Dan-Bunkering
Ride the Next Wave

Weekly Market Report

November 3, 2026



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

Bunker Port Brief

Singapore

	VLSFO	HSFO	MGO
Availability			
Days of notice	14	13	7
Demand			

ARA

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

VLSFO availability is tight for prompt delivery dates. Meanwhile, B100 continues to trade at a significant discount to LSMGO, maintaining its cost advantage in the market.

Fujairah

	VLSFO	HSFO	MGO
Availability			
Days of notice	3-5	4-6	5-7
Demand			

Demand remains muted across the Middle East amid continued regional escalations and further vessel attacks. Availability across all grades is gradually tightening, but demand remains too subdued to materially impact the overall supply/demand balance. However, reduced barge capacity leaves the market vulnerable to sudden shifts in availability.

New York

	VLSFO	HSFO	MGO
Availability			
Days of notice	3	5	2
Demand			

Contract demand remains robust, while spot demand remains subdued. Availability across all fuel grades appears stable at present, although distillate supply could become tighter heading into Q4 2026 and Q1 2027.

Panama

	VLSFO	HSFO	MGO
Availability			
Days of notice	3-5	8-10	3-5
Demand			

As highlighted in last week's market call, Repsol is expected to enter the Panama bunker market in December, potentially enhancing competition and expanding supply options. Availability of both VLSFO and LSMGO remains good on the Pacific and Atlantic sides. HSFO supply generally requires 8-10 days' notice, although shorter lead times may be available on a case-by-case basis.

Durban

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

Demand in the Durban region remained subdued last week. VLSFO availability is adequate, with suppliers actively seeking additional volume. Gasoil availability remains sufficient on an ex-truck basis, although duty-paid product is still relatively expensive. One barge is currently in dry dock for several weeks, but the remaining three are able to meet prompt delivery requirements given current demand levels.

Port Louis

	VLSFO	HSFO	MGO
Availability			
Days of notice	7-10	7-10	8-15
Demand			

Gasoil availability remains tight across the Port Louis region as suppliers await replenishment cargoes. Demand has softened compared with recent weeks, helping to ease some immediate pressure on supply.

Walvis Bay

	VLSFO	HSFO	MGO
Availability			
Days of notice	8-12	10-15	7-10
Demand			

HSFO availability remains tight in the region, while VLSFO and LSGO supply is currently adequate. Prices remain the most competitive in Southern Africa, keeping Walvis Bay the preferred location for bunker-only calls, even after accounting for anchorage and calling costs.

Tokyo

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

Availability remains extremely tight across Japan, including Tokyo Bay. Most suppliers have no availability until the second half of November, resulting in extended lead times for prompt deliveries.

Seoul

	VLSFO	HSFO	MGO
Availability			
Days of notice	7-10	6-8	6-8
Demand			

Stock availability remains limited. However, demand has eased due to the higher premium relative to China, and supply currently appears workable despite ongoing constraints.

Zhoushan

	VLSFO	HSFO	MGO
Availability			
Days of notice	13	11	2
Demand			

LSFO and HSFO premiums may increase by $5-8/mt as replenishment cargoes arrive, reflecting the higher replacement cost of incoming supply.

Hong Kong

	VLSFO	HSFO	MGO
Availability			
Days of notice	4-6	8-10	4-6
Demand			

VLSFO availability remains normal, although suppliers are becoming more selective in their offers due to increased market interest since yesterday. Smaller stems (<500 mt) are generally preferred, while larger volumes (>1,000 mt) and prompt deliveries within the next five days are likely to attract a premium.

HSFO availability has tightened slightly again, with some suppliers indicating earliest delivery dates around 11 November. HSFO continues to trade at a narrow discount to VLSFO.

Gibraltar

	VLSFO	HSFO	MGO
Availability			
Days of notice	4	5	4
Demand			

We currently have no ULSFO availability in Gibraltar or Algeciras. Meanwhile, Cepsa has been offering net-priced MGO for prompt delivery, potentially reflecting the availability of cargoes it is looking to place in the market.

Malta

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

Gasoil premiums continue to trend lower as the expiry date approaches, reflecting softer pricing sentiment and reduced buying interest.

Skaw

	VLSFO	HSFO	MGO
Availability			
Days of notice	1	1	1
Demand			

The ongoing conflict continues to create demand destruction for the ports in the Middle East.

