

Weekly Market News

1 - 5 June 2026

East of Suez bears brunt of refinery run cuts

Steve Christy examines the Middle East war's impact on oil product markets

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REPORT



NYK and BHP test B100 on vessels to gauge performance

Japanese shipping firm Nippon Yusen Kabushiki Kaisha (NYK Line) has launched a year-long trial of continuous **B100 (100% biofuel)** use on one of its car carriers. The project will assess the impact of prolonged B100 consumption on the vessel's engines and fuel supply systems, while also examining fuel stability during extended use. The fuel consists mainly of fatty acid methyl ester (FAME) produced from used cooking oil (UCO) and other waste-based feedstocks. Separately, a BHP-chartered bulk carrier has tested B100 derived from two different feedstocks together with the Singapore-based Global Centre for Maritime Decarbonisation (GCMD). The fuel was made up of equal parts tallow-derived biofuel and used cooking oil methyl ester (UCOME)-based biofuel. The pilot aims to evaluate the fuel's performance in ship engines and existing bunker infrastructure under real-world conditions, before wider adoption.

Repsol starts biofuel production at Puertollano plant

Spanish energy firm Repsol has started producing **renewable diesel** at its plant in Puertollano Industrial Complex, which could be used for **bunkering**. The plant can produce up to 200,000 mt/year of renewable diesel from feedstocks including UCO and other waste feedstocks from the agri-food industry. It can be used in cars, trucks and ships, the company said. Repsol has invested around €130 million (\$151 million) in this project to convert a fossil fuel processing unit into a renewable fuels production plant. Its other renewable fuels plant in Cartagena can produce around 250,000 mt/year of renewable fuels.

Tuticorin port joins India's green ammonia bunker push

Indian ammonia producer AM Green has signed an agreement with the VO Chidambaranar (VOC) Port Authority to develop **green ammonia** production and bunker infrastructure in Tuticorin. The project includes a 1 million mt/year green ammonia plant, along with storage and bunker facilities, although no timeline has been disclosed. The partnership will also cover ammonia bunker pilots, safety guidelines and training programmes to support future fuel-handling operations. The port authority plans to develop **methanol bunker** infrastructure with an initial storage capacity of just 750 cbm. AM Green targets 5 million mt/year of green ammonia production by 2030, primarily for bunkering, and is developing a 1 million mt/year facility by Kakinada Port scheduled to start production next year.

Major bunker ports poised to lead green fuel transition - LR

Ports with high throughput and tightly regulated bunker systems are best positioned to lead adoption of sustainable bunker fuels, according to a recent study by Lloyd's Register (LR). The study identifies Singapore and the ARA hub as front runners for scaling bunkering of low- and zero-emission fuels such as **green methanol** and **green ammonia**. They are favoured for their established infrastructure, regulatory frameworks and supplier networks. North Sea, Baltic Sea and Scandinavian ports, including Copenhagen, Aalborg, Esbjerg and Gothenburg, could also emerge as early adopters, supported by EU climate policies and regional green fuel projects. Southern European ports such as Valencia, Barcelona, Castellón, Genoa and Huelva are well placed due to their strong refining, chemical and logistics sectors. Tanger Med in Morocco could gain an advantage under EU ETS rules, LR said.



Wind-assisted propulsion fleet crosses 100-vessel mark – IWSA

The number of large commercial vessels equipped with **wind-assisted propulsion systems (WAPS)** has surpassed 100 this month, the International Windship Association (IWSA) reported. The technology has been installed on 37 tankers, 24 bulk carriers, 24 RoRo passenger vessels and 19 cargo ships. WAPS technologies include suction sails, wing sails, rotor sails, traction kites and traditional soft sail systems.



BW LPG orders eight LPG dual-fuel gas carriers

Singapore-based LPG shipping firm BW LPG has ordered eight 90,000-cbm **LPG dual-fuel** very large gas carriers (VLGCs) from South Korean shipbuilder Hyundai Heavy Industries. The vessels are scheduled for delivery between early 2029 and the second quarter of 2030, although the company has not disclosed where they will be deployed. BW LPG currently owns and operates a fleet of around 50 VLGCs, including more than 20 LPG dual-fuel vessels.

Fujairah fuel oil stocks in May

2.47m bbls

Fujairah fuel oil stocks in April

3.86m bbls

Fujairah’s fuel oil stocks fell 36% in May

Fujairah’s fuel oil stocks averaged **36% lower** in May than in April, according to data from the Fujairah Oil Industry Zone (FOIZ) and S&P Global. The port’s fuel oil inventories dropped below 3 million bbls, marking multi-year lows. Fuel oil imports into Fujairah have been on a steady downward trend since March, amid ongoing warfare in the Middle East. Fuel oil imports averaged 14,000 b/d in March, fell to zero in April and recovered to only 7,000 b/d in May. During the same period, fuel oil exports from the region’s key bunker hub also declined sharply, falling by 123,000 b/d to 32,000 b/d, according to cargo tracking firm Vortexa. The port’s middle distillate inventories averaged 5% below April levels in May. Bunker fuel availability in Fujairah has tightened sharply, with **VLSFO** and **LSMGO** stocks limited to a single supplier and most offers given only for firm enquiries. **HSFO** supply remains comparatively less constrained, with two suppliers able to offer the grade.

Weekly Brent developments

Front-month ICE Brent is set to **rise by 4%** on the week, recovering some recent losses after the US Energy Information Administration (EIA) reported a sharp draw in US crude stocks. Market participants continue to assess mixed signals from US-Iran peace talks.

Upward pressure:

Commercial US crude oil inventories fell by about 8 million bbls to 434 million bbls in the week ending 29 May, according to data from the EIA.

Earlier this week, Iran launched ballistic missiles toward neighbouring Kuwait and Bahrain, while US forces carried out strikes on Iran’s Qeshm Island, Reuters reported. US President Donald Trump said on Wednesday that a deal with Tehran could be reached by the weekend. However, Iran’s foreign minister Abbas Araghchi said no progress had been made and warned that “any hostile act will be met with an immediate and decisive response.”

Downward pressure

Hopes for a lasting truce between Israel and Lebanon following a US-brokered ceasefire agreement have exerted some downward pressure on Brent futures.

“News that Israel and Lebanon agreed on a ceasefire could potentially open the door for talks to advance,” ING Bank analysts said.

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