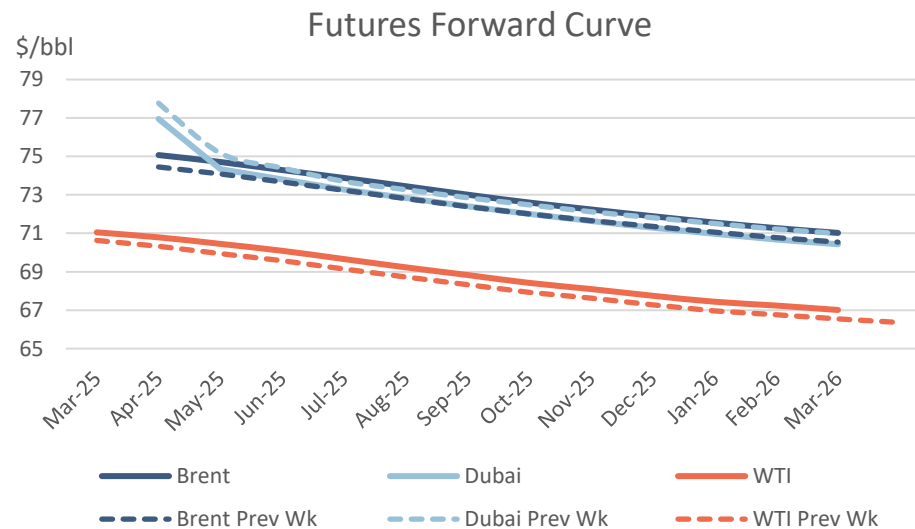
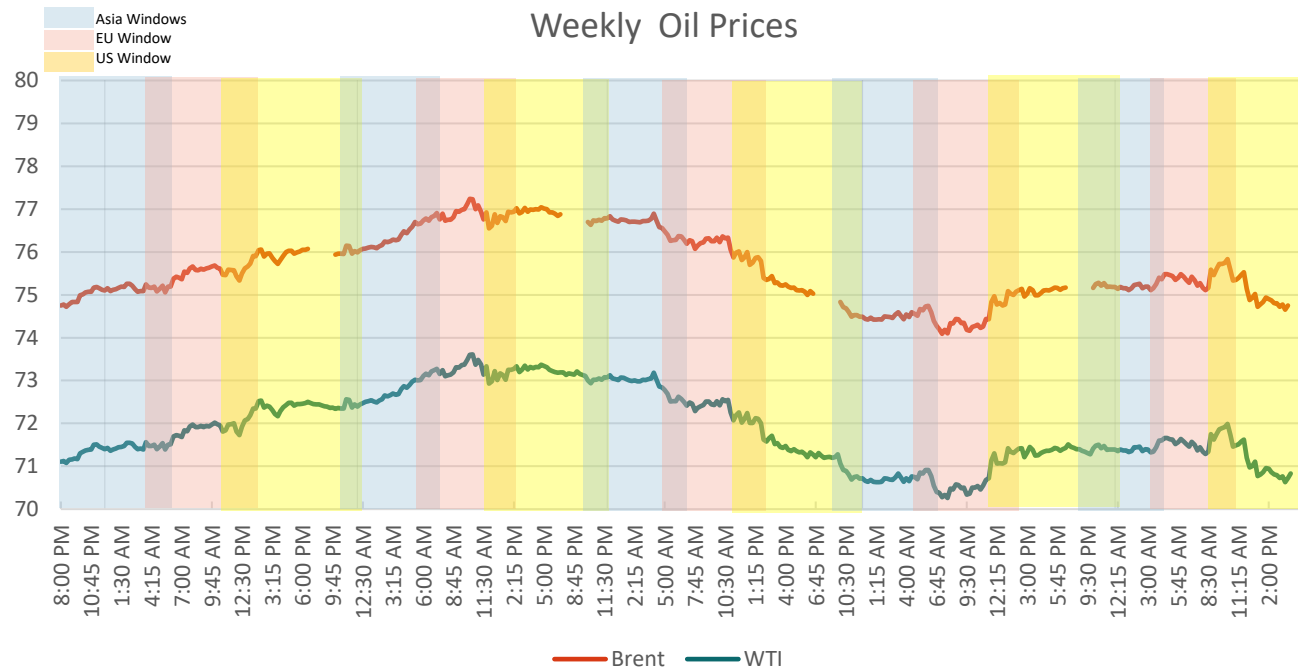


Weekly Oil Market Report



Next Barrel

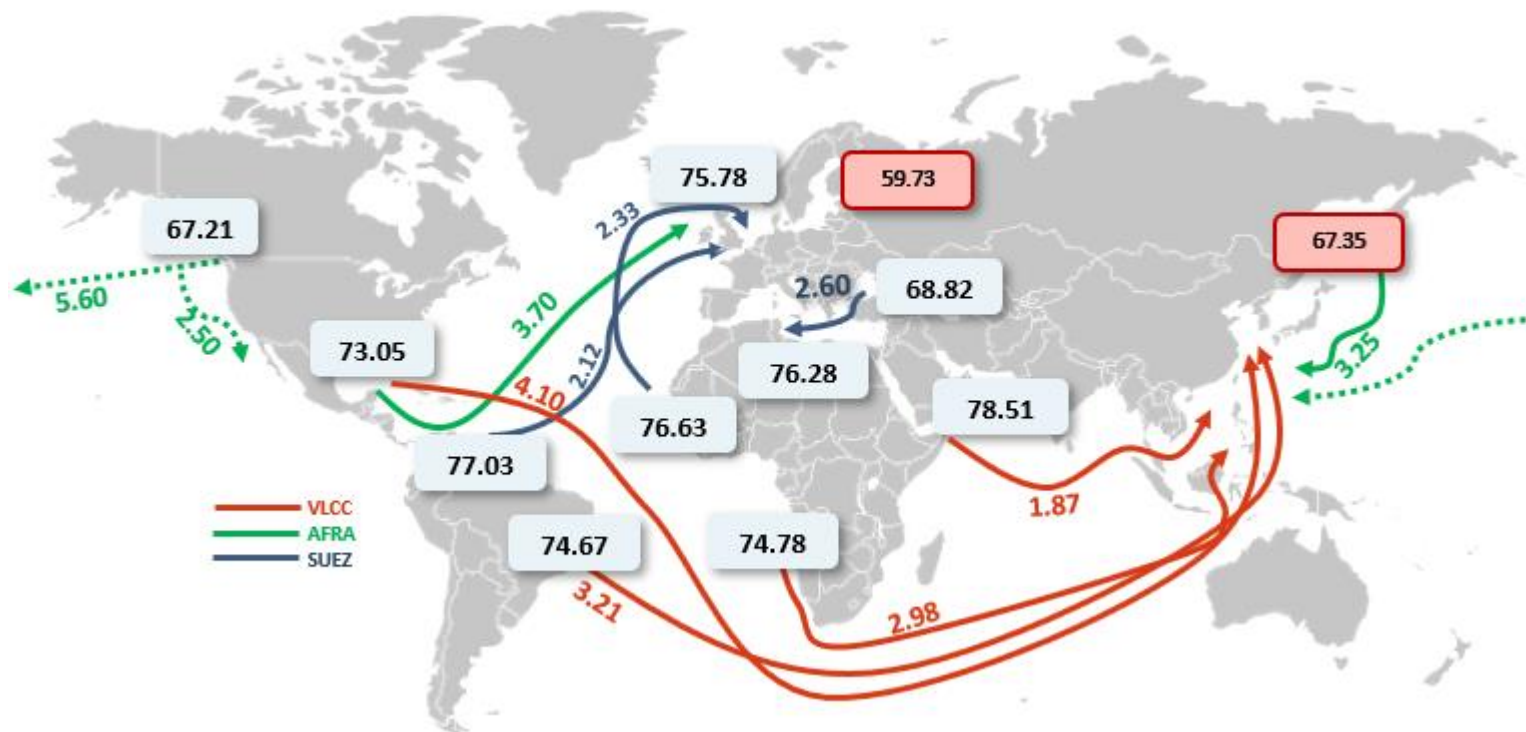
Week 7



Flat Price

- Selling wave always starts in the US section
- Flat price structure taking a hit on the prompt months
- Low volatility and volumes all around
- Oil still prone to headlines

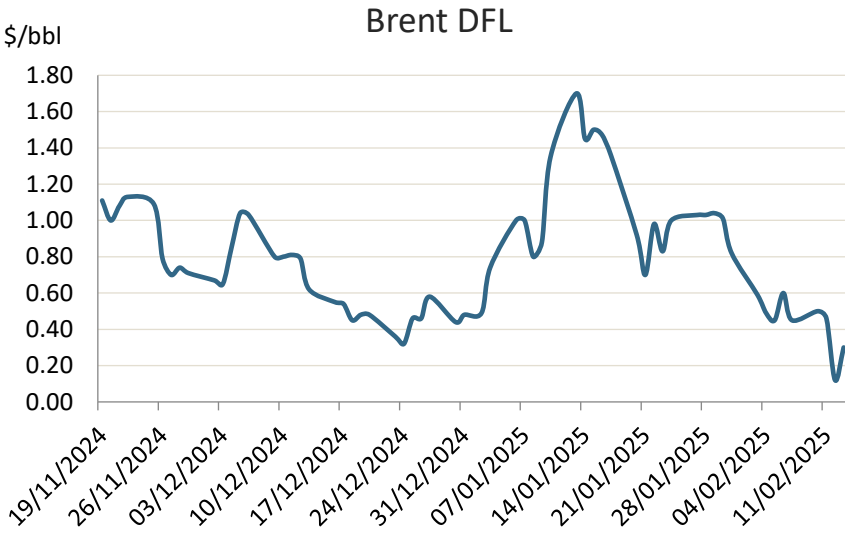
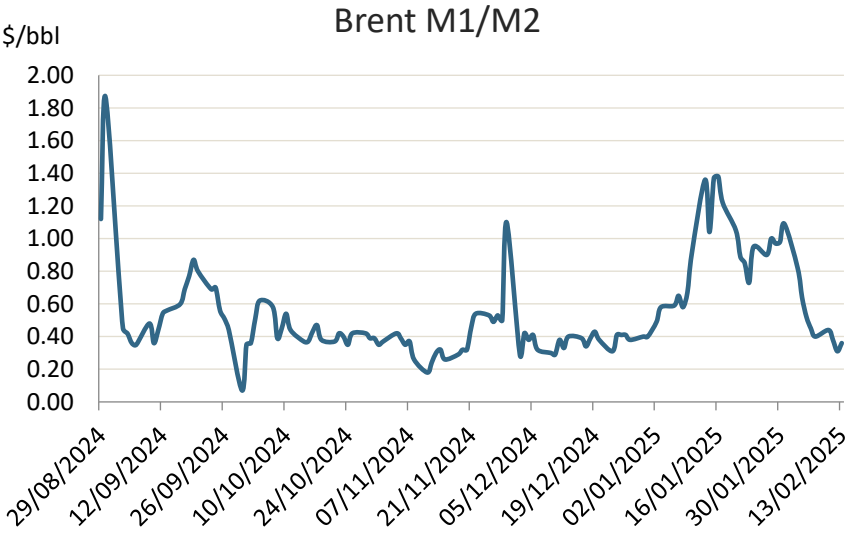
Global Crude + Freight



