

# Weekly Market Report

July 1, 2025









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

## Bunker Port Brief

This will be the last Report before the summer break. The next edition will be August 5<sup>th</sup>.

### Singapore







	VLSFO	HSFO	MGO
Availability			
Days of notice	10	8	3
Demand			

The Asian LSF0 demand is expected to stay moderate, with some quick buying likely if global crude prices fall. Supply and barging availability remain steady and enough to meet near-term refuelling needs.

The Asian HSFO demand is expected to stay steady, but growing stockpiles are outpacing usage and putting downward pressure on price. Prompt barging remains readily available with early slots already booked for term contract deliveries.







The Asian LSMGO market is likely to trade rangebound to slightly higher, with the US-China trade deal anticipated to have only a limited effect on market dynamics.

### ARA

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

We see suppliers with EDD after the 8th of July, particularly for MGO. BP refinery still closed for maintenance so limited avails of BP MGO product in the market.







### Fujairah

	VLSFO	HSFO	MGO
Availability			
Days of notice	5	7	4
Demand			

We see a slow start to the week with sluggish demand continuing from last week. However a few suppliers have also been booked out (on all grades) for the next 6-7 days out and not offering much prompt in the meantime. HSFO demand has been steady from our regular lifters but VLSFO has sustained demand which we expect hopefully to pick up this week.

Freight rates are surging, with ME-Asia up 60% and VLCCs now near \$47k/day, which may impact bunker demand and port calls in the coming week.







## Houston

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

Peninsula has announced they will be expanding their physical operation and entering the market as a physical supplier of HSFO, VLSFO and LSMGO Offshore Galveston.







Hurricane season has begun in the US Gulf and will run through October. Seasonal weather has begun to pick up. Storms, sometimes severe, have cause intermittent disruptions to bunker operations both in port, bolivar roads anchorage and offshore.

## New York

	VLSFO	HSFO	MGO
Availability			
Days of notice	3	5	1
Demand			







Demand static on all grades.

## Panama

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







Avails good.

## Gibraltar

	VLSFO	HSFO	MGO
Availability			
Days of notice	+5	+9	+5
Demand			

Market is busy, and we have seen an increase in inquiries for the last few weeks.

## Malta

	VLSFO	HSFO	MGO
Availability			
Days of notice	+5	+9	+5
Demand			

Busy market for mgo and ulsfo.

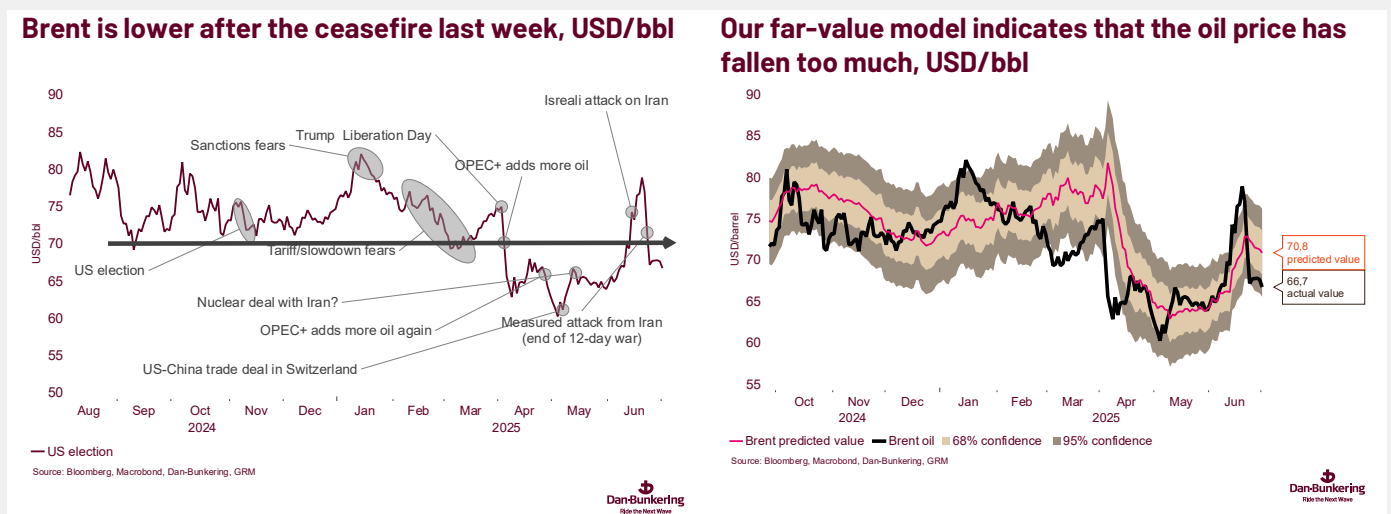
## The war is over, and the remaining risk premium has been priced out

