

Flat Price

The Jun Brent futures contract strengthened into the afternoon with prices rising to \$89.95/bbl around 15:20 BST but subsequently easing off to \$89.70/bbl at 17:05 BST (time of writing). Bank of America Global Research has raised its 2024 Brent and WTI forecasts to \$86/bbl and \$81/bbl, respectively, with speculation that both prices could peak around \$95/bbl in the summer. EIA stats for the week to Mar 29 announced a build of over 3.2mbbls in US crude inventories against median estimates of a 1mbbls draw. Cushing stocks, however, recorded a 377kbbls draw. In addition, today's scheduled OPEC+ JMMC kept output policy unchanged but saw the producer group insist members to be more compliant with the output cuts in place. Finally, the front-month and six-month Brent spreads are currently at \$1/bbl and \$5.30/bbl, respectively.

Crude

In Dated, we saw Balmo DFL recover from the morning's weakness, reaching highs of \$1.18/bbl before turning better offered again post window at \$1.12/bbl. May DFL was strong throughout the day ending the day up 2c despite weaker spreads, reaching highs of \$1.32/bbl, now trading \$1.23/bbl. We saw weakness out of 8-12/4 earlier in the afternoon, trading -\$0.09/bbl on the 1w roll, although found some buying around these levels with the implied physical looking low. In the afternoon, we saw may rolls well bid, with a British major lifting 13-17/5 3w roll at \$0.85/bbl, and then bid on by trade, which in turn saw May/Jun DFL rally to highs of \$0.22/bbl, although now trades lower at \$0.16/bbl post window with rolls a touch softer post window. In the NS window, the same Gva trade came out bidding the physical, with bids for prompt Forties loading and Brent across the strip lifting the curve and raising the physical diff again. This trade was seen buyside of CFDs also, with 15-19's trading within a 3c range of \$1.19/bbl with a London trade house the primary seller.

22-26's traded \$1.10/bbl and \$1.11/bbl in the window, and 8-12's \$1, with a major the main buyer of the latter.

Fuel Oil

In HSFO, there were scaled back Q3 barge crack selling on stronger crude, trading around -\$10.70/bbl which put pressure on the front barge crack, with May gapping down from -\$12.55/bbl to -\$12.85/bbl in decent volume on screen. Barge spreads were well offered down the curve, with May/Jun trading down to -\$4.00/mt and Jun/Aug selling down from \$7.50/mt to \$6.00/mt. Barge cracks sold further down to -\$12.95/bbl at the end of the window before recovering back to -\$12.80/bbl post window. The front 380 E/W were supported due to weakened barge cracks and Q3 380 E/W buying, with May trading from \$6/mt up to \$8/mt and Q3 380 E/W buying at \$2.25/mt in good size. 380 spreads were a touch softer, with May/Jun trading at -\$0.25/mt and Jun/Jul trading at \$3/mt.

In VLSFO, Sing spreads continued to be well offered down the curve, with May/Jun selling down to \$3.25/mt and Jun/Jul trading down to \$5.25/mt in large size on screen. There were Q3 Sing cracks selling interests during the window, selling down to \$11/bbl. The front Sing cracks came under pressure, with May trading down to \$10.75/bbl at the end of the window. Euro cracks were bid by US trade houses, with May trading at \$4.85/bbl in the early afternoon. We also saw Q3 Euro cracks selling interests, trading around \$4.50/bbl, putting pressure on the front Euro crack, down to \$4.70/bbl at the end of the window. Euro spreads were better offered, with May/Jun and Jun/Sep trading down to \$6.25/mt and \$18/mt respectively. 0.5 E/W sold down from \$39/mt to \$38/mt in May.

Distillates

ICE Gasoil spreads weakened late in the afternoon following a strong morning. The May/Jun spread traded up to \$10.25/mt before coming off to \$8.50/mt after the window. Similarly, the Jun/Jul spread traded up to \$6.75/mt before retracing back to its opening level of \$5.50/mt. ICE Gasoil cracks also rallied in the early afternoon before retracing. The May crack traded up to \$24.30/bbl but is currently indicated at \$23.80/bbl, while the June crack reached \$25.30/bbl before retracing back to \$24.70/bbl. Down the curve, interest was seen in Q3 at \$25.60/bbl and Q4 at \$25.50/bbl. Prompt NWE jet diffs strengthened in the afternoon, with the May diff trading up to \$55.00/mt and the June diff up to \$61.00/mt. The deferred Q125 diff also saw interest, trading at \$61.25/mt. HOGOs in front were stronger in the afternoon seeing the May swap firming up to 4.40c/gal while the Q4 came off to 10.20c/gal.

