



Transition Economics Institute

TEI QUARTERLY OUTLOOK

Q1 2026

The Strait closes

A war in the Gulf has turned a well-supplied oil and LNG market into the largest supply emergency on record. Importers are now rationing, releasing stocks and paying for a shock they had little room to prepare for.

Key judgements

KEY JUDGEMENTS

- The effective closure of the Strait of Hormuz since early March has removed most of about 20 million barrels a day of oil exports and almost a fifth of world LNG trade from the market ¹. Bypass pipelines can carry only 3.5 to 5.5 million barrels a day.
- The 400 million barrel IEA stock release is the largest in the agency's history, but it covers about 20 days of normal Hormuz flows ². It buys time. It cannot replace the Strait.
- The LNG shock may outlast the oil shock. Strikes on Ras Laffan on 18 and 19 March took out 12.8 million tonnes a year of Qatari capacity, about 17 per cent of exports, with repairs expected to take up to five years ³.
- South Asia is the most exposed region. Qatar and the UAE supplied 99 per cent of Pakistan's LNG imports in 2025 ⁴, and Pakistan entered the crisis with 11 days of crude and 21 days of diesel ⁵.
- US power remains a domestic story. Henry Hub barely moved, but the White House and all 13 PJM governors have asked for an emergency auction for new capacity ⁶, and PJM now expects summer peak to grow 3.6 per cent a year for a decade ⁷.

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1 The quarter in brief

The first quarter of 2026 began in a market that expected oversupply. In February, the US Energy Information Administration still forecast Brent at \$58 a barrel for 2026 and global inventory builds of 3.1 million barrels a day⁸. The IEA's January gas report expected global LNG supply to grow by more than 7 per cent this year, the fastest since 2019⁹. Importers were renegotiating contracts from a position of strength.

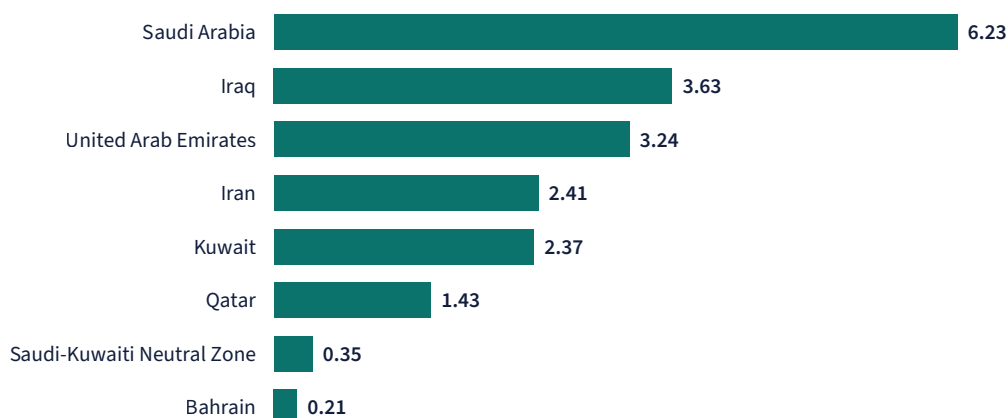
The war that began on 28 February changed all of that within days. Tanker traffic through the Strait of Hormuz largely stopped, not because the waterway was physically blocked but because the threat of attack and the withdrawal of insurance kept most ships away⁸. On 11 March the IEA said export volumes of crude and products through the Strait had fallen to less than 10 per cent of pre-conflict levels². Qatar's Ras Laffan complex stopped producing after attacks on 2 March⁴, and further strikes on 18 and 19 March damaged two of its LNG trains³.

The response has been fast by historical standards: a record stock release, emergency demand measures across Asia, and early rerouting through Saudi and Emirati pipelines. But the arithmetic is unforgiving. The world has lost access to most of the supply that sits behind the Strait, including the bulk of its spare production capacity, and the tools available to replace it are measured in weeks of cover rather than months.

2 Oil and the Strait of Hormuz

What the Strait carried

The IEA's factsheet, published days before the war began, set out what was at stake. An average of 20 million barrels a day of crude and oil products passed through the Strait of Hormuz in 2025, around 25 per cent of world seaborne oil trade, with about 80 per cent of it bound for Asia¹. Crude alone was nearly 15 million barrels a day, about 34 per cent of global crude trade, and China and India together took 44 per cent of it. Saudi Arabia exported 6.23 million barrels a day through the Strait, Iraq 3.63 million and the UAE 3.24 million.

