



OVERNIGHT & SINGAPORE WINDOW

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FLAT PRICE

The Jul'25 Brent futures contract initially fell from \$64.97/bbl to \$64.47/bbl before rallying to \$65.14/bbl at 10:33 BST. Prices have since slightly fallen to \$64.92 at 11:30 BST (time of writing). In the news, OPEC+ is working to balance the oil market while ensuring supply investment keeps pace with rising demand, UAE Energy Minister Suhail Al Mazrouei said on Tuesday. Speaking ahead of the group's full ministerial meeting on Wednesday, he emphasised the need for broader cooperation beyond OPEC+ to maintain stability. In other news, Norwegian oil and gas investments are set to reach a record in 2025 at \$26.6B, according to a new industry survey. However, spending is expected to fall to \$20.4B in 2026 as fewer new developments are likely to offset the decline. Vår Energi, aims to approve up to 14 new developments in 2025, mainly smaller finds near existing platforms. A fire broke out on Monday in a fuel oil tank at Ecuador's largest refinery, Esmeraldas, prompting a temporary shutdown, state oil firm Petroecuador said. All staff were safely evacuated, and investigations into the cause and potential damage are ongoing. Operations have been halted as a precaution to ensure safety. SOCAR, Gunvor, and the UAE's Bin Butti Group are expected to submit binding offers next week for Italian oil refiner Italiana Petroli (IP), sources told Reuters. IP, operates a 200kb/d refinery and 4,600 fuel stations. SOCAR is seen as the frontrunner, with the company valued between €2.3–2.5B. Finally, the front-month Jul/Aug and 6-month Jul/Jan'26 spreads are at \$0.64/bbl and \$1.67/bbl respectively.

CRUDE

Quiet morning in dated, with buying in the front and the 27-02 Jun/Cal Jun roll trading up to \$0.33/bbl and the Jun/Jul DFL trading up to \$0.24/bbl. We also saw the Cal Jun 24-30 Jun roll offered to \$0.35/bbl and more sell-side interest in the 12-18 Jun/Cal Jun roll. We also saw some buying out of 23-27 Jun with the 1w trading to \$0.17/bbl. There was buying out of the Q4 DFL up to -\$0.02/bbl.

This morning in Brent/Dubai we moved lower, with Jun Brent/Dubai trading down from \$1.18/bbl to \$1.04/bbl. There was selling down the whole curve, Fund and Tradehouse offering, with only some refiner and bank buying in Jun and Jul. Q3 and Q4 Brent/Dubai traded \$0.85/bbl and \$0.91/bbl to \$0.85/bbl. The Dubai spreads were well bid, with Jun/Jul trading between \$0.35/bbl to \$0.38/bbl. There was little action in the boxes, with Jun/Jul, Jul/Aug and Aug/Sep trading \$0.2/bbl, \$0.11/bbl to \$0.12/bbl and \$0/bbl to \$0.01/bbl, more sellside interest.

FUEL OIL

This morning in VLSFO, front Sing crack was offered, trading from \$11.70/bbl to \$11.45/bbl. As a result, front structure in Jun/Jul also saw sellside interests, trading from \$8.50/mt to \$8/mt. However, deferred structure in Apr/May 26 to Aug/Sep 26 region continued to see some buying. We also saw better selling in front 0.5 E/W in Jul and Aug, which further softened the front Sing crack. In Euro, front crack also trailed down due to the weaker front Sing crack, with Jun trading at \$6.10/bbl and implied at \$6.05/bbl as the morning progressed. Front Euro structure remained fairly stable, with Jun/Jul trading at \$8/mt.

In HSFO, front 380 structure saw aggressive selling in the window, with Jun/Jul trading from \$13.25/mt to the lows of \$12/mt. We also saw selling in Jul/Aug and Aug/Sep. Front 380 crack was also offered, with Jun trading from \$2/bbl down to \$1.30/bbl. As a result, front 380 E/W was weaker trading from \$17.50/mt down to \$15.75/mt. Post window, buy-side interests in front 380 structure entered the market, therefore Jun/Jul 380 traded back up to \$13/mt. Front crack also recovered, stabilising at \$1.55/bbl as the morning progressed. In barges, front crack was initially weaker following the front 380 crack, trading at -\$1.00/bbl. However, we then saw some small size buying in the front crack post window, causing it to trade up to -\$0.75/bbl. Front barge structure was better bid, with Jun/Jul trading at \$9.25/mt.

