Impact of the Closure of the Strait of Hormuz on Oil and LNG Imports of Asian APEC Economies

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Introduction

On 28 February 2026, military strikes launched by the United States and Israel against Iran triggered a conflict that effectively resulted in the closure of the Strait of Hormuz, one of the world's most important energy transportation corridors.

The Strait of Hormuz is a critical global energy chokepoint through which approximately one-quarter of the world's seaborne oil trade and one-fifth of global liquefied natural gas (LNG) trade passed in 2025. It serves as the principal export route for major energy-producing economies, including Saudi Arabia, Qatar, Bahrain, the United Arab Emirates, Kuwait, Iraq, and Iran. Consequently, any disruption to traffic through the Strait has significant implications for energy-importing economies, particularly those in Asia that depend heavily on energy supplies from the Middle East.



The Strait of Hormuz

This article examines the impact of the Strait's closure on the imports of crude oil, LNG, and petroleum products in Asian APEC economies during the first half of 2026, using data reported through the Joint Organisations Data Initiative (JODI).

This analysis covers 11 APEC member economies in Southeast and Northeast Asia: Brunei Darussalam; China; Hong Kong; China; Indonesia; Japan; Korea; Malaysia; the Philippines; Singapore; Chinese Taipei; and Thailand. Viet Nam is excluded because it did not submit JODI Oil and JODI Gas data during the period covered by the analysis. Furthermore, data availability varies across the participating economies. Not all economies report crude oil and LNG import data, as these categories are not applicable to all of them, and some economies do not report data on stock changes.

Crude Oil Imports

Figure 1 presents monthly crude oil import trends from January 2025 to June 2026 for ten Asian APEC economies [1]. The data shows a clear decline in crude oil imports following the disruption of shipping routes through the Strait of Hormuz.

The average year-on-year rate of change for April and May 2026 was negative across all ten economies. Particularly sharp declines exceeding 20% were recorded in China; Japan; the Republic of Korea; Malaysia; the Philippines; Singapore; Chinese Taipei; and Thailand. These reductions became visible in import statistics from April onward, reflecting the time lag between disruptions to maritime transport and the recording of imports in government statistical systems.

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"…..indicated that the disruption extended beyond crude oil and also affected trade in refined petroleum products.."

[1] *No crude oil imports in Hong Kong, China; no data submission from Viet Nam.*

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LNG Imports

Figure 2 illustrates monthly LNG import trends from January 2025 to June 2026 for nine Asian APEC economies.[2]. Compared with crude oil, LNG imports appear to have been more resilient to the disruption.

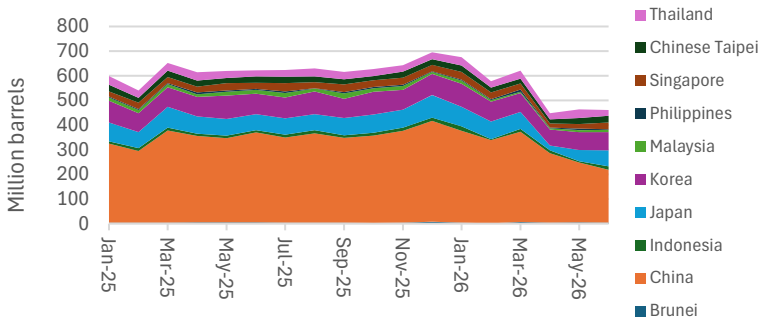
Nevertheless, China; Hong Kong, China; Japan; and Singapore experienced average year-on-year declines of more than 15% in April and May 2026. The reported absence of LNG imports in Hong Kong, China, during these two months may reflect transportation disruptions and logistical constraints resulting from the conflict. By June 2026, LNG imports had largely returned to pre-closure levels, suggesting that LNG supply chains adjusted more quickly than crude oil supply chains.

Petroleum Product Imports

Figure 3 shows monthly trends in petroleum product imports from January 2025 to June 2026 for eleven Asian APEC economies. The data indicate that the disruption extended beyond crude oil and also affected trade in refined petroleum products.

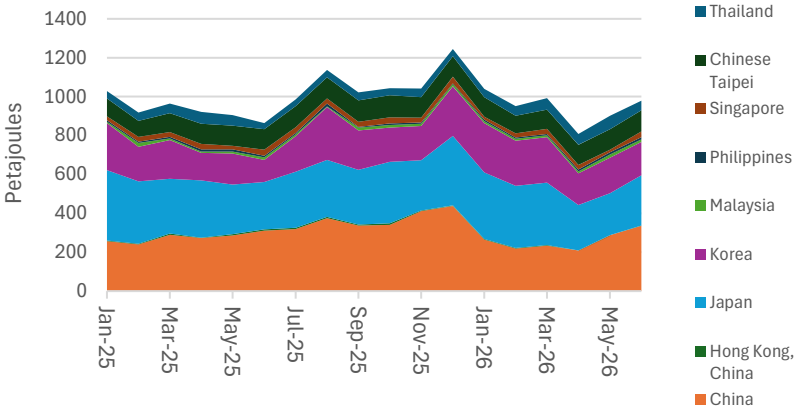
All economies except Indonesia recorded year-on-year declines of more than 10% in at least one month between April and June 2026. Particularly significant reductions were observed in China, where average imports fell by 49% in April and May, while Japan and the Republic of Korea recorded average declines of 20% and 21%, respectively. These results highlighted the widespread impact of the Strait's closure on regional fuel supply chains.

