

Weekly Market Report







May 26, 2026









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	7
Demand			







ARA

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

Premiums for MGO have gone slightly lower since ex wharf levels are at around -3 basis June

HSFO/VLSFO slightly tight but not seeing much impact yet - A small higher lead time needed for HSFO but avails seems to be okay with lead time 4-5 days out.




Fujairah

	VLSFO	HSFO	MGO
Availability			
Days of notice	3	2	2
Demand			

The Fujairah / Khor Fakkan market has effectively run dry of VLSFO until further notice. There is 1 supplier option in each port with VLSFO avails and with good demand on 25-26 May the stocks are expected to run low by end of next week. Market is only expecting VLSFO cargo to arrive towards end of June. HSFO market has some limited avails in FUJ / KFK although stocks on barges remain very limited.







Cargo replenishments expected to remain limited until Q3 as Fujairah terminals continue ongoing repairs of infrastructure.

Malta

	VLSFO	HSFO	MGO
Availability			
Days of notice	7-9	9+	7-9
Demand			







Loading still quite hard on Malta, with limited slots at a time. Peninsula only operating 1 barge atm.

Gibraltar

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







Bad Weather is expected in GIB until the 29th .

Durban

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







HSFO remain tight, along with LSGO, with the bulk of GO going to the automotive market. Premiums are coming down aggressively in the paper market, however the spot market has not reacted as such, as avails are tight and one supplier in Durban is out of VLSFO avails, leading to two players only at the moment.

Port Louis

	VLSFO	HSFO	MGO
Availability			
Days of notice	7-9	8-12	5-8
Demand			

A more sluggish week than the last months this week, as buyers seem to hold on for the market drop in the markets and prior voyages stemmed already. Volumes are steady and available currently, with all grades ready to be supplied per inquiry. Premiums are markedly noted to be coming down.

Walvis Bay

	VLSFO	HSFO	MGO
Availability			
Days of notice	5-7	10-15	5-7
Demand			

A slower week than the last few, as demand peters out as clients hold off for price drops which appear to be paying fruition. Avails are OK for the moment, and suppliers are aggressive when inquiries are shown in the market.

In this issue of the Weekly Market Report, we discuss recent developments in the oil market. We discuss what may happen to oil and bunker prices when the Strait of Hormuz reopens. We also discuss the recent strengthening of the VLSFO market, notably in Singapore.

Editorial deadline: Tuesday, May 26, 13.00 CET

Oil market update: What happens to oil and bunker prices when the Strait of Hormuz reopens?

Oil and bunker markets believe in a “deal”

It has been some volatile weeks in the oil market, with sentiment swinging between expectations of an imminent peace agreement and the reopening of the Strait of Hormuz, and fears of renewed fighting and further escalation.

Trump wrote yesterday afternoon that negotiations with Iran on an “interim deal” are moving forward, or “proceeding nicely”, as he put it. The post also contained the usual threats should Iran fail to enter into an agreement.

The post included a call for the Gulf states to sign the so-called Abraham Accords, which the UAE and Bahrain signed in 2020, thereby normalising their relations with Israel. By bringing the Abraham Accords into the equation, the White House can present a peace agreement with Iran to sceptical Americans as part of a broader plan. However, it also underlines how determined the White House is to secure an agreement, which could potentially include significant concessions to Iran.

Pakistan, which has acted as an intermediary in the negotiations, confirmed yesterday that an agreement is on the way. However, there still appear to be three key outstanding issues: 1) the reopening of the Strait of Hormuz, 2) the issue of Iran’s highly enriched uranium and 3) the release of frozen Iranian funds. Several senior Iranian officials are now in Doha, Qatar, alongside Pakistan’s army chief to continue the negotiations.

For the oil and shipping market, the key questions are whether Iran will gain decisive influence over the Strait of Hormuz and, not least, how quickly the strait will reopen. According to Reuters, the Iranian Foreign Ministry spokesperson said that the agreement does not include an Iranian toll on passage through the Strait of Hormuz. Instead, Iran is reportedly working with Oman on a protocol to ensure payment for navigational assistance and environmental protection. In practice, this is probably the same as a toll. Regarding the enriched uranium, one possible solution reportedly involves sending it to China.

