WEDNESDAY, FEBRUARY 19, 2020

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TOP NEWS

U.S. slaps sanctions on Russian oil firm in swipe at Venezuela's Maduro
The United States on Tuesday ramped up pressure on Venezuela by blacklisting a subsidiary of Russian state oil major Rosneft that President Donald Trump's administration said provides a financial lifeline to President Nicolas Maduro's government. The U.S. Treasury Department imposed sanctions on Rosneft Trading SA, the Geneva-based trading unit of Rosneft, as Washington targeted Moscow over its backing of Maduro's government.

China to grant tariff exemptions on 696 U.S. goods to support purchases
China will grant exemptions on retaliatory duties imposed against 696 U.S. goods, the most substantial tariff relief to be offered so far, as Beijing seeks to fulfill commitments made in its interim trade deal with the United States. Tuesday's announcement comes after the Phase 1 trade deal between the two countries took effect on Feb. 14 and is the third round of tariff exemptions China has offered on U.S. goods.

U.S. shale oil output to rise to record, natgas output to drop in March- EIA
U.S. shale oil output is expected to rise by about 18,000 barrels per day (bpd) in March to a record 9.18 million bpd, driven by gains in the Permian Basin, data from the U.S. Energy Information Administration showed on Tuesday. Still, output is expected to remain flat or decline in six out of seven major shale formations. U.S. natural gas output in the big shale basins was projected to decrease for a third straight month in March, posting the biggest drop since January 2019, the data showed.

U.S. gasoline prices rise as fire, outages hit six refineries
U.S. gasoline prices on Tuesday continued a week-long climb as unplanned weekend refinery outages compounded earlier shutdowns at major U.S. Gulf Coast and East Coast plants, gasoline traders said. Over the weekend, four refineries in Texas and Louisiana shut units directly making gasoline or portions of it, according to refinery sources and energy industry intelligence service Genscape.

London oil week suffers more party cancellations due to coronavirus
The list of cocktail parties during London's International Petroleum Week has shrunk even further as hosts like ExxonMobil and Azerbaijan's SOCAR continue to cancel events due to the coronavirus, trading sources said. IP Week is a key oil traders' gathering that takes place every year in February. This year, it is scheduled for Feb. 24-27. Oil majors, national oil companies and trading firms host receptions throughout the week.

Glencore plans leadership shakeup this year, says CEO
Glencore will make more changes to its front bench this year, Chief Executive Ivan Glasenberg said on Tuesday, as the world's largest commodities trader hastens a transition to a new generation of leaders. The London-listed miner has faced mounting pressure to change its leadership after multiple corruption and bribery investigations. Falling commodity prices and a large exposure to out-of-favour coal have added to challenges facing the firm, whose shares lost a fifth of their value last year.
NOC evacuates fuel vessels from Tripoli port, halts offloading after Haftar forces strike
All fuel vessels have been evacuated urgently from Tripoli port on Tuesday after a strike near a liquified petroleum gas (LPG) ship, Libya's national oil corporation announced in a statement on Tuesday. It added that all offloading operations were canceled after projectiles struck near the highly explosive LPG ship.

Guyana produced 35,607 bpd of oil in December -finance ministry
Guyana produced 35,607 barrels per day (bpd) of oil in December, following inauguration of production in the country by a consortium led by U.S. oil major Exxon Mobil Corp, the finance ministry said in a report. Exxon has discovered more than 8 billion barrels off the coast of Guyana, a poor South American country with no history of oil production. Output at the Stabroek block began on Dec. 20, and Exxon began exporting crude in January.

Russian deputy energy minister confirms OPEC+ meeting expected on March 6
Oil ministers of OPEC and non-OPEC countries, a group known as OPEC+, will next meet in Vienna on March 6 as initially planned, a senior Russian energy ministry official said on Tuesday. The Organization of the Petroleum Exporting Countries, Russia and other producers had been considering bringing forward their next meeting to February from the beginning of March after oil demand was hit by coronavirus outbreak in China.

Iran oil projects reined in because of lack of funds -minister
Iran has had to reduce oil production projects because of a lack of funds and a drop in income from oil exports, Oil Minister Bijan Zanganeh said on Tuesday, according to the official IRNA news agency. "All attacks are against us and the income from oil exports has been reduced. We have reduced many production projects because we don't have money at all and side projects have been closed for a long time," Zanganeh said.

Concho, Devon to spend less in 2020 as investors press for returns
Shale producers Concho Resources Inc and Devon Energy Corp reined in spending plans for the year as investors try to save cash in the backdrop of weak oil and gas prices. U.S. oil producers have been under pressure from investors to cut back on drilling new wells and instead use the cash for dividends and buybacks.

Asia Weekly Fuel Oil: Feb inflows pegged higher within 5.5 – 6 mln mt
Refinitiv Oil Research currently pegs total fuel oil flows into East Asia for Feb in the 5.5 - 6 mln mt range. This is higher m-o-m from Jan's 4.96 mln mt, and against 2019 average volumes of 5.41 mln mt. To read more, click here.

MARKETS TODAY

OIL: Oil prices were slightly higher with gains limited by the widening economic impact from the coronavirus epidemic that started in China, although new confirmed cases fell for a second day in the province at the centre of the outbreak.

FOREX: The dollar stood tall over the languishing euro and heavily sold exporter currencies, as investors reckoned with a deepening economic fallout from the coronavirus.

EVENTS SCHEDULED FOR THE DAY (GMT)
0930 UK CPI YY for Jan: Expected 1.6%; Prior 1.3%
1330 US Housing Starts Number for Jan: Expected 1.425 mln; Prior 1.608 mln
1900 US Federal Open Market Committee will release the minutes from its January 28-29 policy meeting

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