



Global markets brace as USA enters the Israel-Iran conflict

Amena Bakr – Head of OPEC+ Analysis

Homayoun Falakshahi – Head of Crude Oil Analysis

Yui Torikata – Senior Market Analyst

Reid I'Anson – Senior Economist

22 June 2025



Key Iranian oil, gas and nuclear installations

This map illustrates the strategic locations of Iran's energy infrastructure. It features a legend with the following categories:

- Gasfield:** Represented by a red circle.
- Oilfield:** Represented by a green circle.
- Gas pipeline:** Represented by a red dashed line.
- Oil pipeline:** Represented by a green dashed line.
- Nuclear plant:** Represented by a black circle with three white radiation symbols.
- Refinery:** Represented by a yellow circle with black dots.

Key locations labeled on the map include:

- Refineries:** Tabriz Refinery, Tehran Refinery, Esfahan Refinery, and Bandar Abbas / Persian Gulf Star.
- Nuclear Plants:** Fordo, Natanz, and Abadan.
- Other locations:** Kharg, Kangan, and Assaluyeh.

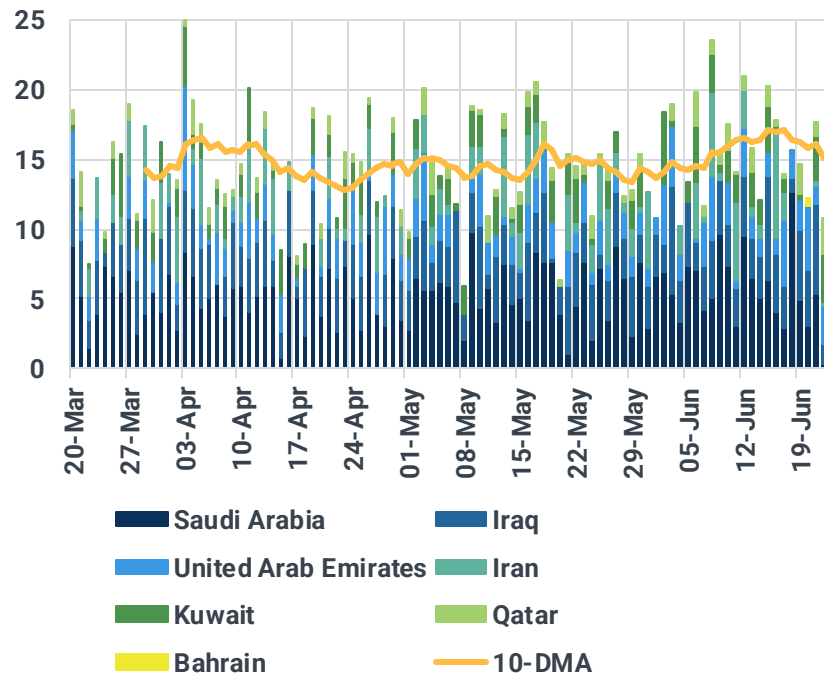
The map also shows neighboring countries: Iraq, Saudi Arabia, Turkey, Afghanistan, and the United Arab Emirates.

This map illustrates the Persian Gulf region, highlighting major oil terminals and shipping lanes. Key locations include the United Arab Emirates (Abu Dhabi, Sharjah, Ajman), Saudi Arabia (Ras Al Khaima, Dhahran, Jubail), and Iraq (Basra, Fao). Major oil terminals such as Ras Al Khaima, Dhahran, Jubail, and Fao are marked. Shipping routes are indicated by colored lines, and various oil tankers are shown transiting the Gulf. The map also shows the Strait of Hormuz and the Persian Gulf's connection to the Red Sea and the Indian Ocean.

Export activity has remained strong since the first attack but will likely drop

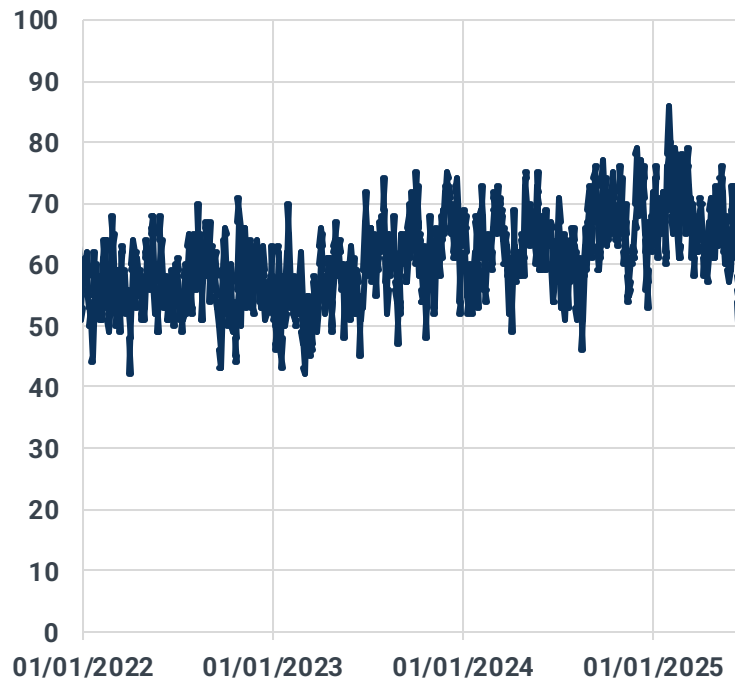
The number of ballast vessels willing to adventure in the Gulf has decreased to a two and a half years low

