

REPORT ON INFLATION (DECEMBER 2020)

SUMMARY

- The country's overall inflation rate accelerated to 3.5 percent in December, bringing the full-year 2020 inflation to 2.6 percent. This is well below the midpoint of the central bank's target of 2 to 4 percent.
- Seasonally adjusted month-on-month inflation slowed down to 0.7 percent.
- Food and non-alcoholic beverages, as well as non-food inflation inched up to 4.8 percent and 2.3 percent, respectively.
- Inflation in NCR decreased to 3.2 percent but increased to 3.7 percent in AONCR. Cagayan Valley and the Bicol Region recorded the highest inflation rates at 6.6 percent in December 2020.
- In ASEAN-5 countries, Indonesia's headline inflation rate accelerated to 1.7 percent. Others have yet to release inflation figures for December, but Thailand, Malaysia, and Singapore have recorded deflation in November at -0.4 percent, -1.7 percent, and -0.1 percent, respectively.
- Despite the benign inflation outlook, the ongoing La Niña and continued presence of the African Swine Fever (ASF) in the country may continue to push food prices upward. On the external front, global oil prices remain volatile as uncertainties emanate from new lockdown restrictions in major cities around the world amid the emergence of new coronavirus strains.

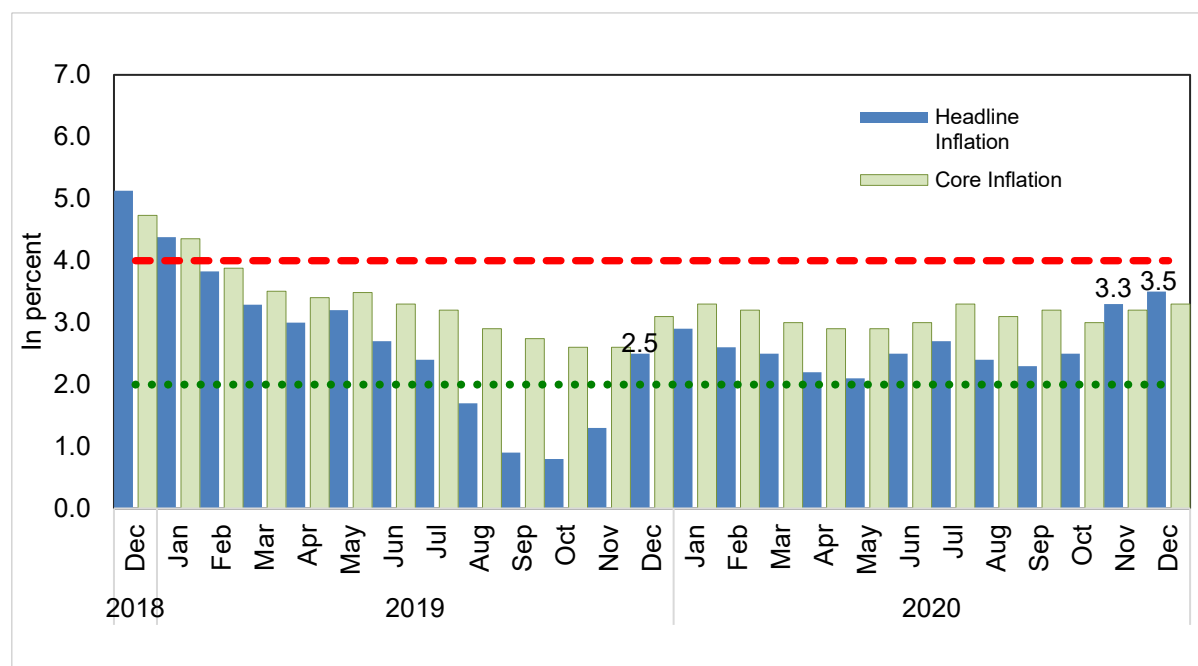
Year-on-year inflation rates (2012=100)

	Dec	Nov	FY
	2020	2020	2020
Philippines			
Headline	3.5	3.3	2.6
Core	3.3	3.2	3.2
Bottom 30%	4.3	3.6	2.9
NCR			
Headline	3.2	3.5	2.2
AONCR			
Headline	3.7	3.3	2.7

1. The country's overall inflation rate accelerated to 3.5 percent in December 2020, while seasonally adjusted month-on-month inflation decelerated to 0.7 percent.

