Dan-Bunkering
Ride the Next Wave

Weekly Market Report

November 17, 2026



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

Bunker Port Brief

Singapore

	VLSFO	HSFO	MGO
Availability			
Days of notice	15	15	11
Demand			

ARA

	VLSFO	HSFO	MGO
Availability			
Days of notice	7-10	5-7	3-5
Demand			

Tight VLSFO availability for prompt deliveries, requiring longer lead times. VLSFO premiums have also increased due to a shortage of blending components.

Fujairah

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

Middle East continues to see low demand due to ongoing regional tensions and increased attacks at the Strait of Hormuz. Product availability continues to tighten across all grades, with HSFO particularly constrained compared to the other two grades.

New York

	VLSFO	HSFO	MGO
Availability			
Days of notice	4	6	4
Demand			

Demand static to normal on contract side. Demand on spot has been weak up and down USEC. Q1 27 contracts starting to tender out, and they look large as per usual. Availability is ok on heavy product, for distillate, remaining Q4 and Q1 27 will be short.

Panama

	VLSFO	HSFO	MGO
Availability			
Days of notice	10-15	5-6	5-6
Demand			

VLSFO availability remains very tight. HSFO and LSMGO availability is good. The earliest delivery date for VLSFO is currently around 10 December, although anything earlier may be available on a case-by-case basis.

Durban

	VLSFO	HSFO	MGO
Availability			
Days of notice	4-6	5-8	4-6
Demand			

An incredibly quiet week in Durban, with minimal enquiries. Suppliers have adequate availability and remain very keen to move product when demand emerges.

Port Louis

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

A quiet week in Port Louis, with low demand as falling markets lead buyers to wait for better timing. Availability remains semi-tight, however, making it advisable to secure supply as early as possible.

Walvis Bay

	VLSFO	HSFO	MGO
Availability			
Days of notice	8-12	10-15	5-8
Demand			

A quiet week, although it remains the busiest market in the region. One supplier continues to face tight availability through month-end, which could lend some support to premiums. It remains the most attractive location for spot lifting in the region.

Skaw

	VLSFO	HSFO	MGO
Availability			
Days of notice	14	6	5
Demand			

Gibraltar

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

We expect the market to remain tight for both VLSFO and HSFO, with some weather-related disruptions also expected.

Tokyo

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

Availability remains very tight in Tokyo, with suppliers indicating no availability until early December.

Zhoushan

	VLSFO	HSFO	MGO
Availability			
Days of notice	8	10	2
Demand			

Sinopec and PetroChina are taking as much volume as possible to maintain market share. Premiums are expected to remain at similar levels next week.

Hong Kong

	VLSFO	HSFO	MGO
Availability			
Days of notice	3-5	4-6	2-4
Demand			

Availability for VLSFO is normal. Suppliers continue to prefer the smaller quantities (<500 MT). Expect a higher premium for the bigger quantities (>1000 MT). Availability for HSFO are back to normal. Premiums for VLSFO over HSFO are edging back to normal levels (i.e. around +100~110).

Seoul

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

Slow demand overall, except for LSMGO.

In this issue of the Weekly Market Report, we take a closer look at the outlook for oil and bunker prices for the next three months and for 2027.

We have updated our three scenarios for the developments in the Middle East after the Midterm elections.

Oil and bunker market update: Escalation vs more oil from the Middle East

The oil market is caught between recovering Middle Eastern supply and the risk of renewed military escalation. Brent is trading in the mid-90s, following sharp swings as expectations have shifted between a prolonged status quo, renewed fighting, and a possible agreement with Iran.

Our central expectation is for Brent to trade predominantly within USD 85–100/bbl for the remainder of 2026 and into the beginning of 2027. Prices can drift lower without a peace agreement as more crude reaches the market. However, attacks on shipping and energy infrastructure could quickly reverse that trend. For 2027, we expect prices to move toward USD 70–90/bbl, assuming a second-quarter agreement allows a more sustained recovery in production and exports.

Price outlook Q4: Escalation risk versus a market drifting lower

Recent developments underline why we have to work with scenarios. Fresh Iranian attacks, incidents involving commercial shipping, and the substantial US military presence leave the region vulnerable to renewed escalation. Diplomatic signals remain inconsistent, and no breakthrough toward an agreement is confirmed.

