







Weekly Market Report

June 17, 2025

Latitude
N 55°30'23.8458"
Longitude
E 9°43'44.7468"

Bunker Port Brief

Singapore







| | VLSFO | HSFO | MGO |
|----------------|---|--|---|
| Availability |  |  |  |
| Days of notice | 8 | 7 | 4 |
| Demand |  |  |  |

The Asian LSFO market is likely to remain supported by relatively tight prompt availability of finished grade supplies in the region. Recent unviable arbitrage economics for Western shipments flowing into Singapore may cap arrivals through the first half of July.

The Asian HSFO market is expected to remain partly supported by seasonal power demand in the Middle East, limiting supplies. Lacklustre bunker demand in combination with adequate availability may pressure prices in the near term.







The Asian LSMGO market is expected to see supply-side concerns boost price levels as the conflict between Israel and Iran raises the risk of supply disruption from the Middle East region of both crude oil feedstock and refined products.

ARA

| | VLSFO | HSFO | MGO |
|----------------|---|--|---|
| Availability |  |  |  |
| Days of notice | 5-7 | 5-7 | 4-5 |
| Demand |  |  |  |

Tight supply may lead to higher premiums and potential delays.

Fujairah







| | VLSFO | HSFO | MGO |
|----------------|---|--|---|
| Availability |  |  |  |
| Days of notice | 5 | 3 | 2 |
| Demand |  |  |  |

Port of Fujairah reported ship fuel sales of 618,750 cu m for May, the lowest in three months, according to port data published June 15.

The total was down 8.3% from April to the lowest since February's record low of 558,300 cu m, the data showed.







June is also likely to see demand under pressure with some ships avoiding calls to the Persian Gulf due to the recent conflict in the region. In spite of the tense situation port operations and bunkering remain business as usual but the market remains vigilant.

Houston

| | VLSFO | HSFO | MGO |
|----------------|---|--|---|
| Availability |  |  |  |
| Days of notice | 5-7 | 5-7 | 3-5 |
| Demand |  |  |  |







Some poor weather starting to increase over the last week. Deliveries at Bolivar Roads and Offshore Galveston have been affected. Delivery backlog starting to build Offshore Galveston. Basis current forecasts estimating EDD of 20-21 for new business.

New York







| | VLSFO | HSFO | MGO |
|----------------|---|--|---|
| Availability |  |  |  |
| Days of notice | 2 | 4 | 1 |
| Demand |  |  |  |

Demand outlook into Q3 waning vs Q2.

Panama

| | VLSFO | HSFO | MGO |
|----------------|---|--|---|
| Availability |  |  |  |
| Days of notice | 3-5 | 3-5 | 3-5 |
| Demand |  |  |  |







Gibraltar

| | VLSFO | HSFO | MGO |
|----------------|---|--|---|
| Availability |  |  |  |
| Days of notice | 7 | 10 | 7 |
| Demand |  |  |  |

We have seen an increase in inquiries due to the uncertainty and market fluctuations.







We have not seen an impact in availability for now – but we are expecting it will.

Malta

| | VLSFO | HSFO | MGO |
|----------------|---|--|---|
| Availability |  |  |  |
| Days of notice | 7+ | 10+ | 7+ |
| Demand |  |  |  |







Increased demand for mgo and vlsfo.

Port Louis

| | VLSFO | HSFO | MGO |
|----------------|---|--|---|
| Availability |  |  |  |
| Days of notice | 4-7 | 4-7 | 3-6 |
| Demand |  |  |  |

Nothing of major interest to report in the week just gone by, however we do anticipate higher demand (and leading to higher prices) in the region with ships potentially avoiding the Red Sea in coming days after the conflict arose end of last week.







Durban

| | VLSFO | HSFO | MGO |
|----------------|---|--|---|
| Availability |  |  |  |
| Days of notice | 4-7 | 3-5 | 4-7 |
| Demand |  |  |  |

Durban remains quiet with demand, so much so, one supplier is considering moving a barge to Richards Bay.

Richards Bay volume is tight on avails. Durban is potentially expected to be get busier in coming days should vessels decide to transit the Cape of Good Hope instead of the Red Sea.

