

THE MARKET THIS WEEK

A summary of the most important developments in the bunker market this week, at your fingertips every Friday

Find more at:
[integr8fuels.com](https://integr8fuels.com/trading-intelligence)
[/trading-intelligence](https://integr8fuels.com/trading-intelligence)



BUNKERING SUSPENDED BY ROUGH WEATHER IN ALGOA BAY

Bunkering has been suspended in **Algoa Bay** as of Friday morning amid **strong winds** and **heavy swells**. There are currently **three vessels** held up waiting to bunker at the Algoa Bay anchorage, and **11** more are **scheduled** to arrive for bunkers in Algoa Bay and Port Elizabeth in next three days.

Integr8 Research:

SHARING THE LATEST IN TRADING INTELLIGENCE WITHIN THE BUNKER MARKET

check out our latest featured articles reviewing the industry's top developments

GET ACCESS

ARA FUEL OIL STOCKS INCHES TO MULTI-WEEK HIGHS

The ARA's independently held fuel oil stocks and gasoil inventories have increased for the **fourth consecutive week**, Insights Global data shows. The region's gasoil inventories have **steadily grown** back-to-back since they hit a multi-year low in June this year. Similarly, ARA's fuel oil stocks have risen considerably from lows in April. **Supply** of **VLSFO** and **HSFO** is said to be **slightly tight** in the ARA hub this week.

BAD WEATHER DISRUPTS BUNKER DELIVERIES IN ZHOUSHAN

Bunker operations have been suspended outside of the port's outer limit (**OPL**) today due to **rough weather conditions**. Bunker operations continue to run smoothly at **Tiaozhoumen** and **Xiazhimen anchorages**. Zhoushan is currently experiencing wind **gusts** of **15-25 knots**. Suppliers expect to resume deliveries at port's **OPL** from Saturday amid **calmer weather** condition.



FUJAIRAH'S HSFO SALES DECLINE TO SEVEN-MONTH LOWS IN JULY

Fujairah sold **15% less heavy fuel oil** than in June, while **VLSFO** and **MGO** sales **increased** by 7-10% on the month, according to data compiled by Fujairah Oil Industry Zone (FOIZ) and S&P Global Commodity Insights.

Sales of **HSFO** have fallen for two consecutive months after hitting multi-month highs in May this year. But total HSFO sales for the first seven months of the year were still **12% higher** compared to the same period last year, while total VLSFO sales were **2% lower**. Around 16,500 mt/day of VLSFO was sold in July, almost 600 mt/day more than in June. The port's total sales for the first seven months of the year were still **1% higher** compared to the same period last year, mainly pushed by **HSFO** and **MGO sales**.

SINGAPORE FUEL OIL STOCKS BOUNCE OFF PREVIOUS LOWS AS IMPORTS RECOVER

Singapore's fuel oil stocks have increased by **9%** on the week but have averaged **11% lower so far** this month than in July, according to Enterprise Singapore.

Singapore's fuel oil imports surged by a **massive 141%** in the week to 17 August, and have averaged **3% higher** this month than in July. The port's fuel oil stocks increased by nearly **2.12 million bbls** in the week to 17 August after falling for five consecutive weeks. Meanwhile, middle distillate stocks have increased for the second consecutive week. The **inventories** have held **above 7 million bbls** since June this year.

