



### Market Summary

#### Kerosene Takes Flight!

Summers are nice in Europe and blistering hot in Northern Asia. Never mind, the time to fly is here and kerosene will be a super performer, while gasoline indicators suggest not. Maybe the trade is long jet kero and short mogas! You, dear reader, figure it out while tanning somewhere. In the meantime, as of June 10, the 7 day average global flight miles stood at over 95 million miles, compare to 88.4 million on the same day in 2019, according to data from Airportia. Jet cracks increased by 88c, whilst the regrade increased by 28c. Note that 47 pct of all new car sales in China were EV. Electricity keeps on chewing away at gasoline.

Sources were also speculating that WTI has been too cheap and the arb into Asia is open with some cargoes likely to be slipping through. This means that the Dubai physical to WTI futures should tighten even further. On a day-to-day basis, the spread narrowed by 10c. Dubai is strong but WTI is stronger.

Meanwhile, Europe is in a tizz, UK unemployment is up, right wing parties are showing strength and calling for Germany's leader to emulate Macron and call for a parliamentary election. Belgian's leader resigned. Messy. The Benchmark 10 year French Government bond yield has increased 16.8 bps since the 7<sup>th</sup> June. And the Euro remains under pressure and likely to descend to 1.06 in short order. Book you flights and help the beleaguered economies in Japan and Europe. 160 yen to the USD also expected.

August Brent futures remained fairly flat at near \$81.50/ bbl, after strengthening considerably over yesterday European session. August Brent had increased by \$1.67 against yesterday and ready for a technical retreat.

Physical Dubai relative to October swaps strengthened by 11c with Aug/Oct spreads increasing to \$2.13/bbl over the last 24 hours. Similar strengthening was seen in WTI and Brent structures, which increased by 21c and 28c respectively.

See 'In Detail' section overleaf.

<b>Summary</b>					
<b>Physical and Futures</b>			<b>11-Jun-24</b>	<b>1-Day Change</b>	<b>7-Day Change</b>
Brent Aug (fut)	(\$/bbl)	<b>81.670</b>		+1.940	+4.090
WTI Aug (fut)	(\$/bbl)	<b>77.370</b>		+2.080	+4.150
Dubai Aug (phys)	(\$/bbl)	<b>81.860</b>		+1.670	+3.980
<b>Crude Swaps Jul</b>					
Brent	(\$/bbl)	<b>81.235</b>		+1.775	+4.065
DFL	(\$/bbl)	<b>0.020</b>		+0.340	+0.580
WTI	(\$/bbl)	<b>77.215</b>		+2.030	+4.320
Dubai	(\$/bbl)	<b>81.510</b>		+1.770	+4.000



## In detail

On a 24-hour basis, August WTI and Brent futures increased to \$77.37/bbl and \$81.67/bbl respectively. Our Dubai physical assessment also rose to \$81.86/bbl. Structures all strengthened over the 24 hours.

Saudi crude exports to China fall for the third straight month in July to around 36 million barrels, driven by plant maintenance and rotation towards cheaper grades, some sources told Reuters on Tuesday. This comes despite Saudi Arabia, last week, cutting OSPs to Asia for the first time in 5 months.

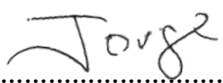
Weakness in China does not seem localised to oil markets. Despite seemingly robust imports of Iron ore this year, steel output is weak, at 85.94 million tons in April, down 7.2% from the same month the year prior. Thin margins have been a key driver. Chinese vehicle sales fell slightly in May, but to a lesser extent than markets expected, falling 1.9% against a year ago. 47% of these sales were plug in hybrid passenger cars, led by BYD.

Kerosene remains a key driver in recent oil market dynamics. As at June 10, the 7 day average global flight miles stood at over 95 million miles, compare to 88.4 million on the same day in 2019, according to data from Airportia. Singapore Jet cracks rose by 88c against the same time the day prior, trading at \$15.49/bbl as at 09:30 BST. Regrade also increased 28c over the same period, marking a 31.8% increase.