Fujairah has very good product availability across all grades and with the weak demand it has begun to put pressure on delivered premiums.

In this issue of the Weekly Market Report, we have three sections: crude oil and geopolitics, diesel and gasoil (MGO) and bunker fuel markets.

We provide three scenarios for the developments in the Middle East after the Midterm elections.

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Crude oil and geopolitics: Three scenarios after the US midterms – risks remain tilted towards escalation

The sharp fall in oil prices offers an opportunity to increase hedges. We continue to see significant risks of renewed military escalation after today's US midterm elections, despite growing diplomatic optimism.

Brent plunged more than 7% on Monday as Iran signalled that it could reopen the Strait of Hormuz within two days if the US lifted its blockade of Iranian ports, eased sanctions, and agreed to a broader ceasefire. Prices initially recovered on Tuesday following limited US strikes against Iranian targets on Qeshm Island. However, Brent subsequently fell again to around USD 101.3/bbl on Tuesday afternoon on unconfirmed news of further diplomatic progress between Iran and the US.

The market is increasingly pricing in the possibility of an agreement, but a considerable gap remains between diplomatic statements and an actual reopening of Hormuz. Qatar continues its mediation efforts, and Vice President JD Vance has expressed optimism. Nevertheless, Iran's conditions remain difficult for Washington to accept, while military operations and attacks on commercial shipping continue.

The US midterm elections could become a turning point. We maintain three scenarios for the coming weeks.

Three scenarios after the midterms:

1. Renewed US strikes followed by regional escalation – our main scenario

The US launches a broader military campaign against Iran after the elections. Iran retaliates against commercial shipping and energy infrastructure, potentially with support from the Houthis and other regional allies.

The risk extends beyond Hormuz to Saudi Arabia's oil infrastructure, its East-West pipeline, and shipping through Bab el-Mandeb. We struggle to see why Iran would capitulate after another bombing campaign when previous military operations failed to achieve that outcome.

We consider this the most likely scenario. It could drive Brent, physical premiums, tanker rates, and insurance costs sharply higher.

2. A short US campaign followed by a declaration of victory

Trump launches a limited operation, declares victory, and subsequently reduces US military involvement. This could allow Washington to distance itself from an increasingly costly conflict.

Oil prices could initially rise before falling as US involvement declines. However, Iran would retain significant influence over Hormuz, leaving shipping risks and a geopolitical risk premium in place.

3. A negotiated agreement and reopening of Hormuz – the downside scenario

An agreement could lead to a more comprehensive reopening of Hormuz in exchange for the US easing its blockade and other concessions.

This would likely trigger a sharp decline in Brent, physical premiums, and tanker freight rates. However, damaged infrastructure, depleted inventories, and disrupted refinery production would take considerable time to restore.

Even under this scenario, we do not expect an immediate return to normal market conditions. A substantial price decline could therefore provide another attractive opportunity to increase hedges.

Physical oil markets remain tighter than futures suggest

Despite the fall in Brent futures, the physical market remains constrained by high freight costs, regional supply shortages, and strong backwardation. Asian crude imports have recovered close to pre-war levels, but this masks continued disruption to shipments through Hormuz and an even slower recovery in refined products.

OPEC+ maintained its December production targets at Sunday's meeting. However, the key issue remains how much oil can physically reach consumers rather than production targets alone.

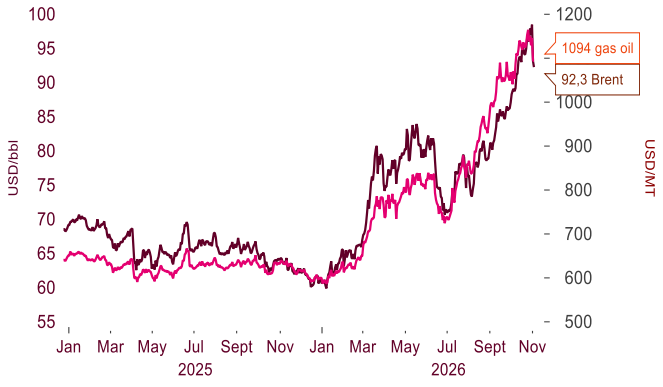
Our higher-for-longer outlook remains unchanged. Recent price declines largely reflect expectations of a diplomatic breakthrough rather than a fundamental normalisation of physical supply.

