

महानगर गैस के नाम पर ठगी, 3 गिरफ्तार

■ मुंबई, (सं.) मुंबई साइबर पुलिस ने देश के विभिन्न राज्यों में सक्रिय एक शातिर साइबर धोखाधड़ी गिरोह का भंडाफोड़ किया है. यह गिरोह महानगर गैस लिमिटेड (एमजीएल) के नाम पर फर्जी संदेश भेजकर और मोबाइल में दुर्भावनापूर्ण एपीके फाइलें इंस्टॉल करवाकर लोगों की मेहनत की कमाई पर हाथ साफ कर रहा था. पुलिस ने इस मामले में झारखंड, पश्चिम बंगाल और बिहार में छापेमारी कर 3 आरोपियों आरिफ



अंसारी (28), बिलाल शेख (28) और महबूब आलम (25) को गिरफ्तार किया है. पुलिस ने आरोपियों के पास से 5 मोबाइल फोन बरामद किए हैं. जिनमें धोखाधड़ी के लिए इस्तेमाल की जाने वाली कई फर्जी फाइलें मौजूद थीं.



Odisha speeds up city gas expansion

Bhubaneswar: The Odisha government has initiated fresh measures to accelerate City Gas Distribution (CGD) projects across urban areas, following Cabinet approval of a new policy aimed at expanding clean energy access. The move seeks to scale up the availability of PNG for households and CNG for transport, strengthening urban energy infrastructure while promoting cleaner fuel alternatives. State food supplies and consumer welfare minister Krushna Chandra Patra said the Odisha City Gas Distribution policy is expected to be implemented within the next six months. Directions have been issued to concerned departments and officials to ensure time-bound execution. "PNG and CNG will be rolled out, especially in cities," the minister said.

Explainer

● What does one barrel of crude oil actually produce?

A BARREL OF crude oil — about 159 litres — is not a single-product output. It is broken down into a complex mix of fuels and industrial inputs that power transport, manufacturing, infrastructure and even household consumption. From diesel that moves goods across the country to LPG in kitchens, from jet fuel in aircraft to bitumen on roads and petrochemicals in packaging — every sector is linked to that one barrel. Globally, it yields a mix — 42% petrol, 27% diesel, 10% jet fuel, and smaller shares of LPG, petrochemicals, lubricants and bitumen.

India's production and consumption data for FY6 reflects this diversity. With total petroleum production at around 284.9 million tonne and consumption at 243.2 million tonne, the data shows how deeply crude oil is embedded in the economy — and why any disruption sends ripples far beyond fuel prices. In FY26, diesel production (HSD) was 120.8 million tonne, making it the largest output. Petrol (MS-VI) followed at 49.8 million tonne, while naphtha at 18.4 million tonne and ATF at 16.4 million tonne were also significant contributors.

● Why does diesel dominate the oil story in India?

IF PETROL IS visible, diesel is critical. India's consumption data shows diesel demand at 94.7 million tonne, nearly 40% of total petroleum consumption. Petrol, despite public attention, is much lower at 42.5 million tonne. The reason lies in how the economy functions. Diesel

powers trucks, buses, railways, construction equipment and farm machinery — the backbone of logistics and infrastructure. Production patterns also reflect this reality, with refiners prioritising diesel output to match demand. In simple terms, petrol powers vehicles, but diesel

powers the economy, driving supply chains, supporting agriculture, enabling construction activity, and sustaining uninterrupted movement of essential goods nationwide, especially across rural markets, industrial corridors, and rapidly expanding urban consumption centres.



OIL SHOCKS

One barrel, many economies: Crude is far more than just petrol

When crude oil prices rise, the first reaction is at the petrol pump but that's only the tip of the iceberg. Every barrel drives trucks, kitchens & industries. India's petroleum product consumption data tells a deeper truth: oil isn't just fuel, it is the invisible engine powering the economy, writes *Saurav Anand*

ANY DISRUPTION IN CRUDE FLOWS IS NOT JUST AN ENERGY CONCERN — IT DIRECTLY AFFECTS GROWTH, INFLATION & ECONOMIC STABILITY

1 barrel of oil

YIELDS 42% PETROL, 27% DIESEL, 10% JET FUEL, & SMALLER SHARES OF LPG, LUBRICANTS, BITUMEN & PETROCHEMICALS

● Where the rest of the crude goes

A LARGE PART of crude oil never becomes transport fuel at all. India consumes 33.2 million tonne of LPG, which is essential for household and commercial use. Naphtha (11.7 MT consumption) feeds petrochemical industries, enabling production of plastics, packaging and synthetic materials.

Industrial fuels and materials are equally significant. Petroleum coke consumption stands at 19.8 MT, while bitumen consumption at 8.8 MT supports road construction. Lubricants, fuel oil and other products sustain industrial machinery and operations.

This means that every barrel of crude is distributed across sectors — mobility, manufacturing, infrastructure and consumption — making it central to economic activity.

● What happens when supply is disrupted globally?

WHEN A KEY chokepoint like the Strait of Hormuz is disrupted, the impact goes far beyond fuel availability.

Since one barrel of crude oil produces multiple essential products, any supply disruption raises costs across sectors, ultimately impacting the entire economy. Diesel becomes costlier, increasing freight and logistics expenses. LPG prices rise, affecting households. Petrochemical inputs become expensive, raising manufacturing costs. ATF prices increase, pushing up airfares.

India's total consumption of 243 million tonne of means these effects are widespread. What begins as a supply shock quickly turns into economy-wide inflation, impacting everything from goods prices to infrastructure costs.

● Why understanding "one barrel" is important for India's economy

INDIA'S OIL STORY is defined by high demand and import dependence. Since the war broke out in West Asia, the Indian crude basket has risen by \$47/bbl in March and \$53/bbl in the first half of April. Despite a 13-15% decline in imports, India's crude import bill has increased by \$190-210 million per day. On Thursday, Brent crude topped \$104 per barrel.

With consumption spread across diesel, petrol, LPG and industrial fuels, crude oil is not just an energy input — it is a core economic driver.

Even a small rise in crude prices has a

cascading effect. Higher diesel prices raise transport costs, which increase prices of goods. Costlier petrochemicals impact manufacturing, while rising LPG prices affect household budgets.

At the same time, demand remains strong. March 2026 consumption grew 3.2% year-on-year, driven by petrol, diesel and ATF, reflecting underlying economic momentum.

This makes supply stability crucial. Any disruption in crude flows is not just an energy concern — it directly affects growth, inflation and economic stability.

NOIDA TAKES STEP TOWARDS ZERO-WASTE CITY GOAL

Noida signs pact with IGL to set up 300 TPD compressed biogas plant

DIPIKA KIROLA

NOIDA: In a significant step towards sustainable waste management and clean energy generation, the Noida Authority on Wednesday signed a Letter of Intent (LoI) with Indraprastha Gas Limited (IGL) to set up a compressed biogas (CBG) plant with a capacity of 300 tonnes per day (TPD).

The agreement was formalised at the authority's office in the presence of Noida Authority CEO Krishna Karunesh and IGL's Executive Director (Business Development, Corporate Strategy and Gas Sourcing) Sanjeev Kumar Bhatia. Officials said the proj-

“The proposed CBG plant will process organic waste generated across the city”

ect will be developed in line with the Government of India's sustainability initiatives aimed at promoting eco-friendly and renewable energy solutions.

According to officials, the proposed CBG plant will process organic waste generated across the city to produce compressed biogas, which can be used as a clean alternative fuel, particularly for vehicles. In addition to biogas, the plant will also generate bio-manure as a valuable by-product, which can be used

in agriculture and landscaping. The project is expected to play a crucial role in reducing the burden on landfill sites, which have been a growing concern in urban areas. By diverting organic waste for processing, the initiative will help lower greenhouse gas emissions and improve overall environmental conditions. It will also promote the concept of a circular economy, where waste is converted into useful resources.

“This initiative is in line with our vision of making

Noida a sustainable and zero-waste city,” Karunesh said, adding that the authority is committed to adopting innovative solutions for effective waste management. Under the agreement, the Noida Authority will provide suitable land for the plant and ensure a steady supply of segregated organic waste to maintain operations. IGL, on its part, will develop the project either independently or through its authorised partners, leveraging its experience in city gas distribution and clean energy infrastructure.

Bhatia said it would improve waste management and support renewable energy goals.

Govt dismisses reports on possible petrol, diesel price hike as ‘fake news’

SHUBHANGI MATHUR
& HIMANSHI BHARDWAJ
New Delhi, 23 April

The government on Thursday dismissed reports suggesting a possible increase in retail prices of petrol and diesel following the conclusion of state elections in West Bengal and Tamil Nadu, stating that no such proposal is under consideration. The Ministry of Petroleum and Natural Gas (MoPNG) termed the reports “fake news”, alleging they were intended to create “fear and panic” among the public.

“Such news items are designed to create fear and panic among the citizens, and are mischievous and misleading. In fact, India is the only country where petrol and diesel prices haven’t increased in the last four years. Govt of India and Oil PSUs have taken relentless steps in order to insulate the Indian citizens from steep increases in international prices,” said MoPNG in a post on social media platform X.

The government’s clarification came after an Indian brokerage, Kotak Institutional Equities, said in a report that retail fuel prices may be hiked in the country after state elections. Based on Indian crude basket of \$120 per barrel and low fixed margins on sale of petrol and diesel, fuel prices might be raised by ₹25-28 per litre, it added.

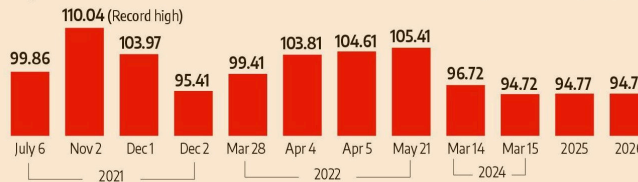
A report by JPMorgan released last week said retail prices for petrol and diesel may have to be increased in order to restore profitability to the oil marketing companies (OMCs). While the changes to taxation (excise duty cut) serve largely to reallocate the impact of higher crude oil and diesel prices among market constituents—including the government, OMCs, and private refiners—the net costs are still too high for the OMCs to bear currently, the report said.

“A stronger USD-INR also hurts OMC margins; the government may look to regain some of the lost excise duties as



Ups and downs

Petrol price in Delhi (in ₹/litre)



Source: Petroleum Planning & Analysis Cell (PPAC)

things normalise. Retail prices for petrol and diesel may have to be increased in order to restore profitability to the OMCs,” the JPMorgan report said.

Meanwhile, state-owned OMCs are incurring losses of around ₹20 per litre on petrol and nearly ₹100 per litre on diesel as retail prices remain unchanged despite sustained rise in crude oil prices, Sujata Sharma, joint secretary at MoPNG, said in an inter-ministerial briefing. The government, in late March, slashed excise duty on petrol and diesel by ₹10 a litre to shield consumers from high energy prices, added Sharma. The state-run OMCs have largely left retail fuel prices unchanged in recent years despite high volatility in crude oil prices. The last steep increase in retail fuel prices was observed in late 2021 amid soaring international crude

oil prices. In November 2021, petrol prices had touched record high levels of ₹110 per litre in Delhi, while diesel prices surged to as high as ₹106 per litre. The government had then intervened to cut excise duty by ₹8 per litre on petrol and ₹6 per litre on diesel to reduce prices for consumers. Several state governments also slashed value added tax (VAT) to control prices.

An analysis of Indian basket crude oil price and retail fuel rates over the past few years shows that retail petrol price went up gradually from ₹95.41 per litre in December 2021 to ₹105.41 per litre in April 2022 in Delhi. During the same period, the Indian basket of crude surged from \$74 per barrel to \$108 per barrel on the back of the Russia-Ukraine war. At present, petrol is priced at ₹94.77 per litre in Delhi, while diesel stands at ₹87.67 per litre.

Indian seafarers safe after Iran firing in Hormuz: Govt

The government on Thursday said that 22 Indian seafarers are safe after Iranian forces opened fire on three foreign-flagged vessels in the Strait of Hormuz.

“In the past 24 hours, some incidents of firing on foreign-flagged vessels have been reported in the Strait of Hormuz involving Indian seafarers. All seafarers on board both vessels are safe,” the government said.

One of the targeted vessels, the Panama-flagged container ship Euphoria, has 21 Indian crew members on board.

A Panama-flagged container vessel, Epaminondas, has one Indian among its crew. The government said an Indian-flagged tanker transited the Strait of Hormuz on April 18 and has safely reached Mumbai.

BS REPORTER

Impact on economy

An increase of ₹25-28 per litre in fuel prices would push headline inflation up by around 0.6-0.7 per cent, assuming petrol and diesel have a weight of 2.5 per cent in the consumer price index, said Madan Sabnavis, chief economist at Bank of Baroda. He added that such an increase is unlikely to occur all at once, and is more likely to be implemented gradually. “The price rise would impact not just fuels but also transport, logistics, vegetables, etc. This will take CPI towards the upper bound of the band,” said Madhavankutty G, chief economist at Canara Bank.

DATANOMICS

Gas inflation rises, other fuel rates muted

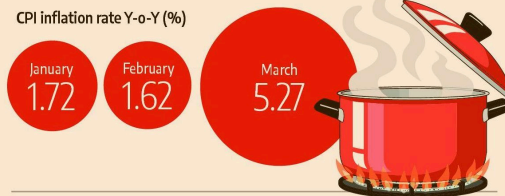
INDIVJAL DHASMANA

With the West Asia war impacting India's fuel prices, the broader category of housing, water, electricity, gas and other fuels saw a consumer price index (CPI)-based inflation rate of 1.97 per cent in March, slightly higher than in February and January. But the measures the Centre employed to manage fuel prices helped prevent a rise in petrol and diesel prices, while domestic gas prices soared.

