

# Weekly Market Report

September 30, 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	8	8
Demand	    	    	    

The Asian LSFO market is seen remaining rangebound, as adequate inventories are likely to cap any sharp upswing in cash valuations. Stockpiles for the prompt month may keep intermonth spreads between a slight contango and a narrow backwardation.

The Asian HSFO market could come under pressure from elevated replenishment cargoes between end-September and mid-October. Potentially, this adds to the adequate supplies.































The Asian gasoil complex may remain firm, supported by lower stockpiles and imports, alongside fresh Russian export controls.

## ARA

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







Lsmgo noticeably tight on the prompt so requesting extra notice where possible on this grade.

## Fujairah

	VLSFO	HSFO	MGO
Availability	    	    	    
Days of notice	3-5	10-13	2-4
Demand	    	    	    







The FUJ/KFK market saw a slight pickup in demand this week, though activity remains measured rather than strong. The standout development is on HSFO, where availability has become extremely tight, with lead times now stretching to 10-15 days and premiums rising accordingly. VLSFO is also showing some tightening, though a few prompt slots are still available at a premium. Looking ahead, HSFO supply pressure is likely to persist into next week, keeping premiums firm, while VLSFO should remain relatively stable but with prompt barrels continuing to command a premium.

## Houston

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







The FUJ/KFK market saw a slight pickup in demand this week, though activity remains measured rather than strong. The standout development is on HSFO, where availability has become extremely tight, with lead times now stretching to 10-15 days and premiums rising accordingly. VLSFO is also showing some tightening, though a few prompt slots are still available at a premium. Looking ahead, HSFO supply pressure is likely to persist into next week, keeping premiums firm, while VLSFO should remain relatively stable but with prompt barrels continuing to command a premium.

## New York

	VLSFO	HSFO	MGO
Availability			
Days of notice	3	6	1
Demand			







Demand remains strong from liner segment. Spot demand not there.

## Panama































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

Market down.































## Gibraltar

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

## Malta































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

## Port Louis

	VLSFO	HSFO	MGO
Availability	    	    	    
Days of notice	4-6	5-7	3-5
Demand	    	    	    































A quiet week continues, with minimal demand. HSFO cargoes may filter down to PL shortly.

## Durban

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

Poor weather in Port Elizabeth has seen more inquiries than previous weeks heading to Durban, however the market still remains flat.

## Walvis Bay

	VLSFO	HSFO	MGO
Availability	    	    	    
Days of notice	5-7	5-7	4-6
Demand	    	    	    

High swells continue meaning STS at anchorage only. Some suppliers have moved out further north up the coast to avoid delays.

## Budget outlook 2026 – focus on EUA and oil outlook

In this edition of Energy Market Drivers, we turn our focus to 2026, with particular emphasis on oil and EUA prices. We also briefly touch on the outlook for currencies and interest rates.

How should buyers of bunkers and EUAs address price risks, and what considerations should form the basis for setting budget assumptions? These are the questions we aim to answer. The forecasts are provided By Global Risk Management (GRM), which is the paper arm of the Bunker Holding Group and a sister company to Dan-Bunkering

### Key messages:

1. There is a possibility that the Brent crude oil price will fall in Q4 towards USD 62. We assess this as temporary. It could provide an attractive entry level for hedging in 2026. We expect the average Brent price to be USD 67 in 2026.
2. EUA prices may come under pressure in the very short term. However, we see clear upside risk in 2026 due to a tight market. This could push EUA prices above EUR 100/MT in 2026.
3. We expect a weaker US dollar in the first half of the year, but a stronger dollar in the second half.

## Economic and financial outlook

At first glance, the global economy appears stronger than often assumed. According to “consensus” (an average of economists and analysts), global GDP growth is expected to reach 2.9% in 2026, broadly in line with growth in 2024 and 2025.

As has been the case for many years, it is primarily commodity-intensive economies such as China, India, and the Middle East that are expected to drive growth in 2026.

However, there are significant risks: growth could turn out markedly lower than expected. The high U.S. tariffs represent an unprecedented economic experiment. If inflation rises sharply, the Federal Reserve could be forced to maintain or even raise interest rates. U.S. consumers could see a significant decline in purchasing power, while the unpredictable statements coming from the White House may erode investment appetite in the U.S.

