



**The oil market went... down, just as we had expected. Full stop.**



All opinions are naturally our own. And, oh boy, sometimes we get them so right. As you know, everybody has opinions and a right to express them. We form those views by following markets closely, exchanging ideas with insightful people, detecting key influencing factors, and considering diverse views, including within our editorial group.

There are no guarantees in life, but we can assure you we are data driven, work hard, and zealously guard our autonomy and our freedom of expression. We hope you read our reports, check out our podcasts and let us know of any oversights, errors or omissions. We want to get it right, so help us if you can!

*See details over leaf as per usual.*

### Summary

#### Physical and Futures

		02-Aug-24	1-Day Change	7-Day Change
Brent Oct (fut)	(\$/bbl)	76.860	-3.460	-2.660
WTI Oct (fut)	(\$/bbl)	72.590	-3.650	-2.600
Dubai Oct (phys)	(\$/bbl)	75.985	-3.250	-3.640
<b>Crude Swaps Sep</b>				
Brent	(\$/bbl)	76.320	-3.380	-2.450
DFL	(\$/bbl)	0.190	-0.100	-0.320
WTI	(\$/bbl)	72.410	-3.610	-2.560
Dubai	(\$/bbl)	75.630	-3.580	-2.670

#### Tenor

		Oct-24	Nov-24	Dec-24
<b>Crude Futures</b>				
Brent (fut)	(\$/bbl)	76.860	76.340	75.880
WTI (fut)	(\$/bbl)	72.590	71.950	71.430



## In detail

The editorial group of The Officials publication has detailed over the past few weeks a litany of negative macroeconomic data released by public entities from Japan to the US via Europe, and from the North to the South. And OPEC has continued to increase supply. These data led us to conclude the prospects for a serious rebound in oil prices or expectations of strong product prices caused by growing and above-trend demand were misplaced. To put it succinctly, things are bad, really bad.

There have been a few price supporting items, a squeeze here and there, and the odd droning or bombing, but if anything, those price surges damage the economies further. The killing of the Hamas official in Tehran caused a temporary spike, soon drowned out by the cacophony of negative macro data. The industrial picture, across all major economies, has consistently disappointed to the downside leading to faltering GDP and poor energy consumption.

In the latest example, the US economy added 114k jobs in July, well below the market consensus of 175k new jobs. The print was also far below last month's downwardly revised 179k jobs added and below the 12-month average of 215k. We have seen too many downward revisions of initially published bullish data. This undermines our confidence in the economy. Moreover, a significant part of the job growth is directly tied to the government rather than to the private sector; 17k were government, +60k in the last two months. This leads to further inefficiencies.

The negativity has pushed some to urge the Fed to act quickly and decisively, please. JP Morgan and others are calling for 50 bps of Fed cuts in September. The next meeting is some way off, but the Fed rarely move in greater than quarter-point increments unless in crisis. 25 bps is more likely, given the history, but, hey, things are going bad quickly.

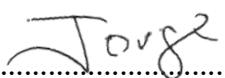
Please watch the following podcasts detailing our views in the last three weeks. If you disagree, please let us know.

[Podcast 1](#), [Podcast 2](#), [Podcast 3](#)

While the economy darkens, the backwardation widens, or so it did earlier in July, but even if craftiness is shown in wide spreads, eventually, the macros come home to roost, and markets correct. It is simple economics, really. When supply outstrips demand, the price must eventually fall, regardless of technical fluff.


Back to daily markets, Oct Brent closed today at \$76.86/bbl, booking a \$3.46 decrease against the same time yesterday. WTI fell even further to \$72.59/bbl. "There is blood on the streets," said a trader. The higher you fly, Icarus, the harder you fall.

In physicals, Trafigura came in early to offer Midland cargo slightly below the curve, and Equinor promptly lifted it. This marks 11 cargoes for Equinor since 19 July; of those, 8 were Midlands, and 3 were North Sea. This has led to speculation that Equinor will continue its buying spree into next week. Strong hands were seen on the other side selling down CFDs pricing next week from Trafigura and Guvnor. But, surprise, Equinor was still on the buy side. Intermonth spreads and CFDs bottomed by the time Equinor lifted the cargo but then recovered. Brent/Dubai continued to widen, gaining in excess of 20c over the day; a rumoured major bought a clip of 500k in one go this afternoon. "Why is the Brent Dubai widening when the market is falling?" said a trader.

