Fujairah New Silk Road WEEKLY NEWSLETTER

AUG 26th 2021
VOL. 86

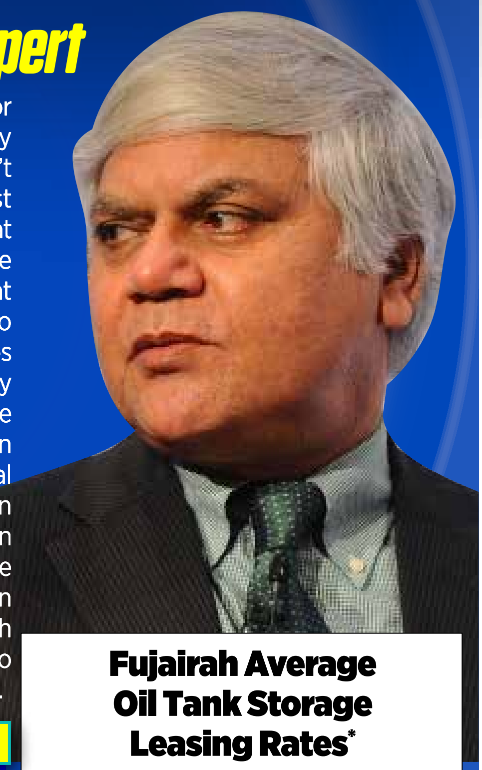
Supported By:
FOIZ منطقة الفجيرة للصناعة البترولية Fujairah Oil Industry Zone
Port of Fujairah ميناء الفجيرة Port of Fujairah United Arab Emirates

EXCLUSIVE INSIGHTS /// ACTIONABLE INTELLIGENCE /// DATA TRENDS /// LATEST NEWS

AN EXCLUSIVE GULF INTELLIGENCE INTERVIEW

Afghanistan Debacle Leaves US Image as Global Superpower in Tatters!

Narendra Taneja, India's Leading Energy Expert



The whole world knew that the US was going to pull out of Afghanistan sooner or later. That wasn't the surprise. But what we didn't know was that the democracy infrastructure that they've been building for the past 20 years was so weak. We didn't know that. We thought that American intelligence was smart and amongst the best in the world. Now we realize looking at the last 20 years, that the actions of the great United States of America to build democracy in Afghanistan were not real. It all came down like a house of cards. Our worry with America pulling out of Afghanistan is that it creates a huge vacuum. At the same time, America's image as a superpower to do something effectively in any part of the world has suffered a serious jolt. Now it raises the question - what if they do the same in the Middle East or if their appetite to play an effective role in the Middle East goes the Afghanistan way, what will happen? We don't think they're prepared yet to deal with the kind of vacuum that would come on the horizon. That's an area of tremendous worry for India. If we see this geopolitical vacuum emerge, it could result in chaos in the Middle East, which is a critical region for the whole world in terms of oil and gas. It really is giving us sleepless nights. When you are a big country, big economy, the so-called superpower, you just can't say "we are not really interested in what happens in the Middle East." They must stay put in the Middle East. They must strengthen their forces in the region. They must tie up with allies like Japan, Australia, and India to make sure that the Middle East does not go the Afghanistan way. If that happens, then the entire world will have to pay the price.

CONTINUED ON PAGE 3

Fujairah Weekly Oil Inventory Data

5,631,000 bbl	3,960,000 bbl	8,687,000 bbl
Light Distillates	Middle Distillates	Heavy Distillates & Residues

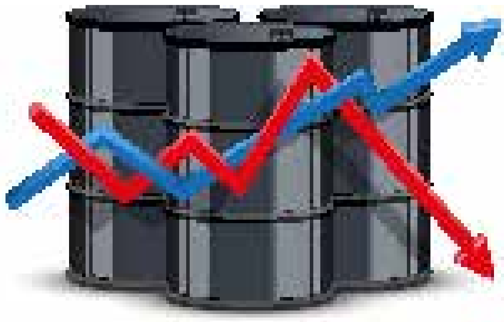
Source: FEDCom & S&P Global Platts

Fujairah Average Oil Tank Storage Leasing Rates*

BLACK OIL PRODUCTS

Average Range
$3.61 - 4.38/m³

↑ **Highest: $4.50/m³**
↓ **Lowest: $3.40/m³**



Weekly Average Oil Prices

Brent Crude:	$69.44/bl
WTI Crude:	$66.2/bl
DME Oman:	$67.31/bl
Murban:	$68.64/bl

Time Period: Week 4, August 2021
Source: IEA, OilPrice.com, GI Research

Fujairah Weekly Bunker Prices

VLSFO

High = $522.00/mt

Low = $500.00/mt

Average = $510.00/mt

Spread = $22.00/mt

MGO

High = $650.50/mt

Low = $617.50/mt

Average = $635.50/mt

Spread = $33.00/mt

IFO380

High = $429.50/mt

Low = $406.50/mt

Average = $421.50/mt

Spread = $23.00/mt

*Source: Ship and Bunker, *Time Period: August 18 - August 25*

Fujairah Bunker Sales Volume (m^3)

1,746 180cst Low Sulfur Fuel Oil	**534,357** 380cst Low Sulfur Fuel Oil	**119,732** 380cst Marine Fuel Oil
1,422 Marine Gasoil	**28,153** Low Sulfur Marine Gasoil	**4,929** Lubricants

Source: FEDCom & S&P Global Platts

GI Consultancy Intelligence Publishing

Narendra Taneja, India's Leading Energy Expert

CONTINUED FROM PAGE 1

What ramifications will the fallout in Afghanistan have on the energy sector?

