

Us Dollar worth and Oil Price (II)

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The oil price remains the most important economic variable on earth in previous article I wrote about Oil price movement and most important function that effect on Oil price.

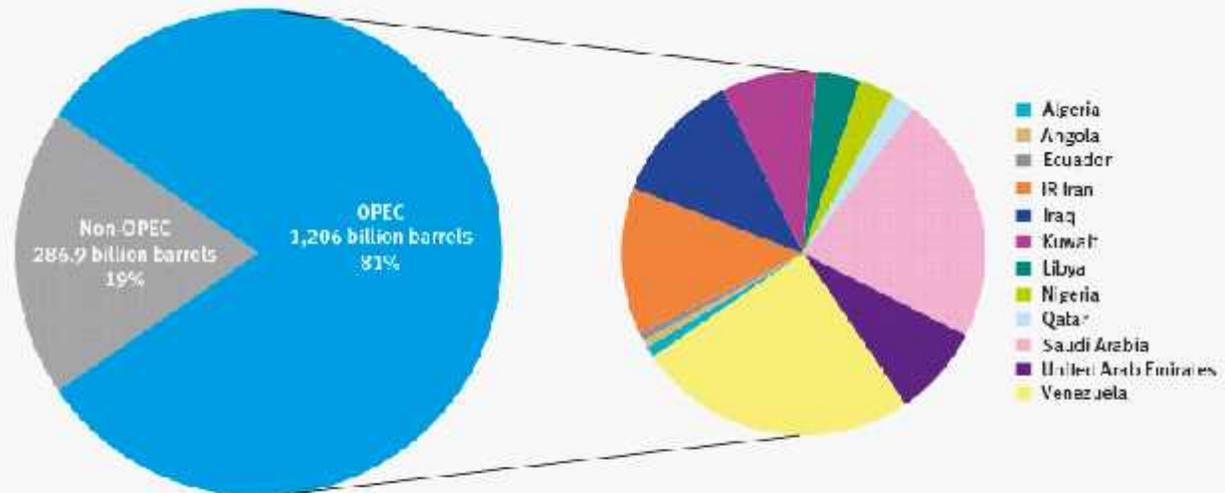
We understand that the most important factor that effect on oil price is political decisions for example at the moment oil prices go down let see who want the oil price go down now!

Opec is most important organization that try to control oil prices.

Open means: Organization of Petroleum Exporting Countries

Please look at Opec website picture:

OPEC share of world crude oil reserves, 2014



OPEC proven crude oil reserves, at end of 2014 (billion barrels, OPEC share)

Venezuela	299.95	24.9%	Iraq	143.07	11.9%	Libya	48.36	4.0%	Algeria	12.20	1.0%
Saudi Arabia	266.58	22.1%	Kuwait	101.50	8.4%	Nigeria	37.07	3.1%	Angola	8.42	0.7%
IR Iran	157.51	13.1%	UAE	97.80	8.1%	Qatar	25.24	2.1%	Ecuador	8.27	0.7%

Source: OPEC Annual Statistical Bulletin 2015.

If you look carefully you can see that Venezuela and Saudi Arabia supply more than 46% of Opec product, then if one of this countries don't follow Opec rules the oil price will decrease or increase.

Now Saudi Arabia don't follow Opec rules Saudi Arabia try to decrease oil price with more supply! I don't want talking about why Saudi Arabia increased oil supply maybe Saudi Arabia stop over supply and oil price go up rapidly again

Predicting the oil price is so difficult because both demand and supply are subject to countless unfathomable factors.

Now we want know oil price movement effect on US dollars' value well if I look at market technically we will get answer faster isn't it?

To be continue...