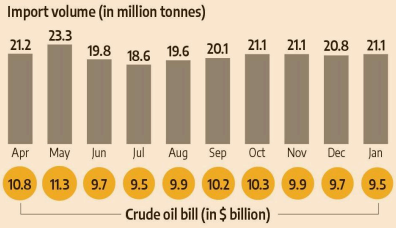
Business Standard, Delhi, 19/02/2026
Page No: 4, Size: 26.70cm × 85.12cm

Crude import bill dropped 19% in January

Amid subdued prices, the basket crude price averaged $63.08/bbl

Simmered action



SHUBHANGI MATHUR
New Delhi, 18 February

India's crude oil import bill declined by 18.8 per cent year-on-year (Y-o-Y) to $9.5 billion in January, driven by subdued oil prices even as import volumes dropped by a marginal 0.2 per cent, showed oil ministry data.

The Indian basket crude price averaged $63.08 a barrel (bbl) during the month, 21.34 per cent lower than the $80.20/bbl recorded during January last year, according to data from Petroleum Planning and Analysis Cell (PPAC).

India purchased 21.1 million tonnes (Mt) of crude oil in January 2026, fractionally below the 21.2 Mt imported in the same month last year.

Crude oil prices have fallen dramatically over concerns of a potential supply glut, amid weak demand in the international market. In the April-January period, India's crude oil import bill declined 12 per cent to $100.4 billion from $114.1 billion last year.

Crude oil and petroleum products account for more than 20 per cent of the country's overall import bill. Lower energy prices are a big positive for India as the country imports nearly 90 per cent of its crude oil requirements and almost 50 per cent of natural gas needs.

Besides crude oil, India also imports liquefied natural gas (LNG) and petroleum products such as liquefied petroleum gas (LPG), while exporting products such as diesel and petrol. Net oil and gas bill of India fell by 12.8 per cent Y-o-Y to $9.5 billion in January and 12 per cent Y-o-Y to $97 billion during April-January.

India's LNG imports rose by 15.3 per cent in January from last year at 2,808 million standard cubic metre (Mscm) while Petroleum, Oil, and Lubricants (POL) product imports increased by 0.5 per cent Y-o-Y in the month. POL exports decreased 10.3 per cent Y-o-Y in January, mainly due to lower exports of aviation turbine fuel, vacuum gas oil, and fuel oil, among others.

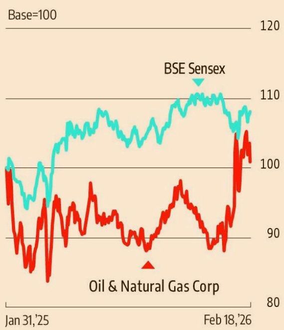
Business Standard, Delhi, 19/02/2026

Page No: 10, Size: 103.88cm × 32.76cm

THE COMPASS

Higher new well gas positive for ONGC

DEVANGSHU DATTA



ONGC's standalone Q3FY26 results were dragged down by low realisations, though the downstream subsidiaries, HPCL and MRPL, helped pull up the consolidated performance. Consolidated revenue was ₹167,400 crore, up 0.8 per cent Y-o-Y, and 6 per cent Q-o-Q.

The operating profit was ₹25,300 crore, up 2.8 per cent Y-o-Y, down 4.5 per cent Q-o-Q. Revenue for the domestic standalone business was ₹31,500 crore, down 6.4 per cent Y-o-Y and down 4.5 per cent Q-o-Q. The operating profit was ₹15,200 crore, down 10.9 per cent Y-o-Y and down 8.0 per cent Q-o-Q. The downturn was due to a fall in crude oil realisation.

Crude production was 5.12 million metric tonnes (mmt), down 2 per cent Y-o-Y and down 1 per cent Q-o-Q, with ONGC standalone production of 4.84 mmt, down 2 per cent Y-o-Y and down 1.0 per cent Q-o-Q. The ONGC's Natural Gas production (along with JVs) was 55.35 million standard cubic metres per day (mmscmd), down 0.3 per cent Y-o-Y and up 1.2 per cent Q-o-Q, with standalone production of 54.22 mmscmd, up 0.2 per cent Y-o-Y and 1.4 per cent Q-o-Q. Crude oil realisations declined 15.1 per cent Y-o-Y to $61.6 per barrel vs Q3FY25 realisations of $72.6 per barrel, and Q2FY26 realisations of $67.3 per barrel, while gas realisations rose 1.4 per cent Y-o-Y to $6.6 per million metric British thermal unit (mmbtu) or slightly more.

Crude oil production decreased 2.2 per cent Y-o-Y, while gas production reduced 0.3 per cent Y-o-Y. For the 9MFY26, crude production declined 0.5 per cent, while gas output decreased by 0.6 per cent Y-o-Y. ONGC guided for capex of ₹33,000 crore (standalone) for FY26. It incurred a capex of ₹24,400 crore in 9MFY26. The net debt/equity stands at 0.3 times. The FY27 oil & gas production is guided at 42.5 million tonnes of oil equivalent (Oil: 21 mmt; Gas: 21.5 bcm) and FY28 will see production growth at better than FY27 rates. The company also targets ₹1,000 crore in cost reductions.

Obviously crude oil price movement is a key monitorable. Gas realisations may improve due to more new well gas (NWG), which is priced at 20 per cent over the administered pricing mechanism (APM). Investors are waiting for an increase in gas production growth. NWG may contribute 24 per cent of production within 3 years, up from 18 per cent currently. The Daman and Discovered Small Fields (DSF II) projects may add gas production in FY27. Other key projects include KG 98/2, and Mumbai High, with BP's involvement expected to enhance Mumbai High output from FY28. Near-term gas production growth of 7-9 mmscmd is possible if both Daman and DSF-II come through by FY27. Management says KG 98/2 may see ramp-up to 5-6 mmscmd by end of FY27 and Daman could have peak output of 4-5 mmscmd. Approximately, ₹77,000 crore is earmarked for projects for production augmentation.

The crude oil guidance for FY27 is 21.0 million tonnes (mnt) of oil and 21.5 bcm of gas, while actual crude oil production was 18.6 mnt and gas production was 19.7 bcm for FY25 and for 9MFY26, it is 15.6 mnt crude oil and 15.1 bcm gas. Overseas, ONGC Videsh (OVL) says full-scale development of Mozambique will resume soon. ONGC has a 16 per cent stake in this gas asset. The first LNG production is expected in H12029. OVL's revenue was reported at ₹1,840 crore, down 13 per cent Y-o-Y and down 19 per cent Q-o-Q, with operating profit at ₹673 crore, down 14 per cent Y-o-Y and down 37 per cent Y-o-Y and adjusted net profit amounted to a loss of ₹165 crore. OVL's crude production was 1.7 mmt, down 5 per cent Y-o-Y and down 1 per cent Q-o-Q and its natural gas production was 0.69 bcm, down 11 per cent Y-o-Y and up 13 per cent Q-o-Q.

MRPL reported operating profit of ₹2,780 crore, up 170 per cent Y-o-Y and 87 per cent Q-o-Q with a gross refining margin (GRM) of $11.5 per barrel, up from Q2FY26 GRM of $8.6 per barrel and a throughput of 4.7 mmt. OPAL reported operating profit of ₹103 crore, versus an operating loss of ₹160 crore in Q3FY25. Production was 413.8 TMT. In 9MFY26, OPAL had an operating profit of ₹300 crore, vs a loss of ₹150 crore Y-o-Y.

OPAL is operating at 90 per cent capacity utilisation. ONGC has overseas exposure through OVL and OVL's forex –denominated debt is about 37 per cent of gross debt, which carries a risk with a weaker rupee. Moderating GRMs could have a negative effect on OMC profitability, which in turn will affect consolidated results.

Hindu, Delhi, 19/02/2026
Page No: 10, Size: 44.87cm × 20.61cm

Are Indian firms intent on moving to Venezuelan oil?

What are the drawbacks of Venezuelan crude? Has India been importing from the South American nation?

Saptaparno Ghosh

The story so far:

Indian refiners have not been particularly enthused with the prospect of Venezuelan oil flowing into the global market following the U.S' capture of Venezuelan President Nicholas Maduro. Whilst announcing the trade agreement with India, U.S. President Donald Trump unilaterally mentioned that New Delhi had agreed to buy more crude from the U.S., potentially Venezuelan oil. However, the joint statement makes no such mention.

What are the concerns?

S. Bharathan, Director for Refiners at Hindustan Petroleum said that Venezuelan crude other than being bottom-heavy, also has high viscosity and a high acid number. Sanjay Khanna, Chairman and Managing Director of Bharat Petroleum too had indicated that Venezuelan crude contains high metal and nitrogen content. He further stated that the crude would have to be co-blended with other lighter crude to the extent of 10-15% and then processed. For perspective, higher viscosity indicates a potential resistance to flow while a higher acid number indicates a higher chemical mix existing naturally in the oil.

Why is it a concern for any refinery?

Amit Priyadarshan, Chief Executive Officer of Caliche, explained that pipes, bends, pressure vessels, outlets, inlets, valves and chokes in a refinery are designed based on a certain viscosity of crude oil. "Beyond which, it leads to complication in the process," he stated, adding specifically with respect to viscosity, "In the flow [of crude oil in pipes and systems of a refinery], pressure gets built up." Further, enumerating about the acidic number, Mr. Priyadarshan explained that a higher acidic number would result in corroding. Anandh Mathew, the Group COO at Caliche, also pointed to refineries using catalysts and/or chemicals to process crude into final products as petrol and diesel among others. "Refineries procure these based on the type of crude it can process but if there is a different type of crude, it is not like you can go buy it from the market, the catalysts are used in thousands of tonnes each day," he stated. According to Mr. Mathews, while recalibrating refineries may not be a particularly uphill task in terms of cost, it cannot be done overnight and the lack of additional storage capacity could be a constraint. *Bloomberg* reported that Reliance, India's refining giant, "has taken one Very Large Crude Carrier with a cargo of around 2 million barrels". Reliance's Jamnagar can handle heavy and extra-heavy crude.