Narendra Taneja: Afghanistan has been an extremely serious development in our part of the world. When you look at the map and the geopolitical parking of Afghanistan, it's a junction that connects South Asia with the Middle East on the one hand and South Asia with Central Asia on the other. It is very important for us in terms of energy production. What happens in Afghanistan may not reflect in oil prices right now. However, if the country's situation gets out of control and Afghanistan goes up in flames, it is going to have an impact on oil prices and the overall oil and gas geopolitical landscape. Our fear is that Afghanistan will be back to what it was. Their DNA hasn't changed. They are the same people with the same mindset. This means that very soon they will allow sanctuaries to organizations like ISIS because they provide the right ecosystem and support system there. The next five to six months may look fine because they are investing a lot in terms of the right communication and right language. But the problem is that after six months they will be settled and back to their normal self. That means the whole area, which is critically important when it comes to energy, will basically be back to the same with many sanctuaries, universities training these people, and exporting terror. We wish the best and we hope democracy will succeed. But when we look at the landscape, realistically we have serious worries about what is going to happen in about two years from now and the implications for all those players who are in the energy sector.

Is India now on top of its Covid-19 outbreak that occurred over the summer?

Narendra Taneja: If you look at the energy landscape, it is pretty encouraging in the sense that offices have reopened. People are in a good mood. In New Delhi where I live, cases are down to just about 18 per day. We have started going out to restaurants, hotels, started flying, meeting, and inviting people over to our offices. It's almost back to normal, which is extremely encouraging. That also reflects the scene for petrol over the last 15 days. Sales are up 3.8% compared to the pre-pandemic quarter. Diesel is also doing very well. It is still struggling compared to the pre-pandemic quarter, but we're doing fine in the sense that sales are picking up very fast. So overall, the picture is encouraging when you look at power consumption, diesel consumption, petrol consumption, and solar power consumption. When we look at the landscape in two to three months from now, it looks like things are going to be even better. We have already vaccinated close to 600mn people. On Sunday, we vaccinated 8mn people in one day. That's a world record. The fact that we produce and manufacture our own vaccine is a tremendous help. We are sensitive to the possibility of a third wave, but the country is very well prepared. Businesses are prepared and the energy sector is well prepared. Even if it comes, we expect that it will be more manageable.

What is your economic outlook for India in the next fiscal cycle?

Narendra Taneja: If not 10%, we will probably be in the region of 9%. Maybe 8.7% or 9.2%. Which is ok. The overall sentiment is very good, but at the same time we realize that the picture in some other parts of the Indo-Pacific Asia region seems to be a little bit hazy, for instance with China. The reports that we have from China is that the problem is with the vaccine. The vaccine is not effective enough. That's why there are all these problems there. China should probably admit it and seek vaccines from the West or India. Some other countries that also imported from China in Asia are facing the same kind of haze. In Asia, it is in one way or another, linked to the quality of vaccine. Overall, if China is not doing well and some other geography's economy is not doing well, then it will influence India's economy as well. We live in a very interdependent world. But India's GDP is largely driven by domestic demand, so we are going to probably see a better picture. India in the coming months is going to look much better and healthier economically than we even thought six months ago. We are vaccinating millions every day and insisting on wearing masks. Go back to normal business, but keep your fingers crossed because this creature is unpredictable. My sense is that by Christmas we will have roughly 80% of people with at least one dose around the country. That will help us to boost the economy. The best stimulus we can give to our economy in India is the vaccine and that is the government's focus.

WATCH FULL INTERVIEW HERE


ADNOC
WE BRING
ENERGY TO LIFE
For over fifty years, we've helped drive the prosperity of our world, our nation,
our partners and our customers. But this is just the start of our story.
We are determined to constantly improve our products, optimize our costs,
drive greater efficiencies and deliver more value. All while innovating
to protect our environment and to empower the communities we serve.
That's not simply our purpose, it's our promise to future generations.
adnoc.ae @adnocgroup
Abu Dhabi National Oil Company

ENERGY MARKETS VIEWS YOU CAN USE

Maleeha Bengali
Founder
MB Commodity Corner

WHAT IS DRIVING THE DIRECTION OF OIL PRICES?

The oil price is really a story of two sides -- the macro and the micro. The macro provided tailwinds to the oil market recovery in the first half of the year as we had the general reflation trade and general commodity inflows. The micro story had been supported due to OPEC+ taking oil off the market, keeping it tight on average. Now, something has changed. We are seeing global growth demand downgrade from highs of 8% or 9%, down to 4% or 4.5%. When you get a macro headwind on the demand side of global GDP, obviously that takes all commodities down. That's one of the reasons why copper is down as well. We have always said the oil price has never been a result of shortage, it has just been a question of timing and OPEC+ did a very good job over a very short period of time to keep the market tighter.

COULD THE MARKET STRUCTURE CHANGE FROM BACKWARDATION TO CONTANGO?

In terms of the market structure -- backwardation and contango -- the investment-funds money going into commodities has pulled back from oil. This is why oil prices are falling. The curve is tight right now because OPEC's probably releasing 400000 barrels per day, while we still have robust demand. While we haven't recovered the jet fuel demand, we still have strong gasoline demand and strong distillate demand.

OUTLOOK FOR FED POLICY?

The big question for this week will be -- is the Fed going to taper or not? I'm sorry, but that is what is going to drive all prices for commodities right now. It's not a micro story, it's a pure macro story for right now. The Fed has this year been fighting the battle of reaching its employment goals and keeping inflation contained. Inflation is already running ahead of its targets. We had a massive payroll number in July and will probably get a great payroll number in August. If we get the employment number that the FED need, they may start to taper off the asset purchases. The big question that people are asking is, can financial asset prices withstand this liquidity being withdrawn from the market because we have not been in a world for a long time where there's been no liquidity support from the Fed.

Christof Rühl
Senior Research Scholar - Center on Global Energy Policy
Columbia University

DOES THE DROP IN OIL PRICES INDICATE A CHANGE IN MARKET STRUCTURE?