Domestic LPG and PNG prices accelerate

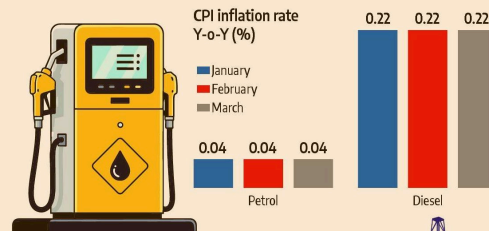
The inflation rate for domestic liquefied petroleum gas (LPG) and piped natural gas (PNG) in March jumped to over three times February's rates.

CPI inflation rate Y-o-Y (%)



Petrol & diesel inflation remains unchanged

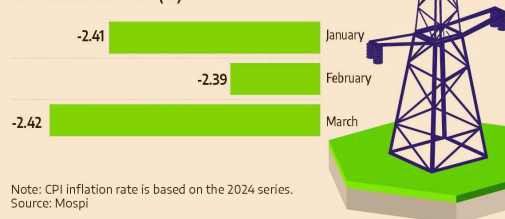
Oil companies refrained from increasing petrol and diesel prices after the Centre cut fuel taxes. The inflation rate for petrol and diesel did not change in March, remaining at 0.04 per cent and 0.22 per cent, respectively, since January.



Electricity charges drop

Electricity charges fell each month from January to March.

CPI inflation rate Y-o-Y (%)



Note: CPI inflation rate is based on the 2024 series. Source: Mospi

India's oil shock immunity: A story of quiet economic strength

RITWIK MUKHERJEE
Kolkata, 23 April

For an economy that imports nearly 85 per cent of its crude oil requirements, vulnerability to global energy price shocks would seem inevitable. Yet, over the past two and a half decades, India has steadily rewritten that narrative. What once posed a formidable macroeconomic risk has now become a manageable variable in a far more resilient growth story.

A recent analysis by ASSOCHAM offers a compelling lens into this transformation. Between 2000-01 and 2025-26, India not only weathered volatile crude cycles but, in many instances, thrived alongside them. The data is instructive:

in 2022-23, the economy expanded by a robust 7.6 per cent even as the Indian crude basket averaged \$93 per barrel. A year later, growth remained strong at 7.2 per cent with oil prices at \$82 per barrel. These are not outliers, but part of a broader pattern.

Contrast this with the earlier decade, particularly 2011-14, when oil prices frequently breached the \$100 mark. Even then, India sustained growth in the range of 5.2 to 6.4 per cent.

More striking still is the anomaly of 2020-21, when GDP contracted by -5.78 per cent despite crude prices falling below \$45 per barrel. The message is clear: oil prices alone no longer dictate India's growth trajectory. Structural and

domestic factors now play a far more decisive role.

At the heart of this resilience lies India's consumption-driven economic model. A virtuous cycle has taken shape - rising incomes fuel demand, which in turn drives industrial expansion, job creation and further income growth. As Nirmal Kumar Minda points out, this dynamic interplay between demand and supply has fortified the economy against external shocks.

Equally critical has been the government's sustained emphasis on infrastructure. Rising capital expenditure has not only stimulated demand but also enhanced productive capacity, cushioning the economy against volatility in global



commodity markets. Roads, railways, logistics corridors and digital infrastructure are no longer mere development markers; they are buffers against uncertainty.

On the macroeconomic front, India's toolkit has grown both deeper and more

sophisticated. Robust foreign exchange reserves, diversified trade partnerships, prudent fiscal management and a broader revenue base have collectively strengthened shock absorption capacity. The country is no longer

reacting to crises - it is increasingly pre-empting them. Inflation management offers another telling indicator of this maturity. In March 2026, India's Consumer Price Index rose modestly to 3.40 per cent from 3.21 per cent in February - a mere 0.19 per cent increase. In a world grappling with persistent inflationary pressures, including advanced economies, such stability underscores the effectiveness of monetary and supply-side interventions.

Reforms undertaken in the post-pandemic period have further reinforced this foundation. Production-linked incentive schemes, rationalisation of compliance burdens, and

targeted support for MSMEs have collectively enhanced competitiveness and eased the cost of doing business. These measures have not only stimulated investment but also diversified the economic base, reducing overdependence on any single driver.

Looking ahead, projections remain encouraging. The Reserve Bank of India estimates growth at 6.9 per cent for 2026-27, while ASSOCHAM expects it to exceed 7 per cent, supported by strong consumption, steady exports and rising capital investment. Crucially, these forecasts factor in continued volatility in global energy markets - yet remain confident of India's upward trajectory.

Monetary policy, too, appears poised for stability. With the repo rate likely to hover between 5 and 5.25 per cent, the emphasis is clearly on sustaining growth while keeping inflation in check. Such calibrated policymaking reflects a broader shift towards predictability and confidence.

India's economic journey, once at the mercy of oil shocks, has entered a new phase - one defined by resilience, adaptability and internal strength. Geopolitical tremors may continue to ripple across global markets, but India's growth engine now runs on far more stable ground. The era of oil-induced fragility is giving way to one of assured momentum.

'OMCs losing ₹20 per litre on petrol, ₹100 a litre on diesel'

Excise duty cut on petrol and diesel have been taken to shield consumers from price hikes

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Amid high oil prices, state-run oil marketing companies (OMCs) are losing ₹20 per litre on the sale of petrol and around ₹100 on diesel sale, said Sujata Sharma, joint secretary, ministry of petroleum and natural gas.

Denying reports of a likely surge in fuel prices of up to ₹28 per litre after the ongoing assembly elections, Sharma said that although global prices are volatile, steps such as excise duty cut on petrol and diesel have been taken to shield consumers from price hikes.

The statement gains significance as the state assembly elections are set to end on 29 April. While the polls in Assam and Kerala were held on 9 April, polls in Tamil Nadu and the first phase of voting in West Bengal were held on Thursday.

The second phase of polls in West Bengal will take place on 29 April.

Addressing the media on the developments in West Asia and fuel stock situation in the country, the senior petroleum ministry official noted that there is a lot of volatility in the international crude oil prices, and despite that, the government has not increased prices of regular fuels.

"If you look at crude basket, the oil



Despite crude rising from around \$70 per barrel last year to over \$113 this month, retail fuel prices have largely remained unchanged to shield consumers. MINT

we were purchasing for \$70 per barrel last year, it has increased to an average of more than \$113 per barrel this month...in spite of that the government has not increased the price, and the effort of the government has been to keep the price stable...to absorb volatility, the government...has lowered the excise duty, so that the burden is not transferred to our consumers," she said.

On 27 March, the finance ministry reduced the excise duty on petrol and diesel by ₹10 per litre.

"Even now, oil marketing companies are having an under-recovery which varies on a day-to-day basis and may be

around ₹20 on petrol and around Rs 100 on diesel," Sharma added.

Prices of regular petrol and diesel have largely remained unchanged since March 2024. In the national capital, petrol is priced at ₹94.77 per litre by the state-run oil marketing companies, while diesel is sold for ₹87.67 a litre.

Private refiners and oil marketing companies—Nayara and Shell, which operate a total of around 8,500 out of the above 1 lakh petrol pumps in the country, have already raised fuel prices.

Other retailers, so far, have not raised

prices of regular petrol and diesel. State-run OMCs, have increased the prices of premium diesel and petrol, which account for 4% of total fuel sales, along with the rate of industrial diesel, which is purchased in bulk by industries and the agriculture sector.

Although OMCs are currently facing losses or under-recovery, they also profited when global crude prices were largely subdued in the past couple of years, and retail fuel prices remained largely stagnant.

For most of FY26, crude prices remained subdued in the range of \$60-70 per barrel, and retail fuel prices were unchanged, leading to significant profits for these OMCs. Their combined net profit in the first half of FY26 was over ₹34,000 crore in the first half of FY25.

Given that India imports 90% of its oil requirement, a surge in oil prices plays a key role in the current account deficit.

An increase of \$1 per barrel leads to an annual increase of around ₹16,000 crore in the country's import bill.

In FY25, India's oil import bill stood at \$137 billion. The continued blockade of the Strait of Hormuz by Iran, along with the naval blockade of Iranian ports by the US Navy, has further constrained global energy supplies through the key channel, which traditionally has been a supply route for 20% of global oil and gas.



No proposal to hike retail prices of auto fuels, says govt

Rishi Ranjan Kala

New Delhi

The government on Thursday reiterated that there is no proposal “under consideration” to raise retail prices of auto fuels even as the PSU oil marketing companies are bearing under recoveries of around ₹20 a litre on petrol and ₹100 on diesel.

India had a combined daily under-recovery of around ₹2,400 crore (till March 27), as per the Oil Ministry. Around March 27, at current international crude prices,

under-recoveries stood at approximately ₹26 per litre on petrol and ₹81.90 on diesel. While around April 2, there was an under recovery of ₹24.40 per litre on petrol and ₹104.99 on diesel.

According to Kotak Institutional Equities, relative to 11 months of FY26, the Indian crude basket rose by \$47 per barrel in March 2026 and \$53 in the first half of April. Despite a 13-15 per cent decline in imports, India’s crude import bill has increased by \$190-210 million per day.

On raising petrol and

diesel prices after the State assembly elections, Sujata Sharma, Joint Secretary in the Ministry of Petroleum & natural Gas (MoPNG), said “There is no such proposal under consideration by the government.”

“Under-recovery may be around ₹20 per litre on petrol and around ₹100 on diesel,” she added.

Sharma emphasised that there is a “lot of volatility” in international crude oil prices. However, the government has not raised retail prices of auto fuels.

“If you look at crude bas-

ket, the oil we were purchasing for \$70 per barrel FY26 average), it has increased to an average of more than \$113 per barrel in this month (April 2026). If you look at the Indian basket from November 2021 to March 2026, there is a huge increase and in spite of that the government has not increased the price. Government’s effort has been to keep prices stable,” she added.

Sharma said that the government has not raised the retail prices of petrol and diesel since April 6, 2022.

India imports more than

88 per cent of its crude oil requirement, and higher oil prices coupled with a weak rupee will adversely impact its current account deficit. An increase of \$1 per barrel leads to an annual increase of roughly ₹16,000 crore in the import bill. Private refiners such as Nayara Energy and Shell have already raised fuel prices. The government has reduced the excise duty on petrol and diesel by ₹10 per litre, cutting the duty on petrol to ₹3 per litre and that on diesel to zero (from ₹10) to combat surging international crude oil prices.

Spreads are crucial to oil prices

OIL DYNAMICS. If ceasefire holds, the Brent-WTI spread and the spot-futures gap should fall, easing Indian basket rates



V SHUNMUGAM

Headline crude prices draw the spotlight, but traders and treasuries have long understood that the real signal lies in the spreads. Two are flashing loudly right now: the Brent-WTI differential, and the gap between spot physical cargoes and the futures curve.

Together, they show how the 2026 Middle East disruption is reshaping a market whose underlying plumbing had spent a decade settling into a comfortable rhythm.

For most of the 2000s, West Texas Intermediate (WTI) and Brent crude prices moved in near lockstep. WTI, the lighter and sweeter grade, even traded at a small premium to Brent as late as 2009. At that time, the US was a net importer, Cushing, Oklahoma, was merely a pipeline crossroads, and the two benchmarks served as essentially two windows onto the same global price.

Shale fracking broke that symmetry. Starting around 2010, tight-oil production from the Bakken, Eagle Ford, and Permian surged into Cushing faster than pipelines could move those barrels south to Gulf Coast refineries. By late 2011, Brent was trading roughly \$25 above WTI — the widest dislocation most modern traders had ever seen.

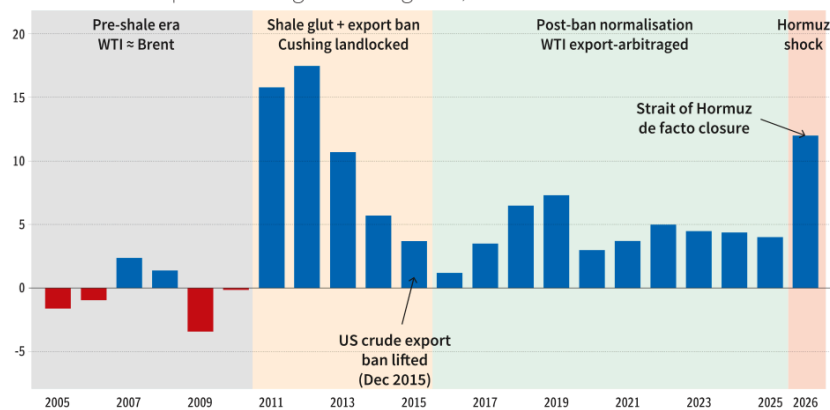
The cause was not demand or geopolitics but geography: WTI had effectively become landlocked crude hub, while Brent remained a seaborne benchmark connected to the rest of the world.

In December 2015, the US Congress ended the 40-year ban on oil exports, and the market gradually rebalanced. New pipelines to Corpus Christi and Houston, expanded dock capacity, and a steady stream of WTI cargoes to Asia and Europe pushed the Brent-WTI spread into a narrower \$3-\$7 range for most of the past decade. From there, the differential largely reflected a freight-and-quality relationship: Brent minus WTI approximated the cost of shipping a Gulf Coast barrel to a European refiner, with an adjustment for its quality premium.

