

In this issue:

- Unsecured loans comprised more than 90% of all debts in H1 2019
- Oil and gas dominated volumes, marking the largest single recipient sector for commercial bank loans in H1 2019, with metal and mining a close second in terms of market share





THIS REPORT

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Welcome to TXF Data's Commodity Finance market overview. This report focuses on commercial loans for both commodity traders (CT) and commodity producers (CP).

It also leverages the power of tagmydeals, our user-generated, peer-reviewed deals database, to present an overview of market transactions for key commodities.

Highlights of the H1 2019 report:

- In H1 2019 banks provided a total of \$73.07 billion in commodity financing for both commodity producers and traders, which represents a significant drop in volume of \$30.5 billion compared to H1 2018.
- Around 58% of this debt comprised unsecured revolving credit facilities (RCFs) for both commodity producers and traders, an increase in volume of around \$2.9 billion compared with the same period in H1 2018.
- Traders signed a total of 19 RCFs in H1 2019 compared to 20 RCFs in H1 2018, while producers RCF fundraising decreased by over half in terms of the number of deals, from 24 RCFs in H1 2018 to 11 in H1 2019.
- Commodity traders Glencore and Trafigura as well as producer Emirates Global Aluminium were the largest single recipients of bank debt in H1 2019.

TXF Data aims to present as comprehensive and accurate a picture of the market as possible, but this can only be achieved with broad industry participation. That is why tagmydeals is free of charge and accessible to everyone in the industry. It allows users to add new information and improve existing information in a simple manner.

Our mission is to provide comprehensive and credible data to the industry and we are moving forward immensely in that regard. We would like to thank the institutions that currently provide us with data and encourage those that do not to join us in making this industry's data more transparent and accurate. Reliable data will help to better analyse the commodity finance sector internally and externally, as well as enhance reporting, research, benchmarking and business development in the sector.

If you have any feedback on this report or would like any further information, please contact dominik.kloiber@txfmedia.com

We hope you find this report useful and continue to use TXF Data for your business development needs. .

Many thanks,

The TXF Data team

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Users are encouraged to visit and review individual deal data on www.tagmydeals.com and contribute to the completeness and accuracy of our deal coverage.

