



EUROPEAN WINDOW

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FLAT PRICE

The Dec'24 Brent futures contract initially showed strength this afternoon, trading at \$74.60/bbl at 12:00 BST and moving up to \$75.70/bbl at 15:20 BST, however, sold-off to \$74.80/bbl at 17:20 BST (time of writing). Dec'24 flat price sold-off shortly after the release of EIA data at 15:30 BST today for the week to 18 Oct, which showed a build of 5.47mb in US crude oil inventories, much higher than the expected draw of 0.7mb. In the news today, US refiners are projected to report lower margins for Q3'24 amid tepid fuel demand and increased global supply, according to Reuters estimates. We saw the NYMEX 3-2-1 crack peak at \$16.86/bbl before the release of EIA stats today, before trading down to \$16.60/bbl at the time of writing. In other news, Hezbollah has confirmed via Telegram that Hashem Safieddine, a likely successor to Hassan Nasrallah, was killed in an Israeli air strike three weeks ago, as per Bloomberg. Finally, Italian insurer Generali has announced it is ending coverage for companies involved in downstream oil and gas operations if they do not meet energy transition requirements. This move is based on the long-term goals of the Paris Agreement, which aims to limit global warming to less than 2°C. At the time of writing, the front-month (Dec/Jan'25) and six-month (Dec/Jun'25) Brent futures spreads are at \$0.37/bbl and \$1.54/bbl, respectively.

CRUDE

After a quiet afternoon in Dated, we saw the Nov DFL stay rangebound between \$0.17/bbl and \$0.15/bbl and Dec DFL traded down to \$0.04/bbl. The Nov/Dec DFL traded at \$0.01/bbl. In structures, we saw refiner selling of 1-15 Nov vs 18-29 Nov at \$0.07/bbl and 23-25 Oct vs 30-1 Nov traded from \$0.01/bbl to flat. In the physical window we saw Geneva trade houses offering Forties and Midland to a Chinese refiner, however, the physical diff remained unchanged. In paper, we saw Nov Dec DFL bid up \$0.02/bbl and Nov DFL traded at \$0.17/bbl. In CFDs, we saw the 28-1 Oct CFD trade down from \$0.05/bbl to \$0.01/bbl and the 4-8 Nov CFD traded at \$0.04/bbl although was offered down to \$0.01/bbl by a Geneva trade house. Post-window, we saw Nov DFL reach highs of \$0.19/bbl and Dec DFL offered down to \$0.13/bbl. The 25-29 Nov 1 week roll traded at \$0.13/bbl.

After a strong morning, we observed a quiet market this afternoon in Dubai. Nov and Dec BD slightly trended higher this afternoon, with Nov trading between \$1.41/bbl and \$1.48/bbl, currently trading at \$1.44/bbl, and Dec trading between \$1.26/bbl to \$1.32/bbl, currently trading at \$1.30/bbl. We observed selling pressure in Nov BD whereas buying interest came in on next year BD, notably Q1 and Q2 bids, which traded at \$1.37/bbl and \$1.24/bbl, respectively. There has also been selling interest in the Nov/Dec BD box, which has come off from the highs, currently trading at \$0.13/bbl. In terms of spreads, we observed selling pressure in the Nov/Dec Dubai spread, which traded between \$0.25/bbl and \$0.27/bbl, currently trading at \$0.25/bbl.

FUEL

In VLSFO, Sing spreads continued to be bid down the curve this afternoon. The Nov/Dec Sing spread was stronger as a result, trading up to \$13.75/mt from \$13.50/mt. The crack was fairly rangebound, with Nov Sing crack trading between \$14.35/bbl and \$14.45/bbl without a clear axe in the market. It was a similar story on Euro structure, where the spread into 2025 continued to be bid, however we saw very little price action as a result, with Nov/Dec Euro trading at \$10.50/mt throughout the afternoon. The Euro crack was weaker, with further pressure put on from MOC hedging. The Nov Euro crack sold down to \$5.55/bbl from \$5.90/bbl.

It was a volatile afternoon in HSFO. The barge crack saw a seller in size on screen early on in the afternoon, with Nov barge crack selling down to -\$5.00/bbl from -\$4.10/bbl before trading back up to -\$4.00/bbl by the end of the window. In turn, the 380 E/W was equally volatile, with Nov trading up to -\$0.50/mt from -\$8.00/mt on the barge weakness, before coming off again when the barge crack rallied, ending the day at -\$4.50/mt. Barge structure followed a similar trend, with Nov/Dec barges trading down to \$20.75/mt, before closing the afternoon at \$23.25/mt. A fairly quiet afternoon on 380 with Chinese arbiters buying flat price in January. This didn't seem to result in much price action on the crack or structure, with the Nov 380 crack trading between -\$4.85/bbl and -\$4.75/bbl. It was a similar story on spreads, with Nov/Dec 380 trading at \$12.00/mt for the afternoon.



