JUNE 11th 2020
VOL. 33

# Fujairah New Silk Road WEEKLY NEWSLETTER

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AN EXCLUSIVE GULF INTELLIGENCE INTERVIEW

## "NIGERIA IS 100% COMMITTED TO MEETING ITS OPEC OIL SUPPLY CUTS"

### Mr. Mele Kyari, Group Managing Director Nigerian National Petroleum Corp.

OPEC+ extension of the deeper oil supply cuts into July is understandable. It is obvious that the market has not achieved balance, and it's unlikely to do so even in 2021. Forecasts indicate an oversupply of 7 million barrels a day to 9 million barrels a day by the end of this year. The market has been driven more by sentiment than demand, and we also have not yet seen 100% conformity to the OPEC+ supply cuts. If we don't control supply, prices will slide back to early March levels. It is true that Nigeria was one of those countries that have not yet met its commitment, but we are 100% committed to do so very soon. Our oversupply last month was approximately 100,000 barrels a day above the agreed numbers. The fact is that our reservoirs are very old which makes it more difficult to manage reductions too quickly without risking irreversible damage. Having said that, the data in late May improved as we gradually cut production and we expect to be at full conformity by mid-July at the latest.

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### Fujairah Weekly Oil Inventory Data

**8,318,000 bbl**
Light Distillates


**5,014,000 bbl**
Middle Distillates

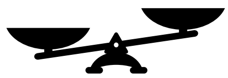

**17,168,000 bbl**
Heavy Distillates & Residues


Source: FEDCom & S&P Global Platts

### Fujairah Average Oil Tank Storage Leasing Rates*

**BLACK OIL PRODUCTS**

**Average Range**
**$3.61 – $4.38/m³**



↑ **Highest: $4.50/m³**
↓ **Lowest: $3.50/m³**

*Time period: Weekly

Source: GI Research – Weekly Phone Survey of Terminal Operators

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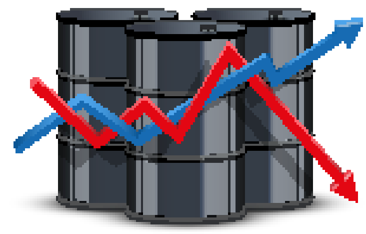
# THE WEEK In Numbers

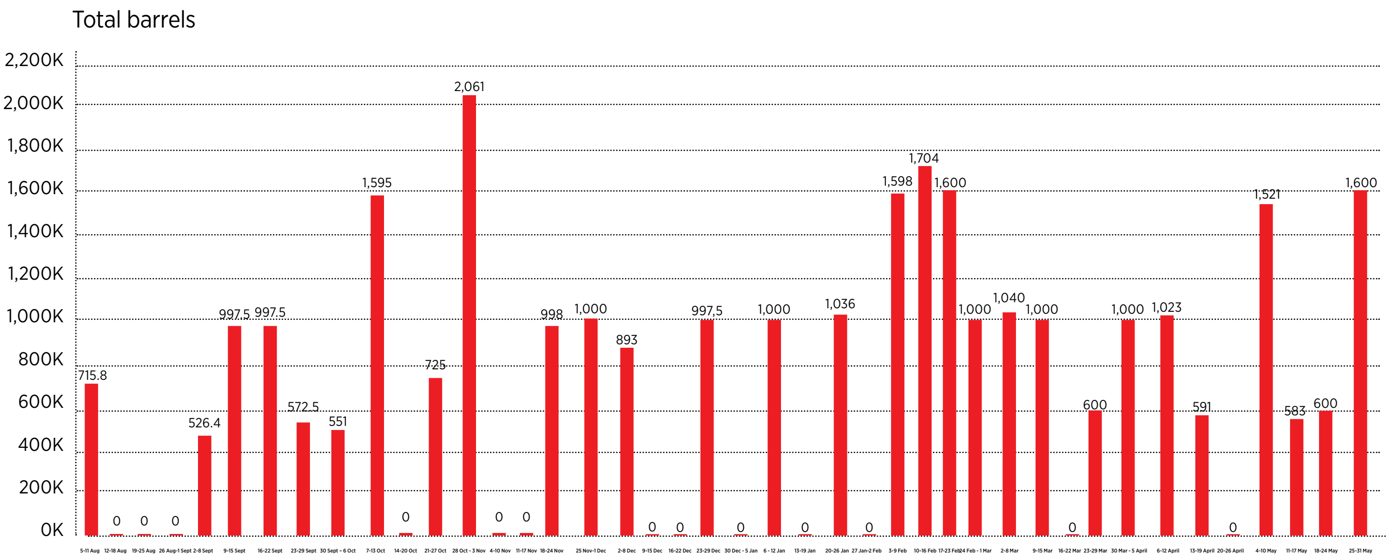


## Weekly Average Oil Prices

| | |
|---|---|
| Brent Crude: | $41.30/bl |
| WTI Crude: | $38.92/bl |
| DME Oman: | $39.44/bl |
| Murban: | $42.23/bl |