Dated Brent vs Brent future spread has narrowed



Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

Prices for cal-27 have eased slightly



Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

MGO/gasoil and diesel: Lower cracks are unlikely to be sustainable

Diesel refining margins have fallen sharply, but we believe the market is underestimating the risk of prolonged supply shortages.

The December ICE Gasoil crack fell to around USD 74/bbl on Monday, its lowest level in almost a month, and remained near that level on Tuesday morning. The decline reflects peace optimism, recovering Russian refinery production, and expectations of higher exports from Russia and China.

However, the anticipated recovery in diesel supplies has yet to materialise fully.

Russia is reportedly preparing to increase permitted diesel exports from 500,000 tonnes in October to 2 million tonnes in November. Yet Ukrainian attacks on Russian refineries have resumed following a pause of almost two weeks. Several facilities have been targeted since late October, including the large Yaroslavl refinery on Tuesday, where Russian officials confirmed infrastructure damage and a fire.

These attacks create renewed uncertainty over Russia's ability to increase actual diesel exports.

China has also issued an unexpected fourth batch of refined-product export quotas for 2026, potentially increasing diesel, gasoline, and jet fuel exports in the final two months of the year. However, export permissions do not necessarily translate into physical shipments.

The underlying global diesel balance remains tight. According to Reuters and Kpler, Asian imports of light and middle distillates were still 10% below pre-war levels in October, despite crude oil imports recovering close to normal levels. Middle Eastern refined-product supplies remain particularly constrained.

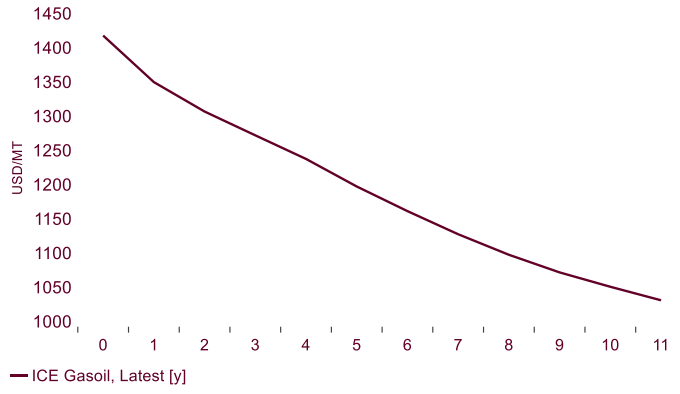
US distillate inventories fell to just 102.8 million barrels in the latest EIA report, while ARA gasoil inventories remain relatively low despite recovering from the summer lows.

Additional Russian and Chinese exports, alongside the IEA's emergency stock releases, may provide temporary relief. However, they cannot fully replace lost Middle Eastern refining capacity or immediately rebuild global diesel inventories. Even a reopening of Hormuz would not resolve these problems overnight.

We therefore question whether the current weakness in diesel cracks can be sustained. Renewed escalation after the midterms could quickly reverse the decline and drive diesel, jet fuel, and MGO prices higher.

For consumers, we continue to favour relatively high hedge ratios over the next three to six months. The recent price decline provides an opportunity to increase protection, particularly against the risk of another supply-driven price spike.

ICE gas oil (diesel/MGO) forward curve, USD/MT



ICE gas crack has edged lower, but still elevated



Bunker fuel: East-West spreads widen as high freight rates prevent arbitrage

Regional bunker markets are becoming increasingly fragmented. Singapore continues to trade at a substantial premium to Rotterdam, while exceptionally high tanker rates prevent the usual arbitrage flows from narrowing the price differences.

The physical VLSFO East-West spread has widened to approximately USD 225/MT, while the HSFO spread stands at USD 224/MT. These unusually wide spreads reflect tight Asian supplies, disrupted Middle Eastern flows, and expensive long-distance transportation.

According to S&P Global, Singapore's low-sulphur fuel oil arrivals from Western markets are expected to decline to 1.3–1.5 million tonnes in November, compared with 1.6–1.7 million tonnes in October. Even record regional price differences are insufficient to offset high freight and insurance costs.

Singapore's HSFO market remains particularly tight. The physical HI5 spread reached a record low of USD 27/MT in October before recovering. We view the unusually narrow spread primarily as a consequence of HSFO strength rather than VLSFO weakness, reducing the fuel-cost advantage for scrubber-fitted vessels.

Inventories and delivery times underline the regional differences.

