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Alerts History

- 29-Oct-2021 13:00:00 - REUTERS POLL - BRENT CRUDE OIL SEEN AVERAGING \$70.89/BARREL IN 2021 VERSUS \$68.87/BARREL IN SEPTEMBER POLL
- 29-Oct-2021 13:00:00 - REUTERS POLL - U.S. CRUDE OIL SEEN AVERAGING \$68.62/BARREL IN 2021 VERSUS \$66.13/BARREL IN SEPTEMBER POLL

POLL-Winter chill set to keep oil prices near \$80 a barrel - Reuters News

🔥 29-Oct-2021 13:00:00

- Oil demand seen growing by 5-6 million bpd in 2021
- Tight supply seen supporting prices in 2021 and early next year
- Analysts divided on OPEC+'s response to the energy crunch
- For a table of crude price forecasts, click [OILPOLL](#)

By Arundhati Sarkar

Oct 29 (Reuters) - Oil prices will hold near \$80 as the year ends, as tight supplies and higher gas bills encourage a switch to crude for power generation, a Reuters poll showed on Friday.

The survey of 41 analysts and economists forecast benchmark Brent crude LCOc1 to average \$70.89 a barrel in 2021, the highest forecast for the year since April 2019.

It falls short of the \$100 a barrel level mooted by some producers and forecasters and compares with an average price of \$69.52 so far this year. 0#LCOPOLL: O/R (Full Story)

Prices are forecast to average \$80.92 a barrel in the fourth quarter this year and \$78.74 in the subsequent quarter.

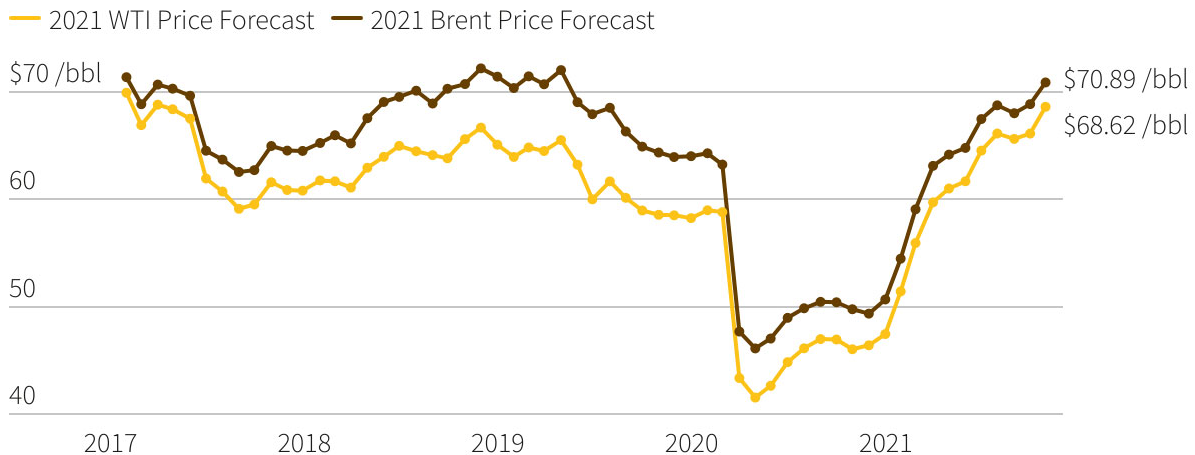
"The main factors affecting oil prices will continue to be related to the energy crunch in Europe and the switching from natural gas to oil derivatives," Matthew Sherwood, Global Economist at the Economist Intelligence Unit, said.

However, that could ease from about the middle of 2022 as the United States responds by pumping more oil, Sherwood added.

The poll forecast U.S. crude CLc1 at \$68.62 per barrel, the highest 2021 forecast since March 2017. West Texas Intermediate was seen averaging \$78.06 in the current quarter and at \$75.68 in the first quarter of 2022.

