

# Iran ranked OPEC's second-largest producer for first time in 12 years

## Economy Desk

Iran has become OPEC's second-largest producer for the first time in 12 years as Arab output fell amid the 40-day conflict, while the price of its heavy crude surged \$57.51 to \$124.10 per barrel in March, the producer group's latest report showed.

The country has climbed to second place within the Organization of the Petroleum Exporting Countries for the first time in 12 years, following sharp production declines among Arab member states in the region, according to OPEC's latest report.

OPEC reported Iran's oil production in March at 3.06 million barrels per day. Based on the report, with severe production cuts among Arab countries in the region, Iran rose to the position of OPEC's second-largest producer in March 2026. This marks the first time in 12 years since the implementation of oil sanctions against Iran. Iran had been OPEC's second-largest producer after Saudi Arabia until 2014, but lost that position in 2015 with the intensification of US sanctions. The US-Israeli war against Iran, which began on February 28, has proven very costly for Arab countries in the Persian Gulf, and OPEC's recent report confirms this.

## Iran's oil price rises \$57 month-on-month

OPEC's latest monthly report also

showed that the price of each barrel of Iran's heavy crude in March reached \$124.10, an increase of \$57.51 compared to the previous month.

According to ISNA, the price of each barrel of Iran's heavy crude rose from \$66.59 in February to \$124.10 in March. The average price of Iran's heavy crude from the beginning of 2026 has been \$84.77 per barrel compared to \$77.31 in the same period of 2025.

The OPEC basket average in March reached \$116.36 compared to \$67.90 in February, showing a monthly increase of \$48.46. The OPEC basket average from the beginning of 2026 through March reached \$82.96 compared to \$76.77 in the same period of 2025.

## OPEC cuts Q2 oil demand forecast

According to Reuters, OPEC on Monday lowered its forecast for world oil demand in the second quarter by 500,000 barrels per day, the producer group's monthly oil report showed in its first public assessment of the Iran war's impact on the market.

The war has effectively closed the Strait of Hormuz, the world's most important oil route, shutting in millions of barrels of Middle East production and sending fuel prices soaring. The price surge is pressuring consumers and businesses

across the globe, and triggering government action to conserve supplies.

Global oil demand is projected to average 105.07 million bpd in the second quarter, OPEC's report said, down from the 105.57 million bpd forecast in last month's report.

Based on OPEC's report, Saudi Arabia's oil production in March decreased by 2.314 million bpd compared to the previous month, reaching 7.799 million bpd. Iraq's oil production also decreased by 2.563 million bpd in that month, the UAE by 1.527 million bpd, and Kuwait by 1.369 million bpd.

Iran's oil production in that month decreased by only 182,000 bpd.

The country's Oil Minister Mohsen Paknejad said on Tuesday, "Colleagues in the oil industry on Kharg Island, with brilliant performance, did not allow even a one-day halt in oil exports, and oil sales during this period have also been desirable and encouraging."

The UAE, with production of 1.892 million bpd, was OPEC's third-largest producer in March.

Except for Nigeria and Venezuela, all OPEC members faced production declines in March, which indicates that even oil production in countries not located in the Persian Gulf region has been affected by conflicts in the region.



Nigeria's oil production increased by 22,000 bpd in March and Venezuela's by 79,000 bpd, but Libya's oil production decreased by 7,000 bpd, Gabon's by 5,000 bpd, Equatorial Guinea's by 2,000 bpd, Congo's by 11,000 bpd, and Algeria's by 1,000 bpd.

## Four-percent price rise

According to Tasnim, based on the latest data published on the Oil Price website on Monday, prices of various types of Iranian oil increased by 4% on that day. Accordingly, the price of each barrel of Iran's light crude for delivery in

the northwest Europe region reached \$98.87. Iran's heavy crude and Forouzan crude were traded at prices of \$96.97 and \$97.22 respectively in that region.

In the Mediterranean region, Iran's light crude was recorded at \$98.22 and heavy crude at \$96.07. Forouzan crude was also priced at \$96.32 per barrel.

The highest price for Iranian oil was at Egypt's Sidi Kerir port, where each barrel of Iran's light crude was priced at \$100.12 in that region. Iran's heavy crude in that region was announced at \$97.97 and Forouzan crude at \$98.22 per barrel.

## US-sanctioned ships pass Hormuz as China raps Trump's blockade



A screenshot from MarineTraffic shows the locations of ships near the Strait of Hormuz.   
 ● MARINE TRAFFIC

er, Rich Starry, is expected to be the first to leave the Persian Gulf via the Strait of Hormuz since the blockade took effect, based on LSEG and Kpler data.

The ship and its owner, Shanghai Xuanrun Shipping Co. Ltd., have been sanctioned by the United States for dealings with Iran.

LSEG data showed Rich Starry, a medium-range tanker, is carrying roughly 250,000 barrels of methanol loaded at its most recent port of call, Hamriyah in the UAE. The vessel is Chinese-owned and crewed by Chinese nationals, the report by Press TV added.

China's Foreign Ministry on Tuesday said the blockade move would increase regional tensions. It did not specify whether any Chinese vessels were transiting the strait. "The US increased military operations and took a targeted blockade

action, which will only exacerbate tensions and undermine the already fragile ceasefire agreement and further jeopardize safety of passage through the Strait of Hormuz," Guo told a news conference in Beijing.

