



# EUROPEAN WINDOW

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## FLAT PRICE

The front-month Brent futures contract dropped to \$70.55/bbl at 13:35 GMT this afternoon but found support here and climbed to \$72.10/bbl at 15:40 GMT. At the time of writing, 17:20 GMT, the M1 futures contract stands just shy of \$72/bbl. Brent's recovery this afternoon was fuelled by the US issuing a fourth round of sanctions on Iranian oil sales since President Donald Trump took office, with the US Department of State reiterating its commitment to "drive Iran's oil exports, including to China, to zero". This round of sanctions targeted eight vessels, 12 entities and an individual for carrying Iranian crude oil to China. These entities include the teapot refinery Shangdong Luqing Petrochemical Group, Ltd and the Huaying Huizhou Daya Bay Petrochemical Terminal Storage in China. In other news, OPEC+ issued a new schedule for seven member nations to cut oil output to compensate for pumping oil above agreed levels. The plan, which includes cuts by Iraq, Kazakhstan and Russia, represents monthly cuts of between 189kb/d and 435kb/d, as per a table released by OPEC. In macro news, US existing home sales rose 4.2% m/m in February 2025 to 4.26 million units, as per the National Association of Realtors, relative to a Reuters survey forecasting an m/m decline to 3.95 million units. At the time of writing, the May/Jun'25 and May/Nov'25 Brent futures spreads are trading at \$0.51/bbl and \$2.31/bbl, respectively.

## CRUDE

This afternoon in Dated, we saw an aggressive spread rally with the Apr DFL trading up to \$0.55/bbl and the May DFL up to \$0.53/bbl. Apr/May remained fairly rangebound between flats and \$0.02/bbl. We also saw the Balmo DFL offered down to \$0.35/bbl from \$0.46/bbl. Again the front was offered with a \$0.06/bbl offer coming in for 7-11 Apr vs Cal Apr even with spreads bid and back-end rolls implied higher with a strong bid on the 22-28 Apr vs Cal May. In the physical window, we saw the front and back of the Forties curve offered by a major and the middle bid, with some offers coming in for back-end Midland. The physical diff moved down to around \$0.43/bbl. In the paper, we saw the 31-4 CFD lifted up to \$0.68/bbl and a high lift on the 21-25 Apr CFD at \$0.45/bbl. We also saw the front roll offered down to \$0.11/bbl by a Geneva-based trade.

Following the morning window, Brent/Dubai rallied to -\$1.36/bbl, trading there until the sanction news came out. Following the news, Brent/Dubai sold off aggressively, trading all the way down to -\$2.03/bbl. The market finally found a floor there, bouncing to -\$1.82/bbl. The Apr/May spread roofed, trading from \$0.78/bbl to highs of \$1.05/bbl before retracing slightly and finishing the afternoon at \$0.98/bbl. The May/Jun spread also traded up from \$0.71/bbl to highs of \$0.89/bbl before finishing the afternoon at \$0.86/bbl. Almost all of the volume was done through screen flow in both the Brent/Dubai outright and the spreads. Boxes down the curve moved lower, with Apr/May, May/Jun and Jun/Jul trading -\$0.46/bbl, -\$0.3/bbl to -\$0.31/bbl and -\$0.22/bbl to -\$0.23/bbl.

## FUEL

In HSFO, 380 E/W saw sell-side interests in Q3 down to the lows of \$7.50/mt; this put pressure on the front 380 E/W, trading from \$6.25/mt to \$5.50/mt. 380 crack in the front was also weaker, as we saw outright selling, trading down to -\$2.75/bbl. As a result, this put pressure on front structure, with Apr/May trading from \$5/mt to \$4.50/mt. In barges, the front crack saw some sell-side interests, trading rangebound between -\$3.50/bbl and -\$3.60/bbl. Front structure in Apr/May was also a touch better offered, trading from \$4.75/mt to \$4.50/mt.

