

Flat Price

The May Brent futures has seen a great deal of volatility this afternoon with prices reaching lows of \$81.10/bbl at 14:10 GMT although strengthened to \$82.72/bbl at 16:25 GMT. At 17:00 (time of writing), the contract was seen trading at \$82.49/bbl. Chinese demand continued to be a dampener for crude oil performance. The EIA report released on Monday said the US crude oil production led global production for a sixth consecutive year. Production averaged 12.9mbpd. According to the EIA, the US produced more crude 'than any nation at any time for the past six years. 'The most important macro data has yet to be released this week, with the US CPI being released on Tuesday at 12:30 GMT. The front and 6-month Brent futures spreads are at \$0.55/bbl and \$3.47/bbl respectively.

Crude

After another better offered afternoon in Dated, we saw structure find support into the window. Balmo DFL found its lows in the early afternoon at \$0.25/bbl, before turning better bid, now lifted at \$0.70/bbl on screen. Apr DFL continued to sell off, breaching \$0.30/bbl handles before also turning better bid in the window to reach \$0.52/bbl and now trades \$0.44/bbl with spreads softer. We saw 18-22/3 CFD well offered pre window, bottoming out at \$0.16/bbl, before rallying into the window, trading around \$0.55/bbl with trade buying. Although the physical was offered, the physical diff is still higher than implied through trades in the prompt, with 12-13/3 DBL trading down at \$0.40/bbl, hence giving room for the structure to rebound a touch. We saw size trade buying of Apr/May Dated come in, paid up from \$0.46/bbl to \$0.56/bbl, whilst the 15-19/4 3w roll saw better buying, bid up from \$0.25/bbl to \$0.38/bbl, although didn't trade, with trade and refiner interest. 2-5/4 CFD's were also bid by trade and refiners, last trading \$0.68/bbl at the end of the window.

Fuel Oil

In HSFO, 380 E/W were supported as Chinese were buyers of Sep 380 FP, with Apr trading up to \$5.75/mt. Barge cracks were strengthened, with Apr buying from -\$11.90/bbl up to -\$11.75/bbl. Then Chinese flipped the directions on stronger crude, became sellers of Apr and May 380 FP. 380 spreads were stable, with Apr/May trading at -\$0.25/mt and May/Jun trading at \$2.25/mt. Barge spreads were well offered by physicals, with Bal Mar/Apr selling down from flat to -\$3.75/mt in good volume and Apr/Jun trading down from -\$2.25/mt to -\$2.75/mt. Barge cracks were weakened, with Apr trading down to -\$12.15/bbl before rebounding to -\$12.00/bbl at the end of the window. 380 E/W sold down to \$4.75/mt post window.

In VLSFO, Chinese were buyers of Jun sing FP, with Apr Sing cracks trading around \$13.30/bbl level. Then, Sing cracks collapsed, with Spr selling down to \$12.95/bbl and may trading down to \$12.55/bbl on screen. Sing spreads were weakened, with Apr/May selling down from \$6.25/mt to \$5.50/mt and May/Jun trading down to \$7.50/mt. Euro spreads were better offered at the same time, with Apr/May trading at \$7.00/mt on screen. 0.5 cracks started to recover when selling interests gone, with Apr Sing trading up to \$13.55/bbl gradually at the end of the window and Apr Euro cracks trading up to \$6.55/bbl. Euro spreads were better bid, with Apr/May buying up to \$7.50/mt. We saw 0.5 cross arb selling down to \$38.50/mt in May/Apr. Sing spreads were supported go into the window, with Apr/May and May/Jun trading at \$6.00/mt and \$8.00/mt respectively.

Distillates

ICE gasoil spreads rallied into the evening, with the Apr/May spread up to \$16.50/mt and the May/Jun at \$11/mt, both off the highs into the end of the day but overall stronger than the afternoon's lows.

The crack similarly rallied into the evening, with Apr stronger at \$25.80/bbl and the Q4 crack up to \$23.85/bbl into the close. European jet diffs rallied into the evening, with Apr trading up to \$49.25/mt, while the May diff traded at \$61/mt, as the Apr/May diff roll rallied with prompt diff strength. In the back end, there was interest down to Q3'25 with it trading at \$60.50/mt. HOGOs trended downwards as ICE gasoil rallied through the evening. The Apr swap is at 4.50c/gal and the Q4 swap is at 10.50c/gal into the evening.