Exports from the Mideast Gulf by country, Mbd



Source: Kpler

Count of ballast crude/condensate carriers in the Gulf

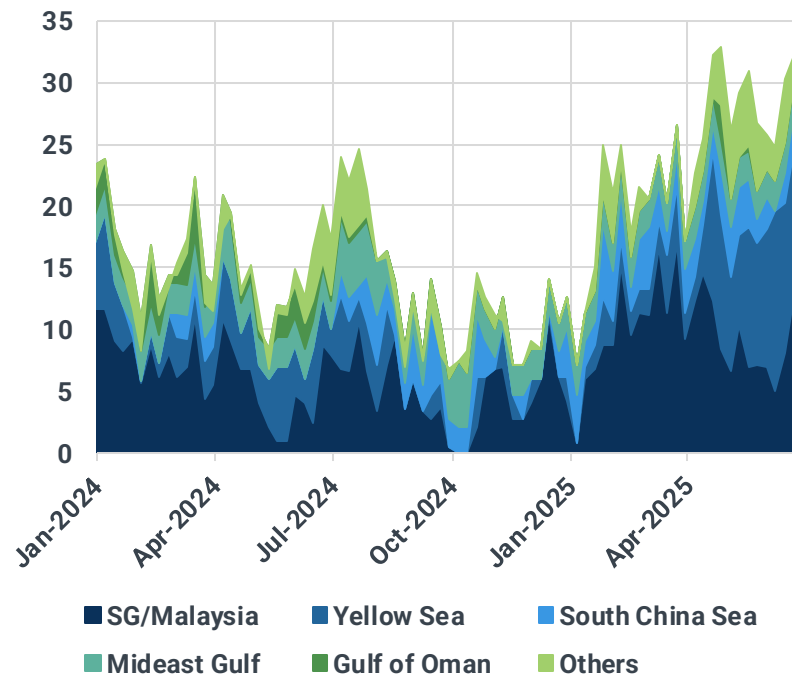


Source: Kpler

Sanctions tightening from the US increase logistical challenges

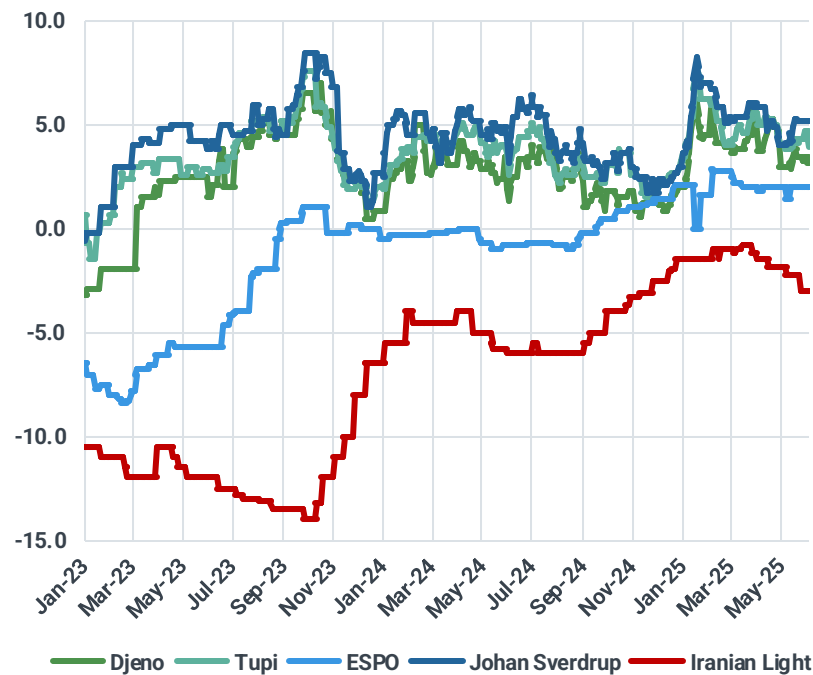
Rising geopolitical risks could also reduce the pool of tankers willing to take on risks of loading Iranian oil

Iranian oil in floating storage, Mbbls



Source: Kpler

Selected crude diffs vs ICE Brent on DES China basis, \$/bbl

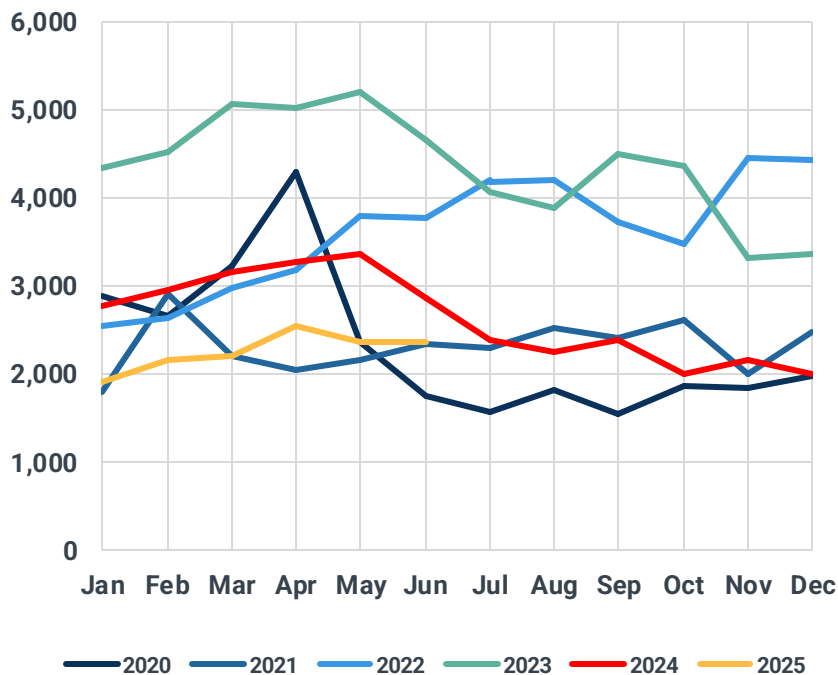


Source: Argus Media

Major risks are disruptions to Iranian oil supply and closure of Strait of Hormuz

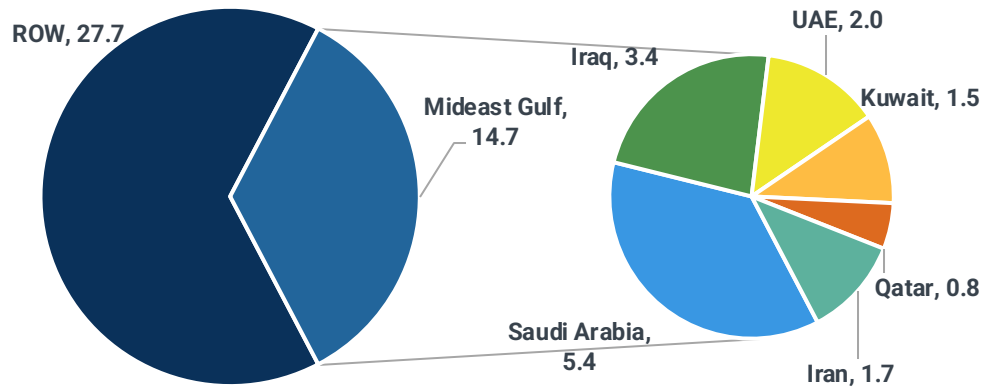
The probability of a Strait of Hormuz closure remains very low

