

## MNI Oil Weekly: Geopolitical Switch

By Andrew Couper and David Lee  
(14/01/2026)

- **Geopolitical Switch:** Venezuela grabbed the headlines last week for oil markets, but escalations in Iran are now at the forefront. Oil markets are trying to price in a geopolitical risk premium if the situation escalates while Trump's threats mount.
- **Oil Markets:** Crude prices have rallied amid supply risk from Iran and disruption to CPC exports which offset signs of returning Venezuela exports and market oversupply expectations. US diesel cracks have regained some ground after falling to the lowest since August on Jan. 7. Gasoline cracks have softened again amid the post-holiday lull in demand after firming slightly last week.
- **Analyst Views:** See oil market views and outlooks from key analyst names

### Geopolitical Switch:

It's been a turbulent start for oil markets in 2026 where geopolitics is concerned. With oil markets recently focussed on the outcome of Venezuelan fallout post-Maduro, proceedings in Iran have now quickly jumped to the forefront. Recent years have shown that a strong geopolitical risk premium can build into oil markets surrounding Iran, even if flows have not actually been impacted. Recent inflection points came from direct Israel and Iran confrontations (largely backed by the U.S.) and following U.S. strikes on Iran's nuclear infrastructure last year.

- Trump's attention has since been pulled towards a myriad of other topics, but this week has seen Iran directly back in the firing line and at the opposite end of threats and potential escalations. See a succinct summary below of how this week has escalated between Iran and the U.S.:

#### January 12: Protests Peak, US Hints at Intervention

Iranian Foreign Minister Abbas Araqchi declared the nationwide protests "under total control," while authorities arrested key protest leaders, signaling an aggressive clampdown.

- President Trump claimed Iran had reached out for negotiations, stating, "I think they're tired of being beat up by the United States. Iran wants to negotiate." He reiterated threats of "very strong" military action against the regime's deadly response to protesters, which has reportedly killed hundreds, and posted on Truth Social: "Iran is looking at FREEDOM, perhaps like never before. The USA stands ready to help!!!"
- Oil market implications were evident: Onshore crude stocks at Kharg Island, Iran's primary export terminal, fell nearly 30% from January 1-4 (per Kayrros data), echoing patterns from prior escalations like June's Israeli strikes and US Operation Midnight Hammer.
- Stocks rebounded slightly but remained 22% below early-January levels as of January 10.
- Analysts at RBC noted direct US intervention as a "serious wildcard," potentially delaying due to US military commitments elsewhere, such as off Venezuela.

#### January 13: US Tariffs Threatened

Araqchi reiterated that security forces had "regained full control" of the country, with partial easing of restrictions—allowing international phone calls but maintaining internet and texting blackouts (per AP reports).

- Trump escalated economic pressure, announcing on Truth Social: "Effective immediately, any Country doing business with the Islamic Republic of Iran will pay a Tariff of 25% on any and all business being done with the United States of America." This could jeopardize the US-China trade truce, as China is the top buyer of Iranian oil, alongside UAE, Turkey, and Iraq.
- A US official indicated Trump would meet senior advisers on January 13 to discuss Iran options.
- Backchannel diplomacy emerged: White House Press Secretary Karoline Leavitt confirmed an Iranian official contacted Trump associate Steve Witkoff with a "far different tone" than public rhetoric, and Axios reported discussions between Araqchi and Witkoff about a potential meeting.

**January 14: Executions Loom, Protests Subside Amid Violence**

Iran's judiciary head signaled fast trials and executions for detained protesters, directly challenging Trump's earlier threats of "very strong action" if executions proceed. The execution of protester Erfan Soltani was expected today, potentially forcing an imminent US response. Nothing has been announced at the time of writing but the outcome will likely mark a key inflection point for U.S. escalations.

- Iran warned neighboring countries it would target US bases in retaliation for any Washington attacks (Reuters source).
- Trump reinforced his stance, promising "very strong action" against executions and reiterating the 25% tariff on countries trading with Iran.
- Eurasia Group's Gregory Brew noted on X: "Based on available evidence, there were no protests in Iran last night... The wave may have finished—suppressed by immense violence. It remains to be seen if and when protests resume." This apparent suppression followed two weeks of unrest.

