



OVERNIGHT & SINGAPORE WINDOW

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FLAT PRICE

The Feb'25 Brent futures contract rose this morning from around \$73.80/bbl at 07:00 GMT to \$74.10/bbl at 10:20 GMT (time of writing). Crude oil prices remained supported this morning while traders await tomorrow's OPEC+ meeting (5 Dec), where ministers are expected to further delay production hikes into Q1'25. In the news today, in light of the Syrian rebels' attack on Aleppo on 30 Nov, Iranian Foreign Minister Abbas Araghchi stated "If the Syrian government wants us to deploy troops in Syria, we'll consider their request", as per Bloomberg. In other news, the Kremlin's spokesman, Dmitry Peskov, told the Izvestia newspaper that "there are no grounds for negotiations yet" on how to bring the war in Ukraine to an end. Meanwhile, Reuters reported that advisers to US President Trump are floating proposals to cede Ukrainian territory to Russia while ruling out potential NATO membership for Ukraine. Finally, South Korean lawmakers submitted a bill on Wednesday to impeach President Yoon Suk Yeol after he declared martial law and reversed the move hours later, as per Reuters. S&P Global claimed that the political conflict would pose no risk to oil products supplies for Asia-Oceania customers. However, the Korean Confederation of Trade Unions (KCTU) launched an indefinite labour strike on 4 Dec until the South Korean president resigns, which could cause minor delays in the domestic retail fuel supply network. Finally, At the time of writing, the Feb/Mar'25 and Feb/Aug'25 Brent futures spreads stand at \$0.44/bbl and \$1.63/bbl, respectively.

CRUDE

This morning in Dated Brent, we saw things go very bid with Jan'25 DFL lifted up to highs of \$0.42/bbl and the Bal-Dec'24 DFL up to \$1.04/bbl with a refiner on the bid. We also saw the 16-20 1 week and 2 week bid up, with the 2 week trading up to \$0.48/bbl. The 9-13 Dec'24 DFL also traded up from \$1.15/bbl to \$1.30/bbl and the 16-20 Dec CFD traded up to \$0.69/bbl. More deferred DFLs also went bid with the Q1'25 DFL trading up to \$0.22/bbl.

FUEL

In VLSFO, Sing 0.5 was a bit weaker to start out the morning relative to last night, trading down to \$10.60/bbl, with selling on deferred quarterly cracks. Heading into the window, buying on both structure and deferred cracks came into the market which supported the crack, with Dec'24 trading up to \$10.80/bbl. As mentioned, there was buying on Sing structure, which was the front spread trade up a tick to \$4.00/mt. It was a largely illiquid morning on Euro 0.5, with the Jan'25 Euro crack trading at \$4.15/bbl and the front spread having an implied price around \$3.00/mt.

In HSFO, the 380 E/W came under pressure this morning, with selling on the Dec'24 down to -\$0.50/mt from \$1.25/mt. The 380 crack was weaker as a result, with Dec'24 trading down to -\$5.80/bbl from -\$5.70/bbl. 380 structure also opened fairly weak, with the front trading down to \$3.25/mt early on. The barge crack benefitted from the weaker 380 E/W, with the Jan'25 barge crack trading up to -\$5.75/bbl from -\$5.95/bbl. Barge structure was also a touch stronger, with Jan/Feb'25 barges trading up to \$6.25/mt from \$6.00/mt.



DISTILLATES

This morning in distillates, Sing gasoil spreads rallied at the front with the Bal-Dec/Jan'25 and Jan/Feb'25 trading up to \$0.40/bbl and \$0.24/bbl, respectively, while the deferred spreads saw buying interest, the Sep/Oct'25 and Oct/Jan'25 trading for size at \$0.02/bbl and \$0.08/bbl, respectively. The E/W was rangebound, the Jan'25 coming off a tick to -\$17.25/mt while the Q3'25 traded at -\$17.25/mt. Regrade continued to soften at the front with the Jan'25 hit down on screen to \$0.30/bbl as the Jan/Feb'25 kero spread came off to \$0.40/bbl.

