



OVERNIGHT & SINGAPORE WINDOW

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FLAT PRICE

The Feb'25 Brent futures contract weakened this morning, increasing from \$73.65/bbl at 07:00 GMT up to \$73.95/bbl at 09:00 GMT, before falling back down to \$73.50/bbl at 10:55 GMT (time of writing). In the news today, Kremlin spokesman Dmitry Peskov said that Russia will respond to Ukraine's ATACMS strike on Russian territory, as per Reuters. This came as Russia claimed Ukraine targeted a military airfield on the Azov sea with six US-made ATACMS missiles on 11 Dec. In other news, Rosneft has agreed to supply nearly 500kb/d of crude oil to Indian private refiner Reliance in the biggest energy deal ever between the two countries, according to Reuters. The 10-year agreement amounts to approximately 0.5% of global supply and is worth \$13 billion a year. Finally, Norway's Vaar Energi has discovered additional oil reserves in the Arctic Goliath field, with recoverable resources estimated to be between 4 million and 25 million barrels of oil equivalent, the company said in a statement. At the time of writing, the Feb/Mar'25 and Feb/Aug'25 Brent futures spreads stand at \$0.40/bbl and \$1.59/bbl, respectively.

CRUDE

This morning in Dated Brent, we saw Jan'25 DFL trade up to highs of \$0.36/bbl and Dec'24 DFL traded \$1.07/bbl. We again saw buy-side interest in the 20-24 Jan 1 week roll and the 27-31 Jan Cal Jan roll. There was a Chinese buyer of the 2-15 Jan Cal Feb roll which traded up to \$0.66/bbl and the 2-15 Cal Jan was bid up to \$0.14/bbl. We also saw a trade house bidding the 16-22 Jan Cal Jan roll against a refiner. After spreads started to sell-off, we saw Bal-Dec'24 DFL trade at \$ 0.78/bbl.

FUEL

In HSFO, Chinese arbers were aggressive buyers of 380 flat price this morning, which saw the front 380 crack benefit heavily, trading up to -\$5.50/bbl early on. As the morning progressed, the crack stabilised trading between -\$5.60/bbl and -\$5.50/bbl. 380 structure was fairly rangebound this morning, with Jan/Feb'25380 trading around \$2.25/mt. A quiet start to the morning on 3.5% barges, with the 3.5% barge crack having a fairly stable morning trading between -\$6.35/bbl and -\$6.25/bbl. It was a similar story on barge structure, with Jan/Feb'25 trading at \$4.50/mt. There was very little activity on the 380 E/W, with Jan'25 380 E/W trading between \$4.00/mt and \$4.25/mt.

In VLSFO, the 0.5% Sing crack opened stronger this morning relative to the level it closed last night. Chinese arbers bid the crack up to \$10.00/mt in the early part of the morning. However, in the window the Jan'25 crack got offered down \$9.70/bbl, where it then traded for the rest of the morning. Structure remained supported even with the front crack selling off, with Jan/Feb'25 0.5% Sing trading up to \$2.00/mt from \$1.75/mt. It was a very quiet start to the day on Euro 0.5%. The Jan'25 crack was implied lower, with the Jan'25 Euro crack trading at \$4.45/bbl towards the end of the morning. There was not much mentioned OTC regarding Euro spreads, with Jan/Feb'25 Euro printing at \$4.50/mt.

DISTILLATES

This morning in distillates, the front Sing gasoil spreads continued to see strength, the Jan/Mar'25 getting lifted to \$0.78/bbl as the Jan'25 E/W initially rallied to -\$12.50/mt before getting hit down to -\$13.50/mt post-window. The prompt regrade continued to tick lower to -\$0.43/bbl while the deferred remained rangebound, the Q4'25 trading at -\$0.05/bbl.

ICE gasoil spreads continued to rally with the Jan/Jun'25 trading at highs of \$11.75/bbl as the cracks were similarly strong, the Q1'25 trading up to \$17.45/mt. The Q1'25 NWE jet diff ticked lower to \$46.50/mt as the Q1/Q4'25 box came off, trading at -\$5.00/mt. Heating oil spreads were rangebound for the morning as the HOGOs came off on stronger gasoil, the Q1'25 to 7.6c/gal.

