Dan-Bunkering
Ride the Next Wave

Bunker Port Brief

Singapore

	VLSFO	HSFO	MGO
Availability			
Days of notice	12	9	8
Demand			

ARA

	VLSFO	HSFO	MGO
Availability			
Days of notice	5-7 working days	10 working days	3-4 working days
Demand			

RMK 500 / 700 avails are tight. Biofuels premiums are increasing a bit

Fujairah

	VLSFO	HSFO	MGO
Availability			
Days of notice	N/A	5	5
Demand			

Fujairah market is dry and there is 1 supplier in Khor Fakkan with very limited quantity to sell avails wise. The next cargo is expected in Fujairah only around end of June and also expected to be a very small clip from what we can understand from our sources. Due to this, we are also seeing little to no demand here and clients are looking for other possible options in the Middle East. However the other nearby ports are also running at low capacity considering most load from FUJ so by next week the other nearby ports may also slowly dry up.

Gibraltar

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

Malta

	VLSFO	HSFO	MGO
Availability			
Days of notice	10	10	5
Demand			

New York

	VLSFO	HSFO	MGO
Availability			
Days of notice	8	6	3
Demand			

Demand has been waning a bit, we surmise due to a lack of avails up and down USEC. There are bbls to buy, but need more lead time vs usual. Premiums to underlying indices increasing.

Panama

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

Durban

	VLSFO	HSFO	MGO
Availability			
Days of notice	5-8	7-10	6-10
Demand			

Markets remain quieter than seen in previous weeks prior the war broke out; plenty of avails at the moment but demand not following suit.

Port Louis

	VLSFO	HSFO	MGO
Availability			
Days of notice	5-10	7-10	4-8
Demand			

Another quiet week as markets appear to be stabilising. Even with prices dropping, demand has not picked up.

Walvis Bay

	VLSFO	HSFO	MGO
Availability			
Days of notice	6-9	12-16	5-8
Demand			

Like many other regional ports, demand has slowed and plenty of avails at best prices seen since the advent of the war. Demand simply remains tepid.

In this issue of the Weekly Market Report, we discuss how the market continues to price in an imminent deal, and notably, how the drop in Chinese crude oil imports and the surge in US exports have kept the market balanced and prices below USD 100.

Editorial deadline: June 8, 22.00 CET

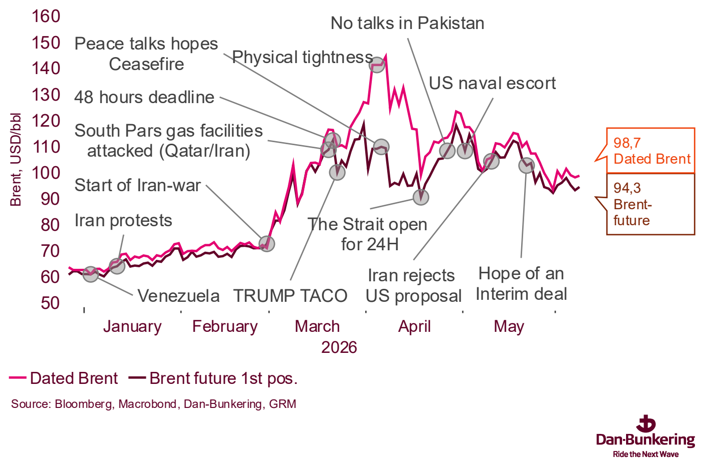
Oil market update: Day 100 of the Strait of Hormuz blockade

Today, it is 100 days since the war in Iran started, and the Strait of Hormuz was more or less immediately blocked. An unprecedented oil crisis began, which the IEA labelled worse than the two oil crises of the 1970s and the energy crisis triggered by Russia's invasion of Ukraine in 2023, combined.

