WPB

BITUMEN MAGAZINE

Limited Report of Bitumen Market During the Last Two Weeks of July 2026

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Political Analysis

1. Hormuz: When Sovereignty Becomes a Trade Barrier

The Strait of Hormuz is no longer defined only by whether vessels can physically pass through it. Competing permit systems, military escorts, security guarantees, and sovereignty claims are creating a far more complicated question: whose authorization can shipowners, banks, and insurers actually trust? At the same time, military escalation along Iran's southern coast is exposing refineries, terminals, port operations, and specialized tanker routes to disruption even when facilities are not directly attacked.

Can a technically open waterway still become commercially unusable? And what happens to bitumen exports when a vessel receives conflicting instructions from rival authorities? **The full version covers the answers to all these questions and explains how political ambiguity is being converted into higher insurance, freight, and delivery costs.**

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2. Beyond the Chokepoint: Alternative Corridors and Iraq's Strategic Rise

Pipelines and ports outside Hormuz may reduce dependence on the strait for crude exports, but bitumen requires much more specialized infrastructure. Heated storage, insulated tankers, dedicated loading systems, packaging facilities, and temperature-controlled transport cannot be relocated overnight. Meanwhile, Iraq is pursuing a dual strategy: demanding greater influence within OPEC while developing the Al Faw–Türkiye–Europe corridor to become a regional transport bridge, not merely an oil producer.

Can alternative corridors genuinely replace Gulf bitumen routes or will they simply shift risk and increase costs? Could Iraq's Development Road transform the country into a major logistics power connecting the Gulf with Europe? **The full version addresses every question and examines the infrastructure, customs, security, and diplomatic conditions required for these alternatives to succeed.**

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3. Refineries Under Fire—and State-Controlled Supply Returns

Drone attacks on Russian refineries show how downstream facilities producing fuels, petrochemicals, and road bitumen have become strategic military targets. Even after headline fuel output recovers, bitumen supply may remain restricted as governments prioritize gasoline and diesel. At the same time, Venezuela and Turkmenistan are returning to the supply discussion—but sanctions, licensing, financing, infrastructure quality, transparency, and transport access will determine whether their announced resources translate into commercially available volumes.

Why can bitumen shortages continue after a refinery resumes fuel production? Could Venezuela's extra-heavy crude reshape Atlantic supply patterns, and can Turkmenistan become a more influential supplier across Central Asia? **The full version covers the answers to all these questions, revealing why political access and logistics capacity now matter as much as production itself.**

Economic Analysis

1. Risk Is Repricing Bitumen Far Beyond the Refinery Gate

The global bitumen market is no longer driven by refinery economics alone. Conflict in and around the Persian Gulf is adding risk premiums to crude, freight, insurance, financing, and vessel availability, making delivered cost far more important than nominal export price. Even when freight rates fall from crisis highs, the market does not return to normal: specialized vessels, war-risk cover, heating costs, demurrage, and unreliable loading windows continue to inflate the real cost of supply.

Why can a cheaper FOB offer still become the most expensive cargo in practice? And how much of today's bitumen price is no longer about production cost at all, but about security, timing, and contract risk? **The full version explains how geopolitical instability is reshaping the true economics of bitumen trade.**

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2. Supply Exists—But Can It Actually Be Delivered?

One of the market's biggest tensions is the widening gap between physical availability and commercial deliverability. Iran may still produce and store bitumen, but that does not guarantee exportable supply when ship calls are disrupted, insurers step back, banks reject documents, or routing becomes unpredictable. At the same time, bitumen remains a deeply regional commodity: Australia, Europe, Central Asia, the Mediterranean, and Atlantic markets each respond differently depending on refining capacity, seasonal demand, and access to replacement origins.

When does available supply stop being usable supply? And if new volumes appear in places like Turkmenistan or Venezuela, can they really change the market—or only ease pressure in nearby regions? **The full version answers these questions by showing why logistics resilience is now as important as production itself.**

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3. From Commodity Bitumen to Engineered Market Access

The industry is also changing from within. Competitive advantage is shifting away from undifferentiated paving grades toward engineered products such as polymer-modified binders, crumb-rubber systems, emulsions, waterproofing materials, and performance-backed formulations. At the same time, large infrastructure programs—especially corridor projects like Iraq's Development Road—are creating demand that suppliers can only capture if they meet increasingly complex standards, testing regimes, documentation rules, and delivery schedules.

