



## BRIEFING PAPER

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# Oil prices

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## Summary

This Commons briefing paper sets out an outlook for oil prices to 2040 and a review of oil price trends.

Oil prices peaked at almost \$150 Dollars a barrel in July 2008 and fell sharply in the second half of 2008 as the global financial crisis hit.

Prices increased after that despite a fairly weak global economy. Political unrest across the Middle East and the revolt in Libya contributed to further price rises in early 2011.

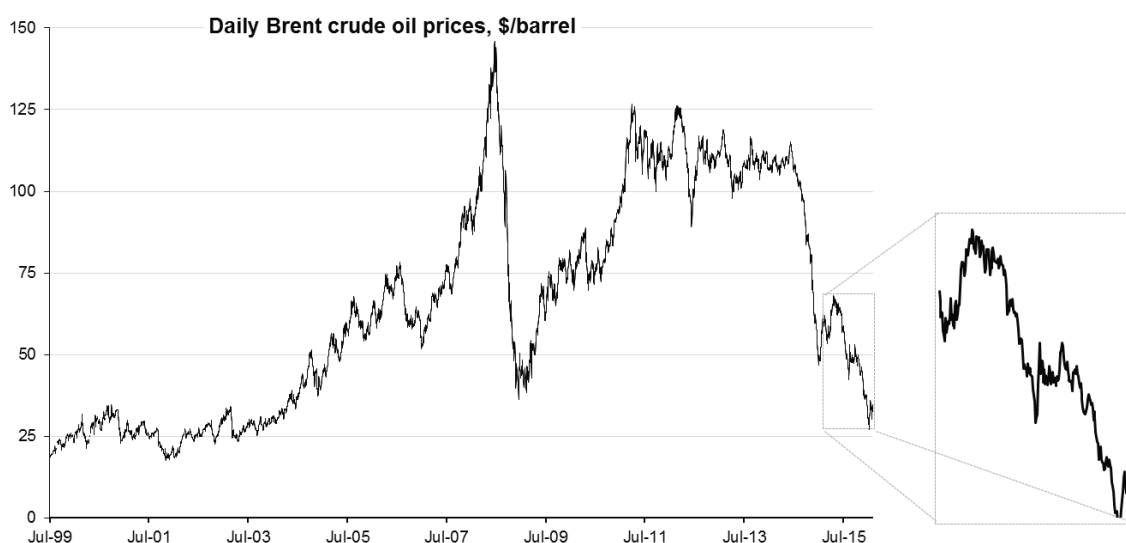
Subsequent prices in 2011 and 2012 were volatile; falling amid concerns about the world economy and going up as tension between Iran and the West increases.

Prices were less volatile in 2013 but the average was close to the near record levels seen in the previous two years. Some commentators have said that quantitative easing has contributed to the underlying price increases.

However since June 2014 Prices have fallen rapidly reaching around \$65 per barrel by December 2014 Prices continued to fall during 2015. The latest Brent price is below \$35 per barrel.<sup>1</sup> This is \$115 *below* the peak.

The International Energy Agency's *Current Policies* projections put the price of oil at almost \$150 per barrel in 2040.

This note provides annual, monthly and daily data for Brent crude oil prices.



Most oil prices are quoted in cash terms (not inflation adjusted) even in relatively long time series. This generally means that when prices are compared over time increases are overstated and price falls understated. This is much less of a problem over short periods, especially as the price of oil has an important impact on underlying inflation. However, when prices are being compared over a number of decades and direct comparisons are being made then a series using real prices gives a more meaningful picture. The daily prices in this note are given in cash terms, the monthly and annual data are presented in both real and cash terms.

<sup>1</sup> At 19 February 2016

Data and charts on oil prices can be downloaded/viewed at:

- [US Energy Information Administration –spot prices](#)
- [DECC energy price statistics](#)
- [WRTG Economics](#)

# 1. Oil price outlook

## 1.1 Long term oil price outlook to 2040

The International Energy Agency (IEA) [World Energy Outlook 2015](#), published in November 2015, reflected the fall in oil prices from June 2014 in its outlook for oil prices and projections of the supply and demand picture to 2040.

The report says:

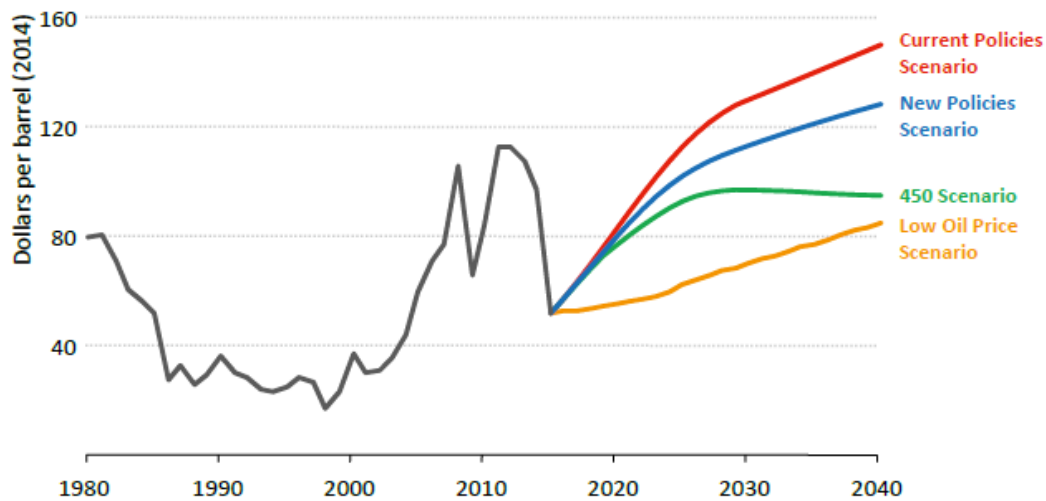
- after a period of relatively stable but historically high prices from 2010 until mid-2014, at which point oil traded at around \$115 per barrel, international benchmark oil prices fell by well more than 50% into 2015 and the price fell to under \$30 per barrel by mid-January 2016.
- the collapse in prices was driven by a marked slowdown in demand growth and record increases in supply, particularly tight oil from North America, as well as a decision by the Organization of Petroleum Exporting Countries (OPEC) countries in November 2014 not to try to rebalance the market through cuts in output.
- this provided a much lower starting point for the oil price scenarios used in the *Outlook* each of the scenarios compared with those in the previous *WEO-2014*.<sup>2</sup>
- prices remain lower for much of the early part of the projection period, although the gap progressively narrows in all scenarios (except the Low Oil Price Scenario) as markets work through the current supply overhang and rebalance at higher price levels.
- in the *Current Policies Scenario*, because of higher oil consumption prices reach \$150 per barrel by 2040
- in the *New Policies Scenario*, the market tightens a little less quickly and the oil price reaches \$128 per barrel in 2040.
- in the *450 Scenario*, more aggressive policy action to curb demand means that market equilibrium can be found at a lower price of \$95 per barrel by 2040.
- In a *Low Oil Price Scenario*, in which lower cost oil from OPEC countries is much more readily available and production from some key non-OPEC producers – notably the United States – is also assumed to be more resilient at lower prices are estimated to be \$85 per barrel in 2040.

