



The Strait Beyond Oil

Report prepared – 25 April 2026

Disclaimer: *While every care has been taken to prepare this report from verifiable sources, nCa or anyone associated with nCa cannot be held responsible for any complications or problems arising from the use of this report. Ed.*

Copyright Notice: Only the original buyer of this report has the right to access it. Sharing it with anyone else, in any way whatsoever, constitutes the violation of copyright norms. This report, in its present form, is the intellectual property of nCa.



www.newscentralasia.net

news.asia@gmail.com

Table of Contents

| | |
|--|----|
| THE STRAIT BEYOND OIL | 3 |
| EXECUTIVE SUMMARY | 3 |
| 1. Fertilizers: Urea and Ammonia | 4 |
| Trade Flows at a Glance | 4 |
| Country-Level Exposure | 5 |
| 2. Metals: Aluminum and Steel Feedstocks | 5 |
| Aluminum..... | 5 |
| Steel Feedstocks..... | 6 |
| 3. Chemicals and Petrochemicals..... | 7 |
| Sulfur | 7 |
| Methanol and Petrochemical Feedstocks..... | 7 |
| Country-Level Exposure | 8 |
| 4. Helium: Where Technology Meets Healthcare | 8 |
| Why It Matters | 9 |
| Country Snapshots | 9 |
| 5. Refined Products and Container Shipping | 10 |
| Diesel and Jet Fuel | 10 |
| Jebel Ali and Container Trade | 10 |
| 6. The Bigger Picture: Systemic Risk and What Comes Next | 11 |
| Sources | 13 |

THE STRAIT BEYOND OIL

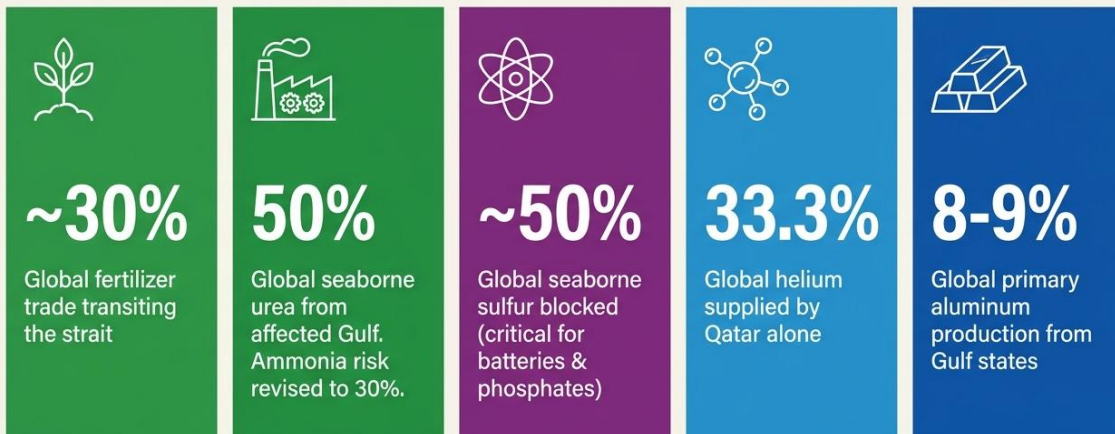
How the Hormuz Blockade Is Disrupting Global Supply Chains Beyond Energy

Data current as of 25 April 2026

EXECUTIVE SUMMARY

The blockade of the Strait of Hormuz has sent shockwaves far beyond the oil market. This report documents the disruption's impact on fertilizers, metals, chemicals, helium, and container shipping — with specific attention to which countries are most exposed and what that means on the ground. The headline conclusions:

