

## **Media Monitoring**

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### **USGC resid cash market sinks on weak demand: trade**

Strong selling by Valero in the face of generally thin demand put pressure on the USGC residual fuel market Monday, with the benchmark 3%S grade weakening dramatically versus crude.

Platts assessed USGC 3%S at \$66.75-\$66.85/b, down 73 cents/b from Friday, while the WTI/3%S spread widened by \$1.99/b, signaling a weaker market.

NYMEX November crude settled 3 cents higher Monday at \$76.52/barrel as the market traded higher and lower throughout the day before settling close to unchanged.

The fuel oil crack also weakened Monday, falling to 87.57% from 90.01% on Friday.

Sources said demand was off sharply Monday, with few bidders seen in the market.

During early afternoon trade, Valero sold October 8-10 3%S to Glencore at \$66.80/b and to Chemoil at \$66.85/b, before re-offering at that level and failing to attract another buyer.