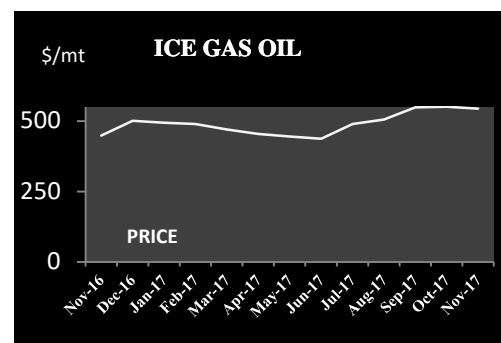
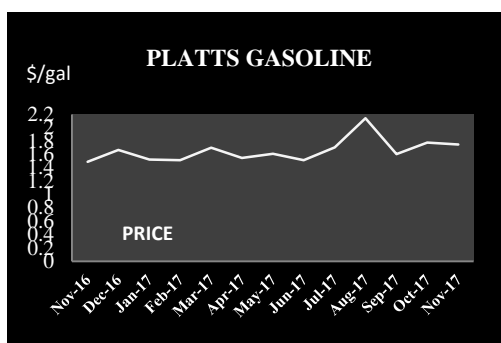
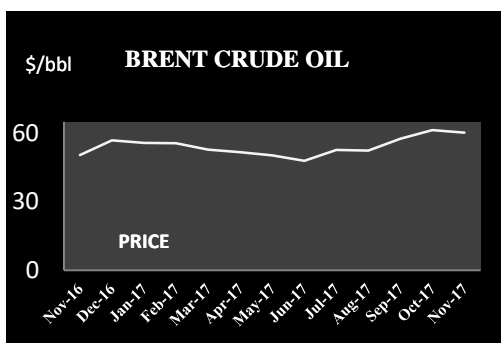


## MARKET REPORT

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LOCATIONS	PMS	AGO	DPK
LAGOS	[MT] 313,508	[MT] 114,810	[MT] 15,000
P.H.	-	5,000	-
DELTA	-	15,850	-
CALABAR	14,967	-	-

GLOBAL	PRICE
BRENT	60.89 \$/bbl
ICE GAS OIL	550.50 \$/mt
PLATTS GASOLINE	1.7410 \$/gal
PLATTS 3.5% FUEL OIL FOB MED	337.895 \$/mt

PRICE (EX DEPOT) NGN / Litre				
	LAGOS	P.H.	DELTA	CALABAR
PMS	134 – 134.50	134 –135	134 –135	134 –135
AGO	180–185	183-187	182-187	183-188

FX RATES				
02/11/17	USD	GBP	EUR	
NGN (PARALLEL MARKET)	360 / 363	470 / 474	415 / 420	
NGN (INTER BANK)	305.85	-	-	
NAFEX	360.23	-	-	

### NIGERIA

On Monday 30<sup>th</sup> October, Dr. Ibe Kachikwu, the Minister of State for Petroleum Resources stated that International Oil Companies (IOCs) have regained confidence in the oil and gas sector as a result of the reforms initiated and executed by the Federal Government within the last two years and have requested to invest over \$15 billion in the sector. Kachikwu also disclosed that by 2019, Nigeria will deploy an information technology platform that can track and accurately report crude oil production volumes. IOCs are interested in investing in projects like the Zabazaba Deepwater project and the Bonga extension programmes. Kachikwu said the Nigerian National Petroleum Corporation (NNPC) will be rolling out fiscal policies (currently awaiting approval) that will expand income in the short term by over \$2 billion a year to the Federal Government and an over \$9 billion increase in the long term. Kachikwu also stated that the Federal Government is planning to conduct a licensing round for the award of oilfields in inland basins to companies to prospect for crude oil, adding that the government is also working on the rules to guide the process which will be conducted along with the marginal fields bid round.

The NNPC has declared its commitment to growing the nation's crude oil reserves and increasing daily national production with a view to boosting the nation's revenue generation. Through the NNPC/First E&P OMLs 83/85 partnership for marine seismic data acquisition, a Joint Venture (JV) will be executed between NNPC's Integrated Data Services Ltd and Bureau of Geophysical Prospecting, a subsidiary of the Chinese National Petroleum Corporation. Dr. Maikanti Baru, the Group Managing Director of the NNPC said the project will boost NNPC's drive towards enhancing the nation's abundant crude deposits. Furthermore, the JV will also reinforce the Federal Government's commitment to further harness Nigeria's numerous resources to enhance income streams and ultimately boost the nation's economic prosperity. The NNPC also announced it has officially commenced oil exploration in Benue State with the mobilization of its data services department to acquire seismic data. Baru said that in 2015, President Muhammadu Buhari directed NNPC to resume oil exploration activities in some of the nation's inland basins, including Chad Basin and the Benue Trough. Baru said the seismic data acquisition was based on the encouraging results of the previous studies carried out in the Benue Trough by the Corporation in the areas of geological studies and basin modelling, aeromagnetic ground gravity and surface geochemistry survey.

### CAF

### GABON

Royal Dutch Shell announced that through its affiliates, it has completed the sale of its entire Gabon onshore oil and gas interests to Assala Energy, a portfolio company of The Carlyle Group, for a total of \$628 million including amount equivalent to interest. With this transaction, Assala Energy will assume the debt of \$285 million and the transaction will result in a total post-tax impairment for Shell of \$151 million. Assala Energy will make additional payments up to a maximum of \$150 million depending on production performance and commodity prices. This transaction consists of all of Shell's onshore oil and gas operations and related infrastructure in Gabon; five operated fields, participation interest in four non-operated fields and associated infrastructure of the onshore pipeline system from Rabi to Gamba and the Gamba Southern export terminal. Shell onshore in Gabon produced approximately 41,000 barrels of oil equivalent per day in 2016. Shell Trading (STASCO) will continue to have lifting rights from the Gabon onshore assets for the coming 5 years. Effective from Wednesday, November 1<sup>st</sup>, 2017, Assala Energy will operate Shell's onshore Gabon assets upstream assets.

### GLOBAL

On Thursday 2<sup>nd</sup> November, oil fell as a surge in U.S. crude exports offset the data showing supplies of U.S. crude oil and gasoline declined more-than-expected. The U.S. West Texas Intermediate crude for December contract was down 16 cents at \$54.14 a barrel at 4:41 AM ET (8:41 GMT), while the ICE Futures Exchange in London Brent oil for January delivery fell by 23 cents at \$60.26 a barrel. The Energy Information Administration (EIA) weekly report for Wednesday 1<sup>st</sup> November showed a fall in crude oil inventories by roughly 2.4 million barrels and gasoline inventories fell by 4 million barrels in the week ending October 27. The EIA Data showed that U.S. oil production grew by 46,000 barrels per day (bpd) to 9.55 million bpd, while weekly U.S. crude oil exports rose to an all-time high of 2.13 million bpd.

Crude prices have been supported recently by expectations for an extension of the OPEC output-cut agreement. OPEC Secretary General Mohammad Barkindo noted last week comments from both Saudi Arabian Crown Prince, Mohammed bin Salman and Russian President, Vladimir Putin that suggested they were in favour of a 9 month extension for the current deal to cut production by 1.8 million bpd.