



OVERNIGHT & SINGAPORE WINDOW

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FLAT PRICE

The Jan'25 Brent futures contract saw weakness this morning, decreasing from \$73.35/bbl at 07:00 GMT to \$72.70/bbl at 09:30 GMT, before recovering slightly to \$73.10/bbl at 11:00 GMT (time of writing). Crude oil prices dipped this morning as Lebanon and Hezbollah have agreed to a US ceasefire proposal, requiring Hezbollah to have no armed presence in the area between the Lebanese-Israeli border and the Litani River. Furthermore, production at Norway's Johan Sverdrup is back online after an onshore power outage, with Johan Sverdrup reportedly operating at two-thirds of its 755kb/d capacity, as per Reuters. In the news today, Ukraine carried out their first strike in a border region within Russian territory using a US missile, according to a Bloomberg report. This Ukrainian attack utilised American-made Army Tactical Missile Systems (ATACMS), manufactured by Lockheed Martin, with a range of about 300km. In other news, India's oil products demand growth in October saw an almost 3% rise y/y as monsoon season ended, a trend that is set to continue in November due to higher vehicle sales during the festival period and agricultural demand, according to S&P Global. Meanwhile, Petrobras aims to boost spending on new oil drilling by almost 9% to \$111 billion in their 2025-2029 plan, reported by Bloomberg. The plan awaits approval from Petrobras' board of directors and is scheduled to be released on 21 Nov. Finally, after the EU and the UK imposed sanctions on Iran yesterday for allegedly sending UAVs and missiles to Russia, including freezing the assets of the Islamic Republic of Iran Shipping Line (IRISL), Iran's Ministry of Foreign Affairs spokesman Esmail Baghaei has condemned the sanctions as affecting the "fundamental rights and interests of Iranians". At the time of writing, the Jan/Feb'25 and Jan/Jul'25 Brent futures spreads stand at \$0.27/bbl and \$1.09/bbl, respectively.

CRUDE

This morning in Dated, we saw Dec DFL open at \$0.36/bbl and trade up to \$0.39/bbl. Dec rolls started to go offered with 2-6 Dec Cal Dec trading down to \$0.33/bbl and the 9-13 Dec 1 week roll trading down to \$0.17/bbl and offered over. There was also refiner buy-side interest in the 19-22 Nov vs Cal Jan which traded at \$1.77/bbl. There was also sell-side interest in Dec/Jan DFL which traded from \$0.33 down to \$0.30/bbl.

This morning in Dubai, we saw Brent/Dubai trade slightly lower from yesterday, currently retracing from the lows. We saw early bidding in Dec Brent/Dubai and Jan Brent/Dubai, which traded in ranges of \$0.83/bbl to \$0.94/bbl and \$0.87/bbl to \$0.95/bbl, respectively, and currently trade at \$0.88/bbl and \$0.90/bbl. There was substantial selling interest in March for Jan EFS and Feb for Dec EFS. The Dec/Jan BD box gapped up today but has slightly sold off since and is currently trading at -\$0.04/bbl. We observed selling interest in the Feb/Mar box, which traded at -\$0.02/bbl. Dubai spreads traded slightly lower from yesterday with Dec/Jan and Jan/Feb trading between \$0.23/bbl and \$0.26/bbl and \$0.22/bbl to \$0.25/bbl, respectively. There was buying interest in Jan/Jun Dubai, trading between \$0.82/bbl and \$0.85/bbl.

FUEL

In VLSFO, Chinese funds supported Sing 0.5 early on in the morning, with buying on both the crack and structure. This saw the Dec Sing crack trading up to \$12.00/bbl from \$11.85/bbl. However, we saw Sing 0.5 turn better offered going into the window, with the Dec Sing crack trading down to \$11.70/bbl. The front Sing spread was a touch weaker as a result, with Dec/Jan Sing trading down to \$6.75/mt from \$7.00/mt. Euro 0.5 was dragged down by Sing 0.5 weakness, however, liquidity was characteristically low. The Dec Euro crack traded down to \$4.40/bbl with Dec/Jan Euro trading at \$3.75/mt.

In HSFO, 380 spreads were fairly well bid to start the morning off. This saw the front spread trade up to \$8.75/mt early on. HSFO turned a touch weaker as the morning progressed and spreads turned better offered into 2025, with the front spread trading down to \$8.25/mt. The 380 crack was slightly weaker as a result, with the front trading down to -\$6.50/bbl from -\$6.35/bbl. Barges were also weaker due to 380 coming off heading into the window. Dec barge crack sold down to -\$9.15/bbl from -\$9.00/bbl, however, post-window some buying entered the market, which saw the crack trade up to -\$8.85/bbl. Barge structure was weak early on, with Dec/Jan barges selling down to \$3.00/mt from \$3.50/mt, due to crack weakness. However, the front spread rallied on crack buying, trading back up to where it started the morning. 380 E/W was weaker due to the barge rally later in the morning. Dec 380 E/W sold down to \$16.00/mt from \$17.00/mt.

