LETH

*YOUR PREFERRED AGENT IN MARITIME HOTSPOTS*

# NEWSLETTER

Issue 022 AUGUST 2026

**Welcome to this month's update from LETH!** As the maritime industry navigates new challenges, we're here to keep you informed on the latest developments and updates.

**Featured This Month:**

- Tankers lead strong Q2
- Middle East Update
- Panama Auction Update
- El Niño Update

## EGYPT

### Tankers lead a stronger Suez quarter

Tankers remain the Canal's largest segment by far, at **roughly 40%** of all crossings. They averaged about **112 a week in Q2**, more than dry bulk and containers combined, underscoring how dominant this segment has become. July was the strongest month of 2026 in our figures, with **1,337 transits** and a **daily average of 43**, the year's high, of which **492 were tankers** - more than a third of the month's total traffic. Traffic still sits below levels seen before the crisis, but the trend is firmly upward, and the pace of recovery suggests the gap could continue to narrow in the coming quarters.

**Average Weekly Suez Canal Transits: Q3/2026**

| Suez Canal Per Week | Total | Northbound | Southbound | Crude Tanker | Product Tanker | Dry Bulk | Container | LPG | LNG | Chemicals | RoRo/ Vehicle Carrier | Gen Cargo/ MPP | Other |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Weekly average Q3 26 (Week 27- 39) | 274.62 | 16.23 | 138.38 | 78.31 | 4.38 | 73.62 | 31.08 | 5.00 | 5.77 | 29.69 | 12.31 | 17.69 | 16.77 |
| Weekly average Q2 26 (Week 14 - 26) | +25.6 | +11.9 | +13.6 | -3.6 | -1.1 | +12.7 | +8.9 | +0.8 | +4.4 | +2.6 | -1.5 | 3.0 | -0.8 |

Source: Lloyds AIS, Observed Data

## MIDDLE EAST UPDATE

Update from our analyst at Ambrey

AMBREY

### Drone strike hits Damietta LNG terminal

On 29 July, a drone struck Egypt's **Damietta LNG hub**, hitting the US-owned and -operated **FSRU Energos Winter** during discharge operations and setting fire to the LNG carrier **GasLog Salem**, moored alongside. Both crews evacuated safely, with no injuries reported. No one has claimed responsibility, though the **Houthis have denied involvement.** We assesses it more likely to be **Iran**, possibly via proxies in **Lebanon or Iraq**, signaling Iran's ability to extend pressure from the US-Iran conflict onto energy supply chains tied to US interests. This marks the first strike on Egypt's Mediterranean LNG infrastructure since the regional conflict escalated, raising fresh concerns about security in the broader region.

### Houthi Escalation Against Saudi Arabia

Since the Houthis' 20 July **"maritime embargo"** declaration, **six Saudi-owned tankers have been attacked**, prompting vessels to avoid Saudi ports. One tanker was struck **~95 NM southeast of Aden** (claimed as a ballistic missile attack); a second incident near Yanbu is uncorroborated. **Saudi affiliation remains the key targeting driver**, and escalation is likely to continue - a **9 August UAV strike halted ARAMCO's Jizan refinery** (resuming ~30 August), and the same day saw a missile/UAV/USV attack on the **Port of Mocha.**

The threat also diversified: a suspected Houthi **USV** was encountered in the Bab el Mandeb and a possible **UUV** in the southern Red Sea, alongside UAV/missile activity - signaling possible reconnaissance or attack prep. **An India-flagged cargo vessel sank** south of Hodeidah in an incident attributed (unconfirmed) to a Houthi USV.

### Piracy in the Gulf of Aden

A suspected **Pirate Action Group hijacked a Tanzania-flagged tanker** southwest of Mukalla, moving it toward Puntland. Renewed pirate activity is also reported from northern Somalia, with **four vessels still hijacked** off Somalia's Indian Ocean coast.

