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August 12, 2025

## Bunker Port Brief

### Singapore































	VLSFO	HSFO	MGO
Availability	    	    	    
Days of notice	10	10	6
Demand	    	    	    

The Asian LSFO market remains pressured by ample supply and weaker utility demand. Singapore premiums may hold firm on steady demand and tight prompt bargaining.

The Asian HSFO market continues to face downward pressure from ample supply and declining summer utility demand, although downstream bunker margins have seen a notable improvement following a subdued performance in June.































The Asian LSMGO market is likely to stay stable or slightly weaken as swing barrels are redirected to Europe, despite inventory levels remaining low.

### ARA

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







HSFO is a bit tighter on the prompt. Cash to paper reflects the same.

### Fujairah

	VLSFO	HSFO	MGO
Availability	    	    	    
Days of notice	6	8	5
Demand	    	    	    

We noticed good demand end of last week and steady since start of this week. Market is well oversupplied with multiple suppliers offering multiple grades. Most suppliers are booking for far out dates and tight till 20th Aug onwards already.

## Houston







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

August and September are most active part of US Gulf hurricane season. Seasonal weather should be anticipated and can affect bunkering operations.







Some storms and lightning have delayed loading operations over the past week.

Some barge congestion around HSFO which has pushed EDDs out about a week. Some limited avails before that but depends on quantity and dates.

## Panama







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

## Gibraltar

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

MGO is still in heavy demand and we are seeing an increase in mgo demand compared to vlsfo/hsfo demand everyday .































## Malta

	VLSFO	HSFO	MGO
Availability			
Days of notice	7	9	5
Demand			

MGO demand is still high.































Premiums are from the last 4 weeks (and more) all all-time high.

## Port Louis

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












A steady week in Port Louis with demand, gasoil remains the more common product viewed. HSFO remains tight. Strong winds are expected early next week.

## Durban

	VLSFO	HSFO	MGO
Availability	    	    	    
Days of notice	3-5	2-5	5-7
Demand	    	    	    

A notable uptick in demand last week, with a good number of inquiries seen daily. From a few a week, some months ago, to a few a day, meaning barge movements are the best in a while. Strong demand and competitive pricing have led to more interest from buyers.

## Walvis Bay

	VLSFO	HSFO	MGO
Availability	    	    	    
Days of notice	8-12	8-12	3-5
Demand	    	    	    

High demand in Walvis, with many suppliers overselling and facing cargo delays, leading to backlogs and some supply delays. New cargoes are expected to come in the next week or two, but avails will be tight for the foreseeable future.



## Oil market: Sanctions and geopolitics vs supply glut

*In this issue of the Weekly Market Update, we discuss the outlook for oil prices for Q4 2025 and Q1 2026. We argue that there is a “struggle” between sanctions and geopolitics that speaks in favour of higher oil and bunker prices, including gas oil and MGO, which could see higher cracks. On the other hand, the fundamental outlook for supply and demand in Q4 and H1 2026 is bearish.*

### Supply and demand outlook points to a supply glut in Q4 and H1 2026

OPEC+ announced in early August that it will phase in the final 547,000 barrels per day of the voluntary cuts. It means that the extraordinary reduction of 2.2 million barrels per day introduced in 2023 will have been reversed.

The UAE has been awarded a 300,000 higher quota, and even if we take into account the so-called compensation cuts from the cheaters like Kazakhstan, Iraq and Russia, the OPEC+ will have added significantly more oil to the market by Q4 2025 compared to a year ago.

If we use the forecasts from BNEF, the research department of Bloomberg, supply in Q4, based on unchanged OPEC+ production from September and onwards, is expected to be 3.6 mb/d higher than in Q1. 2.2 mb/d of that comes from the OPEC+ if we include both crudes and condensates. North America and Brazil account for 0.6 mb/d each. Norway and Guyana have also stepped up production.

In the same period, global oil demand is only expected to have risen 1.2 mb/d. If we add the numbers together, we end up with a sizeable supply overhang in Q4 2025 and in H1 2026.

