EXCLUSIVE - Russia’s Rosneft finds extended oil cuts painful - sources

Rosneft does not have enough crude to ship to buyers with which it has long-term supply deals, making it hard for the Russian company to continue with record oil cuts beyond June, four sources familiar with the matter told Reuters on Thursday. Rosneft has told the energy ministry it would be difficult to maintain cuts to the end of the year, as it has had to cut shipments to major buyers, such as Glencore and Trafigura, despite good demand, two sources close to the talks said on condition of anonymity.

China, India soak up oil from floating storage as demand recovers

The volume of crude stored on ships in Asia has come off the peaks seen earlier this month on a recovery in demand in China and India, trade sources and analysts said. A total of 3.4 million tonnes (24.8 million barrels) of crude oil was discharged from floating storage into Asian markets in the past seven days, with China the top destination at 1.8 million tonnes and India second at 842,679 tonnes, according to oil analytics firm Vortexa.

U.S. crude, diesel stocks pile up on lackluster fuel demand - EIA

U.S. crude oil and distillate inventories rose sharply last week, the Energy Information Administration said on Thursday, while fuel demand remained slack even as various states eased movement restrictions that were put in place to stem the coronavirus pandemic. Crude inventories posted a gain of 7.9 million barrels in the week to May 22, largely due to imports. That brought overall U.S. stocks, excluding strategic reserves, to 534.4 million barrels, about 1 million barrels away from an all-time record.

Flurry of U.S. crude export fixtures offers glimmer of hope

A flurry of tentative bookings to export U.S. crude oil from the Gulf Coast suggests demand is edging up after the coronavirus slammed energy consumption worldwide. BP, Trafigura and Equinor have all tentatively fixed vessels this past week to carry U.S. crude to global destinations over the coming month, according to Refinitiv Eikon data and shipping sources.
Fourth Iranian tanker docks at Venezuelan port, U.S. slams 'distraction'
The Venezuelan navy said it escorted a fourth tanker bringing Iranian fuel through its waters on Thursday, while the United States called the shipments to the gasoline-starved country a distraction from problems facing President Nicolas Maduro. The oil industries of Iran and Venezuela are both under U.S. sanctions. Iran is providing its fellow OPEC member up to 1.53 million barrels of gasoline and refining components to help ease an acute shortage, the result of the near-complete breakdown in its refining network as well as the sanctions.

Fed’s Kaplan sees global oil glut lasting well into 2021
The global oil glut due to the coronavirus pandemic will likely last well into 2021, Dallas Federal Reserve Bank President Robert Kaplan said on Thursday, and longer, if the economic recovery is weaker than expected. "We think it will take probably until sometime in the second half of 2021, depending on economic growth, to work off all this excess inventory that we have globally," Kaplan told Reuters in an interview. "And if we grow more slowly, it will take into 2022."

Morgan Stanley not given advisory role on Aramco pipeline sale - sources
Morgan Stanley has not been given an advisory role on the potential sale of a stake in Saudi Aramco's pipeline business, a deal worth over $10 billion, two sources told Reuters. The U.S. investment bank, which has previously advised the world's largest oil company, was originally looking to be part of the advisory group on any deal, the sources added.

PDVSA ad hoc board chief says Citgo has robust protection, Nynas stake is recoverable
The president of a special board created by the Venezuelan congress to oversee state-run PDVSA's foreign assets believes the company's most important unit, Citgo Petroleum, has strong legal protection from creditors after licenses granted by the U.S. Treasury Department. The board's chief also expects PDVSA could be able to recover a 35% stake it lost in another unit, European refiner Nynas AB, if sanctions on the parent company are lifted.

Keystone XL pipeline likely to face delays after U.S. court denies stay
A U.S. appeals court in California on Thursday declined to suspend a lower court's ruling that canceled a national environmental permit, in a decision likely to delay pipeline projects, including the Keystone XL oil pipeline. The U.S. Court of Appeals for the 9th Circuit said in the ruling that the appellants, the Army Corps of Engineers and TC Energy Corp, "have not demonstrated a sufficient likelihood of success on the merits and probability of irreparable harm to warrant a stay pending appeal."

Oil services firm Subsea 7 to lay off 3,000 following oil market slump
Oil services firm Subsea 7 announced on Thursday that it will cut its global workforce by a quarter and reduce its fleet of specialized vessels by up to a third to preserve cash following the slump in the oil market. The company said it planned to lay off about 3,000 workers, both contractors and permanent employees, by the end of the second quarter of 2021. The company has operations in around 30 countries but did not say where jobs would be cut.

Angola warns that COVID-19 could delay oil bid round
A bid round for nine oilfield licenses in Angola could be delayed by the coronavirus outbreak, the national petroleum regulator said on Thursday. The Agencia Nacional de Petroleo, Gas e Biocombustiveis (ANPG) said data packages were now available for three fields in the Lower Congo and six in the Kwanza that are to be auctioned this year - but warned the virus could impact the process.

Asia Distillates Weekly - Asia May exports at 5.8 mln mt, EFS spread restricts flows west
Asia May gasoil exports are currently pegged at 5.7-5.8 million mt, a sharp fall from the revised April total of 10.65 million mt, and the 2019 average of 9.49 million mt/month. To read more, click here

MARKETS TODAY

OIL: Oil prices edged lower after U.S. inventory data showed lacklustre fuel demand in the world's largest oil consumer while worsening U.S.-China tensions weighed on global financial markets.

FOREX: The dollar was hemmed into a narrow trading range as traders' focus shifted to U.S. President Donald Trump's response to China's passage of a national security law for Hong Kong.
EVENTS SCHEDULED FOR THE DAY (GMT)
0645 FR GDP QQ Final for Q1: Expected -5.8%; Prior -5.8%
0645 FR CPI (EU Norm) Prelim YY for Q1: Expected 0.3%; Prior 0.4%
0900 EU HICP Flash YY for May: Expected 0.1%; Prior 0.3%
0900 EU HICP-X F&E Flash YY for May: Expected 1.1%; Prior 1.1%
1230 US Consumption, Adjusted MM for April: Expected -12.6%; Prior -7.5%
1400 US U Mich Sentiment Final for May: Expected 74.0; Prior 73.7

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