Oil price forecasts for 2021

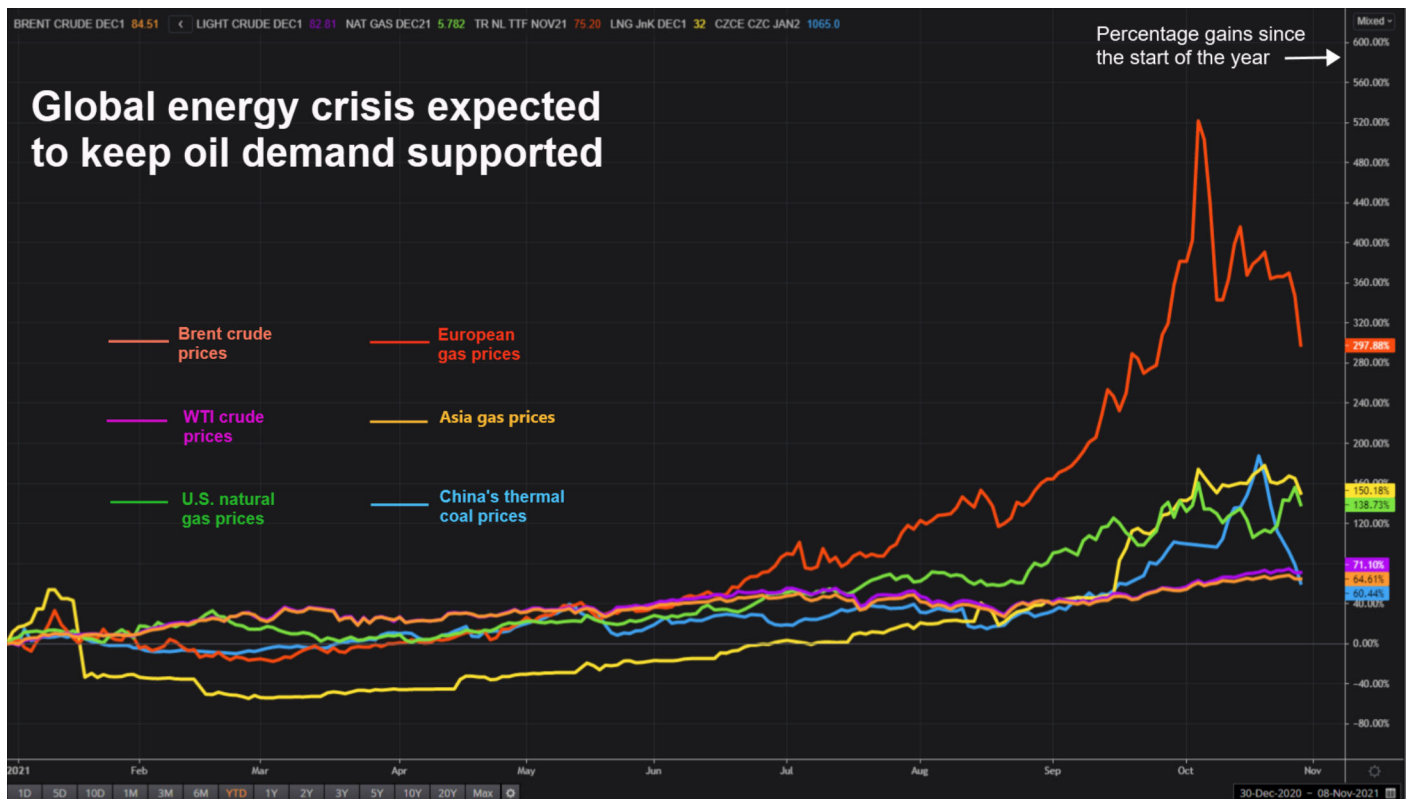
Brent is forecast to average \$70.89/bbl in 2021, the highest forecast for the year since April 2019, and U.S. crude at \$68.62/bbl, the highest 2021 forecast since March 2017, as per Reuters polls.



Source: Reuters monthly oil price polls/Swati Verma

Analysts estimate global fuel demand to increase by 5-6 million barrels per day (bpd) this year. (Full Story)

Both crude benchmarks are trading near multi-year highs, boosted by an ongoing supply squeeze across the globe as demand has largely returned to pre-pandemic levels. This has also contributed to soaring coal and natural gas prices. (Full Story)



Despite the supply constraints, analysts were divided on whether OPEC+, the Organization of the Petroleum Exporting Countries and allies, including Russia, will amend a plan for a 400,000 bpd per month increase in

production.

John Paisie, president of Stratas Advisors said OPEC+ is comfortable with oil prices around \$80, adding, the group will monitor the market and add supply when warranted, "as they do not want oil prices to spike, nor lose market share."

Additionally, the emergence of more COVID variants, the Iran nuclear deal and central banks' response to rising inflation driven by spiking energy prices will be crucial factors in the coming months, analysts said.

(Reporting by Arundhati Sarkar in Bengaluru, additional reporting by Swati Verma; Editing by Noah Browning and Barbara Lewis)

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