

EUROPEAN WINDOW

Market Highlights from the European Window

05 JANUARY 2026



FLAT PRICE

The Mar'26 Brent futures contract has risen this afternoon, from \$61/bbl at 12:30 GMT to \$61.86/bbl at 15:55 GMT; prices have since eased to \$61.66/bbl at 17:05 GMT (time of writing). In the news, US President Trump has threatened higher tariffs on India if the country does not reduce its purchases of Russian oil. According to Reuters, trade talks between the nations have been inconclusive, despite 3 meetings between the leaders since initial tariffs were imposed last year. Elsewhere, Chevron has resumed exports of Venezuelan oil to the US following a 4-day hiatus. Shipping data shows that a Chevron-chartered oil tanker loaded with roughly 300kb of Venezuelan heavy crude, bound for the US Gulf Coast, departed earlier today; Chevron remains the only US-authorized company to export Venezuelan crude. The US embargo remains in force, as per President Trump, despite the arrest of Venezuelan President Nicolas Maduro. In other news, US refiner Phillips 66 has announced its plan to acquire Lindsey Oil Refinery's assets and infrastructure in northern England after the site's liquidation. These key facilities will be incorporated into its Humber Refinery. In Russia, the US, EU, and UK-sanctioned Christophe De Margerie ice-class LNG tanker is set to export its third cargo since 20 Dec from the Arctic LNG 2 project, as per Bloomberg. The tanker is the only identified vessel in the Russian shadow fleet that is capable of moving through thick Arctic ice. Finally, at the time of writing, the front-month (Mar/Apr'26) and 6-month (Mar/Sep'26) spreads are at \$0.39/bbl and \$0.89/bbl, respectively.

CRUDE OIL

This afternoon in Brent/Dubai we traded lower, with Feb Brent/Dubai trading down from \$0.87/bbl to \$0.74/bbl. There was selling by producer, Chinese Major and products. There was tradehouse buying of Q2, which traded \$0.52/bbl down to \$0.45/bbl. The Dubai spreads traded stronger on screen, coming out of contango structure, with Feb/Mar trading -\$0.10/bbl to \$0/bbl. There was some interest to sell Feb/Mar/Apr Duabi fly, which did not trade, offered at \$0/bbl. The boxes traded rangebound, with Q3/Q4 trading \$0/bbl, paper both sides.

This afternoon in Dated, Feb DFL traded up to \$0.48/bbl and Balmo DFL was lifted up to \$1.03/bbl with strong roll buying pre window and CFD buying in the window. Pre window, we saw buying out of 5-9 Jan with 5-9 Jan vs Cal Jan trading up to \$0.34/bbl and 5-9 Jan 1w trading up to \$0.26/bbl in size. We also saw buying out of 12-16 Jan with 12-16 Jan vs Cal Jan lifted up to \$0.17/bbl and 12-16 Jan 3w trading up to \$0.75/bbl. 19-23 Jan 3w also traded up to \$0.63/bbl and was bid over.

The window was well bid with majors and trades lifting 12-16 Jan CFD up to \$1.20/bbl and 19-23 Jan CFD up to \$0.92/bbl. In the physical window, we saw a trade bidding Forties aggressively, pushing up the implied diff, whilst a major bought a Forties cargo from another trade. We also saw a trade buy 3 Ekofisk cargos.

FUEL OIL

In VLSFO, the front Sing crack sold off at the beginning of the afternoon traded from \$4/bbl to \$3.70/bbl pre window. 0.5 E/W remained better offered from \$32.75/mt to \$32.50/mt. During the window, front Euro crack also sold off as MOC was well offered traded down to -\$1.60/bbl. Spreads were slightly weaker in the front with Feb/Mar traded at -\$3.25/mt.

In HSFO, front barge crack sold off this afternoon as we continued to see selling in deferred cracks in Cal'27 and Q2. Front barge crack was pressured from -\$9/bbl to -\$9.15/bbl. During the window, barge crack sold off even further due to MOC flows being offered, traded down to -\$9.50/bbl at close. Barge spreads were weaker as a result with Feb/Mar trading at -\$3.50/mt. Front E/W strengthened as a result traded up to \$15.75/mt before softening to \$15.50/mt post window.



DISTILLATES

This afternoon in distillates, Sing gasoil spreads firmed initially in the prompt, with Feb/Mar moving from \$0.32/bbl up to \$0.34/bbl before turning better offered and being hit back to \$0.30/bbl. The Feb E/W firmed overall, first trading at -\$25/mt before being lifted to -\$24.50/mt pre-window, then lifted -\$24.75/mt last. Regrade continued to rally in Feb, trading from \$0.30/bbl up to \$0.35/bbl, while Jan/Feb kero rallied to \$1.55/bbl.

Prompt ICE gasoil spreads traded in a range, with Jan/Mar between \$5.75/mt and \$6.75/mt, last trading at \$6.25/mt, while the Mar crack rallied to highs of \$21.60/bbl early afternoon before coming back off to \$21.20/bbl. European jet diffs were rangebound, trading between \$50.25/mt and \$51/mt in Feb, while Q4 traded at \$47.50/mt. Both heating oil spreads and HOGOs weakened, with the Feb HOGO falling from 15.0c/gal to 14.7c/gal.

GASOLINE

This afternoon in gasoline, flat price traded end window at \$596.50/mt with MOC better offered. Arbs rallied from 3.50c/gal to 3.80c/gal as RBBR's strengthened. EBOB cracks were mixed in the front and remained rangebound around \$10.55/bbl, with Q4 offered at \$6.55/bbl. Front spreads were slightly stronger, as Feb/Mar firmed from -\$5/mt to -\$4.75/mt. E/W was better offered as it weakened from -\$0.75/bbl to -\$0.85/bbl, with 92 cracks softening from \$9.85/bbl to \$9.65/bbl in the front. Action on spreads was muted with Feb/Mar remaining at \$0.23/bbl.

NAPHTHA

This afternoon in naphtha, MOC was offered with flat price trading \$491.75/mt end window. Naphtha cracks came off into the afternoon, trading at -\$5.80/bbl and remaining 5c around through the window. Spreads were buyside in Feb/May region but remained trading rangebound at \$4/mt in Mar/Apr. E/W traded at \$37.25/mt throughout the afternoon, while the Balmo was buyside, firming to \$43/mt. MOPJ cracks had no clear interest in the front, but Q3 saw selling for smalls at -\$2.95/bbl. MOPJ spreads were also buyside in the Q2/Q3 region, trading at \$1.75/mt in May/Jun for size.

NGLS

This afternoon in NGLs, FEI weaker with buying flowing in Feb arb, with Feb LST/FEI trading \$3/mt higher than this morning. Euro physical buying Feb/March FEI at \$18.50/mt, with March/April going at \$13.50/mt. FEI/CP lower on the back of FEI weakness, with little buyside inside in deferred FEI/CP this afternoon – other than the Q3/Q4'26 FEI/CP box which sees trade houses paying \$2/mt. LST flat price relatively unchanged on a crude basis, with better sell side interest in Q2 and Q3'26 LST, supporting LST spreads. US trade selling April/May LST at 0.125c/gal with Q2/Q3'26 LST firm at -1.375c/gal this afternoon. Feb Europe flat price better buyside interest, with Feb E/W getting hit \$68.50/mt end of window. In butane, spreads weakening with Q4'26 C4/C3 better bid, with Feb/April C4 ENT trading 2.75c/gal outright down to 1.875c/gal on legs end of window.



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