The prices shown in the *Outlook* for each scenario are shown in the following chart.

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<sup>2</sup> IEA [World Energy Outlook 2014](#) November 2014

### Average IEA crude oil import price by scenario



Source IEA [World Energy Outlook 2015](#). November 2015

## 1.2 Run-up to an oil price fall

The IEA set out its background analysis on the recent fall in the price of crude oil:<sup>3</sup>

- at one level, the explanation for the price decline is ultimately quite simple – high oil prices encouraged a growing imbalance between buoyant supply and flagging demand – but some of the underlying dynamics and reasons for the timing of the eventual fall are more complex.
- there were fundamental reasons for tighter markets after the 2008 global economic crises, notably the strong rebound in demand, but also on the supply side, there were a number of one-off factors that kept prices high. These included output disruptions in 2011 and 2012 in Libya, Syria and Nigeria, as well as the tightening of sanctions against Iran at that time.
- crude oil prices were being supported at higher levels by refiners absorbing negative refining margins.
- increasing volumes of US oil production, which had bottomed out in 2008 after two decades of decline.
- at the same time, increasing output of natural gas liquids (NGLs) meant more competition from ethane and LPG for petrochemical feedstocks based on crude oil (naphtha).
- on the oil demand side, annual consumption growth in 2014 was one of the lowest in a number of years. The growth in oil demand in China decelerated perceptibly, reflecting a cooling economy and the start of a rebalancing away from heavier manufacturing industry.

<sup>3</sup> IEA [World Energy Outlook 2015](#). November 2015

- The weaker exchange rates of many currencies against the dollar, in both the emerging markets and the European Union, also curbed the appetite for oil consumption and dollar-denominated imports.
- accelerating production growth from the United States, rising production from Iraq, slowing demand to push crude prices down from the late second-quarter 2014.
- this presented a challenging picture to OPEC delegates when they met in November 2014, ultimately convincing Saudi Arabia and other OPEC member countries that an attempt to rebalance the market by cutting back OPEC output would not be effective.
- the decision to leave the OPEC production target unchanged was then the trigger for further price falls – setting the stage for a different type of market rebalancing, with the oil price as the mediator – and non-OPEC production on the front line.

### 1.3 Can oil prices go lower?

The IEA has looked at the prospect for oil prices in the short term and wondered if oil prices could go lower in 2016. It has said

Iran's return to the oil market confirms what has been inevitable for six months since the P5+1 deal was signed in Vienna last July. Now the suspense is over, attention switches to the impact on oil market balances and the likelihood of further declines in oil prices following a torrid start to 2016. In the first two weeks of the year, both WTI and Brent settled below \$30/bbl and a procession of investment banks has warned that oil prices "could" fall to \$25/bbl, \$20/bbl or, in one case, \$10/bbl. BP eliminated another 4,000 jobs and Petrobras slashed its five-year investment programme by 25%, clear signs – and there are many other examples – of expectations for a long period of lower prices.

Some analysts argue that the easing of sanctions on Iran is already "priced in" to the market. There are considerable uncertainties around the quality and quantity of oil that Iran can offer to the market in the short term and the not inconsiderable challenge of finding buyers willing to take more oil into an already glutted market. However, if Iran can move quickly to offer its oil under attractive terms, there may be more "pricing in" to come. Time will tell.

The IEA concludes as of late January 2016 that:

[ ] the oil market faces the prospect of a third successive year when supply will exceed demand by 1.0 mb/d and there will be enormous strain on the ability of the oil system to absorb it efficiently.

On what we must struggle to call the bullish side, non-OPEC oil production is projected to fall by 600 kb/d; but this will inevitably be largely offset by higher production from Iran. Nor can we expect other Middle East producers to stay on the sidelines; their regularly stated policy is to protect market share and allow the price to find its level. Saudi Arabia's sharp increase in domestic fuel prices is a sign that OPEC's top producer is preparing for a long period of lower prices.



Although 2015 saw one of the highest volume increases in global oil demand this century, we have long believed that this could not be repeated in 2016. But, with crude oil prices plunging below \$30/bbl, must we expect some boost to the rate of growth in 2016?

Unfortunately, the New Year has been awash with pessimism about economic growth.

This was starkly illustrated when the World Bank said on 6 January that growth in developing countries in 2015 was the slowest since 2001 and today's varied travails in Brazil, China, and Russia mean that 2016 will see little, if any, improvement.

The strength of the dollar will inevitably impact on local currency costs for oil importers and thus exert pressure on oil demand growth. For China, for so long the engine of global demand growth, we expect demand to increase by 350 kb/d, below the recent trend level.<sup>4</sup>

Since the IEA published its report, the press have reported that the Oil Ministers of Saudi Arabia and Russia have met to discuss oil production and even Iran has talked of restraining its recovery in oil production. As a result daily oil prices have been volatile increasing to \$35 per barrel and falling back to around \$30 per barrel in mid-February 2016.<sup>5</sup>

Previously, the IMF, in its commentary on the impact of lower oil prices in July 2015, expects prices to "partially recover" in the coming years, although its analysis suggest prices will remain close to \$70 a barrel until at least the end of the decade. "Oil prices will, all else equal, rebound to higher levels— but only gradually,"<sup>6</sup>

On the other hand, commentators such as Goldman Sachs, have said, in December 2015, that global oil production had outpaced demand by a "significant" 1.5m barrels a day in the fourth quarter 2015, a level that could be sustained into the second half of [2016] because of production "surprises" and mild winter weather, which has dented demand.

