



OVERNIGHT & SINGAPORE WINDOW

INSIGHT@ONYXCAPITALADVISORY.COM
ONYX CAPITAL ADVISORY

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FLAT PRICE

The Jan'25 Brent futures contract weakened this morning from \$75.10/bbl at 07:00 GMT down to \$74.50/bbl at 10:25 GMT (time of writing). Crude oil prices weakened amid the unveiling of China's \$1.4 trillion stimulus package. Chinese officials neglected to announce additional measures to boost domestic demand, potentially disappointing markets according to a Financial Times report. In the news today, Petrobras reported a 22% increase in its Q3'24 net profit at \$5.7 billion. This was partly due to several operational milestones including the start of oil production at Petrobras' Mero-3 platform with a capacity of 180kb/d and at their FPSO Maria Quiteria with a capacity of 100kb/d. In other news, Citigroup claimed a Trump presidency may be net bearish for crude prices on higher domestic production and tariffs. Meanwhile, Standard Chartered said US producers won't necessarily heed Trump's call for more drilling. Finally, the UN Human Rights Office stated that women and children account for nearly 70% of fatalities it has verified in the Gaza war thus far, condemning what it called a systematic violation of the fundamental principles of international humanitarian law, as per Reuters. At the time of writing, the Jan/Feb'25 and Jan/Jul'25 Brent futures spreads stand at \$0.32/bbl and \$1.27/bbl, respectively.

CRUDE

This morning in Dated, we saw Dec DFL offered down from \$0.25/bbl to \$0.23/bbl with Sing selling and Balmo trading down to \$0.25/bbl from \$0.30/bbl. There was buy-side interest again in Dec/Jan Dated which traded up to highs of \$0.48/bbl before being offered back down. In structures, there was Chinese selling in the 25-29 3 week roll at \$0.32/bbl. We also saw refiner selling of the 11 Nov vs 26-28 Nov at \$0.25/bbl and the 26-02 Dec Cal Dec traded at \$0.26/bbl.

Very quiet morning today in Dubai. Brent/Dubai traded higher, with Dec Brent/Dubai trading between \$0.81/bbl to \$0.90/bbl, currently trading at \$0.88/bbl. The rest of the Brent/Dubai complex was less strong, and the Dec/Jan Brent/Dubai box traded higher to currently -\$0.14/bbl. Dubai spreads traded considerably lower with the Dec/Jan Dubai spread trading between \$0.39/bbl to \$0.48/bbl, currently trading at \$0.41/bbl, and the Jan/Feb spread trading between \$0.27/bbl to \$0.31/bbl, currently trading at \$0.27/bbl. The Bal-Nov Dec Dubai spread was bid. Finally, we observed buying interest in Jan Dated for Dec Dubai.

FUEL

In VLSFO, it was a quiet start to the last day of the week. Liquidity did pick up as the window approached with buying entering the market both on the front crack as well as the spread. The crack traded up to \$12.25/bbl from \$12.05/bbl, with some pressure in the window due to MOC hedging. Spreads were stronger initially on, with Dec/Jan Sing trading up to \$9.00/mt from \$8.50/mt. However, there was some sell side pressure on structure post-window, which saw the front spread sell back down to where it opened the morning. As has become the norm, a very quiet start to the day on Euro 0.5, the Dec/Jan Euro traded at \$4.75/mt on thin liquidity. The Euro crack moved in line with the sing crack, with the implied value of \$4.70/bbl at the end of the morning.

In HSFO, 380 enjoyed a strong start to the day with both cracks and spreads being fairly well bid. The 380 crack opened the morning at -\$7.25/bbl, before trading up to -\$6.55/bbl. Likewise, spreads were fairly well bid down the curve, with Dec/Jan 380 trading up to \$7.50/mt from \$6.75/mt. The barge crack saw outright buying this morning, with the Dec barge crack buying up to -\$8.10/bbl from -\$8.80/bbl. Barge structure was also better bid, with Dec/Jan barges trading up to \$6.75/mt from \$6.25/mt. The 380 E/W was stronger off the back of 380 strength, with Dec 380 E/W buying up to \$10.00/mt from \$8.50/mt.

DISTILLATES

This morning in distillates, the Sing gasoil spreads rallied with the Dec/Jan and Mar/Jun to \$0.42/mt and \$0.09/mt post-window as the Dec E/W rallied to -\$16.50/mt. Regrade was similarly strong, the Dec getting lifted to \$1.05/bbl as the Q1'26 was lifted on screen at -\$0.05/bbl. The Dec/Jan kero spread rallied to \$0.75/mt as the Mar/Sep traded at \$0.10/mt.

The ICE gasoil spreads came off, the Nov/Dec and Dec/Jun to \$0.25/mt and \$4.50/mt, respectively. Heating oil spreads were rangebound as the HOGOs came off, the Q4'24 to 9.9 c/gal.

