

# EUROPEAN WINDOW

*Market Highlights from the European Window*

18 AUG 2025



## FLAT PRICE

This afternoon Oct'25 futures reached a low of \$65.30/bbl at 14.35 BST but strengthened to \$66.18/bbl at 17.52 BST, a level we have seen resistance from around midday yesterday. European leaders are at the White House for Ukraine talks with Volodymyr Zelenskyy and Donald Trump. Zelensky said Ukraine is ready for a ceasefire and a new security framework, after accusing Vladimir Putin of trying to undermine diplomacy with strikes. Trump's envoy claimed Putin agreed to strong security guarantees, possibly NATO-style, though Moscow has not commented. China's refined fuel exports hit 5.34 million mt in July, the highest since June 2024, driven by surging shipments of diesel, gasoline, and jet fuel. Strong refinery runs, with crude throughput at 14.85 mb/d, supported the rise despite a slight dip from June's near two-year high. Brazil's ANP granted Petrobras and CNOOC an 18-month extension to explore the Aram block in the Santos Basin pre-salt, shifting the deadline to 30 June 2029. The consortium is drilling two deepwater wells after recent hydrocarbon discoveries. Top US and Iraqi officials met to discuss restarting oil exports from Iraq's Kurdistan region, halted since March 2023 amid disputes over export authority. Before the shutdown, flows averaged over 400kb/d, but disagreements with foreign oil firms and recent drone attacks on oilfields have stalled progress. Ukraine said it hit the Nikolskoye pumping station on the Druzhba pipeline, disrupting oil flows to Hungary and Slovakia. The attack comes as President Zelenskyy visits Washington for talks with Donald Trump, while Moscow has yet to comment. Pakistan is set to roll out a real-time digital tracking system this month to monitor petroleum products from import to retail, aiming to curb smuggling and black marketing. Backed by the Petroleum (Amendment) Act 2025, the system will enable regulators to track fuel across the supply chain and enforce penalties for illegal trade. Finally, the front (Oct/Nov) and 6-month (Oct/Apr) Brent futures spreads are at \$0.55/bbl and \$1.34/bbl, respectively.

## CRUDE

Softer afternoon in Dated. Balmo DFL saw major buying good size between \$1.63/bbl and \$1.65/bbl, Sold into by paper and MM's as rolls went better offered, with 18-22 2w sold down to \$0.60/bbl. The Window saw a British major sellside of 25-29/8 CFD, selling down to \$1.20/bbl, whilst a French major lifted 1-5/9 CFD up to \$1.38/bbl. Sep went well offered in the window, finding lows of \$0.87/bbl, rebounding a touch on firmer spreads post window to \$0.89/bbl. The physical saw one cargo of Forties lifted from a British major, leaving the differential relatively unchanged

This afternoon was very quiet in Brent/Dubai, with Sep Brent/Dubai trading in a tight range between -\$1.16/bbl to -\$1.19/bbl. There was trade house buying of Sep/Oct spread, which traded between \$0.89/bbl to \$0.93/bbl. There was also selling of the Sep/Oct/Nov Dubai fly, which traded \$0.23/bbl. Boxes were quiet, with some selling of Sep/Oct and Oct/Dec, which traded -\$0.53/bbl and -\$0.98/bbl.

## FUEL

Chinese arbers were initially buyers of 380 flat price which supported the front crack at -\$3.80/bbl. We then saw outright selling in front 380 E/W trading from \$3.25/mt to \$2.25/mt. This together with the selling in front 380 structure, with Sep/Oct trading from \$2.75/mt to \$1.50/mt caused the front 380 crack to gap down to the lows of -\$4.50/bbl. In barges, front crack was also softer following the weakness in the front 380 crack, trading from -\$4.35/bbl to -\$4.80/bbl. Structure in the front was therefore pressured, with Sep/Oct trading from \$6.75/mt to \$6.25/mt.

