



### Market Summary

#### Flat price dumps, but Dated Brent still clutched?

The most beautiful squeezes are those happening beneath your nose while your eyes are looking elsewhere, say, when you are distracted by the crashing sound of falling Brent. Yes, the broader economic signals are awful, and the Asian market is dumping like hell, and so are Brent and WTI. Yet beneath the crashing oil ashes, here rises the Dated Phoenix, the premium rising as if oil were super tight. One could say producers, refiners and traders are having a go, taking turns in the trading carousel, looking to bid and buy the tightest things there are. One North Sea producer was busy bidding and buying American crude. Really? Equinor bought CIF WTI Midland Aug 12-16 from Glencore at +\$2.25 to Dated Brent. Equinor also bid for Aug. 7-11 at +\$2.00. And Chevron bid Aug 7-19 Forties at +\$1.20 but withdrew. Dated differentials would then rise by about 15c, while the rest of the spectrum falls hard.

Crude continues to tank. Sep Brent fell \$1.19/bbl to below \$81/bbl. The fundamental picture remains very weak. Construction in Europe is awful, and HCOB PMIs are broadly expected to come in weak tomorrow. In the US, the picture also remains very weak. US existing home sales printed their sharpest decline since 2022, falling by 5.4% in June to 3.89 million units.

So, the flat price dump does indeed follow the squeeze. But what has happened to all those North Sea cargoes Mr Gunvor and Trafi bought? According to shipping tracking data, one Forties cargo is currently being loaded onto a VLCC, C. Spirit, at Hound Point for departure on 24 July. The C. Spirit is reportedly destined for Ningbo, China. At one point, the cargo was owned by, you guessed it, Gunvor. Reportedly, the cargo was sold at a heavy discount, which would mean almost nonsensical losses. But we guess the juice is in the CFD leverage. We will see if Gunvor replies to our questions.

The North Sea duo's oily footprints have also been tracked to the Med, looking for some much-needed vitamin D or perhaps to lay off cargoes into ISAB. I squeeze you if you squeeze me.

### Summary

Physical and Futures		23-Jul-24	1-Day Change	7-Day Change
Brent Sep (fut)	(\$/bbl)	80.840	-1.190	-3.240
WTI Sep (fut)	(\$/bbl)	76.680	-1.340	-3.310
Dubai Sep (phys)	(\$/bbl)	80.260	-1.300	-3.550
Crude Swaps Aug				
Brent	(\$/bbl)	79.910	-1.100	-3.190
DFL	(\$/bbl)	0.810	-0.120	-0.190
WTI	(\$/bbl)	76.310	-1.300	-3.320
Dubai	(\$/bbl)	79.020	-1.450	-3.850
Tenor		Sep-24	Oct-24	Nov-24
Crude Futures				
Brent (fut)	(\$/bbl)	80.840	79.950	79.270
WTI (fut)	(\$/bbl)	76.680	75.720	74.990



## In detail

Crude gets smacked down, with Brent below \$81/bbl at the European close and Sept WTI below \$77/bbl, with both contracts losing well in excess of \$1/bbl against yesterday. At long last, the M1/M2 spreads for Brent futures also eased, losing 10c to \$0.89/bbl, but still look a little bloated. But Dated Brent diffs gained!

North Sea crude markets are slackening after a month of elevated tightness. Incredibly ripe cargoes are being sold at stiff discounts. NS crude priced itself out of the Asian market due to the squeeze. But surprise, surprise, reports said Gunvor sold heavily discounted cargoes. Oh boy, see the arched eyebrow. These cargoes exerted downward pressure on Murban and Dubai. Markets were abuzz with rumors of ATC taking hits and buying back Brent/Dubai. At the same time, prompt cargoes may be cheap. Then, in the window for the assessments, North Sea kept on being bid up.

Asian crude, as we have documented, has been underperforming relative to Brent, incentivizing a rotation in demand toward Middle Eastern grades. Arbs have been expensive, too expensive for many to justify loading North Sea grades, and therefore, a reversal in Brent/Dubai would be logical. But only in some time.

