



Saudi Arabia's might as an oil producer is being tested

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OIL TRADERS are inherently strong-stomached, but even for them October has been a woozy month. On October 3rd the price of Brent crude reached \$86 a barrel, a four-year high. On October 23rd it slid to \$76, on the news that demand might ebb, stockpiles rise and production increase. At the centre of this is Saudi Arabia, the world's most powerful petrostate. Khalid al-Falih, the country's oil minister, said on October 23rd that the kingdom was prepared "to meet any demand that materialises". But that is not an easy task.

Exports from Iran have plunged and are due to fall further after November 4th, when new American sanctions take effect. Even as America's crude production soars, President Donald Trump has demanded that the Organisation of Petroleum Exporting Countries (OPEC) boost output to lower prices. Saudi Arabia seems keen to appease him,