



16 December 2009

## Daily Oil & Gas Filter

### IN TODAY'S ISSUE

- PETROFAC
- INDUS GAS
- AMERISUR  
RESOURCES
- MAPLE ENERGY

### MACRO NEWS

A rise in industrial production in the US helped to lift oil prices yesterday, ending a losing streak that was approaching two weeks. The gains also came despite the US dollar strengthening on news producer prices in America rose more than expected. After hours, API inventory data was bearish overall. Crude stocks which were expected to fall rose 0.9m bbls instead while gasoline supplies rose 2.1m bbls and distillate stocks declined 2.6m bbls.

### OIL & GAS PRICES (Yesterday's Close)

WTI*	\$70.69	+\$1.18
Brent*	\$72.05	+\$0.16
Henry Hub Gas	\$5.53	+\$0.11

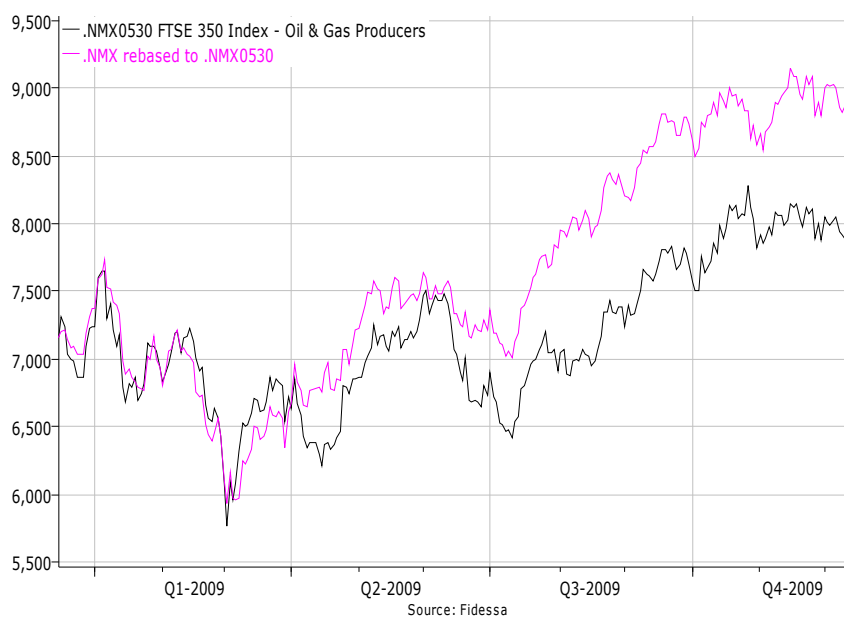
\* January contract

This morning, WTI and Brent are trading higher at \$71.35 and \$72.89 respectively.

WTI (JAN10) CRUDE 3-MONTH PERFORMANCE



## OIL INDICES PERFORMANCE



### DAILY SECTOR PERFORMANCE

Yesterday's %  
Change

FTSE 350 - Oil & Gas	-0.50%
FTSE 350 Index	-0.51%
FTSE AIM Oil & Gas	-1.04%
FTSE AIM All-Share Index	-0.23%

### COMPANY NEWS

**PETROFAC** today announced a trading update stating that the group will deliver profit after tax for the year of at least \$330 million. This is slightly ahead of our forecast of \$319 million. The group's backlog at the end of the year is expected to be \$7.8 billion compared to \$4.0 billion at the end of the year. Most of the increase in order backlog has come from Engineering and Construction. Engineering and Operations has seen significant contract wins in the North Sea. Activity levels remain subdued in Engineering, Training Services and Production Solutions. We understand from the conference call that production from the Don Fields has been a little lower than expected.

**Comment:** The company continues its strong growth and there is more growth to come in 2010 particularly from Engineering and Construction and Energy Developments. We retain our **BUY** recommendation on the stock.

**INDUS GAS** announced interim results for the six months to 30 September. Among the highlights were:

- Operating loss narrowed to \$627k from \$1.7 million in 2008
- Losses after tax, however, expanded to \$2.3 million from \$593k largely due to a \$1.9 million FX loss
- On schedule to start production and generate revenue in April 2010
- Fully funded operations from a combination of existing cash, debt facility and anticipated revenues
- High impact three well appraisal drilling programme planned for 2010

**AMERISUR RESOURCES** also announced interim results for the six months to 30 September. Some of the highlights were:

- Revenue of £293k versus £92k during the same period last year
- Operating loss narrowed to £941k from £1.2 million in 2008
- The start of commercial production from two wells at Platanillo
- Positive initial results from the first exploration well, Iguasa-1, drilled on the Fenix Block
- Achieving positive operating cash flow and a cash position at the end of the period of £8 million

**MAPLE ENERGY**, the Peruvian focused integrated energy company, announced an update on its ethanol project. Construction of the 5,000 tonnes per day plant has begun while the Macacara Pump Station, an integral piece of the sugar cane irrigation system, is substantially complete. Testing of the pump station took place last month. Working capital for the project also received a short term boost with the execution of two loan facilities for an aggregate of \$4.5 million. A senior project debt facility currently under negotiation will be used to repay these short term loans.

#### **THIS MORNING'S BULLS**

Description	Mid	Chg	%chg
RANGE RES. ORD NPV (DI)	4.00	1.00	33.33
ITHACA ENERGY COM SHS NPV (DI)	62.75	5.25	9.13
PETREL RES ORD EURO.0125	25.00	2.00	8.70
MAX PETROL ORD 0.01P	13.25	1.00	8.16

#### **THIS MORNING'S BEARS**

HARDY OIL ORD USD0.01	196.00	-7.00	-3.45
NOSTRA TERRA ORD 0.1P	0.98	-0.04	-3.47
ENEGI OIL ORD 1P	10.75	-0.50	-4.44
DOMINION PET COM SHS	7.63	-0.38	-4.69

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