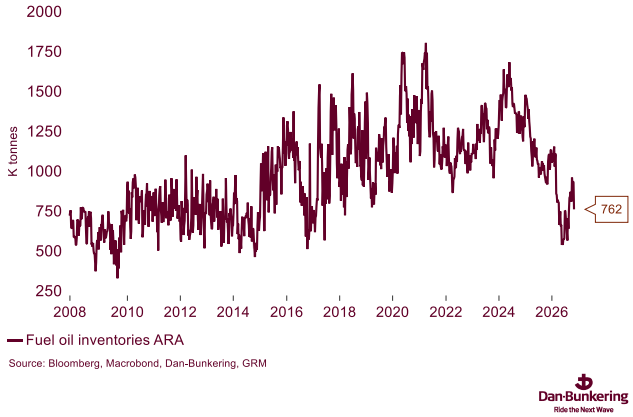
Singapore's residual fuel oil inventories averaged 18.56 million barrels in October, 6% below September. Stocks remained low at 18.68 million barrels in the latest weekly data. Meanwhile, ARA fuel oil inventories have recovered from their summer lows and averaged approximately 7% above September levels in October.

Singapore delivery lead times remain extended, with some suppliers requiring up to three weeks or longer for VLSFO and HSFO. Rotterdam remains comparatively better supplied, with considerably shorter delivery times.

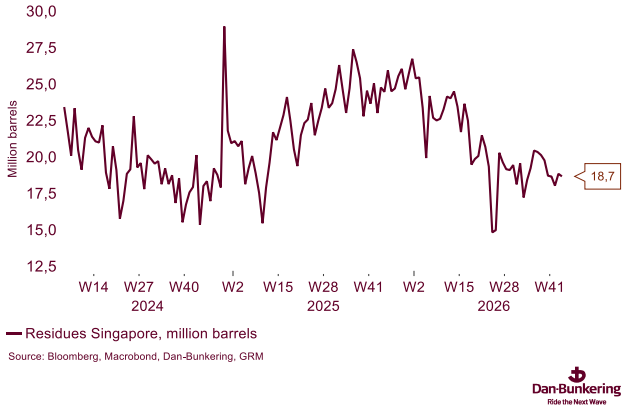
We expect regional price differences to remain unusually wide while tanker rates are elevated and Middle Eastern supplies remain disrupted. A reopening of Hormuz would ease some of these pressures, but the adjustment would take time.

For bunker buyers, physical availability, port premiums, freight costs, and delivery flexibility are increasingly as important as the underlying fuel price. MGO remains particularly exposed to the global diesel shortage, while high regional premiums reinforce the importance of managing physical supply risks separately from financial price hedges.

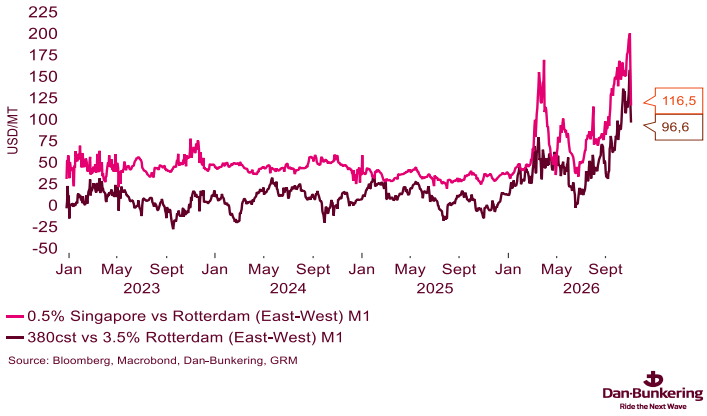
ARA Fuel oil inventories up from July low, k tonnes



Singapore fuel oil inventories dropping, million barrels

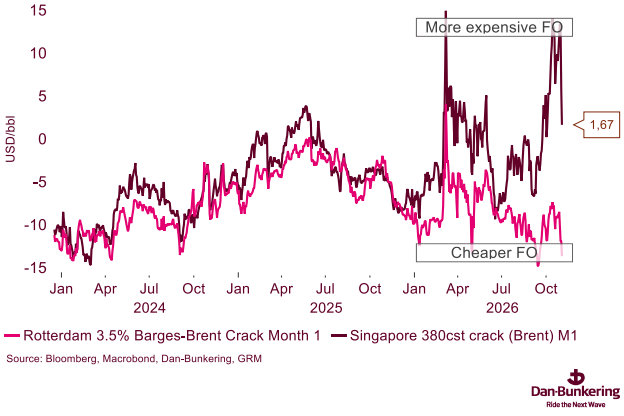


East-West spreads remain elevated...



