

# OIL & GAS



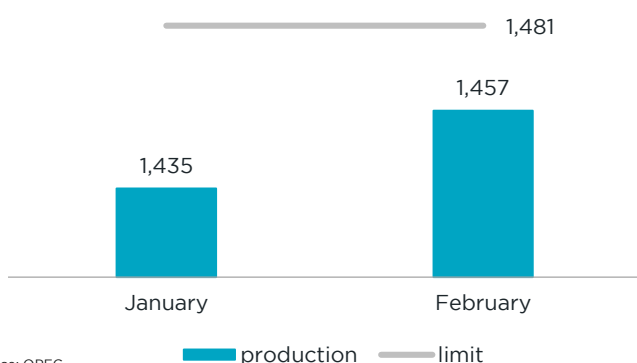
## MARKET SUMMARY

- February saw continuing increases in crude oil prices. According to Bloomberg data Brent - which serves as a reference for our exports - closed the second month of the current year at 66.03 USD/barrel. This represents an increase of approximately 7%, as the second consecutive increase. Similarly, the WTI (West Texas Intermediate) reached 57.22 USD/barrel, a monthly increase of 6%.
- Oil performance during the period under review was supported by increased investor confidence due to equilibrium being reached in the oil market by the end of the current year, improved stock market performance, as well as increased optimism due to the possibility of a trade agreement between the US and China.
- Angolan oil supply for February was 1.457 million barrels/day, an increase of 22 thousand barrels over the previous period, according to OPEC secondary sources.

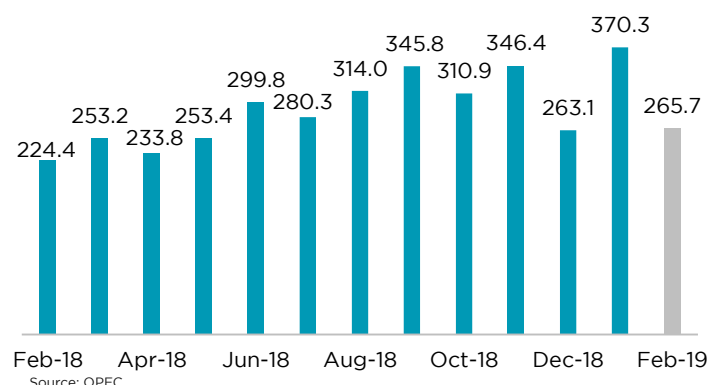
## ANGOLA

- According to OPEC secondary sources, the supply of crude for February stood at 1.457 million barrels/day, an increase of 22 thousand barrels over the previous period. It is noteworthy that during the period under analysis the greatest increases in production were recorded in Libya and Angola.
- The Angolan state-owned company Sonangol and Italy's Eni have announced the discovery of a new oil exploration well, Block 15/06 in the Congo Maritime Basin, located approximately 180 km of the coast of Zaire province, with estimated reserves between 450 and 650 million barrels. The productive capacity could reach around 20 thousand barrels/day.
- The dynamization of the sector will be driven by the bidding for new licenses, and the Government expects bidding for the Namibe basin to take place this year. In addition, it is estimated that 55 concessions will be tendered for by 2025.

Oil Production (barrel / day)



