



ENGINE: East of Suez Physical Bunker Market Update

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VLSFO prices have moved north across East of Suez ports, and bunkering in Zhoushan's OPL area has been suspended by rough weather this morning.

Changes on the day to 17.00 SGT (09.00 GMT) today:

- **VLSFO prices up in Zhoushan (\$31/mt), Fujairah (\$11/mt) and Singapore (\$9/mt)**
- **LSMGO prices up in Zhoushan (\$29/mt) and Singapore (\$5/mt), and down in Fujairah (\$20/mt)**

- **HSFO prices up in Zhoushan (\$12/mt) and Singapore (\$9/mt), and down in Fujairah (\$17/mt)**

Bunker deliveries in Zhoushan's outer port limit (OPL) area have been halted this morning due to rough weather, a source says.

Meanwhile, bunkering is running smoothly at Zhoushan's slightly more sheltered Xiushandong anchorage and at the port's inner anchorage of Mazhi. Bunker operations are likely to resume fully from tomorrow morning when calmer weather is forecast.

Availability of VLSFO and LSMGO remains normal in Zhoushan amid poor demand, a source says. Both grades need lead times of 3-5 days – unchanged from the end of last week. HSFO requires a longer period of 5-7 days. However, strong wind gusts of 19-29 knots are forecast intermittently throughout this week, which could disrupt bunkering again and prolong lead times.

Zhoushan's VLSFO price has surged by \$31/mt in the past day – the highest among major East of Suez ports. Two higher-priced VLSFO stems fixed in the port have supported the benchmark's upward thrust.

Zhoushan's VLSFO price gain has meant that its VLSFO discounts to Fujairah and Singapore have swung to premiums of \$17/mt and \$3/mt, respectively.

Bad weather is also forecast to hit Hong Kong on 19 April, which might hamper bunkering.

Availability across all fuel grades remain tight in Hong Kong amid strong demand. Lead times of 8-9 days are recommended in the port for all grades – virtually unchanged from last week.

Brent

Front-month ICE Brent has gained by \$1.01/bbl on the day, to \$85.71/bbl at 17.00 SGT (09.00 GMT).

Upward pressure:

The US Energy Information Administration (EIA) has forecast crude oil production from OPEC members to average at 33.7 million b/d this year. This is down by 400,000 b/d from its previous forecast.

The EIA has also lowered its global liquid fuel production forecast by 300,000 b/d from its March forecast. Global liquid fuel production is now projected to rise from 100 million b/d in 2022, to 101.3 million b/d this year.

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