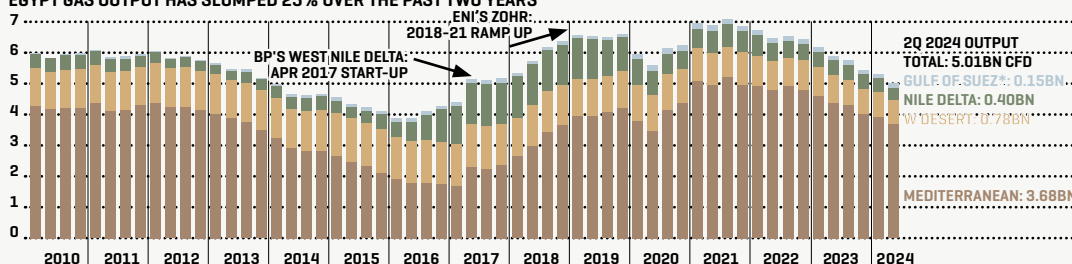


UPSTREAM OIL & GAS

Egypt Gas Down Again On IOC/Cairo Payment Standoff

Egypt's gas output slumped again for Q2 with production now well below the level when the key Zohr field started up in 2017. Upstream players are stalling on the investment needed to boost output as they call on Cairo to pay more for gas and pay down their receivables. **Page 2**

EGYPT GAS OUTPUT HAS SLUMPED 25% OVER THE PAST TWO YEARS



DOWNSTREAM

Kuwait: Record Output, Record Exports

Kuwait now exports more products than crude as peak summer fuel oil demand has seen throughputs hit record highs squeezing crude exports. **Page 9**

POWER & WATER

Egypt Import Records Halt Blackouts

Egypt has ended countrywide power cuts, for now at least, thanks to bumper imports of both LNG and piped Israeli gas, record imports of fuel oil and record renewables output. **Page 12**

OPEC & GLOBAL MARKETS

Iraq: Yet Another Opec+ Plan

Iraq appears to be making little effort to comply with its Opec+ quota. A need for associated gas to burn in power plants appears to be the primary reason. **Page 6**

GEOPOLITICAL RISK

NewMed Eyes Leviathan-Saudi Gas Sales

Key Israeli upstream player NewMed Energy has namedropped Saudi Arabia's Neom as a possible destination for Leviathan gas. This seems unlikely. **Page 8**

POWER & WATER

Kuwait: More Power Cuts On Outage

A gas outage has seen another wave of Kuwait power cuts as the emirate grows increasingly accustomed to summer outages. More solar to the rescue? **Page 10**

ECONOMY & FINANCE

Oman Pays Down \$2.3bn in Debt for 1H24

Oman reduced its debt by \$2.3bn during the first half of the year. Higher oil prices and record non-oil revenues are combating the effect of lower oil production. **Page 14**

POWER & WATER

Saudi Oil Burn Down Despite June Surge

Saudi Arabia faces a challenge in eliminating oil burn by 2030. The coming years will see a race between gas and renewable development and rising demand. **Page 11**

OPEC & GLOBAL MARKETS

India LNG Imports Soar 30% For 1H24

India has emerged as a key driver of global LNG demand this year, with volumes up 30% for 1H 2024 and strong again for July. **Page 7**

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Egypt Gas Slump Continues With IOCs & Cairo In Payments Standoff

Egypt's upstream players are stalling on the investment needed to boost output as they call on Cairo to pay more for gas and pay down their receivables.

Egypt's gas output continues to slump, adding to the pressure on new petroleum minister Karim Badawi's bid to halt blackouts (see p12).

Gas output fell to 5.01bn cfd for Q2, with this and the latest monthly figure of 4.923bn cfd for June the lowest respective figures since early 2017's start-up of BP's key West Nile Delta project which was followed by that of Eni's giant Zohr field at the end of the year (see chart 1). The country's oil output slump is somewhat less dramatic, but production nevertheless fell to a new 40-year low of 553,000 b/d for Q2 (see chart 2).

And, while the latest spate of earnings calls and releases from the country's key producers gives some hope that more investment could be incoming, such pledges are conditional on IOC calls that state firm EGPC pays them more for gas output and pays down 'receivables' owed for past production. As of the latest stats, trends in not only output but also activity remain negative: the country's rig count fell again to 105 for Q2, the lowest since 4Q 2021.

MED: ZOHR SLUMP, RAVEN DIVES

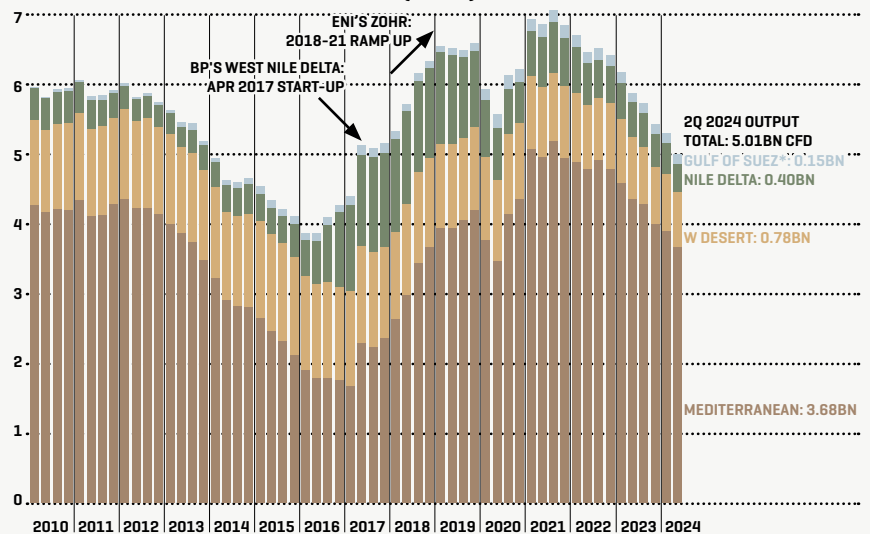
Egypt's gas output is dominated by the offshore Mediterranean, which accounts for more than 70% of the national total. But production here has been on a relentless downward trend: save the peak Covid shut-ins period of 2Q 2020, both 2Q 2024's 3.68bn cfd and June's 3.609bn cfd were the lowest respective Med gas output figures since 2018.

Back in 2018, output from Eni's giant Zohr field was just beginning to ramp up following first gas in December 2017 (MEES, 15 December 2017). But, having peaked at 2.96bn cfd in 1Q 2021, the field's output has been running at just 1.85bn cfd on chronic water infiltration problems (MEES, 2 August).

Meanwhile, the number two Med producer, BP's West Nile Delta, has seen output slump to 450mn cfd from 800mn cfd for 2022, with almost all current output from the Raven field (MEES, 12 July).

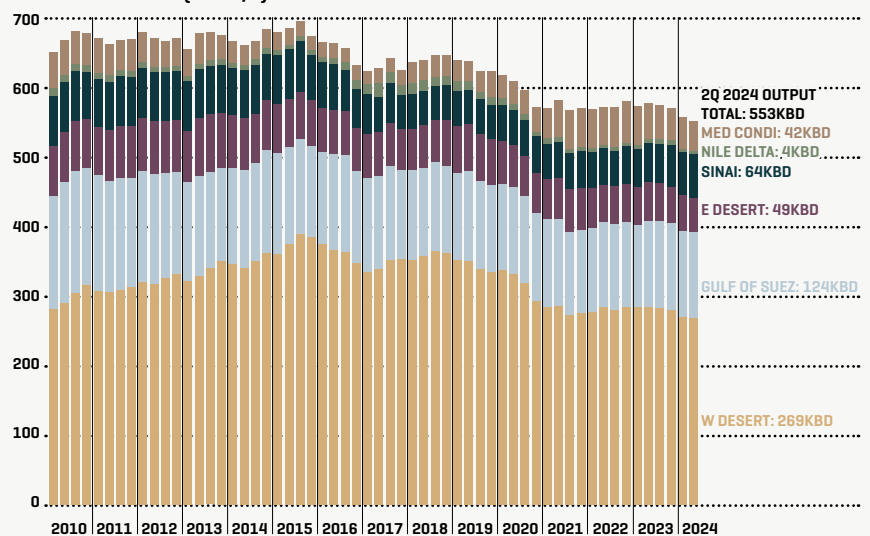
Raven is also Egypt's key condensate producer, with the decline at Raven the key element of the 31% collapse in the country's condensate output over the past 18 months: from 98,300 b/d for Decem-

1: EGYPT GAS OUTPUT HAS SLUMPED 25% OVER THE PAST TWO YEARS GIVING UP ALL GAINS SINCE 2017'S START UP OF ENI'S ZOHR & BP'S WEST NILE DELTA (BN CFD)



*INCLUDES OFFSHORE, 'EASTERN DESERT' (GOS WEST BANK) & SINAI (E BANK). SOURCE: EGYPT PETROLEUM MINISTRY, MEES.

2: EGYPT'S OIL OUTPUT FELL TO A NEW 40-YEAR LOW FOR Q2 WITH BOTH WESTERN & EASTERN DESERT AT MULTI-DECADE LOWS ('000 B/D)



SOURCE: EGYPT PETROLEUM MINISTRY, MEES.

ber 2022 to just 67,500 b/d for June this year, a multi-decade low (see chart 3).

BP says that its ongoing 'Raven Infills' drilling project will add incremental output of 45,000 boe/d from 2025 (around 200mn cfd gas and 10,000 b/d condensate), with the firm recently extending its contract for the Valaris DS-12 drillship into early 2025.

Other ongoing offshore Med drilling is also aimed at bolstering output at long-standing projects, with only modest incre-

mental gains. Shell is currently drilling the second of three planned 'Phase 10' wells at its West Delta Deep Marine (WDDM) fields east of BP's WND using Saipem's Scarabeo-9 drillship. The aim of this and the follow-on three-well Phase-11 is to boost output by around 200mn cfd versus current levels of around 300mn cfd: a signifi-

Continued on - p3

Continued from – p2

cant boost if it can be realized, but a far cry from peak WDDM output of 2bn cfd hit in 2008. Meanwhile, Greek firm Energean has just wrapped up infill drilling intended to bolster output at the Abu Qir fields off Alexandria where production hit a four-year high 154mn cfd for Q1 (MEES, 21 June).

As for new projects, Egyptian independent Cheiron last year flagged up plans to produce 150-180mn cfd from 2025 from the shallow-water West El Burullus concession also off Alexandria (MEES, 22 September 2023). However, MEES learns that initial development drilling has disappointed and that potential output may well be downgraded as a result. Further down the line, US major Chevron (45%, operator) and Eni (45%) are hoping to drill an appraisal well before the turn of the year at the 2.8tcf (gas in place) Nargis field in the offshore north Sinai region, ahead of deciding on a development plan that would link to nearby infrastructure (MEES, 3 May). Movement here though has been slow as the partners seek an improved gas price, leveraging Egypt's need for timely gas additions (MEES, 7 June).

WESTERN DESERT: LOW PRICES, LOWER OUTPUT

But whilst companies may complain at the typical prices of \$5-6/mn BTU paid for offshore gas output, such prices are around twice the fixed price of \$2.65/mn BTU paid for onshore production.

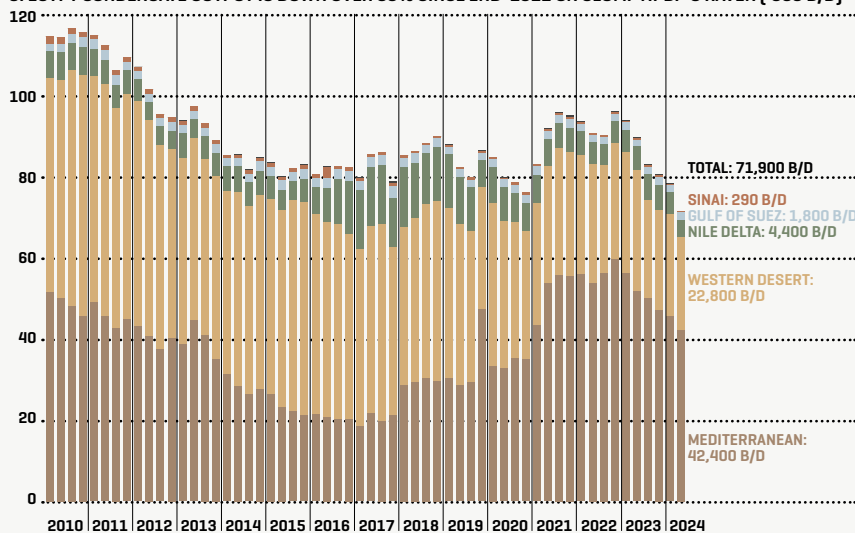
The bulk of this comes from the Western Desert, which as well as being Egypt's top oil producing region has also long been number two for gas. But gas output decline here has been almost as steep as that seen in the offshore Med: for 2Q, output of 779mn cfd is down 13% or 112mn cfd on a year earlier versus the 16% fall in Med output over the same period.

And, whilst Cairo is clearly aware that it has a problem in the Mediterranean, with repeated initiatives aimed at boosting exploration in a bid to firm up the reserves needed to bolster future output (MEES, 21 June), for the onshore Western Desert and Nile Delta provinces, Cairo could be accused of having been asleep at the wheel.

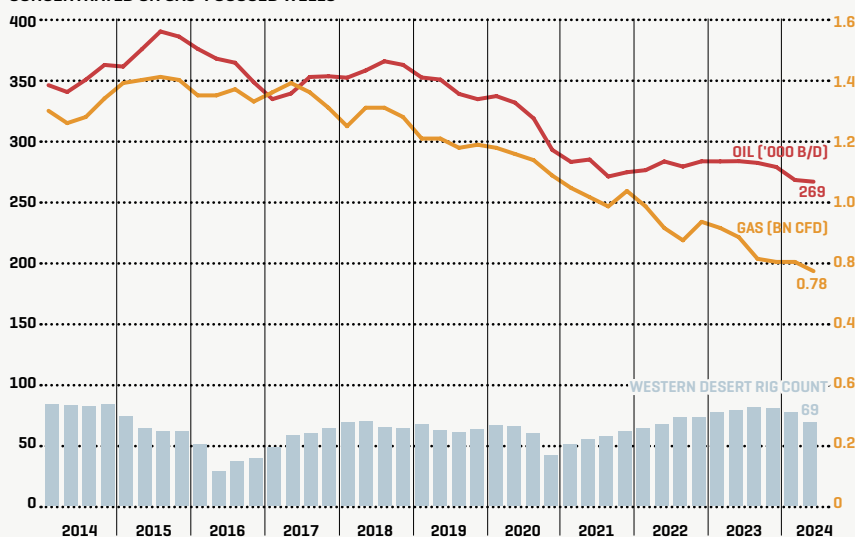
For the Western Desert, the bulk of the region's gas production is associated with oil output. As such, Cairo's calculus has apparently been that as long as firms invest in the region's upstream, gas output will rise alongside that of oil. With firms incentivized to invest by being able to sell oil output at international prices, the thinking was that they would be happy to keep selling the gas to EGPC at whatever price they get.

However, key Western Desert producers such as US firm Apache and the JV of Cheiron and UK independent Capricorn have been getting much savvier at directing drilling at oil-rich prospects at the expense of gas. And the firms are

3: EGYPT CONDENSATE OUTPUT IS DOWN OVER 30% SINCE END-2022 ON SLUMP AT BP'S RAVEN ('000 B/D)



4: EGYPT'S WESTERN DESERT GAS OUTPUT LOSSES OUTPACE THOSE OF OIL WITH CUTS TO DRILLING CONCENTRATED ON GAS-FOCUSED WELLS



SOURCE: EGYPT PETROLEUM MINISTRY, EOG, MEES.

being increasingly blunt that if Cairo wants this to change, and gas production to rise, it will have to up the price.

With the region's leading producer Apache leading the charge to focus on oil at the expense of gas (MEES, 10 November 2023), the region's gas output has been falling far more rapidly than that of oil, for which the region accounts for half of the 20,000 b/d output slump so far this year (see chart 4) – Med condensate accounts for the rest.

With Apache having been increasingly vocal that boosting gas-focused investment will require higher prices, CEO John Christmann has recently been in Egypt to press his case, meeting with both President Sisi and minister Badawi.

"We're talking to Egypt about some gas drilling... which could be pretty impactful... We've had some conversations about what it would take to maybe go after some gas projects that could be helpful to the country... it's something that we're discussing with them," he told his firm's Q1 earnings call on 1 August.

Cairo is apparently more amenable to paying a higher price for gas from

'new' projects than to hiking the price for currently-producing fields. For gas-focused investment to "make economic sense" it would have to tap "the higher price for future gas exploration," Mr Christmann says.

For now, the Western Desert's output of oil, and especially gas, remains on a firm downward trajectory. Having gained ground in 2022 and 2023, the region's rig count slumped back to a two-year low of 66 for June.

And it is set to fall further. Apache, whose 135,900 b/d of Q2 oil output accounted for just over half the regional total of 269,000 b/d and 432mn cfd gas figure some 55%, is now guiding that its rig count will fall to just 11 for 2H 2024 versus the 1H average of 16.

Speaking on the 1 August call, CFO Stephen Riney acknowledged that his firm's Egypt output will likely fall as a result. Already, with an average of 17 rigs in Egypt through 2023 and for 1Q 2024, the firm's gross Egypt output has fallen sequentially in every quarter

Continued on – p4





Continued from – p3

since 4Q 2022. This was again the case in 2Q, when production fell to 211,400 boe/d as the firm's rig count fell to 15.

But all output is not equal. With Apache focusing drilling on more remunerative oil at the expense of gas, the firm's gross Egypt oil output has edged higher after bottoming out in 2021, but that of gas continues to slump, with Q2's 432mn cfd the lowest in well over a decade (see chart 5).

The Western Desert's number two producer, the 50:50 Cheiron/Capricorn JV which paid \$1bn for ex-Shell assets in 2021, has been even more blunt that better gas prices are needed if it is to invest more.

Having for several months stalled on approving a 2024 capital spending program until it saw receivables paid down, the JV belatedly approved a \$104mn 2024 capex program including 12 development and three exploration wells.

March's IMF deal and currency liberalization gave the JV "increased confidence in the Government to deliver regular and material payments", Capricorn CEO Randy Neely says. "We are eager to progress discussions with the Egyptian General Petroleum Corporation (EGPC) regarding an amendment to the terms of our Production Sharing Contracts... [to] support further investment and growth," he adds.

