



EUROPEAN WINDOW

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FLAT PRICE

The front-month Brent futures contract saw a very volatile afternoon. Prices fell by \$1.96/bbl down to \$65.50/bbl at 15:16 BST and jumped back up to \$66.74/bbl at 17:30 BST (time of writing). The nearly \$2.00/bbl drop comes as Kazakhstan stirs tensions within OPEC+ by declaring it will prioritize national interests over group quotas. Energy Minister Erlan Akkenzhenov said Kazakhstan can't cut output at major projects run by foreign firms like Chevron and ExxonMobil, which make up 70% of the country's production. This stance clashes with OPEC+ efforts to rein in overproduction, especially after the group admitted to a 457kb/d surplus. In a further statement, Kazakhstan then said to be committed to constructive work with OPEC+, causing a \$0.83/bbl jump in flat price. In other news, Sinopec has resumed buying Russian ESPO crude for May after halting purchases in March and April due to U.S. sanctions concerns. While major Chinese refiners had paused or cut Russian imports, independent refiners continued buying. As a result, China's crude imports jumped to over 12 mb/d in March, the highest since August 2023, with increased flows from Russia and Iran. US crude inventories unexpectedly rose by 244 kb last week as imports surged, despite forecasts for a draw. Cushing stocks fell slightly, while net imports jumped by 1.14 mb/d. Gasoline and distillate stocks dropped sharply, by 4.5 mb and 2.4 mb respectively, well above expectations. Refinery runs and utilization also increased. Jet fuel demand hit its highest four-week average since December 2019, signalling strong product demand despite trade tensions. Finally, the front month Jun/Jul spreads and the 6-month Jun/Dec spreads are at \$0.96/bbl and \$2.62/bbl respectively.

CRUDE

Better offered this afternoon in Dated. Relentless May selling - mainly screen driven drove the DFI down to lows of \$1.07/bbl, whilst DFI's across the curve saw better selling, as Aug-Dec strip was sold down from \$0.29/bbl to \$0.14/bbl. In the window, we saw prompt May CFD's offered, with 6-9/5 CFD trading \$1.15/bbl, and 12-16/5's trading \$1.05/bbl. 28-2/5 came under pressure as the physical saw continued offering of Midland and another 5 cargoes trading, seeing the 1w trade down from \$0.53/bbl to \$0.48/bbl.

This afternoon was busy in B/D, with May B/D reacting multiple times to different sets of headlines. After the window May B/D was trading rangebound around -\$1.46/bbl to -\$1.44/bbl. Then after the Kazakhstan news came out, B/D rallied on very thin volume to highs of -\$1.15/bbl, before sharply retracing back down to -\$1.33/bbl. Shortly after the Opec news came out, and we rallied back up to the highs, peaking at -\$1.12/bbl, before again retracing back down and finishing the afternoon at -\$1.33/bbl. During this time, spreads came off, with the May/Jun trading down from \$1.04/bbl to lows of \$0.82/bbl, and finishing the afternoon at \$0.89/bbl. The boxes were very quiet OTC during this time. With only some Jun/Jul and Nov/Dec selling, which traded -\$0.21/bbl to -\$0.23/bbl and -\$0.11/bbl.

FUEL

In VLSFO this afternoon, we saw buy-side interests in backend Sing cracks in Q4 and Cal 26, as a result, this supported the front crack up to \$8.90/bbl. However, front structure saw some sell-side interests in May/Jun trading down from \$4.75/mt to \$4.50/mt. As the afternoon progressed, front Euro crack saw buy-side interests, trading from \$2.80/bbl to \$2.85/bbl due to some buy-side interests in deferred cracks in Q3. We then saw better buying towards the end of the window due to MOC hedging, therefore, it traded up to \$2.90/bbl at close. Structure down the curve remained fairly stable with little interests, with May/Jun trading at \$2/mt.

