

Flat Price

Prompt Brent futures flat price has witnessed a mixed afternoon period. Prices initially rebounded from low \$86/bbl lows in the morning to reach \$87.64/bbl at 14:00 BST. However, this support was well sold into as prices fell over \$1 to \$86.49/bbl by 16:15 BST. Since then prices have retraced to print above the \$87/bbl mark. In a statement from President Biden, he reinforced that the US "is committed to Israel's security". Petrobras has again come against resistance from indigenous groups and the environmental agency Ibama, regarding exploratory oil drilling in the Foz do Amazonas area. China's clean oil exports rose to a 14-month high of 1.25mmbbls/d in March, marking a 58% rise m-o-m and a 37% increase y-o-y. Kazakhstan has vowed to reduce its crude output and compensate for producing well above its stated target in Q1, estimated at 1.6mmbbls/d against the 1.47mmbbls/d target. Nigeria's Dangote refinery is currently running at about 300kbbbls/d, with US crude a third of the feedstock. The front and 6-month Brent futures spreads are at \$0.69/bbl and \$4.04/bbl, respectively.

Crude

A better bid afternoon in Dated. With spreads rallying back up to highs of the day, we saw May recover from the morning's weakness, paid up to \$0.75/bbl, whilst the May/Jun roll was lifted up to -\$0.06/bbl. Strength came from strong buying of backend May rolls, with 28-3/6 v Cal Jun paid at \$0.47/bbl post window, whilst prompt May rolls were only a touch stronger with 7-13/5 v Cal May last sold at \$0.06/bbl and offered on. In the window, the physical saw bids towards the front of the strip and offers at the back in Midland and Forties but overall a touch stronger, whilst CFD's saw limited price action in the window, and relatively unchanged from yesterday, with 13-17/5 CFD rangebound between \$0.55/bbl to \$0.60/bbl with majors sell side.

Fuel Oil

In HSFO, the Chinese were buying deferred 380 flat price in August, September and December. Aug 380 crack traded around -\$8.30/bbl. It was a fairly quiet afternoon on the front 380 crack front, with sporadic trades throughout the day at -\$8.50/bbl. 380 spreads were fairly well supported with May/Jun 380 trading up to \$3.25/mt from \$3/mt. There was barge crack buying in the afternoon with May Barge crack trading up -\$10.75 from -\$10.90/mt and traded around this level throughout the afternoon. The 380 E/W was trading around \$15.75/mt earlier in the afternoon when the Chinese were buying flat price, however the barge crack rally put pressure on the May 380 E/W, which traded down to \$14.75/mt.

It was a fairly busy afternoon on VLSFO, on the Sing 0.5 crack, there was a pullback on the rally that we saw in the morning, the crack began the afternoon trading at \$12/bbl, before quickly selling down the \$11.90/bbl. The May Sing crack then traded rangebound between \$11.85/bbl and \$11.95/bbl. We saw decent volume traded on Sing spreads down the curve, however it was mixed interest resulting in not much movement in the price with May/Jun sing trading at \$5.25/mt throughout the afternoon. There was also sell side pressure on the front Euro crack, which was trading at \$5.25/bbl earlier on in the afternoon before trading down to \$5.10/bbl, however there was a slight recovery at the end of the window to \$5.20/bbl due to MOC hedging. The Euro spreads were also a touch softer, with May/Jun Euro offered down to \$6.25/mt. Even though both Sing 0.5 and Euro 0.5 structures were weaker, Sing 0.5 sold down more resulting in the 0.5 E/W selling down to \$42.50/mt as the afternoon progressed.