What next?

India's Foreign Ministry has maintained that New Delhi "remains open to exploring the commercial merits of any crude supply option, including from Venezuela". Speaking to the press on February 5, Randhir Jaiswal, official spokesperson at the ministry also pointed to Indian public sector entities of the oil and gas sector having established relationships with the Venezuelan state-owned PDVSA. "We were importing energy or crude oil from Venezuela till 2019-20 and thereafter we had to stop. Again, we started buying oil from Venezuela in 2023-24 which were halted because of re-imposition of sanctions," he observed. For context, the South American nation's share in India's crude oil basket hovered between 10-13% until President Trump imposed sanctions during his first term at the Oval Office. Later, after New Delhi recommenced purchases, Venezuelan crude constitutes about 1-2% of India's overall basket.

A potential determinant for higher Venezuelan uptake also entails political uncertainty. Mr. Trump's actions have been condemned at the UNSC and by allies including the EU. This factor is important for considering any investment in Venezuela. On the other hand, an SBI Research note held that India's import fuel bill could decline by $3 billion should they move to Venezuela. This was however subject to Indian refiners being able to avail a $10-12 discount per barrel to make it economically viable.

THE GIST

- S. Bharathan, Director for Refiners at Hindustan Petroleum had mentioned that Venezuelan crude other than being bottom-heavy, also has high viscosity and a high acid number.
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Financial Express, Delhi, 19/02/2026
Page No: 4, Size: 21.19cm × 21.75cm

MOVE TO STRENGTHEN MARGINS & DOMESTIC MARKET PRESENCE

Nayara to add 300 fuel outlets in retail push

SAURAV ANAND
New Delhi, February 18

AS INDIA STEADILY recalibrates its oil sourcing away from Russia under growing geopolitical and trade pressure from the West, private refiner Nayara Energy is aggressively expanding its downstream footprint, preparing to add around 300 new fuel retail outlets across the country this year to strengthen margins and domestic market presence.

The move comes at a time when India's refining sector is navigating a delicate balancing act between cheap Russian oil, shifting global diplomacy, and rising pressure to diversify crude supplies -- a transition that is already reshaping procurement strategies across public and private refiners.

A senior company official, speaking on condition of anonymity, said Nayara is pushing retail growth even as it reassesses crude sourcing.

"The refinery is running at optimum utilisation. We are pushing retail growth aggressively and at the same time evaluating alternative crude sources wherever it makes commercial sense," the official said.

According to recent data from the Petroleum Planning and Analysis Cell (PPAC), India's fuel retail network stood at 100,266 petrol pumps as of end-November 2025, making it the third-largest globally after the United States and China.

Despite the scale, the sector remains dominated by public oil marketing companies, with over 90% of outlets operated by Indian Oil, Bharat Petroleum and Hindustan Petroleum.

Private retailers account for just 9.3% of the network — but are expanding steadily. Nayara leads the private segment with 6,921 outlets, followed by the Reliance Industries–BP joint venture with 2,114 stations and Shell India with 346 outlets.

Nayara's planned addition of 300 pumps signals a strategic attempt to lock in downstream scale as India's fuel market crosses a structural threshold.

However, the retail push contrasts sharply with the company's upstream positioning.

Nayara's Vadinar refinery in Gujarat — a nearly 400,000-barrel-per-day (bpd) facility and India's second-largest single-site refinery — continues to operate largely on Russian crude even as most Indian refiners trim Moscow-linked purchases.

Shipping data from analytics firm Kpler show that between November 2025 and January 2026, the refinery imported over 36 million barrels of Russian oil, averaging 390,000-400,000 bpd. While inflows dipped briefly in December, they rebounded in January, underscoring how deeply embedded Russian feedstock remains in Vadinar's operations. Industry executives say the dependence is not merely opportunistic.

The refinery is configured to process heavy, high-sulphur crude grades, making a rapid pivot to lighter Middle Eastern or African supplies costly and technically complex.

INDIA BET

- A senior company official, speaking on condition of anonymity, said Nayara is pushing retail growth even as it reassesses crude sourcing
- India's fuel retail network stood at **100,266 petrol pumps** as of end-November 2025, according to PPAC data

- The sector remains dominated by public oil marketing companies like BPCL and HPCL
- Nayara leads the private segment with **6,921 outlets**, followed by the Reliance Industries–BP JV with **2,114** outlets

Tribune, Delhi, 19/02/2026
Page No: 10, Size: 17.20cm × 17.70cm

India keen on diversifying crude oil, coking coal sources: Goyal

Says New Delhi eyeing high-quality US supplies

NEW DELHI, FEBRUARY 18

India wanted to diversify its sources of crude oil and coking coal and would love to source high-quality coking coal from the US, Commerce and Industry Minister Piyush Goyal said on Wednesday.

He also said the US could provide certain goods that India needed desperately for its economic growth. These goods can include graphics processing units for artificial intelligence (AI) applications, equipment for data centres and high performance computing. India, he said, could manufacture products that the US could not compete in, while America could be a strong source of technology and capital.

There was already $100 billion in aircraft demand from the US in the next five years and the country needed more to increase local capacity and bring down fares, Goyal said.

Commerce & Industry Minister Piyush Goyal. ANI

"We want to diversify our oil sources. I want to diversify the source of coking coal for example. I am dependent on 2 or 3 geographies (for that) and prices keep fluctuating. I would love to have American coking coal which is high quality coming to India," he said at an event in Mumbai.

Under an interim trade agreement with the US, India has expressed its intention to buy goods worth $500 billion in the next five years from America.

The Indian team is visiting the US next week to finalise the legal text of the agreement, which is likely to be signed in March. "Doing a (trade) deal with America is good for India," he said, adding it opened huge opportunities for Indian firms, particularly in labour-oriented goods and technology services.

Earlier this month, US President Donald Trump has removed the 25 per cent tariffs imposed on India for purchasing Russian oil, citing that the country has undertaken "significant steps" and New Delhi has committed to stop directly or indirectly importing oil from Moscow. — PTI

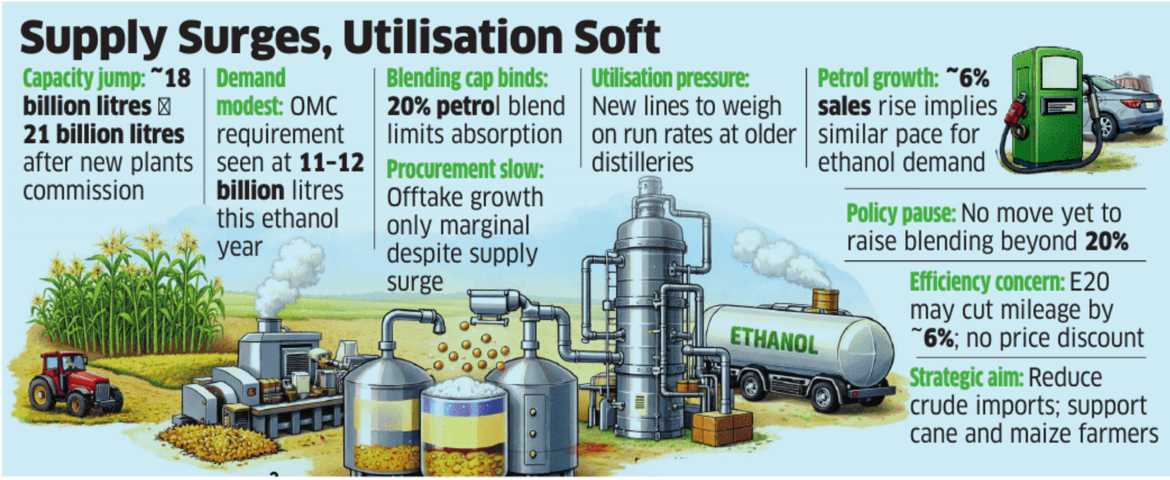
Economic Times, Delhi, 19/02/2026

Page No: 16, Size: 47.28cm × 21.72cm

Ethanol Capacity Swells, Demand Tepid

20% blending ceiling limits absorption despite capacity surge

Sanjeev Choudhary



New Delhi: Capacity utilisation at distilleries is set to remain tepid this year as new lines come onstream while ethanol procurement by state-run oil marketing companies is expected to rise only marginally.

"Ethanol is posing a lot of challenges," Sanjay Khanna, interim CEO at Bharat Petroleum Corporation (BPCL) told **ET**. "It has swung from one side to the other. Supply is so high."

India currently has annual ethanol production capacity of about 18 billion litres, which will expand to 21 billion litres once under-construction plants get commissioned, said Khanna, director - refineries at BPCL, and holding additional charge as chairman.

State-run fuel retailers — BPCL, HPCL and Indian Oil — procure ethanol for 20% blending in petrol. In the ethanol year ended October 2025, oil companies blended about 11 billion litres of ethanol, said Khanna.

The current ethanol year that began last November is expected to see demand for 11-12 billion litres, based on petrol consumption growth.

