Energy Tidbits

Will OPEC Lower Its +2.2 mmb/d YoY Oil Demand Growth in 2024 Given Saudi Aramco is Lower at +1.5 mmb/d YoY?

Produced by: Dan Tsubouchi

March 10, 2024

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https://totalenergies.com/media/news/press-releases/mozambique-totalenergies-publishes-its-response-le-monde-french-newspaper

Mozambique : TotalEnergies publishes its response to Le Monde French Newspaper

03/01/2024

News

Download the Press Release (PDF)

Paris, March 1, 2024 - On 1st March 2024, the French daily newspaper *Le Monde* published an article on the Mozambique LNG project. The questions posed by the journalists were answered in detail. However, given the limited use of our responses in the article and in the interest of transparency, the Company has decided to publish its exhaustive answers.

On February 7th in London, during the presentation of the group's 2023 results, Patrick Pouyanné announced that the Afungi site would be operational again this. Why such progress?

How claim that the situation has returned to normal when there are still terrorist attacks occurring in the region, including one as recent as February 9th

The Mozambique LNG project has been under force majeure since April 2021. Responsibility for restoring security lies with the government of Mozambique, which is a sovereign state prerogative.

Below are Patrick Pouyanné's exact words on this matter pronounced in the course of the "2023 annual results presentation" held on Wednesday, February 7, 2024 (see also pages 13 and 27 for the full script available here). He gave an outline of the status of the various components of the project (engineering, relations with subcontractors and financing), highlighting what remained to be achieved before project could be relaunched and further stating that the security situation was being closely scrutinized.

- "In Mozambique, we get security reports and human rights reports. Right now, we are remobilizing the contractors and I think we are not far off from having everything lined up with them. The last issue is the financing of this mega-project, which, I would say, was put on hold when the events occurred in 2021. So, now, we are in the process re-engaging with all the financial institutions involved around the world. Once that is completed, we will re-start the project".
- "As regards Mozambique LNG, we are permanently monitoring the situation on the ground. As you know, the Mozambique state is receiving support from another African state, namely Rwanda, to keep on top of the situation. Most importantly for us, the civil population has come back to the region, life is back to normal. A few incidents occurred recently linked to the Gaza tensions. We can see, almost everywhere in the world, that Daech cells are being reactivated – not only there in Mozambique but in a large number of countries, you are yourselves no doubt aware of this. It is unfortunate, there is a link, so we have to keep a watchful eye on all that. However, today, the bottom line is that we need to focus on getting the contracts back up and running, there are still some engineering works to be done, and that's part of the whole thing. I hope that the construction works will be able to kick off again some time half-way through the year. **We are keeping a close eye on the situation. Again, what I want to avoid at all costs is to decide to bring people back on-site and then have to get them all out again. That would a very complex situation to handle**. But again, today, we have re-engaged a lot with the suppliers and the different contractors and made significant headway: in a positive manner, including on

> cost issues which gave rise to a lot of discussions. They heard us though and are willing to resume their contracts. The final point, again, is to put the international financing back on the rails– All that is Jean-Pierre's job, with our support of course. The CAPEX is massive and we need to get all that up and running again. We are working on it. It should be coming back on stream some time over the next few months."

What is the progress of the Pamoja Tunaweza foundation announced in April 2023 to help develop the province?

Mozambique LNG set up a dedicated foundation to play a role in the socio-economic development of the entire province of Cabo Delgado, with the purpose of sharing prosperity, before any production revenues arise during the production phase of the project. This is an unprecedented initiative by a project of this kind. The Pamoja Tunaweza Foundation was officially registered at the end of 2023 and its Chief Executive has been appointed. The Foundation is now operational and has begun the process of engaging with all its stakeholders in order to roll out its actions in the best possible way, which involves working closely with other persons or entities fostering development.

How have the displaced people benefited from the project?

To construct the onshore LNG facilities, the Area 1 and Area 4 concessionaires were granted a license (DUAT a license to use the surface areas) over a 6,000 Ha area on the Afungi peninsula by the Mozambican authorities.

The implementation of such right required a relocation plan for 657 households situated within the area of the DUAT.

Their relocation was carried out in compliance with the highest national and international standards, including the IFC's PS5, which requires that affected individuals be provided with a new home, restored livelihoods and access to essential services such as education, healthcare and places of worship. The plan was implemented and completed in 2023.

According to sources, some people working as subcontractors for Total have already returned. How can their safety be guaranteed?

Owing to the force majeure situation, Mozambique LNG is currently not engaging in any construction activities on the site related to the LNG plant. However, in order to provide support to neighboring communities and help stabilize the area (at large), the project is continuing to engage in local socio-economic development activities alongside its partners. Such socio-economic programs for the benefit of Cabo Delgado are all part of the Pamoja Tunaweza initiative. Moreover, in 2023, Mozambique LNG also launched and completed construction of the village of Quitunda to accommodate residents of the Afungi site.

Is Jean Christophe Ruffin back in Mozambique and can you give us a new update on the humanitarian situation? What is his assessment of the situation since the 2023 report?

Following Jean-Christophe Rufin's December 2022 mission to provide an independent assessment of the humanitarian situation in the Cabo Delgado province, TotalEnergies published in May 2023 both his report and the action plan defined by Mozambique LNG's partners in the light of his recommendations. All the plan's actions have been launched and, for the most part, completed. As announced in May 2023, a follow-up mission by Jean-Christophe Rufin to check implementation of the action plan was launched in January 2024 and is now underway.

Our sources have confirmed that TotalEnergies helps families in the region. Can you give us figures on your subsidies and the number of families receiving your help?

The suspension of industrial operations at the Afungi site did not lead to the suspension of initiatives to support local economic development.

Here are a few key figures of the Pamoja Tunaweza (Together We Can) program led by Mozambique LNG:

- About USD40 million was invested in 2022/2023.
- More than 40 programs generating revenues, diversifying the local economy and promoting human rights have been launched.
- More than 6,000 jobs have been created since 2021 to contribute towards a return to normaland rebuild the lives of impacted individuals. The objective is 10,000 by the end of 2025.
- According to Mozambique's national statistics, creating a job for one person has an impact on around five people. Using the same source, the average number of people per family in Mozambique is five. By creating 6,000 jobs, therefore, we can potentially reach 30,000 beneficiaries.
- Around 5,000 farmers have benefited from aid through agricultural programs.
- 894 young people have received qualifying training and 120 are in learning courses. The target is to train 2,500 young people in five years.
- 1,200 hectares of mangroves have been restored and nearly 70,000 fruit trees replanted.
- More than 35,000 people have benefited from health information and awareness campaigns and medical advice. More than 25,000 have received medical assistance from 188 mobile brigades.

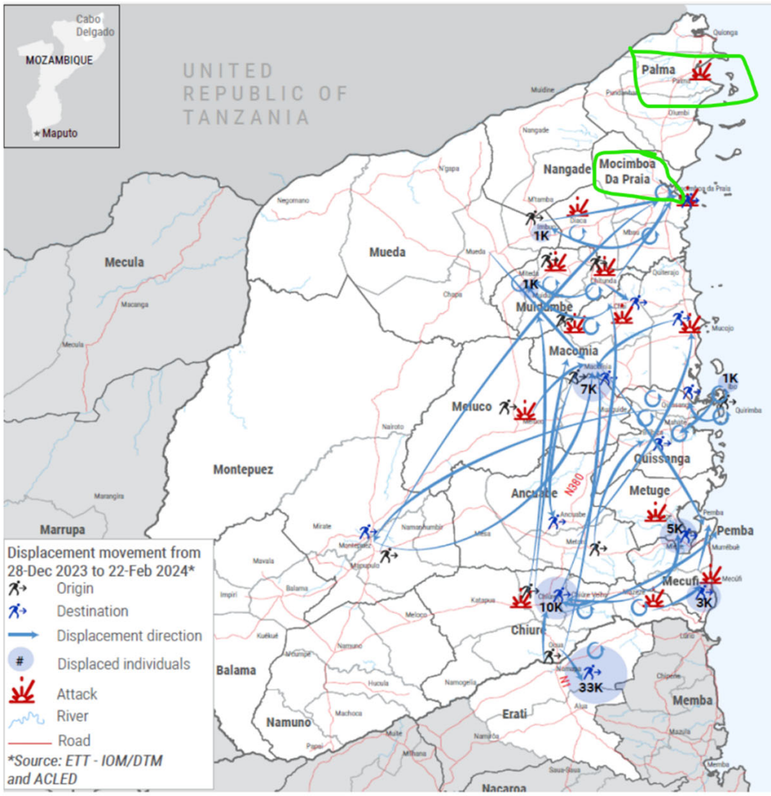
In addition to this, in 2022, Mozambique LNG also supported local traders from Mocimboa da Praia with 120 tons of food and house building materials to help revitalize localbusiness.

OCHA

MOZAMBIQUE – Displacement in northern Mozambique

Flash Update No. 3

As of 27 February 2024



Displacement trends between 28 December 2023 – 26 February 2024 Source: ETT – IOM/DTM and ACLED

Source: TotalEnergies Aug 24, 2020 Press Release

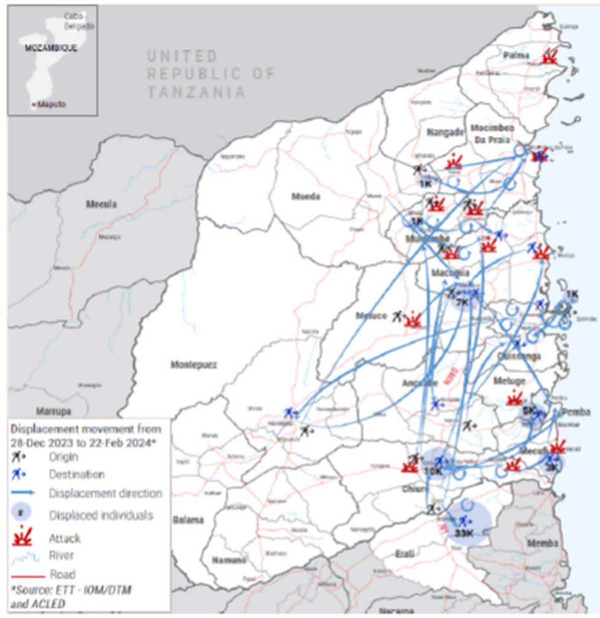
MOZAMBIQUE – Displacement in northern Mozambique

Flash Update No. 3

As of 27 February 2024

HIGHLIGHTS

- A total of 71,681 people have been displaced since 22 December due to attacks or fear of attacks by non-State armed groups (NSAGs), the majority (69 per cent) are women (14K) and children (35K).
- Close to half of the newly displaced people (33,218 people) have arrived in Erati district in Nampula province after fleeing Chiure district in Cabo Delgado.
- Humanitarian organisations are supporting 33,000 people with food, shelter & NFIs, WASH and protection in Erati, Nampula. In Macomia some 25,000 people have been assisted with food and up to 3,000 people with NFIs. In Chiure, some 11,000 people have received hygiene and water purification supplies, basic shelter materials, and food. Humanitarian partners have conducted needs assessment of the newly displacement people and are providing food, wash, shelters and health services to reach people in need.



Displacement trends between 28 December 2023 – 26 February 2024 Source: ETT – IOM/DTM and ACLED

SITUATION OVERVIEW

In December, confrontations between non-State armed groups (NSAGs) and the Security Defence Forces scaled-up, violent attacks against civilians occurred. NSAGs areas of operation have extended beyond Macomia, Mocimboa da Praia and Muidumbe. Starting in February, NSAGs southwards to Quissanga, Metuge, Mecufi and Chiure.

Civilians have been affected, with many being displaced – including people who had returned home – as a result of attacks and fear of attacks by NSAGs. People have been displaced in 12 of 17 districts in Cabo Delgado. The most recent estimates of people displaced IOM/DTM Emergency Tracking Tool of 26 February) indicate that since 22 December 71,681 people had been displaced, the majority are children (35,500) and women (14,500) representing 69 per cent of all people displaced.

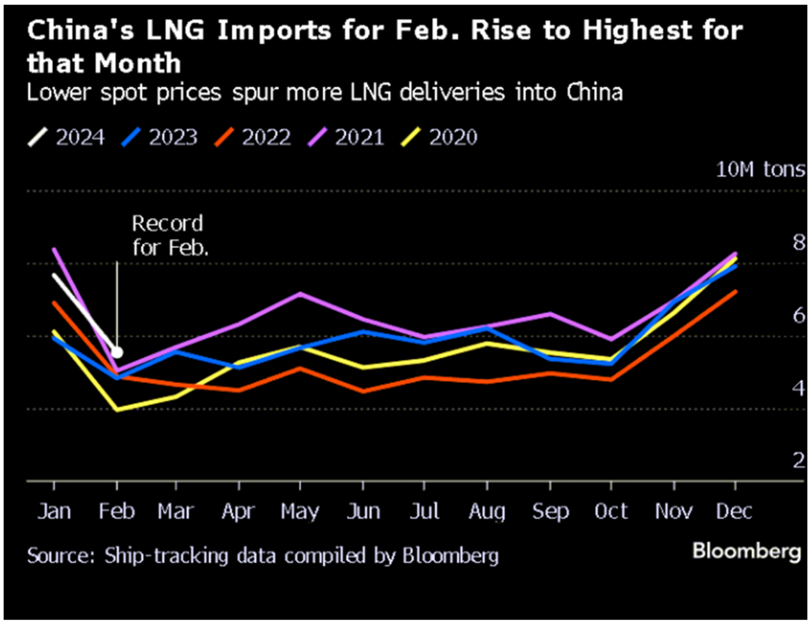
Since December, people have been fleeing the coastal areas (Mucojo) and northern areas (Chai) to Macomia district headquarters as a result of attacks, military activity and fear of attacks.

People fled within Chiure and towards Namapa and Alua in Erati district in Nampula province following attacks in Mazeze, Chiure Velho and Ocua in Chiure district in February. More than 15,000 people have fled to Chiure headquarters with another 33,234 people who have arrived in Erati district in Nampula province. Displacement from Cabo Delgado to Nampula had not occurred since 2022.

The latest spate of violence has occurred against a background of returns (601,866 people as of January 2024). A total of 540,000 people remain displaced in Cabo Delgado, with the highest number in Pemba City, Metuge and Macomia.

Humanitarian partners are concerned about the further spread of cholera in transit and accommodation sites. Currently, cholera outbreak is ongoing in three provinces (Cabo Delgado, Niassa and Nampula), with 13 active districts (Montepuez, Chiure, Ancuabe, Namuno, Metuge in Cabo Delgado province; Nampula City, Mecuburi,

China’s February LNG Imports Climb to Highest Ever for the Month
2024-03-01 07:18:58.163 GMT
By Bloomberg News
(Bloomberg) -- China’s liquefied natural gas imports for February jumped to the highest ever level for that month, as a drop in spot prices spurred additional purchases of the fuel. Deliveries rose to more than 5.5 million tons, a 15% increase from a year earlier, according to ship-tracking data compiled by Bloomberg. That’s the first time China’s monthly imports have broken a record since 2021, before the global energy crisis sent prices surging and as virus lockdowns dashed demand.



Spot prices for the super-chilled fuel plummeted this winter due in part to mild weather and strong inventories across Asia and Europe, coupled with ample supply.
LNG is becoming more cost competitive with local gas options and oil products in China. Likewise, Chinese firms are less eager to resell supply elsewhere abroad since potential profits are deteriorating.
China’s LNG imports are forecast to expand 8.1% in 2024, compared with a 12.6% increase last year, according to China National Petroleum Corp., the nation’s biggest energy producer.
“Price remains the key to how much downstream users could turn to gas use,” said Duan Zhaofang, head of the gas division of the CNPC’s Economics and Technology Research Institute, on the sidelines of a conference Wednesday. Falling LNG prices have increased the competitiveness of gas compared with diesel, Duan said.

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https://www.convenience.org/Topics/Fuels/Changing-Seasons-Changing-Gas-Prices

Seasonal Gas Prices Explained

From refinery maintenance to consumer demand, seasonal fuel production affects gasolines prices at the dispenser.

February 28, 2024 3 min read

Traditionally, gasoline prices are at their lowest during the first week of February and then begin to climb, often peaking right before Memorial Day. Seasonal increases in demand plus a transition to unique fuel blends put pressure on gas prices each spring.

Since 2000, gasoline prices have increased about 50 cents from the seasonal low at the beginning of February to the seasonal high in mid-May. Here's a timeline of events that can affect gas prices during the first half of the year.

February: Refinery Maintenance

U.S. demand for gasoline is generally at its lowest during the first two months of the year, so refinery maintenance, known as a "turnaround," is often scheduled during the first quarter. A turnaround is a planned, periodic shut down (total or partial) of a refinery process unit or plant to perform maintenance, overhaul and repair operations and to inspect, test and replace materials and equipment.

Refineries undergo turnarounds roughly once every four year so about 25% of refineries undergo a turnaround each spring. Another reason for scheduling turnarounds is that they allow refineries to retool for summer-blend fuels.

March-April: Refineries Switch to Summer-Blend Production

The U.S. Environmental Protection Agency (EPA) defines April to June as the "transition season" for fuel production. Refineries lead this transition and switch over to summer-blend production in March and April.

Gasoline blends used in the summer months are different than the blends used in the winter. In the winter, fuels have a higher Reid vapor pressure, meaning they evaporate more easily and allow cars to start in colder weather. In the warm summer months, these evaporative attributes would lead to increased emissions and the formation of smog.

There are also more fuels to produce during the transition season. In the winter months, only a few fuels are used across the United States. However, because of various state or regional requirements, 14 different fuel specifications are required for the summer months. Refineries must produce enough fuel for each area to ensure there are no supply shortages, and that can complicate the production and distribution of fuels.

Summer-blend fuel is also more expensive to make than winter-blend fuel. First, the production process takes longer and, second, the overall yield of gasoline per barrel of oil is lower. These complexities add as much as 15 cents per gallon to the cost to produce these higher-grade fuels.

May-June: Deadlines for Terminals and Retailers

The May 1 compliance deadline for terminals to fully purge their systems of winter-blend fuels is considered one of the biggest factors in seasonal price increases. This regulatory requirement can lead to lower inventories at the terminal, which also puts upward pressure on gas prices. It can also take fuels refined in the Gulf Coast several weeks to reach storage terminals throughout the country, which is why it's important to have summer-blend fuel at terminals and storage facilities by May 1. This date is the most important reason that seasonal gas prices tend to peak in May.

In most areas of the country that require summer-blend fuels, retailers have until June 1 to switch to summer-grade gas.

February-August: Summer Drive Season and Increased Demand

Demand can play a role in elevating seasonal gas prices. Gas demand increases a few percentage points each month beginning in February and peaks in August. Total fuel demand is 10% to 15% greater in August than in February, and any stress to the system—such as a refinery or pipeline outage—can cause a supply/demand imbalance and affect prices.

September: A Welcome Change

As gasoline demand decreases and temperatures cool, retailers are able to switch to selling winter-blend fuel beginning September 15. While these winter-blend fuels are cheaper to produce, the complications of the switchover can result in a temporary bump in price. Weather conditions, such as hurricanes, can also affect gas prices in the late summer to fall months.

Unlike in the spring, the change to winter-blend fuel is not required. However, because winter-blend fuel costs less, retailers often sell the fuel blend to remain price competitive. Not all retailers begin selling this fuel on September 15; many make the switch when their inventories are low.

By the end of September, gas prices generally decrease as the switchover processes and demand continues to fall. And despite conspiracy theories, lower gas prices do not correlate to pre-election politics.

In California, the season for summer-blend fuels is longer than the rest of the country. Both Northern and Southern California's summer-blend requirements run through the end of October. This exacerbated supply issues within the state in early October 2012, when fires at two large refineries limited state-specific production and caused wholesale and retail gas prices to spike to record levels.

Meanwhile, demand for distillate fuel (diesel fuel and home heating oil) begins to increase in September because of both greater diesel fuel demand related to the harvest and greater home heating oil demand because of the colder weather.

Exceptions to the Rule

Summer-blend fuel requirements may be relaxed in times of emergencies or when potential shortages are possible.

In 2005, NACS worked with Congress to give the EPA the authority to waive certain regulations affecting the motor fuels system in times of emergency. The EPA's immediate use of these waivers is critical to bringing the entire fuel supply chain into operation as quickly and safely as possible. For example, this flexibility allowed winter blends of gasoline to enter into the market in 2017 before the traditional transition date of September 15 in response to Hurricanes Harvey, Irma and Maria.

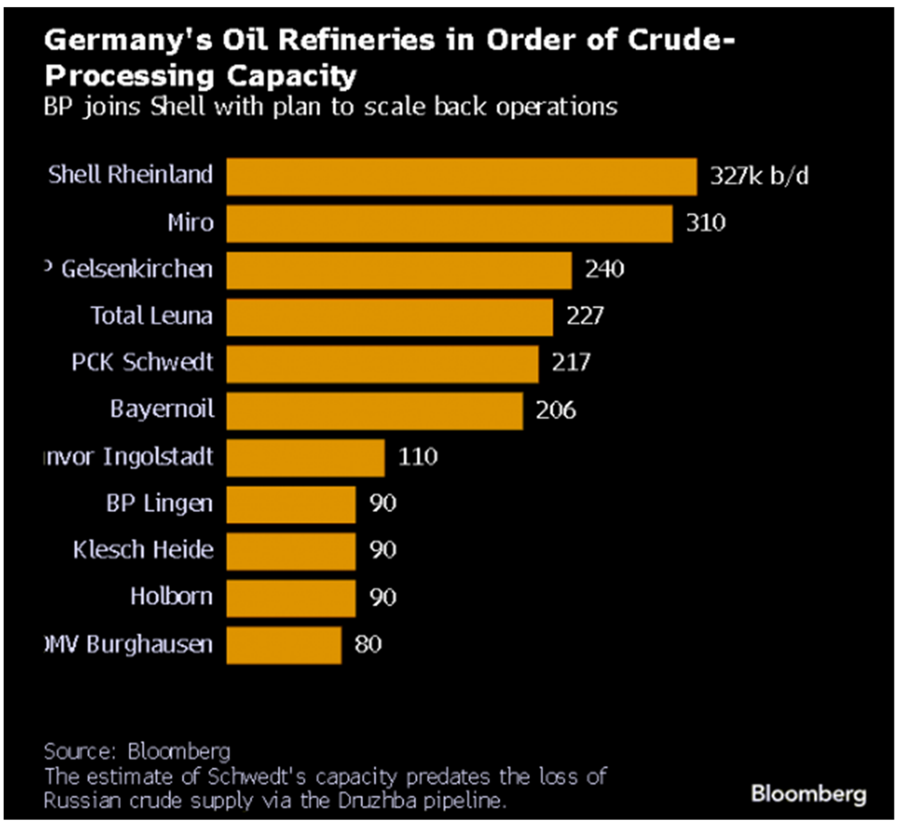
BP to Scale Back German Refining Operations on High Costs (1)
2024-03-06 18:12:53.21 GMT
By Rachel Graham

(Bloomberg) -- BP Plc plans to scale back its oil-refining operations in Germany due to high costs and declining demand for fuels.

Its Gelsenkirchen oil-processing complex will become the second German plant to reduce crude consumption from 2025, with Shell Plc working on a similar move at a nearby plant. The companies' plans could reduce the nation's refining capacity by more than 10%, according to Bloomberg calculations.

"Our refinery in Gelsenkirchen is currently uncompetitive," said Arno Appel, head of the plant. It is "burdened with structural costs that are too high."

European refiners face increasing competition from fuel imports originating in the Middle East and Asia, where capacity is being increased. Operators often complain about an unfair playing field, with European plants subject to carbon levies that don't apply elsewhere. The price of natural gas used in refining and chemicals is also a headwind in Europe.



From 2025, BP will reduce annual crude consumption at Gelsenkirchen to 8 million tons from 12 million tons, according to the statement. That will leave the refinery's capacity at about 160,000 barrels a day from that date.

Shell Plc will lose about 140,000 barrels a day of capacity at Rheinland that year.

Both Gelsenkirchen and Rheinland receive crude deliveries by pipeline from Rotterdam, Europe's oil-pricing center. They are currently among Europe’s top 10 oil-processing plants, according to data compiled by Bloomberg.

Europe Is Among Regions Where Crude Runs Are Falling
Growth in fuel-making capacity is led by the Middle East

m b/d	2019	2020	2021	2022	2023	2024
OECD Americas	19.1	16.6	17.7	18.7	18.7	18.6
OECD Europe	12.2	10.7	11.0	11.5	11.4	11.3
OECD Asia	6.8	5.9	5.8	6.1	5.9	5.7
China	13.4	13.7	14.4	13.7	15.0	15.3
Other Asia	10.4	9.3	9.7	10.2	10.5	10.6
FSU	6.9	6.5	6.8	6.5	6.6	6.6
Middle East	7.9	7.1	7.8	8.3	8.5	9.2
Africa	2.0	1.9	1.8	1.8	1.6	1.9

Source: IEA Bloomberg

Both Gelsenkirchen and Rheinland will stop operating their hydrocrackers, which are big diesel-making machines. BP plans to repurpose the unit to make low-carbon fuels including sustainable aviation fuel, while Shell is moving toward lubricants, used in industry.
* Gelsenkirchen is BP’s second-biggest oil refinery in Europe, after Europoort in Rotterdam.
* The revamp at Gelsenkirchen involves taking five production units in both parts of the refinery, Scholven and Horst, out of service from 2025.
* The move could cut Scope 1 carbon emissions by about half a million tons annually, BP said.
* BP will retain the chemicals operations at Gelsenkirchen. The company previously has said it would consider use of synthetic oil for chemicals at the plant.

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https://www.wsj.com/world/americas/venezuela-calls-for-election-in-which-president-wouldnt-face-viable-candidate-41579b8c?mod=e2tw

Venezuela Calls for Election in Which President Wouldn't Face Viable Candidate

Announcement caps weeks of increased repression as Maduro regime calls Biden administration's bluff that U.S. would reimpose sanctions

By
Kejal Vyas
Follow
March 5, 2024 6:03 pm ET

Venezuelan President Nicolás Maduro PHOTO: LEONARDO FERNANDEZ VILORIA/REUTERS

Venezuela will hold presidential elections July 28, authorities said Tuesday, setting the stage for an election in which authoritarian President Nicolás Maduro is likely to run without any credible challenger and raising the possibility that the Biden administration would reimpose sanctions on Venezuela's oil industry.

Maduro is expected to try to seek a third six-year term by facing a candidate he can easily beat even as opinion polls show that some 80% of the population wants change.

Venezuelan officials have repeatedly said they are maintaining a ruling that bans his top opponent, María Corina Machado, from running. Other candidates who polled well against Maduro, some of whom live in exile, have long since been prohibited from holding office.

"A free and fair election is just something Maduro can't afford to risk," said Phil Gunson, a Caracas-based analyst with the International Crisis Group, a think tank that researches troubled countries. "He's not going to go into an election that he can't be certain of winning."

María Corina Machado, President Maduro's top opponent, has been banned by his regime from holding office. PHOTO: PEDRO RANCES MATTEY/ZUMA PRESS

Venezuela's announcement comes on the 11th anniversary of the death of Maduro's predecessor, Hugo Chávez, a radical firebrand who put Venezuela on a socialist path. The election was scheduled for Chávez's birthday.

Machado didn't immediately comment about the announcement from the National Electoral Council, which is controlled by the government. But Machado, a longtime opponent of the regime, pledged earlier Tuesday to keep campaigning.

"We will defeat them spiritually," she tweeted on X. "They are afraid because they know that we would sweep in an election."

The opposition will have about three weeks to decide if it sticks with Machado or tries to register another candidate against Maduro.

That could cause the opposition to split, analysts say, as Machado and her supporters say she has no plans to step aside.

The earlier-than-expected election date also leaves a short preparation window for international observers, whose presence the U.S. wants after past allegations that Maduro's government engaged in widespread voter fraud.

The announcement comes as the Maduro regime backpedals on an agreement it reached with the U.S. and the political opposition in October that called for democratic concessions in exchange for Washington lifting sanctions against Venezuela's oil industry. The regime's latest measures could force the Biden administration to reimpose oil sanctions when they are up for renewal in April, said Gunson.

"Otherwise Washington loses a lot of credibility having said there would be no extension of the license if Maduro didn't fulfill the terms," he said.

The U.S. State Department and National Security Council didn't immediately respond to requests for comment.

Senior Biden administration advisers have publicly said that relaxing punitive measures on Venezuela could help stabilize the country and slow the outflow of migrants fleeing hyperinflation, food shortages, crime and repression. Nearly eight million have fled during Maduro's 11 years in power.

Ronal Rodríguez, a scholar at the Venezuela Observatory of Rosario University in Bogotá, Colombia, said he expected increased repression and economic problems in Venezuela will mean more emigration this year. A poll in December by Consultores 21, a Venezuelan polling firm, found that one in three Venezuelans wanted to leave, with the U.S. being their preferred destination.

Though the winter months often see a drop in migration, Rodríguez noted that this January saw high numbers of Venezuelans moving through the jungle corridor separating South and Central America en route to the U.S. Nearly 22,000 of the migrants crossing through those rainforest footpaths in January were Venezuelan, Panamanian migration data shows, up from 2,337 in the same month last year.

Some Venezuelan regime leaders have made it little secret that migration has become an important negotiation piece in their talks with the U.S.

"We know that that agreement gives relief to the U.S. because it's the one of the biggest problems that they have over there, that of the migrants," Diosdado Cabello, a close Maduro ally, said during a televised address recently. "Under no circumstances will we ever capitulate."

In the wake of the October agreement, which came after a year of secret negotiations between U.S. and Venezuelan officials, the Biden administration lifted sanctions on various economic sectors.

The regime, meanwhile, arrested dozens of activists and ordered a United Nations human rights unit to leave the country. Venezuela also followed through on a threat to stop accepting flights of migrants deported from the U.S., a blow to Biden's efforts to reduce migration flows.

Ryan Dubé and Juan Forero contributed to this article.

https://www.usnews.com/news/world/articles/2024-03-07/venezuela-failing-to-meet-some-key-commitments-despite-election-announcement-us-says

Venezuela Failing to Meet Some Key Commitments Despite Election Announcement, US Says

By Reuters
|
March 7, 2024, at 6:52 p.m.

