

Weekly Market Report

October 27, 2026

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

Bunker Port Brief

Singapore

	VLSFO	HSFO	MGO
Availability			
Days of notice	13	16	9S
Demand			

ARA

	VLSFO	HSFO	MGO
Availability			
Days of notice	6-7	7-8	4-5
Demand			

B100 continues to be more attractive than MGO in the Netherlands. VLSFO and HSFO availability is slightly tight, with longer lead times, while MGO remains stable.

Fujairah

	VLSFO	HSFO	MGO
Availability			
Days of notice	3	2	1
Demand			

The Middle East region continues to see daily vessel attacks but bunkering across ports remains smooth and operational.

Bunker availability for all grades is currently good although barge capacity has reduced significantly in recent months meaning the supply/demand dynamics can shift quickly from one week to the next. Ensure at least 7 days lead time for bunker orders.

New York

	VLSFO	HSFO	MGO
Availability			
Days of notice	3	6	2
Demand			

Contract demand remains steadily strong and is expected to continue through the fourth quarter. Spot demand has been relatively muted, although intermittent buying interest continues to emerge. Meanwhile, distillate availability is showing signs of tightening.

Panama

	VLSFO	HSFO	MGO
Availability			
Days of notice	7	10	7
Demand			

7 to 10 days lead time.

Durban

	VLSFO	HSFO	MGO
Availability			
Days of notice	3	3	3
Demand			

Only duty-paid MGO is available in Durban.

Port Louis

	VLSFO	HSFO	MGO
Availability			
Days of notice	3	3	2
Demand			

Walvis Bay

	VLSFO	HSFO	MGO
Availability			
Days of notice	7	n/a	5
Demand			

Gibraltar

	VLSFO	HSFO	MGO
Availability			
Days of notice	6	6	6
Demand			

Malta

	VLSFO	HSFO	MGO
Availability	    	    	    
Days of notice	6	n/a	6
Demand	     	    	     

Supply conditions have started to ease following a 72-hour port closure. Prompt deliveries are now available, although at a premium. However, a lead time of at least one week is still recommended to ensure access to the full range of supplier options.

Skaw

	VLSFO	HSFO	MGO
Availability	    	    	    
Days of notice	5	5	5
Demand	     	    	     

Storm across the region at the moment so backlogged well into the week.

Tokyo

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

Product availability remains very tight for November. Market participants are also closely monitoring the trajectory of Typhoon IN-FA, which could disrupt operations from this weekend into early next week.

Zhoushan

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

HSFO and VLSFO availability remains tight.

Hong Kong

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

VLSFO availability remains normal, although suppliers continue to offer selectively, generally focusing on smaller enquiries of less than 500 MT. A premium is typically applied to larger stems above 1,000 MT.

Seoul

	VLSFO	HSFO	MGO
Availability	    	    	    
Days of notice	8-13	15-18	8-13
Demand	    	    	    

Same as last report.

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

Note: Deadline for text and charts: Monday, Oct 26th.

Crude oil and geopolitics: Diplomacy intensifies, but escalation risks remain high

Despite renewed diplomatic efforts, we maintain our higher-for-longer oil price outlook. The risk of further escalation in the Middle East remains substantial, particularly around the US midterm elections on 3 November.

Brent currently trades at USD 116.2/bbl, close to six-month highs. Prices have eased from recent peaks amid renewed hopes of diplomacy, but the geopolitical risk premium remains elevated.

The most important weekend development was President Trump's statement that he is approaching a decision between reaching an agreement with Iran and launching renewed military attacks. Additional US military assets have been deployed to the region, while Iran has warned of retaliation. Meanwhile, Saudi Arabia, Turkey and Pakistan held high-level talks with Iranian officials in Tehran on Monday to explore de-escalation. The diplomatic initiative is encouraging, but a breakthrough remains uncertain.

The Saudi-Houthi confrontation remains particularly concerning. Over the weekend, missile and drone attacks continued against Saudi Arabia. On Monday, the Houthis claimed fresh attacks on pumping stations along Saudi Arabia's crucial East-West oil pipeline and on Riyadh airport. The pipeline attacks have not been independently confirmed. The East-West pipeline is particularly important because it allows Saudi crude to bypass the Strait of Hormuz. Damage could undermine one of the market's most important alternative export routes.