- Long hauls demand is easing
- Main arbs sold off and started opening again on freight re pricing
- Differentials little changed
- Russian Urals going below the price cap
- Strong Atlantic pull from China

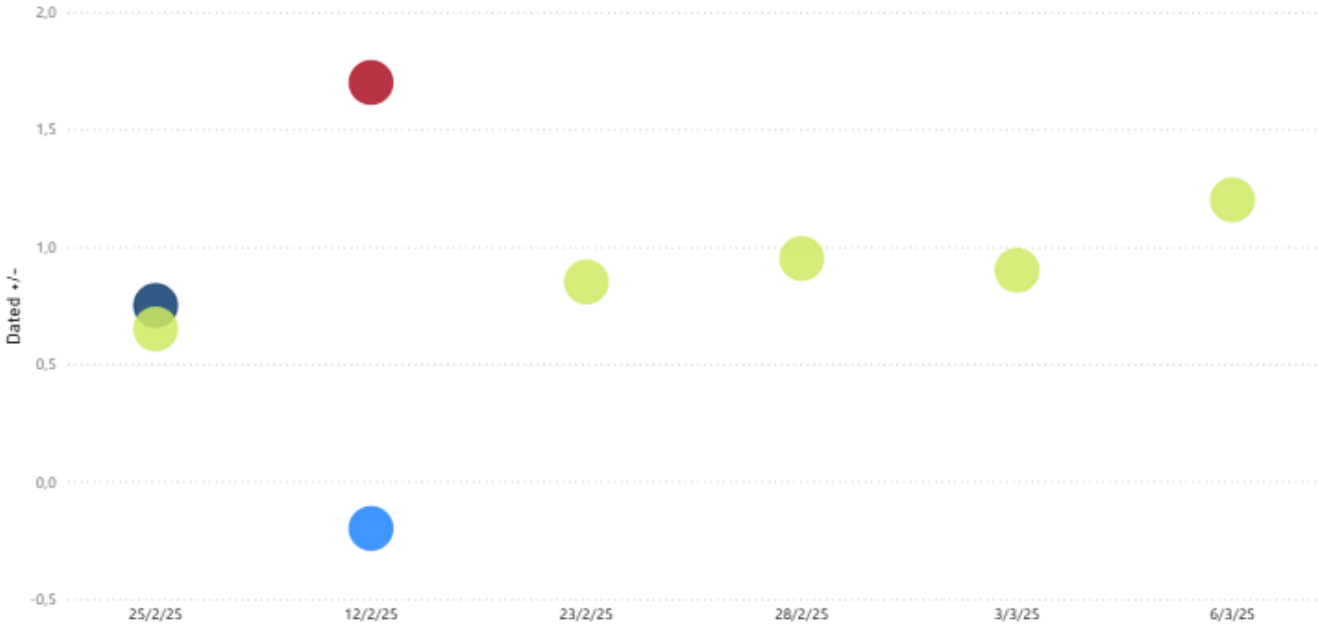
Bullish

North sea



Dated +/-, Trades, Buyer, Seller, Delivery and Trade date by Grade and First Loading Date

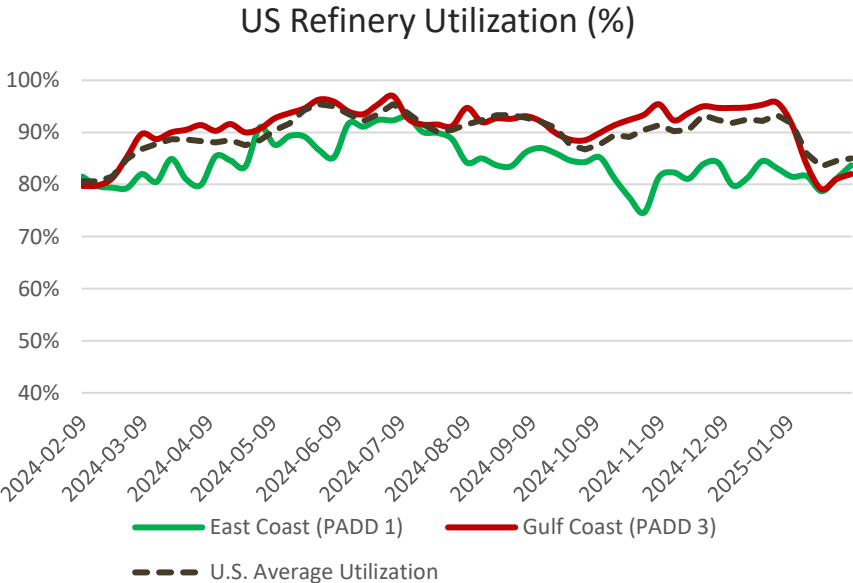
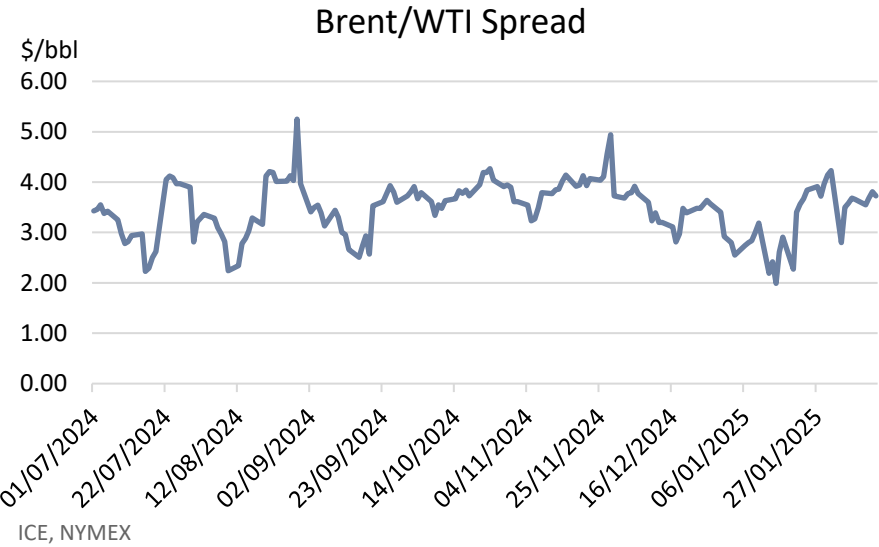
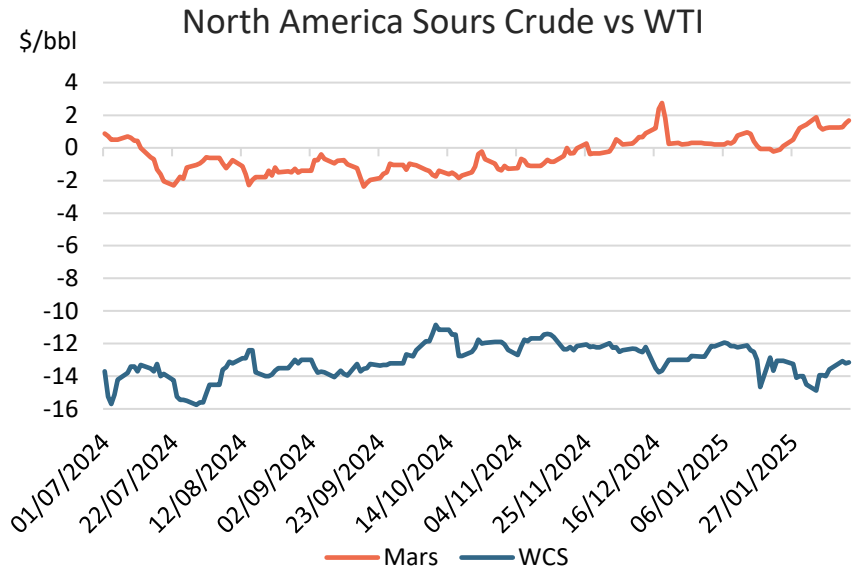
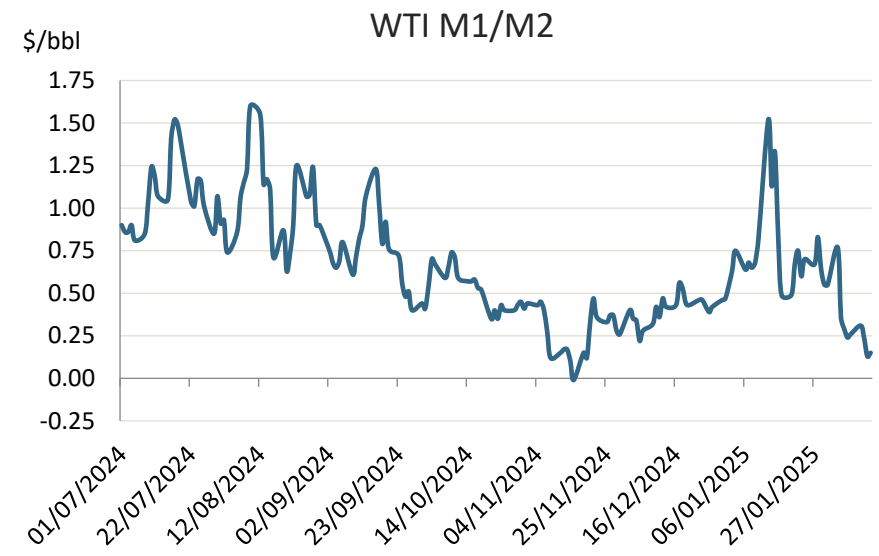
Grade ● Ekofisk ● Forties ● Johan Sverdrup ● WTI



ICE, NYMEX

- Brent complex struggling despite physical differentials improving.
- Forties crude selling at negative levels to Dated Brent.
- WTI arriving in Europe at parity or slightly above Brent.
- Johan Sverdrup trading at \$1.70 premium due to intermittent outages.
- Refining margins are strong, no tariffs on European goods (positive sign).

