Dan-Bunkering
Ride the Next Wave

Weekly Market Report

March 11, 2025

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

Bunker Port Brief

Singapore

	VLSFO	HSFO	MGO
Availability			
Days of notice	9	8	3
Demand			

Ample near-term supplies and sluggish bunker demand will likely dampen the Asian LSFO market this week. The cash differential for the marine fuel grade moved into contango for the first time in more than 10 months.

The Asian HSFO market remains supported by limited supply. The recent rally may ease in the coming weeks as seasonal demand weakens in utility demand arrives in combination with a lack of feedstock from refineries undergoing maintenance.

The Asian LSMGO market is expected to remain rangebound. Both demand and supply are depressed.

ARA

	VLSFO	HSFO	MGO
Availability			
Days of notice	2-3	4-5	1-2
Demand			

Demand and supply dynamics have not changed from previous weeks. Steeep backwardation on LSMGO and VLSFO is very aggressively priced.

Fujairah

	VLSFO	HSFO	MGO
Availability			
Days of notice	6-8	7-8	3-4
Demand			

VLSFO demand remains tepid to weak with oversupply; VLSFO demand in February was down by half in comparison to January; however, last week, there was a strong uptick in comparison. HSFO demand remains strong in Fujairah, and the current Hi-Lo spread has narrowed to around $50/mt in the last week.

Houston

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

The Port of Houston is operating under normal conditions. Delays persist at Bolivar Roads anchorage and Offshore US Gulf due to high winds and sea conditions. Vessels booking bunkers in these locations should expect delays. Some vessels at these locations are waiting up to several days for supplies.

New York

	VLSFO	HSFO	MGO
Availability	■■■□□	■■□□□	■■■■■
Days of notice	3	8	1
Demand	■■■□□	■■■■■	■■□□□

Demand on contract is still heavy for HSFO and looks to continue into Q2. Vlsfo is not as strong but is still lifting good volume. Spot demand in NYH remains slow, seeing demand in Baltimore from the bulk segment.

Panama

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

Quiet day, low demand.

Gibraltar

	VLSFO	HSFO	MGO
Availability	■■■□□	■■■□□	■■■□□
Days of notice	6-8	7-8	6-8
Demand	■■■□□	■■■■□	■■■■□

Preparation for the upcoming MED ECA on May 1st is in place. So far, we have not seen a change in demand. Wind and Waves are expected to slow during the week.

Malta

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

Increased mgo and vlsfo demand due to low premiums.

Port Louis

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

Durban

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

Walvis Bay

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

Strong support at USD 70 for Brent, but tariff concerns are growing

This week, Brent crude oil has stabilised around USD 70 per barrel. Notably, the oil price remained relatively stable despite US equities under intense pressure yesterday.

There are currently many moving parts in the oil market, notably in the paper/futures market, where speculators are also active.

Market sentiment turned sour as President Trump acknowledged over the weekend that the US economy is facing a "transition period". Trump did not use the word "recession", but that is what the financial markets infer.

The belief that Trump would moderate tariffs (the so-called "Trump put") if the economy showed signs of weakness or if stocks fell is beginning to fade. Recession fears could become the central theme in the coming weeks, which is negative for oil prices.

The equity market has been particularly tough on Tesla, which saw a 15% drop yesterday. The company is now down 53% from its peak in December. Elon Musk's increasingly controversial statements, including threats to shut down Starlink in Ukraine—funded by Poland—have not been well received by investors. If contracts with US firms become unreliable, it introduces new uncertainty for customers and, consequently, for investors. The sell-off in US equities could negatively impact consumer confidence in the country and increase the risk of a recession.

Chinese economic indicators are also concerning. Inflation turned negative for the first time in 13 months—a clear sign of weak demand in the Chinese economy.

Financial sentiment in isolation points towards lower oil prices.

However, there are also some supportive factors for the oil market:

- One of the major themes is the prospect of new sanctions against Iran. Over the weekend, Iran's Supreme Leader Khamenei refused to be coerced into negotiations with the US after Trump sent a letter about negotiating a nuclear deal. Hence, there is still a high probability of tougher US sanctions against Iran—the so-called "maximum pressure strategy"—being introduced over the coming months.
- OPEC+ has decided to add more oil to the market starting April 1. However, we note that OPEC+, particularly Russian Minister Novak, emphasised that they can always reverse their decision to increase oil production if market imbalances arise. There is no doubt that Russia has been pushing for OPEC+ to begin phasing in higher output from April 1. Naturally, Russia has no interest in alienating its "good ally" in the White House, who, as is well known, wants lower oil prices. Hence, the comment from Novak is noteworthy.
- Ukraine has faced plenty of headwinds in recent weeks after Trump more or less chose to align himself with Russia. Over the weekend, however, Ukraine succeeded in striking Russia's second-largest refinery near St Petersburg, which has a capacity of up to 400,000 barrels daily. It is unclear how much damage the refinery sustained from the drone attack. Ukraine also attacked Moscow today. The Ukrainian attacks add a higher geopolitical premium to the price.

Last week, we wrote that we consider it attractive to buy oil when Brent approaches USD 70. We maintain this view, partly due to the prospect of new sanctions on Iran and better growth prospects for Europe following the large German relief package.

However, the growing market concern that US tariffs will result in a recession remains a clear downside risk.