Although Middle Eastern crude exports have recovered significantly, the combination of shipping disruptions, high tanker freight rates and insurance costs means that physical market conditions remain far from normal. This is also reflected in the Dated Brent, which was assessed at USD 128.3/bbl on Monday. We have also seen cal-27 prices move higher again, with Brent trading at USD 96.7/bbl and gas oil at USD 1,156/MT. That said, there is still a significant backwardation, notably in the gas oil/MGO curves.

We expect tensions to remain elevated ahead of the US midterms and potentially intensify afterwards. Even a diplomatic agreement would not immediately restore damaged infrastructure, refinery capacity or depleted inventories. Our higher-for-longer outlook therefore remains intact. For consumers, we favour high hedge ratios over the next three to six months, while keeping hedge duration below benchmark and using price corrections to add to hedges and fix prices.

Dated Brent vs Brent future spread has narrowed



— Dated Brent — Brent oil future
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

Prices for cal-27 have started to move higher



— ICE gas oil cal-27, rhs — Brent cal-27, lhs
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

MGO/gasoil and diesel: Russian supply improves, but the global market remains tight

Our view remains that US efforts to reduce diesel prices will have limited impact on global prices. However, new evidence of increasing Russian refinery production is a positive supply development that deserves attention.

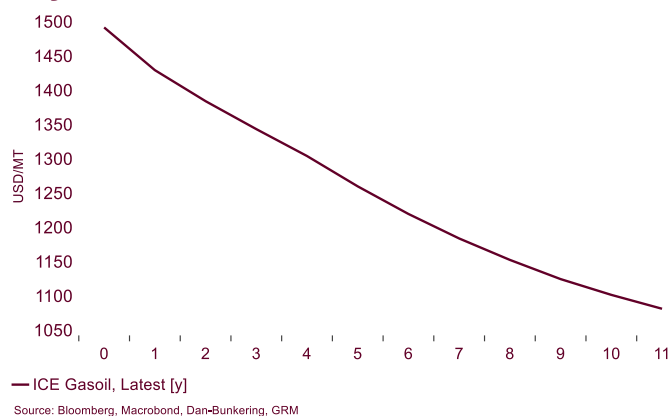
European diesel prices remain exceptionally high. ULSD 10ppm CIF NWE currently trades at USD 1,496/MT, up 146.5% year-to-date, while ICE gasoil remains around USD 1,500/MT. High refining margins continue to reflect the shortage of middle distillates, particularly following disruptions to Middle Eastern exports.

Reuters reported on Monday that Russian diesel production is increasing following the US-Russia supply agreement. Output reportedly recovered from approximately 160,000 tonnes per day in early October towards 180,000 tonnes after export quotas were granted. This could make more than 1 million tonnes per month available for export, although some volumes are needed by neighbouring countries. The first 40,000-tonne cargo is heading towards New York. This is a genuine improvement, but actual additional exports will depend on refinery operations and Russian export restrictions.

Other US measures remain modest. The proposed release of 315,000 barrels from the Northeast Home Heating Oil Reserve provides only temporary relief. The IEA's planned accelerated release of more than 20 million barrels of diesel is more significant, but cannot substitute for sustained refinery production. The latest US crude reserve exchange of 400,000 barrels addresses a local refinery disruption rather than the global diesel shortage.

Inventory data offered some relief last week. US distillate stocks increased by 1.7 million barrels to 104.3 million barrels, but remain 9% below their five-year average. ARA gasoil inventories have also improved, averaging 13.33 million barrels in October, 6% above September. However, global diesel inventories remain vulnerable to further supply interruptions and increasing winter demand.

We maintain our view that diesel, gasoil and MGO prices will remain elevated. Consumers should favour high hedge ratios over the next three to six months, while retaining flexibility on longer-dated hedges. Purchased call options remain attractive for consumers concerned about geopolitical price spikes but wanting exposure to potential price declines. Contact your local Dan-Bunkering sales contact if you want to know more about alternatives to traditional fixed-price agreements.

ICE gas oil (diesel/MGO) forward curve, USD/MT**ICE gas crack has edged lower, but still elevated**

Bunker fuel: Singapore HSF0 strength keeps HI5 exceptionally narrow

HSF0 tightness remains the dominant feature of the Singapore bunker market. The exceptionally narrow HI5 spread and wide East-West price differential illustrate how regional supply disruptions and expensive tanker freight continue to fragment the global fuel oil market.

Singapore's HI5 spread recovered from its recent extreme lows of around USD 27/MT but remains exceptionally narrow at approximately USD 60/MT on Monday. The main driver is continued HSF0 strength rather than VLSFO weakness. This continues to reduce the fuel-cost advantage for scrubber-fitted vessels. Note the charts below are based on prices in the paper markets.

