

MARKET UPDATE AMERICAS



ENGINE: Americas Bunker Fuel Market Update

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Most bunker prices in the Americas have increased with Brent, and bunkering has been halted in GOLLA due to rough weather.

Changes on the day from Friday to 07.00 CST (13.00 GMT) today:

- **VLSFO prices up in Los Angeles (\$45/mt), New York (\$11/mt), Balboa (\$10/mt), Houston (\$4/mt) and Zona Comun (\$2/mt)**
- **LSMGO prices up in Zona Comun (\$42/mt), Houston and New York (\$2/mt), and down in Balboa (\$10/mt)**
- **HSFO prices up in Houston (\$16/mt) and New York (\$8/mt), and down in Balboa (\$21/mt)**

Balboa's HSFO price has countered Brent's upward movement and fell over the weekend. Meanwhile, the port's VLSFO price has gained marginally, to widen its Hi5 spread from \$94/mt on Friday, to \$125/mt now.

HSFO prices in New York and Houston have risen over the weekend. This has resulted in flipping Balboa's HSFO price premiums over New York and Houston, to a discount of \$15/mt and \$12/mt, respectively.

Los Angeles' VLSFO price has gained heavily over the weekend, with support from a higher-priced firm offer. Meanwhile, Zona Comun's VLSFO price has inched slightly higher, to nearly erase its \$45/mt VLSFO price premium over Los Angeles.

Bunker deliveries have been suspended by rough weather again in the Galveston Offshore Lightering Area (GOLLA), which is experiencing gale-force wind gusts of up to 36 knots. The weather is forecast to remain bad until this evening.

Brent

The front-month ICE Brent contract has gained \$1.36/bbl on the day from Friday, to trade at \$90.90/bbl at 07.00 CST (13.00 GMT) today.

Upward pressure:

Surge in Brent futures indicates that the global oil market is still concerned about a potential disruption in supplies due to the ongoing conflict between Israel and Hamas militants.

Should the Israel-Hamas war escalate further, involvement from other nations in the Middle East could result in oil supply disruptions in an increasingly tight market. This could push Brent's price further up.

"Energy traders continue to pay close attention to the Israel-Hamas war," said OANDA's senior market analyst Edward Moya. "Crude prices are surging as the oil market will remain very tight given escalating geopolitical risks could threaten supplies," he further added.

Downward pressure:

Despite fears of escalating geopolitical tensions in the Middle East, there hasn't been any immediate impact on oil supplies in the region. "Despite recent developments in the oil market, speculators remain reluctant to jump into the market," said analysts from ING Bank.

Iran's total oil output in September increased by 15,000 b/d from the previous month to 3.06 million b/d, the Organization of the Petroleum Exporting Countries (OPEC) said in its monthly oil market report. The country produced 3.04 million b/d of crude in August.

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