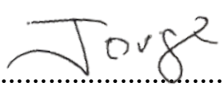
Another tanker, the Baltic Loyalty, reportedly loaded 2 million barrels of Forties via ship-to-ship transfers involving three other vessels. Gunvor hired two of those three vessels. The Baltic Loyalty then sat at anchor off the coast of the UK for 2 weeks. According to ship tracking data, the vessel was subsequently offloaded in Rotterdam. VLCCs are rarely deployed for such short transits.

Weakness in the physical has seen Brent front spreads fall somewhat to just below 90c, but the structure still remains steeply backwardated. Now, with the flat price in free fall, it makes sense that the lack of prompt demand will pass through and spreads should come off.

The fundamentals and flat price are starting to align after a period of dislocation. Unfortunately for the Bulls, there is little good news for the macro picture. As incomes are squeezed in the US, existing home sales are falling, while median prices have climbed to a record high of almost \$427k.



Figure 1: September Brent futures price, Onyx Flux

Jorge Montepeque: 


Managing Director for Benchmarking

[jmontepeque@onyxcapitalgroup.com](mailto:jmontepeque@onyxcapitalgroup.com)

Harinder Sandhu: 

Quantitative Research Analyst

[hsandhu@onyxcapitaladvisory.com](mailto:hsandhu@onyxcapitaladvisory.com)

Will Cunliffe: 

Research Analyst

[wcunliffe@onyxcapitaladvisory.com](mailto:wcunliffe@onyxcapitaladvisory.com)



<b>Front Month Outrights</b>				
<b>August Swaps</b>		<b>23-Jul-24</b>	<b>1-Day Change</b>	<b>7-Day Change</b>
<b>Crude</b>				
Brent	(\$/bbl)	79.910	-1.100	-3.190
WTI	(\$/bbl)	76.310	-1.300	-3.320
Dubai	(\$/bbl)	79.020	-1.450	-3.850
<b>Distillates</b>				
Gasoil 0.1 NWE	(\$/mt)	738.360	-6.660	-22.990
NWE Jet	(\$/mt)	790.360	-4.660	-23.490
Singapore 10ppm	(\$/bbl)	95.720	-0.930	-2.980
Sing Kero	(\$/bbl)	94.640	-0.910	-2.950
<b>Gasoline</b>				
RBOB	(c/gal)	238.280	-1.600	-5.910
EBOB	(\$/mt)	793.060	-7.000	-22.880
Singapore 92	(\$/bbl)	88.110	-0.590	-2.230
Singapore 95	(\$/bbl)	92.610	-0.590	-2.080
<b>Naphtha</b>				
US C5 ENT	(c/gal)	148.110	-1.560	-6.580
NWE Naphtha	(\$/mt)	652.730	-5.960	-18.780
MOPJ Naphtha	(\$/mt)	669.730	-4.210	-20.200
<b>Fuel Oil</b>				
3.5% barges	(\$/mt)	450.790	-4.890	-21.400
Singapore 380	(\$/mt)	471.140	-3.040	-21.980
Singapore 180	(\$/mt)	477.570	-3.110	-22.120
0.5% barges	(\$/mt)	533.910	-4.950	-14.730
Singapore 0.5%	(\$/mt)	575.500	-4.320	-15.370
<b>NGLs</b>				
US Propane LST	(c/gal)	76.708	-0.663	-2.805
NWE Propane	(\$/mt)	555.150	-2.950	-10.610
Saudi Propane CP	(\$/mt)	576.150	+1.050	-6.610
Asian Propane FEI	(\$/mt)	624.200	+2.100	-8.060
US Butane ENT	(c/gal)	95.220	-1.270	-1.790
Saudi Butane CP	(\$/mt)	567.740	+2.640	-0.020