We believe that the BNEF may be too optimistic about growth in North American supply for the rest of 2025 and in 2026. A WTI price close to USD 65 or lower is going to hurt investments in shale oil. We have already seen over the last couple of months that growth in US crude oil production has slowed markedly. The weekly data indicate that the US production level is now marginally below the level a year ago.

We also believe that the BNEF demand numbers may be overly pessimistic. Bnef expects demand to grow by just 0.6 mb/d in 2025 and 0.8 mb/d in 2026. OPEC, which admittedly is almost by nature optimistic, has demand forecasts of 1.3 mb/d and 1.4 mb/d in 2025 and 2026, respectively.

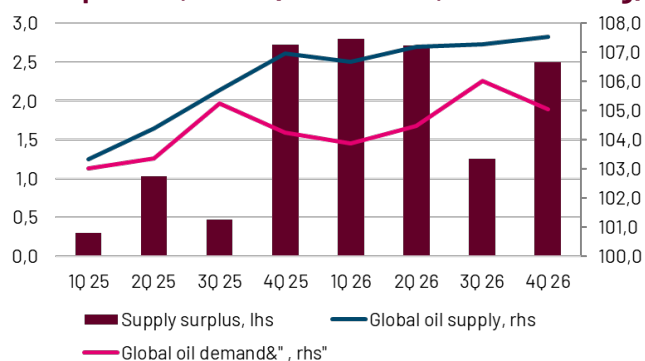
However, even if we use quite bullish demand forecasts and take a more downbeat view on the supply coming to the market over the next three quarters, it will be challenging to avoid a build-up in inventories. There is also the possibility that OPEC+ decide to conduct new production cuts, reversing some of the recent production increases. We would expect OPEC+ to start discussing lower production if Brent drops below USD 60.

Finally, the recent US CPI numbers out earlier today point to rate cuts from the Federal Reserve. The market expects a rate cut at the September Fed meeting. Lower interest rates are favourable for risk appetite, including equity and bond prices that reflect the future rate path. Lower interest rates will also support the oil demand outlook and oil prices. But oil is mainly a

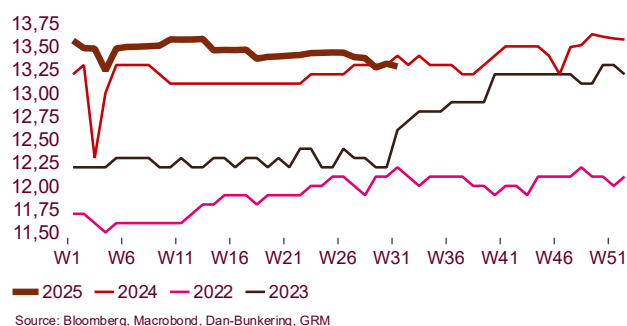
reflection of the market balance. Hence, do not expect a significant boost to oil prices from lower interest rates.

All in all, the supply and demand balance looks bearish for the next couple of quarters, though the market has likely already priced in to a certain degree that inventories will rise.

**The oil market balance is negative for oil for the next three quarters, mb/d (Source Bnef, Dan-bunkering)**



**US crude oil production is no longer rising, mb/d**



Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

## Sanctions and geopolitics support the oil market for now ...

However, at the moment, the supply and demand fundamentals are in the background. The market is trading on geopolitics and the probability of sanctions on Russian oil exports. Notably, if the extra 25% tariff on India, which will start on August 27, stays in place.

We find it quite unlikely that the US will introduce secondary sanctions on China for buying Russian oil. The 90-day tariff-truce between the US and China has just been extended, and Nvidia has been allowed to export AI-chips to China if they pay an export fee of 15%.

It seems unlikely that Trump will introduce sanctions on Chinese purchase of Russian oil as the market will likely not be able to compensate for such a move, which is almost inevitable to lead to higher gasoline prices also in the US. If India stops buying Russian oil, it will likely be absorbed by China. The latest numbers indicate that China is stepping up its purchase of Russian oil, and India is reducing purchases.

This week, the market is in wait-and-see mode ahead of the Putin-Trump meeting in Alaska on Friday. The situation is very fluid and changes almost by the hour.