US attacks Iranian boats in the Strait of Hormuz

Overnight, the US and Israel attacked Iranian boats in the Strait of Hormuz and missile launch sites in Iran. Israel has also renewed its attacks on targets in Lebanon. Nevertheless, the increase in oil prices is modest, underlining the market’s strong belief that the Strait of Hormuz will reopen. Brent is down roughly 10 US dollars over the last week, trading around USD 100 at the time of writing.

What happens when the Strait reopens?

Initially, we will undoubtedly see a significant price decline. However, the decline may well be smaller than many expect. A reasonable estimate could be Brent slightly below 90, as we saw in April when the strait was open for 24 hours. It is also important to remember that the market is already pricing in a relatively quick reopening.

Furthermore, global inventories need to be rebuilt, damaged refinery capacity needs to be restored, shut-down oil production in the region needs to be restarted, and finally, the crude oil and refined products need to be shipped to buyers in Asia and Europe.

ADNOC’s CEO said last week that it will take at least four months to return to 80% of pre-war flows, and that flows will not be fully restored until the first, or perhaps second, quarter of 2027.

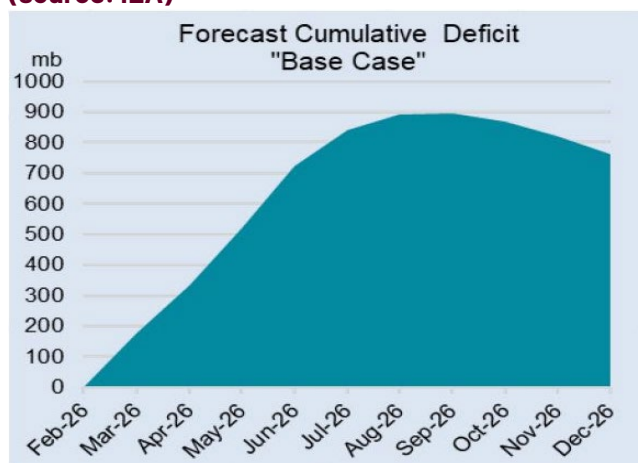
The International Energy Agency, IEA, shared the chart below in its latest oil market report. It depicts the cumulative “deficit” of barrels of oil. The IEA assumes the Strait will reopen in early June, but even then, we will have to wait until autumn for the accumulated deficit to reverse.

We expect oil prices to be in the USD 80-100 range in the third and fourth quarters, assuming the Strait of Hormuz has reopened. That is far above the level before the war.

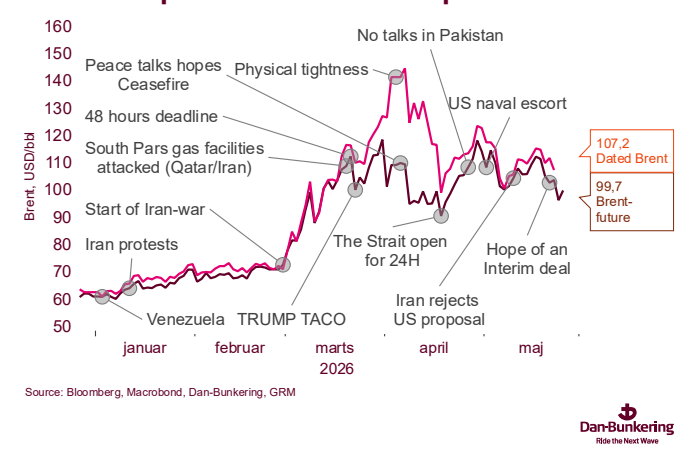
If we see a reopening of the Strait, we may very well see a so-called undershoot in prices for a brief period. If Brent dips into the low 80s, we would see that as a very attractive level for consumers to enter into a fixed-price agreement for the rest of the year and into H1 2027.

We may also see forwards drop by almost the same amount as the front contract, as the market will assume a better-supplied market in the future, adding to the attractiveness for consumer hedging.