Petrol sales have been rising at about 6% this fiscal year. If the trend continues, ethanol demand will grow at a similar pace — far slower than the addition in production capacity.

Oil companies plan to source supplies from both existing and newly commissioned distilleries, implying lower capacity utilisation for older plants as output from new facilities enters the system. Under mounting pressure from producers to lift offtake, oil companies have little room to manoeuvre. The 20% blending target effectively caps absorption, limiting their ability to raise procurement beyond mandated levels.

Discussions among policymakers on raising the blending target get stalled last year after a social media backlash over potential damage to vehicles not designed to run on higher ethanol blends.

While the government dismissed the criticism as motivated, it hasn't taken concrete steps since to raise the blending threshold.

Drivers have also sought a price discount for ethanol-blended fuel, citing its lower energy content — about a third less than pure petrol. A 20% blend is estimated to lessen fuel efficiency by 6%. The oil ministry however rejected the demand in August, saying ethanol was costlier than petrol.

Economic Times, Delhi, 19/02/2026
Page No: 16, Size: 11.69cm × 46.78cm

Russia's Share in India's Jan Oil Imports Lowest Since Late 2022

New Delhi: Russian crude shipments in January made up the smallest portion of India's oil imports since late 2022, according to data from industry sources, while Middle Eastern supplies rose to their highest share over the same period.

India, the world's third-biggest oil importer and consumer, ramped up purchases of discounted Russian oil shunned by some Western nations in the wake of Moscow's 2022 invasion of Ukraine, with volumes topping 2 million barrels per day in some months.

However, Western sanctions over the war and pressure to clinch a trade deal with the U.S. have forced New Delhi to scale back Russian oil purchases, the data showed. And China has, since November, replaced India as Russia's top buyer of seaborne crude.

India imported about 1.1 million barrels per day of Russian crude last month, the lowest since November 2022, with Moscow's share in overall oil imports declining to 21.2%, the smallest share since October 2022, according to the data.

January imports from Russia fell by 23.5% from December and by about a third compared to a year earlier, the data showed.

Import levels are likely to fall further to an average of 1 million to 1.2 million bpd in February and around 800,000 bpd in March, said Sumit Ritola, lead research analyst, refining and modelling at Kpler. "February numbers may appear slightly lower due to timing, as some end-month cargoes discharge in the following month," he said, adding that Kpler expects Russian flows to India to gradually decline in the medium term rather than stop completely.

INDIA TURNS AWAY FROM RUSSIA, TOWARDS THE MIDDLE EAST

To make up for the lower Russian oil volumes, Indian refiners tapped alternative grades from the Middle East, South American countries and Western nations, the data showed.

Middle Eastern oil accounted for about 55% of India's overall imports in January while the share of Latin American grades rose to a 12-month high of about 10%, the data showed.

"February month-to-date data already shows Saudi Arabia regaining its position as India's top supplier, with imports tracking at a new all-time high," Ritola said. — **Reuters**

Economic Times, Delhi, 19/02/2026
Page No: 9, Size: 10.40cm × 24.37cm

Cochin Shipyard Bags $360 m Order from French Firm

New Delhi: Cochin Shipyard has bagged new shipbuilding orders worth around $360 million (around ₹3,267 crore) from France-based CMA CGM Group to deliver six LNG-powered vessels. With the latest win, the company's total order book has reached around ₹23,000 crore.

Cochin Shipyard and the France-based shipping and logistics player signed a supply agreement here on Wednesday, in the presence of Shantanu Thakur, minister of state at the Ministry of Ports, Shipping and Waterways.

Cochin Shipyard chairman and managing director Jose V J said the first vessel is expected to be delivered within 36 months, by February 2029, followed by two vessels each year thereafter.

Sharing more details, he said the ships will be designed by Korea Maritime Consultants Co., Ltd. (KOMAC) and built at Cochin Shipyard's facility in Kerala.

Each LNG-powered containership will be of 1700-TEU (20-foot container equals) capacity and will cost around $60 million.–PTI

Business Standard Hindi, Delhi, 19/02/2026

Page No: 4, Size: 26.91cm × 83.90cm

कम कीमतों के कारण भारत का कच्चे तेल के आयात का बिल घटा

शुभांगी माथुर
नई दिल्ली, 18 फरवरी

जनवरी में इंडियन बास्केट क्रूड की औसत कीमत 63.08 डॉलर प्रति बैरल रही, जो पिछले साल दर्ज की गई 80.20 डॉलर प्रति बैरल की कीमत से 17.12 डॉलर प्रति बैरल कम

तेल मंत्रालय के आंकड़ों से पता चलता है कि भारत के कच्चे तेल के आयात का खर्च जनवरी महीने में सालाना आधार पर 18.8 प्रतिशत घटकर 9.5 अरब डॉलर रह गया है। इस दौरान आयात की मात्रा में 0.2 प्रतिशत की मामूली गिरावट आई है। आयात का बिल कम रहने की वजह कच्चे तेल की वैश्विक कीमतों में कमी है।

पेट्रोलियम प्लानिंग और एनॉलिसिस सेल (पीपीएसी) के आंकड़ों के मुताबिक कच्चे तेल के आयात बिल में गिरावट इसलिए हुई है, क्योंकि जनवरी में इंडियन बॉस्केट क्रूड की औसत कीमत 63.08 बैरल प्रति डॉलर रही है, जो पिछले साल के 80.20 डॉलर प्रति बैरल की तुलना में 17.12 डॉलर प्रति बैरल कम है।

जनवरी 2026 में भारत ने 211 लाख टन कच्चा तेल खरीदा, जबकि पिछले साल जनवरी में 212 लाख टन कच्चे तेल का आयात हुआ था।

अंतरराष्ट्रीय बाजार में कमजोर मांग के बीच आपूर्ति की संभावित अधिकता की चिंता के कारण कच्चे तेल की कीमतें उल्लेखनीय रूप से गिर गई हैं।

अप्रैल-जनवरी की अवधि के दौरान भारत के कच्चे तेल का आयात बिल पिछले साल के 114.1 अरब डॉलर से 12 प्रतिशत घटकर 100.4 अरब डॉलर रह गया है।

भारत के कुल आयात में कच्चे तेल और पेट्रोलियम उत्पादों की हिस्सेदारी 20 प्रतिशत से अधिक है। कच्चे तेल की कम कीमतें भारत के लिए बहुत सकारात्मक हैं, क्योंकि देश कच्चे तेल की कुल जरूरतों का 90 प्रतिशत और प्राकृतिक गैस की कुल जरूरतों का 50 प्रतिशत आयात करता है।

कच्चे तेल के अलावा भारत तरलीकृत प्राकृतिक गैस (एलएनजी) और पेट्रोलियम उत्पाद जैसे तरलीकृत पेट्रोलियम गैस (एलपीजी) का भी आयात करता है। साथ ही डीजल और पेट्रोल जैसे उत्पादों का निर्यात भी करता है।

भारत के तेल और गैस का शुद्ध बिल जनवरी में सालाना आधार पर 12.8 प्रतिशत घटकर 9.5 अरब डॉलर रह गया है। वहीं अप्रैल से जनवरी के दौरान सालाना आधार पर बिल 12 प्रतिशत गिरकर 97 अरब डॉलर रह गया है।

जनवरी में भारत का एलएनजी आयात पिछले साल की तुलना में 15.3 प्रतिशत बढ़कर 2,808 मिलियन स्टैंडर्ड क्यूबिक मीटर (एमएससीएम) हो गया, जबकि पेट्रोलियम, ऑयल और लुब्रिकेंट्स (पीओएल) उत्पादों का आयात इस महीने में पिछले साल की समान अवधि की तुलना में 0.5 प्रतिशत बढ़ गया।

बहरहाल जनवरी में भारत के पीओएल उत्पादों का निर्यात पिछले साल की समान अवधि की तुलना में 10.3 प्रतिशत घट गया है। इसका मुख्य कारण अन्य चीजों के अलावा विमान ईंधन (एटीएफ), वैक्यूम गैस ऑयल (वीजीओ), और फ्यूल ऑयल (एफओ) का कम निर्यात था।

Amar Ujala, Delhi, 19/02/2026
Page No: 15, Size: 31.70cm × 11.09cm

राहत नहीं अंतरराष्ट्रीय बाजार पर लंबे समय से 65 से 70 डॉलर प्रति बैरल के आसपास बनी हुई हैं कच्चे तेल की कीमतें

ग्राहकों को फायदा नहीं देकर तेल कंपनियों ने कमाया 23,743 करोड़ का मुनाफा

अमर उजाला ब्यूरो

नई दिल्ली। वैश्विक स्तर पर कच्चे तेल की कीमतें लंबे समय से 65 से 70 डॉलर प्रति बैरल के आसपास बनी हुई हैं। इस दौरान घरेलू तेल कंपनियों ने ग्राहकों को महंगा पेट्रोल और डीजल बेचकर भारी मुनाफा कमाया है।

तीन प्रमुख सरकारी कंपनियों को चालू वित्त वर्ष 2025-26 की दिसंबर तिमाही में 23,743 करोड़ का मुनाफा हुआ है, जो एक साल पहले की समान अवधि के 10,545 करोड़ रुपये की तुलना में दोगुना से भी ज्यादा है।