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>September Swaps</b>			<b>02-Aug-24</b>	<b>1-Day Change</b>	<b>7-Day Change</b>
<b>Crude</b>					
Brent	(\$/bbl)	<b>76.320</b>		-3.380	-2.450
WTI	(\$/bbl)	<b>72.410</b>		-3.610	-2.560
Dubai	(\$/bbl)	<b>75.630</b>		-3.580	-2.670
<b>Distillates</b>					
Gasoil 0.1 NWE	(\$/mt)	<b>716.240</b>		-27.690	-24.000
NWE Jet	(\$/mt)	<b>763.740</b>		-27.690	-28.000
Singapore 10ppm	(\$/bbl)	<b>92.410</b>		-3.760	-3.410
Sing Kero	(\$/bbl)	<b>91.500</b>		-3.760	-3.420
<b>Gasoline</b>					
RBOB	(c/gal)	<b>214.120</b>		-9.430	-6.670
EBOB	(\$/mt)	<b>762.410</b>		-33.100	-22.540
Singapore 92	(\$/bbl)	<b>84.230</b>		-3.370	-2.560
Singapore 95	(\$/bbl)	<b>88.730</b>		-3.370	-2.500
<b>Naphtha</b>					
US C5 ENT	(c/gal)	<b>145.320</b>		-5.590	-1.760
NWE Naphtha	(\$/mt)	<b>631.190</b>		-21.180	-8.760
MOPJ Naphtha	(\$/mt)	<b>649.600</b>		-19.270	-8.190
<b>Fuel Oil</b>					
3.5% barges	(\$/mt)	<b>421.450</b>		-20.890	-18.070
Singapore 380	(\$/mt)	<b>439.200</b>		-19.390	-17.010
Singapore 180	(\$/mt)	<b>445.450</b>		-20.140	-19.570
0.5% barges	(\$/mt)	<b>507.620</b>		-20.060	-17.070
Singapore 0.5%	(\$/mt)	<b>551.750</b>		-18.860	-14.540
<b>NGLs</b>					
US Propane LST	(c/gal)	<b>72.790</b>		-4.912	-4.851
NWE Propane	(\$/mt)	<b>556.640</b>		-21.190	+2.040
Saudi Propane CP	(\$/mt)	<b>585.640</b>		-7.690	+5.040
Asian Propane FEI	(\$/mt)	<b>622.550</b>		-14.280	-6.010
US Butane ENT	(c/gal)	<b>92.140</b>		-4.810	-4.620
Saudi Butane CP	(\$/mt)	<b>576.550</b>		-8.190	-1.510



