



China's teapots buy Iranian oil at premiums for first time in years

Iranian crude reaches India under waiver: *Data*

National oil exports jump 700,000 bpd

An Indian liquefied petroleum gas (LPG) carrier, Shivalik, arrives at Mundra Port via the Strait of Hormuz, amid the US-Israel conflict with Iran, in Gujarat, India, on March 16, 2026.
● AMIT DAVE/REUTERS

Economy Desk

Two million barrels of Iranian crude reached India under a temporary US sanctions waiver while Chinese independent refiners purchased Iranian oil at premiums to Brent for the first time in years, marking a shift in Asian energy flows amid Middle East conflict disruptions, according to data and sources.

Chinese independent refiners, known as teapots, bought Iranian oil at premiums to Brent for the first time in years after benchmark prices fell and amid expectations that India might purchase more cargoes following Washington's temporary waiver of sanctions, according to Reuters.

India received its first Iranian oil cargo – two million barrels – in seven years after Washington temporarily waived sanctions on Iranian oil at sea due to the impact of the conflict in the Middle East, TankerTrackers data showed Friday.

The tanker-tracking platform did

not provide vessel details but said the delivery was made possible under a sanctions waiver, Anadolu Agency reported.

The reported arrival came after the US Treasury's Office of Foreign Assets Control issued Iran General License U on March 20, authorizing transactions ordinarily necessary for the sale, delivery, and offloading of Iranian-origin crude oil and petroleum products loaded on vessels on or before March 20 this year, through April 19.

The license permits activities related to docking, anchoring, tug assistance, bunkering, inspections, pilotage, and discharge of covered cargoes, providing a temporary window for previously loaded Iranian oil shipments to complete delivery.

India announced last Saturday that it has resumed oil purchases from Iran, the first time in seven years, amid the ongoing armed conflict in the Middle East, which has disrupted energy supplies around the world, particularly in Asian countries.

This was the first public announcement by the South Asian nation since 2019, when it stopped importing oil from Iran after US waivers on the purchase of sanctioned Iranian oil were not renewed for buyers.

The development could mark a limited resumption of Iranian crude arrivals to major Asian buyers as war-related disruptions in the Middle East and shipping risks around the Strait of Hormuz continue to reshape regional energy flows.

Waivers granted to deliver Iran cargoes

With a view to speeding delivery of energy supplies from the Persian Gulf, India has recently granted waivers to allow two Iranian cargoes aboard an older tanker and another under international sanctions to enter its ports, two officials familiar with the matter said, Reuters reported on Thursday.

The world's No. 2 importer of liquefied petroleum gas (LPG), India is facing its worst gas crisis

in decades, with the government rationing supplies to industry to ensure households are supplied with cooking gas.

India recently permitted the LPG tanker Aurora to dock in the southern port of Mangalore despite it being about 30 years old, one of the sources said. A crude oil tanker, the Jaya, despite being under US sanctions, was also permitted to unload, the other source said.

The officials said the approvals were being made on a case-by-case basis and only vessels meeting safety parameters were being considered for waivers.

Oil exports rise

CNN reported on Friday that Iran's oil exports have increased by 700,000 barrels per day following US military strikes on February 28, while crude prices have doubled.

According to Tasnim News Agency, citing CNN, the United States has negotiated a fragile ceasefire aimed at potentially reopening the Strait of Hormuz, but Asian

allies dependent on the critical waterway have been forced to seek alternative energy suppliers — a shift that benefits Washington's primary rivals.

Following initial US and Israeli air strikes in February, Iran effectively closed the Strait of Hormuz, a chokepoint through which approximately one-fifth of global oil supplies transit.

Chinese teapots pay premiums

According to Reuters, China's teapots bought Iranian oil at premiums to Brent for the first time in years, sources said Friday.

Iranian oil typically trades at discounts to Brent because of sanctions. Chinese independent refiners are its biggest buyers. At least two refiners in Dongying, a major hub for independents in the eastern Shandong province, purchased Iranian Light at premiums of \$1.50 to \$2 a barrel to ICE Brent earlier this week, trade sources said. That compared with a \$10 per barrel discount before the conflict.