At the same time, the market increasingly needs fresh evidence of disruption to sustain price gains. Continued tensions alone may be insufficient if production and exports keep recovering.

We see three near-term scenarios:

Status quo: The US maintains its blockade and military presence but avoids major new strikes. Crude continues to reach buyers through Hormuz and alternative routes, leaving prices vulnerable to further declines.

Military escalation: Renewed US strikes or intensified Iranian attacks damage shipping, pipelines, or export terminals. This could interrupt the supply recovery and push prices sharply higher.

Reduced US involvement: A withdrawal could ease tensions, but reduced protection for commercial shipping could also create a security vacuum. The price impact would depend on whether passage becomes safer or regional instability worsens.

Our short-term USD 85–100/bbl range assumes that recovering supply broadly offsets persistent geopolitical risks. It is not a ceiling in an escalation scenario. Conversely, sustained exports and an absence of fresh disruption could push Brent towards the lower end even without meaningful diplomatic progress.

The risk is no longer merely a few weeks' delay in reopening. The latest political developments increasingly point towards a scenario where the Strait remains severely restricted for a considerably longer period. There is even a scenario where the Strait never returns to its pre-war status.

Crude flows have largely recovered; refined products lag behind

The IEA's November Oil Market Report confirms a substantial recovery in supply. Global production increased by 2.3 million b/d in October to 105.4 million b/d, bringing the increase since August to 5.3 million b/d.

Crucially, the recovery is uneven. The IEA estimates that Gulf crude exports, excluding Oman, reached 15 million b/d in October, equivalent to 82% of pre-war levels. By contrast, Gulf exports of refined products and LPG remained at roughly half their pre-war levels. Most crude export volumes have therefore been restored, while the recovery in products remains much less advanced. This helps explain why crude prices have fallen while diesel, gasoil, and MGO remain relatively expensive.

Severely restricted passage through Hormuz consequently does not mean continuously tightening crude supply. Some oil still passes through the Strait, while Saudi Arabia and the UAE use bypass pipelines. Alternative trading arrangements have also helped restore exports. Refined products have fewer alternatives and additionally depend on functioning refineries. The same applies to the global LNG market.

Nevertheless, the flows remain vulnerable. A recovery in production does not guarantee safe delivery, and attacks on bypass infrastructure could affect routes that have become increasingly important. The market can therefore become better supplied while retaining a substantial geopolitical risk premium.

Price outlook 2027: Lower prices, with a deal assumed in Q2

Our central scenario assumes an agreement in the second quarter of 2027, followed by a gradual normalisation of shipping through Hormuz. Until then, restrictions, elevated transport costs, and the risk of renewed disruption should keep prices relatively well supported, even as continued crude flows limit the upside.

The IEA projects global supply growth of 6.6 million b/d in 2027, compared with demand growth of approximately 2 million b/d. Its balances therefore point towards a sizeable surplus. However, its refining outlook assumes a rapid normalisation of Middle Eastern activity early next year. Our Q2 agreement assumption implies a later easing of some constraints.

We expect Brent to move towards a USD 70–90/bbl range as exports become more reliable and supply increasingly exceeds immediate consumption. Prices may anticipate an agreement before it is signed, but the adjustment is unlikely to be smooth. Negotiating setbacks or renewed attacks could generate substantial rallies along the way.

We do not expect a sustained return to the low prices seen before the war. Inventories need rebuilding, while an agreement would not eliminate instability in Iran and the wider Middle East. Buyers, shipowners, and insurers are likely to continue attaching a higher cost to regional exposure. These factors should cushion the decline, although they cannot prevent temporary moves below our expected range.

During 2027, rebuilding commercial and strategic stocks should absorb part of the additional supply. This supports our expectation of lower prices without an immediate return to the pre-war market environment.

