



# EUROPEAN WINDOW

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## FLAT PRICE

The Feb'25 Brent futures contract was supported this afternoon, rising from \$73.00/bbl at 12:00 GMT up to \$73.40/bbl at 17:50 GMT (time of writing). In the news today, OPEC's monthly report has cut oil demand growth forecasts for this 2024 by 210kb/d to 1.6mb/d, marking the fifth consecutive month the cartel has reduced its demand projection, as per Bloomberg. Meanwhile, crude oil production from all OPEC members rose by 104kb/d in November m/m, due to increased output in Libya, Iran, and Nigeria, according to OPEC's secondary sources. Nigeria's oil production hit its highest level for 2024 in November with a total of 1.7mb/d (+13.3% m/m) of crude oil and condensate output. In other news, Exxon has unveiled plans to increase spending to \$28-\$33 billion annually with a goal of lifting oil and gas output by 18% by 2030. Furthermore, Exxon aims to triple its production in the Permian Basin to 2.3mb/d by 2030 and pump 1.3mb/d in Guyana, as per Reuters. Finally, At the time of writing, the Feb/Mar'25 and Feb/Aug'25 Brent futures spreads stand at \$0.36/bbl and \$1.45/bbl, respectively.

## CRUDE

This afternoon in Dated Brent, we saw the Bal-Dec'24 DFL trade up to \$0.84/bbl from \$0.78/bbl and the Jan'25 DFL traded at \$0.30/bbl. We also saw a London trade house buying the 30-3 Dec 1 week roll at \$0.16/bbl and the 27-31 Jan 2 week roll traded at \$0.22/bbl and offered over to \$0.21/bbl. In the physical window, we saw a Geneva trade house and French major bidding Midland and Oseberg, before a Norwegian major came in and started selling Troll and Forties. The cargos traded were all around curve, leaving the physical diff unchanged. In paper, we saw the Jan'25 DFL trade \$0.31/bbl offered down to \$0.28/bbl and the Feb DFL at \$0.16/bbl. In CFDs, we saw strong buying of the 30-3 Dec CFD at \$0.50/bbl before being offered over to \$0.45/bbl an the 6-10 Jan CFD reached lows of \$0.30/bbl. The 16-20 Dec CFD traded at \$0.77/bbl. Post-window, Jan'25 traded \$0.28/bbl and Feb'25 DFL at \$0.15/bbl.

## FUEL

In HSFO, Chinese arbers were fairly busy at the beginning of the Chinese evening window, selling deferred 380 flat price in decent volume. The selling did dry up as the afternoon progressed, however, the crack did still sell off as a result, with Jan'25 trading down to -\$5.90/bbl from -\$5.70/bbl. Structure was also a touch weaker, with Jan/Feb'25 380 trading down to \$1.75/mt from \$2.00/mt. The barge crack was weaker in the early part of the afternoon, with Jan'25 trading down to -\$6.40/bbl from -\$6.15/bbl. In the window the crack did strengthen somewhat due to hedging, trading back up to -\$6.30/bbl. Barge structure had a fairly illiquid afternoon until the end of the window, where there was a fair bit of buying at the front. Jan/Feb'25 barges bought up to \$4.75/mt from \$4.25/mt. A fairly rangebound afternoon on the 380 E/W, with Jan'25 trading around \$3.00/mt.

In VLSFO, Chinese arbers were buying deferred Sing flat price and cracks in the early part of the afternoon. This supported the Sing crack, which traded up to \$9.95/bbl from \$9.75/bb in the window. The crack then came off towards the end of the window due to MOC hedging, trading back down to \$9.80/bbl. Sing structure benefitted from the crack strength, with Jan/Feb'25 Sing trading up to \$2.00/mt from \$1.75/mt. As mentioned, the Euro crack was weaker at the end of the window due to MOC hedging, however, as a whole enjoyed a strong afternoon. The front crack bought up to \$4.65/bbl from \$4.35/bbl before ultimately ending the day at \$4.50/bbl.



## DISTILLATES

This afternoon in distillates, the front Sing gasoil spreads continued to be well bid with the Jan/Feb'25 and Feb/Mar'25 lifted to \$0.41/bbl and \$0.30/bbl respectively as the Jan'25 E/W was rangebound, trading between -\$13.50/bbl and -\$13.25/bbl. Regrade saw selling interest at the front with the Jan'25 trading down to lows of -\$0.30/bbl while the kero spreads strengthened slightly, the Jan/Mar to 0.65.