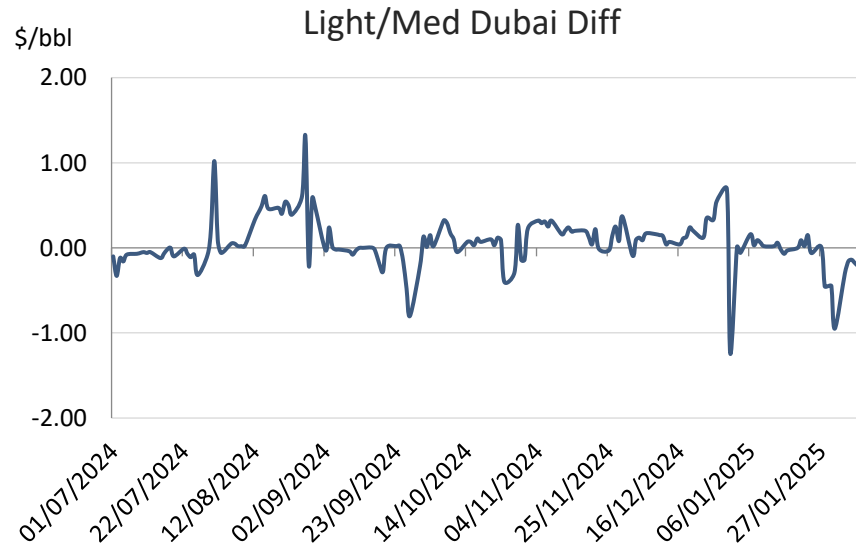
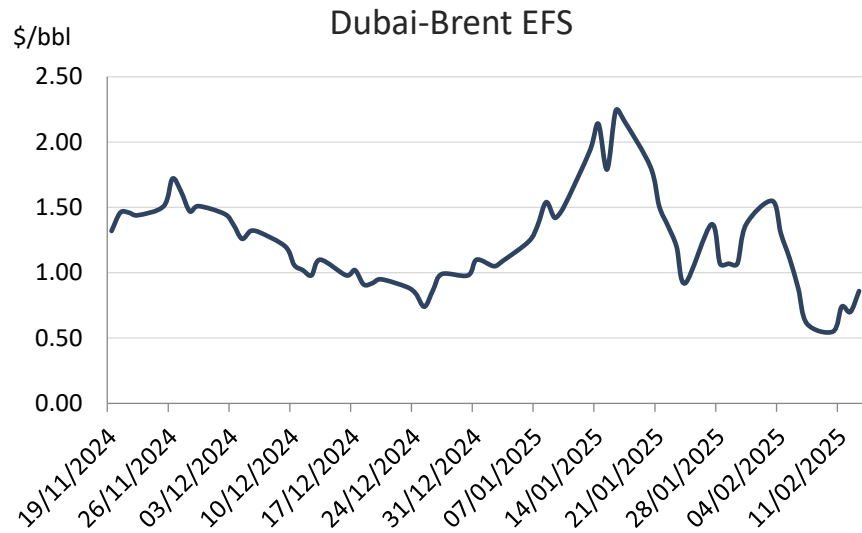
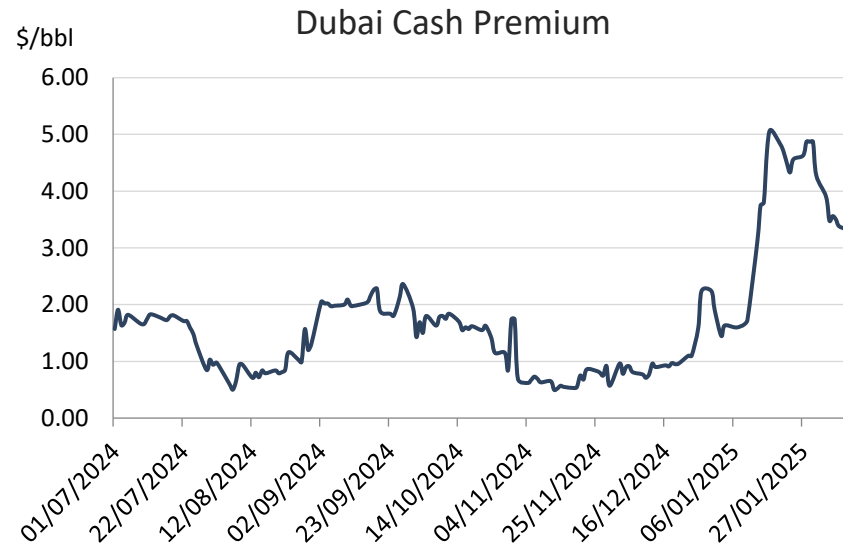
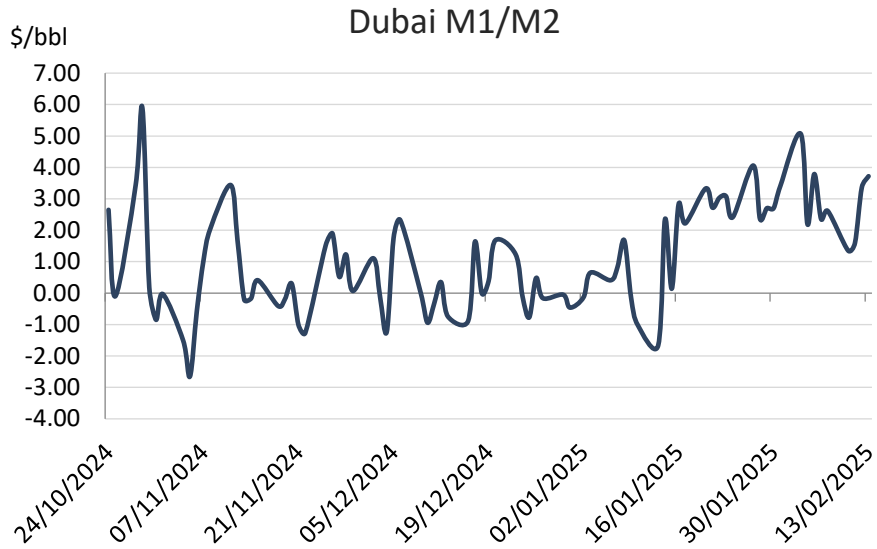
Bullish



- Tariff concerns dodged, market moving into seasonal trends.
- Cushing receiving more barrels; distillate inventories up, gasoline stocks down.
- Refinery utilization rising; 1.5Mbpd capacity returning online.
- US West Coast facing refined product shortages due to fire-damaged infrastructure.
- Mexico's Maya crude shipments facing quality complaints.
- Exxon & partners planning 250kbd expansion in Guyana.
- Argentina's Vaca Muerta play aiming for 300kbd by Q2.

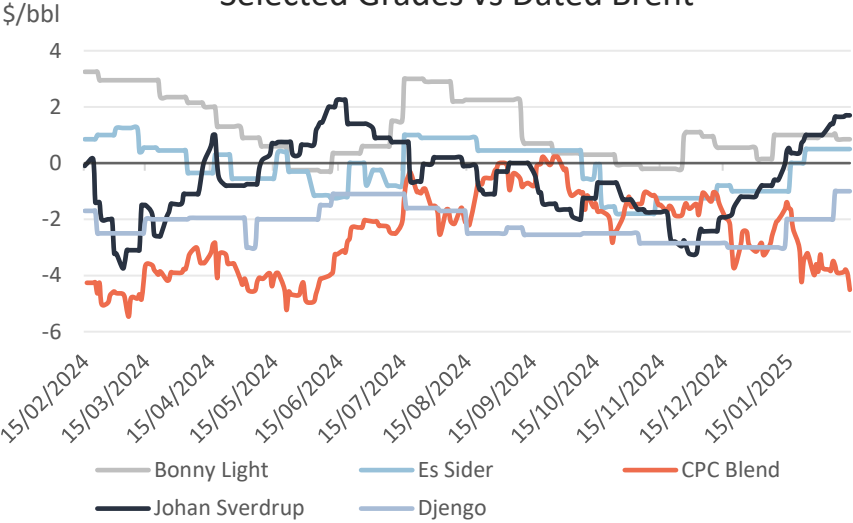
Bearish

Middle East

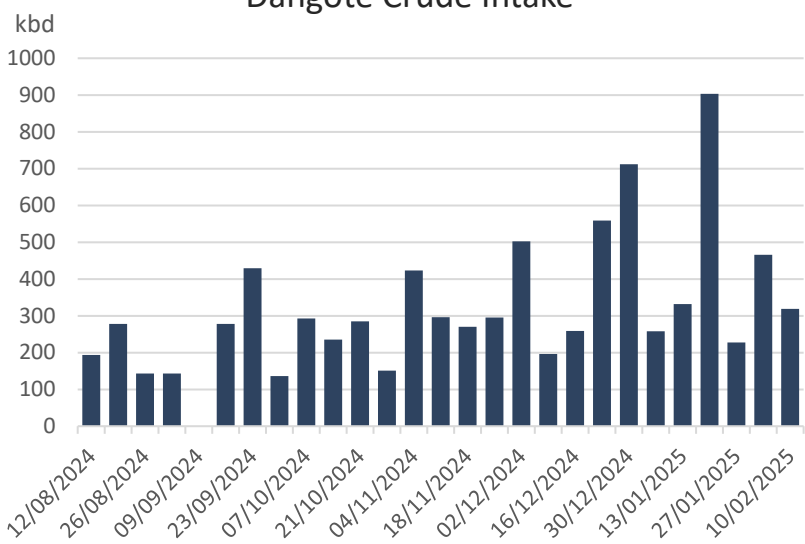


- Crude premiums (Oman, Dubai, Murban) sliding, shedding 20 cents/day.
- Light trading due to Lunar New Year; Total's absence affecting the market.
- Saudi Aramco reducing crude allocation to China for the second month.
- ADNOC's Murban pricing anomaly making Dubai benchmark unreliable.
- Asian buyers seeking cheaper alternatives from the Atlantic market.

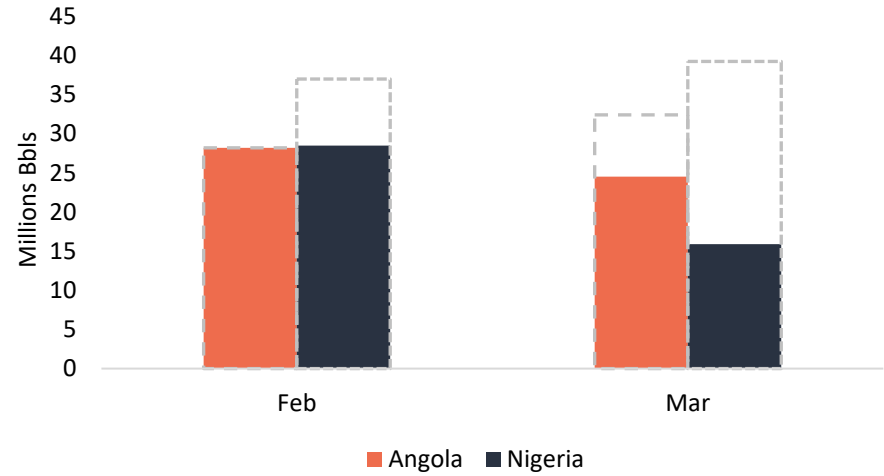
Selected Grades vs Dated Brent



Dangote Crude Intake



WAF Selling Pace



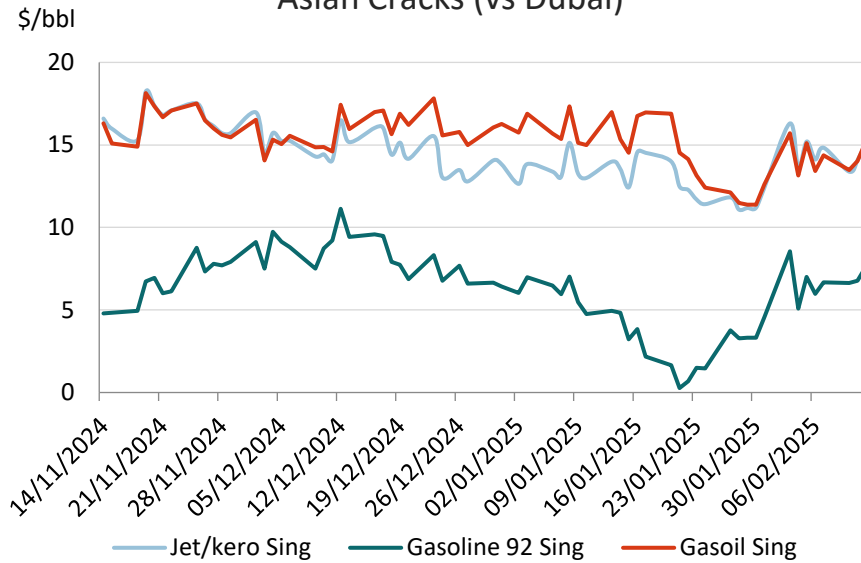
- Market cooling after Indian tenders; Nigerian cargoes mostly sold.
- European refinery maintenance expected to reduce WAF demand.
- Dangote refinery ramping up, reducing Nigerian crude exports
- Market waiting for April Angolan Program

