

Weekly Market News

12th - 16th May 2025

Unwinding OPEC+ supply cuts and trade war disruptions

Steve Christy examines the factors behind the sharp fall in oil prices

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UPDATE



Bunker One starts supplying biofuel blends in New York

Bunker One has introduced three new marine fuels in New York. It now also offers **B30-HSFO** and **B30-LSMGO** biofuel blends, along with **HSFO**, in an expansion of its biofuel operations in the Americas. The B30 blends contain either 30% fatty acid methyl ester (FAME) or hydrotreated vegetable oil (HVO) biofuels blended with HSFO or LSMGO. The biofuel is produced from animal fat and waste feedstocks and the B30 blends are ISCC EU-certified, it said. The biofuels will be priced either on spot or with formulas such as floating contract prices. Standard barging rates will apply for all deliveries in New York Harbor, in addition to boom fees. In March, Bunker One bought Element Alpha's storage facility and took over a time-charter of a bunker barge in New York Harbor, adding to its US physical operations in Houston, New Orleans, Mobile and off the US Gulf Coast.

Maersk to lift e-methanol from European Energy's plant

A.P. Moller-Maersk's methanol-capable vessel *Laura Maersk* is set to receive the **first batch of e-methanol** produced at European Energy's Kassø facility. European Energy has produced an industrial-grade batch of e-methanol at the Kassø facility in Denmark, confirming a fuel purity level above 99.85%. The e-methanol was produced using green hydrogen and biogenic CO₂ using solar energy at the Kassø site. The green hydrogen was produced at its Måde facility near Port Esbjerg, while the biogenic CO₂ was locally sourced from a biogas facility in Tønder. European Energy plans to increase the Kassø plant's e-methanol output to 42,000 mt/year by the second quarter of 2025, with Maersk set to offtake at least 10,000 mt/year of that volume.

Gasum to use LBM for FuelEU Maritime pooling surplus

Finnish state-owned energy firm Gasum will power one of its chartered vessels with liquefied biomethane (LBM) to generate overcompliance under the company's **FuelEU pooling scheme**. The EU's FuelEU Maritime regulation includes a pooling mechanism that allows shipowners to collectively balance compliance across a group of vessels. Under this arrangement, ships that are overcompliant towards GHG reduction targets can sell their compliance surpluses to underperforming vessels within the same pool to offset compliance shortfalls and avoid penalties. The Gasum-operated dual-fuel LNG bunker vessel *Kairos* will run on waste-based LBM. Gasum claims it can guarantee that its LBM has net-negative well-to-tank GHG emissions "with a maximum greenhouse gas emission of -15g/MJ."

Germany calls for deeper probe into China biofuel fraud

Germany has urged the European Commission to gather all evidence related to the alleged fraud of certification and labelling of **biofuel imports originating from China**. This follows a complaint filed by Germany in 2023 concerning suspected fraudulent certification and mislabelling of Chinese fatty acid methyl ester (FAME) biofuels by the International Sustainability and Carbon Certification (ISCC) system. Joint audits by the Commission and German authorities "revealed serious irregularities in the way ISCC and certification bodies performed their activities," the Commission said in its draft. The ISCC has revoked some of the Chinese suppliers' certifications, but the sustainability certificates that came with the fraudulent biofuels were not invalidated, allowing buyers to claim GHG savings. The Commission will allow Germany to request additional information from Chinese suppliers of ISCC-certified FAME to Germany for the examination period April 2022 to December 2024.





TFG Marine and Scott Petroleum to start bunker supply in Jamaica

Global bunker supplier TFG Marine and US-based Scott Petroleum will launch physical bunker supply operations in the port of Kingston and along Jamaica's north coast. From 1 June 2025, TFG Marine will supply **VLSFO**, **HSFO**, and **LSMGO** in these locations. All fuel grades will be sourced from the Kingston refinery operated by Petrojam, which is owned by the Jamaican government, and delivered via a bunker barge operated by Scott Petroleum.



Suez Canal offers 90-day transit rebate to attract shipping back

The Suez Canal Authority (SCA) will offer a 15% discount on transit fees for container ships with a gross tonnage of 130,000 or more from 15 May. The rebate will be valid for 90 days and apply to vessels transiting in either direction through the canal. This initiative is part of the SCA's broader strategy to recover traffic lost during recent months, when many vessels rerouted around the Cape of Good Hope due to **security threats in the Red Sea**.

Singapore bio-bunker sales in April

111,000 mt

Singapore bio-bunker sales in March

146,000 mt

Singapore bio-bunker sales drop in April, LNG sales rise

Singapore's bio-blended bunker sales dropped by 24% in April, following a record high in March, according to preliminary figures from the port authority. Total sales stood at 111,000 mt in April, down from 146,000 mt in March. Of this, approximately 76,000 mt was **VLSFO blended with a bio component** - typically 24% in Singapore. Some 33,000 mt was **bio-HSFO**, while **bio-LSMGO** (1,200 mt) and **bio-ULSFO** (700 mt) accounted for the remainder. While April saw a dip, total biofuel sales for the January-April period reached 471,000 mt, more than twice as much as the 187,000 mt recorded during the same period last year. **B100** (100% biofuel) appeared in the sales data for the second time this year - in addition to February - with around 300 mt sold in April. **LNG** bunker sales increased for the second consecutive month to 42,000 mt, up from 39,000 mt in March. No **methanol** bunker sales have been recorded so far this year.

Weekly Brent developments

Front-month ICE Brent is heading for a **slight 1% gain** on the week with support from a major climbdown in the US-China tariff war.

Upward pressure:

A pause in the US-China trade dispute has lent support to Brent crude. Last weekend, the US decided to reduce tariffs on most Chinese goods from 145% to 30%, while Beijing agreed to lower tariffs on US goods from 125% to 10% for a 90-day initial period.

"The move to reduce tariffs for 90 days was certainly more aggressive than many expected, highlighted by the big upward moves in risk assets, including oil," ING Bank analysts said.

Downward pressure:

Iran has agreed to sign a nuclear deal with the US in exchange for the US lifting sanctions on Iran, Ali Shamkhani, a political adviser to Iran's Supreme Leader Ayatollah Ali Khamenei, told NBC News. This news has eased some concerns about disruptions to oil supply from Iran.

Commercial US crude oil stocks increased by 3.5 million bbls to touch 442 million bbls for the week ending 9 May, according to the US Energy Information Administration. Oil prices came under pressure following a larger-than-expected weekly build in US crude inventories, Vanda Insights' founder and analyst Vandana Hari said.

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