Figure 1. Exports through the Strait of Hormuz by country, 2025, million barrels a day of crude and products

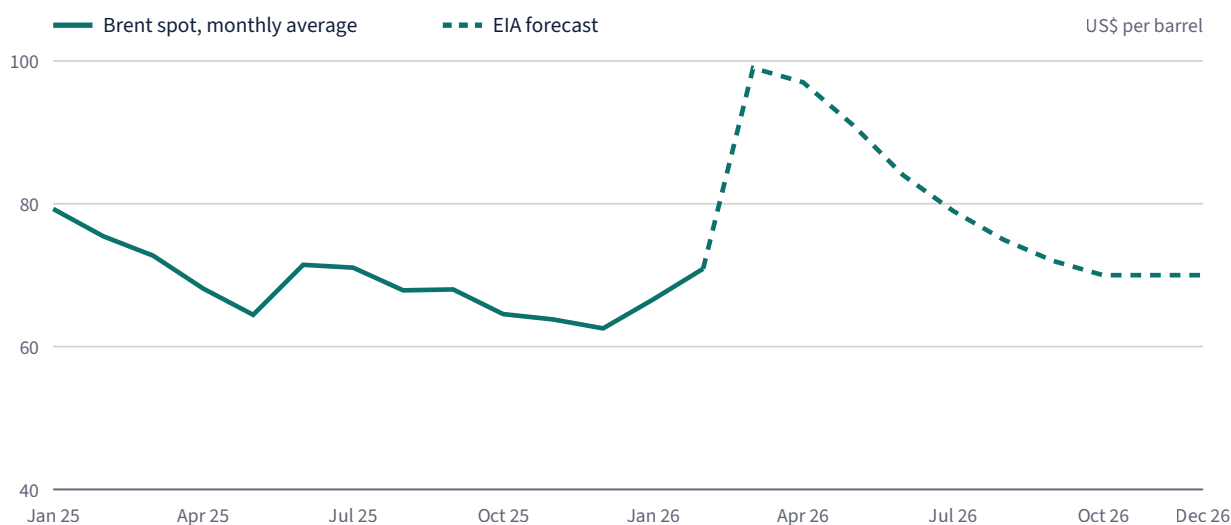
Source: IEA, Strait of Hormuz Factsheet, February 2026, based on Kpler ¹. Total 19.87 mb/d, of which 14.95 mb/d crude and condensate.

Iraq, Kuwait, Qatar, Bahrain and Iran rely on the Strait for almost all of their oil exports. Only Saudi Arabia and the UAE have working bypass routes, with an estimated 3.5 to 5.5 million barrels a day of spare capacity between them. The UAE's line to Fujairah has a capacity of close to 1.8 million barrels a day, of which about 1.1 million was already in use. Saudi Arabia's East-West system has a design capacity of 5 million barrels a day, with about 2 million in use in early 2026. Iran's Jask terminal is not a viable export option ¹. As the IEA noted, a prolonged disruption would also make the vast majority of the world's spare production capacity unavailable.

Prices and shut-ins

The Brent spot price rose from \$71 a barrel on 27 February to \$104 on 9 March ⁸, peaked at about \$119 on 9 March ¹⁰ and was trading around \$108 on 20 March ¹¹. By that point the IEA estimated that Gulf producers had cut output by about 10 million barrels a day because they could not ship crude and were running out of storage ¹¹.

The EIA's March outlook, finalised on 9 March, assumes that shut-in production will peak in early April, mostly in Iraq, with smaller volumes in Kuwait, the UAE and Saudi Arabia, and will ease gradually as transit resumes ⁸. On that basis it forecasts Brent above \$95 for the next two months, falling below \$80 in the third quarter and to around \$70 by the end of the year, with a 2026 average of \$79 against \$58 in its February outlook. Global inventory builds for 2026 are cut from 3.1 million barrels a day to 1.9 million. The agency stresses that the forecast is highly dependent on its assumptions about the duration of the conflict. We would put more weight on the assumption than on the number.

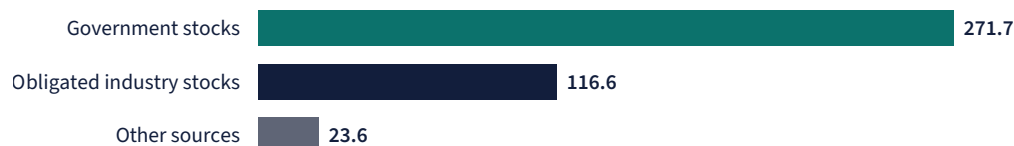
Figure 2. Brent crude oil spot price, January 2025 to February 2026, with the EIA March forecast

Source: EIA, Short-Term Energy Outlook, March 2026, Table 2⁸. Dashed line is the EIA forecast, which assumes shut-ins peak in early April and ease as transit through the Strait resumes.

OPEC+ had agreed on 1 March to raise production by 206,000 barrels a day from April⁸. With most of that capacity behind the Strait, the decision is largely academic for now.

The stock release

On 11 March, the IEA's 32 member countries unanimously agreed to make 400 million barrels of emergency stocks available, the sixth collective action in the agency's history and by far the largest¹². By 15 March members had submitted plans for about 412 million barrels: 271.7 million from government stocks, 116.6 million from obligated industry stocks and 23.6 million from other sources². About 72 per cent is crude. Europe's share is 68 per cent products, because its obligated stocks are held largely as diesel, petrol and jet fuel.

Figure 3. IEA collective action: implementation plans submitted by 15 March 2026, million barrels

Source: IEA, update on the collective action decision of 11 March 2026, as reported by Transition Economics Institute². Total about 412 million barrels; the US contribution is 172.2 million barrels of government crude.

