.J., in August 2018.

This would mean in theory some oil companies could enforce their new bunker blend patents against competitors if they choose to do so in courts. Industry sources said that Shell and ExxonMobil are more likely to "go after the bigger bunker companies" than the smaller ones if they were to pursue patent infringements.”

OPIS

### [Analysis: Solution for IMO 2020 Mandate May Be Low-Sulfur Marine Gasoil](#)

“Some bunker players who spoke with OPIS expected a significant percentage of the global shipping market to play it safe by temporarily using low-sulfur 0.5% marine gasoil (LSMGO) at least at the beginning of 2020 to meet the IMO 2020 mandate for all ships to switch to 0.5% sulfur bunker from 3.5% marine fuel. Alternatively, scrubbers could be another solution.

This is even though LSMGO, which is basically 0.5% sulfur gasoil, would be more expensive than low-sulfur bunker. LSMGO is now priced at \$220/ton higher than 3.5% sulfur bunker (high-sulfur bunker), and this price spread is expected to widen significantly as the Jan. 1 mandate looms.”



## IMO 2020 Watch™

December 4, 2018

Katrine Gronvald Raun, Christian Carlsen, Shipping Watch

### [Shipping companies preparing for tighter scrubber regulations](#)

“More ports will ban open-loop scrubbers, project Torm and DHT Holdings after the news that Singapore will ban ships from using open-loop systems in the port’s area.”

Ship & Bunker

### [Cost of IMO 2020 to MSC: \\$2 Billion](#)

“The 0.5% sulfur cap on bunker fuel will add \$2 billion to the box shipping firm MSC’s annual fuel bill, the company has said. In response, the company said it will introduce a bunker charge from the start of next year, according to Reuters.”

Irina Slav, Oilprice.com

### [Is This the Next Disaster for Canadian Drillers?](#)

“The government of Alberta this week took an unprecedented decision to enforce a crude oil production cut so excess inventories could be shrunk and the price of western Canadian grades could improve, but the industry’s problems are far from over. They will be among the hardest hit by the International Maritime Organization’s new emission rules, to enter into effect in two years, which will require a reduction of the sulfur content of bunkering fuel to 0.5 percent from 3.5 percent.”

December 3, 2018

Jack Wittels, Bloomberg

### [Gasoline to Get a New Driver as Shippers Covet an Obscure Fuel](#)

“Drivers of gasoline-powered cars could be about to face an unexpected source of competition when filling up at the pump: merchant ships.

While giant freighters aren’t about to start running on the world’s main automotive fuel, they will have to start emitting less sulfur into the air in 13 months’ time to comply with new regulations. And when that day comes, vacuum gasoil -- an oil refinery product that today often gets reprocessed into gasoline - - may well be diverted to make shipping fuel.”

November 30, 2018

The Maritime Executive

### [Singapore Announces Ban on Open-Loop Scrubber Discharge](#)

“On Friday, the Maritime and Port Authority of Singapore (MPA) announced that it will not allow ships with open-loop scrubbers to discharge scrubber wash water in port after January 1, 2020. In order to remain in compliance with the IMO 2020 fuel sulfur limits, these vessels will have to burn more costly 0.5 percent sulfur fuel when calling Singapore, just like ships that are not equipped with scrubbers.”

## IMO 2020 Watch™

Jack Jordan, S&P Global Platts

### [Marine scrubber installations may peak at 6,000: Platts Analytics](#)

“The number of ships fitting scrubber systems as a means of complying with stricter sulfur emission limits may peak at 6,000 as economic incentives recede after 2020, S&P Global Platts Analytics said.”

November 29, 2018

Emma Cosgrove, Supply Chain Dive

### [Carriers scrap ships ahead of IMO 2020](#)

“Shipping lines sold roughly half of this year's containerships for scrap in the last 30 days, after a slow year for container ships headed for scrap. The uptick in the last 30 days is likely due to the coming shifts in International Maritime Organization (IMO) sulfur emissions standards, set to go into effect in 2020, which have carriers analyzing which vessels are worth an upgrade or a serious fuel cost increase, and which aren't worth the effort.”

Surabhi Sahu, S&P Global Platts

### [Majority of IMO 2020 compliant bunker demand to be met by marine gasoil, low sulfur fuel oil: IBIA exec](#)

“Compliance to the International Maritime Organization's global sulfur limit rule is expected to be high with about 95% of the compliant bunker fuel demand likely to be met by marine gasoil and low sulfur fuel oil come 2020, Simon Neo, regional manager Asia at IBIA, said Tuesday.”

Elza Turner, S&P Global Platts

### [European refineries should reap benefits from new sulfur limit: conference](#)

“European refiners should reap the benefits from the International Maritime Organization's stricter low sulfur bunker fuel regulations in 2020, with the expected switch of the shipping industry to marine gasoil likely to push refining margins up, according to delegates at the World Refining Association conference in Cannes Thursday.”

November 28, 2018

Elza Turner, S&P Global Platts

### [IMO's sulfur cap seen providing medium-term support to refineries](#)

“The International Maritime Organization's more stringent bunker fuel requirements from 2020 will provide support for refineries, at least in the medium term, delegates at the World Refining Association conference in Cannes said Wednesday.”

## IMO 2020 Watch™

November 27, 2018

John Bowlus, Energy Reporters

### [Scrub, Scrub, Scrub Your Boat: Oilmen and Shippers Brace for IMO 2020](#)

“Shipping drives the global economy and nurtures the fossil fuel-dominated global energy system. Oil-powered ships account for over 80% of global trade by volume and 70% by value. It is strange, then, how little attention ships’ greenhouse gas (GHG) emissions have received from the global community.

The urgency of climate change, however, is finally changing this. The International Maritime Organization (IMO), the UN agency responsible for regulating shipping, announced in October 2017 that it would require all ships to cap their sulphur emissions at 0.5% by 2020. They previously capped them at 3.5%.”

November 26, 2018

Ship & Bunker

### [IMO 2020: Russia to Provide Stimulus for Low Sulfur Bunker Production](#)

“Russia is taking steps to stimulate the production of low sulfur bunkers and ease the transition to the new IMO 2020 global sulfur cap for the country’s refiners.”

November 23, 2018

Digital Journal

### [PSCM Energy Receives \\$1.14 Billion Dollar Contract for 14 Million Barrels of IMO-2020-Compliant Marine-Grade Oil](#)

“PSCM Energy and its partner Global Advanced Technologies, LLC (GAT) are implementing a new desulfurization technology which has been developed over the past 15 years and promises to revolutionize the oil refining industry. The looming deadline of a sulfur cap on marine fuels imposed by the International Maritime Organization (IMO), which will go into effect on January 1st, 2020.”

Hellenic Shipping News

### [Physical bunker fuel suppliers eye indications of 2020 HSFO availability](#)

“As 2020 and the International Maritime Organization’s tighter sulfur cap enforcement loom, physical suppliers are questioning the availability of high sulfur fuel oil at primary bunker hubs and smaller ports.”

## IMO 2020 Watch™

November 22, 2018

Lee Hong Liang, Seatrade Maritime News

[\*\*NYMEX to list 11 marine fuel 0.5% futures contracts ahead of IMO sulphur cap\*\*](#)

“New York Mercantile Exchange (NYMEX) will launch trading for 11 marine fuel 0.5% futures contracts on the CME Globex electronic platform from 9 December this year, roughly one year ahead of IMO’s 2020 fuel sulphur cap regulation.”

Eleni Pittalis, Tamara Sleiman, S&P Global Platts

[\*\*Platts exclusive: ICE to launch 0.5% futures contract in preparation for IMO 2020 global marine sulfur cap\*\*](#)

“The Intercontinental Exchange said this week that it will be launching 0.5% derivative instruments in preparation for the global marine sulfur cap in 2020, making it the second exchange this week to confirm such a move.”

November 21, 2018

Jonathan Loades Carter, S&P Global Platts

[\*\*New 0.5% swap to limit bunker fuel price risk in 2019 as sulfur cap looms\*\*](#)

“Marine fuel traders now have the opportunity to hedge a 0.5% instrument against the drastic fluctuations that await the fuel oil industry before the impending 0.5% global marine sulfur cap in 2020, as the first indication of a new derivative instrument for 2019 that reflects fuel oil of 0.5% sulfur was announced this week.

Ship & Bunker

[\*\*IMO 2020: Oil Markets Can Deal With 0.5% Sulfur Change\*\*](#)

“An oil market analyst sees a smoother-than-expected transition from the International Maritime Organization’s (IMO) 0.5% sulfur cap on bunker fuel as refiners have been anticipating rising global diesel demand.”

Hellenic Shipping News

[\*\*Oil market readies for new IMO regulations\*\*](#)

“Global oil markets are adjusting to relatively strong demand for diesel and jet fuel compared to gasoline, coupled with the introduction of new bunker fuel regulations at the start of 2020.”

November 20, 2018

Ship & Bunker

[\*\*IMO 2020: Vartdal Sees Slower Vessel Speeds as Bunker Prices Rise\*\*](#)

“Birgitte Vartdal, CEO at Golden Ocean Group Limited, sees vessels slowing down as IMO 2020 prompts bunker prices to rise.”

## IMO 2020 Watch™

Louise Vogdrup-Schmidt, Shipping Watch

### [Big bunker problem might continue past 2020](#)

“Difficulties involved with blending two types of fuel are a factor at present, and will remain so after 2020. Whether or not the problems will become larger or smaller remains uncertain, Bureau Veritas tells Platts.”

November 19, 2018

WHBL

### [Refiners get taste of post-IMO world with gasoline/diesel imbalance](#)

“Refineries around the world are squeezing out every last drop of diesel while drowning in gasoline, in what could well become the new normal for the next few years.”

Surabhi Sahu, S&P Global Platts

### [Operational use of VLSFO likely to be smooth as IMO 2020 rule looms: VPS executive](#)

“Very Low Sulfur Fuel Oil with 0.5% sulfur content is likely to be the main marine fuel choice in 2020 and the operational use of such fuels will be relatively smooth as shipowners are already testing such fuels, Rahul Choudhuri, VPS managing director for Asia, Middle East and Africa, said Friday.”

Ship & Bunker

### [IMO 2020: Scrubber’s Financial Advantage Will Last a Matter of Months, says Lunde](#)

“Veteran ship financier Dagfinn Lunde believes any cost saving by using scrubbers and HFO for IMO 2020 compliance will be extremely short lived.”

November 16, 2018

Paul Hardy, NSI, via Ship & Bunker

### [IMO 2020: Should We Believe the Analysts?](#)

“I have a healthy skepticism of analysts. Especially those which have a vested interest in the commodity they are analyzing.”

Jeffrey McGee, Splash247 (posted October 23)

### [A pragmatist’s guide to MEPC73](#)

“The IMO’s 2020 sulphur cap is rapidly descending into a colossal regulatory fail, argues Jeffrey McGee from Makai Marine Advisors.”

## IMO 2020 Watch™

November 15, 2018

Ship & Bunker

### [IMO 2020: Enough 0.5% Fuel Available at the Right Price](#)

“Enough IMO 2020 compliant fuel oil will be available to shipping if it is prepared to pay for it, an investment bank has said.”

Kitack Lim, IMO Secretary General, *The European Sting*

### [A Sting Exclusive: “Regulators and the shipping industry collaborating for a sustainable future,” written by the Secretary General of IMO](#)

“I am often asked about my vision for the future of the shipping industry, especially at a time of so much change. As a Secretary-General within the UN system, my vision for the maritime industry is very much concerned with sustainability.”

November 14, 2018

Clyde & Co LLP, Lexology

### [A Practical Overview of the IMO 2020 Sulphur Cap – Part 2](#)

“Part 2 provides a summary of compliance challenges facing owners and charterers, in addition to an analysis of the challenges that the IMO faces in enforcing Regulation 14.1.3.”

David Fickling, Bloomberg via *The Washington Post*

### [The Oil-Price Collapse Is Being Driven by Cars](#)

“If you’re asking which fraction of the oil barrel is responsible for the collapse in crude prices over the past month, look no further than the world’s drivers....”

Meanwhile, a bigger issue is looming next year: The International Maritime Organization’s pending rules on sulfur content in shipping fuel, which are likely to prompt increased consumption of middle distillates as a replacement for more polluting heavy fuel oil. Meeting that demand with the sweet mix of crude oils currently being pumped around the world will mean producing yet more gasoline that the world doesn’t appear to want.”

Zameer Yusof, Daron Jones, Ng Jing Zhi, S&P Global Platts

### [IMO 2020 expected to tighten jet fuel market in medium term](#)

“The upcoming regulation limiting the global sulfur content in marine fuels to 0.5% is expected to have a knock-on effect on jet fuel markets, panelists at a global jet fuel conference said Wednesday.”