REUTERS

FILE PHOTO: Venezuelan opposition leader Maria Corina Machado speaks during an interview with Reuters, in Caracas, Venezuela February 9, 2024. REUTERS/Gaby Oraa/File Photo

By Matt Spetalnick and Daphne Psaledakis

WASHINGTON (Reuters) - The United States on Thursday accused the Venezuelan government of failing to deliver on some of its key commitments that resulted in U.S. sanctions relief last year, despite this week's announcement of a July 28 date for a presidential election.

Speaking to a think tank in Washington, Brian Nichols, U.S. assistant secretary of state for Western Hemisphere Affairs, said Venezuelan President Nicolas Maduro had taken a number of steps in the "wrong direction." These measures, he said, include maintaining an election ban on Maria Corina Machado, the leading opposition candidate, and arresting dozens of opposition activists.

vowed to reimpose sanctions on the OPEC member-state's vital energy sector by mid-April unless Machado is allowed to run and Maduro follows through on other promises made in a deal with the opposition in Barbados in October.

"The timelines are tight and we don't want to pre-judge how things will turn out, but the direction of travel (by Maduro's government) is deeply worrisome," Nichols said.

“We look to working with democratic actors in Venezuela and our partners around the region to determine how do we respond," he added.

Machado, a 56-year-old industrial engineer who overwhelmingly won an October opposition primary, has rejected the possibility of a substitute candidate, saying her ban is contrived by Maduro's government to protect him from a viable challenger. The ban has been upheld at a time when Maduro has faced declining support among his socialist party's traditional base.

Tuesday’s announcement of an election date marked partial fulfillment of Maduro’s pledge to hold elections in the second half of 2024, but he also promised the ballot would be competitive and internationally monitored and that political prisoners would be released.

“It’s very clear that the Maduro side is failing to deliver on the commitments that it made in the Barbados agreement,” Nichols told the conference sponsored by the Americas Society/Council of the Americas.

“We have to be very clear that the incentives that we and I think others in the international community have put on the table to move toward a competitive election in Venezuela have not been sufficient to motivate reforms and openness that the Maduro side believes would put their government or their governance, their administration, at risk.”

(Reporting by Matt Spetalnick and Daphne Psaledakis in Washington; Editing by Matthew Lewis)

Tags: Venezuela, United States, international trade

RISK FACTORS

In addition to the other information included in this proxy statement/prospectus (including the annexes hereto) and the information incorporated by reference herein, including, among others, the matters addressed in the section entitled "Cautionary Note Regarding Forward-Looking Statements," Hess stockholders should carefully consider the following risk factors before deciding whether to vote for the proposal to adopt the merger agreement. In addition, you should read and consider the risks associated with each of the businesses of Hess and Chevron because these risks will relate to Chevron following the completion of the merger. Descriptions of some of these risks can be found in the respective Annual Reports of Chevron and Hess on Form 10-K for the fiscal year ended December 31, 2023 (which in the case of Chevron is included as Annex D to this proxy statement/prospectus), as such risks may be updated or supplemented in each company's subsequently filed Quarterly Reports on Form 10-Q or Current Reports on Form 8-K. You should also consider the other information in this proxy statement/prospectus (including the annexes hereto) and the other documents incorporated by reference into this proxy statement/prospectus. See "Where You Can Find More Information" beginning on page [ ].

Risks Related to the Merger

The merger is subject to conditions, some or all of which may not be satisfied, or completed on a timely basis, if at all. Failure to complete the merger in a timely manner or at all could have adverse effects on Hess.

The completion of the merger is subject to a number of conditions, including, among others, (i) the approval by Hess stockholders of the merger proposal and (ii) the expiration or termination of the waiting period under the HSR Act or approval of any Guyanese governmental body, agency or authority that asserts its approval is required in connection with the transaction, which make the completion and timing of the completion of the merger uncertain. With respect to the Stabroek ROFR (as defined in the section entitled "*The Merger—Stabroek JOA")*, if the discussions with Exxon Mobil Corporation (Exxon) and China National Offshore Oil Corporation (CNOOC) do not result in an acceptable resolution and arbitration (if pursued) does not result in a confirmation that the Stabroek ROFR is inapplicable to the merger, then there would be a failure of a closing condition under the merger agreement, in which case the merger would not close. Some of these conditions are not in Hess' or Chevron's control. For a more detailed discussion regarding conditions to the merger, see "*The Merger Agreement—Conditions to Completion of the Merger*" beginning on page [ ].

Further, either Chevron or Hess may terminate the merger agreement if the merger has not been completed by October 22, 2024, (or April 22, 2025 or October 22, 2025, as applicable, if the applicable end date is extended pursuant to the merger agreement). The merger agreement provided for an initial end date of April 18, 2024, but the parties have each waived the right to exercise any termination right available to it with respect to the initial April 18, 2024 end date. However, this right to terminate the merger agreement will not be available to any party whose failure to perform any obligation under the merger agreement has principally caused or resulted in the failure of the merger to be consummated on or before that date.

If the merger is not completed, Hess' ongoing business, financial condition, financial results and stock price may be materially adversely affected. Without realizing any of the benefits of having completed the merger, Chevron and Hess will be subject to a number of risks, including the following:

- the market price of Chevron common stock and/or Hess common stock could decline to the extent that the current market price reflects a market assumption that the transaction will be completed;
- Hess could owe a termination fee of $1,715,000,000 to Chevron under certain circumstances;
- if the merger agreement is terminated and the Chevron Board or the Hess Board seeks another business combination, Chevron stockholders and Hess stockholders cannot be certain that Chevron or Hess will be able to find a party willing to enter into a transaction on terms equivalent to or more attractive than the terms that the other party has agreed to in the merger agreement;
- time and resources committed by Chevron's and Hess' respective management to matters relating to the merger could otherwise have been devoted to pursuing other beneficial opportunities for their respective companies;
- Chevron and/or Hess may experience negative reactions from the financial markets or from their respective customers, suppliers, business partners or employees;
- Chevron and Hess will be required to pay their respective costs relating to the merger, such as legal, accounting, financial advisory and printing fees, whether or not the merger is completed, except as described in "*The Merger Agreement—Expenses*" beginning on page [ ]; and
- litigation related to any failure to complete the merger or related to any enforcement proceeding commenced against Chevron or Hess to perform their respective obligations pursuant to the merger agreement.

The materialization of any of these risks could adversely impact Chevron's and Hess' respective ongoing businesses, financial condition, financial results and stock price. Similarly, delays in the completion of the merger could, among other things, result in additional transaction costs, loss of revenue or other negative effects associated with uncertainty about completion of the merger.

If the merger does not qualify as a "reorganization" within the meaning of Section 368(a) of the Code, the Hess stockholders may be required to pay substantial U.S. federal income taxes.

The merger is intended to qualify as a "reorganization" within the meaning of Section 368(a) of the Code, and Chevron and Hess intend to report the merger consistent with such qualification. It is a condition to Hess' obligation to complete the merger that Hess receive an opinion from outside counsel to the effect that, on the basis of facts, representations and assumptions set forth or referred to in such opinion, the merger will qualify as a "reorganization" within the meaning of Section 368(a) of the Code. However, an opinion of counsel represents such counsel's judgment and is not binding on the IRS or any court and the IRS or a court may disagree with the conclusion in the opinion of counsel. Chevron and Hess have not sought, and will not seek, any ruling from the IRS regarding any matters relating to the transactions, and as a result, there can be no assurance that the IRS would not assert, or that a court would not sustain, a position contrary to the treatment of the merger as a "reorganization" within the meaning of Section 368(a) of the Code. If the IRS or a court determines that the merger does not qualify as a "reorganization" within the meaning of Section 368(a) of the Code, a U.S. holder of Hess common stock generally would recognize gain or loss in an amount equal to the difference, if any, between the fair market value of the Chevron common stock received in the merger, and such U.S. holder's aggregate tax basis in the corresponding Hess common stock surrendered in the merger. See "*The Merger—Material U.S. Federal Income Tax Consequences*" beginning on page [ ].

The merger agreement contains provisions that limit Hess' ability to pursue alternatives to the merger, could discourage a potential competing acquiror of Hess from making a favorable alternative transaction proposal and, in specified circumstances, could require Hess to pay a termination fee to Chevron.

The merger agreement contains certain provisions that restrict Hess' ability to initiate, solicit, knowingly encourage or knowingly facilitate or, subject to certain exceptions, engage in discussions or negotiations with respect to, or approve or recommend, any third-party acquisition proposal. Further, even if the Hess Board withdraws or qualifies its recommendation with respect to the adoption of the merger agreement, unless the merger agreement has been terminated in accordance with its terms, Hess will still be required to submit each of its merger-related proposals to a vote at the special meeting. In addition, Chevron generally has an opportunity to offer to modify the terms of the transactions contemplated by the merger agreement in response to any third-party acquisition proposal before the Hess Board may withdraw or qualify its recommendation with respect to the merger-related proposal or otherwise terminate the merger agreement.

In some circumstances, upon termination of the merger agreement, Hess will be required to pay a termination fee of $1,715,000,000 to Chevron. See the sections titled "*The Merger Agreement—Covenants and Agreements—Non-Solicitation*" and "*The Merger Agreement—Termination of the Merger Agreement*" beginning on pages [ ] and [ ], respectively.

These provisions could discourage a potential third-party acquiror or merger partner that might have an interest in acquiring all or a significant portion of Hess or pursuing an alternative transaction from considering or proposing such a transaction, even if such third-party acquiror or merger partner were prepared to pay consideration with a higher per share cash or market value than the per share cash or market value proposed to be received or realized in the merger. In particular, the termination fee, if applicable, could result in a potential third-party acquiror or merger partner proposing to pay consideration with a lower per share cash or market value to the Hess stockholders than it might otherwise have proposed to pay absent such termination fee.

If the merger agreement is terminated and Hess determines to seek another business combination, Hess may not be able to negotiate a transaction with another party on terms comparable to, or better than, the terms of the merger agreement.

The merger is subject to the requirements of the HSR Act, and regulatory authorities may impose conditions that could have an adverse effect on Hess and/or Chevron following the transaction or that could delay, prevent or increase the costs associated with completion of the merger.

Before the merger may be completed, any waiting period (or extension thereof) under the provisions of the HSR Act must have expired or been terminated. In deciding whether to grant the

Can you explain your view to me and why you differ with Chevron and Hess?

A - Darren W Woods {BIO 17692013 <GO>}

Yeah, well, first, let's just let's put a perspective on this thing. The joint operating agreement actually is a confidential contract. It's a confidential contract between the participants in the block, which in this case is ExxonMobil, CNOOC and Hess. So, Devin, what that really means is I can't get into the specific contract language.

contract language, because I would have to have agreement from the other partners to be able to do that. However, there are a few points I can make and make very, very clearly. First of all, we wrote this joint operating agreement. ExxonMobil authored the agreement, and we actually co-authored it with Shell prior to entering the stable block.

That joint operating agreement was based on an industry standard joint operating agreement. I can't get into the specifics of this JOA, but it was based on an industry standard JOA, which provides rights, preemption rights, for the other partners, if any parties want to sell, either through an asset transaction, and what that means, in this case, Hess would just want to sell their participation in the stable block, and also it also comprehends if there's a parental transaction where part of that transaction is the stable block. That's what a model JOA does. The JOA contract in this case was developed based on that model JOA We understand the detailed language.

We wrote it. We understand the intent of this language of the whole contract because we wrote it. I think most observers in this industry would understand our reputation for rigor, attention to detail in contract language. I mean, it's a brand we have as a company.

And what that means is we're extremely confident in our position that preemption rights exist in this contract. And we fully intend on ensuring that we preserve those preemption rights. And actually as of this morning, we filed for arbitration. We filed for arbitration to protect those preemption rights, and we think that's very important for the company.

We think it's very important for the industry. We think it's precedent-setting, and sanctity of contracts in this industry is a really, really important component, and we take that responsibility very seriously.

Q - Devin McDermott {BIO 19137879 <GO>}

Okay. It makes a lot of sense, and given the arbitration filing this morning, maybe we can walk through just typically in the industry, how that process works, the court system, it goes through expectations on timeline.

If you can't comment, I understand, but I feel I have to ask.

A - Neil A Chapman {BIO 18960736 <GO>}

Yes. Well, the arbitration takes place through the ICC The ICC sits in Paris. The court takes place under English law.

In terms of the timing, I'm not sure. It depends on the court and on the court, obviously, my understanding, typically, these kind of disputes take five to six months.

Q - Devin McDermott {BIO 19137879 <GO>}

Okay.

A - Neil A Chapman {BIO 18960736 <GO>}

I think what's really important here, Devin, if I can just continue for a moment.

The Chevron Hess has transaction, what it really did is it attempted to circumvent the commercial purpose of this specific JOA What I mean by that is we, as a participant, have the rights to match a reasonable allocation of the value of the Hess transaction associated with best day-- their position in the stable block. That is the purpose of the preemption rights. That's what they've tried to circumvent. And the reason this is important is is we, along with the partners, took tremendous exploration risk, financial risk, commercial risk when we went into this joint venture.

It looks great now. It's created great, great value for the country of Guyana and for the partners. But there was a risk associated. So we want to ensure that we realize the value that we've created.

I don't know, if the Chevron Hess transaction is going to proceed or not. I mean, that's in their hands. But we believe there is opportunity value here. There's option value here.

If that transaction does not proceed, there is potential value down the road for ExxonMobil. That option value is really, really important. And I'll just take one step back. You know, if you think about this, Chevron and Hess have determined they don't believe preemption rights exist in this situation.

We are very, very very confident they do. Chevron and Hess in their 10K and their S4, which they recently issued, said that they believe the preemption rights exist. They actually listed in there that ExxonMobil and the other partner, CNOC, do not believe those preemption rights exist. If preemption rights exist, what Chevron and Hess said in their S4 and their 10K, then their transaction will not take place.

I don't control, we don't control whether their transaction takes place. What we are saying, if there is a transaction, we plan to exert our preemption rights. And the preemption rights is to give us the opportunity to look at the value which we can then match should we choose to do so. It would be incomprehensible for us to say, well, we're not going to look at that value.

We're just going to let the transaction proceed. It would be it will be incomprehensible. You have a responsibility to the shareholders. When the value is there to assess the value to see if it's accreted to your portfolio.

Actually, I think it's a fiduciary responsibility to your shareholders. That's why this is so so important is we're absolutely confident that within this contract we have preemption rights, and we have filed for arbitration to make sure that we can secure those preemption rights.

Q - Devin McDermott {BIO 19137879 <GO>}

Yes. Very helpful overview.

And you addressed some of my next question, which is the long term endgame here with this strategy. It sounds like adherence to the conference to the contract, making sure that you're able to utilize the preemption rights in place. To the extent we get to a point where you have the opportunity to increase stake in the Guyana asset. Is that something that Exxon would consider be open to walk me through the potential outcomes here in your mind as we think about what might happen post this arbitration process?

A - Neil A Chapman {BIO 18960736 <GO>}

Yes, I and let me repeat the words I said, it's retaining the option value that we've created.

It's an option value, if that transaction doesn't take place down the road, there may be future opportunities. And it's important that we protect that option value. What happens going forward, I mean, what Chevron and Hess have said, is if preemption rights exist, there's no transaction. It's their call.

We're going to make sure, we arbitrate to secure our preemption rights. So if there is preemption, and we do have the opportunity, then what we would do, is we would look at the potential value, see if it's accretive to our portfolio, see if it's accretive to us as a company, as a shareholder, and then we would decide. I think, again, I'm only just saying what Chevron and Hess have said in what they published in their S4 and their 10K, was that, if preemption rights exist, there's no transaction. I can't control it.

That's completely their call. Yeah.

Q - Devin McDermott {BIO 19137879 <GO>}

Yes. One last one and we'll move off this.

The dialogue between you and Chevron, now that we've started arbitration, does that continue? Is there possible for the possibility of some type of negotiated agreement here that could come out before the arbitration process or it goes arbitration? That's it. We'll see what happens in six plus months.

A - Neil A Chapman {BIO 18960736 <GO>}

Well, I would say this, in our industry, most of the industry is based on contracts, contracts with governments, contracts with partners. Disputes take place all the time and they get resolved.

The only real difference is this is in the public domain because it was comprehended in the S-4. It was comprehended in the 10-K So it's in the public domain. That's the thing that's really different here. Nothing else.

Q - Devin McDermott {BIO 19137879 <GO>}

Okay. Makes a lot of sense and very clear. Since we're on Guyana and also checking off the rumor mill of events that have happened over the last few months. The other thing that's been out there has been thing that's been out there as been as well and some of the contention on the border dispute.

I was wondering, if you could just talk a little bit about your view on that issue and how if at all it influences your commitment to investment in the country of Guyana over time.

A - Darren W Woods {BIO 17692013 <GO>}

Yeah, well, Devin, border disputes are, that's an issue between countries and as some company coming in, taking on a license, we have a responsibility to that license to develop that resource on behalf of the country and the government of Guyana. So I can't really get involved in the disputes. What I would tell you is this, is this border dispute has been around since the early 1800s.

It's not like it's anything new here. Countries will resolve that. I mean, you have to ask the countries. What we understand is, President Maduro, President Ali met fairly recently, agreed not to let this result in conflict.

So there's obviously having some discussions. Our role and our responsibility responsibility is to develop the resource. The resource that we're developing right now is in the southeastern area of that block. That's not in any of the disputed area.

We have the whole stable block, which by the way is equivalent to more than a thousand Gulf of Mexico blocks. It is an enormous block, and in the north part of that block, north of what's called the 70 degree line, that's been in force for sure for a long time. But we're not doing anything in that area. We're really focused on doing what we've contracted with the Guyanese government to do, which is develop that resource as effectively, as efficiently, and as profitably as we can.

Q - Devin McDermott {BIO 19137879 <GO>}

Yes. Makes sense. And maybe that's a good transition to some fundamental business questions, so we can talk a little bit. Let's stick with Guyana, because we're already there.

But you've laid out this plan to grow capacity in the stable block to 1.2 million barrels a day on a gross basis through 2027. A very clear line of sight, in my view, on the resource needed to do that exploration to do that. The exploration program has been a phenomenal success, but you also, as you bring that online, have an ongoing appraisal and exploration program over the next few years. So my question is, as you look at the goals of that ongoing appraisal and exploration, what are you looking for? What are the additional things you're looking to unlock, and how does that potentially influence the longer-term development strategy on the asset?

A - Neil A Chapman {BIO 18960736 <GO>}

Yeah, as I said, this is an enormous block, and it is actually quite phenomenal, if you go down there.

We have six drilling ships in the basin in pretty close proximity, and these drill ships are doing a combination of what I call exploration drilling, appraisal drilling, and development drilling. Development drilling is drilling wells for the next production vessel. Appraisal is appraising to make sure you fully understand or comprehend the resource, and then exploration is, you can call it wildcats if you like. These are step-outs.

So our plans for this year, and I may not have the numbers exactly right, but order of magnitude is correct. is correct. We are continuing to appraise that southeast corner, because it's an enormous area. And we're continuing to appraise.

And so, whether you call it an appraisal well or an exploration well, order of magnitude seven or eight this year, of what, which I would call two of them are true, what we call in Exxon, anchor hunting objectives. Which means they are a little bit further north. They're south of Ranger, you know Ranger. But they're north of Lisa and Piara.

And these are looking for, I would say, new anchor discoveries, which if successful, you can build off. The other, and maybe there's one more you could put in that category as well, but the other four or five are appraisal wells in the vicinity of our existing discoveries, which may lead to more discoveries. But you see they're in that vicinity, just vicinity, and it just allows you to do the development planning for, for future developments. That's really what we're doing.

Q - Devin McDermott {BIO 19137879 <GO>}

Got it. Makes a lot of sense. So Neil, then the other question that's been topical in my recent conversations is just the outperformance you've seen on the existing FPSAs you have. The bottlenecking has been a tremendous success.

The ramp time in Payara has been great. How repeatable is that as you think about the outlook over the next few years? How do you think about that opportunity set going forward?

A - Neil A Chapman {BIO 18960736 <GO>}

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Russia's Crude Exports Slump as Strong Winds Batter Pacific Port

Tankers were prevented from mooring at the Kozmino terminal for several days

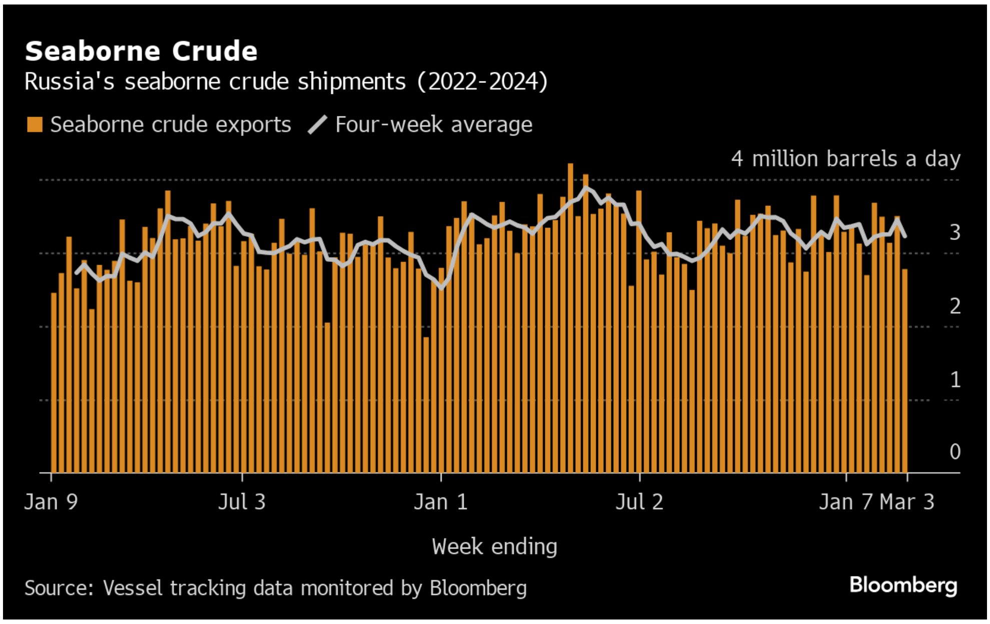
By Julian Lee

(Bloomberg) -- Russia's seaborne crude shipments fell to the lowest in more than a month as high winds at the Pacific port of Kozmino disrupted cargoes in the first days of March.

Gusts up to 48 miles an hour prevented tankers from mooring at the terminal that ships the country's ESPO crude during the first two days of the month, cutting flows by 40% over the week as a whole. That more than offset the restart of exports of Sokol crude from the De Kastri terminal 700 miles north.

The drop came just as Moscow undertook to bear down on production as part of its renewed commitment to the OPEC+ alliance's attempts to avert a global surplus and shore up prices. Russia – which has a unique exemption to split its curbs between output and exports of crude oil and refined products – will put a greater emphasis on cuts to crude production in the coming quarter, Deputy Prime Minister Alexander Novak said.

Flows in the week to March 3 slumped by about 720,000 barrels a day to 2.78 million. Weather-data provider Visual Crossing showed wind speeds at Nakhodka, located across Nakhodka Gulf from Kozmino, peaking on March 1, with the first tanker only moving onto the terminal the following afternoon.



The temporary absence of Sokol cargoes stemmed from a lack of the specialized shuttle tankers needed to move the grade from De Kastri amid issues with deliveries to Indian refiners. Moscow has struggled since December to get Sokol into India, its main market, with the Asian nation's refiners wary of US sanctions and complaining that the supplies are too expensive.

The first shipments of Sokol in about 10 days left De Kastri at the end of February. Several cargoes have been delivered to China, with more transferred onto other ships for storage, allowing the shuttle tankers to return to De Kastri and begin loading new cargoes. Flows to Indian refiners remain at a trickle though, with 12 million barrels still on tankers idling in the East China Sea, or anchored near China's ports.

A first Sokol cargo is anchored of Pakistan's port of Karachi.

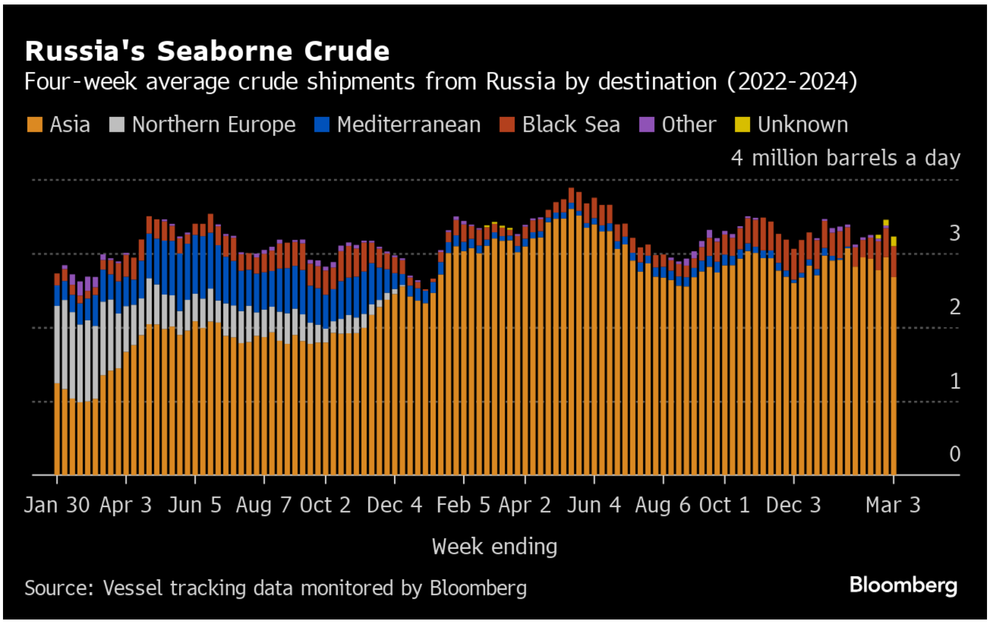
Russia's ability to ship its crude may be hampered in the months ahead after the US Treasury slapped sanctions on 14 tankers owned by Sovcomflot, the Russian state tanker company. None of the five tankers that were empty or discharging when the sanctions were imposed has subsequently loaded another cargo. Earlier sanctions forced a chunk of the vast fleet of tankers that Russia uses to deliver its crude oil to grind to a halt.

The gross value of Russia's crude exports dropped to a five-week low, falling to $1.37 billion in the seven days to March 3 from $1.73 billion the previous week. Meanwhile four-week average income also fell sharply, down by $110 million to $1.58 billion a week.

Flows by Destination

Russia's seaborne crude flows in the week to March 3 at 2.78 million barrels a day were the lowest in five weeks. The less volatile four-week average also dropped, down by about 230,000 barrels a day to 3.22 million barrels a day.

Weekly shipments were about 810,000 barrels a day below the average seen in May and June, or about 510,000 barrels a day below Russia's first quarter target. The four-week average was about 60,000 barrels a day below the target.



All figures exclude cargoes identified as Kazakhstan's KEBCO grade. Those are shipments made by KazTransoil JSC that transit Russia for export through the Black Sea port of Novorossiysk and the Baltic's Ust-Luga and are not subject to European Union sanctions or a price cap.

The Kazakh barrels are blended with crude of Russian origin to create a uniform export grade. Since Russia's invasion of Ukraine, Kazakhstan has rebranded its cargoes to distinguish them from those shipped by Russian companies.

- **Asia**

Observed shipments to Russia's Asian customers, including those showing no final destination, fell to a 10-week low of 2.81 million barrels a day in the four weeks to March 3, down from a revised 3.02 million in the previous four-week period.

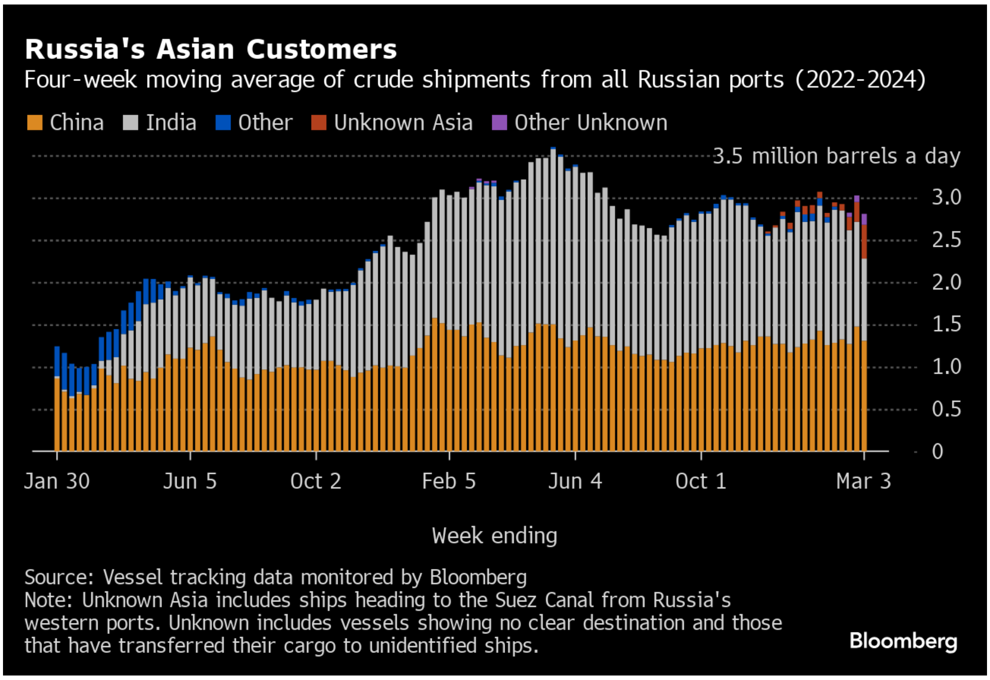
About 1.31 million barrels a day of crude was loaded onto tankers heading to China. The Asian nation's seaborne imports are boosted by about 800,000 barrels a day of crude delivered from Russia by pipeline, either directly, or via Kazakhstan.

Flows on ships signaling destinations in India averaged about 970,000 barrels a day.

Both the Chinese and Indian figures will rise as the discharge ports become clear for vessels that are not currently showing final destinations.

The equivalent of about 400,000 barrels a day was on vessels signaling Port Said or Suez in Egypt, or are expected to be transferred from one ship to another off the South Korean port of Yeosu. Those voyages typically end at ports in India or China and show up in the chart below as "Unknown Asia" until a final destination becomes apparent. This figure includes the Sokol crude still on shuttle tankers awaiting transfer to other vessels as well as the other stranded cargoes of the grade.

