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The oil price has been attempting to breach the $90 mark for some time now. It reaches $90, then declines, then rises again, only to drop once more. This fluctuation likely influences sentiment. OPEC+ and particularly Saudi Arabia, are trying to maintain it at or slightly above $90. The kingdom is growing increasingly concerned about the sustained criticism of the oil industry, particularly spearheaded by the IEA. It is taking its toll, leading to a decline in oil investments and casting doubt on the future of the industry. This morning, Brent crude dropped to $85.50 following the latest news from the US on inflation and interest rates, signaling continued uncertainty. So Saudi Arabia's aspirations for prices above $90 seem increasingly challenging, and so it is likely to adopt a more conservative stance regarding long-term plans and expenditures.

Could we see the US Fed increase rates this year?
There's a possibility that if inflationary conditions don't improve, rates may escalate at some point. The market has already factored in this anticipation over the past few days so if the Fed confirms that interest rates are staying put, we shouldn't anticipate significant fluctuations in oil prices, especially considering the recent downward trend.

Outlook for Europe buying gas this summer?
Only half of the 20% decline in gas utilization in Europe over the past couple of years is expected to be recovered, so 10% of gas demand will be permanently lost. And despite ample gas supply and near-full storage, Europe's gas market lacks direction. One consequence is that US LNG producers are turning to Asia, anticipating stagnant demand in Europe due to green policies and hesitancy by utilities to enter long term contracts. ■

**Paraphrased Comments*