GASOLINE

This morning in gasoline, we saw flat price trade at the end of the window equivalent to \$5.60/bbl on a crack basis in Dec 92 as MOC was bid. Dec 92 cracks strengthened post-window from \$5.60/bbl to \$5.90/bbl as Q1'25 cracks saw selling at \$6.00/bbl. Dec/Jan traded from \$0.20/bbl to \$0.25/bbl on stronger front cracks with Jan/Feb valued at \$0.04/bbl as Dec E/W traded from -\$1.05/bbl to -\$0.85/bbl where selling came in. Front EBOB cracks were bid with Dec cracks seeing buying from \$6.65/bbl to \$6.85/bbl as Q1'25 cracks saw selling at \$7.05/bbl levels. Dec/Jan EBOB was offered at \$3.25/mt and Jan/Mar saw strong selling at -\$7/mt. Dec arbs came off slightly from 7.95c/gal to 7.85c/gal with Q2'25 seeing offers at 15.25c/gal despite Jan RBBRs strengthening from \$9.62/bbl to \$9.80/bbl.

NAPHTHA

This morning in naphtha, we saw MOPJ MOC valued at -\$0.95/bbl on a crack equivalent with MOC better offered in Dec. We saw better flat price selling in MOPJ on higher crude today in Dec, as well as small buy-side interest in Q1'25 trading from -\$1.50/bbl down to -\$1.60/bbl by the end of the window. In the morning, we saw trade houses offer side of spreads with Jan/Feb trading from \$5.25/mt to \$4.75/mt pre-window before finding buying to trade back up at \$5.25/mt while Dec/Jan initially traded at \$4.25/mt this morning before firming at \$4.75/mt. E/W was better offered in the morning on stronger crude selling down to \$19.75/mt from \$20/mt with deferred selling in Q2'25 at \$17.50/mt though we saw the prompt recover back to \$20.25/mt post-window. The prompt NWE crack was weaker this morning trading at lows of -\$3.25/bbl before the window where it found buying during the window on weaker crude to trade up to -\$3.00/bbl and thereafter remain rangebound between -\$3/bbl and -\$3.15/bbl. Spreads in naphtha were weaker but turned better bid with Dec/Jan trading at \$4.25/mt during the window before coming off post window to \$4/mt and Jan/Mar saw buy-side interest to get lifted up from \$9.50/mt up to \$10/mt.

NGLS

This morning in NGLs, FEI was supported well and rangebound, whilst FEI spreads were slightly stronger in both prompt and deferred. In prompt, Dec/Jan and Jan/Feb and trading to \$4/mt and \$8/mt, respectively, during the window, then staying rangebound. In deferred, we saw Dec/Dec'25 trade up to \$63/mt during the window then supported at those levels. Physical window was mainly bid with some offers, with bids being made for 1H Dec at Dec FEI +\$0.50/mt and 2H Dec at Dec FEI flat and an offer for 2H Dec at Dec FEI -\$2/mt at Port Chiba. FEI/CP softened throughout the morning with Dec trading down to \$3.50/mt as crude came off, whilst CP flat prices were rangebound at \$627/mt levels. Arbs were fairly quiet but supported with Dec trading at -\$209/mt. E/W was slightly weaker with Dec implied at \$61/mt, as crude came off.



GLOBAL MACRO

- The Fed cut interest rates by 25 basis points, leaving the fed funds target range at 4.5-4.75%. The decision was unanimous, with no dramatic dissensions this time. Powell reiterated that he will be serving his full term.
- Following the Fed decision, yields fell down the curve. Exacerbating a move since peaking on the 6 Nov, 2 year yields were down 12 bps from their post-election peak. The SP500 was up 0.7% yesterday while futures were unchanged today.
- US consumer credit printed only \$6 billion in September, disappointing consensus of \$12 billion. The bear steepener in the Treasury curve that started in September is biting.
- China announced a 10 trillion yuan fiscal package for local government debt refinancing. They will raise the local government debt ceiling to 35.52 trillion yuan enabling the issuance of 6 trillion yuan in special bonds. Officials later announced an additional 4 trillion yuan. Yields fell across the curve with the 10 year LG yields the lowest since September.
- The Bank of England also cut the base rate by 25 bps in a near-unanimous vote that only saw Catherine Mann wish to hold. MPC noted trade fragmentation as a key upside risk to inflation.
- India's HSBC manufacturing PMI was confirmed at 57.5 for October, firmly in expansionary territory and accelerating from 56.5 in the month prior.

Incoming data:

- Fed Bowman speech at 16:00 GMT
- China inflation rate y/y (est. 0.5%), PPI y/y (est. 2.6%) at 01:30 GMT 09/11.



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