

Energy Tidbits

IEA's Birol *"There would be a need for investment, especially to address the decline in the existing fields. There is a need for oil and gas upstream investments, full stop."*

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March 16, 2025

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Short-Term Energy Outlook

Overview

U.S. energy market indicators	2024	2025	2026
Brent crude oil spot price (dollars per barrel)	\$81	\$74	\$68
Retail gasoline price (dollars per gallon)	\$3.30	\$3.20	\$3.20
U.S. crude oil production (million barrels per day)	13.2	13.6	13.8
Natural gas price at Henry Hub (dollars per million British thermal units)	\$2.20	\$4.20	\$4.50
U.S. liquefied natural gas gross exports (billion cubic feet per day)	12	14	16
Shares of U.S. electricity generation			
Natural gas	42%	40%	40%
Coal	16%	16%	15%
Renewables	23%	25%	27%
Nuclear	19%	19%	19%
U.S. GDP (percentage change)	2.8%	2.4%	2.2%
U.S. CO₂ emissions (billion metric tons)	4.8	4.9	4.8

Data source: U.S. Energy Information Administration, *Short-Term Energy Outlook*, March 2025

Note: Values in this table are rounded and may not match values in other tables in this report.

- Global oil markets.** Global oil markets will remain relatively tight through the middle of 2025 before gradually shifting to oil inventory builds later this year. We expect global oil inventories will fall in the second quarter of 2025 (2Q25) in part due to decreasing crude oil production in Iran and Venezuela. As a result, the Brent crude oil spot price in our forecast rises from about \$70 per barrel (b) to \$75/b by 3Q25. However, we expect oil inventories will build and place downward pressure on crude oil prices in late-2025 and through 2026 when we expect [OPEC+ unwinds production cuts](#) and [non-OPEC oil production grows](#). As a result, we forecast the Brent crude oil price will fall to an average of \$68/b in 2026.
- Natural gas consumption and inventories.** Cold weather during January and February led to more consumption of natural gas and large withdrawals of natural gas from inventories. We now expect natural gas inventories to fall below 1.7 trillion cubic feet at the end of March, which is 10% below the previous five-year average and 6% less natural gas in storage than we had expected last month. We also increased our forecast for overall electricity generation over the next two years. As a result, we now expect the electric power sector will use more than 36 billion cubic feet per day of natural gas on average in 2025 and 2026, 2% and 1% more, respectively, than last month. Overall, we expect natural gas in storage to be 4% lower in 2025 and 3% lower in 2026 compared with what we had forecast last month.
- Natural gas prices.** Because we now expect more consumption of natural gas in 2025 and 2026 and less natural gas in storage, we have raised our forecast Henry Hub spot price. We expect the Henry Hub price will average around \$4.20 per million British thermal units (MMBtu) in 2025,

11% more than last month's forecast. We expect the annual average price in 2026 will be near \$4.50/MMBtu, up 8% from last month.

- **Electricity consumption.** We expect total U.S. electricity sales will increase by 3% in 2025, led by strong growth in the residential and commercial sectors. Residential sector growth is mostly related to cold weather during January and February that increased the use of electricity for space heating. Commercial sector growth is being driven by the expansion of data centers.
- **Electricity generation.** With more electricity consumption in our forecast this month, we expect the U.S. electric power sector will generate 3% more electricity this year than it did in 2024, compared with forecast growth of 2% last month. We expect electricity generation will grow by another 1% next year. We expect most of the additional generation compared with last month's forecast will be supplied by natural gas.
- **Trade policy assumptions.** The current landscape for U.S. trade policy continues to rapidly evolve. On February 1, [President Donald J. Trump signed an Executive Order](#) announcing the imposition of tariffs on imports from Canada, Mexico, and China. Subsequently, the implementation of tariffs for most imports from Mexico and Canada have been delayed until early April, so the effects of those potential tariffs are not reflected in this outlook. Our outlook does include a tariff on U.S. imports from China and also includes an assumption about China's imposition in February of [tariffs](#) on U.S. energy products. The U.S. macroeconomic outlook we use in the STEO is based on S&P Global's macroeconomic model, which this month assumed an increasing universal tariff that will reach 10% by the end of 2025 and an effective tariff rate of approximately 20% on U.S. imports from China. That model was released in mid-February and does not reflect current policy. We will continue to monitor and will update our outlooks as policies change.

Notable forecast changes

Current forecast: March 11, 2025; previous forecast: February 11, 2025

	2025	2026
Global oil inventory change (million barrels per day)	0.0	0.5
Previous forecast	0.4	1.0
Change	-0.4	-0.5
Henry Hub spot price (dollars per million British thermal units)	\$4.20	\$4.50
Previous forecast	\$3.80	\$4.20
Percentage change	10.7%	7.6%
U.S. natural gas consumption (billion cubic feet per day)	92	91
Previous forecast	91	90
Percentage change	1.4%	1.0%
U.S. natural gas inventories (billion cubic feet)	3,020	2,910
Previous forecast	3,140	2,990
Percentage change	-3.8%	-2.7%
U.S. electric power generation from natural gas (billion kilowatthours)	1,720	1,710
Previous forecast	1,700	1,690
Percentage change	0.9%	1.6%
U.S. commercial electricity sales (billion kilowatthours)	1,480	1,510
Previous forecast	1,460	1,480
Percentage change	1.3%	2.2%
Heating degree days	4,170	3,920
Previous forecast	4,070	3,920
Percentage change	2.5%	0.1%

Data source: U.S. Energy Information Administration, *Short-Term Energy Outlook*

Note: Percentages are calculated from unrounded values.

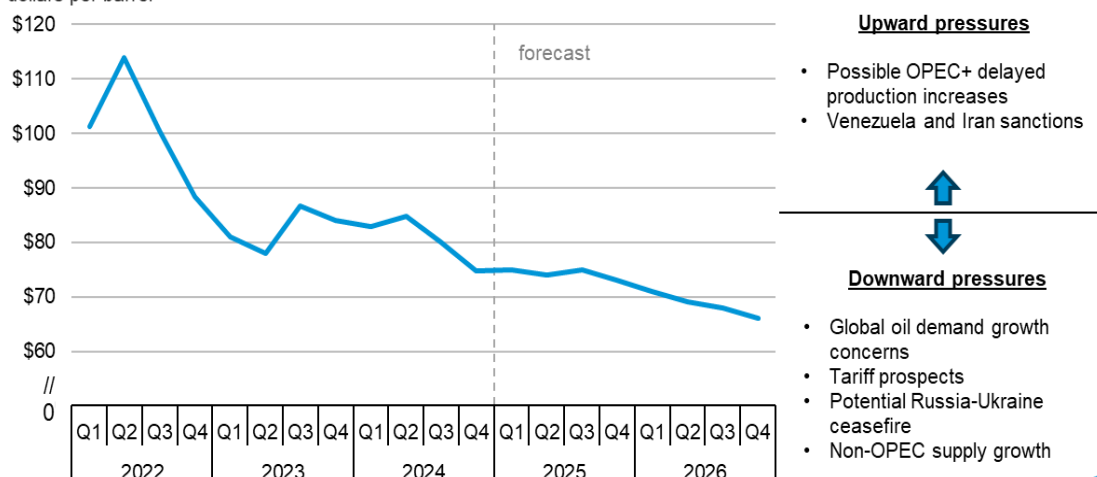
Global Oil Markets

Global oil prices and inventories

The Brent crude oil spot price averaged \$75 per barrel (b) in February, \$4/b lower than in January and \$8/b lower than at the same time last year. Crude oil prices fell during February driven largely by economic growth concerns related to potential tariffs by both the United States and other trade partners. On February 1, [President Donald J. Trump signed an Executive Order](#) announcing the imposition of tariffs on imports from Canada, Mexico, and China. Subsequently, the implementation of tariffs for most imports from Mexico and Canada have been delayed until early April, so the effects of those potential tariffs are not reflected in this outlook.

The evolving tariff policy has added uncertainty around expectations for global oil demand growth, concerns about which had persistently weighed on oil prices over the last year. On the supply side, any potential ceasefire in the Russia-Ukraine conflict could add Russian oil volumes back into the market. Lastly, continued supply growth from producers outside of the OPEC+ agreement, primarily in North and South America, adds additional downward pressure to our price forecast in 2026.

