



And the money...is gone!



The bloody scythe took us all out; some are beheaded or dealing with margin calls, stop loss triggers, and our own partners at home asking the most uncomfortable of questions: how exposed are WE? Emphasis on the 'WE' which means very much, what have YOU done? Blood on Wall Street is flowing profusely but also in the Asian and European capitals. It is nasty. The macros finally squeezed any remaining bullishness out of anyone from equities to commodities to cryptos. Equities are the realm of the old and crypto of the young, well. Both are taken out. Boom, boom.

Brent is resisting the \$75.00/bbl crossing, like an unwilling passenger crossing the Styx into Hades. Folks, we are below the lows tested by OPEC after their disastrous meeting in early June. But markets have momentum, and it feels like this baby is going to burn some more.

Stop-outs and margin calls are exacerbating losses across all markets. Nikkei has lost 18% in the last week. S&P500 futures have lost over 2% (more to come), and Nasdaq lost over 7.5% over the same period.

Summary

Physical and Futures		05-Aug-24	1-Day Change	7-Day Change
Brent Oct (fut)	(\$/bbl)	75.980	-4.070	-4.340
WTI Oct (fut)	(\$/bbl)	71.830	-4.090	-4.140
Dubai Oct (phys)	(\$/bbl)	74.470	-4.765	-5.325
Crude Swaps Sep				
Brent	(\$/bbl)	75.480	-3.960	-4.110
DFL	(\$/bbl)	0.180	-0.130	-0.320
WTI	(\$/bbl)	71.650	-4.050	-4.100
Dubai	(\$/bbl)	74.440	-4.490	-4.520
Tenor		Oct-24	Nov-24	Dec-24
Crude Futures				
Brent (fut)	(\$/bbl)	75.980	75.500	75.090
WTI (fut)	(\$/bbl)	71.830	71.245	70.740



In detail

So, the bottom fell out of the price barrel because it was too full of negative macros. Brent tethered on the edge of the \$75 abyss, with Dubai tumbling below \$74.50/bbl. Disaster, really. The deconstructive data has been relentless, and the deafness grew with each bad data point until...woosh. We all got flushed out! A meme was circulating of Nvidia's boss signing people on the chest; please don't ask for the pronoun, with the caption, "We should have known this was the top of the market." Also, don't ask how bottomless the tech stock feels now. The only one doing this, it seems, is Mr. Buffett, who built up its cash holding. He surely has good friends, analysts, and whatever. Respect!

Friday's weak jobs report was the catalyst. Non-farm Payroll printed surprisingly low, and unemployment increased to 4.3%. This is not good news for the FOMC, which had just voted unanimously against a cut to the federal funds rate. Maybe they should change their meeting schedule, or what the hell call for another one? Expect Yellen and Powell to soothe us -and we need some bromide- about overactions and excessive temporary turbulence. But we know the market demands interest rates high enough to finance the growing US budget hole. Although the tick-up in unemployment was largely driven by more people looking for jobs, the bottom line, and forgetting the nuance, is that a fat cut in interest rates is coming. Push the inflation worries into the dumpster until it catches fire.

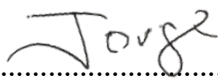
In oil, we also saw widespread collapse across all benchmark grades. Since the Asian close on Friday, Brent and WTI both lost over \$4/bbl to close the window at \$75.98/bbl and \$71.83/bbl, respectively. Dubai's physical cargoes for October lost \$4.765/bbl, closing below \$74.50/bbl. Dubai's physical premium has collapsed, almost halving over the weekend, from 92.5c on Friday to 50c at the close today. In June, the physical premium averaged 68c; in July, it averaged \$1.60. The market is the weakest it has been in a long time. Brent front-month futures are now testing February's lows. And the Brent/Dubai spread rocketed as the Asian market tanked. I mean, Tokyo fell by over 12 pct and Korea by nearly 10 pct. It reminds me of the Asian contagion period. That was nasty.

Over the weekend, we saw apparent escalations to tension in the Middle East, with embassy's being evacuated, airlines cancelling flights, the US agreed to send additional resources. It all seemed quite sinister, but now seems to be calming somewhat as of today.