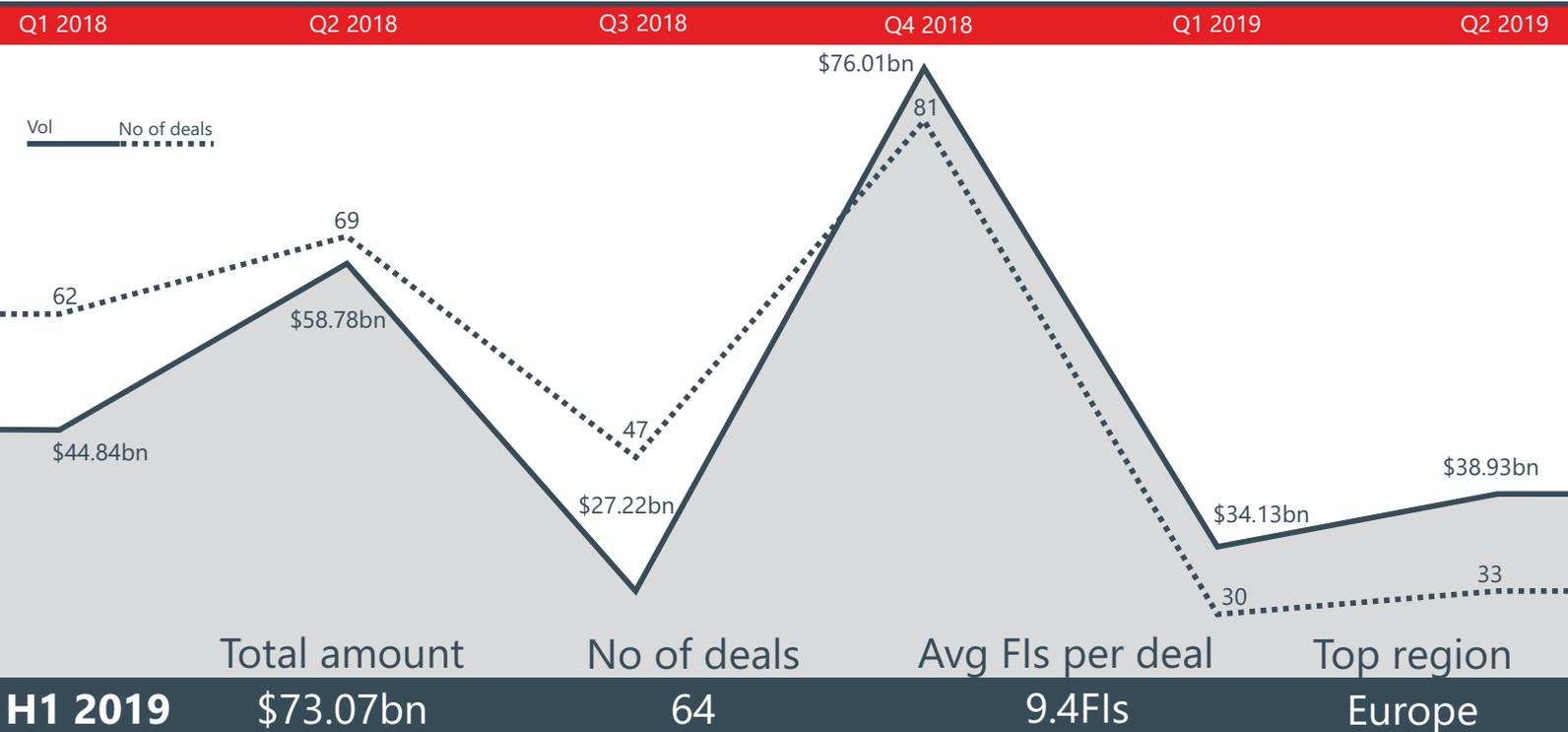


GENERAL MARKET

This section reviews commercial loans from banks, including secured and unsecured facilities, for both commodity traders and commodity producers across H1 2019.

Highlights

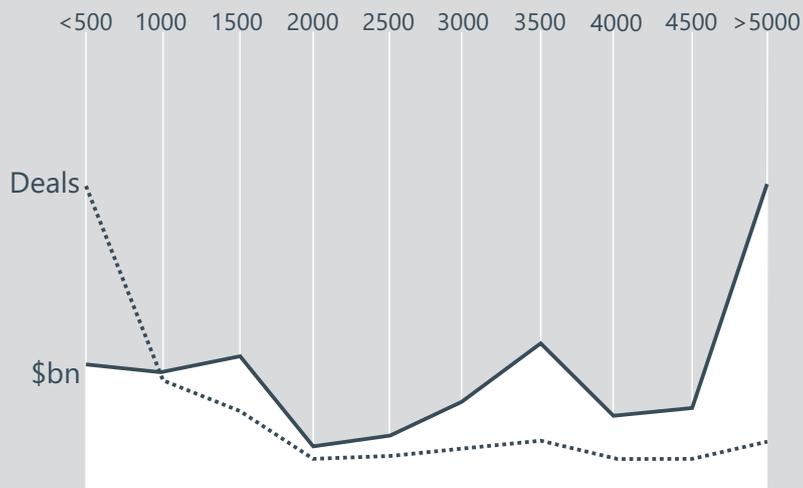
- In H1 2019 banks provided a total of \$73.07 billion in commodity financing for both commodity producers and traders.
- Around 58% of this debt comprised unsecured RCFs.
- Oil and gas dominated volumes, remaining the largest recipient group for commercial banks loans in H1 2019 and accounting for 49.0% of the total debts, with producers totalling \$19.3 billion and traders totalling \$16.5 billion.
- Metals and mining remains in second position and together with oil and gas represents 87.8% of the total debt for the first half of this year, with one transaction, the \$9.7 billion Glencore deal representing nearly 13.5% of the total 64 deals in H1 2019.



