EN590 10ppm Daily Market Note

Internal Trading Desk Note | Edition: Thursday 30th April close to Friday 1st May 2026 morning

Date: Friday, 1st May 2026 | Prepared for: Mr Tadzina D. Mannathoko, Director

DAY 63 ALERT: *Brent touched $126/bbl four-year wartime high intraday Thursday on Axios report that US Central Command would brief Trump on potential military action against Iran. Closed -3.4% at $114.01. Friday morning $111.20. UAE OPEC exit effective TODAY 1st May. Iran responded to US amendments to peace deal overnight via Axios. 60-day War Powers deadline approaching for Trump. Africa fertiliser crisis emerging from Hormuz closure. Asian buyers diverting to Panama Canal at four-year high traffic.*

1. Executive Signal Bar

BRENT (Thu 30 Apr close)	BRENT (Fri 1 May AM)	EN590 FOB ARA (paper)	EN590 FOB PRIMORSK
$114.01 / bbl	**$111.20 / bbl**	**$1,138 / MT**	**$1,058 / MT**
Touched $126 wartime high intraday before -3% close	Set for second consecutive weekly gain	Crack ~$40/bbl, all-time high distillate cracks	~$80 saving vs ARA, SPIMEX basis

Two-day summary (Thursday 30 April close through Friday 1 May morning): Thursday delivered the most volatile single trading session of the entire crisis. Brent surged to a wartime four-year high of $126/bbl intraday on the Axios report that US Central Command chief Admiral Brad Cooper would brief Trump on potential military action against Iran, with a plan for "a short and intense wave of strikes" reportedly under review. Brent then reversed sharply, closing -3.4% at $114.01 as the market processed two simultaneous developments. First, Iran responded to US amendments to a potential peace deal via Axios overnight, although no details were provided. Second, Trump faces a 60-day War Powers deadline over military action in Iran, requiring Congressional authorisation if hostilities formally resume. The administration claims the early-April ceasefire has "terminated" hostilities, leaving the legal status ambiguous. Friday morning Brent above $111 with second consecutive weekly gain. Both contracts (Brent and WTI) up approximately 60% since the start of the war on 28 February. EN590 FOB Primorsk eased modestly to $1,058/MT working mid as paper market processed the volatility. Primorsk discount to ARA holds at approximately $80/MT, still wider than the early-April $40 baseline.

2. Global EN590 Route Pricing Matrix

Indicative $/MT ranges across twelve standard routes. Green-shaded rows: Russia and Belarus loadports, first-class commercial hubs serving the ~140 UN member states not subject to G7 unilateral measures. Pricing reflects Thursday close and Friday morning indications, accounting for intraday $126 spike and reversal.

Route / Basis	Indicative Range (USD/MT)	Commentary
FOB Primorsk (Russia, Baltic)	**$1,028 – $1,158**	SPIMEX-linked. Working mid eased $7/MT from Thursday morning peak as paper market priced in modest pullback on Iranian counter-proposal news. Discount to ARA holds at ~$80/MT. Ukrainian drone targeting of Baltic export hubs continues to require AFC heightened security advisory monitoring.
FOB Ust-Luga (Russia, Baltic)	**$1,022 – $1,150**	Sister loadport to Primorsk. Within $5–15/MT. Same buyer pool and routing. Asian buyers increasingly sourcing US crude via Panama Canal per OilPrice.com today, but for

