

Flat Price

Jun Brent futures flat price oscillated in and out of \$90/bbl handles all afternoon, reaching a low of \$89.40/bbl around 15:50 BST before correcting to \$90.05/bbl at 17:10 BST but falling to \$89.90/bbl handles come 17:20 BST (time of writing). OPEC, in its monthly report, stuck to last month's forecast for world oil demand growth, stating that demand is expected to rise by 2.25mbbls/d in 2024 and 1.85mbbls/d in 2025. In addition, the producer group has said that despite some "downside risks," the momentum seen in the beginning of the year could translate into further upside potential for global economic growth in 2024. Market participants will now be awaiting the IEA's monthly report due tomorrow. In other news, oil exports from Russia's Baltic ports are expected to rise by 5% month-on-month to 7.1 million metric tonnes in April. In addition, a power outage shut multiple fuel-producing units at Motiva Enterprise's 626kbbbls/day Port Arthur refinery in Texas. Finally, the front-month and six-month spreads are currently at \$0.90/bbl and \$4.90/bbl, respectively.

Crude

A choppy afternoon for Dated, with May/Jun continuing to sell off throughout the afternoon, with the DFL roll eventually finding a floor at \$0.05/bbl, recovering a touch into the window to last trade \$0.11/bbl. We saw US scale back buying of the Dtd roll, whilst prompt May rolls continued to weaken, with 7-10/5 2w trading \$0.38/bbl pre window. We saw a Gva trade a good buyer of April rolls, as 22-26/4 1w was paid up to \$0.52/bbl, softening a touch to trade \$0.50/bbl last. In the window, we saw a brief flurry of buying in May, lifted up to \$1.22/bbl, but was quickly sold into and offered back down to \$1.09/bbl. In the physical, we saw a strong Midland bid lift the curve at the front, pushing the physical diff higher, although was sold by the Gva trade house we have seen on the bid side over the past few weeks. CFD's in the front were strong, with 15-19's trading \$1.60/bbl.

Fuel Oil

In HSFO, Chinese were buyers of 380 FP in Sep and Jan and sellers in May. We continued to see buying interests on Q3 380 E/W, buying up to \$4.00/mt. The front 380 E/W were supported, with May buying from \$10.50/mt up to \$11.00/mt and Jun trading at \$6.25/mt. Deferred barge cracks were well bid by European trade houses in decent size, with Q3 buying at -\$10.85/bbl and second half trading at -\$11.15/bbl which lent support on the front barge crack, with May trading up from -\$13.70/bbl up to -\$13.55/bbl. Then there were Jun barge crack selling at -\$12.00/bbl in the window. Barge spreads were stable, with May/Jun trading at -\$4.50/mt and Jun/Jul trading at -\$0.50/mt.

A quiet afternoon in VLSFO, the front Sing crack sold down to \$9.85/bbl before trading up to \$10.00/bbl at the end of the window. Euro crack went better bid, with May buying from \$4/bbl up to \$4.15/bbl before the window. Then it traded further up to \$4.30/bbl post window on screen. Euro spreads were better bid in the front, with May/Jun trading at \$6.50/mt. Sing spreads traded at unchanged levels, with May/Jun and Jun/Jul trading at \$2.50/mt and \$4.50/mt respectively. 0.5 E/W were a touch softer in the afternoon, with Jun trading at \$40.75/mt.

Distillates

ICE gasoil spreads continued to come off this afternoon with the May/Jun spread trading slightly lower at \$2.50/mt while the Jun/Jul came off to \$2/mt from \$2.75/mt. ICE gasoil cracks continued lower with the May crack trading down \$20.85/bbl from \$21.55/bbl in the morning. The Jun crack was hit down to \$21.50/bbl from \$22.25/bbl. Down the curve, interest was seen in the Cal25 crack which came off from \$23.45/bbl to \$23/bbl. The European Jet diff market continued higher this afternoon with the May diff trading higher at \$52/mt from \$46/mt seen earlier in the week.

The May/Jun diff box traded at -\$5.25/mt indicating the Jun diff at \$57.25/mt. In the deferred, interest was seen in Q4 at \$62.50/mt and Q1'25 at \$61.75/mt. The HOGO's weakened this afternoon with the May swap lower at 4.40c/gal and the Q4 swap at 9.10c/gal.

A quiet afternoon was seen in Sing gasoil spreads, with the May/Jun spread trading down to \$0.31/bbl while the Jun/Jul spread weakened a touch trading down to \$0.33/bbl. Interest was seen on the buy side in the Jun/Dec spread around \$2.90/bbl. E/W strengthened into the afternoon on a weaker IPE with the prompt E/W been lifted up to -\$26/mt while the Jun E/W was better bid on screen at \$26/mt after trading at -\$26.50/mt early in the afternoon. In the deferred tenors, continued interest was seen Q3 at -\$27/mt and Q4 at -\$26/mt. Little action was seen in Regrades this afternoon. The May Regrade traded up to -\$1.70/bbl while the Jun Regrade firmed a touch trading up to -\$1.46/bbl from \$1.52/bbl.

Gasoline

This afternoon in gasoline, we saw cracks trade at the end of the afternoon window around \$22.45/bbl in May EBOB. RBBRs ticked down to \$25.30/bbl handles in Jun by the Euro window, with arb buying continuing in Jun at 9.45c/gal, but saw some real selling in May at 9.50c/gal end window, May/Jun saw phys buying up to \$13.25/mt where offers came in from funds, retreating to \$13/mt. We had crack buying in EBOB this afternoon in May and Jun, with the May Jun crack strip trading at \$22/bbl end Euro window, bid from real. We had gasnaph selling down the curve today, in May at \$250/mt handles, Q3 at \$212/mt and Q4 at \$127/mt. RBNaps also saw strong selling this afternoon from phys players in May with RBBRs coming off. In the East, we saw activity through May and Jun 92/MOPJ, at \$23.80/bbl in May and down to \$22.45/bbl in Jun.

Naphtha

This afternoon in naphtha we saw an offered window with May24 NWE cracks well offered by physical players down to -\$12.85/bbl in window where it found support with RBnap offers coming in. Naphtha structure came off with selling seen down the curve, May/Jun and Jun/Jul NWE trading down to \$4.50/mt with the pricing spread seeing selling down to \$3.50/mt. The Q3/Q4 spread seeing selling down to \$12.75/mt, on a -\$0.80/bbl crack equivalent on weaker Brent. Front E/W continued strengthening with Europe weakness, May24 seeing fund buying end window at \$17.75/mt with the Q3 trading at \$14.75/mt. MOPJ cracks did see major selling, trading as low as -\$10.85/bbl.

NGLs

An active afternoon on NGLs; off the back of both arbs and international flat price being offered this morning, US domestic LPG prices were offered from the US open and weakened over the afternoon on a crude percentage basis. May/Jun LST weakened to 0.25c/gal, and the deferred Q3/Q4 LST spread saw some weakness after days of resistance trading down to -1.50c/gal. Butane continued to weaken with Cal25 trading at 86.625c/gal. Arbs were rangebound, initially they came off down to -\$183/mt in the prompt; on international weakness they retraced over the afternoon to a high of \$178/mt before softening post window as the May/Jun FEI spread firmed to \$2/mt. Internationally, CP was better bid than FEI as FEI/CP traded down to \$13/mt in the prompt although saw buy-side interest at this level. European propane weakened at the front of the curve with Jun/July trading down to -\$3.50/mt this helped prompt E/W stay supported.