

Russia's energy sector in January 2026

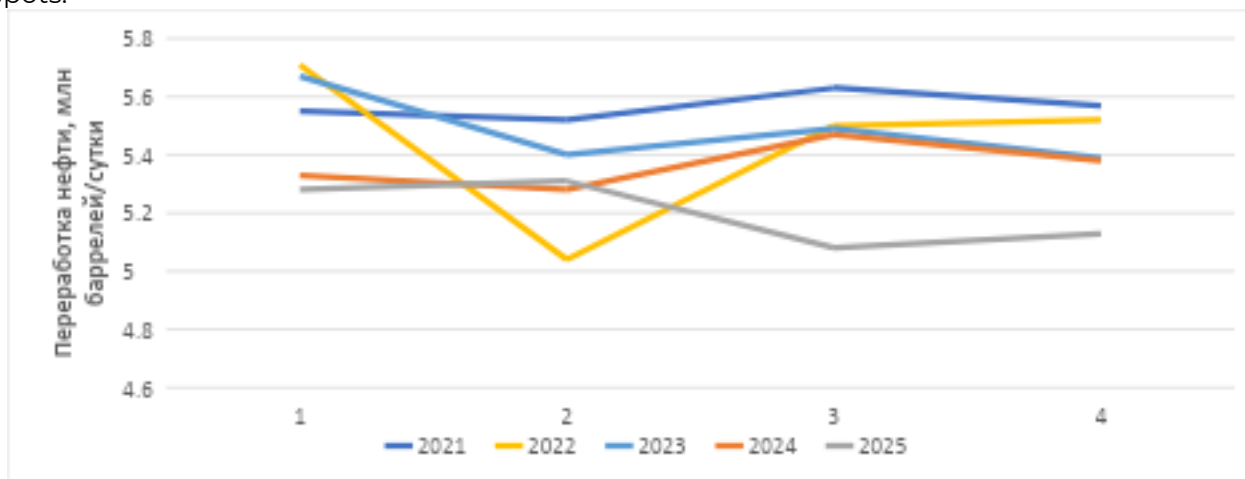
Oil and oil refining

In January, there were 5 successful attacks on Russian oil refineries, which is less than in December last year (8 attacks). At the same time, the intensity of attacks on oil depots increased: 8 successful attacks compared to 2 in December (excluding facilities on the temporarily occupied territory of Ukraine). Attacks on oil production facilities in the Caspian Sea continued (3 platforms were attacked), and at least 5 tankers were attacked in the Black and Mediterranean Seas. An attack on the port of Taman was also organized.

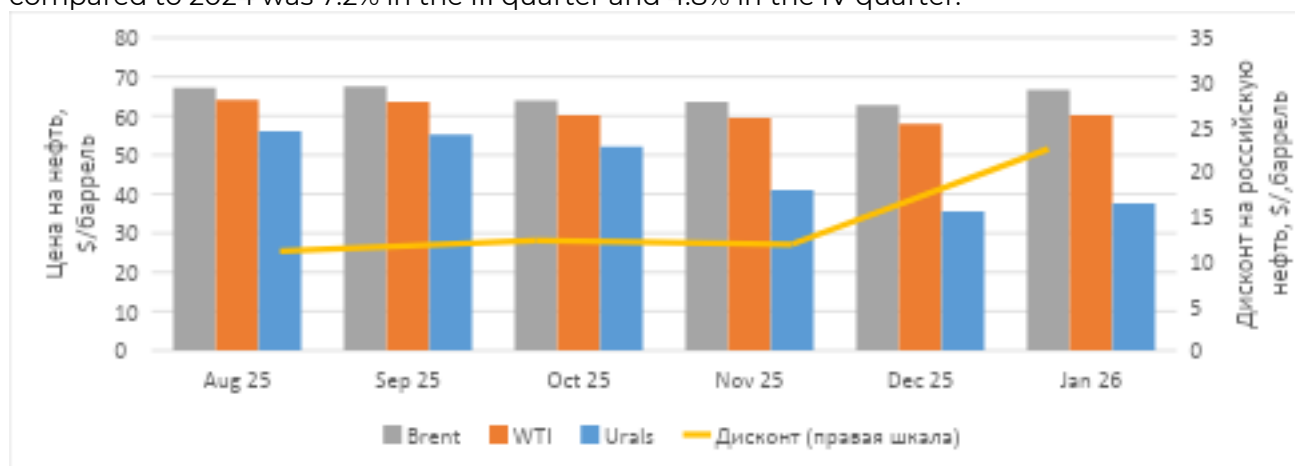
In general, we can say that constant pressure is being maintained on the oil sector. At the same time, at the end of the year, the production of petroleum products usually increases, while domestic demand in Russia decreases, creating a certain surplus, including one of gasoline.