Brent crude oil spot price and upward and downward price pressures
dollars per barrel



Data source: U.S. Energy Information Administration, *Short-Term Energy Outlook*, March 2025



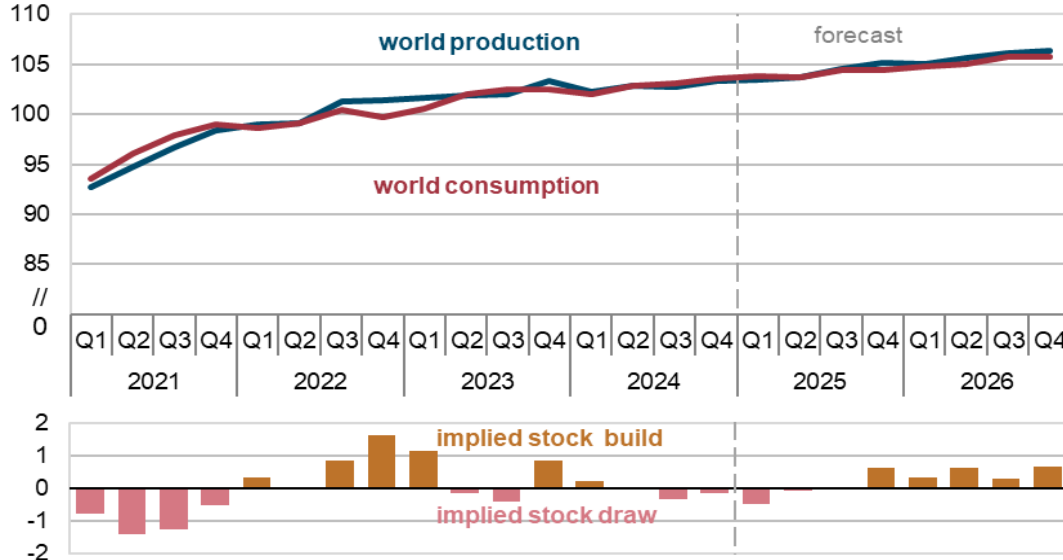
Although crude oil prices fell in February and were near \$70/b in the first week of March, we expect key upward price pressures will push the Brent price back into the mid-\$70/b range in the coming months. This month’s outlook includes the introduction of new U.S. [sanctions on Iranian crude oil](#) issued on February 24, which have the potential to remove significant volumes of crude oil from the market. Similarly, we expect the recent [announcement revoking licenses](#) for Venezuelan oil production and exports to the United States will reduce Venezuela’s oil production beginning in March, tightening near-term oil market balances significantly compared with our February STEO.

Despite less production from Iran and Venezuela in this month’s forecast, we still expect OPEC production will grow over the next two years. [OPEC+ reaffirmed its commitment](#) on March 3 to proceed with “a gradual and flexible return” of the 2.2 million barrels per day (b/d) voluntary adjustments starting on April 1, 2025. This announcement included the stipulation that the production increases

could be paused or reversed subject to market conditions, which leaves some uncertainty about whether increases will materialize in line with the announcement.

World liquid fuels production and consumption balance

million barrels per day



Data source: U.S. Energy Information Administration, *Short-Term Energy Outlook*, March 2025

We anticipate global oil inventories will begin to build in the third quarter of 2025 (3Q25). In our February forecast, we had expected inventories to begin increasing in 2Q25. Our expectation that inventory draws will continue through mid-2025 is in part due to the recent announcements concerning sanctions on Iran and the revoked license for Venezuela’s production and exports to the United States.

Although we expect oil market balances to be tighter this year than we expected in the February STEO, we maintain our forecast that Brent will average about \$74/b this year. With tighter forecast balances, we now expect prices to average \$75/b in 3Q25, or \$1/b more than our forecast last month. Higher forecast summer prices are offset by lower prices during the first half of the year, owing to market concerns over potential macroeconomic weakness and OPEC+ supply additions.

We forecast that by the end of this year rising oil supply will mean more oil is being produced globally than is being consumed, leading to inventory accumulation and downward pressure on prices through the remainder of our forecast period. As a result, we forecast the Brent crude oil price will fall to \$66/b in December 2026, averaging \$68/b in 2026. Our 2026 Brent price forecast is \$2/b higher than we forecast last month, mostly as a result of less crude oil production from OPEC next year than we previously expected, which largely reflects our expectation of less crude oil production from Iran and Venezuela.

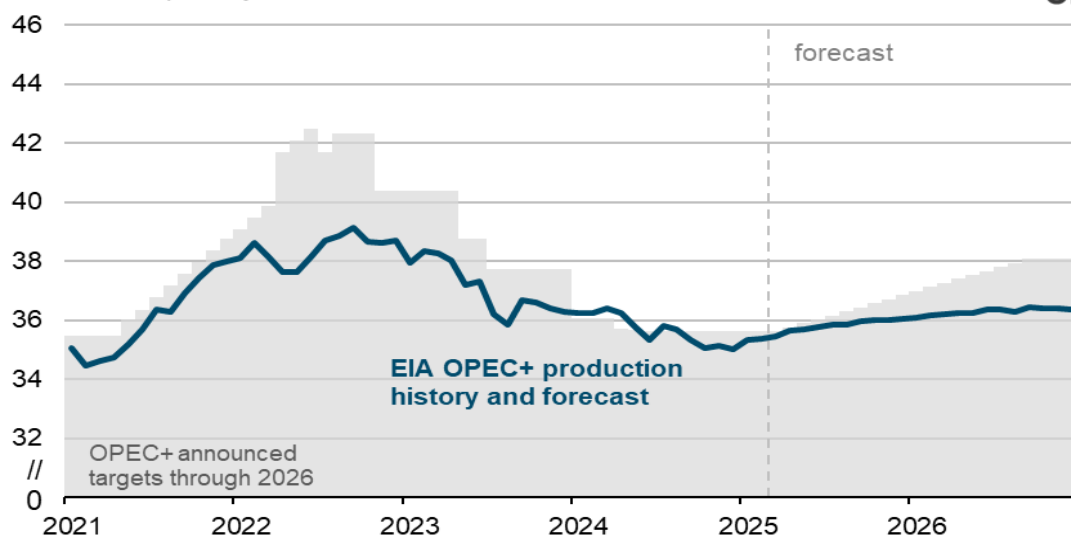
Significant uncertainty remains in our price forecast. The impact of existing sanctions on Russia and recently announced sanctions on Iran, as well as the revocation of licenses for Venezuela oil exports, have increased oil price volatility in recent weeks while markets and trade patterns adjust. Additionally, the extent to which OPEC+ adheres to announced production increases will be a key factor for oil prices in the coming months.

Global oil production and consumption

Global liquid fuels production growth in our forecast increases in 2025 and 2026 due to a combination of the scheduled gradual increase in OPEC+ production and further growth from countries outside of OPEC+. Global liquid fuels production increases by 1.4 million b/d in 2025 and 1.6 million b/d in 2026.

OPEC+ crude oil production and targets

million barrels per day



Data source: U.S. Energy Information Administration, *Short-Term Energy Outlook*, March 2025

Although OPEC+ recently announced it plans to adhere to gradual production increases beginning in April 2025, we still anticipate OPEC+ members will produce less than the organization’s announced targets to limit increases in global oil inventories. We expect growth of less than 0.2 million b/d in 2025 from OPEC+ producers, compared with a decrease of 1.3 million b/d in 2024, before OPEC+ production increases by 0.5 million b/d in 2026.

We still expect production growth in our forecast to be led by countries outside of OPEC+. These countries will increase production by 1.2 million b/d in 2025 and by 1.0 million b/d in 2026. We expect the United States, Canada, Brazil, and Guyana will drive production growth over the forecast period.

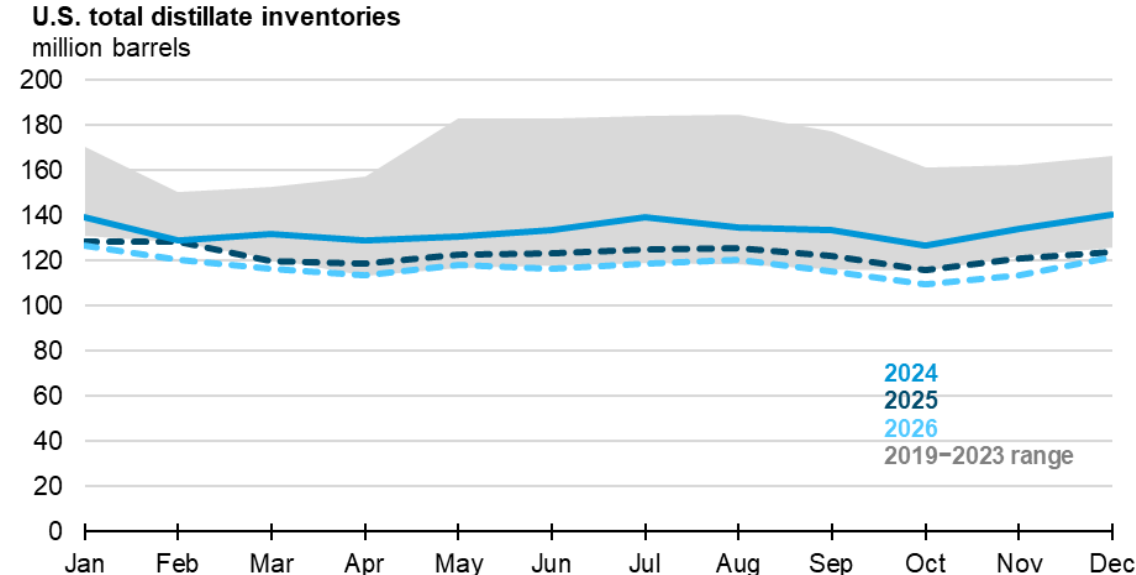
Oil consumption growth in our forecast continues to be less than the pre-pandemic trend. Forecast global liquid fuels consumption increases by 1.3 million b/d in 2025 and 1.2 million b/d in 2026, driven primarily by demand from non-OECD Asia. We expect India will increase its consumption of liquid fuels by 0.3 million b/d in both 2025 and 2026, compared with an increase of 0.2 million in 2024, driven by rising demand for transportation fuels. We forecast China’s liquid fuels consumption will grow by 0.3 million b/d in 2025 and by 0.2 million b/d 2026, up from an increase of less than 0.1 million b/d in 2024 as Beijing’s economic stimulus efforts drive higher demand growth.