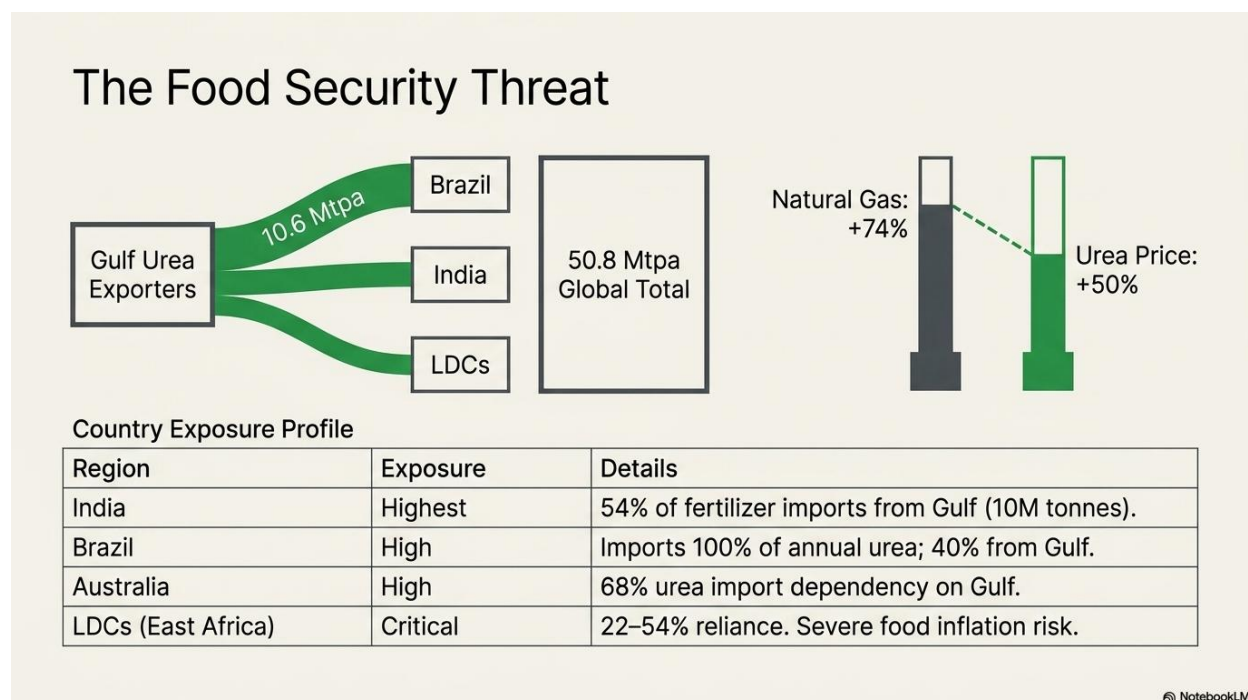
- Around **30% of global fertilizer trade** transits the strait, with India, Brazil, and the least-developed countries of East Africa facing the sharpest exposure.
- Roughly **30% of global ammonia** and nearly half the world's urea originate from the Gulf — figures that sit materially higher than pre-crisis estimates.
- Approximately **50% of global seaborne sulfur** passes through the strait, squeezing both battery manufacturing and phosphate fertilizer production.
- Qatar supplies roughly **one-third of global helium**, with South Korea's semiconductor industry and hospital MRI services among the most immediately at risk.
- Gulf states account for around **8-9% of global primary aluminum production** and about 20% of Europe's aluminum imports.



The shockwaves of the blockade extend far beyond energy markets, presenting immediate, localized crises across agriculture, manufacturing, advanced technology, and global logistics.

1. Fertilizers: Urea and Ammonia

The numbers here are striking. Around 30% of all global fertilizer trade passes through the Strait of Hormuz, according to the UN. Within that, the Gulf region supplies close to half the world's seaborne urea — and, as of late March 2026, urea prices had already risen by 50% since the crisis began. That is not an abstract market movement. It translates into higher costs for the farmers who grow the food the world eats.



Trade Flows at a Glance

- Global seaborne urea trade stood at approximately 50.8 million tonnes per annum (Mtpa) in 2025; around 10.6 Mtpa originates from the directly affected Gulf exporters (Saudi Arabia, Qatar, UAE).
- Global ammonia trade was approximately 10.9 Mtpa in 2025. Updated figures from the crisis period indicate that roughly 30% of global ammonia — not the 15% cited in earlier pre-crisis estimates — now faces disruption risk from Gulf facilities, particularly Saudi Arabia's east coast operations. The revised figure reflects damage to Gulf infrastructure and the near-total halt of shipping.
- Natural gas prices spiked 74% in early March 2026, feeding directly into the cost of nitrogen fertilizer production, since ammonia synthesis is gas-intensive.

