

IEA Raises World Oil Demand Forecast In 2023 Towards All-time High



The International Energy Agency said Friday it had revised upwards its forecast for global oil demand growth in 2023 as demand is “scaling record highs”.

World oil demand already hit a record 103 million barrels per day in June and August and “could see yet another peak”, the Paris-based IEA said in its monthly report.

“For 2023 as a whole, global oil demand is set to expand by 2.2 million barrels per day to 102.2 million barrels per day,” it said.

China accounted for 70 percent of growth, the IEA said, adding that demand in the Asian giant was “also stronger than expected, reaching fresh highs despite persistent concerns

over the health of the economy”.

“World oil demand is scaling record highs, boosted by strong summer air travel, increased oil use in power generation and surging Chinese petrochemical activity,” the IEA said.

The forecasted expansion in global demand in 2023 would mark its “highest ever annual level”, according to the agency, which in February had already forecast an annual record for the year of 101.9 million barrels per day.

The increasing demand for oil comes amid tensions on world markets after significant output cuts by several members of the OPEC+ alliance – made up of 13 members of the Organization of the Petroleum Exporting Countries (OPEC) headed by Saudi Arabia and their 10 allies led by Russia – to prop up prices.

As a result, global oil supply plunged by 910,000 barrels per day in July, to 100.9 mbd, the IEA said in its report.

A sharp reduction in production by Saudi Arabia last month saw output from the 23-nation OPEC+ alliance fall 1.2 million barrels per day, to 50.7 mbd “a near two-year low”.

Volumes by non-OPEC+ members rose to 50.2 mbd, the report added.

In April, several OPEC+ members decided to slash production voluntarily by more than one million bpd – a surprise move that briefly buttressed prices but failed to bring about lasting recovery.

Oil producers are grappling with falling prices and high market volatility, reflecting continued fallout from the Russian invasion of Ukraine and China’s faltering economic recovery.

Saudi Arabia also announced last week that it was extending its voluntary oil production cut of one million barrels per day for another month to include September.

Moscow has pledged, too, to cut production by 500,000 bpd in August, and a further cut of 300,000 bpd for September.

“Market balances are set to tighten further into the autumn as Saudi Arabia and Russia extend supply cuts at least through September,” the IEA said.

If the bloc’s current targets are maintained, oil inventories could fall in the second half of the year “with a risk of driving prices still higher”.

Looking ahead to 2024 as the world races to combat climate change and reduce the use of fossil fuels, the IEA said it anticipated demand growth to slow.

“With the post-pandemic rebound running out of steam, and as lacklustre economic conditions, tighter efficiency standards and new electric vehicles weigh on use, growth is forecast to slow to 1 mbd in 2024,” it said.

Saudi Arabia’s Oil Cut Risks Leaving Bitter Taste for Budget



Saudi Arabia's plan to slash oil production by around 10% may hit its finances hard.

Sunday's decision, which will see the kingdom lower crude output to 9 million barrels a day next month and perhaps beyond, has failed to boost prices much. Oil futures have risen less than 1% since Energy Minister Prince Abdulaziz bin Salman announced the unilateral cut after an OPEC+ meeting.

The prince, speaking in Vienna, described it as a "lollipop" for other members of the producers' cartel.

The kingdom's fiscal outlook was worsening even before this weekend. The budget was in deficit for the past two quarters as oil dipped, while spending on salaries and massive tourism and infrastructure projects soared.

The International Monetary Fund estimates Riyadh will need an oil price of almost \$81 a barrel to balance its books this year, which is above Brent's current level of around \$77.

The situation is starker when Crown Prince Mohammed bin Salman's mega-projects such as the new city of Neom are taken into account. The IMF mostly excludes those because they're largely funded by the sovereign wealth fund and other state entities, rather than directly from the government's budget.

If those are included, Saudi Arabia's breakeven oil price rises to \$95 a barrel, according to Bloomberg Economics.

The Saudi government is more optimistic and expects to post an annual fiscal surplus of \$4.3 billion for this year.

