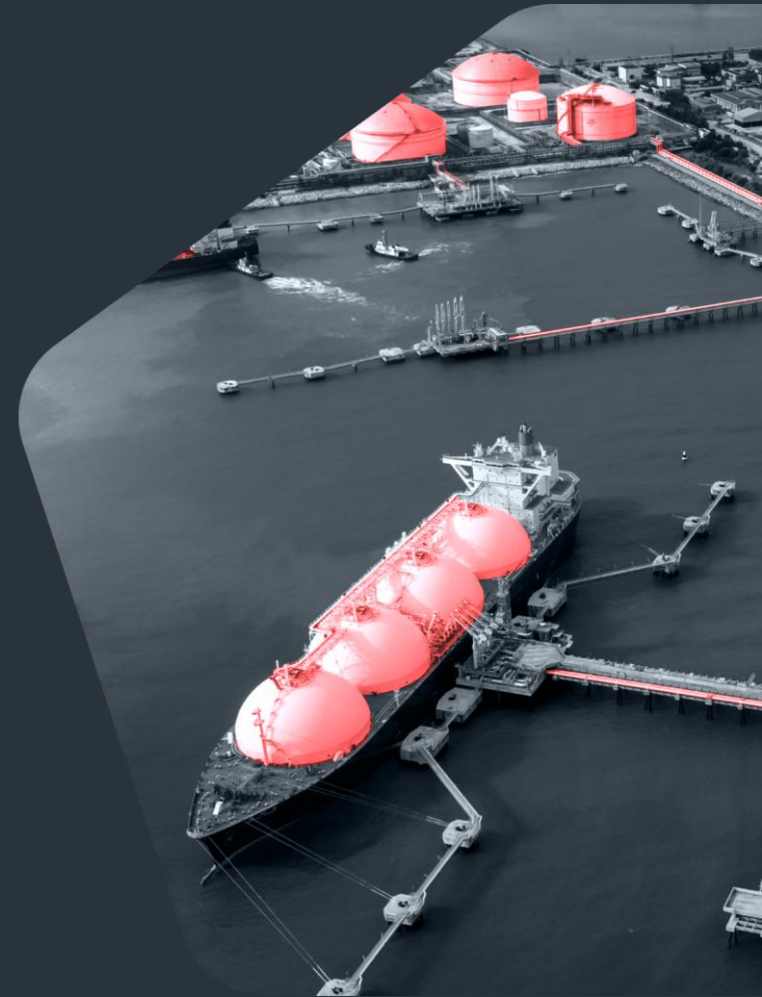


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Middle East trade under threat: Shipping, freight and sanctions

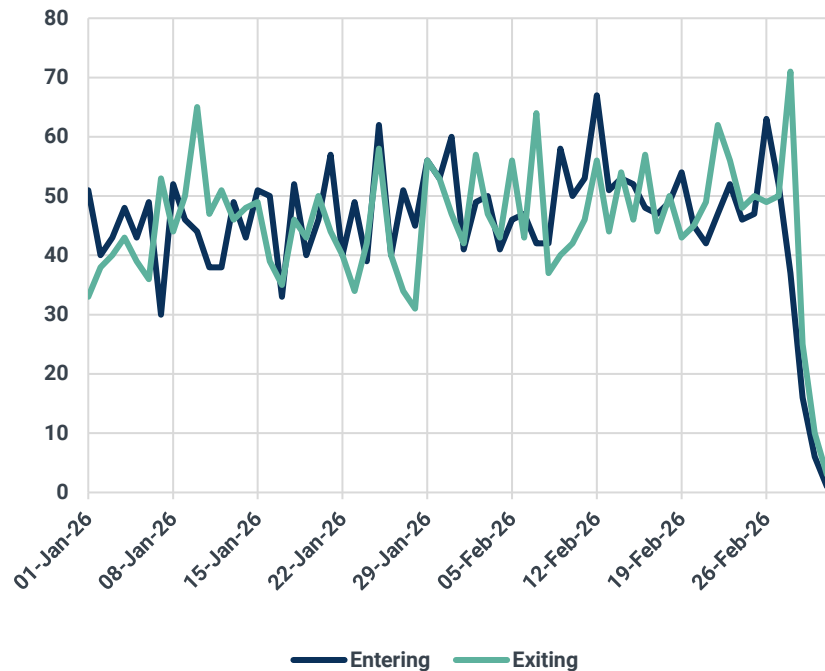
4 March 2026



Status Update: Mideast Gulf and Strait of Hormuz

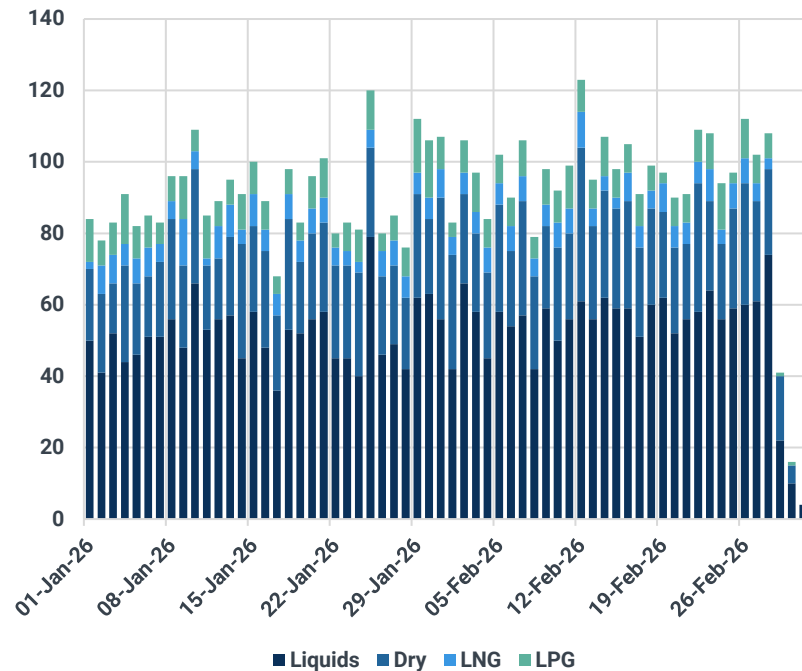
Liquids, Dry Bulk, LPG and LNG vessel transits down between 88-100% from last week

