

## Flat Price

Jun Brent flat price weakened further into the afternoon, moving from \$89.85/bbl around noon to \$88.80/bbl come 15:15 BST. However, the contract found support at these lows and rallied to \$89.20/bbl at 17:10 BST (time of writing). Uncertainty regarding developments in the conflict between Iran and Israel has likely kept the market from forming a robust directional view of prices. Israeli Minister of Defence Yoav Gallant reportedly said to the US Pentagon that they had "no choice" but to respond to Iran's attack whilst Israel's Western allies have called for the country to avoid any further regional escalation. However, Citi has raised its short-term oil forecast by \$8 to \$88/bbl on the back of higher risk premia. In other news, state-run CNOOC is reportedly stockpiling shipments of Russia's ESPO blend crude at a newly launched reserve base. Finally, the front-month and six-month Brent spreads are currently at \$0.80/bbl and \$4.50/bbl, respectively.

## Crude

This afternoon in Dated, we continued to see May weaken, last trading near the lows of the day at \$0.92/bbl. The May/Jun DFL roll was better offered in turn, last trading \$0.04/bbl where it has found some support, whilst Jun DFL last trades \$0.88/bbl continuing to see better buying than May. We saw Balmo come under further pressure, sold from \$1.20/bbl this morning and now offered at \$0.95/bbl for ND on screen. Rolls continued to weaken, with 9-15/5 v Cal May trading \$0.11/bbl, and the 7-10/5 2w now offered at \$0.36/bbl after trading \$0.38/bbl this morning. The Balweek roll 15-19/4 v 22-26/4 was better offered throughout the afternoon, sold down to \$0.35/bbl last. In the NS window, we saw an active physical, with one cargo of Midland lifted at the back of the strip as it crossed the curve, whilst a sharp Forties offer by a British major was left outstanding.

Despite a strong Midland bid at the front of the strip, the physical diff is implied a few cents lower, whilst CFDs were mixed in the window. 6-10/5 CFD saw GVA trades on both sides, as well as a French major on the sell side, although traded \$1/bbl and bid over on the follow. 29-3/5 CFT was better offered by GVA trade and major, sold from \$1.25/bbl to \$1.20/bbl.

## Fuel Oil

In HSFO, there was buying of 380 flat price down the curve, particularly at the front, combined with May 380 crack buying by Chinese and June 380 crack buying from majors, the May 380 crack traded up to -\$10.75/bbl and Jun -\$10/bbl. Consequently, the front crack supported the front 380 spreads with May/Jun trading up to \$0.50/mt. It was a fairly quiet afternoon for the Barge crack prior to the window, however in the window it became well bid buying up to -\$13/bbl, with further support from the 380 crack buying. The 380 E/W traded between \$15.25/mt and \$15.50/mt throughout the afternoon. There was large size trading at -\$11.80/mt in the Jun barge crack combined with the front spread having a fair amount of activity, May/Jun Barges traded up to -\$4.75/mt.

This afternoon we saw the Chinese buying the deferred Sing 0.5 crack, particularly September, with the Sep Sing 0.5 crack buying up to \$10.45/bbl. There was little selling interest on the front Sing 0.5 crack in the OTC market, resulting in the May crack trading up to \$10.65/bbl from \$10.30/bbl. The May 0.5 E/W was also supported through outright buying interest, buying up to \$38.25/mt. The front crack rally supported the front spreads with May/Jun Sing 0.5 trading up to \$3/mt and Jun/Jul \$5/mt. The front Euro crack was also well bid both OTC and on-screen, trading at \$4.60/bbl in the window.

Similar to Sing 0.5, the front crack supported the front Euro spreads combined with outright buying interest in spreads meant the May/Jun spread traded up to \$6.75/mt and Jun/Jul \$6.25/mt.