DISTILLATES

This morning in distillates, the Dec/Jan Sing gasoil spread opened higher at \$0.42/mt before trading down to \$0.36/mt post-window as the Jan/Mar came off to \$0.50/mt. The Dec E/W came off to -\$20.00/mt before rallying post-window to highs of -\$19.25/mt and then trading back down to -\$19.75/mt while the Q4'24 rallied to -\$17.00/mt. The prompt regrade rallied to \$0.71/bbl as the kero spreads rallied, the Dec/Jan to \$0.63/mt.

The Dec/Jan ICE gasoil spread continued to rally to \$6.75/mt while the Dec/Jun was rangebound, trading at -\$17.50/mt. The cracks were similarly rangebound, the Q1'25 coming off initially before retracing into the window to \$18.45/mt. The European jet diffs opened lower and continued to come off, the Dec to \$45.75/mt and the Q2'25 to \$51.00/mt. Heating oil spreads came off at the front of the curve while the HOGOs rallied, the Q1'25 to 8.9c/gal.

GASOLINE

This morning in gasoline, we saw 92 MOC valued at \$79.20/bbl with MOC mixed. The Jan crack traded down from \$6.95/bbl this morning to \$6.70/bbl post-window, however, we still saw buy-side interest in Q3'25 cracks around \$5.10/bbl, supporting the prompt. Spreads also weakened down the curve with Dec/Jan sold from \$0.15/bbl down to \$0.06/bbl end of window while we also saw Jan/Mar sold off from \$0.25/bbl to \$0.10/bbl by the end of the window. There was 92vsMOPJ selling from refiners in the front in Jan this morning putting pressure on eastern structure. Q1'25 E/W remained firm trading at -\$0.95/bbl whilst Dec found value at -\$0.75/bbl post-window, down around 20c/bbl from the prior day. EBOB cracks in Dec were sold from \$7.35/bbl down to \$7.20/bbl with real interest on both sides whilst Q1'25 was offered and valued at \$7.80/bbl. Spreads saw limited action but Dec/Jan found selling at \$2.75/mt. Dec arbs traded from 6.75c/gal up to 6.85c/gal while RBBRs weakened through the window from around \$9.95/bbl to \$9.75/bbl.

NAPHTHA

This morning in naphtha, we saw Dec MOPJ flat price valued at \$631.25/mt at the end of the window on a -\$1.90/bbl crack equivalent as Dec MOC was offered at -5c/mt and Jan bid at +5c/mt. Dec MOPJ cracks saw selling post-window at -\$1.85/bbl with Q2'25 cracks trading at -\$3.70/bbl. MOPJ spreads were initially supported with Dec/Jan strengthening from \$3.50/mt to \$3.75/mt before seeing selling down to \$3.25/mt as Jan/Feb was valued at \$4.50/mt. E/W traded from \$18.50/mt to \$19.50/mt in Dec whilst 1H 25 was offered at \$18.75/mt as NWE cracks weakened from -\$4.00/bbl to -\$4.30/bbl and Q1'25 cracks saw selling at -\$4.75/bbl. Dec/Jan NWE traded from \$3.50/bbl to \$3.25/bbl on weaker front cracks and Jan/Feb was valued at \$4.25/mt.

NGLS

This morning in NGLs, FEI was better bid throughout the morning owing to stronger freight, with FEI spreads strengthening in both prompt and deferred. In prompt spreads, we saw Dec/Feb and Jan/Feb trade up to \$12/mt and \$7.5/mt respectively; in deferred we saw the same theme with Q1/Q2'25 trade up to \$41.50/mt. Physical window was offered with just one offer being made for 2H Dec at Dec FEI +\$2/mt. Arbs were weaker in both prompt and deferred owing to crude and FEI being better bid. In prompt, Dec and Jan traded down to -\$200/mt and -\$195/mt, respectively, now implied even lower at -\$201/mt and -\$197.50/mt; in deferred, Q1/Q2'25 roll traded down from -\$13/mt to -\$15/mt. FEI/CP was stronger owing to crude and FEI being better bid with Dec implied at -\$8/mt and Cal'25 trading at \$19/mt, whilst E/W was slightly weaker with Jan implied lower at \$65.50/mt.



GLOBAL MACRO

- US yields finally turn lower, dollar weakens, gold bounces. Key US equity market short term trends are now also lower. The 'risk-on' excitement from Trump's election has finally exhausted. The big risk to asset prices is the US yield curve, question here is - are yields consolidating or reversing?
- Goldman Sachs predicts a "stronger for longer" dollar due to Trump's proposed tariffs, economic policies, and rising US asset prices.
- President-elect Trump to meet with Coinbase CEO Brian Armstrong.
- BoE'S Greene: The risk of cutting too early greater than going slowly.
- More evidence of tapped out US. consumers. US credit applications for mortgages and auto loans are being rejected at the highest rate in more than a decade.
- US Corporate Bond Spreads have fallen to an all-time low, which could be an early sign of a bubble, warns S&P Global Ratings.
- China ETF outflows increase as traders flee on Trump Tariff Risk – Bloomberg.
- After 6 days of selling, gold finally rebounds in 3rd biggest one-day jump of 2024, rising almost 2%, as 100DMA support holds (50DMA is now resistance), after Goldman Sachs reiterates it sees gold at \$3,000 next year.

Key data today:

- US building permits & housing starts.



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