The United States is contributing 172 million barrels from the Strategic Petroleum Reserve over 120 days¹¹. At the administration's target rate of 1.4 million barrels a day, that replaces a small fraction of lost supply, and Eurasia Group told CBS News that the fastest drawdown achieved in practice has been about 1 million barrels a day. The reserve held about 415 million barrels at the end of February, well below its peak of more than 726 million. US petrol prices were nearing \$4 a gallon by 20 March, from about \$3.60 on 12 March.

Japan and South Korea are better placed than most importers. Japan holds reserves equal to around 254 days of consumption and South Korea around 207 days ¹⁰. Japan is releasing 80 million barrels and South Korea 22.46 million. Their exposure is to price rather than to physical shortage: Japan sources about 95 per cent of its crude from the Gulf and South Korea about 70 per cent, and South Korea has capped wholesale petrol and diesel prices for the first time in nearly 30 years.

The gap in the system is outside the IEA. Measured against lost supply, 400 million barrels equals about 20 days of normal Hormuz flows ². Countries such as Pakistan, Bangladesh and Sri Lanka hold far less cover and have no collective mechanism to draw on.

OIL SCENARIOS FOR THE SECOND QUARTER

- **Short disruption.** Assumes a ceasefire in April and a gradual return of tanker traffic, broadly the EIA's March assumption. Prices ease from their March highs but stay above pre-war levels while producers restart shut-in fields, damaged facilities are repaired and stocks are rebuilt.
- **Extended closure.** Assumes the Strait stays effectively shut into the summer. Storage behind the chokepoint fills, shut-ins rise further, the stock release is exhausted before supply returns and demand has to fall to balance the market. Products, especially diesel and jet fuel, tighten faster than crude.
- **Escalation to infrastructure.** Assumes attacks spread to bypass routes or Red Sea export terminals. This would remove part of the 3.5 to 5.5 million barrels a day that is now the main physical relief valve ¹.

3 Global LNG and gas

From surplus to shortage in a week

Before the war, the LNG market was preparing for abundance. The IEA's January Gas Market Report expected global LNG supply to grow by more than 7 per cent in 2026, over 40 bcm, with North America supplying more than 85 per cent of the increase ⁹. Europe was expected to import a record volume.

About 93 per cent of Qatar's LNG exports and 96 per cent of the UAE's transit the Strait, together about 19 per cent of global LNG trade, and there is no alternative route ¹. Kpler reported no LNG tanker transits after 28 February. QatarEnergy halted production at the 77 million tonne a year Ras Laffan complex following drone attacks on 2 March and declared force majeure on some long-term contracts ⁴. Qatar accounted for nearly 19 per cent of global LNG exports in 2025, about 81 million tonnes, roughly 90 per cent of it delivered to Asia.

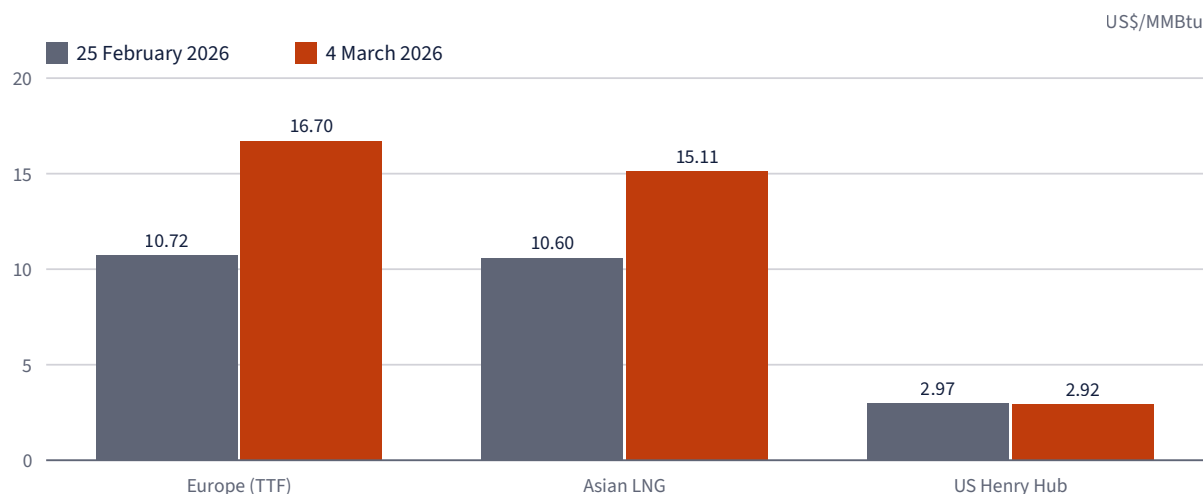
The second blow came on 18 and 19 March, when missile strikes damaged trains 4 and 6, with combined capacity of 12.8 million tonnes a year. QatarEnergy's chief executive said the damage cut Qatar's export capacity by 17 per cent and that repairs could take up to five years. On 24 March the company declared force majeure on some contracts with China, Italy, Belgium and South Korea ³. This turns a shipping disruption into a capacity loss. Even if the Strait reopens, part of Qatar's output will not return for years.