## Long Tenor Swaps

		Balmo	Sep-24	Oct-24	Nov-24	Dec-24	Q4-24	Q1-25
<b>Crude</b>								
Brent	(\$/bbl)	76.840	76.320	75.870	75.520	75.200	75.530	74.723
WTI	(\$/bbl)	73.140	72.410	71.800	71.310	70.910	71.340	70.293
Dubai	(\$/bbl)	75.810	75.630	75.060	74.680	74.310	74.683	73.860
<b>Distillates</b>								
Gasoil 0.1 NWE	(\$/mt)	714.290	716.240	714.570	710.170	707.570	710.770	704.323
NWE Jet	(\$/mt)	762.290	763.740	764.570	762.670	762.570	763.270	761.823
Singapore 10ppm	(\$/bbl)	92.170	92.410	92.440	92.190	91.880	92.170	91.740
Sing Kero	(\$/bbl)	91.150	91.500	91.640	91.570	91.430	91.547	91.237
<b>Gasoline</b>								
RBOB	(c/gal)	231.620	214.120	207.600	203.660	202.120	204.460	209.847
EBOB	(\$/mt)	775.410	762.410	716.910	695.910	681.910	698.243	683.410
Singapore 92	(\$/bbl)	85.130	84.230	83.380	82.580	82.130	82.697	81.847
Singapore 95	(\$/bbl)	89.630	88.730	87.830	86.880	86.330	87.013	85.680
<b>Naphtha</b>								
US C5 ENT	(c/gal)	144.320	145.320	145.940	145.940	145.690	145.857	145.483
NWE Naphtha	(\$/mt)	642.190	631.190	626.440	621.190	615.940	621.190	607.357
MOP-Japan Naphtha	(\$/mt)	651.600	649.600	644.350	638.850	633.350	638.850	622.600
<b>Fuel Oil</b>								
3.5% barges	(\$/mt)	427.950	421.450	414.450	408.950	405.700	409.700	402.950
Singapore 380	(\$/mt)	446.450	439.200	428.950	420.700	415.950	421.867	410.867
Singapore 180	(\$/mt)	450.700	445.450	437.700	430.200	426.200	431.367	422.533
0.5% barges	(\$/mt)	513.620	507.620	501.870	496.990	492.370	497.077	486.120
Singapore 0.5%	(\$/mt)	558.250	551.750	545.250	539.750	535.000	540.000	527.083
<b>NGLs</b>								
US Propane LST	(c/gal)	72.410	72.790	74.290	75.290	75.410	74.997	74.243
NWE Propane	(\$/mt)	578.140	556.640	548.140	544.640	541.140	544.640	521.640
Saudi Propane CP	(\$/mt)	585.640	585.640	587.140	590.140	594.140	590.473	578.807
Asian Propane FEI	(\$/mt)	626.550	622.550	623.050	624.050	621.640	622.913	597.307
US Butane ENT	(c/gal)	91.640	92.140	92.760	93.260	92.880	92.967	90.630
Saudi Butane CP	(\$/mt)	576.550	576.550	584.050	588.050	592.050	588.050	577.217



<b>Front Month Spreads</b>				
Sep/Oct		02-Aug-24	1-Day Change	7-Day Change
<b>Crude</b>				
Brent	(\$/bbl)	0.450	-0.060	-0.130
WTI	(\$/bbl)	0.610	-0.070	-0.160
Dubai	(\$/bbl)	0.570	-0.040	+0.010
<b>Distillates</b>				
Gasoil 0.1 NWE	(\$/mt)	1.670	-0.370	-0.700
NWE Jet	(\$/mt)	-0.830	-0.370	-1.700
Singapore 10ppm	(\$/bbl)	-0.030	-0.050	-0.170
Sing Kero	(\$/bbl)	-0.140	-0.040	-0.120
<b>Gasoline</b>				
RBOB	(c/gal)	6.520	-0.360	-0.050
EBOB	(\$/mt)	45.500	-2.250	-1.500
Singapore 92	(\$/bbl)	0.850	-0.050	-0.400
Singapore 95	(\$/bbl)	0.900	-0.050	-0.500
<b>Naphtha</b>				
US C5 ENT	(c/gal)	-0.620	+0.000	-0.120
NWE Naphtha	(\$/mt)	4.750	+0.500	+1.000
MOP-Japan Naphtha	(\$/mt)	5.250	+0.750	+0.500
<b>Fuel Oil</b>				
3.5% barges	(\$/mt)	7.000	-1.500	-1.750
Singapore 380	(\$/mt)	10.250	-0.750	-3.000
Singapore 180	(\$/mt)	7.750	-1.250	-4.250
0.5% barges	(\$/mt)	5.750	-0.500	-0.620
Singapore 0.5%	(\$/mt)	6.500	+0.250	-0.250
<b>NGLs</b>				
US Propane LST	(c/gal)	-1.500	-0.250	-0.380
NWE Propane	(\$/mt)	8.500	-1.500	+1.500
Saudi Propane CP	(\$/mt)	-1.500	+3.500	+6.000
Asian Propane FEI	(\$/mt)	-0.500	+0.500	+1.000
US Butane ENT	(c/gal)	-0.620	-0.120	-0.240
Saudi Butane CP	(\$/mt)	-7.500	+3.590	+0.500