IEAs forecast a large “cumulative deficit”, mb (source: IEA)



In April, oil prices dropped to below USD 90 when the Strait was opened for 24 hours reopens



Bunker market: Support to VLSFO crack in Singapore pushes HI-5 spread up

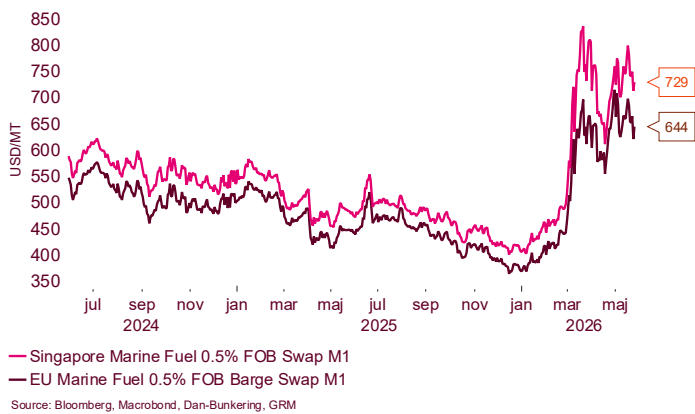
Bunker prices in the paper market (1M) remain elevated. It is especially worth noting that VLSFO has once again become more expensive relative to Brent, as reflected in a higher

crack spread. VLSFO is a blended product and is affected, among other things, by the higher cost of distillates such as gasoil and other blending components.

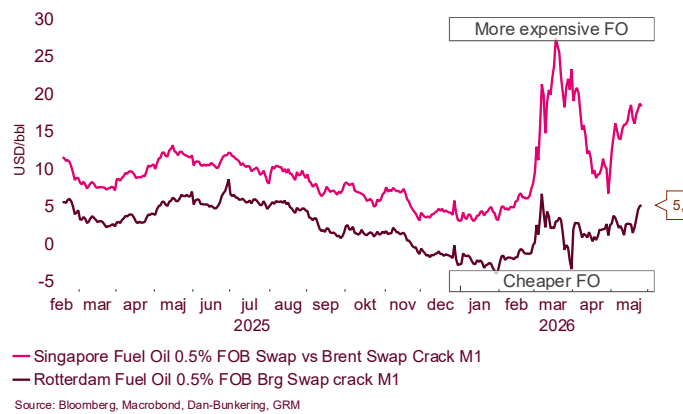
The tendency towards a higher VLSFO crack is mainly seen in Singapore, and to a lesser extent in ARA and the US Gulf. The move in the Singapore crack may be a warning sign from the paper market that conditions are tightening again.

The more expensive VLSFO has pushed the price spread between VLSFO and HSFO, the so-called HI-5 or scrubber spread, further up in Singapore. We expect the trend towards a higher HI5/scrubber spread to continue in both Asia and ARA. Note also that the East-West spread for VLSFO is widening again. Asia is bidding prices higher. See the charts on the next page.

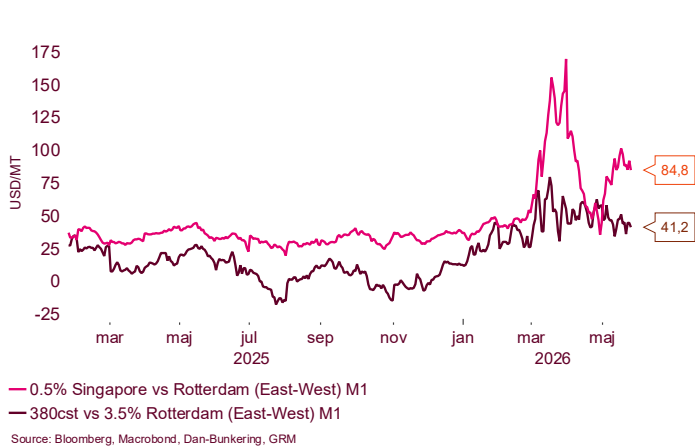
VLSFO prices remain elevated, USD/MT



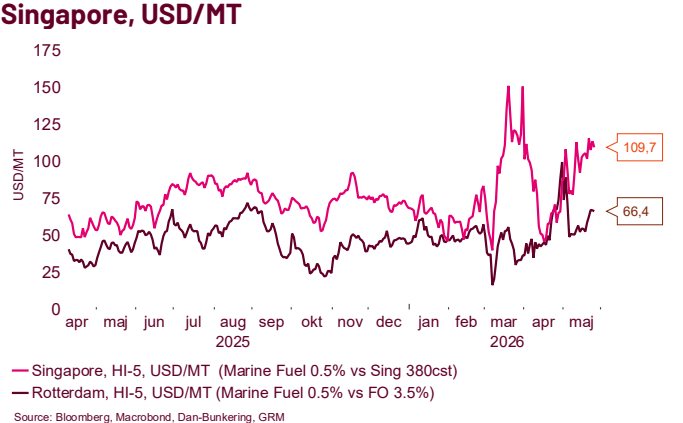
VLSFO cracks are rising in Singapore, 1M



