

# Investments - Flash

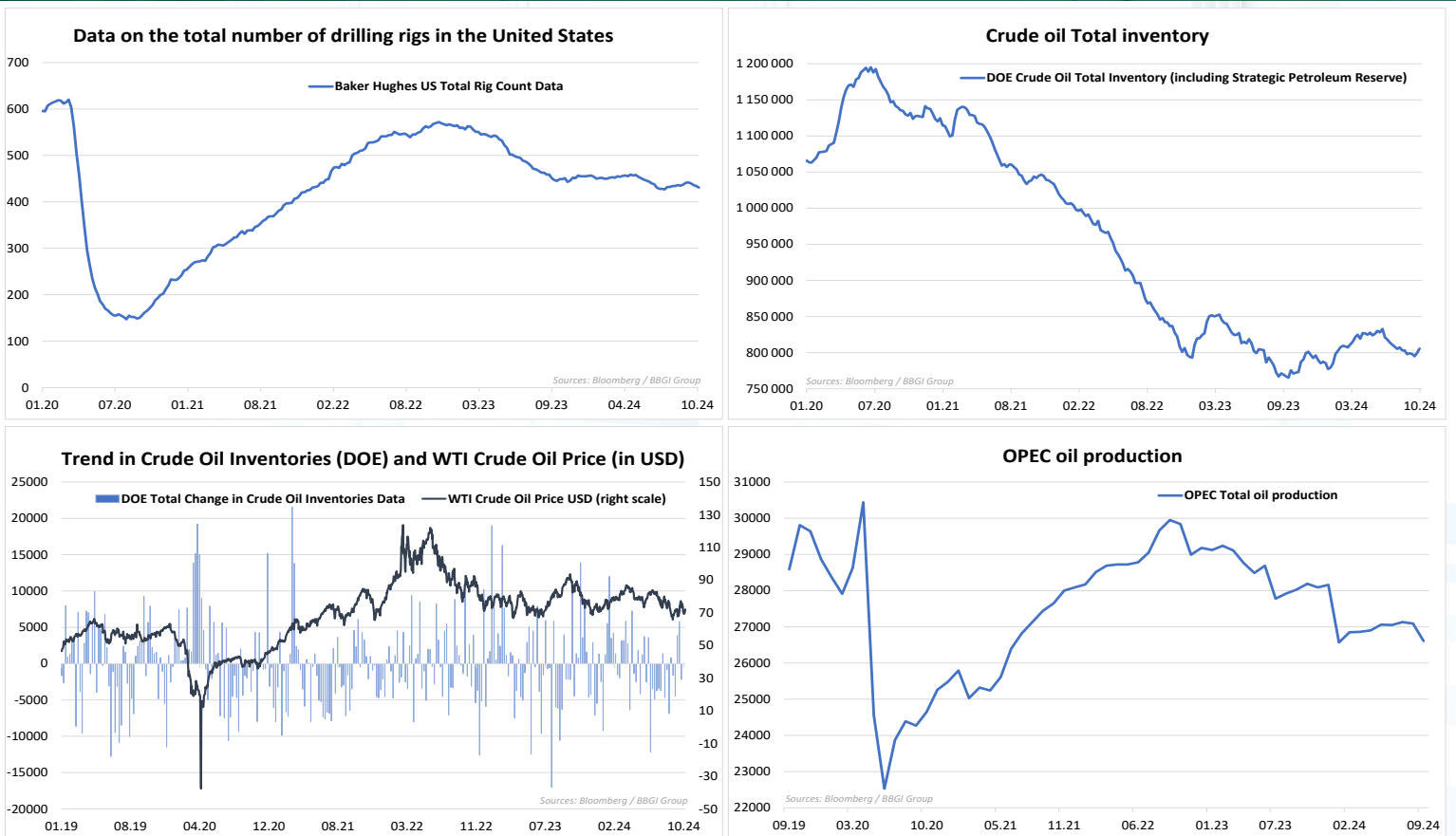


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## WORLD OIL MARKET IN FAVOR OF HIGHER PRICES Potential target of \$90-95 a barrel in 2025

Global crude supply is now stabilized by the reduction in production by OPEC countries, which have cut their output by 6 mbpd, already representing 6% of current world demand. OPEC's position does not look set to change in the short term, as its objective remains to maintain higher prices at the expense of production volumes. Cutbacks are therefore set to continue until at least the end of 2024. In the USA, the number of active wells is declining, while production seems to be stabilizing at around 13.3 mbpd (DOE). In Russia, production seems to have finally fallen below 10 mbpd. Overall, world crude oil supply is below 82 million barrels (DOE). Estimates of world crude consumption remain particularly difficult, according to OPEC: demand should be 112.3 mbpd by 2029, i.e. around 10.1 mbpd more than in 2023, while the International Energy Agency is more moderate (106 mbpd).

On the demand side, China is making major efforts to revitalize its economy, both in terms of manufacturing and energy demand. Customs statistics still suggest that imports will continue to stabilize at a relatively high average level. In the shorter term, the heightened tensions in the Middle East over the past year seem to have had no visible impact on crude prices. Fears of a Middle East conflict flaring up are legitimate, particularly at the start of the 4th quarter of 2024. However, without totally dismissing this risk, our forecasts for crude prices are bullish, and essentially based on a positive trend in global demand in the context of economic recovery in 2025.



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