## IMO 2020 Watch™

November 12, 2018

Ship & Bunker

### [IMO 2020: Demand for Refinery Feedstock VGO to Rise](#)

“Demand for vacuum gasoil (VGO), a distillate fuel grade used in blending, is likely to increase in the run up to 2020 although the demand will be tempered by the relative value of other products in the refining process, price reporting agency SP Global Platts has said.”

November 11, 2018

David Wren, *The Post and Courier*

### [Charleston's port, rest of maritime industry, braces for new fuel rule](#)

“A new rule that’s bobbing on the horizon is set to come ashore in 2020, requiring container ships that visit Charleston and other port cities around the world to use a cleaner-burning and more expensive fuel. Ultimately the cost of the shift will be passed down to shippers and consumers. Just how big that price tag is going to be remains uncertain.”

November 9, 2018

Edgar Ang, OPIS

### [Analysis: Recent Scrubber Adoptions Skewing Actual Low-Sulfur Demand Outlook](#)

“As some large shipping companies proclaim their commitments to scrubbers in preparation for the more stringent emissions requirements of the IMO 2020 mandate, shipping sources continue to break down the market expectations for demand of high-sulfur and low-sulfur bunker fuel.”

November 8, 2018

Surabhi Sahu, S&P Global Platts

### [Interview: 0.5% and 3.5%-S bunkers spread could reach \\$400/mt in 2020 – consultant](#)

“The spread between the price of bunker fuel with maximum 0.5% sulfur and 3.5% sulfur could reach as high as \$400/mt in 2020 as refineries will lose an annual market of over 200 million mt of heavy fuel oil due to the International Maritime Organization's global sulfur limit rule for marine fuels, an industry consultant said Wednesday.”

November 7, 2018

Atsuko Kawasaki, Rajesh Nair, S&P Global Platts

### [Asian ship owners start taking 0.5% sulfur bunker fuel for testing: industry sources](#)

“Asian ship owners have started taking 0.5% sulfur low sulfur bunker fuel more than a year ahead of when the sulfur cap set by the International Maritime Organization starts in 2020, industry sources said Wednesday.”

## IMO 2020 Watch™

Ship & Bunker

### [Denmark: Sulfur down by 50%, ECA Compliance rate 95%](#)

“Sulfur in the air over Denmark has been significantly reduced following the tighter sulfur cap in the Baltic emissions control area (ECA) from the start of 2015.”

Ship & Bunker

### [IMO 2020: Discounts on 0.5% Sulfur Fuel Oil Unlikely](#)

“Don’t expect any giveaways on the price of IMO 2020 compliant low sulfur fuel oil, price-reporting agency Argus Media has said.”

Ship & Bunker

### [Norway Proposed Scrubber Ban as Part of NEW 0.1%S ECAs](#)

“The Norwegian Maritime Authority (NMA) wants to create new emissions control areas (ECAs) where marine fuel is capped at 0.10% and scrubbers are banned.”

November 6, 2018

Claire McCormack, AgriLand

### [Shipping emissions predicted to rise by up to 250% by 2050](#)

“Global shipping emissions are predicted to increase by between 50% and 250% by 2050 – depending on future economic and energy developments, according to the European Commission.”

Port Strategy

### [Vessel Updates Can Help Lower Port Emissions](#)

“Significant decreases in port and vessel emissions can be supported by giving vessels regular updates concerning berth availability, especially in the last 12 hours before port arrival, the International Maritime Organization (IMO) has said.”

November 5, 2018

Ship & Bunker

### [More Concern Over HSFO Quality than IMO 2020 Bunkers: Euronav](#)

“With plenty of concern having already been voiced over the quality and compatibility of the upcoming IMO 2020 compliant bunkers fuels, Euronav CEO, Paddy Rodgers, says he thinks the quality of HSFO will be the bigger problem.”



November 2, 2018

*American Journal of Transportation*

### [IMO to further consider the challenges of 2020](#)

“In addition to progress made on a number of important issues, the International Maritime Organisation (IMO) at its recent Marine Environment Protection Committee (MEPC 73) listened to the concerns raised by INTERCARGO and others and offered a constructive way forward to potentially address them. It is critical, especially for the tramp sector, to ensure an effective implementation process for the 2020 Sulphur Cap regulation. The MEPC agreed to consider at its next sessions, concrete proposals on how to enhance the implementation of regulation 18 of MARPOL Annex VI, especially on reporting fuel oil quality and non-availability of compliant fuel oils, including the enhancement of GISIS modules for data collection and analysis.”

Ahmad Ghaddar, Reuters

### [Big oil traders set to cash in on shipping fuel overhaul](#)

“The world’s biggest oil traders are gearing up to cash in on big disruptions that could hit the shipping fuel market in just over a year due to new U.N.-mandated environmental rules.”

November 1, 2018

Jonathan Loades Carter, S&P Global Platts

### [Feature: Worldwide bunker fuel market struggling to settle after off-spec product alarms](#)

“The worldwide bunker market is struggling to settle after a series of shocks through 2018, with few signs of recovery as market headwinds look set to linger.”

Hellenic Shipping News

### [ExxonMobil Starts New Unit at Antwerp Refinery to Produce High-Value Transportation Fuels](#)

“ExxonMobil said that it has started operations of a new unit at its Antwerp refinery in Belgium to convert heavy, higher-sulfur residual oils into high-value transportation fuels such as marine gasoil and diesel.”

Jason Bordoff and Antoine Halff, *Financial Times*

### [US bid to delay IMO rules risks unwittingly stoking oil prices](#)

“Efforts to curb air pollution frequently focus on emissions from coal plants and cars, but the battle for cleaner air should not overlook ships. Shipping is the lifeblood of world trade, but it also spews pollution from burning high-sulphur fuel oil. A decade-long effort to clean up marine fuel is about to take effect, but is now being met by calls to delay the long overdue rules to avoid an oil price spike. Such concerns are misplaced, however, and efforts to delay the rules would bring more harm than benefit.”

## IMO 2020 Watch™

October 31, 2018

Ship & Bunker

### [Authorities Appear Ill-Equipped to Ensure Sulfur Regs Compliance: Euronav](#)

“There are a rising number of breaches to existing emissions control area (ECA rules, suggesting that flag states are ill-equipped to ensure regulatory compliance, says major tanker owner Euronav.”

*The Wall Street Journal*

### [Clouds Hover Over Shipping’s Key Antipollution Law](#)

“An international effort to slash maritime sulfur emissions has been cast into doubt as fears mount that the new rules will push up energy prices when they take effect shortly after the next U.S. presidential election. The rules, set roughly a decade ago through the International Maritime Organization, an arm of the United Nations, take effect on Jan. 1, 2020.”

Julia Payne, Ahmad Ghaddar, Dmitry Zhdannikov, Reuters

### [Gunvor sees major producers capping oil price rises in 2019](#)

“Oil prices will likely stay near current levels of \$75 per barrel next year in the absence of any supply disruptions as most producers reckon that higher prices would destroy demand and create a new glut, one of the world’s biggest traders said.”

Ship & Bunker

### [Trump View on IMO 2020 Not Shared by Big Oil](#)

“The US oil industry is letting the Trump administration know about the billions of dollars in investments it has poured into the sector over the past decade to deliver compliant marine fuels to the shipping industry.”

Henning Gloystein, Reuters

### [Black gold, white knuckles: Oil refiners face rollercoaster ride as fuel margins seesaw](#)

“Oil product margins have been tossed around on a wild rollercoaster ride in October, as factors like impending Iran sanctions, the Sino-American trade war and upcoming new shipping regulations yank fuel profits up, down and back again.”

October 30, 2018

The Maritime Executive

### [Euronav Warns that Scrubbers Could Mask Non-Compliance](#)

“On Tuesday, tanker operator Euronav voiced new concerns about the use of SOx scrubbers to comply with the IMO’s impending 0.5 percent fuel sulfur content cap, citing low return on investment, the potential impact of flushing stack emission contents into the ocean via wash water - and the potential for scrubber users to avoid compliance.”

## IMO 2020 Watch™

Ship & Bunker

### [Refiners Indicating IMO 2020 Bunker Price Premium Will Be Half Current Predictions: Euronav](#)

“Refiners are indicating the premium for IMO 2020 compliant low sulfur fuel will be significantly less than current predictions, Euronav NV said today.”

Erica Alini, Global News

### [Analysts expect a diesel price spike – and it could affect the cost of almost anything](#)

“A looming global deadline for the shipping industry could drive up the price of diesel for years, with widespread ripple effects through the economy, energy analysts are warning.”

October 29, 2018

Steve Hanley, CleanTechnica

### [Here’s How Ship Owners Plan To Cheat On Carbon Emissions Reduction Plan](#)

“Out of sight, out of mind. That simple phrase pretty well sums up how most of us feel about carbon emissions and other pollutants from the world’s fleet of cargo ships and oil tankers. 98% of what they do occurs far out to sea, where no laws apply and the only rule is to maximize profits.”

Ship & Bunker

### [IMO 2020: Safe Bunkers Should Take Precedence Over Compliance, Says Greek Owners Group](#)

“The Union of Greek Shipowners has stressed the importance of understanding the impact that IMO 2020 bunker fuels will have on ship and crew safety, and when the upcoming global 0.5% sulfur cap on marine fuels comes into force from January 1, 2020, safety should take precedence over compliance.”

Kyle Bakx, Meegan Read, CBC News

### [Airlines, trucking industry face sharp rise in fuel prices](#)

“An obscure regulation targeting the international marine shipping industry could have a widespread impact on the economy, including the price of airline tickets and diesel at the pump.”

Jack Jordan, S&P Global Platts

### [IMO meeting eliminates doubts over 2020 delay: Fuel for thought](#)

“If any doubts remained that the International Maritime Organization’s tighter sulfur emission limits for ships in 2020 could be delayed or otherwise watered down, those doubts should have been laid to rest at a key committee meeting of the UN body last week.”

Liam Denning, Bloomberg Opinion

### [Winners and Loser From a Sea Change in Oil](#)

“Despite efforts by the Trump Administration to turn it, a supertanker is bearing down on drivers, oil majors, and even Amazon.com Inc.”

## IMO 2020 Watch™

Dina Khrennikova, Elena Mazneva, Bloomberg  
[Russian Oil Set to Lose Billions in Ship-Fuel Overhaul](#)

“Russia is set to suffer the biggest revenue losses from rules mandating cleaner marine fuels from 2020, because the world’s top exporter of the sulfurous residual oil that powers ships doesn’t look prepared for the change.”

October 27, 2018

*The Economist*  
[Sulphur-emissions rules for shipping will worsen global warming](#)

“DP WORLD LONDON GATEWAY, a container terminal on the Thames estuary, is Britain’s fastest-growing port. The borough of Thurrock, where the port is situated, has the country’s third-worst levels of air pollution, in part because of fumes spewed out by ships in the port. Upriver, in London, the International Maritime Organisation (IMO), the United Nations agency for shipping, began a meeting on October 22nd aimed at taking action against air pollution. But new rules to make ships cleaner will impose crippling costs on the industry while worsening global warming.”

October 26, 2018

Jonathan Saul, Reuters  
[U.N. shipping agency pushes ahead with tougher marine fuel rules](#)

“The United Nations shipping agency pushed back this week on any phased entry for tougher marine fuel rules and further tightened regulations that will come into force in 2020.”

Ship & Bunker  
[IMO 2020: Fuel Oil Carriage Ban Approved](#)

“The 73<sup>rd</sup> session of the IMO’s Marine Environment Protection Committee (MEPC 73) today adopted amendments to MARPOL Annex VI that will prohibit the carriage of noncompliant, high sulfur fuel oil.”

October 25, 2018

Ship & Bunker  
[IMO 2020: Gibson Sees Scrubber Sceptics Coming Under Pressure](#)

“Scrubber skeptics could find themselves under pressure to buy into the technology or risk finding themselves at a severe disadvantage in the post-2020 market, Gibson warns”

Argus Media  
[White House still studying IMO change: Refiners](#)

“US refining executives today said President Donald Trump’s administration appeared undecided on marine fuel changes that could increase diesel prices in 2020.”

## IMO 2020 Watch™

The Loadstar

### [IMO looks set to introduce ban on ships carrying high-sulphur fuel](#)

“The International Maritime Organization (IMO) will today decide whether to ban the carriage of high-sulphur fuels, The Loadstar has learned.

Amendments to Marpol Annex VI were approved in April, during the Marine Environment Protection Committee (MEPC 72), and would prohibit the carriage of fuels that don't comply with the IMO's 2020 low-sulphur regulations.

The amendments are expected to be formally implemented at this week's MEPC 73.”