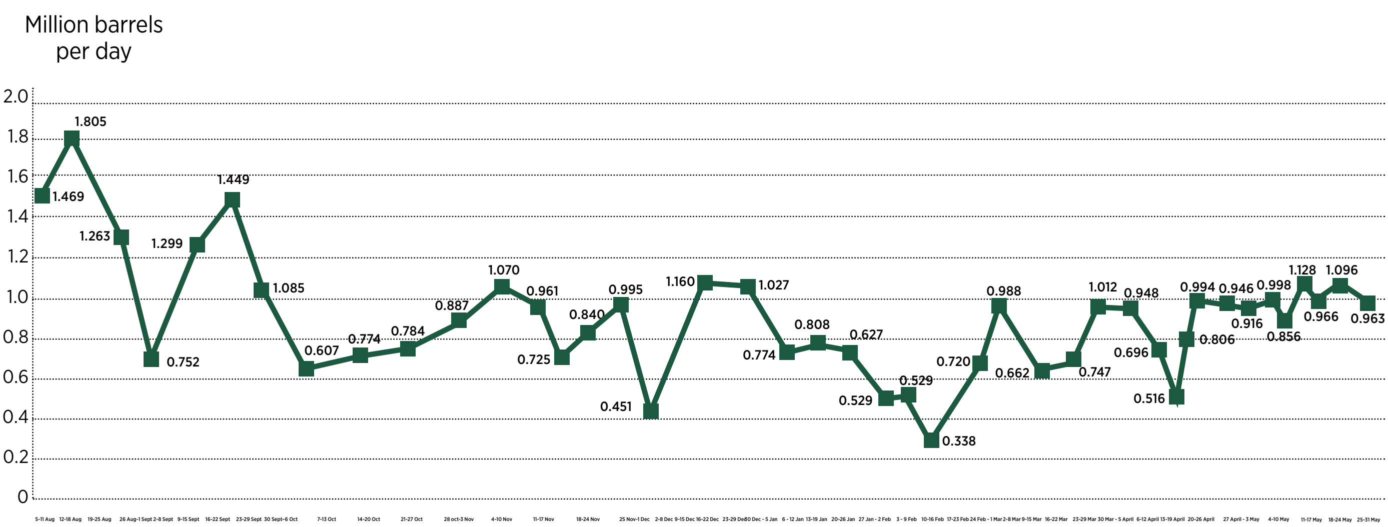
Time Period: Week 2, June 2020
Source: IEA, OilPrice.com, GI Research

## Weekly Imports of Heavy Sweet Crude into Fujairah




Source: Kpler

## Total Refined Product Exports from the GCC to Asia-Pacific




Source: Kpler

CONTINUED FROM PAGE 1

***GIQ: Are you surprised that Chinese oil demand has remained so strong right through the pandemic this year?***

***Mele Kyari:*** They did not panic like others. The lockdowns that we saw across the world didn't get to that extreme limit in China. Therefore, the impact on consumption was much lower than in any other country. Also, their reaction was much quicker, and they were able to come back to full deployment in a very short period of time. That's why the reaction in China has actually not affected the demand and there has been a quick come back.

The demand growth centers will certainly still remain in China, India and the Far East. This is where you're having significant industrial growth. Every forecast about GDP growth is tilted towards that region. Therefore, naturally you will see more demand in those locations. Europe and the US will respond to this situation much slower than any other region in the world. Everybody will focus on growth in the Far East, particularly in China and India. The markets that are known to be the growth areas will certainly remain to be so in the short-term.