For the third consecutive month, headline inflation rate accelerated to 3.5 percent in December 2020 from 3.3 percent in the previous month and 2.5 percent in December 2019 (see Figure 1). The latest inflation figure exceeded the 3.2 percent median forecast of the private sector but is within the 2.9 to 3.7 percent forecast range of the *Bangko Sentral ng Pilipinas* (BSP).¹ **The December inflation outturn brings the full-year 2020 average inflation rate to 2.6 percent**, only slightly higher than the 2.5 percent inflation rate in 2019 and well within the 2 to 4 percent inflation target range of the government for 2020.

Figure 1. Headline inflation rates: December 2018 to December 2020



¹ <https://www.bworldonline.com/analysts-december-inflation-estimates-2020/>

The faster inflation in December 2020 was mainly driven by the increase in the price indices for food & non-alcoholic beverages, transport, and restaurant & miscellaneous goods & services (see Table 1). Among the sub-groups, prices of vegetables and meat significantly increased from the previous month.

Table 1. Year-on-year (y-o-y) headline inflation rates² in the Philippines (in percent, 2012=100)

Commodity group	Dec 2020		Nov 2020		FY 2020
	Y-O-Y	M-O-M	Y-O-Y	M-O-M	Y-O-Y
ALL ITEMS	3.5	0.9	3.3	1.1	2.6
Food and Non-Alcoholic Beverages	4.8	1.6	4.3	2.2	2.7
Alcoholic Beverages and Tobacco	12.2	1.3	12.3	2.4	16.1
Clothing and Footwear	1.6	0.2	1.6	0.1	2.2
Housing, Water, Electricity, Gas, and Other Fuels	0.5	0.2	0.8	0.4	0.9
Furnishing, Household Equipment and Routine Maintenance of the House	3.3	0.2	3.5	0.2	3.8
Health	2.6	0.3	2.4	0.1	2.7
Transport	8.3	1.3	7.6	-0.4	3.2
Communication	0.2	0.0	0.3	0.0	0.3
Recreation and Culture	-0.6	0.1	-0.6	0.1	0.6
Education	1.1	0.0	1.1	0.0	2.5
Restaurant and Miscellaneous Goods and Services	2.5	0.4	2.2	0.2	2.4

Source: Philippine Statistics Authority

² The month-on-month (m-o-m) inflation figures cited in Table 1 are not seasonally-adjusted.

Among the top 10 contributors to the December 2020 inflation, four items are under food & non-alcoholic beverages, which together contributed around 1.7 percentage points (ppt) to total inflation. These are vegetables, meat, fish, and fruit (see Table 2).

Table 2. Top 10 contributors to inflation in December 2020 (in percentage points)

Commodity group	Dec 2020
Transport Services	0.7
Vegetables	0.7
Meat	0.7
Actual Rentals for Housing	0.3
Tobacco	0.3
Fish	0.2
Catering Services	0.2
Fruit	0.1
Personal Care	0.1
Goods and Services for Routine Household Maintenance	0.1
TOTAL CONTRIBUTION TO INFLATION	3.3
Others (e.g., education, clothing & footwear, furnishings, communications, recreation)	0.2
OVERALL INFLATION	3.5

On a month-on-month (m-o-m) seasonally-adjusted basis, overall inflation moderated to 0.7 percent in December 2020 from 0.9 percent in November 2020. This was primarily driven by the slower m-o-m inflation in food & non-alcoholic beverages (1.4 percent in December 2020 from 2.0 percent in November 2020) and alcoholic beverages & tobacco (1.0 percent from 2.3 percent). This indicates that the increase in headline inflation in December was driven mainly by seasonal factors.

