

LUKoil Begins Fuel Oil Trading

By [The Moscow Times](#)

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LUKoil has bought its first ever Saudi fuel oil cargo, traders said Thursday.

LUKoil is starting fuel oil trading in the Middle East, and the Saudi purchase comes less than a week after it won a tender to supply a 65,000-ton high-sulfur fuel oil cargo to Pakistan State Oil.

Pakistani demand, mostly for 180-centistoke utility fuel, is largely supplied from the Middle East, while the Saudi cargo is bunkers grade 380 cSt.

The Russian major's trading arm, Geneva-based Litasco, bought up to 90,000 tons of 380 cSt, for May 29 to 31, lifting from Saudi Arabia's Jubail at a discount of \$13 to \$14 a ton to Singapore spot quotes on a free-on-board basis.

Meanwhile, Litasco booked the Vega Star supertanker to sail to Singapore from Rotterdam next month, according to reports from five shipbrokers.

The ship, which can carry 2 million barrels of oil, was chartered for June 8 at a cost of \$3.85 million, according to reports Wednesday including from Athens-based Optima Shipbrokers. One of the brokers said the tanker was carrying fuel oil.

(Reuters, Bloomberg)

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