***GIQ: How do you expect Nigerian crudes will compete in the post-COVID era?***

***Mele Kyari:*** Looking at the markets beyond the Covid-19 situation, you will see that the Nigerian oil grades will play a strategic role. We are still seeing a very significant appetite for Nigerian crudes. We do not have major oversupply in the market today of similar grades to Nigerian oil, much less than any other type of grade that is in the market. Obviously, until shale oil production comes back to full production, you will not see movement from the US into Europe for a while to come. Therefore, overall, what I see coming is a great opportunity for Nigerian grades to be the grade of choice, because all the consumption recovery that we're seeing today is coming from gasoline. There will actually be a competition for Nigerian types of grades. So, we have no fears. The whole world is our market today.

***GIQ: How are your plans progressing to make Nigeria the refinery capital of Africa?***

***Mele Kyari:*** Nigeria accounts for 70% of gasoline consumption in West Africa but we also have the opportunity to be a huge supplier for the region. The 650,000 barrel a day Dangote refinery should come onstream by early 2022. It will be a game changer as it will take volumes to a point where they exceed domestic consumption needs. We have another 4 refineries with a total capacity of 445,00 barrels a day under repair, coming onstream by early 2023, and condensate refineries with capacity of over 200,000 barrels a day in 2022. Within three years, we will see a monumental shift in our refining capacity and the possibility of robust flows into Europe, with many refiners there shut down permanently.

When we try to look for private finance for our refineries, it is oversubscribed, surprisingly, as we do have a lot of interest from private finance institutions. We try to seek private sector investment and make sure that we don't have to finance these projects from cash flow. Maybe accessing capital is a global challenge for the energy industry, but we don't see this problem locally. We see the appetite and the reason is very clear and understandable. When you produce gasoline here, you have a market for it. We have 52 million litres to 60 million of personal consumption per day, and it is a country on a growth line.

Everybody knows that the official 3% - 4% GDP growth projections is below the real growth for Nigeria. This is because the country has an informal economy that is not documented, and we believe the combination of that is that you will see growth in excess of 6% in our economy. With that growth projectile, businesses will see that when you produce gasoline here, it will be sold. We have the capacity and the advantage in the location of our refineries, we will make sure that our production will not go to international market but to fulfil the national demand.

***GIQ: What is your thoughts on the legacy of this Pandemic period and how this might change the global energy industry?***

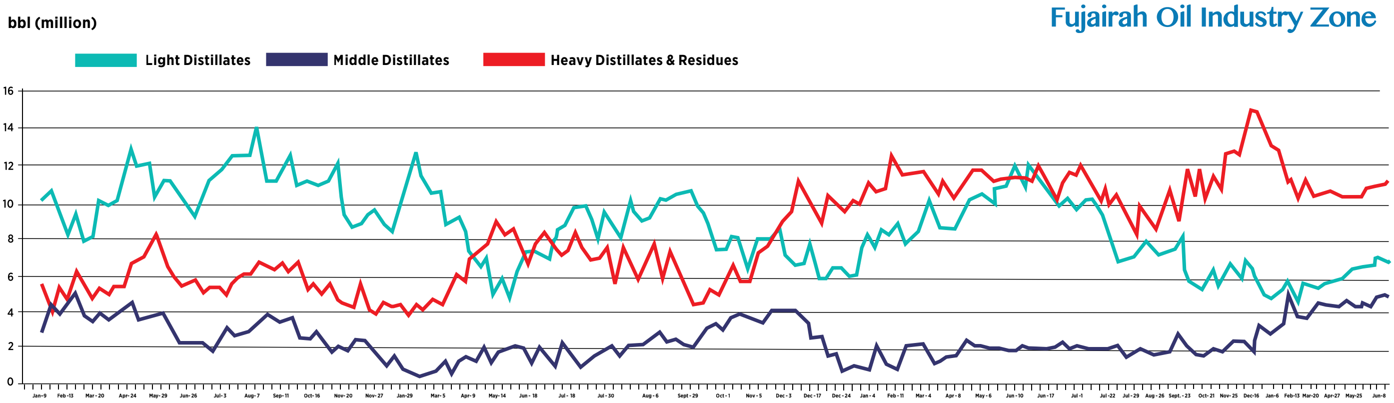
***Mele Kyari:*** A number of things will change. First, the only companies that will survive in the future are the ones that can produce at the lowest cost possible. Cost will become a major issue. If you don't produce cheap, nobody will buy from you, because there are many other options. Secondly, efficiency and the ability to deliver on time, on schedule and at a low cost will become the major elements in any operation. Thirdly, and most importantly, for National Oil Companies, they must look outwards. They must look for third party investment as the primary source of capital.