Outside the U.S., the key concern is naturally the effect of high tariffs. Both European and Asian economies rely heavily on exports to the U.S. A further escalation of the trade war could, in practice, push the world economy into recession.

From a market perspective, the equity market has long priced in the expectation of continued growth.

For the oil and broader commodity markets, it is more difficult to assess what has already been priced in – particularly as the supply side, with OPEC+, will play a decisive role. The recent rise in the EUA price may be linked to improved prospects for the European industry as the effects of German fiscal easing become clearer. However, it may also reflect expectations of lower EUA supply in the years to come.

### Currencies: The weakening of the dollar is not yet over. Stronger dollar in 12 months

In the currency market, the dollar has weakened sharply in 2025. EUR/USD has risen from 1.04 to 1.17, corresponding to a depreciation of about 12%. This weakening reflects both the Fed's shift to rate cuts and the market now pricing a specific "Trump risk premium" into the dollar's value. There is a clear preference in the White House for a weaker dollar, and a growing number of investors are questioning its role as a reserve currency.

We expect the EUR/USD exchange rate to trade in the 1.15–1.22 range (quarterly average) in 2026, equivalent to DKK 6.11–6.48. We therefore continue to see a risk of further dollar weakening over the coming six months, although the bulk of the depreciation is judged to be behind us. It should be stressed that the dollar has already weakened substantially, and for energy buyers exposed to the dollar, the currency is already "weak". And if there is one market that repeatedly surprises analysts, it is the FX market. On a 12-month horizon, in contrast to both the forward market and consensus (the average of analyst expectations), we see a stronger U.S. dollar.

Previously, there was a relatively clear negative correlation between the dollar and USD-denominated commodities such as oil. A stronger dollar meant lower oil prices and vice versa. Today, the correlation is much weaker, and in some cases, it has even reversed. Non USD-based buyers should therefore be cautious in assuming they have a "natural" hedge via the exchange rate.

When hedging FX risk for USD-denominated commodities such as oil and diesel, the forward discount should be taken into account. In practice, it is cheaper to buy USD forward, with the discount amounting to around 2% per year vs EUR.

### GRM FX forecasts and consensus (Bloomberg)

		Spot	Q4 2025	Q1 2026	Q2 22026	Q3 2026	Q4 2026	2026 (avg)
EUR/USD	Consensus		1,19	1,20	1,20	1,21	1,22	1,21
	GRM	1,17	1,17	1,20	1,21	1,18	1,15	1,19
GBP/USD	Consensus		1,27	1,37	1,39	1,39	1,4	1,39
	GRM	1,34	1,36	1,38	1,39	1,36	1,32	1,36
EUR/GBP	Consensus		0,87	0,87	0,87	0,87	0,87	0,87
	GRM	0,87	0,86	0,87	0,87	0,87	0,87	0,87
USD/DKK	Consensus		6,26	6,21	6,21	6,16	6,11	6,17
	GRM	6,39	6,37	6,21	6,16	6,31	6,48	6,29

