



## Market Commentary for October 20, 2017

### NATURAL GAS

Henry Hub

Day change: **\$0.042, up 1.5%** | Settle \$2.915 | Nov 2017

TTF

Day change: **\$0.097, down 1.5%** | Settle \$6.182 | Nov 2017

- BHI gas rig count decreased by net 8 to total of 177 rigs; 3 rig decrease in the Haynesville
- US senators Bill Cassidy and Marco Rubio propose the Small Scale LNG Access Act to expedite the approval of LNG export projects equal to or less than 51.1 bcf/d of natural gas
- Egypt's EGAS launches a tender to secure 12 LNG cargoes for Q1 2018; bids to be submitted by 29<sup>th</sup> October
- South Korean officials say the government will press ahead with efforts to reduce heavy reliance on nuclear and coal by boosting LNG in power generation to 37% by 2030
- Japan's METI announces a \$10 billion initiative to support the LNG demand creation and the expansion of Asian LNG markets

### OIL

Brent

Day change: **\$0.52, up 0.9%** | Settle: \$57.75 | Dec 2017

WTI

Day change: **\$0.18, up 0.4%** | Settle: \$51.47 | Nov 2017

- BHI oil rig count decreased by net 7 to a total of 736 rigs; 6 rig decrease in the Permian basin
- Rosneft agrees with the Kurdistan Regional Government to take a 60% stake and control of the operation of the Kurdistan's main oil pipeline; investment in the project expected to total \$1.8 billion ...
- ... meanwhile, crude exports from northern Iraq on the Kirkuk-Ceyhan pipeline fell last week to 196,000 bpd vs non-wartime flow of 600,000 bpd
- Chevron takes FID decision on the first phase of the Captain field EOR project in the UK North Sea
- Mexican regulator, CNH expects to add a third oil auction in 2018 for conventional onshore oil and gas blocks; deep water Gulf auction in January and shallow water auction in March already planned
- Data from the National Bureau of Statistics shows China's crude production declined 2.9% y-o-y in September to 518,000 tonnes per day (3.78 million bpd)
- Oil traders at the Oil & Money conference in London present divergent views on oil price forecasts: Glencore, Gunvor and Trafigura bullish on demand and continued OPEC cuts; Vitol highlighted US shale production upside



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