

Weekly Market News

16th - 20th December 2024

Hot off the press

Integr8 Research's Steve Christy has looked at Brent forecasts for 2025 and says bunker prices could fall by 10%

READ
UPDATE



Monjasa enters physical LNG bunkering market in the UAE

Marine fuel supplier Monjasa has deployed an **LNG bunkering vessel** to deliver in UAE ports from next month. The company chartered the 5,000-cbm LNG bunkering tanker Green Zeebrugge from November. The vessel has been redeployed from Amsterdam and is expected to arrive in Dubai by the end of the year. Before it begins operations it will undergo safety and quality inspections by local UAE authorities. With this move, Monjasa will be in a position to offer LNG in addition to **VLSFO**, **LSMGO**, **HSFO** and **biofuels** in UAE ports, the company confirmed. In October, Monjasa announced an expansion of its physical operations by offering deliveries of VLSFO and LSMGO grades off the US Gulf Coast.

TankMatch gets methanol bunkering permit in Rotterdam

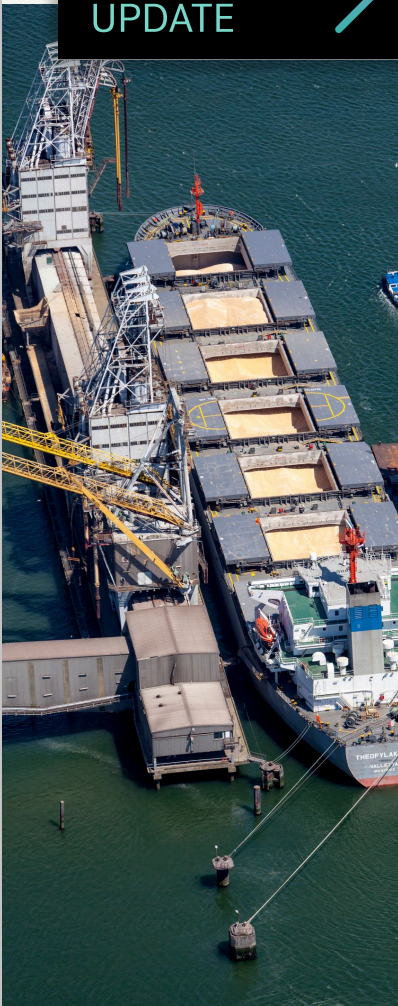
Dutch barge operator TankMatch has received a continuous permit for **methanol bunkering** in the Port of Rotterdam. A continuous bunkering permit refers to a long-term authorisation that does not require frequent renewal, ensuring the holder consistently complies with regulations – in this case for methanol bunkering. TankMatch operates a fleet of 67 barges, according to its website, and provides methanol bunkering services across the wider ARA region. The company conducted its first barge-to-ship methanol bunkering of an NYK-owned vessel in Rotterdam in 2021. More recently, it refuelled Maersk's methanol-powered vessel in the Port of Antwerp-Bruges, Belgium. In September, TankMatch partnered with liquid bulk storage firm Evos to boost methanol bunkering across the ARA hub. Under the partnership, the duo will increase methanol storage capacity in Rotterdam.

Bahía Blanca bunker supply tightens on barge maintenance

Argentina's bunker market remains under pressure as sluggish wheat exports, fierce price competition and **reduced barge availability** continue to pose challenges to suppliers, a source said. YPF's Stratis Sky, one of the key bunker barges operating out of Bahía Blanca, is currently in dry dock for maintenance. Bahía Blanca is a major export hub for Argentina's wheat, and the absence of the barge has temporarily reduced YPF's capacity to deliver bunker fuel to vessels. This could lead to minor delays or force some ships to refuel in alternative ports such as Buenos Aires or Necochea. Argentina's three main refineries - YPF in La Plata, Raizen near Buenos Aires and Axion in Campana - have an oversupply of VLSFO. But a limited number of available barges has created logistical bottlenecks in ports like Bahía Blanca.

Understanding FuelEU: How much biofuel do I need?

