



OVERNIGHT & SINGAPORE WINDOW

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FLAT PRICE

The Jan'25 Brent futures contract strengthened from \$70.90/bbl at 07:00 BST to \$71.75/bbl at 10:35 BST (time of writing). Prices saw support this morning amid reports of Chinese power demand growing faster than expected in 2024. In the news today, according to the China Electricity Council's Q3'24 report, the country now sees 2024 electricity consumption growing by 7% to 9.9 trillion kWh. In its previous report, the group had forecast 6.5% growth to 9.82 trillion kWh. In other news, Israel is maintaining the intensity of its attacks on Gaza, with a Reuters report stating at least 60 Palestinians were killed and dozens wounded in an Israeli strike on a residential building in the northern Gaza town of Beit Lahiya today. Finally, Reuters reports that Mexico has sent a crude oil cargo of 400kb to Cuba, which is expected to arrive by the end of the week. Cuba is currently experiencing a series of blackouts alongside food and fuel shortages. At the time of writing, the front-month (Jan/Feb'25) and six-month (Jan/Jul'25) Brent futures spreads are at \$0.37/bbl and \$1.04/bbl, respectively.

CRUDE

This morning in Dated, we saw Sing buying of Nov DFL which was bid up to highs of \$0.49/bbl and Dec DFL traded up to \$0.20/bbl. Nov/Dec DFL traded up to \$0.27/bbl. There was trade house buy-side interest in the 4-8 1 week which traded up to \$0.14/bbl and 4-8 Cal Nov continued to go bid. We also saw a Geneva trade house bidding for Cal Nov 18-22 Nov which traded up to \$0.12/bbl and more buy-side interest in Cal Nov 25-29.

This morning in Dubai, we saw Brent/Dubai remain unchanged from yesterday. There was early buying interest in BD which reversed into selling pressure. Nov BD and Dec BD traded in ranges of \$1.09/bbl to \$1.17/bbl and \$0.88/bbl to \$0.98/bbl, respectively, and are currently trading at \$1.10/bbl and \$0.90/bbl. We additionally observed some buying pressure in EFS, with Jan EFS trading early at \$1.71/bbl. The Nov/Dec BD box traded slightly higher and is currently trading at \$0.20/bbl. Dubai spreads traded higher as well with the Nov/Dec spread, currently trading at \$0.18/bbl, trading between \$0.15/bbl and \$0.19/bbl and the Dec/Jan spread, currently trading at \$0.43/bbl, trading between \$0.38/bbl and \$0.44/bbl.

FUEL

In VLSFO, a stronger start to the day on Sing 0.5. The front Sing crack was well bid earlier this morning, opening at \$13.20/bbl, before trading up in decent size to \$13.60/bbl. The front crack was also supported by back-end Sing crack buying both in Q4'24 and Cal'25. Likewise, structure was well bid this morning, which saw the front spread buy up to \$12.25/mt from \$11.75/mt. A quiet start on Euro 0.5, albeit there was sell side interest on Euro structure. The front spread was a touch softer as a result, selling down to \$6.50/mt from \$7.00/mt. There was a lack of liquidity on the Euro crack, with Nov trading around \$4.85/bbl.

In HSFO, 380 spreads were bid down the curve into 2025 this morning. Nov/Dec 380 traded up to \$17.00/mt from \$16.75/mt. The 380 crack was fairly erratic, trading between -\$3.35/bbl and -\$3.10/bbl without a clear axe in the market. The barge crack was a touch stronger this morning, buying up to -\$3.25/bbl from -\$3.35/bbl. It was a stable morning on barge structure, with not much being worked in the OTC market, with Nov/Dec barges trading around \$24.75/mt throughout the morning. Likewise, the 380 E/W was also fairly rangebound this morning, with Nov trading between \$1.50/mt and \$2.00/mt.



DISTILLATES

This morning in distillates, the front gasoil spread rallied into the window with the Nov/Dec and Dec/Jan getting lifted to highs of \$0.67/mt and \$0.27/mt, respectively, before coming off post-window to \$0.64/mt and \$0.25/mt as the Jun/Jul traded for size at -\$0.15/mt. The Nov E/W rallied to -\$10.00/mt before coming off post-window to -\$11.75/mt as the Q2'25 came off to -\$17.50/mt. The prompt regrade came back off to \$1.20/bbl, as did the front kero spreads, the Nov/Dec to \$0.82/mt.