In the US, a fresh hurricane looks set to blast the Florida coastline, with wind speeds in excess of 80 mph. Biden has declared a state of emergency in Florida and brought in federal resources to help. Chevron has reportedly evacuated personnel from two platforms in the Gulf ahead of Hurricane Debby. The second hurricane to pass through the Gulf in the last month. But oil markets continue to sell off.

Saudi OSPs were released, and for lighter grades to Asia, they were increased for the first time in three months. But only a little. Not even the bearish, hopeful buyers were expecting such a gift. Thank you for your generosity. Wealth must be shared, and the Saudis did. The refiners are grateful but wondering, what did the Saudis know about overall Asian demand? There is too much oil, from OPEC' extras to Canadian TMX way under Brent, and the occasional fire sale by some North Sea squeezers. There is a lot of cheap crude going into Asia, and the Middle East has a lot to compete with. And as weak demand sets in, OSPs must fall!

The dollar has shed almost 1.3%. This is really terrible. The signs were there on Friday, but few saw such a violent correction coming. Nvidia, Apple, and Tesla all dumped over 7% in pre-market. The VIX has spiked to levels not seen since April 2020.

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Front Month Outrights				
September Swaps			05-Aug-24	1-Day Change 7-Day Change
Crude				
Brent	(\$/bbl)	75.480	-3.960	-4.110
WTI	(\$/bbl)	71.650	-4.050	-4.100
Dubai	(\$/bbl)	74.440	-4.490	-4.520
Distillates				
Gasoil 0.1 NWE	(\$/mt)	707.640	-33.190	-40.290
NWE Jet	(\$/mt)	755.140	-33.290	-44.290
Singapore 10ppm	(\$/bbl)	91.360	-4.340	-5.500
Sing Kero	(\$/bbl)	90.460	-4.290	-5.500
Gasoline				
RBOB	(c/gal)	210.720	-12.080	-12.380
EBOB	(\$/mt)	746.320	-43.660	-47.120
Singapore 92	(\$/bbl)	82.490	-4.850	-5.540
Singapore 95	(\$/bbl)	86.990	-4.850	-5.490
Naphtha				
US C5 ENT	(c/gal)	145.780	-5.930	-2.560
NWE Naphtha	(\$/mt)	631.010	-22.870	-15.420
MOPJ Naphtha	(\$/mt)	651.420	-19.710	-12.530
Fuel Oil				
3.5% barges	(\$/mt)	417.770	-21.140	-28.160
Singapore 380	(\$/mt)	433.700	-22.030	-29.980
Singapore 180	(\$/mt)	440.330	-22.150	-31.980
0.5% barges	(\$/mt)	502.220	-24.070	-29.020
Singapore 0.5%	(\$/mt)	546.100	-23.300	-27.560
NGLs				
US Propane LST	(c/gal)	72.620	-3.966	-5.734
NWE Propane	(\$/mt)	554.850	-19.570	-3.510
Saudi Propane CP	(\$/mt)	586.350	-6.570	+1.030
Asian Propane FEI	(\$/mt)	621.300	-15.670	-11.520
US Butane ENT	(c/gal)	91.610	-4.580	-5.490
Saudi Butane CP	(\$/mt)	577.300	-7.120	-5.520