However, for now the IH "hiatus in drilling activity" manifested in a further 20% year-on-year slump to 22,900 b/d in the JV's oil output and a 13% fall to 156mn cfd for gas. And whilst oil has fallen further over the last year, the gas slump is more dramatic still over a longer timeframe: output is now little more half of the 293mn cfd when the assets were purchased in 2021 (MEES, 12 July).

NILE DELTA BLUES

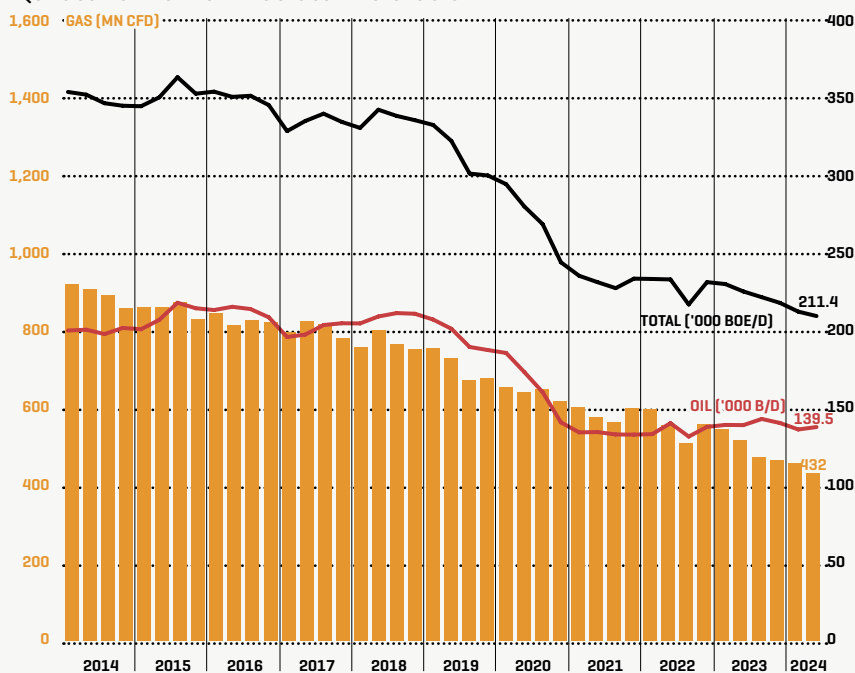
Whilst Western Desert gas producers may complain about low prices, at least they have substantial oil output to effectively cross-subsidize investment.

On the other hand, for the country's third gas province, the Nile Delta, oil output is minimal. As such, here the gripes over low gas prices came to a head earlier and the fall in gas output has been yet more precipitous: Q2's 400mn cfd is down 18% year-on-year, and less than a third of the 1.3bn cfd production five years ago. June's output of 389mn cfd was the lowest since 2015.

The last decade has been marked by the exit of small independents from the region, or in the case of London-listed SDX Energy, the attempted exit (MEES, 5 July), with fixed low gas prices and delayed payments proving hugely problematic.

The UAE's Dana Gas has been the most vocal on these points and has consistently tied investment in the country with timely payments from Cairo. Output fell again for Q2 to 17,200

5: APACHE GROSS EGYPT* OUTPUT: FOCUS SINCE 2021 ON OIL DRILLING HAS SEEN MORE RENUMERATIVE LIQUIDS OUTPUT EDGE HIGHER AS GAS CONTINUES TO SLUMP



*ALL WESTERN DESERT. SOURCE: APACHE, MEES.

boe/d (80% gas, 20% oil), down 24% year-on-year and 5% sequentially.

Months of negotiations with Cairo on consolidating its Egypt assets and securing an improved price appear to have finally paid off. Dana reveals that in early March Egypt's Cabinet approved a draft law "to finalize a new Concession Agreement with Dana Gas" which has also been ratified by parliament. It now awaits final presidential approval.

"The revised terms should enable meaningful future investments alongside a resumption of drilling activities," Dana says.

RECEIVABLES: MIXED PICTURE

On receivables, IOCs' other key bugbear in Egypt, the picture is mixed, with Cairo failing to make a major dent in dues despite the March IMF deal and a wave of UAE investment cash that boosted the country's foreign reserves to a record \$46.5bn as of end-July.

Cairo carried out a second industry-wide round of payments at the end of June, following one in March after the \$8bn IMF deal (MEES, 29 March), whilst the oil ministry last week sought to allay the concerns of IOCs by announcing the formation of a "consulting committee" with the aim of increasing output and has told IOCs that paying down arrears is a top priority.

However, companies remain unimpressed by erratic receivables payments – they would rather payments were dependable than come in waves, and MEES understands that little has been paid since the end-June payments (which appear to have been received at the start of July).

"Oil firm executives have expressed their frustration privately that little is being done despite initial promises. It is likely the case that the oil ministry has no

cash right now to pay off its receivables, as it is all earmarked for LNG imports but that has not been communicated to the firms who are growing more and more restless," an industry source tells MEES. "Having no money is bad; having no money and no clarity is even worse," he concluded.

As for those firms to have reported end-Q2 figures, these are decidedly mixed.

Dana Gas recorded an end-Q2 figure of \$60mn, up from \$47mn at the start of the year and \$57mn at end March.

Capricorn reported a figure of \$160mn, down modestly from \$169mn at end-2023, though it did receive a further \$15mn on 3 July.

Meanwhile, Canada's Vaalco, which produces 10,500 b/d on the west bank of the Gulf of Suez, saw its dues fall from \$45.9mn at end-2023 to \$40.6mn six months later, with CEO George Maxwell reporting the receipt of a further \$8mn in early July.

Typical of the receivables picture in Egypt is that it is small and midsize firms who find it more difficult to deal with the erratic cashflow who are more likely to complain.

Notwithstanding an Eni-Cairo spat earlier this year (MEES, 21 June), the country's larger producers tend to keep their gripes to themselves.

This has also by and large been the case with Apache. CEO John Christmann, having recently met with President Sisi and minister Badawi in Cairo praised the former for "a really good job of managing a fairly difficult situation."

"We have been receiving some payments this year. So all in all, things are going well, and they continue to work through a difficult situation, but we see no reason to be concerned at this point and a lot of positive things on numerous fronts," Apache's CEO says. ♦♦

Fujairah's Fort Energy Refinery Receives Nile Crude

Fujairah's Fort Energy refinery is readying to restart, with sources confirming that it recently received its first cargo of crude oil feedstock in a number of months. A cargo of Nile Blend crude oil from Sudan's Bashayer terminal was delivered to Fujairah on 12 August, MEES understands.

The cargo was delivered by Adnoc Global Trading (AGT: Adnoc 65%, Eni 20%, OMV 15%). AGT was established in 2020 and its primary responsibilities are to source third party crude oil feedstock for Abu Dhabi's 837,000 b/d Ruwais refining complex and trading refined products produced there.

The 67,000 b/d Fort Energy refinery is one of two facilities in Fujairah which produce IMO-compliant VLSFO for the local bunkering market. It is located next to the 80,000 b/d Vitol refinery. Originally developed by Germany's Uniper, the refinery was purchased by a consortium of Montfort Group and the Private Office of Sheikh Ahmed Dalmook Al Maktoum last year, with the sale agreed in February 2023 and closing in May that year (MEES, 14 July 2023).

These refineries rely on heavy sweet crude oil feedstock to produce VLSFO, typically importing grades from Sudan/South Sudan as well as Chad's Doba and sometimes Argentinean Escalante. The declaration of force majeure on South Sudan's Dar Blend exports in March therefore had a significant impact on

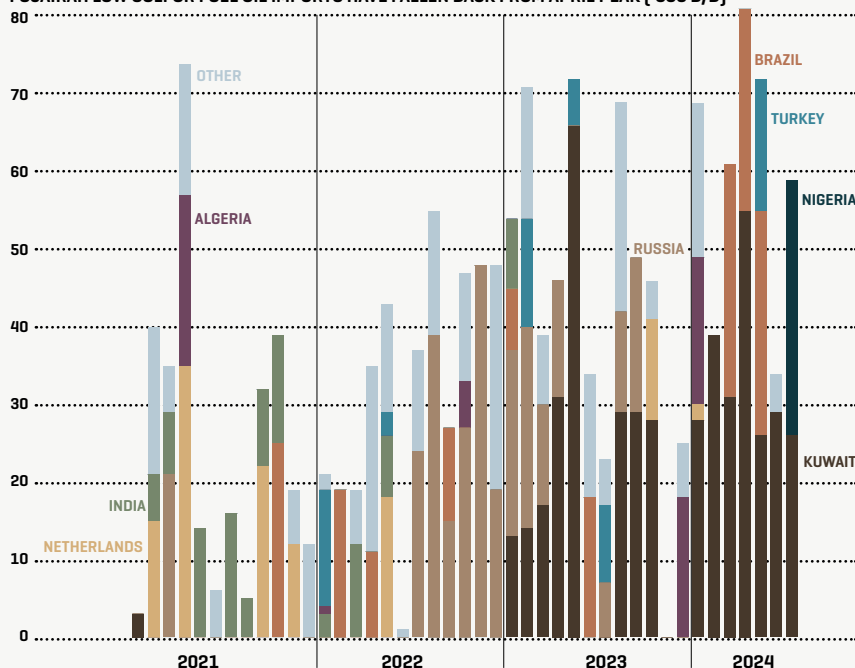
Fort Energy operations, exacerbating its struggles to secure adequate credit lines for crude supplies (MEES, 22 March). Fujairah crude imports steadily dropped from an average of 98,000 b/d in Q1 to just 51,000 b/d in Q2 as Fort Energy paused operations (MEES, 26 July).

Kpler data shows that Fujairah crude oil imports are back up to 70,000 b/d so far this month as Fort Energy has returned to the market. A spokesperson for Montfort says "the processing unit is operational and we are increasing production, so we do have arrangements in place for supplies. However, for confidentiality reasons we are unable to provide further details."

The dominant suppliers of LSFO in Fujairah are Aramco Trading Co (ATC) and global trading giant Vitol, providing volumes to the 13 licensed bunker suppliers there. With reduced local VLSFO production, imports to Fujairah have picked up in 2024 and are on pace for a record high of 56,000 b/d so far this year, against the 2023 full year average of 44,000 b/d. On a monthly basis, imports hit 82,000 b/d in April, their highest level since 2020, but have since fallen back (see chart).

Kuwait has been the largest supplier, with an average of 32,000 b/d of VLSFO from its Al Zour refinery arriving in Fujairah so far this year. Notably there was also a 1mn barrel cargo from Nigeria's new Dangote refinery delivered last month. ♦♦

FUJAIRAH LOW SULFUR FUEL OIL IMPORTS HAVE FALLEN BACK FROM APRIL PEAK ('000 B/D)



Morocco Well Spuds

London-listed Energean (45%op) and partners Chariot (30%) and Morocco state firm ONHYM (25%) this week spud the Anchois-3 appraisal well with the Stena Forth drillship in 360ms water depth 40km offshore Morocco's northern Atlantic coast.

Spain's Repsol made the Anchois discovery back in 2009 before relinquishing it as uncommercial. But London-based based Chariot subsequently snagged the acreage, drilling the Anchois-2 well in 380ms water depth at the end of 2021 (MEES, 14 January 2022). This firmed up recoverable resource estimates leading to development plans for 105mn cfd output supplying the domestic market (MEES, 10 March 2023), and to Energean's end-2023 farm-in deal which completed in April (MEES, 12 April). Energean is covering Chariot's share of ongoing drilling costs as part of the deal.

The latest Anchois-3 well, 1.5km to the east of Anchois-2, targets multiple objectives: firming up the eastern extent of the main Anchois field (0.64tcf 2C), as well as testing the Anchois Foot-wall prospect (0.17tcf 2U) and deeper Anchois North Flank prospect (0.21tcf 2U). The latter "will also de-risk the nearby Anchois South Flank prospect" (0.37tcf 2U), Chariot says, adding that drilling and flow testing operations are expected to take approximately two months and that the aim is to use the well as a future producer.

'UPSIDE POTENTIAL'

"We see significant upside potential and value from the prospective resources in the pilot hole and main hole targets which could increase the resource base to over 1tcf and we look forward, on success, to moving towards a Final Investment Decision as quickly as possible," Chariot CEO Adonis Pouroulis says.

The Lixus permit that contains Anchois and the surrounding Rissana exploration permit (Energean 37.5%op, Chariot 37.5%, ONHYM 25%) are set to remain Energean's only assets outside of its core Israel position (MEES, 26 July) after it agreed to sell its Egypt and other assets to private equity firm Carlyle for \$820mn+ in June (MEES, 21 June).

Morocco has puny gas output of below 10mn cfd with the country's two gas-fired power plants supplied with gas from Spain (re-exported LNG imports) which have averaged 80mn cfd so far this year (MEES, 5 July). ♦♦





Iraq appears to be making little effort to comply with its Opec+ quota, consistently producing well above target despite having committed to fully compensate for earlier overproduction by September 2025. Rather than implementing the pledged compensation cuts in July, output increased to a seven-month high 4.25mn b/d according to the Opec Secondary Sources aggregate, a massive 250,000 b/d above target – 320,000 b/d above target when factoring in Iraq's compensation plan (MEES, 9 August). Cumulative overproduction since January now stands at 46.9mn barrels (see chart 1).

Despite July's production increase, Iraq announced on 22 August that "the Ministry of Oil has taken real and tangible steps to reduce production levels" as it submitted another updated compensation plan to Opec.

With Brent crude prices trading either side of \$80/B for most of the year and weakening again in recent days, Iraq has increasingly come under pressure to compensate for its overproduction, as have Kazakhstan and Russia. Iraq can expect to come under additional pressure in the coming weeks and months, especially should producers opt to delay the gradual unwinding of 2.2mn b/d of voluntary production which is currently planned to begin in October (MEES, 7 June).

The default assumption when countries routinely overproduce is that they are seeking to boost their revenues. Arguments from member states that they need to take such action due to revenue shortfalls are typically given short shrift in Opec, given that the impact of collective production cuts tends to be revenue positive. The additional revenue derived from higher prices typically outweighs the lost sales volumes. As lack of discipline from one member risks discipline weakening across the group, "cheating" is eventually counterproductive.

However, when it comes to Iraq,

there may be more at play than simply chasing additional revenues.

GAS SHORTAGES AND ELECTRICITY DEMAND

Iraq's reliance on associated gas production to provide fuel for its power plants is arguably greater than for any other regional state. Federal Iraq is now capturing 2bn cfd of associated gas for the first time, having brought online new processing capacity this year (MEES, 9 August), while non-associated gas is limited to around 50mn cfd from the Siba gas field (MEES, 5 April) and slightly lower volumes from the Akkas field (MEES, 19 July).

In contrast to this, Saudi Arabia has greatly reduced the role of associated gas in its production mix, with Aramco CEO Amin Nasser saying last year that "because our non-associated gas [output] is much higher than our associated gas, we don't have any issues with fluctuation in production. We can always compensate with additional gas from our non-associated fields. That gives us a boost anytime there is a drop in production of associated gas" (MEES, 18 August 2023).

Elsewhere in the Gulf, Kuwait remains reliant on associated gas for the bulk of its approximately 1.9bn cfd production, but the link is weakening. Non-associated gas capacity has increased by 300mn cfd this year with the start-up of the JPF-4 and JPF-5 plants, bringing total capacity up to around 870mn cfd (MEES, 26 July).

But in Iraq, there have been no recent successes on such a scale. Baghdad awarded contracts this year to finally develop the stalled 4.5tcf Mansuriya and 5.6tcf Akkas non-associated gas fields, aiming for 100mn cfd in 1-2 years from each. More near-term gains may come from Crescent Petroleum's plans to fast track 250mn cfd production from its Khashim al-Ahmar/Injana development by mid-2025 (MEES, 20 October 2023). But these gains remain at risk from project delays and the country's security situation.

Underlining its importance to Iraq, Prime Minister Mohammed al-Sudani emphasized the need "to increase the production of associated gas" further in a 4 August meeting with ministry executives. The need for associated gas output is increasing substantially with each passing year, as Iraqi electricity demand is rising rapidly.

Peak electricity load hit a huge 48GW on 21 June, not just a record but an unprecedented 8GW increase on 2023's peak. Given that Iraq already falls short of meeting electricity demand, it can ill afford to reduce associated gas production, watch the supply gap widen and risk widespread protests. It could seek to boost imports of gas and electricity from Iran to help fill the gap, but with Iran facing its own electricity challenges these are increasingly unreliable (see chart 2) and Iraq can ill afford to spend even more on imports.

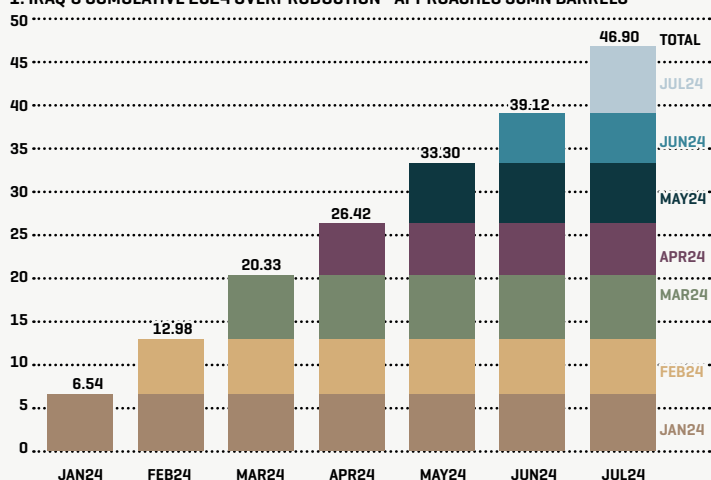
EXPORTS HIT NEW HEIGHTS

Self evidently, it's not a good look for Iraqi crude oil exports to be running at their highest level since 2019 when Iraq is supposed to be implementing its deepest production cuts since mid-2021. Yet Kpler data shows Iraq doing just that, with July's crude oil exports of 3.57mn b/d the highest since it exported 3.58mn b/d in September 2019.

Some of this comes as the oil ministry has compensated for the loss of 400,000 b/d of independent exports from Kurdistan since March 2023, with the government's 2023-2025 budget calling for exports of 3.5mn b/d.

