



OVERNIGHT & SINGAPORE WINDOW

INSIGHT@ONYXCAPITALADVISORY.COM
ONYX CAPITAL ADVISORY

02 MAY 2025

FLAT PRICE

The Jul'25 Brent futures contract softened this morning, declining from around \$62.70/bbl at 03:25 BST to \$61.70/bbl at 10:20 BST. At the time of writing (11:15 BST), the contract stands a little higher at \$61.90/bbl. China is reportedly "evaluating" an offer from the US to hold talks over the ongoing trade war between the two nations, as per China's Commerce Ministry. This acknowledgement of an offer signals a possible de-escalation in the trade war, which has injected substantial volatility across global financial markets over the past month. China's commerce ministry further added that the US should be prepared to correct "erroneous practices" and that it needed to show "sincerity" in any negotiations. Meanwhile, US President Donald Trump has stated that all purchases of Iranian oil or petrochemical products must cease and that any person or nation purchasing from Iran will immediately be subjected to secondary US tariffs. These talks follow the postponement of the latest US-Iranian talks to negotiate Iran's nuclear programme, which was initially due in Rome this weekend. A senior Iranian official told Reuters that a new date for these negotiations will be set "depending on the US approach". Furthermore, the market will monitor this afternoon's US non-farm payrolls data for April 2025, which is expected to be announced at 13:30 BST. The consensus for this month's jobs data currently lies at around +130k, following last month's print of +228k. In other news, the Trump administration is suing four Democratic-led states to prevent them from enforcing "burdensome and ideologically motivated" laws by pursuing lawsuits against the fossil fuel industry over the harms caused by climate change. Finally, British oil major Shell reported a 28% drop in Q1'25 net profit to \$5.58 billion, which still exceeded analyst expectations of \$4.96 billion. At the time of writing, the front-month (Jul/Aug'25) and six-month (Jul'25/Jan'26) Brent futures spreads stand at \$0.38/bbl and \$0.74/bbl, respectively.

CRUDE OIL

This morning in Dated, we saw the May DFL open higher on screen with bids coming in for the Bal May/June and Cal May/June Dated rolls. There was strong buy-side interest in prompt June rolls with the 2-6 June vs Cal June lifted up to \$0.27/bbl and the Cal June vs 12-16 June roll going \$0.09/bbl bid. With strong Jul buying and the Jul/Aug DFL trading up to \$0.19/bbl, back-end June rolls were implied lower. We then saw more buying in the front with the Balmo DFL trading up to \$0.55/bbl and the Bal May vs 15-21 May roll trading up to -\$0.02/bbl, with the front roll going bid up to \$ 0.07/bbl.

This morning in Brent/Dubai, we opened lower following last night's US-Iran tweet, but reversed this move, finishing higher. Jun Brent/Dubai moved up from -\$0.01/bbl to \$0.35/bbl, finishing the morning a touch lower at \$0.25/bbl. The move was mostly on screen. The Dubai spreads moved lower, trading down from \$0.41/bbl to lows of \$0.28/bbl, finishing towards the bottom of this range. There was some buying of backend Dubai spreads, with Jun/Sep and Jan/Feb trading \$0.73/bbl to \$0.58/bbl and -\$0.11/bbl to -\$0.10/bbl. There was both buying and selling in the quarterlies, with Q3 and Q4 trading \$0.22/bbl to \$0.4/bbl and \$0.32/bbl to \$0.41/bbl. The boxes were fairly quiet OTC, with only Jul/Aug and Jul/Dec trading \$0/bbl to -\$0.02/bbl and -\$0.11/bbl.

FUEL OIL

VLSFO was strong this morning. The front Sing 0.5% crack saw bids in Jun from \$10.20/bbl to \$10.70/bbl. This supported structure down the curve. We then saw some buying in May/Jun Sing 0.5%, trading from \$6.75/mt to \$7.75/mt this morning. Deferred structure in 2026 also saw buy-side interests. With Jan/Feb'26 trading at \$0.75/mt. We also saw buy-side interests in Sing Hi-5 in the front, further supporting the front crack. Similar story in Euro 0.5%: We saw outright buying in front crack trading up to \$4.50/bbl. Structure in the front saw bids with Jun/Jul trading up to \$3.50/mt.

Front 380 structure in the Q3 region was well bid pre-window. Front 380 crack saw some buys at \$1.90/bbl, which supported the front 380 E/W trading from \$20.50/mt to \$22/mt. The buying in Q3 E/W further supported the front 380 E/W. However, structure down the curve was well offered in the window, with Jun/Jul weakening from \$11/mt to \$9.25/mt. The front 380 crack, therefore, softened down to the lows of \$1.65/bbl. As a result, the front E/W came off at \$19.25/mt. Post window, we saw better buying in front E/W, stabilising it at \$20.25/mt as the morning progressed. Structure in the front also recovered with Jun/Jul trading back up at \$10/mt. In 3.5% barges, the front crack traded rangebound between -\$1.40/bbl and -\$1.30/bbl. Structure saw little interest in June/July trading at \$7.50/mt.

