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Argus Crude Outlook



Summary

- This month started with prices under pressure again and North Sea Dated back at $85/bl due to a fresh bout of optimism that a new Hormuz deal is in sight. This one would be between Iran and Oman and appears to be aimed at establishing a shipping route through both Iranian and Omani waters with the hope that it will provide the pretext for Washington and Tehran to revive the memorandum of understanding agreed in June.

- This new development holds some promise, but there is plenty of scope for a deal to unravel. Iran reportedly expects the US blockade of its ports to be lifted once trade through the strait resumes — it also expects sanctions on its oil exports to be suspended. It is also clear Tehran has no intention of giving up control of the strait and will not accept foreign interference. And its desire to charge a toll for use of the strait still hangs over proceedings.

- More supply disruption is being caused by the continuing Ukrainian drone campaign against the CPC terminal on Russia's Black Sea coast. This has tightened the market for light crude considerably and is keeping physical prices at a significant premium to futures.

- High prices could well persist through the remainder of this year as a result of the severe disruption to Russian diesel exports — something that has pushed diesel cracks to record highs.

- Looking ahead to next year, non-Opec+ supply growth is set to be much higher than demand growth. For the moment, we continue to show prices in 2027 being underpinned by effective Opec+ market management. But this is not going to be easy, given the scope for tensions with non-Opec+ producers, notably the UAE.

Near-term price drivers

	Bullish	Bearish
Fundamentals	▲ Reduced strategic stock levels after 2Q releases ▲ Disruption likely to Saudi Red Sea loadings ▲ Record-high diesel cracks	▼ Russian crude exports elevated due to refinery attacks ▼ Chinese crude imports and refinery runs still subdued
Sentiment	▲ Uncertainty/lack of detail on an Oman-Iran Hormuz deal ▲ Saudi-Houthi hostilities escalate ▲ Shipping community wary of US sanctions against Iran, even if a Hormuz deal is agreed/implemented	▼ Iran-US hostilities pause (for now) ▼ Perception that Trump administration needs to make a deal due to midterm elections, depletion of munitions etc
Macroeconomics	▲ Equity markets rise on strong 2Q tech, energy, defence sectors ▲ China July exports up 24pc on year due to tech sector demand ▲ NY Fed Global Supply Chain Pressure Index falls in Jun-Jul ▲ US Fed holds rates unchanged for fifth straight meeting	▼ Concerns on Japanese fiscal policy drive yen intervention ▼ Rising inflationary pressures driving AI investment slowdown ▼ India July manufacturing PMI and job creation slowing ▼ Russia July oil and gas revenue up 19pc on year, but Jan-Jul revenue down by 17pc on year

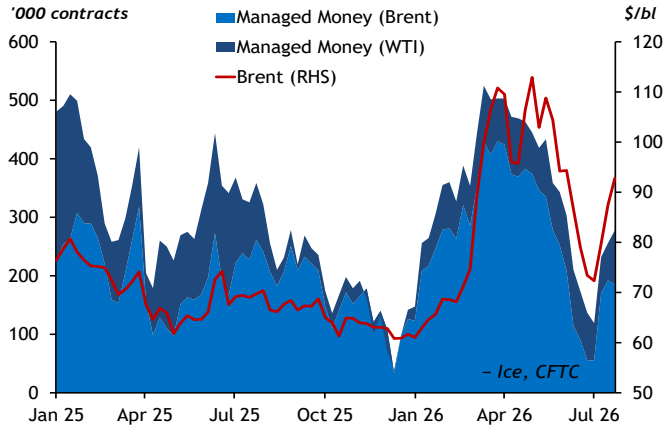
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Overview

Deal or no deal? Price volatility is hitting new heights as the market reacts to each new development on the long road to a deal that will allow the strait of Hormuz to reopen. The extent of this volatility is stark when we plot the trend in net speculative length in crude futures markets (*see graph*). June saw a mass sell-off as the market priced in the US-Iran agreement to extend their ceasefire for 60 days and continue negotiations, but sentiment then reversed sharply in July after Iran started targeting vessels attempting to sail through the strait using the "unauthorised" Omani route. Predictably, the US responded with more bombing of Iranian infrastructure and, equally predictably, Iran then attacked energy infrastructure and US military assets throughout the region. Meanwhile, in the Red Sea, Yemen's Houthis have rejoined the fray by attacking Saudi shipping. Prices rose sharply as a result. From less than $70/bl at the start of the July, North Sea Dated hit over $105/bl at one point before ending last month at around $95/bl.

And now August has started with prices under renewed pressure and North Sea Dated back at around $85/bl, courtesy of a fresh bout of optimism that a peace agreement might be in sight again. This time, the overtures are between Iran and Oman, with the US observing from the sidelines, although no doubt heavily involved behind the scenes. The exact details are hazy at this stage, but this latest move appears to be aimed at establishing a shipping route through both Iranian and Omani waters in the hope of providing a pretext for Washington and Tehran to try and breathe life back into their deal, agreed back in June.

Net speculative length



On one level, this new development would appear to hold some promise. It could achieve Washington's primary remaining policy goal — the reopening of the strait. This, presumably, would allow the US to claim 'mission accomplished' and turn its attention to issues such as uranium enrichment in a more leisurely fashion. But there is plenty of potential for the deal to unravel. Iran reportedly expects the US blockade on its ports to be lifted once trade through the strait resumes — it also expects sanctions on its oil exports to be suspended. It is also clear that Tehran has no intention of giving up control of the strait and that it will not accept what it sees as foreign interference in the waterway. Meanwhile, Iran's desire to charge shippers a toll for the right to use Hormuz continues to hang over proceedings. Nonetheless, the market has felt able to price in expectations of an improvement in the status of the strait.

In the Black Sea, Ukraine has been continuing its drone attacks on Russia's CPC terminal. Loadings were halted on 20-27 July and following a stuttering resumption are now suspended again. CPC Blend loadings are running around 550,000 b/d lower than typical levels. This has significantly tightened the market for light crude, and although physical North Sea Dated and front-month Ice Brent futures are both down by around $20/bl from their mid-June peaks, this tightness is keeping physical prices at a big premium to futures. The market does not expect this strength to persist, though. The August DFL — the expected spread between Dated Brent and Ice Brent month 1 in August — is already easing from recent highs and the DFLs for September, October and November are now all but back to normal. The curve, however, does remain backwardated, so the market still anticipates some degree of tightness.

With such a focus on events in the Mideast Gulf region, the continuing unwinding of the 'voluntary' Opec+ production cuts that were implemented back in 2023 might have gone under the radar. A further 188,000 b/d increase in output in September for the seven countries that are still involved was announced this week — something that would mark the full 'return' of all those voluntary cuts. Given the disruption to exports from the Mideast Gulf, this is largely irrelevant, with production well below permitted levels. But it is a final step before the group's next meeting, in September, when a new quota arrangement is supposed to be proposed, to take effect in January.

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Summary of global oil balance												*mn b/d*
	1Q25	2Q25	3Q25	4Q25	2025	1Q26	2Q26	3Q26	4Q26	2026	2027	2028
Demand	101.9	103.0	104.6	104.6	**103.5**	104.5	97.5	102.0	103.3	**101.8**	**104.0**	**104.9**
Supply	101.9	103.5	106.2	107.0	**104.6**	102.7	95.3	99.2	105.0	**100.5**	**109.1**	**111.5**
Opec crude	24.0	24.4	24.9	25.3	**24.7**	23.3	17.6	19.4	23.9	**21.0**	**25.9**	**26.7**
Opec NGL and condensate	4.2	4.2	4.2	4.2	**4.2**	3.7	2.5	2.9	3.7	**3.2**	**4.0**	**4.2**
Non-Opec crude and NGL	67.8	68.5	70.3	71.0	**69.4**	69.7	68.8	70.1	70.9	**69.9**	**72.5**	**73.8**
Other supply	5.8	6.4	6.8	6.4	**6.4**	6.1	6.3	6.8	6.5	**6.4**	**6.7**	**6.8**
Strategic stocks	-0.0	-0.0	-0.0	0.1	**0.0**	-0.1	-2.1	-1.0	0.0	**-0.8**	**0.5**	**0.4**
Global balance*	0.0	0.5	1.6	2.3	**1.1**	-1.7	-0.1	-1.8	1.7	**-0.5**	**4.6**	**6.2**

**equivalent to global stock change*

Gauging what the overall quota volume should be is not easy. We see global oil demand growth in 2027 at a healthy 2.2mn b/d, boosted by a bounce back from this year's weakness caused by the shortfall in exports and high prices. But high prices may persist for the foreseeable future due to severely disrupted Russian diesel exports, which are at record lows (*see graph*). Ukrainian drone attacks on the Russian refining system have taken around 2mn b/d of capacity off line, and this has pushed diesel cracks to record highs.