आंकड़े बताते हैं कि तेल कंपनियों के मुनाफे में यह भारी वृद्धि मजबूत रिफाइनिंग मार्जिन और एलपीजी की कम अंडर रिकवरी के कारण हुई है। इंडियन ऑयल कॉरपोरेशन (आईओसी) का ग्रॉस रिफाइनिंग मार्जिन (जीआरएम) दिसंबर तिमाही में चार गुना बढ़ गया। भारत पेट्रोलियम कॉरपोरेशन (बीपीसीएल) का जीआरएम दो गुना से अधिक हो गया। यह वृद्धि कच्चे तेल की नरम कीमतों और उत्पाद क्रैक में मजबूती के कारण हुई। देशभर में इस समय एक लाख से ज्यादा पेट्रोल पंप हैं। इसमें से 90 फीसदी हिस्सेदारी तीनों सरकारी कंपनियों के पास है। बाकी नायरा और रिलायंस के पास हैं।

ग्रॉस रिफाइनिंग मार्जिन में बढ़ोतरी

आईसीआईसीआई सिक्योरिटीज के आंकड़ों के मुताबिक, आईओसी का जीआरएम एक साल पहले के तीन डॉलर प्रति बैरल से बढ़कर 12.2 डॉलर प्रति बैरल पहुंच गया। बीपीसीएल का जीआरएम 5.6 डॉलर से बढ़कर 13.3 डॉलर हो गया। एचपीसीएल का जीआरएम 6 डॉलर से बढ़कर 8.9 डॉलर हो गया।

10,545
करोड़ का मुनाफा हुआ था एक साल पहले तीनों सरकारी कंपनियों को

▪ ***क्रैक स्प्रेड में भी एक साल पहले की तुलना में सुधार :*** *डीजल, पेट्रोल और विमानन टरबाइन ईंधन पर क्रैक स्प्रेड (कच्चे तेल की कीमत और उसके रिफाइनिंग उत्पादों की कीमत के बीच का अंतर) में पिछले वर्ष की तुलना में सुधार हुआ है। दिसंबर तिमाही में बेंचमार्क सिंगापुर जीआरएम बढ़कर 6.2 डॉलर प्रति बैरल हो गया, जो पिछले वर्ष की इसी अवधि में 4.9 डॉलर प्रति बैरल था।*

सरकारी मुआवजे और एलपीजी की कम कीमतों ने भी बढ़ाई कंपनियों की कमाई

आईओसी ने दिसंबर तिमाही में 12,126 करोड़ का लाभ दर्ज किया। बीपीसीएल और एचपीसीएल ने क्रमशः 7,545 करोड़ और 4,072 करोड़ रुपये का लाभ दर्ज किया। दिसंबर तिमाही में सरकार ने खाना पकाने की गैस को बाजार दर से कम दामों पर बेचने के लिए तेल विपणन कंपनियों को वादे के तहत मुआवजा देना शुरू कर दिया है। मुआवजे की प्राप्ति के साथ तिमाही के दौरान एलपीजी की कम कीमतों ने भी कंपनियों की कमाई बढ़ाने में मदद की।

▪ **मार्केटिंग मार्जिन में गिरावट :** पंप की कीमतें अपरिवर्तित रहने से तीनों सरकारी रिफाइनरियों के मार्केटिंग मार्जिन में गिरावट आई। आईसीआईसीआई सिक्योरिटीज के आंकड़ों के अनुसार, दिसंबर तिमाही में पेट्रोल पर खुदरा मार्जिन 7.8 रुपये प्रति लीटर रहा, जो एक साल पहले के 12 रुपये प्रति लीटर से कम है। डीजल पर खुदरा मार्जिन 2.9 रुपये प्रति लीटर रहा, जो पहले के 8 रुपये से कम है।

Oil & Gas industry

Eni plots return to oil and gas trading as it eyes rivals' profits

Italian energy major explores joint venture with independent commodity houses

One senior trader confirmed that Eni had sounded out multiple firms in the sector © Alessia Pierdomenico/Bloomberg

Malcolm Moore in London

Published 9 HOURS AGO

Italian energy major Eni is weighing a return to oil and gas trading, seeking the outsized returns enjoyed by rivals BP, Shell and TotalEnergies as geopolitical tensions fuel energy price volatility.

"I stopped trading in 2019 but the other big companies are all traders," said chief executive Claudio Descalzi. "BP, Shell, Total are big traders and they make billions from that."

Descalzi told the FT he had held preliminary talks with several commodity trading houses, including Mercuria, about forming a joint venture.

"It is not in our DNA. We are not very commercial," he said. "So I thought to become commercial, we have to have a partnership to understand the business."

Mercuria declined to comment.

Energy trading, particularly trading in derivatives such as futures and options, has become increasingly competitive. But Descalzi said Eni's physical production of oil and gas would make it an attractive partner.

"If we can offer physical hedging, that is a big advantage for them. We can complement each other," he said.

One senior trader confirmed that Eni had sounded out multiple firms in the sector, adding that most trading houses would be interested in a joint venture combining their commercial and shipping expertise with the Italian group's oil and gas flows.

But structuring such a scheme would be complicated, particularly in ensuring transparency, trust and performance metrics. Descalzi described the proposal as a "difficult exercise", stressing that Eni would only proceed if the right conditions were in place.

He added that the trading unit would operate independently of Eni. "Another reason is traders have a nice salary," he said. "A good trader takes three or four times what I earn every year, and maybe more."

The Eni chief executive also signalled that he was considering fresh dealmaking to expand the company. "We need to step up in terms of dimension," he said.

In its last two deals, Eni merged its UK assets with Ithaca in exchange for equity in the enlarged company and separately brought Neptune Energy's Norwegian assets into its subsidiary Vår Energi.

BP last week said its trading business "remains a distinctive competitive advantage, delivering an average of around 4 per cent uplift to BP's returns", while Shell said at its results that trading's boost to its returns was towards the lower end of a 2-4 per cent range.

Climate change

Global divisions over energy policy widening, IEA chief says

Fatih Birol warns that climate change is 'moving down the international policy agenda'

The IEA says oil and gas demand will rise for 25 years under governments' current policies © Todd Korol/Reuters

Ian Johnston in Paris

Published 9 HOURS AGO

The head of the International Energy Agency has warned that "fracturing in the global order" is leading to divisions over global energy policy, as America's step back from climate commitments continues under President Donald Trump.

Fatih Birol, executive director of the global energy watchdog, said the gaps were increasingly stark, with the US rowing back climate pledges while China and Europe push forward with electrification.

"We see a fracturing in the global political order in general and there are of course reflections of that on the energy scene. Different countries are choosing different paths in terms of energy and climate change," he said in an interview.

Last week, Trump repealed a key ruling underpinning the US Environmental Protection Agency's authority to regulate emissions. He has already withdrawn from the Paris Agreement and the UN's Framework Convention on Climate Change.

European countries have also softened climate ambitions, with the EU diluting its 2040 emissions reduction target last year and softening plans to phase out combustion engines by 2035. Canadian energy emissions have risen, as Prime Minister Mark Carney has backed the oil and gas sector in the face of trade threats from Trump.

Speaking as energy ministers gather in Paris for the biennial IEA ministerial meeting, Birol said climate change was "moving down the international policy agenda".

Fatih Birol says new countries are seeking to join the IEA despite US scepticism © Anna Gordon/FT

US energy secretary Chris Wright will attend the meeting, where energy security, critical raw materials and climate measures will be discussed.

At an event in Paris on Tuesday organised by the French Institute of International Relations, Wright criticised the IEA's 2050 net zero modelling as "ridiculous", and said the IEA should focus on its role as an international data recording agency, which is focused on energy security.

"It does great quantitative work on energy, but it needs to focus on that mission and not . . . playing nice with European politicians or Americans," he said.

Wright threatened to withdraw the US as an agency member if the organisation was "dominated and infused with climate stuff".

In November, the IEA issued new modelling saying that oil and gas demand would rise for 25 years under governments' current policies.

Asked about the US pressure before the IEA reintroduced the outlook based on government policies, Birol said the agency responded to what "our governments ask us to do".

Despite scepticism from Washington about multilateral bodies, Birol said new countries were seeking to join.

A person familiar with the agency said Colombia would join the current 32-nation organisation as a full member. India is on track to become a full member, Brazil is set to start the process while Vietnam will become an associate member.

Sophie Hermans, Dutch energy minister and chair of this year's IEA meeting, said in the same interview that there was a need for a "realistic and pragmatic approach" to tackling climate change.

Asked about the EU debate over whether to continue with a planned phase out of CO_2 permits for energy intensive industries, she said companies should "know what way we are going" but added that "in an unstable geopolitical situation, then you must be flexible . . . to reshape your policies in order to make them fit to the situation".

One area where the IEA is hoping to forge consensus is on diversifying supplies of critical raw materials vital to the green transition. Members will discuss strengthening supply chains and data gathering, with Birol and Hermans warning of the need to reduce dependence on China.

"We see one single country today has an oversized role in critical minerals . . . it is important to work with many countries that are like-minded to provide diversification," Birol added.

Financial Times, , 19/02/2026
Page No: 0, Size: 36.22cm × 50.09cm

Opinion EU energy

Europe should treat energy security as defence policy

We must move beyond thinking solely in terms of efficiency and decarbonisation to prioritise resilience

RICHARD SHIRREFF

People in Kyiv queue for free hot meals as Russian air attacks leave them without power, heating and water. Moscow's tactics extend beyond Ukraine, blending cyber and kinetic attacks on energy grids to probe Europe's defences © Efrem Lukatsky/AP

Richard Shirreff

Published 26 MINUTES AGO

The writer is former Nato deputy supreme allied commander Europe and a member of the Energy Security Leadership Council — Europe

It was the great American general Omar Bradley who memorably said: "Amateurs talk tactics, professionals talk logistics." Europe is, at last, relearning that foundational military principle. Logistics determine the outcome of every major conflict, often before combat even begins. For any developed nation, the most critical logistics system is energy infrastructure. When power fails, production stalls, essential services from hospitals to railways and communications are disrupted, and failed supply lines can put the capability of a nation's armed forces at risk.

