

▶ FOR IMMEDIATE RELEASE: SATURDAY, 3 FEBRUARY 2018

## BSP CONTINUES TO BE CUSTOMER OF CHOICE FOR CRUDE OIL TRADING

Crude oil is one of the better and most actively traded commodities in the world. It is a very active market and is very well known to investors around the world. There is usually no shortage of news to cause the price of oil to move from day to day. This presents many good trading opportunities, whether you focus on day trading futures or are a longer-term trader or investor.

The price of crude oil affects the price of many other assets including stocks, bonds, currencies and even other commodities. This is because crude oil remains a major source of energy for the world. The trade of oil and gas in Brunei is a significant contributor towards the country's revenue. This is why Brunei Shell Petroleum Company Sdn Bhd (BSP) has a dedicated commercial team to focus on the sales and marketing of BSP's crude oil while also ensuring the company gets the maximum value for their crude and best in class customer service.

BSP customers are mostly end user refineries and integrated trading-refining companies. Around 95% of BSP's total crude production helps fulfil the energy demands of most of the countries across the Asia-Pacific region. BSP has close relationships with many of their customers, some of which go back for more than 40 years, to ensure that the market is well acquainted with BSP and their products.

"In today's volatile market, crude trading is based mainly on customer relationships and we take a lot of pride in ours; the success of which is apparent from the fact that some of our customers are with us for more than a few decades now. To be customers' first choice, we need to provide excellent services like timely delivery of oil and consistent quality, which we fully understand and aspire to deliver day in and day out," says Farida Dato Talib, Commercial Director of BSP.



*Caption: Seria Crude Oil Terminal (SCOT)*

The company understands the importance of their crude and the role it plays in business continuity and satisfying the energy requirement of the customers' market. Once a delivery window is

confirmed, people from all departments collaborate within BSP to ensure the required customer service. Seria Crude Oil Terminal (SCOT), the lifeline for Brunei Crude Exports, works 24 hours 7 days a week to ensure timely delivery of Brunei crudes. Along with operational efficiency, BSP also ensures that all assets are well maintained for consistent quality of service to their customer.

Brunei has been a net oil exporter for many years and BSP markets two grades – Champion and Seria Light Export Blend. Champion is sweet (low Sulphur) heavy crude whereas Seria Light Export Blend (SLEB) is light sweet crude. SLEB is the company’s flagship crude blend that is well known in the regional crude trading market due to its quality. Generally BSP crudes are rich in gasoline and middle distillates contents and therefore are preferred across the region by refineries.



*Caption: Sampling crude oil quality*

Asia continues to lead the world as it houses most of the higher gross domestic product (GDP) growth rate economies. This means energy demand in the Asia Pacific region will be increasing. Moreover, the majority of the new refineries and refinery expansion projects in the next five years are also in Asia, particularly in India and China, which will drive up the demand of crude oil in this region. There is also focus on low emission levels and more countries, as well as regulators, are becoming stringent on Sulphur level fuels, especially with International Maritime Organisation (IMO) cap on Sulphur level at 0.5%. This is expected to be implemented in 2020 and will increase the demand of low Sulphur crude oil.

This outlook is very positive for Brunei. Increasing energy demand in the Asia Pacific region, combined with expansion in refining capacities alongside the new regulations on Sulphur levels are good signs for the demand of low sulphur crude from Brunei. BSP being strategically located and possessing good quality sweet crude are all geared up to fulfil this increasing regional demand.

Ashraf Esa, a Senior Scheduler who has been with the BSP Oil Trading Team since 2011 shares his experience.



His current roles and responsibilities varies from planning and scheduling cargo loadings for BSP and third party sales and liaising with Seria Crude Oil Terminal (SCOT) and BSP Marine Operations on the crude oil loadings while taking into account of oil production and SCOT availability. He also analyses production and current stocks, and shipping schedules in order to make on the spot decisions on changing cargo size and/or loading sequences.

Furthermore he negotiates the cargo loading data range and cargo availability with customers ensuring smooth loading schedule through constant interface with customers, production, marine and operation staff.



"My progression in the crude oil trading department is well defined, structured and straight forward. At first, I was the trading market analyst before moving on to the oil operations role. I am looking forward to another progression which will take me to the oil trader role. This progression is typical in any oil trading outfit and I am quite happy that BSP adopts the standard progression as well," shared Ashraf.

He shared his experience with the rise and fall of crude oil prices over the past 10 years of which crude oil rose in 2008 with record prices of about USD140 billion barrels per day (/bbl) to USD30/bbl in 2016. This had impacted BSP's and the country's overall revenue during that period of time, however, BSP currently sees the rise of crude oil prices to USD70 /bbl and has carried out many initiatives to ensure they remain competitive.

"I am very proud to work for Brunei Shell's oil trading department, knowing that BSP is contributing to more than 60% of Brunei's GDP. My advice for anyone who is considering a future at BSP, show that you are willing to work hard, have innovative ideas and work well with others. Teamwork and collaboration are very important at BSP," said Ashraf.

**ENDS.**

**ENQUIRIES:**

Brunei Shell Petroleum Media Relations  
Mazridah Rahman 8903989