European Window

Flat Price

The Brent futures flat price for the Jun contract initially dropped to $84.97/bbl briefly at 12:45 GMT before recovering its losses and reaching a high of $85.51/bbl at 15:15 GMT and then retraced to $85.12/bbl by 17:15 GMT. Crude inventories rose by 3.2mbbls to 448.2mbbls in the week ended March 22, the EIA said, compared with analysts' expectations for a 1.3mbbls draw. The crude build was supported by a net increase in U.S. crude imports by 1.12mbbls per day, and is setting the stage for a monthly build in crude oil. Russia has increased gasoline imports from neighbouring Belarus in March to tackle the risk of shortages in its domestic market because of unscheduled repairs at Russian refineries due to damage from drone attacks. The Jun/Jul and Jun/Dec Brent futures spreads are at $0.65/bbl and $3.95/bbl, respectively.

Crude

A better bid afternoon where some key sellers turned buyside, supporting the front of the curve. We saw Cal Apr v 22-26/4 turn well bid, lifted up to -$0.10/bbl as Apr recovered back to $0.34/bbl, and the DFL roll bid on at -$0.38/bbl. 2-5/4 1w roll recovered back up to -$0.05/bbl alongside. In the NS window, we saw a refiner offer Forties for 8-12/4 through the curve, again pressuring the physical diff lower, eventually lifted by a major as the physical diff approached -$0.50/bbl. We saw CFDs trade higher in the window, with 15-19's trading $0.30/bbl with a major buying, and 22-26/4's trade $0.35/bbl.

Fuel Oil

In HSFO, 380 E/W were well bid in the afternoon, with Apr and May buying at $4.50/mt and $2.50/mt in good size. 380 spreads were stable in the afternoon, with Apr/May trading at -$2.75/mt and May/Jun trading at $1.50/mt. Then barge cracks collapsed in the window due to weakened physical market, with Apr gapping down from -$11.30/bbl to -$11.75/bbl.

Barge spreads were well offered in the front, with Apr/May selling down to -$5.75/mt on screen before rebounding to -$5.25/mt post window and May/Jun trading down to -$0.25/mt. Barge cracks then recovered gradually post window, trading up to -$11.65/bbl. 380 E/W were supported due to weakened European structures, with Apr buying up to $5.50/mt.

In VLSFO, Chinese were buyers of Jul 0.5 Sing FP, with Apr Sing cracks trading around $12.20/bbl. There were large size Q3 Sing cracks selling, trading at $11.15/bbl in the early afternoon. Deferred Sing spreads were offered by trade houses, with Jun/Jul and Jul/Aug trading at $7.50/mt. The front Sing spreads traded at unchanged levels, with Apr/May trading at $3/mt. We saw scaled back buying interests on Apr Euro cracks, but quickly absorbed by the market. Euro cracks were well offered go into the window, with Apr selling down from $6/bbl to $5.85/bbl at the end of the window. Euro spreads were a touch softer, with Apr/May/Jun Euro fly selling down to -$0.50/mt by a major and Apr/May trading at $6.50/mt. Sing cracks came down in line with Euro, with Apr Sing selling down to $12.05/bbl. Euro cracks quickly rebounded to $5.95/bbl post window.

Distillates

ICE gasoil spreads rallied into the afternoon following the stats announcement. The Apr/May spread saw support between $9.50/mt and $9.75/mt and rallied to $10.25/mt post-window, while the May/Jun spread ticked up from $6.25/mt to $6.75/mt. The ICE gasoil crack rallied from the afternoon lows into the evening. The Apr crack is at $22.90/bbl and the Q4 crack is at $23.50/bbl, both stronger into the evening, but stabilising post-window.

European jet diffs at the front saw steady buying interest on the prompt diff at $39/mt, trading up to $39.50/mt into the end of the window, with the May diff trading to $53.50/mt, implying the Apr/May diff roll at -$14/mt. Some Q4 diff interest was seen at $60/mt, while the Cal25 diff traded at $61/mt into the evening. HOGOs weakened sharply in the prompt into the evening as ICE gasoil rallied from lows. The Apr came off to 2.10c/gal and the Q4 is weaker at 9.40c/gal, with the weakness making its way down the curve too.

