



Market Summary

Singapore says “lets bunk up”

In Asia, the Dubai players were at it again vigorously, with Petrochina playing a less prominent role while Exxon came out swinging. The major usually plays it safe a step or two behind the sharpest bids and offers but not today. The market had an attitude of ‘no pasaran’ with sellers Hengli, Unipeç, Exxon, drawing a sharp offer line at \$84.80/bbl. In the minutes heading to the close, the buyers also drew a line at \$84.80 but then lost their gumption as sellers smacked down their bids. Smackers included Hengli, Trafigura and Phillips. Exxon??? Buyers then abandoned their positions leaving Total to hold the line at \$84.75/bbl. Buyers preferred to ‘snipe’ lifting some of the offers at \$84.80/bbl. ‘Tactical’ selling by Unipeç at \$84.65/bbl was dismissed by our assessors and we placed our fair value at \$84.77/bbl.

The Dubai physical premium barely moved from the same time yesterday, falling 1 ct to 82 cts. Physical Dubai relative to August Brent futures further widened to 77 cts (see chart in the details), as Brent overperforms, thanks primarily to the Dynamic Duo (see yesterday’s European edition). More Oman cargo being declared in the window today, this time by Unipeç to Vitol.

Asian bunker fuel markets have been tightening considerably throughout June, off the back of extended shipping routes amongst escalating disruptions in the Red Sea. However recently there have been signs of easing, with Sing 380 and 180 swaps seeing selling action. July Sing 180 swaps fell from a high of \$515.22/mt on June 19, to close today’s Asian window at \$506.44/mt. The easing in bunker market tightness comes amidst news of new LSFO deliveries from the Nigerian Dangote refinery.

According to ship tracking data and market sources the Dangote refinery is poised to make a significant splash in the Asian market with its upcoming export of low-sulphur straight-run fuel oil (LSSR) from Nigeria to Singapore. This marks the first time Africa’s largest refinery will dip its toes into the Asian market, establishing a new trade route. Singapore, known as the world’s largest bunker hub, is in dire need of low-sulphur fuel oil for powering ships, and the Dangote Refinery’s shipment might offer some relief.

See ‘In Detail’ section overleaf.

Summary					
Physical and Futures			21-Jun-24	1-Day Change	7-Day Change
Brent Aug (fut)	(\$/bbl)	85.540	+0.340	+3.220	
WTI Aug (fut)	(\$/bbl)	81.120	+0.500	+3.320	
Dubai Aug (phys)	(\$/bbl)	84.770	+0.240	+2.460	
Crude Swaps Jul					
Brent	(\$/bbl)	84.595	+0.240	+2.645	
DFL	(\$/bbl)	0.770	-0.060	+0.540	
WTI	(\$/bbl)	80.850	+0.450	+3.175	
Dubai	(\$/bbl)	84.680	+0.280	+2.770	



In detail

As at 09:30 BST, August WTI and Brent futures increased to \$81.12/bbl and \$85.54/bbl respectively. Brent contracts rose by \$0.34/bbl and WTI contracts climbed by \$0.50/bbl, against the close of Asian markets yesterday. Our Dubai physical assessment also rose to \$84.77/bbl increasing by 24 cts. Dubai is underperforming.

The \$20 billion Dangote Refinery, capable of processing about 650,000 barrels per day, is set to become the world's largest single-train refinery when it reaches full capacity. Aliko Dangote, the refinery's chairman, has boldly claimed that it will meet all of Nigeria's gasoline needs, claiming enough capacity to supply “the entire West Africa”. Currently the refinery is also producing 590k tons of carbon black alongside 1m tons of polypropylene. And apparently “this is just the beginning”.

Since March, the refinery has ramped up its LSSR exports, mainly targeting the Americas and Europe, as shown by ship tracking data from Kpler. The initial shipment bound for Asia is expected to arrive on Wednesday. The Glencore-chartered vessel, Front Brage, will transport approximately 124,000 metric tons (787,400 barrels) of LSSR to Singapore. Market sources indicate that the cargo was redirected to Asia due to weaker demand in Europe—Europe's loss is Asia's gain after all!