Hellenic Shipping News

### [What Does The “IMO 2020” Regulation Really Say? A Quick Guide](#)

“The shipping industry has all eyes firmly fixed on the topic, but what exactly do the “IMO 2020” global sulphur cap regulations say? This guide looks at five highly relevant topics, how to comply and how the regulation will be enforced.”

John Kemp, Reuters

### [Maritime rule change stirs fear of diesel shortage: Kemp](#)

“The International Maritime Organization (IMO) has so far resisted pressure to soften or postpone the implementation of new regulations requiring ships to use bunker fuels with a lower sulfur content from the start of 2020.

That has prompted warnings from some analysts that the regulations will squeeze the availability of low-sulfur diesel and jet kerosene required by trucks, trains, aircraft, farmers and industry, resulting in big price increases.”

Emma Kettley, S&P Global Platts

### [Ensuring IMO 2020 compliance will be difficult for refineries: analyst](#)

“Complying with the International Maritime Organization's tighter sulfur cap from 2020 will not be straightforward for refineries to enable, Damien Valdenaire, science executive at oil industry research body Concawe, said Thursday.”

October 24, 2018

Jack Jordan, S&P Global Platts

### [IMO rejects ‘experience building phase’ for 2020 sulfur cap](#)

“International Maritime Organization member states Wednesday rejected a proposal for an initial “experience building phase” for the implementation of its tighter sulfur limit for marine fuels, despite last-minute support from the US.”

October 23, 2018

Ship & Bunker

[IMO 2020: Stand Firm on Fuel Oil Carriage Ban, Trident Alliance Urges](#)

“The Trident Alliance has urged IMO member states to stand firm on a proposed fuel oil carriage ban....

A ban would effectively make it an offence for any vessel to have noncompliant bunkers onboard unless it had a legitimate reason to do so – such as cases where vessels are fitted with a scrubber, or it was a bunkering vessel delivering fuel to a scrubber equipped vessel.”

Alexander Whiteman, The Loadstar

[Pessimism in the air as the IMO pushes for reduced greenhouse gas emissions](#)

“The momentum behind efforts to curtail shipping’s greenhouse gas (GHG) emissions appears to have come to a standstill, insiders have said as the International Maritime Organization (IMO) Maritime Environment Protection Committee (MEPC 73) meets in London this week.”

Gregory Meyer, *Financial Times*

[US seeks late change to sulphur-cap fuel rules](#)

“The US has joined several flag states to seek an eleventh-hour change to an international clampdown on dirty marine fuels, injecting uncertainty into a long-anticipated shift to lower harmful emissions.”

PortNews

[IMO approves a programme of actions to deliver the initial strategy on reducing greenhouse gas emissions from ships](#)

“The International Maritime Organization’s Marine Environment Protection Committee (MEPC 73) approved the follow-up programme on Monday (22 October). It is intended to be used as a planning tool in meeting the timelines identified in the initial IMO strategy, which was adopted in April 2018, IMO said in its press release.”

October 22, 2018

Christian Carlsen, Shipping Watch

[Trump’s sulfur comments shake bunker market](#)

“Traders tell S&P Global Platts that Trump's comments on sulfur regulations from Friday have "smashed the high-low in the paper market" regarding the European market for marine fuel. "We have seen Trump pull out of bigger things," says one bunker trader.”

## IMO 2020 Watch™

Costas Paris, *The Wall Street Journal*

### [Maritime Regulator Faces Growing Calls for a Gradual Rollout of Clean-Fuel Rules](#)

“International maritime regulators begin a new round of meetings on antipollution efforts this week under pressure from the U.S. and other nations to soften implementation of new rules that could cost the industry billions of dollars and lead to higher prices for businesses and consumers.”

David Cowan, *The Global Legal Post*

### [IMO rolls out maritime emissions regulatory toolkits](#)

“The International Maritime Organization (IMO), the global regulatory body for shipping, has issued a set of toolkits to support strategies for reduction of emissions across the maritime sector from ships and ports.”

Argus Media

### [Shipowners blast suppliers over contaminated bunkers](#)

“The impact of fueling with contaminated bunkers is being unfairly born by shipowners, Maritime Management senior VP Don Carroll said at a conference yesterday.”

Hellenic Shipping News

### [Close to 2,000 Scrubbers Already Sold or Retrofitted Onboard Existing Global Fleet](#)

“With the IMO 2020 rule a year and a couple of months away, scrubber systems are beginning to make waves among shipowners, with reports from DNV GL that over the past six months, more than 1,000 of them have been sold.”

October 20, 2018

Financial Express from Bloomberg

### [Refiners slump as Donald Trump looks to slow-roll shipping rules](#)

“U.S. refiners are getting stung by President Donald Trump’s efforts to keep consumer prices from rising in the runup to the 2020 election.

The Trump administration is seeking to slow the implementation in 2020 of tighter fuel restrictions on the global shipping industry. The rules, which would slash by more than 80 percent the sulfur allowed in fuel burned by the biggest cargo ships, are expected to increase the cost to move everything from soybeans to Apple iPhones across the oceans, with some of that cost potentially passed on to consumers. Shares of refiners slumped the most in over two years.

The move risks alienating an industry that supported Trump, and which stands to gain from the increase in demand for cleaner-burning diesel fuel. U.S. refineries are more sophisticated than many competitors in other parts of the world, and American companies have invested billions in upgrading their facilities to produce fuel that meets the new rules. It would be the second setback for refiners this month, after Trump decided to allow gas stations to sell fuel with 15 percent ethanol all year.”

## IMO 2020 Watch™

The Maritime Executive

### [Ten Scrubber Questions Answered](#)

“The Clean Shipping Alliance 2020, a new organization consisting of 25 leading maritime companies representing over 2,000 ships, answers 10 questions about scrubbers.”

Leman Zeynalova, Trend News Agency

### [What are the major risks to diesel price outlook?](#)

“Broad-based demand growth across the global emerging markets will support diesel prices over the coming years, according to the report of Fitch Solutions Macro Research (a unit of Fitch Group).”

October 19, 2018

Carl Surran, Seeking Alpha

### [Oil and gas refiners plunge following Valero deal, IMO rules](#)

“Also likely affecting refiner shares is a *WSJ* report that the Trump administration is aiming to slow the rollout of new International Maritime Organization rules to power commercial ships; big U.S. refiners likely would be major beneficiaries from selling more higher-grade fuels.”

Chris Gillis, American Shipper

### [WSC: Low-sulfur rule delay will “penalize” carriers](#)

“The World Shipping Council, which represents the container carriers, warned that diverting from the Jan. 1, 2020, deadline at this point would be harmful to an industry already in the throes of preparing its vessels and global operations for the deadline.”

October 18, 2018

Timothy Puko, Benoit Faucon, *The Wall Street Journal*

### [U.S. Seeks More Time for Ships to Switch to Cleaner Fuels](#)

“The Trump administration is pushing to ease the rollout of new international rules to power commercial ships with environmentally cleaner fuels, fearing the measures will drive up costs for consumers and businesses.”

October 17, 2018

Nick Cunningham, The Fuse

### [Shipping Industry Remains Unprepared for New Sulfur Rules](#)

“The oil market has already tightened significantly this year, pushing prices higher and putting pressure on producers to increase output. But the impact of new international regulations on maritime fuels set to take effect at the start of 2020 could disrupt the market even more dramatically.”



## IMO 2020 Watch™

Tradewinds

### [IMO 2020 to cause distillates demand to soar](#)

“Bank of America report says new rules to add up to 4m bpd to MGO and LSFO needs.”

Eleni Pittalis, S&P Global Platts

### [IMO 2020 could dent uptake of European 2019 fuel oil contracts](#)

“Discussions on European 2019 high sulfur and low sulfur fuel oil tenders are well under way, but some traders have reservations about being locked into the 2019 contracts due to the potential exposure to price volatility in the lead up to the implementation of the 0.5% global marine sulfur cap.”

October 16, 2018

Jonathan Norris, Su Yeen Cheong, S&P Global Platts

### [Asia's 2019 term gasoil negotiations to consider several factors](#)

“The annual gasoil term price discussion for gasoil cargoes loading in East Asia in 2019 from key regional export hubs could see intense debate over late October to November. This is amid the higher than expected prompt cash differential, as well as demand uncertainty in the later half of next year, in the wake of the International Marine Organization's marine fuel specification change in 2020, trade sources said on Tuesday.”

October 15, 2018

Ship & Bunker

### [IMO 2020: Box Operator to Switch to Floating Bunker Pricing](#)

“Hong Kong-based box ship operator OOCL is to change the way it prices in its fuel costs in advance of the coming stricter sulfur cap on bunker fuel....

The move is in line with other big industry players who have adjusted fuel pricing upwards to meet the predicted higher fuel prices. The reaction of logistics shipping firms, who will have to shoulder some of the extra burden, has, not surprisingly, been negative.”

Marieke Alsguth, Barbara Troner, S&P Global Platts

### [Scorpio Tankers to fit 90 product tankers with scrubbers ahead of IMO 2020](#)

“Scorpio Tankers announced Monday its intention to fit approximately 90 product tankers with Exhaust Gas Cleaning Systems (Scrubbers) in preparation for the International Marine Organization's 2020 bunker fuel regulation changes.”

Argus Blog

### [Marine fuel limits to renew quality premiums: Par](#)

“Tougher global marine fuel requirements could shift refinery crude buying back to quality concerns instead of logistical advantages, Par Petroleum chief executive Joseph Israel said today.”

## IMO 2020 Watch™

October 12, 2018

Hugh R. Morley, JOC.com

### [Low-sulfur rule unknowns come into view](#)

“The many uncertainties over the implementation of the new low-sulfur emission regulations to take effect in 2020 include whether enough low-sulfur fuel will be available, how the rules will be enforced and whether shippers will feel an impact beyond higher prices, speakers [sic] at a forum on the impact on the supply chain on Thursday.”

Bethan Bradley, Benjamin Bryant, and Joanna Tsekoura, Clyde&Co, Mondaq

### [UK: A Practical Overview Of The IMO 2020 Sulphur Cap](#)

[Part 1 of 3] “With less than eighteen months before Regulation 14.1.3 of Annex VI of the MARPOL Convention comes into effect, there are still numerous challenges surrounding compliance and enforcement, which have cast uncertainty over the effect that the Regulation will have on the international maritime industry, and on individual shipping companies.”

October 11, 2018

Ship & Bunker

### [IMO 2020: Bunker Buyers Need to Shift from Thinking Fuel Procurement to Fuel Management, Says ExxonMobil](#)

“The upcoming IMO 2020 global sulfur cap on marine fuel will require ship owners / operators to shift their thinking on how they buy bunkers, says Luca Volta, ExxonMobil’s Marine Fuels Venture Manager.”

October 10, 2018

Matt Muenster, Ship & Bunker

### [Navigating Through Complexity: IMO 2020 and Opportunities Created by Fuel Market Dynamics](#)

“With January 1, 2020 just 15 months away, compliance with the IMO’s sulfur cap has the complexity of a game theory framework. Key compliance stakeholders, such as container carriers and refiners, have found their decision-making and likely outcomes are interdependent and made more complex by a volatile energy market that just experienced the highest price of crude in four years.”

Roslan Khasawneh, MarineLink

### [Maersk Leases Singapore Oil Storage Ahead of IMO 2020](#)

“Maersk Oil Trading has leased oil storage space in Singapore, signalling a push by one of the world’s biggest ship fuel buyers into the Asian bunkering hub ahead of changes to global fuel standards from 2020, trade sources said.”

## IMO 2020 Watch™

Julia Payne, Dmitry Zhdannikov, The Medi Telegraph  
[Traders say US to be big winner of new IMO shipping rules](#)

“The United States is set to be the big winner from new marine fuel rules, trading house Gunvor Group predicted on Wednesday, while rival merchants said the world would not face a shortage of distillates as a result of new rules to cut pollution.”

October 9, 2018

Ship & Bunker  
[IMO 2020: Maersk’s Scrubber Investment Not a Sign of Low Sulfur Supply Doubts](#)

“Maersk’s decision to invest in a limited number of scrubbers for IMO 2020 ‘to ensure compliance in time’ should not be taken as a sign the company has doubts over the supply of 0.50% sulfur bunkers, the mega-shipowner says.”

Roslan Khasawneh, Reuters  
[Diesel crack may hit \\$40/bbl by 2020 with new shipping rules: BAML](#)

“Gasoil refining margins could spike to \$40 a barrel in 2020 as more shippers shift to middle distillate fuels when new rules limiting sulfur emissions take effect, Bank of America Merrill Lynch said on Tuesday.”

