



OVERNIGHT & SINGAPORE WINDOW

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FLAT PRICE

The Dec'24 Brent futures contract found strength this morning, trading at \$73.29/bbl at 07:00 BST and increasing to \$74.10/bbl at 11:00 BST (time of writing). Price action saw upward movement this morning amid a new wave of Israeli airstrikes on Hezbollah-affiliated financial institutions, heightening concerns that Israel is expanding its offensive beyond military infrastructure. Meanwhile, satellite imagery has shown that Iran has partially filled its Jask oil terminal with crude oil, as the country seeks to reduce its reliance on the Strait of Hormuz for oil exports. In the news today, according to the General Administration of Customs (GACC), China reduced its crude imports from major suppliers in the month of September. GACC data showed China's daily crude imports from Russia, Iraq, and Brazil fell m/m by 4.52%, 16.00%, and 48.85%, respectively. However, crude imports from Saudi Arabia increased to 1.81mb/d, up 44.92% m/m since August. In other news, South Sudan's crude oil exports are set to resume as a blockage in a northern pipeline via Sudan has been cleared. As per Bloomberg, the pipeline funnelled more than 150kb/d to Port Sudan prior to its breakdown in February this year. Finally, the Indian oil minister Hardeep Singh Puri stated that India's petrochemical sector is projected to receive investments worth \$87 billion over the next decade to meet rising demand. At the time of writing, the front month (Dec/Jan'25) and six-month (Dec/Jun'25) Brent futures spreads are at \$0.36/bbl and \$1.43/bbl, respectively.

CRUDE

A very quiet morning in Dated, with Nov DFL staying rangebound between \$0.07/bbl and \$0.12/bbl and Dec DFL trading up to \$0.10/bbl. There was again trade house sell-side interest in 28-1 Cal Nov which traded at -\$0.04/bbl and buy-side interest in Nov/Dec dated. There was also sell-side interest in prompt Nov rolls with the 4-8 Nov 1 week roll trading at \$0.01/bbl.

FUEL

In VLSFO, it was a weaker start to the day on Sing 0.5. Sing cracks were offered towards the front of the curve to start, with Nov Sing crack selling down to \$12.90/bbl from \$13.10/bbl heading into the window. The crack did strengthen towards the end of the window, and continued post-window, trading up to \$13.20/bbl. Structure was better offered to start, however, there was very little price action as a result. Spreads towards the front were stronger off the back of the crack rally later in the morning, with Nov/Dec Sing trading up to \$10.50/mt from \$9.75/mt. As per usual, it was a fairly quiet start to the day on Euro 0.5. The Nov Euro crack traded around \$5.15/bbl and Nov/Dec Euro traded between \$8.25/mt and \$8.50/mt.

In HSFO, there was a stronger start to the morning. The 380 crack bought up to -\$5.90/bbl from -\$6.10/bbl. There was similar strength on the front spread, with Nov/Dec 380 trading up to \$10.25/mt from \$9.50/mt. The barge crack enjoyed even more strength this morning, with Nov barge crack buying up to -\$6.10/bbl from -\$6.60/bbl. The crack rally supported barge spreads, with Nov/Dec barges buying up to \$16.50/mt from \$15.00/mt. The relative strength of barges put pressure on the 380 E/W, with Nov 380 E/W trading down to \$1.50/mt from \$4.00/mt.

DISTILLATES

This morning in distillates, the Sing gasoil spreads rallied with the Nov/Dec and Dec/Jan getting lifted to \$0.33/mt and -\$0.05/mt respectively. The Dec E/W rallied to -\$24.75/mt as the deferred tenors saw interest trading as combos, the Q1'26 E/W and regrade trading at -\$15.00/mt and -\$0.07/mt, respectively. The prompt regrade continued to be strong, getting lifted to highs of \$0.64/bbl as the Nov/Dec kero spread rallied to \$0.49/mt.