The kingdom was the fastest-growing economy in the Group of 20 last year, as Russia's invasion of Ukraine roiled energy markets and pushed oil above \$125 a barrel. It also pumped an average of 10.5 million barrels a day, an annual record.

Saudi Arabia's Solo Oil Cut Is a Risky Strategy: Javier Blas

The latest production cut means the economy will probably grow 0.7% in 2023 instead of 1%, according to Monica Malik, chief economist at Abu Dhabi Commercial Bank PJSC.

It "will also increase Saudi Arabia's budget breakeven oil price if all other things remain equal," said Malik.

Many energy analysts, as well as the Organization of the Petroleum Exporting Countries, expect the oil market to tighten in the second half of the year as demand in China and India picks up further. That could bolster prices, outweighing the financial impact on Saudi Arabia of its lost production.

But plenty of traders are bearish, saying high interest rates and economic weakness in the US and Europe will weigh on oil prices for at least the rest of the year.

Riyadh's move to lower output is "unlikely to underpin a sustainable price increase," said Citigroup Inc. analysts including Ed Morse. "Demand is looking weaker and non-OPEC

supply stronger by year-end than many analysts had forecast.”

If oil doesn't jump, “we expect that additional production cuts will be more prolonged and the impact on the fiscal balance will be more negative” for Saudi Arabia, said Amy McAlister, lead economist for Europe, Middle East and Africa at Oxford Economics.

– *With assistance by Paul Abelsky*

India's Russian oil buying hits record high, slashes Mideast, Africa share



NEW DELHI, May 17 (Reuters) – India's oil imports from Russia rose to a fresh record high in April, further reducing the

share of Middle Eastern and African grades to their lowest level in at least 22 years, data obtained from trade sources showed.

Refiners in India, the world's third-biggest oil importer and consumer, are on a Russian oil-buying binge after some countries shunned purchases from Moscow over its invasion of Ukraine in February last year.

Asia's third-largest economy imported about 1.9 million barrels per day (bpd) of Russian oil in April, about 4.4% higher than the previous month, the data showed. That accounts for about two-fifths of the nation's overall purchases.

Higher imports from Russian raised the share of oil from the C.I.S. countries – Azerbaijan, Kazakhstan and Russia – to 43.6% of an overall 4.81 million bpd imported by India last month.

That narrowed the share of the Middle Eastern grades, which traditionally have accounted for the bulk of total oil imports, to about 44% and African oil to 3.4% last month, the data showed.

Russia remained the top oil supplier to India for the sixth-straight month in April, followed by Iraq and Saudi Arabia.

“Indian refiners have cut their spot purchases of Middle Eastern and West African grades as we are getting supply of Russian oil at lower prices,” said an Indian refining official at an Indian refinery.

Oil imports from Russia also rose as Indian Oil Corp (IOC.NS), the country's top refiner, raised the size of its annual import deal with Rosneft (ROSN.MM).

India's oil imports from Iraq in April declined by 3.1% from the previous month to a 4-month low of 928,400 bpd, while imports from Saudi Arabia fell by 11% to 723,800 bpd, the

least in five months, the data showed.

Lower purchases of oil from the Middle East dragged OPEC's share of India oil imports to a record low of 46%, the data showed.

إطلاق شركة أدنوك في سوق أبو ظبي للأوراق المالية يوم الاثنين طرح عام أولي بقيمة 2.5 مليار دولار. الخبير الدولي رودى بارودى لوكالة الصحافة الفرنسية: "الغاز الطبيعي المسال هو أهم وقود انتقالي في عملية الابتعاد عن الوقود الأحفوري".



ستطلق وحدة الغاز التي تم تشكيلها مؤخرًا من قبل شركة الطاقة الحكومية الإماراتية أدنوك في سوق أبوظبي للأوراق المالية يوم الاثنين طرح عام أولي بقيمة 2.5 مليار دولار.