Core inflation³ slightly accelerated to 3.3 percent in December 2020 from 3.2 percent in the preceding month. Similarly, inflation for the bottom 30 percent of households increased to 4.3 percent from 3.6 percent in the previous month.

2. Food and non-alcoholic beverages, as well as non-food inflation inched up to 4.8 percent and 2.3 percent, respectively.

Food

Food & non-alcoholic beverages inflation picked up to 4.8 percent in December 2020 from 4.3 percent in November and 1.7 percent in December 2019. On a m-o-m seasonally adjusted basis, inflation for food & non-alcoholic beverages moderated to 1.4 percent in December 2020 from 2.0 percent in the previous month.

In particular, food inflation accelerated to 4.9 percent in December 2020 from 4.5 percent in November, the highest recorded rate since the figure of 5.1 percent in January 2019. This could be mainly attributed to the sustained increase in the prices of vegetables (19.7 percent from 14.6 percent), meat (10.0 percent from 8.2 percent), and fruits (6.3 percent from 5.6 percent). Rice inflation (0.1 percent from -0.1 percent) also reverted to the positive territory after 19 months of deflation. Similarly, corn prices grew by 0.1

Figure 2. Selected Food Inflation Rates:
December 2018 to December 2020, in percent (%)

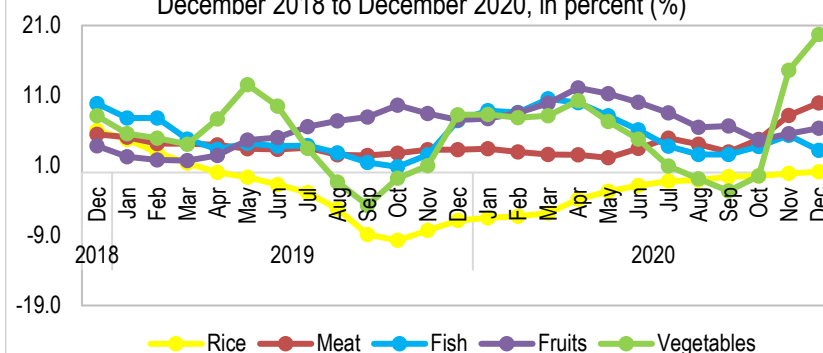
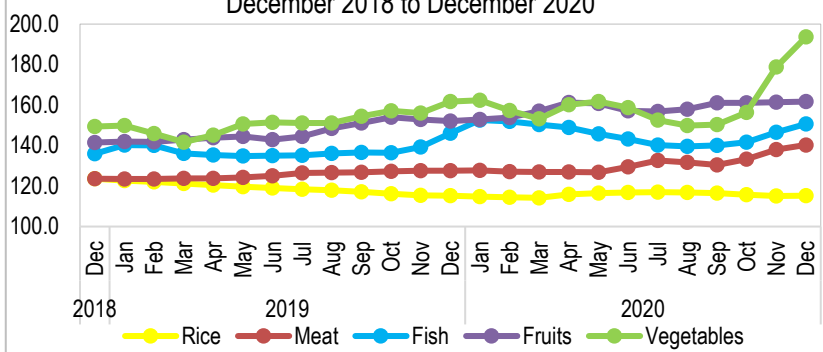


Figure 3. Selected Food CPI:
December 2018 to December 2020



³ The official core inflation measure is defined as the rate of change of headline Consumer Price Index (CPI) after excluding selected food and energy items whose underlying price movements are generally characterized by short-term volatile movements. It is a measure of the broad or underlying trend or movement in the average consumer prices. Source: BSP.

percent after falling for the past five consecutive months. Fish prices continue to rise in December although its inflation rate eased due to base effects. The faster inflation in vegetables, fruits, and rice could be traced to lower agricultural production following the damage caused by previous typhoons. Meanwhile, meat inflation inched up for the third consecutive month owing to the decline in domestic swine production due to the African Swine Fever (ASF). In addition, oils & fats (2.7 percent from 2.5 percent) also edged up during the reference month.