Combined bulk cargo Hormuz transits



Source: Kpler

Hormuz transits by carrier type

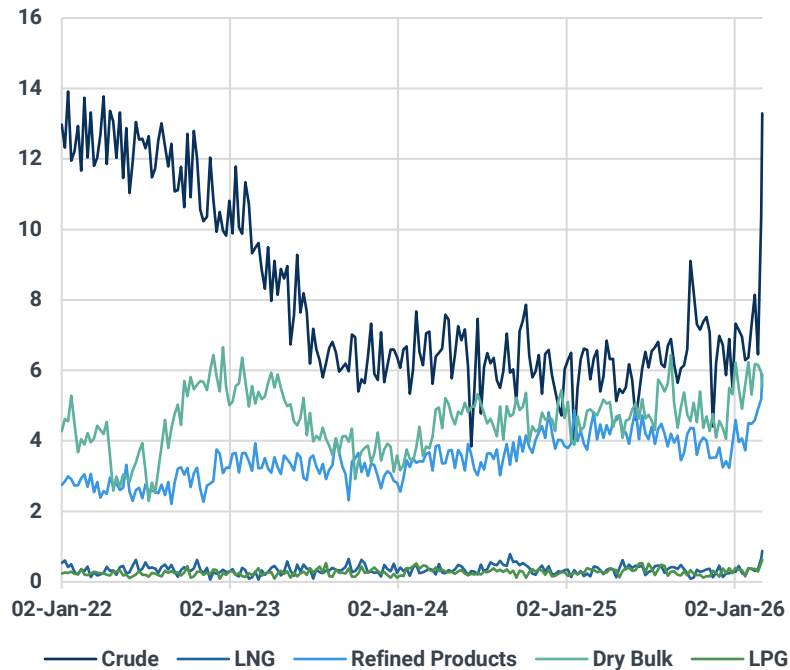


Source: Kpler

Majority of vessels in the trapped in the Mideast Gulf are laden

VLCCs most affected with 10% of compliant VLCC fleet in the Mideast Gulf

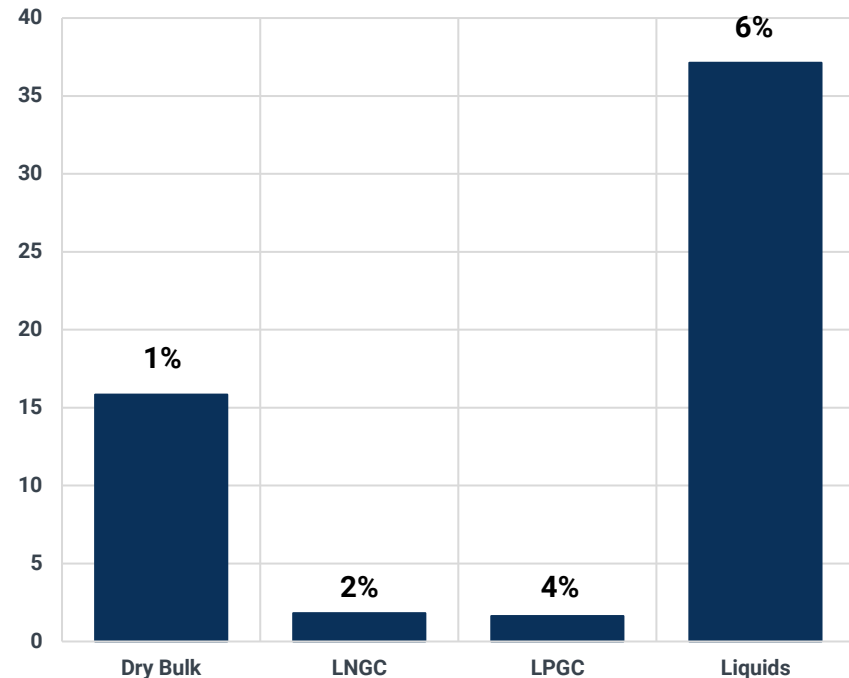
Commodities on water in Mideast Gulf (Mn t)



Source: Kpler

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Vessels 'trapped' in the Mideast Gulf (Mn DWT) and share of total fleet



Source: Kpler

FOR ILLUSTRATION PURPOSES ONLY



AREAS OF PERCEIVED ENHANCED RISK

South America: Guyana, but only calls to offshore installations in the Guyanese EEZ beyond territorial waters / Venezuela, including all offshore installations in the Venezuelan EEZ (EEZ not fully shown in this illustration).

Russia (All borders of Russia are not shown in this illustration)

Europe: Sea of Azov and Black Sea waters plus inland waters as defined overleaf.

Africa: Benin / Cabo Delgado, waters as defined overleaf / Eritrea, but only South of 18° N / Gulf of Guinea, waters as defined overleaf / Libya / Nigeria / Somalia / Sudan / Togo.

