



EUROPEAN WINDOW

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FLAT PRICE

The Feb'25 Brent futures contract saw strength this afternoon, increasing from \$71.80/bbl at 12:00 GMT up to a touch above \$72.50/bbl at 17:50 GMT (time of writing). In the news today, Equinor stated that the start-up of their Johan Castberg oilfield in the Arctic has been postponed to January or February 2025 due to poor weather conditions. Johan Castberg, located in the Barents Sea, holds estimated recoverable volumes of 450mb to 650mb of crude oil and will be able to produce 220kb/d at its peak, according to Equinor. In other news, China National Petroleum Corporation (CNPC) said that Chinese oil demand could peak at 770 million metric tons as early as 2025 owing to the adoption of EVs and LNG trucks. This time last year, CNPC expected a peak of between 780-800 million metric tons in oil demand coming to China by 2030. Finally, Chevron has completed upgrades to its refinery in Pasadena, Texas, which is expected to increase processing capacity of lighter crudes by nearly 15% to 125kb/d. At the time of writing, the Feb/Mar'25 and Feb/Aug'25 Brent futures spreads stand at \$0.32/bbl and \$1.30/bbl, respectively.

CRUDE

This afternoon in Dated Brent, we saw strength heading into the window, with 23-27 Jan Cal Jan bid paid at \$0.54/bbl. Alongside this, Cal Dec DFL was lifted at \$1.10/bbl, before CFD's saw better selling in the window again. 6-10 Jan was sold at \$0.30/bbl, whilst 16-20 Jan continued to be supported, trading at \$0.80/bbl with Geneva tradehouses on both sides. There was selling of Jan'25 structure in the window from a British major, with 13-17 Feb v 13-7 Feb trading \$0.14/bbl, whilst 3-9 Jan vs 3-30 Jan traded at \$0.16/bbl. Post-window, we saw better sell-side interest, with 23-27 Dec vs Cal Jan offered at \$0.52/bbl.

FUEL

In HSFO, Chinese arbers were sellers of deferred 380 flat price. On a fairly illiquid afternoon, this put pressure on the 380 crack combined with barge weakness, with the Jan'25 380 crack trading down to -\$6.20/bbl from -\$5.80/bbl. 380 structure remained fairly robust, with the front spread trading at \$1.25/mt for the afternoon. As mentioned, the barge crack was extremely weak this afternoon, with Jan'25 crack selling down to -\$6.25/bbl from -\$5.75/bbl. Barge structure came under pressure as a result, with Jan/Feb'25 barges trading down to \$4.50/mt from \$5.50/mt. 380 E/W was stronger due to the relative weakness of the barge crack, with Jan'25 trading up to \$0.00/mt from -\$1.00/mt.

In VLSFO, it was a mixed afternoon on Sing 0.5. Chinese arbers were initially buyers of Sing cracks and deferred flat price, this supported the Jan'25 Sing crack, which traded up to \$9.75/bbl from \$9.60/bbl. We did see some selling out of China enter the market as the afternoon progressed, which saw the Jan'25 crack come off, selling back down to \$9.55/bbl. Structure traded fairly rangebound, with Jan/Feb'25 trading at \$1.25/mt. Euro structure enjoyed a better bid afternoon, with Jan/Feb'25 Euro buying up to \$4.25/mt from \$3.75/mt. Structure strength supported the Euro crack post-window, with Jan'25 trading up to \$4.10/bbl post-window after trading around \$4.00/bbl for the majority of the afternoon.



DISTILLATES

This afternoon in distillates, the front Sing gasoil spreads rallied later in the session, the Jan/Feb'25 and Mar/Jun'25 lifted on screen to \$0.33/bbl and \$0.52/bbl, respectively. The Jan'25 E/W continued to come off to lows of -\$13.50/mt before ticking back up post-window to -\$13.25/mt as the deferred saw interest, the Q1'26 trading at -\$14.00/mt. The prompt regrade was bid up to -\$0.16/bbl as the Q2'25 was offered at -\$0.44/bbl.

The Jan/Jun'25 ICE gasoil spread continued to rally to \$9.25/mt as the front cracks were similarly strong, the Q1'25 trading at highs of \$17.05/bbl. The NWE jet diffs were rangebound for the afternoon, the Jan'25 trading at \$46.00/mt as the Q1'26 traded at \$54.25/mt. Heating oil spreads continued to come off post-US open, as did the HOGOs, the Q1'25 to 7.2c/gal.

GASOLINE

This afternoon in gasoline, we saw Jan'25 EBOB flat price valued at \$674.25/mt at the end of the window equivalent to \$8.75/bbl on a crack basis as MOC was offered. Jan'25 EBOB cracks were bid towards the end of the window as they traded from \$8.60/bbl to \$8.75/bbl as Q3'25 cracks saw buying at \$11.70/bbl. Jan/Feb'25 EBOB valued at -\$3.50/mt up from -\$4/mt as other spreads were bid; Mar/Apr'25 strengthened from -\$32.75/mt to -\$32.25/mt. Jan'25 arbs initially weakened to 4.75c/gal before rallying to 4.85c/gal as Feb'25 RBBRs were bid from \$10.20/bbl mid-afternoon to \$10.40/bbl with Feb'25 arbs seeing selling at 5.25c/gal. Jan'25 E/W traded back up to flat after seeing selling at -\$0.10/bbl early afternoon with Jan'25 92 cracks trading at \$8.75/bbl. Jan/Feb'25 92 remained supported seeing buying up to \$0.49/bbl with Feb/Mar'25 valued at \$0.40/bbl as Q2'25 and Q4'25 92vMOPJ saw selling at \$10.90/bbl and \$9.50/bbl levels, respectively.

NAPHTHA

This afternoon in naphtha, we saw flat price trade at the end of the window at -\$3.70/bbl on a crack equivalent. The Jan'25 crack found selling this afternoon on stronger crude from highs of -\$3.25/bbl down to trade at -\$3.70/bbl end of window. Deferred cracks were offered this afternoon with Q2'25 getting sold to -\$4.80/bbl putting pressure on the front crack. Jan/Feb'25 remained balanced at \$3.25/mt while other spreads saw little interest other than selling on Jan/Mar'25 at \$7.50/mt. Gasnaps were better offered today with Jan'25 getting sold at \$62/mt which provided some support to the front crack. E/W remained at \$22/mt in the front with Q1'25 trading at \$21/mt and we saw smalls MOPJ flat price selling this afternoon and Jan/Feb'25 remained supported at \$4.50/mt but otherwise little trading activity.

NGLS

This afternoon in NGLs, LST was slightly weaker with spreads rangebound in prompt and unchanged in deferred. In prompt, Jan/Feb'25 and Jan/Mar'25 traded at -0.25c/gal and 1.5c/gal-1.625c/gal levels, respectively; whilst in deferred, Q1/Q2'25 traded at 5c/gal. Arbs were stronger in the afternoon in prompt and deferred, with Jan'25 and 2H trading to -\$209/mt and -\$175/mt, respectively; while arb rolls also gained support with Q1/Q2'25 and Q3/Q4'25 trading at -\$21/mt and flat, respectively. Butane was better bid with spreads in prompt and deferred strengthening, with Jan'25 C4/C3 trading at 31.25c/gal. In prompt, Jan/Feb'25 and Feb/Mar'25 traded to 5c/gal and 7.75c/gal, respectively; whilst in deferred, Q1/Q2'25 traded up to 14c/gal. E/W weakened with Jan'25 trading down to \$63/mt, while FEI/CP also weakened with Jan'25 implied lower at -\$14/mt and Feb'25 trading at -\$10/mt.



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