

# Weekly Market Report







May 19, 2026









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

## Bunker Port Brief





### Singapore

	VLSFO	HSFO	MGO
Availability			
Days of notice	9	9	8
Demand			

### ARA

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







### Fujairah

	VLSFO	HSFO	MGO
Availability			
Days of notice	3	3	3
Demand			

The weak demand in the Middle East market continues from recent weeks, with enquiry levels remaining very low. Product availability and terminal inventories are also at extremely low levels, with ex-wharf sellers encouraging suppliers to lift the remaining quantities available. At the same time, several suppliers have already loaded barges with product but are struggling to place volumes due to the lack of market demand. We expect these conditions to persist this week unless there is a positive local development regarding the SoH situation.







Demand in the Red Sea market also remains subdued, with enquiry levels continuing to be soft across the area. However, product availability remains stable, and operations are proceeding normally without any disruptions reported. Among the regional ports, Port Said continues to offer the most competitive pricing.

## New York

	VLSFO	HSFO	MGO
Availability			
Days of notice	7	10	3
Demand			







Demand is steady with rising premiums on avails up and down the USEC. In particular, LSMGO avails are waning.

## Panama

	VLSFO	HSFO	MGO
Availability			
Days of notice	3-5	4-6	3-5
Demand			







Crude moved up sharp and prices are still high.

## Malta

	VLSFO	HSFO	MGO
Availability			
Days of notice	5-7	6-9	3-5
Demand			







Malta remains reasonably well supplied on MGO & VLSFO while ULSFO and HSFO are facing some loading delays, resulting in slightly longer lead times. Demand has softened marginally this week, which is also putting mild downward pressure on premiums heading into next week.

## Durban

	VLSFO	HSFO	MGO
Availability			
Days of notice	4-7	8-12	8-12
Demand			







HSFO avails are tight with only one player with avails currently. VLSFO is OK and barges able to consider prompt. The gasoil market remains tight as clean product is in high demand with the majority focussed on the automobile sector.

## Port Louis

	VLSFO	HSFO	MGO
Availability			
Days of notice	5-8	7-9	5-8
Demand			

The PL market remains steady with regular callings and stable avails. Pricing levels are stabilising as replenishment of all grades becomes more available.

## Walvis Bay

	VLSFO	HSFO	MGO
Availability			
Days of notice	5-7	10-12	5-8
Demand			

Poor weather in the winter times has begun, with heavy winds and swells, meaning the majority of supplies now take place at anchorage which include a 15k STS cost and agency upon client. Demand is steady and avails are, for the moment, well supplied.

*In this issue of the Weekly Market Report, we discuss recent developments in the oil market and the renewed upward pressure on oil and bunker prices, notably VLSFO.*

*Editorial deadline: Monday, May 18, 22.00 CET*

## Oil market update: Physical tightness may be about to return

Since the previous weekend, when the Iranian response to the US peace proposal became known, the oil price has risen from USD 100 to USD 110. The market is fundamentally adjusting to the risk that the Strait of Hormuz closure could drag on, or that the war could break out again.

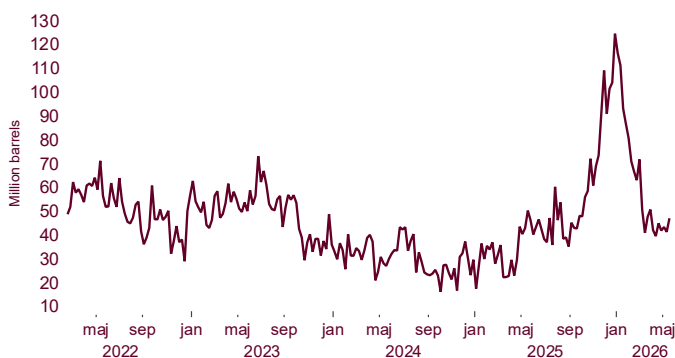
In our latest issue of the [Weekly Market Report](#) from 12 May, we described how several factors helped stabilise the oil market in April.

### But stabilising factors may be exhausted

But several of these stabilising factors are now at risk of being exhausted. That could send oil prices higher and increase the pressure in the physical market through higher Dated Brent and higher product cracks.

