

# Gunvor Eyes U.S. Oil, Gas Activities

By [The Moscow Times](#)

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Switzerland-based trading house Gunvor, once dominant in the Russian crude oil market, is looking at new oil and gas opportunities in the United States, its chief executive has said.

Torbjorn Tornqvist said Gunvor was still in the Russian oil products market but was looking farther afield.

"We are continuously expanding and diversifying while maintaining our core business, which is crude oil, and we expect to expand that as well," he said in an interview. "We are looking to expand geographically where there are opportunities, such as in the United States, which today has many opportunities in oil and gas."

Gunvor at one point handled as much as 40 percent of Russia's seaborne exports but was left with no Russian crude oil to sell last year after a major tender by state oil firm Rosneft.

Tornqvist, who founded privately owned Gunvor with Gennady Timchenko in 1999, has said the share of Russian oil in the company's commodity portfolio would gradually decline as its

other interests grew.

Tornqvist said tensions across the Middle East and North Africa could push oil prices higher but an easing of tension with Iran could have the opposite effect.

The United States and Europe have imposed strict sanctions on Iran and restricted its oil exports in an effort to curb Iran's nuclear program, which the West says is designed to build an atomic bomb. Iran says its nuclear plans are peaceful.

"Geopolitical tensions remain: Iran, Syria," Tornqvist said. "North Africa is not yet stable, and this could pull oil higher. Iran is key to this. If they agree to return to the table, there could be some easing in prices."

Tornqvist said trading conditions had been challenging, "especially on the crude oil side," and he expects "a lot of volatility in oil markets."

"With the U.S. shale revolution, there is no lack of hydrocarbons anywhere in the world," he said. "In developed markets, the growth is still weak and demand remains capped."

Tornqvist said that the commodities market was evolving and that he expected banks to retreat further from commodities trading.

"Some will definitely stay, like Goldman (Sachs), but some will retreat further. In Europe, banks are facing a lot of political pressures," he said.

In the oil market, trading houses have stopped speculating on outright prices and switched to other types of business.

Good trading opportunities have arisen in physical markets such as oil products and liquefied petroleum gas, "where Gunvor has been growing fast," he said.

Tornqvist said 2012 was better than 2011 for Gunvor, and he added that profit was up versus 2011. Last year, Gunvor traded about 2.5 million bpd, he said.

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