According to data from LSEG, the east-west spread for front-month 0.5 percent low-sulphur fuel oil (LSFO), reflecting the price difference between these regions, remained above \$40 per ton this week. Dangote's LSSR cargoes are priced against Rotterdam's 0.5 percent LSFO quotes on a free-on-board basis, though the specific pricing differential for this shipment remains a well-kept secret.

Another LSSR shipment from the Dangote Refinery, carrying around 157,000 tons, is scheduled to reach Singapore in July aboard the vessel Stena Suede—Singapore can't get enough! LSSR is typically blended with other fuels to produce LSFO for bunkering or used as feedstock in various refinery processes. Dangote began exporting oil products in February and started purchasing crude oil, mainly from the Nigerian National Petroleum Company (NNPC) Ltd, in December 2023.

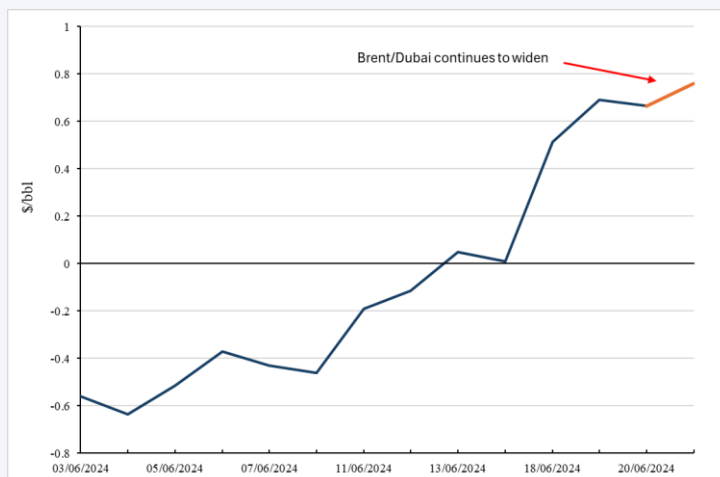
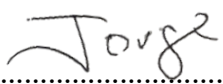



Figure 1: Brent/Dubai spread as at Asian close.

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Front Month Outrights					
July Swaps			21-Jun-24	1-Day Change	7-Day Change
Crude					
Brent	(\$/bbl)	84.595		+0.240	+2.645
WTI	(\$/bbl)	80.850		+0.450	+3.175
Dubai	(\$/bbl)	84.680		+0.280	+2.770
Distillates					
Gasoil 0.1 NWE	(\$/mt)	779.400		-7.110	+16.930
NWE Jet	(\$/mt)	838.400		-9.110	+17.930
Singapore 10ppm	(\$/bbl)	101.010		-0.810	+2.150
Sing Kero	(\$/bbl)	99.610		-0.850	+1.800
Gasoline					
RBOB	(c/gal)	248.260		+0.830	+7.930
EBOB	(\$/mt)	831.060		+1.790	+28.200
Singapore 92	(\$/bbl)	91.080		+0.830	+3.550
Singapore 95	(\$/bbl)	95.280		+0.840	+3.600
Naphtha					
US C5 ENT	(c/gal)	154.780		-0.810	+4.580
NWE Naphtha	(\$/mt)	676.760		+2.500	+25.640
MOPJ Naphtha	(\$/mt)	694.260		+1.660	+26.050
Fuel Oil					
3.5% barges	(\$/mt)	484.440		-0.830	+13.460
Singapore 380	(\$/mt)	500.690		-4.080	+18.270
Singapore 180	(\$/mt)	506.440		-4.330	+15.770
0.5% barges	(\$/mt)	551.750		+1.080	+17.970
Singapore 0.5%	(\$/mt)	595.690		+2.160	+18.730
NGLs					
US Propane LST	(c/gal)	80.220		+0.880	+0.790
NWE Propane	(\$/mt)	547.450		-0.410	+17.120
Saudi Propane CP	(\$/mt)	586.450		-0.360	+19.120
Asian Propane FEI	(\$/mt)	635.950		-1.360	+24.620
US Butane ENT	(c/gal)	97.220		+1.640	+4.170
Saudi Butane CP	(\$/mt)	564.450		-2.360	+12.120