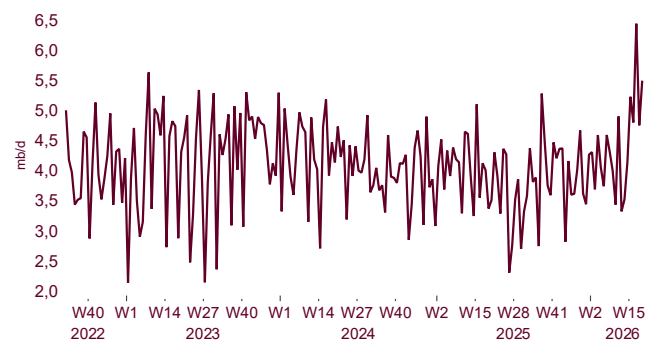
- The US cannot continue increasing exports for much longer
- Oil stored at sea outside the Persian Gulf, notably Asia, has largely disappeared
- China could start importing more oil again. Despite China's large crude oil inventories, refinery runs fell sharply in April due to the steep decline in crude oil imports. China could also slow exports of refined products again

**No more extra oil in floating storage in Asia**



— Asia Crude Oil Floating Storage  
 Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

**The jump in US crude oil exports is not sustainable for a longer period**



— DOE Total US Crude Oil Exports, mb/d  
 Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

- Expectations for when the Strait can reopen may be shifting, which could trigger “panic buying”

- In financial markets, especially in the US, fears of inflation are rising. That could again prompt speculators to buy oil as an “inflation hedge”, after they have been net sellers in recent weeks
- Global oil inventories are falling with every day that passes. The International Energy Agency, IEA, published its monthly oil market report last week. It paints a worrying picture of the inventory situation. The report is, unusually, publicly available at [www.iea.org](http://www.iea.org)
- Russian oil exports could come under pressure as a result of Ukrainian attacks on energy facilities. The US has also not extended the sanctions waiver

**In addition, there are several developments from recent days worth noting**

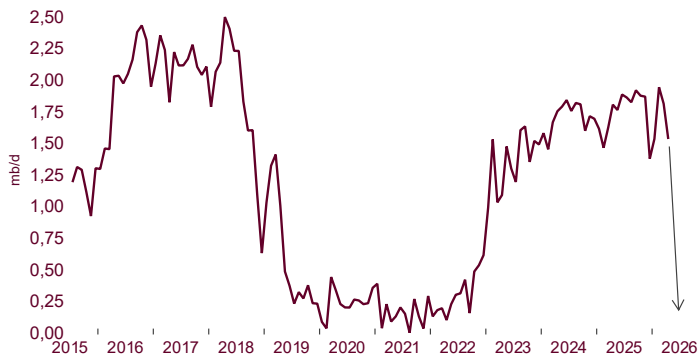
- Trump has returned to the strategy seen at the start of the war and is trying to threaten his way to a peace agreement. Sunday, he wrote: “For Iran, the Clock is Ticking, and they better get moving, FAST, or there won’t be anything left of them. TIME IS OF THE ESSENCE!”
- The threats, however, appear to be bouncing off the Iranian regime, which reportedly believes that time is working in its favour rather than in favour of the US and Trump. This should be seen in light of rising US gasoline prices ahead of the “driving season”, which starts this coming weekend with Memorial Day on 25 May
- There has been a new drone attack on the UAE, which triggered a fire at a nuclear power plant. However, there was no risk of a leak. The attack should probably be seen as a warning that Iran is capable of escalating
- No concrete solution to the conflict was put on the table when Trump visited China last week

There is, however, no doubt that the White House wants to end the conflict. And with market rates and gasoline prices rising, and equity markets in the red both on Friday and Monday, the pressure to find a solution is mounting. Monday night, Trump announced that he had stopped an imminent military attack on Iran after a number of Middle Eastern states had asked for more time to find a negotiated solution

However, the direction for oil prices still points higher this week. If the pressure on both equity and bond markets continues, however, it could heighten concerns about growth and dampen oil prices.

At the end of the day, there is a tug-of-war between the US and Iran. Iran has lost its crude oil exports, and the White House faces high gasoline prices as the mid-term election approaches in the Autumn. Who will blink first?

### Very small Iranian crude oil export in May



— Iran Crude Oil Total Exports. mb/d  
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM



### US retail gasoline prices close to 2022 peak



— US gasoline retail price, USD/gallon  
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM



## Fuel/Bunker: More expensive VLSFO in Singapore and lower fuel oil stocks in ARA

Bunker prices (1M) are close to their April highs. Notably, VLSFO has started to become more expensive again relative to Brent, reflected in a higher crack. VLSFO is a blended product and is affected, among other things, by more expensive distillates such as gasoil.