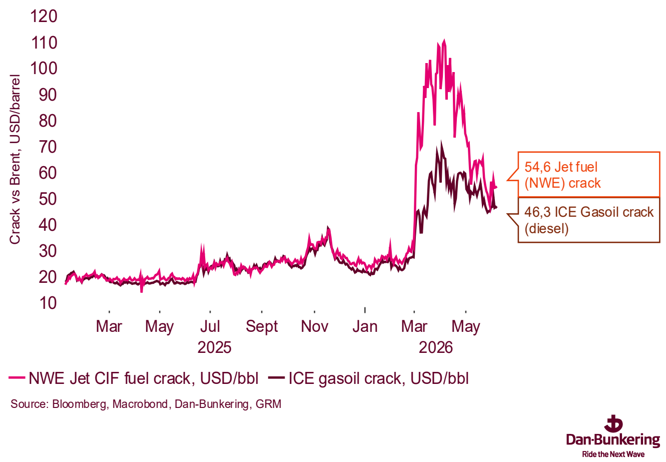
When the war started, prices (Brent front-month contract) initially rose from USD 70 to above USD 80, and it took about two weeks to reach USD 100. Brent ended March at USD 118, which was the closing peak (excluding intra-day moves) over the last 100 days.

In April, the crisis spread to the physical and refined product markets. Dated Brent traded above USD 140, and, notably, ICE gas oil and jet fuel cracks spiked.

Brent back last week at a level not seen since the 24-hour opening of the Strait in April, USD/bbl.



Spike in distillate cracks in March and April, USD/bbl.



However, April and, not least, May were characterised by two major themes that narrowed the spread between Dated Brent and the Brent future, lowered cracks, and pushed the Brent futures contract back below USD 100.

1: The oil market believes in a deal "tomorrow"

Since the April 8 ceasefire, the market has basically bought into the narrative that the war would soon end and that the Strait of Hormuz would reopen. Though the oil market is sceptical of any news of an imminent deal, whether it comes from Trump or "affiliated" media like Axios, the market has not been ready to price in an extended period of time with a closed Strait. No one in the market wants to be caught long the day there is a deal, notably as the front-month Brent futures contract is typically two months ahead, currently August.

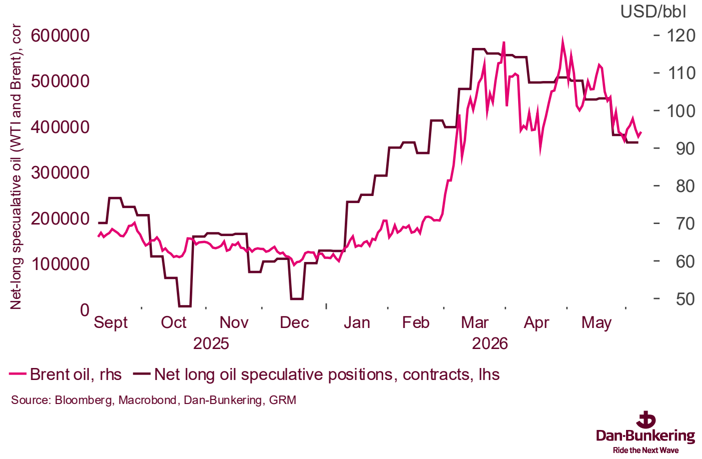
However, it may be increasingly difficult for the White House to convince the market that "a deal" is near. There have likely not been any talks last week, and there were severe military clashes between the US and Iran over the weekend and between Israel and Iran yesterday. Saturday, Iran claimed to have hit several "enemy bases" in the region, after the US bombed Iranian radar installations earlier in the week.

Furthermore, it has become clear that an Iranian red line is that a possible 60-day ceasefire should include a ceasefire between Israel and Lebanon. However, the clashes in southern Lebanon may continue despite the recent "ceasefire" agreed between Lebanon and Israel last week and the ceasefire between Israel and Iran this week.

The number of net-long speculative positions in Brent and WTI has also dropped over the last two months. It underscores that the market is increasingly losing faith in higher prices. Positioning is no longer more skewed to the upside than before the war started. That said, if a trustworthy reopening of the Strait is announced, the closing of speculative long positions may be less pronounced. It limits downside in prices, whereas any escalation may have a bigger impact on the upside, as was seen Monday morning.