Country-Level Exposure

| Country / Region | Exposure Level | Key Details |
|--|----------------|--|
| India | Highest | Imports approximately 10 million tonnes of fertilizer from the Gulf annually — around 54% of its total imports. Urea and ammonia dependency is acute, and there are limited short-term alternatives. |
| Brazil | High | Imports its entire annual urea supply, around 40% of which comes from the Gulf. Brazil's dominant role in global soybean and corn exports means fertilizer shortages carry food-security consequences well beyond its borders. |
| Australia | High | Imports nearly 68% of its urea from Gulf sources — one of the highest dependency ratios of any developed economy. |
| China | Moderate-High | Accounts for a significant share of Gulf urea imports but has substantial domestic coal-based production as a buffer. Price transmission and import gaps remain a concern. |
| USA | Moderate | About 12% of US urea consumption transits Hormuz, primarily from Qatar and Saudi Arabia. Domestic production provides a meaningful cushion. |
| Least Developed Countries (Sudan, Tanzania, Somalia, Mozambique) | Critical | 22–54% of seaborne fertilizer imports originate from the Persian Gulf. These countries have minimal fiscal capacity to absorb price shocks, and food insecurity risks are severe. |

UNCTAD has warned explicitly that higher fertilizer costs will intensify cost-of-living pressures in the world's most vulnerable economies — compounding food inflation that was already elevated before the crisis began.

2. Metals: Aluminum and Steel Feedstocks

Aluminum

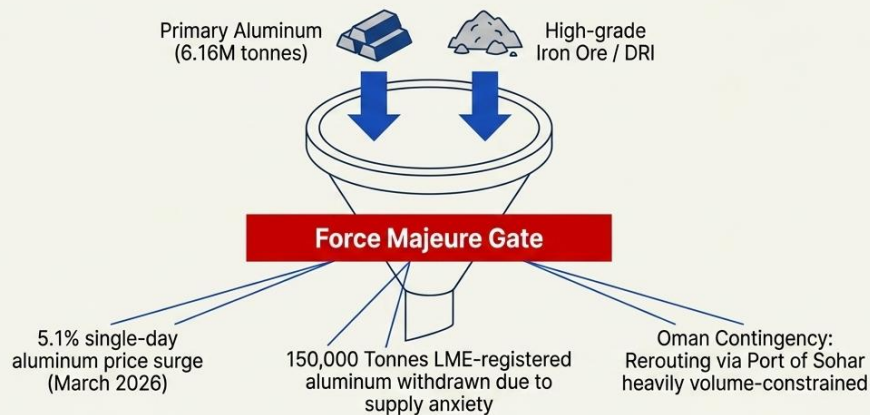
The Gulf Cooperation Council states collectively produce around 6.16 million tonnes of primary aluminum annually, which represents roughly 8-9% of global output. What makes this

strategically significant is where that aluminum goes: Europe sources around 20% of its imported primary aluminum from the Middle East, making it more exposed than the global average might suggest.

- Over 150,000 tonnes of LME-registered aluminum were withdrawn from warehouses in the weeks following the blockade, reflecting acute supply anxiety.
- Force majeure declarations by Gulf producers triggered a 5.1% single-day price surge in early March 2026.
- Some GCC producers have begun rerouting exports through Oman’s Port of Sohar as a contingency, though volumes are constrained.

Premium Editorial Intelligence Dossier

The Industrial Cost Multiplier



| Europe Exposure | Asia (India, China, SE Asia) Exposure |
|--|--|
| Highly exposed. Sources ~20% of its imported primary aluminum directly from the Middle East. | Absorbing sharply higher freight costs for DRI/Iron Ore, crushing steelmaking margins. |