Much of this strength has been attributed to high kerosene demand for jet fuel ahead of summer tourism. Global air travel has now surpassed its pre-covid 2019 level. Heathrow airport also announced on Tuesday that in May the airport processed 7.2 million passengers, marking an increase of 6.7% y-o-y.


OPEC are expected to release their monthly report at 12:30 PM. Currently the group are forecasting 2.2m bbls/d global demand growth.

Key movers among July contracts over the last 24 hours were the regrade (+31.8%), Asian Pronap (-29.8%), HSFO E/W (+28.2%), Singapore 180 crack (+12.3%) and Brent/Dubai (-10.7%).

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<b>Front Month Outrights</b>					
<b>July Swaps</b>			<b>11-Jun-24</b>	<b>1-Day Change</b>	<b>7-Day Change</b>
<b>Crude</b>					
Brent	(\$/bbl)	<b>81.235</b>		+1.775	+4.065
WTI	(\$/bbl)	<b>77.215</b>		+2.030	+4.320
Dubai	(\$/bbl)	<b>81.510</b>		+1.770	+4.000
<b>Distillates</b>					
Gasoil 0.1 NWE	(\$/mt)	<b>743.685</b>		+14.755	+37.355
NWE Jet	(\$/mt)	<b>804.100</b>		+16.670	+46.270
Singapore 10ppm	(\$/bbl)	<b>96.860</b>		+2.140	+4.940
Sing Kero	(\$/bbl)	<b>96.240</b>		+2.400	+5.670
<b>Gasoline</b>					
RBOB	(c/gal)	<b>239.260</b>		+2.045	+9.290
EBOB	(\$/mt)	<b>809.090</b>		+6.790	+29.010
Singapore 92	(\$/bbl)	<b>88.490</b>		+1.210	+3.840
Singapore 95	(\$/bbl)	<b>92.640</b>		+1.210	+4.090
<b>Naphtha</b>					
US C5 ENT	(c/gal)	<b>148.180</b>		+0.780	+3.320
NWE Naphtha	(\$/mt)	<b>643.650</b>		+13.000	+25.370
MOPJ Naphtha	(\$/mt)	<b>659.810</b>		+11.740	+21.780
<b>Fuel Oil</b>					
3.5% barges	(\$/mt)	<b>467.800</b>		+11.810	+21.080
Singapore 380	(\$/mt)	<b>480.370</b>		+14.690	+12.580
Singapore 180	(\$/mt)	<b>488.800</b>		+14.620	+10.510
0.5% barges	(\$/mt)	<b>529.080</b>		+11.300	+19.300
Singapore 0.5%	(\$/mt)	<b>571.310</b>		+12.260	+18.540
<b>NGLs</b>					
US Propane LST	(c/gal)	<b>74.590</b>		+3.120	+6.750
NWE Propane	(\$/mt)	<b>520.110</b>		+8.250	+27.160
Saudi Propane CP	(\$/mt)	<b>563.220</b>		+1.860	+13.270
Asian Propane FEI	(\$/mt)	<b>609.720</b>		+0.410	+13.220
US Butane ENT	(c/gal)	<b>87.490</b>		+2.910	+6.510
Saudi Butane CP	(\$/mt)	<b>547.220</b>		+1.910	+8.170



