

Energy

	Last Price	CMP	% Change
NYMEX WTI	37.29	36.63	-1.77
NYMEX NG	1.821	1.825	0.22
MCX Crude Oil	2780	2773	-0.25
MCX Natural Gas	136.6	138.3	1.24
Brent Oil	39.79	39.36	-1.08
Brent-WTI Spread	2.5	2.73	9.20

Energy Related News

Oil prices dropped on Thursday on doubts over the ability of crude producers to agree to extend record output cuts, and over a build in U.S. fuel inventories.

Saudi Arabia and Russia have agreed to support an extension into July of the 9.7 million barrels per day (bpd) supply cuts backed in April by the OPEC+

Saudi Arabia, Kuwait and the United Arab Emirates are not planning to extend voluntary additional output cuts of 1.18 million bpd after June, indicating that crude supply could rise next month regardless of any OPEC+ decision.

The OPEC+ production group's laggards were given two more weeks to prove that they are willing to share the burden that comes with lower output levels

Russia's Energy Minister said that the oil market in July could face a shortage of 3-5 million bpd, Interfax news agency reported.

U.S. gasoline stocks rose by 2.8mb nearly triple than expected. Distillate stocks rose by 9.9mb, nearly four times more than expected.

Crude Oil Inventories

	Actual	Expected	Previous Week	Total
Crude oil	-2.100	3.000	7.900	532.3
Distillate	9.900	2.500	5.500	174.2
Gasoline	2.800	0.300	-0.700	257.8
Natural Gas		110	109	2613
Oil Rigs data			-15	222

Energy Outlook

Crude oil prices are trading lower for the day. We expect oil prices are expected to trade sideways to negative on higher than expected oil product inventories and after indecisive OPEC+ meeting outcome where in the laggard members are given two weeks time to prove their willingness to share the burden of production cuts.

Events For Today

Time	Cur	Events	Forecast	Previous
5.15pm	EUR	ECB Interest rate decision	0%	0%
6.00pm	EUR	ECB Press Conference		
	USD	Unemployment Claims	1820K	2123K
	USD	Trade Balance	-41.5B	-44.4B
8.00pm	USD	Natural Gas Storage	110B	109B

4th June 2020

Narnolia Financial Advisors Ltd | Market Strategy Desk

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Analyst's ownership of the stocks mentioned in the Report

NIL

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