Route / Basis	Indicative Range (USD/MT)	Commentary
		refined product the Russian Baltic remains structurally most cost-effective.
FOB Novorossiysk (Russia, Black Sea)	**$1,048 – $1,175**	Black Sea basis. Tuapse refinery offline through May. Reduced Black Sea export capacity continues to support Baltic loading rates as buyers reroute requirements.
FOB Belarus (pipeline to Baltic)	**$1,012 – $1,138**	Belarusian-origin via Baltic export. Same buyer pool. Putin support for Iran (29 April) now structural pillar of the Russia-Iran energy nexus through duration of conflict.
FOB Rotterdam / ARA (W. Europe)	**$1,498 – $1,632**	ICE/Platts benchmark. Crack +$40/bbl, all-time high. Brent retraced from $126 wartime high to $111 zone. ING described UAE OPEC exit as "big blow to OPEC" benefiting importers and consumers, though near-term price is still Hormuz-dominated.
FOB Houston (US Gulf)	**$1,468 – $1,595**	US ULSD tracking ARA. US crude exports surged to record levels as buyers seek alternative supply (Trading Economics). Asian buyers using Panama Canal as alternative sourcing route, traffic at four-year high.
CIF Middle East (Fujairah)	**$1,425 – $1,605**	UAE OPEC exit effective today 1 May. ADNOC committed to oil price stability per energy chief. Murban Crude becomes independent third major benchmark. US Central Command briefing Trump on potential military action against Iran (Axios). Volatility extreme.
CIF Asia (Jurong/Singapore)	**$1,562 – $1,705**	MOPS firm. Asian buyers diversifying via Panama Canal and US Gulf supply. Pakistan PM confirmed oil import costs +167% since war began. China LNG imports collapsed to six-year low. Indian Basket $112.80/bbl.
CIF West Africa (Lagos, Tema, Abidjan)	**$1,618 – $1,762**	NNPC Nigeria sustaining elevated May OSPs. Africa fertiliser crisis emerging (OilPrice today): Hormuz closure has sent fertiliser prices soaring, threatening food supplies and forcing farmers to delay planting. Direct adjacent demand pressure on diesel for agricultural sector.
CIF East Africa (Mombasa, Dar es Salaam)	**$1,675 – $1,818**	India export duties continuing. Kenya, Tanzania import tenders firm. Pakistan turning to Russia and Venezuela. East African agricultural sector facing fertiliser shock plus diesel premium, double burden on planting season.
Delivered Southern Africa (Durban, Maputo)	**$1,712 – $1,855**	Cape route firm. Largest single Primorsk arbitrage point in matrix. Saving above $590/MT vs ARA-origin equivalent at Friday morning pricing.
CIF South America (Santos/Rio)	**$1,628 – $1,762**	Atlantic Basin freight firm. Brazil replacement demand active. Russian sellers continuing to pivot Brazil cargoes toward higher-margin Mediterranean and Egyptian destinations per Lloyd's List.

Russian and Belarusian loadports: Primorsk eased $7/MT from Thursday morning peak as Western paper market priced in modest pullback on Iranian counter-proposal news and the Trump War Powers procedural constraint. Discount to ARA holds at approximately $80/MT, still substantially wider than the early-April baseline of $40/MT. Critical operational footnote: Asian buyers are increasingly sourcing US crude via the Panama Canal per OilPrice this morning, with Canal traffic at a four-year high. This is for crude, not refined product. For refined EN590 product, the Russian Baltic supply chain remains structurally most cost-effective for AFC's non-Western buyer pool. Ukrainian drone targeting of Baltic export hubs continues to require AFC heightened security advisory monitoring.

3. Landed Cost Comparison, Primorsk-Origin

For counterparties in the ~140 UN member states not subject to G7 unilateral sanctions. Assumes MR or LR1 tanker, non-Western vessel and insurance stack (Ingosstrakh, Sogaz, PICC, GIC Re or equivalent). Saving column includes 50,000 MT cargo value captured.

