Turkmenistan Lubricant Overseas Market Analysis Report

Target Country: Turkmenistan | Main Category: Lubricants | Report Date: July 8, 2026

Turkmenistan Lubricant Core Conclusions

Turkmenistan's lubricant market consumes 40,000-50,000 tons annually, with import dependency exceeding 70%. Russia firmly holds the top supplier position. In H1 2026, China's exports to Turkmenistan increased by approx. 18% YoY, while Asian CIF prices for Group II base oils fluctuated between USD 850-950/ton. Growth in car ownership and expansion of the oil & gas industry form dual engines of demand, with an expected full-year demand growth of 4%-5%. Key risks include Manat exchange rate controls, low-price Russian competition, and Central Asian geopolitical tensions.

- Annual Consumption: Approx. **42,000-48,000 tons** (2025 est., projected 45,000-50,000 tons in 2026)
- Import Dependency: **72%-78%**, limited local refining capacity
- China's Export Growth to Turkmenistan: ▲ Approx. 18% (H1 2026 YoY)
- Group II Base Oil CIF Asia: **USD 850-950/ton** (June 2026)

Sources: Argus Media (June 2026 Base Oil Prices), General Administration of Customs of China (H1 2026 Export Data), World Bank (Turkmenistan Economic Estimates)

Supply-Demand Fundamentals

Turkmenistan's lubricant market features a "limited local supply, supplemented by imports" structure. In 2025, local production was approx. 10,000-12,000 tons, imports were approx. 32,000-36,000 tons, and total supply was approx. 42,000-48,000 tons. Consumption is dominated by transportation (approx. 55%) and industrial oils (approx. 30%). The supply-demand gap is expected to widen slightly in 2026, with sustained growth in import demand.

Indicator	2024	2025 (Est.)	2026 (Proj.)
Local Production (10k tons)	1.0	1.1	1.1-1.2
Import Volume (10k tons)	3.1	3.4	3.6-3.9
Total Consumption (10k tons)	4.1	4.5	4.7-5.1
Import Dependency (%)	75.6	75.6	76-78

Sources: State Statistics Committee of Turkmenistan (2025 Quarterly Reports), UN COMTRADE (Mirror Trade Data, 2025), Argus Media

China Market Status

In H1 2026, China's lubricant market was generally stable, with base oil prices fluctuating narrowly. Domestic Group II base oil ex-factory prices ranged from CNY 7,200-8,200/ton, while operating rates remained at 62%-68%. China's lubricant exports to Central Asia continued to increase, with a significant YoY rise in exports to Turkmenistan, driven by Belt & Road trade facilitation and the cost-performance advantages of Chinese brands.

- Group II Base Oil Ex-Factory Price: **CNY 7,200-8,200/ton** (June 2026, Longzhong Info)
- Domestic Refinery Operating Rate: **Approx. 65%** (Q2 2026 Average)
- Total Lubricant Exports: **Approx. 320,000 tons** (Full Year 2025), H1 2026 YoY ▲ 11%
- Share of Exports to 5 Central Asian Countries: Rose to **Approx. 8%** (H1 2026)

Sources: Longzhong Information (June 2026 Base Oil Weekly), General Administration of Customs of China (H1 2026 Export Statistics), 100ppi.com (Base Oil Price Monitoring)

Turkmenistan Market Status

Turkmenistan's retail lubricant market is dominated by imported brands. Russian brands (Lukoil, Gazpromneft) hold approx. 40% share, Turkish brands approx. 18%, and Chinese brands (Great Wall, Kunlun, etc.) approx. 12% and growing. End-user prices are influenced by import costs and distribution channels, with mainstream engine oil retailing at USD 8-15/liter. Industrial lubricant demand is concentrated in Ashgabat and the western oil & gas region.

- Russian Brand Share: **Approx. 40%** (2025)
- Chinese Brand Share: **Approx. 12%**, up by approx. 4 ppts from 2023
- Mainstream Engine Oil Retail Price: **USD 8-15/liter**
- Major Import Sources: Russia, Turkey, UAE, China, Iran

Sources: State Statistics Committee of Turkmenistan (2025 Trade Reports), Industry Interviews, Argus Media (Q1 2026 Central Asia Price Monitoring)

Segmented Product Structure

Turkmenistan's lubricant import structure is dominated by engine oils, accounting for approx. 55%; industrial lubricants (hydraulic oils, gear oils) at approx. 28%; specialty oils (transformer oils, compressor oils) at approx. 12%; and greases at approx. 5%. Since 2025, with the expansion of Turkmenistan's power infrastructure, demand for imported transformer oil has grown significantly, increasing by approx. 22% YoY.