"We view the oversupply as continuing well into [2016] before rebalancing in the fourth quarter of 2016," said the Goldman Sachs report, which repeated the bank's view that prices may need to fall to \$20 to rebalance the market.<sup>7</sup>

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<sup>4</sup> IEA [Oil Market report](#) 19 January 2016

<sup>5</sup> Financial Times [Saudi Arabia and Russia ministers agree oil production freeze](#) 16 February 2016 [Subscription required]

<sup>6</sup> International Monetary Fund (IMF) [Global Implications of Lower Oil Prices](#) July 2015

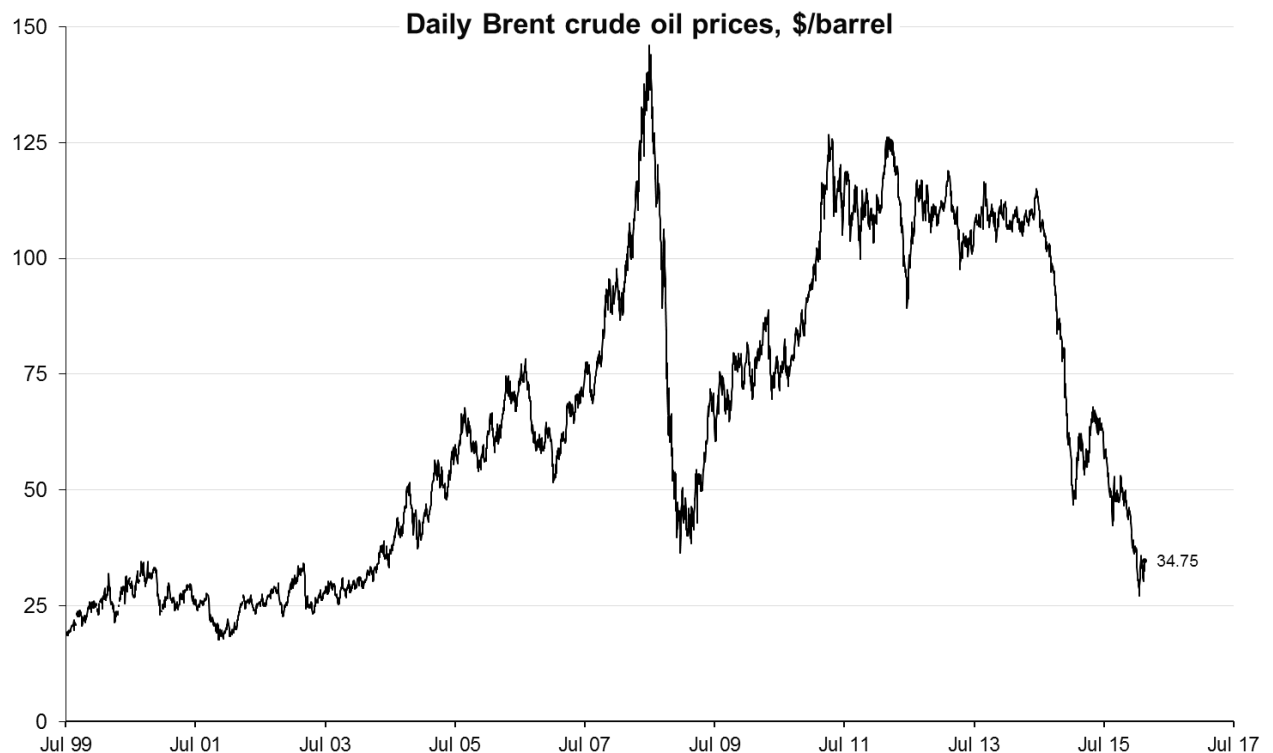
<sup>7</sup> Financial Times [Oil benchmarks converge as low price stalls US output](#) 22 December 2015 [Subscription required]



