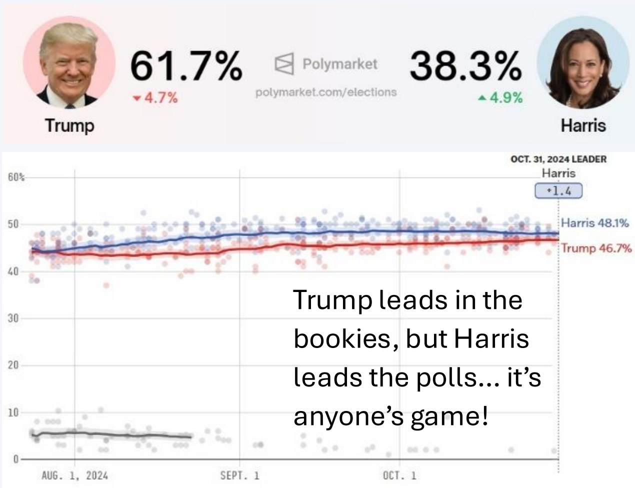
The Officials

Europe Monthly Report

October 2024

October: The Overview

October has been a rollercoaster ride. With fears of chaos from the Middle East, and hurricanes huffing and puffing across the Gulf of Mexico, we've seen some big and sudden price moves. Brent even breached the $81/bbl level at the height of war paranoia. Fortunately, Israel's relatively minor retaliatory strikes soothed concerns, and we ended up only slightly higher than where we started the month. At least until the latest war talk came out this evening about another major Iranian retaliation. OPEC also semi-announced it would not increase production but only the long traders believe them.



Trump leads in the bookies, but Harris leads the polls… it's anyone's game!

A key focus of ours this month has been refinery weakness. Over the past week a number of refiners have published their Q3 earning and frankly folks… its terrible. Geopolitical risks had plumped up crude prices, while end user demand was crushed throughout the quarter. The likes of Equinor, BP and Shell have all returned underwhelming quarterly results. Their refining activity in particular has suffered. But there is a little light on the horizon as refinery maintenance in Europe and arbitrage closure have provided some support for European products, seeing the Brent 321 crack rise gradually to $13.51/bbl. Still low compared to recent years, but the floor seems to have been found this month.

Libya's return to full production, and even desire to increase exploration with companies such as OMV and BP has gone rather under the radar, while most of the market's participants ran about worrying that the Strait of Hormuz would be barricaded or we'd all be glowing green after a nuclear apocalypse. Yet more leaking from certain OPEC producers has only been undermining the more disciplined members. Not to worry, we're sure they'll promise to 'compensate' with additional cutbacks further down the line. Just not yet. It's always next month.

All the factors point to a single salient conclusion: supply is set to increase, while demand shows little sign of recovery. This cannot be good news for the bulls, as they rely on the ever-unreliable geopolitical risk premium, seemingly easing late in the month to leave only weak fundamentals to drive prices.

We always enjoy discussing the macros, but looking through the lens of the micros is equally as important. The North Sea has been unsettled this October. Brent physical diffs traded up to over a buck before dumping to practically flat. After finding the floor in the middle of the month, the physical diff retraced to around 40c bye the month's final sessions. But the Brent physical differentials aren't the only ones having a bumpy ride in the North Sea. There have also been several companies pulling out of the region due to a confluence of factors. For instance, Harbour Energy is seeking to sell its North Sea assets due to fears of tax raids. The UK budget announced yesterday put some of these fears to bed, as it didn't hunt down oil and gas as aggressively as many had worried. Labour's budget was met with cheers in the commons, the loudest in response to a reduction to draught beer duties. We're sure even the Tories couldn't be too upset about that one. But adjustments to taxation in the North Sea were fairly minimal, opting to continue existing taxes and extending levies further into the future.

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The US has been busy bickering as it gears up for the 5 November election, so it's been too preoccupied to put as much pressure on its Israeli allies as it perhaps should have. Speaking of the election, Trump now looks the favourite to win the vote and return for 4 more years, with Polymarket's betting odds giving him around a 64% chance of victory. The average national polls, however, gives Harris a 1.4 point lead over the Republican candidate. We think a good move would be to long shares of legal companies.

Factors seemed to be teaming up to oppose the Democrats: hurricanes, Middle Eastern flare ups they failed to control, port strikes. They've even been wheeling out Barack Obama and Bill Clinton, while keeping Joe Biden safely bubble wrapped behind the scenes.

