



OVERNIGHT & SINGAPORE WINDOW

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FLAT PRICE

The front-month Brent futures contract was rangebound around \$74.75/bbl and \$75/bbl all morning before rising to \$75.15/bbl at 10:23 GMT, where it met resistance and softened to \$74.90/bbl at 10:50 GMT (time of writing). This rangebound price action comes as the market monitors the development of a potential Russia-Ukraine peace deal. US Secretary of State Marco Rubio, along with Middle East special envoy Steve Witkoff and National Security Advisor Mike Waltz, are travelling to Saudi Arabia to discuss the war in Ukraine with Russian officials, with these talks reportedly beginning on Tuesday. US officials will reportedly speak to Ukrainian officials separately, with Kyiv not invited to Saudi Arabia this week. Ukraine has also notably rejected the US' bid to own 50% of Ukrainian rare earth metals and seeks to negotiate a better deal. In other news, producer group OPEC+ is reportedly considering postponing the return of their latest oil cuts, which were scheduled to return to the market in April. However, no further details have been provided yet on this matter. In macro news, Bank of England Governor Andrew Bailey said in an interview that inflation was slowing in the UK and that an expected increase in price growth in 2025 was unlikely to embed longer-term inflation pressures. Finally, at the time of writing, the Apr/May'25 and Apr/Oct'25 Brent futures spreads currently stand at \$0.25/bbl and \$2.16/bbl.

CRUDE

This morning in Dated Brent, spreads started rallying, with the March DFL trading up to \$0.37/bbl and the March/April DFL rolling up to \$0.05/bbl. Spreads started to come off subsequently, with the 24-28 March vs Cal April roll sold down to \$0.26/bbl and March/April DFL trading down to \$0.02/bbl. There was also sell-side interest in the 31-4 April 3w roll from \$0.29/bbl to \$0.27/bbl and the 3-7 Mar 2w roll traded \$0.21/bbl.

This morning Brent/Dubai was fairly quiet until the OPEC April oil supply restart delay headline. Mar Brent/Dubai opened at -\$0.26/bbl and briefly traded up to -\$0.19/bbl before coming off during and after the window. This accelerated on the release of the headline, with Mar Brent/Dubai trading down to -\$0.35/bbl before recovering slightly. There was activity in the quarterlies, bank on the bid, trade house on the offer, with Q2, Q3 and Q4 trading \$0.03/bbl to \$0.07/bbl, \$0.35/bbl and \$0.46/bbl to \$0.47/bbl, respectively. The Dubai spreads continued to come off, only strengthening slightly after the OPEC news, with the Mar/Apr and Apr/May spreads trading at \$0.59/bbl to \$0.55/bbl and \$0.55/bbl to \$0.54/bbl. There was also some Mar/Apr/May Dubai fly selling, which traded at \$0.01/bbl, more left to sell. The boxes were quiet, with only the Mar/Apr and Jul/Aug boxes trading, -\$0.16/bbl to -\$0.20/bbl and -\$0.05/bbl respectively.

FUEL

In HSFO, the front 380 crack opened weaker at -\$0.80/bbl, compared to -\$0.55/bbl on Friday's close. It then saw outright selling heading into the window and was trading down to -\$1.30/bbl. As a result, structure down the curve was offered. Mar/Apr in particular saw aggressive sellside interests, trading from \$15.75/mt to \$15.00/mt. As the morning progressed, the selling in front 380 spreads slowed down, and Mar/Apr stabilised at \$15.25/mt. 380 E/W in Apr saw mixed interests trading from \$11.25/mt to \$11.50/mt. In barges, front barge crack saw outright buying, trading from -\$4.70/bbl to -\$4.35/bbl. The buying in the front crack also supported front structure, with Mar/Apr trading from \$3.25/mt to \$3.75/mt.

In VLSFO, Front Sing 0.5 crack opened a touch weaker at \$11.45/bbl, compared to \$11.50/bbl (Friday's close). As a result, front Sing spreads was better offered in Mar/Apr and Apr/May, both trading at \$4.75/mt. Front crack saw some support heading into the window, hence trading up to \$11.55/bbl due to some backend buy-side interests in crack, however, the strength did not sustain for long before we saw some sellside interests post window. Front Sing structure remained offered for the rest of the morning, with Mar/Apr trading down to \$4.25/mt. We then saw outright selling interests in the front crack, therefore, the front Sing crack was trading down to \$11.35/bbl. In Euro, front structure also saw sellside interests, with Mar/Apr trading at \$6.25/mt, this weakened the front crack in Mar, implied at \$5.45/bbl post window.