## 2. Price trends

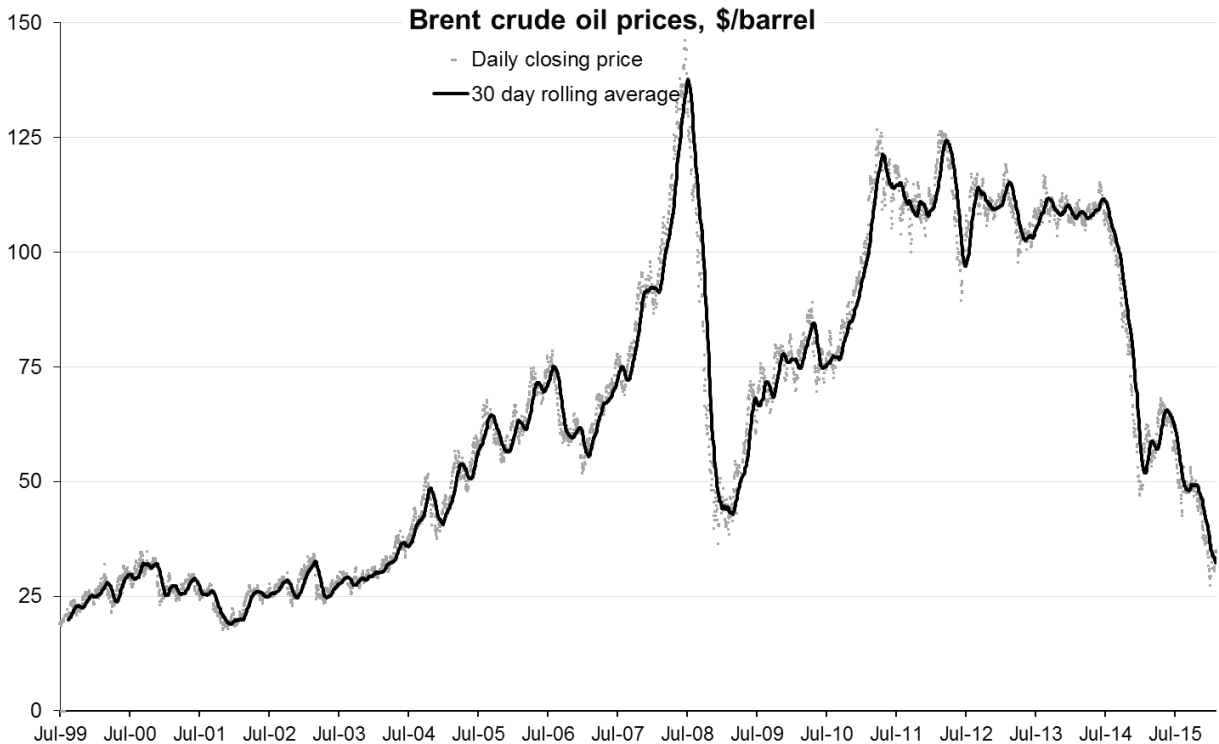
### 2.1 Daily prices

The spot price is the price for oil or oil products for immediate delivery. The future price is the price for purchase at a quantity and quality agreed in advance for delivery on a future specified date (for example, the future price fixed on 17 February was for delivery in April). The chart below shows the daily future price of Brent crude from summer 1999 onwards.



Source: *Financial Times*; HoC Library electronic holdings

The chart illustrates a number of patterns, perhaps most obvious of all is the general volatility. As the chart is based on daily prices it does not smooth out trends in the way monthly or weekly averages would. There was much volatility even in times of relatively stable prices (2000 and 2001). When the underlying trend was upwards there were still periods of sharp decline and *vice versa*. The following chart presents the same data alongside a 30 day rolling average to help reduce the 'noise' from large daily variations.



Source: *Financial Times*; HoC Library electronic holdings

### 1999 to 2004

Between July 1999 and early 2004 prices were relatively stable and remained in the \$20-30 range for most of the period. One of the major falls during this time was just before the invasion of Iraq when, in early March 2003, prices fell by nearly \$10 a barrel.

### 2004 to mid-2008

From early 2004 prices started to increase and the future price reached a (then) peak of \$78.30 per barrel on 7 August 2006. Prices fell through most of the second half of 2006 and were below \$52 a barrel in early 2007. The trend was upwards for most of the rest of 2007 and more rapidly and consistently so from the end of August 2007 to summer 2008.

Prices broke through the \$90 level at the end of October and were above \$95 towards the end of November 2007. After a short period below \$90 a barrel prices rose again towards the end of 2007 and broke through the \$100 mark in late February 2008, the \$110 level in mid-April, the \$120 mark in early May, \$130 in late May 2008 and went above \$140 per barrel in late June.

The peak price on this series was \$146.08 per barrel on 3 July 2008.

### Mid-2008 to mid-2010

In the second half of 2008 prices fell even more rapidly than they had risen. Spot oil prices fell to below \$125 a barrel in late July, below \$100 in mid-September, below \$75 in mid-October and below \$50 in late November.

Prices were relatively stable in the \$40-\$50 region from late November 2008 to early May 2009 before increasing rapidly again to the high

\$60s in early June 2009. For 2010, they were volatile without any clear trend up or down.

### **Mid-2010 to mid-2014**

There was a consistent upward trend in prices from summer 2010 to spring 2011. Prices went from around \$75 per barrel in July and August to more than \$90 in early December 2010. Political unrest across the Middle East coincided with further price rises in late January 2011 and early February 2011, but the price rises were modest.

The subsequent revolt in Libya contributed to much faster price rises to levels around \$125 per barrel in late April 2011.

These were the highest prices since July 2008.

Prices generally fell during much of the rest of 2011, but remained volatile in the \$100-110 per barrel range at the end of the year.

A severe spell of cold weather across much of Europe in late January/early February 2012 and increasing tension between Iran and the West are both said to have contributed to pushing prices above \$120 per barrel in February 2012.

Prices remained at around this level until mid-April 2012 when poor economic news particularly helped to cut prices. A further deterioration in prospects for the Eurozone, and the knock on impact on the world economy, helped to cut oil prices by around \$35 per barrel between April and June 2012.<sup>8</sup>

There was a more modest increase in prices over the summer 2012 which reversed part of this earlier fall. Between August 2012 and the end of the year prices largely remained between \$105 and \$115 per barrel which, in recent history is relative stability.

This continued at the start of 2013 before a combination of better economic prospects for the US and China and seasonal demand pushed prices up towards \$120 per barrel in mid-February 2013.<sup>9</sup>

Prices briefly fell below \$100 per barrel in April 2013 and remained at just above this level for much of the next two months as sentiment on world economic prospects, and those of China particularly, changed again.<sup>10</sup>

Heightened tension over Syria contributed to the recent price rises which pushed levels to over \$115 per barrel again in late summer 2013. Prices then fell somewhat as tensions between Iran and the West reduced. Demand was relatively buoyant and instability and violence in Libya and Iraq affected their supply, but increases in supply from OPEC and the US have meant this was not translated into much higher prices and contributed to the general stability in prices in the latter part of 2013.<sup>11</sup>

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<sup>8</sup> *Oil Market Report*, IEA (various months in 2012)

<sup>9</sup> *Oil Market Report February 2013*, IEA

<sup>10</sup> *Oil Market Report August 2013 (and earlier)*, IEA

<sup>11</sup> *Oil Market Report January 2014*, IEA

Prices in the first half of 2014 remained at around \$105-110 per barrel. Prices surged in mid-June, reaching a nine-month high of \$115 per barrel on the back of rapid territorial gains by Islamic State of Iraq and Syria (ISIS) militants in northern Iraq.

### **Mid-2014 to early 2016**

Brent crude prices, however, retreated by early July 2014 as confidence grew that the country's giant southern oil fields were largely insulated from the turmoil. Improved prospects for a recovery in Libya's oil exports also tempered price gains.

