

# Global bunker indices experience moderate decline

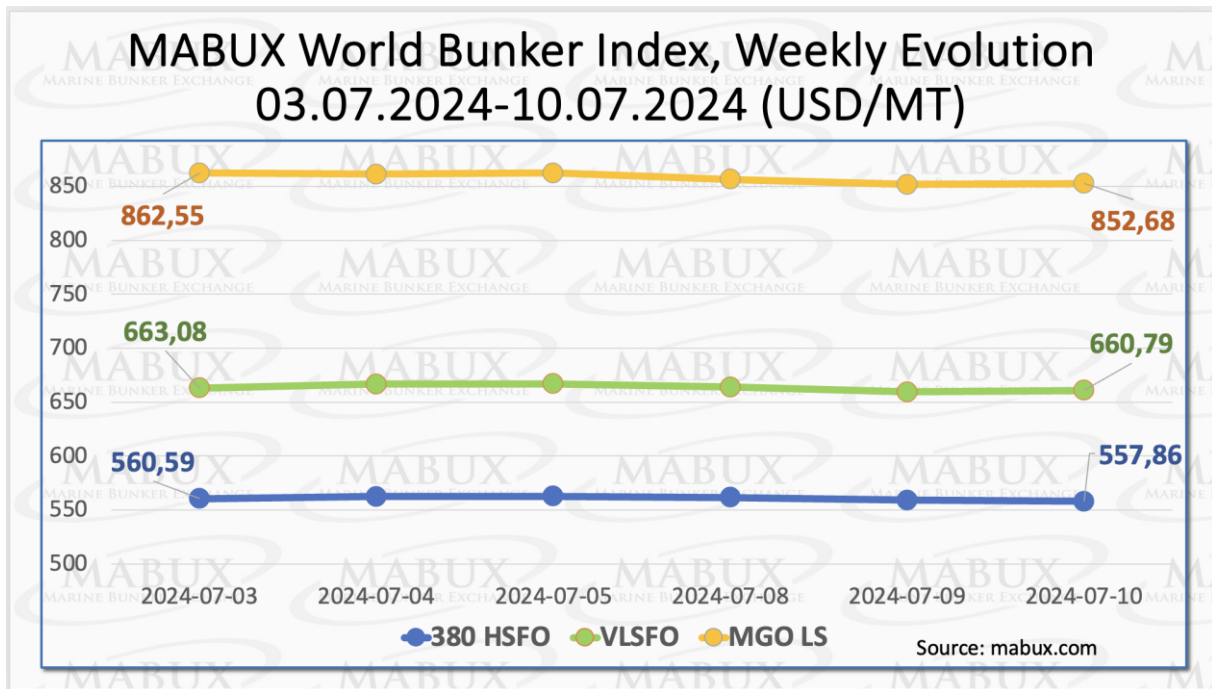
July 11, 2024



During the 28th week of the year, the Marine Bunker Exchange (MABUX) global bunker indices experienced a moderate decline.

The 380 HSFO Index decreased to US\$557.86/MT, the VLSFO Index dropped to US\$660.79/MT and the MGO Index fell to US\$852.68/MT.

"At the time of writing, the global bunker market continued to trend moderately downward," stated a MABUX official.

