Oil & Gas Bulletin

▸ *20.01.2017*

Gazprom to invest 42 bln. rubles for TurkStream in 2017

AA Energy Terminal, *19.01.2017*

Russia's Gazprom's investments for the TurkStream natural gas pipeline project in 2017 is projected at 42 billion rubles ($704 million), the company said.

The company also said that it would invest 159 billion rubles in 2017 for the Power of Siberia project and 111 billion rubles for the Nord Stream II gas pipeline project. The TurkStream, which was announced by Russian President Vladimir Putin during a 2014 visit to Turkey, is set to carry gas from Russia under the Black Sea to Turkey's Thrace region. One line, with 15.75 bcm of capacity, is expected to supply the Turkish market, while a second line will carry gas to Europe.

China and Russia signed a $400 billion deal in May 2014 to send 38 bcm of Russian gas per year to China through the eastern route known as the Power of Siberia. The project is planned to begin its first gas deliveries in late 2018 with 5 bcm per year, and will become fully operational in 2019.

The Nord Stream II natural gas project consists of a twin 1,224-kilometer-long offshore pipeline system through the Baltic Sea, from Russia to Germany. The pipelines are planned to be constructed with a capacity to transport 55 bcm of natural gas a year to Europe. This amount is enough to supply about 26 million households in the region.

Gazprom continues gas talks with Turkish firms

Argus, *17.01.2017*

Gazprom is continuing talks with Turkish firms over the price of Russian gas in 2017. Gazprom is still in talks with private Turkish gas importers on the 2017 price and is looking to agree a deal that is unchanged from the existing formula.

The oil-indexed formula import price for this quarter is $183/’000m³ for Russian gas, up from around $160/’000m³ in October-December. But private Turkish companies were expecting a reduction to the oil-indexed formula price this year, particularly after Russian president Vladimir Putin said that Turkey will be offered a discount, after a deal was signed for the 31.5bn m³/yr Turkish Stream pipeline on 10 October.

Private importers lost a 10.25pc reduction to formula prices — which they had since spring 2015 — and started paying the same price as Turkey’s state-run gas firm Botas for Russian gas in the second quarter of 2016. The private sector firms want to get the discount back.

An agreement between Gazprom and each private importer has yet to be settled, and Gazprom is considering applying to the International Court of Arbitration should the talks end in a stalemate. Russian gas is estimated to be the cheapest source of imports for Botas this quarter at $183/’000m³, which remains below the $198/’000m³ of a year earlier.

Azeri prices are at $189/’000m³ this quarter, up from $181/’000m³ in January-March 2016, while Iranian prices have fallen to $200/’000m³ from $251/’000m³ — not including a retrospective discount of 10-15pc Turkey will receive on Iranian imports following an International Court of Arbitration ruling last year.

But contracts signed between private importers and other firms for 2017 supply, which were concluded in November, have been affected by the expectation of a possible discount following the Russian president’s comments in October, a reduction by Botas in regulated gas prices on 1 October and the recent weakening of the Turkish lira.

Private gas companies offered prices marginally below the regulated industrial tariff levels in November — when talks took place — for 2017 supply to eligible users. Regulated gas tariffs were reduced by 10pc to TL704.15/’000m³ for industrial users, TL763.62/’000m³ for residential users and TL700.62/’000m³ for organised industrial zones — all prices excluding taxes — on 1 October, following the court ruling on a retrospective discount to Iranian gas imports. And there was an expectation that private companies would receive a reduction in Russian prices should Botas receive a discount from Gazprom for 2017 — which is thought to have affected 2017 price talks among domestic firms in November – although they have paid a different price from Botas in the past.

The weaker lira has also hit the sector, in particular shippers that agree to purchase in dollars from private importers but earn revenues in the domestic currency. The lira hit fresh lows last week, trading at 3.94 against the US dollar — having lost 12pc since the start of the year.

Talks between Gazprom and Botas for 2017 are continuing. Gazprom offered a discount to Botas for its Russian gas imports from the start of 2017, and Botas is still considering the offer. Botas continues with arbitration proceedings against Gazprom over Russian gas prices it paid since 2015, and hearings are expected to take place in September.

Botas filed an application with the International Court of Abitration on 26 October 2015 after talks ended in deadlock. The two firms had reached a preliminary agreement on a 10.25pc price cut in Turkey's Russian imports, first announced in December 2014, with the reduction to be backdated to the start of 2015 once it had been signed. But the agreement was not signed, amid protracted talks on Russia's plans to build the Turkish Stream gas line to Turkey at the time.

Turkish traders eye EU energy markets but face tough barriers

ICIS, *18.01.2017*

Growing liquidity and bullish prices in central and southeast European energy markets have caught the attention of Turkish traders and brokers who are now looking to gain a foothold in neighbouring countries.

However, challenges linked to financial risk and different trading cultures are likely to raise significant barriers. A wave of French nuclear outages sent European power prices soaring and triggered volatility. This meant countries such as Hungary saw all-time highs in traded volume, with as much as 29.6TWh changing hands OTC, overtaking the Netherlands in 2016 as the fourth-largest OTC power market in Europe.

As Turkey's own economic landscape has deteriorated in recent months pressuring energy demand, and implicitly returns, companies are now in search of new markets and better opportunities. Ayen, a Turkish company, has already become an established name in Hungary, having traded the market for three years.

And at least another four Turkish firms are thought to have either set up a subsidiary in the region or sought to trade in Romania, Serbia and Bulgaria. However, the switch to other markets is fraught with difficulties linked either to Turkey's own country risk or to bureaucratic barriers in the target countries. A major challenge for Turkish companies looking to trade European markets is linked to requirements for high credit limits and the full disclosure of properly audited financial records.

A Turkish trader who already operates in European markets said Turkey's increased country risk following its downgrade by rating agencies as well as individual companies' weak balance sheets would be a significant hurdle to becoming a counterparty for European trading outfits.

"You don't have to be a big company in Europe, all you need is to have proper financials," a Turkish trader said. "You need to prove reputation and be ethical in trading. One default even at a weekly delivery is enough to put a company on the black list everywhere."

Another Turkish trader looking to establish a presence in Europe said the debt-to-equity ratio had increased in the Turkish energy sector, raising serious fears about widespread bankruptcies. Companies in a weak financial position may be perceived as carrying higher risk, which may leave them unable to find trading counterparties on the over-the-counter market, he said.

To clear the financial risk, Turkish companies would have to establish a European entity from scratch, but this in itself may raise problems. "If Turkish companies want to trade other markets they would need a collateral. In order to get a collateral you need a European bank to underwrite it. In order to get a European bank to underwrite it you would need an EU company and have EU assets. It's a loop," he said.

If, on the other hand, Turkish companies wanted to trade on European energy exchanges, they might face other types of restrictions. A Turkish trader who had an interest in trading on the London-based Intercontinental Exchange (ICE) said the bourse considered the Turkish jurisdiction as presenting a high degree of risk.

According to ICE requirements, Turkish participants can only enter into derivative transactions through intermediary institutions authorised by Turkey's Capital Markets Board, the country's financial watchdog.