Long Tenor Swaps

		Balmo	Sep-24	Oct-24	Nov-24	Dec-24	Q4-24	Q1-25
Crude								
Brent	(\$/bbl)	75.960	75.480	75.080	74.740	74.450	74.757	74.010
WTI	(\$/bbl)	72.320	71.650	71.090	70.620	70.230	70.647	69.637
Dubai	(\$/bbl)	74.590	74.440	73.970	73.640	73.340	73.650	72.960
Distillates								
Gasoil 0.1 NWE	(\$/mt)	705.690	707.640	706.240	702.080	699.880	702.733	697.297
NWE Jet	(\$/mt)	753.690	755.140	756.240	754.580	754.880	755.233	754.797
Singapore 10ppm	(\$/bbl)	91.110	91.360	91.440	91.200	90.980	91.207	90.920
Sing Kero	(\$/bbl)	90.110	90.460	90.680	90.630	90.580	90.630	90.467
Gasoline								
RBOB	(c/gal)	228.200	210.720	204.480	200.820	199.470	201.590	207.430
EBOB	(\$/mt)	758.820	746.320	703.820	684.070	671.320	686.403	672.820
Singapore 92	(\$/bbl)	83.190	82.490	81.840	81.190	80.810	81.280	80.577
Singapore 95	(\$/bbl)	87.690	86.990	86.290	85.490	85.010	85.597	84.410
Naphtha								
US C5 ENT	(c/gal)	144.780	145.780	146.400	146.400	146.150	146.317	145.943
NWE Naphtha	(\$/mt)	642.510	631.010	626.010	620.510	615.010	620.510	605.760
MOP-Japan Naphtha	(\$/mt)	655.420	651.420	645.920	640.170	634.420	640.170	622.920
Fuel Oil								
3.5% barges	(\$/mt)	424.520	417.770	410.770	404.770	401.420	405.653	398.670
Singapore 380	(\$/mt)	440.450	433.700	424.200	416.700	412.200	417.700	407.117
Singapore 180	(\$/mt)	445.080	440.330	432.830	426.330	422.580	427.247	418.913
0.5% barges	(\$/mt)	508.220	502.220	496.470	491.720	487.220	491.803	481.053
Singapore 0.5%	(\$/mt)	552.600	546.100	539.850	534.350	529.850	534.683	522.433
NGLs								
US Propane LST	(c/gal)	72.370	72.620	74.120	75.120	75.240	74.827	73.987
NWE Propane	(\$/mt)	576.350	554.850	546.350	542.350	538.850	542.517	519.850
Saudi Propane CP	(\$/mt)	586.350	586.350	586.350	589.350	593.350	589.683	577.517
Asian Propane FEI	(\$/mt)	625.300	621.300	622.300	623.300	620.800	622.133	596.967
US Butane ENT	(c/gal)	91.110	91.610	92.110	92.610	92.230	92.317	90.143
Saudi Butane CP	(\$/mt)	577.300	577.300	582.300	587.300	591.300	586.967	576.300



Front Month Spreads				
Sep/Oct		05-Aug-24	1-Day Change	7-Day Change
Crude				
Brent	(\$/bbl)	0.400	-0.100	-0.140
WTI	(\$/bbl)	0.560	-0.120	-0.170
Dubai	(\$/bbl)	0.470	-0.150	-0.060
Distillates				
Gasoil 0.1 NWE	(\$/mt)	1.400	-0.540	-0.810
NWE Jet	(\$/mt)	-1.100	-0.460	-1.810
Singapore 10ppm	(\$/bbl)	-0.080	-0.080	-0.220
Sing Kero	(\$/bbl)	-0.220	-0.080	-0.200
Gasoline				
RBOB	(c/gal)	6.240	-0.680	-0.430
EBOB	(\$/mt)	42.500	-4.000	-5.250
Singapore 92	(\$/bbl)	0.650	-0.300	-0.740
Singapore 95	(\$/bbl)	0.700	-0.300	-0.840
Naphtha				
US C5 ENT	(c/gal)	-0.620	+0.000	-0.120
NWE Naphtha	(\$/mt)	5.000	+0.250	+1.250
MOP-Japan Naphtha	(\$/mt)	5.500	+0.750	+0.750
Fuel Oil				
3.5% barges	(\$/mt)	7.000	+0.000	-2.000
Singapore 380	(\$/mt)	9.500	-0.500	-3.500
Singapore 180	(\$/mt)	7.500	-0.250	-4.250
0.5% barges	(\$/mt)	5.750	+0.000	-0.750
Singapore 0.5%	(\$/mt)	6.250	-0.250	-0.500
NGLs				
US Propane LST	(c/gal)	-1.500	-0.250	-0.380
NWE Propane	(\$/mt)	8.500	-1.000	+1.500
Saudi Propane CP	(\$/mt)	0.000	+5.000	+7.000
Asian Propane FEI	(\$/mt)	-1.000	+0.000	+0.500
US Butane ENT	(c/gal)	-0.500	+0.000	+0.000
Saudi Butane CP	(\$/mt)	-5.000	+6.000	+2.500



