

The ONYX logo is located in the top left corner. It consists of a white circular icon containing a stylized flame or leaf shape, followed by the word "ONYX" in a bold, white, sans-serif font. The background of the entire page is a low-angle, upward-looking photograph of several modern glass skyscrapers against a clear blue sky. The buildings' glass facades reflect the sky and each other, creating a sense of height and architectural complexity. The overall color palette is dominated by blues and greys, with some warm yellow and orange tones visible through the windows of the buildings.

ONYX

ONYX ALPHA

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ONYX CAPITAL ADVISORY

22 OCT 2024

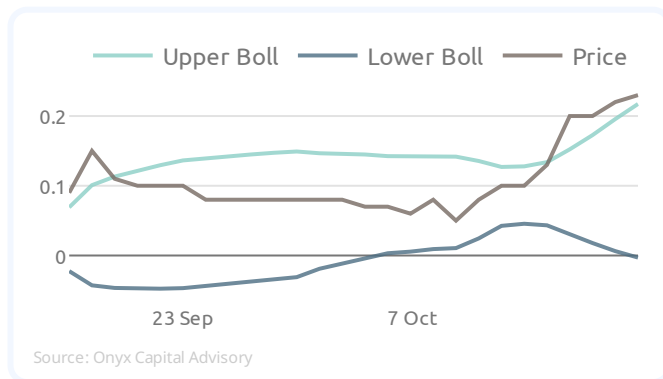
SHORT DEC/JAN REGRADE (\$/BBL)

ENTRY	\$0.20/bbl	TARGET	\$0/bbl	STOP	\$0.30/bbl
RISK/REWARD	2:1	OPEN INTEREST	Above Average	RSI INDICATOR	Overbought
		MARKET PNL	Longs ITM	MARKET POSITION	Long
		POSITION CHANGE			Longer

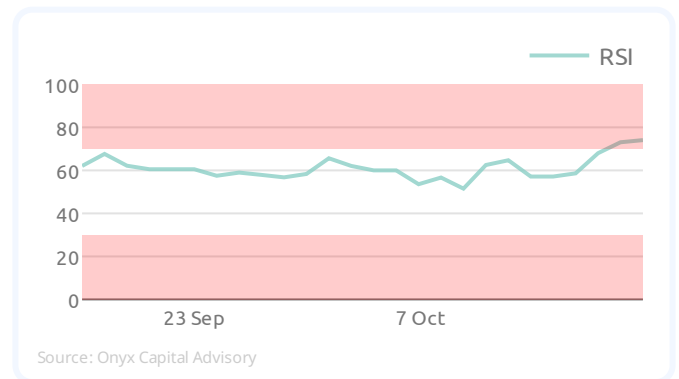
The regrade differential (Sing Kero vs Sing 10ppm) has seen a strong performance in recent months on supportive regional fundamentals. The backwarddated paper structure has been supported by tighter regional supply from South Korea as well as demand for the year-end holiday season, for instance, heating demand for kerosene from Japan. However, whilst fundamentals are expected to remain robust going into the winter months, we think this strength has been priced in, with potential for the Dec/Jan roll to 'roll' down weaker alongside the Nov/Dec roll. Expectations of increased exports out of China, with its refiners expected to prioritise clean export quotas for the export of jet fuel, instead capping the level of gasoline exports. In addition, with sluggish fundamentals in Europe, this may incentivise Middle Eastern producers, like Saudi Arabia, to focus jet fuel exports towards Asia.

As of 22 Oct, the Nov/Dec regrade roll has already corrected lower from \$0.20/bbl to flat, and we could see a similar trend for Dec/Jan should supply conditions improve. From a seasonality perspective, outright levels is trading at the highest levels for this time of the year, and the RSI indicates an overbought condition. However, this could quickly reverse with physical players taking advantage of the contango in Sing 10ppm. As Dec/Jan remains in a bullish trend, we suggest deploying a tight stop loss should further bullish catalysts emerge.