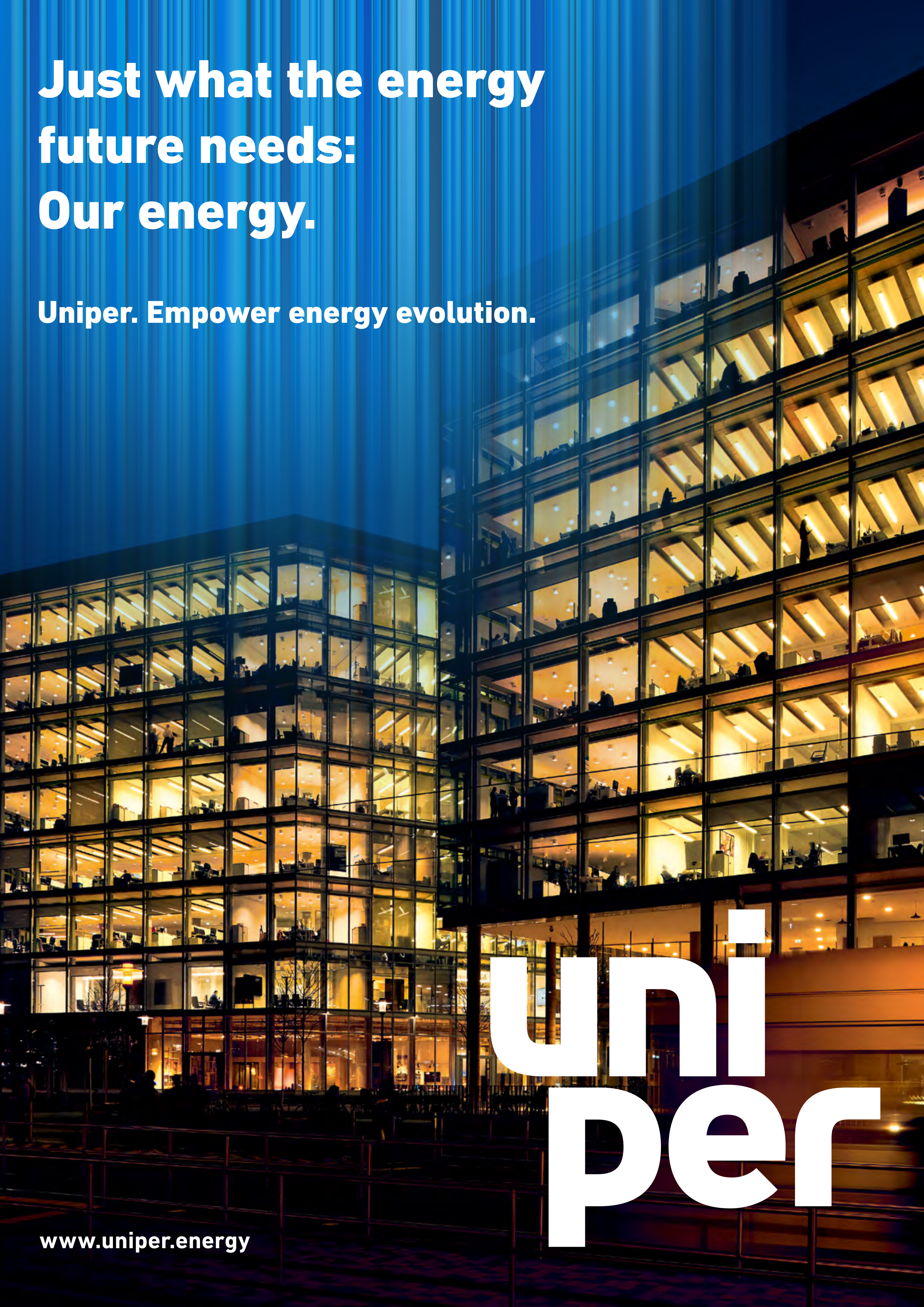
Ultimately, there is no big change to market dynamics. We have those countries which have managed to vaccinate a majority of their populations and will now try to head towards herd immunity because people will not accept a return to the complete lockdowns, we had in 2020. The problem is that almost nobody has the required 80% vaccination rates yet for herd immunity, and so the cat and mouse game with the virus will continue for a while. If there is no serious mutation which invalidates the protection that the vaccination gives us, then I do think that this is still part of learning to live with the virus. It won't result in the same kind of complete lockdown scenario which we had a year ago.

WHAT IMPACT WILL THIS HAVE ON THE OUTLOOK FOR OIL PRICES?

The implications for oil prices are still not clear as the world remains awash in oil. If OPEC+ doesn't change its output policies, then most of the investment banks will have to call back their forecasts of $80+ oil for the end of this year. We will be looking at more moderate oil prices. I think that's acceptable. Everybody can do that, including those oil producers in the Middle East.

OUTLOOK FOR GLOBAL ECONOMIC GROWTH?

From where I am standing, I think economic growth will lose its strength. That's the expectations many of us have had for a while – the growth we saw in the first half of the year will in retrospect be seen as more of a flash in the pan. I expect that we will find it hard to reconnect with the elevated growth levels witnessed before the Covid-19 pandemic started. The oil markets will probably fall lower without further support from OPEC. The question facing traders now -- is $65 a barrel the right point to get back into the market? The answer comes back to what you think OPEC+ will be doing through to the end of the year.


Just what the energy
future needs:
Our energy.
Uniper. Empower energy evolution.
www.uniper.energy
uniper

ENERGY MARKETS VIEWS YOU CAN USE

Robin Mills
Chief Executive Officer
Qamar Energy

SHOULD WE EXPECT OPEC TO REACT TO THE RECENT MARKET VOLATILITY?
If the oil price dips and remains in the $60s, then that's a bit concerning but OPEC will still keep their eye on the longer-term prize - regaining that lost market share and trying to get back to 'normal' levels of production. That means bringing oil back to the market even through some periods of weakness and repeated knocks on demand. Still, if we'd seen the oil slump of last week persisting, there definitely would have been some serious thought to holding back on output increases.

UNCERTAINTY ON THE TIMING OF FINANCIAL TAPERING SEEMS TO HAVE RETURNED?
US economic expansion remains strong but there are definite signs of deceleration. The PMI has fallen for the US and also for Europe - that's one of the elements that is feeding in that we have reached the peak of this cycle. On the other hand, we see significant strength elsewhere, in Southeast Asia for example, where we see a continuing strengthening in momentum. China is slowing down for sure, but it's still clouded by the resurgence of the Delta variant. The Chinese strategy of complete elimination of Covid has worked with the early variants and seems to have worked with Delta so far, but there is the possibility that it really can't be contained without an absolute nationwide shutdown, particularly given low vaccination rates in the country.

