iir energy

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Event	MarCon*	IIR Comment	IIR Links	Outlet
Oil Markets Face New Glut As OPEC Prepares To Open The Taps	↓ 3	"The upcoming partial return of curtailed OPEC+ oil production from August is set to create a new four-month supply glut of around 170 million barrels, a Rystad Energy analysis reveals. The analysis is based on the assumption that oil demand will not rebound as quickly as previously thought due to the persistent expansion of the COVID-19 pandemic in key markets, or what we call a mild second wave of the virus."	Another Oil Glut Looms	OilPrice
Saudi thinks $40 for a barrel is simply not enough	↓ 2	"OPEC+ to ease cuts which has not roiled the markets as (i) demand is still expected to be higher than supply in Q3 and Q4, and (ii) deeper cuts from low-compliance countries will amount to at least 0.8 million BBL/d in Q3, and (iii) the increase in production will not lead to an increase in exports."	China Emerges as Top Saudi Oil Customer for June	OilPrice
Oil majors prepare for a prolonged pandemic	↓ 1	Not even the world's biggest oil companies are safe from the impact of the coronavirus. After writing down billions and billions of dollars, oil majors such as ExxonMobil and Chevron prepare for a decrease in oil demand, "Oil and gas production by both Exxon and Chevron decreased in the quarter, down 7% and 3%, respectively, from a year ago."	The New Gusher in the Oil Patch? Red Ink	WSJ
Oil production in the U.S. is expected to stabilize at around 11 million BBL/d	↑ 1	Production in the U.S. has gone up these past six weeks from 9.7 mmbl/d to 10.9 mmbl/d and is expected to stick around this level until the end of 2020.	Enterprise Products to Ramp Down Capex as Company Prepares for Post-COVID World	Financial Times
Record Volumes Of Cheap U.S. Crude Oil Are Headed To Asia	↑ 1	"According to Refinitiv data, Asia as a whole is expected to import a record 1.86 million BBL/d of American oil this month, compared to the previous record of 1.36 million BBL/d imported in October 2019."	U.S. Extends LNG Export Approvals to 2050	OilPrice
Weekly Recap: 07/29-08/05	↓ 1	**Rock, meet Hard Place. OPEC+ sets to ease cuts, thereby increasing supply; however, the group desires higher oil prices--highly illogical thinking, that. Something obviously will have to give. Unless of course robust demand was suddenly to appear, which is probably not going to happen. For example, we are mostly through U.S. summer driving season with only marginal gasoline demand improvement, and stepping into fall when refineries are idled for maintenance. Not typically a high demand period. Also, global economic recovery remains muted. Hence stimuluses. So believe a challenging rocky road lies ahead...**		

*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.