Red Sea crude transit, kbd



Source: Kpler

Global seaborne oil trade and share passing by the Strait of Hormuz, Mbd



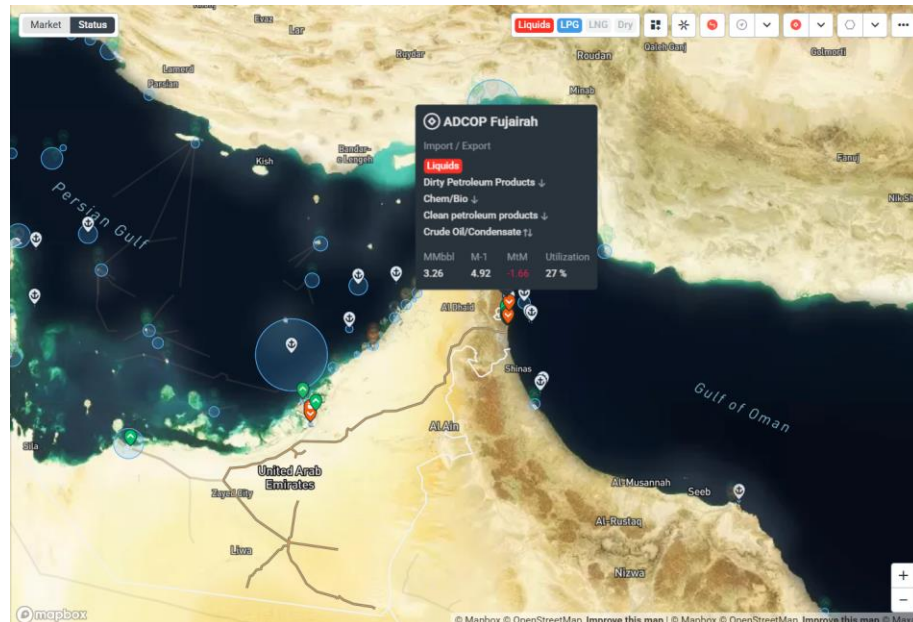
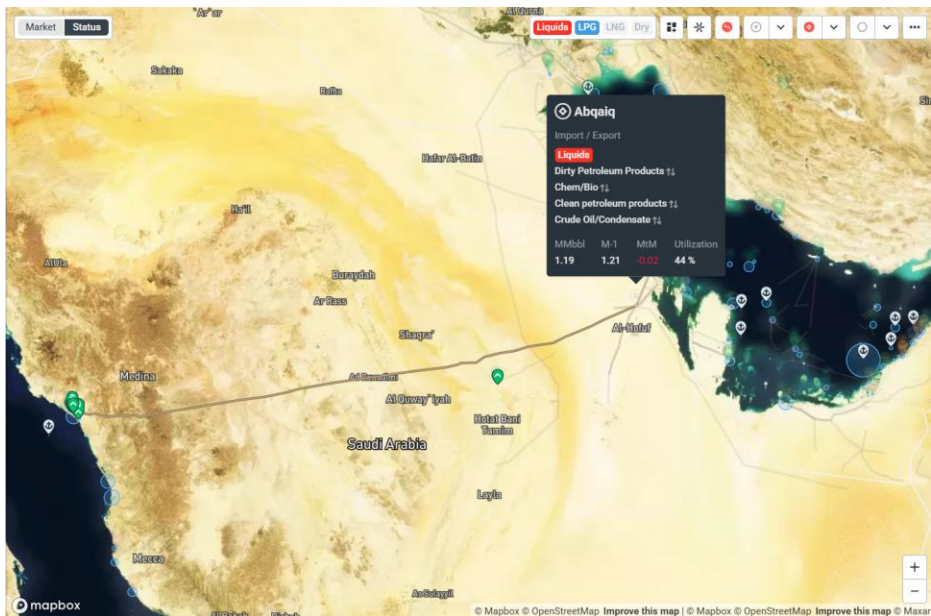
Source: Kpler

The ability to bypass the Strait of Hormuz exists but remains limited

Iran's own Jask terminal is only partially built (300-500 kbd capacity) and only saw one test shipment so far

Saudi East-West Pipeline: 7 Mbd,
utilisation rate 35%

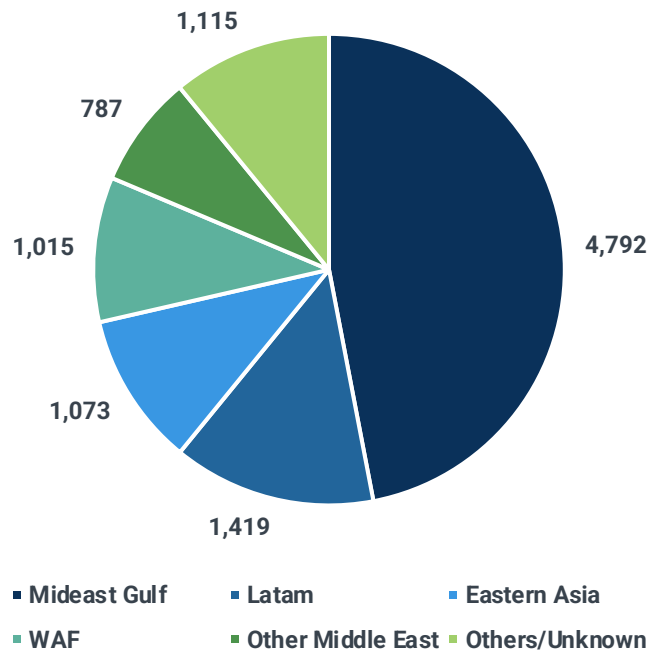
ADCOP pipeline: 1.5 Mbd,
utilisation rate 73%