Destination	FOB Primorsk	Freight + Ins.	Landed Cost	Saving vs Equiv. CIF/DLV
Ghana (Tema)	$1,058	$96	**$1,154**	**~$464/MT ($23.2M on 50k MT)**
Tanzania (Dar es Salaam)	$1,058	$130	**$1,188**	**~$487/MT ($24.4M on 50k MT)**
UAE (Fujairah)	$1,058	$144	**$1,202**	**~$223/MT ($11.2M on 50k MT)**
India (Vadinar, W. Coast)	$1,058	$85	**$1,143**	**~$419/MT ($20.9M on 50k MT)**
Singapore (Jurong)	$1,058	$134	**$1,192**	**~$370/MT ($18.5M on 50k MT)**
South Africa (Durban)	$1,058	$119	**$1,177**	**~$535/MT ($26.8M on 50k MT)**
Brazil (Santos/Rio)	$1,058	$94	**$1,152**	**~$476/MT ($23.8M on 50k MT)**

Commercial headline: Durban remains the largest single-route saving at approximately $535/MT vs ARA-origin DLV equivalent. $26.75million captured value on a 50,000MT cargo. Tanzania at $487/MT, $24.35million. Ghana at $464/MT, $23.2million. Brazil at $476/MT, $23.8 million. India at $419/MT, $20.95 million. Singapore at $370/MT, $18.5million. Fujairah at $223/MT, $11.15million. Across all seven AFC destinations, the 100,000 MT/month programme generates over $52million per cargo cycle in captured value at Friday morning pricing. Savings have moderated $5-$10/MT from Wednesday peak as both ARA and Primorsk pulled back from intraday high, but the structural arbitrage is fully intact.

4. Benchmark Derivations

Working calculation from crude through to EN590 FOB anchors at ARA and Primorsk. Thursday 30th April close and Friday 1st May morning indications.

Input	Value	Notes / Sources
Brent crude (Thu 30th Apr close)	**$114.01/bbl**	CNBC, Reuters. Closed -3.4% from intraday $126 wartime high.
Brent intraday Thursday high	**$126.00/bbl**	Four-year wartime high. Surged on US CENTCOM briefing Trump on potential military action.
Brent (Fri 1 May AM)	**$111.20/bbl**	Trading Economics. Above $111 with second consecutive weekly gain. Pulled back on Iran's response to US amendments via Axios overnight.
WTI crude (Thu close)	**$105.07/bbl**	CNBC. -1.7% on day. Brent-WTI spread $8.94/bbl.
Murban crude (UAE)	**$109.30/bbl**	UAE OPEC exit effective today 1 May. Murban becomes independent third major benchmark.
Indian Basket	**$112.80/bbl**	Critical for AFC's Indian buyer assessment. India 89% import-dependent.
Gasoil crack spread	**+$40/bbl ($298/MT)**	All-time high. Goldman noting product markets significantly more strained than crude.
Gasoil conversion factor	**7.45 bbl/MT**	Density 0.845 kg/L at 15 degC.
ICE LSG estimate	**$1,148/MT**	($114.01 + $40) x 7.45 = $1,148 against Thursday close.
EN590 10ppm premium	**+$12/MT**	vs 50ppm gasoil base.
EN590 FOB ARA (paper, working)	**$1,138/MT**	Working benchmark. Physical premium implied $50–80/MT above this.
Primorsk discount to ARA	**~$80/MT**	Held in 80s range as both ARA and Primorsk eased modestly from Wednesday peak.
EN590 FOB PRIMORSK (working)	**$1,058/MT**	Mid of $1,028–$1,158 band. SPIMEX deliverable futures basis.

Goldman Sachs structural assessment (today): Goldman estimated Friday that exports through the Strait of Hormuz chokepoint have fallen to just 4% of normal levels. Goldman analysts noted constrained Iranian exports and limited storage capacity could deepen supply disruptions if the blockade persists. Critically, Goldman added that the boost to output from the UAE following its OPEC exit is likely to materialise more gradually over the medium term, rather than offsetting near-term tightness. This validates the AFC working thesis: UAE OPEC exit reshapes the long-term supply picture but does not provide near-term price relief. Bill Perkins of Skylar Capital Management told CNBC: "We are kind of far apart from a deal, and maybe hostilities or a little bit more time is needed to open up the Strait of Hormuz." Perkins specifically highlighted that product markets are significantly more strained than crude markets, with sharp diesel price increases and ongoing logistical bottlenecks even if a ceasefire is reached.