DISTILLATES

This morning in Distillates, the Sing gasoil spreads were initially better offered, with the Mar/Apr sold down to \$0.59/bbl before rallying after the window on stronger ICE gasoil to \$0.65/bbl. The prompt E/W traded in a tick range between -\$23.25/mt and -\$23.00/mt as there was selling in Q2'25, which traded up to -\$15.50/mt. The Mar regrade rallied to -\$0.75/bbl as there was continued buy-side interest in the deferred quarterlies, the Q3'26 trading at -\$0.25/bbl.

ICE gasoil spreads softened for the morning, the Mar/Jun to \$28.00/mt as the cracks remained rangebound, the Mar trading at \$20.00/bbl. Heating oil spreads also opened lower and came off, as did the HOGOs, the Q2'25 trading at 11c/gal.

GASOLINE

This morning in Gasoline, we saw 92 MOC valued at \$85.44/bbl with MOC better bid. The front 92 crack traded around 10.65/bbl end window, and the Q3 was bid trading up to \$8/bbl during the window. Mar/Apr traded up to \$0.70/bbl during the window but softened post-window to trade at \$0.63/bbl, and Apr/May 92 traded up to \$0.90/bbl. E/W initially had trade house buying in the morning at -\$1.20/bbl but turned offered there later on trading at -\$1.25/bbl but summer E/W had firm buying with Q3 trading at -\$5.60/bbl. Mar EBOB cracks had buying in the window up to \$11.95/bbl and Q2 was valued up to \$15.50/bbl. Spreads saw little activity during the morning window, but Mar/Apr traded at -\$28/mt later on. TA arbs were balanced in the front valued at 25.90c/gal in the morning and later on we saw buying in Q2 at 17.30c/gal, RBBRs were better bid in the window trading up from \$22.30/bbl to \$22.40/bbl and continued up to trade up to \$22.60/bbl post window.

NAPHTHA

This morning in Naphtha, we saw Mar MOPJ flat price valued at \$666.75/mt at the end of the window on a \$0.10/bbl crack equivalent. Mar MOPJ cracks traded from \$0/bbl to \$0.10/bbl with April cracks seeing buying at -\$0.80/bbl as spreads were supported; Mar/Apr strengthened to \$11/mt in the window before softening to \$10.75/mt and Mar/Apr traded up to \$9.50/mt where selling came in. Mar E/W was valued at \$17.75/mt as NWE Mar cracks came off from -\$1.85/bbl to -\$1.95/bbl on stronger crude before going better bid back to -\$1.90/bbl with Q2 cracks offered at -\$3.50/bbl. Mar/Apr NWE traded at \$11.75/mt with Apr/May valued at \$9.25/mt and well offered at \$9.50/mt.

NGLS

This morning in NGLs, FEI was better bid with structure strengthening in prompt and deferred. In the front of the curve, we saw Mar/Apr and Apr/May trade up to \$11.50/mt and \$10/mt, respectively; the back of the curve saw strength as well, with Jun/Dec and Sep/Oct trading up to -\$7/mt and -\$4.50/mt respectively. In the physical window, FEI was better bid with bids being made for 2H Mar at Mar FEI plus \$13/mt and 1H Apr at Apr FEI plus \$10/mt. We also saw split AG cargoes offered for CP down to \$565/mt and \$550/mt for C3 and C4, respectively. CP structure was supported with Mar/Apr and Apr/July trading at \$9/mt and \$43.50/mt, respectively. Post window, Mar/Apr traded down to \$88.50/mt. LST/FEI arbs were fairly quiet and slightly weaker owing to FEI strength, with Mar and May trading down to -\$147/mt and -\$157/mt, respectively. FEI/CP gained strength in both prompt and deferred; in prompt, we saw Mar trade up to \$3/mt and in deferred, June and Q3 traded up to \$14/mt and \$28.5/mt, respectively. E/W was broadly unchanged with Mar implied slightly higher at \$63/mt.



GLOBAL MACRO

- European yields jump this morning on speculation that European leaders meeting in Paris today may agree to increase defence spending to strengthen the continent's security.
- Japanese government bonds jump on strong GDP data. Q4 GDP +2.8% annualised (est 1.1%). With CPI Friday the market is pricing more BOJ hikes, and JPY strengthens.
- Mario Draghi article in the FT getting a lot of attention, very critical of Eurozone. "Europe has effectively raised internal tariffs while lowering external ones - precisely the opposite of what a single market should do."
- Since DOGE began discussing mass layoffs, the median home price in Washington DC has FALLEN by -\$139,000, and initial claims jumped. In 30 days, nearly 4,000 homes have been listed for sale in and around Washington DC.

Data this week:

- Monday – US holiday Presidents Day
- Tuesday – RBA rate decision, UK employment
- Wednesday – Housing starts, FED minutes, UK CPI
- Thursday – Aussie employment
- Friday – Flash PMIs, US consumer sentiment & Existing home sales,
- Sunday – German elections
- 20% S&P 500 countries reporting this week.

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