

# **Inside the Biggest Oil Meltdown in History**

On April 20, chaos reigned in oil markets. Here's what happened.

By Olga Tkalich

# What happened?

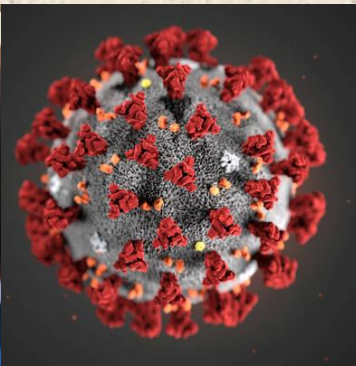
- o The first-ever zero oil trade happened at 2:08 p.m. on Monday, April 20





# Why it happened?

- Traders reached their last day to trade oil for delivery in May before their the contracts expire
- The lack of demand explains as a result of coronavirus outbreak
- Oil price war between Saudi Arabia and Russia



# The consequences

- o Cheaper gasoline prices at the pump
- o The increase of traders who are interested in buying oil low and reselling it later
- o Probable blow of favour to Donald Trump who took credit for brokering a historic deal between the Opec oil cartel and the world's largest oil producing nations to limit the flood of oil production into the market





Thank you for the attention