**Price Volatility?**



Crude prices rose to their highest level since late October on Wednesday, supported by a geopolitical risk premium pricing into oil as Reuters reported:

- "SOME PERSONNEL ADVISED TO LEAVE QATAR'S AL UDEID U.S. AIRBASE BY WEDNESDAY EVENING - THREE DIPLOMATS TO REUTERS" RTRS (Orange arrow indicates when it was released)

The headline resulted a +\$1/bbl move for oil markets - the above showing front month Brent via Bloomberg.

**Oil Markets:**

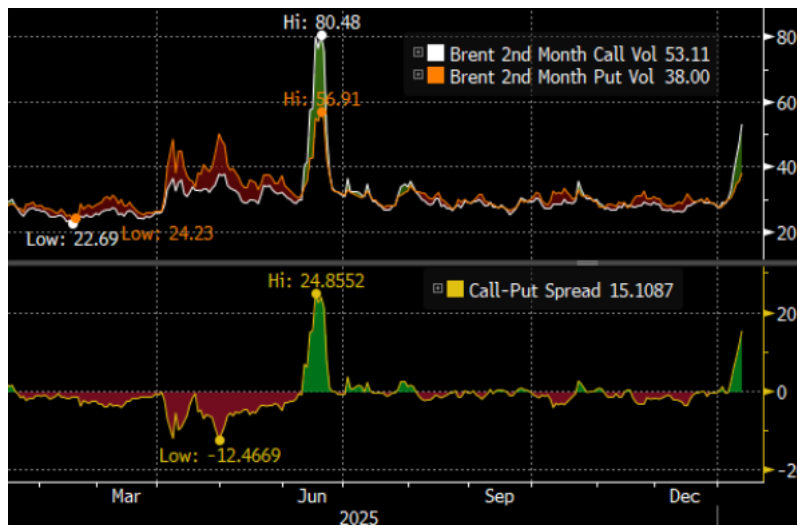
Crude prices have rallied amid supply risk from possible Iranian disruptions as protests have escalated in the last week and the US weighs options. Ongoing disruption to CPC exports has added to market support to offset signs of returning Venezuela exports and market oversupply expectations for this year.

**Markets:**

The near-term crude call-put option skews have surged. The Brent second month 25 delta spread rose to the highest since June at over +16% compared to near parity at the start of the month driven by a surge in call volatility. Aggregate daily Brent option traded volumes rose to 684k on Jan. 12 with a record 557k of calls trading.

- The Brent 1-2 month spread has also rallied the highest since October at +0.80/bbl while the curve is in backwardation to the end of 2026.
- Money managers maintained net long Brent and WTI crude positions almost unchanged in the week to Jan. 6, according to Commitments of Traders data released on Jan .9.
- The prompt Brent-Dubai EFS widened sharply to around \$1.30/bbl last week from about \$0.7/bbl the week before amid European physical tightness on supply disruptions and weaker Dubai pricing, according to Kpler. CPC has been the clearest driver of physical tightness in Europe while weather has repeatedly disrupted Libya. Dubai M1M3 flipped into contango last week, averaging around -\$0.3/bbl, the weakest since 2023 amid soft prompt fundamentals and an overhang in medium sources.
- The premium for high-sulphur fuel oil in Asia versus the West climbed to its highest since May amid the expectation of increased crude and fuel oil from Venezuela to the US, weighing on supply to Asia, Reuters said.

**Brent Second Month 25 Delta Call-Put Volatility Spread – Source: Bloomberg Finance L.P.**



**Iran:**

The protests in Iran which began over soaring inflation are now calling for an end to the clerical rule of Iran's Supreme Leader Ayatollah Ali Khamenei, the first challenge to his leadership since the uprising in 2022.