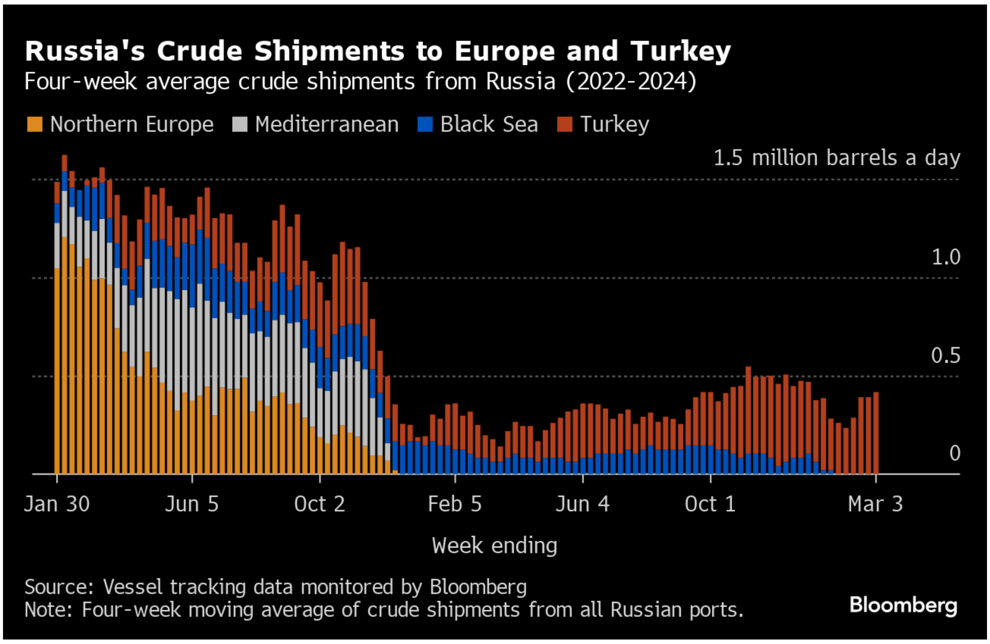
The "Other Unknown" volumes, running at about 130,000 barrels a day in the four weeks to March 3, are those on tankers showing no clear destination. Most of those cargoes originate from Russia's western ports and go on to transit the Suez Canal, but some could end up in Turkey. Others could be moved from one vessel to another, with most such transfers now taking place in the Mediterranean, off the coast of Greece.



Europe and Turkey

Russia's seaborne crude exports to European countries have ceased.

With flows to Bulgaria halted at the end of last year, Turkey is now the only short-haul market for shipments from Russia's western ports.



Exports to Turkey stood at about 417,000 barrels a day in the four weeks to March 3. That's the highest since the week ended Dec. 5 and up from a revised figure of about 390,000 barrels a day in the period to Feb. 25.

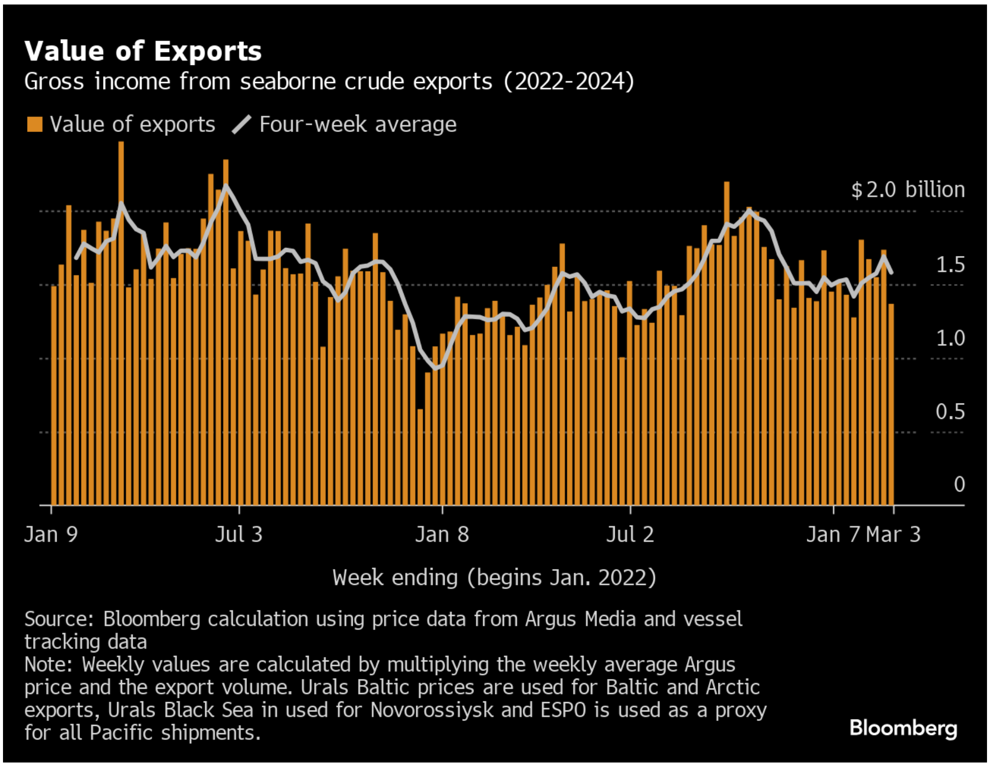
Vessel-tracking data are cross-checked against port agent reports as well as flows and ship movements reported by other information providers including Kpler and Vortexa Ltd.

Export Value

Following the abolition of export duty on Russian crude, we have begun to track the gross value of seaborne crude exports, using Argus Media price data and our own tanker tracking.

The gross value of Russia's crude exports dropped to a five-week low, falling to $1.37 billion in the seven days to March 3 from $1.73 billion the previous week. Meanwhile four-week average income fell sharply, down by $110 million to $1.58 billion a week. The four-week average is still well off its peak of $2.17 billion a week, reached in the period to June 19, 2022. The highest it reached last year was $2 billion a week in the period to Oct. 22.

During the first four weeks after the Group of Seven nations' price cap on Russian crude exports came into effect in early December 2022, the value of seaborne flows fell to a low of $930 million a week, but soon recovered.



The chart above shows a gross value of Russia's seaborne oil exports on a weekly and four-week average basis. The value is calculated by multiplying the average weekly crude price from Argus Media Group by the weekly export flow from each port. For shipments from the Baltic and Arctic ports we use the Urals FOB Primorsk dated, London close, midpoint price. For shipments from the Black Sea we use the Urals Med Aframax FOB Novorossiysk dated, London close, midpoint price. For Pacific shipments we use the ESPO blend FOB Kozmino prompt, Singapore close, midpoint price.

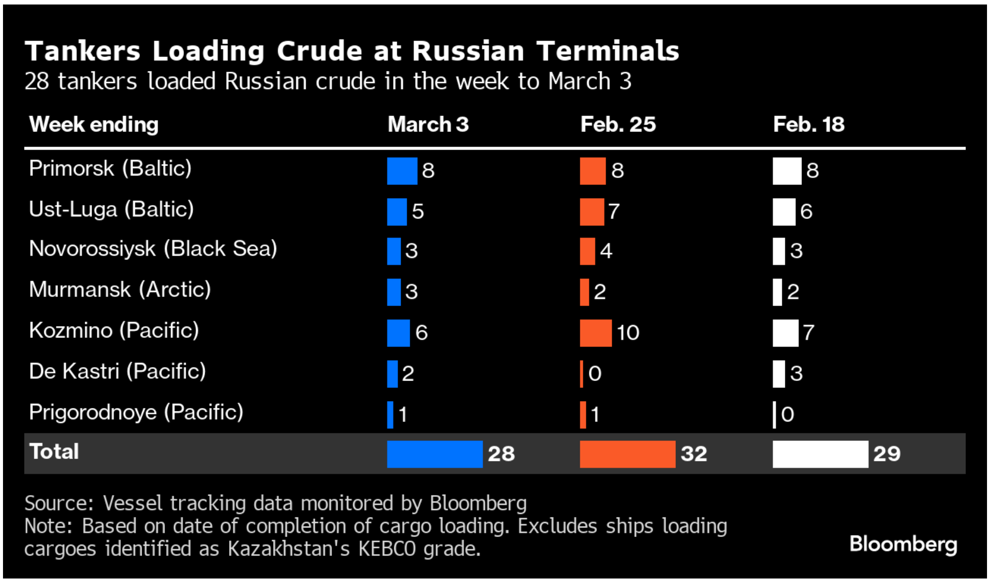
Export duty was abolished at the end of 2023 as part of Russia's long-running tax reform plans.

Ships Leaving Russian Ports

The following table shows the number of ships leaving each export terminal.

A total of 28 tankers loaded 19.4 million barrels of Russian crude in the week to March 3, vessel-tracking data and port agent reports show. That was down by about 5.1 million barrels from the previous week and the lowest in five weeks.

Shipments from Russia's Pacific terminal at Kozmino were hit by strong winds at the start of March, but shipments resumed from De Kastri after the shuttle tankers used there offloaded cargoes in China.



Tankers Loading Crude at Russian Terminals
28 tankers loaded Russian crude in the week to March 3

Week ending	March 3	Feb. 25	Feb. 18
Primorsk (Baltic)	8	8	8
Ust-Luga (Baltic)	5	7	6
Novorossiysk (Black Sea)	3	4	3
Murmansk (Arctic)	3	2	2
Kozmino (Pacific)	6	10	7
De Kastri (Pacific)	2	0	3
Prigorodnoye (Pacific)	1	1	0
Total	**28**	**32**	**29**

Source: Vessel tracking data monitored by Bloomberg
Note: Based on date of completion of cargo loading. Excludes ships loading cargoes identified as Kazakhstan's KEBCO grade.
Bloomberg

All figures exclude cargoes identified as Kazakhstan's KEBCO grade. One cargo of KEBCO was loaded at Ust-Luga and one at Novorossiysk during the week.

NOTES

Note: This story forms part of a weekly series tracking shipments of crude from Russian export terminals and the gross value of those flows. Weeks run from Monday to Sunday. The next update will be on Tuesday, March 12.

Note: All figures exclude cargoes owned by Kazakhstan's KazTransOil JSC, which transit Russia and are shipped from Novorossiysk and Ust-Luga as KEBCO grade crude.

If you are reading this story on the Bloomberg terminal, click here for a link to a PDF file of four-week average flows from Russia to key destinations.

--With assistance from Sherry Su.

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Organization of the
Petroleum Exporting Countries

Several OPEC+ countries announce extension of additional voluntary cuts of 2.2 million barrels per day for the second quarter of 2024

The OPEC Secretariat noted the announcements of several OPEC+ countries extending additional voluntary cuts of 2.2 million barrels per day, aimed at supporting the stability and balance of oil markets.

These voluntary cuts are calculated from the 2024 required production level as per the 35th OPEC Ministerial Meeting held on June 4, 2023, and are in addition to the voluntary cuts previously announced in April 2023 and later extended until the end of 2024.

These additional voluntary cuts are announced by the following OPEC+ countries : Saudi Arabia (1,000 thousand barrels per day); Iraq (220 thousand barrels per day); United Arab Emirates (163 thousand barrels per day); Kuwait (135 thousand barrels per day); Kazakhstan (82 thousand barrels per day); Algeria (51 thousand barrels per day); and Oman (42 thousand barrels per day) for the second quarter of 2024. Afterwards, in order to support market stability, these voluntary cuts will be returned gradually subject to market conditions.

The above will be in addition to the announced voluntary cut by the Russian Federation of 471 thousand barrels per day for the same period (second quarter of 2024), which will be from crude oil production and exports as follows:

- In April 350 thousand barrels per day from production and 121 thousand barrels per day from exports.
- In May 400 thousand barrels per day from production and 71 thousand barrels per day from exports.
- In June 471 thousand barrels per day totally from production.

Russia’s voluntary production cut is in addition to the voluntary cut of 500 thousand barrels per day previously announced in April 2023, which extends until the end of December 2024. The export cut will be made from the average export levels of the months of May and June of 2023.

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https://www.reuters.com/business/energy/aramco-chief-sees-healthy-chinese-demand-looking-more-investments-2024-03-10/?taid=65ed7da426cd0000015ff172&utm_campaign=trueAnthem:+Trending+Content&utm_medium=trueAnthem&utm_source=twitter

Aramco sees China demand growing, eyes more investments

By Maha El Dahan and Yousef Saba
March 10, 20244:24 AM MDTUpdated 30 min ago

- summary

- Companies
- Aramco chief sees healthy global oil market throughout 2024
- Oil giant may partner with MidOcean outside of Australia
- Discussions ongoing for Renault-Geely engines tie-up
- Looking at LNG opportunities in U.S.

DUBAI, March 10 (Reuters) - Saudi Aramco (2223.SE), opens new tab Chief Executive Amin Nasser said on Sunday the oil giant was looking at further opportunities to invest in China, where he said oil demand was robust and growing.

State-owned Aramco has been ramping up its China presence in a string of deals in refining and petrochemicals, some of them with crude offtake agreements attached.

"So far we are in the early part of 2024, demand is healthy and growing in China," Nasser said on a media call following the release of results that showed net profit falling 24.7% to $121.3 billion on lower oil prices.

Nasser said the country's refineries were some of the most fully integrated and had the highest conversion rates and Aramco was currently looking at further opportunities for investment.

Nasser expected the global oil market to remain healthy throughout 2024.

"We expect it to be fairly robust, we are looking at growth of about 1.5 million barrels," Nasser said.

Nasser put demand for 2024 at 104 million barrels a day as opposed to an average of 102.4 million barrels in 2023.

The Saudi government in late January ordered Aramco to scrap its expansion plan to boost production capacity to 13 million barrels a day (mbpd), returning to the previous 12 mbpd target.

Two projects that were part of the expansion plan - Safaniyah and Manifa - are on hold, while three others are ongoing. Those are Zuluf, Marjan and Berri, expected to add 600,000, 300,000 and 250,000 barrels a day of crude production.

Nasser said maximum production capacity would be optimized to maintain it within the 12 million bpd target, despite the ongoing projects.

"I will manage that by moderating our decline, and offsetting that decline with the addition that will be coming from Zuluf, Marjan and Berri. That should not impact the number of rigs that we have in the field."

The capacity target decision had sent shares of U.S. oilfield services providers tumbling as higher international and offshore oil exploration and produciton, primarily in the Middle East and Africa, had largely helped oilfield firms ride out slowing drilling activity by U.S. shale firms.

GAS, LNG AND LITHIUM

Aramco aims to grow its gas production by 60% by 2030 from 2021 levels.

Aramco may partner with MidOcean Energy, a company owned by U.S. investment firm EIG Partners, to invest in liquefied natural gas (LNG) projects outside of Australia, Nasser said, having agreed last year to take a strategic minority stake in MidOcean.

"We are partnering with MidOcean in Australia and we might partner with them in other enclaves depending on the opportunities," he said.

Nasser also said Aramco was interested in investing in LNG opportunities in the U.S. but said he could not reveal further details.

"We are in discussion with a number of companies."

The global LNG industry is booming and the U.S. is the world's largest exporter.

Sources told Reuters last week Aramco is in talks to invest in phase 2 of Sempra Infrastructure's Port Arthur LNG project in Texas, which represents a proposed expansion to the already producing first phase.

Discussions are also still ongoing for a tie-up with French carmaker Renault and China's Geely for a 15% to 20% stake in their joint-venture for combustion and hybrid engines, Nasser said.

Nasser also confirmed Aramco was currently evaluating the concentration of lithium in its oilfield brine.

Sources had told Reuters on Friday Aramco was at the early stages of work on lithium extraction, regarded as a critical mineral by many major economies because of its use in battery manufacture.

"This is a work in progress," Nasser said.

Reporting by Yousef Saba and Maha El Dahan, Editing by Louise Heavens, Elaine Hardcastle

Press Release

Aramco announces full-year 2023 results

Second-highest ever net income, total dividends paid rises 30% year-on-year

- *Second highest ever net income of $121.3 billion (2022: $161.1 billion)*
- *Total dividends of $97.8 billion paid in 2023, up 30% from 2022*
- *Board declares 4% YoY increase in base dividend for Q4 2023 to reach $20.3 billion, to be paid in the first quarter of 2024, and 9% increase in performance-linked dividend distribution of $10.8 billion, compared to two payments of $9.9 billion in H2 2023*
- *Total full year performance-linked dividend to be paid in 2024 is expected to be $43.1 billion, including the $10.8 billion in Q1, based on the previously announced mechanism and subject to Board approval*
- *Cash flow from operating activities: $143.4 billion (2022: $186.2 billion)*
- *Free cash flow*: $101.2 billion (2022: $148.5 billion)*
- *Gearing ratio*: -6.3% as at December 31, 2023 (end of 2022: -7.9%)*
- *Increased capital investments of $49.7 billion, including $42.2 billion organic capex (2022: $38.8 billion, including $37.6 billion organic capex)*
- *Q4 2023 net income in line with analyst consensus, despite taking certain non-cash charges of c.$1.5 billion*
- *Gas production growth target raised to more than 60% by 2030, against 2021 baseline*
- *First international investment in LNG supports strategic portfolio expansion and value creation*
- *Downstream expansion continues to add value as footprint grows in the Kingdom of Saudi Arabia and key global markets*
- *Renewables focus reflected in shareholders' agreement to participate in developing two solar projects, with an anticipated combined capacity of 2.66 GW*

DHAHRAN, Saudi Arabia, March 10, 2024 – The Saudi Arabian Oil Company ("Aramco" or "the Company") today announced its full-year 2023 financial results, reporting a net income of $121.3 billion, its second-highest ever net income.

The results, underpinned by Aramco's unique operational flexibility, reliability and low-cost production base, reflect the Company's ongoing commitment to creating value for its shareholders.

Amin H. Nasser, Aramco President & CEO, said:

"In 2023 we achieved our second-highest ever net income. Our resilience and agility contributed to healthy cash flows and high levels of profitability, despite a backdrop of economic headwinds. We also delivered for our shareholders with a 30% year-on-year increase in total dividends paid in 2023.

"Our capital expenditures increased in line with guidance as we seek to create and capture additional value from our operations, positioning the Company for a future in which we believe oil and gas will be a key part of the global energy mix for many decades to come, alongside new energy solutions.

"The recent directive from the government to maintain our Maximum Sustainable Capacity at 12 million barrels per day provides increased flexibility, as well as an opportunity to focus on increasing gas production and growing our liquids-to-chemicals business. At the same time, we continue to make progress on several strategic crude oil increments which will contribute to our reliability, operational flexibility and ability to seize market opportunities.

"In parallel, announcements of our first international investment in LNG, the growth of our international retail operations, continued progress in major overseas refining and chemical projects, and our emerging new energies portfolio all serve to highlight our ability to capitalize on new market opportunities and advance our strategic objectives."

<u>Financial Highlights</u>

Aramco's net income was $121.3 billion in 2023, compared to $161.1 billion in 2022, representing Aramco's second highest ever net income. The year-on-year decrease can be attributed to lower crude oil prices and volumes sold, as well as reduced refining and chemicals margins, partially offset by a decrease in production royalties during the year and lower income taxes and zakat.

Free cash flow* reached $101.2 billion in 2023, compared to $148.5 billion in 2022. Aramco's balance sheet remains strong and its gearing ratio* at the end of 2023 was -6.3%, compared to -7.9% at the end of 2022.

Total dividends of $97.8 billion were paid in 2023, up 30% from 2022. Aramco declared a base dividend of $20.3 billion for the fourth quarter, to be paid in Q1 2024. In addition, the Board has approved the third distribution of performance-linked dividends in the amount of $10.8 billion.

In August 2023, the Company announced its intention to calculate the first performance-linked dividends based on the combined full-year results of 2022 and 2023, to be distributed over six quarters starting from the third quarter of 2023. The full year performance-linked dividend to be paid in 2024 is expected to be $43.1 billion, including the $10.8 billion in Q1, based on the previously announced mechanism and subject to Board approval.

Capital investments in 2023 reached $49.7 billion, including $42.2 billion organic capex. This represents a 28% increase from capital investments of $38.8 billion in 2022, including $37.6 billion organic capex. Aramco expects 2024 capital investments to be approximately $48 to $58 billion, growing until around the middle of the decade. The directive to maintain Maximum Sustainable Capacity at 12 million barrels per day, mainly from deferral of projects not yet commissioned and reductions in infill drilling, is expected to reduce capital investment by approximately $40 billion between 2024 and 2028.

Operational Highlights

In 2023, Aramco's average hydrocarbon production was 12.8 million barrels of oil equivalent per day (mmboed), including 10.7 million barrels per day (mmbpd) of total liquids.

Aramco continued its strong track record of supply reliability, by delivering crude oil and other products with 99.8% reliability in 2023.

Progress continues on the Company's Marjan, Berri, Dammam and Zuluf crude increment projects, which are intended to enhance Aramco's reliability, operational flexibility and ability to capture value from higher global demand, while contributing to its capability to maintain a Maximum Sustainable Capacity of 12.0 mmbpd.

The Company's gas projects are also advancing with the aim of increasing gas production by more than 60% by 2030, compared to 2021 levels. These projects include the Hawiyah Unayzah Gas Reservoir Storage, where injection activities have commenced with the goal of providing up to two billion standard cubic feet per day (bscfd) for reintroduction into the master gas system; completion of the Hawiyah Gas Plant expansion, increasing the plant's raw gas processing capacity by 800 million standard cubic feet per day (mmscfd), including approximately 750 mmscfd of sales gas capacity; and production of the first unconventional tight gas from the South Ghawar operational area.

The Company announced its first international investment in LNG, following the signing of definitive agreements to acquire a strategic minority stake in MidOcean Energy. Completion of the transaction is subject to closing conditions, which include regulatory approvals.

In line with Aramco's strategic goal to advance its liquids-to-chemicals strategy, the Company acquired a 10% interest in Rongsheng Petrochemical Company Limited (Rongsheng Petrochemical).

Under a long-term sales agreement, Aramco has the right to supply 480,000 barrels per day (mbpd) of crude oil to Rongsheng Petrochemical's affiliate, Zhejiang Petroleum and Chemical Company Limited (ZPC), which operates one of the largest integrated refining and chemicals complex in China.

Complementing Aramco's premium-branded lubricant products, the Company completed its acquisition of Valvoline Inc.'s global products business. The acquisition is expected to optimize Aramco's global base oils production capabilities, and expand its R&D activities and partnerships with original equipment manufacturers.

Aramco and TotalEnergies awarded engineering, procurement, and construction contracts for the $11.0 billion Amiral complex, a future world-scale petrochemicals facility expansion at SATORP refinery in Jubail, Saudi Arabia. The new complex aims to house one of the largest mixed-load steam crackers in the region, with a capacity to produce 1.65 million tons per annum of ethylene and other industrial gases. It is expected to enable SATORP to advance Aramco's liquids-to-chemicals strategy with expected commercial operations in 2027.

Supporting the expansion of its global retail operations, Aramco has completed the purchase of a 100% equity stake in the Chilean retailer Esmax Distribución SpA (Esmax), one of the leading diversified downstream fuels and lubricants retailers in Chile, from Southern Cross Group, representing the Company's first downstream retail investment in South America. Aramco also signed definitive agreements to acquire a 40% equity stake in Gas & Oil Pakistan Limited (GO), a diversified downstream fuels, lubricants and convenience stores operator in Pakistan, subject to customary closing conditions, including regulatory approvals.

Advancing its role in renewables development, and in line with its aim to capitalize on the Kingdom's solar resources, Aramco entered into a shareholders' agreement with the Public Investment Fund (PIF) and ACWA Power for the development of the Al Shuaibah 1 and Al Shuaibah 2 photovoltaic solar projects in the Kingdom of Saudi Arabia. With an expected combined capacity of 2.66 GW, commercial operations are expected to commence in 2025.

As part of Aramco's corporate development activities, and to enhance its supply chain ecosystem, the Company also signed a shareholders' agreement with Baoshan Iron & Steel Co. Ltd. (Boasteel) and PIF to establish a world-class steel plate manufacturing complex in the Kingdom of Saudi Arabia, as well as a shareholders' agreement with DHL for a new Procurement and Logistics Hub.

Yanbu Refinery became the fourth Aramco facility to be added to the World Economic Forum Global Lighthouse Network, having been recognized for its pioneering deployment of cutting-edge technologies to deliver a range of operational, commercial and environmental benefits. This reflects Aramco's continued focus on the development and deployment of state-of-the-art Fourth Industrial Revolution technologies, which enhance operations.

Aramco will discuss its full-year financial results for 2023 in an audio webcast on March 11, 2024 at 3.30pm Riyadh / 12.30pm London / 8.30am New York. To register for the webcast, visit www.aramco.com/investors.

**Please refer to www.aramco.com/investors for reconciliation of non-IFRS measures.*

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About Aramco

Aramco is a global integrated energy and chemicals company. We are driven by our core belief that energy is opportunity. From producing approximately one in every eight barrels of the world's oil supply to developing new energy technologies, our global team is dedicated to creating impact in all that we do. We focus on making our resources more dependable, more sustainable and more useful. This helps promote stability and long-term growth around the world. www.aramco.com

Disclaimer

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https://twitter.com/CENTCOM/status/1766510050649022808

U.S. Central Command
@CENTCOM

US and Coalition Defeat Houthi Attack in Red Sea Area

Following further engagements through the morning, U.S. and Coalition forces downed a total of at least 28 uncrewed aerial vehicles between 4:00 a.m. and
8:20 a.m. (Sanaa time) on Mar. 9. No U.S. or Coalition Navy vessels were damaged in the attack and there were also no reports by commercial ships of damage.

10:03 AM · Mar 9, 2024 · 241.3K Views

197 405 970 44

https://twitter.com/CENTCOM/status/1766335457049391527

U.S. Central Command
@CENTCOM

US and Coalition Defeat Houthi Attack in Red Sea Area

Between 4 a.m. and 6:30 a.m. (Sanaa time), Iranian-backed Houthi terrorists conducted a large-scale uncrewed aerial vehicle (UAV) attack into the Red Sea and Gulf of Aden. CENTCOM and coalition forces identified the one-way attack (OWA) UAVs and determined that they presented an imminent threat to merchant vessels, U.S. Navy, and coalition ships in the region. U.S. Navy vessels and aircraft along with multiple coalition navy ships and aircraft shot down 15 OWA UAVs. These actions are taken to protect freedom of navigation and make international waters safer and more secure.

10:29 PM · Mar 8, 2024 · 274K Views

https://english.almasirah.net.ye/post/38608/Yemeni-Armed-Forces-Target%2C-US-Ship%2C-Several-Destroyers-in-Red-Sea%C2%A0

Yemeni Armed Forces Target, US Ship, Several Destroyers in Red Sea

News - Yemen: The Yemeni Armed Forces announced that the naval forces have carried out two military operations, triumphing for the oppressed Palestinian people and in retaliation to the US-British aggression against Yemen.

"The first operation targeted the American ship “Propel Fortune” in the Gulf of Aden with a number of naval missiles, while the second operation targeted a number of American war destroyers at the Red Sea and the Gulf of Aden with 37 drones, successfully," said the spokesman of the Armed Forces, General Yahya Sare'e.

The Yemeni Armed Forces hailed the Yemeni people for their million march demonstrations in Sana’a, and other governorates and districts, in confirmation of their support of the Palestinian people.

He also confirmed that the operations will continue in the Red and Arab Seas until the Israeli aggression stops and the siege on Gaza is lifted.

Yemenis have declared their open support for Palestine’s struggle against the Israeli occupation since the regime launched a devastating war on Gaza on October 7 after the territory’s Palestinian resistance movements carried out the surprise Operation Al-Aqsa Storm.

The Tel Aviv regime has also imposed a “complete siege” on the territory, cutting off fuel, electricity, food and water to the more than two million Palestinians living there.

Since the start of the offensive, the Tel Aviv regime has killed over 30,000 Palestinians and injured more than 72,000 others.

The Yemeni Armed Forces have announced preventing the Israeli-bounded ships from reaching the occupied Palestine through the Red Sea and Bab Al-Mandab until the Israeli aggression in stopped and the siege on Gaza is lifted .

The maritime attacks have forced some of the world’s biggest shipping and oil companies to suspend transit through one of the world’s most important maritime trade routes.

Tankers are instead adding thousands of miles to international shipping routes by sailing around the continent of Africa rather than going through the Suez Canal.

The US and Britain have been carrying out strikes against Yemen after Washington and its allies offered the Tel Aviv regime their unqualified support and said that Yemeni forces bear the consequences of their attacks against Israeli-linked ships sailing to and from the occupied territories.

The Yemeni Armed

about 3 hours

https://www.saba.ye/en/news3311194.htm

Revolution leader warns Israel, US, Britain that what is coming is greater

Revolution leader warns Israel, US, Britain that what is coming is greater

[07/March/2024]

SANA'A March 07. 2024 (Saba) - Revolution leader Sayyed Abdulmalik Badr al-Din al-Houthi on Thursday revealed important and amazing changes in the path of developing the Yemeni Armed Forces' capabilities allowing implementing qualitative and shocking operations against the enemy.

In a speech he delivered over the latest developments and updates on the Yemeni, Palestinian and regional arena, Sayyed al-Houthi warned the Israeli, American, British and all enemies that what is coming is greater in every sense of the word, adding all they must do is end their aggression, lift their siege, and stop the crimes of genocide against Gaza.

Al-Houthi said "What is coming is greater and there are great signs. We suit the action to the word. The enemy, the friend, and our dear people will see the level of achievements of strategic importance that place our country in its capabilities among the limited and numbered countries in this world."

The revolution leader called on the Yemeni people to take to al-Sabeen Square and other squares across Yemen tomorrow.

The leader said “I call on our people by the call of Allah , the call of the Qur’an and al-Aqsa, and by call on the Palestinian people to go out in the millions tomorrow in al-Sabeen Square and the rest of the squares, in solidarity with Palestine and its cause.”

Sayyed al-Houthi added that taking to the streets is part of Jihad and expresses loyalty, values, morals, and humanity with the people of Palestine.

He explained that taking to the streets will deeply express true solidarity with the Palestinian people and reflect steadfastness and continuity against the enemy's bet, claiming that it will be affected by the passage of time and forgetting the pivotal Palestinian issue.

The Yemeni Front:

The revolution leader said "The largest movement of the Yemeni people towards any issue they have faced is their movement to support the Palestinian people against the Israeli aggression on Gaza. Our Yemeni people have never moved with such a level of movement in demonstrations, rallies and various activities."