Long Tenor Swaps

		Balmo	Jul-24	Aug-24	Sep-24	Oct-24	Q3-24	Q4-24
Crude								
Brent	(\$/bbl)	85.380	84.595	83.830	83.175	82.570	83.867	82.007
WTI	(\$/bbl)	81.115	80.850	79.975	79.195	78.445	80.007	77.780
Dubai	(\$/bbl)	84.830	84.680	83.950	83.220	82.490	83.950	81.837
Distillates								
Gasoil 0.1 NWE	(\$/mt)	780.375	779.400	778.530	778.680	775.400	769.790	765.895
NWE Jet	(\$/mt)	837.380	838.400	836.530	836.180	832.900	827.380	823.520
Singapore 10ppm	(\$/bbl)	100.970	101.010	101.060	100.940	100.550	100.100	99.650
Sing Kero	(\$/bbl)	99.610	99.610	99.710	99.680	99.530	99.290	98.990
Gasoline								
RBOB	(c/gal)	249.905	248.260	245.055	226.820	221.535	218.280	216.980
EBOB	(\$/mt)	830.560	831.060	828.060	814.560	769.310	749.560	736.310
Singapore 92	(\$/bbl)	90.580	91.080	90.830	90.130	89.180	88.230	87.540
Singapore 95	(\$/bbl)	94.380	95.280	94.930	94.180	93.180	92.180	91.440
Naphtha								
US C5 ENT	(c/gal)	153.780	154.780	155.280	155.780	156.280	156.030	155.780
NWE Naphtha	(\$/mt)	686.260	676.760	667.760	660.760	656.010	651.260	646.510
MOP-Japan Naphtha	(\$/mt)	700.260	694.260	685.510	678.010	672.510	667.260	662.010
Fuel Oil								
3.5% barges	(\$/mt)	488.190	484.440	480.940	472.440	462.940	456.690	452.440
Singapore 380	(\$/mt)	508.690	500.690	492.190	481.690	471.440	465.940	461.940
Singapore 180	(\$/mt)	509.690	506.440	500.690	492.190	483.690	478.940	475.940
0.5% barges	(\$/mt)	553.000	551.750	549.000	546.000	542.250	538.630	535.010
Singapore 0.5%	(\$/mt)	598.190	595.690	589.940	585.190	581.440	577.690	573.940
NGLs								
US Propane LST	(c/gal)	78.970	80.220	80.970	81.350	82.230	82.730	82.730
NWE Propane	(\$/mt)	554.450	547.450	545.950	547.450	549.950	552.450	552.450
Saudi Propane CP	(\$/mt)	586.450	586.450	579.450	582.450	589.450	596.450	599.950
Asian Propane FEI	(\$/mt)	642.450	635.950	632.450	633.950	638.950	641.950	638.950
US Butane ENT	(c/gal)	96.720	97.220	97.720	97.600	98.850	99.230	99.230
Saudi Butane CP	(\$/mt)	564.450	564.450	563.950	572.950	580.950	589.450	593.450



Front Month Spreads				
July/Aug		21-Jun-24	1-Day Change	7-Day Change
Crude				
Brent	(\$/bbl)	0.765	+0.075	+0.300
WTI	(\$/bbl)	0.875	+0.135	+0.470
Dubai	(\$/bbl)	0.730	+0.030	+0.220
Distillates				
Gasoil 0.1 NWE	(\$/mt)	0.870	-1.670	+0.735
NWE Jet	(\$/mt)	1.870	-1.670	+1.740
Singapore 10ppm	(\$/bbl)	-0.050	-0.120	+0.070
Sing Kero	(\$/bbl)	-0.100	-0.030	+0.010
Gasoline				
RBOB	(c/gal)	3.205	-0.150	+0.405
EBOB	(\$/mt)	3.000	-0.500	+0.250
Singapore 92	(\$/bbl)	0.250	+0.350	+0.450
Singapore 95	(\$/bbl)	0.350	+0.350	+0.550
Naphtha				
US C5 ENT	(c/gal)	-0.500	+0.000	-0.250
NWE Naphtha	(\$/mt)	9.000	+1.250	+4.000
MOP-Japan Naphtha	(\$/mt)	8.750	+0.750	+3.000
Fuel Oil				
3.5% barges	(\$/mt)	3.500	-0.250	-0.500
Singapore 380	(\$/mt)	8.500	-1.500	+1.750
Singapore 180	(\$/mt)	5.750	-1.750	+0.750
0.5% barges	(\$/mt)	2.750	-0.250	+0.750
Singapore 0.5%	(\$/mt)	5.750	+0.250	+0.750
NGLs				
US Propane LST	(c/gal)	-0.750	+0.000	-0.370
NWE Propane	(\$/mt)	1.500	-0.500	+0.500
Saudi Propane CP	(\$/mt)	7.000	+3.000	+0.000
Asian Propane FEI	(\$/mt)	3.500	+0.000	+1.500
US Butane ENT	(c/gal)	-0.500	+0.120	-0.120
Saudi Butane CP	(\$/mt)	0.500	+0.500	-1.000



