

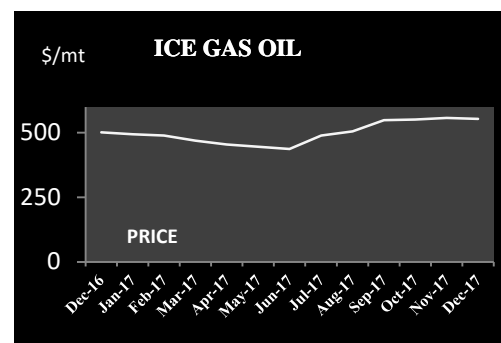
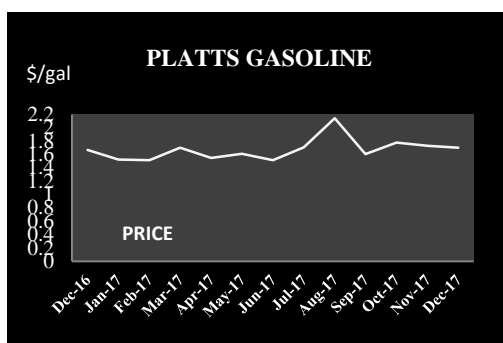
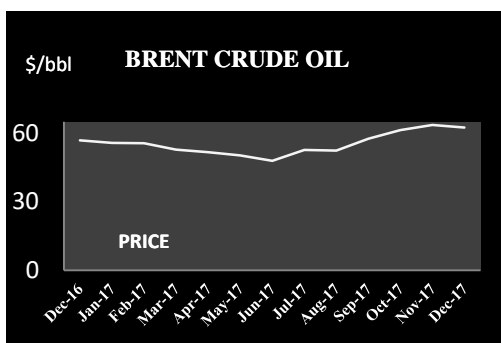
GLADIUS

MARKET REPORT

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LOCATIONS	PMS	AGO	DPK
LAGOS	[MT] 661,845	[MT] 190,220	[MT] 27,430
P.H.	42,654	-	-
DELTA	7,830	-	-
CALABAR	9,983	-	-

GLOBAL	PRICE
BRENT	64.56 \$/bbl
ICE GAS OIL	575.50 \$/mt
PLATTS GASOLINE	1.7353 \$/gal
PLATTS 3.5% FUEL OIL FOB MED	336.921 \$/mt

PRICE (EX DEPOT) NGN / Litre				
	LAGOS	P.H.	DELTA	CALABAR
PMS	155-160	145-160	145-160	145-160
AGO	172-178	180-182	180-181	180-185

FX RATES				
21 /12/17	USD	GBP	EUR	
NGN (PARALLEL MARKET)	361 / 365	479 / 485	422 / 428	
NGN (INTER BANK)	306.15	-	-	
NAFEX	361.31	-	-	

NIGERIA

On Thursday 21st December, the Nigerian National Petroleum Corporation (NNPC) disclosed that every barrel of crude oil sold from Nigeria can now be accounted for. The corporation has achieved a 98 percent automation of all transactions involving the supply, marketing and sale of the various grades and blends of Nigeria's crude oil across the world. Alhaji Mele Kyari, the Group General Manager, Crude Oil Marketing Division of the Corporation stated that the automation exercise has enabled the corporation to achieve an end-to-end monitoring of every barrel of crude oil sold in the country and would be concluded in 2018. Kyari said that the plan was to operate a complete paperless crude oil data management regime in line with the ongoing reforms. The reforms includes: the open bid process of customer selection for lifting and purchase of Nigeria's crude oil grades, emplacement of efficient crude for product import processes, leading to savings of \$1 billion in one year as well as the introduction of improved pricing system, which has evolved into a robust and auditable pricing mechanism. Kyari also explained that the reform had led to the harmonization of Nigeria's crude oil data and lifting information, providing access to major internationally recognized reporting agencies like Platts and Argus Media to achieve real-time reporting of Nigeria's crude oil transactions. Kyari said this development had enabled the country to eliminate the perennial disagreement with its major stakeholder, the Organisation of Petroleum Exporting Countries (OPEC) on actual production and lifting figures. Kyari said NNPC would continue to engage members of the public and other critical stakeholders to keep them abreast of innovations in the supply, marketing and sale of the various grades and blends of Nigeria's crude oil across the world.

Dr Maikanti Baru, Group Managing Director NNPC disclosed that the recently approved contract for the construction of Ajaokuta-Abuja-Kaduna-Kano Gas Pipeline project has started yielding early benefits. Baru said the Corporation in partnership with private investors would build power generating plants with combined capacity of 4600 megawatts in Abuja, Kaduna and Kano States to support the Federal Government's effort to provide stable electricity in the Country. Baru said that "As part of the drive to establish power plants to augment the power supply to the nation, the Federal Executive Council has recently approved the AKK Gas Pipeline project to be financed through Public Private Partnership (PPP). The project comes with other auxiliary ones which include 1350 megawatts, 900 megawatts and 2350 megawatts of power generation plants in Abuja, Kaduna and Kano respectively". Baru also stated that the NNPC in partnership with private investors would also build fertilizer plants in some parts of the country, one of which would be located at Izzon, Niger State. Baru said the NNPC was well-focused on oil exploration in the Bida Basin and once the geological mapping is completed, the NNPC's Integrated Data Services Limited would be engaged to carry out the other aspects of the seismic activities, which would be completed by July 2018. Baru stated the Corporation would go into more detailed 2D seismic data acquisition in the Bida Basin by August 2018, to be followed by an Environmental Impact Assessment exercise in order to establish what the baseline is, which would signify the need or otherwise for the deployment of 3D acquisition facilities.

CAF

CAMEROON

On Thursday, 21st December, Cameroon's National Oil and Gas Corporation - Société Nationale des Hydrocarbures (SNH) announced that the Floating Liquefied Natural Gas vessel (FLNG) - Hilli Episeyo launched the first production tests in mid-December 2017. The commercial exploitation is said to start at the end of the first quarter of 2018. SNH stated that "The Floating LNG project is a first worldwide which places the SNH and its partners at the heart of innovation in the international gas industry. Cameroon, the pioneer of this major project, in fact joins the restricted group of natural gas exporting countries". The floating plant will be supplied in natural gas by the Sanaga and Ebomé gas fields, offshore Kribi. The gas will be extracted from six wells located on the Sanaga field and then processed in Bipaga's facilities, before being conveyed to the floating unit for effective liquefaction. The floating unit will help SNH and Perenco, partners of the association Sanaga-Sud, produce 1.2 million tons of LNG per year for export, 30,000 tons of domestic gas for Cameroonian households and 5,000 barrels of condensate every day.

GLOBAL

On Thursday 21st December, oil prices turned lower as concerns over rising U.S. production continued to weigh, despite the previous session's upbeat U.S. inventory data. The U.S. West Texas Intermediate crude for February contract was down 39 cents at \$57.69 a barrel at 9:50 AM ET (13:50 GMT), while the ICE Futures Exchange in London Brent oil for February delivery was down 24 cents at \$64.31 a barrel. The U.S Energy Information Administration (EIA) weekly report for Wednesday 20th November showed a fall in crude oil inventories by 6.5 million barrels in the week ending December 15, whereas market analysts' expected a crude-stock draw of around 3.8 million barrels.

Oil prices have also been supported after the Forties pipeline was unexpectedly shut down and the pipeline's operator said it is expected to restart in early January 2018. But gains were capped by ongoing fears of the rising U.S. output which could dampen OPEC's efforts to rid the market of excess supplies.

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