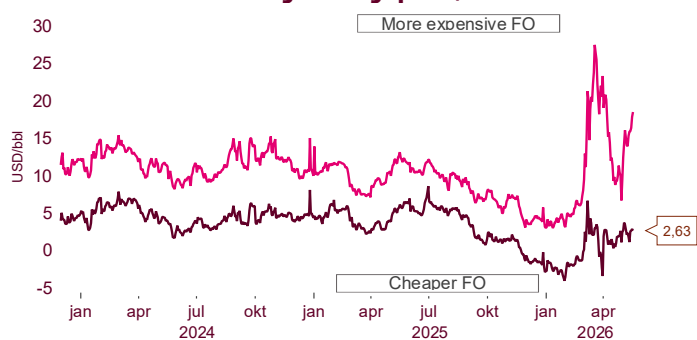
The tendency towards a wider VLSFO crack is mainly seen in Singapore, and to a lesser degree in ARA and the US Gulf. The move in the Singapore crack may be the first warning sign from the paper market that the market is tightening further.

As discussed above, we see a risk that tightness will return to the physical market if the closure extends towards the end of June. For VLSFO, the impact will be felt through reduced availability of blending components. For HSFO, the lack of Persian Gulf products will add to the pressure.

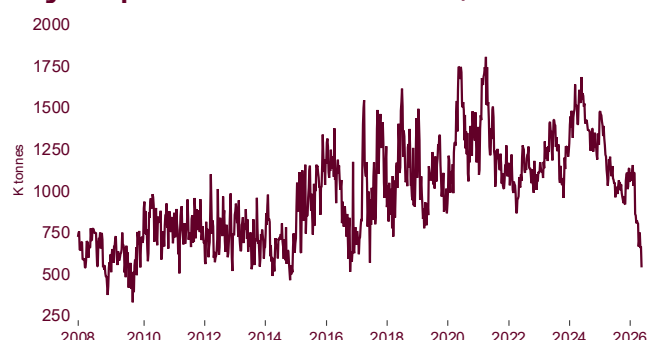
The more expensive VLSFO has pushed the price spread between VLSFO and HSFO, the so-called HI5 or scrubber spread, further up in Singapore. We expect the tendency towards a higher HI5/scrubber spread to continue both in Asia and ARA. Note that the east-west spread is widening again for VLSFO. Asia is bidding up prices.

We have seen a significant drop in fuel oil inventories in ARA over the last month. It adds upside for ARA bunker prices. See also the specific port comments above.

**VLSFO cracks are rising in Singapore, 1M**



**Large drop in ARA fuel oil inventories, k tons**



— Singapore Fuel Oil 0.5% FOB Swap vs Brent Swap Crack M1  
— Rotterdam Fuel Oil 0.5% FOB Brg Swap crack M1

— Fuel oil inventories ARA

Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

Source: Bloomberg, Macrobond, Dan-Bunkering, GRM



**Below is our forecast for oil, bunker fuel, and EUAs, updated as of May 18, 2026.**

	Spot	Q2 2026	Q3 2026	Q4 2026	Q1 2027	Q2 2027	avg. 2026	avg. 2027
<b>Brent, USD/bbl</b>	111,4	103	90	83	77	75	89	76
<b>ICE Gasoil, USD/MT</b>	1232	1181	1043	919	834	820	1005	827
<b>HSFO (1M 3.5% Rotterdam Barge), USD/MT</b>	638	619	533	491	457	451	526	454
<b>VLSFO (1M 0.5% Rotterdam Barge), USD/MT</b>	693	682	597	548	514	508	584	511
<b>EUA spot, EUR/MT</b>	74	76	80	95	96	96	81	96

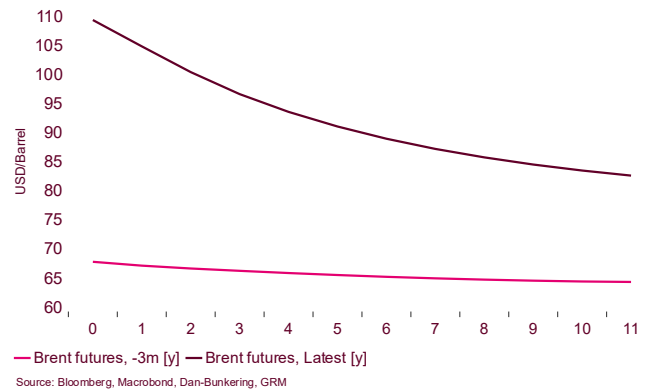
Source: Dan-Bunkering, indicative spot-prices based on Bloomberg 1M fair-value