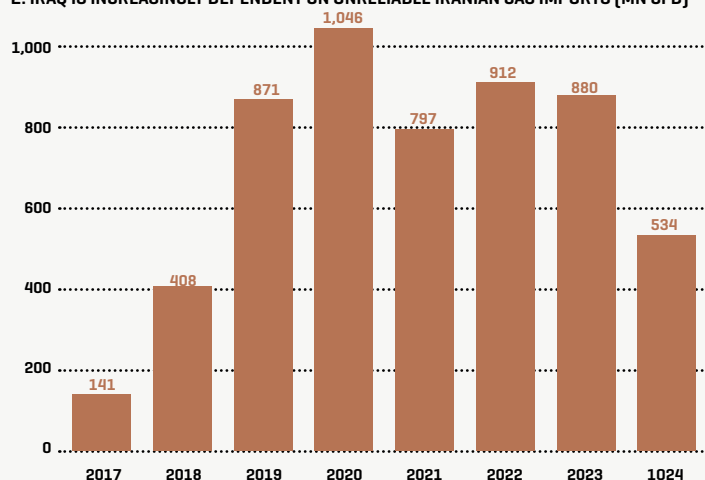
But, it should be acknowledged that Iraq's need to maximize crude oil production goes beyond simply maximizing oil export revenues. Ensuring strong associated gas production is a critical part of efforts to maintain political stability, more so than in other Opec+ countries. Ultimately, Iraq faces a number of specific issues which limit its flexibility to impose deep production cuts, raising the question of whether it should have agreed to sign up to the second round of voluntary cuts from January in the first place. ♦♦

1: IRAQ'S CUMULATIVE 2024 OVERPRODUCTION* APPROACHES 50MN BARRELS



*BASED ON OPEC SECONDARY SOURCES PRODUCTION. SOURCE: OPEC, MEES.

2: IRAQ IS INCREASINGLY DEPENDENT ON UNRELIABLE IRANIAN GAS IMPORTS (MN CFD)



SOURCE: IRAQ'S MINISTRY OF OIL, MEES.

INDIA LNG IMPORTS SOAR 30% FOR 1H 2024



OPEC & GLOBAL MARKETS

*Freshly-released official Indian data confirms that the country was the strongest source of global LNG demand growth for the first half of 2024. Indian LNG imports were up 30% at 13.77mn tons for 1H 2024, more than 1.3mn tons above the previous record 1H figure of 12.43mn tons set in 2021 [see chart 6 p19 for full data]. Q2 saw India import a quarterly record of 7.16mn tons, with both May [2.65mn tons] and June [2.61mn tons] among the top five months on record.

*With figures from data intelligence firm Kpler indicating another near-record of 2.56mn tons for July, up 44% year-on-year and almost 300,000 tons above the previous record for the month set in 2020, total 2024 volumes are on pace to smash 2020's annual record of 25.88mn tons [see chart 2].

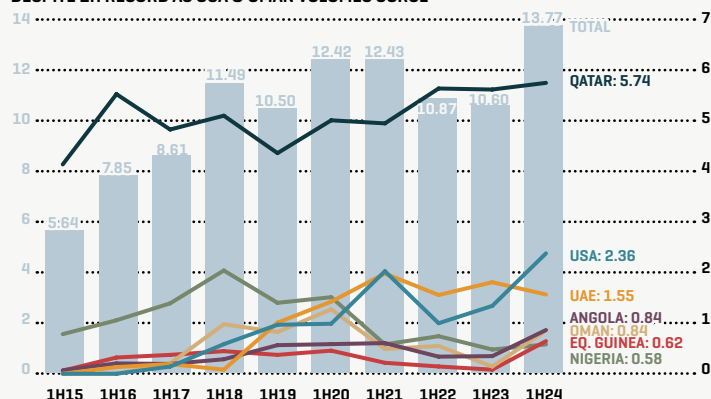
*Qatar remains India's clear top supplier. Despite its market share falling from a year-ago 52.9% to 41.7% for 1H 2024, the surge in overall volumes nevertheless saw Qatar also notch up a 1H record in absolute terms, up 2.3% at 5.74mn tons. Qatar's Q2 figure of 2.69mn tons was also up modestly year-on-year, though amid India's record overall imports this equated to a 3-year low market share of 37.5%.

*Qatar retains the distinction of having been top supplier for every quarter since India began importing LNG in 2004. However, on a monthly basis June saw Qatar, with 0.66mn tons, fall below the USA which supplied a monthly record 0.75mn tons. This is only the second time in India's two decades of importing LNG that Qatar has not been the top monthly supplier: Qatar was also pipped by the USA on the previous occasion in June 2021.

*Whilst the US remains well behind Qatar on a quarterly basis, with record volumes of 1.65mn tons for Q2 and 2.36mn tons for 1H 2024 it has leap-frogged the UAE for number two supplier spot. Indeed, with 0.77mn tons for Q2 and 1.55mn tons for 1H 2024, number three supplier the UAE is the only one of India's leading suppliers to have seen year-on-year falls this year.

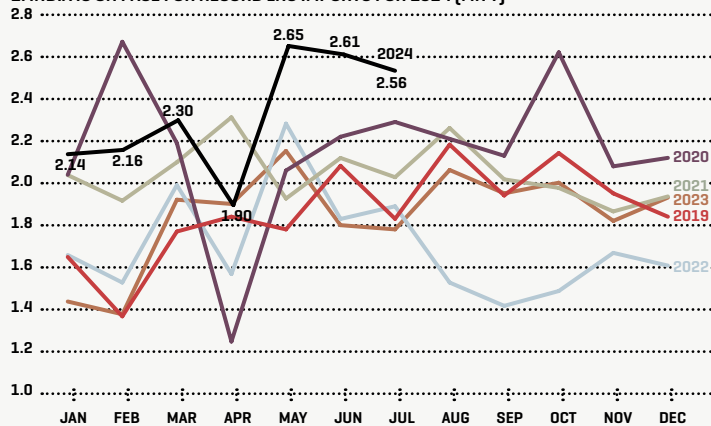
*India's third Gulf supplier Oman, saw volumes more than double year-on-year to a record 0.84mn tons for 1H 2024 to tie with Angola for number four spot, with the increase coming as Oman's overall exports rose to a new record [see p15]. On a monthly basis, Oman's 273,000 tons for June was the highest since 2020.

1: INDIA LNG IMPORTS (MN TONS): TOP SUPPLIER QATAR SEES MARKET SHARE SLIDE DESPITE 1H RECORD AS USA & OMAN VOLUMES SURGE



SOURCE: INDIA COMMERCE MINISTRY, MEES.

2: INDIA IS ON PACE FOR RECORD LNG IMPORTS FOR 2024 (MN T)



SOURCE: INDIA COMMERCE MINISTRY, MEES.

ASIAN JULY LNG IMPORTS: FIRM BUT NOT SPECTACULAR

*Asian LNG imports were relatively firm for July with collective volumes of 19.0mn tons for the key demand region's top five importers – China, Japan, South Korea, India and Taiwan – well up year-on-year and only fractionally down on the record July figure set in 2021 [see chart].

*Year-to-date volumes of 137.2mn tons are up 8% year-on-year and second only to 2021's 143.1mn tons, continuing the pattern seen in the 1H data [MEES, 26 July].

*For July, China's 5.90mn tons was [fractionally] a record for the month despite being the second lowest this year [after June]. 7M 2024 volumes of 44.16mn are up 12% on last year's depressed levels but still running below the record year of 2021 as record domestic output and piped imports from Russia caps the demand for incremental LNG [MEES, 16 August].

*Korea's July imports of 3.07mn tons were likewise the lowest this year but still up on a year earlier. As a result, year-to-date gains rose to 3.4% versus the 1.8% 1H figure for a 7M 2024 figure of 26.74mn tons, fractionally above the record 7M figure of 26.62mn set in 2021.

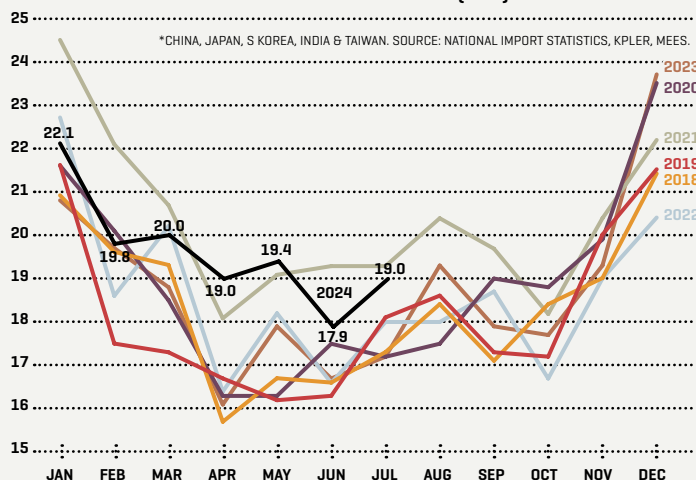
*Japan took a relatively firm 5.48mn tons for July according to Kpler, taking volumes above year-ago levels for the first time this year though still the second lowest 7M figure in well over a decade.

*The region's number four and five importers have seen the strongest gains. Number four India is on track for a record year with 1H volumes up 30% [see above], whilst Taiwan's 7M volumes of 12.07mn tons are

up 2.5% on 2023's record levels with July's 1.97mn tons the third and June's 1.95mn tons the fourth highest monthly volumes on record.

*Firm demand, including a surge in imports from Egypt [see p12] has seen Asian spot LNG prices rise to around \$14/mn BTU in the latest trade for October-arrival cargoes, well up from July's average import prices of \$11-12/mn BTU.

COLLECTIVE LNG IMPORTS BY THE TOP FIVE ASIAN BUYERS* ARE ARE RUNNING UP 8% YEAR-ON-YEAR BUT STILL BELOW 2021'S RECORD LEVELS (MN T)



*CHINA, JAPAN, S KOREA, INDIA & TAIWAN. SOURCE: NATIONAL IMPORT STATISTICS, KPLER, MEES.



Key Israeli upstream player NewMed Energy has namedropped Saudi Arabia's Neom as a possible destination for Leviathan volumes. Even disregarding political barriers, it seems an unlikely tie-up.

If Israel is to fully capitalize on its abundant gas reserves, then the development of new markets for its output is essential. Jordan takes regular volumes, and while Egypt's appetite for gas is seemingly boundless as demand outstrips declining output (see p2), overdependence on any single market carries risks.

FLNG had long been touted as a possible option for the expansion of Israel's giant 23tcf Leviathan and diversifying the mix of buyers, but that has now been shelved, leaving the partners (Chevron 39.66%op, and Israeli firms NewMed 45.34% and Ratio 15%) increasingly focused on expanding pipeline connections to both Egypt and Jordan (MEES, 19 April).

However, earlier this month, NewMed CEO Yossi Abu suggested another possible market for Leviathan volumes: Saudi Arabia. "The Leviathan field expansion project will enable us to enhance the natural gas supply for the local market while deepening regional cooperation and expanding to new countries such as Saudi Arabia," Mr Abu said on the firm's Q2 results on 8 August.

NewMed tells MEES that while there have as yet been no explicit talks on selling expanded Leviathan output to Saudi Arabia, "more capacity in Leviathan means more possibilities including supplying to the Neom area in Saudi Arabia which is in close proximity to the Israeli, Jordanian, Egyptian border."

By more capacity at Leviathan, NewMed is referring to plans to increase capacity to 1.4bn cfd by mid next year and further plans to expand to 2.1bn cfd and possibly 2.35bn cfd by late this decade (MEES, 2 August).

Leviathan currently exports the majority of its gas. Of its 1.090bn cfd Q2 output, 687mn cfd made its way to Egypt, 244mn cfd went to Jordan and 159mn cfd was supplied domestically (see chart).

With the Israeli market largely sated by Israel's other fields, Chevron-operated 1.1bn cfd Tamar and 600mn cfd Karish, any expansion of Leviathan would naturally target export markets. But Saudi Arabia looks like a long shot.

Saudi Arabia and Israel had been edging towards normalization prior to the events of 7 October and the ongoing Gaza conflict. Just before the 7 October attacks, Saudi Crown Prince Muhammad bin Salman had said that "every day we get closer [to a deal]" (MEES, 13 October 2023). Although the US and its allies continue to push Saudi Arabia to normalize relations with Israel as part of a broader multifaceted agreement including, amongst other components, increased security guarantees for Riyadh, a breakthrough

is off the table while the Gaza conflict still rages.

NEWMED TARGETS NEOM...

Geopolitics aside, Saudi Arabia may seem like an attractive market for the Leviathan partners. The kingdom burns more than 1mn b/d of liquids for power generation every year due to gas shortages (see p11), and there are no plans to connect its northwest region to the Master Gas System (MEES, 5 July). With the government's flagship Neom development steadily advancing, the kingdom's northwest region will see its energy demand go through the roof in the coming years.

Currently, the area around Neom has two primary power plants, both of which are operated by the Saudi Electricity Company (SEC). The largest plant is the 600MW 'Green Duba' facility which combines 560MW of combined cycle gas turbine (CCGT) capacity with 40MW of solar. Although not connected to the MGS, it receives gas from the nearby 75mn cfd Midyan gas development. To the east is the 500MW Tabuk power plant which relies on liquid fuels and theoretically could be an outlet for Leviathan gas. Tabuk is located around 200km south east of Jordan's Red Sea port of Aqaba via which Israeli gas flows to Egypt via the Arab Gas Pipeline. Jordan is also able to import LNG at Aqaba via an FSRU and this week launched Kuwait-backed plans for a permanent import terminal (see p13).

Although Saudi Arabia aims to end oil burn by 2030 through a combination of gas and renewables, it is still unlikely to convert the Tabuk plant to run on imported gas. Far more likely would be that the plant would be retired and replaced with a combination of local renewable power plants and electricity supplied via HVDC cable from elsewhere in Saudi Arabia.

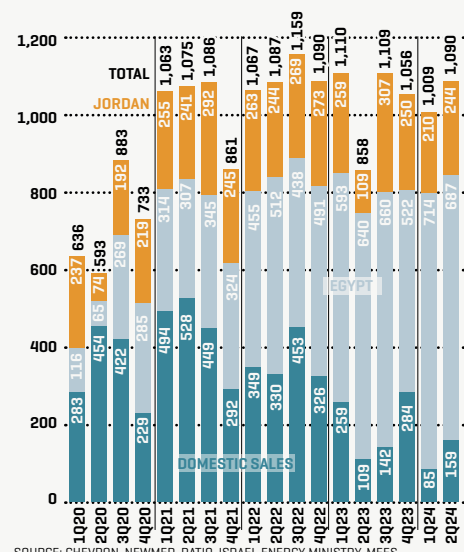
...NEOM TARGETS RENEWABLES

After all, Neom itself is planned as a 100% renewable city by 2030. In the interim, state-firm Enowa, which is responsible for providing power and water infrastructure for Neom, will secure power from further down the coast at Yanbu. A contract was signed with SEC and Hitachi Energy in May 2023 for the development of up to three high voltage direct current (HVDC) links with combined capacity of 9GW, with the first 3GW link due to be operational in 2027 (MEES, 18 August 2023). Tabuk is also separately part of the under-development 3GW Medina-Egypt HVDC connection (MEES, 8 October 2021).

Meanwhile, Enowa is currently tendering for the 800MW Shiqri solar plant and the 1.2GW Gayal wind farm, which the firm's CEO Peter Terium says are intended to begin producing electricity in 2026 (MEES, 2 August).

All of which makes it unlikely that Neom would be a serious market for Leviathan gas. Perhaps if gas were available from

LEVIATHAN PRODUCED 1.09BN CFD FOR Q2 WITH 85% EXPORTED AND 63% GOING TO GAS-HUNGRY EGYPT (MN CFD)



SOURCE: CHEVRON, NEWMED, RATIO, ISRAEL ENERGY MINISTRY, MEES.

ISRAEL & SAUDI KEY GAS & POWER INFRASTRUCTURE



tomorrow it might be a different story, but Leviathan won't have additional volumes available until close to Neom's 100% renewable deadline. Investing in the pipeline infrastructure for such a temporary fix when Neom can receive clean-generated domestic electricity through the HVDC links seems unlikely. Even leaving geopolitics aside. ♦♦

Kuwait Refineries: Record Output, Record Export

Kuwait now exports more products than crude. Peak summer fuel oil demand has seen refinery throughputs hit record highs squeezing crude exports, with oil products now accounting for around half of exports in both volume and revenue terms.

Kuwait's decade-long \$30bn refining upgrade program is paying off, with the latest official data showcasing record throughputs and product exports over the first half of this year. The emirate, traditionally a major crude supplier, now exports more products than crude thanks to the expansion of its refinery capacity to 1.4mn b/d from just 738,000 b/d in 2021. The higher value of these products is helping strengthen Kuwait's economic performance.

The latest Jodi data shows that refined products accounted for more than 50% of Kuwait's total oil export volumes in Q2 for the first time on record, a marked turnaround from the 25-30% more typical prior to the ramp up of the 615,000 b/d Al Zour refinery through 2023 (see chart 1). In total, Kuwait exported 1.21mn b/d of refined products last quarter, against 1.16mn b/d of crude oil, with diesel (325,000 b/d) and jet-kero (265,000 b/d) the two largest components.

Clean products exports rose further to a record 863,000 b/d in July according to Kpler data, as Kuwait has ramped up refinery throughputs further to provide VLSFO for power plants amid record electricity demand (see p10). Crude oil exports have fallen accordingly, to a four-month low of 1.17mn b/d for July according to Kpler, with fuel oil exports also dropping.

The shift to exporting more refined products has also diversified the geographi-

cal footprint of Kuwait's oil exports. Whilst crude exports have overwhelmingly been shipped to Asia, more refined products are shipped west. More than 50% of this year's middle distillate (diesel and jet-kero) exports have headed to Europe. Kuwait has exported 275,000 b/d of middle distillates to Europe, while the second largest market is Africa, on 155,000 b/d, with Asia well back on 80,000 b/d in third place.

This pivot also means that refined products' share of hydrocarbon export revenues are also rising fast, with the latest government statistics showing that they accounted for a record \$7.84bn in Q1 – 43% of hydrocarbon revenues (see chart 2). The figure is likely to challenge the 50% mark in Q2 and Q3 this year, even though refining margins have weakened considerably from 2022's records.