<b>Front Month Cracks and Diffs</b>			
<b>September</b>	<b>02-Aug-24</b>	<b>1-Day Change</b>	<b>7-Day Change</b>
<b>Crude</b>			
Brent/Dubai (\$/bbl)	0.690	+0.200	+0.200
WTI/Brent (\$/bbl)	-3.910	-0.230	-0.090
<b>Distillates</b>			
Gasoil 0.1 NWE crack (\$/bbl)	19.870	-0.290	-0.630
NWE Jet crack (\$/bbl)	20.660	-0.080	-1.020
NWE Jet Diff (\$/mt)	47.500	+0.000	-4.000
Gasoil E/W (\$/bbl)	-27.750	-0.250	-1.370
Regrade (Sing Kero vs Sing 10ppm) (\$/bbl)	-0.910	-0.030	-0.010
<b>Gasoline</b>			
TA Arb (RBOB vs EBOB) (c/gal)	-3.800	+0.000	-0.240
EBOB crack (\$/mt)	15.200	-0.590	-0.270
Singapore 92 crack (\$/bbl)	7.910	+0.020	-0.110
Gasoline E/W (Sing 92 vs EBOB) (\$/bbl)	-7.300	+0.600	+0.130
European Gasnaph (EBOB vs Naphtha) (\$/mt)	131.280	-11.860	-13.360
Asian Gasnaph (Sing 92 vs MOPJ) (\$/mt)	51.950	-8.890	-13.140
<b>Naphtha</b>			
US C5 ENT vs WTI Crack	-11.350	+1.280	+1.840
NWE Naphtha Crack (\$/bbl)	-5.400	+1.000	+1.450
MOPJ Naphtha Crack (\$/bbl)	-3.340	+1.210	+1.520
Naphtha E/W (NWE vs MOPJ) (\$/mt)	18.500	+2.000	+0.750
<b>Fuel Oil</b>			
3.5% barges crack (\$/bbl)	-9.950	+0.100	-0.420
Singapore 380 crack (\$/bbl)	-7.160	+0.330	-0.250
Singapore 180 crack (\$/bbl)	-6.170	+0.220	-0.630
Visco (180-380) (\$/mt)	6.250	-0.750	-2.500
HSFO E/W (380 vs 3.5% barges) (\$/mt)	17.750	+1.500	+1.000
0.5% barges crack (\$/bbl)	3.600	+0.200	-0.260
Singapore 0.5% crack (\$/bbl)	10.550	+0.390	+0.140
VLSFO E/W (Sing 0.5% vs 0.5% barges) (\$/mt)	44.140	+1.210	+2.480
European Hi5 (0.5% barges vs 3.5% barges) (\$/mt)	86.040	+0.630	+0.930
Asian Hi5 (Sing 0.5% vs 380) (\$/mt)	112.420	+0.330	+2.400
0.5% barges/gasoil (\$/mt)	-209.060	+7.210	+6.110
Sing 0.5% vs Sing 10ppm (\$/mt)	-137.190	+8.500	+9.990
<b>NGLs</b>			
US Propane LST vs NWE Propane (\$/mt)	-177.500	-4.500	-27.400
US Propane LST vs Asian Propane FEI (\$/mt)	-243.500	-11.500	-19.400
Asian Propane FEI vs NWE Propane (\$/mt)	66.000	+7.000	-8.000
Asian Propane FEI vs Saudi Propane CP (\$/mt)	37.000	-6.500	-11.000
European Pronap (NWE Propane vs NWE Naphtha) (\$/mt)	-74.410	+0.090	+10.980
Asian Pronap (FEI vs MOPJ) (\$/mt)	-64.000	+11.500	+13.140