A mixed afternoon was observed for Sing gasoil spreads. The May/Jun spread rallied up to \$0.36/bbl from \$0.32/bbl, but it later retraced to \$0.30/bbl post window. The Jun/Jul spread saw buying interest throughout the afternoon and was lifted up to \$0.55/bbl from \$0.46/bbl. However, it is currently being offered at \$0.49/bbl on screen. Continued interest was seen in the Jun/Dec spread which traded at \$4/bbl. The May E/W came off into the early afternoon to -\$34.50/mt but has rallied back to -\$33.50/mt during the window. The Jun E/W traded down to -\$29.75/mt after trading up to -\$28.75/mt earlier. Further down the curve we saw continued Q3 interest, with it trading down to -\$28.75/mt from -\$27.50/mt. The prompt regrades continued to trend higher this afternoon, with the May regrade at -\$1.91/bbl, up from -\$1.95/bbl while the Jun regrade traded up to -\$1.50/bbl but has since came off back to -\$1.55/bbl. In the deferred, some Q3 interest was seen as it traded up to -\$1.35/bbl.

Gasoline

This afternoon in gasoline, we saw cracks trade at the end of the afternoon window around \$22.65/bbl in May EBOB. RBBRs ticked up to \$26/bbl in the afternoon with EIA stats showing a larger than expected draw in gasoline, but softened back to \$25.80/bbl handles in the Euro window. RBBRs softened post window down to \$25.50/bbl. Arbs continued to be well offered this afternoon, from real players, mainly in May at 10.60c/gal, however arbs were sold down to 10c/gal in the Euro window. We did not see as strong gasnaph selling today, with selling seen in Q3 at \$29.80/bbl on a crack-crack basis, however, May saw buy-side interest this afternoon from refiners at \$243/mt. We saw offer side interest on EBOB spreads, with Jul/Aug at \$18.75/mt, Jun/Jul at \$19/mt and May/Jun at \$15/mt. We saw cracks going better bid in the Euro window in May and June, at \$22.65/bbl and \$21.70/bbl respectively. Jun/Q3 crack roll was offered at \$3/bbl today from ref, however we saw bids on the May/Q3 at \$3.90/bbl. We saw refiners on the bid side of Jun 92/RBOB today in the afternoon at -\$14.10/bbl. E/W was offered down to -\$10/bbl where bids from phys came in. 92 spreads saw little activity this afternoon, however the May/Jun was well bid at \$1.60/bbl.

Naphtha

This afternoon in naphtha we saw May24 NWE cracks find some support after trading down to lows of -\$12.45/bbl post-US open but trade and refiner buying led to the crack settling at -\$11.95/bbl end window. The phys window was offered with no buy-side interest and we saw good selling of cracks end window which was well absorbed. The pricing spread saw selling down to \$8/mt with May/Jun remaining at \$6.50/mt. Similar flows were seen in the deferred with market maker selling Q3 at -\$11.25/bbl and Q4 found bank buying May -\$10.30/bbl post-window. E/W seeing mixed interest with trade selling Jun post-window at \$13.50/mt with the front box at flat. MOPJ spreads had little interest but saw the pricing spread trade down to \$7/mt.

NGLs

A volatile afternoon on NGLs; initially physical bids were hit at the US open helping the paper LST weaken and bringing the LST/FEI arb down with it as May traded down to -\$180/mt, Q4 traded down to -\$188/mt, and the Q3/Q4 arb box traded down to \$8/mt. Butane, however, resisted this domestic weakness and was well bid throughout the afternoon in both the physical and the paper. The Balmo ENT C4 spread was bid up 3c/gal higher than yesterday and Cal25 butane traded up at 88c/gal. When stats were announced as a 0.4 million draw instead of an expected build, LST structure was supported and went better bid; Q3/Q4 LST traded up at -1.125c/gal. Into the window there was both bids and offers in the physical and off the back of this NWE spreads weakened a touch in the paper up from \$9.50/mt to \$8/mt in April/May.