Bearish

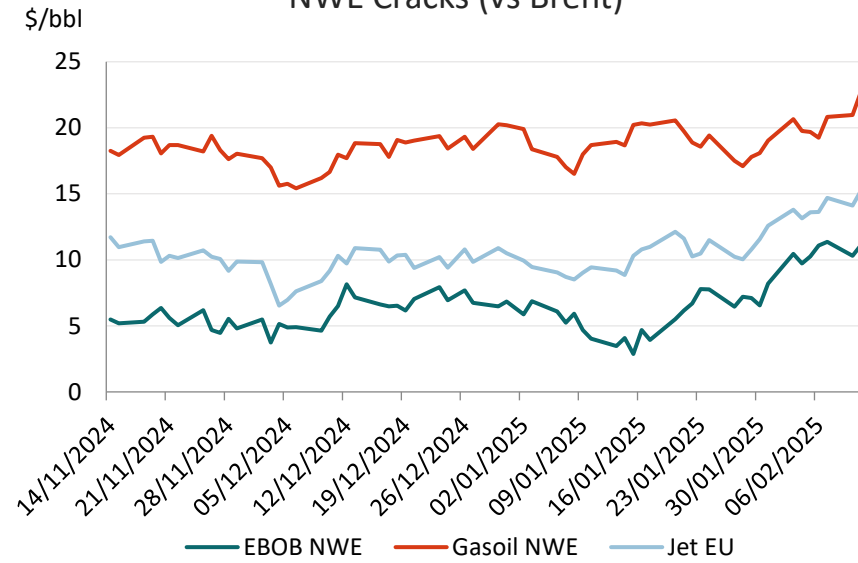
Oil Products

- Refining margins solid worldwide.
- Gasoline, distillate stock draws following seasonal trends.
- Gasoil from the Middle East may start flowing to Europe.
- Jet fuel demand surprisingly strong since January.
- HSFO cracks turned positive in Asia; Russian fuel oil supply tightening.
- Strong bunker demand; refinery runs stable and increasing.

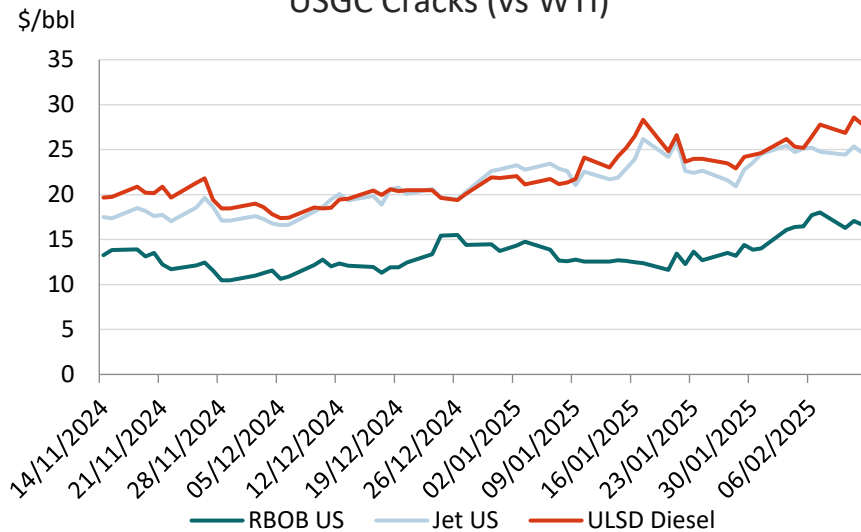
Asian Cracks (vs Dubai)



NWE Cracks (vs Brent)

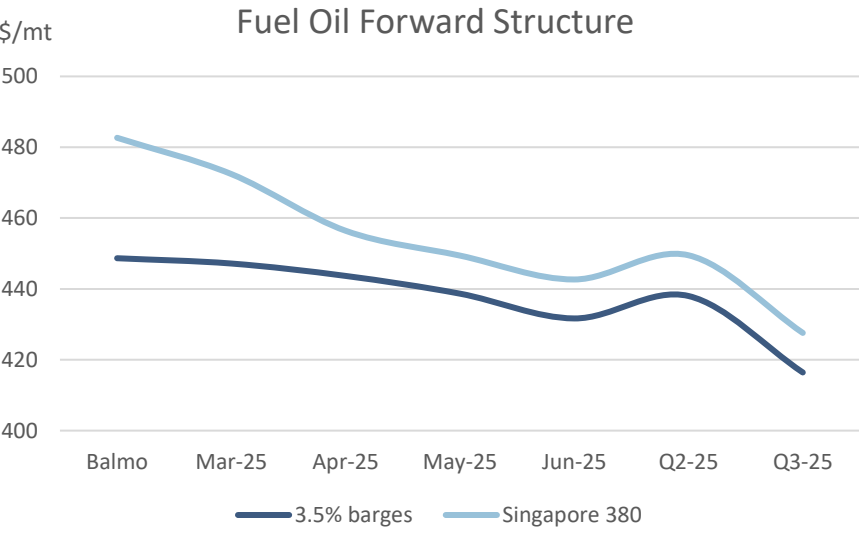
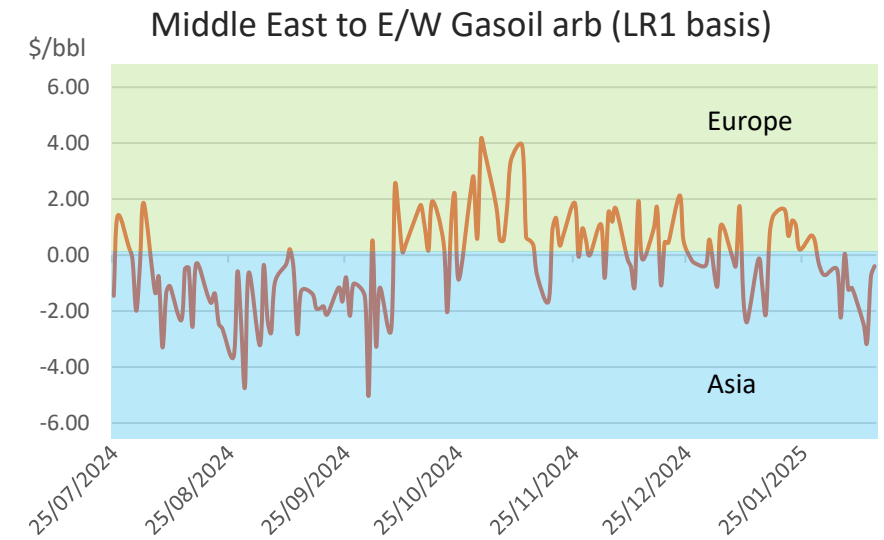
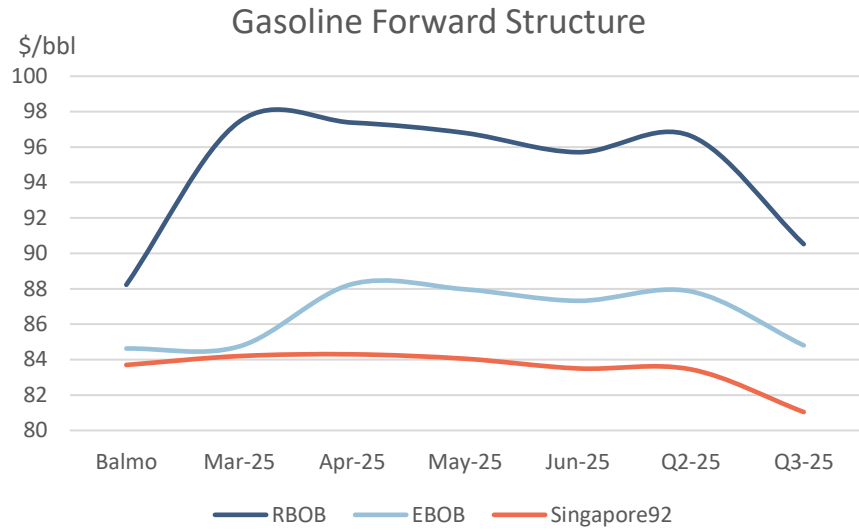
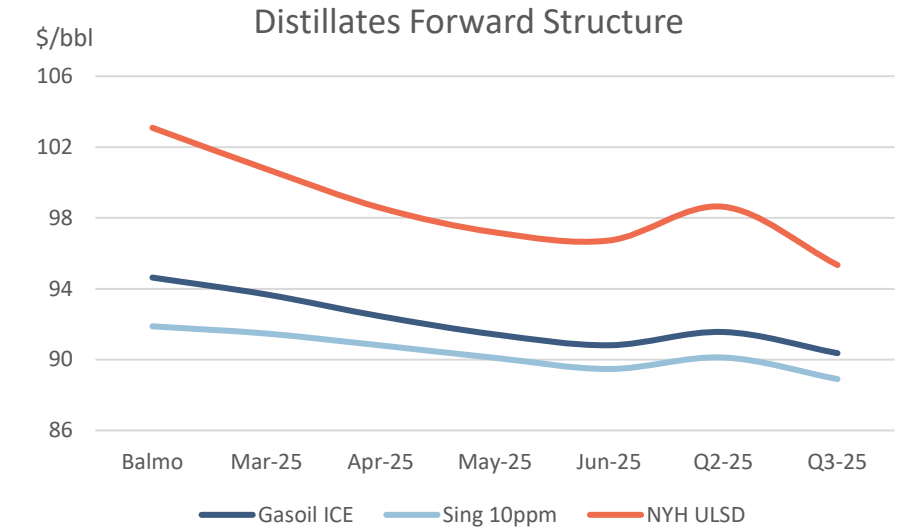


USGC Cracks (vs WTI)



