

Event	MarCon*	IIR Comment	IIR Links	Outlet
<p>The perfect storm, no literally. Oil is going back up</p>		<p>After months of declining oil demand, worldwide lockdowns and overproduction, conditions in the energy industry are finally getting better. Coordinated production cuts and eases on lockdowns have helped the prices of oil go back up.</p>	<p>Oil & Gas Developers, Refiners See Slower Pace of COVID-19 Project Disruptions</p>	<p>WSJ</p>
<p>Global equities are rallying with major economies re-opening; however, U.S.-China relations temper some enthusiasm</p>		<p>S&P 500 is at an 11-week high. Traders were even stepping into perceived riskier portions of the market as thoughts are such that the worst of the COVID-19 impact are behind us. And then some of the bubble burst from U.S.-China tensions.</p>	<p>Join Industrial Info for Our North American Mid-Year Industrial Market Outlook</p>	<p>Bloomberg</p>
<p>U.S. - China relations worsening</p>		<p>"The endgame is a "lose-lose" situation for both sides," said Graham Allison a political science professor from Harvard University, With the potential of leading to the collapse of the Phase 1 Trade Deal.</p>	<p>China's Output of Crude Oil Up 0.9% in April 2020, an Industrial Info Market Brief</p>	<p>CNBC</p>
<p>Are things OK, China?</p>		<p>"The anomalies of China's domestic financial and pricing system are exerting a pull on crude, but the realities of sluggish demand growth and limited storage capacity will hit China too. The country's crude storage space is running close to 80% utilization rates while clean product storage is also nearing tank tops. Even as demand recovers gradually, it will not be enough to absorb the current crude glut." Also, it is important to note that China has a \$40 price floor on domestic oil, which is one of the main reasons it has been able to continue producing and importing at such high levels.</p>	<p>Industrial Info's Weekly Global Refining Impact Report</p>	<p>Financial Times</p>
<p>The winds of change are blowing for the energy sector</p>		<p>Much is unfolding throughout the energy landscape as the Energy Transition unfolds. Although, there might be a COVID-19 impact, be prepared for what lies ahead across climate, alternative/renewables, efficiency, grid and storage.</p>	<p>COVID-19 Disrupts China's Wind Power Supply Chain, an Industrial Info Market Brief</p>	<p>US Energy News</p>

Weekly Recap: 05/20-
05/27



Weeeee!!! exclaims the market as all appearances indicate we are on the downhill side of this energy roller coaster. Let the good, normal times begin again. Major economies are opening. Markets are rallying. Oil is still above \$30. In the U.S. people are swarming to the beaches and bars. But -- isn't there always a but – U.S.-China relations are worsening and some news out of China is begging us to ask the question, “Are things truly OK?”.. Hmmm, are they..

*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.

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