Dan-Bunkering
Ride the Next Wave

Weekly Market Report

April 8, 2025

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

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Ride the Next Wave

Bunker Port Brief

Singapore

	VLSFO	HSFO	MGO
Availability			
Days of notice	6	6	1
Demand			

ARA

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

LSMGO is very tight and discounts are lower than we have seen last few weeks.

Fujairah

	VLSFO	HSFO	MGO
Availability			
Days of notice	4	5	3
Demand			

This week has seen very strong demand across all grades.

Barge avails are good and weather is stable.

Biofuel options are plentiful versus weak demand.

Houston

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

Market has fallen significantly since in the aftermath of the global tariff announcement last week. Flat prices are down close to 60+ /mton or more in some instances. Floating price premiums have held up vs their respective indexes. Demand remains lighter than normal.

Delays offshore and at Bolivar Roads anchorage due to winds and seas swell persists. Delays at these locations should be anticipated when fixing.

New York

	VLSFO	HSFO	MGO
Availability	●●●○○	●●●○○	●●●○○
Days of notice	3	5	1
Demand	●●○○○	●●●●○	●●○○○

HSFO demand on contract is steady. VLSFO demand on contract is heavy. LSMGO demand muted. Spot demand on USEC is muted.

Panama

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

Seeing more demand with market dropping.

Gibraltar

	VLSFO	HSFO	MGO
Availability	●●●○○	●●●○○	●●●○○
Days of notice	6	7-9	6
Demand	●●●●○	●●●●○	●●●●○

Market at a low, seeing premiums increase to try to stabilize from supplier side.

Malta

	VLSFO	HSFO	MGO
Availability	■■■■□	■□□□□	■■■■□
Days of notice	3-5	9+	3-5
Demand	■■■□□	■□□□□	■■■□□

Port Louis

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

The quiet demand remains in the Southern African region, with many indication requests, whilst clients wait to go firm.

Durban

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

A quiet week in Durban with tepid overall demand.

Walvis Bay

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

Stagnant demand in the region with minimal queries in the falling market; buyers waiting for a possible further bottom.

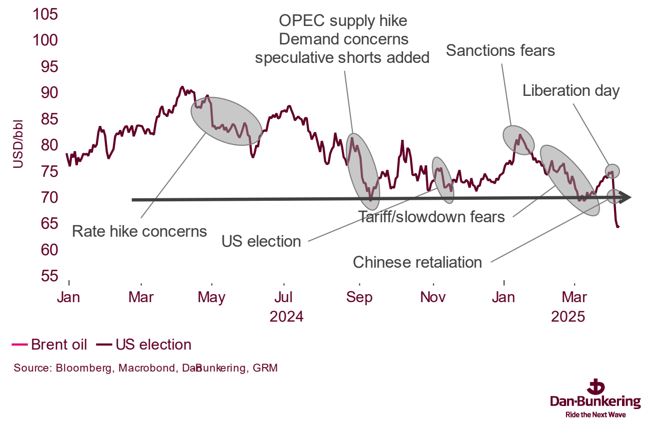
OPEC+ and Trump a bad combination for oil prices

It has been a very hectic week since our last issue in oil and bunker markets, and unsurprisingly, Trump once again took the limelight. More surprisingly, OPEC+ also added to the bearish market sentiment.

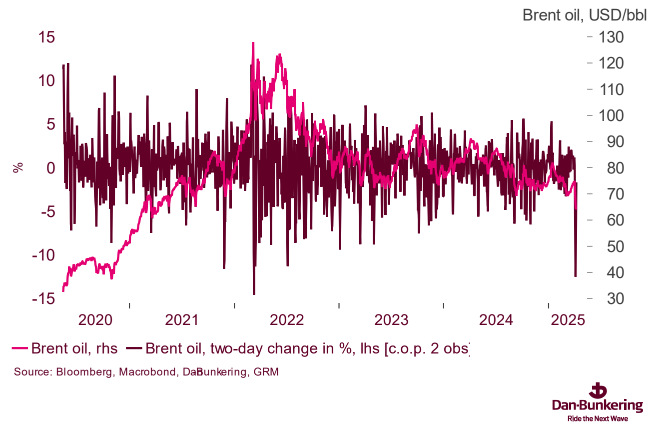
On Thursday and Friday, we experienced the most significant percentage drop in oil prices since March 2022, when Brent prices fell from above USD 75 to below USD 65.

