

Russia's Rosneft Reports Profits Boost Amid Surging Energy Prices

By AFP

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Igor Onuchin / TASS

Russian oil giant Rosneft on Friday reported an increase in profits in the third quarter, with its CEO predicting a "super cycle" of rising energy prices as demand picks up.

The company — which is about one-fifth owned by Britain's BP — has returned to profit this year as oil prices have rebounded following a dismal 2020 for the industry and global economy due to the pandemic.

Gas prices have also surged this year as the world economy recovers from the Covid-induced crisis.

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CEO Igor Sechin said in a statement that "despite the uncertainty in the global economy"

there is a "rapid growth in demand for traditional energy resources".

"We may witness a new super cycle on the oil and gas markets," he said.

The state-controlled company reported a net profit of 314 billion rubles (\$4.3 billion) in the third quarter after suffering losses in the previous year.

Profit was up 35% between July and September compared to the previous quarter.

Quarterly revenue rose to 2.3 trillion rubles in the third quarter, 60% higher than a year ago.

Sechin said the market conditions were favorable for the company to increase its "investments in new projects" among which is the Vostok Oil project in Siberia.

The Rosneft results come as talks <u>conclude</u> at the COP26 UN climate conference in Glasgow with calls for nations to phase out fossil fuels.

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