In Ukraine, this has been a reality since Russia's full-scale invasion. The campaign against its energy infrastructure is one of the Kremlin's core strategies. Ukraine has had to manage acute power deficits: the occupation of the Zaporizhzhia nuclear plant and waves of strikes left it with only about one-third of its prewar generation capacity by mid-2024. Going into this winter, Ukraine's energy ministry anticipated only 17.6GW of generation capacity would be available, even before the recent attacks on energy infrastructure that have left millions suffering in extreme sub-zero temperatures.

Russia's tactics extend beyond Ukraine, blending cyber and kinetic attacks on energy grids to deliberately probe Europe's defences. In December, a Russia-linked cyber attack on Poland's electricity grid disabled communications systems at around 30 energy facilities. This means that already, energy infrastructure is a strategic target in Europe. We face a battle to keep the lights on — and the data flowing. As European Commission president Ursula von der Leyen warned after damage to critical undersea links in the Baltic in 2023, "our pipelines and underwater cables are lifelines".

Europe's exposure is further amplified by an uncomfortable fact: the old assumptions about guaranteed external protection have been fatally weakened. As the Munich Security Report 2026 argues, Europeans have postponed the hard task of preparing for a future in which the US pivots away from the continent regardless of Europe's preparedness. If that is true for the battlefield, it is also true for the power system that underpins Europe's resilience.

We should treat energy security as de facto defence policy. That means moving beyond thinking about energy solely in terms of efficiency and decarbonisation, and prioritising resilience and strength in the face of aggression.

In addition to ensuring that supply chain risks for fossil fuels are effectively managed, we must also fortify, modernise and decentralise Europe's electricity infrastructure. This includes low-carbon technologies that generate domestic energy such as solar, wind, nuclear and geothermal and grid-scale batteries for energy storage. Ultimately, if we cannot power our economies, we cannot defend our borders.

Ukraine has shown that centralised systems can be easy to disrupt. To prepare for this, Europe should shift to more distributed energy systems so that, if one node is disabled physically or digitally, the rest of the system can remain online. Resilient interconnection means more cross-border links, more routing options and faster isolation of compromised segments — preventing severe blackouts like the one that hit Spain and Portugal last summer.

Protecting a power system requires air defence, counter-drone measures, deception, dispersion and robust cyber security. Ukraine's grid operators have remained functional due to strong cyber defences, splitting the network into smaller segments, and the ability to run the system manually when digital systems fail. Europe must learn from this and reduce strategic digital dependencies. The EU's recent move to restrict high-risk suppliers in critical sectors such as electricity and cloud services should accelerate.

Finally, the most politically challenging necessity is ending dependencies that could be weaponised. Europe learnt from Russian gas that dependencies can lead to coercion. Europe's reliance on US energy and technology in the wake of a breach of transatlantic trust is also a vulnerability. A clean, homegrown energy system with resilient infrastructure and storage is critical to securing the continent's sovereignty.

Some will object that this is expensive. It is, but the alternative is costlier. Europe needs to be ready to function under crisis conditions. That means planning for prolonged disruption and building grids and energy systems in the face of an adversary who is actively trying to break it. Energy is no longer just a commodity for economic prosperity; it is the frontline of defence.

U.S. Oil Output Is Strong Despite Very Low Prices

By Benoît Morenne

MIDLAND COUNTY, Texas—Perched in the control room of a Chevron rig, an operator steered a drilling bit thousands of feet under the arid surface of the Permian Basin. As he did so, he received real-time directions from a specialist in Houston, some 477 miles away.

Remote monitoring and other feats of technology that have become mainstream are among the clues that help explain why U.S. oil production has—thus far—defied predictions that it would decline in conjunction with the lowest crude prices since the pandemic.

As U.S. oil prices dropped below $60 a barrel in recent months, the industry shed rigs by the dozens and laid off crews that frack wells. Yet, the country's wells last year gushed a record 13.6 million barrels of crude on average each day—100,000 barrels more than the Energy Information Administration, the federal forecaster, had anticipated before President Trump's inauguration. The disconnect between slackening activity and the increasing yield has mystified even oil chieftains.

"I've been wrong," said Kaes Van't Hof, chief executive of Permian producer Diamondback Energy. "I thought we'd be down by now."

Executives credit the outperformance in part to companies' engineering prowess and the changing makeup of the industry. Oil giants now have a bigger share of crude production in their hands and are largely impervious to price swings, ensuring a steady output. Among other field enhancements, these companies now routinely drill wells that extend over 4 miles and allow them to collect more crude at

Please turn to page A2

Innovation Helps Drive Oil Output

Continued from Page One

a lower cost.

The industry's resourcefulness has been a boon to Trump. He has touted soaring production and low prices at the pump as the issue of affordability takes on urgency in his administration. A gallon of regular unleaded gasoline cost $2.92 on average in the U.S. on Tuesday, according to AAA, down 24 cents from a year ago. The declining prices helped slow inflation to 2.4% in January.

This latest growth spurt might be short-lived, and some analysts said production is set to plateau. Although geopolitical tensions have pushed oil prices higher to around $62 a barrel, U.S. crude output is expected to flatten this year as producers preserve dwindling sweet spots for better days, before declining in 2027. Improvements in the patch can trump aging rock for only so long, executives said.

Some oil regions have been hit hard by lower prices already. Harold Hamm, Continental Resources' billionaire founder and a Trump donor, recently said he would stop drilling in North Dakota's Bakken Shale for the first time in more than 30 years.

"I think as we move into this maturation phase of shale, maintenance is generally going to be the output for a lot of these basins," said Matthew Portillo, head of research at investment bank Tudor, Pickering, Holt & Co.

Still, the industry's resilience has taken observers aback, given the headwinds they have faced since Trump, a Republican, took office.

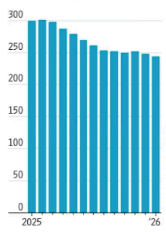
Twin threats

Producers have wrestled with the twin threats of tariffs, which unsettled the global economy, and competition from the Organization of the Petroleum Exporting Countries and its allies, which pumped new barrels into already well-sated markets. In the weeks after Trump's inauguration, oil prices nosedived some $18 a barrel to land at $58.50 a barrel in early May.

U.S. crude-oil futures price

Source: FactSet

Permian oil rig count, monthly



In a letter to shareholders that month, Diamondback's then-CEO, Travis Stice, said it was likely that U.S. onshore oil production had peaked and would begin to decline in the second quarter of the year. "This will have a meaningful impact on our industry and our country," he wrote.

All eyes turned to the Permian, a humongous oil field that spans West Texas and New Mexico and pumps about half of the country's crude. But instead of declining, the basin logged a record 6.72 million barrels a day in the most recent quarter, according to the EIA.

One explanation for the basin's resilience is that the unruly, debt-fueled frackers that would retreat when prices fell have died off. They have given way to giants armed with sturdy balance sheets that can better weather price shocks.

The Permian has seen a consolidation frenzy valued at more than $125 billion since 2020. As a result, drillers such as Exxon Mobil, Chevron, ConocoPhillips, Diamondback and Occidental Petroleum now largely dictate the pace of production there.

In an effort to trim costs, these companies have been deploying drilling and pumping innovations across their respective empires. For instance, Chevron in 2019 ran 21 rigs and five frack crews in the Permian. This year it anticipates it will need only six rigs and two frack crews to produce about 67% more oil-and-gas in the region than seven years ago.

Each rig on average drills 1,500 feet a day, which is more than twice as much as in 2019.

Chevron and others are also trying their hand at drilling horizontal wells that extend out 2 miles, make a 180-degree turn and extend for another 2 miles in a U shape. This allows them to extract more crude from smaller pieces of land where they can't drill one long lateral section.

"The Permian Basin in particular, it's no longer an experiment," said Bruce Niemeyer, president of shale and tight at Chevron. "It's something that's operating at an industrial scale."

Sam Sledge, CEO of fracking company ProPetro, noted that five years ago the industry used to celebrate when a crew pumped water and sand into a well for 16 or 17 hours a day to frack it. "We don't get out of bed for 20 or 21 hours a day now," he said.

Still, producers have exhausted most of their sweet spots, leaving them no choice but to take on lesser-quality rock that is more onerous to develop. It currently takes some companies about 25 days to drill a well in a deep, promising Permian formation known as the Barnett Shale, compared with about five to seven days in shallower rock.

Next phase

Companies are turning to the next phase of Permian development. They are looking for new ways to extract more from the rock when they frack it and as they produce from it. Chevron has said it expects to recover about 10% more from new wells because of advanced chemicals. Exxon has said it is targeting a more than 50% increase in Permian output between 2025 and 2030 in part by using petroleum coke, a refinery byproduct, to recover more molecules as it fracks wells.

The Trump administration said it is aware of the fact that U.S. shale is growing old. Energy Secretary Chris Wright said in an interview that the industry needs to find the right technologies to extract more fossil fuels and expand the shale revolution.

"That is just a giant target for U.S. oil production over the coming decades," he said.

Some oilmen said that despite potential breakthroughs, the country is set to see higher oil prices in the coming years as the small producers that once raced to add rigs when prices soared disappear.