DISTILLATES

This morning in distillates, front Singapore gasoil spreads bounced back, the May/Jun rallying from \$0.18/bbl to \$0.88/bbl as the Dec/Dec'26 was offered down to -\$1.70/bbl. The gasoil East/West remained rangebound, the Jun ticking up to -\$13.25/mt as the Q4'25 was bid at -\$14.00/mt. Regrade sold off down the curve with no bids in the back end, the Jun trading down to -\$0.80/bbl.

ICE gasoil spreads softened for the morning, the May/Sep to \$8.50/mt as the cracks were rangebound, the May trading at \$17.20/bbl. Front heating oil spreads moved higher as the HOGOs came off, the May to 12.40c/gal.

GASOLINE

This morning in gasoline, Singapore 92 flat price traded at \$71.77/bbl at the end of the window, with MOC flows balanced. The East was quiet with China out this morning. We saw some crack buying on screen, with the Q4'25 92 crack trading at \$6.55/bbl and front crack valued at \$10.20/bbl just after the window. 92 spreads were more on the offerside, with Jun/Jul'25 softening from \$1.10/bbl to \$0.95/bbl post window and the Bal-May/Jun'25 92 trading at \$1.25/bbl. Jun gasoline E/W was valued at -\$5.95/bbl this morning. In Europe, we saw EBOB cracks come off slightly in the front from 16.25/bbl to 16.15/bbl in the window, with scaleback buying as RBBRs came off. However, TA arbs remained firm with the Jun arb seeing buying up to 16.75c/gal. RBBRs came off at the end of the window, trading from around 22.85/bbl to 22.65/bbl. EBOB structure saw better selling in the front with Jun/Jul coming off to \$8.50/mt but the back-end structure remained well supported.

NAPHTHA

In naphtha, MOPJ MOC was well bid this morning in Jun'25 and the flat price traded at 547/mt at the end of the window. There was little flat price interest in the morning with small Sep flat price buying from petrochemical players, and there was mixed flat price activity at the end of the window. Spreads were better offered in the east with Jun/Jul MOPJ trading at \$7.50/mt and the front naphtha East/West remained balanced at \$20.75/mt with little flow. NWE naphtha cracks opened weaker this morning but traded at -\$2.50/bbl through the window. Post window, we saw the NWE crack firm on lower crude up to -\$2.35/bbl, with trade houses on the buy-side.

NGLS

This morning in NGLs, C3 FEI went weaker with bids getting hit at \$504/mt levels for June, with front spreads softening whilst deferred was stronger. In the front, we saw June/July trade down to -\$5/mt, whilst in the back we saw Dec/Jan and Dec/Dec'26 trade up to \$33/mt and \$2/mt respectively. The physical window was solely offered with a market being made for 1H Jun at Jun FEI minus \$8/mt. LST/FEI arbs gained significant strength because FEI was offered, with the June arb trading up to -\$122/mt with Major on the buy-side. FEI/CP went softer from yesterday's trading values, with June trading down to -\$62/mt. CP structure went better bid in the front, with Jun/Jul'25 C3 CP trading up to \$29/mt. C3 E/W weakened owing to the same ratio with June implied lower at \$58/mt; FEI/MOPJ's went better offered in both the front and back of the curve with July and Q4 trading down to -\$29/mt and -\$2/mt respectively.



GLOBAL MACRO

Risk rallied yesterday as economic data came in less weak than expected! Gold also sold off to \$3,200 on hopes of positive tariff news. The main focus today will be U.S. non-farm payrolls at 8.30 EST, with market expecting a weak number (+130k, 4.2%) after poor regional surveys and weaker ADP & initial claims.

US ISM Manufacturing Mar: 48.7 (est 47.9; prev 50.3) – Prices Paid: 69.8 (est 73.0; prev 69.4) – New Orders: 47.2 (est 45.0; prev 48.6) – Employment: 46.5 (est 44.6; prev 47.6)

Initial jobless claims jump to 241k from 223k while continuing jobless claims jump to a new cycle high of 1.916M.

March construction spending -0.5% month/month vs. +0.2% est. & +0.6% prior (rev down from +0.7%).

- BESSENT:2-YEAR RATE BELOW FED FUNDS RATE SIGNALS FED SHOULD CUT
- TRUMP ENDS “DE MINIMIS” TARIFF EXEMPTION FOR CHINA PACKAGES
- CHINA COMMERCE MINISTRY: CHINA’S POSITION HAS ALWAYS BEEN THE SAME, TALK, THE DOOR IS OPEN
- CHINA SAYS CURRENTLY EVALUATING POSSIBLE US TRADE TALKS
- Which was interpreted as.....RUBIO SAYS CHINA IS REACHING OUT ON ECONOMIC ISSUES RUBIO: CHINESE WANT TO MEET AND TALK

Trump: Whoever takes oil from Iran cannot do business with the US.

There is no fear of recession in the equity market. S&P 500 forward PE – Recession Periods

- 2025: 19.9x (current) vs.
- 2020: 13.4x
- 2002: 12.8x
- 1990: 10.1x
- 2008: 8.9x
- 1980: 6.5x
- 1982: 6.0x

What is remarkable about April’s U.S. equity trading, is that institutional investors dumped at the lows and stayed out, while retail kept buying the entire time.

McDonalds sales fall most since covid



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).