Prices: Europe and Asia up, Henry Hub flat

The European TTF front-month contract rose 55 per cent from \$10.72 per MMBtu on 25 February to \$16.70 on 4 March, its highest since February 2023, and Asian LNG rose from \$10.60 to \$15.11 ⁴. Henry Hub moved the other way, settling at \$2.92. The EIA explains why: US export terminals were already running

close to full before the conflict, so they cannot send much more gas abroad in the near term. Most of the extra flexibility comes from the ramp-up of Corpus Christi Stage 3 Train 5, completed in February, and Golden Pass Train 1, due online in March ⁸. The EIA now expects Henry Hub to average about \$3.76 in 2026, 13 per cent lower than it forecast in February.

Figure 4. Front-month gas prices before and after the closure, US\$ per MMBtu

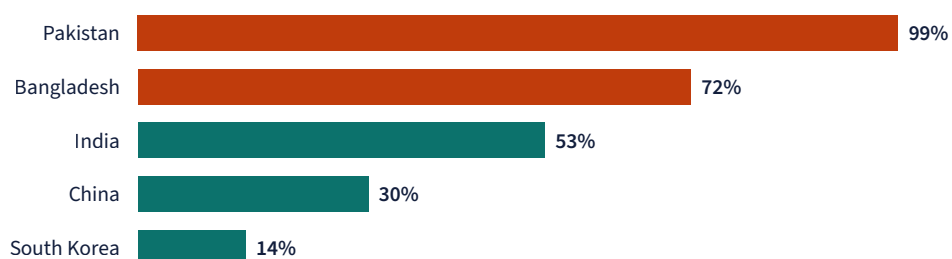


Source: Kpler, "Hormuz Strait disruptions trigger a price spike in TTF and Asian LNG", 10 March 2026 ⁴.

Who is exposed

Kpler's data show how unevenly the shock falls. Qatar and the UAE supplied about 99 per cent of Pakistan's LNG imports in 2025, 72 per cent of Bangladesh's and 53 per cent of India's, against around 30 per cent for China and 14 per cent for South Korea ⁴. Kpler expects South Asia to become the shock absorber of the Asian market, adjusting through demand destruction rather than spot purchases, because Pakistan and Bangladesh are unlikely to buy at current prices.

Figure 5. Share of 2025 LNG imports supplied by Qatar and the UAE



Source: Kpler, 10 March 2026 ⁴. China figure is described by Kpler as around 30 per cent.

Europe's exposure is indirect but real. EU storage was 29.8 per cent full on 3 March, with France at 22 per cent, Germany 21 per cent and the Netherlands 11 per cent, and the summer-winter TTF spread had turned positive, removing the usual incentive to inject gas over the summer ⁴. Europe will compete with Asia for Atlantic cargoes through the injection season.

LNG SCENARIOS FOR THE SECOND QUARTER

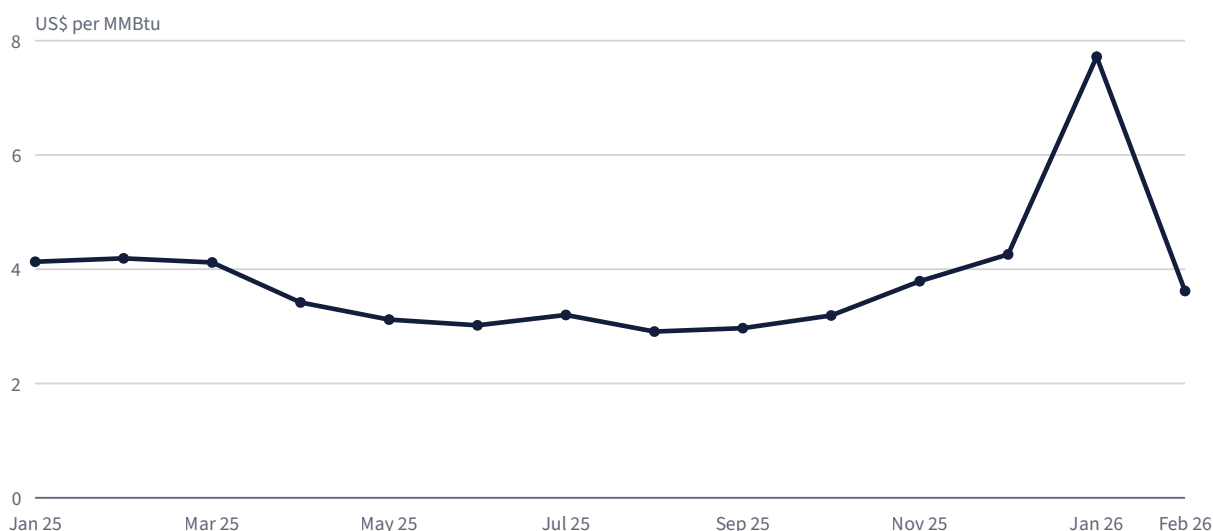
- **Partial restart.** Assumes the Strait reopens to LNG carriers in the second quarter and Qatar's undamaged trains restart. Supply recovers towards about 83 per cent of Qatari capacity, but the 12.8 million tonnes a year of damaged capacity stays out³. Prices ease but remain well above pre-war levels.
- **Prolonged closure.** Assumes no Qatari or Emirati exports through the summer. Asian and European buyers compete for Atlantic cargoes, Europe's storage refill becomes the central policy question and South Asian demand is rationed.
- **Demand response.** In either case, high prices push power systems back towards coal, oil and renewables. Thermal coal spot prices have already risen⁸.