Walvis Bay

| | VLSFO | HSFO | MGO |
|----------------|---|--|---|
| Availability |  |  |  |
| Days of notice | 3-5 | 4-7 | 4-7 |
| Demand |  |  |  |

Demand remains quiet in the region for the week just gone, however market participants await the possibility of increased volume should clients decide to extend their voyages around the Cape Town coast in coming days and week.

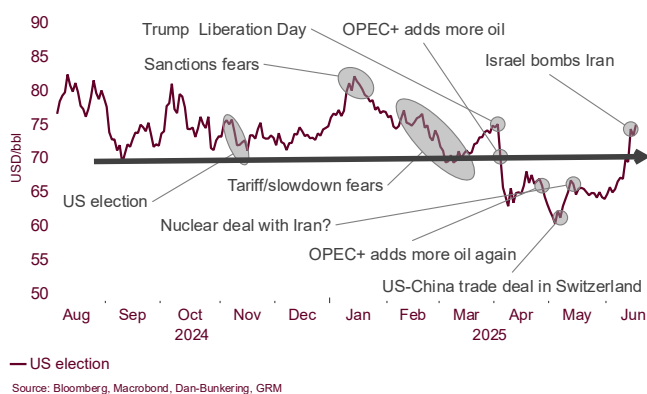
Geopolitics push oil and bunker prices higher

The war between Israel and Iran has entirely dominated the oil market in recent days, and the volatility has spiked.

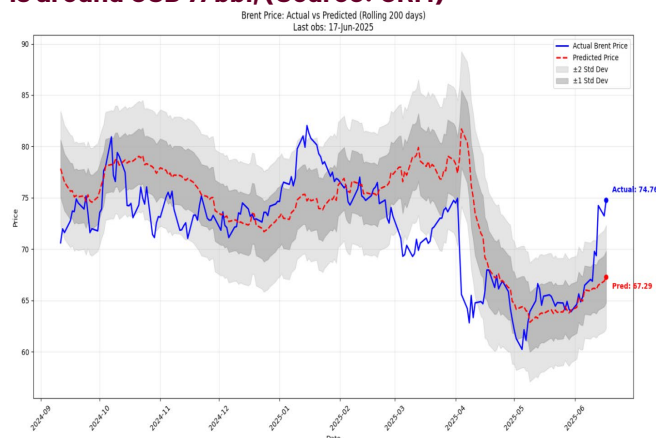
For the oil market, the key development is that energy infrastructure is now being targeted. Israel has hit the South Pars gas field – the world's largest – along with several oil depots and refineries. There is, however, no indication that Iran's crude export capacity has been significantly affected. Iran, for its part, has struck a refinery in Haifa, Israel.

Since the war broke out, the market has priced in a significant geopolitical risk premium. Our Short-Term Financial Model estimates the premium to be around \$7. The model forecasts a fair value price for Brent oil based on trends in other financial and economic variables that are typically correlated with oil.

Brent is higher on geopolitics



Our model indicates that currently the risk premium is around USD 7/bbl, (Source: GRM)



The Strait of Hormuz remains the joker

The key question is whether the war will affect shipping through the Strait of Hormuz. The strait remains open, but a senior Iranian MP has said a blockade is being seriously considered in response to Israel's strikes. Iran has also warned that vessels linked to the US, UK, and France could become targets if those countries back Israel in the conflict.

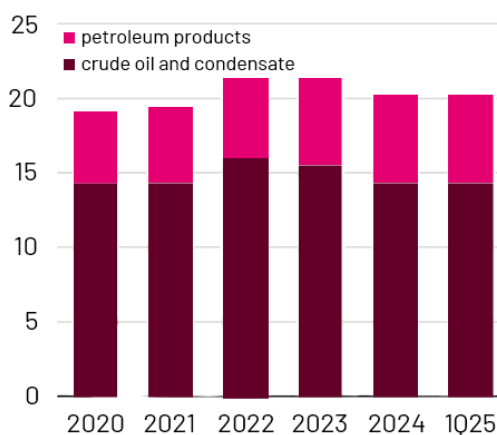
According to The Wall Street Journal, several countries, including Greece and the UK, have urged their shipping firms to avoid the area. A full blockade could affect up to 20 per cent of global oil and product flows.

