



EUROPEAN WINDOW

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FLAT PRICE

The Feb'25 Brent futures flat price continued to slide on Monday afternoon, falling from the \$72.70/bbl level at 11:00 GMT to \$72/bbl by 16:50 GMT, before finding technical support and bouncing up to \$72.12/bbl by 17:20 GMT (time of writing). In the news, India's crude imports in November saw Middle Eastern oil rise to a 9-month high, accounting for 48%, while Russian oil fell to its lowest share in three quarters at 32%, driven by refinery maintenance and adherence to Middle Eastern supply contracts. Efforts to broker a Gaza ceasefire have gained momentum, with progress on key issues like prisoner exchanges and troop deployment, but major sticking points, including the duration of the ceasefire and the broader terms for ending the war, remain unresolved amid dire humanitarian conditions in the region. According to an EIA article, improved operational efficiency and technological advancements have enabled U.S. crude oil production in the Lower 48 states to reach a record 11.3 mb/d in November 2024, despite a declining rig count, with productivity per rig expected to rise further in 2025 due to continued innovation and new pipeline capacity. US SPR crude inventories rose by 0.3mb w/w to 393.3mb last week. Finally, the front (Feb/Mar) and 6-month (Feb/Aug) Brent futures spreads are at \$0.29/bbl and \$1.55/bbl respectively.

CRUDE

Mixed afternoon in Dated. Jan DFL continued to sell off pre window, finding lows of \$0.28/bbl, whilst Jan structure selling continued, with Cal Jan v 24-30/1 trading \$0.15/bbl. In the window, the physical came off to negative diffs, whilst in the paper structure turned better bid, with 6-10 CFD lifted up to \$0.41/bbl, and Jan rallying back up to \$0.35/bbl post window.

FUEL

This afternoon in HSFO, we saw Chinese arbers buyside of 380 FP. 380 cracks and Barge cracks were stronger as a result, trading up to -\$3.60/bbl handles in Jan 380 crack. 380 spreads saw some softening in the front, as Jan/Feb 380 traded down to \$4.75/mt and we saw Feb/Mar trading down to \$4/mt. Deferred EW remained bid this afternoon at \$4.25/mt in Q3, and we saw buying in Jan EW at \$6.75/mt. Barge cracks saw further strength into the Euro window, trading up to -\$4.60/bbl handles. With Barge cracks stronger, we saw Jan/Feb Barges better bid to \$5.75/mt.

A rangebound afternoon in VLSFO, where we saw sing cracks trade between \$10.80/bbl and \$10.90/bbl in Jan. We had some buyside interest from Chinese arbers in Mar Sing 0.5. Deferred cracks saw more sellside interest, with Q2 Sing cracks trading at \$9.90/bbl handles. Sing spreads traded at \$3.50/mt in Jan/Feb to Mar/Apr. 0.5 EW saw some support with Feb trading at \$38/mt. Euro 0.5 cracks were stronger this afternoon, seeing buying up to \$5.10/bbl and Jan/Feb seeing buying at \$4.50/mt. Deferred Euro cracks saw offers at \$4.05/bbl in Q2.



DISTILLATES

This afternoon in distillates, the front Sing gasoil spreads continued to tick lower, the Jan/Feb to lows of \$0.56 as the Mar/Jun was offered down to \$0.88 from \$1.08/bbl. The prompt EW remained rangebound, trading to highs of -\$13.25 before retracing to -\$13.75/mt. Regrade was similarly rangebound across the curve as were the kero spreads, the Jan/Feb still seeing selling at \$0.28/bbl.

The ICE gasoil spreads came off into the afternoon, the Jan/Jul to \$15.75/mt as the cracks were similarly weak the 1Q trading down to \$17.50/bbl before retracing to \$17.80/bbl in the window. The prompt European jet diff ticked up to \$35.00 as the more deferred came off, the 2Q to \$48.50/mt. The front heating oil spreads came off while the HOGOs strengthened slightly, the 1Q25 to 8.1 c/gal.

GASOLINE

This afternoon in gasoline we saw Jan EBOB flat price valued at \$666.25/mt at the end of the window equivalent to \$8.25/bbl on a crack basis as MOC was offered. Jan EBOB cracks weakened from \$8.35/bbl to \$8.25/bbl as Q3 cracks saw strong buying at \$11.75/bbl. Jan/Feb came off to -\$3.50/mt from -\$3.25/mt to -\$3.50/mt on weaker front cracks as Apr/Sep saw scaleback buying from \$39.50/mt to \$38.50/mt. Jan arbs traded down to 2.65c/gal as Feb RBBRs weakened from \$9.30/bbl to \$8.85/bbl before recovering to \$9.10/bbl in the window. Jan EW strengthened to -\$0.65/bbl with Jan 92 cracks remaining supported at \$7.60/bbl and Q2 cracks saw buying at \$7.20/bbl as Jan/Feb came off further to \$0.23/bbl.

NAPHTHA

This afternoon in naphtha we saw Jan NWE flat price valued at \$611.50/mt at the end of the window on a -\$3.05/bbl crack equivalent with matching bid. NWE Jan cracks strengthened on weaker crude up to -\$3/bbl in the window with Q2/Q4 crack strip bid up to -\$5.20/bbl as Jan/Feb saw selling at \$5.25/mt and Feb/Mar was offered at \$5.50/mt. Jan EW saw selling down to \$21.25/mt as Eastern cracks and spreads saw no trading activity.

NGLS

This afternoon in NGL's, LST weakened on a crude percentage basis with spreads in prompt broadly unchanged but deferred weakening. In prompt, we saw Jan/Feb and Feb/Apr trading at flat and 3.25c/gal respectively; whilst in deferred, we saw Q1/Q2 and Q2/Q4 trade down to 3.5c/gal and -1c/gal respectively. Arbs were weaker in prompt and deferred, owing to crude and LST weakness. In prompt, we saw Feb and Mar trade down to -\$192/mt and -\$187.5/mt respectively; whilst in deferred, Cal25 arb traded down to -\$181/mt. FEI was slightly weaker owing to crude with spreads broadly unchanged in the prompt but slightly weaker in deferred. Jan/Feb traded at \$3.5/mt levels, whilst Q1/Q2 traded down to \$29/mt. FEI/CP weakened in the afternoon significantly with Jan trading down to -\$32.5/mt, whilst EW was broadly unchanged with Jan trading at \$53/mt. Butane was broadly unchanged with Jan C4/C3 implied higher owing to LST weakness at 34.75c/gal. Spreads were slightly weaker in the front and broadly unchanged in the back of the curve, with Jan/Feb trading down to 3.125c/gal.



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