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Was Russia satisfied with the decision taken by OPEC plus last week?

Russia's fiscal breakeven oil price is about \$44/bl this year so any price above that is beneficial and current prices are also sufficient for investments into new oil. Russian oil companies don't really have any other course of action but to work with the official state decisions taken on cooperation with OPEC plus..

Any concern that US shale and other high-cost producers will come back?

U.S. shale will swing back. It happened in 2016, and again in 2018 and this time, there will be some companies that will put volumes over profitability, although to a lesser extent than before. The fact that prices have retreated from \$70 to \$60 is a reminder of how vulnerable the market is. US shale is very sensitive to relatively small incremental price increases. Some can produce sustainably at \$45 WTI while for others, it's higher. For US shale to grow robustly, they would need prices around \$70. We also need to take into account costs of finance and environmental agendas. The whole world is now focusing on the energy transition and shareholders are demanding that companies act responsibly.

How stable is the OPEC plus and Russia Saudi relationship?

Everyone seems to be willing to make small sacrifices for the market to rebalance. Russia would also favor incorporating Iran back into global economic relations and therefore would be supportive for sanctions being lifted. Russia's relationship with Saudi Arabia has had difficult moments but has survived these tests and has good prospects of continuing. Today, the big concern in Russia is not oil but rather geopolitics, with a high probability of the conflict in eastern Ukraine escalating to a full military conflict. ■

**Paraphrased comments*

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