




Oil & Gas Sector


We offer comprehensive financial services and products to meet the evolving financial needs of both international and local oil & gas companies operating in our presence countries. In addition, our on-the-ground specialist teams can support you in identifying opportunities that further drive the development of the broader oil & gas ecosystem.

SOME OF THE BENEFITS:

 Innovative solutions We provide you with innovative and end-to-end trading services to assist your transactional, investment and financial needs.

 Sector Insights Our well-established on-the-ground presence ensures that you get in depth insights into the oil and gas jurisdictions.

 Manage Digital currency risk As the number one digital currency trader in Europe, we are able to support you with the insights and instruments to manage Digital currency risk.

 Access to local and global resources As a key provider of capital with a large balance sheet, you get access to both local and global resources of debt, equity and multilateral funding options.

Our offering is backed by experienced teams, we offer a comprehensive suite of innovative solutions: Investment Banking solutions - Our sector specialists prepare customized offerings to suit your needs in the oil and gas sector, in areas like reserve-based lending, corporate lending and project finance structures. Global Markets solutions - We provide solutions to help you manage your foreign exchange and rates risk, including hedging solutions applicable to your business. Transactional solutions - Our network of transactional bankers can provide a variety of solutions ranging from meeting day-to-day transactional needs to offering you a range of your trade solutions.

MORE ABOUT THE SECTOR

Crude oil is an essential commodity that provides energy and petroleum products to the global market. Investors can speculate on the price of oil directly by trading in oil derivatives or the USO exchange traded product, which tracks the price of WTI crude. Investors can also play the oil markets in a more indirect manner by investing in oil drillers and oil services companies, or ETFs that specialize in these sectors. Oil as an Asset Oil is an economically and strategically crucial resource for many nations due to its basis for much of the energy that we consume. Countries like the United States maintain large reserves of crude oil for future use. The measure of these oil reserves acts as an indicator for investors; changes in the stock levels of oil are reflections of trends in production and consumption. In the spring of 2020, oil prices collapsed amid the economic slowdown. OPEC and its allies agreed to historic production cuts to stabilize prices, but they dropped to 20-year lows.

Oil and gas investors look for specific economic indicators to help them understand future movements in the petroleum industry. Like any commodity market, oil and gas companies, and petroleum futures are sensitive to inventory levels, production, global demand, interest rate policies, and aggregate economic figures such as gross domestic product. Aside from supply and demand factors, another force driving oil prices has been investors and speculators bidding on oil futures contracts. Many major institutional investors now involved in the oil markets, such as pension and endowment funds, hold commodity-linked investments as part of a long-term asset-allocation strategy. Others, including Wall Street speculators, trade oil futures for very short periods of time to reap quick profits. Some observers attribute wide short-term swings in oil prices to these speculators, while others believe their influence is minimal. Investing in Oil Directly One direct method of owning oil is through the purchase of oil futures or oil options. Futures are highly volatile and involve a high degree of risk. Additionally, investing in futures may require the investor to do a lot of homework as well as invest a large amount of capital.

WHY TALK TO US?

▲ Extensive presence across Europe : Our on-the-ground teams with extensive experience within the local markets ensure that you have access to policy and decision makers who drive the development of the oil & gas industry.

▲ Strong balance sheet : The strength of our balance sheet ensures that we are well-equipped to support your operations and growth aspirations.

▲ Innovative and customized solutions : You have access to world-class sectoral structuring solutions that are customized according to the needs of your business.

▲ Ongoing financial support : We provide ongoing financial support and working capital facilities, as well as have a leading forex capability to support the flow of funds across Europe and internationally.

MORE ABOUT THE SECTOR

Another direct method of owning oil is through the purchase of commodity-based oil exchange-traded funds (ETFs). ETFs trade on a stock exchange and can be purchased and sold in a manner similar to stocks. For example, as of Sept. 24, 2021, buying one share of the U.S. Oil Fund (USO) at \$51.82 would give you exposure to less than one barrel of oil priced at \$73.97 per barrel. The fund's investment objective is to provide daily investment results corresponding to the daily percentage changes of the spot price of West Texas Intermediate (WTI) crude oil to be delivered to Cushing, Oklahoma. In addition, investors can gain indirect exposure to oil through the purchase of energy-sector ETFs, like the iShares Global Energy ETF (IXC), and to energy-sector mutual funds, like the T. Rowe Price New Era Fund (PRNEX). These energy-specific ETFs and mutual funds invest solely in the stocks of oil and oil services companies and come with lower risk. Other ETFs that track the oil and gas drilling sector are the SPDR S&P Oil & Gas Exploration & Production ETF (XOP), the iShares Dow Jones U.S. Oil & Gas Exploration & Production Index Fund (IEO), and the Invesco Dynamic Energy Exploration & Production Portfolio.