U.S. Petroleum Products

Distillate inventories and net trade

A decrease in U.S. refining capacity and an increase in U.S. distillate fuel consumption contribute to low distillate fuel inventories in our forecast. We forecast **end-of-month total distillate stocks**—which include **petroleum-based distillate**, **renewable diesel**, and **biodiesel**—will be 8% lower on average in 2025 compared with last year and will decline another 4% in 2026. **Closures of two U.S. refineries in 2025** are likely to decrease the production of refined products over the next two years. At the same time, we expect U.S. distillate consumption will increase because of **increasing industrial activity** and growing **imports of goods** into the United States related to a strengthening U.S. dollar, which support demand for diesel fuel for on-highway trucking.

Declining distillate production and rising consumption make it likely suppliers will draw on distillate stocks and reduce U.S. distillate exports to balance the domestic market. If our forecast is realized, average end-of-month total distillate stocks in 2026 would be at their lowest since 2000. Lower stocks would contribute to tighter market conditions, especially during **higher demand periods** such as the fall harvest season and winter heating season, which could lead to higher prices for distillate. We expect refining margins for distillate fuel to rise from 52 cents per gallon (gal) last year to almost 60 cents/gal this year and nearly 80 cents/gal in 2026. However, **declining crude oil prices** could mitigate the effect of higher margins on retail prices. We expect retail diesel prices to average about \$3.60/gal in 2025 and slightly more than \$3.70/gal next year, both of which are down from 2024.



Data source: U.S. Energy Information Administration, *Short-Term Energy Outlook*, March 2025

Note: total distillate=petroleum distillate, renewable diesel, and biodiesel

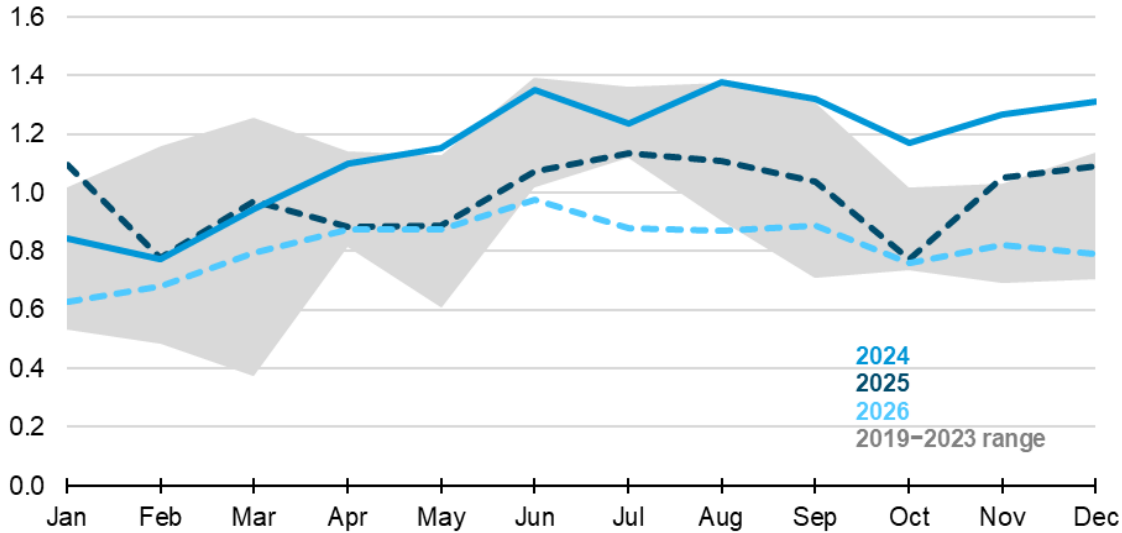


We forecast U.S. distillate net exports (exports minus imports) to decline in 2025 and 2026, mostly due to lower U.S. distillate exports. In 2024, the United States exported the most distillate fuel since 2019 because of relatively **low distillate consumption in the United States** and relatively strong demand

overseas. We expect this trend to reverse in 2025 as increasing domestic distillate consumption and declining production pull product away from exports.

U.S. net exports of distillate

million barrels per day



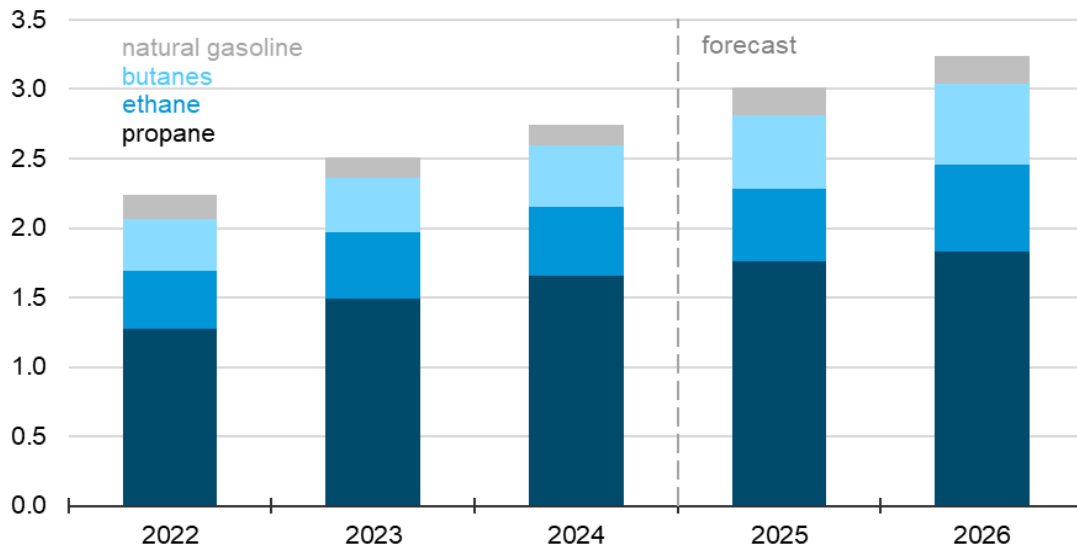
Data source: U.S. Energy Information Administration, *Short-Term Energy Outlook*, March 2025



Hydrocarbon gas liquids trade

U.S. hydrocarbon gas liquid (HGL) net exports in our forecast reach 3.0 million barrels per day (b/d) for the first time in 2025, a 10% increase from 2024. We forecast a further 7% increase in 2026 to 3.2 million b/d. Global demand for HGLs, which include ethane, propane, butanes, and natural gasoline, has grown rapidly in the last decade because of higher demand for HGLs as a petrochemical feedstock, among other uses in the residential and commercial sectors. More U.S. natural gas production in liquids-rich regions such as the Eagle Ford in Texas or the Marcellus and Utica in the Northeast has led to more growth in HGL production and net exports. By 2026, we expect U.S. HGL production will increase by 0.5 million b/d more than in 2024, while domestic consumption of HGLs will be almost flat over the same period.

U.S. hydrocarbon gas liquids net exports
million barrels per day



Data source: U.S. Energy Information Administration, *Short-Term Energy Outlook*, March 2025

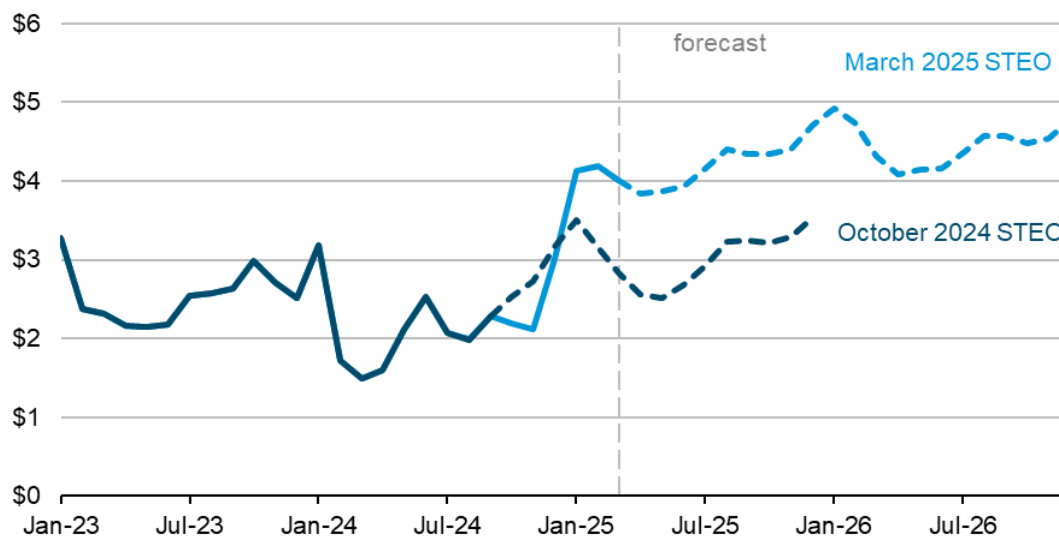
We expect increased ethane exports because additional petrochemical projects mainly in Europe and Asia that use ethane as a feedstock are scheduled to come online by the end of 2026. Propane and butane exports have been growing annually for nearly 20 years, and we expect exports of these fuels to continue growing through 2025 and 2026 because of higher production and lower domestic prices relative to international benchmark prices, incentivizing demand for U.S. propane and butane in Asia. Demand for propane as a petrochemical to produce propylene and ethylene (base chemicals for plastics and other end-uses) has been growing in East Asia, especially China. Recent retaliatory tariffs in China do not include propane, so U.S. exports to China are expected to remain elevated.

