

# MABUX global indices show moderate shifts

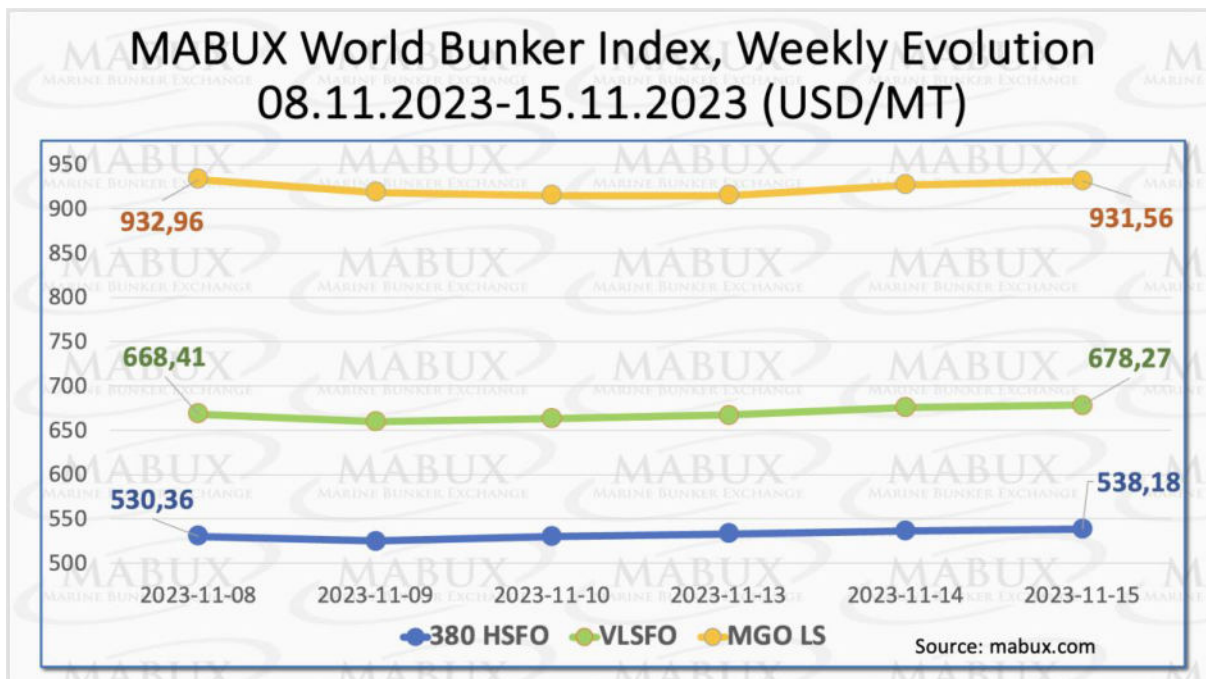
November 17, 2023



Marine Bunker Exchange (MABUX) global indices showed moderate shifts and no firm dynamics during the 46th week of the year.

The 380 HSFO index increased by US\$7.82 to US\$538.18/MT, the VLSFO index gained US\$9.86 reaching US\$678.27/MT, but, on the other hand, the MGO index declined by US\$1.40 to US\$931.56/MT.

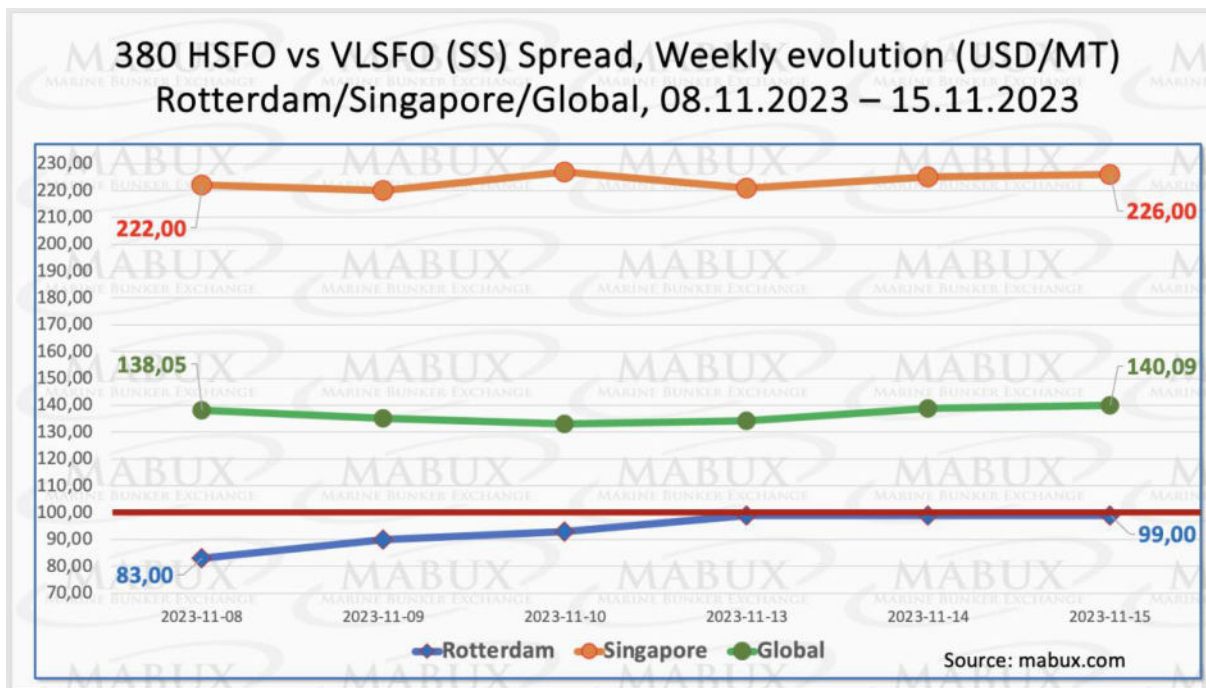
"The market was in a mild rising trend at the time of publication," stated a MABUX official.