# PANAMA

## Auctions update

**Regular:** Bidding increased steadily throughout the month, moving from an average near the starting bid of **USD 15,000** up to an average close around **USD 100,000**. The max bid in July hit **USD 156,000.**

**Super:** Demand dropped slightly in mid-July before picking up pace again toward the end of the month, with daily averages ranging from **USD 145,000–806,000**. Activity was particularly strong in the final week, and July's highest winning bid hit **USD 997,000.**

**Neopanamax:** Demand increased steadily throughout July, with daily averages ranging from **USD 376,000 to 2 million**, reflecting consistent and growing interest across the month. The max bid, recorded back in July, hit **USD 3.1 million.**

**Maintenance**: Please note scheduled maintenance from **Sep 1 to Sep 12** is not expected to reduce daily capacity.

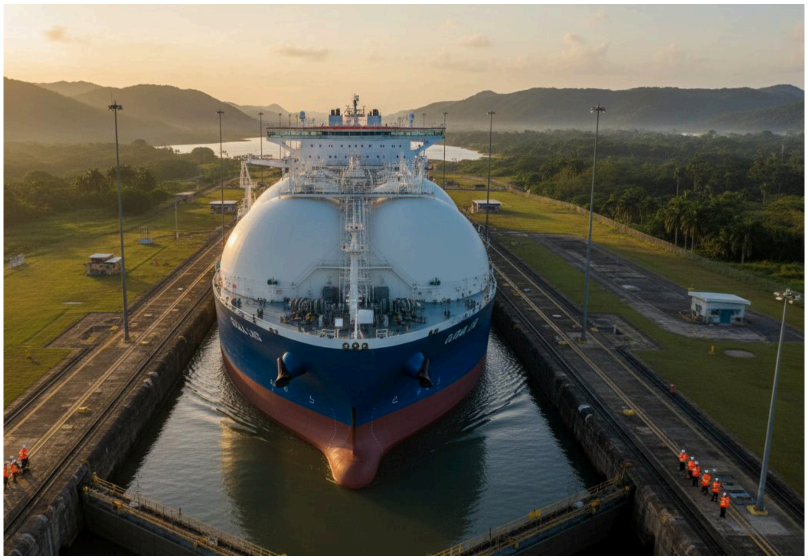
## Further NEO Draft Cut - Advisory 25

**Further draft cuts at the Neopanamax Locks:**
The ACP's water-saving measures keep tightening as forecasters warn **El Niño** could intensify to record levels. With the Neopanamax draft already trimmed to **14.94m (49.0ft) TFW** from **July 24** and a cut to **14.78m (48.5ft)** due **August 15,** Advisory A-25-2026 has now scheduled two further reductions: 1**4.63m (48.0ft)** from **August 26**, then **14.48m (47.5ft)** from **September 3**, the fourth and fifth adjustments this year. As the deepest-draft vessels using these locks, container ships, laden LNG carriers and tankers will bear the biggest impact. Further cuts remain possible depending on Gatun Lake levels. Draft cuts only limit how much the biggest vessels can load, not how many transit. The **ACP has yet to announce any cuts to daily slots offered** - a scenario that would have a big impact, increasing the backlog of unbooked vessels and driving auction prices even higher.

## The Driver Behind Panama Canal's High Auction Prices

The main driver of Panama's tight market is the current **demand**. With the Strait of Hormuz disrupted by the **Iran war**, energy cargoes that once moved through the Gulf have been rerouted, and **LNG, LPG and product tankers are increasingly going through the Panama Canal instead**. Asian buyers have turned to US suppliers, pushing tanker traffic to its highest in years. The tanker segment also has more money to play with, and it shows at the auctions: when they have to buy a slot, **tankers and container carriers consistently outbid their dry bulk and general cargo competitors**.

The rush has stretched the system. While auction prices have soared previously, we are currently seeing unusual **high auction prices becoming the new normal** , especially within the **Neopanamax** and **Super** Segment.



## Neo Locks Draft Reduction

| Effective date | Max draft, TFW | In metres | Step change |
|---|---|---|---|
| In force today | **49.0 ft** | 14.94 m | −1 ft vs 50.0 ft std. |
| 15 August 2026 | **48.5 ft** | 14.78 m | −0.5 ft |
| 26 August 2026 | **48.0 ft** | 14.63 m | −0.5 ft |
| 3 September 2026 | **47.5 ft** | 14.48 m | −0.5 ft |
| Panamax locks (unchanged) | 39.5 ft | 12.04 m | — |

Source: ACP Official Gatun Water Level Website

*If you have questions about the statistics in this article or require further information, please reach out to our team at:* ***office@lethagencies.com***

MACN MEMBER