



### Market Summary

#### A paroxysm of horror for the shorts

The ever-cunning Trafigura are at it again, resolutely munching through any seller who dare raise its head and offer. Total offered a CIF Rots cargo of Forties at Dated Brent plus \$2.70/bbl, which Trafigura found irresistible and lifted it. Trafigura was also bidding for a FOB Forties July 7-24 at Dated plus \$1.50/bbl. And prices are up again!

The tradehouse has been buying EFP's, leaving the sellers with delivery obligations into expiration. The hapless shorts if they have no physical will need to buy back tomorrow at the expiry. The long, presumably, can sit back while the short does the work and wait for good bids. But we saw some selling by Trafigura when it sold 1<sup>st</sup> week CFDs to BP at +40 cts.

And of course, markets are connected and too much heavy physical partying leads to drinks spilled over the fence into the futures side. This was very evident from 08:00 BST, when the Aug/Sep Brent spread started to widen in a hurry. August Brent futures jumped to \$86.22/bbl, up \$1.63 in 24 hours. Maybe time for Mr. Anduran to shed the slippers, the hot cocoa and join the party. Prompt spreads rallied from \$0.72/bbl at 8:00 BST up to \$0.98/bbl at the close of the European window. (See figure 1 in the details)

In the US, the macro picture continues to dim. Investment in capital stock is in decline, PMI data from earlier in the month printed contractionary and the unemployed are finding increasingly difficult to get a job. The focus will now be on the PCE inflation print on Friday (the Federal Reserves preferred measure of inflation). Consensus is for a 0.4% increase m-o-m. Importantly, the Fed's mandate not only includes inflation targeting, but also maintaining full employment. So a weak PCE outturn tomorrow would certainly help justify cuts later in the year.

Weakness in US data has softened the dollar global index, easing to 105.71 as at 14:30 BST, from previous highs over 106. Positive consequence for oil, not so much for everyone long dollar.

But more importantly, enjoy the overnight Biden/Trump slugfest and don't groan too much.

See 'In Detail' section overleaf.

### Summary

#### Physical and Futures

		27-Jun-24	1-Day Change	7-Day Change
Brent Aug (fut)	(\$/bbl)	86.220	+1.630	+0.890
WTI Aug (fut)	(\$/bbl)	81.800	+1.480	+0.910
Dubai Aug (phys)	(\$/bbl)	85.290	+0.405	+0.540
<b>Crude Swaps Jul</b>				
Brent	(\$/bbl)	85.220	+1.410	+0.710
DFL	(\$/bbl)	0.650	+0.170	-0.170
WTI	(\$/bbl)	81.520	+1.430	+0.860
Dubai	(\$/bbl)	85.420	+1.410	+0.820



## In detail

As at 16:30 BST, August WTI and Brent futures closed at \$81.80 and \$86.22/bbl, respectively. Against the same time yesterday, the Brent front month futures contract rallied by \$1.63/bbl, the WTI contracts increased by slightly less, gaining \$1.48/bbl over the last 24 hours. The M1/M2 spreads for Brent futures increased by 12 cts compared with yesterday's close, to 98 cts/bbl. My goodness, markets can be so deliciously generous when you are long, and nevermind the fundamentals.

ARA international oil inventories posted gains in gasoline, naphtha and fuel oil, whilst inventories of gasoil and jet fuel declined. Notably gasoline increased by 96kmt and naphtha gained 98kmt. Building gasoline inventories is evidently not localised to the US, and neither is driving season. It's feels very hard to be optimistic about demand anywhere in Western economies.

This afternoon saw further weak macro prints out of the US. Durable goods orders printed a 0.1% m-o-m increase for May, ahead of market consensus of at 0.1% decrease. This follows a downwardly revised 0.2% increase in April. The majority of this was driven by defence aircraft and parts (+22.6%), whilst machinery (-0.5%) and capital goods (-0.5%) both decreased. The growth in defence offers little reassurance for the US macro picture, primarily reflecting increased government contracts. Core capital goods shipments which is used for calculation of equipment investment in GDP, fell by 0.5%, the most in 3 months. GDP growth for Q1 was also confirmed at 1.4%, in line with market consensus, and 10 bps above last month's estimate of the same period.