He stated that the Yemeni people did not go out in al-Sabeen Square at the height of the US-Saudi aggression every week, but rather once or twice a year, but they moved in an unprecedented manner and with a sense of responsibility towards the oppression of the Palestinian people.

The revolution leader described the movement of the Yemeni people at the level of rehabilitation and mobilization as unprecedented compared to the previous stages in confronting the US-Saudi-Emirati aggression.

He stated that the number of missiles that were launched in naval operations and into occupied Palestine in the past 5 months is more than what was launched into Saudi Arabia and the UAE in eight years of aggression against Yemen.

Al-Houthi stressed that the momentum of the armed forces in their operations with drones, missiles, and naval forces is not comparable to any period during the years of aggression against the country.

He went on to say, "We seek to do more with Palestine than we did for ourselves, our country, and our people, and our people moved to support the Palestinian cause more than they moved for their cause, themselves, and their oppression, including the armed forces moving with more effectiveness and momentum than before during the past stages."

The revolution leader reiterated that the events that the Yemeni people went through made them rise in their awareness, their sense of responsibility, their capabilities, and their practical activity.

The leader stressed that the enemies sought during the last stage to destroy everything that builds and develops the people, but they failed in their strategy.

Sayyed Abdulmalik Badr al-Din al-Houthi stated that the number of support operations for Gaza carried out from the beginning of the Battle of “al-Aqsa Flood” until today amounted to 96 operations and 403 ballistic and winged missiles and drones were launched in the support operations for al-Aqsa Flood.

He said that 61 ships were targeted in complex and puzzling operations for the enemies, as the ships move in the sea and far from the Yemeni coast, although there are occupied provinces that separate the missile force from the coast there, and operations are carried out in the Gulf of Aden.

Al-Houthi added the remoteness of the ships, their technical and technical camouflage, and the deception in information have been overcome," considering that discovering the ships and hitting them accurately and with ballistic missiles for the first time is an achievement in every sense of the word.

The revolution leader stated that there was a technical and tactical achievement and a major breakthrough that the Americans recognized, and the American military personnel expressed their astonishment.

Al-Houthi pointed out that the number of operations carried out in the Red and Arab seas amounted to 64 operations, and the operations carried out in occupied Palestine amounted to 32 operations, indicating that the support operations carried out this week amounted to eight operations, during which seven ships were targeted with 19 missiles and a drone.

He added "One of our most prominent operations from Friday to Thursday was targeting the American and Israeli ships and setting them on fire. New weapons were used in the recent operations, and the Americans and the British were surprised by the attacks."

The revolution leader also confirmed that the enemies are unable to limit the operations despite their attempts, but they have failed in every sense of the word, and they are trying to distort the operations of the Yemeni armed forces.

He considered the activities, rallies and demonstrations, which amounted to 2,539 and 26,770 activities, an essential part of the situation and integrated with the military operations, and a back and support for them, pointing out that the popular and community vigils amounted to 76,051 vigils, 148,299 student vigils in universities and schools, and 40,969 evening vigils.

The leader stated that the number of women's activities and endowments amounted to 2,422, the central women's endowments amounted to 232, the seminars reached 11,838, and 42 giving and spending convoys, including the movement and interaction of the Yemeni people, which is rarely matched by any people or any country in the world.

Al-Houthi added "We applaud, motivate, and encourage everyone to take the necessary action that befits the level of responsibility and the extent of the oppression of the Palestinian people. In just two weeks, 358 marches and demonstrations took place, 3,032 events were held, and 5,372 popular vigils were held."

He continued "Within two weeks, 6,939 student vigils were held in universities and schools, and 10,398 evenings," pointing out that the advantage of the Yemeni people's interaction is consistency and continuity, because the Arab situation is momentary interaction, then coldness and lack of a sense of responsibility.

Sayyed Abdulmalik Badr al-Din al-Houthi stated that boredom, apathy, and lack of interaction are a very unfortunate state that expresses a great weakness in the level of faith and awareness that a person carries, and a great responsibility towards the terrible crimes and unparalleled oppression of the Palestinian people.

He stressed that continuity, steadfastness, and progressive work is what indicates faith, awareness, maturity, and wisdom, and expresses a sense of responsibility.

He stressed the great importance of combat training and military qualification, and the courses continue and the outputs are many, as the combat courses reached more than 282,000 trainees during the period of the aggression on Gaza, the military parades reached 350,000, the maneuvers reached 719, and the military march reached 652 rallies.

The leader explained that the American is continuing its aggression against Yemen to support the Israeli enemy and to protect the Israeli crime in Gaza.

He pointed out that the American-British bombing during this week amounted to 18 raids and naval bombardments, all of which were failures and had no effect.

The leader said that a citizen was martyred and six others were injured in the American-British aggression during this stage.

The revolution leader indicated that there have been 344 raids and naval bombardments since the beginning of the American-British aggression against Yemen, all of which have failed and will not limit Yemeni capabilities.

He stressed that there is a successful, rapidly increasing path in developing military capabilities of Yemen.

He said "There are important and amazing results, thank Allah, in developing military capabilities and the speed of achievement. At the beginning of the American-Saudi aggression against our country, the missile range was approximately 40-45 kilometers, then it reached a level of more than a thousand kilometers."

Al-Houthi added "... at the level of range, superior accuracy in hitting, and destructive capacity, there is American astonishment, especially in yesterday's strike that hit an American ship. There is astonishment at the accuracy of the hit and the power of destruction."

He also confirmed that there is a speedy progress than the American techniques through which it is trying to limit or confront the Yemeni military capabilities.

The leader pointed out that the American failed in its aggression and will never reach a result, neither in limiting the capabilities, nor in stopping operations of Yemen.

He stressed the only way to stop the Yemeni navy operations is to stop the aggression and lift the siege on Gaza.

"Escalation will not benefit the enemies, but will have effects on them, and they will lose on the economic level. The heavy loss involves not only the Israeli enemy, but also the Americans and the British." , and the impact on their economic situation is increasing day by day.," he continued.

Al-Houthi stated that the military cost for the enemies is high and the more they mobilize in the Red and Arab seas, the more it will cost them, stressing that the Yemeni people will continue to develop military capabilities under the care of the Almighty God.

The continuation of the Zionist-American aggression:

The revolution leader explained that the Israeli-American aggression against the Palestinian people in Gaza continues for the 22nd week, relying on its brutal behavior with all means of extermination, and committing mass murder massacres with American bombs, mass starvation, and epidemics.

The leader considered the Israeli-American crime in Gaza is a witnessed crime committed by the European-American Zionist enemy in full view of the peoples of the entire world.

Al-Houthi pointed out that genocide crimes are being committed in Gaza in an era when Western countries present themselves as being at the peak of interest in values and morals.

He pointed out that the crime of genocide that occurs daily in Gaza harms human society, and it is shameful to watch it and not take action to stop it, indicating that the enemy invents crimes in new forms in Gaza, targeting women and children and everyone who goes out to search for food.

Sayyed Abdulmalik Badr al-Din al-Houthi confirmed that the Zionist enemy uses starvation as a direct means of extermination, and this happens daily, and it intends to kill hundreds of Palestinians when they gather to obtain limited food and humanitarian relief aid.

Al-Houthi said "When Palestinians gather to get the meager meals dropped by planes, the enemy begins targeting and killing them, in front of hospitals, in schools, camps, and on the roads."

Continuation of daily massacres:

The revolution leader stated that the enemy increased the number of genocide crimes in Gaza during this week, with an average of at least seven massacres every 24 hours, including killing, famine, and disease, there is severe suffering for the Palestinian people for the continued stifling siege on the Gaza Strip.

Al-Houthi stated that the Israeli enemy targets even the hungry people who go out to fish in the sea in the Gaza Strip, and it is shameful for human society to remain silent about the oppression of Gaza and suffice with condemnation and sympathy without practical steps to stop it.

He held America fully responsible for the war crimes of genocide and starvation in Gaza, and the Israelis would not have been able to do what they did in Gaza without American support and its participation.

Al-Houthi pointed out that the total amount of food supplies the American dropped did not amount to three or four truck loads, and with operational coordination with the enemy to kill anyone who gathered to obtain them. The Americans behave in an aggressive manner with the Palestinian people.

He added "The American generously provided tens of thousands of bombs and tons of explosives to be dropped on the heads of Gaza residents. He, the American, comes to deliver a few meals to the Palestinians in Gaza, and is trying to provide the method of dropping food from the air as an alternative to the legitimate entitlement to entry of medicine and food."

Sayyed Abdulmalik Badr al-Din al-Houthi pointed out that there are land and sea corridors through which aid can enter to satisfy the hunger of the people of Gaza, but the Americans prevent that, explaining that the meals dropped from the air, many of them reach the sea, and a little reaches the people, and they are not worth anything in front of the suffering faced by the residents of the Gaza Strip.

Al-Houthi also confirmed that the American provided 100 free arms deals to the Israeli enemy while obstructing any serious move to bring food and medicine into Gaza as a means of torturing the Palestinian people, and there are more than seventy thousand tons of bombs and explosives that were thrown at the Palestinian people in their cities and homes.

Health status:

The revolution leader touched on the health situation in Gaza and its state of complete collapse, and the remaining hospitals suffering from a lack of fuel and medicine, indicating that there are some reports that speak of a million cases of infectious diseases among the people of Gaza without the availability of medicine.

The leader stressed the failure of the American Zionist enemy to achieve its declared goals despite the great level of destruction, killing and starvation, pointing out that the resistance in the Gaza Strip is fighting on behalf of the entire nation.

Enemy economic losses:

Sayyed Abdulmalik Badr al-Din al-Houthi touched on the enemy’s continuing and escalating economic losses, saying “There is a very large depletion as a result of the costs of the war.”

He pointed out that the Yemeni naval operations inflicted great economic losses on the Israeli enemy, and there is a common Israeli-American disappointment for not breaking the will of the Palestinian people and their fighters.

Al-Houthi pointed out that the Zionists have no hope of achieving a decisive victory in Gaza, but rather they are arrogant and use the method of genocide and committing massacres.

He mentioned that Zionist leaders talk about their goals of eliminating the resistance movements in Gaza as unrealistic and impossible to implement, indicating that the huge amount of Zionist crime, brutality, disgrace and dishonor expresses failure and disappointment.

Global position:

The revolution leader reminded everyone of the unanimous global position on the criminality and brutality of what is happening in Gaza and the demands for a ceasefire, with the exception of America and Britain, stressing that the protest denouncing the direct American role in Gaza is escalating.

Al-Houthi addressed the protests that Biden is facing in electoral forums among the masses over the American role in the aggression against Gaza, praising Brazil’s position and the position of its president, which is clearer and bolder than the position of some Arab leaders.

He appreciated the advanced positions of Colombia, its president, Venezuela, and South Africa and the practical measures they took in severing relations with the enemy, noting the positions of some non-Islamic countries that some regimes and rulers in the Arab and Islamic world did not reach.

Sayyed Abdulmalik Badr al-Din al-Houthi pointed out that as a result of the failure and scandal, the Americans are moving under the title of a temporary truce in Ramadan instead of deserving of stopping the aggression and siege, indicating that the enemies want to continue their occupation of Gaza, and are seeking to use the title of truce to achieve military goals.

Al-Houthi criticized the condemnatory positions of some Islamic countries regarding what is happening in Gaza through statements that are not sufficient and that pressing practical steps must be taken.

Arab responsibility:

The revolution leader highlighted the double responsibility that falls on the Arabs to support the Palestinian people, humanely and religiously, stressing that the Americans and the Israelis are a danger to the nation through the criminality, aggression, and brutality they practice, which was evident today in Gaza.

He said "There is no friendly approach or real peace with any Arab country in the American and Israeli approaches, nor in their strategies," pointing out that one of the effects of oppression in Gaza is supposed to be an understanding of the enemy, its criminality, its aggression, and its tyranny.

Al-Houthi stated that the program with normalizing countries is not for peace, but rather for interest, destruction and control of countries, indicating that enemies do not want to obtain interests in a legitimate way that takes into account the rights of peoples.

Sayyed Abdulmalik Badr al-Din al-Houthi pointed out that the Americans are adopting an aggressive colonial outlook to take care of the interests of the Israeli enemy in a way that enables it to control it as its exclusive agent, while the stupidly normalized countries have opened the way for the Israeli enemy to penetrate everything.

He explained that through naturalization, the enemy can infiltrate the official apparatus, and there is a broad program to control the normalized countries, and seeks to influence the ideological structure, identity, and belonging in the normalized countries with distorted morals and values. It also seeks demographic change in some normalized countries, within broad programs of control and acquisition.

The revolution leader reiterated that the nation has no choice and no escape except through serious action and support of the Palestinian people, and to deal with what builds the nation to confront the danger of enemies, pointing out that the official positions in the Islamic and Arab world are still very weak and do not go beyond statements.

Al-Houthi stated that Islamic statements on the Palestinian issue are formulated in a way that the Israeli desires.

The position at the popular level:

Sayyed Abdulmalik Badr al-Din al-Houthi explained that at the popular level, the oppression of the Palestinian people is supposed to have an impact on awareness, awakening conscience, and practical action, and the oppressed peoples are required to take action, even if at the level of boycotting American and Israeli goods and products.

He said “The companies supporting the enemy were supposed to declare bankruptcy due to their reliance on Arab and Islamic markets, and had it not been for the jihad in Palestine and Hezbollah in Lebanon, the enemy would have caused great damage to the nation.”

He indicated that the peoples have greater opportunities to act and the blame and responsibility are greater for them.

He added, "In the context of great disappointment and negligence, there are fronts of support with the actual position, foremost of which is the Hezbollah front, which continues with quantitative and qualitative momentum, effectiveness, influence, and direct engagement, as a strong support front for the Palestinian people, and directly confronting the Israeli enemy."

The revolution leader confirmed that the Iraqi front continues to target the Israeli enemy, and the hope is that its operations will escalate more and more.

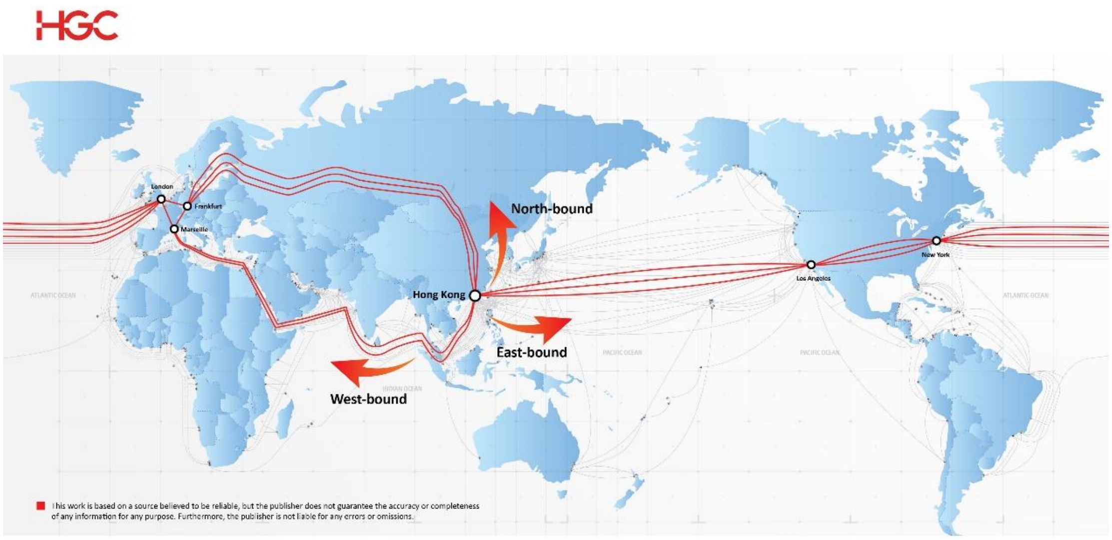
H.H

[Media Statement]

Supplementary Information of HGC Global Communications Regarding Submarine Cable Damage in the Red Sea

To Demonstrate Hong Kong as International Telecommunication Hub

1. Seriousness of the Red Sea Incident:
    - Among 15+ submarine cables in the Red Sea, 4 of them (Seacom, TGN, AAE-1, EIG) are cut which we estimated impact 25% of traffic
    - Around 15% of Asia traffic goes west-bound, while 80% of those traffic will pass through these submarine cables in the Red Sea
2. In light of this situation, HGC has already taken necessary measures to mitigate for our clients. We have successfully devised a comprehensive diversity plan to reroute affected traffic:
    - North-bound: departing from Hong Kong and routing through mainland China to Europe;
    - East-bound: departing from Hong Kong and routing through the United States to Europe;
    - West-bound: diversifying traffic within the rest of 11 submarine cables system in the Red Sea



3. HGC always stands by and has long planned strategy in response to network cut incident. In our past experience in submarine cables cut after Taiwan Earthquake in 2006, majority of Hong Kong traffic were affected while HGC played a crucial role in diversifying the affected traffic in Hong Kong
4. In addition to protecting our customers, HGC is also extending assistance to affected businesses. We have received inquiries from MENA (Middle East and North Africa regions) carriers, for contingency rerouting options from Hong Kong networks to West-bound

5. Hong Kong remains as one of the important international telecommunication hub. In this incident, HGC further enhances Hong Kong position and participation in telecommunication services around the global

For media inquiries or further information, please contact:

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Tel: +852 2128 5218 / +852 2128 5813
Email: pr@hgc.com.hk

About HGC Global Communications Limited

HGC Global Communications Limited (HGC) is a leading Hong Kong and international telecom operator and ICT solution provider. The company owns an extensive network and infrastructure in Hong Kong and overseas and provides various kinds of services. HGC has 19 overseas offices and staff presence in 31 cities worldwide. It provides telecom infrastructure service to other operators and serves as a service provider to corporate and households. The company provides full-fledged telecom, data centre services, ICT solutions and broadband services for local, overseas, corporate, SME and mass markets. HGC owns and operates an extensive fibre-optic network, five cross-border telecom routes integrated into tier-one telecom operators in mainland China and connects with hundreds of world-class international telecom operators. HGC is one of Hong Kong's largest Wi-Fi service providers, running over 29,000 Wi-Fi hotspots in Hong Kong. The company is committed to further investing and enriching its current infrastructure and, in parallel, adding on top the latest technologies and developing its infrastructure services and solutions. In 2019, HGC Group completed the acquisition of Macroview Telecom Limited (Macroview), a leading digital technology solution and managed services provider. The addition of Macroview further accelerates HGC Group's digital transformation path and positioning as a pioneering ICT and digital services leader. HGC is a portfolio company of I Squared Capital, an independent global infrastructure investment manager focusing on energy, utilities and transport in North America, Europe and selected fast-growing economies.

To learn more, please visit HGC's website at: www.hgc.com.hk https://www.submarinecablemap.com/

Submarine Cable Map

The Submarine Cable Map is a free and regularly updated resource from TeleGeography.

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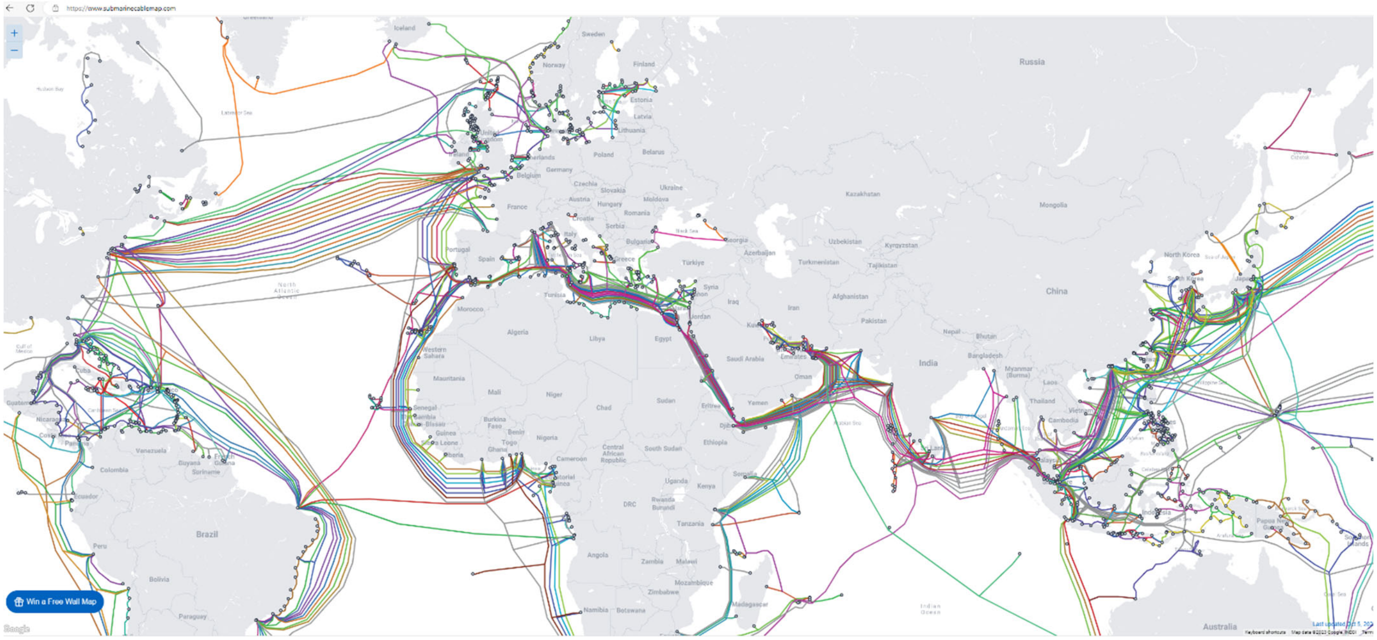
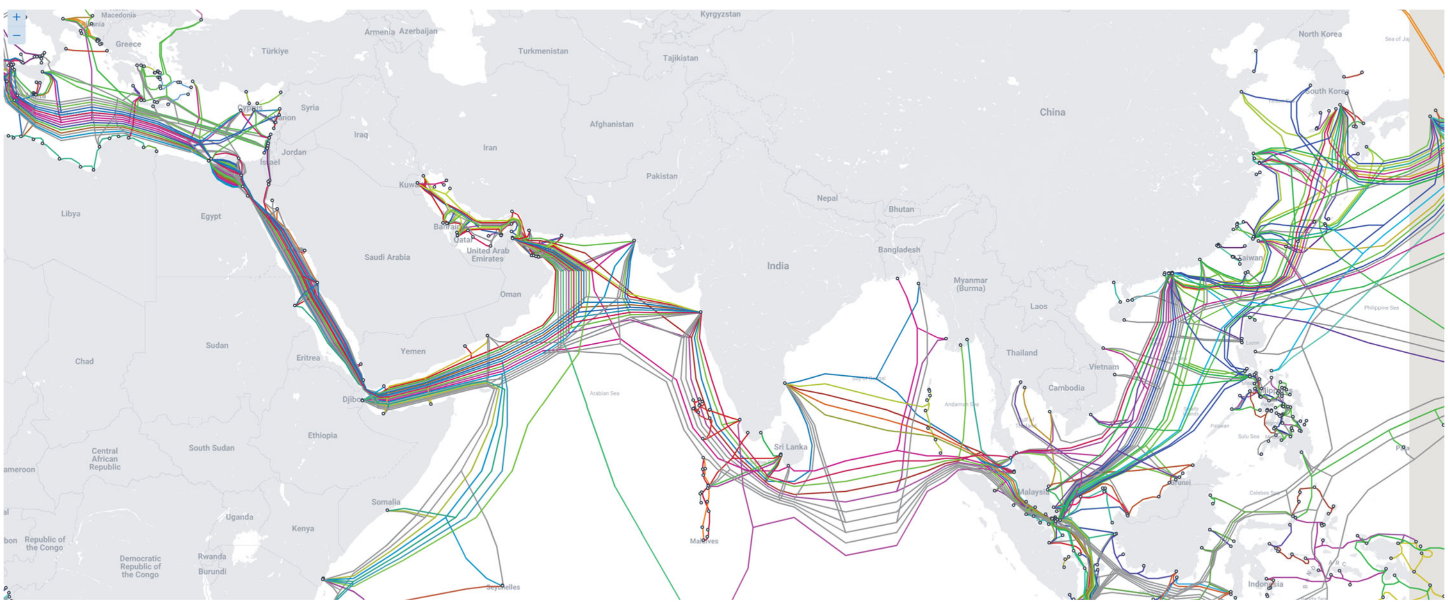




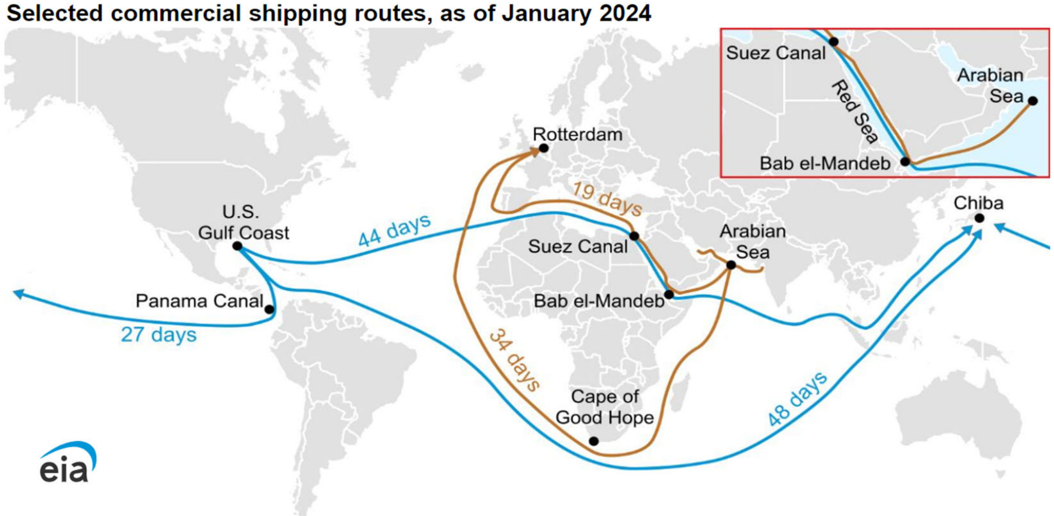
Map included with attributions in SAF Group Energy Tidbits memo https://safgroup.ca/news-insights/

https://www.eia.gov/todayinenergy/detail.php?id=61363

FEBRUARY 1, 2024

Red Sea attacks increase shipping times and freight rates

Selected commercial shipping routes, as of January 2024



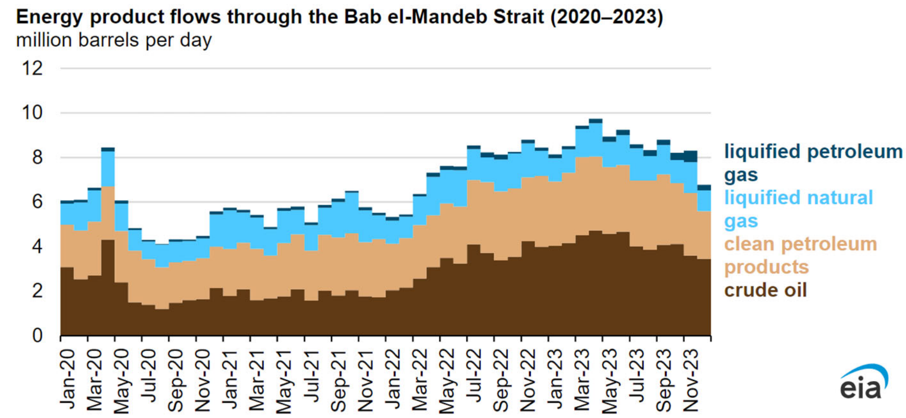
Data source: U.S. Energy Information Administration using calculations from Vortexa
Note: Voyage time is calculated for laden Suezmax tankers traveling at 14 knots without extended chokepoint delays.

After Yemen-based Houthi militia attacks on commercial ships transiting the Red Sea started in November 2023, some vessels began opting to avoid the Bab el-Mandeb chokepoint—a narrow strait that borders the Yemeni coast and is the southern entrance to the Red Sea. Instead, they're choosing to take longer, more costly routes around the tip of Africa.

Ships transiting between Europe and Asia via the Suez Canal must pass through the Bab el-Mandeb Strait, which connects the Red Sea to the Gulf of Aden. The Bab el-Mandeb Strait is an important oil and natural gas chokepoint, accounting for 12% of seaborne oil trade and 8% of liquefied natural gas (LNG) trade in the first half of 2023. Major oil and natural gas companies that are avoiding the Red Sea include Equinor, which operates mostly natural gas carriers, and bp, which operates both oil and natural gas carriers. As of January 23, 2024, other major energy companies pausing Red Sea transits include Euronav, QatarEnergy, Torm, Shell, and Reliance.

Vessels that do not pass through the Suez Canal via the Bab el-Mandeb Strait and Red Sea can go around southern Africa via the Cape of Good Hope, but that route can add significant time to the voyage, depending on the ship's origin and its destination. A typical voyage from the Persian Gulf to the Amsterdam-Rotterdam-Antwerp petroleum trading hub (ARA) via the Suez Canal takes 19 days. If the ship takes the Cape of Good Hope route, it takes nearly 35 days to reach the ARA. For products leaving the U.S. Gulf Coast and heading toward Asia, vessels typically pass through the Panama Canal, which is nearly a month-long trip. Due to the ongoing drought and restrictions at the Panama Canal, more Very Large Gas Carriers (VLGCs), which primarily carry propane and butane, started going through the Suez Canal. Now some of these VLGCs are going around the Cape of Good Hope. A journey from the U.S. Gulf Coast to Chiba in Japan through the Suez Canal adds about 17 days and one through the Cape of Good Hope adds about 21 days, compared with going through the Panama Canal.

