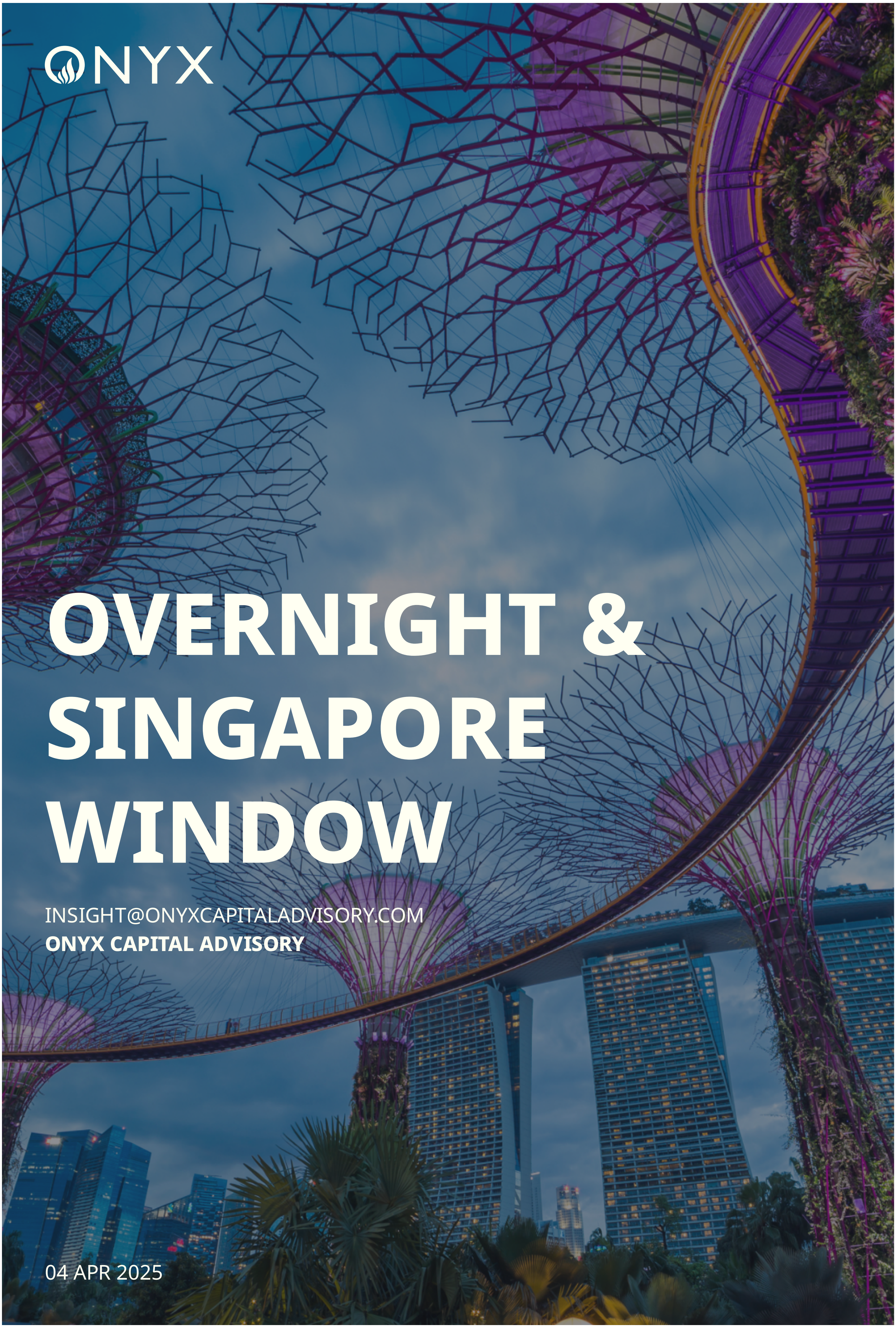

OVERNIGHT & SINGAPORE WINDOW

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FLAT PRICE

The sell-off in the Jun'25 Brent crude futures intensified on Friday morning, reaching another YTD low of $65.35/bbl at 11:40 BST (time of writing), having fallen by over $4 in the morning session. Goldman Sachs have lowered their Brent and WTI forecasts by $5 to $66/62, on tariff escalation and higher OPEC+ supply. China has announced an extra 34% tariffs on US goods from 10 April. Exxon expects up to a $2.7 billion profit boost in Q1, driven by stronger oil prices, refining margins, and trading gains. Forecasters expect an above-average 2025 Atlantic hurricane season, with 17 named storms and four major hurricanes fuelled by warm seas and favourable wind conditions. Elliott Management has launched a proxy battle against Phillips 66, pushing for board changes, asset sales, and governance reform to unlock value at the underperforming refiner. Meanwhile, BP Chairman Helge Lund plans to step down as the oil major faces mounting pressure from activist investor Elliott, following criticism of its strategic pivot back toward fossil fuels. Brookfield Infrastructure is acquiring Colonial Pipeline for about $9 billion, including debt, securing control of the largest U.S. fuel pipeline system in a major energy infrastructure deal. Finally, the front (Jun/Jul) and 6-month (Jun/Dec) Brent futures spreads are at $0.55/bbl and $1.92/bbl respectively.

CRUDE OIL

This morning in Dated, we saw spreads sell off with the May DFL trading down to lows of $0.68/bbl and the May/Jun DFL offered to $0.12/bbl equivalent on the DFL roll. The front held more firm with balmo trading down to $1.44/bbl and the 28-2 Apr CFD trading at $1.33/bbl. There was buy-side interest in 6-9 May vs Cal May as things picked up bid at $0.23/bbl and the 2-6 June vs Cal June traded at $0.17/bbl. The Jun/Jul DFL roll initially saw strength before selling off down to $0.13/bbl and the Jul/Aug DFL roll traded down to $0.09/bbl.

This morning in Brent/Dubai, we traded in a large range, with May B/D trading between -$1.46/bbl to -$1.63/bbl. Major and Tradehouse bidding B/D in the morning, but following the China tariff news, almost all of the volume was done on screen. The spreads came off, with the May/Jun and Jun/Jul trading down from $0.95/bbl to lows of $0.76/bbl and $0.8/bbl to lows of $0.62/bbl. Box flow was again very light with May/Aug, Jun/Jul and Jun/Dec trading -$0.84/bbl, -$0.31/bbl and -$1.02/bbl. There was also some cross month interest, with Jul Ice vs May Dub trading $1.45/bbl to $1.64/bbl.