© NotebookLM

Steel Feedstocks

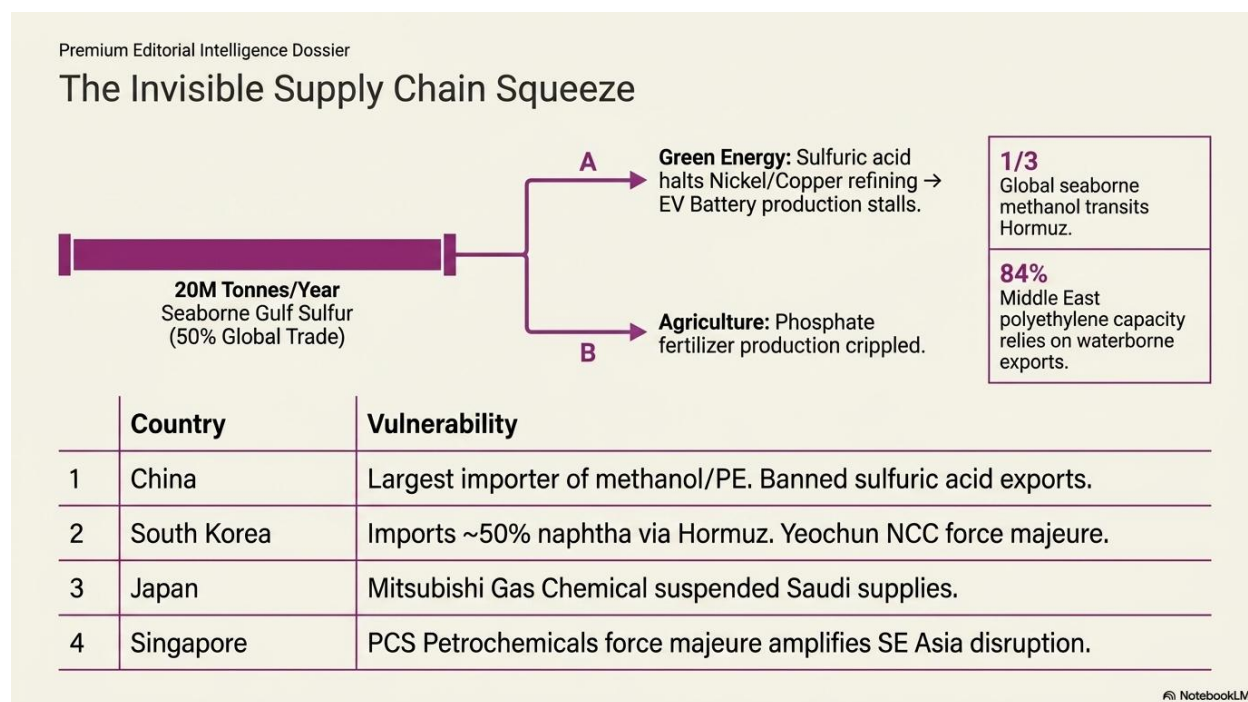
The Gulf is also a meaningful supplier of high-grade iron ore pellets and direct-reduced iron (DRI) — premium inputs for electric arc furnaces used in modern steelmaking. Disruptions are hitting Asian buyers in India, China, and Southeast Asia, while shipowners rerouting vessels around the Cape of Good Hope are absorbing sharply higher freight costs that compound margin pressure across the steel value chain.

3. Chemicals and Petrochemicals

Sulfur

Sulfur rarely makes front-page news, but it should. Around 50% of global seaborne sulfur trade originates from Persian Gulf refineries — roughly 20 million tonnes per year. It is an essential input for sulfuric acid used in nickel and copper refining (critical for EV batteries) and for phosphate fertilizer production. Industrial slowdowns in copper refining hubs in Indonesia and Africa’s copper belt are already being reported.

China has moved to ban sulfuric acid exports in response to domestic scarcity — a decision with knock-on effects for copper production in Chile, which relies on imported sulfuric acid as a process consumable.



Methanol and Petrochemical Feedstocks

- Around one-third of global seaborne methanol trade transits Hormuz; China is the largest buyer, and port inventories are approaching “below warning threshold” levels.
- The Middle East exported approximately 14 million tonnes of methanol and 6.5 million tonnes of ethylene glycol (MEG) in 2025.
- 84% of Middle East polyethylene (PE) capacity relies on Hormuz for waterborne exports.
- Asian petrochemical plants depend on the Middle East for 70-80% of their naphtha feedstock, most of which transits the strait.

Country-Level Exposure

| Country / Region | Key Vulnerabilities |
|-------------------------------------|--|
| China | Largest global importer of methanol, polyethylene, and MEG. Port inventories risk falling below warning thresholds. Coal-to-chemicals capacity provides partial mitigation but cannot absorb the full shortfall quickly. |
| South Korea | Imports roughly 50% of its naphtha via Hormuz. Yeochun NCC declared force majeure. Semiconductor and automotive sectors are downstream casualties. |
| Japan | Mitsubishi Gas Chemical suspended Saudi methanol supplies. Ethylene plants face feedstock constraints. |
| Singapore | PCS Petrochemicals issued force majeure notice. As a regional hub, disruptions here amplify across Southeast Asia. |
| India, Indonesia, Vietnam, Thailand | Significant MEG and polyolefin importers. Textile, packaging, and manufacturing sectors are exposed. |
| Europe | Major destination for PE and PP. Natural gas price spikes (up ~50%) compound energy-intensive chemical production costs. |