Deals by volume

Breakdown by volume range

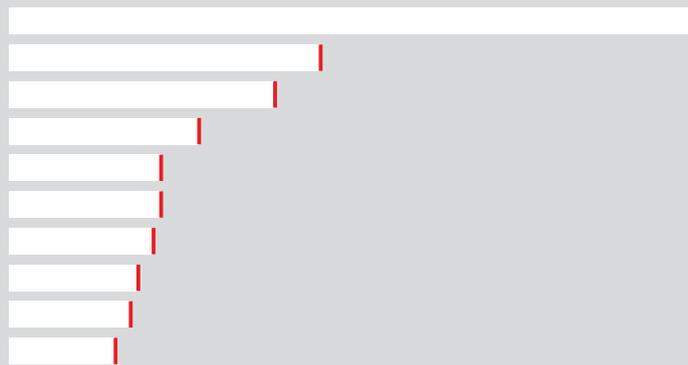
	\$m	No	%
<500	7,968	34	10.9%
500-1000	7,422	11	10.2%
1000-1500	8,488	7	11.6%
1500-2000	1,675	1	2.3%
2000-2500	2,250	1	3.1%
2500-3000	5,300	2	7.3%
3000-3500	9,465	3	13.0%
3500-4000	4,000	1	5.5%
4000-4500	4,650	3	6.4%
>5000	21,850	3	29.9%



Top borrowers

Top ten borrowers

	\$m	%
1 Glencore	14,425	19.7%
2 Emirates Global Aluminium	6,500	8.9%
3 Trafigura	5,653	7.7%
4 Aker BP	4,000	5.5%
5 Petrobras	3,250	4.4%
6 Messer Industries	3,215	4.4%
7 Chrysaor E&P Finance	3,000	4.1%
8 First Quantum Minerals	2,700	3.7%
9 Freepoint Commodities LLC	2,600	3.6%
10 Mercuria Energy Trading	2,250	3.1%

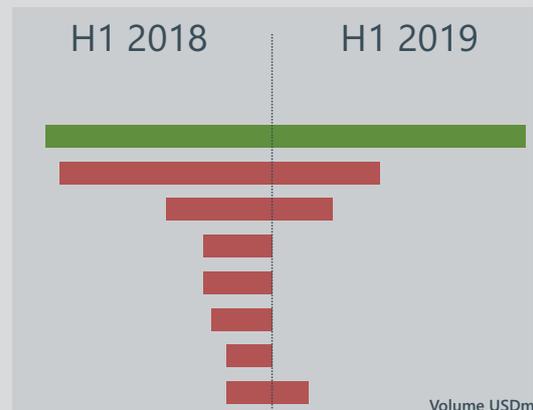




BORROWERS YEAR-ON-YEAR PERFORMANCE

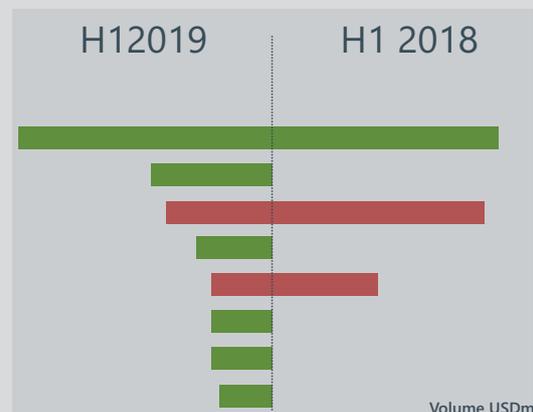
Top borrowers in H1 2018

	H1 2018		H1 2019	
	\$m	No	\$m	No
Glencore	13,060	2	14,425	2
Trafigura	11,236	5	5,653	2
Petrobras	5,595	2	3,250	1
Castleton Commodities Int.	3,525	2		
PBF Holding Company	3,400	1		
Abu Dhabi National Oil Co.	2,550	1		
Neptune Energy Group	2,400	2		
Mercuria Energy Trading	2,357	1	2,250	1