## Distillates

ICE gasoil spreads came off this afternoon with the May/Jun spread trading down \$0.50/mt from \$2.50/mt while the Jun/Jul spread came off to \$1.25/mt from \$2.25/mt. ICE gasoil cracks came off this afternoon with the May crack trading down to \$20.50/bbl from \$21.70/bbl this morning. However, it rallied late in the afternoon, trading back up to \$20.75/bbl. The Jun crack was hit down to \$21.15/bbl but rallied back up to \$21.40/bbl. The European Jet diff market was softer this afternoon, with the May diff trading down to \$51.50/mt from \$52.50/mt. The May/Jun diff box traded at -\$5/mt, indicating the Jun diff at \$56.50/mt. In the deferred, interest was seen in Q3'25 at \$61.50/mt. The prompt HOGOs were stronger this afternoon, with the May swap higher at 4.10c/gal while the Q4 swap came off to 8.40c/gal.

Sing gasoil spreads continued lower this afternoon with the May/Jun spread coming off to \$0.20/bbl from \$0.23/bbl. The Jun/Jul spread was hit down to \$0.23/bbl from \$0.26/bbl. The E/W strengthened this afternoon with ICE gasoil coming off. May E/W traded up to -\$26.75/mt from -\$28.25/mt and the Jun E/W was lifted up to -\$27.25/mt. Down the curve, interest was seen in Q3 at -\$24/mt. The prompt regrade was a touch higher, with it trading up to \$1.57/bbl while the Jun regrade was unchanged at \$1.40/bbl. The Q3 regrade saw interest on the buy side, with it trading up to -\$1.05/bbl from -\$1.15/bbl. In kero, the May/Jun spread saw interest on the sell side at \$0.02/bbl.

**Gasoline**

This afternoon in gasoline, we saw cracks trade at the end of the afternoon window around \$23.50/bbl in May EBOB. Jun RBBRs fell to \$25.70/bbl handles in the Euro window, in line with crude softening. Arbs saw buying having weakened during the day, from trade and majors between 7.50c/gal and 7.65c/gal, however end Euro window we saw arb selling come back from refiners at 7.70c/gal. We saw more spread buying in EBOB, with May/Jun and Jun/Jul seeing ref bids at \$14.25/mt and \$19.50/mt. Funds were on the buy side of May/Jul crack rolls in EBOB at \$2.53/bbl. Cracks saw buy side interest throughout the day in May and Jun, but saw funds offering May at \$23.4/bbl in the Euro window as well. With deferred EBOB, we saw gasnaphs offered in Q3 and Q4, at \$218/mt and \$129/mt respectively from real phys players. In the East, we saw May/Jun trade at \$1.65/bbl, bid there from trade houses. 92/RBOB saw some real buy side interest at -\$13.60/bbl in May.

**Naphtha**

This afternoon in naphtha we saw May NWE cracks continue their buying momentum from the morning trading as high as -\$11.85/bbl on weaker crude and physical players on the buy side of cracks. End window saw cracks seeing supported buying at -\$12/bbl. Deferred cracks seeing buying with trade lifting Q3 at -\$11.65/bbl. Spreads remained firm throughout the afternoon with May/Jun particularly bid, trading up to \$7.25/mt and Jun/Jul trading at \$5.75/mt. Front E/W saw recovery from the morning with fund buying and flat price bids, trading from \$17/mt up to \$18.50/mt end window. Q3/Q4 box saw buying interest at \$2.75/mt and Q4 saw selling outright at \$13.50/mt.

**NGLs**

A quieter afternoon on NGLs as the US domestic LPG complex continued to weaken. Bids being hit at the US open in the physical sent a signal of weakness to the market as LST spreads weakened back to -2c/gal in Q3/Q4 while prompt May/Jun LST softened to 0.125c/gal. Butane continued to weaken relative to propane as C4/C3 ENT/LST softened to 14.50c/gal in Q3 although May/Jun NC4 saw some resistance firming up to 0.625c/gal. Internationally spreads were quiet with May/Jun trading between \$3/mt and \$3.25/mt while Nov/Dec traded in size at \$1.50/mt. Arbs boxes stayed static with Jun/Dec trading \$9/mt; but levels softened on LST weakness trading down to \$186/mt in the prompt and Q3 traded at \$188/mt.