Iraq denies it was seeking exemption from OPEC+ oil cuts - ministry

Iraq said on Wednesday it remained fully committed to the OPEC+ oil supply cut agreement, denying earlier media report that it was seeking an exemption from the reduction pact during the first quarter of 2021, Iraq's oil ministry spokesman said. "The Ministry of Oil would like to categorically deny this baseless statement, and affirm that, to the contrary, Iraq remains fully committed to the April OPEC+ Declaration of Cooperation, and the compensation mechanism agreed to in June," the spokesman said in a statement.

Exxon weighs global job cuts after unveiling Australian lay-off plan

Exxon Mobil Corp said on Wednesday it is assessing worldwide job cuts as the global coronavirus pandemic slices into fuel demand, with the largest U.S. oil company announcing voluntary layoffs in Australia in the latest in a wave of cost cutting. Exxon and other oil majors are axing jobs spurred by a historic collapse in fuel demand because of the COVID-19 pandemic.

U.S. crude stocks drop 9 mln bbls, record fall in output amid hurricane - EIA

U.S. crude oil and fuel stockpiles fell sharply last week as Hurricane Laura shut offshore production and refining facilities, the Energy Information Administration said on Wednesday. Crude inventories fell by 9.4 million barrels in week to Aug. 28 to 498.4 million barrels, according to data, compared with analysts' expectations in a Reuters poll for a 1.9 million-barrel drop.

COLUMN-U.S. oil drilling set to start rising after cycle turns: Kemp

The U.S. oil industry probably passed the low point in the current cycle in July and August, with drilling rates set to start increasing from September or October and production turning up from March or April 2021. Since hitting a low in late April, when the coronavirus epidemic was raging and lockdowns were most stringent, front-month U.S. oil futures prices have progressively risen for the last 19 weeks.
Russia raises oil output in Aug as global curbs ease
Russia increased its oil and gas condensate production in August as global output curbs eased, indicating it can restore its fields quickly even without an earlier announced plan to drill new wells, data showed and sources said. Russia, among the world's top three oil nations with Saudi Arabia and the United States, is limited in how much it can pump by the deal between the Organization of the Petroleum Exporting Countries and its allies, a group known as OPEC+.

Nigerian state oil company issues tender for annual crude oil contracts - document
Nigerian state oil company NNPC on Wednesday issued a tender for its annual crude oil contracts. The contracts will determine which companies can sell and trade crude cargoes directly from in Africa's largest oil exporter.

U.S. Gulf of Mexico oil output down 19.9% in Hurricane Laura's aftermath
U.S. Gulf of Mexico offshore oil output on Wednesday was down by 368,223 barrels per day, or 19.9% of the region's daily production, the U.S. Department of Interior reported, as energy companies restarted more activity in the aftermath of Hurricane Laura. Shut-ins from Hurricanes Laura and Marco have removed 13.8 million barrels of oil from the market since Aug. 22, according to a Reuters tally of government data.

Mexico's 'austere' 2021 budget to include refinery spending, no new taxes
Mexico's government said on Wednesday that it will pursue an austere 2021 budget that will focus spending on health, social programs and priority public infrastructure projects, including refineries and oil production, and will not raise taxes. The finance ministry is due to present Congress the budget next Tuesday, with the government facing scrutiny over a battered economy facing its deepest slump since the 1930s Great Depression due to the coronavirus pandemic.

PDVSA, Eni weigh options to transfer oil from idled facility amid risks
Venezuela's state-run PDVSA and Eni are looking at options to safely offload crude from a floating storage facility on Venezuela's eastern coast that has remained idle for over a year due to U.S. sanctions, according to sources close to the discussions and a statement from the Italian oil company. The companies suspended output at their joint venture Petrosucre shortly after Washington imposed sanctions on PDVSA in January 2019, depriving the partnership of its main crude buyer, PDVSA's U.S.-based refining subsidiary Citgo Petroleum.

German Jan-June oil imports crept up 0.4% yr/yr despite coronavirus
German crude oil imports in the first six months of 2020 were 0.4% above those a year earlier although they fell by 1.6% in June alone as the economy slowed due to the coronavirus crisis, official data showed on Wednesday. Overall volumes reaching Germany in January-June totalled 41.9 million tonnes, up from 41.7 million in comparable 2019, monthly statistics issued by the BAFA foreign trade office showed.

Interior Dept. seeks to expedite energy projects to speed COVID recovery -document
The Interior Department sent a list of 50 major infrastructure projects, including 21 involving oil and gas drilling and mining, to the White House to be fast-tracked to "support economic recovery" from the ongoing COVID-19 emergency, according to a document obtained through a lawsuit by an environmental group. A July 15 letter obtained by the Center for Biological Diversity, from Deputy Interior Secretary Katharine MacGregor to White House economic adviser Larry Kudlow, listed projects undergoing environmental review.

Saad Aramco slows diversification plans amid industry downturn - WSJ
Oil company Saudi Aramco is reviewing plans to expand at home and abroad in the face of sharply lower oil prices and a heavy dividend burden, the Wall Street Journal reported on Wednesday, citing people familiar with the matter. Aramco will review a $6.6 billion plan to add petrochemical output at its Motiva refinery in Texas, as well as a big natural-gas project with Sempra Energy in the same state, according to the report.

Mexico's Pemex, Hokchi begin talks over possible shared reservoir
Mexican national oil company Pemex and Hokchi Energy have begun the first stage of unitization negotiations over a possible offshore shared reservoir in the southern Gulf of Mexico, Mexico's energy ministry told Reuters on Wednesday. The ministry said Pemex, formally known as Petroleos Mexicanos, told it in May that an exploratory well it drilled in a block where it holds development rights "infers" the possibility of a shared oil reservoir with an adjacent shallow water area belonging to Hokchi Energy.

Crude Monthly – August imports eased to 24 mln bpd amid weak demand
August crude flows into Asia eased to 102 million mt (24.13 million bpd) with China's imports assessed above 12 million bpd for a third straight month, while India and Japan imports partially recovered from all-time lows but remain at below-average levels, assessments by Refinitiv Oil Research showed. To read more, click here.
MARKETS TODAY

OIL: Oil prices were little changed in early trade, sitting near multi-week lows hit overnight on worries about fuel demand due to a patchy U.S. economic recovery.

FOREX: The dollar clung to overnight gains, as investors trimmed bets against the greenback and sold the euro on concerns that the European Central Bank was worried about its rise.

EVENTS SCHEDULED FOR THE DAY (GMT)
0750 FR Markit Serv PMI for Aug: Expected 51.9; Prior 51.9
0750 FR Markit Comp PMI for Aug: Expected 51.7; Prior 51.7
0755 DE Markit Services PMI for Aug: Expected 50.8; Prior 50.8
0755 DE Markit Comp Final PMI for Aug: Expected 53.7; Prior 53.7
0800 EZ Markit Serv Final PMI for Aug: Expected 50.1; Prior 50.1
0800 EZ Markit Comp Final PMI for Aug: Expected 51.6; Prior 51.6
1230 U.S. International Trade for July: Expected -58.0 bln; Prior -50.7 bln
1230 U.S. Initial Jobless Clm Weekly w/e 29 Aug: Expected 950,000; Prior 1,006,000
1400 U.S. ISM N-Mfg PMI for Aug: Expected 57.0; Prior 58.1

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