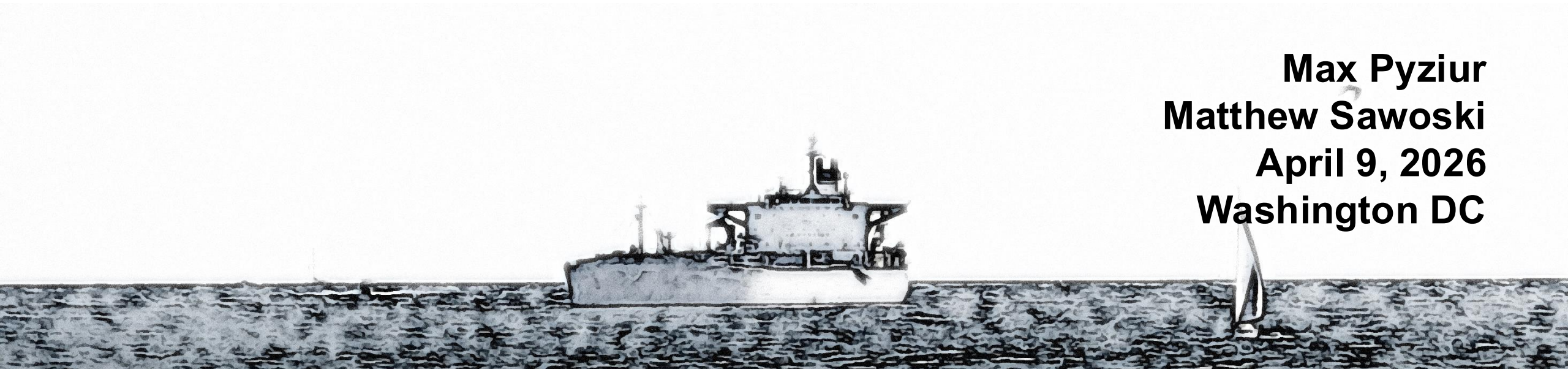


Chart of the Week #2026-14

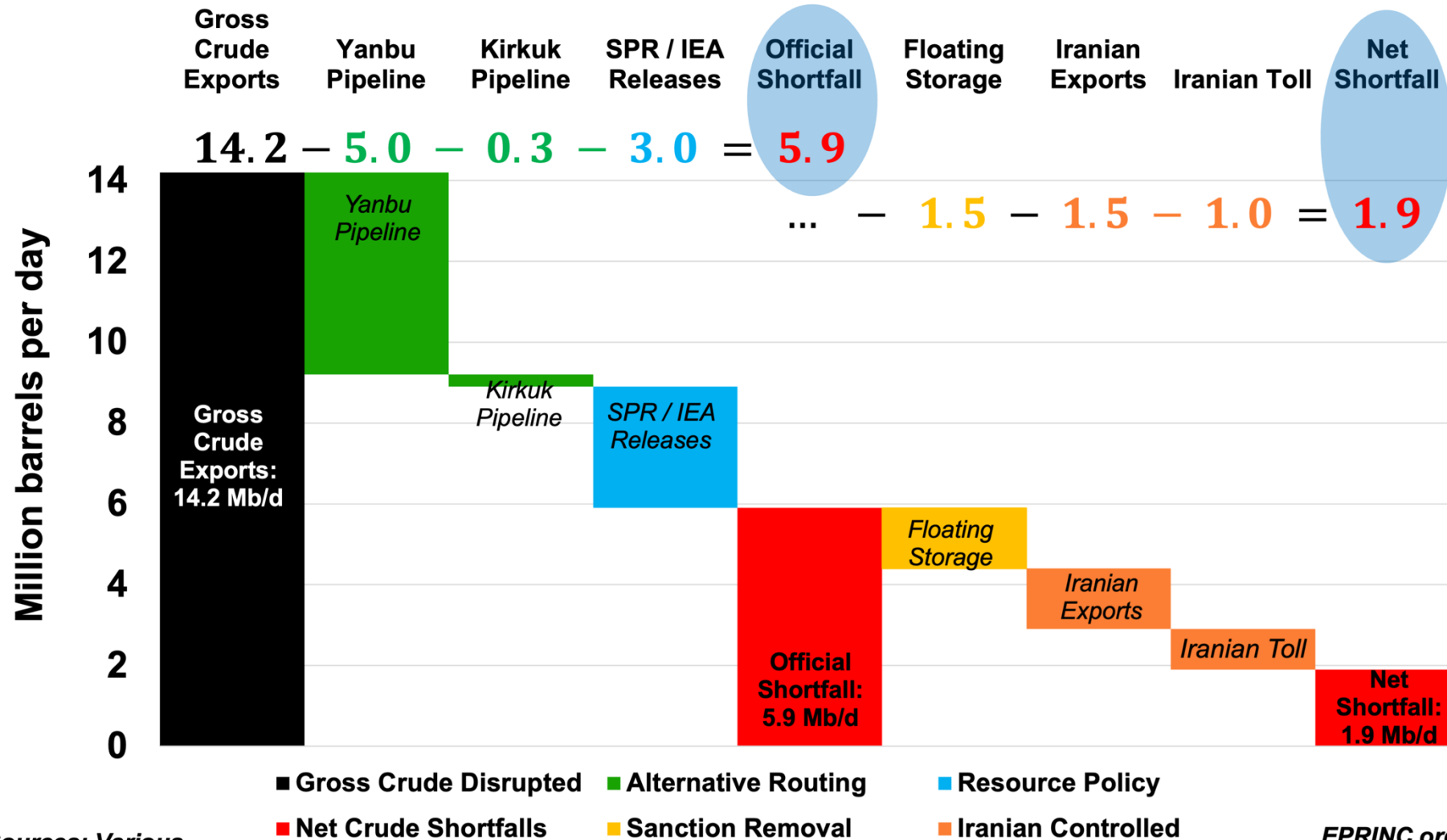
Hormuz Strait Closure: Assessing the Shortfall in Crude and Condensate Exports