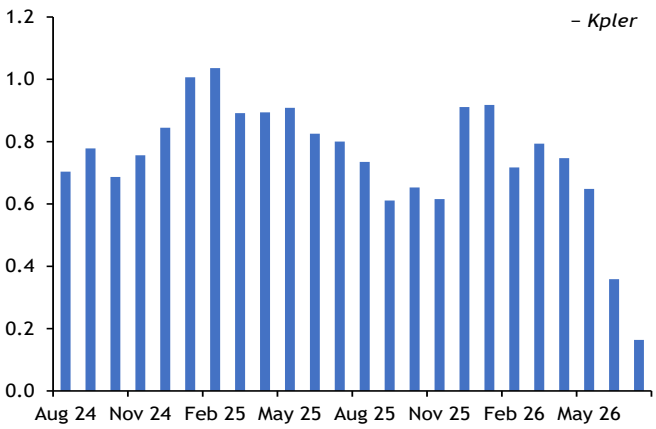
These attacks are likely to continue, so refined product cracks could remain at very high levels for a protracted period, which may check demand growth. Meanwhile, non-Opec+ supply growth next year is set to be almost double the rate of demand growth — even before considering possible impacts from high product prices (*see graph*).

While this year's growth in Latin American production is expected to be 0.9mn b/d, the outlook next year is for only a small increase. The bulk of growth comes from the Middle East and other supply, mainly non Opec+ condensate and NGLs. Growth in these categories is inflated by this year's lower production stemming from the US-Iran war, but the increase in Middle East production also reflects growth of 1mn b/d in the UAE.

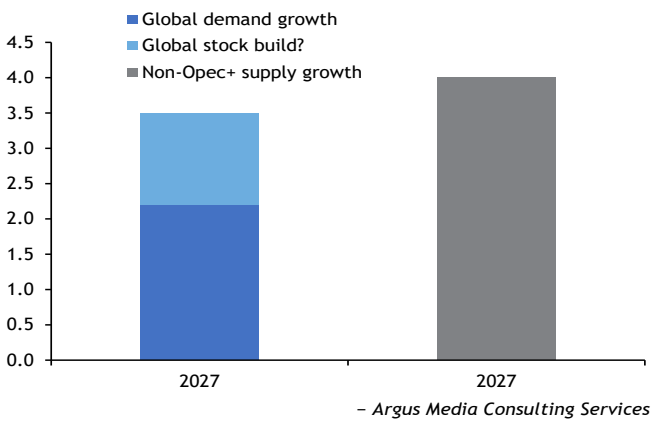
Growth in actual demand for crude next year is likely to be higher than 2.2mn b/d because of the need to replenish inventories after this year's large drawdowns. On the basis of our figures, this might push up demand by around 1.3mn b/d, but that still would not be enough to absorb the growth in non-Opec+ supply.

It remains to be seen how Opec+ would react to a situation in which it needs to keep production to a relatively low level, while UAE output is free to grow strongly and production in the three Opec members exempt from quotas also continues to climb. For the moment, we continue to show prices next year being underpinned by effective market management. But this is not going to be easily achieved.

Russian diesel exports *mn b/d*



2027: Demand vs supply *mn b/d*



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Forecast crude prices									$/bl
	Jul	Aug	Sep	Oct	3Q26	4Q26	2026	2027	2028
Ice Brent	83.97	82.00	84.00	84.00	83.30	82.00	**85.10**	**81.50**	**78.70**
Nymex WTI	79.22	78.00	80.00	80.00	79.10	78.00	**80.40**	**77.50**	**74.70**
North Sea Dated	83.39	85.00	85.00	85.00	84.50	83.00	**88.10**	**82.20**	**79.20**
Urals fob Primorsk	57.18	60.20	60.10	62.10	59.20	58.90	**62.90**	**55.30**	**51.80**
Urals Aframax fob Novorossiysk	56.32	58.90	59.10	61.20	58.10	57.90	**61.60**	**54.30**	**50.80**
Kebco cif Augusta	86.44	91.50	89.10	87.90	89.00	86.20	**93.30**	**85.20**	**81.30**
Johan Sverdrup	85.78	88.60	86.80	86.20	87.10	84.10	**90.70**	**82.80**	**80.00**
Saharan Blend	85.12	88.80	87.30	86.70	87.10	84.10	**90.70**	**83.10**	**80.20**
BTC Blend	88.67	94.80	91.90	91.30	91.80	87.90	**94.20**	**83.50**	**80.30**
CPC Blend	80.62	81.00	82.00	82.40	81.20	80.20	**86.80**	**79.60**	**76.60**
Qua Iboe	83.40	85.20	87.60	87.90	85.40	85.80	**90.50**	**82.30**	**78.80**
Dalia	75.43	80.40	84.60	86.10	80.10	83.20	**87.10**	**82.80**	**79.80**
Girassol	79.77	83.90	86.50	86.80	83.40	84.70	**88.80**	**82.80**	**79.70**
WTI Midland	79.65	78.60	80.90	80.90	79.70	78.90	**81.60**	**78.20**	**75.50**
WTI Houston	79.91	79.00	81.10	81.20	80.00	79.10	**82.00**	**78.40**	**75.80**
Mars	78.45	75.60	79.40	79.30	77.80	77.40	**81.30**	**77.30**	**74.40**
WCS Hardisty	63.69	59.20	62.40	61.90	61.80	59.70	**62.70**	**60.50**	**57.40**
WCS Houston	72.25	68.80	71.10	70.70	70.70	68.60	**71.70**	**68.80**	**65.80**
Vasconia	79.46	76.80	79.30	78.60	78.50	76.70	**79.10**	**76.50**	**73.00**
Dubai	77.39	80.10	83.50	84.10	80.30	81.60	**85.80**	**82.20**	**79.20**
Murban	79.15	81.00	83.50	84.40	81.20	81.80	**85.10**	**81.50**	**78.90**
ESPO Blend	67.06	73.50	74.50	72.50	71.70	70.30	**72.80**	**73.00**	**71.30**

