

Flat Price

The Brent futures flat price for the Jun contract took a small downturn to reach a low of \$85.45/bbl at 14:35 GMT. However, the contract managed to regain some strength retracing to above the \$86.00/bbl mark by 15:50 GMT, yet, prices have since oscillated just beneath the \$86/bbl level. OPEC+ is unlikely to make any oil output policy changes until a full ministerial gathering in June, with next week's gathering of ministers not expected to make any policy recommendations. Houthis militants in Yemen said on Tuesday they had mounted six attacks on ships with drones and missiles in the last 72 hours in the Gulf of Aden and the Red Sea, Maersk however, denied its vessel had been attacked. Due to drone attacks, the combined capacity of primary Russian oil refinery units taken offline has equated to 14% of the total amount. The Jun/Jul and Jun/Dec Brent futures spreads are at \$0.75/bbl and \$4.25/bbl, respectively.

Crude

This afternoon in Dated we saw structure firm up before the US open, thereafter weakening from the mid-afternoon. Apr DFL was overall offered, unable to keep up with stronger spreads to currently trade at the lows of the day at \$0.33/bbl, with Apr/May DFL finding lows of -\$0.41/bbl. May also weakens from the morning to trade \$0.75/bbl last. The physical saw lots of activity, with a British major the main aggressor offering Brent in the front of the strip aggressively down to -\$0.70/bbl, whilst trade houses bid the backend of the strip in forties. Two cargoes were lifted, one of Midland and one Brent, leaving the physical diff weaker again at around -\$0.40/bbl. The window was overall offered, with 22-26/4 CFD offered by the same British major, with a mix of buyers, trading \$0.35/bbl, whilst 15-19/4 CFD traded \$0.26/bbl then \$0.25/bbl with the same seller. 15-19/4's were also sold throughout the day around \$0.36/bbl.

Prompt structure remains weak with the 2-5/4 4w roll offered at -\$0.14/bbl, 8-12/4 2w trades -\$0.19/bbl, but 22-26/4 1w roll saw a touch better buying to trade \$0.06/bbl, 1c higher than pre window.

Fuel Oil

A quiet afternoon in HSFO, we saw 380 E/W selling interests in may in good volume, trading at \$2.00/mt. Then Jun 380 cracks were well bid by trade houses in large size, buying up to -\$9.00/bbl which supported 380 E/W, with Apr implying at \$4.50/mt in the window. 380 spreads were a touch softer in the front due to Jun 380 cracks buying, with Apr/May and May/Jun at -\$2.50/mt and \$1.75/mt respectively. Barge cracks traded between -\$11.35/bbl and -\$11.25/bbl in the whole afternoon. Barge spreads were better offered, with Apr/May barge crack rolls selling down to -\$1.43/bbl which equivalent to -\$4.50/mt spread level and May/Jun trading at \$0.50/mt.

In VLSFO, Chinese were sellers of Jun Sing FP which put pressure on the front Sing cracks, with Apr selling down from \$12.20/bbl to \$12.00/bbl. The front Sing spreads were well offered, with Apr/May trading down to \$2.75/mt and May/Jun selling down from \$6.50/mt to \$6.00/mt. We saw Jun Sing cracks buying on screen in good size, trading at \$12.20/bbl which supported Apr Sing cracks back to \$12.15/bbl. Euro cracks sold down from \$6.15/bbl to \$5.95/bbl when Chinese players left with outright selling interests in Apr. Q3 euro cracks were bid at \$4.65/bbl, putting pressure on the front Euro spreads, with Apr/May and May/Jun trading at \$6.75/mt and \$7.00/mt respectively. Euro MOC were well offered today, pushing Apr Euro cracks down to \$5.80/bbl at the end of the window.

Distillates

ICE gasoil spreads continued to sell off from the US open onwards, with the Apr/May coming off to lows of \$10.50/mt, recovering to \$11.00/mt post-window while the May/Jun spread saw lows of \$7.00/mt, currently at \$7.25/mt. The ICE gasoil cracks similarly came off sharply through the afternoon, with Apr trading down to \$22.90/bbl and the Q4 crack at \$23.35/bbl, both weaker through the day. European jet diffs saw rangebound trading on the prompt, with Apr trading at \$40.00/mt and the May at \$53.75/mt, implying the Apr/May jet diff roll higher. The quarterlies saw the Q2 trade at \$50.75/mt with the Q1'25 seeing trading at \$61.25/mt. The HOGOs weakened sharply into the evening too, despite the ICE gasoil spreads coming off with the HO selling off post-US open. The Apr swap is at 3.30c/gal and the Q4 swap is at 9.80c/gal, weaker through the entire curve.

