

Flat Price

Jul Brent crude flat price was supported in the early morning from \$83/bbl to \$83.65/bbl at 11:30 BST (time of writing) with low volumes traded due to the UK Bank Holiday. Saudi Aramco has raised the OSP for all grades it exports to Asia. Arab light for Jun delivery has increased by 90c/bbl to \$2.90/bbl. This is the third consecutive month of price hikes from Saudi Aramco. The latest ceasefire negotiations in Egypt have ended without agreement. The CFTC data for Brent for the week to Apr 30 shows money managers added 9mbbls (2.5%) of length and short-positioned funds removed 8mbbls (9.6%). Prod/merc players removed both long and short positions by 78mbbls (8.5%) and 75mbbls (5.0%) respectively. The front (Jul/Aug) and 6-month (Jul/Jan) Brent futures spreads are at \$0.56/bbl and \$3.27/bbl respectively.

Crude

Quiet morning in Dubai with Jun and Jul Brent/Dubai trading down to \$0.00/bbl and \$0.25/bbl respectively amidst trade house selling. There was selling interest in backend Brent/Dubai boxes, with the Sep/Oct and Oct/Nov boxes trading at -\$0.07/bbl and -\$0.05/bbl. Spreads saw buying interest with Aug/Sep Dubai trading at \$0.62/bbl and Jun/Aug Dubai trading at \$1.53/bbl all morning. Jul Murban/Dubai saw buying interest OTC, trading at \$1.70/bbl

Fuel

With the Chinese back from holiday, we saw increased liquidity in 380 today. The Chinese were sellers of 380 flat price this morning and we saw the front Visco well bid this morning. There was a fair amount of interest on 380 spreads, particularly on the Balmo and front spread. The Balmo spread bought up to \$9/mt from \$8.75/mt, there was similar strength on the Jun/Jul 380 spread, buying up to \$7.25/mt from \$7/mt. The 380 crack was a touch stronger this morning trading at -\$6/bbl from -\$6.10/bbl earlier in the day. It was a quiet morning on barge spreads due to the holiday today, with not one spread traded this morning. We did however see some activity on the barge crack. The Jun barge crack traded rangebound between -\$8.45/bbl and -\$8.40/bbl. Both the Jun and Q3 380 E/W traded stable at \$15.50/mt and \$8.75/mt respectively.

It was a well bid morning to start the week on both Sing 0.5 cracks and spreads. The strength was driven by a well bid physical window which sparked, first, Bal May/Jul buying, leading onto Jun/Jul Sing and spilling over into crack buying. The balmo spread traded up to \$6.25/mt from \$5.50/mt, and we saw a similar price action on the Jun/Jul Sing spread, also buying up to \$6.25/mt from \$5.50/mt. As alluded to, it was a strong morning for Sing cracks, with Jun Sing crack buying up to \$10.85/bbl from \$10.55/bbl. We also saw the Q3 Sing crack buying, trading up to \$10.25/bbl from \$10.15/bbl. There was a refiner selling Fulmo May Sing Hi-5 at \$103.50/mt.

With it being a bank holiday in the UK, it was a quiet morning on Euro 0.5. Jun/Jul Euro traded up to \$4/mt from \$3.75/mt on very thin liquidity. The Jun Euro crack was rangebound at \$4/bbl.

Distillates

ICE Gasoil spreads remained rangebound this morning, with the Jun/Jul spread trading between -\$3.50/mt to -\$3.00/mt and the Jul/Aug spread traded around -\$2.25/mt. ICE Gasoil cracks traded lower, with the Jun crack hit down to \$17.80/bbl. In the deferred, interest was seen in the Q3 crack which traded down to \$19.72/bbl from \$20.00/bbl. Little activity was seen in the European Jet diff market. The Jul diff traded around \$56.00/mt and no activity was seen further down the curve. The HOGOs were unchanged from Friday's close, with the Jun swap around 5.7c/gal and the Q4 swap at 8.5c/gal.

A quiet morning was seen in Sing Gasoil. The Jul/Jul spread traded in a range of -\$0.32/bbl to -\$0.29/bbl. The Balmo spread was lifted to -\$0.15/bbl in the window but has come off to -\$0.22/bbl after the window. Interest on the buy side was seen in the Sep/Oct spread around \$0.03/bbl. The prompt EW remained rangebound, with Jun EW trading around -\$26.50/mt and Jul around -\$26.25/mt. The prompt regrade opened lower this morning, with it trading down to -\$1.70/bbl, but it has since rallied back up to -\$1.62/bbl. The Balmo regrade was hit down -\$2.25/bbl and further down the curve interest was seen Aug regrade at -\$1.03/bbl.

Gasoline

This morning in Gasoline, we saw flat price trade at the end of the morning window equivalent to \$10.40/bbl on a crack basis in Jun 92. 92 spreads opened weaker this morning, with Jun/Jul getting offered down to \$1/bbl by refiner and Jul/Aug moving down to \$1.25/bbl as the front fly continued to fall, trading at -\$0.25/bbl. Quarterly crack still seeing buying in Q3 and Q4 with Q3 trading at \$9.30/bbl and Q4 at \$7/bbl. Q3 EW saw buying by fund leaving it to trade at -\$8.60/bbl with the front remaining supported at -\$10/bbl.

Naphtha

This morning in Naphtha we saw flat price valued at 665.25/mt in Jun24 MOPJ, on a -\$8.33/bbl crack equivalent with petchem buying of MOPJ flat price supporting cracks. Spreads were illiquid with Jun/Jul seeing buying at \$9.5/mt and the pricing spread being offered down to \$11/mt. MOPJ cracks saw bank selling which capped any gains and saw crack sellers stepping down post-window, finding buying at -\$8.50/bbl. EW saw some buying given initial strength with fund buying \$16/mt in the front but seeing it return to \$15.50/mt levels.

NGLs

FEI was very well supported this morning on NGLs ahead of the European bank holiday this afternoon. There was early morning outright flat price buying interest from DCE players in the prompt and the Q3 FEI tenors. Structure firmed especially out of the Balmo as the balmo spread was bid up to \$8.5/mt. Jun/July firmed a touch to \$4/mt while Jun/Dec FEI traded at -\$11.50/mt. FEI outperformed CP although there was CP flat price buying interest; July FEI/CP traded at \$46/mt while Q4 was bid up to \$41/mt. CP spreads were thinner but there was real buying of the C3/C4 CP diff at \$4/t in June. Offer-side interest pressured arbs down with LST/FEI bids thin and post window Jun traded at -\$219/mt and -\$220/mt in quick succession.