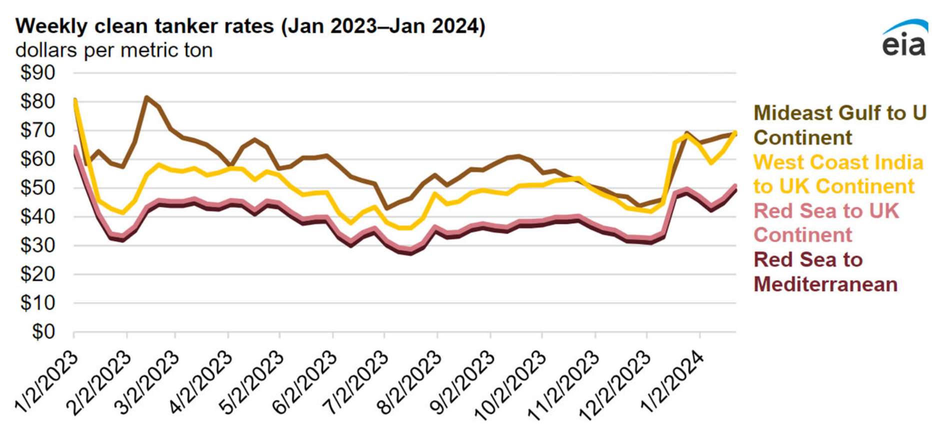
Longer routes put upward pressure on freight rates because of fuel costs and fewer available ships. A VLGC, for example, consumes about $30,000 to $35,000 worth of fuel per day if using high-sulfur bunker fuel at average 2023 prices. In addition to adding to fuel costs, a longer voyage requires more ships to maintain the same delivery schedule, and fewer available ships contribute to higher tanker rates and costs.



Data source: Vortexa
Note: Clean petroleum products include gasoline, distillate, diesel, jet fuel, naphtha, and biodiesel.

After the attacks began in November, flows of oil, refined products, and natural gas passing through the Bab el-Mandeb Strait slowed. About 18% less crude oil flowed through the Bab el-Mandeb in December than on average from January to November 2023. Most crude oil trade that goes through the Bab el-Mandeb Strait leaves Russia and Iraq en route to Asia and the Mediterranean, respectively. Clean petroleum product flows through the Bab el-Mandeb Strait were 30% lower in December than the rest of 2023. The majority of petroleum product trade leaves Saudi Arabia and India bound for Europe and leaves Russia bound for Asia.

In December, 24% less LNG and 1% more liquefied petroleum gas (LPG) were traded globally compared with the rest of 2023. Vessel restrictions at the Panama Canal due to a drought are causing more VLGCs leaving from the United States to head east toward either the Suez Canal or the Cape of Good Hope. LPG flows through the Bab el-Mandeb increased by 59% in 2023 compared with 2022 because water conservation efforts at the Panama Canal began in January 2023, causing delays and higher costs for VLGCs. The Combined Maritime Forces, a partnership representing 39 nations, warned ships to avoid the Bab el-Mandeb Strait on January 12, which will likely reduce passages through January 2024.



Data source: Argus Freight
Note: Rates are for long-range 1 tankers, except the Mideast Gulf to UK Continent rates, which are for medium-range tankers.

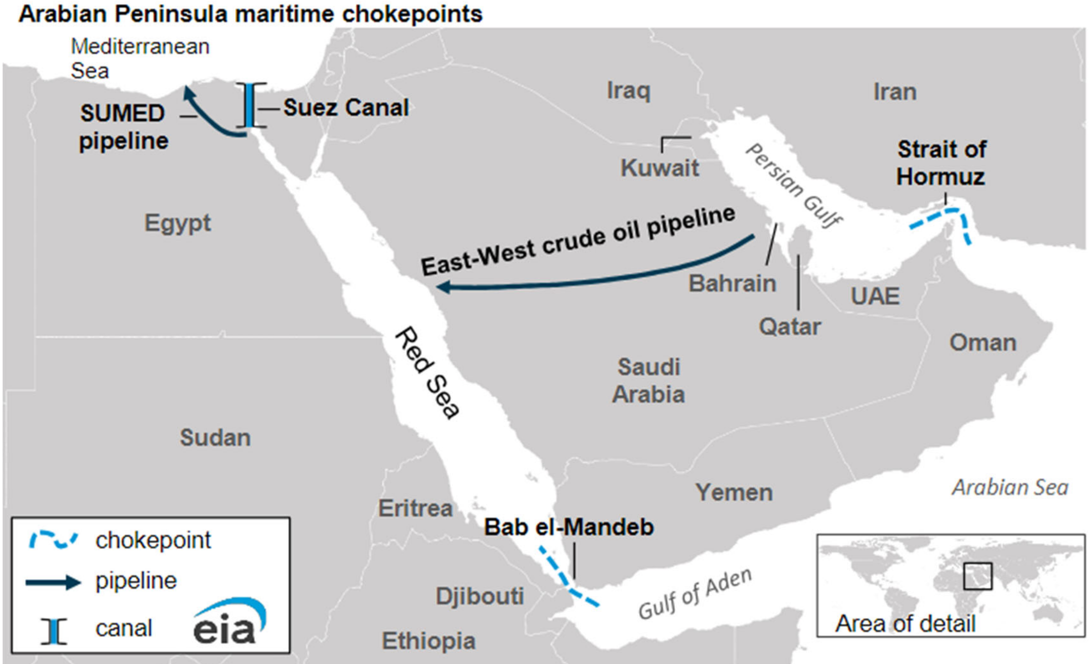
Clean petroleum product tanker rates for routes that cross the Bab el-Mandeb Strait and Suez Canal increased in December 2023 because of the ongoing conflict in the Red Sea. Because routes going through the Red Sea have elevated risk insurance premiums, these costs are passed on to tanker rates. For the four tanker rates that pass through the Red Sea, the average increase was 20% in December compared with November, according to Argus Freight. Long-range 1 tankers traveling from the western coast of India to the UK Continent increased the most (23%), and tankers traveling from the Mideast Gulf to the UK Continent increased the least (16%). Rates for dirty tankers, which mostly transport crude oil, have been relatively unchanged from the elevated prices in November.
Brent crude oil spot prices for the week ending November 17, 2023, the week before attacks on ships in the Red Sea began, were $82 per barrel (b). Since then, prices have traded in range, and they closed at $79/b as of January 18, 2024.

Principal contributor: Josh Eiermann https://www.eia.gov/todayinenergy/detail.php?id=61025

DECEMBER 4, 2023

Red Sea chokepoints are critical for international oil and natural gas flows

Arabian Peninsula maritime chokepoints



Data source: U.S. Energy Information Administration

The Suez Canal, the SUMED pipeline, and the Bab el-Mandeb Strait are strategic routes for Persian Gulf oil and natural gas shipments to Europe and North America. Total oil shipments via these routes accounted for about 12% of total seaborne-traded oil in the first half of 2023, and liquefied natural gas (LNG) shipments accounted for about 8% of worldwide LNG trade.

The Suez Canal and SUMED pipeline are located in Egypt and connect the Red Sea with the Mediterranean Sea. The SUMED pipeline transports crude oil north through Egypt and has a capacity of 2.5 million barrels per day. The Bab el-Mandeb Strait is between the Horn of Africa and the Middle East, connecting the Red Sea to the Gulf of Aden and Arabian Sea. Most exports of petroleum and natural gas from the Persian Gulf to Europe and North America pass through multiple chokepoints, including the Suez Canal or the SUMED pipeline and both the Bab el-Mandeb and the Strait of Hormuz.

Volume of crude oil, condensate, and petroleum products transported through the Suez Canal, SUMED pipeline, and Bab el-Mandeb Strait (2018–1H23)
million barrels per day

	2018	2019	2020	2021	2022	1H23
Total oil flows through Suez Canal and SUMED pipeline	**6.4**	**6.2**	**5.3**	**5.1**	**7.2**	**9.2**
crude oil and condensate	3.4	3.1	2.6	2.2	3.6	4.9
petroleum products	3.0	3.1	2.6	2.9	3.6	4.3
LNG flows through Suez Canal (billion cubic feet per day)	**3.3**	**4.1**	**3.7**	**4.5**	**4.5**	**4.1**
Total oil flows through Bab el-Mandeb Strait	**6.1**	**5.9**	**5.0**	**4.9**	**7.1**	**8.8**
crude oil and condensate	**3.0**	**2.7**	**2.2**	**1.9**	**3.3**	**4.5**
petroleum products	**3.1**	**3.2**	**2.8**	**3.1**	**3.8**	**4.4**
LNG flows through Bab el-Mandeb Strait (billion cubic feet per day)	**3.1**	**3.9**	**3.7**	**4.5**	**4.5**	**4.1**

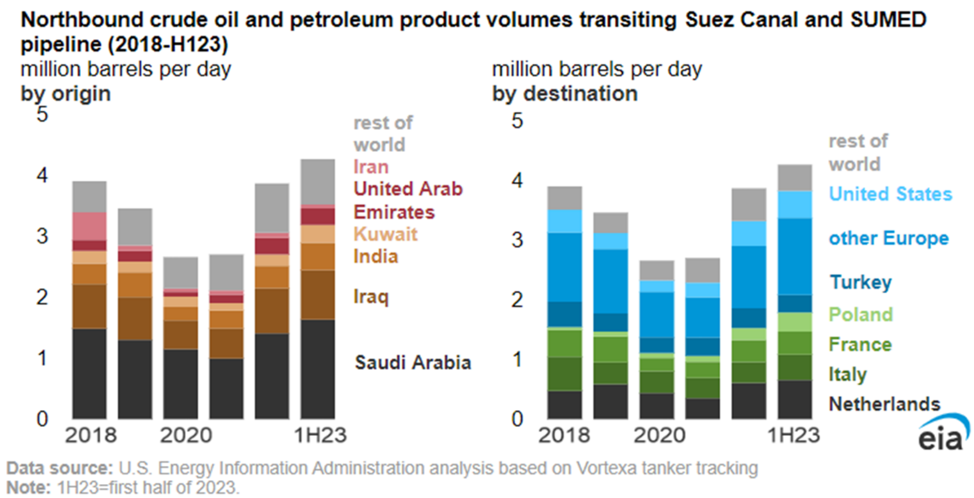
Data source: U.S. Energy Information Administration analysis based on Vortexa tanker tracking
Note: LNG=liquefied natural gas. 1H23=first half of 2023

Oil shipments

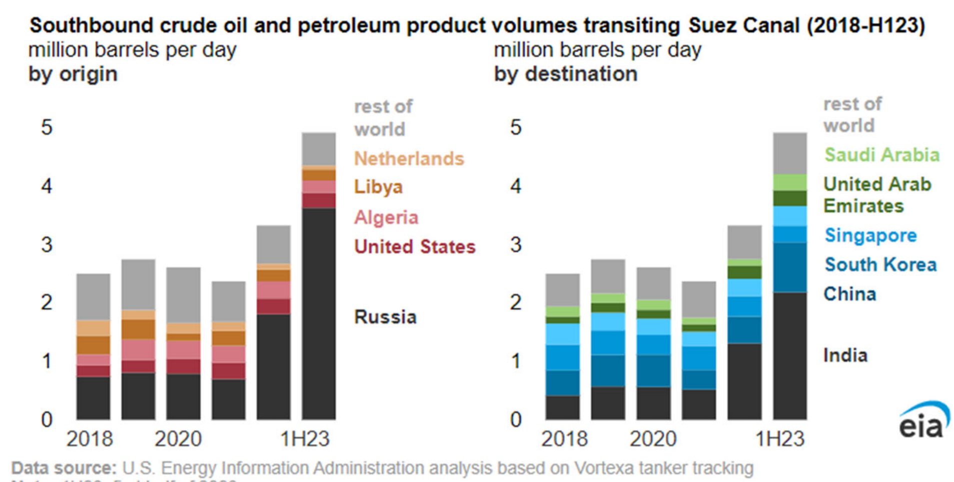
Northbound oil flows toward Europe via the Suez Canal and SUMED pipeline fell between 2018 and 2020. Renewed U.S. sanctions on

Iran reduced all exports from Iran, including those through the Suez Canal. In addition, less crude oil and oil products from Middle East producers moved through the Suez Canal because Europe imported less oil from the Middle East and more from the United States. The COVID-19 pandemic further reduced flows through the Suez Canal because of slowing global oil demand.

In the first half of 2023, northbound crude oil flowing through the Suez Canal and SUMED pipeline had increased by more than 60% from 2020, as demand in Europe and the United States rose from pandemic-induced lows. Also, Western sanctions on Russia's oil beginning in early 2022 shifted global trade patterns, leading Europe to import more oil from the Middle East via the Suez Canal and SUMED pipeline and less from Russia.

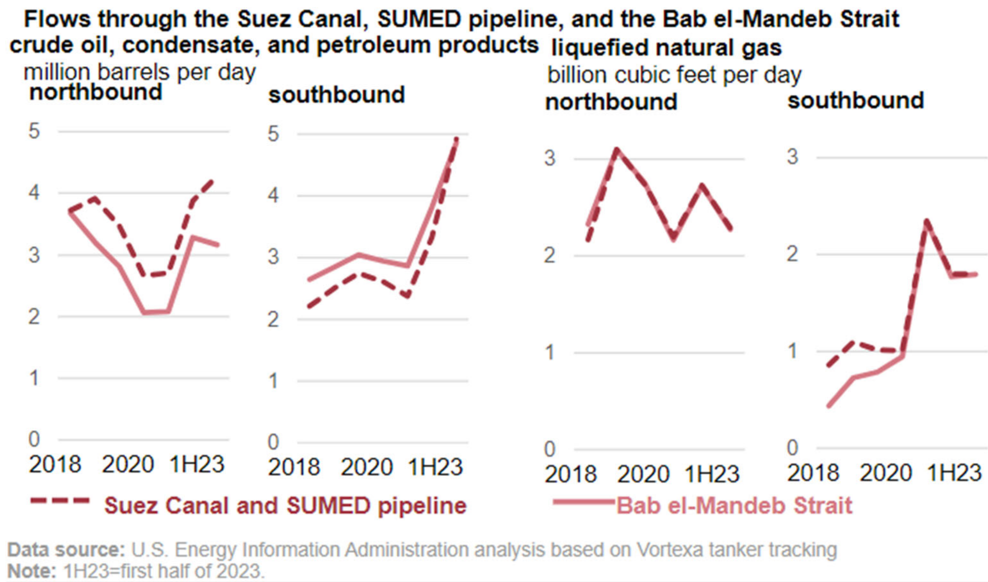


Southbound shipments through the Suez Canal rose significantly between 2021 and 2023, largely because of Western sanctions on Russia's oil exports. Oil exports from Russia accounted for 74% of Suez southbound oil traffic in the first half of 2023, up from 30% in 2021. Most of those export volumes were destined for India and China, which imported mostly crude oil from Russia. The Middle East, primarily Saudi Arabia and the United Arab Emirates, increased imports of refined oil products from Russia in 2022 and the first half of 2023 in order to generate electric power or to store or re-export.



LNG shipments

LNG flows through the Suez Canal in both directions rose to a combined peak in 2021 and 2022 of 4.5 billion cubic feet per day (Bcf/d) before total flows declined in the first half of 2023 to 4.1 Bcf/d. Southbound LNG flows more than doubled from 2020 to 2021, mainly driven by growing exports from the United States and Egypt heading to Asia. In 2022 and the first half of 2023, southbound LNG volumes via the Suez Canal declined as U.S. and Egyptian LNG exports both favored European destinations over Asian markets, supplanting some of the natural gas exports that Russia historically sent to Europe. Most of the variation in northbound volumes reflects changes in Qatar's exports to Europe (via the Suez Canal) compared with Asia. Qatar also sent more LNG to Europe in 2022 to replace some volumes from Russia, increasing northbound flows.



Data source: U.S. Energy Information

Although oil flow trends through the Bab al-Mandeb Strait are similar to those of the Suez Canal, more oil exits the Red Sea (northbound via the Suez Canal and southbound via the Bab el-Mandeb Strait) than enters the Red Sea through these chokepoints. Saudi Arabia transports some crude oil from the Persian Gulf via pipeline to the Red Sea for export mostly to Europe. LNG flows through the Bab el-Mandeb Strait have matched those in the Suez Canal over the last few years because the few LNG import terminals in the Red Sea have been used less.

Principal contributors: Candace Dunn, Justine Barden https://www.rudaw.net/english/business/02032024

Oil producers hope White House can pressure Sudani into resuming exports
yesterday at 01:32

Diyar Kurda@diyarkurda

WASHINGTON DC - The White House has issued an invitation to Iraqi Prime Minister Mohammed Shia' al-Sudani, and an association of oil producers working in the Kurdistan Region is hoping Americans can use that visit to pressure Baghdad into resuming oil exports.

"We know that Prime Minister Mohammed Shia' al-Sudani has been invited to visit the White House and we think that visit will happen after Ramadan, sometime in late April. And before he comes to Washington DC, the prime minister must put in place a budget for the KRG [Kurdistan Regional Government] and create the policy to restore full oil production and exports. This is our belief. And this is also a belief that has been echoed and is supported by many members of the United States Congress," Myles B. Caggins III, spokesperson for the Association of the Petroleum Industry of Kurdistan (APIKUR), told Rudaw in an interview on Thursday.

Kurdistan Region's oil exports were halted on March 25 last year after the Paris-based International Chamber of Commerce ruled in favor of Iraq in a longstanding arbitration case against Turkey. Baghdad and Erbil reached an initial agreement on resuming the exports, but the flow of oil is still halted as there remain disagreements between the oil companies and Baghdad over production costs. The KRG has lost billions of dollars in revenue because of the stoppage.

The international oil producers, including American companies, operating in the Kurdistan Region have requested members of the United States Congress to urge the administration of President Joe Biden to put more pressure on Baghdad to resume oil exports. Last week, once again, Caggins met with members of Congress to discuss the matter.

"We have had a good reaction and well-received from both sides of Congress, Democrats and Republicans. This week I've met with nine different offices. And all of these offices say that they are supportive" of resuming oil exports, said Caggins.

The US State Department has also urged Baghdad and Ankara to resume the exports as oil revenue is critical for the KRG.

"This is an important issue. And we know that the ITP [Iraq-Turkey pipeline] pipeline is really a critical source of revenue for the Kurdistan Regional Government. And it's also important for a number of international oil companies, which does include American companies as well. And so, the United States continues to engage in Baghdad and Erbil and Ankara... to urge all parties to engage in discussions that would allow the pipeline to resume production," US Deputy Assistant Secretary for Iraq and Iran Victoria Taylor told Rudaw in an interview on Wednesday.

If Sudani visits Washington soon, the oil producers are hopeful the White House can exert pressure on him to finally resume exports.

"We're fighting every day to get the oil into the pipeline as soon as possible. And most importantly, we think this is an issue of rights and respect for the constitution. The constitution of Iraq says that the Kurdistan Region can have an economy that is strong and contributing to all of the people in Iraq," said Caggins.

Rudaw: You met different people at Capitol Hill, from both political parties, and you're talking about the Kurdistan oil export stoppage issue. So, what have they told you about that?

Myles B. Caggins: I've been in Washington DC this week fighting on behalf of the people of Kurdistan. We are taking the message to members of the United States Congress, including the Senate and the House of Representatives, to let them know about these important issues affecting people in the Kurdistan Region. There are two big issues. One of them is the budget. We know Baghdad has not enacted, it has not had a budget for people in the Kurdistan Region. The second issue is oil. We want the US Congress to put pressure on Baghdad and also to inform the White House that Baghdad must restore full production and exports of oil.

I want to know about the effectiveness of the US Congress on this issue. We witnessed that last year, and in the past months, they have sent correspondence to the State Department, to the White House, but still the KRG oil exports have not resumed. So how could the Congress help with that issue?

The United States Congress is responsible for creating the budget. We call this appropriations. And in the budget every year there is money designated for Iraq. Right now, in 2024, Iraq will receive more than a billion dollars for military and security assistance, and also around $400 million for humanitarian and stabilization and development assistance. APIKUR has been informing Congress that it is not acceptable for Baghdad to take American tax dollars when Baghdad is refusing to generate its own money from the export of oil from the Kurdistan Region.

And what's their reaction to that?

We have had a good reaction and well received from both sides of Congress, Democrats and Republicans. This week I've met with nine different offices. And all of these offices say that they are supportive of Kurdish issues.

If we talk about this oil issue, are you going to meet the Iraqi oil ministry in the near future to discuss that issue with them?

The international oil companies and APIKUR members are always ready and willing to meet with the Ministry of Oil in Baghdad as well as the Kurdistan Ministry of Natural Resources.

Have any meetings been scheduled with the Iraqi oil ministry?

Currently there are no meetings scheduled but we've seen more statements from the Iraqi oil ministry saying that there are proposals on the table. One time we saw the oil minister say that in three days oil would resume. Here's our view at APIKUR. We know that Prime Minister Mohammed Shia' al-Sudani has been invited to visit the White House and we think that visit will happen after Ramadan, sometime in late April. And before he comes to Washington DC, the prime minister must put in place a budget for the KRG and create the policy to restore full oil production and exports. This is our belief. And this is also a belief that has been echoed and is supported by many members of the United States Congress.

So, what's your core issue with the Iraqi government? Why are they saying that the oil exports will resume in three days, but after three days, it's not happening? What's the core issue? Why can't you resolve it with them?

Well, the central government in Iraq has demonstrated that it is wanting to suppress and repress the Kurdistan Region. We see this in different ways. We see this by them not having a budget, so civil servants are not getting paid. That hurts the economy. Their inability to come up with a resolution for oil to go through the Iraq-Turkey pipeline also hurts the economy of all of Iraq and the KRG. And finally, we have seen the Iranian-aligned terrorist militia groups doing attacks into the Kurdistan Region with drones. And of course, the tragic killing of Peshwa Dizayee and a young baby.

Are you telling me that the Iraqi government is trying to make justifications and use every tool to not let the Kurdistan Region oil exports again because they want to put pressure on the Kurdistan Region? Or are they willing to solve this issue?

We have seen a lot of talk come out of Baghdad and we're ready for those talks to turn into action, because the answer should be simple. One year ago, when the oil was flowing through the Iraq-Turkey pipeline, everything was going fine. There was a billion dollars a month coming into Iraq, and there was money that was available for a budget. And now one year later, the losses have stepped up, there has been more than $10 billion lost. We have seen thousands of jobs in the Kurdistan Region lost from people who are working in the oil industry. And any of the budget issues that Iraq has can be resolved by the sale of oil through the Iraq-Turkey pipeline.

Let's come back to Washington. Do you expect any letters or correspondence from the Congress to the White House and also to the State Department on that issue in the coming days?

The writing of letters will be up to the members of Congress. But I know from some of the meetings I've had that some members of Congress are already talking about preparing correspondence to the White House. And this is a bipartisan issue. Republicans and Democrats are interested. Your viewers, the people who are watching Rudaw TV in Sulaimani, and Erbil, and Choman, and Amedi, they should also know this. In the American Congress. We have more than 40 members of what is called the Kurdish caucus. These are members of the American Congress who are interested in Kurdish people, in Kurdish affairs, and they are supportive of funding for the Peshmerga, they are supportive of investments, economic investments made by America into the Kurdistan Region. So we are talking to all of them, and encouraging them to draft a letter and make statements and have direct communication with Prime Minister Sudani as well as the White House to support the people of Kurdistan Region.

Do you think that this fight is a lost fight or do you still have hope that the KRG oil exports will resume in the near, medium, or far future?

We're fighting every day to get the oil into the pipeline as soon as possible. And most importantly, we think this is an issue of rights and respect for the constitution. The constitution of Iraq says that the Kurdistan Region can have an economy that is strong and contributing to all of the people in Iraq. There have been more than $10 billion invested by international oil companies. And the older people who are watching your network, they will know that there used to not be any oil economy in the Kurdistan Region. And foreign companies have invested $10 billion. It has helped the Region have prosperity and we want to see the Kurdistan Region continue to grow and be a beacon of light in an area, that's attractive in the Middle East.

I will ask my last question. In the coming days Deputy Assistant Secretary Victoria Taylor is going to visit Iraq. What do you expect from her visit? And what do you want from the State Department to be engaged with both Erbil, Baghdad, and Ankara to bring that issue to a resolution?

Well this week in Washington, [KRG] Prime Minister [Masrour] Barzani has been visiting here and met with the secretary of state. He had meetings on Capitol Hill as well as the White House, and we think the Pentagon too. And we are seeing senior American officials and senators going to Baghdad and Erbil. So there's a lot of talking and we think that the more discussion happens between Washington, Baghdad and Erbil that there will be more solutions. So I think the visit of the deputy assistant secretary of state is another sign that America is committed to a strong relationship between the United States and Iraq, as well as the Kurdistan Region.

https://www.globaltimes.cn/page/202403/1308076.shtml

China’s two sessions to flesh out economic roadmap

GDP target, ‘new productive forces’ high on the agenda as country embarks on a banner year in the march toward Chinese modernization

By Li Xuanmin Published: Mar 03, 2024 10:06 PM

China will officially kick off the annual two sessions on Monday, one of the most important political gatherings for the year that will set the tone for the country's policy priorities in a wide range of sectors from the economy, diplomacy, military to social development.

The pivotal event is being convened against the backdrop of a complex international situation, rising geopolitical tensions and a year fraught with presidential elections, which cast tremendous uncertainties on global economic outlook. This year marks the 75th anniversary of the founding of the People's Republic of China. Internally, China is also embarking on a significant year in the implementation for the 14th Five-Year Plan (2021-25) and a march toward Chinese modernization, an overarching goal under which economic engines are expected to not only rev up but also be driven by "new productive forces."

So the stakes of how the two sessions flesh out a roadmap for China's economic development are high, observers said, as it will also have a far-reaching impact in shaping the global economic and political landscape. China's economic recovery trajectory would also instill stability and predictability into the world, they noted.

A cluster of economic topics are high on the agenda, including GDP growth target, deficit-to-GDP ratio, fiscal and monetary policies as well as employment. Meanwhile, deputies and political advisors told the Global Times that they're keenly gauging on policy elaborations involving boosting private economy, creating "new productive forces," as well as deepening financial market reform, among other things of public concerns.

The second session of the 14th National Committee of the Chinese People's Political Consultative Conference (CPPCC), China's top political advisory body, will begin at 3pm on Monday and close on March 10 morning, lasting for six days, Liu Jieyi, spokesperson for the second session of the 14th CPPCC National Committee, said at a press conference on Sunday, one day ahead of its annual session.

The second session of the 14th National People's Congress (NPC) will open in Beijing on March 5.

Setting key economic goals

Economic issues have been a focal point for political advisors, and it is the opinion of all political advisors that in 2023 the Chinese economy withstood external pressure and overcame internal difficulties, Liu said, noting the economy has been on a general recovery track.

"Looking to the future, the Chinese economy is resilient, has huge potential and vitality and its growth momentum will continue to strengthen and lead to a bright future," Liu noted.

One of the most widely watched economic goals for the upcoming two sessions is the GDP target, as China, while sustaining a good economic recovery momentum, still faces a bunch of downward pressures ranging from insufficient demand, weakening social expectation and property downturn that could weigh on economic development prospect this year.

Deputies and economists said the GDP narrative will set a beacon for this year's economic work and accompanying measures. It also sheds light on how the Chinese government makes a comprehensive calculus on balancing off a number of goals including stabilizing employment, preventing risk, improving people's livelihoods, lifting social expectation, while coordinating with targets outlined in the 14th Five-year Plan (2021-25).

Observers said the GDP target could be set around 5 percent, which will show the policymakers' "pragmatism and bottom-line thinking." It will also take into account the growth targets put forward at the local two sessions since the beginning of the year.

Also, "it is important that the GDP growth goal should be set almost the same as last year's level, or even higher, for the world's second-largest economy to continue a high-quality development path," Cao Heping, an economist at Peking University, told the Global Times on Sunday.
The 14th Five-year Plan (2021-25) stated that the country will "keep the average annual growth of GDP within an appropriate range, and set annual targets for GDP growth on the basis of actual condition."
"We're closely watching the government's attitude toward the progress of the 14th Five-year Plan (2021-25) … We also expect the government to take the climate target seriously, and more green policies are expected in the next two years," Xing Zhaopeng, a senior China Strategist at ANZ Research, said in a note sent to the Global Times over the weekend. Xing stressed that China's economic goals will add certainty to the world economy, and China will continue to be the largest contributor to global GDP this year.
How China will phrase its fiscal and monetary policy direction is another focus on the market's radar. Xing expects the deficit-to-GDP ratio to be set at 3 percent.
Some economists also predicted that this year's budget deficit could hover around 3.5 percent to 4 percent, with doubled-down fiscal stimulus amid the country's low interest rate environment and a near-end to global interest rate hikes cycle that could see drops in borrowing costs.
"This year will be a transitional year for the massive implementation of supportive policies, both in macro fronts and subtle areas that are conducive to fine tune the country's economic structure, after a new cabinet lineup was unveiled during last year's two sessions," Cao said. He added that China also undertook a reform on Party and state institutions last year, which signals that policies from the central government will be carried out more effectively and swiftly.
Tian Yun, a veteran economist based in Beijing, told the Global Times on Sunday that with the presidential elections in the US and some other 60 countries this year, as well as lingering geopolitical tensions that wreak havoc on the global supply chain, the global situation may become even more complicated this year.
"The volatile external environment calls for Chinese policymakers to maintain a strategic focus, to properly arrange economic work throughout the year and stay committed to executing them, so as to instill confidence and lift up market expectation," Tian noted.
China's economy grew by 5.2 percent year-on-year in 2023, staying above last year's official GDP target of around 5 percent. The deficit-to-GDP ratio is estimated to reach 3.8 percent last year.

Under the spotlight
Deputies and political advisors also expect this year's Government Work Report to expound the country's plan to create "new productive forces" - a new concept proposed by Chinese top leader in September and has emerged as a buzzword of heated discussion, with broad ramification for the Chinese modernization in the years to come.
"Creating 'new productive forces' is a decisive step in the economy's high-quality development course, against the backdrop of China's economic transition and sweeping tech revolution. It maps out a blueprint on the growth of strategic newly emerging and futuristic industries, and offers guidance into the intelligence, digitalization drive of traditional industries," Guo Guoping, a deputy to the NPC, and chief scientist of Origin Quantum, told the Global Times.
In the face of white-hot global tech race and the US-led relentless decoupling push against China's tech industry, creating "new productive forces" is also essential for China to make breakthroughs in cutting-edge tech sectors, such as artificial intelligence (AI), semiconductor and quantum computing, and achieve more self-sufficiency in certain foreign-dominated areas, the deputies said.
"The creation of 'new productive forces' will inject new impetus underpinning steady progresses in Chinese modernization," Qi Xiangdong, chairman of Qi An Xin Technology Group and a member of the National Committee of CPPCC, told the Global Times on Friday. According to his proposal shared with the Global Times, Qi urged private firms to play a pioneering role in facilitating the coordinating development of the tech industrial chain.
Also, a number of motions and proposals this year feature predominately on shoring up the confidence of the private economy. According to Liu, facilitating the expansion of the private economy is a tradition of CPPCC duty performance,

and the political advisory body will also hold briefings on key issues involving "clearing up default payments to private companies."
According to a proposal the China National Democratic Construction Association (CNDCA) shared with the Global Times, the political party suggested the Chinese policymakers to speed up the formulation of private economy promotion law to improve legislation system concerning the private economy. CNDCA is one of China's eight noncommunist political parties.
"The private economy constitutes an important driver of employment and a non-negligible force in China's economic upgrade. In recent years, the vigor of the private economy has slipped to some extent due to both internal and external environment. It would be a much-needed boost to the confidence of private entrepreneurs if there's a law that guarantees equal market position of private firms as State-owned and foreign companies," Liu Yonghao, a member of the National Committee of CPPCC and chairman of New Hope Group, told the Global Times.
In addition, deepening reforms in key sectors are in the laser focus. Among them, how Chinese regulators respond to investors' concerns and push for deeper reforms in the equities market has garnered much limelight, amid recent turbulent ride of the stock market.
Authorities should conduct a series of reforms targeting the underlying systems of the capital market in line with the "market-oriented, law-based and internationalized" standard, in a bid to build the foundation for a healthy investment environment in China in the long run, Tian Xuan, vice president of the Tsinghua University PBC School of Finance, told the Global Times.
"We are interested to see how much emphasis will be placed on improving the business environment for foreign firms," EUCCC president Jens Eskelund told the Global Times, expressing hope for stepped-up efforts in the country's opening-up.

https://www.reuters.com/business/autos-transportation/china-ev-sales-slow-january-february-competition-intensifies-2024-03-08/?taid=65eadcfa9915b50001d53e59&utm_campaign=trueAnthem:+Trending+Content&utm_medium=trueAnthem&utm_source=twitter

China EV sales slow in January-February; price-cutting intensifies

Reuters

March 8, 202412:51 AM MSTUpdated 3 hours ago

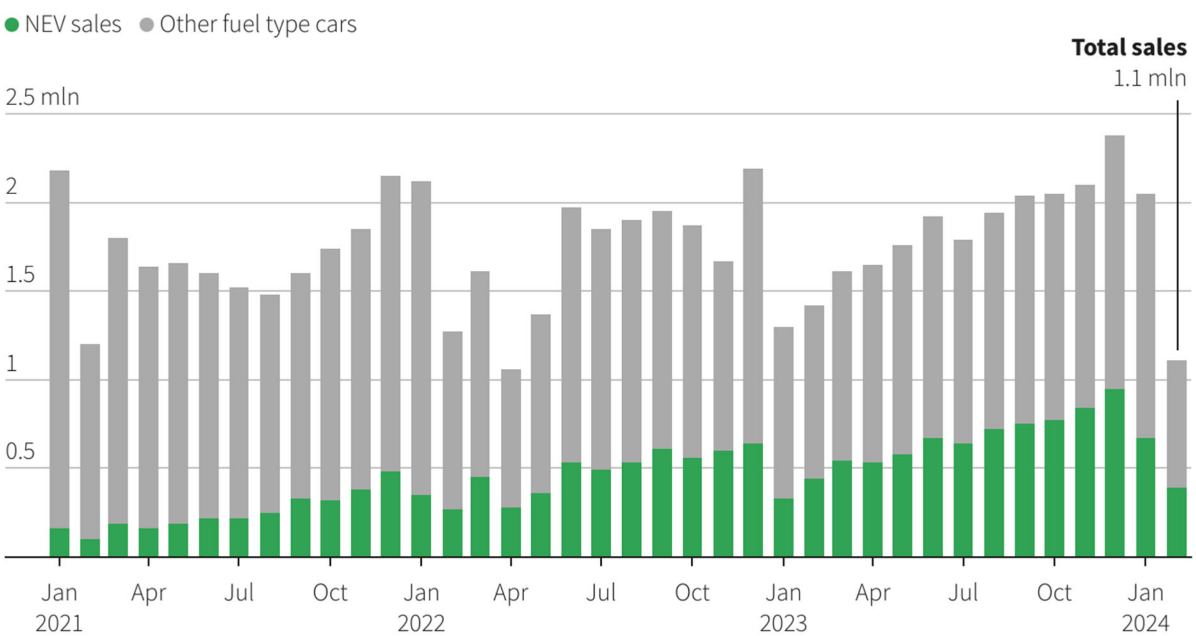
BEIJING, March 8 (Reuters) - China's electric vehicle sales slowed in the opening months of this year, industry data showed on Friday, with competition intensifying as market leader BYD headed a deeper round of price cuts.

Sales of battery-powered EVs rose 18.2% in January-February versus 20.8% for all of 2023, showed data from the China Passenger Car Association.

Together with plug-in hybrids, new energy vehicle (NEV) sales jumped 37.5% in the two-month period, versus 36.2% for 2023. The result outpaced the overall passenger vehicle market's 16.3% growth as widespread discounts fuelled demand.

Car sales total 3.16 million units in Jan and Feb

A total of 3.16 million passenger cars were sold in China in the first two months of 2024. NEV sales rose by 37% in the first two months of 2024 compared to Jan-Feb 2023.



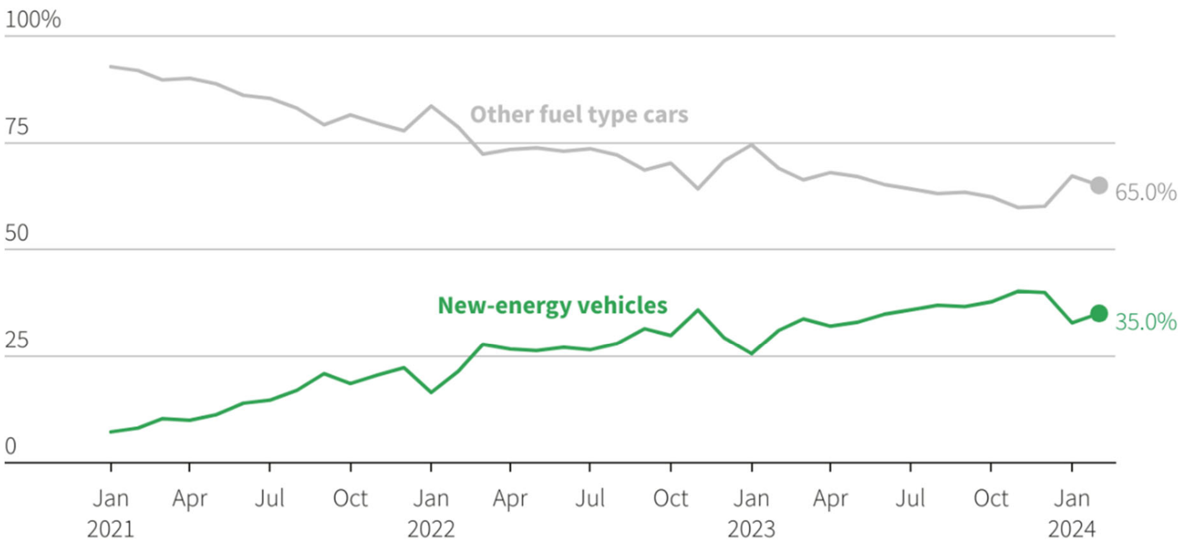
Source: CPCA | Reuters, March 8, 2024 | By Sumanta Sen

Reuters Graphics

NEVs accounted for 33.5% of total car sales in January-February versus 28.3% in the same period a year earlier, grabbing market share from petrol-powered cars of which sales rose 7.8%.

NEV sales at 33% in the first two months of the year

New energy vehicle sales accounted for 33% of the total vehicle sales in China in January and February.



Source: CPCA | Reuters, March 8, 2024 | By Sumanta Sen

Reuters Graphics

Some EVs are priced on a par with petrol-powered cars, pressuring sales of the latter, said Cui Dongshu, secretary general of the association, told reporters on Friday.

BYD this year has lowered prices more than rivals and across a wider number of models. It has cut prices of the 13 models that made up 93% of its total 2023 China sales by 17% on average, Reuters calculations showed.

Cuts include nearly 12% for its best-selling Yuan Plus crossover - or the Atto 3 overseas - and 5% for its lowest-priced EV Seagull.

A dozen automakers have joined the price war, including Geely Auto (0175.HK), opens new tab, GAC Aion, Leapmotor (9863.HK), opens new tab and Xpeng (9868.HK), opens new tab, with discounts mostly ranging from 9% to 17%.

The price cuts came as BYD's NEV market share fell to 30.7% in February, its lowest since June 2022, Reuters calculations showed.

BYD is the world's biggest EV seller having unseated U.S. rival Tesla (TSLA.O), opens new tab, even if most of its sales are in China.

It exported 19% of its cars overseas in February, its highest ratio ever. It sold 8% of all outbound cars in 2023.

Association data showed China's February car exports rose 18% to 298,000 passenger cars, with NEVs accounting for 26.4% of the total.

Exports have become a growth engine for carmakers struggling with weakening domestic demand. They have been selling new EV models in droves to markets such as Australia where they do not face trade barriers and where sales have surged due to subsidies and tax benefits as well as high fuel prices.

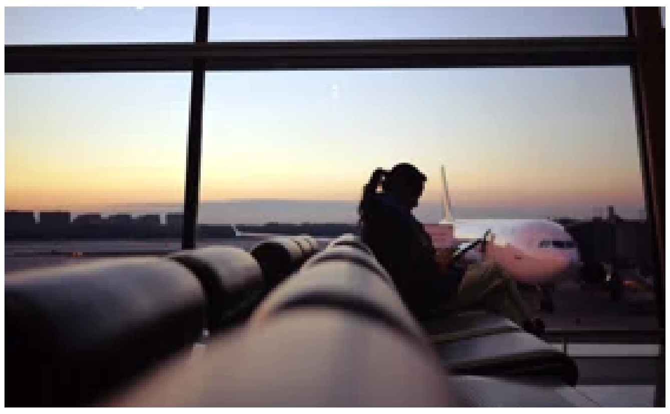
However, in some markets, China's rising auto export prowess has caused friction. European authorities have launched an investigation into whether Chinese EV makers unfairly benefit from state subsidies, while the U.S. has begun a probe into whether Chinese-made vehicles could be used to spy on Americans.

Reporting by Qiaoyi Li, Zhang Yan and Sarah Wu; Editing by Christopher Cushing

Press Release No: 10

Date: 6 March 2024

Passenger Demand Up 16.6% in January



Geneva - The International Air Transport Association (IATA) released data for January 2024 global passenger demand indicating a strong start for the year.

Total demand, measured in revenue passenger kilometers (RPKs), was up 16.6%; total capacity, measured in available seat kilometers (ASK), was up 14.1%; and the load factor was 79.9% (+1.7pt)

International demand rose 20.8%; capacity was up 20.9% and the load factor remained at 79.7% (+0.0pt)

Domestic demand rose 10.4%; capacity was up 4.6% and the load factor was 80.2% (+4.2pt)

"2024 is off to a strong start despite economic and geopolitical uncertainties. As governments look to build prosperity in their economies in the busiest election-year ever, it is critical that they see aviation as a catalyst for growth. Increased taxes and onerous regulation are a counterweight to prosperity. We will be looking to governments for policies that help aviation to reduce costs, improve efficiency and make progress towards net zero CO2 emissions by 2050," said Willie Walsh, IATA's Director General.

Air Passenger Market in Detail

JANUARY 2024 (% YEAR-ON-YEAR)	Total Market
WORLD SHARE1	**100%**
RPK	**16.6%**
ASK	**14.1%**
PLF(%-PT)2	**1.7%**
PLF(LEVEL)3	**79.9%**

JANUARY 2024 (% YEAR-ON-YEAR)	Africa
WORLD SHARE1	2.1%
RPK	18.1%
ASK	19.9%
PLF(%-PT)2	-1.1%
PLF(LEVEL)3	73.1%

JANUARY 2024 (% YEAR-ON-YEAR)	Asia Pacific
WORLD SHARE1	31.7%
RPK	31.8%
ASK	26.6%
PLF(%-PT)2	3.2%
PLF(LEVEL)3	80.8%
JANUARY 2024 (% YEAR-ON-YEAR)	Europe
WORLD SHARE1	27.1%
RPK	10.0%
ASK	9.6%
PLF(%-PT)2	0.3%
PLF(LEVEL)3	78.2%
JANUARY 2024 (% YEAR-ON-YEAR)	Latin America
WORLD SHARE1	5.5%
RPK	9.9%
ASK	5.5%
PLF(%-PT)2	3.4%
PLF(LEVEL)3	85.0%
JANUARY 2024 (% YEAR-ON-YEAR)	Middle East
WORLD SHARE1	9.4%
RPK	16.2%
ASK	15.3%
PLF(%-PT)2	0.6%
PLF(LEVEL)3	79.9%
JANUARY 2024 (% YEAR-ON-YEAR)	North America
WORLD SHARE1	24.2%
RPK	6.0%
ASK	4.1%
PLF(%-PT)2	1.5%
PLF(LEVEL)3	79.9%

1) % of industry RPKs in 2023 2) Year-on-year change in load factor 3) Load Factor Level

International Passenger Markets

Asia-Pacific airlines saw an 45.4% increase in January 2024 traffic compared to January 2023, continuing the region's rapid recovery after the lifting of pandemic

Middle Eastern airlines posted a 16.2% rise in January 2024 traffic compared to a year ago. Capacity rose 15.7% and load factor climbed 0.4 percentage points to 79.9%.

North American carriers had a 12.3% traffic rise in January 2024 versus the 2023 period. Capacity also increased 13.7%, and load factor fell 1.0 percentage point to 79.4%.

Latin American airlines' traffic rose 17.9% compared to the same month in 2023. January capacity climbed 13.2%, pushing the load factor up 3.4 percentage points to 86%, the highest among the regions.

African airlines' saw a 18.5% traffic increase in January 2024 versus a year ago. January capacity was up 19.2% causing load factor to decline 0.4 percentage points to 73.3%, the lowest among the regions.

Domestic Passenger Markets

Domestic demand growth continues to be led by China, which saw strong demand for Lunar New Year travel. This is likely to have boosted traffic in February also. Chinese carriers have responded by increasing capacity, particularly by deploying wide-body jets.

JANUARY 2024 (% YEAR-ON-YEAR)	**Domestic**
WORLD SHARE1	**39.9%**
RPK	**10.4%**
ASK	**4.6%**
PLF(%-PT)2	**4.2%**
PLF(LEVEL)3	**80.2%**

JANUARY 2024 (% YEAR-ON-YEAR)	Domestic Australia
WORLD SHARE1	0.8%
RPK	5.3%
ASK	6.3%
PLF(%-PT)2	-0.7%
PLF(LEVEL)3	72.4%

JANUARY 2024 (% YEAR-ON-YEAR)	Domestic Brazil
WORLD SHARE1	1.2%
RPK	0.2%
ASK	-1.0%
PLF(%-PT)2	1.0%
PLF(LEVEL)3	83.2%

JANUARY 2024 (% YEAR-ON-YEAR)	Domestic China P.R.
WORLD SHARE1	11.2%
RPK	33.2%
ASK	19.2%
PLF(%-PT)2	8.4%
PLF(LEVEL)3	80.2%

JANUARY 2024 (% YEAR-ON-YEAR)	Domestic India
WORLD SHARE1	1.8%
RPK	3.9%
ASK	-1.0%
PLF(%-PT)2	4.2%
PLF(LEVEL)3	88.9%

JANUARY 2024 (% YEAR-ON-YEAR)	Domestic Japan
WORLD SHARE1	1.1%
RPK	2.9%
ASK	-2.9%
PLF(%-PT)2	3.8%
PLF(LEVEL)3	68.7%

JANUARY 2024 (% YEAR-ON-YEAR)	Domestic US
WORLD SHARE1	15.4%
RPK	3.1%
ASK	-0.5%
PLF(%-PT)2	2.8%
PLF(LEVEL)3	79.8%

1) % of industry RPKs in 2023 2) year-on-year change in load factor 3) Load Factor Level

Air Passenger Market Overview - January 2024

JANUARY 2024 (% CH VS SAME MONTH IN 2019)	**Total Market**
WORLD SHARE1	**100.0%**
RPK	**-0.4%**
ASK	**-0.5%**
PLF (%-PT)2	**0.1%**
PLF (LEVEL)3	**79.9%**

JANUARY 2024 (% CH VS SAME MONTH IN 2019)	International
WORLD SHARE1	60.1%
RPK	-4.3%
ASK	-4.1%
PLF (%-PT)2	-0.2%
PLF (LEVEL)3	79.7%

JANUARY 2024 (% CH VS SAME MONTH IN 2019)	Domestic
WORLD SHARE1	39.9%
RPK	6.7%
ASK	5.8%
PLF (%-PT)2	0.7%
PLF (LEVEL)3	80.2%

1) % of industry RPKs in 2023   2) year-on-year change in load factor   3) Load Factor Level

> View the January Air Passenger Market Analysis (pdf)

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Notes for Editors:

- IATA (International Air Transport Association) represents some 320 airlines comprising 83% of global air traffic.
- You can follow us at twitter.com/iata for announcements, policy positions, and other useful industry information.
- Fly Net Zero
- Statistics compiled by IATA Economics using direct airline reporting complemented by estimates, including the use of FlightRadar24 data provided under license.
- All figures are provisional and represent total reporting at time of publication plus estimates for missing data. Historic figures are subject to revision.
- Domestic RPKs accounted for about 41.9% of the total market in 2022. The six domestic markets in this report account for 31.3% of global RPKs.
- Explanation of measurement terms:

- RPK: Revenue Passenger Kilometers measures actual passenger traffic

- ASK: Available Seat Kilometers measures available passenger capacity

- PLF: Passenger Load Factor is % of ASKs used.

- IATA statistics cover international and domestic scheduled air traffic for IATA member and non-member airlines.
- Total passenger traffic market shares by region of carriers for 2023 in terms of RPK are: Asia-Pacific 31.7%, Europe 27.1%, North America 24.2%, Middle East 9.4%, Latin America 5.5%, and Africa 2.1%.

Press Release No: 9

Date: 5 March 2024

Air Cargo Demand up 18.4% in January

Translation: 国际航协：1月全球航空货运需求增长18.4% (pdf)

Geneva - The International Air Transport Association (IATA) released data for January 2024 global air cargo markets indicating a strong start to 2024.

Total demand, measured in cargo tonne-kilometers (CTKs*), increased by 18.4% compared to January 2023 levels (19.8% for international operations). This significant upturn marks the highest annual growth in cargo tonne-kilometers (CTKs) since the summer season of 2021.

Capacity, measured in available cargo tonne-kilometres (ACTKs), was up 14.6% compared to January 2023 (18.2% for international operations). This was largely related to the growth in belly capacity. International belly capacity rose 25.8% year-on-year (YoY) on the strength of passenger markets.

"Air cargo demand was up 18.4% year-on-year in January. This is a strong start to the year. In particular, the booming e-commerce sector is continuing to help air cargo demand to trend above growth in both trade and production since the last quarter of 2023. The counterweight to this good news is uncertainty over how China's economic slowdown will unfold. This will be on the minds of air cargo executives meeting in Hong Kong next week for the IATA World Cargo Symposium with an agenda focused on digitalization, efficiency and sustainability," said Willie Walsh, IATA's Director General.

Air cargo growth outpaced trade and production. Several factors in the operating environment should be noted:

- Global cross-border trade increased by 1.0% in December compared to the previous month (-0.2% YoY).
- In January, the manufacturing output Purchasing Managers' Index (PMI) improved to 50.3, surpassing the 50 mark for the first time in eight months, indicating expansion. The new export orders PMI also saw an increase to 48.8, but remains below the critical 50 threshold, suggesting a continuing yet decelerating decline in global exports.
- Inflation in major economies continued to ease from its peak in terms of Consumer Price Index (CPI) in January, reaching 3.1% in both the US and in the EU, and 2.1% in Japan. China's CPI, however, indicated deflation for the fourth consecutive month, raising concerns of an economic slowdown. China's negative inflation rate of -0.8% was the lowest since the Global Financial Crisis in 2009.

Air Cargo Market in Detail

JANUARY 2024 (%YEAR-ON-YEAR)	Total Market
WORLD SHARE *1	100%
CTK	18.4%
ACTK	14.6%
CLF (%-PT) *2	1.4%
CLF (LEVEL) *3	45.7%

JANUARY 2024 (%YEAR-ON-YEAR)	Africa
WORLD SHARE *1	2.0%
CTK	17.0%
ACTK	19.4%
CLF (%-PT) *2	-0.9%
CLF (LEVEL) *3	43.1%

JANUARY 2024 (%YEAR-ON-YEAR)	Asia Pacific
WORLD SHARE *1	33.3%
CTK	24.6%
ACTK	25.0%
CLF (%-PT) *2	-0.2%
CLF (LEVEL) *3	44.6%

JANUARY 2024 (%YEAR-ON-YEAR)	Europe
WORLD SHARE *1	21.4%
CTK	16.4%
ACTK	12.5%
CLF (%-PT) *2	1.9%
CLF (LEVEL) *3	55.5%

JANUARY 2024 (%YEAR-ON-YEAR)	Latin America
WORLD SHARE *1	2.8%
CTK	13.4%
ACTK	6.6%
CLF (%-PT) *2	2.1%
CLF (LEVEL) *3	34.4%

JANUARY 2024 (%YEAR-ON-YEAR)	Middle East
WORLD SHARE *1	13.5%
CTK	25.9%
ACTK	17.1%
CLF (%-PT) *2	3.1%
CLF (LEVEL) *3	43.9%

JANUARY 2024 (%YEAR-ON-YEAR)	North America
WORLD SHARE *1	26.9%
CTK	9.3%

(*1) % of industry CTKs in 2023 (*2) Year-on-year change in load factor (*3) Load factor level

January Regional Performance

Asia-Pacific airlines saw their air cargo volumes increase by 24.6% in January 2024 compared to the same month in 2023. This performance was above the previous month (+18.5%). Carriers in the region benefited from ongoing growth in international CTKs on three major trade lanes: Africa-Asia (+52.5%), Middle East-Asia (+29.5%) and Europe-Asia (+27.5%). Available capacity for the region's airlines increased by 25.0% compared to January 2023 as more belly capacity came online from the passenger side of the business.

North American carriers had the weakest performance of all regions in January with a 9.3% increase (YoY) in cargo volumes. This was an improvement in performance compared to December (2.0%). Carriers in the region benefitted from growth on the North America-Asia trade lane (+17.1%) and North America-Europe trade lane (+3.5%). Capacity increased by 3.8% compared to January 2023.

European carriers saw their air cargo volumes increase by 16.4% in January compared to the same month in 2023. This was a stronger performance than in December (+8.6%). Carriers in the region benefitted from the strong growth in international CTKs in the within Europe market (+18.4%) and the Europe – Asia route (+27.5%). Gains made from the significant expansion in the Middle East-Europe trade lane (+46.1%) also benefited carriers in the region. Capacity increased 12.5% in January 2024 compared to the same month in 2023.

Middle Eastern carriers had the strongest performance in January 2024, with a 25.9% year-on-year increase in cargo volumes. This was a significant improvement from the previous month's performance (+18.3%). Carriers in the region benefited from growth in the Middle East–Asia (+29.5%) and Middle East–Europe markets (+46.1%). Capacity increased 17.1% compared to January 2023.

Latin American carriers experienced a 13.4% increase in cargo volumes compared to January 2023, a notable increase compared to the previous month's gain (+6.4%). Capacity in January was up 6.6% compared to the same month in 2023.

African airlines saw their air cargo volumes increase by 17.0% in January 2024, much improved compared to December's performance (-1.2%). Carriers in the region benefitted from strong growth on the Africa-Asia trade lane. Capacity in January was 19.4% above January 2023 levels.

> View January 2024 Air Cargo Market Analysis (pdf)

For more information, please contact:

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- You can follow us at twitter.com/iata for announcements, policy positions, and other useful industry information.
- Explanation of measurement terms:
  - CTK: cargo tonne-kilometers measures actual cargo traffic
  - ACTK: available cargo tonne-kilometers measures available total cargo capacity
  - CLF: cargo load factor is % of ACTKs used
- IATA statistics cover international and domestic scheduled air cargo for IATA member and non-member airlines.
- Total cargo traffic market share by region of carriers in terms of CTK is: Asia-Pacific 33.3%, Europe 21.4%, North America 26.9%, Middle East 13.5%, Latin America 2.8%, and Africa 2.0%.

https://investors.xcelenergy.com/news-events/news-releases/news-details/2024/Statement-from-Xcel-Energy-regarding-wildfires-in-the-Texas-Panhandle/default.aspx

Statement from Xcel Energy regarding wildfires in the Texas Panhandle

03/07/2024

MINNEAPOLIS--(BUSINESS WIRE)-- Xcel Energy (XEL) issued the following statement regarding the wildfires in the Texas Panhandle:

Our thoughts continue to be with the families and communities impacted by the wildfires in the Texas Panhandle. We are also grateful for the courageous first responders that have worked to fight the fires and help save lives and property.

As longstanding members of the west Texas community, we will continue to support our neighbors in this recovery, and we thank our frontline workers who have worked long hours over the past several days to restore electrical service to those who can receive power in the impacted areas.

Xcel Energy has been cooperating with the investigations into the wildfires and has been conducting its own review. Based on currently available information, Xcel Energy acknowledges that its facilities appear to have been involved in an ignition of the Smokehouse Creek fire.

Xcel Energy disputes claims that it acted negligently in maintaining and operating its infrastructure; however, we encourage people who had property destroyed by or livestock lost in the Smokehouse Creek fire to submit a claim to Xcel Energy through our claims process. We will review and respond to any such claims in an expeditious manner, with a priority on claims from any person that lost their home in the Smokehouse Creek fire. A claim form and instructions for submission can be found by visiting www.xcelenergy.com and scrolling to the bottom righthand side of that page, to the "Claims Process" link under Customer Support Claims Services | Customer Support | Xcel Energy.

Xcel Energy notes that the Windy Deuce fire reportedly impacted many structures in and around Fritch, Texas. Xcel does not believe that its facilities caused the ignition of the Windy Deuce fire, and we are not aware of any allegation that Xcel Energy’s facilities caused this fire.

Based on preliminary information disclosed by authorities on March 5, Xcel Energy understands that 47 occupied homes in Hemphill County and up to 17 occupied homes in Roberts County were destroyed by the Smokehouse Creek fire. With respect to Hutchinson County, which was impacted by both the Smokehouse Creek fire and the Windy Deuce fire, Xcel Energy’s preliminary understanding based on the areas impacted is that the number of occupied homes lost due to the Smokehouse Creek fire appear to be fewer than in Hemphill County. These numbers are subject to change as more information becomes available.

Xcel Energy will continue to work with regulators and policymakers to evaluate the evolving nature of the wildfire risk and advance effective wildfire mitigation strategies to keep the public safe and our systems resilient.

Statement from Bob Frenzel, Chairman, President and CEO of Xcel Energy:

"Xcel Energy, through our Southwestern Public Service Company (SPS) subsidiary, has operated in the Texas Panhandle for more than 100 years. The people in this region are our friends, neighbors and relatives. We are deeply saddened by the losses incurred in this community, and we are committed to supporting its renewal and recovery."

About Xcel Energy

Xcel Energy (NASDAQ: XEL) provides the energy that powers millions of homes and businesses across eight Western and Midwestern states. Headquartered in Minneapolis, the company is an industry leader in responsibly reducing carbon emissions and producing and delivering clean energy solutions from a variety of renewable sources at competitive prices. For more information, visit xcelenergy.com or follow us on X, formerly known as Twitter, and Facebook.

https://www.whitehouse.gov/briefing-room/statements-releases/2024/03/07/fact-sheet-president-biden-is-fighting-to-reduce-the-deficit-cut-taxes-for-working-families-and-invest-in-america-by-making-big-corporations-and-the-wealthy-pay-their-fair-share/
MARCH 07, 2024

FACT SHEET: President Biden Is Fighting to Reduce the Deficit, Cut Taxes for Working Families, and Invest in America by Making Big Corporations and the Wealthy Pay Their Fair Share

President Biden is fighting to make the tax system fairer while Republicans continue to push tax cuts for the wealthy and big corporations. The President's plan delivers tax cuts for families with children and working Americans, invests in America, and reduces deficits by trillions of dollars by enacting a new billionaire minimum tax and cracking down on multinational companies shifting jobs and profits overseas.

Since taking office, President Biden has fought to build a fairer tax system that rewards work, not wealth; asks big corporations and the wealthy to pay their fair share; and requires all Americans to play by the same rules and pay the taxes they owe. Despite Republican opposition, President Biden secured historic legislation to make our tax code fairer—from enacting a 15% corporate minimum tax so that billion-dollar companies can't get away with paying $0 in federal income taxes to giving the Internal Revenue Service (IRS) the tools it needs to make wealthy tax cheats pay the taxes they owe.

President Biden will fight to stop Republican plans to add trillions to the deficit with tax cuts skewed to big corporations and the wealthy—doubling down on their failed trickle-down tax cuts that already increased the nation's debt by trillions of dollars. Republicans have proposed making all of President Trump's tax cuts permanent, while refusing to pay for them by increasing taxes on big corporations or the wealthy. Instead, they would rather add trillions to the national debt than take back even one dollar of the $150 billion annual rate cut corporations received under President Trump. Their plan would add more than $3 trillion to deficits over 10 years, while providing tax cuts worth $175,000 per year to the top 0.1 percent of Americans that have incomes over $4.5 million. President Biden supports continuing tax cuts for families making less than $400,000, but opposes extending tax cuts or restoring tax breaks for those making more than $400,000 per year. And he believes that any extensions should be paid for by asking big corporations and the wealthy to pay their fair share.

While big corporations and the wealthy will pay more in taxes under President Biden's policies, President Biden opposes tax increases on middle-class families. He has pledged that under his Administration, no one earning less than $400,000 will pay an additional penny in federal taxes—not one penny.

Making Big Corporations Pay Their Fair Share

President Biden has secured major reforms to crack down on big corporations paying little or nothing in taxes and on stock buybacks that provide large, low-tax payouts to wealthy investors and CEOs. President Biden's tax plan would build on this progress by finally making big corporations pay their fair share in taxes:

- Raising the corporate tax rate to 28% and the corporate minimum tax to 21%. President Biden believes large corporations should pay their fair share, and is committed to reversing the massive tax giveaway to big corporations that Republicans enacted in 2017. President Biden would raise the corporate tax rate to 28%. He would also ensure that billion-dollar corporations pay at least 21% of their income in taxes, building on the Inflation Reduction Act's (IRA) corporate minimum tax.

