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Russia's Finance Ministry: Too Early for Optimism About Oil Prices

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Deputy head of the Finance Ministry Maxim Oreshkin has warned that it is too early to "rejoice" over the current oil price – it might drop to $30 a barrel in the coming years, the TASS news agency reported Wednesday.

"If negative economy forecasts come true, nothing good will happen to the oil market," Oreshkin was quoted as saying. "The stressful scenario we see and need to prepare for is $30 per barrel in the coming years."

The current price of Brent is between $45 and $50 per barrel on the Intercontinental Exchange (ICE). It is not enough to balance out the federal budget, Oreshkin said. "In the next three years we are supposed to continue lowering the oil price that balances the budget to $40 to $50 per barrel. The good news is, we are already halfway there after decreasing it from $110 to $80," he said.

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