COMPONENTS OF THE SPREAD

Strip away the noise and a few clear forces drive the Brent-WTI spread. Location and transport set a structural floor: Cushing is inland, and pipeline capacity to the Gulf determines how

The Brent-WTI spread through three regimes, 2005-2026



Sources: EIA STEO (April 2026), EIA Today in Energy, trade-press averages. 2026 figure is year-to-date through April

easily surplus US crude can reach seaborne buyers. Layered on top are cyclical drivers — US production growth, Cushing inventories, available export capacity, and the geopolitical risk premium, which almost always hits Brent first because the Middle East sits at the other end of the supply chain. WTI's slight quality advantage pulls in the opposite direction, narrowing the spread.

The spread is so actively traded because it offers the cleanest way to express a view on US infrastructure relative to global risk. When the spread widens, it typically reflects one of two forces: either a US supply surge, or a global shock from which the US is comparatively insulated. In April 2026, the evidence points emphatically to the second scenario.

Following the late-February military action in the Gulf and the effective closure of the Strait of Hormuz, Brent crude surged from about \$61 at the start of the year to \$118 by the end of March —

The Brent-WTI spread, which started the year near \$4 peaked at \$25 on March 31, and is expected by the EIA to average \$15 in April. The message from the market is clear: this disruption is primarily a Brent problem, not a WTI one

the largest inflation-adjusted quarterly move the EIA has recorded since 1988. WTI also rose, but far less, as high US inventories and the prospect of a Strategic Petroleum Reserve release capped its gains.

The Brent-WTI spread, which started the year near \$4, averaged \$11 in March, peaked at \$25 on March 31, and is expected by the EIA to average \$15 in April. The message from the market is clear: this disruption is primarily a Brent problem, not a WTI one.

Overlaid on that is a second, even more striking distortion: spot physical barrels are trading far above the futures curve. Dated Brent hit a record \$144 on April 7 while the Brent futures contract traded near \$109 — a gap of about \$35.

The WTI curve is also in steep backwardation, with prompt contracts at a double-digit premium to the following month and the back end of the curve priced in the high \$50s through the mid-2030s. The message is unambiguous: the long end says the market expects this to pass; the front end says the pain is far from over. Refiners are paying whatever it takes for a barrel they can load onto a tanker today.

IMPACT ON INDIA

India imports about 89 per cent of its crude oil, and the Indian Basket is its main real-time import price benchmark. Until February, the formula gave Dubai and Oman sour grades a 79 per cent weight and Brent just 21 per cent, even though Russian barrels (35-45 per cent) of India's imports are priced off Brent.

In March, the Petroleum Planning and

Analysis Cell unusually changed the formula mid-year, lifting Brent's weight to 69 per cent and cutting Dubai-Oman to 31 per cent. Brent now makes up more than two-thirds of the basket for the first time since before 2006.

The rebalancing is crucial: the basket jumped from about \$63 in January to around \$146 by mid-March — a larger move than Brent's own rally — because Dubai and Oman are priced mainly off spot assessments, not a deep futures market, and thus fully absorb the Hormuz premium. Of the three grades in the basket, only Brent has a liquid, hedgeable futures contract.

With Dubai and Oman priced mostly on the spot, Indian refiners — and therefore the sovereign — cannot effectively hedge most of their actual purchases. When the spot-futures dislocation widens, as it has now, the basket bears costs that paper markets consistently understate.

Raising the Brent weighting is a double-edged move. It better matches India's crude sourcing and expands hedgeable exposure, but also brings the global risk premium directly into the benchmark for fuel prices, subsidies, and the current account.

If a ceasefire holds and Hormuz normalises, both spreads should narrow by year-end. Otherwise, India will be paying full spot Gulf prices on much of its basket, with little room to hedge.

Headlines will keep highlighting \$100 oil, but the spreads tell a more important story.

The writer is Partner Consulting, MCQube

Fuel retailers losing ₹100/L on diesel

Rajeev Jayaswal

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NEW DELHI: Fuel retailers are losing ₹20 per litre on petrol and ₹100 a litre on diesel as state-run firms continue to shield consumers from oil price volatility by holding pump rates, an oil ministry official said on Thursday.

Sector experts and industry executives, speaking on condition of anonymity, said such volatility could be unsustainable for oil refiners if the West Asia crisis prolongs and international oil prices remain above \$70-80 a barrel.

They expect oil companies to partially pass on their revenue losses on petrol and diesel to consumers sometime after assembly elections – the last round of voting in the ongoing state polls is on April 29 – if international oil price volatility continues. Benchmark crude oil Brent, which was at \$72.87 a barrel before the war in West Asia broke out, surged by nearly 40% to \$101.91 a barrel on Wednesday. It was hovering over \$103 on Thursday.

Refuting a news item published on social media that petrol and diesel rates could be raised by ₹25-28 a litre after the assembly election, the petroleum ministry said: "It is hereby clarified that there is no such proposal under consideration by the Government." "Such news items are designed to create fear and panic amongst the citizens and are mischievous



The retailers are losing ₹100/L on diesel to shield consumers from high oil prices. HT PHOTO

and misleading," it said in a post on X.

On paper, petrol and diesel are deregulated fuels, but government often regulates their rates through its three oil marketing companies (OMCs) for economic and political reasons. State-run IOC, BPCL and HPCL enjoy near monopoly in domestic fuel retail with about 90% market-share.

Giving daily update on fuel supply situation in the country amid ongoing West Asia crisis, petroleum ministry's joint secretary Sujata Sharma said, as crude average oil price surged from about \$70 a barrel in the previous year to about \$113 per

barrel in this month, OMCs are incurring under-recoveries of ₹20 a litre on petrol and ₹100 a litre on diesel, which fluctuate every day.

To be sure, under-recoveries on petrol and diesel are not actual losses, but they are notional revenue loss as compared to their prevailing market prices of a particular day. In other words, if the government would have allowed companies to sell fuels at market-determined rates, petrol and diesel should be sold at ₹114.77 per litre, and ₹187.67 a litre in Delhi.

State-run retailers are selling them at ₹94.77 per litre and ₹87.67 a litre respectively for last two year. Auto fuel rates have been more or less static since mid-March 2024 except for a marginal five-paise increase on October 30, 2024 on account of marketing cost adjustments. India imports 88% of crude oil it processes. In petroleum refining business about 90% costs pertains to crude oil.

In order to partially compensate OMCs for their revenue losses and to protect customers from any hike in pump prices of auto fuels, the government slashed excise duty on petrol and diesel by ₹10 per litre each about a month ago.

Simultaneously, it imposed levies on exports of diesel and aviation turbine fuel (ATF), in a measure to keep domestic fuel supplies from being diverted abroad.

E85 adoption to be optional for consumers, rollout by year end

Zia Haq

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NEW DELHI: The government is likely to roll out E85, a much higher ethanol-blended petrol, by the year-end to reduce costly oil imports, after a series of consultations with Indian automobile manufacturers who told authorities they are fully equipped with technologies required to make flex-fuel cars. Two people aware of the matter said the rollout follows confirmation from automakers that they can produce vehicles capable of running on elevated ethanol blends.

E85 petrol contains 85% ethanol and 15% petrol. Flex-fuel vehicles are designed to run on any mixture of ethanol and petrol – from E20 to E100 – with onboard sensors adjusting fuel injection and ignition parameters automatically.

Consumers will have a choice of what cars they buy according to the level of blended fuel they prefer, as India aims to put in place a biofuels policy that will provide for multiple petrol mixes at petrol stations, one of the two people said.

In other words, such fuel will be sold alongside existing petrol with lower ethanol blending. At present, India has E20 (20% ethanol blend) petrol across the country.

CONSUMERS WILL HAVE A CHOICE OF WHAT CARS THEY BUY ACCORDING TO THE LEVEL OF BLENDED FUEL THEY PREFER

The Bureau of Indian Standards, the national quality regulator, has already prepared norms for E85 petrol. Blenders and refiners will have to comply with these specifications. The bureau is also targeting the release of standards for E22, E25 and E26 by April 30, meant for petrol with 22%, 25% and 26% ethanol content respectively.

Brazil, the world's largest sugar producer, launched the world's most mature flex-fuel programme in 2003; a large share of new cars sold there are flex-fuel capable, running on blends up to E100, with lifecycle carbon reductions of up to 90% over fossil petrol. Ethanol is derived from molasses, a byproduct of sugar refining. India is the world's second-largest producer of the sweetener.

"The speedy transition to higher fuel blends is aimed at ensuring energy security at a time of continuing geopolitical uncertainty. A move towards higher ethanol

blending will save oil imports. It will also raise farmers' income," the second person said.

The decision to kick off the E85 programme follows a series of meetings with automobile manufacturers and ethanol producers. Indian distillers currently have a combined capacity to produce 20 billion litres of ethanol, against present demand of about 10 billion litres. Higher blending will help absorb the surplus.

Automobile companies are ready to launch flex-fuel cars, which emit far less carbon, said Vikram Gulati, country head of Toyota Kirloskar Motor, which had displayed a sedan version for a visiting media team in December last year at a plant of the Triveni Group, one of the country's largest ethanol producers.

The Modi government had in 2021 advanced the target of mixing petrol with 20% ethanol by five years to 2025 – known as the E20 programme – as a strategy to cut emissions and save up to \$4 billion in oil imports annually. That target was achieved in July last year.

"India has an inherent advantage in producing ethanol due to its unique ecosystem that binds farmers and millers in historic partnerships," said Deepak Ballani, director-general of the Indian Sugar & Bio-energy Manufacturers Association (ISMA).

Spreads are crucial to oil prices

OIL DYNAMICS. If ceasefire holds, the Brent-WTI spread and the spot-futures gap should fall, easing Indian basket rates



V SHUNMUGAM

Headline crude prices draw the spotlight, but traders and treasuries have long understood that the real signal lies in the spreads. Two are flashing loudly right now: the Brent-WTI differential, and the gap between spot physical cargoes and the futures curve.

Together, they show how the 2026 Middle East disruption is reshaping a market whose underlying plumbing had spent a decade settling into a comfortable rhythm.

For most of the 2000s, West Texas Intermediate (WTI) and Brent crude prices moved in near lockstep. WTI, the lighter and sweeter grade, even traded at a small premium to Brent as late as 2009. At that time, the US was a net importer, Cushing, Oklahoma, was merely a pipeline crossroads, and the two benchmarks served as essentially two windows onto the same global price.

Shale fracking broke that symmetry. Starting around 2010, tight-oil production from the Bakken, Eagle Ford, and Permian surged into Cushing faster than pipelines could move those barrels south to Gulf Coast refineries. By late 2011, Brent was trading roughly \$25 above WTI — the widest dislocation most modern traders had ever seen.

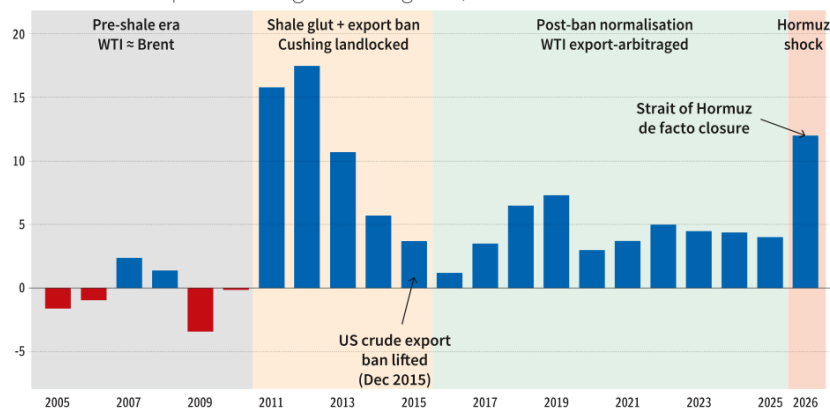
The cause was not demand or geopolitics but geography: WTI had effectively become landlocked crude hub, while Brent remained a seaborne benchmark connected to the rest of the world.

In December 2015, the US Congress ended the 40-year ban on oil exports, and the market gradually rebalanced. New pipelines to Corpus Christi and Houston, expanded dock capacity, and a steady stream of WTI cargoes to Asia and Europe pushed the Brent-WTI spread into a narrower \$3-\$7 range for most of the past decade. From there, the differential largely reflected a freight-and-quality relationship: Brent minus WTI approximated the cost of shipping a Gulf Coast barrel to a European refiner, with an adjustment for its quality premium.

COMPONENTS OF THE SPREAD

Strip away the noise and a few clear forces drive the Brent-WTI spread. Location and transport set a structural floor: Cushing is inland, and pipeline capacity to the Gulf determines how

The Brent-WTI spread through three regimes, 2005-2026



Sources: EIA STEO (April 2026), EIA Today in Energy, trade-press averages. 2026 figure is year-to-date through April

easily surplus US crude can reach seaborne buyers. Layered on top are cyclical drivers — US production growth, Cushing inventories, available export capacity, and the geopolitical risk premium, which almost always hits Brent first because the Middle East sits at the other end of the supply chain. WTI's slight quality advantage pulls in the opposite direction, narrowing the spread.

The spread is so actively traded because it offers the cleanest way to express a view on US infrastructure relative to global risk. When the spread widens, it typically reflects one of two forces: either a US supply surge, or a global shock from which the US is comparatively insulated. In April 2026, the evidence points emphatically to the second scenario.

Following the late-February military action in the Gulf and the effective closure of the Strait of Hormuz, Brent crude surged from about \$61 at the start of the year to \$118 by the end of March —

The Brent-WTI spread, which started the year near \$4 peaked at \$25 on March 31, and is expected by the EIA to average \$15 in April. The message from the market is clear: this disruption is primarily a Brent problem, not a WTI one

the largest inflation-adjusted quarterly move the EIA has recorded since 1988. WTI also rose, but far less, as high US inventories and the prospect of a Strategic Petroleum Reserve release capped its gains.