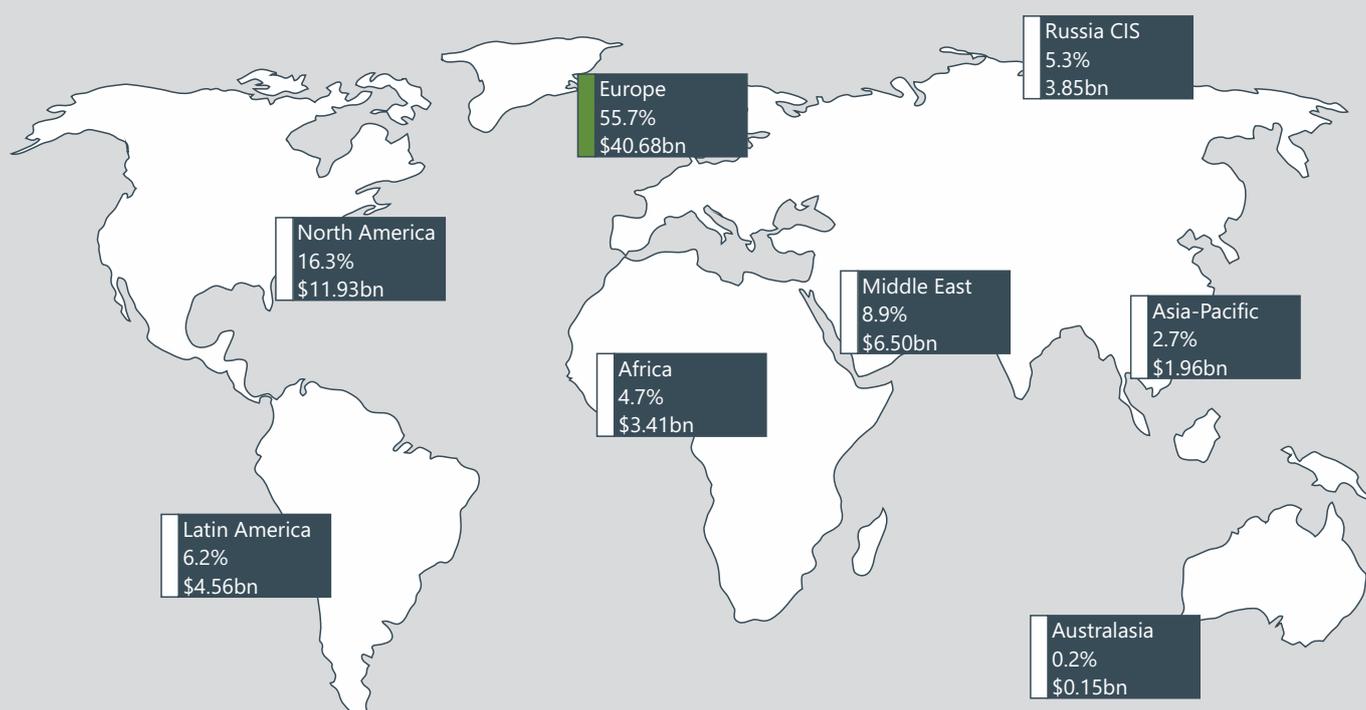


Top borrowers in H1 2019

	H1 2019		H1 2018	
	\$m	No	\$m	No
Glencore	14,425	2	13,060	1
Emirates Global Aluminium	6,500	1		
Trafigura	5,653	2	11,236	5
Aker BP	4,000	1		
Petrobras	3,250	1	5,595	1
Messer Industries	3,215	1		
Chrysaor E&P Finance	3,000	1		
First Quantum Minerals	2,700	1		

