

# TankerTrackers pushes back on US claims of Iran oil storage crunch

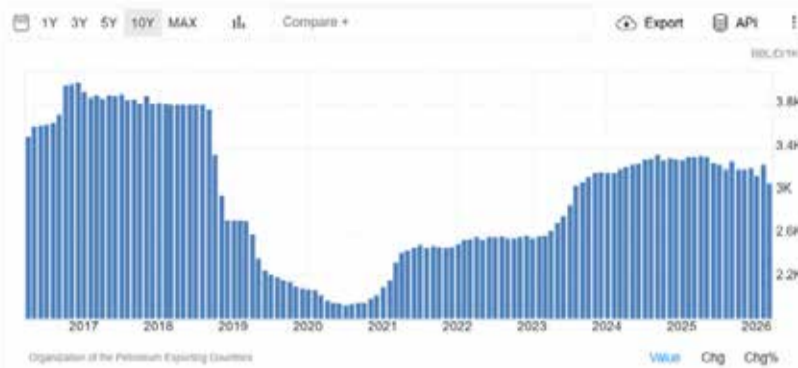
## Economy Desk

Maritime intelligence firm TankerTrackers challenged US claims that Iran's oil production is close to shut-down due to storage constraints, saying output could be sustained even if exports fall sharply.

In a series of posts on X, the firm said, "The ongoing narrative that Iran's oil storage will fill up ASAP and cause production to shutter is wrong," adding that Iran has the capacity to maintain production by redirecting crude for domestic use.

A US naval blockade of Iranian ports since mid-April has sharply reduced exports, leading to a rapid buildup of crude both onshore and offshore. Data from analytics firm Kpler showed Iranian crude loadings dropping from around 2.1 million barrels per day (bpd) before the blockade to about 567,000 bpd in recent weeks.

"If we look back to the Trump 1.0 era, Iran scaled back production to just under 2 Mbpd. Fact is that they can refine that entire amount of oil just for domestic consumption," TankerTrackers said. Data tracked since 2018 indicates Iranian exports have already declined from



recent highs and are likely to continue falling. However, the firm said that even if exports were to drop to zero, production could still be maintained at roughly 1.8 to 2 million bpd.

Referring to a separate chart tracking exports since April 2018, it added, "The prior tweet's chart showed Iran's oil production whereas this one shows Iran's oil exports as we've tracked them since April 2018. As you can see, exports are already down off their highs. Production will decrease. Assuming exports hit zero, production can still hold at 1.8-2 Mbpd." The report said output may not decline

as quickly as expected even without exports, provided Iran can deploy reserve tankers and move them past US-imposed restrictions.

US Treasury Secretary Scott Bessent has recently warned that Iran may be forced to shut down oil wells within a week as storage nears capacity under intensified sanctions and maritime restrictions.

The pressure is part of "Operation Economic Fury," targeting Iran's oil exports, financial networks and shipping routes to strain its economy. US President Donald Trump has extended the blockade of Iran's ports following a 40-day conflict,



aiming to push Tehran toward a peace agreement after a 40-day war.

Iran said it would continue monitoring traffic through the Strait of Hormuz. Under new conditions set by Tehran, only commercial vessels with prior authorization are allowed to transit, while

ships linked to the United States, Israel and other "hostile states" are barred.

Iranian officials, including Oil Minister Mohsen Paknejad, said measures are in place to counter the pressure and that the country would not be forced into halting production.

## Iran's saffron boom: 'Red Gold' harvest forecast to double to 600 tons

By Sadeq Dehqan  
Staff writer

### INTERVIEW

Iran's saffron production is forecast to more than double this year to around 600 tons, supported by improved weather conditions and expanded cultivation, the deputy head of Iran Saffron National Council said.

Gholamreza Miri told Iran Daily that output is expected to rebound sharply from about 220 tons last year, when production fell by 50% to 70% due to drought and water shortages that forced farmers in many rural areas to irrigate fields using tanker trucks.

Global saffron prices rose by about 20%, driven in part by reduced supply from Iran, the world's leading producer, as well as regional tensions and air transport disruptions, he said.

Domestically, saffron prices have also increased alongside a weakening currency, although exporters have not yet fully passed on higher costs to overseas buyers, Miri said, adding that a further 20% rise in global prices is likely due to ongoing supply constraints.

Iran's national currency has fallen to record lows amid mounting economic pressure. The rial weakened beyond 1.80 million per US dollar on the open mar-

ket on Tuesday, compared with around 811,000 a year ago.

Miri, referring to statistical fluctuations in the country's saffron production, said that no precise production figures were announced last year by the Ministry of Agriculture, noting that such statistics are often influenced by various political and external factors. However, reports indicate that Iran's saffron production stood at approximately 420 to 450 tons two years ago, while last year saw a decline of 50% to 70%, bringing total output down to around 220 tons.

The official expressed optimism about the current crop, stressing that favorable rainfall has improved field conditions. "At this time last year, saffron fields had already turned yellow, but now in early May they are green and healthy," he said, adding that cultivation areas have expanded and authorities are encouraging higher yields per hectare.

Average yields, which were about 6 kilograms per hectare three to four decades ago, have declined to around 3 kilograms in recent years. Plans are in place to raise productivity back to at least 6-8 kilograms per hectare, he said.

