

## Flat Price

The May Brent futures contract weakened further to the \$85.20/bbl handles at 15:00 GMT where it found support and printed \$85.45/bbl at 17:20 GMT (time of writing). The softening in price action came alongside talks of the US reportedly drafting a UN resolution calling for a ceasefire that would permit the release of 40 Israeli hostages in return for hundreds of Palestinians detained in Israeli jails. The EIA, in its Mar Short-Term Energy Outlook report, increased its oil price forecast to \$88/bbl for Q2'24, \$4 higher than last month's prediction, following news on an extension on OPEC+'s production cuts. US Labour Department data displayed an unexpected drop of 2,000 (to 210,000) in the number of Americans filing new claims for unemployment benefits. Across the Atlantic, Bank of England governor Andrew Bailey stated that Britain's economy is moving to a point where the Bank can start cutting interest rates. Finally, the front-month and six-month Brent spreads are currently at \$0.54/bbl and \$3.79/bbl, respectively.

## Crude

A better offered afternoon in Dated, with the prompt Apr rolls weakness leaking into the more deferred Apr rolls. We saw Apr/May Dtd sell off throughout the afternoon, finding lows of \$0.26/bbl before turning a touch better bid in the window to trade \$0.32/bbl last. Apr DFL was sold down to \$0.28/bbl, now around \$0.35/bbl, whilst May was better supported, and trades \$0.66/bbl last. The weakness in Apr rolls saw 2-5/4 4w sell off from -\$0.10/bbl to -\$0.24/bbl, whilst the 22-26/4 1w roll trades \$0.03/bbl last. In the window, we saw a touch of strength return, with a refiner bidding 22-3/5 v Cal May \$0.35/bbl. In the physical, refiners offered Forties across mid Apr dates aggressively enough to threaten to push the phys diff lower, whilst CFD's trade lower again. 2-5/4 CFD was traded at flat, whilst 22-26/4 CFD traded \$0.40/bbl, with trade buying of the latter.

Quiet end to the day in Dubai with BD unchanged from the morning. We saw some Q3 and Q4 BD selling, trading at \$0.54/bbl and \$0.71/bbl respectively. The Q1/Q2 BD box traded at \$0.01/bbl. The May/Jun/Jul/Aug condor traded at \$0.05/bbl with interest from the sell side. in Dated/Dubai. Apr traded down from \$0.26/bbl to \$0.18/bbl with the corresponding sell off in DFLs.

## Fuel Oil

A quiet afternoon in HSFO, we saw 380 FP buying on lower crude, with 380 E/W trading from \$3/mt up to \$3.50/mt in Apr. Q3 380 E/W were bid, trading at \$1/mt. Barge cracks were range bounded with Apr trading between -\$11.20/bbl and -\$11.05/bbl. We continued to see scaled back selling interests on May 380 cracks, trading from -\$9.80/bbl to -\$9.65/bbl. 380 spreads were stable, with Apr/May trading at -\$1.75/mt and May/Jun trading at \$2.25/mt. Apr/Jun barges traded at -\$3.00/mt. Viscos were better bid, trading at \$19/mt in Apr.

In VLSFO, Chinese where sellers may Sing cracks, trading at \$12.50/bbl. Sing spreads were stable in the whole afternoon, with Apr/May trading at \$4.50/mt and May/Jun at \$6.50/mt. Euro spreads were well bid, with Apr/May buying from \$6.25/mt up to \$6.75/mt and May/Jun buying up to \$7/mt in good volume. The front Euro cracks were supported, with Apr trading from \$6/bbl up to \$6.20/bbl. We saw Cal'25 Euro cracks buying which supported the front Euro cracks trading further up to \$6.35/bbl post window. Jun/Sep Euro implied at \$20.25/mt. Sing cracks went up after Chinese gone, with Apr trading from \$12.55/bbl up to \$12.75/bbl. 0.5 E/W came under pressure due to strengthened European structures, with Apr implying down to \$40.75/mt.