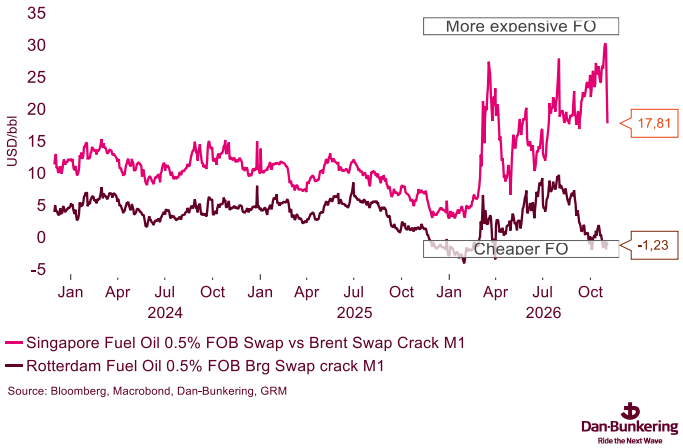
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

... as, HSFO cracks are high in Singapore



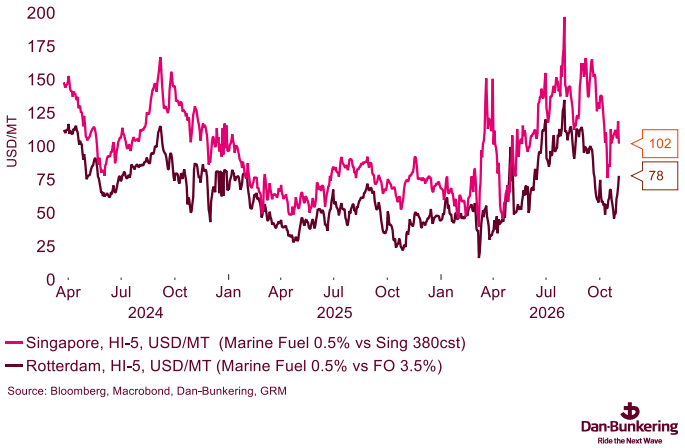
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

VLSFO cracks are moving in different directions in Rotterdam and Singapore, USD/bbl



Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

HI-5/scrubber spreads(M1) have dropped notably in Singapore



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	103,9	113	100	87	82	82	95	88
ICE Gasoil, USD/MT	1420	1535	1341	1130	1021	1021	1216	1128
HSFO (1M 3.5% Rotterdam Barge), USD/MT	549	667	578	493	476	476	557	506
VLSFO (1M 0.5% Rotterdam Barge), USD/MT	632	756	667	576	546	546	629	584
EUA spot, EUR/MT	90	92	93	94	95	96	82	95

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

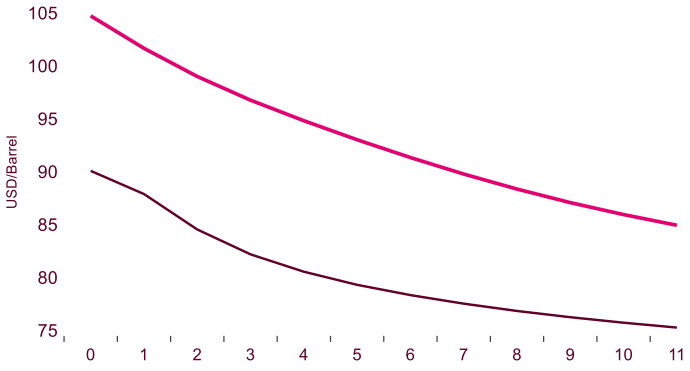
Overview Charts:

Brent oil



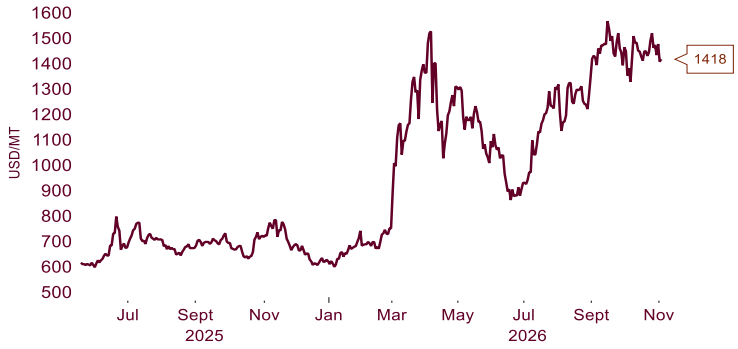
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

Brent forward curve, indicative prices



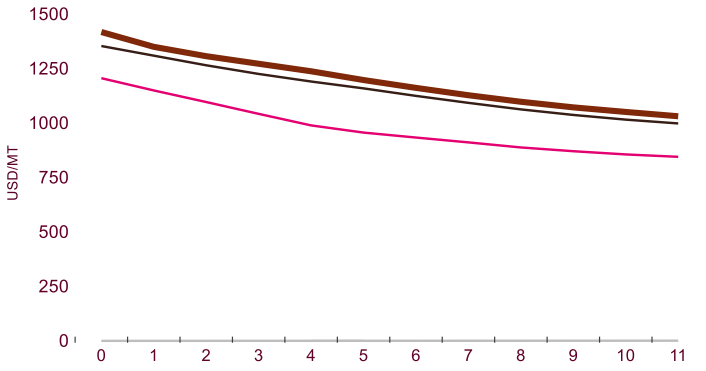
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

ICE Gasoil, 1. Pos.



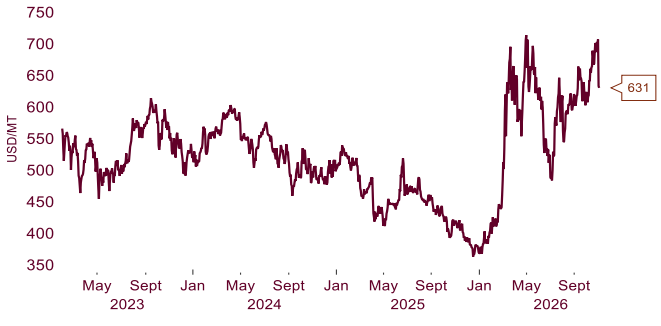
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

ICE Gasoil forward curve, indicative prices



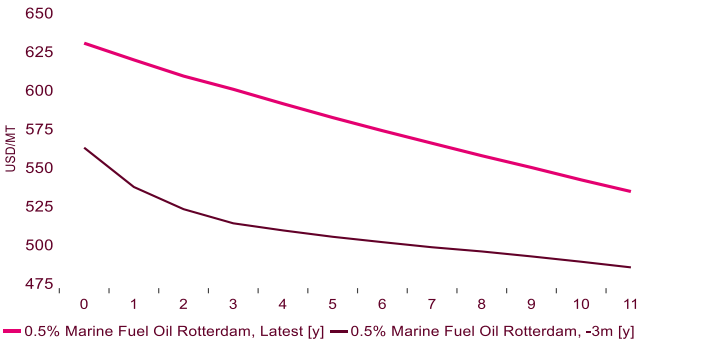
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

0.5% Marine Fuel Oil Rotterdam Barge, M1



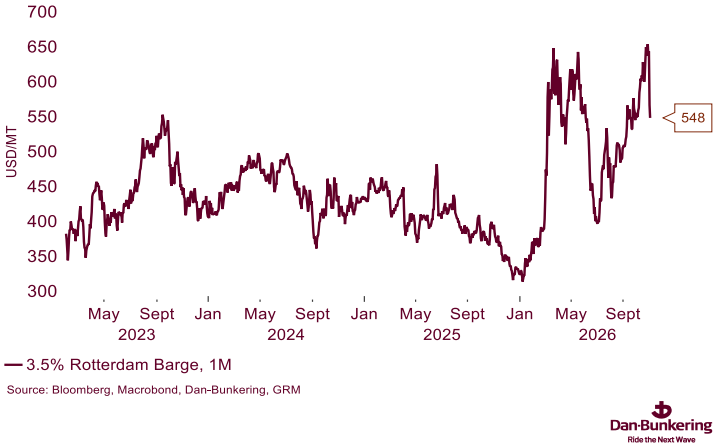
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