The ICE gasoil spreads rallied, the Nov/Dec and Dec/Jun to \$0.75/mt and -\$2.25/mt as the cracks were rangebound, the Q4 at \$14.70/bbl. The European jet fuel diffs rallied, the Nov to \$44.50/mt while the Nov/Dec roll traded up to -\$3.00/mt. Heating oil spreads were rangebound, as were the HOGOs, the Q4 at 8.6 c/gal.

GASOLINE

This morning in gasoline, we saw flat price trade at the end of the window equivalent to \$5.25/bbl on a crack basis in Nov 92. Nov 92 cracks trade up to \$5.30/bbl from \$5.15/bbl pre-window before selling came in. Nov/Dec 92 strengthened in the window to \$0.35/bbl before softening to \$0.25/bbl as Dec/Jan weakened from \$0.10/bbl to \$0.05/bbl. Nov E/W traded between -\$2.70/bbl and -\$2.60/bbl and Dec E/W saw buying at -\$0.80/bbl levels as Nov EBOB cracks found value at \$7.90/bbl and Q1'25 cracks traded at \$6.60/bbl with Nov/Dec valued at \$17.50/mt. Arbs saw little trading activity as Dec RBBRs were bid trading up from \$9.46/bbl to \$9.65/bbl.

NAPHTHA

This morning in naphtha, we saw MOPJ MOC valued at +\$0.10/bbl on a crack equivalent, with MOC well bid to trade up to +15c/bbl. Flat price was well bid through the window, with the implied crack value lifted around +5c/bbl in Nov. Nov/Dec was lifted from an implied value of \$4.50/mt this morning to trade at \$4.75/mt post-window after being pushed up by the prompt being well bid. E/W firmed this morning from \$22.75/mt beginning of window to trade at \$23.25/mt post-window on strong MOC flows. NWE cracks strengthened this morning, following the east with cracks trading at -\$2.70/bbl this morning to trade at -\$2.55/bbl end of window and continue to trade up to -\$2.45/bbl after. It was a quieter morning on NWE spreads with Nov/Dec implied value lifted from \$3.00/mt to \$3.25/mt by the end of the window.

NGLS

This morning in NGLs, FEI was slightly better bid in the window while structure weakened. At the end of the window, FEI offers were lifted with Nov trading at \$652.00/mt. In the physical window, Asian cargoes only saw bids, with 2H Nov bid up to Nov FEI flat, and 1H Dec up to Dec +\$7.00/mt. Prompt spreads were slightly weaker with Nov/Dec trading down to \$5.00/mt, while deferred spreads were also slightly weaker with Dec/Dec'25 trading down to \$83.00/mt. Arbs weakened this morning as Dec and Mar LST/FEI traded lower at -\$253.00/mt and -\$213.00/mt, respectively. However, E/W weakened, with Nov \$67.00/mt bids hit in the window, implying Euro arbs even lower around -\$198.00/mt in Nov as pronaps were well bid, trading at -\$47.00/mt. FEI/CP strengthened amid higher crude as Nov implied up to \$30.00/mt while Q1 traded at \$17.00/mt as prompt CP spreads weakened with Nov/Dec trading down to \$1.25/mt, and Dec/Feb at \$14.00/mt.



GLOBAL MACRO

- Gold new ATH and silver surges higher. Silver +6% Friday to a 12-year high, +another 0.9% today.
- China cuts loan prime rates by 25bps - 1 Year LPR: 3.10% (est 3.15%; prev 3.35%) - 5-Year LPR: 3.60% (est 3.65%; prev 3.85%). Markets not overly excited, Hang Seng -1.6%, CSI300 +0.3%.
- US posts \$1.8 trillion annual deficit, highest outside of Covid – Bloomberg.
- 30-year mortgage rate jumps to 7.25%, the highest level since July. Not such a successful Fed 50bp cut!
- Dollar most overbought since 2022, and it's correlation with US 10-year yield is breaking from the oil price.

Key events this week:

- 15% of S&P 500 companies report earnings.
- Wednesday – Existing home sales.
- Thursday – US & Europe Manufacturing & Services flash PMIs, New home sales, jobless claims, Durable goods orders.
- Friday – Consumer sentiment.

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4/3



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