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April 9, 2026
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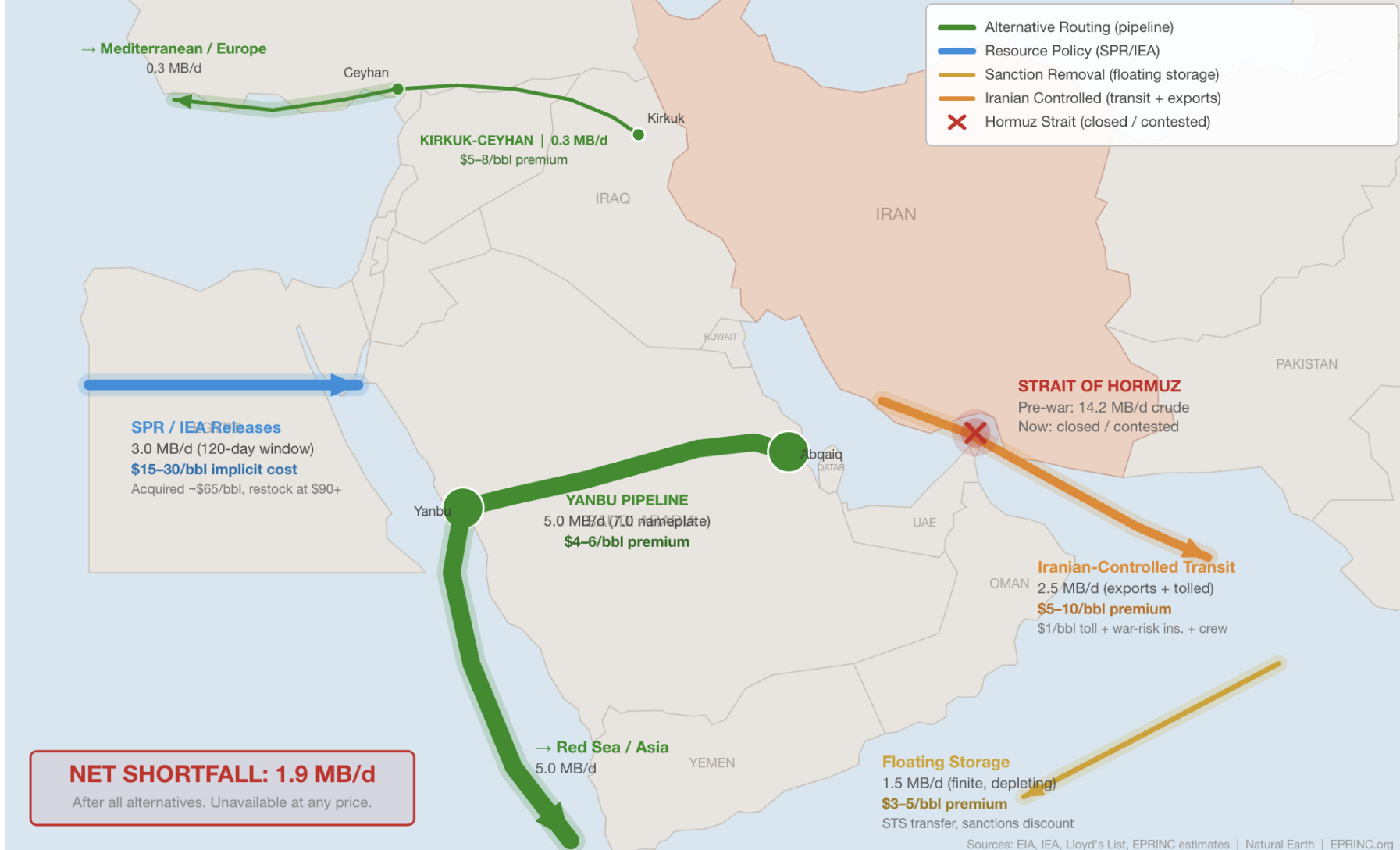


