

Flash note  
25/02/2022

Alex Fusté

[@AlexfusteAlex](#)

[alex.fuste@andbank.com](mailto:alex.fuste@andbank.com)

**Ukraine crisis Update: Russian LNG cargoes definitely diverted from the UK. Is the EU next to ban Russian oil imports**

**The UK imposes a directive that prohibits ports from accepting ships with Russian energy products**

Today, a Russian LNG cargo onboard the CHRISTOPHE DE MARGERIE tanker from the Yamal plant has changed course from the UK to France following a **directive by the British government for all ports to refuse access to any Russian flagged, registered, owned, controlled, chartered or operated vessels.**

A second Russian LNG cargo onboard the FEDOR LITKE from Yamal has also been diverted from the UK's Isle of Grain terminal.

**Is the EU next to ban Russian oil imports? If so, that would be a game changer, with important and certain implications in the economy and the markets in the short term.**

The U.S. Secretary of State Antony Blinken said yesterday "the United States and European allies are exploring banning imports of Russian oil". Europe relies on Russia for crude oil and natural gas but **has become more open to the idea of banning Russian products in the past 24 hours.** Blinken stressed that "we are now in very active discussions with our European partners about banning the import of Russian oil to our countries, while of course, at the same time, maintaining a steady global supply of oil,".

In the US, the White House is already coordinating with key Congressional committees and **is moving forward with their own ban.** A bipartisan group of U.S. senators **introduced a bill on Thursday to ban U.S. imports of Russian oil.** The bill is getting fast-tracked.

The US is also paying a cost. Americans are by far the world's heaviest consumers of gasoline, thanks to big cars, long driving distances and little public transportation in many areas, and rising gas prices have traditionally been political poison for U.S. leaders. The U.S. national average for a gallon of gasoline hit \$4.00 on Sunday, the highest level since July 2008, with consumers paying on average 40 cents more than a week ago, and 57 cents more than a month ago. The United States imported about 8% of U.S. liquid fuel imports from Russia in 2021 (Energy Information Administration).

Japan, which counts Russia as its fifth-biggest supplier of crude oil, is also in discussion with the United States and European countries about possibly banning Russian oil imports. Asked about a potential embargo on Russian oil imports, Japan's top government spokesperson Hirokazu Matsuno declined to comment on its communication with the United States.

Best