Will future market leaders be the lowest-cost producers, or the companies with the strongest laboratories, certification systems, and application support? And in major infrastructure markets, is technical compliance now just as decisive as access to crude and refinery output? **The full version explores how standards, specialization, and logistics reliability are redefining who can truly compete in the bitumen business.**

Scientific Analysis

1. Recycled Roads and Extreme Heat: Can Sustainability Survive the Climate Test?
Reclaimed asphalt can reduce virgin material use, emissions, and lifecycle costs—but its aged, oxidized binder may also increase brittleness, cracking, and workability problems. At the same time, more intense heatwaves are pushing conventional pavements beyond their historical design limits, causing rutting, bleeding, and surface deformation. Sustainable pavement design must therefore balance recycled content with rejuvenation, climate-adjusted binders, polymer modification, optimized aggregate structures, and realistic performance testing.
How much reclaimed asphalt can be used before environmental gains lead to premature maintenance? And can tomorrow's roads withstand temperatures that yesterday's specifications never anticipated? **The full version examines how laboratory characterization, field validation, and climate-responsive design can reconcile recycling with long-term durability.**

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2. From Fatty Amines to Biochar and Pine Resin: Reinventing the Asphalt Formula
A new generation of additives is changing how asphalt manages moisture, carbon, and petroleum dependence. Fatty amines strengthen adhesion between bitumen and aggregate, helping prevent stripping, potholes, and raveling. Biochar made from agricultural and forestry residues can store biogenic carbon while partially replacing mineral filler or modifying the asphalt matrix. Pine-derived resin offers another renewable pathway by replacing part of the petroleum binder while retaining familiar paving processes and performance characteristics.
Can these materials deliver measurable environmental benefits without sacrificing workability, adhesion, or resistance to traffic and weather? Which factors—dosage, particle size, mineralogy, compatibility, or storage stability—determine whether they succeed commercially? **The full version explores why careful formulation, field trials, and long-term monitoring are essential before promising alternatives can become reliable road-building systems.**

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3. Low-Carbon Claims Need Proof: The Rise of Digital Verification
Innovative materials alone cannot make a road demonstrably sustainable. Digital platforms are beginning to connect formulations, construction records, project locations, lifecycle calculations, and verified emission reductions—potentially turning low-carbon paving into auditable environmental assets. Meanwhile, advanced binders, emulsions, membranes, and coatings must prove their performance through rheology, ageing, adhesion, temperature testing, manufacturing controls, and application-specific standards.
Can carbon savings be trusted when lifecycle boundaries and testing methods differ between projects and markets? And could durability data and verified emissions eventually become as commercially important as product price? **The full version reveals how traceability, independent verification, and standardized performance evidence are becoming central to the future of advanced road materials.**