The ICE gasoil spreads rallied post-window, the Dec/Jun'25 to \$12.00/mt, as did the cracks, the Q1'25 to \$17.00/bbl. There was some deferred interest in European jet diffs, with the Q3'25 trading at \$52.25/mt. The front heating oil spreads came off as did the HOGOs, the Q1'25 to 6.9c/gal.

GASOLINE

This morning in gasoline, we saw Jan 92 flat price valued at \$81.10/bbl at the end of the window equivalent to \$7.70/bbl on a crack basis as MOC was bid at +25c/bbl in Jan'25 and Feb'25. Jan'25 92 cracks saw buying up to \$7.75/bbl post-window before coming off to trade at \$7.60/bbl as Q1'25 cracks were bid at \$7.50/bbl. Jan/Mar'25 92 was offered from \$0.90/bbl to \$0.80/bbl as Feb/Apr'25 traded at \$0.85/bbl. Jan'25 E/W was valued at \$0.30/bbl with Q1'25 seeing strong buying at -\$0.55/bbl as Jan'25 EBOB cracks traded at \$7.40/bbl and Q2'25 cracks were bid up to \$13.05/bbl. Jan/Feb'25 EBOB traded at -\$3.50/mt and Apr/Sep'25 saw some scaleback selling as it traded from \$32/mt to \$32.50/mt. Jan'25 arb was valued at 5.20c/gal as RBBRs strengthened slightly from \$9.03/bbl pre-window to \$9.15/bbl.

NAPHTHA

This morning in naphtha, we saw Jan'25 MOPJ flat price valued at \$631/mt at the end of the window on a -\$2.45/bbl crack equivalent. MOPJ cracks saw little trading activity as Jan/Feb'25 was offered, weakening to \$2.50/mt from \$2.75/mt. Jan'25 E/W was initially supported to \$22/mt before softening slightly to \$21.75 as Jan'25 NWE cracks saw selling down to -\$5/bbl before trading back to -\$4.80/bbl and Q1'25 cracks valued at -\$4.80/bbl. European spreads were also weak with Jan/Feb'25 trading from \$1.75/mt to \$1.25/mt where some buying came in as Feb/Mar'25 saw scaleback selling from \$3.25/mt to \$3.50/mt.

NGLS

This morning in NGLs, FEI was weaker along with deferred spreads and slightly weaker in prompt. In deferred, we saw Jan/Dec'25 and Jan/Jun'25 trade down to \$47/mt and \$56/mt, respectively, while in prompt, Jan/Feb'25 was unchanged trading at \$6.50/mt and Mar/Apr'25 traded down to \$15.50/mt. In the physical window, an offer was made for 1H Jan at Jan FEI plus \$3/mt. Arbs strengthened this morning with Jan'25 trading at -\$188/mt owing to FEI weakness; E/W also weakened with Jan'25 trading down to \$60/mt. FEI/CP weakened pre-window/during the window with Jan'25 and Feb'25 trading down to -\$12/mt and -\$9.50/mt, respectively, then gained support post-window with Jan'25 trading at -\$11/mt; FEI/MOPJ came off as Jan'25 traded down to -\$17/mt.



GLOBAL MACRO

- More dollar carnage, Chinese Yuan 1-year low, Brazilian Real & Russian Rouble new all-time lows. Commodities getting more expensive as the dollar rallies. Oil demand growth for 2025?
- US 10-year bonds starts to tick higher on stronger than expected data. JOLTS opening surge with biggest increase in 14 months, and Quits also rose (showing people are comfortable finding a new job). JOLTS still in an overall down trend but data remains resilient. The US economy remains the outlier. JOLTS job openings soar 372K to 7744K (est. 7519K, prev. 7372K).
- New 3-year low for daily average national gasoline price.
- Hedge funds favoured currency trade is now selling EURJPY (as discussed on the Monday podcast!), implied volatility now highest since August. Hedge Funds Pivot to Selling Euro Against Yen on Japan Rate Bets – Bloomberg.
- The equity market is NOT the economy. German DAX index makes new all-time high above 20,000, fuelled by higher valuations, NOT increased earnings.
- Weak UK data with UK manufacturing PMI at 48 (est. 48.6, prev. 49.9) and BRC retail sales -3.4% m/m (est. +0.7%, prev. +0.3%).

Data today:

- US ADP employment, ISM services PMI.
- UK service PMI.



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