Dan-Bunkering
Ride the Next Wave

Weekly Market Report

May 13, 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	4
Demand			

The Asian low sulfur fuel oil market is expected to remain relatively rangebound over May 13-16, supported by limited arbitrage inflows into Singapore and expectations of stable downstream bunker demand in the near term. Longer term, expectations are that incremental replenishment cargoes could raise overall stock levels.

The Asian high sulfur fuel oil market may see some upside potential as summer power generation demand begins to absorb the recent supply overhang, tightening near-term regional availability. Downstream premiums may align with stronger seasonal dynamics in the longer term.

ARA

	VLSFO	HSFO	MGO
Availability			
Days of notice	3	3	3
Demand			

* HSFO is expected to become tight and we do expect a stronger market

* VLSFO some loading delays at loading terminals

* DMA is tight with some delays at the loading terminals

* BP refinery maintenance until June

Fujairah

	VLSFO	HSFO	MGO
Availability			
Days of notice	5	7	5
Demand			

Last week we experienced a small bit of loading delays due to bad weather however the situation has improved since the weekend looks like. Expecting steady demand this week after a long weekend in SGP with Platts holidays.

Houston

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

Hartree Marine has announced their entrance into the Houston market as a physical supplier. They are currently operating one dual seg barge and supplying VLSFO and LSMGO.

Demand has been weak to start May.

Spot premiums have been depressed as a result of weak demand and additional suppliers/competition.

New York

	VLSFO	HSFO	MGO
Availability			
Days of notice	3	5	1
Demand			

Tariff turmoil still causing port disruption and affecting volumes of bunker deliveries. With yesterday news we hopefully maybe can glean some clarity for the future.

Panama

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

The market is quiet today.

Gibraltar

	VLSFO	HSFO	MGO
Availability			
Days of notice	10	10	10
Demand			

Seems like things will ease up back to normal by end of the month.

Malta

	VLSFO	HSFO	MGO
Availability	■■■□□	■■■□□	■■■□□
Days of notice	10	10	10
Demand	■■■■■	■■■□□	■■■■■

Waiting for the market to rebalance, seems like end of the month.

Port Louis

	VLSFO	HSFO	MGO
Availability	■■■□□	■■■□□	■■■□□
Days of notice	4-6	4-6	4-6
Demand	■■■□□	■■■□□	■■■□□

A small uptick in demand from the previous week, however the demand remains tepid in the island nation.

Durban

	VLSFO	HSFO	MGO
Availability	■■■■□	■■■■□	■■□□□
Days of notice	2-4	2-4	2-4
Demand	■□□□□	■□□□□	■□□□□

The flat trend maintains, with minimal demand in the market, seen across the board amongst traders and suppliers. Rumours of a potential new supplier starting Q4 / Q1 2026 are beginning, which will no doubt add further pressure should the current market remain for the course of the year.

Walvis Bay

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

The flat demand remains in the region, with few inquiries in Walvis Bay; inport demand is stable but offshore remains as per the previous week. An overall weak market in Southern and Eastern Africa, with no change in sight.

US-China trade deal supports sentiment in the oil market

The sentiment in the oil market has changed since our last issue a week ago, and Brent oil prices are up roughly 10% or USD 6 since Monday, May 5th. We are currently trading just below USD 66.

Notably, the oil price continued to climb yesterday following the news from the China–US trade meeting in Switzerland.

Both equity and commodity markets responded strongly to the trade headlines. Trump has backed down, and the fears that the US would hike tariffs across the board and isolate itself, to some extent, have largely disappeared.

That said, tariffs on Chinese goods remain high at 30%, and Chinese tariffs on US goods are at 10%. Additionally, curbs on Chinese exports, including those on rare earth metals, also remain in place. Furthermore, the tariffs have been lowered for only 90 days to make room for further negotiations.

However, the risk of empty shelves in the US and a potential recession in the American economy has now diminished. That said, inflation in the US is still expected to rise over the coming months.

With the risk of recession reduced and inflation still too high, the market – unsurprisingly – has lost faith in imminent rate cuts. The market is now pricing in just two rate cuts this year. This shift has also strengthened the US dollar, with EUR/USD trading at 1.11 after reaching a high of 1.15 in April.

Price developments since early April confirm our previous view of strong support for Brent prices in the USD 60–64 range.

Nevertheless, several challenges remain for the oil market. With Trump in the Middle East today, he may attempt to exert additional pressure, particularly on Saudi Arabia, to raise oil production. We believe OPEC+ is likely to announce a new and significant production increase in early June, but we also expect it to be the last such increase for now.