Higher East-West spread for VLSFO, USD/MT



HI-5/scrubber spread moving higher, notably in Singapore, USD/MT



Below is our forecast for oil, bunker fuel, and EUAs, updated as of May 26, 2026.

	Spot	Q2 2026	Q3 2026	Q4 2026	Q1 2027	Q2 2027	avg. 2026	avg. 2027
Brent, USD/bbl	99,5	103	90	85	79	77	89	78
ICE Gasoil, USD/MT	1084	1181	1043	931	852	834	1008	843
HSFO (1M 3.5% Rotterdam Barge), USD/MT	577	619	533	502	472	464	529	468
VLSFO (1M 0.5% Rotterdam Barge), USD/MT	645	682	597	559	529	521	586	525
EUA spot, EUR/MT	76	76	80	95	96	96	81	96

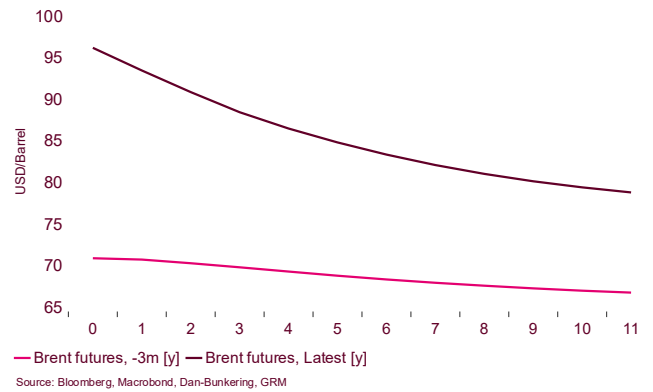
Source: Dan-Bunkering, indicative spot-prices based on Bloomberg 1M fair-value

Overview Charts:

Brent oil



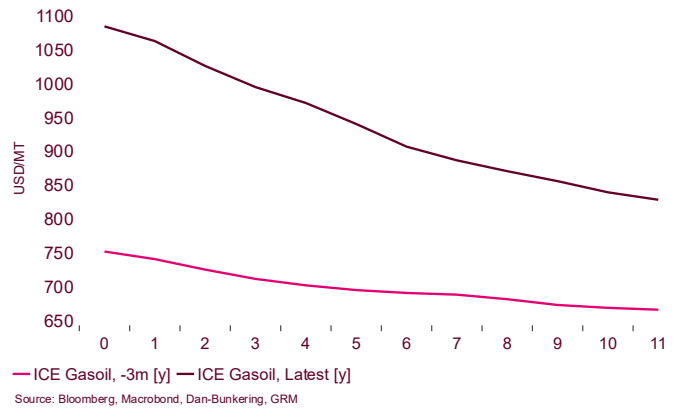
Brent forward curve, indicative prices



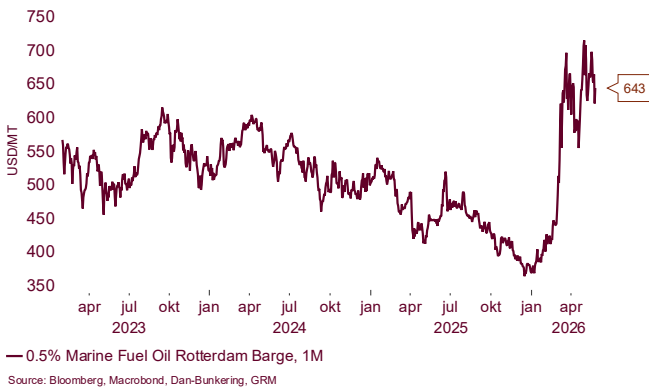
ICE Gasoil, 1. Pos.