Forecast crude differentials									$/bl
	Jul	Aug	Sep	Oct	3Q26	4Q26	2026	2027	2028
Ice Brent vs North Sea Dated	0.58	-3.00	-1.00	-1.00	-1.20	-1.00	**-3.00**	**-0.70**	**-0.50**
Urals fob Primorsk vs N Sea Dated	-26.21	-24.80	-24.90	-22.90	-25.30	-24.10	**-25.20**	**-26.90**	**-27.40**
Urals Novo vs Urals Primorsk	-0.86	-1.30	-1.00	-0.90	-1.10	-1.00	**-1.30**	**-1.00**	**-1.00**
Urals fob Novo vs N Sea Dated	-27.07	-26.10	-25.90	-23.80	-26.40	-25.10	**-26.50**	**-27.90**	**-28.40**
Kebco cif Augusta vs N Sea Dated	3.05	6.50	4.10	2.90	4.50	3.20	**5.20**	**3.00**	**2.10**
Johan Sverdrup vs North Sea Dated	2.39	3.60	1.80	1.20	2.60	1.10	**2.60**	**0.60**	**0.80**
Saharan Blend vs North Sea Dated	1.73	3.80	2.30	1.70	2.60	1.10	**2.60**	**0.90**	**1.00**
BTC Blend vs North Sea Dated	5.28	9.80	6.90	6.30	7.30	4.90	**6.10**	**1.30**	**1.10**
CPC Blend vs North Sea Dated	-2.77	-4.00	-3.00	-2.60	-3.30	-2.80	**-1.30**	**-2.60**	**-2.60**
Qua Iboe vs North Sea Dated	0.01	0.20	2.60	2.90	0.90	2.80	**2.40**	**0.10**	**-0.40**
Dalia vs North Sea Dated	-7.96	-4.60	-0.40	1.10	-4.40	0.20	**-1.00**	**0.60**	**0.60**
Girassol vs North Sea Dated	-3.62	-1.10	1.50	1.80	-1.10	1.70	**0.70**	**0.60**	**0.50**
Nymex WTI vs Ice Brent	-4.75	-4.00	-4.00	-4.00	-4.20	-4.00	**-4.70**	**-4.00**	**-4.00**
WTI Midland vs Nymex WTI	0.43	0.60	0.90	0.90	0.60	0.90	**1.20**	**0.70**	**0.80**
WTI Houston vs Nymex WTI	0.69	1.00	1.10	1.20	0.90	1.10	**1.60**	**0.90**	**1.10**
Mars vs Nymex WTI	-0.77	-2.40	-0.60	-0.70	-1.30	-0.60	**0.90**	**-0.20**	**-0.30**
WCS Hardisty vs Nymex WTI	-15.53	-18.80	-17.60	-18.10	-17.30	-18.30	**-17.70**	**-17.00**	**-17.30**
WCS Houston vs Nymex WTI	-6.97	-9.20	-8.90	-9.30	-8.40	-9.40	**-8.70**	**-8.70**	**-8.90**
Vasconia vs Nymex WTI	0.24	-1.20	-0.70	-1.40	-0.60	-1.30	**-1.30**	**-1.00**	**-1.70**
Dubai vs Ice Brent	-6.58	-1.90	-0.50	0.10	-3.00	-0.40	**0.70**	**0.70**	**0.50**
Murban vs Ice Brent	-4.82	-1.00	-0.50	0.40	-2.10	-0.20	**0.00**	**0.00**	**0.20**
ESPO Blend vs Dubai	-10.33	-6.60	-9.00	-11.60	-8.60	-11.30	**-13.00**	**-9.20**	**-7.90**

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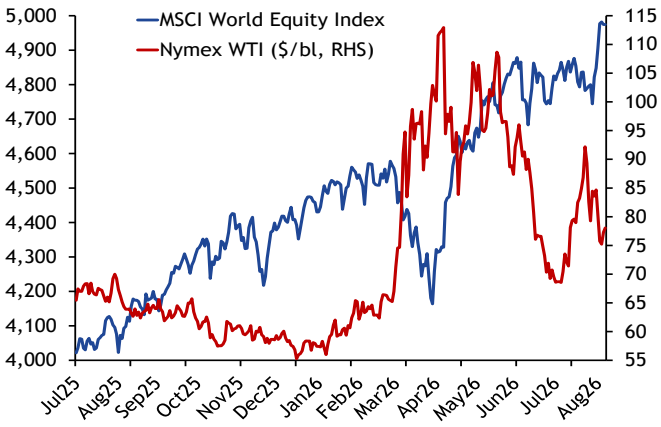
Macroeconomics and financial markets

Crude futures sold off for most of this week as markets digested news of a tentative accord between Iran and Oman that could reinstate commercial vessel transits across the strait of Hormuz. Despite earlier deeming Iran's plans to levy "service fees" for transits unacceptable, the US administration now seems more supportive of Tehran and Muscat's moves to reopen the waterway — perhaps with an eye on domestic pump price pressure.

June's short-lived memorandum of understanding between Washington and Tehran linked the return of Hormuz vessel flows to the removal of a US blockade on Iranian ports, sanctions waivers for Iranian oil sales, and the repatriation of Iranian funds frozen in overseas bank accounts. Nonetheless, any deal that includes transit fees still faces stiff opposition from international shipping companies and Iran's Mideast Gulf exporter neighbours.

The pace of any recovery in Middle East energy production and exports will be critical in determining a global inflation and interest rate environment that so far during the crisis has remained remarkably benign. You wouldn't call prevailing $80/bl crude and $20/mm Btu LNG prices cheap, but they are well below what might have been expected for the sixth month of a Hormuz closure. Subdued Chinese demand has curtailed crude purchasing and this — alongside broader demand restraint measures in Asia-Pacific, plus around 1bn bl of global oil inventory draws and ample US LNG supply — has so far helped to cap energy price rises and inflation expectations alike. However, were the export disruption to persist through the current quarter, that could push prices higher once more.

Equities and Nymex WTI



Moderate inflationary pressures encouraged the US Federal Reserve last week to hold interest rates unchanged for a fifth meeting in a row, further buoying equity markets. Aside from an initial March 2026 dip, stocks have broken through successive record highs, with a July hiatus in the MSCI World Equity Index on concerns over a South Korean tech sector sell-off proving short-lived. Estimated 47pc year-on-year second-quarter earnings growth for companies comprising the S&P 500 was the strongest in five years. And enhanced valuations were not confined to technology stocks, with the energy and defence sectors also performing well. That said, artificial intelligence-related data centre investment remains a key driver, with technology stocks now accounting for 30-35pc of total market capitalisation. Robust equity market growth has also sustained US consumer spending, which accounts for over two-thirds of US GDP, albeit 85pc of equities in the US are owned by the wealthiest 10pc of the population. So US data centre investment is supporting not just the stock market but the broader US economy and the value of the US dollar, as well as demand for component exports from China and the rest of Asia.

Today's crude futures and US equity prices mask a number of inter-related fragilities. One paradox of the AI boom underpinning recent stock market strength is that while it ultimately should prove to be a deflationary technology, data centre buildout in the short term is highly inflationary for power prices, water, construction costs and raw materials. Indeed, several US states, including New York and Texas, have introduced moratoriums on new data centre construction while they assess the impact on local power grids and infrastructure requirements.

The US Federal Reserve might have to raise interest rates sooner and by more than the market currently assumes if it faces resurgent inflationary pressure from both a sustained Hormuz closure and elevated raw material and labour costs due to ongoing data centre investment. The risk of higher US borrowing costs was highlighted by recent Treasury Department moves to help prop up the Japanese yen and to dissuade Tokyo from dumping its US debt holdings. As the technology sector becomes more capital-intensive and debt-dependent, its exposure to higher interest rates also rises. So energy prices, US share prices, GDP growth and the US dollar could all be prone to significant corrections unless a durable deal to reopen the strait of Hormuz can be achieved soon.

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Northwest Europe

During the first three trading days of August, North Sea Dated was assessed at an average $7/bl above front-month Ice Brent. This exceptionally strong premium has emerged mainly because of the disruption to exports of Caspian light sour CPC Blend — Europe's second-largest crude stream after WTI. Doubts surrounding the situation at the CPC terminal on Russia's Black Sea coast make it extremely difficult to forecast the short-term spread between Dated and Ice Brent, as well differentials in the North Sea and the Mediterranean.

There are expectations that a big chunk of August's CPC Blend loading programme will be cancelled, but other market participants say they expect CPC volumes to recover soon. At the time of publication, the situation looks very fragile, with some big shipowners still refusing to call at the CPC terminal, and until this changes Dated's premium to Ice Brent is likely to remain supported.

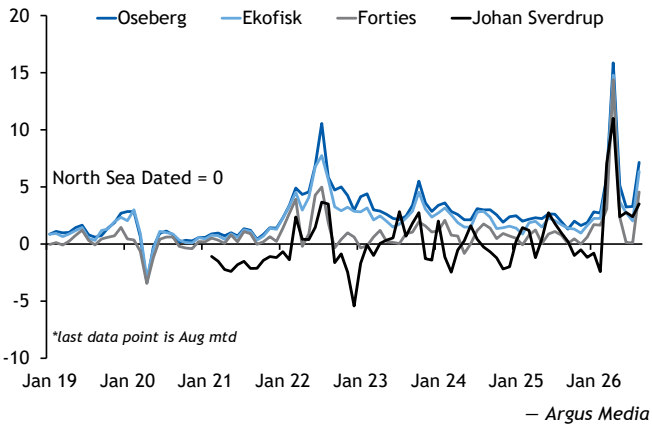
All North Sea grades, as well as WTI cif Rotterdam, climbed sharply in late July as Mediterranean refiners searched for replacements for CPC Blend. Loadings of the Kazakh crude were heavily disrupted following attacks on shipping in the Black Sea. CPC Blend exports restarted on 30 July, easing immediate supply tightness. But only eight cargoes have loaded subsequently, and operations at the terminal are now suspended again because of the threat of further attacks.

