Chapter 7297

Rachel's father, David Getty, had been waiting at home for some time.

He was delighted to see Zemer, extending his hand to shake his and saying with a smile,

"Mr. Du, what brings you here so late?"

"There's never been a precedent for this."

Zemer smiled and said,

"Our chairman has some business to discuss with Mr. Getty."

"It's about crude oil."

David smiled and said,

"No problem."

"May I ask how much shale oil Mr. Du plans to sell through us this time?"

Zemer shook his head and said seriously,

"We don't plan to sell."

"We plan to buy."

"Buying?"

David asked, puzzled.

"You're a shale oil extraction company,"

"Not a refining business."

"Why are you suddenly buying crude oil?"

Zemer didn't hide anything, smiling slightly.

"Our chairman has recently had some concerns about the situation in the Middle East,"

"Feeling that it's likely to worsen,"

"So we want to stockpile a batch of oil in advance to see what happens."

David was somewhat surprised.

He said, "Mr. Du, the situation in the Strait of Hormuz has generally eased recently."

"I've heard that a new round of peace talks is about to begin."

"And the passage has improved somewhat."

"International crude oil prices should fall soon,"

"Although not by a sharp drop,"

"But at least by 15% to 20%."

"After all, prices rose too sharply recently."

Zemer smiled and shook his head, saying, "Everyone has their own judgment."

"Our chairman thinks the situation is more likely to become tense in the near future."

"So we're wondering if Mr. Getty could take a portion of your family's oil reserves,"

"And the crude oil that's about to arrive and sell it to us."

"We're willing to offer a 5% premium."

"If oil prices fall, we'll bear all the losses plus the 5% premium."

"If oil prices rise,"

"We'll only earn the difference between the 5% increase."

"For the Getty family, this should be a very worthwhile deal."

David nodded slightly.

The core of doing big business is hedging.

When oil prices rise, you can't put all your money into going long.

When oil prices fall, you can't put all your money into going short.

The Getty family is optimistic about the future of the Strait of Hormuz because the situation has gradually eased despite recent fluctuations.

Therefore, they expect oil prices to decline gradually.

They intend to reduce crude oil imports for the foreseeable future, And then increase imports once prices drop.

However, the crude oil that has already arrived or is about to arrive was purchased at a high price,”

“Making it relatively unprofitable.”

“If they can sell at a higher price now,”

“They can gain an extra 5% profit,”

“Which is definitely good for the Getty family.

As for whether they might miss out on a significant gain,

The Getty family doesn’t care.

They are not in the business of refining crude oil,

But rather refining and processing it.

If crude oil prices rise, refined oil products and derivatives will also rise,

And ultimately, consumers will pay the price.

So, they’d rather not miss out on that 5%.

Without hesitation, David said,

“Since Mr. Du is interested in going long,”

“We can cooperate by transferring some crude oil to you.”

“However, the question is, do you have sufficient storage capacity?”

“We have millions of tons of crude oil arriving at the port soon.”

“If you want this crude oil, you need to be able to process it.”