But significantly, the risk of a significant drop in oil prices has decreased. This also means that, even though prices are slightly higher this week, it makes sense to increase hedging (fixed-price agreements) at current levels, especially if Brent returns closer to USD 64. For those exposed to the US dollar, there is also a clear risk that the dollar could regain more of its earlier losses.

We reiterate that we see strong support for Brent in the USD 60–64 range. However, with the recovery in financial markets, we may, on the one hand, slowly return to the USD 70 level over the coming three to four months. On the other hand, the OPEC+ announcement and the likely slowing of the global economy, despite the trade agreement, suggest lower oil prices.

Importantly, energy was never a part of the US and Chinese trade tariffs. Hence, there will be no direct impact on the energy flows. However, a significant indirect effect on overall growth and oil demand is expected. For the shipping market, the effect will be felt through the impact on trade volume. Bunker demand can also be impacted.

In today's issue, we also take a closer look at the other geopolitical factors impacting the oil market.

1. Geopolitical factors we focus on

It has been an exceptionally geopolitically packed last week, and the next seven days look no different.

Direct talks between President Putin and President Zelensky are scheduled for Thursday in Turkey. Over the weekend, Germany, France, and the UK—reportedly with backing from the US administration—issued an ultimatum to Russia: accept a 30-day ceasefire starting this week or face new, significant sanctions.

Whether these measures will be enforced remains uncertain, especially with potential talks in Turkey on the horizon. Should the West follow through, particularly with US involvement, oil prices could rise. Conversely, a ceasefire agreement would ease the geopolitical risk premium currently priced into the market.

Meanwhile, Trump is visiting the Middle East this week. Markets will be closely watching for any comments regarding oil prices, potential OPEC+ production increases, and the status of ongoing US-Iran relations. A change in tone or direction—whether an escalation or a shift toward diplomacy—could have immediate implications for energy markets.

There are also signs of movement on the Iranian front. The US and Iran have agreed to resume negotiations after Tehran indicated a willingness to curb, though not entirely halt, its uranium enrichment programme. If talks were to succeed and sanctions were eased, this would likely pressure oil prices lower. That said, we remain highly sceptical that a meaningful agreement is within reach.

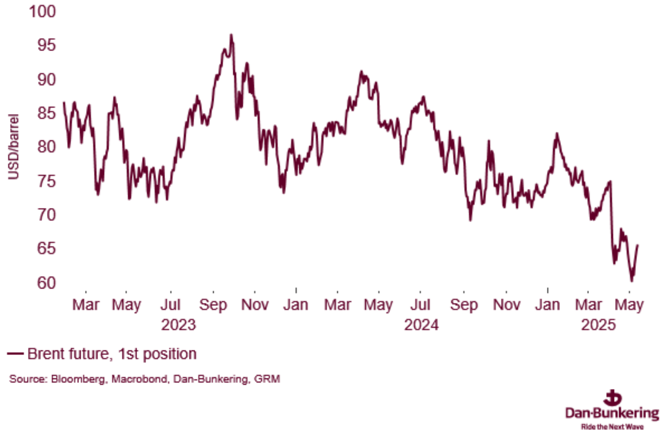
Price forecast

	Spot	Q2 2025	Q3 2025	Q4 2025	avg. 2025	avg 2026
Brent, USD/bbl	65,6	65	66	66	68	65
ICE Gasoil, USD/MT	620	642	661	648	667	635
HSFO (1M 3.5% Rotterdam Barge), USD/MT	406	401	404	400	418	392
VLSFO (1M 0.5% Rotterdam Barge), USD/MT	448	446	449	451	462	442

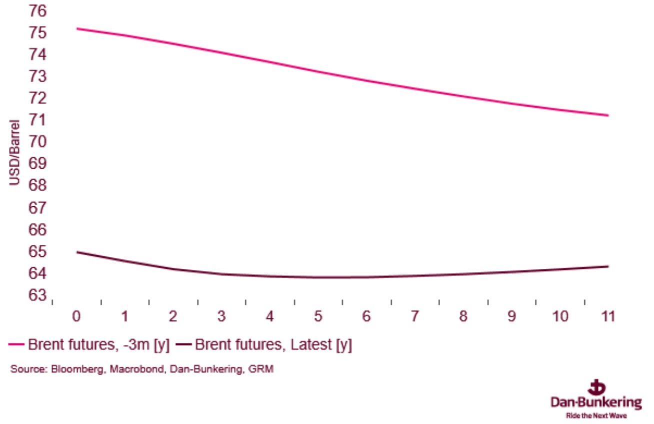
Source: Dan-Bunkering, indicative spot-prices based on Bloomberg 1M fair-value