Oil prices fell sharply in August 2014 to below \$100 per barrel by early September, weighed down by abundant supplies and further indications of slow global economic and oil-demand growth.

Oil prices continued to fall between October 2014 and January 2015. The sell off gained pace after OPEC, on 27 November, decided to keep its output target unchanged. Prices reached a five year low of \$47 per barrel in January 2015.

This slide in crude oil prices began in mid-2014 as the slowdown in demand growth in developing countries reinforced the effect of the continuing expansion of crude oil supply in North America, largely from shale oil, leading to a rapid build-up of excess commercial stocks. The decline in price accelerated in late-November when the Organisation of Petroleum Exporting Countries (OPEC) declined to cut its output to rebalance the market and abandoned its earlier, successful, short-term management of supply in an effort to regain market share. It is said the main reason for the policy change was to counter the effect of the increase in US oil output principally from shale oil and from lower prices for shale gas.<sup>12</sup>

This decision to not restrain OPEC production represented the most significant shift in Saudi and OPEC strategy for many years and mirrored a not dissimilar change by the Saudi government in 1985-86 when it increased oil production in response to growing oil production in the North Sea and elsewhere which in turn led to a collapse in oil prices.

Prices continued to fall in January 2015 but stabilised following early-February gains, with Brent trading at around \$58 per barrel - up 23% from a six-year low in January as global oil demand grew once again.

Product market strength and rising tension throughout the Middle East supported global crude oil prices in May and June with Brent trading at around \$65 a barrel. Saudi Arabia, Iraq and the UAE pumped at record monthly rates to keep output above OPEC's official supply target for a third month running. Oil ministers agreed to maintain that target at their 5 June 2015 meeting.

Oil prices sank to six-year lows in August 2015 as a supply overhang grew and concern deepened over the health of the global economy, especially in China, with Brent trading at as low as \$42 per barrel.

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<sup>12</sup> The Times [Oil production will slow to trickle as Opec tightens grip](#) 11 September 2015 [subscription required]

Prices recovered in September 2015 from recent lows to trade in narrow bands before a further rally in early October on expectations of lower US output that could lead to an eventual market rebalancing.

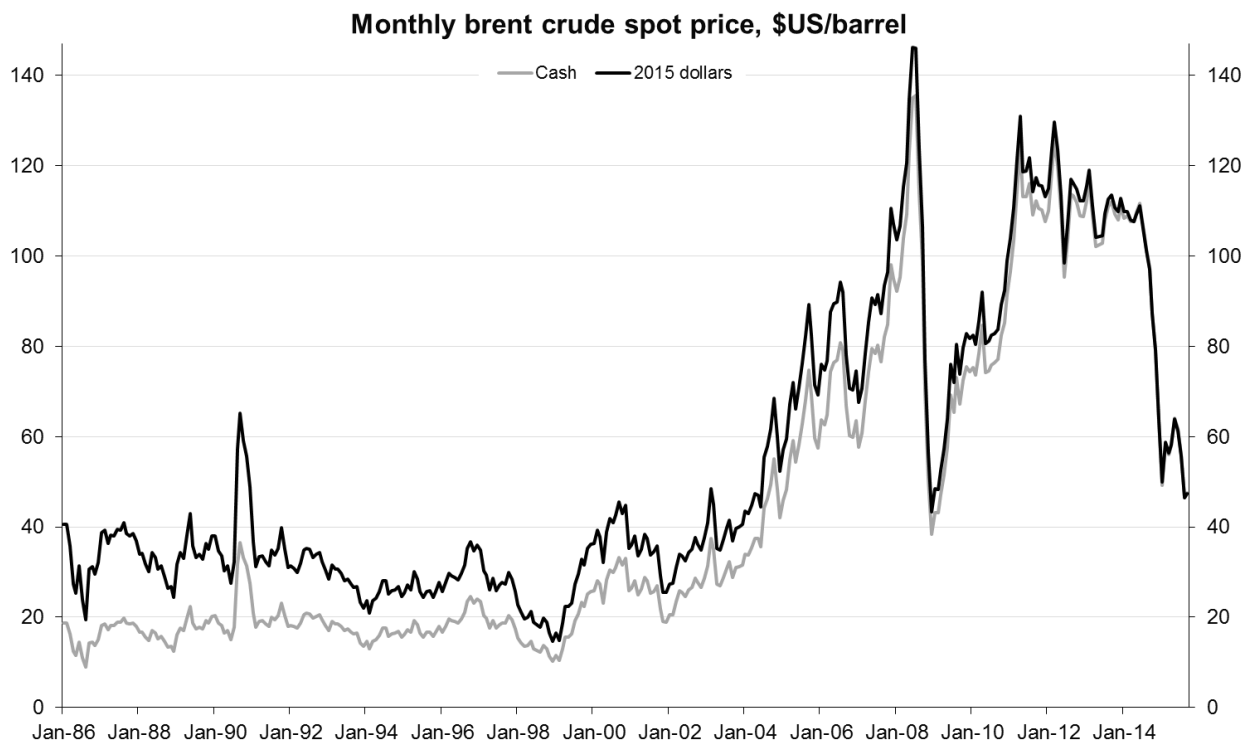
Prices, however, approached seven-year lows in early December 2015 after OPEC opted to continue producing at will to defend market share. Unrelenting oversupply in world markets had already weakened benchmarks during November with Brent trading at \$44 per barrel and \$36 in December 2015.<sup>13</sup>

Markets were routed in December as persistent oversupply, bloated inventories and a slew of negative news pressured prices steadily downwards so that by mid-January 2016 crude prices touched twelve-year lows with Brent trading at \$27 per barrel, the lowest point since 2003, by the 20<sup>th</sup> of the month. Prices then increased slightly and were approaching \$35 per barrel by mid-February 2016.<sup>14</sup>

Table 1 at the end of this note summarises daily variations by month from 2004 onwards.

## 2.2 Monthly prices

Trends in the monthly average spot price of Brent crude to September 2015 are illustrated in the next chart in both cash and real terms. Monthly variations are summarised by year in Table 2 at the end of this note.



