



EUROPEAN WINDOW

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FLAT PRICE

The May/25 Brent futures contract has weakened this afternoon, trading from \$70.20/bbl at 1200 GMT down to almost \$68.35/bbl around 1640 GMT, recovering to \$69.10/bbl at 1740 GMT (time of writing). M1 Brent futures has now fallen to the lowest level seen since December 2021. Crude oil prices have declined following a larger-than-expected EIA build of 3.61mb in US crude oil inventories for the week to 28 Feb, alongside bearish sentiment surrounding the April OPEC+ output hike and Trump tariffs. In the news today, the US has now paused intelligence-sharing with Ukraine, CIA director John Ratcliffe said. This followed a halt to US military aid to Kyiv earlier this week, adding pressure on Ukraine to cooperate in peace talks. In other news, Russia saw its oil and gas revenues drop by 18.4% in February y/y, according to data from the Russian Finance Ministry cited by TASS. Finally, Egypt is inviting international companies to bid for 13 offshore and onshore blocks in a new licensing round to boost domestic oil and gas production. This includes three offshore blocks in the Gulf of Suez and three onshore exploration areas in Egypt's Western Desert. At the time of writing, the front (May/Jun) and 6-month (May/Nov) Brent futures spreads stand at \$0.42/bbl and \$1.97/bbl respectively.

CRUDE

This afternoon in Dated, we saw spreads come off with the front continuing to go bid with the 5-11 March bal March roll trading up to \$0.52/bbl and the balmo DFL up to \$0.95/bbl, implying the phys over \$1.00/bbl. We also saw the 17-21 March 2w roll trade at \$0.43/bbl up to \$0.45/bbl and the 31-4 March cal April roll up to \$0.28/bbl. Pre-window we saw the Apr/May DFL roll trade \$0.11/bbl to \$0.09/bbl with April DFL trading \$0.45/bbl. In the phys window, saw gva trades bidding Forties up to \$1.05/bbl however Midland was offered down to around \$0.80/bbl by a British major, pushing the phys down to around \$0.83/bbl. In paper was quiet with interest in back-end CFDs with fund buying of 17-21 March CFD at \$0.67/bbl and the 24-28 March CFD traded at \$0.40/bbl. Post-window, the April dfl rallied back up to \$0.45/bbl from \$0.42/bbl and the 10-14 March dbl traded at \$1.15/bbl. We also saw the 6-10 March - Cal April roll trade up to \$1.36/bbl.

This afternoon we traded range bound with Apr Brent/Dubai trading between -\$0.51/bbl and -\$0.56/bbl. There was continued sell side interest in the boxes, with May/Jun and Jun/Jul trading -\$0.19/bbl to -\$0.2/bbl and -\$0.15/bbl. The Dubai spreads came off slightly, with Apr/May and May/Jun trading down from \$0.62/bbl and \$0.55/bbl to \$0.59/bbl and \$0.53/bbl, Tradehouse on the offer. There was also some balmo and fullmo Mar/Apr spread buying and selling respectively, which traded \$0.6/bbl and \$0.65/bbl to \$0.67/bbl respectively. Some Q2 and Q4 Brent/Dubai also traded at -\$0.31/bbl and \$0.46/bbl respectively.

FUEL

In HSFO Chinese arbers were buyers of 380 flat price, this supported the front 380 crack, and the front 380 EW at \$9.75/mt. As the afternoon progressed, we saw sellside interests in the front 380 EW, trading down to the lows of \$9/mt, however, this did not last long as we then saw outright buying in front 380 crack, trading up to \$-3.30/bbl from \$-3.70/bbl. Therefore, 380 structure down the curve was better bid, with Apr/May trading from \$5/mt to \$5.50/mt. In barges, front barge crack also saw buying up to \$-4.90/bbl from \$-5.45/bbl. As a result, front structure was also stronger, with Apr/May trading from \$4/mt to \$4.50/mt.

This afternoon in VLSFO, front Sing structure in Apr/May saw bids at \$1.75/mt This supported the front crack. Front Euro crack then saw better buying, with bids from \$3.30/bbl to \$3.50/bbl, therefore euro structure saw better bids with Apr/May trading from \$4.50/mt to \$4.75/mt. A stronger euro crack also strengthened the front sing crack trading from \$7.90/bbl to the highs of \$8.20/bbl, before softening to \$8.15/bbl post window as we saw selling in front 0.5 EW at \$29.50/mt.