وقد شهدت أسهم شركة أدنوك للغاز ، التي دخلت حيز التشغيل في بداية هذا العام ، زيادة كبيرة في الاكتتاب حتى بعد توسيع الطرح من 4.0 إلى 5.0 في المائة من رأس المال المصدر في استجابة للاهتمام القوي من قبل الاسواق.

تم تحديد السعر النهائي للسهم عند 2.37 درهم (0.65 دولار) للسهم ، حيث جمع حوالي 2.5 مليار دولار ما يعني رسملة سوقية بنحو 50 مليار دولار.

ويعتبر غاز أدنوك الأكثر نشاطا في بورصة أبو ظبي حتى الآن ، اذ تجاوز الاكتتاب 50 مرة ، وهو أكبر طلب على الإطلاق لطرح عام أولي في منطقة الشرق الأوسط وشمال إفريقيا ، متجاوزًا الرقم القياسي العالمي لشركة أرامكو السعودية البالغ 29.4 مليار دولار قبل ما يزيد قليلاً عن ثلاث سنوات.

يأتي الاكتتاب العام الأولي المنظم بسرعة من أدنوك ، إحدى أكبر شركات النفط في العالم ، في أعقاب التدافع العام الماضي على موارد الغاز البديلة بعد الغزو الروسي لأوكرانيا ، ويأتي في الوقت الذي تبحث فيه البلدان عن وقود أنظف للتخفيف من ظاهرة الاحتباس الحراري.

وفي هذا المجال قال مستشار الطاقة رودي بارودي ، الذي يرأس شركة الطاقة والبيئة القابضة ومقرها قطر ، إنه يتوقع زيادة الطلب عند بدء تداول الأسهم .

واضاف بارودي لوكالة فرانس برس " كل الأسباب تجعلنا نتوقع أن الزيادة الهائلة في الاكتتاب التي رأيناها ستنتقل إلى اهتمام قوي . "عندما يتم طرح الأسهم علنا .

وتحتفظ شركة بترول أبوظبي الوطنية ، المصدر الرئيسي للإيرادات في الإمارات العربية المتحدة ، بحصة 90 بالمئة في الشركة التابعة التي تشكلت من وحدات معالجة الغاز والغاز الطبيعي المسال والغاز الصناعي التابعة لها .

يُوصف الغاز بأنه أنظف من أنواع الوقود الأحفوري الأخرى حيث تسعى البلدان في جميع أنحاء العالم للحد من انبعاثاتها .

وقال البارودي إن الغاز الطبيعي المسال هو "أهم وقود انتقالي في عملية الابتعاد عن الوقود الاحفوري .

من الغاز (bcm) في عام 2021 ، أنتجت الإمارات 57 مليار متر مكعب BP الطبيعي ، أو حوالي 1.4% من الإنتاج العالمي ، وفقاً لمراجعة الإحصائية للطاقة العالمية .

وقالت المجلة الإحصائية إن الإمارات صدرت في العام نفسه 8.8 مليار متر مكعب من الغاز الطبيعي المسال ، أي 1.7 بالمئة من صادرات الغاز الطبيعي المسال العالمية .

وقال بارودي: "مع تسارع وتيرة الجهود العالمية لمكافحة تغير المناخ ، من المتوقع على نطاق واسع أن ينمو دور الغاز الطبيعي بشكل عام .

تتمتع أدنوك بسمعة طيبة ، لذلك كان من المتوقع أن يجذب الاكتتاب العام في أدنوك للغاز اهتمامًا كبيرًا .

UAE's ADNOC Gas to Start Trading in \$2.5bn IPO. International Energy Expert, Roudi Baroudi told AFP: "LNG is Most Important Transition Fuel in the move away from hydrocarbons".



UAE state energy company ADNOC's recently formed gas unit will launch on the Abu Dhabi stock market on Monday in a \$2.5 billion initial public offering aimed at tapping high demand for the fuel.

Shares in ADNOC Gas, which only became operational at the start of this year, were heavily oversubscribed even after the offering was expanded from 4.0 to 5.0 percent of issued share capital in response to strong interest.