The most obvious element in the period before the daily price chart (before summer 1999) is the very sharp peak following the Iraqi invasion of Kuwait. The price of Brent crude went from \$17.80 a barrel in July

<sup>13</sup> *Oil Market Report*, IEA (various months in 2015)

<sup>14</sup> IEA *Oil market report* 19 January 2016 and press reports

1990 to \$31.80 in August 1990, The largest monthly increase since the invasion of Iraq was 25% in July 2004. The real price level in September 1990 was the highest over this period until February 2003.

The real price level generally fell between the late 1980s and the mid-1990s. After (2015) prices reached more than \$30 a barrel in late 1996 there followed a consistent period of decline to a low of \$10.19 in December 1998 (\$14.74 in 2015 prices). This was due to an increase in supply (OPEC raised its quota in early 1998) and underlying weak demand due to the Asian economic crisis. The following economic upturn and (earlier) cuts in OPEC quotas saw real prices reach more than \$40 a barrel in late 2000.

Real prices then began to rise reaching a peak in July 2008 of \$146 per barrel (2015 prices) before falling back to \$57 per barrel in April 2009. Prices then rose sharply again to reach \$121 per barrel in July 2011. Prices then remained fairly stable at around \$100 per barrel (2015 prices) until August 2014. Since then prices have fallen to \$47 per barrel in 2015 prices in September 2015 (the latest monthly period for which we have data).

The chart opposite looks at the range of monthly real prices over the same period and shows the increased volatility in prices over the second half of the period and in 2008 especially. Prices in 2011 varied much less than in 2008 and their peak price was lower, but the average was clearly above the 2008 level. The average daily spot price in 2012 was marginally lower than the 2011 annual average, but prices varied to a slightly greater degree. The average fell slightly again in 2013. Real prices began to fall markedly in 2014 with one of the widest ranges except for 2008. Prices in 2015 have fallen sharply but in a narrower range.

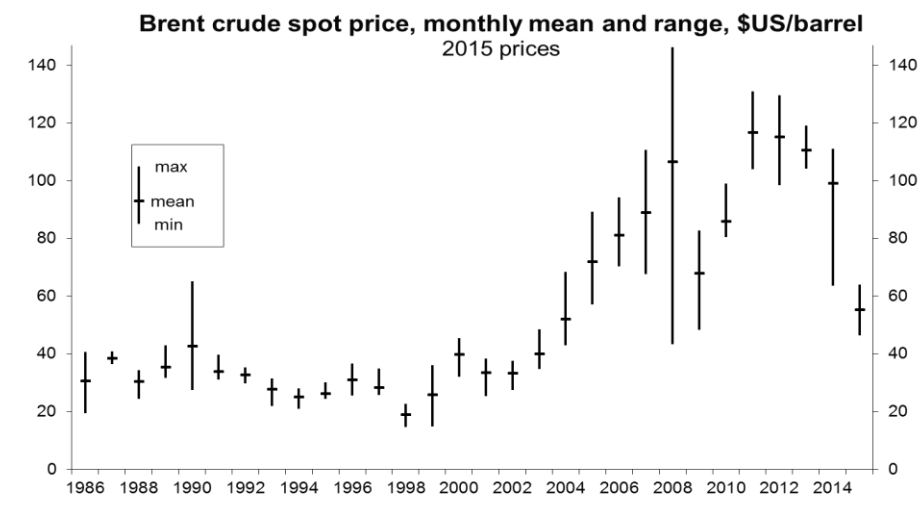


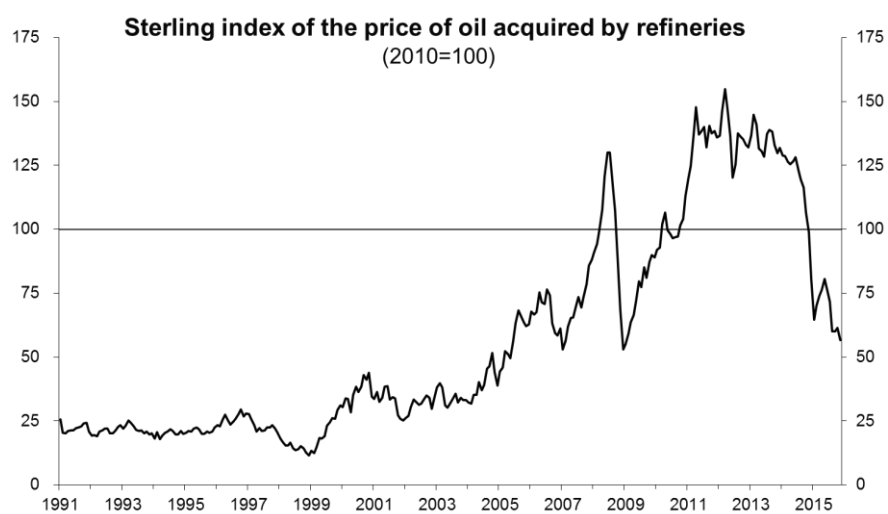
Table 2 at the end of this note summarises monthly variations summarised by year daily from 1986 onwards.

## 2.3 Prices in Sterling

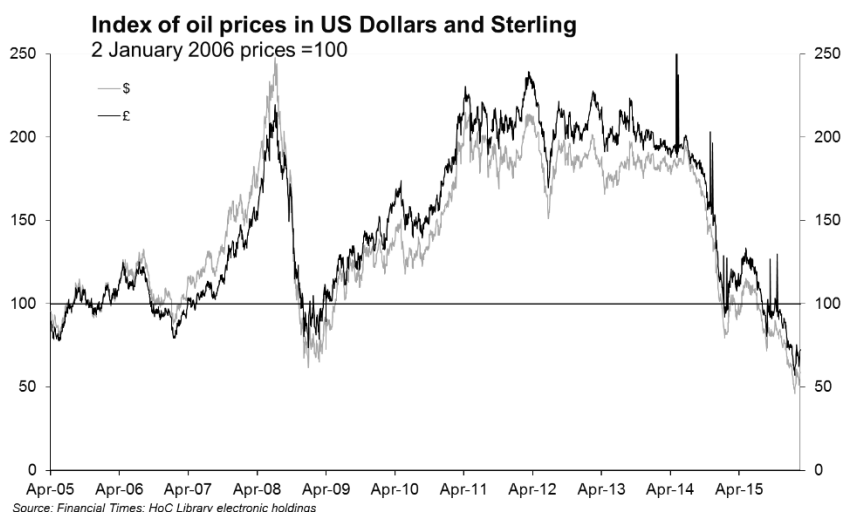
The impacts of oil price rises up to their peak were limited to some extent by changes in exchange rates. Starting in spring 2006 a weaker Dollar meant oil prices increased less when converted to Sterling for the period to spring 2007. The exchange rate was relatively stable over the period to July 2008, so oil price changes in Sterling and Dollar terms were very similar. Price falls in the second half of 2008 were also limited in Sterling terms by the relative strength of the Dollar. So, for instance between February 2006 and April 2007 the Dollar price of oil increased