**Overview Charts:**

**Brent oil**



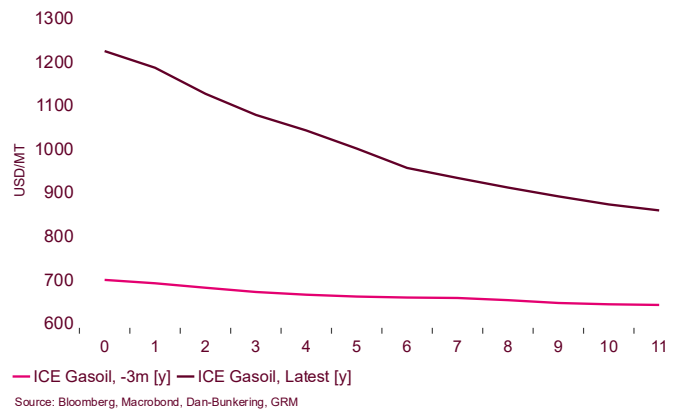
**Brent forward curve, indicative prices**



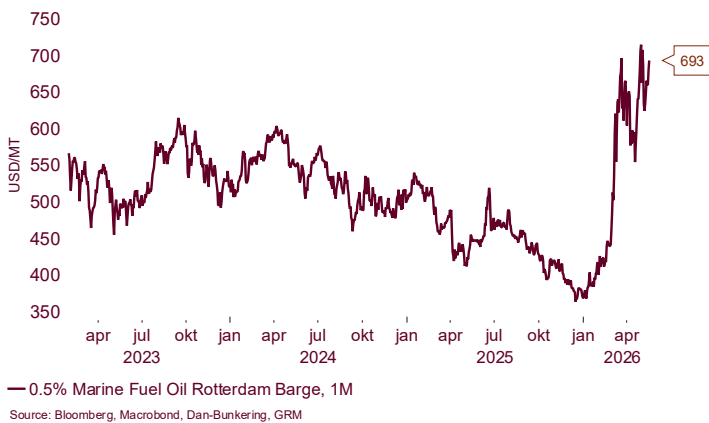
**ICE Gasoil, 1. Pos.**



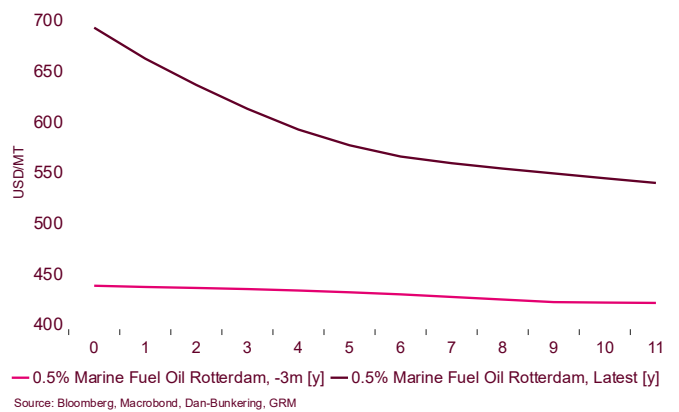
**ICE Gasoil forward curve, indicative prices**



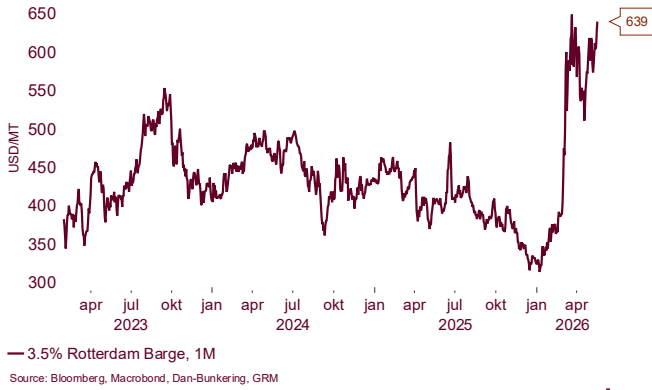
**0.5% Marine Fuel Oil Rotterdam Barge, M1**



