MONITORING
OF RUSSIA'S ECONOMIC OUTLOOK
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MONITORING THE SITUATION IN THE OIL MARKET IN Q3 2026

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OPEC+ has been consistently adjusting oil output volumes, striking a balance between stabilizing the market and taking into account the production capacities of its members. Sanctions pressure on the Russian oil sector eased somewhat in Q3 2026 due to the delayed implementation of U.S. sanctions and new export conditions for Russian diesel fuel. Forecasts from leading institutions point to continued price volatility and a projected imbalance in the liquid hydrocarbons market.

OPEC+ Agreement on adjusting oil production levels

At their regular meeting on August 2, 2026, the OPEC+ member countries decided[1] to adjust production in September by 188,000 bpd in accordance with the additional voluntary adjustments announced in April 2023. At the next meeting on September 6, 2026, representatives of the member countries decided[2] to maintain production in October 2026 at the September 2026 level. Similar adjusted volumes were agreed upon[3] for production by member countries in November 2026. At the November meeting, representatives of the participating countries extended[4] the decision to keep oil production volumes unchanged in December 2026.

The oil production levels for 2026, agreed upon on December 5, 2024, at the 38th ONOMM and subsequently adjusted as of October 5, 2026, are presented in *Table 1*.

In Q3 2026, the OPEC+ member countries continued to gradually increase oil production and had fully phased out their voluntary production cuts by September.

Crude oil prices showed mixed trends in September: a sharp rise in the first half of the month due to renewed geopolitical tensions in the Middle East and growing concerns about short-term supply availability, followed by a decline in the final week amid signs of improved oil supplies from the Middle East and

1 Adjustment as of September 2026 // OPEC 02.08.2026. URL: https://www.opec.org/pr-detail/611-2-august-2026.html
2 Adjustment as of October 2026 // OPEC 06.09.2026. URL: https://www.opec.org/pr-detail/613-6-september-2026.html
3 Adjustment for November 2026 // OPEC 04.10.2026. URL: https://www.opec.org/pr-detail/616-4-october-2026.html
4 Adjustment for December 202 // OPEC 01.11.2026. URL: https://www.opec.org/pr-detail/620-1-november-2026.html

an increase in spot sales.[1] In September, compared to August, the spot price of North Sea Dated rose by $26.22 per barrel m/m to $116.89 per barrel, while WTI rose by $13.72 per barrel to $96.38 per barrel.

Table 1

Agreed oil production levels for 2026 for OPEC+ member countries that have voluntarily cut production further, in thousands of bpd, as of October 5, 2026

Period	Algiers	Iraq	Kuwait	Saudi Arabia	UAE	Kazakh-stan	Oman	Russia
January	936	4 122	2 488	9 534	3 169	1 514	782	9 240
*January (as of 02.11.2025)	971	4 273	2 580	10 103	3 411	1 569	811	9 574
February	939	4 134	2 496	9 589	3 195	1 518	785	9 266
*February (as of 02.11.2025)	971	4 273	2 580	10 103	3 411	1 569	811	9 574
March	942	4 147	2 503	9 645	3 221	1 523	787	9 292
*March (as of 02.11.2025)	971	4 273	2 580	10 103	3 411	1 569	811	9 574
April	945	4 159	2 511	9 700	3 246	1 527	789	9 318
*April (as of 01.03.2026)[2]	977	4 299	2 596	10 166	3 429	1 579	816	9 637
May	948	4 171	2 518	9 756	3 272	1 532	792	9 344
*May (as of 05.04.2026)[3]	983	4 326	2 612	10 228	3 447	1 589	821	9 699
June	951	4 183	2 526	9 811	3 298	1 536	794	9 371
*June (as of 03.05.2026)[4]	989	4 352	2 628	10 291	–	1 599	826	9 762
July	953	4 196	2 533	9 867	3 324	1 541	796	9 397
*July (as of 07.06.2026)[5]	995	4 378	2 644	10 353	–	1 608	831	9 824
August	956	4 208	2 541	9 922	3 349	1 545	799	9 423
*August (as of 05.07.2026)[6]	1 001	4 405	2 660	10 416	–	1 618	836	9 887
September-December original plan (as of 05.12.2024)	959	4 220	2 548	9 978	3 375	1 550	801	9 449
*September (as of 02.08.2026)[7]	1 007	4 431	2 676	10 478	–	1 628	841	9 949
*October (as of 06.09.2026)[8]	1 007	4 431	2 676	10 478	–	1 628	841	9 949
*November (as of 04.10.2026)[9]	1 007	4 431	2 676	10 478	–	1 628	841	9 949
*December (as of 01.11.2026)	1 007	4 431	2 676	10 478	–	1 628	841	9 949
Acceptable level (38th ONOMM)	1 007	4 431	2 676	10 478	3 519	1 628	841	9 949

