

MODERN TRENDS OF DEVELOPMENT IN THE GLOBAL ENERGY RESOURCES MARKET

The global energy resources market is a complex system of economic relations. Like any other market, it has its own peculiarities. They relate to a variety of factors that determine the volume of supply and demand, as well as changes at the price level during the short and long term. These features influence on the market changes and development very differently.

The energy resources market research involves a complex analysis of a variety of factors. But the main constituents to be underlined are the demand and supply of the natural gas, oil and coal. For the last few years the supply of oil and natural gas has grown much higher than its demand. That was caused by the discovery of new gas and oil swaths in the USA. But the coal production has declined to the minimum that last time was observed in 2005 due to the increased oil and gas supply [1].

Because of the economic instability and instability on the energy resources market, the World Energy Council aims to help world leaders and scientists to understand the energy market situation. It has developed the concept of "energy thrilemma", which is about the support of the safe, affordable and environment friendly energy.

What is more, many factors influence on the energy market prices level formation. It is very difficult to predict future prices, and even impossible in many cases. The reason is that the analysis should pay attention to the interests of the players and the situation in the world as a whole, which has a variety of features, ranging from economic development and to the number of players on the market. An important thing to be noticed is that oil prices have significant influence on the global natural gas market and its pricing. The oil prices instabilities affect gas prices of the global gas market noticeably. And the coal prices have always been more stable and lower than prices on oil and gas. It is known to be one of the most affordable fuels.

Because of a sophisticated situation on the world energy market, it needs to be under regulation and control. It can be regulated by both manufacturers and sellers of natural resources, which involves companies and organizations that are important players on the market and also government policies. Only cooperation, simultaneous agreed actions and arrangements can make changes, regulate the industry and make it stable. Government regulation is also essential and can solve number of problems that appear on the domestic energy market, which impacts on the external market subsequently.

Over the last decades the energy market structure has slightly changed. Governments of developed countries try to implement environmental friendly technologies and use such energy resources as coal, gas and oil less or more efficiently. However, demand on these resources does not change rapidly not only because of the complex technologies where they are required, but also because of developing and transition economy countries that do not have enough money to provide modernization and restructure. But nowadays, the supply continues to excess the demand, which has an adverse influence on the market prices for the producers.

Currently, oil continues to dominate and accounts for about 33% of global primary energy demand, although the growth rate of these raw materials demand slowed. The share of gas contributes approximately 24% at a roughly stable level and the coal exceeded the level of 30%, despite attempts to deter its use because of environmental reasons. In total, the fossils equal 87% of the whole energy demand now.

As it is widely known, the energy market is undergoing a vast range of certain changes nowadays. The prices have fallen to the lowest point throughout a decade. The low prices on energy hit the companies involved in energy production, solar energy is continuously gaining the popularity and the development of energy efficiency improves. The oil price was relatively stable from 2012 to 2014 but in 2015 a sudden significant decrease happened. The price fell down from around \$27 to \$16 per million btu. The decline continued and the lowest price of nearly \$14 per million btu was pointed out in 2016.

The natural gas price was also fluctuating from 2012 to 2017. However, the fluctuation was not such considerable as the oil price's one. After the peak of \$7 per million btu in 2014, the diminishment began, and came to the lowest point that equaled \$5 per million btu in 2016. Afterwards, a slight rise started. In the contrast, coal price was relatively steady among the same period. No severe changes were seen. But nevertheless, in the beginning of 2017 the prices started to increase steadily and the EIA predicts that by the middle of 2017, the crude oil demand and supply will have come to balance [2].

Certain international organizations were created to control and analyze the market of energy resources. OPEC did not act in a same way at different stages of its development. It had attempts to monopolize the oil market and as the fact, it caused inflation, according to Washington. However now, it is trying to undertake some steps to establish pricing stability on the world oil market. The basis of its attempts to create the solution for the crisis is the tasks that the organization has set to itself. In addition, it seeks co-operation with customers and other producers – non-OPEC members, which helps to establish trade and production of the source they specialize on. And now the International Energy Agency predicts that future energy market structure transformations will take place over further decades. In its publication the 'World Energy Outlook' is stated that the natural gas and renewable resources will have the biggest share of consumption to 2040 [3].

As well as the world market, Ukrainian energy market is also undergoing a lot of difficulties nowadays. There is a great potential for the production and market development, however, the resources are used inefficiently. The main disadvantages of the country's energy market are monopolization, instability, outdated technologies that cause inefficiency and other problems that need to be solved immediately. To overcome this problems Ukraine needs to liberalize energy market, improve its economic and financial performance as well as incentives for investment and create a competitive environment. The gas and oil industry of Ukraine is very important for its national energy security strategy. The country needs to seek ways to become more independent from energy imports and to use energy sources more efficiently.

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