Middle East: Iran / Iraq, including all Iraqi offshore oil terminals / Israel / Lebanon / Oman (Musandam Governorate) / Persian or Arabian Gulf and adjacent waters as defined overleaf / Saudi Arabia (Gulf coast) / Saudi Arabia (Red Sea coast) excluding transits / Syria / United Arab Emirates / Yemen

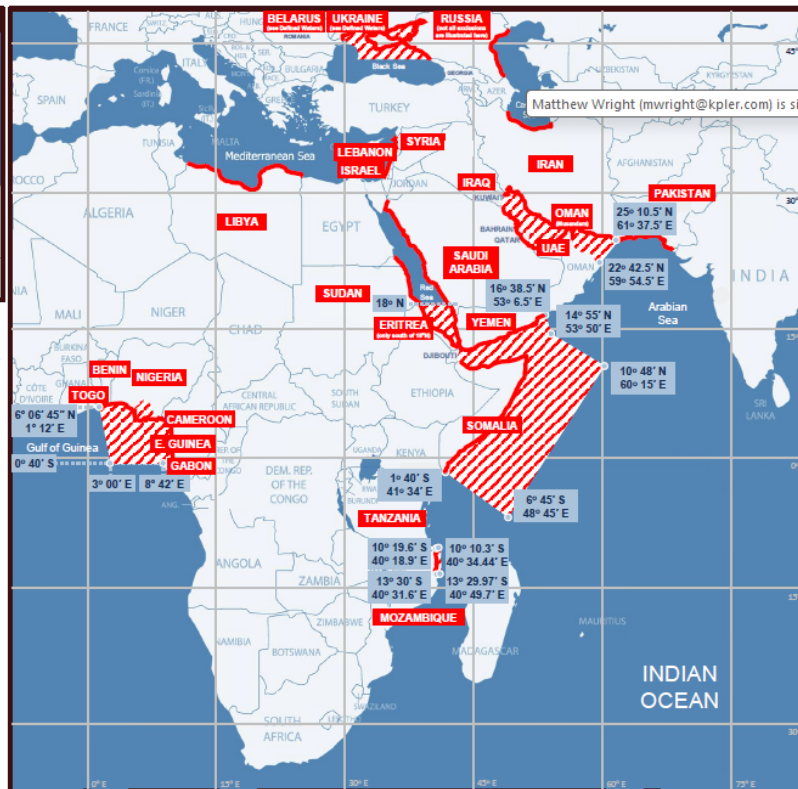
Indian Ocean / Gulf of Aden / Southern Red Sea: Waters as defined overleaf.

Asia: Pakistan.

DEFINITIONS

Named Countries shall include their coastal waters up to 12 nautical miles offshore, unless specifically varied above. Illustrated as:

Named Ports shall include all facilities/terminals within areas controlled by the relevant port authority/ies (or as may be more precisely defined by Insurers) including offshore terminals/facilities, and all waters within 12 nautical miles of such but not exceeding 12 nautical miles offshore unless specifically stated.



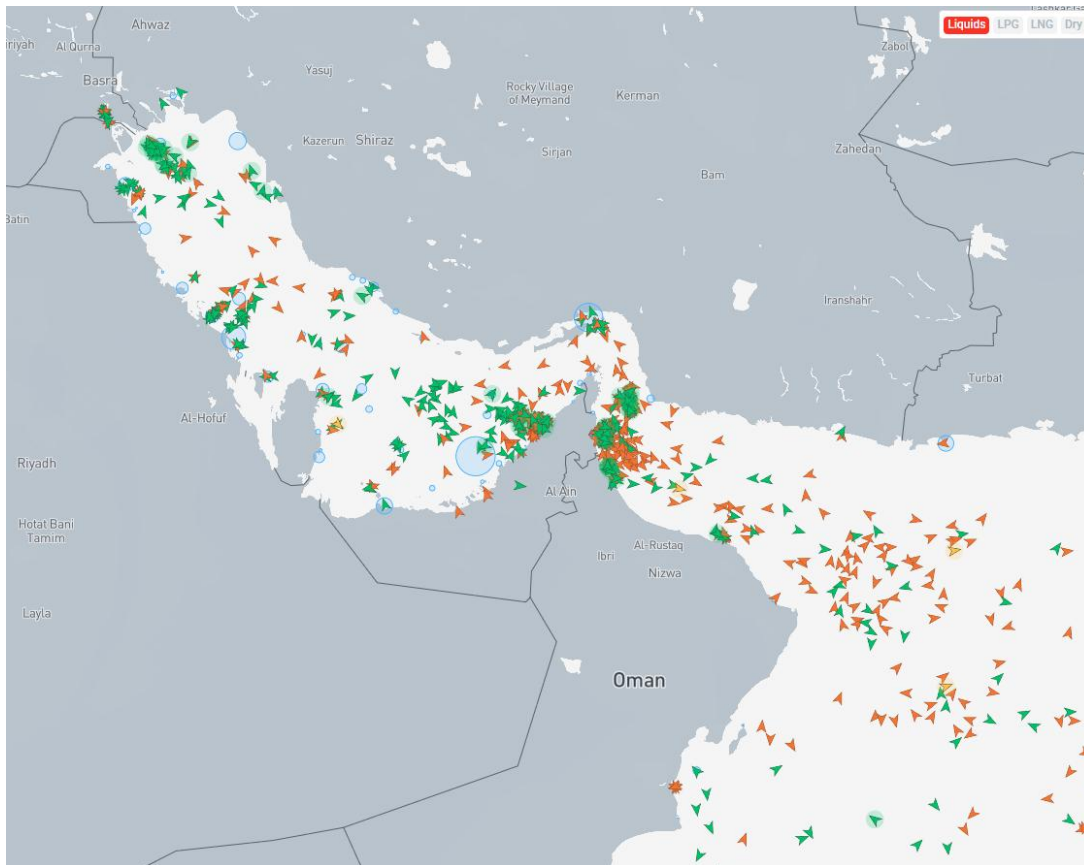
MarineAPAC@howdenspecialty.com
(or your usual contact at Howden Specialty)