Note. * Revised levels; the date of the corresponding decision is indicated in parentheses.
Source: OPEC press releases.

1 Month oil market report. October 2026. // OPEC. URL: https://www.opec.org/monthly-oil-market-report.html
2 Adjustment for April 2026 // OPEC. 01.03.2026. URL: https://www.opec.org/pr-detail/593-1-march-2026.html
3 Adjustment for May 2026 // OPEC. 05.04.2026. URL: https://www.opec.org/pr-detail/597-5-april-2026.html
4 Adjustment for June 2026 // OPEC. 03.05.2026. URL: https://www.opec.org/pr-detail/1779602-3-may-2026.html
5 Adjustment for Jule 2026 // OPEC. The decision was made on 07.06.2026 and published on 16.06.2026. URL: https://www.opec.org/pr-detail/604-16-june-2026.html
6 Adjustment for August 2026 // OPEC. 05.07.2026. URL: https://www.opec.org/pr-detail/609-5-july-2026.html
7 Adjustment for September 2026 // OPEC. 02.08.2026. URL: https://www.opec.org/pr-detail/611-2-august-2026.html
8 Adjustment for October 2026 // OPEC 06.09.2026. URL: https://www.opec.org/pr-detail/613-6-september-2026.html
9 Adjustment for November 2026 // OPEC 04.10.2026. URL: https://www.opec.org/pr-detail/616-4-october-2026.html

International forecasts of crude oil prices

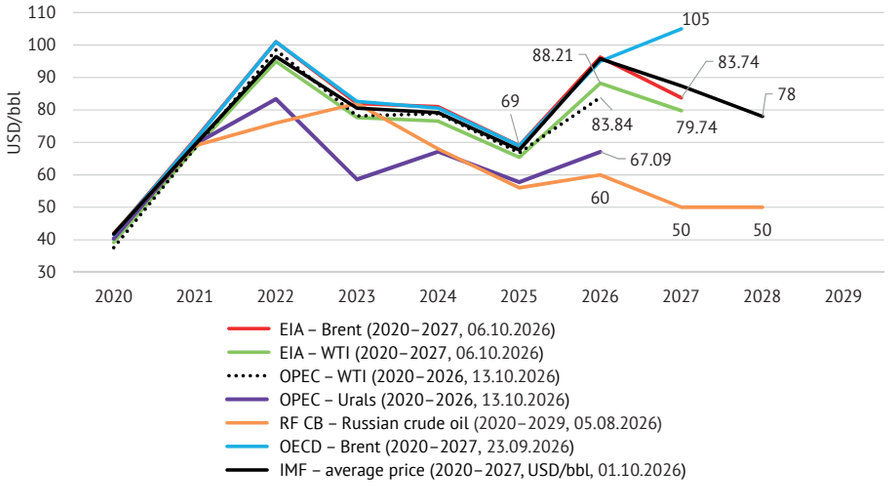
In the EIA's short-term report,[1] the forecasts for the average price of Brent crude were revised: by the end of Q4 2026, the price is projected to rise to $105 per barrel, and by the end of 2026 – $96 per barrel, and the forecast for 2027 is $84 per barrel. The main factors driving down oil prices will be concerns regarding a reduction in the physical volume of oil flowing through the East–West pipeline in Saudi Arabia and noted tensions in the diesel fuel markets.

Compared to the EIA's September forecast, the projections for 2026 and 2027 have been revised: Brent spot prices have been significantly lowered (by 6% and 14%, respectively), while the forecast for retail diesel prices has been raised slightly (up 2.4% and 2%, respectively) and for gasoline (up 2% and 6.3%, respectively).