We have also seen that the support level at USD 70 has effectively collapsed. The latter implies we are in unchartered territory regarding Brent oil prices in the short term.

Brent has broken the old USD 70 support level



Most significant two-day drop in Brent since March 2022, %



In today's issue, we take a closer look at,
- the impact of the US tariffs announced this week
- the OPEC+ decision to add more oil to the market May 1
- China retaliated and added 34% tariffs on US goods
- Potential factors that could break this negative spiral for oil prices

1. US announces high tariffs, notably on oil-intensive Asia

This week's Trump tariffs hit oil-intensive Asia harder than even the most pessimistic had expected. China alone is facing tariffs of 34%, in addition to the 20% already in effect. There is also an extra 25% on cars and metals such as aluminium.

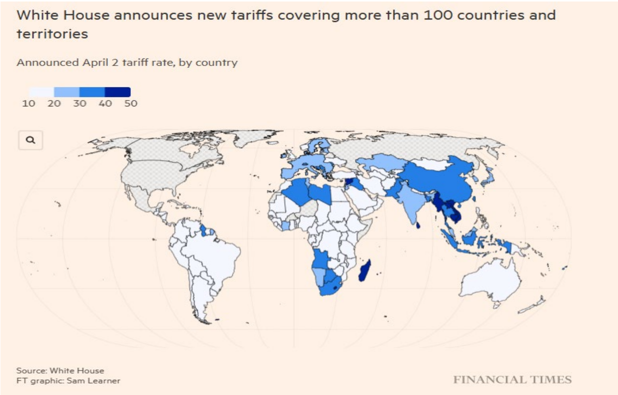
Countries like Vietnam, Taiwan, and Indonesia are subject to tariffs of 46%, 32%, and 32%, respectively.

The tariffs come at a time when the US industrial economy is out of balance. Last week's ISM indicator showed that significant inventories have been built ahead of the tariffs while order intake is plummeting. This could lead to a steep decline in US industrial output as there is no incentive to produce if inventories are full and private consumption is lacklustre.

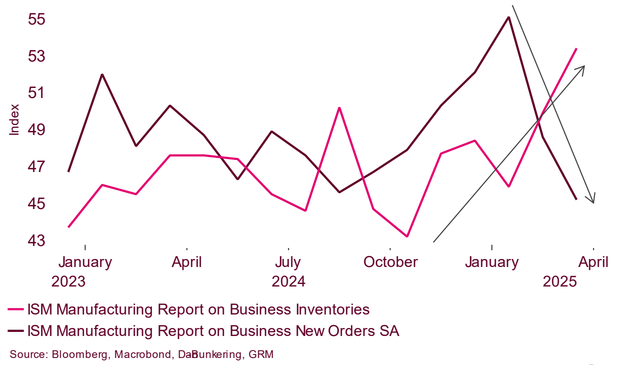
The tariffs are negative for oil products, gas oil, and diesel cracks, as they are typically sensitive to economic slowdowns.

Regarding fuel oil, we can also expect lower cracks—both for HSFO and VLSFO—as reduced trade activity may affect demand from the maritime sector.

Asia getting the highest tariffs



Manufacturing reports rising inventories and falling order intake. It points to weakness in US production



2. The OPEC+ decision to add more oil to the market May 1

Last Thursday, amid oil sell-offs and market turmoil, OPEC+ announced that it will not only increase oil production in May by the 138,000 barrels per day outlined in its plan. Instead, the cartel has decided to bring forward the production increases scheduled for June and July, so OPEC+ will add 411,000 more barrels per day starting next month. This is three times more than expected.