Howden Specialty Asia Pacific Pte Ltd
Marine – Asia Pacific region

The stats

Tanker Shipping & Freight

- Hormuz tanker transits down 88% and LPG transits down 94%
- 247 tankers trapped in MEG accounting for 6% of global fleet
- 10% of compliant VLCCs in MEG
- Mideast Gulf accounts for 32% of global seaborne crude flows, 37% of naphtha, 13% of middle distillates and 23% of LPG
- MEG-China VLCC freight increased 107% to \$13.60/bbl
- MEG-Japan VLGC freight up 40% to \$111/t

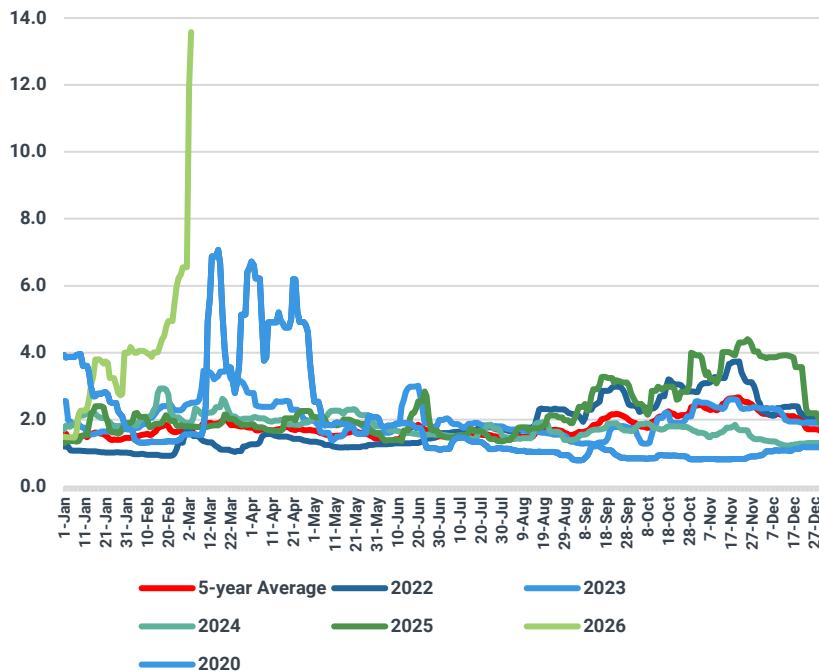


Kpler terminal: 3 March 2026 21:00 GMT

VLCC market most exposed as MEG and USG rates hit record highs

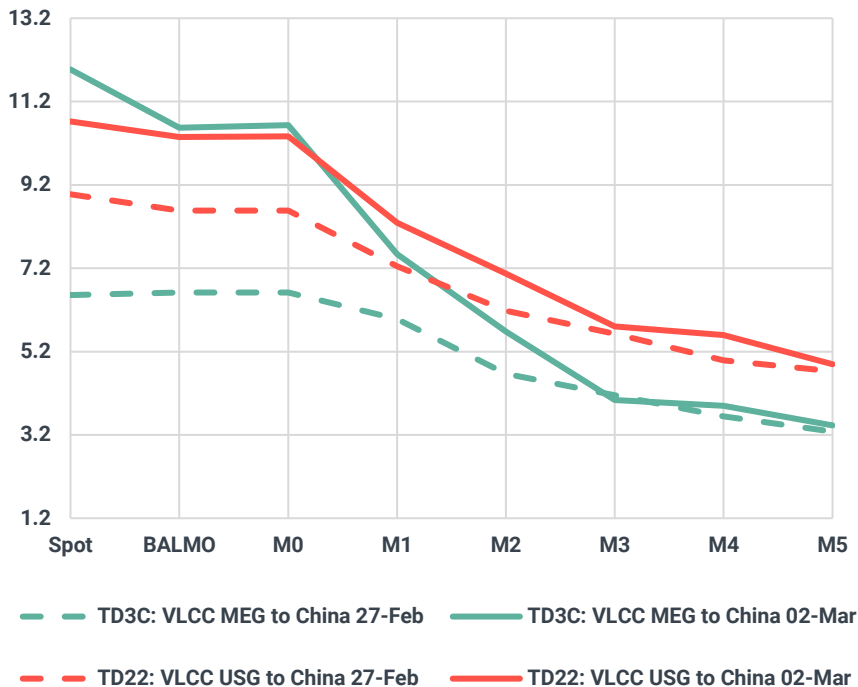
Market is currently pricing in 1–3-months of disruption

MEG-China VLCC (\$/bbl)



Source: Kpler, Baltic Exchange

VLCC FFA curves (\$/bbl)