In contrast, inflation for milk, cheese & eggs (1.7 percent from 1.8 percent), other cereals, flour, cereal preparation, bread, pasta and other bakery products (2.0 percent from 2.1 percent), and other food products (3.3 percent from 4.5 percent) slowed down. On the other hand, sugar, jam, honey, chocolate & confectionery (0.4 percent) remained unchanged from the previous month.

On a full-year basis, food and non-alcoholic beverages inflation averaged at 2.7 percent in 2020, faster than the 2.1 percent in 2019.

Non-food

Inflation for non-food items was recorded at 2.3 percent in December 2020, only slightly faster than the 2.2 percent in November and similar to the rate in December 2019. The uptick in transport (8.3 percent in December 2020 from 7.6 percent in November), restaurants and miscellaneous goods & services (2.5 percent from 2.2 percent), and health (2.6 percent from 2.4 percent) partially outweighed the deceleration in housing & utilities (0.5 percent from 0.8 percent).

In particular, the faster transport inflation was mainly driven by the smaller drop in the prices of petroleum & fuels for personal transport equipment (-10.6 percent from -13.3 percent). Based on the Department of Energy's (DOE) data, pump prices of diesel and kerosene increased by 14.5 percent and 7.6 percent respectively, relative to the previous month. Meanwhile, transport services inflation sustained its double-digit growth for six consecutive months, registering 16.3 percent in December 2020, largely driven by the increase in tricycle fare (47.2 percent from 45.9 percent), jeepney fare (6.6 percent from 5.9 percent), and bus fare (4.4 percent from 4.2 percent).

On the other hand, inflation for housing & utilities slowed down primarily on account of lower electricity costs (-8.2 percent from -6.7 percent) amid further reduction in the generation charge of the Manila Electric Company (Meralco) for the residential rate (-20.1 percent from -16.5 percent).⁴ However, this was partly

⁴ <https://company.meralco.com.ph/news-and-advisories/rates-archives>

offset by the price increase in liquefied petroleum gas (5.6 percent from 4.3 percent) during the reference month. Softer price adjustments were also recorded in furnishings, household equipment & routine maintenance of the house (3.3 percent from 3.5 percent) and communication (0.2 percent from 0.3 percent) while inflation for clothing (1.6 percent), education (1.1 percent), and recreation & culture (-0.6 percent) remained steady from the previous month.

On a m-o-m seasonally-adjusted basis, non-food inflation remained unchanged from the previous month at 0.3 percent. On a full-year basis, non-food inflation averaged at 1.8 percent in 2020, slower than the 2.4 percent recorded in 2019.

3. Inflation in the National Capital Region (NCR) decreased to 3.2 percent, while inflation in areas outside the National Capital Region (AONCR) increased to 3.7 percent. Cagayan Valley and the Bicol Region recorded the highest inflation rate in December 2020 at 6.6 percent.

Headline inflation in NCR decelerated to 3.2 percent in December 2020, down from 3.5 percent in November 2020 albeit still higher than the 2.8 percent inflation in December 2019. This brings full year 2020 inflation for NCR at 2.2 percent, lower than the 2.6 percent in 2019. The slowdown in December 2020 inflation could be traced to the subdued price adjustments in nearly all commodities, including food & non-alcoholic beverages (5.6 percent in December 2020 from 6.2 percent in November 2020), restaurant & other miscellaneous goods (1.2 percent from 1.4 percent), health (2.9 percent from 3.0 percent), furnishing, household equipment & routine maintenance of the house (5.2 percent from 5.3 percent), communication (0.2 percent from 0.3 percent), and clothing & footwear (1.0 percent from 1.1 percent). Meanwhile, sustained deflation was observed for housing, water, electricity, gas, & other fuels (-0.6 percent from -0.2 percent) and recreation & culture (-0.3 percent from -0.2 percent), while education (0.5 percent) and transport (10.9 percent) remained unchanged from the previous month. Only alcoholic beverages & tobacco (9.3 percent from 8.5 percent) reported higher inflation during the reference month, likely due to the holiday season.

