Energy Intelligence

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OIL DAILY®

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In Brief

Data Snapshot

How Will the US' New SPR Purchases Work?

The US last week rolled out a new policy for strategic stocks that reflects a broad shift in how Washington intends to use the Strategic Petroleum Reserve (SPR), with accompanying technical changes.

US President Joe Biden said Washington will look to buy back oil at $70 per barrel in an attempt to set a floor of sorts to oil prices and incentivize US producers, in particular, to increase output.

At a high level, this means the US is now effectively looking to use the SPR as a market management tool — both to incentivize supplies by promising to buy at a specific price, and for its historic role of keeping a lid on prices by minimizing supply disruptions.

Some of the more detailed aspects of repurchases — such as whether and how they will favor US barrels or a specific crude slate — are not clear.

Energy Intelligence spells out what we know so far about the SPR's new market role.

Will the US automatically buy oil when the price hits $70/bbl WTI?

No. US officials say they plan to buy oil "at or below $67-$72/bbl" and will draw up specific purchase plans accordingly, but nothing is set in stone.

"This is not going to be a mechanical thing," an administration official told reporters last week.

While he said officials thought it "useful" to set out a price signal now, "each market will look a little bit different and we'll reserve flexibility to do that in a way that makes the most sense for taxpayers, makes the most sense for the market dynamics more generally."

This discretionary power means the Department of Energy (DOE) will act as a trading house of sorts. It already has experience with selling oil from the SPR. This now adds a buying component.

The last time the DOE actively added oil to the SPR was after 2007, when oil inventories in caverns and tanks rose to 726 million bbl, with the peak in 2009. But at that time purchases had to be made according to variable market prices.

Will the buying process be public?

Yes. The DOE's acquisition process is already public. While the agency finalized changes to that process last week, this part will not be altered. Every six months the DOE is supposed to review requirements for the reserve and update its plans according to those requirements. If the market conditions change, the DOE has the flexibility to adjust.

Will the DOE buy on the spot market or futures?

While the DOE has not spelled this out, close observers say it looks likely to make solicitations informed by futures prices but will be setting its own fixed prices when it solicits for physical barrels.

The most significant technical change is that the agency now has the power to buy from companies via tenders with fixed-price contracts. Its solicitations can be open or fixed for a period in time and they can provide for immediate or future delivery.

Could the DOE still buy at a higher or lower price?

Technically, there is nothing in the new rule that prevents acquisitions at prices outside the $67-$72/bbl band, but administration officials are very clear their intention is to buy oil at around $70/bbl. Purchases could continue if prices slip lower, an official said last week.

Will this stimulate more US oil supply?

The price band is set at a point where shale producers make money, but companies and investors have been hesitant to accelerate production growth over the last year in spite of escalating prices. It may take a year or more to see how this plays out.

On the forward curve — rarely an accurate indicator of actual market movements — futures prices do not dip into the $70/bbl range until 2024.

How much will the DOE buy?

The SPR currently sits at about 400 million bbl, leaving the agency — in theory — with room to buy more than 300 million bbl before it reaches an all-time peak. In the past the DOE has examined expanding the reserve, and the agency also retains some authority to rent commercial storage.

In the near term, the bigger question is whether — with oil prices firm — the administration will sell more than the 180 million bbl already authorized through December. Current mandates from Congress also require another 265 million bbl to be sold off by the end of 2031.

Emily Meredith, Washington, and John van Schaik, New York

Suncor Buys Teck's Fort Hills Oil Sands Stake

Suncor Energy has agreed to buy out Canadian miner Teck Resources' 21.3% interest in the Fort Hills oil sands project for C$1 billion (US$737 million), resulting in a steep impairment on the value of the stake the operator already owns.

Suncor will pay for Teck's interest with cash from ongoing asset sales. Interim CEO Kris Smith said the acquisition "meets our return objectives" and "underscores Suncor's confidence in the long-term value of the Fort Hills project."

However, the market value of the oil sands mine takes a significant hit in the wake of the Teck deal. Suncor said it will recognize a noncash accounting impairment charge on its existing 54.1% interest of around C$2.6 billion for the third quarter.

Further to that, following a "multiyear performance improvement initiative," Suncor determined that, over the next 36 months, production at Fort Hills will be about 5% lower than previous guidance, while per-barrel operating costs will be about 5% higher than expected.

The change in outlook is "due to physical mine constraints as well as accelerated development of further mine pits for increased sustained long-term production," Suncor said.

After the deal closes, likely in the first quarter of 2023, Suncor will own 75.4% of Fort Hills.

Your Play, Total

Suncor's sole remaining partner in Fort Hills is TotalEnergies. The French supermajor has indicated its intention to get out of the oil sands business, potentially through a public spinoff, because the assets do not fit with the company's low-emissions strategy.

Total did not comment on Fort Hills or the oil sands during its third-quarter earnings call on Thursday. The company also owns a 50% stake in the ConocoPhillips-led Surmont thermal project in Alberta.

But analysts say Suncor's purchase of Teck's stake may suggest a future effort by the operator to acquire Total's stake as well.

Citing a possible "buying spree" by Suncor in the near future, Eight Capital said in a note Thursday that "we would not be surprised if the company is in negotiations to purchase Total's 24.6% interest in Fort Hills," which now has an implied valuation of C$1.15 billion.

"We could also see [Suncor] looking to acquire CNOOC and Sinopec's combined 16.2% interest in Syncrude," Eight said, noting China's reported plans to exit Canada.

Suncor reports earnings on Nov. 2 and has a separate investor presentation scheduled for Nov. 29. The company says its annual corporate guidance for 2022 remains unchanged.

Oil Sands 'Overhang'

Teck has been looking to divest its Fort Hills stake for years at it tries to pivot out of more carbon-intensive operations and focus on "green" metals that will drive the energy transition, such as copper.

The miner holds leases for an oil sands project known as Frontier, but has shown very little appetite to develop it in recent years despite reportedly spending hundreds of millions of dollars in permitting and project planning since 2011.

Teck CEO Jonathan Price said the sale of Fort Hills "improves our investibility."

"We know oil sands has been an overhang for us and it's consistent with our strategy of moving away from carbon [and] toward green metals in the portfolio," Price said during Teck's third-quarter earnings presentation on Thursday.

He reiterated that Frontier and Lease 421 "are valuable options," but "are not options for us to execute and develop."

"We won't be operators in the energy sector, nor in oil sands specifically," he said. "Fort Hills … being an asset in operation, was the priority for us, and hence we chose to deal with that up front."

Luke Johnson, Houston

PBF Buys More Discounted Canadian Crude

Canadian crude discounts have widened to the point that at least one refiner is railing crude from the oil sands to the US East Coast.