The Brent-WTI spread, which started the year near \$4, averaged \$11 in March, peaked at \$25 on March 31, and is expected by the EIA to average \$15 in April. The message from the market is clear: this disruption is primarily a Brent problem, not a WTI one.

Overlaid on that is a second, even more striking distortion: spot physical barrels are trading far above the futures curve. Dated Brent hit a record \$144 on April 7 while the Brent futures contract traded near \$109 — a gap of about \$35.

The WTI curve is also in steep backwardation, with prompt contracts at a double-digit premium to the following month and the back end of the curve priced in the high \$50s through the mid-2030s. The message is unambiguous: the long end says the market expects this to pass; the front end says the pain is far from over. Refiners are paying whatever it takes for a barrel they can load onto a tanker today.

IMPACT ON INDIA

India imports about 89 per cent of its crude oil, and the Indian Basket is its main real-time import price benchmark. Until February, the formula gave Dubai and Oman sour grades a 79 per cent weight and Brent just 21 per cent, even though Russian barrels (35-45 per cent) of India's imports are priced off Brent.

In March, the Petroleum Planning and

Analysis Cell unusually changed the formula mid-year, lifting Brent's weight to 69 per cent and cutting Dubai-Oman to 31 per cent. Brent now makes up more than two-thirds of the basket for the first time since before 2006.

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To soften war impact, gas reaching from Oman, Angola; Morbi biggest consumer

Brendan Dabhi
Ahmedabad, April 23

MOST OF the Morbi ceramic manufacturers, if not all, will be using natural gas bought from newer sources, such as Oman and Angola, by May, when dozens of units are set to resume operations after weeks of inactivity caused by disruptions to the liquefied petroleum gas (LPG) supply due to an ongoing conflict in West Asia.

Sources told *The Indian Express* that 680 out of the total 792 ceramic units in the Gujarat town had already signed contracts to source piped natural gas or PNG from Gujarat Gas Ltd (GGL) in May. They had to shut down mid-March days after a blockade of the Strait of Hormuz — the key transit point for propane/LPG, on which a majority of these units ran.

With this transition — from

LPG to PNG — the Morbi cluster will be using over half of the PNG supply from the Gujarat government-run PSU.

Before the war in West Asia, about a quarter of GGL's portfolio of liquified natural gas or LNG was imported from Qatar, but the supply was disrupted due to the blockade. Some LNG was sourced with the help of long-term contracts with Nigeria and Texas (the US), and from domestic sources including the RIL-BP KG-D6 Basin, Cairn Oil & Gas (Vedanta) in Barmer. Gujarat Gas is also a major player in the country's city gas distribution network.

GGL said in a statement on Thursday, "During the recent geopolitical crisis, the company proactively sourced natural gas from non-Middle East markets at higher spot rates to maintain continuous supply in line with the Government of India direc-

tives." The company also announced "uninterrupted gas supply with price certainty" for May. The company also stated how the crisis led to a "surge in raw material costs, restrictions on industrial propane usage, and increased freight expenses", prompting several ceramic units in Morbi to voluntarily suspend operations mid-March. The shutdown affected "over 2 lakh workers", it said.

At the beginning of the conflict, these spot purchases skyrocketed costs for Gujarat Gas, which passed on the burden to its new customers. This caused a massive price differential between the company's regular and new customers.

On how GGL managed to reduce the "effective price" of natural gas, from Rs 93 per cubic metre on April 1 to Rs 77 per cubic metre on April 17, for non-regular users in the Morbi



With this transition, from LPG to PNG, the Morbi cluster is set to use over half of the PNG supply from the state government-run PSU. FILE

ceramic cluster, a senior official said, "We are buying natural gas from the spot market. At the beginning of the crisis, prices had climbed to more than USD 20 per cubic metre, which then came down to USD 17 after a ceasefire and announcements from POTUS (President of the

United States). We sourced gas at that time, so we could get it at lower prices, which were then passed down to the ceramic industry."

With the entire Morbi ceramic cluster moving to PNG, its total demand from GGL will reach around 149 lakh standard

cubic metre (SCM) per day, out of which 70 lakh SCM will be for the Morbi cluster alone.

Officials hoped that PNG prices in the international market would stay stable in June, when more purchases, specifically from the Morbi ceramics cluster, would be on the anvil again.

On April 19, *The Indian Express* reported that the Morbi Ceramics Manufacturers Association (MCMA) had agreed to reopen their units shut since March 17 after a resolution with GGL over it levying separate costs on traditional customers and others who used LPG before the conflict.

On April 1, GGL offered PNG to non-regular users for Rs 88 per cubic metre plus 6% GST or Rs 93 per cubic metre. On the other hand, the 142-odd units that had been regularly using PNG, even before the

conflict were asked to pay Rs 66.00 per cubic metre plus 6% GST or Rs 70 per cubic metre. This Rs 23 per cubic metre differential had incensed the tile manufacturers.

Later, the firm reduced the rates for the new customers to Rs 77.38 per cubic metre.

Ceramics industry now accounts for 50% of PNG demand

According to Gujarat Gas data, as of February 2026 (pre-West Asia conflict), out of the 792 ceramic units in Morbi, 377 used PNG supplied by the firm. The remaining 415 units used propane/LPG supplied by oil marketing companies IOCL, BPCL and HPCL. While the 110-odd sanitaryware units and smaller tiles units used PNG, all other tile units used propane/LPG.

However, by April 23, as many as 680 ceramic units had already put in demand volumes for May and signed one-month contracts to avail PNG from GGL. GGL officials believe that the remaining will also sign up with the firm in the last week of April.

In the statement, GGL added, "Industrial activity in Morbi has resumed in April 2026, with gas consumption increasing from approximately 0.36 mmscmd (serving around 83 units) as of March 31, 2026, to approximately 2.70 mmscmd (serving around 290 units) as of April 22, 2026. The number of active gas consumers is expected to increase from the current ~290 (with volumes of ~2.70 mmscmd) to approximately 675-700 units, with total gas consumption projected to reach 6-7 mmscmd in May 2026."

Fuel retailers losing Rs 20 per litre on petrol, Rs 100 on diesel; no plan to hike prices: Govt

Sukalp Sharma
New Delhi, April 23

THERE IS no proposal at present to hike retail prices of petrol and diesel in the country due to the spike in international prices amid the West Asia crisis, the Ministry of Petroleum and Natural Gas (MoPNG) said on Thursday as it dismissed reports of the likelihood of a steep hike in fuel prices after the ongoing assembly elections.

Retail prices of petrol and diesel have not been hiked by public sector oil marketing companies (OMCs) even though they are incurring heavy losses on fuel sales due to the surge in international prices of crude oil and fuels.

According to Petroleum Ministry Joint Secretary Sujata Sharma, the OMCs are currently incurring losses of around Rs 20 per litre on petrol sales and Rs 100 per litre on diesel sales.

"There are some news reports suggesting a price hike of petrol and diesel. It is hereby clarified that there is no such proposal under consideration by the Government. Such news items are designed to create fear and panic amongst the citizens and are mischievous and misleading," the MoPNG said in a post on social media platform X. "In fact, India is the only country where petrol and diesel prices haven't increased in the last four years. Govt of India and Oil PSUs have taken relentless steps in order to insulate the Indian citizens from steep increases in international prices," it added.

While petrol and diesel prices are deregulated, in prac-



India is the only country where petrol, diesel prices haven't increased in the last four years, said the oil ministry. EXPRESS PHOTO

tice, the government-owned OMCs — with 90% market share in fuel retail — have kept prices stable in consultation with the Centre. They incur heavy losses when international oil prices surge, and earn hefty profits when the prices slump. Petrol and diesel prices have been more or less frozen since April 2022.

According to Sharma, oil prices have been extremely volatile since the war began, but the petrol and diesel prices have not been hiked to protect the domestic consumer from this volatility. The Indian crude oil basket, which averaged \$70 per barrel last year, averaged over \$113 this month, she said on Thursday at the inter-ministerial press briefing on the West Asia crisis. "In spite of that, the government has not increased prices and the effort

• OIL SHOCK

THOUGH PETROL and diesel prices are deregulated, in practice, government-owned OMCs — which account for about 90% of fuel retail — have kept prices steady in consultation with the Centre

THE THREE public sector oil marketing companies — Indian Oil, Bharat Petroleum, and Hindustan Petroleum — have been incurring heavy losses

TO PROVIDE some cushion to OMCs, the Centre had slashed excise duty on petrol and diesel by Rs 10/litre. But they continue to suffer by selling fuel at a loss

of the government has been to keep the prices stable," Sharma said, but didn't comment on how long the prices are likely to remain frozen considering there is no end in sight to the Strait of Hormuz crisis.

A few reports, quoting a recent note by brokerage Kotak Institutional Equities, had talked about the potential hike of Rs 25-28 per litre in petrol and diesel prices once the assembly elections conclude.

The final phase of voting is scheduled for April 29.

It reportedly said the case for a petrol and diesel price hike is strong, but the timing is driven by political considerations.

With the West Asia war effectively closing off the Strait of Hormuz, crude oil and fuel prices have surged globally.

A fifth of global oil and liquefied natural gas flows

usually transited the strait.

India depends heavily on oil and gas imports to meet its energy needs, and fuel prices in the country are linked to global oil and fuel price benchmarks. While India has been in a comfortable position with regard to crude oil, petrol, and diesel availability, it still has to bear the brunt of high prices.

Global crude oil benchmark Brent had touched \$119 per barrel in March, up from about \$73 per barrel on February 27, just a day before the US and Israel attacked Iran. While there was some correction in prices, they continue to be significantly higher than the pre-war levels.

The three public sector OMCs — Indian Oil, Bharat Petroleum, and Hindustan Petroleum — have been incurring heavy losses on fuel sales. On April 1, the MoPNG had said they were incurring under-recoveries of over Rs 24 per litre on petrol and almost Rs 105 per litre on diesel.

The under-recovery figures are dynamic and would have changed over the past few days, but continue to remain substantial. The OMCs did hike prices of the premium variants of petrol and diesel, but these variants account for just 2-5% of total petrol and diesel sales in volume terms.

To provide some cushion to the OMCs as they grapple with the financial burden, the government last month slashed excise duty on petrol and diesel by Rs 10 per litre. Nonetheless, the fuel retailers continue to bleed heavily by selling these fuels at a loss.

FULL REPORT ON
WWW.INDIANEXPRESS.COM

Global Price Surge Fuels Retail Frenzy in Crude Derivatives

Average daily lots traded in crude futures jumped nearly fourfold in March over Feb

Ruchita Sonawane

Mumbai: A rally in global oil prices, sparked by the US-Iran war, has triggered a rush of retail trading in India's crude derivatives, driving up futures and options volumes on domestic bourses.

Average daily lots traded in crude oil futures on MCX jumped nearly four-fold to 125,662 in March from 32,183 in February — a 290% month-on-month increase, according to Data from Mirae Asset Sharekhan. Trading activity eased somewhat in April, with average daily futures volumes moderating to 101,168 lots as of April 21 but remaining well above pre-war levels.

A similar surge was visible across mini crude contracts. Average daily lots traded in crude oil mini futures rose 473% from February to 356,672 in March, before easing to 324,383 lots in April. Similarly, in crude oil mini options, av-

OIL CONTRACTS	AVERAGE DAILY LOTS TRADED				AVERAGE DAILY OPEN INTEREST				
	JAN	FEB	MAR	APR*	JAN	FEB	MAR	APR*	
FUTURES	Crude Oil	0.31	0.32	1.26	1.01	0.21	0.18	0.20	0.18
	Crude Oil Mini	0.48	0.62	3.57	3.24	0.20	0.17	0.46	0.51
OPTIONS	Crude Oil	29.47	23.50	19.69	24.67	1.44	1.41	1.32	1.38
	Crude Oil Mini	21.51	27.80	39.23	70.59	1.11	1.42	2.07	2.96
Total		51.76	52.25	63.74	99.51	2.96	3.18	4.05	5.03

*April data till April 21. **crude oil contracts lot size 100 barrels and crude oil mini lot size is 10 barrels Source: Mirae Asset Sharekhan

erage daily options volumes jumped to 70,58,572 lots from 39,23,338 in March and 27,80,379 in February.

Brokers said retail participation was largely concentrated in short-tenure positions, particularly in options, reflecting the speculative

nature of the trades.

“There has been a drastic rise in retail participation in crude oil contracts. About 50-60% of volumes were higher than pre-war levels,” said Mehul Koradia, chief strategy officer and director, Mirae Asset Sha-

rekhan.

The increase in participation happened even as trading conditions tightened. Exchange margins on crude oil contracts climbed to nearly 48%, compared with the usual 20-25%, Koradia said, indicating that traders were willing to deploy higher capital to chase near-term price moves.

Average daily open interest in crude oil futures rose 14% from February to March, while options open interest declined 6% over the same period, reflecting the impact of rising premiums amid heightened volatility.

The spike in derivatives activity coincided with an unprecedented move in global oil prices. Brent crude futures surged more than 63% in March — the steepest monthly rise on record — with prices touching a high of \$119.5 a barrel during the month.

Continued on ►► Smart Investing

Frenzy in Crude Derivatives

►► From ET Markets Page 1

On Wednesday, Brent crude futures were trading nearly 1% higher at around \$102.9 a barrel.

“Whenever any commodity witnesses heightened volatility, the retail participation sees a spike as indicated in the average daily turnover for crude derivatives,” said Ajit Mishra, SVP — Research, Religare Broking. “Speculators are usually attracted to such parabolic moves.”

