

## Oil Market Monthly Report

October-2014

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**Oil prices continued the downward movements during Sep-14 for the third consecutive month** in a row across all baskets as sluggish demand, ample supply and a strong US dollar continued to be the key points pressuring the oil market since the end of June this year.

**OPEC Reference Basket dropped to an average of USD 95.9/b in September**, the lowest level since June-2012, down substantially by USD 4.77/b or around 4.7% below last month's price level when it reached an average of USD 100.75/b, and closed the month at a low of USD 94.17/b. Moreover, the basket saw a further drop during the first half of October by around 8.8%, to reach a low of USD 85.93/b as of 13-Oct-2014 and average USD 89.1/b, a level last seen since early Dec-2010.

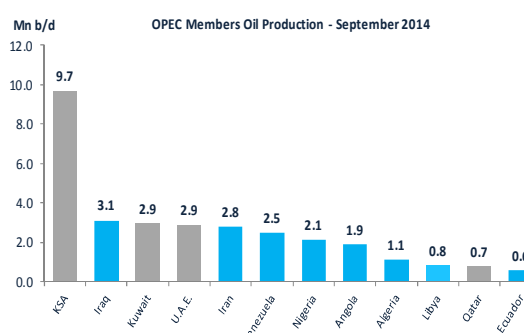
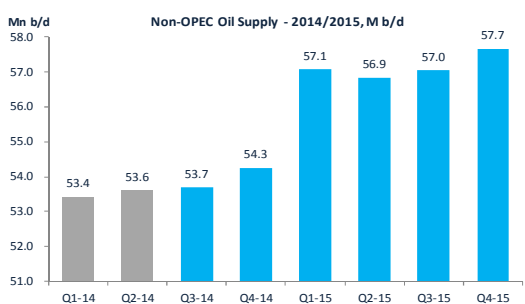
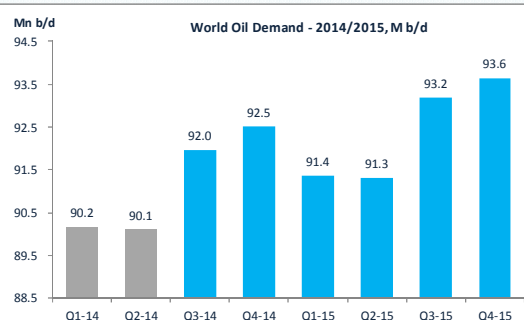
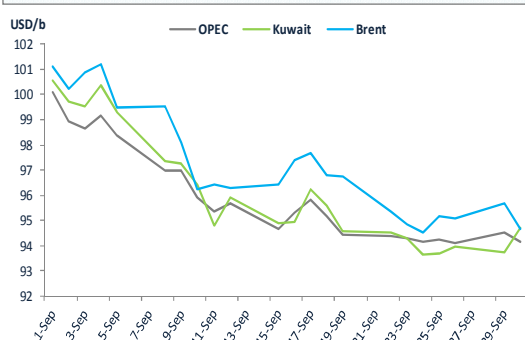
**Total world oil demand growth for 2014 is estimated at 1.05 Mn b/d**, or an increase of 1.17%, to stand at 91.19 Mn b/d compared to 90.14 Mn b/d for the year 2013. According to OPEC Monthly Report, the forecast growth is supported by positive performance from China, Brazil and Saudi Arabia, offsetting lower-than-expected growth in some OECD regions.

**Total world oil demand for 2015 is projected to expand at a higher rate than the previous year**, growing by 1.19 Mn b/d from the 2014 level to average around 92.38 Mn b/d. The expected growth level in 2015 of around 1.31% implies an increase of 0.14 Mn b/d from the growth forecasted for this year.

**Total non-OPEC supply is estimated to have averaged 55.91 Mn b/d by the end of 2014**, an increase of 1.68 Mn b/d or 3.1%. This growth is mainly attributable to higher oil supply from OECD Americas which is estimated to have increased their supplies by 1.50 Mn b/d during 2014.

