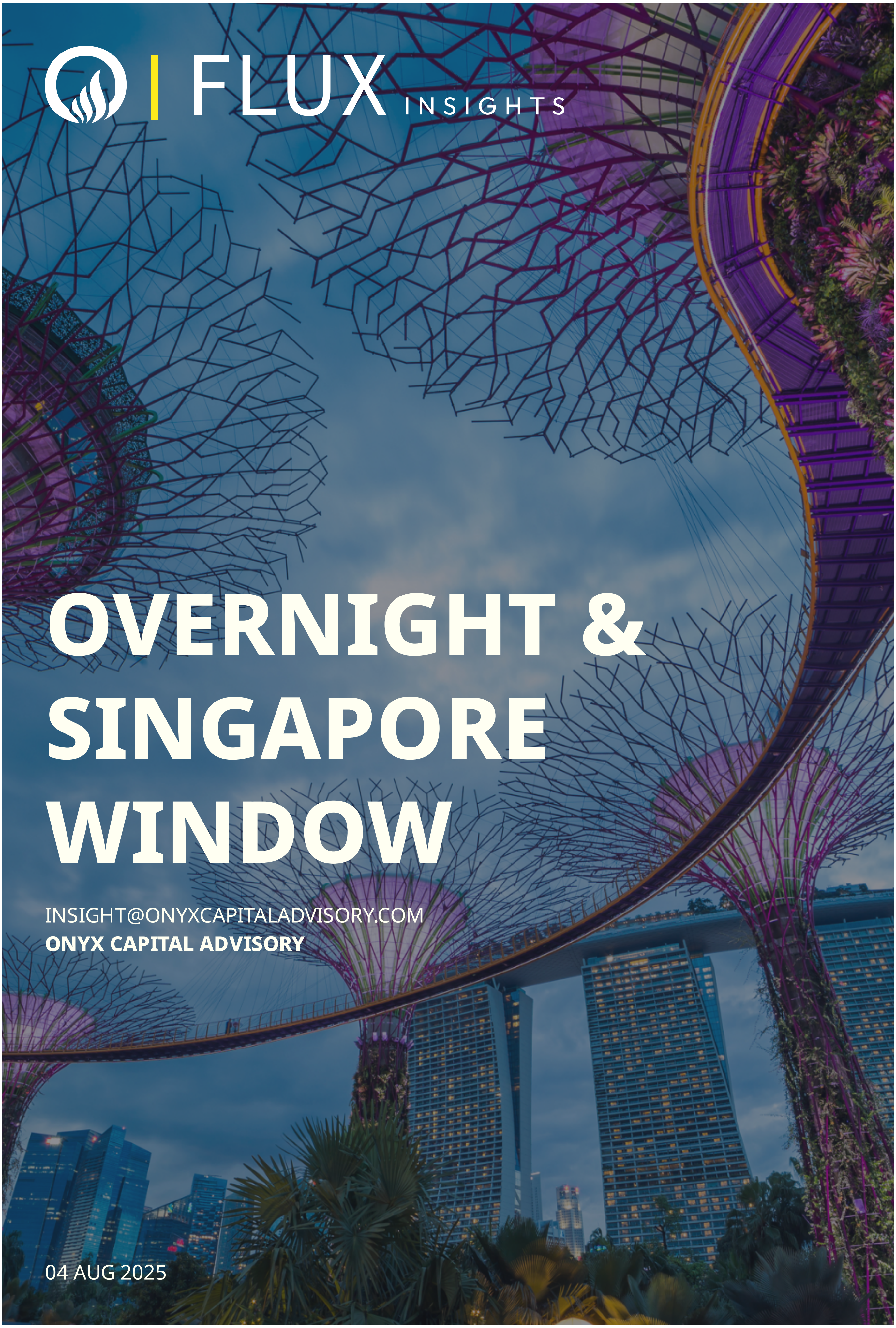

FLUX INSIGHTS

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FLAT PRICE

The Oct'25 Brent Futures contract fell to $68.75/bbl at 08:57 BST. Prices then traded rangebound between $68.99/bbl and $68.80/bbl before falling to $68.60/bbl at 11:30 BST (time of writing). In the news, OPEC+ agreed to a September output increase of 54kb/d, completing the reversal of earlier cuts totalling about 2.5 mb/d. While the hike met expectations, traders remain cautious amid escalating geopolitical risks, including potential new US sanctions on Russia and threats of 100% tariffs on Russian oil buyers as Washington pressures Moscow over Ukraine. In other news, smaller Chinese oil companies are expanding rapidly in Iraq, investing billions and aiming to double their output there to 500kb/d by 2030. This marks a shift in Iraq's oil sector, long dominated by large Chinese state firms and Western majors, many of which have scaled back. These companies have significantly reduced drilling costs and timelines, often completing developments in two to three years compared to five to ten for Western firms. However, concerns remain about transparency, technical standards, and heavy reliance on Chinese labour over local hires. BP announced its largest oil and gas discovery in 25 years in Brazil's deepwater Santos basin. BP plans to develop a major production hub offshore Brazil and currently holds 100% of the Bumerangue block under a production-sharing contract with Pré-Sal Petróleo SA. Early tests show high carbon dioxide levels, with further analysis planned to assess the block's potential. BP's shares rose 1.4% on the news, ahead of its second-quarter earnings report. Finally, the front-month Oct/Nov spread is at $0.77/bbl and the 6-month Oct/Apr spread is at $2.24/bbl.

CRUDE

Quiet morning in Dated, with spreads trading lower and sell-side interest in the Sep DFL down to $1.20/bbl. The balmo DFL was offered by gva trade and we saw 4-22 Aug/Cal Sep selling at $1.30/bbl. There was also 25-29 Aug 3w selling and selling out of Cal Sep 15-19 Sep at $0.08/bbl.

FUEL OIL