Front Month Cracks and Diffs			
September	05-Aug-24	1-Day Change	7-Day Change
Crude			
Brent/Dubai (\$/bbl)	1.040	+0.530	+0.420
WTI/Brent (\$/bbl)	-3.840	-0.100	+0.000
Distillates			
Gasoil 0.1 NWE crack (\$/bbl)	19.520	-0.480	-1.280
NWE Jet crack (\$/bbl)	20.360	-0.240	-1.500
NWE Jet Diff (\$/mt)	47.500	+0.000	-4.000
Gasoil E/W (\$/bbl)	-27.000	+1.000	-0.680
Regrade (Sing Kero vs Sing 10ppm) (\$/bbl)	-0.900	+0.050	+0.000
Gasoline			
TA Arb (RBOB vs EBOB) (c/gal)	-2.600	+0.400	+1.090
EBOB crack (\$/mt)	14.100	-1.290	-1.560
Singapore 92 crack (\$/bbl)	7.010	-0.870	-1.430
Gasoline E/W (Sing 92 vs EBOB) (\$/bbl)	-7.100	+0.400	+0.120
European Gasnaph (EBOB vs Naphtha) (\$/mt)	115.400	-20.860	-31.520
Asian Gasnaph (Sing 92 vs MOPJ) (\$/mt)	35.720	-20.950	-33.800
Naphtha			
US C5 ENT vs WTI Crack	-10.410	+1.570	+3.020
NWE Naphtha Crack (\$/bbl)	-4.600	+1.400	+2.340
MOPJ Naphtha Crack (\$/bbl)	-2.300	+1.760	+2.690
Naphtha E/W (NWE vs MOPJ) (\$/mt)	20.500	+3.250	+3.250
Fuel Oil			
3.5% barges crack (\$/bbl)	-9.700	+0.650	-0.330
Singapore 380 crack (\$/bbl)	-7.180	+0.530	-0.610
Singapore 180 crack (\$/bbl)	-6.160	+0.490	-0.910
Visco (180-380) (\$/mt)	6.500	-0.250	-2.000
HSFO E/W (380 vs 3.5% barges) (\$/mt)	16.000	-0.750	-1.750
0.5% barges crack (\$/bbl)	3.600	+0.200	-0.450
Singapore 0.5% crack (\$/bbl)	10.500	+0.300	-0.230
VLSFO E/W (Sing 0.5% vs 0.5% barges) (\$/mt)	43.810	+0.630	+1.260
European Hi5 (0.5% barges vs 3.5% barges) (\$/mt)	84.460	-2.860	-0.720
Asian Hi5 (Sing 0.5% vs 380) (\$/mt)	112.270	-1.480	+2.290
0.5% barges/gasoil (\$/mt)	-205.580	+9.630	+11.550
Sing 0.5% vs Sing 10ppm (\$/mt)	-134.740	+9.240	+13.360
NGLs			
US Propane LST vs NWE Propane (\$/mt)	-176.500	-1.000	-26.410
US Propane LST vs Asian Propane FEI (\$/mt)	-243.000	-5.000	-18.410
Asian Propane FEI vs NWE Propane (\$/mt)	66.500	+4.000	-8.000
Asian Propane FEI vs Saudi Propane CP (\$/mt)	35.000	-9.000	-12.500
European Pronap (NWE Propane vs NWE Naphtha) (\$/mt)	-75.980	+3.040	+12.740
Asian Pronap (FEI vs MOPJ) (\$/mt)	-65.030	+12.870	+13.740