Sing gasoil spreads rallied into the evening on stronger ICE gasoil spreads. The Apr/May recovered from morning lows as it was lifted up to \$0.64/bbl, while the May/Jun spread traded up to \$0.88/bbl, with the Jun/Jul spread at \$0.68/bbl post-window. The E/W at the front traded down, with Apr coming off to -\$31.50/mt and offered there into the close. Q2 E/W also came off to -\$25.50/mt while the Q4 traded at -\$23.75/mt. Regrade saw strength into the afternoon but saw a muted evening window, with Apr trading up to -\$1.71/bbl on screen. The Mar/Apr Kero spread traded from \$0.45/bbl to \$0.65/bbl into the evening, while the deferred spreads did not trade.

Gasoline

This afternoon in Gasoline we saw cracks trade at the end of the afternoon window around \$22/bbl in Apr EBOB. RBBRs moved higher in the day, up from \$24/bbl handles to \$25.30/bbl handles in May end window, rallying further post window, on news of an ESSO-EXXONMOBIL refinery fire. Arbs saw buying with the RBOB rally in Q2 at 9.10c/gal and in Q3 at 3.40c/gal. Q4 arbs continued to be offered at the 3.80c/gal levels from funds and trade, and we saw arbs in Apr see buying interest end-window at 9.15c/gal. EBOB spreads saw stronger bid-side interest from trade houses and refineries, with Apr/May trading up to \$9.75/mt, Apr/Sep up to \$78/mt and Jun/Sep up to \$50.75/mt.

Refineries were on the buy side of Q3/Q4 EBOB crack rolls today at the \$9.15/bbl level. Q2 cracks in EBOB were bid this afternoon at the \$21/bbl level. End-window, we saw the front crack see strong buying flow from trade, up to \$22.15/bbl, reaction to the refinery fire. Gasnaphs in Europe were bid up from \$183/mt in the morning, to \$191/mt in the Euro-window. 92 saw little activity this afternoon, however we saw the Q2/Q3 EW box go bid at -\$0.75/bbl. The Apr/Jul 92 spread traded at \$4/bbl in the Euro-window.

Further out, however, FEI structure was weaker as Jun/Dec traded at -\$22/mt. Arbs fell significantly for most of the afternoon as BLPG freight went better bid, the prompt April LST/FEI opened weaker at -\$185/mt and softened further to -\$190/mt. There was some resistance at this level and the arb retraced to -\$187/mt. The window was quieter and a physical trade house bidding \$540/mt for H2 March did not prevent NWE structure from weakening as Q2/Q3 fell to -\$1.50/mt.

Naphtha

A bid afternoon in Naphtha where we saw Apr NWE cracks get lifted by major at -\$5.90/bbl end window with strong buy side sentiment entering the market. Jun cracks saw the best-selling by trade at -\$7.90/bbl. Spreads were well bid, Apr/May getting lifted up to \$14.25/mt and the Q2/Q3 crack roll continuing its momentum, trading at \$1.10/mt. Deferred cracks saw offers at elevated levels with the H2 crack trading at -\$8/bbl. Front E/W weakened through the afternoon with Europe strength, Q3 seeing selling down to \$15.50/mt with the front implied around \$17/mt.

NGLs

Another afternoon of US LPG weakness; at the earlier start time (with US on daylight saving hours) the US opened with physical extremely offered and flat price offered too. Domestically, LST spreads came off throughout the afternoon with April/May LST trading down to 0.875c/gal and May/Jun at 0.50c/gal. Butane also was well offered and came off although fared better than propane as the C4/C3 diff traded at 16.50c/gal. ENT C4 was well offered at the front of the curve as May/Jun came off to 1.125c/gal. Internationally, CP spreads firmed again as April/May traded up to \$33/mt and more deferred June/Aug traded at \$14. With arbs well offered on LST weakness, FEI prompt spreads were bid as April/May strengthened a touch at \$9/mt.