



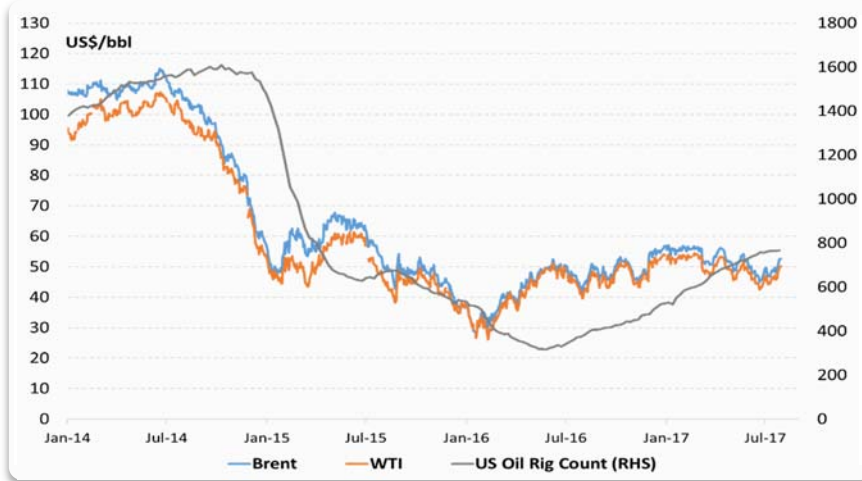
# Daily News Flash

Issue date: 1<sup>st</sup> August 2017

## Oil Market Brief

### Oil at two-month high, ends above \$50 a barrel – Reuters

Oil prices rose to two-month highs on Monday, ending the strongest month of the year for crude futures, boosted in part by expectations of U.S. sanctions against Venezuela's oil sector and as supply concerns have waned in recent weeks.



During the trading day, chatter centered around potential U.S. Treasury sanctions in response to Venezuela's Sunday election which Washington denounced as a "sham." "As far as the oil market is concerned that's a non-event," said James Williams, president of WTRG Economics. "It's just eye candy as far as I can see." Some OPEC and non-OPEC members will meet on Aug. 7-8 in Abu Dhabi to assess how the group can increase compliance with production cuts that began on Jan. 1.

## Top Energy News

### Physical oil market tightens as refiners scramble for crude – Reuters

Physical crude markets are showing signs of tightening as record refinery consumption in the USA coincides with a slowdown in oil exports from the Middle East. U.S. refineries processed an average of almost 17.3 mbd last week, an increase of 0.62 mbd compared to 2016. Fuel consumption by U.S. motorists remains flat but U.S. refineries are seeing higher demand for gasoline and diesel from Latin America. Refinery crude consumption remains high in most other geographical markets, especially in emerging economies.

### U.S. natgas futures drop to five-month low with cooling demand down – Reuters

U.S. natural gas futures on Monday dropped to a five-month low on forecasts for less cooling demand next week than a previous projection and a slow but steady rise in production. Thomson Reuters data projected U.S. gas consumption would slide to 75.0 bcfd next week from 77.2 bcfd this week. U.S. gas production (lower 48 states) climbed to an average of 72.0 bcfd over the past 30 days, up from 70.6 bcfd last year. That was still well short of the 73.6 bcfd in 2015 when output was at a record high. U.S. exports were expected to average 8.4 bcfd this week, up 35% from a year earlier, the data showed.

## PRICES

Monday 31<sup>st</sup> July 2017

### Brent Futures (\$/bbl)

52.65

Daily change  
+0.25%  
YTD change  
-6.20%

### WTI Futures (\$/bbl)

50.17

Daily change  
+0.93%  
YTD change  
-6.61%

### Henry Hub Futures (\$/mmbtu)

2.79

Daily change  
-5.00%  
YTD change  
-24.97%

### UK Futures

3.94 (GBP/mmbtu)  
5.20 (\$/mmbtu)

Daily change  
+2.42%  
YTD change  
-26.50%

### North Asia SLING (\$/mmbtu)

5.80

Biweekly change  
+2.10%

## CALENDAR

Green Expo Qatar  
14 – 16 November

8<sup>th</sup> Bosphorus Summit  
28 – 30 November

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