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TOP NEWS

Russia unlikely to deepen oil output cuts – sources
Russia is unlikely to agree to deepen cuts in oil output at a meeting with fellow exporters next month, but could commit to extend existing curbs to support Saudi Arabia, three sources said on Tuesday. The Organization of the Petroleum Exporting Countries meets on Dec. 5 at its headquarters in Vienna, followed by talks with a group of other exporters, which includes Russia, known as OPEC+.

Aramco IPO banks face pared payday of $90 million or less – sources
After battling it out for a role in a giant IPO that promised to make history, and enduring delay after delay, investment banks advising Saudi Aramco are set to be rewarded with relatively slim pickings. The 25 banks working on the listing will earn combined fees of $90 million or less, according to three sources involved in the deal, after the oil company scaled back its ambitions.

ConocoPhillips targets $50 bln free cash flow over next decade
ConocoPhillips unveiled a long-term plan on Tuesday to boost oil and gas production by about 3% per year, restrain annual spending to about $7 billion and return $50 billion to shareholders over the next decade. The announcement comes as investors, frustrated by weak commodity prices for five years, have been pressuring oil and gas companies to cut back on drilling and shore up cash to return to shareholders.

COLUMN-China's record crude imports keep storage flows strong: Russell
China's record crude imports in October were matched by healthy processing rates at refineries, but even so the country still seemed to be stockpiling oil at a blistering pace. China imported 10.72 million barrels per day (bpd) last month, up 11.5% from the same month in 2018 and eclipsing the previous high of 10.64 million bpd from April.

Canada's largest railroad hit by strike, putting Trudeau in hot seat
Thousands of workers at Canada's largest railway went on strike for the first time in a decade on Tuesday, disrupting the shipping of commodities and sparking calls for Prime Minister Justin Trudeau's Liberal government to intervene. About 3,000 unionized workers of Canadian National Railway, including conductors and yardmen, hit picket lines after both sides failed to resolve contract issues at a time of softening demand for freight service.

California toughens drilling oversight in setback for industry
California, the seventh-biggest U.S. oil-producing state, on Tuesday unveiled new regulations for drillers as it seeks to wind down its reliance on fossil fuels. The regulations, which were applauded by environmental groups, sent shares of California-based oil drillers Berry Petroleum Corp and California Resources Corp down sharply.
European oil refining margins turn negative, fall to 6-yr low
Northwest European oil refining margins turned negative on Tuesday, falling to around -$0.49 a barrel, Reuters calculations showed. Margins fell to their lowest since October 2013.

Keystone operator TC Energy sees EBITDA exceeding C$10 bln in 2022
Canada's TC Energy said on Tuesday it expects comparable earnings before interest, taxes, depreciation and amortization to exceed C$10 billion ($7.57 billion) in 2022, driven by long-term contracts and assets. The forecast represents an EBITDA increase of more than 16% from what the company reported for 2018.

Venezuela opposition cuts deal to delay possible Citgo seizure
Venezuela's opposition has reached a deal with the custodians of a bond issued by state oil company PDVSA to prevent bondholders from seizing U.S. refining subsidiary Citgo, the bond's collateral, until May, according to court filings and a source. The opposition-appointed PDVSA board, which is recognized in the United States as the company's rightful representation, last month sued in the U.S. District Court for the Southern District of New York to annul PDVSA's 2020 bonds.

Ecuador names new energy minister as it seeks to boost oil production
Ecuadorean President Lenin Moreno on Tuesday named a close ally as the new energy minister as the Andean nation seeks to boost oil production and expand its mining sector. Civil engineer Jose Agusto replaces Carlos Perez, who resigned last week for personal reasons. Agusto has previously worked as an adviser to the president and energy ministry, and has als

Brazil’s Petrobras sees major shift to deep offshore in 2020
Brazil's state-owned oil firm Petroleo Brasileiro SA expects deep offshore areas to account for 88% of its exploration and production activities next year, up from 55% currently, an executive for the company said on Tuesday. The major shift to deep offshore areas will correspond with onshore exploration and production falling to 10% of Petrobras’ activities from 37% currently, while shallow waters will account for 2%, down from 8% at present, said Roberto Ardenghy, executive director of institutional relations.

Nigeria’s Nembe creek oil pipeline shut due to sabotage – operator
Nigeria's Nembe Creek oil trunk pipeline has been shut down due to sabotage, a spokesman for the operator Aiteo said on Tuesday. The Nembe Creek line is one of the two major pipelines exporting Bonny light, which is among the major crude grades in Nigeria, Africa's biggest oil exporter.

Asia Weekly Fuel Oil: Nov expectations in the 4.5-5.5 mln mt range, higher vs Oct
Refinitiv Oil Research has increased its estimate for total fuel oil flows into East Asia for Nov to be in the 4.5-5.5 mln mt range, edging up higher m-o-m from Oct’s 4.4 mln mt. We have assessed volumes at 4.54 mln mt to date. To read more, click here.

Middle-East Fuel Oil Report - First 0.5% fuel from Norway reaches Fujairah
Middle-East fuel oil exports declined by 369,000 MT w-o-w to be assessed at 806,000 MT last week, significantly lower than the YTD weekly average of 1.07 million MT. To read more click here.

MARKETS TODAY

OIL: Oil fell more than $1 a barrel on Tuesday on concerns about excess global crude supply and limited progress toward resolving the U.S.-China trade dispute that has clouded the outlook for oil demand.

FOREX: The dollar and the safe-haven yen found support as a lack of clarity on U.S.-China trade talks kept investors cautious ahead of the release of minutes from the U.S. Federal Reserve's last policy meeting.
EVENTS SCHEDULED FOR THE DAY (GMT)
0700 DE Producer Prices MM Oct: Expected 0.0%; Prior 0.1%
0700 DE Producer Prices YY Oct: Expected -0.4%; Prior -0.1%
1900 US Federal Open Market Committee will release the minutes from its October 29-30 policy meeting

TECHNICAL CHARTS
NYMEX Crude | NYMEX RBOB Gasoline | NYMEX Heating Oil | ICE Brent Crude | ICE Gas Oil | ICE Heating Oil