PRIORITIZING PRODUCTS

The 1.17mn b/d of crude oil that was exported in the first half of the year puts Kuwait well on course for the lowest annual figure since 2002's 980,000 b/d. Crude exports could fall further still in Q3, although plans to begin easing voluntary Opec+ production cuts from October will potentially enable a slight Q4 uplift. Volumes are already down more than 500,000 b/d on the 1.64mn b/d averaged over the same period last year.

As a result, Kuwaiti crude supplies to many longstanding markets have been

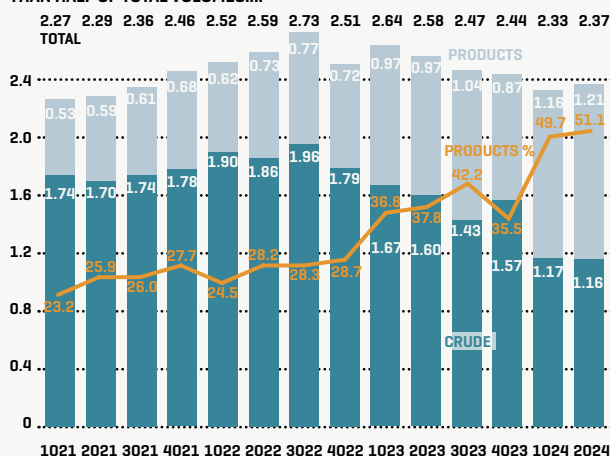
slashed over the past year. The impact has also been exacerbated by the February completion of Oman's 230,000 b/d Duqm refinery in which Kuwaiti state firm KPC has a 50% stake. Kuwait crude exports to Oman have doubled to 118,000 b/d this year, making Oman its fifth largest market.

Of Kuwait's key markets, volumes to No.1 China have fallen 40% to 272,000 b/d, while India has dropped out of the top five altogether. With the exception of Oman, the only other market in which Kuwaiti crude supplies are rising this year is Vietnam, where KPC has a 35.1% stake in the 200,000 b/d Nghi Son refinery. KPC is the sole supplier of crude to the refinery.

These overseas refinery investments, while a vital conduit for Kuwaiti crude exports, also play a key role in KPC's overall strategy of becoming a global products player (MEES, 5 July). Crude exports to Vietnam's Nghi Son refinery have risen by about 50,000 b/d to more than 220,000 b/d, while doubling to 118,000 for Oman's Duqm refinery thus far this year according to Kpler.

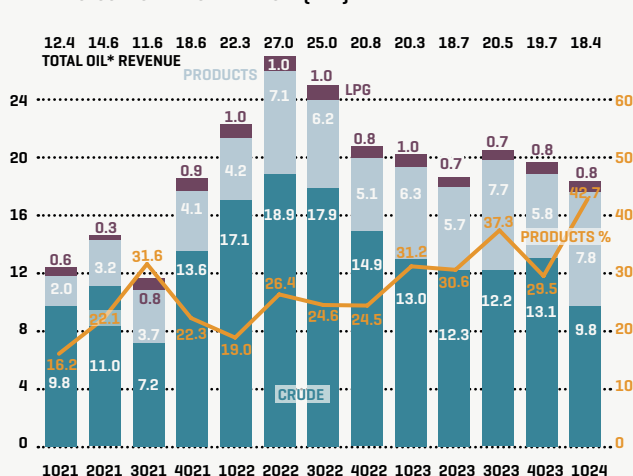
Nevertheless, KPC is keen to solidify relations with longstanding buyers, especially as it plans to increase crude production capacity to 4mn b/d by 2035. In June, it signed a MoU with Korea National Oil Corporation (KNOC) to store 4mn barrels of Kuwaiti crude oil at the South Korean refining hub of Ulsan, "strengthening strategic storage near vital Asian markets" (MEES, 14 June). ♦♦

1: KUWAIT'S OIL EXPORTS (MN B/D): REFINED PRODUCTS NOW ACCOUNT FOR MORE THAN HALF OF TOTAL VOLUMES...



SOURCE: JODI, MEES.

2: ...AND CLOSE TO HALF OF REVENUE* (\$BN)



*INCLUDING LPG. SOURCE: CENTRAL STATISTICAL BUREAU, MEES.



Kuwait Suffers New Wave Of Power Cuts On Gas Plant Outage

A gas malfunction led to another wave of extended electricity cuts in Kuwait as the emirate grows increasingly accustomed to summer outages. New electricity generation capacity is urgently needed, will the next contract awards be for solar?

Kuwait's summer power crisis took a turn for the worse over the weekend after a malfunction at KNPC's gas fractionation complex at Mina Al Ahmadi. The outages resulted in an abrupt drop in gas supplies to Kuwaiti power plants, forcing power generation units at the 7GW Sabiya and 2.5GW Doha West complexes to shut down from 17 August, before gradually ramping up from 19 August.

The outages came at an inopportune time for Kuwait as temperatures in the high 40's drove high electricity demand. To prevent a total grid meltdown, the Ministry of Electricity and Water (MEW) cut electricity to 42 areas with power only returning gradually by 19 August. MEW continued to exclude some areas to prioritize service to residential users after this date according to local media.

This latest power outage highlights the vulnerability of Kuwait's power sector, where years of political dysfunction and bureaucracy have prevented new capacity from being brought online despite demand rising unchecked (MEES, 2 August). Peak load hit an all-time high 17.36GW in July. While installed capacity stands at 19.4GW, available capacity is much lower at 17.6GW, leaving a thin 800MW buffer above June's 16.8GW peak load, which could have been further eroded last month.

The outages come just two months after problems at the 6GW Az Zour South power complex in June prompted MEW to implement rolling power cuts (MEES, 21 June). Luckily for Kuwait, the availability of LNG imports and high local fuel oil supplies, on the back of record refining throughputs (see p9), prevented these outages from being worse.

LEANING ON DOMESTIC SUPPLIES

The crisis began when seawater fed to cooling turbines at Mina al-Ahmadi's gas processing plants stopped flowing for one hour, resulting in their shutdown according to a 17 August statement by operator KNPC. The firm says that water is provided to its facilities by Kuwait's Public Authority for Industry.

Mina al-Ahmadi's five gas fractionation trains have a total capacity of 3.12bn cfd. The trains process raw gas, splitting out ethane, propane, butane and condensates, and can produce up to 332,000 b/d of liquids. KNPC commissioned its fifth 805mn cfd train

KUWAIT'S PLANNED 1.1GW OF SOLAR CAPACITY*: SHORTLISTED BIDDERS

Lead Developer	Consortium Member[s]
Acwa Power [Saudi Arabia]	Alternative Energy Projects [Kuwait]
Masdar [UAE]	Fouad Alghanim & Sons [Kuwait]
TotalEnergies Renewables [France]	none
Trungnam Group [Vietnam]	none
Jinko Power [China]	Jera [Japan], National Technology Enterprises [Kuwait]
EDF Renewables [France]	A.H. Al Sagor & Brothers [Kuwait], Korean Western [Korea]

*DIBDIBAH POWER & SHAGAYA PHASE 3 (ZONE 1). SOURCE: KAPP, MEES.

in early-2022 (MEES, 18 March 2022).

Kuwait's power system relies heavily on domestic gas to generate electricity. Sales gas output averaged a record 1.83bn cfd last year thanks to increased volumes of non-associated gas. It is on track to rise further this year, despite Opec+ cuts capping associated gas output, thanks to the completion of the latest Jurassic Gas expansion facilities in February, which brought non-associated gas capacity up to 870mn cfd (MEES, 26 July). Kuwait's latest Jodi submissions show that gas output hit a record 2bn cfd in June, with output over the first half of the year at 1.84bn cfd (see chart).

KIPIC STEPS IN

More gas is certainly needed, with power demand rising across both the residential and industrial sectors. Domestic output is also supplemented by LNG imports via Kipic's 22mn t/y capacity Al Zour terminal. LNG provided a record 800mn cfd last year and will likely exceed that figure this year.

LNG imports have been steadily increasing. Having hit a record 6.1mn tons in 2023, data from Kpler shows that volumes have already hit 4.58mn tons this year. By far the largest supplier is Qatar, which provided Kuwait with 3.4mn tons last year.

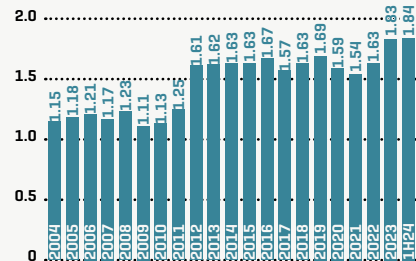
Speaking to Kuna news agency on 17 August, Kipic spokesman Ali al-Ajmi said his firm plays the role of an alternative gas supplier, not only to MEW, but also to support upstream firm KOC's operations.

Kipic also operates the nearby 615,000 b/d Al Zour refinery, which provides VLSFO for MEW's plants. High electricity demand means that MEW is having to increase oil burn (186,000 b/d fuel oil, 4,000 b/d crude in June), and KPC has been forced to keep some volumes home this summer. Kuwait exported 107,000 b/d of VLSFO in March, but this dropped to just 41,000 b/d in June according to Kpler, before edging up to 73,000 b/d in July.

SOLAR AWARDS BY YEAR END?

The ultimate solution for Kuwait's power

KUWAIT'S GAS OUTPUT (BN CFD) IS ON TRACK TO SET A NEW ANNUAL RECORD



SOURCE: BP, JODI, MEES.

woes is adding new generation capacity, but that also means more gas consumption and dependence on LNG imports given the absence of plans to add further non-associated gas capacity. Out of Kuwait's 20.25GW installed capacity, just 70MW is from renewables, with the remainder thermal capacity.

Previous plans to develop renewables plants have failed, but Kuwait still aims for 30% of power generation to come from renewables by 2030.

Achieving this will be a struggle, but on 18 August, the emirate's Authority for Partnership Projects (KAPP) short-listed four consortia and two firms for its 1.1GW Dibdibah Power and Al-Shagaya Phase 3 (Zone 1) project (see table). Kuwait had invited bids for the development in January (MEES, 5 January).

The announcement is in line with former MEW minister Salem al-Hajraf's comments to MEES earlier this year that awards were targeted by year-end, with financial close to be reached around a year later (MEES, 3 May). This implies securing financing by late-2025 with construction potentially completed in 2027, in line with MEW's target.

The list of shortlisted firms includes some of the biggest players in the region's renewables sector. Acwa Power and Masdar have both led the development of multiple projects in the UAE and Saudi Arabia, while TotalEnergies has projects in Saudi Arabia and Qatar. China's Jinko Power is also lead developer for solar projects in Saudi Arabia, while EDF Renewables partners with Masdar at a number of projects in the kingdom. ♦♦

Saudi Oil Burn Creeps Down For H1 Despite June Surge

June's oil burn spike underlines the challenge Saudi Arabia faces in eliminating oil burn by 2030. The next few years will see a race between gas and renewable development and rising electricity demand spurred on by economic growth.

Saudi Arabia has notched up its first H1 year-on-year decline in oil burn since 2018, with volumes dipping incrementally to 1.006mn b/d for 1H 2024 from a year-ago 1.014mn b/d (see chart 1 & p18 for full data). But celebrations will be muted given that the drop came despite a spike in oil burn to 1.42mn b/d for June, the third highest monthly figure on record (see charts 2 & 3).

The latest figures from Jodi therefore highlight both the strides that Saudi Arabia is making in reducing oil burn levels, given that the incremental drop came despite a 6% surge in electricity demand over the first half of the year, and the challenge it faces to sustain this over the remainder of 2024 (MEES, 16 August).

Total oil burn had averaged just 1.01mn b/d in May – the lowest figure for the month since 2020 – before surging 41% for June to the highest level since June 2022's 1.48mn b/d. If oil burn remains at similar levels through Q3, then it will likely result in another increase for the year as a whole, given that Q3 burn levels averaged 1.35mn b/d last year. The hot summer months experience the highest electricity demand and oil burn has always peaked during this period.

IMPORTS STAY HIGH THROUGH SUMMER

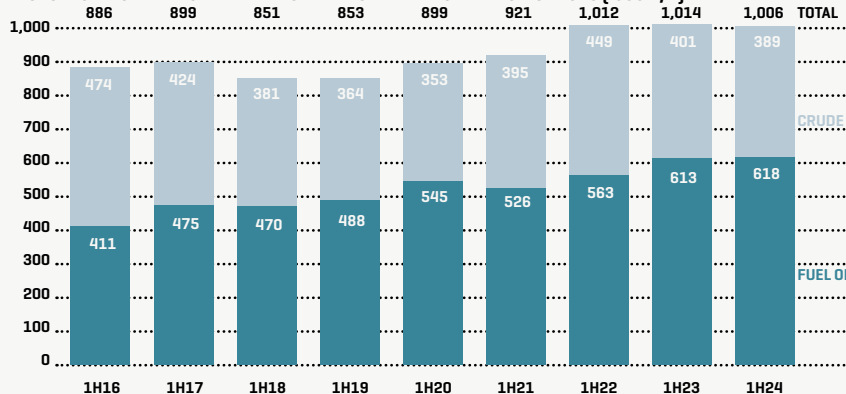
June's high oil burn level was presaged by a spike in fuel oil deliveries, largely from Russia, to Saudi Arabia's west coast that month (MEES, 5 July). Volumes dropped back by more than 100,000 b/d last month according to Kpler data, before jumping back up to June-levels over the first half of August, pointing to elevated oil burn levels through the remainder of summer.

The largest source of fuel oil imports this summer has been Russia, with volumes steady at around 110,000 b/d in recent months. This has resulted in a significant increase in Saudi Arabia's payments to Russia for 'mineral products', which hit a ten-month high \$106mn in June.

Significant volumes of fuel oil are also imported from 'Egypt', which is not itself an exporter of fuel oil. All Egyptian cargoes are re-exports, and Russia is the largest supplier here at around 25% of the total.

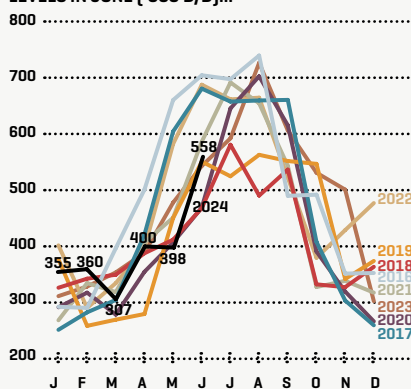
Saudi Arabia has also been importing fuel oil from neighboring Kuwait for

1: SAUDI OIL BURN* HAS FALLEN THIS YEAR FOR THE FIRST TIME SINCE 2018 ('000 B/D)



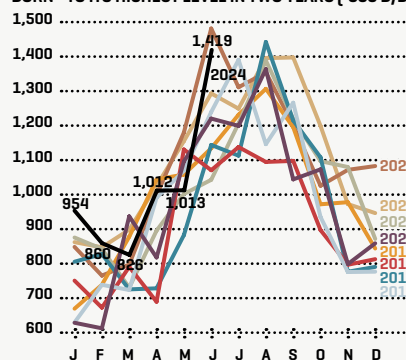
*PRESUMES ALL FUEL OIL CONSUMPTION IS BURNED, ALTHOUGH SOME IS USED IN MARINE BUNKERING. EXCLUDES SMALL VOLUMES OF DIESEL. SOURCE: JODI, MEES.

2: SAUDI CRUDE BURN JUMPS AHEAD OF YEAR-AGO LEVELS IN JUNE ('000 B/D)...



SOURCE: JODI, MEES.

3: WHILE SURGING FUEL OIL USE BOOSTS TOTAL OIL BURN* TO ITS HIGHEST LEVEL IN TWO YEARS ('000 B/D)



*CRUDE PLUS FUEL OIL CONSUMPTION. PRESUMES ALL FUEL OIL BURNED IN POWER PLANTS (SOME IS USED AS INDUSTRIAL & BUNKER FUEL); EXCLUDES DIESEL. SOURCE: JODI, MEES.

the first time since 2022. It took 45,000 b/d in July and is on course to match this again in August. All volumes are of HSFO from Kuwait's legacy refineries, rather than the more-expensive VLSFO from the new Al Zour refinery.

THE RACE IS ON

Looking ahead, the next few years will be a race between strong electricity demand growth and the increasing availability of gas feedstock and renewable energy.

On the demand front, the ambitious Vision 2030 economic reform program will drive rapid increases in electricity consumption. The 'non-oil' part of the Saudi economy sector continues to grow at a healthy 4-5%/year rate, and with the increasing electrification of large parts of the economy this will ensure strong electricity consumption gains in the coming years.

"Power demand is rising again," says Jim Krane of the Baker Institute for Public Policy. "The residential and commercial sectors are pretty flat, but industry and related sectors are still growing. The subsidy reforms of 2016 and 2018 gave locals the

incentive to economize, but for foreign investors and big firms, the adjusted prices still look cheap in the global context. So you'd expect continued growth there."

The key question is how much of this increased demand can be met through gas and renewables. Saudi Aramco plans to start up the 200mn cfd first phase of the Jafurah Basin unconventional development and recently awarded Phase 2 contracts which will lift capacity up to 2bn cfd by 2030 (MEES, 5 July). Sizeable gains will also come from the 2.6bn cfd Tanajib gas processing plant, which is due to be completed in 2025 (MEES, 21 June).

There is also considerable momentum building in the renewables sector. Acwa Power this week announced that its 700MW Ar Rass 1 solar PV plant has obtained the commercial operation certificate from the off-taker (SPPC) and has started operations. The plant was connected to the grid earlier this year, with total grid connected capacity now standing at 4.1GW and on track to reach 4.5GW by year-end (MEES, 28 June). While renewable capacity remains small, it should nearly triple to 12.7GW next year as Saudi Arabia targets 100-130GW by 2030. ♦♦





Egypt Blackouts End On Record Gas & Fuel Oil Imports, Renewables Output

Egypt has put an end to painful countrywide power cuts, for the time being at least. This is thanks to bumper imports of both LNG and piped Israeli gas, record imports of fuel oil and record renewables output.

*The import of bumper volumes of LNG, record piped Israeli gas, record volumes of fuel oil and record renewables output appears to have enabled Egypt to put an end to the persistent rolling blackouts, typically of two hours per day, which have crippled the country for almost a year.

*Both PM Mostafa Madbouly and oil minister Karim Badawi forecast that the third week of July would see the end of these blackouts, and while that target was missed, according to MEES sources in Egypt they have now gradually stopped.

*Egypt's peak load set a new record of 37.5GW on 17 July, up 8% on last year's previous record [MEES, 19 July], and may well have risen further this month. At the same time gas output continues to decline, dropping to a new seven year low 4.923bn cfd for June [see p2], with blackouts extended to three hours per day and swathes of industry shuttered as the country struggled to cope.