Continued jobless claims increased to the highest level since November 2021 in the week ending the June 15, at 1.839 million (+18k). This reflects increased persistence in unemployment, as those already unemployed struggle to regain jobs. US pending existing-home sales for May also fell against expectations to the lowest level on record. The Average 30 year fix is currently hovering around 7%. No wonder prospective homeowners are choosing to hold off.



Figure 1: Brent Futures Aug/Sep spreads (Onyx Flux)

Jorge Montepeque:

Managing Director for Benchmarking

[jmontepeque@onyxcapitalgroup.com](mailto:jmontepeque@onyxcapitalgroup.com)

Harinder Sandhu:

Quantitative Research Analyst

[hsandhu@onyxcapitaladvisory.com](mailto:hsandhu@onyxcapitaladvisory.com)

Will Cunliffe:

Research Analyst

[wcunliffe@onyxcapitaladvisory.com](mailto:wcunliffe@onyxcapitaladvisory.com)



<b>Front Month Outrights</b>				
<b>July Swaps</b>		<b>27-Jun-24</b>	<b>1-Day Change</b>	<b>7-Day Change</b>
<b>Crude</b>				
Brent	(\$/bbl)	<b>85.220</b>	+1.410	+0.710
WTI	(\$/bbl)	<b>81.520</b>	+1.430	+0.860
Dubai	(\$/bbl)	<b>85.420</b>	+1.410	+0.820
<b>Distillates</b>				
Gasoil 0.1 NWE	(\$/mt)	<b>792.420</b>	+12.350	+11.100
NWE Jet	(\$/mt)	<b>848.420</b>	+11.350	+7.600
Singapore 10ppm	(\$/bbl)	<b>102.640</b>	+1.590	+1.390
Sing Kero	(\$/bbl)	<b>101.160</b>	+1.590	+1.360
<b>Gasoline</b>				
RBOB	(c/gal)	<b>254.055</b>	+4.710	+5.980
EBOB	(\$/mt)	<b>840.710</b>	+12.560	+10.210
Singapore 92	(\$/bbl)	<b>91.780</b>	+1.760	+1.300
Singapore 95	(\$/bbl)	<b>96.280</b>	+1.760	+1.600
<b>Naphtha</b>				
US C5 ENT	(c/gal)	<b>157.080</b>	+2.350	+2.400
NWE Naphtha	(\$/mt)	<b>689.660</b>	+11.570	+13.530
MOPJ Naphtha	(\$/mt)	<b>706.500</b>	+11.590	+12.710
<b>Fuel Oil</b>				
3.5% barges	(\$/mt)	<b>485.840</b>	+9.460	+0.450
Singapore 380	(\$/mt)	<b>504.840</b>	+6.960	+0.260
Singapore 180	(\$/mt)	<b>508.770</b>	+5.890	-1.560
0.5% barges	(\$/mt)	<b>561.660</b>	+7.810	+10.350
Singapore 0.5%	(\$/mt)	<b>610.550</b>	+8.440	+15.750
<b>NGLs</b>				
US Propane LST	(c/gal)	<b>83.960</b>	+2.650	+3.910
NWE Propane	(\$/mt)	<b>561.430</b>	+10.300	+14.370
Saudi Propane CP	(\$/mt)	<b>588.430</b>	+7.300	+2.870
Asian Propane FEI	(\$/mt)	<b>638.430</b>	+10.300	+2.420
US Butane ENT	(c/gal)	<b>99.460</b>	+2.650	+2.920
Saudi Butane CP	(\$/mt)	<b>573.430</b>	+9.300	+8.920