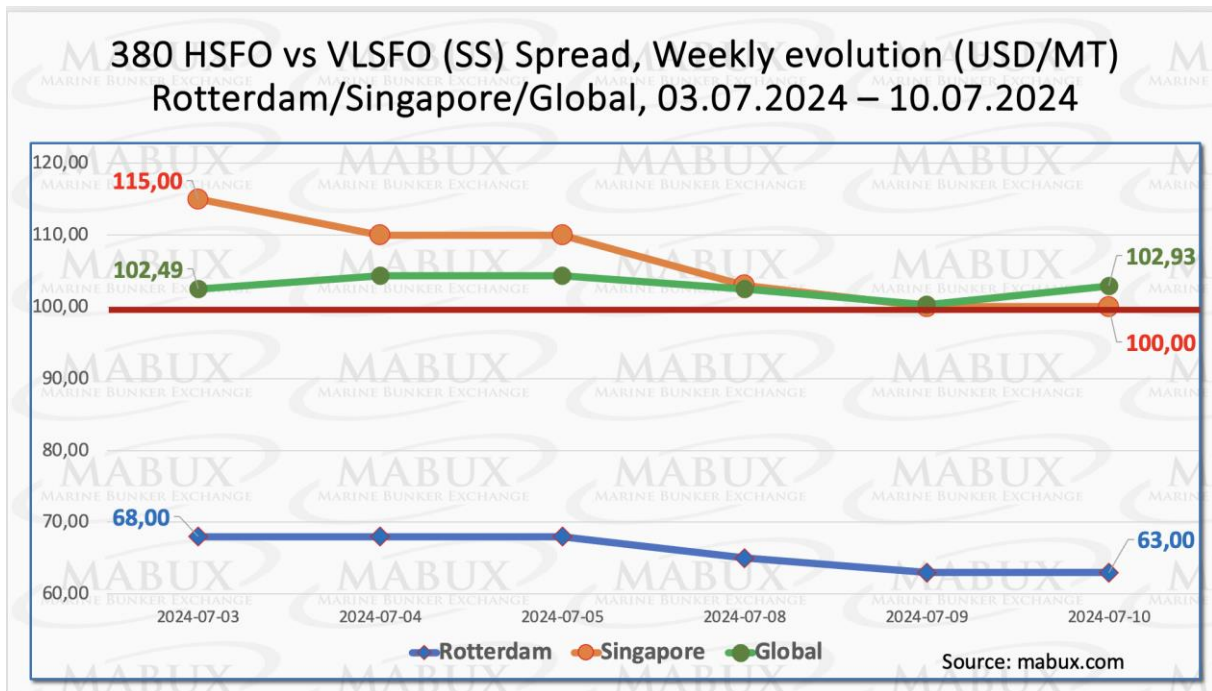


The MABUX Global Scrubber Spread (SS), which measures the price difference between 380 HSFO and VLSFO, saw a slight uptick, rising to US\$102.93, remaining near the US\$100.00 breakeven mark.

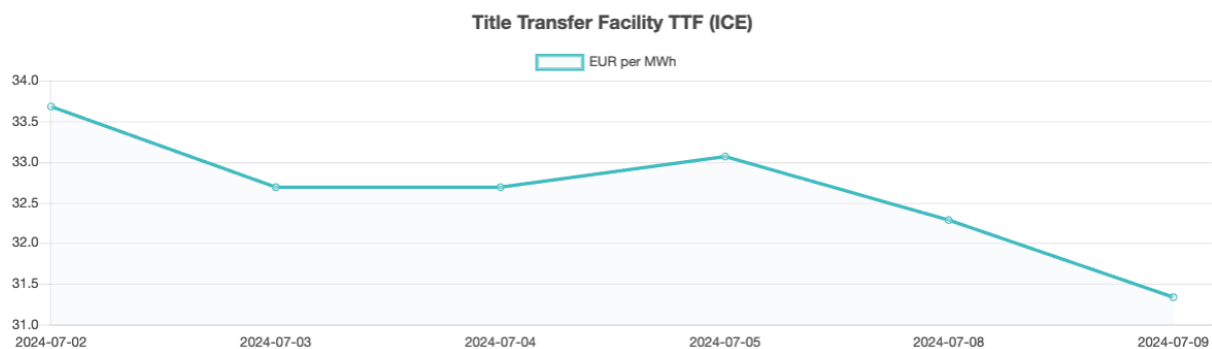
The weekly average increased by US\$3.76. In Rotterdam, SS Spread values decreased by US\$5, dropping to US\$63, with the weekly average at the port decreasing marginally by US\$0.84.

Conversely, in Singapore, the price difference for 380 HSFO/VLSFO dropped significantly by US\$15 falling to US\$100, although the weekly average at the port increased by US\$1.

"Currently, the SS Spread lacks a stable trend, and we expect the dynamics of multidirectional fluctuations to continue next week," pointed out a MABUX official.



In the first half of 2024, European gas demand continued to decline, driven largely by reduced gas-fired generation and decreased use of gas in buildings. In Week 28 2024, the European gas benchmark TTF experienced a moderate decrease, falling by 2.350 EUR/MWh to 31.335 EUR/MWh from 33.685 EUR/MWh the previous week.



In the port of Sines (Portugal), the price of LNG as bunker fuel experienced a notable decline, reaching US\$743/MT on 10 July, which is US\$50 lower compared to the previous week. Concurrently, the price difference between LNG and conventional fuel widened significantly on 10 July, favouring LNG by US\$113, with MGO LS priced at US\$856/MT in the port of Sines.

Port	Delivery term	LNG	MGO LS	Date	Supplier
<b>SINES</b> <a href="#">History</a>	Truck-to-ship	743.00 -50.00	856.00 0.00	2024-07-10	<b>GALP</b>

During Week 28, the MDI index, which measures the correlation between market bunker prices (MABUX MBP Index) and the MABUX digital bunker

benchmark (MABUX DBP Index), indicated undervaluation across all fuel segments in the world's four largest hubs: Rotterdam, Singapore, Fujairah, and Houston.

In the 380 HSFO segment, Rotterdam saw a decrease of 6 points in weekly average undervaluation, while Houston decreased by 5 points. Conversely, Singapore increased by 1 point and Fujairah by 7 points in undervaluation.

For VLSFO, Rotterdam's average weekly undervaluation decreased by 5 points, Fujairah by 2 points, while Singapore increased by 1 point and Houston by 4 points.

In the MGO LS segment, Houston moved into the undervalued zone, with all four ports showing undercharging. Rotterdam saw an increase of 4 points in weekly average undervaluation, Singapore increased by 8 points, Fujairah by 10 points, and Houston by 4 points. The MDI index in Rotterdam exceeded the US\$100 mark, while Singapore consistently remained above this threshold.

**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>	515	544	-29	581	646	-65	771	871	-101	03 Jul - 10 Jul
<b>SINGAPORE</b>	530	561	-31	636	656	-20	764	880	-117	03 Jul - 10 Jul
<b>FUJAIRAH</b>	520	569	-50	634	652	-18	848	928	-81	03 Jul - 10 Jul
<b>HOUSTON</b>	497	541	-44	612	675	-63	793	793	-1	03 Jul - 10 Jul

Source: mabux.com

"We expect next week the downward trend in the global bunker market to lose its momentum and bunker indices will return to moderate growth," commented Sergey Ivanov, Director of MABUX.