

ENERGY MARKETS FORUM
DAILY BULLETIN

GI Consultancy
Intelligence
Publishing

THURSDAY /// OCT 28th /// 2021

TOP 10 DAILY NEWS DIGEST

- 1. EIA WEEKLY US OIL INVENTORIES +4267K VS +1914K EXPECTED
- 2. IRAQ ADDS UP TO \$16BN OF OIL REVENUE TO BUDGET
- 3. IRAN SAYS NUCLEAR TALKS BEFORE DEC BUT WANTS \$10BN RELEASED
- 4. UK'S SUNAK CUTS AIR AND FUEL TAXES DAYS BEFORE COP26
- 5. INDIA'S SEPT GASOLINE, JET FUEL EXPORTS FALL
- 6. UAE EARNS BIG AS IRAN SELLS OIL TO CHINA
- 7. JAPAN UTILITIES ASK REFINERS FOR EXTRA OIL AMID SURGING LNG PRICES
- 8. FUJAIRAH OIL PRODUCT STOCKS DIP AMID PLUNGE IN MIDDLE DISTILLATES
- 9. PUTIN ORDERS GAZPROM TO UP EU GAS SUPPLIES IN NOV
- 10. BANK OF CANADA SIGNALS RATE HIKES COULD COME SOONER

RECOMMENDED VIDEOS & REPORTS

- CHINA'S HYPERSONIC MISSILE TEST "VERY CLOSE" TO A "SPUTNIK MOMENT"
- BEIJING SAYS IT'S TIME FOR COMPANIES TO PAY THEIR OVERSEAS DEBTS
- 2MN BRITS GET A RAISE AS MINIMUM WAGE JUMPS TO \$13 AN HOUR
- RUSSIA THREATENS GAS SUPPLY IN EU'S POOREST STATE
- ACTIVIST FUND THIRD POINT CALLS FOR BREAK-UP OF SHELL

Series Supported By:



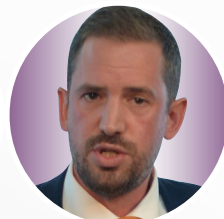
DAILY ENERGY MARKETS FORUM
NEW SILK ROAD
PODCAST



Neil Atkinson
Former Head of Oil Markets Division
International Energy Agency (IEA)



Kate Dourian, FEI
MEES Contributing Editor &
Non-Resident Fellow, The Arab
Gulf States Institute in Washington



Matt Stanley
Director
Star Fuels

CLICK HERE TO LISTEN

DAILY ENERGY MARKETS FORUM
NEW SILK ROAD

TOP 3
THURSDAY /// OCT 28th
TAKEAWAYS

CLICK HERE TO VIEW

Brent is trading this morning at \$83.80/bl down 0.78 and WTI is trading down 0.82 at \$81.84/bl. I don't want to sound like a grumpy old man, but when did Halloween become a thing? I mean of course I remember it as a kid, but back then you'd be lucky if you saw three or four escorted kids on the streets holding out a Bejam's carrier bag full of mini packs of Haribo. Look at it now! People are decorating their houses and this morning I saw a very sweet little girl at my daughter's school dressed as a scary Unicorn. Now please tell how we have got to a point in civilisation that not even a bloomin' Unicorn can escape the



BY MATT STANLEY
DIRECTOR
STAR FUELS

works of Halloween? Oh, I know the same kind of world where the oil market refuses to dip below \$85/bl for too long. The last day or so really has been a pretty brutal one for any in the oil market when

reading the headlines. Fears the US economy recorded weak growth during Q3, rising oil stockpiles in the US and Covid-19 outbreaks in Western Europe, Russia and China are hardly conducive to a market that seemingly was going to do nothing apart from break through \$90/bl earlier this week. The thing is though, is that the issues the market is reading about this morning have always been there. Oil stockpiles have been rising for some time, especially in the US Gulf Coast. Weaker than forecasts GDP numbers in the USA were always in danger of failing as those forecasts were somewhat, ummm? over exuberant? Yes,

let's use that. And of course, the news story that most of the world seems to have firmly in the rear-view mirror now and that is of course COVID-19. Look, I don't want to talk about it as much as you don't want to read about it, but it is still with us, yes, we are learning to live with it but that isn't a free pass to ignore it all together. Over the coming weeks demand for end user goods picks up as we approach the holiday season. And nowhere more will this inconvenience of lack of convenience be more felt than in the shops. All eyes on those supply chain bottle necks. Good day.

Series Supported By:



ENERGY MARKETS FORUM DAILY BULLETIN



Consultancy
Intelligence
Publishing

THURSDAY /// OCT 28th /// 2021

ENERGY MARKETS FORUM Consultancy Intelligence Publishing **Mashreq 60-SECOND SOUNDBITE**

Neil Atkinson

Former Head of Oil Markets Division
International Energy Agency (IEA)

**“Absolutely
COVID-19 is still
with us!”**

[CLICK HERE TO VIEW](#)

Series Supported By:

mashreq  المشرق



ENERGY MARKETS FORUM Consultancy Intelligence Publishing **Mashreq 60-SECOND SOUNDBITE**

Kate Dourian, FEI

MEES Contributing Editor &
Non-Resident Fellow, The Arab Gulf
States Institute in Washington

**“We still have ample
spare oil capacity
within OPEC+”**

[CLICK HERE TO VIEW](#)

Series Supported By:

mashreq  المشرق



DAILY ENERGY MARKETS FORUM NEW SILK ROAD



Consultancy
Intelligence
Publishing

EXCLUSIVE SERIES VIEWS YOU CAN USE

Rustin Edwards

Head, Fuel Oil Procurement
Euronav NV



Any surprise at crude inventories building in what is a tight market?

We are in the seasonal building period for a lot of crude stocks and refinery turnarounds usually increase going into October and November. We currently have roughly 11.5 million barrels of refining capacity offline, of which about 7.5 million is for maintenance. So, crude stock builds and product draws are not a surprise. That will flip come November as refineries come back.

Any relief in shipping bottlenecks?

Unfortunately, they are still there. The US Bureau of Labor Statistics recently cited 80,000 job openings for truck drivers, and I would imagine we would have similar issues in Europe. Freight rates on tankers are picking up on demand for dirty and clean products and we also see the jet fuel arbitrage opening from east to west as borders and flights open up. Meanwhile, dry bulk has started to see a pullback in value because of curtailments in demand centers like China, which are releasing strategic stocks, causing less demand to come from the shipping sector.

Expectations for shale given profit surges for majors and some independents?

The amount of hiring going on in the Permian Basin has been on a tear over the last five months. They're also hiring more specialists on the recovery and operational side versus just general labor. Shale will come back. The lack of foreign investment has really put a crimp on how low oil prices can go. Unless we have a major economic breakdown and prices correct below \$60, we could see oil at \$100 in 2022 and 2023 as the lack of investment starts to bite.

What's the appetite for more stimulus from the US government?

The high cost of goods, transportation and freight is going to lead to an inflation bomb. We're already starting to see it and it will impact economic growth through Q4 and into the first half of 2022. ■

**Paraphrased comments*

Copyright © 2021 GULF INTELLIGENCE FZ LLC. All Rights Reserved.

Registered at Dubai Creative Clusters Authority. Registered Address: DMC 9, Office 310, Dubai Media City, PO Box 502466, Dubai, UAE.

Series Supported By:

