
Saudi Arabia oil market tightening - Mr Ali Al Naimi

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Reuters cited Mr Ali Al Naimi oil minister of Saudi Arabia as saying that there are signs of increasing demand for oil, which could mean OPEC does not have to take any action on supply this year.

Mr Al Naimi He said that we have been sailing very well and we will continue to sail very well. He said that OPEC would not reduce supply if it meant prices could be driven too high. We will never allow tightening that will put pressure on prices.

Oil prices are within a range which Mr Al Naimi has described as comfortable for producers and consumers even as OPEC pumps more than its 24.84 million barrels per day target.

Mr Jose Botelho de Vasconcelos oil minister Angola said that his country might ask to be exempt from its output quota as it continues to produce above that level. But Mr Al Naimi is more relaxed about overproduction. Compliance is there. The market is happy, there is balance, there are no shortages, there is enough investment going on.

He said that he did not think there would be a need for any additional OPEC meetings this year. OPEC is due to meet in September and December.

Mr Chakib Khelil energy and mines minister of Algeria said that OPEC could wait until the Q2 and Q3 to deal with the demands of a recovering economy. The economy is looking like it is recovering. I expect prices to hold pretty well until the end of this year despite the surplus in supply.

(Sourced from Reuters)

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