FLUX INSIGHTS

OVERNIGHT & SINGAPORE WINDOW

Market Highlights from the Singapore Window

04 DEC 2025

FLAT PRICE

The Feb'26 Brent futures contract remains highly rangebound. Price action continues to encounter resistance above the $63/bbl threshold, although support is seen at $62.75/bbl. At the time of writing at 10:00 GMT, the contract stands at $62.85/bbl. ExxonMobil plans to wind down its operations at one of its two steam crackers on Singapore's Jurong Island from March, with the intention of shutting the plant down by June. This comes amid industry losses faced by chemical producers due to overcapacity led by China. Meanwhile, Chevron has reportedly planned its capital expenditure for 2026 to be between $18-19 billion, with approximately $17 billion allocated to upstream operations, and roughly $9 billion set aside for the US. The major has stated that it expects to spend $6 billion on American shale, with plans to produce more than 2mb of oil equivalent per day from the US next year. Also in the US, the Colonial Pipeline requested that the US Federal Energy Regulatory Commission reconsider its decision to block Colonial's proposal to modify delivery specifications, end overlapping shipments of different grades of gasoline, and discontinue shipments of "Grade 5" gasoline sold in some Northeastern US states during the winter. Colonial states that the changes are necessary to prevent wear and tear of the pipeline system and to improve efficiency, although their plan has met protest from majors and shippers, who argue it would harm their business by shifting blending margins away from them to Colonial. Finally, Turkey has finalised a one-year extension of its two gas import contracts with Russia (total: 22 bcm), but is considering investments in US gas to diversify its energy sources, according to Turkish Energy Minister Alparslan Bayraktar. Finally, at the time of writing, the Feb/Mar'26 and Feb/Aug'26 Brent futures spreads stand at $0.38/bbl and $0.78/bbl, respectively.

CRUDE

Quiet morning in Dated Brent. Balmo Dec/Jan Dated got lifted high at $0.76/bbl. Jan/Feb DFL traded at $0.24/bbl and was offered over, whilst Jan/Feb Dated traded at $0.45/bbl. We also saw sell-side interest out of 8-12 Dec, with the 1w trading low at $0.17/bbl and the 2w offered at $0.39/bbl. 4 vs 11 Dec traded at $0.38/bbl and 5-9 Jan 1w was offered at $0.2/bbl.

FUEL OIL

In VLSFO, the front Sing crack had a range-bound morning and traded between $3.50/bbl and $3.60/bbl. However, interest in the front Sing crack was generally offered with selling at $3.60/bbl. Front structure was better offered as a result, with Jan/Feb trading at -$2/mt. The rest of the curve also saw sellside interests. Deferred cracks saw little interest, with Q4 bid at $6.35/bbl, but this did not move the front crack. Very quiet on Euro 0.5, with front crack offered at -$1.15/bbl all morning. Structure saw little interest with Jan/Feb implied at -$2.25/mt.

In HSFO, 380 cracks saw buying in Q1 at -$7.60/bbl in the window. But the front crack was well offered, trading from -$8.20/bbl to -$8.40/bbl. As a result, front E/W came off down to -$2/mt. After the window, the front 380 crack turned bid very quickly, with buying up to -$7.95/bbl. This, together with buying in 2H E/W, supported the front E/W at $0/mt. Front structure also turned bid with Jan/Feb at -$3.50/mt and Feb/Mar at -$2.25/mt.

DISTILLATES

This morning in distillates, Sing gasoil spreads firmed initially, with Jan/Feb trading from $0.68/bbl up to $0.70/bbl before turning better offered and trading down to $0.64/bbl last. The Jan E/W also firmed early to trade at –$25.25/mt, before coming better offered post-window on stronger ICE gasoil and trading at –$25.75/mt. Regrade was volatile in Jan, trading from $0.47/bbl down to $0.40/bbl pre-window, before being lifted back up to $0.50/bbl during the window, then selling off again to be hit at $0.40/bbl post-window.

Prompt ICE gasoil spreads initially sold off, with Dec/Feb falling from $17.50/mt to $15.75/mt before firming to $17.00/mt post-window, while the Feb crack sold down to $23.90/bbl before rallying to $24.20/bbl last. Both heating oil spreads and HOGOs were rangebound, with Jan HOGO at 19.60c/gal.