**OPEC production increased by 1.4% during Sep-14**, to stand at 30.93 Mn b/d, a jump of 0.413 Mn b/d compared to last month. This surge in oil output came mainly from a higher production by Libya, Angola, UAE, Kuwait as well as KSA all together adding a total of 0.55 Mb b/d during the month, while partially offset by the lower production in Nigeria, Algeria and Iran.

**Saudi Arabia share of production during Sep-14 stood at 31.2%** to register a production of 9.65 Mn b/d as compared to 9.6 Mn b/d in Aug-14, followed by Iraq, Kuwait and UAE at 10% (or 3.01 Mn b/d), 9.5% (or 2.94 Mn b/d) and 9.2% (or 2.85 Mn b/d) respectively, while Iran's share of production dropped to 9.0% compared to last month's level of 9.2%, with a lower output by 20,000 b/d. The share of production by the GCC states represented 58.1% or 16.18 Mn b/d of total OPEC-11 which stood at 27.8 Mn b/d in Sep-14.



Source for the above charts : OPEC and Bloomberg

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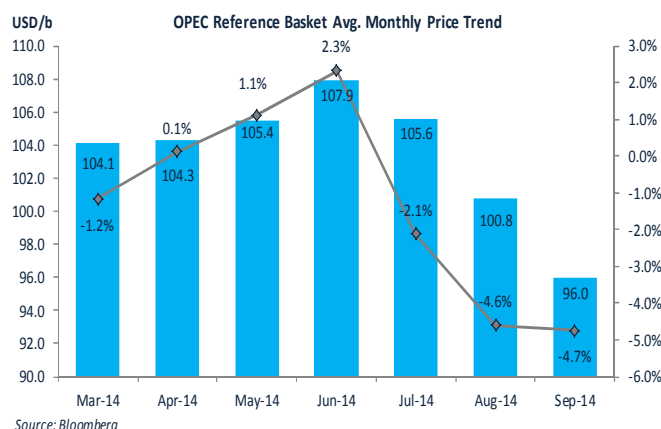
## Oil Prices

Oil prices continued the downward movements during Sep-14 for the third consecutive month in a row across all baskets as sluggish demand, ample supply and a strong US dollar continued to be the key points pressuring the oil market since the end of June this year. Likewise, Oil futures fell to their lowest point in more than a year and half, According to OPEC Monthly Report, as high output mainly from the Middle East and the United States outweighed fears of supply disruptions. This is in addition to the pressures from the weak economic data from the world's biggest energy consumers.

OPEC Reference Basket dropped to an average of USD 95.9/b in September, the lowest level since June-2012, down substantially by USD 4.77/b or around 4.7% below last month's price level when it

reached an average of USD 100.75/b, and closed the month at a low of USD 94.17/b. Moreover, the basket saw a further drop during the first half of October by around 8.8%, to reach a low of USD 85.93/b as of 13-Oct-2014 and average USD 89.1/b, a level last seen since early Dec-2010. The Basket's average price has dropped by USD 11.91/b or around 11% during Q3-14. Likewise, on a YTD basis, OPEC Reference Basket's value was 1.8% lower compared with the same period one year earlier, standing at an average of USD 103.78/b compare to an average of USD 105.69/b a year ago.

On the other hand, Kuwait Blend Spot Price FOB averaged USD 96.2/b, down from an average of USD 101.5/b in August-2014, and closed the month at USD 94.71/b; moreover, prices continued the downward movement to drop by around 10.1% during the first half of October to reach USD 85.17/b as of 14-Oct-14, a level last seen in Dec-2010. Meanwhile, European Brent Spot Price FOB averaged around USD 97.3/b, from an average of USD 101.6/b recorded during Aug-2014. The basket closed the month at USD 94.67/b and further dropped to reach USD 90.65/b on 6-Oct-14.