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



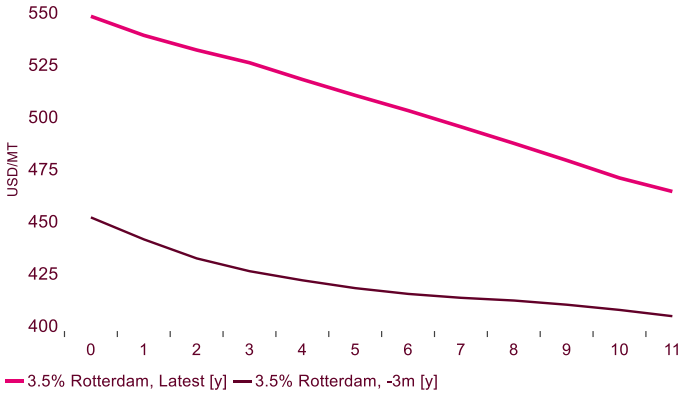
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

Rotterdam 3.5% Barge



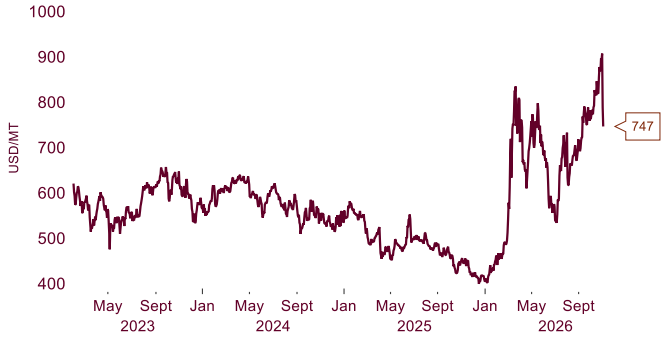
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

Rotterdam 3.5% Barge forward curve, indicative prices



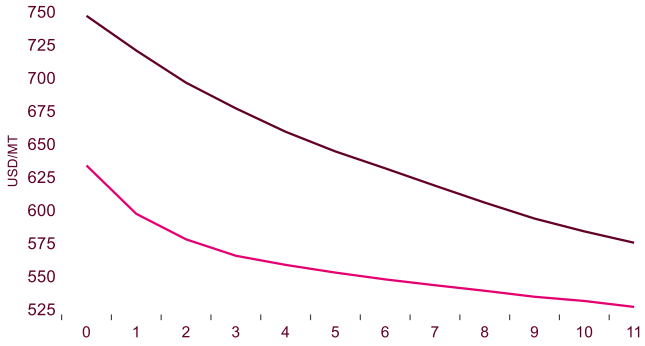
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

Singapore FOB 0.5% Marine Fuel Oil swap 1M



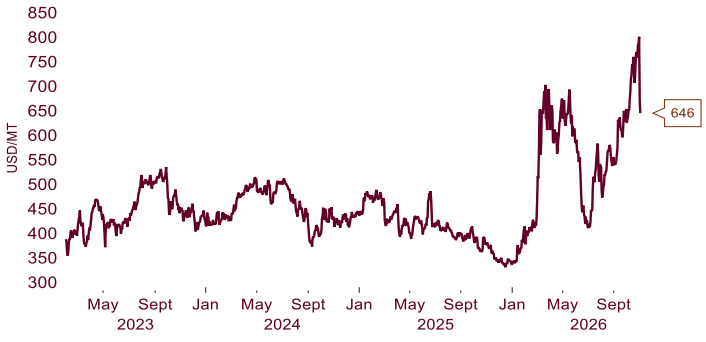
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

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



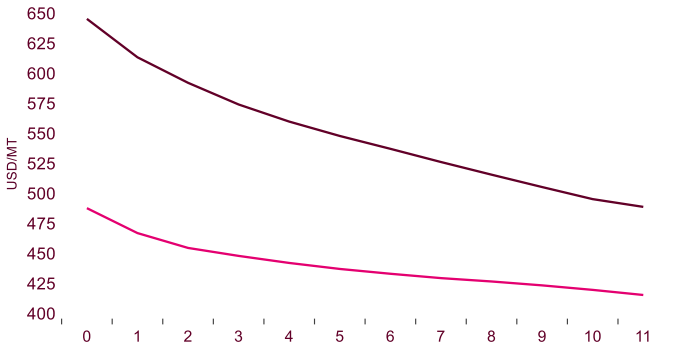
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

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