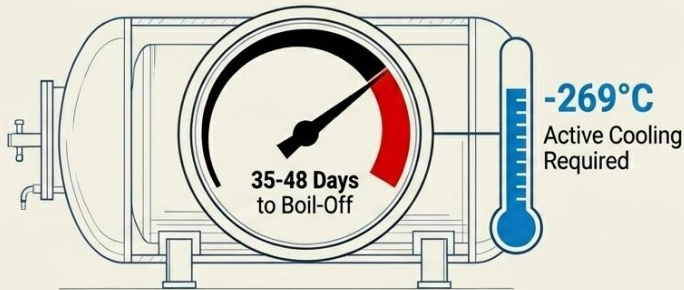
Wood Mackenzie estimates that a one-month disruption could stall exports of around 7 million tonnes of cracker feedstocks, 2 million tonnes of plastics, and 4 million tonnes of gas-based chemicals (methanol, ammonia, urea). Benchmark olefins and polyolefins prices surged over 30% within days of the escalation.

4. Helium: Where Technology Meets Healthcare

Helium is easy to overlook — it is colourless, odourless, and most people associate it with birthday balloons. But in 2026, it has become one of the more anxiety-inducing commodity stories of the crisis. Qatar produces roughly one-third of the world's helium as a byproduct of LNG processing at Ras Laffan. Iran's attacks on Gulf infrastructure in March 2026 disrupted that facility directly, compounding the shipping blockade.

The problem with helium is physical. Stranded cryogenic containers face boil-off risks within 35-48 days without active cooling. There is no easy workaround, and no substitute for many of its applications.

The Tech and Healthcare Ticking Clock



| | |
|---|---|
| <p>Semiconductors Helium displaces oxygen and cools etching. Fabs face shutdown without steady supply.</p> | <p>Healthcare Liquid helium is mandatory to maintain hospital MRI superconducting magnets.</p> |
|---|---|

| | South Korea | United States | China |
|-------------------|---|--|--|
| Country Snapshots | Samsung/SK Hynix source 65% from Qatar. Stockpile exhaustion risk by June 2026. | Strategic reserve at Amarillo, Texas heavily drawn down; minimal buffer available. | Accelerating domestic prospecting—a long-term pivot, not an immediate fix. |

NotebookLM

Why It Matters

- Semiconductor fabs use helium to displace oxygen and moisture during fabrication and to cool etching processes. Samsung and SK Hynix in South Korea source around 65% of their helium from Qatar.
- MRI scanners require liquid helium to maintain superconducting magnets at -269°C. Without a reliable supply, diagnostic capacity at hospitals is at risk.
- Quantum computing and particle physics research infrastructure is also dependent on ultra-low-temperature cooling.

