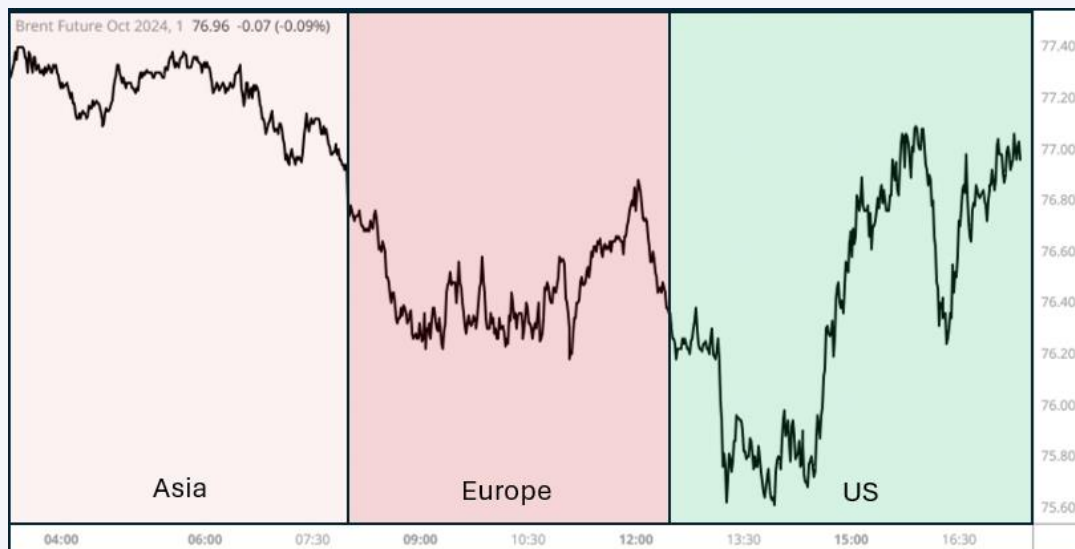




America wakes up, prices go up!



Team America came back again, erasing this morning's losses after the opening of US markets. Despite a choppy window, Brent booked a meagre 9c gain on the day. Asia has been the bear as it should be, with Europeans markets unable to make up their minds until America shows up, kind of normal really.

But the real pain is in the physical. CFDs flipped into contango yesterday, and this has only worsened throughout today. And in the window, Total offered down Forties to 70c over Dated CIF. Glencore offered an end Aug cargo at +40c above Dated, FOB, and Shell offered the same for an early September cargo. Despite the heavy discount, no buyers were tempted. One could say, Totsa hammered Thor with their baguette so badly in the past few sessions, the Nordic God decided to call it quits. The sharp downturn in CFD diffs has been extremely quick and damaging to anyone trying to price up or even hold the value up of dated related cargoes.

But more importantly, Asia is really a source of weakness, pressing on all commodities. The pace, from steel, to oil, to equities is set in Asia. You want to know where the market is going, FOCUS on Asia!

Summary

Physical and Futures		06-Aug-24	1-Day Change	7-Day Change
Brent Oct (fut)	(\$/bbl)	76.580	+0.090	-1.450
WTI Oct (fut)	(\$/bbl)	72.450	+0.180	-1.380
Dubai Oct (phys)	(\$/bbl)	75.090	+0.080	-2.950
Crude Swaps Sep				
Brent	(\$/bbl)	76.180	+0.150	-1.360
DFL	(\$/bbl)	-0.090	-0.080	-0.340
WTI	(\$/bbl)	72.270	+0.170	-1.400
Dubai	(\$/bbl)	75.040	+0.080	-1.970
Tenor		Oct-24	Nov-24	Dec-24
Crude Futures				
Brent (fut)	(\$/bbl)	76.580	76.190	75.810
WTI (fut)	(\$/bbl)	72.450	71.840	71.350



In detail

Physical Brent continued to collapse with sharp offers, bringing down the premiums in a hurry. It was about time. Totsa and Glencore are having a run of the field with buyers taking a temporary leave of absence. Maybe the buyers should be encouraged by the US EIA rosy scenario if you are a producer, of course. The EIA said, without a hint of irony as Brent nearly hit \$75.00, "Brent crude oil price could increase to about \$87 by the end of the year." And the US is putting its money where its mouth is and tendered for 3.5 mbbls for the SPR. But, the EIA also cut the 2024 demand estimates. We are publishing a little table of demand estimates for 2024. May we remind you we are already in the second half of the year, and the traders are trading primarily Sep and Oct loaders for Oct/Nov delivery and Nov/Dec refining. The year is practically done, and nobody agrees what the demand is or was. Peculiar!

