



# EUROPEAN WINDOW

[INSIGHT@ONYXCAPITALADVISORY.COM](mailto:INSIGHT@ONYXCAPITALADVISORY.COM)  
**ONYX CAPITAL ADVISORY**

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## FLAT PRICE

The Mar'25 Brent futures contract continued to see support this afternoon as it rose from around \$75.70/bbl at mid-day to \$76.40/bbl at 17.15 GMT (time of writing). China's manufacturing PMI dipped to 50.5 in December, missing forecasts, as output slowed and export orders shrank amid weak demand and tariff risks. While services and construction showed improvement, analysts expect weaker data could prompt Beijing to boost stimulus, supporting oil prices. Iran's Deputy Foreign Minister, Majid Takht-Ravanchi, is visiting India for talks on resuming energy trade, which has plummeted since US sanctions in 2018 forced Indian refiners to stop buying Iranian oil. Bilateral trade fell from \$17 billion in 2018-19 to \$2.3 billion in 2022-23. US crude oil stocks decreased by 1.18 mb for the week ending 27 Dec, compared to a 4.24 mb drop the previous week and below the forecasted decline of 2.75 mb, according to the EIA. The latest Dallas Fed Energy Survey showed Dallas' energy sector grew in Q4, with activity rising to 6.0 from -5.9 in Q3 and outlook improving to 7.1. Oil production was steady, while gas production edged lower. At the time of writing, the Mar/Apr'25 and Mar/Sep'25 Brent futures spreads stand at \$0.49/bbl and \$2.40/bbl, respectively.

## CRUDE

This afternoon in Dated, we saw structures go more offered with the 13-17 Jan Cal Feb roll offered down to \$0.85/bbl and the 27-31 Jan cal Feb down to \$0.50/bbl. The 6-10 Jan Cal Jan gapped down to -\$0.08/bbl and there was Geneva trade offering the 6-10 2w roll. Pre-window, the 13-17 Jan 2w roll was offered down aggressively to \$0.30/bbl and Jan DFL tanked down to \$0.49/bbl. We also saw the 10-14 Feb cal Feb roll go bid and trade at \$0.09/bbl. In the physical window, we saw a Geneva trade and British major offering Forties on a CIF basis and the same Geneva trade bought from the major. The cargo traded above the curve, and the physical diff remained unchanged. In paper, we saw things go more bid with strength in 20-24 Jan CFDs and 27-31 Jan CFDs, trading up to \$0.60/bbl and \$0.35/bbl. The 13-17 Jan CFD was also bid up to \$0.62/bbl, however the 6-10 Jan CFD was offered down to \$0.30/bbl, implying the 6-10 1w much lower. Post window, we saw the 27-31 Jan cal Feb roll trade at \$0.50/bbl and the balmo DFL traded up to \$0.55/bbl. Jan/Feb DFL also went bid up to \$0.15/bbl.

## FUEL

This afternoon in HSFO, Chinese arbers were buyers of deferred 380 flat price in Sep and Nov. We then saw sell side interests in front 380 crack. Feb barge crack saw sellside pressure, offered from -\$7.10/bbl to -\$7.30/bbl pre-window, and sold off to the lows of -\$7.70/bbl handles post window, as a result, front 380 E/W was better bid, with Feb trading from \$10.50/mt to \$11/mt. Front 380 crack also weakened following the barge crack from -\$5.10/bbl handles to -\$5.45/bbl. Front barge spreads were offered, Feb/Mar from \$3/mt to \$2.50/mt, whilst 380 spreads saw some sell-side interests but were trading rangebound with Feb/Mar between \$4.75/mt to \$5/mt.

It was a quiet afternoon for VLSFO, Feb Sing 0.5 crack was traded down to \$10.25/bbl to \$10.10/bbl, with pressure coming from Chinese arbers selling flat price. Liquidity on Sing structure dried up as the afternoon progressed, with Feb/Mar trading from \$4/mt to \$3.75/mt. Euro cracks were weaker, with pressure coming from Sing cracks. Feb Euro crack sold down to \$4.00/bbl from \$4.25/bbl. Euro structure remained fairly steady, trading at \$4.00/mt on thin liquidity.





