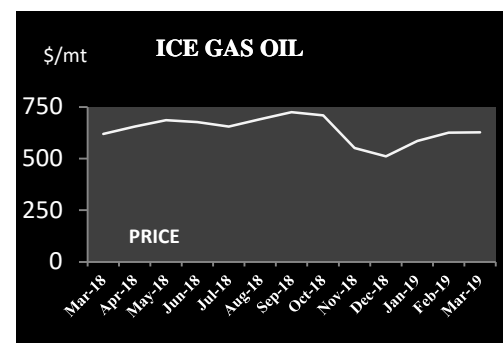
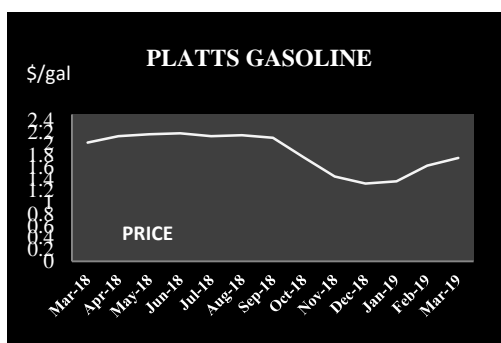
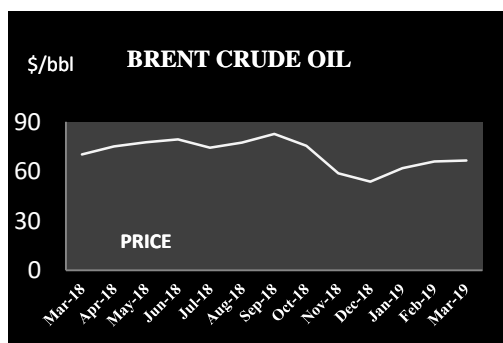


## MARKET REPORT

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LOCATIONS	PMS	AGO	DPK
	[MT]	[MT]	[MT]
LAGOS	285,119	57,728	24,963
P.H.	-	-	10,002
DELTA	12,825	-	-
CALABAR	42,644	4,990	-

GLOBAL	PRICE
BRENT	66.39 \$/bbl
ICE GAS OIL	623.75 \$/mt
PLATTS GASOLINE	1.6340 \$/gal
PLATTS 3.5% FUEL OIL FOB MED	395.617 \$/ mt

PRICE (EX DEPOT) NGN / Litre				
	LAGOS	P.H.	DELTA	CALABAR
PMS	132-135	-	133.5-134	133.3-134
AGO	195.5-205.5	-	202-205	199-200

FX RATES			
28/02/19	USD	GBP	EUR
NGN (PARALLEL MARKET)	357/360	466/470	404/408
NGN (INTER BANK)	306.85	-	-
NAFEX	360.99	-	-

### NIGERIA

On Wednesday 27<sup>th</sup> February, Dr. Maikanti Baru, The Group Managing Director of the Nigerian National Petroleum Corporation (NNPC), called on investors to utilize the over \$48 billion investment opportunities available in the upcoming capital projects within Nigeria's Oil and Gas Industry. Dr. Baru said the continent's energy outlook was looking positive amid difficult operating and economic headwinds. He explained that over 41 billion barrels of oil and 319 trillion cubic feet (tcf) of gas were yet to be discovered in sub-Saharan Africa alone, while between 2008 and 2017, exploratory success in the sub-region was at least 45%. According to him, there has been a surge in the capital expenditure (CAPEX) across Africa's Oil and Gas Sector, with close to \$194 billion earmarked to be spent between 2018 and 2025 on 93 upcoming oil and gas fields in Africa. Dr. Baru observed that 23.8% of the CAPEX in Africa would be spent in Mozambique, 11.3% in Angola while about 29.2% would be spent in Tanzania, Senegal, Mauritania, Uganda, Egypt, Algeria and Kenya combined. Dr. Baru informed that with over 14 oil-producing countries, Africa currently accounts for 7.5% (126.5 billion barrels of crude oil) and 7.1% (488 tcf of gas) of global proven oil and gas reserves respectively. He maintained that in terms of production, the continent accounted for 8.7% (8.1 million barrels per day) of global oil production and 6.1% (21.8 bscfd) of global gas production, even as it consumed 4 million barrels of oil per day (bpd) and 13.7 bscfd of gas (equivalent to 4.1% and 3.9% of global oil and consumption respectively). Dr. Baru observed that the NNPC's Frontier Exploration Service was currently drilling the Kolmani River-2 Well where a desktop estimate revealed that about 400 bcf of gas is expected to be encountered. He stressed that several new frontiers for exploration opportunities abound in Nigeria, even as offshore discoveries in the country have mostly been limited to between 1,000 – 1,500m of water depth.

### WAF

### SENEGAL

On Monday 25<sup>th</sup> February, MODEC, Inc. announced that its subsidiary, MODEC International Inc., has been awarded a contract by Woodside Energy (Senegal) B.V., as Operator of the SNE Field Development, for a Floating Production Storage and Offloading (FPSO) vessel for Senegalese waters. Under the contract, MODEC will perform Front-End Engineering Design (FEED) for the FPSO and, subject to a final investment decision on the project in 2019, will be responsible for the supply, charter and operations of the FPSO. The SNE deep-water oil field is expected to be Senegal's first offshore oil development. The field is located within the Sangomar Deep Offshore permit area, approximately 100 km south of Dakar, Senegal. The FPSO will be designed to produce around 100,000 bpd with the first oil production targeted in 2022. The FPSO will be moored in water depth of approximately 800 meters. In recent years, numerous offshore oil fields have been discovered in West Africa, and MODEC considers this as one of its most important core regions. MODEC currently operates three (3) FPSOs in Ghana and Côte d'Ivoire and has supplied another seven (7) floating production facilities, such as FPSO / FSO / Tension Leg Platform (TLP) which have been installed in Angola, Cameroon, Equatorial Guinea, Gabon and Nigeria. The SNE field is held by Woodside Energy (Senegal) B.V. (35%) as Operator, Cairn Energy Senegal (40%), FAR Limited (15%) and PETROSEN (10%) under a Production Sharing Contract (PSC).

### GLOBAL

On Thursday 28<sup>th</sup> February, oil prices edged down in Asia amid signs of surging U.S. crude oil production. The U.S. West Texas Intermediate crude futures for April delivery on the New York Mercantile Exchange tacked on 17 cents to \$57.12 a barrel at 9:10 AM ET (14:10 GMT), while Brent oil for May delivery was at \$66.52 a barrel. The US Energy Information Administration's weekly report for Wednesday 27<sup>th</sup> February showed a fall in crude oil inventories by 8.65 million barrels in the week ending Feb. 22, compared to forecasts for a build of 2.84 million. It was the first U.S. crude stockpile drop in six weeks, coming after the production cuts by OPEC.

Oil prices were dragged down by the fact that U.S. crude oil production continues to rise. It has risen by more than 2 million bpd over the last year, to an unprecedented 12.1 million bpd, according to EIA data released this week. However, oil markets remain relatively well supported by supply cuts by OPEC and its allies agreed late 2018 to reduce output by 1.2 million bpd to prop up prices. But, the EIA expects the rise in U.S. output will more than offset the barrels taken off the market. Additionally, the weaker-than-expected Chinese Purchasing Manager's Index (PMI) data also weighed on oil prices. Data on Thursday showed that the official Purchasing Manager's Index (PMI) fell in February. It is the latest sign that China's economy is still losing steam after last year's growth cooled to a nearly 30-year low.