Agency	Global Oil Demand Growth mb/d	
	2024	2025
IEA	0.97	0.98
Energy Aspects	1.05	1.19
EIA	1.1	1.6
OIES	1.4	1.4
FGE (apparent demand)	1.4	1.3
OPEC	2.25	1.85


Forecast made in July, except EIA in August

Back to where we know things with more certainty...Price! The CFDs for this week traded down to -72c of contango, down 52c compared to yesterday. These numbers reflect the ongoing expectation that trading of physical this week is and will be a disaster, if you are long. Bad day for producers from North Sea producers, hint, hint. But over in the US, the WTI front spread remained firm at 85c. Hmm. The way the market is going, this will become a target for attack in the coming days as the physical market is not so good. Oct WTI gained 19c to \$72.45/bbl.

Kamala selected Tim Walz, Minnesota's governor, as her prospective vice president and running mate for the US election. In recent weeks, Walz has been criticizing the Republicans, calling them "weird." We agree that the whole thing is pretty weird. He is a progressive and has long supported policies on free school meals and increased paid holiday leave. According to a FiveThirtyEight poll of polls, Harris surpassed Trump to gain a 1.8% lead. Kennedy still commands 5.5%. Read about RFK's bear incident on your own. Yes, it's pretty weird.


As if the picture in Europe couldn't get any worse, Eurozone construction PMIs fell further in July, down to 6-month lows of 41.4, down 0.4 points from last month. Construction in the Eurozone has now faced 27 consecutive months in contractionary territory. Besides COVID, the index hasn't fallen this deep into contraction since its creation. Activity fell, and output declined the most in six months, driven by housing. Lower new orders also instigated a fresh round of job cutting as employment declined faster. Weakness concentrated in France, where the PMI collapsed to 39.7, down from 41. Companies are reporting weakening demand and worsening credit conditions. Both housing and commercial building activity printed sharp declines. Purchasing activity fell by the greatest degree since the height of the pandemic. In Germany, purchase prices declined the fastest since October 2023. The retail sector offers no reassurance, falling by 0.3% both m-o-m and y-o-y in June. Europe looks weak from an industrial, construction, and retail sector perspective.

Weak demand for refined products is passing through to refiners. Saudi Aramco reported yesterday that second-quarter profits tumbled by 3.4%, citing lower crude volumes and soft refining margins. Nevertheless, they still paid out \$31.1bn in dividends. Given recent OSPs, the Saudis seem to be feeling extra generous.

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Front Month Outrights					
September Swaps			06-Aug-24	1-Day Change	7-Day Change
Crude					
Brent	(\$/bbl)	76.180		+0.150	-1.360
WTI	(\$/bbl)	72.270		+0.170	-1.400
Dubai	(\$/bbl)	75.040		+0.080	-1.970
Distillates					
Gasoil 0.1 NWE	(\$/mt)	708.050		-1.500	-17.000
NWE Jet	(\$/mt)	754.550		-1.500	-19.500
Singapore 10ppm	(\$/bbl)	91.520		-0.160	-2.380
Sing Kero	(\$/bbl)	90.710		-0.150	-2.280
Gasoline					
RBOB	(c/gal)	214.420		+0.920	-2.060
EBOB	(\$/mt)	761.020		+5.320	-9.100
Singapore 92	(\$/bbl)	83.360		+0.240	-2.260
Singapore 95	(\$/bbl)	87.560		+0.250	-2.500
Naphtha					
US C5 ENT	(c/gal)	146.980		+1.800	+2.200
NWE Naphtha	(\$/mt)	633.950		+1.250	+4.720
MOPJ Naphtha	(\$/mt)	655.110		+2.070	+9.130
Fuel Oil					
3.5% barges	(\$/mt)	420.560		+0.760	-12.170
Singapore 380	(\$/mt)	437.560		+1.260	-14.670
Singapore 180	(\$/mt)	445.190		+2.520	-15.040
0.5% barges	(\$/mt)	506.600		+1.140	-9.260
Singapore 0.5%	(\$/mt)	550.100		+1.140	-9.460
NGLs					
US Propane LST	(c/gal)	73.666		+1.149	-3.359
NWE Propane	(\$/mt)	558.300		+0.990	+6.230
Saudi Propane CP	(\$/mt)	590.260		+0.950	+10.240
Asian Propane FEI	(\$/mt)	629.260		+4.450	+6.740
US Butane ENT	(c/gal)	90.900		+0.260	-5.380
Saudi Butane CP	(\$/mt)	579.210		-1.100	+4.190