- The US has threatened to strike Iran over the killing of protesters, and President Donald Trump said that the US is “looking at some very strong options.”
- Trump said earlier this week he will slap a 25% tariff on any country doing business with Iran.
- Trump told Iranians to keep protesting and that “help is on its way” in a social media post, the clearest indication yet of possible US intervention.
- Reuters reports some US personnel have been advised to leave a Qatari airbase. Iran on Jan. 14 warned neighbouring countries that it will seek to strike US bases in retaliation for any attacks from Washington, according to a Reuters source.
- Iranian crude stockpiles at the key Kharg Island export terminal fell about a fifth between Jan. 1-4 a potential sign the country is moving oil out of harm’s way amid two weeks of unrest, according to Kayrros. Nationwide crude stocks, however, have now returned to normal.

### Venezuela:

The US is continuing to take control of oil shipments in and out of Venezuela following its capture of Maduro. The US government has filed for court warrants to seize dozens more tankers linked to the Venezuelan oil trade, according to a Reuters report.

- About a dozen loaded tankers left Venezuela with their location transponders switched off amid the U.S. raid on January 3, but most of them have returned to the country after Caracas' interim government negotiated a 50mmbbl oil supply deal with Washington.
- Trading houses Trafigura and Vitol have begun marketing Venezuelan oil under the U.S. mandate, targeting Indian refiners and Chinese state major CNPC for March delivery. They are offering Venezuelan oil to fuel makers in Texas and Louisiana already, Bloomberg said. Offers are coming in at higher prices than for similar quality oil from Canada, sources added.
- Trafigura and Vitol plan to move Venezuelan crude oil to storage facilities in the Caribbean, likely as a staging point for exports after the US asked them to market the oil.
- At least two non-sanctioned supertankers were departing Venezuelan waters on Jan. 12 carrying crude, according to Tankertrackers and PDVSA shipping records Reuters said.
- Washington is working on easing some sanctions on Venezuela, Treasury Secretary Bessent told Reuters at the weekend, saying that some sanctions could be lifted as soon as this week.
- The volume of Venezuelan crude floating at sea spiked to the highest level in more than three years, Bloomberg reports. More than 29mmbbl of Venezuelan oil were on vessels stationary at sea, up from 20mmbbl earlier this week, Kpler data showed.

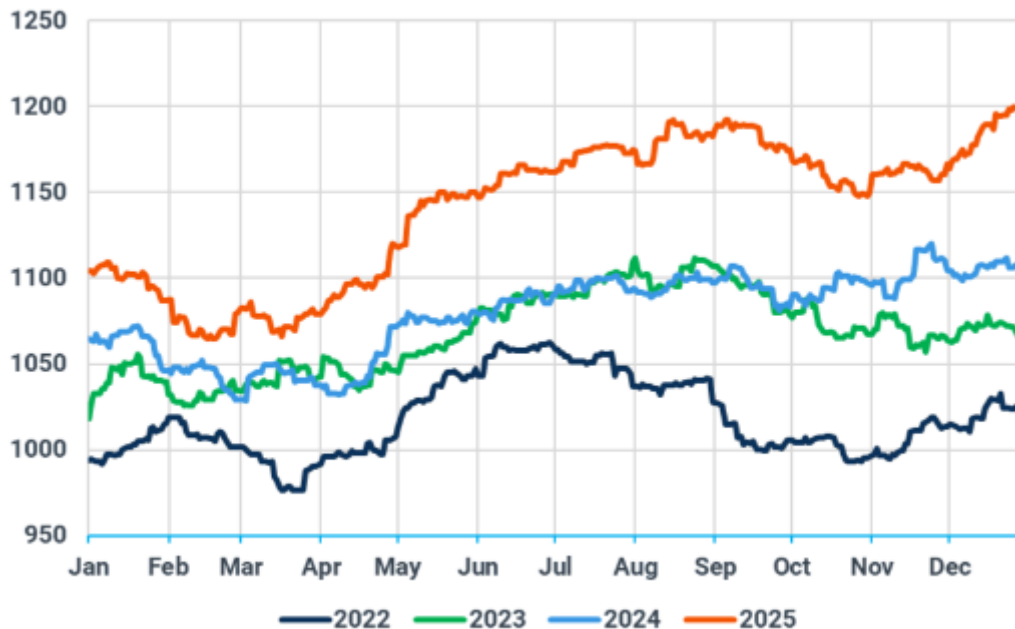
### China:

China’s oil imports from Venezuela are expected to slump starting from February as fewer tankers have managed to leave the country, Reuters reports. Chinese refiners are not in a rush to seek alternative supply due to stocks build last year and barrels still in transit. Kpler sees 43mmbbl of Venezuelan oil in transit heading East while Vortexa puts the figure at 52mmbbl.

