



### Market Summary

#### Brent/Dubai gets hit!

Technical fluff that has propped up Brent, thanks to a certain pair of hot hands in the North Sea, will likely prove unsustainable. But in the short term, the overcooked Brent, combined with fundamentals asserting their bearish power in Asia, have resulted in the Brent spiking to over \$1.25/bbl over Dubai. Asian markets are marching at their own drums, with physical Dubai prices down by \$0.225/bbl while Brent moved up by over \$0.25/bbl. The disconnect between the regions has become sharper as Chinese refiners and majors sell off their surplus physicals into trader hands.

Unipet spanked Totsa and Mets with Oman, while Trafigura declared an Al-Shaheen to Mercuria. Sellers are clearing the decks and Totsa looked a bit lonely bidding \$84.54/bbl facing Hengli, Exxon and Unipet all offering at \$84.55/bbl. The Brent/Dubai spread looks set to widen further until Brent gives up the ghost.

Further down the curve, swaps are giving a different impression with the July differential down 8 cts, to -\$0.19/bbl. Dubai swaps are at a premium over Brent, pre-empting the inevitable reversal, as the lint rollers come out to pick up the technical fluff. One trading source said that as the market rolls into July, Brent is expected to correct downwards, while Dubai has already corrected. Therefore, the likelihood is greater for Brent to lose value relative to Dubai, hence the spread flips the opposite of June. But as cooling demand retreats in the Middle East later, Dubai may be back underneath Brent.

Expectations of higher interest rates persisting has also been driving up the dollar, which is now at its highest level in two months with the dollar index holding at 105.8. A high dollar hits commodity demand globally. In China, FDI printed a record y-o-y decrease, falling by 28.2% between January and May 2024. Chinese equities also paint a weak picture, small caps have fallen by 23% since the start of the year, whilst large caps fared slightly better but only off the back of significant state intervention.

See 'In Detail' section overleaf.

## Summary

### Physical and Futures

		24-Jun-24	1-Day Change	7-Day Change
Brent Aug (fut)	(\$/bbl)	85.810	+0.270	+3.490
WTI Aug (fut)	(\$/bbl)	81.130	+0.010	+3.330
Dubai Aug (phys)	(\$/bbl)	84.545	-0.225	+2.225

### Crude Swaps Jul

Brent	(\$/bbl)	84.920	+0.325	+3.005
DFL	(\$/bbl)	0.870	+0.100	+0.640
WTI	(\$/bbl)	80.900	+0.050	+3.225
Dubai	(\$/bbl)	84.820	+0.140	+2.910



## In detail

As at 09:30 BST, Brent continued to gain relative to both WTI and Dubai, but cracks are emerging. August Brent futures increased by 27 cts to \$81.13/bbl, whilst August WTI futures only posted a single cent increase against the close of Asia on Friday at \$81.13/bbl. Our Dubai physical cargos for August decreased by 22.5 cts, to close the window at \$84.545/bbl. Indeed, physical premiums for August Dubai fell further to 41.5 cts. August Brent swaps relative to equivalent futures have already started to come off, falling by 8 cts against Friday. Traders noted that ‘these levels in dated should be bringing a lot of US cargos over’ and that if Brent were to ‘rally much more, runs will be cut’.

Weakness continues to plague China where foreign direct investment fell by 28.2% y-o-y between January and May 2024, printing a record decrease for the first five months of the year. Much of this is thought to be base effects driven, given FDI last year was particularly high. That said, souring sentiment surrounding the macro landscape in China cannot be helping, despite the Ministry’s insistence that confidence remains ‘generally stable’. Trade relations between China and the west have deteriorated in recent months. The US, and now Europe have whacked large tariffs on Chinese exports of electric vehicles, which then prompted retaliation from China, with Beijing swiftly launching an antidumping probe into pork imports from the EU. The probe is expected to last for a full year and could result in the implementation of tariffs. But China wants the tariffs removed by July 4<sup>th</sup>.

Indeed, Chinese small cap equities have also been underperforming, with the CSI 2000 index falling more than 23% so far this year. The CSI 300 index has fared better. Although in March UBS estimated that 75% of state equity purchases were focused on this index. Recently the PBOC has also signalled a desire to initiate open market operations in treasury markets, amidst concerns over sharp price movement. Although the PBOC is rumored to having conducted stealth operations in treasury markets in the past.