Meanwhile the day-ahead exchange EPEX SPOT, which is part of Europe's largest energy exchange EEX, does not raise any restrictions for Turkish traders, but requires all participants to take training courses and pass exams before being allowed to join the platform. Similar requirements are made by the Hungarian day-ahead exchange HUPX.

Turkish traders already active on European markets said companies looking to enter them would have to sharpen up their trading mindset, improve their analytical skills and avoid thinking in terms of spot trading only. "There needs to be more know-how building and paying up for good talent," another trader said.

Another source active in European markets said there were significant differences between countries. "You need a local trader for Balkan countries to communicate," he said. "Data is not available at all times, you need to call to get information. Sometimes you don't receive tender e-mails, so you need to ask around. Also, there are language barriers. Some transmission system operators in Balkan countries prefer to speak their language."

European development bank invests $2 billion in Turkey

Daily Sabah, *18.01.2017*

EBRD invested 1.9 billion euros in Turkey last year, the bank said Tuesday, maintaining its level of financing. The EBRD invested more than 8.57 billion euros in 207 Turkish projects over the past eight years, it added.

“In a most challenging year for Turkey, the EBRD has been able to further raise its investment in the country and at the same time encourage key reforms required for its long-term prospects, notably more energy efficiency, deeper capital markets, broader Turkish lira financing and an inclusive economy and workforce,” EBRD Turkey Director said.

Turkish projects represented 20 percent of the EBRD’s total 9.4 billion euro investment last year and, as in 2015, the bank financed 43 projects. Thirteen of these involved the Turkish lira, a bank priority in the country. Public-private partnership hospital building projects featured heavily, as well as support for small- and medium-sized businesses such as lift component manufacturer Arkel, wet wipes producer Sapro and automotive company TKG.

The bank extended a 5 million euro loan and a 5 million euro grant to the city of Gaziantep, which has experienced a sharp influx of Syrian refugees, to buy 50 buses. Reflecting the bank’s environmental policy, green financing accounted for more than half of its 2016 investment in Turkey.

Continuing its support to key foreign investors, the bank financed the expansion plans of tire maker Brisa Bridgestone, a joint venture between the local Sabancı Holding and Japan’s Bridgestone Corporation. It also backed the construction of a new plant by Systemair-HSK and the development of a gold mine by the Canada-based Centerra Gold. These investments bring important know-how and innovation to the economy and offer opportunities to previously under-employed social groups, the bank said.

Working with Turkish educational authorities and restaurant operator TFI TAB Gida, the bank is helping to develop occupational standards for the fast food industry. “This will benefit tens of thousands of young people employed in the restaurant sector, which provides many youth with their first jobs and often helps the unemployed to reintegrate into work,” the bank said.

In traditionally male-dominated industries such as energy and mining, the EBRD is promoting a greater role for female employees within power company AKCEZ and Centerra Gold through investment and technical assistance. The bank attracted a record 706 million euros from sources such as international banks and institutional investors, it added.

Turkish regulator allows balancing gas price revision

Argus, *19.01.2017*

Turkish energy regulator EPDK's board has authorised state-owned natural gas grid operator Botas to revise the January balancing price.

Botas will be allowed to revise the price only once, according to the decision published today. This is to avoid setting a precedent for Botas or any private-sector company to ask for further price revisions in the future. The decision comes after private-sector companies asked Botas to reduce the balancing price. A spike in the January balancing price to 1,170 lira/'000m³ ($305/'000m³) from TL764/'000m³ in December put shippers under pressure.

European interest in Israeli gas deepens

Globes, *18.01.2017*

High-level contacts between Israel and European countries on laying a gas pipeline from the Leviathan natural gas reservoir are about to take place.

Sources inform Ministry of National Infrastructure, Energy, and Water Resources director general Shaul Meridor will travel to Brussels to meet his counterparts from Italy, Greece, and Cyprus. The meeting is designed to pave the way for a summit between. The sources add that Francesco Starace, , recently met with Minister Dr. Yuval Steinitz, and expressed interest in buying Israeli gas for the company's customers in Italy.

The meeting took place during an energy conference held late last week in Abu Dhabi. Israeli sources told "Globes" that the Italians are interested in Israeli gas as a substitute for the gas they are buying from the North Sea area, where gas production is gradually declining.

Enel, the former Italian national electric company, was privatized in the 1990s, but the Italian government still owns a quarter of its shares. The talks between directors general in Brussels will focus on a venture to build a gas pipeline from the Leviathan gas reservoir to Italy via Cyprus and Greece.

Such a pipeline, the longest of its type in the world – 2,000 kilometers, could connect Leviathan, the Aphrodite Cypriot gas reservoir, and other gas reservoirs to Rome, and from there to other customers in Europe.

In talks between Israeli and European government officials, the Europeans expressed their preference that Edison carry out this ambitious venture. One of the world's most experienced energy companies, Edison was acquired several years ago by EDF, the French national electric company, and is active in energy exploration in Israel and Egypt.

In October, "Globes" reported the findings of a preliminary evaluation by Edison subsidiary Poseidon commissioned by the European Commission Directorate General for Energy. Poseidon found that building a gas pipeline to Greece would cost $5.7 billion.

The current plan includes another 200-kilometer undersea pipeline from Greece to southern Italy in the Brindisi area, and overland from there to Rome, capable of transporting 12 BCM of gas a year.

The plan is meant to be economically worthwhile, and will be carried out by commercial companies with no direct government involvement, but with European Union aid and backing, among other things through the European Investment Bank for infrastructure development.

Gas experts consulted by "Globes" expressed doubt about the project's economic viability. They estimated that transporting gas over such distances would increase the price by $3-4 per heat unit. The current price of gas in a pipeline in Europe is $5-6 per heat unit, and the price of gas in the Italian gas market averages $6.50 per heat unit.

In the talks to be held early next week in Brussels, the directors general will discuss financing for comprehensive engineering and economic evaluations of the venture. It is believed that Israel will also be asked to pay part of the evaluation costs, together with the three European countries involved.

Italy consumed 70.4 BCM of gas in 2016, 4.9% more than in 2015. As of 2015, Italy's import sources were Russia, which supplied 24 BCM; the Netherlands (6 BCM); Norway (7 BCM); Algeria (6.6 BCM); and Libya (6.5 BCM). Italy also consumed 5.8 BCM of liquefied natural gas (LNG) from Qatar. The quantity of gas exported to Italy by Algeria tripled to 18 BCM in 2016.

Saudi oil shipments soared ahead of OPEC production cut

Bloomberg, *19.01.2017*

Saudi Arabia's crude exports surged to a 13 1/2-year high in November, just before it led global producers in restricting supplies to curb the worst glut in decades.

The world's biggest exporter shipped 8.26 million barrels a day, according to data. That was the biggest outflow for any month since May 2003. OPEC decided at the end of November to restrict supplies by 1.2 million barrels a day starting this month, with Saudi Arabia instrumental in the plan. Despite the extra barrels exported, Brent crude oil prices did rise that month, mostly because of the announcement of supply restrictions.

Non-member producers, including Russia, pledged additional curbs. The initial signs are that producers are honoring their commitments to cut output this year. Saudi Arabia's Energy Minister Khalid Al-Falih said at the World Economic Forum in Davos, Switzerland, Thursday that there's been "very strong" compliance with the plan. The producers' pledges are to restrict what's pumped out of the ground, rather than what's loaded on tankers.