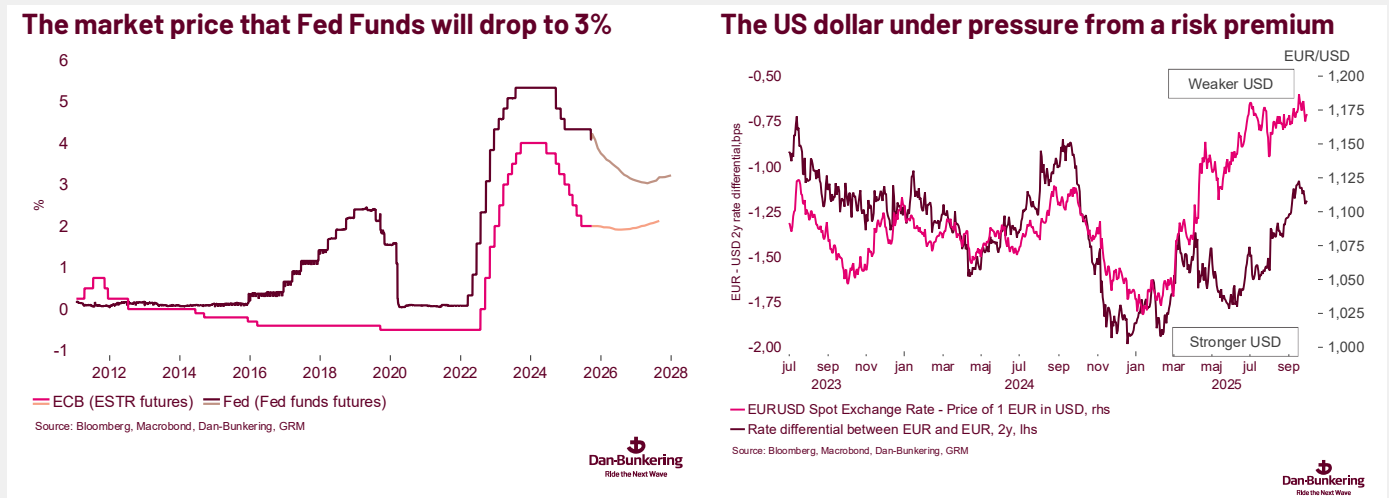
Source: Bloomberg, GRM

### Interest rates: Outlook for lower rates, but perhaps not as much as many expect

Lower U.S. rates are anticipated in Q4 and in 2026. There could also be a modest decline in EUR rates. However, we assess that the rate cuts in the U.S. may not be as numerous as the market currently expects.

The interest rate market is pricing that the long-term U.S. policy rate, the Fed funds rate, will be reduced by just over one percentage point from today's level to around 3%.

As for the ECB, the market sees only a small probability of another cut from the current level of 2%. We assess, however, that the likelihood of one or more ECB rate cuts is higher. This would tend to weaken the euro and strengthen the U.S. dollar.



Oil and oil products: Downside risk in the coming months, but higher through 2026

The oil market has been surprisingly stable in recent months, with Brent trading in a narrow range between USD 65 and USD 70. At present, two themes dominate:

1. The market expects a massive inventory build in Q4 and in the first half of 2026. OPEC+ has already rolled back the first layer of production cuts, 2.2 million barrels per day (mb/d) over five months (versus the planned 18 months). The group is now implementing the second layer of 1.67 mb/d. There are strong indications that OPEC+ is pursuing a market-share battle, primarily against U.S. shale production, but also internally, as Saudi Arabia has been dissatisfied with countries such as Kazakhstan and Iraq producing above their quotas. Both the IEA and the EIA project a significant inventory build, reaching up to 4 million barrels per day (mb/d). That would be historic in scale, not seen since the pandemic years. We judge, however, that the build outside China will not be as severe.

In the OECD regions, there are not yet signs of significant stock increases, partly because China accumulated extensive inventories earlier this year. These reserves are still only half full, and we expect Chinese stockpiling to continue into and throughout 2026, which will support oil prices.

In addition, we assess that the fear of very low prices combined with high tariffs (not least in the U.S.) could lead to a slowdown and even a decline in U.S. oil production in the coming quarters.

Finally, we expect OPEC+ to halt production increases if Brent drops below USD 60 for an extended period. Some inventory build, however, will be challenging to avoid.

2. A geopolitical premium is currently embedded in the market. The EU's 19th sanctions package is pending. It is expected to target Indian and Chinese refineries using Russian crude. As of 21 January 2026, an import ban on oil products derived from Russian crude will take

effect. Sanctions on Iran and Venezuela may also be tightened. Trump is likewise focused on pushing countries such as Turkey, India, and China – large buyers of Russian crude – to reduce or halt purchases.

There are thus strong signals that Trump has distanced himself from Russia and aligned more closely with Europe's support for Ukraine. Ukraine has, in recent months, successfully targeted Russian refineries. Russia has already stopped gasoline exports to the global market, and this week imposed a ban on "traders" seeking to export diesel. Officially, refineries are still allowed to export diesel, but we assess that this will, in practice, cease if the Russian economy faces a shortage of diesel.

Price outlook: Down in Q4, rising profile from Q1

Our expectation for Brent is that prices will come under pressure in the fourth quarter. Even if the inventory build is not as severe as in the IEA scenarios, rising stocks are likely to push Brent down towards USD 60. The price could briefly fall below USD 55.