4 US power markets

Winter Storm Fern and the gas cushion

The quarter opened with a reminder that US power and gas risk is still mostly about weather. Historic withdrawals during Winter Storm Fern in January pulled natural gas stocks down to 2,493 Bcf, and Lower 48 production fell by 3.6 Bcf/d during the storm, mainly in Appalachia and the Permian⁸. The Henry Hub monthly average jumped to \$7.72 in January before falling to \$3.62 in February. Production recovered quickly and the EIA expects storage to end March at about 1,840 Bcf, close to the five-year average, although the Midwest and East are each more than 20 per cent below average.

Figure 6. Henry Hub spot price, monthly average, January 2025 to February 2026



Source: EIA, Short-Term Energy Outlook, March 2026, Table 2⁸. January 2026 reflects Winter Storm Fern.

PJM: politics enters the capacity market

After the 2027/28 auction cleared at its cap and fell short of the reliability requirement, the federal government and the states moved to intervene. On 16 January, the Secretaries of Energy and the Interior joined the governors of all 13 PJM states in a statement of principles asking PJM to run an emergency

procurement for new generation ⁶. The principles call for 15-year revenue certainty for new plants, limits on what existing plants can earn in the capacity market, and allocation of the cost of new generation to data-centre customers that have not procured their own capacity or agreed to be curtailable. The Department of Energy describes the aim as more than \$15 billion of new baseload generation.

The demand side of the problem is also shifting. PJM's 2026 load forecast, published in January, projects summer peak growth averaging 3.6 per cent a year over the next decade, reaching 222,106 MW in 2036, an increase of 65,733 MW, with data-centre growth the main driver in several zones ⁷. The forecast also tightens how large-load adjustments are treated: near-term projects need firm commitments, such as electric service obligations or construction commitments, while longer-dated projects are treated as non-firm and derated.

Our reading is that the PJM debate has moved from market design to cost allocation. A backstop procurement with long contracts will add capacity, but the important question is who carries the risk if forecast data-centre load does not appear. The principles point that risk at large loads that have not self-supplied. That is the right instinct, and it will be contested.

Load growth and fuel mix

The EIA expects US electricity generation to grow 1.2 per cent in 2026 and 3.1 per cent in 2027, led by demand growth in the ERCOT region ⁸. Coal generation falls by 7 per cent in 2026 in its forecast, as renewable output rises and about 4 per cent of coal-fired capacity retires. The oil shock has little direct effect on US power prices, because oil plays almost no role in US generation, but it raises fuel costs across the economy and makes the cost of electricity a sharper political issue.

5 Data centres and load growth

The oil shock does not change the underlying data-centre trend, but it changes its context. Higher fuel prices and inflation make regulators more sensitive to anything that raises household electricity bills, and data centres are now the most visible source of new demand. The PJM principles are the clearest example of that politics: the proposal explicitly assigns the cost of new generation to data-centre customers who have not brought their own capacity ⁶.

For forecasters, the useful signals this quarter come from changes in how operators count load rather than from new totals. PJM has begun to discount speculative load requests more heavily in its forecast ⁷, ERCOT applies similar realisation and delay adjustments to transmission providers' large-load submissions ¹³, and the EIA sees ERCOT leading national demand growth in 2027 ⁸. The direction is consistent: operators are trying to separate credible projects from queue positions held for optionality. We expect that filtering to tighten further in the second quarter.

6 Pakistan: power and gas

The emergency package

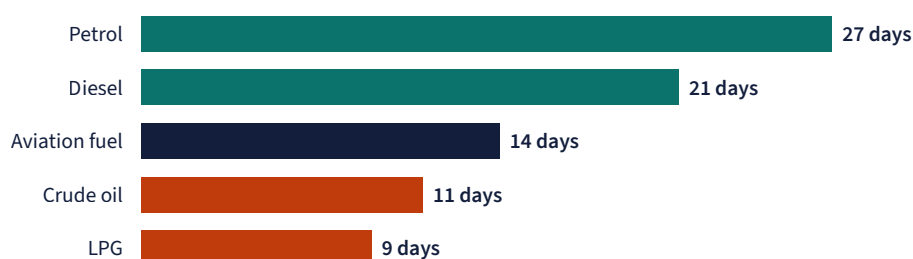
Prime Minister Shehbaz Sharif announced emergency austerity and fuel conservation measures on 9 March ¹⁴. Schools closed for spring holidays from 16 March to the end of the month, universities moved online, government fuel allowances were halved for two months and 60 per cent of the official fleet was grounded ¹⁵. Petrol and diesel prices were raised by Rs55 a litre ¹⁶.

Our assessment is that these measures save little fuel. About 80 per cent of petroleum products in Pakistan are used in transport ¹⁶, and the main burden of adjustment falls on prices paid by private road users, freight and farmers. The policy that matters more is how the country secures supply and allocates what it gets.

