



OVERNIGHT & SINGAPORE WINDOW

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FLAT PRICE

The Apr'25 Brent futures contract has seen strength this morning, increasing from \$74.15/bbl at 0815 GMT up to \$74.75/bbl at 1015 GMT, before tapering to \$74.60/bbl at 1045 GMT (time of writing). Overall, speculators are becoming less optimistic on crude oil's prospects, with net-long positions in WTI falling to the lowest level since October while money manager long positions in Brent were dialed back by the most since early January, as per Bloomberg. In the news today, Iraq is waiting for Turkey's approval to restart oil flows from the Iraqi Kurdistan region, the Iraqi Oil Minister stated, adding that Kurdish oil exports could be ready in two days, according to Reuters. Iraq's Deputy Oil Minister claimed the resumption of the pipeline could ship about 185kb/d of crude, Bloomberg reported. In other news, President Trump's envoy Steve Witkoff is expected to travel to the Middle East on Wednesday (26 Feb) to push for the extension of the first phase of the Gaza ceasefire between Israel and Hamas, Witkoff told CNN. The first phase of the ceasefire includes a deal to exchange 33 Israeli hostages held in Gaza for 2,000 Palestinian detainees held by Israel, as per Reuters. At the time of writing, the Apr/May'25 and Apr/Oct'25 Brent futures spreads currently stand at \$0.41/bbl and \$2.31/bbl.

CRUDE

Quiet morning in Dated, with Mar/Apr DFL paid on screen at \$0.13/bbl, then sold at \$0.11/bbl voice. There was sell-side interest in Apr/Jul DFL sold at -\$0.01/bbl and offered over. CFDs were quiet, with smalls buy-side interest in 28/2 v May ICE, and sell-side interest in 26-28/2 v 5-11/3.

This morning was quiet in Brent/Dubai, as we initially opened lower but then reversed this move, with Mar Brent/Dubai opening at -\$0.79/bbl and trading up to -\$0.68/bbl, with Fund on the offer before the morning window. The Mar/Apr Dubai spread came off, with Major offering the dubai Mar/Apr/May fly and tradehouse offering the Dubai spreads. Mar/Apr Dubai spread traded down from \$0.7/bbl to \$0.6/bbl, with the Apr/May Dubai spread trading more rangebound between \$0.61/bbl and \$0.65/bbl. In the boxes Mar/Apr, Apr/May, Jun/Jul and Jul/Aug traded, with sell-side interest at -\$0.25/bbl, -\$0.25/bbl, -\$0.07/bbl and -\$0.06/bbl. Small also traded in May EFS, with buy-side interest at \$0.55/bbl.

FUEL

In HSFO this morning pre-window, we saw sell-side interest in the front 380 crack, causing it to gap down from \$0.40/bbl to \$0.15/bbl. As a result, this put pressure on front structure, with Mar/Apr trading from \$19.25/mt to \$19.00/mt, and 380 structure down the curve was also better offered. As we entered the window, we saw outright selling in the front 3.5% barge crack, offered from -\$3.45/bbl to -\$3.70/bbl. The weakness in the front barge crack caused front barge structure in Mar/Apr to trade from \$5.50/mt to \$5.25/mt. A weaker front barge crack also led to a stronger front E/W, as we saw Mar 380 E/W trading from \$23/mt to \$24.75/mt.

In VLSFO this morning, front Sing structure was better offered, with a lot of selling interests in Mar/Apr from \$3.75/mt to \$3/mt. Structure down the curve was also weaker as a result. Front Sing crack therefore softened from \$10.70/bbl to \$10.60/bbl. A weaker Sing crack also led to a weaker Euro crack, we saw the front euro crack traded at \$5.85/bbl at the beginning of the morning, before implied weaker at \$5.75/bbl post-window. Euro structure down the curve was therefore also implied weaker.

DISTILLATES

Sing gasoil spreads saw weakness through the morning, with the Mar/Apr getting hit down from \$0.60/bbl to \$0.55/bbl, while the Apr/May spread was hit down to \$0.65/bbl. The prompt EW was initially hit down to -\$24.75/mt from -\$24.50/mt, before rallying in the window on the back of weaker ICE gasoil spreads to -\$24.25/mt. Similarly, the Apr EW traded up from -\$17.75/mt to -\$17.50/mt into the morning session. Into the deferred tenors, the Q4'25 EW traded at -\$15.25/mt as part of a combo. The prompt regrade opened weaker, with Mar coming off from -\$1.05/bbl to -\$1.25/bbl, rebounding into the window to -\$1.15/bbl where it is trading into midday period. Selling interest in Q2'25 regrade also persisted, with it getting offered down to -\$1.20/bbl before trading even lower at -\$1.30/bbl. The Q4'25 regrade traded as a combo at -\$0.38/bbl. The kero spreads were volatile at the front, trading from \$0.80/bbl down to \$0.70/bbl, before rebounding to \$0.75/bbl post-window.

