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[1]

## International

Occidental Petroleum's total production will drop by 13% in the third quarter of 2020 and by another 5% in Q4'20, the US firm said last week, as it announced plans to cut its capital budget in half [2] for the remainder of the year and focus on debt reduction. It has also decided to keep its Algerian assets off the market.

Indian buyer Petronet LNG has reportedly renewed a provisional deal with US LNG hopeful Tellurian to invest in the Driftwood LNG project [3] in Louisiana, but has poured cold water on the prospects of the non-binding MoU culminating in a firm deal.

Japanese shipping company NYK Line has signed a joint R&D agreement with partners to build two commercially-viable ammonia ships [4], in a bid to lay the groundwork for widespread use of zero-carbon ammonia in shipping and power generation.

Low gas prices are incentivising power producers to switch from coal, diesel and fuel oil to LNG [5], according to shipping company Golar LNG, which reported "a surge in business and investor inquiries" in its Q2'20 results.

## Africa

**Mozambique** – Islamist insurgents have captured a key port [6] used by Total in the gas-rich Cabo Delgado province 60 km away from the under-construction 12.88 mtpa Mozambique LNG project, after

“intense” fighting forced Mozambique’s security forces into retreat.

## Australasia

**Australia** – Woodside Energy has cut its dividend by more than half [7] after low oil and gas prices hammered the company’s operating revenue and free cash flow over the first half of 2020.

## Central & South America

**Brazil** – Chinese state power firm SPIC has acquired a one-third stake in the 3 GW Gas Natural Açu LNG-to-power project [8] in Rio de Janeiro and set out intentions to participate in future expansions, marking Beijing’s largest investment yet in Brazil’s energy sector, the company said last week.

## Europe

**Germany** – Uniper today warned of a growing risk that the Nord Stream 2 pipeline might never be finished [9] due to “intensifying” US sanctions against the Gazprom-owned project between Russian and Germany.

**Norway** – Equinor’s CEO Eldar Sætre has stepped down [10] after six years at the helm, to be replaced by company veteran Anders Opedal, who has pledged to accelerate the Norwegian state oil company’s diversification into low carbon energy sources.

## Middle East

**Israel** – The country’s Ministry of Energy has cancelled [11] plans for 4.86 GW of new gas-fired capacity [11] in favour of renewable energy projects, particularly solar PV.

**Lebanon** – An urgent need for electricity in the aftermath of the cataclysmic explosion in Beirut port on 4 August has pushed Lebanon’s fitful gas exploration programme firmly into limbo [12].

**Saudi Arabia** – Saudi Aramco has confirmed it would pay out USD 18.75 billion in Q2 dividends, despite earnings plummeting by 73% [13] as reduced demand due to Covid-19 plunged its average realised oil price to just USD 23.40/barrel.

**Syria** – The US government has approved a contentious licence for a newly-formed American consortium to rehabilitate oil resources [14] in the Syrian Kurd-controlled north-east region that contains most of Syria’s hydrocarbon resources and where Islamic State once produced oil.

## North Africa

**Algeria** – National gas exports could drop by over 40% [15] by mid-decade unless Algiers lures significant fresh foreign investment into the North African country’s flagging hydrocarbon sector, energy minister Abdelmadjid Attar said last week.

## North America

**US** – Utility Duke Energy slumped to a net loss of USD 817 million in Q2’20 [16] after taking a hit of USD 1.6 billion on the cancellation of its Atlantic Coast gas pipeline project, and outlined plans to invest in solar PV and grid upgrades to meet some of the energy demand that would have been catered to by the

pipeline.

Joe Biden's pick of senator Kamala Harris as running mate in November's presidential election shores up the environmental credentials of the Democratic platform [17] and renews US shale industry fears that a new administration might move to curb fracking.

Chevron has invested in nuclear fusion start-up Zap Energy [18], a Seattle-based company seeking to develop scalable and commercially viable modular nuclear fusion technology.

The Environmental Protection Agency has reversed Obama-era laws [19] requiring oil and gas producers to limit operational methane emissions, in a controversial move intended to relieve the "regulatory burden" of leak monitoring on oil and gas companies.

Southwestern Energy and Montage Resources are to merge and become [20]the third-largest Appalachian shale producer [20] with a combined 3 Bcf/d, signalling that Appalachian drillers are bulking up to weather a prolonged downturn in prices.



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