

Flat Price

June Brent futures flat price fell below \$87.40/bbl at 15:50 BST before recovering to around \$87.90/bbl at 17:00 BST (time of writing). The US GDP grew 1.6% annually in Q1, falling below market expectations of 2.5%. This growth followed a 3.4% increase in Q4 2023. In February, Russia remained India's top crude oil supplier, despite a 19% decrease from the previous month, with \$3.61 billion worth of supplies. Iraq, traditionally the second-largest supplier, slipped to third place with \$2.24 billion in February, down 11.6% from January's \$2.54 billion. Moreover, India's oil demand in February rose by 265kbbbls/d to an all time high of 5.59mbbls/d. Oil loading from Russia's Western ports are projected to fall by around 1 million mt in May, down 13% on a daily basis, as Russian oil refining capacity comes back online. Finally, the front-month and six-month Brent spreads are currently at \$1.21/bbl and \$4.83/bbl, respectively.

Crude

Strong window for Dated after a quiet afternoon. May DFL rallied into the window, paid up to \$1.14/bbl, whilst May/Jun Dated was lifted from \$0.94/bbl just before the window to \$1/bbl. We saw 20-24/5 1w roll lifted at \$0.26/bbl and bid over by MM and Major, whilst 7-10/5 v Cal May trades \$0.30/bbl, with one European trade the only seller. In the physical one cargo of Midland was bought by European trade, whilst a US refiner lifted an Ekofisk cargo, leaving the physical diff relatively unchanged.

CFD's were strong, with 20-24/5 CFD trading 84c and 85c, with majors and trades buying from mostly MMs.

Fuel Oil

In HSFO, there was mixed interest this afternoon on 380 spreads. The spreads did however trade a touch softer with May/Jun 380 trading at \$4/mt and Jun/Jul at \$6.50/mt. We also saw interest on deferred spreads, in particular Oct/Nov 380, which traded at \$4.50/mt. The Chinese were buyers of both 380 flat price and 380 cracks. There was a fair amount of activity on the barge spreads this afternoon, with May/Jun trading stable at -\$2.25/mt. We did however see a sell off of Jun/Jul barges down to \$1.75/mt from \$2/mt. The barge cracks were a touch softer trading down to -\$10.35/bbl at the end of the window from -\$10.10/bbl. We saw 380 E/W selling, however with the Chinese 380 flat price and crack buying the May 380 E/W did not move much, trading at \$18/mt.

In VLSFO, it was a quiet afternoon for Sing spreads. Front Sing spreads were a touch firmer with May/Jun Sing trading up to \$5/mt from \$4.50/mt on thin liquidity throughout the afternoon. We saw some activity early in the afternoon on both the May and Jun Sing crack with both trading up to \$10.70/bbl with liquidity drying up as the afternoon went on.

There was interest down the curve on Euro spreads, with May/Jun Euro starting the afternoon better offered selling down to \$3.75/mt from \$4/mt. However, it turned better bid as the afternoon progressed recovering back to \$4/mt. The May 0.5 E/W was a touch softer later on in the afternoon, trading at \$43/mt from \$43.25/mt.

Distillates

ICE gasoil spreads were a touch weaker this afternoon stemming from weak US economic data. The May/Jun spread traded lower at -\$3/mt from -\$2.50/mt and the Jun/Jul spread traded down to -\$1.75/mt. ICE gasoil cracks came off, with the May crack trading down to \$17.60/bbl from \$18.50/bbl. The Jun crack traded lower at \$18.75/bbl while down the curve, continued interest was seen in the Cal 25 crack at \$21.40/bbl. A mixed afternoon for European Jet diffs, with the May diff unchanged at \$54/mt. The Jun diff traded around \$56.25/mt while down the curve the Q3 diff traded lower at \$58.25/mt from \$59/mt this morning. The HOGOs continued lower with the May swap at 5.40c/gal and the Q4 swap at 8.50c/gal.

Sing gasoil structure weakened this afternoon. The May/Jun spread was hit down to -\$0.05/bbl from \$0.06/bbl. The Jun/Jul spread came off to -\$0.10/bbl from -\$0.03/bbl. The prompt E/W traded rangebound around -\$26.25/mt. The Jun E/W traded around -\$28.25/mt while in the deferred interest was seen in Q1'25 at -\$23/mt.

Regrades remained rangebound after a firm morning. The prompt regrade traded around -\$1.90/bbl and the Jun Regrade around -\$1.56/bbl. In the deferred tenors, interest was seen in the Q3 at -\$0.98/bbl and Q1'25 at -\$0.38/bbl.

Gasoline

Another volatile afternoon in gasoline, where we saw cracks trade at the end of the afternoon window around \$23.30/bbl in May EBOB. We saw a volatile RBBR future screen today, dropping to \$25.30/bbl handles in Jun end Euro window. Arbs saw strong buying this afternoon between 7.90c/gal and 8.15c/gal from ref. The May/Sep arb roll was bid at 14.85c/gal. Jun/Sep EBOB saw selling at \$60.75/mt this afternoon, with May/Jun seeing buying down at \$13.75/mt in the Euro window. We saw Sep/Oct see selling from market makers at \$54.75/mt. We saw majors on the sell side of May cracks this afternoon between \$23.25/bbl and \$23.30/bbl, with buying seen from deriv players. Q3 cracks saw more selling down to \$19.50/bbl from ref. We saw funds on the buy side of 92 cracks at \$13.25/bbl in the Euro window in May as well as refiners buying 92 Jun FP. E/W saw real players on the sell side in Jun at -\$10.10/bbl, however limited spread activity this afternoon.

Naphtha

This afternoon in naphtha we saw May NWE cracks continuing to see better buying with a lack of offers leading the crack to trade as high as -\$9.80/bbl (+55c from the open) with trade house and major on the buy side. Nap structure remaining strong with buying of spreads, May/Jun NWE up a dollar to \$12/mt with \$11.75/mt on the MOPJ equivalent. Sep/Dec seeing buying at \$13.25/mt with Q4/Q1'25 crack roll seeing buying at -\$0.10/bbl. Backend cracks continued to see offers from bank and trade with Q4 trading at -\$10.40/bbl and Q1'25 seeing selling at -\$10.25/bbl. E/W remained supported in the front seeing buying at \$16.75/mt with backend supported with Cal'25 buying at \$12/mt.

NGLs

Deferred US structure weakened on NGLs this afternoon. Bids hit in phys at US open helped flat price weaken on a crude percentage basis. Arbs weakened past the -\$200/mt mark in May as May/Jun LST weakened to 0.125 c/gal and butane weakened even further than propane with the C4/C3 May diff falling to 11.75c/gal. Mid-afternoon, however, offers were lifted successively in the physical and prompt LST flat price went better bid helping the May arb retrace to -\$195.50/mt by the end of the window. US spreads weakened into next year with Q3/Q4 LST weakening to -2.50c/gal and Q1/Q2'25 softening to 7c/gal with real players on the sell side.

Internationally, the E/W diff peaked into the window as physical European propane was offered. \$97/mt traded in May E/W but end-window Aug/Jan FEI traded at -\$9.50/mt and FEI structure softened as May FEI/CP traded down to \$14/mt.