The ICE gasoil spreads and cracks drifted lower this morning, with the prompt Mar/Apr ICE coming off from \$14.75/mt to \$14.00/mt, while the Apr/Jun spread is at \$16.25/mt from \$17.25/mt post-window. The prompt ICE gasoil crack is also near the lows of the morning, with Mar at \$19.90/bbl and the Q4'25 crack at \$18.25/bbl into the mid-morning period. The Mar NWE Jet diff is bid at \$37.00/mt, with the Q2'25 diff offered on at \$50.75/mt this morning. There is selling interest seen in the Mar-Dec NWE jet diff at \$50.50/mt, with the Q2/Q4'25 diff roll offered at +0.50. The HOGOs rallied at the front of the curve into the post-window period, while the deferred HOGOs remained more rangebound into the morning. The Mar swap is at 13.15c/gal, with the Q4'25 at 14.10c/gal.

GASOLINE

This morning in gasoline, we saw Mar 92 flat price valued at \$83.70/bbl at the end of the window equivalent to \$9.75/bbl on a crack basis. Mar 92 cracks saw selling from \$9.90/bbl to \$9.70/bbl as Cal'26 cracks saw buying at \$5.30/bbl. 92 spreads opened bid with Mar/Apr trading to \$0.68/bbl from \$0.60/bbl and Apr/May to \$0.78/bbl from \$0.68/bbl before both weakening to \$0.60/bbl and \$0.70/bbl, respectively. Mar EW strengthened from -\$0.85/bbl to -\$0.65/bbl before going better offered and softening to -\$0.75/bbl with Q2'25 EW bid at -\$5.45/bbl as Mar EBOB cracks saw selling at \$10.60/bbl down to \$10.45/bbl and Q2'25 cracks coming off to \$14.30/bbl from \$14.40/bbl. EBOB spreads saw little trading activity with Mar/Apr valued at -\$28.75/mt and Apr/May seeing buying at \$2.25/mt. Arbs were offered at 25.80c/gal as Apr RBBRs came off from \$21.05/bbl to \$20.75/bbl before going better bid and trading back to \$20.95/bbl.

NAPHTHA

This morning in naphtha, we saw MOPJ MOC valued at \$655.50/mt with MOC more balanced. Apr'25 cracks traded at -\$1.1/bbl in the morning and there was phys flat price selling end window. Spreads were more supported this morning with Mar/Apr briefly trading up to \$11/mt towards the end of the window and Apr/May at \$8.5/mt. EW saw the Mar/Apr box trading at -\$3/mt initially and firming to -\$2.75/mt later on, and the Cal26 had selling at \$15.25/mt. NWE cracks traded around -\$1.9/bbl initially in the morning but softened slightly to -\$1.95/bbl later on as crude firmed and deferred cracks had better sell-side interest with Q3'25 selling at -\$4.65/bbl. Mar/Apr traded up to \$14.25/mt and Dec/Dec was bid, valued at \$28.75/mt.

NGLS

This morning in NGLs, FEI was supported with prompt structure weakening and deferred supported as well. In the front of the curve, we saw Mar/Apr trade down to \$10/mt, whilst in deferred we saw July/Aug and Aug/Sep trade at \$1/mt and -\$3.5/mt, respectively. In the physical window for FEI, we saw a bid being made and improved for 1H Apr at Apr FEI plus \$15/mt; for CP in the physical window, we saw bids being made for C3 and C4 at \$565/mt and \$555/mt, respectively. Arbs were quiet with Mar implied lower at -\$150/mt owing to FEI being supported. FEI/CP gained strength towards the end of the window with Mar trading up to \$0.5/mt; whilst EW weakened towards the end of the window with Mar implied lower at \$57/mt.



GLOBAL MACRO

- US services flash PMI contracted in February 49.7 (est 53.0, the lowest in 2 years).
- Sharp move lower in US consumer sentiment Uni Michigan, weakest since Nov 2023.
- Weaker US data now leading US yields and the dollar lower.
- While China 10-year yields jump 8bp on the day. A big turnaround in sentiment here, US yields falling, Chinese yields surging.
- French PMIs: weak domestic demand, weak orders, and the largest reduction in jobs in nearly five years. Weak pricing power also means rising input costs are not passed on to consumers.
- UK PMIs... sharpest drop in employment since Nov 2020. Fastest wage growth for 21 months & higher prices charged.

Economic data this week:

- Monday - German business confidence IFO.
- Tuesday – US house prices & consumer confidence.
- Wednesday – Australian CPI, German consumer confidence, US new home sales, Nvidia.
- Thursday – EZ loans to companies & households, US durable goods orders, Japan retail sales & IP.
- Friday – US PCE deflator.

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