Supply cover and the gas cliff

Officials told the Senate Standing Committee on Petroleum on 16 March that Qatari LNG imports had been suspended since 2 March, with only two of eight March cargoes arriving, and warned of a shortfall after 14 April ⁵. Gas supply to the power sector had been cut from 300 to 130 million cubic feet a day, and supply to a fertiliser plant halved, while households were protected ¹⁶. Replacement spot cargoes were quoted at around \$24 per unit against about \$9 under the Qatari contracts. Around 70 per cent of Pakistan's petroleum imports come from the Middle East, and the petroleum secretary told the committee that international diesel prices had risen from \$88 to \$187 a barrel since the crisis began.

Figure 7. Pakistan's reported fuel stocks in mid-March 2026, days of cover



Source: Petroleum Division evidence to the Senate Standing Committee on Petroleum, 16 March 2026, as reported by The News and summarised by Transition Economics Institute ^{5,16}.

Stocks were thin: crude oil for 11 days, diesel for 21, petrol for 27, LPG for 9 and aviation fuel for 14 ¹⁶. The government temporarily allowed imports of fuel below the Euro-5 standard to widen supply options.

The IMF programme

On 28 March the IMF announced a staff-level agreement on the third EFF review and second RSF review, which would make about \$1.0 billion available under the EFF and about \$210 million under the RSF once the Board approves it ¹⁷. The IMF named the Middle East conflict as the main external risk, through volatile energy prices and tighter financial conditions. Its energy conditions are unchanged: timely cost-recovering tariff adjustments, no broad energy subsidies, and targeted support through inflation-adjusted BISP transfers.

PAKISTAN SCENARIOS FOR THE SECOND QUARTER

- **Managed shortfall.** Assumes partial resumption of Qatari deliveries by May and some spot purchases. Power sector gas stays rationed, furnace oil and coal plants run more, and circular debt flow rises through the fuel cost adjustment.
- **Hard shortfall.** Assumes no Qatari LNG through the summer peak. Load management returns in high-loss feeders, industry loses gas first, and the fiscal cost of protecting households competes with IMF targets.
- **Solar as cushion.** In both cases the large fleet of rooftop and behind-the-meter solar built since 2023 reduces daytime grid demand. It is now an energy security asset as well as a revenue problem for DISCOs.

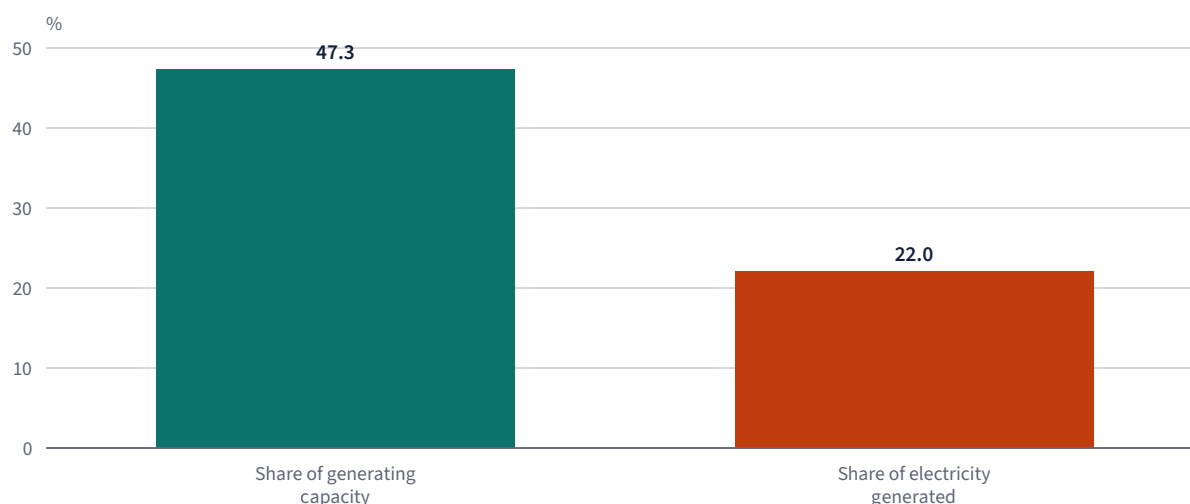
7 China

A new plan on a new yardstick

China published the final text of its 15th Five-Year Plan on 13 March ¹⁸. Its binding green indicators are a 17 per cent cut in carbon intensity over 2026 to 2030 and a non-fossil share of 25 per cent of energy consumption by 2030, from 21.7 per cent in 2025. The plan drops the binding energy intensity target, measures carbon intensity on a new basis and does not set an absolute emissions cap. Analysis cited by Carbon Brief suggests the new target could allow total emissions to rise by 3 to 6 per cent over five years. Energy security features prominently: a binding target raises comprehensive energy production capacity from 5.13 to 5.8 billion tonnes of standard coal equivalent, and crude output is to be held at around 200 million tonnes a year.

