



Monday Open Thread and News Dump

Posted by [Prof. Goose](#) on April 10, 2006 - 4:01pm

Topic: [Miscellaneous](#)

Tags: [peak oil](#) [[list all tags](#)]

Just to get you started, [here's an article](#) entitled "OPEC Warns High Commodity Prices May Kill Oil Projects." Is it truly peak everything?

There's also a couple of WSJ article summaries below the fold. Enjoy!

April 10's Wall Street Journal, on p. A1 is a story about the deft exploitation of Nigerian rebels to disrupt Nigerian oil production and roil international oil markets through media, and on p. A8 is an analysis of likely supply/demand/price trends this year. These are both behind the WSJ paywall.

Bottom line -- \$80/barrel probable - \$100/barrel potential with a supply disruption

Demand increases with weak supply responses and multiple risk areas for supply disruption is driving prices upward.

Particular weaknesses in US noted - 23% shut-in of Gulf of Mexico supplies persists; new regulations eliminating MTBE for summer emissions reduction formulations requiring ethanol as a substitute which can't be shipped in pipelines increasing ethanol prices and setting the stage for potential regional shortages; potential for inflationary pressures and Fed response to raise interest rates and dampen demand.

Rebels, Terrorists Roil Global Oil Prices

Since January, an obscure Nigerian rebel group has battled Nigeria's military, blown up oil facilities and kidnapped foreign oil workers. All the while, a man who claims to speak for the group has fired off emails taking responsibility for the attacks -- roiling global oil prices in the process.

http://online.wsj.com/article/SB114462531016921322.html?mod=home_whats_news_us - Oil Prices Show No Signs of Slowing



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