Curtis Leonard, the 71-year-old president of private Permian driller ICA Energy, said he is thinking about retiring this year. ICA expected to drill at least six wells in 2026 but will likely end up drilling only two, he said. When demand for oil rebounds, the U.S. won't be able to increase supplies quickly, he said.

"When you're going to need the army of foot soldiers, you're not going to have it," he said.

US Renews Threat to Withdraw From IEA Over Climate Advocacy

By Aaron Clark

February 18, 2026 at 3:44 PM GMT+5:30

The US renewed threats to quit the International Energy Agencyunless the organization scales back climate advocacy and focuses on energy security.

“We’re definitely not satisfied,” US Energy Secretary Chris Wrightsaid Tuesday, ahead of an IEA ministerial meeting opening Wednesday. The agency must complete reforms “for the US to remain a long-term member,” he said.

The Paris-based agency, which was established in response to the 1970s oil crisis, has faced criticism in recent years for the publication of long-term scenarios which factor in more active government policies to shift away from fossil fuels. Republican lawmakers last year sought to cut US funding and denounced the agency for politicizing its projections.

The IEA didn’t immediately comment on the US official’s remarks, though confirmed Executive Director Fatih Birol and Wright met Tuesday to discuss energy issues, including a clean cooking fuel initiative.

A flagship report published in November tempered the IEA’s scenarios on an imminent peak in oil demand, and reintroduced a “Current Policies Scenario” after a five-year hiatus, which bases the analysis on existing conditions. The decision reflected rising political and economic uncertainty and wasn’t the result of US pressure, Birol said at the time.

Birol deserves credit for that shift, but must continue to drive reforms to refocus the IEA, Wright said at a Tuesday event hosted by the French Institute of International Relations.

“If it goes back to what it was — it was a fabulous international data recording agency, it was getting into critical minerals, was focused on big energy issues — we’re all in on that,” he said. “But if they insist that it’s so dominated and infused with climate stuff — yes, then we’re out.”

Wright previously flagged last July that the US could quit the IEA without additional reforms. The agency receives roughly $6 million annually, or about 14% of its budget, from the US.

At the IEA ministerial meeting in Paris on Wednesday, Wright said that the agency had gotten off track and isn’t needed as a climate advocacy group. The US wants IEA countries to focus on energy security and the pathway to a better world is more energy, Wright added.

President Donald Trump’s administration last month expanded its retreat from global cooperation on climate change by withdrawing from dozens of international organizations, including UN bodies and the International Renewable Energy Agency.

Russia Cuts Oil Drilling as Money Dries Up, With Output at Risk

By Bloomberg News

February 18, 2026 at 4:56 PM GMT+5:30

Russia's oil producers reduced the pace of drilling in 2025 to the lowest level in three years, dimming the outlook for output growth this year as Western sanctions and a strong ruble undercut revenue.

Rigs drilled about 29,140 kilometers of production wells in the country last year, down 3.4% from 2024, according to industry data seen by Bloomberg News. After reaching record rates in the first months of 2025, activity started to slow in June and slumped about 16% in December from a year earlier, the data show.

The slowdown comes as Russian producers are under pressure from lower global oil prices, deeper discounts on their barrels due to tighter Western sanctions and a stronger ruble that made exports less profitable. Meanwhile, the Organization of the Petroleum Exporting Countries and its allies are reviewing how much its members are capable of producing years ahead, in an effort to align output quotas more closely with members' actual abilities.

Production in Russia, a de-facto leader of OPEC+ along with Saudi Arabia, has already fallen for two consecutive months amid export constraints, and lower drilling could add further pressure as the alliance weighs its next steps in supply policy.

"Russian production is quite similar to the US shale, with output growth and decline looking like an echo of drilling amount several months prior," said Sergey Vakulenko, who spent a decade as an executive at a Russian oil producer and is now a scholar at the Carnegie Endowment for International Peace.

A decline in drilling rates in the second half of the year is "a rational reaction of companies to a collapse in profitability," said Gennadii Masakov, former director of the research and insights center at Yakov & Partners and currently an independent energy expert. "Companies have switched to cash saving mode."

The price of Urals, Russia's main oil-export blend, shrank to $39.18 a barrel in December for tax purposes, a 42% drop from January. After the US blacklisted top producers Rosneft PJSC and Lukoil PJSC, the discount on Urals to the Brent benchmark widened to about $27 a barrel at the point of export in December — more than double from the start of 2025 — as buyers sought a bigger financial incentives to continue purchases.

At the same time, the ruble appreciated by almost a quarter against the US dollar as Russia's key interest rate remained near a record high.

"All these effects reduce the ruble-based net present value of a prospective well, making the companies drill less," Vakulenko said.

What's Next?

Usually it takes several months from drilling a well to starting pumping oil from it, so the recent slowdown is yet to be felt. The drop in the country's crude production in December and January was caused mostly by US sanctions and President Donald Trump's pressure on India to halt purchases of Russian crude as part of a campaign to end the war in Ukraine that's set to enter its fifth year, analysts say.

As it takes more time to find buyers for Urals, the amount of Russian crude held on tankers increased to about 140 million barrels, compared with about 100 million in early October. Ukraine's repeated attacks on Russian oil fields in the Caspian Sea in December and January also contributed to the drop in output.

"The real effect of the drop in drilling hasn't yet become evident and will be visible in production in the second or third quarters of 2026," Masakov said.

With many fields in natural decline, Russia needs to drill 26,000 to 29,000 kilometers of wells every year to maintain daily crude output at about 9.2 million to 9.4 million barrels, according to Masakov's estimates. "Any further decline below this level will inevitably lead to a decline in production," he added.

In January, Russia's crude-only output averaged 9.246 million barrels a day, or 328,000 barrels below the nation's quota for the month within the OPEC+ agreement. If Russia's production continues to fall, the nation risks losing global market share to OPEC+ allies. Some members of the alliance see scope to resume supply increases in April after the group agreed to keep output steady in the first quarter.

This year, Russia's crude-only production will decline slightly, but higher output of a light oil called condensate will offset that, bringing the total figure to 2024 levels, when output was 516 million tons, according to estimates from Moscow-based Kasatkin Consulting. That's equivalent to 10.36 million barrels a day based on a 7.33 barrel-per-ton conversion rate, and compares with 10.28 million barrels a day last year.

Russia is capable of producing 10.5 million to 11 million barrels a day of crude and condensate, and to maintain that level for a decade or more, according to Ronald Smith from Emerging Markets Oil & Gas Consulting Partners LLC.

"In theory, Russia's potential to increase output is very high, but everything depends on the economy, OPEC+ agreements, as well as domestic constraints — the central bank's key rate, personnel, technologies and operational efficiency — and external restrictions on marketing and delivering the nation's crude to clients," Dmitry Kasatkin, a managing partner at Kasatkin Consulting, said. "Changes in any of these factors will alter the actual production potential."

Venezuela's Oil Output Can Climb 30%-40% This Year, US Says

By Grant Smith and Nayla Razzouk

February 18, 2026 at 8:50 PM GMT+5:30

Venezuela can bolster oil production by 30% to 40% this year, an increase of roughly 300,000 to 400,000 barrels a day, according to US Energy Secretary Chris Wright.

There's "enormous" interest among companies seeking to enter the Latin American country, Wright said in an interview in Paris, where's attending the ministerial meeting of the International Energy Agency. Such a boost would equate to about a third of global oil demand growth this year, he added.

The Trump administration recently issued licenses allowing a handful of Western oil firms to operate in Venezuela. The US is trying to stimulate the nation's oil industry and revive its economy following the capture of leader Nicolás Maduro earlier this year. The country's oil production has fallen by about half since 2017, when Washington first imposed financial sanctions on the country.

ConocoPhillips has previously said it prefers to recoup the billions it's owed by Venezuela rather than drilling new wells. Wright said that a range of "creative deals" could help resolve the situation, such as converting those debts into equity ownership.

Oil prices are trading near a six-month high in London amid concern that President Trump could attack OPEC member Iran to contain its nuclear program. Prices have also been buoyed by an array of supply disruptions, including the impact of US-led sanctions on Iran and Russia.

Wright said that Trump's pursuit of "energy dominance" — including growing domestic production, and rebuilding alliances in the Middle East and beyond — has freed US foreign policy from some of the concerns over energy prices it has been constrained by in recent decades.

A short-lived "blip" in oil prices during last year's 12-day conflict between Israel and Iran — in which the US attacked Iranian nuclear facilities — is a good illustration of the changed dynamic, he added.

Japan, US Reach $36 Billion of Gas, Mineral Deals in Trump Pact

By Josh Wingrove, Yoshiaki Nohara, and Catherine Lucey

February 18, 2026 at 12:33 PM GMT+5:30

Japan plans to invest up to $36 billion in US oil, gas and critical mineral projects, the first tranche of its $550 billion commitment under the trade agreement it struck with President Donald Trump.

“Our MASSIVE Trade Deal with Japan has just launched!” Trump posted Tuesday on social media. “The scale of these projects are so large, and could not be done without one very special word, TARIFFS.”

Japanese Prime Minister Sanae Takaichi said the projects were designed to build resilient supply chains through cooperation in areas crucial for economic security, including critical minerals, energy and artificial intelligence.

“We believe this initiative is fully aligned with its core objectives: promoting mutual benefits between Japan and the United States, ensuring economic security, and fostering economic growth,” she wrote.

The most significant investment is a natural gas facility in Ohio that’s expected to generate 9.2 gigawatts of power, according to a statement from US Commerce Secretary Howard Lutnick, a massive project which Trump described as “the largest in History.”