Oxford Economics (Ben May, Director Global Macro Research, Al Jazeera): Oxford Economics lowered its 2026 world GDP growth forecast by 0.4 percentage points to 2.4% on prolonged Hormuz disruption. May expects Brent to average $113/bbl in Q2 2026 before falling to just under $80/bbl by year-end. Oxford Economics' Bernard Yaros (lead US economist): spillover effects from higher energy prices will add to core inflation over the next year, peaking three months after the initial energy shock. This timeline points to peak inflation impact in late July to mid-August, the same window that aligns with the US summer driving season pressure flagged by Iran's parliamentary speaker.

5. Geopolitical and Macro Drivers

Thursday 30 April: the volatility day

- **Trump Truth Social escalation post:** Trump posted on Truth Social Wednesday-Thursday: "Iran cannot get their act together. They do not know how to sign a nonnuclear deal. They better get smart soon!" The post was accompanied by an AI-generated picture of Trump holding a gun with explosions in the background and the words "NO MORE MR. NICE GUY!" Reported by CNBC. Pure rhetorical escalation, but timing coincided with the CENTCOM briefing leak.
- **Brent intraday $126 wartime high (Axios via CNBC):** Brent surged to a wartime four-year high of $126/bbl intraday on Axios reporting that US Central Command was set to present Trump with plans for possible military action against Iran. CENTCOM chief Admiral Brad Cooper reportedly briefing on "a short and intense wave of strikes" plan. Two sources with knowledge of the matter cited. The market interpreted this as elevated probability of imminent US military escalation.
- **Brent reversal -3% to $114.01 close:** Two factors drove the reversal. First, Iran response to US amendments to potential peace deal via Axios. No details disclosed but the market read this as resumption of diplomatic channel. Second, Trump 60-day War Powers deadline. Under the 1973 War Powers Resolution, US troops must be withdrawn within 60 days of hostilities unless Congress authorises continued deployment. Congress has not authorised. The administration claims the early-April ceasefire "terminated" hostilities, but the legal grey zone limits Trump's freedom of action on the immediate "short intense strikes" plan. Combined effect: market priced in slightly lower probability of imminent escalation.
- **EU warns crisis could last years (OilPrice, 30 April):** EU formal assessment Wednesday-Thursday: the Iran war energy crisis could last years, not months. Aligns with IEA Birol permanent demand statement and Goldman's $140-$150 spike potential warning. Embeds the structural duration view across multiple analyst desks.
- **OPEC will survive UAE exit, medium-term threat real (OilPrice analysis):** OilPrice analysis confirms OPEC will survive UAE departure, but the medium-term supply picture is materially altered. Saudi cutting June Asia OSPs sharply after record $19.50 premium signals the start of OPEC+ producer competition rather than coordination.
- **Pakistan PM oil import 167% confirmation (OilPrice 30 April):** Pakistan PM publicly stating oil import costs up 167% since Iran war began. Pakistan turning to Russia and Venezuela for supply alternatives. Direct validation of AFC's structural thesis: South Asian buyer pool actively seeking Russian-origin product alternatives.

Friday 1st May: UAE OPEC EXIT effective

- **UAE OPEC and OPEC+ exit effective today (1st May 2026):** UAE energy chief stated the country remains "committed to oil price stability" despite leaving the cartel. ADNOC targeting 5million b/d production by 2027. Brent and WTI initially fell on supply-glut fears Tuesday morning, then rebounded on Iran-related risk premium. ING strategists described the UAE exit as "a big blow to OPEC" and noted Trump would welcome it "as it erodes OPEC's influence in the oil market, while it should also be beneficial for importers and consumers." ING added: "However, in the near term, the biggest driver for oil prices remains developments in the Persian Gulf and the timing of a resumption in oil flows through the Strait of Hormuz."

