



Afri-Fuel-Consult
(Pty) Ltd

Petroleum Products Trading & Advisory

Gaborone, Botswana
UIN: BW00003299246

EN590 10ppm Global Trading
Desk Note: *Mid-Morning Report*

Date: 21 April 2026

1) Market Snapshot

The market is still trading as a physical dislocation market, not a calm paper market. On 21st of April, Brent was indicated around \$94.44/bbl after peace-talk headlines, but shipping through Hormuz remained restricted, with Kuwait declaring force majeure and Reuters reporting the strait had been near standstill on 20th of April, with only three ships in 12 hours versus a normal of about 130 crossings per day. Reuters also reported war-risk premiums as high as 3% of vessel value.

For diesel benchmarks, the latest public prompt screen we could verify today was ICE low sulphur gasoil April 2026 at \$1,320.25/mt on 21st of April. The latest public Asia physical marker we could verify quickly remains Reuters' 20th of April note that Singapore gasoil had ended 17th of April at \$145.27/bbl, still 59% above the 27 February close. The latest public Northwest Europe physical marker we could verify remains Reuters' 13th of April report of diesel near \$170/bbl, which converts to roughly \$1,266/mt. Those numbers tell the real story: prompt diesel remains expensive, and the screen is still not giving a clean physical discount.

2) Executive Readout

This is not a low-\$700 market. Europe is still a mid-\$1,200 to low-\$1,300/mt market for prompt compliant diesel. Asia is still roughly a low-\$1,100/mt market on Singapore-linked economics. Africa continues to clear above both because freight, insurance, financing and route certainty now make up a larger share of the landed price than in a normal market. That is why retail and wholesale price shocks are now showing up across East and Southern Africa.

The market is also increasingly regionalised. India has become the swing supplier into Asia, while Russia remains central into West Africa and Brazil. China is curtailing, though not fully banning, refined fuel exports, which tightens East-of-Suez balances further. That is why "cheaper" Baltic or Belarus-linked barrels still do not translate into easy delivered relief for mainstream buyers.



3) Buyer's Grid

Region / Basis	Desk Range (USD/mt)	One-line commentary
FOB Belarus	980 to 1,080	No transparent mainstream public spot benchmark. Inferred discount to Baltic FOB, but bankability and sanctions friction remain heavy.
ssFOB Primorsk / Ust-Luga	1,030 to 1,150	Discounted to mainstream Atlantic barrels, but not remotely "cheap" once disruption and execution risk are priced in.
CIF ARA / Rotterdam	1,240 to 1,340	Best clean benchmark for prompt compliant diesel into Europe.
CIF West Africa	1,310 to 1,420	Strong Atlantic replacement economics, Russia still central, Indian supply absent so far in April.
Delivered Southern Africa	1,430 to 1,580	Highest landed pain after ocean freight, insurance, working capital and inland delivery are stacked in.
CIF South America	1,220 to 1,330	Brazil import dependence supports values, though Russian inflows cap the upside.
CIF Asia / Jurong	1,080 to 1,180	Anchored off Singapore gasoil, still elevated by East-of-Suez disruption and curtailed Chinese exports.
CIF East Africa / Dar es Salaam	1,230 to 1,360	Tender-driven market paying a visible premium over Arab Gulf and Singapore-linked supply.
CIF Middle East / Fujairah	1,140 to 1,270	Counter-intuitively firm because local logistics, bunkering and inventory conditions remain impaired.

These ranges are inferred, not directly exchange-settled. ARA and Asia are anchored to the latest public product screens and physical markers; West Africa is adjusted off current import-flow evidence; East Africa is adjusted off EWURA's April cost and premium data; Southern Africa is adjusted off current wholesale price shock and import dependence; South America is adjusted off Brazil's import reliance and Russian diesel inflows; Baltic and Belarus are inferred discounts off Europe because transparent public quoting is poor.

4) What Changed Since Yesterday

The big change is in sentiment, not in the physical chain. On 21st April, crude eased on talk of possible U.S.-Iran talks, but Reuters was equally clear that shipping through Hormuz remained restricted and that the market may be underestimating the persistence of the disruption. In other words, screens softened, but the delivered diesel market did not get a real operational pardon.