Japan is expected to invest up to $33 billion in the gas plant, which will be led by SoftBank Group Corp. subsidiary SB Energy, according to a US Commerce Department fact sheet outlining the investments. Japan’s Ministry of Economy, Trade and Industry listed SoftBank Group as the company involved in the project.

Japanese companies Toshiba Corp. and Hitachi Ltd. have also expressed interest in participating in the gas project, the country’s trade minister Ryosei Akazawa told reporters on Wednesday.

If that plant operates at full capacity, it would be the equivalent of nine nuclear reactors or roughly the amount of power consumed by about 7.4 million homes on the largest US grid operated by PJM Interconnection LLC.

The second project is a deepwater crude export facility in the Gulf of Mexico, according to Lutnick. The $2.1 billion investment into the Texas GulfLink export terminal will be operated by Sentinel Midstream and is expected to generate as much as $30 billion in annual US crude exports when operating at full capacity, according to the Commerce Department fact sheet.

Trump’s initial social media post about the project sowed some confusion, describing the investment as a liquefied natural gas facility.

Japan is also expected to invest in a synthetic industrial diamond manufacturing facility, which Trump’s post indicated would be located in Georgia. The diamonds are a “critical input for advanced industrial and technological production,” Lutnick said.

The project — a high-pressure, high-temperature synthetic diamond grit facility — will receive a $600 million investment and involves Element Six, a subsidiary of De Beers, according to the Commerce Department. Diamond grit is used by industrial manufacturers — including in the semiconductor, automotive and energy sectors — for its hardness properties.

"Both governments will continue to work closely together to fine-tune the details and ensure the speedy start of these projects," Japanese Chief Cabinet Secretary Minoru Kihara said in a press briefing Wednesday where he confirmed the projects.

The long-awaited announcement marks a step forward for the trade and economic pact that Trump announced with Japan last year. It comes weeks before Takaichi is set to meet with Trump in Washington.

The selection comes after a joint panel first met in December to consider projects, which are ultimately selected by Trump himself based on recommendations from an investment committee he established, along with input from Japanese officials.

The fund is meant to spur a wave of Japanese investment in key US industries and was a central pillar of the tariff deal, under which the US president agreed to set levies at 15% on Japanese products and lower the duty for automobiles, a critical driver for Japan's economy. The $36 billion total is equivalent to more than half of Japan's net foreign direct investment in the US in 2025, according to Japanese Finance Ministry figures.

Implementation of the agreement is likely to be a top agenda item during the meeting between Trump and Takaichi in Washington expected to take place March 19.

Lutnick and Akazawa met in Washington last week to hash out the details of the first tranche of investments. Akazawa said he doesn't expect projects backed by the $550 billion fund to be high-risk, high-return, signaling the Japanese are seeking initiatives with safe returns, rather than less-certain investments.

"Japan is providing the capital. The infrastructure is being built in the United States. The proceeds are structured so Japan earns its return, and America gains strategic assets, expanded industrial capacity, and strengthened energy dominance," Lutnick said in his Tuesday statement.

The initial investment in a power generation facility is timely. Soaring demand from new data centers, especially to chase the artificial intelligence boom, has raised the cost of ensuring adequate energy supplies.

The two nations identified potential projects ranging from $350 million to as much as $100 billion during Trump's visit to Japan last year. That framework included energy, artificial intelligence and critical minerals investments involving SoftBank, Westinghouse,Toshiba Corp., among other companies.

The government-owned Japan Bank for International Cooperationand Nippon Export and Investment Insurance are expected to play leading roles in financing the projects. It's not yet clear how much money will be committed in the form of direct investment. Akazawa said last year that only 1-2% of the $550 billion mechanism would consist of cash investments, with the majority coming from loans and loan guarantees.

After a selection is made, Japan has 45 business days to fund the effort, according to an agreement between the countries.

If Japan elects not to fund a project, the US could claw back certain revenues or hike tariff levels, according to the agreement. That could risk significantly higher duties on Japanese imports into the US. Trump threatened to raise tariffs to 25%, then scaled that back to 15% after Japan agreed to boost investment in the US through the $550 billion fund.

Trump has grumbled about the pace of implementation of a similar deal with South Korea, a key competitor with Japan on auto manufacturing, and threatened to increase tariffs once again. That saga underscores the link between the investment pledges and the tariff changes that accompanied them.

The announcement follows a historic electoral victory for Takaichi earlier this month. She was formally reelected as premier on Wednesday. Takaichi has vowed to prioritize strong ties with the US. Trump has praised Takaichi, wishing her "great success" in her "Conservative, Peace Through Strength Agenda."

William Chou, a senior follow at the Hudson Institute, said that the three projects reflect shared US and Japanese priorities in the energy, AI, and semiconductor sectors and were a good match for Japanese industry's skillsets and understanding of the US industrial landscape.

"This announcement ensures political momentum ahead of PM Takaichi's trip to Washington next month, and demonstrates that Japan is an ally that follows through on its promises," Chou said.

Occidental Petroleum tops quarterly profit estimates on midstream support

By Reuters

February 19, 20262:48 AM GMT+5:30Updated 1 hour ago

Feb 18 (Reuters) - Occidental Petroleum (OXY.N), beat Wall Street expectations for fourth-quarter profit on Wednesday, as strength in its midstream unit helped the U.S. shale producer offset weaker crude oil prices.

Shares of the company rose nearly 3% in extended trading.

Occidental's realized oil prices fell to $59.22 per barrel in the fourth quarter, from $69.73 a year earlier, though production rose slightly to 1.48 million barrels (MMboepd) of oil equivalent per day.

Growing concerns about an oil glut had put pressure on global oil prices, with Brent crude falling more than 9% during the quarter.

The company's midstream unit reported a pre-tax income of $204 million, compared to a loss of $123 million a year earlier.

Higher gas margins from transportation capacity optimization in the Permian, reduced long-haul crude transportation costs and higher sulfur prices at Al Hosn, where it runs joint venture with Abu Dhabi National Oil Co (ADNOC.UL), boosted the business.

Occidental said it expects capital expenditure to be in the range of $5.5 billion to $5.9 billion and average production between 1.42 MMboepd and 1.48 MMboepd in 2026.

Output is expected to range between 1.38 MMboepd and 1.42 MMboepd in the first quarter.

Meanwhile, the company said it reduced its debt by $5.8 billion since mid-December, adding it aimed to achieve principal debt of roughly $14.3 billion in 2026.

Occidental had been saddled with a massive debt load following its $55 billion purchase of Anadarko Petroleum in 2019 and the $12 billion acquisition of CrownRock last year.

The Houston-based company's long-term debt stood at $20.63 billion as of December 31.

Occidental posted an adjusted profit of 31 cents per share for the three months ended December 31, compared with expectations of 18 cents, according to data compiled by LSEG.

Exxon's Uaru and Whiptail projects in Guyana are moving ahead of schedule, executive says

By Sheila Dang and Kemol King

February 18, 202610:48 PM GMT+5:30Updated 7 hours ago

GEORGETOWN, Feb 18 (Reuters) - Exxon Mobil's (XOM.N), fifth and sixth projects in Guyana - Uaru and Whiptail - are progressing ahead of schedule and under budget, the oil major's president of Guyana operations said on Wednesday during an energy conference.

Alistair Routledge, Exxon Guyana President, declined to provide a specific timeline for startup of the projects, when asked by Reuters.

The Uaru project is currently slated to begin oil production this year, while Whiptail is anticipated to start up in 2027.

Uaru and Whiptail will each produce 250,000 barrels per day. Guyana's overall output will reach 1.15 million bpd when Uaru starts, and 1.4 million bpd when Whiptail comes online.

In a speech at the Guyana Energy Conference, Routledge also outlined an early plan to connect a gas pipeline it has already completed to a new potential pipeline that would deliver gas to Guyana's Berbice region in order to power industrial projects.

Exxon's eighth project, called Longtail - which upon startup in 2030 will be the first to produce non-associated gas - could also be connected to the potential Berbice pipeline, according to a diagram Routledge presented at the conference.

The Guyanese government has been pressing Exxon, which operates the country's prolific Stabroek Block, to design gas projects to help broaden its energy sector beyond oil and power future industries like a data center and fertilizer plants, none of which currently exist.

Progress on the gas development plan will require work from the government to develop industrial sectors to use the gas over the long term and justify the new pipeline, Routledge said, reiterating comments from Exxon's upstream president on Tuesday.

Exclusive: US refiners Phillips 66, Citgo seek to buy crude directly from Venezuela, sources say

By Nicole Jao, Arathy Somasekhar and Marianna Parraga

February 18, 202610:20 PM GMT+5:30Updated 3 hours ago

HOUSTON, Feb 18 (Reuters) - U.S. refiners Phillips 66 and Citgo Petroleum are seeking to buy heavy crude directly from Venezuelan state oil company PDVSA starting in April to maximize profits, rather than purchasing through trading houses and U.S. oil major Chevron (CVX.N), according to sources familiar with the efforts.

Trading houses Trafigura and Vitol in January secured the first U.S. licenses to export Venezuelan oil as part of a $2 billion deal between Caracas and Washington. Chevron has held an authorization to operate there and ship crude since last year.

Refiners in the U.S. and other countries have been buying cargoes from the three companies. However, since U.S. President Donald Trump's administration issued a general license late last month that authorized broader oil exports from the OPEC country, the pool of buyers is expected to progressively expand, boosting trade to $5 billion over the next few months, U.S. officials have said.

