



### Market Summary

#### Traders versus softer macro

It was a mixed day with broader Asian macro signals looking weaker, flat price falling a bit, but Dubai is outperforming Brent. Is this a return to fundamental driven rational markets? Who knows but the refiners have been selling a lot of crude this month in the Asian window. A further cargo convergence was seen today with P66 declaring a cargo of August Murban to Total.

Note there are only two pricing days for the August Dubai contract and the Dubai premium cues are softening, the lowest they have been in months. The Dubai premiums has narrowed from highs of over \$1.50 on June 18 to close to 50 cts currently. This should prompt the Saudis to reduce the OSPs slightly. And latest APIs are squishy but we better wait for the EIAs.

The August Brent futures to Dubai physical spread continued to narrow marginally to \$0.665/bbl, down from \$0.695/bbl. But Brent CFD indications were a bit softer. The Brent benchmark grab anything in the bag by Gunvor and Trafigura continues. India was rumoured to have bought a WTI VLCC from Gunvor. I hope they didn't buy it Dated Brent related!

Macro factors look to be a likely driver in today's weakness. The USD/JPY tumbled to around 160. This key level, previously motivated forex intervention by BOJ. Masato Kanda, Japan's vice minister for foreign affairs, said that Japan stood ready to intervene at "any time". But to what end? Relentless open market purchases of yen cannot be sustainable, as debt piles high. Bank of Japan has already frittered away over \$60 billion and has nothing to show for it. The Indian Rupee also re-tested historical lows.

In China, the situation looks similarly bleak. Government bond are relatively weak and investors have been piling into long dated paper. The 20 and 50 year notes have been trading at historic lows for months, whilst the 10 year note fell to 2.22%, marking a dramatic 22 year low. Analysts say low bond rates mean a weak underlying real economy. This all paints a very weak picture for the Asian demand outlook.

### Summary

#### Physical and Futures

		26-Jun-24	1-Day Change	7-Day Change
Brent Aug (fut)	(\$/bbl)	85.150	-0.815	+0.155
WTI Aug (fut)	(\$/bbl)	81.055	-0.530	+0.680
Dubai Aug (phys)	(\$/bbl)	84.495	-0.775	+0.195

#### Crude Swaps Jul

Brent	(\$/bbl)	84.390	-0.660	+0.160
DFL	(\$/bbl)	0.510	-0.210	-0.150
WTI	(\$/bbl)	80.820	-0.510	+0.650
Dubai	(\$/bbl)	84.590	-0.610	+0.440



## In detail

As at 09:30 BST, crude markets saw broad based losses against the close of Asia yesterday. August Brent futures fell 82 cts to \$85.15/bbl, whilst August WTI futures posted a 53 cts fall against the close of Asia yesterday, at \$81.01/bbl. Our Dubai assessment of physical cargos for August eased by 77.5 cts, to close the window at \$84.495/bbl. Indeed, physical premiums for August Dubai eased to 51.5 cts.

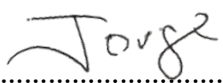
APIs for the week ending June 21 showed continued building across both crude (+0.914mmbbls) and gasoline (+3.843mmbbls). The build in crude came a large surprise to markets, which had expected a draw of 3mmbbls. Prices initially fell on the news, with August Brent futures shedding 19 cts, before quickly retracing. After APIs recent track record, we will await the EIA data later today for confirmation. But nevertheless building gasoline inventories during driving season, albeit ahead of July 4, does not bode well for demand in the US.

And the picture is mirrored in Asia. The Yen is plummeting, and Chinese sovereign yields are at record lows, it is certainly difficult to be bullish.

But not all is lost, with sources hoping India remains a healthy source of growth, but its currency is plunging! Nevertheless, starting June 28, JP Morgan will be including Indian debt in their flagship emerging market index. And let's not forget that Modi is visiting Russia early next month and he is likely to snag some juicy oil deals. India is very practical, like the Chinese buyers and Russian or American oil makes no difference. All they naturally care is about the price and the terms of payment.