Capacity outran use in 2025

The National Energy Administration's 2025 data show wind and solar capacity reaching 1,840 GW, 47.3 per cent of the national fleet and for the first time above all thermal capacity ¹⁹. China added about 120 GW of wind and 318 GW of solar during the year. Yet wind and solar supplied 22 per cent of electricity. The gap between capacity share and generation share is now the main policy problem: curtailment, market pricing under Document 136 and transmission from western bases to the east. The plan targets 420 GW of west-to-east transmission capability by 2030 ¹⁸.

Figure 8. China's wind and solar: share of capacity against share of generation, 2025

Source: National Energy Administration, as reported by Transition Economics Institute ¹⁹. End-2025 wind and solar capacity was 1,840 GW.

The oil shock and China

China is the largest buyer of Gulf crude, but it entered the crisis with large stocks: the EIA had noted in December that China's strategic stock building had supported prices through 2025 ²⁰. Kpler estimated in early March that around 30 per cent of China's LNG imports came from Qatar and the UAE, and that its LNG stocks provided roughly seven to eight weeks of cover, with underground storage as an additional buffer ⁴. China is better placed than South Asia to wait out a short disruption. In a long one, its buying behaviour will set Asian prices.

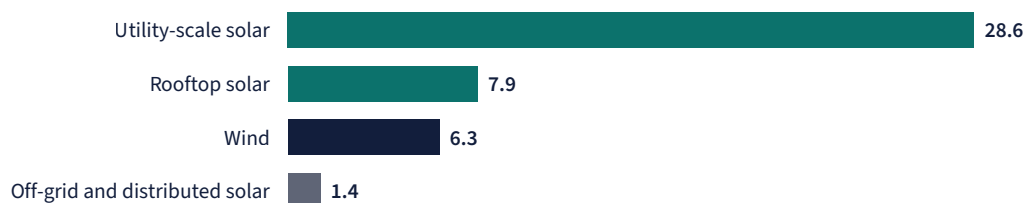
8 India

Gas rationing begins

India is the second most exposed large economy after China in volume terms. Petronet LNG issued force majeure notices to local buyers on 4 March after Qatari supply stopped ²¹. The government then issued a Natural Gas (Supply Regulation) Order setting priorities: households and CNG for transport at full supply, and fertiliser plants placed in the second priority tier at no less than 70 per cent of their average consumption ^{22,23}. The Department of Fertilizers said on 10 March that fertiliser stocks stood at 180.12 lakh tonnes, 36.6 per cent higher than a year earlier, which gives room to cut gas to fertiliser plants without immediate shortages for farmers ²³.

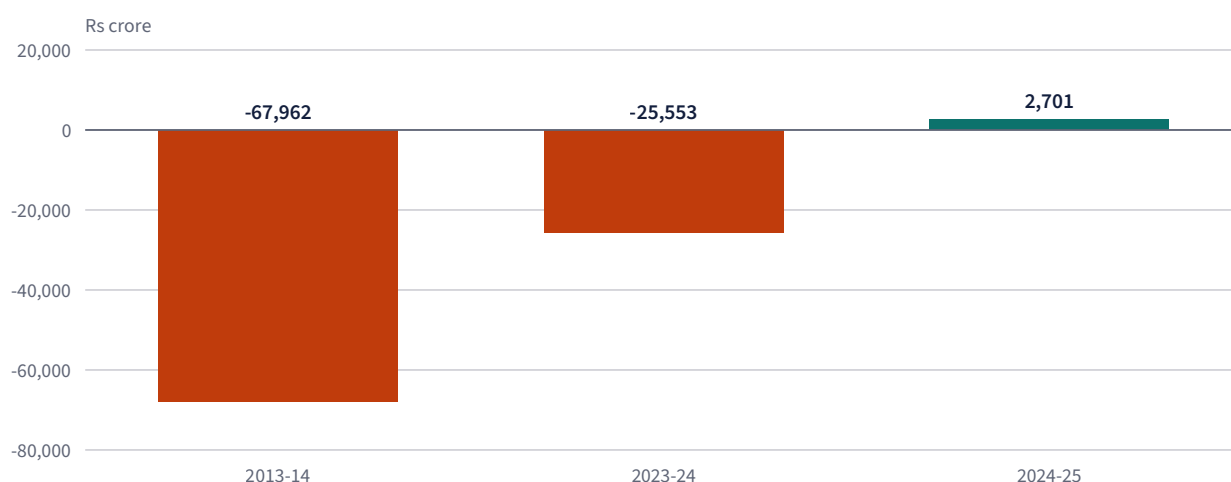
Clean power and utility finance

The longer-term picture remains strong. India installed a record 37.9 GW of solar and 6.3 GW of wind in calendar 2025, and cumulative renewable capacity including large hydro reached 258 GW ²⁴. Rooftop installations rose 72 per cent to 7.9 GW under PM Surya Ghar. Domestic module and cell manufacturing capacity passed 200 GW.

Figure 9. India's renewable additions in calendar 2025, GW

Source: MNRE data reported by pv magazine India, 13 January 2026, as summarised by Transition Economics Institute ²⁴.

Distribution companies and state power departments recorded a combined profit after tax of Rs2,701 crore in 2024-25, against a loss of Rs25,553 crore in 2023-24, and aggregate technical and commercial losses fell to 15.04 per cent ²⁵. Outstanding dues to generators fell 96 per cent. The margin is thin, but it matters this year: utilities with shorter payment cycles are better able to absorb a fuel price shock without falling back into arrears.