Long Tenor Swaps

		Balmo	Sep-24	Oct-24	Nov-24	Dec-24	Q4-24	Q1-25
Crude								
Brent	(\$/bbl)	76.580	76.180	75.810	75.460	75.140	75.470	74.650
WTI	(\$/bbl)	72.950	72.270	71.690	71.230	70.830	71.250	70.213
Dubai	(\$/bbl)	75.090	75.040	74.610	74.300	74.010	74.307	73.597
Distillates								
Gasoil 0.1 NWE	(\$/mt)	705.870	708.050	706.910	703.000	701.040	703.650	698.603
NWE Jet	(\$/mt)	752.870	754.550	755.910	754.000	754.040	754.650	754.103
Singapore 10ppm	(\$/bbl)	91.270	91.520	91.580	91.360	91.160	91.367	91.097
Sing Kero	(\$/bbl)	90.290	90.710	90.830	90.780	90.740	90.783	90.647
Gasoline								
RBOB	(c/gal)	232.970	214.420	207.610	203.520	201.860	204.330	209.507
EBOB	(\$/mt)	771.270	761.020	717.270	695.520	681.770	698.187	683.270
Singapore 92	(\$/bbl)	83.760	83.360	82.860	82.360	82.060	82.427	81.763
Singapore 95	(\$/bbl)	87.960	87.560	87.010	86.610	86.210	86.610	85.597
Naphtha								
US C5 ENT	(c/gal)	145.980	146.980	147.600	147.600	147.350	147.517	147.113
NWE Naphtha	(\$/mt)	646.700	633.950	628.700	622.950	617.450	623.033	608.617
MOP-Japan Naphtha	(\$/mt)	660.860	655.110	648.610	642.110	636.360	642.360	625.027
Fuel Oil								
3.5% barges	(\$/mt)	427.310	420.560	413.210	407.460	403.960	408.210	401.460
Singapore 380	(\$/mt)	445.810	437.560	427.560	419.810	415.060	420.810	409.977
Singapore 180	(\$/mt)	450.940	445.190	437.190	430.440	426.190	431.273	422.523
0.5% barges	(\$/mt)	512.600	506.600	501.100	496.350	492.100	496.517	486.480
Singapore 0.5%	(\$/mt)	556.100	550.100	543.850	538.480	534.110	538.813	526.780
NGLs								
US Propane LST	(c/gal)	73.286	73.666	75.286	76.286	76.406	75.993	74.989
NWE Propane	(\$/mt)	574.300	558.300	550.300	545.800	541.800	545.967	521.800
Saudi Propane CP	(\$/mt)	590.260	590.260	591.260	594.760	598.760	594.927	582.760
Asian Propane FEI	(\$/mt)	633.760	629.260	628.260	628.260	625.260	627.260	600.927
US Butane ENT	(c/gal)	90.400	90.900	91.780	92.400	92.280	92.153	90.150
Saudi Butane CP	(\$/mt)	579.210	579.210	587.210	592.710	596.710	592.210	581.043