OPEC & Selected Crude Oil Baskets, USD/b	Aug-14	Sep-14	% Chg.	2013	YTD-2014
<b>OPEC Reference Basket</b>	<b>100.8</b>	<b>96.0</b>	<b>(4.8)</b>	<b>105.7</b>	<b>103.8</b>
Arab Light	102.2	97.2	(5.0)	106.5	104.7
Basrah Light	99.2	94.5	(4.7)	103.7	101.9
Bonny Light	102.3	98.1	(4.2)	111.0	108.5
Es Sider	100.6	96.2	(4.4)	108.4	106.0
Girassol	101.5	97.2	(4.4)	108.8	106.9
Iran Heavy	101.4	96.1	(5.3)	105.0	103.9
<b>Kuwait Export</b>	<b>100.6</b>	<b>95.3</b>	<b>(5.3)</b>	<b>104.7</b>	<b>102.9</b>
Marine	101.5	96.1	(5.4)	104.9	103.8
Merey	92.3	88.6	(3.7)	96.8	94.0
Murban	104.3	98.9	(5.4)	107.5	107.0
Oriente	89.5	87.2	(2.3)	99.0	94.1
Saharan Blend	100.9	97.1	(3.8)	108.9	107.2
<b>Other Crudes</b>					
Brent	101.6	97.3	(4.3)	108.4	106.5
Dubai	101.7	96.5	(5.3)	105.0	104.0
Isthmus	96.8	93.7	(3.1)	107.7	99.8
LLS	100.1	96.3	(3.8)	109.4	103.6
Mars	96.7	93.0	(3.7)	104.3	99.6
Minas	99.9	95.1	(4.9)	107.9	107.0
Urals	102.0	96.1	(5.9)	107.8	105.4
WTI	96.4	93.4	(3.0)	98.1	99.8
<b>Differentials</b>					
Brent/WTI	5.2	3.9	(1.2)	10.3	6.8
Brent/LLS	1.4	1.0	(0.4)	(1.0)	2.9
Brent/Dubai	(0.2)	0.8	1.0	3.4	2.6

Source: OPEC Monthly Oil Market Report - October 2014

## World Oil Demand

Total world oil demand growth for 2014 is estimated at 1.05 Mn b/d, or an increase of 1.17%, to stand at 91.19 Mn b/d compared to 90.14 Mn b/d for the year 2013. According to OPEC Monthly Report, the forecast growth is supported by positive performance from China, Brazil and Saudi Arabia, offsetting lower-than-expected growth in some OECD regions. The growth in oil demand for 2014 is driven in part by OECD Americas higher oil demand of around 0.13 Mn b/d given the growing usage in the industrial and transportation sectors, yet partly affected by fuel substitution with other commodities.

On the other hand, European oil demand is estimated to show a contraction of around 0.20 Mn b/d in 2014, corresponding to the continuing economic concerns in some parts of the region mostly in countries which struggle with the reduction of their public debt. Besides, Asia Pacific oil demand is seen to contract by around 0.14 Mn b/d, primarily owing to Japan substituting fuel and crude burning for electricity generation with natural gas and coal. Moreover, the major part of the anticipated growth in world oil demand for 2014 is mainly originated from India, Latin America, Middle East (particularly Saudi Arabia) and China, all together accounting for an increase of 0.97 Mn b/d in oil consumption, or around 92.4% of the total expected increase in world oil demand for the year.

World Oil Demand - 2013/2014, M b/d	2013	Q1-14	Q2-14	Q3-14	Q4-14	2014	Y-o-Y Growth	% Chg.
Americas	24.05	23.86	23.89	24.39	24.55	24.17	0.13	0.53
of which US	19.24	19.18	19.03	19.52	19.71	19.36	0.12	0.62
Europe	13.61	13.02	13.46	13.76	13.37	13.41	(0.20)	(1.48)
Asia Pacific	8.29	8.85	7.58	7.81	8.40	8.16	(0.14)	(1.64)
<b>Total OECD</b>	<b>45.95</b>	<b>45.73</b>	<b>44.93</b>	<b>45.96</b>	<b>46.32</b>	<b>45.74</b>	<b>(0.21)</b>	<b>(0.46)</b>
Other Asia	11.06	11.08	11.37	11.37	11.35	11.29	0.23	2.10
of which India	3.70	3.85	3.80	3.68	3.86	3.80	0.10	2.65
Latin America	6.50	6.42	6.69	6.98	6.78	6.72	0.22	3.46
Middle East	7.81	8.07	7.98	8.47	7.95	8.12	0.31	3.92
Africa	3.63	3.75	3.75	3.61	3.76	3.72	0.09	2.46
<b>Total Developing Countries (DCs)</b>	<b>29.00</b>	<b>29.31</b>	<b>29.79</b>	<b>30.43</b>	<b>29.84</b>	<b>29.85</b>	<b>0.85</b>	<b>2.94</b>
Former Soviet Union (FSU)	4.49	4.39	4.24	4.63	4.93	4.55	0.06	1.25
Other Europe	0.64	0.64	0.60	0.64	0.72	0.65	0.01	1.87
China	10.07	10.08	10.56	10.30	10.70	10.41	0.34	3.42
<b>Total "Other Regions"</b>	<b>15.20</b>	<b>15.11</b>	<b>15.39</b>	<b>15.57</b>	<b>16.34</b>	<b>15.61</b>	<b>0.41</b>	<b>2.71</b>
<b>Total World</b>	<b>90.14</b>	<b>90.16</b>	<b>90.11</b>	<b>91.96</b>	<b>92.50</b>	<b>91.19</b>	<b>1.05</b>	<b>1.17</b>