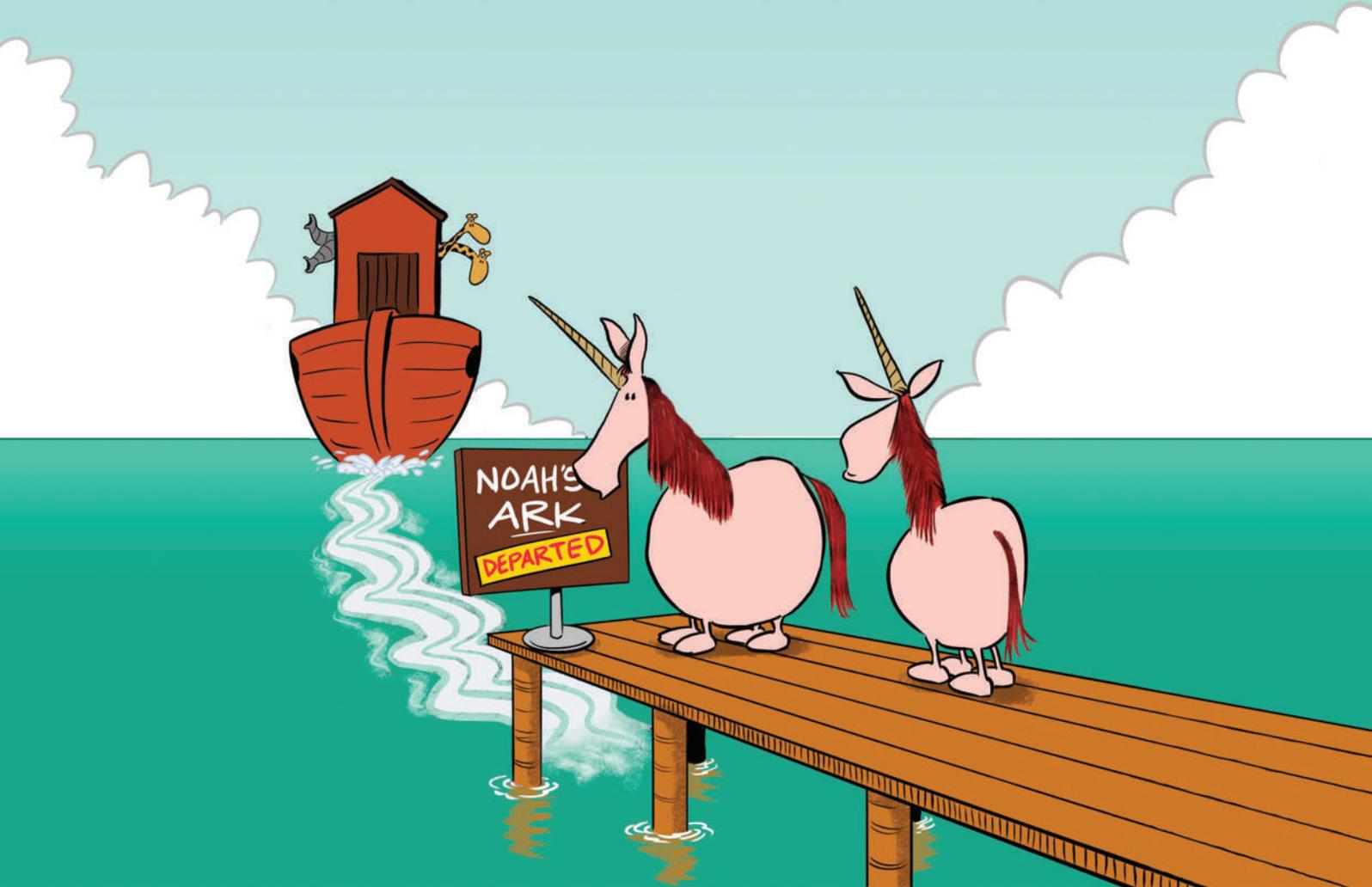


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