During the week-long halt to CPC Blend loadings in late July, Mediterranean refiners bought prompt cargoes of UK Forties and US WTI. This Mediterranean interest in WTI has spilled over into August, despite relatively high WTI prices. With no timeline emerging yet for a CPC terminal restart, North Sea grades appear likely to remain supported. Dated's recent strength against Ice Brent — and therefore Nymex WTI — is also likely to draw more US crude to Europe over the course of the coming weeks. Dated's premium to the front-month WTI contract reached $11.61/bl early this week, although the spread has since narrowed to less than $10/bl. A wide spread between the two makes Europe a more attractive destination for US sellers.

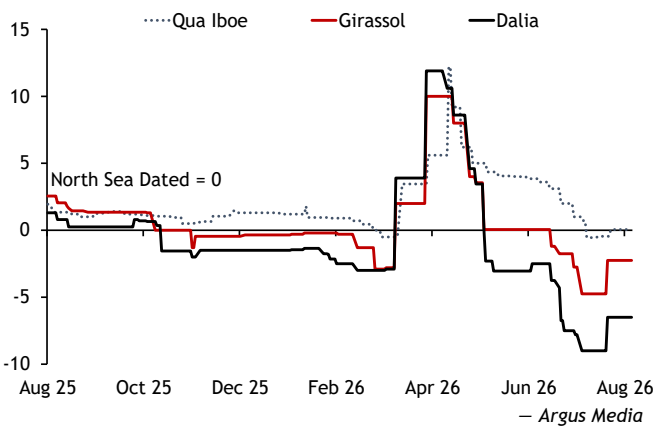
Meanwhile, combined exports of the five North Sea benchmark grades underpinning North Sea Dated will fall by 2pc to 467,000 b/d in September over 20 cargoes, loading programmes show. Exports of Norwegian Johan Sverdrup are scheduled at 547,000 b/d in September, down by 5pc from August and the lowest since October 2022. Lower Johan Sverdrup supply might become a more permanent feature as the field matures. Some downward pressure for Johan Sverdrup has come from Finland's Neste — the grade's second-largest buyer — conducting refinery maintenance in August, which has left some cargoes unsold.

West African grades are expected to strengthen in August, but this will be from a very low baseline in July. Asia-Pacific refiners have been buying cargoes of west African crude — probably prompted by the resurgent Houthi attacks that have threatened eastbound flows of Saudi crude, forcing the region's buyers to look for alternatives. This rise in demand has helped to reduce the overhang of August-loading cargoes. Any gains, however, are likely be capped by ample availability of Nigerian grades and by continuing soft demand from China — the latter particularly affecting Angolan and Congolese grades.

North Sea crude grades vs NSD ***$/bl***



West African grades vs North Sea Dated ***$/bl***



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Mediterranean

Operations at the CPC terminal on Russia's Black Sea coast have been suspended multiple times since 20 July because of the threat of drone attacks. At least eight tankers were involved in conflict-related incidents while they were at or on their way to the terminal in the second half of July. Just eight cargoes have loaded at the terminal since 30 July, averaging around 1.1mn b/d — 550,000 b/d lower than typical levels.

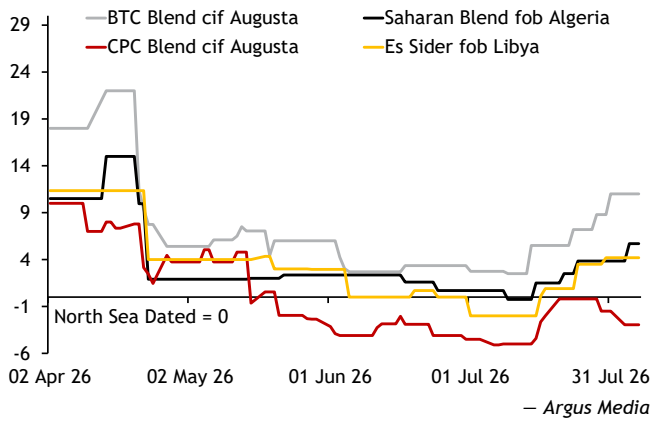
With no end in sight to the CPC Blend disruption, European refiners have been scrambling to secure alternatives to cover their August requirements. They have largely looked to local Mediterranean crudes to plug the gap, possibly because these are the most likely to reach regional refineries within around two weeks. This uncertainty is set to continue supporting Libyan, Algerian and Caspian differentials in August and potentially beyond. Ironically, although CPC Blend itself is in such scarce supply, the grade has lost further ground against North Sea Dated as sellers try to secure buyers.

Light sweet Saharan Blend — CPC Blend's closest rival in the Mediterranean — has gained $4.20/bl against Dated since the CPC disruption began, while medium sweet Es Sider has added $3.30/bl over the same period. The uptick in demand has made these grades even costlier than usual against CPC Blend. The two grades' delivered Mediterranean values are typically $3-6/bl above CPC Blend's, but over the past fortnight this has stretched closer to $7-9/bl, making them expensive substitutions. They are also much smaller streams than CPC Blend, and most August-loading cargoes are likely to have already been placed. Saharan Blend exports have been running at 420,000 b/d this year, while Es Sider exports have averaged 365,000 b/d.

US light sweet WTI — the only other crude stream available to European refiners that comes close to rivaling CPC Blend in size — will also play a critical role in plugging any gaps. But once you factor in shipping to the Mediterranean, the US crude is more than $11/bl more expensive than CPC Blend. These freight economics could deter Mediterranean buyers, and leave WTI as more of an option for northwest Europe. Some European refiners were also said to be looking farther afield, including to Nigerian grades and Abu Dhabi's Upper Zakum, but both of those options would take more than a month to reach CPC Blend's core Mediterranean market.

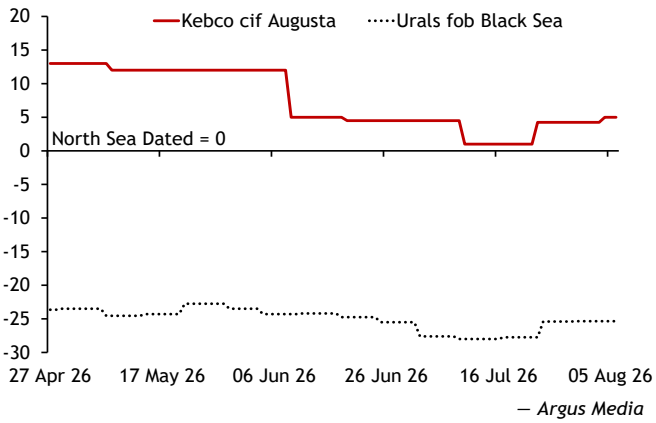
Meanwhile, Kazakh medium sour Kebco has also firmed, following recent gains for similar-quality Norwegian crude Johan Sverdrup. Kebco — Urals of Kazakh origin — has found support from the CPC Blend disruption, but also from the new uncertainties regarding Saudi Arab Light supply from Yanbu as well as the continuing disruption to exports of Basrah Medium from the Mideast Gulf. The outlook for exports of the latter might improve if the reported Oman-Iran deal on Hormuz transit bears fruit, but exports from Yanbu might still face difficulties. On 5 August, the Houthis claimed to have attacked another Saudi tanker near Yanbu as part of their blockade on Saudi Arabia. Several European refiners have bought August-loading spot Saudi crude loading from Egypt's Sidi Kerir in recent weeks. But if the Houthis continue to target Yanbu, this could disrupt Saudi flows into Europe, which were running at almost 700,000 b/d in July. Any reduction in Saudi crude supply to Europe — at a time when Iraqi Basrah supplies have also been severely curtailed — would prompt an upswing of interest in Atlantic basin alternatives, including Libyan Es Sider.

Med/Caspian grades vs North Sea Dated ***$/bl***



— Argus Media

Kebco & Urals vs North Sea Dated ***$/bl***



— Argus Media

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Americas

Asian and European buying interest will provide some support for WTI export markets, lifting WTI Houston and WTI Midland differentials to Nymex WTI. But the upcoming US refinery maintenance season will cap the gains. A key uncertainty for WTI is the volatile situation with exports of key rival light sweet crude CPC Blend — tighter supplies in Europe will support WTI. CPC Blend loadings have been running at about 1.1mn b/d since they restarted on 27 July — roughly 550,000 b/d below normal — increasing the likelihood that European refiners will seek more WTI as replacement supply.