Saudi Arabia's oil production edged up to 10.72 million barrels a day in November, from 10.62 million in October, the JODI data show. The output data tracked exactly what the country told the Organization of Petroleum Exporting Countries, according to a monthly report the producer group published on Wednesday.

One reason for the increase in cargoes could have been a surge in natural gas usage rather than crude domestically. The nation's Wasit gas plant has had an "immense impact" since coming online last March, leading to the substitution of gas for oil in power generation, OPEC said in its report. That potentially frees up more oil for export markets.

IMF slashes Saudi Arabia growth forecast on lower oil output

Bloomberg, *16.01.2017*

The International Monetary Fund cut its growth outlook for Saudi Arabia on lower oil production, underscoring the challenges facing the kingdom as it seeks to overhaul its economy.

Gross domestic product will expand 0.4 percent in 2017, the lender said in its World Economic Outlook report update on Monday, citing the impact of the recent deal by the Organization of the Petroleum Exporting Countries to reduce output. It compares with the fund's October prediction of 2 percent, and a median estimate of 0.9 percent in a Bloomberg survey.

The forecast reflects cuts in government spending as well as the impact of lower oil production, Gian Maria Milesi-Ferretti, deputy director of the IMF's research department, told reporters on Monday.

"There is a big adjustment in spending downwards," he said. "There is an adjustment in taxes upwards, and as a result non-oil growth is not going to be as good as it was during periods of strong oil prices."

Saudi Arabia is seeking to build investor confidence in its long-term strategy to reduce dependence on crude and boost non-oil sectors of its economy, while trying to plug one of the Middle East's biggest budget deficits. The kingdom is planning to borrow as much as $15 billion this year on international debt markets to help fund its spending plans, following last year's $17.5 billion sovereign bond sale.

"It will take time to diversify the economy in a meaningful way," said Monica Malik, chief economist at Abu Dhabi Commercial Bank. "Saudi remains dependent on oil; and at the current prices, the ability of the government to stimulate growth is limited."

Saudi Arabia's so-called Vision 2030 strategy derives from the global slump in oil prices since 2014, which severely dented revenue. Led by Deputy Crown Prince Mohammed bin Salman, it includes a plan to set up the world's biggest sovereign wealth fund and to sell a stake of less than 5 percent in state-run Saudi Arabian Oil Co. by 2018.

Saudi Arabia estimates growth fell to 1.4 percent in 2016, the lowest since the recession in 2009, as it cut spending by suspending bonuses for public employees and reducing ministers' salaries. The government has also raised the cost of fuel, and plans to introduce value-added taxes and fees on expatriate workers.

October's sovereign bond was the biggest ever emerging-market issuance, attracting $67 billion of bids, people familiar with the sale told Bloomberg at the time. Saudi Arabia is "very likely" to tap debt markets again in the first quarter, including with an Islamic bond, Finance Minister Mohammed Al-Jadaan said last month.

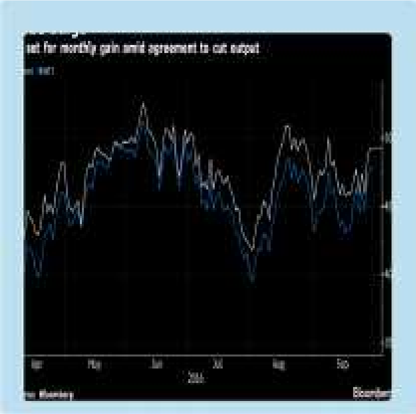
The government plans to increase debt levels to 30 percent of economic output by 2020, from 7.7 percent, according to targets set out in June. By which time, it may be running a surplus, based on its latest budget in December -- the most-detailed in Saudi history.

Malik said she expects Saudi debt to remain attractive in international markets even with the negative impact of weaker growth, bolstered by the riyal-dollar peg, low government borrowing and a stronger oil-price outlook for 2017. The IMF forecast Saudi growth to rebound to 2.3 percent in 2018 -- still lower than its October projection of 2.6 percent.

"The scale of the adjustment Saudi Arabia must still deliver suggests growth will lag," Simon Williams, HSBC Holdings Plc's chief economist for central and eastern Europe, the Middle East and North Africa, said in a report issued on Monday. "It is here, though, where the prospects for reform are at their strongest."

Despite OPEC deal oil prices could fall sharply from here

Oilprice, *19.01.2017*



The impact of the OPEC production cuts could be much more muted than many had hoped for as non-OPEC output comes roaring back in 2017. And it isn't just from U.S. shale. The IEA predicts that non-OPEC countries on the whole will add 380,000 bpd of net capacity this year, and crucially, that figure includes the promised 558,000 bpd reductions that 11 countries promised in conjunction with the OPEC cuts.

Of course, U.S. shale will be a major factor in this output rebound. In its latest Oil Market Report, the IEA revised up its forecast for U.S. production this year, expecting gains of 170,000 bpd.

Drilling activity is rising quickly – in December, the U.S. saw the largest monthly increase in the rig count in more than two years. Capex is rising, employment is positive, and the industry is becoming more efficient at drilling.

"Whether it be shorter drilling times or larger amounts of oil produced per well, there is no doubt that the U.S. shale industry has emerged from the $30/bbl oil world we lived in a year ago much leaner and fitter," the IEA said in its report. Elsewhere, the gains could be even more substantial.

For example, Brazil and Canada, home to major offshore drilling and oil sands, respectively, have long-term projects planned years ago when oil prices were much higher set to come online. Together, Brazil and Canada could add a hefty 415,000 bpd this year.

As such, the resurgence of oil production from different parts of the world will take the wind out of the sails of the OPEC deal. But as the U.S. and other non-OPEC countries bring production back to the market, the OPEC deal will help tighten global supplies, even if only modestly.

While it is still too early to tell whether or not OPEC will adhere to the promised cuts that it laid out in November, the latest data is encouraging – OPEC output fell by 320,000 bpd in December, largely because Saudi Arabia moved quickly to lower output, while unplanned outages in Nigeria added to the reductions.

The "early indications suggest a deeper OPEC reduction may be under way for January, as Saudi Arabia and its neighbors enforce supply cuts," the IEA said. The Paris-based energy agency says that if OPEC were to comply with the deal, it would imply a drawdown in global inventories on the order of 0.7 mb/d for the first six months of 2017.

"The primary goal is to accelerate the stocks drawdown," OPEC's Secretary-General Mohammed Barkindo said at the World Economic Forum in Davos, according to Reuters. "We are already seeing stocks coming down from the high levels. Our eyes will continue to focus on the level of drawdown to bring the level near a five-year industry average."

Indeed, the IEA offered some reasons for bullishness on crude. Global inventories of petroleum products in OECD countries – rich countries that the IEA specifically tracks – fell for the fourth consecutive month, although they still hovered more than 300 million barrels above the five-year average. The IEA believes that global stocks probably continued to increase towards the end of 2016, with storage levels in China and India likely rising.

Secretive biotech company has been working on a device that could save millions of lives and transform the medical market in 2017. On the demand side of the equation, things are much quieter. The IEA revised up its estimate of global demand growth for 2016 by 110,000 bpd to 1.5 mb/d. This year will be slower, with growth of just 1.3 mb/d.