In September, exports from the Middle East increased compared to August: average volumes of oil on the move totaled 4.8 mn bpd (compared to 5.8 mn bpd in August and a peak of 10.9 mn bpd in May).

In the EIA report, experts forecast volatility in physical oil flows due to the ongoing trend of declining oil inventories through early 2027, as well as cumulative disruptions in volumes supplied to the market in the short term; Prices for the benchmark Brent and WTI crude grades are also projected to rise, with a trend reversal in the second half of Q4 2026. According to estimates, global oil inventories declined by an average of 1.9 mn bpd in Q3 2026 and will decline by an additional 0.7 mn bpd on average in Q4 2026. The EIA expects that by the end of 2027, production and trade will return to nearly pre-conflict levels.

According to the forecast, the price of Brent will fall to $87 per barrel by Q2 2027. As global oil inventories recover over the next year, oil prices will gradually decline to $74 per barrel in Q4 2027.



Note. The forecast publication date is shown in parentheses.

Fig. 1. Crude oil forecast, UAS/bbl

Sources: Compiled by the author based on data from the EIA, OPEC, the IMF, the Central Bank of the Russian Federation, and the OECD. The "IMF – average oil price" indicator represents the APSP (Average Petroleum Spot Price) for crude oil, calculated by the IMF as the arithmetic mean of three global benchmark grades: Brent, Dubai, and WTI.

1 Adjustment for Jule 2026 // OPEC. The decision was made on 07.06.2026, and published on 16.06.2026. URL: https://www.opec.org/pr-detail/604-16-june-2026.html

According to OPEC's oil market monthly report, in 2026[1] the average price of Urals crude will be $67.09 per barrel, and that of WTI crude will be $83.84 per barrel. Geopolitical events in the Middle East and Eastern Europe, as well as strong buying interest from Asian countries and increased refining volumes in Asia – primarily in China – are cited as factors driving the sharp rise in prices. According to OPEC's updated forecast, global oil demand growth for 2026 has been revised downward and will amount to 0.18 mn bpd year-over-year (a decline of approximately 0.21 mn bpd is projected in OECD countries; in non-OECD countries, an increase of 0.39 mn bpd), and for 2027 it will amount to 2.55 mn bpd (in OECD countries, approximately 0.54 mn bpd; in non-OECD countries – an increase of 2.01 mn bpd). For Russia, domestic demand is projected to grow steadily by 0.05 mn barrels/day in each of the reporting periods. In 2026 and 2027, liquid hydrocarbon production by countries that have not signed the Declaration of Cooperation[2] will increase by approximately 0.6 mn bpd compared to the previous year. The main drivers of global production growth in 2026 are: the United States, Argentina, Brazil, and Canada; the driver of the decline is Qatar (by 0.85 mn bpd). In 2027, OPEC+ forecasts that the trend of production growth in Latin American countries will continue – by 0.36 mn bpd, specifically in Brazil – by 0.11 mn bpd – and Argentina – by 0.09 mn bpd, respectively, as well as growth in the Middle East – by 0.21 mn bpd, of which 0.2 mn bpd is attributable to increased production in Qatar.

According to the IMF's updated forecast, average oil prices are projected to be $95.74 per barrel in 2026 and $87.39 per barrel in 2027.[3]

In its "Comments on the Medium-Term Forecast" dated August 5, 2026 (data current as of July 23, 2026), the Bank of Russia maintained[4] its forecast for the price of Russian oil, as determined for tax purposes, at $60 per barrel. Medium-term (2027–2029) price forecasts also remained unchanged at $50 per barrel. The regulator justified these estimates by anticipating a return to a situation of excess oil supply in the global market and a rise in inventories in 2027, followed by stabilization at the latter figure mentioned above.

Deepening the energy dialogue: Moratorium on the "Hellish Sanctions" and the diesel deal

The first positive sign of stabilization in bilateral energy cooperation was the diesel deal concluded on October 9, 2026, at the highest level between Russia and the United States:

- The U.S. issued License 135, exempting from sanctions against Russia transactions related to the sale, delivery, unloading, and import of diesel fuel of Russian origin. The authorization for transactions involving Russian diesel fuel is valid until 7:01 a.m. Moscow time on April 7, 2027. According to a statement by Donald Trump, Russia will supply more than 300,000 tons of diesel fuel to the U.S. and global markets in October; in November – another 500,000 tons; and then – an additional 1 mn tons.

