FLUX INSIGHTS

EUROPEAN WINDOW

Market Highlights from the European Window

16 DECEMBER 2025

FLAT PRICE

The Feb'26 Brent futures contract continued to slip this afternoon, from $59.76/bbl at 12:30 GMT to $58.72/bbl at 15:40 GMT. Prices have since risen slightly to $59.14/bbl at 17:00 GMT. The last time M1 Brent closed below $60/bbl was in early Feb 2021. In the news, the US Treasury Department has declined a bid from a consortium of companies, led by investment bank Xtellus Partners, to acquire Russia's Lukoil's foreign assets. The agreement included a condition that the sale proceeds be used to compensate US investors in Lukoil who lost money after the stock freeze caused by the Ukraine war. The assets, valued at ~$22bn, have since seen Midad Energy, Chevron, Exxon, Hungarian MOL, Emirati, and Carlyle step forward as potential buyers. Elsewhere, a strike at Brazil's Petrobras has affected 24 oil platforms and 8 refineries, according to the union FUP. The union noted that nine transport units, three thermal power plants, two biodiesel plants, and five onshore oil fields were also impacted. Petrobras, in another statement, reaffirmed that the mobilisation has not yet affected output. In Venezuela, state-run company PDVSA is managing delayed oil cargoes, increasing price discounts, and customer demands to modify spot contract terms, following the US seizure of a vessel carrying the country's crude. According to Reuters sources, discounts on Venezuela's Merey crude bound for China have risen to as much as $21 below Brent, up from $14-$15/bbl last week. In other news, Shell has approved a waterflood project at the Kaikias field in the US Gulf of Mexico to enhance oil recovery and prolong the lifespan of its Ursa platform. This initiative is projected to add 60mb of oil equivalent to the recoverable resources. Finally, at the time of writing, the front-month (Feb/Mar'26) and 6-month (Feb/Aug'26) spreads are at $0.25/bbl and $0.07/bbl, respectively.

CRUDE

This afternoon in Dated, structure was more offered pre-window before trading higher with the window well bid. Pre-window Jan DFL traded down to $0.17/bbl and Feb down to $0.05/bbl, with Jan/Feb DFL trading down to $0.10/bbl. 29-2 Jan 3w was also sold at $0.55/bbl and 9-15 Jan vs Cal Jan traded at $0.03/bbl as a CFD.

However, in the physical window, trades bid Midland and Forties cargos, pushing the implied diff up to 80c. In the paper window, trades lifted 29-2 Jan CFD aggressively up to $0.82/bbl whilst majors and trades lifted 5-9 Jan CFD up to $0.49/bbl. Post-window, Jan DFL traded up to $0.28/bbl and Jan Feb DFL up to $0.19/bbl. 15-21 Jan vs Cal Feb also traded at $0.20/bbl and 26-30 Jan vs Cal Feb traded at $0.07/bbl.

This afternoon we traded rangebound in Brent/Dubai, with Jan Brent/Dubai trading between $0.16/bbl to $0.21/bbl. The Dubai spreads bounced following a stronger Dated physical window, with Jan/Feb trading up from -$0.10/bbl to -$0.02/bbl. There was still good box buying, with Feb/Mar and Feb/Apr trading $0.05/bbl to $0.06/bbl and $0.05/bbl to $0.07/bbl. There was some Bal Dec/Feb Dubai selling, which traded $0.20/bbl to $0.15/bbl.

FUEL

In VLSFO, Chinese arbers were selling Sing 0.5 cracks and flat price this afternoon. The front crack weakened off the back of this, trading down to $4.30/bbl from $4.45/bbl. Spreads were also a touch better offered as a result, however, they saw very little price action with Jan/Feb Sing trading around -$0.75/mt. Euro crack was weaker due to both the Sing crack weakness as well as selling on the outright crack from the US. The Jan Euro crack sold down to -$1.40/bbl. Similar to the Sing spreads, Euro spreads were largely unchanged trading around -$3.25/mt.

HSFO continued to strengthen this afternoon. Chinese arbers were buying 380 flat price which saw the 380 crack and 380 E/W move up. The Jan 380 crack saw movement up to -$6.35/bbl while the Jan 380 E/W closed the afternoon at $15.25/mt. The barge crack saw less interest this afternoon, trading between -$8.90/bbl and -$8.80/bbl without a clear axe in the market. It was a similar story on spreads, which traded around -$4.25/mt.

DISTILLATES

This afternoon in distillates, Sing gasoil spreads strengthened in Jan/Feb, initially hit at $0.39/bbl on screen before turning better bid and trading up to $0.42/bbl last. The Jan E/W traded rangebound between -$22.25/mt and -$21.75/mt, last trading at -$22.00/mt. Regrade weakened initially, being lifted at $0.23/bbl before firming to be lifted again at $0.28/bbl during the window, while Jan/Feb kero traded from $0.85/bbl down to $0.80/bbl before finishing at $0.84/bbl.

Prompt ICE gasoil spreads were rangebound throughout the afternoon, with Jan/Mar trading between $6.25/mt and $7.25/mt, last at $6.50/mt, while the Feb crack sold off from $22.70/bbl down to $22.20/bbl. European jet diffs rallied, with Jan moving from $49.00/mt up to $50.50/mt. Heating oil spreads and HOGOs sold off, with the Jan HOGO trading down to 18.7c/gal.

GASOLINE

This afternoon in gasoline flat price traded end window at $584.75/mt with MOC better offered. RBBR's weakened from $12.35/bbl to $11.80/bbl, with EBOB cracks getting offered down from $11.65/bbl to $11.40/bbl. Spreads softened from $0.75/mt to -$1/mt in the front, where they found some buyside interest. E/W was slightly better offered but remained around -$0.35/bbl, as 92 cracks softened from $11.30/bbl to $11.10/bbl. Spreads were a touch weaker as well with Jan/Feb trading down from $0.88/bbl to $0.86/bbl.

NAPHTHA

This afternoon in naphtha, MOC was balanced with flat price trading $486.25/mt end window. Naphtha cracks were stronger through the afternoon, trading up from -$4.25/mt to -$4.15/mt, then remaining 5c around post-window. Spreads were offered with Jan/Feb trading down 50c from the morning to $1.50/mt, then recovering slightly back to $1.75/mt. E/W saw even more buyside interest, firming to $38.75/mt. MOPJ cracks didn’t see much interest into the afternoon, while spreads were offered, weakening to find value at $5/mt in Jan/Feb.

NGLS

This afternoon in NGLs, LST spreads firm throughout the afternoon, with Jan/Feb LST getting lifted 0.25c/gal by funds pre-US open, trading rangebound between 0.125c/gal and 0.25c/gal this afternoon. Q1/Q2 firm at 3.375c/gal. General mixed interest in LST flat price throughout the afternoon, with US trade selling and banks buying afternoon Jan LST flat price. FEI structure weaker on the day from physical window being hit this morning, with spreads trading rangebound this afternoon from this morning’s level – seeing Jan/June FEI trade $48.00/mt with sell side interest in April/July at $7.00/mt. Summer FEI-CP better bid by importers, trading $16.50/mt. In Europe, Pronap selling in Jan at -$49.00/mt end of window with Jan E/W going $68.00/mt with better sell side interest in Q1 Pronap also.

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