Front Month Spreads

Sep/Oct		06-Aug-24	1-Day Change	7-Day Change
Crude				
Brent	(\$/bbl)	0.370	+0.000	-0.040
WTI	(\$/bbl)	0.580	+0.020	+0.000
Dubai	(\$/bbl)	0.430	-0.020	-0.040
Distillates				
Gasoil 0.1 NWE	(\$/mt)	1.140	-0.340	-0.340
NWE Jet	(\$/mt)	-1.360	-0.340	-1.840
Singapore 10ppm	(\$/bbl)	-0.060	-0.010	-0.150
Sing Kero	(\$/bbl)	-0.120	+0.030	-0.040
Gasoline				
RBOB	(c/gal)	6.810	+0.240	+0.530
EBOB	(\$/mt)	43.750	+0.750	-2.500
Singapore 92	(\$/bbl)	0.500	-0.070	-0.700
Singapore 95	(\$/bbl)	0.550	-0.070	-0.800
Naphtha				
US C5 ENT	(c/gal)	-0.620	+0.000	+0.000
NWE Naphtha	(\$/mt)	5.250	+0.000	+2.000
MOP-Japan Naphtha	(\$/mt)	6.500	+0.500	+2.750
Fuel Oil				
3.5% barges	(\$/mt)	7.350	+0.350	-1.150
Singapore 380	(\$/mt)	10.000	+0.500	-3.000
Singapore 180	(\$/mt)	8.000	+0.600	-3.750
0.5% barges	(\$/mt)	5.500	+0.000	-0.750
Singapore 0.5%	(\$/mt)	6.250	+0.000	-0.500
NGLs				
US Propane LST	(c/gal)	-1.620	-0.120	-0.620
NWE Propane	(\$/mt)	8.000	+0.000	-0.500
Saudi Propane CP	(\$/mt)	-1.000	-1.000	+6.000
Asian Propane FEI	(\$/mt)	1.000	+1.500	+2.000
US Butane ENT	(c/gal)	-0.880	-0.260	-0.500
Saudi Butane CP	(\$/mt)	-8.000	-3.000	+2.500



Front Month Cracks and Diffs			
September	06-Aug-24	1-Day Change	7-Day Change
Crude			
Brent/Dubai (\$/bbl)	1.140	+0.050	+0.610
WTI/Brent (\$/bbl)	-3.910	+0.030	-0.040
Distillates			
Gasoil 0.1 NWE crack (\$/bbl)	18.860	-0.350	-0.920
NWE Jet crack (\$/bbl)	19.580	-0.320	-1.110
NWE Jet Diff (\$/mt)	46.500	+0.000	-2.500
Gasoil E/W (\$/bbl)	-26.150	+0.350	-0.510
Regrade (Sing Kero vs Sing 10ppm) (\$/bbl)	-0.810	+0.010	+0.100
Gasoline			
TA Arb (RBOB vs EBOB) (c/gal)	-3.100	-0.600	+0.540
EBOB crack (\$/mt)	15.190	+0.530	+0.280
Singapore 92 crack (\$/bbl)	7.180	+0.120	-0.900
Gasoline E/W (Sing 92 vs EBOB) (\$/bbl)	-8.000	-0.400	-1.170
European Gasnaph (EBOB vs Naphtha) (\$/mt)	127.190	+4.320	-13.630
Asian Gasnaph (Sing 92 vs MOPJ) (\$/mt)	39.190	-0.160	-27.960
Naphtha			
US C5 ENT vs WTI Crack	-10.550	+0.570	+2.300
NWE Naphtha Crack (\$/bbl)	-4.950	+0.000	+1.880
MOPJ Naphtha Crack (\$/bbl)	-2.560	+0.110	+2.410
Naphtha E/W (NWE vs MOPJ) (\$/mt)	21.250	+1.000	+4.500
Fuel Oil			
3.5% barges crack (\$/bbl)	-9.950	+0.000	-0.580
Singapore 380 crack (\$/bbl)	-7.270	+0.080	-0.970
Singapore 180 crack (\$/bbl)	-6.090	+0.240	-1.050
Visco (180-380) (\$/mt)	7.500	+1.000	-0.500
HSFO E/W (380 vs 3.5% barges) (\$/mt)	17.000	+0.500	-2.500
0.5% barges crack (\$/bbl)	3.600	+0.050	-0.120
Singapore 0.5% crack (\$/bbl)	10.450	+0.050	-0.140
VLSFO E/W (Sing 0.5% vs 0.5% barges) (\$/mt)	43.500	+0.000	-0.260
European Hi5 (0.5% barges vs 3.5% barges) (\$/mt)	86.050	+0.320	+2.910
Asian Hi5 (Sing 0.5% vs 380) (\$/mt)	112.540	-0.180	+5.150
0.5% barges/gasoil (\$/mt)	-201.140	+3.010	+8.170
Sing 0.5% vs Sing 10ppm (\$/mt)	-131.470	+2.510	+8.500
NGLs			
US Propane LST vs NWE Propane (\$/mt)	-174.500	+5.000	-23.730
US Propane LST vs Asian Propane FEI (\$/mt)	-245.500	+1.500	-24.230
Asian Propane FEI vs NWE Propane (\$/mt)	71.000	+3.500	+0.500
Asian Propane FEI vs Saudi Propane CP (\$/mt)	39.000	+3.500	-3.500
European Pronap (NWE Propane vs NWE Naphtha) (\$/mt)	-75.470	+0.010	+1.600
Asian Pronap (FEI vs MOPJ) (\$/mt)	-64.760	-1.030	+0.930



