

## Flat Price

Prompt Brent futures flat price has witnessed a strong, yet volatile, afternoon period with prices supported from lows of \$85.47/bbl at 12:50 GMT to print at \$86.59/bbl at 16:50 GMT. Saudi Aramco CEO, Amin Nasser, stated that global oil demand is to reach an all time high in H2'24, although peak worldwide oil demand is unlikely for "some time to come". US Energy Secretary Jennifer Granholm announced that the US SPR at year-end will be at or exceeding the level that existed prior to sales a couple years ago. The reserve currently holds around 362mbbls, almost half of the value seen at the heights of 2020. China is on track to import 1.7mbbls/d of Russian crude oil, with Sokol flows projected to triple from a month earlier and reach an all-time high of 379kbbls/d. Moreover, Iraq has proclaimed that it will reduce oil exports to 3.3mbbls/d, from 3.43mbbls/d in Feb, for the coming months in order to compensate for producing above its OPEC+ limits in Jan and Feb. The front and 6-month Brent futures spreads are at \$0.62/bbl and \$4.16/bbl, respectively.

## Crude

Another relatively slow session for Dated, with a rangebound performance from DFL's. Apr DFL last trades \$0.55/bbl – lower on the day despite spreads higher, whilst May is relatively unchanged at \$0.70/bbl. A quiet day for rolls saw Cal Apr v 22-26/4 trade down 2c to \$0.01/bbl, whilst the Bal week roll 18-22/3 v Cal Apr was sold down to -\$0.25/bbl. In the NS window, we saw no bid/offer indications in the physical leaving the diff around \$0.09/bbl despite the market pricing Bal-week with an implied negative physical diff. CFD's were relatively quiet also, with no trading for CFD's in Mar, whilst 8-12/4 CFD saw some refiner buying around \$0.44/bbl and 2-5/4 CFD was well bid, trading \$0.45/bbl.

Quiet end to the day in Dubai with BD unchanged from the afternoon, we saw trade house selling of Q4 BD, trading at \$0.73/bbl.

There was selling of the Apr/Q4 and Jun/Q3 boxes, trading at -\$0.93/bbl and -\$0.24/bbl. The Apr/May vs Jun/Jul condor traded at \$0.12/bbl as well with interest coming from the sell side.

## Fuel Oil

In HSFO, mixed interests on 380 FP by Chinese, 380 E/W traded around \$5.25/mt in Apr. The front 380 spreads were better offered, with Apr/May trading down from \$0.50/mt to flat and May/Jun trading at \$3.50/mt. We saw deferred barge cracks buying, with Q4 trading at -\$11.40/bbl. Then the front barge cracks sold down to -\$11.05/bbl in large size with outright selling interests, but quickly absorbed by the markets and rebounded to -\$10.90/bbl before the window. Barge spreads were offered, with Apr/May selling down to -\$3.50/mt and May/Jun trading at \$1.75/mt. Q2/Q3 barges spreads traded at \$11/mt. 380 E/W traded further down to \$4.75/mt in Apr post window.

In VLSFO, Chinese were buyers of Jun Sing FP, with Jun Sing cracks trading around \$13/bbl. Then the front Sing cracks sold down from \$13.55/bbl to \$13.45/bbl. The front sing spreads were a touch softer, with Apr/May and May/Jun trading at \$4.75/mt and \$6.75/mt respectively. 0.5 E/W were stable, with Apr trading at \$42.75/mt and Q3 trading at \$42.00/mt. Euro cracks traded around \$6.70/bbl in Apr. Apr/May Euro were a better bid, buying at \$7.25/mt in the early afternoon. May/Jun and Jun/Jul Euro traded at unchanged levels, at \$7.00/mt and \$6.75/mt respectively. We continued to see Q3 Sing cracks buying interests, bidding around \$11.65/bbl.

## Distillates

The ICE Gasoil spreads trended upwards into the window from afternoon lows, with Apr/May back up at \$15.75/mt from \$14.75/mt and the May/Jun spread at \$13.75/mt from \$13/mt.

Similarly, the cracks retested the highs from the morning, with the Apr crack at \$28.05/bbl and the Q4 crack at \$25.70/bbl, both strong into the close after coming off into the afternoon on the back of hedgers' sell-side interest. The NWE jet diffs saw the Apr trade up to \$41.50/mt while the May is indicated at \$57/mt. The Apr/May and May/Jun diffs weakened, trading down to -\$15.50/mt and -\$5/mt respectively, with interest in the Jun/Jul diff roll seen at -\$0.50/mt. The HOGOs came off into the afternoon, trending downwards and remaining weak at the front of the curve into the evening. The Apr swap is at 3.70c/gal and the Q4 swap is at 11c/gal, stable in the back end.