Clifford Krauss, *The New York Times*  
[Shipping Industry Stares Down New Fuel Restrictions](#)

“‘It comes down to who is going to blink first,’ said Neil Beveridge, an oil analyst at Sanford C. Bernstein, a research firm for investors. ‘So far, the shipping industry looks like it is sleepwalking into a disaster. Everyone is waiting for everyone else to make the first move.’”

Avantika Ramesh, S&P Global Platts  
[Feature: Forward paper derivatives shine some light on HSFO’s value post IMO 2020](#)

“The fundamentals of the international bunker fuel market are set to recalibrate in 2020 when the International Maritime Organization tightens the global sulfur cap on marine fuel to 0.5% from the current 3.5%.

As the industry prepares for the change, many questions surrounding the viability of alternative fuels like marine gasoil or LNG, installing scrubbers on vessels to continue using high sulfur fuel oil and the level of compliance by shipping companies with the stringent new standard are yet to find answers.

Amid the uncertainty, forward paper derivatives for fuel oil can provide some insight into the bets that market stakeholders are placing on the outcome.”

## IMO 2020 Watch™

Surabhi Sahu, S&P Global Platts

### [Interview – VLSFO to be main marine fuel choice as IMO 2020 looms: Cockett Group CEO](#)

“Very low sulfur fuel oil is set to be the chief marine fuel choice as the International Maritime Organization's global sulfur limit rule for marine fuels inches closer, Cockett Group CEO Cem Saral told S&P Global Platts in an interview last week.”

October 8, 2018

Barry Parker, Seatrade Maritime News

### [The economics of scrubbers](#)

“The IMO 2020 clock is ticking - as 1 January 2020 looms closer, now little more than one year away, interest in scrubbers seems to have surged. Most notably, a number of public companies have joined the scrubber fray, leading financial analysts, rather than purely technical types, to look closely at their economics.”

Port Technology

### [Drewry: Surcharges Could Spike by 60%](#)

“In its ‘IMO 2020 Low Emissions Regulation Survey,’ Drewry says that the uncertainty means nobody can accurately forecast the cost of compliance – with the only thing they can confidently predict is that it will stretch into the tens of billions.

The price of low-sulphur fuels, such as liquefied natural gas (LNG), per tonne could rise by as much as 55%, with fuel surcharges spiking 60% by the time the new rules on sulphur emission come into force on January 1 2020.”

Robert Brelsford, *Oil & Gas Journal*

### [Shell starts up new unit at Pernis refinery](#)

“Royal Dutch Shell PLC subsidiary Shell Nederland Raffinaderij BV has commissioned a new solvent deasphalter (SDA) unit at its 404,000-b/d Pernis refinery and integrated petrochemical production site in Rotterdam, the Netherlands.

The new unit enables Pernis to process a larger proportion of its oil intake into cleaner transport fuels, including marine gasoil compliant with the International Maritime Organization's (IMO) confirmed reduction in sulfur content for marine bunker fuel to 0.5 wt % from a current 3.5 wt % by Jan. 1, 2020, Shell said on Oct. 8.”

October 4, 2018

Hellenic Shipping News

### [Singapore's shipping industry aims to achieve cleaner fuel target ahead of 2020 global deadline](#)

“Singapore, a major marine oil supplier, is accelerating plans to move towards cleaner and alternative fuels.

## IMO 2020 Watch™

The Maritime and Port Authority of Singapore (MPA) is working closely with stakeholders to ensure that Singapore is ready to supply low-sulphur compliant fuels ahead of a Jan 1, 2020, global deadline set by the International Maritime Organisation (IMO), said Senior Minister of State for Transport and Health Lam Pin Min on Wednesday (Oct 3)."

Bunkerspot

### [Global: Intercargo Voices Concern over Safety of IMO 2020 Compliant Fuels](#)

"At its semi-annual meeting in London this week, the association highlighted recent fuel contamination problems in the US Gulf, noting that: 'Policing the quality of the new compliant fuels seems to be a great challenge already, as it has proved extremely difficult to address the very serious recent problems with existing fuels.'"

TradeWinds

### [Customers must carry cost of IMO 2020, says Niels G Stolt-Nielsen](#)

"Shipowners face bankruptcy if customers do not soak up the additional fuel costs created by new emissions laws arriving in 2020, warns Niels G."

The Medi Telegraph

### [Shell announces supply ports for new 0.5% sulfur fuel](#)

"The company will make the new fuels available at New York, Freeport, New Orleans and Houston, among others, in the Americas, and in Barcelona, Antwerp, Rotterdam, the Piraeus and the Danish Strait in Europe.

Trials for the new fuel are currently ongoing with Shell's customers in Rotterdam, Singapore and New Orleans."

Emma Kettley, S&P Global Platts

### [Feature: Bunker fuel sales on contract basis to rise approaching 2020](#)

"Bunker fuel volumes sold on a contract basis rather than on the spot market are expected to increase as the market's focus remains firmly on the approaching tighter sulfur regulations.

As the International Maritime Organizations Maritime Organization's global bunker sulfur limit drops to 0.5% from 3.5% at the start of 2020, bunker fuel buyers will be looking to try and guarantee supply of their chosen compliant fuel."

October 3, 2018

Ship & Bunker

### [Cost of IMO 2020 Still a Major Unknown: Survey](#)

"A new survey by Drewry has painted a bleak picture of the industry's understanding of what the cost of compliance will be for the upcoming IMO 2020 rule.

## IMO 2020 Watch™

Of the respondents, 75% of global shippers/Beneficial Cargo Owners (BCOs) said they had yet to receive information from their providers on how the cost will be met.”

The Maritime Executive

### [OPEC Forecasts Falling HFO Prices and More Scrubber Orders](#)

“In its latest annual report on the world's oil market outlook, OPEC has lowered its prediction for non-compliance with the IMO 2020 fuel sulfur content regulation. The organization now forecasts a non-compliance rate of 25 percent when the rule takes effect, reduced from an estimate of 40 percent issued the same time last year.

Counter to the views of many maritime industry participants, OPEC expects that a sharp price spread between low-sulfur fuels and high sulfur fuel in the post-2020 bunker market will drive a strong uptake of scrubber technology. This will help to reduce non-compliance, OPEC predicts, and the rate could fall to just 10 percent by 2023, ‘in line with the increasing number of vessels with on-board scrubbing facilities.’ OPEC predicts that scrubber orders will take off only when this price spread occurs, not before, since there is currently no financial advantage in paying for a multi-million-dollar retrofit package.”

Ritzau Finans, Shipping Watch

### [New study: Shippers poorly prepared for sulfur cap](#)

“Only one in ten of the liner shipping companies' customers have performed a real analysis of the sulfur regulations' impact on their costs, according to a study published by consultancy firm Drewry.”

*American Journal of Transportation*

### [Drewry survey: IMO 2020 low-sulphur rule exposes widespread concern about lack of fuel cost transparency](#)

“There is considerable unease among global shippers/BCOs (Beneficial Cargo Owners) and freight forwarders ahead of the IMO's 2020 global emissions regulations, due to come into force on 1 January 2020, according to a survey conducted by global shipping consultancy Drewry.”

Ship & Bunker

### [IMO 2020: New Rules Will Cause a “Second Round” of Slow Steaming, says APL](#)

“The ‘IMO 2020’ global 0.50% sulfur cap on marine fuel will cost the shipping industry \$60 billion per year, Nicolas Sartini, Chief Executive Officer, APL, said in his keynote speech at SIBCON today....

As part of the efforts to reduce costs as a result of the new rules, Sartini says the industry will witness a ‘second round’ of slow steaming, which will also spur a new wave of maintenance solutions such as the modification of ship bows.”

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Surabhi Sahu, S&P Global Platts

### [Interview: ExxonMobil readies for IMO 2020 as industry faces multi-fuel future](#)

“The International Maritime Organization's global sulfur limit rule for marine fuels is set to usher in a multi-fuel future where fuel quality will be paramount and compliance to the rule will be high, Luca Volta, marine fuels venture manager at ExxonMobil, said on Wednesday.

‘We've had a good discussion with our customers around the requirements of their fleet as well as the fuel mix,’ Volta said, adding that it was important that the company's products were “fit for use.”

Surabhi Sahu, S&P Global Platts

### [Interview: Compliance with IMO 2020 rule to be high despite concerns – consultant](#)

“Compliance with the International Maritime Organization's global sulfur limit for marine fuels will likely settle around 90% in the initial years after 2020 as most shipowners switch to 0.5% sulfur bunker fuels to meet the rule, a bunker industry veteran and senior partner at 2020 Marine Energy Adrian Tolson said Tuesday.”

October 2, 2018

Mary Holcomb, Oil and Gas Investor

### [OPEC: IMO 2020 To Spur One-Off Oil Demand, Hurt Heavy Crude Producers](#)

“A sulfur cap on global shipping will go into effect in January 2020, an effort by the International Maritime Organization (IMO) to reduce emissions in the marine sector. While that target will directly disrupt shippers and refineries, the implementation of IMO 2020 will provide a one-off spur for oil demand while harming heavy crude producers in the process, OPEC said in its “World Oil Outlook 2040” report released on Sept. 23.”

Ship & Bunker

### [Bunker Suppliers Need to Fundamentally Change Business Models to Survive: Tolson](#)

“Bunker suppliers need to fundamentally transform their business models in line with future marine energy requirements, the convergence of shipping’s sulfur and GHG emissions challenges, and advancements in technology, according to 20/20 Marine Energy’s Adrian Tolson.”

Hellenic Shipping News

### [U.S. to be “strong supplier” of compliant marine fuels ahead of 2020 thanks to shale boom – JBC](#)

“Owing to its booming shale industry, the United States is likely to become an important supplier of low-sulphur marine fuels ahead of major new emissions regulations in 2020, Vienna-based consultancy JBC Energy said.”

## IMO 2020 Watch™

October 1, 2018

Irina Slav, Oilprice.com

### [Fuel Oil Isn't Going Anywhere](#)

“Demand for fuel oil is under threat: media are paying growing attention to the upcoming new emissions standards introduced by the International Maritime Organization, to take effect from January 1, 2020, and fuel oil—the high-sulfur residual product after processing oil into light fractions and middle distillates—is the biggest victim.

Two recent headlines tell us that Trafigura and BP Singapore have merged their fuel oil and gasoil trading desks ahead of the 2020 deadline, which will ban all bunkering fuel with sulfur content of more than 0.5 percent unless the vessel has a scrubber—equipment that strips sulfur emissions from the fuel. Traders are clearly preparing for a huge slump in fuel oil demand and so are refiners. But, interestingly, they are not turning their backs on fuel oil completely.”

Katrine Gronvald Raun, Shipping Watch

### [Maersk and Torm criticize controversial sulfur proposal](#)

“Both Maersk and Torm are against the proposal for an ‘experience building phase’ in connection with the global sulfur cap from 2020. This would create "uncertainty" and could risk "delaying the implementation" of the regulation, says Simon Bergulf, head of regulatory affairs at Maersk.”

Argus Media via Ciston PR Newswire

### [Argus launches first new IMO 2020 compliant marine fuel assessment](#)

“Global energy and commodity price reporting agency Argus today launched a low-sulphur fuel oil (LSFO) price assessment for the shipping fuel market in Singapore.

The Argus LSFO 0.5%S price is the first assessment to be launched for new fuels needed to comply with lower sulphur limits for the shipping sector being introduced by the International Maritime Organisation (IMO). The IMO's new regulation will reduce the maximum sulphur content of marine fuels to 0.5pc from 3.5pc from 1 January 2020.”

September 30, 2018

Irina Slav, Oilprice.com

### [Refiners Struggle to Adapt To The Shale Boom](#)

“U.S. shale production is at record highs and the momentum is still not over. A lot has been said about the energy self-sufficiency implications of this trend, but there’s something that has not garnered a lot of attention: U.S. shale is light crude, great for making gasoline and other light fuels, but not so great for products such as middle distillates. Why this is important? Because gasoline demand is stagnating while demand for middle distillates is set for a serious boost ahead of the new IMO regulations on maritime vessel emissions.”



## IMO 2020 Watch™

September 28, 2018

Seatrade Cruise News

### [Shipping companies form scrubber advocacy group](#)

“Nearly 20 companies from the commercial shipping and cruise industries have joined forces to advocate for exhaust gas cleaning systems (scrubbers) and adherence to the International Maritime Organization's 0.5% global sulfur cap in 2020.”

Olivia Kalb, S&P Global Platts

### [Feature: Uncertain options for IMO 2020 sulfur cap, but disruptions expected – analyst](#)

“While analysts expect disruptions in the coal export and import markets, solutions to the International Maritime Organization's 2020 sulfur cap remain unclear, a Wood Mackenzie analyst said in a report Thursday.”