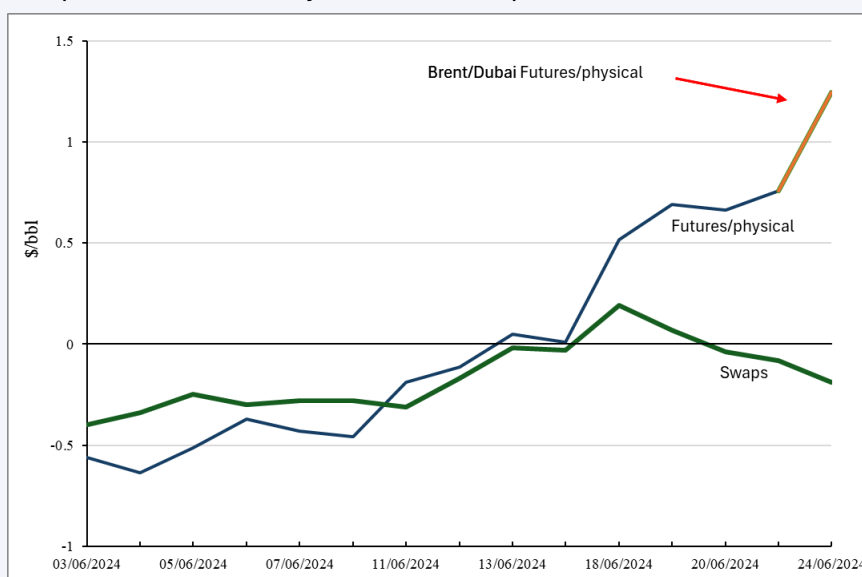
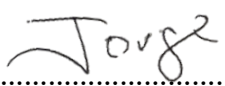




Figure 1: Brent/Dubai spread as at Asian close.

Jorge Montepeque: 

Managing Director for Benchmarking  
jmontepeque@onyxcapitalgroup.com

Harinder Sandhu: 

Quantitative Research Analyst  
hsandhu@onyxcapitaladvisory.com

Will Cunliffe: 

Research Analyst  
wcunliffe@onyxcapitaladvisory.com



<b>Front Month Outrights</b>					
<b>July Swaps</b>			<b>24-Jun-24</b>	<b>1-Day Change</b>	<b>7-Day Change</b>
<b>Crude</b>					
Brent	(\$/bbl)	<b>84.920</b>		+0.325	+3.005
WTI	(\$/bbl)	<b>80.900</b>		+0.050	+3.225
Dubai	(\$/bbl)	<b>84.820</b>		+0.140	+2.910
<b>Distillates</b>					
Gasoil 0.1 NWE	(\$/mt)	<b>791.680</b>		+12.280	+29.210
NWE Jet	(\$/mt)	<b>853.680</b>		+15.280	+33.210
Singapore 10ppm	(\$/bbl)	<b>102.410</b>		+1.400	+3.550
Sing Kero	(\$/bbl)	<b>101.060</b>		+1.450	+3.250
<b>Gasoline</b>					
RBOB	(c/gal)	<b>249.645</b>		+1.385	+9.315
EBOB	(\$/mt)	<b>835.430</b>		+4.370	+32.570
Singapore 92	(\$/bbl)	<b>90.990</b>		-0.090	+3.460
Singapore 95	(\$/bbl)	<b>95.190</b>		-0.090	+3.510
<b>Naphtha</b>					
US C5 ENT	(c/gal)	<b>155.870</b>		+1.090	+5.670
NWE Naphtha	(\$/mt)	<b>676.130</b>		-0.630	+25.010
MOPJ Naphtha	(\$/mt)	<b>693.630</b>		-0.630	+25.420
<b>Fuel Oil</b>					
3.5% barges	(\$/mt)	<b>489.970</b>		+5.530	+18.990
Singapore 380	(\$/mt)	<b>508.720</b>		+8.030	+26.300
Singapore 180	(\$/mt)	<b>514.970</b>		+8.530	+24.300
0.5% barges	(\$/mt)	<b>554.800</b>		+3.050	+21.020
Singapore 0.5%	(\$/mt)	<b>597.660</b>		+1.970	+20.700
<b>NGLs</b>					
US Propane LST	(c/gal)	<b>79.890</b>		-0.330	+0.460
NWE Propane	(\$/mt)	<b>546.730</b>		-0.720	+16.400
Saudi Propane CP	(\$/mt)	<b>585.730</b>		-0.720	+18.400
Asian Propane FEI	(\$/mt)	<b>635.730</b>		-0.220	+24.400
US Butane ENT	(c/gal)	<b>95.890</b>		-1.330	+2.840
Saudi Butane CP	(\$/mt)	<b>566.730</b>		+2.280	+14.400