Hurricane Milton saw around a quarter of Florida's petrol stations run dry as panic buying set in and many fled to escape the storm's path. While Florida's petrol stations dried up, crude inventories remain low, both in Europe and in the US. This lack of stock could provide some support to prices, but that's a fragile hope against the bigger supply and demand picture.

Since September's lows, cracks appear to be recovering, if only marginally. The prompt LS Gasoil crack built up from the $14/bbl range it inhabited for much of September to spend most of October above $15/bbl and has now reached the mid-$16/bbl range. The US 321 margin has also recovered from the $15/bbl range where it spent much of September towards the $17/bbl mark and was above $16/bbl for almost all of October. So, there's some hope refiners will see more profitable Q4 than Q3.

Refinery maintenance season has significantly helped support cracks and margins, as expected. Russia, particularly, has been affected. We've seen Russia's crude exports hit highs as refineries simply don't need the feedstock, while fuel oil exports dropped. Speaking of Russia, sanctions against Putin's regime still aren't working. Exports remain high into Asian customers like India and China, while Russia is still supplying significant volumes of natural gas to European destinations, notably Hungary and Slovakia.

The Western European countries that weaned themselves off cheap Russian gas haven't been getting on too well. France's economy got boosted by the hangover of Olympic spirit, but their bag full of debt is beginning to weigh heavily on the national consciousness. Germany keeps looking weak; its energy demand is tumbling to record lows yet again and its political leadership is fragmenting. The German automotive sector is a particularly painful point for that proud industrial cornerstone of the economy; Volkswagen is set to shut factories, cut jobs and slash wages attempting to salvage its business. Ever more stringent tariffs on Chinese competition can't solve the problem, but that won't stop Europe digging a deeper and deeper hole.

Even the weather has been causing problems for Europe. After Eastern Europe was hit by floods and downpours in September, it's been Spain's turn in the last couple of days. Flash floods in the Iberian country have killed at least 95 people at the last count.

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The Benchmark Publication

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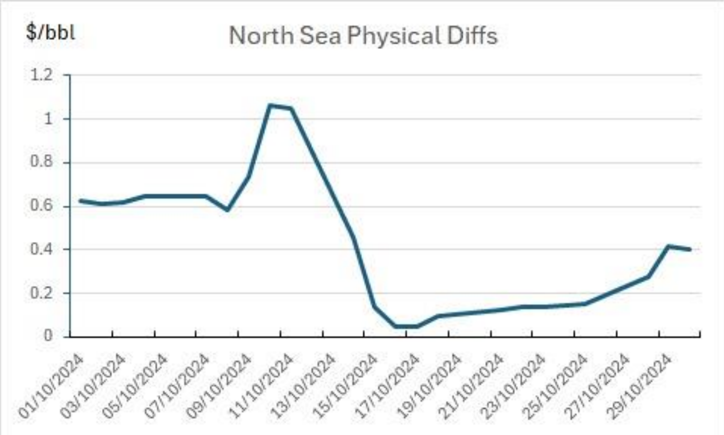
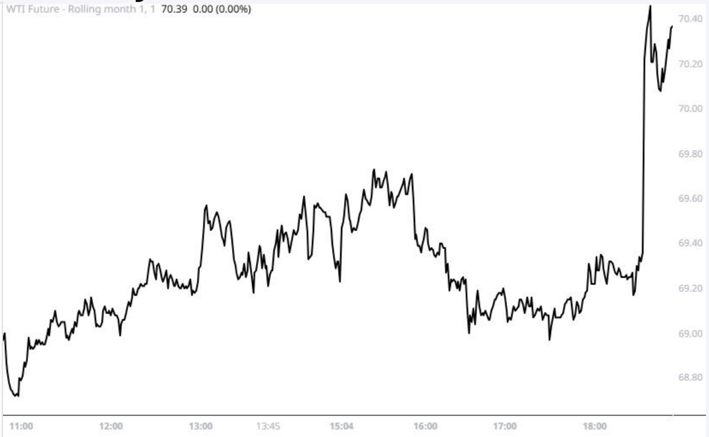
Daily Summary + Monthly Review





Just as we thought the geopolitical risk premium was dead in the water, a headline came out just after 18:30 GMT reporting Iran was preparing a major attack on Israel from its militias in Iraq. We just hope this proves to be false.

After a precipitous drop to almost entirely flat around the mid-month period, physical diffs got fed up with inhabiting those gloomy depths and returned to a much more reasonable 40c today, in line with futures backwardation. Today's window was rather quiet; only Eni showed up. It was offering its Ekofisk down to Dated +$1.50 again, but, as the other regulars decided to sit this one out, the Italians eventually withdrew, giving up hope of finding a taker. Don't worry guys, you'll get rid of it in the end!

