

9th Joint IEA-IEF-OPEC Workshop – Session 2

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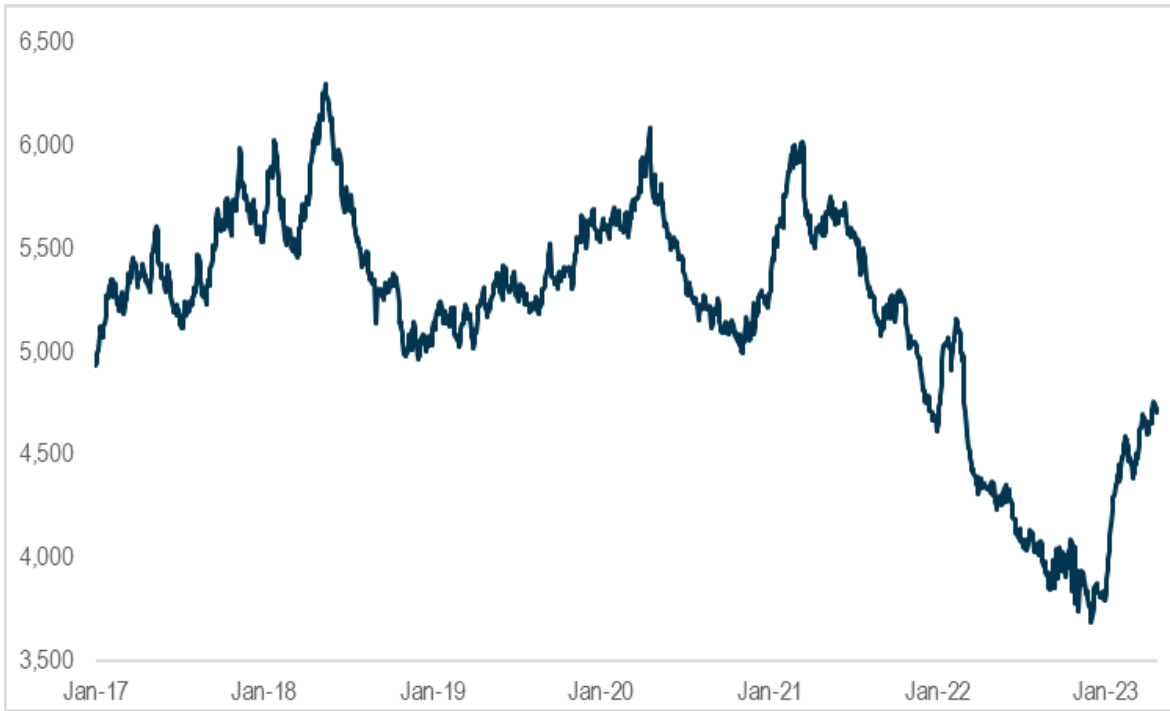
Questions for Session 2

- How have the energy-related financial markets evolved in recent years, in terms of structure, size, participants, financial products and their functioning?
- What is the importance of OTC markets to the price discovery process and has the recent volatility undermined their liquidity or utility?
- How has the increased cost of hedging in the paper markets affected market activity and stability?
- What impact does the structure of the futures market have on price behaviour? How has the liquidity in the far-forward months evolved and who holds these positions? How does this activity influence front-month prices?
- What impact do activities such as Algo-trading, CTAs and ETFs have on market functioning and price discovery?