- China Dec. oil imports rose to 55.97m tons, or 13.18mb/d, from 50.89m tons in Nov. and 17% higher on the year, General Administration of Customs data showed. The rise was driven by stronger crude throughput and firmer restocking demand, Kpler said. Onshore crude inventories rose by 35mmbbl in December, Kpler and Vortexa show, to a record high of 1.206bn barrels, Kpler added.
- China has issued crude oil import quotas to three refineries based in Shandong province for 2026 according to Reuters sources.

- Urals is currently landing at about \$19/bbl cheaper than Dubai swaps, limiting the urgency for China to pay up for alternatives and keeping a lid on Middle East spot demand.

China Onshore Oil Inventories, mbbls – Source: Kpler



**Russia:**

Four-week average Russian crude shipments edged 30kb/d lower on the week to 3.42mb/d through Jan. 11, according to vessel tracking data compiled by Bloomberg.

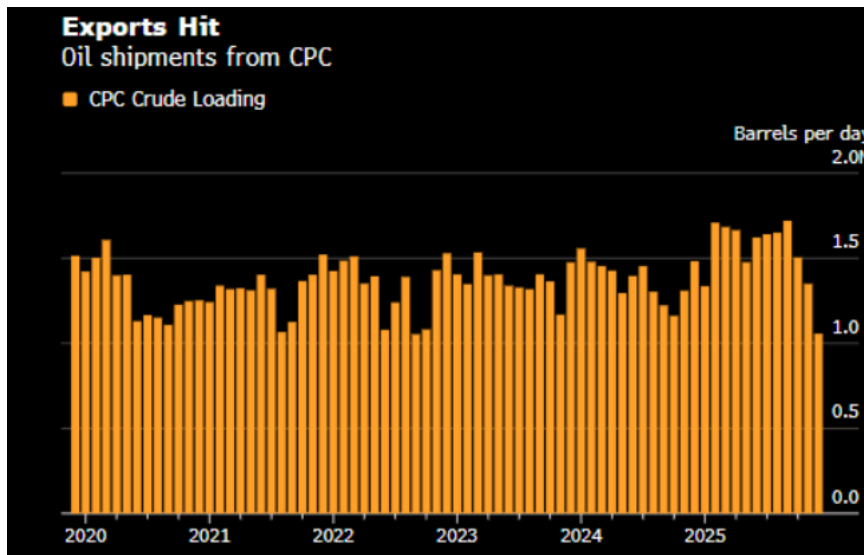
- Russian crude production plunged in December to an 18-month low as the impact of more heavily enforced sanctions and Ukrainian drone attacks take their toll. Russia pumped an average 9.326mb/d of crude oil last month according to a Bloomberg source – down 100kb/d from November and 250kb/d below its OPEC+ allowance.
- Issues with unloading cargoes appear to be mounting. At least 12 vessels full of Urals crude are anchored off the southern coast of Oman, with some there since mid-December and more arriving almost every day, Bloomberg says.
- On Jan. 8, Republican senator Graham said that a vote on his bill to punish countries that buy Russian crude could occur this week. Previous efforts to pass the legislation have stalled while negotiations for a Ukraine peace deal continue. Zelenskyy said he hopes for a leaders’ summit in the US by the end of January to discuss proposals on how to end the war with Russia.
- India is expected to continue importing Russian crude at around 1.1m-1.3mb/d in January unless the government intervenes, Kpler’s Sumit Ritolia said, cited by CNBC.
- Ukraine over the weekend attacked three Russian drilling platforms in the Caspian Sea owned by Russian oil major Lukoil in the latest infrastructure strikes. A drone strike also caused a fire at the Zhutovskaya oil depot in the Oktyabrskiy district of Russia’s Volgograd region.
- A Russia-bound oil tanker suffered a drone attack in the Black Sea on Jan. 7 that prompted it to request Turkish coastguard assistance and divert from its course, Reuters reports. The attack follows four attacks on tankers linked to the Russian oil trade in December, three of which were claimed by Ukraine.