GASOLINE

This morning in gasoline, 92 flat price (FP) traded at 74.40/bbl with MOC balanced in Jan and offered in Feb. The east was offered with Jan/Feb trading down from $0.70/bbl to $0.65/bbl, and cracks softened from $12.10/bbl to $12/bbl, with Q2 valued at $9.95/bbl. E/W was sold down from -$1.40/bbl to -$1.50/bbl, with EBOB cracks slightly better bid in the front as they remained stable, trading at $13.45/bbl post-window. Spreads were balanced, with Jan/Feb trading at $4.25/mt.

NAPHTHA

This morning, in naphtha, MOC was well bid with FP trading at $551.25 at the end of the window. MOPJ cracks firmed by around 8c in Jan and Feb to trade at -$0.43/bbl and -$0.98/bbl, respectively. MOPJ spreads saw more buy-side interest, rising 25c in Feb/Mar to $6.75/mt. E/W opened slightly weak, then strengthened by 50c to $37.5/mt. Naphtha cracks traded rangebound at -$4.65/mt, while spreads rose slightly in the front, with Jan/Feb trading up to $3/mt.

NGLS

This morning in NGLs, FEI spreads have been choppy with Jan/Feb trading down to $8.5/mt but bouncing back to $9.5/mt with Chinese players on the buyside, with Jan26/Dec26 FEI trading $19/mt this morning. Interest in front FEI FP was balanced at the end of the window with Jan FEI $512/mt choice on screen. Jan/Feb CP was slightly stronger, trading up to $3/mt with real buy-side interest in Feb FEI/CP. Chinese buying flow in June CP at $457/mt. Feb C4 ENT better offered, trading 87c/gal.

GLOBAL MACRO

- Copper makes another new all-time high as the dollar trends lower on news ultra dove. Hassett is the likely new Fed chair and ADP payrolls come in significantly weaker than expected.
- In Japan 10-year JGB's rise another 4bp, highest since 2008.
- The ADP report for November shows the largest monthly job losses (32,000) since early 2023, undershooting the consensus forecast gain of +10,000 jobs. Notable distribution: Small firms are the ones shedding workers, according to the latest ADP. Over the last three months, small businesses have cut 178,000 off their payroll ranks. By contrast, large firms have added 143,000.
- The ISM Services PMI rose 0.2 points to 52.6, beating expectations by 0.5 points and marking the ninth consecutive month of sector expansion in 2025. The index now sits 0.9 points above its 12-month average of 51.7, indicating steady, modest growth. Business Activity (54.5%) and New Orders (52.9%) remained firmly in expansion territory, while Employment (48.9%) continued to contract for a sixth straight month. The Prices Index eased to 65.4%, down 4.6 points from October, signalling ongoing but moderating inflationary pressure.
- TRUMP: "I guess a potential Fed Chair is here too…I don't know, are we allowed to say that? Thank you, Kevin." Kevin Hassett has consistently called for lower interest rates to stimulate economic growth and criticized the Federal Reserve for being too slow to ease monetary policy.
- The S&P 500's 5-day historical range is now 1.2%, the lowest level of the year. Markets are quiet after Thanksgiving but plenty of event risk ahead with Fed, BOE and BOJ rate meetings all pricing moves (cut, cut, hike) plus a resumption of key US payroll data, and the expected Santa Claus rally. All in low volume.
- $IBM CEO says that at today's costs it takes about $80B to build & fill a 1 GW AI data centre, so the ~100 GW of announced capacity implies roughly $8T of capex & "no way you're going to get a return on that," since you'd need "about $800B of profit just to pay for the interest"
- Gold is a mere 2.8% of investors AUM.
- Commodities are breaking out slowly.
- The Australian OIS is pricing one full HIKE over the next 12 months. AUDUSD up 2.5% over the last 2 weeks.
- Here's the cumulative real GDP growth for Europe's four biggest economies since Q1 2020: 9%, 7.5%, 6.2%, 2.1%…. trending!
- Another shocking stat of the day: Interest costs on US debt are now equal to 24% of every $1 in government tax revenue. The interest expense as % of collected taxes has nearly DOUBLED over the last 4 years.
- Data today – EZ retail sales, US weekly jobless claims

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