## Long Tenor Swaps

		Balmo	Jul-24	Aug-24	Sep-24	Oct-24	Q3-24	Q4-24
<b>Crude</b>								
Brent	(\$/bbl)	85.695	84.920	84.180	83.545	82.950	84.215	82.388
WTI	(\$/bbl)	81.240	80.900	80.140	79.445	78.755	80.162	78.130
Dubai	(\$/bbl)	85.070	84.820	84.130	83.420	82.750	84.123	82.120
<b>Distillates</b>								
Gasoil 0.1 NWE	(\$/mt)	794.125	791.680	789.010	788.220	784.470	778.210	773.710
NWE Jet	(\$/mt)	854.120	853.680	850.010	849.220	845.470	839.210	834.710
Singapore 10ppm	(\$/bbl)	102.390	102.410	102.320	102.110	101.650	101.140	100.650
Sing Kero	(\$/bbl)	101.160	101.060	101.110	101.000	100.770	100.470	100.180
<b>Gasoline</b>								
RBOB	(c/gal)	251.410	249.645	246.170	227.705	222.225	218.785	217.365
EBOB	(\$/mt)	834.930	835.430	830.930	817.180	770.930	751.180	738.180
Singapore 92	(\$/bbl)	90.490	90.990	90.890	90.240	89.360	88.460	87.790
Singapore 95	(\$/bbl)	94.290	95.190	94.990	94.290	93.360	92.410	91.690
<b>Naphtha</b>								
US C5 ENT	(c/gal)	154.870	155.870	156.370	156.870	157.120	156.870	156.620
NWE Naphtha	(\$/mt)	684.130	676.130	668.380	662.380	657.880	653.130	648.380
MOP-Japan Naphtha	(\$/mt)	698.880	693.630	685.880	679.380	674.130	668.880	663.630
<b>Fuel Oil</b>								
3.5% barges	(\$/mt)	494.470	489.970	485.470	476.220	466.470	460.220	455.970
Singapore 380	(\$/mt)	520.470	508.720	497.720	485.720	474.220	468.470	464.220
Singapore 180	(\$/mt)	522.220	514.970	506.470	496.470	486.720	481.970	478.720
0.5% barges	(\$/mt)	556.050	554.800	551.800	548.550	545.050	541.550	538.050
Singapore 0.5%	(\$/mt)	600.910	597.660	591.910	587.410	583.660	579.910	576.160
<b>NGLs</b>								
US Propane LST	(c/gal)	78.390	79.890	80.640	80.890	81.890	82.510	82.630
NWE Propane	(\$/mt)	553.730	546.730	544.730	546.730	549.230	551.730	551.730
Saudi Propane CP	(\$/mt)	585.730	585.730	582.730	585.730	592.730	599.730	603.230
Asian Propane FEI	(\$/mt)	642.730	635.730	632.730	634.730	639.730	642.730	639.730
US Butane ENT	(c/gal)	95.390	95.890	96.510	96.390	97.640	98.140	98.140
Saudi Butane CP	(\$/mt)	566.730	566.730	567.730	576.230	585.230	593.230	597.230



<b>Front Month Spreads</b>				
<b>July/Aug</b>		<b>24-Jun-24</b>	<b>1-Day Change</b>	<b>7-Day Change</b>
<b>Crude</b>				
Brent	(\$/bbl)	0.740	-0.025	+0.275
WTI	(\$/bbl)	0.760	-0.115	+0.355
Dubai	(\$/bbl)	0.690	-0.040	+0.180
<b>Distillates</b>				
Gasoil 0.1 NWE	(\$/mt)	2.670	+1.800	+2.535
NWE Jet	(\$/mt)	3.670	+1.800	+3.540
Singapore 10ppm	(\$/bbl)	0.090	+0.140	+0.210
Sing Kero	(\$/bbl)	-0.050	+0.050	+0.060
<b>Gasoline</b>				
RBOB	(c/gal)	3.475	+0.270	+0.675
EBOB	(\$/mt)	4.500	+1.500	+1.750
Singapore 92	(\$/bbl)	0.100	-0.150	+0.300
Singapore 95	(\$/bbl)	0.200	-0.150	+0.400
<b>Naphtha</b>				
US C5 ENT	(c/gal)	-0.500	+0.000	-0.250
NWE Naphtha	(\$/mt)	7.750	-1.250	+2.750
MOP-Japan Naphtha	(\$/mt)	7.750	-1.000	+2.000
<b>Fuel Oil</b>				
3.5% barges	(\$/mt)	4.500	+1.000	+0.500
Singapore 380	(\$/mt)	11.000	+2.500	+4.250
Singapore 180	(\$/mt)	8.500	+2.750	+3.500
0.5% barges	(\$/mt)	3.000	+0.250	+1.000
Singapore 0.5%	(\$/mt)	5.750	+0.000	+0.750
<b>NGLs</b>				
US Propane LST	(c/gal)	-0.750	+0.000	-0.370
NWE Propane	(\$/mt)	2.000	+0.500	+1.000
Saudi Propane CP	(\$/mt)	3.000	-4.000	-4.000
Asian Propane FEI	(\$/mt)	3.000	-0.500	+1.000
US Butane ENT	(c/gal)	-0.620	-0.120	-0.240
Saudi Butane CP	(\$/mt)	-1.000	-1.500	-2.500