China would be hit the most if the Strait of Hormuz is closed

Onshore inventories are enough to sustain 74 days of consumption

China oil imports by origin regions in 2025 ytd, kbd



Source: Kpler

Chinese onshore oil inventories, Mbbls



Source: Kpler

While the risk remains low of an attack on downstream assets, it's not zero

Israel's Haifa has already been taken out of operation after a recent Iranian strike, with up to

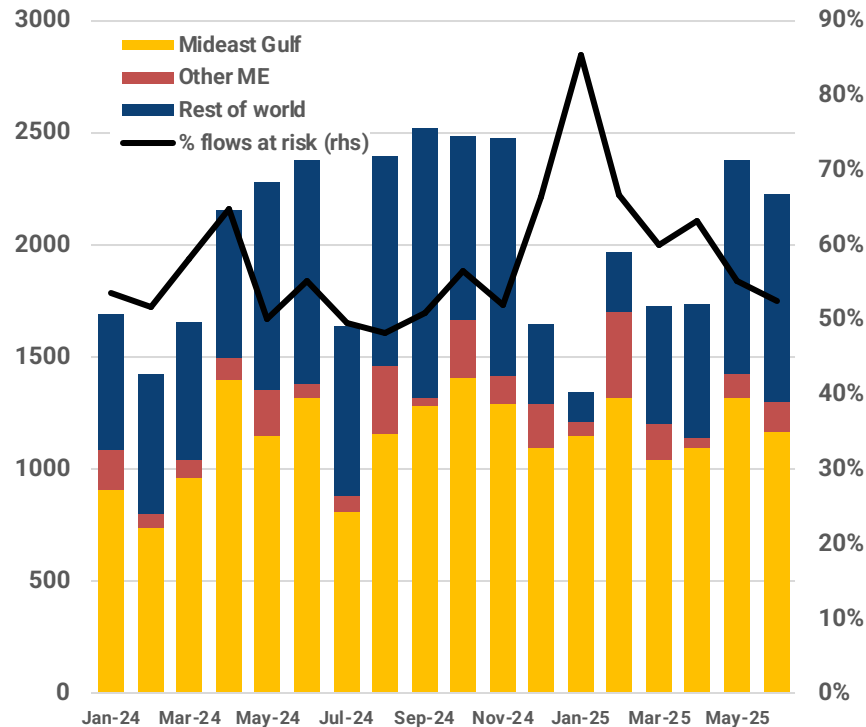
- Almost 1 Mbd of primary processing capacity in Iran is at potentially **high** risk of being targetted if the conflict escalates.
- We estimate that up to 2.5 Mbd of primary capacity could be taken out of the market, with middle distillate yields at refineries at risk (see chart) at around 30%, gasoline and fuel oil at 25% each.
- At the moment, Israel is facing a logistical challenge in supplying fuel to the domestic market, as Ashkelon is still undergoing maintenance and Haifa has been taken out after a recent rocket attack on the refinery.
- Middle distillates are again at the forefront here, with Russian ULSD exports to Israel having picked up materially in the last weeks.

Refinery	Location	Capacity (b/d)	Strategic Relevance	Risk Factors	Risk Level
Bander Abbas	Near Strait of Hormuz (Gulf Coast)	360	Large Refineries	Near naval bases and the Strait of Hormuz, a major distillate supplier	Medium
Persian Gulf Star	Near Strait of Hormuz (Gulf Coast)	450		Near naval bases and the Strait of Hormuz, a major distillate supplier	Medium
Abadan	Khuzestan (SW Iran)	510		Located near the Iraqi border and the Persian Gulf, while farther from Israel, it's symbolic and operationally vital.	Medium-High
Esfahan	Central Iran	360	Central logistics hub	Located in central Iran, close to major military industrial complexes, strategic for supplying central Iran.	High
Tehran Refinery	Southern Tehran	250	Supplies the capital region	Located near the capital and major government/military infrastructure, already been targeted in recent events.	High
Shazand Arak Refinery	Markazi Province	250	Supplies west/central Iran	Near missile production and research sites; strategically central and feeds both western and central markets.	High
Tabriz Refinery	NW Iran	115	Regional supply	Located in northwestern Iran, near military airbases and the Azerbaijan border, and in proximity to nuclear-related facilities, it may be vulnerable in the event of a regional escalation.	High
Shiraz Refinery	South-central Iran	60	Local consumption	Low strategic impact; less exposed	Low
Others		125	Minor role	Small size; limited regional impact	Low
Total Refining Capacity		2481			

Middle distillates at the forefront again

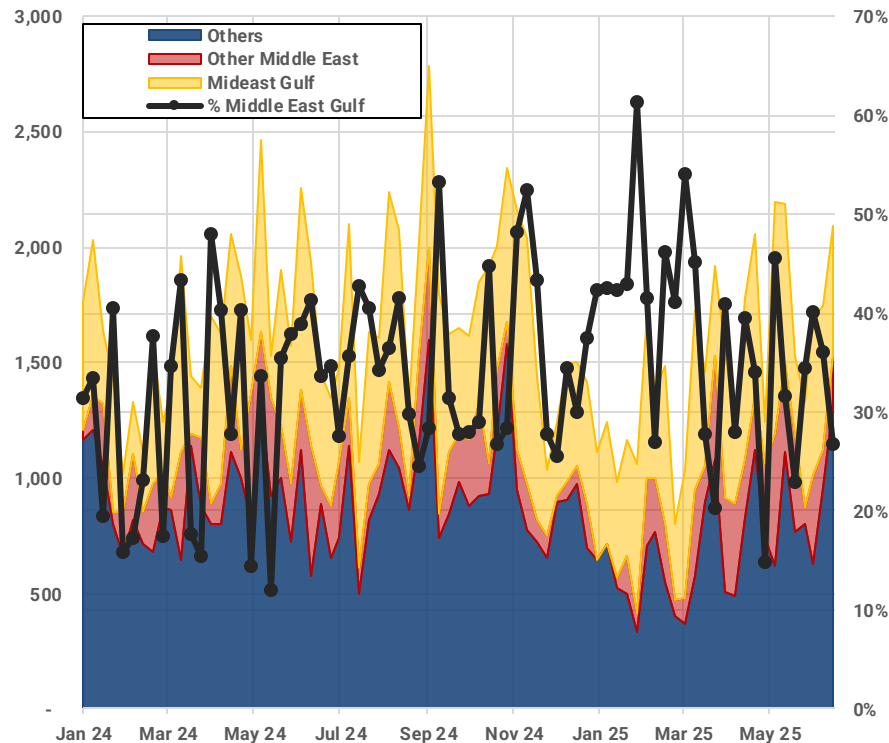
Gasoil has already picked up notably since the start of the conflict, with jet set to benefit a lot from a potential disruption in flows

