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JULY 2026

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Oil and Natural Gas Report in LAC

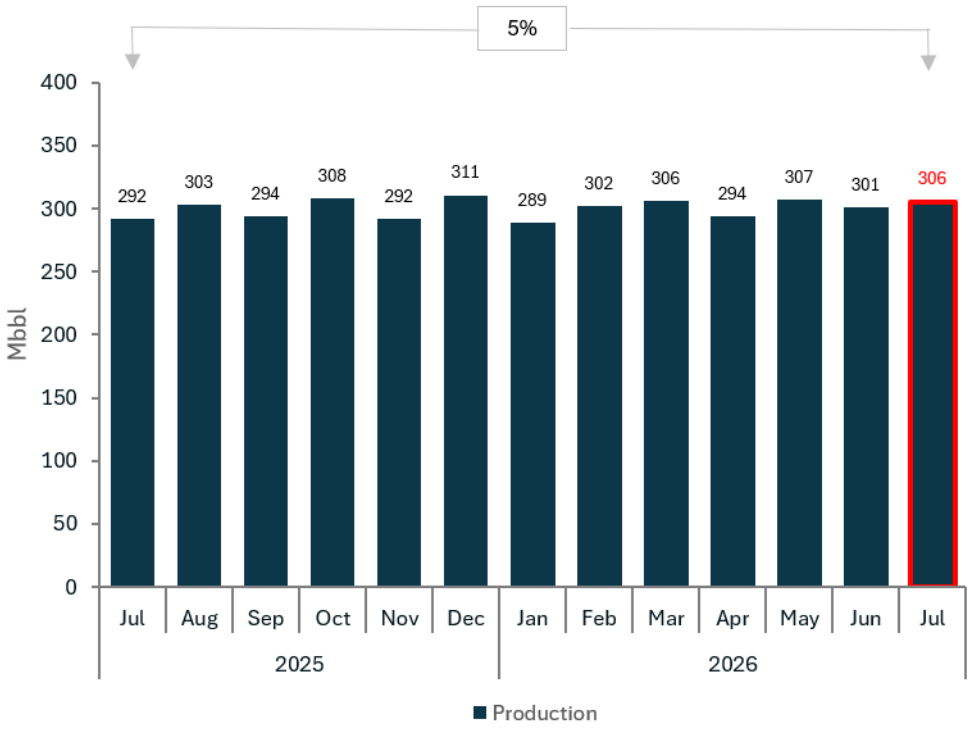
Monthly Oil and Natural Gas Report for Latin America and the Caribbean (LAC), July 2026

The Latin American and Caribbean Energy Organization (OLACDE) publishes the monthly report on oil and natural gas production and foreign trade in LAC to monitor the performance of the sector's main indicators, their monthly and year-on-year changes, as well as the dynamics of intra-regional and extra-regional energy trade.

1. LAC Oil Production[1]

In July 2026, regional oil production reached 306 million barrels (Mbbl), representing a 5% year-on-year and a 1.7% month-on-month change compared to June 2026 (Figure 1).

Figure 1. Oil production in LAC, July 2026

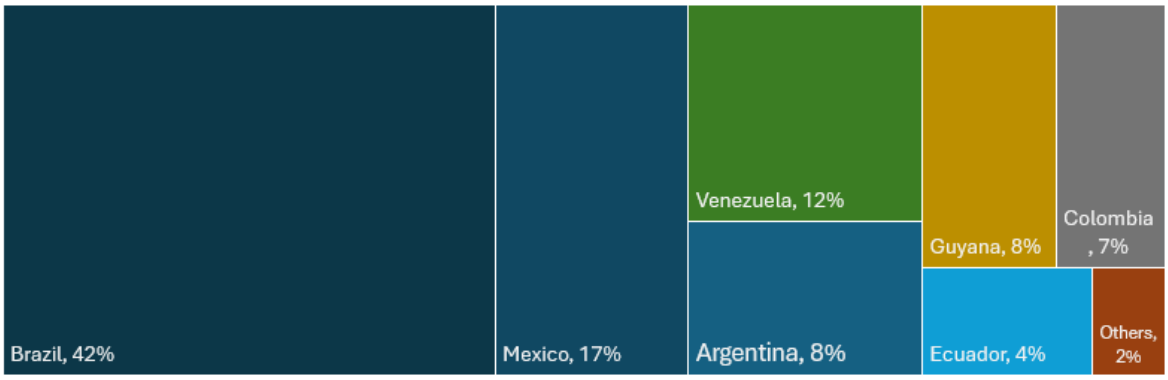


Source: sieLAC – OLACDE 2026

Brazil, Mexico, and Venezuela led regional production, together accounting for 71% of the total produced in LAC. They are followed by Argentina and Guyana, each with an 8% share, Colombia with 7%, and Ecuador with 4% (Figure 2).

