



Bunkering Market Report

September 2023

Brent Crude Market Analysis & Forecast

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September started with Brent trading just shy of the \$90/b level and by the 4th day of the month, this level had been breached for the first time since 2022.

Early September

The reason for Brent's rise at the tail end of the summer was due to supply concerns from oil traders after they had been concerned that global inflation would lead to demand destruction. These two competing factors would continue to act as a seesaw for the rest of the month as the balance would move from one side to the other as news would emerge throughout the month.

On the 5th day of the month, Saudia Arabia caused a marked increase in oil prices by announcing that it would extend its voluntary production cuts for the rest of the year, although with a small caveat that the market seemed to miss, which was that this production cut would be reviewed monthly.

This caused global oil markets to spike and by mid-month, Brent had almost reached \$95/b. Brent couldn't quite get over the \$95/b barrier at this time, which was welcome news for oil consumers.

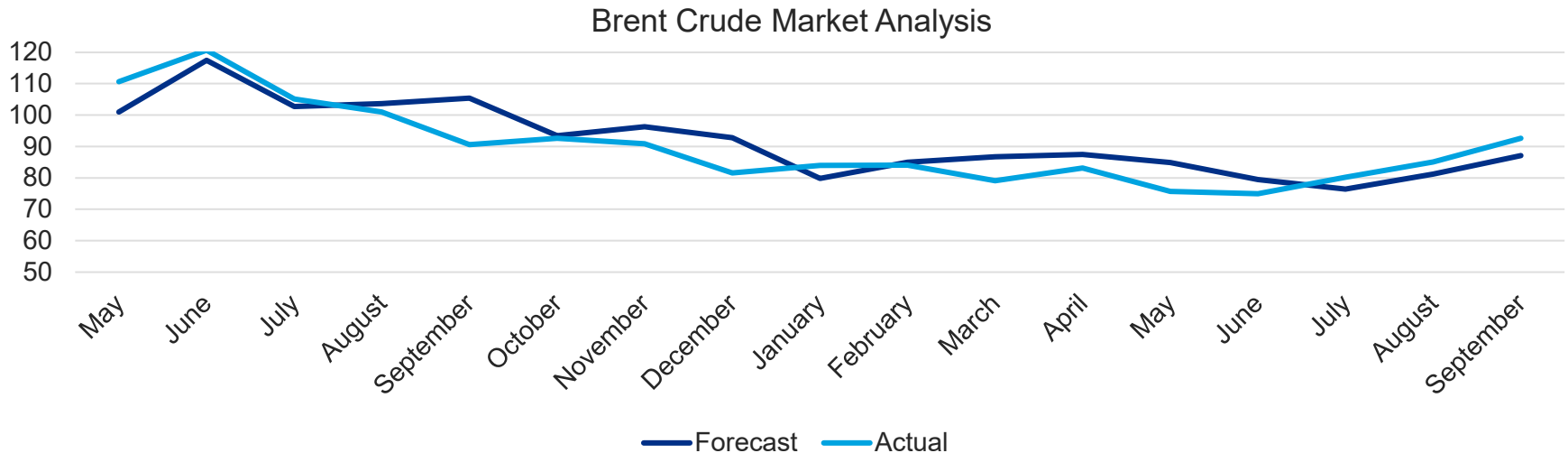
End of September

In South Africa, the South African Revenue Service shut down bunkers only operations in Algoa Bay off Port Elizaeth. The background was that two suppliers, Trafigura and Minerva, had not been importing bunker cargoes and thus avoiding local taxes.