## Long Tenor Swaps

		Balmo	Aug-24	Sep-24	Oct-24	Nov-24	Q4-24	Q1-25
<b>Crude</b>								
Brent	(\$/bbl)	80.710	79.910	79.250	78.740	78.310	78.323	77.287
WTI	(\$/bbl)	76.660	76.310	75.490	74.790	74.210	74.233	72.887
Dubai	(\$/bbl)	79.870	79.020	78.600	78.110	77.650	77.670	76.623
<b>Distillates</b>								
Gasoil 0.1 NWE	(\$/mt)	737.000	738.360	739.930	738.070	733.830	734.460	727.813
NWE Jet	(\$/mt)	793.500	790.360	790.930	790.570	787.830	788.460	785.313
Singapore 10ppm	(\$/bbl)	95.520	95.720	95.850	95.760	95.410	95.423	94.900
Sing Kero	(\$/bbl)	94.390	94.640	94.880	94.990	94.840	94.843	94.437
<b>Gasoline</b>								
RBOB	(c/gal)	242.320	238.280	219.220	213.300	209.330	210.117	215.653
EBOB	(\$/mt)	796.060	793.060	780.060	734.810	715.060	717.143	702.977
Singapore 92	(\$/bbl)	89.310	88.110	86.710	85.510	84.610	84.710	83.693
Singapore 95	(\$/bbl)	93.810	92.610	91.160	89.810	88.810	88.843	87.293
<b>Naphtha</b>								
US C5 ENT	(c/gal)	147.230	148.110	148.730	149.230	149.350	149.310	148.850
NWE Naphtha	(\$/mt)	665.230	652.730	643.730	639.230	634.230	634.230	621.063
MOP-Japan Naphtha	(\$/mt)	675.730	669.730	662.230	656.480	650.730	650.897	635.563
<b>Fuel Oil</b>								
3.5% barges	(\$/mt)	454.290	450.790	444.290	434.790	428.040	428.957	421.207
Singapore 380	(\$/mt)	478.140	471.140	457.640	445.140	436.140	437.723	427.223
Singapore 180	(\$/mt)	483.320	477.570	465.570	455.070	446.820	448.403	439.903
0.5% barges	(\$/mt)	537.910	533.910	526.160	519.910	514.660	514.743	502.790
Singapore 0.5%	(\$/mt)	581.500	575.500	568.500	562.250	557.000	557.167	543.963
<b>NGLs</b>								
US Propane LST	(c/gal)	75.828	76.708	77.588	78.708	79.328	79.081	77.505
NWE Propane	(\$/mt)	560.650	555.150	551.150	547.650	546.650	546.650	525.817
Saudi Propane CP	(\$/mt)	576.150	576.150	577.150	584.650	591.650	590.650	579.983
Asian Propane FEI	(\$/mt)	628.200	624.200	623.200	626.200	628.700	627.033	602.033
US Butane ENT	(c/gal)	94.720	95.220	95.600	96.100	96.480	96.227	93.270
Saudi Butane CP	(\$/mt)	567.740	567.740	574.240	582.240	588.740	587.907	576.907



<b>Front Month Spreads</b>				
<b>Aug/Sep</b>		<b>23-Jul-24</b>	<b>1-Day Change</b>	<b>7-Day Change</b>
<b>Crude</b>				
Brent	(\$/bbl)	0.660	-0.090	-0.110
WTI	(\$/bbl)	0.820	-0.140	-0.090
Dubai	(\$/bbl)	0.420	-0.200	-0.340
<b>Distillates</b>				
Gasoil 0.1 NWE	(\$/mt)	-1.570	-0.160	-0.400
NWE Jet	(\$/mt)	-0.570	+0.840	+0.600
Singapore 10ppm	(\$/bbl)	-0.130	+0.000	+0.020
Sing Kero	(\$/bbl)	-0.240	+0.020	+0.030
<b>Gasoline</b>				
RBOB	(c/gal)	19.060	+0.260	+0.310
EBOB	(\$/mt)	13.000	+0.250	+0.500
Singapore 92	(\$/bbl)	1.400	+0.120	+0.270
Singapore 95	(\$/bbl)	1.450	+0.120	+0.220
<b>Naphtha</b>				
US C5 ENT	(c/gal)	-0.620	+0.000	+0.000
NWE Naphtha	(\$/mt)	9.000	+0.250	+1.000
MOP-Japan Naphtha	(\$/mt)	7.500	+0.750	-0.500
<b>Fuel Oil</b>				
3.5% barges	(\$/mt)	6.500	+1.000	-0.250
Singapore 380	(\$/mt)	13.500	+2.000	-1.250
Singapore 180	(\$/mt)	12.000	+2.000	-1.250
0.5% barges	(\$/mt)	7.750	+0.500	+2.500
Singapore 0.5%	(\$/mt)	7.000	+0.750	+1.000
<b>NGLs</b>				
US Propane LST	(c/gal)	-0.880	+0.000	+0.000
NWE Propane	(\$/mt)	4.000	-0.500	-0.500
Saudi Propane CP	(\$/mt)	-1.000	+0.500	+1.500
Asian Propane FEI	(\$/mt)	1.000	+1.500	+2.500
US Butane ENT	(c/gal)	-0.380	+0.120	+0.120
Saudi Butane CP	(\$/mt)	-6.500	+0.000	+4.000