The cargoes are floating near China and will be delivered this month, the people said.

One of the people said he believed it was the first time since 2022 that teapots have bought Iranian oil at a premium to Brent.

These refiners, armed with fresh import quotas from Beijing, sought prompt cargoes of Iranian crude after Brent crude futures dropped 13% to below \$100 on Wednesday following the announcement of a ceasefire for the war.

The contract rebounded 1% on Thursday as traffic through the Strait of Hormuz remained largely halted.

Earlier this week, China raised ceiling prices for retail gasoline and diesel by 420 yuan (\$61) and 400 yuan per metric ton, respectively.

Refining margins at teapots have improved with lower crude costs and higher domestic fuel prices, encouraging them to look for Iranian oil for prompt delivery, traders said.

Minister urges 'smart' Hormuz management, port cooperation review



● REUTERS/DADO RUVIC/Illustration

Economy Desk

Iran's Minister of Roads and Urban Development Farzaneh Sadegh Malvajerd emphasized the need for "smart management" of the Strait of Hormuz and a review of port cooperation with neighboring countries, citing shifting regional dynamics following recent conflicts.

According to Mehr news agency, Sadegh Malva-

jerd made the remarks during a meeting with members of the Ports and Maritime Organization's executive board and via webinar with port managers across the country.

"Smart management of the Strait of Hormuz and also the legal regime related to this strait are important issues that must be considered," she said, referring to the strategic waterway's

significance.

Sadegh Malvajerd added, "Part of the Islamic Republic of Iran's interactions with neighboring countries in this region relates to shared waters and maritime issues, which are directly related to the missions of the Ports and Maritime Organization."

The minister also addressed the effects of the 40-day US-Israeli war on Iran that began on February 28, stating that regional relations require reassessment. "In the type of interactions and relations with neighboring countries, it is necessary to make revisions and some approaches should be modified according to new conditions," she said.

Sadegh Malvajerd highlighted port performance during the "US-Zionist imposed

war" period, noting that unprecedented records were achieved in port activities. "During this period, records were registered in the field of port activities that had not even been achieved before in normal conditions. Therefore, it is necessary to identify and modify cumbersome processes that prevented such achievements in normal conditions," she said.

Iran and the United States announced a 15-day ceasefire early Wednesday with Pakistan's mediation.

Iran, pursuing smart control of the Strait of Hormuz, has altered transit routes and required vessels to obtain permits and pay fees in cryptocurrency. So far, no liquefied natural gas (LNG) cargo has been permitted to transit the strait.

Tehran-Mashhad rail line back in service after US-Israeli attack



● IRNA

Economy Desk

Iran's Islamic Republic Railways announced Friday that the Tehran-Mashhad railway line has reopened following reconstruction work to repair damage from what it described as a US-Israeli attack on rail infrastructure in Tehran Province.

According to Tasnim news agency, reconstruction operations at the damaged section of the Rey-Bahram block line in Tehran Province were completed Thursday night through round-the-clock efforts by railway staff, and train

traffic between Tehran and Mashhad in both directions has now resumed.

The damage to the railway line occurred following a Zionist-American attack on railway infrastructure, which was resolved through the efforts of engineers and forces of Iran's Islamic Republic Railways. Accordingly, except for the Zanjan-Tabriz rail corridor in northwestern Iran, movement of freight and passenger trains is stable across the rest of the rail network.

Also on Friday, Ali Hemmati, the executive deputy of Raja Railway Company, told

ISNA in Tehran that despite enemy attacks on rail infrastructure, train movement has returned to normal, and if needed, special trains will be arranged for passenger transportation.

"Given the merciless attack that occurred and railways being announced as one of the attack targets, the first priority at Raja Company was to protect passengers' lives, and measures were taken to ensure no harm came to passengers and railway staff," Hemmati said.

He added that planning was completed and train schedules were arranged so passengers could reach their destinations, while necessary security was also provided.

Hemmati emphasized that train movement had to be suspended for two days to achieve more stable conditions. "This passed quickly. Even on the second day, we ran special trains from Mashhad to Varamin so compatriots in Mashhad who needed to return to Tehran could easily reach their destination," he said.