Oil Revenues, Bilion Kz

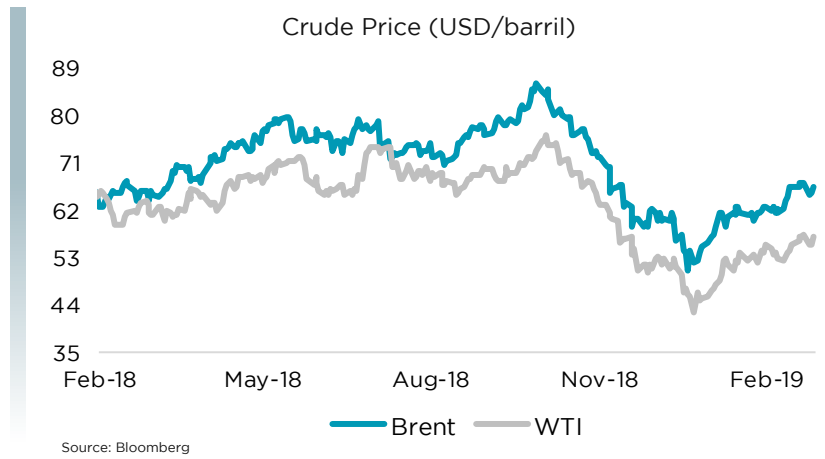


Source: OPEC

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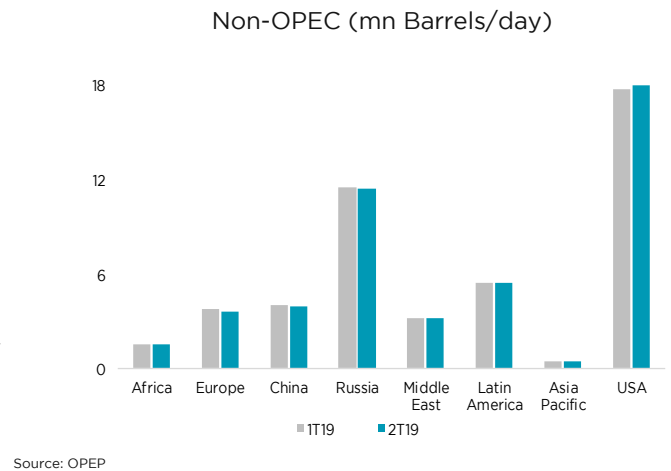
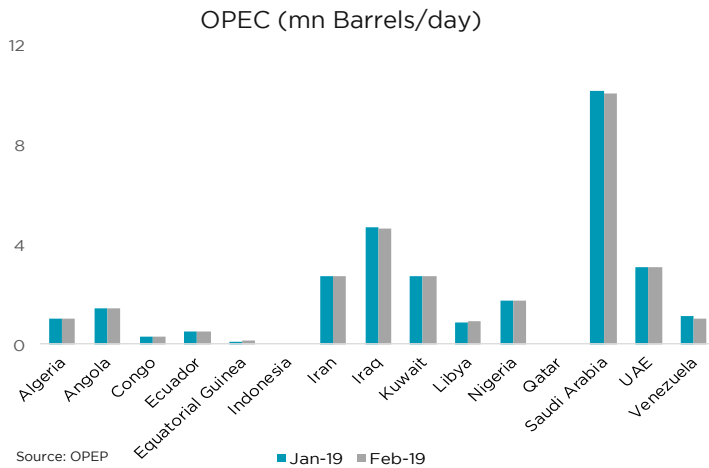
## PRICE

- February was characterized by continuing increases in crude oil prices. Brent - which serves as a reference for our exports - closed the second month of the current year with a price of 66.03 USD/barrel according to Bloomberg data, which represents an increase of approximately 7%, as the second consecutive increase. Similarly, the WTI reached 57.22 USD/barrel, a monthly increase of 6%.
- It should be noted that the current price of the commodity is at the highest level since October 2018.



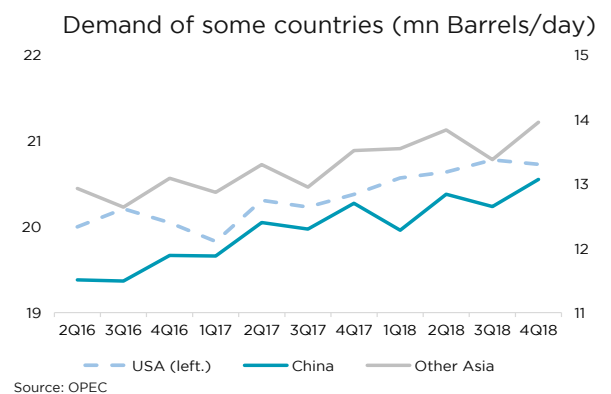
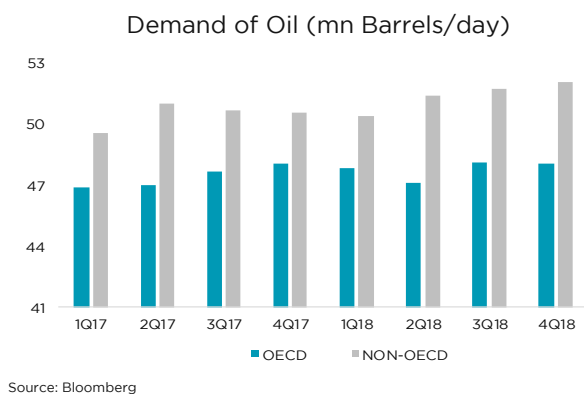
## SUPPLY