DISTILLATES

This afternoon in distillates, the Sing gasoil spreads were rangebound, the Nov/Dec and Dec/Jan trading between \$0.39/mt and \$0.40/mt, and \$0.10/mt and \$0.11/mt, respectively, as the Nov E/W was hit down early in the afternoon to -\$20.00/mt before rallying back a tick to -\$19.75/mt in the window. Regrade continued to rally, the Nov to highs of \$0.70/bbl and the Q1'25 to \$0.07/bbl.

The ICE gasoil spreads rallied, the Nov/Dec and Dec/Jun to \$1.00/mt and -\$0.50/mt as did the cracks, the Q4'24 to \$15.25/bbl. The European jet fuel diffs continued to rally, the Nov to highs of \$50.50/mt before coming back off in the window to \$49.00/mt. Heating oil spreads rallied post-US open as did the HOGOs, the Q4'24 to 9.3 c/gal.

GASOLINE

This afternoon in gasoline, we saw flat price trade at the end of the window equivalent to \$7.50/bbl on a crack basis in Nov EBOB. Nov EBOB cracks weakened post-stats from \$7.75/bbl to \$7.50/bbl as Nov/Dec was offered down to \$18.50/mt and Dec/Jan continued to trade at \$2.75/mt. Nov arb strengthened in the window from 4.6 c/gal to 4.75 c/gal as Dec RBBRs saw selling from \$9.59/bbl pre-stats to trade at \$9.05/bbl end-window. Nov 92 cracks traded at \$3.75/bbl with Nov E/W value implied at -\$3.75/bbl and both Nov/Dec 92 and Dec/Jan came off further to -\$0.17/bbl where buying came in back to -\$0.15/bbl with the Nov/Dec/Jan fly trading at flat.

NAPHTHA

This afternoon in naphtha, we saw flat price trade at the end of the window at \$641.25/mt on a -\$2.55/bbl crack equivalent. Post-stats cracks were supported on offered gasnaps; with the prompt trading up to -\$2.40/bbl during the window from trading around -\$2.70/bbl prior to stats. Spreads firmed with Nov/Dec trading at \$4.75/mt during the window, from \$4.25/mt earlier in the day on bid prompt cracks. Gasnaps were offered down during the window, trading at \$42.00/mt in Nov further supporting the prompt crack. E/W was unchanged from this morning this afternoon with Nov trading at \$22.75/mt and Dec at \$22.00/mt. MOPJ was also quiet this afternoon but was implied higher on well bid NWE cracks, with prompt implied 40c/bbl higher on the day. Spreads were also stronger on the day with Dec/Jan valued at \$5.75/mt this afternoon.

NGLS

This afternoon in NGLs, pre-stats LST slightly stronger on a crude percentage basis while prompt spreads were unchanged with Nov/Dec trading at -1.5c/gal, Dec/Jan at -1c/gal. EIA stats showed a 1.4mb draw in propane/propylene stocks vs. a 400kb -1.9mb build estimate according to an OPIS survey. Post-stats, LST strengthened on a crude percentage basis as crude slid while LST flat price held up. However, apart from Q1/Q2'25 trading up to 4.875 c/gal immediately post-stats, prompt spreads didn't rally as Nov/Dec traded at -1.5 c/gal and Dec/Jan traded down to -1.125 c/gal but bid-on. Butane was well bid pre-stats in the phys at US open, while prompt spreads were also stronger with Nov/Dec and Dec/Jan trading up to 2 c/gal. However, C4/C3 lost some gains post-stats as LST strengthened on a crude percentage basis with Nov C4/C3 trading at 32.25 c/gal. Arbs were well bid in the afternoon as LST strengthened, trading up to -\$249.00/mt in Nov LST/FEI post-stats while Q1'25 traded up at -\$210.00/mt. However, arbs came off slightly later in the afternoon with Nov implied around -\$250.00/mt. In internationals, FEI structure firmed with Nov/Dec trading up to \$4.00/mt and Nov/Mar at \$48.00/mt. E/W recovered some of its earlier losses with Nov implied at \$65.00/mt as Dec traded at \$71.00/mt. Meanwhile, FEI/CP ended unchanged, implied at \$24.00/mt in Nov.



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