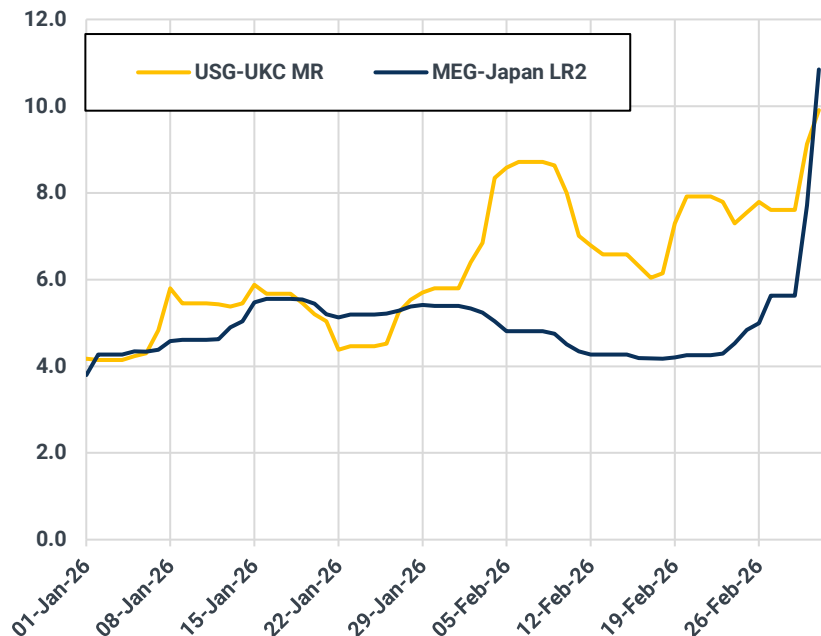


Source: Kpler, Baltic Exchange

Clean rates from MEG increase but also rates in the Atlantic

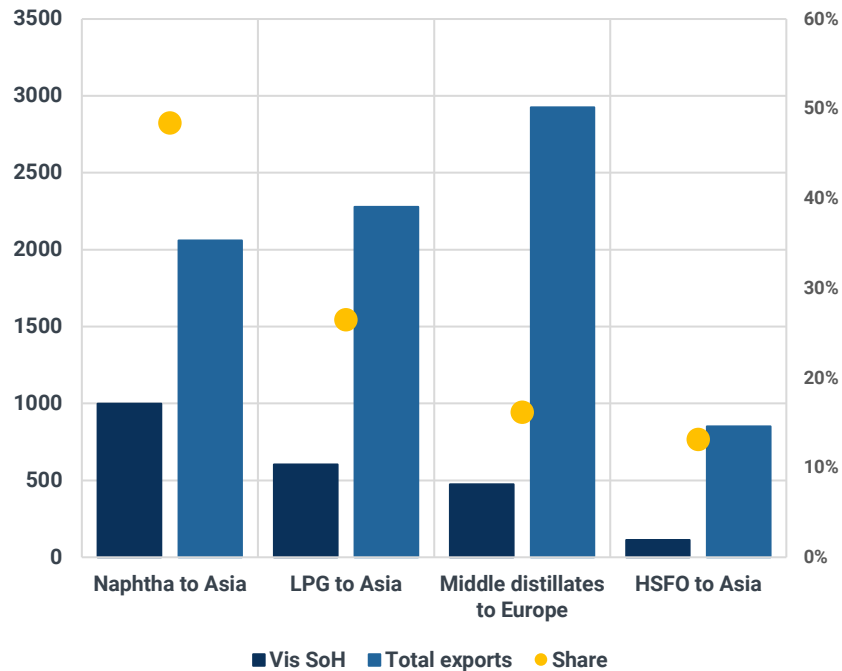
Loss of MEG middle distillates to Europe is driving demand from the US

Clean tanker spot rates (\$/bbl)



Source: Kpler, Baltic Exchange

Key product exports from the MEG (kbd)