Sing gasoil spreads recovered into the evening from the morning's lows. The Apr/May spread rallied to $0.07/bbl from $0.02/bbl in the afternoon, while the May/Jun spread traded up from $0.19/bbl to $0.21/bbl. The Jun/Sep spread was lifted up to $0.95/bbl on screen. The E/W at the front remained strong despite the ICE gasoil spreads recovering from lows on the stats announcement of a distillates draw. The Apr E/W is at -$36.25/mt, with the Jun getting hit at -$24.75/mt and the Q3 trading down from -$24.75/mt to -$25/mt. The regrade at the front of the curve saw weakness into the afternoon on stronger ICE gasoil levels. The Apr regrade was hit down to -$1.75/bbl with the May weakening to -$1.60/bbl post-window. Back end regrade interest was seen through combo selling this afternoon in Q3, as it got hit down to -$0.95/bbl and offered there. At the Apr/May Kero spread traded at -$0.15/bbl into the evening, weaker from the -$0.11/bbl levels from earlier in the day.

Gasoline

This afternoon in Gasoline, we saw cracks trade at the end of the afternoon window around $22.55/bbl in Apr EBOB. RBBRs ticked down over the afternoon and dropped to $26.20/bbl handles in May post a draw in gasoline EIA stats. Arbs were well bid in the afternoon in May at 9.90c/gal and in Q2 at 10.35c/gal, from refiners and funds. Spreads in EBOB saw offer side interest in Jul/Sep at $42.25/mt and Apr/May at $8/mt.

May/Jun was offered in the window at $15.75/mt, from phys players. Deferred cracks saw bid side interest this afternoon, with Q3 cracks bid at $17.85/bbl in the afternoon, from banks. Gasnaphs saw real selling this afternoon again, with Apr gasnaphs offered at $211/mt and in May at $215/mt. In the East, we saw refiners on the buyside of deferred E/W, with Q2 trading at -$9/bbl and Q3 bid at -$7.75/bbl. Refiners had interest to sell Q3 92 cracks at $10.05/bbl this afternoon, but banks were on the buyside at $9.90/bbl pre-stats. Majors continued to buy the front 92 cracks this afternoon around $13.85/bbl in Apr and $13.20/bbl in May.

Naphtha

A weak afternoon in Naphtha where we saw Apr NWE cracks continue trending downwards, settling at -$8.10/bbl end window off the back of trade house and major selling in both Apr and May tenors on a thin market. End window, we saw physical players buying cracks at sub -$8/bbls levels from -$8.20/bbl up to -$8/bbl post-window. Structure softened with crack weakness, Apr/May trading a dollar lower down to $12.75/mt and May/Jun trading as low as $8.25/mt. Backend naphtha structure saw bids with Q3 trading at -$9.15/bbl and Q3/Q4 crack roll seeing major buying at -$0.40/bbl. Front E/W trading at lower levels with NWE cracks falling, Apr trading down to $9.50/mt with Apr/May MOPJ offered at $10/mt.

NGLs

A quiet afternoon before stats on NGLs, spreads were bid with the LST April/May spread supported at 0.25c/gal. Once stats were announced as flat rather than a predicted draw, propane flat price weakened on a crude percentage basis but structure stayed supported particularly in deferred LST spreads as Q3/Q4 traded at -1.25c/gal. Butane was well bid over the afternoon but softened in the window and afterwards as April/Sep traded at 1.50c/gal. Internationally, FEI firmed as April/May traded up to $7.50/mt and FEI/CP strengthened to $6/mt in May. Arbs softened a touch with April LST/FEI trading at -$167/mt although they remained bid by trade houses. NWE remained static trading at $5/mt in April/May and the E/W stayed stable too as April traded at $88/mt.