

Event	MarCon*	IIR Comment	IIR Links	Outlet
Saudi Arabia says it will cut another 1 million BBL/d in June	↑ 1	This additional cut will bring total Saudi cuts to ~4.8 million BBL/d from the April production level. Saudi oil production for June will total ~7.5 million BBL/d, a far cry when Saudi Arabia spoke of flooding the market with 12.5 million BBL/d.	<a href="#">Industrial Info's Weekly Global Refining Report</a>	<a href="#">Market Watch</a>
Saudi Arabia's double standard: cheap for Asia, premium for the U.S.	↑ 1	"Saudi Arabia continues to offer big discounts for its crude for Asian buyers despite calling a truce in its global price war under pressure from the U.S. The state energy giant Saudi Aramco set its June official selling price for Arab Light grade crude to Asia at \$5.90 a barrel below the benchmark price."	<a href="#">Industrial Info's Weekly North American Refining Report</a>	<a href="#">Financial Times</a>
U.S. removing Patriot missiles & troops from Saudi Arabia	↓ 2	Amidst U.S.-Saudi tensions, there is military shuffling in the Middle East by the U.S. Some are saying this is to put pressure on the Saudis and remind them who their friends are.	<a href="#">Saudi Arabia Constructing Chemical Projects Worth \$4.53 Billion, an Industrial Info Market Brief</a>	<a href="#">TRT World</a>
Oil companies struggle to pick and choose which wells are getting shut	↑ 1	Producers are shutting wells at a tremendous rate with oil prices sitting at historic lows. On Friday, Exxon Mobil Corporation said it will cut the number of its rigs in the Permian Basin by 75%, running just 15 by year's end. Chevron Corporation it's now down to just five rigs there, a 71% drop.	<a href="#">ExxonMobil Lops \$10 Billion Off Planned 2020 Capex, Targets Permian Basin</a>	<a href="#">Bloomberg</a>
Bottom's up... Fundies indicate recovery is underway	↓ 1	Though it will be a slow, arduous road to recovery, it looks like the U.S. Energy Sector has found and is bouncing off the bottom. Above-average fundamentals and historically cheap underlying valuations indicate hope.	<a href="#">Big Oil Hits the Skids, Battered by Excess Supply, Soft Demand and Low Prices</a>	<a href="#">Seeking Alpha</a>
<b>Weekly Recap: 05/06-05/13</b>	↓ 2	<b>Fundamental appearances -- which can be very deceptive -- paint a much rosier picture of the energy markets this week, with collective sighs of relief. Be cautious, as the bloom could be off this rose in a very short time. There still needs to be verifiable proof that countries are able to reopen safely. Also, there is a financial tsunami about to hit the markets; a flood of stimulus monies, and not cheap Saudi &amp; Russian crude rolling in. Somebody is going to have to Pay the Piper. And that somebody will find themselves without a chair to sit upon when the music stops.</b>		

\*MarCon (Market Condition 1-5, with 5 being the highest impact) indicates directional bias or price effect for the relevant commodity (Oil, Natural Gas, Chemicals, etc.) and is graded by our team of experts here at IIR.