Diesel, gasoil, MGO may be the real energy chokepoint

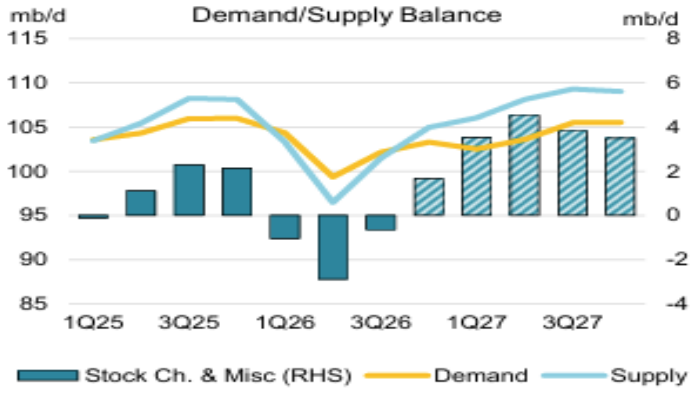
In fact, crude oil is no longer the biggest problem in the energy market. The real chokepoint is refined products, particularly diesel, gasoil, jet fuel and marine gasoil.

The latest IEA Oil Market Report shows that global refinery throughput remains almost 5 mb/d below last year's level. The closure of Hormuz has restricted product exports from the Middle East, while Ukrainian attacks on Russian refineries have added another source of disruption. At the same time, Asian refiners have shown little appetite for significantly increasing exports.

The result has been exceptionally strong refinery margins. The benchmark European gasoil crack has risen from around USD 20 to 25 per barrel before the war to around USD 70 today.

For the bunker market, this matters because tight distillate markets directly affect MGO and can also spill over into VLSFO through competition for blending components. Hence, even if Brent falls following a reopening of Hormuz, bunker prices and particularly distillate-related products may not fall by the same amount.

IEA forecasts a significant supply overhang in 2027



Brent is back trading in the mid to low 90s



Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

Bunker market: MGO remains exposed, while HSFO has weakened

Bunker prices have declined alongside crude, but the differences between products remain substantial. Improving crude availability does not automatically resolve refinery outages, restricted product exports, or shortages of blending components.

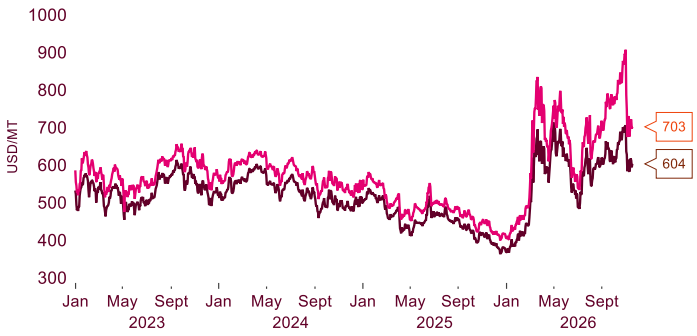
MGO remains particularly exposed to tight distillate supply. Disruption to Middle Eastern exports and attacks on Russian refineries continue to support diesel and gasoil premiums. Higher refinery output and emergency stock releases should provide relief, but a lasting normalisation requires both reliable production and inventory rebuilding.

VLSFO also receives support from competition for low-sulphur feedstocks and blending components. Its price can therefore remain relatively firm even when Brent weakens. HSFO has recently faced greater downward pressure, particularly in Rotterdam, where availability has improved. The earlier strength in Asian HSFO has also reversed sharply.

We expect bunker prices to trend lower during 2027 as crude supply and refining activity recover. However, MGO and VLSFO may normalise more slowly than crude. HI5 spreads will remain sensitive to regional supply and blending economics, making a uniform return to pre-war relationships an dprices unlikely.

For consumers, this favours using price setbacks to strengthen near-term protection while retaining flexibility further out. Shorter hedging horizons and options can help balance the risk of renewed escalation against the prospect of lower prices in 2027.

