



# OVERNIGHT & SINGAPORE WINDOW

INSIGHT@ONYXCAPITALADVISORY.COM  
**ONYX CAPITAL ADVISORY**

20 NOV 2024



## FLAT PRICE

The Jan'25 Brent futures contract rose this morning from \$73.30/bbl at 07:00 GMT up to a high of \$73.92/bbl at 09:20 GMT, before falling back down to \$73.50/bbl at 10:40 GMT (time of writing). This morning, a Reuters report citing Kpler vessel-tracking data showed that China's crude imports are on track to end November at or close to record highs, however, no exact figure was specified. Meanwhile, markets forecast a 0.8mb in US crude oil inventories, with EIA data due to be released at 15:30 GMT today for the week to 15 Nov. In the news today, around 10,900 North Korean troops have been deployed to the Kursk region as part of Russia's airborne unit and marines, in addition to shipping arms for the war in Ukraine, according to a South Korean lawmaker Lee Seong-kweun citing the National Intelligence Service. In other news, the acting Minister of Natural Resources in the Kurdistan Regional Government (KRG), Kamal Mohammad Salih, stated that Kurdistan's oil exports will resume at the beginning of 2025 with barrel extraction costs set at \$16, as per an article by Kurdistan24. This followed an agreement between the KRG and the central Iraqi government on a new production-sharing framework. At the time of writing, the Jan/Feb'25 and Jan/Jul'25 Brent futures spreads stand at \$0.32/bbl and \$1.05/bbl, respectively.

## CRUDE

This morning in Dated, we saw the Dec DFL open at \$0.36/bbl and the Jan DFL at \$0.05/bbl. We saw a refiner bidding for 9-13 Dec Cal Jan which traded up to \$0.59/bbl. We also saw buy-side interest in the 2-6 Dec 1 week roll which traded up to \$0.26/bbl and the Cal Dec 16-20 Dec roll traded at \$0.10/bbl. The Dec/Jan DFL was bid up to \$0.33/bbl. Things then started to go offered with the Dec DFL trading down from \$0.39/bbl to lows of \$0.35/bbl and the Jan DFL stayed trading at \$0.06/bbl.

It was a quiet morning today in Dubai. Brent/Dubai slightly traded downwards, with Dec Brent/Dubai currently trading at \$0.82/bbl, trading between \$0.81/bbl and \$0.86/bbl, and Jan Brent/Dubai currently trading at \$0.87/bbl, trading between \$0.86/bbl and \$0.93/bbl. Early morning, there was selling pressure on Brent/Dubai with a March for Jan EFS offer and selling interest in Brent/Dubai boxes, notably the Feb/Mar box. The Dec/Jan box remained relatively unchanged and currently is trading at -\$0.05/bbl. We furthermore observed buying interest in Dubai spreads with bids on the Dec/Jan spread, trading between \$0.24/bbl and \$0.27/bbl, and the Jan/Jun spread. The physical window was, in line with yesterday, very strong.

## FUEL

In VLSFO, a mixed morning to start the day on Sing 0.5. It was a bit weaker earlier on due to selling on Sing structure, with the Dec Sing crack trading down to \$11.65/bbl. Buying entered the market on more deferred spreads, which gave support to the front crack, closing the morning at \$11.80/bbl. Structure itself didn't see much price action this morning, with Dec/Jan Sing trading at \$6.50/mt for the majority of the morning. Euro structure saw some strength this morning, with spreads closer to the front better bid. Dec/Jan Euro traded up to \$4.00/mt from \$3.75/mt. There was very little activity on the Euro crack, however the Dec was implied higher at \$4.50/bbl.

In HSFO, 380 structure continued to be bid this morning, with Dec/Jan 380 benefitting, trading up to \$8.25/mt from \$8.00/mt. It was a fairly quiet morning on 380 cracks, however, there was buy-side interest on the front 380 crack which traded around -\$6.05/bbl. The barge crack was well supported this morning on screen, with the front trading up to -\$7.90/bbl from -\$8.35/bbl. Barge structure was supported by this rally with Dec/Jan barges trading up to \$5.00/mt from \$4.00/mt. The 380 E/W came under pressure owing to the barges rally, with Dec 380 E/W trading down to \$11.25/mt from \$14.25/mt.



