

Flat Price

The May Brent futures contract continued spiraling downwards this afternoon with prices tumbling from \$86.70/bbl around noon to \$85.80/bbl at 17:15 GMT (time of writing). EIA stats for the week to Mar 15 highlighted a 1.95mbbls draw in US crude oil inventories, surpassing median estimates of a 150kbbbl draw. Gasoline stocks saw a 3.31mbbls draw against an expected 2.8mbbls draw, whilst distillates stocks recorded a build equaling 624kbbbls against expectations of a draw. In other news, market participants will also be on the lookout for the US Fed's decision on interest rates due at 18:00 GMT. While the Fed is expected to keep rates unchanged, sentiment regarding early rate cuts is still tepid with inflation still above the Fed's 2% target. Finally, the front-month and six-month Brent spreads are currently at \$0.60/bbl and \$4.04/bbl, respectively.

Crude

A weaker session for Dated, seeing Apr DFL sold down through the afternoon into the window, finding lows of \$0.45/bbl. With May slightly better supported again – bottoming out at \$0.65/bbl and now trading \$0.67/bbl, we saw Apr/May Dtd and DFL roll come under pressure to trade \$0.46/bbl and -\$0.25/bbl respectively. In the NS window, we saw a gva trade house offer midland for prompt Apr dates, implying the physical diff slightly negative, whilst CFD's trade lower, with 25-29/3 CFT sold at \$0.20/bbl, and 2-5/4 CFD \$0.30/bbl. We saw an MM a seller of the 8-12/4 1w roll at -\$0.03/bbl in the window, although is now bid on, whilst the front roll trades back down at -\$0.14/bbl.

Quiet afternoon in Dubai with Apr BD trading in the same 5c range from -\$0.18/bbl to -\$0.13/bbl. We saw spread buying continue into close, with Jun/Dec and May/Sep trading at \$4.28/bbl and \$3.28/bbl. Cal Mar/Apr buying was still there, trading at -\$1.33/bbl.

We saw late buying interest of Apr Dated/Dubai and Apr BD, trading at \$0.33/bbl and -\$0.15/bbl respectively. The Q4 BD traded at \$0.70/bbl with interest from the sell side.

Fuel Oil

In HSFO, Chinese were buyers of Jan'25 380 FP which put pressure on the 380 spreads, with Apr/May selling down from -\$1.50/mt to -\$1.75/mt on screen and May/Jun trading down to \$2/mt. 380 cracks were offered by funds, with May trading at -\$9.80/bbl in the whole afternoon. The front barge cracks were range bounded, with Apr trading down from -\$11.15/bbl to -\$11.35/bbl before recovering back to -\$11.25/bbl at the end of the window. Barge spreads were better offered due to second half barge cracks buying, with Apr/Jun selling down to -\$3.25/mt and Jun/Sep trading at \$17.25/mt. 380 E/W were supported, with Apr trading from \$2.50/mt up to \$3.75/mt.

In VLSFO, Sing spreads were well offered down the curve, with Apr/May selling down from \$4.50/mt to \$4/mt and May/Jun trading down to \$6.00/mt. Jun/Sep Sing sold at \$23/mt. Sing cracks kept selling down in the afternoon, with Apr trading from \$12.65/bbl down to \$12.30/bbl at the end of the window. Euro cracks traded down due to weakened Sing structures, with Apr trading down from \$5.95/bbl to \$5.70/bbl at the end of the window. Euro spreads were better bid, with Apr/May trading from \$6/mt to \$6.25/mt and May/Jun buying at \$6.25/mt. 0.5 E/W came under pressure, with Apr implying at \$41.75/mt and Q2 trading at \$43/mt. Euro cracks then turned to better bid post window, buying up to \$5.90/bbl. Sing cracks traded at \$12.40/bbl in Apr.

Distillates

ICE gasoil spreads and cracks continued to weaken into the day, pushed down further on a bearish stats announcement for distillates. The Apr/May spread saw lows of \$9.50/mt before ticking back up to \$10/mt and the May/Jun spread is stronger at \$9.75/mt from \$9.25/mt. The ICE gasoil cracks similarly trended downwards before finding support post-window. The Apr crack is at \$25.30/bbl and the Q4 crack is at \$24.50/bbl. The European jet diffs saw the front strengthen from lows into the window, with Apr trading up to \$40/mt and May stronger at \$55.50/mt. In the back end, the Q3 is also stronger at \$63.50/mt, while the Q4 jet diff traded at \$61.50/mt. HOGOs rallied into the evening as the ICE gasoil spreads weakened, with the Apr swap at 4.20c/gal and the Q4 swap at 10.50c/gal.