VLSFO prices have come off, USD/MT



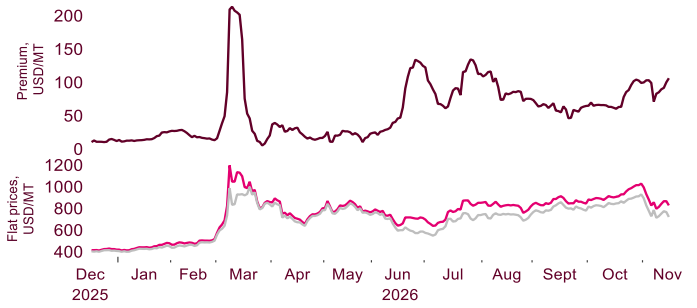
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

VLSFO cracks have come off but remain well over pre-war level in Singapore, USD/bbl



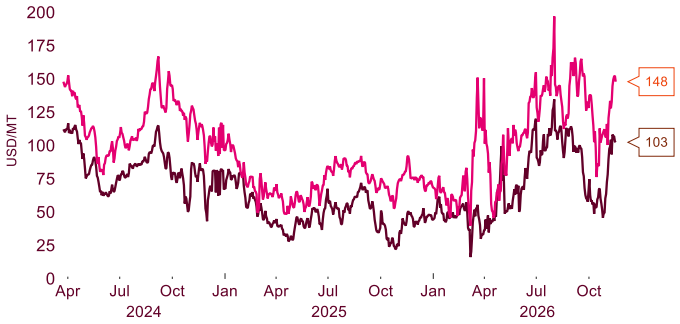
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

Port premium higher (diff. Cargo vs Delivered price), VLSFO Singapore, USD/MT



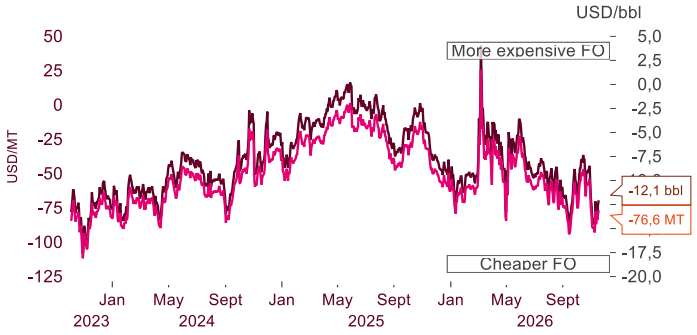
Source: Dan-Bunkering

HI-5/scrubber spreads (M1) have moved higher again/MT



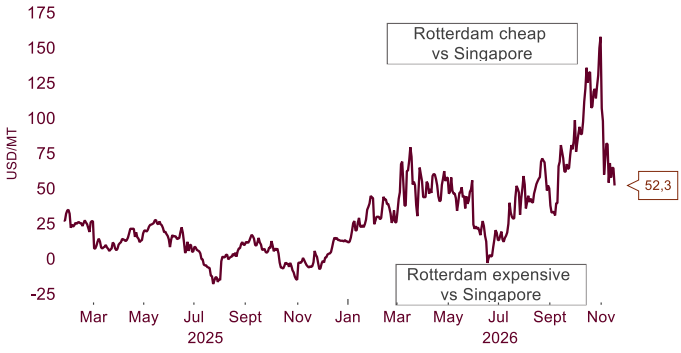
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

Attractive crack (discount for HSFO) in ARA



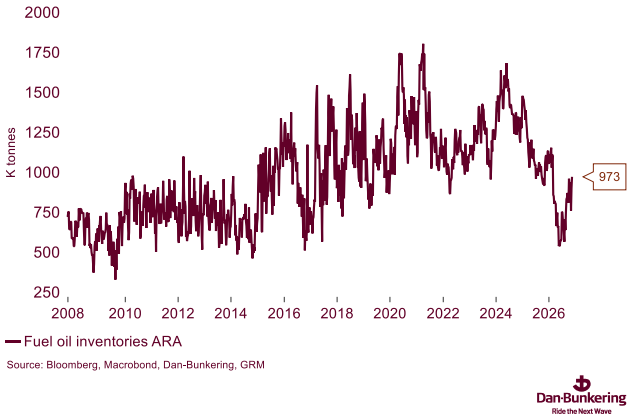
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