Overview Charts:

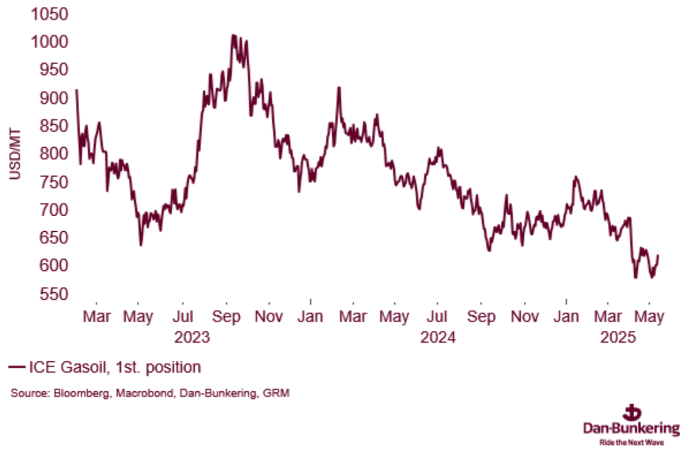
Brent oil



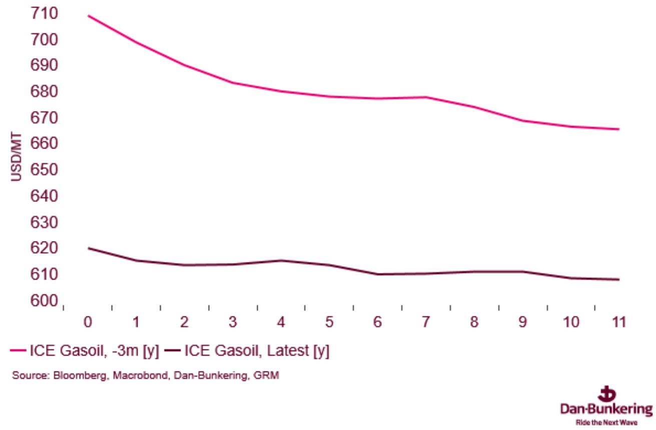
Brent forward curve, indicative prices



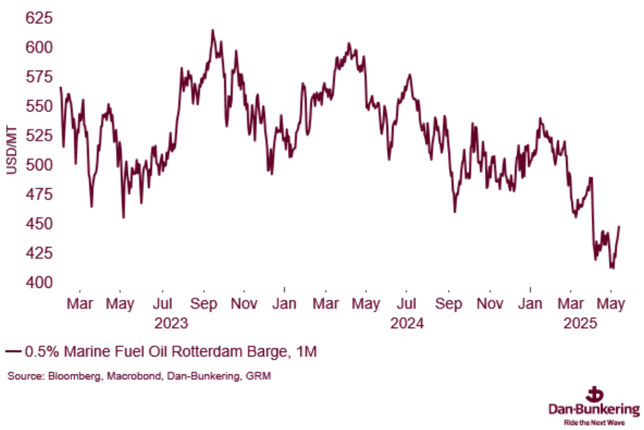
ICE Gasoil



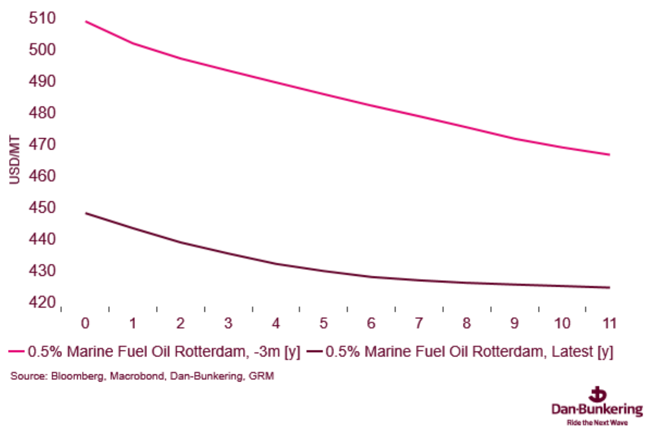
ICE Gasoil forward curve, indicative prices



0.5% Marine Fuel Oil Rotterdam Barge, M1



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



Rotterdam 3.5% Barge

Rotterdam 3.5% Barge forward curve, indicative prices