Hormuz Disruption Response: Effective Crude Shortfall



Crude Oil Flow Alternatives to the Strait of Hormuz

Pipeline bypasses, strategic reserves, and Iranian-controlled transit | April 9, 2026



Hormuz Closure: Assessing the Shortfall in Crude and Condensate Exports



- Since Iran's closure of the Hormuz Strait on March 1, 2026, entities have been citing a variety of values for the shortfall in hydrocarbon exports through the waterway. The headline number has ranged from 18.3 to 20 million barrels per day (MB/d).
- The most recent published assessment of the U.S. Energy Information Administration (EIA) (<https://www.eia.gov/todayinenergy/detail.php?id=65504>) cites the 2025 breakdown between crude oil & condensates and petroleum products as 14.2 MB/d and 5.9 MB/d, respectively, for a total of 20.1 MB/d.
- Logistical alternatives and policy mechanisms can most directly affect the shipping of crude oil and condensates. Gulf-sourced products, LNG, and NGLs/LPG have no such alternatives to Hormuz transit.
- With 14.2 MB/d as a starting point, there are two logistical alternatives for moving crude oil and condensates out of the region: the Saudi Yanbu East-West Pipeline with a nameplate capacity of 7 MB/d and the Iraqi Kirkuk Pipeline with capacity of 0.3 MB/d. The Yanbu system is now operating at 5 MB/d up from minimal transfer, and the Kirkuk is operating at nameplate.
- The critical policy mechanism to partially alleviate the Hormuz shortfall has been the IEA coordination of the release of 400 MBs from global strategic reserves (127 MBs from the U.S. SPR) over a period of 120 days. This would offer 3 MB/d of relief.
- Combined, this lowers the shortfall to an official 5.9 MB/d. But there are still other available sources.
- As of mid-February, there was 222 MBs of floating storage (139 Russian MBs, 61 Iranian MBs, and 22 Venezuelan MBs), some of which was sanctioned. With the lifting of sanctions and with shadow/black market operations, this could offer an additional 1.5 MB/d to global crude oil markets conservatively estimated.
- With Iranian controlling transit subject to tolls (estimated to be \$1/bbl) along with the transit of its own production, another 2.5 MB/d offsets the original 14.2 MB/d number.
- On net, then, there is still a significant global shortfall of 1.9 MB/d. This is roughly equivalent to removing all of Libya's pre-war production from global markets.

Hormuz Closure: Assessing the Shortfall in Crude and Condensate Exports, Post Ceasefire Update Apr 9



- The two-week ceasefire, brokered by Pakistan, is conditional on Iran's reopening of the strait. Negotiations begin Saturday April 12 in Islamabad, led by VP Vance, Witkoff, and Kushner. Iran's 10-point proposal includes continued Iranian control over strait transit, withdrawal of U.S. forces from regional bases, sanctions relief, and acceptance of uranium enrichment. It is unclear when the Trump administration was aware of these terms at the time of the ceasefire.
- Iran is reportedly finalizing a joint maritime protocol with Oman to institutionalize coordinated management of Hormuz transit. If formalized, this could embed Iranian authority over the chokepoint into a standing bilateral arrangement regardless of how broader negotiations resolve.
- Strait traffic remains approximately 90% below pre-war volumes. Of the roughly 72 vessels transiting in the week of March 30 to April 5, approximately 80% were Iranian or Chinese-connected. Western-flag shipowners remain on the sidelines pending clarity on insurance and security guarantees.
- The White House insists the strait is open "without limitation, including tolls." Iran's Supreme National Security Council claims its 10-point terms include a permanent controlled-passage framework. These positions are not yet reconciled.
- For further EPRINC analysis, see our crisis hub: eprinc.org/crisis-in-the-strait-of-Hormuz
- This slide deck is available at: <https://eprinc.org/chart-of-the-week/>
- For more information on these charts, please contact Max Pyziur (maxp@eprinc.org) or Matthew Sawoski (matthews@eprinc.org).