[1] Oil production in LAC includes the total volume extracted at the wellhead within the territory of the countries of the region. Includes natural gas liquids (NGLs), additives, condensates, and other primary hydrocarbons.

Figure 2. LAC Countries' Share of Regional Oil Production, July 2026

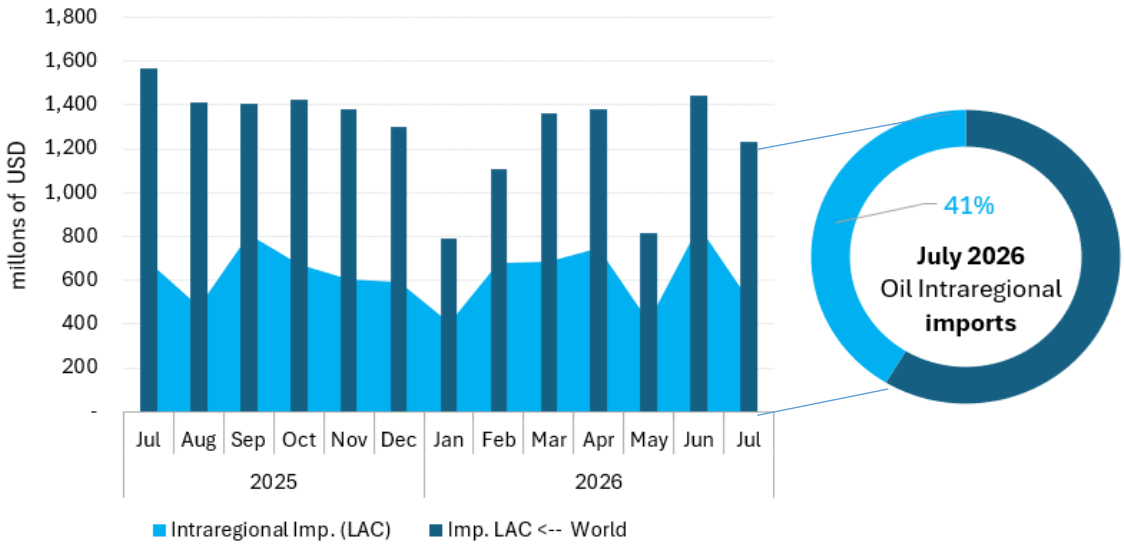


Others include: Barbados, Bolivia, Peru, Suriname, Trinidad and Tobago.
Source: sieLAC – OLACDE 2026

2. Foreign Oil Trade in LAC

In July 2026, LAC's petroleum imports mainly originated from extra-regional markets, accounting for 59% of the total value, while the remaining 41% corresponded to intra-regional trade (Figure 3).

