



January is no longer the quiet month of the year.

As 2025 morphed into 2026, it had been a relatively quiet week in the oil markets. However, it's January, and as we now know, January is no longer the quietest month of the year.

Prices dallied and dallied into the new year with little conviction, eventually settling at lower levels. News reports had faded, we continued to live with an oil glut although pinpointing exactly where this state of affairs exists has never been easy. Each talks between the USA, Ukraine and Russia faded into a ball of confusion, Ukrainian President Zelenskyy told the world the agreement was 90% settled, maybe he forgot that agreeing with the US and Europe on what happens next isn't the same as agreeing with Russian President Putin..... then yet another OPEC + meeting beginning today Sunday was the last chance to "de-rust" the numbers especially if the alliance decided to do anything other than nothing and keep crude oil output unchanged. All the time, oil prices remained trapped in a bubble this week, caught up in this tangle of stories or so we thought. As we drifted between years, a minor sell-off pushed prices lower, although they remained within a relatively unbreakable range for Brent of between \$60 and \$62 a barrel. But suddenly, these circular stories were superseded by the dramatic news on Saturday night that American forces had seized and arrested the President of Venezuela, Nicolas Maduro, placed him initially on an American warship "Iwo Jima", and eventually flew Maduro and his wife to New York to stand trial for many alleged misdemeanours.

If 2025 was a year full of chaos and unpredictability, what happened on a Saturday in early January may have just capped all of it!! Glued to every available news desk, the world watched as President Trump stepped to the microphone on Saturday night to announce what the United States of America had just done. He reported the CIA and America's elite Delta Force had carried out a large-scale operation inside Venezuela and captured its president. Nicolas Maduro, the Venezuelan president, was arrested in his heavily fortified military Fortress in the heart of Caracas. President Trump continued, "The United States is to bring outlaw dictator Nicholas Maduro to justice. It was dark and it was deadly but Maduro was captured along with his wife Celia Flores, both of whom now faced American Justice, both have been indicted in the southern District of New York J Clayton for their campaign of deadly Narcos against the United States and its citizens" He also stated "Venezuela.... we're going to run the country until we can do a safe, proper, and judicious transfer of power." He further announced that prosperity would eventually return to the country, given that US oil companies are expected to manage Venezuela's oil wealth.

Wham!

The USA had certainly been posturing significantly during the last few weeks along the Venezuelan coastline, creating shipping blockades and effectively boxing the country in, but what happened on Saturday will leave many autocrats around the world quivering in their socks, given just how



precisely and accurately America carried out this audacious plan.

Let's consider Venezuela from an oil perspective. The country is a member of OPEC. As of January 2026, Venezuela holds the largest proven oil reserves in the world, estimated at approximately 303 billion barrels. This represents roughly 17% to 20% of the total global oil supply.

Total Volume: Most recent assessments by the Energy Information Administration (EIA) and OPEC confirm reserves exceeding 303 billion barrels, surpassing those of Saudi Arabia (~267 billion barrels).

Primary Location: Most of these reserves are in the Orinoco Belt (Faja Petrolífera del Orinoco), a 21,000-square-mile region in central and eastern Venezuela.

Oil Type: The reserves consist primarily of extra-heavy crude, a dense and viscous form of oil that is technically complex and expensive to extract, transport, and refine compared to the lighter "sweet" crude found in regions like Saudi Arabia and America.

Despite its massive reserves, Venezuela's actual output is severely limited due to decades of underinvestment, decaying infrastructure, and international sanctions.

Current Output: Venezuela currently produces about 1 million barrels per day (bpd)—roughly 1% of global production—down from a peak of 3.5 million bpd in the 1970s.

Infrastructure Challenges: Much of the country's oil infrastructure, including pipelines, is more than 50 years old, is in a state of "total bust". Estimates suggest it would require between \$58 billion and \$100 billion in investment over a decade to return to peak production levels.

Venezuela is important and, until yesterday, had been largely ignored due to the difficulty of doing business there and the lack of infrastructure and operational facilities to export oil; however, maybe, just maybe, that is about to change.

This week's closing guide prices:

Name	Price	Last Week
Ice Brent	\$60.80	-0.53
WTI	\$ 57.33	-0.09
Ice Gas Oil	\$615.50	-1.75
Euro Mogas Swaps	\$589.75	-2.75
Euro Naphtha Swaps	\$488.50	-11.50
Nymex Gasoline	\$1.6995	-2.24 ¢/gal
LPG Swaps	\$456.75	-14.50
OPEC Basket	\$61.22	
Gold	\$ 4387	