<b>Front Month Cracks and Diffs</b>			
<b>August</b>	<b>23-Jul-24</b>	<b>1-Day Change</b>	<b>7-Day Change</b>
<b>Crude</b>			
Brent/Dubai (\$/bbl)	0.890	+0.350	+0.640
WTI/Brent (\$/bbl)	-3.590	-0.200	-0.110
<b>Distillates</b>			
Gasoil 0.1 NWE crack (\$/bbl)	19.200	+0.210	+0.130
NWE Jet crack (\$/bbl)	20.390	+0.510	+0.240
NWE Jet Diff (\$/mt)	52.000	+2.000	-0.500
Gasoil E/W (\$/bbl)	-25.250	-0.250	+0.750
Regrade (Sing Kero vs Sing 10ppm) (\$/bbl)	-1.080	+0.020	+0.030
<b>Gasoline</b>			
TA Arb (RBOB vs EBOB) (c/gal)	11.600	+0.400	+0.600
EBOB crack (\$/mt)	15.320	+0.280	+0.480
Singapore 92 crack (\$/bbl)	8.220	+0.530	+0.990
Gasoline E/W (Sing 92 vs EBOB) (\$/bbl)	-7.100	+0.250	+0.520
European Gasnaph (EBOB vs Naphtha) (\$/mt)	140.370	-1.000	-4.130
Asian Gasnaph (Sing 92 vs MOPJ) (\$/mt)	64.230	-0.700	+1.540
<b>Naphtha</b>			
US C5 ENT vs WTI Crack	-14.080	+0.670	+0.600
NWE Naphtha Crack (\$/bbl)	-6.550	+0.450	+1.100
MOPJ Naphtha Crack (\$/bbl)	-4.640	+0.650	+0.960
Naphtha E/W (NWE vs MOPJ) (\$/mt)	17.000	+1.750	-1.250
<b>Fuel Oil</b>			
3.5% barges crack (\$/bbl)	-8.900	+0.350	-0.150
Singapore 380 crack (\$/bbl)	-5.700	+0.640	-0.260
Singapore 180 crack (\$/bbl)	-4.670	+0.640	-0.250
Visco (180-380) (\$/mt)	6.500	+0.000	+0.000
HSFO E/W (380 vs 3.5% barges) (\$/mt)	20.350	+1.850	-0.650
0.5% barges crack (\$/bbl)	4.200	+0.350	+0.900
Singapore 0.5% crack (\$/bbl)	10.750	+0.450	+0.800
VLSFO E/W (Sing 0.5% vs 0.5% barges) (\$/mt)	41.590	+0.630	-0.640
European Hi5 (0.5% barges vs 3.5% barges) (\$/mt)	83.180	+0.000	+6.660
Asian Hi5 (Sing 0.5% vs 380) (\$/mt)	104.420	-1.220	+6.670
0.5% barges/gasoil (\$/mt)	-204.390	+1.770	+8.050
Sing 0.5% vs Sing 10ppm (\$/mt)	-137.550	+2.670	+6.820
<b>NGLs</b>			
US Propane LST vs NWE Propane (\$/mt)	-155.500	-0.500	-4.000
US Propane LST vs Asian Propane FEI (\$/mt)	-224.500	-5.500	-6.500
Asian Propane FEI vs NWE Propane (\$/mt)	69.000	+5.000	+2.500
Asian Propane FEI vs Saudi Propane CP (\$/mt)	48.000	+1.000	-1.500
European Pronap (NWE Propane vs NWE Naphtha) (\$/mt)	-97.580	+3.010	+8.080
Asian Pronap (FEI vs MOPJ) (\$/mt)	-93.490	+5.350	+13.470



## Long Tenor Cracks / Diffs

	Balmo	Aug-24	Sep-24	Oct-24	Nov-24	Q4-24	Q1-25
<b>Crude</b>							
Brent/Dubai (\$/bbl)	0.830	0.890	0.640	0.620	0.650	0.647	0.653
WTI/Brent (\$/bbl)	-4.030	-3.590	-3.750	-3.940	-4.080	-4.077	-4.387
<b>Distillates</b>							
Gasoil 0.1 NWE crack (\$/bbl)	18.22	19.20	20.07	20.33	20.21	20.27	20.40
NWE Jet crack (\$/bbl)	20.01	20.39	21.13	21.60	21.68	21.74	22.38
NWE Jet Diff (\$/mt)	56.50	52.00	51.00	52.50	54.00	54.00	57.50
Gasoil E/W (\$/bbl)	-25.38	-25.25	-25.85	-24.65	-23.00	-23.55	-20.83
Regrade (Sing Kero vs Sing 10ppm) (\$/bbl)	-1.13	-1.08	-0.97	-0.77	-0.57	-0.58	-0.46
<b>Gasoline</b>							
TA Arb (RBOB vs EBOB) (c/gal)	14.780	11.600	-3.740	3.270	4.940	5.133	14.720
EBOB crack (\$/mt)	14.880	15.320	14.420	9.490	7.550	7.783	7.120
Singapore 92 crack (\$/bbl)	8.620	8.220	7.490	6.790	6.320	6.403	6.423
Gasoline E/W (Sing 92 vs EBOB) (\$/bbl)	-6.260	-7.100	-6.940	-2.710	-1.240	-1.390	-0.707
European Gasnaph (EBOB vs Naphtha) (\$/mt)	130.870	140.370	136.370	95.620	80.870	82.953	81.953
Asian Gasnaph (Sing 92 vs MOPJ) (\$/mt)	68.220	64.230	60.060	55.820	54.070	54.737	61.603
<b>Naphtha</b>							
US C5 ENT vs WTI Crack	-14.800	-14.080	-13.000	-12.090	-11.460	-11.500	-10.353
NWE Naphtha Crack (\$/bbl)	-5.930	-6.550	-6.890	-6.890	-7.020	-7.033	-7.477
MOPJ Naphtha Crack (\$/bbl)	-4.750	-4.640	-4.810	-4.950	-5.160	-5.163	-5.857
Naphtha E/W (NWE vs MOPJ) (\$/mt)	10.500	17.000	18.500	17.250	16.500	16.667	14.500
<b>Fuel Oil</b>							
3.5% bgs crack (\$/bbl)	-9.140	-8.900	-9.260	-10.250	-10.880	-10.750	-10.927
Singapore 380 crack (\$/bbl)	-5.380	-5.700	-7.160	-8.610	-9.610	-9.370	-9.983
Singapore 180 crack (\$/bbl)	-4.560	-4.670	-5.900	-7.040	-7.910	-7.677	-7.980
Visco (180-380) (\$/mt)	5.250	6.500	8.000	10.000	10.750	10.750	12.750
HSFO E/W (380 vs 3.5% bgs) (\$/mt)	23.850	20.350	13.350	10.350	8.100	8.767	6.017
0.5% bgs crack (\$/bbl)	4.050	4.200	3.650	3.180	2.780	2.780	1.940
Singapore 0.5% crack (\$/bbl)	10.910	10.750	10.320	9.840	9.450	9.460	8.423
VLSFO E/W (Sing 0.5% vs 0.5% bgs) (\$/mt)	43.590	41.590	42.340	42.340	42.340	42.423	41.173
European Hi5 (0.5% bgs vs 3.5% bgs) (\$/mt)	83.680	83.180	81.930	85.180	86.680	85.847	81.643
Asian Hi5 (Sing 0.5% vs 380) (\$/mt)	103.420	104.420	110.920	117.170	120.920	119.503	116.800
0.5% bgs/gasoil (\$/mt)	-199.030	-204.390	-213.710	-218.100	-219.280	-219.743	-224.963
Sing 0.5% vs Sing 10ppm (\$/mt)	-130.060	-137.550	-145.520	-151.100	-153.970	-153.777	-162.983
<b>NGLs</b>							
US Propane LST vs NWE Propane (\$/mt)	-165.59	-155.5	-146.92	-137.58	-133.35	-134.637	-122.017
US Propane LST vs Asian Propane FEI (\$/mt)	-233.09	-224.5	-218.92	-216.08	-215.35	-214.97	-198.183
Asian Propane FEI vs NWE Propane (\$/mt)	67.5	69	72	78.5	82	80.333	76.167
Asian Propane FEI vs Saudi Propane CP (\$/mt)	52	48	46	41.5	37	36.333	22
European Pronap (\$/mt)	-104.58	-97.58	-92.58	-91.58	-87.58	-87.58	-95.247
Asian Pronap (FEI vs MOPJ) (\$/mt)	-99.49	-93.49	-84.99	-71.74	-58.99	-60.157	-55.49