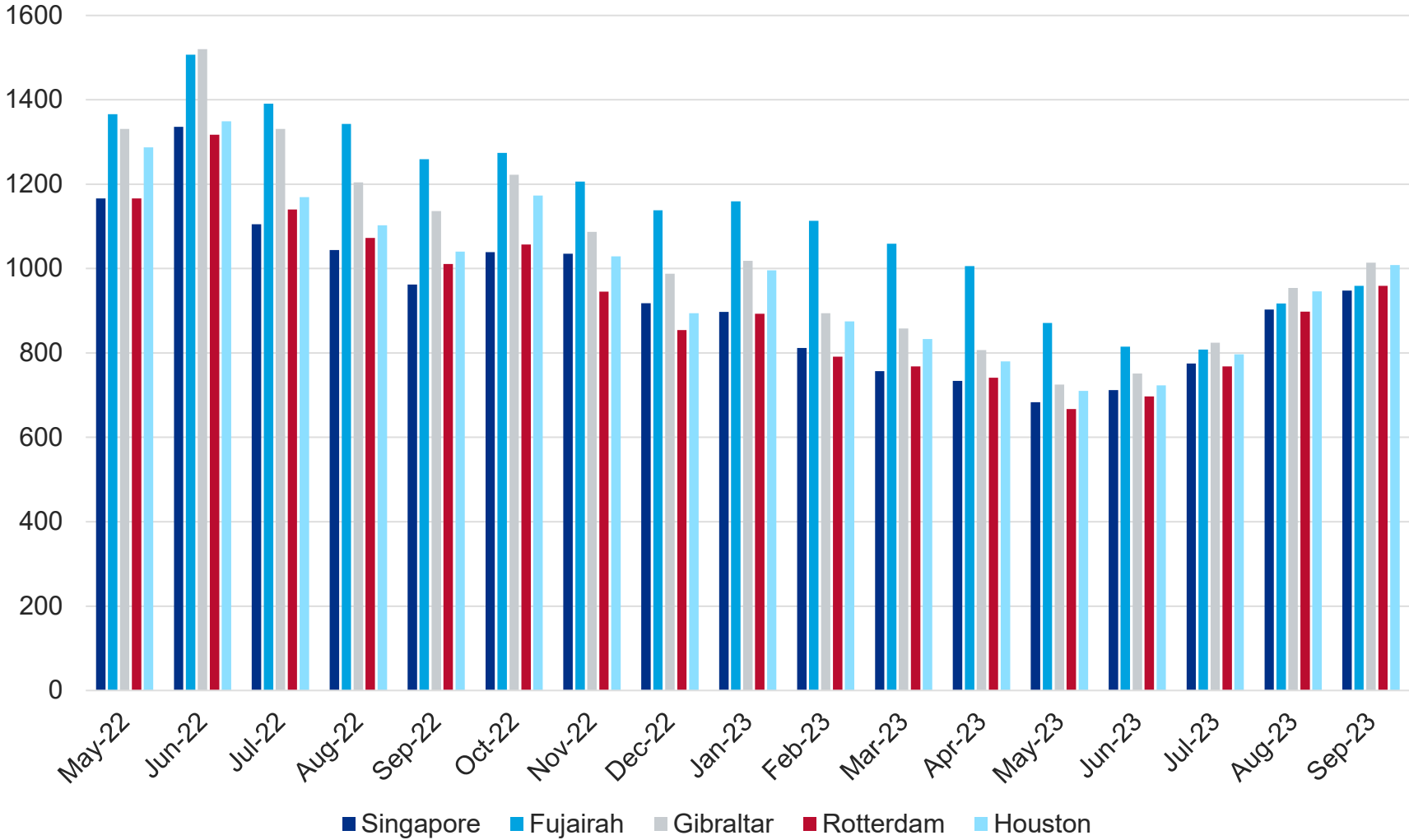
Both companies dispute that the cargoes should have been imported, however, the suspension of operations is expected to be a boost for BP as they have been following the SARS rules.

China also bucked its recent trend and had some positive and better than expected industrial output and retail sales figures, which helped keep Brent firmly in the \$90's level.

The month ended with Brent in a bearish mood but still holding up above the \$90/b level.



Global LSMGO Average Prices



Global VLSFO Average Prices