In short, the IEA sees the market moving towards a supply deficit in the first half of this year, helping to bring down oil inventories. But non-OPEC supply increases could offset that momentum towards balance. IEA's estimates for U.S. shale could also be on the conservative side.

For its part, OPEC thinks U.S. shale will rise by 230,000 bpd instead of the IEA's 170,000 bpd figure. It is important to note that these are annual averages; the IEA's executive director Fatih Birol said earlier this week that he expects U.S. shale to end the year 500,000 bpd higher than at the start of it, the largest annual increase in history.

The end result could be higher prices in the near-term, but a renewed downturn in prices as U.S. shale comes back. "Prices will go up, U.S. and other production will go up and put downward pressure on prices again. And up and down. We are entering a period of greater oil-price volatility," Birol said this week.

Saudi pledges adherence to oil cut, confident others will

Reuters, *16.01.2017*

Saudi Arabia will adhere strictly to its commitment to cut output under the global agreement among oil producers, its energy minister said on Monday, expressing confidence that OPEC's plan to prop up prices would work.

Saudi Energy Minister Khalid al-Falih, speaking at an industry event in Abu Dhabi, also said he was encouraged by signs of commitments by other participants in the deal since it took effect on Jan. 1. "Many countries are actually going the extra mile and cutting beyond what they've committed... I am confident about the impact... and I am very encouraged about those first two weeks," Falih said.

The comments are the latest in a series of assurances from officials that participants will follow through on the agreement intended to help get rid of a glut. Compliance with the deal will be a key influence in early 2017 on oil prices LCOc1, which at $56 a barrel are about half their level of mid-2014.

Under the accord, the Organization of the Petroleum Exporting Countries and Russia and other non-members will curtail oil output by nearly 1.8 million bpd, initially for six months. Last week, Falih said Saudi output had fallen below 10 million bpd, meaning Saudi Arabia had cut production by more than the 486,000 bpd which it agreed to late last year under the producers' agreement.

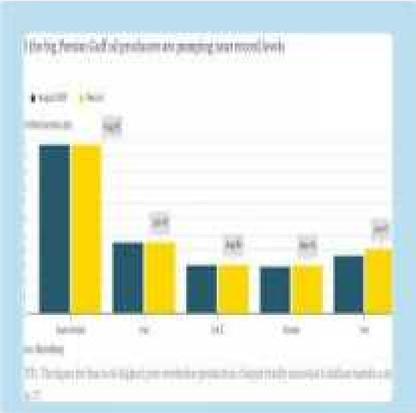
On Monday, he said: "We will strictly adhere to our commitment," adding that during the six-month agreement, Saudi output would either be at the kingdom's target under the deal or "as is the case now, slightly below". Producers were unlikely to extend the deal beyond six months and would allow market forces to prevail once the supply glut is eradicated.

"My expectations (are)...that the rebalancing that started slowly in 2016 will have its full impact by the first half," he said. "Once we get close to the 5-year average of global stocks and inventories we will basically let our foot off the brakes and let the market do its thing."

OPEC complied with up to 80 percent of its last output cut in 2009, according to International Energy Agency data. A committee of OPEC and non-OPEC ministers to monitor the issue is meeting on Sunday. Kuwait also said last week it had cut production by more than it committed to and OPEC's secretary general told Reuters he was confident of the level of commitment and enthusiasm among producers who agreed to the deal.

Global ship insurers to resume near full coverage for Iran oil – officials

Reuters, *17.01.2017*



Global shipping insurers have devised a way to ensure nearly full coverage for Iranian oil exports from next month after striking a deal to provide cover without involving U.S.-domiciled reinsurers, officials in Tokyo and London said.

Restrictions on U.S. firms handling Iranian goods had greatly limited the number of reinsurers of cargoes, but the new arrangements should boost the number of eligible shipments. That will provide a boon to Iran, which is trying to raise oil exports after most sanctions were lifted last year, though banking restrictions that remain in place that could cap any major rise in exports.

“There will be no U.S.-domiciled reinsurer participation on the 2017 IG reinsurance program,” Andrew Bardot, secretary and executive officer at the International Group (IG) of P&I Clubs in London told Reuters on Tuesday. The new arrangements take effect on Feb. 20, he and other officials said.

“This will substantially address the potential shortfall in reinsurance recoveries in the event of Iranian-related claims,” Bardot said in an email. The sanctions were lifted after a landmark deal in 2015 with world powers that put constraints on Iran’s nuclear activities.

But some prior U.S. sanctions remain in place, which had meant U.S. reinsurers could not participate in covering Iranian cargoes. To plug the shortfall by U.S. insurers, the group of the world’s top 13 ship insurers created so-called “fall-back” insurance last year, under which tankers carrying Iranian oil were insured up to around $830 million per ship.

That was below normal coverage for a tanker and risk-averse shippers refrained from lifting cargoes. However, it still allowed Iran to more than double crude exports from as low as about 1 million barrels per day (bpd) at the height of the sanctions. Iran’s exports were as high as 3 million bpd before the sanctions.

From next month, normal coverage will apply up to $3.08 billion and compensation beyond that up to $7.8 billion for accidents and oil spills would be collected from shipping companies insured by P&I group members. Other obstacles to lifting Iranian oil remain though, including the incoming administration of President-elect Donald Trump, who has described the nuclear deal as a “disaster” and threatened to scrap it, which could mean new oil export sanctions. Additionally, owners may still not call on Iran because they could be banned from Saudi Arabian ports on subsequent voyages, a European supertanker broker said. Saudi Arabia has banned tankers if they have previously carried Iran crude due to tensions between the countries over the conflict in Yemen, the shipbroker said.

There is a premium of between $4,000 to $12,000 per day for foreign-owned ships hired to transport Iranian crude compared with rates to transport crude from other Middle East countries, a Singapore-based supertanker broker said. That could also limit Iranian liftings.

Banking restrictions under the remaining U.S. sanctions are also likely to stay in place for some time and constrain Iran's trading activities, said Jonathan Hare, general counsel with Norwegian P&I club Skuld. "I think the main obstacle for everyone remains the banking system," he said.

The government of Japan, one of the biggest buyers of Iranian crude, is working to extend a sovereign insurance scheme it started in 2012 to continue Iranian oil imports in the year starting in April, to cover any shortfalls from the P&I insurance, a senior government official told Reuters. Iran has complied with a deadline under the 2015 accords to remove nuclear equipment called centrifuges from one of its atomic sites, the International Atomic Energy Agency said on Monday.

US shale producers and OPEC keep spiking the ball at the one yardline

Forbes, *19.01.2017*

You've all seen it: The NFL highlight reel of the wide receiver running away from the last defender, becoming so excited about scoring what would be the game-winning touchdown that he gets carried away and spikes the football at the one-yard line, leaving the tied game undecided and continuing on indefinitely.

Where oil markets are concerned, it strikes me that spokesmen for and analysts of The Organization of the Petroleum Exporting Countries (OPEC) and United States shale producers have become involved in a sort of tit for tat exchange of one-yard line spiking of the ball since last fall.