In recent days, maritime authorities have reported a surge in GPS jamming and AIS spoofing across the Strait and its surrounding waters. Over 900 vessels have encountered navigation issues, including zig-zagging tracks, phantom landings, or positions appearing on land. Most interference is traced to areas near Iran's Bandar Abbas.

During this disruption, two tankers—the Front Eagle and Adalynn—collided near Khor Fakkan, just outside the Strait. While seen as accidental, maritime analysts say signal interference may have played a role.

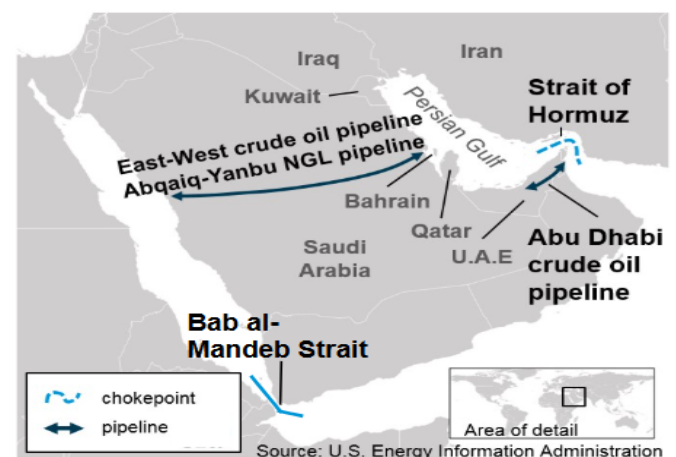
For the shipping industry, this represents an escalation. These electronic disruptions not only increase collision risks but may also force rerouting, delays, and higher insurance premiums. Although the Strait remains open, many shipowners and insurers now see navigation through the area as a growing operational risk.

Volume of Petroleum transported through the Strait of Hormuz



Data source: U.S. Energy Information Administration analysis based on Vortexa tanker tracking
Note: 1Q25=first quarter of 2025

Middle East choke points



Fundamentals point towards lower prices

At this point, there has been no physical disruption to the oil supply. However, higher prices on their own could hit the global economy, especially at a time when uncertainty is elevated due to Trump's trade policies. The price increase may once again make it attractive to invest in new drilling rigs in the US shale oil industry. Smaller producers, in particular, may seize the opportunity to secure production for the remainder of 2025 and the years to come.

It is worth noting that the price increase has been most pronounced at the front of the curve, and the oil curve is now more clearly in backwardation. The market, therefore, views this price move as a temporary phenomenon. Taken together, this suggests a price pullback may be coming. Our fair value model aligns with this direction.

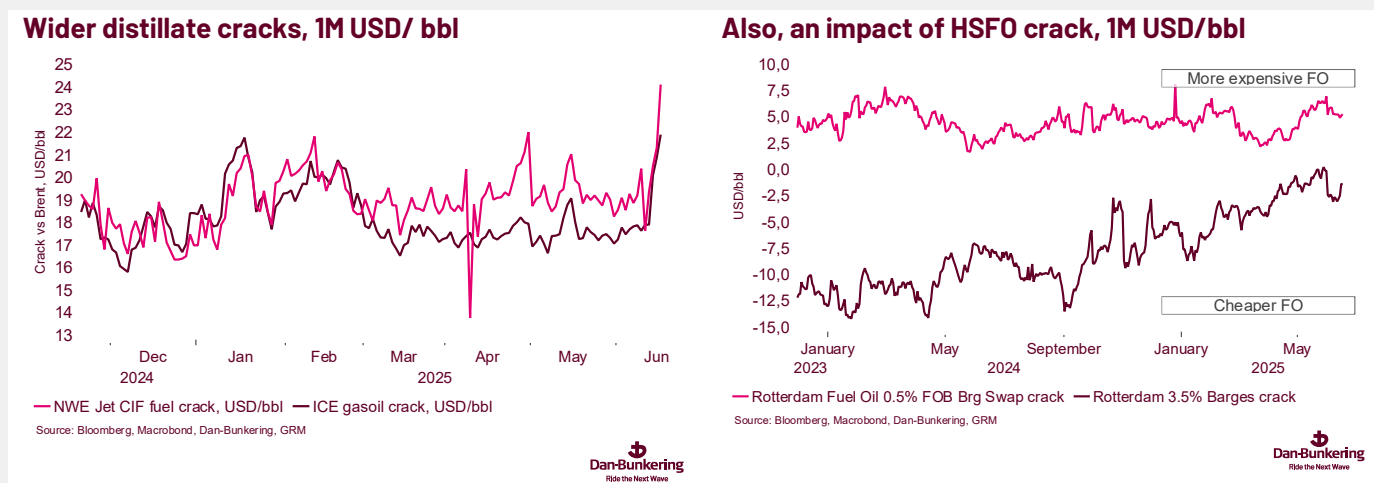
While the market is tight this summer, demand is expected to ease seasonally as we move into winter, and OPEC+ oil is anticipated to flow into inventories.

