



# Daily News Flash

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## Oil Market Brief

### Oil prices dive 3% to three-week low; OPEC crude output up – Reuters

Oil prices sank 3% to a three-week low on Wednesday as an increase in Libyan output helped boost monthly OPEC crude production for the first time this year.



Post-settlement, prices pared some losses as data from the American Petroleum Institute (API) showed crude inventories fell by 8.7 million barrels in the week to May 26 to 513.2 million, compared with analysts' expectations for a decrease of 2.5 million barrels. Brent's premium over the same U.S. month narrowed to its lowest in almost five weeks.

## Top Energy News

### LNG sellers, Asian buyers spar as contract fight brews amid supply glut – Reuters

A spat brewing between Qatar and its biggest customers in Japan underscores rising tensions between LNG buyers and sellers as a supply glut unbalances the market. Qatar Petroleum warned customers in Japan not to press too hard in long-term supply talks, because it could result in Japanese companies being squeezed out of Qatari gas projects. While suppliers have granted more flexible terms on some new contracts, many are worried buyers could seek arbitration to renegotiate contracts.

### Qatar moots raising LNG capacity after lifting North Field moratorium – Platts

Qatar Petroleum is considering raising the production capacity of its LNG trains to handle gas from a new planned project at North Field, QP said in a statement Wednesday. QP signed an agreement with Chiyoda to carry out a detailed study to debottleneck capacity at Qatar's LNG trains. The study is expected to be completed before the end of this year, which will allow QP to kick off the FEED work early next year, it said. QP announced in early April its plan to develop a new gas project in the southern sector of the North Field with a capacity of about 2 Bcf/d for export. This was the first project announced for the field since 2005.

## PRICES

Wednesday 31<sup>st</sup> May 2017

### Brent Futures (\$/bbl)

**50.31**

Daily change  
**-2.95%**  
YTD change  
**-11.46%**

### WTI Futures (\$/bbl)

**48.32**

Daily change  
**-2.70%**  
YTD change  
**-10.05%**

### Henry Hub Futures (\$/mmbtu) – 26<sup>th</sup> May

**3.07**

Daily change  
**-2.35%**  
YTD change  
**-17.53%**

### UK Futures – 26<sup>th</sup> May

**3.71** (GBP/mmbtu)

Daily change  
**-2.37%**

**4.78** (\$/mmbtu)

YTD change  
**-30.82%**

### Singapore SLING (\$/mmbtu)

**5.16**

Biweekly change  
**-1.60%**

## CALENDAR

22<sup>nd</sup> World Petroleum Congress  
9 – 13 July

Green Expo Qatar  
14 – 16 November

173<sup>rd</sup> OPEC Ministerial Conference  
30 November