HOW DOES THE SITUATION IN AFGHANISTAN IMPACT ENERGY AND REGIONAL GEOPOLITICS?
Minerals are going to stay in the ground for an awfully long time and we can also rule out the speculation for pipelines going through Afghanistan for the foreseeable future. We also have this whole reorienting of Central Asian geopolitics with the diminished role of the US versus a growing role for China and Russia and to a lesser extent, other players like Iran, Pakistan, India and so on. But while some of these countries might have cheered the US exit, they'll discover and are probably already aware that this is actually more of a headache for them.

Ali Al Riyami
Consultant & Former Director General of Marketing
Ministry of Energy & Minerals, Oman

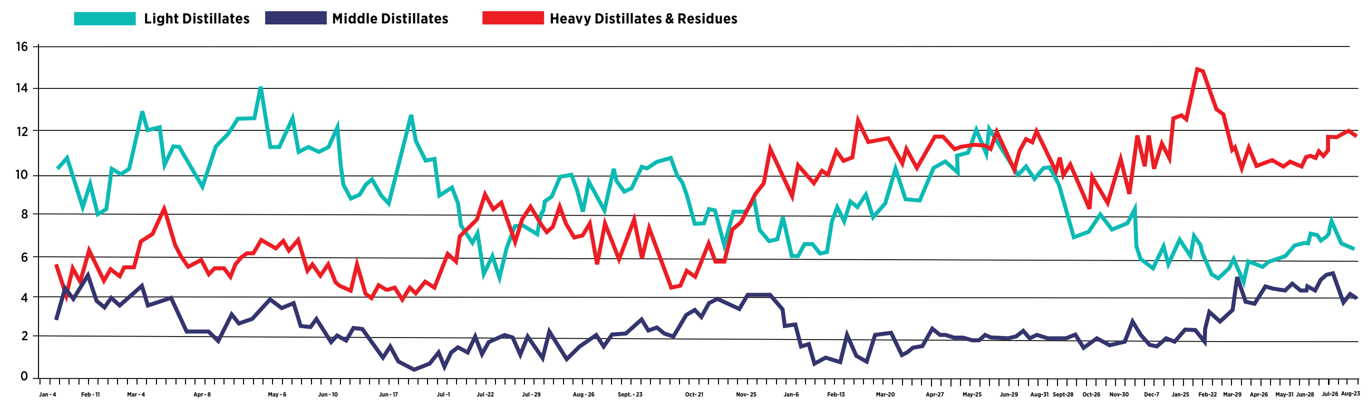
WHAT IS THE IMPACT OF GREATER VOLATILITY IN THE OIL MARKETS?
For countries like Oman, this scale of volatility is not healthy. We very much depend on the oil price for our budgets and for our future expenditures. So, when you have this kind of fluctuations in price, then planning is quite difficult. We want to see a sustainable stable price over the coming months, but I don't think that we will have that kind of situation very soon. It appears to me $65 to $70 is the right price to expect.

DID OPEC+ MAKE THE RIGHT DECISION TO RAISE SUPPLY BY 400K EVERY MONTH?
Regarding the OPEC+ decision, I was not really in favor of increasing by 400,000 barrels a day on a monthly basis for the coming five or six months. That is too much. I don't think that the market is ready to accept the extra volumes which are going to come from OPEC+. But nevertheless, the decision is made, and it is water under the bridge now. We will have to wait and see the impact that this increase will have in the market, especially when you consider that early next year, we will start implementing the new quota baselines for some countries. This will result in further production increases from Saudi Arabia, UAE, Russia and so on.

WHAT IS YOUR OUTLOOK FOR DEMAND RECOVERY?
I'm not so sure about the outlook for Demand. I mean, are we really talking about expectations of higher demand, especially when you consider in the fourth quarter and the first quarter when we are in the winter when demand is seasonally lower? So, my worry is that we are talking about adding more production this year and adding extra production quotas next year and demand recovery is still uncertain. We have to be very careful, and OPEC+ need also to be careful not to allow production to go beyond demand, or else we will see the return of high levels of inventories. That is what worries me basically.

Fujariah Weekly Oil Inventory Data

FOIZ
منطقة الفجيرة للصناعة البترولية
Fujairah Oil Industry Zone



TOP TAKEAWAYS

- Total oil product stocks in Fujairah were reported at 18.278mn barrels. Total stocks fell by 1.138mn barrels with overall stocks falling 5.9% week-on-week. The total loss is a sharp reversal of last week's gain of 67,000 barrels. The total stock loss was driven by falling stocks of heavy residues and middle distillates, while light distillates recorded a net rise.
- Stocks of light distillates, including gasoline and naphtha, rose by 29,000 barrels or 0.5% on the week to 5.631mn barrels. This is a modest continuation of last week's gain when they rose by 92,000 barrels to 5.602mn barrels. The build came as Middle Eastern and Asian gasoline crack spreads took directional cues from the US RBOB-Brent crack which rallied following a draw in US gasoline stocks which fell 1.5mn barrels in the week ended Aug. 20, more than double the unexpected 700,000-barrel build the week prior, according to analysts surveyed by S&P Global Platts.
- Stocks of middle distillates, including diesel and jet fuel, fell by 85,000 barrels or 2.1% on the week to 3.960mn barrels. This is a slight reversal of last week's gain of 1.056mn barrels as backwardation was steepening for gasoil intermonth spreads. In tender news, Indian Oil Corp. sold 31,000-33,000 mt of 10ppm sulfur high speed diesel at a discount of 30-60 cents/bl to the Mean of Platts Arab Gulf 10ppm sulfur gasoil assessments on an FOB Kandla basis, sources said. The parcel is to load over Sept. 10-11. The refiner had also offered a similar cargo of gasoil for loading over Sept. 1-2, but that offer was heard to have been canceled, traders said.
- Stocks of heavy residues fell by 1.082mn barrels or 11.1% on the week to 8.687mn barrels. This is a continuation of last week's loss of 1.081mn barrels. In the Port of Fujairah, the bunker market remained tight with limited barge availability, in addition the market was less active than previous trading days given the ramp-up in flat prices, said a Fujairah-based trader. The majority of offers for Fujairah-delivered marine fuel maximum 0.5% sulfur on Aug. 24 were heard in the $509-$510/mt range, with a fixture heard at $509/mt. Fujairah-delivered marine fuel maximum 0.5% sulfur was assessed on the fixture at $509/mt, up $16/mt on the day. The price in Fujairah is a $5.75/mt discount to Singapore which saw its delivered bunkers on Aug. 24 on the same basis assessed at $514.75/mt.