## Long Tenor Cracks / Diffs

	Balmo	Sep-24	Oct-24	Nov-24	Dec-24	Q4-24	Q1-25
<b>Crude</b>							
Brent/Dubai (\$/bbl)	1.030	0.690	0.820	0.840	0.890	0.850	0.847
WTI/Brent (\$/bbl)	-3.700	-3.910	-4.060	-4.200	-4.290	-4.183	-4.427
<b>Distillates</b>							
Gasoil 0.1 NWE crack (\$/bbl)	19.07	19.87	20.07	19.79	19.80	19.89	19.85
NWE Jet crack (\$/bbl)	19.95	20.66	21.18	21.27	21.61	21.35	22.00
NWE Jet Diff (\$/mt)	48.00	47.50	50.00	52.50	55.00	52.50	57.50
Gasoil E/W (\$/bbl)	-27.62	-27.75	-25.89	-23.39	-23.04	-24.11	-20.70
Regrade (Sing Kero vs Sing 10ppm) (\$/bbl)	-1.02	-0.91	-0.80	-0.62	-0.45	-0.62	-0.50
<b>Gasoline</b>							
TA Arb (RBOB vs EBOB) (c/gal)	9.990	-3.800	2.700	4.750	7.220	4.890	14.503
EBOB crack (\$/mt)	16.240	15.200	10.190	8.010	6.650	8.283	7.310
Singapore 92 crack (\$/bbl)	8.290	7.910	7.500	7.060	6.920	7.160	7.117
Gasoline E/W (Sing 92 vs EBOB) (\$/bbl)	-7.960	-7.300	-2.680	-0.960	0.270	-1.123	-0.193
European Gasnaph (EBOB vs Naphtha) (\$/mt)	133.280	131.280	90.530	74.780	66.030	77.113	76.113
Asian Gasnaph (Sing 92 vs MOPJ) (\$/mt)	57.440	51.950	50.120	48.950	50.700	49.923	59.090
<b>Naphtha</b>							
US C5 ENT vs WTI Crack	-12.500	-11.350	-10.490	-10.010	-9.710	-10.070	-9.180
NWE Naphtha Crack (\$/bbl)	-4.680	-5.400	-5.490	-5.710	-5.990	-5.730	-6.477
MOPJ Naphtha Crack (\$/bbl)	-3.640	-3.340	-3.470	-3.740	-4.050	-3.753	-4.763
Naphtha E/W (NWE vs MOPJ) (\$/mt)	9.500	18.500	18.000	17.750	17.500	17.750	15.333
<b>Fuel Oil</b>							
3.5% bgs crack (\$/bbl)	-9.450	-9.950	-10.590	-11.110	-11.310	-11.003	-11.250
Singapore 380 crack (\$/bbl)	-6.530	-7.160	-8.330	-9.260	-9.700	-9.097	-10.000
Singapore 180 crack (\$/bbl)	-5.860	-6.170	-6.950	-7.760	-8.080	-7.597	-8.177
Visco (180-380) (\$/mt)	4.250	6.250	8.750	9.500	10.250	9.500	11.667
HSFO E/W (380 vs 3.5% bgs) (\$/mt)	18.500	17.750	14.500	11.750	10.250	12.167	7.917
0.5% bgs crack (\$/bbl)	4.000	3.600	3.130	2.740	2.310	2.727	1.790
Singapore 0.5% crack (\$/bbl)	11.020	10.550	9.970	9.470	9.020	9.487	8.237
VLSFO E/W (Sing 0.5% vs 0.5% bgs) (\$/mt)	44.640	44.140	43.390	42.770	42.640	42.933	40.973
European Hi5 (0.5% bgs vs 3.5% bgs) (\$/mt)	85.540	86.040	87.290	87.910	86.540	87.247	83.040
Asian Hi5 (Sing 0.5% vs 380) (\$/mt)	111.670	112.420	116.170	118.920	118.920	118.003	116.087
0.5% bgs/gasoil (\$/mt)	-201.030	-209.060	-212.960	-213.370	-215.550	-213.960	-218.563
Sing 0.5% vs Sing 10ppm (\$/mt)	-128.900	-137.190	-143.920	-147.480	-150.140	-147.180	-156.940
<b>NGLs</b>							
US Propane LST vs NWE Propane (\$/mt)	-200.98	-177.5	-161.18	-152.47	-148.35	-154	-134.927
US Propane LST vs Asian Propane FEI (\$/mt)	-249.48	-243.5	-236.19	-231.98	-228.85	-232.34	-210.6
Asian Propane FEI vs NWE Propane (\$/mt)	48.5	66	75	79.5	80.5	78.333	75.667
Asian Propane FEI vs Saudi Propane CP (\$/mt)	41	37	36	34	27.5	32.5	18.5
European Pronap (\$/mt)	-63.91	-74.41	-78.16	-76.41	-74.66	-76.41	-85.577
Asian Pronap (FEI vs MOPJ) (\$/mt)	-66	-64	-57.25	-48.75	-39.25	-48.417	-43.833



