EUROPEAN WINDOW

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FLAT PRICE

The front-month Brent futures contract gapped lower from $73.55/bbl at 14:50 BST to $71.15/bbl at 15:00 BST. Prices edged close to the $70/bbl psychological support level around 15:30 BST, where they met support and climbed to $72.80/bbl at 17:40 BST (time of writing). The market continues to weigh the growing escalation between Israel and Iran, with Israel's defence minister confirming it has attacked Iran's state broadcaster. Iran has reportedly asked Qatar, Saudi Arabia and Oman to press US President Donald Trump to encourage Israel to opt for an immediate ceasefire with Iran in return for Tehran's flexibility in talks over its nuclear programme. In other news, the European Union is expected to propose a planned ban on Russian gas and LNG imports despite opposition from Hungary and Slovakia this week. The proposed plan will ban the signing of new contracts effective immediately, while existing short-term and long-term agreements will have to be terminated in 2026 and 2028, respectively. A source told the Financial Times that landlocked countries would be granted an exemption until 2027 to phase out their existing gas contracts. India's domestic passenger vehicle sales declined by 1% y/y to 344,656 units in May 2025, as per data from the Society of Indian Automobile Manufacturers (SIAM). However, Indian passenger vehicle exports rose 24% y/y to 67,181 units in May 2025. At the time of writing, the front Aug/Sep'25 and Aug/Feb'26 Brent futures spreads stood at $1.30/bbl and $4.02/bbl.

CRUDE

This afternoon in Dated Brent, we saw spreads continue to come off with the 16-20 Jun 2w roll offered down to $0.65/bbl and the 23-27 Jun 1w roll to $0.36/bbl. The 23-20 Jul vs Cal Aug roll was hit down to $0.81/bbl, and the 21-25 Jul 1w roll offered at $0.28/bbl. Pre-window, there was more selling of Bal week into next structure with the 16-18 vs 23-25 Jun roll trading down to $0.28/bbl and the Balmo DFL traded at $1.55/bbl. In the physical window, we saw Geneva-based trades and majors bidding the majority of grades higher, pushing the diff up to over $1.00/bbl. In the paper, we saw the 30-4 Jul CFD trade at $2.10/bbl and the 7-11Jul CFD at $1.71/bbl. Post-window the Balmo DFL traded down to $1.44/bbl and the 4-8 July DBL was bought at $1.62/bbl.

This afternoon, Brent/Dubai was fairly quiet and traded in a large range, with Jul Brent/Dubai trading between $0.33/bbl and $0.42/bbl. There was buy-side interest in Q4, which traded $0.53/bbl to $0.57/bbl. Spreads came off following flat price weakness, with Jul/Aug trading down from $1.15/bbl to $1.02/bbl, almost all volume on screen. The boxes were pretty quiet, but the frontend boxes continued to get sold, whilst boxes in 2026 saw bank buyside flow. Jul/Aug and Aug/Sep traded -$0.07/bbl and -$0.02/bbl. There was an inquiry about boxes down the Jan'26 - Dec'26 strip, although we saw no trading here.

FUEL

In VLSFO, the front Sing 0.5% crack saw some sellside interests this afternoon, with Jul trading from $11/bbl to $10.80/bbl. This weakened front structure, with Jul/Aug trading from $7/mt to $6.75/mt. Structure further down the curve also weakened, with Dec/Jan trading at $3.25/mt and implied at $3/mt as the afternoon progressed. As the afternoon progressed, we saw some buyside interests in Aug Sing Hi-5, due to the weaker front 380 crack, which supported the front crack at $10.80/bbl levels. In Euro 0.5%, the front crack was also a touch weaker, trading from $5.20/bbl to $5.05/bbl. Though structure in the front was supported, with Jul/Aug trading at $6.75/mt the whole afternoon.

In HSFO, 380 cracks in the front and Q3 initially saw aggressive buyside interests, with the front trading up to $3.20/bbl. This supported structure in the front, therefore we saw bids in Jul/Aug from $14.50/mt to $15/mt. As the afternoon progressed, interest in the front 380 crack turned sellside, which pressured it down to $2.40/bbl. As a result, structure down the curve weakened, with Jul/Aug trading down to $13.75/mt. In 3.5% barges, the front crack was initially stronger following the strength of the front 380 crack, trading up to -$0.1/bbl; however, it also softened as the afternoon progressed, trading down to -$1.10/bbl. Barge structure saw better buying in Jul/Aug at $9.50/mt, before trailing down to $8.75/mt post window.

DISTILLATES

This afternoon in distillates, Sing gasoil spreads were better bid, Jul/Aug trading back up to $0.61/bbl post-window as the Jul E/W rallied to highs of -$19.50/mt before trading back down to -$23.00/mt this evening. Regrade was better bid, Jul trading up to -$1.23/bbl as Jul/Aug kero was hit down to $0.32/bbl.

ICE gasoil spreads rallied post-US open, Jun/Dec back to $33.00/mt as the Jul crack rallied to $20.70/bbl. European jet diffs softened in the prompt, the Jul to $57.50/mt as there was sellside interest in Cal'26 at $50.75/mt. Heating oil spreads similarly rallied, as did the hogos, Jul to 15.7 c/gal.

NGLS

This afternoon in NGLs, C3 LST weakened on a crude percentage basis, with structure in the front softening and the back of the curve. In prompt, we saw July/Aug and Aug/Sep trade down to 0.25c/gal and -0.625c/gal respectively, while in deferred, we saw Q4/Q1'26 and Q2/Q3'26 trade down to 0.875c/g and 1.50c/gal respectively. FEI went better offered with structure, with both the front and back of the curve softening. In the front, we saw July/Aug and Aug/Sep trade down to $4/mt and flat respectively, whilst in the back we saw Dec/Dec trade down to $53/mt. LST/FEI arbs were slightly stronger on FEI weakness in both the front and back of the curve with July and Cal26 trading up to -$151/mt and -$134/mt respectively; FEI/CP came off as crude came off with July and Aug trading down to -$19/mt and -$8.5/mt respectively. Butane weakened on a crude percentage basis with July C4/C3 trading slightly higher at 13.375c/gal on LST weakness, whilst structure was broadly unchanged. In the front, we saw July/Aug and Q3/Q4 trade firm at 0.5c/gal and -1.50c/gal respectively.

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