Options market indicators pointed to heightened risk-taking. Implied volatility in crude oil options spiked nearly four-fold to around 140% at the peak of the conflict in March, compared with an average range of 30–35%, according to Motilal Oswal Financial Services.

“The Implied Volatility spiked significantly since the US–Iran war which offered a lot of good op-

portunities for option writers and a lot of traders jumped in with aggressive bets,” said Navneet Damani, head of research — Commodities and Currency, Motilal Oswal Financial Services.

Damani said exchange margins on oil contracts had risen as high as 70% at the peak of volatility and, although they have eased to around 50%, still remain elevated compared with the typical 15–20% range seen during stable periods.

Mishra cautioned that such phases often draw inexperienced traders chasing momentum. “Since crude exploded from \$75–80, volumes have increased and given that investors’ memory is short term there was an influx of positions,” he said, recalling that a similar rush into oil derivatives during the 2020 Covid-led price collapse eventually resulted in losses for many retail participants.

तेल मंत्रालय ने दिया भरोसा पेट्रोल व डीजल की कीमतों में फिलहाल कोई वृद्धि नहीं होगी

जनसत्ता ब्यूरो
नई दिल्ली, 23 अप्रैल।

सरकार ने विधानसभा चुनाव के बाद पेट्रोल और डीजल की कीमतें 25-28 रुपए प्रति लीटर बढ़ाए जाने का दावा करने वाली खबरों को गुरुवार को खारिज कर दिया और कहा कि ऐसा कोई प्रस्ताव विचाराधीन नहीं है। पेट्रोलियम एवं प्राकृतिक गैस मंत्रालय ने सोशल मीडिया मंच ह्वाएक्सहू पर जानकारी दी, कुछ खबरों में पेट्रोल और डीजल की कीमत बढ़ने की बात कही जा रही है। स्पष्ट किया जाता है कि सरकार के पास ऐसा कोई प्रस्ताव विचाराधीन नहीं है।

यह स्पष्टीकरण कोटक इंस्टीट्यूशनल इडिटीज की एक रपट के बाद आया है जिसमें संकेत दिया गया था कि पश्चिम बंगाल जैसे राज्यों में 29 अप्रैल को मतदान खत्म होने के बाद पेट्रोल और डीजल की कीमतों में तेज बढ़ोतरी हो सकती है। कोटक ने कच्चे तेल की कीमत करीब 120 डालर प्रति बैरल रहने के आधार पर 25-28 रुपए प्रति लीटर की बढ़ोतरी का अनुमान लगाया था। मंत्रालय ने कहा कि ऐसी खबरें नागरिकों में डर एवं घबराहट पैदा करने के लिए पेश की जा रही हैं और ये भ्रामक व गुमराह करने वाली हैं। ह्वाएक्सहू पर मंत्रालय की ओर से यह भी कहा गया, दरअसल, भारत ही एक ऐसा देश है जहां पिछले चार साल में पेट्रोल और डीजल की कीमतें नहीं बढ़ी हैं।

भारत सरकार और सार्वजनिक क्षेत्र की तेल कंपनियों ने अंतरराष्ट्रीय कीमतों में तेज बढ़ोतरी के



विधानसभा चुनाव के बाद पेट्रोल और डीजल की कीमतें 25-28 रुपए प्रति लीटर बढ़ाए जाने का दावा करने वाली खबरों को तेल मंत्रालय ने खारिज करते हुए कहा कि ऐसा कोई प्रस्ताव विचाराधीन नहीं है।

पर हमले तथा उसकी जवाबी कार्रवाई के बाद तेजी से बढ़ी हैं। इससे दुनिया के सबसे महत्वपूर्ण ऊर्जा मार्गों में से एक, फारस की खाड़ी को वैश्विक बाजारों से जोड़ने वाला तथा वैश्विक तेल व्यापार का लगभग पांचवां हिस्सा संभालने वाला होर्मुज जल मार्ग प्रभावी रूप से बंद हो गया है।

ईरान युद्ध के बाद तेल की कीमतें लगभग 70 डालर प्रति बैरल से बढ़कर 119 डालर तक पहुंच गई थीं, हालांकि बाद में कुछ गिरावट आई। नए सिरे से तनाव शुरू होने के बाद ब्रेंट क्रूड की कीमत 103-106 डालर प्रति बैरल के बीच बनी है। कच्चे तेल की कीमतों में 50 फीसद से अधिक वृद्धि के बावजूद भारत में पेट्रोल और डीजल के दाम अपरिवर्तित रहे हैं।

मांग

कनेक्शनों की संख्या हुई 7.76 लाख, 41000 ग्राहकों ने लौटाए एलपीजी सिलेंडर

पीएनजी कनेक्शन की संख्या में तेजी से बढ़ोतरी

जनसत्ता ब्यूरो
नई दिल्ली, 23 अप्रैल।

पश्चिम एशिया संकट के कारण एलपीजी आपूर्ति पर असर के बीच भारत में पाइपड नेचुरल गैस (पीएनजी) अपनाने वालों की संख्या में लगातार इजाफा हो रहा है। मार्च से अब तक पीएनजी कनेक्शन की संख्या बढ़कर 7.76 लाख हो गई है। इस दौरान एलपीजी को छोड़कर करीब 41000 उपभोक्ताओं ने पीएनजी को अपनाया है, जिसमें बढ़ोतरी का सिलसिला जारी है। इससे एलपीजी पर निर्भरता कम होने के साथ ही घरेलू और औद्योगिक इकाइयों में भी गैस की जरूरतें पूरी की जा सकेंगी।

पेट्रोलियम एवं प्राकृतिक गैस मंत्रालय की संयुक्त सचिव के मुताबिक मार्च से अब तक करीब 5.18 लाख पीएनजी कनेक्शनों में गैस की आपूर्ति



शुरू करने के साथ ही अतिरिक्त 2.58 लाख कनेक्शन के लिए बुनियादी ढांचा तैयार कर लिया गया है। अब कुल पीएनजी कनेक्शनों की संख्या 7.76 लाख तक पहुंच गई है जबकि करीब 5.87 लाख ग्राहकों ने नए कनेक्शनों के लिए पंजीकरण करवाया है। इस अवधि के दौरान 41,000 से

अधिक पीएनजी उपभोक्ताओं ने वेबसाइट के जरिए अपने एलपीजी कनेक्शन वापस कर दिए हैं।

अधिकारी ने बताया कि मौजूदा हालात के बीच, सरकार की कोशिश है कि पीएनजी के विस्तार कैसे किया जाए और इसके लिए सभी जरूरी कदम भी उठाए जा रहे हैं। उल्लेखनीय है कि भारत सरकार

चार साल के दौरान पेट्रोल-डीजल के दाम नहीं बढ़े

मंत्रालय की संयुक्त सचिव सुजाता शर्मा ने कहा, देश में डीजल और पेट्रोल की पर्याप्त आपूर्ति है फिर भी कुछ जगहों पर घबराहट में खरीदारी के मामले सामने आए हैं। उन्होंने स्पष्ट किया कि पेट्रोल और डीजल की कीमत में कोई बढ़ोतरी नहीं की गई है। 6 अप्रैल, 2022 से अब तक पेट्रोल या डीजल की कीमत में बढ़ोतरी नहीं की गई है बल्कि इसके विपरीत सरकार ने 2022 और 2024 में पेट्रोल और डीजल की कीमतों में कटौती की। उन्होंने कहा, पश्चिम एशिया संकट के दौरान 27 मार्च को पेट्रोल और डीजल पर शुल्क में 10 रुपए प्रति लीटर की कटौती की गई ताकि घरेलू बाजार में पेट्रोल-डीजल की कीमतें स्थिर रहे।

ने 24 मार्च के राजपत्र के जरिए आवश्यक वस्तु अधिनियम, 1955 के तहत प्राकृतिक गैस और पेट्रोलियम उत्पाद वितरण (पाइपलाइनों और अन्य सुविधाओं को बिछाने, बनाने, संचालित करने और विस्तार करने के माध्यम से) आदेश, 2026 को अधिसूचित किया है।



Oil & Gas Industry

EU rethinks opposition to Arctic oil and gas drilling

U-turn by Brussels would be bitterly contested by environmental groups

Ian Johnston and **Mari Novik** in Brussels and **Richard Milne** in Oslo Published YESTERDAY

The EU is considering dropping its opposition to new oil and gas drilling in the Arctic as it seeks to shore up energy supplies in response to the crisis in the Middle East.

The EU has been pushing for an international ban on new oil and gas drilling on environmental grounds since 2021 but it is now weighing abandoning the proposal, according to multiple people familiar with discussions and a document seen by the FT.

The U-turn could come as part of a review of the EU's Arctic policy due by the autumn, several of the people said, although they cautioned that discussions remained at an early stage.

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The EU's 2021 goal to "push for oil, coal and gas to remain in the ground" in the Arctic came before Russia's 2022 full-scale invasion of Ukraine and more recently the Iran war exposed the bloc's reliance on imported fossil fuels.

The document seen by the FT acknowledged there had been "no progress" on securing backing from international partners for a moratorium on new drilling, and that the European Commission wants to assess "what alternatives might be considered" to the 2021 proposal.

Urmas Paet, an Estonian member of the European parliament who led a report on the Arctic Policy in 2025, said the Commission was looking at "lifting" its call for a ban, based on discussions with officials.

One senior EU official said "it seems" Brussels will soften its stance on Arctic oil and gas drilling. "Taking into consideration the recent political developments and . . . relations with the United States, we need to diversify our market and co-operate with like-minded countries," the official said.

A spokesperson for the Commission declined to comment.

A policy reversal would most benefit Norway, a non-EU member, which is the second most active country in developing an oil and gas industry in the Arctic after Russia.

Norway, western Europe's largest petroleum producer, has become an increasingly important supplier of gas to the EU since 2022, and has positioned itself as the democratic supplier of choice to the bloc. It has tried to link that status to lifting the EU's opposition to Arctic drilling.

"This is great for Norway. When this obstacle is removed it means that we can get closer to the EU on other stuff such as space and other defence issues," said one Norwegian official.

In a proposal to the EU earlier this month, Norway called for the bloc to "acknowledge the significant potential for strengthened" co-operation between Norway and Europe in the Arctic "grounded in shared interests in stability, sustainable development and resilient infrastructure".

Oslo has long argued that its oil and gas production and exploration in the Barents Sea — north of the Norwegian mainland and below the Svalbard archipelago — is different from the classic view of the Arctic, as it is ice-free and easy to access.

"There are no icebergs or polar bears in the Barents Sea. Yes, it's north of the Arctic Circle but it's not Arctic as most people consider it. We have pushed the EU for years and years to concede this," a



senior Norwegian official said last year.

Oslo has also been selling its expertise in the Arctic and far north to both the US and EU, arguing that its knowledge is crucial in being able to contain Russia in the critical so-called Bear Gap, between the northern Russian-Norwegian border and Svalbard, where Moscow has a high proportion of its nuclear weapons stationed.

The prospect of relaxing calls for a global moratorium comes after more than 10 oil and gas companies and industry groups last month seized on arguments about energy security in response to an EU consultation on its Arctic policy, stressing the need for the bloc's continued access to hydrocarbons.

Yet such a move would be bitterly contested by environmental groups who have argued that any review would be contrary to international commitments made by the EU on greenhouse-gas emissions and biodiversity.



Why Diesel Has Become a Much Bigger Economic Problem Than Gasoline

The war in Iran has disrupted supplies of diesel, used to power trucks and heavy equipment, much more than gasoline, which is primarily used in passenger cars.



By Emmett Lindner

April 23, 2026, 5:02 a.m. ET

The price of diesel has risen much more quickly than gasoline as the U.S.-Israeli war with Iran has choked global oil supplies. That could have severe consequences for the diesel-dependent transportation industry.

Since the war began on Feb. 28, the average price of a gallon of diesel has gone up about 45 percent, while a gallon of regular gasoline has risen about 35 percent. The Energy Information Administration, a federal research agency, expects average diesel prices to peak at more than \$5.80 a gallon this month. Gasoline, the agency said, would average \$4.30 a gallon.

Prices have gone down modestly in the past week on hopes for a peace deal, but the gap between diesel and gasoline remains yawning.

Why did diesel prices rise so quickly?



Even before the war, supplies of diesel were tight. That meant the world had little buffer when Persian Gulf countries — which produce a fair amount of diesel — were forced to slash exports. Adding to the challenge is that a lot of the oil produced in the region is especially suited for making diesel and the fuel that jets use.

“This is why diesel more than doubles, while gasoline basically moves up in tandem with crude,” said Joe DeLaura, a global energy strategist at Rabobank. “You have a shortage of diesel, you have a shortage of jet fuel, you have a shortage of fuel oil. Gasoline is relatively well supplied.”

Before the war, refineries in the Persian Gulf exported much more diesel and jet fuel than gasoline — and no other countries have the capacity to make up for that loss.

Want to stay updated on what’s happening in Australia, China and Iran? [Sign up for Your Places: Global Update](#), and we’ll send our latest coverage to your inbox.

“You’ve lost that supply in a market that was already tight, and there’s no way to replace that,” said Jason Gabelman, an energy analyst at the investment bank TD Cowen.

China, which has refineries that could have picked up some of the slack, decided to restrict fuel exports when the war started to make sure it did not experience shortages, Mr. Gabelman said.

The United States is a net exporter of petroleum products, including diesel. And countries like Australia, which used to import diesel from Asia or Europe, have ramped up imports of the fuel from the United States.

But with a fifth of the world’s oil supply cut off, even the United States could not make up for the missing Persian Gulf diesel.