According to LSEG data India and China were the two largest importers of Russian Seaborne fuel oil and Vacuum Gas Oil. Oil loadings destined for China increased to in May 520k tons, up 70k tons from April. VGO shipments destined for India increased to 0.7m tons in May, up 100k tons on the month. VGO is used as feedstock in FCC's to produce lighter fuels. Since the OPEC induced sell off at the start of the month, relative tightness in Asian Gasoil markets has been seen. After bottoming out at a low of \$91.13/bbl on June 4, the contract subsequently strengthened considerably before settling at a \$102.00/bbl handle. The increased demand for Gasoil was driven by high temperatures Asia, the same is true for Indian imports of Russian VGO. Last week saw temperatures in India remain elevated. New Delhi, Jaipur, Kota and Prayagraj all posted temperate in excess of 40 degrees last week.

Ahead of, what is largely expected to be the hottest summer on record, it looks likely for more Russian VGO and Fuel Oil to flow into Asia.

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<b>Front Month Outrights</b>				
<b>July Swaps</b>			26-Jun-24	1-Day Change 7-Day Change
<b>Crude</b>				
Brent	(\$/bbl)	84.390	-0.660	+0.160
WTI	(\$/bbl)	80.820	-0.510	+0.650
Dubai	(\$/bbl)	84.590	-0.610	+0.440
<b>Distillates</b>				
Gasoil 0.1 NWE	(\$/mt)	782.980	+0.580	+2.740
NWE Jet	(\$/mt)	839.480	-0.920	-1.260
Singapore 10ppm	(\$/bbl)	101.370	+0.040	+0.330
Sing Kero	(\$/bbl)	99.840	-0.040	+0.100
<b>Gasoline</b>				
RBOB	(c/gal)	250.085	+1.045	+3.005
EBOB	(\$/mt)	830.320	+1.540	+3.320
Singapore 92	(\$/bbl)	90.490	+0.010	+0.260
Singapore 95	(\$/bbl)	94.990	+0.000	+0.560
<b>Naphtha</b>				
US C5 ENT	(c/gal)	155.470	+0.070	+1.140
NWE Naphtha	(\$/mt)	680.760	+0.090	+10.770
MOPJ Naphtha	(\$/mt)	698.010	+0.250	+10.610
<b>Fuel Oil</b>				
3.5% barges	(\$/mt)	480.820	-3.490	-6.350
Singapore 380	(\$/mt)	499.190	-2.000	-3.550
Singapore 180	(\$/mt)	505.260	-2.120	-3.660
0.5% barges	(\$/mt)	555.690	-2.670	+4.950
Singapore 0.5%	(\$/mt)	603.000	-2.090	+9.150
<b>NGLs</b>				
US Propane LST	(c/gal)	80.460	+0.450	+1.450
NWE Propane	(\$/mt)	551.700	+3.850	+9.560
Saudi Propane CP	(\$/mt)	581.140	-4.710	-3.000
Asian Propane FEI	(\$/mt)	630.140	-3.710	-3.000
US Butane ENT	(c/gal)	96.830	-0.440	+1.820
Saudi Butane CP	(\$/mt)	563.640	-1.260	-2.450