The final price was set at 2.37 dirhams (\$0.65) per share, towards the top of its range, raising about \$2.5 billion and implying a market capitalisation of around \$50 billion.

ADNOC Gas is the biggest flotation yet on the Abu Dhabi stock exchange, which opens at 9:30 am (0530 GMT).

At more than 50 times oversubscribed, it is the biggest demand ever seen for an initial public offering in the Middle East and North Africa, outstripping oil firm Saudi Aramco's world-record \$29.4 billion listing just over three years ago.

The rapidly organised IPO from ADNOC, one of the world's biggest oil firms, follows last year's scramble for alternative gas resources after Russia's invasion of Ukraine, and comes as countries search for cleaner fuels to mitigate global warming.

Energy consultant Roudi Baroudi, who heads the Qatar-based Energy and Environment Holding firm, said he expected brisk demand when the shares start trading.

"There is every reason to expect that the massive oversubscription we saw will carry over into strong interest when the shares are floated publicly," Baroudi told AFP.

– 'Transition fuel' –

Abu Dhabi National Oil Company, the United Arab Emirates' key revenue-earner, retains a 90 percent stake in the subsidiary formed from its former gas processing, LNG and industrial gas units.

Gas is being touted as cleaner than other fossil fuels as countries around the world strive to reduce their emissions.

Baroudi said Liquefied Natural Gas (LNG) was "the most important transition fuel in the move away from hydrocarbons".

In 2021, the UAE produced 57 billion cubic metres (bcm) of

natural gas, or about 1.4 percent of global output, according to the BP Statistical Review of World Energy.

That same year, the Emirates exported 8.8 bcm of LNG, 1.7 percent of world LNG exports, the Statistical Review said.

“As global efforts to battle climate change gain pace, the role of natural gas in general... is widely expected to grow,” Baroudi said.

“ADNOC enjoys a solid reputation, so it was to be expected that the ADNOC Gas IPO would attract strong interest.”

ADNOC Gas could be the first in a series of share offerings in Abu Dhabi this year.

At least eight companies are expected to follow in fields ranging from technology to asset management and regenerative medicine, Bloomberg said, citing Sameh Al Qubaisi, director general of economic affairs at Abu Dhabi’s Department of Economic Development.

<https://www.digitaljournal.com/business/uaes-adnoc-gas-to-start-trading-in-2-5bn-ipo/article>

BP ventures back into oil frontiers to boost output



By Ron Bousso

LONDON (Reuters) – BP is ramping up oil exploration and drilling activity in frontier prospects as the energy giant tries to stem a decline in its oil and gas output after years of focusing on a shift to renewables to cut carbon emissions.

The move comes as companies try to balance pressure to slash climate-warming pollution against a desire to capitalise on soaring profits from oil and gas sales, even as governments work to tame energy prices following Russia's invasion of Ukraine.

BP said that on Monday it started drilling a wildcat, or exploratory, well far off the east coast of Canada which could open a new oil province in one of the world's most remote locations.

The Stena IceMax drilling ship arrived on Sunday at the site of the Ephesus well in the Orphan basin some 400 kilometres offshore, according to ship tracking data.

Early seismic testing shows the Orphan basin may hold up to 5

billion barrels of oil equivalent (boe), one company source said. BP has drilled for oil there in the past with no success, but continues its search for resources.

It also holds a 35% stake in the nearby Bay du Nord offshore acreage operated by Norway's Equinor, which is considering developing the block after making several discoveries there.

In addition BP has revived in recent weeks plans to develop a complex oil reservoir in the Gulf of Mexico named Kaskida that was shelved a decade ago due technical challenges. The new technology it will use to do so, if successful, could help unlock other similar resources around the world, it said.

GRAPHIC: BP's spending
<https://www.reuters.com/graphics/BP-SPENDING/egpbyezxwvq/chart.png>

STRATEGY SHIFT

BP largely abandoned exploration of new oil and gas frontiers after Chief Executive Officer Bernard Looney in 2020 announced plans to reduce its oil and gas output by 40% by 2030 as part of an ambitious climate strategy.

