

30/04/2024

Prices movement (front month)	23-Apr	29-Apr	% Change (Settlement Prices)
Brent Crude	87.00	88.40	+1.61%
VLSFO (Singapore)	629.75	628.57	-0.19%

Crude Oil Market :

Crude markets are sliding this afternoon, with Jul24 Brent crude futures off almost 2% on the day and almost touching the lows that were hit this time last week at \$85.15/bbl following a jump in the US dollar off the back of firmer-than-expected U.S. data, providing the latest 'hawkish' input. The US Q1 employment cost reading showed ~33bp of cuts priced through '24 vs. ~35bp pre-release.

Also applying downward pressure on prices was the fact that US consumer confidence came out much weaker than anticipated at 97 against a 104 estimate. This seemed to initiate the front month Brent reversal today which shed most of the gains seen last week as geopolitical risk premium priced into the benchmarks reduces.

Market participants also weigh up the prospects for a ceasefire in the Middle East. While some sources have told Bloomberg that a deal was close, there have been numerous prior false dawns with these negotiations and throughout the most recent conflict in Gaza. Signals are mixed, although, going off of how the market has moved today, one might conclude that the market is swaying to the end of the spectrum with a more peaceful resolution.

Jul24 Brent Crude Futures From 23/04/24 to Date



Source: FIS, Reuters, Oil Price, Bloomberg, BBC News, Morningstar

Dirty Petroleum Products

Spot rate for TD3C, sat just below ws60, which remained consistent, for the majority of last week, giving a round-trip TCE of about \$35,700, based on the Baltic Exchange's parameters. At the front of paper TD3C, we've witnessed a stronger May market for the start of the new working week, ws65 the current level after reaching a two week high of ws67 this morning (30/4). At the back of the curve, Cal 25 is 20 cents higher on this time last week, last done currently \$14.20 at the time of writing.

For the Stateside Aframax market, rates on the trans-Atlantic USGC/UKC route have witnessed some signs of recovery. The TD25 Index has strengthened from ws164.72 to ws180.83, at the time of writing, USGC/UKC Afra May was sitting at a last done level of ws196, a 10 point gain on this time last week. Back end USGC/UKC saw the Cal make gains from \$34.5 to a current last done of \$35.

A stronger Suezmax market saw TD20 spot print higher, we now sit almost 12 points higher than this time last week. May witnessed decent gains over the back end of last week, moving from ws103 on Tuesday, up to ws115 on Friday, with ws113 the last done level at the time of writing. Good size traded on Cal 25 last Thursday at \$16.70, 30 cents higher on last, trading \$16.60 as of last done (29/4).

Clean Petroleum Products

MR's in the UK-Continent fell lower over the past week, The 37kt ARA/US-Atlantic coast (TC2) came down to ws164.72 at the time of writing on spot. Paper side TC2 followed a weaker physical market, trading down 13 points lower on this time last week, with ws177 the current last done.

MR tankers in the US Gulf region faced another challenging week, showing no indication of the recent downward trend coming to a halt, TC14 came under further pressure, down to ws129.29 on spot. On the paper, TC14 May currently sits at ws157, ws3 lower on the week, June relatively flat at ws161.

LR1's rates remained largely unchanged fluctuating between a range of 236.25-233.13 over the last week for TC5 spot. May reached highs of ws235 over the last week, we currently sit at ws225 at the time of writing. Q3 & Q4 TC5 saw activity at ws201 and ws191 respectively today (30/4) both trading significantly lower on the day.

In the Mediterranean, Cross Med (TC6) remained relatively flat on spot, around ws241 levels, across the last week, after the previous weeks spike, the index lost 54 points. On the paper, May currently sits at a last done of ws240 at the time of writing, 5 points higher on this time last week.

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