## Distillates

ICE gasoil spreads trended downwards into the evening but saw strength into the end of the window. The Apr/May is off lows of \$10.25/mt at \$11.25/mt, with the May/Jun spread similarly stronger at \$9/mt from lows of \$8.50/mt. The ICE gasoil crack also similarly rallied into the evening post-window after coming off into the afternoon. The Apr crack is at \$24.55/bbl and the Q4 crack is at \$23.95/bbl. European jet diffs saw rangebound trading as they steadily ticked higher post-window with the diffs getting lifted on screen. The Apr diff is at \$41.50/mt and the May diff is at \$56.25/mt, as the Apr/May diff roll rallied to -\$14.75/mt into the evening. Deferred interest was seen in the Q3 diffs as they steadily traded at \$62.50/mt with Q4 at \$61.50/mt. The HOGOs weakened into the afternoon and remained weak post-window. The Apr swap is at 3.50c/gal and the Q4 swap is at 10.30c/gal, more stable in the back end of the curve on the day.

Sing gasoil spreads were rangebound at the front of the curve after the morning rebound from contango in the Apr/May. It traded between \$0.08/bbl and \$0.05/bbl into the afternoon, back up to \$0.08/bbl into the evening as the ICE gasoil spreads recovered. The May/Jun spread traded between \$0.42/bbl and \$0.45/bbl. The E/W at the front of the curve saw strength, getting lifted up from -\$40.50/mt to -\$39/mt with the May similarly stronger seeing highs of -\$28/mt, both indicated lower post-window. In the back end, the quarterly tenors also saw strength off the combo buying, with the Q2 trading up to -\$31/mt and the Q3 trading at highs of -\$27/mt. Regrades also saw strength into the evening on the back of the strong combo buying, with the Apr trading up to -\$1.30/bbl before trading back down to -\$1.40/bbl into the close. The quarterly tenors also saw strong buying into the back end, with Q3 and Q4 trading up to -\$1/bbl and -\$0.65/bbl respectively.

To discuss any points mentioned in this report further please do not hesitate to contact us at:

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

## Gasoline

This afternoon in Gasoline, we saw cracks trade at the end of the afternoon window around \$23.80/bbl in Apr EBOB. RBBRs hovered around the \$28/bbl mark this afternoon, and arb selling continued in Apr at 11.20c/gal from funds and trade. Q4 saw some selling post Euro window at 4.60c/gal. We saw bids on Apr/May trade down to \$8.25/mt where bids came in from trade. Jun/Jul EBOB saw selling at \$19.25/mt and \$19.50/mt from phys players. Apr/Q3 saw some buying later on at \$5.30/bbl from trade, and Summer cracks were offered at \$20.85/bbl this afternoon. Buying in deferred gasnaphs came in at \$185/mt in Q3 and we saw some buying in the afternoon from real players in Apr at \$210.50/mt. In the East, we saw the Q2/Q3 E/W roll go bid today at -\$1.25/bbl, and the front E/W was bid in the afternoon at -\$9.25/bbl. We saw little activity on deferred 92 this afternoon, but Jun/Sep 92 was bid at \$5.50/bbl and prompter spreads were offered, with Jun/Jul offered from Major at \$1.83/bbl and Apr/Jun offered at \$2.95/bbl.

## Naphtha

This afternoon in Naphtha we saw Apr NWE cracks rangebound, trading between -\$7/bbl and -\$6.90/bbl, with a less bid window seeing price action remain stagnant. Apr/May buying momentum slowed down into the afternoon after trading up to \$16.75/mt with trade selling flows pushing the spread down to \$15.75/mt with further structure remaining relatively unchanged. Deferred cracks saw interest with Q3 seeing trade offers down to -\$8.65/bbl. Q2/Q3 and Q3/Q4 crack roll saw a resurgence on weaker Brent spreads with Q2/Q3 implied above \$0.80/bbl and Q3/Q4 trading up to -\$0.25/bbl. Front E/W weakness persisted, trading at \$8.75/mt in window after seeing lows of \$8/mt in the afternoon with MOPJ spreads seeing offers. Q2 E/W seeing selling at \$11.75/mt and Q3 at \$13/mt.

## NGLs

Another strong afternoon for the arb on NGLs; although prompt American structure was offered, flat price was bid and this together with weak internationals helped to keep the arb supported. April/May LST spread softened to 0.50c/gal and then to 0.375c/gal as bids were hit down in the physical at US open. There was deferred bid interest at with Cal'25 bid at 74.50c/gal. Butane continued to be well bid in the prompt although structure softened towards the end of the afternoon as April/May traded down to 1.125c/gal. Prompt arbs were well bid as April LST/FEI traded up to \$173/mt although this softened post window and -\$182/mt traded in Q4. The E/W continued to trade up to \$87/mt as NWE weakened in the window with April/May trading down to \$5/mt.