## Long Tenor Swaps

		Balmo	Jul-24	Aug-24	Sep-24	Oct-24	Q3-24	Q4-24
<b>Crude</b>								
Brent	(\$/bbl)	85.745	85.220	84.485	83.845	83.265	84.517	82.735
WTI	(\$/bbl)	81.795	81.520	80.655	79.920	79.225	80.698	78.598
Dubai	(\$/bbl)	85.320	85.420	84.760	84.060	83.370	84.747	82.727
<b>Distillates</b>								
Gasoil 0.1 NWE	(\$/mt)	794.375	792.420	790.690	790.375	786.550	791.162	780.823
NWE Jet	(\$/mt)	848.380	848.420	846.690	846.380	843.050	847.163	837.323
Singapore 10ppm	(\$/bbl)	102.590	102.640	102.720	102.500	102.100	102.620	101.560
Sing Kero	(\$/bbl)	101.060	101.160	101.350	101.240	101.090	101.250	100.770
<b>Gasoline</b>								
RBOB	(c/gal)	255.835	254.055	250.350	231.055	224.935	245.153	221.623
EBOB	(\$/mt)	840.210	840.710	839.960	825.710	779.960	835.460	761.460
Singapore 92	(\$/bbl)	91.280	91.780	91.680	90.930	90.100	91.463	89.320
Singapore 95	(\$/bbl)	95.080	96.280	95.980	95.180	94.100	95.813	93.270
<b>Naphtha</b>								
US C5 ENT	(c/gal)	156.080	157.080	157.460	157.960	158.580	157.500	158.330
NWE Naphtha	(\$/mt)	700.160	689.660	678.160	669.660	664.910	679.160	659.910
MOP-Japan Naphtha	(\$/mt)	714.500	706.500	695.500	686.750	681.000	696.250	675.583
<b>Fuel Oil</b>								
3.5% barges	(\$/mt)	489.590	485.840	482.590	475.590	466.840	481.340	461.757
Singapore 380	(\$/mt)	507.340	504.840	497.090	485.840	475.090	495.923	470.257
Singapore 180	(\$/mt)	509.770	508.770	504.520	495.520	487.270	502.937	483.103
0.5% barges	(\$/mt)	562.410	561.660	558.660	554.910	550.160	558.410	545.993
Singapore 0.5%	(\$/mt)	613.050	610.550	601.800	595.050	590.300	602.467	586.300
<b>NGLs</b>								
US Propane LST	(c/gal)	82.710	83.960	84.580	84.830	85.580	84.457	85.793
NWE Propane	(\$/mt)	568.430	561.430	558.930	558.930	561.930	559.763	563.597
Saudi Propane CP	(\$/mt)	588.430	588.430	588.430	591.930	600.930	589.597	607.097
Asian Propane FEI	(\$/mt)	642.430	638.430	636.430	638.930	643.930	637.930	645.597
US Butane ENT	(c/gal)	98.960	99.460	99.840	99.720	100.840	99.673	100.967
Saudi Butane CP	(\$/mt)	573.430	573.430	573.430	585.430	594.930	577.430	601.430



<b>Front Month Spreads</b>				
<b>July/Aug</b>		<b>27-Jun-24</b>	<b>1-Day Change</b>	<b>7-Day Change</b>
<b>Crude</b>				
Brent	(\$/bbl)	0.735	+0.135	+0.050
WTI	(\$/bbl)	0.865	+0.130	+0.095
Dubai	(\$/bbl)	0.660	+0.070	-0.020
<b>Distillates</b>				
Gasoil 0.1 NWE	(\$/mt)	1.730	+0.690	+0.690
NWE Jet	(\$/mt)	1.730	+0.190	-0.310
Singapore 10ppm	(\$/bbl)	-0.080	+0.010	-0.130
Sing Kero	(\$/bbl)	-0.190	-0.020	-0.050
<b>Gasoline</b>				
RBOB	(c/gal)	3.705	+0.535	+0.485
EBOB	(\$/mt)	0.750	-1.250	-2.500
Singapore 92	(\$/bbl)	0.100	+0.080	+0.050
Singapore 95	(\$/bbl)	0.300	+0.080	+0.150
<b>Naphtha</b>				
US C5 ENT	(c/gal)	-0.380	+0.000	+0.120
NWE Naphtha	(\$/mt)	11.500	+1.500	+3.000
MOP-Japan Naphtha	(\$/mt)	11.000	+1.250	+2.750
<b>Fuel Oil</b>				
3.5% barges	(\$/mt)	3.250	+0.750	-0.500
Singapore 380	(\$/mt)	7.750	-0.250	-2.000
Singapore 180	(\$/mt)	4.250	-0.750	-2.750
0.5% barges	(\$/mt)	3.000	+0.250	+0.250
Singapore 0.5%	(\$/mt)	8.750	+0.750	+3.250
<b>NGLs</b>				
US Propane LST	(c/gal)	-0.620	+0.130	+0.130
NWE Propane	(\$/mt)	2.500	-0.500	+1.000
Saudi Propane CP	(\$/mt)	0.000	+0.000	-6.000
Asian Propane FEI	(\$/mt)	2.000	+1.000	-1.500
US Butane ENT	(c/gal)	-0.380	+0.000	+0.120
Saudi Butane CP	(\$/mt)	0.000	+0.000	-0.500