Impact on bunker and distillate prices

We also saw cracks (relative to Brent) react in the product market yesterday. Distillates, such as jet fuel, gas oil, MGO, and diesel, rose relative to Brent. Fuel oil (HSFO) also became more expensive.

The bombing of energy infrastructure in Iran has raised concerns that the country may be forced to import more refined products, which it is already a net importer of. Large volumes of oil products are also shipped through the Strait of Hormuz.

The HSFO market (3.5%) may see support if Iranian heavy crude oil is removed from the global market. There are also reports that Egypt is now buying fuel oil for power generation as gas deliveries from Iran have been halted due to security concerns. Summer is already the peak season for fuel oil demand.



Hedging implications

The surge in oil prices highlights the risk of further price spikes in oil and refined products. Still, current price levels are challenging to justify solely on the basis of fundamentals.

If a formal closure of the Strait is announced, we should expect Brent to spike above USD 100.

We estimate the probability to be 15 to 20 per cent. Before Israel's strike, we had it at 5 per cent. Betting platforms like Polymarket currently price the likelihood of an Iranian closure at around 35%.

Given the rising risk of a Hormuz disruption and the backwardation, we recommend a high hedge ratio for consumers over the coming months. However, keep the duration of hedges short.

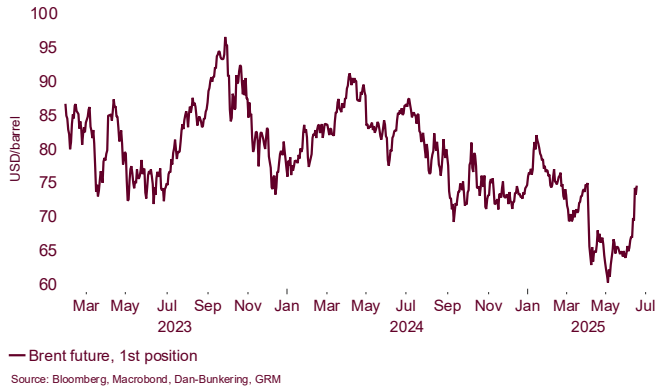
Price forecast

| | Spot | Q2 2025 | Q3 2025 | Q4 2025 | avg. 2025 | avg 2026 |
|--|------|---------|---------|---------|-----------|----------|
| Brent, USD/bbl | 74,4 | 66 | 68 | 68 | 69 | 68 |
| ICE Gasoil, USD/MT | 719 | 637 | 653 | 656 | 666 | 656 |
| HSFO (1M 3.5% Rotterdam Barge), USD/MT | 457 | 403 | 417 | 413 | 425 | 413 |
| VLSFO (1M 0.5% Rotterdam Barge), USD/MT | 495 | 454 | 468 | 470 | 474 | 470 |