Brent flat price had a bit of a bumpy ride today, with an initial sell off towards $72, but a general recovery through the morning sent it back beyond $73 by lunchtime in London. It consolidated those gains through the afternoon and closed the European session at $73.12/bbl. Rumours of a preparing Iranian strike on Israel sent prices roofing after the close.

But rumours go both ways and there are yet more surfacing about possible peaceful resolutions to the war between Israel and Hezbollah, with Israel, Lebanon and the US are engaging in talks for a short-term ceasefire. We like peace, so we want them to succeed, but there have already been so many rounds of negotiations trying to find a diplomatic solution to the war in Gaza we're a little sceptical if we'll see any new breakthroughs. We wonder whether a change in American administration will reinvigorate the peace process.

Shell's Q3 earnings have failed to buck the trend for majors this quarter by showing a 35% decline in earnings per share. But it still managed to beat expectations! Its greater volume of oil and gas sales compensated for some of the decline in margins. Again, those that simply sell more at lower prices have weathered the storm better than those that reduce production and sales, like Cnooc over in China. Maybe OPEC could take some inspiration from that... or will rumours it intends to extend cuts bear fruit? Shell determinedly maintained its $3.5 billion share buyback, the same as in Q2.

Summary

Physical and Futures		31-Oct-24	1-Day Change	7-Day Change
Brent Dec (fut)	($/bbl)	73.120	+0.470	-1.400
WTI Dec (fut)	($/bbl)	69.230	+0.460	-1.020
Dubai Dec (phys)	($/bbl)	N/A	N/A	N/A
OBI Continuous	($/bbl)	72.730	+0.450	-1.410
Crude Swaps Oct				
Brent	($/bbl)	72.700	+0.430	-1.410
DFL	($/bbl)	0.420	+0.030	+0.170
WTI	($/bbl)	69.080	+0.470	-1.050
Dubai	($/bbl)	71.520	+0.420	-1.310
Tenor		**Dec-24**	**Jan-25**	**Feb-25**
Crude Futures				
Brent (fut)	($/bbl)	73.120	72.730	72.350
WTI (fut)	($/bbl)	69.230	68.770	68.400

In detail

The zombie market is trudging upwards as it stubbornly resisted the tempting embrace of the 60s. But how long can it last? Today, Brent gained $0.47/bbl to close October's final European session at $73.12/bbl, while WTI closed at $69.23/bbl, up $0.46/bbl. We've ended up even lower than on 1 October. Going into expiry, Brent front spreads retained strong backwardation, at 39c.

Total's Q3 profits fell almost 66% y/y, overshadowing Shell's woes. Total's reported European Refining Margin came in 85% lower y/y, so that shows you the extent of the problem for the refining sector. It's obvious why the majors' downbeat press releases keep emphasising the negative impact of lower refining margins… But struggling refiners will likely be pleased to see falling crude prices that will potentially provide some relief to margins, which have already seen minor recovery.

A key driver for supply increasing and therefore easing margins is the potential for the unwinding of voluntary supply cuts from Saudi Arabia and other OPEC members. We've heard the Saudis will return around 1 mb/d of supply from December, but Rystad Energy came to a different conclusion. The research and intelligence company believes OPEC won't return barrels to the market because it's making big money on refined products, though that seems a bit off the mark. As we reported last Friday and yesterday, ADNOC and Aramco are both investing heavily in downstream production, but that's yet to really take effect, it's more something to bear in mind for upcoming years. Also, Aramco and ADNOC 's recent debt issuances certainly suggest belts are tightening in Arabian Gulf.

The richer members of OPEC like Saudi Arabia may be able to stomach reduced oil revenues by lesser sales (even if they have to fund it by debt), but the less fortunate members such as Iraq really need the money from selling more. The central bank of Iraq reported 2023's GDP at near $254 billion. In H1 alone this year, Iraq's oil exports surpassed $48 billion. No wonder they keep 'accidentally' surpassing the OPEC quotas – it's necessary to avoid falling into a debt spiral comparable to that of Western economies. At least Rystad can count on support for its position from Pierre Andurand, who sees a bullish potential for oil prices. But don't take refuge in the false security of consensus. Take the risk of thinking and assessing for yourself. Which seems more convincing to you, dear reader?

