

Weekly Market News

5th - 9th May 2025

VLSFO prices have fallen, but not by as much as crude

Integr8 Research's Steve Christy explores why crude has plunged lower

READ
UPDATE



Chimbusco completes first B30 bunkering in Hong Kong

Bunker supplier Chimbusco Pan Nation has delivered a first B30 biofuel stem to an Orient Overseas Container Line (OOCL)-operated containership in **Hong Kong**. This "milestone" follows the **International Maritime Organisation's (IMO)** recent approval of an amendment that raised the permissible biofuel blend limit in bunker carriers from 25% to 30%, Chimbusco said. B30 biofuel deliveries are picking up across key Asian ports and a number of suppliers could take advantage of the IMO's regulatory tweak. This change has opened the door for bunker suppliers using regular bunker tankers to carry blends with higher bio percentages without needing additional investments in chemical tankers. **Singapore** was first out of the blocks in March, and suppliers in certain other Asian ports like **Incheon** have since then announced B30 bunker operations. This could help the market transition to B30 as a more standardised grade.

Christiania launches in France as new ECA rules kick in

Bunker supplier Christiania Energy has started physical deliveries across major French ports located along the Atlantic Coast, the English Channel and the French Mediterranean. It will supply **LSMGO** and 10 ppm ultra-low sulphur diesel (**ULSD**), with deliveries made via trucks, the company confirmed.

"With the Mediterranean Sea now officially designated as an **Emission Control Area (ECA)** from 1 May 2025, Christiania Energy is stepping up to meet the industry's evolving needs," it said. This move will help support compliance with the new 0.10% sulphur cap in the region "as global marine gasoil demand is expected to rise by 20-30% while fuel oil use declines."

Hartree Marine starts physical supply across US Gulf Coast

US-based bunker supplier Hartree Marine will supply **VLSFO** and **LSMGO** in ports and at anchorages **between Freeport and Lake Charles** along the US Gulf Coast.

The ports include Port Arthur, Houston, Beaumont, Lake Charles, Freeport, Galveston, Bayport, Texas City and the Bolivar Roads anchorage, the company said.

Deliveries will be carried out via barges, it added.

Hartree Marine, a subsidiary of commodity trading firm Hartree Partners, has been delivering all conventional fuel grades by barge in the ports of New York and New Jersey for three years.

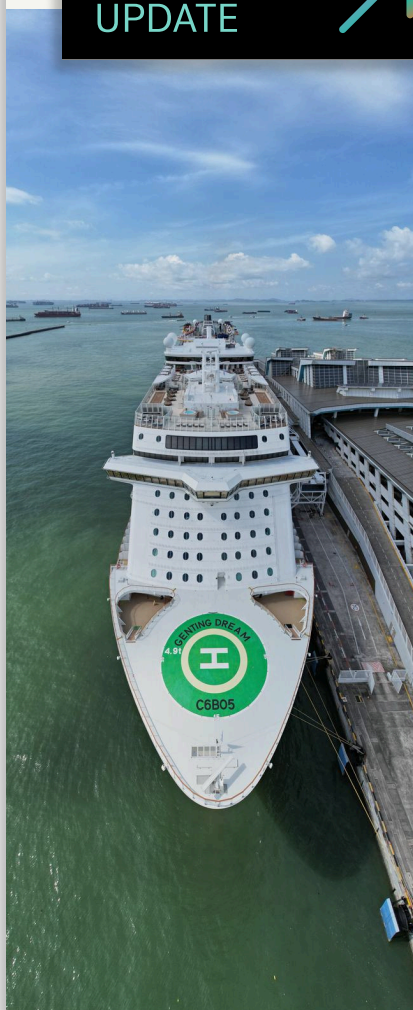
It also supplies VLSFO and LSMGO with two bunker barges Baltimore and three barges in Philadelphia, and HSFO and LSMGO with oil tankers in the Gulf of Mexico.