- Cracking down on tax avoidance by large multinationals and Big Pharma. For too long, big multinationals have moved jobs overseas and stashed their profits in tax havens. The 2017 Republican tax giveaway failed to fix these problems, instead giving windfalls to Big Pharma. President Biden negotiated a historic agreement with over 130 countries that would enable the U.S. and its partners to ensure Big Pharma and other multinationals pay at least a minimum tax rate. He is calling on Congress to implement the agreement with a 21% rate on multinationals, with almost one-fifth of the revenue coming from Big Pharma, according to analysis it funded.

- Denying corporate tax breaks for multi-million-dollar executive compensation. Executive pay has skyrocketed in recent decades, with CEO pay averaging more than 300 times that of a typical worker in 2022. The corporate tax cuts in the 2017 Republican tax law only made this problem worse, giving executives huge raises while doing nothing for low- and middle-income workers. When corporations give huge pay packages to their executives, President Biden believes they don't deserve a tax break. That's why he's proposing to deny corporations a tax deduction when they pay over $1 million to any employee.

- Quadrupling the stock buyback tax. In response to the surge in corporate stock buybacks after the Trump tax cuts, President Biden signed into law a surcharge on stock buybacks that encourages businesses to invest in their growth and productivity as opposed to funneling tax-preferred profits to wealthy and foreign shareholders. President Biden would quadruple the stock buyback tax from one percent to four percent to address the continued tax advantage for buybacks and encourage corporations to invest in productivity and the broader economy rather than windfalls for investors.

- Cracking down on corporate jet loopholes. President Biden believes corporations and wealthy people who use corporate and private jets should pay their fair share. That's why he would eliminate a tax break that gives preferential treatment to corporate jets, compared to commercial aircraft. He would also increase the fuel tax on corporate and private jet travel, so that corporate executives and other wealthy Americans pay their fair share for the use of airspace and other public services related to air travel.

Making the Wealthy Pay Their Fair Share

President Biden has already secured funding for the Internal Revenue Service (IRS) that is enabling it to crack down on wealthy and big business tax cheats. The IRS has used this funding to collect more than $500 million in unpaid taxes from fewer than 2,000 delinquent millionaires, launch enforcement action against 25,000 millionaires who have not filed a tax return since 2017, and crack down on high-end tax evasion like deducting personal use of corporate jets as a business expense. In total, the IRS is projected to collect hundreds of billions of dollars in additional revenue over the next decade thanks to this investment. President Biden's tax plan would build on this progress with reforms that will finally make the wealthiest Americans pay their fair share:

- Requiring billionaires to pay at least 25 percent of income in taxes. Billionaires make their money in ways that are often taxed at lower rates than ordinary wage income, or sometimes not taxed at all, thanks to giant loopholes and tax preferences that disproportionately benefit the wealthiest taxpayers. As a result, many of these wealthy Americans are able to pay an average income tax rate of just 8 percent on their full incomes—a lower rate than many firefighters or teachers. To finally address this glaring inequity, the President is proposing to levy a 25 percent minimum tax on the wealthiest 0.01 percent, those with wealth of more than $100 million.

- Requiring the wealthy to pay their fair share toward Medicare to extend Medicare solvency. President Biden has a plan to protect Medicare for future generations by making the wealthy pay their fair share instead of cutting benefits or raising costs for beneficiaries. He would modestly increase the Medicare tax rate on income above $400,000, close loopholes in existing Medicare taxes that allow some high-paid professionals and wealthy business owners to avoid the tax, and direct all Medicare tax revenue into the Medicare Hospital Insurance (HI) Trust Fund as was originally intended. These reforms would help extend the life of the Medicare HI Trust Fund.

- Ensuring that the IRS can continue to collect taxes owed by wealthy tax cheats. After years of chronic underfunding, President Biden's IRA provided the IRS with the resources it needs to finally crack down on wealthy tax cheats and corporations who too often avoided paying their lawfully owed taxes. The IRS is already using these resources to collect hundreds of millions of dollars in unpaid taxes from delinquent millionaires, recoup taxes from thousands of millionaires who did not fulfill their basic civic duty by filing a tax return, and crack down on high-end tax evasion like deducting personal use of corporate jets as a business expense. At the same time, the IRS is improving customer service, modernizing IT, and protecting small businesses and taxpayers earning less than $400,000 from increased audit risk.

President Biden would raise hundreds of billions of dollars by protecting IRA funding from Republican cuts and extending it after it is exhausted so that the IRS can continue to build on this progress and crack down on wealthy tax cheats.

Cutting Taxes for Working Families and the Middle Class

President Biden's tax cuts cut child poverty in half in 2021 and are saving millions of people an average of about $800 per year in health insurance premiums today. Going forward, in addition to honoring his pledge not to raise taxes on families earning less than $400,000 annually, President Biden's tax plan would cut taxes for middle- and low-income Americans by $765 billion over 10 years, including by:

- Increasing the Child Tax Credit for 66 million children. President Biden's expansion of the Child Tax Credit cut child poverty nearly in half to a historic low and narrowed racial disparities in access to the credit in 2021, but Congressional Republicans insisted on raising taxes on families with children by letting it expire. The President would restore the expanded Child Tax Credit, lifting 3 million children out of poverty and cutting taxes by an average of $2,600 for 39 million low- and middle-income families that include 66 million children. President Biden would also permanently ensure that the kids of parents earning low wages receive the full Child Tax Credit, making 18 million children newly eligible for the full credit. The Child Tax Credit expansion would support 2 million children living with a caregiver who is at least 60 years old. It would also provide breathing room for day-to-day expenses by allowing families to receive their tax credit through monthly payments.

- Cutting taxes for 19 million working-class Americans. By strengthening the Earned Income Tax Credit for low-paid workers who aren't raising a child in their home, the President's plan would cut taxes by an average of $800 per year for 19 million working individuals or couples. That includes 2 million older workers age 65 and older and 5 million young adults age 18 to 24 who would be newly eligible for the credit.

- Making lower health insurance premiums permanent. With enrollment in affordable health coverage at an all-time high, the President is committed to building on the remarkable success of the Affordable Care Act (ACA) and IRA by making permanent his expansion of the premium tax credit, which is saving millions of people an average of about $800 per year in health insurance premiums this year.

In addition, President Biden's plan will extend all middle-class tax cuts; as the President has repeatedly promised, he will not raise taxes on anyone making less than $400,000 per year. He will fully pay for these extensions with additional reforms to make the wealthy and corporations pay their fair share, so that they do not add to the debt. And he opposes extending tax cuts or restoring tax breaks for those making more than $400,000 per year.

The Congressional Republican Plan: Adding Trillions to Deficits With Tax Cuts Skewed to the Wealthy and Big Corporations

Republicans are working to make all of former President Trump's tax cuts permanent, adding more than $3 trillion to the debt over the next 10 years with unpaid-for tax cuts that are skewed to the wealthy and large corporations. On top of extending the Trump tax cuts for the wealthy and protecting tax cuts for big corporations, the Congressional Republican tax plan would:

- Allow the wealthy and big corporations to avoid paying their fair share. Congressional Republicans have consistently tried to repeal President Biden's policies that are making big corporations pay at least 15 percent of income in tax and ensuring wealthy tax cheats pay the taxes they owe. By repealing President Biden's corporate minimum tax, Congressional Republicans would enable some billion-dollar corporations to go back to paying no federal income tax at all. And by gutting President Biden's investment in enforcing our tax laws, Congressional Republicans would take us back to a two-tiered tax system where hard-working Americans pay the taxes they owe, and wealthy tax cheats are able to evade their tax obligations under the law.

- Raise taxes on millions of middle-class and working families. Republican efforts to repeal President Biden's improvements to the ACA premium tax credits would increase taxes by an average of about $800 for millions of Americans, especially older people and self-employed people. The Republican plan would also repeal the IRA's clean energy tax credits, which would raise taxes by thousands of dollars for families installing a heat pump or solar panels.

- Give windfall tax cuts to billionaires. Congressional Republicans have proposed legislation to give a new tax cut skewed to billionaires by allowing the wealthiest 0.1% of Americans—those with assets worth more than $13.6 million per person ($27.2 million per couple)—to pass on wealth to their heirs entirely tax free. Congressional Republicans are fighting to repeal the estate tax—even though it does not apply to middle-class families—in order to give more tax relief to billionaire families.

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Highlights

The Parliamentary Budget Officer (PBO) projects growth in the Canadian economy to remain sluggish through 2024. Restrictive monetary policy is expected to restrain growth in consumer spending in the first half of the year and to dampen residential investment over the course of this year. Inventory investment is projected to subtract from growth as businesses pullback on their stock building.

As excess supply in the economy increases and commodity prices continue to weaken, PBO projects that Consumer price index (CPI) inflation will return to its 2 per cent target by the end of 2024. With CPI inflation on track to return to target later this year, we continue to expect the Bank of Canada to start lowering its policy rate in April.

PBO projects the budgetary deficit to rise to $46.8 billion (1.6 per cent of the Gross domestic product (GDP)) in 2023-24 from the $35.3 billion (1.3 per cent of GDP) deficit recorded in 2022-23. Assuming no new measures are introduced, and existing temporary measures sunset as scheduled, the deficit is projected to resume its downward trajectory, falling to $16.9 billion (0.5 per cent of GDP) in 2028-29.

PBO projects the federal debt-to-GDP ratio to increase from its 2022-23 level of 41.7 per cent, reaching 42.4 per cent in 2023-24 and 42.5 per cent in 2024-25. Assuming no new measures and existing temporary measures sunset as scheduled, the federal debt ratio is projected to fall to 39.2 per cent in 2028-29 but remain well above its pre-pandemic level of 31.2 per cent of GDP in 2019-20.

PBO projects the debt service ratio (that is, public debt charges relative to total revenues) to rise from 7.8 per cent in 2022-23 to 10.2 per cent in 2023-24. As the effective interest rate on debt edges higher in 2024-25, we project the debt service ratio to increase further and average 10.7 per cent through 2028-29—well above its pre-pandemic record low of 7.0 per cent in 2018-19.

Summary

This report provides a baseline projection to help parliamentarians gauge potential economic and fiscal outcomes under current policy settings. Our outlook incorporates economic data up to and including February 20. It also includes new measures announced by the Government in the 2023 Fall Economic Statement and through February 1. The following provides a condensed overview of PBO's Economic and Fiscal Outlook (EFO). Projection details are provided in Appendices A to I. An accessible version of the appendices is available on the PBO website.

Economic outlook

Recent data[1] suggest that the Canadian economy stagnated in the second half of last year, leaving real GDP in the fourth quarter essentially unchanged from its level in the second quarter. In terms of annual growth, we estimate that real GDP advanced by 1.1 per cent in 2023.

We project growth in the Canadian economy to remain sluggish through 2024, with quarterly real GDP growth hovering around 1 per cent (at annual rates). Restrictive monetary policy is expected to restrain growth in consumer spending in the first half of the year and to dampen residential investment over the course of the year. We project export growth to moderate in response to a slowing U.S. economy and inventory investment to subtract from growth as businesses pullback on their stock building.

We project annual real GDP growth in 2025 to rebound to 2.4 per cent as consumer spending surges and the drag from inventory investment dissipates (Table 1). Over 2026 to 2028, we project real GDP growth to average 2.1 per cent which is higher than our estimated growth in potential output (1.9 per cent) over the same period.

assume that the policy rate will be reduced by 25 basis points at each fixed announcement date, returning the rate to its estimated neutral level of 2.5 per cent in the second quarter of 2025.

Overall, our outlook for nominal GDP—the broadest measure of the government's tax base—is lower compared to our October EFO largely due to downward revisions to GDP inflation.[4] Adjusted for historical revisions[5] the level of nominal GDP is projected to be $23.4 billion lower annually, on average, over 2023 to 2028 compared to our October outlook.

Fiscal outlook

Recall that PBO prepared its October outlook prior to the tabling of the 2022-23 Public Accounts.[6] The results for fiscal year 2022-23 recorded a budgetary deficit of $35.3 billion (1.3 per cent of GDP)—slightly lower than our estimate of $38.7 billion (1.4 per cent of GDP) in October.

Our status quo outlook includes new measures announced in the 2023 Fall Economic Statement and through February 1. Combined, new measures amount to $8.1 billion in (net) new spending over 2023-24 to 2028-29.[7]

For the current fiscal year, 2023-24, we expect the deficit to rise to $46.8 billion (1.6 per cent of GDP) due to slower revenue growth and higher expenses (Table 2).

In 2024-25, assuming no new measures are introduced, and existing temporary measures sunset as scheduled, the budgetary deficit is projected to resume its downward trajectory, reaching $16.9 billion (0.5 per cent of GDP) in 2028-29, as growth in tax revenue tracks gains in nominal GDP and growth in program spending remains relatively constrained.

Table 2

Summary of the fiscal outlook, billions of dollars (unless otherwise stated)

Fiscal year	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029
Revenues	447.8	457.4	483.2	503.9	527.3	550.6	576.5
Program expenses	438.6	450.0	469.1	483.5	495.8	514.5	533.3
Public debt charges	35.0	46.7	52.1	52.9	56.5	59.5	62.0
Actuarial losses	9.6	7.6	2.8	3.1	0.1	0.9	-1.8
Expenses	483.1	504.2	524.0	539.5	552.5	575.0	593.4
Budgetary balance	-35.3	-46.8	-40.8	-35.5	-25.1	-24.4	-16.9
Federal debt	1,173.0	1,220.7	1,261.5	1,297.1	1,322.2	1,346.6	1,363.6
Budgetary balance, % of GDP	-1.3	-1.6	-1.4	-1.2	-0.8	-0.7	-0.5
Federal debt, % of GDP	41.7	42.4	42.5	42.0	41.2	40.3	39.2

Source:
Office of the Parliamentary Budget Officer.

Note:
The projected level of federal debt for 2023-24 includes $0.9 billion of other comprehensive losses and net remeasurement losses on financial instruments from the December 2023 Fiscal Monitor.[8] The projection period covers fiscal years 2023-24 to 2028-29. Totals may not add up due to rounding.

With the increase in interest rates, we project the debt service ratio (that is, public debt charges relative to total revenues) to rise from 7.8 per cent in 2022-23 to 10.2 cent in 2023-24 (Figure 1). As the effective interest rate on debt edges higher in 2024-25, we project the debt service ratio to increase further and average 10.7 per cent through 2028-29—well above its pre-pandemic record low of 7.0 per cent in 2018-19.

In 2023-24, due to slower nominal GDP growth and an increase in the deficit, we expect the federal debt-to-GDP ratio to rise to 42.4 per cent. We then project the federal debt ratio to tick higher to 42.5 per cent in 2024-25 before gradually declining to 39.2 per cent by 2028-29, remaining well above its pre-pandemic level of 31.2 per cent of GDP in 2019-20. The federal debt ratio is projected to be 0.7 percentage points higher, on average, over 2023-24 to 2028-29 compared to our October outlook.

https://scoregolf.com/features/diversity-and-inclusion/newly-minted-lpga-tour-member-savannah-grewal-has-goals-that-extend-far-beyond-the-golf-course/

Savannah Grewal is the newest Canadian to reach the LPGA Tour, doing so with a successful run at Q-Series in her first start as a professional. (Photo: Alex Slitz/Getty Images)

DIVERSITY AND INCLUSION

Newly minted LPGA Tour member Savannah Grewal has goals that extend far beyond the golf course

Inspiring girls of diverse backgrounds and one day pursuing a career in medicine are just as important as making birdies for Mississauga native.

By

Amaya Athill

DECEMBER 7, 2023

Savannah Grewal was confident about two things growing up.

The first is that from the age of eight, she wanted to play golf competitively at the highest level. The second is that she wanted to help others by pursuing medicine.

Grewal's pursuit of those two demanding and divergent life paths makes her story unique. And after a T10 finish at LPGA Q-Series this week with rounds of 68-69-71-67-71-68, her first start as a professional, the 22-year-old has accomplished one while taking steps to tackle the other. Grewal is also a pre-med graduate of South Carolina’s Clemson University with plans to apply to medical school down the road.

What also sets Grewal apart from many of her on-course competitors is her ethnicity. Grewal is the daughter of a Swedish-Korean mother and an Indian father. From incorporating traditional Swedish dishes, sweets and traditions to their family Christmas celebrations to regularly eating her favourite grandmother-made roti and yellow dal, Grewal says she is grateful for the ways in which her family blended and celebrated all of the parts of their culture.

Savannah Grewal lines up a putt on the second green during the sixth round of LPGA Q-Series at Magnolia Grove Golf Course Mobile, Ala. (Photo: Alex Slitz/Getty Images)

In fact, Grewal describes her experience growing up in Mississauga, Ont., as one where she could feel free to experience and celebrate her diversity because she was surrounded by other families doing the same, Mississauga being one of the most diverse cities in Canada.

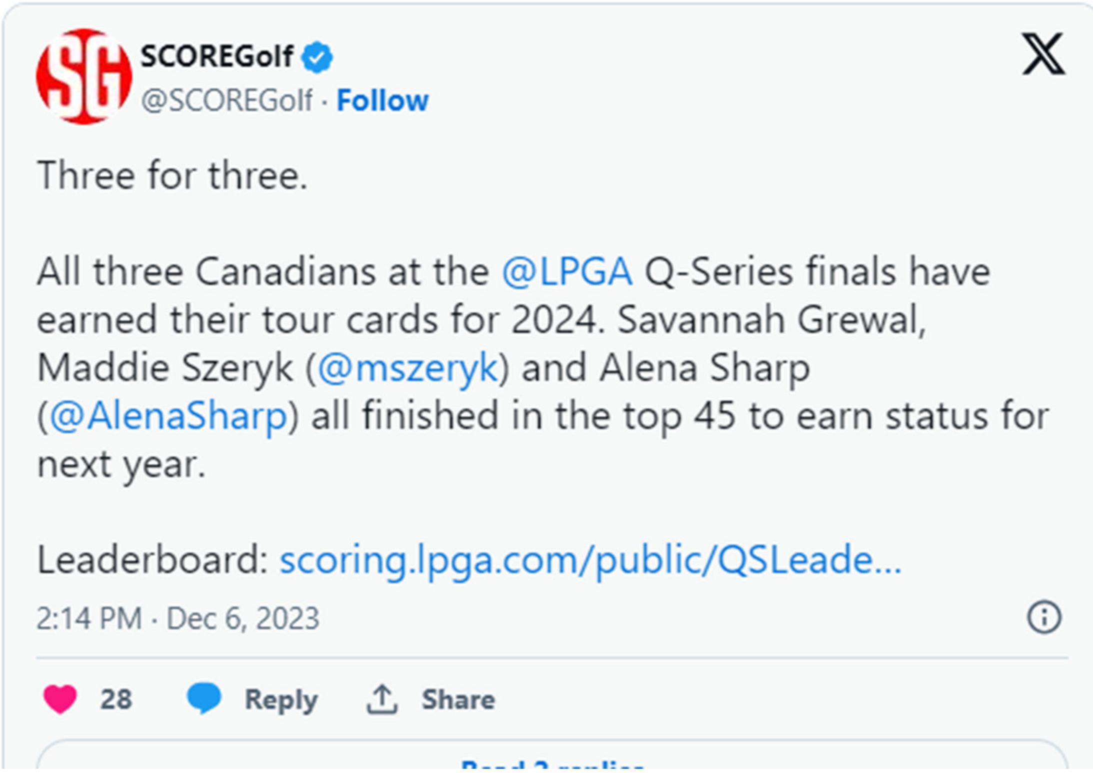
This contrasted her experience in golf.

“Diversity wasn’t reflected, so it was a challenge being the only girl *and* the only girl from an immigrant background,” she said in a recent interview.
Grewal first picked up a golf club at the age of six when her mother took her to a golf lesson at Piper’s Health Golf Club in nearby Milton. She loved the sport so much that, just two years later, she declared she wanted to play professionally one day. Her parents encouraged her dreams and dedicated their time and energy to ensuring Savannah was putting in the hard work they knew would help her take it to that level.

Grewal’s father, Ashoak, a physical education teacher, would watch golf videos and observe Savannah’s once-a-week golf lessons with the pro at Piper’s Heath. Then, every day after school, he would reinforce those teachings on their own at the range.

Ashoak’s background in sport and teaching, as well as the examples set by Earl Woods and Richard Williams in nurturing their superstar athlete children, gave him the confidence to get help Savannah develop in golf.

“Through my experience and through their examples I got to see how parents play the greatest role, I believe, in a child’s success,” Ashoak said.



Grewal cut her teeth in competitive golf by playing in the annual U.S. Kids Golf World Championship until she was 12. She transitioned to playing in American Junior Golf Association (AJGA) tournaments, which gave her more exposure to junior golf at the highest level.

“Playing in AJGA events gave me the ability to see where I stood comparatively and I started to notice that there was a huge gap being able to play year-round compared to only being able to play for six months in Canada,” she explained.

Having made this observation, Grewal reinforced her desire to turn pro and approached her parents about finding ways for her to play year-round. That’s when she moved to Florida to live with her grandparents from December to April each year. Her Mississauga high school was flexible and helped her navigate her winter absences by allowing her to take classes and submit assignments virtually and fly back for important exams.

Grewal — who won the Girls 14-15 Drive, Chip and Putt competition at Augusta National in 2017 — knew that she wanted to attend Clemson University after making an unofficial visit with her grandfather during a spring scrimmage football game. She said her mind was blown by Clemson’s facilities, its coaches and the atmosphere. “The moment I left the campus I knew this is where I wanted to go to school. It was just instant,” she said. Shortly after her visit, she was offered a golf scholarship and accepted.

Grewal enrolled at Clemson in 2019 as a pre-professional health science major.

“I grew up with a heart condition called supraventricular tachycardia (SVT), so cardiology was always something I was interested in,” she explained of her educational pursuit. “I was also always passionate about helping others and I felt that becoming a doctor and helping other people who are dealing with heart conditions was going to be the best way for me to do that.”

Seven months after she arrived at Clemson, the pandemic hit, and the Atlantic Coast Conference (ACC) halted golf tournaments.

Once golf resumed, demands of her academic course load, which included two- to three-hour hour labs, with those of playing on the golf team proved quite the balancing act. Grewal said it was a constant rotation between class, practice and homework. As a result, her range time was occasionally sacrificed so she could complete her coursework.

But rather than seeing golf as any kind of obstacle, Grewal said the game gave her the tools to be disciplined and focused academically.

“I felt as though golf and life had taught me so many lessons about time management, dedication and handwork,” she explained. “That transfer from high school to university wasn’t as difficult as it could have been because I already had that experience and foundation.”

One of Grewal’s favourite moments is winning the 2023 Atlantic Coast Conference Women’s Golf Championship, the first time the Clemson women’s team had done so. “To share that moment with my teammates, who are some of my closest friends, was so much fun,” she said.

With the NCAA’s extension for student-athletes to continue into a fifth year of eligibility to make up for the season lost to Covid, Grewal returned to Clemson last semester after graduating from her pre-med program and declared a French major.

But a new LPGA rule mandated only professionals may compete in the final stage of qualifying school, otherwise known as Q-Series. Grewal was the co-medallist at her First Stage LPGA qualifier, finishing at 15 under par. She was then T6 at Second Stage with an 8-under total. Turning pro ahead of schedule meant her last full college year was in 2022-23 when she finished with a 71.77 stroke average, the best in Clemson history. She was also a three-time, first-team academic all-conference athlete.

Overall, Grewal is grateful for the support of Clemson’s coaches during her journey there. She has also been part of Golf Canada’s high-performance program the last two years. But, without question, it is her family that she thanks the most.

“My parents are the most supportive people. They have always wanted me to follow my dream and have given me every opportunity to be successful,” she stated.

Ashoak said he feels “at peace, excited, and happy” about the journey is daughter is on because whatever passion becomes her profession, she will be successful. He recalled a key moment when he recognized his role as coach had changed and when Savannah took hold of her own game.

“I remember at the U.S. Kids Championships I would tee up every ball for her, but when I caddied for Savannah at the U.S. Women’s Amateur, Savannah asked me which way the putt would break, and in that moment, I realized I trusted her more than I trusted myself to make that call,” he shared. “She knew her own game better than me and is now her own coach.”

And now she is an LPGA Tour rookie who will get to compete against the likes of Brooke Henderson, Nelly Korda, Lydia Ko and others she has looked up to. She’ll also join fellow Canadians Maddie Szeryk and Alena Sharp, both of whom also advanced through Q-Series with T38 finishes.

“It hasn’t sunk in yet,” said Grewal of her accomplishment while driving back to Clemson from Alabama, where Q-Series was held. “I have been working towards this for so long that it feels surreal, but I am so excited to play alongside the best women golfers in the world.”

Even with her newfound tour status, however, the path to medical school is still before her, and there’s a plan in place to ensure it is pursued.

“Once I finish Clemson, I will study for the MCAT. As a professional golfer, I would like to apply to med school and defer my offer until it’s the right time,” she said.

With her experience of growing up being one of the few girls from an immigrant family playing golf, Grewal wants her example to motivate other girls in Canada from diverse backgrounds to get into the sport.

Having reached golf’s top level so quickly, she’s now in a prime position to inspire many.

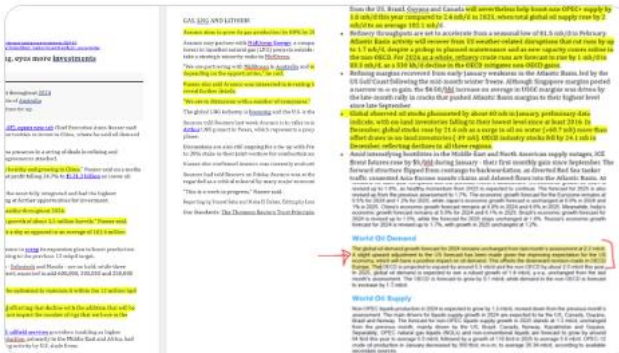
Dan Tsubouchi @Energy_Tidbits · 4h

Looks like OPEC to reduce its 2024 #Oil demand growth in MOMR on Tues.

"We expect it to be fairly robust, we are looking at growth of about 1.5 million barrels," Aramco CEO.

Closer to IEA +1.2 mmbd than OPEC +2.2 mmbd

Thx @mahaeldahan @YousefSaba #OOTT



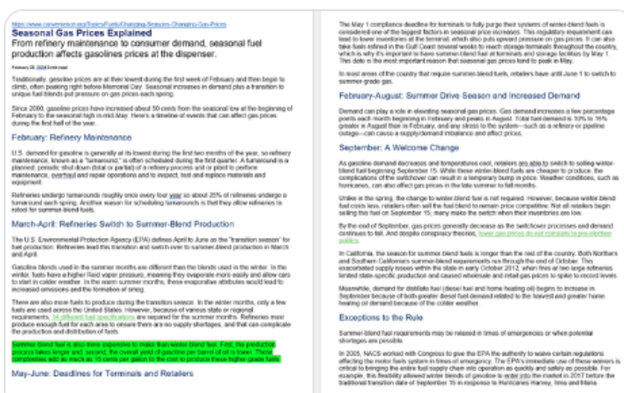
2 · 8 · 18 · 2.9K

Dan Tsubouchi @Energy_Tidbits · 17h

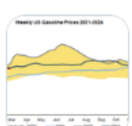
Summer blend #Gasoline is more expensive as production process takes longer & overall yield of gasoline per barrel of oil is lower.

02/28/24, 👇 @NACSonline *"these complexities add as much as 15 cents per gallon to the cost to produce these higher-grade fu*els.

#OOTT



Dan Tsubouchi @Energy_Tidbits · 18h



Reminder March is normally when US #Gasoline prices start to seasonally ramp up.

Like air travel, Presidents' Day marks start of increasing driving thru Labor Day....

1 · 5 · 11 · 4.3K

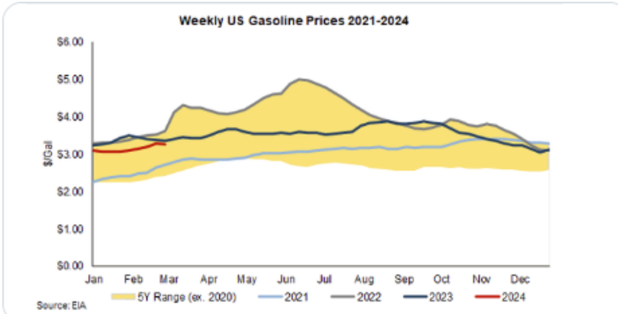
Dan Tsubouchi @Energy_Tidbits · 18h

Reminder March is normally when US #Gasoline prices start to seasonally ramp up.

Like air travel, Presidents' Day marks start of increasing driving thru Labor Day.

Plus May 1 is when the switch to more expensive summer blend gasolines to minimize evaporation.

#OOTT



5 11 5.6K

Dan Tsubouchi @Energy_Tidbits · 19h

Update from @CENTCOM.

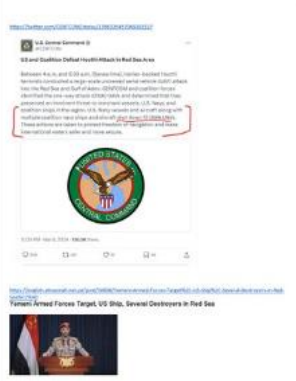
US shot down "*at least 28*" drones. Also no US/coalition ships damaged & no reports of damage to commercial ships.

Houthis claimed launched 37 drone attack.

Good to see unaccounted # of drones isn't as 1st reported and no damage!

#OOTT

> **Dan Tsubouchi** @Energy_Tidbits · Mar 9
>
> Let's hope it's Houthis exaggeration.
>
> Houthis claim launched 37 drones vs US navy.
>
> US says shot down 15 drones....
>
> Show more



1 3 4 3.6K

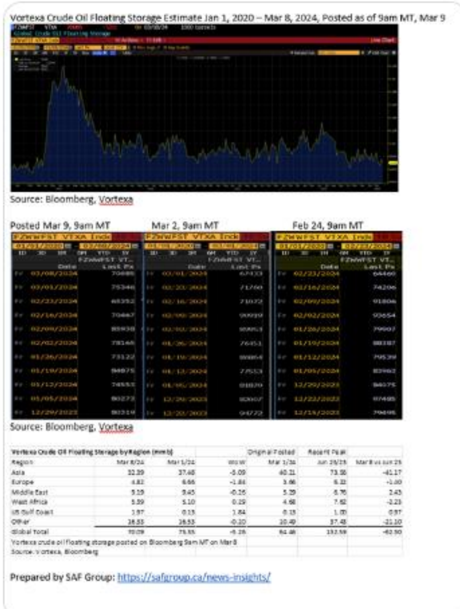
Dan Tsubouchi @Energy_Tidbits · 23h

#Oil floating storage 70.09 mmb Mar 8. Last 7 wks ave 74 mmb

Seems floating normalizing at lower (<80 mmb) level as refiners/tankers had ~6 wks to work in longer tanker trips.

