

Ali Al Riyami

Consultant & Former Director General of Marketing
Ministry of Energy & Minerals, Oman



Volatility in oil markets will continue as long as there are reasons for it.

One moment we see China is easing COVID restrictions and the next, we have an escalation in Europe between Russia and Ukraine. The mix of uncertainties out there will continue for the coming few months and that will be reflected in prices, with no clarity possibly until the second quarter of next year.

What action might OPEC+ take at its meeting in December?

They might reduce output further and if that happens, it may help some of this volatility because I believe that there are some extra barrels out there. For now, there's no price support from the market because of the fear of a recession. OPEC+ is in a very uncomfortable position at the moment because they don't know what demand will be and despite the sanctions on Russian crude coming on Dec 5th, there are uncertainties on the impact that will have on the market. They will keep monitoring the situation on a regular basis and wait to see the numbers.

Are Gulf producers feeling secure on oil demand from Asia?

So far, we haven't seen any impact on Gulf producers' market share into Asia. But if, as expected, we see lower or no growth in the global economy next year, very soon we will start hearing some noise, especially from big producers like Russia, Saudi, Kuwait, Iraq and the UAE. ■

**Paraphrased Comments*