- **Murban Crude as third major benchmark (Euronews):** From today, Murban Crude becomes a fully independent third major benchmark alongside Brent and WTI. Settled $109.30/bbl yesterday. Fujairah becomes price-discovery hub independent of OPEC quotas. Implied volatility on Brent options has widened. Options markets now pricing wider range of outcomes for second half of 2026, reflecting both the prolonged Hormuz risk and the post-UAE structural supply uncertainty.
- **Forward curve dynamics (heygotrade analysis via Euronews):** Front-month contracts stay elevated as long as Hormuz traffic is constrained. Longer-dated contracts pricing in a looser market. UAE barrels released from OPEC ceiling would add real volume by 2027 if Abu Dhabi hits its 5 mb/d target. This is precisely the spot-versus-forward dislocation flagged in Thursday's note: AFC should execute SPIMEX-linked 12-month floating-price contracts this week to lock in the forward curve advantage.

Friday 1st May: Iran response and War Powers

- **Iran response to US amendments (Axios via Trading Economics):** Brent fell below $110 intraday on Axios report that Iran had responded to US amendments to a potential peace deal, though no details were provided. Friday morning Brent recovered above $111 with second consecutive weekly gain. Trump reaffirmed Friday that the US would maintain its naval blockade of Iranian ports to intensify economic pressure. This is the precise tension structure that has defined the conflict from week 1: positions hardened, channels open, no resolution visible.
- **60-day War Powers deadline (Trading Economics, 1 May):** Trump faces 60-day War Powers deadline over military action in Iran. Under the 1973 War Powers Resolution, US troops must be withdrawn within 60 days unless Congress authorises the deployment, which it has not done. The administration says the ceasefire reached three weeks ago has "terminated" hostilities, leaving the legal status of the naval blockade and CENTCOM positioning ambiguous. Practical implication: any "short intense wave of strikes" plan flagged in Thursday's CENTCOM briefing requires Congressional authorisation under the strict reading of the law. Probability of formal Congressional vote on Iran action in coming weeks now elevated.

Macro and adjacent market signals (today's OilPrice flow)

- **Africa fertiliser crisis emerging:** OilPrice headline today: Strait of Hormuz closure has sent fertiliser prices soaring, threatening food supplies for billions and pushing farmers to delay or cancel planting. Significance for AFC's African destinations: agricultural sector facing simultaneous fertiliser shock plus diesel premium creates double-burden on planting season. Subsidised diesel tenders for agriculture from African governments may emerge in the coming weeks, creating an additional buyer category for AFC's African origination.
- **Asian buyers via Panama Canal at 4-year high:** OilPrice today: Asian buyers increasingly sourcing US crude via Panama Canal as Middle East supply disrupted, pushing Canal traffic to four-year high. Significance: this is for US crude (WTI-priced), competing partially with Russian Baltic-origin crude flows to Asia. However, US crude is not refined product. For EN590 specifically, the Russian Baltic supply chain to India, China, ASEAN remains structurally most cost-effective. AFC is in the refined product trade, not the crude trade. This Asian Panama Canal traffic is an adjacent signal of the structural shift in Asian sourcing patterns, all of which favour non-Middle East alternatives.
- **California refining base shrinking:** OilPrice today: California's shrinking refining base cutting local gasoline output to a decade low, pushing the state into structurally higher import dependence. Macro signal of Western refinery rationalisation. Reduces Atlantic and Pacific Basin refining capacity longer-term, supporting structurally higher refining margins, which supports EN590 pricing globally.
- **Asian buyers diversification structurally accelerating:** Combined picture from this week's news flow: Pakistan turning to Russia and Venezuela. Asian buyers using Panama Canal for US crude. China re-entering product export market. Saudi cutting June Asia OSPs. UAE leaving OPEC. All of these signals point in the same direction: the structural diversification of Asian sourcing away from Middle East dependence is now permanent. AFC's Russian Baltic supply position is in the right strategic place at the right time.