Products Swaps

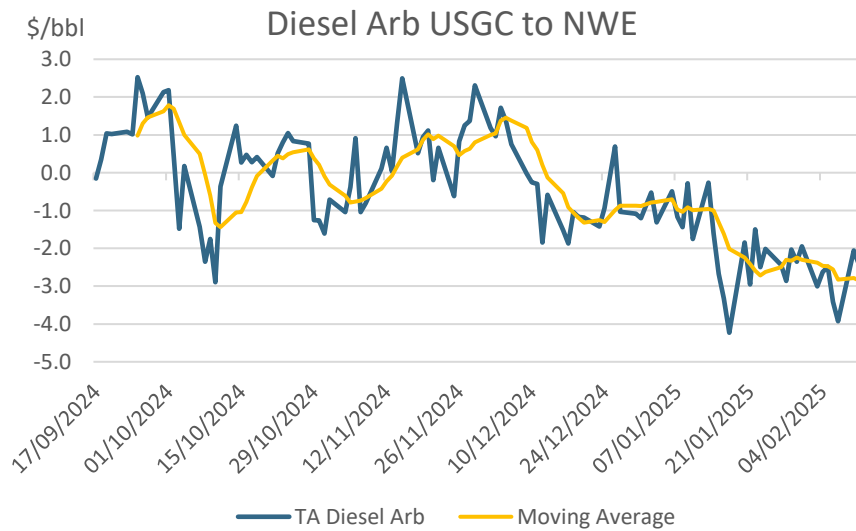
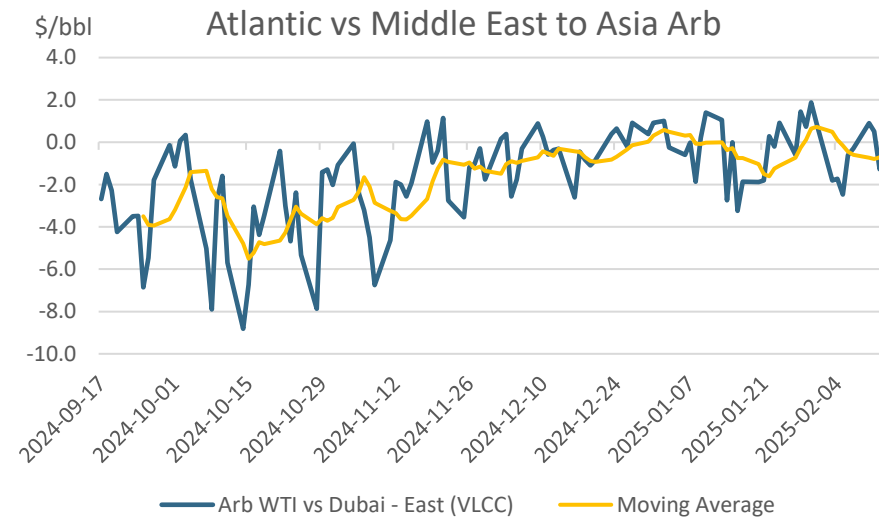
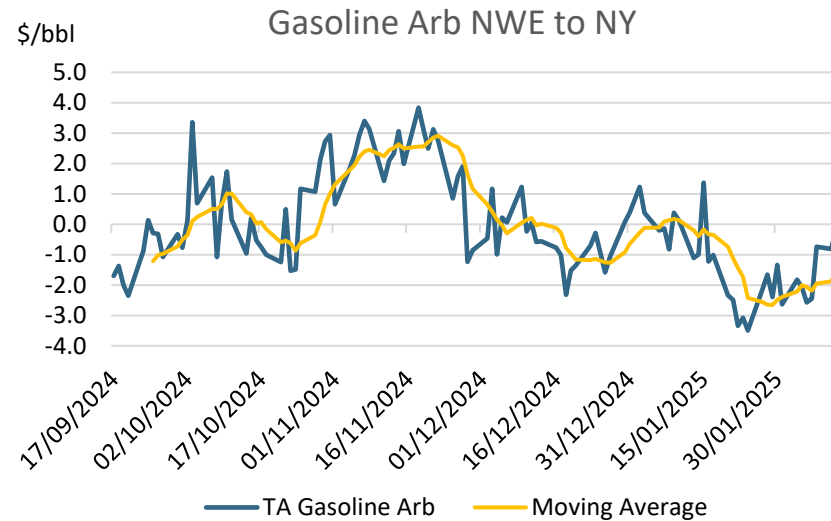
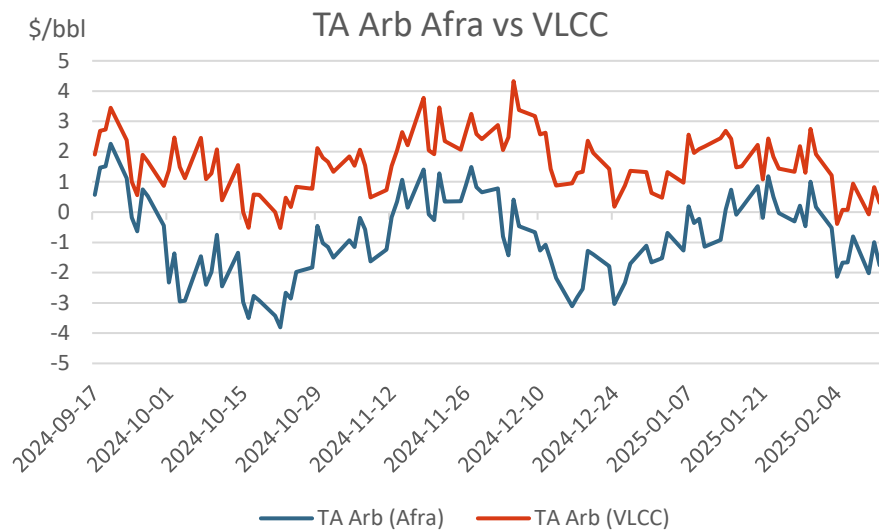
- Distillates regaining some backwardation as storage draws
- Gasoline price structure unworkable
- Backwardation in US might be too steep.
- Fuel oil structure stronger in Asia, arb opportunities for Q2
- Gasoil from Middle East about to point towards Europe on LR1 basis



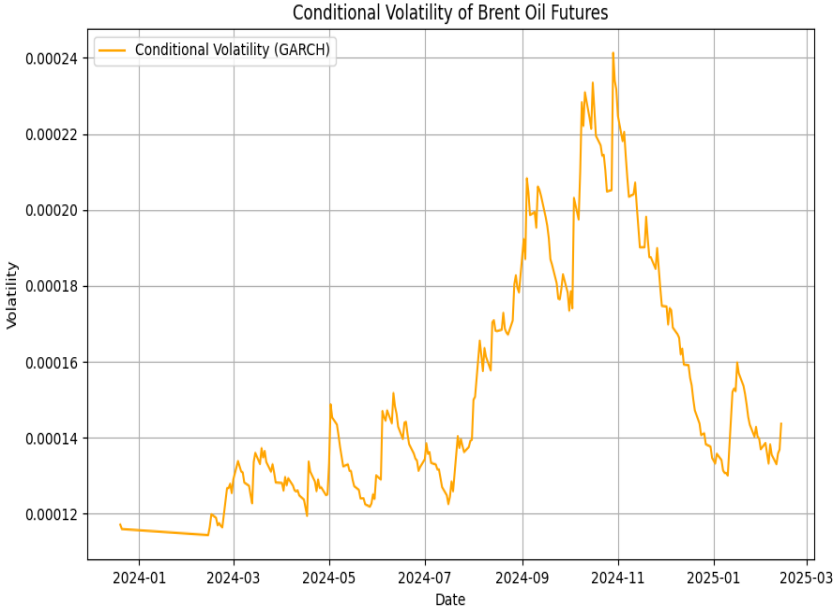
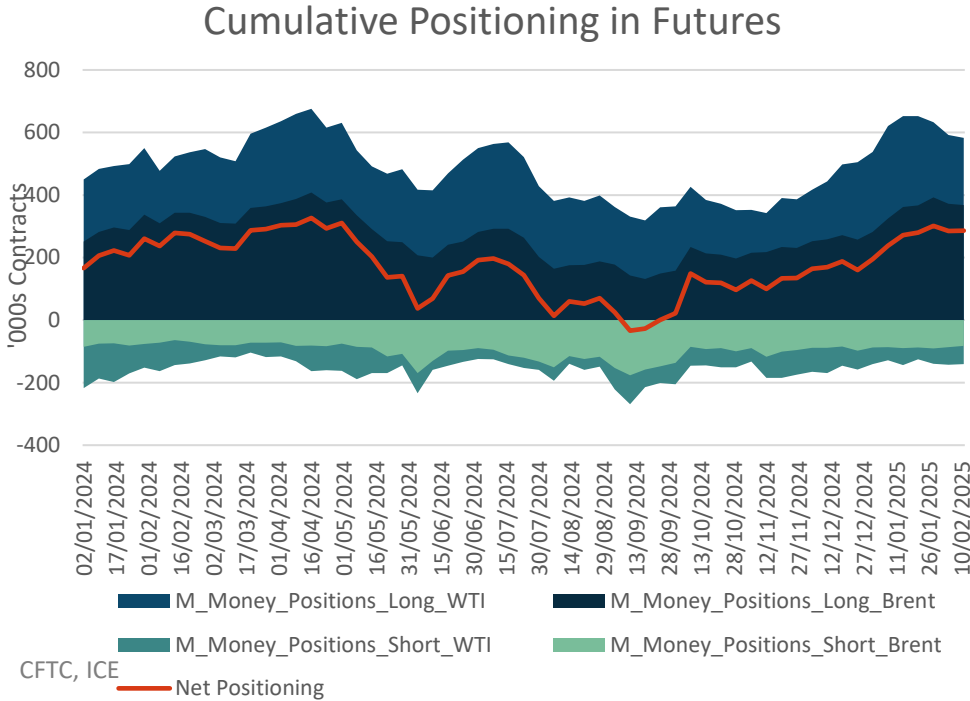
Bullish

Arbs

- TA crude arb capped by Brent/Ti spread, needs a couple of cents more to make it worthwhile
- TD22 arb about to open again
- Gasoline arb wide open to USAC
- Diesel arb also looking constructive
- TC2-TC14 triangulation in the money



- Long positions unwinding, prices pegged at \$75.
- Realized volatility low, no clear trend for CTAs.
- Key levels: \$70 or \$80 for positioning shifts.