In VLSFO front Sing crack opened stronger, as we saw bids from $9.30/bbl to $9.70/bbl in the window. Front sing structure was also well bid, with Sep/Oct trading between $3.50/mt to $3.75/mt. Post window, front Sing crack saw some offers, but this did not move the front crack as we saw better buying in front 0.5 E/W, as a result, front sing crack was trading around $9.70/bbl handles. In euro, front crack was stronger following the front sing crack, trading from $5.30/bbl to $5.40/bbl. Front structure was supported with some bids in Sep/Oct at $7/mt.

In HSFO gront 380 crack saw some buying at open, with bids in Sep at -$4.05/bbl. Heading into the window, front 380 structure saw bids, with Sep/Oct trading at $3.50/mt. This supported structure down the curve. Front crack was also supported by the buying in structure, therefore, it traded up to -$3.95/bbl at the end of the window. As a result, front 380 EW was implied to be stronger at -$1.50/mt. In barges, front crack traded from -$3.60/bbl to -$3.50/bbl this morning. Structure down the curve was a touch weaker, with Sep/Oct trading at $7.75/mt from $8/mt (Friday's close).

DISTILLATES

This morning in distillates, front sing gasoil spreads were better offered with tradehouse selling of Sep/Oct from $1.05/bbl to $0.98/bbl as there was buying in Apr/Jun at $0.23/bbl. The prompt E/W traded rangebound between -$27.5/mt and -$27.00/mt as regrade was better bid, Sep rallying to -$1.65/bbl as the Q4 traded at -$0.80/bbl and bid on.

ICE gasoil spreads were rangebound for the morning, Aug/Dec trading at $30.00/mt as the Aug crack traded higher to $21.80/bbl. Heating oil spreads were similarly rangebound, as were the HOGOs, having sold off into the close on Friday, Aug to 13.5 c/gal.

GASOLINE

This morning in gasoline flat price traded end window at $76.32/bbl with moc better offered. 92 cracks saw mixed interest, with Sep strengthening slightly from $7.85/bbl to $7.95/bbl, as Cal 26 got valued at $5.48/bbl. Structure was a little weaker overall with Sep/Oct remaining at $1.07/bbl and Nov/Dec falling from $0.90/bbl to $0.85/bbl. E/W was offered at -$6.4/bbl in Sep with Q2-26 trading at -$5.60/bbl. EBOB cracks were stable as a major Sep was buying around $13.3/bbl this morning, with Q1 getting valued at $6.6/bbl. The balmo spread came off from $13.5/mt on friday to $12/mt today, with the rest of the curve remaining stable.