Instead, BP focused on searching for small reservoirs in basins where it operates such as the Gulf of Mexico, the North Sea and Angola that can be easily and quickly linked to existing platforms.

But Looney decided in February to scale back plans to cut oil and gas output – already down some 10% from 2019 levels – in response to investor pressure, now aiming to cut output by 25% by 2030 to 2 million boe per day.

The focus has once again shifted to discovering, developing and acquiring new resources to offset a 3% to 5% natural decline of fields as reservoirs are depleted.

BP will reach its lower production target mostly through

selling ageing oil and gas assets by 2030, while maintaining its underlying production by investing in new fields, Looney said in February.

The group has 15 oil and gas projects, including in Canada, Brazil, Senegal and Mauritania, which it is considering developing after 2025 to sustain its production, Chief Financial Officer Murray Auchincloss told Reuters.

In recent weeks, it has announced plans to acquire a stake from Shell in Australia's giant Browse gas project, and is also in talks, together with Abu Dhabi's national oil company, to buy a 50% stake in Israeli gas producer NewMed Energy.

While investing more in oil and gas, BP in February said it was also increasing spending on low-carbon fuels and renewables.

KASKIDA

BP now expects to make a final decision on the development of its 100% owned Kaskida reservoir by the second half of 2024, with the field expected to start production by the end of the decade, Auchincloss said.

The Kaskida prospect was discovered in 2006 some 250 miles southwest of New Orleans by the Deepwater Horizon drilling rig, on which 4 years later a deadly blast occurred, leading to the largest oil spill in U.S. history.

The field, which holds an estimated 4 billion barrels of oil, was the heart of a large BP project to develop technology to drill in high pressure and high temperature offshore reservoirs.

The so-called Project 20K aimed to design and develop drilling rigs, subsea production system and blowout prevention equipment to produce oil and gas in reservoirs with extreme conditions of pressure of up to 20,000 pounds per square inch

and temperatures as high as 350°F (175°C).

The project was however put on hold in 2013 due to its high costs and technical challenges.

BP has now decided to revive it thanks to improvements in geological analytics and drilling technology, Auchincloss said.

“We always kept Kaskida as an option, and it looks like its time has now come,” he told Reuters.

BP believes that the Kaskida prospect will allow it to unlock other, similar geological reservoirs in the Gulf of Mexico, where it is one of the largest producers, he added.

The group is the front-runner in a licensing round for the Keathley Canyon lease, which contains already-discovered resources that could be used to expand the Kaskida project, according to an internal memo seen by Reuters.

(This story has been refiled to add a dropped word in paragraph 3)

(Reporting by Ron Bousso; Editing by Jan Harvey)

QatarEnergy enters Suriname offshore exploration



QatarEnergy has entered into two Production Sharing Contracts for Blocks 6 and 8 offshore the Republic of Suriname, following successful bids in these blocks, as previously announced in June 2021.

Pursuant to the signed agreements, QatarEnergy will own a 20% working interest in both blocks, where licensing of the new 3D seismic and associated exploration activities are planned. The remaining working interest is shared equally between TotalEnergies (Operator) and Staatsolie's affiliate, Paradise Oil Company.

Commenting on the signing of the agreements, HE Minister of State for Energy Affairs, the President and CEO of QatarEnergy Eng. Saad bin Sherida Al Kaabi said: "We are pleased to have concluded our entry into Blocks 6 and 8 along with our partners, TotalEnergies and Staatsolie, and look forward to commencing exploration in this promising basin."

HE Minister Al Kaabi added: "I would like to take this opportunity to thank the Surinamese authorities, Staatsolie, and our strategic partner TotalEnergies for their excellent commitment and support that resulted in the signing of these agreements."

The contracts, and other key agreements, were signed on behalf of QatarEnergy by Manager of International Upstream and Exploration Ali Abdullah Al Mana during a ceremony hosted by Staatsolie, Surinames State Oil Company in Paramaribo, the capital of Suriname.