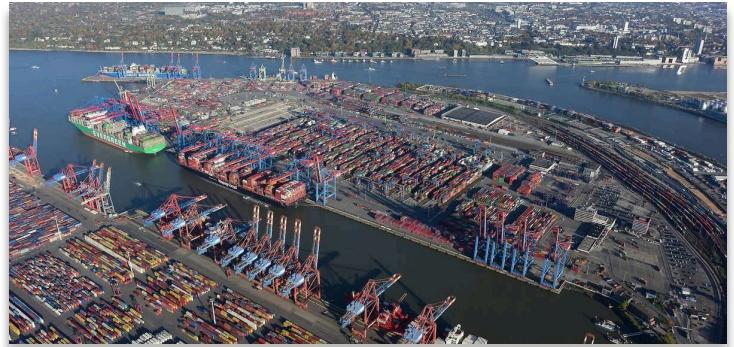
The answer to that question completely depends on what the biofuel will be used for. **FuelEU Maritime**, for example, doesn't set a specific share of biofuel to be compliant. It's not about a vessel's individual voyages, but an average across its voyages during a calendar year. The target is a 2% reduction, but that doesn't mean 2% biofuel. It means a 2% reduction in the GHG intensity of the fuel used between two EU ports, and half that between an EU port and a non-EU port. That translates to around 3% biofuel blended with HSFO or VLSFO, or 2% biofuel blended with MGO. However, 3% or 2% biofuel blends are not smart options because it's the average reduction across a pool of vessels throughout the year that counts. A vessel is much better served by taking **24%**, **30%** or even **100% biofuel** on one vessel and transfer this vessel's compliance surplus to make other vessels in that pool compliant before emission reports are due for verification in January 2026.





Ammonia bunker vessel gets Norwegian government grant

Norway-based Greig Maritime Group is building an **ammonia-capable** bunkering vessel, scheduled for delivery in 2028. The vessel, MS Green Ammonia, will be equipped with Wärtsilä's ammonia dual-fuel engine. It will also feature a shore power connection and a wind-assisted propulsion system, Greig Maritime said. The project has received a NOK 80 million (\$7.17 million) grant from Enova, the Norwegian government's clean tech funding body.



Mabanaft delivers B30-VLSFO blend to Hapag-Lloyd in Hamburg

German bunker supplier Mabanaft supplied 1,000 mt of B30-VLSFO to a container ship, owned by shipping company Hapag-Lloyd, in Hamburg on 12 December. The bunker operation was a first test delivery under a supply agreement between the two companies. Volumes could increase further next year, Mabanaft said. Mabanaft supplies biofuels based on hydrotreated vegetable oil (HVO) and fatty acid methyl ester (FAME) to ships.

Singapore bio-bunker sales in November

115,000 mt

Singapore bio-bunker sales in October

145,000 mt

Singapore bio-bunker and LNG sales fell in November

Singapore sold around 3,900 mt/day of bio-bunkers in November, down significantly from around 4,700 mt/day sold in October, according to preliminary figures from the port authority. Singapore's **bio-blended bunker sales** fell by 21% in November after hitting a record high in October. Bio-blended bunker sales totalled 115,000 mt, significantly below the 145,000 mt recorded in October.

Out of the total biofuel sold, about 99,000 mt was VLSFO blended with a bio component, typically 24% in Singapore, while 14,000 mt was HSFO blended with a bio component.

Total biofuel bunker sales for the first 11 months of the year reached 776,000 mt, far surpassing last year's total sales.

LNG bunker sales dropped by a sharp 46% to 28,000 mt, the lowest level since February. Average daily LNG sales in November were about 900 mt, down from October's average of 1,600 mt. **Methanol bunker sales** remained absent for a sixth straight month.

Weekly Brent developments

Front-month ICE Brent is set to **decline by 2%** on the week due to concerns about weak demand growth in China, and as the US Federal Reserve (Fed) signalled a softer approach to interest rate cuts next year.

Downward pressure:

The US Fed on Wednesday lowered interest rates for the final time in 2024. But oil prices have reacted negatively to the US central bank's "hawkish" stance on economic and monetary policies next year. "Crude futures were inching lower... as the US Federal Reserve's signal of a slower and shallower path of interest rate cuts in 2025 dampened the mood in the financial markets," VANDA Insights' founder and analyst Vandana Hari said.

China's retail sales growth came in weaker than expected in November. This has raised concerns about the country's economic growth and oil demand, analysts said.

Upward pressure:

Tensions escalated again in the Middle East after Israel launched airstrikes on ports and energy infrastructures in Houthi-controlled areas of Yemen this week.

Commercial crude oil inventories in the US fell by 934,000 bbls to touch 421 million bbls for the week ending 13 December, according to the US Energy Information Administration (EIA).

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