Figure 1● Monthly trends in crude oil imports for the 10 Asian APEC economies



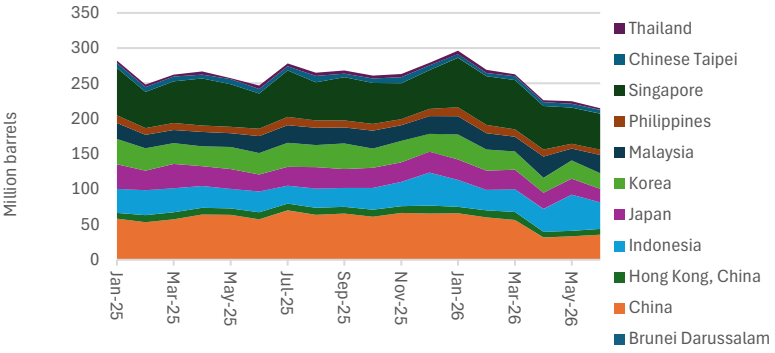
Source: EGEDA (JODI Oil)

Figure 2● Monthly trends in LNG imports for the 9 Asian APEC economies



Source: EGEDA (JODI Gas)

Figure 3 ● Monthly trends in petroleum product imports for the 11 Asian APEC economies



Source: EGEDA (JODI Oil)

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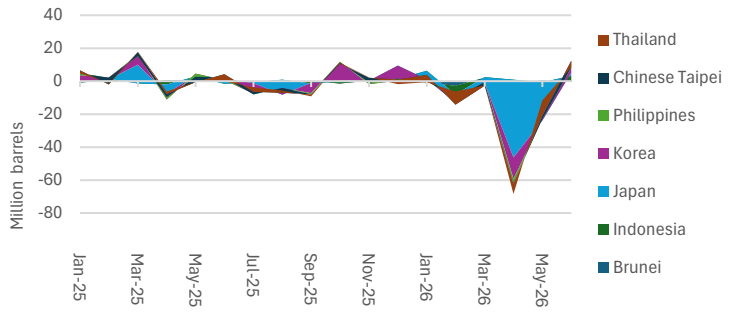
[2] *No LNG imports in Brunei Darussalam and Indonesia; no data submission from Viet Nam.*

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Crude Oil Stock Changes

Figure 4 presents the monthly crude oil stock changes from January 2025 to June 2026 for seven Asian APEC economies[3] Stock movements provide additional insight into how economies responded to lower stocks fell by 47,082 thousand barrels in Japan and 13,058 thousand barrels in the Republic of Korea. These decreases suggest that some economies relied on strategic or commercial inventories to help offset reduced imports and maintain domestic supply.

Figure 4● Monthly trends in crude oil stock changes for the 7 Asian APEC economies



Source: EGEDA (JODI Oil)

Key Takeaways

The import and stock data for April to June 2026 demonstrate the significant influence that disruptions in the Strait of Hormuz can have on energy-importing economies across the Asia-Pacific region. While both oil and gas markets were affected, crude oil imports experienced the sharpest declines, and several economies drew down inventories to mitigate supply constraints.

The episode serves as a reminder of the continued importance of energy security, supply diversification, and emergency preparedness in the region. As geopolitical uncertainties persist, close monitoring of energy markets, timely data sharing, and continued co-operation among APEC economies will remain essential for strengthening resilience against future supply disruptions.

[3] *No data submission from China, Hong Kong, China, Malaysia, Singapore, and Viet Nam; no data submission for May and June 2026 from the Philippines.*

EGEDA under EWG-APEC

Expert Group on Energy Data and Analysis

The Expert Group on Energy Data and Analysis (EGEDA) is an expert group under the APEC Energy Working Group (EWG). It is responsible for providing policy-relevant energy information to APEC bodies and the wider community by collecting energy data from the APEC region and managing the operation of the APEC energy database through its coordinating agency, the Energy Statistics and Training Office (ESTO) of the Asia Pacific Energy Research Centre (APERC). EGEDA has members from the 21 APEC economies and meets once a year.

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APERC Asia Pacific Energy Research Centre

ASIA PACIFIC ENERGY RESEARCH CENTRE

The Asia Pacific Energy Research Centre (APERC) was established in July 1996 in Tokyo following the directive of APEC Economic Leaders in the Osaka Action Agenda. The primary objective of APERC is to conduct research to foster understanding among APEC members of regional energy outlook, market developments and policy.

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