Inventories underline the regional imbalance. Singapore's fuel oil stocks have averaged 18.52 million barrels in October, 6% below September, despite increased net imports. HSF0 supply remains particularly tight, with recommended delivery lead times of 12–21 days, compared with 14–21 days for VLSFO.

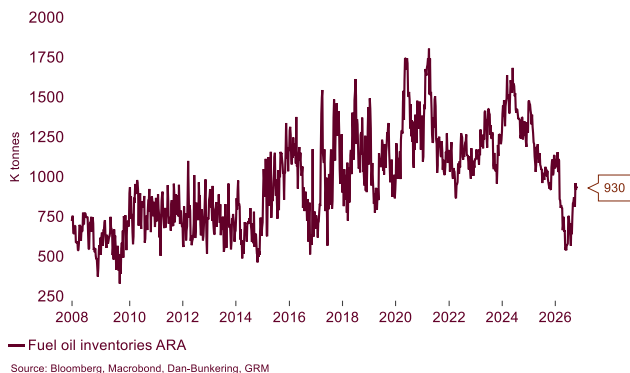
Rotterdam remains relatively better supplied. ARA fuel oil inventories have averaged 5.85 million barrels in October, 7% above September. However, prompt availability is still constrained, and bunker buyers are advised to allow 5–7 days for delivery.

The Singapore-Rotterdam HSF0 East-West spread remains exceptionally wide. Under normal circumstances, this would encourage arbitrage flows from Europe to Asia. However, elevated tanker freight rates, limited vessel availability and higher insurance costs continue to restrict movements, allowing substantial regional price differences to persist.

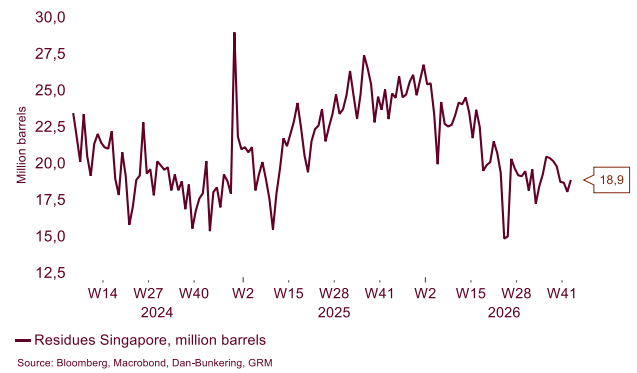
We see potential for the Singapore HI5 spread to recover further as supplies gradually improve, although persistent HSF0 tightness could limit that recovery. MGO remains exposed to the wider global diesel shortage.

For bunker buyers, regional price differences, fuel quality and delivery availability remain as important as outright crude oil prices. We therefore continue to recommend managing VLSFO, HSF0 and MGO exposures separately, with particular attention to regional basis risk.

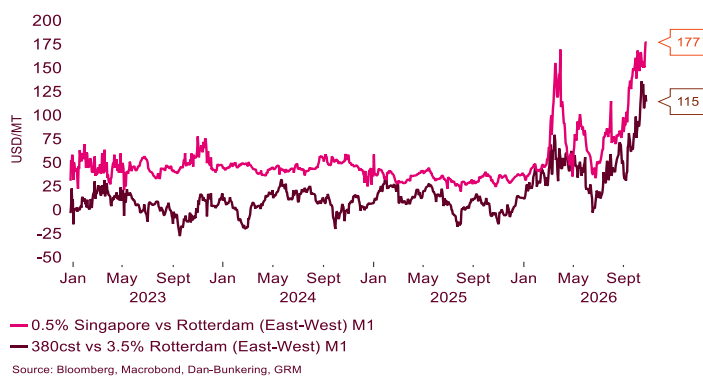
ARA Fuel oil inventories up from July low, k tonnes



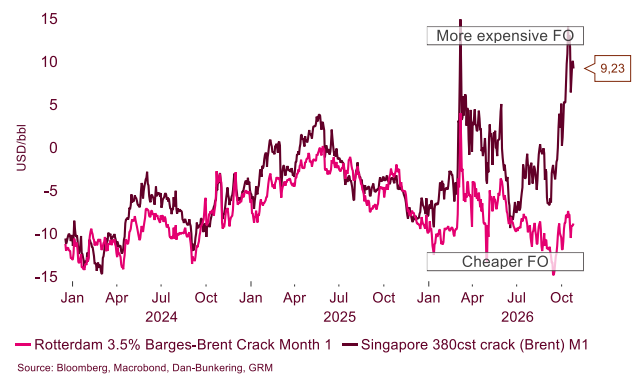
Singapore fuel oil inventories dropping, million barrels