## DISTILLATES

This afternoon in distillates, the front Sing gasoil spreads continued to see buying with the Jan/Feb trading to \$0.84/bbl while the E/W continued to come off, the prompt to -\$12.50/mt. The prompt regrade was offered down to -\$2.40/bbl as the BalmoND/Feb kero spread was hit down to lows of \$0.05/bbl before getting lifted on screen to back to \$0.10/bbl in the window.

ICE gasoil spreads continued to rally, the Jan/Jun to highs of \$23.75/mt before coming back off post-US open to \$21.00/mt as the 1Q crack rallied to \$18.75/bbl. The European jet diffs came off in the prompt, the Jan to \$26.75/mt as the deferred remained rangebound, the 4Q 25 trading at \$49.25/mt. Heating oil spreads saw similar price action to gasoil spreads, rallying until US-open when they came back off, as the hogo rallied, the 1Q to 9c/gal.

## GASOLINE

This afternoon in gasoline, we saw the Feb EBOB flat price valued at \$710.75/mt at the end of the window, equivalent to \$9.55/bbl on a crack basis as matching was offered. Feb EBOB cracks saw scaleback selling as they strengthened from \$9.45/bbl to \$9.65/bbl; Feb/Mar remained supported at -\$5/mt with Mar/Apr valued at -\$32.50/mt. Feb arbs traded from 4.85c/gal to 5.20c/gal as Mar RBBRs rallied from \$10.75/bbl early afternoon to a high of \$11.40/bbl post-window. Feb E/W weakened from this morning's levels to trade at -\$1.70/bbl with Feb 92 cracks rangebound between \$7.85/bbl and \$7.95/bbl as Jan/Feb 92 came off to \$0.31/bbl from \$0.34/bbl and other spreads seeing little activity.

## NAPHTHA

This afternoon in naphtha we saw flat price trade at the end of the window at -\$3/bbl on a crack equivalent with matching offered. Cracks were strong in the afternoon despite stronger crude and flat price selling, with the front crack firm at -\$3.10/bbl pre-window before firming to -\$3/bbl in the window; there was also strong buy-side interest in Q2'25 cracks at -\$4.15/bbl. The Jan/Feb spread was bid with it trading at \$8.75/mt end of the window, up from \$7.25/mt this morning, while the rest of the curve also firmed with Feb/Mar trading at \$7/mt from \$6.50/mt value this morning. E/W saw buying in the afternoon up to \$19.50/mt in Feb, while in MOPJ, there was more flat price selling in the afternoon on stronger crude, and spreads were also well bid, with Feb/Apr getting lifted at \$14/mt.

## NGLS

This afternoon in NGLs, pre-stats LST was extremely well bid, gaining highly on a crude percentage basis despite the rally in crude, while spreads also rose as bal Jan/Feb trading at 0.5c/gal, Feb/Mar trading up to 2.375c/gal, Mar/Apr at 2.5c/gal while bal Q1/Q2 25 traded up to 5.75c/gal. EIA stats saw a much smaller drawdown of 0.6mb vs the 3mb expected from an OPIS survey which saw LST weaken on a crude percentage basis and spreads slightly weaken as Feb/Mar got hit at 2c/gal, apr/may traded at 1.25c/gal. Butane was weaker relative to LST, with Feb C4/C3 implied down around 33c/gal, but butane did have some absolute strength having also gained on a crude percentage basis. In internationals, 1/2 FEI spreads failed to keep up with the rally in LST spreads, leading Q1/Q2 LST/FEI roll higher, implied around -\$8/mt. Arbs were well bid pre-stats on LST strength with Feb LST/FEI trading up at -\$180/mt. However, post-stats arbs gave up some strength alongside LST, trading at -\$187/mt post -window. FEI/CP strengthened with higher crude and slight crude basis gains for FEI in the afternoon, with Feb implied around -2c/gal from individual flat price trades. In ProNaps, Feb was well bid, trading between \$84-83/mt, while in FEI/MOPJs Febs traded at -\$38/mt.



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