Average Fuel Oil Stocks in August

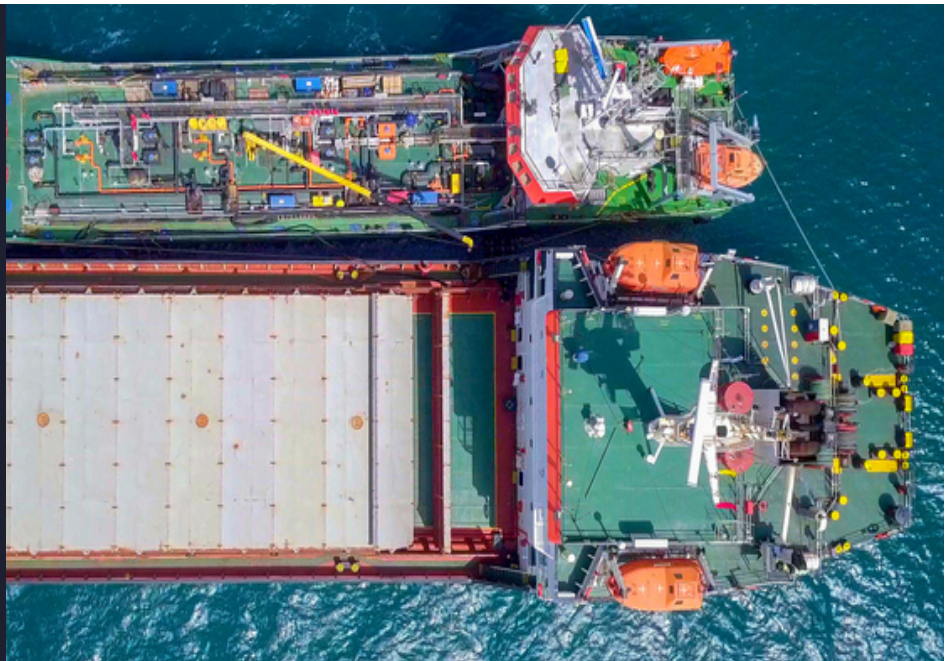
17.90m
bbls

Average Fuel Oil Stocks in July

20.02m
bbls

SEVERE WEATHER DELAYS EXPECTED IN ZONA COMUN

High winds are forecast at the **Zona Comun** anchorage from today to **Saturday** and could **disrupt bunkering**. Wind **gusts of 14-26 knots** are forecast over this period. Winds at the **higher end** of that scale could pose problems to bunker deliveries by barge. Calmer weather is forecast from **Sunday**, before wind speeds are set to **pick up again** with potential bunker disruptions from **Monday** through to **Tuesday**.



CLASSIFICATION SOCIETY ABS TO STUDY NUCLEAR POWER IN SHIPPING

US Department of Energy has granted \$800,000 to the shipping classification society American Bureau of Shipping (ABS) to conduct a feasibility study on **nuclear power usage** in the shipping industry. Under the contract, ABS is to develop different models of **nuclear reactors** for maritime applications and address the challenges of integrating reactor technologies on vessels.

WEEKLY BRENT DEVELOPMENTS

The futures contract is on track for a **\$2/bbl drop** on the week, as market weighs the possibility of Iranian crude returning to the global market.

US refiners plan to run their refineries at maximum utilisation this quarter as they expect oil demand to be robust for the rest of the year. Brent has also been supported amid a **big draw** in **commercial US crude stocks**. The stocks were drawn by a massive 7.1 million bbls in the week to 12 August, steep higher compared to the American Petroleum Institute estimate of 448,000 bbls draw.

At the same time, Brent has seen downward pressure as Citibank forecast that UK's inflation is likely to peak at an **annual rate of 15%** in the first three-month next year. Central banks around the world are rushing to tighten monetary policies to curb rising inflation. Several market participants are closely monitoring developments from talks to revive Iran's nuclear deal. The **prospects of Iranian crude** returning to the global market continue to **curb crude values**.

DISCLAIMER

This article is prepared by, and expresses the opinions of, Integr8 as of the date of writing (the "Materials"). Integr8 may (but does not have to) update or revise the Materials, without notice. The Materials are intended as general information, not to be relied upon or read as business, investment, legal, tax or other advice. The Materials are not addressed to, and do not contemplate, the individual circumstances of any person. Integr8 makes no representation as to

the Materials' accuracy, completeness, authenticity or source. Each person must independently evaluate the Materials. Save for this disclaimer, the Materials are not intended to create legal relations, and are not an offer or invitation from Integr8, its affiliate or any other person. In preparing the Materials, Integr8 has acted on its own behalf and not as an agent or representative. To the fullest extent permitted by applicable law, Integr8 shall have no liability in contract, tort

(including negligence) or otherwise for any loss or cost whatsoever, whether direct, indirect, incidental, special, punitive or consequential, in any way connected to the Materials. The Materials may not be used, copied, reproduced, disseminated, quoted or referred to in any publication or other document (with or without attribution) without the prior written consent of Integr8.