

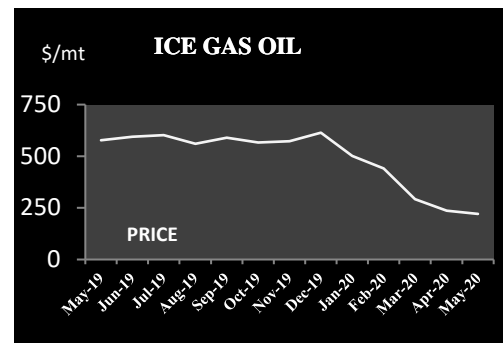
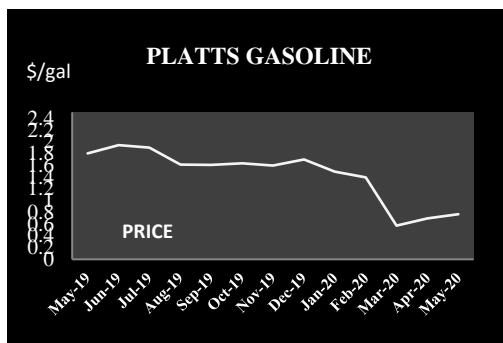
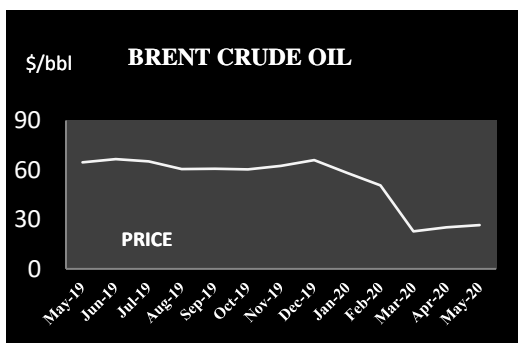
GLADIUS

MARKET REPORT

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LOCATIONS	PMS	AGO	DPK
	[MT]	[MT]	[MT]
LAGOS	1,572,822	134,937	-
P.H.	56,975	30,000	-
DELTA	51,297	23,000	-
CALABAR	29,903	-	-

NIGERIA

Nigeria is set to review its oil export programs downward for May and June to conform with the global production cut agreement led by the Organization of the Petroleum Exporting Countries (OPEC). The Nigerian National Petroleum Corporation (NNPC) has also released its crude Official Selling Prices (OSPs) for May, cutting values for all its grades. The Qua Iboe grade run by Exxon Mobil has been cut from an original May program of 215,000 barrels a day (bpd) to 95,000 bpd. Many other grades are expected to take a cut which is set to be announced by NNPC shortly.

Many local modular refineries are set to take off in the coming years due to the production cuts and general low oil prices. The Director of the Department of Petroleum Resources (DPR), Mr. Sarki Auwalu announced that four modular refineries are more than 60% complete. The Opac refinery in Delta State with 7,000 bpd capacity is at 95% mechanical completion, the Walter Smith Refining & Petrochemical Limited, a 5,000-bpd capacity refinery at 85% complete. Mr. Auwalu stated that lower oil prices are better for the modular refinery, as they require just a bit of crude oil to function and refining in Nigeria will reduce the need to largely export its refined products and, in the process, reduce the burden on foreign reserves and foreign exchange.

WAF

EQUATORIAL GUINEA

North American Company VFuels Oil & Gas Engineering (VFuels) has been awarded the feasibility study for the construction of a modular refinery in Punta Europa, Malabo by the Ministry of Mines and Hydrocarbons, supported by strategic partner, Marathon Oil Corp. VFuels will be in charge of the feasibility study that will include the engineering and design of a 5,000 bpd modular refinery to supply refined products for domestic consumption. The study is expected to be delivered within 12 weeks of the contract's signature. This project is part of the initiative of the Year of Investment 2020 promoted by the Ministry of Mines and Hydrocarbons, which is seeking investments for a modular refinery in the continental region, storage tanks and the promotion of other projects derived from methanol, among others. H.E. Gabriel Mbaga Obiang Lima, Minister of Mines and Hydrocarbons stated "This is an important step when it comes to implementing this project with an important goal to prevent stockouts and provide refined products of higher quality to economic operators and the general public. The experience and track record of VFuels in engineering and design of modular refineries at an international level could be beneficial to this project and Equatorial Guinea." The award notably follows a meeting in January between H.E. President Obiang Nguema Mbasogo, H.E. Gabriel Mbaga Obiang Lima, Marathon Oil Chairman, President and CEO Lee Tillman and Executive Vice President Mitch Little during which Marathon Oil reiterated its commitment to Equatorial Guinea and towards the development of the country's Gas Mega Hub. Marathon Oil had then declared its support to construct a modular refinery in Punta Europa by undertaking a conceptual study on the Ministry's behalf. Both parties had also agreed to immediately commence feasibility studies related to methanol to gasoline and other methanol derivatives, in coordination with the Ministry of Mines and Hydrocarbons.

GLOBAL

On Thursday 30th April, oil prices jumped buoyed by signs that move to correct the U.S. crude glut may be having some effect and fuel demand battered by COVID-19 restrictions is starting to pick up. The U.S. West Texas Intermediate (WTI) crude futures traded 17% higher at \$17.68 a barrel, at 10:15 AM ET (14:15 GMT), while Brent crude futures rose 10% to \$26.68. The U.S. Energy Information Administration (EIA) in its weekly report for Wednesday 29th April showed a rise in crude inventories by 9 million barrels to 527.6 million barrels for the week ending April 17, against analysts' expectation of 10.6 million-barrel.

Oil prices are experiencing a historic slump. The international benchmark Brent crude remains near the lowest since 2002, trading at \$25 a barrel in London, while U.S. futures fell briefly below zero last week. The International Energy Agency (IEA) Global Energy Review said global oil demand is poised to slump by 9 million bpd, or about 9%, in 2020 to the lowest level since 2012, as transportation came to a virtual halt due to the coronavirus outbreak. Meanwhile, major oil producers suffered damages due to low oil prices. Royal Dutch Shell cut its dividend for the first time since the Second World War, while ConocoPhillips has decided to nearly double its production cuts to a net 420,000 bpd in June, from 230,000 bpd in May. On a positive note, Norway, western Europe's biggest oil producer joined international efforts to curb supply for the first time in almost two decades. Norway's Petroleum and Energy Ministry said the country will cut production by 250,000 bpd a day in June and 134,000 bpd in the second half of the year.

GLOBAL	PRICE
BRENT	22.54 \$/bbl
ICE GAS OIL	208.50 \$/mt
PLATTS GASOLINE	0.7272 \$/gal
PLATTS 3.5% FUEL OIL FOB MED	89.807 \$/mt

PRICE (EX DEPOT) NGN / Litre

	LAGOS	P.H.	DELTA	CALABAR
PMS	113.5-115	-	113	113.28-116.50
AGO	158-163	-	165	176-183

FX RATES

30/04/2020	USD	GBP	EUR
NGN (PARALLEL MARKET)	435/450	500/510	430/445
NGN (INTER BANK)	361.00	-	-
NAFEX	387.30	-	-

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