



Factsheet on Saudi-US Relations, and the OPEC+ Decision to Cut Oil Supply

The Kingdom affirms that it views its relationship with the United States of America as a strategic one that serves the common interests of both countries.

The Kingdom also stresses the importance of building on the solid pillars upon which the Saudi-US relationship had stood over the past eight decades.

These pillars include mutual respect, enhancing common interests, actively contributing to preserve regional and international peace and security, countering terrorism and extremism, and achieving prosperity for the peoples of the region.

The OPEC+ decision to reduce production targets was driven by the need to responsibly address oil supply and demand imbalances in the context of the global economic conditions of today and for the near future.

The decisions of OPEC+ are reached by the consensus of all members and determined solely by market fundamentals, not politics.

Projections – including those by the US Energy Information Administration indicate that there will be an excess of oil supply over demand.



Demand is being influenced by tightening monetary policies, China's lockdowns, material supply chain challenges, and volatility in other energy markets, such as natural gas and coal.

The price of oil sits right around its pre-Ukraine war levels, while the prices of natural gas and coal have spiked dramatically and subsequently electricity.

Monthly Comparison for Energy Prices

(January before Ukraine conflict -through 30 September)

2022	Brent	WTI	US Gasoline (average retail price)	LNG France	LNG Asia	Gas in UE (UK)	Nat Gas US	China Coal	UE Coal	US Coal
	\$/bl	\$/bl	\$/Gallon	\$/MMBTU	\$/MMBTU	GBP/Thr U	\$/MMBTU	\$/T	\$/T	\$/T
January	86	83	3.4	27	29	206	4.3	155	155	152
February	94	92	3.6	29	26	197	4.5	180	186	189
March	112	108	4.3	39	37	312	5.0	268	320	343
April	106	102	4.2	30	29	194	6.7	218	298	310
May	112	110	4.2	21	23	157	8.2	202	303	320
June	118	114	5.0	30	30	179	7.6	206	336	337
July	105	100	4.7	43	39	277	7.1	202	362	383
August	98	91	4.1	56	53	448	8.8	186	343	355
September	91	84	3.8	48	48	346	7.9	206	326	342
Change in Sept. Prices Compared to Jan.	6%	1%	11%	77%	66%	69%	84%	33%	110%	125%

* The surge in power prices in Europe and other areas is mainly driven by the massive increase in gas and coal prices.

Growing imbalance required proactive and preemptive measures to protect the market's stability, instead of taking more difficult and reactive steps later down the line.

This was an economic decision, not influenced by politics, and meant to ensure proper balance and stability in the world's energy markets, as the Kingdom has done for decades.

WTI Crude Oil Prices, 1/1/2022 - 30/9/2022