EU-27, UK jet/kero imports by region (kbd) vs flows at risk



Source: Kpler

EU-27, UK MD imports (kbd) vs Mideast Gulf share % (RHS)



Source: Kpler

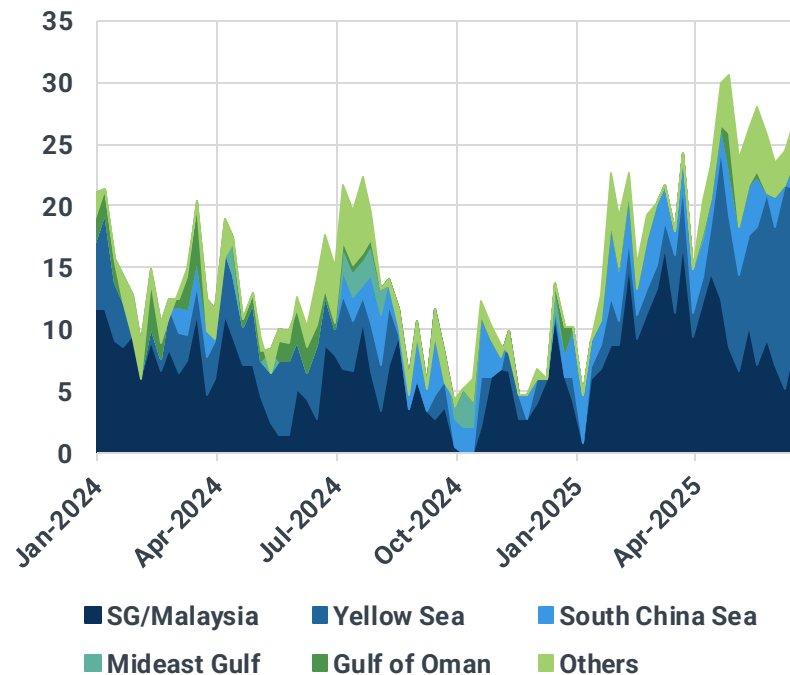
Thank you!



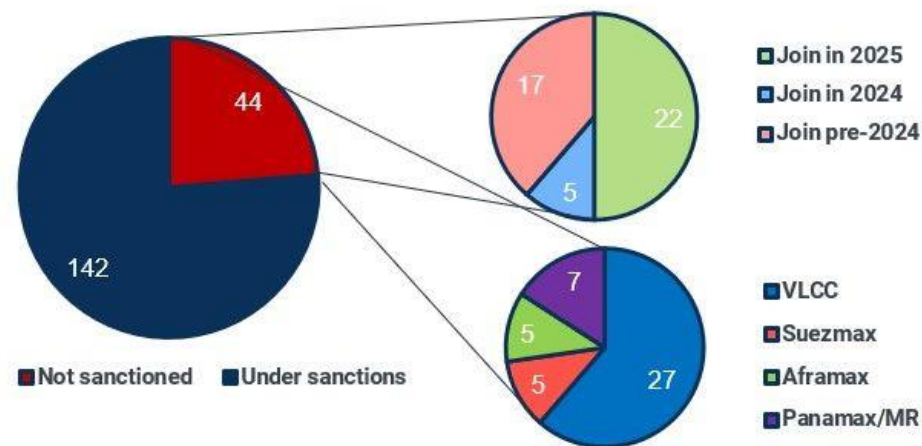
Sanctions tightening from the US increase logistical challenges

Rising geopolitical risks could also reduce the pool of tankers willing to take on risks of loading Iranian oil

Iranian oil in floating storage, Mbbls



Tankers involved in Iranian crude oil shipments in 2025



Source: Kpler

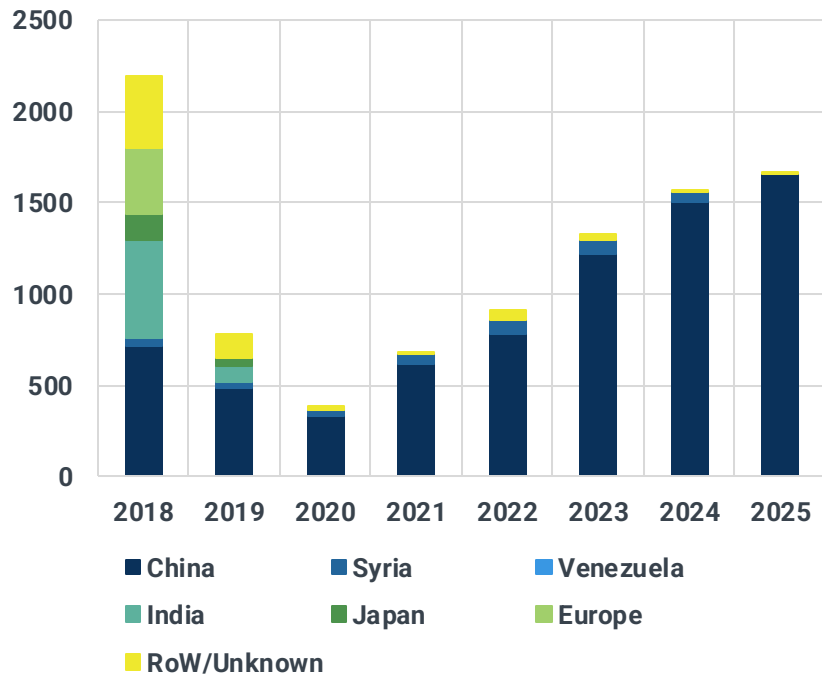
Source: Kpler

Copyright © 2014 – 2024 Kpler. Confidential. All rights reserved. Contents included in this presentation must not be shared in any way possible with external parties without the consent of Kpler.

