

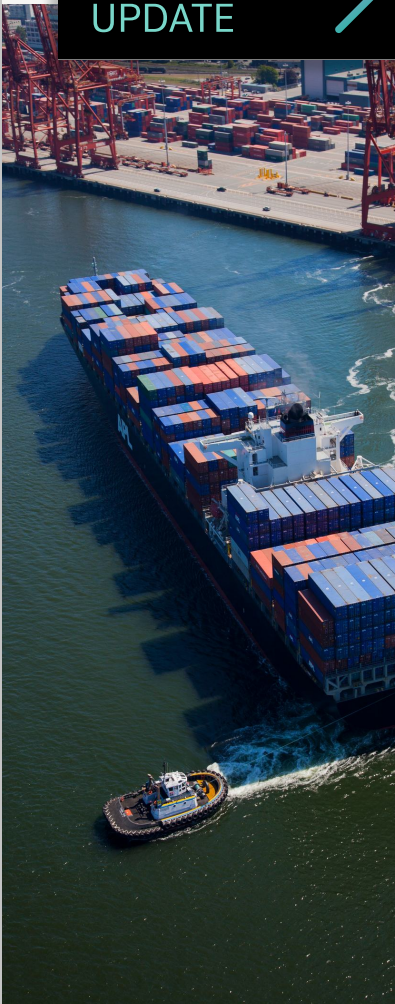
Weekly Market News

18th-22nd November 2024

Hot off the press

Integr8 Research's Steve Christy analyses the impact of Trump 2.0 on bunker prices next year

READ
UPDATE



Seaspan receives permit to bunker LNG in Vancouver

Canada's Vancouver Fraser Port Authority (VFPA) has granted LNG bunkering accreditation to Canadian bunker supplier Seaspan Energy. This is **Vancouver's first** LNG bunkering accreditation, Seaspan said. The approval authorises Seaspan to conduct ship-to-ship LNG bunkering of LNG-capable vessels calling at the Port of Vancouver. Earlier this year, Seaspan Energy placed orders for three LNG bunkering vessels. Two of these vessels, Seaspan Garibaldi and Seaspan Lions, are set to begin operations along the west coast of North America shortly. Its third LNG bunkering vessel, the Seaspan Baker, is scheduled for delivery in 2025. The vessel will serve the Long Beach container ship market.

ISO launches standard for methanol as marine fuel

The International Organization for Standardization (ISO) has published the first edition of **methanol specifications** document ISO 6583:2024, establishing global standards for using methanol as a marine fuel. The document specifies "the general requirements and specifications for methanol from all forms of production at the point of custody transfer, prior to any onboard required treatment, for use as fuel in marine diesel engines, fuel cells, and other marine applications," according to the ISO publication. It defines three grades of methanol based on the International Methanol Producers and Consumers Association reference specifications, with adjustments to address specific requirements for marine fuel applications, explained Monique Vermeire, chair of the committee responsible for reviewing the marine fuel standards. The new ISO standard can help reduce uncertainties about fuel quality.

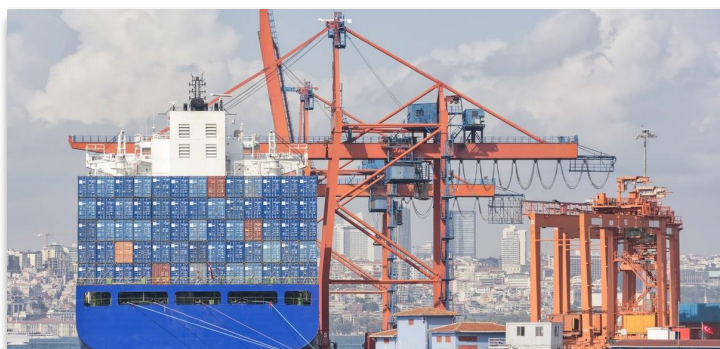
ZEMBA to sign e-fuel bunker offtake deals from 2027

The Zero Emission Buyers' Alliance (ZEMBA) will float tenders for securing **e-bunker fuels** on 1 January 2025. ZEMBA members include 40 global companies such as Amazon, Nike, Patagonia, Meta, New Balance and Green Worldwide Shipping. With this new tender they aim to sign 3-5-year agreements with e-fuel-powered container ships starting in 2027. The tender will invite bids from individual container carriers or consortia with access to e-fuels that can achieve "at least 90% emission reduction for primary propulsion," according to ZEMBA. Cargo owners can help accelerate the adoption of green marine fuels and keep costs under control by scaling up operations and focusing on long-term investments, Ingrid Irigoyen, chief executive of ZEMBA said.

