



Bunkering Market Report

September 2021

Brent Crude Market Analysis & Forecast

September started the month with Brent crude trading in the low \$70's at \$71.67/b, and the month continued in a bullish theme for most of the month.

Increase in European Road Traffic

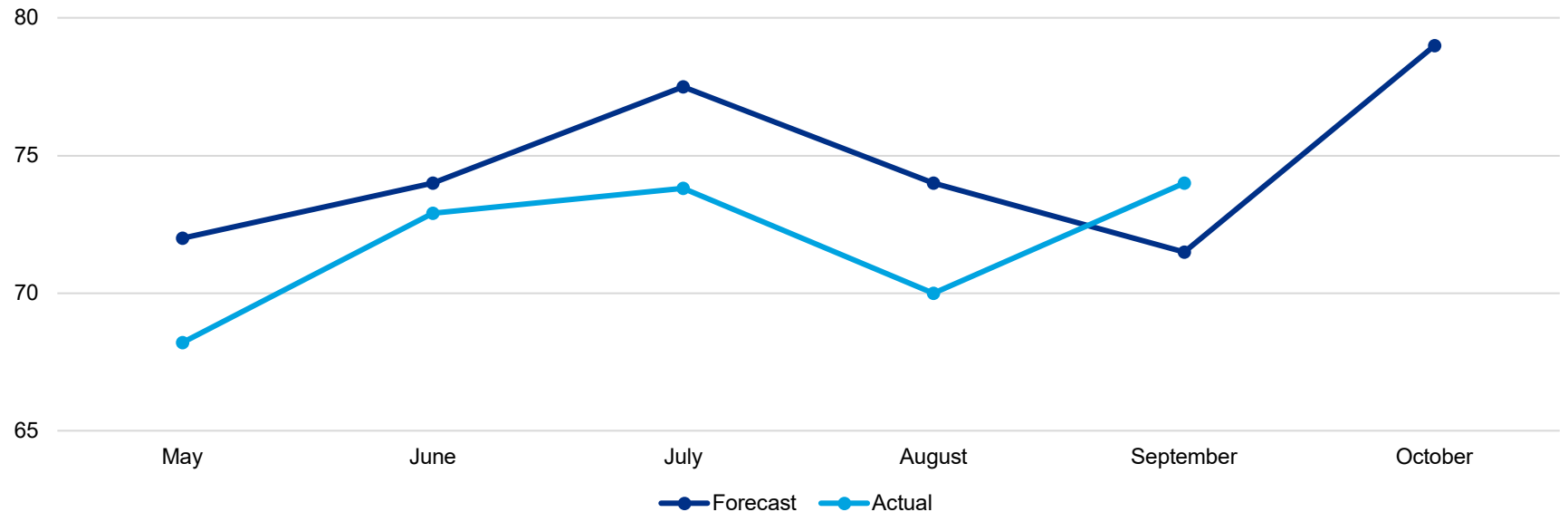
Even as Brent lost some ground in the first week of the month, September saw an increase in road traffic in many European countries.

This did not continue for long, however, as by mid-month Brent was already trading above \$75/b and with the \$80/b level in its sights.

Hurricane Ida

Hurricane Ida inflicted significant damage to oil and gas production in the USG in September. By the end of the month, the oil and gas industry in the USG had still not come completely back on line which helped to push Brent crude to 3-year highs.

Brent Crude Market Analysis & Forecast



VLSFO Market Analysis

In good news for vessels burning VLSFO, VPS reported that the off-spec rate for VLSFO was lower than for MGO, with only 4% of VLSFO samples having at least one off spec parameter, compared to 9/10% for MGO.

Red Hot Natural Gas Market

September saw the continued red hot natural gas market with high prices in Asia and Europe. Prices were so high that many LNG carriers and LNG dual fuel vessels started to burn VLSFO or LSMGO as that was cheaper than using LNG.

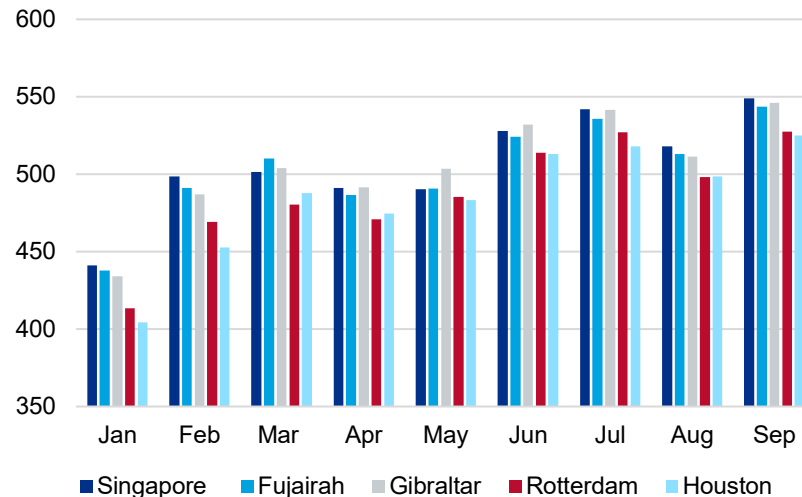
The gas market is expected to stay buoyant until Q2 next year.

Increased Demand for HSFO

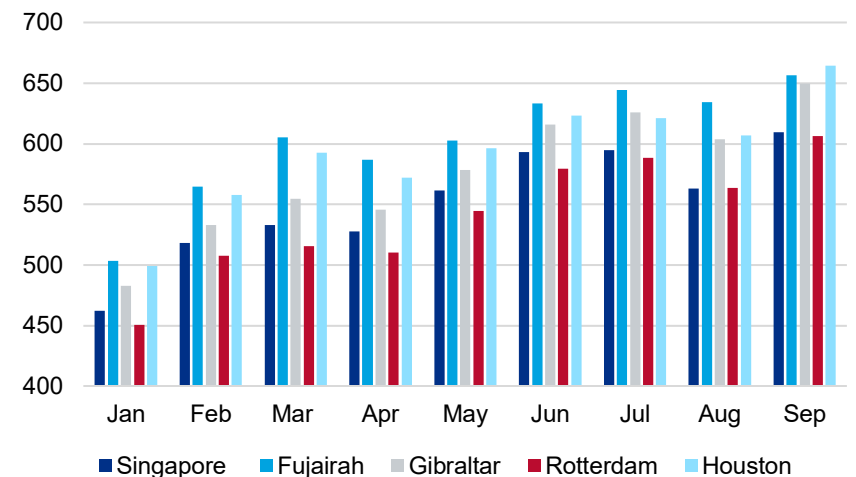
The high demand for natural gas has helped to push up demand for HSFO in Asia for power generation. This extra demand for HSFO has reduced the spread between HSFO and VLSFO.

Poor demand for bunkers in Singapore also saw delivered premiums at their lowest level for many years, increasing the pressure on bunker suppliers.

VLSFO Monthly Prices



LSMGO Monthly Prices



September Port Distribution

Port Distribution by Percentage

