

Flat Price

The Apr'25 Brent futures contract climbed to \$76.40/bbl at 16:00 GMT, softened to \$76.05/bbl at 16:20 GMT before climbing again to \$76.40/bbl at 16:40 GMT. The crude futures contract again met resistance at this level and declined to \$75.65/bbl at 17:40 GMT (time of writing). The EIA announced a 3.463mb build in US crude oil inventories (exp: +2.027mb) in the week ending 24 Jan alongside a 326kb build in Cushing stocks. US gasoline inventories saw a 2.957mb build (exp: +349kb), while distillate fuel oil saw a 4.994mb draw this week (exp: -2.154mb). In other news, the European Commission did not propose a ban on Russian LNG in its latest package of sanctions, reportedly due to concerns about securing alternative suppliers. In other news, Wall Street is reportedly bracing for a significant decline in Q4'24 profits from US oil refiners amid declining demand for fuel. Valero is set to kick start the Q4 US refiner earnings announcements on Thursday, 30 Jan. In macroeconomic news, the market will await the US Federal Reserve's interest rate decision and statement, due at 19:00 GMT. Finally, at the time of writing, the Apr/May'25 and Apr/Oct'25 Brent futures spreads stand at \$0.80/bbl and \$3.40/bbl, respectively.

Crude

This afternoon in Dated, we saw DFLs stay firm with the 3-7 CFD outright lifted up to \$1.10/bbl in size and the 17-21 1w offered down to \$0.27/bbl.

There was continued strength in prompt March rolls with the 3-7 March vs Cal March lifted up to \$0.52/bbl. We also saw the 29 - 04 Feb vs Cal Feb roll trade down to \$0.32/bbl, putting pressure on the Bal week roll. In the physical window, there was a Geneva-based trade bidding Midland, however the diff was left unchanged. In the paper window, there was a Geneva-based trade hitting 10-14 Feb CFD at \$1.02/bbl and the 17-21 Feb and 24-28 Feb CFDs were bid, implying the 10-14 1w low. Spreads came off in the window, however Feb and March DFLs continued to stay firm.

This afternoon was very quiet in Brent/Dubai, and we saw Brent/Dubai trade rangebound, with Feb Brent/Dubai trading between -\$2.20/bbl and -\$2.24/bbl. There was Feb/Mar box buying, which traded between -\$1.80/bbl and -\$1.81/bbl, Fund on the bid. There was also Fulmo Feb/Mar Dubai spread selling which traded between \$2.25 and \$2.45/bbl, trade house on the offer. Q2 Brent/Dubai also traded between \$0.00/bbl and \$0.02/bbl.

Fuel Oil

In VLSFO, it was a quiet afternoon in Sing 0.5. Both front crack and structure were better offered, as we saw Feb/Mar Sing trading from \$7/mt to \$6.75/mt. Front Sing crack was trading around \$11.55/bbl for the majority of the afternoon before getting sold down to \$11.45/bbl heading into the window.

In Euro, front spreads saw some buying at the beginning of the afternoon, with Feb/Mar trading up to \$11.25/mt. As the afternoon progressed, there were buy-side interests in front 0.5 E/W in Apr, which put some pressure on Euro 0.5. Euro spreads then saw some selling heading into the window, with Feb/Mar trading down to the lows of \$10.50/mt. As a result, the front Euro crack ended the day at \$6.40/bbl due to the weakness in spreads and MOC hedging.

In HSFO this afternoon, we continued to see buying in deferred 380 E/W in Q3 at \$10.50/mt; this and some outright buying in Feb 380 E/W strengthened it from \$35.25/mt to \$37/mt. The strength in 380 E/W also supported the front 380 crack. This, together with some buying, led the 380 crack to be better bid in Feb, trading from -\$1/bbl to the highs of -\$0.50/bbl. And front structure Feb/Mar also strengthened to the highs of \$11.25/mt from \$10.50/mt. As the afternoon progressed, we saw buying in backend barge cracks in Q3 up to -\$7.55/bbl. This supported the front barge crack heading into the window at -\$6.30/bbl. As a result, the front E/W came off quickly down to \$35/mt, and the front barge structure was better bid, with Feb/Mar trading at \$0.75/mt. Front barge crack was, therefore, stronger was trading at -\$6.25/bbl post window.

Distillates

A quiet afternoon in distillates saw the Feb/Mar Sing gasoil spread lifted to \$0.60/bbl as the prompt E/W was sold down to -\$17.75/mt at the end of the window. Regrade was rangebound, the Feb coming off slightly to -\$0.75/bbl as the Mar saw buying at -\$1.10/bbl.