Long Tenor Cracks / Diffs

	Balmo	Sep-24	Oct-24	Nov-24	Dec-24	Q4-24	Q1-25
Crude							
Brent/Dubai (\$/bbl)	1.470	1.140	1.180	1.150	1.120	1.150	1.047
WTI/Brent (\$/bbl)	-3.630	-3.910	-4.120	-4.230	-4.310	-4.220	-4.433
Distillates							
Gasoil 0.1 NWE crack (\$/bbl)	18.17	18.86	19.08	18.90	18.96	18.98	19.12
NWE Jet crack (\$/bbl)	18.96	19.58	20.12	20.23	20.55	20.30	21.04
NWE Jet Diff (\$/mt)	47.00	46.50	49.00	51.00	53.00	51.00	55.50
Gasoil E/W (\$/bbl)	-25.66	-26.15	-24.64	-22.39	-21.89	-22.97	-19.92
Regrade (Sing Kero vs Sing 10ppm) (\$/bbl)	-0.98	-0.81	-0.75	-0.58	-0.42	-0.58	-0.45
Gasoline							
TA Arb (RBOB vs EBOB) (c/gal)	12.520	-3.100	2.590	4.720	6.990	4.767	14.207
EBOB crack (\$/mt)	16.010	15.190	10.310	8.050	6.720	8.360	7.380
Singapore 92 crack (\$/bbl)	7.190	7.180	7.060	6.900	6.920	6.960	7.113
Gasoline E/W (Sing 92 vs EBOB) (\$/bbl)	-8.830	-8.000	-3.250	-1.140	0.210	-1.393	-0.267
European Gasnaph (EBOB vs Naphtha) (\$/mt)	124.690	127.190	88.690	72.690	64.440	75.273	74.773
Asian Gasnaph (Sing 92 vs MOPJ) (\$/mt)	36.770	39.190	41.520	43.860	47.110	44.163	55.973
Naphtha							
US C5 ENT vs WTI Crack	-11.640	-10.550	-9.710	-9.240	-8.960	-9.303	-8.430
NWE Naphtha Crack (\$/bbl)	-3.920	-4.950	-5.160	-5.470	-5.760	-5.463	-6.267
MOPJ Naphtha Crack (\$/bbl)	-2.320	-2.560	-2.910	-3.300	-3.630	-3.280	-4.413
Naphtha E/W (NWE vs MOPJ) (\$/mt)	14.250	21.250	20.000	19.250	19.000	19.417	16.500
Fuel Oil							
3.5% bgs crack (\$/bbl)	-9.290	-9.950	-10.730	-11.280	-11.520	-11.177	-11.420
Singapore 380 crack (\$/bbl)	-6.370	-7.270	-8.470	-9.340	-9.780	-9.197	-10.090
Singapore 180 crack (\$/bbl)	-5.590	-6.090	-6.980	-7.700	-8.050	-7.577	-8.133
Visco (180-380) (\$/mt)	5.000	7.500	9.500	10.500	11.000	10.333	12.417
HSFO E/W (380 vs 3.5% bgs) (\$/mt)	18.500	17.000	14.350	12.350	11.100	12.600	8.517
0.5% bgs crack (\$/bbl)	4.150	3.600	3.100	2.710	2.360	2.723	1.933
Singapore 0.5% crack (\$/bbl)	11.000	10.450	9.830	9.330	8.960	9.373	8.290
VLSFO E/W (Sing 0.5% vs 0.5% bgs) (\$/mt)	43.500	43.500	42.750	42.130	42.010	42.297	40.430
European Hi5 (0.5% bgs vs 3.5% bgs) (\$/mt)	85.300	86.050	87.900	88.900	88.150	88.317	84.900
Asian Hi5 (Sing 0.5% vs 380) (\$/mt)	110.290	112.540	116.290	118.670	119.050	118.003	116.803
0.5% bgs/gasoil (\$/mt)	-192.960	-201.140	-205.500	-206.670	-208.970	-207.047	-212.160
Sing 0.5% vs Sing 10ppm (\$/mt)	-123.600	-131.470	-138.160	-142.190	-145.150	-141.833	-151.857
NGLs							
US Propane LST vs NWE Propane (\$/mt)	-192.48	-174.5	-158.06	-148.35	-143.73	-150.047	-131.107
US Propane LST vs Asian Propane FEI (\$/mt)	-251.98	-245.5	-236.06	-230.85	-227.23	-231.38	-210.273
Asian Propane FEI vs NWE Propane (\$/mt)	59.5	71	78	82.5	83.5	81.333	79.167
Asian Propane FEI vs Saudi Propane CP (\$/mt)	43.5	39	37	33.5	26.5	32.333	18.167
European Pronap (\$/mt)	-72.22	-75.47	-78.22	-76.97	-75.47	-76.887	-86.637
Asian Pronap (FEI vs MOPJ) (\$/mt)	-70.51	-64.76	-57.26	-47.26	-37.51	-47.343	-42.177