USO Net Fund Flows

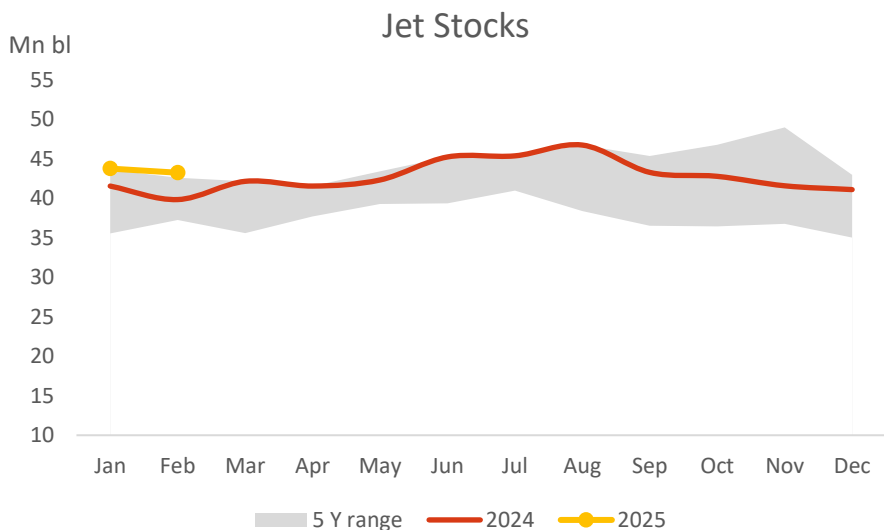
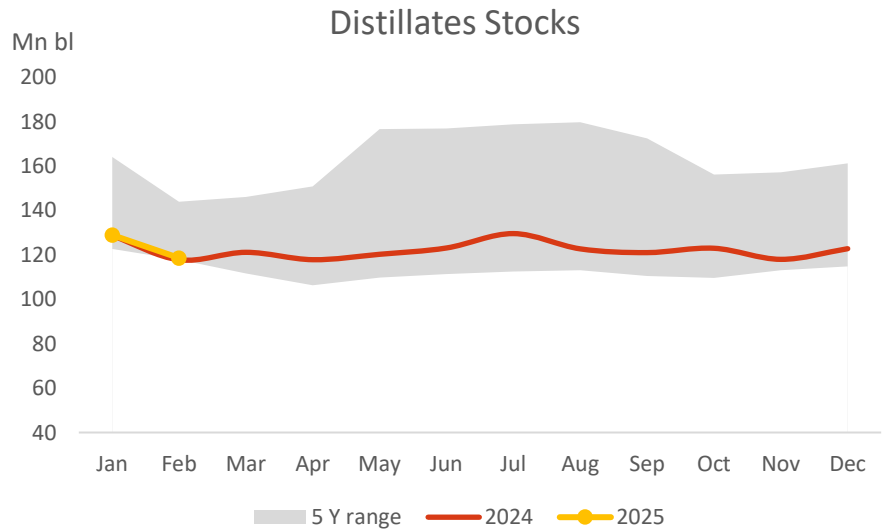
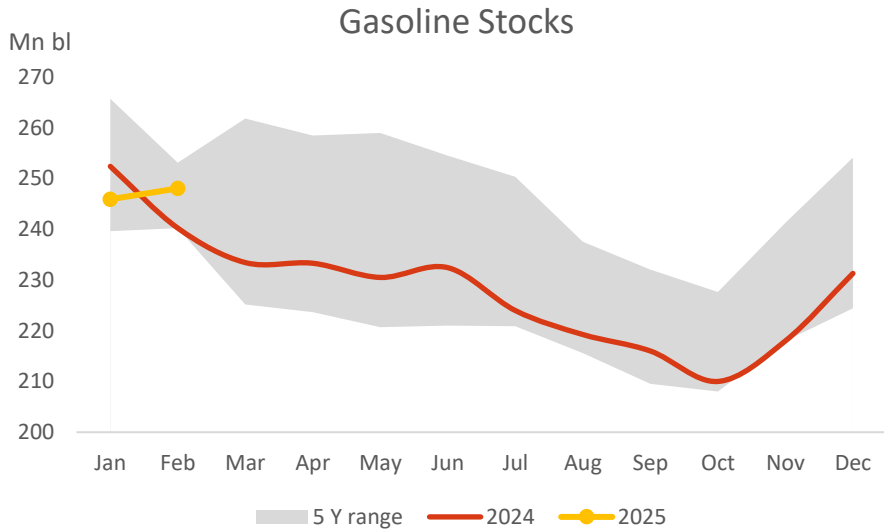
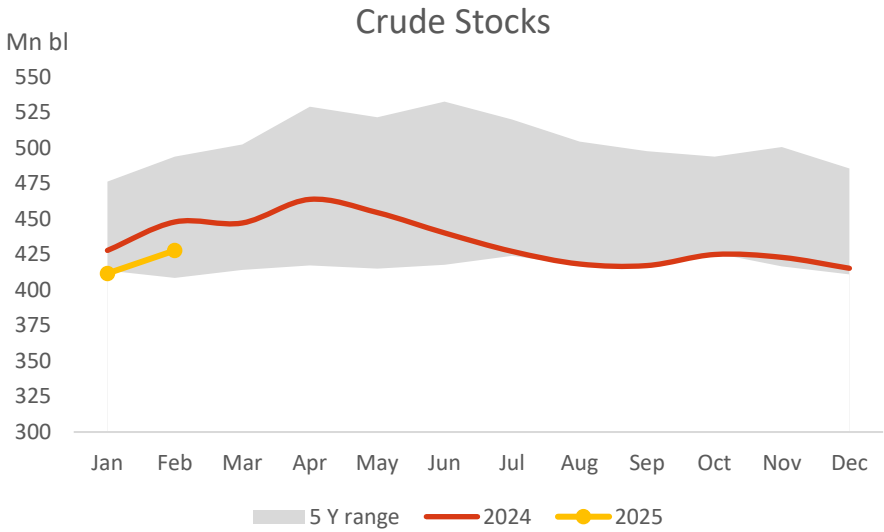


CFTC, ICE, ETF.com

Bearish

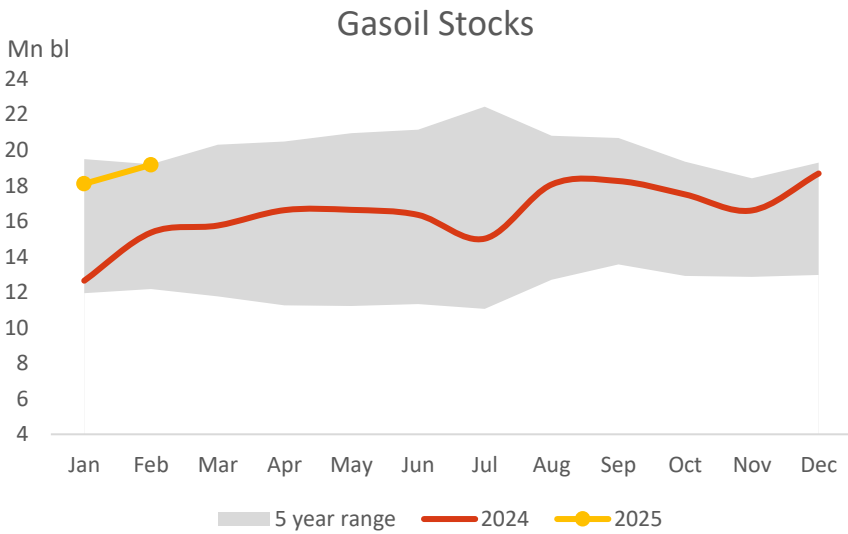
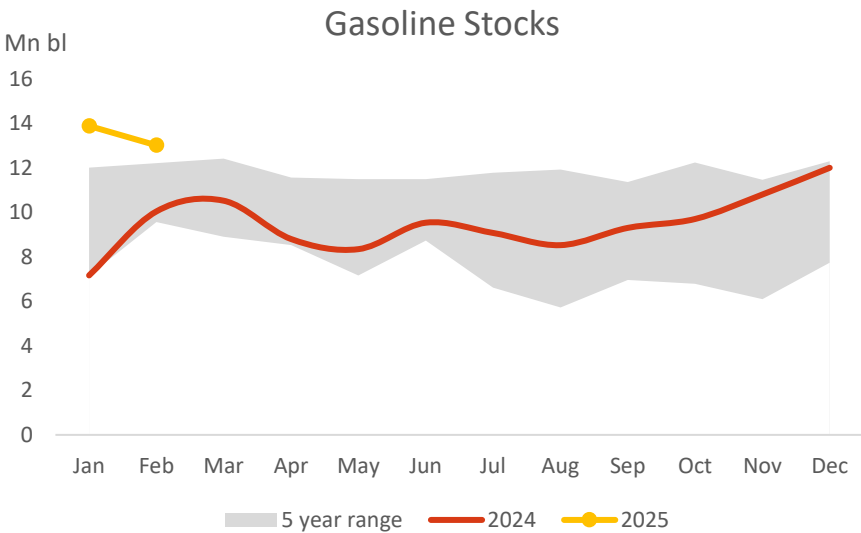
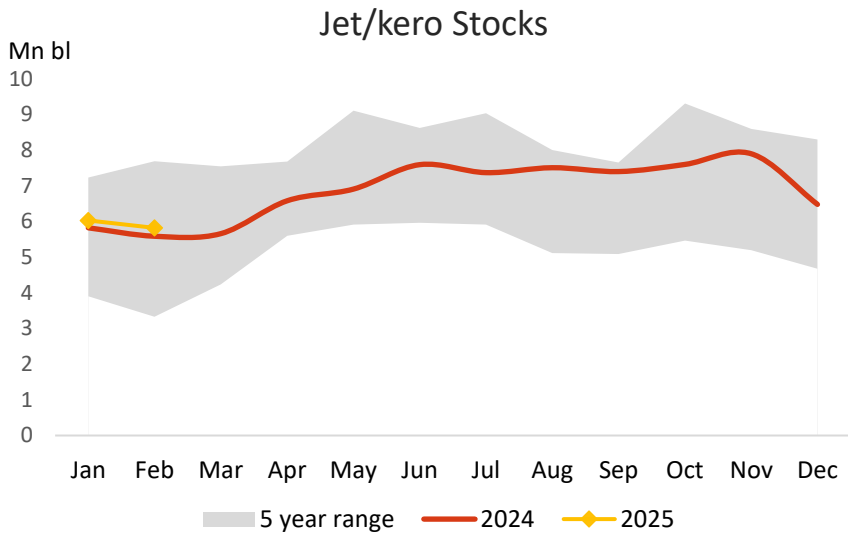
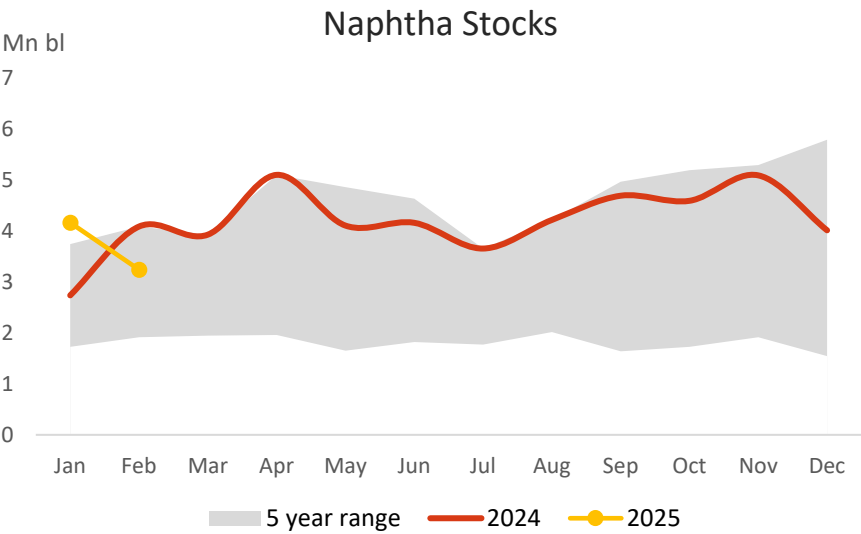
Inventories US

- Gasoline finally drawing
- Cushing stocks builds, moving away from tank bottoms
- Smaller than expected overall crude build
- Distillates pare drawings
- US refinery utilization picking up slowly in PADD3
- PADD5 short on road fuels