We do, however, expect OPEC+ to respond, while U.S. production slows. Therefore, we foresee prices beginning to rise already in Q1 and continuing to increase during Q2 and the second half of 2026, moving back towards USD 65–70.

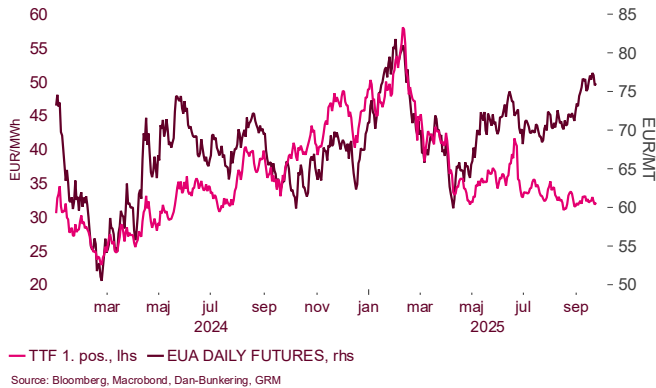
For diesel and gasoil, we have already seen a higher crack (the premium of a barrel of product relative to Brent). We expect the crack to remain elevated through Q4 and throughout 2026. The risk is judged to be to the upside.

Fuel oil, such as HSFO (3.5%) and VLSFO (0.5%), is expected to track Brent broadly. Cracks for HSFO have declined (more negative). Towards the summer, demand in the Middle East linked to higher power generation (air conditioning) is likely to provide additional support. However, increased OPEC+ production will also bring more heavy crude and higher residual yields, which suggests that HSFO will not be as strong as it was earlier this year.

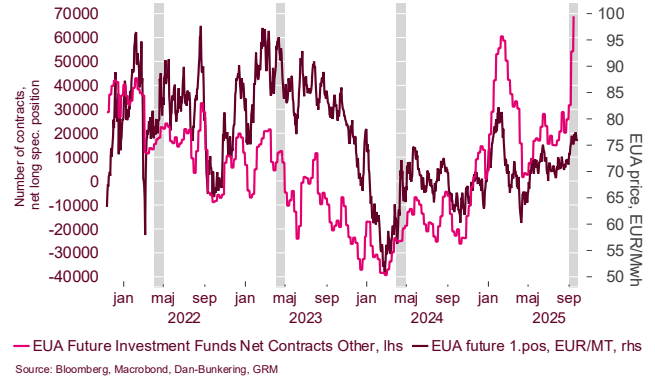
For VLSFO, cracks have fallen sharply in the past month. We expect this to normalise during 2026. Overall, we expect fuel oil prices to rise more or fall less than Brent through the remainder of 2025 and in 2026.



**Risk that distillates such as gasoil, diesel, jet fuel and MGO become more expensive relative to Brent (higher crack), USD/bbl**



**Speculative accounts (red series) have been heavy buyers of EUAs here in September\*. Adds to profit-taking risks. Grey bars: Compliance months**



Hedging (consumer side): Wait for better levels in Q4 to hedge 2026 exposure

Based on our forecast, we expect attractive levels for locking in 2026 consumption exposure during Q4. This applies to diesel, gasoil, MGO, jet fuel and fuel oil. However, calendar-2026 prices are likely to fall less than the spot price in Q4.

### GRM forecast: Brent oil and oil products, including fuel oil

	Spot	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Q3 2026	Q4 2026	avg. 2025	avg. 2026
Brent, baseline (USD/bbl)	70	68	62	64	67	69	69	68	67
ICE Gasoil 1M., USD/MT (GRM Forecast)	725	692	703	738	723	738	715	683	728
Jet CIF NWE cargo, USD/MT (GRM Forecast)	754	727	743	783	773	788	760	721	776
LSMGO (1M 0.1% Gasoil FOB ARA Barge)) , USD/MT (GRM Forecast)	700	676	687	722	707	722	699	666	712
VLSFO (1M 0.5% Rotterdam Barge), USD/MT (GRM Forecast)	407	393	358	368	387	400	400	402	389
HSFO (1M 3.5% Rotterdam Barge), USD/MT (GRM Forecast)	407	393	358	368	387	400	400	402	389
SING 10ppm gasoil FOB Cargo, USD/bbl (GRM forecast)	91	90	91	97	96	99	97	89	97
Sing Marine Fuel 0.5% FOB Swap, USD/MT (GRM Forecast)	481	483	463	473	492	505	505	495	494
FO 380 CST 3.5% FOB Spore Cargo 1M (GRM Forecast)	411	398	368	378	397	410	410	415	399