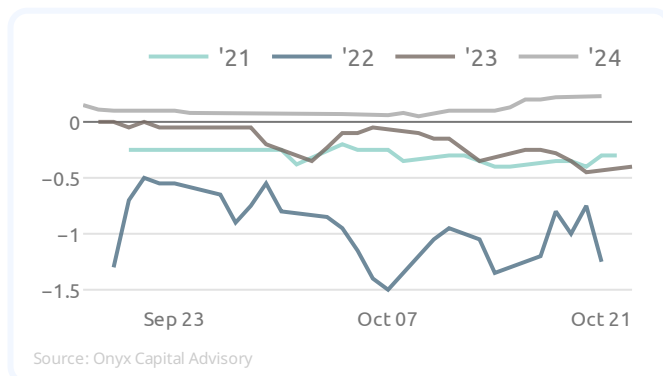
SHORT DEC/JAN REGRADE (\$/BBL)



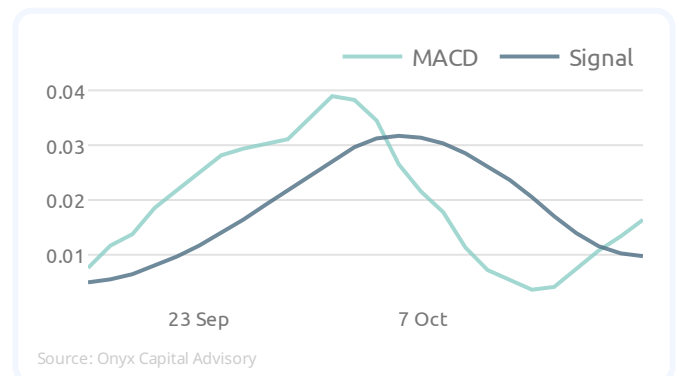
14D RSI MARKER



HISTORICAL DEC/JAN REGRADE (\$/BBL)



MACD & SIGNAL LINE



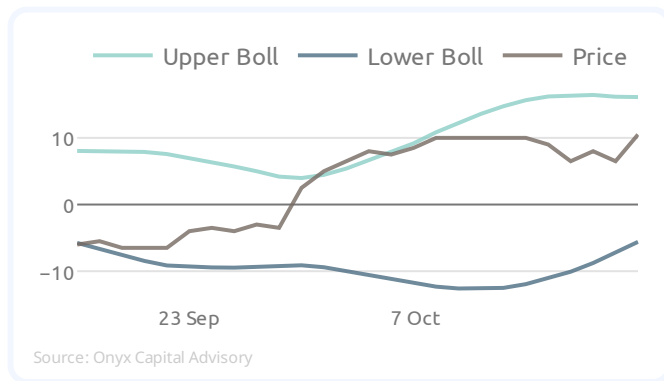
SHORT DEC'24 C3/C4 CP (\$/MT)

ENTRY	\$4/mt	TARGET	\$0/mt	STOP	\$6/mt
RISK/REWARD	OPEN INTEREST	RSI INDICATOR	MARKET PNL	MARKET POSITION	POSITION CHANGE
2:1	Above Average	Neutral	Longs ITM	Long	Shorter

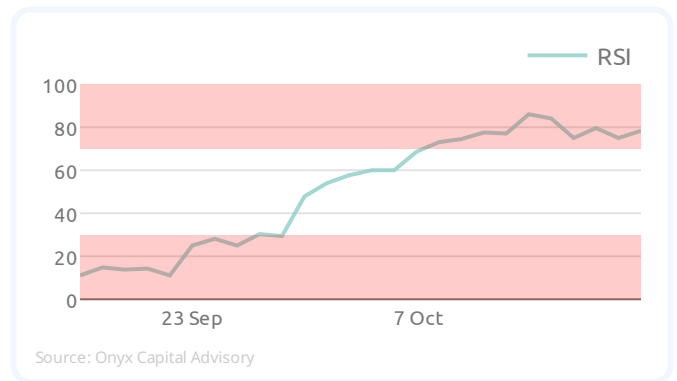
The Dec'24 Saudi Arabian (CP) propane vs butane differential (C3/C4 CP) has seen choppy price movements this week following a surge to \$10/mt on 08 Oct. Since then, the differential fell to \$4.50/mt on 18 Oct but rallied to \$10.50/mt on 21 Oct, where it again met resistance and has narrowed since, sitting at \$7.50/mt on 22 Oct (at the time of writing). The soon-to-settle Nov'24 C3/C4 CP fell from \$10/mt on 15 Oct to \$6.50/mt in the same time.