Iran's oil exports have reached new post-sanctions highs

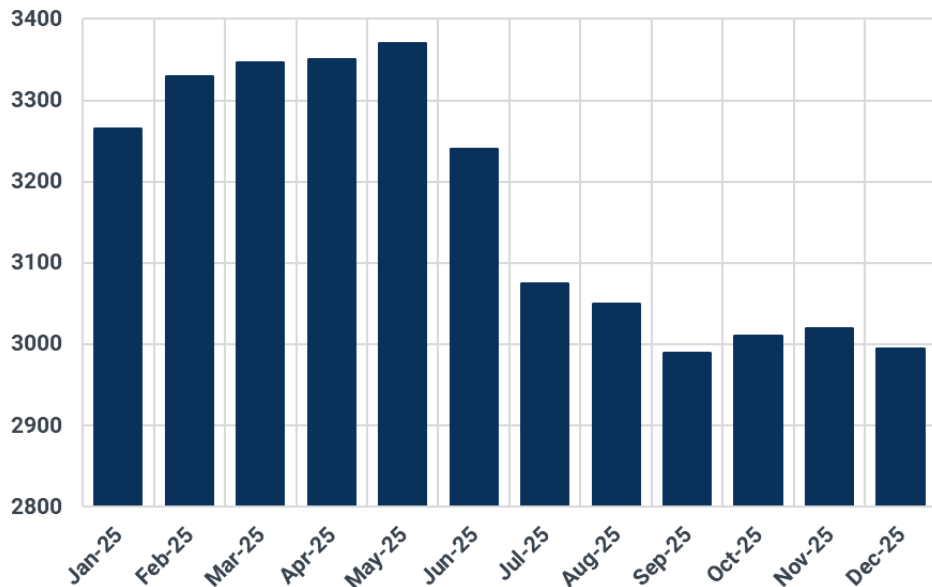
Iran is China's second largest oil supplier after Russia

Iran oil exports by destination, kbd



Source: Kpler

Iranian crude oil production forecast, kbd

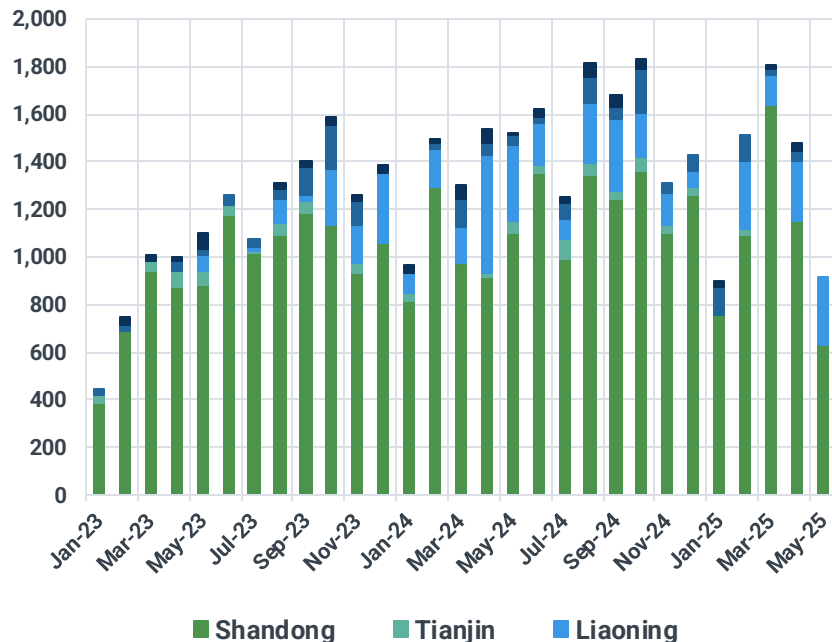


Source: Kpler

Access to Iranian oil remains critical for Chinese independent refiners

Iran Light remains around \$7/bbl cheaper than competing grades in Eastern China

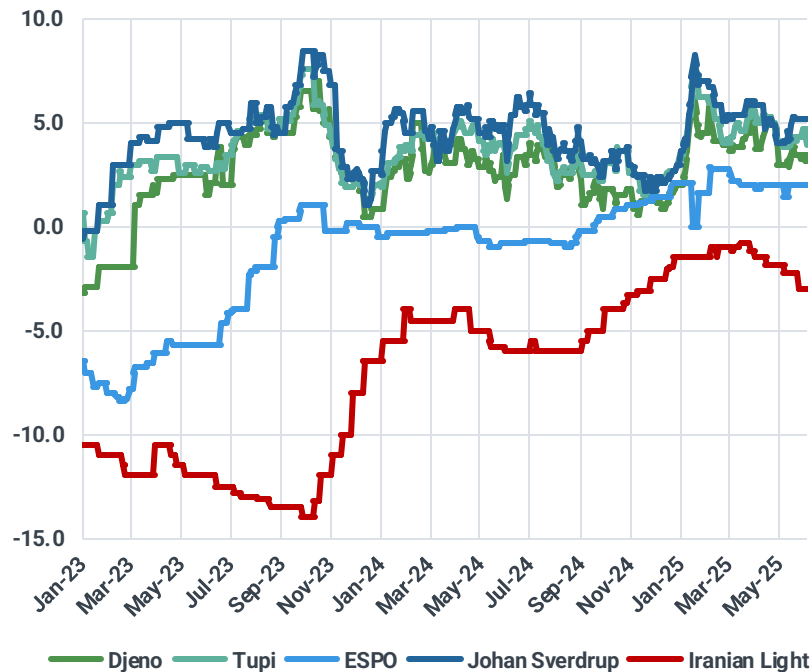
Chinese oil imports from Iran by destination region, kbd



Source: Kpler

Copyright © 2014 – 2024 Kpler. Confidential. All rights reserved. Contents included in this presentation must not be shared in any way possible with external parties without the consent of Kpler.