Source: OPEC Monthly Oil Market Report - October 2014

Total world oil demand for 2015 is projected to expand at a higher rate than the previous year, growing by 1.19 Mn b/d from the 2014 level to average around 92.38 Mn b/d. The expected growth level in 2015 of around 1.31% implies an increase of 0.14 Mn b/d from the growth forecasted for this year. According to OPEC Monthly Oil Report, the data shows that non-OECD countries are expected to lead oil demand growth with 1.20 Mn b/d in total demand while OECD nations are predicted to show a marginal drop of 20 tb/d. The key factor affecting the world oil demand projections in 2015 remains the progress of economic development in major economies around the globe.

World Oil Demand - 2014/2015, M b/d	2014	Q1-15	Q2-15	Q3-15	Q4-15	2015	Y-o-Y Growth	% Chg.
Americas	24.17	24.02	24.03	24.56	24.70	24.33	0.16	0.64
of which US	19.36	19.31	19.13	19.66	19.84	19.49	0.13	0.65
Europe	13.41	12.96	13.41	13.67	13.29	13.34	(0.07)	(0.52)
Asia Pacific	8.16	8.76	7.51	7.71	8.26	8.06	(0.10)	(1.23)
<b>Total OECD</b>	<b>45.74</b>	<b>45.74</b>	<b>44.95</b>	<b>45.94</b>	<b>46.25</b>	<b>45.72</b>	<b>(0.02)</b>	<b>(0.03)</b>
Other Asia	11.29	11.30	11.61	11.62	11.56	11.52	0.23	2.06
of which India	3.80	3.94	3.89	3.78	3.96	3.89	0.10	2.50
Latin America	6.72	6.64	6.90	7.20	7.04	6.95	0.23	3.35
Middle East	8.12	8.36	8.25	8.78	8.24	8.41	0.30	3.64
Africa	3.72	3.84	3.84	3.70	3.85	3.81	0.09	2.42
<b>Total Developing Countries (DCs)</b>	<b>29.85</b>	<b>30.15</b>	<b>30.60</b>	<b>31.30</b>	<b>30.69</b>	<b>30.69</b>	<b>0.84</b>	<b>2.82</b>
Former Soviet Union (FSU)	4.55	4.44	4.28	4.68	4.98	4.60	0.05	1.10
Other Europe	0.65	0.65	0.61	0.65	0.72	0.66	0.01	1.08
China	10.41	10.39	10.87	10.62	10.99	10.72	0.31	2.95
<b>Total "Other Regions"</b>	<b>15.61</b>	<b>15.47</b>	<b>15.76</b>	<b>15.95</b>	<b>16.69</b>	<b>15.97</b>	<b>0.36</b>	<b>2.34</b>
<b>Total World</b>	<b>91.19</b>	<b>91.36</b>	<b>91.31</b>	<b>93.18</b>	<b>93.64</b>	<b>92.38</b>	<b>1.19</b>	<b>1.31</b>

