

Energy and commodities

After a substantial decline between mid-2022 and mid-2023, world energy and commodity prices have generally stabilised, for the most part at higher levels than those of 2019. However, some food commodity prices are still very much affected by climatic uncertainties and have once again increased in recent months.

The price of oil (Brent) was \$82.5 on average in 2023 (\$84 in Q4) and since the beginning of 2024 it has been around \$80 (► [Figure 1](#)). On the supply side, the announcements of successive reductions in OPEP+ production quotas, those of Saudi Arabia in particular, have been offset by other producers, notably the United States (more than 13.2 million barrels of crude oil were being produced there every day in late 2023, ► [Figure 2](#)). The major upheavals in the Middle East also pose risks to supply chains and are fuelling price volatility. On the demand side, the International Energy Agency is expecting more sluggish consumption in 2024, particularly in Europe and especially in China (+1.2 million barrels per day against +2.3 million barrels per day in 2023). Over the forecasting period (to mid-2024), it is assumed that the price of oil will remain constant, at \$82 per barrel (or €75 assuming a euro-dollar exchange rate of 1.09 dollars for 1 euro).

The price of gas on the European market (TTF) rebounded to €43.2/MWh on average in Q4 2023 (► [Figure 3](#)) following the outbreak of the Israel-Hamas conflict, with the fear that it could spread throughout the Middle East pushing prices upwards. Since then, the price of gas has fallen back and at the beginning of 2024 was below €30/MWh. This is still about 50% above the pre-pandemic level and significantly higher than the price of gas on the North American market (Henry Hub), where the price is below \$10/MWh. On the demand side, temperatures are unseasonably high in Europe, curbing the consumption of natural gas, and inventory in the European Union is close to its highest level reached in the last five winters, which is fuelling price reductions.

The price of carbon dioxide (CO₂) on the European Union Trading Emissions System was €83.6 per tonne on average in 2023, but fell back sharply in early 2024 against a backdrop of sluggish industrial activity throughout the European Union, especially in Germany (► [Figure 4](#)).

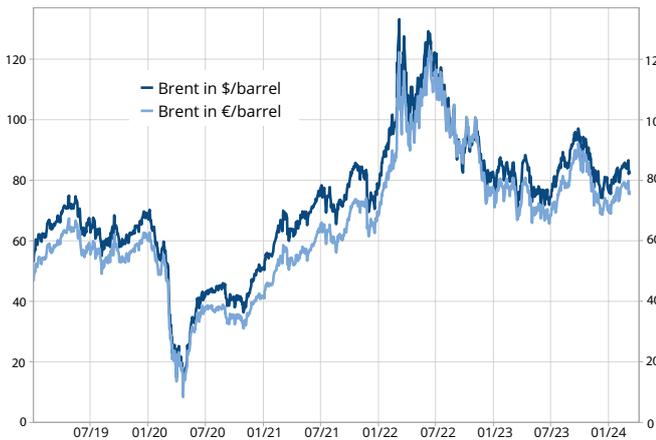
Non-energy commodity prices have returned overall to their mid-2021 levels, especially those of minerals and agro-industrial materials, such as nickel or lumber (► [Figure 5](#)). The increased demand observed after the global health crisis now seems to have been absorbed, including in China. Prices are nevertheless still 15% to 50% higher than before the health crisis.

Lastly, food commodity prices, which are strongly affected by climate hazards, follow much more contrasting trends. While prices of the main products affected by the Russian invasion of Ukraine (wheat, maize, sunflower oil, etc.) have largely eased back, other prices, like those of sugar, cocoa and olive oil, increased substantially in 2023 and early 2024 (► [Figure 6](#)) due to extreme climate events (El Niño phenomenon in the South Pacific, heavy rains in West Africa, prolonged drought in Spain, etc.). ●

International economic outlook

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

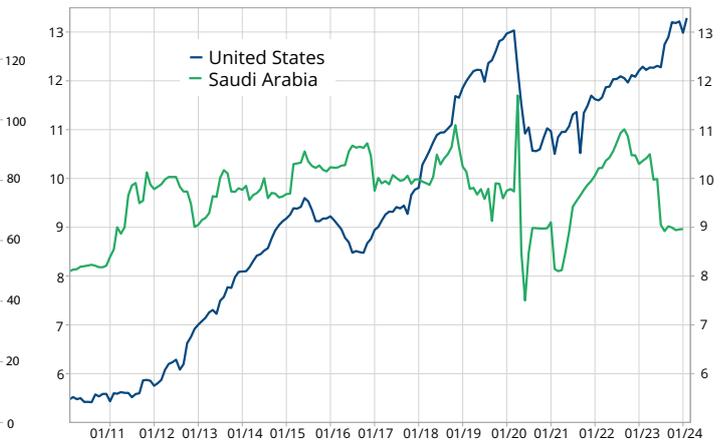
(daily values)



Last point: 8 March 2024.
How to read it: on 8 March 2024, the price of a barrel of Brent was \$82,1.
Source: Commodity Research Bureau.