Selected crude diffs vs ICE Brent on DES China basis, \$/bbl

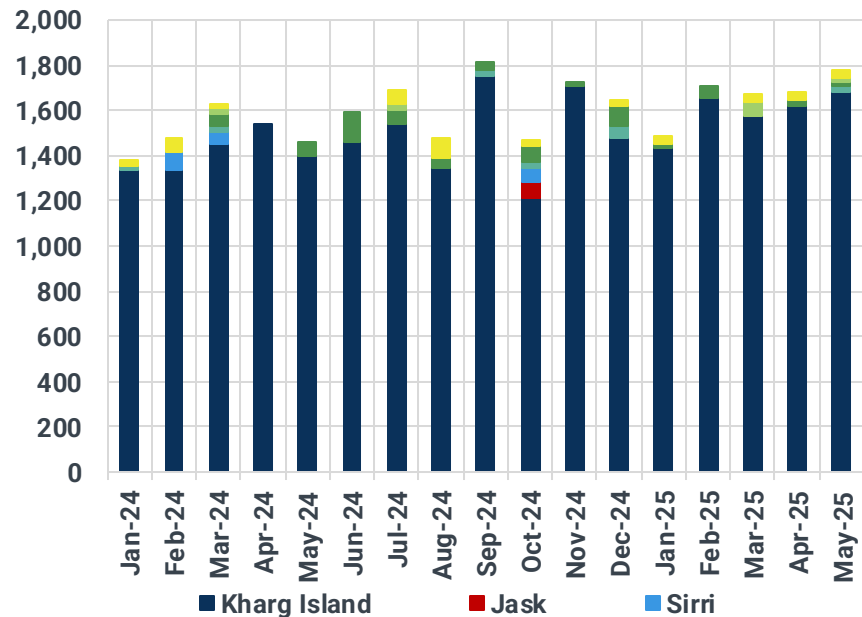


Source: Argus Media

Oil and gas facilities have been spared for now

Iran's high reliance on Kharg Island and South Pars gas makes them easy targets

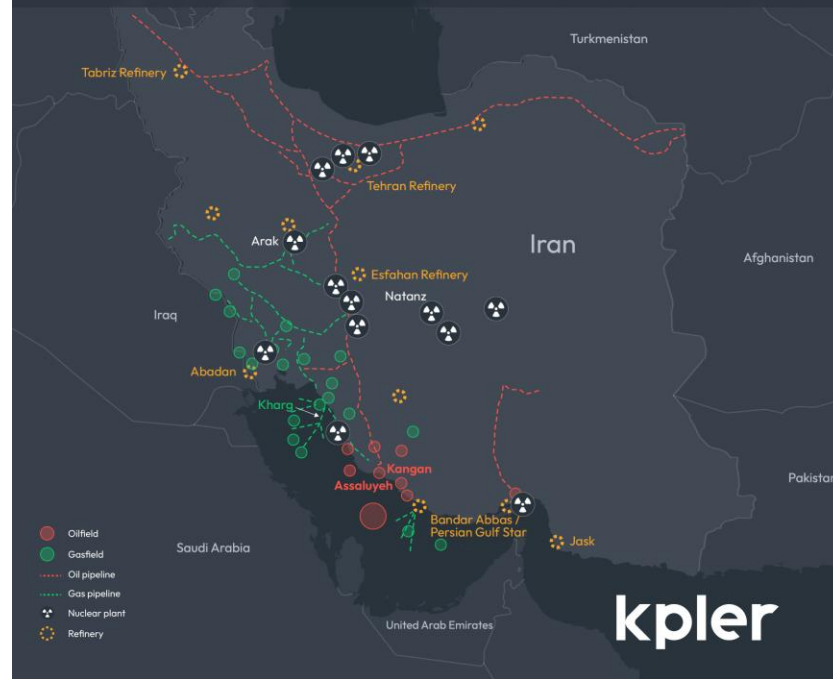
Iran oil exports by origin ports, kbd



Source: Kpler

Copyright © 2014 – 2024 Kpler. Confidential. All rights reserved. Contents included in this presentation must not be shared in any way possible with external parties without the consent of Kpler.

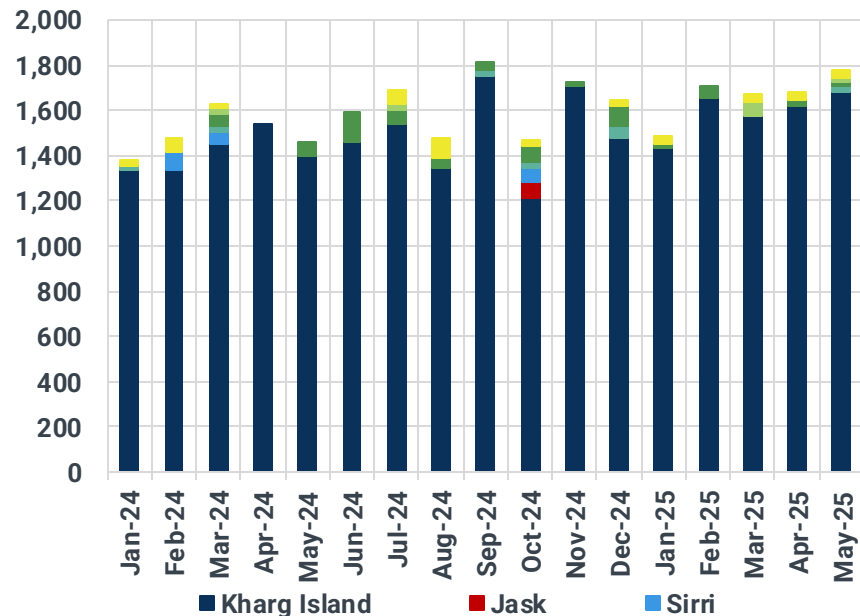
Key Iranian oil, gas and nuclear installations



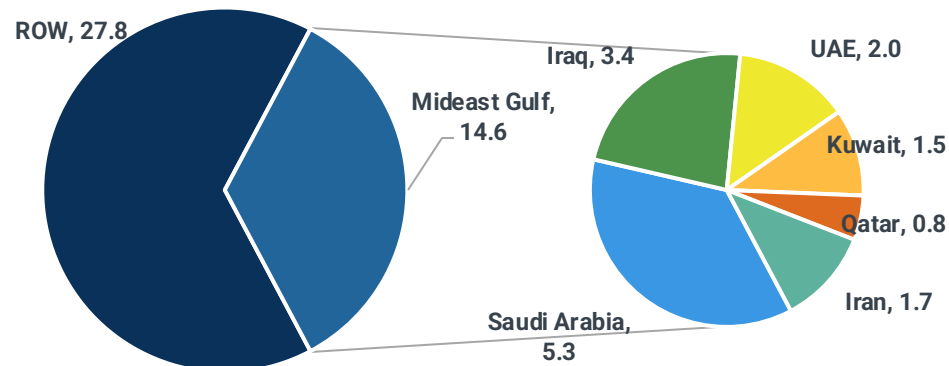
The ability to bypass the Strait of Hormuz exists but remains limited