<b>Front Month Cracks and Diffs</b>			
<b>July</b>	<b>24-Jun-24</b>	<b>1-Day Change</b>	<b>7-Day Change</b>
<b>Crude</b>			
Brent/Dubai (\$/bbl)	-0.190	-0.110	-0.190
WTI/Brent (\$/bbl)	-3.820	-0.070	+0.420
<b>Distillates</b>			
Gasoil 0.1 NWE crack (\$/bbl)	19.910	-0.110	-0.510
NWE Jet crack (\$/bbl)	21.700	-0.100	-0.510
NWE Jet Diff (\$/mt)	59.000	+0.000	+1.000
Gasoil E/W (\$/bbl)	-27.900	-1.010	-1.900
Regrade (Sing Kero vs Sing 10ppm) (\$/bbl)	-1.460	-0.060	-0.410
<b>Gasoline</b>			
TA Arb (RBOB vs EBOB) (c/gal)	11.000	+0.300	+0.150
EBOB crack (\$/mt)	15.430	+0.240	+0.960
Singapore 92 crack (\$/bbl)	6.030	-0.460	+0.410
Gasoline E/W (Sing 92 vs EBOB) (\$/bbl)	-9.400	-0.700	-0.550
European Gasnaph (EBOB vs Naphtha) (\$/mt)	155.390	+0.930	+3.650
Asian Gasnaph (Sing 92 vs MOPJ) (\$/mt)	59.770	-4.670	-1.310
<b>Naphtha</b>			
US C5 ENT vs WTI Crack	-15.660	+0.170	-1.070
NWE Naphtha Crack (\$/bbl)	-8.420	+0.130	+0.330
MOPJ Naphtha Crack (\$/bbl)	-6.480	+0.100	+0.360
Naphtha E/W (NWE vs MOPJ) (\$/mt)	17.250	-0.250	+0.250
<b>Fuel Oil</b>			
3.5% barges crack (\$/bbl)	-8.310	-0.010	-0.560
Singapore 380 crack (\$/bbl)	-5.590	+0.150	+0.350
Singapore 180 crack (\$/bbl)	-4.650	+0.190	-0.010
Visco (180-380) (\$/mt)	6.000	+0.250	-2.250
HSFO E/W (380 vs 3.5% barges) (\$/mt)	17.250	+1.000	+5.750
0.5% barges crack (\$/bbl)	2.750	+0.450	+0.600
Singapore 0.5% crack (\$/bbl)	9.700	+0.480	+0.750
VLSFO E/W (Sing 0.5% vs 0.5% barges) (\$/mt)	44.130	+0.190	+0.950
European Hi5 (0.5% barges vs 3.5% barges) (\$/mt)	70.230	+2.920	+7.370
Asian Hi5 (Sing 0.5% vs 380) (\$/mt)	97.110	+2.110	+2.570
0.5% barges/gasoil (\$/mt)	-223.740	+3.910	+4.890
Sing 0.5% vs Sing 10ppm (\$/mt)	-151.730	+5.100	+7.760
<b>NGLs</b>			
US Propane LST vs NWE Propane (\$/mt)	-132.000	-2.500	-15.500
US Propane LST vs Asian Propane FEI (\$/mt)	-217.000	+1.000	-19.500
Asian Propane FEI vs NWE Propane (\$/mt)	85.000	-3.500	+4.000
Asian Propane FEI vs Saudi Propane CP (\$/mt)	47.500	-2.000	+3.500
European Pronap (NWE Propane vs NWE Naphtha) (\$/mt)	-132.450	-3.230	-11.570
Asian Pronap (FEI vs MOPJ) (\$/mt)	-64.700	-6.550	-7.820



