



OVERNIGHT & SINGAPORE WINDOW

INSIGHT@ONYXCAPITALADVISORY.COM
ONYX CAPITAL ADVISORY

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FLAT PRICE

The Feb'25 Brent futures contract fell slightly from \$72/bbl at 07:00 GMT down to \$71.65/bbl at 10:20 GMT (time of writing). Crude oil markets appear to have largely priced in the OPEC+ decision to delay production hikes, in line with traders' expectations and ongoing concerns surrounding oil demand. In the news today, Russian Foreign Minister Sergei Lavrov stated in an interview that the use of a hypersonic missile on the Ukrainian city of Dnipro last month was a demonstration to the West that Moscow is ready to use any means to ensure no "strategic defeat" would be inflicted on Russia. In other news, Chevron will reduce capital expenditures in the Permian Basin to between \$4.5 billion and \$5 billion in 2025, a drop of more than 10% y/y and marking the oil giant's first budget reduction since 2021, as per Bloomberg. Finally, German industrial production data released 06 Dec for October showed a 1% decline m/m compared to expectations of a 1.2% increase. The Federal Statistical Office of Germany said the decline was mainly centred in energy production and the automotive industry. At the time of writing, the Feb/Mar'25 and Feb/Aug'25 Brent futures spreads stand at \$0.38/bbl and \$1.26/bbl, respectively.

CRUDE

This morning in Dated Brent, we saw the Jan'25 DFL offered down to \$0.35/bbl and the Bal-Dec'24 DFL offered to \$0.90/bbl. There was a block seller of 9-13 Dec'24 CFD down to \$1.20/bbl and 16-20 Dec CFDs offered down to \$0.70/bbl. The 13-17 Jan Cal Jan roll initially saw buy-side interest before 13-17 Jan 1 week roll was offered down to \$0.14/bbl and the 6-10 Jan Cal Jan roll down to \$0.19/bbl. There was also fund sell-side interest in the 23-27 Dec 2 week roll and the 6-10 Jan 3 week roll.

FUEL

In HSFO, 380 structure was offered this morning to start, which saw spreads trading down. Jan/Feb'25 380 traded down to \$2.50/mt from \$3.00/mt. The 380 crack was a touch weaker as a result of the structure weakness, with Jan'25 selling down to -\$6.00/bbl from -\$5.80/bbl. Barges were a touch stronger this morning, being bid up on screen. The Jan'25 barge crack traded up to -\$6.30/bbl from -\$6.45/bbl. Barge structure had a fairly illiquid morning, with Jan/Feb'25 3.5% barges having an implied price of \$4.50/mt. The 380 E/W was weaker off the back of a combination of weaker 380 and stronger barges, with Jan'25 380 E/W selling down to \$2.25/mt from \$4.00/mt.

In VLSFO, after opening weaker this morning, the Sing crack had a fairly stable morning. The Jan'25 Sing crack opened at \$10.60/bbl, before trading between \$10.60/bbl and \$10.70/bbl for the majority of the morning. Sing structure was a touch better offered, off the back of early crack weakness, with Jan/Feb'25 Sing trading down to \$3.25/mt from \$3.50/mt. Euro structure was well bid this morning towards the front of the curve with Jan/Feb'25 Euro was bid up to \$4.75/mt from \$4.00/mt. The structure rally supported the Jan'25 Euro crack, which was bid up to \$4.65/bbl.



DISTILLATES

This morning in distillates, the front Sing gasoil spreads were rangebound, the Bal-Dec/Jan'25 coming off a tick to \$0.48/bbl as there was continued trade house buying interest in the deferred, the Oct'25/Jan'26 trading at -\$0.03/bbl. The prompt E/W continued to rally to -\$14.50/mt as combo buying continued in the Q1'26. Regrade came off at the front of the curve, the Jan'25 to \$0.15/bbl as the Q1'26 continued to be supported, trading at \$0.10/bbl.