Long Tenor Cracks / Diffs

	Balmo	Sep-24	Oct-24	Nov-24	Dec-24	Q4-24	Q1-25
Crude							
Brent/Dubai (\$/bbl)	1.370	1.040	1.100	1.090	1.100	1.097	1.040
WTI/Brent (\$/bbl)	-3.630	-3.840	-4.000	-4.130	-4.230	-4.120	-4.380
Distillates							
Gasoil 0.1 NWE crack (\$/bbl)	18.79	19.52	19.74	19.51	19.49	19.58	19.59
NWE Jet crack (\$/bbl)	19.71	20.36	20.91	21.03	21.35	21.10	21.78
NWE Jet Diff (\$/mt)	48.00	47.50	50.00	52.50	55.00	52.50	57.50
Gasoil E/W (\$/bbl)	-26.92	-27.00	-25.01	-22.61	-22.11	-23.24	-19.94
Regrade (Sing Kero vs Sing 10ppm) (\$/bbl)	-1.00	-0.90	-0.76	-0.57	-0.40	-0.58	-0.45
Gasoline							
TA Arb (RBOB vs EBOB) (c/gal)	11.310	-2.600	3.310	5.290	7.590	5.397	15.117
EBOB crack (\$/mt)	15.130	14.100	9.410	7.380	6.150	7.647	6.767
Singapore 92 crack (\$/bbl)	7.230	7.010	6.770	6.460	6.370	6.533	6.577
Gasoline E/W (Sing 92 vs EBOB) (\$/bbl)	-7.900	-7.100	-2.650	-0.930	0.220	-1.120	-0.193
European Gasnaph (EBOB vs Naphtha) (\$/mt)	116.400	115.400	77.900	63.650	56.400	65.983	67.150
Asian Gasnaph (Sing 92 vs MOPJ) (\$/mt)	37.550	35.720	35.810	36.140	38.730	36.893	48.280
Naphtha							
US C5 ENT vs WTI Crack	-11.510	-10.410	-9.590	-9.120	-8.840	-9.183	-8.333
NWE Naphtha Crack (\$/bbl)	-3.780	-4.600	-4.760	-5.040	-5.370	-5.057	-5.967
MOPJ Naphtha Crack (\$/bbl)	-2.330	-2.300	-2.500	-2.810	-3.170	-2.827	-4.033
Naphtha E/W (NWE vs MOPJ) (\$/mt)	13.000	20.500	20.000	19.750	19.500	19.750	17.250
Fuel Oil							
3.5% bgs crack (\$/bbl)	-9.110	-9.700	-10.400	-11.010	-11.240	-10.883	-11.233
Singapore 380 crack (\$/bbl)	-6.580	-7.180	-8.270	-9.110	-9.530	-8.970	-9.880
Singapore 180 crack (\$/bbl)	-5.880	-6.160	-6.940	-7.620	-7.920	-7.493	-8.050
Visco (180-380) (\$/mt)	4.500	6.500	8.500	9.500	10.250	9.417	11.667
HSFO E/W (380 vs 3.5% bgs) (\$/mt)	16.000	16.000	13.500	12.000	10.850	12.117	8.517
0.5% bgs crack (\$/bbl)	4.070	3.600	3.100	2.690	2.270	2.687	1.747
Singapore 0.5% crack (\$/bbl)	11.040	10.500	9.930	9.390	8.970	9.430	8.253
VLSFO E/W (Sing 0.5% vs 0.5% bgs) (\$/mt)	44.310	43.810	43.310	42.560	42.560	42.810	41.310
European Hi5 (0.5% bgs vs 3.5% bgs) (\$/mt)	83.710	84.460	85.710	86.960	85.810	86.160	82.393
Asian Hi5 (Sing 0.5% vs 380) (\$/mt)	112.020	112.270	115.520	117.520	117.520	116.853	115.187
0.5% bgs/gasoil (\$/mt)	-197.720	-205.580	-209.660	-210.340	-212.720	-210.907	-216.213
Sing 0.5% vs Sing 10ppm (\$/mt)	-126.370	-134.740	-141.580	-145.440	-148.300	-145.107	-155.197
NGLs							
US Propane LST vs NWE Propane (\$/mt)	-199.3	-176.5	-160.18	-150.97	-146.85	-152.667	-134.38
US Propane LST vs Asian Propane FEI (\$/mt)	-248.3	-243	-236.18	-231.97	-228.85	-232.333	-211.547
Asian Propane FEI vs NWE Propane (\$/mt)	49	66.5	76	81	82	79.667	77.167
Asian Propane FEI vs Saudi Propane CP (\$/mt)	39	35	36	34	27.5	32.5	19.5
European Pronap (\$/mt)	-65.98	-75.98	-79.48	-77.98	-75.98	-77.813	-85.73
Asian Pronap (FEI vs MOPJ) (\$/mt)	-69.03	-65.03	-59.53	-50.78	-41.03	-50.447	-45.363