Source: GRM, Bloomberg

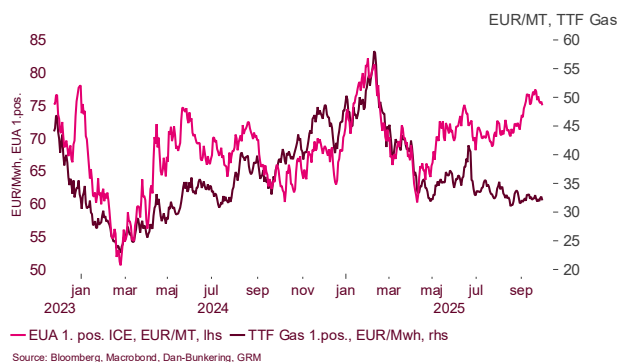
## EUA market: Short-term correction, higher in 2026

One of the most exciting markets we cover in 2026 could very well be the EUA market.

Over the past month, we have observed a sudden increase in EUA prices, and the previously close correlation with the TTF gas price has been disrupted.

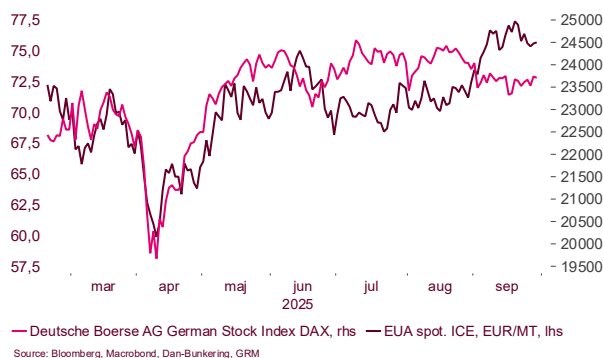
This may reflect the fact that companies covered by the EU ETS must surrender EUAs in September for their 2024 emissions. We have also seen many speculators buying aggressively in the market, most likely in an attempt to front-run some of this compliance buying. It is therefore possible that in the coming weeks we will see profit-taking and lower prices as these last-minute EUA purchases dry up.

### EUAs have outperformed TTF gas



Source: GRM, Macrobond, Bloomberg

### Higher correlation with equity markets



Source: GRM, Macrobond, Bloomberg

But it is also possible that more fundamental factors are at play. It appears that the market is now starting to focus seriously on the prospect of a significant tightening in the EUA balance in 2026 and 2027.

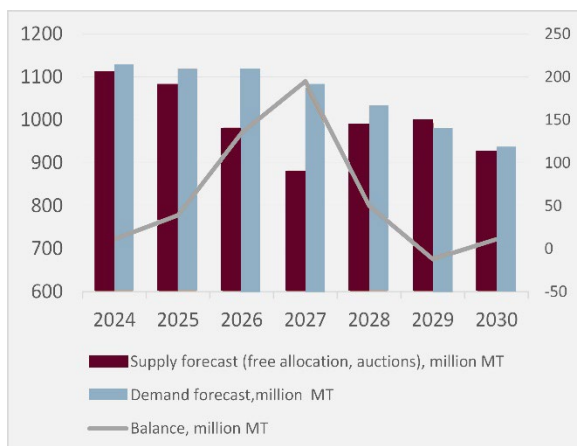
In contrast to 2024 and 2025, when the market was broadly balanced, the next two years are expected to see a marked tightening, as demand is set to exceed supply. This may explain why we have recently seen speculators increase their long positions in EUAs.

The chart below shows our expectations for supply and demand towards 2030. It indicates that there will be a shortage of EUAs in the market, particularly in 2026 and 2027.

This implies that the market “surplus” will fall sharply over the next two years. The EUA market, by nature, is a financial market. This means that — unlike physical commodity markets — an expected change in the future balance impacts the spot price already today.