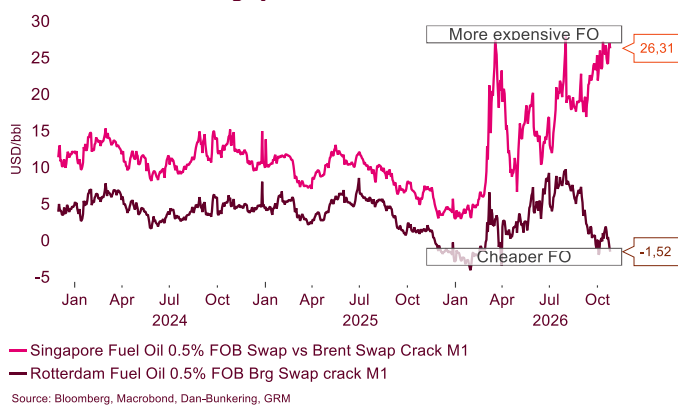
East-West spreads remain elevated...



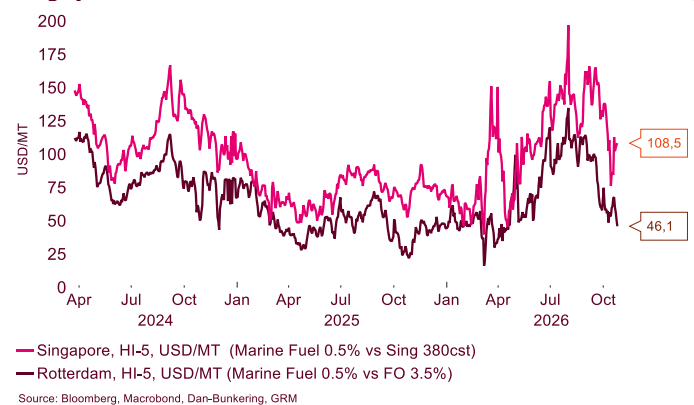
... as, HSFO cracks are rising again in Singapore



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



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



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	116,0	113	100	87	82	82	95	88
ICE Gasoil, USD/MT	1489	1535	1341	1130	1021	1021	1216	1128
HSFO (1M 3.5% Rotterdam Barge), USD/MT	648	667	578	493	476	476	557	506
VLSFO (1M 0.5% Rotterdam Barge), USD/MT	693	756	667	576	546	546	629	584
EUA spot, EUR/MT	88	92	93	94	95	96	82	95

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

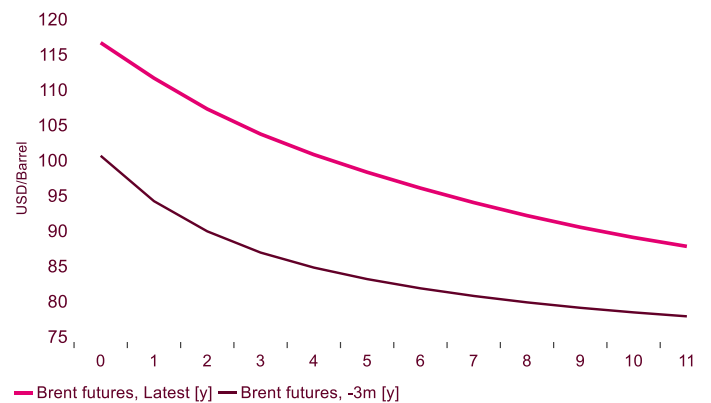
Overview Charts:

Brent oil



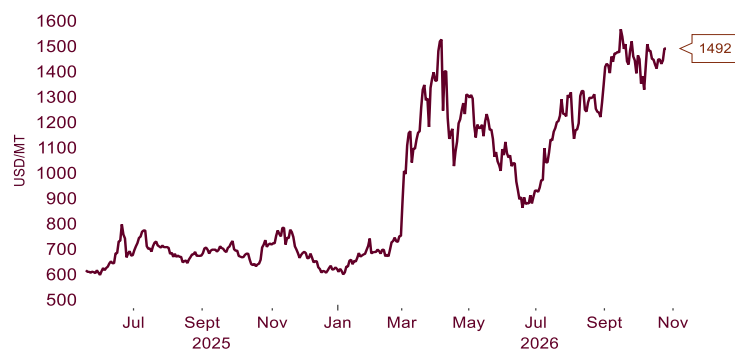
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