<b>Front Month Cracks and Diffs</b>			
<b>July</b>	<b>27-Jun-24</b>	<b>1-Day Change</b>	<b>7-Day Change</b>
<b>Crude</b>			
Brent/Dubai (\$/bbl)	-0.180	+0.010	-0.100
WTI/Brent (\$/bbl)	-3.700	+0.020	+0.160
<b>Distillates</b>			
Gasoil 0.1 NWE crack (\$/bbl)	21.130	+0.230	+0.770
NWE Jet crack (\$/bbl)	22.430	+0.010	+0.250
NWE Jet Diff (\$/mt)	56.000	-1.000	-3.500
Gasoil E/W (\$/bbl)	-27.750	-0.500	-0.750
Regrade (Sing Kero vs Sing 10ppm) (\$/bbl)	-1.480	+0.000	-0.030
<b>Gasoline</b>			
TA Arb (RBOB vs EBOB) (c/gal)	13.750	+1.150	+3.050
EBOB crack (\$/mt)	15.680	+0.080	+0.500
Singapore 92 crack (\$/bbl)	6.530	+0.340	+0.570
Gasoline E/W (Sing 92 vs EBOB) (\$/bbl)	-9.150	+0.250	+0.070
European Gasnaph (EBOB vs Naphtha) (\$/mt)	151.020	+0.960	-3.350
Asian Gasnaph (Sing 92 vs MOPJ) (\$/mt)	58.030	+3.340	-1.880
<b>Naphtha</b>			
US C5 ENT vs WTI Crack	-15.570	-0.460	+0.120
NWE Naphtha Crack (\$/bbl)	-7.750	-0.100	+0.800
MOPJ Naphtha Crack (\$/bbl)	-5.870	-0.130	+0.690
Naphtha E/W (NWE vs MOPJ) (\$/mt)	16.750	-0.250	-1.000
<b>Fuel Oil</b>			
3.5% barges crack (\$/bbl)	-8.750	+0.050	-0.670
Singapore 380 crack (\$/bbl)	-5.760	-0.350	-0.710
Singapore 180 crack (\$/bbl)	-5.130	-0.500	-0.990
Visco (180-380) (\$/mt)	4.000	-1.000	-1.750
HSFO E/W (380 vs 3.5% barges) (\$/mt)	19.000	-2.500	-0.250
0.5% barges crack (\$/bbl)	3.200	-0.200	+0.900
Singapore 0.5% crack (\$/bbl)	10.900	-0.100	+1.750
VLSFO E/W (Sing 0.5% vs 0.5% barges) (\$/mt)	48.900	+0.640	+5.400
European Hi5 (0.5% barges vs 3.5% barges) (\$/mt)	75.890	-1.580	+9.980
Asian Hi5 (Sing 0.5% vs 380) (\$/mt)	105.780	+1.550	+15.620
0.5% barges/gasoil (\$/mt)	-230.920	-4.700	-0.780
Sing 0.5% vs Sing 10ppm (\$/mt)	-154.270	-3.560	+5.240
<b>NGLs</b>			
US Propane LST vs NWE Propane (\$/mt)	-124.000	+3.500	+6.000
US Propane LST vs Asian Propane FEI (\$/mt)	-201.000	+3.500	+18.000
Asian Propane FEI vs NWE Propane (\$/mt)	77.000	+0.000	-12.000
Asian Propane FEI vs Saudi Propane CP (\$/mt)	50.000	+3.000	-0.500
European Pronap (NWE Propane vs NWE Naphtha) (\$/mt)	-128.410	-1.630	+0.610
Asian Pronap (FEI vs MOPJ) (\$/mt)	-118.160	-4.290	-9.890