Crude oil benchmark Western Canadian Select (WCS) is currently trading more than $20 below US marker West Texas Intermediate (WTI).

Independent downstream player PBF Energy said Thursday that as a result of that widening discount, it is now running about 30,000 barrels per day of Canadian oil in its Padd 1 facilities.

Speaking during a conference call to discuss the company's third-quarter earnings with analysts and investors, PBF executives explained that several confluent factors have helped open the arbitrage window for railing crude from Alberta.

Grades from Canada "were somewhat impacted by releases from the [US Strategic Petroleum Reserve]," said CEO Tom Nimbley, adding that more pressure came from the supply front in Canada itself.

"They came out of turnarounds on the upgraders so the supply is back," he said.

Downstream outages, economics and maintenance are also at play, said Paul Davis, PBF's senior vice president for supply, trading and optimization.

"A lot of the WCS valuations have been impacted by the problems in Padd 2," where BP's Whiting and Toledo refineries have experienced significant outages.

Padd 2 is by far the largest regional consumer of Canadian crude, so those outages "put pressure on the differentials there."

"Then the fuel oil pricing is really driving where WCS valuations are for refiners [on the Gulf Coast] and that's impacting the price," Davis said.

They identified the cost of crude-by-rail as some $15 per barrel to the US East Coast, with a similar price for delivery to the US Gulf Coast.

Perfect Storm

While there are specific issues that are impacting Canadian crude in particular, broader forces are weighing on heavy, sour grades of oil in general.

Quality plays a major role, especially amid the ongoing impacts of the International Maritime Organization (IMO)'s updated sulfur specifications for marine fuels. Refiners say this has prompted downstream players with less sophisticated facilities to buy more sweet feedstock in an effort to avoid sulfur.

Geopolitics are also informing the wider spreads. Analysts with RBN Energy note that Russian medium, sour staple Urals is being sold at a steep discount to markets that typically see Canadian crude being re-exported from the US Gulf Coast.

This means that Canadian barrels are both being displaced and must compete with lower-priced crude.

"It's become clearer that the dumping of Urals barrels will continue into 2023," said RBN's Housley Carr

He added that environmental issues could be playing a role as well.

"We've even heard that the low levels on the Mississippi River could be a factor," said Carr. "A lot of refined products are barged down the river, and recent curtailments on barge traffic could be leading some Midwest refineries to cut back on production — and with that, their need for Western Canadian crude."

Earnings Snapshot

PBF Energy reported adjusted net income of just over $1 billion in the third quarter this year, up from $59.1 million the same period of 2021.

Massive operating income from the refining sector helped inform the company's results, with its downstream segment bringing in just over $1.5 billion during the July-September period.

Frans Koster, New York

Shell Eyes Another $4B in Buybacks, Dividend Hike

Shell on Thursday announced a further $4 billion in share buybacks and proposed a 15% hike in its fourth-quarter dividend — but admitted it is yet to pay any windfall tax in its UK-registered home.

The new $4 billion buyback program, which follows a recently concluded $6 billion round of repurchases by the supermajor, is expected to be completed by the time Shell reports its fourth-quarter numbers in early February.

Shell and its oil major peers have allocated billions of dollars to rewarding shareholders this year as they look to bolster the investment case for energy producers and heed calls for tighter capital spending.

The next round of buybacks will bring Shell's total shareholder distributions — in share repurchases and dividends — up to $26 billion for 2022. And through the buyback schemes announced this year, Shell expects to have repurchased some 10% of its share capital.

"The reduction in share count allows us to increase our dividend in the future," Shell CFO Sinead Gorman said.

The company kept its third-quarter dividend steady at $0.25 per share but it plans to raise the fourth-quarter dividend — to be paid out in March — by 15%, subject to board approval.

The 15% hike includes a planned 4% increase in Shell's dividend every year, and also takes into account its move in July to raise its long-term Brent price assumption to $65 per barrel.

"In the same way as we're going to remain disciplined on capex, you should expect to see us disciplined in terms of shareholder returns," Gorman told analysts.

No Windfall Tax

Shell's adjusted earnings in July-September fell 17.6% from the previous quarter but were still a bumper $9.5 billion. Gorman touted the upstream segment's result — with adjusted earnings of $5.9 billion — as the best in 12 years, even with production down quarter-on-quarter.

She also hailed an "exceptional" performance from the company's operated Gulf of Mexico assets, whose output was the highest in a decade.

SHELL Q3'22 EARNINGS RESULTS

($ million)	Q3'22	Q2'22	%Chg.	Q3'21
Revenues	95,749	100,059	-4%	60,044
Operating Cash Flow	12,539	18,655	-33	16,025
Net Income	6,743	18,040	-63	-447
Adjusted Income	9,454	11,472	-18	4,130
Upstream Income	5,357	6,391	-16	1,318
Chemicals and Products Income	980	2,131	-54	255
Marketing	757	836	-9	1,432
Integrated Gas Income	5,736	8,103	-29	-131
Renewables and Energy Solutions Income	-4,023	-173	-2,221	-3,127
Liquids Production (million b/d)*	1.396	1.469	-5	1.663
Gas Production (Bcf/d)*	7.64	8.07	-5	7.863
Oil and Gas Output (million boe/d)*	2.766	2.898	-5%	3.068

*Includes figures from Upstream and Integrated Gas segments. Source: Shell

Meantime in the UK, Shell did not pay any of the new windfall tax in the third quarter because of heavy capex investment in North Sea projects, the CFO said. These include the Pierce blowdown project, from which first gas is now expected by year-end, rather than by the end of autumn as previously planned.

“Because of the investments we are making … we don’t have profits that we can be taxed against,” Gorman told reporters.

Shell did, however, take a $361 million charge on its third-quarter earnings as a deferred tax position related to the UK levy. Gorman expects Shell to have to pay UK windfall tax early in the first quarter of 2023.

On the possibility of other special levies in the Netherlands, Germany and Italy, CEO Ben van Beurden said Shell was "ready and ... engaging with governments to see how that will play out. "

"And I expect it to be in place somewhere in the course of next year," he added, reiterating comments made at the Energy Intelligence Forum earlier this month that windfall taxes were a "societal reality."

Van Beurden, who was hosting his last round of earnings calls before stepping down as Shell boss at the end of the year, said he did not regret any major decisions taken during his tenure but did concede some of them were a little on the late side.

One example was Shell’s decision to quit drilling in the Arctic in 2015. “In the end, we went out of it. But with the benefit of hindsight I look back on it and think: 'Couldn’t I have done that earlier and faster?'” he said.

