

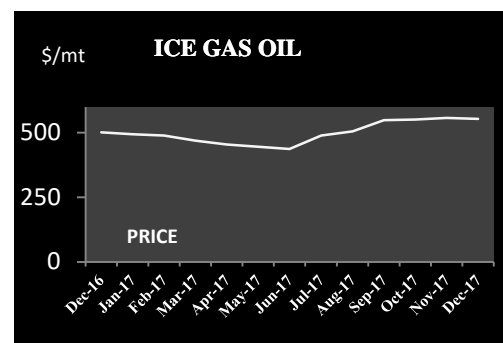
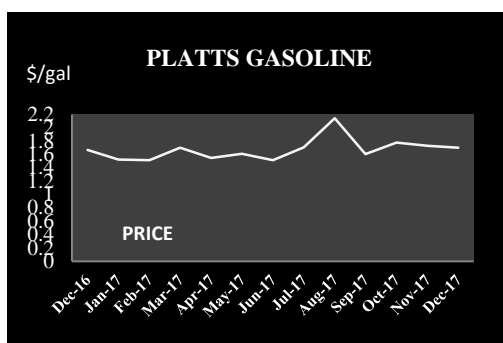
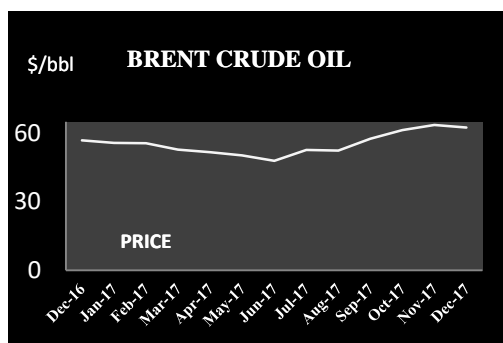
# GLADIUS

## MARKET REPORT

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LOCATIONS	PMS	AGO	DPK
LAGOS	[MT] 424,023	[MT] 179,812	[MT] -
P.H.	24,856	4,950	-
DELTA	55,076	8,300	-
CALABAR	-	-	-

GLOBAL	PRICE
BRENT	61.22 \$/bbl
ICE GAS OIL	545.75 \$/mt
PLATTS GASOLINE	1.6609 \$/gal
PLATTS 3.5% FUEL OIL FOB MED	328.504 \$/mt

### PRICE (EX DEPOT) NGN / Litre

	LAGOS	P.H.	DELTA	CALABAR
PMS	142 –143	143 –145	142 –143	142 –143
AGO	177–179	183-185	183-185	190-195

### FX RATES

07/12/17	USD	GBP	EUR
NGN (PARALLEL MARKET)	360 / 363	476 / 480	422 / 426
NGN (INTER BANK)	306.45	-	-
NAFEX	360.31	-	-

### NIGERIA

Dr. Maikanti Baru, the Group Managing Director of the Nigerian National Petroleum Corporation (NNPC), added a major laurel to his growing list of honours since assumption of office, by being awarded the Forbes Best of Africa Oil and Gas Man of the Year 2017 Award. The Award is given specially to top oil and gas personalities who have made positive contributions to the development of the sector and the stability of the economy in which they operate.

On Monday, 4<sup>th</sup> December, the NNPC indicated that up to 1000 kilometres of new gas lines will be added to Nigeria's gas line network. Baru said the NNPC will adopt Public Private Partnership (PPP) models in building and expanding the new gas infrastructures, starting with the Ajaokuta–Abuja–Kaduna–Kano gas lines which would be built through a contractor financing model, with the selected contractors providing the funds for its construction and then recovering it through transportation tariffs.

Dr. Ibe Kachikwu, the Minister of State for Petroleum Resources said that Nigeria could make the most of her exemption from the oil production cuts agreed by OPEC and non-OPEC countries, by working hard to reduce the cost of producing a barrel of oil. Kachikwu explained that Nigeria was losing its competitiveness amongst other oil producers with its high production cost. The country currently produces oil at between \$23 and \$24 per barrel, which is not competitive when compared to other producers like Saudi Arabia and Iran whose oil production cost is under \$10. Kachikwu said driving production cost down to \$15-\$18 is going to be the challenge for 2018, so as to enjoy the benefits of the exemptions.

### WAF

### MAURITANIA

On Monday 4<sup>th</sup> December, ExxonMobil announced that its wholly-owned affiliate, ExxonMobil E&P Mauritania Deepwater Ltd., has signed Production Sharing Contracts with the government of Mauritania for three deep-water offshore blocks. The company acquired exploration acreage in Blocks C22, C17 and C14, which encompass almost 8.4 million acres in water depths ranging from 3300ft to 11,500ft (1000m to over 3500m). The three blocks are located at an average of 124 miles (200km) offshore Mauritania. ExxonMobil will begin exploration activities, including the acquisition of seismic data and analysis. ExxonMobil will carry out the work program as an operator with 90% interest, while Societe Mauritanienne des Hydrocarbures et de Patrimoine Minier holds a 10% interest.

### GLOBAL

On Thursday 7<sup>th</sup> November oil prices remained higher as a threatened strike in Nigeria and growing Middle East political tensions stoked fears of supply disruptions, while ongoing OPEC-led output curbs supported sentiment. The U.S. West Texas Intermediate crude for January contract was up 35 cents at \$56.33 a barrel at 09:50 AM ET (13:50 GMT), while the ICE Futures Exchange in London Brent oil for February delivery was up 48 cents at \$61.71 a barrel. The U.S. Energy Information Administration (EIA) weekly report for Wednesday 6<sup>th</sup> November showed a fall in crude oil inventories by 5.6 million barrels in the week ending December 1, whereas U.S. gasoline stocks rose by 6.8 million barrels, much higher than expectations.

Oil prices came under pressure after data from the U.S. EIA report showed a big jump in U.S. fuel inventories. However, fears that rising U.S. output would dampen OPEC's efforts to rid the market of excess supplies are weighed on sentiment, according to market participants.