Sing gasoil spreads at the front of the curve saw rangebound trading, with the Apr/May trading down to \$0.06/bbl, recovering to \$0.08/bbl post-window. The May/Jun spread weakened as it got hit down to \$0.23/bbl, remaining there into the close and the Jun/Jul spread weakened from \$0.40/bbl to \$0.36/bbl with the box coming off from -\$0.75/bbl to -\$1.00/bbl. The E/W at the front of the curve rallied into the evening before coming off a touch into the close, with Apr strengthening to highs to -\$38.00/mt before coming off to -\$39.50/mt, while the May got hit down from highs to -\$31.00/mt. In the backend, the Q3 traded between -\$26.25/mt and -\$26.00/mt while the Q4 saw buying interest at -\$25.00/mt. Regrade saw a quiet afternoon before the prompt got lifted to -\$1.70/bbl, with the Q3 trading up to -\$1.00/bbl and the Q4/Q1 regrade roll rallied up to -\$0.30/bbl. The Apr/May kero spread traded at -\$0.10/bbl, while the May/Jun spread remained at \$0.00/bbl as the regrade roll traded at -\$0.25/bbl.

Gasoline

This afternoon in Gasoline, we saw cracks trade at the end of the afternoon window around \$22.90/bbl in Apr EBOB. RBBRs were well offered in the afternoon, selling down ~\$1/bbl in May to \$26.50/bbl handles, with a slight rebound to \$26.75/bbl in the Euro window. Arbs were well bid today in Apr and in Q2, with 10.50c/gal and 9.95c/gal seeing sticky buying from funds and refiners. EBOB spreads saw much better bid side interest this afternoon. May/Jun, Jun/Jul and Jul/Sep were well bid at \$16/mt, \$18.75/mt and \$43/mt respectively, from real and phys players. Apr/May was offered from funds earlier, but saw sticky buying in the window at \$7.50/mt from phys. Gasnaphs this afternoon saw strong buy-side flows, with Apr bid between \$214/mt and \$215/mt, and Q3 gasnaphs bid from real players at \$187/mt throughout the afternoon. Funds were selling the Apr/May crack roll at \$0.27/bbl earlier in the afternoon, but bids came on deferred cracks later with Q3 at \$18.60/bbl. In the East, we saw E/W in Q3 go offered at -\$7.90/bbl and buying in Q3 Eastern gasnaphs at \$19/bbl from ref. We saw little activity in 92 spreads this afternoon.

Naphtha

Another weak afternoon in Naphtha where we saw Apr NWE cracks offered into the window, settling at -\$7.90/bbl end window off the back of physical players selling and strong gasnaph buying. Buying end window was seen by trade but this was well absorbed at -\$7.80/bbl and one taken out saw the crack fall further -\$7.95/bbl post-window. Front spreads weakened with Apr/May trading down two dollars on the day to \$13.75/mt in window with May/Jun similarly a dollar lower at \$9.50/mt. Backend naphtha saw bids by funds at these lower levels into 2025 tenors, Q2 at -\$8.55/bbl and Q3 seeing buying as low as -\$9.05/bbl. Front E/W trading a touch higher with Europe weakness with the front trading up to \$11/mt in window after trading below \$10/mt handles as E/W boxes continued to see buying with Apr/May up to -\$3/mt.

NGLs

Initially it was a similar story to the last few days on NGLs; US domestic product was well bid and the arb strengthened. Approaching the window, however, internationals were better bid and FEI spreads rallied. At the start of the US open, offers were lifted in the physical down the curve and structure strengthened with Q4/Q1'25 LST trading up to 8.25c/gal. Butane was well bid again; trading above 100c/gal handles in April ENT C4, with May equally well-bid as April/May NC4 traded to 0.75c/gal. Arbs opened strongly with April LST/FEI trading at -\$165/mt while Q3 traded at -\$166/mt; approaching the window, however, FEI structure firmed Jul/Sep up to -\$10/mt and April/May up to \$7/mt. E/W also strengthened in line with this as it traded at \$85.50/mt in the prompt and \$60/mt in Cal'25.