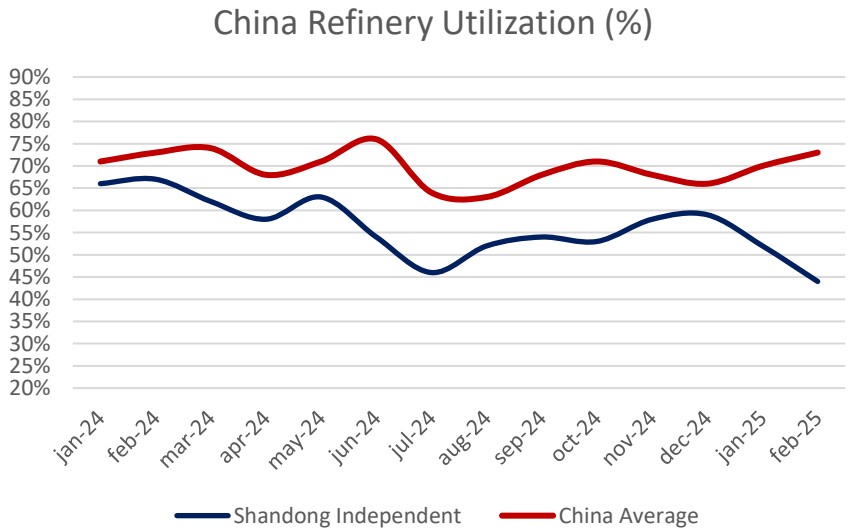
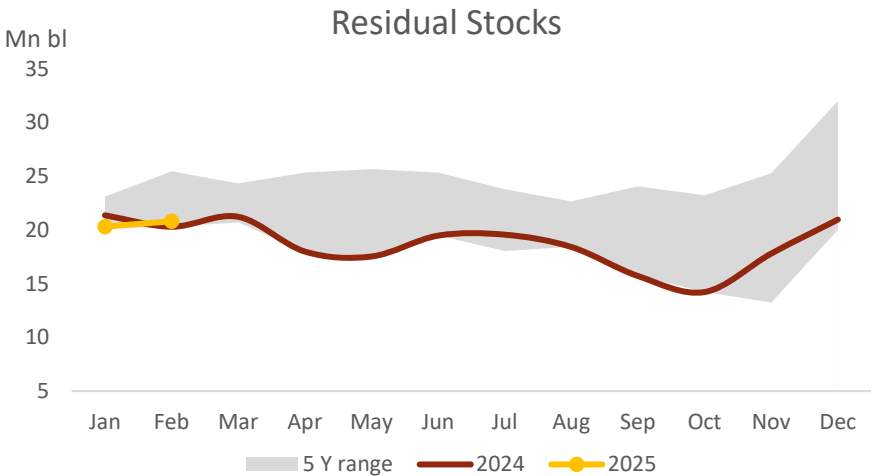
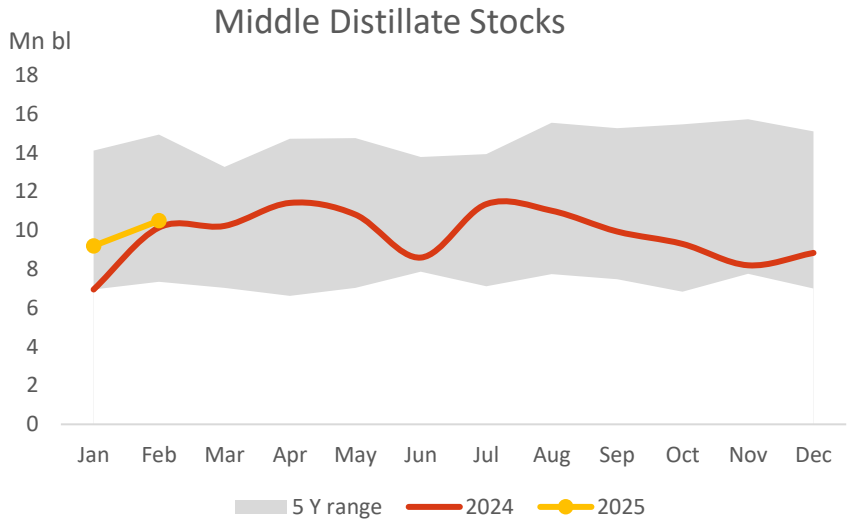
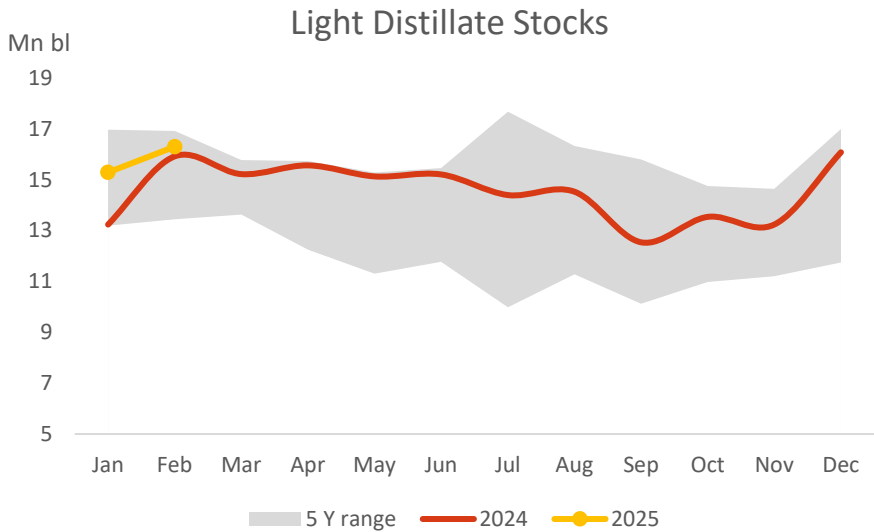
Inventories ARA

- Gasoline coming off record highs
- Distillates building in tune with US counterpart
- 800kbd in Gasoil arrivals expected for next week



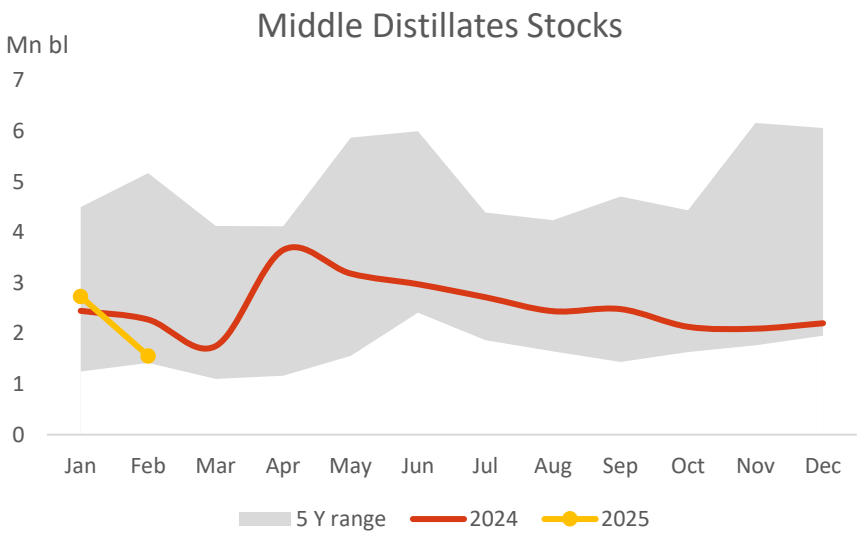
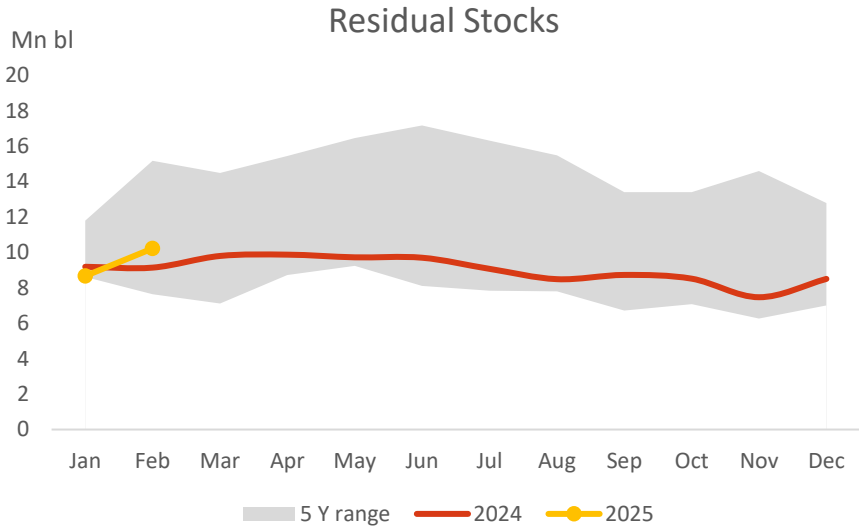
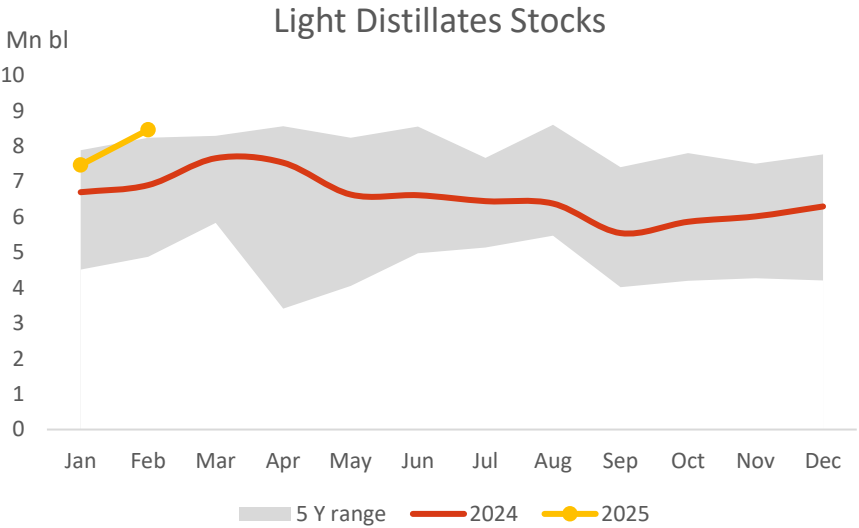
Inventories Singapore

- Stocks building for 3rd week in a row
- Chinese Jet arriving in early March
- Lower teapot runs is leaving resid in Singapore



Inventories Fujairah

- Middle East length in naphtha and gasoline (prob Russian origin)
- Bunker demand steady
- Distillate flows about to point West