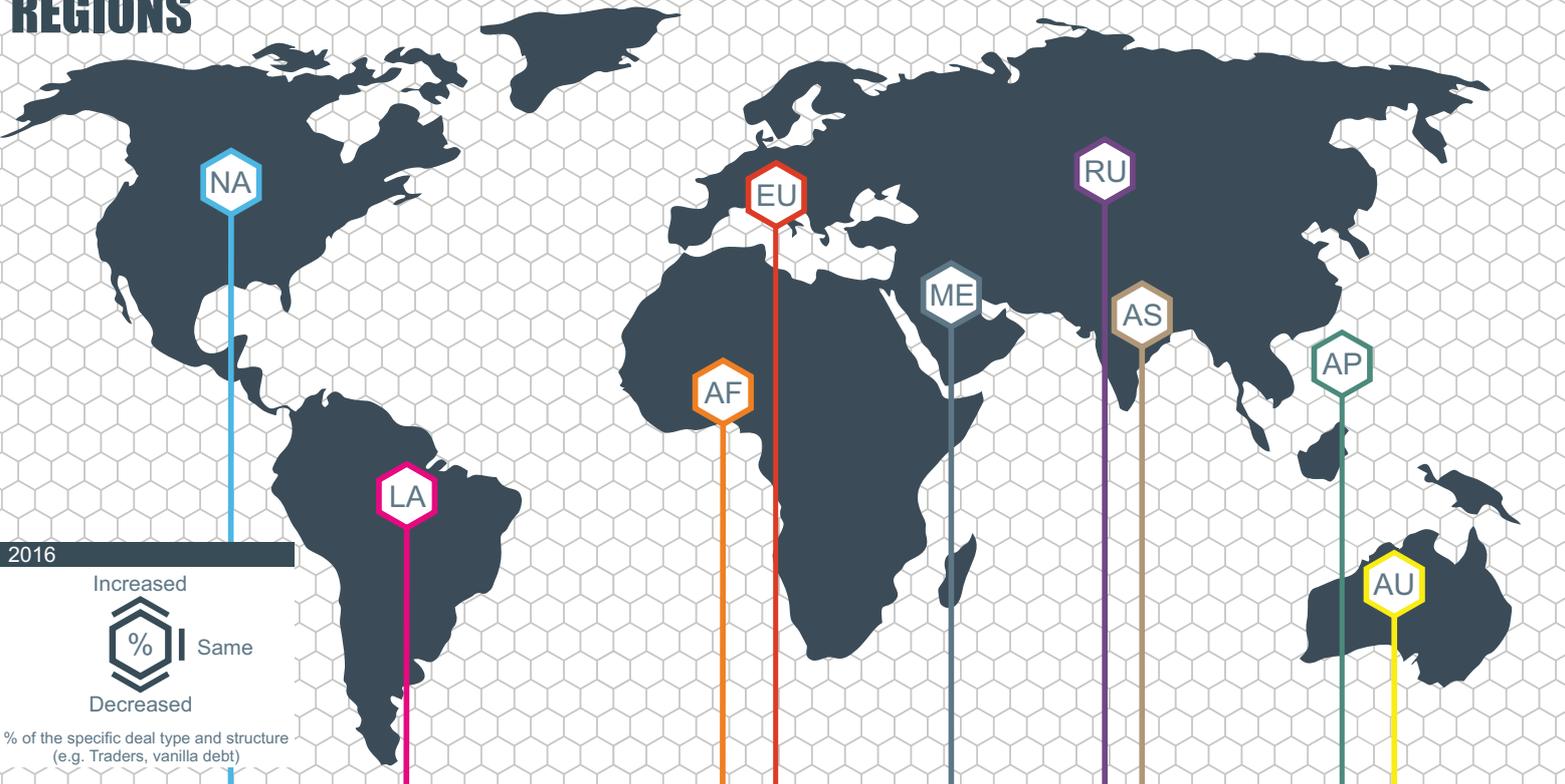