The Global Scrubber Spread (SS), or the price difference between 380 HSFO and VLSFO, increased by US\$2.04, remaining over the US\$100 mark. Simultaneously, the weekly average fell by US\$3.95.

In Rotterdam, the SS Spread increased by US\$16, reaching the US\$100 mark. The weekly average has also risen by US\$9.66. In Singapore, the 380 HSFO/VLSFO price differential increased by US\$4, continuing over US\$200, with the weekly average increasing by US\$5.17.

The renewed growth of SS Spread in key hubs shows that the HSFO + scrubber combo is more profitable than normal VLSFO bunker fuels, according to MABUX analysis.



This winter, Europe's natural gas demand is expected to rise due to increased electricity consumption in key markets and a gradual reduction in industrial demand destruction in the Eurozone.

This surge in European demand may cause global LNG and gas markets to tighten. While European Union gas supplies are reaching capacity, recent strikes at Australian LNG export facilities and the Hamas-Israel war have put the European market on edge, resulting in extremely volatile pricing.

According to a Bloomberg study, experts believe that the decrease in industrial gas demand will moderate early next year, with power consumption in certain important European markets returning to pre-energy crisis levels.

In Portugal's port of Sines, the price of LNG as bunker fuel climbed by a symbolic US\$6 over the previous week, reaching US\$907/MT on 13 November.

On this date, the price differential between LNG and conventional fuel switched in favour of MGO, with a difference of US\$13, compared to the previous week's difference of US\$41 in favour of LNG. MGO LS was quoted for US\$894/MT in the port of Sines on 13 November.

Port	Delivery term	LNG	MGO LS	Date	Supplier
<b>SINES</b> History	Truck-to-ship	907.00 +6.00	894.00 -38.00	2023-11-13	<b>GALP</b>

Throughout the 46th week, the MDI index versus the MABUX digital bunker benchmark indicated the following trends in selected ports: Rotterdam, Singapore, Fujairah and Houston.

In the 380 HSFO sector, all four ports remained undervalued. The weekly average underpricing widened by 12 points in Rotterdam and 3 points in Fujairah but narrowed by 5 points in Singapore and 8 points in Houston. In Fujairah, the underpricing of this type of fuel continues to exceed the US\$100 mark.

According to the MDI, Fujairah and Singapore were overcharging in the VLSFO segment, with the average premium increasing by 20 points in Singapore and 19 points in Fujairah.

VLSFO remained undervalued in Rotterdam and Houston. The average underpricing ratio fell by one point in Rotterdam but rose by three points in Houston.

All ports in the MGO LS category remained undervalued, with the weekly average decreasing by 4 points in Rotterdam, 4 points in Singapore, and 12 points in Fujairah. Houston's average MDI index, on the other hand, increased by 3 points.

**MBP vs DBP Indexes, Weekly Evolution**

All Indexes in USD/MT	380 HSFO			VLSFO			MGO LS			Date
	MBP Index	DBP Index	Diff.	MBP Index	DBP Index	Diff.	MBP Index	DBP Index	Diff.	
<b>ROTTERDAM</b>	475	515	-40	569	613	-44	791	893	-103	08 Nov - 15 Nov
<b>SINGAPORE</b>	457	529	-72	681	609	72	785	902	-117	08 Nov - 15 Nov
<b>FUJAIRAH</b>	423	544	-121	668	606	61	910	950	-40	08 Nov - 15 Nov
<b>HOUSTON</b>	466	490	-25	568	610	-42	840	867	-27	08 Nov - 15 Nov

Source: mabux.com

"The global bunker market has shown some signs of moderate growth driven by high volatility amid the ongoing conflict in the Middle East. We expect next week the world bunker indices to show a slight upward trend," stated Sergey Ivanov, director of MABUX.