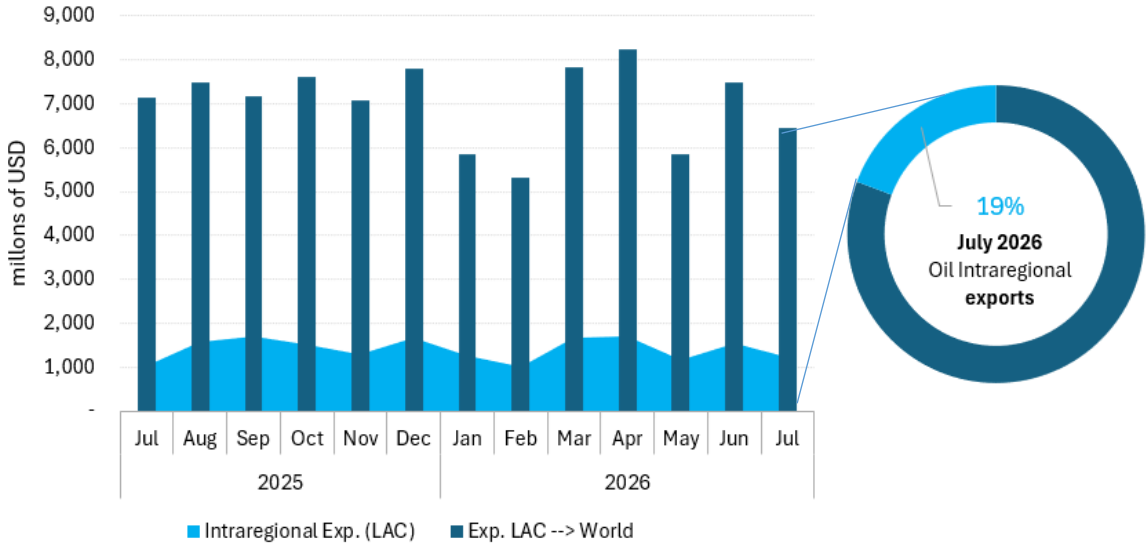
Figure 3. Oil imports in LAC, July 2026



Source: Trade Map, updated as of October 2026

Regarding oil exports, July 2026 saw a marked shift toward extra-regional markets, which accounted for 81% of the total export value, while the remaining 19% went to LAC countries. This behavior reflects the connection of the region's main producing countries with international markets, where they find important destinations for placing their exportable surpluses. In particular, the markets of North America, Europe, and Asia are key destinations for Latin American crude oil. This distribution shows that, despite LAC's production capacity, oil export trade flows remain more oriented towards outside the region (Figure 4).

Figure 4. Oil exports in LAC, July 2026

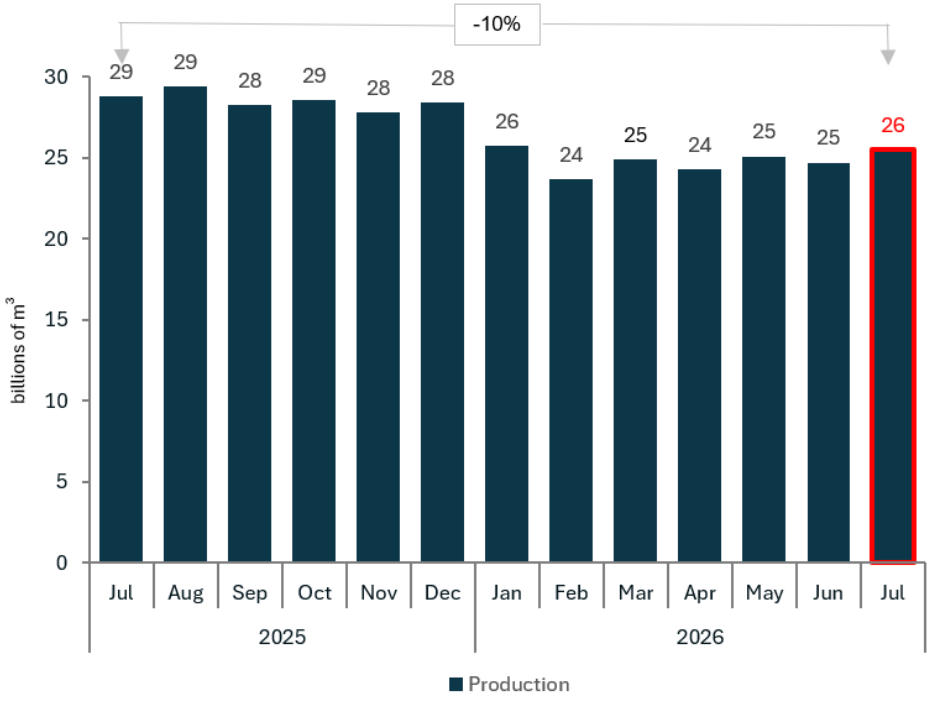


Source: Trade Map, updated as of October 2026

3. Natural Gas Production in LAC[2]

In July 2026, regional natural gas production reached 26 billion m^3, representing a year-on-year decrease of 10% and a month-on-month increase of 4% compared to June of the same year. This trend was observed amid heightened geopolitical uncertainty worldwide, particularly due to tensions in the Middle East (Figure 5).

Figure 5. Natural gas production in LAC, July 2026

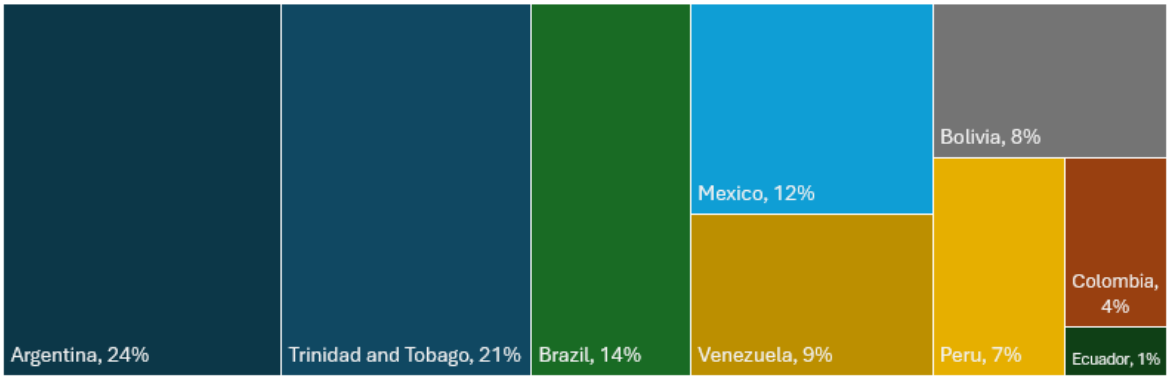


Source: sieLAC – OLACDE 2026

[2]Natural gas production in LAC refers to the volume of natural gas extracted at the wellhead from gas and oil fields located within the territory of the countries in the region. Volumes corresponding to recirculation and reinjection are excluded.