Tom Daly, London

Capital Access Improving But Still Challenged for US E&Ps

The retreat of big investors from fossil fuels has hit the US E&P sector hard, but a new financing ecosystem is emerging, speakers and delegates said at a pair of industry conferences in Dallas this week.

Funding is available, financial sector representatives say, but getting it is a challenge — and often only available to the select few outfits that risk-averse, return-minded investors find credible.

Harsh Reality

Billy Quinn, founder and managing partner of Pearl Energy Investments, told the Hart Energy A&D Strategies and Opportunities Conference on Wednesday that raising capital for oil and gas is extraordinarily difficult despite the robust price recovery over the past two years.

“If you had asked me for our third fund, if our returns look like what they do now, what do [I] think the fund-raising process would be like, I would have said we would send out an email and be two-times oversubscribed,” he explained. “[But] that was three or four years ago, and the world has changed. Raising capital, even if you generate strong rates of returns, is brutal for energy funds."

Quinn — who has run a $1.5 billion Dallas-based energy and sustainability investment firm for the past seven years — has seen the squeeze come from all sides. He figures about one-third of the traditional pool of energy private capital is now "hard out on fossil fuels," while another third considers itself over-allocated to oil and gas and is "looking for the exit ramps" rather than opportunities to invest more.

The remaining third, in Quinn's view, is sitting tight — they aren't looking to divest, but they're not making new investments, either.

This raises the question of just who willing to supply capital to oil and gas and what they are looking for.

Exceptions

Tim Perry, global co-head of energy and transition at Credit Suisse, told Hart's Energy Capital Conference on Tuesday that traditional lending from banks is returning to the sector, albeit slowly.

Private placements are still common through so-called family offices, or private wealth management firms set up to manage diverse investments for ultra-high net worth families.

Smaller specialized private equity funds are also now prominent, added Matt Chuchla of veteran private equity outfit Quantum Energy Partners.

“[But] the overall universe of private equity focused on oil and gas is a lot smaller,” he said.

Coveted Credentials

Conference attendees said E&Ps looking for external capital need two things to start: scale and pristine balance sheets.

“Capital markets are really looking at larger companies now,” said Credit Suisse’s Perry.

US E&Ps' track record of abysmal returns and bankruptcies in the last decade is partially to blame for the preference for scale, Perry explained. But so too is the downsizing and elimination of many oil and gas desks at banks, limiting their capability to evaluate and manage diverse energy lending books.

Regardless of size, companies also need to maintain balance sheets with very low leverage, attendees said, ideally very near 1x earnings before interest, tax, depreciation and amortization (Ebitda).

Once these boxes are ticked, lenders and investors want to see companies boasting core producing acreage in established plays. Gone are the days when nonproducing prospective acreage could open wallets, attendees said.

Management credibility is also key, and that largely comes down to one thing: returns.

“Prove it,” said Cole Robertson, managing partner at family office Saxum Capital Partners. “Show us the return on capital.”

Jeffrey Cavanaugh, Dallas

Lula Leads Heading Into Brazil Runoff Vote

Brazilians will head to the polls again on Sunday to vote in the second round of the contentious presidential election, with significant consequences for state oil firm Petrobras and the country's energy sector at stake.

The first round of the vote held earlier this month saw leftist former president Luiz Inacio Lula da Silva finish ahead of right-wing incumbent Jair Bolsonaro by a 48.4% to 43.2% margin. It was a better showing for Bolsonaro than many had expected, which fueled speculation of a potentially tight runoff vote.

However, Lula has opened up a significant lead in public opinion polls in recent days as Bolsonaro has been beset by a series of missteps and negative publicity surrounding his supporters.

The latest blow came last weekend, when former congressman and Bolsonaro ally Roberto Jefferson hurled grenades and shot at police as they came to arrest him in connection with threats he had made against a Supreme Court justice. Two police officers were injured in the confrontation.

A poll released by Brazil's Inteligencia em Pesquisa e Consultoria Estrategica (IPEC) after the incident showed Lula with 50% support, compared to 43% for Bolsonaro.

Adding to the drama around the upcoming vote, Bolsonaro has frequently suggested he may not accept the results of the election if he loses. After a petition filed earlier this week by his supporters seeking to have the election postponed was rejected by Brazil's electoral governing body, the president said he was calling an "emergency meeting" of the country's military command.

Energy Implications

Bolsonaro has made no secret of his desire to privatize Petrobras should he win another term. The state oil firm has been a frequent target of the president's ire due to high fuel prices and has churned through four CEOs since Bolsonaro took office in 2019.

Lula, meanwhile, has said he would maintain state control of Petrobras and work to better position it for the transition to low-carbon energy. He has also suggested that the company needs to diversify away from an overreliance on offshore pre-salt fields and "go back to being an integrated energy company," with more emphasis on biofuel production.

Some have grumbled how a such a diversification could impact profit margins at a time when Petrobras appears to be on track for production growth. The company reported net income of 54.3 billion reals ($10.5 billion) in the second quarter this year, up 26.8% from a year earlier, along with a record 87.8 billion real dividend payout.

The state company's stock price has been volatile amid the political turbulence, including a nearly 12% dive on Monday following news of Bolsonaro's waning electoral fortunes.