“The U.S. can produce quite a bit, but we can’t fuel the world,” Mr. DeLaura said.

In addition, much of the oil produced in Gulf countries is especially suited for making diesel. The oil produced in Texas and New Mexico, by comparison, is better suited for making gasoline.

There is another problem: Truckers, farmers and other users of diesel may not be able to cut back easily, whereas individuals buying gasoline can, for example, car-pool or forgo some trips.

How are diesel and gasoline different?

Both fuels are made from crude oil at giant industrial plants known as refineries. But they have different qualities that make them suited for specific uses.

Gasoline, referred to as petrol in much of the world, is mainly used in passenger cars. It has less energy per gallon or liter than diesel, which typically powers trucks, tractors and other heavy equipment.

Refineries are only so flexible and cannot make much more diesel even if they wanted to.

Refiners are able to use heat and chemical processes to “crack” molecules and turn them into gasoline, diesel or other fuels. But once they have decided how much of each fuel they intend to make, they are stuck with those choices unless they spend a lot of money to rejigger their equipment and processes.

“Generally, the refinery has chosen investments over time to allow it to produce more or less of certain products, within reason,” said Patrick De Haan, an analyst at GasBuddy. “You can’t bend science enough to just get all diesel out of a refinery.”

Does diesel normally cost more?



In the United States, diesel generally costs more than gasoline.

Before stricter environmental regulations, diesel had a high sulfur content, which caused more air pollution. Now, diesel used in the United States and many other countries must be stripped of much of its sulfur. That process is intensive and expensive.

When the low-sulfur fuel was introduced in 2006 during the George W. Bush administration, the price was expected to go up 3 to 5 cents per gallon. The fuel is also taxed more; the federal tax on diesel is 24.4 cents a gallon, or 6 cents more than gasoline.

Many U.S. refineries were set up to produce certain amounts of diesel, much of which is exported. As a result, U.S. diesel prices tend to more closely reflect the global supply and demand for the fuel than the price of gasoline.

“The more that leaves this country, the more that diesel prices are impacted,” Mr. De Haan said.

Kenneth Gillingham, a professor of energy economics at Yale, said it was also harder to transport diesel because of a lack of pipeline capacity. As a result, prices for the fuel can vary a lot from place to place.

“The difference between gasoline and diesel comes about due to the more regional supply constraints,” Professor Gillingham said.

When will prices go down?

If the Strait of Hormuz reopens to ships, energy prices will fall and shortages will be resolved over time.

But diesel prices may not quickly return to prewar levels because the supply has been disrupted so much. Getting enough of the fuel to every place that needs it could take months.

“It’s diesel that really runs the economy,” Mr. DeLaura said, “and kind of runs the world.”



Shell Says European Refineries Run Flat-Out to Make Jet Fuel

By Mitchell Ferman

April 23, 2026 at 4:51 PM GMT+5:30

Shell Plc said Europe's oil refineries are working flat-out to make jet fuel as airlines warn of a supply crunch, with the aviation industry fast becoming a primary pinch point because of the Iran war.

The company's own plant, Europe's biggest in the port of Rotterdam, is now churning out as much of the fuel as it can, Frans Everts, head of the company's Dutch business, told journalists on Wednesday at the site. He didn't elaborate on what those levels were.

"Very clearly every refinery in Europe is on what we call max jet mode," he said.

Europe is heavily reliant on imports of jet fuel, having lost its main source of external supply due to the closure of the Strait of Hormuz. While airlines now face eye-watering prices for fuel, the conflict has also pushed up the cost of crude on international markets, eroding margins for oil processors and raising questions as to how hard they run their fuel-making plants.

The Shell Pernis refinery in Rotterdam has been forced to look for alternatives to crude grades from the Middle East where some of the world's biggest oil producers have been forced to cut production. The near full closure of the vital Hormuz energy channel has choked off millions of barrels of supply since the end of February. European refineries are already running on oil that had been stockpiled for emergencies.

"We're looking at different sources and the market, of course, completely needs to reorient itself," Everts said.

The shortage of jet fuel is causing havoc for the airline industry globally, with carriers starting to count the costs. EasyJet Plc estimates that the Middle East conflict added £25 million (\$34 million) in fuel costs in March. Alaska Air Group Inc. this week suspended guidance for the full year and forecast a deeper loss than Wall Street was expecting for the second quarter.

Dutch carrier KLM has said it will operate fewer flights from Amsterdam's Schipol airport, which is supplied from Pernis. Deutsche Lufthansa AG said this week it will also scrub flights this summer to save on fuel.



Climate Negotiators Seize on Fossil Fuel Crisis Ahead of COP31

By John Ainger

April 23, 2026 at 6:09 PM GMT+5:30

In a converted warehouse on the banks of an inland port in Berlin, climate ministers and delegates from almost 40 countries sensed an opportunity. With crucial supplies of oil and gas blocked off by the Strait of Hormuz, fossil fuels were losing their claim to being the most secure source of energy.

The diplomats were gathered for the [Petersberg Climate Dialogue](#), the opening salvo in a seven-month roadshow of events leading up to November's United Nations COP31 summit in Turkey. As the crisis in the Middle East continues to pummel energy markets, negotiators from the European Union to China, and as far afield as the Marshall Islands, put forward their visions for how to accelerate climate action.

"We are at the behest of international fossil fuel markets," Katie White, the UK's climate minister, said in an interview. "The global energy crisis that we are in the midst of makes that transition even more imperative."

Governments everywhere are grappling with the impacts of the Iran war, which has sent fuel prices surging. Asia has been among the hardest hit, while in Europe — a continent still recovering from a gas crisis caused by Russia's invasion of Ukraine — measures are being put in place to stave off looming shortages of jet fuel. Meanwhile, countries in the Gulf that have built their economies on the fossil fuel boom are struggling to ship their product, and have been left reeling from attacks on key facilities.

At the Berlin meeting, there were nascent signs that the Middle East crisis is reinvigorating the clean energy shift. While EU climate commissioner Wopke Hoekstra addressed delegates in Berlin, officials in Brussels were unveiling a plan to more quickly electrify the economy. In breakout rooms at the Petersberg Dialogue, diplomats took turns espousing the need to build homegrown energy in the form of solar and wind to avoid future shocks.

"The sun has to travel 150 million kilometers to provide solar power for the world," said Chris Bowen, Australia's climate minister, who will be leading negotiations at COP31. "It doesn't have to travel the 150 kilometers that is the Strait of Hormuz."

Still, the question remains whether the annual climate talks can harness that momentum. Despite a landmark pledge at COP28 in Dubai in 2023 to "transition away" from fossil fuels, there has been little real action to show for it. At COP30 in Brazil last year, a group of about 80 countries pushed for roadmaps to implement that goal, but were blocked by major fossil fuel producers including Saudi Arabia.

International climate negotiations require more than 190 countries to reach a consensus. It means progress is often slow, bogged down by the minutiae of hundreds of pages of convoluted text. The so-called Paris Agreement rulebook — the 2015 deal that seeks to keep global warming to below 2C, and ideally 1.5C — is finally complete, leaving a more fundamental question of how COPs shift to real-world implementation.

COP31 is complicated by the fact that Turkey holds the presidency and is responsible for the so-called Action Agenda of side deals, but Australia will lead the negotiations. While discussions will focus on topics such as the so-called just transition and scaling up adaptation finance, the focus is increasingly on implementing existing commitments. That will rely in part on building coalitions of



countries that are willing to be first-movers, especially now that the US under President Donald Trump has exited the Paris Agreement and the treaty underpinning it.

“The recent crises have indeed showed us how crucial it is to have energy diversity,” Murat Kurum, Turkey’s COP31 president-designate, said in an interview. “If we can meet our energy needs with the lowest cost, with the means of clean energy, then people will turn to the alternatives.”

Next week, the roadshow moves to the Colombian city of Santa Marta, where countries will discuss the transition away from fossil fuels and debate the merits of roadmaps to achieve that goal. Brazil told delegates in Berlin that it would aim to produce one such plan in time for the United Nations General Assembly in September, according to people familiar with the matter.

While places like the UK and EU are doubling down on the climate transition in order to end their dependence on fossil fuels, middle-income countries and those from the global south are only likely to follow suit if they can finance the infrastructure investments. For those involved in the climate talks, the hope is that the latest energy crisis proves the catalyst for a global shift to clean energy.

“The writing has been on the wall and now everybody’s feeling it in their pocket,” Joanna MacGregor, chief of strategy at United Nations Climate Change, said in an interview. “We’re seeing an uptick in momentum around this process where there might have been some fatigue in the last like five years, in what is a very helpful way.”



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countries that are willing to be first-movers, especially now that the US under President Donald Trump has exited the Paris Agreement and the treaty underpinning it.

“The recent crises have indeed showed us how crucial it is to have energy diversity,” Murat Kurum, Turkey’s COP31 president-designate, said in an interview. “If we can meet our energy needs with the lowest cost, with the means of clean energy, then people will turn to the alternatives.”

Next week, the roadshow moves to the Colombian city of Santa Marta, where countries will discuss the transition away from fossil fuels and debate the merits of roadmaps to achieve that goal. Brazil told delegates in Berlin that it would aim to produce one such plan in time for the United Nations General Assembly in September, according to people familiar with the matter.

While places like the UK and EU are doubling down on the climate transition in order to end their dependence on fossil fuels, middle-income countries and those from the global south are only likely to follow suit if they can finance the infrastructure investments. For those involved in the climate talks, the hope is that the latest energy crisis proves the catalyst for a global shift to clean energy.

“The writing has been on the wall and now everybody’s feeling it in their pocket,” Joanna MacGregor, chief of strategy at United Nations Climate Change, said in an interview. “We’re seeing an uptick in momentum around this process where there might have been some fatigue in the last like five years, in what is a very helpful way.”



Dow CEO Says Petrochemical Supply Disruptions to Persist in 2026

By Christopher Charleston

April 23, 2026 at 9:24 PM GMT+5:30

Dow Inc., one of the world's largest producers of petrochemicals, expects supply disruptions tied to the war in Iran to persist throughout the remainder of 2026, according to Chief Executive Officer Jim Fitterling.

"The conflict in the Middle East has created constraints that are clearly evident in the near term — this includes supply chain disruption for an extended period of time," Fitterling said on a call with analysts on Thursday. "We also anticipate impact to future investments, including potential delays or cancellations of planned industry capacity additions, as well as increased pressure for capacity rationalization."

The global plastics market has been thrown into upheaval. Disruptions tied to the war have tightened global supply and reshaped flows of petrochemicals like polyethylene, which are used in everyday products ranging from packaging and food containers to medical supplies and automotive parts. Global prices have jumped as producers in Asia have been cut off from ingredient supplies from the Middle East that feed their manufacturing lines. Meanwhile, demand for US exports is surging.

With traffic through the Strait of Hormuz ground to a halt, roughly a fifth of the world's oil trade has been disrupted. That means about half of global ethylene and polyethylene supplies are either offline or directly impacted, Dow's Chief Operating Officer Karen S. Cartersaid on the company's call Thursday.

"These are unparalleled numbers," she added, citing infrastructure damage, feedstock shortages and ongoing logistical disruptions.

Even if the conflict ends soon, it may take some time for supply disruptions to unwind. In March, Fitterling said petrochemical shipments would lag even after key shipping routes reopen, as oil, natural gas and fertilizer cargoes take priority.

Meanwhile, consumption remains robust. On Thursday, Dow reported stronger polyethylene volumes across all regions in the first quarter, supported by firm global demand for packaging and specialty plastics. Carter said that the resilient packaging demand is now supporting near-term pricing potential.



Europe's Iran Energy Shock Didn't Have to Happen

April 23, 2026 at 9:30 AM GMT+5:30

By The Editorial Board

The war in Iran is offering a useful lesson for Europe's leaders: Reducing dependence on fossil fuels isn't just about improving the environment for future generations — it's also crucial for economic security right now.

The European Union has found itself especially exposed to the global energy shock the war has caused. Natural gas, mostly imported, accounts for about a fifth of its total energy usage — a share that has hardly changed in two decades. Since the US and Israel started bombing Iran in February, the price of that gas has at times surged by more than 60%. Although much milder than when Russia invaded Ukraine in 2022, the spike is slamming core European industries already struggling with elevated energy costs.

The broader repercussions could be severe. In Germany, the EU's largest economy, leading research institutes have already cut their forecast for 2026 growth by more than half, to just 0.6%. Inflation concerns have sent sovereign borrowing costs soaring, putting further pressure on the precarious finances of governments such as France and Italy.

How to respond? So far, the EU's main achievement has been not to repeat past policy blunders. It wisely rejected the idea of expropriating "excess profits" from renewable-energy suppliers, as happened during the Ukraine war gas-price shock. Although some member states (notably Spain) have introduced emergency fossil fuel subsidies, they're smaller and less disruptive than the scattershot measures of 2022, which cost more than €500 billion (\$585.3 billion) and undermined market incentives to economize or hedge against extreme price swings.

Just avoiding big mistakes, though, isn't enough. Unless Europe's leaders reduce dependence on fossil fuels, this crisis won't be the last.

To that end, the EU has a powerful instrument: the carbon price set by its emissions trading system, by far the world's most successful policy of its kind. Instead of weakening or even suspending the ETS, as Italy has suggested, policymakers should stand by it — including by expanding coverage to buildings and transportation. This can boost electric vehicles and nudge households away from the fossil fuels that compose about two-fifths of their total energy use — particularly if coupled with aid to help consumers afford the necessary investments. Merely replacing boilers with efficient electric heat pumps, for instance, can almost eliminate natural gas in home heating.

