



# OVERNIGHT & SINGAPORE WINDOW

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

11 DEC 2024



## FLAT PRICE

After trading comfortably around \$72.50/bbl overnight, the Feb'25 Brent futures contract has increased to \$72.85/bbl this morning at 10:45 GMT (time of writing). Crude oil prices have been supported following the announcement of China's looser monetary policy stance and expectations of a US Fed rate cut next week. In the news today, the Biden administration is considering harsher sanctions against Russian oil in the leadup to Donald Trump's inauguration in January 2025. The sanctions could target Russian oil exports according to anonymous sources familiar with the matter, however, no exact details have been specified, as per Bloomberg. In other news, Russian crude oil flows through the Druzhba pipeline to the Czech Republic have continued as normal, operator MERO said following Ukrainian strikes on an oil depot in Russia's Bryansk region last night, according to Reuters. Finally, Ecuador's imports of refined products have been rising amid low refinery utilisation rates, with refining throughput for 2024 expected to drop 13.4% in 2024 y/y, as per S&P Global. Ecuador's oil products imports were recorded at 4.1mb in September, 5mb for October, and 5.2mb in November. At the time of writing, the Feb/Mar'25 and Feb/Aug'25 Brent futures spreads stand at \$0.33/bbl and \$1.27/bbl, respectively.

## CRUDE

A very quiet morning in Dated Brent, with Jan'25 DFL trading from \$0.28/bbl to \$0.31/bbl and Feb'25 DFL from \$0.14/bbl to \$0.16/bbl. In structures, we saw the 6-10 Jan Cal Jan roll bid up to \$0.15/bbl and the 23-31 Dec Cal Jan roll bid by a refiner and trade at \$0.40/bbl. There was also buying of the 23-27 Dec Cal Jan at \$0.51/bbl with money managers lifting Dec'24 DFL on screen at \$1.10/bbl. The 23-27 roll was then offered by money managers down to \$0.48/bbl.

## FUEL

In HSFO, 380 spreads were initially better offered this morning, however, as the morning progressed some real buying came into the market, which saw the Jan/Feb'25 380 spread trade up to \$2.00/mt from \$1.25/mt. The 380 crack remained rangebound, with seemingly less interest compared to spreads. The Jan'25 380 crack traded between -\$6.00/bbl and -\$5.90/bbl without a clear axe in the market. The barge crack came under pressure post-window this morning, with Jan'25 trading down to -\$6.40/bbl from -\$6.15/bbl. Barge structure was weaker as a result of the crack sell off, with Jan/Feb'25 barges trading down to \$4.00/mt from \$4.50/mt. The 380 E/W rallied on barge weakness, with Jan'25 buying up to \$1.50/mt from \$0.25/mt.

In VLSFO, the Sing crack opened lower this morning, with flows out the East driving the Jan'25 crack down to \$9.40/bbl to start the day. The crack then went better bid in the window, which saw Jan'25 trade up to \$9.70/bbl. Sing structure saw little price action earlier on when the crack experienced the sell-off, however, structure turned better bid supported by the Sing crack rally with Jan/Feb'25 Sing trading up to \$1.50/mt from \$1.25/mt. Euro 0.5 was led by Sing strength, the front Euro crack was implied higher at \$4.30/bbl with very little activity. Structure was better supported with Jan/Feb'25 Euro trading up to \$4.25/mt from \$4.00/mt.

## DISTILLATES

This morning in distillates, the front Sing gasoil spreads rallied with the Bal-Dec/Jan'25 trading up to highs of \$0.39/bbl as the Apr/May'25 came off to \$0.16/bbl. The prompt E/W rallied to -13.00/mt in the window before getting hit back down to -\$13.50/mt as the Q2'25 traded at -\$13.75/mt. Jan'25 regrade initially came off to -\$0.23/bbl before rallying to -\$0.15/bbl as the Jan/Feb'25 kero spread rallied to \$0.31/bbl.

The ICE gasoil spreads were rangebound, the Jan/Jun'25 trading at \$9.00/mt as the front cracks came off, the Q1'25 to \$17.00/mt. Heating oil spreads came off across the curve, as did the HOGOs, the Q1'25 to 7.1c/gal.

