

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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