DISTILLATES

This afternoon in distillates, the front Sing gasoil spreads continued to sell off on weaker IPE, the Apr/May to \$0.54/bbl and the Jun/Sep to \$0.29/bbl. The prompt E/W remained rangebound, lifted to -\$16.00/mt before being sold back down a tick to -\$16.25/mt in the window. The deferred quarterlies were really well bid by banks in E/W and regrade, the Q1 lifted on screen to -\$12.25/mt with the regrade trading at highs of -\$0.13/bbl.

ICE gasoil spreads continued to tick lower, the Mar/Jun to \$24.75/mt as did the cracks, though they retraced a touch post-window, the Mar to \$18.55/bbl. European jet diffs continued to see strength, the Apr trading up to \$48.25/mt as the 2/3 box rallied to \$0.25/mt. Heating oil spreads similarly rallied into the afternoon, the Q2 trading up to 10 c/gal.

GASOLINE

This afternoon in gasoline we saw EBOB flat price trade end window at \$12.15/bbl on a crack equivalent with matching better bid. Front cracks had better selling still in the window as arbs went better bid with Apr cracks softening to \$12.15/bbl end window from morning highs of \$12.9/bbl. In Q3 there was continued buying in the afternoon continuing to pressure spreads with Apr/May trading down to -\$1/mt post window and Jun/Sep had scaleback buying to \$23.5/mt. Arbs had better buyside interest in the afternoon getting lifted up to 19.6c/gal but softened slightly post stats as RBBRs came off to trade at 19.4c/gal in the window. RBBRs were weaker on US open and post stats came off more from trading around \$20.3/bbl to trade at \$19.8/bbl going into the window and finding some support to trade around \$20/bbl. E/W was supported on lower RBBRs and weaker EBOB with the front trading up to -\$4.5/bbl and eastern cracks had buying in Q2 at \$7.9/bbl with spreads softening and Apr/May trading down to \$0.3/bbl.

NAPHTHA

In naphtha we saw flatprice trade end window at -\$2.7/bbl on a crack equivalent. The front crack firmed in the afternoon as crude came off trading up to -\$2.7/bbl from morning lows of -\$3.25/bbl and Q2 had buying in the window at -3.2/bbl. Spreads were better offered in the afternoon but supported by the front crack with Apr/May at \$7.5/mt and Jun/Dec selling at \$20.25/mt. E/W traded down to \$18.25/mt in the afternoon from value around \$19/mt in the morning as deferred EW selling stepped down with Q4 trading at \$18.25/mt. MOPJ traded at -\$0.6/bbl in the front in the afternoon and spreads remained balanced with Apr/Jul trading at \$18/mt.

NGLS

This afternoon in NGL's pre stats, LST weakened significantly on a crude percentage basis with structure weakening in both the front and back of the curve. In prompt, we saw Apr/May and May/June trade down to 2.25c/gal and 1.375c/gal respectively; whilst in deferred we saw Q3/Q4 trade down to -1.5c/gal. EIA stats showed a 2.9m draw, in line with an OPIS Survey of expectations around 1 to 4 million draw. Post stats, LST continued its weakness owing to crude with structure balanced; we saw Q2/Q3 trade at 1.625c/gal. Arbs weakened pre-stats with Apr and May both trading down to -\$155/mt, post-stats arbs continued its weakness owing to crude and LST weakness with Apr trading down to -\$156/mt. FEI/MOPJs gained strength both pre and post stats as crude came off in both prompt and deferred. In prompt, we saw Apr and May trade up to -\$28/mt and -\$33/t respectively, whilst in deferred we saw Cal26 trading at -\$42/mt. FEI/CP weakened significantly as FEI came off with Q4 trading down to \$12.5/t and Apr implied lower post stats at -\$9/mt; whilst in E/W we saw Apr trade down to \$66/mt as FEI came off with Chinese buying Apr flattie at \$572/mt levels. Butane weakened both pre-stats and post-stats as crude came off with C4/C3 broadly unchanged at 10.25 levels for Apr. In structure, we saw Apr/May and Q1/Q2 trade down to 1.125c/gal and 7.5c/gal respectively.



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