



# Bunkering Market Report

June 2023

# Brent Crude Market Analysis & Forecast

June started the month with Brent crude trading in the mid \$70's level, which is where Brent had been trading for some time.

In the US, Congress had just come to an agreement on the debt ceiling which had caused a small rally on the first day of the month, however, oil demand worries proved to outweigh the political news in the US so that on the second day of the month Brent plunged to below \$72/b.

## Early June

As the first week of the month was drawing to a close, Brent had gained some ground back and was back in the mid \$70's level. The reason for this was the OPEC+ meeting and agreement that current production cuts would be extended into 2024.

As the second week of June got under way, oil traders said Saudi Arabia's production cuts were disappointing and couldn't stop Brent from falling further.

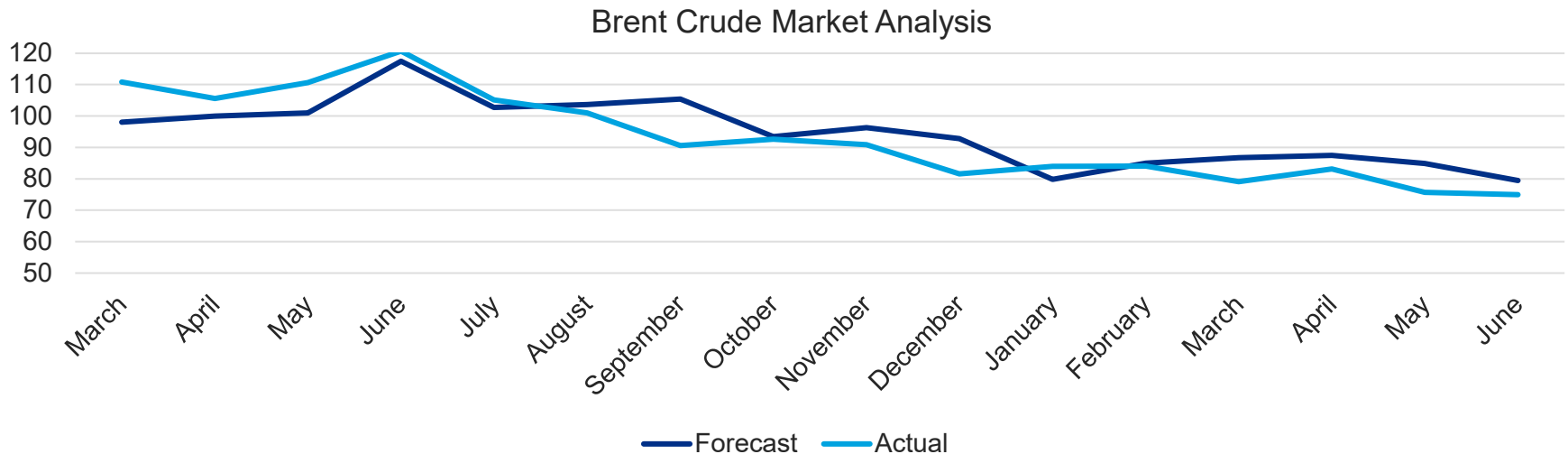
In the US, there was speculation that the Federal Reserve would pause interest rate rises at its mid-June meeting which would boost oil prices.

## End of June

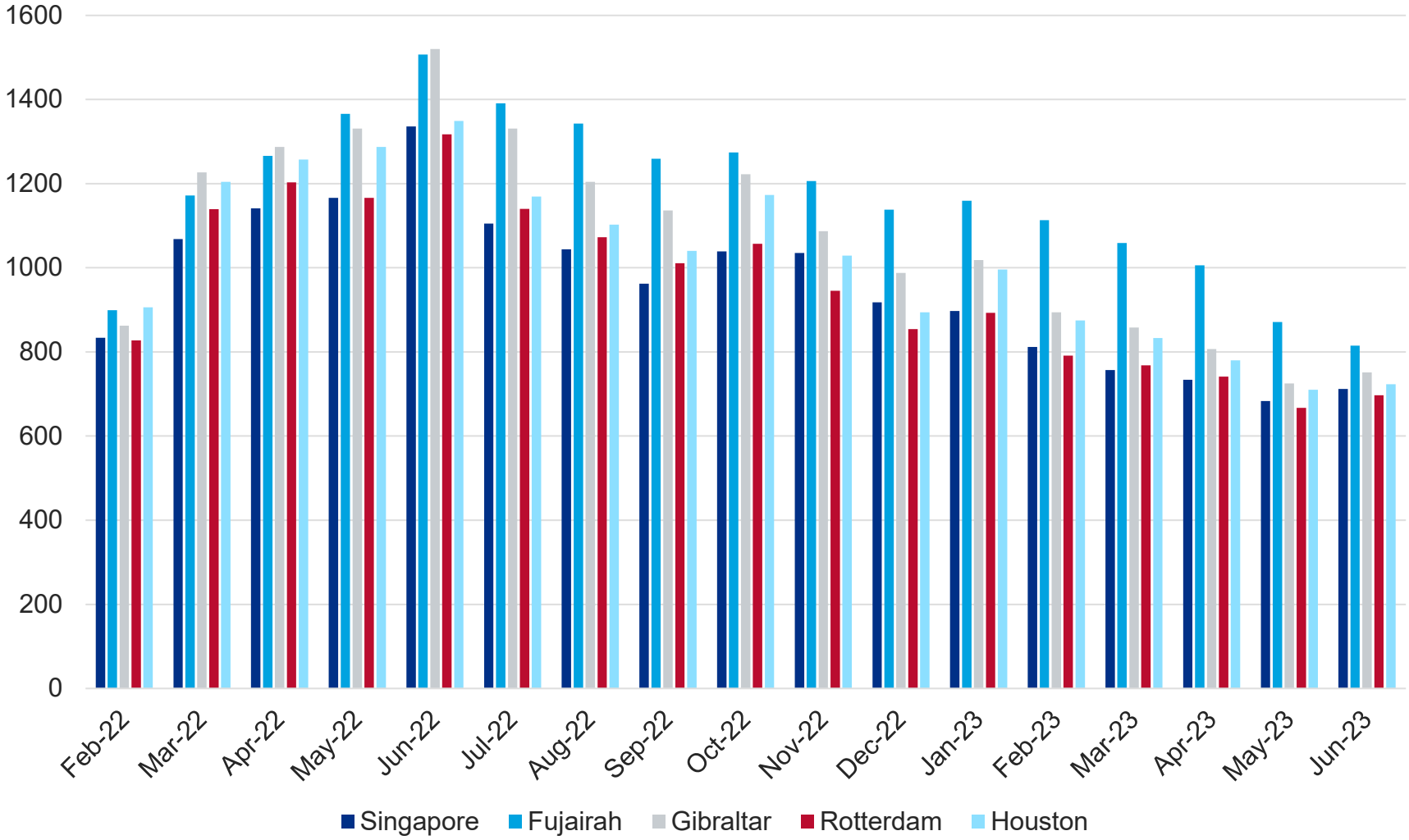
When the Fed did meet, they did indeed state that further interest rate rises were paused, however, they also added that interest rate rises further down the line would be needed. This caused Brent to lose about 1.5% as the market remained bearish.

As we moved into the third week of June, China's economy was once again in focus, with oil traders distinctly bearish on its prospects for economic growth.

Brent continued to trade just below and above the mid \$70's as the oil markets struggled to find a direction. As the month drew to a close, Brent did gain some ground but remained stubbornly in the same mid \$70's level the month started at.



# Global LSMGO Average Prices



# Global VLSFO Average Prices