Last Monday, it became clear that the war between Iran and Israel was over after 12 intense days. Iran did respond to the US bombing of Israeli nuclear sites by firing missiles at a US base in Qatar. But both the US and Qatar had been informed in advance, and all missiles were intercepted. The episode mirrored earlier Iranian attacks, such as the strike on Israel last year and the retaliation following the killing of General Soleimani in 2020, which were largely symbolic operations.

This latest symbolic move triggered the biggest one-day drop in Brent since 2022, and oil prices have remained under mild pressure since. For now, talk of a potential closure of the Strait of Hormuz and fears of escalation have gone quiet.

The so-called risk premium has been entirely priced out. Our short-term Brent model, which incorporates financial variables such as equity and FX markets, US crude stocks, and the surprise index, suggests a fair value around USD 70 a few US dollars above the current spot price.

With the front-month September Brent contract settling at USD 66.6, the market is trading below fair value. Falling US crude inventories are one of the factors pushing fair value higher.



Even though the risk premium has been priced out, that doesn't mean Iran won't matter to the oil market in the coming quarters. The key question now is whether the US will maintain sanctions on Iran.

Last week, Trump said he wants Iranian oil to continue flowing to China so the country can rebuild. There is no longer any mention of "maximum pressure" on Iran, removing what was previously a key source of support for the oil market. We see the comment as linked to Trump's repeated claim that all of Iran's nuclear facilities have now been destroyed and therefore no longer require sanctions. Most would probably argue, though, that the real motivation is to avoid pushing oil prices higher.

That position, however, seemed to shift on Saturday after Iran's Supreme Leader Ayatollah Khamenei declared victory over Israel. It remains unclear whether the nuclear talks between the US and Iran, which Secretary of State Marco Rubio said would resume this coming week, will go ahead.

The International Atomic Energy Agency (IAEA) stated last week that it seeks access to inspect the damage, including to account for approximately 400 kg of enriched uranium. During the war, Iran had threatened to withdraw from the Non-Proliferation Treaty (NPT). If that happens, IAEA inspections will be halted.

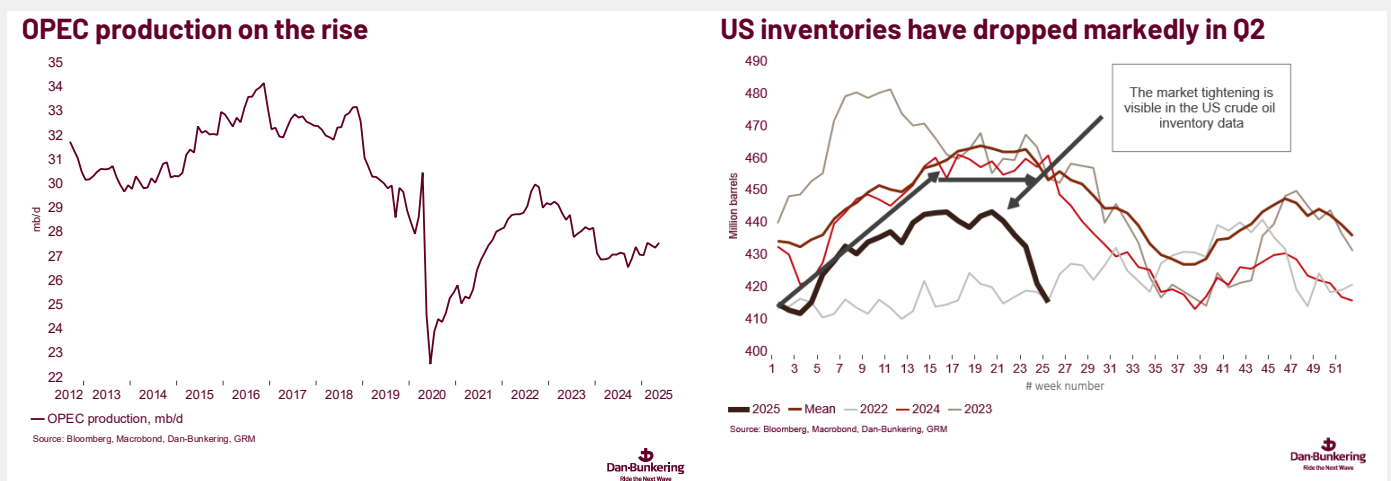
In short, the return of tighter sanctions, or at least stricter enforcement, is back on the table. If oil trades below USD 70, enforcement is more likely than if prices are above. This underpins our view that there is strong support for oil around USD 65.