Natural Gas

Natural gas prices

U.S. natural gas prices have been higher this winter than we forecast in our [Winter Fuels Outlook](#), included in our October 2024 STEO, as consumption increased more than expected. The U.S. benchmark Henry Hub spot price averaged \$4.19 per million British thermal units (MMBtu) in February, up from the January average of \$4.13/MMBtu. The average price for the first two months of this year was more than \$0.80/MMBtu higher than we forecast in October.

Henry Hub natural gas spot price
dollars per million British thermal units



Data source: U.S. Energy Information Administration, *Short-Term Energy Outlook* (STEO), March 2025

Below-normal temperatures in both January and February led to increased consumption of natural gas to meet space heating demand, which resulted in more natural gas being withdrawn from underground storage than estimated in the October STEO. In January and February combined, 33% more natural gas was withdrawn from storage than we had expected in the October forecast. In our current forecast, we expect natural gas inventories in working gas storage to be about 10% lower than the five-year average at the end of the winter season (November–March) on March 31. Because of the stronger-than-expected storage withdrawals in January and February, we now expect there will be less natural gas in storage for the rest of this year, which has led us to raise our natural gas price forecast. The Henry Hub price in this STEO averages around \$4.20/MMBtu in 2025, which is 37% higher than we forecast in October.

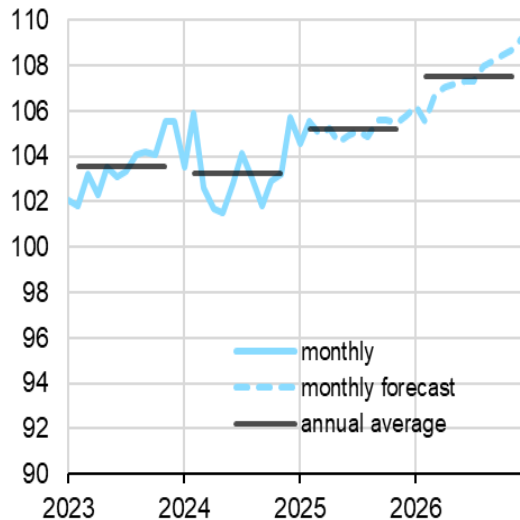
We expect the Henry Hub natural gas price to average \$4.50/MMBtu in 2026 as global demand for liquefied natural gas (LNG) grows. Two new LNG export facilities—[Plaquemines LNG Phase 1](#) and [Corpus Christi Stage 3](#)—started LNG production in December 2024. We estimate that exports from Plaquemines LNG Phase 1 averaged 1.1 billion cubic feet per day (Bcf/d) in February, indicating that the facility operated at 85% of its nominal capacity that month. On February 27, the facility received approval from the Federal Energy Regulatory Commission to [begin liquefaction activities](#) to the ninth and final block of Phase 1.

The start-up timing over the next two years of two additional projects—Golden Pass and Plaquemines LNG Phase 2—is a source of uncertainty in our forecast. We expect China’s imposition of tariffs on U.S. LNG that were enacted in early February to have little to no effect on U.S. LNG exports because destination-flexible U.S. LNG cargoes can be routed to other global markets.

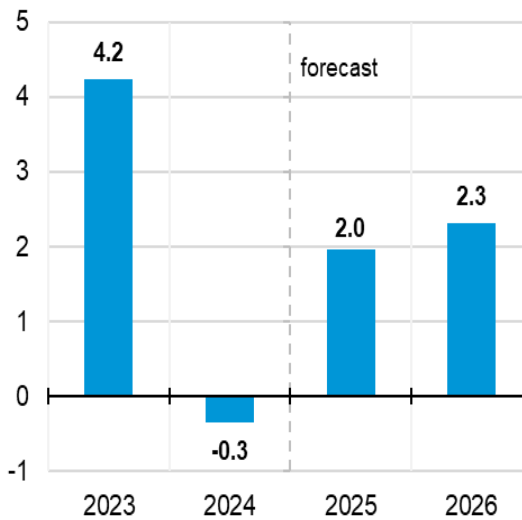
Natural gas production

We expect U.S. dry natural gas production to increase 2% in both 2025 and 2026, after holding steady in 2024. Natural gas production leveled off in 2024 as natural gas prices fell to [historic lows](#). We estimate dry natural gas production will rise to 105 Bcf/d in 2025 as natural gas prices increase.

U.S. dry natural gas production
billion cubic feet per day



Annual change in U.S. dry natural gas production
billion cubic feet per day



Data source: U.S. Energy Information Administration, *Short-Term Energy Outlook*, March 2025



We expect dry natural gas production to increase in [most regions in the Lower 48 states](#). Higher natural gas prices will incentivize more drilling in the natural gas-producing Appalachia and Haynesville regions, and rising crude oil production will result in more associated natural gas production in the Permian region. [Pipeline takeaway capacity additions](#) in the Northeast and Permian regions will also support increased production. In addition, we expect strong global demand for LNG throughout our forecast, which will support higher production compared with 2024. We expect dry natural gas production to average 107 Bcf/d in 2026.

Electricity, Coal, and Renewables

Electricity consumption

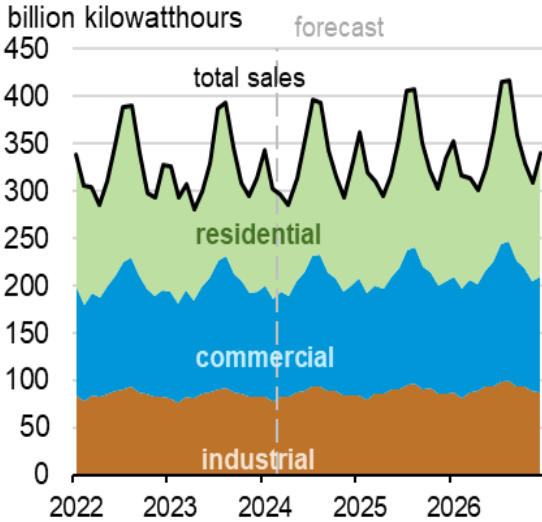
Colder-than-expected temperatures in February led to an increase in our 2025 U.S. electricity demand forecast. We expect that total U.S. sales of electricity to ultimate customers in the first quarter of 2025 (1Q25) will total 991 billion kilowatthours (kWh) compared with a forecast of 972 billion kWh in the February STEO.

On an annual basis, we forecast total U.S. electricity sales in 2025 will be 3% higher than in 2024. The growth this year is especially strong in the residential and commercial sectors, reflecting the higher 1Q25 weather-related consumption along with strong continuing growth in electricity demand from commercial customers such as data centers. We expect electricity demand in the commercial sector will

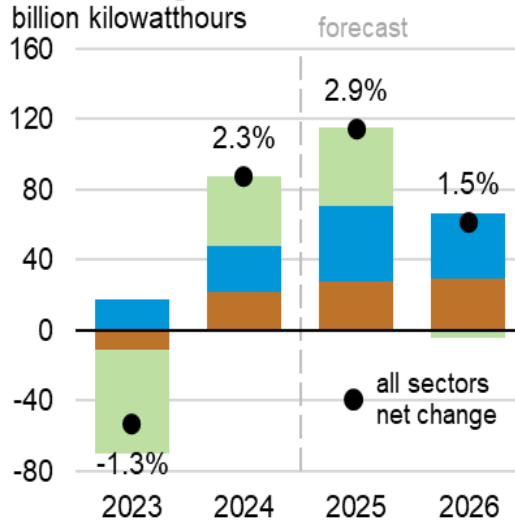
grow by 2% next year and that industrial sector demand will grow by 3%. Forecast residential demand in 2026 decreases by less than 1% as temperatures return to more normal levels.