Michael Deibert, Washington

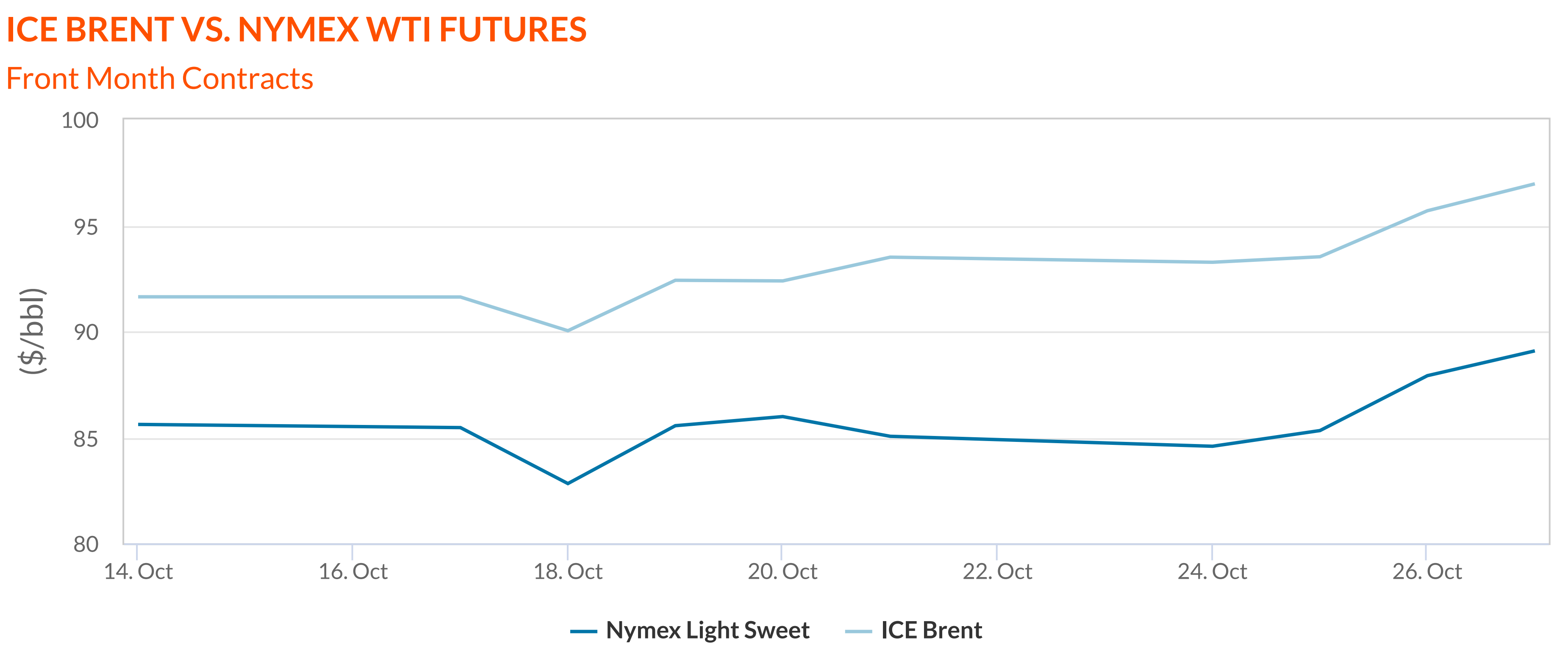
Oil Buyers Cautious Despite Bullish Diesel Outlook

Oil prices crept higher on Thursday, supported by a softer US dollar and tightening product markets.

In London, the December Brent contract reached a three-week high after gaining $1.27 and settled at $96.96 per barrel. In New York, the front-month Nymex West Texas Intermediate (WTI) December contract closed up $1.17/bbl at $89.08/bbl.

Brent has traded at an average of $93.58/bbl since the Oct. 5 decision by Opec-plus to cut its headline production by 2 million barrels per day starting in November.

The price boost from the official news lasted about two days, with the highest close for Brent recorded on Oct. 7 at $97.92/bbl, after which the benchmark started to trade sideways. Prices had made gains ahead of the announcement on reports that the coalition was considering a cut, however.



Opec-plus may have reduced output in light of a dire demand outlook, but its decision has not helped reduce uncertainty.

Showing how thin physical demand is despite the end of the maintenance turnarounds in Europe and the potential for diesel shortages, cargoes of light, sweet Forties Blend offered in the open market have failed to find buyers and are floating without a destination.

On the one hand, middle distillate demand is strong, supply is tight and global inventories are low — a perfect cocktail of bullish price drivers.

Add in the imminent EU ban on Russian refined product imports that starts on Feb. 5, a lack of refining capacity to make that up, and lower availability of medium, sour feedstock, and the cocktail becomes potentially explosive.

In addition to winter-specification diesel, seasonal demand translates into additional gasoil demand for heat and power generation.

Tightness in global middle distillates has sent refining margins through the roof. At about $75/bbl for ultra-low-sulfur diesel in Europe and about $78/bbl in the US, there is more appetite for heavier, sour barrels that can yield the right mix of winter products, especially gasoil.

Diesel prompt futures spreads in New York and Europe are trading sharply higher and underpinning crude prices. They also point to the ineffectiveness of releasing strategic reserves of essentially light, sweet crude when what is needed is the heavier crude that yields more diesel and heating oil.

On the other hand, middle distillate demand is sensitive to business cycles and will take a direct hit if a full-fledged economic recession materializes. Whatever gains are achieved in the gasoil/diesel market this winter may be lost elsewhere given the dire economic outlook.

Naphtha margins are in the doldrums, and with little uses for it in Europe, and refiners have started to reduce their intake of crude oil blends that yield too much of it, including North Sea light, sweet crude.

This partly explains why spot prices for grades that do not yield enough middle distillates and/or are not a good match for the lost heavier Urals barrels have fallen.

The oil market is almost done with December trading, and refiners are being careful, for accounting reasons, not to buy crude that won't be processed until next year and will show up in year-end inventories. Pending any visibility on a possible recession timeline, most refiners want to minimize pain on their profit and loss statements.

Julien Mathonniere, London

IN BRIEF

US Gas Futures Tumble on Bullish Storage Build

The US Energy Information Administration (EIA) reported a 52 Bcf build for the week ended Oct. 21, bringing the volume of working natural gas in storage to 3,394 Bcf.

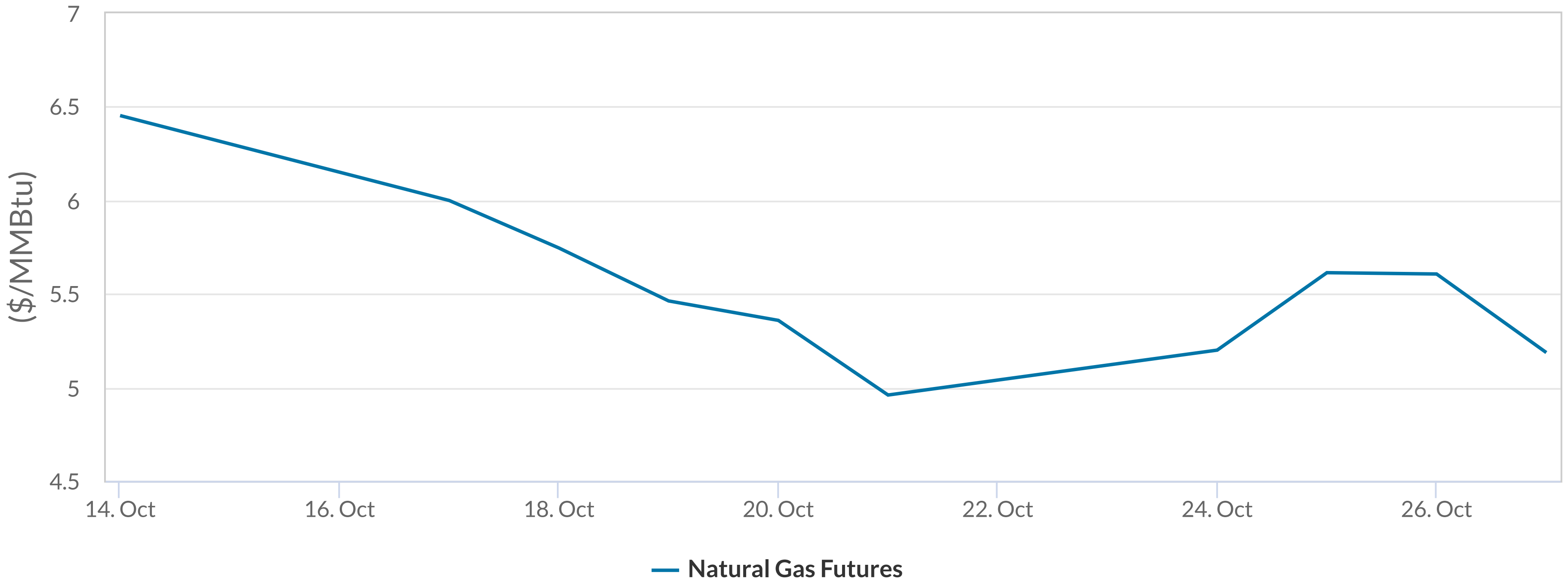
US gas futures nevertheless tumbled on Thursday, with the November gas contract falling 42¢ to roll off the board at $5.186/MMBtu, while the December through February contracts saw losses averaging 24.7¢.

