

# Record-wide bunker price spread between Asia and Europe during the Hormuz crisis

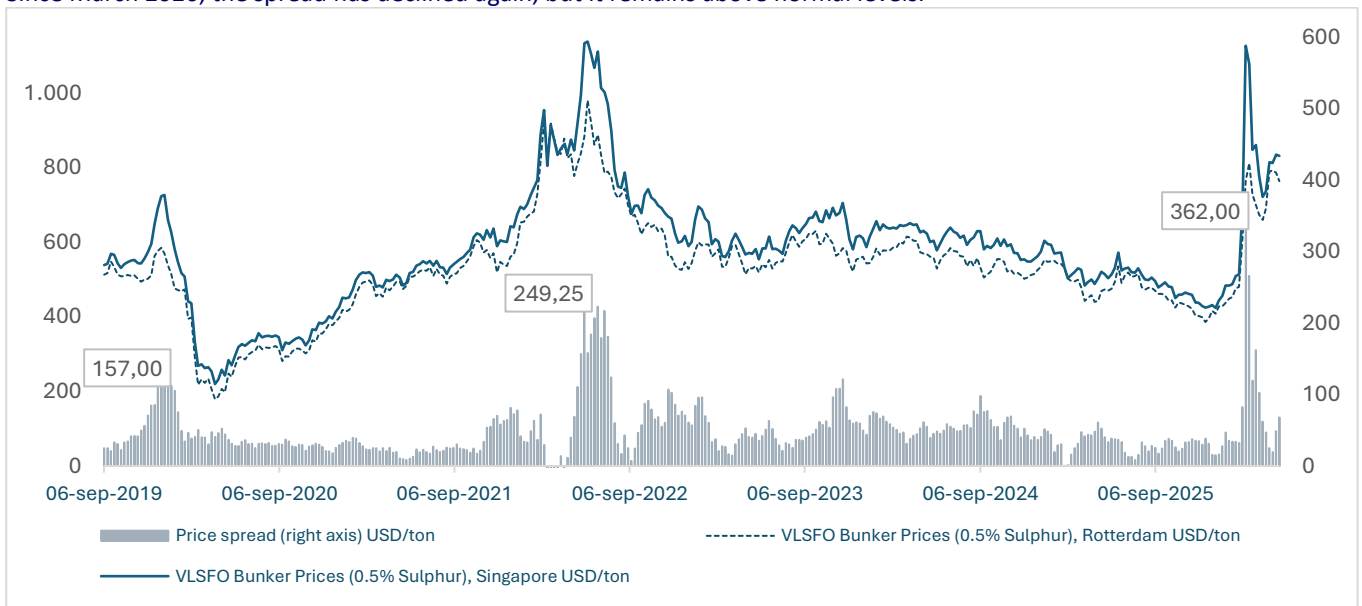
Spring 2026 set a new record for the price difference between Singapore and Rotterdam. The spread reached USD 362/tonne on 13 March which is almost 50% above the previous peak from 2022 and the highest level in the dataset's nearly seven-year history. At the same time, the VLSFO price in Singapore rose to above USD 1,100/tonne, while Rotterdam remained below USD 800/tonne. The period coincided with the closure of the Strait of Hormuz and subsequent disruptions to global oil and product flows.

The figure shows the development in VLSFO bunker prices (0.5% sulphur) in Rotterdam and Singapore, as well as the spread between the two markets, from September 2019 to May 2026. Singapore and Rotterdam are often used as benchmarks for the Asian and European bunker markets, respectively. In normal periods, the difference typically ranges between USD 20 and 60/tonne, but three significant spikes stand out.

The first significant spike occurred around the implementation of the IMO's global sulphur regulation on 1 January 2020, when uncertainty about the availability of low-sulphur fuels and regional differences in supply lifted the spread to USD 157/tonne. The second spike followed the energy crisis after Russia's invasion of Ukraine in 2022, when sanctions and rerouted oil and product flows caused major disruptions in global energy markets and pushed the spread up to USD 249/tonne. The third and largest spike occurred during the Hormuz crisis in spring 2026, when the spread reached USD 362/tonne.

Together, the three significant spikes during IMO 2020, the 2022 energy crisis and the 2026 Hormuz crisis indicate that global energy shocks have triggered stronger price reactions in Asia than in Europe. Differences in underlying supply structures may be part of the explanation. Europe can be supplied with crude oil and oil products from several sources, including the North Sea, the United States and West Africa, while Asian markets are more dependent on supplies from the Gulf region. At the same time, European refineries have a high degree of flexibility in processing crude oil of varying quality, which can make it easier to replace lost supplies from individual regions with oil from other sources. Taken together, these factors may have contributed to less pronounced price increases in Europe than in Asia during periods of market turmoil. In addition, prices reflect expectations of future market conditions, not only the current balance between supply and demand.

Since March 2026, the spread has declined again, but it remains above normal levels.



Source: Based on Clarksons Research and Danish Shipping calculations. Weekly bunker prices are based on industry data compiled each Friday from Clarksons Research time-lapse series 542451 and 542455.