NAPHTHA

This morning in naphtha, MOPJ MOC was better bid with fp trading at $581.5/mt by the end of the window. Structure was offered with spreads coming off in the front with Sep/Oct trading down from $3.75/mt to $3.50/mt and Oct/Nov trading at $3.75/mt post window. The E/W strengthened with sep trading up from $24.75/mt to $25.25/mt with Q4 bid at $22.25/mt. Naphtha cracks stayed balanced throughout the morning supported by lower crude trading -$6.0/bbl in Sep with the Sep/Oct crack roll bid at -$0.4/bbl. Spreads came off with Aug/Sep trading at $5.25/mt and Sep/Oct trading at $2/mt.

NGLS

This morning in NGLs, FEI continued to weaken on a crude basis, with Sep FEI trading at $529/mt pre-window, but selling interest in Sep FEI/MOPJ at -$56/mt pre-window and a crude sell-off pushed Sep FEI to trade down to $522/mt by the end of the window. FEI spreads similarly weakened with Sep/Oct FEI trading down from -$10/mt to -$11/mt, but trading back at -$10.5/mt post-window, Oct/Nov FEI trading down to -$7/mt and Q4/Q1 FEI trading at $8/mt and offered on. Deferred FEI spreads also weakened with Dec25/Dec26 trading down to $36/mt and offered on post-window as Q4 26 FEI was lifted up at $510/mt in the window and later hit at $508/mt as crude continued to sell off. Meanwhile, Cal FEI/CP and Cal CP buying implied further buying of backend FEI, further pressuring Dec/Dec FEI. FEI/CP weakened with Sep trading down from $5.5/mt to $4/mt in the window, despite Sep CP trading down to $521/mt and offered on in the window. CP spreads weakened as Sep/Oct CP traded down from -$14/mt to offered on at -$15/mt and Oct/Dec CP was hit at -$16/mt. EW weakened with Sep EW initially bid at $73/mt pre-window and trading down at $72.5/mt and offered at $73/mt. LST/FEI strengthened with FEI weakening over the morning, as Sep LST/FEI traded up at -$161/mt, while 4Q LST/FEI was lifted at -$163/mt.

GLOBAL MACRO

- Friday's US data were disappointing; job growth slowed sharply in July, marking the weakest pace since COVID.
- Employers added just 73,000 jobs, well below the 104,000 markets had expected, and earlier months were revised lower by a hefty 259,000 -the largest downward revision since COVID. The three-month hiring average stands at just 35,000
- The unemployment rate ticked up to 4.2%. Concerningly, the low unemployment was driven a slip in the labour force participation rate to 62.2%, the lowest in almost three years. Long-term unemployment climbed to 1.83 million, the most since late 2021.
- The ISM Manufacturing PMI fell to 48 in July, signalling contraction for a fifth straight month and the weakest reading since last October. The employment index slid to 43.4 – and supplier deliveries slowed further. Price pressures eased as well, with the index for prices paid dropping to 64.8 from 69.7.
- After the news the 2-year yield fell as much as 20bps, while the 10-year yield was down by 16 bps.
- The OIS is now pricing 58bps (2 full cuts) by yearend and an 82% probability for a cut in September. While the S&P 500 closed 1.6% lower and Gold closed almost 1.7% higher.
- Meanwhile, the UK Manufacturing PMI was revised down to 48.0 in July, but it's still indicating a milder contraction in the sector. While still below the 50 marks, this marks the smallest decline in business conditions since January.The improvement was driven by output stabilisation and a return to growth in consumer and intermediate goods, although investment goods output deteriorated further.
- Manufacturers continue to face significant headwinds, due to declining export demand, as the US tariffs have led to delayed spending decisions, contributing to a tenth consecutive monthly drop in new orders.
- Labour market conditions weakened, with job shedding continuing due to rising labour costs from National Insurance changes. Firms also cited weak domestic demand.
- In the Euro Area, July's inflation held steady at 2% y/y but came above expectations of 1.9% according to Eurostat's flash estimates. Food, alcohol and tobacco prices rises accelerated, but were offset by services inflation, which eased to 3.1%, while core inflation also beat expectations by 0.1 points, coming at 2.3% y/y.
- On Monday morning, in France, the new passenger car registrations in July fell by 7.7% y/y to just over 116k units – the seventh consecutive decline.
- In Spain, unemployment fell by 1,357 people in July 2025, marking the sixth consecutive monthly decline. The total number of unemployed now stands at 2,404,606, the lowest July figure since 2007. On a yearly basis unemployment is down by -5.71%.
- Across sectors, unemployment fell in agriculture but rose slightly in services -signalling some concerns during peak hiring demand season due to tourism.

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