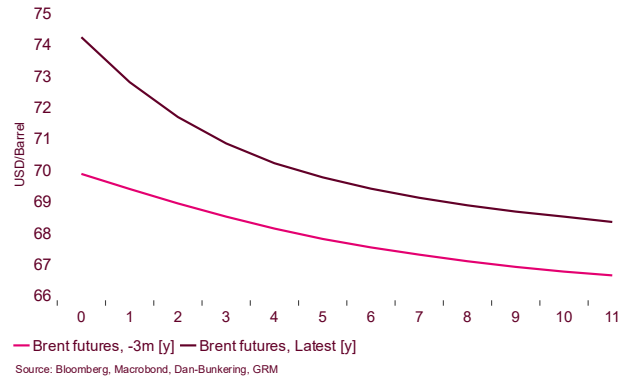
Source: Dan-Bunkering, indicative spot-prices based on Bloomberg 1M fair-value

Overview Charts:

Brent oil



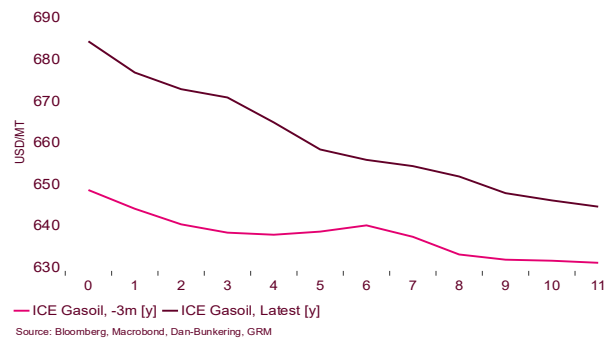
Brent forward curve, indicative prices



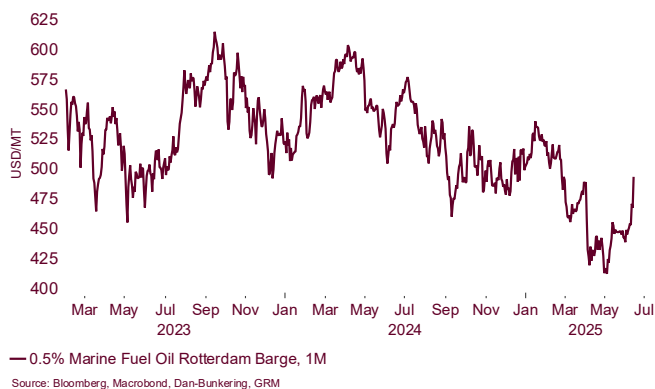
ICE Gasoil



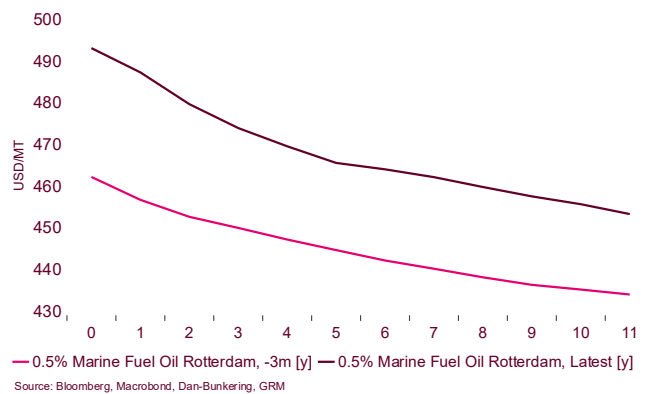
ICE Gasoil forward curve, indicative prices



0.5% Marine Fuel Oil Rotterdam Barge, M1



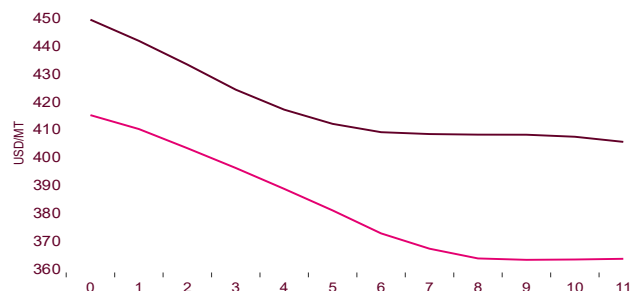
0.5% Marine Fuel Oil Rotterdam Barge Forward Curve, indicative prices



Rotterdam 3.5% Barge

— 3.5% Rotterdam Barge, 1M

Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

**Rotterdam 3.5% Barge forward curve, indicative prices**

— 3.5% Rotterdam, -3m [y] — 3.5% Rotterdam, Latest [y]

Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

