

## MNI: Political Drivers for Energy Markets - Feb 9-15

By Andrew Couper - Feb 9, 2026

- **US-Iran indirect talks** in Oman resumed February 6, called "very good" by Trump with more planned next week, though Iran rejected zero enrichment and limited scope to nuclear issues only.
- **US-India interim trade framework** released February 6 lowers US tariffs to 18% (removing Russia oil penalty) for India's halt on Russian oil imports and \$500bn US goods purchases over five years, including energy. Full cessation of Russia oil remains uncertain.
- Zelensky said US targets **Russia-Ukraine peace** by June 2026 with delegations to meet soon in the US. The lack of progress has seen Trump's focus shift elsewhere.

### US/Iran Talks

The US and Iran undertook hotly anticipated indirect negotiations in Oman on Friday with leaks from the talks during the day leading to plenty of oil price volatility.

- "We likewise had very good talks on Iran, Iran looks like it wants to make a deal very badly," Trump said to reporters on board Air Force One en route to his Mar-a-Lago resort in Florida for the weekend. "We're going to meet again early next week," he added.
- Iran insisted on Sunday that it would not end its uranium-enrichment programme, rejecting the key US demand two days after resuming negotiations on a nuclear deal.
- "Zero enrichment can never be accepted by us. Hence, we need to focus on discussions that accept enrichment inside Iran while building trust that enrichment is and will stay for peaceful purposes," Foreign Minister Abbas Araghchi said at a forum in Tehran.
- Israeli Prime Minister Benjamin Netanyahu will meet with President Donald Trump in Washington on Wednesday about American talks with Iran, his office said Saturday.
- Negotiations, mediated by Oman in its capital Muscat, had a "good start," Iran's Foreign Minister Abbas Araghchi told state TV over the weekend. Overall, the talks have been seen as de-escalatory and reduce the risk of any near-term strikes on Iran – easing some pressure on oil prices but risks clearly remain.

### Outlook:

Oil markets remain on edge with risk premium still priced in at present as markets know that despite early signs of progress, anything close to a concrete deal could remain a long way off – especially as Iran continues to push back on demands despite military threats.

- It is also worth remembering that the US armada remains in the area poised to launch any strikes Trump deems necessary if talks fail to progress.
- Iranian officials have stressed that they will only entertain negotiations around the nuclear program. If Trump has ambitions to go beyond this, then he will likely face a stalemate in processions.
- Oil markets also remember that the last time Trump's administration was talking to Tehran about a nuclear deal, the US ended up joining Israel's 12-day war on the Islamic Republic.
- As it stands, talks look set to progress and buy time, making a near-term strike less likely. Trump may be surprised to be meeting such resistance to relent despite striking Iran's nuclear arsenal last year, showing true intent to take action.

## India/US Trade Deal Progresses

The U.S. and India moved closer to a trade pact on Friday – releasing an interim framework that would lower tariffs, reshape energy ties and deepen economic cooperation. This framework centred around Russian oil reductions.

- In the joint statement, they noted that further negotiations were needed to complete the pact.
- Separately, Trump signed an executive order removing the additional 25% tariff imposed on Indian goods for Russian oil purchases as New Delhi "committed to stop directly or indirectly importing" Russian oil.
- Trump had last Monday announced a deal with India to cut U.S. tariffs on Indian goods to 18% from 50% in exchange for India halting purchases of Russian oil and lowering trade barriers. The announcement however lacked any clear details or timelines which are somewhat clearer.
- There are clear signs Indian refiners are pulling back from Russian oil, but Indian officials have been vague around their commitment to halt purchases entirely. Note Nayara only refines Russian oil.
- Trade Minister Piyush Goyal declined to comment on Russian oil after the trade framework deal. Russian oil has also been absent in Modi's comments.
- Friday's framework confirmed that India will purchase \$500 billion in U.S. goods over a five-year period, including oil, gas, coking coal, aircraft and aircraft parts, precious metals, and technology products.
- The U.S. and India expect to sign a legally binding pact by mid-March.

### Outlook:

Oil flows from Russia to India have been falling in recent months, a trend that looks to continue through to March and April. IOC, BPCL and Reliance are not accepting offers for Russian oil loading in March and April, Reuters sources reported this weekend. As it stands, Indian buying is slowing which is pushing discounts wider for China buyers. What remains to be seen is whether this is a long-term trend for Indian refiners or whether Russian volumes start to recover once the dust settles on the US/India trade deal and Trump's attention is distracted by another topic.

## Russia/Ukraine Talks

Ukrainian President Zelensky said over the weekend that the US wants to see a Russia/Ukraine peace settlement by early summer. "They say they want to get everything done by June," Zelensky said in. "They will do everything to end the war. They want a clear schedule of events."

- "If the Russians are really ready to end the war, then it is really important to set a deadline," he added.
- Zelensky said that Washington had proposed that Ukrainian and Russian delegations meet in the United States, probably in Miami, in a week's time. "We have confirmed our participation." Zelensky said on Sunday via X that Russian energy infrastructure is a legitimate target for Ukrainian strikes because the energy sector is a source of funding for the war. "We do not have to choose – whether we strike a military target or energy. He (Putin) sells this energy. He sells oil. So is it energy, or is it a military target? Honestly, it's the same thing," Zelenskiy said on X.

### Outlook:

With a distinct lack of progress, Trump's attention has moved away from Russia/Ukraine peace talks. It becomes ever more apparent of Trump's inability to bring Putin in line with his intentions. Other topics like Iran and Venezuela are taking Trump administration attention at present while markets are likely to place little weight on an apparent June deadline that could easily drift further.