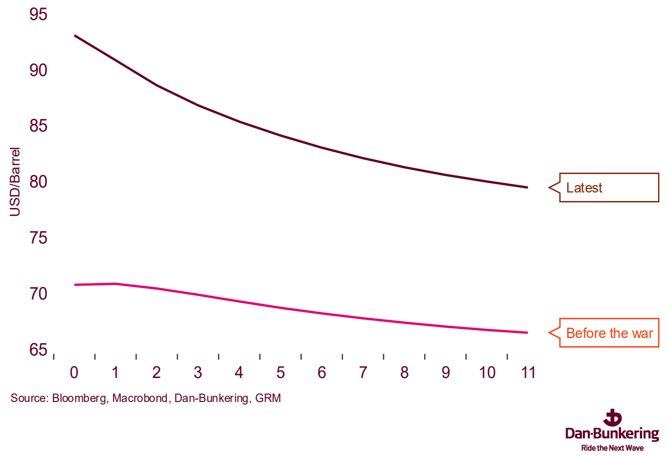
The Brent curve and the refined product and fuel oil curves also remain in backwardation, implying that the current tightness is seen as temporary.

Speculators are losing faith in higher oil prices, closing net-long positions.



Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

Brent curve remains in backwardation, USD/bbl.



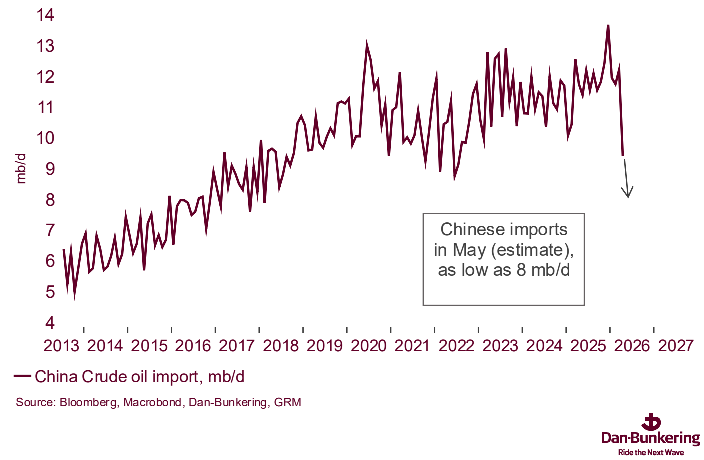
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

2: The mitigating factors have worked

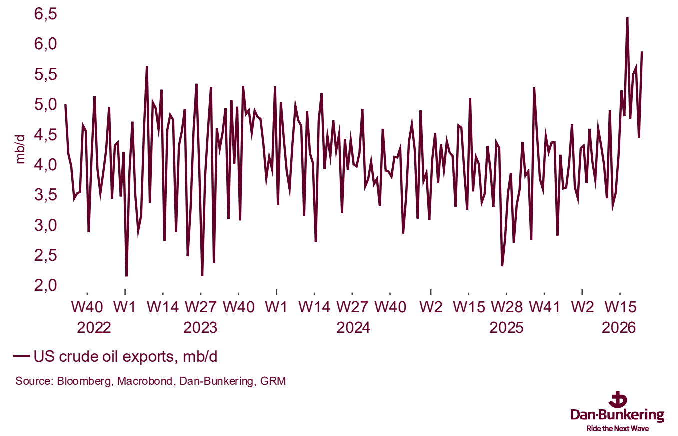
The market has proved far better at adapting to the supply shock than feared. Not least, the decline in Chinese oil imports has been very significant. The US has also sharply increased its exports, and sanctioned oil at sea has been sold, while a massive fall in demand and strategic inventories have prevented a complete breakdown in the market.

Notably, the market has been surprised by China's flexibility in scaling back crude oil imports. Over the past year, imports have averaged around 12 million barrels per day (mb/d). In April, imports fell below 9.5 mb/d, and various media reports indicate that they have fallen to around 8 mb/d in May as imports by sea have continued to drop. Official import numbers are expected this week.

Large drop in Chinese crude oil imports likely continued in May, mb/d



Large spike in US crude oil exports, mb/d



However, these mitigating factors are, in general, temporary buffers, and looking one to two months ahead, it will be difficult to avoid upward pressure on prices as global inventories continue to drop.