Indirect confirmation of this can be found in the easing of the ban on gasoline exports: it now does not apply to petroleum product manufacturers. This easing allows refining to be supported in conditions of low oil prices while retaining the option of quickly reinstating a complete ban.

The growth in oil product stocks could also be the reason for the increase in attacks on oil depots.

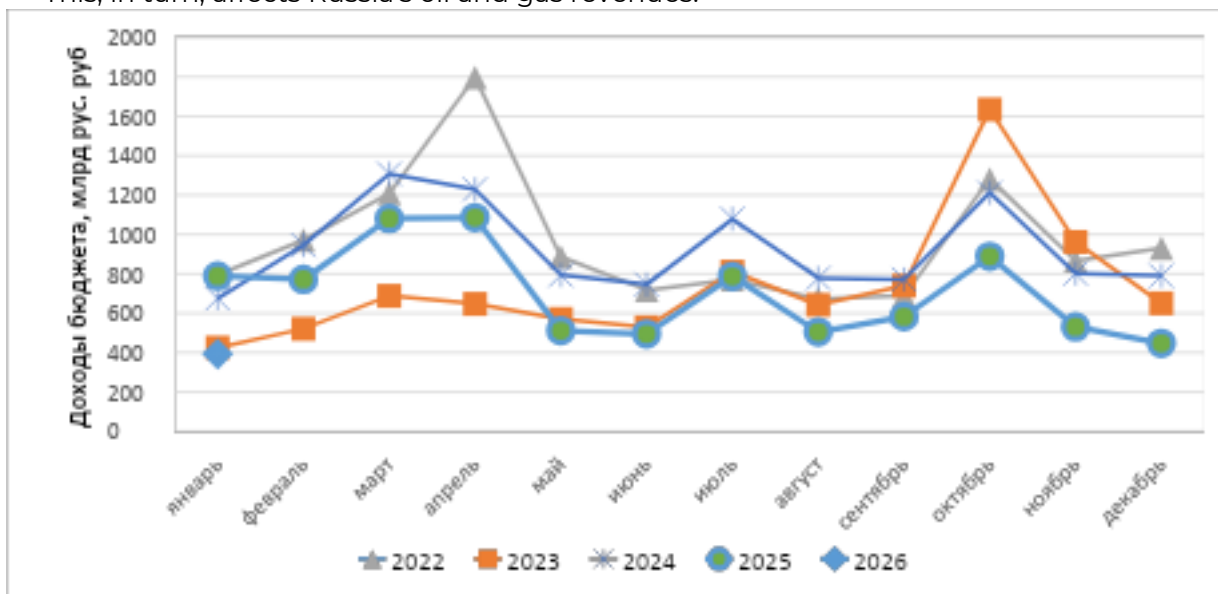


Data on oil refining volumes for 2025 has also been published. The chart shows that refining in Russia declined sharply in the III quarter and only partially recovered in the IV quarter. The decline compared to 2024 was 7.2% in the III quarter and 4.8% in the IV quarter.



Prices for Russian Urals crude continue to decline and are falling faster than prices for other brands, leading to an increase in the discount. Although the price for Urals rose to \$37.5 per barrel in January (from \$35.6 in December), the discount on Russian crude continues to increase.

This, in turn, affects Russia's oil and gas revenues.



In January 2026, budget revenues declined to 400 billion rubles per month, which is 1.5 times less than the previous level and half the figure for January 2025. They fell to the level of January 2023, the first month after the ban on the purchase of Russian oil by European companies.

In addition to the decline in oil prices, oil production volumes also had a significant impact on this indicator. In December 2025, oil production fell by 73,000 barrels per day, which was the lowest figure for the whole of 2025. The oil production quota for Russia in December and the first quarter of 2026 under the OPEC+ agreement was set at 9.574 million barrels per day, but actual production in December was almost 9.304 million barrels per day, or 270,000 barrels lower. In January, oil production fell by another 58,000 barrels per day to 9.246 million barrels, 328,000 barrels per day below the OPEC+ quota.

Electric energy sector

In January, there were 7 attacks on power plants and 4 on substations. However, the actual number of attacks was probably much higher.

The number of accidents and power outages in Russia in January was quite high, although it is not always possible to determine with certainty whether they were the result of attacks or occurred for other reasons unrelated to strikes by the Ukrainian Armed Forces.

Nevertheless, attacks on power facilities in border areas have indeed been quite intense. Already in early February, a partial evacuation of the population from Belgorod was organized.

Conclusions

Over the past few months, physical pressure on the oil sector has decreased to some extent, and there is currently no probability of a shortage of petroleum products on the Russian market.

The main pressure today is financial. Sanctions on Russian oil are having an impact in this regard, reducing its price on foreign markets. Attacks on oil tankers are intensifying this effect, as they lead to higher insurance and freight costs.