As a result of the combination of these three factors, the industry will become very dynamic, petrochemical-centric and with people increasingly working from home, less consumption of transport products for years to come. What will become material now is for National companies to convert the petroleum resources they have in the oil business into petrochemical products.

I believe peak oil demand is still 20 years ahead of us. We will continue to witness strong growth in middle class families, particularly in Sub-Saharan African countries where population growth is very significant, and in China and India also. If mobility continues to be reliant on petroleum, we will see strong energy demand. I think demand will recover to 100 million barrels a day by the end of 2021 in conjunction with the global economy recovery.

WATCH FULL INTERVIEW HERE

# Fujariah Weekly Oil Inventory Data




## TOP TAKEAWAYS

- Total oil product stocks in Fujairah were reported at 30.500mn barrels, retreating from last week's record high. Overall stocks fell by 210,000 barrels falling by 0.7% week on week, with draws in light distillates and middle distillates while heavy distillates showed a build.
- Stocks of light distillates fell by 231,000 barrels or 2.7% week on week. Total volumes stood at 8.318mn barrels. The East of Suez gasoline market was finding further support as global re-openings continue to spur the motor fuel market. In Asia, market participants attributed the recovery in values to the easing of lockdown measures in Malaysia and Indonesia — both major regional consumers of gasoline. In line with the turn in market sentiment, gasoline cracks moved back into positive territory with the 92 RON physical gasoline crack to front month ICE Brent futures standing at a $2.43/bl premium on Tuesday, reflecting a rise of $3.91/bl week on week.
- Stocks of middle distillates dropped to 5.014mn barrels as they fell by 16.4% or 983,000 barrels at the start of the week ending weeks of consecutive stock builds. Gasoil was finding support with supply cuts ongoing amidst steady demand. Within the Arab Gulf there were a number of sell tenders recently seen with both Kuwait's KPC and Bahrain's BAPCO seen awarding cargoes of 10ppm gasoil at premiums of between 40-60 cents/ to MOPAG gasoil assessments.
- Stocks of heavy distillates rose by 6.2%, building by 1.004mn barrels on the week to stand at 17.168mn barrels, setting a fresh record high. The previous record high was on May 18 when 16.453mn barrels were held in storage. The market for bunkers in Fujairah was mixed with some shipowners adopting a wait-and-see stance amid gains in crude oil values, while others were looking to cover requirements amidst an uptick in prices in recent days. Overall both supply and barge availability were healthy in the port. Values for Marine Fuel 0.5% delivered bunkers in Fujairah remained at discounts to Singapore with the grade assessed in Fujairah at $300/mt on Tuesday, reflecting a discount of $5/mt to Singapore.

Source: S&P Global Platts

## Fed leaves interest rates unchanged

**Commodities**

Oil prices are off heavily this morning as the market responds to a grim outlook for the near-term health of the US economy from the Federal Reserve and another sizeable build in crude inventories. Brent futures are down by 2.4% at $40.73/bl while WTI is off by 2.8%, trading at $38.48/bl. Crude stocks in the US rose by 5.7mn bbl last week thanks to heavy deliveries into the Gulf region. Builds across much of the rest of the barrel helped push overall commercial petroleum stocks up by 9.7m bbl. Production was down by 100,000 b/d at 11.1mn b/d while product supplied bounced strongly, up by 2.5mn b/d to 17.5mn b/d. However, that still compares with more than 20mn b/d at the same time a year ago.

**Fixed Income**

Treasuries consolidated its previous session gains following the US Federal Reserve meeting. The central bank said it will continue to buy USTs at the current pace of $80bn a month and hinted that interest rates could remain at current levels through 2022. Following the meeting, the Fed Chairman also said that the central bank continues to internally discuss and assess the various forward guidance tools including yield curve control. The curve shifted lower with yields on the 2y UST and 10y UST ending the day at 0.16% (-4 bps) and 0.72% (-10 bps) respectively. Within emerging markets, S&P affirmed India's credit rating with stable outlook. The rating agency said it expects government's fiscal condition to improve by next year and hoped that reforms initiated by the government will bear fruit in the long term. Regional bonds extended its rally to seventh consecutive trading session. The YTW on Bloomberg Barclays GCC Credit and High Yield index dropped 3 bps to 3.18% and credit spreads widened marginally to 252 bps. The primary market pipeline continues to build as Sharjah Islamic Bank hired banks for a USD-denominated sukuk.