Country Snapshots

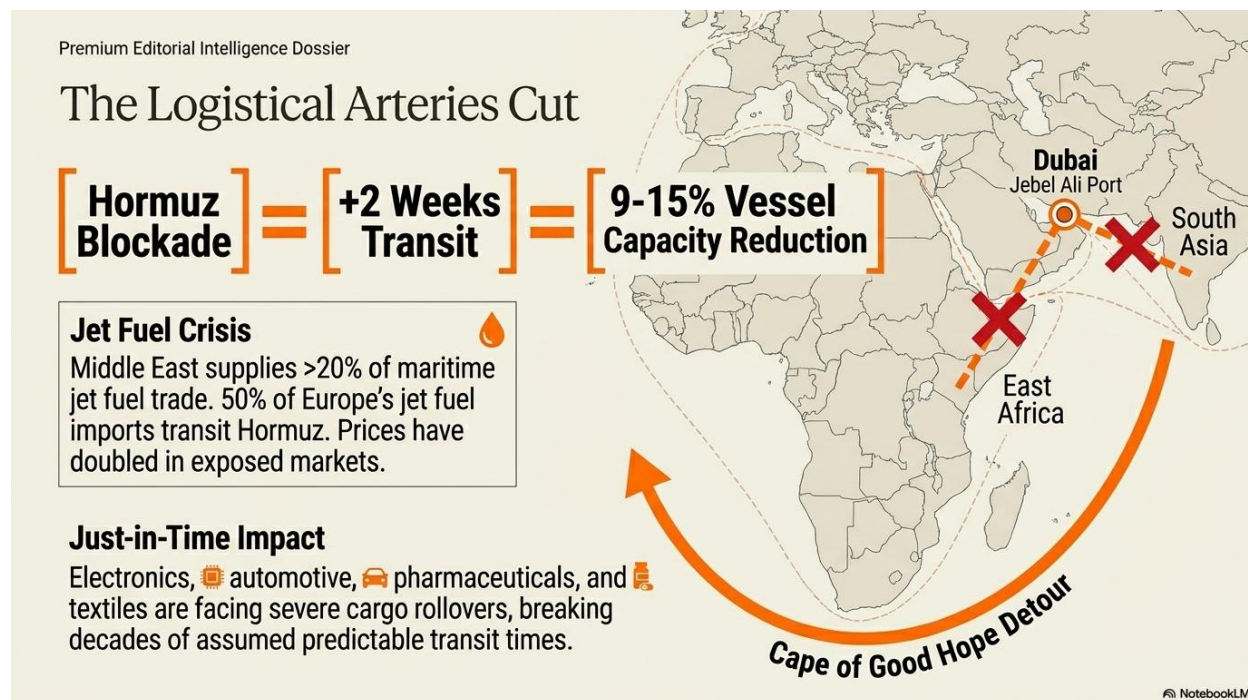
| Country | Status |
|---------------|---|
| South Korea | Officials warn that helium stockpiles could be exhausted by June 2026 if the crisis continues. Semiconductor production is the primary concern. |
| Taiwan | Reports stable stocks due to diversified supply chains, but is monitoring the situation closely. |
| United States | The strategic reserve at Amarillo, Texas has been significantly drawn down following sales mandated by the Helium Stewardship Act of 2013, reducing the available buffer. |

| Country | Status |
|---------|--|
| China | Accelerating domestic helium extraction and reserve prospecting to reduce import dependency — a long-term strategic pivot rather than an immediate solution. |

5. Refined Products and Container Shipping

Diesel and Jet Fuel

Jet fuel has emerged as the refined product most vulnerable to the blockade. The Middle East supplies more than 20% of global maritime jet fuel trade, and around 50% of Europe's jet fuel imports transit the strait — compared to roughly 12% for diesel. Jet fuel prices have doubled in some markets; European airlines are scrambling to source alternative supplies from the US Gulf Coast.



Jebel Ali and Container Trade

The Strait of Hormuz accounts for less than 4% of global container throughput by volume — but that headline figure understates the real exposure. Dubai's Jebel Ali port is the regional

transshipment hub linking Asia, Europe, and Africa. When it cannot function normally, cargo rollovers and feeder service delays cascade across the Indian subcontinent and East Africa.

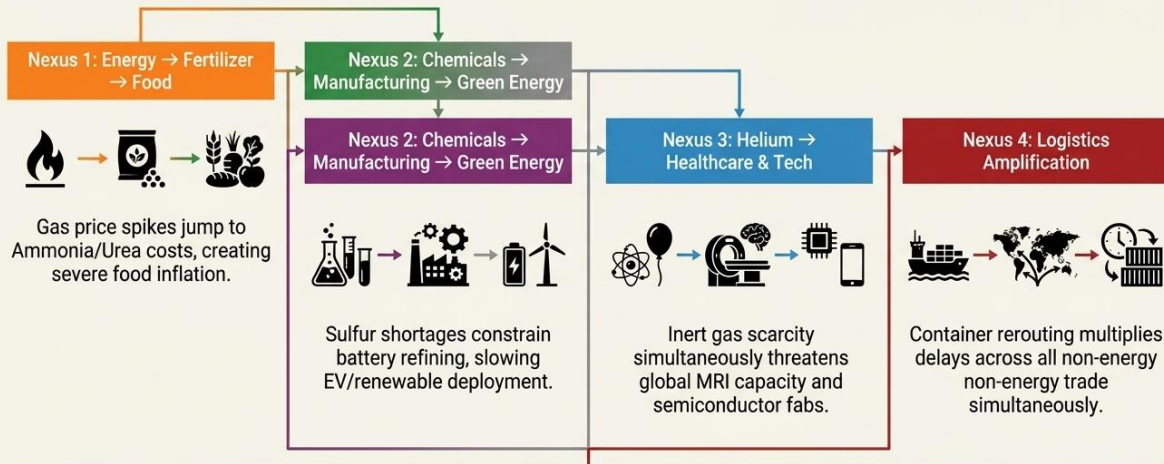
- Rerouting shipments around the Cape of Good Hope adds roughly two weeks of transit time on the Asia-Europe corridor, effectively reducing available vessel capacity by 9-15%.
- East African and South Asian importers of electronics, pharmaceuticals, and industrial components are already experiencing delays.
- Just-in-time supply chains in automotive, electronics, and textiles — built over decades on the assumption of predictable transit times — are particularly exposed.