Source: OPEC Monthly Oil Market Report - October 2014

## World Oil Supply

Total non-OPEC supply is estimated to have averaged 55.91 Mn b/d by the end of 2014, an increase of 1.68 Mn b/d or 3.1%. This growth is mainly attributable to higher oil supply from OECD Americas which is estimated to have increased their supplies by 1.50 Mn b/d during 2014, the highest recorded supply growth from this region. Growth in oil supply is also expected to come, although to a relatively minor magnitude, from Latin America, Africa, Russia, China and OECD Asia Pacific. On the other hand, Other Asia and Europe are expected to see supply declines during 2014; however, as indicated in OPEC Monthly Report, these declines are expected to be at a slower pace as compared to 2013 due to the commencement of new projects, whereas production forecast in the Middle East remains associated with a high level of risk, mainly due to the political situation.

Total OECD supply is expected to see one of the highest supply growth since 2003 to an estimated average of 23.69 Mn b/d during 2014, an increase of 1.50 Mn b/d on the back of re-evaluation of individual countries' supply profiles.

Non-OPEC Oil Supply - 2013/2014, M b/d	2013	Q1-14	Q2-14	Q3-14	Q4-14	2014	Y-o-Y Growth	% Chg.
Americas	18.14	19.10	19.64	19.78	20.06	19.65	1.51	8.32
of which US	11.23	11.95	12.66	12.87	12.99	12.62	1.40	12.38
Europe	3.58	3.75	3.51	3.40	3.54	3.55	(0.03)	(0.84)
Asia Pacific	0.48	0.50	0.50	0.51	0.48	0.50	0.02	4.17
<b>Total OECD</b>	<b>22.19</b>	<b>23.34</b>	<b>23.65</b>	<b>23.69</b>	<b>24.08</b>	<b>23.69</b>	<b>1.50</b>	<b>6.76</b>
Other Asia	3.59	3.55	3.52	3.45	3.50	3.51	(0.09)	(2.23)
Latin America	4.78	4.84	4.90	5.01	5.05	4.95	0.17	3.56
Middle East	1.36	1.34	1.33	1.37	1.33	1.34	(0.02)	(1.47)
Africa	2.40	2.49	2.45	2.44	2.42	2.45	0.05	2.08
<b>Total Developing Countries (DCs)</b>	<b>12.13</b>	<b>12.22</b>	<b>12.19</b>	<b>12.27</b>	<b>12.31</b>	<b>12.25</b>	<b>0.12</b>	<b>0.99</b>
Former Soviet Union (FSU)	13.41	13.48	13.36	13.41	13.37	13.40	0.00	(0.07)
of which Russia	10.51	10.59	10.55	10.52	10.50	10.54	0.03	0.29
Other Europe	0.14	0.14	0.14	0.14	0.14	0.14	0.00	0.00
China	4.23	4.24	4.27	4.19	4.35	4.26	0.03	0.71
<b>Total "Other regions"</b>	<b>17.78</b>	<b>17.86</b>	<b>17.76</b>	<b>17.74</b>	<b>17.86</b>	<b>17.81</b>	<b>0.03</b>	<b>0.17</b>
<b>Total Non-OPEC Production</b>	<b>52.10</b>	<b>53.43</b>	<b>53.60</b>	<b>53.69</b>	<b>54.26</b>	<b>53.75</b>	<b>1.65</b>	<b>3.17</b>
Processing gains	2.13	2.16	2.16	2.16	2.16	2.16	0.03	1.41
<b>Total Non-OPEC Supply</b>	<b>54.23</b>	<b>55.59</b>	<b>55.77</b>	<b>55.86</b>	<b>56.42</b>	<b>55.91</b>	<b>1.68</b>	<b>3.10</b>
<b>OPEC NGLs and non-conventionals</b>	<b>5.65</b>	<b>5.73</b>	<b>5.79</b>	<b>5.86</b>	<b>5.93</b>	<b>5.83</b>	<b>0.18</b>	<b>3.19</b>
<b>OPEC Crude Oil Production</b>	<b>30.20</b>	<b>29.84</b>	<b>29.76</b>	<b>30.20</b>	-	-	-	-
<b>Total World Supply</b>	<b>90.08</b>	<b>91.16</b>	<b>91.32</b>	<b>91.92</b>	-	-	-	-

Source: OPEC Monthly Oil Market Report - October 2014

Non-OPEC oil supply growth is expected to continue in 2015 and to expand by 1.24 Mn b/d to average at 57.16 Mn b/d supported mainly by higher oil supply from OECD Americas, Latin America and China, partly offset by expected decline in supply from FSU and Africa. Supply growth from OECD countries is expected to average at 1.09 Mn b/d during 2015, the largest from among the non-OPEC suppliers.

