

Flat Price

Prompt Brent futures flat price has witnessed a quieter afternoon period, albeit a stronger one as prices have risen by around \$1. Price action fell to lows of \$86.22/bbl at 12:15 BST, but at this level participants were happy to add some length as prices retraced higher to \$87.67/bbl at 16:05 BST. Since then prices have again come off slightly to print in the low \$87/bbl handles. According to the IMF, Saudi Arabia will require an average oil price of \$96.20/bbl to balance its budget, if it crude output steady near 9.3mbbls/d for 2024. Oil super tankers carrying crude to China are set to total 124 vessels in the next 90 days, the greatest amount seen since April 2023. From April 22, Platts will launch daily assessments for Pacific Dilbit and Low TAN Dilbit crude for loading FOB Westridge in anticipation of the Trans Mountain Pipeline expansion. Oil demand in India rose to an all time high in February, whilst its product exports rose to a seasonal high. Sinopec announced that it has completed a deal with KazMunayGas to acquire a 30% stake in a planned polyethylene project in Kazakhstan. The front and 6-month Brent futures spreads are at \$0.74/bbl and \$4.20/bbl, respectively.

Crude

A stronger afternoon for Dated, with DFL's rallying into the window, seeing May paid up to highs of \$0.92/bbl, whilst May/Jun was lifted up to \$0.09/bbl on screen.

We saw better buying of prompt May rolls, with 7-10/5 1w trading \$0.11/bbl before correcting back to \$0.09/bbl. Despite this, we saw some selling interest of deferred May rolls, notably with 20-24/5 1w offered at \$0.20/bbl although now bid on. Relentless buying interest of Jun rolls continued, with no axed sellers entering the market as of yet. In the NS window, we saw Midland offered across the strip, pressuring the physical diff to around the 50c handles, although after two cargoes were lifted by a Chinese major, things turned better bid again in the paper despite a Forties from a British major continuing to pressure the diff. CFD's saw 20-24/5 better bid, trading up from \$0.69/bbl to \$0.72/bbl, whilst 29-3/5's CFT trades \$1.05/bbl, with sell side interest from a British major.

Fuel Oil

In HSFO, we saw a sell off of front spreads, with May/Jun 380 selling down to \$3/mt from \$3.25/mt. There was also some activity on deferred 380 spreads, with Aug/Sep 380 trading at \$6.75/mt. The Chinese were buyers of 380 flat price, as well as Aug 380 crack, which traded around -\$8.05/bbl. It was a quiet afternoon on 380 cracks, with only one trade on the May 380 crack, at -\$8.40/bbl just before the window. We also saw Sing Hi5 buying in good volume. On 3.5 barges, we saw the spreads offered this afternoon due to the weakened barge crack, with the May/Jun Barge spread trading -\$4/mt.

We also saw sell side pressure on the Barge crack, which opened in the afternoon at -\$10.70/bbl and then traded down to -\$11.30/bbl. The physical barge market weakened which added further pressure on the barge crack. Despite weakness in barges, the front 380 E/W remained offered trading down from \$17/mt to \$16.50/mt.

In VLSFO, we saw a fair amount of activity on the Sing 0.5 cracks this afternoon. The interest was mixed which resulted in the May Sing 0.5 crack trading rangebound between \$11.80/bbl and \$11.85/bbl. The Sing 0.5 spreads were a touch better bid, with May/Jun Sing trading up to \$5/mt from \$4.75/mt. Euro 0.5 spreads were initially offered, then turned bid in the afternoon with May/Jun and Jun/Jul Euro trading around \$5.50/mt. The May Euro crack traded between \$5.05/bbl and \$5.10/bbl throughout the afternoon. The 0.5 E/W was fairly unchanged and traded around \$42.75/mt.

Distillates

ICE gasoil spreads remained rangebound, with the May/Jun spread trading around -\$2.25/mt and the Jun/Jul spread around -\$1.25/mt. Gasoil cracks trended higher this afternoon with the May crack been lifted up to \$19/bbl before coming off a touch to \$18.70/bbl. The Jun crack was lifted up to \$19.80/bbl from \$19/bbl while in the deferred the Q4 crack traded at \$22.20/bbl.