On the other hand, medium and heavy sour grades are set to weaken this month and probably into September, with sentiment pressured by expectations that competing flows through the strait of Hormuz will normalise. However, any fresh downturns in the situation in the strait will again bolster interest in grades such as Canada's heavy sour WCS from Asia-Pacific and potentially Europe.

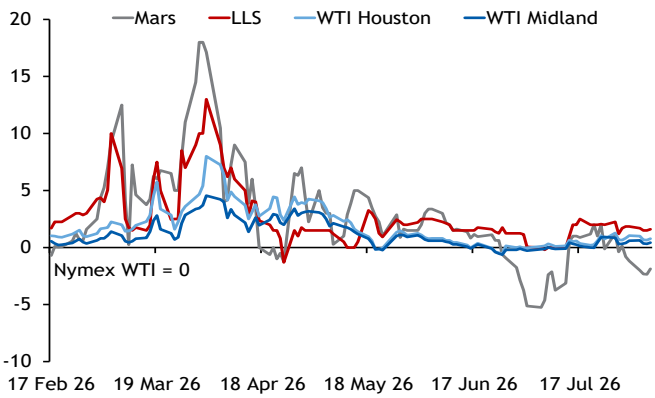
For now, with Chinese refining margins still under pressure and US midcontinent margins for heavy sours remaining robust heading into the September cycle, more Canadian heavy sour is going to stay within the US midcontinent and US Gulf coast. The *Argus* Chicago WCS 6-3-2-1 crack spread averaged above $59/bl in July, up from almost $50/bl in June. The autumn maintenance season in the US and Canada will keep refinery margins elevated, but at the same time reduce demand for crude. Cenovus is planning a major turnaround at its 183,000 b/d Lima refinery in Ohio in September-October, which will reduce its need for Canadian heavy sour crude. The turnaround itself is supposed to help the facility maximise heavy crude processing.

Alberta's overall crude production, meanwhile, continues to climb, despite some month-on-month variation as a result of upstream maintenance and weather-related disruption. An increasing amount of heavy crude from expanding oil sands operations is seeking egress from Canada's west coast, where both the 3.1mn b/d Enbridge Mainline and 890,000 b/d Trans Mountain pipeline system remain near their effective capacities. But both of these systems are working on debottlenecking projects, along with other — bigger — capacity expansions in due course.

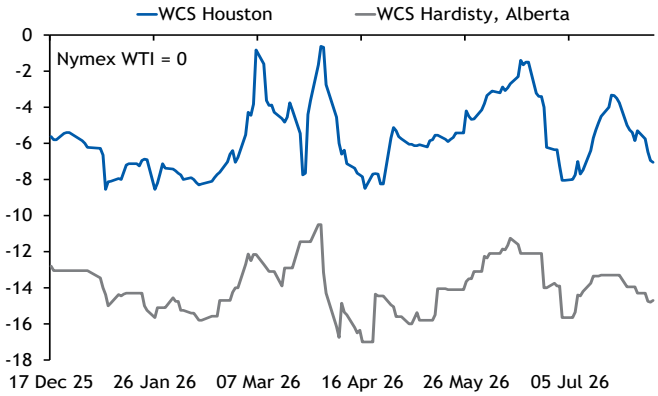
WCS Houston and Latin American heavy sour grades are also feeling the impact of stronger Venezuelan crude availability along the US Gulf coast. US crude imports from Venezuela continued to ramp up in July, when they averaged more than 710,000 b/d, which was the highest since November 2015. Almost all of the Venezuelan crude destined for the US goes to Padd 3 (US Gulf coast), with only very small volumes heading to Padd 1 (US east coast). And Venezuelan output continues to rise, albeit slowly. Chevron has stepped up production from three joint ventures in Venezuela by 15pc over the last six months to 280,000 b/d, and the company has said that it anticipates growth of up to 50pc by the end of 2028.

In the event that firmer Chinese demand emerges for WCS out of Vancouver and for Latin American heavy sours, then differentials could find some support. Much will depend on whether and how quickly commercial vessel movements through the strait of Hormuz can return to something like normality. Russian Urals crude is also set to remain in ample supply because of the Ukrainian drone attacks on the country's refinery system.

WTIs, LLS & Mars vs Nymex WTI (daily) ***$/bl***



WCS vs Nymex WTI (daily) ***$/bl***



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Asia-Pacific

Forward contracts for Mideast Gulf benchmarks Dubai (medium sour) and Murban (light sour) averaged astonishing discounts of $6.60/bl and $4.80/bl to Ice Brent, respectively, last month. Despite the severe disruption in the strait of Hormuz, a significant amount of crude seems to have found its way out — either via Yanbu or Fujairah, or through ship-to-ship transfer, especially from Abu Dhabi's state-owned Adnoc in the case of the latter. Adnoc still appears able to get plenty of its crude out, selling through regular tenders. And Iraq's Basrah crude exports picked up in July — averaging 1.44mn b/d, up from June's 646,000 b/d, although this was still way down on pre-conflict February's 3.5mn b/d.

And despite the threat from Yemen's Houthi rebels, Saudi exports have continued to find ways to either transit (perhaps darkly) the Bab el-Mandeb chokepoint or reroute through Suez or the Egyptian port of Sidi Kerir and on around the Cape of Good Hope — albeit at a higher cost. Overall, there is still a significant shortage compared with pre-war levels, but Asian refiners seem to have adjusted remarkably well to the new realities.

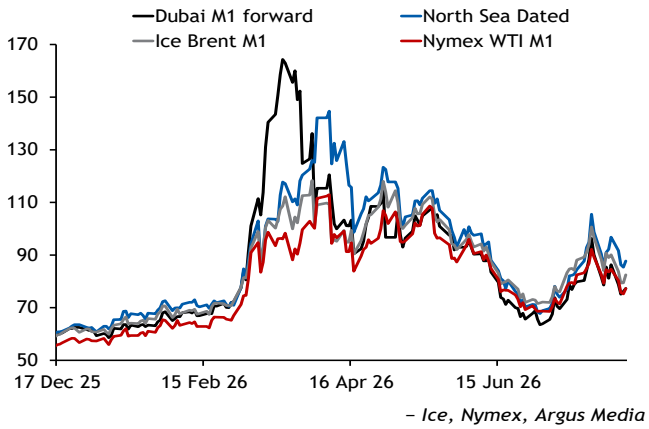
This, of course, has been helped to a great extent by China's crude imports being massively down year on year, as well as by the crude stockdraws and lower refinery throughputs seen across many other Asia-Pacific countries. Furthermore, the Dubai and Murban benchmarks appear to be suffering from muted window activity, while Asian refiners are increasingly looking to Atlantic basin cargoes to help make up for reduced Mideast Gulf intake, which could also explain why Dubai and Murban are continuing to lag behind the Ice Brent/North Sea Dated complex.

One more key factor exerting downward pressure on medium sour Dubai is the abundant availability of Russian Urals — something that Indian refiners in particular have been exploiting. Russian seaborne crude exports reached record highs in June-July in the wake of attacks that have severely disrupted refinery throughputs and left much more Russian crude available for export.

The strait of Hormuz situation might start returning to normal if the Oman-Iran agreement is signed, and this could lead to further rises in Mideast Gulf supply. On the other hand, the Houthis are threatening supply from Yanbu, so it is unclear how much Saudi supply will be able to move to Asia-Pacific this month. This uncertainty is keeping the Dubai backwardation — or the premium of front-month to third-month prices — at more than $4/bl. It also set the scene for Abu Dhabi's state-owned Adnoc to sell at least 16mn bl of spot crude through its latest tender to Asian buyers, whose appetite has been sharpened by the threats to Saudi crude exports from the Red Sea.

