

Putin Says No Imminent Decision on Oil Output Cuts

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President Vladimir Putin said on Tuesday that Russia and OPEC should discuss the future of their oil output-cutting deal later this year, adding that current oil prices suited Moscow.

The Organization of the Petroleum Exporting Countries and other large oil producers led by Russia agreed to reduce their combined output by 1.2 million barrels per day (bpd) from January 1 this year for six months in an attempt to balance the market.

Russia undertook to cut its production by 228,000 bpd but has struggled to comply with the pact.

On Monday, one of the key Russian officials to foster the pact with OPEC, Kirill Dmitriev, signalled that Russia wanted to raise oil output when it meets with OPEC in June because of improving market conditions and falling stockpiles.

But Putin, the ultimate decision-maker in Russia, seemingly softened that stance, saying it

was too early to judge whether the deal should be extended.

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"We are ready for cooperation with OPEC in decision-making [...] But whether it would be cuts, or just a stoppage at the current level of output, I am not ready to say," Putin told an Arctic conference in St. Petersburg.

"We are not supporters of uncontrollable price rises," he said. Putin also said current oil prices suited Russia, which is heavily dependent on sales of oil and natural gas.

OPEC and allied oil producers are due to meet in late June in Vienna.

"Of course, we and our partners [...] are closely watching the market. We agreed that if there is a need for joint efforts, we will gather in the second half of the year and hold discussions," Putin said.

Putin also said Russian companies had their own plans and their intention to develop new fields should be taken into account.

Russian Energy Minister Alexander Novak said earlier on Tuesday there would be no need to extend the output deal if the oil market was expected to be balanced in the second half of the year, the RIA news agency reported.

Novak later said all options were on the table.

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