Longer tanker trips = lower floating storage as OPEC keeps cuts thru Q2

Thx @vortexa @business #OOTT



Vortexa Crude Oil Floating Storage by Region (mmb)				Original Posted	Recent Peak	
Region	Mar 8/24	Mar 1/24	WoW	Mar 1/24	Jun 26/23	Mar 8 vs Jun 23
Asia	32.39	37.48	-5.09	40.21	73.56	-41.17
Europe	4.82	6.66	-1.84	3.66	6.32	-1.50
Middle East	9.19	9.45	-0.26	5.29	6.76	2.43
West Africa	5.39	5.10	0.29	4.68	7.62	-2.23
US Gulf Coast	1.97	0.13	1.84	0.13	1.00	0.97
Other	16.38	16.58	-0.20	10.49	37.48	-21.10
Global Total	70.09	75.35	-5.26	64.46	132.59	-62.50
Vortexa crude oil floating storage posted on Bloomberg 9am MT on Mar 8						
Source: Vortexa, Bloomberg						

7 22 3.6K

Dan Tsouchi @Energy_Tidbits · Mar 9

Let's hope it's Houthis exaggeration.

Houthis claim launched 37 drones vs US navy.

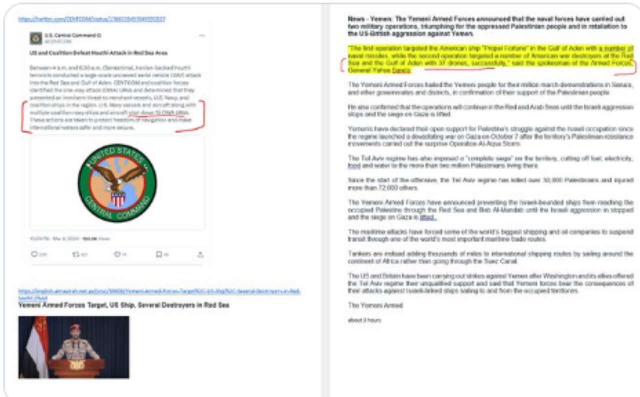
US says shot down 15 drones.

Is this large attack what Houthis leader warned 👇 on Mar 7?

Reminds Houthis are still not going away.

...

Show more



Dan Tsubouchi @Energy_Tidbits · Mar 8

Houthis are still not going away.

Leader last night "*What is coming is greater and there are great signs. We suit the action to the word. The enemy, the friend, and our dear people will see the ...*

3 6 6.1K

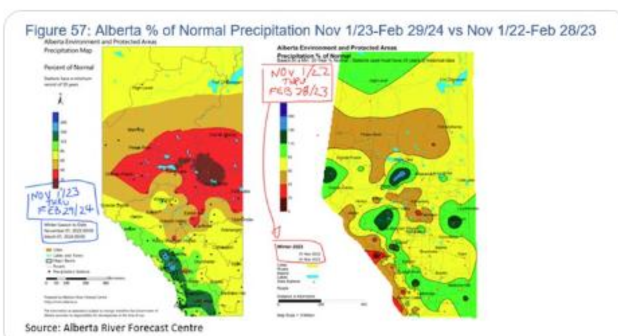
Dan Tsubouchi @Energy_Tidbits · Mar 8

Here's why there is increased risk to wildfire season & crops this summer vs last summer.

% of normal precipitation is significantly lower this winter vs last winter.

Huge amount of red (<40% of normal) and brown (60% of normal) this winter.

#OOTT



1 2 1.8K

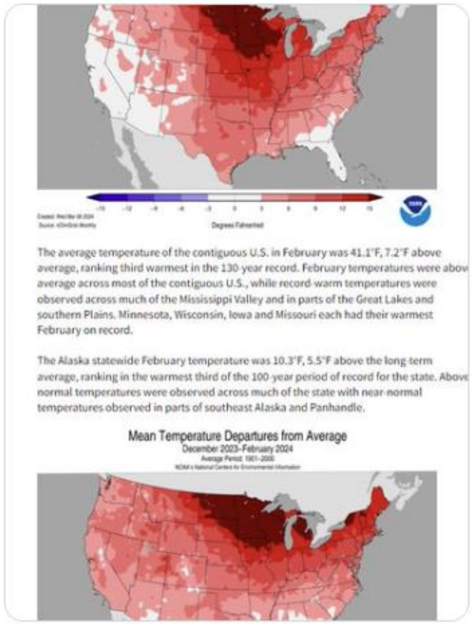
Dan Tsubouchi @Energy_Tidbits · Mar 8

No surprise HH #NatGas prices are $1.80 given @NOAA reminds it was the warmest winter on record.

Would be <$1.50 if EQT, CHK & others weren't shutting in supply.

Challenge for #NatGas is that shoulder season is starting ie. leave the windows open temperatures.

#OOTT



3 4 14 2.8K

Dan Tsubouchi @Energy_Tidbits · Mar 8

"***this is a [EV] market that's going from optimistic to realistic***. *You're seeing waning demand ... It's growing but the bottom line is that it's not accelerating at pace all the automakers expected*" Ex Ford CEO Fields to @BeckyQuick

#Oil will be needed for longer.
#OOTT

1 6 12 2.8K

Dan Tsubouchi @Energy_Tidbits · 3h

Houthis are still not going away.

Leader last night "*What is coming is greater and there are great signs. We suit the action to the word. The enemy, the friend, and our dear people will see the level of achievements of strategic importance ....*"
#OOTT

1 3 921

Dan Tsubouchi @Energy_Tidbits · 3h

China car sales, EV & ICE, down huge YoY.

Yes, Feb was Lunar New Year holiday BUT Chinese consumers are staying on the sidelines.

See 👇 01/28 tweet, Chinese are adding to savings and not plowing into consumption.

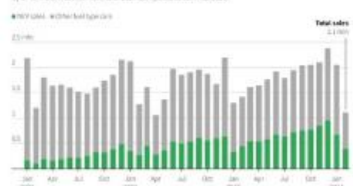
Thx @Reuters @Zoeyzhangyan @sarah_wu_ Qiaoyi Li.
#OOTT

China EV sales slow in January-February; price-cutting intensifies

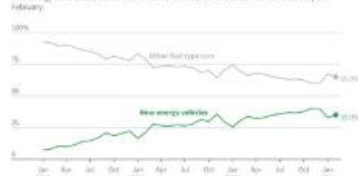
Reuters

March 8, 2024 12:51 AM MST Updated 3 hours ago

Car sales total 3.16 million units in Jan and Feb



NEV sales at 33% in the first two months of the year



Reporting by Qiaoyi Li, Zhang Yan and Sarah Wu; Editing by Christopher Cushing

Dan Tsubouchi @Energy_Tidbits · Jan 28

Will Chinese get back to spending instead of just saving?

01/26/24, China commerce ministry "*declared 2024 the "year of promoting consumption" as it stressed t...*"

1 1 9 1.6K

SAF

Dan Tsubouchi @Energy_Tidbits · 10h

CNPC sees low oil demand growth rate for China;

"*in the long run, of course, we are, we have entered the era of low growth rate of the crude oil and especially the gasoline because of the transportation volumes should be replaced by the electrical vehicles & other areas*" CNPC Lu...

Show more

"in the long run, of course, we are, we have entered the era of low growth rate of the crude oil [demand] and especially the gasoline because of the transportation volumes should be replaced by the electrical vehicles and other areas." **CNPC's Lu Ruquan**

SAF Group created transcript of comments by Lu Ruquan (President of China National Petroleum Corp's Economics & Technology Research Institute) with Bloomberg's Stephen Engle on March 7, 2024 (North America time) https://www.bloomberg.com/news/videos/2024-03-08/china-s-oil-demand-set-for-low-growth-phase-cnpc-s-lu-says

Items in "*italics*" are SAF Group created transcript

At 0:22 min mark, Lu "*... However, oil and gas sector, from perspective of oil consumption. You know last year, our country's oil consumption increased by 11%. That is very high. So that is of course, the recovery from Covid 19. And this year, because of energy transition, the bombing[?] up of electric vehicles, especially for the gasoline transportation. According to our research and study, our prediction is about 1% increase of the gasoline increase because of the EV and because of the economy.*" Engle "*so transition yes, but that number, 1% growth, basically when I look at your research that would be the lowest increase from your research in at least a decade. Is that a concern or is that just a reflection of that energy transition. Does it represent that the economy does not have end demand or is it more because there is a energy transition, at least in the new energy vehicles?*" Lu "*I think because of more of the energy transition from traditions of fossil fuel to EV. That will reduce at least 20 million tons of crude oil at least every year, year by year. So that is a huge number.*" Engle "*so through this energy transition is this going to be the long term trend of very low single digit oil demand growth?*" Lu "*in the long run, of course, we are, we have entered the era of low growth rate of the crude oil and especially the gasoline because of the transportation volumes should be replaced by the electrical vehicles and other areas.*"

Prepared by SAF Group https://safgroup.ca/

1 3 2 1.8K

SAF

Dan Tsubouchi @Energy_Tidbits · 11h

ICYMI.

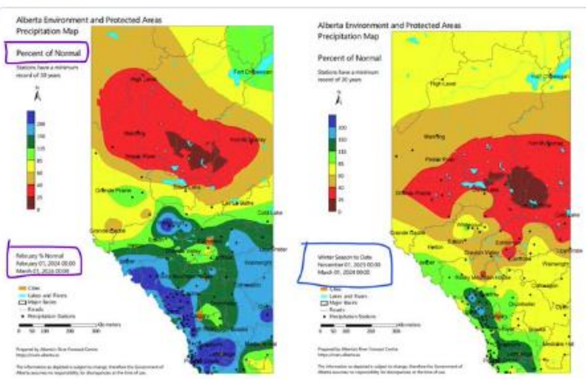
Good levels snow/precipitation in southern Alberta in Feb.

But Nov 1-Feb 29 is stil well below normal for almost all of Alberta except for along the Foothills.

So terrible set up for 2024 wildfire season and agriculture.

Need more snow/rain in March!...

Show more



1 1 1.1K

Dan Tsubouchi @Energy_Tidbits · 14h

ICYMI.

#1 reason why China is focusing on trying to add high paying urban jobs.

See 👇 video. Chinese moving from countryside to cities down ~10 million per year!!

It has a huge impact beyond why there are empty apartments.

#OOTT

> **Dan Tsubouchi** @Energy_Tidbits · Mar 3
>
> No wonder empty China apartments everywhere.
>
> See 👇 structural reduction in 3 buyer types of apartments in China.
>
> Marriage rate 1/2 of 10 yrs ago....
> Show more

1 · 5 · 2.1K

Dan Tsubouchi @Energy_Tidbits · 16h

Why lower US oil growth in 2024

Yes, US #Oil supply exceeded expectations in 2023.

BUT a good chunk was one-time production adds by privates to be bigger ahead of $51b in sales to publics.

Great analysis/message @ericnuttall.

Thx @RaymondJames Oil team for rig splits....
Show more

Source: NinePoint Energy Strategy Update March 7, 2024

1 · 6 · 23 · 4.1K

Dan Tsubouchi @Energy_Tidbits · Mar 7

NOT in 👇 press release.

"*have billionaires pay 25% of their income i**ncluding unrealized capital gains** ..... would **be like prepaying those taxes** ... it's very well crafted...*"
NEC Lael Brainard to @JoeSquawk.

Note: release says >$100mm wealth, not just billionaires.
#OOTT

> **Dan Tsubouchi** @Energy_Tidbits · Mar 7
>
> 
>
> Biden kicks off election campaign with a bang!
>
> Plans multiple tax items on corps & wealthy.
>
> Plan to raise $trillions "by enacting a new billionaire ...

2 · 6 · 4.1K

Dan Tsubouchi @Energy_Tidbits · Mar 7

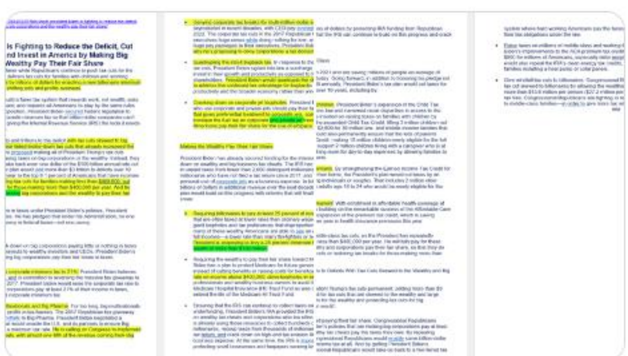
Biden kicks off election campaign with a bang!

Plans multiple tax items on corps & wealthy.

Plan to raise $trillions "by enacting a new billionaire minimum tax and ..."

Note his billionaire minimum tax is minimum 25% income tax on those who have >$100 mm wealth.

#OOTT



1 · 1 · 5.1K

SAF

Dan Tsubouchi @Energy_Tidbits · Mar 6

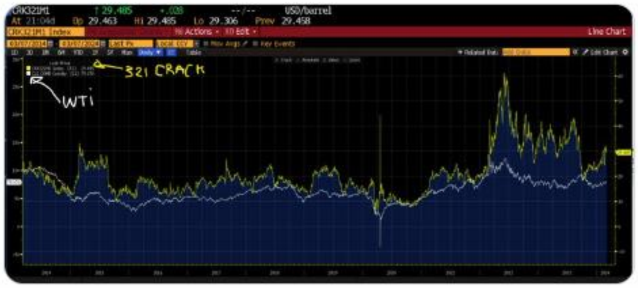
Positive for Oil over coming week.

321 crack spreads still $29.46.

Spreads at ~$30 provide big incentive for refineries to keep up runs and, if possible, defer maintenance.

Refineries taking as much #Oil as possible tends to drag up Oil prices a bit.

#OOTT Thx @business



3 18 72 5K

SAF

Dan Tsubouchi @Energy_Tidbits · Mar 6

"*I think the increasing [OPEC] challenge is how to unwind these cuts*"
@Amena__Bakr 👇 reminds T1 2.2 mmbd expects to come back gradually .
T2 & T3 in place thru yr-end.

Based on track record, have to expect Saudi's Abdulaziz won't let the market slip away.

#OOTT @gulf_intel...
Show more

***"I think the increasing challenge* [for OPEC+] *is how to unwind these cuts, Dyala. That's where they're going to face the most in terms of their challenges."* Amena Bakr, Energy Intelligence.**

SAF Group created transcript of comments by Amena Bakr (Senior Research Analyst, Energy Intelligence) with Gulf Intelligence's Dyala Sabbagh on Gulf Intelligence Daily Energy Markets podcast March 6, 2024 [LINK]

Items in "italics" are SAF Group created transcript.

At 11:00 min mark, Bakr *"I think the increasing challenge is how to unwind these cuts, Dyala. That's where they're going to face the most in terms of their challenges .... But for the time being, they're favoring the policy kind of keeping a tight grip on the market in terms of management knowing that the price is going to be within a certain range. Making sure these stock levels remain under the 5-year average. But when it comes to the unwinding of the cuts, our understanding so far is the way they are going to happen is you have various tranches of this agreement. You have the voluntary cuts by the eight members, which is the 2.2 [million b/d]. You have the group cuts, which is the 2 million which is placed until the end of this year. And then you have another voluntary cut that's 1.6 million by some members that, again, is until the end of this year. So the first tranche that is going to be unwound is the first 2.2 million b/d by the eight members and that most likely is going to come gradually into the market on a pro rata basis. That doesn't mean Saudi Arabia gets you know to put all of its 1 million b/d into the market, even though they have been consistent and they're the biggest producer, they're the one with the biggest cut in terms of allocation. But doesn't mean they're bringing it back first or all at once. So again, gradual process."*

Prepared by SAF Group https://safgroup.ca/

1 6 13 3.6K

Dan Tsubouchi @Energy_Tidbits · Mar 6

Chinese trading down on personal consumption.

Chinese are traveling BUT are "*spending down about 20% per capita during Chinese New Year when we interview hotels ....restaurants within China ...*" "*instead of buying say 3 meat dishes and 1 vegetable dish, they started buying 2...*"

Show more

1 · 3 · 1.2K

Dan Tsubouchi @Energy_Tidbits · Mar 6

Reminder Chinese wealthy/high income optimism has dropped with real estate/Chinese stocks drops.

Middle class is feeling optimistic with modest ~5% wage growth, but not wealthy consumer who drive high end consumption.

Thx @shaunrein.

#OOTT @tanvirgill2 @WillKoulouris

1 · 3 · 1.1K

Dan Tsubouchi @Energy_Tidbits · Mar 6

For those not near their laptops, @EIAgov just released at 8:30am MT its #Oil #Gasoline #Distillates inventory as of Mar 1. Table below compares EIA data vs @business expectations and vs @APIenergy yesterday. Prior to release, WTI was $79.75.   #OOTT

Oil/Products Inventory Mar 1: EIA, Bloomberg Survey Expectations, API			
(million barrels)	EIA	Expectations	API
Oil	1.37	2.74	0.40
Gasoline	-4.46	-1.75	-2.80
Distillates	-4.13	-0.66	-1.80
	-7.22	0.33	-4.20
Note: Oil is commercial so builds in +0.7 mmb in SPR for theMar 1 week			
Note: Included in the oil data, Cushing had a 0.71 mmb build for Mar 1 week			
Source EIA, Bloomberg			
Prepared by SAF Group https://safgroup.ca/news-insights/			

1 · 13 · 1.6K

Dan Tsubouchi @Energy_Tidbits · Mar 6

Houthis continue to crank up drone/missile attacks this week.

Merchant vessel hit SW of Aden!

Thx @UK_MTO

#OOTT

United Kingdom Maritime Trade Operations (UK @UK_MT · Mar 6

UKMTO WARNING INCIDENT 046
UPDATE 002

ATTACK

...

Show more

1 · 1 · 5 · 1.9K

Dan Tsubouchi @Energy_Tidbits · Mar 5

Maduro puts Biden on the spot!

Sets July 28 for VEN election.

Can Biden extend VEN Oil #NatGas licenses given opposition candidate Machado still not eligible.

Biden wants low #Oil #Gasoline prices for his election & now has ~175,000 b/d VEN imports to Gulf Coast.

...

Show more

1 6 12 5.1K

Dan Tsubouchi @Energy_Tidbits · Mar 5

1 mmb/d of new refining capacity started up in Jan .

Both should impact Q2/24 to take #Oil off export markets, & should ramp up to full capacity over 2024

👇 Jan 9. Nigeria started 650,000 b/d Dangote refinery

Pemex started up 340,000 b/d Olmeca (Dos Bocas) refinery.

#OOTT

> Dan Tsubouchi @Energy_Tidbits · Jan 8
>
> ICYMI.
>
> Nigeria expected to cut #Oil exports by 350,000 b/d in early 2024, then ultimately up to 650,000 b/d in later 2024 with the just starting up 650,000 b/d Dangote refinery. ...
>
> Show more

Nigeria's Dangote refinery set for test runs after getting more crude

1 7 30 8.3K

Dan Tsubouchi @Energy_Tidbits · 34m

should have added no wonder Iphone sales are down in China with countryside to cities down ~10 million/year due to lack of good paying urban jobs.

See 👇 Mar 3 tweet/video, great comments by @BNPParibas George Sun

#OOTT

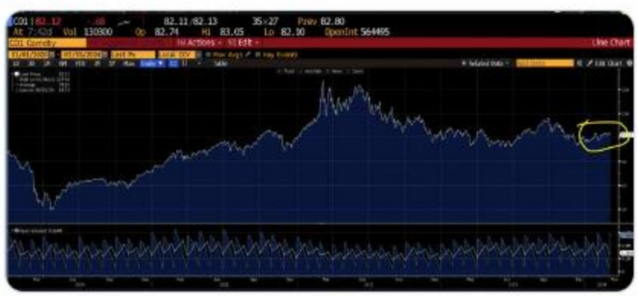
> **Dan Tsubouchi** @Energy_Tidbits · Mar 3
>
> No wonder empty China apartments everywhere.
>
> See 👇 structural reduction in 3 buyer types of apartments in China.
>
> Marriage rate 1/2 of 10 yrs ago....
> Show more

950

Dan Tsubouchi @Energy_Tidbits · 2h ·

Saudi Energy Minister Abdulaziz OPEC cuts are working, Brent is stable in tight range +/-$80 in seasonally lower QoQ oil demand.

"*These [#Oil] markets have become relatively boring" "lowest trading range for Brent since Sept 2020*" highlights @Ole_S_Hansen on @gulf_intel
#OOTT



5 13 1.3K

SAF Dan Tsubouchi @Energy_Tidbits · 3h ···

Who cut the Red Sea cables ?

HGC confirms 4 of 15 Red Sea submarine cables were cut last week. impacted 25% of traffic. "Around 15% of Asia traffic goes west-bound, while 80% of those traffic" will pass thru these cables/

Rerouting via China, US & 11 remaining cables.
#OOTT

3 · 4 · 1.7K

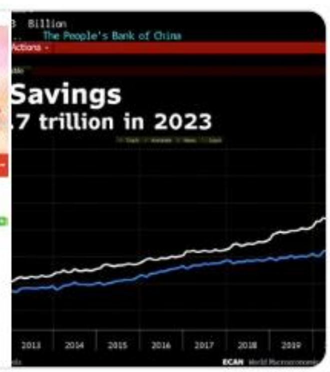
SAF Dan Tsubouchi @Energy_Tidbits · 13h · ···

When will Chinese start to start spending their 👎 big savings?

Today "*to improve the consumption environment, China will launch a year-long program to stimulate consumption*" Xinhua

01/26: Commerce ministry declared 2024 "year of promoting consumption"

#OOTT



SAF Dan Tsubouchi @Energy_Tidbits · Jan 28

Will Chinese get back to spending instead of just saving?

01/26/24, China commerce ministry "*declared 2024 the "year of promoting consumption" as it stressed t...*"

1 · 3 · 7 · 3.6K

SAF

Dan Tsubouchi @Energy_Tidbits · 14h

No surprise.

"*China aims to create over 12 mln urban jobs in 2024*" Xinhua.

Fits last night 👇 tweet & video , rural to urban down to 12 mm/yr vs norm of 22 mm/yr. so need urban jobs to get them back into cities.

#OOTT

NPC & CPPCC Annual Sessions 2024

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China aims to create over 12 mln urban jobs in 2024

Source: Xinhua

BEIJING, March 5 (Xinhua) -- China aims to create over 12 million jobs in urban areas this year, according to a government work report submitted Tuesday to the national legislature for deliberation.

SAF **Dan Tsubouchi** @Energy_Tidbits · Mar 3

No wonder empty China apartments everywhere.

See 👇 structural reduction in 3 buyer types of apartments in China.

...

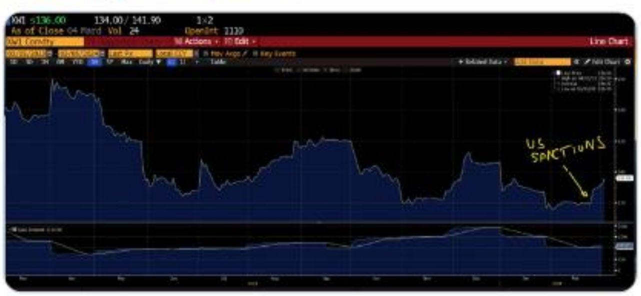
2 6 2.9K

SAF

Dan Tsubouchi @Energy_Tidbits · 14h

ICYMI

#Coal +14% since US Feb 23 "included Russian steelmaker and coal producer Mechel and pipe producers TMK and pipe producers TMK and Chelpipe in an updated sanctions list". reports @Deana_Kjuka on ofac.treasury.gov/recent-actions...



3 5 1.6K

SAF

Dan Tsubouchi @Energy_Tidbits · 19h

ICYMI

Yesterday Houthis leader "*options are being studied and surprises are coming*"

This is his new "surprises" are coming message that he started on Feb 29 👇

It's a reminder that Houthis don't go away quickly. The Saudis/Houthis conflict started almost 9 years ago!

...

Show more

https://twitter.com/Moh_Alhouthi/status/1764399498627858934

محمد علي الحوثي
@Moh_Alhouthi

خيارات تدرس و مفاجات قادمة
من اجل المظلومين في #غزة
ونفسنا طويل
ولايهمنا نعيق الاقزام

Translated from Arabic by Google

Options are being studied and surprises are coming
For the sake of the oppressed in #غزة
And our breath is long
We don't care about the squawking of dwarves

Last edited 2:16 PM · Mar 3, 2024 · **196.8K** Views

SAF **Dan Tsubouchi** @Energy_Tidbits · Feb 29

"***We have surprises that the enemies never expect***"
"*US-UK airstrikes and bombings have no impact on our capabilities or morale, not even among children*" says Houthis leader.
...

3 2 1.7K

Dan Tsubouchi @Energy_Tidbits · 23h

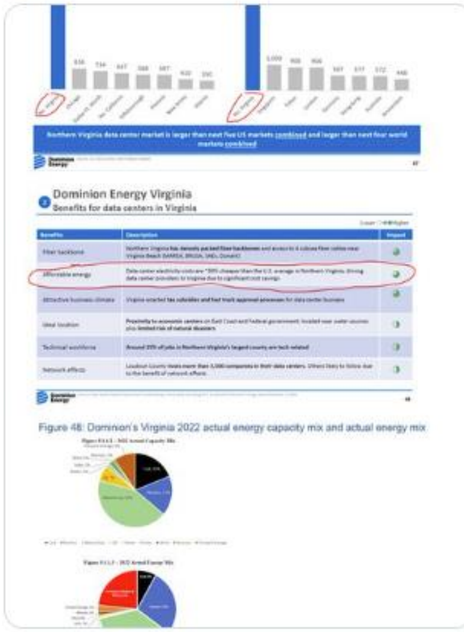
Data Centers 101; Need 24/7 available, affordable power, not intermittent solar/wind.

$D: Northern Virginia is #1 for data centers in US & the world.

Why? Affordable energy from #NatGas, #Nuclear & #Coal.

Vs Clean energy is 14% of capacity but 5% of actual energy.

#OOTT



Dan Tsubouchi @Energy_Tidbits · Mar 1

Data centers/AI growth = massive need for 24/7, not intermittent, power

$D highlights 74% of electricity growth is commercial driven by data centers/AI....

1 · 4 · 16 · 4.8K

Dan Tsubouchi @Energy_Tidbits · Mar 4

Here's why HH #NatGas is +$0.10 to $1.93 this morning.

EQT to curtail ~1 bcf/d thru March in response to low price "a*nd will reassess market conditions thereafter*"

#OOTT

https://media.eqt.com/investor-relations/news/news-release-details/2024/EQT-Announces-Strategic-Production-Curtailment/default.aspx

EQT Announces Strategic Production Curtailment

03/04/2024

PITTSBURGH, March 4, 2024 /PRNewswire/ -- EQT Corporation (NYSE: EQT) ("EQT" or the "Company") today announced it made the strategic decision to curtail approximately 1 Bcf per day of gross production beginning in late February in response to the current low natural gas price environment resulting from warm winter weather and consequent elevated storage inventories. The Company expects to maintain this curtailment through the month of March and will reassess market conditions thereafter. Curtailments are expected to total approximately 30 to 40 Bcf of net production during the first quarter.

1 · 13 · 53 · 11K

Dan Tsubouchi @Energy_Tidbits · Mar 3

No wonder empty China apartments everywhere.

See 👇 structural reduction in 3 buyer types of apartments in China.

Marriage rate 1/2 of 10 yrs ago.

Birth rate 9 mm vs 16 mm in 2000-2020.

Last 2 yrs, only 12/yr mm moved from rural to cities, used to be 22 mm/yr
...

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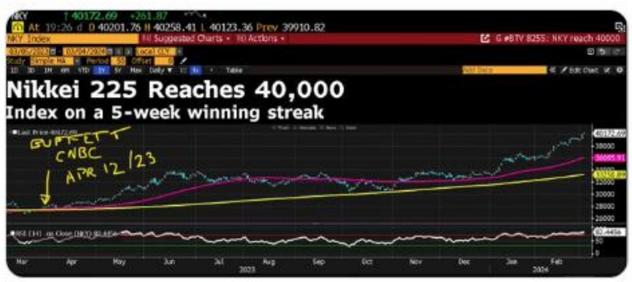
Thank you #WarrenBuffett say investors in Japanese stocks.

Nikkei +40%, a great run so far post his positive comments on Japanese trading houses in his @SquawkCNBC @BeckyQuick Apr 12/23 interview

#OOTT



> **Dan Tsubouchi** @Energy_Tidbits · May 18, 2023
>
> 
>
> The #WarrenBuffett effect is still working.
>
> @business "foreigners loving Japanese stocks. positive flows into equities for 7th straight week"
>
> ...

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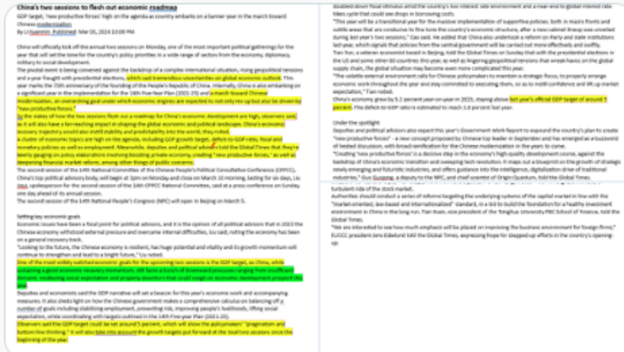
State media warns China "*still faces a bunch of downward pressures ranging from insufficient demand, weakening social expectation and property downturn that could weigh on economic development prospect this year*"

Market will need to see something from Two Sessions!

#OOTT


China's two sessions to flesh out economic roadmap

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Links to announced extensions of voluntary cuts to June 30

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>
> Breaking!
>
> #Oil story for Monday morning.
>
> "OPEC+ Extends Oil Supply Cuts Until Mid-Year to Avert a Surplus" ...
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SAF

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Breaking!

#Oil story for Monday morning.

"OPEC+ Extends Oil Supply Cuts Until Mid-Year to Avert a Surplus" reports @FionamMacDonald @S_Elwardany Grant Smith.

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From bloomberg.com

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