Florence Tan, Reuters

### [How the world's oil refiners plan to grapple with their fuel oil output after 2020](#)

“High-sulfur fuel oil (HSFO), essentially the leftovers of an oil refiner's output, will still flow from refineries around the world even after new rules start up in 2020 curtailing its use in the global shipping fleet, a Reuters survey showed.”

September 27, 2018

Mark Szakonyi, JOC.com

### [Low-sulfur fuel prices won't be clear to BCOs until next year](#)

“The container shipping industry won't have a handle on the cost of low-sulfur bunker fuel needed to help ocean carriers meet a global mandate until early to mid-2019, even though the rule takes effect in less than 14 months.”

“Even so, higher crude oil forecasts, a low-sulfur fuel estimate from Jefferies investment bank, the expanding spread between low-sulfur marine gasoil and its high-sulfur counterpart, and an analysis of four major port-to-port pairs suggest a steep bill that carriers will seek to recoup from beneficial cargo owners (BCOs) and forwarders. But so-called pricing discovery for the new fuel, of which various types are still being created, won't be finished until between the first and second quarters of 2019, said Matthew Muenster, senior manager of applied knowledge at Breakthrough, a transportation fuel consultancy.”

Eric Yep, S&P Global Platts

### [APPEC feature: IMO 2020 sulfur cap to disrupt oil complex and alter trade flows](#)

“The International Maritime Organization's low-sulfur regulation for shipping fuel is shaping up to become one of the biggest shocks to ripple through the oil complex, one which could cause price spikes, change in trade flows and hit every sector that consumes petroleum fuels or uses seaborne trade.”

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Martyn Lasek, Ship & Bunker

### [IMO 2020 Analysis: Do the Sky High Predictions for Post 2020 HSFO Demand, Scrubber Update Add Up?](#)

“Hype aside, this [surge in interest in scrubber technology] has led to some fairly drastic revisions of both scrubber uptake and HSFO demand. Add in the wildcard of noncompliance and some say as much as 50% of the current HSFO demand could be retained in 2020.”

September 26, 2018

Ship & Bunker

### [IMO 2020: Use of Scrubbers Will Not Last More than 10 Years, Says INTERTANKO](#)

“Despite the recent hype, Dragos Rauta, Technical Director at INTERTANKO, predicts the use of marine scrubbers as an IMO 2020 compliance solution will be relatively short-lived.”

September 25, 2018

gCaptain

### [Liberia Calls for Early Reporting on 2020-Compliant Fuel Availability](#)

“Liberia has submitted a paper to the IMO Marine Environment Protection Committee (MEPC) calling for early reporting on the availability of fuel oil that is compliant with the new 0.50 percent global fuel oil sulphur limit well in advance of 1 January 2020, the effective date the new fuel oil must be used on board ships.”

John Kingston, FreightWaves

### [Create some safety valves for the new clean fuels rule on ships, or watch Trump erupt: energy economist](#)

“An economist who has been predicting a significant oil market disruption when new rules on the environmental quality of the fuel that powers ships is calling for "circuit-breakers" to stem any sort of spike in the price of diesel.”

Roslan Khasawneh, Jonathan Saul, Reuters

### [No delays to implementing shipping fuel sulfur cap in 2020: IMO](#)

“The International Maritime Organization (IMO) will not delay implementing a reduction in the amount of sulfur in marine fuel in 2020, officials with the UN’s shipping agency said on Tuesday.”

September 24, 2018

Nick Cunningham, Oilprice.com

### [\\$100 Oil Is A Distinct Possibility](#)

“An oil price spike is starting to look increasingly possible, with a rerun of 2008 not entirely out of the question, according to a new report.”

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“The outages from Iran are worse than most analysts expected, and bottlenecks in the U.S. shale patch could prevent non-OPEC supply from plugging the gap. To top it off, new regulations from the International Maritime Organization set to take effect in 2020 could significantly tighten supplies.”

“Put it all together, and “the likelihood of an oil spike and crash scenario akin to the one observed in 2008 has increased,” Bank of America Merrill Lynch wrote in a note. BofAML has a price target for Brent at \$95 per barrel by the end of the second quarter 2019. In 2008, Brent spiked to nearly \$150 per barrel.”

Ship & Bunker

### [Argus to Price IMO 2020 Bunkers](#)

“Price reporting agency Argus Media is to start price assessments for low sulfur bunker fuel from the start of next month.”

September 23, 2018

Eklavya Gupte, S&P Global Platts

### [IMO 2020 to cause one-off oil demand surge before market adjusts: OPEC](#)

“Tighter global shipping pollution regulations from 2020 will lead to a temporary surge in oil demand while denting the oil revenues of producers of heavy or high sulfur crudes, OPEC said in its annual long-term oil forecast Sunday.”

September 21, 2018

Emma Kettley, George Griffiths, Tamara Sleiman, S&P Global Platts

### [Feature: Bunkering sector mulls biofuel use in new 2020 sulfur standards](#)

“As the bunkering industry gears up for the International Maritime Organization's tighter sulfur emission standards from 2020, some market participants have been promoting the blending of biofuels as one possible way of reducing emissions.”

“Increasing the proportion of biofuels in the marine distillate bunker fuel pool would be one alternative to installing scrubbers—a system used to collect excess sulfur while burning traditional marine fuel—as a way of meeting the new 0.5% IMO sulfur limit that comes into force on January 1, 2020.”

Jack Jordan, Surabhi Sahu, S&P Global Platts

### [Interview: IMO sees “by far” majority of ships complying with 2020 sulfur cap](#)

“The International Maritime Organization (IMO) is expecting “by far” the majority of the world's fleet to comply with its tighter sulfur emission standards in 2020, according to the UN body's head of air pollution and energy efficiency.”

“The IMO's global sulfur limit for marine fuels is set to drop from 3.5% to 0.5% at the start of 2020, forcing most shipowners to switch from burning high sulfur fuel oil to cleaner, more expensive alternatives. While some have raised the concern that some shipping companies may flout the new rules

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in the hope that their enforcement will be lax, the inconvenience of doing so may prevent this from being widespread, the IMO's Edmund Hughes told S&P Global Platts in an interview Tuesday.”

September 20, 2018

Sameer C. Mohindru, S&P Global Platts

### [Interview: BIMCO aims for standard form for non-compliant marine fuel use](#)

“Shipping association BIMCO and other organizations are working closely with the International Maritime Organization to ensure a standard procedure for ships to use high sulfur fuel if compliant alternatives are not available at a port once the IMO sulfur cap comes into effect on January 1, 2020, a senior executive said Wednesday.”

Emma Kettley, S&P Global Platts

### [Fuel oil barge spread liquidity ticks up as IMO 2020 approaches](#)

“An uptick in bids and offers for 3.5% FOB Rotterdam barge spreads for the year of 2020 has been seen on the Intercontinental Exchange as market participants eye up the structure for when the International Maritime Organization's 2020 0.5% sulfur cap on bunker fuel comes into force.”

September 19, 2018

James Catlin, Seeking Alpha

### [2020 Sulfur Cap: Scrubbers Gain Favor – But Should They?](#)

“A new debate is erupting in shipping circles. With the 2020 sulfur cap looming, owners are now beginning to make moves toward compliance. Some are opting for scrubbers to curtail emissions, while others see this as a potentially bad decision.”

Louise Vogdrup-Schmidt, Katrine Gronvald Raun, ShippingWatch

### [Major stakeholders working to push back global sulfur carrying ban](#)

“A month before a critical IMO meeting concerning the 2020 sulfur regulations, strong industry stakeholders have called for a preliminary “test phase,” a move that generates doubts about the adoption of the ban against carrying sulfur fuel on board ships, say critics.”

September 17, 2018

Ship & Bunker

### [Maersk Line to Introduce IMO 2020 BAF From Next Year](#)

“Maersk Line says it will introduce a new bunker adjustment factor (BAF) charge designed to recover increases in fuel related costs associated with the upcoming ‘IMO 2020’ global 0.50% sulfur cap on marine fuel.”

September 14, 2018

S&P Global Platts

### [Feature: LSFO future as 0.5% blendstock leaves utilities facing premiums](#)

“There is likely to be a sharp increase in demand for 1% sulfur fuel oil in the coming year as a blendstock to produce 0.5% sulfur marine fuel complying with the International Maritime Organization's new global sulfur limits, pushing up premiums for utility companies in Europe. But new projects to interconnect islands in the key market of the Mediterranean, where low sulfur fuel oil is used for power generation, will eventually reduce demand.”

S&P Global Platts

### [Will 2020 be a game changer for bunker credit?](#)

“The twin pressures of tough financial times for the shipping industry and the likelihood of more expensive fuel in 2020 are bringing the issue of bunker fuel bills into focus for the industry.”

“A large proportion of bunker fuels sales are made on credit. Where this occurs, bunker sellers contribute to the working capital and liquidity of ship operators, and this financing has become an important part of the operators' financial structure.”

“For sellers, 2020 is a huge shake-up of their business, not only in terms of products sold and bunkering infrastructure, but also from the perspective of credit. They will face a sudden and substantial increase in demand for credit from customers turning to more expensive fuels.”

Argus Media

### [European refiners see IMO sweet spot but clouds ahead](#)

“European refiners will reap rewards from the global shipping industry's response to the International Maritime Organisation's (IMO) marine sulphur emissions cap, but broader decarbonisation moves and environmental concerns pose challenges, the Platts European refining summit heard.”

Argus Media

### [Scrubbers a good investment: Norway's DNB](#)

“The shipping-exhaust cleaning equipment known as scrubbers are a good investment, especially for larger tankers, according to Norwegian bank DNB.”

“Using an assumed spread of \$250/t between prices for HSFO and ‘a compliant alternative’, DNB estimates scrubber installation would pay for itself within nine months for a very large crude carrier (VLCC), 12 months for a very large gas carrier (VLGC), 14 months for a Capesize dry bulk carrier, 17 months for a Medium Range (MR) product tanker and 18 months for a Supramax.”

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Robin Meech, Ship & Bunker

### [IMO 2020 INSIGHT: High Levels of Noncompliance Unavoidable in 2020](#)

“Over the next 15 months, some 60,000 ships need to clean their bunker tanks to be compliant on 1 January 2020.... IMO has been addressing this issue within the ship implementation planning for 2020 but it is now unavoidable that many ships will not be compliant during the first half of 2020.”

September 13, 2018

Elza Turner, Jack Jordan, S&P Global Platts

### [Refining summit sees IMO 2020 shipping pollution requirements boosting diesel, LSFO demand](#)

“Tighter shipping pollution requirements from 2020 are expected to increase demand for diesel and low sulfur fuel oil, giving ongoing support to already healthy refining margins in Europe, according to speakers at an industry event Thursday.”

John Paul Hampstead, FreightWaves

### [Maersk changes course, will install IMO 2020 scrubbers](#)

“As late as last month, during APM-Maersk’s (AMBKY) Q2 earnings call, CEO Søren Skou insisted that the Danish shipping line did not take a favorable view of scrubbers as a means to comply with the IMO 2020 guidelines reducing the sulphur content of marine fuel from 3.5% to 0.5%.”

“Maersk shifting its official position on scrubbers should be seen as part of an accelerating maritime industry adoption of the technology. *Ship & Bunker* reported that in May 2018, the total number of vessels that had either ordered or installed scrubbers totaled 817 vessels, a spike of nearly 300 vessels in just a few months.”

Ole Petter Skonnord, Reuters

### [Norway’s Vistin sees trading opportunities ahead of 2020 ship fuel changes](#)

“Energy trader Vistin Trading, a part of pharmaceutical company Vistin Pharma, sees big trading opportunities ahead of new stricter shipping fuel regulations in 2020 and plans to set up two new funds by the end of the year.”

September 11, 2018

Ship & Bunker

### [IMO 2020: Shipowner Concerns Over Bunker Quality Increasing](#)

“Changes to bunker fuel to be burned by ships after January 1, 2020 may cause engine problems and this issue is of rising concern to shipowners.”

## IMO 2020 Watch™

September 10, 2018

Jesse Snyder, *Edmonton Journal*

["A devaluation of oilsands assets": New maritime rules will make a fifth of output uneconomic within two years.](#)

"From the lack of available pipeline capacity to the potential adoption of electric cars, there is no shortage of threats facing the Canadian oilsands. But the latest menace lies in a seemingly innocuous and highly common element: sulphur."

September 8, 2018

Nick Cunningham, Oilprice.com

[Goldman: Don't Expect a Major Oil Price Spike from IMO Regulations](#)

"We are now a little over 15 months away from a major set of international regulations over maritime fuels, which have raised concerns about the havoc and price spikes that may occur over a lack of fuel supply. But a new report says that meeting the new standards will be 'challenging, but solvable.'"