In the Euro Area inflation unexpectedly printed a little hotter in October's flash estimate, flying off the press at 2% y/y, up from 1.7% y/y in September. But not to worry folks, most of this was driven by base effects following the sharp decline in energy prices seen last October, implying that on a y/y basis energy deflation that has weighed on the headline print is starting to subside. Energy costs declines slowed, falling by 4.6% this month compared to 6.1% last month, while food costs rose faster, at 2.9%, up from 2.4% in September. But it doesn't look like energy inflation will be making a resurgence any time soon at least. Europe's consumer product demand still looks rather shaky and the prompt month EBOB crack remains in a weak position, down below $7/bbl, far below the high teens and low twenties we had seen since March, even despite refinery maintenance in Europe and recent closure of the transatlantic arb.

The ECB may be relieved to see sticky services inflation didn't rise, but it's still rather high at 3.9% y/y. Is the restrictive monetary stance at the ECB paying off? It would appear so in the inflation data, as the imbalance across the inflation decomposition diminishes, and the headline measure remains at target. But this was not a free ride back to a sustainable inflation rate, the European economy has taken a huge toll. For example, today we got industrial sales in Italy, which were down 4.6% y/y. Industrial production in Germany has printed a y/y contraction every month since May 2023. Germany's auto industry is on its back, as we have discussed in recent reports

The US PCE inflation indicator came in essentially as expected for September, printing 2.1% y/y inflation, coming down from 2.3% in August. As we've been emphasising, however, core inflation remains higher, at 2.7%, again equal to the August figure, but above market consensus of 2.6%. This is, again, symptomatic of a disconnect between services inflation and the more volatile energy and food components.

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Front Month Outrights

November Swaps		31-Oct-24	1-Day Change	7-Day Change
Crude				
Brent	($/bbl)	72.700	+0.430	-1.410
WTI	($/bbl)	69.080	+0.470	-1.050
Dubai	($/bbl)	71.520	+0.420	-1.310
Distillates				
Gasoil 0.1 NWE	($/mt)	668.830	+9.660	+2.330
NWE Jet	($/mt)	727.330	+10.830	+9.330
Singapore 10ppm	($/bbl)	87.610	+1.190	+0.760
Sing Kero	($/bbl)	88.040	+0.890	+0.210
Gasoline				
RBOB	(c/gal)	197.050	+1.160	-1.960
EBOB	($/mt)	664.730	+5.450	-13.330
Singapore 92	($/bbl)	76.950	+0.620	-1.000
Singapore 95	($/bbl)	81.800	+0.620	-0.990
Naphtha				
US C5 ENT	(c/gal)	148.210	+1.670	-0.710
NWE Naphtha	($/mt)	637.770	+7.650	-1.430
MOPJ Naphtha	($/mt)	656.520	+6.650	-5.430
Fuel Oil				
3.5% barges	($/mt)	435.290	-0.320	-13.460
Singapore 380	($/mt)	433.040	-3.070	-14.210
Singapore 180	($/mt)	447.110	-2.690	-13.390
0.5% barges	($/mt)	497.270	+5.210	-10.480
Singapore 0.5%	($/mt)	555.370	+5.140	-11.750
NGLs				
US Propane LST	(c/gal)	81.356	+0.303	+5.186
NWE Propane	($/mt)	582.360	+4.070	-0.490
Saudi Propane CP	($/mt)	626.860	+10.570	+4.010
Asian Propane FEI	($/mt)	636.910	+5.120	-9.940
US Butane ENT	(c/gal)	112.360	+0.820	+4.430
Saudi Butane CP	($/mt)	621.910	+10.670	+6.020