Inflation in AONCR edged up to 3.7 percent in December 2020 from 3.3 percent in the previous month and 2.4 percent in December 2019. This brings full year 2020 inflation for AONCR at 2.7 percent, higher than the 2.5 percent in 2019. The uptick in December 2020 inflation was driven by accelerated price adjustments in food & non-alcoholic beverages (4.5 percent in December 2020 from 3.8 percent in November 2020), restaurant and miscellaneous goods &

services (3.1 percent from 2.5 percent), transport (7.5 percent from 6.7 percent), and health (2.6 percent from 2.3 percent). Only inflation for furnishing, household equipment, & routine maintenance of the house (2.7 percent from 2.9 percent), alcoholic beverages & tobacco (12.7 percent from 13.0 percent), and housing & utilities (0.9 percent from 1.2 percent) decreased. Meanwhile, recreation & culture (-0.8 percent) recorded sustained deflation, while inflation for communication (0.3 percent), education (1.4 percent), and clothing & footwear (1.8 percent) remained unchanged from the previous month.

By region, the higher inflation in AONCR was primarily driven by faster inflation rates in 11 regions: Bicol Region, Cagayan Valley, Central Luzon, MIMAROPA, CALABARZON, Western Visayas, SOCCSKSARGEN, CAR, ARMM, Northern Mindanao, and Eastern Visayas (see Table 3).

Among the regions, Bicol and Cagayan Valley posted the highest inflation rates at 6.6 percent. In particular, most commodities in the Bicol region recorded faster price adjustments such as food & non-alcoholic beverages (6.6 percent in December 2020 from 4.3 percent in November 2020), restaurant & miscellaneous goods & services (5.4 percent from 4.4 percent), transport (39.3 percent from 37.6 percent), clothing & footwear (3.4 percent from 2.9 percent), furnishing, household equipment & routine maintenance of the house (3.2 percent and 3.1 percent), and alcoholic beverages & tobacco (10.5 percent from 10.1 percent).

Similarly, the faster inflation in Cagayan Valley could be attributed to higher inflation in the following commodities: food & non-alcoholic beverages (8.0 percent from 5.5 percent), restaurant and miscellaneous goods & services (2.7 percent from 2.3 percent), transport (23.8 percent from 21.1 percent), health (5.7 percent from 4.0 percent), and alcoholic beverages & tobacco (13.0 percent from 12.7 percent).

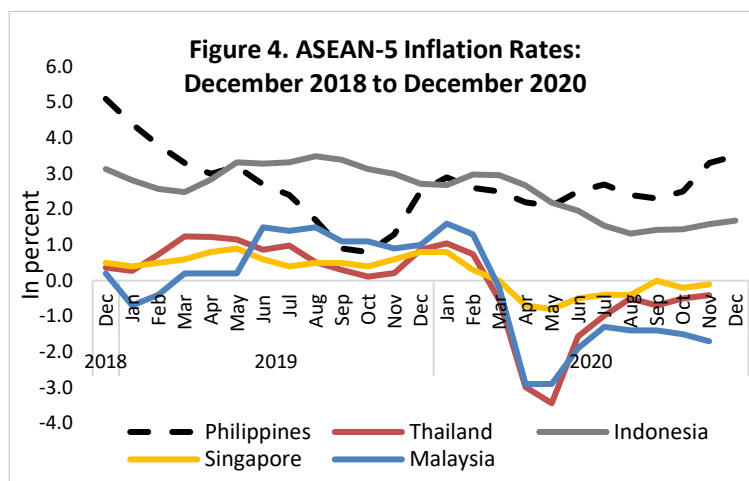
Table 3. Y-O-Y regional inflation rates (in percent, 2012=100)