Inter-month Crack Spreads			
Sep/Oct	06-Aug-24	1-Day Change	7-Day Change
Crude			
Brent/Dubai (\$/bbl)	-0.040	+0.020	+0.040
WTI/Brent (\$/bbl)	0.210	+0.030	+0.040
Distillates			
Gasoil 0.1 NWE crack (\$/bbl)	-0.220	-0.050	-0.010
NWE Jet crack (\$/bbl)	-0.540	-0.020	-0.190
NWE Jet Diff (\$/mt)	-2.500	+0.000	-1.500
Gasoil E/W (\$/bbl)	-1.510	+0.310	-0.460
Regrade (Sing Kero vs Sing 10ppm) (\$/bbl)	-0.060	+0.040	+0.090
Gasoline			
TA Arb (RBOB vs EBOB) (c/gal)	-5.690	+0.030	+1.250
EBOB crack (\$/mt)	4.880	+0.120	-0.270
Singapore 92 crack (\$/bbl)	0.120	-0.050	-0.680
Gasoline E/W (Sing 92 vs EBOB) (\$/bbl)	-4.750	-0.160	-0.400
European Gasnaph (EBOB vs Naphtha) (\$/mt)	38.500	+0.750	-4.500
Asian Gasnaph (Sing 92 vs MOPJ) (\$/mt)	-2.330	-1.080	-8.570
Naphtha			
US C5 ENT vs WTI Crack	-0.840	-0.010	-0.010
NWE Naphtha Crack (\$/bbl)	0.210	+0.000	+0.240
MOPJ Naphtha Crack (\$/bbl)	0.350	+0.060	+0.340
Naphtha E/W (NWE vs MOPJ) (\$/mt)	1.250	+0.500	+0.750
Fuel Oil			
3.5% barges crack (\$/bbl)	0.780	+0.090	-0.170
Singapore 380 crack (\$/bbl)	1.200	+0.080	-0.450
Singapore 180 crack (\$/bbl)	0.890	+0.110	-0.560
Visco (180-380) (\$/mt)	-2.000	+0.100	-0.750
HSFO E/W (380 vs 3.5% barges) (\$/mt)	2.650	+0.150	-1.850
0.5% barges crack (\$/bbl)	0.500	+0.020	-0.090
Singapore 0.5% crack (\$/bbl)	0.620	+0.030	-0.030
VLSFO E/W (Sing 0.5% vs 0.5% barges) (\$/mt)	0.750	+0.000	+0.250
European Hi5 (0.5% barges vs 3.5% barges) (\$/mt)	-1.850	-0.350	+0.400
Asian Hi5 (Sing 0.5% vs 380) (\$/mt)	-3.750	-0.500	+2.500
0.5% barges/gasoil (\$/mt)	4.360	+0.340	-0.060
Sing 0.5% vs Sing 10ppm (\$/mt)	6.690	+0.070	+0.390
NGLs			
US Propane LST vs NWE Propane (\$/mt)	-16.440	-0.630	-2.730
US Propane LST vs Asian Propane FEI (\$/mt)	-9.440	-2.130	-5.230
Asian Propane FEI vs NWE Propane (\$/mt)	-7.000	+1.500	+2.500
Asian Propane FEI vs Saudi Propane CP (\$/mt)	2.000	+2.500	-4.000
European Pronap (NWE Propane vs NWE Naphtha) (\$/mt)	2.750	+0.000	-2.500