**Kazakhstan:**

Kazakh oil loadings have fallen as CPC faced heavy cancellations after bad weather in the Black Sea disrupted one mooring and delayed bringing a second back from maintenance.

- Drones struck at least three tankers (Delta Supreme, Delta Harmony, Matilda) near the Black Sea loading terminal for the CPC terminal on Jan. 13.
- Loadings of CPC Blend are set to rebound to 1.45m-1.55mb/d in February, Bloomberg reports citing traders. That is a sharp rise from an estimated 800k-900kb/d in January, and roughly in line with the volume in October when loadings were operating normally. The January estimate represents a cut of 45% from the initial plan.
- Oil and gas condensate output in Kazakhstan fell 35% on January 1-12 from December’s average to 1.21mb/d, a Reuters source said.
- Differentials for mostly Kazakh oil from the CPC terminal turned positive for the first time in at least 16 months after loading disruption reduced the, traders told Bloomberg.

**CPC Oil Shipments – Source: Bloomberg Finance L.P.**



**OPEC:**

OPEC’s oil output fell in December despite higher quotas, according to a Reuters survey on Jan. 9. OPEC 12 pumped 28.4mb/d in December, down 100kb/d from a revised November level, the survey showed. Bloomberg showed output increased by 40kb/d to 29.03mb/d in December. Both showed a drop in output from Venezuela offset by rises from several other members.

- Collective output from the five that are part of the OPEC+8 group that were unwinding production cuts last year (Algeria, Iraq, Kuwait, Saudi Arabia and the UAE) rose by 20kb/d month on month, Reuters showed.
- The OPEC+8 group are to next meet via video conference on Feb. 1 and a full OPEC+ meeting is scheduled for June 7.
- Saudi crude flows to China are expected to dip in February to between 47.5m and 49mbbl according to Reuters sources, compared to a three month high of 49.5mbbls in January.

- Sales of crude oil from Saudi Arabia to East Asia, excl China, are holding at least 15% above normal levels in February after Saudi Aramco cut OSPs to Asia for a third month, Bloomberg said.

## Oil Products:

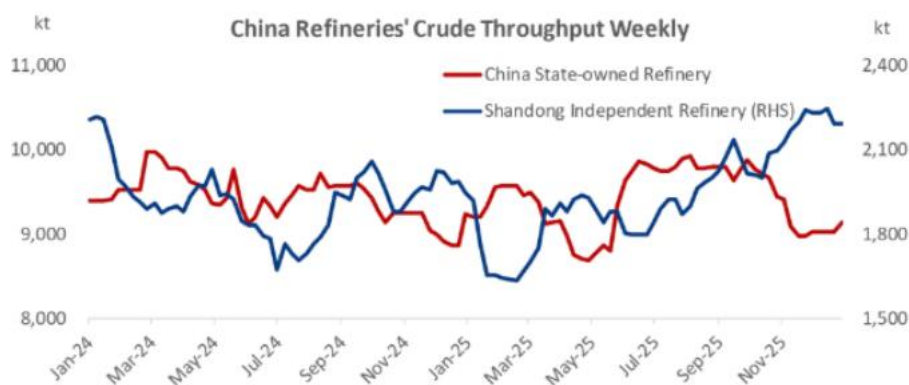
**US diesel cracks** have regained some ground after falling to the lowest since August on Jan. 7. Gasoline cracks have softened again amid the post-holiday lull in demand after firming slightly last week.