To ensure the power grid can handle this added load, governments should provide the financing mechanisms and fast-track permitting needed to make way for substantial investments in areas including battery storage, nuclear and cross-border connections to tie Europe's market together. Meanwhile, smarter design — such as retail contracts that encourage households to consume less when prices are high — could make more efficient use of existing infrastructure.

Finally, as long as natural gas remains so important to its economy, the EU must ensure that it has plenty in storage by next winter — and ideally establish a strategic gas reserve to cushion short-term shocks, along the lines of its existing oil reserves.

The EU can be surprisingly nimble when pressed. When Russia cut off gas deliveries in 2022, it managed to slash consumption and switch suppliers with striking speed. Yet it hasn't finished the job of achieving energy independence. This time around, it needs to do better.



Canada's IEA Oil Promise Adds Little New Crude to Tight Market

By Robert Tuttle

April 23, 2026 at 8:11 PM GMT+5:30

The Canadian government's pledge to supply 23.6 million extra barrels of oil in the coming months reflects natural growth in production, according to [BMO Capital Markets](#), rather than a specific effort to produce more crude.

The promise made by Energy Minister Tim Hodgson last month was [Canada's](#) contribution to the 400 million barrels being released by 32 countries in the [International Energy Agency](#). But unlike IEA members such as the US and Japan, Canada holds no strategic petroleum reserves. It is the world's fourth-biggest oil supplier and second-largest within the IEA.

The Canadian barrels are "coming about from projects that were underway before all of this happened," Randy Ollenberger, head of oil and gas research at BMO Capital Markets, said in an interview. "It's not really a function of what's happening in Iran or any request from the federal government to say, what can we contribute to this."

Some analysts have said it would be difficult for any additional output to happen this year because oil companies were heading into spring maintenance, when they take production out of service in long planned phases, and a lack of pipeline export capacity.

The near closing of the Strait of Hormuz since the Iran war started at the end of February has curtailed shipments of the world's oil and liquefied natural gas supplies, sending oil prices surging to around \$100 a barrel.

Charlotte Power, a spokesperson for Hodgson, said the IEA provided Canada with the 23.6 million barrel figure, calculated from the country's 5.9% share of total member-nation oil demand.

"Canadian industry confirmed they would be able to meet that number based on planned production increases this spring, with no additional measures needed," she said in an email.

Power said between April and September, Canada is forecast to produce roughly 25.5 million barrels more than during the same period last year. While there are ways for industry to temporarily boost output — such as delaying spring maintenance — companies determined those steps weren't necessary, she said.

Jon McKenzie, chief executive of [Cenovus Energy Inc.](#) and chairman of the [Canadian Association of Petroleum Producers](#), said his company doesn't expect to change its maintenance schedule. "These large maintenance events are planned years in advance, and you have contractors that are lined up to supply their services and labor, and they're very, very difficult to move on a short-term basis."

The IEA is requiring members to frequently report progress toward their oil-supply commitments. Power said the country must provide monthly oil-market data — including crude and petroleum-product supply, trade and stock levels — so the agency can monitor global availability and gauge the effectiveness of the response.

Most of Canada's contribution to the IEA effort comes from oil sands companies, which account for the bulk of the country's production, Ollenberger said. Cenovus plans to drill a 42-well redevelopment program at Christina Lake, supporting additional production volumes in 2026 and 2027, the company said in February. The company's Foster Creek output has been rising after an optimization project was completed last year. In addition, the company is starting its West White Rose offshore project in Newfoundland in the third quarter.



Canadian Natural Resources Ltd. has recently added about 21,000 barrels a day of production at its Jackfish oil sands site, according to Alberta Energy Regulator data, after a part of the company's Pike 1 project was completed in December with production of about 27,000 barrels a day. A second part of Pike 1 is scheduled to begin production in the second quarter.

Suncor Energy Inc. is adding production "because it's getting better at operating as assets," BMO's Ollenberger said. The company could raise the capacity of its Fort Hills oil sands mine over the next three years to as much as 220,000 barrels a day from 195,000, Chief Executive Officer Rich Kruger said in February.

While output is increasing on an annual basis, the next few months are when production falls to its lowest levels of the year as oil sands producers shut machinery for maintenance.

Country	Million Barrels
United States	172.2
Japan	79.8
Canada	23.6
Korea	22.5
Germany	19.5
France	14.6
(IEA member contributions by size, top six)	

Pakistan Rushes to Buy LNG From Spot Market to Ease Gas Shortage

By Sing Yee Ong and Stephen Stapczynski

April 23, 2026 at 9:54 AM GMT+5:30

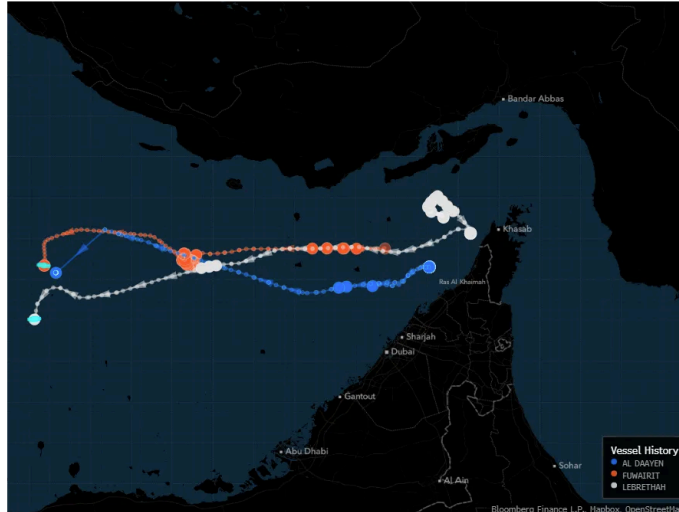
Pakistan is looking to buy liquefied natural gas from the expensive spot market for the first time in over two years as the government rushes to ease an energy shortfall triggered by the conflict in the Middle East.

State-owned Pakistan LNG Ltd. released a rare purchase tender for three LNG shipments for delivery from late April to mid-May, according to a document on its website. Suppliers are requested to submit offers by Friday, the notice said.

Pakistan, which procured nearly all of its LNG from Qatar last year, hasn't received a shipment since early-March, shortly after the US and Israel began strikes on Iran and Tehran closed the Strait of Hormuz. Qatar was also forced to shut the world's largest LNG export facility due to an Iranian attacks and cancel deliveries to its customers.

The gas shortage has triggered widespread power outages across Pakistan, posing a significant threat to the country's economic growth. The move to buy spot cargoes come as LNG supplies remain trapped in the Persian Gulf. Hormuz — a vital waterway for about a fifth of global LNG supply — has effectively been shut to traffic of the fuel since the war began.

Four LNG tankers loaded in Qatar over a month ago and currently in the Gulf are signaling Pakistan as their next destination, according to ship-tracking data compiled by Bloomberg. Three of the vessels approached the Strait of Hormuz over the weekend before turning back, and are now once again near Qatari waters, the data shows.



LNG tankers earmarked for delivery to Pakistan turned away from Hormuz in the last few days and remain stuck in the Persian Gulf, ship-tracking data shows.



Woodside AGM Protest Signals Pressure on Australia's LNG Sector

By Keira Wright

April 23, 2026 at 12:47 PM GMT+5:30

Activists have disrupted [Woodside Energy Group Ltd.](#)'s annual general meeting as Australia's liquefied natural gas industry faces increasing domestic scrutiny over windfall export profits during the war in Iran.

New Chief Executive Officer Liz Westcott's address to the event in Perth on Thursday was interrupted by whistles, whale noises and protesters clapping and singing. The live feed was briefly cut when a protester stormed the stage and was removed by security.

The whale sounds, amplified by speakers smuggled into the event, were in protest at Woodside's planned Browse gas development at Western Australia's Scott Reef. Broader public pressure is also building on the company as it benefits from LNG export price rises at a time when high retail energy costs are worsening cost-of-living pressures.

Australia's LNG-heavy energy export sector posted a record first quarter on tightened global supply. Strong demand is forcing buyers to rebuild inventories while supply remains constrained, intensifying competition for limited cargoes.

"Reliable and affordable energy remains key to global economic growth," Westcott said in her opening remarks at the meeting.

Consumer confidence in Australia [has tumbled](#) as higher retail fuel prices weigh on household spending. The squeeze is intensifying concerns about the economy and sparking calls for higher taxes on gas exports.

The pressure has spilled into Parliament, where a Senate committee is examining gas tax settings, the impact of the Middle East conflict on prices, exporter profitability, and whether new measures are needed to provide domestic cost-of-living relief and fuel security. The inquiry comes as regulators warn the east coast gas market remains tight and southern states reliant on northeastern Queensland for supply, with longer-term shortfall risks seen.



Shale Bosses Lament Iran War 'Chaos' Engulfing Oil Market

By David Wethe and Catarina Saraiva

April 23, 2026 at 10:57 PM GMT+5:30

Despite higher oil prices, US shale executives are complaining that the market volatility arising from the conflict in the Middle East isn't making their job any easier.

In a series of anonymous comments published Thursday from a [report](#) released by the [Federal Reserve Bank of Dallas](#), energy executives cited chronic uncertainty over the outcome of the war and its effect on supply and demand. Some of the people, who were respondents in a survey carried out by the bank, criticized what they characterized as the inability of President Donald Trump to explain the rationale behind the conflict.

"If the administration feels that we need to prolong the conflict, it needs to better articulate the long-term strategic goal and the risk of inaction," one respondent was quoted as saying. "This cannot be solely about barrels."

The bank, which typically conducts a quarterly survey of energy firms in Texas, northern Louisiana and southern New Mexico, took the unusual step of asking additional questions following the publication of the first quarter survey in March. The updated responses come at a time of high volatility in energy prices amid the conflict in the Middle East. The insights, published days before the Fed's April meeting, will give policymakers a fresh look into a rapidly evolving market.

West Texas Intermediate, the US benchmark for oil, has climbed by more than a third since the US-Israel war with Iran began in late February. Although US drillers are generally expected to ramp up output in response to the price spike, the largest publicly traded oil companies have yet to announce any updates to drilling plans. Some in the shale patch have expressed **concern** with the mixed signals that future oil prices are giving the market.

"The difference between the gyrating of paper market oil prices versus what seems to be substantially higher physical prices sends conflicting signals to operators who cannot plan rigs and capital budgets when prices swing wildly based on tweets," one respondent said.

While higher oil prices had raised expectations that energy companies would increase production in the US, bolstering employment in that sector at least, most executives said in the latest survey they expect to keep employment steady or increase it only slightly this year. That's unwelcome news, since the drag on all other forms of consumer spending created by higher fuel costs could threaten jobs outside the energy sector.

The Strait of Hormuz remains mostly closed, trapping roughly a fifth of the world's crude supplies. About 80% respondents to the survey expect traffic to normalize no earlier than August. But, of course, an estimate like that comes with plenty of hedging.

"With all of the chaos, predicting anything in the energy sector is very difficult," another executive was quoted as saying in the Dallas Fed report.

The survey has often highlighted criticism of US presidents and the effect of their policy on the industry. The latest report features heightened frustrations with Trump.

"The long-term consequences of this war were not fully considered," an executive from an oilfield services firm was quoted as saying. "The disruption this will cause to energy markets and other macroeconomic measures will be significant. The unpredictable nature of the current administration makes business modeling near impossible."



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SE. Asia seeks domestic fuels amid energy crunch

By PRIME SARMIENTO

in Hong Kong

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Southeast Asian countries are leaning harder on homegrown energy sources — from coal to palm oil and sugarcane — as soaring costs and supply risks make Middle Eastern oil and gas imports less viable.

The pivot is proving double-edged, analysts said. Surging demand is driving up prices of coal and biofuels, while renewed investment in coal plants threatens to derail each country's pledge to reduce emissions.

Indonesia, the world's largest thermal coal exporter, plans to raise coal output this year to boost state revenues amid rising coal prices.

Thailand will restart two decommissioned units at the coal-fired power plant in Lampang Province to contain rising electricity bills.

Philippine Energy Secretary Sharon Garin said the government

is open to lifting the moratorium on building new coal-fired power plants.

For some members of the Association of Southeast Asian Nations, using more coal is "a short-term and readily available solution, but not the most environmentally friendly," said Priyanka Kishore, director and principal economist at the Singapore-based consultancy Asia Decoded.

Higher demand is also boosting global coal prices, Kishore said, adding that this would lead to higher electricity prices.

The benchmark Newcastle coal futures rose to \$150 per metric ton on March 9, its highest level since November 2024, according to Bloomberg.

Rising prices prove that coal is not insulated from geopolitical shocks, according to global research organization Zero Carbon Analytics.

"Only renewables are immune to such immediate crises, as once installed, they do not require a constant supply of fuel to generate electricity," the nonprofit said in its latest report.

Khor Yu Leng, director of Segi Enam Advisors in Singapore, said the oil and gas supply crunch has put biofuels back in the spotlight.

Biofuels in spotlight

Vietnam is rolling out E10 gasoline — a blend containing 10 percent bioethanol — from April 30, about a month ahead of its previous June 1 target.

Malaysia is set to increase its biodiesel blend mandate from B10 — a blend containing 10 percent palm methyl ester — to B15, starting with an initial rollout of B12, a 12 percent blend.

Thai ethanol manufacturers are increasing production of gasohol E20 — a mix of gasoline and 20 per-

cent ethanol — to serve growing local demand.

Khor of Segi Enam Advisors said high diesel prices will not necessarily make biodiesel a viable option for most motorists.

Palm oil mills already generate electricity from waste biomass, but grid rules and pricing keep that energy sidelined, she said.

