Integr8 Fuels

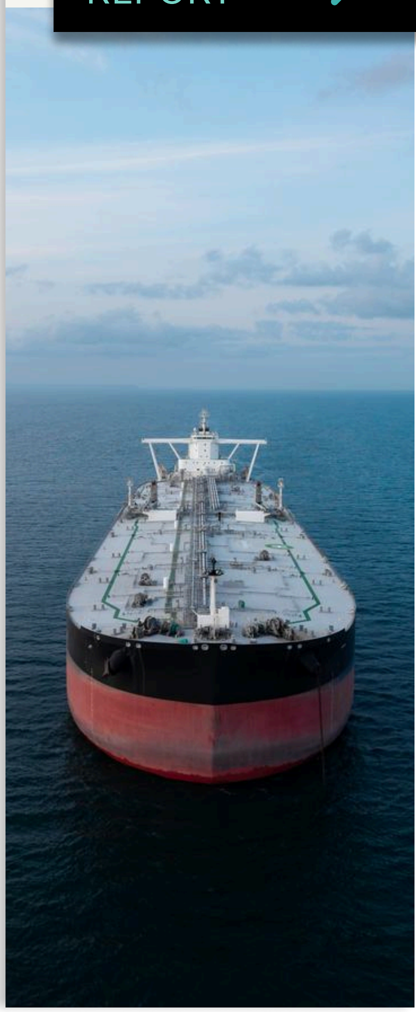
Weekly Market News

31 August - 4 September 2026

From our research desk:

Why VLSFO stopped following crude

READ REPORT



Hormuz oil flows recovered, then strikes resumed

Crude flows through the Strait of Hormuz picked up in the sixth month of the US-Iran war, before both sides resumed strikes this week.

US secretary of energy Chris Wright said **17 million bbls of crude** passed through the waterway on Monday, the highest in recent months, Reuters reported. Counting volumes routed around the strait, Persian Gulf flows are running above pre-war levels, ING Bank analysts said, while cautioning that the figures are uncertain. Commercial vessel transits remain in single digits.

A temporary Iran-Oman navigational corridor through the strait is being formalised, which analysts said would restore some commercial traffic.

Fighting has escalated in parallel. US Central Command resumed strikes on Iranian targets this week, and Iran hit two tankers on Tuesday.

Zhoushan restarts bunkering but supply stays tight

Bunker deliveries resumed at Zhoushan's sheltered Xiushandong and inner Mazhi anchorages on Monday after a **six-day suspension** caused by four successive tropical systems.

Supply has not normalised. Lead times for VLSFO, LSMGO and HSFO have all stretched to about 10 days, from 7-10 days a week earlier, and suppliers are unsure when the port will return to full capacity, a source said. The tightness follows a two-week shutdown after Typhoon Dolphin that left heavy delivery backlogs. Singapore is also tight, with VLSFO lead times of 9-16 days on reduced availability and a shortage of blending components.

Bio-blends can push barge meters out of range - GCMD

Blending FAME with residual grades such as VLSFO and HSFO can drag a finished blend's viscosity below the validated range of the **mass flow meters (MFMs)** fitted to bunker barges, the Global Centre for Maritime Decarbonisation (GCMD) said in a study.

Barges are configured to a viscosity range matching the grade they normally handle, and those carrying residual fuels are validated for a higher one. MFMs measure to within 0.50% inside that range, but accuracy is not assured outside it.

GCMD recommends measuring blend viscosity at transfer conditions before delivery, and managing transfer temperature or using higher-viscosity components where needed.

GCMD also said B24 and B30 ratios are declared by suppliers, not independently verified.

Low-emission fuel demand hinges on IMO decision - DNV

Demand for low-greenhouse gas (GHG) marine fuels could range from 4-22 million mt of oil equivalent (Mtoe) by 2030 and 33-185 Mtoe by 2050, depending on what the IMO decides, classification society DNV said in the 10th edition of its Maritime Forecast to 2050.

The report models four regulatory scenarios, from adoption of the **IMO's Net-Zero Framework** in its current form to outright rejection, which DNV said could bring prolonged regulatory gridlock. The spread also reflects uptake of shore power, hybridisation, nuclear power and onboard carbon capture.

Project pipelines could deliver up to 270 Mtoe of low-GHG fuel by 2030, though delays and competition from other sectors are likely to reduce the volume that can be bunkered by ships.

Efficiency remains the hedge. A hydrodynamic retrofit on a 5,000-TEU vessel could cut annual fuel use by 16%, paying back in 1-4 years.

Titan charters LNG bunker vessel for western Med

Molgas-owned bunker supplier Titan Clean Fuels will charter a 6,000-cbm LNG bunker vessel to begin physical supply at **Fos-Marseille**, **Barcelona** and **Genoa** in the western Mediterranean. French shipowner Sogestran has ordered the vessel from China's CIMC SOE shipyard.
Ships in the Mediterranean have burnt more low-sulphur fuels like LNG, ULSFO and LSMGO since it became an emission control area in May 2025.

CPC to start B24 supply at Kaohsiung

Taiwan's state-owned CPC Corporation will start supplying a B24 blend at the Port of Kaohsiung in October.
The blend combines **24% biofuel with a 180 cst VLSFO**.
CPC said the move aligns Taiwan's marine fuel supply with global maritime net-zero targets and the country's own net-zero transition policy.
Kaohsiung sits on Taiwan's southwest coast, facing the Taiwan Strait and Bashi Channel.

Fujairah fuel oil stocks in August

3.93 million mt

Fujairah fuel oil stocks in July

5.54 million mt

Fujairah's fuel oil inventories drawn 29% in August

Fujairah's fuel oil inventories averaged **29% lower** in August than in July, Fujairah Oil Industry Zone (FOIZ) and S&P Global data show.
The UAE port's fuel oil inventories fell below 4 million bbls after rising for two consecutive months.
Fuel oil imports into Fujairah declined to around 30,000 b/d in August from 51,000 b/d in July, according to cargo tracker Vortexa. At the same time, exports surged by 138,000 b/d to 306,000 b/d, turning Fujairah into a net exporter and contributing to the inventory drawdown.
Saudi Arabia (64%) and Bahrain (35%) accounted for the bulk of Fujairah's fuel oil imports in August. Singapore (48%) was the largest destination for exports, followed by China (26%) and the US (13%).
Meanwhile, Fujairah's middle distillate inventories increased 12% above July levels on average.

Weekly Brent developments

Front-month ICE Brent is set to **rise by 10%** on the week as renewed US-Iran fighting cut the number of ships willing to cross the Strait of Hormuz.
Upward pressure:
The US and Iran exchanged fire on Monday for the first time in a month, and President Donald Trump said Washington was prepared to hit Iran hard. US Central Command struck Islamic Revolutionary Guard Corps targets on Tuesday, including air defence sites, maritime assets and mine-laying capabilities. Two oil tankers were attacked in the strait during the week, and Saudi Arabia's foreign ministry accused Tehran of hitting the Bahri-owned Sidr, killing two sailors.
Nine vessels attempted the transit on Wednesday, down from 13 the day before, Windward said.
US commercial crude oil stocks fell by 4.5 million bbls to 424.5 million bbls in the week to 28 August, according to the EIA.
Downward pressure:
US secretary of energy Chris Wright said 17 million bbls of crude passed through the strait on Monday, the highest level in recent months, Reuters reported.
Counting bypass volumes, Persian Gulf oil flows are running above pre-war levels, two analysts from ING Bank said, while cautioning that the figures are uncertain.