- According to data from secondary sources, OPEC oil output continued its downward trend, recording a reduction of 221 thousand barrels/day in February to an average of 30.55 million barrels/day. The supply performance reflects significant reductions in production in Venezuela (142 thousand barrels/day), Saudi Arabia (86 thousand barrels/day) and Iraq (70 thousand barrels/day). Despite cartel efforts, OPEC recognizes the challenges to maintaining balance and market stability.
- In relation to non-OPEC supply, it is estimated that supply will continue to rise above global demand. The biggest highlight is the US where, despite having seen an 11.9 million barrels/day demand for oil in February, slightly below the 12 million barrels/day reported in January, the Energy Information Administration (EIA) predicts that US crude oil production will reach 12.3 million barrels/day by 2019 and expand to 13 million barrels/day by 2020.

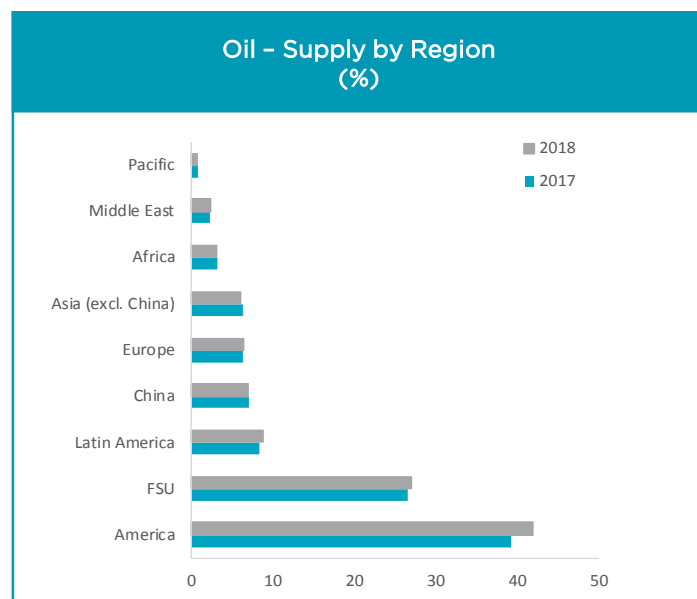
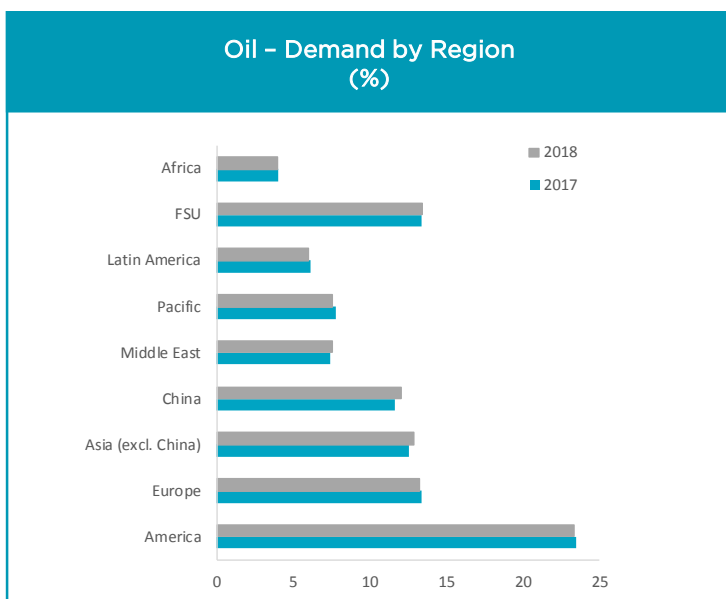


## DEMAND

- The latest report released by the Organization of Petroleum Exporting Countries (OPEC) shows that world demand for oil could reach around 100 million barrels/day in 2018, an increase of 1.24 million barrels/day when compared to the previous year. However, the psychological barrier should only be reached in the third and fourth quarters.
- Expected growth in demand could be driven by increased consumption of OECD countries, with an increase of 1 million barrels/day, with China likely to show a slowing in demand from the previous year, from 390 thousand barrels/day to 340 thousand barrels/day.



# INTERNATIONAL MARKET STRUCTURE



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