Non-OPEC Oil Supply - 2014/2015, M b/d	2014	Q1-15	Q2-15	Q3-15	Q4-15	2015	Y-o-Y Growth	% Chg.
Americas	19.65	20.37	20.48	20.86	21.21	20.73	1.08	0.05
of which US	12.62	13.16	13.34	13.62	13.85	13.50	0.88	0.07
Europe	3.55	3.66	3.51	3.40	3.62	3.55	0.00	0.00
Asia Pacific	0.50	0.51	0.52	0.51	0.47	0.50	0.00	0.00
<b>Total OECD</b>	<b>23.69</b>	<b>24.53</b>	<b>24.50</b>	<b>24.77</b>	<b>25.31</b>	<b>24.78</b>	<b>1.09</b>	<b>0.05</b>
Other Asia	3.51	3.57	3.54	3.50	3.45	3.51	0.01	0.00
Latin America	4.95	5.11	5.11	5.13	5.17	5.13	0.18	0.04
Middle East	1.34	1.37	1.36	1.35	1.34	1.35	0.01	0.01
Africa	2.45	2.47	2.43	2.41	2.39	2.42	(0.03)	(0.01)
<b>Total Developing Countries (DCs)</b>	<b>12.25</b>	<b>12.52</b>	<b>12.44</b>	<b>12.38</b>	<b>12.34</b>	<b>12.42</b>	<b>0.17</b>	<b>0.01</b>
Former Soviet Union (FSU)	13.40	13.39	13.30	13.27	13.32	13.32	(0.08)	(0.01)
of which Russia	10.54	10.52	10.50	10.49	10.51	10.51	(0.03)	(0.00)
Other Europe	0.14	0.14	0.14	0.14	0.14	0.14	0.00	0.00
China	4.26	4.31	4.29	4.31	4.37	4.32	0.06	0.01
<b>Total "Other regions"</b>	<b>17.81</b>	<b>17.85</b>	<b>17.73</b>	<b>17.72</b>	<b>17.83</b>	<b>17.78</b>	<b>(0.02)</b>	<b>(0.00)</b>
<b>Total Non-OPEC Production</b>	<b>53.75</b>	<b>54.89</b>	<b>54.68</b>	<b>54.87</b>	<b>55.48</b>	<b>54.98</b>	<b>1.23</b>	<b>0.02</b>
Processing gains	2.16	2.17	2.17	2.17	2.17	2.17	0.01	0.00
<b>Total Non-OPEC Supply</b>	<b>55.91</b>	<b>57.07</b>	<b>56.85</b>	<b>57.04</b>	<b>57.65</b>	<b>57.16</b>	<b>1.24</b>	<b>0.02</b>

Source: OPEC Monthly Oil Market Report - October 2014

## OPEC Oil Production & Spare Capacity

OPEC production increased by 1.4% during Sep-14, to stand at 30.93 Mn b/d, a jump of 0.413 Mn b/d compared to last month. This surge in oil output came mainly from a higher production by Libya, Angola, UAE, Kuwait as well as KSA all together adding a total of 0.55 Mb b/d during the month, while partially offset by the lower production in Nigeria, Algeria and Iran.

During the month of Sep-14, OPEC was producing at 83% compared to a production rate of 82.1% a month earlier, while the largest OPEC oil producer Saudi Arabia was operating at 77.2% of its capacity along with Iraq at 84.9%. The total spare capacity by OPEC countries stood at around 6.31 Mn b/d, or around 17% of total capacity.

