

Flat Price

The Aug Brent Futures flat price has had a weak afternoon, falling steadily from \$84.50/bbl at 12:00 BST to \$83.80/bbl at 14:50 BST. Subsequently, the contract saw a short-lived rise to \$84.05/bbl at 15:00 BST, before then dropping to \$83.30/bbl handles by 17:00 BST (time of writing). ConocoPhillips announced today that they have entered into a definitive agreement whereby they will acquire smaller rival Marathon Oil in an all-stock deal worth \$22.5 billion (inclusive of \$5.4 billion of net debt). Significantly, the deal will hand Conoco a suite of assets stretching from North Dakota to Texas as it seeks to bolster its position in the US' shale fields. Shell and ExxonMobil are nearing a deal to sell their jointly-owned gas fields in the southern North Sea to independent British producer Viaro Energy, with the deal valued at around \$500 million. BHP Group have abandoned their \$49 billion bid for Anglo-American, walking away from what would have been the largest mining deal in over ten years. Yemen's Houthis stated they launched attacks at six ships in three different seas today, with cargo vessels attacked in the Red, Arabian and Mediterranean Seas. The July/Aug and Aug/Feb'25 spreads are \$0.40/bbl and \$2.83/bbl, respectively.

Crude

A better offered afternoon for Dated, with Jun DFL retracing back to -\$0.38/bbl, and Jul back to \$0.28/bbl. We continued to see the two main aggressors in the physical – offering Forties through the curve.

Also sell side of CFD's, with 17-21/6 CFD sold to -\$0.33/bbl, whilst multiple sellers were seen offering 24-28/6, hit at \$0.03/bbl with Chinese buying. 3-7/6 CFD saw trade and MM buying, and US selling around -\$0.95/bbl, whilst 10-14/6's were sold to lows of -\$0.67/bbl by a French major. With Jun seeing greater weakness than Jul due to weak CFD's in the strip, Jun/Jul DFL came under pressure, sold to lows of -\$0.68/bbl, having traded -\$0.56/bbl pre-window, whilst the Dtd roll trades at -\$0.28/bbl post-window. Rolls were relatively muted in the window, with 8-12/7 v Cal Jul trading \$0.10/bbl, whilst a British major was a strong buyer of 24-28/6 v Sep ICE at \$0.55/bbl, despite sellside of the CFD.

Fuel Oil

In HSFO, Chinese arbers came out buying 380 flat price this afternoon. 380 structure was a touch softer this afternoon, with Jun/Jul 380 selling down to \$11.50/mt from \$11.75/mt. Deferred 380 cracks were bid this afternoon, with most of the bids coming out of China. Jun 380 crack was fairly quiet, trading around -\$4.40/bbl. The barge crack had a fairly rangebound afternoon, with Jun barge crack opening around -\$8/bbl, where it traded until the end of the window. Supported by MOC hedging, the front crack bought up -\$7.75/bbl, before giving some back post window, selling down to -\$7.85/bbl. It was a fairly rangebound afternoon on barge spreads, with Jun/Jul barges trading at \$0.25/mt.

In VLSFO, we saw mixed interest on Sing structure this afternoon. Although Jun/Jul Sing was fairly liquid. It was a rangebound afternoon, with the front Sing spread trading at \$5/mt. Chinese arbers were sellers of Jul Sing cracks this afternoon. We saw a similar trend on Sing cracks as we did Sing spreads, the front Sing crack traded between \$8.55/bbl and \$8.60/bbl without a clear axe in the market. Euro spreads were a touch stronger this afternoon, with Jun/Jul Euro trading up to \$1.75/mt from \$1.50/mt. It was a similar story on Euro cracks, the Jun Euro crack opened the afternoon at \$1.90/mt, before steadily buying up to \$2/mt, helped by MOC hedging.

Distillates

It was a stronger afternoon for Sing 10ppm with funds buying prompt E/W. We saw Jun E/W trade up to -\$22.25/bbl. However, there was good selling on deferred E/W with Q3 E/W not trading higher than -\$26.75/bbl. Jul Sing 10ppm cracks traded at \$14.91/bbl. The Sing 10ppm spreads didn't move much in the front form their morning levels however, trading at -\$0.03/bbl in Jun/Jul. Regrade was stronger with Jun trading up to -\$1.14/bbl, however Q3 traded around the -\$1.20/bbl mark. The Jun/Jul kero spread traded back up to \$0.12/bbl accordingly. The Jun/Jul LSGO spread traded at -\$2.50/mt.

To discuss any points mentioned in this report further please do not hesitate to contact us at:

insight@onyxcapitaladvisory.com

Gasoline

This afternoon in Gasoline, we saw cracks trade at the end of the afternoon window around \$16.55/bbl in Jun EBOB. Q4 arbs saw sticky buying at 3.50c/gal today from phys, and more selling in the front with Jun offered around 8.20c/gal. Jun/Jul EBOB saw more selling down to \$5.50/mt this afternoon, but more buying of Jul/Aug at \$8/mt from refiners. We saw some phys players stepping down to sell Jun/Dec at \$108/mt. Q3 EBOB cracks saw strong buying this afternoon at \$15.60/bbl levels, and Q4 buying at \$7.65/bbl. Q3 gasnaph saw more selling at \$166.50/mt this afternoon. In the East we saw Jun E/W selling at -\$11.85/bbl, and spread selling seen in Sep/Oct and Oct/Nov, both at \$0.65/bbl.

Naphtha

This afternoon in naphtha we saw Jun NWE crack trade down to -\$9.40/bbl in Jun in the Euro window, seeing trade houses and market makers on the sell side. Jul cracks saw selling down to -\$9.75/bbl, with a small retracement post window to -\$9.40/bbl. We saw Q4 cracks see better bank buying through the afternoon at -\$9.20/bbl ranges. Jul/Aug NWE saw buying at \$4/mt from trade houses. We saw smalls buying of Q3 MOPJ cracks at -\$7.80/bbl, with more selling in Jul at -\$7.55/bbl in the Euro window.

NGLs

On NGLs, initially a weak opening for American LPG products as propane opened lower on a crude percentage basis, but over the afternoon the complex was better supported as flat price went better bid across the curve. ENT-LST diff was better supported with ENT better bid by mid streams as 0.125c/gal was lifted in Jul for decent size. Butane moved in line with propane at the front of the curve as the Jun C4/C3 diff traded at 13.50c/gal but firmed further out with Q3 trading up to 13c/gal. Butane spreads were well supported as Jul/Jan traded at -4.75c/gal. Internationally FEI spreads continue to weaken with \$69/mt trading in Dec/Dec'25. DCE players were still buy-side of Q3 FEI tenors although buying was less aggressive than earlier in the week. The arb was relatively rangebound for much of the afternoon but was bid up from -\$227/mt in Jul LST/FEI to -\$225/mt post window. The European window was quiet although Jun NWE traded at \$516.50/mt handles.