## Long Tenor Swaps

		Balmo	Jul-24	Aug-24	Sep-24	Oct-24	Q3-24	Q4-24
<b>Crude</b>								
Brent	(\$/bbl)	81.650	81.235	80.740	80.255	79.815	80.255	79.000
WTI	(\$/bbl)	77.610	77.215	76.660	76.135	75.590	76.135	74.605
Dubai	(\$/bbl)	81.910	81.510	80.900	80.300	79.730	80.300	78.650
<b>Distillates</b>								
Gasoil 0.1 NWE	(\$/mt)	742.520	743.685	745.530	747.670	746.540	742.290	739.775
NWE Jet	(\$/mt)	799.520	804.100	804.490	806.170	805.040	800.790	798.120
Singapore 10ppm	(\$/bbl)	96.700	96.860	96.980	97.120	96.940	96.640	96.330
Sing Kero	(\$/bbl)	96.940	96.240	96.170	96.310	96.210	96.100	96.000
<b>Gasoline</b>								
RBOB	(c/gal)	240.645	239.260	236.325	218.340	213.515	210.595	209.630
EBOB	(\$/mt)	809.090	809.090	804.840	791.340	744.590	724.840	711.840
Singapore 92	(\$/bbl)	87.890	88.490	88.340	87.690	86.870	86.050	85.420
Singapore 95	(\$/bbl)	91.690	92.640	92.490	91.790	90.970	89.950	89.320
<b>Naphtha</b>								
US C5 ENT	(c/gal)	148.560	148.180	147.930	147.680	147.300	146.800	146.300
NWE Naphtha	(\$/mt)	648.650	643.650	638.900	635.150	631.900	628.400	624.650
MOP-Japan Naphtha	(\$/mt)	665.310	659.810	654.560	650.560	646.810	642.810	638.810
<b>Fuel Oil</b>								
3.5% barges	(\$/mt)	470.050	467.800	463.300	456.800	448.300	442.800	439.050
Singapore 380	(\$/mt)	492.370	480.370	472.870	464.370	455.870	451.120	447.870
Singapore 180	(\$/mt)	497.300	488.800	483.050	476.300	469.550	465.550	463.050
0.5% barges	(\$/mt)	530.330	529.080	527.580	525.080	522.330	519.330	516.330
Singapore 0.5%	(\$/mt)	575.310	571.310	566.560	562.560	559.560	556.560	553.560
<b>NGLs</b>								
US Propane LST	(c/gal)	73.210	74.590	75.090	75.590	76.840	77.720	77.970
NWE Propane	(\$/mt)	525.110	520.110	518.110	520.610	523.610	526.110	526.110
Saudi Propane CP	(\$/mt)	563.220	563.220	553.220	558.720	568.720	576.220	579.720
Asian Propane FEI	(\$/mt)	619.720	609.720	606.720	610.720	616.220	620.220	618.220
US Butane ENT	(c/gal)	86.990	87.490	87.990	88.490	90.490	91.370	91.870
Saudi Butane CP	(\$/mt)	547.220	547.220	545.220	553.720	565.220	572.720	576.220



<b>Front Month Spreads</b>				
<b>July/Aug</b>		<b>11-Jun-24</b>	<b>1-Day Change</b>	<b>7-Day Change</b>
<b>Crude</b>				
Brent	(\$/bbl)	0.495	+0.100	+0.310
WTI	(\$/bbl)	0.555	+0.105	+0.345
Dubai	(\$/bbl)	0.610	+0.090	+0.220
<b>Distillates</b>				
Gasoil 0.1 NWE	(\$/mt)	-1.845	+0.300	+1.585
NWE Jet	(\$/mt)	-0.390	+0.670	+4.040
Singapore 10ppm	(\$/bbl)	-0.120	+0.040	+0.080
Sing Kero	(\$/bbl)	0.070	+0.220	+0.390
<b>Gasoline</b>				
RBOB	(c/gal)	2.935	-0.195	+0.745
EBOB	(\$/mt)	4.250	-1.500	-1.750
Singapore 92	(\$/bbl)	0.150	-0.200	+0.000
Singapore 95	(\$/bbl)	0.150	-0.200	+0.000
<b>Naphtha</b>				
US C5 ENT	(c/gal)	0.250	+0.000	+0.000
NWE Naphtha	(\$/mt)	4.750	+0.750	+0.250
MOP-Japan Naphtha	(\$/mt)	5.250	+0.500	-1.000
<b>Fuel Oil</b>				
3.5% barges	(\$/mt)	4.500	+0.250	+2.000
Singapore 380	(\$/mt)	7.500	+1.250	-0.750
Singapore 180	(\$/mt)	5.750	+1.250	-1.500
0.5% barges	(\$/mt)	1.500	+0.250	-1.000
Singapore 0.5%	(\$/mt)	4.750	+0.500	-0.750
<b>NGLs</b>				
US Propane LST	(c/gal)	-0.500	+0.120	+0.250
NWE Propane	(\$/mt)	2.000	+0.000	+3.000
Saudi Propane CP	(\$/mt)	10.000	-2.000	+2.000
Asian Propane FEI	(\$/mt)	3.000	-1.000	+1.000
US Butane ENT	(c/gal)	-0.500	+0.120	+0.250
Saudi Butane CP	(\$/mt)	2.000	-2.000	-2.000