Bulls might have expected the data to shore up the expiring contract, as the build was 7 Bcf shy of expectations and 14 Bcf under the five-year average, increasing the seasonal deficit to 197 Bcf, or 5.5%. It also cut short a five-week string of triple-digit storage builds that together added a record 571 Bcf to inventories.

Prompt month gas had rallied 64.7¢ in the Monday-Wednesday sessions as traders hesitated to discount upside price risks for the looming winter. However, an expected mild start to November and the probable resumption of oversized storage builds apparently took center stage on Thursday.

Analysts are modeling a 96 Bcf storage build for next week's EIA data more than double the five-year average.

NYMEX NATURAL GAS FUTURES



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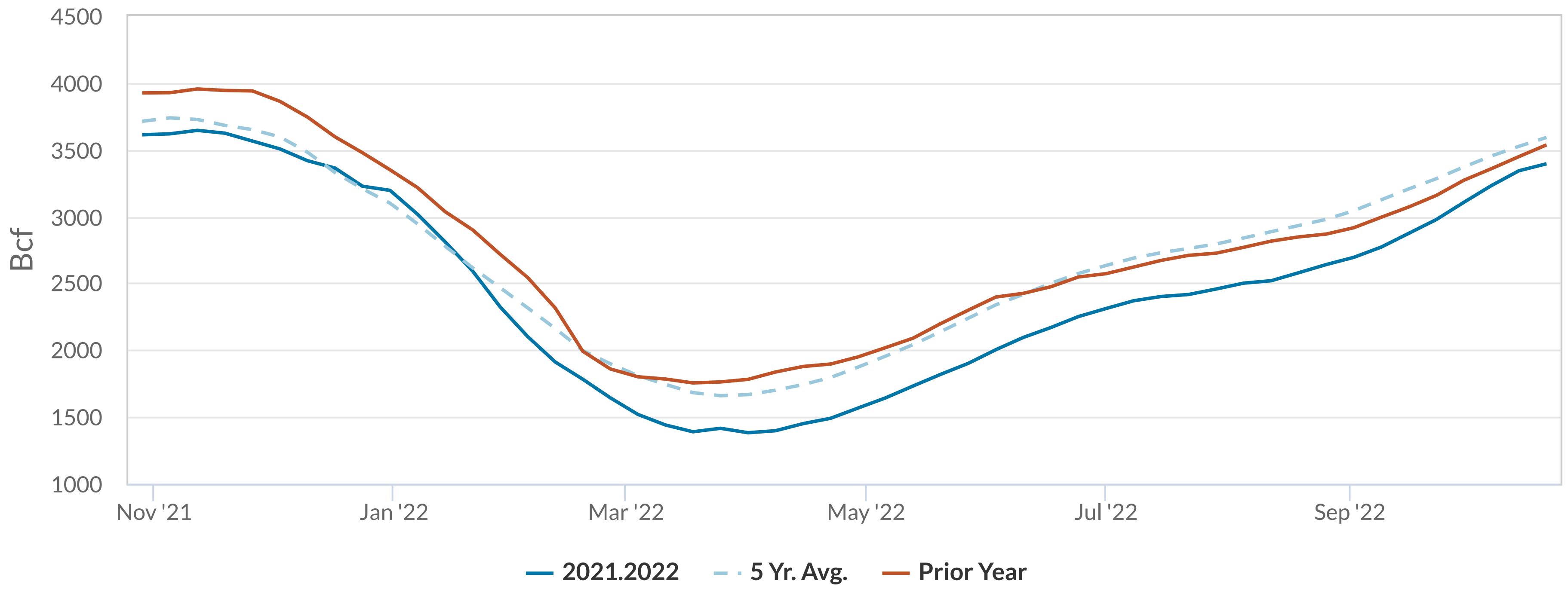
US NATURAL GAS STORAGE



Source: US Energy Information Administration Lower 48 Working Underground Storage

WORKING GAS IN STORAGE

(Bcf)	Oct 21	Oct 14	2021
East	825	812	882
Midwest	1,007	987	148
Mountain	199	195	212
Pacific	248	249	255
South Central	1,116	1,099	1,139
Total	**3,394**	**3,342**	**3,536**

Source: US Energy Information Administration

Tom Haywood, Houston, and Samantha Christodoulatos, London

Colombia Mulls Change to Exploration Ban

Colombia's government may re-examine its position on prohibiting new contracts for oil exploration, director of public credit Jose Roberto Acosta said Thursday, citing the valuable income brought by the sector.

Granting new contracts for oil exploration would represent a major reversal for the government of leftist President Gustavo Petro, who previously described oil and coal — the country's top exports — as poisons, while also pledging to move Colombia away from hydrocarbons.

"[The government] will rethink its initial position to consider, or reconsider, the issue of further exploration regarding oil, which constitutes a source of invaluable investment for fiscal resources," Acosta told local television.

Despite pledges to block further auction rounds, the government has repeatedly said it will respect the 330 already signed hydrocarbons contracts and that it wants inactive ones included in that number to be revived.

Petro's decision to prevent new oil exploration contracts — alongside other comments on capital controls and criticism of the central bank for raising the interest rate — has caused Colombia's peso to depreciate sharply.