## Long Tenor Swaps

		Balmo	Jul-24	Aug-24	Sep-24	Oct-24	Q3-24	Q4-24
<b>Crude</b>								
Brent	(\$/bbl)	84.910	84.390	83.790	83.230	82.690	83.803	82.210
WTI	(\$/bbl)	81.055	80.820	80.045	79.375	78.715	80.080	78.127
Dubai	(\$/bbl)	84.490	84.590	83.980	83.370	82.770	83.980	82.190
<b>Distillates</b>								
Gasoil 0.1 NWE	(\$/mt)	784.125	782.980	782.200	782.280	779.240	782.487	774.150
NWE Jet	(\$/mt)	838.620	839.480	839.200	839.280	836.240	839.320	831.150
Singapore 10ppm	(\$/bbl)	101.320	101.370	101.470	101.380	101.060	101.407	100.593
Sing Kero	(\$/bbl)	99.740	99.840	100.030	100.090	100.010	99.987	99.763
<b>Gasoline</b>								
RBOB	(c/gal)	251.705	250.085	246.985	228.220	222.670	241.763	219.867
EBOB	(\$/mt)	829.820	830.320	828.320	815.320	771.320	824.653	754.487
Singapore 92	(\$/bbl)	89.990	90.490	90.490	89.940	89.240	90.307	88.547
Singapore 95	(\$/bbl)	93.790	94.990	94.790	94.190	93.240	94.657	92.497
<b>Naphtha</b>								
US C5 ENT	(c/gal)	154.220	155.470	155.970	156.470	157.220	155.970	156.970
NWE Naphtha	(\$/mt)	691.260	680.760	670.760	663.260	659.260	671.593	654.760
MOP-Japan Naphtha	(\$/mt)	706.010	698.010	688.510	680.760	675.510	689.093	670.510
<b>Fuel Oil</b>								
3.5% barges	(\$/mt)	484.570	480.820	478.320	471.820	463.320	476.987	458.253
Singapore 380	(\$/mt)	505.440	499.190	492.190	481.940	471.940	491.107	467.107
Singapore 180	(\$/mt)	507.510	505.260	500.760	492.760	484.760	499.593	480.677
0.5% barges	(\$/mt)	556.440	555.690	552.940	549.440	545.190	552.690	541.070
Singapore 0.5%	(\$/mt)	605.500	603.000	595.500	589.000	584.750	595.833	580.750
<b>NGLs</b>								
US Propane LST	(c/gal)	79.210	80.460	81.210	81.590	82.710	81.087	83.083
NWE Propane	(\$/mt)	558.700	551.700	548.700	550.200	553.200	550.200	554.867
Saudi Propane CP	(\$/mt)	581.140	581.140	581.140	584.640	592.640	582.307	598.807
Asian Propane FEI	(\$/mt)	634.140	630.140	629.140	632.140	637.640	630.473	639.307
US Butane ENT	(c/gal)	96.330	96.830	97.330	97.330	98.710	97.163	99.003
Saudi Butane CP	(\$/mt)	563.640	563.640	563.640	576.140	585.640	567.807	592.307



<b>Front Month Spreads</b>				
<b>July/Aug</b>		<b>26-Jun-24</b>	<b>1-Day Change</b>	<b>7-Day Change</b>
<b>Crude</b>				
Brent	(\$/bbl)	0.600	-0.125	-0.080
WTI	(\$/bbl)	0.775	-0.060	+0.075
Dubai	(\$/bbl)	0.610	-0.100	-0.070
<b>Distillates</b>				
Gasoil 0.1 NWE	(\$/mt)	0.780	+0.080	-0.430
NWE Jet	(\$/mt)	0.280	-0.920	-1.430
Singapore 10ppm	(\$/bbl)	-0.100	-0.040	-0.130
Sing Kero	(\$/bbl)	-0.190	+0.000	-0.130
<b>Gasoline</b>				
RBOB	(c/gal)	3.100	+0.160	-0.220
EBOB	(\$/mt)	2.000	+0.750	-2.000
Singapore 92	(\$/bbl)	0.000	+0.020	-0.100
Singapore 95	(\$/bbl)	0.200	+0.020	+0.000
<b>Naphtha</b>				
US C5 ENT	(c/gal)	-0.500	+0.000	+0.000
NWE Naphtha	(\$/mt)	10.000	+0.500	+2.500
MOP-Japan Naphtha	(\$/mt)	9.500	+0.750	+2.250
<b>Fuel Oil</b>				
3.5% barges	(\$/mt)	2.500	-0.500	-2.500
Singapore 380	(\$/mt)	7.000	-0.500	-3.250
Singapore 180	(\$/mt)	4.500	-0.500	-3.250
0.5% barges	(\$/mt)	2.750	-0.250	-0.500
Singapore 0.5%	(\$/mt)	7.500	+0.250	+1.500
<b>NGLs</b>				
US Propane LST	(c/gal)	-0.750	+0.000	+0.000
NWE Propane	(\$/mt)	3.000	+1.000	+1.000
Saudi Propane CP	(\$/mt)	0.000	-4.500	-5.000
Asian Propane FEI	(\$/mt)	1.000	-1.500	-2.500
US Butane ENT	(c/gal)	-0.500	+0.000	+0.120
Saudi Butane CP	(\$/mt)	0.000	-2.000	-1.000