Located in the Southern part of offshore Suriname, the adjacent Blocks 6 and 8 are immediately South of Block 58 in shallow waters, with depths ranging between 40 and 65 metres.

Opec output falls on Iraq pipeline halt, Nigeria strike



Bloomberg
London

Opec's oil production fell last month as Iraq's exports were reduced by a pipeline suspension while a labour strike cut shipments from Nigeria.

Output from the Organisation of Petroleum Exporting Countries declined by 310,000 barrels a day to an average of 28.8mn, the lowest level in almost a year, according to a Bloomberg survey.

Opec and its allies have announced new production cutbacks starting this month to shore up global oil markets, but the biggest supply changes in April were unintentional.

Iraq accounted for about 80% of the drop.

A political spat between the central government in Baghdad and the semi-autonomous Kurdistan region has led to the halt of a pipeline that normally carries 500,000 barrels a day to international markets via Turkiye.

In Nigeria, a production recovery seen in the run-up to presidential elections has fizzled, with industrial action forcing Exxon Mobil Corp to renege on shipments from several terminals last month.

Still, the supply losses by Opec and its allies – both deliberate and accidental – are barely propping up an oil market that's being roiled by fears over economic growth in China and the wider world.

Crude futures briefly sank below \$72 a barrel in New York on Tuesday to the lowest since March.

While group leader Saudi Arabia drew another rebuke from the White House when the latest curbs were unveiled on April 2, the move is looking increasingly prescient as oil prices sag.

Production from the full 23-nation Opec+ alliance should decline by another 1.2mn barrels a day this month as those new curbs take effect. Russia, another member of the Opec+ coalition, also announced cutbacks in response to sanctions over its invasion of Ukraine, but the implementation so far remains unclear.

In terms of supplies in April, the largest adjustments were involuntary.

Iraq's output slumped by 250,000 barrels a day to 4.13mn – the

lowest since late 2021 – after Turkiye suspended the northern pipeline following a ruling by an international business tribunal. While Baghdad and Kurdish authorities have struck a temporary deal to get oil flowing again, “technical matters” are delaying the restart.

Nigeria retreated by 120,000 barrels a day to 1.32mn, the survey showed, reversing a surge seen earlier this year when the country reached an accord with a former warlord in the oil-rich Niger Delta region.

Workers at Exxon Mobil facilities in the country returned to work last week, allowing production and exports to resume after a two-week industrial action.

Bloomberg’s survey is based on ship-tracking data, information from officials and estimates from consultants including Kpler Ltd, Rapidan Energy Group and Rystad Energy.

Opec+ is due to meet on June 4 to review production levels for the second half of the year.

World Gas Supply Shifts From Shortage to Glut With Demand Muted



The world is becoming awash with natural gas, pushing prices lower and creating an overabundance of the fuel in both Europe and Asia – at least for the next few weeks.

The trend has been a rare sight over the past year since the war in Ukraine upended energy markets and Europe rushed to secure as many alternative supply sources as possible.

Now, inventories are filling up from South Korea to Spain, a result of mostly mild winter weather and efforts to reduce consumption. Tankers filled with liquefied natural gas – a stopgap in replacing lost Russian pipeline flows – now often struggle to find a home, spending weeks idling at sea.

Europe is Filling It's Gas Storage Weeks Early

Gas storage reached current levels 11 weeks earlier compared to 2021

Source: Gas Infrastructure Europe

Demand for gas typically slides as the heating season ends, before hotter weather lifts cooling needs later in the summer. The fuel then mainly goes into storage sites to prepare for the next season, but this year, refilling efforts in Europe may be completed as early as late August, Morgan Stanley said.

“There does appear to be a brief gas glut that should sustain pressure on LNG prices in the next few weeks, potentially nudging benchmarks slightly lower,” said Talon Custer, a Bloomberg Intelligence energy analyst.