Acosta did not immediately respond to requests for comment by Reuters.

A spokesperson for the ministry of mines and energy had no immediate comment, while a presidential spokesperson said an analysis of the policy was being conducted based on the country's fiscal needs. (Reuters)

DATA SNAPSHOT

Oil and Gas Prices, Oct. 27, 2022

All data are produced by Energy Intelligence in cooperation with Refinitiv.

CRUDE OIL FUTURES

($/bbl)	Chg.	1st Mth.	2nd Mth.
ICE Brent	+1.27	96.96	95.04
Nymex Light Sweet	+1.17	89.08	87.83
DME Oman	+0.44	91.90	92.00
ICE Murban	-0.15	95.17	94.69

INTERNATIONAL SPOT CRUDES

($/bbl)	Chg.	Price	Prior Close
Brent (Dated)	+1.25	94.17	92.92
Dubai	+2.05	92.35	90.30
Forties	+2.42	94.08	91.66
Bonny Light	+1.49	96.80	95.31
Urals	+1.49	75.80	74.31
Opec Basket*			93.32

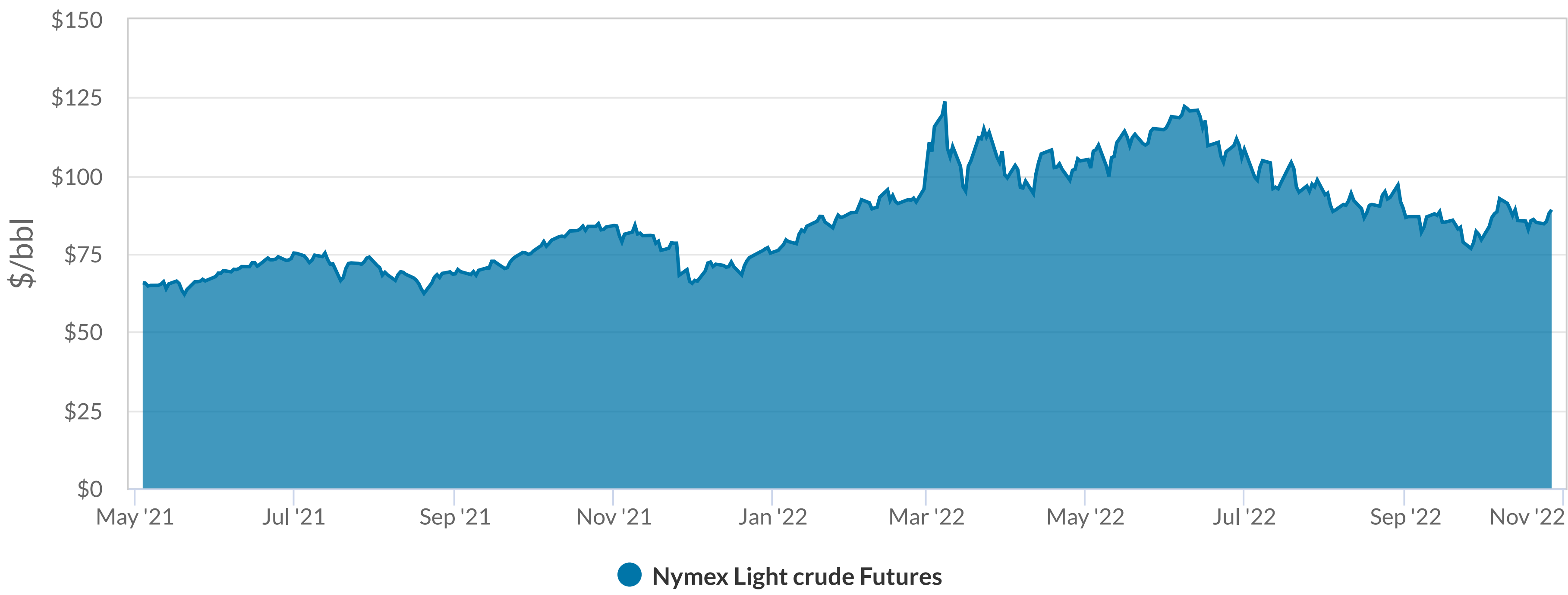
*Opec price assessed.

NORTH AMERICAN SPOT CRUDES

($/bbl)	Chg.	Price	Prior Close
WTI (Cushing)	-0.33	89.06	89.39
WTS (Midland)	-0.73	87.66	88.39
LLS	-0.53	91.56	92.09
Mars	-1.28	83.96	85.24
Bakken	-0.33	93.86	94.19

