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VLSFO HSFO Spread Narrows Even Further

The spread between IMO 2020 compliant 0.5% very low sulphur fuel oil (VLSFO) and previously compliant 3.5% high sulphur fuel oil (HSFO) continues to narrow. Bunker prices at the world's largest bunkering ports (Singapore, Rotterdam, Houston, and Fujairah) show the average VLSFO-HSFO spread ended last week at approximately \$170/ton. One week, prior the spread stood at approximately \$178/ton. Also of note is at the beginning of this year, the spread stood at approximately \$358/ton. The spread is now down by 53% from that level. The spread has been on a steady decline since mid-January.

Jeffrey Landsberg | Managing Director
[Commodore Research & Consultancy](#)

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