

OPEC ALREADY OVERCOMPLYING ON QUOTAS AS IT MULLS CUTS: PLATTS SURVEY

BY S&P GLOBAL PLATTS

- OPEC pumps 29.65 million b/d of crude oil in Nov
- 11 members with quotas achieve 145% cut compliance
- Iraq, Nigeria still pumping above cap but getting closer

OPEC is considering deepening its output cuts to stave off a market slump in the months ahead, but its November crude oil production shows that it is already significantly overcomplying with its committed quotas.

OPEC as a whole pumped 29.65 million b/d last month, according to the latest S&P Global Platts survey of the group's production. The 11 members with quotas, including kingpin Saudi Arabia, produced 25.66 million b/d, a 1.18 million b/d cut from their October levels.

That is a compliance rate of 145% -- 368,000 b/d more than the 812,000 b/d in output reductions that OPEC had agreed to under a supply accord with Russia and nine other non-OPEC allies, who had committed to shoulder 383,000 b/d in cuts.

The data indicates that if a proposal to increase the OPEC+ coalition increases its total cuts by an additional 400,000 b/d, as Iraq has proposed, OPEC would be already most of the way there on its own, if the group kept its production steady.

The coalition meets Thursday and Friday in Vienna to discuss the future of the agreement, which expires in March. Not all members appear on board with deepening the cuts, with many preferring an extension at the same quotas.

SAUDIS ARE WELL BELOW QUOTA

Angola was also a major decliner in the month, as maintenance at its Girassol field and depletion of its mature fields led to a 90,000 b/d month-on-month fall to 1.26 million b/d, its lowest level since it joined OPEC in 2007 and began being tracked by the Platts survey.

Iran, which is exempt from the OPEC+ cut agreement, saw its production shrink to 2.15 million b/d, its lowest since April 1988, as it continues to struggle under US sanctions.

Among the gainers, Kuwait surged to 2.71 million b/d, just under its quota, while Ecuador rebounded from October's protests that prompted state oil company Petroecuador to declare force majeure on exports, to pump 520,000 b/d.

Venezuela, also exempt from the OPEC+ deal as it navigates US sanctions, managed to boost its production to 700,000 b/d.

The Platts OPEC figures are compiled by surveying OPEC and oil industry officials, traders and analysts, as well as reviewing proprietary shipping and inventories data. ■

OPEC PRODUCTION (IN MIL B/D)

Country	Nov	Change	Oct
Algeria	1.02	0.01	1.01
Angola	1.26	-0.09	1.35
Congo-Brazzaville	0.31	-0.02	0.33
Ecuador	0.52	0.06	0.46
Equatorial Guinea	0.13	0.00	0.13
Gabon	0.20	-0.01	0.21
Iran	2.15	-0.05	2.20
Iraq	4.64	-0.13	4.77
Kuwait	2.71	0.06	2.65
Libya	1.14	0.00	1.14
Nigeria	1.87	-0.04	1.91
Saudi Arabia	9.90	0.10	9.80
UAE	3.10	0.00	3.10
Venezuela	0.70	0.05	0.65
Total	29.65	-0.06	29.71

OPEC PRODUCTION VS ALLOCATIONS (IN MIL B/D)

Country	Nov	Quota	Over/Under
Algeria	1.02	1.03	-0.01
Angola	1.26	1.48	-0.22
Congo-Brazzaville	0.31	0.32	-0.01
Ecuador	0.52	0.51	0.01
Equatorial Guinea	0.13	0.12	0.01
Gabon	0.20	0.18	0.02
Iraq	4.64	4.51	0.13
Kuwait	2.71	2.72	-0.01
Nigeria	1.87	1.77	0.10
Saudi Arabia	9.90	10.31	-0.41
UAE	3.10	3.07	0.03
Total non-exempt	25.66	26.03	-0.37
Iran	2.15	EXEMPT	N/A
Libya	1.14	EXEMPT	N/A
Venezuela	0.70	EXEMPT	N/A

* Qatar left OPEC, effective January 1.

* In July, OPEC and 10 non-OPEC partners agreed to extend through March 2020 their 1.2 million b/d production cut agreement, which exempts Iran, Libya and Venezuela.

* The next OPEC meeting will be December 5, with the OPEC/non-OPEC meeting due the next day.

The S&P Global Platts OPEC survey, which has been published since 1988, measures well-head crude oil production in each member country.