*The 'good news' is that Egypt's finances had improved over the preceding months following an \$8bn March agreement with the IMF and a \$35bn investment inflow from the UAE. This enabled Cairo in late June to look to alleviate the situation with the award of a tender to import 20 LNG cargoes over Q3 [MEES, 28 June], subsequently hiked to 26.

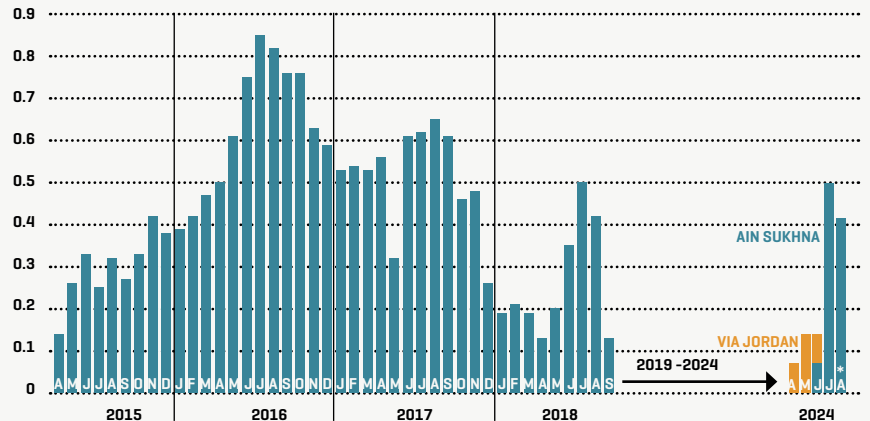
*Having imported four cargoes over Q2 via Jordan's Aqaba FSRU, Egypt in June took delivery of its own FSRU, the Hoegh Galleon, at Ain Sukhna on the Red Sea. It has already imported some 850,000 tons of LNG according to Kpler. Two more cargoes are due to offload before the end of the month, taking August's total to approximately 420,000 tons [see chart 1].

*Amid acute supply shortages, and with a swathe of fertilizer and petchems plants shuttered, Egypt's gas consumption fell by 4% counter-seasonally from 6.13bn cfd for May to 5.88bn cfd for June, the lowest June figure since 2020. And while gas used for power generation did see a 10% month on month increase to 3.79bn cfd, it is also the lowest figure for June since 2020.

*In addition to the surge in LNG imports

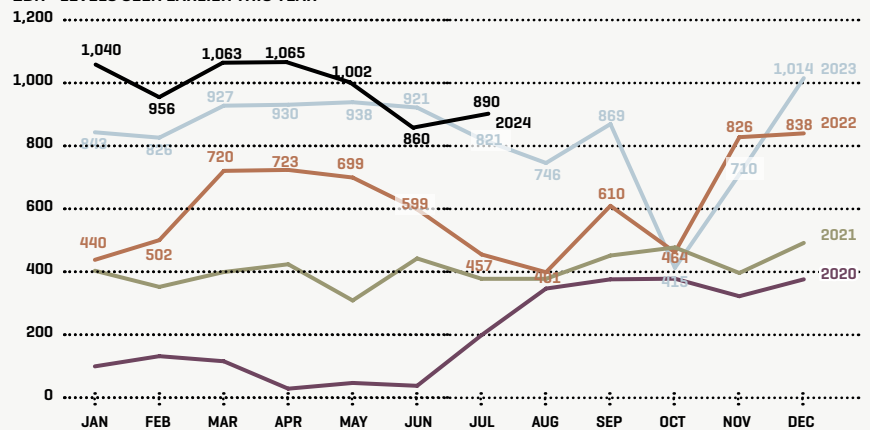
1: EGYPT LNG IMPORTS (MN TONS):

AUGUST DELIVERIES SET TO COME IN JUST BELOW JULY WITH CAIRO DUE TO TAKE MORE CARGOES IN SEPTEMBER



*FORECAST. SOURCE: KPLER, MEES

2: EGYPT IMPORTS OF ISRAELI GAS REBOUNDED TO 890MN CFD FOR JULY BUT REMAIN WELL DOWN ON THE 1BN+ LEVELS SEEN EARLIER THIS YEAR



SOURCE: JODI, MEES

since July, Egypt has also come to rely on gas imports from Israel. Having topped 1bn cfd for the first time last December, volumes averaged just shy of this [998mn cfd] for the first half of 2024, though they have trended lower in recent months.

*June's gas supply crunch came as Israeli deliveries dipped to 861mn cfd on planned maintenance at Israel's 1.1bn cfd Tamar gas field, followed by an unplanned outage at the 1.2bn cfd Leviathan field [MEES, 7 June].

*With summer also the peak season for Israel's domestic gas demand, deliveries rebounded only modestly to 890mn cfd for July [see chart 2]. They will likely

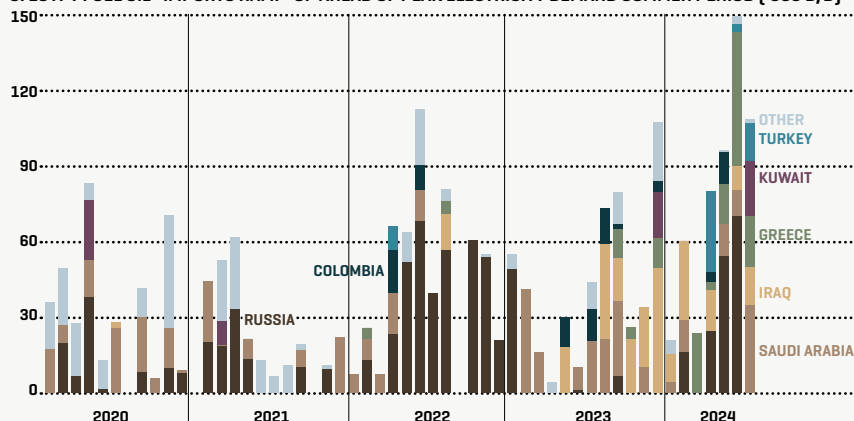
remain below 1bn cfd for August and September, increasing Cairo's dependence on other imported fuels.

*Along with LNG, that also includes fuel oil. Kpler data shows that Egypt in June imported a record 149,840 b/d of high sulfur fuel oil, typically used for burning in power plants [see chart]. Almost half of the June figure, some 70,150 b/d was discounted Russian barrels, as Cairo looks for any bargain it can get amid an ongoing financial crunch.

*While Egypt also acts as a hub for some fuel oil shipments which are re-exported

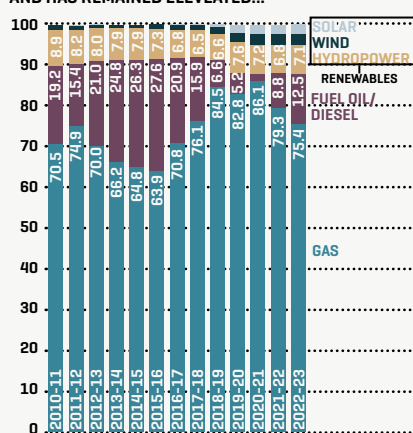
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3: EGYPT FUEL OIL* IMPORTS RAMP-UP AHEAD OF PEAK ELECTRICITY DEMAND SUMMER PERIOD ('000 B/D)



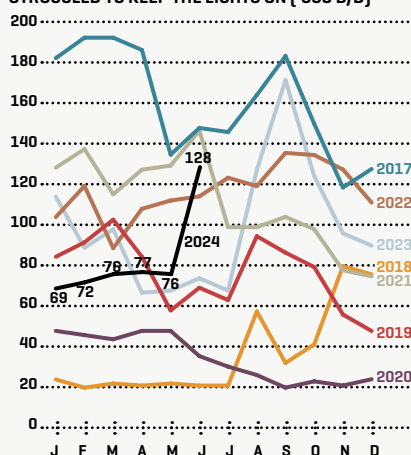
*HSFO & SRFO. SOURCE: KPLER, MEES.

4: EGYPT'S POWERGEN SPLIT (%): OIL BURN HITS 5-YEAR HIGH FOR 2022-23 ON GAS OUTPUT SLUMP AND HAS REMAINED ELEVATED...



SOURCE: EEHC, MEES

5: ... HITTING 128,000 B/D FOR JUNE AS CAIRO STRUGGLED TO KEEP THE LIGHTS ON ('000 B/D)



SOURCE: JODI, MEES

Continued from – p12

to Saudi Arabia, June [111,060 b/d] and July [106,820 b/d] also saw the two highest figures on record on a net basis. And August looks set to overtake June as the new record high according to Kpler, with 192,000 b/d imported over the first three weeks of the month.

*As for the origin of the fuel oil supplies, Cairo appears to be leaning on its key Gulf allies, Saudi, Iraq, Kuwait, and to a lesser extent the UAE as well as Russia. Egypt imported an average of 10,730 b/d from Saudi Arabia over the first seven months of the year according to Kpler, just below the 12,050 b/d supplied by Iraq. A third Gulf state, Kuwait supplied a near monthly record 22,040 b/d for July having supplied zero for the first six months of the year.

*In June, PM Mostafa Madbouly said Egypt would set aside \$180mn to import fuel oil during the summer [MEES, 28 June].

*Until 2018 Egypt typically burned well over 100,000 b/d of fuel oil in power generation. But fuel oil consumption halved following that year's start-up of 14.4GW of CCGT capacity [MEES, 27 July 2018] and fell further to 34,000 b/d for 2020. But the latest Jodi stats show fuel

oil consumption surging to 128,000 b/d for June amid the gas shortages [see chart 5].

*Fuel oil made up just 1.6% of Egypt's powergen fuel mix for the 2020-21 financial year [July-June] but that has seen a marked increase, rising to 12.5% for 2022-23, latest data from the state's Egyptian Electricity Holding Company [EEHC]. Gas' share on the other hand dropped to 75.4% for 2022-23, the lowest since 2016-17 [see chart 4].

*For 2022-23 renewables contributed 12.1%, just below the record of 12.2% set in 2020-21. But the share has almost certainly increased since. Installed capacity of solar [1.76GW] and wind [1.84GW] have more recently added a timely boost with more projects lined up which should hike wind capacity alone to 3GW by the end of next year [MEES, 16 August].

*According to Egypt's state New and Renewable Energy Agency (NREA), June saw a record 1.2GW of electricity produced by grid connected "new renewables." Of that, a record 714MW was produced by wind and a near-record 432MW was produced by solar PV, with the 140MW Kuriemat solar/thermal plant contributing 56MW. Those figures could rise further with peak output usually posted in July and August.

Jordan Signs Deal For New Onshore LNG Import Terminal

Jordan's state run Aqaba Development Corporation on 20 August awarded a consortium of Singapore's AG&P, its South Korean subsidiary Gas Entec and Jordan's Issa Haddadin a contract to build a permanent 720mn cfd / 5mn t/y-capacity LNG regasification terminal at Aqaba on Jordan's Red Sea coast.

The \$125mn facility will be located at the existing Sheikh Sabah Al-Ahmad Al-Jaber AlSabah natural gas terminal. The terminal was inaugurated in 2015 and named after Kuwait's then-emir, after being financed by the Kuwait Fund for Arab Economic Development (KFAED). The Kuwaiti fund is also financing part of the latest cost through a "soft loan."

This week's award includes full engineering, procurement, construction, installation, and commissioning (EPCIC) work. This includes marine works, jetty topside work and other associated developments. Gas Entec says the project "shall be completed, commissioned and delivered within 22 months," for an estimated 2Q 2026 start-up.

Jordan is highly reliant on gas for power, in particular piped imports of gas from Israel's Leviathan field: volumes of 230mn cfd for 1H 2024 made up around 70% of the country's powergen fuel mix. It also imports supplemental LNG via the 750mn cfd Energos Eskimo FSRU, moored at Aqaba, which is under lease until 2025. Amman will likely look to extend the lease until the onshore facilities are up and running.

Jordan currently shares the use of the vessel with Egypt, although since Cairo began leasing its own FSRU in June (see main story & MEES, 28 June), the Eskimo has only handled cargoes for Jordan's state utility, Nepco.

According to Kpler Jordan imported two cargoes totaling 138,000 tons in July and a further two totaling 126,000 tons so far this month – the only volumes Jordan has imported this year. This is double the total of 132,000 tons that Nepco imported last year, one cargo each in July and August which are typically the hottest months of the year when power demand and by relation, gas consumption peak.

Jordan's reliance on Israeli gas poses political challenges for the government, especially in the wake of the Gaza conflict [MEES, 19 July].





Oman Pays Down \$2.3bn In Debt For 1H 2024

Oman reduced its debt by \$2.3bn during the first half of the year. Higher oil prices and record non-oil revenues are combating the effect of lower oil production.

Starting in 2020, Oman has pursued a series of fiscal reforms to move state finances away from continual deficits and high levels of debt. Since 2022, higher oil prices have helped Oman reach and sustain budget surpluses, which it has used to pay down large amounts of debt. In the eyes of international rating agencies, debt, that is to say low debt, is seen as a clear measure of the state's fiscal health, and recently released figures read as a favorable prognosis.

According to finance ministry data, Oman repaid roughly \$2.3bn of public debt in the first half of the year. Net debt now stands at \$37.4bn, down from \$42.3bn from the same time last year, and \$39.7bn at the start of 2024 (see chart 1).

Such a drop is slightly below projections from international credit agency Fitch Ratings, which expected a \$2.9bn drop during the first half of the year (MEES, 31 May). Oman in the past year has received rating upgrades from the three major ratings agencies on the back of its fiscal reforms, and it will be keen to continue the trend as the majority of Oman's debt, roughly 75%, is external debt.

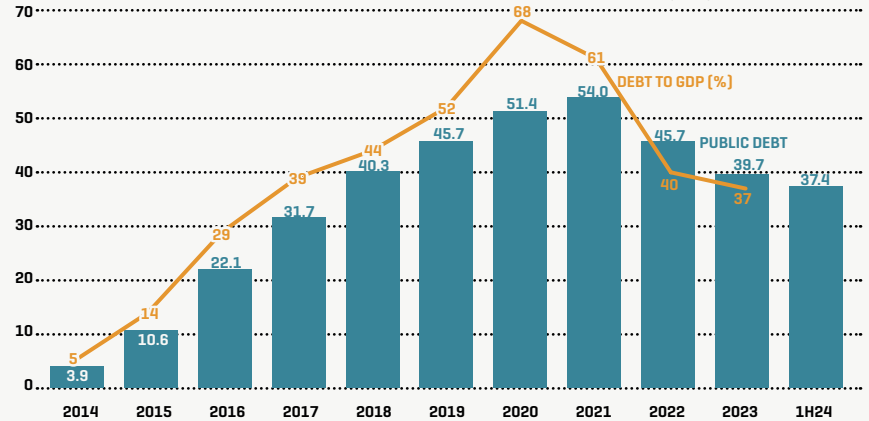
OIL REVENUES: STEADY FLOW

For Oman to pay down debt it requires robust revenues, and oil and gas provide this. Hydrocarbons accounted for 70% of total government revenues in the first half of 2024. Liquids yield the largest single tranche of government revenues, with the \$8.7bn over the first half of the year up slightly on the \$8.4bn over the same period last year thanks to slightly higher average oil prices (see chart 2).

This is despite Oman cutting crude oil output since January due to voluntary Opec+ production commitments, which dropped its quota from 801,000 b/d to 759,000 b/d. Oman produced in line with this 759,000 b/d for Q2 after overshooting it during Q1. The drop has been partially offset by increased condensate output, which rose 3% year-on-year to 235,000 b/d for 1H 2024, but total oil output has still been below 1mn b/d since March for the first time since November 2021.

Still, what Oman is losing with lower output, it is making up for through higher prices. Global oil prices rebounded in

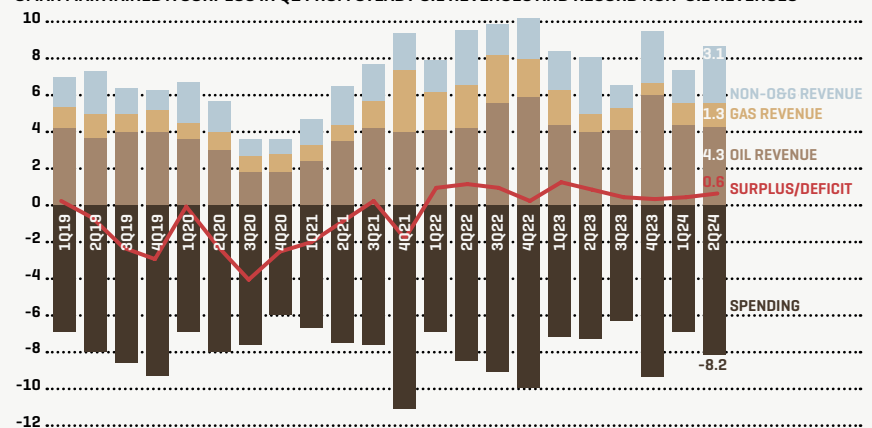
1: OMAN CONTINUES TO PAY DOWN ITS PUBLIC DEBT* ON THE BACK OF OIL PROFITS (\$BN)



*TOTAL DEBT INCLUDES BOTH EXTERNAL AND INTERNAL DEBT. SOURCE: MOF, MEES.

2: OMAN REVENUE & SPENDING (\$BN):

OMAN MAINTAINED A SURPLUS IN Q2 FROM STEADY OIL REVENUES AND RECORD NON-OIL REVENUES



SOURCE: NCSI, MOF, MEES.

Q2 helping push the official selling price for Oman crude up to around \$85/B from \$80/B the previous quarter.

Meanwhile, despite gas output averaging a record 5.2bn cfd in the first half of the year, gas revenues were down 17% year-on-year at \$2.45bn as LNG prices fell back from 2022-2023's record highs.

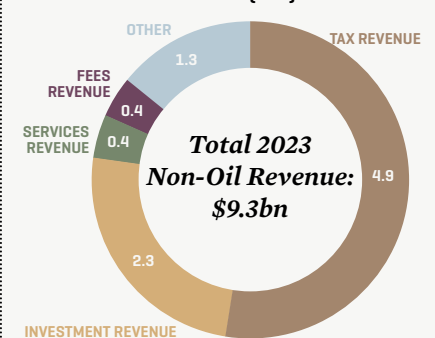
RECORD NON-OIL REVENUES

Also of note is non-hydrocarbon revenues, which hit a record \$3.1bn for Q2, although the 36% share of overall revenue is down versus the 38% year-ago figure.