► 2. Production of crude oil in the United States and Saudi Arabia

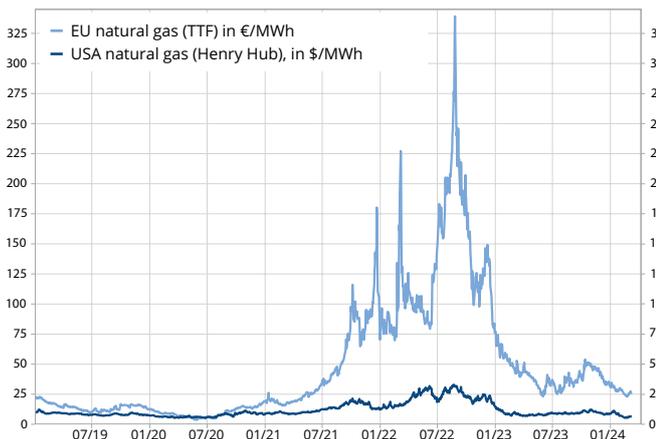
(monthly values, in millions of barrels per day)



Last point: February 2024 for United States, January 2024 for Saudi Arabia.
How to read it: in February 2024, production of crude oil in the United States was 13.3 million barrels per day.
Source: Energy Information Administration (EIA), OPEP.

► 3. Natural gas prices in Europe and in the United States

(daily values)



Last point: 8 March 2024.
How to read it: on 8 March 2024, the value of natural gas futures contracts at the next expiry date in the Netherlands (TTF) was €26.4 per megawatt-hour.
Source: ICE Futures Europe, New York Mercantile Exchange.

► 4. Price of a tonne of CO₂ on the European Union Emissions Trading System

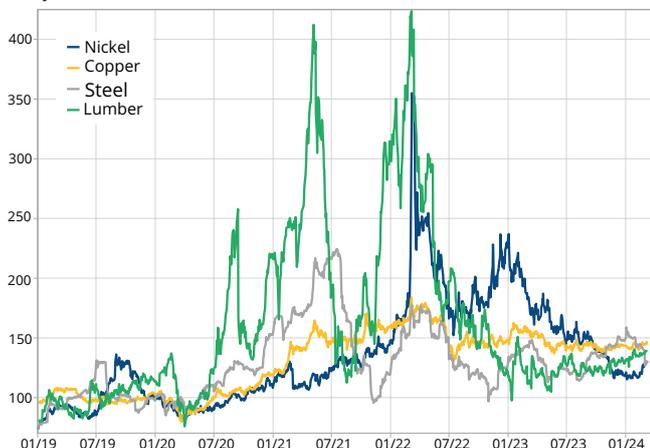
(daily values, in euros)



Last point: 8 March 2024.
How to read it: on 8 March 2024, the price of a tonne of CO₂ on the European Union Emissions Trading System was €56.6.
Source: ICE Futures Europe.

► 5. Prices of nickel, copper, steel and lumber

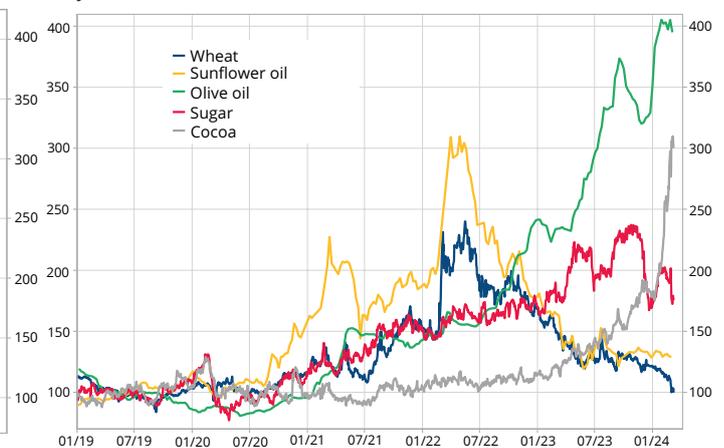
(daily index – base 100=2019)



Last point: 8 March 2024.
Note: the indices measure price changes in euros.
How to read it: on 8 March 2024, the price of copper in euros was 46% above its 2019 average.
Source: London Metal Exchange, Chicago Mercantile Exchange, New York Mercantile Exchange.

► 6. Prices of wheat, sunflower oil, olive oil, sugar and cocoa

(daily index - base 100=2019)



Last point: 8 March 2024.
Note: the indices measure price changes in euros.
How to read it: on 8 March 2024, the price of cocoa in euros was 200% above its 2019 average.
Source: Euronext Paris, APK-Inform, Spanish agriculture ministry, ICE Futures US.