Port-Wise Price Analysis

Iran

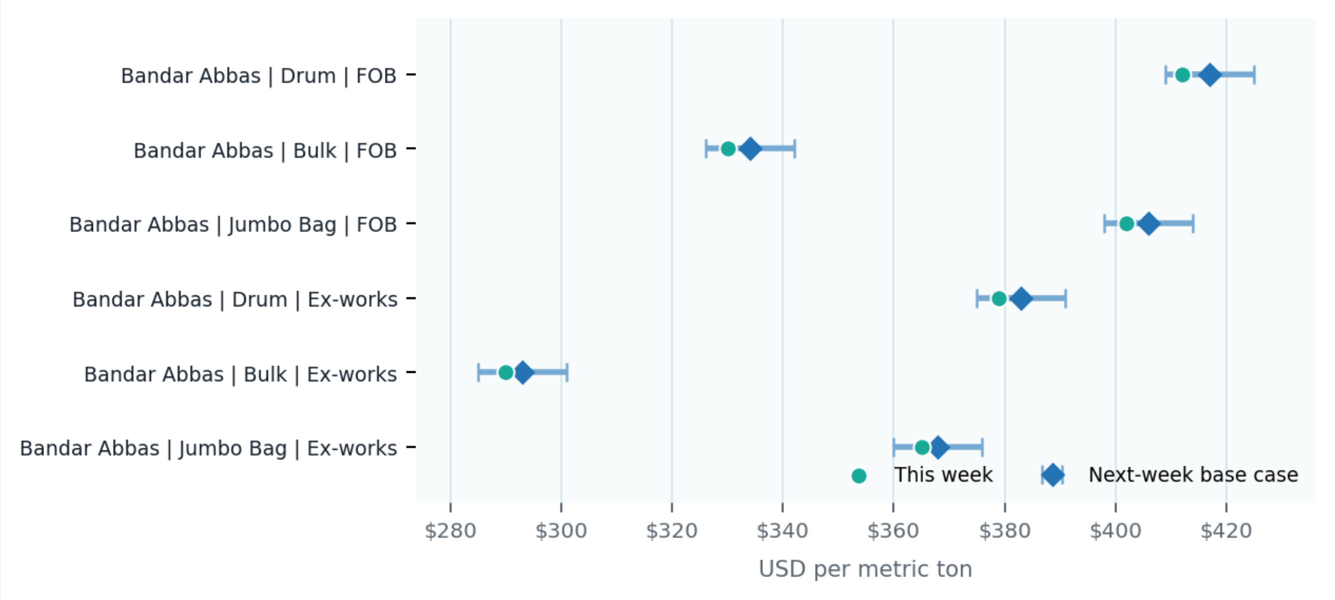
WEEKLY BITUMEN PRICE OUTLOOK | WEEK 3 OF JULY 2026

Port / Location	Basis	Grade / Form	This Week USD/MT	Next Week Base / Range	Outlook
Bandar Abbas	FOB	60/70 Drum	**$412 ± 5**	**$417 / $409–$425**	**Slightly Firmer**
Bandar Abbas	FOB	60/70 Bulk	**$330 ± 5**	**$334 / $326–$342**	**Slightly Firmer**
Bandar Abbas	FOB	60/70 Jumbo Bag	**$402 ± 5**	**$406 / $398–$414**	**Slightly Firmer**
Bandar Abbas	Ex-works	60/70 Drum	**$379 ± 5**	**$383 / $375–$391**	**Slightly Firmer**
Bandar Abbas	Ex-works	60/70 Bulk	**$290 ± 5**	**$293 / $285–$301**	**Slightly Firmer**
Bandar Abbas	Ex-works	60/70 Jumbo Bag	**$365 ± 5**	**$368 / $360–$376**	**Slightly Firmer**

MARKET ANALYSIS

Iran's quotation structure shows a clear logistics premium between ex-works and FOB cargoes, with export handling, inland transfer, port services, and financing adding materially to the delivered export basis. Drum and jumbo-bag quotations remain well above bulk because packaging, handling, and container compatibility are embedded in the price. The base case for next week is slightly firmer rather than sharply higher: the market appears sufficiently supplied, but proximity to the Strait of Hormuz keeps freight, insurance, and loading risk asymmetric. A disruption-free week should preserve the current hierarchy, while any tightening in vessel availability would be felt first in FOB drum and jumbo-bag offers. The forecast therefore assumes stable refinery output and no major interruption to Bandar Abbas operations, with a modest risk premium retained across export grades.