We anticipate further bearishness in the Dec'24 C3/C4 CP upon expectations of a more expensive butane as per a seasonal rise in demand during the Northern Hemisphere winter. We may further be noting tighter butane supplies in Saudi Arabia, with Platts reporting that Saudi Aramco announced acceptances for November term LPG cargoes with a negative operational tolerance for butane over the week ending 18 Oct. Finally, the latest data for the Joint Organisation Data Initiative (JODI) highlighted that while Saudi Arabia produced 88,000 mt of LPG in August (+27.54% m/m), LPG stocks stood 2.13% lower m/m at 46,000 mt due to an increase in domestic demand. With rising demand for butane expected amid the upcoming festival season in India and given that demand for CP cargoes tends to peak into Q1, we may see butane tightness dampen the C3/C4 diff. On a more technical perspective, we see the 9-day SMA falling closer to a still-rising 21-day MA, highlighting the shift in sentiment recently. We recommend watching out for the 9-day MA to fall below its 21-day counterpart for further evidence of bearish impetus in the market.

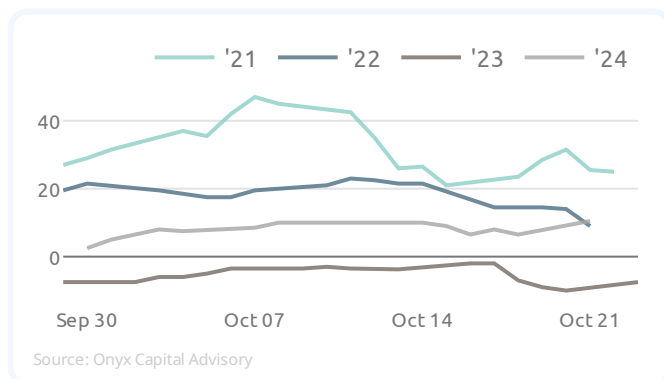
SHORT DEC'24 C3/C4 CP (\$/MT)



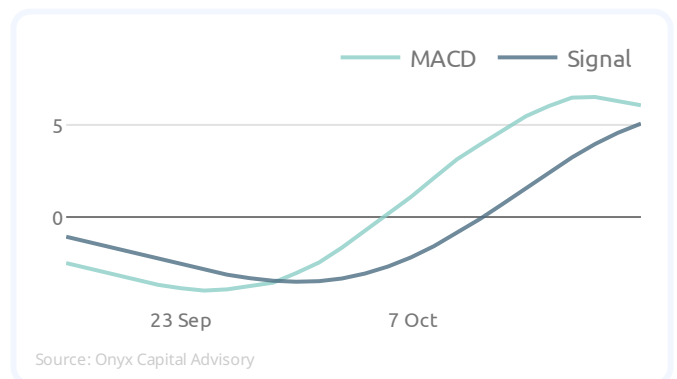
14D RSI MARKER



HISTORICAL DEC C3/C4 CP (\$/MT)



MACD & SIGNAL LINE



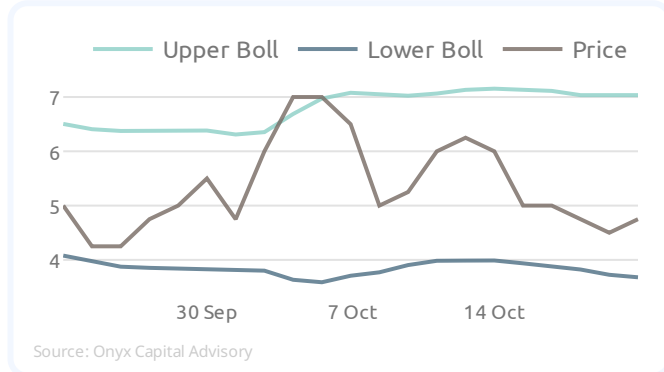
LONG NOV/DEC'24 MOPJ (\$/MT)