Brent forward curve, indicative prices



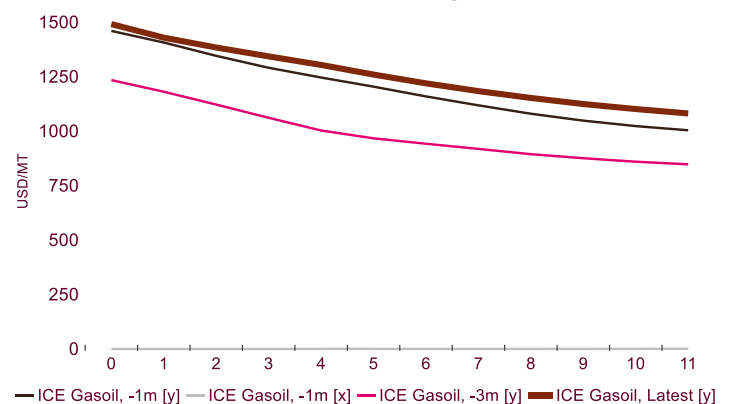
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

ICE Gasoil, 1. Pos.



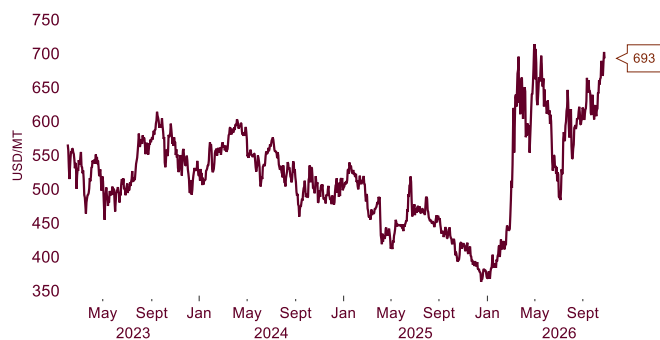
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

ICE Gasoil forward curve, indicative prices



Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

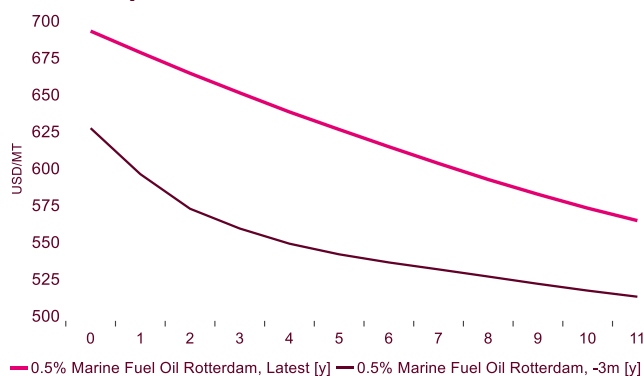
0.5% Marine Fuel Oil Rotterdam Barge, 1M



Source: Bloomberg, Macrobond, Dan-Bunkering, GRM



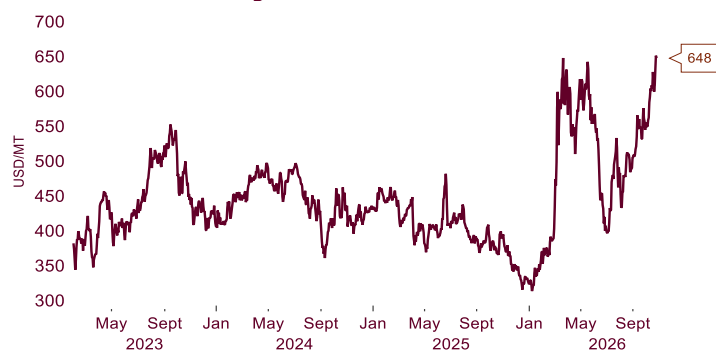
0.5% Marine Fuel Oil Rotterdam Barge Forward Curve, indicative prices