PRICE OUTLOOK BY PORT / QUOTATION



Russia

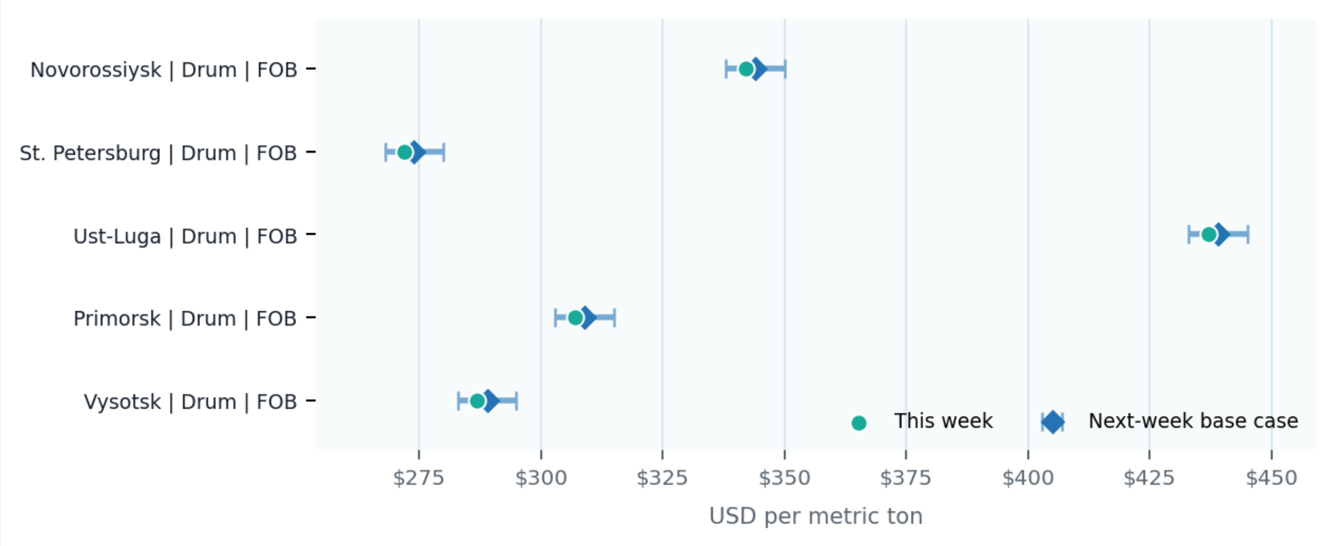
WEEKLY BITUMEN PRICE OUTLOOK | WEEK 3 OF JULY 2026

Port / Location	Basis	Grade / Form	This Week USD/MT	Next Week Base / Range	Outlook
Novorossiysk	FOB	60/70 Drum	**$342 ± 5**	**$344 / $338–$350**	**Steady / Firm**
St. Petersburg	FOB	60/70 Drum	**$272 ± 5**	**$274 / $268–$280**	**Steady / Firm**
Ust-Luga	FOB	60/70 Drum	**$437 ± 5**	**$439 / $433–$445**	**Steady / Firm**
Primorsk	FOB	60/70 Drum	**$307 ± 5**	**$309 / $303–$315**	**Steady / Firm**
Vysotsk	FOB	60/70 Drum	**$287 ± 5**	**$289 / $283–$295**	**Steady / Firm**

MARKET ANALYSIS

Russian export quotations are highly dispersed by port, reflecting regional refinery economics, storage availability, route length, seasonal demand, and the commercial cost of accessing different maritime corridors. Ust-Luga carries the strongest premium, while St. Petersburg and Vysotsk sit at the lower end of the range, indicating that local supply conditions matter more than a single national benchmark. The outlook for next week is broadly steady with a mild firm bias. Black Sea and Baltic quotations are expected to retain their current ordering unless freight or sanctions-related transaction costs change abruptly. Because the market is geographically insulated from the Strait of Hormuz, the main near-term variables are domestic loading programs, export allocation, and regional road-construction demand rather than Middle Eastern transit risk.

PRICE OUTLOOK BY PORT / QUOTATION



Singapore

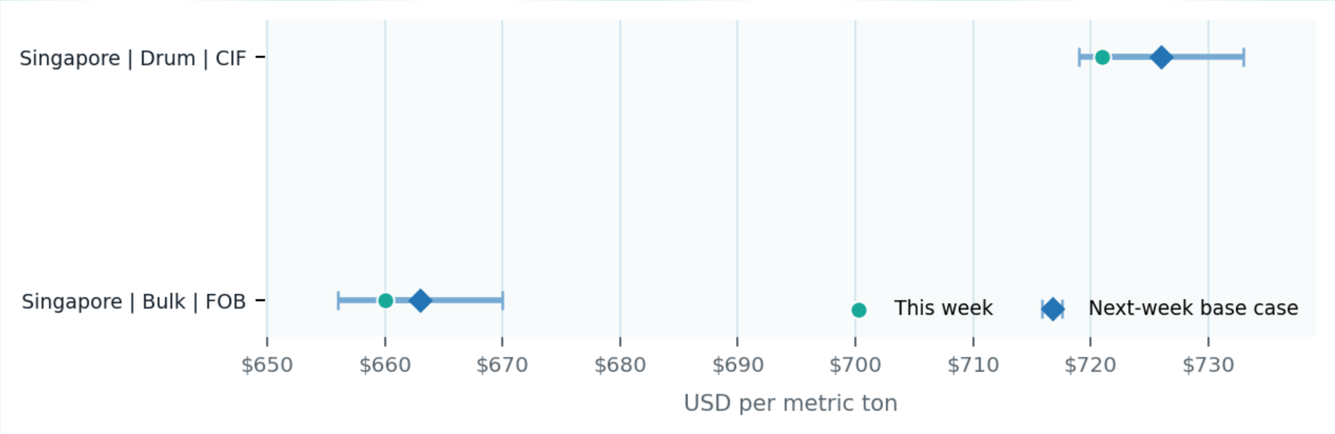
WEEKLY BITUMEN PRICE OUTLOOK | WEEK 3 OF JULY 2026