- **ICE Gasoil net longs** edged higher again in the week to Jan. 9 to extend a recovery after falling in December to the lowest since June. Nymex diesel and gasoline positions were both slightly lower on the week with diesel holding only a marginal net long and the lowest since May.
- **Russia's seaborne diesel and gasoil exports** surged by nearly 40% in December from November to about 3.41m tons, driven by higher fuel production and a seasonal drop in domestic demand, Reuters reports. Exports of ULSD from Primorsk climbed 35% m/m to 1.7m tons while diesel and gasoil loadings from Tuapse and Novorossiysk jumped 60% m/m after local refineries ramped up shipments. Turkey remained the largest buyer of Russian diesel and gasoil.
- **NIS said on Jan. 9** that it had imported the first shipments of crude oil needed to restart the country's sole refinery after securing a US sanctions waiver, Reuters reports. Cargoes of Iraqi Kirkuk and Libyan Es Sider crude should allow the Pancevo refinery to run for at least nine days, assuming it was running at full capacity. The US granted the company a temporary license to operate until January 23, giving it a small window to snap up international cargoes as winter weather hits.
- **Serbian President Vucic** expects binding terms for the sale of NIS to be submitted to OFAC within 48 hours, Tanjug news agency said on Jan 13. US might extend an operating license for NIS after receiving the term sheets, Vucic added. The US has given NIS until March 24 to negotiate the divestment of stakes held by Gazprom.
- **A Suezmax tanker carrying diesel** loaded in India switched its signalled destination to Europe, Bloomberg reports, and would arrive after EU sanctions on Russian-origin fuel imports come into force. EU sanctions prohibiting the import of oil products derived from Russian oil come into force on Jan. 21. The Aesop took the fuel at Sikka, inked to Reliance's Jamnagar facilities, in late-December.
- **Reliance said that from Dec. 1** all product exports from the SEZ refinery would be made from non-Russian crude and that the SEZ facility is fully segregated in what Reliance believes is a sanctions-compliant way.
- **Kuwait's Al-Zour refinery** restarted its third CDU that was shut late last year following a technical issue, a Bloomberg source said. The refinery is ramping back up to its full capacity of 615kb/d with all three CDUs now operating, while current output is about 510kb/d.
- **CDU capacity utilisation rates** at China's state-owned refineries are expected to rise in the week to Jan. 15 according to OilChem, as CNPC Yunnan schedules a restart. Among independent refineries, refined oil production is expected to fall with overhauls at integrated refineries. There is also slowing production for destocking.
- **China's gasoline demand** is projected to remain flat this week, while trader enquiries are seen picking up later in the month, OilChem said. Gasoil demand is seen falling further as consumption hits a low in northern China and slowing in southern China.
- For fuel oil, **HSFO supply is tightening**, while LSFO resources are expected to remain sufficient. On the demand side, overhauls should cut fuel oil consumption.
- **China's crude throughput** is projected to small growth of 0.67% year on year to 748m tonnes in 2026, constrained by falling fuel demand and refining margin pressure, OilChem said. The slow but continued shift

toward petrochemical integration is expected, with CDU utilization showing a narrow range V-shape trend across the year.

- **The daily throughout dipped** to 14.86mb/d in November from 14.94mb/d, according to Reuters based on NBS with new import quotas set against state refinery maintenance. Jan-Nov. 2025 throughput rose 4% on the year to 675.07m tons, NBS showed last month. China’s oil throughput is expected 0.7% higher year on year to 15.38mb/d in 2025, Kpler shows.
- **China’s refined oil product exports** rose to 5.367m tons from 5.123m tons in November while year to date fell 0.2% year on year to 58.02m tons, Customs data showed. Oil product imports fell to 3.987m tons from 4.241m tons in November while Jan-Dec volumes fell 12% year on year to 42.418m tons.

