

Weekly Market News

30th June - 4th July 2025

Steve Christy dissects the new IEA outlook

The 'Oil World' will start to decline within the next 5 years

READ
REPORT



Hong Kong to kickstart alternative fuel bunkering

The Hong Kong Marine Department has launched a new incentive scheme to promote domestic bunkering of liquefied natural gas (LNG) and **green methanol**. Each supplier can claim HKD 500,000 (about \$63,000) for each of its first two LNG or green methanol bunker operations within one year of completing a required risk assessment. A company can claim the incentive for up to two LNG operations and two green methanol operations.

The total funding available is capped at HKD 2 million (about \$250,000) per fuel type and will be disbursed on a first-come, first-served basis until the funding is depleted. Suppliers must conduct risk assessments and secure Marine Department approval for the bunkering mode. They will also have to use licensed, compliant vessels to deliver bunker fuels in Hong Kong waters, the marine department said.

Saras becomes part of Vitol's bunker operations

Italian bunker supplier Saras has been integrated into Vitol's operations.

Vitol acquired a 35% stake in Saras last year, increasing its total shareholding to around 45%, and it subsequently launched a mandatory tender offer for the remaining shares.

The acquisition was completed in September. Following its integration with Vitol, Saras has expanded its operations by adding a **new bunker barge** equipped with a mass flow meter (MFM). It also plans to supply **ULSFO** to shipowners looking to use that grade to comply with the new Mediterranean 0.10% sulphur limit. Saras mainly supplies vessels in the Strait of Sicily and Tyrrhenian Sea, sourcing mostly from its Sarroch refinery in Sardinia.

Molgas completes first bio-LNG loading from Dunkerque

Spanish energy company Molgas has completed its first **bio-LNG** loading at the Dunkerque LNG terminal in France. A Molgas truck was loaded with bio-LNG, which can be supplied to ships and other outlets. The bio-LNG was produced using a mass balance accounting method. This system allows physical fossil LNG to be certified as bio-LNG, provided that an equivalent amount of biomethane is injected into the gas grid. It ensures that the volume of biomethane added to the network matches the volume of bio-LNG loaded at the terminal.

In March, Molgas began physical deliveries of bio-LNG in Belgium's Zeebrugge. In May, it supplied bio-LNG to a dual-fuel ship operated by United European Car Carriers (UECC) in Spain's Sagunto. The company owns a 45% stake in Dutch LNG and bio-LNG supplier Titan.

Maritime industry faces EU and IMO regulation overlap

Vessels calling at EU ports from 2028 could face dual regulations, having to comply with both the existing **FuelEU** rules and the upcoming **International Maritime Organization's Net Zero Framework (IMONZF)**, class society Lloyd's Register (LR) said in a report.

The IMONZF is expected to be formally adopted in October this year and would make it more expensive for vessels to run on high-emission fuels from 2028. The draft regulation, approved at the Marine Environment Protection Committee's (MEPC) 83rd meeting in April, proposes measures to reduce GHG emissions from international shipping. These measures will apply to all large ocean-going vessels over 5,000 gross tonnes. However, LR's report notes that FuelEU has a mechanism to avoid this overlap by favouring harmonisation with the IMO's regulatory regime. If IMONZF is adopted, the European Commission will conduct a review and present a report to the European Parliament and the European Council.





Lloyd's Register joins Egypt's green ammonia bunkering initiative

Lloyd's Register has joined German infrastructure firm DAI Infrastruktur to develop a **green ammonia** production and bunkering facility at Egypt's East Port Said. The facility is expected to begin operations by 2029, with a nameplate production capacity of up to 2 million mt/year.

It is "expected to play a key role in supplying European ports - particularly in Germany and Greece - with green ammonia," DAI Infrastruktur's Ioannis Papassavvas said.



Amon Maritime secures funding for two ammonia-capable vessels

The Norwegian government's green funding programme, Enova, has granted funds worth NOK 253 million (around \$25.12 million) to shipping firm Amon Maritime to build two ammonia-capable **Capesize** and **Kamsarmax** bulk carriers. The vessels are scheduled for delivery by 2029. "The Capesize and Kamsarmax segments are ideal for ammonia adoption," Amon Maritime's chief executive André Risholm said.

LNG-capable vessels in operation

752

LNG-capable vessels on order

617

LNG vessel orders led in June - DNV

LNG-capable vessels accounted for 11 of 19 alternative fuel-capable vessel orders recorded in DNV's database. The global LNG-capable fleet currently stands at 752 vessels, with another 617 on order for delivery through 2033. "The LNG bunkering fleet is trying to keep up too, with one new LNG bunker vessel order placed in June," DNV senior consultant Kristian Hammer said. There are currently 62 **LNG bunker vessels** in operation, and 30 more on order for delivery through 2028. DNV also recorded four orders for **methanol-capable** vessels, two for **hydrogen fuel cell-capable** ships and one for **LPG**. There are 66 methanol-capable ships in operation and 369 on order, with deliveries scheduled through 2030.

No new **ammonia-capable** vessel orders were placed in June, extending ammonia's dry spell into a second month. Ammonia's broader bunker fuel landscape remains unchanged, with three ammonia-capable vessels in operation, and 37 more on order for delivery through 2029.

Weekly Brent developments

Front-month ICE Brent is set to **rise by 3%** on the week, supported by renewed geopolitical risks in the Middle East and signs of easing trade tensions between the US and China.

Upward pressure:

Iran has suspended cooperation with the International Atomic Energy Agency (IAEA) - a United Nations' nuclear watchdog. The news has sparked market speculation about a cold war-like standoff, with the US possibly intensifying oil sanctions on Tehran.

The US has lifted export restrictions on chip design software to China, calming trade tensions between the two countries. It has also reached a trade deal with Vietnam and will impose a lower-than-expected 20% tariff on some of the country's exports.

"The risk-on tone triggered by the Vietnam trade deal helped boost sentiment across the energy complex," said ANZ Bank senior commodity strategist Daniel Hynes.

Downward pressure:

Commercial US crude oil inventories increased by 3.8 million bbls on the week to reach 419 million bbls on 20 June, according to the US Energy Information Administration (EIA).

Oil investors are now awaiting the outcome of OPEC's meeting on 6 July, where August production levels will be discussed.

DISCLAIMER

This article is prepared by, and expresses the opinions of, Integr8 as of the date of writing (the "Materials"). Integr8 may (but does not have to) update or revise the Materials, without notice. The Materials are intended as general information, not to be relied upon or read as business, investment, legal, tax or other advice. The Materials are not addressed to, and do not contemplate, the individual circumstances of any person. Integr8 makes no representation as to the Materials' accuracy, completeness, authenticity or source. Each person must independently evaluate the Materials. Save for this disclaimer, the Materials are not intended to create legal relations, and are not an offer or invitation from Integr8, its affiliate or any other person. In preparing the Materials, Integr8 has acted on its own behalf and not as an agent or representative. To the fullest extent permitted by applicable law, Integr8 shall have no liability in contract, tort (including negligence) or otherwise for any loss or cost whatsoever, whether direct, indirect, incidental, special, punitive or consequential, in any way connected to the Materials. The Materials may not be used, copied, reproduced, disseminated, quoted or referred to in any publication or other document (with or without attribution) without the prior written consent of Integr8.