

Oil and commodities

Since the beginning of 2021, the global economic recovery has led to a substantial increase in energy prices. Thus the price of oil rose from \$44 on average in Q4 2020 to \$69 in Q2 2021. In Q3, after a downturn in August against a background of a slow in Chinese growth, it resumed its upward trajectory and exceeded \$75 from mid-September, reaching an average of \$73.5 per barrel across the quarter. Meanwhile, the price of gas also rose sharply in Europe (+424% between 1st February and 30 September for fixed-term contracts). Over the forecasting period, the conventional assumption is that energy prices remain constant, with notably the price of a barrel of Brent being fixed at \$75,¹ with uncertainty arising from the balance between the gradual increase in production by OPEC and the sustained pace of demand.

In addition, and in a context where sourcing difficulties were apparent, industrial commodity prices also increased significantly, reaching a historic high in May 2021. They have fallen since then, especially agro-industrial commodities (sharp decline in the price of timber since June and, to a lesser extent, that of pulp), but also mineral commodities (the price of iron was in sharp decline in August, due to the slowdown in steel production in China, the main importer of iron, and the fall in demand in Europe, especially in the automobile industry).

Prices of imported food commodities have also risen sharply (+37.6% year-on-year in August 2021), in the wake of price hikes in meat, wheat and corn, and also oil seeds.

The rise in prices of energy and other commodities is already reflected in production prices in the manufacturing branches. As a result, production prices in French industry increased in August by +9.5% year-on-year, and agriculture production prices by 10.4% year-on-year. Meanwhile, consumer prices of energy products increased by 12.7% year-on-year in August. ●

¹ i.e. €64 assuming a euro-dollar exchange rate of 1.18 dollars for 1 euro.

► 1. Price of oil (Brent) in dollars and euros

daily values



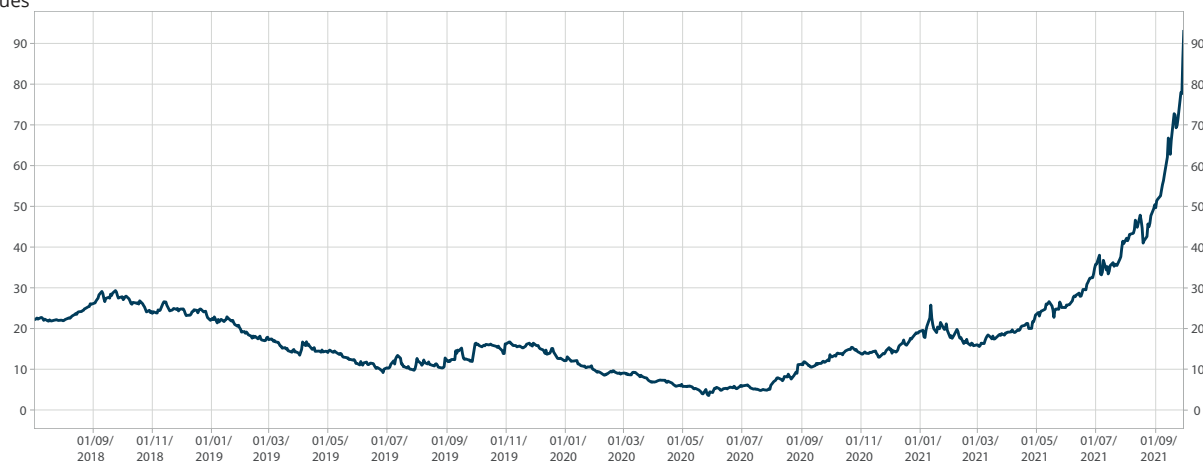
Last point: 30 September 2021

How to read it: on 30 September 2021, the price of a barrel of Brent stood at \$78.5

Source: Commodity Research Bureau

► 2. Price of natural gas in euros (TTF fixed-term contracts)

daily values



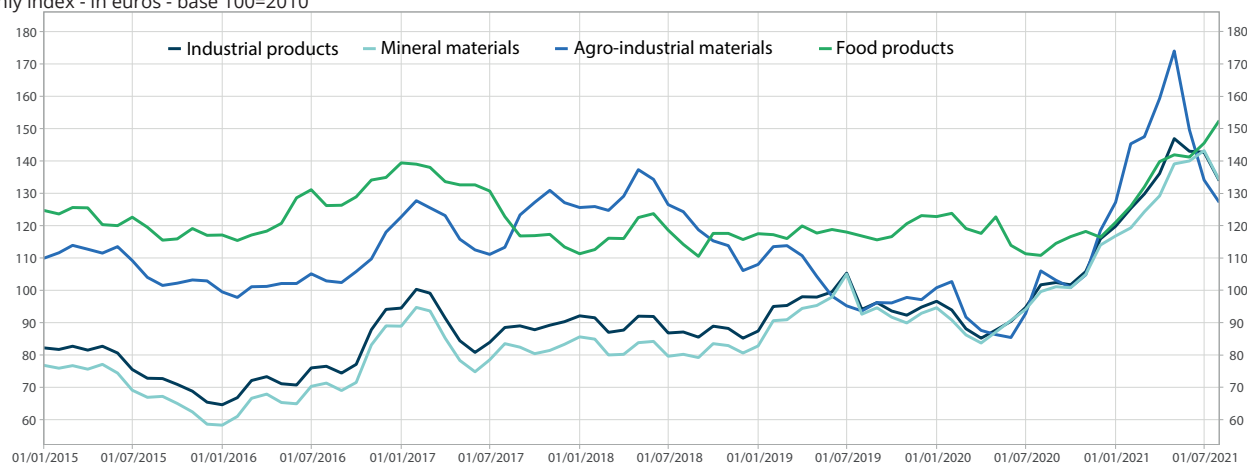
Last point: 30 September 2021

How to read it: on 30 September 2021, the value of natural gas contracts at the next expiry date (TTF) is €93.3 per megawatt hour

Source: ICE Futures Europe

► 3. Price indices of imported commodities

monthly index - in euros - base 100=2010



Last point: August 2021

How to read it: in May 2021, the price index in euros of industrial products was 146.9.

Source: INSEE