

Weekly Market News

30 March - 3 April 2026

Policy split threatens fuel switching

Great divisions among member states ahead of IMO meeting this month, Konica Bhatt writes

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REPORT



Rerouted ships lift bunker demand around Africa

Ships rerouting around Africa to avoid the Red Sea route are increasingly enquiring about bunkers in Africa locations, traders said, adding that high prices and tight fuel availability remain key constraints. Major shipping firms including Maersk, CMA CGM and Hapag-Lloyd have halted trans-Suez services through the Bab El-Mandeb Strait due to the security situation in the Middle East. Ships have started taking longer routes around the Cape of Good Hope in South Africa, which increases their sailing times and fuel costs.

Vessel reroutings have boosted bunker demand across Africa, with increased enquiries in Southern and West African locations like **Durban, Port Louis, Walvis Bay** and **Lome**. But high prices are discouraging uptake in West African ports, where supply is constrained. An Angolan supplier has run out of VLSFO, with replenishment expected in the second week of April.

Operations continue in Middle East ports despite war

Despite the ongoing regional crisis, bunker operations in **Fujairah** continue uninterrupted, even after repeated attacks in recent weeks. “The Middle East remains volatile, with ongoing security concerns around Hormuz affecting vessel traffic and port operations,” a trader said. Authorities in **Fujairah** and **Khor Fakkan** issued navigational warnings last month following reports of intermittent GPS spoofing and signal jamming offshore, although most terminals and anchorages remain operational. Bunkering continues without disruption in the UAE ports of **Jebel Ali, Hamriyah** and **Sharjah**, while bunker fuel supply remains tight in **Fujairah**.

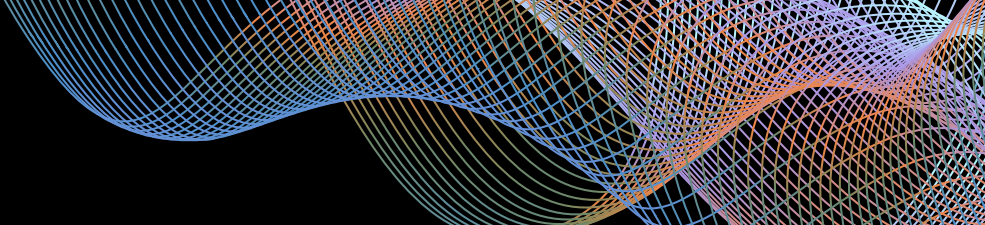
Algeciras ranks third among Europe’s LNG bunker hubs

The Port of Algeciras emerged as the **third-largest LNG bunkering hub** in Europe in 2025, behind only Rotterdam and Marseille-Fos, the port authority said, citing figures from gas association Gasnam. Algeciras supplied around 334,000 cbm (150,000 mt) of LNG last year. Approximately 52,000 cbm (23,000 mt) of bio-LNG was delivered in the port, and 78 ship-to-ship LNG bunker operations were carried out during the year. Nine LNG bunker barges are currently operating around the Iberian Peninsula, with four more under construction, the port authority said. Axpo Iberia, Shell and Peninsula conduct LNG bunker operations in Algeciras, while Enagas is a key biogas producer in Spain. Meanwhile, Rotterdam’s LNG bunker sales rose by 5% on the year to 447,000 mt in 2025.

Hormuz crisis adds €4.6 billion to bunker fuel bill – T&E

Global shipping companies have spent an estimated **€4.6 billion (\$5.3 billion)** in **additional fuel costs** since the Middle East war began in early March, Transport & Environment (T&E) noted in a recent report. Conventional bunker fuel oil prices rose by 65% between 1-20 March, driven by a sharp rise in Brent crude and gasoil prices amid the Hormuz closure and global supply disruption, while LNG prices surged by 75%.

This has added at least €340 million (\$390 million) to daily bunkering costs, bringing the industry’s additional fuel bill to €4.6 billion on top of existing bunkering expenditure. T&E said rising conventional fuel costs have narrowed the gap with low- and zero-emission alternatives such as **e-ammonia** and **e-methanol**, urging the EU to reduce its reliance on fossil fuels and calling the shift an “immediate economic and strategic opportunity” for the shipping sector.



Titan signs e-methane offtake agreement with Turn2X

Titan Clean Fuels will supply e-methane produced by Germany's Turn2X for bunkering from 2028. Turn2X began production at its first commercial facility in Spain's Miajadas in March 2024, producing e-methane by combining green hydrogen with biogenic CO2. The e-methane is fed into the existing gas grid and transported to major European ports. Titan will supply this mass-balanced e-methane to its customers.



K Line secures long-term LBM supply to reduce emissions

Japanese shipping firm Kawasaki Kisen Kaisha (K Line) has signed a long-term deal with an undisclosed producer to buy liquefied biomethane (LBM). It has already begun using LBM on some of its dual-fuel vessels, and completed its first LBM bunkering of the car carrier Oceanus Highway last year, when Shell delivered a 500 mt stem. K Line estimates LBM use could reduce its emissions by 60,800 mtCO2-equivalent/year.

Total LNG-capable vessels orders to date

673

Total LPG-capable vessels orders to date

90

Alternative fuel vessel orders lose pace in March - DNV

DNV recorded five new alternative fuel vessel orders in March, down from 17 in February, with LNG and LPG accounting for two orders each and methanol one, said Kristian Hammer, senior consultant at DNV. The global LNG fleet now stands at 921 vessels in operation, with another 673 on order for delivery through to 2033.

LPG is starting to gain momentum as a future bunker fuel, with eight LPG-capable vessels ordered so far in 2026. That is behind LNG's 32, but ahead of methanol's two. DNV's database now shows 150 LPG-capable vessels in operation and 90 on order through 2028.

The operational methanol-capable fleet grew to 123 vessels in March, up from 118 in February. Another 325 methanol-capable vessels are on order towards 2030. No new ammonia-capable vessels were ordered in March - the third consecutive month without orders. There are three ammonia-capable vessels in operation, with 42 on order for delivery by 2029.

Weekly Brent developments

Front-month ICE Brent has resumed a rally towards \$110/bbl and is on track to rise by 2% on the week after US President Donald Trump signalled continued military operations against Iran, including potential strikes on energy facilities.

Upward pressure:

"We're going to hit them extremely hard over the next two to three weeks," Trump said on Wednesday. Oil market analysts see his remarks as a threat of further escalation, which could lead to more supply disruptions. "The next couple of weeks will be critical. If exports from Persian Gulf producers remain constrained, they will be forced to cut production," ANZ Bank's senior commodity strategist Daniel Hynes said.

Meanwhile, Iran's parliament has approved a plan to levy tolls on vessels transiting the Strait of Hormuz, Iranian state media reported, without disclosing the toll fees.

Downward pressure:

While there has been no significant pullback this week, Brent's price has come under some downward pressure after the US Energy Information Administration (EIA) reported a 5.5 million-bbl build in commercial crude oil stocks, which measured 462 million bbls in the week to 27 March. "Crude stocks rose for a sixth consecutive week," ING analysts noted.

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