September 7, 2018

Jeffrey McGee, Splash247.com

[How the IMO got the sulphur cap so wrong](#)

"Amidst the wave of content on the IMO's 2020 implementation for 0.5% sulphur bunkers, most shipping commentators are either missing or deliberately evading one point—the IMO screwed up massively."

Eleni Pittalis, Eklavya Gupte, S&P Global Platts

[Analysis: Saudi Arabia could be vital to fuel oil's hazy future](#)

"As demand shifts away from 3.5% HSFO in the bunker market to cleaner marine fuels due to the International Maritime Organization's global 0.5% marine sulfur cap from 2020, Saudi Arabia could emerge as one of the main outlets for this product."

September 3, 2018

Surabhi Sahu, S&P Global Platts

[Ship operators need to take a strategic approach to IMO 2020: Lloyd's Register](#)

"Ship operators need to take a strategic approach as the International Maritime Organization's global sulfur limit rule inches closer and full compliance to the rule still remains a question mark, Douglas Raitt, regional consultancy manager Asia at Lloyd's Register, said...."

"Ship operators needed to ask themselves questions such as 'Where am I trading, what ports do I call, what product is available there, what is the quality and the chemistry of fuel I am loading, how do I

## IMO 2020 Watch™

require to store and manage the fuel onboard and how can I train my crew to operate the vessel with that fuel correctly,' Raitt said at the Wilhelmsen Ship Management event in Singapore on Friday."

Alan Gelder, *Forbes*

### [Will IMO 2020 Introduce Mayhem Or Opportunity To The Refining And Marine Sectors?](#)

"It is rare that a fuel specification change could disrupt the oil value chain, but the International Maritime Organization's (IMO) planned change to bunker fuel regulation may do just that."

*Petroleum Intelligence Weekly*

### **IMO Spurs Big Investments from Asian Refiners**

"As the go-to destination for much of the world's excess fuel oil and home of the world's largest bunkering port, Singapore, Asia will acutely feel the aftershocks of the International Maritime Organization's (IMO) tightening sulfur regulations going into effect in 2020. But the region's refiners see an opportunity. With demand for high-sulfur fuel oil (HSFO) set to crater and demand for marine gasoil (MGO) set to spike, Asian refiners are keen to capture the windfall profits up for grabs by boosting output of IMO-compliant MGO. The IMO rule changes will cap sulfur content in marine bunker fuel at 0.5% starting Jan. 1, 2020, down from 3.5% currently."

August 31, 2018

Surabhi Sahu, S&P Global Platts

### [Interview: A third of total bunkers in 2025 may be high sulfur fuel oil being scrubbed – MECL MD](#)

"A third of the total bunkers in 2025 could be high sulfur fuel oil being scrubbed, compared to an estimate of about 8% in 2020, as the uptake of exhaust gas cleaning systems, also known as scrubbers, accelerates after the implementation of the International Maritime Organization's 2020 rule, Robin Meech, managing director at Marine and Energy Consulting Limited said Thursday."

Ralph Grimmer, Stillwater Associates (July 11, 2018)

### [Expected Pricing and Economic Impacts of the IMO 2020 Rule](#)

"The global mix of sweet and sour crude oil production volumes may change beyond 2020 if the relative prices for crude oil grades change markedly from current levels (e.g. if sweet/sour crude differentials widen measurably) and if the marketplace perceives these changes as durable. If substantially wider sweet/sour crude price differentials are expected, the exploration and production sector will prioritize resources toward production of lighter, lower sulfur content crudes in its expenditures on existing fields and in developing new reserves."

August 30, 2018

Argus Media in *The Maritime Executive*

### [Marpol: What Will Compliance Look Like in 2020, and Beyond?](#)

"Argus' view is somewhat different. We expect there to be a significant dislocation in terms of bunker fuel use and pricing with the introduction of the new sulfur cap in 2020. For some refiners, the new



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environment will offer a significant opportunity, for others it will mean an even fiercer struggle for survival. In addition, we expect the bulk of the investment required for meeting the new standard to fall not on the refiner but on the shipowner.”

Alex Longley and Irene Garcia Perez, mySanAntonio.com

### [Oil seen getting \\$4 a barrel boost on tough new ship-fuel rules](#)

“New regulations to curb pollution from the world’s shipping fleet could lift crude prices by \$4 a barrel when the measures come into effect in 2020, according to a Bloomberg survey of 13 oil industry analysts.”

August 29, 2018

Jack Wittels, Bloomberg

### [Maersk Sees Fuel Bill Soaring by \\$2 Billion From 2020 Rules](#)

“The world’s largest container shipping line says adhering to stricter environmental standards could add at least \$2 billion to its annual fuel bill from 2020, one of the clearest examples yet of how vessel owners will be affected by rules to curb sulfur emissions that take effect in 16 months’ time.”

Ship & Bunker

### [IMO 2020: Scrubbers Are Nonsense, Says Frederiksen](#)

“With excitement over marine scrubbers having reached fever pitch levels this summer, sky-high expectations for the technology were brought back to earth today by shipping magnate John Frederiksen, who has labeled them as ‘nonsense.’”

August 28, 2018

Louise Vogdrup-Schmidt, ShippingWatch

### [Report: Every third carrier will not be ready for new environmental regulations](#)

“More than one in three carriers will be not be able to comply with the global sulfur cap or ballast water regulations in 2020, shows a new report from investment bank UBS.”

August 26, 2018

Justin Ziebart, Oilprice.com

### [Which Refiners Win From Strict Fuel Regulations](#)

“With IMO 2020 regulations looming, many refineries are retooling and adding capacity to deliver more middle distillates. The International Energy Agency (IEA) anticipates 7 million additional barrels per day of refining capacity to come online by 2023, mostly in the Middle East, China and other emerging Asian markets. Currently, about 16 refinery coking projects are pending or underway in Europe, Russia, Central Asia (Former Soviet Union), and Turkey alone. Turning heavy residual components, like high sulphur marine fuels, into more middle distillates is a key driver.”

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August 24, 2018

Kaibalya Pravo Day, Nasdaq

### [IMO 2020 to Alter Global Fuel Economics: Will Refiners Gain?](#)

“IMO 2020 is expected to have a direct effect on the global refining sector, something which investors are wary of. The new rule is expected to bring in a sea change at refineries in terms of their operations and configurations. While simple refineries are expected to suffer initially from the change, complex and larger refineries can reap profits from the decision.”

August 21, 2018

Roslan Khasawneh, Reuters

### [High-sulfur fuel demand outlook jumps as shippers soften stance on scrubbers: FGE](#)

“Demand for high sulfur marine fuels is likely to see a smaller drop than previously expected by 2020, said consultancy FGE, as changing attitudes to sulfur-stripping technologies from large shippers alter the outlook for use of the fuels....

If scrubber adoption continues at current rates over the next 18 months, “and we see further commitments from large shipping operators, the scrubbed (high-sulfur fuel oil) consumption in 2020 can be lifted significantly to above 800,000 barrels per day (bpd),” said FGE.

This is up from FGE’s previous demand estimate of 300,000 to 400,000 bpd, said Olney.”

August 20, 2018

Tsvetana Paraskova, Oilprice.com

### [Oil Markets Are In For A Bumpy Ride](#)

“The always-volatile oil market is set for even more volatility over the next two years as investors and speculators try to make sense of the conflicting market forces determining the pace of demand growth and global oil supply.

Over the past month, the two key themes have been how much Iranian oil will come off the oil market from U.S. sanctions in November, and how much demand growth could suffer with the trade wars. More recently, another theme is the emerging markets turmoil following Turkey’s crisis. Throw in all the new and much stricter International Maritime Organization (IMO) regulations on sulfur fuel oil requirements from 2020 that are expected to upend the refining and shipping markets, and oil prices are set for wild swings, industry executives and analysts say.”

Ship & Bunker

### [IMO 2020: Maersk, Vopak to Launch 0.5%S Bunkering Operation in Rotterdam](#)

“A.P. Moller - Maersk and tank storage firm Royal Vopak today have announced they will partner to launch an IMO 2020-focused 0.50% sulfur bunker supply operation in Rotterdam. The new venture will

## IMO 2020 Watch™

supply about 20% of Maersk's global demand, enabling A.P. Moller – Maersk to deliver approximately 2.3 million mt per year, the parties said."

Mike Priaro, JWN

### [Meeting the IMO's new limits on sulphur in marine fuels](#)

"It is not certain if and how the refining industry can actually achieve making the large changes in its products and markets to meet the International Maritime Organization's 2020 deadline to reduce sulphur in marine fuel to 0.5%.

The IMO's change to allowable sulphur in marine fuels is so dramatic and there is so little lead time that it is difficult to see how the majority of ships could be ready to comply by 2020, which is only 16 months away as of late-August.

It seems likely the IMO may be forced to provide ship owners with some form of relief in regard to the timing for compliance. or provide incentives to comply."

August 17, 2018

TradeWinds

### [Compliant fuel, not scrubbers, chief choice for IMO 2020](#)

"Only 2% of global fleet to adopt scrubbers to meet sulphur cap requirements, UBS report reveals."

August 16, 2018

Irina Slav, Oilprice.com

### [New Shipping Regulation Could Be a Boon for LNG](#)

"LNG is hot and it's likely to become a lot hotter in the coming years, for which LNG producers have the International Maritime Organization (IMO) to thank. Earlier this year, the IMO announced its first ever long-term plan to reduce harmful emissions from maritime transport by introducing much stricter maximum sulfur emission limits. Now, a race is in the making between LNG fueling terminals and gas-powered vessels, and this race will only intensify in the coming months."

August 15, 2018

Erin Douglas, Bloomberg

### [Truckers nearing worst price shock since 2008](#)

"Every time Chuck Paar makes the over 500-mile round trip from his home in Mount Jewett, Pennsylvania, to Buffalo and Syracuse, New York, his 18-wheel tractor trailer carries 25 tons of sand or cement and burns about \$265 of diesel in one day. That's up from as little as \$166 for the same route two years ago, and the increased cost of fuel is squeezing already thin industry profit margins.

It's about to get worse.

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In 16 months, new standards [IMO 2020] will descend on a corner of the global oil market that may disrupt fuel supplies crucial to transportation industries like trucking, airlines, railroads and ships. While the goal of the change is to reduce sulfur emissions, which cause acid rain, the rules could boost diesel prices by 20 percent to 30 percent, according to the International Energy Agency. That means Paar could be shelling out more than \$344 on fuel for each New York trip....

‘Everybody missed this in our industry,’ said Glen Kedzie, vice president of energy and environmental affairs for the American Trucking Association. The organization began alerting trucking company owners a few months ago, and found that most had never heard of IMO and didn’t know about the risk to fuel markets. ‘No one knows about this,’ Kedzie said.”

Jonathan Saul, Nina Chestney, Reuters

### [New fuel rules push shipowners to go green with LNG](#)

“Tough new rules on marine fuel are forcing shipowners to explore liquefied natural gas as a cleaner alternative and ports such as Gibraltar are preparing to offer upgraded refueling facilities in the shipping industry’s biggest shake-up in decades.”

August 14, 2018

Reuters

### [More ships adding scrubbers to their smokestacks to support fuel oil usage in 2020: JBC](#)

“An increase in the number of ships adding cleaning systems to their smokestacks will mean vessels will continue to burn a sizable amount of fuel oil once new sulfur regulations for the fuel go into effect, Vienna-based consultancy JBC Energy said on Tuesday.

Ships installed with exhaust gas cleaning systems, known as scrubbers, are expected to burn 600,000 barrels per day (bpd) of high-sulfur fuel oil (HSFO) in 2020 when the new rules from the International Maritime Organization (IMO) start, JBC said.”

August 13, 2018

Robert Tuttle, Bloomberg

### [Shipping-Fuel Rule Change Cuts Demand for Canadian Oil](#)

“As if pipeline bottlenecks weren’t enough, Canadian heavy oil producers are facing a new barrier to marketing their crude.

New rules limiting the amount of sulfur allowed in shipping fuel is expected to cut demand for both high-sulfur fuel oil and the sour crude that yields it. In Canada, that could extend—or worsen—the biggest price slump in nearly five years.”

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August 10, 2018

Ship & Bunker

### [IMO 2020: Expect Bunker Costs to Jump 50%, says Wallenius Wilhelmsen](#)

“Wallenius Wilhelmsen says it expects bunker costs to rise 50% as a result of the ‘IMO 2020’ global 0.50% sulfur cap for marine fuel.... The shipowner said the new rules...represent ‘a challenge and risk for the shipping industry’ not just in terms of cost, but also because of a lack of clarity around the availability and quality of fuels.”