### Focus shifting back to fundamentals and risk appetite

Beyond Iran, which Trump brought back on the agenda Saturday, we are watching several fundamental drivers.

First, the OPEC+ meeting on July 6. According to anonymous sources cited in the press on Friday evening, the group – or more precisely, the eight countries that introduced the extraordinary cuts back in November 2023 – is expected to deliver a fourth consecutive production increase of 411,000 barrels per day. It suggests Russia is more clearly on board this time. Possibly a signal to get closer to Trump, now that he confirmed his commitment to NATO's Article 5 and opened the door to supplying Patriot missiles to Ukraine.

Second, US crude inventories. They've shown a surprisingly sharp draw in Q2. The latest figures showed a weekly drop of 5.8 million barrels. Over the past five weeks, US inventories have fallen by 28 million barrels. Stocks are now not only at their lowest since January but also at their lowest for this time of year in at least a decade, 28 million barrels below the same week last year.



Third, the focus is back on macro data. In the coming week, all eyes are on the key US jobs report. Note that it will be released on Thursday, as the US Independence Day holiday falls on Friday, July 4. The market expects an increase in nonfarm payrolls of 113,000.

Fourth, attention turns to Trump's "One Big Beautiful Bill Act." Yes, that's the official name. Trump aims to get it passed before July 4, Independence Day. We are watching for renewed nervousness in the rates market, as the bill includes significant, unfunded tax cuts.

Fifth, monetary policy and the dollar. There has been renewed speculation that Trump will soon announce a new dovish Fed chair, even though the next term officially begins in May next year. That drove dollar selling last week. In addition, the rally in US equity markets is triggering so-called rebalancing flows (USD selling via forwards) as foreign investors hedge FX risk in response to growing asset values in the US market.

Historically, a weaker dollar has often led to higher oil prices. There was a prevailing belief that oil should be priced equally in all currencies, and the US economy was more energy-intensive than the European economy. Today, the relationship has reversed, and perhaps even the causality has flipped. A drop in oil prices due to rising OPEC+ production now hits the US harder than Europe, as the US has become the world's largest oil producer and a net exporter. That means a weaker dollar no longer automatically supports oil prices. However, the recent weakening of the USD is now so pronounced that oil may once again start rising alongside the dollar's decline.

Finally, trade policy is back in focus. If no agreement is reached, the higher US tariffs, including those on goods from the EU, will take effect on July 9. A new tariff war will be negative for the oil price.

### **Price outlook and hedging**

Overall, the renewed calm in the oil market this week may prove to be the calm before the storm. The upcoming OPEC+ announcement on July 6, the end of the war, and the July 9 tariff deadline all point to continued downward pressure on prices.

However, falling US inventories, strong risk appetite, and renewed sanction pressure on Iran argue for upside risks. The weakening dollar may also start contributing to higher prices. All in all, we maintain our view that USD 65 is a strong support level for oil.

We recommend increasing hedging of oil and product exposure if Brent falls to the USD 60-65 range. Focus particularly on building hedges for the second half of 2025.