Figure 10. India's distribution utilities: combined profit after tax, Rs crore

Source: Ministry of Power, 18 January 2026, as summarised by Transition Economics Institute ²⁵.

9 Europe

Carbon border and gas law take effect

Two pieces of EU law came into force this quarter. The Carbon Border Adjustment Mechanism entered its definitive phase on 1 January, with importers of more than 50 tonnes a year of covered goods required to become authorised declarants; certificate sales begin in 2027, with the first annual declaration and surrender, covering 2026 imports, due by 30 September 2027 ²⁶. Regulation (EU) 2026/261, phasing out Russian gas imports, entered into force on 3 February after Parliament approved it on 17 December by 500

votes to 120²⁷. Short-term LNG contracts concluded before 2025 may run until 25 April 2026 and long-term LNG contracts until 1 January 2027. For pipeline gas, long-term contracts may run until 30 September 2027, or until 1 November 2027 if storage filling targets are not met.

A refill problem

The Russian gas ban was designed for a world of LNG surplus. That world ended in March. Europe now has to refill storage from a low starting point while competing with Asia for Atlantic cargoes. EU storage was at 29.8 per cent on 3 March, with north-west Europe the most depleted⁴. Our view is that member states should treat storage targets as a means rather than an end, and avoid bidding for cargoes at any price to hit a calendar date, while the long-term LNG deadline for Russian supply should stand.

10 Middle East and Africa

The Gulf at war

The region's oil and gas exporters face the same chokepoint in different ways. Iraq, Kuwait, Qatar and Bahrain have almost no alternative export route¹. Saudi Arabia can move more crude through the East-West pipeline to Yanbu, and the UAE through Fujairah, but these routes have limits and depend in turn on Red Sea security. The EIA expects shut-ins to be concentrated in Iraq⁸. Qatar's position is the most serious, because the damage at Ras Laffan is physical and long-lasting³.

For Gulf budgets, high prices on lower volumes are a poor trade. For the wider region, the crisis is a test of the investment in bypass infrastructure made over the past decade, and a likely spur to more of it.

Africa: a restart and an opportunity

On 29 January TotalEnergies announced the full restart of the Mozambique LNG project, about 40 per cent complete, with first LNG expected in 2029²⁸. The project was planned for a well-supplied market at the end of the decade. A lasting loss of Qatari capacity changes that calculation in its favour, although its security arrangements in Cabo Delgado remain the central risk. Atlantic cargoes are already moving east: by 10 March Kpler had tracked three diversions towards Asia, one from Nigeria and two from the United States⁴. For Africa's importers, the price shock on diesel strengthens the economics of the distributed solar boom documented in 2025²⁹.

11 Critical minerals

Critical minerals were not the centre of this quarter's crisis, and public data on mineral flows through the Gulf in March are limited. Two policy developments matter. On 2 February the US launched Project Vault, a strategic critical minerals reserve backed by up to \$10 billion of EXIM financing and about \$2 billion of private investment³⁰, and on 4 February the State Department hosted a Critical Minerals Ministerial attended by more than 50 countries³¹. Stockpiling is the minerals equivalent of the IEA oil stock system, and the oil crisis is a reminder of why it exists.

The structural concentration documented by the IEA has not changed: China remains the leading refiner for 19 of 20 strategic energy minerals ³², and its October 2025 export controls are suspended only until 10 November 2026 ³³. Congo's cobalt export quota of 96,600 tonnes for 2026 has begun its first year ³⁴. We will return to the Gulf's role in aluminium and sulphur supply once reliable trade data for the conflict period are published.

12 What to watch in Q2 2026

- **Ceasefire diplomacy** and the first sustained, independently tracked tanker transits of the Strait. Headlines are not flows.
- **Shut-ins.** Whether production losses peak in early April, as the EIA assumes, or keep rising as storage fills ⁸.
- **IEA stocks.** The pace of drawdown against the roughly 412 million barrels pledged, and whether a second collective action is needed ².
- **Ras Laffan.** Restart of undamaged trains and the scope of QatarEnergy force majeure notices ³.
- **Diesel and jet fuel**, where Gulf exports and European stockholding make products tighter than crude.
- **Pakistan's April gas cliff**, spot cargo purchases, power sector rationing and the IMF Board decision ^{5,17}.
- **India's gas order** and fertiliser allocations ahead of kharif ²³.
- **EU storage policy** and how member states approach injection targets with a positive summer-winter spread ⁴.
- **PJM's response** to the statement of principles and the design of any backstop procurement ⁶.
- **US summer readiness** in ERCOT and MISO, and MISO's 2026 capacity auction results in April.

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Figures are as published by the sources listed, on or before 31 March 2026. Forecasts quoted are those of the named agencies. Scenario views are qualitative and rest on the assumptions stated in each section.



Transition Economics Institute

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Energy consulting, research and news

1001 S Main Street, Ste 49
Kalispell, MT 59901

+1 469 810 0212

contact@tei-energy.org

tei-energy.org

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