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Long Tenor Swaps

		Balmo	Nov-24	Dec-24	Jan-25	Feb-25	Q1-25	Q2-25
Crude								
Brent	($/bbl)	72.720	72.700	72.310	72.070	71.920	71.933	71.577
WTI	($/bbl)	69.210	69.080	68.640	68.290	68.060	68.077	67.580
Dubai	($/bbl)	N/A	71.520	71.360	70.930	70.730	70.763	70.380
Distillates								
Gasoil 0.1 NWE	($/mt)	669.000	668.830	667.670	667.180	667.090	666.813	664.513
NWE Jet	($/mt)	N/A	727.330	723.670	720.180	720.340	719.897	717.257
Singapore 10ppm	($/bbl)	N/A	87.610	86.810	86.480	86.490	86.497	86.667
Sing Kero	($/bbl)	N/A	88.040	87.440	86.860	86.590	86.607	86.277
Gasoline								
RBOB	(c/gal)	200.340	197.050	195.090	195.610	197.370	202.657	213.800
EBOB	($/mt)	N/A	664.730	653.230	650.730	653.230	654.063	694.730
Singapore 92	($/bbl)	N/A	76.950	77.220	77.360	77.560	77.567	77.457
Singapore 95	($/bbl)	N/A	81.800	81.370	81.160	81.310	81.367	81.223
Naphtha								
US C5 ENT	(c/gal)	148.460	148.210	147.830	148.580	148.200	147.910	143.367
NWE Naphtha	($/mt)	N/A	637.770	629.270	623.360	617.360	617.443	602.277
MOP-Japan Naphtha	($/mt)	N/A	656.520	650.270	643.770	637.270	637.353	620.687
Fuel Oil								
3.5% barges	($/mt)	N/A	435.290	410.540	402.290	398.290	399.457	396.040
Singapore 380	($/mt)	N/A	433.040	416.540	408.290	404.290	405.457	402.290
Singapore 180	($/mt)	N/A	447.110	428.110	419.110	415.110	416.360	413.860
0.5% barges	($/mt)	N/A	497.270	490.270	485.770	482.020	482.353	474.270
Singapore 0.5%	($/mt)	N/A	555.370	540.870	531.870	526.370	526.787	514.870
NGLs								
US Propane LST	(c/gal)	71.356	81.356	81.981	82.106	81.356	80.731	75.106
NWE Propane	($/mt)	N/A	582.360	568.360	555.360	541.860	538.860	486.860
Saudi Propane CP	($/mt)	N/A	626.860	626.860	617.360	610.360	607.193	547.027
Asian Propane FEI	($/mt)	N/A	636.910	634.410	627.910	615.410	612.077	559.827
US Butane ENT	(c/gal)	114.110	112.360	108.480	106.230	103.730	102.480	91.393
Saudi Butane CP	($/mt)	N/A	621.910	621.910	616.410	608.910	604.410	546.910

Front Month Spreads

Nov/Dec		31-Oct-24	1-Day Change	7-Day Change
Crude				
Brent	($/bbl)	0.390	+0.010	+0.000
WTI	($/bbl)	0.440	+0.020	+0.080
Dubai	($/bbl)	0.160	+0.050	-0.090
Distillates				
Gasoil 0.1 NWE	($/mt)	1.160	+1.340	+1.060
NWE Jet	($/mt)	3.660	+1.410	+7.060
Singapore 10ppm	($/bbl)	0.800	+0.120	+0.400
Sing Kero	($/bbl)	0.600	+0.000	+0.000
Gasoline				
RBOB	(c/gal)	1.960	-0.120	+0.220
EBOB	($/mt)	11.500	+0.250	-5.250
Singapore 92	($/bbl)	-0.270	+0.000	-0.120
Singapore 95	($/bbl)	0.430	+0.000	-0.120
Naphtha				
US C5 ENT	(c/gal)	0.380	-0.020	+0.380
NWE Naphtha	($/mt)	8.500	+0.500	+3.250
MOP-Japan Naphtha	($/mt)	6.250	+0.000	+0.500
Fuel Oil				
3.5% barges	($/mt)	24.750	+0.750	+0.250
Singapore 380	($/mt)	16.500	-0.750	+2.250
Singapore 180	($/mt)	19.000	-0.750	+2.000
0.5% barges	($/mt)	7.000	+0.500	-3.000
Singapore 0.5%	($/mt)	14.500	+0.500	-1.500
NGLs				
US Propane LST	(c/gal)	-0.625	-0.125	+0.750
NWE Propane	($/mt)	14.000	+1.500	+4.000
Saudi Propane CP	($/mt)	0.000	+0.000	-3.500
Asian Propane FEI	($/mt)	2.500	+0.500	-0.750
US Butane ENT	(c/gal)	3.880	+0.630	+1.880
Saudi Butane CP	($/mt)	0.000	+0.000	-3.500