Port / Location	Basis	Grade / Form	This Week USD/MT	Next Week Base / Range	Outlook
Singapore	CIF	60/70 Drum	**$721 ± 5**	**$726 / $719–$733**	**Slightly Firmer**
Singapore	FOB	60/70 Bulk	**$660 ± 5**	**$663 / $656–$670**	**Slightly Firmer**

MARKET ANALYSIS

Singapore's price structure captures its role as a high-value trading and transshipment center. The drum CIF quotation carries a sizable premium over FOB bulk because it includes packaging, ocean freight, insurance, and destination handling, while the bulk quote more closely reflects the regional export value at the terminal. The next-week forecast is slightly firmer, supported by the hub's sensitivity to marine fuel costs, vessel positioning, and regional cargo competition. However, the absence of meaningful volatility in the current week suggests that inventories and diversified sourcing are containing geopolitical risk. The largest upside exposure remains in packaged imports, where freight and handling costs can reprice faster than underlying bulk bitumen.

PRICE OUTLOOK BY PORT / QUOTATION



China

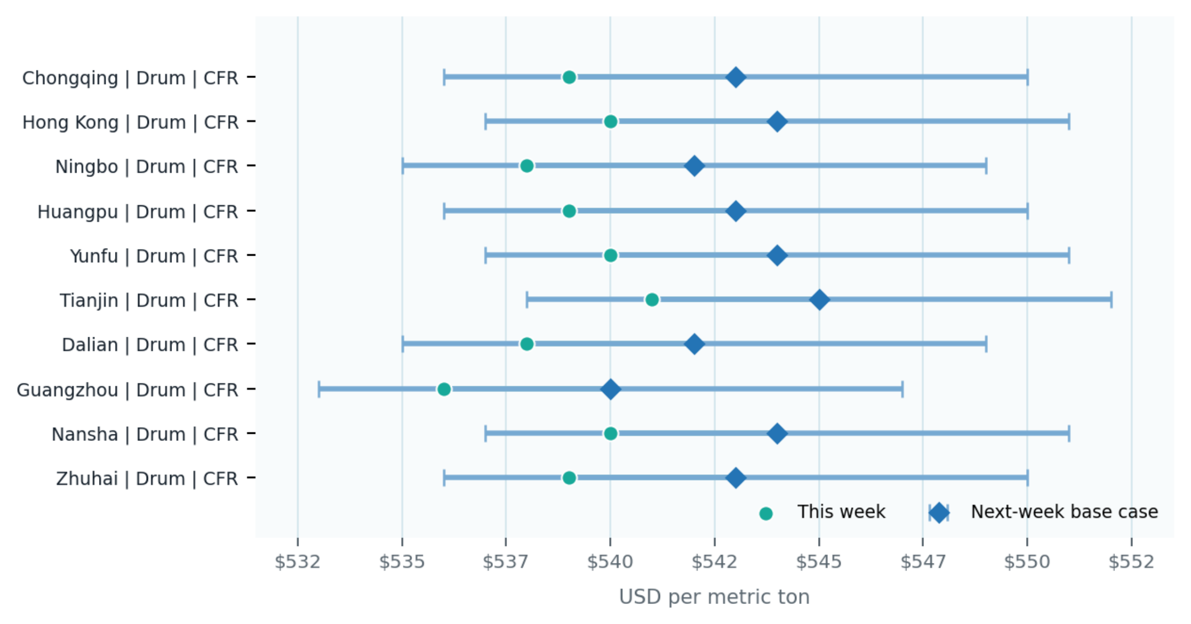
WEEKLY BITUMEN PRICE OUTLOOK | WEEK 3 OF JULY 2026