## Long Tenor Cracks / Diffs

	Balmo	Jul-24	Aug-24	Sep-24	Oct-24	Q3-24	Q4-24
<b>Crude</b>							
Brent/Dubai (\$/bbl)	0.570	-0.190	-0.180	-0.100	0.010	-0.157	0.133
WTI/Brent (\$/bbl)	-4.340	-3.820	-3.870	-3.960	-4.120	-3.883	-4.220
<b>Distillates</b>							
Gasoil 0.1 NWE crack (\$/bbl)	19.32	19.91	20.58	21.26	21.45	20.58	21.33
NWE Jet crack (\$/bbl)	20.84	21.70	22.31	22.93	23.14	22.31	23.05
NWE Jet Diff (\$/mt)	57.00	59.00	58.50	58.00	58.00	58.50	58.00
Gasoil E/W (\$/bbl)	-29.37	-27.90	-26.91	-27.76	-27.11	-27.52	-25.44
Regrade (Sing Kero vs Sing 10ppm) (\$/bbl)	-1.44	-1.46	-1.36	-1.29	-1.04	-1.37	-0.81
<b>Gasoline</b>							
TA Arb (RBOB vs EBOB) (c/gal)	12.790	11.000	8.790	-5.730	2.010	-1.370	-0.813
EBOB crack (\$/mt)	14.610	15.430	15.720	14.640	9.730	4.687	4.307
Singapore 92 crack (\$/bbl)	4.770	6.030	6.670	6.730	6.460	15.263	8.200
Gasoline E/W (Sing 92 vs EBOB) (\$/bbl)	-9.840	-9.400	-9.050	-7.910	-3.270	6.477	6.217
European Gasnaph (EBOB vs Naphtha) (\$/mt)	144.890	155.390	160.890	153.390	112.390	-8.787	-1.977
Asian Gasnaph (Sing 92 vs MOPJ) (\$/mt)	47.600	59.770	67.690	69.940	68.610	156.557	99.890
<b>Naphtha</b>							
US C5 ENT vs WTI Crack	-16.320	-15.660	-14.650	-13.690	-12.760	-14.667	-12.220
NWE Naphtha Crack (\$/bbl)	-8.060	-8.420	-8.710	-8.860	-8.810	-8.663	-8.793
MOPJ Naphtha Crack (\$/bbl)	-6.330	-6.480	-6.710	-6.880	-6.950	-6.690	-6.997
Naphtha E/W (NWE vs MOPJ) (\$/mt)	15.250	17.250	17.750	17.500	16.500	17.500	16.000
<b>Fuel Oil</b>							
3.5% bgs crack (\$/bbl)	-8.470	-8.310	-8.100	-8.720	-9.610	-8.377	-9.897
Singapore 380 crack (\$/bbl)	-5.120	-5.590	-6.120	-7.170	-8.250	-6.293	-8.490
Singapore 180 crack (\$/bbl)	-4.970	-4.650	-4.740	-5.440	-6.190	-4.943	-6.320
Visco (180-380) (\$/mt)	1.000	6.000	8.750	11.000	13.000	8.583	13.750
HSFO E/W (380 vs 3.5% bgs) (\$/mt)	21.250	17.250	12.600	9.850	8.600	13.233	8.933
0.5% bgs crack (\$/bbl)	2.200	2.750	3.080	3.240	3.180	3.023	3.140
Singapore 0.5% crack (\$/bbl)	9.340	9.700	9.440	9.210	9.150	9.450	9.113
VLSFO E/W (Sing 0.5% vs 0.5% bgs) (\$/mt)	45.380	44.130	40.380	37.880	37.880	40.797	37.880
European Hi5 (0.5% bgs vs 3.5% bgs) (\$/mt)	67.730	70.230	70.980	75.980	81.230	72.397	82.813
Asian Hi5 (Sing 0.5% vs 380) (\$/mt)	91.860	97.110	98.760	104.010	110.510	99.960	111.760
0.5% bgs/gasoil (\$/mt)	-223.460	-223.740	-225.790	-229.180	-230.330	-226.237	-229.037
Sing 0.5% vs Sing 10ppm (\$/mt)	-148.710	-151.730	-158.670	-163.730	-165.490	-158.043	-165.863
<b>NGLs</b>							
US Propane LST vs NWE Propane (\$/mt)	-146.82	-132	-126.6	-125.99	-123.16	-128.197	-123.087
US Propane LST vs Asian Propane FEI (\$/mt)	-228.82	-217	-211.1	-211.49	-211.16	-213.197	-210.92
Asian Propane FEI vs NWE Propane (\$/mt)	82	85	84.5	85.5	88	85	87.833
Asian Propane FEI vs Saudi Propane CP (\$/mt)	51.5	47.5	50.5	50	47.5	49.333	42.833
European Pronap (\$/mt)	-135.45	-132.45	-124.7	-115.7	-107.95	-124.283	-101.533
Asian Pronap (FEI vs MOPJ) (\$/mt)	-120.2	-112.2	-108.45	-97.7	-83.95	-106.117	-72.533