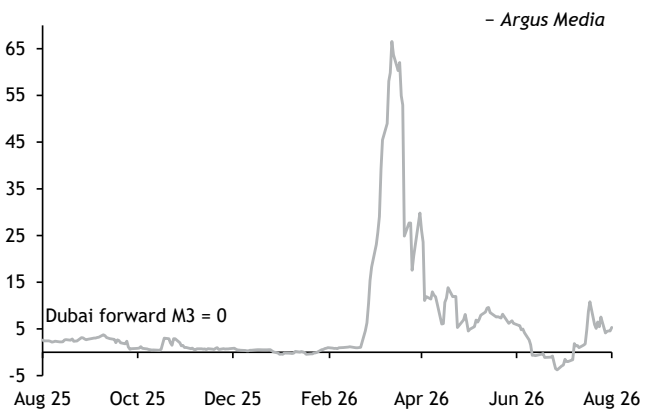
Meanwhile, Mideast Gulf exporters this week deepened their discounts in a bid to attract customers. Iraq's state-owned marketer Somo has offered term customers August-loading cargoes of Basrah at huge discounts of $25-29.80/bl to official selling prices (OSPs). Somo had offered discounts of $14-18.80/bl for July-loading cargoes. And Saudi Aramco cut its OSP for September-loading Arab Light by 50¢/bl from the previous month to a $2/bl discount to the average of Oman and Dubai assessments for Asia-Pacific customers. This OSP was applicable for loadings on a fob basis from Ras Tanura and for loadings from Yanbu and Egypt's Sidi Kerir.

Outright Dubai vs other key benchmarks ***$/bl***



– Ice, Nymex, Argus Media

Dubai M1 vs M3 (daily) ***$/bl***



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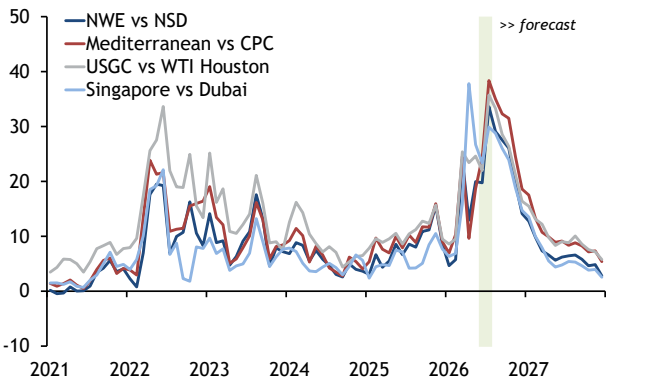
Refining margins

As the conflict in the Middle East reignited in July, global oil prices were resurgent, sending refining margins in northwest Europe, the Mediterranean and the US Gulf coast to record highs — higher even than at the outset of hostilities in March. Refining margins also rose sharply in Singapore, but remained below the previous high in April. West of Suez, markets faced additional strain from continued Ukrainian drone strikes on Russian refineries and critically low Rhine river water levels that have cut off supply to central Europe. Across all regions, rising diesel and gasoline cracks drove the strength in margins in July, followed by jet fuel.

Indicator FCC margins in northwest Europe, the Mediterranean and US Gulf coast rose by $13-14/bl on the month in July — all reaching record highs. Margins in northwest Europe and along the US Gulf coast both exceeded $30/bl in July, having previously achieved highs of $24-26/bl earlier in the US-Iran conflict.

Since the start of the US-Iran conflict and the subsequent disruption to oil deliveries through the strait of Hormuz, much of the tightness in product markets has centred on middle distillates. Jet fuel cracks in Europe averaged close to a $90/bl premium to crude in March, while gasoline cracks averaged just over $8/bl, falling to less than $2/bl in April. That allowed refiners to maximise middle distillate output to help alleviate tightness in diesel and jet markets, at the expense of gasoline and fuel oil. In the US, for example, gasoline yields averaged 47.3pc between March and July — 1.3 percentage points lower on the year. That is equivalent to a 250,000 b/d decline in product output.

Regional FCC refining margins ***$/bl***



However, the conflict has now spilled over into the northern hemisphere summer driving season peak, and with gasoline yields trimmed, markets have tightened dramatically, with cracks having risen in all regions to their highest since the start of the conflict. So refiners have been reversing measures that maximised middle distillate yields at the expense of gasoline — tightening middle distillate markets and leading to surging refining margins.

Refiners will keep running upgraders hard to boost transport fuel output at the expense of fuel oil. We estimate that global fuel oil yields dipped to 6.7pc in July from 8pc in January-June. That partly reflects lighter crude slates caused by the loss of heavy crude from the Middle East, but also probably an increase in upgrader utilisation. There is, of course, the risk that running upgraders so much harder than usual will result in outages. But we assume that the conflict in the Middle East eases moving into the fourth quarter, and that complex units will only need to operate at such high capacity for the remainder of the northern hemisphere summer.

Ee see refining margins staying elevated during August — close to or slightly higher than July's levels. But we then expect an easing of the conflict over the remainder of the year to reel in margins from July's record highs and those expected in August, although they should remain much higher than normal (*see graph*).

Refining margins					***$/bl***
	Jun	**Jul**	**Aug**	**Sep**	**Oct**
Northwest Europe					
vs North Sea Dated	19.75	33.60	29.10	27.50	26.10
vs Johan Sverdrup	9.73	20.41	15.55	16.07	15.86
Mediterranean					
vs Kebco cif Augusta	9.46	24.42	17.27	17.86	17.97
vs CPC Blend	24.36	38.36	35.00	32.30	31.50
US Gulf coast					
vs WTI Houston	21.97	35.73	33.30	28.50	26.40
vs Mars	8.59	18.25	19.00	13.80	13.10
Singapore					
vs Dubai	23.34	29.88	28.70	26.00	23.90
vs ESPO Blend	32.85	44.93	38.70	38.40	39.70

Gross refining margins calculated based on FCC unit yields

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Forecast crude prices															*$/bl*
	1Q26	2Q26	3Q26	4Q26	2026	1Q27	2Q27	3Q27	4Q27	2027	1Q28	2Q28	3Q28	4Q28	2028
Ice Brent	77.9	97.0	83.3	82.0	**85.1**	80.0	82.2	83.2	80.8	**81.5**	77.5	79.2	80.2	77.8	**78.7**
Nymex WTI	71.9	92.8	79.1	78.0	**80.4**	76.0	78.2	79.2	76.8	**77.5**	73.5	75.2	76.2	73.8	**74.7**
North Sea Dated	80.6	104.3	84.5	83.0	**88.1**	81.0	82.7	83.7	81.3	**82.2**	78.0	79.7	80.7	78.3	**79.2**
Urals fob Primorsk	52.8	80.8	59.2	58.9	**62.9**	55.1	55.6	56.0	54.3	**55.3**	50.8	52.3	53.0	51.2	**51.8**
Urals Aframax fob Novo	50.8	79.6	58.1	57.9	**61.6**	54.1	54.6	55.0	53.3	**54.3**	49.8	51.3	52.0	50.2	**50.8**
Kebco cif Augusta	83.7	114.3	89.0	86.2	**93.3**	83.2	85.6	87.1	84.9	**85.2**	80.2	81.8	82.7	80.5	**81.3**
Johan Sverdrup	81.8	109.7	87.1	84.1	**90.7**	81.4	83.2	84.3	82.3	**82.8**	78.7	80.5	81.6	79.2	**80.0**
Saharan Blend	82.9	108.6	87.1	84.1	**90.7**	82.0	83.2	84.2	83.0	**83.1**	79.3	80.1	81.4	80.1	**80.2**
BTC Blend	84.8	112.3	91.8	87.9	**94.2**	82.7	83.7	84.6	83.1	**83.5**	79.0	80.4	81.8	80.0	**80.3**
CPC Blend	79.8	105.8	81.2	80.2	**86.8**	78.7	79.6	80.7	79.3	**79.6**	75.8	76.6	77.7	76.3	**76.6**
Qua Iboe	81.7	109.1	85.4	85.8	**90.5**	82.1	82.4	83.1	81.4	**82.3**	77.5	78.9	80.3	78.4	**78.8**
Dalia	79.7	105.3	80.1	83.2	**87.1**	81.8	83.4	83.9	81.9	**82.8**	77.9	80.3	81.7	79.3	**79.8**
Girassol	80.4	106.9	83.4	84.7	**88.8**	81.5	83.2	83.7	82.6	**82.8**	78.3	79.8	81.0	79.5	**79.7**
WTI Midland	73.0	94.7	79.7	78.9	**81.6**	76.6	78.9	79.7	77.6	**78.2**	74.3	76.1	77.1	74.6	**75.5**
WTI Houston	73.7	95.4	80.0	79.1	**82.0**	76.9	79.1	79.9	77.9	**78.4**	74.5	76.4	77.3	74.8	**75.8**
Mars	73.8	96.3	77.8	77.4	**81.3**	75.9	78.0	78.9	76.6	**77.3**	73.4	75.3	75.5	73.4	**74.4**
WCS Hardisty	56.4	73.1	61.8	59.7	**62.7**	58.9	61.2	62.1	59.8	**60.5**	56.4	58.4	58.4	56.3	**57.4**
WCS Houston	64.4	83.1	70.7	68.6	**71.7**	67.2	69.5	70.3	68.0	**68.8**	64.8	66.8	66.8	64.7	**65.8**
Vasconia	69.3	91.7	78.5	76.7	**79.1**	74.8	76.9	78.2	76.2	**76.5**	72.3	73.7	73.9	72.1	**73.0**
Dubai	86.6	94.7	80.3	81.6	**85.8**	80.8	83.0	83.6	81.4	**82.2**	78.1	80.1	80.5	78.2	**79.2**
Murban	81.5	95.9	81.2	81.8	**85.1**	80.0	82.3	82.7	81.0	**81.5**	77.9	79.4	80.1	78.3	**78.9**
ESPO Blend	62.7	86.7	71.7	70.3	**72.8**	69.7	72.9	75.5	73.9	**73.0**	70.0	72.1	72.3	70.7	**71.3**