The news last fall that OPEC nations had successfully reached an agreement to limit overall cartel production in an effort to raise the price for crude on the global market was met with a veritable flood of analyses claiming that OPEC had "blinked" in its war against U.S. shale producers, and that the domestic U.S. industry had "won".

As I pointed out at that time, given that 2016 had seen more than 200 oil and gas producers seek protection under the U.S. bankruptcy laws, and that many of those 200 companies were predominantly shale producers, any "victory" in their war vs. OPEC should be classified as a Pyrrhic one at best.

True, OPEC had "blinked" in the sense that its members jointly decided to start trying to diminish the economic pain that the lower oil prices had wrought on their respective societies. But in football terms, that decision was more analogous to a punt than to the loss of the entire ballgame.

Now that you've punted, you play some defense, hope the opponent's drive sputters out, and you get the ball back for another possession. Equally unlikely is the following passage capturing remarks by Saudi Oil Minister Khalid Al-Falih made yesterday in Davos: The country's energy minister Khalid Al-Falih said US oil frackers had survived only by tapping the most prolific wells and would face surging costs once again as recovery builds, while cannibalisation of their plant will prevent a rapid rebound in US output. "Their supply infrastructure has been decimated," he said, speaking at the World Economic Forum.

Well, no, not exactly. It is true that many of the 1200 or so drilling rigs that have gone idle during the bust have been allowed to go to seed, major contractors like Halliburton (NYSE:HAL) have taken great care to keep the vast majority of their idled hardware in good working order in anticipation of better times to come . Indeed, as the oil price has firmed up since last June, such contractors have had little trouble bringing almost 200 additional rigs back online in order to accommodate increasing demand from producing companies.

The statement that U.S. "supply infrastructure has been decimated" is hyperbolic to an extreme . In fact, it is really difficult to understand what the Minister is even referring to there. Pipelines have continued to be built out, even in the face of a hostile federal administration (which blessedly ends tomorrow), there is no shortage of rail cars, no shortage of fracking equipment, and there have been very significant advances in drilling and fracking technologies even as the bust has lingered on.

True, there are takeaway capacity limitations out of some basins right now, but there has never been a time in the industry's history when such limitations did not exist. Pipelines will continue to be built, and those limitations will be resolved, as they always are.

Certainly, a higher crude price inevitably results in higher rates for contractors and equipment, and we are already beginning to see this come about. But the other side of that equation is that producers will continue to refine processes and achieve other cost reductions, and that advancing technologies will produce cost reductions of their own, along with higher recovery rates per well.

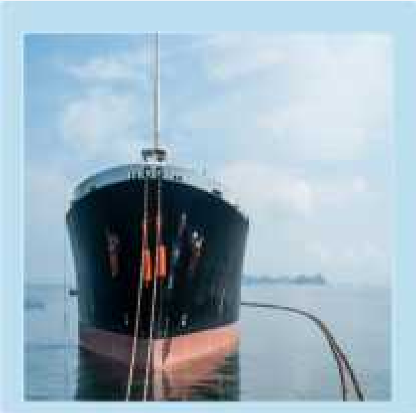
The bottom line of all of that is that U.S. producers will be able to continue increasing overall production without having to reactivate hundreds of new rigs, and will be able to continue to profitably drill an increasing number of prospects without further elevation in the price for crude.

Thus, Minister Al-Falih has engaged in a premature spiking of the football of his own. Yes, the Saudi/OPEC effort to cripple the U.S. shale industry did produce significant damage, but the U.S. oil and gas industry is amazingly resilient and innovative, and much harder to kill than OPEC countries anticipated .

The proper football analogy here is this: OPEC and U.S. shale producers are engaged a tie ballgame right now, a fierce, low-scoring defensive struggle. Neither side is likely to win anytime soon, and indeed, the contest is almost certain to go into an overtime period that will last for years to come. And every time one side or the other believes it is about to score the winning touchdown, its receiver will inevitably spike the football at the one-yard line. Only a fundamental shift in current market conditions can produce a final winning score.

Will rising Libyan oil production ruin the OPEC deal?

Petroleum Economist, *16.01.2017*



Libyan oil production has tripled since September, when the Tobruk government's forces captured key oil ports in the Sirte basin. Exempt from the Opec cuts agreed in November, Libya could add much more supply in the coming months - but growth will depend on the country's civil conflict. Further disruptions are possible too.

Output in early January was around 0.7m barrels a day, compared with just 290,000 b/d in August. The sharp rise was possible only after the Libyan National Army (LNA) ousted the Petroleum Facilities Guards from the key Sirte basin oil ports of Es-Sider, Ras Lanuf and Zueitina (200,000 b/d).

The PFG, ostensibly allied with the UN-appointed government in Tripoli, had demanded cash payments to open the ports. The LNA's swift expulsion of the PFG changed all that. Its leader, Khalifa Hafter, handed control of the infrastructure to National Oil Company, the state firm, enabling the restart of much Sirte production. (Brega, another port, but that was not held by the PFG, is now also under NOC's control.)

Further output growth will be vital for Libya's shattered economy. NOC says the country's technical production capacity is now 1.2m b/d - 400,000 b/d less than Libya was producing before the Arab Spring in 2011. But further growth to reach even that lower level will be more difficult to sustain than the recent surge.

Mustafa Sanallah, NOC's chairman, said recently that output of 0.8m b/d is possible soon, but depends on getting $2.5bn to repair pumps, pipelines, storage tanks and other equipment damaged by war and neglect. Without that investment, he cautions that production could fall back to 0.52m b/d as facilities wear out. But Sanallah has also talked of pumping more than 1m b/d in the coming months.

Opec - and the oil market - will watch all this carefully. Libya produces light, sweet crude oil, so its fluctuating output has an effect on Brent prices that is disproportionate to its volume. Another 0.5m b/d from the country would account for almost half of the cuts agreed by the group's other members.

Late December brought good news for Libya, but not for Opec. Production in the country's southwest, which had been blocked for more than a year, came online after militias from Zintan ended their blockade of pipelines exporting oil from the Sharara and El Feel to ports west of Tripoli. Zintan supports Tobruk. Other militias controlling the fields themselves agreed to re-open them (despite still fighting one another). The extra oil from the 360,000-b/d-capacity Sharara so far amounts to about 120,000 b/d, but should keep rising.

El Feel's restart is imminent, but will take some time to reach its capacity of 100,000 b/d. Neither field has suffered the kind of war damage affecting some assets in the Sirte basin. However, even in the Sirte basin, production has enjoyed a healthy revival. Germany's Wintershall is now producing about 35,000 b/d from its eight fields at concessions 96 and 97. Production at Waha, a joint venture between NOC and US companies ConocoPhilips, Hess and Marathon Oil that was also shut until September, has reached 50,000 b/d at its five fields. The consortium expects to produce 75,000 b/d by March.

The bigger recent gains have come from NOC's subsidiary Agoco, which had been hamstrung in recent months by power failures, among other problems. Production at its Sarir field has more than doubled in recent months, from 150,000 b/d to 320,000 b/d.