Source: S&P Global Platts

BY MATT STANLEY
SENIOR BROKER
STAR FUELS

Brent is trading this morning at $71.63/bl, down 0.62/bl. WTI is trading down 0.72/bl, at $67.64/bl. Like the England cricket test match team, the oil market sure has staged some come back. The great thing about being an England fan of any sport, from cricket to football to Welly-wanging (that is actually a sport before you question me) is the same as being in this oil market, you are always prepared for disappointment. It's kind of charming. The rally we have seen since Monday morning (some 10% no less) has been driven mainly by the fact that the Mexican oil platform in the Gulf of Mexico was seen to be offsetting the increase in supply from OPEC+. I could live with this. It made sense. I rested happily and tucked into a cheese and pickle sandwich safe in the thought that finally, fundamentals were prevailing. Then I read that actually around 200,000 b/d of the 440,000 b/d that were taken offline had recovered, with the rest anticipated to return within a couple of weeks. The sandwich was put down. OK I said, on that basis we should see the market correct, no? Surely if the reason we have seen such a rally was down to this Mexican outage, but half had returned then so would half the rally, or am I wrong? Alas, of course I am wrong. And I'm back to eating crumbs. This is the reality of the market we are in though. A bullish headline will be bought, of course it will, a bearish one will be nigh on dismissed. The fall in crude oil prices we saw over much of August was not triggered by one specific headline. The drop manifested itself from some negative realities that demand is coming in weaker than forecasts and all this did was stimulate the market into gradually grinding lower over the course of a couple of weeks. One bullish headline though? Yeah, nah forget all that. Even though India Covid-19 cases are nearly 50,000 a day again. China is still reporting cases even though everyone thinks they have already thwarted this latest wave. People in the US are back to wearing masks and hospitalisations are growing every day. Couple this with builds on jet fuel stocks in the US and passenger traffic at a three-month low and one would be forgiven for scratching their head. I'll insert that "I'm not being negative" caveat again, I'm just being realistic. It seems that the market is looking beyond reality though at the moment. Now, if you'll excuse me, back to shopping for Branston's. Good day.

Aug 26, 2021


Vitol
At the heart of the world's energy markets
Serving customers with our expertise, logistical excellence and unique opportunities.
vitol.com

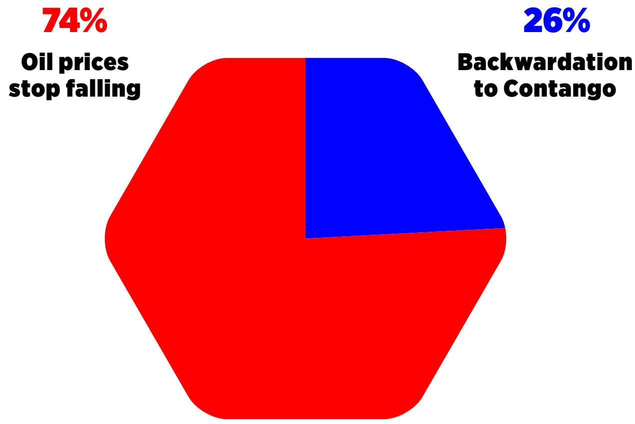
ENERGY MARKETS COMMENTARY WEEK IN REVIEW

CLICK HERE TO LISTEN

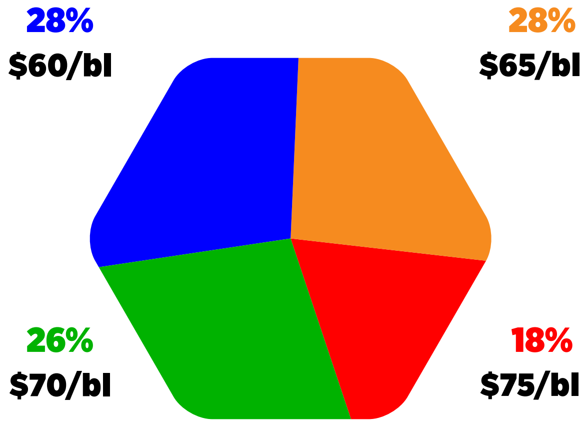
GI Consultancy Intelligence Publishing

GIQ Weekly Surveys

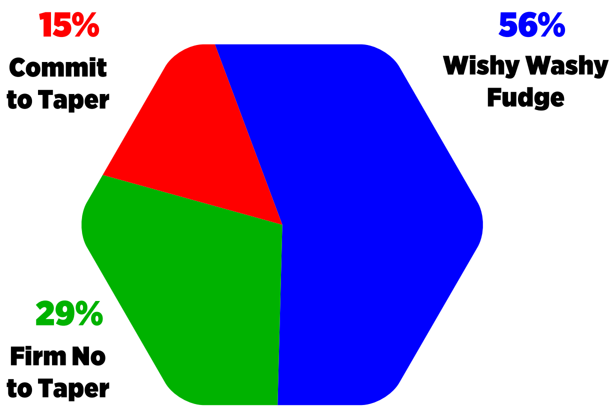
Oil markets rarely exhibit current combination of falling prices and backwardation - what will happen next?



