

Watch: Oil, coronavirus and OPEC's next move

The Covid-19 virus will have a bigger impact on oil markets than the SARS outbreak in the early 2000s. That's according to ING's Head of Commodity Strategy, Warren Patterson. He explains why a big drop in oil demand means we've cut our ICE Brent forecast to just \$55/barrel for the first quarter of this year



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We've seen a [sharp drop](#) in the oil price this Monday due to reported splits in OPEC and rising concerns about the coronavirus. Travel restrictions and factory shutdowns caused by Covid-19 are already leading to big problems for oil-producing countries. We believe the virus' effect on oil demand will shave some 400,000 barrels a day from global consumption growth, taking us to the lowest level in nearly a decade. ING's Warren Patterson explains why we've cut our oil price forecast for this quarter and the full year. We now believe ICE Brent will average \$55/barrel in 1Q, rising to just \$59 for the full year. He says OPEC+ needs to extend production cuts which are due to expire at the end of March.

[Watch video](#)

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