



OVERNIGHT & SINGAPORE WINDOW

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FLAT PRICE

The Jan'25 Brent futures contract saw steady support this morning, increasing from \$73.13/bbl at 07:00 GMT up to \$73.70/bbl at 10:40 GMT (time of writing). Markets await further news on an Israel-Lebanon ceasefire, with Israel's security cabinet expected to meet this afternoon to potentially approve a US peace deal. In the news today, Azerbaijan's energy minister Parviz Shahbazov told Reuters that OPEC will likely remain committed to their production curb for yet another month, also stating that it is difficult to judge whether OPEC+ will discuss oil output rollover at the group's next meeting on 1 December. In other news, Total is seeking environmental authorisation to drill up to seven exploration wells in the southern part of its Deep Water Orange Basin (DWOB) block off the west coast of South Africa, Reuters revealed. Finally, President-elect Donald Trump has vowed to impose additional 10% tariffs on goods from China and 25% tariffs on all products from Mexico and Canada, in posts made on his Truth Social network. Trump stated he will impose high tariffs on Mexico and Canada until they clamp down on the illegal drug trade and migrants crossing the border, according to Reuters. At the time of writing, the Jan/Feb'25 and Jan/Jul'25 Brent futures spreads stand at \$0.60/bbl and \$1.74/bbl, respectively.

CRUDE

A very quiet morning in Dated Brent, with sell-side interest in Dec/Jan Dated, which traded at \$0.82/bbl. There was two way flow in Dec rolls, seeing sell-side interest from money managers in 9-13 Dec Cal Jan and 30-3 Dec Cal Jan. We also saw offers come in for 9-13 Dec Cal Dec which traded at \$0.10/bbl and was bid over. The Dec DFL traded at \$0.78/bbl.

FUEL

In VLSFO, it was a weaker start to the morning on Sing 0.5 with a fair amount of selling out the East. The front Sing crack opened weaker before trading down to \$11.40/bbl prior to the window. There was a recovery heading into the window, which continued post-window with the Dec Sing crack trading up to \$11.65/bbl. The crack selling put pressure on Sing structure which also saw selling down the curve. Dec/Jan opened weaker, before trading down to \$5.00/mt as the day progressed. Euro 0.5 was fairly stable this morning with some selling early on structure however this disappeared as the day continued. Dec/Jan Euro traded at \$4.25/mt for the majority of the morning with Dec Euro crack trading at \$4.85/bbl.

In HSFO, it was a strong morning with the majority of strength coming through barges. The Dec 380 crack was supported up to -\$4.30/bbl from -\$4.80/bbl. 380 structure was bid into 2025, with the front spread trading up a tick to \$9.50/mt. As mentioned, the barge crack was well supported this morning, with the Dec barge crack trading up to -\$6.20/bbl from -\$7.10/bbl. Structure was independently supported, with Dec/Jan barges trading up to \$6.75/mt from \$5.50/mt. The 380 E/W was weaker off the back of the relative barge strength with Dec 380 E/W selling down to \$12.50/mt from \$13.75/mt.

DISTILLATES

This morning in Distillates, Sing gasoil spreads saw better buying interest push up the curve, with Dec/Jan trading up from lows of \$0.28/bbl to \$0.37/bbl post-window, while Jan/Mar rallied from \$0.54/bbl to \$0.57/bbl. Similarly, the prompt E/W opened weaker initially before rallying into the morning, with the Dec E/W rallying from -\$22.00/mt to -\$20.25/mt, while the Q2'25 E/W traded between -\$16.00/mt and -\$15.75/mt throughout the morning. Kero spreads saw the Dec/Jan remain stable at \$0.40/bbl, while Jan/Jun selling interest was seen from \$1.78/bbl to \$1.80/bbl. The regrade got hit down into the morning session, with Dec weakening from \$0.48/bbl to \$0.44/bbl, as Jan traded between \$0.40/bbl and \$0.38/bbl. Deferred interest was seen in the Q2'25 and Q3'25 regrade, as they traded at -\$0.35/bbl and -\$0.30/bbl, respectively.

