

# Monthly Market Intelligence Report

May 2026

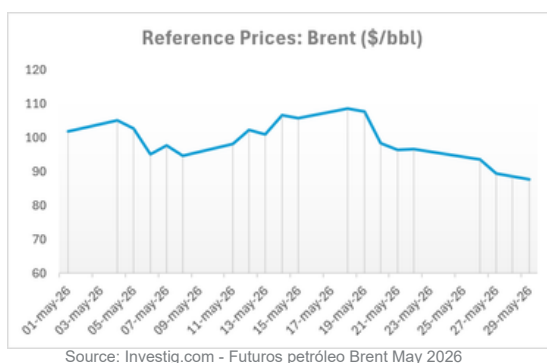
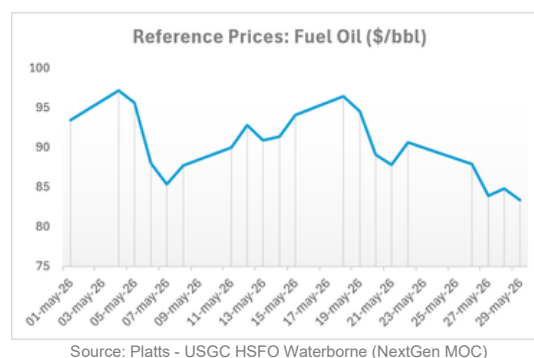
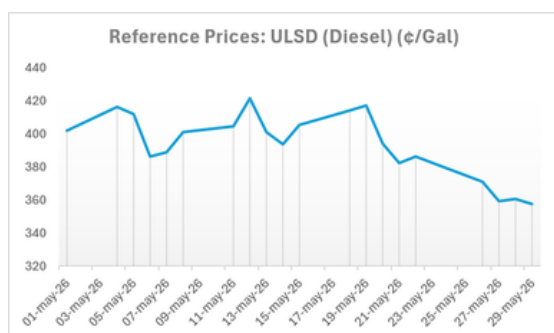
## I. Executive Summary

May 2026 was characterized by extreme volatility in energy markets due to the geopolitical fragility in the Middle East. The month began with the breakdown of the ceasefire and renewed naval confrontations in the Strait of Hormuz. Throughout the period, the market reacted with sharp price declines driven by false expectations of an imminent peace memorandum, only to rebound strongly following the resumption of U.S. airstrikes toward the end of the month.

While the physical disruption across the Persian Gulf continues to keep approximately 40% of regional production and refining capacity offline, Panama has positioned itself as a logistics hub by hosting Maritime Week Americas 2026 (MWA26).

## II. Key Indicators and Market Dynamics: May 2026

Impacto de la crisis del Estrecho de Ormuz sobre los principales combustibles.



| Product  | High   | Low    | Close  | Change |
|----------|--------|--------|--------|--------|
| Brent    | 108.66 | 87.76  | 87.76  | -19%   |
| Fuel Oil | 97.2   | 83.3   | 83.3   | -14%   |
| ULSD     | 421.58 | 357.36 | 357.36 | -15%   |

Energy markets experienced significant volatility throughout **May as a result of developments in the Strait of Hormuz and negotiations between the United States and Iran.**

During the first half of the month, **Brent, Fuel Oil, and ULSD prices reached their highest levels** amid concerns over potential disruptions to global crude oil and refined products supply. Military tensions, combined with navigation restrictions along one of the world's most critical energy routes, generated a substantial geopolitical risk premium.

However, **as indications emerged of potential agreements to reopen the Strait of Hormuz and gradually restore maritime traffic, markets began pricing in a lower-risk scenario.** As a result, all three products experienced a significant correction toward the end of the month.

The market behavior observed highlights the current **sensitivity of energy markets to geopolitical developments**, particularly in a region through which approximately one-fifth of global oil trade passes.

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### III. National, Regional and Global Analysis

#### Panama and the Maritime Industry

- **Maritime Week Americas 2026:** During May, Panama reaffirmed its position as one of the region's leading maritime and logistics hubs through the celebration of Maritime Week Americas 2026 (MWA26). The event brought together shipowners, fuel suppliers, port operators, maritime authorities, and industry specialists to discuss the sector's most pressing challenges. Among the key topics addressed were marine fuel availability, regulatory developments, and decarbonization alternatives for maritime transportation.
- **Panama Strengthens Its Role as an Energy Corridor:** During May, the infrastructure of Petroterminal de Panamá (PTP) was utilized to transport approximately 2 million barrels of crude oil, including volumes from the United States Strategic Petroleum Reserve (SPR) and production from Guyana destined for refineries in California. This operation highlights Panama's strategic importance not only as a logistics and maritime hub, but also as a key energy corridor for regional fuel supply.

## Regional Environment

- **Guyana Continues Strengthening Its Position as an Emerging Producer:** Guyana's oil production continued to expand during May, consolidating the country as one of the world's fastest-growing crude oil suppliers. The ongoing development of its offshore projects continues to attract international investment and strengthen the Americas' role as an alternative source of energy supply.
- **Venezuela Increases Crude Oil Exports:** During May, Venezuelan oil exports increased, primarily driven by higher shipments to the United States, Europe, and India. This trend reflects international markets' search for alternative supply sources amid uncertainty surrounding energy flows from the Middle East.
- **The Americas Gain Relevance in the Global Energy Market:** Tensions in the Strait of Hormuz have once again highlighted the strategic importance of producers across the Americas, including the United States, Brazil, Canada, Guyana, and Venezuela. In an environment of increasing geopolitical volatility, the region continues to play an increasingly important role in global energy security.

## Global Context

- **The Strait of Hormuz Continues to Dominate Market Attention:** Throughout May, tensions between the United States and Iran maintained elevated risks for global navigation and energy trade. The possibility of disruptions along a route that normally handles nearly 20% of global oil consumption drove significant movements across crude oil, refined fuels, and maritime transportation markets.
- **Markets React Between War and Diplomacy:** Throughout the month, Brent, Fuel Oil, and ULSD prices experienced substantial volatility, driven by both military actions and expectations surrounding diplomatic agreements between Washington and Tehran. Announcements regarding potential negotiations to reopen the Strait of Hormuz triggered notable price corrections, while the resumption of attacks toward the end of May reintroduced uncertainty into the market.
- **Alternative Fuel Trials Continue to Advance:** Alongside energy market volatility, the maritime industry continued progressing toward decarbonization initiatives. During May, X-Press Feeders and METHANAVE successfully conducted a bunkering trial using a blend composed of 90% methanol and 10% ethanol in Rotterdam. The operation represents another step forward in evaluating alternative fuels capable of reducing emissions while leveraging existing technologies and infrastructure.

#### **IV. Outlook: June 2026 Perspectives**

- **Energy Market Volatility**

The evolution of negotiations between the United States and Iran will continue to drive movements in crude oil and refined fuel prices, particularly in response to any changes in the situation surrounding the Strait of Hormuz.

- **Gradual Normalization of Maritime Trade**

Although progress has been observed in diplomatic discussions, the full recovery of maritime flows and the reduction of risk premiums will depend on regional stability.

- **Inventories and Refining Activity Under Close Watch**

The recent decline in U.S. crude oil inventories, together with increased refining activity, will remain an important factor influencing energy market developments.

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