Natural gas production in LAC continues to be concentrated in a small group of countries. Argentina led regional production with a 24% share, followed by Trinidad and Tobago (21%) and Brazil (14%). A second group included Mexico (12%), Venezuela (9%), Bolivia (8%), and Peru (7%). Together, these seven countries accounted for 95% of the region's total production, while the remainder corresponded to Colombia (4%) and Ecuador (1%) (Figure 6).

Figure 6. Participation of LAC countries in natural gas production, July 2026



Source: sieLAC – OLACDE 2026

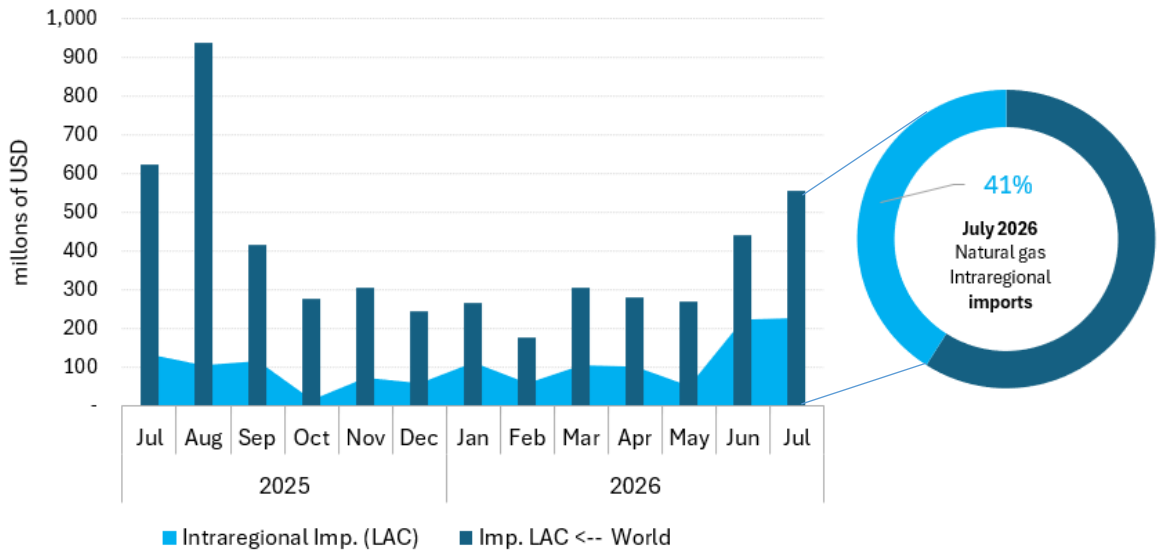
4. Foreign Natural Gas Trade in LAC

In July 2026, 59% of the value of LAC's natural gas imports came from markets outside the region, while 41% came from intraregional trade, demonstrating a greater share of external supply to the region.

Natural gas imports from Mexico are one of the main factors of **extra-regional** dependence in the LAC natural gas market, due to its high dependence on supplies from the United States. Around 44% of its demand is met by imports, entirely transported by pipeline, which highlights the importance of U.S. supplies in meeting domestic market needs. This dependence is particularly evident in the electricity sector, where 75% of electricity is generated using natural gas.

In LAC, **intraregional** natural gas imports take place through two channels: pipeline exchanges in the Southern Cone and the supply of liquefied natural gas (LNG) by sea, where Trinidad and Tobago stands out as the main regional supplier. During July, the austral winter increased seasonal natural gas demand in the Southern Cone, while lower hydropower generation in Brazil further increased the need for LNG imports. On the supply side, the availability of LNG from Trinidad and Tobago was constrained by the scheduled maintenance shutdown of Train 4 at the Atlantic LNG complex. This scenario favored extra-regional supply, particularly from the United States, contributing to its accounting for 59% of the total value of LAC natural gas imports (Figure 7).

Figure 7. Natural gas imports in LAC, July 2026



Source: Trade Map, updated as of October 2026



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