**Equities**

Developed market equities closed lower as the Federal Reserve assessed that the economic recovery may take longer than what the market is pricing in at the moment. The Euro Stoxx 600 index and the S&P 500 index dropped -0.4% and -0.5% respectively. Regional markets closed largely lower as the enthusiasm witnessed at the start of the week was absent. The KWSEPM index dropped -1.8% and the Tadawul closed flat. The flows continue to remain concentrated around market heavyweights.

Source: Emirates NBD

# GIQ EXCLUSIVE SOUNDINGS

# Saudi Arabia's Oil Minister Comments on OPEC+ Oil Output Cuts

## HIS HIGHNESS PRINCE ABDULAZIZ BIN SALMAN, MINISTER OF ENERGY, INDUSTRY AND MINERAL RESOURCES

"The voluntary cuts that were made by Saudi Arabia, UAE and Kuwait were for one month. I am very comfortable with the idea that we did it willingly and it served its purpose. As we see today, it helps the market to rebalance, and it gives us goodwill with our friends and members of the group. It shows the extra measures that we are willing to take to help the market. It creates a more collegial atmosphere and hope that everybody conducts themselves in a more committed way. It has served its purpose. The JMMC conducts its own activities and recommends policies that may be considered by the whole group. With regards to inventory, when it comes down, it will mean there is demand. The supply cuts are working and will certainly impact the price curves, but we have to be vigilant on seeing how much this inventory reduction will be."

"We are all voluntarily contributing to these reductions to stabilize the market. The enforcement will come in the agreement itself and the statement that we have made. There is a clear recognition by some members that they have not been able to achieve their voluntary cuts pertaining to the months of May and even June. Many of these countries were kind and honest enough to come forward and say, we delivered 70% or 80% of the cut and we are willing to carry it forward. Because of that, we congregated earlier than we planned for, and we were satisfied with how good the pledges were. The implementation will be self-imposed, and we want to give people the chance to make up for the lack of conformity and carry it in the months of July, August, and September."

"As you recall at the OPEC+ meeting, I didn't mention the re-emergence of Libyan production as a challenge. I mentioned it as, hopefully, a welcome event for Libya as a very committed member of OPEC+. We wish them well. Certainly, one of the issues that we looked at in terms of the extension of the month of July, was the hopeful re-emergence of Libyan production. But again, we wish them well and certainly they are not a party to the reduction agreement. In due time, we will consider what to do with Libya but as long as they are way behind in terms of what they are producing, I think it will be unproductive to engage them."


**"SHALE OIL SHUT-INS ARE NOT ON OUR RADAR. IT IS NOT IN OUR INTEREST TO TARGET ANY SHUT-INS FOR SHALE OR ANY OTHER PRODUCER."**

"Shale oil shut-ins are not on our radar. It is not in our interest to target any shut-ins for shale or any other producer."