Sing gasoil spreads saw further weakness into the afternoon before finding a floor for the day at the front of the curve. The Apr/May spread traded down to \$0.05/bbl before getting lifted back up to \$0.07/bbl into the evening, with May/Jun and Jun/Jul trading at \$0.44/bbl and \$0.54/bbl respectively. The E/W at the front is also stronger, trading up to -\$41.50/mt at the front, back down to -\$42/mt post-window, while May traded up to -\$31.50/mt and is offered there into the evening. In the back end, the Q3 was stronger, trading from -\$30/mt to -\$29/mt, with the Q4 also trading at -\$28.75/mt, indicated a touch higher into the evening. Regrades at the prompt traded up into the afternoon, with Apr regrade higher at -\$1.60/bbl before coming off into the evening at -\$1.73/bbl. The May regrade is similarly weaker at -\$1.75/bbl post-window. The Apr/May Kero spread was hit down to \$0.15/bbl on screen into the evening, while the Jun/Jul is at \$0.40/bbl, with the Jun/Sep spread seeing buying interest between \$1.30/bbl and \$1.35/bbl.

Gasoline

This afternoon in Gasoline, we saw cracks trade at the end of the afternoon window around \$24.15/bbl in Apr EBOB. RBBRs rallied to \$28.20/bbl post bullish gasoline stats this afternoon by the Euro window. We saw some sticky selling of Jun arbs at 10.50c/gal in the afternoon, but more buy-side interest post-stats in Apr arbs between 11.40c/gal and 11.30c/gal, from funds and trade. EBOB spreads continued its bid streak into the afternoon from phys and fund types, with May/Jun bid up to \$17.25/mt, Jul/Aug bid at \$19/mt and Aug/Sep seeing sticky buying at \$24.50/mt. Deferred spreads also ran into buying, with Sep/Dec bid up to \$93/mt. Summer cracks saw some sell side interest early afternoon from funds at \$20.65/bbl, and Q2 cracks found sticky selling at \$23/bbl from refiners. Majors were buying May cracks at \$23.75/bbl end Euro window. We had some smalls interest to buy Q3 gasnaphs at \$187/mt this afternoon from reals. In the East, spreads saw buying, with May/Jun bid at \$1.65/bbl and Jun/Jul bid at \$1.85/bbl. E/W interest flipped to buy-side interest post-stats, with -\$9.70/bbl bid in Apr. Eastern gasnaphs saw buying in Q3 at \$18.50/bbl from phys.

Naphtha

This afternoon in Naphtha we saw Apr NWE cracks settle at -\$7.35/bbl, seeing good buying returning in window with major on the bid side after seeing lows of -\$7.55/bbl this afternoon. Front spreads were well bid with Apr/May seeing trade buying up to \$15/mt end window and May/Jun up to \$9/mt. Deferred cracks saw trade buying as they continued their downtrend, Q3 trading at -\$8.80/bbl end window and the Q2/Q3 crack roll seeing recovery trading at \$0.65/bbl. E/W weakness persisted into the afternoon with spreads seeing fund selling of Apr/May in size at \$9.50/mt, pressuring Apr E/W below \$10 handles, trading as low as \$9.50/mt.

NGLs

International structure firmed on NGLS this afternoon and US domestic structure weakened in a reversal of the trend seen so far this week. Stats announcing a 0.4 million build in Propane/Propylene led to bearish sentiment and saw LST paper structure weaken further in the second half of the afternoon. The prompt April/May LST spread weakened down to 0.50c/gal although further out the Q3/Q4 spread was consistently bid. Butane stayed better bid than its lighter LPG counterpart as May C4/C3 diff ended the afternoon up at 15.125c/gal although structure still softened a touch in the prompt as Apr/May spread traded at 1.50c/gal. International spreads stayed firmer as May/Jun CP traded at \$21/mt and May/Jun FEI traded at \$5/mt. The arb continued falling with LST offered as LST/FEI traded down to \$181/mt in the prompt. E/W continued to be better bid up to \$87/mt in the prompt; a quiet window left NWE structure static as April/May traded at \$5.50/mt.