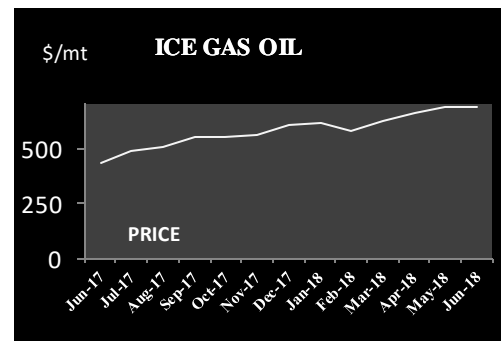
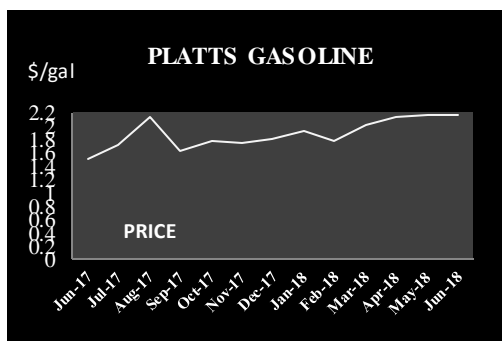
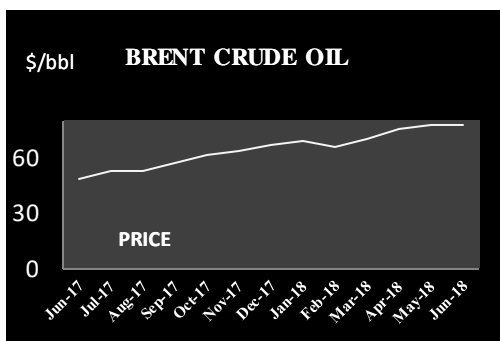


## MARKET REPORT

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LOCATIONS	PMS	AGO	DPK
LAGOS	[MT] 1,009,955	[MT] 134,358	[MT] 35,249
P.H.	19,913	7,000	-
DELTA	30,972	-	-
CALABAR	17,749	19,923	-

GLOBAL	PRICE
BRENT	75.36 \$/bbl
ICE GAS OIL	654.75 \$/mt
PLATTS GASOLINE	2.0700 \$/gal
PLATTS 3.5% FUEL OIL FOB MED	426.407 \$/mt

PRICE (EX DEPOT) NGN / Litre				
	LAGOS	P.H.	DELTA	CALABAR
PMS	134-135	133.80	134.5	134.1-135.5
AGO	213.5-219	220-221	217	216-217

FX RATES			
07/06/18	USD	GBP	EUR
NGN (PARALLEL MARKET)	360/362	483/488	416/ 420
NGN (INTER BANK)	305.95	-	-
NAFEX	360.94	-	-

### NIGERIA

On Tuesday 5<sup>th</sup> June, Dr. Ibe Kachikwu, the Minister of State for Petroleum Resources, at the West African Gas Pipeline (WAGP) project's Committee of Ministers' meeting held in Abuja stated that more gas has been discovered offshore Lagos. Kachikwu said that the relative peace in the Niger Delta, coupled with the additional gas discoveries in Lagos would boost Nigeria's gas supply to the WAGP project. He noted that Nigeria, along with its partner countries, have nurtured the WAGP project and are looking to address the challenges that have hindered the achievement of the set targets. Kachikwu said that the WAGP project is being celebrated all over the continent as a flagship project for the new partnership for African development, and he emphasised the importance of sustainability of the project through the cooperation of all parties. Furthermore, Kachikwu stated that the overhaul of the country's refineries would become a reality from July 2018, as plans for necessary financial arrangements have been concluded. The minister noted that President Muhammadu Buhari and the President of Niger Republic, Mahamadou Issoufou, would in the coming weeks sign a Memorandum of Understanding for the construction of a new refinery to be located in a border town between both countries, close to Katsina State. Kachikwu disclosed that the government would put policies in place to fast-track private sector involvement in the downstream sector, as nameplate capacity utilisation of existing refineries will still not ensure 100% consumption availability.

The Nigerian National Petroleum Corporation (NNPC) has revealed plans to invest \$2.5 billion in revamping Liquefied Petroleum Gas (LPG) plants in the country. Mr. Henry Ikem Obih, the Chief Operating Officer, Downstream NNPC said the corporation is working to address infrastructural challenges facing LPG plants by revamping them to achieve a 90% yield status. Obih disclosed that 8 LPG plants located in Gombe, Ibadan, Makurdi, Enugu, Kano, Apapa, Osogbo, and Ilorin have been revamped. He added that discussions are in progress to connect all the stations through pipelines to bring LPG closer to consumers.

### WAF

### NIGER

On Wednesday 6<sup>th</sup> of June, Savannah Petroleum plc - a British independent oil and gas company focused on oil and gas activities in Niger and Nigeria - announced that the Niger Amdigh-1 exploration well has discovered oil. Preliminary results based on the interpretation of the available dataset indicate that the well has encountered a total estimated 72 feet of net oil-bearing reservoir sandstones in the E1 and E2 reservoir units within the primary Eocene Sokor Alternances objective. The company said wireline logs indicate the reservoir properties to be "good to excellent quality" and revealed that the available pressure data indicates light oil. Drilled by the GW 215 rig to a total measured depth of 8,100 feet, the well took a total of 24 days to reach target depth. No significant geological or drilling hazards were encountered, while Amdigh-1 is currently being suspended for future re-entry. A production test is expected to be performed on the well as part of a batch campaign using a dedicated test rig once the results of the remaining exploration well in the current drilling campaign, Kunama-1, are available. Savannah does not expect to provide a discovered resource and volumes report until its expected well test program has been completed. GW 215 will now mobilize to the Kunama-1 well site, located 7 miles from Amdigh-1, where it will prepare to spud the Kunama-1 exploration well. The move is anticipated to take between 10 and 15 days. Amdigh-1 is located on the R3 portion of the R3/R4 PSC Area in the Agadem Rift Basin, in South East Niger.

### GLOBAL

On Thursday 7<sup>th</sup> June, oil prices rose to shake off some of the previous session's losses, supported by plunging exports by OPEC-member Venezuela. The US West Texas Intermediate crude futures were up 25 cents at \$65.00 a barrel at 3:35 AM ET (07:35 GMT), while Brent crude futures rose by 44 cents at \$75.80 a barrel. The U.S Energy Information Administration weekly report for Wednesday 6<sup>th</sup> June showed a rise in crude oil inventories by 2.1 million barrels in the week ending June 1, confounding expectations for a decline of 2.0 million barrels.

Oil prices in recent sessions have declined on concerns that OPEC and non-OPEC members led by Russia would decide to lift output by up to 1 million barrels a day as early as June in reaction to lost supplies out of Venezuela and Iran. Venezuela's state-owned Petróleos de Venezuela, SA is reportedly considering declaring force majeure on some contracts with crude oil buyers, essentially declaring they cannot be fulfilled, as output from its oil fields have tanked and bottlenecks are slowing down exports at the ports. Venezuela's supply trouble comes amid voluntary production cuts by OPEC, which have been in place since 2017 in order to tighten the market and increase prices. OPEC and non-OPEC member including Russia are due to meet at its headquarters in Vienna, on June 22 to discuss production policy.

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