But bottlenecks remain. Wintershall has diverted shipments to Ras Lanuf, primarily a refinery, because of a shortage of storage tanks at nearby Es-Sider - 17 of its tanks were destroyed or damaged in fighting in December 2014 and by IS a year later. NOC says total throughput capacity from the two main ports in the Sirte basin will remain around 200,000 b/d, until the tanks are repaired.

The biggest threat to growth is further conflict. The Tobruk parliament has its own government, and has refused to accept the authority of the Government of National Accord (GNA), which was appointed by the UN in December 2015. The GNA, unelected and largely unloved by any of Libya's myriad groups, is in chaos: three of its nine-strong presidency recently quit. The GNA hangs on, just, in Tripoli, but only at the rapidly eroding grace of several Islamist militias that control the capital.

Control of oil and gas, which accounts for 95% of Libya's export earnings, has become the key military objective of the war. "The civil war is guided by the war for the oil," Sanallah told Petroleum Economist in August. "Everyone wants to govern the oil."

That kind of uncertainty will affect longer-term plans for more exploration and fresh upstream development. "There's a difference between upstream companies and service companies," says Stuart Amor, managing director of FTI Consulting. "The service companies can be more proactive, they can get in and out relatively quickly as the political and security situation changes. It's different for the majors. They have to take a longer-term view and are generally less willing to take the risk with capital investment."

For now, at least NOC has stayed above the political fray, officially beholden to both warring governments while in practice self-governing. But that may not last. The civil war is asymmetric, with Tobruk controlling the bulk of oil production while the GNA, by dint of international recognition, has title to oil revenues.

General Hafter and his LNA are trying to extend their reach over Libyan territory, especially its oil infrastructure; and his enemies, not least powerful Misratan militias, have already sought to break his hold on the Sirte basin and on key strategic areas of Libya's south and west. All this leaves analysts cautious about betting on sustainable production growth. "Libya is lifting output more quickly than we had expected," says Giovanni Staunovo, commodity analyst at UBS.

"However, to see production marching sharply higher from current levels, tribal agreements need to hold. We remain cautious on the outlook for Libyan production over the coming months." While divided government is not fatal to Libya's production gains, continuing civil war may well be. "A political settlement is not necessarily a precondition for an increase of oil production, but a sufficient level of security certainly is," says Wolfgang Pusztai, of the National Council on US-Libya Relations and Austria's former Libya defence attaché.

Russia state fund chief sees alliance with OPEC lasting years

Reuters, *19.01.2017*

A Russian official, who last year was first to predict that Moscow could cut oil output in tandem with OPEC, believes such cooperation can now last for years, strengthened by cross border investments between Saudi Arabia and Russia.

Last year Kirill Dmitriev, who runs Russia's $10 billion state Direct Investment Fund and has close ties to the government and the Kremlin, spoke about a possible joint action after meeting Saudi officials at the World Economic Forum. Russia agreed to cut output together with OPEC last month and Dmitriev, now says it is only the beginning of a long-term alliance between the world's two biggest oil exporters.

"This is the trend of the future. For a long period of time it was not possible because of political obstacles. But today this trend is strengthening including because of Russia's active role in the Middle East," Dmitriev told Reuters.

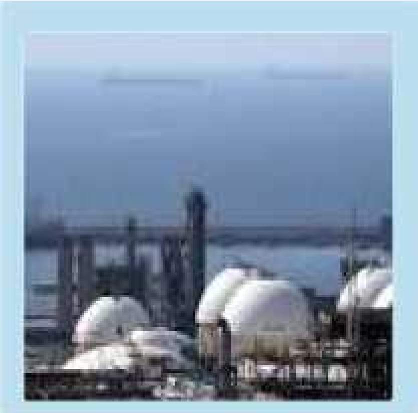
Russia is effectively fighting a proxy war with some key OPEC members such as Saudi Arabia, the United Arab Emirates and Qatar in Syria after Moscow sent its planes and troops to help President Bashar al Assad win a multi-year conflict.

But despite huge political tensions with some key OPEC members, Russia was able to find a compromise with the Organisation over cuts. Also in December, key Saudi ally Qatar agreed to invest 2.5 billion euros ($2.7 billion) in buying shares in Russian state oil major Rosneft.

"We are building a factory of trust when we do one, two, three deals which will lead to big, important energy alliances. To a big extent what we are seeing today is OPEC 2.0 because it is not OPEC alone anymore but OPEC plus Russia," said Dmitriev. "An alliance of such energy players as Saudi Arabia and Russia signals great investment potential for the future".

Dana Gas says 1 billion barrels of oil in way of ending glut

Oilprice, *17.01.2017*



Almost 1 billion barrels of oil held in inventories must be used up before global supply and demand are closer to balance, Dana Gas PJSJ Chief Executive Officer said.

"We still have a significant global storage of oil, close to a billion barrels," Allman-Ward said. Dana Gas, based in the United Arab Emirates, explores for and produces natural gas in the Middle East. Gas is often sold at prices linked to crude oil. The OPEC and 11 other producers, including Russia, agreed to cut output by a collective 1.8 million bpd to remove a surplus that had kept crude prices languishing at about $50 a barrel for the past two years.

The six months of cuts are scheduled to expire in June. Brent crude, an international benchmark, was 62 cents higher at $56.48 a barrel in London at 11:53 a.m. local time. "There is some optimism that with the balancing that was already taking place from the third quarter of last year, that there would not be necessity for continued cuts," Allman-Ward said. "We'll need to work that storage away before we can really say we're in a firm supply-demand balance."

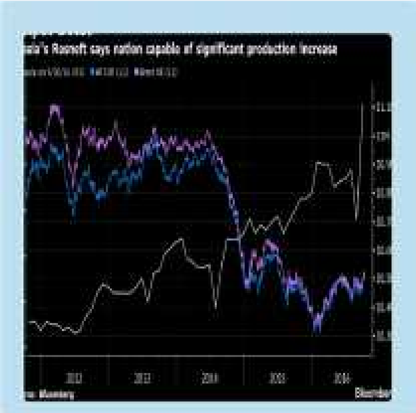
The potential for increased production from Libya and Nigeria will mean price volatility in crude for the rest of the year, he said. "There's a lot of latent capacity in the system that is still not produced from Libya and Nigeria, and of course the oil shale is coming back in a big way," the CEO said.

Dana Gas is still owed more than $260 million from the Egyptian government and in excess of $720 million from the Kurdish region in northern Iraq, he said. "In Egypt, as the macroeconomic position continues to improve, we are more hopeful" about getting paid back, Allman-Ward said. From the Kurdish region, "we are getting paid, small amounts, and we hope that that will continue and ultimately we'll be able to recover the full amount."

The company has three exploration blocks in Egypt, and "we've got some very exciting news I hope to be able to talk about in the very near future," he said. If it is successful, it could have gas "in the trillions of cubic feet," he said. "The first signs are encouraging."

Russian gas crisis: War with Ukraine affects energy flow in Europe

International Business Times, *14.01.2017*



Ukraine is increasing its reliance on European gas more than a year after it stopped purchasing energy from Russia over its annexation of Crimea. Ukraine started purchasing gas from French Engie last week in a costly show of defiance toward the Kremlin's outsized influence in the region.