<b>Front Month Cracks and Diffs</b>			
<b>July</b>	<b>26-Jun-24</b>	<b>1-Day Change</b>	<b>7-Day Change</b>
<b>Crude</b>			
Brent/Dubai (\$/bbl)	-0.190	-0.040	-0.260
WTI/Brent (\$/bbl)	-3.580	+0.140	+0.470
<b>Distillates</b>			
Gasoil 0.1 NWE crack (\$/bbl)	20.710	+0.740	+0.220
NWE Jet crack (\$/bbl)	22.130	+0.530	-0.330
NWE Jet Diff (\$/mt)	56.500	-1.500	-4.000
Gasoil E/W (\$/bbl)	-27.750	-0.250	-0.250
Regrade (Sing Kero vs Sing 10ppm) (\$/bbl)	-1.540	-0.090	-0.240
<b>Gasoline</b>			
TA Arb (RBOB vs EBOB) (c/gal)	12.750	+0.650	+2.050
EBOB crack (\$/mt)	15.270	+0.830	+0.230
Singapore 92 crack (\$/bbl)	6.070	+0.620	+0.080
Gasoline E/W (Sing 92 vs EBOB) (\$/bbl)	-9.200	-0.200	-0.150
European Gasnaph (EBOB vs Naphtha) (\$/mt)	149.630	+1.620	-7.410
Asian Gasnaph (Sing 92 vs MOPJ) (\$/mt)	55.680	-0.260	-8.540
<b>Naphtha</b>			
US C5 ENT vs WTI Crack	-15.550	+0.500	-0.200
NWE Naphtha Crack (\$/bbl)	-7.930	+0.620	+1.020
MOPJ Naphtha Crack (\$/bbl)	-5.990	+0.650	+0.990
Naphtha E/W (NWE vs MOPJ) (\$/mt)	17.250	+0.250	-0.250
<b>Fuel Oil</b>			
3.5% barges crack (\$/bbl)	-8.700	+0.050	-1.200
Singapore 380 crack (\$/bbl)	-5.790	+0.320	-0.730
Singapore 180 crack (\$/bbl)	-4.840	+0.290	-0.760
Visco (180-380) (\$/mt)	6.000	-0.250	-0.250
HSFO E/W (380 vs 3.5% barges) (\$/mt)	18.500	+1.750	+3.000
0.5% barges crack (\$/bbl)	3.100	+0.200	+0.600
Singapore 0.5% crack (\$/bbl)	10.550	+0.300	+1.250
VLSFO E/W (Sing 0.5% vs 0.5% barges) (\$/mt)	47.310	+0.640	+4.130
European Hi5 (0.5% barges vs 3.5% barges) (\$/mt)	74.930	+0.950	+11.430
Asian Hi5 (Sing 0.5% vs 380) (\$/mt)	103.740	-0.160	+12.560
0.5% barges/gasoil (\$/mt)	-227.360	-3.300	+2.140
Sing 0.5% vs Sing 10ppm (\$/mt)	-152.280	-2.390	+6.550
<b>NGLs</b>			
US Propane LST vs NWE Propane (\$/mt)	-132.500	-1.500	-2.000
US Propane LST vs Asian Propane FEI (\$/mt)	-211.000	+6.000	+10.500
Asian Propane FEI vs NWE Propane (\$/mt)	78.500	-7.500	-12.500
Asian Propane FEI vs Saudi Propane CP (\$/mt)	49.000	+1.000	+0.000
European Pronap (NWE Propane vs NWE Naphtha) (\$/mt)	-128.940	+3.880	-1.180
Asian Pronap (FEI vs MOPJ) (\$/mt)	-116.690	-4.870	-13.340