Distillates

ICE gasoil spreads traded rangebound this afternoon with the May/Jun spread trading around -\$2.25/mt and the Jun/Jul spread around -\$1.50/mt. Gasoil cracks continued lower on stronger crude. The May crack came off to \$18.20/bbl from \$18.75/bbl but has traded back up to \$18.40/bbl post the window. The Jun crack traded down to \$19.30/bbl while down the curve the Q3 crack traded at \$20.80/bbl. A mixed afternoon was seen in European Jet diffs. The May diff recovered to its opening level of \$53/mt. The Jun diff remained rangebound around \$56/mt while in the deferred, interest was seen in Q2'25 at \$61.75/mt. The front HOGOs were a touch lower, with the May swap at 5.30c/gal while in the deferred Q4 swap was unchanged at 8.30c/gal.

A quiet afternoon was observed in Sing gasoil after a volatile morning, with the May/Jun spread trading between -\$0.10/bbl and -\$0.06/bbl. The Jun/Jul spread traded a touch higher at -\$0.06/bbl. The E/W traded rangebound with the prompt trading between -\$28/mt and -\$27/mt and the Jun E/W trading around -\$28/mt. In the deferred the Q3 E/W traded at -\$28.25/mt. Regrades traded lower after a strong morning, with the May regrade been hit down to -\$1.25/bbl from highs of -\$1/bbl. The Jun regrade came off to -\$1.10/bbl from -\$0.90/bbl. In kero, the May/Jun spread continued trending downwards, with it trading down to -\$0.33/bbl.

Gasoline

This afternoon in gasoline, we saw cracks trade at the end of the afternoon window around \$23.60/bbl in May EBOB. RBBRs dipped in the afternoon, down to \$25.50/bbl in Jun, before seeing a retreat into the Euro window, back up to \$26/bbl. After the early buying of arbs in the morning, we saw real players selling arbs in May in the afternoon, between 6.90c/gal and 7.10c/gal.

The afternoon saw more spread selling interest in EBOB from refiners and majors. May/Jun traded between \$14.50/mt to \$15/mt, and Jun/Jul between \$18.50/mt and \$19/mt. Aug/Sep saw strong buying at \$24.50/mt. Q3 cracks were offered in the afternoon at \$19/bbl from trade. Q3 gasnaphs saw buy-side interest at \$205/mt, however little volumes traded this afternoon. 92 spreads traded higher this afternoon, with refiners lifting \$1.75/bbl in May/Jun, and Q4 cracks trading in smalls at \$7.30/bbl, bid there from phys. E/W tracked higher this afternoon, with Jun trading up to -\$10.05/bbl where we saw trade offers.

Naphtha

This afternoon in naphtha we saw May NWE cracks go better offered into the window which along with crude recovering, pressured the front crack down to -\$11.20/bbl end window from highs of -\$10.65/bbl earlier with major on the sell side of cracks. Post-window saw cracks retrace slightly after offers backed up, leaving the crack last trading at -\$11.05/bbl. Deferred cracks seeing bids with Q3 at -\$11/bbl and Q4 trading at -\$10.55/bbl end window. Front Europe spreads remaining supported with May/Jun and Jun/Jul trading at \$7.75/mt and \$6.25/mt respectively. Q4/Q1'25 spread seeing offers down to \$12/mt. E/W in the front softening with MOPJ spreads offered leaving the front at \$18/mt.

NGLs

An afternoon of weakness on NGLs across the LPG complex with US flat price trading lower on a crude percentage basis. Arbs weakened quickly on the US open as US domestic products were hit in the physical and -\$191/mt traded in the May LST/FEI contract while a flat bid was hit in the May/Jun LST spread. Arbs saw good buying at these levels, however, with US trade houses buy-side and subsequently retraced back to -\$188/mt in May.

Butane weakened in regards to propane over the afternoon, 92.375 c/gal levels were trading end window in May ENT C4 flat price implying the C4/C3 ENT/LST diff at 14c/gal and the May/Jun Normal Butane spread softened to 0.50c/gal. Internationally, the E/W diff was strong with good buy-side interest off the back of outright FEI flat price buying, E/W traded up to \$94/mt in May and flat on the Aug/Sep E/W box. Despite this, NWE spreads firmed in the prompt up to \$0.50/mt although their activity was quiet in the window.