

Flat Price

Prompt Brent futures flat price has seen a mixed afternoon. Prices were initially supported up to \$83.48/bbl at 14:30 GMT before selling interest pressured prices lower to \$82.10/bbl at 16:20 GMT. Since then price action has risen slightly to print around \$82.34/bbl at 17:00 GMT. The White House has announced that on Friday they will be releasing a 'major sanctions package' against Russia as retribution for the death of Mr Navalny. US SPR crude inventories rose by around 0.7mbbls last week to total 359.5mbbls. According to Alexander Novak, Russia is intending to fully meet its OPEC+ quota in Feb, despite oil refining in Russia decreasing by about 7% since the start of the year. A Urals crude shipment has arrived in Venezuela, marking the first cargo of Russian oil to arrive in the country for at least half a decade. The front and 6-month Brent futures spreads are at \$0.80/bbl and \$3.47/bbl, respectively.

Crude

Weaker afternoon in general for Dated, despite gaining some momentum around the US open, where Apr DFL was well bid trading up to \$0.58/bbl. With Midland offered in the physical window 15c through the curve by a trade house, we saw DFL's turn better offered, in tandem with Mar DFL sold down from \$1.26/bbl, to \$1.15/bbl by the end of the window, now trading a touch firmer at \$1.18/bbl. Apr DFL sold off 6c from \$0.58/bbl to \$0.52/bbl, although despite no real buying interest in Apr, May or Jun, they were supported by sticky Q2 buying on screen at \$0.53/bbl. Mar/May dated continued to see sell side interest, and despite trading up to \$1.87/bbl around the US open, is now better offered followed the sell off. In the window, CFD's were better offered with 4-8/3 CFD offered by the same trade house in the physical, trading from 1.96/bbl earlier in the afternoon to \$1.75/bbl by the end of the window.

Fuel Oil

In HSFO, 380 spreads were better bid, with Mar/Apr trading at -\$4.50/mt and Apr/May trading at -\$2.00/mt. Barge spreads were well offered by trade houses in the afternoon, with Mar/Apr selling down from \$3.00/mt to \$2.25/mt and Apr/May trading at flat. Barge cracks came under pressure, trading down from -\$11.25/bbl to -\$11.45/bbl before the window. May 380 cracks were offered, trading at -\$11.70/bbl. 380 E/W were strengthened in the window, trading up from -\$16.75/mt to -\$15.75/mt due to outright buying interests. We then saw deferred barge cracks buying, with Q3 trading at -\$10.75/bbl which supported the front barge cracks recovering back to -\$11.25/bbl post window.

In VLSFO, Sing cracks were better bid in the early afternoon, with Mar buying from \$13.15/bbl up to \$13.35/bbl and Apr trading up to \$12.70/bbl. Sing spreads were a touch firmer, with Mar/Apr trading at \$8.50/mt and Apr/Jun trading at \$16.00/mt. Euro spreads were well bid down by a major, with Mar/Apr buying up from \$7.00/mt to \$7.50/mt and Apr/May trading at \$6.75/mt. Euro cracks were supported, with Mar trading up to \$5.70/bbl before selling down to \$5.60/bbl at the end of the window. Mar 0.5 E/W traded at \$48.50/mt. Euro spreads came down after buying interests were gone, with Mar/Apr trading down to \$7.00/mt post window.

Distillates

ICE Gasoil spreads continued to come off slightly into the afternoon, seeing the Mar/Jun weaker from \$62.50/mt to \$59.00/mt. In the deferred parts of the curve we also saw the Jun/Jul spread coming off slightly down to \$7.25/mt. ICE Gasoil cracks were also weaker this afternoon, with the Mar crack down to \$28.80/bbl and the Q2 crack weaker at \$25.20/bbl. NWE Jet diffs were weaker overall, with the Mar diff initially firmer at \$51.50/mt in the early afternoon before coming off to \$50.00/mt into the window.

The Q2 was also softer, moving from \$63.00/mt to \$62.00/mt.