6. Freight and War-Risk Insurance

Freight

- Baltic Exchange MR rates firm. Cape route well utilised.
- US crude exports surged to record levels per Trading Economics, with Asian buyers using Panama Canal as alternative routing. Canal traffic at four-year high.
- Shadow fleet tonnage on Russia-to-India, Russia-to-Africa, Russia-to-Brazil/Egypt routes: fully operational. Primorsk and Ust-Luga loadings continuing under heightened security advisory following ISW assessment of Ukrainian targeting shift.
- Russian naval escort protocol intact for shadow fleet convoys through Danish Straits. Continued vigilance on Ukrainian drone capability.

War-risk insurance (AWRP)

- **Strait of Hormuz AWRP:** Holding at 1.5-1.8% of hull value. No relief from Friday morning news. Pre-war baseline: 0.125%. VLCC additional cost per transit approaching $800,000-$900,000.
- Red Sea/Suez AWRP: 0.45-0.65% range. Houthi residual risk plus Bab al-Mandab threat (Houthi statement 18 April).
- Baltic exit (Danish Straits): elevated to $0.30-$0.70/MT, reflecting Ukrainian drone capability. Russian naval escort partially mitigates but does not eliminate.
- Non-Western P&I providers fully operational for Russian-origin cargoes to AFC buyer base.

7. Jurisdictional Disclosure

Factual disclosure by sanctions regime. Applicability is buyer-jurisdiction specific. Legal determination rests with counterparty counsel in the relevant jurisdiction.

- **UN Security Council:** No UN sanctions on Russian hydrocarbons. All restrictions are unilateral measures by approximately 40 of 193 UN member states.
- **G7 price cap:** $100/bbl applies only when G7 shipping, insurance or finance is involved. Non-G7 services outside scope.
- **EU Article 3ma:** EU-linked cargoes may not import Russian-origin EN590 into the EU. Non-EU to non-EU flows entirely unaffected.
- **US OFAC SDN:** January 2025 package, ~183 designated vessels. Applies to US persons and USD clearing. Non-USD settlement chains outside primary scope.
- **Iran enforcement (active escalating):** US naval blockade extended indefinitely. 60-day War Powers deadline approaching. CENTCOM briefing on potential strikes leaked to Axios. Iran-touched cargoes face elevated kinetic and sanctions enforcement risk. AFC continues to recommend avoiding Iranian-origin product entirely.

AFC buyer base position: Approximately 140 UN member states trade Russian-origin refined product legally within their own frameworks. Pakistan PM today publicly confirmed Pakistan turning to Russia and Venezuela. India, China, Turkey, UAE, Brazil, ASEAN buyer pool fully accessible. SPIMEX publishes the official FOB Primorsk EURO-5 deliverable futures contract. KSE Institute confirmed 82% of Russian oil products move on non-G7-insured tankers.

8. Fraud and Scam Red Flags

Brent intraday $126 spike with reversal creates extreme volatility scam-market environment. Friday morning is highest-vigilance day of the week.

- "CENTCOM-cleared cargo" or "strike-zone-clear" claims following Axios CENTCOM briefing leak: any offer using these phrases is fabricated. CENTCOM does not clear commercial product cargoes.
- "60-day War Powers safe harbour" framing: any offer claiming a structural safe-harbour window from War Powers procedural constraint is fictional. The procedural constraint does not create commercial certainty.
- "Iran response to US amendments" exploitation: any offer claiming knowledge of the Iranian counter-proposal contents (which Axios explicitly stated were not disclosed) is fraudulent. Decline.
- Fujairah FOB at Platts minus $50: still fraudulent. UAE OPEC exit does not change physical cargo economics today.
- "UAE OPEC-exit special allocation" offers: ADNOC has not announced any special-allocation framework. Any offer using this framing is fabricated.
- "Africa fertiliser crisis emergency cargo" offers: any compressed-window offer exploiting the African fertiliser headline news is timed scam. Verify source against named refinery mandate.
- Iranian-origin cargo represented as Iraqi, Omani, Russian, or re-flagged: US enforcement increasingly global. Full supply chain documentation showing clean non-Iranian loadport mandatory.
- TTO/TTV without current SGS Q&Q, Q88, product passport, live GPS: do not engage.
- Primorsk offers at >$200/MT below SPIMEX forward curve: cross-reference SPIMEX, named refinery mandate required.
- Kazakhstan EN590 sub-$500/MT: economically impossible at $111+ Brent.