European Jet diffs traded higher this afternoon, with the May diff been lifted up to \$54.25/mt. The Jun diff traded slightly higher at \$56.50/mt from \$55.75/mt. In the deferred tenors, interest was seen in Q3 at \$60.50/mt and Q4 at \$61/mt. The front HOGOs were unchanged this afternoon with the May swap around 5.30c/gal while the Q4 swap was lower at 7.90c/gal.

A quiet afternoon was observed in Sing gasoil. The May/Jun spread traded slightly higher at -\$0.05/bbl from -\$0.08/bbl. The Jun/Jul spread traded up to -\$0.07/bbl while down the curve, interest was seen in the Jun/Sep spread around -\$0.20/bbl. The prompt E/W traded rangebound this afternoon with it trading between -\$26.75/mt and -\$26.25/mt. Jun E/W traded higher at -\$27.25/mt from -\$28/mt. Continued weakness was seen in Regrades, with the May regrade been hit down to -\$1.60/bbl from -\$1.45/bbl. The Jun regrade traded down to -\$1.25/bbl from -\$1.15/bbl. Interest was seen in the Q3 regrade throughout the day with it trading down to -\$0.80/bbl. In kero, the Jun/Jul spread saw interest on the sell side with it been hit down to -\$0.40/bbl from -\$0.25/bbl.

Gasoline

This afternoon in gasoline, we saw cracks trade at the end of the afternoon window around \$23.20/bbl in May EBOB.

RBBRs were volatile this afternoon, but rallied up to \$25.90/bbl handles in Jun before retreating and softening to \$25.60/bbl end Euro window, further softening post. We had some interest to sell arbs in the afternoon in May from 7.60c/gal down to 7.40c/gal, where we saw real bids come in at 7.40c/gal. There was interest to buy Q4 arbs as well. EBOB saw spread offers with May/Jun down to \$14.25/mt and Jul/Sep seeing selling at \$43.25/mt. We saw some crack selling end Euro window in May, but little deferred crack activity. Gasnaphs saw better bids, in May at \$238.50/mt and Jul at \$226/mt. We saw some offers on E/W this afternoon in Jun at -\$9.70/bbl, and May/Jun 92 seeing selling down to \$1.80/bbl. Q3 cracks saw some buying at \$10.10/bbl earlier, but more sell side interest in the afternoon at \$10.40/bbl.

Naphtha

This afternoon in Naphtha we saw May NWE cracks well supported in the afternoon despite weaker crude with the window seeing a lack of offers, leaving the crack to settle at -\$10.85/bbl end window. Front spreads firmed off the back of crack strength with May/Jun trading 50c higher at \$8.50/mt and Jun/Jul at \$7/mt. Deferred spreads strengthened with good Jun/Dec buying, trading up to \$30.50/mt. Deferred cracks seeing selling at higher levels with trading selling Q4 cracks at -\$10.50/bbl. Front E/W seeing strength into the close with Europe weakness, May trading up to \$20/mt with Q4 bids getting sold at \$12.75/mt.

NGLs

A similar pattern to the last few days this afternoon on NGLs; the US domestic LPG complex weakened initially but structure firmed and flat price went better bid over the afternoon. Despite arbs being well bid pre-window with Q3 LST/FEI trading up to -\$190/mt, when bids were hit in the physical at the US open, LST flat price weakened on a crude percentage basis helping arbs retrace lower; -\$187/mt traded in July LST/FEI and there was consistent international flat price buying particularly in the Sep FEI contract which traded quickly up from \$598/mt to \$602/mt handles. Butane maintained support with the May/June spread firming to 0.375c/gal and Q4 C4/C3 firmed to 14.25c/gal while Conway also firmed relative to LST with -4c/gal trading in the May N/S diff. Later in the afternoon, with arbs at low levels, trade houses and banks were buy-side of arb boxes which helped LST firm in the Q3/Q4 spread which saw consistent buying at -2c/gal. In the window a physical player offered H1 May Europe, E/W subsequently went bid up to \$96/mt in the prompt month contract.