Sing gasoil spreads rallied from afternoon lows, with the Apr/May trading up from \$0.66/bbl to \$0.68/bbl, and the May/Jun spread trading between \$0.78/bbl and \$0.80/bbl. At the front of the E/W curve, the prompt rallied to -\$43.50/mt before coming off to -\$44.75/mt post-window before strengthening back up a tick to -\$44.25/mt. The May/Jun E/W box saw sell-side interest at -\$3.25/mt, with the back end E/Ws seeing the Q2 trade at -\$36/mt and interest in Q1'25 at -\$25/mt on the back of a combo. The regrade saw the prompt trade back down to -\$1.90/bbl in Apr after rallying to -\$1.85/bbl in the afternoon. The Q3'24 regrade traded at -\$1.27/bbl while the Q1 traded at -\$0.45/bbl as part of the combo. The Apr/May kero spread saw buy side interest keep it supported at \$0.52/bbl while the Apr/Jul regrade roll traded at -\$0.60/bbl.

## Gasoline

This afternoon in gasoline, we saw cracks trade at the end of the afternoon window around \$24.55/bbl in Apr EBOB. RBBRs rallied on US open to \$29.30/bbl handles in May but softened to \$28.60/bbl end-window.

We saw strong bank flow this afternoon in deferred EBOB cracks, with banks on the sell side of Q4 cracks between \$9/bbl and \$9.20/bbl, and of Q3 cracks at \$19/bbl. We also saw banks having interest to buy prompter cracks in the window. Crack rolls had majors on the buy side of Q2/Q3 at \$4.75/bbl and on the sell side of Q3/Q4 at \$10/bbl. May/Sep saw sticky buying this afternoon around \$81.25/mt as well as May/Jun at \$17.75/mt. Oct/Nov was well offered at \$23/mt and the front spread, Apr/May, was bid up to \$10/mt. Selling from gasnaphs came in at \$215/mt in the afternoon, from real players. Arbs were bid end of the Euro window at 11.30c/gal, and were offered in June in the afternoon at 10.50c/gal. The East saw deferred cracks offered, in Q4 from a bank at \$7.80/bbl and real players offering Q3 92/MOPJ at \$18.60/bbl. The Q2/Q3 crack roll had sticky buying at \$2.80/bbl. Prompt 92 spreads saw offered in Apr/Jun at \$2.30/bbl and majors on the sell side of E/W in Apr at -\$10.40/bbl.

### Naphtha

This afternoon in Naphtha we saw Apr NWE cracks settle at -\$6.75/bbl end window with cracks weakening into the afternoon off the back of strong crude with Apr NWE flat price breaching \$700/mt handles. Trade and major were on the bid side of cracks in front tenors, lending support with cracks seeing good selling. Front spreads weakened in Europe with Apr/May going from highs of \$15.75/mt today down to \$14.75/mt end window and May/Jun down to \$10/mt. Deferred cracks saw mixed interest with Q3 seeing selling at -\$8.45/bbl and the Q4/Q1'25 crack roll seeing buying at \$0.20/bbl. Front E/W came off into the afternoon with crude strength, Apr falling from \$15/mt down to \$12.25/mt post-window and Jun down to \$14.50/mt with a lack of buying in Asia.

### NGLs

An afternoon of international weakness on NGLs. FEI structure continued to weaken from the morning as arbs went better bid. Although bids were hit in the physical at the US open, flat price was still well bid in the domestic paper, LST flat price strengthened on a crude-percentage basis as April traded up to 81.50c/gal. Deferred bidding interest helped structure stay weaker as 0.50c/gal traded in Q2/Q3 LST and 0.75c/gal traded in Apr/May. The LST strength was supported by consistent arb buying over the afternoon with majors and importers buy side at the front of the curve; Q3 LST/FEI traded up to -\$185/mt and April finished the afternoon bid at -\$185/mt. Butane, although offered in the physical, retained buying interest at the front of the curve in the paper and this helped keep structure somewhat static. With FEI weakening, NWE was comparatively better bid and the E/W diff fell trading at \$85/mt in April and down to \$66/mt further out in Q1'25. Despite this E/W weakness, with physical offered in the window, NWE structure softened as Apr/May traded down to \$6/mt.