East-West spread still implies cheap HSFO in Rotterdam



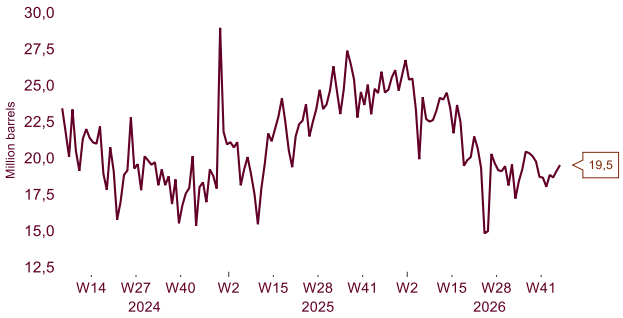
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

ARA Fuel oil inventories up from July low, k tonnes



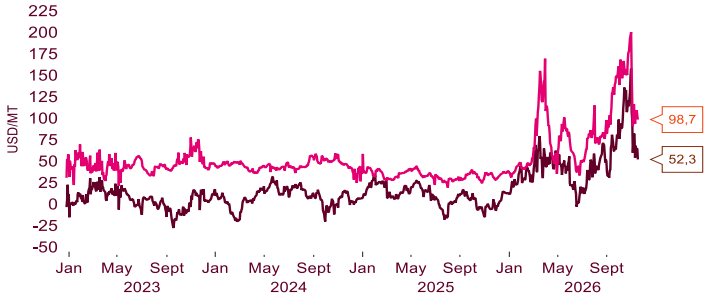
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

Singapore fuel oil inventories also rising, million barrels



Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

East-West spreads remain elevated though lower ...



Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

... as, HSFO cracks remain higher in Singapore



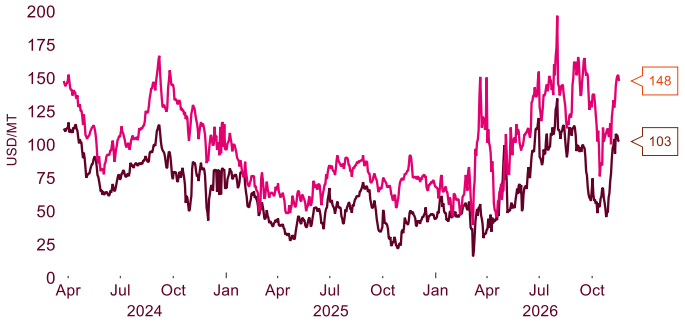
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

VLSFO cracks are moving higher in both Rotterdam and Singapore, USD/bbl



Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

HI-5/scrubber spreads(M1) have started to move higher again



Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

Below is our forecast for oil, bunker fuel, and EUAs

	Spot	Q4 2026	Q1 2027	Q2 2027	Q3 2027	Q4 2027	avg. 2026	avg. 2027
Brent, USD/bbl	93,8	95	90	87	80	80	90	84
ICE Gasoil, USD/MT	1224	1284	1192	1093	1006	969	1154	1065
HSFO (1M 3.5% Rotterdam Barge), USD/MT	502	542	502	487	451	451	526	473
VLSFO (1M 0.5% Rotterdam Barge), USD/MT	604	643	603	576	533	533	601	561
EUA spot, EUR/MT	88	92	93	94	95	96	82	95

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

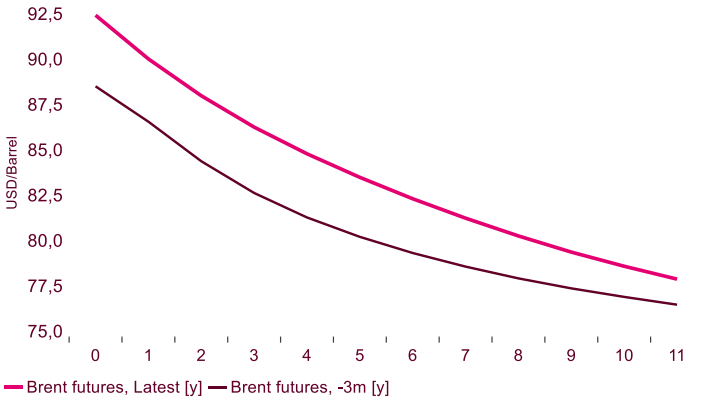
Overview Charts:

Brent oil



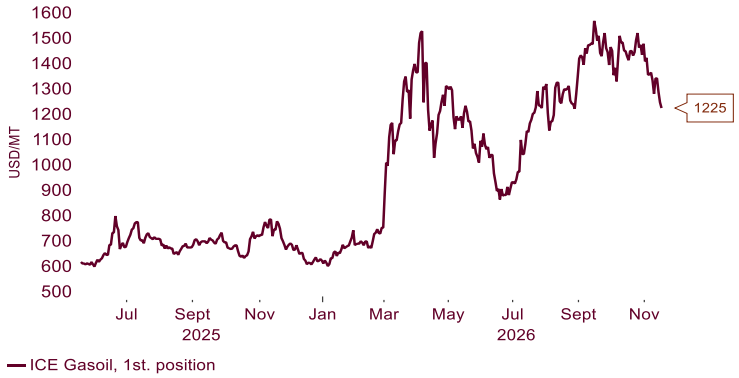
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

Brent forward curve, indicative prices



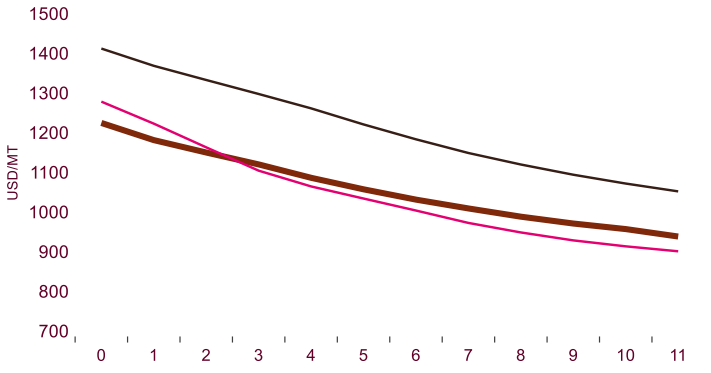
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

ICE Gasoil, 1. Pos.



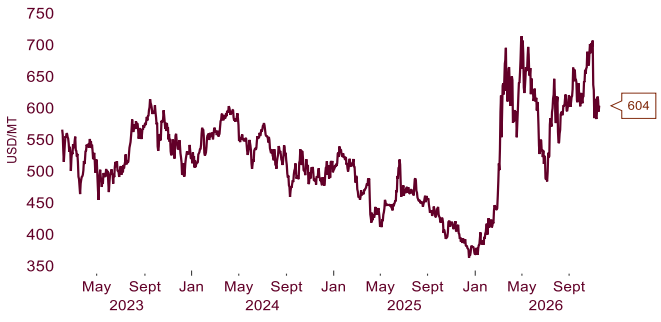
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

ICE Gasoil forward curve, indicative prices



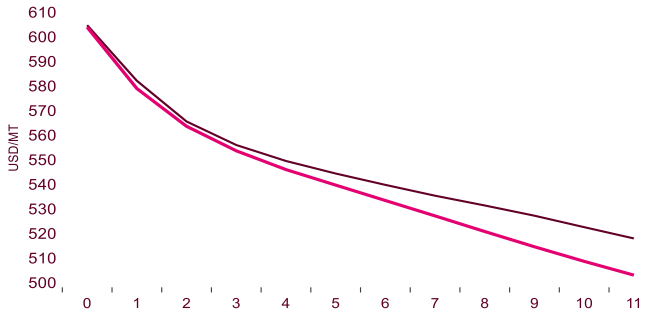
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

0.5% Marine Fuel Oil Rotterdam Barge, M1



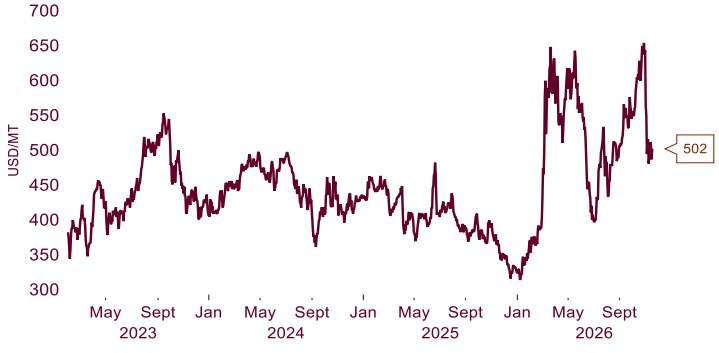
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

