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FLAT PRICE

The Sep’25 Brent futures contract continued rallying all afternoon to $69.54/bbl at 17:37 BST (time of writing). In the news, Canadian Prime Minister Mark Carney expressed strong confidence that a proposed oil pipeline to the Pacific coast will likely be included in Canada's list of national interest projects. Carney emphasised that the private sector will drive the pipeline proposal, with the federal government aiming to fast-track such projects. Alberta Premier Danielle Smith indicated that a private company could soon propose the pipeline, with a target of transporting 1 mb/d. The Trans Mountain expansion remains the only active pipeline for exporting Alberta's crude to the West Coast. In other news, ExxonMobil, leading a consortium with QatarEnergy, has discovered a natural gas reservoir off Cyprus' coast. Drilling at the Pegasus-1 well revealed a gas-bearing layer of 350 meters at a depth of 1.9 km. Further evaluation will be conducted in the coming months to assess the discovery. This marks the second gas find in Block 10, following the Glaucus-1 discovery in 2019. While Cyprus has found gas in several areas, it has yet to commercialise the resources. Ecuador's private OCP pipeline, which transports heavy crude, resumed operations on today after a precautionary suspension on 1 July due to heavy rains. The restart followed the completion of a bypass built to address erosion along the Loco River in the Amazon region, the company reported. Finally, the front-month Sep/Oct and the 6-month Sep/Mar spreads are at $1.16/bbl and $3.23/bbl respectively.

CRUDE

This afternoon continued to be quiet in Brent/Dubai, as we continued to trade lower with Aug Brent/Dubai, trading from -$0.36/bbl down to -$0.41/bbl. There was Cal'26 Brent/Dubai buying, which traded $0.43/bbl to $0.42/bbl, bank on the bid. The Dubai spreads traded rangebound, with Aug/Sep trading $1/bbl to $1.04/bbl, finishing in the middle of this range. The boxes were completely quiet with none trading OTC.

FUEL

In HSFO, the front barge crack was weaker at the beginning of the afternoon trading from -$2.65/bbl to -$2.70/bbl. This caused the front 380 E/W to strengthen trading up to $6.50/mt. As the afternoon progressed, interest in front barge crack turned bid, trading up to -$2.40/bbl at close, as a result, this caused the front 380 E/W to sell off down to $5.50/mt. However, 380 structure down the curve saw bids, with Aug/Sep trading at $4/mt and Sep/Oct trading at $6.75/mt.

In VLSFO, the front Sing crack was initially a touch offered, trading from $11.25/bbl to $11.10/bbl. Front structure was also weaker, with sell-side interests in Aug/Sep trading at $6/mt. As the afternoon progressed, we saw some buying in Q4'26 Sing crack at $5.95/bbl, which supported the front crack. As a result, the front crack strengthened back up to $11.15/bbl post window. Similarly, in Euro 0.5, the front crack also weakened, trading from $6.10/bbl to $6/bbl. However, the front Euro structure was a touch stronger, with buying in Aug/Sep from $8/mt to $8.25/mt.

DISTILLATES

This afternoon in distillates, Sing gasoil spreads weakened on softer ICE gasoil as the E/W went better bid, Aug trading up to -$29.75/mt after the window. Regrade was lifted on screen to -$1.40/bbl in Aug as the Q4'26 traded at -$0. 25/bbl.

ICE gasoil spreads ticked off into the afternoon, Jul/Dec trading at $101.75/mt as the cracks sold off, Aug to $23.70/bbl. European jet diffs softened in the prompt, the Aug hit down on screen to $38.75/mt as the Q4 traded at $47.00/mt. Heating oil spreads traded lower as the HOGOs remained rangebound, the Aug trading at 16c/gal.

GASOLINE

This afternoon in gasoline, flat price traded at the end of the window at $693.50/mt with MOC slightly better offered. The front crack was supported, trading end window at $15.40/bbl with front spreads also well bid, strengthening from $15.50/mt to $15.75/mt. Sep/Dec traded up to $74.75/mt and deferred cracks also saw buyside interest at around $4.70/bbl for Q4'26. European strength and RBBR weakness put pressure on the arbs as they fell from 13c/gal to 12.4c/gal, before RBBRs recovered late afternoon. E/W came off again and sank from -$6/bbl to -$6.50/bbl over the course of the day. Spreads remained weak with Aug/Sep trading at $1.24/bbl and Sep/Oct trading down to $1.20/bbl.

NAPHTHA

This afternoon, flat price traded end window at -$5.70/bbl on a crack equivalent with the front cracks strengthening from -$5.90/bbl to -$5.70/bbl in the window, and real buying in Q1 at -$5.30/bbl. The Aug/Sep spread traded up to $3/mt post window, with Aug/Dec been bid. The east saw target flat price selling on higher crude with spreads also going better offered, with Aug/Oct selling at $7.50/mt. There was real E/W selling interests as well, pushing down the front E/W to from $27.50/mt to $25.50/mt where it found support.

NGLS

This afternoon in NGLs, LST was supported on a crude percentage basis with structure in both the front and back better bid. In prompt, we saw Aug/Sep and Oct/Nov trade up to -0.375c/gal and -0.625c/gal respectively whilst in the back, we saw Q1/Q2 and Q2/Q3 trade firm at 5.5c/gal and 1c/gal respectively. Arbs in the front initially opened weaker with Aug trading down to -$160/mt but gained support as crude went up and afternoon progressed with Aug trading at -$159.50/mt, further along the curve we saw Q1 trade down to -$152/mt. FEI/CP was implied higher owing to crude with Aug at -$18.50/mt whilst in the back we saw Cal'26 trade unchanged and firm at $4/mt; E/W was quiet during Euro window with Aug unchanged and implied at $73/mt. Butane was slightly firmer with Aug C4/C3 trading up to 13.25c/gal owing to LST initial weakness but was then supported by butane. Structure was slightly stronger in the front with Aug/Sep and Oct/Nov both trading up to -0.75c/gal whilst backend structure was quiet.

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