ENTRY	\$5.50/mt	TARGET	\$6.50/mt	STOP	\$5.00/mt
RISK/REWARD	OPEN INTEREST	RSI INDICATOR	MARKET PNL	MARKET POSITION	POSITION CHANGE
2:1	Above Average	Neutral	Shorts ITM	Long	Longer

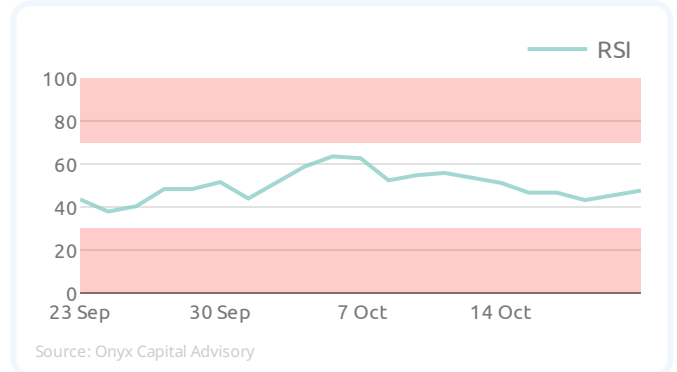
MOPJ has seen a glimmer of support this week as we saw MOC flow flip to bid from the latter half of last week, reaching a high of +15c on 18-21 Oct and continuing to be bid on 22 Oct. The MOPJ spreads have seen some support from this, with the Nov/Dec rising from \$4.50/mt on 18 Oct to \$5.25/mt. We expect this strength to continue as financially, the levels are mid-range historically, and there has been some speculative interest in the spread. Funds have been buying the Nov/Dec MOPJ spread 15-18 Oct which shows there is some speculative buying interest at these levels.

There have been 92/MOPJ selling from physical players, which suggests some blending demand in the East, along with the gasnaph selling in Europe. The strength in the spread may also be supported by some length stopping out in Dec'24 MOPJ flat price, which would support the front spread. There has also been strong selling of FEI/MOPJ from trade houses in Nov'24 and Q1'25. This selling has flipped the total net position for trade houses in Nov'24 FEI/MOPJ to net short.

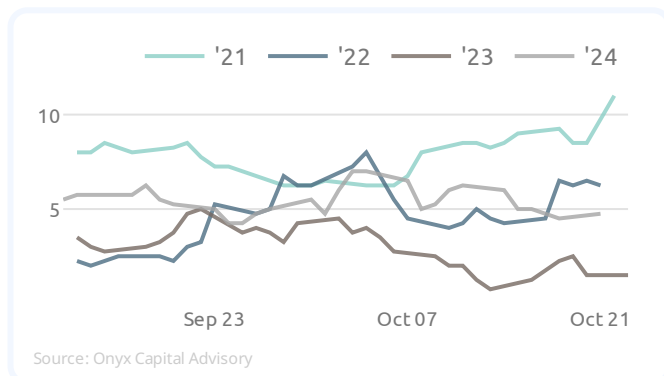
LONG NOV/DEC'24 MOPJ (\$/MT)



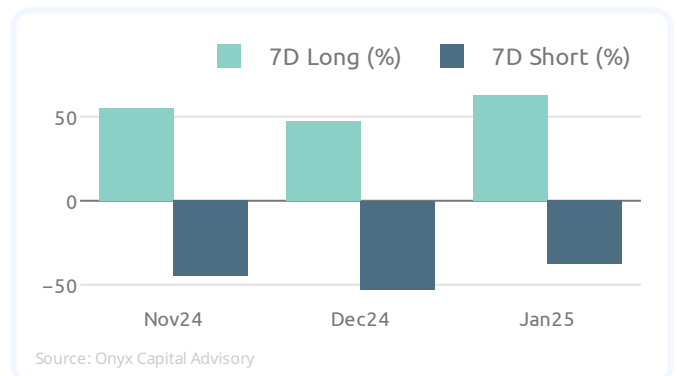
14D RSI MARKER



HISTORICAL NOV/DEC MOPJ (\$/MT)



7 DAY MARKET POSITIONING





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