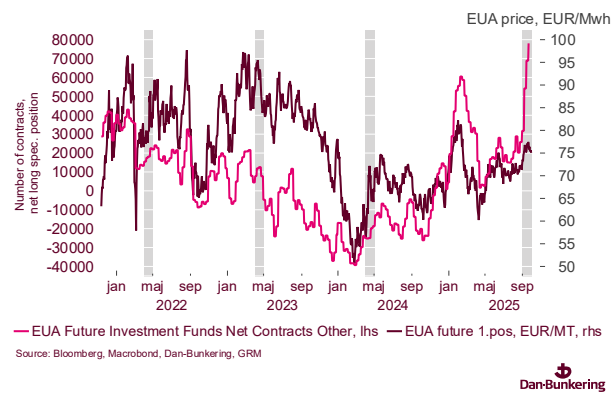
If all market participants agree that the balance will tighten and that prices should move higher, the price will rise now; otherwise, arbitrage opportunities would emerge. In practice, of course, there is never full agreement on the market balance. Liquidity factors may also prevent the price from rising today, even if there is broad agreement that it should be higher in the future.

### Tighter market balance in 2026-2027 for EUAs



Source: GRM, Macrobond, Bloomberg, ICIS

### Speculators are long EUAs (grey bares are surrendering months)



Source: GRM, Macrobond, Bloomberg

### Why do we expect a tighter market balance in 2026-27 and higher prices?

The EUA market is likely to shift from balance in 2024-25 to a clear deficit in 2026-27. The main drivers of this tightening are:

- **Steeper Linear Reduction Factor:** From 2024 the LRF was raised from 2.2% to 4.3% per year, and from 2028 it increases further to 4.4%.
- **RePowerEU auctions and “repayment”:** To finance energy transition projects under RePowerEU, the EU in 2022 front-loaded allowances for sale from the 2023-26 period. These extra auctions end in August 2026, which, on a net basis, removes allowances from the market and leaves fewer available in the future.
- **Market Stability Reserve (MSR):** The MSR continues to absorb excess allowances, preventing the buffer from being rebuilt. With rising demand, the reserve amplifies scarcity.
- **Phase-out of free allocations:** From 2026, sectors covered by the Carbon Border Adjustment Mechanism will lose part of their free allocation, increasing auction demand.
- **Rising demand:** From 2026, the maritime shipping sector must cover 100% of its emissions (40% in 2024 and 70% in 2025), adding 70-80 Mt of annual EUA demand.

Our forecast assumes the market acts rationally. This means that participants over the coming quarters will start to price in a tighter balance in 2026-27. This may occur through increased speculative buying, as well as compliance buyers increasingly hedging future obligations by purchasing EUAs in the spot or forward market.

There is, of course, uncertainty on the supply side. The EU could intervene if prices rise excessively at a time when energy-intensive European industry is already under severe pressure. Such intervention could come through a direct adjustment of the balance (injection of EUAs). As seen in 2022 with RePowerEU, it could also take the form of front-loading future sales, such as those from 2028-30, into the “tight” years of 2026-27.

There is also uncertainty on the demand side. We may be underestimating the decline in CO<sub>2</sub> emissions, especially in the power sector. The expansion of renewables has exceeded expectations over the past two years, and this trend is likely to continue. A European recession would reduce EUA demand. We may also be underestimating the effect of U.S. tariffs.

Overall, we assess that the risks tilt to the downside relative to our base case, implying a price increase above EUR 100/MT in 2026.

We would stress, however, that once the market begins to price in a tighter balance, it is likely to occur over a relatively short period, via a sharp increase in prices.

### GRM forecast: EUA-price, spot

	Spot	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Q3 2026	Q4 2026	avg. 2025	avg. 2026
EUA, EUR/MT	75	72	70	75	90	102	105	71	93

Source: GRM, Bloomberg

### We recommend a high hedge ratio for EUA exposure

Based on our price outlook and the assessment that a tighter balance will be priced through a sharp rise already in 2026, we recommend a high hedge ratio. This is particularly relevant if we see a price correction following the recent rally, down to the EUR 70–74/MT range in Q4.