Front Month Cracks and Diffs

November	31-Oct-24	1-Day Change	7-Day Change
Crude			
Brent/Dubai ($/bbl)	1.160	+0.000	-0.110
WTI/Brent ($/bbl)	-3.620	+0.020	+0.350
Distillates			
Gasoil 0.1 NWE crack ($/bbl)	17.100	+0.880	+1.800
NWE Jet crack ($/bbl)	19.620	+0.930	+2.680
NWE Jet Diff ($/mt)	58.500	+1.000	+7.000
Gasoil E/W ($/bbl)	-16.150	-1.150	+3.350
Regrade (Sing Kero vs Sing 10ppm) ($/bbl)	0.430	-0.300	-0.550
Gasoline			
TA Arb (RBOB vs EBOB)(c/gal)	7.050	-0.400	+1.850
EBOB crack ($/bbl)	7.110	+0.210	-0.150
Singapore 92 crack ($/bbl)	4.260	+0.180	+0.440
Gasoline E/W (Sing 92 vs EBOB) ($/bbl)	-2.850	-0.030	+0.600
European Gasnaph (EBOB vs Naphtha) ($/mt)	27.100	-2.130	-11.670
Asian Gasnaph (Sing 92 vs MOPJ) ($/mt)	-15.280	-1.250	-2.470
Naphtha			
US C5 ENT vs WTI Crack	-6.860	+0.210	+0.750
NWE Naphtha Crack ($/bbl)	-1.050	+0.400	+1.250
MOPJ Naphtha Crack ($/bbl)	1.060	+0.290	+0.800
Naphtha E/W (NWE vs MOPJ) ($/mt)	18.750	-1.000	-4.000
Fuel Oil			
3.5% barges crack ($/bbl)	-4.150	-0.500	-0.700
Singapore 380 crack ($/bbl)	-4.500	-0.930	-0.810
Singapore 180 crack ($/bbl)	-2.300	-0.890	-0.700
Visco (180-380) ($/mt)	14.000	+0.250	+0.750
HSFO E/W (380 vs 3.5% barges) ($/mt)	-2.250	-2.750	-0.750
0.5% barges crack ($/bbl)	5.600	+0.350	-0.250
Singapore 0.5% crack ($/bbl)	14.750	+0.350	-0.450
VLSFO E/W (Sing 0.5% vs 0.5% barges) ($/mt)	58.100	+0.000	-1.270
European Hi5 (0.5% barges vs 3.5% barges) ($/mt)	61.910	+5.400	+2.860
Asian Hi5 (Sing 0.5% vs 380) ($/mt)	122.260	+8.140	+2.330
0.5% barges/gasoil ($/mt)	-171.630	-4.710	-13.020
Sing 0.5% vs Sing 10ppm ($/mt)	-97.380	-3.580	-17.680
NGLs			
US Propane LST vs NWE Propane ($/mt)	-158.500	-2.500	+27.500
US Propane LST vs Asian Propane FEI ($/mt)	-213.000	-3.500	+37.000
Asian Propane FEI vs NWE Propane ($/mt)	54.500	+1.000	-9.500
Asian Propane FEI vs Saudi Propane CP ($/mt)	10.000	-5.500	-14.000
European Pronap (NWE Propane vs NWE Naphtha) ($/mt)	-55.280	-3.580	+1.290
Asian Pronap (FEI vs MOPJ) ($/mt)	-29.580	+3.910	+9.650

