

Date: 27th of April 2026

Basis: Prior-day public benchmarks and physical markers, translated into desk-indicative replacement economics in USD per metric ton.

1) Market Snapshot

The market ended 27th of April, still split between a softer screen and a stubbornly expensive physical chain. The latest transparent Atlantic Basin benchmark was ICE low sulphur gasoil settling at \$1,276.75/mt on 27th of April 2026, while Brent was trading a little above \$108/bbl the same day. ICE itself notes that this contract is the pricing reference for diesel barges delivered in the ARA region, so it remains the most transparent public Atlantic Basin marker.

East of Suez, the tone remains tighter than the screen alone suggests. Reuters reported on 27th of April that Asian diesel markets were only modestly calmer, with refining margins still around \$62/bbl, Northeast Asian May diesel cargoes improving but still below pre-war levels, and FOB Korea diesel deals last week still carrying premiums just below \$5/bbl to Singapore quotes. That is softer than the earlier extremes, but it is not a normal market.

Hormuz remains commercially impaired. Reuters reported on 27th of April that daily transits had fallen from roughly 125 to 140 vessels a day to just seven, with none carrying oil for export, even though one ADNOC LNG vessel appears to have made a successful crossing. That is not a reopening. It is a tiny crack in a very damaged system.

2) Executive Readout

The market has become more nuanced, but not more forgiving. The panic premium has eased from the very worst levels, yet prompt diesel is still being priced as a problem cargo rather than a routine commodity. ARA remains the most transparent Atlantic Basin benchmark, but not the only market that matters. Primorsk remains a live Russian-origin benchmark for jurisdictions and buyers willing and able to trade that flow. Fujairah and Singapore remain essential East-of-Suez references, though both are now carrying logistics and war-risk distortions that crude alone cannot explain.

The key change today is that buyers can no longer pretend the market is short of signals. The signals are everywhere. What is still short is confidence in movement. That is why the regional spreads remain wide and why the delivered markets in Africa continue to pay the heaviest bill.



3) Buyer's Grid

Region / Basis	Desk range (USD/mt)	Commentary
FOB Belarus	1,090 to 1,170	No transparent same-day public spot benchmark. Range inferred as a modest discount to Baltic FOB, reflecting inland logistics and thinner liquidity.
FOB Primorsk / Ust-Luga	1,130 to 1,220	Russian-origin barrels remain discounted to ARA-linked Atlantic diesel, but the discount is supported rather than widened by export fragility and stronger global replacement values.
CIF ARA / Rotterdam	1,250 to 1,320	Best transparent public benchmark for Atlantic Basin prompt diesel, anchored to the 27 April gasoil settlement and still-firm physical replacement economics.
CIF West Africa	1,320 to 1,420	Strong import pull, Russian and Atlantic Basin supply both active, with India notably absent from West African diesel supply so far in April.
Delivered Southern Africa	1,450 to 1,600	The heaviest landed cost stack in the grid once freight, insurance, working capital and inland delivery are fully loaded.
CIF South America	1,250 to 1,350	Brazil remains import-dependent, but strong Russian participation limits how far the market can blow out versus Africa.
CIF Asia / Jurong	1,440 to 1,520	East-of-Suez market still anchored by high Singapore-linked economics, even as spot premiums have eased from their peaks.
CIF East Africa / Dar es Salaam	1,500 to 1,620	Strong premium to Asia and the Middle East, reflecting freight, financing and persistent exposure to disrupted Gulf-linked supply chains.
CIF Middle East / Fujairah	1,460 to 1,540	Counter-intuitively high, because local inventories, bunkering and route confidence remain impaired.

These ranges are desk-derived from the 27th of April ARA gasoil settlement, 27th of April Reuters Asia diesel market reporting, the latest available Fujairah inventory data for the week ended 20th of April, Russian Baltic operational reporting, West African April import flows, and the 27th of April evidence of Russian ULSD cargoes being diverted away from Brazil in search of higher-margin homes.