Open interest

Across four largest Brent and WTI contracts up to 24 April 2023, mb



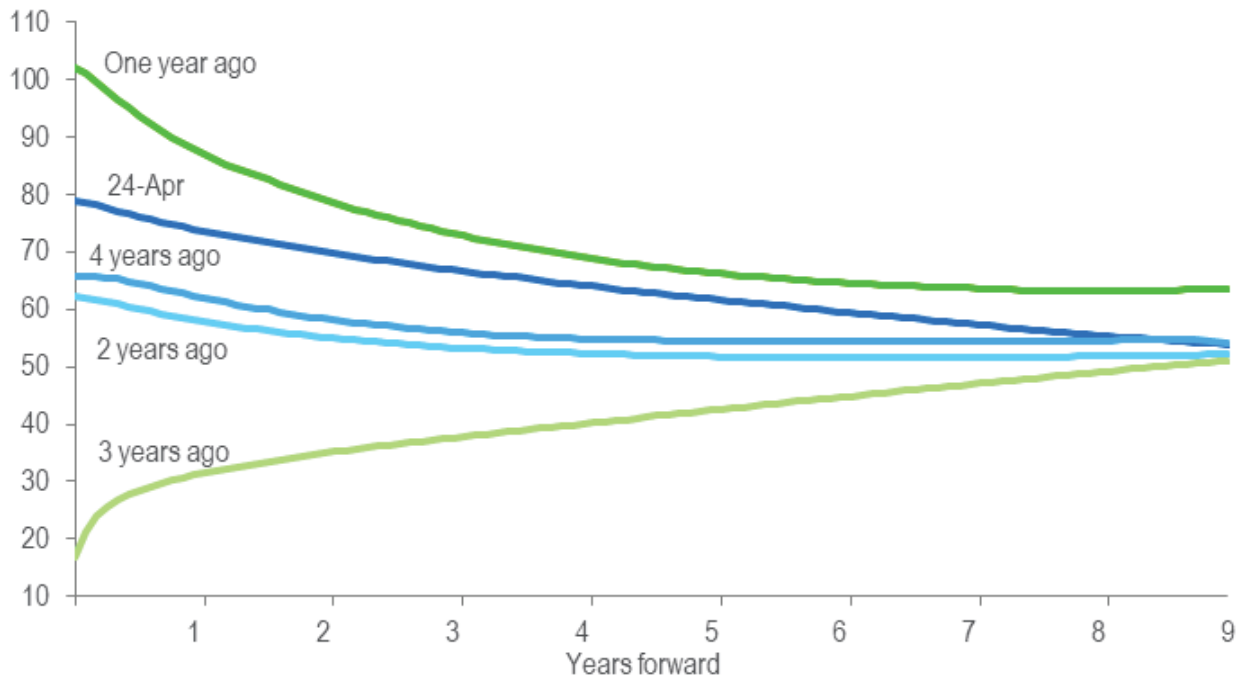
Source: ICE, CME, Standard Chartered Research

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Forward curve

WTI on-exchange forward curve, USD/bbl



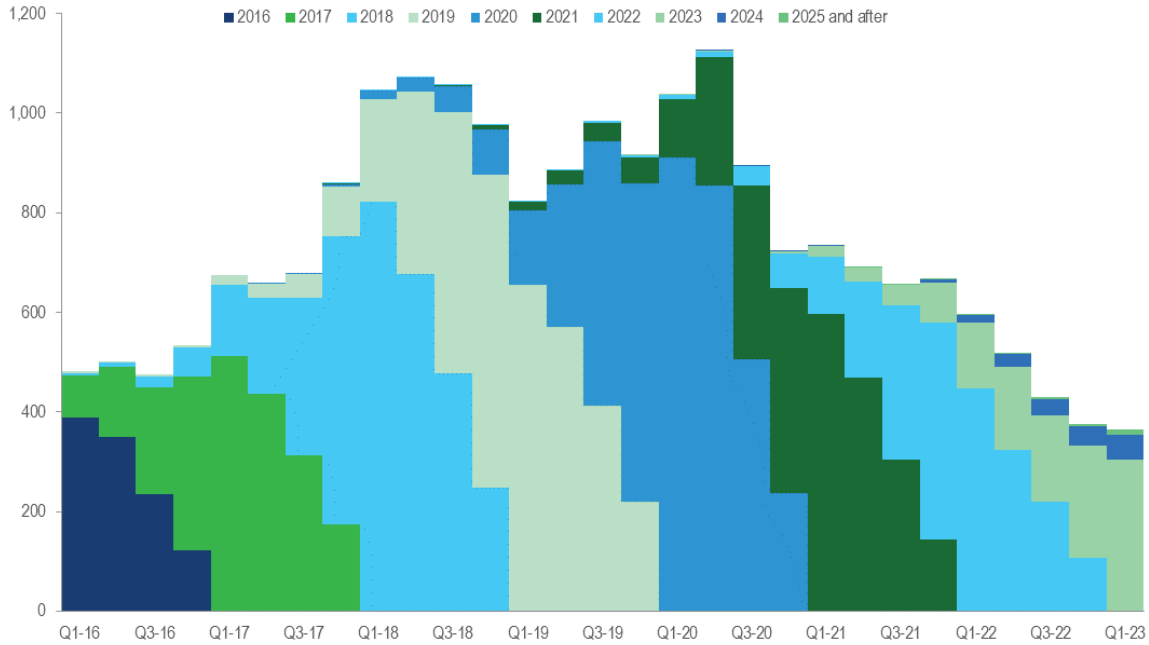
Source: CME, Standard Chartered Research

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Less volume, shorter tenor in company hedge books

Oil hedge book of publicly-listed US energy companies by quarter, mb



Source: Standard Chartered Research

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