The Jask terminal is only partially built and only saw one test shipment so far

Iran oil exports by origin ports, kbd



Global seaborne oil trade and share passing by the Strait of Hormuz, Mbd



Source: Kpler

Source: Kpler

Israel will also consider domestic risks before attacking Iran's energy facilities

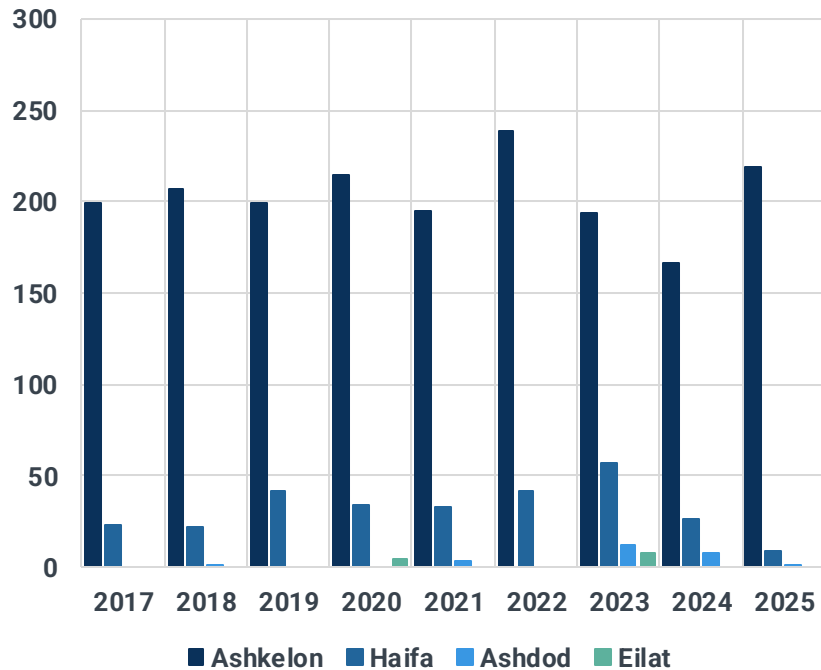
Israel's relationship with China and its own infrastructure weaknesses need to be taken into account

Key Israeli energy infrastructure



Source: Kpler, Mapbox

Israeli oil imports by port, kbd

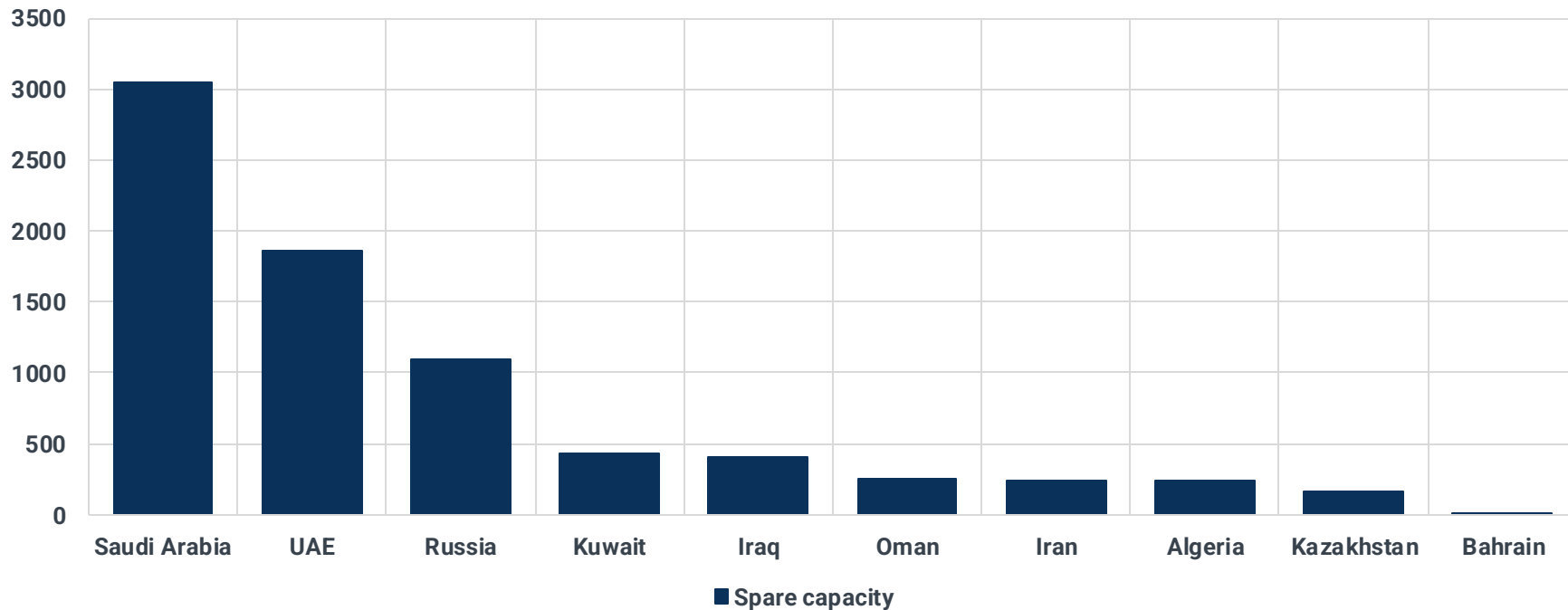


Source: Kpler

OPEC+ still holds 7.5 Mbd of spare capacity but won't make use of it just yet

17

OPEC+ spare capacity, Mbd



Source: Kpler

Copyright © 2014 – 2024 Kpler. Confidential. All rights reserved. Contents included in this presentation must not be shared in any way possible with external parties without the consent of Kpler.