ICE gasoil spreads rallied into the afternoon before coming off post-stats, the Jan/Jun'25 coming off from highs of \$11.00/mt to \$9.75/mt as the cracks remained rangebound, the Q1'25 trading at \$17.10/bbl. The Bal-Dec'24 NWE jet diff traded up to \$38.00/mt as the more deferred came off, the Q2'25 to \$50.25/mt. Heating oil spreads also came off post-stats as the HOGOs rallied, the Q1'25 to 7.4c/gal.

## GASOLINE

This afternoon in gasoline, we saw flat price trade at the end of the window at \$8.80/bbl on a crack equivalent. The Jan'25 crack cooled off from midday highs of \$9.00/bbl to trade around \$8.80/bbl this afternoon and was supported by deferred crack buying, funds were buyers of Cal'25 cracks up to \$10.30/bbl pre-stats and buyers of H1 2025 at \$11.80/bbl post-stats, supporting the front, post-bearish gasoline stats. Spreads were initially better bid pre-stats with Jan/Mar'25 trading up to -\$7.25/mt before softening to -\$7.50/mt post-stats on better bid deferred cracks. Jan'25 arbs were valued at 4c/gal post-stats as they came off from 4.5c/gal value pre-stats on offered RBBRs, Q2'25 arbs traded up to 13c/gal from 12.9c/gal as RBOB spreads came off post-stats. RBBRs came off into the afternoon from trading around \$10.40/bbl in Feb'25 down to lows of \$10.10/bbl post-stats before finding some buying into the window up to \$10.20/bbl and remaining supported around that range. There was scaleback selling of gasnaphs from refiners today with Jan'25 selling at \$65/mt. E/W was supported this afternoon on lower RBBRs with Jan'25 trading at flat up from -\$0.05/bbl while Q1'25 remained bid at -\$0.95/bbl. We saw limited action in eastern cracks this afternoon but Jan'25 was lifted at \$8.90/bbl end of window and spreads remained supported with Jan/Feb'25 valued at \$0.51/bbl.

## NAPHTHA

This afternoon in naphtha, we saw Jan'25 NWE flat price valued at \$614/mt at the end of the window on a -\$3.70/bbl crack equivalent. NWE Jan'25 cracks came off from -\$3.60/bbl to -\$3.70/bbl in the window before trading back to -\$3.65/bbl as Q2'25 cracks saw selling at -\$4.80/bbl and Cal'26 cracks saw bank selling at -\$6.70/bbl. Jan/Feb'25 saw selling at \$3/mt down from \$3.25/mt this morning with Feb/Mar'25 trading at \$4.25/mt. Jan'25 E/W was valued at \$20.50/mt with Feb'25 E/W offered at \$21/mt as MOPJ cracks saw no activity in the front but saw selling at -\$2.60/bbl in Q2'25. Jan/Feb'25 MOPJ also weakened from \$5/mt to \$4.75/mt but Feb/Apr'25 was bid at \$10.75/mt.

## NGLS

This afternoon in NGLs, pre-stats, LST was slightly weaker with spreads rangebound in prompt and deferred. In prompt, we saw Jan/Feb'25 trade at -0.375c/gal to -0.25c/gal levels and Jan/Mar'25 trade at 1.5c/gal; whilst in deferred, we saw Q1/Q2'25 trade at 4.5c/gal. EIA stats showed a 3mb draw in propane/propylene stocks, in line with OPIS survey expectations of a 1.1mb-3mb draw. Post-stats, LST gained strength with spreads strengthening in prompt and deferred. In prompt, we saw Feb/Mar'25 trade to 2.125c/gal whilst in deferred, Q1/Q2'25 traded up to 4.875c/gal. Arbs pre-stats were slightly weaker with Jan'25 and Feb'25 trading down to -\$207/mt and -\$199/mt, respectively; post-stats, arbs gained strength owing to bullish signal for LST from EIA stats, with Jan'25 and Feb'25 trading up to -\$204/mt and -\$198/mt, respectively. Butane pre-stats was weaker including spreads with Jan/Feb'25 trading down to 4.625c/gal, with Jan'25 C4/C3 implied at 30.75c/gal. Post-stats, butane continued to weaken along with spreads, with Jan'25 C4/C3 implied lower at 29.375c/gal. In spreads, we saw Jan/Feb'25 and Feb/Mar'25 trade down to 4.5c/gal and 7.5c/gal. FEI spreads were broadly unchanged with Jan/Feb'25 and Feb/Mar'25 trading at \$6/mt and \$16.50/mt, respectively, and was supported at these levels post-stats. E/W weakened in the afternoon with Jan'25 trading down to \$60/mt, whilst FEI/CP also weakened with Jan'25 trading down to -\$13.50/mt and implied at -\$14/mt post-window.



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