Inter-month Crack Spreads			
Sep/Oct	05-Aug-24	1-Day Change	7-Day Change
Crude			
Brent/Dubai (\$/bbl)	-0.060	+0.070	-0.080
WTI/Brent (\$/bbl)	0.160	-0.020	-0.030
Distillates			
Gasoil 0.1 NWE crack (\$/bbl)	-0.220	+0.020	+0.040
NWE Jet crack (\$/bbl)	-0.550	+0.020	-0.090
NWE Jet Diff (\$/mt)	-2.500	+0.000	-1.000
Gasoil E/W (\$/bbl)	-1.990	-0.100	-0.840
Regrade (Sing Kero vs Sing 10ppm) (\$/bbl)	-0.140	+0.000	+0.020
Gasoline			
TA Arb (RBOB vs EBOB) (c/gal)	-5.910	+0.460	+1.070
EBOB crack (\$/mt)	4.690	-0.410	-0.500
Singapore 92 crack (\$/bbl)	0.240	-0.210	-0.610
Gasoline E/W (Sing 92 vs EBOB) (\$/bbl)	-4.450	+0.180	-0.110
European Gasnaph (EBOB vs Naphtha) (\$/mt)	37.500	-4.250	-6.500
Asian Gasnaph (Sing 92 vs MOPJ) (\$/mt)	-0.090	-3.250	-6.920
Naphtha			
US C5 ENT vs WTI Crack	-0.820	+0.120	+0.120
NWE Naphtha Crack (\$/bbl)	0.160	+0.110	+0.290
MOPJ Naphtha Crack (\$/bbl)	0.200	+0.160	+0.210
Naphtha E/W (NWE vs MOPJ) (\$/mt)	0.500	+0.500	-0.500
Fuel Oil			
3.5% barges crack (\$/bbl)	0.700	+0.090	-0.180
Singapore 380 crack (\$/bbl)	1.090	+0.000	-0.410
Singapore 180 crack (\$/bbl)	0.780	+0.060	-0.510
Visco (180-380) (\$/mt)	-2.000	+0.250	-0.750
HSFO E/W (380 vs 3.5% barges) (\$/mt)	2.500	-0.500	-1.500
0.5% barges crack (\$/bbl)	0.500	+0.080	+0.030
Singapore 0.5% crack (\$/bbl)	0.570	+0.050	+0.060
VLSFO E/W (Sing 0.5% vs 0.5% barges) (\$/mt)	0.500	-0.250	+0.250
European Hi5 (0.5% barges vs 3.5% barges) (\$/mt)	-1.250	+0.000	+1.250
Asian Hi5 (Sing 0.5% vs 380) (\$/mt)	-3.250	+0.250	+3.000
0.5% barges/gasoil (\$/mt)	4.080	+0.350	-0.050
Sing 0.5% vs Sing 10ppm (\$/mt)	6.840	+0.340	+1.210
NGLs			
US Propane LST vs NWE Propane (\$/mt)	-16.320	-0.310	-3.480
US Propane LST vs Asian Propane FEI (\$/mt)	-6.820	-1.310	-2.480
Asian Propane FEI vs NWE Propane (\$/mt)	-9.500	+1.000	-1.000
Asian Propane FEI vs Saudi Propane CP (\$/mt)	-1.000	-5.000	-6.500
European Pronap (NWE Propane vs NWE Naphtha) (\$/mt)	3.500	-1.250	+0.250