Front Month Cracks and Diffs			
July	21-Jun-24	1-Day Change	7-Day Change
Crude			
Brent/Dubai (\$/bbl)	-0.080	-0.040	-0.080
WTI/Brent (\$/bbl)	-3.750	+0.210	+0.490
Distillates			
Gasoil 0.1 NWE crack (\$/bbl)	20.020	-1.160	-0.400
NWE Jet crack (\$/bbl)	21.800	-1.370	-0.410
NWE Jet Diff (\$/mt)	59.000	-2.000	+1.000
Gasoil E/W (\$/bbl)	-26.890	+1.110	-0.890
Regrade (Sing Kero vs Sing 10ppm) (\$/bbl)	-1.400	-0.040	-0.350
Gasoline			
TA Arb (RBOB vs EBOB) (c/gal)	10.700	+0.300	-0.150
EBOB crack (\$/mt)	15.190	-0.010	+0.720
Singapore 92 crack (\$/bbl)	6.490	+0.590	+0.870
Gasoline E/W (Sing 92 vs EBOB) (\$/bbl)	-8.700	+0.600	+0.150
European Gasnaph (EBOB vs Naphtha) (\$/mt)	154.460	-0.520	+2.720
Asian Gasnaph (Sing 92 vs MOPJ) (\$/mt)	64.440	+5.150	+3.360
Naphtha			
US C5 ENT vs WTI Crack	-15.830	-0.770	-1.240
NWE Naphtha Crack (\$/bbl)	-8.550	+0.050	+0.200
MOPJ Naphtha Crack (\$/bbl)	-6.580	-0.030	+0.260
Naphtha E/W (NWE vs MOPJ) (\$/mt)	17.500	-0.750	+0.500
Fuel Oil			
3.5% barges crack (\$/bbl)	-8.300	-0.350	-0.550
Singapore 380 crack (\$/bbl)	-5.740	-0.860	+0.200
Singapore 180 crack (\$/bbl)	-4.840	-0.910	-0.200
Visco (180-380) (\$/mt)	5.750	-0.250	-2.500
HSFO E/W (380 vs 3.5% barges) (\$/mt)	16.250	-3.250	+4.750
0.5% barges crack (\$/bbl)	2.300	-0.050	+0.150
Singapore 0.5% crack (\$/bbl)	9.220	+0.120	+0.270
VLSFO E/W (Sing 0.5% vs 0.5% barges) (\$/mt)	43.940	+1.080	+0.760
European Hi5 (0.5% barges vs 3.5% barges) (\$/mt)	67.310	+1.900	+4.450
Asian Hi5 (Sing 0.5% vs 380) (\$/mt)	95.000	+6.230	+0.460
0.5% barges/gasoil (\$/mt)	-227.650	+8.330	+0.980
Sing 0.5% vs Sing 10ppm (\$/mt)	-156.830	+8.260	+2.660
NGLs			
US Propane LST vs NWE Propane (\$/mt)	-129.500	+5.000	-13.000
US Propane LST vs Asian Propane FEI (\$/mt)	-218.000	+6.000	-20.500
Asian Propane FEI vs NWE Propane (\$/mt)	88.500	-1.000	+7.500
Asian Propane FEI vs Saudi Propane CP (\$/mt)	49.500	-1.000	+5.500
European Pronap (NWE Propane vs NWE Naphtha) (\$/mt)	-129.220	-2.730	-8.340
Asian Pronap (FEI vs MOPJ) (\$/mt)	-58.150	-2.910	-1.270