### **Price forecast**

	Spot	Q3 2025	Q4 2025	avg. 2025	avg 2026
<b>Brent, USD/bbl</b>	66,9	66	66	68	66
<b>ICE Gasoil, USD/MT</b>	684	675	663	676	663
<b>HSFO (1M 3.5% Rotterdam Barge), USD/MT</b>	402	404	400	421	400
<b>VLSFO (1M 0.5% Rotterdam Barge), USD/MT</b>	463	455	457	470	457

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

### Overview Charts:

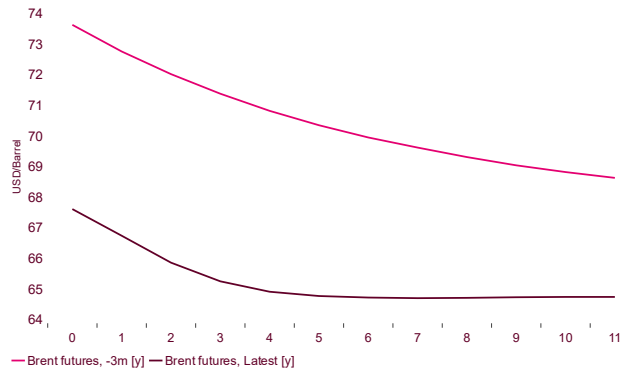
#### Brent oil



— Brent future, 1st position  
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM



#### Brent forward curve, indicative prices



— Brent futures, -3m [y] — Brent futures, Latest [y]  
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM



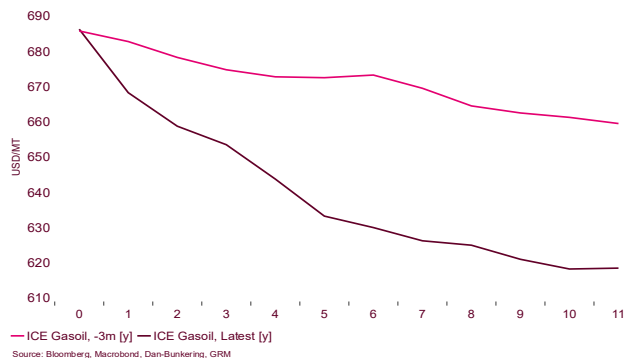
#### ICE Gasoil



— ICE Gasoil, 1st. position  
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM



#### ICE Gasoil forward curve, indicative prices



— ICE Gasoil, -3m [y] — ICE Gasoil, Latest [y]  
Source: Bloomberg, Macrobond, Dan-Bunkering, GRM



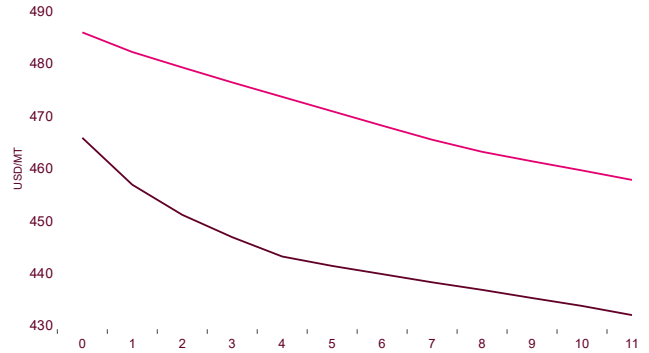
### 0.5% Marine Fuel Oil Rotterdam Barge, M1



— 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



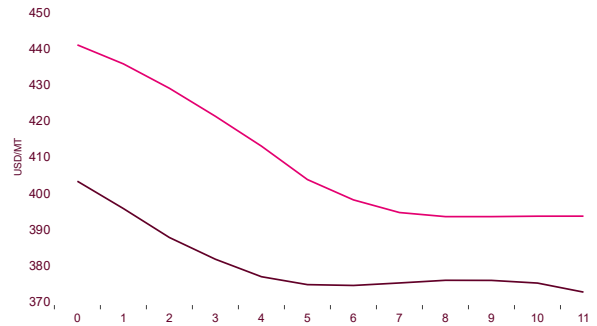
### Rotterdam 3.5% Barge



— 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