U.S. sales of electricity to ultimate customers, by sector

monthly sales



annual change



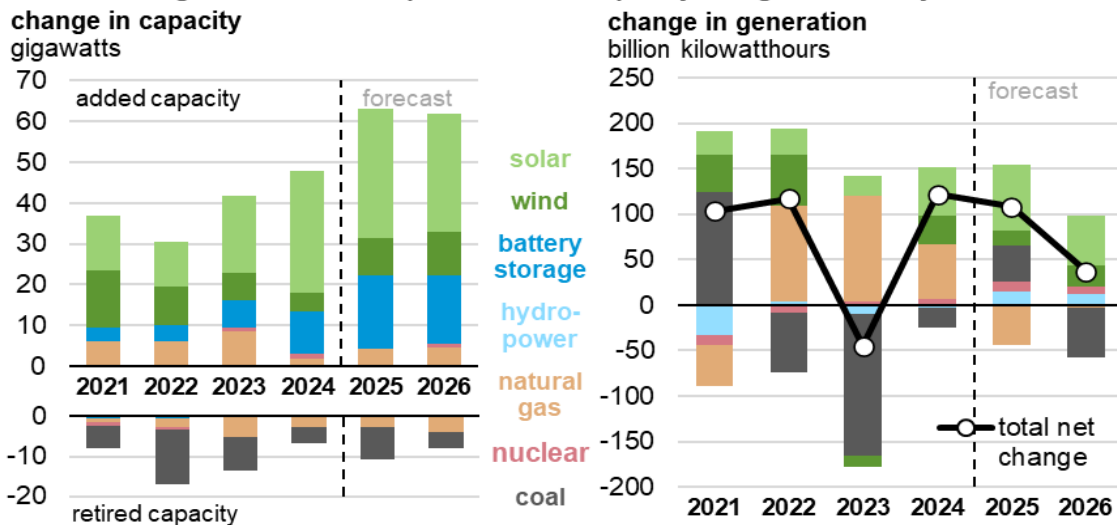
Data source: U.S. Energy Information Administration, *Short-Term Energy Outlook*, March 2025 

Electricity generation

Increased generation from renewable energy is the main contributor to growth in U.S. electricity generation over the STEO forecast. The latest data received from power plant developers indicates that the electric power sector is planning to add 32 gigawatts (GW) of solar generating capacity in 2025 compared with an increase of 30 GW of solar in 2024. We expect this new capacity will lead to a 73 billion kWh increase (33%) in U.S. solar generation in 2025 followed by a 54 billion kWh increase (19%) in 2026. An expected 35 GW increase in battery storage capacity over the next two years allows solar generators to supply electricity for more hours of the day.

Increased overall electricity demand along with higher natural gas prices leads to a forecast 39 billion kWh increase (6%) in U.S. coal generation in 2025. U.S. natural gas generation declines in the forecast by 44 billion kWh (3%) as a result of higher fuel costs. In 2026, we expect coal generation will fall 55 billion kWh (8%), while natural gas generation stays relatively flat.

Annual change in U.S. electric power sector capacity and generation by source



Data source: U.S. Energy Information Administration, *Short-Term Energy Outlook*, March 2025

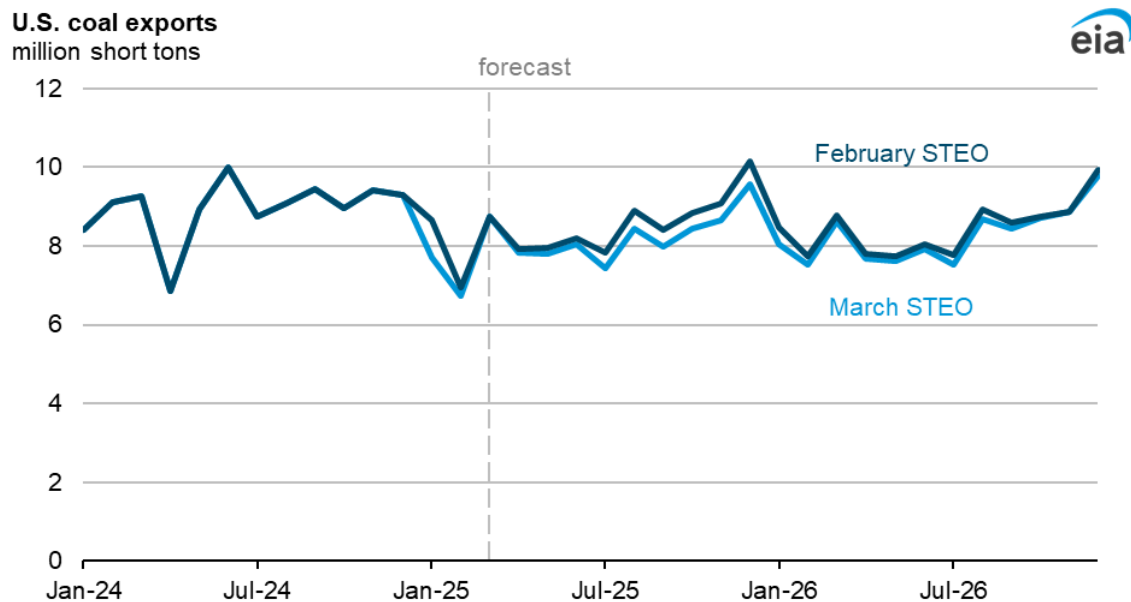
Note: Battery storage net generation is close to zero, reflecting the net effect of charging and discharging.



Coal markets

We have revised our forecast of U.S. coal exports to 97 million short tons (MMst) in 2025, compared with 102 MMst in the February STEO. Our revised forecast reflects a combination of emerging pressures on U.S. coal exports, including a [strong U.S. dollar](#), [weak pricing in international markets](#), China’s imposition in February of a 15% [additional tariff](#) on U.S. coal imports, and increasing coal production and exports [from Australia](#). We expect these factors to be headwinds for both steam and metallurgical coal exports. In 2026, we forecast exports to rise slightly to 99 MMst. We also expect India to remain a consistent source of demand for U.S. coal.

We expect electric power inventories to decline by 24% to 98 MMst in 2025 as electric power consumption increases 5% while coal production declines 6% in 2025. We expect inventory drawdowns to continue in 2026. In 2026, coal consumption falls by 7% in our forecast, and coal production falls by 3%. Despite a drop in coal consumption next year, we expect electric power sector coal stocks will be drawn down and end 2026 at 76 MMst. The stock draws mostly occur in 3Q26 when power generation peaks and relatively more coal is consumed by electric power generators than is supplied to the domestic power market.



Data source: U.S. Energy Information Administration, *Short-Term Energy Outlook* (STEO), March 2025

Economy, CO₂, and Weather

U.S. macroeconomics

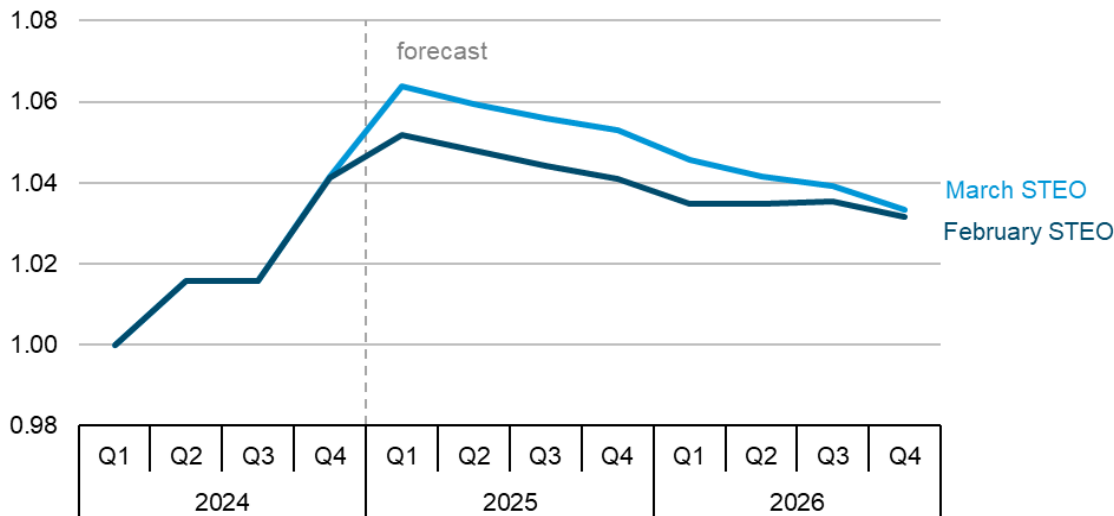
Our forecast this month assumes that real GDP will grow by 2.4% in 2025 and 2.2% in 2026, an upward revision of 0.3% and 0.2%, respectively, from last month. The revision is due to the release of the advance estimate of [GDP by the U.S. Bureau of Economic Analysis for 4Q24](#) and the total year of 2024. The report showed real GDP increased at an annual rate of 2.3% in 4Q24, 0.5% higher than we assumed in last month’s forecast. Consumer spending remains a primary driver of GDP growth, growing at an annual rate of 3.2% in 4Q24.

The macroeconomic forecasts in the STEO are based on S&P Global’s macroeconomic model. We incorporate STEO energy price forecasts into the model to obtain the final macroeconomic assumptions. This month, that model assumed an increasing universal tariff that will reach 10% by the end of 2025 and an effective tariff rate of approximately 20% on U.S. imports from China. That model was released in mid-February and does not reflect current policy.

Our forecast assumes that the unemployment rate will rise to 4.2% by 4Q25, lower than the 4.3% assumed last month, and remain at that level through 4Q26. The downward revision to the unemployment rate was accompanied by an increase in inflation since last September, as measured by the year-over-year change in both the Consumer Price Index and Personal Consumption Expenditures index. As a result, the monetary policy assumptions that underlie our forecast were revised this month. S&P Global no longer assumes that the Federal Open Market Committee will reduce the target for the federal funds rate in June, with the only interest rate cut in 2025 now assumed to occur at the May meeting.