## Long Tenor Cracks / Diffs

	Balmo	Jul-24	Aug-24	Sep-24	Oct-24	Q3-24	Q4-24
<b>Crude</b>							
Brent/Dubai (\$/bbl)	0.420	-0.190	-0.190	-0.140	-0.070	-0.173	0.023
WTI/Brent (\$/bbl)	-3.840	-3.580	-3.760	-3.860	-3.970	-3.733	-4.077
<b>Distillates</b>							
Gasoil 0.1 NWE crack (\$/bbl)	20.35	20.71	21.20	21.78	21.90	21.23	21.71
NWE Jet crack (\$/bbl)	21.50	22.13	22.71	23.28	23.43	22.71	23.26
NWE Jet Diff (\$/mt)	54.50	56.50	57.00	57.00	57.00	56.83	57.00
Gasoil E/W (\$/bbl)	-29.29	-27.75	-26.25	-27.00	-26.35	-27.00	-24.73
Regrade (Sing Kero vs Sing 10ppm) (\$/bbl)	-1.59	-1.54	-1.45	-1.30	-1.05	-1.43	-0.83
<b>Gasoline</b>							
TA Arb (RBOB vs EBOB) (c/gal)	14.520	12.750	10.230	-4.810	2.200	6.057	4.213
EBOB crack (\$/mt)	14.690	15.270	15.640	14.640	9.890	15.183	8.357
Singapore 92 crack (\$/bbl)	5.060	6.070	6.680	6.690	6.520	6.480	6.313
Gasoline E/W (Sing 92 vs EBOB) (\$/bbl)	-9.640	-9.200	-8.960	-7.950	-3.370	-8.703	-2.037
European Gasnaph (EBOB vs Naphtha) (\$/mt)	138.630	149.630	157.630	152.130	112.130	153.130	99.797
Asian Gasnaph (Sing 92 vs MOPJ) (\$/mt)	43.520	55.680	65.180	68.350	67.770	63.070	66.993
<b>Naphtha</b>							
US C5 ENT vs WTI Crack	-16.330	-15.550	-14.560	-13.680	-12.710	-14.597	-12.223
NWE Naphtha Crack (\$/bbl)	-7.270	-7.930	-8.450	-8.720	-8.650	-8.367	-8.660
MOPJ Naphtha Crack (\$/bbl)	-5.610	-5.990	-6.460	-6.750	-6.820	-6.400	-6.887
Naphtha E/W (NWE vs MOPJ) (\$/mt)	14.750	17.250	17.750	17.500	16.250	17.500	15.750
<b>Fuel Oil</b>							
3.5% bgs crack (\$/bbl)	-8.630	-8.700	-8.490	-8.960	-9.760	-8.717	-10.073
Singapore 380 crack (\$/bbl)	-5.320	-5.790	-6.290	-7.340	-8.390	-6.473	-8.653
Singapore 180 crack (\$/bbl)	-5.000	-4.840	-4.940	-5.640	-6.370	-5.140	-6.527
Visco (180-380) (\$/mt)	2.000	6.000	8.500	10.750	12.750	8.417	13.500
HSFO E/W (380 vs 3.5% bgs) (\$/mt)	21.000	18.500	14.000	10.250	8.750	14.250	8.983
0.5% bgs crack (\$/bbl)	2.700	3.100	3.270	3.280	3.150	3.217	2.993
Singapore 0.5% crack (\$/bbl)	10.420	10.550	9.970	9.520	9.380	10.013	9.243
VLSFO E/W (Sing 0.5% vs 0.5% bgs) (\$/mt)	49.060	47.310	42.560	39.560	39.560	43.143	39.680
European Hi5 (0.5% bgs vs 3.5% bgs) (\$/mt)	71.930	74.930	74.680	77.680	81.930	75.763	82.877
Asian Hi5 (Sing 0.5% vs 380) (\$/mt)	99.990	103.740	103.240	106.990	112.740	104.657	113.573
0.5% bgs/gasoil (\$/mt)	-227.750	-227.360	-229.330	-232.910	-233.950	-229.867	-233.067
Sing 0.5% vs Sing 10ppm (\$/mt)	-149.400	-152.280	-160.520	-166.350	-168.070	-159.717	-168.667
<b>NGLs</b>							
US Propane LST vs NWE Propane (\$/mt)	-146.01	-132.5	-125.59	-125.11	-122.27	-127.733	-121.993
US Propane LST vs Asian Propane FEI (\$/mt)	-221.51	-211	-206.09	-207.11	-206.77	-208.067	-206.493
Asian Propane FEI vs NWE Propane (\$/mt)	75.5	78.5	80.5	82	84.5	80.333	84.5
Asian Propane FEI vs Saudi Propane CP (\$/mt)	53	49	48	47.5	45	48.167	40.5
European Pronap (\$/mt)	-132.44	-128.94	-121.94	-112.94	-105.94	-121.273	-99.773
Asian Pronap (FEI vs MOPJ) (\$/mt)	-124.69	-116.69	-107.19	-95.94	-82.94	-106.607	-71.773