<b>Inter-month Crack Spreads</b>			
Sep/Oct	02-Aug-24	1-Day Change	7-Day Change
<b>Crude</b>			
Brent/Dubai (\$/bbl)	-0.130	-0.020	-0.150
WTI/Brent (\$/bbl)	0.150	-0.050	-0.040
<b>Distillates</b>			
Gasoil 0.1 NWE crack (\$/bbl)	-0.200	+0.030	+0.120
NWE Jet crack (\$/bbl)	-0.520	+0.040	-0.060
NWE Jet Diff (\$/mt)	-2.500	+0.000	-1.000
Gasoil E/W (\$/bbl)	-1.860	+0.070	-0.710
Regrade (Sing Kero vs Sing 10ppm) (\$/bbl)	-0.110	+0.010	+0.050
<b>Gasoline</b>			
TA Arb (RBOB vs EBOB) (c/gal)	-6.500	+0.290	+0.360
EBOB crack (\$/mt)	5.010	-0.210	-0.070
Singapore 92 crack (\$/bbl)	0.410	+0.020	-0.260
Gasoline E/W (Sing 92 vs EBOB) (\$/bbl)	-4.620	+0.210	-0.230
European Gasnaph (EBOB vs Naphtha) (\$/mt)	40.750	-2.750	-2.500
Asian Gasnaph (Sing 92 vs MOPJ) (\$/mt)	1.830	-1.170	-3.830
<b>Naphtha</b>			
US C5 ENT vs WTI Crack	-0.860	+0.090	+0.130
NWE Naphtha Crack (\$/bbl)	0.090	+0.120	+0.240
MOPJ Naphtha Crack (\$/bbl)	0.130	+0.130	+0.180
Naphtha E/W (NWE vs MOPJ) (\$/mt)	0.500	+0.250	-0.500
<b>Fuel Oil</b>			
3.5% barges crack (\$/bbl)	0.640	-0.190	-0.170
Singapore 380 crack (\$/bbl)	1.170	-0.060	-0.340
Singapore 180 crack (\$/bbl)	0.780	-0.130	-0.540
Visco (180-380) (\$/mt)	-2.500	-0.500	-1.250
HSFO E/W (380 vs 3.5% barges) (\$/mt)	3.250	+0.750	-1.250
0.5% barges crack (\$/bbl)	0.470	-0.010	+0.050
Singapore 0.5% crack (\$/bbl)	0.580	+0.110	+0.100
VLSFO E/W (Sing 0.5% vs 0.5% barges) (\$/mt)	0.750	+0.750	+0.370
European Hi5 (0.5% barges vs 3.5% barges) (\$/mt)	-1.250	+1.000	+1.130
Asian Hi5 (Sing 0.5% vs 380) (\$/mt)	-3.750	+1.000	+2.750
0.5% barges/gasoil (\$/mt)	3.900	-0.240	-0.450
Sing 0.5% vs Sing 10ppm (\$/mt)	6.730	+0.630	+0.870
<b>NGLs</b>			
US Propane LST vs NWE Propane (\$/mt)	-16.320	+0.200	-3.480
US Propane LST vs Asian Propane FEI (\$/mt)	-7.310	-1.790	-2.970
Asian Propane FEI vs NWE Propane (\$/mt)	-9.000	+2.000	-0.500
Asian Propane FEI vs Saudi Propane CP (\$/mt)	1.000	-3.000	-5.000
European Pronap (NWE Propane vs NWE Naphtha) (\$/mt)	3.750	-2.000	+0.500