DISTILLATES

This morning in distillates, sing gasoil spreads were better bid, Jun/Jul and Jul/Sep trading up to \$0.14/bbl and \$0.16/bbl respectively as the prompt E/W was initially sold down to -\$19.25/mt before rallying to -\$18.50/mt post-window. Regrade was better offered in Jun, trading down to lows of -\$1.08/bbl as the Q4 was better bid trading at -\$0.38/bbl.

ICE gasoil spreads rallied for the morning, the Jun/Dec to \$13.50/mt as the Jun crack rallied to \$17.50/bbl. European jet diffs opened weaker in the prompt, the Jun hit down on screen to \$47.50/mt as there was little interest in the deferred. Heating oil spreads rallied for the morning, as did the front HOGOs, Jun to 13.4 c/gal.

GASOLINE

This morning in gasoline 92 flatprice traded end window at \$74.35/bbl with MOC more balanced today. Cracks in the front traded around \$10.25/bbl in the window and in the back there was buying in Q4 and Cal26 at \$6.3/bbl and \$5.2/bbl respectively. Going into the window spreads got bid up with Jun/Jul and Jul/Aug trading up to \$1.4/bbl and \$1.13/bbl but got sold into with Jun/Jul trading at \$1.3/bbl towards end window, E/W traded up to -\$6.2/bbl in the front and the Jul had buying at -\$6.45/bbl. In Europe, cracks in the front softened as some arb buying came in in the morning from \$16.55/bbl to \$16.3/bbl and there was selling in Q3 at \$14.75/bbl. There was buying int on arbs from 16.1c/gal up to around 16.35c/gal just post window and RBBRs were a touch stronger this morning at \$22.7/bbl but reverted post window back to \$22.55/bbl. European spreads got sold into as arb buying came in with Jun/Jul weakening from \$9/mt to \$8.5/mt.

NAPHTHA

In naphtha, MOPJ MOC was bid again with flatprice trading end window at \$560.75/mt. Eastern structure was strong this morning with front E/W trading at \$26/mt with real selling at those levels; front MOPJ spreads firmed with Jun/Jul trading up to \$7.5/mt. NWE cracks traded up to -\$4/bbl in the front with MOPJ MOC well bid this morning from -\$4.2/bbl and softened to around -\$4.1/bbl end window. Spreads still had better sellside interest in the front with Jun/Sep valued at \$13/mt.

NGLS

This morning in NGLs, FEI went better bid in the front with Jun getting lifted up to \$540/mt towards the end of the window whilst front structure also went better bid. In prompt, we saw Jun/Jul and Jul/Aug trade up to \$6/mt and \$2/mt respectively whilst deferred was quiet but better bid in Dec/Dec with it being bid up to \$43/mt. Physical window was well bid with bids being made for 1H Jul at Jul FEI plus \$3/mt and 2H Jun at Jun FEI plus \$8/mt. CP saw strong interest in Jul with it getting lifted up to \$571/mt owing to CP settle to be announced this week, with Jun/Jul spread coming off significantly as a result and trading down from \$30/mt to \$24/mt; FEI/CP thus weakened in Jul with it trading down to -\$36/mt, whilst across the rest of the curve we saw this weakness with Sep and Q4 trading down to -\$8/mt and -\$6/mt respectively. Arbs came off in the front owing to FEI strength in Jun with Jun arb trading down to -\$143/mt; E/W gained strength in the front owing to the same ration with Jun trading up to \$75/mt.



GLOBAL MACRO

- Massive move in long bond yields in Japan is driving markets this morning, JGB yields down-20bps (-38bp off last week's high), JP30Y > 3% upon the headline of the Ministry of Finance (MOF) potential altering duration for JGB issuance, moving to shorter duration.
- US 30 yr moves lower 8bp in sympathy (20bp off last week's high).
- Gold falls 1% and the dollar rallies.
- France May preliminary CPI +0.7% vs +0.9% y/y expected- BBG.
- BYD announced a fresh round of price cuts for more than 20 models over the weekend:
 - The pure battery-powered Seagull hatchback to Rmb55,800 (\$7,770).
 - 34% discount applied to the Seal 07 plug-in hybrid sedan, a Rmb53,000 markdown on its original price of Rmb155,800.



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