4) What Changed Since Yesterday

The market has become less one-directional. Reuters reported that Northeast Asian refiners sold materially more May diesel cargoes than in April, and that spot premiums in Asia had eased, even though margins remain historically high. That matters because it suggests some near-term relief in Asian export availability, but not enough to normalise prices.

At the same time, the global logistics picture did not really improve. Hormuz traffic stayed sparse. Russian cargoes loaded from Primorsk were literally diverted mid-voyage away from Brazil because sellers saw better prices elsewhere. That is a market still searching for the highest-paying gaps rather than settling into stable trade lanes.

5) War, Freight and Macro Drivers

Hormuz remains the dominant macro driver. Reuters' 27th of April reporting makes clear that traffic is still a fraction of normal and that none of the seven daily transits it tracked were carrying oil for export. One LNG crossing from ADNOC is encouraging, but Reuters also cautioned that this does not yet prove the route is consistently usable.

Freight and inventory conditions remain equally important. Fujairah's latest published inventory data for the week ended 20th of April showed total stocks at just 7.454million barrels, with middle distillates at 3.561million barrels, while Reuters had already reported Fujairah marine fuel sales slumping sharply after the conflict. Those are not the numbers of a relaxed regional hub.

The Russian export system is functioning, but with scars. EADaily reported on 8th of April that Primorsk and Ust-Luga had resumed full-fledged shipments and that four tankers were loading at Primorsk at once. Even so, Reuters' 27th of April report of Russian ULSD cargoes being rerouted away from Brazil shows how quickly the Baltic system is being pulled toward the highest margin destination.

6) Commercial Interpretation

The best way to read today's market is to separate benchmark transparency from execution value. ARA is the clearest public Atlantic Basin benchmark. Singapore remains the clearest East-of-Suez benchmark. Primorsk remains the practical Russian-origin benchmark where buyer jurisdiction, bank, insurer and destination all permit that trade. None of those alone is "the truth." Together, they tell you where the tradeable curves really sit.

West Africa remains well bid because imports are still running hard. S&P Global said the region had already imported 1.1million mt of diesel and gasoil by 15th of April, with Russia, South Korea and the U.S. supplying a combined 485,000mt, and no Indian diesel flows into the region so far

that month. South America remains supported, but less explosive, because Russian diesel still flows legally into Brazil and may exceed 800,000tons in April.

7) Red Flags

The first red flag is false comfort from improving Asia export headlines. May cargo availability is improving, yes. But Reuters also says those volumes remain below pre-war levels, and margins are still roughly triple end-February levels. That is relief at the edge, not a return to normal.

The second red flag is assuming Baltic discounts automatically equal cheap barrels. In today's market, a discounted FOB may still be expensive once voyage risk, title-chain complexity and destination constraints are priced properly. The rerouting of Primorsk cargoes away from Brazil is today's best proof of that.

The third red flag is treating Fujairah as a normal low-cost Gulf benchmark. It is not behaving like one. Inventories are still stressed, bunker activity has been hit, and the hub remains hostage to a still-impaired Strait of Hormuz.

8) Opportunities

The best commercial opportunities still sit where supply is available but not effortless. West Africa remains attractive for sellers who can secure vessels, paper and discharge. South America remains a live outlet for Russian-origin barrels. Asia offers tactical opportunities as May Northeast Asian exports improve, especially for traders who can move quickly on softening spot premiums without assuming the crisis has passed.

For buyers, the clearest edge is still optionality. Storage, vessel control, and bankable documentation matter more than shaving a few dollars off the headline number. In this market, access is still half the commodity.

9) Bottom Line

As of the 27th of April close, the market is still structurally fragmented. CIF ARA remains the most transparent Atlantic Basin benchmark at roughly \$1,250 to \$1,320/mt. Jurong and Fujairah remain materially higher, in the mid-\$1,400s to low-\$1,500s/mt. West Africa remains strong around \$1,320 to \$1,420/mt, while East Africa and Southern Africa continue to carry the heaviest delivered premium. Primorsk remains discounted, but not cheap enough to ignore the execution burden.

That is the market now. The outright panic has eased. The friction has not.