While government figures do not provide a monthly breakdown for sources of non-oil revenue, annual statistics show that taxes on corporations, property, and goods and services made up the bulk of 2023's \$9.3bn total (see chart 3).

Otherwise, a further boon to the state revenues outside of hydrocarbons is contributions from the Oman Investment Authority (OIA) sovereign wealth fund. Last year, the fund contributed \$2bn to Muscat's state budget, making

3: TAXES DOMINATE SOURCES OF NON-OIL REVENUE FOR OMAN IN 2023 (\$BN)



SOURCE: NCSI, MOF, MEES.

up slightly less than a quarter of total non-oil and gas revenues (MEES, 7 June).

While the fund does not release updates on its activities, it is reportedly eyeing billion-dollar IPOs this year, most notably for the upstream arm of state energy company OQ (MEES, 5 April). Last year it spearheaded the largest IPO in Oman's history, floating 49% of Oman's gas network firm OQGN on the Muscat Stock Exchange (MEES, 13 October 2023). ♦♦

IRAN'S NEW OIL MINISTER

Mohsen Paknejad was appointed Iran's new oil minister on 21 August, securing the support of 222 out of 288 MPs. Mr Paknejad has had a two-decade career in the industry, serving in various positions within both the ministry and state oil firm NIOC (MEES, 16 August). Outlining his program to parliament, the new oil minister promised to carry on with plans to add 400,000 b/d to crude oil capacity, vowing to achieve this by the end of the next Iranian calendar year in March 2026.

Driven by exports to China and lax US sanctions enforcement, oil production has risen to around 3.2mn b/d thus far this year, but remains well below Iran's claimed 3.6mn b/d capacity. The plan would require government funds (MEES, 31 May) as well as investment by private Iranian firms (MEES, 22 March), and is highly unlikely to be achieved in less than two years.

The new minister also highlighted his commitment to reversing declines at the giant South Pars gas field (MEES, 15 March) and ending routine gas flaring (MEES, 26 January), both of which are key to resolve recurring gas shortages in the country.

KRG GAS EXPANSION: DANA SACKS CONTRACTOR

Dana Gas said on 20 August that it has issued a notice of termination to Calgary-based EPC contractor Enerflex, which was implementing the KM250 expansion project at Iraqi Kurdistan's 500mn cfd Khor Mor gas field. The Emirati firm (35%), which co-operates the field with compatriot Crescent Petroleum (35%) on behalf of the Pearl Consortium (other partners: OMV 10%, Mol 10%, RWE 10%), said the decision follows "numerous performance issues which have arisen during the execution of the contract works."

Enerflex has been reluctant to re-start work following a deadly drone strike that led to a five-day outage at the field (MEES, 3 May). In its Q2 results presentation, Dana Gas said that work was suspended after Enerflex declared force majeure right after the attack, and it appears that security guarantees given by the Federal and Kurdistan governments to the partners were not sufficient for the Canadian firm to resume construction.

Khor Mor is Iraq's largest non-associated gas field and has been the target of frequent attacks suspected to have been carried out by Iran-backed Iraqi militias. KM250 aims to bring capacity to 750mn cfd and attacks saw works halted multiple times. Stopped for nearly a year in 2022 (MEES, 1 July 2022), work only resumed in May 2023, with the partners targeting completion in 2H24 (MEES, 9 February).

The Pearl Consortium will now "assume direct control over the remaining phases of the project" to bring KM250 back on track, the statement adds. KM250, the first phase

of a plan intended to ultimately add 500mn cfd capacity to the field, is slated to bring additional supplies to not only Kurdistan but also federally-controlled parts of northern Iraq with Baghdad in May approving a deal to buy Khor Mor gas (MEES, 24 May).

SAUDI BUYS NINE VLCCS

Saudi Arabia's national shipping company Bahri on 20 August announced the purchase of nine very large crude carriers (VLCCs). Bahri will pay Athens-based shipowner Capital Maritime and Trading Corporation \$1bn for the ships, the funds coming from bank facilities and internal cash resources.

Bahri says the delivery of the tankers will be done in installments by the end of 1Q 2025. Currently, Bahri has 40 VLCCs in its fleet, alongside 36 chemical and oil product tankers, 11 dry bulk carriers, and six multi-purpose vessels according to its website.

The tankers have an average age of around six years and are fitted with emission scrubbers. "The transaction will improve the fleet competitiveness of Bahri Oil Transport business unit as the modern, eco-scrubber, and cost-efficient VLCCs will boost both its revenues and profitability," the firm states in the filing.

"The main purpose of this acquisition is to enable Bahri streamlining the process of phasing out older vessels in the fleet going forward," the firm adds, rather than expanding its fleet.

OMAN: SOHAR REFINERY BACK ONLINE

Oman state energy firm OQ on 17 August returned its 197,000 b/d Sohar Refinery to normal operation after it suffered a two-week shutdown. The outage hit the "SR Block" of the refinery, according to consultancy IIR Energy. This appears to be a reference to the older CDU and secondary units that predate the plant's expansion in 2017 (MEES, 17 February).

Due to the outage, OQ was forced to sell 1mn barrels of crude on a prompt tender to load at the end of the month, according to Reuters (MEES, 9 August).

A trading source says that the impact was limited and only affected gasoline exports. But, according to data intelligence firm Kpler, gasoline cargoes continued departing from Sohar during the outage period, with OQ drawing on volumes from storage (MEES, 4 August).

OMAN LNG EXPORTS REACH NEW RECORD

Oman LNG exported a record 6.1mn tons of LNG over the first half of the year, up 11% from 5.51mn tons for 1H 2023.

South Korea remained clear number one customer, despite its import volumes falling by 14% for 2023's record 1H levels to 2.33mn tons for 1H 2024. Number two Japan saw volumes surge 50% to 1.61mn tons to close the gap, whilst India saw volumes near

triple to 840,000 tons (see p7) to overtake China for number three spot despite the latter posting 62% gains at 740,000 tons.

Oman intends to boost LNG capacity from 11.4mn t/y capacity to 15.2mn t/y with the planned construction of a fourth train at its facility in Sur (MEES, 2 August). The expansion is enabled by rapid developments in the country's upstream sector, which produced a record 5.2bn cfd in the first half of the year (MEES, 26 July).

ALGERIA'S HASSI MESSAOUD REFINERY: PROGRESS AT LAST?

Rachid Hachichi, CEO of Algerian state oil giant Sonatrach, told Algerian TV on 14 August that a long-stalled 5mn t/y (110,000 b/d) refinery slated for Algeria's inland oil hub of Hassi Messaoud "will be relaunched in the coming days." This comes as Sonatrach has reached an agreement with "the company charged with construction," he says.

This is a reference to Spanish contractor Tecnicas Reunidas which in January 2020 was awarded a \$3.7bn EPC contract for the refinery in partnership with Korea's Samsung Engineering (MEES, 10 January 2020). Work has yet to begin after Sonatrach stalled in a bid to cut costs (MEES, 26 May 2023).

But, despite having separate ongoing litigation with Sonatrach surrounding the troubled Touat gas project (MEES, 19 April), Tecnicas is also positive on the prospect of the refinery moving forward. "We continue having a very good relationship [with Sonatrach] despite issues and problems... we have been working and exploring with them different ways to relaunch the Hassi refinery... it is important for them to relaunch the refinery. And I have to say that we are doing so, and we are positive about it," CEO Juan Arburua told his firm's Q2 earnings call on 31 July.

ALGERIA GAS COMPRESSION AWARD

Algerian state firm Sonatrach on 15 August signed a \$210mn EPC deal with the energy engineering subsidiary of Chinese state giant CNPC for three gas compression trains at the Alrar field in Algeria's Illizi basin on the Libyan border. Alrar, the Algerian portion of Libya's Eni-operated Wafa gas condensate field, has been producing since 1984. Sonatrach says the aim is to "compensate for falling natural pressure in order to maintain the field's production at 10mn m³/day [350mn cfd]." Start-up of the new facilities is expected in 32 months, that is to say "the end of the second quarter of 2027."

Previous investments have looked to backfill Alrar's 25mn m³/day processing facilities with the development of nearby "Tinrhert" fields (MEES, 7 October 2022). Having delivered Tinrhert Phase-1 in July 2022, UK contractor Petrofac says that \$300mn Phase-2 was 40% complete as of end-2023.

Continued on - p16



NEWS IN BRIEF

Continued on – p15

SAUDI COGEN: FINANCIAL CLOSE

Abu Dhabi's Taqa announced this week that, alongside Japan's Jera, it has reached financial close for the development of Saudi Arabia's Satorp cogeneration plant, which will supply 475MW and 452 tonnes/hour of steam. The project will be developed by the newly formed Najim Cogeneration

Company special purpose entity owned by Taqa (51%) and Jera (49%) on a 25-year build, own, operate basis which is extendable by five years.

The CCGT plant is being developed at the Satorp refining complex owned by Aramco (62.5%), TotalEnergies (37.5%) and will supply power to the partners' under-development Amiral petrochemicals complex adjacent to the plant. It is expected to start up in 2027 (MEES, 29 March).

Elsewhere in Saudi Arabia, Siemens Energy

official says the 1.2GW expansion of SEC's GW Rabigh power generation plant is progressing well. "After three months from contract signature; Our gas turbines not only have begun arriving in Rabigh, but also the first GT have been successfully installed, marking a significant milestone," the firm's Head of Generation Sales Middle East Ahmed ElSerry posted on LinkedIn, adding that "we remain on track to have everything operational by 2025."

CRUDE OFFICIAL SELLING PRICES (\$/B): IRAN HIKES KEY IRANIAN LIGHT PRICE TO ASIA



SELECTED DATA

	Apr23	May23	Jun23	Jul23	Aug23	Sep23	Oct23	Nov23	Dec23	Jan24	Feb24	Mar24	Apr24	May24	Jun24	Jul24	Aug24	Sep24
IRAN: to Asia (FOB Kharg Island, vs Oman/Dubai average)																		
Iranian Light [33-34°]	+2.50	+2.80	+2.60	+3.00	+3.15	+3.45	+3.50	+3.85	+4.00	+3.60	+1.75	+1.75	+1.95	+2.25	+3.10	+2.60	+2.10	+2.35
vs Saudi Arab Light	+0.00	+0.00	+0.05	+0.00	-0.05	-0.05	-0.10	-0.15	+0.00	+0.10	+0.25	+0.25	+0.25	+0.25	+0.20	+0.20	+0.30	+0.35
Iranian Heavy [30-31°]	+1.25	+1.45	+0.65	+1.05	+1.10	+1.80	+1.75	+1.75	+1.80	+1.40	-0.50	-0.70	-0.45	+0.05	+1.10	+0.80	+0.10	+0.15
vs Saudi Arab Medium	-1.25	-1.35	-1.35	-1.40	-1.55	-1.55	-1.70	-1.70	-1.55	-1.35	-1.25	-1.25	-1.30	-1.30	-1.25	-1.15	-1.15	-1.10
Foroozan [31°]	+1.15	+1.35	+0.55	+0.95	+1.05	+1.75	+1.75	+1.85	+1.85	+1.50	-0.35	-0.50	-0.25	+0.25	+1.25	+0.90	+0.25	+0.30
South Pars Condensate	-0.60	-0.30	-0.95	-0.65	-0.50	+0.10	+0.15	+0.25	+0.45	+0.20	-1.75	-1.80	-1.50	-1.00	+0.10	-0.25	-0.95	-0.95
Soroosh [18.6°] vs Iran Heavy	-3.70	-3.60	-3.60	-3.60	-3.50	-3.60	-3.50	-3.50	-3.25	-3.10	-3.05	-2.85	-2.80	-2.80	-2.65	-2.70	-2.70	-2.75
to Northwest Europe/South Africa (FOB Kharg Island, vs ICE Brent)																		
Iranian Light [33-34°]	-0.75	-0.65	+0.45	+1.35	+2.10	+4.15	+4.00	+5.40	+3.15	+1.15	-0.80	-0.75	-1.25	-1.15	+0.65	+1.65	+2.50	-0.20
vs Saudi Arab Light	-1.75	-1.65	-1.65	-1.65	-1.70	-1.65	-1.70	-1.80	-1.75	-1.75	-1.70	-1.65	-1.55	-1.45	-1.45	-1.45	-1.50	-1.45
Iranian Heavy [30.7°]	-2.30	-2.20	-1.10	-0.20	+0.60	+1.90	+1.75	+3.15	+0.90	-1.10	-2.55	-2.50	-3.00	-2.90	-1.20	-0.20	+0.70	-2.00
Foroozan [31°]	-2.40	-2.25	-1.20	-0.30	+0.50	+1.95	+1.80	+3.15	+0.90	-1.00	-2.40	-2.20	-2.70	-2.60	-0.80	+0.20	+0.90	-1.80
to Mediterranean (FOB Kharg Island, vs ICE Brent)																		
Iranian Light [33-34°]	-1.20	-1.10	+0.00	+0.60	+1.60	+2.65	+2.55	+4.45	+2.55	+0.70	-1.20	-1.10	-1.70	-1.50	+0.60	+1.60	+2.50	-0.25
Iranian Heavy [30-31°]	-2.80	-2.70	-1.60	-1.10	-0.10	+0.20	+0.05	+1.95	+0.10	-1.75	-2.55	-3.10	-3.70	-3.50	-1.50	-0.50	+0.40	-2.35
Foroozan [31°]	-2.90	-2.80	-1.70	-1.20	-0.05	+0.25	+0.15	+1.95	+0.00	-1.65	-2.40	-2.85	-3.50	-3.25	-1.20	-0.20	+0.60	-1.80
SAUDI ARABIA: to Asia (FOB Ras Tanura, vs Oman/Dubai average)																		
Arab Super Light (>40°)	+4.95	+5.00	+4.30	+4.75	+4.35	+4.95	+5.45	+5.45	+5.45	+4.95	+2.95	+2.95	+2.95	+2.95	+3.45	+2.95	+2.75	+2.95
Arab Extra Light [36-40°]	+2.70	+2.80	+2.10	+2.55	+2.55	+2.55	+2.85	+3.35	+4.05	+3.55	+1.55	+1.50	+1.70	+2.10	+2.80	+2.20	+1.60	+1.70
Arab Light [32-36°]	+2.50	+2.80	+2.55	+3.00	+3.20	+3.50	+3.60	+4.00	+4.00	+3.50	+1.50	+1.50	+1.70	+2.00	+2.90	+2.40	+1.80	+2.00
Arab Medium [29-32°]	+2.50	+2.80	+2.00	+2.45	+2.65	+3.35	+3.45	+3.45	+3.35	+2.75	+0.75	+0.55	+0.85	+1.35	+2.35	+1.95	+1.25	+1.25
Arab Heavy (<29°)	+0.75	+1.25	+0.35	+0.80	+1.00	+1.60	+1.70	+1.70	+2.00	+1.70	-0.30	-0.30	+0.00	+0.50	+1.60	+1.20	+0.50	+0.50
to Northwest Europe (FOB Ras Tanura, vs ICE Brent)																		
Arab Extra Light [36-40°]	+1.60	+1.60	+2.70	+3.60	+4.40	+7.40	+7.30	+8.50	+6.20	+4.20	+2.70	+2.70	+2.00	+2.00	+3.70	+4.70	+5.60	+2.85
Arab Light [32-36°]	+1.00	+1.00	+2.10	+3.00	+3.80	+5.80	+5.70	+7.20	+4.90	+2.90	+0.90	+0.90	+0.30	+0.30	+2.10	+3.10	+4.00	+1.25
Arab Medium [29-32°]	+0.50	+0.50	+1.60	+2.50	+3.30	+4.60	+4.50	+6.00	+3.70	+1.70	+0.20	+0.20	-0.40	-0.40	+1.30	+2.30	+3.20	+0.45
Arab Heavy (<29°)	-2.60	-2.60	-0.80	+0.10	+0.90	+1.90	+1.80	+3.30	+1.00	-1.00	-2.50	-2.50	-3.10	-2.80	-1.10	-0.10	+0.80	-1.95
to Mediterranean (FOB Ras Tanura, vs ICE Brent)																		
Arab Extra Light [36-40°]	+2.10	+2.10	+3.20	+3.80	+4.80	+6.30	+6.20	+7.70	+5.80	+3.80	+2.30	+2.30	+1.60	+1.70	+3.70	+4.70	+5.60	+2.85
Arab Light [32-36°]	+0.80	+0.80	+1.90	+2.50	+3.50	+4.50	+4.40	+6.30	+4.40	+2.40	+0.40	+0.40	-0.20	-0.10	+2.00	+3.00	+3.90	+1.15
Arab Medium [29-32°]	+0.50	+0.50	+1.60	+2.20	+3.20	+3.50	+3.40	+5.30	+3.40	+1.40	-0.10	-0.10	-0.70	-0.60	+1.40	+2.40	+3.30	+0.55
Arab Heavy (<29°)	-3.10	-3.10	-1.30	-0.70	+0.40	+0.50	+0.40	+2.30	+0.40	-1.60	-3.10	-3.10	-3.70	-3.30	-1.30	-0.30	+0.60	-2.15
to US (FOB Ras Tanura, vs ASCI)																		
Arab Extra Light [36-40°]	+8.20	+8.40	+8.40	+9.30	+9.40	+9.40	+9.60	+9.60	+9.60	+9.30	+7.30	+7.10	+7.00	+7.00	+7.00	+7.00	+7.10	+6.35
Arab Light [32-36°]	+6.65	+6.75	+6.25	+7.15	+7.25	+7.25	+7.45	+7.45	+7.45	+7.15	+5.15	+4.85	+4.75	+4.75	+4.75	+4.75	+4.85	+4.10
Arab Medium [29-32°]	+6.45	+6.95	+6.95	+7.85	+7.95	+7.95	+8.15	+8.15	+8.15	+7.85	+5.85	+5.85	+5.65	+5.65	+5.45	+5.45	+5.45	+4.70
Arab Heavy (<29°)	+6.00	+6.50	+6.50	+7.40	+7.50	+7.50	+7.70	+7.70	+7.70	+7.40	+5.40	+5.40	+5.30	+5.30	+5.10	+5.10	+5.10	+4.35
delivered US Gulf (vs ASCI)																		
Arab Light [32-36°]	+7.95	+8.05	+7.55	+8.45	+8.55	+8.55	+8.75	+8.75	+8.75	+8.45	+6.45	+6.15	+6.05	+6.05	+6.05	+6.05	+6.15	+5.40
Arab Medium [29-32°]	+7.75	+8.25	+8.25	+9.15	+9.25	+9.25	+9.45	+9.45	+9.45	+9.15	+7.15	+7.15	+6.95	+6.95	+6.75	+6.75	+6.75	+6.00
Arab Heavy (<29°)	+7.30	+7.80	+7.80	+8.70	+8.80	+8.80	+9.00	+9.00	+9.00	+8.70	+6.70	+6.70	+6.60	+6.60	+6.40	+6.40	+6.40	+5.65