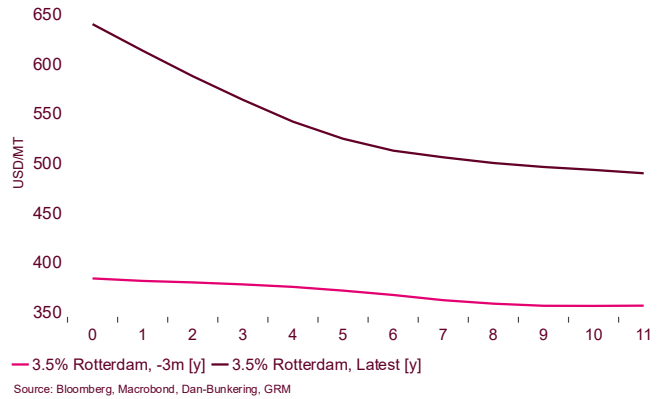
**0.5% Marine Fuel Oil Rotterdam Barge Forward Curve, indicative prices**



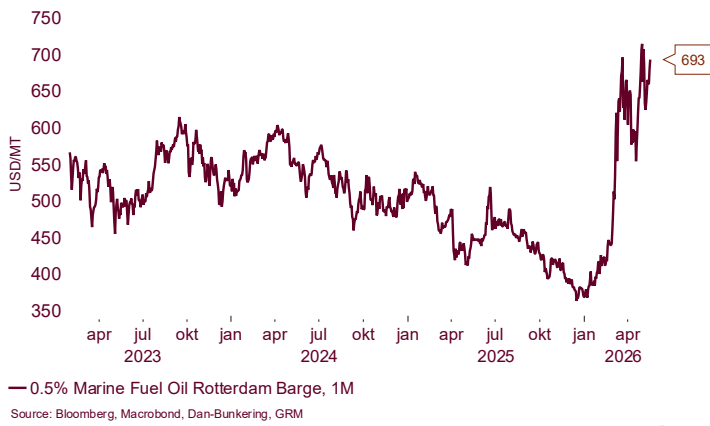
**Rotterdam 3.5% Barge**



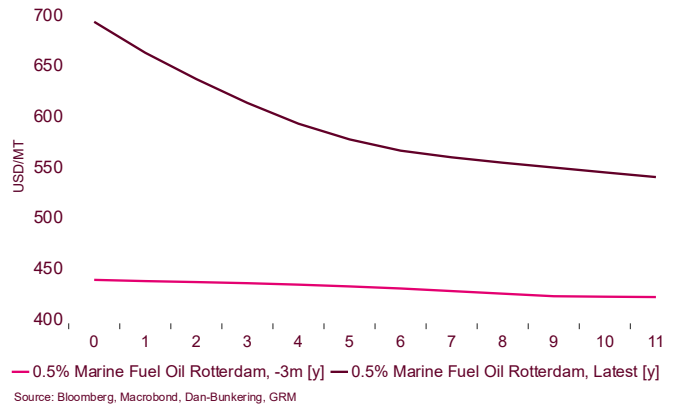
**Rotterdam 3.5% Barge forward curve, indicative prices**



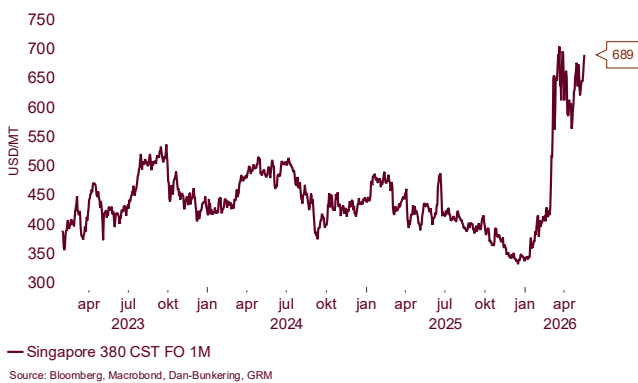
**0.5% Marine Fuel Oil Rotterdam Barge, M1**



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



**Singapore FOB 0.5% Marine Fuel Oil swap 1M**



**Singapore FOB 0.5% Marine Fuel Oil swap forward curve, indicative prices**