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Long Tenor Cracks / Diffs

	Balmo	Nov-24	Dec-24	Jan-25	Feb-25	Q1-25	Q2-25
Crude							
Brent/Dubai ($/bbl)	0.000	1.160	0.940	1.130	1.180	1.163	1.203
WTI/Brent ($/bbl)	-3.490	-3.620	-3.680	-3.790	-3.850	-3.857	-4.000
Distillates							
Gasoil 0.1 NWE crack ($/bbl)	17.10	17.10	17.31	17.48	17.63	17.57	17.62
NWE Jet crack ($/bbl)	19.37	19.62	19.51	19.34	19.47	19.42	19.45
NWE Jet Diff ($/mt)	56.50	58.50	56.00	53.00	53.00	53.00	52.75
Gasoil E/W ($/bbl)	N/A	-16.15	-21.34	-23.11	-23.01	-22.61	-18.84
Regrade (Sing Kero vs Sing 10ppm) ($/bbl)	N/A	0.43	0.63	0.38	0.10	0.11	-0.39
Gasoline							
TA Arb (RBOB vs EBOB)(c/gal)	N/A	7.050	8.380	9.620	10.620	15.693	15.220
EBOB crack ($/bbl)	N/A	7.110	6.100	6.050	6.510	6.587	11.820
Singapore 92 crack ($/bbl)	N/A	4.260	4.900	5.290	5.650	5.640	5.887
Gasoline E/W (Sing 92 vs EBOB) ($/bbl)	N/A	-2.850	-1.200	-0.760	-0.860	-0.953	-5.943
European Gasnaph (EBOB vs Naphtha) ($/mt)	N/A	27.100	24.100	27.600	36.100	36.850	92.683
Asian Gasnaph (Sing 92 vs MOPJ) ($/mt)	N/A	-15.280	-6.780	0.890	9.050	9.023	24.773
Naphtha							
US C5 ENT vs WTI Crack	-6.890	-6.860	-6.580	-5.900	-5.850	-5.980	-7.383
NWE Naphtha Crack ($/bbl)	N/A	-1.050	-1.620	-2.060	-2.570	-2.580	-3.933
MOPJ Naphtha Crack ($/bbl)	N/A	1.060	0.740	0.240	-0.330	-0.337	-1.853
Naphtha E/W (NWE vs MOPJ) ($/mt)	N/A	18.750	21.000	20.500	20.000	20.000	18.500
Fuel Oil							
3.5% bgs crack ($/bbl)	N/A	-4.150	-7.670	-8.730	-9.200	-9.033	-9.213
Singapore 380 crack ($/bbl)	N/A	-4.500	-6.720	-7.780	-8.250	-8.083	-8.230
Singapore 180 crack ($/bbl)	N/A	-2.300	-4.910	-6.090	-6.560	-6.380	-6.420
Visco (180-380) ($/mt)	N/A	14.000	11.500	10.750	10.750	10.833	11.500
HSFO E/W (380 vs 3.5% bgs) ($/mt)	N/A	-2.250	6.000	6.000	6.000	6.000	6.250
0.5% bgs crack ($/bbl)	N/A	5.600	4.880	4.410	3.980	4.013	3.093
Singapore 0.5% crack ($/bbl)	N/A	14.750	12.850	11.670	10.960	11.010	9.487
VLSFO E/W (Sing 0.5% vs 0.5% bgs) ($/mt)	N/A	58.100	50.600	46.100	44.350	44.433	40.600
European Hi5 (0.5% bgs vs 3.5% bgs) ($/mt)	N/A	61.910	79.660	83.410	83.660	82.827	78.160
Asian Hi5 (Sing 0.5% vs 380) ($/mt)	N/A	122.260	124.260	123.510	122.010	121.260	112.510
0.5% bgs/gasoil ($/mt)	N/A	-171.630	-177.590	-181.910	-185.390	-184.843	-190.377
Sing 0.5% vs Sing 10ppm ($/mt)	N/A	-97.380	-105.920	-112.690	-118.040	-117.773	-130.957
NGLs							
US Propane LST vs NWE Propane ($/mt)	N/A	-158.5	-141.24	-127.59	-118	-118.253	-95.56
US Propane LST vs Asian Propane FEI ($/mt)	N/A	-213	-207.24	-200.09	-191.5	-191.42	-168.477
Asian Propane FEI vs NWE Propane ($/mt)	N/A	54.5	66	72.5	73.5	73.167	72.917
Asian Propane FEI vs Saudi Propane CP ($/mt)	N/A	10	7.5	10.5	5	4.833	12.75
European Pronap ($/mt)	N/A	-55.28	-60.78	-67.78	-75.28	-78.363	-115.213
Asian Pronap (FEI vs MOPJ) ($/mt)	N/A	-29.58	-23.33	-26.33	-26.83	-30.08	-73.58

Inter-month Crack Spreads

Nov/Dec	31-Oct-24	1-Day Change	7-Day Change
Crude			
Brent/Dubai ($/bbl)	0.220	-0.040	+0.080
WTI/Brent ($/bbl)	0.060	+0.000	+0.090
Distillates			
Gasoil 0.1 NWE crack ($/bbl)	-0.210	+0.180	+0.210
NWE Jet crack ($/bbl)	0.110	+0.160	+0.990
NWE Jet Diff ($/mt)	2.500	+0.000	+6.000
Gasoil E/W ($/bbl)	5.190	-0.050	+2.470
Regrade (Sing Kero vs Sing 10ppm) ($/bbl)	-0.200	-0.120	-0.400
Gasoline			
TA Arb (RBOB vs EBOB)(c/gal)	-1.330	-0.200	+1.720
EBOB crack ($/bbl)	1.010	+0.020	-0.600
Singapore 92 crack ($/bbl)	-0.640	+0.010	-0.100
Gasoline E/W (Sing 92 vs EBOB) ($/bbl)	-1.650	-0.030	+0.510
European Gasnaph (EBOB vs Naphtha) ($/mt)	3.000	-0.250	-8.500
Asian Gasnaph (Sing 92 vs MOPJ) ($/mt)	-8.500	+0.000	-1.500
Naphtha			
US C5 ENT vs WTI Crack	-0.280	-0.010	+0.100
NWE Naphtha Crack ($/bbl)	0.570	+0.040	+0.370
MOPJ Naphtha Crack ($/bbl)	0.320	-0.010	+0.060
Naphtha E/W (NWE vs MOPJ) ($/mt)	-2.250	-0.500	-2.750
Fuel Oil			
3.5% barges crack ($/bbl)	3.520	+0.110	+0.050
Singapore 380 crack ($/bbl)	2.220	-0.130	+0.370
Singapore 180 crack ($/bbl)	2.610	-0.130	+0.320
Visco (180-380) ($/mt)	2.500	+0.000	-0.250
HSFO E/W (380 vs 3.5% barges) ($/mt)	-8.250	-1.500	+2.000
0.5% barges crack ($/bbl)	0.720	+0.070	-0.470
Singapore 0.5% crack ($/bbl)	1.900	+0.070	-0.230
VLSFO E/W (Sing 0.5% vs 0.5% barges) ($/mt)	7.500	+0.000	+1.500
European Hi5 (0.5% barges vs 3.5% barges) ($/mt)	-17.750	-0.250	-3.250
Asian Hi5 (Sing 0.5% vs 380) ($/mt)	-2.000	+1.250	-3.750
0.5% barges/gasoil ($/mt)	5.960	-0.720	-4.020
Sing 0.5% vs Sing 10ppm ($/mt)	8.540	-0.400	-4.480
NGLs			
US Propane LST vs NWE Propane ($/mt)	-17.260	-2.160	-0.100
US Propane LST vs Asian Propane FEI ($/mt)	-5.760	-1.160	+4.660
Asian Propane FEI vs NWE Propane ($/mt)	-11.500	-1.000	-4.750
Asian Propane FEI vs Saudi Propane CP ($/mt)	2.500	+0.500	+2.750
European Pronap (NWE Propane vs NWE Naphtha) ($/mt)	5.500	+0.960	+0.840