Source: Bloomberg, Macrobond, Dan-Bunkering, GRM



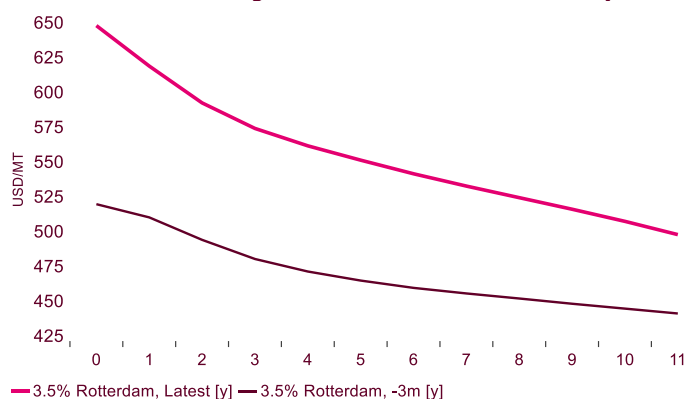
Rotterdam 3.5% Barge



Source: Bloomberg, Macrobond, Dan-Bunkering, GRM



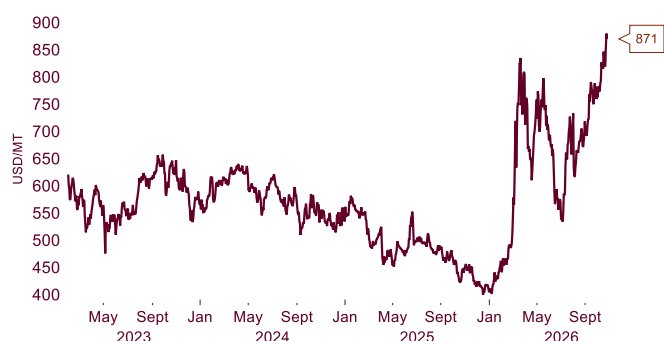
Rotterdam 3.5% Barge forward curve, indicative prices



Source: Bloomberg, Macrobond, Dan-Bunkering, GRM



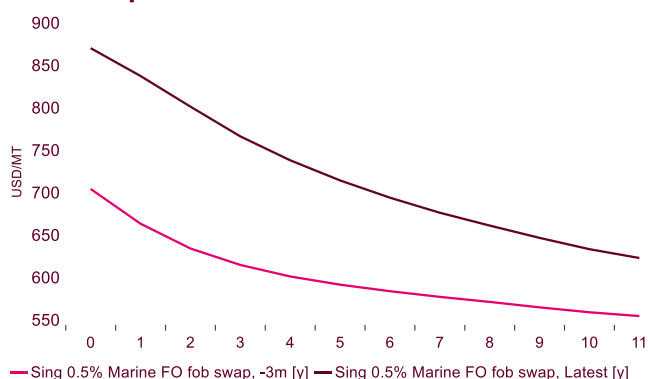
Singapore FOB 0.5% Marine Fuel Oil swap 1M



Source: Bloomberg, Macrobond, Dan-Bunkering, GRM



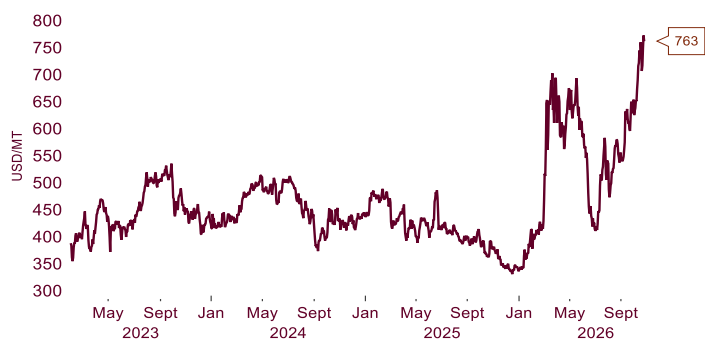
Singapore FOB 0.5% Marine Fuel Oil swap forward curve, indicative prices



Source: Bloomberg, Macrobond, Dan-Bunkering, GRM



3.5% Singapore 380 CST FO swap, M1

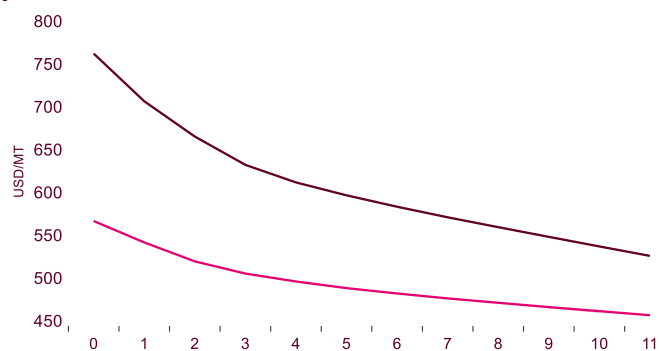


— 3.5% Singapore 380 CST FO, 1M

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

