

THE MARKET THIS WEEK

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ALBANIA DETAINS TANKER FOR SANCTIONS BREACH

Albanian police detained the Liberia-flagged tanker *Grace Felix* on Monday for suspected **Russian diesel** transportation. The arrest was conducted after the police received an intelligence report of a tanker smuggling large quantities of oil into Albania's Durres port. According to the initial investigation the *Grace Felix* departed from Azerbaijan and was transporting the diesel with forged documents.

UKRAINE WAR AND SANCTIONS ON RUSSIA HIT HAMBURG'S THROUGHPUT IN 2022

The port's total throughput declined by **nearly 7%** on the year to 119.9 million mt in 2022. "The war in Ukraine plus the related sanctions against Russia, along with worldwide supply chain problems caused by the corona pandemic, impacted Port of Hamburg throughput during the year (2022)," Port of Hamburg's marketing chief executive Axel Mattern said.

ACTIVIST GROUP CALLS TO REJECT LNG BUNKERING

Environmental activist group Pacific Environment is asking California residents and lawmakers to reject plans for **LNG bunkering** in the Port of Long Beach. The port issued a draft update of its master plan, which includes modifications to build LNG bunker facilities. "The Port of Long Beach claims that LNG is crucial to reducing port pollution, but LNG will exacerbate our climate crisis by accelerating warming and worsening the impact of air pollution," Pacific Environment said.

GOLDEN ISLAND PLANS METHANOL BUNKERING IN SINGAPORE FROM 2026

Singapore-based bunker supplier Golden Island plans to supply **methanol** as a marine fuel in Singapore from 2026, a company representative told ENGINE. It plans to build an 8,000-12,000 dwt methanol bunker tanker to facilitate future methanol bunkering. The company will first focus on supplying methanol in Singapore and said it could expand operations to other ports. "According to demand and regulations etc., we may consider expansion to other regions in future," Golden Island said.

Golden Island plans to initially start by supplying grey (fossil) methanol with plans to offer green (renewable) methanol in future. Methanol has widely been put forward as a key short-term alternative to conventional marine fuels.

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SPANISH BUNKER SALES SURGED BY 20% IN 2022

Spanish ports sold 9.78 million mt of bunker fuels in 2022, up from 8.13 million mt sold across 2021. About 40% of Spain's total bunker sales took place in **Algeciras**, followed by Las Palmas (23%), Barcelona (16%), Ceuta (7%) and Tenerife (5%), data from Spanish state-owned port management firm Puertos del Estado shows.

Suppliers in Ceuta sold 42% more bunkers in 2022, Tenerife and Algeciras sold 28-30% more, while Barcelona and Las Palmas sold 22% and 10% more. Spanish ports handled 11% more dry bulk tonnage in 2022, followed by 7% more liquid bulk tonnage. However, container TEU volumes ran counter to this trend by declining 3% on the year. Algeciras handled 107% more dry bulk tonnage in 2022, which must have helped to lift bunker demand in the port.

Total Bunker Sales in 2022

9.78m
mt

Total Bunker Sales in 2021

8.13m
mt

METHANOL BUNKER DEMAND TO HIT 3 MILLION MT/YEAR

Demand for **methanol** is expected to grow later this year when the first large methanol-fuelled ships are due for delivery, OCI's chief executive Ahmed El-Hoshy said. He anticipates that demand for methanol will rise above 3 million mt/year by the middle of the decade "based on current orders from the container vessel segment alone." Currently, demand for methanol as a marine fuel stands at 300,000 mt/year, he said. OCI is a Dutch producer of hydrogen products.



CEPSA STRIKES GREEN HYDROGEN SUPPLY CHAIN DEAL WITH ACE TERMINAL

Spanish energy company Cepsa will send **green ammonia** produced in southern Spain to a planned import terminal in Rotterdam. Green ammonia will be shipped to the upcoming ACE Terminal in Rotterdam, where ACE will either convert it into green hydrogen for consumption by various industries in northwest Europe or keep it as green ammonia and supply it as a bunker fuel.

WEEKLY BRENT DEVELOPMENTS

Front-month Brent is heading for a **1% dip** on the week as predictions of a Chinese demand recovery were offset by concerns over more US interest rate hikes and weaker economic prospects.

Downward pressure:

Brent has come under pressure after minutes from the Federal Reserve's (Fed) meeting were released on Wednesday. During the meeting, which was held over two days at the beginning of the month, most participants supported further interest rate increases until inflation gets on a sustained path down towards 2%. Investors remain concerned that higher interest rates will slow the economies of the US and other countries, and come with knock-on dents to oil demand.

Upward pressure:

Predictions vary greatly but Chinese oil demand is forecast to grow by a substantial 500,000 b/d to 1 million b/d this year. The International Energy Agency (IEA) has predicted that China's oil demand will grow by over 900,000 b/d this year, and Goldman Sachs commodity strategists believe it will grow by an even greater 1 million b/d.

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