The ECB rate cuts have contributed to a flatter EUA forward curve, reflecting the lower interest rate curve.

It is also worth considering using current price levels for more strategic hedging – further out on the curve and at a higher hedge ratio than the benchmark. This can be implemented either through spot purchases of EUAs or via forward contracts. Contact Dan-Bunkering for more information.

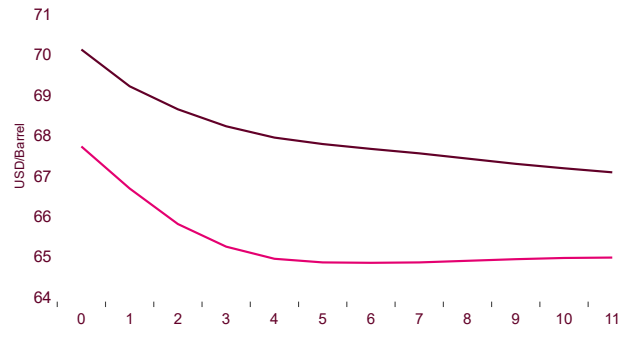


## Overview Charts:

**Brent oil**

— Brent future, 1st position

Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

**Brent forward curve, indicative prices**

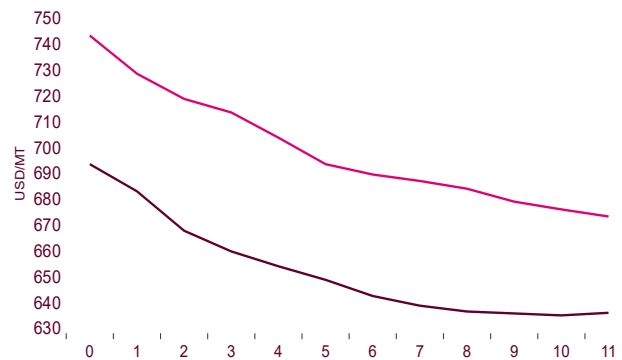
— Brent futures, -3m [y] — Brent futures, Latest [y]

Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

**ICE Gasoil, 1. Pos.**

— ICE Gasoil, 1st. position

Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

**ICE Gasoil forward curve, indicative prices**

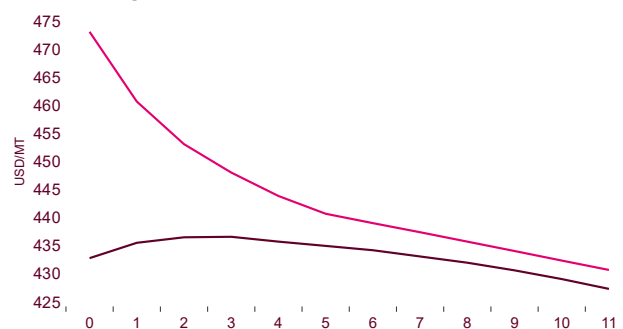
— ICE Gasoil, -3m [y] — ICE Gasoil, Latest [y]

Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

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

— 0.5% Marine Fuel Oil Rotterdam Barge, 1M

Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

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

— 0.5% Marine Fuel Oil Rotterdam, -3m [y] — 0.5% Marine Fuel Oil Rotterdam, Latest [y]

Source: Bloomberg, Macrobond, Dan-Bunkering, GRM



### Rotterdam 3.5% Barge

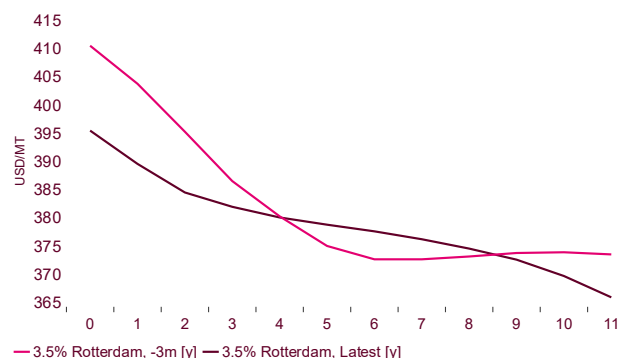


— 3.5% Rotterdam Barge, 1M

Source: Bloomberg, Macrobond, Dan-Bunkering, GRM



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



Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

