

Flat Price

Crude flat price remained supported above \$85/bbl levels on Friday afternoon, trading at \$85.33/bbl at 17:20 GMT. Prices saw a very comfortable weekly gain, topping \$85/bbl for the first time since November. The narrative has been one of supply tightness as both crude oil and gasoline inventories falling in the US, with there also being expectations of US refiner buying before summer driving season. However, a stronger dollar following confirming of sticky US inflation has limited the upside, with the market pricing in less Fed rate cuts this year. The Indian government has raised its windfall tax on petroleum crude to 4900 rupees (\$59.15) a tonne from 4600 rupees with effect from March 16. Angola seeks financing from China or private investors to build a refinery at the port city of Lobito, a petrochemical plant and a military air force base, President Joao Lourenco said. The Angolan president is in China this week. The front- and 6-month Brent futures spreads are at \$0.61/bbl and \$3.87/bbl respectively.

Crude

Quiet afternoon in Dated, where we saw Balmo continued to be better offered to find lows of -\$0.20/bbl. We saw a British major sell side of 29-3/5 3w roll – the first real paper seller of May rolls - trading \$0.48/bbl. Apr DFL remained rangebound between \$0.50/bbl and \$0.55/bbl, whilst Apr/May Dtd was supported around the \$0.52/bbl handles despite the May roll selling. Prompt rolls remained firmly in the negative territory, with 18-22/3 1w last trading -\$0.10/bbl, and 2-5/4 1w trading -\$0.02/bbl. In the NS window we saw a major and trade offering Midland again, pressuring the physical diff further before a Geneva trade lifted an offer for the back of the strip, keeping the physical diff positive. CFD's in the prompt continued to trade lower with 25-29/3 CFD trading -\$0.25/bbl with paper continuing to be on the sell side.

Fuel Oil

In HSFO, mixed interests on 380 FP, with May 380 cracks trading around -\$10.00/bbl and Apr trading at -\$10.55/bbl. 380 spreads were a touch softer, with Apr/May trading at \$0.50/mt and May/Jun trading at \$2.75/mt. Barge cracks were strengthened in the window due to euro Hi5 selling, with Apr trading from -\$11.55/bbl up to -\$11.35/bbl at the end of the window. Barge spreads were better offered, with Apr/May selling down to -\$3.50/mt and May/Jun trading at -\$1.25/mt. Thin volatility on 380 E/W this afternoon, trading at \$5.75/mt in Apr.

A quiet afternoon in VLSFO, 0.5 cracks sold down on screen, with Apr trading down to \$13.30/bbl. Sing spreads were a touch softer, with Apr/May and May/Jun trading at \$5/mt and \$7/mt respectively. Euro cracks were supported due to Jun Euro FP buying by a trade house, with Apr Euro crack trading from \$6.65/bbl up to \$6.85/bbl. Euro spreads were still bid, with Apr/May and May/Jun trading at \$7/mt respectively. 0.5 E/W came under pressure, with Apr implying at \$42.50/mt. Euro cracks then sold down in the window, with Apr selling down to \$6.60/bbl. Sing cracks rebounded in the window and traded further up to \$13.65/bbl post window.

Distillates

ICE gasoil spreads and cracks strengthened into the evening, rebounding from the previous technical support on the cracks. The Apr/May spread is currently at \$14/mt, while the May/Jun spread is at \$11.75/mt post-window. The Apr crack is at \$26.80/bbl, while the Q4 crack is at \$25.20/bbl, both stronger into the evening. The European jet diffs strengthened a tick at the front, as the Apr diff traded up to \$42.50/mt with the May trading at \$57.50/mt, implying the roll at -\$15/mt. In the back end, the Q2 and Q3 diffs traded at \$53/mt and \$62/mt respectively.

HOGOs came off from the morning's highs despite stronger futures, with ICE Gasoil rallying more than the HO futures. The Apr swap is at 4.6c/gal and the Q4 swap is at 10.7c/gal into the evening.

