

DONALD UPENDS THE UN



Probably the most unpredictable week oil markets have experienced in a very long time! There’s always a twist; those investors who sold the market lower on Monday and Tuesday had forgotten what happens with prices on magical Wednesdays! (Please see last week’s weekly notes!) Wednesday yet again arrested market price weakness, stabilising prices, but even the faithful could not have imagined ICE gas oil would close the week on Friday \$40/mt higher than Tuesday’s opening price!

Four years ago, Donald Trump’s speech was delivered to an assembly full of dissenters and hecklers, this week, the assembly listened intently in silence to Trump’s very clear messages, the timing of which could not have been more poignant given Russian jets had made their 4th move this month in breaching the Estonian border, Poland had recently experienced Russian drones enter it’s airspace and Denmark suddenly had its hands full after Copenhagen airport was closed on several occasions when drones had entered airport operating space.

Danish police confirmed early on Thursday that three other smaller airports had reported drone sightings, although none were closed amid raised concerns over European security and Russian efforts to test NATO defences. Danish officials branded the incident a “hybrid attack” of particular concern to NATO was the shutdown of Aalborg, which is used for commercial and military flights. Russia, of course, denied its involvement in such activities, and whilst the UN and NATO pointed the finger in their direction, the eternal response, “it wasn’t us,” could be clearly heard.

By this time, Donald was on a roll and went on to speak his mind by saying Europe must stop importing Russian fuel and gas, which was due to end in 2028 now been brought forward to 2027. He then laid into others, “China and India as the primary funders of the ongoing war by continuing to purchase Russian oil, inexcusably, even NATO countries have not cut off much of that supply particularly LNG”. Donald mixed the fight just a little more by saying Ukraine can win this war, and NATO should be able to shoot down Russian jets if they encroach into NATO airspace.

The Salavat petrochemical complex, one of Russia’s largest and located in the Bashkortostan region, was attacked by Ukrainian drones early on September 24, as well as strikes on Russian oil distribution facilities in the Bryansk and Samara regions... Salavat, located about 1,500 kilometres from the front lines in

Ukraine, produces 150 types of products, including automotive gasoline, diesel fuel, fuel oil, bitumen, and polyethylene.

The mix of all these stories saw any thoughts of a falling market dashed in the dust and prices pushed comfortably higher. Oil markets feel a little different as we open the gate to Q4, suddenly not so weak. As ever, there are wild times ahead for sure; the idea of crude oil oversupply crushing prices has not gone away but ratcheting tensions that could change the thinking are growing.

The \$20bn Dangote Petroleum Refinery is facing a major labour crisis after the Petroleum and Natural Gas Senior Staff Association of Nigeria (PENGASSAN) ordered members across seven oil and gas firms to halt crude oil and gas supplies to the facility. The dispute stems from the alleged dismissal of 800 Nigerian workers for joining the union, alongside accusations that Dangote Refinery flew in unapproved Indian expatriates and practiced wage discrimination, paying Nigerians about ₦385,000 monthly while expatriates earned over \$5,000 (₦7.5m). PENGASSAN has directed an immediate shutdown of crude and gas supplies to the refinery and hinted at a potential nationwide strike if the workers are not reinstated. The Nigeria Labour Congress is monitoring developments, while attempts to get reactions from government labour authorities were unsuccessful.

Dangote Refinery dismissed the union’s directive as illegal, criminal, and economic sabotage, warning that it could deny Nigerians access to key products like petrol, diesel, aviation fuel, kerosene, and cooking gas.

This week’s closing guide prices:

Name	Price	Last Week
Ice Brent	\$70.13	-0.77
WTI	\$65.72	-0.45
Euro Mogas Swaps	\$728.00	-16.25
Euro Naphtha Swaps	\$573	-17.00
Nymex Gasoline	\$2.0326	- 2.93¢/gal
LPG Swaps	\$472.25	+16.50
OPEC Basket	\$71.50	
Gold	\$3760	