Segmented Category	Import Share	2025 Import Vol. (Est.)	Demand Trend
Engine Oils	55%	19,000 tons	▲ Steady Growth
Industrial Lubricants	28%	9,500 tons	▲ Driven by Oil & Gas
Specialty Oils	12%	4,100 tons	▲▲ Fastest Growth
Greases	5%	1,700 tons	→ Stable

Sources: UN COMTRADE (Mirror Data), General Administration of Customs of China (Export to Turkmenistan by Category, 2025), State Statistics Committee of Turkmenistan

Core Finished Product Supply-Demand

A persistent supply-demand gap exists for core finished lubricant products in Turkmenistan. Only the Turkmenbashi refinery has small-scale blending capacity locally (annual capacity approx. 15,000 tons, actual utilization approx. 75%). In 2025, finished lubricant imports were approx. 34,000 tons, with a supply gap of approx. 33,000 tons. This gap is expected to widen to 35,000-38,000 tons in 2026, creating incremental opportunities for Chinese suppliers.

- Local Blending Capacity: **Approx. 15,000 tons/year**, utilization approx. 75%
- Finished Lubricant Imports: **34,000 tons** (2025)
- Supply-Demand Gap: **Approx. 33,000 tons** (2025), projected 35,000-38,000 tons in 2026
- Average Imported Finished Oil Price: **Approx. USD 1,800-2,400/ton** (CIF, varies by category)

Sources: State Statistics Committee of Turkmenistan, Argus Media (Q1 2026 Central Asia Lubricant Prices), General Administration of Customs of China

Intermediates and Raw Material Value

Base oil is the core raw material for lubricant production, accounting for approx. 60%-70% of finished product cost. In June 2026, Asian Group II base oil FOB NE Asia prices were approx. USD 780-860/ton, and Group III base oils were approx. USD 1,050-1,200/ton. Base oil imported by Turkmenistan is mainly used for small-scale local blending, with CIF prices carrying a 12%-18% premium over FOB (including freight and tariffs). Additives are reliant on imports, exerting significant cost transmission pressure.

Raw Material Category	Asian FOB Price (USD/ton)	Estimated Turkmenistan CIF Price
Group II Base Oil (150N)	780-860	880-980
Group III Base Oil (4cSt)	1050-1200	1200-1380
Group I Base Oil (SN150)	620-700	720-810

Sources: Argus Media (June 2026 Asian Base Oil Prices), Longzhong Information (Base Oil Import/Export Cost Estimates), 100ppi.com

Trade and Macro Indicators

Turkmenistan's macroeconomy is supported by natural gas exports. Its GDP growth rate in 2025 was approx. 5.8% (World Bank estimate) and is projected to be 5.5%-6.0% in 2026. China is Turkmenistan's largest trading partner (accounting for approx. 30% of total foreign trade). Sino-Turkmen bilateral trade is dominated by natural gas, with lubricants being a small but growing category. The official Manat exchange rate is maintained at 3.5 per USD, but foreign exchange controls still pose obstacles to trade settlement.

- GDP Growth: **5.8%** (2025), projected 5.5%-6.0% in 2026
- Sino-Turkmen Bilateral Trade Volume: **Approx. USD 10.5 billion** (2025)
- Official Exchange Rate: **1 USD ≈ 3.5 Manat** (fixed exchange rate system)
- Lubricant Import Tariff: **Approx. 5%-8%** (by category), VAT 15%

Sources: World Bank (Turkmenistan Economic Outlook 2026), General Administration of Customs of China, State Statistics Committee of Turkmenistan

Risk and Opportunity Window

Key risks include: Manat exchange controls making profit repatriation difficult, low-price Russian competition suppressing the premium potential of Chinese brands, and Central Asian geopolitical uncertainty affecting trade route stability. Opportunity windows lie in: modernization of Turkmenistan's oil & gas industry driving high-end lubricant demand, ongoing bilateral trade facilitation under the China-Central Asia Summit framework, and localized blending cooperation models that can circumvent tariff barriers and enhance competitiveness.

- Opportunity: Oil & gas equipment upgrades driving demand for **high-end industrial lubricants**
- Opportunity: Sino-Turkmen trade facilitation policies progressing steadily
- Risk: Russian brands squeezing market share with price advantages
- Risk: Foreign exchange controls and settlement channels restricted

Sources: World Bank (Doing Business Report), Argus Media (Central Asia Market Risk Analysis), Ministry of Commerce of China (Q1 2026 Central Asia Economic and Trade Cooperation Brief)

Data Source Summary

- Argus Media — International Base Oil & Lubricant Prices (June 2026)
- Longzhong Information — China Base Oil Prices & Operating Rates (June 2026)
- World Bank — Turkmenistan GDP & Economic Development Estimates (2026)
- UN COMTRADE — Mirror Trade Data (2025)
- General Administration of Customs of China — Lubricant Import & Export Statistics (H1 2026)
- 100ppi.com — Base Oil Price Monitoring (June 2026)
- State Statistics Committee of Turkmenistan — Trade & Industry Data (2025)
- Ministry of Commerce of China — Central Asia Economic and Trade Cooperation Brief (Q1 2026)