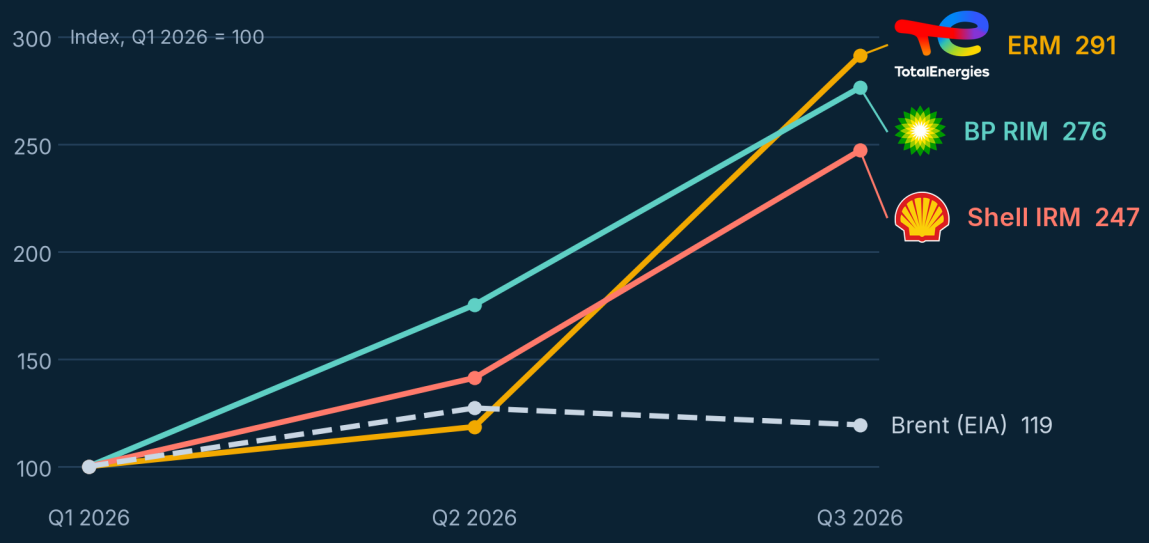
OIL MAJORS · Q3 2026

The refining quarter

Q3 2026 earnings and cash-allocation preview for seven oil majors



Q3 2026 refining markers: TotalEnergies ERM, BP RIM, Shell IRM. Sources: company disclosures; US EIA. Entelera calculations.

COMPANIES COVERED

ExxonMobil · Chevron · Shell · BP · TotalEnergies · eni · ConocoPhillips

Entelera Research
entelera.com

October 2026

© 2026 Entelera (entelera.com)

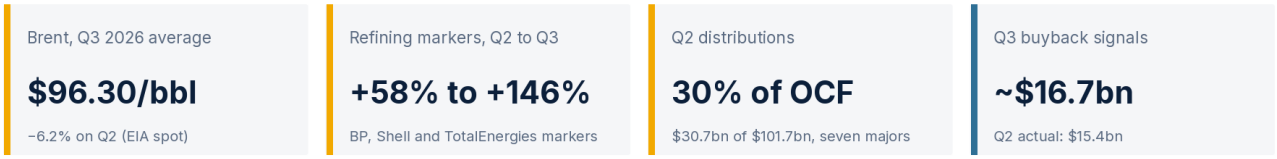
SAMPLE — full report available at entelera.com/reports/the-refining-quarter-q3-2026-earnings-and-cash-allocation-preview-for-seven-oil-majors/

KEY FINDINGS

Executive summary

Brent averaged $96.30/bbl in Q3 2026, 6.2% below Q2, while the Shell, BP and TotalEnergies refining markers rose 58–146%. Companies with large refining systems should report higher Q3 earnings; Chevron and ConocoPhillips face declines on the items quantified so far. In Q2 the seven distributed $30.7bn, 30% of their $101.7bn operating cash flow, and used most of the remaining $42.6bn (from unrounded figures) to cut debt. Eni, the first to report, fits the pattern: its benchmark refining margin (SERM) rose from $8.3/bbl to $28.1/bbl and adjusted net profit rose 20% to €2.80bn ($3.22bn).

Exhibit 1 The quarter in four numbers



Sources: US EIA (S34); company disclosures (S1–S23). Entelera calculations.

Key findings

- **Refining gains exceed the crude-price fall.** Brent fell from $102.63/bbl in Q2 to $96.30/bbl in Q3 (EIA spot). Shell's indicative refining margin rose from $24/bbl to $42/bbl, BP's refining marker from $29.6/bbl to $46.7/bbl and TotalEnergies' European marker from $13.5/bbl to $33.2/bbl. ExxonMobil puts its Q3 margin gain at +$4.4bn after tax, against −$1.3bn from liquids prices.
- **Quantified Q3 effects: three positive, two negative.** ExxonMobil (+$2.4bn, company factors), BP (+$1.6–2.2bn pre-tax, or ~$1.1–1.5bn after tax at ~30%; Entelera sum of BP's three guided ranges) and TotalEnergies (~$1.5bn gain, Entelera estimate) enter results with quantified gains. ConocoPhillips faces a ~$0.35bn price drag with no refining offset. Chevron's Q2 included $1.4bn of favourable timing effects, and its own sensitivity puts the cost of the $6.33/bbl Q3 fall in EIA Brent at ~$0.95bn.
- **Balance sheets took most of the Q2 cash.** Operating cash flow was $101.7bn, capex $28.5bn and distributions $30.7bn. Shell cut net debt by $10.9bn in the quarter. BP guides Q3 net debt to $13.5–14.5bn, at or just inside the bottom of its $14–18bn end-2027 target range.
- **BP is the likeliest buyback restart; Eni's extraordinary dividend came in at the top of our range.** BP bought back no shares in Q2 and reaches its net debt target band ~15 months early. Eni, first to report on 23 October, declared an extraordinary dividend of €0.46 ($0.53) a share, ~€1.3bn (~$1.5bn), payable on 9 December. That is the top of our pre-results range of €0.64–1.30bn ($0.74–1.51bn). Eni also raised its 2026 buyback to €3.8bn ($4.37bn) from €3.4bn ($3.95bn).
- **October: the Brent–WTI spread hit $37.62/bbl on 2 October.** Brent averaged $124.96/bbl over 1–20 October. The Brent-based US Gulf Coast crack averaged $37.9/bbl over 1–20 October, $22.6/bbl below Q3. By 20 October the spread was $7.33/bbl, with WTI at $107.89/bbl.
- **The EIA sees Brent at $84/bbl in 2027.** It also forecasts global stock builds of 3.0–6.2 mmbbl/d in each quarter of 2027. At $84/bbl and Q2-level refining margins, our arithmetic removes $11.3bn a year from TotalEnergies' Q3 cash-flow run-rate and $8.3bn from BP's. Refining accounts for the larger share in both: $7.9bn against $3.4bn from oil at TotalEnergies, $5.4bn against $2.9bn at BP.

© 2026 Entelera (entelera.com) · Not investment advice

SAMPLE — full report available at entelera.com/reports/the-refining-quarter-q3-2026-earnings-and-cash-allocation-preview-for-seven-oil-majors/