She suggested that unlocking mill-based biomass into local networks could deliver quicker, more reliable energy security than chasing higher biofuel blends.

The increased demand for biofuels has likewise raised palm oil prices — a feedstock for biodiesel.

On March 6, the benchmark palm oil contract for May delivery on the Bursa Malaysia Derivatives Exchange rose by nearly 4 percent to 4,365 ringgit (\$1,100) per ton. Malaysian palm oil futures were trading at over 4,500 ringgit per ton on Thursday.



US oil executives expect crude output to rise as Iran war continues, survey shows

By Georgina Mccartney

April 23, 2026 9:23 PM GMT+5:30 Updated 8 hours ago

HOUSTON, April 23 (Reuters) - U.S. oil executives expect domestic production to rise as the ongoing war in Iran upends global supplies and pushes crude and fuel prices higher, according to a Dallas Fed survey.

The survey collected data from April 15 to April 20 from 120 oil and gas firms, of which 78 were exploration and production firms and 42 were oilfield services firms.

- A total of 43% of survey respondents expect U.S. crude production to rise by up to 250,000 barrels per day this year as a result of the Iran war. This diverges from the Energy Information Administration, which is forecasting U.S. crude output at 13.51 million bpd for 2026, compared with 13.58 million bpd last year.
- About two-thirds of respondents think at least 90% of Gulf production that has been shut in will return to market eventually.
- Asked when traffic through the Strait of Hormuz will return to normal levels, 20% said by next month, 39% said August, while the remaining respondents said either by November or later.
- Most executives expect shipping costs from the Gulf to increase after the conflict ends, with more than a third surveyed saying costs will jump between \$2 and \$4 a barrel.
- "The price of oil will fall back to the \$65 a barrel level very quickly once this conflict settles down," an exploration and production executive said.
- "In response to the roughly 45 days of West Texas Intermediate over \$75 per barrel, we are hearing increased talk of smaller operators adding rigs. We are also seeing larger independent operators move up drilling schedules," an oilfield services firm executive said.



Welcome to the age of energy shocks

Ron Bousso

April 23, 2026 11:40 AM GMT+5:30 Updated 14 hours ago

LONDON, April 23 (Reuters) - The past decade has brought a rapid succession of global energy crises, driven by military conflict, extreme weather and supply-chain snarls. As today's highly interconnected oil and gas markets become more fragmented and the low-carbon transition accelerates, recurring shocks may be becoming the norm.

First came the post-pandemic inflationary surge in 2021, quickly followed - and amplified - by Russia's invasion of Ukraine in 2022. Now, four years later, comes the Iran war, which has sparked the greatest disruption to oil and gas supplies in history.

Three shocks of such magnitude in such a short span far exceed the historical norm. Broadly speaking, the world has averaged one major energy crisis per decade since World War Two.

More worryingly, the underlying causes of the recent crises - geopolitical and trade fragmentation - suggest the world may face more frequent shocks in the decades ahead.

FRACTURED TRADING SYSTEM

Today's energy markets are more globalised than ever. That is largely the result of a shift in the centre of gravity in energy demand in recent decades away from Western economies and toward Asia, particularly China.

Global oil imports surged by 55% between 2000 and 2024 to around 70 million barrels per day, according to the Energy Institute's Statistical Review. China's imports alone grew six-fold over that period to 13.4 million bpd.

At the same time, global energy flows have been dramatically redrawn by the transformation of the U.S. - the world's No. 1 oil consumer - from one of its biggest energy importers into the top oil and gas producer and exporter.

Between 2000 and 2026, U.S. oil exports rose more than 12-fold to about 12 million bpd - roughly 11% of the global market - putting Washington in direct competition with traditional exporting powerhouses such as the Organization of the Petroleum Exporting Countries and Russia.

Meanwhile, skyrocketing U.S. exports of liquefied natural gas (LNG) added to that globalisation - improving efficiency, spurring growth and strengthening ties between producers and importers.

For a time, all of this worked.

The war in Ukraine exposed both the benefits and the vulnerabilities of that model. Europe's dependence on Russian energy left it scrambling after Moscow's invasion and the subsequent Western sanctions. The continent was forced into a painful reassessment of energy security and diversification.

The Iran war has shattered yet another long-standing assumption: the idea that Gulf producers would never engage in conflict that would seriously impede energy flows.

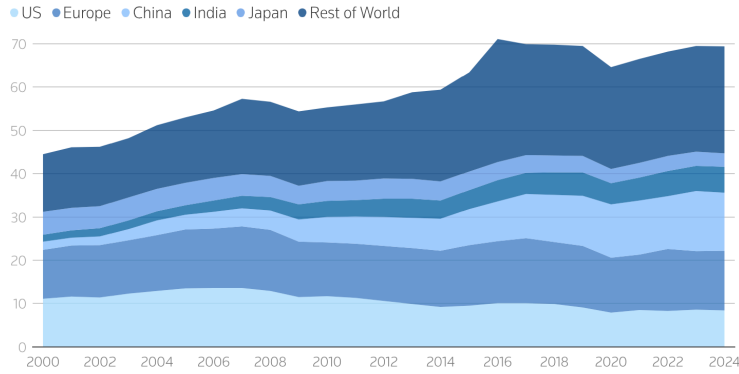
Tehran's decision to block the critical Strait of Hormuz - through which 20% of the world's oil and gas previously flowed - and attack its Gulf neighbours' energy infrastructure overturned decades of tacit restraint among Middle Eastern producers.

This "new normal" may sow the seeds for future regional tensions. More broadly, the ease with which Iran disrupted the world's energy supplies raises uncomfortable questions about the security of other critical chokepoints - from the Red Sea to the South China Sea.



Global oil imports

Oil trade has expanded sharply in recent decades



Note: Oil imports in million of barrels per day

Source: Energy Institute Statistical Review 2025 | Ron Bousso

Global oil imports

TRADE UNDER STRAIN

Alongside the rise in military conflicts is the growing prevalence of trade conflicts, which have upended the post-war ambition to foster peace through multilateral cooperation.

U.S. President Donald Trump's decision last year to impose sweeping tariffs on most trading partners intensified those strains. His explicit use of America's energy dominance as a negotiating tool heightened concerns over the long-term reliability of the U.S. as a supplier, reinforcing calls elsewhere for greater energy self-sufficiency.

China's rise as an industrial and economic powerhouse has further weakened the old trading order and helped create a two-tier oil and gas market. Beijing has openly flouted Western sanctions - which have expanded greatly over the past decade - importing large volumes of oil and gas from Russia, Iran and Venezuela. It has also accelerated the emergence of alternative trade, payment, insurance and shipping networks that fragment global markets.

ENERGY TRANSITION, NEW RISKS

Then there is the energy transition. Renewable power now accounts for nearly half of global electricity generation capacity, following a record surge in solar installations last year.

The shift is apt to accelerate following recent crises because reducing dependence on fossil fuels increasingly overlaps with governments' efforts to bolster energy security.

The European Union made the point explicitly in a plan aimed at shielding consumers from volatile oil and gas prices.

"We must accelerate the shift to homegrown, clean energies. This will give us energy independence and security, and mean we are better able to weather geopolitical storms," Ursula von der Leyen, president of the European Commission, said when announcing the plan.



But the transition also introduces new vulnerabilities.

Reduced reliance on fossil fuels could morph into heavy dependence on imports of low-carbon technologies - from solar panels to battery storage - that are highly concentrated in China. That dependency is already emerging as a major source of trade and industrial tensions between Beijing and Western governments.

Slowing demand is also likely to intensify competition for market share among major producers - Gulf states, Russia and the U.S. alike. This increases the risk that energy becomes an even more potent geopolitical weapon.

And even if the energy transition slows climate change, it won't reverse it. Rising global temperatures and more frequent extreme weather events - droughts, floods, hurricanes, heatwaves - are already disrupting energy production, transport and power grids.

The picture is a sombre one. Volatility, rather than stability, will likely be the defining feature of global energy markets. To withstand future shocks, countries will need to build energy systems that are diversified, flexible and, most likely, domestic.



China's LNG imports plunge, helping Asia adjust to Iran war losses

Clyde Russell

Asia Commodities and Energy Columnist

April 23, 2026 10:23 AM GMT+5:30 Updated 11 hours ago

LAUNCESTON, Australia, April 23 (Reuters) - Asia's imports of liquefied natural gas (LNG) are poised to drop to the lowest in nearly six years in April as the effective closure of the Strait of Hormuz cuts off cargoes from major supplier Qatar.

Despite the loss of volumes it could be argued that Asia's LNG markets are being more successful in adjusting to the fallout from the U.S. and Israeli attacks on Iran than those for crude oil and refined products.

This is largely being achieved through a combination of voluntary curtailment of imports by China, the world's biggest buyer of the super-chilled fuel, and forced loss of cargoes in smaller and less wealthy buyers such as Pakistan.

Commodity analysts Kpler estimate Asia's imports of LNG for April at 19.03 million metric tons, down from 20.69 million in March and the winter peak of 26.34 million in December.

April arrivals are the lowest since June 2020 and reflect a sharp loss in volumes from Qatar, which prior to the [Iran war](#) supplied around 20% of global LNG.

Asia's imports from Qatar are estimated at just 800,000 tons in April as the last of the cargoes that exited the [Strait of Hormuz](#) prior to the U.S. and Israeli strikes on February 28 arrive at their destinations.

The average of Asia's imports from Qatar in the three months leading up to the war against Iran was just over 6 million tons, which was about 88% of Qatar's total volumes.

Such a sharp loss of Qatari cargoes has forced Asian buyers to adjust and much of the heavy lifting has been done by [China](#).

Kpler estimates China's LNG imports at 3.36 million tons in April, the lowest since 3.18 million tons in April 2018 and down from the winter peak of 7.66 million tons in December.

China has also been re-selling cargoes, with LNG exports hitting a record high of 720,000 tons in March, but dropping back to just 30,000 tons in April.

What this shows is that China's LNG buyers have been happy to trim demand amid the higher prices caused by the Iran war, and even take advantage of the spike in March to re-sell cargoes.

Spot Asian LNG jumped from \$10.40 per million British thermal units (mmBtu) in the week to February 27 to a high of \$25.30 in the seven days to March 20.

The price has since eased to \$16.05 per mmBtu in the week to April 17, leaving it 54% higher than pre-war levels.

This compares to a 97% jump in the price of jet fuel in Singapore over the same period and a 59% rise in the price of gasoil, the building block for diesel.

PAKISTAN, BANGLADESH

While China has been able to lower LNG imports and re-sell cargoes because of strong domestic natural gas output and pipeline supplies from Russia and Central Asia, the same is not the case for South Asian countries.



Pakistan's LNG imports may drop to zero in April as the cargoes being monitored by LSEG for arrival this month are still stuck west of the Strait of Hormuz and therefore unlikely to transit the waterway and sail to Pakistan.

Only two LNG cargoes discharged in Pakistan in March, delivering 150,000 tons of LNG, down from 479,000 tons in February and 721,000 tons in January, according to LSEG data.

Pakistan gets nearly all of its LNG from Qatar, with only one cargo from another country arriving in the past year, meaning it is extremely vulnerable to the closure of the Strait of Hormuz.

Another country that was highly reliant on Qatar is Bangladesh, but it has been able to secure cargoes from other suppliers and therefore maintain LNG imports at levels close to pre-war volumes.

Bangladesh is forecast to see arrivals of 531,000 tons in April, down from 561,000 tons in March, and its slate of suppliers includes the United States, Australia, Oman, Nigeria and Angola.

In January and February, Bangladesh only received cargoes from Qatar.

The difference between Pakistan and Bangladesh comes down to a willingness to pay more for spot LNG, with the price surge in the wake of the war against Iran rendering the fuel uneconomic for Pakistan electricity generators.



Brazil to start tests for diesel blend containing 20% biofuel in May

By Oliver Griffin

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SAO PAULO, April 23 (Reuters) - Brazilian researchers at the Maua Institute of Technology will begin tests to investigate the viability of raising the blend of biodiesel in diesel to 20% in May, Renato Romio, manager of the institute's vehicles division, said on Thursday.

Brazil is a powerhouse producer of biofuels from raw materials soy and sugarcane, with current mandated blends of 15% biodiesel in diesel and 30% ethanol in gasoline.

Global energy disruption caused by the [U.S.-Israeli war with Iran](#) since February has led to calls in the South American country to raise those mandated blends and reduce reliance on fossil fuels and imported energy sources.

"The idea is to start in May," Romio told Reuters on the sidelines of an event held by the Brazilian Association of Vegetable Oil Industries (Abiove) and the Brazilian Institute of Petroleum, Gas and Biofuels in Sao Paulo.

During the first phase, the institute will test biodiesel blends of 15% and 20% - known as B15 and B20 respectively - and plans to install the first engine to be tested next month, Romio said.

The fuels to be tested are expected to arrive in the last week of May, he added.

Engines will be tested for 300 hours to evaluate filter clogging, injection system behavior and to inspect the injector nozzle, Romio said, adding that the second phase of testing will also analyze emissions of pollutants in diesel blended with 7% and 25% biodiesel.

"We're going to run B15 and B20," Romio said. "In addition to these fuels, we'll conduct emissions tests with B7 and B25, but those are just emissions tests. The actual long-term road tests will be with B15 and B20."

The planned tests are good news for the industry, Abiove's director of economics and regulatory affairs, Daniel Amaral, said at the event.

"It's a fairly broad set of tests, thoroughly discussed by all the entities related to the production and use of biodiesel," Amaral said. "It will certainly open the door to blends higher than B15 (and) up to B20, which presents a very promising scenario for the sector."