by 11%, but the price in Sterling fell by 4%. Between mid-July and early December 2008 the Dollar price of oil fell by 73%, but the price in Sterling fell by 56%.<sup>15</sup>

The chart opposite illustrates a Sterling series over a longer period. This gives actual prices paid, rather than converting spot prices with spot exchange rates and shows generally smaller increases especially up to the 2008 peak. Sterling prices increased by 240% between June 2000 and June 2008, while dollar prices (seen earlier) went up by 340%. Sterling prices in 2012 and 2013 have at times been well above their 2008 peak; the March 2012 level was 20% higher. Since then the Sterling price has fallen particularly from mid-2014 (as the dollar price also began to fall). By November 2015 the sterling index was 63% lower than in March 2012. These comparisons are in cash terms.



The next chart plots an index of daily prices in Dollars and Sterling (converted using daily exchange rates) over a shorter time period. This illustrates the widening gap during 2006 and early 2007 as Sterling prices became relative less expensive. The change from the summer 2008 peak is even clearer as Dollar prices fell more rapidly. Price rises since 2009 have not been accompanied by any sustained shift in the exchange rate. This has meant



that prices in Sterling were above their 2008 peak levels for most of April 2011 and reached even higher levels in March 2012. Underlying oil price rises and a weaker Sterling pushed mid-February 2013 Sterling prices up to their highest level since April 2012. Since then Sterling prices have generally fallen due to a combination of the underlying trend in oil prices and a slight weakening in the value of the Dollar.

## 2.4 Long term annual prices

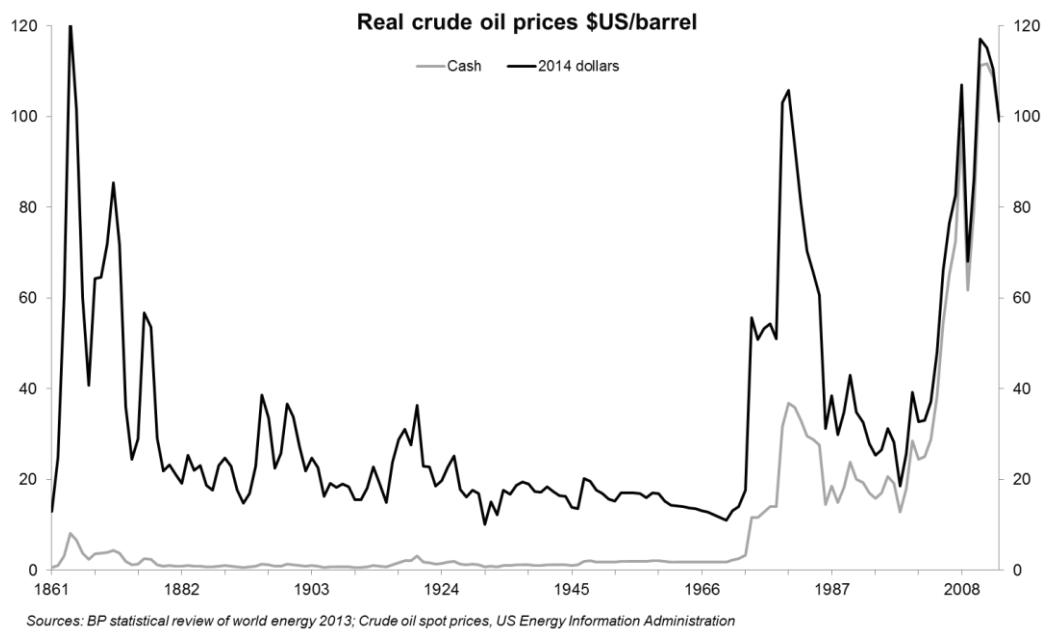
The longest crude oil price series goes back to the 1860s. Demand was created by the invention of the kerosene lamp in 1859 and petroleum

<sup>15</sup> *Financial Times*; HoC Library electronic holdings. Prices converted using daily closing exchange rates



began to replace the (much more expensive) whale oil in the following decades.<sup>16</sup> This series is illustrated below.<sup>17</sup>

Prices in the 19<sup>th</sup> century were extremely volatile as there was much speculation, demand grew rapidly and new discoveries were made. The major peak in the first seven decades of the 20<sup>th</sup> century was towards the end of the first world war and the period immediately afterwards. Prices were at their lowest real levels in the early 1930s as demand was low and production had increased, especially in Texas. The following 40 years saw oil prices at their most stable.



US market control of production ended in 1971 which reduced its power to influence oil prices. The Arab oil embargo that followed the Yom Kippur War (October 1973) cut net production by 4 million barrels a day. Prices increased more than three-fold between 1973 and 1974. They remained at these levels despite the ending of the embargo in March 1974.

The second 'oil shock' happened in 1979-80 when the Iranian revolution (1979) and the start of the Iran-Iraq war (1980) both led to cuts in production which caused further large increases in prices.<sup>18</sup> The real price in 1980 averaged \$105 a barrel in 2014 values.

The 2008 average price marginally surpassed this level and the 2011 and 2012 averages, at \$116 and \$114 per barrel respectively were clearly higher, although still just below the 1864 peak in this series in real terms.