While gas prices in Europe and Asia have plummeted from last year’s highs, they’re still well above the average of the last ten years, signaling possible concern that the current glut could disappear. Custer says prices “may be close to a floor” as cheaper gas costs could spur additional demand.

All eyes are on the summer weather, as any extreme heat and droughts could boost consumption. By the beginning of the third quarter, importers will start to prepare for the winter, heating up competition for LNG cargoes, Custer said.

But for now, the glut is spreading.

From Spain to China

In Spain, home to the most LNG terminals in Europe, gas storage is already 85% full, meaning the nation’s market could quickly turn to overcapacity and weigh on spot prices, RBC Capital Markets said.

In Finland, LNG import slots for the summer period were reduced to 10 from 14, in part due to an expected reduction in demand. Europe rapidly installed mobile LNG import terminals as it cut dependency on Russian pipeline gas, and more will be added this year and next.

Meanwhile, global LNG exports rebounded in March to an all-time high due in part to a recovery in US production. The

additional supply is contributing to lower prices as traders struggle to find a home for shipments.

Global LNG Exports Hit Record High

More supply from the US and Australia help to ease crisis

Source: Ship-tracking data compiled by Bloomberg

The UK's exports of gas to the continent are surging as the nation lacks large storage sites, and LNG keeps flowing at record rates for the time of the year. In addition, China saw record re-exports of LNG amid a slow recovery after pandemic restrictions were lifted, and some vessels are diverting from another major LNG importer, South Korea. Japan, a big buyer, is also offering to sell shipments to stave off an oversupply at home.

In South America, demand remains weak until Argentina deploys its second floating import terminal in May, in time for colder weather in the Southern Hemisphere, said Leo Kabouche, an analyst at Energy Aspects Ltd.

Still, planned annual maintenance at gas facilities from late April through the summer could put a lid on excessive supply. Other risks remain, too, from further cuts to Russian deliveries or unexpected outages. Global LNG supply is largely expected to remain limited for another two years.

That's reflected in forward prices, which are seen higher in the coming months and in particular in the winter, and remain elevated through the start of 2025.

"For 2023, the European gas balance is much more fragile" than last year, the French Institute of International Relations said in a note last week. "Any slight disruptions in supplies can have major impacts."

– With assistance by Elena Mazneva and Francois De Beaupuy

Exxon boss' pay rose 52 per cent in 2022 – the highest among oil peers



US oil bosses generally collected huge paychecks last year on the back of high energy prices and record profits, with Exxon Mobil Corp's chief executive winning a 52 per cent increase.

The largest U.S. oil company on Thursday disclosed chief executive Darren Woods was paid \$35.9m last year.

Oil company workers did not see the same level of increases with median annual compensation for workers declining at several big energy companies.

The median pay for an Exxon worker fell nine per cent last year to \$171,582 while Chevron's median worker pay dropped 12 per cent, to \$161,488, filings showed.

The two largest US oil majors posted record profits in 2022 on high energy prices and costs cuts measures including payroll reductions. Exxon posted the most among Western oil majors, \$56bn.

Chevron's profit more than doubled in 2022 to a record \$36.5bn.

Exxon's chief received the highest percentage increase among peers with Chevron chief executive Michael Wirth receiving a four per cent increase.

Occidental Petroleum's chief executive Vicki Hollub's pay rose 35 per cent while ConocoPhillips chief executive Ryan Lance's pay fell 16 per cent, all compared to their prior year.

The median annual pay for Occidental workers rose 19 per cent last year to \$187,168 while at Conoco it fell one per cent to \$177,533 according to their proxy filings.

Under a new calculation disclosure required by the SEC on potential gains by executives on unvested stock awards, Woods' pay was \$89.7m in 2022, a securities filing showed.

The figure provides more transparency on compensation given by companies in equity, according to shareholders advocacy group As We Sow.

But it is not the best reflection of a compensation as the total value cashed out by executives could only be known when options are exercised or stock are sold, the group says.

Under the same metric, Woods lost more than \$7m in 2020.