ICE BRENT CRUDE FUTURES

NYMEX LIGHT CRUDE FUTURES



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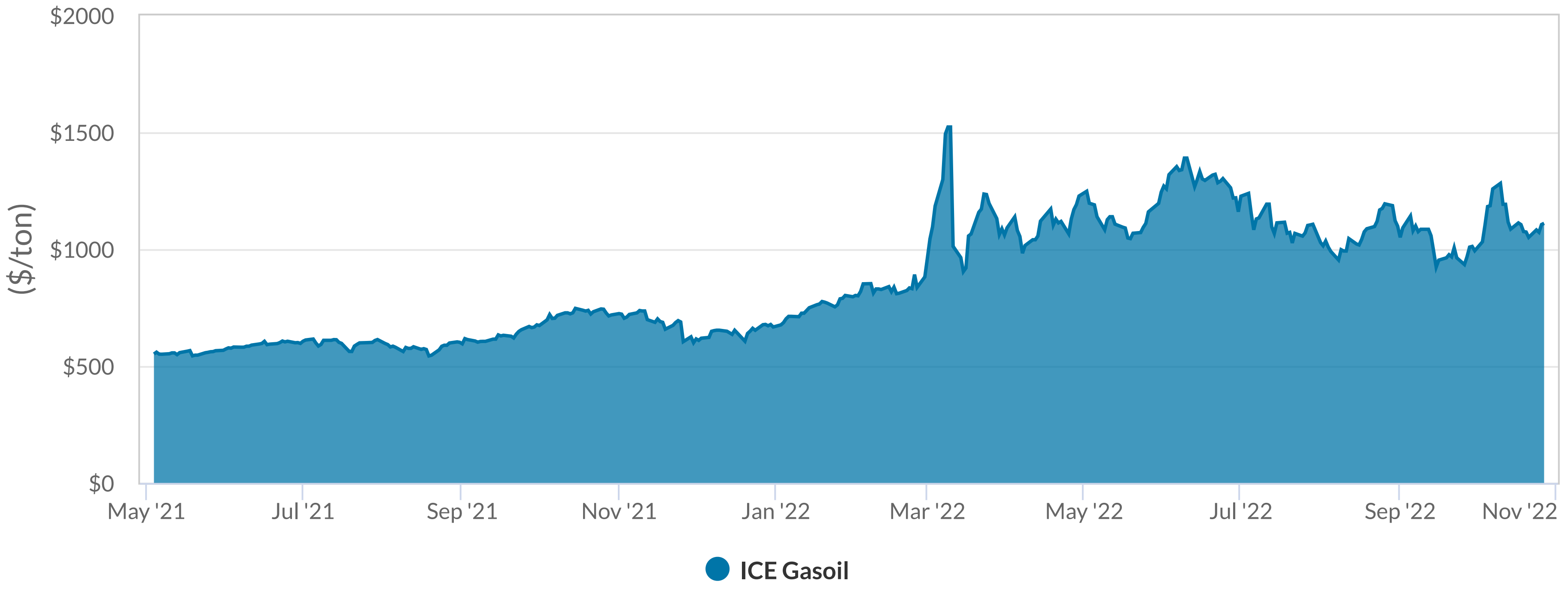
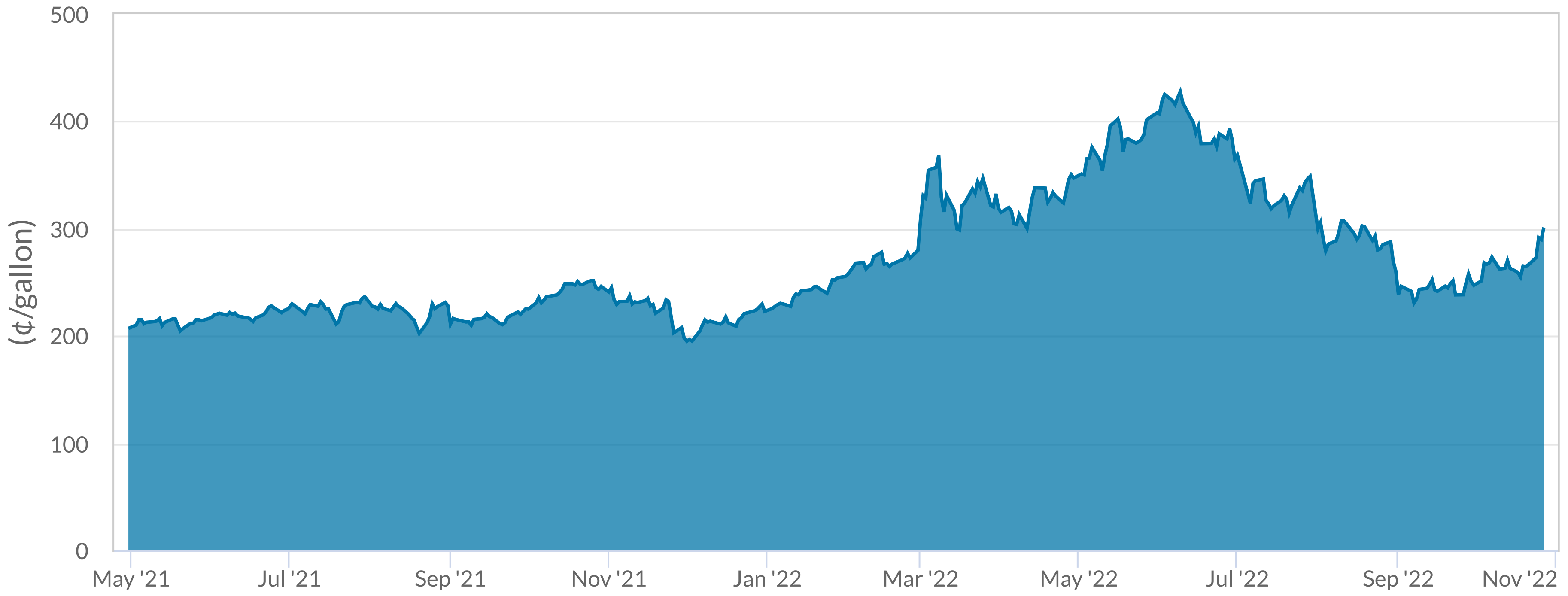
REFINED PRODUCT FUTURES

Nymex	Chg.	1st Mth.	2nd Mth.
Gasoline (¢/gal)	+11.22	301.16	264.15
ULSD Diesel (¢/gal)	+21.38	433.39	370.67
ICE			
Gasoil ($/ton)	+5.25	1110.50	1032.00
Gasoil (¢/gal)	+1.68	354.43	329.38

ICE GASOIL FUTURES



NYMEX GASOLINE FUTURES



US SPOT REFINED PRODUCTS

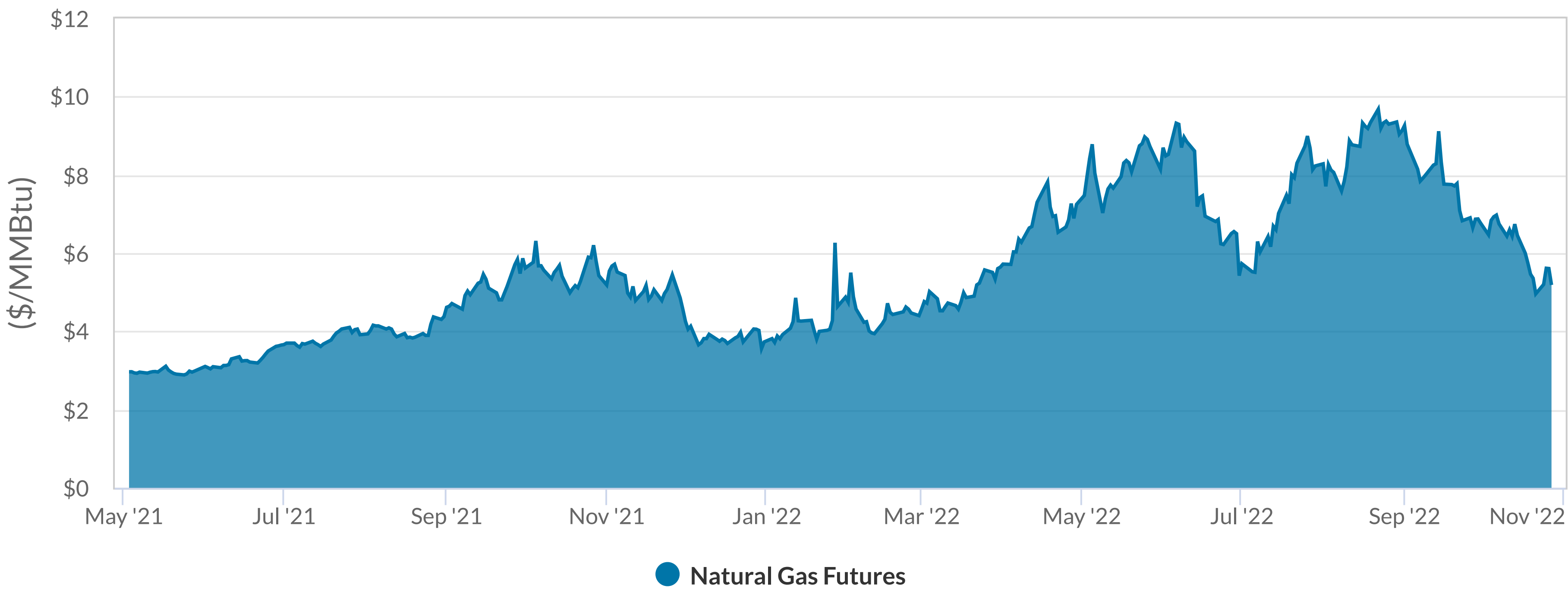
New York (¢/gal)	Chg.	Price	Prior Close
Regular Gasoline	+6.66	329.25	322.59
No.2 Heating Oil	+18.89	441.91	423.02
No.2 ULSD Diesel	+8.64	452.91	444.27
No.6 Oil 0.3% *			93.88
No.6 Oil 1% *			88.67
No.6 Oil 3% *			61.97
Gulf Coast (¢/gal)			
Regular Gasoline	+4.41	318.75	314.34
No.2 ULSD Diesel	+15.64	434.41	418.77
No.6 Oil 0.7% *			85.22
No.6 Oil 1% *			85.22
No.6 Oil 3% *			55.82

