



# EUROPEAN WINDOW

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## FLAT PRICE

After seeing strength this morning, the Mar'25 Brent futures continued to rise from \$76.80/bbl at 1200 GMT up to \$77.50/bbl at 1515 GMT, before declining to \$76.30/bbl at 1740 GMT (time of writing). In the news today, the Biden administration has banned oil drilling in large coastal areas ahead of President-elect Trump's inauguration. President Biden is issuing two Presidential Memoranda to protect more than 625 million acres off the East and West coasts, including the eastern Gulf of Mexico and parts of the Bering Sea in Alaska, indefinitely prohibiting these areas from federal offshore oil and gas leasing. In other news, Sudan has lifted a nearly year-long force majeure on pipelines transporting South Sudan's oil through Sudan to the Red Sea, Reuters reported citing a letter from Sudan's Energy Ministry. South Sudan's crude exports reached an annual peak of 186kb/d in January 2024, falling to 58kb/d by December 2024, according to tanker tracking data compiled by Bloomberg. Finally, India's SPR is looking to expand its inventories, having issued a notice to private firms inviting them to bid for a storage site of 2.5 million metric tonnes at Padur, according to Reuters. India's underground SPR storage has a total approximate capacity of 5.33 million metric tonnes of crude oil, as per India's Ministry of Petroleum and Natural Gas. At the time of writing, the Mar/Apr '25 and Mar/Sep '25 Brent futures spreads stand at \$0.62/bbl and \$2.61/bbl, respectively.

## CRUDE

This afternoon in Dated, we saw things continue to go bid with the Balmo Jan DFL lifted up to \$0.85/bbl pre-window and Feb DFL up to \$0.58/bbl. The Balmo Jan/Feb DFL roll traded up to highs of \$0.27/bbl. In structures, we saw the 13-17 Jan 1w roll lifted up to \$0.16/bbl and 24-28 Feb Cal Feb up to \$0.25/bbl. In the physical window, we saw Geneva trade houses, a European major and Chinese refiners on the bid for Forties. In paper, things also went bid with Balmo Jan DFL lifted up to \$1.00/bbl and Feb DFL up to \$0.62/bbl. In CFDs, the 3-7 Feb CFD traded up to highs of \$0.95/bbl and the 13-17 Jan CFD up to \$1.10/bbl, The 20-24 Jan CFD also went bid up to \$0.96/bbl. Post-window, Feb DFL traded in size up to \$0.63/bbl and the Balmo Jan DFL up to \$1.02/bbl.

This afternoon was very quiet in Brent/Dubai, which remained range bound with Feb Brent/Dubai trading between -\$0.02/bbl and \$0.01/bbl. We saw some late Mar Brent/Dubai buying which traded from \$0.2/bbl up to \$0.22/bbl. There was some backend box selling with the Sep/Oct, Oct/Nov and Nov/Dec Brent/Dubai trading at -\$0.05/bbl, -\$0.04/bbl and -\$0.05/bbl, respectively, with funds and trade houses on the offer.

## FUEL

In HSFO this afternoon, Chinese arbers were initially buyers of Mar 380 flat price, but turned sellers in Mar and May as the afternoon progressed. Both barge and 380 structure was better offered this afternoon, as we saw Feb/Mar barges trading from \$1.75/mt to \$1.50/mt and Feb/Mar 380 trading at \$3.50/mt. We also saw Q3 barge cracks getting offered, this led to the front barge cracks getting offered down to -\$8.40/bbl to -\$8.05/bbl. As a result, Feb 380 E/W traded up to \$11.75/mt from \$11.25/mt as we saw relative weakness in barges. Feb 380 crack was a touch weaker this afternoon following the weakness in barges as well as Chinese arbers selling flat price, trading around -\$6.35/bbl. Barge spreads down the curve continued to be offered for the rest of the afternoon.

In VLSFO this afternoon, Sing 0.5 continued to be weak this afternoon as we saw selling down the curve on structure. The Sing crack was weaker in the early afternoon as a result, coming under further pressure from Q3 Sing crack selling. Feb Sing crack traded down to \$9.75/bbl from \$10.10/bbl, before recovering somewhat heading into the window, supported by Euro crack buying, finishing the day at \$10.00/bbl. It was a fairly quiet afternoon on Euro cracks, with liquidity picking up as the day progressed. The front Euro crack bought up to \$4.05/bbl from \$3.90/bbl. There was less interest in Euro structure, with Feb/Mar Euro trading at \$4.75/mt throughout the afternoon.