Higher U.S. interest rates tend to cause the U.S. dollar to appreciate, which increases the relative price of U.S. goods compared with foreign goods. As a result, real export growth was revised lower. A stronger U.S. dollar tends to increase imports, and continued consumer strength is assumed to support spending on both domestic and foreign goods and services. Our assumptions regarding real import growth are higher compared with last month, although real imports are still expected to decline through 2025. The upward revision to imports and the downward revision to exports both act to lower net exports and therefore GDP growth.

U.S. trade-weighted exchange rate
index, first-quarter 2024 = 1.0



Data source: U.S. Energy Information Administration, *Short-Term Energy Outlook*(STEO), March 2025; S&P Global

Emissions

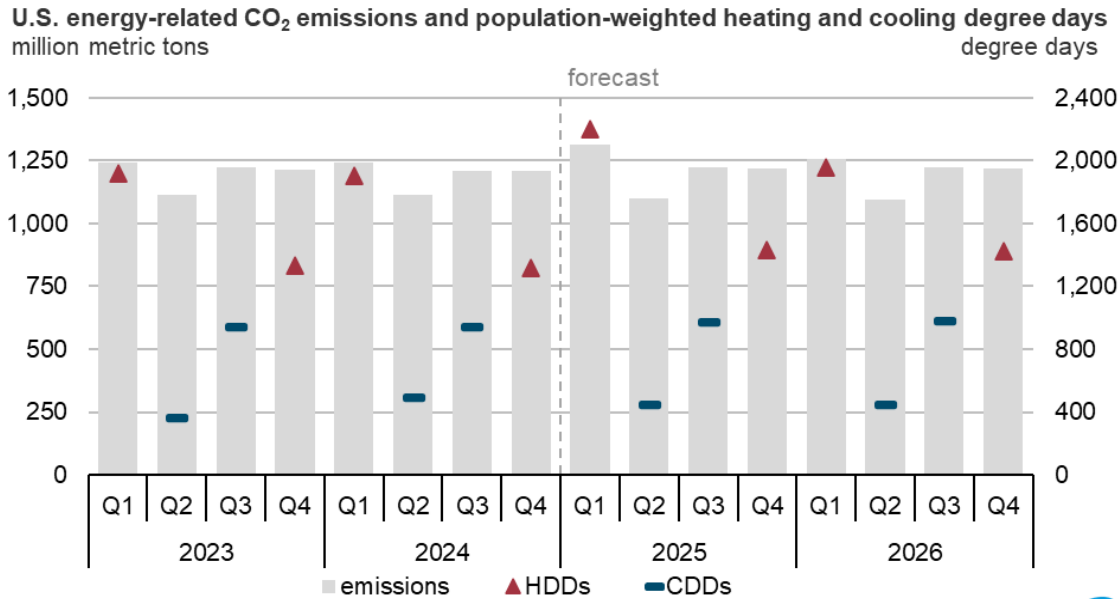
We forecast U.S. energy-related carbon dioxide (CO₂) emissions to increase by 2% in 2025 and to decrease by 1% in 2026.

Coal, natural gas, and petroleum products all contribute to increasing emissions in 2025. Rising coal emissions are linked to an expected growth in coal-fired electricity generation. Natural gas emissions rise with increased consumption from residential and commercial buildings, mostly for space heating. Petroleum emissions grow with increased consumption of distillate fuel oil and jet fuel.

CO₂ emissions from coal decrease in 2026 as coal-fired generation returns to near-2024 levels. Natural gas emissions decline in 2026 mostly due to decreased use in residential and commercial buildings, along with slightly lower natural gas-fired electricity generation.

The rate at which CO₂ is emitted varies over the course of each year. For both 2025 and 2026, we forecast energy-related CO₂ emissions to be notably lower in the second quarter (Q2) compared with the rest of the year. This result is consistent with our historical emissions data and is largely attributable to relatively mild weather in Q2. Energy consumption and CO₂ emissions in Q2 are lower than Q1 and Q4 due to less demand for space heating in buildings, and they are lower than Q3 due to less demand for space cooling. Lower demand for space heating (indicated by [heating degree days](#) [HDD]) results in

lower CO₂ emissions from natural gas, the most common heating fuel in the United States. Lower demand for space cooling (indicated by cooling degree days) results in lower electricity usage and, consequently, lower electricity-related emissions.



Data source: U.S. Energy Information Administration, *Short-Term Energy Outlook*, March 2025
 Note: HDDs = heating degree days; CDDs = cooling degree days



Weather

The United States experienced a colder-than-normal February, averaging around 700 HDDs, 22% more HDDs than in February 2024 and 4% more than the 10-year February average. Based on our current forecasts and data from the National Oceanic and Atmospheric Administration, we expect the United States will average about 550 HDDs in March—the end of the winter heating season—contributing to nearly 300 more HDDs in 1Q25 compared with 1Q24 and increasing fuel demand for space heating. We forecast the 2024–2025 winter heating season (November–March) to average 10% more heating degree days than last winter and 2% more than the 10-year winter average.

Table 3a. World Petroleum and Other Liquid Fuels Production, Consumption, and Inventories
U.S. Energy Information Administration | Short-Term Energy Outlook - March 2025

	2024				2025				2026				Year		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2024	2025	2026
Production (million barrels per day) (a)															
World total	102.19	102.81	102.72	103.38	103.38	103.68	104.49	105.09	105.05	105.62	106.06	106.39	102.78	104.17	105.78
Crude oil	76.66	76.18	75.84	76.28	76.89	76.45	77.08	77.82	78.02	77.81	78.01	78.41	76.24	77.06	78.07
Other liquids	25.54	26.64	26.89	27.09	26.49	27.23	27.41	27.27	27.03	27.81	28.05	27.97	26.54	27.10	27.72
World total	102.19	102.81	102.72	103.38	103.38	103.68	104.49	105.09	105.05	105.62	106.06	106.39	102.78	104.17	105.78
OPEC total (b)	32.38	32.46	32.35	32.36	32.52	32.18	32.28	32.39	32.56	32.66	32.76	32.80	32.39	32.34	32.69
Crude oil	26.77	26.83	26.68	26.70	26.80	26.45	26.56	26.66	26.75	26.85	26.94	26.97	26.74	26.62	26.88
Other liquids	5.61	5.63	5.67	5.67	5.72	5.73	5.72	5.74	5.80	5.80	5.81	5.83	5.64	5.73	5.81
Non-OPEC total	69.82	70.35	70.38	71.01	70.86	71.50	72.21	72.70	72.49	72.97	73.30	73.59	70.39	71.82	73.09
Crude oil	49.89	49.34	49.16	49.59	50.09	50.00	50.52	51.17	51.27	50.96	51.07	51.44	49.49	50.45	51.19
Other liquids	19.93	21.01	21.22	21.43	20.77	21.50	21.69	21.53	21.22	22.00	22.23	22.14	20.90	21.38	21.91
Consumption (million barrels per day) (c)															
World total	101.98	102.87	103.07	103.52	103.85	103.74	104.46	104.45	104.72	104.98	105.77	105.74	102.86	104.13	105.30
OECD total (d)	44.83	45.60	46.20	46.36	45.76	45.37	46.23	46.17	45.71	45.51	46.37	46.30	45.75	45.89	45.97
Canada	2.37	2.30	2.45	2.41	2.40	2.35	2.46	2.43	2.41	2.35	2.46	2.44	2.39	2.41	2.42
Europe	12.88	13.64	14.01	13.64	13.27	13.43	13.84	13.56	13.23	13.39	13.80	13.56	13.55	13.53	13.50
Japan	3.44	2.95	2.91	3.34	3.47	2.87	2.97	3.29	3.40	2.82	2.91	3.23	3.16	3.15	3.09
United States	19.80	20.36	20.50	20.56	20.22	20.44	20.67	20.47	20.23	20.65	20.87	20.62	20.31	20.45	20.60
U.S. Territories	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12
Other OECD	6.22	6.22	6.20	6.28	6.29	6.15	6.17	6.30	6.32	6.18	6.20	6.33	6.23	6.23	6.26
Non-OECD total	57.15	57.27	56.87	57.16	58.09	58.37	58.23	58.27	59.00	59.47	59.40	59.44	57.11	58.24	59.33
China	16.57	16.47	15.93	16.27	16.71	16.75	16.32	16.55	16.76	16.97	16.62	16.85	16.31	16.58	16.80
Eurasia	4.84	5.00	5.36	5.26	4.87	5.04	5.40	5.29	4.86	5.04	5.40	5.29	5.11	5.15	5.15
Europe	0.76	0.77	0.78	0.78	0.76	0.78	0.78	0.79	0.76	0.78	0.79	0.79	0.77	0.78	0.78
Other Asia	14.99	14.83	14.20	14.65	15.42	15.40	14.77	15.10	15.91	15.89	15.23	15.58	14.67	15.17	15.65
Other non-OECD	20.00	20.18	20.61	20.20	20.33	20.41	20.96	20.54	20.71	20.80	21.36	20.93	20.25	20.56	20.95
Total crude oil and other liquids inventory net withdrawals (million barrels per day)															
World total	-0.21	0.05	0.35	0.14	0.47	0.05	-0.03	-0.64	-0.34	-0.64	-0.29	-0.65	0.08	-0.04	-0.48
United States	0.13	-0.64	0.00	0.23	0.10	-0.49	0.05	0.28	0.09	-0.29	0.14	0.25	-0.07	-0.01	0.05
Other OECD	-0.13	-0.30	0.30	0.34	0.11	0.16	-0.02	-0.28	-0.13	-0.10	-0.13	-0.27	0.05	-0.01	-0.16
Other inventory draws and balance	-0.21	0.99	0.05	-0.43	0.25	0.38	-0.06	-0.64	-0.30	-0.25	-0.30	-0.63	0.10	-0.02	-0.37
End-of-period commercial crude oil and other liquids inventories (million barrels)															
OECD total	2,757	2,834	2,796	2,733	2,706	2,726	2,724	2,724	2,727	2,763	2,762	2,764	2,733	2,724	2,764
United States	1,230	1,280	1,270	1,237	1,220	1,255	1,251	1,225	1,217	1,243	1,230	1,207	1,237	1,225	1,207
Other OECD	1,527	1,554	1,527	1,496	1,485	1,471	1,473	1,499	1,510	1,520	1,532	1,557	1,496	1,499	1,557

(a) Includes crude oil, lease condensate, natural gas plant liquids, other liquids, refinery processing gain, and other unaccounted-for liquids. Differences in the reported historical production data across countries could result in some inconsistencies in the delineation between crude oil and other liquid fuels.