<b>Inter-month Crack Spreads</b>			
<b>July/Aug</b>	<b>26-Jun-24</b>	<b>1-Day Change</b>	<b>7-Day Change</b>
<b>Crude</b>			
Brent/Dubai (\$/bbl)	0.000	-0.020	+0.020
WTI/Brent (\$/bbl)	0.180	+0.080	+0.150
<b>Distillates</b>			
Gasoil 0.1 NWE crack (\$/bbl)	-0.490	+0.150	+0.010
NWE Jet crack (\$/bbl)	-0.580	+0.000	-0.140
NWE Jet Diff (\$/mt)	-0.500	-1.000	-1.000
Gasoil E/W (\$/bbl)	-1.500	-0.340	-0.400
Regrade (Sing Kero vs Sing 10ppm) (\$/bbl)	-0.090	+0.040	+0.000
<b>Gasoline</b>			
TA Arb (RBOB vs EBOB) (c/gal)	2.520	-0.070	+0.330
EBOB crack (\$/mt)	-0.370	+0.210	-0.180
Singapore 92 crack (\$/bbl)	-0.610	+0.130	-0.040
Gasoline E/W (Sing 92 vs EBOB) (\$/bbl)	-0.240	-0.070	+0.140
European Gasnaph (EBOB vs Naphtha) (\$/mt)	-8.000	+0.250	-4.500
Asian Gasnaph (Sing 92 vs MOPJ) (\$/mt)	-9.500	-0.590	-3.090
<b>Naphtha</b>			
US C5 ENT vs WTI Crack	-0.990	+0.050	-0.090
NWE Naphtha Crack (\$/bbl)	0.520	+0.190	+0.340
MOPJ Naphtha Crack (\$/bbl)	0.470	+0.220	+0.310
Naphtha E/W (NWE vs MOPJ) (\$/mt)	-0.500	+0.250	-0.250
<b>Fuel Oil</b>			
3.5% barges crack (\$/bbl)	-0.210	+0.050	-0.330
Singapore 380 crack (\$/bbl)	0.500	+0.060	-0.430
Singapore 180 crack (\$/bbl)	0.100	+0.040	-0.440
Visco (180-380) (\$/mt)	-2.500	+0.000	+0.000
HSFO E/W (380 vs 3.5% barges) (\$/mt)	4.500	+0.000	-0.750
0.5% barges crack (\$/bbl)	-0.170	+0.090	-0.020
Singapore 0.5% crack (\$/bbl)	0.580	+0.170	+0.320
VLSFO E/W (Sing 0.5% vs 0.5% barges) (\$/mt)	4.750	+0.500	+2.000
European Hi5 (0.5% barges vs 3.5% barges) (\$/mt)	0.250	+0.250	+2.000
Asian Hi5 (Sing 0.5% vs 380) (\$/mt)	0.500	+0.750	+4.750
0.5% barges/gasoil (\$/mt)	1.970	-0.250	-0.070
Sing 0.5% vs Sing 10ppm (\$/mt)	8.240	+0.540	+2.470
<b>NGLs</b>			
US Propane LST vs NWE Propane (\$/mt)	-6.910	-1.000	-1.000
US Propane LST vs Asian Propane FEI (\$/mt)	-4.910	+1.500	+2.500
Asian Propane FEI vs NWE Propane (\$/mt)	-2.000	-2.500	-3.500
Asian Propane FEI vs Saudi Propane CP (\$/mt)	1.000	+3.000	+2.500
European Pronap (NWE Propane vs NWE Naphtha) (\$/mt)	-7.000	+0.500	-1.500