The US will likely not be able to keep its current export level, demand is seasonally picking up, and the "sanctioned oil at sea buffer" is now gone.

The big unknown is Chinese crude oil imports. Apparently, China has reduced refinery runs, which is counterintuitive given the higher and very profitable cracks. On the other hand, Chinese inventories grew significantly last year as China largely absorbed the global oversupply, implying that China can continue to keep import at a minimum.

Quite simply, a larger fall in demand is needed for the market to remain balanced, and, in our view, higher prices are required to achieve that.

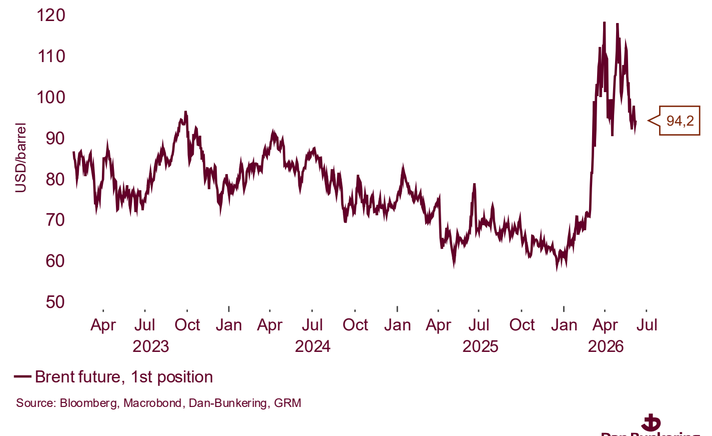
Below is our forecast for oil, bunker fuel, and EUAs, updated as of June 8, 2026.

	Spot	Q2 2026	Q3 2026	Q4 2026	Q1 2027	Q2 2027	avg. 2026	avg. 2027
Brent, USD/bbl	94,2	103	90	85	79	77	89	78
ICE Gasoil, USD/MT	1060	1181	1043	931	852	834	1008	843
HSFO (1M 3.5% Rotterdam Barge), USD/MT	547	619	533	502	472	464	529	468
VLSFO (1M 0.5% Rotterdam Barge), USD/MT	616	682	597	559	529	521	586	525
EUA spot, EUR/MT	76	76	80	95	96	96	81	96

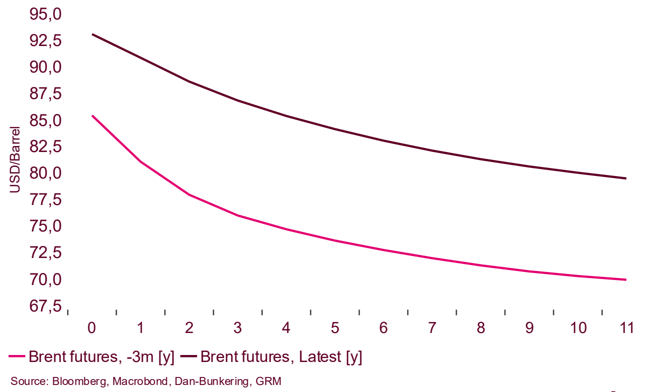
Source: Dan-Bunkering, indicative spot-prices based on Bloomberg 1M fair-value

Overview Charts:

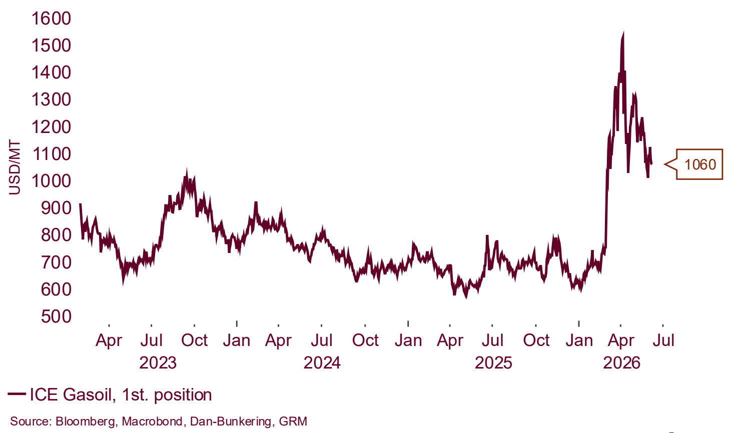
Brent oil



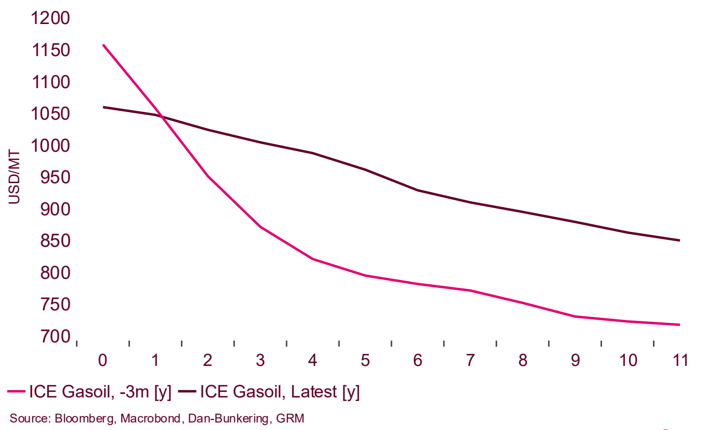
Brent forward curve, indicative prices



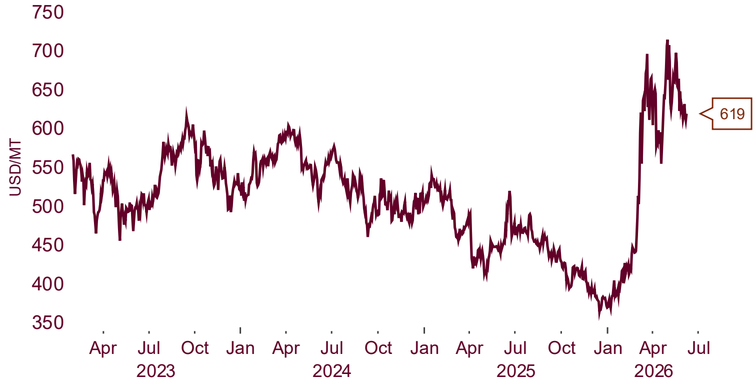
ICE Gasoil, 1. Pos.



ICE Gasoil forward curve, indicative prices



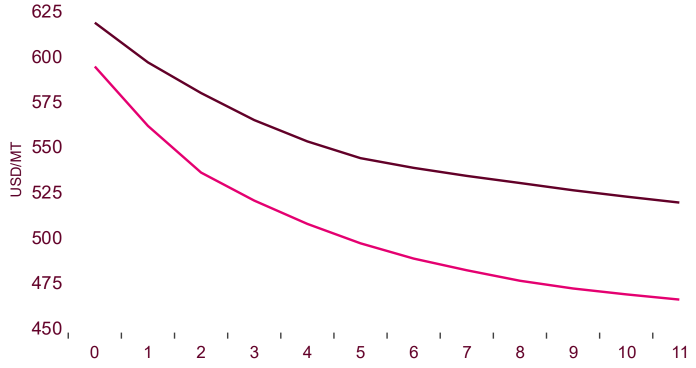
0.5% Marine Fuel Oil Rotterdam Barge, M1



— 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]

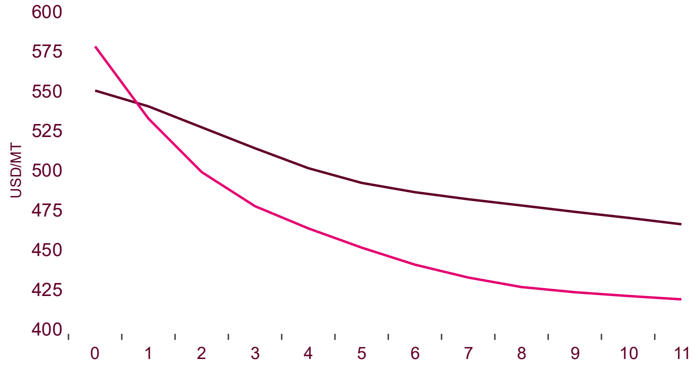
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM

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