The ICE gasoil spreads initially came off before rallying back, the Nov/Dec and Dec/Jan to -\$0.50/mt and -\$1.25/mt, respectively, as the Q4'24 crack rallied to \$15.07/bbl. The European jet diffs came off, the Nov from \$62.00/mt to \$58.75/mt as the Nov/Dec roll came off to \$1.75/mt. Heating oil spreads were rangebound as were the HOGOs, the Q4'24 at 8.9 c/gal.

GASOLINE

This morning in gasoline, we saw flat price trade at the end of the window equivalent to \$4.15/bbl on a crack basis in Nov 92 as MOC was bid at +0.25c/bbl. Nov 92 cracks strengthened to \$4.25/bbl in the window before seeing selling back to \$4.10/bbl as Cal'25 cracks were bid up to \$5.20/bbl. Nov/Dec 92 saw buying from -\$0.35/bbl to -\$0.25/bbl before softening slightly to -\$0.27/bbl as Dec/Jan found value at -\$0.15/bbl. Nov E/W weakened in the window from -\$3.05/bbl to -\$3.15/bbl before trading up to -\$2.95/bbl with Nov EBOB cracks coming off from \$7.20/bbl to \$7.10/bbl. Nov/Dec EBOB continued to see selling interest as it traded from \$14.25/mt to \$13/mt. Nov arbs strengthened from 6.70 c/gal to 7.20 c/gal as Dec RBBRs saw buying from \$9.32/bbl levels to \$9.62/bbl.

NAPHTHA

This morning in naphtha, we saw MOPJ MOC valued at \$645/mt, with MOC well bid trading up to +25c. MOPJ was strong this morning, on well bid MOC with the implied prompt crack value at around +\$1.20/bbl end of window. Spreads were also better bid with Nov/Dec trading at \$6/mt post window from \$5.75/mt during the window and Dec/Jan firming to \$6.25/mt by the end of window from \$6/mt. There was also deferred spread interest with Q1'25/Q2'25 strengthening to trade at \$17/mt from \$16.75/mt. Nov E/W was implied at \$19.50/mt during the window and post-window found selling to trade down to \$19.25/mt. The prompt NWE crack traded rangebound during the window this morning from -\$1.10/bbl up to -\$0.85/bbl, deferred cracks also saw interest with Q4'25 trading at -\$5.05/bbl during the window.

NGLS

This morning in NGLs, FEI broadly unchanged on a crude percentage basis while structure was initially better offered with Nov/Dec trading down to \$3.50/mt, Dec/Jan at \$7/mt, and Jan/Feb at \$12.50/mt. Deferred spreads were also weaker with Feb/Apr trading down to \$44/mt and Dec/Dec'25 down at \$75/mt. At the end of the window, Nov flat price bids were hit and offered on, which then got lifted, trading at \$635/mt. Meanwhile, the physical window only saw offers for 1H Dec at Dec FEI +\$4.50/mt. Towards the end of the window and post-window, FEI spreads recovered with Dec/Jan trading at \$7.50/mt, Jan/Feb back at \$13/mt and Dec/Dec'25 at \$77/mt. Arbs were broadly quiet, with only Nov LST/NWE trading at -\$174/mt. E/W was slightly weaker, implied around \$60/mt in Nov as Dec E/W traded at \$68/mt with Q1'25 at \$75/mt. E/W boxes also gained as NWE spreads held up while FEI spreads weakened, with Nov/Dec NWE trading at \$11.50/mt and Dec/Jan at \$15/mt. FEI/CP initially weaker in the morning, trading down to \$16/mt in Dec as CP was better bid on lower crude, but recovered alongside crude during the window, trading at \$20/mt in Dec post-window.



GLOBAL MACRO

- ECB need to cut more aggressively, indicating EURUSD lower..
- Guindos: We don't have good news with respect to growth.
- Guindos: We do have good news with respect to inflation.
- US 10-year yield breaks above 4.30%. It has risen 70bp since the Sep 18th Fed 50bp rate cut. Price with oil continues to diverge as Trump lead increases (and inflation expectations). Betting sites have Trump 63% to win.
- VIX speculators are net long for the first time since 2018, expecting equity volatility around the election.
- As gold sits at all-time highs, gold funds posted ~\$3 billion of inflows last week, the second largest on record. All while central bank gold reserves as a % of the total currency reserves reached 12.1%, the most in over 3 decades.
- Germany November GfK consumer sentiment -18.3 vs -20.5 expected.
- Volkswagen looking to close 3 plants.

Data today:

- US consumer confidence & JOLTS job openings report.

NOTE: China PMIs tomorrow 1.30am GMT.



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