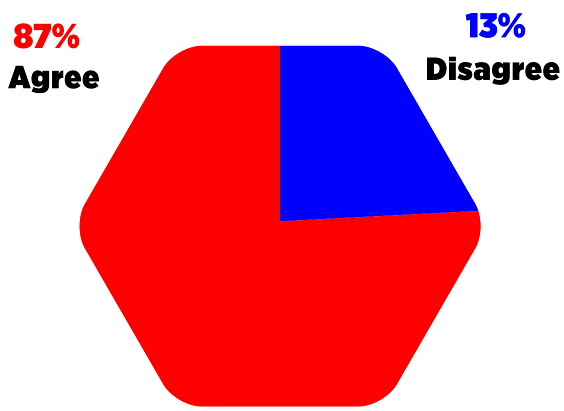
Brent crude oil will end Q3 closer to:



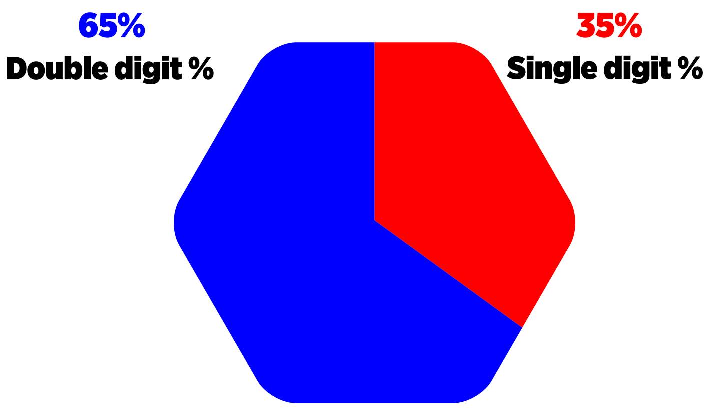
What tone will Jackson Hole deliver?

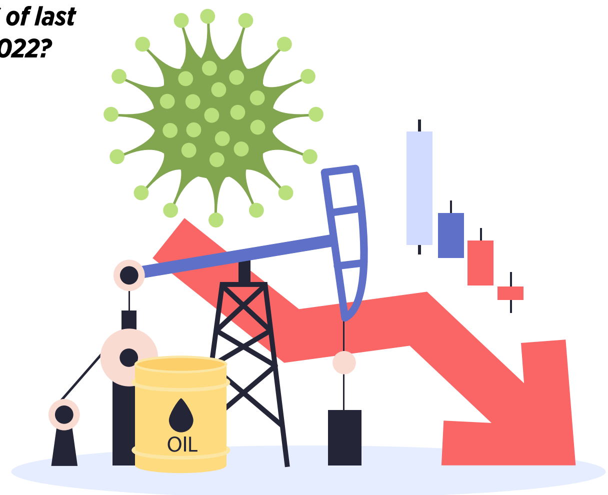


Oil markets to see greater volatility as policymakers try to unwind Covid-19 stimulus bonanza?



Brent crude's average price has changed by double-digit % in 16 of last 20 years -- what scale of volatility will we see in oil markets in 2022?





Source: GIQ

GI Consultancy Intelligence Publishing

ENERGY MARKETS VIEWS YOU CAN USE

Rustin Edwards
Head, Fuel Oil Procurement
Euronav NV

WHAT HAS TRIGGERED THE RECENT MARKET VOLATILITY?

The main impact has come from the Mexico Pemex outage and also the lack of tapering from the central bank talks last week – both have pushed the market back up around 8%. The Mexico issue could be an 8-week phenomenon and the damage to the infrastructure could effectively negate OPEC's oil output release for September.

ARE SUPPLY CHAIN BOTTLENECKS STILL CURTAILING ECONOMIC GROWTH?

The bottlenecks are still there. Getting the basic support infrastructure on both ends of the port is where the problem sits. Moving boxes out of ports to wherever they're going is a big issue. Trucking service companies are having real trouble hiring people and they've increased hourly rates up ten dollars an hour from where they were maybe two years ago. China, with the latest covid outbreak, just exasperates the issue even more and it's going to get dramatically worse as we get into the winter holiday shopping season. So Q4 will be an interesting one to watch when it comes to container ship traffic. Companies in the sector have been posting record earnings, making more money in the quarter than they usually make in a year.

HOW ARE REFINING MARGINS LOOKING ACROSS THE BARREL?

The residual side of the barrel is relatively strong. It got a big boost with the outage in Pemex. If that goes on for an extended period, we will see more US Gulf Coast refiners looking for heavier sour oil to replace whatever they lose from Pemex. They will need some of that material to keep refineries fully running. The high prices and structure in the fuel oil market is indicative of low run rates. Bunker demand has also not been good, even with high freight rates. We have too many ships sitting in port. The values of ex-wharf prices versus delivered retail spreads have been squeezed dramatically here for the last 60 days or so. The tanker sector is not helping, and it looks like it's going to continue to be underwater for the rest of the year unless there's a dramatic change in the OPEC position on production. Dry bulk is still doing OK but again, the clamp down in China means headwinds are coming. Container traffic is the only one that's really going to keep bunker suppliers moving along but that's only roughly 40% of the world fleet. The strong price of gas is also impacting a lot of the refining economics and that's going to continue as we go into winter because of low stocks. Natural gas is nowhere near where it needs to be or as it was in 2019. If we have a cold winter in the Far East, there could be some massive shakeups in the whole residuum fuel market versus LPG structures and prices.

Ole Hansen
Head, Commodity Strategy
Saxo Bank

YOUR THOUGHTS ON TODAY'S OIL MARKET AND REFLECTIONS ON THE MONTH OF AUGUST?

The market has been range bound but it has recently responded to the negative impact of a third wave in the virus, so demand is again uncertain and that adds to market volatility. There are also worries about a potential taper announcement this week and the impact that may have on the dollar. It's already having an impact on financial players, with speculative interest from hedge funds dropping to a nine-month low. If oil prices fall too much, OPEC Plus might also change its stance on production increases. Overall, we see the oil market stuck in a $65-75 range through to the end of this year, while continuing to watch developments in the virus and dollar in the short run.