Front sing crack saw better selling at the beginning of the afternoon trading from \$9.80/bbl to \$9.70/bbl. This pressured front structure with Sep/Oct weakening from \$1.75/mt to \$1.25/mt. As the afternoon progressed, front euro structure was well offered, with Sep/Oct trading from \$5.25/mt to \$4.50/mt. Front Euro crack also saw selling, therefore trading from \$5.35/bbl to \$4.85/bbl at close. The weakness in the front euro crack also caused the front sing crack to further soften, ending the day at \$9.30/bbl.





## DISTILLATES

This afternoon in distillates, Sing gasoil spreads rallied late on, Sep/Oct and Oct/Nov lifted on screen to \$0.65/bbl and \$0.74/bbl respectively as the E/W rallied to highs of -\$29/mt before getting sold back down to -\$30/mt on the ICE rally post-window. Regrade continued to trade rangebound, Sep trading at -\$1.20/bbl as the Q4 was lifted at -\$0.70/bbl.

ICE gasoil spreads rallied into the window, Sep/Dec trading up to \$19.75/mt as the Sep crack rallied to highs of \$21.90/bbl. The Sep European jet diff rallied to \$40/mt in the window before trading back down to \$39.25/mt as the Q1'26 ticked up to \$48.50/mt. Heating oil spreads similarly rallied as the HOGOs traded rangebound, Sep trading at 15.3 c/gal.

## GASOLINE

A quiet afternoon in gasoline as flat price traded end window at \$676.50/mt with MOC better offered. RBBRs initially softened but recovered into the window, ending the afternoon where they started, around \$14.55/bbl. Arbs were slightly stronger in Sep, trading up from -1.7c/gal to -1.6c/gal. EBOB cracks saw mixed interest as they firmed from \$15.50/bbl to \$15.70/bbl in the front, with Q1'26 valued at \$7.30/bbl. Spreads were mostly bid as Sep/Oct remained stable at \$40.50/mt. Sep E/W was lower again this afternoon, trading down from -\$5.40/bbl to -\$5.55/bbl. 92 cracks saw mostly sellside interest, trading at \$10.10/bbl in the front. Structure was balanced with Sep/Oct remaining at \$1.50/bbl.

## NAPHTHA

Quite afternoon in naphtha with flat price trading end window at -\$4.45/bbl on a crack equivalent with the front cracks coming off throughout the afternoon on stronger crude with Q4 trading -\$4.45/bbl and Q1 at -\$4.90/bbl. Structure was offered while the front spreads staying balanced. Sep/Oct traded \$2.25/mt with Sep/Dec trading down from \$8.75/mt to \$8.25/mt post window. Spreads in the east were bid with buy-side interest on the Sep/Oct, which traded up from \$3/mt to \$3.50/mt. Similarly, the E/W rallied with Sep trading up from \$26/mt to \$26.50/mt and Oct at \$25.25/mt.

## NGLS

This afternoon in NGLs, LST opens weak on a crude basis but recovers into the afternoon, with Dec/Dec, Sep/Dec and Q1/Q2 LST trading at 0.5c/gal, -3.5c/gal and 4.125c/gal respectively during the window, with Banks lifting Q1/Q2 at 4.25c/gal post window. East arbs trading range bound with Oct LST/FEI trading at -\$182.50/mt with Q4 arb getting lifted at -\$180/mt. Front butane spreads up slightly in the afternoon with Sep/Oct and Dec/Jan trading at -1.5c/gal and 0.25c/gal respectively, with majors hitting C4/C3 at 14.25c/gal. Sep/Oct CP trades at -\$15/mt continuously throughout the afternoon, with FEI/CP generally weak, but recovering slightly into the late afternoon. Quiet afternoon for European pro with but also opening weak, seeing Sep/Oct and Sep/Nov ENT/NWE cross arbs trading at -\$200/mt and -\$190/mt respectively, with E/W recovering from weakness at open being slightly better bid at the end of the window.



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