Trump 2.0: Energy appointments signal oil and gas push

President-elect Donald Trump's first two picks to be his senior energy officials are particularly significant, as there is still a "**great deal of uncertainty**" around how **energy policies** will play out in his second administration, said Wood Mackenzie senior vice president Ed Crooks. Trump has named Chris Wright, the chief executive of oilfield services company Liberty Energy, as the US Secretary of Energy for his upcoming administration, and Doug Burgum, governor of North Dakota, to be the interior secretary and head of a new National Energy Council at the White House.

"The common thread in the thinking on energy expressed by both Wright and Burgum is that they want to boost production of all types of energy, including fossil fuels," Crooks said. "Trump has reiterated his support to drill more oil and increase US production," said Vortexa analyst Pamela Munger.



Arkas Bunker delivers B24 biofuel to container ship in Istanbul

The Turkish bunker supplier recently delivered a B24 VLSFO stem to a vessel operated by Taiwanese container shipping firm Yang Ming in Istanbul, marking the first commercial biofuel bunkering operation in Türkiye. The biofuel blend contained 24% biofuel and 76% VLSFO. This is a significant advancement towards boosting the uptake of marine biofuels in Türkiye and has positioned Arkas Bunker as a first mover in the region.



Hong Kong unveils action plan for green fuel bunkering

Hong Kong has mapped out an official strategy to **decarbonise its domestic shipping sector** in alignment with International Maritime Organization (IMO) targets. As part of the plan, Hong Kong has committed to cut carbon emissions from Hong Kong-registered ships by at least 11% compared to 2019 levels. The government also wants to switch 55% of its 166 diesel-powered vessels fleet to use alternative marine fuels by 2026.

Panama bunker sales in October

525,000 mt

Panama bunker sales in September

428,000 mt

Panama bunker sales rose to five-year high in October

More vessels arriving to bunker contributed to push Panama's total bunker sales up by 23% in October and total bunker sales reached their highest level since August 2019.

The number of ships bunkering in Panama's ports rose by a significant 50 on the month, to 651 in October. This was the highest figure since March last year. The average stem size was roughly 806 mt in October, which was up by 94 mt from September, according to preliminary figures from the Panama Maritime Authority.

In October, HSFO sales increased by 34% and were at their highest since the IMO's 0.50% sulphur cap came into force in 2020. VLSFO continued to be the most sought-after product, and VLSFO sales have made up 61% of total bunker sales in Panama in the first 10 months of this year. HSFO sales represented 29% of the total, and combined MGO sales 10%.

Last month, demand for VLSFO and LSMGO was strong in Panama's main ports of Balboa and Cristobal. Product availability was also normal, with lead times of 3-5 days for both fuel grades.

Weekly Brent developments

Front-month Brent is on track to **rise by 4%** on the week as the war between Russia and Ukraine intensifies with long-distance rockets fired and a new Russian nuclear doctrine.

Upward pressure:

Russia's Foreign Minister Sergei Lavrov said this week that Moscow will now enter into a "new phase of Western war" after Ukraine used US-built long-range missiles on targets deep inside Russian territory over the weekend. "For oil, the risk is if Ukraine targets Russian energy infrastructure, while the other risk is uncertainty over how Russia responds to these attacks," analysts from ING Bank said.

Russian President Vladimir Putin updated the country's nuclear doctrine on Tuesday by expanding conditions under which Russia could use nuclear weapons, according to reports.

Downward pressure:

Brent futures felt some downward pressure after the US Energy Information Administration (EIA) reported a rise in US crude stocks. Commercial crude oil inventories in the country increased by 545,000 bbls to touch 430 million bbls for the week ending 15 November.

Brent's gains were "reversed after a bearish inventory report from the EIA," said Daniel Hynes, senior commodity strategist at ANZ Bank.

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