Box 1: Determinants of the Recent Decline in Oil Prices, Forecast Evaluation and Outlook

Box 1: Inflation Report December 2014 Keep in mind
The Monetary Policy Report presents the Bank's technical staff's analysis of the economy and the inflationary situation and its medium and long-term outlook. Based on it, it makes a recommendation to the Board of Directors on the monetary policy stance. This report is published on the second business day following the Board of Directors' meetings in January, April, July, and October.

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The price of Brent crude oil remained relatively stable between early 2011 and the first half of 2014, averaging USD 110 per barrel (bl). However, after late June 2014, when it reached a record high for the year (USD 115.5 / bl), the price plunged 60% to USD 45.8 / bl in January 2015, followed by a partial recovery in mid-February (USD 61 / bbl) (Graph B1.1). This unexpected reduction was considerable in scope and originates from a combination of factors, including demand and supply shocks, and possible financial markets’ reactions.

Fuente: https://d1b4gd4m8561gs.cloudfront.net/en/publications/inflation-report/box-1-determinants-of-the-recent-decline-in-oil-prices-forecast-evaluation-and-outlook