In a situation like this, we prefer to work with scenarios. We see the following four scenarios, where three out of four points to lower prices in the coming months.

### Scenario 1: Accepted Deal – Oil to low USD 60s

Trump manages to reach a “deal” with Putin that Europe and Ukraine accept. This could be a ceasefire where the front line is frozen, followed by negotiations – something Ukraine has been advocating. Trump will likely claim that Russia has been pressured and signal that he will soon

begin lifting US sanctions. The EU will not lift sanctions, but without US backing, they will be less effective, leading to oil prices in the low 60s.

### Scenario 2. Ambiguous Deal – Oil to mid USD 60s

Trump strikes one of his ambiguous deals with Putin that is neither enforced nor supported by the EU or Ukraine. After a short ceasefire, the war flares up again. The US largely withdraws from negotiations, leaving Europe to handle the situation. The US continues selling weapons to Ukraine, and EU tariffs remain unchanged, but the US stops enforcing sanctions and begins lifting them gradually. Oil prices drift slightly lower to the mid-60s.

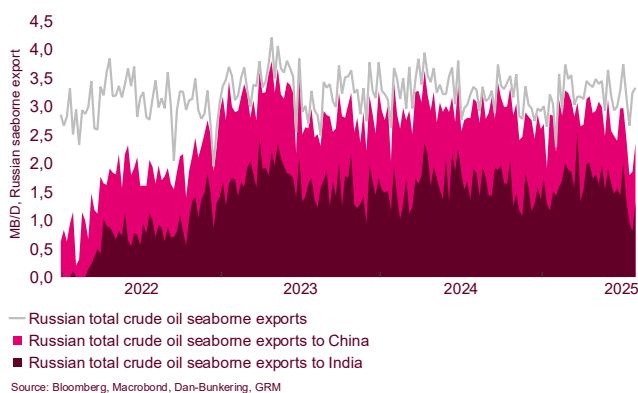
### Scenario 3. Unacceptable Deal – Oil to mid/low USD 50s

Trump makes a deal with Putin that is entirely unacceptable for the EU and Ukraine. Witkoff has, for example, proposed a plan in which Ukraine would cede territory Russia does not even control. Trump would be furious if his plan is rejected. He would lift sanctions on Russia and might even impose additional tariffs on the EU, which this time would have little choice but to retaliate. Oil prices could drop sharply to the mid or low 50s, along with risk appetite.

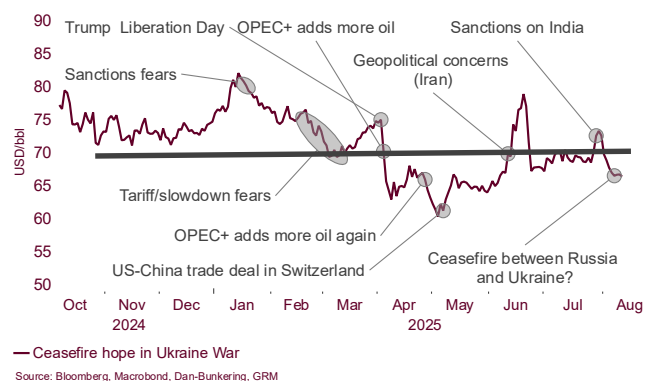
### Scenario 4. Hardline Against Russia – Oil to mid USD 70s

The meeting in Alaska turns out to be a disaster for Putin. Trump finally sees through him and aligns with the EU to punish and sanction Russia, including enforcing secondary sanctions. Military support is stepped up. The market would see this as bullish, but also knows that Trump could change his mind quickly, especially if gasoil/diesel prices spike due to higher cracks. Oil could move to the mid-70s.