FUEL OIL

Front 380 structure sold off aggressively in the window with May/Jun trading from $5/mt to $4.25/mt. As the morning progressed, we saw buyside interests in 380 structure in Jul/Aug to Sep/Oct region. We then saw a lot of flat price buying due to lower crude, which supported the front 380 crack. Front 380 crack also saw aggressive outright buying up to -$1.25/bbl, (trading at -$1.80/bbl at open), therefore the front 380 EW was stronger trading up to $12.25/mt. Barge structure was better offered, with May/Jun trading down to $4/mt.

Front Sing crack was initially weaker trading around $8.35/bbl at the beginning of the morning. As a result, structure in the front was weaker, with May/Jun trading at $2.50/mt. As the morning progressed, we saw buyside interests in structure down the curve. Therefore we then saw better buyside interests in backend cracks in Q4, as a result this supported the front crack up to $8.50/bbl. We then saw aggressive outright buying, which further pushed the front crack up to $8.70/bbl. Structure in the front continued to be bid with May/Jun trading up to $3/mt. In Euro, structure down the curve remained well offered from yesterday, with May/Jun trading at $2.50/mt. As the morning progressed, front crack saw better strength due to the strong front sing crack, with value implied at $3.10/bbl.

DISTILLATES

This morning in distillates, the front Sing gasoil spreads were better offered as ICE gasoil traded lower, with May/Jun trading down to $0.30/bbl as phys trade houses were bidding Jun/Sep'25 and Sep/Mar'25 at lower levels, which was sold into down to $0.30/bbl and $0.24/bbl, respectively. The prompt E/W rallied from -$15.50/mt to -$14.25/mt as the back end remained bid, trading as combos. The prompt regrade similarly rallied this morning, as kero spreads were well bid down the curve.

ICE gasoil spreads came off for the morning as did the cracks, before recovering slightly later in the session, the May trading at $17.00/mt. NWE jet diffs similarly traded lower, with the May'25 to $50.00/mt, as the Q1'25 also traded lower at $47.75/mt. Heating oil spreads dumped for the morning, as did the HOGOs, the May to 9.2c/gal.

