

08/10/2024

| Prices movement<br>(front month) | 30 Sep | 07 Oct | % Change (Settlement<br>Prices) |
|----------------------------------|--------|--------|---------------------------------|
| Brent Crude                      | 71.70  | 80.93  | +12.87%                         |
| VLSFO (Singapore)                | 556.52 | 583.99 | +4.94%                          |

## Crude Oil Market :

Despite falling pretty drastically today, Crude markets are still significantly higher than last week due to different escalations including the war in the Middle East and some short-term supply issues. Traders and investors worry about an Israeli retaliation on Iranian oil infrastructure, hence the supported prices from last week's levels.

Continued "boots on the ground" conflict as well as missile strikes in Lebanon, Gaza and Israel has offered support to oil prices in recent weeks as markets are wary of Israel's possible retaliation to Iran as it could result in a direct hit to oil flows from the major crude producer, which would mark a first in the yearlong conflict. That being said, today's 4.7% drop (so far) was seemingly triggered by DPA reports suggesting that "the Lebanese Hezbollah militia has, according to its deputy leader, expressed openness to a ceasefire with Israel."

The other quite bearish news today was that China's top economic planner ended a highly anticipated briefing earlier this morning without new stimulus measures but said it remains confident in meeting economic targets. Economic weakness from China has been one of the main downward drivers for crude prices post pandemic.

Other than ongoing conflict in the Middle East, oil prices have found some support from storm worries in the U.S. Hurricane Milton has intensified into a Category 5 storm on its way to Florida after forcing at least one Chevron oil and gas platform in the Gulf of Mexico to shut on Monday.

## Dec24 Brent Crude Futures From 01/10/24 to Date



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

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