Saudi energy minister says OPEC+ oil output deal could be tweaked
The OPEC+ deal on oil output cuts could be adjusted as it has been in the past if there is consensus among members of the informal producers' group, Saudi Arabia's Energy Minister Prince Abdulaziz bin Salman told a conference on Monday. The Saudi minister was commenting after being asked whether OPEC+ - which groups OPEC states, Russia and other producers - would keep existing cuts of 7.7 million barrels per day (bpd), rather than easing them from January to 5.7 million bpd.

REUTERS SUMMIT-Oil demand likely to take at least a year to hit 2019 levels - Gunvor head
Global demand for oil is running about 5 million to 6 million barrels per day (bpd) below pre-coronavirus crisis levels and OPEC with its allies is likely to prolong its existing cuts, the head of trading house Gunvor said on Monday. Torbjorn Tornqvist, chief executive of Gunvor Group, also told the Reuters Commodity Trading Summit the market would not recover to 2019 levels for at least a year and OPEC with its allies were likely to prolong existing production cuts into the first quarter of 2021.

IEA sees new European lockdowns denting oil demand outlook
Renewed lockdown measures in Europe aimed at containing a rise in COVID-19 cases appear set to push the outlook for global oil demand toward the downside, an official with the International Energy Agency (IEA) said. Keisuke Sadamori, IEA director for energy markets and security, told Reuters the impact would, however, likely be less severe than under lockdowns earlier in the year.

REUTERS SUMMIT-Brazil's Petrobras hunts for buyers in India as oil exports take off
As Brazil's state-controlled Petrobras rapidly boosts oil output and exports, executives are looking to a new market: India. In an interview as part of the Reuters Commodity Trading Summit, Chief Executive Roberto Castello Branco said that crude sales to China - an increasingly vital export market for Brazilian oil - would continue to rise amid strong industrial growth there and the ramping up of some of the world's largest offshore fields in Brazil.

COLUMN-Hedge funds dump oil, prompting OPEC to signal “tweak”: John Kemp
Hedge funds dumped many of their remaining petroleum positions last week as the surging number of coronavirus cases and fresh lockdowns fuelled fears of a second recession in the United States and Europe. In response, Saudi
Arabia’s oil minister has said the OPEC+ production agreement could be “tweaked”, implying the presently scheduled increase due to take effect in January could be postponed.

**Occidental posts larger-than-expected loss as COVID-19 hits prices**

Occidental Petroleum Corp posted a bigger-than-expected quarterly loss on Monday, as it reeled from a plunge in crude prices due to the COVID-19 crisis, sending the oil and gas producer’s shares 5% lower in extended trading. Occidental has been forced to slash jobs, production and the value of its assets after the pandemic hammered energy demand, piling pressure on a company that had taken on significant debt to acquire Anadarko Petroleum for $38 billion last year.

**Russian energy minister made deputy PM in cabinet reshuffle**

Russian Prime Minister Mikhail Mishustin recommended the promotion of Energy Minister Alexander Novak to the post of deputy prime minister on Monday as part of a second overhaul of the cabinet this year. The reshuffle is not expected to diminish Novak's influence on the country's ties with the Organization of the Petroleum Exporting Countries (OPEC), with Novak saying he would work "in tandem" with his successor to oversee Russian energy strategy until 2035.

**Citi cuts 2021 oil price outlook on COVID-19 concerns**

Citi Research on Monday cut its 2021 oil price forecasts after a larger-than-expected rise in COVID-19 cases, but said tighter supply from OPEC and its allies would still lead to a gradual uptick in prices next year. Citi cut its 2021 Brent and West Texas Intermediate crude price outlook by $5 to $54 and $49 respectively. It forecast oil demand to fall by 8.9 million barrels per day (bpd) in 2020, but rise by over 7 million bpd in 2021.

**Ecuador expects drop in crude output after budget cuts, pipeline ruptures**

Ecuador expects its crude output to end 2020 "significantly" below initial expectations due to budget cuts at state oil companies and the rupture of two key pipelines earlier this year, Energy Minister Rene Ortiz said on Monday. The government had estimated output of 543,000 barrels per day (bpd) of crude in its 2020 budget, but Ortiz told a local radio station that production would close the year at 480,000 bpd.

**Middle-East Weekly Crude Oil Flows- Exports assessed at 15.0 million bpd**

Middle-East crude oil exports for last week are provisionally assessed at 105.3 million bbl (15.0 million bpd) compared to the revised 111.8 million bbl (16.0 million bpd) for the week prior. Saudi exports for the week were seen at 42.1 million bbl (6.0 million bpd). To read more, click here.

**MARKETS TODAY**

**OIL:** Oil prices dropped as concerns over fuel demand in the near term in coronavirus-hit Europe and the United States returned to haunt the market after an overnight surge on progress towards a COVID-19 vaccine.

**FOREX:** The yen scraped back some losses against the U.S. dollar, after the safe currency took a drubbing on news of the development of a coronavirus vaccine which raised optimism of a global economic recovery.

**EVENTS SCHEDULED FOR THE DAY (GMT)**

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**TECHNICAL CHARTS**

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

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