Production ('000 b/d)	September	August	Change		Capacity	Spare Capacity
<b>Total OPEC-12</b>	<b>30,935</b>	<b>30,522</b>	<b>413</b>	<b>1.4%</b>	<b>37,256</b>	<b>6,321</b>
<b>KSA</b>	9,650	9,600	50	0.5%	12,500	2,850
Iraq	3,100	3,100	0	0.0%	3,650	550
<b>Kuwait</b>	2,944	2,890	54	1.9%	3,250	306
<b>U.A.E.</b>	2,850	2,800	50	1.8%	3,000	150
Iran	2,780	2,800	-20	-0.7%	3,500	720
Venezuela	2,471	2,471	0	0.0%	3,000	529
Nigeria	2,100	2,200	-100	-4.5%	2,400	300
Angola	1,870	1,750	120	6.9%	1,870	0
Algeria	1,100	1,125	-25	-2.2%	1,200	100
Libya	780	500	280	56.0%	1,550	770
<b>Qatar</b>	740	727	13	1.8%	780	40
Ecuador	550	559	-9	-1.6%	556	6
<b>Total OPEC-11</b>	<b>27,835</b>	<b>27,422</b>	<b>413</b>	<b>1.51%</b>	<b>33,606</b>	<b>5,771</b>

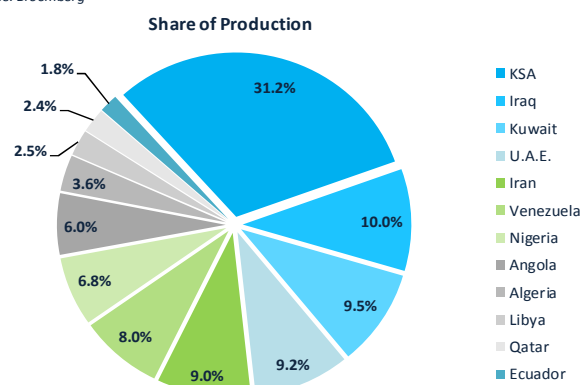
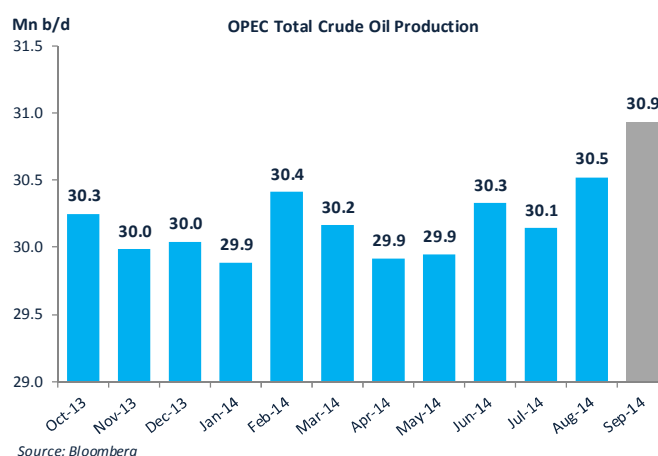
Source: Bloomberg

Total OPEC crude oil production averaged 30.93 Mn b/d in Sep-2014, representing an increase of 0.41 Mn b/d compared to the previous month. OPEC crude oil production, excluding Iraq, averaged 27.84 Mn b/d, higher by around 1.5% compared to last month's level.

However, on a year-to-date basis, OPEC crude oil average monthly production for YTD-Sep-14 saw a decline of 1.6% or around 503,000 b/d to average around 30.25 Mn b/d, compared with 30.75 Mn b/d for the last comparable period a year earlier.

Libya and Angola have led the increase in crude oil production during the month adding a total of 400,000 b/d compared to last month; while on the other hand, crude oil production from Nigeria and Algeria experienced a decline in Sep-14 for a total of 125,000 b/d, therefore partially offsetting the overall increase in production.

Saudi Arabia share of production during Sep-14 stood at 31.2% to register a production of 9.65 Mn b/d as compared to 9.6 Mn b/d in Aug-14, followed by Iraq, Kuwait and UAE at 10% (or 3.01 Mn b/d), 9.5% (or 2.94 Mn b/d) and 9.2% (or 2.85 Mn b/d) respectively, while Iran's share of production dropped to 9.0% compared to last month's level of 9.2%, with a lower output by 20,000 b/d. The share of production by the GCC states represented 58.1% or 16.18 Mn b/d of total OPEC-11 which stood at 27.8 Mn b/d in Sep-14.



