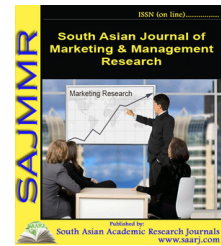




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TRENDS IN CRUDE OIL PRICE AND ITS ECONOMIC IMPACT

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ABSTRACT

Oil is vital strategic energy to ensure the growth of modern industry and economy, as well as a valuable fuel. Oil price fluctuation is often viewed as a barometer of the global economy, with any transition being a hot topic to be concerned about and debated broadly in political and economic circles of every region. With the exponential growth of the global economy, crude oil is becoming increasingly important in terms of national stabilization. During an emergency, though, oil prices fluctuate significantly. Growing global value and demand of Oil has resulted in a highly dynamic supply and price structure. The aim of this paper is to provide an overview of the crude oil market and the evolution of the oil price mechanism in the long and short term. This paper examined the fluctuations of international oil prices in a systemic manner. Crude oil prices therefore, fluctuate over time and cannot be traced to a particular market driver because it has spawned a massively complex market structure that is based on a variety of factors. The volatility of crude oil price fluctuations has a direct effect on economic stability. Futures market contracts, commodities market speculators, refining capacity, the valuation of the dollar, and the weather all contribute to the dynamic market environment.

KEYWORDS: *Oil Price, Crude Oil, OPEC, Economy*

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