Regions	Dec 2020	Nov 2020	FY 2020
NCR- National Capital Region	3.2	3.5	2.2
AONCR - Areas outside the NCR	3.7	3.3	2.7
CAR - Cordillera Administrative Region	3.2	2.3	2.5
I - Ilocos Region	3.6	3.8	2.8
II - Cagayan Valley	6.6	5.2	3.2
III - Central Luzon	4.5	3.6	3.0
IV-A - CALABARZON	4.4	4.1	2.8
IV-B - MIMAROPA Region	4.4	3.8	3.3
V - Bicol Region	6.6	5.5	4.2
VI - Western Visayas	3.7	3.5	3.1
VII - Central Visayas	0.9	1.1	1.9
VIII - Eastern Visayas	2.4	1.8	1.8
IX - Zamboanga Peninsula	1.0	1.6	2.4
X - Northern Mindanao	2.8	2.4	2.1
XI - Davao Region	1.4	1.6	1.7
XII - SOCCSKSARGEN	3.7	3.3	3.1
XIII - Caraga	2.2	2.5	2.8
BARMM – Bangsamoro Autonomous Region in Muslim Mindanao	2.8	2.5	2.4

4. Indonesia's headline inflation rate accelerated to 1.7 percent. Others have yet to release inflation figures for December, but Thailand, Malaysia, and Singapore have recorded deflation in November 2020 at -0.4 percent, -1.7 percent, and -0.1 percent, respectively.

Indonesia's overall inflation slightly increased to 1.7 percent in December 2020 from 1.6 percent in the previous month. This was largely driven by the uptick in the prices of food, drinks, & tobacco (3.6 percent in December 2020 from 2.9 percent in November 2020) and food services & restaurant (2.3 percent from

2.1 percent).⁵ This brings full-year 2020 inflation to 2.0 percent, at the low end of the government's target of 2 to 4 percent for the year. On 17 December 2020, the Bank Indonesia held its key policy rate steady at 3.75 percent to support economic recovery and consumer confidence on the back of a benign inflation environment.⁶



⁵ <https://www.bps.go.id/pressrelease/2021/01/04/1759/inflasi-terjadi-pada-desember-2020-sebesar-0-45-persen--inflasi-tertinggi-terjadi-di-gunungsitoli-sebesar-1-87-persen-.html>

⁶ https://www.bi.go.id/en/ruang-media/siaran-pers/Pages/sp_228720.aspx

Table 4. Y-O-Y ASEAN-5 inflation rates (in percent)

	Dec	Nov	YTD 2020
	2020	2020	
Philippines	3.5	3.3	2.6
Indonesia	1.7	1.6	2.0
Thailand	Not yet available	-0.4	-0.9
Malaysia	Not yet available	-1.7	-1.1
Singapore	Not yet available	-0.1	-0.2

Meanwhile, Thailand, Malaysia, and Singapore have yet to release inflation figures for December 2020 but all of which have posted deflation in November 2020. In particular, deflation in Thailand slightly moderated to -0.4 percent in November 2020 from -0.5 percent in October 2020. Transport deflation softened (-4.2 percent in November 2020 from -4.3 percent in October 2020) while food inflation picked up (1.7 percent from 1.6 percent) during the reference month.⁷

Malaysia's overall consumer prices fell for the ninth consecutive month to -1.7 percent in November 2020 from -1.5 percent in October 2020. This was largely driven by the steeper drop in prices of transport (-11.1 percent in November 2020 from -10.2 percent in October 2020), housing & utilities (-3.3 percent from -3.0 percent), and clothing & footwear (-0.5 percent from -0.4 percent).⁸ On 3 November 2020, the Bank Negara Malaysia maintained its key policy rate at 1.75 percent on the back of global economic recovery which propped up domestic manufacturing and export activities.⁹

Overall consumer prices in Singapore also dropped by 0.1 percent in November 2020 from -0.2 percent in the previous month. This was largely on account of the smaller reduction in the cost of services (-0.2 percent in November 2020 from -0.5 percent in October 2020) and electricity & gas (-6.8 percent from -7.2 percent) as well as uptick in food prices (1.8 percent from 1.7 percent). Singapore's year-to-date inflation stood at -0.2 percent, within the central bank's forecast range of -0.5 to 0 percent for 2020.¹⁰

