

## MNI: Soaring Russian Diesel Prices Could Motivate Export Ban

By Daniel Dawson (16/09/2025)

### Executive Summary:

Amid recent waves of Ukrainian drone strikes on Russian refineries, Russian wholesale diesel prices have reached their highest so far in 2025 and are now approaching record levels last seen in August 2023, according to *Kommersant*.

- Back in 2023, high prices motivated an export ban from Sep. 21 to Oct. 6, while a similar ban was mulled by the Russian government in 2024 but not ultimately implemented. In early-September, the government reportedly asked oil companies to switch diesel output away from the export market and to the domestic one.
- Given Russia's domestic diesel pricing is now at a near-record level, the government could once again consider an export ban. This would directly impact exports to Turkey and Brazil, alongside other key importers of Russian diesel, including Morocco, Tunisia and Senegal and serve to further tighten the global diesel market. Should Russian diesel exports decline further, either by way of a ban or continued refinery disruption, global refining margins could be boosted further from their currently strong levels.

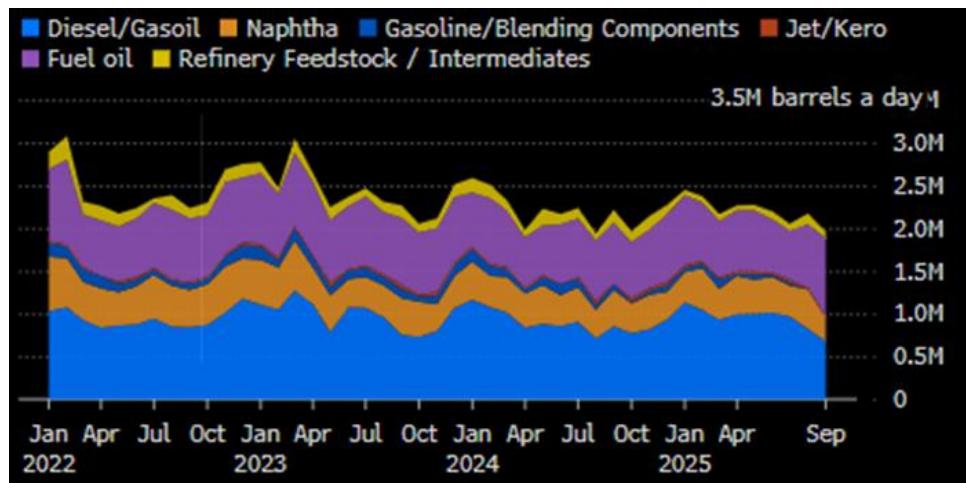
## Russian Diesel Price Soars with Output Under Pressure

Russian wholesale diesel prices reached 66,360 roubles per ton on Sep. 15, the highest so far this year, according to *Kommersant*. The price is close to an all-time high of 67,110 roubles in August 2023.

- Repeated Ukrainian strikes on Russian refineries have disrupted supply.
- Russia's crude processing rate fell to 4.98m b/d in the first three days of September following Ukrainian drone strikes, Bloomberg said. This is over 70k b/d below levels in late August and was driven by a complete halt to several refineries.
- The figures don't account for subsequent drone attacks on the Ryazan refinery on Sep. 5, the Il'sky refinery on Sep. 7, the Kirishi refinery on Sep. 14 or the Saratov refinery on Sep. 16.
- Ukrainian attacks have taken offline at least 17% of Russian oil refining capacity, around 1.1m b/d, Reuters' calculations showed on Sep. 9.
- Other estimates, such as those from Argus and Goldman Sachs, suggest that 300k b/d of Russian refining capacity had been halted in August and so far in September as a result of Ukrainian attacks.
- Meanwhile, a source told *Kommersant* that planned maintenance and incidents at refineries have caused petroleum production to drop 10%.
- Russia's August diesel exports were 744k b/d, down from 828k b/d in June, Reuters said. Around 40% of Russia's diesel output is exported.
- As recently as Sep. 4, Russian authorities were considering measures to stabilise the domestic fuel market and had asked oil companies to consider switching supplies away from the export market and to the domestic one, according to *Kommersant*.
- Maxim Dyachenko, managing partner at the Proleum marketplace, said at the time that an additional 300,000 tons of diesel would be sufficient for the market.
- In order to stabilise the domestic wholesale diesel price, just 2-3 percentage points need to be removed from exports, according to BKS analyst Kirill Bakhtin.

- A Kommersant source in the industry said that the redirection of diesel fuel from pipeline exports to the domestic market is possible no earlier than October, since deliveries for September have already been completed.

**Russian Oil Product Exports** - Source (Vortexa data/ Bloomberg Finance L.P. graphics)



## Russia's Last Diesel Ban

Russia last implemented a ban on diesel exports from Sep. 21 to Oct. 6. 2023. It included all types of diesel, including summer, winter and Arctic blends, as well as heavy distillates including gasoils.

- European gasoil cracks rose ~\$2.5/bbl on Sep. 21, 2023.
- The ban was implemented without a publicised end date, though there was an understanding in the Russian government that the limitations would be short-lived, according to Bloomberg.
- Extending the ban beyond October would have required Russian refineries to cut their runs to avoid overstocking given storage constraints, according to FGE and Citigroup analysts.
- Russian facilities may be able to hold at least 770k tons of diesel, according to Bloomberg estimates.
- Meanwhile, Russian domestic diesel demand for harvesting typically slows in November and 'plummets' in December, Citigroup analysts said.
- Kommersant reported on July 24, 2024 that the Russian government was considering a ban on exports of diesel due to high domestic prices. At the time, European Russian diesel prices had jumped to 62,000 roubles per ton.
- Wholesale prices were expected to continue to rise due to high demand from farmers during the harvesting season and oil refinery maintenance.
- European gasoil prices rose ~1% on the day of the report, with cracks ~\$0.83/bbl higher.
- A ban was not ultimately implemented.