## DISTILLATES

This afternoon in distillates, the Feb/Mar Sing gasoil spread rallied back to highs of \$0.54/bbl before getting hit back down on screen to \$0.50/bbl in the window. The prompt E/W was rangebound for the afternoon, trading between -\$16.75/mt and -\$16.25/mt as the Q3 was offered down to -\$15.25/mt. The prompt regrade came back off from the highs of this morning to -\$1.22/bbl as the Q2 continued to see selling down to -\$0.90/bbl.

The ICE gasoil spreads continued to come off, the Jan/Jun to \$17.00/mt while the cracks remained rangebound, the Q1 trading at \$17.90/bbl. The European jet diffs continued to rally in the prompt, the Feb to highs of \$40.50/mt as the Q3 ticked up to \$50.00/mt. The front heating oil spreads continued to rally before coming off post-US open, as did the HOGOs, the Q1'25 trading at 10.1 c/gal.

## GASOLINE

This afternoon in gasoline, we saw Feb EBOB flat price valued at \$711/mt at the end of the window equivalent to \$9.40/bbl on a crack basis as matching was offered. Feb EBOB cracks strengthened to \$9.60/bbl before coming off in the window to trade at \$9.40/bbl as Q3 cracks were offered at \$12.55/bbl and Cal 26 cracks saw more buying at \$7.95/bbl. Feb/Mar EBOB was offered as it weakened from -\$5.50/mt to -\$6/mt and Feb/Apr trading from -\$37.75/mt to -\$38.25/mt as Feb arbs traded from 4.40c/gal to 4.60c/gal before coming off in the window to 4.30c/gal; Mar RBBRs rallied on US open to \$10.90/bbl from \$10.60/bbl before seeing selling in the window down to \$10.50/bbl and then coming off further to \$10.25/bbl. Feb E/W traded at -\$1.95/bbl with Q1 25 E/W seeing buying at -\$1.95/bbl as Eastern Feb cracks traded up to \$7.65/bbl before coming off to \$7.55/bbl and Feb/Mar 92 continued to weaken down to \$0.25/bbl.

## NAPHTHA

This afternoon in naphtha, we saw flat price trade at the end of the window at -\$4/bbl on a crack equivalent. Structure remained weak this afternoon with cracks trading rangebound throughout the afternoon with the front crack trading between -\$4.10/bbl to -\$3.90/bbl and post-window trading up to -\$3.85/bbl while Q2'25 saw selling in the window at -\$4.60/bbl. Spreads remained balanced with Feb/Mar trading at \$5.50/mt through the window while the Balmo Jan/Feb spread saw selling from \$6.50/mt to \$6/mt by the end of the window. E/W came off morning lows of \$18.50/mt to trade at \$18.75/mt in the afternoon with better sell side interest while the Apr/May E/W box saw buying at \$0.25/mt. Eastern cracks saw limited trading activity in the afternoon but there was smalls flat price selling on higher crude putting pressure on the crack and we saw selling on Feb/Mar at \$5.50/mt post-window.

## NGLS

This afternoon in NGLs, LST opened very strong on a crude percentage basis then weakened from open and supported there, whilst spreads in prompt and deferred gained strength. In prompt, we saw Feb/Mar and Mar/Apr trade up to 2.875c/gal and 3.5c/gal respectively, whilst in deferred Q2/Q3 traded to 1.125c/gal. Arbs opened significantly strong in both prompt and deferred, with Feb and Q2 trading up to -\$159/mt and -\$164/mt, respectively; post-US open, arbs weakened owing to crude and LST weakness, with Feb and Q2 trading down to -\$169/mt -\$172/mt, respectively. FEI was broadly slightly weaker owing to crude, whilst spreads were unchanged in the front, with Feb/Mar and Feb/Apr trading at \$13/mt and \$27.50/mt, respectively. FEI/CP was slightly weaker in prompt, with Feb and Mar trading at -\$9/mt and -\$9.50/mt, respectively, whilst deferred also weakened, with Q2 trading down to \$13/mt. E/W strengthened owing to Europe weakness with Feb trading at \$50/mt. Butane was weaker, with Feb C4/C3 trading down to 28.75c/gal, with spreads also weakening. In the prompt, we saw Feb/Mar and Mar/Apr trade down to 9.125c/gal and 6c/gal respectively.



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