GASOLINE

This morning in gasoline, we saw Jan'25 92 flat price valued at \$82.20/bbl at the end of the window equivalent to \$8.80/bbl on a crack basis. Jan'25 92 cracks were offered from \$9/bbl to \$8.80/bbl where buying came in as Q1'25 cracks traded at \$8.65/bbl. 92 spreads were initially bid as Jan/Mar'25 traded from \$0.55/bbl to \$0.57/bbl before softening to \$0.54/bbl and Feb/Mar'25 valued at \$0.45/bbl. Jan'25 E/W traded from \$0.05/bbl to -\$0.20/bbl on weaker Eastern cracks as Q1'25 E/W traded down to -\$1.05/bbl with EBOB cracks also softening to \$8.90/bbl in Jan'25 as 1H 2025 EBOB cracks saw buying at \$11.94/bbl and Q3'25 cracks offered at \$12/bbl. EBOB spreads were offered as Jan/Mar'25 traded down to -\$7.25/mt from -\$6.75/mt with Jan'25 arbs valued at 4.40c/gal and Q2'25 arbs seeing selling at 12.90c/gal; Feb'25 RBBRs were weak in the window as they traded from \$10.54/bbl to \$10.25/bbl.

NAPHTHA

This morning in naphtha, we saw MOPJ MOC valued at \$642/mt with MOC flows mixed but better offered. There was MOPJ flat price selling this morning and end of window on higher crude putting pressure on the front crack with the Jan'25 crack getting sold by a major at -\$1.25/bbl post-window. Spreads came off slightly on deferred crack bids in Q2'25 amid the flat price selling in the front during the window but traded where they opened with Jan/Feb'25 at \$5/mt and \$5.25/mt in Feb/Mar'25. E/W in the front initially traded at \$22.75/mt this morning but came off down to \$22/mt post-window on more aggressive selling where it soon recovered to trade at \$22.50/mt, the Q1/Q2'25 E/W box found value at \$2.25/mt this morning while Apr/May'25 was sold at \$0.50/mt. The NWE crack was offered in the front from -\$3.70/bbl to -\$3.80/bbl where it seemed supported with buying to trade around -\$3.75/bbl post-window. Backend cracks were supported with Q2'25 firm bid at -\$4.70/bbl putting pressure on the front spreads. Jan/Feb'25 was sold at \$3/mt and offered on this morning as well as Apr/May'25 selling at \$4.75/mt.

NGLS

This morning in NGLs, FEI was weaker including spreads in the prompt, with Jan/Feb'25 and Feb/Mar'25 trading down significantly to \$4/mt and \$15/mt. Physical window was very busy with a mixture of bids and offers coming through. A bid was made and improved for 2H Jan'25 at Bal-Dec'24 FEI minus \$1/mt and an offer for 2H Jan at Jan'25 FEI minus \$1/mt. Arbs were stronger in the prompt owing to FEI weakness with Jan'25 and Feb'25 trading at -\$202/mt and -\$196/mt, respectively. E/W was also weaker owing to the same rationale with Jan'25 trading down to \$57/mt, whilst FEI/CP also weakened with Jan'25 trading at -\$15/mt.



GLOBAL MACRO

- US CPI report came in spot on consensus underscoring a stable but slightly accelerating inflationary environment, driven largely by shelter and food, amidst easing energy pressures.
- US November Core CPI rises 0.3% m/m (est. +0.3%), 2.7% y/y (est. 2.7%).
- OIS prices 95% chance the Fed cuts another 25bps on 18th December.
- Nasdaq hits 20,000 for the first time in history and Greenspan once called it "irrational exuberance".
- Bank of Canada cuts key rate 50bps to 3.25%, matching est. - BBG.
- Macklem: "We anticipate a more gradual approach" to policy.
- BOC drops promise of further cuts if forecasts materialise.
- BOC: US tariff threat increases uncertainty, clouds outlook.
- BOJ is said to see little cost to waiting for the next rate hike.
- Government Spending Shock: US Budget Deficit Soars In Worst Start To Year On Record.
- More than half of the 2.4 million retail vehicles sales in China in November were EVs and Hybrids. The category saw a 52% surge from last year compared to the overall figure growing by "just" 18%.
- Strong Australian jobs data +35.6k (est. 25k) and unemployment fell back under 4% to 3.9%.

Key Data:

- US PPI
- ECB 27bp cuts priced by OIS
- SNB 36bp cuts priced



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