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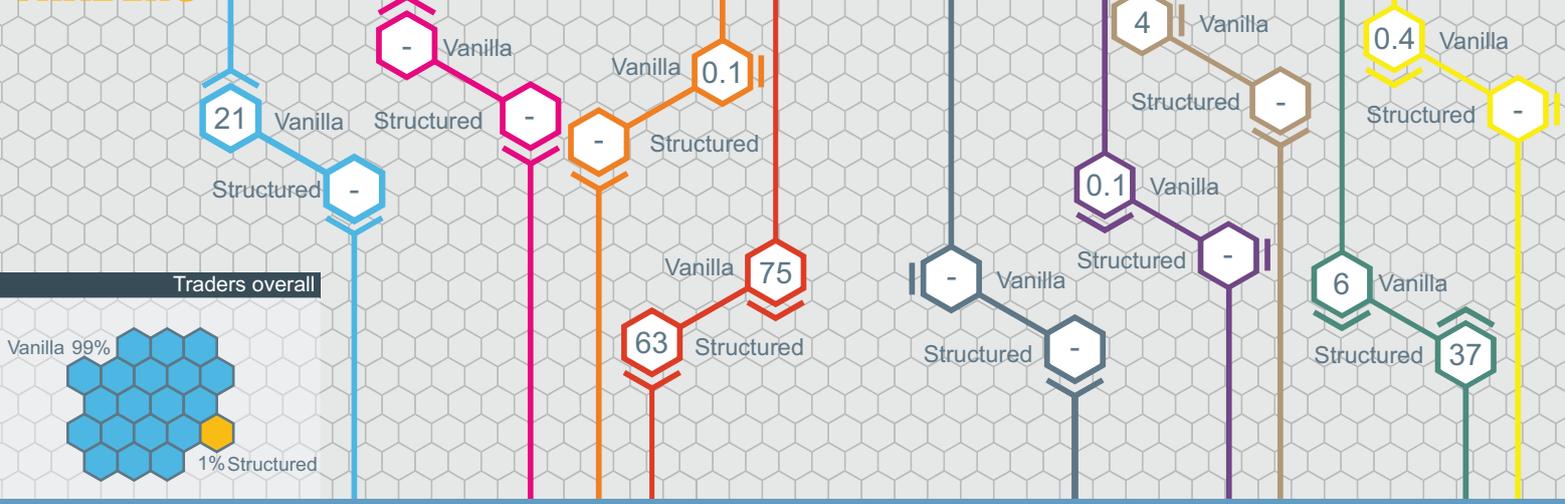
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TRADERS