## DISTILLATES

This morning in distillates, the Dec/Jan Sing gasoil spread came off to lows of \$0.37/mt before retracing a tick post-window as the Jan/Feb was hit down to \$0.25/mt. The Dec E/W was initially lifted to highs of -\$17.75/mt before trading back down to -\$18.25/mt as the Q2'25 opened higher at -\$15.75/mt. The prompt regrade softened slightly to \$0.65/bbl as the kero spreads were rangebound the Dec/Jan and Jan/Mar trading at \$0.60/mt and \$0.92/mt, respectively.

The ICE gasoil spreads came off early this morning before recovering post-window, the Dec/Jun at \$14.75/mt as the cracks rallied, the Q1'25 to \$18.00/bbl. The Dec European jet diff opened higher and rallied to \$46.50/mt as the Q2'25 traded at \$51.25/mt. The front heating oil spreads were rangebound while the HOGOs came off, the Q1'25 to 8.5 c/gal.

## GASOLINE

This morning in gasoline, we saw flat price trade at the end of the window equivalent to \$7.00/bbl on a crack basis in Dec 92 as MOC was bid at +0.25c/bbl. Dec 92 cracks traded from \$6.85/bbl to \$7/bbl where strong selling came in as Q1'25 cracks saw buying at \$7.30/bbl and Q3'25 was bid at \$5.65/bbl. Dec/Jan 92 strengthened from -\$0.03/bbl to \$0.07/bbl with Jan/Feb seeing buying at \$0.07/bbl. Dec E/W initially weakened to -\$1.10/bbl before seeing buying up to -\$0.95/bbl in the window as Q2'25 E/W was bid at -\$6.60/bbl. EBOB cracks saw little price action with buying at \$8.10/bbl in Dec as Dec/Jan EBOB was offered at \$3.25/mt. Dec arbs traded at 6.80c/gal with Jan RBBRs strengthening from \$10.39/bbl to \$10.60/bbl.

## NAPHTHA

This morning in naphtha, we saw MOPJ MOC valued at \$639/mt with MOC better offered. In MOPJ we saw flat price selling on higher crude this morning as well as some deferred crack interest with Q1'25 valued at -\$1.90/bbl, 92vsMOPJ was better offered this morning providing support to the front. Spreads were well bid initially with Dec/Jan firming from \$4.25/mt to \$5/mt where it found selling in the window to trade at \$4.75/mt, Q3'25/Q4'25 remained firm bid as well this morning supporting the curve. E/W was stronger this morning with Dec trading up to \$20.75/mt post-window from \$20.50/mt. NWE cracks were slightly better bid in the front with Dec trading at -\$3.55/bbl during the window, up from morning value of -\$3.70/bbl while Q1'25 also saw buying from -\$4.35/bbl to -\$4.15/bbl.

## NGLS

This morning in NGLs, pre-window FEI was well bid along with spreads in both prompt and deferred. In the prompt, we saw Dec/Jan and Jan/Feb trade up to \$6/mt and \$10/mt, respectively, whilst in deferred Dec/Dec'25 traded up to \$62/mt. During the window/post-window, FEI weakened along with spreads as Japanese importers were making offers with Dec/Jan and Jan/Feb trading down to \$5/mt and \$9/mt, respectively. FEI/MOPJ was also better offered owing to naphtha weakness. Physical window was mainly offered with fewer bids being made. Offers were made for 2H Dec at Dec FEI plus \$2/mt and 2H Dec at Dec FEI minus \$3.50/mt Port Chiba, whilst a bid was made for 2H Dec at \$623/mt fixed. Arbs were weaker in prompt and deferred with Jan and Q1/Q2'25 roll trading down to -\$202/mt and -\$19/mt, respectively. FEI/CP was initially stronger pre-window with Dec and Q1'25 trading up to flat and \$3/mt, respectively, then became weaker as we approached the window with Dec trading down to -\$5/mt post-window. E/W was a similar story with Dec trading at \$65/mt pre-window owing to FEI strength and crude, then during the window came down to \$64/mt and now implied at \$63/mt.