**China Refinery Crude Throughput – Source: Mysteel OilChem**



- In the **most recent EIA weekly data**, motor gasoline product supplied averaged 8.7 mb/d, up 0.5% y/y. Increases in fuel efficiency and the rise of hybrid and electric vehicles have “offset rising traffic volumes and the impact of lower fuel prices,” John Kemp said.
- **Marathon is overhauling** the gasoline-producing 140kb/d fluidic catalytic cracker 3 (FCC-3) for up to eight weeks and two hydrotreaters at its Galveston Bay refinery according to Reuters sources. Separately, Marathon’s 631kb/d Galveston Bay refinery reported a fire at its alkylation unit 2 operating area on Jan. 12.
- **Refinery expansions will continue** to move refining capacity from the Atlantic Basin towards the Pacific Basin in the second half of 2026, Vortexa said. Net expansions in the Pacific Basin are calculated at nearly 1mb/d offering some relief to growing supplies. More crude will move toward that direction namely Wider Southeast Asia, Northeast Asia and the Wider Arabian Sea.
- **Global capacity additions** across 2025 to 2027 are expected at 1.95mb/d while capacity reduction is expected at 1.27mb/d, BNEF said. Net growth in east-of-Suez markets at 4.4mb/d between 2025 and 2030, while net capacity west of the Suez Canal is expected to decline by 27.5kb/d.

## Analyst Views:

### Goldman Sachs:

Rebalancing the oil market likely requires lower oil prices in 2026, assuming no supply disruptions or OPEC cuts, Goldman Sachs said.

- A wave of supply creates a market surplus of 2.3mb/d in 2026, although with risk of volatility from geopolitical risks in Russia, Venezuela and Iran.
- Brent/WTI are forecast to average \$56/\$52 per barrel in 2026 and to bottom at \$54/50 in Q4 2026 as OECD inventories build up and a slowdown in the pace of inventory accumulation on water.
- Brent/WTI forecasts for 2027 have been revised \$5/bbl lower than prior estimates to average at \$58/54 per barrel due to higher supply in the US, Venezuela and Russia. A shift to deficit is expected in H2 2027 on solid demand growth and declining non-OPEC supply.
- Price forecasts risks are skewed modestly to the downside with no OPEC production cuts expected.
- US policymakers' focus on strong energy supply and relatively low oil prices will limit sustained oil price upside ahead of the midterms.
- A substantial price recovery is expected later this decade as demand grows after years of low long-cycle investment.

### Goldman Sachs:

Goldman Sachs's base case scenario for oil remains the same despite recent geopolitical events, analyst Daan Struyven told Bloomberg TV.

- "In a way we think history will repeat itself, where we had several geopolitical spikes but an oversupplied market and a downtrend in prices," Struyven said, comparing the 2026 outlook to 2025.
- He doesn't expect President Trump's recent tariffs on Iran's trading partners to affect oil exports unless the country's production also drops.
- Struyven said Venezuela may add some "low hanging barrels" in the short-term to the market but more substantial increases will need "a lot of time and investment and clarity on policy from Venezuela and the US."
- In a recent analyst note, Goldman Sachs said they saw a 2.3mb/d market surplus in 2026, although with risk of volatility from geopolitical risks.
- Brent/WTI are forecast to average \$56/\$52 per barrel in 2026 and to bottom at \$54/50 in Q4 2026 as OECD inventories build up and a slowdown in the pace of inventory accumulation on water.

### RBC:

The medium-term outlook for heavy-sour crude is likely to improve as more US refiners pick up Venezuelan crude, according to RBC Capital Markets cited by Bloomberg.

- "The US refinery base is already running a lighter slate of crude than optimal, a dynamic we see as partly offsetting a larger blowout in heavy-sour pricing."
- The potential for more Venezuelan cargoes to the US has weighed on Canadian crude prices, with WCS spreads at the widest since August 2024 and US Gulf Coast differentials expanded to -\$7.50/bbl.
- Medium-sour grades may see more pressure as supply from the Middle East weighs.
- "Overall, we see more downside to medium sours, with heavy-sour differentials showing a less optimal risk-reward."

**Carlyle:**

Oil prices may spike with geopolitical risk at an all-time high, Jeff Curie, chief strategy officer of energy pathways at Carlyle, said on Bloomberg TV.

- The world “just got a lot more riskier” amid crises in Venezuela and Iran, Curie said.
- China has heightened incentive to “hoard” oil inventory above ground amid threat to physical supplies.
- Meanwhile, the oil market is “record short” amid expectations of a record supply glut.
- “The market going in is record short. Demand is not slowing down, it’s picking up. And geopolitical risk is at an all-time high – that’s a recipe for a spike in prices right now.”