Phillips 66 (PSX.N), one of the biggest U.S. refiners, is seeking compliance and internal clearance to purchase directly from PDVSA, three sources said. Once the company is ready, it plans to charter tankers to load the crude at PDVSA's terminals, one of the sources added. The sources spoke anonymously because of commercial sensitivities.

A Phillips 66 spokesperson declined to comment on commercial activity but said the refiner's Gulf Coast facilities can process a wide range of crude oil and access to heavy crude presents a valuable opportunity.

The company bought Venezuelan oil from Vitol last month at about $9 per barrel below Brent crude.

The White House said on Friday the Trump administration is responding to overwhelming interest from oil and gas companies.

"The president's team is working around the clock to field requests from oil and gas companies," spokeswoman Taylor Rogers said.

CITGO, VALERO ALSO SEEK TO BUY DIRECT

Venezuela-owned U.S. refiner Citgo Petroleum is also in talks to buy crude directly from Venezuela to process at its Gulf Coast refineries, the company confirmed to Reuters.

"Citgo expects any transaction with PDVSA under (licenses) GL46 and GL47 to be fully consistent with normal commercial transactions, meaning we would pick up any crude oil or oil products from Venezuela," it added in an email, without elaborating.

Citgo in January bought a 500,000-barrel cargo of Venezuelan heavy crude for February delivery from Trafigura, its first Venezuelan crude import since 2019.

Valero, the second-largest U.S. refiner and a top buyer of Venezuelan oil from Chevron, plans to buy directly from PDVSA later in the year after it assesses the condition of Venezuela's loading infrastructure, three other sources said. The company has previously bought Venezuelan crude from Vitol for U.S. Gulf Coast delivery.

Valero is stepping up imports of Venezuelan oil with up to 6.5 million barrels of Venezuelan crude bound for its Gulf Coast refineries in March, making it the top foreign refiner of the South American nation's oil. The bulk of those purchases is expected to be through Chevron.

Many potential buyers are trying to determine the best and cheapest logistics to secure cargoes, some of them delivered at U.S. ports, but PDVSA's limited number of vessels and expensive ship-to-ship transfer fees are obstacles, two shipping sources added.

Valero and PDVSA did not reply to requests for comment. Chevron declined to comment on commercial matters, adding it continues to supply its customers. Vitol and Trafigura declined to comment on any impact on their businesses from refiners seeking to buy directly.

CHALLENGES AHEAD

The refiners' plans to increase purchases of Venezuelan oil could face challenges in the coming weeks when trade for April delivery begins, as Washington fine-tunes regulations for doing business with Venezuela, which remains under economic sanctions.

PDVSA has told potential buyers they need individual licenses or specific clearance from the U.S. Treasury's Office of Foreign Assets Control to lift cargoes at its ports, four sources said last week, while many U.S. banks have been reluctant to finance Venezuelan oil trade transactions, three sources said. Along with the general license they plan to use in the coming months, many refiners have submitted requests for individual licenses that are pending.

Venezuelan crude prices have eased in recent days as more Venezuelan oil heads to the U.S. instead of China.

Vitol and Trafigura have offered Venezuelan Merey cargoes at $10 per barrel below Brent in recent days, sources said, cheaper than prices of $6-$7.50 per barrel below Brent last month.

Vitol and Trafigura negotiated prices of around $15 per barrel below Brent for initial Venezuelan crude purchases, bringing in a first wave of $500 million in sales last month, U.S. Secretary of Energy Chris Wright told Reuters in January. They secured profits of up to $4 per barrel after transportation and storage fees, according to Reuters estimates.

China isn’t importing any US LNG, but it's still in the game

Ron Bousso

February 18, 202612:37 PM GMT+5:30Updated 13 hours ago

LONDON, Feb 18 (Reuters) - China this month marks a year since it last imported liquefied natural gas from the U.S. amid a tense trade war between the world's two largest economies.

Yet throughout the past year, Chinese firms have continued purchasing U.S. LNG under long-term supply contracts with American producers. Instead of delivering the super-chilled fuel home, they have often diverted it to Europe, where demand has surged in recent years.

This apparent disconnect between politics and commerce highlights how deeply intertwined U.S. and Chinese energy systems remain, despite efforts by Washington and Beijing to decouple their economies as they compete for global influence.

It also underscores the growing flexibility and liquidity of the global LNG market, which has expanded rapidly in recent years, driven in large part by explosive growth in the United States. The U.S. became the world's largest LNG exporter in 2023, overtaking Qatar.

Since 2018, Chinese energy companies including PetroChina (601857.SS), CNOOC (600938.SS), and Unipec have signed nearly 20 LNG supply contracts with U.S. producers such as Cheniere Energy (LNG.N), Venture Global (VG.N), and NextDecade (NEXT.O), totalling around 25 million metric tons of supply per year, according to data from the Center on Global Energy Policy.

Most of these long-term contracts, which underpin the financing of multi-billion-dollar LNG projects along the U.S. Gulf Coast, run for 20 or 25 years.

The U.S. exported nearly 110 million tons of LNG last year, accounting for more than a quarter of global supply. China, the world's largest LNG importer, bought 4.3 million tons of U.S. LNG in 2024, around 5% of total American exports that year, according to data from analytics firm Kpler.

TRADE TENSIONS

China last imported a cargo of U.S. LNG in February 2025, shortly after the two countries entered a new round of tit-for-tat tariffs.

U.S. President Donald Trump imposed a 10% tariff on Chinese imports on February 10. Beijing responded with a raft of countermeasures, including a 15% levy on U.S. LNG imports. The two sides went on to raise reciprocal tariffs in the following months before agreeing on a “trade truce” in November.

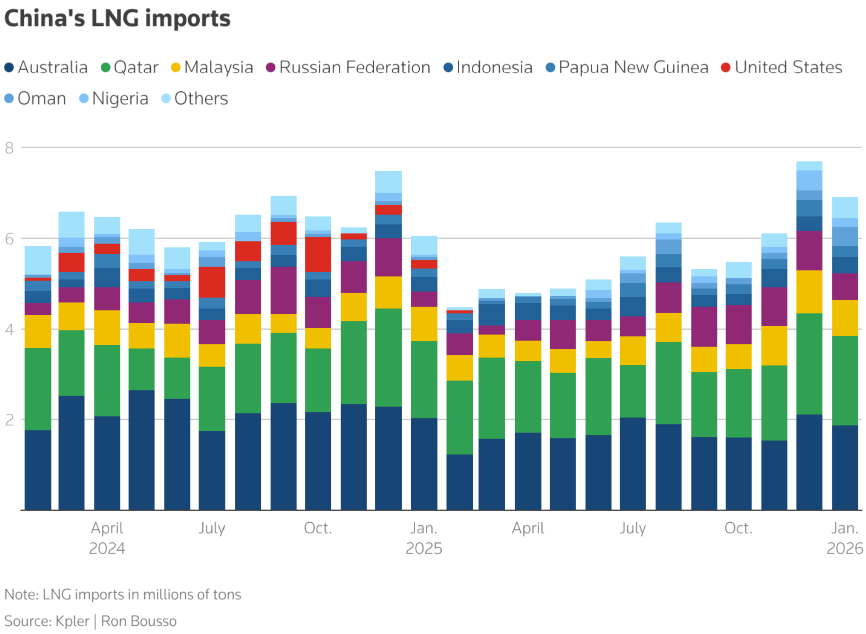
While China halted imports of U.S. LNG, it has continued buying significant volumes of ethane, a petrochemical feedstock. Chinese ethane imports averaged 325,000 barrels per day in 2025, accounting for more than 60% of total U.S. ethane exports. It last imported U.S. crude oil in April 2025, according to Kpler.

Trump has sought to establish U.S. “energy dominance” by expanding domestic oil and gas production, often using America’s vast resource base as leverage in trade negotiations.

Washington and Beijing are now preparing for a possible visit by Trump to China in April, which could help ease some of the trade tensions.

For now, however, China is unlikely to resume LNG imports from the U.S. at scale, according to Anne-Sophie Corbeau, a research scholar at the Center on Global Energy Policy.

“Chinese companies can still make money and trade U.S. LNG,” Corbeau said. “China has access to ample LNG supplies, notably growing volumes from Qatar and Russia.”



China's LNG imports

FLEX BUYING

Most U.S. LNG supply contracts allow buyers full flexibility to ship and sell cargoes anywhere in the world or to resell them to third parties such as trading houses. This contrasts with many other LNG suppliers, including Qatar, which often impose strict destination clauses.

The five main Chinese buyers of U.S. LNG - PetroChina, ENN Natural Gas (600803.SS), CNOOC, Sinochem (600500.SS), and Sinopec (600028.SS) - chartered a combined 3.3 million tons of LNG from U.S. export terminals in the 12 months to February, according to Reuters calculations based on Kpler data.

The vast majority of those cargoes were delivered to Europe.

For example, of the 27 cargoes chartered by PetroChina since February 2025, 23 were delivered to Europe, two to Brazil and two to Bangladesh. Similarly, all 10 cargoes chartered by ENN were delivered to Europe, according to Reuters analysis.

Many other cargoes were likely sold to other buyers before loading.

China's total LNG imports fell 14% in 2025 from a year earlier to 67 million tons, reflecting slower industrial activity, rapid expansion of renewable energy, higher domestic gas production and increased pipeline gas imports from Russia.

China also began importing LNG last August from Russia's Arctic LNG 2 project, in defiance of U.S. sanctions.

Political and economic tensions between Beijing and Washington are likely to remain a defining feature of global trade for years. As a result, China may seek to limit its exposure to U.S. energy.

But its involvement in U.S. LNG is unlikely to disappear.