(b) OPEC = Organization of the Petroleum Exporting Countries: Algeria, Congo (Brazzaville), Equatorial Guinea, Gabon, Iran, Iraq, Kuwait, Libya, Nigeria, Saudi Arabia, United Arab Emirates, and Venezuela.

(c) Consumption of petroleum by the OECD countries is the same as "petroleum product supplied," defined in the glossary of the EIA Petroleum Supply Monthly (DOE/EIA-0109). Consumption of petroleum by the non-OECD countries is "apparent consumption," which includes internal consumption, refinery fuel and loss, and bunkering.

(d) OECD = Organization for Economic Cooperation and Development: Australia, Austria, Belgium, Canada, Chile, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Latvia, Lithuania, Luxembourg, Mexico, Netherlands, New Zealand, Norway, Poland, Portugal, Slovakia, Slovenia, South Korea, Spain, Sweden, Switzerland, Türkiye, United Kingdom, and United States.

Notes:

EIA completed modeling and analysis for this report on March 6, 2025.

- = no data available

The approximate break between historical and forecast values is shown with historical data with no shading; estimates and forecasts are shaded gray.

Minor discrepancies with published historical data are due to independent rounding.

Sources:

Historical data: Energy Information Administration *International Energy Statistics* (<https://www.eia.gov/international/data/world>).

Forecasts: EIA Short-Term Integrated Forecasting System.

Table 4a. U.S. Petroleum and Other Liquids Supply, Consumption, and Inventories
 U.S. Energy Information Administration | Short-Term Energy Outlook - March 2025

	2024				2025				2026				Year		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2024	2025	2026
Supply (million barrels per day)															
U.S. total crude oil production (a)	12.94	13.23	13.25	13.45	13.50	13.56	13.64	13.77	13.81	13.83	13.72	13.71	13.22	13.61	13.76
Alaska	0.43	0.42	0.40	0.43	0.44	0.41	0.40	0.44	0.44	0.42	0.43	0.46	0.42	0.42	0.44
Federal Gulf of America (b)	1.78	1.80	1.72	1.76	1.84	1.83	1.75	1.79	1.85	1.86	1.76	1.74	1.77	1.80	1.80
Lower 48 States (excl GOA) (c)	10.73	11.01	11.12	11.25	11.22	11.32	11.48	11.54	11.51	11.54	11.53	11.50	11.03	11.39	11.52
Appalachia region	0.15	0.16	0.16	0.17	0.17	0.16	0.15	0.14	0.14	0.14	0.13	0.12	0.16	0.15	0.13
Bakken region	1.22	1.23	1.22	1.22	1.23	1.24	1.25	1.23	1.20	1.19	1.20	1.18	1.22	1.24	1.19
Eagle Ford region	1.08	1.19	1.21	1.11	1.08	1.12	1.14	1.16	1.16	1.19	1.19	1.18	1.15	1.12	1.18
Haynesville region	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.02	0.02	0.02	0.02	0.03	0.03	0.02
Permian region	6.10	6.27	6.36	6.47	6.51	6.57	6.72	6.79	6.83	6.86	6.87	6.88	6.30	6.65	6.86
Rest of Lower 48 States	2.15	2.13	2.14	2.25	2.21	2.20	2.20	2.19	2.16	2.14	2.13	2.11	2.17	2.20	2.13
Total Supply	19.79	20.36	20.50	20.56	20.22	20.44	20.67	20.47	20.23	20.65	20.87	20.62	20.30	20.45	20.60
Crude oil input to refineries	15.39	16.47	16.54	16.48	15.56	16.09	16.40	15.85	15.38	16.16	16.26	15.78	16.22	15.98	15.90
U.S. total crude oil production (a)	12.94	13.23	13.25	13.45	13.50	13.56	13.64	13.77	13.81	13.83	13.72	13.71	13.22	13.61	13.76
Transfers to crude oil supply	0.50	0.64	0.61	0.70	0.56	0.64	0.66	0.63	0.62	0.65	0.67	0.64	0.61	0.62	0.65
Crude oil net imports (d)	2.12	2.62	2.69	2.48	2.08	1.95	1.89	1.53	1.26	1.69	1.65	1.50	2.48	1.86	1.52
SPR net withdrawals (e)	-0.10	-0.10	-0.11	-0.12	-0.09	-0.10	0.00	0.00	0.00	0.00	0.00	0.00	-0.11	-0.05	0.00
Commercial inventory net withdrawals	-0.23	0.08	0.26	0.02	-0.45	0.09	0.28	-0.05	-0.29	0.05	0.31	-0.02	0.03	-0.03	0.01
Crude oil adjustment (f)	0.16	0.01	-0.17	-0.05	-0.04	-0.04	-0.07	-0.03	-0.01	-0.05	-0.08	-0.05	-0.01	-0.04	-0.05
Refinery processing gain	0.91	0.97	0.98	1.02	0.98	1.01	1.03	1.03	0.95	0.99	0.99	1.00	0.97	1.01	0.98
Natural Gas Plant Liquids Production	6.51	7.01	7.03	7.22	6.94	7.12	7.13	7.19	7.19	7.43	7.47	7.49	6.94	7.10	7.40
Renewables and oxygenate production (g)	1.34	1.33	1.40	1.43	1.36	1.39	1.41	1.44	1.42	1.42	1.43	1.45	1.38	1.40	1.43
Fuel ethanol production	1.04	1.01	1.07	1.10	1.07	1.03	1.05	1.06	1.05	1.04	1.05	1.07	1.06	1.05	1.05
Petroleum products adjustment (h)	0.21	0.22	0.22	0.22	0.21	0.21	0.21	0.22	0.21	0.21	0.21	0.21	0.22	0.21	0.21
Petroleum products transfers to crude oil supply	-0.50	-0.64	-0.61	-0.70	-0.56	-0.64	-0.66	-0.63	-0.62	-0.65	-0.67	-0.64	-0.61	-0.62	-0.65
Petroleum product net imports (d)	-4.53	-4.40	-4.90	-5.43	-4.90	-4.28	-4.62	-4.95	-4.68	-4.58	-4.65	-4.94	-4.82	-4.69	-4.71
Hydrocarbon gas liquids	-2.59	-2.68	-2.76	-2.92	-2.96	-3.01	-2.96	-3.11	-3.10	-3.28	-3.23	-3.33	-2.74	-3.01	-3.24
Unfinished oils	0.09	0.21	0.12	0.13	0.30	0.30	0.29	0.21	0.18	0.23	0.26	0.18	0.14	0.27	0.21
Other hydrocarbons and oxygenates	-0.06	-0.08	-0.07	-0.10	-0.14	-0.11	-0.10	-0.10	-0.13	-0.11	-0.09	-0.10	-0.08	-0.11	-0.11
Total motor gasoline	-0.36	0.00	-0.09	-0.46	-0.34	0.15	-0.01	-0.25	-0.27	0.13	0.00	-0.21	-0.23	-0.11	-0.09
Jet fuel	-0.09	-0.08	-0.11	-0.13	-0.11	0.04	-0.01	-0.05	-0.02	0.05	0.01	-0.02	-0.10	-0.03	0.00
Distillate fuel oil	-0.86	-1.20	-1.31	-1.25	-0.95	-0.95	-1.09	-0.97	-0.70	-0.91	-0.88	-0.79	-1.15	-0.99	-0.82
Residual fuel oil	-0.03	-0.04	-0.06	0.00	0.00	-0.02	-0.05	0.01	0.01	0.02	-0.01	0.05	-0.03	-0.01	0.02
Other oils (i)	-0.64	-0.54	-0.61	-0.70	-0.70	-0.68	-0.68	-0.69	-0.65	-0.71	-0.71	-0.71	-0.62	-0.69	-0.70
Petroleum product inventory net withdrawals	0.46	-0.62	-0.15	0.33	0.63	-0.47	-0.23	0.33	0.38	-0.34	-0.17	0.27	0.00	0.06	0.03
Consumption (million barrels per day)															
U.S. total petroleum products consumption	19.80	20.36	20.50	20.56	20.22	20.44	20.67	20.47	20.23	20.65	20.87	20.62	20.31	20.45	20.60
Hydrocarbon gas liquids	3.80	3.39	3.40	3.96	3.87	3.37	3.41	3.72	3.90	3.47	3.49	3.77	3.64	3.59	3.66
Other hydrocarbons and oxygenates	0.30	0.33	0.34	0.33	0.25	0.32	0.33	0.34	0.32	0.35	0.35	0.35	0.32	0.31	0.34
Motor gasoline	8.57	9.12	9.18	8.89	8.64	9.07	9.15	8.85	8.58	9.06	9.11	8.83	8.94	8.93	8.90
Jet fuel	1.58	1.73	1.76	1.70	1.60	1.79	1.80	1.73	1.64	1.82	1.82	1.76	1.70	1.73	1.76
Distillate fuel oil	3.82	3.73	3.76	3.82	4.06	3.89	3.82	3.91	4.03	3.94	3.94	3.99	3.78	3.92	3.98
Residual fuel oil	0.28	0.30	0.27	0.30	0.32	0.29	0.29	0.31	0.30	0.31	0.31	0.33	0.29	0.30	0.31
Other oils (i)	1.44	1.77	1.78	1.55	1.48	1.70	1.87	1.62	1.46	1.70	1.85	1.59	1.64	1.67	1.65
Total petroleum and other liquid fuels net imports (d)	-2.41	-1.78	-2.20	-2.95	-2.82	-2.32	-2.73	-3.41	-3.42	-2.89	-3.00	-3.45	-2.34	-2.82	-3.19
End-of-period inventories (million barrels)															
Total commercial inventory	1230.3	1279.6	1269.5	1237.3	1220.4	1255.2	1250.5	1224.8	1216.8	1243.1	1230.3	1207.3	1237.3	1224.8	1207.3
Crude oil (excluding SPR)	447.2	440.2	415.9	413.7	453.9	445.7	419.8	424.6	450.5	445.5	417.4	419.3	413.7	424.6	419.3
Hydrocarbon gas liquids	169.2	235.1	277.4	226.0	178.4	231.9	272.6	226.1	185.7	232.9	271.6	227.1	226.0	226.1	227.1
Unfinished oils	91.7	87.8	80.7	76.6	83.7	84.2	83.3	78.9	88.3	86.5	84.2	79.1	76.6	78.9	79.1
Other hydrocarbons and oxygenates	38.2	33.4	33.3	34.8	37.7	34.6	33.3	34.6	37.6	34.6	33.5	35.3	34.8	34.6	35.3
Total motor gasoline	233.4	232.4	219.7	238.6	232.2	221.4	214.7	234.5	226.6	216.8	207.0	226.9	238.6	234.5	226.9
Jet fuel	42.2	45.3	45.6	43.9	42.4	42.3	44.3	41.2	40.7	40.9	42.1	39.1	43.9	41.2	39.1
Distillate fuel oil	121.2	123.1	124.3	130.3	109.8	114.0	112.6	113.8	105.5	105.8	105.6	110.5	130.3	113.8	110.5
Residual fuel oil	29.9	27.5	24.2	22.9	25.1	25.8	23.6	23.2	24.8	24.8	22.6	22.3	22.9	23.2	22.3
Other oils (i)	57.3	54.9	48.2	50.5	57.3	55.3	46.2	47.8	57.2	55.2	46.1	47.7	50.5	47.8	47.7
Crude oil in SPR (e)	363.9	373.1	382.9	393.6	401.6	411.1	411.1	411.1	411.1	411.1	411.1	411.1	393.6	411.1	411.1

