



Bunkering Market Report

July 2023

Brent Crude Market Analysis & Forecast

July started with Brent languishing in the mid \$70's/b, after a consistent period of 3 months in the \$70's all was about to change in July, although at the start of the month the mood was very bearish; despite production cut extensions from both Saudi Arabia and Russia.

Early July

Despite the continuation of these production cuts, economic concerns, primarily about China, continued to affect the market sentiment.

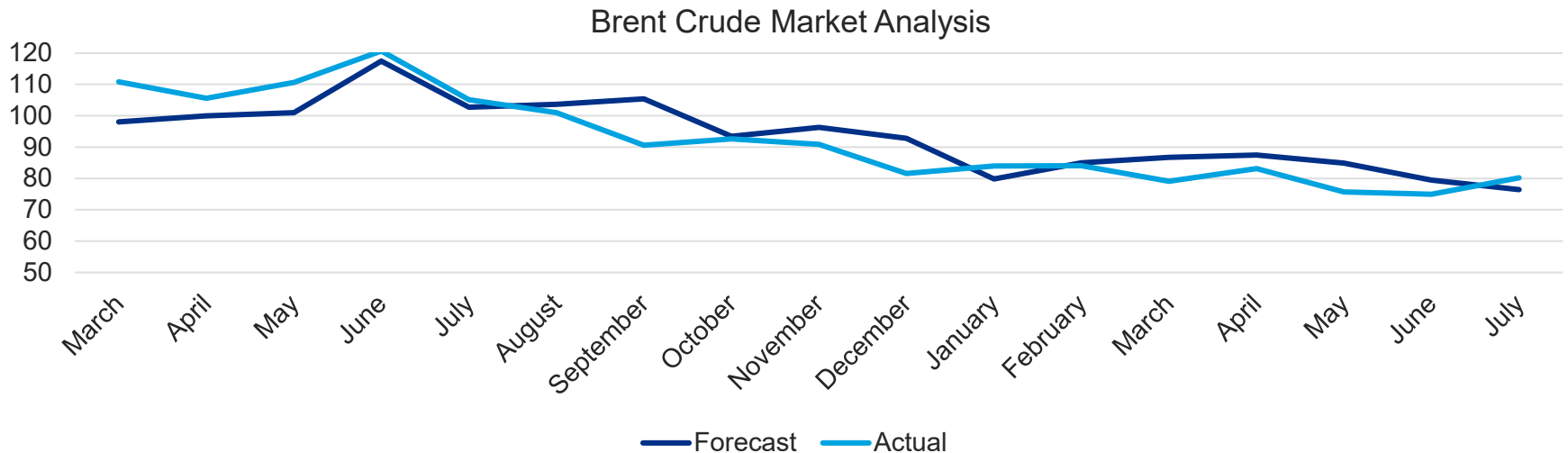
By the second week of the month, change was in the air as oil traders focused on global tightening of supply. This caused Brent to climb to the high \$70's as traders feared a tight supply picture for the remainder of the year as the OPEC+ production cuts began to dominate the oil market, as the total cuts amounted to 5m barrels per day. China also announced plans to boost its economy which added to the upside pressure on oil prices.

End of July

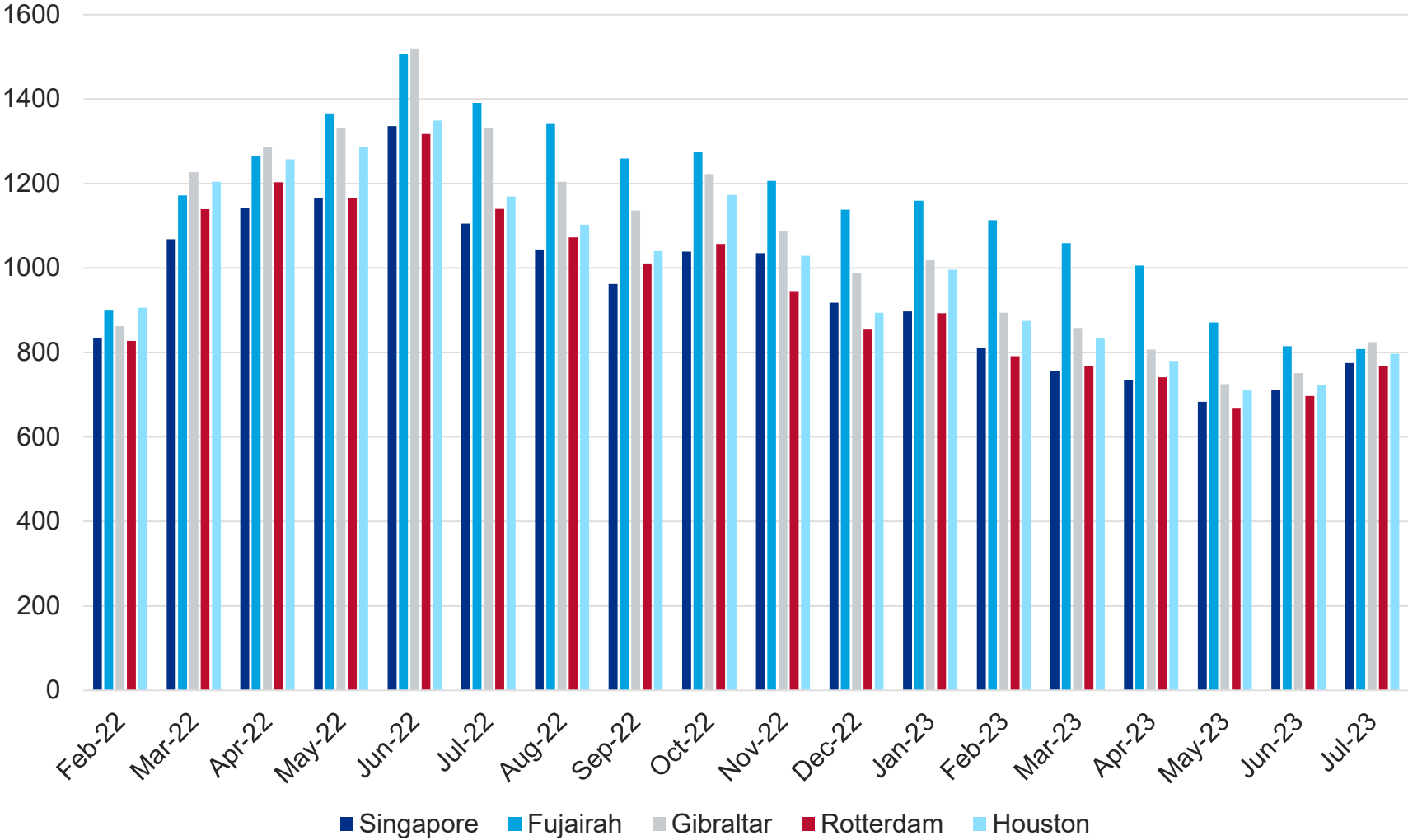
By the third week of the month, Brent breached the \$80/b level, the first time since April 2023 that oil prices had been as high. In the last week of the month, VPS revealed that once again Houston had a contaminated bunkers problem.

Chemicals in the fuel supplied in April & May had caused issues for several ships as chemical contaminants had played havoc with ships engines

July ended with Brent at \$85.69/b and the bullish sentiment continuing into August.



Global LSMGO Average Prices



Global VLSFO Average Prices

