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Dow Jones Resources Coverage

EXCLUSIVE ANALYSIS AND NEWS BEATS

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- Exclusive news: **TransCanada** looks to suspend its **Keystone XL** pipeline application, **Enbridge** plans to build oil facilities in the **Gulf of Mexico**, **Ghana** reassures on **cocoa** output, **Chevron** lays off employees in the **Mideast**, and much more
- Unique analysis on retreating companies in the **Persian Gulf**, advancing interests in the **Permian Basin** and **Gold** losing its luster as a safe haven

Exclusive News

TransCanada Wants to Suspend Keystone Application

The proposed Keystone XL pipeline has been regarded as an important way to get crude oil from North American oil sands to refineries, but the pipeline has also created a political storm. We were first to report, on Nov. 2, that TransCanada Corp., the company that would build the pipeline, had requested a suspension of its application.

- The move came in the face of an anticipated rejection by the Obama administration and low oil prices that are sapping business interest in Canada's oil reserves.
- The project also faced unexpected resistance in Alberta, home to Canada's oil sands, with the election in May of a left-leaning government that has adopted a lukewarm stance on exploiting the resource.

Enbridge Plans Multibillion-Dollar Storage Investment

Enbridge Inc. plans to spend \$5 billion building three oil-storage facilities in the Gulf of Mexico region as part of a "full frontal assault" aimed at fortifying its strategic position in the U.S. market, a company official told us on Nov. 4.

- The move came after the U.S. House of Representatives recently voted to repeal the 40-year export ban on crude oil.
- If the ban is lifted, the terminals would position Enbridge, one of the world's largest oil logistics companies, at the forefront of the burgeoning U.S. oil export industry.

Ghana Reassures on Cocoa Output

Following last season's surprise drop in cocoa production in Ghana, the source of as much as a fifth of the world's beans, the country's cocoa agency is defending its record as a dependable producer of chocolate's key ingredient.

- On Oct. 2 we interviewed Noah Amenyah, public affairs manager for Ghana's cocoa board, known as Cocobod. Mr. Amenyah said Cocobod is confident Ghana can produce 850,000 metric tons of cocoa for the 2015-16 season, avoiding the drop seen in 2014-15.

Chevron Lays Off Employees in the Middle East

We were first with news on Nov. 9 that Chevron Corp. has begun to lay off workers in the Saudi-Kuwait neutral zone, and it plans to increase the number of layoffs to about 1,000 employees.

- A dispute between the two countries has halted work on the oil fields for several months, according to sources.
- Chevron announced planned layoffs of 6,000 to 7,000 on Oct. 30 when it reported earnings, but it's not clear whether these latest layoffs are part of the larger number.

More Exclusives

Read more about the scoops discussed above and listed below at <http://djh.dowjones.net/scoops>.

- Nov. 7—OPEC delayed the completion of an internal strategy report in the face of rancor among members over an extended oil-price slump, we were told.
- Nov. 3—OPEC was moving to rein in costs as members struggled to pay their dues amid a protracted period of low oil prices, OPEC officials told us. The producers' group has delayed new hires, reduced training sessions for staff and scaled back travel, and it has for the time being ruled out an increase in the \$2.4 million annual fee that each member pays.
- Nov. 3—The former chief executive of MarkWest Energy Partners was looking to scuttle one of the largest energy deals of the year, saying that the company's shareholders are coming up short in the transaction now valued at roughly \$10 billion. John Fox said he planned to mount a campaign to sway other shareholders.
- Oct. 28—Saudi Arabia, the UAE, Qatar and Kuwait were opposed to Venezuela's proposal for an oil-price summit comprising OPEC and non-OPEC countries.
- Oct. 28—The Vietnam Coffee and Cocoa Association forecast the country's robusta coffee output would fall 10% in the 2015-16 crop year amid stagnant prices, and it said cuts would go even deeper if prices don't recover.

Unique Analysis

Persian Gulf Oil Companies Retrench

Benoit Faucon and Summer Said put their extensive contacts and access to exclusive information about oil production in the Persian Gulf together to deliver an overview on oil producers in the region delaying projects and squeezing contractors for hundreds of millions of dollars in savings, as the pain from low crude prices spreads to state-owned energy companies struggling to pump at full tilt.

- Saudi Arabian Oil Co. has pushed back by a year the startup of a \$3 billion expansion project in an important field and delayed a liquefied natural gas export plan, according to Saudi industry officials.
- A \$3 billion UAE project that would boost the country's production by 100,000 barrels a day is on hold until contractors offer cheaper terms, a UAE oil official said.
- The delays demonstrate how a protracted period of sharply lower oil prices could have long-term effects on the production capacity of big Middle Eastern producers.

Permian Basin Continues to Pump Oil

As drillers pull back in oil fields in most of the U.S., they are pumping more crude than ever in the Permian Basin, according to federal data, we reported on Oct. 31. Companies from giant Exxon Mobil Corp. on down have been vying to add to their acreage in the oil area that covers a big swath of Texas and part of New Mexico.

- The strength of the Permian helps explain the confidence energy executives have in the U.S. shale oil and gas business, even as U.S. oil prices look likely to remain under \$50 a barrel for months and maybe years.
- The area contains so much crude, which can be tapped by using advanced drilling techniques, that the most efficient companies can make money even with oil prices 50% below their peak last year.

Gold Loses Safe-Haven Status

The price of gold, which typically swings with political, economic and inflationary threats, these days moves in step with a different force: the Federal Reserve, we reported on Oct. 20. Traders and analysts say the precious metal's role as a haven investment in times of turmoil has waned recently, with the price more likely to fluctuate because of shifting expectations about when the Fed will raise interest rates.

- Gold rallied after a sour September U.S. jobs report encouraged investors to bet there will be no increase this year.
- The shift could affect the precious metal's value over the long run if more investors become disillusioned with gold as a safe haven and turn to alternatives.

About This Newsletter

This weekly newsletter covers Central Banks, Deals, Resources and Technology topics on a rotating basis. Next week we'll take a break for the Thanksgiving holiday. The following week: Technology.

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If you have questions about the content of this newsletter, email Jacques van Wersch at jacques.vanwersch@dowjones.com.