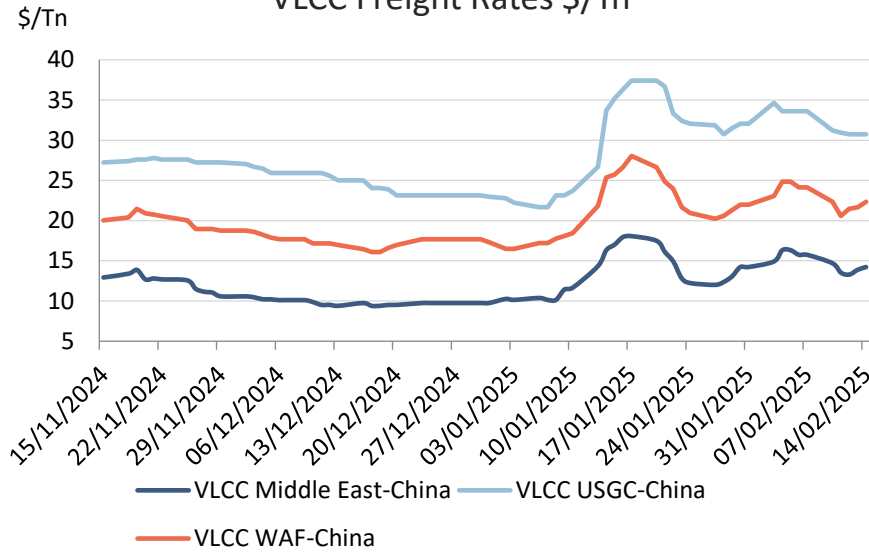
Fujairah Oil Industry Zone

Bullish

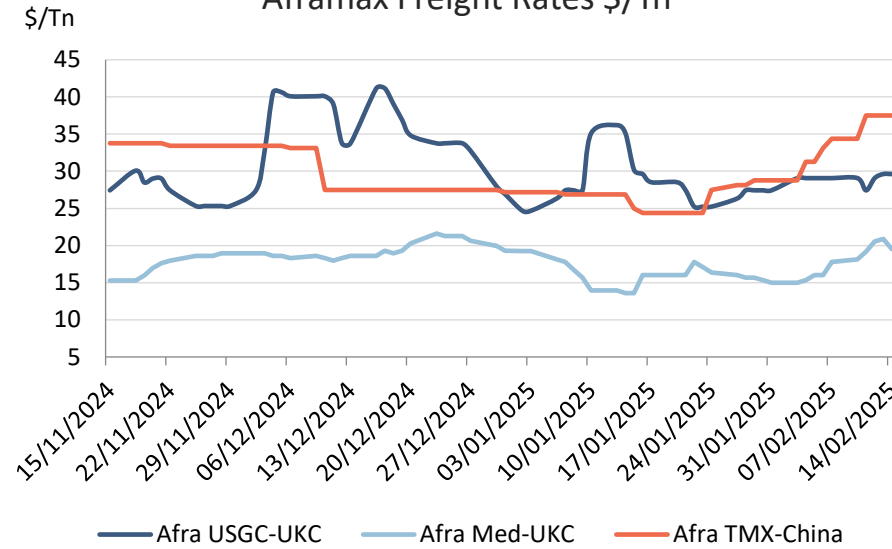
Tankers Dirty

- VLCCs in holding pattern, max workable freight considering spreads
- Afras hot in West Canada, steady in the Meds.
- Russian price cap lifters improving Afras and Suez in Europe
- Suez tight in WAF
- High fuel oil prices dampening TCEs

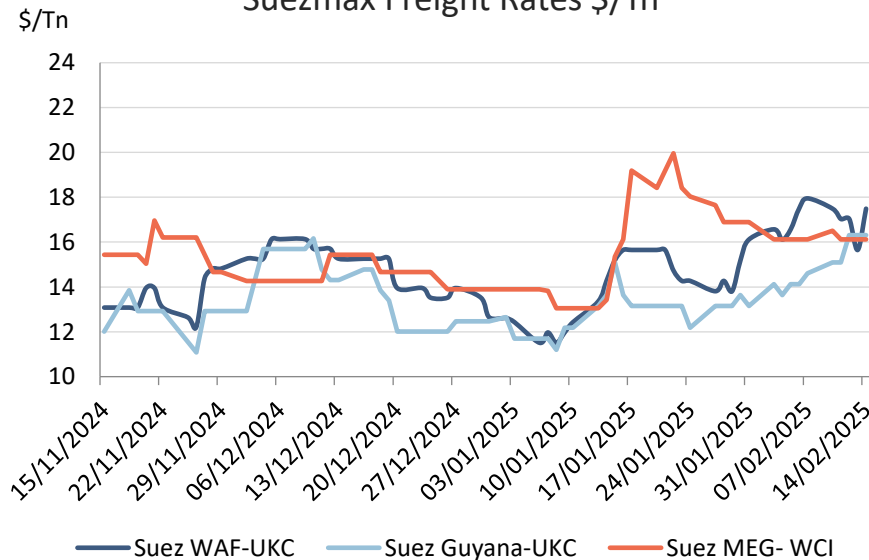
VLCC Freight Rates \$/Tn



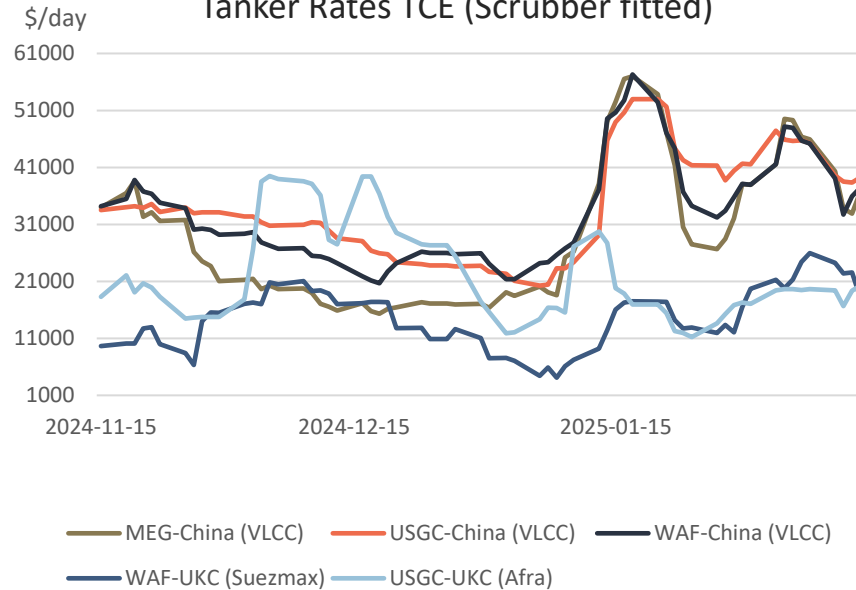
Aframax Freight Rates \$/Tn



Suezmax Freight Rates \$/Tn



Tanker Rates TCE (Scrubber fitted)



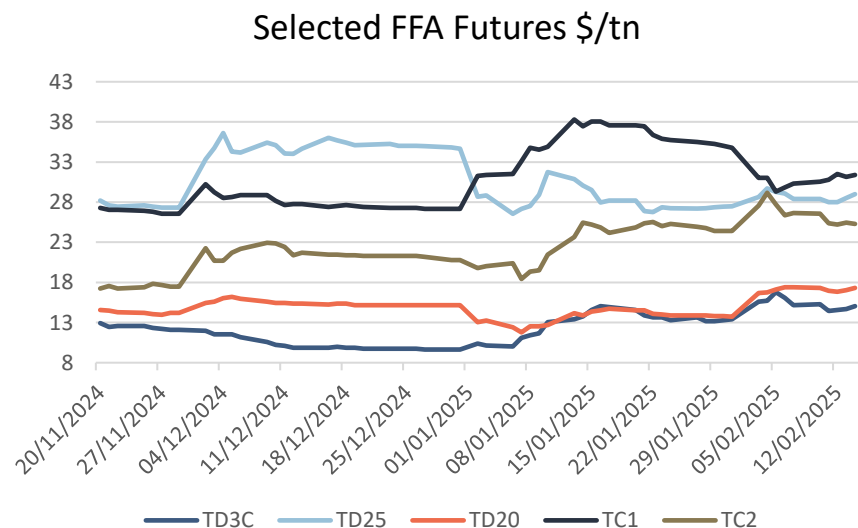
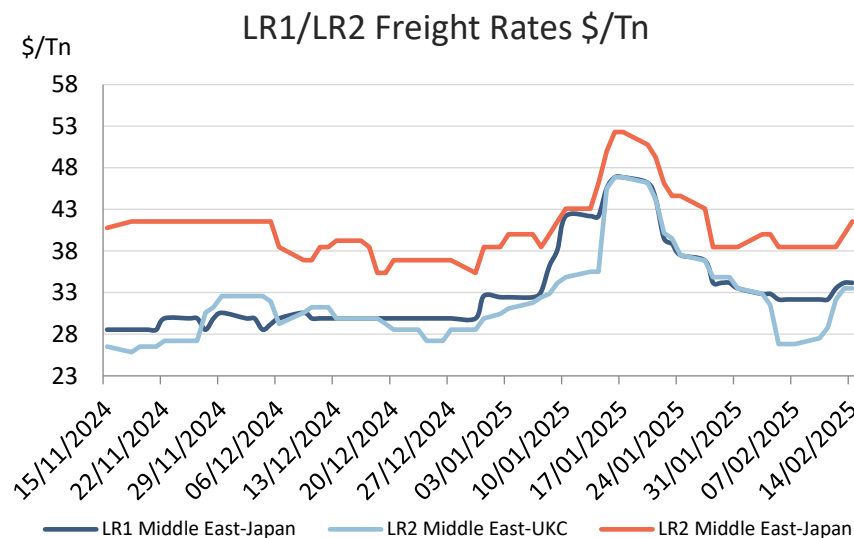
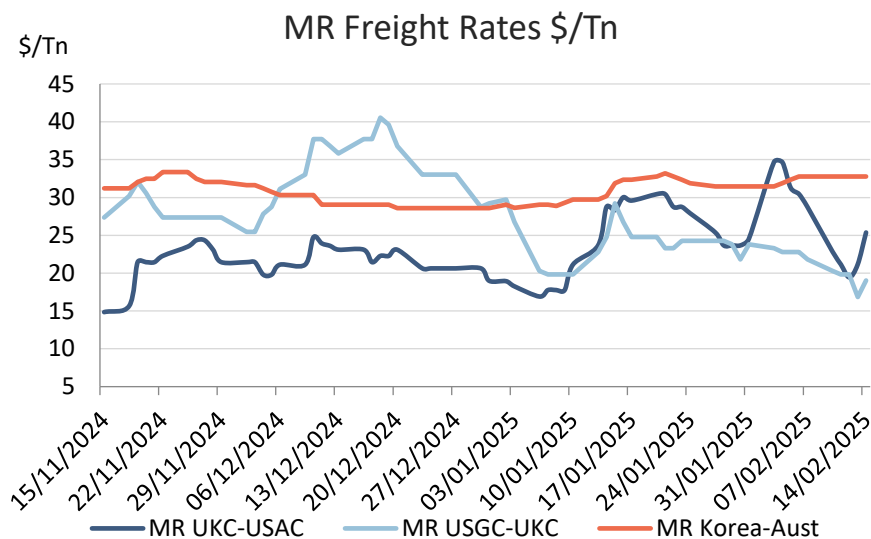
2/14/2025

Next Barrel

Bullish

Tankers Clean

- TA Arb open, TC2 should react soon
- LR1s list looks tight as inquiry grows
- LR2s positioned to capture gasoil E/W arb
- FFAS switched momentum, with gains all around



ECO Scrubber Vessel	1 year TC
VLCC	\$47k/day
Suezmax	\$33k/day
Aframax/LR2	\$31k/day
Panamax	\$22.5k/day
MR	\$21k/day

Bullish

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