Miri attributed the long-term decline in yields to less specialized farming practices in the past, when many growers treated saffron cultivation as a secondary activity and relied on minimal irrigation, affecting flowering and output.



Saffron prices currently range between \$1,500 and \$2,000 per kilogram on global markets, he said. The highest-grade saffron, known as "Super Negin," is priced at about 265 million rials per kilogram domestically, (equivalent to roughly \$1,470).

Supply disruptions have been exacerbated by regional conflict, which has halted flights used for official exports. Countries in the Persian Gulf have also stopped direct purchases from Iran, similar to policies adopted by Saudi Arabia in recent years, though indirect trade continues via intermediaries.

As a result, many Iranian saffron producers, processors and exporters are operating at only about 10% of capacity, Miri said. Domestic consumption has declined due to inflation and economic pressures, while exporters are increasingly forced to route shipments through intermediary countries such as Turkey, Oman and Afghanistan. "We hope that by easing tensions, exports will return to normal conditions as soon as possible," he concluded.

## China's blocking of ...

Ultimately, while China's move—coming after its veto of a resolution proposed by Bahrain and Saudi Arabia—can be viewed as an example of Tehran-Beijing strategic relations, it should not be overlooked that China's approach to Iran is not rooted in an "alliance-based" framework. Rather, it is largely shaped by Beijing's broader policy of "risk manage-

ment." In pursuing this approach, China has managed to secure cost-effective energy flows from Iran, maintain stability in its energy sector, preserve its leverage in West Asia, and build up a bargaining chip ahead of negotiations with Washington, which remains entangled in the Persian Gulf's complexities.

Overall, Beijing's move can be seen as both a symbol and a component

of a "new economic-legal Cold War" between major power centers in the international system—one in which emerging powers are actively working to erode the dominance of unilateral US sanctions. On this basis, the anticipated Trump-Xi meeting is likely to play out as a stage for power bargaining over these tensions and the emerging order shaped by developments in West Asia.

## Petchem sector prioritizes feedstock supply in post-war recovery

### Economy Desk

Iran is prioritizing the supply of feedstock to downstream industries and essential consumer goods as it works to restore petrochemical production following recent US-Israeli attacks on key facilities, a senior oil official said on Tuesday.

Hassan Abbaszadeh, CEO of the National Petrochemical Company, said the industry was mobilizing all resources to rapidly rebuild damaged units, return production to stable levels and compensate for shortages of some products.

"Supplying feedstock for downstream industries and essential goods is at the top of the petrochemical sector's priorities," he said after a meeting with downstream industry associations, where the latest status of recovery and reconstruction at petrochemical complexes was reviewed.

"Our goal is to ensure there is no concern about meeting essential needs, as the raw materials used in downstream industries to produce goods required by the public must be supplied in a stable manner," the deputy oil minister added.

Iran suspended exports of all petrochemical products "until further notice" following US-Israeli attacks on its two main petrochemical hubs in the south earlier in April.

Air strikes over several days hit facilities in Mahshahr, in the southwestern province of Khuzestan, and in Asaluyeh, in the southern province of Bushehr, damaging installations at multiple companies. Iran's nominal petrochemical production capacity had reached about 100 million tons per year, with actual output at around 80 million tons. While no official figures have been released on the scale of damage, the petrochemical and steel sectors were among

the main targets of the attacks.

Abbaszadeh said ensuring stable feedstock supply to downstream industries was a key focus of discussions with industry groups, stressing the sector's role in completing the value chain, supporting employment and preventing layoffs in production units.

Separately, Saeed Torkaman, chairman of the board of the National Polymer Industries Association of Iran, said on April 20 that some petrochemical units damaged during the conflict had already resumed operations.

"Several industrial units had gone out of production, but industry engineers shortened the reconstruction period at an unbelievable pace, and fortunately some lines have returned to operation," he said, adding that facilities across the petrochemical value chain — from feedstock to finished products — had been affected.

## First smart grid R&D opened in Mashhad to address power shortages

### Economy Desk

Iran has inaugurated its first smart grid research and development center in northeastern city of Mashhad aimed at improving electricity supply-demand imbalances, a senior official at state power company Tavanir said on Tuesday.

Hamed Ahmadi, head of the technical, engineering and smartification office at Tavanir, said the facility is designed to enhance energy management and promote more efficient electricity consumption across the country.

"The management of smart consumption is one of the pillars of policymaking in the power

industry regarding imbalances," Ahmadi said, according to ISNA. He said the growing use of smart equipment in daily life has created a new ecosystem in the sector, with smart meters forming a key component. He added that other devices, including smart switches, are expected to be installed in households in the near future to enable more efficient electricity use.

Ahmadi said the new research and development center is equipped with solar power generation units, electric vehicles, energy storage systems and smart home technologies. He added that the facility is connected to all smart components linked to the power grid.



He said one of the center's key capabilities is simulating electricity sector data through data mining and artificial intelligence, allowing grid operators to make optimized decisions.

Ahmadi said the software and simulation tools used in the center have been developed domestically, adding that Iranian manufacturers are working to localize other advanced equipment in the sector.