NASDAQ (from Reuters)

### [PBV Chalmette refinery mulls reviving idle coker, HCU](#)

“PBF Energy Inc is considering restarting a hydrocracking unit (HCU) and a coker idled for near a decade at its 190,000-barrel-per-day (bpd) refinery in Chalmette, Louisiana, sources familiar with plant operations said on Friday.”

“During a May 3 earnings conference call, PBF Chief Executive Thomas Nimbley said restarting the coker could be quickly paid off by the anticipated jump in marine fuel prices expected from the switch in 2020 to lower sulfur fuel mandated by the International Marine Organization.”

August 9, 2018

Alan Neuhauser, *U.S. News & World Report*

### [Up or Down: A Look at Where Oil Prices Could Go](#)

“The seeming consensus among analysts is that the [crude price] downturn is merely temporary: Rising global demand for oil, renewed U.S. sanctions on Iran, shrinking production and exports from Venezuela and *a new regulation* that's expected to cause a surge in demand for diesel fuel will likely drive oil prices higher in the coming months, potentially causing pain for consumers at the pump” [emphasis added].

Justin Ziebart, Oilprice.com

### [Shockwave In Shipping Could Send Brent Soaring](#)

“The IMO 2020 sulphur regulation is expected to increase demand for distillates, but also demand for low-sulphur crudes like Brent. This presents a challenge.”

Colin Foreman, *MEED (Middle East Business Intelligence)*

### [IMO regulation will create more losers than winners](#)

“As one of the most potentially disruptive product quality change in decades, the switch to a compliant low-sulphur bunker fuel is...expected to cost the shipping industry billions of dollars globally, causing freight rates to go up and raising costs down the line.”

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August 7, 2018

Nicholas Woodroof, *Hydrocarbon Engineering*

### [ESAI Energy report examines possible effects of IMO's sulfur cap on bunker fuels](#)

“According to ‘Five-Year Global Fuels Outlook’, when implemented in 2020 the sulfur cap will lead to a 1.0 million bpd increase in demand for marine gasoil and a 900,000 bpd decline in residual bunker fuel consumption. In response, refiners will raise throughput and leverage existing capacity to meet higher gasoil demand, and in the longer term invest in additional upgrading capacity. The spike in gasoil demand will strengthen gasoil spreads to crude significantly, but weaken gasoline and fuel oil spreads as these markets become oversupplied.”

*Transport Topics*

### [EPA to Study Financial Implications of Maritime Emissions Rules](#)

“The U.S. Environmental Protection Agency has launched a study of the potential economic impact forthcoming regulations that require shipping vessels to burn cleaner fuel might have on other transportation sectors, including trucking.”

August 6, 2018

Eleni Pittalis, Elza Turner, S&P Global Platts

### [Factbox: Refinery upgrades, works to ramp up ahead of 2020 IMO sulfur cap](#)

“As the International Maritime Organizations 2020 0.5% global marine sulfur cap edges closer, refinery upgrades are expected to pick-up through H2 2018 and early 2019 and the entire refined products market could see a tighter supply complex as refining capacity is taken offline.”

August 5, 2018

Tsvetana Paraskov, Oilprice.com

### [The Key Oil Price Driver By 2020](#)

“Diesel, marine gasoil, and jet fuel—collectively known as middle distillates—account for more than a third of global oil consumption. Used in road transportation, shipping, aviation, and manufacturing, middle distillates are more closely linked to economic growth than any other section of the oil products market.”

“Inventories of middle distillates—one of the most important refinery products—are also closely correlated with oil price trends and with the shape of the oil futures curve, so the pace of distillates demand and their stock levels could be the key determinant for the oil price changes through the next two years, Reuters market analyst John Kemp writes.”

“Demand for middle distillates is expected to surge ahead of an upcoming stricter regulation on the fuels used by the shipping industry. The International Maritime Organization (IMO) has set January 1, 2020, as the starting date from which only low-sulfur fuel oil will be allowed to be used for ships. The severe restrictions on fuel oil's sulfur content—aimed at reducing emissions—will drive increased

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demand for middle distillates such as diesel and marine gasoil, which in turn will push up demand for crude oil, Morgan Stanley analysts say. This would boost crude oil demand by additional 1.5 million bpd, potentially sending oil prices to \$90 a barrel in 2020, according to Morgan Stanley.”

August 4, 2018

Isaac Anyaogu, Business Day

### [Sulphur cap regulation to squeeze Nigerian shippers by N1.8trn](#)

“The new International Maritime Organisation (IMO) decision to lower its global marine fuel sulphur limit to 0.5 percent in 2020 could cost Nigerian shipping companies over N1.8trillion in installation costs for exhaust gas abatement systems, an option which seems the most practical to ensure compliance.”

August 2, 2018

Jack Wittels, Alfred Cang, Bloomberg

### [Oil Industry Starts Eradicating Ship Fuel Supply Before IMO 2020](#)

“Shippers beware: oil refineries are starting to eradicate stockpiles of sulfur-rich fuel that powers the merchant fleet in anticipation of a demand collapse in fewer than 18 months.”

“Stockpiles have slumped in the U.S. and Singapore this year and traders directly involved in buying and selling the fuel say some refineries already started to trim output in anticipation of rules that will severely restrict consumption from Jan. 1, 2020.”

*Petroleum Intelligence Weekly*

### **IMO may have to consider contingency plans to deal with shortages**

“The International Maritime Organization (IMO) may have to consider contingency plans to deal with possible shortages when tighter rules on the sulfur content of bunker fuels come into effect in 2020 (PIW Jul.16’18). If there is not enough 0.5% low-sulfur fuel oil (LSFO) or other compliant fuel available come Jan. 1, 2020, the fear is some ports might not be able to bunker ships, whose owners will then want to demand a waiver allowing them to fill their tanks with high-sulfur, noncompliant fuel and sail to their next destination.”

August 1, 2018

Firat Kayakiran, Bloomberg

### [Oil Tanker Owners Are Scrapping the Most Ships in Decades](#)

“Tanker demolition could hit multi-decade high.” “Morgan Stanley anticipates shortage of supertankers by 2020.” “Incoming regulations are raising costs for all shipowners making high scrap price relatively more attractive.”

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July 30, 2018

Oil & Gas Journal

### [IMO 2020 Solutions](#)

“To one of its biggest problems in decades, the refining industry might find solutions in its scrapyard. Strategically restarting idle capacity can help keep ships at sea as standards tighten for sulfur in bunker fuel.” The International Energy Agency is one that sees this approach as “a supply buffer that at least might ease the transition.”

Argus Media

### [Scrubber count insufficient to take up excess HSFO](#)

While scrubber installation planning has surged over the last half year, “the scrubber count is still insufficient to absorb a projected surplus in high-sulfur residual fuel oil in 2020.”

July 26, 2018

Argus Media

### [Repsol to stop selling its Spanish fuel oil in 2020](#)

This article notes that the Spanish integrated oil and gas company Repsol “is planning to stop selling the fuel oil produced at its Spanish refineries from 2020.” Repsol has a large coking capacity and “estimates it can improve its refining margins by a conservative \$1.50 per barrel in 2020. Repsol’s cokers account for twenty-five percent of total European coking capacity. The firm can use this capacity to turn fuel oil and other heavier products into higher margin middle distillates and gasoline.

July 24, 2018

Ship & Bunker

### [IMO 2020: Expect Bunker Price Spike, Economic Collapse, and a Global Review of the New Regs, says Verleger](#)

This article, referencing Dr. Verleger’s \$200 crude paper, notes that “there has been a growing sense of panic over what the new rule will mean” and that “there was no greater evidence than this week in a new report by respected analyst Philip K. Verleger, who predicts the new global 0.50% sulfur cap for marine fuel could trigger nothing short of an economic collapse.”

July 22, 2018

Esther Ng, S&P Global Platts

### [ISO working with oil and engine makers to get fuels](#)

The International Organization for Standardization publishes fuel standards for the marine bunker market “to ensure that the chemical properties of the fuels used conform to a set of standards so that the fuel works properly.” Off-spec fuel can result in sludges that block filters and centrifuges and ultimately cause engine failure. Ng notes that the next set of ISO bunker fuel specifications, ISO 8217,



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will likely not be published before 2022, long after the IMO's marine fuel sulfur content rule takes effect. She notes also that "a wide range of blends of refined products will be used to make the new [low-sulfur] fuels, and the stability and compatibility of these blends will be important concerns for marine engineers on how these fuels affect their vessel's performance." In response to concerns, the ISO has stated that its existing standards "cover 2020 0.5% sulfur fuel in the same way as they cover today's fuels including the 0.1% sulfur fuels." Concerns abide, however, because these blends are "expected to vary widely across the regions" and that "compatibility between different fuels cannot be guaranteed by bunker suppliers." That puts the responsibility for obtaining fuel of the necessary blend and quality "on the competency of [each] crew to manage this."

July 21, 2018

S&P Global Platts (via Hellenic Shipping News)

### [Beijing relaxes fuel oil blending controls to boost bunker prospects, exports](#)

China is now allowing companies in Zhejiang province to blend tax-free fuel oil for export to the seaborne market. Industry sources told Platts that "the relaxation of the export restriction will encourage more fuel oil trade flows from China for bunkering." "It will also position the country advantageously as a key supplier of blended fuels ahead of the International Maritime Organization's global sulfur limit rule for marine fuels."

July 19, 2018

Alex Longley and Irene Garcia Perez, Bloomberg

### [Death of Fuel Oil Exaggerated as Ships Fit Scrubbers](#)

The authors report that, while the demand for sulfur-heavy residual fuel oil is expected to drop sharply in 2020, some think, due to surging orders for scrubber installations, "that the fuel oil market may have overshot." As the subtitle for one graphic puts it, "Scrubber orders may cushion demise of polluting fuel oil."

July 16, 2018

*Petroleum Intelligence Weekly*

### **Oil Market Seeks Solutions for IMO Sulfur Rules**

"New rules from the International Maritime Organization (IMO) on the sulfur content in marine bunker fuel have created an unprecedented challenge for the global oil market, threatening to leave refiners with 2 million barrels per day of unmarketable fuel oil, and shippers short some 2 million b/d of legally compliant fuel. Although both groups have begun making moves to adapt to this new reality, with just 18 months to go until the new rules come into effect, they do not appear to be doing enough — raising the prospect of a major dislocation in product supply and pricing."

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July 11, 2018

Dan Ronan, Transport Topics

### [Will Trucking Be Affected by New Pollution Rules for Ocean Shipping?](#)

Ronan notes the US EPA's intention to review the IMO 2020 rule's impact on the US transportation industry. The agency "is holding a workshop to gather feedback from truckers, shipping companies and railroads about the regulations and how they impact their businesses." Ronan quotes Tom Kloza of OPIS as expecting "the price of diesel to range from \$3.60 to \$4.25 a gallon" as a result of IMO 2020 and that "truck drivers likely will see the biggest increases along both [US] coasts."

July 2, 2018

Ken Cowell, Tim Bennett, *Oil & Gas Journal*

### [IMO 2020 rules challenge European, Russian refiners](#)

The authors note that, when the IMO 2020 sulfur rule takes effect, Russian and European refiners will have "large surpluses of HSFO [high-sulfur fuel oil] that need to be placed elsewhere in the market." If they fail in this, "their future economic viability will become questionable." They also note that shipping now consumes forty-seven percent of heavy fuel oil (HFO) production and that the marine market for HFO will largely cease to exist after January 1, 2020.

June 29, 2018

Ship & Bunker World News

### [Shippers' End Customers Have "Pull Effect" for IMO 2020 Compliance Agenda: Monjasa](#)

The COO of bunker supplier Monjasa has stated that "there will be a high level of compliance with the upcoming IMO 2020 rule because Shippers' customers will demand it." COO Svend Molholt asserted that "these customers [e.g., Walmart, Ikea, Nike] will need to demonstrate their whole supply chain is compliant with global rules and regulations, and carrier compliance will be an important part of that." If they fail in this, the firms may find it difficult to obtain financing and other investment. End customers will push for carrier compliance, he continued, to avoid being put "at a commercial disadvantage in the short and medium term."

June 28, 2018

The Motorship

### ["Major Risks Remain" as Sulfur Cap Nears, Study Finds](#)

An updated study by EnSys Energy and Navigistics Consulting notes that "demand for low-sulfur fuel will be higher than anticipated due to low uptake of scrubbers and limited availability of low-sulfur fuels." EnSys foresees a "scramble" for light sweet crudes by less-complex refineries that could drive distillate prices above US\$1,000 per tonne and US gasoline prices above \$5 per gallon in 2020. Martin Tallett, president of EnSys, warns that "the increase in product 'supply costs' could take between US\$500 billion and US\$2 trillion out of the global economy for the year."

