

23/01/2024

Prices movement (front month)	15-Jan	12-Jan	% Change (Settlement Prices)
Brent Crude	78.15	80.06	+2.44%
VLSFO (Singapore)	563.12	581.24	+3.22%

Crude Oil Market :

Oil prices remain rangebound, as they have been since the turn of the year, with no constant sense of short-term direction as market participants tussle, still, between attacks on maritime supply routes through the Middle East and global economic demand concerns. Mar24 Brent crude futures have bounced between a \$74.79/bbl floor and \$80.75/bbl ceiling, so far for 2024.

Multiple strikes by the US and UK on Houthi rebels have offered support to prices in recent days, with the most recent attack being on Monday as the allies aim to defend commercial shipping against Houthi missiles through the Red Sea. Whilst the conflict in this area has already been priced in, every attack from either side now amplifies global geopolitical tensions. Its off the back of such affairs that the Brent has ticked over the \$80/bbl mark a few times this year.

In the last few days, supply pressures have been somewhat eased by resumption in Libya's oil production, which has rebounded to 1.2mbpd, after the restart of the 300kbpd Sharara oil field. Output was previously halted due to protests. AS well as this, North Dakota's oil production continues to recover and is estimated to be down only by around 250--300kbpd today, compared with 350--400kbpd on Friday.

Mar24 Brent Crude Futures From 01/01/24 to Date



Source: FIS, Reuters, Oil Price, Bloomberg, BBC News, Morningstar