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



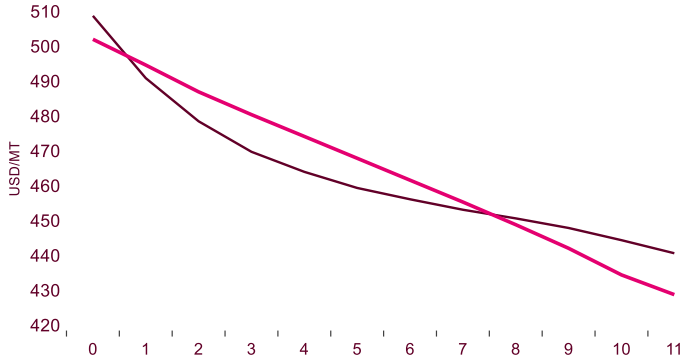
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

Rotterdam 3.5% Barge



Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

Rotterdam 3.5% Barge forward curve, indicative prices



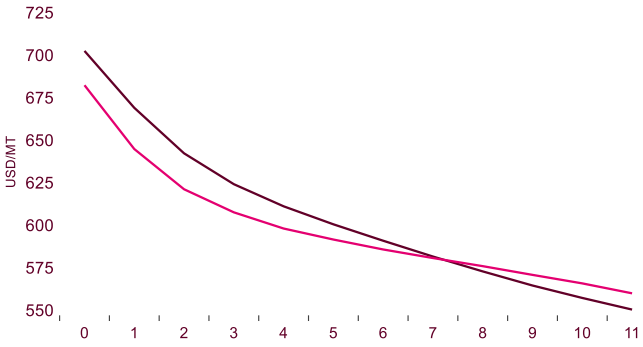
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

Singapore FOB 0.5% Marine Fuel Oil swap 1M



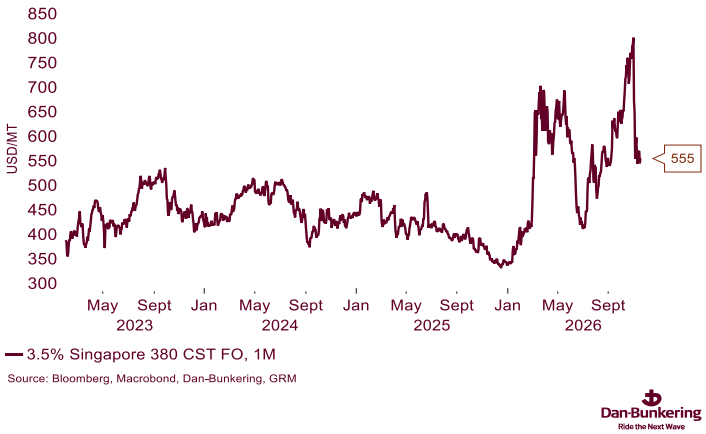
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

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



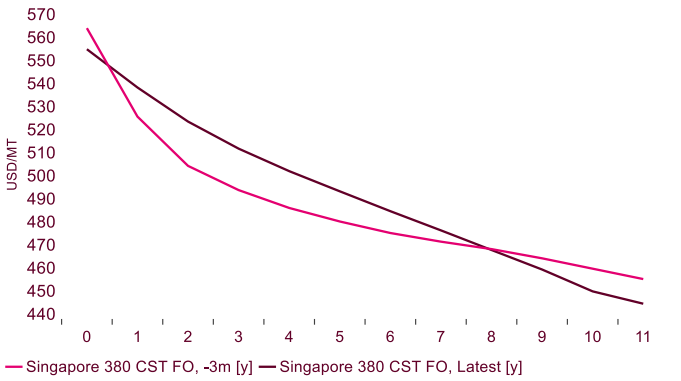
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

3.5% Singapore 380 CST FO swap, M1



Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

3.5% Singapore 380 CST FO Forward Curve, indicative prices



Source: Bloomberg, Macrobond, Dan-Bunkering, GRM