

# EUROPEAN WINDOW

*Market Highlights from the European Window*

20 AUG 2025



## FLAT PRICE

The October Brent Futures contract has seen a mixed afternoon, initially rangebound between \$66.35/bbl and \$66.70/bbl before selling off post EIA stats release down to \$66.18/bbl at 4 pm BST and subsequently rallying back up to \$66.75/bbl at the time of writing (17:30 BST). In headlines, South Korea is urging its petrochemicals industry to cut excess capacity and restructure as a global glut has depressed margins, with Asian producers squeezed by China's cheaper, fast-growing output and European firms hurt by high energy costs. The government said the country's 10 largest companies will slash naphtha-cracking capacity by up to 25%, curbing production of ethylene, propylene, and other key plastics feedstocks. In other news, global oil demand rebounded in June, rising 1.23mb/d from May, as highlighted in JODI data on Wednesday, the rise was driven mainly by the US, with smaller gains in Canada, Italy, the UK, and South Korea, while supply growth lagged, leaving inventories below the five-year average. At the time of writing, the front (Oct/Nov) and 6-month (Oct/Apr) Brent Futures spreads are at \$0.50/bbl and \$1.26/bbl.

## CRUDE

This afternoon in Dated, we saw the 26-29 Aug 1w roll hit down to \$0.25/bbl and the 1-5 Sep 1w roll hit down to \$0.20/bbl with spreads coming off a touch and the balmo DFL hit down to \$1.00/bbl. The physical window was more offered with British major offering midland before a cargo was lifted by a major below curve, leaving the diff down towards \$0.60/bbl. In paper, we saw CFDs offered from trade and major with the 26-29 Aug CFD trading down to \$0.75/bbl and the 15-19 Sep CFD hit down to \$0.58/bbl. Post-window we saw a low hit on the 8-12 Sep 1w roll at \$0.17/bbl and buy-side interest in the 1-5 Sep 2w roll up to \$0.42/bbl.

This afternoon Brent/Dubai continued to slide lower, with no buy-side interest. Sep Brent/Dubai traded from -\$1.53/bbl down to -\$1.6/bbl. There was continued margins, and Chinese SOE selling. The spreads traded rangebound, with Sep/Oct trading between \$1.1/bbl to \$1.18/bbl, finishing towards the bottom of this range. Towards the end of the afternoon, there was a large Tradehouse who came in and sold Sep/Nov Dubai in size, trading between \$1.83/bbl to \$1.8/bbl. The boxes were very quiet, with interest both sides.

## FUEL

In VLSFO, front Sing crack was well offered this afternoon. We initially saw selling in the front crack from \$9.10/bbl down to \$9.00/bbl. Heading into the window, there was selling in Q4 Sing cracks, which further pressured the front crack down to \$8.80/bbl. This also caused front structure to weaken, with Sep/Oct trading down to \$1/mt, and Oct/Nov and Nov/Dec both offered at \$2/mt. In Euro, front crack was offered down from \$4.55/bbl to \$4.30/bbl. Front Euro structure remained stable, with Sep/Oct trading at \$4.50/mt.

In HSFO, front 380 structure initially saw some buying with Sep/Oct bid to \$1/mt. The buying in spreads supported the front 380 crack at -\$5/bbl. Front 380 E/W also saw buy-side interests, which traded up to \$2.25/mt. Heading into the euro window, we saw aggressive selling in front 380 structure, with Sep/Oct trading down to \$0.5/mt and Oct/Nov offered at \$3/mt. Front barge crack was a touch stronger towards the end of the window trading from -\$5.45/bbl to -\$5.35/bbl, which gave pressure to the front 380 E/W trading down to \$1.75/mt at close.



## GASOLINE

This afternoon in gasoline flatprice traded end window at \$688/mt with MOC better offered. RBBR's were strong again this afternoon, rallying from \$14.65/bbl to \$15.40/bbl. Sep Arbs were offered and remained rangebound between -1.6c/gal and -1.4c/gal, with EBOB cracks strengthening. Sep cracks saw scaleback selling and traded up from \$16.1/bbl to \$16.45/bbl, with Q4 trading up to \$9.35/bbl. Spreads saw buyside int and Sep/Oct firmed from \$41.75/mt to \$42/mt, as E/W was balanced, softening slightly from -\$5.65/bbl to -\$5.7/bbl in the front. 92 cracks strengthened from \$10.35/bbl to \$10.65/bbl with Q4 trading at \$8.35/bbl.

## NAPHTHA

This afternoon in naphtha flatprice traded end window at -\$4.25/bbl on a crack equivalent with the front cracks firming throughout the afternoon with Q4 trading -\$4.40/bbl and Q1 at -\$4.90/bbl. Structure was balanced with the front spreads staying range bound with Sep/oct at \$2.75/mt and Oct/Dec at \$6.5/mt in window. Spreads in the east were similarly balanced with the Sep/Oct at \$3.50/mt and Jun/Dec at \$7.5/mt. The E/W found support in the afternoon with Q1 bid at \$20.25/mt and Sep trading up from \$24.50/mt to \$25.25/mt with Q4 at \$24.25/mt.

## NGLS

This afternoon in NGLs, FEI and LST both better offered at the start of the window, seeing Sep/Oct LST and Sep/Oct FEI trading at -1.125c/gal and -\$6/mt respectively with the arbs balanced. LST goes bid immediately post stats then softens and lands better offered shortly after, seeing Q4'25/Q1'26 LST trading at -1c/gal, offered on. Throughout the window, consistent buying flow in Q4'25 + Q1'26 LST strip at 70.75c/gal by US trade houses. Post stats we also see FEI better offered, with Oct/Dec getting lifted at -\$4/mt. Europe and E/W better offered, seeing Sep/Dec NWE trading at -\$15.5/mt with Dec E/W trading at \$85/mt versus current \$83/mt implied. In FEI/MOPJ, Q4'25 trading at -\$25/mt throughout the afternoon. In butane we see Sep/Oct C4 ENT/CP and Sep/Nov ENT/CP getting lifted at -\$130/mt and -\$140/mt respectively, with Q1/Q2 C4 ENT trading at 6.875c/gal.





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