Long Tenor Cracks / Diffs

	Balmo	Jul-24	Aug-24	Sep-24	Oct-24	Q3-24	Q4-24
Crude							
Brent/Dubai (\$/bbl)	0.550	-0.080	-0.120	-0.040	0.070	-0.080	0.170
WTI/Brent (\$/bbl)	-4.260	-3.750	-3.850	-3.980	-4.130	-3.860	-4.227
Distillates							
Gasoil 0.1 NWE crack (\$/bbl)	19.37	20.02	20.67	21.34	21.51	20.68	21.40
NWE Jet crack (\$/bbl)	20.89	21.80	22.33	22.93	23.14	22.35	23.06
NWE Jet Diff (\$/mt)	57.00	59.00	58.00	57.50	57.50	58.17	57.50
Gasoil E/W (\$/bbl)	-28.15	-26.89	-25.63	-26.68	-26.31	-26.40	-24.71
Regrade (Sing Kero vs Sing 10ppm) (\$/bbl)	-1.36	-1.40	-1.35	-1.26	-1.02	-1.34	-0.82
Gasoline							
TA Arb (RBOB vs EBOB) (c/gal)	12.480	10.700	8.360	-6.020	1.630	-1.337	-0.817
EBOB crack (\$/mt)	14.340	15.190	15.600	14.630	9.800	4.347	4.047
Singapore 92 crack (\$/bbl)	5.200	6.490	7.000	6.960	6.620	15.140	8.263
Gasoline E/W (Sing 92 vs EBOB) (\$/bbl)	-9.140	-8.700	-8.590	-7.660	-3.180	6.817	6.317
European Gasnaph (EBOB vs Naphtha) (\$/mt)	144.460	154.460	160.460	153.960	113.460	-8.317	-1.933
Asian Gasnaph (Sing 92 vs MOPJ) (\$/mt)	54.270	64.440	71.100	72.770	70.360	156.293	100.627
Naphtha							
US C5 ENT vs WTI Crack	-16.520	-15.830	-14.740	-13.750	-12.800	-14.773	-12.240
NWE Naphtha Crack (\$/bbl)	-8.270	-8.550	-8.790	-8.920	-8.850	-8.753	-8.820
MOPJ Naphtha Crack (\$/bbl)	-6.700	-6.580	-6.800	-6.980	-7.000	-6.787	-7.027
Naphtha E/W (NWE vs MOPJ) (\$/mt)	14.000	17.500	17.750	17.250	16.500	17.500	16.000
Fuel Oil							
3.5% bgs crack (\$/bbl)	-8.500	-8.300	-8.080	-8.760	-9.660	-8.380	-9.973
Singapore 380 crack (\$/bbl)	-5.270	-5.740	-6.310	-7.300	-8.320	-6.450	-8.540
Singapore 180 crack (\$/bbl)	-5.110	-4.840	-4.970	-5.650	-6.390	-5.153	-6.483
Visco (180-380) (\$/mt)	1.000	5.750	8.500	10.500	12.250	8.250	13.083
HSFO E/W (380 vs 3.5% bgs) (\$/mt)	20.500	16.250	11.250	9.250	8.500	12.250	9.083
0.5% bgs crack (\$/bbl)	1.710	2.300	2.640	2.820	2.830	2.587	2.830
Singapore 0.5% crack (\$/bbl)	8.820	9.220	9.080	9.000	9.010	9.100	8.983
VLSFO E/W (Sing 0.5% vs 0.5% bgs) (\$/mt)	45.190	43.940	40.940	39.190	39.190	41.357	39.060
European Hi5 (0.5% bgs vs 3.5% bgs) (\$/mt)	64.810	67.310	68.060	73.560	79.310	69.643	81.273
Asian Hi5 (Sing 0.5% vs 380) (\$/mt)	89.500	95.000	97.750	103.500	110.000	98.750	111.250
0.5% bgs/gasoil (\$/mt)	-227.380	-227.650	-229.530	-232.600	-233.110	-229.927	-231.650
Sing 0.5% vs Sing 10ppm (\$/mt)	-154.040	-156.830	-162.960	-166.740	-167.580	-162.177	-167.880
NGLs							
US Propane LST vs NWE Propane (\$/mt)	-143.02	-129.5	-124.1	-123.62	-121.53	-125.74	-121.463
US Propane LST vs Asian Propane FEI (\$/mt)	-231.02	-218	-210.6	-210.12	-210.53	-212.907	-209.797
Asian Propane FEI vs NWE Propane (\$/mt)	88	88.5	86.5	86.5	89	87.167	88.333
Asian Propane FEI vs Saudi Propane CP (\$/mt)	56	49.5	53	51.5	49.5	51.333	44.667
European Pronap (\$/mt)	-131.72	-129.22	-121.72	-113.22	-105.97	-121.387	-99.553
Asian Pronap (FEI vs MOPJ) (\$/mt)	-113.65	-107.65	-105.9	-95.4	-82.9	-102.983	-71.817