Source: OPEC Press Conference, June 8, 2020
*Edited Transcript

# ENERGY MARKET NEWS

## Recommended Reading JUNE 11th, 2020


1. EIA: U.S. CRUDE OIL INVENTORIES INCREASE LAST WEEK

2. HOW HARD WILL GDP BE HIT IN 2020?

3. FEDERAL RESERVE RELEASES ECONOMIC PROJECTIONS

4. INDIA'S FUEL DEMAND NEARLY DOUBLES IN MAY AS LOCKDOWNS EASE

5. IS IT CHINA'S TURN TO WIELD INFLUENCE OVER LEBANON?

6. IEA: GLOBAL GAS DEMAND SET FOR LARGEST DECLINE ON RECORD IN 2020

7. GOLDMAN SACHS: OIL PRICE CORRECTION AS DEEP AS 20% 'MAY ALREADY BE UNDERWAY'

8. HAPPY ANNIVERSARY CHINA: MANILA'S $26MN PLAN FOR DISPUTED ISLAND

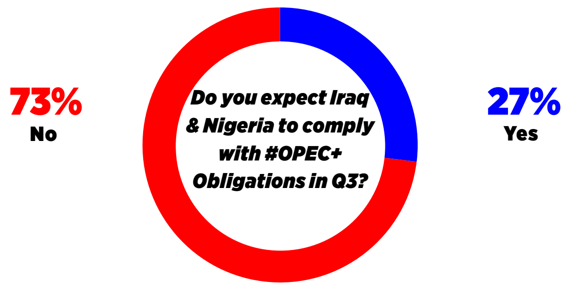
9. GEORGE FLOYD PROTESTS LEAVE US FAILING TO WIN FRIENDS AND INFLUENCE AFRICA

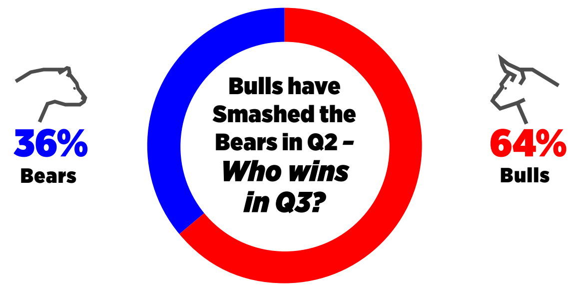
10. INDIA SURGE CONTINUES WITH NEARLY 10,000 NEW COVID-19 CASES

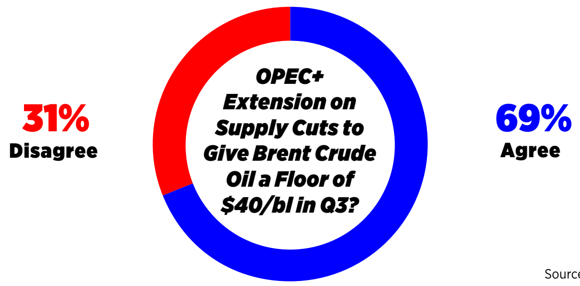
**RECOMMENDED VIDEOS & REPORTS**

- MELE KYARI, GMD, NNPC: "NIGERIA IS CLOSE TO 100% COMPLIANCE WITH OPEC+ CUTS."
- THE ILO RESPONSE TO COVID-19
- CRUDE SLIPS EARLY THU AS US STOCK-BUILD SHAKES CONFIDENCE IN REBALANCING

## Weekly Surveys




Source: GIQ

# GIQ EXCLUSIVE INTERVIEW

## RUSTIN EDWARDS, HEAD OF FUEL OIL PROCUREMENT, EURONAV NV

***GIQ: How has the pandemic impacted Euronav's movement of oil and storage?***

***Rustin Edwards:*** Cargoes are still loading and shipping crude whether for storage or for refineries. From a business point of view, most of Europe is opening back up again and allowing people to live life again as normal as can be.

***GIQ: Will crude storage continue to grow or is it possible that it could start to be curtailed in the third quarter?***

***Rustin Edwards:*** The contango on the crude oil side has squeezed in massively from where it was a month ago but the curve has yet to really invert to pull barrels out of storage. When you look at the product side, we still have gasoil with the massive $59 contango for a 12-month strip, which covers a lot of costs for storage, either on floating or even into tanks. There is oversupply that has yet to be pulled out into the market to be consumed. Not much will change in that dynamic until we get enough supply taken off the market, or enough demand emerges  from the refining sector, which is not going to happen until you get more countries re-opening their doors.

***GIQ: Is the contango, even on floating storage, still sufficient to keep momentum moving?***

***Rustin Edwards:*** Players who have chartered a ship and locked in the spread have covered their cost and so now are just waiting for the market to invert to be able to make an exit. Until that happens, there is no incentive to empty out ships. Similarly, with storage tanks – you would need to have a backwardated curve to incentivize the exit of product.

***GIQ: What signals are you watching and waiting for in the market now?***

***Rustin Edwards:*** I'm keeping an eye on the EIA data for US crude production and exports. There are rumblings that US shale is coming back and it will be interesting to see how quickly it recovers. Last time this happened, it took about six weeks of sustained prices over $35/bl before we saw any real return of US crude production.

***GIQ: What is your outlook for IMO 2020 in terms of HSFO and LSFO price differentials?***

***Rustin Edwards:*** High Sulphur fuel cracks have moved from -$9/mt to -$9.50/mt in Europe. The OPEC production cuts have hit mainly heavy sour streams which has tightened up that market. On the other hand, there is more capacity coming online in the 0.5% market. The Shell Williamshoven refinery restart is going to put an additional 2.5mn tons a year of 0.5% compliant fuel into an already well supplied ARA market. On top of that, you've got NPRs in the Chinese refining system. A lot of these RDS units (residuum desulphurization units) are starting to come online and we have started to see the impact of that 0.5% supply in different bunker markets. China is changing their supply chains to bring in domestically produced 0.5% fuel versus imported 0.5% fuels. So HSFO and LSFO spreads are going to remain under pressure and will maintain around the historical spread level of around $30/mt to $40/mt.