**Most of the Russian seaborne oil exports go to India and China, mb/d**



**The oil price in wat-and-see mode, USD/bbl**



## Price forecast

	Spot	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Q3 2026	Q4 2026	avg. 2025	avg 2026
<b>Brent, USD/bbl</b>	66,4	67	66	66	67	70	69	69	67
<b>ICE Gasoil, USD/MT</b>	672	682	663	641	656	685	663	671	676
<b>HSFO (1M 3.5% Rotterdam Barge), USD/MT</b>	398	403	400	394	400	419	413	416	408
<b>VLSFO (1M 0.5% Rotterdam Barge), USD/MT</b>	455	460	457	457	464	483	476	471	466

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

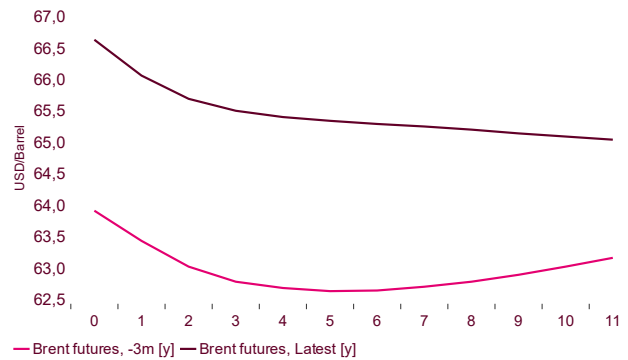
## Overview Charts:

### Brent oil



Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

### Brent forward curve, indicative prices



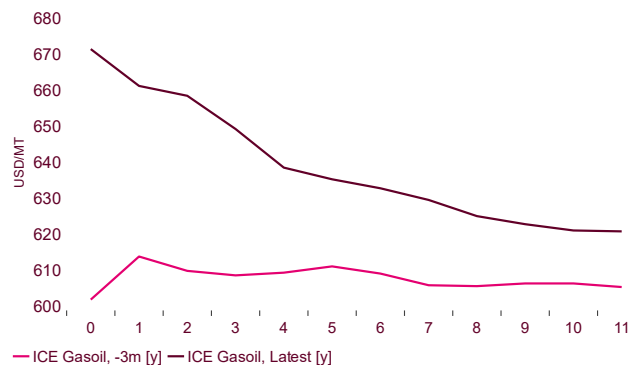
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

### ICE Gasoil



Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

### ICE Gasoil forward curve, indicative prices



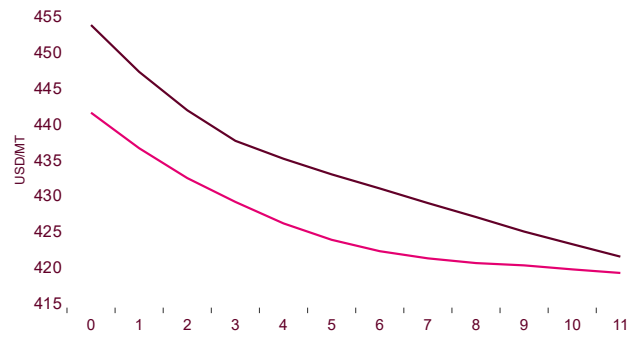
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM



**0.5% Marine Fuel Oil Rotterdam Barge, M1**

— 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**

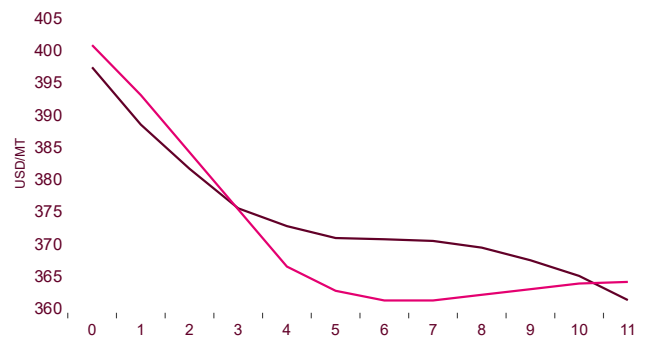
— 0.5% Marine Fuel Oil Rotterdam, -3m [y] — 0.5% Marine Fuel Oil Rotterdam, Latest [y]

Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

**Rotterdam 3.5% Barge**

— 3.5% Rotterdam Barge, 1M

Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

**Rotterdam 3.5% Barge forward curve, indicative prices**

— 3.5% Rotterdam, -3m [y] — 3.5% Rotterdam, Latest [y]

Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