Prompt Sing Gasoil Spreads firmed up a touch. The Mar/Apr spread came into the afternoon stronger, trading up from a midday level of around \$1.10/bbl to \$1.15/bbl, ending the day indicated around \$1.17/bbl. Further down the curve, we saw the Apr/May spread continue to come off, trading down from \$1.45/bbl at midday to \$1.40/bbl into the afternoon, ending the day indicated around \$1.35/bbl. We also saw interest in the May/Jun seeing the spread hit down from \$1.25/bbl to \$1.16/bbl, seeing it lifted post window to \$1.23/bbl, also seeing interest in the Aug/Sep spread with it trading at \$0.65/bbl post window, having traded a tick higher, at \$0.66/bbl before. Mar E/W arbs were stronger this afternoon, as ICE continued to come off, trading up from -\$45.25/mt to -\$43.25/mt. Further down the curve, we saw some buying interest in the Q2 arbs into the afternoon, seeing them trade at -\$26.00/mt, seeing also the Q2/Q3 box getting lifted at -\$0.75/mt. Prompt kero spreads were a touch weaker this afternoon, seeing the Mar/Apr spread seeing better selling interest, finding momentary resistance at \$0.70/bbl. Prompt regrades were also weaker, getting hit down to -\$2.35/bbl in the early afternoon, before we saw them getting lifted to -\$2.25/bbl by mid-afternoon, ending the day trading at -\$2.30/bbl.

Gasoline

This afternoon in Gasoline we saw cracks trade at the end of the afternoon window around \$15.60/bbl in Mar EBOB. RBBRs dipped down to \$23.30/bbl handles before rebounding to \$23.90/bbl handles in the Euro window. Arbs saw some volatile price action, going bid in Mar post-window at 21.50c/gal, and Q2 saw offers from real players between 10.20c/gal and 10.30c/gal. We saw real buying of arbs in April as well today. Mar/Apr EBOB saw sticky buying today at -\$35/mt levels, trading up to -\$34.75/mt end-window.

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Apr/Sep saw better bid side interest between \$71/mt and \$71.50/mt. We saw Apr/May offered again up to \$9.25/mt and Jun/Jul offered at \$14.50/mt. Banks had interest to sell summer cracks in EBOB at \$17.60/bbl handles. Gasnaphs in Europe were bid in Q2 at \$199.50/mt from refiners, and offered in Mar at \$159/mt from trade houses. E/W gasoline was stronger this afternoon, seeing offers come in at -\$2.80/bbl. We continued to see selling of 92 Mar cracks this afternoon, including from banks. Deferred 92 cracks had bid side interest in Q3 and Q4 from banks, trading at \$8.50/bbl and \$6.25/bbl.

Naphtha

This afternoon in Naphtha we saw NWE cracks continue to stay supported from the morning, breaching -\$9/bbl handles in Mar and settling at -\$8.90/bbl end window with trade houses on the offer side of cracks. Front spreads strengthened from lows seen this morning, Mar/Apr trading from \$7/mt up to \$8.50/mt and the Q2/Q3 crack roll saw recovery at \$0.35/bbl. Q3 cracks saw buying by trade houses at -\$9.70/mt and Cal'25 saw levels at -\$9.65/bbl post-window. Front E/W strengthened with Mar/Apr MOPJ seeing buying up to \$8.50/mt, leading the front to trade to \$19.25/mt with refiners on the sell side. Physical were seen buying Q2 E/W at \$18.50/mt post-window.

NGLs

A volatile afternoon in NGLs with the return of US players. Initially FP sold off on a crude percentage basis with premiums much lower, Mar/Apr trading 3c/gal, Apr/May trading 3.625c/gal, and Q2/Q3 trading around 2.625c/gal. Arbs sold off with Mar arb down at around -\$160/mt, Q2 around -\$168/mt. A weak Europe coupled with firm freight saw E/W supported, with \$89/mt trading in Mar. FEI structure was also supported, with Mar/Apr trading at \$13/mt. Going into the European window, we saw premiums retrace in LST, with Apr/May trading 4c/gal, and Mar/Apr a touch firmer at 3.25c/gal.

Arbs also followed, with Mar trading back up at around -\$155/mt. The European window was mixed, with players both offering and bidding, but premiums weakened, with Mar/Apr NWE trading \$8/mt and Apr/May at \$9/mt.