## Long Tenor Cracks / Diffs

	Balmo	Jul-24	Aug-24	Sep-24	Oct-24	Q3-24	Q4-24
<b>Crude</b>							
Brent/Dubai (\$/bbl)	0.440	-0.180	-0.260	-0.200	-0.090	-0.213	0.020
WTI/Brent (\$/bbl)	-3.940	-3.700	-3.840	-3.930	-4.050	-3.823	-4.143
<b>Distillates</b>							
Gasoil 0.1 NWE crack (\$/bbl)	20.88	21.13	21.63	22.23	22.30	21.66	22.06
NWE Jet crack (\$/bbl)	21.91	22.43	22.95	23.55	23.71	22.98	23.51
NWE Jet Diff (\$/mt)	54.00	56.00	56.00	56.00	56.50	56.00	56.50
Gasoil E/W (\$/bbl)	-30.08	-27.75	-25.43	-26.58	-25.58	-26.59	-23.93
Regrade (Sing Kero vs Sing 10ppm) (\$/bbl)	-1.53	-1.48	-1.37	-1.26	-1.01	-1.37	-0.79
<b>Gasoline</b>							
TA Arb (RBOB vs EBOB) (c/gal)	15.680	13.750	10.270	-4.950	2.020	6.357	3.987
EBOB crack (\$/mt)	15.100	15.680	16.330	15.260	10.350	15.757	8.660
Singapore 92 crack (\$/bbl)	5.510	6.530	7.160	7.050	6.800	6.913	6.547
Gasoline E/W (Sing 92 vs EBOB) (\$/bbl)	-9.590	-9.150	-9.160	-8.190	-3.530	-8.833	-2.090
European Gasnaph (EBOB vs Naphtha) (\$/mt)	140.020	151.020	161.770	156.020	115.020	156.270	101.520
Asian Gasnaph (Sing 92 vs MOPJ) (\$/mt)	45.870	58.030	68.200	70.700	69.620	65.643	68.543
<b>Naphtha</b>							
US C5 ENT vs WTI Crack	-16.260	-15.570	-14.530	-13.580	-12.620	-14.560	-12.103
NWE Naphtha Crack (\$/bbl)	-7.090	-7.750	-8.310	-8.630	-8.580	-8.230	-8.610
MOPJ Naphtha Crack (\$/bbl)	-5.490	-5.870	-6.370	-6.720	-6.780	-6.320	-6.860
Naphtha E/W (NWE vs MOPJ) (\$/mt)	14.250	16.750	17.250	17.000	16.000	17.000	15.583
<b>Fuel Oil</b>							
3.5% bgs crack (\$/bbl)	-8.690	-8.750	-8.530	-8.990	-9.790	-8.757	-10.060
Singapore 380 crack (\$/bbl)	-5.890	-5.760	-6.250	-7.380	-8.490	-6.463	-8.717
Singapore 180 crack (\$/bbl)	-5.490	-5.130	-5.060	-5.830	-6.560	-5.340	-6.677
Visco (180-380) (\$/mt)	2.500	4.000	7.500	9.750	12.250	7.083	12.917
HSFO E/W (380 vs 3.5% bgs) (\$/mt)	17.750	19.000	14.500	10.250	8.250	14.583	8.500
0.5% bgs crack (\$/bbl)	2.790	3.200	3.460	3.510	3.340	3.390	3.217
Singapore 0.5% crack (\$/bbl)	10.770	10.900	10.260	9.840	9.660	10.333	9.570
VLSFO E/W (Sing 0.5% vs 0.5% bgs) (\$/mt)	50.650	48.900	43.150	40.150	40.150	44.067	40.317
European Hi5 (0.5% bgs vs 3.5% bgs) (\$/mt)	72.890	75.890	76.140	79.390	83.390	77.140	84.307
Asian Hi5 (Sing 0.5% vs 380) (\$/mt)	105.780	105.780	104.780	109.280	115.280	106.613	116.113
0.5% bgs/gasoil (\$/mt)	-231.970	-230.920	-232.450	-235.810	-236.640	-233.060	-235.017
Sing 0.5% vs Sing 10ppm (\$/mt)	-151.390	-154.270	-163.610	-168.800	-170.640	-162.227	-170.493
<b>NGLs</b>							
US Propane LST vs NWE Propane (\$/mt)	-137.51	-124	-118.27	-116.97	-116.06	-119.747	-116.613
US Propane LST vs Asian Propane FEI (\$/mt)	-211.51	-201	-195.77	-196.97	-198.06	-197.913	-198.613
Asian Propane FEI vs NWE Propane (\$/mt)	74	77	77.5	80	82	78.167	82
Asian Propane FEI vs Saudi Propane CP (\$/mt)	54	50	48	47	43	48.333	38.5
European Pronap (\$/mt)	-131.91	-128.41	-119.41	-110.91	-103.16	-119.577	-96.493
Asian Pronap (FEI vs MOPJ) (\$/mt)	-126.16	-118.16	-107.16	-94.91	-80.16	-106.743	-68.577





