



# EUROPEAN WINDOW

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

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## FLAT PRICE

The Jul'25 Brent futures contract saw prices rally to \$62.78/bbl at 17:17 BST before slightly coming off to \$62.20/bbl at 18:20 BST (time of writing). In the news, Saudi Arabia is considering shifting towards a market share strategy in a bid to punish OPEC+ members defying quotas, but weakening global demand could blunt its strategy. OPEC+ has already agreed to unwind nearly 1mb/d of cuts by June. While Riyadh can afford short-term losses, a prolonged slump could destabilize OPEC+ and threaten Saudi Arabia's grip on oil markets. In other news, US shale producers in the Permian Basin are cutting spending and reducing rig counts amid a sharp decline in crude prices below \$60/bbl. Diamondback Energy and Coterra Energy announced over \$500 million in combined budget cuts this week, joining peers like EOG Resources and Matador Resources in scaling back operations. Nabors Industries projects a 4% drop in US shale rigs by year-end. This retreat comes as US oil futures have fallen 17% year-to-date, driven by escalating tariffs under President Trump and OPEC+'s surprise decision to accelerate production increases. Argentina expects to post an \$8B energy trade surplus in 2025, up from \$5.7B last year, driven by strong performance in its Vaca Muerta shale formation and new government policies, Deputy Energy Secretary Federico Valler said in Houston. Vista Energy echoed the bullish outlook, while YPF (Argentina's state owned company) and partners like Shell and Chevron are ramping up infrastructure projects. Finally, the Jul/Aug front month spread is at \$ 0.40/bbl and the Jul/Jan'26 6-month spread is at \$ 0.62/bbl.

## CRUDE

This afternoon in Dated, we saw the balmo DFL trade down to \$0.57/bbl with selling in the front and the bal week 6-9 May 1w roll offered down to -\$0.08/bbl. In the physicl window both Forties and Midland were offered by a gva trade and Italian refiner, with the forties offers reaching curve but no change in the diff. In paper, we saw aggressively selling of prompt CFDs pushing down front rolls. The 12-16 May CFD traded down to \$0.30/bbl and the 19-23 May CFD down to \$0.35/bbl with little activity in rolls. We also saw the 19-23 May 1w roll hit down to flat. Post window we saw the 27-30 May 3w roll offered down to \$0.40/bbl with the bal may june dated offered down to \$0.25/bbl.

This afternoon was very quiet in Brent/Dubai, trading rangebound between \$0.07/bbl and \$0.14/bbl. The Jun/Jul spread also traded rangebound between \$0.39/bbl and \$0.44/bbl. There was some selling in the quarterlies with Q3 and Q4 trading \$0.31/bbl to \$0.34/bbl and \$0.5/bbl to \$0.52/bbl. In the boxes Q1 26/Q3 26 sellside interest traded \$0.05/bbl to \$0.02/bbl.

## FUEL

This afternoon in VLSFO, sing structure continued to see some buy-side interests, both prompt and deferred, with Jun/Jul trading at \$6.50/mt. Front crack was trading rangebound the whole afternoon around \$11.45/bbl. In Euro, we saw mixed interests in front Jun/Jul towards the end of the window, trading between \$4/mt and \$4.25/mt. Front Euro crack was better offered towards the end of day, trading down to the lows of \$5.00/bbl.

In HSFO, front 380 crack was better offered this afternoon trading from \$1.25/bbl to \$1/bbl. As a result, front 380 E/W was a touch weaker, trading from \$21.00/mt to \$20.50/mt. Structure saw some bids in the front, with Jun/Jul trading at \$9/mt and was fairly stable down the curve. In barges, we continued to see some buy-side interests in backend barge crack in Q4. This initially supported the front crack at -\$2.10/bbl, but then it traded rangebound between -\$2.25/bbl and -\$2.15/bbl in the window. Front structure in barges did not move with Jun/Jul trading at \$6.50/mt.





## DISTILLATES

This afternoon in distillates, the Balmo/Jun spreads continued to be sold down on screen to \$0.66/bbl as the Dec/Dec was offered down to -\$1.95/bbl. The prompt E/W rallied post-window to -\$14.00/mt and bid on with ICE gasoil softening as the Q1'27 was bid at -\$8.00/mt. The prompt regrade remained rangebound, trading at -\$0.66/bbl as the Jul/Dec Kero was hit on screen at -\$0.40/bbl.

ICE gasoil spreads came off post-window, the May/Sep to \$6.50/mt as the Jun crack traded down to \$16.90/bbl. European jet diffs narrowed in the prompt on weaker gasoil, Jun trading down to \$50.25/mt as the Cal 27 traded at \$51.25/mt. Heating oil spreads softened on US open as did the HOGOs, the Jun trading down to 12 c/gal.

## GASOLINE

This afternoon in gasoline, EBOB flatprice traded at \$16.7/bbl on a crack equivalent with matching bid. Deferred cracks were well bid this afternoon with physical buying Q2'26 cracks up to \$11.55/bbl in the afternoon while cracks in Q3'25 hit profit taking levels at \$14.6/bbl and there was margin hedging on the bal Cal25 crack strip down to \$12.4/bbl. Spreads were still supported but weren't aggressively bid on stronger backend crack buying with Dec/Mar trading at -\$12.75/mt, in the front the spreads were a touch stronger on the day but saw scaleback selling interest with Jun/Aug trading up to \$19/mt end window. Arbs got sold down to 17c/gal in the window and RBBRs were more rangebound in the afternoon around \$23.35/bbl but softer from the morning closing the window at \$23.4/bbl. There was 92/RBOB buying in Jun at -\$13.25/bbl this afternoon and E/W remained balanced while deferred sellers stepped down with Q4 getting sold at -\$0.95/bbl.

## NAPHTHA

In naphtha, flatprice traded end window at -\$2.65/bbl on a crack equivalent with matching better bid. The front crack weakened in the afternoon from around -\$2.5/bbl to lows of -\$2.7/bbl and Q3 crack selling continued down to -\$3.65/bbl. Front spreads were generally more balanced with Jun/Jul at \$8.5/mt but the Q3/Q4 crack roll had good selling from \$0.8/bbl to \$0.7/bbl. E/W in H2 continued to see better sellside interest with Q3 trading at \$21.5/mt but the Q1'26 was well bid at \$17/mt.

## NGLS

This afternoon in NGLs, LST was balanced with prompt structure trading rangebound whilst deferred was unchanged. In the front, we saw Jun/July trade rangebound between -0.25c/gal and -0.125c/gal and Q3/Q4 trading firm at -2.25c/gal, whilst in the back we saw Sep/Oct and Q1/Q2 trade unchanged at -1c/gal and 6.25c/gal respectively. Arbs gained strength in both the front and the back at US open with Jun and Q4 trading up -\$126/mt and -\$134/mt respectively; towards the end of Euro window, we saw softness in the arbs with June and Q4 trading down to -\$129/mt and -\$135/mt respectively. FEI/CP was sticky in the back with 2H trading firm at -\$9/mt whilst in the front, June was implied lower at -\$71/mt owing to CP flattie in the front being supported at \$573/mt levels; E/W was slightly weaker in the front with Jun trading at \$60.5/mt. Butane was softer whilst June C4/C3 was balanced and implied at 17.125c/gal. Front spreads went better bid, whilst deferred went weaker during the window; in prompt, we saw Jun/Jul trade up to 1.75c/gal whilst in the back we saw Aug/Sep and Q3/Q4 trade down to -0.375c/gal and -1.75c/gal respectively.



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