Port / Location	Basis	Grade / Form	This Week USD/MT	Next Week Base / Range	Outlook
Chongqing	CFR	60/70 Drum	$539 ± 5	$543 / $536–$550	Slightly Firmer
Hong Kong	CFR	60/70 Drum	$540 ± 5	$544 / $537–$551	Slightly Firmer
Ningbo	CFR	60/70 Drum	$538 ± 5	$542 / $535–$549	Slightly Firmer
Huangpu	CFR	60/70 Drum	$539 ± 5	$543 / $536–$550	Slightly Firmer
Yunfu	CFR	60/70 Drum	$540 ± 5	$544 / $537–$551	Slightly Firmer
Tianjin	CFR	60/70 Drum	$541 ± 5	$545 / $538–$552	Slightly Firmer
Dalian	CFR	60/70 Drum	$538 ± 5	$542 / $535–$549	Slightly Firmer
Guangzhou	CFR	60/70 Drum	$536 ± 5	$540 / $533–$547	Slightly Firmer
Nansha	CFR	60/70 Drum	$540 ± 5	$544 / $537–$551	Slightly Firmer
Zhuhai	CFR	60/70 Drum	$539 ± 5	$543 / $536–$550	Slightly Firmer

MARKET ANALYSIS

China’s port quotations are exceptionally compressed, with only a narrow spread across northern, eastern, and southern destinations. That pattern indicates efficient arbitrage, broad supplier access, and a market in which freight differentials are being offset by competition and scale. Tianjin holds the highest quote, while Guangzhou is the lowest, but the gap is too small to signal a structural regional shortage. The next-week base case is stable to slightly firmer as import replacement costs and marine logistics remain the key variables. Because the current curve is nearly flat, any significant widening between ports would be an early indicator of localized congestion, weather disruption, or uneven demand from paving programs.

PRICE OUTLOOK BY PORT / QUOTATION



Forecast

1. Political Forecast

CENTRAL POLITICAL JUDGMENT

The most likely path is managed disruption rather than a complete and durable shutdown. Transit may recover selectively, but competing control claims, military pressure, and sanctions enforcement will keep the political risk premium elevated throughout the three-week horizon.

WEEK 1 | JULY 18-24

Escalation Remains Dominant

U.S.-Iran military exchanges, restrictions on Iran-linked shipping, and sharply reduced Strait of Hormuz traffic remain the primary political drivers. A comprehensive settlement is unlikely. Shipowners will continue to treat official assurances cautiously, and war-risk terms may be repriced with little notice.

WEEK 2 | JULY 25-31

Operational Compromise Is Tested

Gulf governments, maritime authorities, importers, and insurers will push for a limited deconfliction mechanism: escorted corridors, temporary licenses, or recognized transit windows. Any arrangement is more likely to be practical and reversible than diplomatic or permanent.

WEEK 3 | AUGUST 1-7

A Fragile Political Fork

The market will face two credible paths: partial normalization if vessel movements recover without new attacks, or a renewed escalation cycle if terminals, tankers, or regional infrastructure are struck. The base case favors selective recovery, but confidence remains moderate.

Over the next three weeks, the Strait of Hormuz will remain the most important political risk affecting the international bitumen trade. A complete closure of the waterway is not the most likely scenario, but military signaling, maritime inspections, threats against commercial vessels, and uncertainty surrounding Iran’s southern ports may keep the market cautious. Even when cargo movements continue normally, shipowners and insurers may treat the region as a higher-risk operating environment, resulting in stricter contractual conditions and slower vessel approvals.

Political tension may also affect the market through sanctions enforcement and payment restrictions rather than through a direct interruption of physical supply. Traders working with Iranian, Russian, or Venezuelan material could face additional documentation checks, banking delays, or difficulties securing insurance and shipping services. These obstacles may reduce the practical availability of competitively priced cargoes, particularly for buyers that depend on conventional international financing and established marine insurers.

Governments and major importers are expected to strengthen supply diversification during the forecast period. India, China, Southeast Asian countries, and selected African markets may seek quotations from multiple origins to reduce dependence on one politically sensitive corridor. Iraq may continue promoting alternative transportation infrastructure, while Gulf producers may emphasize storage capacity and operational continuity. However, alternative routes cannot immediately replace the specialized terminals, tankers, heating systems, and handling facilities required for large-scale bitumen trade.