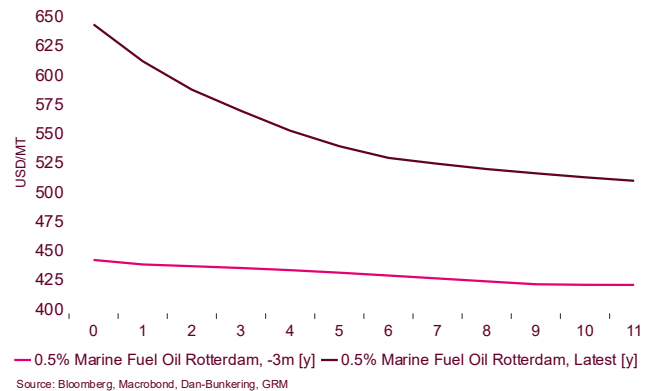
ICE Gasoil forward curve, indicative prices



0.5% Marine Fuel Oil Rotterdam Barge, M1



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



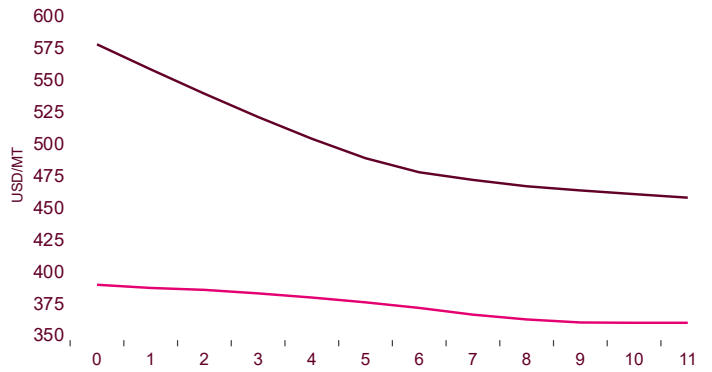
Rotterdam 3.5% Barge



Source: Bloomberg, Macrobond, Dan-Bunkering, GRM



Rotterdam 3.5% Barge forward curve, indicative prices



Source: Bloomberg, Macrobond, Dan-Bunkering, GRM



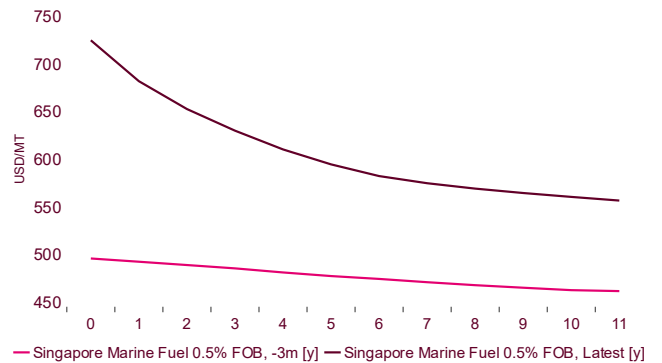
Singapore FOB 0.5% Marine Fuel Oil swap 1M



Source: Bloomberg, Macrobond, Dan-Bunkering, GRM



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



Source: Bloomberg, Macrobond, Dan-Bunkering, GRM



3.5% Singapore 380 CST FO swap, M1

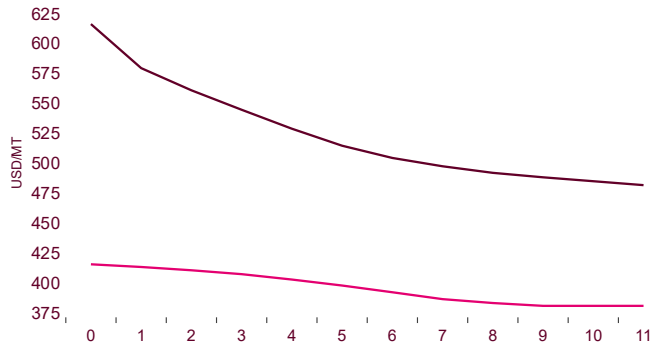


— Singapore 380 CST FO 1M

Source: Bloomberg, Macrobond, Dan-Bunkering, GRM



3.5% Singapore 380 CST FO Forward Curve, indicative prices



— Singapore 380 CST FO, -3m [y] — Singapore 380 CST FO, Latest [y]

Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