Forecast crude differentials															*$/bl*
	1Q26	2Q26	3Q26	4Q26	2026	1Q27	2Q27	3Q27	4Q27	2027	1Q28	2Q28	3Q28	4Q28	2028
Ice Brent vs North Sea Dated	-2.65	-7.29	-1.14	-1.00	**-3.02**	-1.00	-0.50	-0.50	-0.50	**-0.63**	-0.50	-0.50	-0.50	-0.50	**-0.50**
Urals fob Primorsk vs N Sea Dated	-27.76	-23.47	-25.30	-24.14	**-25.17**	-25.87	-27.05	-27.65	-27.02	**-26.90**	-27.18	-27.37	-27.65	-27.08	**-27.32**
Urals Novo vs Urals Primorsk	-2.00	-1.19	-1.05	-0.99	**-1.31**	-1.00	-1.00	-1.00	-1.00	**-1.00**	-1.00	-1.00	-1.00	-1.00	**-1.00**
Urals fob Novo vs N Sea Dated	-29.76	-24.66	-26.35	-25.12	**-26.47**	-26.86	-28.06	-28.65	-28.02	**-27.90**	-28.19	-28.37	-28.65	-28.09	**-28.32**
Kebco cif Augusta vs N Sea Dated	3.16	10.06	4.55	3.15	**5.23**	2.22	2.91	3.45	3.56	**3.03**	2.24	2.13	2.04	2.13	**2.13**
Johan Sverdrup vs North Sea Dated	1.28	5.39	2.61	1.08	**2.59**	0.36	0.51	0.63	0.92	**0.61**	0.68	0.79	0.89	0.84	**0.80**
Saharan Blend vs North Sea Dated	2.31	4.28	2.61	1.10	**2.58**	0.95	0.50	0.48	1.65	**0.90**	1.35	0.45	0.76	1.74	**1.07**
BTC Blend vs North Sea Dated	4.20	8.01	7.33	4.93	**6.12**	1.68	1.07	0.95	1.77	**1.37**	1.05	0.71	1.11	1.70	**1.14**
CPC Blend vs North Sea Dated	-0.73	1.50	-3.24	-2.82	**-1.32**	-2.33	-3.02	-2.98	-2.05	**-2.60**	-2.23	-3.08	-2.97	-2.03	**-2.58**
Qua Iboe vs North Sea Dated	1.14	4.84	0.93	2.75	**2.42**	1.08	-0.22	-0.59	0.11	**0.09**	-0.53	-0.75	-0.40	0.07	**-0.40**
Dalia vs North Sea Dated	-0.82	0.98	-4.32	0.23	**-0.98**	0.82	0.75	0.24	0.60	**0.60**	-0.10	0.60	1.07	0.99	**0.64**
Girassol vs North Sea Dated	-0.17	2.64	-1.06	1.67	**0.77**	0.54	0.54	0.06	1.30	**0.61**	0.29	0.14	0.37	1.20	**0.50**
Nymex WTI vs Ice Brent	-5.97	-4.21	-4.25	-4.00	**-4.61**	-4.00	-4.00	-4.00	-4.00	**-4.00**	-4.00	-4.00	-4.00	-4.00	**-4.00**
WTI Midland vs Nymex WTI	1.07	1.91	0.64	0.86	**1.12**	0.63	0.68	0.49	0.80	**0.65**	0.77	0.95	0.89	0.75	**0.84**
WTI Houston vs Nymex WTI	1.73	2.59	0.92	1.11	**1.59**	0.88	0.93	0.74	1.05	**0.90**	1.02	1.20	1.14	1.00	**1.09**
Mars vs Nymex WTI	1.91	3.50	-1.26	-0.59	**0.89**	-0.13	-0.14	-0.31	-0.24	**-0.20**	-0.10	0.18	-0.68	-0.47	**-0.27**
WCS Hardisty vs Nymex WTI	-15.53	-19.70	-17.32	-18.27	**-17.71**	-17.07	-16.99	-17.11	-17.07	**-17.06**	-17.14	-16.75	-17.76	-17.53	**-17.29**
WCS Houston vs Nymex WTI	-7.54	-9.65	-8.36	-9.40	**-8.74**	-8.80	-8.71	-8.83	-8.79	**-8.78**	-8.73	-8.34	-9.34	-9.11	**-8.88**
Vasconia vs Nymex WTI	-2.59	-1.06	-0.58	-1.30	**-1.38**	-1.21	-1.25	-0.92	-0.62	**-1.00**	-1.18	-1.51	-2.25	-1.73	**-1.67**
Dubai vs Ice Brent	8.67	-2.29	-2.98	-0.41	**0.75**	0.79	0.79	0.44	0.57	**0.65**	0.62	0.96	0.29	0.36	**0.56**
Murban vs Ice Brent	3.58	-1.08	-2.08	-0.20	**0.05**	0.03	0.18	-0.42	0.21	**-0.00**	0.37	0.19	-0.09	0.47	**0.24**
ESPO Blend vs Dubai	-23.92	-8.03	-8.67	-11.26	**-12.97**	-11.04	-10.02	-8.08	-7.50	**-9.16**	-8.15	-8.06	-8.14	-7.53	**-7.97**