Kiev is paying 20 percent more for gas now than it did when it purchased Russian energy. The fuel runs through the Hermanowice pipeline in southeast Poland every day, putting a strain on Ukraine's already difficult budget crisis. Ukraine counted on a loan from the EBRD to buy 1.8 bcm of gas from Western Europe companies in 2016.

Russia has tried to win Ukraine back by offering a discounted price of $186 per thousand cubic meters, nearly 20 percent less than the average rate Kiev is paying European companies for its fuel these days.

The Ukraine's boycott is also hard to sustain in part because much of the gas Ukraine is purchasing from third party suppliers in Europe originates in Russia, attributing to the markup in prices. The higher fees are being passed down to Ukrainian consumers, who have seen the average utilities bill for a one room apartment grow to about $40 in the summer and $110 in the winter.

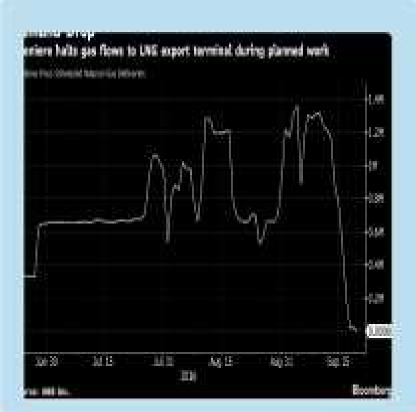
European Union officials meet with their counterparts in Russia and Ukraine in December to try to negotiate a resolution. Ukraine stopped buying from Russia's Gazprom in November 2015. Conflicts with Russia in the past have seen shortages during the freezing winter months in some EU nations.

In all, Russia delivers about a third of the gas flowing into the European Union. Ukraine is a crucial part of this structure because about 40 percent of Russia's EU-bound gas gushes across its territory, representing more than 10 percent of Europe's fuel supply. Ukraine has promised to protect the stable transit of gas to Europe.

The Organization for Security and Co-operation in Europe said last week conflict between Kiev and the pro-Russian insurgency in eastern Ukraine hasn't improved. The OSCE's new chairman, Austrian Foreign Minister Sebastian Kurz, said an international armed police presence is needed in the region to close Ukraine's porous eastern border with Russia, which is used by rebels to bring in weapons and supplies. The conflict has killed 10,000 people since 2014. Russia has defended its annexation of Crimea, while Western leaders have expressed concern that Moscow will enter other Eastern European nations.

Germany: EU gas balancing network code update

ICIS, *20.01.2017*



German regulator BNetzA cannot guarantee that it will abandon its interim balancing platform by 2019, despite it preventing the country from fully implementing the EU-prescribed network code.

It is the country's splintered balancing regions that makes abolishing the platform difficult. "In accordance with GaBi Gas 2.0, the current balancing platform will remain in place for balancing products that are currently not tradable on the exchange until 16 April 2019," a BNetzA spokesman told. The market area managers NCG and GASPOOOL are reviewing annually whether or not to continue using the current system.

To balance the German gas grid, NCG and GASPOOL are currently using a merit order list that prescribes an order of action on how to balance the system. If the grid is out of balance, the operators first have to try to buy or sell balancing volume on the PEGAS exchange. Near-term products such as within-day, day-ahead and hourly products can be traded.

If buying or selling required volume on the bourse is not possible, market area managers can venture out to the neighbouring Dutch TTF hub and the ICE exchange to balance the grid. In the unlikely event that the TTF could not provide balancing gas, the area managers would fall back to using standardised long-term option products.

On 1 October 2016, an additional level was established that provides the last step before parts of the country's industry has to be switched off forcefully. Under the demand-side management (DSM) tool, volunteering industrials would cut high- and low-calorific gas consumption to help balance the grid in case of an emergency in exchange for a fee. Interest in volunteering, however, was limited.

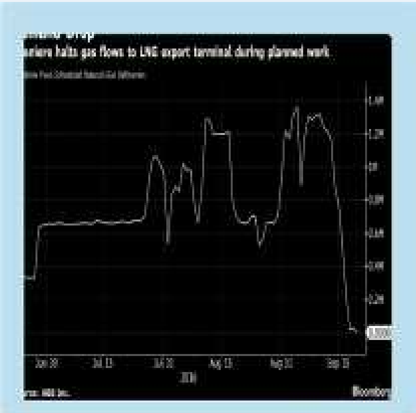
Except for a marginal percentage, high-calorific balancing volume is usually purchased and sold on PEGAS. Due to lower liquidity, the share of TTF-balanced low-calorific gas makes up a larger part. "Due to the increased use of exchanges for balancing product trade, the importance of the current platform decreased. However, the two market area managers still find the current balancing platform necessary," BNetzA said.

This is because not all balancing products needed to guarantee network stability are offered on the bourse, according to the regulator. Also, Germany's two balancing zones are further separated into high- and low-calorific zones which makes physical balancing more of an issue. This complicates the use of a virtual title transfer as it would be more difficult to guarantee physical balancing in all parts of the country. The European Agency for the Cooperation of Energy Regulators (ACER) has pointed out in a paper published in November 2016 that "Germany provides little information about linepack levels or the extent to which linepack variations can be accommodated on the system".

Both market area mangers publish at the beginning of each gas day and as a forecast at the end of each gas day an aggregated balancing status of the regional grid groupings. The managers are also publishing a rough indication of system balance. Both fulfil EU standards but the agency is hoping for more details such as hourly real-time updates as in the Netherlands and Britain. However, further details on system balance are “imaginable but not currently planned,” BNetzA said.

‘Permania’ grips the US shale oil industry

Financial Times, *20.01.2017*



The region was already in high demand for acquisitions, and a couple of deals a combined value of almost $10bn have confirmed Permian assets are still the most sought-after for companies seeking to increase their US oil production.

Asset prices have been bid up to the point that some observers are starting to ask if they are unsustainable. As one respondent to a recent survey for the Federal Reserve Bank of Dallas put it: “Permian transactions are approaching price multiples associated with a bubble or a Ponzi scheme”, reminiscent of the property boom of the early 1980s or the technology bubble of the 1990s.

As in the dotcom bubble, there is a technological revolution underlying the inflation of asset prices. Spurred by the slump in crude prices that began in 2014, shale oil producers across the US have been cutting costs and boosting productivity.

The Permian region has weathered the downturn the best. Since April 2015, oil production has dropped 19 per cent and 37 per cent respectively in the shale areas of Bakken in North Dakota and Eagle Ford in south Texas, according to the US Energy Information Administration. However, in the Permian it has risen 14 per cent.

The best parts of the Permian are now among the lowest-cost sources of new oil anywhere in the world, according to Wood Mackenzie, the research company. There are some large packages of drilling rights available, and companies with the financial strength to make acquisitions have been taking full advantage.

In 2012 there were 21 merger and acquisition deals involving Permian assets. Last year there were 66, representing about a third of the total number of transactions in the US onshore oil and gas sector.

Valuations have also been soaring. In 2012, Concho Resources paid $1bn, or about $5,000 per acre of drilling rights, for the assets of the Three Rivers companies in the Delaware and Midland basins, which are sections of the Permian. Last August Concho paid $1.6bn for operations with drilling rights on 40,000 acres in the Midland Basin, giving a valuation of about $28,000 per acre.

