

## Watch: Why oil could be back to \$45 later this year

What's the future for oil amidst the Covid-19 crisis? After WTI prices briefly went negative in April we've seen a big change in sentiment. Our Head of Commodity Strategy, Warren Patterson, looks at where we are, where we're headed next and why



### The big change in oil sentiment

It's been an extraordinary time for oil markets. After we briefly saw negative prices for West Texas Intermediate in April, there's been a big change in sentiment; Brent crude has rallied more than 60% since its lows last month. We don't think we'll see negative prices again as the worst of the demand destruction, caused by Covid-19, is behind us. Also, production cuts are helping which is keeping oil at around \$30/barrel. However, ING's Head of Commodity Strategy, Warren Patterson, is under no illusion that things will return to complete normality this year.

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