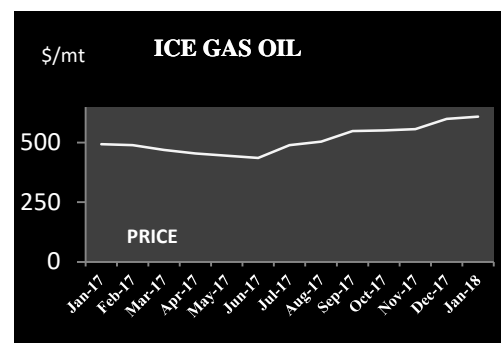
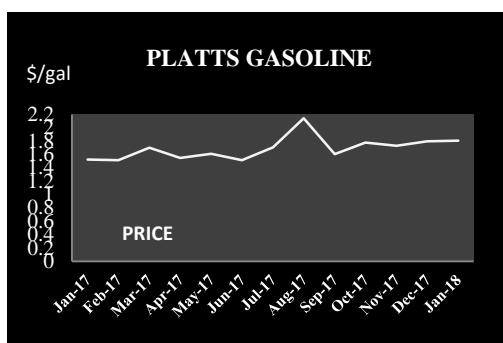
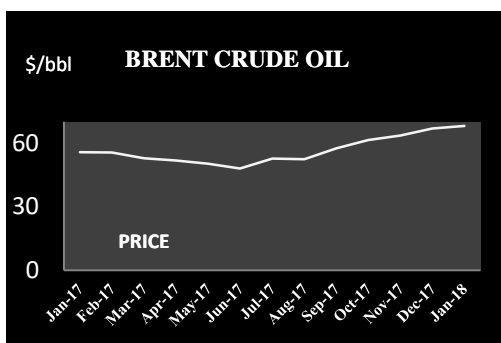


## MARKET REPORT

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LOCATIONS	PMS	AGO	DPK
LAGOS	[MT] 378,032	[MT] 136,356	[MT] 17,385
P.H.	-	13,965	-
DELTA	33,171	-	4,977
CALABAR	14,962	-	-

GLOBAL	PRICE
BRENT	69.20 \$/bbl
ICE GAS OIL	612.00 \$/mt
PLATTS GASOLINE	1.8327 \$/gal
PLATTS 3.5% FUEL OIL FOB MED	362.449 \$/mt

PRICE (EX DEPOT) NGN / Litre				
	LAGOS	P.H.	DELTA	CALABAR
PMS	150-160	150-161	151-161	151-161
AGO	182-190	183-192	183-192.50	185-192

FX RATES			
11/01/18	USD	GBP	EUR
NGN (PARALLEL MARKET)	361/ 363	480/ 485	425/ 430
NGN (INTER BANK)	305.80	-	-
NAFEX	360.43	-	-

### NIGERIA

On Tuesday 9<sup>th</sup> January, the Nigerian National Petroleum Corporation (NNPC) began the process of selecting off-takers for its various crude oil grades in 2018. About 254 companies indicated interest to purchase and lift Nigerian crude oil grades for the period 2018/2019. Dr. Maikanti Baru, Group Managing Director of the NNPC, stated that the bids would be evaluated within three to four weeks, while consent and approval would be secured from the authorizing agency before winners are announced. Baru insisted that only the best companies that meet certain criteria (geographical spread and financial capability) will be selected. Baru also added that the successfully selected companies would be lifting about 14 cargoes of Nigeria's crude oil every month, according to its schedule. Baru said this was in line with the corporation's focus to enhance its production volumes while ensuring that the best value is realized through competitive marketing of its various crude oil grades to international refineries and traders. However, Baru disclosed that the crude oil term contract is not a procurement contract, but a process of selecting partners for the sales and procurement of NNPC equity crude oil volumes.

Alhaji Mele Kyari, Group General Manager of the Crude Oil Marketing Division, said the companies must provide evidence of their tax clearance certificate and present their 2015 to 2017 audited accounts to qualify for the allocation, which would be carried out once a month to the successful companies in the 12-month period. Also, the companies must show the ability to establish an irrevocable Letter of Credit subject to contract terms, especially as the crude oil would be offered to the companies on credit basis and the NNPC wants evidence that it would get paid for the commodity. The NNPC has also disclosed that Nigeria's daily crude oil production with condensates has increased to 2.25 million barrels per day (bpd), but with crude oil production alone standing at 1.8mbpd, while condensates are 450,000 bpd.

### WAF

### GHANA

On Tuesday 9<sup>th</sup> January, Mr. Yofi Grant, the chief executive officer of the Ghana Investments Promotion Centre (GIPC), confirmed the entrance of international oil giant Exxon Mobil in the country's oil and gas industry. Exxon Mobil showed initial interest in the country's sector when it wanted to take up Kosmos energy but failed. Mr. Grant in an interview said Exxon Mobil and other international oil companies have now invested in the exploration of Ghana's hydrocarbon development. Exxon Mobil is expected to sign a petroleum agreement with the Ghanaian government and GIPC in the coming week to exploit petroleum resources in the offshore deepwater cape three points. Exxon Mobil is touted as the world's largest integrated international oil company with daily production of about 4 million barrels of oil equivalent (BOE). The Ghanaian government said two firms had previously cautioned the exploration of the field as it was too risky because of its depth. But now, the government has considered the Exxon Mobil bid vital, given the firm's experience and capability in deep-water operations. Mr Grant said this move, when operationalized, would mean an increase in Foreign Direct Investments for the country.

### GLOBAL

On Thursday 11<sup>th</sup> January, oil prices continued to climb higher, with the U.S. benchmark hitting its strongest level since December 2014 amid optimism over shrinking U.S. stockpiles. The U.S. West Texas Intermediate crude for February contract was up 85 cents at \$64.42 barrel at 10:00 a.m. ET (14:00 GMT), while the ICE Futures Exchange in London Brent oil for March delivery was up 27 cents at \$69.48 a barrel. The U.S Energy Information Administration weekly report for Wednesday 10<sup>th</sup> January showed a fall in crude oil inventories by 4.9 million barrels in the week ending January 5, whereas market analysts' expected a decline of 3.9 million barrels. The report also showed that U.S. crude oil production fell by 290,000 bpd to 9.49 million bpd.

The North Sea's Forties Pipeline System -- one of the world's most important crude oil conduits -- is fully operational after being shut down due to the discovery of a hairline crack. Oil prices have added around 13% since early December, benefiting from production cut efforts led by the Organization of the Petroleum Exporting Countries and Russia. The producers agreed to extend current oil output cuts until the end of 2018.