

FIS Tanker FFA Report

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(Bloomberg) -- Oil held near the highest since November after OPEC+ leaders Saudi Arabia and Russia announced that they would extend supply curbs through the end of the year, tightening the global market. West Texas Intermediate traded near \$87 a barrel after the twin announcements on Tuesday, which drove a 1.3% gain. While traders had anticipated the volume of the cuts, the duration was unexpected. The strategy from Riyadh and Moscow will help to drain inventories further, while driving the market's underlying timespreads further into backwardation, a bullish pricing pattern. The gap between WTI's two nearest December contracts has surged to the widest since mid-2022.

Oil has rallied sharply this quarter after the Organization of Petroleum Exporting Countries and its allies adopted group-wide supply cuts that were then supplemented by additional, voluntary reductions. The production restraints have been implemented just as the International Energy Agency estimates that global crude consumption is running at a record pace. "Further constraints on oil supply should see oil prices remain well-supported," ANZ Group Holdings Ltd. said in a note by analysts including Adelaide Timbrell. "The market is likely to see sizable drawdowns in inventories as a result of the restrictions on output." Goldman Sachs Group Inc. said that the moves by OPEC+ brought bullish risks to its outlook for prices, according to a report. The bank's analysts outlined several scenarios, including one that saw Brent extending gains to above \$100 a barrel, although they stressed that this wasn't a base-case view. Oil's surge risks stoking a fresh wave of inflation around the globe as it lifts prices, including for fuels such as gasoline and diesel. That could complicate the task facing central bankers just as they try to decide whether they've already raised interest rates high enough to restrain the pace of price gains. In the near term, crude's gains may pause. WTI's 14-day relative strength index has been driven into over-bought territory above 70, signaling that prices may be set to retrace. After the Saudi and Russian moves, attention will fall on stockpiles, with one industry estimate pointing to another draw at the key hub at Cushing, Oklahoma. Official data are due on Thursday, a day later than usual given the US holiday on Monday.

Prices:

WTI for October delivery fell 3 cents to \$86.66 a barrel at 6:01 a.m. in London.

Brent for November settlement was steady at \$90.03 a barrel.

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Yesterday's Trade Recap:

TC2 Sep traded down at ws191, ws188 and ws180 last. Oct traded 5 points lower at ws180. Sep/Oct spread traded at ws4. Q4(23) traded down at ws188.

TC5 Sep/Oct spread traded at ws-3. Oct traded at ws155. Q4(23) traded at ws166. Cal24 traded at \$40.8/mt.

TC6 Sep weakened trading at ws210 and ws205.

TC17 Q4(23) traded at ws250.

BLPG1 Oct traded 2 dollars higher at \$134/mt.

TD3C BALMO traded at ws40.5. Sep/Oct spread traded at ws-12, -10.5 and ws-11 last. Oct traded at ws52. Nov traded at ws58.5. Nov/Dec spread traded at ws-4. Dec traded at ws62.5 and ws62.75. Q4(23) traded at ws57.75 in 100kt then at ws57.25 and ws56 in small. Q4(23)/Q1(24) spread traded at \$0.60/mt. Cal24 traded lower at \$12.65/mt.

TD20 Sep traded at ws76 again in 155kt and then ws77 last in small. Oct traded at ws85 in 135kt. Nov traded at ws96.

Dec traded at ws101.

USGC/UKC Sep fell from ws125 to ws120 trading several levels on its way. Oct also weakened trading at ws140, ws136, ws135 and ws134 last. Dec traded at ws164. Q4(23) traded at ws150. Q1(24) traded at \$35.25/mt, \$35/mt and \$34.5/mt last.

Cal24 traded at \$31/mt.

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TC2	ws	\$/mt
Balmo	175.00	30.100
Sep-23	180.00	30.960
Oct-23	177.50	30.530
Nov-23	185.50	31.906
Dec-23	195.00	33.540
Jan-24		30.000
Feb-24		29.250
Q4(23)	186.00	31.992
Q1(24)		29.250
Q2(24)		25.500
Q3(24)		23.000
CAL(24)		25.900
CAL(25)		25.000

TC5	ws	\$/mt
Balmo	155.00	42.145
Sep-23	153.50	41.737
Oct-23	154.50	42.009
Nov-23	160.50	43.640
Dec-23	172.50	46.903
Jan-24		43.650
Feb-24		42.450
Q4(23)	162.50	44.184
Q1(24)		42.550
Q2(24)		39.850
Q3(24)		38.700
CAL(24)		40.600
CAL(25)		36.850

TC6	ws	\$/mt
Balmo	201.00	15.557
Sep-23	205.00	15.867
Oct-23	216.50	16.757
Nov-23	269.50	20.859
Dec-23	287.75	22.272
Jan-24		19.150
Feb-24		18.900
Q4(23)	258.00	19.969
Q1(24)		18.800
Q2(24)		13.700
Q3(24)		12.350
CAL(24)		14.550
CAL(25)		12.450

TC14	ws	\$/mt
Balmo	135.75	32.811
Sep-23	136.25	32.932
Oct-23	139.75	33.778
Nov-23	143.50	34.684
Dec-23	148.00	35.772
Jan-24		31.200
Feb-24		30.150
Q4(23)	143.75	34.744
Q1(24)		30.100
Q2(24)		27.150
Q3(24)		25.350
CAL(24)		28.200
CAL(25)		27.150

Flat Rate	17.2
Spot	199.50
MTD	210.25

Flat Rate	27.19
Spot	143.44
MTD	144.84

Flat Rate	7.74
Spot	208.89
MTD	229.81

Flat Rate	24.17
Spot	138.33
MTD	141.67

TD3C	ws	\$/mt
Balmo	37.00	9.032
Sep-23	37.00	9.032
Oct-23	46.50	11.351
Nov-23	53.00	12.937
Dec-23	58.00	14.158
Jan-24		13.500
Feb-24		12.750
Q4(23)	52.50	12.815
Q1(24)		12.800
Q2(24)		11.800
Q3(24)		11.250
CAL(24)		12.450
CAL(25)		12.150

TD20	ws	\$/mt
Balmo	78.00	14.890
Sep-23	77.00	14.699
Oct-23	84.50	16.131
Nov-23	96.00	18.326
Dec-23	101.50	19.376
Jan-24		18.250
Feb-24		17.150
Q4(23)	94.00	17.945
Q1(24)		17.100
Q2(24)		14.100
Q3(24)		13.250
CAL(24)		15.250
CAL(25)		14.250

TD25	ws	\$/mt
Balmo	120.75	28.050
Sep-23	120.00	27.876
Oct-23	134.00	31.128
Nov-23	153.50	35.658
Dec-23	162.50	37.749
Jan-24		35.500
Feb-24		34.500
Q4(23)	150.00	34.845
Q1(24)		34.350
Q2(24)		29.650
Q3(24)		29.000
CAL(24)		31.200
CAL(25)		30.500

BLPG1	\$/mt
Balmo	
Sep-23	133.750
Oct-23	134.000
Nov-23	129.500
Dec-23	126.250
Jan-24	109.000
Feb-24	103.000
Q4(23)	129.900
Q1(24)	101.750
Q2(24)	76.400
Q3(24)	70.900
CAL(24)	82.000
CAL(25)	68.750

Flat Rate	24.41
Spot	36.85
MTD	37.31

Flat Rate	19.09
Spot	72.73
MTD	71.02

Flat Rate	23.23
Spot	112.81
MTD	113.44

Spot	134.29
MTD	129.43

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