In HSFO Chinese arbiters were buyers of 380 flat price in Sep and Jan, as a result, this supported the front crack at \$0.90/bbl handles. As the afternoon progressed, we saw sell-side interests in front structure with May/Jun trading down to \$4.25/mt and Jun/Jul down to \$11.25/mt. And we then saw aggressive selling in Jun 380 crack, therefore it weakened from \$0.90/bbl to \$0.75/bbl. As a result, front 380 EW softened to \$15.75/mt. In barges, front barge crack was a touch weaker trading from \$-1.50/bbl to \$-1.70/bbl due to the weaker front 380 crack. Structure saw mixed interests, but was slightly better offered in the front with May/Jun trading from \$5/mt to \$4.75/mt.



DISTILLATES

This afternoon in distillates, the Sing gasoil spreads remained rangebound, May/Jun getting hit down on screen to \$0.66/bbl after the window as the Aug/Sep saw buy-side interest, trading at \$0.05/bbl. The May E/W ticked down to -\$14.25/mt on stronger ICE gasoil as the Q1 26 traded at -\$13.00/mt. Regrade continued to see strength at the front of the curve, May trading up to -\$0.81/bbl as the May/Jun Kero was lifted at \$0.45/bbl.

ICE gasoil spreads sold off for the afternoon, the May/Dec trading down as the cracks rallied, May to \$17.50/bbl. European jet diffs ticked higher in the window, the May to \$51.25/mt as the deferred came off on lower gasoil spreads, Q4 trading at \$47.00/mt. Heating oil spreads came off as the HOGOs rallied, the May trading up to 11 c/gal.

GASOLINE

A strong afternoon in gasoline with bullish stats pushing a 40 pt RBBR rally. EBOB remained supported through the afternoon with flat price trading end window at \$14.60/bbl on a crack equiv. There was refiner buying interest on deferred cracks with the H2 26 strip trading at \$6.85/bbl and spreads in the front only slightly softened on Brent dumping pushing backend cracks down where buying came in. May/Jun softened a touch to trade at \$4.75/mt in the window and there was still buying interest on deferred spreads with Apr/Sep 26 getting lifted at \$15/mt. Arbs were stronger in the afternoon with front arbs trading at 17.45c/gal end window up from 16.85c/gal in the morning on stronger RBBRs. E/W had buying up to -\$5.4/bbl in the front and eastern spreads continued to be supported in the afternoon with May/Jun at \$1.04/bbl.

NAPHTHA

Gasnap selling persisted through the day trading at 119/t end window in the front which continued to support the front nap crack as crude came off in the afternoon which traded end window at -\$3.85/bbl, up from morning lows of -\$4.2/bbl. Q3 and Q4 cracks continued to be offered in the afternoon; with good selling interest at -\$4.55/bbl and -\$4.95/bbl respectively. E/W was stronger in the afternoon on Chinese MOPJ flat price buying throughout the afternoon pushing front E/W to trade up to \$22/mt post window and the Q3 pre window at \$20.5/mt.

NGLS

This afternoon in NGLs, pre-stats LST was well bid, gaining on a crude basis at the US open, while LST spreads were also stronger in the front with May/Jun LST trading up from 1.5c/gal to 1.75c/gal. Stats came in with a larger than expected build of 2.3mb. Post-stats LST was initially slightly weaker on a crude basis with flatprice bids getting hit, but broadly recovered back by the end of the afternoon. May/Jun weakened post-stats, initially trading at 1.75c/gal but trading down to 1.375c/gal by the end of the afternoon. Jun/Q3 broadly unchanged, trading at -0.25c/gal. Butane, initially weaker relative to LST pre-stats with LST well bid implying May C4/C3 down to 14.25c/gal, but C4/C3 saw good buying in May and was bid up to 16.75c/gal later in the afternoon. The buying in the front also pushed front butane spreads higher with May/Jun C4 trading up to 1.375c/gal, Jun/Jul trading at 1.125c/gal. Arbs were well bid pre-stats with LST strength with May LST/FEI implied up to -\$115/mt and 2H arb trading up to -\$140/mt but coming off down to -\$144/mt pre-stats. However, as LST recovered on a crude basis post the sell off after stats, 2H Arbs traded back at -\$140/mt in the evening. FEI spreads recovered with front FEI flatprice bids while Q3 and Q4 FEI/MOPJ were better offered as crude sold off. In CP, we saw Jul/Dec CP/MOPJ strip selling while 2H CP saw some buying.



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