<b>Inter-month Crack Spreads</b>			
<b>Aug/Sep</b>	<b>23-Jul-24</b>	<b>1-Day Change</b>	<b>7-Day Change</b>
<b>Crude</b>			
Brent/Dubai (\$/bbl)	0.250	+0.130	+0.240
WTI/Brent (\$/bbl)	0.160	-0.060	+0.030
<b>Distillates</b>			
Gasoil 0.1 NWE crack (\$/bbl)	-0.870	+0.070	+0.070
NWE Jet crack (\$/bbl)	-0.740	+0.180	+0.190
NWE Jet Diff (\$/mt)	1.000	+1.000	+1.000
Gasoil E/W (\$/bbl)	0.600	+0.180	+0.510
Regrade (Sing Kero vs Sing 10ppm) (\$/bbl)	-0.110	+0.020	+0.010
<b>Gasoline</b>			
TA Arb (RBOB vs EBOB) (c/gal)	15.340	+0.180	+0.170
EBOB crack (\$/mt)	0.900	+0.110	+0.180
Singapore 92 crack (\$/bbl)	0.730	+0.190	+0.370
Gasoline E/W (Sing 92 vs EBOB) (\$/bbl)	-0.160	+0.090	+0.210
European Gasnaph (EBOB vs Naphtha) (\$/mt)	4.000	+0.000	-0.500
Asian Gasnaph (Sing 92 vs MOPJ) (\$/mt)	4.170	+0.260	+2.760
<b>Naphtha</b>			
US C5 ENT vs WTI Crack	-1.080	+0.140	+0.090
NWE Naphtha Crack (\$/bbl)	0.340	+0.110	+0.220
MOPJ Naphtha Crack (\$/bbl)	0.170	+0.170	+0.050
Naphtha E/W (NWE vs MOPJ) (\$/mt)	-1.500	+0.500	-1.500
<b>Fuel Oil</b>			
3.5% barges crack (\$/bbl)	0.360	+0.250	+0.080
Singapore 380 crack (\$/bbl)	1.460	+0.410	-0.100
Singapore 180 crack (\$/bbl)	1.230	+0.410	-0.090
Visco (180-380) (\$/mt)	-1.500	+0.000	+0.000
HSFO E/W (380 vs 3.5% barges) (\$/mt)	7.000	+1.000	-1.000
0.5% barges crack (\$/bbl)	0.550	+0.170	+0.500
Singapore 0.5% crack (\$/bbl)	0.430	+0.210	+0.250
VLSFO E/W (Sing 0.5% vs 0.5% barges) (\$/mt)	-0.750	+0.250	-1.500
European Hi5 (0.5% barges vs 3.5% barges) (\$/mt)	1.250	-0.500	+2.750
Asian Hi5 (Sing 0.5% vs 380) (\$/mt)	-6.500	-1.250	+2.250
0.5% barges/gasoil (\$/mt)	9.320	+0.660	+2.660
Sing 0.5% vs Sing 10ppm (\$/mt)	7.970	+0.750	+0.860
<b>NGLs</b>			
US Propane LST vs NWE Propane (\$/mt)	-8.580	+0.510	+0.510
US Propane LST vs Asian Propane FEI (\$/mt)	-5.580	-1.490	-2.490
Asian Propane FEI vs NWE Propane (\$/mt)	-3.000	+2.000	+3.000
Asian Propane FEI vs Saudi Propane CP (\$/mt)	2.000	+1.000	+1.000
European Pronap (NWE Propane vs NWE Naphtha) (\$/mt)	-5.000	-0.750	-1.500