GASOLINE

This morning in gasoline, Sing 92 flat price traded at end of the window at $75.10/bbl with MOC better offered. 92 cracks traded around $7.55/bbl in the front and May/Jun was balanced in the window at $0.55/bbl. The E/W in May'25 traded at -$5.80/bbl and the Q4'25 was still offered with selling down to -$0.70/bbl. EBOB cracks in the front traded around $13.45/bbl and the Q3'25 was valued at $12.50/bbl. Spreads were still weak, with May/Sep getting hit down to $27.5/t post-window. Arbs were weaker initially in the morning with May valued at 17.45c/gal pre-window and RBBRs closed the window at $20.20/bbl in Jun'25.

NAPHTHA

In naphtha, MOPJ MOC was better offered and flat price traded at the end of the window at $580.50/mt. MOPJ cracks in the front traded at -$2.35/bbl at the end of the window and spreads were well offered, with May/Jun'25 trading down to $3.25/mt just after the window. E/W was balanced in the window around $17.25/mt in the front and NWE cracks traded around -$4.30/bbl in the window.

NGLS

This morning in NGLs, FEI weakened on a crude percentage basis with prompt structure while deferred was balanced. In the front, we saw May/Jun'25 and Jun/Jul'25 trade up to $10.50/mt and $3/mt, respectively; while in deferred we saw Oct/Nov'25 and Nov/Dec'25 trade at -$3/mt and $0.50/mt, respectively. In the physical window, we saw bids being made for 1H May at May FEI plus $28/mt and 2H May at May FEI plus $10.88. Arbs were broadly unchanged with May trading at -$148/mt; whilst FEI/MOPJs gained strength owing to lower crude with Jun'25 and Q3'25 trading up to -$22/mt and -$17.50/mt. FEI/CP saw weakness owing to the decline in crude with May'25 and Jun'25 trading down to -$30/mt and -$21/mt, respectively; CP structure saw interest in the front with May/June and May/July trading up to $18.5/mt and $38/mt, respectively as of 1030 BST today. Post-tariffs news, FEI was offered with front flat price trading down from $567/mt in the morning to $520/mt at time of writing in May. With spreads trading down in the front. May/Jun'25 and Jun/Jul'25 trading both down to -$8/mt. FEI/CP also weakened as a result with May and June trading down to -$100/mt and -$60/mt, respectively; while FEI/MOPJs also weakened with May and Q3'25 trading down to -$40/mt and -$19/mt. Arbs gained strength as a result of this and weak crude with May trading up to -$135/mt.

GLOBAL MACRO

- More weak US data but it was all about the reaction to Trump's tariffs. S&P500 -4.8%, Nasdaq Composite -5.9%, Dow Jones -9%, Gold another new high, albeit volatile, EURUSD rises 2% (biggest move since 2015), US 2-year -15bp with the OIS now pricing 32% chance of a Fed cut in May (100% Fed cut in June). To add to the mix, we have US employment data at 1.30pm today (135k expected with unemployment rate at 4.1%). Buckle up!
- March ISM services 50.8 vs 53.0 expected -- lowest since the pandemic.
- ISM Services employment surprises with a sharp turn lower this month. This is the 4th largest MoM decrease on record.
- US CHALLENGER JOB CUTS (MAR) ACTUAL: 275.24K VS 172.017K PREVIOUS.
- US CHALLENGER JOB CUTS (YOY) ACTUAL: 204.8% VS 103.2% PREVIOUS.
- US CHALLENGER MARCH JOB CUTS JUMP TO HIGHEST SINCE MAY 2020.
- Great day for US growth? First tariffs and then lay-offs spreading outside of the government/DOGE.
- The weakness in the dollar is counter-intuitive since usually the currency of tariff imposing country rises. Seems investors are more focused on potential weakness in US growth as a result of tariffs. It's a substantial regressive tax - about 2% of GDP.
- Germany February industrial orders 0.0% vs +3.5% m/m expected.
- Crude down over $6/bbl over the past 2 days on Trump’s tariff announcement and now OPEC accelerated production hikes.
- USD CDX High Yield is now above 400bp. Last there in December 2023 when the S&P was close to 4,600 and NASDAQ 100 was at 16,000!
- Foreign central bank demand for US equities plummets.
- Non-farm payrolls: The US economy added 228k jobs in March 2025, beating forecasts of 135k.

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