⁷ <https://tradingeconomics.com/thailand/inflation-cpi>

⁸ https://www.dosm.gov.my/v1/index.php?r=column/cthemByCat&cat=106&bul_id=d0RDaG9ZbEM0bUtCVTIsNEhJUkJQZz09&menu_id=bThzTHQxN1ZqMVf6a2I4RkZoNDFkQT09

⁹ <https://www.bnm.gov.my/-/monetary-policy-statement-03112020>

¹⁰ <https://www.mas.gov.sg/-/media/MAS/EPG/CPD/2020/Inflation202011.pdf>

5. Inflation outlook and policy implications

On 17 December 2020, the *Bangko Sentral ng Pilipinas* (BSP) maintained its key policy rate at 2.0 percent, after a 25 basis points (bps) cut in the previous month.¹¹ The BSP also revised its inflation forecast upwards for 2021 to 3.2 percent (from 2.7 percent) while the projection for 2022 was maintained at 2.9 percent.¹² These are still within the government's annual inflation target range of 2.0 to 4.0 percent until 2022.

Despite the benign inflation outlook, the ongoing La Niña which may bring above normal rainfall conditions and continued presence of ASF may continue to push food prices upward. On the external front, global oil prices remain volatile as uncertainties emanate from new lockdown restrictions in major cities around the world amid the emergence of new coronavirus strains.

Food supply

As of end-2020, the Department of Agriculture (DA) estimates the supply of rice (85 to 88 days)¹³ and chicken (86 days) to be sufficient until the first quarter of 2021.¹⁴ However, there may be a sparse supply of fish (projected to last for 10 days), and onion and garlic (both less than one day) in the market.¹⁵ For the near term, the government may consider fast-tracking the importation of food products in short supply by issuing certificates of necessity to compensate for the shortage in the local market and lost harvest due to the onslaught of typhoons in the latter part of 2020.

Meanwhile, local production of pork continues to be at risk due to the presence of ASF in the country, with reported losses in the hog industry already reaching PHP 56 billion.¹⁶ Nonetheless, the DA has already tapped hog raisers from Visayas and Mindanao to augment the supply in Luzon. Moreover, the DA is optimistic about the recovery of the swine sector as many areas in Visayas, Mindanao, and MIMAROPA remain free of ASF.¹⁷ The strict execution of

¹¹ <https://www.bsp.gov.ph/SitePages/MediaAndResearch/MediaDisp.aspx?ItemId=5639>

¹² Based on the online Monetary Policy Press Statement held on 17 December 2020.

¹³ Note that this already incorporates damages from the recent typhoons, namely: Typhoons Ofel, Nika, Pepito, Quinta, Rolly, and Ulysses.

¹⁴ DA Presentation during the meeting of the Task Group on Food Security (TGFS) held on December 10, 2020.

¹⁵ Ibid

¹⁶ <https://ati.da.gov.ph/ati-main/news/01042021-1120/department-agriculture-year-review-2020-year-end-report>

¹⁷ Ibid

biosecurity and food security measures along with the setting-up of animal disease diagnostic facilities are necessary to avert the spread of ASF and other animal-borne diseases.

Amid the low inflation environment, there is still a need to improve supply chain efficiency to ensure that prices of essential goods and services remain low and stable. For instance, the establishment of processing facilities that will prevent wastage and spoilage of farm harvests, such as the Benguet Agri-Pinoy Trading Center in the Cordillera region where the bulk of the country's supply of vegetables are sourced.¹⁸ Furthermore, setting-up of additional cold storage facilities, warehouses, and post-harvest centers¹⁹ will also improve supply management in the agriculture sector especially in times of natural disasters or harvest surplus. The online platforms such as the various *Kadiwa ni Ani at Kita* modalities²⁰ and the recently launched *Deliver-E*²¹, a new digital platform that directly links buyers to producers launched by the DA and the Department of Trade and Industry (DTI), will also help address issues on logistics. Lastly, the DA is also promoting urban agriculture and backyard gardening to help ensure food security.²²

Adverse weather conditions

Based on the latest climate monitoring of the Philippine Atmospheric, Geophysical, and Astronomical Services Administration (PAGASA)²³, the ongoing La Niña, which is likely to persist until March 2021, will bring above normal rainfall conditions in the country. Surges of northeast monsoon will also be felt until February 2021. Moreover, at most four tropical cyclones may enter the Philippines in the first half of the year.