WHAT HAPPENS IF AND WHEN FINANCIAL TIGHTENING DOES OCCUR?

The big question is how much of that has already been priced in. The US is drowning in cash and banks are handing back billions and trillions of dollars to the central bank that they can't find any use for. That means they need to get this liquidity out of the system. The question is where interest rates are heading and as we may have seen peak growth in Europe and especially the US, it means higher interest rates going forward.

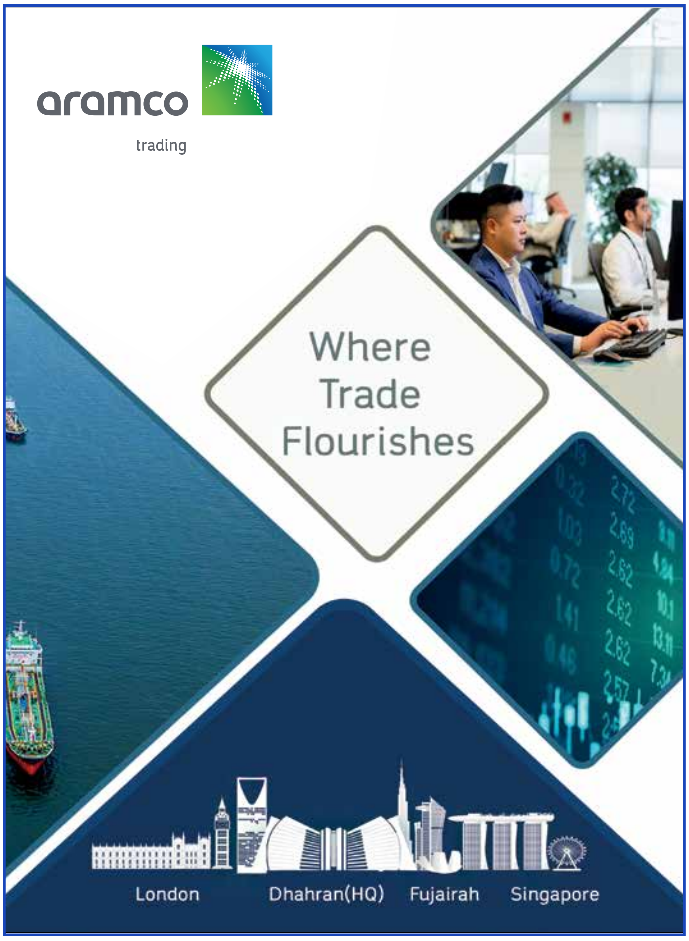
ARE COMMODITIES CAUGHT IN THE SAME WAVE THAT IS KEEPING EQUITIES RISING?

We would like to say that they are living in their own ecosystem of supply and demand, but we are in one big system and responding to the risk on/risk off coming from the bond market and especially the stock market. Overall, we've seen a healthy correction over the past month across oil and industrial metals so I see no reason why we shouldn't now see a pickup in prices again because demand is still strong. And supply bottlenecks also continue to lend support.

"Given the risks around the delta variant of the coronavirus, but also the accelerating vaccine programs, it's possible that the second half of the year also sees a bit of a stop-and-go development before things (hopefully) normalize in 2022."

Eurasia Group

eurasia group politics first



ENERGY MARKET NEWS

RECOMMENDED READING

Series Supported By:

ADNOC Vitol FOIZ S&P Global Platts aramco trading

1. OIL PRICES FALL FIRST DAY IN FOUR AS VIRUS CONCERNS RETURN
2. OIL EXTENDS RALLY, RISES OVER 1% ON US FUEL DEMAND RECOVERY
3. ARAMCO TRADING TO JOIN PLATTS OIL PRICING PROCESS IN ASIA
4. IRAQ SEEKS TO EASE SAUDI-IRAN HOSTILITY AT BAGHDAD SUMMIT
5. TALIBAN EARNED $1.6BN: HERE'S HOW THE TERRORIST GROUP MAKES MONEY
6. CHINA ANNOUNCES MAJOR SHALE OIL DISCOVERY
7. ASIA'S APPETITE FOR US SOUR CRUDE GROWS AMID FALLING PRICES
8. WHY PFIZER'S FDA APPROVAL HAS BEEN A BOON FOR OIL PRICES
9. CRUDE OIL: INVENTORY DRAW NOT ENOUGH TO KEEP RALLY ALIVE
10. US BUSINESS EQUIPMENT SPENDING STRONG EVEN AS NEW ORDERS FLAT IN JULY

RECOMMENDED VIDEOS & REPORTS

- FUJAIRAH DATA: OIL PRODUCT STOCKS FALL TO 5-MONTH LOW
- LEBANON FUEL SUPPLIERS SAY SHORTAGES WILL CONTINUE DESPITE REVISED SUBSIDY
- 'ZOMBIE APOCALYPSE': FEAR GRIPS AFGHANS UNDER TALIBAN RULE
- SAUDI CROWN PRINCE MEETS QATARI FM IN NEOM
- AFGHAN ALL-GIRL ROBOTICS TEAM MEMBERS, JOURNALISTS LAND IN MEXICO
- IRON ORE SLUMP JUSTIFIED BY IMPROVING SUPPLY, CHINA STEEL CONTROL

Fujairah Spotlight

Fujairah's Rumailah Farm Partners with Dubai's Address Hotel & Resorts

Emirati dairy producer Rumailah Farm will supply the newly-launched Address Beach Resort Fujairah with its popular range of dairy products, company officials announced this week. A deluxe hotel brand catering to high-end guests, Address Hotels & Resorts is run by the Dubai-based Emaar Hospitality Group. "Our alliance with Address is a golden opportunity for us to showcase our rich product line to clientele with a taste for premium brands," Rumailah Farm General Manager Abdullah Taleb says. "Our farm-fresh dairy products are sure to meet the high expectations of the new resort's most discerning guests." Nestled in the scenic Hajar Mountains overlooking the Gulf of Oman, Address Beach Resort Fujairah officially opened its doors on July 15. On Tuesday (July 27), Address and Rumailah Farm formalized their supply agreement at a signing ceremony held at the latter's farm facilities.