# Fujairah Spotlight

## Fujairah completes Phase I of 57-kilometre road network project

Department of Public Works and Agriculture of the Fujairah Government has completed Phase I of the emirate's internal road network project covering 57 kilometres and 15 areas. The Department said it has cooperated with the municipalities of Fujairah and Dibba Fujairah and the Fujairah National Resources Corporation to achieve comprehensive upgrades to the network in residential areas, according to highest quality standards.

*Source: Gulf Today*

## Fujairah Police use smart helmets to detect Covid-19

Fujairah Police are now using smart helmets to detect people for coronavirus by screening their temperatures. Launched in coordination with the Ministry of Interior, the thermal imaging camera uses artificial intelligence to allow quick scanning of crowds.

*Source: Gulf News*

## Combating Covid-19: 26 outlets shut for flouting anti-Covid measures in Fujairah

The Dibba Al Fujairah Municipality (DFM) shut down 26 outlets, including hairdressing salons, beauty centres, shops, and pharmacies, across the city and suburbs in May for flouting precautionary measures to prevent the spread of Covid-19. "Some of the erring outlets had unreasonably hiked prices of products, failed to show staff health cards, and did not observe the facemasks, gloves, and social distancing rules.

*Source: Khaleej Times*

## FUJAIRAH DATA: Stockpiles dip from record high despite marine fuel glut

Inventories of the fuel oil that make up heavy distillates and residues have climbed 14% so far this month – matching the gain for all of May – as some shipowners held back purchases because of gains in crude oil prices, according to an S&P Global Platts report on June 10.

*Source: S&P Global Platts*

GIQ EXCLUSIVE SOUNDINGS

# Bullish Sentiment May be Running Away with the Oil Markets – too High Too Fast?

## Over the last week, Gulf Intelligence has Interviewed energy market experts in Asia, the Middle East, Europe and the US – the intelligence below is harvested from these exclusive briefings

- Adam Sieminski. President, KAPSARC
- Dr. Aldo Flores-Quiroga, Former Deputy Secretary of Energy for Hydrocarbons, Mexico's Ministry of Energy
- Adi Imsirovic, Research Associate, Oxford Institute for Energy Studies
- Robin Mills, Chief Executive Officer, Qamar Energy
- Dr. Li-Chen Sim, Assistant Professor, Department of International Studies, Zayed University
- Dr. Carole Nakhle, CEO, Crystol Energy
- Shelly Trench, Managing Director & Partner – Dubai, Boston Consulting Group
- Vandana Hari, Founder & CEO, Vanda Insights
- Omar Al-Ubaydli, Director of Research, Bahrain Center for Strategic International & Energy Studies (DERASAT)
- Edward Bell, Senior Director, Market Economics, Emirates NBD
- Christof Rühl, Senior Research Scholar Center on Global Energy Policy, Columbia University

***Adam Sieminski. President, KAPSARC***
"We are still in that stage where nobody is exactly sure on any of these things, whether it is the outlook for oil demand or the outlook for the economy. The problem with both, is knowing exactly where we stand on the Covid-19 pandemic. Second wave issues are a concern and how that is going to influence both the economy and demand."

***Dr. Aldo Flores-Quiroga, Former Deputy Secretary of Energy for Hydrocarbons, Mexico's Ministry of Energy***
"For the sake of oil market stability, I welcome the OPEC extensions in terms of offering guidance and establishing what should be expected. Surplus production has declined, which will help create less accumulation of inventories. In terms of Mexico, by now it is clear that Mexico will be doing whatever Mexico wants to do."

***Adi Imsirovic, Research Associate, Oxford Institute for Energy Studies***
"The Saudi official selling prices (OSPs) were a big surprise. Essentially, it's a message to the market that they mean business. They certainly came up with those OSPs as a message rather than the usual measured and calculated approach."

***Robin Mills, Chief Executive Officer, Qamar Energy***
"I caution OPEC not to tighten the market too much and not to let prices get too high. Let the damage in the shale sector play out. Yesterday's companies will probably get merged or bought and come out leaner and stronger."