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Monthly Summary

October has been volatile for oil markets. The geopolitical risk premium crescendoed, then diminuendoed to see flat price across benchmarks ultimately settle roughly in line with where we started October. Throughout the month, Brent averaged $75.22/bbl. The North Sea saw a choppy month, with physical differentials ranging from over $1 to almost flat. But they recovered to align better with the futures' backwardation by the final sessions. Refinery maintenance in Europe and arbitrage closures supported product prices. This saw the Brent 321 crack progress over the month from $12.50/bbl at the start of October to $13.51/bbl today. We'll be paying close attention to the US election and developments leading up to 5 November. Will tariffs and Trumpism win out? Or will Harris get a promotion?

European Benchmark Monthly Summary

Average of Closing Values on Trading Days for October

Calendar Months		October	November	December	January
Crude Futures / Physical					
Brent (fut)	($/bbl)	75.220	74.800	74.410	74.120
Dubai (phys)	($/bbl)	74.990	73.900	73.500	73.130
WTI (fut) cont.	($/bbl)	71.030	70.590	70.210	69.920
OBI Continuous	$/bbl	75.200	N/A	N/A	N/A
Crude Swaps					
Brent	($/bbl)	75.150	74.770	74.380	74.110
Dubai	($/bbl)	74.920	73.830	73.430	73.060
WTI	($/bbl)	71.230	70.890	70.460	70.100
Gasoline Swaps					
RBOB	(c/gal)	204.170	201.070	199.460	199.870
EBOB	($/mt)	704.920	684.970	668.770	666.760
Singapore 92	($/bbl)	79.680	79.460	79.380	79.390
Singapore 95	($/bbl)	83.340	84.230	83.590	83.140
Distillates Swaps					
Gasoil 0.1 NWE	($/mt)	675.040	674.030	673.800	674.580
NWE Jet	($/mt)	717.790	721.100	722.900	724.190
Singapore 10ppm	($/bbl)	87.860	87.470	87.180	87.220
Sing Kero	($/bbl)	88.080	87.870	87.600	87.440
Naphtha Swaps					
US C5 ENT	(c/gal)	150.390	150.690	150.740	151.460
NWE Naphtha	($/mt)	649.280	646.120	640.850	636.380
MOPJ Naphtha	($/mt)	672.340	667.990	662.380	656.680
Fuel Oil Swaps					
3.5% barges	($/mt)	461.090	435.500	417.460	410.540
Singapore 380	($/mt)	439.900	433.200	423.590	417.070
Singapore 180	($/mt)	455.150	446.330	434.700	428.260
0.5% barges	($/mt)	517.910	505.790	497.920	493.410
Singapore 0.5%	($/mt)	567.110	557.820	547.490	540.040
NGLs Swaps					
US Propane LST	(c/gal)	72.470	77.860	78.970	79.680
NWE Propane	($/mt)	600.030	592.570	582.800	569.710
Saudi Propane CP	($/mt)	628.440	628.440	625.870	621.220
Asian Propane FEI	($/mt)	666.620	662.250	656.790	646.940
US Butane ENT	(c/gal)	114.350	110.890	108.150	105.700
Saudi Butane CP	($/mt)	620.700	620.700	618.060	616.250

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