



Independent Statistics & Analysis

U.S. Energy Information
Administration

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Forecast crude oil prices rise

The U.S. Energy Information Administration notes that Brent crude oil spot prices averaged \$71 per barrel in April, about a \$5 increase from March. West Texas Intermediate crude oil saw a similar price increase, rising to an average of \$64 in April. These observed oil price increases coincide with growing geopolitical supply disruption risks.

Consequently, in its May *Short-Term Energy Outlook*, EIA increased its forecast for average crude oil spot prices in 2019 and 2020 to reflect tighter near-term oil market conditions. The May forecast now includes an average spot price for Brent of \$70 per barrel in 2019, followed by an average of \$67 per barrel in 2020. Compared with the April forecast, the forecast average spot price for West Texas Intermediate also increased by about \$4 per barrel in 2019 and \$5 per barrel in 2020.

EIA forecasts that oil prices at these levels will likely increase domestic drilling activity. Coupled with increased production from non-OPEC countries and some OPEC member states, EIA expects that global supplies will continue to meet demand through the forecast period.

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