<sup>16</sup> U Bardi *Prices and Production over a complete Hubbert Cycle: the Case of the American Whale Fisheries in 19th Century* [www.energybulletin.net](http://www.energybulletin.net)

<sup>17</sup> 1861-1944 US Average, 1945-1983 Arabian Light posted at Ras Tanura, 1984-2006 Brent dated

<sup>18</sup> Oil price history and analysis WRTG Economics [www.wtrg.com/prices.htm](http://www.wtrg.com/prices.htm)

## 17 Oil prices

The latest data in this series is for 2014 when oil prices were still high for much of the year.

**Table 1****Brent crude futures price, daily data summarise**

\$US per barrel cash prices

	Mean	Maximum	Minimum
Jan 2004	30.43	31.23	29.05
Jan 2005	44.29	46.96	40.46
Jan 2006	63.66	66.59	58.98
Jan 2007	54.67	60.44	51.70
Jan 2008	91.91	97.84	86.62
Jan 2009	45.27	50.53	41.44
Jan 2010	77.10	81.89	71.46
Jan 2011	96.97	101.01	93.33
Jan 2012	111.27	113.70	107.38
Jan 2013	112.36	115.55	110.30
Jan 2014	107.11	108.27	106.35
Feb 2014	108.84	110.64	105.78
Mar 2014	107.75	111.20	105.85
Apr 2014	108.09	110.33	104.79
May 2014	109.25	110.55	107.06
Jun 2014	111.97	115.06	108.40
Jul 2014	108.19	112.29	105.85
Aug 2014	103.40	105.44	101.56
Sep 2014	98.63	102.79	94.93
Oct 2014	88.08	94.20	83.63
Nov 2014	79.73	84.14	70.02
Dec 2014	63.39	72.91	57.49
Jan 2015	50.16	57.55	46.88
Feb 2015	58.83	62.19	52.41
Mar 2015	56.97	60.97	53.25
Apr 2015	61.30	66.74	54.98
May 2015	65.71	68.02	62.30
Jun 2015	63.73	65.60	62.00
Jul 2015	56.79	62.62	51.67
Aug 2015	48.10	53.00	42.38
Sep 2015	48.61	50.64	47.36
Oct 2015	49.51	53.01	46.62
Nov 2015	46.06	49.96	43.57
Dec 2015	39.09	44.29	36.22
Jan 2016	32.37	37.60	27.17

Source: *Financial Times*; HoC Library electronic holdings

Table 2

**Brent crude spot price, monthly variations summarised by year**

\$US per barrel

	Cash prices			2015 dollars		
	Minimum	Average	Maximum	Minimum	Average	Maximum
1986	9.00	14.17	18.75	19.45	30.64	40.67
1987	17.20	18.48	19.75	36.37	38.55	40.93
1988	12.45	15.22	17.05	24.49	30.54	34.40
1989	16.20	18.56	22.40	31.71	35.48	42.89
1990	15.10	23.70	36.50	27.56	42.82	65.21
1991	17.75	19.57	23.05	31.03	34.05	39.77
1992	17.55	19.41	20.85	29.87	32.79	35.25
1993	13.50	16.93	19.05	21.95	27.80	31.56
1994	13.00	15.79	17.60	21.01	25.25	28.12
1995	15.65	16.95	17.90	24.33	26.36	30.12
1996	16.70	20.61	24.51	25.64	31.12	36.70
1997	17.50	19.26	23.47	25.72	28.46	34.97
1998	10.19	13.15	15.46	14.74	19.13	22.68
1999	10.36	18.23	25.67	14.93	25.89	36.16
2000	23.15	28.98	33.30	32.04	39.88	45.45
2001	18.96	25.05	28.76	25.44	33.54	38.37
2002	20.48	25.41	28.72	27.41	33.46	37.64
2003	26.93	31.07	37.44	34.79	40.04	48.47
2004	34.02	41.61	49.48	42.93	52.17	68.47
2005	45.91	59.40	74.79	57.07	72.00	89.18
2006	59.85	69.11	80.90	70.41	81.22	94.24
2007	57.75	78.00	98.12	67.63	89.04	110.67
2008	38.46	97.22	135.59	43.37	106.72	146.30
2009	43.11	61.68	75.55	48.26	68.06	82.79
2010	73.59	79.11	91.55	80.49	86.00	99.02
2011	96.60	110.91	124.20	103.99	116.86	130.91
2012	95.33	111.65	125.49	98.48	115.29	129.69
2013	102.14	108.73	116.65	104.13	110.65	119.11
2014	63.10	99.07	111.66	63.70	99.19	111.06
2015 (to September)	46.72	55.29	64.15	46.47	55.32	63.95

Note: Prices converted to average 2012 dollars using monthly US CPI index for all urban consumers

Sources: *Institute of Petroleum IP Statistics 14*[www.bls.gov](http://www.bls.gov)

**Table 3****Average annual spot crude oil prices, \$US per barrel**

	Cash prices	2014 dollars
1861	0.49	12.86
1870	3.86	71.97
1880	0.95	23.21
1890	0.87	22.83
1900	1.19	33.73
1910	0.61	15.44
1920	3.07	36.26
1930	1.19	16.86
1940	1.02	17.21
1950	1.71	16.80
1960	1.90	15.17
1970	1.80	10.97
1980	36.83	105.81
1990	23.73	42.97
1991	20.00	34.77
1992	19.32	32.60
1993	16.97	27.80
1994	15.82	25.27
1995	17.02	26.43
1996	20.67	31.19
1997	19.09	28.16
1998	12.72	18.47
1999	17.97	25.54
2000	28.50	39.17
2001	24.44	32.68
2002	25.02	32.93
2003	28.83	37.09
2004	38.27	47.96
2005	54.52	66.09
2006	65.14	76.50
2007	72.39	82.65
2008	97.26	106.94
2009	61.67	68.05
2010	79.50	86.31
2011	111.26	117.09
2012	111.67	115.14
2013	108.66	110.42
2014	98.95	98.95

1861-1944 US Average

1945-1983 Arabian Light posted at Ras Tanura

1984-2012 Brent dated

Sources: BP statistical review of world energy 2014; Crude oil spot prices, US Energy Information Administration

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