This afternoon in VLSFO, the front Sing crack was better offered, trading around \$7.50/bbl handles. But we saw buy-side interests in the Jun Sing crack, which supported the front at \$7.55/bbl for the whole afternoon. Front structure saw mixed interests with Apr/May trading at \$1.25/mt and May/Jun at \$2.25/mt. In Euro 0.5, the front crack was better offered, trading at \$2.85/bbl, and structure down the curve also saw sell side interests, with Apr/May trading from \$4.50/mt to \$4.25/mt.





## DISTILLATES

This afternoon in distillates, Sing gasoil spreads remained rangebound. The April/May ticked higher to \$0.38/bbl post window as the E/W continued to see selling on stronger ICE gasoil. The Apr hit down to -\$19.50/mt. Regrade ticked lower, the Apr to -\$1.00/bbl as the Apr/May kero was sold down to \$0.35/bbl.

ICE gasoil spreads rallied into the afternoon before softening slightly post-window, the Apr/Jun to \$11.50/mt as did the cracks, the Apr trading to highs of \$17.90/bbl before coming back off to \$17.60/bbl. European jet diffs softened in the prompt, the Apr to \$47.75/mt, and the Q2/Q3'25 box was offered at \$1.25/mt. Heating oil spreads remained rangebound for the afternoon, as did the HOGOs, the Q2 trading at 8.40c/gal.

## GASOLINE

This afternoon in Gasoline, we saw Apr EBOB cracks trading down to \$12.10/bbl at the end of the window. RBBRs continued their downtrend, dipping below \$20/bbl handles in May, with TA arbs seeing supported buying in May at 18.35c/gal. EBOB spreads weakened with stop-outs in Q2/Q3 spreads as Apr/Sep traded down to \$21/mt before recovering on Brent spreads, up to \$23/mt post-window. Front spreads remained supported, with Apr/May trading at -\$3/mt. Q3 cracks saw buying interest, trading at \$12.35/bbl, and Cal 27 cracks saw buying at \$7.45/bbl. The East saw strength with refiners on the buy side of E/W, which saw Q2 E/W trading above -\$4.50/bbl.

## NAPHTHA

This afternoon in Naphtha, the Apr'25 NWE naphtha crack traded at -\$2.95/bbl at the end of the window while MOPJ flat price was offered on higher crude. The front NWE naphtha crack came off gradually, with the Apr'25 crack trading down from -\$2.85/bbl down to -\$3.05/bbl in the afternoon. However, we saw scaled-back buying interests on the Apr'25 crack. Deferred cracks were offered, with Jun selling at -\$2.80/bbl and Q3 crack seeing offers at -\$4.10/bbl by trade houses - which lent support on the front NWE naphtha spreads. Apr/May NWE naphtha was seen trading at \$9.00/mt, and the May/Jun NWE crack roll was trading equivalent to \$7.00/mt on the May/Jun NWE spread. Apr naphtha E/W traded at around \$19.50/mt, and Q2'25 E/W was bid at \$19.75/mt.

## NGLS

This afternoon in NGLs, C3 LST strengthened significantly on a crude percentage basis, with the structure getting better bid. In the front, we saw Apr/May and Q2/Q3 trade up to 3c/gal and 1.75c/gal, respectively, whilst in the deferred, we saw Q3/Q4 trade up to -1.625c/gal. LST/FEI arbs gained strength in the front and back owing to LST strength, with Apr and Q4 trading up to -\$153/mt and -\$147/mt, respectively. LST/NWE arbs also gained strength, with Apr trading up to -\$90/mt. FEI was well bid along with prompt structure, with Apr/May and May/June trading up to \$14/mt and \$10/mt, respectively. CP significantly strengthened with Apr handles trading up to \$608/mt. As a result, prompt CP structure was also well bid, with Apr/May and May/June trading both to \$20/mt. As a result of CP being turbo bid, we saw FEI/CP weaken significantly, with Apr and May trading down to -\$13.50/mt and -\$7/mt, respectively. C3 NWE strengthened on a crude percentage basis, with Apr handles trading up to \$528/mt levels and Apr/May trading up to \$18.50/mt. US NC4 ENT strengthened on a crude percentage basis with structure slightly stronger in the front, with Apr/May and Q2/Q3 trading up to 1.125c/gal and 0.625c/gal, respectively, whilst deferred was unchanged.



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