In the highest-priced deal last year, QEP Resources paid $600m for assets, which worked out at about $58,000 per acre. Those comparisons are never precise, because no two areas are identical, but they give a sense of how dramatically prices have risen.

The two deals announced this week confirmed the market was still healthy. ExxonMobil is paying up to $6.6bn in cash and stock to the low-profile billionaire Bass family, for companies with 275,000 acres of drilling rights, with 250,000 of those in the Permian. That works out at $24,000 per acre.

Noble Energy has agreed to buy Midland-based Clayton Williams Energy for $3.2bn including debt, valuing its drilling rights at about $35,000 per acre. The value of Permian assets has been transformed by advances in production technology. Following the initial breakthroughs in hydraulic fracturing, horizontal drilling and seismic surveying that first made oil production from shale viable in 2009-10, companies have continued to innovate to boost output and cut costs.

One of the motives for acquisitions has been for producers to secure larger patches of contiguous acreage, so they can drill more efficiently. From a single “pad”, horizontal wells can be drilled like the spokes of a wheel, cutting down the time spent moving rigs.

Companies have also been experimenting with tighter spacing of the clusters of perforations punched through the steel well casing and into the shale rock to crack it. Pioneer Natural Resources, one of the leading producers in the Permian, said last year that it had gone from spacing perforation clusters 60ft apart to having them 30ft apart, and was experimenting with 15ft.

More intensive well completions such as these are more expensive, but they can also be much more productive. Peak production for wells in the Midland and Delaware basins was about 35 per cent higher in 2016, according to Drillinginfo, a data and analysis company.

At the end of 2011, the Permian was adding 101 barrels per day of new oil production per rig in the region, according to the EIA. Next month, it will be 660 barrels per day per rig: a sixfold increase in just five years. As a result, many companies find it commercially viable to bring Permian wells into production, even with US crude at today’s levels of about $52 per barrel.

The number of rigs in the region drilling horizontal oil wells has nearly doubled from its low of 116 last May, reaching 221 last week, according to Baker Hughes, the oilfield services group. That increase is likely to continue. The problem for the region is that as increased drilling also raises US crude production, it will put downward pressure on prices.

Opec, the oil producers’ cartel, has been a big help to US exploration and production companies by securing an agreement last year to curb output, but that is scheduled to last only six months. Not all analysts agree that the prices being paid for Permian assets are excessive. Drillinginfo has estimated that even QEP’s deal last year could still be profitable with US crude above $31.50 per barrel. But Wood Mackenzie thinks that on average the Permian deals announced in 2016 need oil at $67 per barrel to break even.

In the long term, the future of the Permian looks bright. The region has many layers of oil-bearing shale, and companies are only just beginning to explore the potential of those multiple zones. But if oil prices falter, companies that have been overambitious with their acquisitions will face difficulties.

“If history holds true,” says Benjamin Shattuck of Wood Mackenzie, “the tail-end of the boom is when the cliff edge back to reality emerges.” A critical factor in sustaining the US shale industry through the oil price downturn has been the support of the capital markets, and particularly equity investors. US exploration and production companies raised a record $34.1bn in equity financing last year, according to Dealogic, and often they issued shares to make acquisitions.

RSP Permian, for example, in October announced a $2.4bn cash-and-shares deal to buy two companies called Silver Hill with assets in the Delaware Basin, a section of the Permian Basin. This involved a stock issue to raise about $870m to finance the cash component of the transaction. PDC Energy similarly announced in August a $1.5bn deal to buy two privately held companies operating in the Delaware Basin, and then in September a $500m share issue to help finance it.

The trend has continued into 2017, with Parsley Energy, another Permian-focused company, last week agreeing deals for assets in the Midland and Delaware basins for $650m, and launching a share issue that raised $770m. That plan, from a company that was active in buying assets in 2016, too, received an initially sceptical reaction from the stock market, but its shares have since rebounded.

Investor appetite for US E & P company equities will probably be put to the test this year with several initial public offerings, according to Bill Nelson of Haynes and Boone, the law firm. They will follow Extraction Oil & Gas, which in October became the first US E & P company to float for more than two years.

Announcements & Reports

► *The Phases of Saudi Oil Policy: What Next?*

Source : OIES
Weblink : https://www.oxfordenergy.org/publications/phases-saudi-oil-policy-next/

► *Natural Gas Weekly Update*

Source : EIA
Weblink : http://www.eia.gov/naturalgas/weekly/

► *This Week in Petroleum*

Source : EIA
Weblink : http://www.eia.gov/petroleum/weekly/

Upcoming Events

► *European Gas Conference*

Date : 23 - 25 January 2017
Place : Vienna, Austria
Website : http://www.europeangas-conference.com/

► *Oil & Gas IP Summit*

Date : 24 January 2017
Place : London, United Kingdom
Website : https://oilandgasip.iqpc.co.uk/

► *North Africa Oil & Gas Summit*

Date : 26 January 2017
Place : Milan, Italy
Website : http://nas.theenergyexchange.co.uk/

► *International Conference on Oil & Gas Projects in Common Fields*

Date : 07 – 08 February 2017
Place : Amsterdam – The Netherlands
Website : http://www.waset.org/conference/2017/02/amsterdam/ICOGPCF

► *19th International Conference on Oil and Gas Projects in Common Fields*

Date : 07 – 08 February 2017
Place : Bangkok - Thailand
Website : http://www.waset.org/conference/2017/02/bangkok/ICOGPCF

► *Cuba Oil & Gas Summit 2017*

Date : 07 – 09 February 2017
Place : Havana - Cuba
Website : http://www.cubaoilgassummit.com/

► *Iran LNG & Gas Summit*

Date : 14 – 16 February 2017
Place : Frankfurt, Germany
Website : http://www.iranlngandgas.com/

► *Australasian Oil & Gas Exhibition & Conference (AOG)*

Date : 22 – 24 February 2017
Place : Perth - Australia
Website : http://aogexpo.com.au/

► *LNG Summit*

Date : 23 – 24 February 2017
Place : Houston – United States
Website : http://lng-usa.com/

► *Nigeria Oil & Gas Conference & Exhibition*

Date : 27 February 2017
Place : Abuja - Nigeria
Website : http://www.cwcnog.com/

► *15th Global Oil & Gas Turkey*

Date : 15 – 16 March 2017
Place : Istanbul - Turkey
Website : http://www.global-oilgas.com/Turkey/Home/

► *New Zealand Petroleum Conference 2017*

Date : 21 March 2017
Place : New Plymouth - New Zealand
Website : http://www.petroleumconference.nz/

► *CIS Oil & Gas Summit*

Date : 26 – 27 April 2017
Place : London, United Kingdom
Website : http://cissummit.theenergyexchange.co.uk/

► *Offshore West Africa*

Date : 06 – 08 June 2017
Place : Lagos, Nigeria
Website : http://www.offshorewestafrica.com/index.html

► *Big Gas Debate 2017*

Date : 14 June 2017
Place : London, United Kingdom
Website : http://www.theenergyexchange.co.uk/big-gas-debate/

► *7th Iraq Oil & Gas Conference*

Date : 28 – 30 November 2017
Place : Basrah, Iraq
Website : http://www.basraoilgas.com/Conference/