
OPEC aims to achieve USD 80 per barrel by 2009 end

Tuesday, 30 Jun, 2009

OPEC managed to fulfill its mission by supporting oil prices during the worst recession of last decades by cutting its exports and keeping on high levels its members compliance to the official quotas.

Oil prices have been stabilized last weeks in a range of USD 65 to USD 69 and there are very close to the official target of USD 75 per barrel. The majority of producers seem to be happy with the current level of crude oil price.

Mr Sheikh Ahmad al-Abdullah al Ahmad Kuwait's Oil Minister said that "Nobody expected the price to reach USD 70 a barrel so quickly. It was forecast by the fourth quarter. So it slipped a bit but still, if we achieve USD 75 to USD 80 by the end of the year that would be fine."

Now OPEC's main target is to keep its compliance to high levels in order to reduce more spare capacity in world markets. According to cartel's high officials this will be the focus on future actions as the producers did not consider any new cuts in the September's meeting in Vienna.

OPEC agreed cuts of 4.2 million barrels per day to supply last year to match the fall in global oil demand due to the recession. Last month, members delivered about 75% of those cuts, down from April and March when adherence appeared to have peaked.

For more news visit at www.steelguru.com