*Price in $/bbl. Percentages refer to sulfur content.

INTERNATIONAL SPOT REFINED PRODUCTS

Rotterdam ($/ton)	Chg.	Price	Prior Close
Regular Gasoline	+8.40	947.40	939.00
ULSD Diesel	+7.00	1242.00	1235.00
Singapore ($/bbl)			
Gasoil	+2.72	126.99	124.27
Jet/Kerosene	+3.23	125.32	122.09
VLSFO Fuel Oil ($/ton)	+23.98	679.61	655.63
HSFO Fuel Oil 180 ($/ton)	+17.22	403.37	386.15

NYMEX NATURAL GAS FUTURES



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NATURAL GAS PRICES

($/MMBtu)	Chg.	Price
Henry Hub, Nymex	-0.42	5.19
Henry Hub, Spot	+0.06	5.30
Transco Zone 6 - NY	+0.04	4.46
Chicago Citygate	-0.06	4.95
Rockies (Opal)	+0.01	5.57
Southern Calif. Citygate	+0.08	5.85
AECO Hub (Canada)	-1.98	0.87
Dutch TTF (euro/MWh)	-6.75	37.30
UK NBP Spot (p/th)	+11.00	65.00

US/Canada spot prices from Natural Gas Week

Equity Markets, Oct. 27, 2022

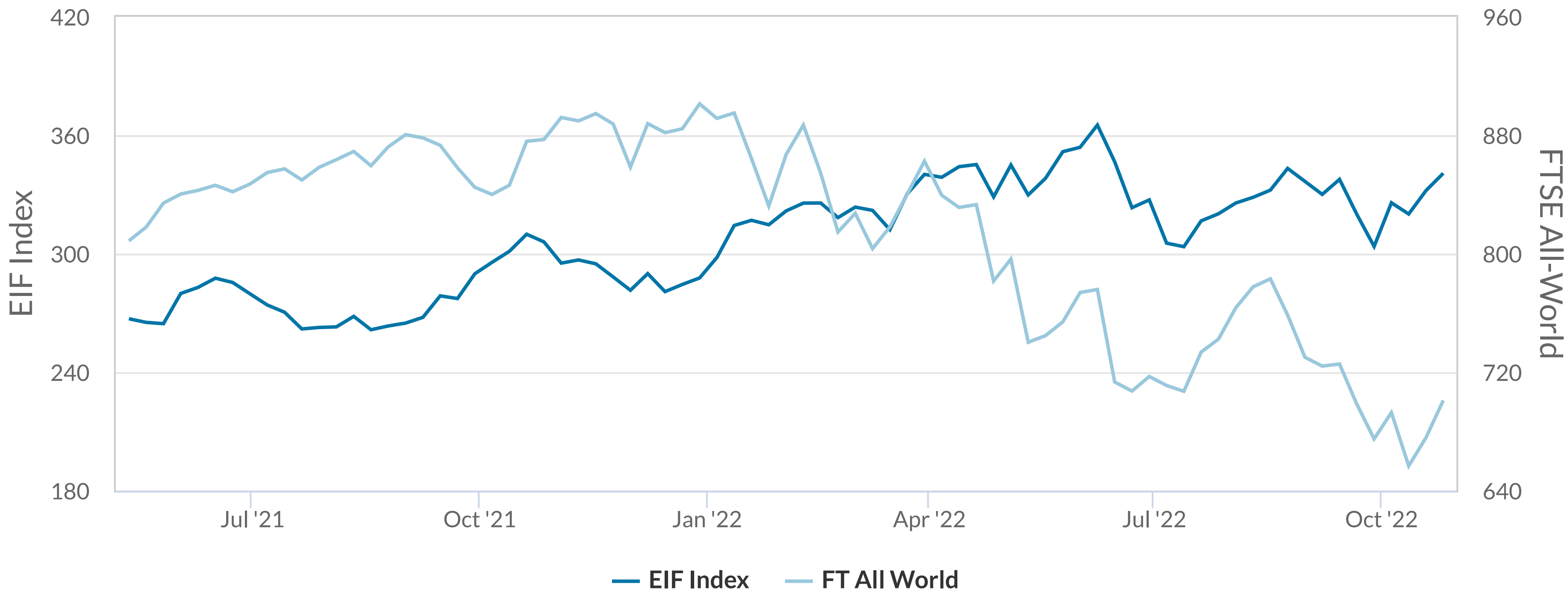
All data are produced by Energy Intelligence in cooperation with Reuters.

EQUITY MARKET INDEXES

	Chg.	Index	YTD %Chg.
EIF Global*	+2.52	340.73	+18.82
S&P 500	-23.30	3,807.30	-20.57
FTSE All-World*	-0.06	700.98	-22.22

*Index for previous day

EIF INDEX



EIF Global Oil and Gas Index of 21 traded equities