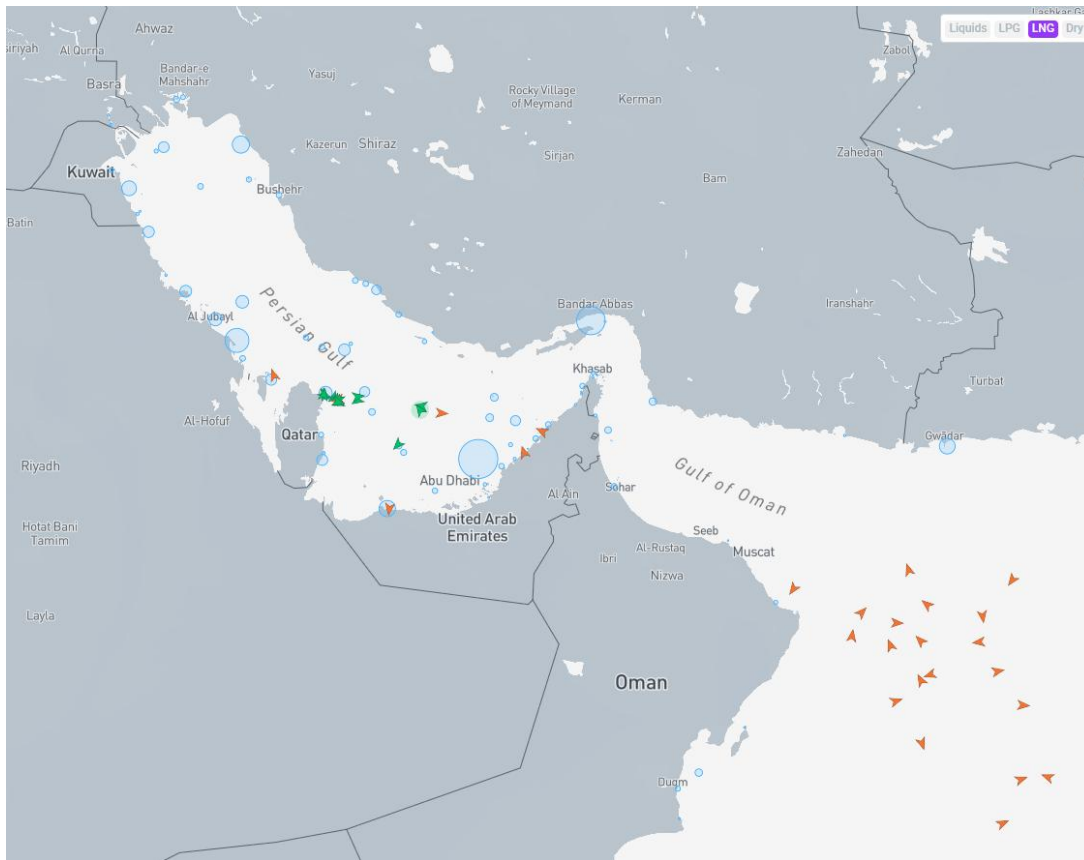


Source: Kpler,

The stats

LNG Shipping & Freight

- **Zero Hormuz transits** since 28 Feb
- **20 LNG carriers trapped** in MEG accounting for **2% of global fleet**
- **Ras Laffan offline** following attack
- **Mideast Gulf accounts for ~20% of global seaborne LNG**
- **Spark30 increased \$100/day to \$161k/day** as JKM/TTF spread widens



Kpler terminal: 3 March 2026 21:00 GMT

LNG freight jumps \$100k to \$161k/day

JKM-TTF May26 up 3.025 to +\$4.875/MMBtu

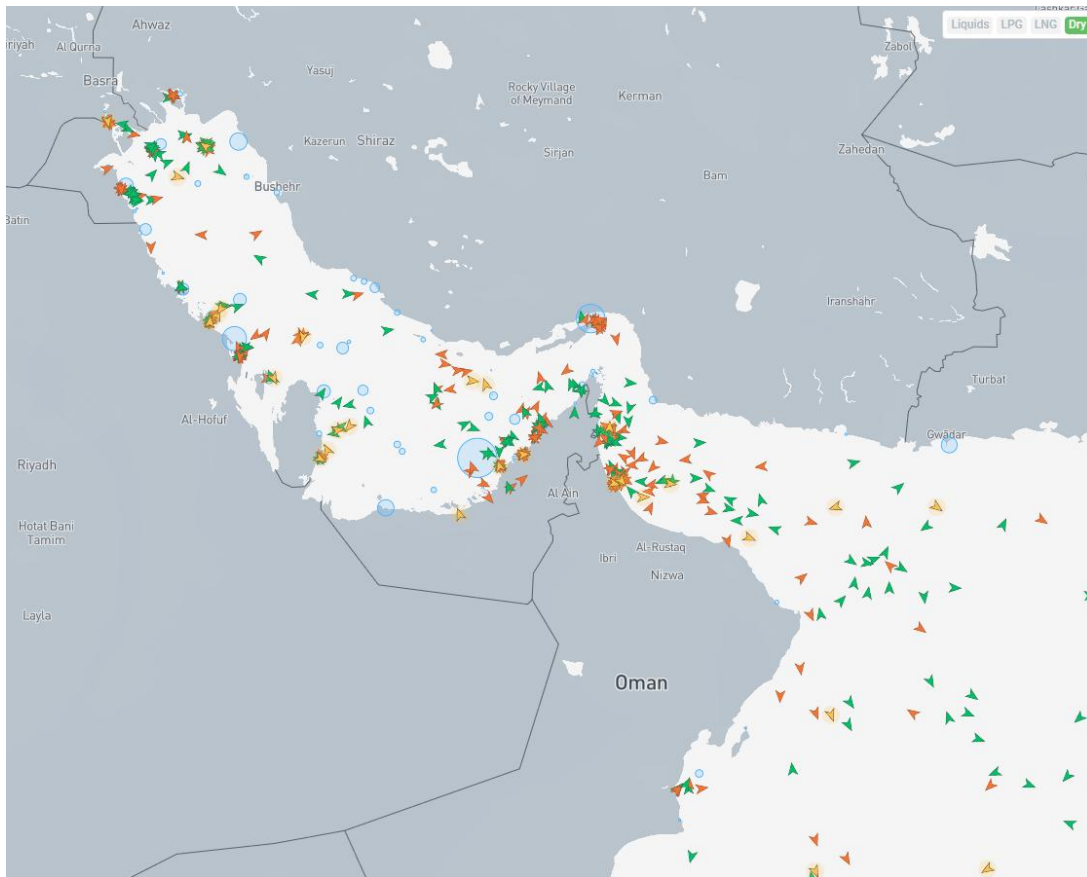


Source: Spark

The stats

Dry Bulk Shipping & Freight

- **Hormuz transits down 91%**
- **280 bulkers** trapped in MEG accounting for **1-2% of global fleet**
- Mideast Gulf accounts for **16-18% of global seaborne fertiliser exports**
- Countries in the region **import 25-30Mtpa of grains and oilseeds by sea**
- **8% of global primary aluminium production** is in Mideast Gulf countries and **3% of world crude steel production capacity**
- Vessel **supply constraints** and heightened **fleet inefficiency** to support earnings