## IMO 2020 Watch™

June 18, 2018

Conglin Xu, *Oil & Gas Journal*

### [IMO 2020: The next big thing](#)

Xu notes that while CE Delft studies assert that the oil sector will be able to meet the projected increase in distillate demand, a “rival study” by EnSys and Navigistics came to the opposite conclusion, “estimating that 60-75% of additional sulfur plant capacity would need to be built by 2020 compared with planned projects.” HIS Markit, on the other hand, believes the refining capacity will exist but that “higher overall crude runs will be required.”

Esther Ng, S&P Global Platts

### [Shipping associations urge pragmatic approach to IMO 2020 sulfur compliance](#)

Platts reports that five shipping associations have asked the IMO to “adopt a pragmatic approach when enforcing compliance with its global sulfur cap of 0.5% in marine fuels to avoid compromising safety or unfairly penalizing individual ships.” The shippers mention the complexity of the transition and the absence of a global standard for the new blended fuels coming from many different refiners as reasons for the IMO to be pragmatic “during the initial months of the global switchover.”

May 18, 2018

Surabhi Sahu, Jack Jordan, S&P Global Platts

### [Interview: IMO head says “no possibility of delay” to sulfur limit rule for marine fuels](#)

When asked whether implementation of the IMO’s 0.5-percent sulfur rule might be possible if serious problems arise, the organization’s Secretary General, Kitack Lim, replied that “the regulation...cannot be changed from a legal perspective, so there is no possibility of delay.” He also stated that guidelines “on preparatory and transitional issues” will be forthcoming from the Sub-Committee on Pollution Prevention and Response, which is meeting in July to develop these guidelines.

## IMO 2020 Watch™

May 17, 2018

Libby George, Ahmad Ghaddar, Reuters

### [New rules on ship emissions herald sea change for oil market](#)

This report details how “new rules coming into force from 2020 to curb pollution produced by the world’s ships are worrying everyone from OPEC oil producers to bunker fuel sellers and shipping companies.” The worry comes from energy and shipping companies being “ill-prepared.” One outcome from this circumstances, says one economist, “will be a bidding war for sweet crude.” This could “hike the price of sweeter crudes” while the expense of refining higher-sulfur crude could “be more than its value.”

May 16, 2018

Alex Longley, Bloomberg

### [Morgan Stanley Says a Shipping Revolution Has Oil Headed for \\$90](#)

A report issued by Morgan Stanley analysts asserts that “Brent crude will reach \$90 a barrel by 2020 as new international shipping regulations take effect.” MS expects refiners that are “highly geared towards middle distillates” to benefit most from this situation. These include Repsol, Valero, and Tupras. The report also notes that middle distillates needed to meet the IMO’s 0.5-percent sulfur rule for marine fuels “are already showing signs of tightness.” Specifically, diesel and gasoil stockpiles in Europe, the US, and Asia are below their five-year seasonal averages and demand has been increasing at an annual rate of eight hundred thousand barrels per day “in recent quarters.”

May 8, 2018

Splash247.com

### [Industry divided on low sulfur fuel availability in 2020](#)

According to MarPoll, a quarterly survey, “46% of *Splash* readers believe there will not be enough low sulfur fuel come January 1, 2020, when the new IMO regulations kick in, with a slim majority, 54%, believing there will be enough to go around.” One respondent commented that supply constraints would likely surface as early as the fourth quarter of 2019 and that the price of MGO [marine gasoil] could double or even triple until the market stabilizes.

Mike Corkhill, LNG Shipping

### [Big boys join the LNG-fueled fleet](#)

Corkhill reports that “the global fleet of in-service and on-order LNG-fueled vessels has grown 26.5% since *LNG World Shipping’s* previous review of the use of LNG as marine fuel 12 months ago.” This marks an 18% increase for in-service vessels and a 36% bump in orders for LNG ships. Still, due to LNG cost issues for ships, Corkhill notes “it has been estimated that LNG fuel is unlikely to be chosen for more than 5% of the world fleet of merchant vessels, with interest limited primarily to newbuildings.”

## IMO 2020 Watch™

April 26, 2018

Ship & Bunker

### [Maersk's Skou: 0.5% Rule to Cost Shipping \\$60 Billion](#)

Maersk CEO Soren Skou says the IMO sulfur ban “represents a ‘heavy burden’ on the shipping industry.” He expects Maersk will pay \$10 billion for fuel once the rule takes effect in 2020. In his view, the rule “could add \$50-\$60 billion to the shipping industry’s annual fuel bill.”

April 24, 2018

Argus Media

### [Marpol sulfur cap will widen sweet, sour spreads](#)

Argus notes that the IMO sulfur rules “will dramatically boost the premium that sweet crude and refined products carry versus their heavier, more sour counterparts.” Discounts for heavy sour crudes exceeding 3% sulfur to Dated Brent are expected to be as wide as \$30 per barrel in 2020.

April 20, 2018

Ahmad Ghaddar and Libby George, Reuters

### [INTERVIEW-Sulfur scrubbers “no silver bullet” for shipping industry-Wartsila](#)

According to a spokesperson for Wartsila Marine Solutions, a manufacturer and installer of marine scrubbers that strip sulfur from high-sulfur fuel oil, “shipping industry hopes that so-called sulfur scrubbers are a quick-fix solution to compliance with drastic emissions reduction demanded by 2020 are somewhat misguided.”

April 19, 2018

S&P Global Platts

### [Feature: Future of scrubbers still shrouded by dark clouds ahead of IMO 2020 rule](#)

“Scrubbers will not save us in 2020.” So says the head of the Baltic and International Maritime Council (BIMCO). Platts notes that fewer than 1,100 ships will have scrubbers by 2020 and that the stringent carbon emissions rules and pricing economics will likely “impede widespread adoption.”

April 13, 2018

Reuters

### [IMO moves forward with ban on vessels carrying high-sulfur fuels](#)

On April 13, the IMO approved “an amendment that would ban ships unequipped to strip sulfur from carrying high-sulfur fuel from 2020” unless the fuel is cargo and not being burned for propulsion. This approval is the organization’s second-to-last step in formalizing its ban on carrying fuel oil. The amendment still needs to be formally adopted at the IMO meeting in October.

## IMO 2020 Watch™

April 12, 2018

S&P Global Platts

### [Feature: Technical issues loom over VLSFO bunker fuel in 2020](#)

Shipowners may be challenged by the lack of a standard very-low-sulfur fuel oil when the IMO's global sulfur cap comes into force. Problems may include fuel compatibility issues, rising insurance premiums because of the risk of engine damage, and no ISO spec becoming available until late 2019. Owners are concerned about fuel stability and compatibility. If a fuel separates over time and under particular conditions or when mixed with another fuel, sludge can form at the bottom of a bunker tank that can block filters and lead to engine failure.

April 12, 2018

Jack Jordan, S&P Global Platts

### [Fuel oil forward curve not fully pricing in 2020 IMO impact: Platts Analytics](#)

Jordan reports that the forward market is "not adequately reflecting sharp changes in fuel oil and middle distillate prices expected in 2020." According to a Platts Analytics spokesperson, "This is going to be the most disruptive change to hit the refining industry in history." The current forward curve for high-sulfur fuel oil shows the discount to Brent widening to \$20.50 per barrel in 2020. But Platts' analysis finds that "oil traders should expect a more pronounced price collapse than that in 2020." "The market has not appreciated yet the degree and scope of these changes," said another expert from Platts Analytics.

April 11, 2018

Libby George, Reuters

### [Shipping fuel costs to spike 25 percent in 2020 on sulfuric cap: WoodMac](#)

George notes that consultants Wood Mackenzie believe "global shipping costs are likely to rise by a quarter, or \$24 billion, in 2020 when new rules limiting sulfur kick in." Given the expense of switching to marine gasoil (MGO), the WoodMac analysts also expect shipping costs to rise around \$1 per barrel. They also think that just two percent of the world's cargo fleet will have scrubbers by 2020. Last, they noted that "the world's refiners need to gear up to churn out the lower sulfur fuels that vessels will need, and even the primary spots for refueling ships could shift based on where lower sulfur fuels are available." China could be one of the countries to benefit in this respect.

April 10, 2018

Chris Dupin, American Shipper

### [Hyundai Merchant Marine ordering 20 ships](#)

Dupin reports that Hyundai will order 20 "eco-friendly" mega containerships. Hyundai says the new ships "will have scrubbers or use liquefied natural gas (LNG)."

## IMO 2020 Watch™

April 10, 2018

Surabhi Sahu, S&P Global Platts

### [Compliance to the IMO 2020 rule to be “quite high” post-2020 despite concerns: MECL MD](#)

According to Platts, Robin Meech, Managing Director of Marine and Energy Consulting Limited, believes compliance with the global sulfur cap rule will “settle around 85%-90% in the initial years after 2020.” Meech describes the bunker industry as “resilient,” and he expects it to adapt to the change. He thinks “global bunker fuel demand will be a little over 300 million mt in 2020, with the majority to be met by 0.1%-0.5% sulfur bunker fuel oil.” Among other encouragements for compliance, Meech cited “shipper pressure, increased public awareness, growing enforcement, and imposing larger fines and penalties.”

April 9, 2018

Ship&Bunker

### [Drewry IMO2020 Survey: Only 66% of Shipowners Believe 0.50% Sulfur Cap Will Be Enforced as Planned from 2020](#)

According to the Drewry survey, “one third of shipowners responding...indicated they are still not convinced a global 0.50% sulfur cap on marine fuel will come into effect as planned from January 1, 2020.” Also, one-quarter of the total respondents “thought the regulation would need to be extended due to lack of readiness.” The article notes that Saudi Arabia and others are “still pushing...for a formal delay to the start of the new cap.”

April 5, 2018

Reuters Staff

### [Norway targets IMO to halve global shipping emissions by 2050](#)

Norway’s government and shipowners’ association are calling on the IMO to cut greenhouse gas emissions in half by 2050. Norway ships, among other goods, offshore, gas, chemicals, car vessels, dry bulk, crude, crude products, and containers. Norway’s trade minister told reporters at a news conference that “we need international rules...our base line is the same as the Norwegian Shipowners (to cut emissions by 50 percent towards 2050).” A spokesperson for the association said its vision is to have shipping be emissions free in 2100.

April 4, 2018

The Load Star

### [Survey – shipowners shun scrubbers in advance of 2020 low-sulfur rules](#)

A survey of shipowners by the independent marine research firm Drewry found that “two thirds are preparing to bunker their ships with more expensive low-sulfur fuel oil (LSFO) when the IMO’s 0.5% sulfur cap is introduced in January 2020.” Respondents cited the exorbitant cost of fitting scrubbers—\$5 to \$10 million—but also concerns that scrubber may be outlawed at some point. As another factor, the article cited the shipowners’ belief “that the higher fuel costs – at around \$600 per tonne, LFSO is some

## IMO 2020 Watch™

60% more expensive than existing heavy fuel oil (HFO) – are the ‘charterers’ problem’ since fuel costs are usually for their account.”

April 4, 2018

Ship&Bunker

### [Attractive Time to Secure Bunker Saving Tonnage Ready for IMO2020: Torm](#)

Torm advises that the time is right to “secure bunker saving vessels ahead of 2020 when the global sulfur cap on marine fuels falls to 0.5%.” Ship&Bunker calculates that the premium for marine gasoil (MGO) over IFO380 is now 70% but some expect the spread to widen considerably by 2020. “With the majority of vessels expected to switch to distillate bunkers to comply with the new cap, operators are expected to see a considerable increase in their bunker bills once the new rule comes into effect.

April 4, 2018

Ship&Bunker

### [IBIA Releases Bunker Suppliers’ Best Practice Guide](#)

The International Bunker Industry Association (IBIA) has released the first edition of a bunker suppliers’ best-practice guide. The guide covers areas such as quality control; cargo transport, storage, and transfer; delivery to ship; and representative sampling. The guide’s purpose is “to ensure the quality of bunkers delivered to ships meets the agreed purchase specifications and applicable global and local regulations.”

April 4, 2018

Hellenic Shipping News

### [Dubai trader plans Fujairah fuel oil treatment, storage capacity to cope with IMO 2020 rules](#)

HSN reports that Dubai-based Wealth Energy will build a 360,000-cubic-meter fuel storage and treatment facility at the port of Fujairah. The firm plans to build 12 to 15 storage tanks. The treatment facility will handle up to 12,000 barrels per day of fuel to reduce sulfur content. The facility is slated for completion at the end of 2019 or the second quarter of 2020.

HSN also notes that “several companies have planned to invest in new storage facilities ahead of the IMO’s 0.5% global sulfur cap for marine fuels. It is expected to spur demand for bulk storage for liquids, particularly for blending activity, industry sources said.”