Inter-month Crack Spreads			
July/Aug	21-Jun-24	1-Day Change	7-Day Change
Crude			
Brent/Dubai (\$/bbl)	0.040	+0.040	+0.080
WTI/Brent (\$/bbl)	0.100	+0.060	+0.160
Distillates			
Gasoil 0.1 NWE crack (\$/bbl)	-0.650	-0.280	-0.190
NWE Jet crack (\$/bbl)	-0.530	-0.260	-0.090
NWE Jet Diff (\$/mt)	1.000	+0.000	+1.000
Gasoil E/W (\$/bbl)	-1.260	+0.720	-0.200
Regrade (Sing Kero vs Sing 10ppm) (\$/bbl)	-0.050	+0.090	-0.060
Gasoline			
TA Arb (RBOB vs EBOB) (c/gal)	2.340	-0.020	+0.330
EBOB crack (\$/mt)	-0.410	-0.150	-0.280
Singapore 92 crack (\$/bbl)	-0.510	+0.280	+0.150
Gasoline E/W (Sing 92 vs EBOB) (\$/bbl)	-0.110	+0.410	+0.420
European Gasnaph (EBOB vs Naphtha) (\$/mt)	-6.000	-1.750	-3.750
Asian Gasnaph (Sing 92 vs MOPJ) (\$/mt)	-6.660	+2.170	+0.760
Naphtha			
US C5 ENT vs WTI Crack	-1.090	-0.150	-0.560
NWE Naphtha Crack (\$/bbl)	0.240	+0.070	+0.140
MOPJ Naphtha Crack (\$/bbl)	0.220	+0.020	+0.030
Naphtha E/W (NWE vs MOPJ) (\$/mt)	-0.250	-0.500	-1.000
Fuel Oil			
3.5% barges crack (\$/bbl)	-0.220	-0.120	-0.390
Singapore 380 crack (\$/bbl)	0.570	-0.310	-0.030
Singapore 180 crack (\$/bbl)	0.130	-0.340	-0.190
Visco (180-380) (\$/mt)	-2.750	-0.250	-1.000
HSFO E/W (380 vs 3.5% barges) (\$/mt)	5.000	-1.250	+2.250
0.5% barges crack (\$/bbl)	-0.340	-0.120	-0.190
Singapore 0.5% crack (\$/bbl)	0.140	-0.040	-0.180
VLSFO E/W (Sing 0.5% vs 0.5% barges) (\$/mt)	3.000	+0.500	+0.000
European Hi5 (0.5% barges vs 3.5% barges) (\$/mt)	-0.750	+0.000	+1.250
Asian Hi5 (Sing 0.5% vs 380) (\$/mt)	-2.750	+1.750	-1.000
0.5% barges/gasoil (\$/mt)	1.880	+1.460	+0.010
Sing 0.5% vs Sing 10ppm (\$/mt)	6.130	+1.150	+0.240
NGLs			
US Propane LST vs NWE Propane (\$/mt)	-5.400	+0.510	-2.420
US Propane LST vs Asian Propane FEI (\$/mt)	-7.400	+0.010	-3.420
Asian Propane FEI vs NWE Propane (\$/mt)	2.000	+0.500	+1.000
Asian Propane FEI vs Saudi Propane CP (\$/mt)	-3.500	-3.000	+1.500
European Pronap (NWE Propane vs NWE Naphtha) (\$/mt)	-7.500	-1.750	-3.500