

Russia's ESPO Crude Loses Premium After U.S. and EU Sanctions Hit Rosneft, Lukoil – Bloomberg

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Maxim Korotchenko / TASS

Prices for Russia's Far Eastern ESPO crude have fallen after new U.S. sanctions targeting Rosneft and Lukoil, Bloomberg [reported](#) Tuesday, citing traders involved in the transactions.

The impact of Western restrictions has shaved more than \$1.50 off the price per barrel for ESPO, which typically trades at a premium to the country's main export grade Urals.

Spot sales of ESPO this week are being made at a discount of about \$0.50 per barrel to Brent including delivery costs, according to Bloomberg.

ESPO crude had been trading at a premium of more than \$1 to the global benchmark just before the sanctions were announced last week.

ESPO, short for Eastern Siberia-Pacific Ocean, is a low-sulfur Siberian crude delivered through a pipeline of the same name. Its lighter, cleaner composition usually makes it more

expensive than the high-sulfur Urals blend.

Most ESPO volumes are produced and exported by state oil major Rosneft, which was recently placed under full blocking sanctions by Washington.

Related article: [Russia's Lukoil to Sell Overseas Assets After U.S. Sanctions](#)

Smaller volumes are supplied by Lukoil, Gazprom Neft and Surgutneftegaz, all of which are also under sanctions.

The grade has long been popular with Chinese refiners, including state-run companies and private plants known as teapots which have experience processing sanctioned oil from countries like Iran.

Chinese state refiners such as Sinopec have canceled some purchases of Russian crude, mostly ESPO, following the latest U.S. sanctions, Bloomberg said.

Private refiners typically import roughly 800,000 barrels per day of Russian Far Eastern grades including ESPO, Sokol and Sakhalin Blend, and analysts at Vortexa expected that demand to remain “consistently strong.”

However, it remains unclear whether these refiners can absorb the barrels rejected by larger state companies, Vortexa noted.

Many Indian refiners, meanwhile, have reportedly [paused](#) their Russian crude imports following the Trump administration's sanctions.

According to the Center for Pricing Indices, seaborne exports of ESPO rose 22.6% in September compared to August, reaching about 146,000 tons — more than 1 million barrels — per day, the highest level so far in 2025.

Analysts attributed the increase to higher production quotas allowed under the OPEC+ agreement, the RBC news website [reported](#).

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