## GLOBAL MACRO

- UK inflation jumps CPI 2.3% (est. 2.2%, last 1.7%). The OIS prices just 59 bp of cuts from the BOE by year end.
- Nvidia reports tonight, trading near all time highs while the wider semi-conductor industry is down -30% from the highs. Nvidia alone is expected to drive 25% of the entire SPX's 3Q earnings growth. Its \$3.6T mkt cap is nearly as big as the entire CAC and DAX combined.
- US October housing starts tumble -3.1% to 1.311m; est. 1.340m; prev. 1.353m. A main underappreciated labour market risk: Fewer projects means fewer workers needed, and construction leads the broader market.
- US building permits (LEADING Indicator) weaken a bit more as rates climb. Not a recession indicator but trending in the wrong direction.
- US retail investors are the most bullish in decades: The bull-bear spread 12-month average in the AAI survey reached ~20 points in November, the highest in 20 years...
- Meanwhile, 'Record numbers of US executives are selling shares in their companies. The ratio of insider sales-to-insider buys has hit a record high for any quarter in two decades.' Financial Times.
- But with US real 10-year yields back above 2% this is a level that constitutes a significant hurdle for the economy.
- German Wages Rose by Most in Three Decades in Third Quarter – Bloomberg

Returns since the election:

Positive: Dogecoin: +141%, MicroStrategy: +87%, Coinbase: +67%, Tesla: +36%, Bitcoin: +35%, Banks: +8.7%, US Dollar: +2.9%, Small Caps: +2.5%, S&P 500: +2.2%

Negative: Long-Term Treasuries: -2.1%, International Stocks: -3.1%, Oil: -3.4%, Gold: -4.1%, China: -6.8%, Novo Nordisk: -7.2%, Pfizer: -9.7%, Trump Media: -11%, Volatility: -21%

# DISCLAIMER

4/3



Disclaimer Notice: This report contains proprietary information and is solely intended for subscribed users in accordance with our terms and conditions. It is unlawful for you to forward this report to unauthorized persons or for them to otherwise access this report.

Any recommendation, prediction, or suggestion as to an investment strategy has been prepared by Onyx Capital Advisory Limited ("Onyx") in accordance with legal requirements designed to promote the independence of investment research ("Research"). This research is directed at, and therefore should only be relied upon by, clients who have professional experience in matters relating to investments. Onyx's Research is not directed at retail clients or those in a jurisdiction in which this distribution may be restricted by local regulation or law. Onyx's publications are prepared without taking into account your specific investment objectives and financial situation, therefore before acting on any information, you should consider its appropriateness. Onyx's Research should not be regarded as a substitute for obtaining independent professional advice, including investment, tax and legal advice. Onyx's policy is to only publish Research that is impartial, independent, clear, fair, and not misleading. Any views expressed are those of Onyx's at the time the Research was prepared. No assurances or guarantees are given as to the reliability, accuracy, or completeness of any such information or any matter contained in Onyx's Research and such Research may contain statements which are matters of judgement and which are subject to change at any time without notice. Onyx accepts no duty or liability, whatsoever, to any party in respect of its Research. Under no circumstances will Onyx be responsible for any losses incurred (whatever their nature) by its clients resulting directly or indirectly from the use or interpretation of any information contained in its Research. Such Research is solely produced and published by employees of Onyx and based on publicly available information. Past performance is not indicative of future performance. Analysts are required to ensure that they have a reasonable basis for their analysis, predictions, and recommendations. Onyx maintains strict regulatory controls to mitigate any conflicts of interest including information barriers and restrictions on the undertaking of personal transactions in financial instruments. Onyx is registered in England & Wales (company number 11472304) with its registered address at 95 Cromwell Road, Second Floor, London, United Kingdom, SW7 4DL. Onyx is authorised and regulated by the Financial Conduct Authority (FCA no. 822509).