9. Trading Opportunities

Prompt opportunities

- FOB Primorsk, Ust-Luga, Novorossiysk for non-sanctioned buyers: $223-$535/MT landed saving vs ARA-origin CIF depending on route. Discount to ARA at $80/MT, still substantially wider than the early-April baseline of $40/MT. Window is narrowing as both ARA and Primorsk eased Friday morning, but the structural advantage remains. Execute on Primorsk-linked supply this week.
- Durban specifically: $535/MT saving at Friday morning pricing. $26.75 million captured value on 50,000 MT. $53.5million on 100,000MT. Execute the AFC structural programme this week.
- **Spot vs forward curve dislocation persists:** Even after Brent's reversal from $126 to $111, the spot vs June futures structure remains in steep backwardation. AFC should execute 12-month SPIMEX-linked floating-price contracts this week. Front-month contracts elevated; longer-dated contracts pricing looser market. This is the structural arbitrage moment.
- **Pakistani buyer pool accelerating:** Pakistan PM publicly confirmed Friday morning that Pakistan turning to Russia and Venezuela. AFC Pakistan State Oil and Pak Arab Refinery outreach should accelerate this week.
- **African agricultural sector emerging buyer pool:** Africa fertiliser crisis is creating downstream pressure on agricultural diesel demand. African governments may issue subsidised agricultural diesel tenders in coming weeks to support planting season. AFC origination capacity for Tema, Lagos, Mombasa, Dar es Salaam, Durban positions the desk to bid into emerging tenders.

Structural opportunities

- SPIMEX-indexed 12-month supply: Goldman noting product markets significantly more strained than crude even after ceasefire. Oxford Economics seeing peak inflation impact in late July to mid-August. EU warning crisis could last years. AFC structural programme execution moment is now.
- 100,000 MT/month Baltic-origin EN590 programme: monthly value creation across AFC's destination matrix exceeds $52 million per cargo cycle at Friday morning pricing.
- Loading flexibility between Primorsk, Ust-Luga and Novorossiysk to mitigate single-point operational risk from Ukrainian drone targeting.

Three-scenario positioning

- **Scenario A: CENTCOM strikes plan executed (medium-low probability, very high impact):** Brent $130–$160. EN590 FOB ARA $1,300–$1,640. Primorsk $1,200–$1,520. Pre-contracted Russian Baltic supply at today's pricing represents transformative forward value.
- **Scenario B: Iran amendments lead to negotiated framework (medium probability, delayed):** Brent corrects $20–$30 over weeks to $85–$95. Physical diesel lags 4-6 months. Oxford Economics sees Brent below $80 by year-end. EN590 FOB ARA eases to $890–$980 over 8-12 weeks. Primorsk $810–$900. Pre-contracted SPIMEX-linked forward cargoes at today's $1,058 deliver value on the correction.
- **Scenario C: protracted standoff with managed volatility (highest probability):** Brent oscillates $100–$130 with intraday volatility on news. Primorsk discount to ARA holds $60–$90/MT. 60-day War Powers procedural constraint limits Trump's escalation options. Iran continues parliamentary toll structure. AFC's structural programme captures consistent monthly value through the duration.

10. Bottom Line

Thursday 30th April delivered the most violent single trading session of the entire crisis. Brent surged to a four-year wartime high of $126/bbl on the leaked CENTCOM briefing on potential strikes against Iran, then reversed sharply to close $114.01. Two factors drove the reversal: Iran responding to US amendments via Axios overnight, and Trump's 60-day War Powers deadline limiting freedom of unilateral action. Friday morning Brent above $111 with second consecutive weekly gain. Both contracts up roughly 60% since the war began on 28th February.