Singapore Gasoil spreads remained rangebound at the prompt into the afternoon despite ICE gasoil spreads recovering from afternoon lows through the evening. The Apr/May spread is indicated at \$0.63/bbl, while the May/Jun is stronger from \$0.68/bbl to \$0.70/bbl. The E/W weakened from its strong rally through the morning, with Apr coming off to -\$40.50/mt into the close and the May getting hit down to -\$32/mt but indicated stronger post-window. In the back end, the Jul-Dec strip traded at -\$29/mt, but the market was muted in deferred interest into the evening. Regrade weakened through the evening, with the front trading down from -\$1.80/bbl to -\$1.85/bbl, while the Q3 regrade traded at -\$1.25/bbl and the Q1 at -\$0.35/bbl. Kero spreads saw the Jul/Sep trade at \$0.95/bbl while the Apr/Jun regrade roll was hit down to -\$0.30/bbl on screen.

Gasoline

A strong afternoon in Gasoline, where we saw cracks trade at the end of the afternoon window around \$23.65/bbl in Apr EBOB. RBBRs remained resilient this afternoon and well-bid down the curve, particularly in June. In May, RBBRs stayed around the \$27.75/bbl mark. The arb saw selling in Apr and Jun today, from phys, at 11.60c/gal in Apr and 10.50c/gal in Jun. We saw funds on the buy side of arbs in Apr as well. EBOB was well bid this afternoon, with spreads trending higher. Apr/May was well bid between \$9/mt and \$9.25/mt from ref. We also saw phys bids on May/Sep EBOB up to \$77.75/mt and Jun/Sep up to \$60.25/mt. May/Jun looked to be less well-bid. The front crack roll, Apr/May saw bid-side interest at \$0.45/bbl.

We saw buying of cracks end-window around \$23.75/bbl, but offered Q3 cracks at \$18.60/bbl. Gasnaph selling from real players remained a dominant flow this afternoon, in Apr at around \$208/mt. The May/Jun gasnaph box saw bid-side interest, trading at \$6.75/mt from refiner. In the East, we saw some fund buying of Jun cracks at the \$12.40/bbl mark, and the front 92 spreads saw offers on Apr/May and bids on May/Jun, at \$0.83/bbl and \$1.50/bbl respectively.

Naphtha

This afternoon in Naphtha we saw Apr24 NWE cracks settle at -\$6.65/bbl end window with strong buying flows entering after seeing lows of -\$6.95/bbl on the day. Front spreads strengthened in Europe after fund roll selling was taken out at \$13.5/mt, the spread trading up to \$14.5/mt post-window and May/Jun seeing buying at \$10.75/mt. Q2/Q3 spread saw buying by trade, lifting up to \$26.25/mt. E/W saw retracement from the morning weakness with Europe falling, the front trading at \$15.5/mt end window with deferred bids coming in lower with Q4 at \$12/mt. MOPJ spreads remained supported with Apr/May continuing to trade at \$13/mt and Q3/Q4 seeing major buying at \$16/mt.

NGLs

An afternoon of US recovery on NGLs as the downward trend over the last week retraced. Initially physical was offered at the US Open and paper weakened but just after 2pm GMT, physical offers began to be lifted consistently and in decent volume. Paper spreads strengthened in US domestic products especially in butane as March/April traded to 2c/gal. FP went better bid and the arb was bid in turn with LST/FEI continuing its move up from this morning: trading at -\$189/mt in April and -\$190/mt in Q3. FEI structure weakened and E/W was offered trading at \$88/mt in Q2.

Approaching the window, arbs did soften a touch and LST FP went better offered, albeit on thin liquidity, after the 80c/gal mark traded in April. Despite the E/W weakness, NWE spreads softened in the front of the curve as \$7/mt traded in April/May as physical was offered in the window.