



UAE Minister Talks Down Oil Cuts

The UAE's Energy Minister Suhail al Mazrouei made moves to play down the possibility of further cuts in oil production last month, easing fears that further hikes in the price of petrol and diesel might be on the horizon. Mazrouei made the announcement in a press briefing prior to the World Energy Congress, which took place in Abu Dhabi in September.

The members of OPEC and 10 other nations are currently in the midst of cutting global production by 1.2 million barrels per day and the accord is due to run until March of next year. However, a recent slump in oil prices had fuelled concerns that further cuts might be in the pipeline.

Easing trade tensions

Responding to a question about the rumours regarding further cuts in production, Mazrouei pointed to the knock-on effect that such actions could have on the sensitive state of the current political climate. "I wouldn't suggest we jump into cuts when we have an issue in trade tensions," [he explained](#).

"Oil market is not only affected by supply and demand, it's the main thing we can control, but there are geopolitical effects, concerns about trade tension, especially between major economies like US and China." The US and China have spent the years since Donald Trump's election to the White House engaged in a game of tariff tit-for-tat.

Shortly after taking the presidency, Trump announced heightened tariffs on a number of goods affecting China, including solar panels, washing machines, steel and aluminium, before planning to slap \$60 billion worth of levies on more than 1,300 varieties of Chinese imports. China responded in predictably adversarial fashion by announcing tariffs of its own on 128 American products, including aeroplanes, cars, pork and soybeans.

Uncertainty reigns supreme

As that war is still ongoing, many economic experts have predicted that global financial growth may suffer, with oil demand expected to be one of the casualties. A lack of demand would result in lower prices, and with barrels currently retailing at around \$60 apiece – well below their projected value – that would prove concerning for countries reliant on the fossil fuel industry for their economic stability.



It was exactly this kind of speculation which led to the idea that OPEC, Russia and its other partners may decide to make further cuts to production in order to drive prices back up. That would be unpopular in countries where fuel is already expensive, such as the UK, where it was [recently voted the 4th biggest rip-off](#) in a national survey.

However, Mazrouei's words may go some way towards assuaging those concerns. As OPEC's third biggest producer of oil, the UAE pumped just over three million barrels per day in August, which is in line with its agreed quota. Mazrouei, meanwhile, stated the country is "totally committed to meeting and even exceeding this commitment".