



POTEN TANKER OPINION



A Fool's Game?

Predicting key tanker market developments for 2026

We are only a few weeks into 2026, and we have already seen major geopolitical developments in countries that are important to the tanker markets: Venezuela and Iran. If this is any indication of what we are in for in 2026, it will be a rollercoaster ride. History shows that tanker markets are very hard to predict because they are global, sensitive to geopolitical events, exposed to volatile commodity markets, highly competitive and relatively unregulated. However, that does not deter us from giving it another shot. To paraphrase Gimli in Tolkien's Return of the King: "Certainty of death (or in our case being wrong). Small chance of success. What are we waiting for?" Here are our five predictions:

1. *The size of the sanctioned fleet will shrink in 2026*

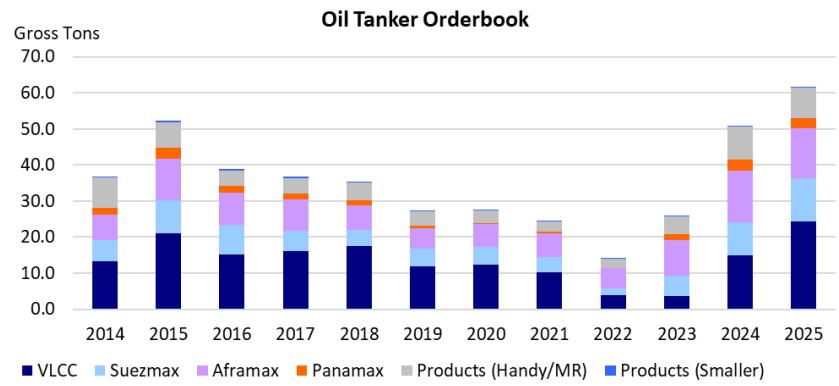
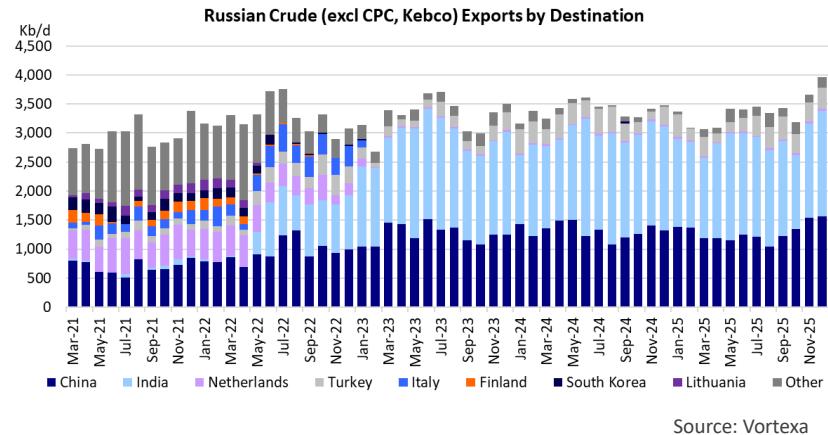
Let's start with what might be the most controversial prediction. The fleet of sanctioned tankers has grown considerably every year since 2022, when Russia invaded Ukraine. Over the course of 2024 and 2025, many vessels were added to the list by the U.S., the E.U. and the U.K., growing the sanctioned fleet to 1,306 tankers at the start of 2026 (according to TankerTrackers.com). The sanctioned fleet is ageing rapidly, and tighter enforcement has reduced their employment opportunities. After the U.S. removed President Maduro and took control of Venezuela's oil industry, sanctioned tankers are no longer welcome. The challenge regarding this prediction is that recycling sanctioned tankers is complicated and has therefore been very limited.

2. *Under U.S. supervision, Venezuela's production and exports will increase by 250,000 b/d in 2026*

The changes in Venezuela have been rapid and dramatic so far in 2026. The spectacular U.S. raid that removed Nicolas Maduro on January 3rd, has focused the world's attention on Venezuela's dilapidated oil sector. Over the last two decades, production in the country (which boasts the world's largest oil reserves) has declined precipitously as a result of mismanagement, corruption, lower oil prices and U.S. sanctions. At the end of December 2025, the IEA pegged Venezuela's oil production at 0.99 Mb/d. We think that increased involvement of international traders, service companies and oil companies can boost Venezuela's production to 1.24 Mb/d by December 2026.

3. *Russian crude oil production and exports will decline in 2026*

Despite ever increasing sanctions on Moscow since their attack on Ukraine, Russian crude oil production and exports have remained remarkably resilient. Russia rapidly built up a large "dark fleet" and was able to divert exports from its traditional customers in Europe to sell more in China, India and Turkey. However, a large section of the dark fleet is now sanctioned and



the U.S. and E.U. are increasing the pressure on India, in particular, to reduce its imports of Russian crude. President Trump has increased India's tariffs, and the E.U. is banning refined product imports derived from Russian crude. We expect that the pressure on Russia will mount and the country's crude oil exports in 2026 will be well below 2025 levels.

4. *OPEC+ will cut production again*

During 2025, the OPEC+ countries rapidly unwound some of the production voluntary production cuts that they instituted during the pandemic. Over the course of 2025, the eight core members of OPEC+ restored roughly 2.2 Mb/d of oil production. In their December meeting they announced that they would pause further production increases in 2026. Most oil market analysts and agencies (IEA, EIA) expect that the oil market will be oversupplied in 2026. While geopolitical tensions have kept oil prices elevated so far in 2026, we expect prices to soften in 2026, prompting an OPEC+ production cut this year.

5. *The tanker orderbook will decline in 2026*

The tanker orderbook for vessels > 10,000 dwt reached 61.6 Million Gross Tons (Mn GT) at the end of 2025, 10.7 Mn GT higher than the orderbook at the end of 2024. Tanker contracting, which was very low during the pandemic years of 2020-2022, has recovered strongly due to dramatically improved rates, and owners flush with cash started a major drive towards fleet renewal against the backdrop of an ageing fleet. However, we believe 2025 will prove to be the high watermark for orders and deliveries will outpace orders in 2026.