<b>Inter-month Crack Spreads</b>			
<b>July/Aug</b>	<b>24-Jun-24</b>	<b>1-Day Change</b>	<b>7-Day Change</b>
<b>Crude</b>			
Brent/Dubai (\$/bbl)	-0.010	-0.050	+0.030
WTI/Brent (\$/bbl)	0.050	-0.050	+0.110
<b>Distillates</b>			
Gasoil 0.1 NWE crack (\$/bbl)	-0.670	-0.020	-0.210
NWE Jet crack (\$/bbl)	-0.610	-0.080	-0.170
NWE Jet Diff (\$/mt)	0.500	-0.500	+0.500
Gasoil E/W (\$/bbl)	-0.990	+0.270	+0.070
Regrade (Sing Kero vs Sing 10ppm) (\$/bbl)	-0.100	-0.050	-0.110
<b>Gasoline</b>			
TA Arb (RBOB vs EBOB) (c/gal)	2.210	-0.130	+0.200
EBOB crack (\$/mt)	-0.290	+0.120	-0.160
Singapore 92 crack (\$/bbl)	-0.640	-0.130	+0.020
Gasoline E/W (Sing 92 vs EBOB) (\$/bbl)	-0.350	-0.240	+0.180
European Gasnaph (EBOB vs Naphtha) (\$/mt)	-5.500	+0.500	-3.250
Asian Gasnaph (Sing 92 vs MOPJ) (\$/mt)	-7.920	-1.260	-0.500
<b>Naphtha</b>			
US C5 ENT vs WTI Crack	-1.010	+0.080	-0.480
NWE Naphtha Crack (\$/bbl)	0.290	+0.050	+0.190
MOPJ Naphtha Crack (\$/bbl)	0.230	+0.010	+0.040
Naphtha E/W (NWE vs MOPJ) (\$/mt)	-0.500	-0.250	-1.250
<b>Fuel Oil</b>			
3.5% barges crack (\$/bbl)	-0.210	+0.010	-0.380
Singapore 380 crack (\$/bbl)	0.530	-0.040	-0.070
Singapore 180 crack (\$/bbl)	0.090	-0.040	-0.230
Visco (180-380) (\$/mt)	-2.750	+0.000	-1.000
HSFO E/W (380 vs 3.5% barges) (\$/mt)	4.650	-0.350	+1.900
0.5% barges crack (\$/bbl)	-0.330	+0.010	-0.180
Singapore 0.5% crack (\$/bbl)	0.260	+0.120	-0.060
VLSFO E/W (Sing 0.5% vs 0.5% barges) (\$/mt)	3.750	+0.750	+0.750
European Hi5 (0.5% barges vs 3.5% barges) (\$/mt)	-0.750	+0.000	+1.250
Asian Hi5 (Sing 0.5% vs 380) (\$/mt)	-1.650	+1.100	+0.100
0.5% barges/gasoil (\$/mt)	2.050	+0.170	+0.180
Sing 0.5% vs Sing 10ppm (\$/mt)	6.940	+0.810	+1.050
<b>NGLs</b>			
US Propane LST vs NWE Propane (\$/mt)	-5.400	+0.000	-2.420
US Propane LST vs Asian Propane FEI (\$/mt)	-5.900	+1.500	-1.920
Asian Propane FEI vs NWE Propane (\$/mt)	0.500	-1.500	-0.500
Asian Propane FEI vs Saudi Propane CP (\$/mt)	-3.000	+0.500	+2.000
European Pronap (NWE Propane vs NWE Naphtha ) (\$/mt)	-7.750	-0.250	-3.750