ICE gasoil spreads rallied post-stats, the Feb/Jun to \$23.25/mt before ticking lower to \$22.75/mt as the cracks rallied, the Feb to \$18.25/mt. The European jet diffs strengthened in the front of the curve, the Feb and Mar to \$47.50/mt and \$50.00/mt as there was buying in the deferred in Q1'26 and Mar-Apr26 at \$51.75/mt. Heating oil spreads remained rangebound, as did the HOGOs, the Q2'25 trading at 11c/gal.

Gasoline

This afternoon in gasoline, we saw EBOB flat price trade at the end of the window at \$9.70/bbl on a crack equivalent with matching offered. The front crack traded rangebound around \$9.75/bbl through the afternoon, off the morning highs of \$9.85/bbl as TA arbs firmed in the afternoon, putting pressure on the front EBOB crack and in Q2'25. We saw better selling in the morning from levels around \$15.60/bbl to lows of \$15.35/bbl towards the end of the window.

Feb/Mar traded up to -\$2.50/mt pre-window from a morning value of -\$3.25/mt, and Mar/Apr softened to trade at -\$30.50/mt from -\$30/mt in the morning. Arbs in the front traded up to 3c/gal in the window from earlier lows of 2.65c/gal, and in Q2, there was firm real sell-side interest at 14.50c/gal throughout the afternoon. Apr RBBRs dipped slightly post-stats but recovered to trade around \$20.15/bbl going into the window, where they softened a touch to trade at \$20/bbl at the end of the window but recovered post-window. E/W came off this afternoon on lower liquidity, with Feb trading at lows of -\$1.80/bbl but there was little other real interest in the east other than selling in Feb and Mar 92vsRBOB at -\$2.70/bbl and -\$12.35/bbl, respectively.

Naphtha

This afternoon in Naphtha, we saw the Feb NWE flat price valued at \$639.50/mt at the end of the window on a -\$4.35/bbl crack equivalent. Feb NWE cracks weakened from -\$4.22/bbl to -\$4.50/bbl mid-afternoon before recovering to trade at -\$4.35/bbl end window and then saw bids at -\$4.25/bbl. Spreads went very well offered, with Feb/Mar trading down from \$7.25/mt this morning to \$5.50/mt where buying came in and Mar/Apr coming off to \$6/mt from \$7.25/mt.

E/W was stronger on weak European cracks as Feb E/W traded at \$17/mt, up from \$16.25/mt this morning, as Q2 saw some selling at \$17/mt with Eastern spreads and cracks seeing no trading activity.

NGLs

This afternoon in NGLs, LST strengthened on a crude percentage basis at the US open, with prompt structure strengthening and deferred broadly unchanged. In prompt, we saw Feb/Mar and Mar/Apr trade to 3.125c/gal and 4c/gal, respectively; whilst in deferred, we saw Q1/Q2 26 trade 6.5c/gal. EIA stats showed a 7.9m draw in Propane/Propylene stocks, exceeding the expectations of an OPIS survey ranging from a 3m to 6.2m draw. On the news of this, post stats LST strengthened along with structure, in both prompt and deferred. In prompt, we saw Feb/Mar and Mar/Apr trade up to 3.25c/gal and 4.375c/gal, respectively; whilst in the deferred, we saw Q2/Q3 and Q3/Q4 trade up to 1.625c/gal and -1.625c/gal respectively. Arbs at open gained strength for both LST/NWE and LST/FEI, with Feb LST/FEI trading up to -\$166/mt and Mar LST/NWE trading up to -\$101.50/mt.

Post stats, arbs continued to gain momentum for both LST/FEI and LST/NWE, with Mar LST/FEI trading up to -\$165/mt and Mar LST/NWE trading up to -\$100/mt. Butane pre-stats was better bid, with structure also gaining strength; we saw C4/C3 trading at 24.50c/gal. In spreads, we saw Feb/Mar and Mar/Apr trading at 6.125c/gal and 6.375c/gal, respectively. Post stats, butane was broadly unchanged but spreads gained strength with Feb/Mar and Mar/Apr trading to 6.375c/gal and 6.5c/gal, respectively. FEI/CP weakened at open, with Feb and Mar trading down to -\$8.50/mt and -\$16.50/mt, respectively, whilst E/W was slightly stronger with Mar and Apr trading to \$66.50/mt and \$70/mt, respectively.