Source: OPEC Monthly Oil Market Report - October 2014

## Oil Market News & Developments

### **Kuwait to merge two mega oil projects (Zawya)**

Kuwait plans to merge its USD-multi-billion Al Zour refinery and the planned nearby petrochemical complex into one project, according to a media report.

### **Kuwait's KNPC names NBK finance advisor for \$12 bln refinery upgrade (Reuters)**

Kuwait National Petroleum Co (KNPC) has chosen National Bank of Kuwait's investment banking arm to advise it on financing options for its multi-billion-dollar Clean Fuels Project.

### **Iran launches largest Mideast gas storage facility (Iran Daily)**

Iran launched the largest gas storage facility in the Middle East in the northeastern province of Khorasan Razavi.

### **Qatar's gas reserves 'set to last 156 years' (Gulf Times)**

In 2013, Qatar had raw gas reserves totaling 872tn cubic feet, giving it the third largest proven reserves of natural gas in the world after Russia and Iran, QNB says in its latest Qatar Economic Insight. Qatar's gas reserves would last at least another 156 years at current production rates, a new report has shown.

### **Scientists use E.coli bacteria to create fossil fuel alternative (Reuters)**

British and Finnish scientists have found a way of generating renewable propane using a bacterium widely found in the human intestine and say the finding is a step to commercial production of a fuel that could one day be an alternative to fossil fuel reserves.

### **Iran looks to up refining capacity to 3 mln bpd by 2018 –reports (Reuters)**

Iran hopes to boost its oil refining capacity to 3 million barrels per day by 2018 from 1.9 million now with the opening of new refineries as the OPEC member seeks to reduce its dependency on imports of oil products.

### **Oman Oil Company signs USD1.85 bn corporate revolving credit facility agreement (Zawya)**

Oman Oil Company S.A.O.C. ( OOC ), the Sultanate's energy investment arm, has signed a Revolving Credit Facility (RCF) Agreement worth \$1.85 billion with 16 local, regional and international banks. The RCF is fully committed, unsecured and is available as a \$1 billion three year facility and as an \$850 million five year facility.

### **USD174m oil storage agreement signed in Jordan (Jordan News Agency – Petra)**

The Ministry of Energy and Mineral Resources signed an agreement with a Jordanian-Spanish consortium to develop storage capacity for oil derivatives in the Madonna area at a total cost of \$174 million.

### **Iran oil exports at 1.2 million barrels-official (Trend News Agency)**

Iran currently exports 1.2 million barrels of oil per day. When the current administration took the office, Tehran's oil exports dropped to 700,000-800,000 barrels from the previous figure of 1.3 million barrels, Iran's Fars news agency quoted an unnamed source at the country's Oil Ministry as saying.

### **Egypt to buy 65% of oil product imports from UAE (Reuters)**

Egypt will buy 65 percent of its oil product imports for the next year from the United Arab Emirates, in the latest Gulf lifeline to an economy rocked by three years of turmoil. The deal, approved by the Egyptian government and announced in a statement, covers gasoline, diesel, heavy fuel and liquefied petroleum gas (LPG) that is used in homes.

### **Russian firms eye Iran gas pipeline projects (IRNA)**

Tehran - Russian companies have voiced their readiness to construct sixth, seventh, ninth and 11th cross-country pipelines to increase gas export, the head of National Iranian Gas Company's Investment Committee said.

### **Iran to build 10 CNG stations in Iraq (Iran Daily)**

Iran plans to build 10 CNG (compressed natural gas) stations in neighboring Iraq, an Iranian gas official said to Iran Daily. Amir Vakilzadeh, the National Iranian Oil Refining and Distribution Company's director for CNG plans, said the construction of stations will be launched, once Iran's gas pipeline to Iraq becomes operational.

### **Int'l petrochem firms ready to return to Iran (Iran Daily)**

An Iranian official said international petrochemical companies are ready to return to Iran, once the US-led sanctions imposed on the Islamic Republic are removed.



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