TOP NEWS

Saudi Arabia boosts effort to squeeze Russia's share of oil market -sources

Saudi Arabia has stepped up efforts to squeeze Russia's Urals oil grade out of its main markets by offering its own cheap barrels instead after their long-standing deal to support global oil prices fell apart, seven oil sources said. Cooperation between Moscow and Riyadh dramatically collapsed last week after Russia refused to support deeper oil output cuts desired by Saudi Arabia to fight falling oil demand as a result of the spread of the coronavirus outbreak.

U.S. blacklists second unit of Russia's Rosneft over Venezuela oil

The United States on Thursday imposed sanctions on another subsidiary of Rosneft, ramping up pressure on the Russian state oil giant that the Trump administration has said provides a financial lifeline to Venezuelan President Nicolas Maduro. The U.S. Treasury Department blacklisted TNK Trading International, a Swiss-based unit of Rosneft. Washington last month slapped sanctions on Rosneft Trading SA, another subsidiary of Rosneft, over accusations it had actively evaded U.S. sanctions and propped up the Venezuelan oil sector.

More U.S. oil producers slash budgets amid price rout

Devon Energy, Apache Corp and Murphy Oil Corp on Thursday became the latest North American oil producers to slash capital spending and drilling plans as crude prices tumble and pressure on businesses intensifies. Oil producers have been scaling back spending since the last crash in 2014, but the coronavirus outbreak and the launch this week of a price war between Saudi Arabia and Russia threatens to push U.S. crude to $30 a barrel and cripple U.S. players.

EXCLUSIVE-U.S. shale urges service firms offer 'at least' 25% price cuts - executives, letter

U.S. shale producers are seeking sharp service costs cuts to deal with plummeting prices and shrinking demand, according to executives and a letter sent to top providers, driving home the oil industry's desperate efforts to cope with a market dive. Oil companies that recently delivered 2020 spending plans based on $55 to $65 a barrel oil were confronted on Monday with sub-$35 prices after OPEC launched a price war amid slack demand from the ravages of coronavirus on the global economy.
Saudi refuses to give extra April crude to at least three Asian refiners - sources
State-owned oil behemoth Saudi Aramco has rejected at least three Asian refiners’ requests for additional bargain-priced crude for April, despite a recent pledge by the kingdom to boost supplies to a new record, four sources told Reuters. The refiners - one Korean, one Taiwanese and one Chinese, had requested extra barrels of Saudi oil in a so-called nomination process for April - on top of their long-term supply deals - following the steep price cuts announced by Aramco at the weekend, but were turned down by the producer.

U.S. energy guru Yergin sees no easy way out of oil price collapse
U.S. energy historian Daniel Yergin said it could be a long time before pressure is eased on sinking oil markets as the coronavirus causes public events and schools to close while global oil producers flood markets with crude. "It's a problem of an oil price war in the middle of a constricting market when the walls are closing in," Yergin, who is also vice chairman of IHS Markit, told reporters at the U.S. Department of Energy's headquarters.

U.S. ethanol industry 'bleeding' on oil collapse, coronavirus
U.S. ethanol producers are feeling the pain as margins on the corn-based fuel slumped this week to an eight-year low for this time of year, weighed by concerns over lower fuel demand from the coronavirus and the recent collapse in oil prices. The coronavirus outbreak, which has infected more than 126,000 people worldwide, is sapping demand for fuel as countries restrict travel and local governments try to prevent the spread of the outbreak.

Activist investor Icahn raises stake in Occidental to nearly 10%
Billionaire investor Carl Icahn has raised his stake in Occidental Corp to nearly 10% from 2.53% at the end of last year and once again pushed for an overhaul of the oil and gas producer's board, an SEC filing on Thursday showed. Icahn bought about 88.6 million shares for $2.21 billion as Occidental's shares plummeted to two-decade lows due to a slump in oil prices.

ANALYSIS-Crossing state lines? Oil firms flare Texas gas as investors vent on climate
Across the Permian Basin's high desert landscape, natural gas is going up in smoke even as oil majors including Exxon Mobil and BP pledge cuts in greenhouse gas emissions. Flaring, the deliberate burning of unwanted polluting gas, is rife during oil production in the biggest U.S. shale field, and an acute problem in Texas, home to most of the Permian reservoir, which sprawls 86,000 square miles (220,000 km2) across two states.

Tullow Oil future in doubt if oil drop thwarts planned asset sales
Tullow Oil said on Thursday the oil price fall may jeopardise a planned $1 billion in asset sales needed to refill its coffers, raising the risk the group's lenders may become reluctant to approve loans essential to shoring up its future. The Africa-focused company said it expects its free cash flow to slide to $50 million-$75 million this year at an oil price of $50 a barrel, but hopes to raise cash from the asset sales.

EXCLUSIVE-Sinclair Oil weighs offers for company sale - sources
Sinclair Oil Corp, which operates two Wyoming refineries and has licensed more than 1,000 branded gasoline stations, is reviewing offers to buy the company, according to three people familiar with the matter. A Sinclair sale could fetch between $2 billion and $3 billion, according to the sources, speaking on condition of anonymity as the talks are private.

MARKETS TODAY
OIL: Oil prices fell for a third day, with Brent crude set for its biggest weekly drop since 1991 and U.S. crude heading for the worst week since 2008 as panic about plunging demand from the coronavirus outbreak grips the market.

FOREX: The dollar stood tall as investors scrambled for the world’s most liquid currency amid deepening panic about the coronavirus while the euro nursed losses after the European Central Bank disappointed investors by not cutting rates.

Asia Gasoil Weekly - Asia March gasoil exports expected steady v/s Feb's all time high
Total gasoil exports from Asia in March are notionally assessed at 3.1-3.2 million mt to date, and will likely close near the February assessment of around 10 million mt. To read the full report, click here.
EVENTS SCHEDULED FOR THE DAY (GMT)
0700 DE CPI Final m/m for Feb: Expected 0.4%; Prior 0.4%
0700 DE CPI Final y/y for Feb: Expected 1.7%; Prior 1.7%
0700 DE HICP Final m/m for Feb: Expected 0.6%; Prior 0.6%
0745 FR CPI (EU Norm) Final m/m for Feb: Expected 0.0%; Prior 0.0%
0745 FR CPI (EU Norm) Final y/y for Feb: Expected 1.6%; Prior 1.6%
1400 US U Mich Sentiment Prelim for Mar: Expected 95.0; Prior 101

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