TotalEnergies starts building Middle East LNG bunker hub

French energy company TotalEnergies and Omani oil and gas firm OQ Exploration and Production (OQEP) have started constructing the **Marsa LNG plant**, set to become the first LNG bunker fuel production and supply location in the Middle East. Located in Oman's port of Sohar, the Marsa LNG plant is expected to produce about **1 million mt/year** of LNG.

The LNG production, which is expected to start in the first quarter of 2028, is primarily intended to serve the marine fuel market along the Gulf of Oman, the energy company said. The plant is being built by Marsa LNG, a joint venture between TotalEnergies (80%) and OQEP (20%). The company has also signed a charter contract for a new LNG bunkering vessel, Monte Shams, that is currently under construction and will operate in the port of Sohar.

The plant will be fully electrified and powered by a 300-megawatt-peak (MWp) photovoltaic solar farm, which will generate the enough power to run the plant, TotalEnergies said.





HutanBio's biofuel removes more CO2 than it emits – study

An independent assessment has found that UK-based climate tech firm HutanBio's **microalgae-based biofuel** production process generates "net-negative" CO2 emissions in the upstream phase. "The [lifecycle assessment] LCA found that HBx production removes up to 1.48 tonnes of CO2e per tonne of biofuel produced across all three planned production sites: Morocco, the Middle East, and Western Australia," the report said.



E-methanol prices to come down with scale – Liquid Wind

Efficient operations and lower capital costs could help reduce the levelised cost of e-methanol to €1,000/mt (\$1,317/mt), Liquid Wind's chief executive **told ENGINE**. Liquid Wind develops modular plants, each designed to produce 100,000 mt/year of e-methanol to meet demand from shipping and other sectors. Five plants have already been announced in the Nordics, with ambitions to reach 80 plants and 8 million mt/year in capacity by 2030.

Methanol-capable vessels in operation

59

Methanol-capable vessels on order

369

Another strong month for methanol vessel orders – DNV

Twenty-four **methanol-capable** vessels were ordered in April, building on the 12 orders placed in March. The "diverse spread" of vessel segments included container ships (14), RoPax (9) and a tanker (1), DNV's senior consultant Kristian Hammer said.

There are now 59 methanol-capable vessels in operation across the world, and another 369 on order for deliveries towards 2030, according to DNV's database. April was a "solid month" overall, with 49 alternative-fuelled vessel orders in total.

LNG-capable vessels (20) were the second most ordered, followed by **LPG-capable** ones (3). There are now 715 LNG-capable vessels in operation and 629 scheduled for deliveries through 2033. For LPG, the current fleet comprises 128 vessels, and 84 on order for delivery by 2028. "We also had two orders for **LNG bunker vessels** this month," Hammer added. There are currently 63 LNG bunker vessels in operation and 27 more on order for delivery by 2028.

Weekly Brent developments

Front-month ICE Brent is heading for a **2% increase** on the week. The crude price has recovered towards the end of the week on hopes of a US-China trade talk breakthrough.

Upward pressure:

Fresh developments in the US-China trade dispute provided some support to Brent. US treasury secretary Scott Bessent is set to meet with a top Chinese official in Switzerland on 10 May to continue negotiations over the tariff war that has disrupted global trade. Brent has drawn some support after the US Energy Information Administration (EIA) reported a drop in US crude stocks. Commercial US crude oil inventories declined by 2 million bbls to touch 438 million bbls for the week ending 2 May. This "leaves crude oil inventories at their lowest level since March," two analysts from ING Bank noted.

Downward pressure:

Brent fell after the US Fed's policy meeting, as the market found little reason for optimism over demand growth. In a largely anticipated move, the US Federal Open Market Committee (FOMC) maintained its key interest rate at a range between 4.25-4.50%.

"It was a sea of red across commodities as news that the Federal Reserve left US interest rates on hold, and signs it's likely to remain there," ING Bank analysts said.

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