1 Monthly Oil Market Report. // OPEC. 13.10.2026. URL: https://publications.opec.org/momr/Home

2 Declaration of Cooperation (DoC)—a document signed by OPEC member countries and other states, including Azerbaijan, Bahrain, Brunei Darussalam, Equatorial Guinea, Kazakhstan, Malaysia, Mexico, Oman, the Russian Federation, the Republic of Sudan, and the Republic of South Sudan, with the aim of maintaining stability in the global oil market.

3 World Economic Outlook. Resilience Under Strain, Urgent Choices. October 2026 // IMF. 01.10.2026. URL: https://www.imf.org/-/media/files/publications/weo/2026/october/english/text.pdf

4 Commentary on the Bank of Russia's Medium-Term Forecast. // Bank of Russia. August 5, 2026. URL: https://cbr.ru/Content/Document/File/194306/comment_05082026.pdf

In comments to the press, the U.S. president clarified that Russia could supply another 3 mn tons "as soon as possible," which could indicate shipments totaling 4.8–5 mn tons by April 2027.[1]

- According to Alexander Novak, Deputy Chairman of the Government of the Russian Federation, by the end of the year Russia may increase fuel exports to 3–3.5 mn tons per month – the previous level of shipments. The government partially lifted the ban on diesel exports on October 10; in the first phase, 500,000 tons were authorized for shipment to the global market.[2]

The decision to postpone a package of U.S. sanctions targeting Russian energy exports can be viewed as a relatively positive sign for the domestic energy sector. The so-called "Hellish Sanctions" consist of a package of bills signed into law on September 19 by U.S. President Donald Trump and include:[3]

- tariffs of up to 500% on goods imported from Russia. For third countries, the maximum tariff is 100%; the tariff applies if all of the following conditions are met simultaneously:
  1) being among the top 5 largest buyers of oil and gas over the past 12 months;
  2) imports to that country exceed 15% of Russia's total exports;
  3) purchase of oil or gas from the Russian Federation within the last 30 days;
  4) absence of measures or actions by the country subject to sanctions to cease purchasing Russian hydrocarbons within the last 30 days;
- sanctions against vessels used to circumvent restrictions on the transport of Russian energy resources, and against companies associated with them. According to the bill, the sanctions also apply to owners and operators of foreign ports that service vessels subject to U.S. sanctions;
- a ban on the export, reexport, or domestic transfer (to Russia or within its territory) of any U.S.-produced energy sources or energy products.

On October 17, the imposition of sanctions was placed[4] on a 60-day hold.

In their forecasts for Q4 2026 and for all of 2027, a number of sources have reached a consensus regarding the trend in projected prices and volumes in the oil market. The EIA expects oil inventories to rise and the supply deficit to narrow, which, in turn, should lead to a decline in oil prices followed by stabilization. The Bank of Russia forecasts a similar trend for Russian oil prices. Sources emphasize the significant impact of geopolitical events and logistical constraints on oil market volatility. For Russia, the conclusion of the diesel deal and the postponement of the "Hellish Sanctions" were relatively good news.

1 Russia-U.S. Diesel Deal. Highlights. // Kommersant. Oct. 10, 2026. URL: https://www.kommersant.ru/doc/9023356
2 Novak Reveals When the First Tanker Carrying Russian Diesel Will Depart for the U.S. // RBC. Oct. 21, 2026. URL: https://www.rbc.ru/business/21/10/2026/6ad87c7fd51d4f35d39413d9
3 The U.S. has approved record sanctions against Russia's oil and gas sector. Consequences for the country and the world. // Neft i Kapital. July 29, 2026. URL: https://oilcapital.ru/news/2026-07-29/ssha-soglasovali-rekordnye-sanktsii-protiv-neftegaza-rf-posledstviya-dlya-strany-i-mira-5648106
4 Sanctions Have Gone to Hell // Kommersant. October. 18, 2026. URL: https://www.kommersant.ru/doc/9041354