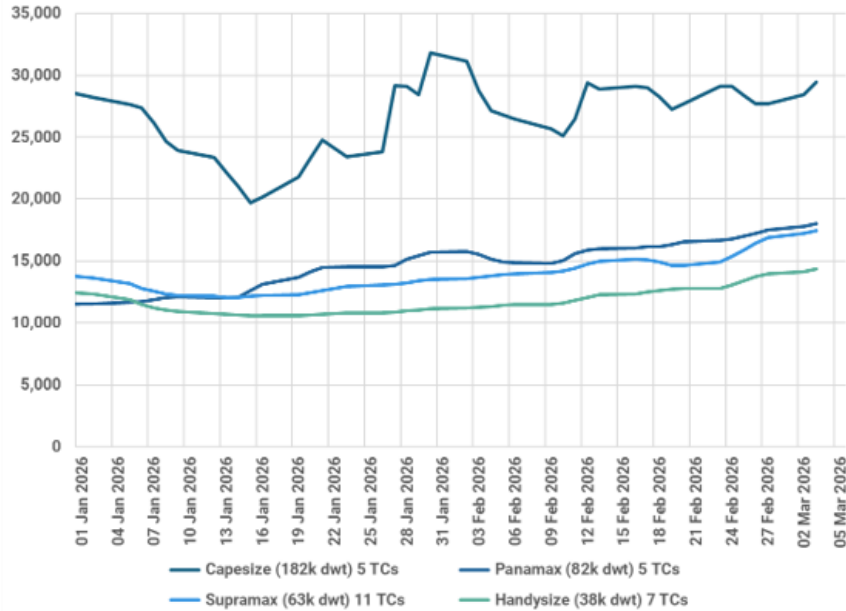


Kpler terminal: 3 March 2026 21:00 GMT

Dry bulk shipping market

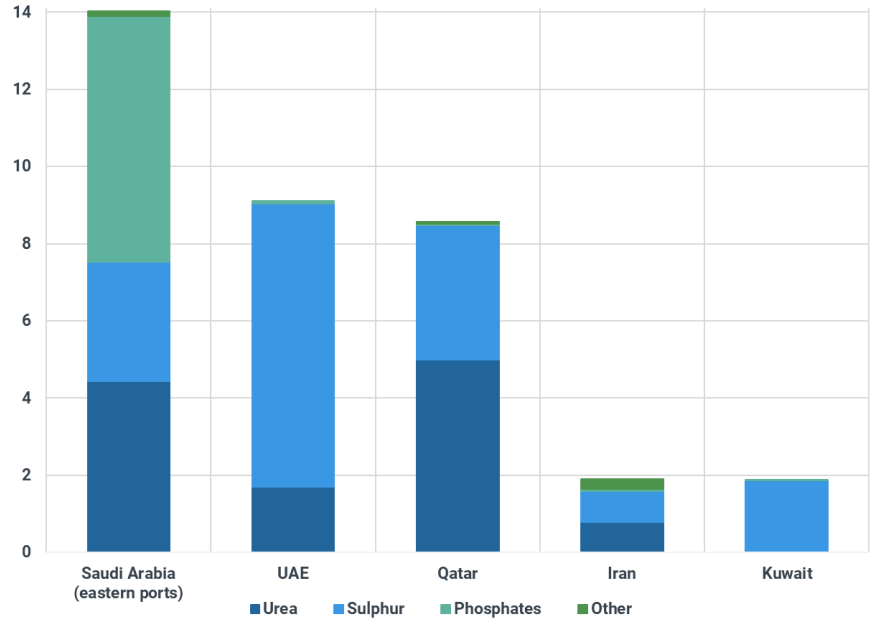
Bulker timecharter earnings follow pre-war trends, MEG fertiliser exports to be curtailed by shutdowns/blockade

Dry bulk carrier average earnings (\$/day)



Source: Baltic Exchange

Major MEG fertiliser exports in 2025 by load area (Mt)

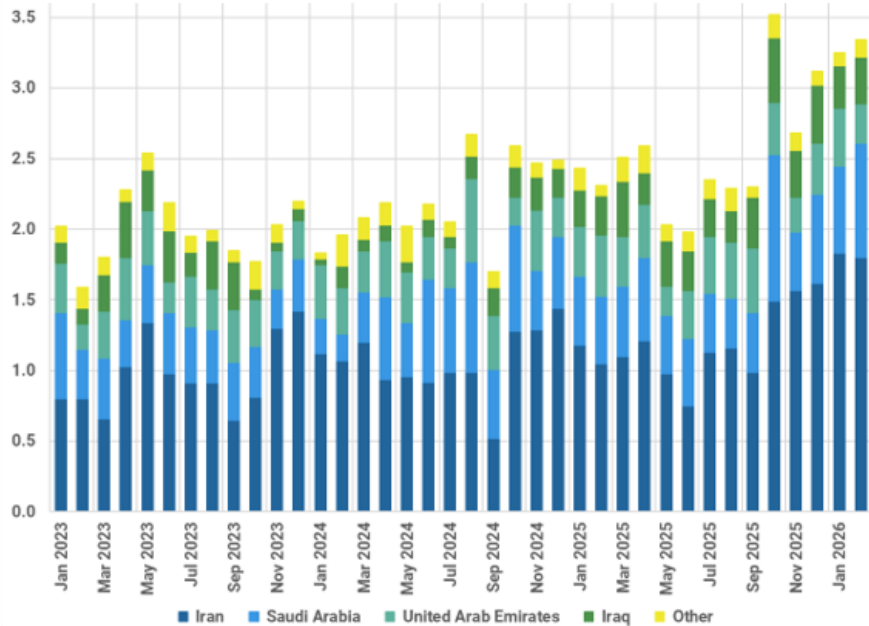


Source: Kpler

Dry bulk shipping market cont.