<b>Front Month Cracks and Diffs</b>			
<b>July</b>	<b>11-Jun-24</b>	<b>1-Day Change</b>	<b>7-Day Change</b>
<b>Crude</b>			
Brent/Dubai (\$/bbl)	-0.310	-0.030	+3.090
WTI/Brent (\$/bbl)	-4.000	+0.270	+0.280
<b>Distillates</b>			
Gasoil 0.1 NWE crack (\$/bbl)	18.610	+0.260	+1.010
NWE Jet crack (\$/bbl)	20.840	+0.400	+1.880
NWE Jet Diff (\$/mt)	60.500	+2.000	+9.000
Gasoil E/W (\$/bbl)	-22.000	+1.250	-0.500
Regrade (Sing Kero vs Sing 10ppm) (\$/bbl)	-0.600	+0.280	+0.750
<b>Gasoline</b>			
TA Arb (RBOB vs EBOB) (c/gal)	8.000	+0.100	+1.000
EBOB crack (\$/mt)	15.960	-0.950	-0.510
Singapore 92 crack (\$/bbl)	7.310	-0.530	-0.150
Gasoline E/W (Sing 92 vs EBOB) (\$/bbl)	-8.650	+0.400	+0.350
European Gasnaph (EBOB vs Naphtha) (\$/mt)	165.420	-6.540	+3.790
Asian Gasnaph (Sing 92 vs MOPJ) (\$/mt)	77.230	-1.830	+10.430
<b>Naphtha</b>			
US C5 ENT vs WTI Crack	-14.930	-1.660	-2.890
NWE Naphtha Crack (\$/bbl)	-8.850	-0.250	-1.150
MOPJ Naphtha Crack (\$/bbl)	-7.020	-0.390	-1.540
Naphtha E/W (NWE vs MOPJ) (\$/mt)	16.250	-1.250	-3.500
<b>Fuel Oil</b>			
3.5% barges crack (\$/bbl)	-7.500	+0.150	-0.670
Singapore 380 crack (\$/bbl)	-5.530	+0.580	-2.010
Singapore 180 crack (\$/bbl)	-4.190	+0.590	-2.320
Visco (180-380) (\$/mt)	8.500	+0.000	-2.000
HSFO E/W (380 vs 3.5% barges) (\$/mt)	12.500	+2.750	-8.500
0.5% barges crack (\$/bbl)	2.150	+0.050	-0.940
Singapore 0.5% crack (\$/bbl)	8.800	+0.200	-1.050
VLSFO E/W (Sing 0.5% vs 0.5% barges) (\$/mt)	42.230	+0.960	-0.690
European Hi5 (0.5% barges vs 3.5% barges) (\$/mt)	61.280	-0.630	-1.720
Asian Hi5 (Sing 0.5% vs 380) (\$/mt)	91.010	-2.420	+6.100
0.5% barges/gasoil (\$/mt)	-214.080	-3.180	-17.620
Sing 0.5% vs Sing 10ppm (\$/mt)	-149.840	-3.450	-17.850
<b>NGLs</b>			
US Propane LST vs NWE Propane (\$/mt)	-131.500	+8.000	+8.000
US Propane LST vs Asian Propane FEI (\$/mt)	-221.000	+16.000	+22.000
Asian Propane FEI vs NWE Propane (\$/mt)	89.500	-8.000	-13.500
Asian Propane FEI vs Saudi Propane CP (\$/mt)	46.500	-1.500	+0.000
European Pronap (NWE Propane vs NWE Naphtha) (\$/mt)	-123.450	-4.830	+2.160
Asian Pronap (FEI vs MOPJ) (\$/mt)	-50.200	-11.530	-8.250