Source: BusinessWire

Fujairah Ruler Offers Condolences to Kuwaiti Emir on Death of Sheikha Badriah

H.H. Sheikh Hamad bin Mohammed Al Sharqi, Supreme Council Member and Ruler of Fujairah, sent a cable of condolences to His Highness Sheikh Nawaf Al-Ahmad Al-Jaber Al-Sabah Emir of Kuwait, on the death of Sheikha Badriah Al-Ahmad Al-Jaber Al-Mubarak Al-Sabah. H.H. Sheikh Mohammed bin Hamad bin Mohammed Al Sharqi, Crown Prince of Fujairah, also dispatched a similar cable to the Kuwaiti Emir.

Source: Emirates News Agency

Thumbay Hospital Fujairah Creates Awareness on Adopting Heart-Healthy Lifestyle Habits

In an attempt to create mass awareness on heart-healthy lifestyle practices, Thumbay Hospital Fujairah conducted a very informative and engaging session encouraging people to change to healthier habits to live longer and disease free. The virtual event, organized as part of Thumbay Group's 'Online Summer Healthcare Festival' also answered several queries by the participants besides busting numerous myths surrounding heart conditions, exercise, eating habits etc. When asked if people think heart disease impact daily life, 98% people responded in affirmation whereas only 2% thought otherwise.

Source: Zawya

Sheikh Saif bin Zayed Congratulates Fujairah Service Centre for Top Award

Sheikh Saif bin Zayed, Deputy Prime Minister and Minister of Interior, has unveiled a plaque at Fujairah Police Traffic and Licensing Centre marking its commitment to serving the public.The centre was given a six-star award for its commitment to serving the public during the assessment announced earlier this month, state news agency Wam reported on Monday. Sheikh Mohammed bin Rashid, Vice President and Ruler of Dubai, announced the results and the Fujairah centre was one of only two to receive the six-star rating. Sheikh Mohammed called on centres that secured only three stars - the lowest - to raise standards. The UAE government introduced the rating system - grading from two to seven - in 2012 to boost the quality of services provided to the public.

Source: The National

GIQ EXCLUSIVE SOUNDINGS

Oil Rally Ends as Concerns Over Covid-19 Rise and Supply Returns to the Market

Over the last week, Gulf Intelligence has held high-level interviews with energy experts in the MiddleEast, Asia, Europe, and the US. This intel is harvested from the exclusive briefings.

- Dr. Carole Nakhle, Chief Executive Officer, Crystol Energy
- Peter McGuire, Chief Executive Officer, XM Australia
- Marc Ostwald, Chief Economist & Global Strategist, ADM Investor Services International
- Matt Stanley, Director, Star Fuels
- Mike McGlone, Senior Commodity Strategist, Bloomberg Intelligence
- Leo Tameeris, Chief Executive Officer, NRG Global

Dr. Carole Nakhle, Chief Executive Officer, Crystol Energy
"There is still a lot of uncertainty. Demand forecasts continue to be revised downwards. This is a bit different then what we expected. At the same time, we are getting mixed signals on the economy. We thought everything was going fine but nobody expected the delta variant to spread so rapidly."

Peter McGuire, Chief Executive Officer, XM Australia
"I think that traders, and certainly Central Bankers, are feeling like they are dancing on quicksand, where they're not sure how solid the ground under their feet will be."

Marc Ostwald, Chief Economist & Global Strategist, ADM Investor Services International
"While there has been a pent-up jump in demand from consumers across most regions, there's also a good deal of caution. In China, the real telltale sign is that retail sales are running at roughly half the rate that they were prior to the pandemic."

Dr. Carole Nakhle, Chief Executive Officer, Matt Stanley, Director, Star Fuels
"What got washed under the carpet a little bit last week was the decision by the New Zealand Central bank to abandon an expected interest rate hike. The first major economy to shift policy got cancelled on the back of one infection, which shows you how fragile the global recovery is."

Mike McGlone, Senior Commodity Strategist, Bloomberg Intelligence
"The lesson I learned really early in the business is that it's not so much what the markets are doing or what expectations are, but rather the process of the estimate revisions. They are all negative for demand."

Leo Tameeris, Chief Executive Officer, NRG Global
"Asian oil demand outlook other than China looks pretty bleak. There is still a very high level of infections and cases in many countries."

GI Consultancy Intelligence Publishing

ENERGY MARKETS FORUM
NEW SILK ROAD LIVE

GI Consultancy Intelligence Publishing

TOP 10

AUG 22nd - 26th

MARKET OBSERVATIONS FOR THE WEEK

1. The uncertain growth outlook for Asia is surfacing more reasons for the oil markets to worry than the US & EU.
2. OPEC+ is unlikely to adjust its supply strategy as long as prices remain above $60, but all bets are off if we see the spot price lead with a "5".
3. The expectation that the FED would commit to Tapering at Jackson Hole meeting this week looks like it has been derailed by Delta and China weakness.
4. Oil prices could end Q3 closer to $60 a barrel if bearish sentiment continues to weigh on the market.
5. OPEC+ is getting sucked into a market blackhole where there are as many good arguments for raising supply as there are for cutting output.
6. The post-Covid-19 inspired spend-spend-spend bonanza appears to be running out of steam as consumers start to demonstrate some caution.
7. The fall-out from Afghanistan debacle could become another factor of uncertainty to contend with in the Middle East-Asia next year
8. OPEC+ likely to proceed with plans to raise September supply by 400,000 bpd after oil price recovery this week.
9. We may have seen peak growth derived from all the stimulus as tapering creeps into the picture.
10. China oil demand remains uncertain as they are keeping many tankers in limbo waiting offshore before unloading.

Consultancy
Intelligence
Publishing