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Product prices									$/bl
	Jul	Aug	Sep	Oct	3Q26	4Q26	2026	2027	2028
Northwest Europe									
Naphtha 65 para	83.70	78.50	78.90	78.90	80.40	76.20	**80.70**	**74.50**	**72.00**
Gasoline Eurobob non-oxy	123.60	115.70	109.80	103.20	116.30	97.70	**106.00**	**94.10**	**90.30**
Jet-kerosine	149.80	148.20	150.60	152.60	149.50	137.80	**143.90**	**105.40**	**97.10**
10ppm diesel	157.20	155.20	155.80	157.00	156.10	141.40	**142.70**	**105.60**	**97.00**
1,000ppm heating oil	147.90	149.30	151.10	153.20	149.40	137.90	**136.60**	**102.10**	**93.40**
VLSFO (0.5% sul)	91.40	89.30	88.10	88.20	89.60	85.30	**87.50**	**84.80**	**80.40**
HSFO (3.5% sul)	74.70	76.60	75.30	74.50	75.50	72.70	**77.70**	**74.00**	**69.90**
Mediterranean									
Naphtha 65 para	81.00	75.10	75.80	75.80	77.30	73.10	**76.60**	**71.90**	**69.30**
95R gasoline	126.90	118.60	111.50	104.20	119.00	99.20	**109.00**	**95.90**	**92.50**
Jet-kerosine	148.00	146.10	148.00	149.90	147.40	134.80	**141.00**	**104.10**	**96.00**
10ppm diesel	158.90	156.00	156.30	157.80	157.10	142.00	**143.30**	**105.60**	**97.00**
1,000ppm heating oil	152.10	151.80	150.40	154.20	151.40	138.50	**137.80**	**101.80**	**93.10**
VLSFO (0.5% sul)	99.50	95.30	94.10	94.20	96.30	91.30	**94.90**	**89.80**	**85.40**
HSFO (3.5% sul)	73.30	75.60	73.30	72.50	74.10	70.70	**76.10**	**72.50**	**67.90**
US Gulf coast									
Naphtha	95.00	85.20	82.50	82.50	87.60	78.50	**84.60**	**77.20**	**75.10**
87 conv gasoline (ex-RVO)	118.00	109.80	99.90	92.80	109.30	89.10	**100.50**	**89.50**	**84.20**
Jet-kerosine	142.80	142.40	145.60	146.90	143.60	134.20	**136.40**	**103.30**	**95.70**
10ppm diesel (ex-RVO)	145.30	143.00	145.70	146.60	144.60	132.90	**131.50**	**99.80**	**91.80**
15ppm heating oil (NYH)	150.40	151.90	155.70	156.90	152.70	144.00	**139.90**	**113.10**	**105.50**
VLSFO (0.5% sul)	95.30	94.80	93.10	91.20	94.40	87.90	**92.50**	**85.20**	**80.70**
HSFO (No 6 / 3% sul)	69.80	69.90	70.00	70.40	69.90	68.30	**71.30**	**69.50**	**65.60**
Singapore									
Naphtha	88.40	85.10	84.90	84.20	86.10	80.70	**87.10**	**76.90**	**73.20**
Naphtha Japan c+f	88.70	85.20	85.90	85.50	86.60	82.00	**87.00**	**78.60**	**74.80**
95R gasoline	110.00	107.50	109.00	103.90	108.80	97.60	**106.70**	**94.30**	**90.10**
Jet-kerosine	139.50	141.80	145.10	147.20	142.10	134.10	**139.50**	**102.00**	**93.50**
10ppm diesel	142.60	143.20	144.50	146.50	143.50	133.70	**139.40**	**101.90**	**93.90**
500ppm gasoil	141.20	140.80	143.50	145.10	141.80	132.50	**136.30**	**100.60**	**92.70**
VLSFO (0.5% sul)	103.70	104.30	101.10	100.20	103.00	95.60	**100.20**	**89.80**	**84.40**
HSFO 380cst	78.40	85.30	82.60	78.70	82.10	76.20	**83.30**	**75.80**	**69.90**

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Product crack spreads									*$/bl*
	Jul	**Aug**	**Sep**	**Oct**	**3Q26**	**4Q26**	**2026**	**2027**	**2028**
Northwest Europe vs North Sea Dated									
Naphtha 65 para	0.35	-6.46	-6.11	-6.05	-4.07	-6.75	**-7.39**	**-7.63**	**-7.13**
Gasoline Eurobob non-oxy	40.18	30.65	24.75	18.23	31.86	14.73	**17.96**	**11.91**	**11.15**
Jet-kerosine	66.42	63.22	65.59	67.61	65.08	54.78	**55.86**	**23.28**	**17.98**
10ppm diesel	73.81	70.25	70.77	72.04	71.61	58.37	**54.62**	**23.46**	**17.84**
1,000ppm heating oil	64.50	64.32	66.09	68.24	64.97	54.93	**48.52**	**19.89**	**14.27**
VLSFO (0.5% sul)	8.02	4.32	3.09	3.24	5.14	2.27	**-0.59**	**2.64**	**1.27**
HSFO (3.5% sul)	-8.66	-8.39	-9.69	-10.47	-8.91	-10.29	**-10.42**	**-8.19**	**-9.30**
Mediterranean vs North Sea Dated									
Naphtha 65 para	-2.40	-9.90	-9.20	-9.20	-7.20	-9.90	**-11.50**	**-10.20**	**-9.80**
95R gasoline	43.50	33.60	26.50	19.20	34.60	16.20	**20.90**	**13.70**	**13.30**
Jet-kerosine	64.60	61.10	63.00	64.90	62.90	51.80	**52.90**	**21.90**	**16.80**
10ppm diesel	75.60	71.00	71.30	72.80	72.60	59.00	**55.20**	**23.50**	**17.90**
1,000ppm heating oil	68.70	66.80	65.40	69.20	67.00	55.50	**49.80**	**19.60**	**14.00**
VLSFO (0.5% sul)	16.10	10.30	9.10	9.20	11.80	8.30	**6.90**	**7.60**	**6.30**
HSFO (3.5% sul)	-10.10	-9.40	-11.70	-12.50	-10.40	-12.30	**-12.00**	**-9.70**	**-11.30**
US Gulf coast vs WTI Houston									
Naphtha	15.10	6.30	1.40	1.30	7.60	-0.60	**2.60**	**-1.30**	**-0.70**
87 conv gasoline (ex-RVO)	38.10	30.90	18.80	11.60	29.30	10.00	**18.50**	**11.10**	**8.50**
Jet-kerosine	62.90	63.40	64.50	65.80	63.60	55.00	**54.40**	**24.80**	**19.90**
10ppm diesel (ex-RVO)	65.40	64.00	64.50	65.40	64.60	53.80	**49.40**	**21.30**	**16.10**
15ppm heating oil (NYH)	70.50	72.90	74.60	75.70	72.70	64.90	**57.80**	**34.60**	**29.70**
VLSFO (0.5% sul)	15.40	15.90	12.00	10.10	14.40	8.80	**10.50**	**6.70**	**4.90**
HSFO (No 6 / 3% sul)	-10.10	-9.00	-11.10	-10.80	-10.10	-10.80	**-10.70**	**-8.90**	**-10.20**
Singapore vs Dubai									
Naphtha	11.00	5.00	1.40	0.20	5.80	-0.80	**1.30**	**-5.30**	**-6.00**
Naphtha Japan c+f	11.30	5.10	2.40	1.50	6.30	0.40	**1.20**	**-3.60**	**-4.40**
95R gasoline	32.60	27.40	25.50	19.80	28.50	16.10	**20.90**	**12.20**	**10.80**
Jet-kerosine	62.10	61.70	61.60	63.10	61.80	52.50	**53.70**	**19.90**	**14.30**
10ppm diesel	65.20	63.10	61.00	62.40	63.10	52.10	**53.60**	**19.70**	**14.70**
500ppm gasoil	63.80	60.70	59.90	61.00	61.50	51.00	**50.50**	**18.50**	**13.40**
VLSFO (0.5% sul)	26.30	24.20	17.60	16.20	22.70	14.00	**14.40**	**7.60**	**5.20**
HSFO 380cst	1.00	5.20	-0.90	-5.40	1.80	-5.40	**-2.50**	**-6.40**	**-9.30**

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Refining margins															$/bl
	1Q26	2Q26	3Q26	4Q26	2026	1Q27	2Q27	3Q27	4Q27	2027	1Q28	2Q28	3Q28	4Q28	2028
Northwest Europe															
vs North Sea Dated	11.50	17.50	30.10	19.90	**19.70**	10.00	6.10	6.30	4.10	**6.60**	3.60	4.60	4.90	3.40	**4.10**
vs Johan Sverdrup	4.10	3.80	17.30	11.40	**9.10**	5.20	2.30	2.50	0.30	**2.60**	-0.30	0.70	1.10	-0.50	**0.20**
Mediterranean															
vs Kebco cif Augusta	6.10	3.70	19.80	12.50	**10.60**	5.60	1.80	1.60	-0.80	**2.00**	0.00	1.10	1.30	-0.30	**0.50**
vs CPC Blend	13.90	17.60	35.20	24.80	**22.90**	13.90	9.30	8.50	6.60	**9.60**	6.70	7.80	7.30	6.10	**7.00**
US Gulf coast															
vs WTI Houston	14.50	23.30	32.50	21.30	**22.90**	13.60	9.00	9.20	6.80	**9.70**	6.30	6.70	7.60	5.90	**6.60**
vs Mars	4.20	6.90	17.00	9.70	**9.50**	4.90	2.20	3.20	0.60	**2.70**	0.20	1.20	2.00	-0.50	**0.70**
Singapore															
vs Dubai	9.70	29.30	28.20	19.10	**21.60**	10.50	4.90	5.10	3.40	**6.00**	2.90	2.90	3.10	2.00	**2.70**
vs ESPO Blend	36.70	38.90	40.70	34.40	**37.60**	24.60	17.10	15.40	13.70	**17.70**	13.60	13.10	14.20	12.90	**13.40**

Gross refining margins calculated based on FCC unit yields

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