<b>Inter-month Crack Spreads</b>			
<b>July/Aug</b>	<b>27-Jun-24</b>	<b>1-Day Change</b>	<b>7-Day Change</b>
<b>Crude</b>			
Brent/Dubai (\$/bbl)	0.080	+0.060	+0.070
WTI/Brent (\$/bbl)	0.140	+0.010	+0.060
<b>Distillates</b>			
Gasoil 0.1 NWE crack (\$/bbl)	-0.500	-0.040	+0.050
NWE Jet crack (\$/bbl)	-0.520	-0.120	-0.090
NWE Jet Diff (\$/mt)	0.000	-0.500	-1.000
Gasoil E/W (\$/bbl)	-2.320	-0.610	-1.660
Regrade (Sing Kero vs Sing 10ppm) (\$/bbl)	-0.110	-0.030	+0.080
<b>Gasoline</b>			
TA Arb (RBOB vs EBOB) (c/gal)	3.480	+0.890	+1.200
EBOB crack (\$/mt)	-0.650	-0.280	-0.350
Singapore 92 crack (\$/bbl)	-0.630	-0.050	+0.010
Gasoline E/W (Sing 92 vs EBOB) (\$/bbl)	0.010	+0.230	+0.350
European Gasnaph (EBOB vs Naphtha) (\$/mt)	-10.750	-2.750	-5.500
Asian Gasnaph (Sing 92 vs MOPJ) (\$/mt)	-10.170	-0.580	-2.340
<b>Naphtha</b>			
US C5 ENT vs WTI Crack	-1.040	-0.150	-0.060
NWE Naphtha Crack (\$/bbl)	0.560	+0.040	+0.290
MOPJ Naphtha Crack (\$/bbl)	0.500	+0.000	+0.270
Naphtha E/W (NWE vs MOPJ) (\$/mt)	-0.500	-0.250	-0.250
<b>Fuel Oil</b>			
3.5% barges crack (\$/bbl)	-0.220	-0.010	-0.120
Singapore 380 crack (\$/bbl)	0.490	-0.170	-0.350
Singapore 180 crack (\$/bbl)	-0.070	-0.250	-0.490
Visco (180-380) (\$/mt)	-3.500	-0.500	-0.750
HSFO E/W (380 vs 3.5% barges) (\$/mt)	4.500	-1.000	-1.500
0.5% barges crack (\$/bbl)	-0.260	-0.090	-0.010
Singapore 0.5% crack (\$/bbl)	0.640	-0.010	+0.450
VLSFO E/W (Sing 0.5% vs 0.5% barges) (\$/mt)	5.750	+0.500	+3.000
European Hi5 (0.5% barges vs 3.5% barges) (\$/mt)	-0.250	-0.500	+0.750
Asian Hi5 (Sing 0.5% vs 380) (\$/mt)	1.000	+1.000	+5.250
0.5% barges/gasoil (\$/mt)	1.530	-0.180	-0.180
Sing 0.5% vs Sing 10ppm (\$/mt)	9.340	+0.670	+4.210
<b>NGLs</b>			
US Propane LST vs NWE Propane (\$/mt)	-5.730	+1.170	-0.320
US Propane LST vs Asian Propane FEI (\$/mt)	-5.230	-0.330	+2.180
Asian Propane FEI vs NWE Propane (\$/mt)	-0.500	+1.500	-2.500
Asian Propane FEI vs Saudi Propane CP (\$/mt)	2.000	+1.000	+4.500
European Pronap (NWE Propane vs NWE Naphtha) (\$/mt)	-9.000	-2.000	-2.000