***Dr. Li-Chen Sim, Assistant Professor, Department of International Studies, Zayed University***
"Saudi Arabia and Russia have given a little bit more credibility to oil market governance. In that sense, they have managed to work together. I think this will last for now, but when oil prices creep up to $50/bl-$60/bl, Russia's compliance may come into question again."

***Dr. Carole Nakhle, CEO, Crystol Energy***
"There is a difference between the facade we are seeing from Saudi Arabia and the numbers that tell a little bit of a different story. They need to see markets re-balance as soon as possible because of their economic dependence on oil revenue and oil exports."

***Shelly Trench, Managing Director & Partner – Dubai, Boston Consulting Group***
"I see a general positive mood, but I also acknowledge that there is still a lot of anxiety and the markets are very fragile. We need to bring it back to the numbers. Although we have seen some recovery in demand, it still does not compensate enough for the millions of people that are out of work globally."

***Vandana Hari, Founder & CEO, Vanda Insights***
"Right now, what we are seeing is a tug of war between the absolute believers in the rally, the bulls, and the doubters. The bulls are thinking a little bit ahead and are looking at the very slow but steady recovery in oil demand. That is where crude is stuck at a little bit right now."

***Omar Al-Ubaydli, Director of Research, Bahrain Center for Strategic International & Energy Studies (DERASAT)***
"A potentially decisive outcome of the current protests in the US, is that we are going to get a very accurate answer shortly regarding the consequences of mass congregations and the spreading of Covid-19. We have been stuck in a hypothetical debate regarding lockdowns for the past three months."

***Omar Najia, Global Head of Derivatives, BB Energy***
"The market has bounced back and now the battle will get started. So, it was a huge drop and then a huge rally. The question is, what now? OPEC is done with what they said and with what they did and promised."

***Edward Bell, Senior Director, Market Economics, Emirates NBD***
"The message that we have seen from Saudi Aramco is that they are going to be driving forward higher prices, whether or not the demand centers necessarily warrant them."

***Christof Rühl, Senior Research Scholar Center on Global Energy Policy, Columbia University***
"The OPEC agreement was a big success for Saudi Arabia in terms of the race between state or private companies, of who cuts better and who saves the market. It showed clear signals surrounding the ability to deliver and transparency on addressing those countries that are cheating."

# ENERGY MARKETS COMMENTARY WEEK IN REVIEW






CLICK HERE TO LISTEN

# DAILY ENERGY MARKETS WEBINAR NEW SILK ROAD "LIVE" June 7th - 11th

GIQ EXCLUSIVE

# TOP 15 MARKET OBSERVATIONS FOR THE WEEK

1. Oil Markets have found a new pin-ball range to bounce up and down in at + or - $40/bl, until some firm new momentum shows itself.

2. Market confidence in US oil demand recovery took a knock from reports of a spike in Covid-19 cases and hospitalisations in California and Texas – the two biggest states in the US.

3. China's soft-power is making itself felt across the Middle East, as many states feel abandoned by 20th century colonial powers.

4. Saudi Arabia's new energy minister Prince Abdelaziz is reclaiming the Kingdom's firm grip on managing the global oil markets, and no-one seems to be complaining about it.

5. Oil prices above $40/bl will remain fragile as long as real demand recovery data is spotty.

6. The V shape recovery in oil prices won't be sufficient to save the energy industry from a severe battering of bankruptcies and job losses.

7. OPEC+ needs to be careful not to open door for speedy return of higher cost producers i.e. Shale.

8. Onshore and floating storage contango-market structure will continue to attract oil into storage.

9. The OPEC++ Doctrine of Mutually Reassured Destruction should keep compliance with output cuts solid through Q3.

10. OPEC+ discipline on oil supply side turns all attention to demand recovery signals on where to next.

11. Economists forecasting on US job numbers for May has to go down as worst ever prediction – who can you trust going forward?

12. Markets may have turned their focus to Covid 2.0 too soon, when India, Brazil and others are still seeing COVID 1.0 infection rates skyrocket.

13. Saudi Arabia's and Russia's insistence for OPEC+ countries to comply with obligations could put a floor under $40/bl for Brent through Q3.

14. Libya may become a wildcard for oil markets to digest, as North Africa's largest oil producer recovers from warfare.

15. The Black Lives Matter protest movement enters its third week, as observers speculate on how disruptive it can be to economic recovery and the US Presidential election?

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