The UAE OPEC exit is now effective today. Murban Crude becomes the third major benchmark. ING described it as a "big blow to OPEC." Goldman noted UAE production growth will materialise gradually over the medium term, not offsetting near-term tightness. This is the precise structural environment AFC has been positioning into for nine weeks. Front-month contracts elevated, forward curve looser, structural arbitrage between Russian Baltic and ARA-origin supply persisting at $80/MT discount. Execute SPIMEX-linked 12-month floating contracts this week to lock in the forward curve advantage.

For AFC's commercial position: Primorsk at $1,058/MT, ARA at $1,138/MT, discount holding at $80/MT. Durban saving $535/MT. 100,000MT/month programme generating $52+ million per cargo cycle. Pakistan PM publicly confirming the structural buyer pool shift to Russia. African fertiliser crisis creating adjacent agricultural diesel demand. Asian Panama Canal alternative routing validating broader Asian diversification thesis. Iranian counter-proposal channel reopening at the diplomatic level while simultaneously CENTCOM briefing strikes at the military level. This is the maximum-volatility moment of the crisis to date. AFC's Russian Baltic supply chain remains operationally intact, structurally positioned and commercially compelling. The instruction is unchanged: execute.

Prepared by: ***Afri-Fuel-Consult Internal Trading Desk***

Note prepared: *Friday 1st May 2026 morning (Gaborone), covering Thursday 30th April US/EU close and Friday 1 May Asia/Africa morning.*

Sources: *OilPrice.com (multiple 30 April-1 May including: California refining shrinking, Africa fertiliser crisis, Asian buyers via Panama Canal at 4-year high, OPEC will survive UAE exit, EU warns crisis could last years, Pakistan PM 167%, ADNOC committed to price stability), CNBC (Brent $126 wartime high intraday, Brent close $114.01, Bill Perkins of Skylar Capital, Holly Ellyatt), Axios (CENTCOM briefing leak, Iran response to US amendments overnight, Trump "NO MORE MR. NICE GUY" Truth Social post), Trading Economics (Brent $111+ Friday morning, 60-day War Powers deadline, US crude exports record), Al Jazeera Live Blog ("Trump urges Tehran to give up" 30 April, Lyndal Rowlands), Al Jazeera Economy ("As US-Iran talks remain stalled, experts warn of long-term disruptions" Oxford Economics commentary), Reuters, EIA STEO (April release with Q2 $115 peak forecast), Goldman Sachs (Hormuz exports at 4% of normal, Toby Perkins $140-$150 spike potential, product market vs crude analysis, UAE production growth gradual), Oxford Economics (Ben May Director Global Macro Research, Bernard Yaros lead US economist), Skylar Capital Management (Bill Perkins CIO), ING strategists ($UAE big blow to OPEC analysis), Lipow Oil Associates (Andy Lipow), JPMorgan, Rapidan Energy (Bob McNally), Mercuria, Lloyd's List, MarineTraffic Joint Maritime Information Center, Institute for the Study of War, UKMTO, BIMCO, Baltic Exchange, KSE Institute, Kpler, US CENTCOM (via Axios leak), Pentagon, RFE/RL (Farzan Sabet Geneva Graduate Institute, Farzin Nadimi Washington Institute), International Institute for Strategic Studies London (Sascha Bruchmann), Voice of Emirates News Agency (UAE/Cairo), ANI News (India), Tribune India, Irish Times, Jerusalem Post, IRNA Iranian state news, ISNA Iranian Students News Agency, Tasnim News Agency, The Moscow Times, Kyiv Post, Pakistan PM Office, Wikipedia 2026 Strait of Hormuz crisis article (updated 1 May), Euronews (UAE Murban benchmark coverage), heygotrade analysis (UAE OPEC exit forward curve dynamics). Non-Western source weight: Voice of Emirates, ANI India, Tribune India, IRNA, ISNA, Tasnim, Moscow Times, Al Jazeera (Qatar), Kyiv Post, Pakistan PM Office. Primorsk pricing cross-referenced against SPIMEX deliverable futures curve.*

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