**Vitol:**

Expectation of an oil market surplus this year continues to limit oil price gains. Vitol said the market is putting huge focus on oil on water to gauge strength of fundamentals in 2026, according to Bloomberg.

- “There is a general consensus that we will, in the short-term anyway, see a build of oil on water,” said Vitol’s head of Asia Kieran Gallagher. The build is likely to consist mostly of Russian crude amid continued sanctions.
- The situation in Venezuela “is very much a live event.” Traders are not seeing “too much positioning on that right now” as they wait to see how the situation develops.
- Petrochemicals will probably be “a standout for growth” in China in 2026 with demand for petrochemical feedstock “quite constructive.”

**Vitol:**

Vitol does not expect any significant slowdown in Chinese crude stock building in 2026, Argus reports.

- Speaking on Thursday, Vitol’s Asia head Kieran Gallagher said he “wouldn’t be wholly surprised if the [rate] of storage build was towards the 2025 number once again.”
- “China is likely to add another 150m bbl of oil, approximately, to storage in 2026 if crude prices remain near current levels,” he said.

**Vortexa:**

A rebalancing in the imbalance of crude loadings versus seasonal crude arrivals is expected into 2026, Vortexa said.

- Global crude and condensate liftings in December have fallen 3% since rising to historical highs in October, Vortexa said. Declines were predominantly across the major export countries with Saudi Arabia - 6%, Russia -10% and the US -11%.
- Sanctioned crude loadings fell 13% on the month in December, likely due to weather, infrastructure problems and the US naval blockade of Venezuelan cargoes.
- The dip in Saudi Arabia and the US loadings likely explained by refineries returning from maintenance.
- China’s December imports reached the second highest volume in data since 2016. Chinese refinery runs saw some life in late Q4, but a large portion of crude went into storage. Onshore crude inventory volumes are near the top of the five-year range. Brazilian origin imports up 25% in December vs October and Middle Eastern origin imports up 11% month on month in December.
- India’s crude intake jumped 12% in November vs September but dipped in December. Middle Eastern barrels took back market share from Russia last month as sanctions rerouted barrels to other buyers.

**Julius Baer:**

The oil market seems “unbothered and unimpressed” by the recent US intervention in Venezuela, Julius Baer’s Norbert Rücker wrote in a research note cited by WSJ.

- “Venezuela’s oil exports are too small for a full disruption to matter in the current environment of ample supplies,” he said.
- Oil prices continue to trade sideways, he added, noting that near-term supply disruption risks remain limited.
- Julius Baer expects WTI to trade in the high \$50s for much of 2026.

**EIA:**

The EIA has revised down its forecast for global oil demand in 2026 by 0.4mb/d to 104.8mb/d, according to its January Short Term Energy Outlook. Demand for 2027 is seen at 106.1mb/d.

- Total world crude and liquid fuels production has been raised by 0.3mb/d to 107.7mb/d in 2026, while 2027 production is seen at 108.2mb/d.
- OPEC production is seen rising 0.5% on the year to 33.9mb/d while non-OPEC production is seen climbing by 1.6% on the year to 73.7mb/d.
- This puts 2026 at a supply surplus of 2.9mb/d, up 0.7mb/d from the December forecast. The supply surplus for 2027 narrows to 2.1mb/d.
- For 2025, supply was seen at 106.3mb/d and demand at 103.7mb/d, creating a surplus of 2.6mb/d.
- US crude oil production in 2026 is forecast at 13.59mb/d, up 60kb/d on the December forecast. This would represent a fall of 20kb/d on 2025 production levels, which the EIA stated were 13.61mb/d. The EIA forecasts 2027 output falling to 13.25mb/d.
- WTI is forecast at \$52.21/bbl in 2026, up from \$51.42/bbl on the forecast in December. For 2027, WTI is seen at \$50.36/bbl, while 2025 was \$65.40/bbl, based on most recent EIA data.
- For 2026, Brent’s forecast is up to \$55.87/bbl, compared to \$55.08/bbl forecast previously. Brent is seen averaging \$54.02/bbl in 2027, while 2025 averaged \$69.04/bbl in 2025.