## China vows countermeasures

China also vowed to impose "countermeasures" in response to Trump's threats of new tariffs on its goods entering the United States if Beijing provided military assistance to Iran during the conflict involving the Islamic Republic.

"If the US insists on using this as an excuse to impose additional tariffs on China, China will definitely take resolute countermeasures," Guo said.

The senior Chinese diplomat further said that reports of China providing weapons to Iran "are completely fabricated." Iran's ambassador to the United Nations, Amir Saeed Iravani, called the blockade a "grave violation" of Iran's sovereignty, saying the measure was "unlawful."

## Eastern border trade posts 30% surge after war as basic supplies secured



By Sadeq Dehqan  
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## INTERVIEW EXCLUSIVE

Iran has maintained uninterrupted supplies of basic and consumer goods during a 40-day military onslaught that began late February, while trade transit through its eastern and northeastern borders has grown by approximately 30% compared to pre-war levels, a senior trade actor said.

Ensuring the supply of imported goods, particularly essential and consumer items needed by the population, has been among the country's top priorities during crisis and wartime conditions. Over the past six weeks, despite military attacks on the country and public concerns about potential shortages of essential items, officials have repeatedly stated that basic goods supplies have remained fully secured during wartime, and that no shortages would be felt even if the conflict were to continue for several months.

Kazem Shirdel, a member of the Khorasan Razavi Province Exporters Union, vice president of the Iran-Tajikistan Joint Chamber of Commerce, and a member of the joint commercial committees with Afghanistan and Kyrgyzstan, said that following the 40-day US-Israeli military attack on Iran that began on February 28, commercial exchanges through the country's eastern and northeastern borders have continued robustly, with transit and commercial traffic showing about 30% growth compared to before the war. "In the meantime, export restrictions and prohibitions imposed by the government on the agricultural and food sectors, which were adopted with the aim of maintaining domestic market stability, meeting the country's essential needs in wartime conditions, preventing potential goods shortages, controlling price fluctuations, and ensuring citizens' access to needed products, are gradually returning to normal and pre-war conditions," Shirdel said.

"Since the start of the war and at present, there are no problems at the Dogharun border (toward Afghanistan) and the Sarakhs border (the route for exports and imports to Tajikistan, Turkmenistan, and other Central Asian countries), and commercial exchanges through these routes are ongoing. Even some other provinces have been exporting their goods through these routes since the war began," he said.

"Transit and export/import infrastructure to Central Asia and Afghanistan is in place, and in this regard, the efforts of public and private



Kazem Shirdel

sector officials and their coordination and interaction have been very effective. For example, at the Dogharun border, the trade gateway to Afghanistan, where normally between 1,100 and 1,200 trucks crossed daily before the war, after the war started, daily truck traffic reached 1,800," Shirdel said.

"In the period after the war, transit and commercial exchanges at the Sarakhs border have grown between 30% and 40%. Also, the volume of goods transfer, truck and train traffic, and rail transport toward Central Asia, Turkmenistan, Uzbekistan, and Russia via the Sarakhs border has seen significant growth," he added.

The increase in truck and goods transport traffic has resulted from reducing unnecessary bureaucracy and facilitation measures that have sped up work, Shirdel said. Faster border crossings have resulted from solidarity and effective cooperation among involved organs and sectors, including measures such as accelerating responses to quarantine standards for goods and extending working hours at goods entry and exit points.

"Of course, this acceleration in commercial affairs at borders has not meant reduced standards, but has been made possible by extending working hours at goods entry and exit points. In the energy sector, for example, regarding diesel exports via rail wagons to Afghanistan and Central Asia, during the war period and at present, crossings are proceeding without problems," Shirdel added.

## Neighbors' aid

"In recent days, 107 trucks from Tajikistan's private and public sectors have sent humanitarian aid. Also, some humanitarian aid has arrived from Uzbekistan. These aids were delivered via trucks at the Sarakhs border to Iran's Red Crescent," Shirdel said.

"Of course, Iran also fulfilled its neighborhood duty toward bordering countries during the coronavirus pandemic and provided aid; even a plane carrying medicine and medical aid was sent from Tehran and Mashhad to Tajikistan," he added.

## Pakistan opens Iran transit corridor to Central Asia

### Economy Desk

Trade activity through the newly launched Iran-Pakistan transit corridor officially started on Monday with the dispatch of the first export shipment from Pakistan.

Sanaullah Abro, director of transit trade customs, told The Express Tribune that the maiden shipment — frozen meat — was sent to Tashkent, Uzbekistan, via refrigerated trucks.

Abro said that under the new arrangement, goods from Pakistan will move through Gwadar, cross into Iran, and then proceed toward Central Asian

destinations.

He added that the launch of the corridor is expected to stimulate Pakistan's economic growth and boost freight movement through the country's ports.

According to the Directorate of Transit Trade Customs, the corridor operates under the TIR (Transports Internationaux Routiers) system. To facilitate this, authorities have streamlined TIR procedures and activated major border points, including Taftan, Rimdan, Sost, and Gwadar.

Officials describe the Iran-Pakistan transit corridor as an important ad-



vancement for Pakistan's trade and transit sectors, with the potential to expand exports and strengthen regional connectivity. They said the route will offer Pakistan a cost-efficient alternative to maritime trade, reducing transport times and significantly cutting logistics expenses.