

Long Q3 Sing 0.5% Crack

Broker's View on Q3 Sing 0.5% Crack

The **Q3-24 Sing 0.5% Crack** has been steadily rising, from the beginning of the year where it was \$7.60/bbl up to \$11.25/bbl (at the time of writing Mar 22).

From our COT data we can see the **market position is long and getting longer**. Demand should be better in Q3 with Southern European power needing to pull barrels into the Med. We also expect to see Kuwait stop exporting and start importing for their power generation.

Furthermore Kuwait's Al-Zour refinery reached full capacity production of 615,000bbls/d at the beginning of Feb. We are yet to see the refinery run at full capacity for a prolonged period of time and **run cuts could exacerbate the bullish nature**.

This is a trending trade that we believe still has more potential to it. A close eye should be kept on if **tensions in the Red Sea reduce** and therefore ships start using the Suez Canal shipping route.

Suggested trade:

Long Q3 Sing 0.5% Crack

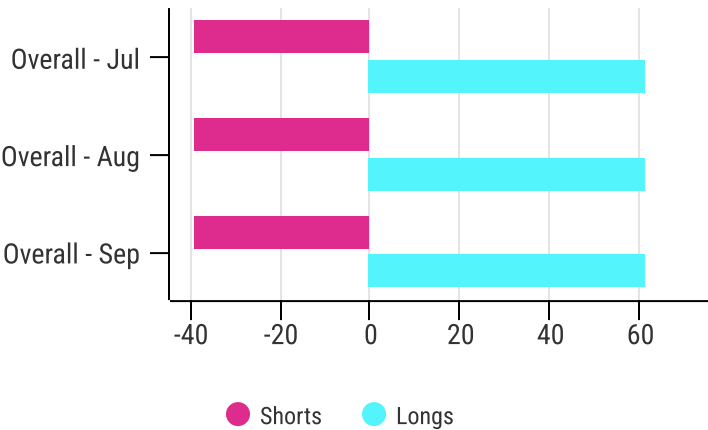
Entry \$11.25/bbl

Target \$12.25/bbl

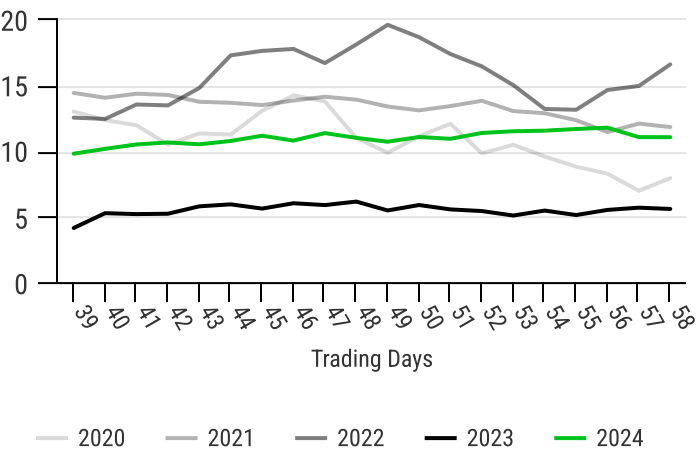
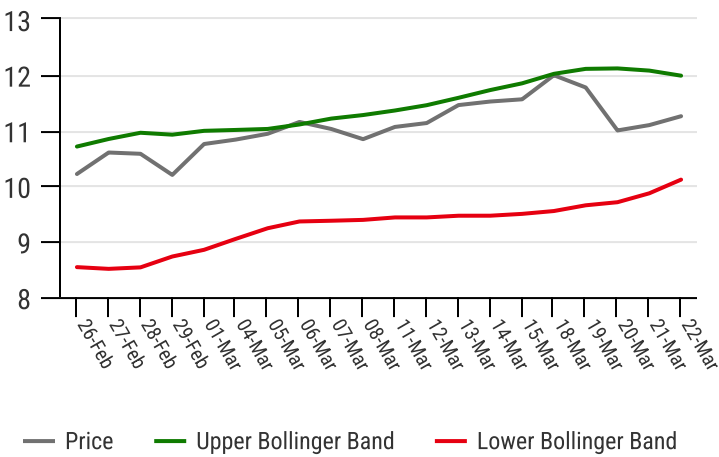
Stop \$10.75/bbl

Size: 5kbbbls/month
Risk: 7,500

Market Positioning Data - Q3 Sing 0.5% Crack



Q3 Sing 0.5% Crack (\$/bbl)





Year-to-Date Review

March Open Trades

| Open Trades: | Entry Level | Current MTM | Initial Target | Exit Level | Status |
|-------------------------|-------------|-------------|----------------|-------------|--------|
| Long Q2 Sing 0.5% Crack | \$11.25/bbl | \$11.25/bbl | \$12.25/bbl | \$10.75/bbl | Hold |

March Closed Trades

| Closed Trades: | Entry Level | Exit Level | Target | PnL* |
|---------------------|--------------|--------------|--------------|----------|
| Short Q2 92/RBOB | -\$12.00/bbl | -\$14.00/bbl | -\$14.00/bbl | \$30,000 |
| Short Q2 MOPJ Crack | -\$4.70/bbl | -\$6.60/bbl | -\$6.50.bbl | \$57,000 |

Monthly PnL (US \$)