According to several media sources, the significant production increase is due to Saudi Arabia's frustration with quota violators—including Kazakhstan, Iraq, and Russia—who had pledged compensation cuts but failed to deliver. Now, all member countries are allowed to produce more. The production increase may also be a concession to Trump, who has called for oil to trade at USD 50.

3. China retaliated and added 34% tariffs on US goods

China announced on Friday that it will impose a 34% tariff on all US goods, effective April 10, 2025, in retaliation to recent US tariff increases. This significant escalation could, if prolonged, lead to a US recession and substantially weaken the Chinese economy.

Brent crude oil prices fell further on the announcement.

The retaliation triggered major financial turmoil on Friday afternoon and on Monday, with banks likely to come under severe selling pressure due to fear of credit losses.

Financial markets are experiencing significant stress, and it's anticipated that banks, hedge funds, and commodity trading advisors (CTAs) will continue to de-risk across all assets. The uncertainty surrounding the US response adds to market volatility, prompting the liquidation of long positions in oil.

4. Potential factors that could break this negative spiral for oil prices include:

Negotiations: President Trump indicating readiness to negotiate and possibly rolling back tariffs to demonstrate commitment to resolving trade tensions.

Central Bank Interventions: Official statements from the Federal Reserve and the European Central Bank expressing readiness to inject liquidity if market stress escalates.

OPEC+ cancelling plans to add more oil: However, given the latest announcement, no change in OPEC+ seems imminent.

Price forecast

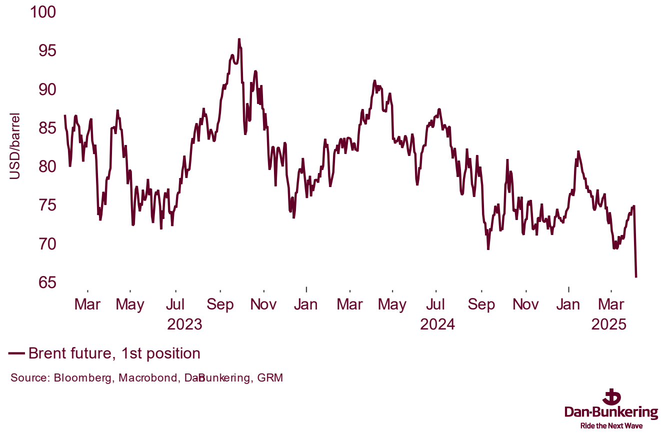
Below is our oil and bunker price forecasts. We have lowered our Brent oil price forecasts in light of the latest trade-war escalations and the OPEC+ announcement to accelerate the return of oil to the market.

	Spot	Q2 2025	Q3 2025	Q4 2025	avg. 2025
Brent, USD/bbl	64,7	69	71	71	72
ICE Gasoil, USD/MT	615	671	700	685	694
HSFO (1M 3.5% Rotterdam Barge), USD/MT	388	406	413	406	420
VLSFO (1M 0.5% Rotterdam Barge), USD/MT	430	457	470	470	475

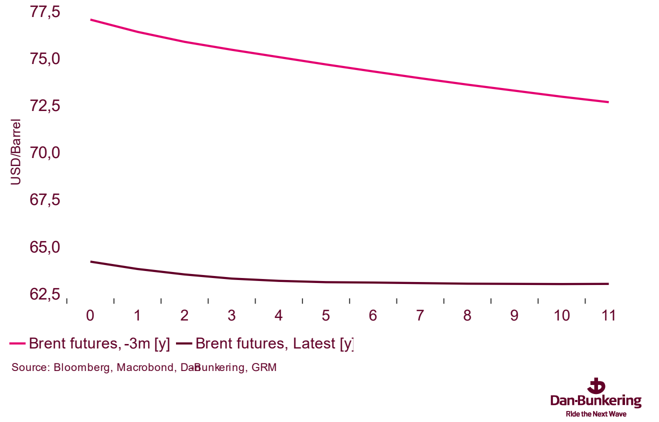
Source: Dan-Bunkering, indicative spot-prices based on Bloomberg 1M fair-value

Overview Charts:

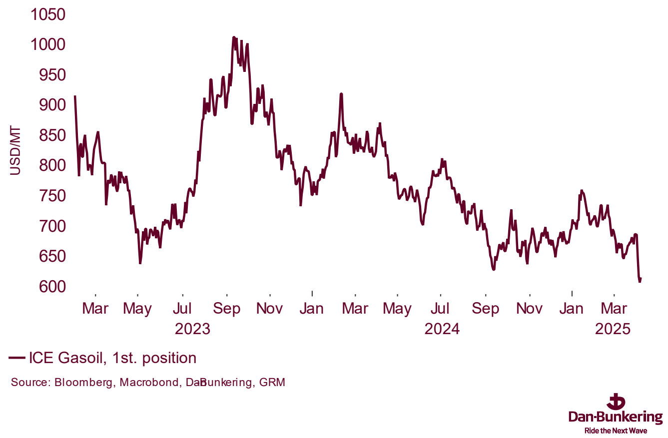
Brent oil



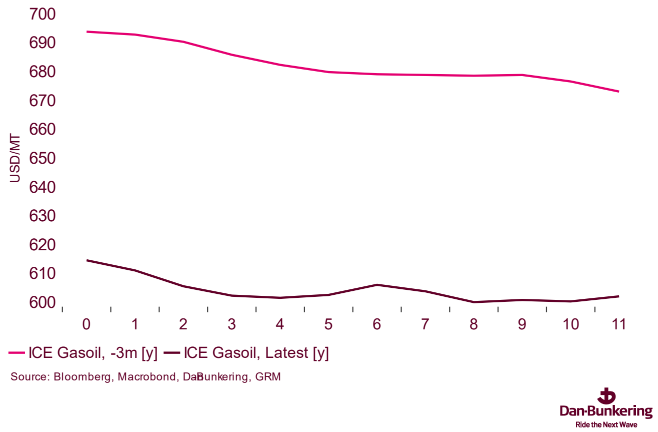
Brent forward curve, indicative prices



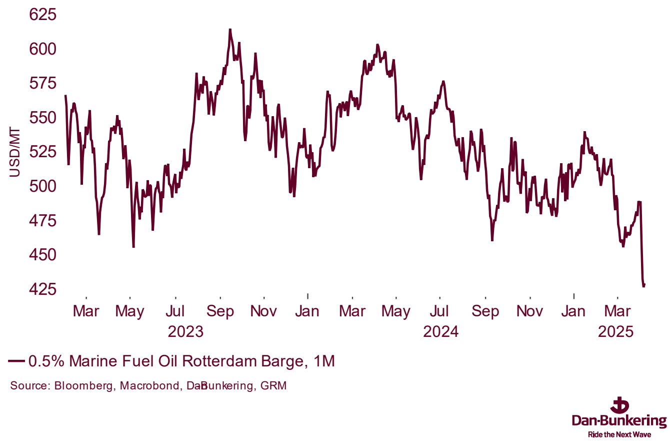
ICE Gasoil



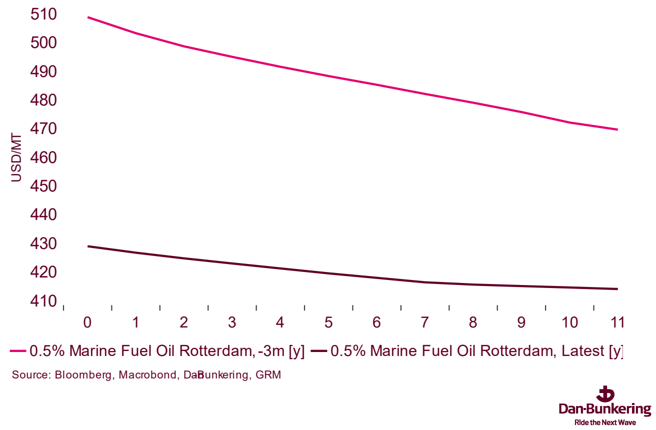
ICE Gasoil forward curve, indicative prices



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