CRUDE OFFICIAL SELLING PRICES (\$/B) - (CONTINUED)



SELECTED DATA

	Jun23	Jul23	Aug23	Sep23	Oct23	Nov23	Dec23	Jan24	Feb24	Mar24	Apr24	May24	Jun24	Jul24	Aug24	Sep24	Oct24
ABU DHABI																	
Murban [40.3°]	84.11	75.59	75.61	80.78	87.28	93.92	91.00	83.32	77.69	79.06	80.99	84.52	89.14	83.93	82.52	83.80	
Das [38.8°]	83.11	74.89	74.91	80.18	86.68	93.32	90.40	82.72	76.99	78.31	80.19	83.82	88.39	83.28	81.77	83.00	
Das-vs Murban	-1.00	-0.70	-0.70	-0.60	-0.60	-0.60	-0.60	-0.60	-0.70	-0.75	-0.80	-0.70	-0.75	-0.65	-0.75	-0.80	
Umm Lulu [38.7°]	84.31	75.79	75.76	80.93	87.48	94.17	91.25	83.57	77.94	79.31	81.14	84.67	89.34	84.13	82.67	84.00	
Umm Lulu-vs Murban	+0.20	+0.20	+0.15	+0.15	+0.20	+0.25	+0.25	+0.25	+0.25	+0.25	+0.15	+0.15	+0.20	+0.20	+0.15	+0.20	
Upper Zakum [34.1°]	83.41	75.09	75.01	80.78	86.68	93.42	90.50	83.82	77.49	78.91	80.99	84.42	89.74	84.23	82.52	83.85	
Upper Zakum-vs Murban	-0.70	-0.50	-0.60	+0.00	-0.60	-0.50	-0.50	+0.50	-0.20	-0.15	+0.00	-0.10	+0.60	+0.30	+0.00	+0.05	
IRAQ: to Asia [vs Oman/Dubai average]																	
Basrah Medium (FOB)	-0.15	-0.10	+0.40	+1.40	+1.80	+2.10	+1.80	+1.00	-0.80	-0.80	-0.60	+0.00	+1.00	+0.60	-0.10	+0.00	
vs Saudi Arab Heavy	-0.50	-0.90	-0.60	-0.20	+0.10	+0.40	-0.20	-0.70	-0.50	-0.50	-0.60	-0.50	-0.60	-0.60	-0.60	-0.50	
Basrah Heavy (FOB)	-3.30	-3.25	-2.65	-1.90	-1.60	-1.40	-1.60	-1.90	-3.80	-4.10	-4.00	-3.20	-1.95	-2.25	-3.00	-3.00	
to Europe [vs Dated Brent]																	
Basrah Medium (FOB)	-4.60	-4.35	-3.15	-2.05	-2.55	-1.15	-2.15	-4.35	-5.15	-5.45	-5.85	-5.15	-3.35	-2.85	-2.40	-3.90	
vs Saudi Arab Heavy	-3.30	-3.65	-3.55	-2.55	-2.95	-3.45	-2.55	-2.75	-2.05	-2.35	-2.15	-1.85	-2.05	-2.55	-3.00	-1.75	
Basrah Heavy (FOB)	-7.40	-6.95	-5.80	-4.80	-5.20	-3.75	-4.95	-7.35	-8.15	-8.65	-8.95	-8.15	-6.15	-5.55	-4.95	-6.45	
Kirkuk (FOB Ceyhan)	-0.30	-0.30	+0.45	+0.85	+0.75	+1.75	+0.75	-1.25	-1.25	-1.25	-1.25	-1.15	-1.15	-1.15	-0.90	-1.00	
to US [vs ASCI]																	
Basrah Medium (FOB)	-1.00	-1.00	-0.80	-0.55	-0.35	-0.25	-0.40	-0.70	-1.00	-1.00	-0.95	-0.90	-0.65	-0.65	-0.65	-1.10	
Basrah Heavy (FOB)	-5.45	-5.45	-4.70	-4.60	-4.40	-4.40	-4.70	-5.20	-5.50	-5.35	-5.25	-5.15	-4.80	-4.85	-4.95	-5.45	
Kirkuk (FOB Ceyhan)	+1.25	+1.25	+1.35	+1.35	+1.35	+1.35	+1.35	+1.35	+1.35	+1.35	+1.45	+1.50	+1.65	+1.65	+1.65	+1.25	
KUWAIT: to Asia (FOB, vs Oman/Dubai)																	
Kuwait Export Blend [31°]	+1.70	+1.95	+2.25	+2.85	+3.05	+3.05	+2.85	+2.10	+0.25	+0.25	+0.55	+1.15	+2.35	+1.95	+1.25	+1.25	
vs Saudi Arab Medium	-0.30	-0.50	-0.40	-0.50	-0.40	-0.40	-0.50	-0.65	-0.50	-0.30	-0.30	-0.20	+0.00	+0.00	+0.00	+0.00	
Kuwait Super Light [48°]	+1.80	+2.15	+2.25	+2.15	+2.45	+2.95	+3.35	+2.45	+0.65	+0.70	+0.90	+1.40	+2.35	+1.95	+1.35	+1.25	
Khafji [28.5°]	+0.35	+0.80	+1.00	+1.60	+1.70	+1.70	+2.00	+1.70	-0.30	-0.30	+0.00	+0.50	+1.60	+1.20	+0.50	+0.50	
Hout [33°]	+2.26	+2.71	+2.91	+3.42	+3.52	+3.71	+3.66	+3.10	+1.10	+1.00	+1.25	+1.66	+2.61	+2.16	+1.51	+1.60	
Kuwait Export Blend to other destinations:																	
to Mediterranean (FOB, vs Dated Brent)	+0.20	+0.60	+1.70	+2.10	+1.10	+2.50	+0.10	-1.10	-2.95	-2.95	-4.55	-4.35	-2.45	-0.70	+0.30	-2.50	
to North West Europe (FOB, vs Dated Brent)	+0.25	+0.95	+1.85	+3.25	+2.25	+3.25	+0.45	-0.70	-2.55	-2.55	-4.15	-4.05	-2.45	-0.70	+0.30	-2.50	
FOB Sidi Kerir (vs Dated Brent)	+0.50	+0.90	+2.00	+2.40	+1.40	+2.80	+0.40	-0.80	-2.65	-2.65	-4.25	-4.05	-2.15	-0.40	+0.60	-2.20	
to US (FOB, vs ASCI)	+6.95	+7.85	+7.95	+7.95	+8.15	+8.15	+8.15	+7.85	+5.85	+5.85	+5.65	+5.65	+5.45	+5.45	+5.45	+4.70	
delivered US Gulf (vs ASCI)	+8.25	+9.15	+9.25	+9.25	+9.45	+9.45	+9.45	+9.15	+7.15	+7.15	+6.95	+6.95	+6.75	+6.75	+6.75	+6.00	
QATAR: Qatar Land [40°]-vs Dubai^																	
Qatar Marine [36°]-vs Dubai^	+0.95	-0.10	+0.20	+0.25	+1.00	+1.70	+2.35	+0.10	-0.75	-0.10	+0.05	+0.40	+0.85	+0.35	-0.40	+0.35	
	+0.95	+0.10	+0.10	+0.65	+1.30	+1.80	+2.00	+0.90	-0.75	+0.20	+0.25	+0.65	+1.75	+1.10	+0.15	+0.60	
DUBAI																	
Dubai [31°, vs Oman]	-0.10	-0.10	+0.00	+0.00	+0.00	+0.00	+0.05	+0.05	+0.05	+0.10	+0.00	+0.00	+0.00	-0.10	+0.00	+0.00	+0.10
outright price	83.18	74.84	74.78	80.54	86.57	92.77	89.84	83.22	77.26	78.85	80.85	84.14	89.30	83.79	82.50	83.85	
OMAN																	
Oman [34°]	83.28	74.94	74.78	80.54	86.57	92.77	89.79	83.17	77.21	78.75	80.85	84.14	89.30	83.89	82.50	83.85	
ALGERIA [vs Dated Brent]																	
Saharan Blend [45.7°]	+0.50	+0.20	+0.55	+1.25	+2.15	+1.75	+0.85	+1.10	+2.10	+2.10	+0.90	+0.25	+0.15	+0.15	+1.00		
LIBYA [vs Dated Brent]																	
Zueitina [41°]	-0.30	-0.20	-0.05	+0.10	+0.40	+0.20	+0.00	-0.20	+0.20	+0.30	+0.00	-0.10	-0.65	-0.45	+0.05		
Brega [40°]	-1.15	-1.15	-0.85	-0.70	-0.30	-0.50	-0.70	-0.90	-0.50	-0.35	-0.70	-0.80	-1.55	-1.45	-1.05		
Sirtica [41°]	-0.45	-0.45	-0.10	+0.00	+0.40	-0.25	-0.45	-0.75	-0.40	-0.55	-0.85	-0.95	-1.55	-1.45	-1.15		
Es Sider [37°]	-0.50	-0.40	+0.25	+0.35	+1.00	+0.30	-0.20	-0.60	+0.05	-0.10	-0.55	-0.55	-1.25	-0.90	-0.50		
Bu Attifel [36°]	-0.15	+0.00	+0.65	+0.80	+1.20	+0.70	+0.35	-0.05	+0.25	+0.00	+0.00	-0.15	-0.70	-0.50	-0.10		
Sarir [36°]	-2.60	-2.45	-1.80	-1.70	-1.20	-1.90	-2.30	-2.90	-2.90	-3.05	-3.35	-3.35	-3.95	-3.60	-3.10		
Amna [36°]	+0.25	+0.25	+0.85	+0.95	+1.55	+0.90	+0.40	+0.00	+0.65	+0.50	+0.25	+0.10	-0.50	-0.15	+0.25		
Sharara [43°]	-0.05	-0.05	+0.20	+0.30	+0.70	+0.50	+0.30	+0.30	+0.40	+0.55	+0.20	+0.05	-0.70	-0.45	-0.05		
Mellitah [41.6°]	-1.15	-1.15	-0.80	-0.65	-0.35	-0.55	-0.75	-0.75	-0.35	-0.20	-0.55	-0.70	-1.45	-0.45	-0.95		
Bouri [26°]	-3.40	-2.70	-2.05	-1.95	-1.65	-1.65	-1.85	-1.85	-1.85	-1.95	-1.95	-1.65	-1.65	-1.55	-1.55		
Al Jurf [30°]	-1.90	-1.20	-0.55	-0.45	-0.15	-0.15	-0.35	-0.35	-0.35	-0.45	-0.45	-0.25	-0.25	-0.15	-0.15		

SAUDI ARABIA 1H24 KEY OIL DATA ('000 B/D): CRUDE OIL EXPORTS DOWN 15% OVER 1H 2024



SELECTED DATA

	1H24	vs 1H23	%	1H23	Jun24	vs Jun23	%	May24	Apr24	2Q24	1Q24	4Q23	3Q23	2Q23	2021	2022	2023
Crude Output	8,975	-1,316	-12.8	10,291	8,930	-1,026	-10.3	8,993	8,986	8,970	8,980	8,901	8,969	10,125	9,117	10,589	9,613
Crude Stocks (mn bl)	134.2	-15.5	-10.4	149.7	134.2	-15.5	-10.4	135.9	145.9	134.2	139.3	149.2	146.2	149.7	134.7	148.6	149.2
crude stock change (mn bl)	-15.5	-23.3	-297.6	+7.8	-1.8	-3.2	-220.7	-10.0	+6.7	-5.1	-9.9	+3.0	-3.4	+2.3	-5.4	+13.9	+0.6
('000 b/d)	-85.2	-128.5	-296.5	+43.3	-58.4	-106.8	-220.7	-322.7	+222.1	-56.0	-110.3	+32.2	-37.5	+25.0	-14.7	+38.1	+1.7
Crude Supply to Market	9,194	-1,086	-10.6	10,280	9,128	-779	-7.9	9,462	8,913	9,168	9,221	8,965	9,076	10,100	9,132	10,549	9,651
Crude Exports	6,193	-1,087	-14.9	7,281	6,047	-757	-11.1	6,118	5,968	6,044	6,342	6,314	5,783	7,016	6,222	7,364	6,665
% of crude output	69.0	-1.7		70.8	67.7	-0.6		68.0	66.4	67.4	70.6	70.9	64.5	69.3	68.2	69.5	69.3
Direct Burn Crude	389	-12	-3.1	401	558	+15	+2.8	398	400	452	325	445	641	470	437	486	472
% of crude output	4.3	+0.4		3.9	6.2	+0.8		4.4	4.5	5.0	3.6	5.0	7.2	4.6	4.8	4.6	4.9
Total Oil Burn**	1,006	-8	-0.8	1,014	1,419	+126	+9.7	1,013	1,012	1,148	864	1,040	1,347	1,158	1,004	1,093	1,104
% of crude output	11.2	+1.4		9.9	15.9	+2.9		11.3	11.3	12.8	9.6	11.7	15.0	11.4	11.0	10.3	11.5
Refinery Crude Intake	2,596	-3	-0.1	2,599	2,423	-139	-5.4	2,946	2,545	2,638	2,553	2,207	2,652	2,614	2,474	2,701	2,514
% of crude production	28.9	+3.7		25.3	27.1	+1.4		32.8	28.3	29.4	28.4	24.8	29.6	25.8	27.1	25.5	26.2
Run rate (% of capacity)	79.0	-0.1		79.1	73.8	-4.2		89.7	77.5	80.3	77.8	67.2	80.7	79.6	75.3	82.2	76.6
Refinery Output	2,631	+22	+0.9	2,609	2,502	-96	-3.7	3,026	2,595	2,708	2,554	2,213	2,686	2,632	2,547	2,769	2,529
LPG	29	+3	+9.4	27	25	-5	-16.7	34	34	31	27	16	31	28	39	46	25
Naphtha	28	-8	-21.4	35	40	+22	+122.2	40	25	35	20	13	17	13	174	88	25
Gasoline	633	+13	+2.2	620	666	+34	+5.4	637	729	677	589	534	685	651	544	631	615
Jet-Kero	190	+34	+21.6	156	135	-42	-23.7	180	196	170	209	144	174	162	126	153	158
Diesel/Gasoil	1,114	-8	-0.7	1,122	1,140	+70	+6.5	1,258	1,148	1,182	1,046	987	1,140	1,143	1,114	1,209	1,093
Fuel Oil	441	-1	-0.1	442	460	+43	+10.3	452	392	435	447	420	457	438	422	482	440
other products	208	-0	-0.1	208	36	-218	-85.8	425	71	177	239	99	182	196	128	161	175
Oil Product stocks (mn bl)	93.1	+7.7	+9.0	85.4	93.1	+7.7	+9.0	95.7	85.2	93.1	91.1	80.3	89.1	85.4	98.8	86.9	80.3
Total Oil Stocks (mn bl)	227.2	-7.8	-3.3	235.1	227.2	-7.8	-3.3	231.6	231.1	227.2	230.3	229.5	235.4	235.1	233.4	235.5	229.5
oil stock change (mn bl)	-7.8	-8.2	n/a	+0.4	-4.4	-4.2	n/a	+0.5	+0.8	-3.1	+0.9	-5.9	+0.3	-0.1	-1.2	+2.0	-6.0
('000 b/d)	-43.0	-45.1	n/a	+2.1	-145.9	-139.6	n/a	+16.7	+25.5	-34.0	+9.8	-64.4	+3.6	-0.9	-3.3	+5.6	-16.5
Refined Products Consumption	1,929	-1	-0.0	1,930	2,188	+104	+5.0	1,957	1,880	2,008	1,850	1,972	2,070	1,985	1,729	1,886	1,976
LPG*	68	+13	+23.2	55	51	-1	-1.9	71	74	65	71	57	51	53	47	50	55
Gasoline	501	-5	-1.1	507	490	-20	-3.9	510	493	498	505	522	502	508	480	500	509
Jet-Kero	95	-2	-2.4	98	109	+3	+2.8	73	90	91	100	86	102	81	47	72	96
Diesel/Gasoil	586	-1	-0.2	588	614	+14	+2.3	625	541	593	579	629	630	589	503	574	609
Fuel Oil	618	+5	+0.7	613	861	+111	+14.8	615	612	696	539	595	706	688	567	608	632
Refined Products Exports*	1,313	-102	-7.2	1,415	1,366	+19	+1.4	1,221	1,406	1,331	1,295	1,007	1,260	1,422	1,343	1,470	1,274
% oil exports	17.5	+1.2		16.3	18.4	+1.9		16.6	19.1	18.0	17.0	13.8	17.9	16.9	17.8	16.6	16.0
Naphtha	90	-30	-25.0	119	96	+26	+37.1	51	83	77	102	101	95	101	169	145	109
Gasoline	263	-6	-2.2	269	285	+1	+0.4	261	328	291	234	193	300	292	182	271	257
Jet-Kero	108	+29	+37.0	79	89	+39	+78.0	47	106	81	135	91	106	70	77	97	89
Diesel/Gasoil	607	-64	-9.6	671	691	-35	-4.8	610	655	652	562	408	511	722	682	671	566
Fuel Oil	153	-49	-24.2	202	111	-53	-32.3	166	137	138	168	162	166	159	156	204	183
Crude & Products Exports*	7,506	-1,189	-13.7	8,696	7,413	-738	-9.1	7,339	7,374	7,375	7,637	7,321	7,043	8,438	7,565	8,833	7,939
% of crude output	83.6	-0.9		84.5	83.0	+1.1		81.6	82.1	82.2	85.0	82.2	78.5	83.3	83.0	83.4	82.6
Oil Products Imports	330	-122	-27.0	452	421	-214	-33.7	255	261	312	348	390	438	537	361	360	433
Gasoline	82	-3	-3.3	85	53	-36	-40.4	42	54	50	114	113	64	74	83	92	87
Diesel/Gasoil	41	-79	-65.7	121	17	-166	-90.7	0	0	6	77	52	72	169	91	64	91
Fuel Oil	194	-40	-17.1	234	341	-22	-6.1	203	174	239	148	218	279	281	177	191	241
Total Net Crude & Products Exports*	7,039	-1,204	-14.6	8,243	6,852	-664	-8.8	6,938	6,964	6,918	7,160	6,834	6,536	7,901	7,204	8,473	7,464
Net Products Exports*	983	+20	+2.1	963	945	+233	+32.7	966	1,145	1,019	947	617	822	885	982	1,110	841
Naphtha	84	-27	-23.9	111	86	+16	+22.9	51	62	66	102	94	72	91	163	137	97
Gasoline	181	-3	-1.7	184	232	+37	+19.0	219	274	242	120	80	236	218	99	179	171
Jet-Kero	100	+26	+34.8	74	89	+39	+78.0	37	94	73	127	91	106	66	73	92	86
Diesel	566	+15	+2.7	551	674	+131	+24.1	610	655	646	485	356	440	552	592	607	474
Fuel Oil	-41	-9	+27.6	-32	-230	-31	+15.6	-37	-37	-101	20	-56	-113	-121	-21	13	-58
Net Products %	14.0	+2.3		11.7	13.8	+4.3		13.9	16.4	14.7	13.2	9.0	12.6	11.2	13.6	13.1	11.3

*REFINED PRODUCTS ONLY. EXCLUDES FIELD LPG (AROUND 850,000 B/D OUTPUT), OTHER NGLS AND CONDENSATE. **PRESUMES ALL DOMESTICALLY-CONSUMED FUEL OIL IS BURNED IN POWER PLANTS. SEE ANALYSIS P11. SOURCE: JODI, MEES.