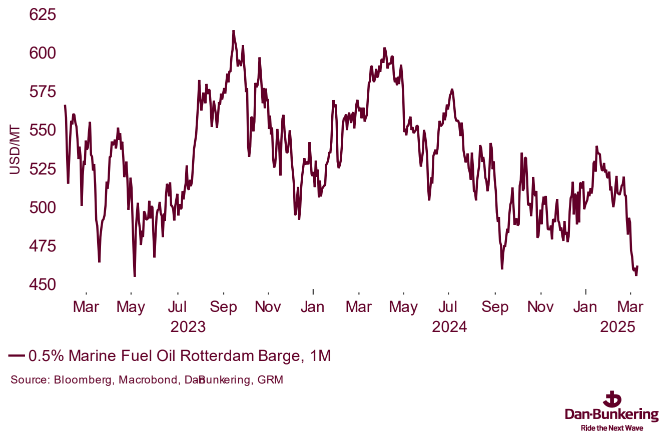
Price forecast

	Spot	Q1 2025	Q2 2025	Q3 2025	Q4 2025	avg. 2025
Brent, USD/bbl	69,9	75	72	72	71	72
ICE Gasoil, USD/MT	674	714	693	708	685	700
HSFO (1M 3.5% Rotterdam Barge), USD/MT	416	449	425	419	406	425
VLSFO (1M 0.5% Rotterdam Barge), USD/MT	461	507	476	476	470	482

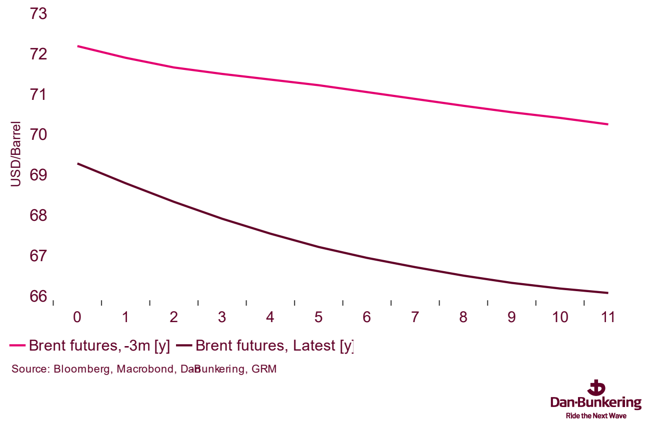
Source: Dan-Bunkering, indicative spot-prices based on Bloomberg 1M fair-value

Overview Charts:

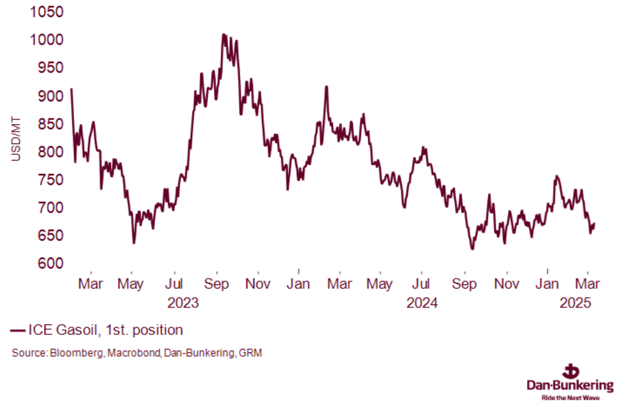
Brent oil



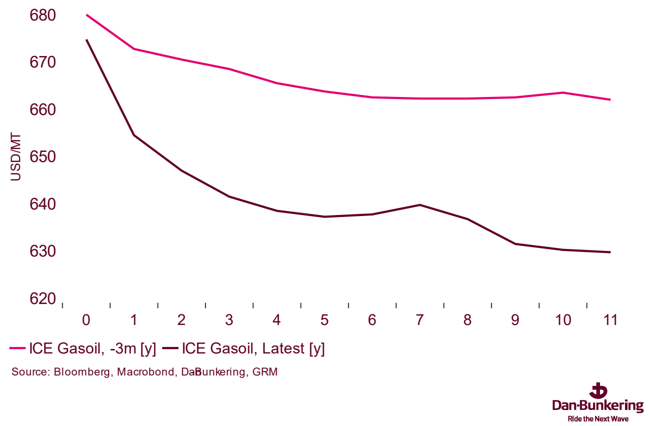
Brent forward curve, indicative prices



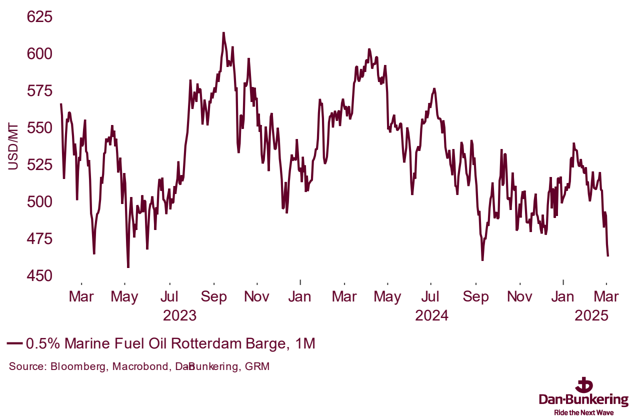
ICE Gasoil



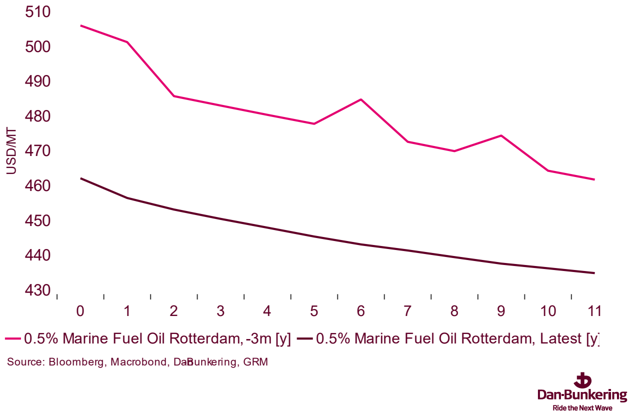
ICE Gasoil forward curve, indicative prices



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