ICE LS gasoil spreads saw the prompt spread remain strong, with Dec/Jan rallying to \$8.50/mt, while the Dec/Jun spread is at highs of \$21.75/mt post-window. The ICE gasoil cracks also strengthened into the morning, with the Dec crack at \$19.15/bbl and the Q1'25 crack at \$18.60/bbl post-window. The European jet diffs weakened into the morning, with Dec trading down to \$42.50/mt and interest in the Q1/Q2'25 roll seen at -\$1.50/mt. Heating oil spreads remained supported, while the HOGOs also rallied into the morning session. The Dec swap is at 7.9c/gal while the Q1'25 is at 8.7c/gal.



GASOLINE

This morning in gasoline, we saw Dec 92 flat price valued at \$79.64/bbl at the end of the window equivalent to \$6.95/bbl on a crack basis. Dec 92 cracks weakened from \$6.90/bbl to \$7.00/bbl as Q2'25 cracks were bid at \$6.60/bbl. 92 spreads were well supported as Dec/Jan traded from \$0.15/bbl to \$0.22/bbl and Dec/Feb saw strong buying at \$0.49/bbl with Jan/Mar bid from \$0.44/bbl to \$0.48/bbl. Dec E/W was offered as it weakened from -\$0.40/bbl to -\$0.50/bbl with Jan coming off from -\$0.15/bbl to -\$0.25/bbl and Q1'25 E/W last trading at -\$0.90/bbl. Dec EBOB cracks saw buying at \$7.45/bbl and Q1'25 cracks supported to \$8.05/bbl as Dec/Jan EBOB was bid at \$4.25/mt with other spreads seeing little activity. Dec arbs strengthened slightly from 5c/gal to 5.05c/gal with Jan arbs trading up to 6.65c/gal as RBBRs were bid.

NAPHTHA

This morning in naphtha, we saw MOPJ MOC valued at \$633.75/mt with MOC flows balanced. MOPJ saw mixed flat price selling and buying flows this morning as it struggled to find direction. As crude strengthened we saw spreads come off with Dec/Jan trading at \$3/mt post-window from \$3.25/mt while deferred spreads were still firm bid with Q3'25/Q4'25 trading at \$8.75/mt. E/W was stronger this morning, on weaker NWE structure, with Dec lifted from \$22/mt value end of window up to \$23.25/mt, Q1'25 also saw buy-side interest getting valued at \$19.75/mt post window. NWE cracks weakened slightly in the window from -\$3.85/bbl to -\$3.90/bbl; but post-window more selling came in and pushed the crack down to -\$4.20/bbl as naphtha structure came off. Dec/Jan was implied at \$1/mt and post-window was sold down to \$0.25/mt as it found limited buy-side interest while Jan/Feb was also sold from an implied \$4/mt to \$3.50/mt.

NGLS

This morning in NGLs, FEI initially slightly better offered in the morning with structure lower as Dec/Jan and Jan/Feb traded at \$4/mt and \$9/mt, respectively, as best buying was in May, Jun, and Aug. The window was better bid with offers lifted at the end of the window, trading mainly around \$623/mt but briefly climbing to \$624/mt on similar crude levels. Physical window was quiet, with no bids or offers. FEI being better bid in prompt let spreads recover slightly, with Dec/Jan and Jan/Feb implied around \$4.5/mt and \$9.5/mt, respectively. However, despite being better bid briefly post-window, FEI seems slightly better offered again. Arbs were slightly higher, with Jan LST/FEI trading at -\$182/mt pre-window, while Q1/Q2'25 arb rolls traded up at -\$6.50/mt. E/W implied slightly higher as NWE weaker from better prompt pronap selling, trading at -\$49/mt in Dec. Prompt FEI/CP slightly weaker, trading at -\$11/mt in Dec as FEI slightly better offered. FEI/MOPJs saw best-selling in Q1'25 and Q2'25, trading at -\$22/mt and -\$50/mt, respectively.



GLOBAL MACRO

- Canadian dollar and Mexican Peso fall had versus the dollar on Trumps tariff talk. Both steadily trending lower.
- Poster boy Nvidia down -4.2 overnight, now -11% from the highs.
- Golds fall yesterday was largest fall since June 2021. Big support at 2,530 looming, below there the whole 2024 uptrend will have ended, and the market will be heading lower.
- US 10-year yield's now trending lower, this has stalled the US dollar up trend.
- German IFO business climate, current conditions and expectations all fall.
- Copper sitting on 5-year support line and trending lower, not a positive signal for the global economy.

Data today:

- Fed minutes



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