INDIA LNG IMPORTS ON TRACK FOR RECORD 2024 WITH 1H VOLUMES UP 30%



SELECTED DATA

Volume (mn tons)	1H24	vs1H23	%	1H23	2Q24	vs1Q24	%	vs2Q23	%	1Q24	4Q23	3Q23	2Q23	Apr24	May24	Jun24	2021	2022	2023
Qatar	5.74	+0.13	+2.3	5.61	2.69	-0.36	-11.9	+0.12	+4.7	3.05	2.73	2.57	2.57	0.87	1.15	0.66	9.93	10.67	10.90
% of total	41.7	-11.2		52.9	37.5	-8.7		-6.4		46.2	47.4	44.3	43.9	46.0	43.5	25.3	40.5	52.1	49.2
USA	2.36	+1.02	+76.9	1.33	1.65	+0.95	+134.7	+0.94	+131.1	0.70	0.83	1.01	0.72	0.41	0.49	0.75	4.05	2.38	3.18
UAE	1.55	-0.24	-13.5	1.79	0.77	-0.01	-1.9	-0.33	-30.0	0.78	0.76	0.50	1.09	0.19	0.32	0.25	3.31	2.62	3.04
Oman	0.84	+0.49	+145.0	0.34	0.48	+0.13	+36.6	+0.28	+136.7	0.35	0.27	0.20	0.20	0.07	0.13	0.27	1.19	0.93	0.81
Angola	0.84	+0.70	+499.1	0.14	0.42	-0.00	-0.4	+0.28	+199.0	0.42	0.35	0.28	0.14	0.07	0.14	0.21	1.06	0.68	0.77
Eq. Guinea	0.62	+0.55	+702.2	0.08	0.35	+0.07	+26.1	+0.27	+347.5	0.28	0.08	0.13	0.08	0.00	0.21	0.14	0.35	0.14	0.29
Nigeria	0.58	+0.10	+20.5	0.48	0.19	-0.21	-52.6	-0.23	-55.1	0.39	0.06	0.21	0.41	0.06	0.06	0.06	1.47	1.12	0.75
Cameroon	0.50	+0.50	-	0.00	0.22	-0.07	-24.0	+0.22	-	0.29	0.13	0.28	0.00	0.07	0.07	0.07	0.21	0.38	0.41
Mozambique	0.35	+0.21	+148.2	0.14	0.14	-0.08	-36.1	-0.00	-3.2	0.21	0.14	0.00	0.14	0.00	0.07	0.06			0.28
Trinidad & Tobago	0.13	+0.13	-	0.00	0.00	-0.13	-100.0	-	-	0.13	0.07	0.20	0.00	0.00	0.00	0.00	0.32	0.11	0.27
Australia	0.12	-0.15	-55.7	0.28	0.12	+0.12	-	-0.09	-41.3	0.00	0.00	0.07	0.21	0.06	0.00	0.06	0.46	0.44	0.35
Indonesia	0.06	+0.06	-	0.00	0.06	+0.06	-	+0.06	-	0.00	0.00	0.00	0.00	0.00	0.00	0.06	0.00	0.07	0.00
Algeria	0.00	-0.14	-100.0	0.14	0.00	-	-	-0.14	-100.0	0.00	0.14	0.07	0.14	0.00	0.00	0.00	0.07	0.21	0.35
Egypt	0.00	-0.20	-100.0	0.20	0.00	-	-	-0.07	-100.0	0.00	0.00	0.00	0.07	0.00	0.00	0.00	1.07	0.17	0.20
TOTAL	13.77	+3.17	+29.9	10.60	7.16	+0.56	+8.4	+1.32	+22.5	6.61	5.76	5.79	5.85	1.90	2.65	2.61	24.54	20.48	22.14
of which Mena	7.71	-0.37	-4.6	8.08	3.52	-0.66	-15.8	-0.55	-13.6	4.19	3.89	3.33	4.08	1.14	1.61	1.19	15.56	14.61	15.30
% of total	56.0	-20.2		76.2	49.2	-14.2		-20.6		63.4	67.6	57.5	69.8	60.0	60.6	45.5	63.4	71.3	69.1
Price (\$/mn BTU)	1H24	vs1H23	%	1H23	2Q24	vs1Q24	%	vs2Q23	%	1Q24	4Q23	3Q23	2Q23	Apr24	May24	Jun24	2021	2022	2023
Qatar	10.93	-0.90	-7.6	11.83	11.11	+0.34	+3.2	+0.04	+0.3	10.77	11.68	10.56	11.07	10.63	11.13	11.69	9.20	15.36	11.49
vs average price	+0.45	+1.20	-160.0	-0.75	+0.76	+0.61	+395.9	+0.98	-449.0	+0.15	+0.29	-0.01	-0.22	+0.51	+1.05	+0.91	-0.40	-1.59	-0.25
USA	9.20	-0.49	-5.0	9.69	9.01	-0.63	-6.5	+0.95	+11.8	9.64	8.94	8.18	8.06	7.89	7.69	10.49	10.18	14.63	9.01
UAE	10.72	-6.87	-39.1	17.59	10.73	+0.01	+0.1	-1.94	-15.3	10.71	12.38	12.05	12.67	12.87	9.14	11.11	9.52	22.54	15.39
Oman	10.44	-1.51	-12.6	11.95	11.09	+1.55	+16.2	-0.64	-5.5	9.55	9.16	9.66	11.74	11.43	10.56	11.27	11.16	20.63	10.46
Angola	10.10	-3.60	-26.3	13.70	9.36	-1.48	-13.6	-4.34	-31.7	10.84	10.78	11.85	13.70	7.34	10.70	9.14	11.91	16.36	11.70
Eq. Guinea	10.38	-3.84	-27.0	14.22	10.05	-0.76	-7.0	-4.17	-29.3	10.80	13.48	12.59	14.22	-	9.34	11.07	8.95	13.34	13.27
Nigeria	10.43	-1.11	-9.6	11.54	9.89	-0.79	-7.4	-2.09	-17.5	10.69	12.28	11.28	11.99	9.55	10.55	9.59	12.09	19.05	11.53
Cameroon	11.40	-	-	-	11.87	+0.82	+7.4	-	-	11.05	11.74	12.73	-	11.84	11.85	11.92	6.05	12.01	12.43
Mozambique	12.10	-0.38	-3.0	12.48	11.85	-0.42	-3.4	-0.63	-5.1	12.27	13.92	-	12.48	-	12.71	10.82	-	-	13.20
Trinidad & Tobago	12.90	-	-	-	-	-	-	-	-	12.90	16.65	10.72	-	-	-	-	8.11	15.17	12.26
Australia	10.15	-2.25	-18.2	12.40	10.15	-	-	-2.07	-16.9	-	-	11.55	12.22	9.25	-	11.12	6.04	20.17	12.23
Indonesia	8.67	-	-	-	8.67	-	-	-	-	-	-	-	-	-	-	8.67	-	25.75	-
Algeria	-	-	-	10.94	-	-	-	-	-	-	14.69	12.95	10.94	-	-	-	32.77	23.75	12.80
Egypt	-	-	-	16.00	-	-	-	-	-	-	-	-	15.09	-	-	-	8.57	17.72	16.00
AVERAGE PRICE	10.48	-2.10	-16.7	12.58	10.35	-0.27	-2.5	-0.94	-8.3	10.61	11.39	10.57	11.29	10.13	10.08	10.78	9.60	16.95	11.74
Value (\$mn)	1H24	vs1H23	%	1H23	2Q24	vs1Q24	%	vs2Q23	%	1Q24	4Q23	3Q23	2Q23	Apr24	May24	Jun24	2021	2022	2023
Qatar	3,268	-189	-5.5	3,457	1,556	-157	-9.1	+74	+5.0	1,712	1,660	1,411	1,481	484	669	403	4,758	8,540	6,527
% of total	44.4	-6.4		50.8	41.1	-6.7		-2.9		47.9	49.6	45.2	44.0	49.4	49.0	28.1	39.6	48.2	49.2
USA	1,084	+439	+68.0	645	745	+405	+119.4	+456	+158.3	339	372	414	288	161	189	394	2,063	1,744	1,431
UAE	790	-710	-47.3	1,500	392	-7	-1.8	-269	-40.7	399	450	285	660	118	140	134	1,503	2,814	2,235
Oman	462	+246	+114.1	216	283	+105	+58.7	+157	+123.8	179	129	104	127	45	75	163	701	1,021	449
Angola	427	+330	+341.7	97	197	-32	-13.9	+101	+104.3	229	189	163	97	26	76	96	629	558	449
Eq. Guinea	324	+269	+485.7	55	175	+26	+17.3	+120	+216.1	149	53	83	55	0	96	79	155	96	190
Nigeria	289	+24	+9.0	265	88	-113	-56.1	-149	-62.9	201	37	113	237	29	31	29	848	1,024	416
Cameroon	288	+288	-	0	129	-29	-18.4	+129	-	159	75	181	0	43	43	43	62	227	256
Mozambique	210	+123	+140.7	87	80	-50	-38.3	-7	-8.1	130	98	0	87	0	47	33	0	0	185
Trinidad & Tobago	79	+79	-	0	0	-79	-100.0	-	-	79	57	104	0	0	0	0	128	82	160
Australia	63	-110	-63.7	173	63	+63	-	-66	-51.2	0	0	42	129	30	0	33	140	443	215
Indonesia	28	+28	-	0	28	+28	-	+28	-	0	0	0	0	0	0	28	0	91	0
Algeria	0	-79	-100.0	79	0	-	-	-79	-100.0	0	100	42	79	0	0	0	116	252	221
Egypt	0	-150	-100.0	150	0	-	-	-51	-100.0	0	0	0	51	0	0	0	439	145	150
TOTAL	7,356	+558	+8.2	6,798	3,781	+205	+5.7	+414	+12.3	3,576	3,343	3,120	3,366	980	1,365	1,436	12,019	17,710	13,261

SEE ANALYSIS P7. SOURCE: INDIA DEPARTMENT OF COMMERCE, MEES CALCULATIONS.

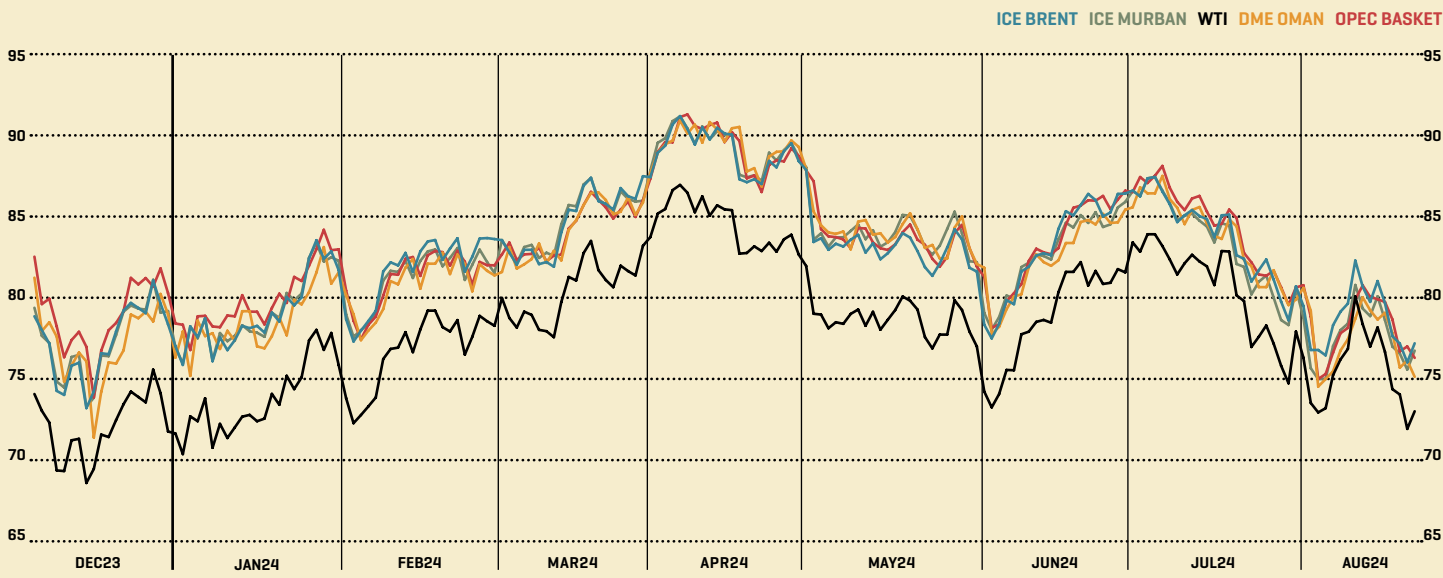


SELECTED DATA

BENCHMARK CRUDE PRICES (\$/B)

	22Aug	12-16Aug	5-9Aug	Jul24	Jun24	May24	Q2 2024	Q1 2024	Q4 2023	2024 (22Aug)	2023	2022	2021
WTI	73.01	78.04	74.88	80.63	78.84	78.58	80.61	76.99	78.31	78.72	77.58	94.37	68.09
ICE Brent	77.22	80.69	78.09	83.88	83.06	83.00	85.02	81.84	82.69	83.03	82.18	99.02	70.97
ICE Murban	76.77	79.56	76.71	83.51	82.78	83.76	85.24	81.71	83.74	82.93	82.80	98.84	72.92
DME Oman	75.15	79.15	75.85	83.84	82.45	83.86	85.20	81.25	83.39	82.78	82.02	94.42	69.00
OPEC Basket	76.33	80.09	76.61	84.44	83.24	83.59	85.33	81.83	85.23	83.20	82.90	100.01	69.82
JCC	na	na	na	na	87.85	88.87	87.48	84.09	92.26	na	86.56	102.70	69.11

AVERAGE SETTLEMENT PRICES FOR PERIOD IN QUESTION.



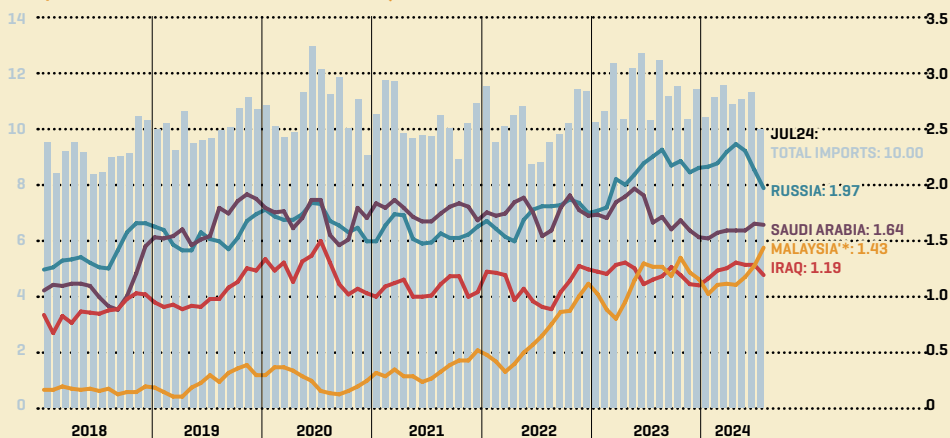
CHINA CRUDE IMPORTS: RUSSIA DOWN, SAUDI DOWN, IRAN UP

*China's crude imports from each of the country's habitual top three suppliers fell sharply in July as overall crude imports and refinery runs fell to their lowest respective levels since 2022 – 10.00mn b/d and 13.95mn b/d [MEES, 16 August].

*Russia retained top supplier spot, as it has for each of the past 14 months, but at 1.76mn b/d volumes were the lowest since Saudi Arabia was last top in April 2023. Saudi Arabia was a further 250,000 b/d back on 1.51mn b/d for July, the second lowest figure this year, whilst Iraq's 1.09mn b/d was an eight-month low.

*Bucking the trend was 'Malaysia' with 1.47mn b/d for July, the second highest figure on record behind June 2023's 1.51mn b/d. With June 2024's 1.44mn b/d the third highest ever, and May's 1.38mn b/d number five, such volumes, which are thought to largely consist of transhipped or mislabelled Iranian crude are running at all-time high levels on a three-month moving average basis [see chart].

CHINA'S TOP CRUDE SUPPLIERS (MN B/D, 3MMA*): IRAN/MALAYSIA VOLUMES HAVE OVERTAKEN IRAQ AND ARE CLOSING IN ON SAUDI ARABIA



*THOUGHT TO LARGELY CONSIST OF TRANSHIPPED/MISLABELED IRANIAN VOLUMES. *BY-COUNTRY NUMBERS ARE THREE-MONTH MOVING AVERAGES. SOURCE: CHINA CUSTOMS, MEES.

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