<b>Inter-month Crack Spreads</b>			
<b>July/Aug</b>	<b>11-Jun-24</b>	<b>1-Day Change</b>	<b>7-Day Change</b>
<b>Crude</b>			
Brent/Dubai (\$/bbl)	-0.120	+0.000	+0.080
WTI/Brent (\$/bbl)	0.070	+0.020	+0.050
<b>Distillates</b>			
Gasoil 0.1 NWE crack (\$/bbl)	-0.730	-0.020	-0.050
NWE Jet crack (\$/bbl)	-0.530	+0.040	+0.250
NWE Jet Diff (\$/mt)	1.500	+0.500	+2.500
Gasoil E/W (\$/bbl)	0.890	-0.280	-1.270
Regrade (Sing Kero vs Sing 10ppm) (\$/bbl)	0.190	+0.180	+0.310
<b>Gasoline</b>			
TA Arb (RBOB vs EBOB) (c/gal)	1.750	+0.250	+0.560
EBOB crack (\$/mt)	0.020	-0.290	-0.500
Singapore 92 crack (\$/bbl)	-0.340	-0.290	-0.290
Gasoline E/W (Sing 92 vs EBOB) (\$/bbl)	-0.360	-0.020	+0.210
European Gasnaph (EBOB vs Naphtha) (\$/mt)	-0.500	-2.250	-2.000
Asian Gasnaph (Sing 92 vs MOPJ) (\$/mt)	-4.000	-2.160	+1.000
<b>Naphtha</b>			
US C5 ENT vs WTI Crack	-0.430	-0.090	-0.320
NWE Naphtha Crack (\$/bbl)	0.040	-0.010	-0.270
MOPJ Naphtha Crack (\$/bbl)	0.110	-0.030	-0.380
Naphtha E/W (NWE vs MOPJ) (\$/mt)	0.500	-0.250	-1.250
<b>Fuel Oil</b>			
3.5% barges crack (\$/bbl)	0.210	-0.060	+0.020
Singapore 380 crack (\$/bbl)	0.690	+0.100	-0.410
Singapore 180 crack (\$/bbl)	0.420	+0.120	-0.520
Visco (180-380) (\$/mt)	-1.750	+0.000	-0.750
HSFO E/W (380 vs 3.5% barges) (\$/mt)	3.000	+1.000	-2.750
0.5% barges crack (\$/bbl)	-0.230	-0.030	-0.430
Singapore 0.5% crack (\$/bbl)	0.280	+0.010	-0.390
VLSFO E/W (Sing 0.5% vs 0.5% barges) (\$/mt)	3.250	+0.250	+0.250
European Hi5 (0.5% barges vs 3.5% barges) (\$/mt)	-3.000	+0.000	-3.000
Asian Hi5 (Sing 0.5% vs 380) (\$/mt)	-2.750	-0.750	+0.000
0.5% barges/gasoil (\$/mt)	3.390	-0.180	-2.720
Sing 0.5% vs Sing 10ppm (\$/mt)	5.640	+0.200	-1.350
<b>NGLs</b>			
US Propane LST vs NWE Propane (\$/mt)	-4.610	+0.620	-1.710
US Propane LST vs Asian Propane FEI (\$/mt)	-5.610	+1.620	+0.290
Asian Propane FEI vs NWE Propane (\$/mt)	1.000	-1.000	-2.000
Asian Propane FEI vs Saudi Propane CP (\$/mt)	-7.000	+1.000	-1.000
European Pronap (NWE Propane vs NWE Naphtha) (\$/mt)	-2.750	-0.750	+2.750