The imminent threat of natural calamities every year highlights the need for long-term solutions such as infrastructure investments that would improve water management and irrigation systems, reforestation, climate-resilient production and processing facilities, among others. The continued provision of production

¹⁸ DA News. <https://www.da.gov.ph/vegetable-processing-facility-at-baptc-soon-to-rise/>

¹⁹ DA News. <https://www.da.gov.ph/da-allots-p280m-for-meat-cold-storage-post-harvest-centers/>

²⁰ Kadiwa ni Ani at Kita modalities: (a) KADIWA ni Ani at Kita on Wheels, including Buffalo Milk on Wheels, (b) KADIWA ni Ani at Kita Online, (c) KADIWA ni Ani at Kita Retail Selling, (d) KADIWA ni Ani at Kita Express, (e) Seafood KADIWA ni Ani at Kita on Wheels, and (f) KADIWA isDA on the Go.

²¹ Developed through a strong partnership of the Department of Trade and Industry (DTI) and the DA.

Launched last 14 December 2020: <https://www.da.gov.ph/farmers-consumers-to-enjoy-hassle-free-shopping-and-trading-via-deliver-e/>

²² DA News. <https://www.da.gov.ph/da-joins-advocacy-to-grow-community-food-gardens-in-metro-manila/>

²³ <https://pubfiles.pagasa.dost.gov.ph/climps/climateforum/climateoutlook.pdf>

inputs for crops, livestock, poultry, and fishery sectors, including the distribution of climate-resilient varieties of seeds and technologies is also advised.

Transport Services

Considering the sustained double-digit transport services inflation since July 2020, the Land Transportation Franchising and Regulatory Board (LTFRB) need to accelerate its implementation of the service contracting program under Bayanihan 2 and strengthen its monitoring and law enforcement against unwarranted fare increases among public utility vehicles such as buses and jeepneys. On the other hand, the local government units (LGU) are advised to regularly review tricycle fares within their localities to reflect current market conditions. All of these while ensuring that public transportation maintains minimum health standards to help curb the spread of COVID-19. These measures are necessary as more routes were reopened along with public mass transportation that resumed operations.

Global oil prices

The improved market sentiment resulting from the onset of distribution and administration of vaccines in major economies have supported higher global oil prices in December 2020.²⁴ In view of this, Dubai crude oil future prices increased to USD 50.97/bbl for January 2021 (from the previous month's quotation of USD 47.46/bbl²⁵) and is expected to settle at USD 49.38/bbl by December 2021.²⁶ On 3 December 2020, the Organization of Petroleum Exporting Countries (OPEC) and its allies reconfirmed its agreement to increase oil production by around 2.0 mb/d in 2021 (i.e. lowering its supply cut to 5.8 mb/d from 7.7 mb/d in 2020). However, this will be implemented in a staggered phase of 0.5 mb/d starting January 2021, subject to the OPEC's monthly assessment.²⁷ Nonetheless, the new lockdown restrictions in major European countries brought by the detection of a new coronavirus strain along with the persistence of COVID-19 in many parts of the world continue to pose downside risks in global demand for oil.

²⁴ Press release on the 24th meeting of the Joint Ministerial Monitoring Committee of the OPEC. 17 November 2020: https://www.opec.org/opec_web/en/press_room/6236.htm

²⁵ Dubai Crude Oil (Platts) Financial Futures Quotes, retrieved as of 4 December 4 2020 from Bloomberg Anywhere, <https://bba.bloomberg.net/>

²⁶ Dubai Crude Oil (Platts) Financial Futures Quotes, retrieved as of 4 January 2021 from Bloomberg Anywhere, <https://bba.bloomberg.net/>

²⁷ Press release on the 12th meeting of OPEC and non-OPEC Ministerial Meeting, https://www.opec.org/opec_web/en/press_room/6257.htm