## GASOLINE

This morning in gasoline, we saw 92 MOC valued at \$80.95/bbl with MOC well bid. Eastern structure was strong again this morning, with the front crack trading up to \$8.90/bbl post-window while Q1'25 found selling up to \$8.65/bbl this morning supporting the front spreads. Jan/Feb'25 traded up to \$0.54/bbl post-window from \$0.50/bbl as well as interest in summer spreads with May/Jun'25 and Jun/Jul'25 with both trading at \$0.62/bbl. E/W started off strong this morning with Jan'25 trading at \$0.20/bbl but found selling back down to flat just after the window as Q1'25 was offered down from -\$0.85/bbl to -\$0.90/bbl. EBOB cracks were bid by refiners and banks this morning, with Jan'25 trading at \$8.75/bbl end of window and strengthening to \$8.90/bbl post-window as deferred cracks were well bid. Q2'25 was bid up from \$13.85/bbl this morning to trade up to \$14.15/bbl as Q2'25 arbs were offered. Spreads in the front were balanced with Jan/Mar'25 valued at -\$7.50/mt post-window but there was buy-side interest in deferred spreads with Jun/Jul'25 trading at \$8.50/mt and bid on. The front arb saw little action this morning but Mar'25 arbs were getting sold by refiners at 22.7c/gal. RBBRs were bid into the window from lows of \$10.22/bbl to trade around \$10.40/bbl post-window.

## NAPHTHA

This morning in naphtha, we saw Jan'25 MOPJ flat price valued at \$631.50/mt at the end of the window on a -\$1.10/bbl crack equivalent as MOC was bid at +5c/mt in Jan'25. Jan'25 MOPJ cracks traded at -\$1.05/bbl before coming off slightly end-window to -\$1.10/bbl as Jan/Feb'25 MOPJ was bid by majors from \$4.25/mt to \$4.75/mt and Feb/Mar'25 valued at \$5.25/mt. Jan'25 E/W strengthened to \$22.75/mt from \$22/mt with deferred E/W seeing some selling; Q2'25 and Q3'25 E/W were offered at \$19.25/mt and \$17.75/mt, respectively. Jan'25 NWE cracks were rangebound between -\$3.65/bbl and -\$3.55/bbl as Q2'25 cracks saw buying at -\$4.70/bbl levels with spreads seeing little activity; Feb/Jun'25 saw bank buying at \$18/mt.

## NGLS

This morning in NGLs, FEI was weaker with spreads being better offered in prompt and deferred. In prompt, Jan/Feb'25 and Feb/Mar'25 traded down to \$5.50/mt and \$16/mt, respectively; whilst in deferred, we saw Mar/Apr'25 and Apr/May'25 also trade down to \$18/mt and \$11.50/mt, respectively. In the physical window, a bid was made for 2H Jan'25 at Bal-Dec'24 FEI minus \$1/mt and an offer improved for 2H Jan at Jan'25 FEI plus flat. Arbs gained strength in the prompt owing to FEI weakness with Jan'25 and Feb'25 trading up to -\$206/mt and -\$196/mt, respectively, with Jan implied higher post-window at -\$205/mt. Deferred arbs were broadly unchanged with Q2'25 trading at -\$179/mt. E/W weakened with Jan trading down to \$61/mt and implied lower post-window at \$60/mt; FEI/CP also weakened with Jan'25 trading down to -\$16/mt straight after the window owing to FEI weakness, then was supported at -\$15/mt levels post-window.



## GLOBAL MACRO

- Post-election, US small business sentiment surges. The National Federation of Independent Business optimism index jumped 8 points, the largest m/m increase since July 1980, to 101.7 — the highest reading since June 2021.
- Meanwhile, new job postings on Indeed now down to its lowest level since September of 2020, and number of permanent job losers jumped by 304,000 in November to 1.9 million, the highest in 3 years.
- Chinese 10yr bond yield falls another 6bp to 1.865% on disappointment after Xi's promise yesterday.
- Chinese authorities are considering a weaker yuan as Trump trade risks loom, sources say – Reuters...
- US consumers are more bullish than ever compared to earnings expectations.
- Global stock buying spree continues. Foreign Investors bought just under \$3 billion worth of Indian stocks last week, the largest weekly investment since June 2023.
- US Treasury Secretary Yellen: "I am concerned about fiscal responsibility; deficits need to be brought down".
- After the suspected United Healthcare CEO shooter Luigi Mangione was captured, "Luigi Coin" jumped +35,000%.

Data today:

- US CPI
- Bank of Canada decision (46bp cuts expected).



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).