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The oil price drop that we're seeing is temporary.

According to the latest OPEC report, the new variant of the virus did not factor into their demand forecasts. I think it's more of a psychological effect that's impacting markets and prices are still around the \$72 mark. The real thing to watch is how OPEC+ members are going to struggle to deliver incremental supply to the market over the coming months. They're already not delivering the 400,000 b/d that they're promising, and when we hit next summer, that's when we might see an increased tightness in the market and perhaps a spark in consumer concern. We will wait to see if they decide to release other reserves.

At what point does the challenge of supply put a stress on the organization?

There is a need to review the baselines, but it will cause conflict and open up another can of worms that the group is not ready for. Even if some of the members are not being to deliver their quotas, they want to maintain a guarantee of their share in the market and so don't want to change any of the official records.

Main takeaway from 2021 for OPEC and how that carries through into 2022?

The cohesion that we saw in the group this year was in stark contrast to what happened in 2020. Everyone agrees that this alliance is benefiting all in the group and they want to stick together despite the disagreements on baselines earlier in the year, that were resolved. Saudi Arabia's officials went into the last meeting without a set proposal in their mind. They waited to hear from other producers such as Russia, the UAE, Kuwait and Iran and they all agreed to stay the course. There was no other proposal. ■

**Paraphrased comments*

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