2. Economic Forecast

Transmission channel	Three-week direction	Why it matters for bitumen
Crude and fuel-oil complex	Volatile / upward risk	Renewed transit restrictions can lift crude and heavy-product replacement values, but alternative supply and demand weakness can cap sustained gains.
Refinery and product balance	Supportive for bitumen	Refined-product supply is recovering more slowly than crude flows, while Russian refinery disruptions keep the downstream balance tighter than the headline crude market.
Freight and war-risk insurance	Limited	Limited
Seasonal paving demand	Limited	Limited
Inventories and procurement	Limited	Limited
Currency and credit conditions	Limited	Limited

The economic outlook for the next three weeks suggests a growing separation between the quoted export price and the actual delivered cost paid by buyers. A producer may keep its FOB quotation unchanged, while the final CFR or CIF cost rises because of freight, war-risk insurance, financing, port congestion, or vessel waiting time. For this reason, buyers will increasingly evaluate the full landed cost rather than focusing only on the refinery or loading-port price.

Importers are likely to balance two conflicting priorities: protecting inventories and avoiding purchases at inflated prices. Buyers with low stock levels or fixed construction schedules may secure cargoes early, even at slightly higher costs, to reduce the risk of delayed delivery. Buyers with sufficient inventories may postpone purchases and wait for political conditions to improve. This difference in inventory coverage could create uneven demand and wider price gaps between individual ports and countries.

3. Price Forecast

Region	Current reference	Week 1	Week 2	Week 3	Directional bias
Gulf & Near East	$525	$535-$551	$541-$567	$536-$578	Firm / highest tail risk
South & East Asia	$586	$592-$604	$595-$615	$592-$621	Mildly firm; delayed pass-through
Europe & Mediterranean	Limited	Limited	Limited	Limited	Limited
Russia & Baltic	Limited	Limited	Limited	Limited	Limited
Americas	Limited	Limited	Limited	Limited	Limited
Australia & Africa	Limited	Limited	Limited	Limited	Limited

The base case is a controlled upward adjustment rather than a universal price spike. The Gulf and nearby importing markets carry the largest upside because the current disruption affects both physical transit and insurance. Asian prices should react with a lag as inventories and scheduled cargoes are consumed. European prices are likely to remain more stable, while long-haul destinations such as Australia and South Africa may experience a larger freight component even without a comparable change in refinery values. Russia remains an exception: refinery attacks and port-specific availability can produce sharp local divergence in either direction.

In the first week of the outlook period, most bitumen prices are expected to remain close to their present ranges. The underlying market has already absorbed a considerable amount of geopolitical uncertainty, and there is no immediate evidence that all regions will experience a synchronized increase. Gulf-origin FOB quotations may remain relatively stable, while delivered prices in import-dependent markets could move slightly higher because of freight and insurance adjustments.

To access the full content of the tables, please purchase the complete version of the report.

Overall Three-Week Forecast

BASE-CASE SYNTHESIS

Over the next three weeks, the global bitumen market is most likely to operate under managed disruption rather than full normalization or complete closure. Politically, no durable settlement over the Strait of Hormuz appears imminent, but commercial and diplomatic pressure should encourage selective transit arrangements that prevent a sustained total halt. Economically, the strongest transmission channel will be landed cost: war-risk insurance, vessel availability, demurrage, financing, and route uncertainty are likely to move faster than refinery-gate values, while tight refined-product conditions and uneven refinery operations keep the market supported. Price behavior should therefore remain regional rather than uniform. Gulf-linked markets and long-haul importers face the greatest upside risk; diversified European and Asian hubs should remain comparatively stable; and markets affected by local refinery outages or currency stress may diverge from the global pattern. The central forecast is for moderate firming through the second week, followed by a wider but still controlled range in the third week. A rapid de-escalation could return prices toward current levels, but renewed attacks on tankers, terminals, refineries, or a second maritime chokepoint would produce a nonlinear jump in freight and delivered quotations. Procurement decisions should be based on replacement cost, delivery probability, and contractual risk allocation not on headline FOB prices alone.