The second change is that the regional supply response is getting clearer. India's March diesel exports to Southeast Asia hit a seven-year high, while China's April refined fuel exports were sharply reduced. That means Asia is not "normalising." It is still in replacement mode.



5) War, Freight and Macro Drivers

Hormuz remains the master variable. Reuters' 20th April reporting says the strait is still effectively closed in practice, despite periodic claims to the contrary, and that Asia had previously depended on the strait for about 80% of its oil and refined product imports. That is why physical Asia remains tight even when crude futures wobble lower for a day.

Freight and insurance continue to do heavy lifting in price formation. Reuters says war-risk premiums have risen to as much as 3% of vessel value. Fujairah remains a live stress indicator: Reuters reported marine fuel sales there down by more than 70% in March, with heavy fuel inventories at a record low as of 13 April. That is not a normal logistics backdrop for Middle East diesel.

Russia remains the second swing factor. Reuters reported Primorsk's March ULSD shipments at 1.713million mt, down 2.6% month on month, while EADaily reported on 8th April that tankers had returned and oil exports were recovering. That is the right way to read the Baltic today: resumed, but fragile.

6) Commercial Interpretation

Europe remains the cleanest truth source for compliant (G7-Nations) diesel. The problem is not that Europe is cheap. The problem is that Europe is the least distorted benchmark in a distorted market. The latest public Europe physical and prompt gasoil screens together tell you ARA replacement diesel is still a mid-\$1,200 to low-\$1,300/mt proposition, not a lazy low-\$700 assumption.

West Africa is firm because imports are still running hard and Russia remains a key supplier while Indian cargoes have been absent so far in April. East Africa is visibly stressed: EWURA says April diesel FOB reference prices were up 114.46% and Dar es Salaam diesel premiums were up 10.8%. Southern Africa remains the most punishing delivered market, with Reuters reporting South African wholesale diesel rising by up to R7.51/litre in April despite a temporary levy cut.

South America is better supplied than Africa, but not cheap. Reuters says Brazil remained one of the biggest buyers of Russian diesel in March, while Brasilia has already considered tax relief and subsidy measures because prices have spiked. That keeps South America below Africa on landed economics, but well above pre-war norms.

7) Red Flags

The first red flag is that the market is still paying more for promptness than for deferred barrels. Public screens are showing an unusually steep prompt premium, with the April low sulphur gasoil contract at \$1,320.25/mt while later screens were materially lower on 21st April. That is a classic sign of a physical market that does not trust near-term supply.

The second red flag is false comfort from resumed Baltic operations. Yes, tankers are back. No, that does not mean Baltic exports are back to being stable, clean, and easy. The port system remains vulnerable to further strikes and operational interruptions.

The third red flag is Asia. China is curtailing refined fuel exports, India is being pulled harder as a swing supplier, and the strait is still not normal. That combination can reprice Asia and East Africa higher again very quickly.

8) Opportunities

West Africa still works for Atlantic supply. East Africa continues to pay a premium for certainty. Southern Africa remains painful but profitable if logistics are controlled properly.

Asia offers a tactical opportunity through India's swing-barrel role rather than through assuming a clean Hormuz reopening. Select Russian-linked barrels into Brazil and West Africa also remain commercially relevant for buyers who can genuinely manage sanctions (EU/US/JAPAN/AUSTRALIA/CANADA), shipping and payment complexity.

9) Bottom Line

The market on 21st of April 2026 is not a recycled 2024 market and not a low-\$700 diesel market. Fair working levels are roughly \$1,240 to \$1,340/mt CIF ARA, \$1,080 to \$1,180/mt CIF Asia, \$1,230 to \$1,360/mt CIF East Africa, \$1,310 to \$1,420/mt CIF West Africa, and \$1,430 to \$1,580/mt delivered Southern Africa. Baltic and Belarus-linked barrels remain discounted, but only within a crisis market that is still pricing closure risk, freight risk and execution risk every single day.