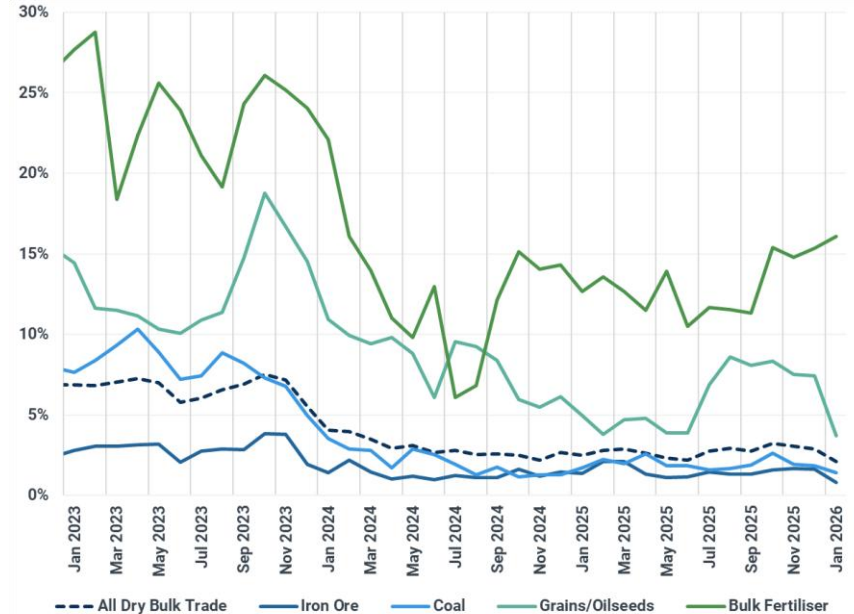
Iranian corn imports will slow to a halt, return of Red Sea uncertainty set to cut trade through the waterway

Regional grains/oilseed imports had been climbing (Mt)



Source: Kpler

Suez Canal/Red Sea dry bulk trade (% seaborne total)



Source: Kpler Insight

Vessel activity and GNSS Spoofing in the Strait of Hormuz



27th Feb

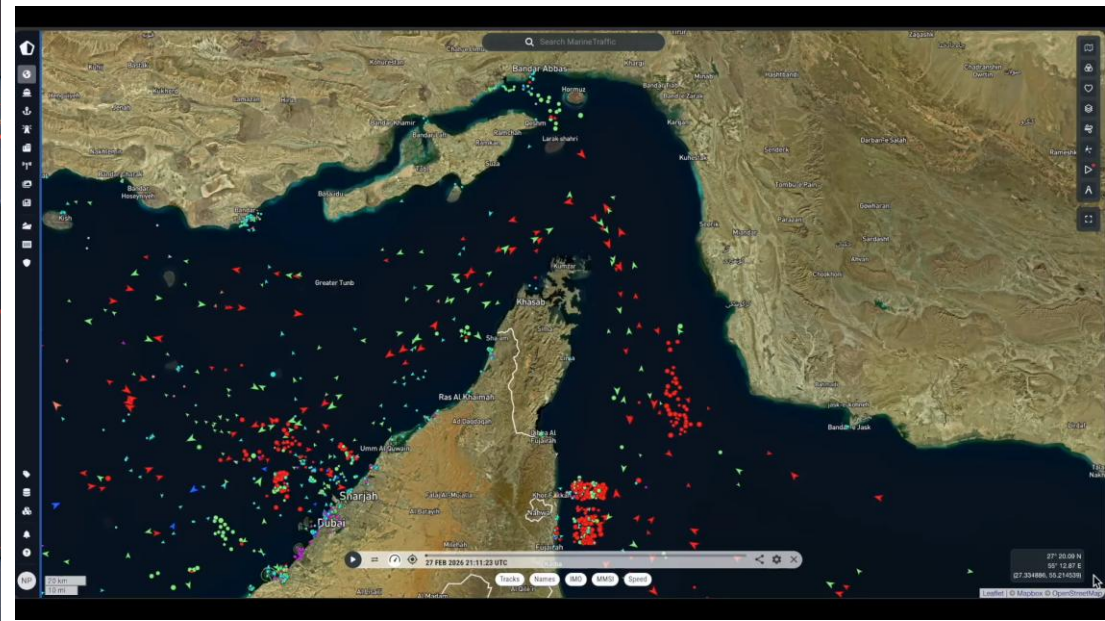
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28th Feb

— GNSS Spoofing

- Cargo Vessels ▲
- Tankers ▲
- High speed craft ▲
- Passenger Vessels ▲
- Tugs & Special craft ▲
- Pleasure craft ▲
- Fishing ▲
- Unspecified craft ▲

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Risk and compliance profile concentrated in physical attacks and operational environment

Vessel name	IMO	Type of vessel	Status
Skylight	9330020	Oil tanker	Confirmed hit/fired upon
MKD VYOM	9284386	Oil tanker	Confirmed drone-bomb attack (Oman)
Hercules Star	9916135	Oil products	Confirmed by UKMTO
Ocean Electra	9402782	Bulk carrier	Confirmed by UKMTO
Stena Imperative	9666077	Oil products	Confirmed by UKMTO
Athe Nova	9188116	Asphalt/bitumen	Confirmed

No immediate new sanctions package during active military operations - could emerge within the weeks following the end of operations, (as observed in Venezuela post capture of Maduro).

Red sea spillover as Houthis have publicly indicated potential resumption of attacks in support of Iran. No confirmed new Red Sea attacks at this time

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Q&A