The ICE gasoil spreads continued to tick lower, the Dec/Jan'25 to \$7.75/mt as the cracks were rangebound, the Q1'25 trading at \$16.10/mt. The NWE jet diffs also softened, the Jan'25 to \$43.50/mt while the Q3'25 traded at \$51.00/mt. Heating oil spreads continued to come off as did the HOGOs, the Q1'25 to 6.7c/gal.

GASOLINE

This morning in gasoline, we saw Jan'25 92 flat price valued at \$79.30/bbl at the end of the window equivalent to \$7.60/bbl on a crack basis as MOC was bid at +0.25c/bbl in Jan'25 and Feb'25. Jan'25 92 cracks saw selling as they weakened from \$7.80/bbl to \$7.55/bbl where buying came in as Q1'25 cracks saw selling at \$7.50/bbl. Jan/Mar'25 was offered trading from \$0.60/bbl to \$0.56/bbl with Mar/Apr'25 seeing selling at \$0.38/bbl. Jan'25 E/W came off to \$0.05/bbl from \$0.10/bbl on weaker Eastern cracks as Jan'25 EBOB cracks traded from \$7.55/bbl to \$7.65/bbl with EBOB spreads seeing little trading activity. European gasnaps were quiet and 92vMOPJ saw strong major buying up to \$10.30/bbl in Jan'25.

NAPHTHA

This morning in naphtha, we saw Jan'25 MOPJ MOC valued at \$621.75/mt with MOC better bid. Initially in the morning, we saw MOPJ flat price buying on lower crude, pushing the Jan'25 crack up to be implied around -\$1.70/bbl going into the window. At the end of the window, there was mixed flat price flows with slightly more buy-side interest from physical players as crude started to come off again. Spreads were slightly stronger with Jan/Feb'25 trading up to \$3.25/mt post-window from \$3/mt and Feb/Mar'25 firm at \$4.25/mt. There was more 92vsMOPJ selling in Jan'25 this morning around \$10.25/bbl from majors which put pressure on the front cracks, while receiving support from strong flat price buying. E/W was initially better bid on weaker crude in the morning but remained balanced on stronger NWE cracks with Jan'25 trading at \$21/mt throughout the morning. NWE cracks strengthened from trading at -\$4.10/bbl during the window up to -\$3.90/bbl post-window and spreads firmed with Jan/Feb'25 trading up to \$2.50/mt post-window from trading initially at \$2/mt in the morning.

NGLS

This morning in NGLs, FEI was better bid with spreads well supported in prompt and deferred. In prompt, Jan/Feb'25 and Jan/Mar'25 traded at the same levels as yesterday close at \$7/mt and \$24/mt, respectively; whilst in deferred, Jan/Jun'25 traded at \$60/mt. In the physical window, a mixture of bids and offers were made with a bid for 2H Jan at Jan'25 FEI minus \$0.5/mt and an offer for 1H Jan at Jan'25 FEI plus flat. Arbs were slightly stronger with Jan'25 trading up to -\$200/mt, whilst E/W was unchanged with Jan'25 implied at \$64/mt. FEI/CP strengthened with Feb'25 and Mar'25 both trading to -\$10/mt.



GLOBAL MACRO

- Very weak German industrial production -1% (est 1.2%, prev. -2%).
- The NFIB small business survey's labour market parts included a big improvement for hiring plans yesterday, which is good news. However, there was an even larger increase for compensation plans, indicating a return to 4.5-5% wage growth.
- Investors have pumped almost \$140bn into US equity funds since last month's election, the busiest month for inflows stretching back to 2000.
- Bitcoin rollercoaster, round trip from \$103.8k to \$90.5k, last trading \$98.6k. Don't forget the largest drawdowns in the last 10 years: Gold: -22%, Bitcoin: -78%, -82%, -55%.
- Ageing population is a growing long-term macro problem. As Singapore's birth rate has hit rock bottom—just 0.97 kids per woman, far below the 2.1 needed to sustain a population.

Data today:

- US non-farm payrolls (est +218k, unemployment rate 4.1%), Consumer confidence.
- Canadian jobs data.



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