

Weekly Market News

10th - 14th February 2025

Integr8 Research's Steve Christy analyses recent bunker market trends and says

Politics have driven prices higher in January

READ
UPDATE



Hambantota International Port adds HSFO bunkering

Sri Lanka's Hambantota International Port (HIP) has expanded its bunkering operations with the launch of a new **HSFO facility**. The newly operational HSFO facility features two dedicated tanks with a total storage capacity of 6,000 cbm and a specialised pumping system, capable of transferring fuel at rate of 400 mt/hr. A pipeline directly connects these tanks to HIP's oil jetties for fuel delivery. The port recently received 5,000 mt of HSFO and 20,000 mt of VLSFO from the tanker Grand Ace 10. HIP already offers VLSFO and LSMGO grades.

With the addition of HSFO, the port can now cater to a broader range of vessels, from large tankers to smaller cargo ships that require different fuel grades, the port authority said.

Mass flow meters become mandatory in Ceuta

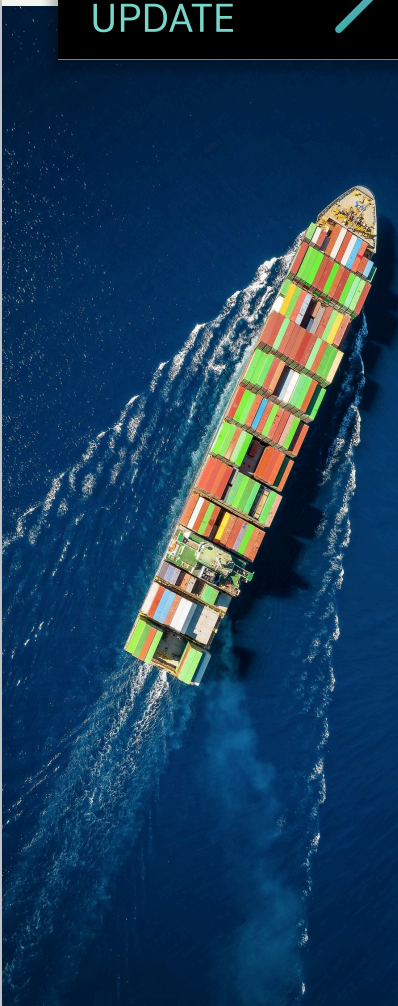
The Spanish port of Ceuta has made **mass flow meters (MFMs)** mandatory for all bunker deliveries by barge from this month onwards. MFMs are specialised devices installed on barges to ensure precise and transparent fuel measurements during bunkering. By accurately measuring bunker fuel, they help reduce errors and disputes between suppliers and buyers. Ceuta has become the first Mediterranean port to mandate ISO-certified Coriolis MFMs for marine fuel supply. Unlike standard MFMs, which estimate flow based on volume and density, Coriolis MFMs measure mass directly using fluid-driven tube vibrations, offering greater accuracy. The adoption of MFMs is growing as they enhance transparency and minimise quantity-related disputes in fuel deliveries. The Antwerp-Bruges and Rotterdam port authorities plan to mandate the use of MFMs in Antwerp, Rotterdam and Zeebrugge by 2026.

India's first methanol bunkering project planned in Gujarat

Indian shipping firm Bapu's Shipping Jamnagar is planning to develop **methanol bunkering** at Deendayal Port in Kandla, Gujarat. The company operates in the Gulf of Kutch, along the western coastline of India. It has partnered with the Deendayal Port Authority to build a methanol bunkering facility at the port. A bunkering facility would theoretically include methanol storage tanks, transfer infrastructure and a dedicated loading area in line with global regulatory standards. In addition, Bapu's Shipping plans to build a methanol bunker barge for operations at Deendayal Port. "With global ports like Shanghai, Ulsan, Singapore, and Rotterdam advancing methanol bunkering, India is stepping up," Bhupendra Sinh Jadeja, managing director of Bapu's Shipping, said in a social media post.

Red Sea diversions drive Maersk's emissions higher

Danish shipping firm A.P. Moller-Maersk reported a significant 5.8 million mt CO₂-equivalent/year (mtCO₂e/year) increase in absolute **GHG emissions** from its ocean operations in 2024. Absolute GHG emissions across its fleet for 2024 rose to 83.5 million mtCO₂e/year, an increase of approximately 1 million mtCO₂e/year compared to the 2022 baseline of 82.8 million mtCO₂e/year. "This was mainly driven by the Red Sea situation that continued to re-route vessels around the Cape of Good Hope in 2024, with knock-on capacity shortages and port congestion, requiring faster sailings to keep the Asia-Europe supply chains running," Maersk said in its annual report. Several container liners, including Maersk, began diverting vessels around the Cape of Good Hope in November 2023 due to Houthi attacks on commercial ships transiting the Red Sea. Despite the rise in emissions, Maersk recently said that it will continue using the longer Cape route due to ongoing security risks.





Liquid Wind plans its fifth e-methanol plant in Nordics

Swedish e-fuel company Liquid Wind plans to develop another **100,000 mt/year e-methanol** production plant in Sweden. It has partnered with Swedish power utility company Övik Energi to set up renewable electricity input to power e-methanol and green hydrogen production. The fuel produced will be supplied to the shipping and aviation sectors. This is Liquid Wind's second planned e-methanol plant in Sweden and its fifth in the overall Nordic region.



Prototype testing of MAN ES ammonia engine begins

Japanese shipbuilder Mitsui Engineering & Shipbuilding has begun the prototype testing of German engine maker MAN Energy Solutions' two-stroke **ammonia dual-fuel engine** at its Tamano factory in Japan. Theoretically, prototype testing bridges the gap between concept and real-world application, demonstrating whether an engine is commercially viable before large-scale deployment. A successful test would advance its commercial deployment.

Fujairah fuel oil stocks
in February

10.23m bbls

Fujairah fuel oil stocks
in January

8.31m bbls

Fujairah's fuel oil stocks surge 23% amid higher imports

Fujairah's fuel oil stocks have averaged **23% higher** so far in February than across January, Fujairah Oil Industry Zone (FOIZ) and S&P Global data shows. The Middle Eastern bunker hub has imported 320,000 b/d of fuel oil so far this month, up by 79,000 b/d from 241,000 b/d imported in January, according to cargo tracker Vortexa. Fuel oil exports from the port have also risen by 68,000 b/d to 272,000 b/d this month, shifting the port's trade balance into net imports. Iran has accounted for 26% of Fujairah's total fuel oil imports this month, followed by Iraq (18%) and Kuwait (17%).

On the export side, more than half (52%) of the port's fuel oil shipments have gone to Singapore, while Malaysia (20%) and Pakistan (18%) have emerged as the second and third largest destinations. Meanwhile, Fujairah's middle distillate stocks have averaged 36% lower compared to last month. Bunker availability remains tight in Fujairah, with lead times for all grades steady at 5-7 days, unchanged from last week.

Weekly Brent developments

Front-month ICE Brent is heading for a **slight increase** on last week's settlement, supported by OPEC's oil demand growth forecast and supply concerns in the global oil market.

Downward pressure:

Commercial US crude oil stocks increased by 4.1 million bbls to touch 428 million bbls for the week ending 7 February, according to the US Energy Information Administration (EIA).

US President Donald Trump and Russian counterpart Vladimir Putin have agreed to begin talks to end the 36-month-long conflict in Ukraine. This news has raised hopes "that risks to crude oil supplies would ease," ANZ Bank's senior commodity strategist Daniel Hynes said.

Upward pressure:

OPEC, in its latest monthly oil market report, maintained its oil demand growth forecast at 1.4 million b/d for 2025 and 2026. OPEC has raised its demand growth forecast for its crude by 100,000 b/d from January's assessment, bringing it to 42.6 million b/d in 2025.

Oil and energy sanctions against Russia and Iran have raised supply concerns in the global oil market, providing more support to Brent's price. "Oil prices are on the rise as the Trump Administration starts to crack down on Iranian oil exports," Price Futures Group's senior market analyst Phil Flynn said.

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