6. The Bigger Picture: Systemic Risk and What Comes Next

The Hormuz crisis is a live demonstration of how a single maritime chokepoint can transmit stress across interconnected commodity systems simultaneously. Several cascades are already visible:

- **Nexus 1:** Energy → Fertilizer → Food: Natural gas price spikes feed into ammonia and urea costs, which raise food production expenses, which amplify inflation in economies least able to absorb it.
- **Nexus 2:** Chemicals → Manufacturing → Green Energy: Sulfur and methanol shortages constrain battery material refining, slowing EV and renewable energy deployment at the worst possible moment.
- **Nexus 3:** Helium → Healthcare and Technology: Scarcity of a single inert gas simultaneously threatens hospital diagnostics and global semiconductor production.
- **Nexus 4:** Logistics Amplification: Container rerouting and port congestion multiply delays across all non-energy trade, affecting consumer goods, medicines, and industrial inputs alike.



The Cascading Nexuses



Current Reality Update (13 April 2026): The US Navy counter-blockade of Iranian ports has created a Dual-Blockade reality. Commercial transits are near zero. Ammonia exposure is confirmed at 30%, double initial estimates

It is also worth noting what has changed since early reports on this crisis. The ammonia exposure figure has been revised upward materially — from around 15% to closer to 30% of global trade — as the true scale of Gulf infrastructure disruption became clearer. Urea prices are up 50% since the war began. And the crisis has escalated beyond a straightforward Iranian blockade: as of 13 April 2026, the US Navy imposed its own counter-blockade of Iranian ports, creating a dual-blockade situation that has reduced commercial transits through the strait to near zero.

Global Vulnerability Diagnostic Matrix

| | Fertilizers | Metals | Chemicals | Helium | Shipping/Fuel |
|--------------------|--|--|--|--|---|
| India |  54% reliance |  DRI costs up | | |  Rollover delays |
| South Korea | | |  50% naphtha reliance |  Exhaust by June | |
| Europe | |  20% Aluminum |  Energy costs | |  50% Jet Fuel reliance |
| Brazil |  100% urea imported | | | | |
| China |  Coal buffer |  Margin squeeze |  Port inventory low |  Domestic pivot | |

NotebookLM

The commodity exposures documented here are therefore not a worst-case scenario — they are the current reality. How long they persist depends on a geopolitical resolution that remains elusive.

Sources

All data and analysis draws from publicly accessible, verifiable sources:

- World Economic Forum (April 2026). Beyond oil: 9 commodities impacted by the Strait of Hormuz crisis.
- UNCTAD (2026). Strait of Hormuz disruptions: Implications for global trade and development.
- Rystad Energy (2026). Strait of Hormuz power struggle threatens fertilizer and ammonia trade.
- The Conversation (April 2026). The world's supply of helium is being threatened by the Iran war.
- Wood Mackenzie (2026). Strait of Hormuz blockade bites global chemicals sector.
- Chemical & Engineering News (2026). Strait of Hormuz closure hits Asia's chemical industry.
- Institute of Materials, Minerals & Mining (2026). Strait of Hormuz closure affects chemicals and plastics exports.
- Breakbulk News (2026). Strait of Hormuz closure threatens global container trade as Jebel Ali faces disruption.

- Wikipedia: 2026 Strait of Hormuz crisis (accessed April 2026) — used for cross-referencing commodity figures.
- PolitiFact (April 2026). Not just oil: How the Strait of Hormuz blockage affects US consumers.
- OilPrice.com (2026). The Critical Commodities Caught in the Hormuz Blockade.
- Renewable Matter (April 2026). Strait of Hormuz: from helium to aluminium, the non-oil raw materials crisis.
- Argus Media, ING Think, Fastmarkets, and UNCTAD cited inline for specific trade data and price movements.

Note: Figures reflect the most recent verified data available as of late April 2026. The situation remains fluid; readers requiring operational decisions should consult real-time trade monitoring platforms.