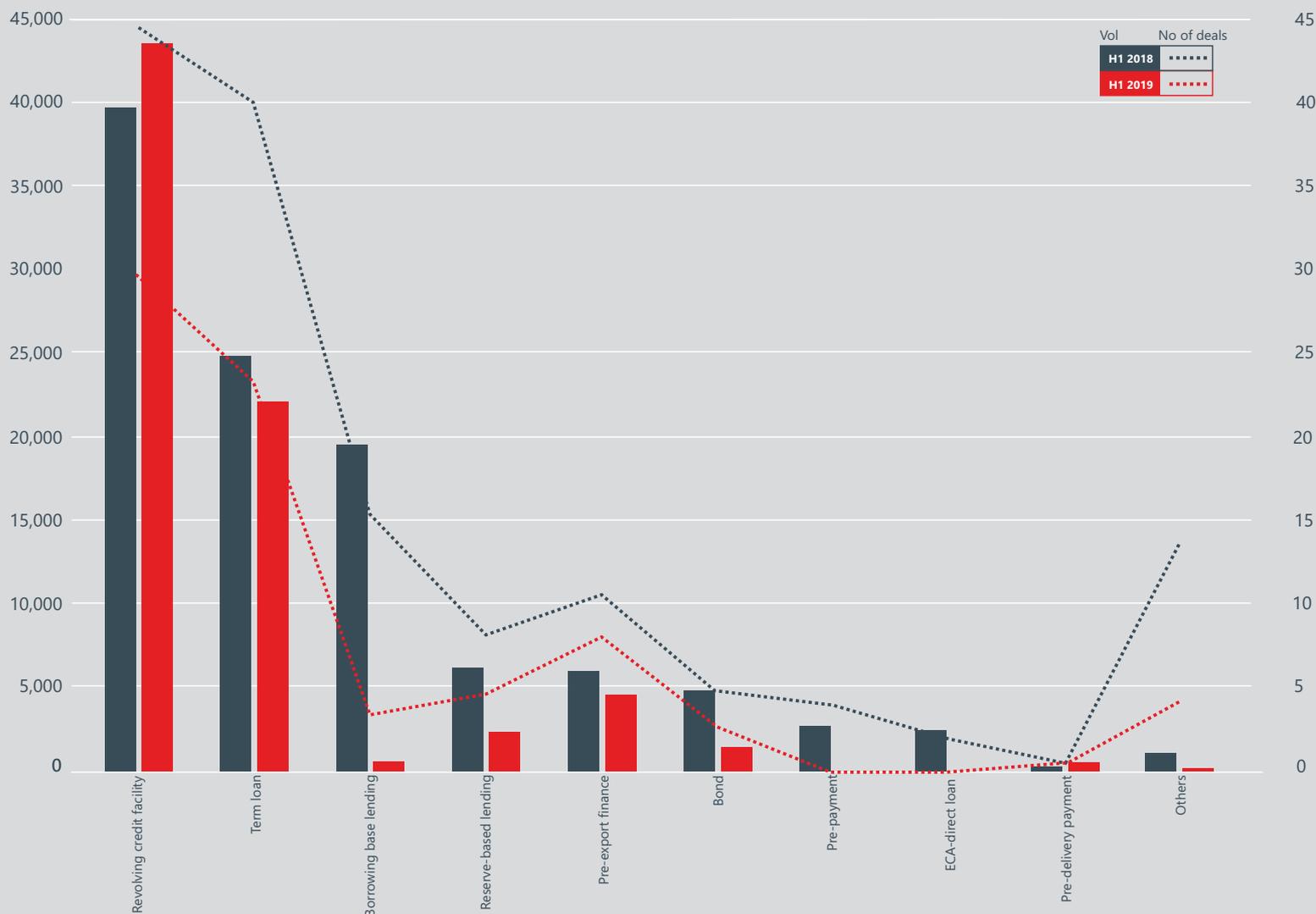


PRODUCERS





TRANCHE STRUCTURE



UNSECURED 90.5%

SECURED 9.5%

Breakdown tranche structure

		H1 2019			H1 2018		
		\$m	No of deals	%	\$m	No of deals	%
1	Revolving credit facility	42,513.6	30	58.2%	39,647.5	44	38.3%
2	Term loan	21,583.5	24	29.5%	24,291.2	40	23.4%
3	Borrowing base lending	535.7	3	0.7%	19,188.9	16	18.5%
4	Reverse-based lending	2,300.0	4	3.1%	5,780.0	8	5.6%
5	Pre-export finance	4,103.7	7	5.6%	5,713.1	11	5.5%
6	Bond	1,411.5	2	1.9%	3,221.1	5	3.1%
7	Pre-payment				2,305.0	4	2.2%
8	ECA-direct loan				2,207.7	2	2.1%
9	Pre-delivery payment	430.0	1	0.6%	300.0	1	0.3%
10	Other	430.0	4	0.3%	972.3	13	1.0%