(a) Includes lease condensate.

(b) Crude oil production from U.S. Federal leases in the Gulf of America (GOA).

(c) Regional production in this table is based on geographic regions and not geologic formations.

(d) Net imports equal gross imports minus gross exports.

(e) SPR: Strategic Petroleum Reserve

(f) The crude oil adjustment equals the sum of disposition items (e.g. refinery inputs) minus the sum of supply items (e.g. production).

(g) Renewables and oxygenate production includes pentanes plus, oxygenates (excluding fuel ethanol), and renewable fuels. Beginning in January 2021, renewable fuels includes biodiesel, renewable diesel, renewable jet fuel, renewable heating oil, renewable naphtha and gasoline, and other renewable fuels. For December 2020 and prior, renewable fuels includes only biodiesel.

(h) Petroleum products adjustment includes hydrogen/oxygenates/renewables/other hydrocarbons, motor gasoline blending components, and finished motor gasoline.

(i) Other oils includes aviation gasoline blending components, finished aviation gasoline, kerosene, petrochemical feedstocks, special naphthas, lubricants, waxes, petroleum coke, asphalt and road oil, still gas, and miscellaneous products.

Notes:

EIA completed modeling and analysis for this report on March 6, 2025.

- = no data available

The approximate break between historical and forecast values is shown with historical data with no shading; estimates and forecasts are shaded gray.

Minor discrepancies with published historical data are due to independent rounding.

Sources:

Historical data: Latest data available from Energy Information Administration databases supporting the following reports: Petroleum Supply Monthly; Petroleum Supply Annual; and Weekly Petroleum Status Report.

Forecasts: EIA Short-Term Integrated Forecasting System.

Table 5a. U.S. Natural Gas Supply, Consumption, and Inventories
 U.S. Energy Information Administration | Short-Term Energy Outlook - March 2025

	2024				2025				2026				Year		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2024	2025	2026
Supply (billion cubic feet per day)															
U.S. total marketed natural gas production	113.3	112.1	113.1	114.3	115.0	115.1	115.4	115.9	116.5	117.8	118.5	119.5	113.2	115.3	118.1
Alaska	1.1	1.0	0.9	1.0	1.0	1.0	0.9	1.1	1.1	1.0	1.0	1.1	1.0	1.0	1.0
Federal Gulf of America (a)	1.8	1.8	1.8	1.8	1.8	1.7	1.7	1.7	1.7	1.7	1.6	1.6	1.8	1.7	1.6
Lower 48 States (excl GOA) (b)	110.4	109.3	110.4	111.5	112.1	112.4	112.8	113.2	113.7	115.1	116.0	116.9	110.4	112.6	115.4
Appalachia region	35.9	34.9	35.5	35.9	36.3	36.2	36.2	36.2	36.3	36.3	36.1	35.9	35.6	36.2	36.1
Bakken region	3.2	3.4	3.4	3.2	3.2	3.2	3.2	3.2	3.3	3.2	3.2	3.2	3.3	3.2	3.2
Eagle Ford region	6.8	6.9	6.7	6.3	6.6	6.8	6.9	7.0	6.9	7.2	7.4	7.5	6.7	6.8	7.3
Haynesville region	15.7	14.3	14.3	14.1	14.2	14.0	14.1	14.3	15.0	16.0	17.0	18.0	14.6	14.1	16.5
Permian region	23.8	24.5	25.8	27.2	27.2	27.8	28.1	28.3	28.4	28.7	28.6	28.6	25.3	27.9	28.6
Rest of Lower 48 States	24.9	25.2	24.7	24.7	24.6	24.4	24.3	24.1	23.8	23.6	23.7	23.6	24.9	24.4	23.7
Total primary supply	104.3	78.8	85.8	92.6	112.4	77.6	84.7	93.6	106.1	78.1	85.7	94.9	90.4	92.0	91.1
Balancing item (c)	0.1	-1.5	-0.4	-1.0	1.6	-0.4	0.8	1.0	0.8	0.0	2.1	1.6	-0.7	0.8	1.1
Total supply	104.2	80.2	86.3	93.6	110.8	78.0	83.9	92.6	105.3	78.0	83.6	93.3	91.1	91.2	90.0
U.S. total dry natural gas production	104.0	102.0	103.0	104.0	105.0	104.9	105.2	105.6	106.2	107.2	107.8	108.8	103.2	105.2	107.5
Net inventory withdrawals	12.7	-9.6	-4.9	1.9	19.4	-11.8	-5.8	3.2	16.0	-11.7	-6.4	3.4	0.0	1.2	0.3
Supplemental gaseous fuels	0.4	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Net imports	-12.8	-12.5	-12.2	-12.5	-13.9	-15.4	-15.8	-16.5	-17.2	-17.8	-18.2	-19.3	-12.5	-15.4	-18.1
LNG gross imports (d)	0.1	0.0	0.0	0.0	0.1	0.0	0.0	0.1	0.1	0.0	0.0	0.1	0.0	0.1	0.1
LNG gross exports (d)	12.4	11.3	11.4	12.6	14.2	13.8	13.7	15.2	16.4	15.8	16.2	17.1	11.9	14.2	16.4
Pipeline gross imports	8.9	7.8	8.4	9.0	9.7	8.1	8.2	8.8	9.6	8.2	8.4	8.7	8.5	8.7	8.7
Pipeline gross exports	9.4	8.9	9.2	9.0	9.6	9.8	10.3	10.2	10.5	10.3	10.5	10.9	9.1	10.0	10.5
Consumption (billion cubic feet per day)															
Total consumption	104.3	78.8	85.8	92.6	112.4	77.6	84.7	93.6	106.1	78.1	85.7	94.9	90.4	92.0	91.1
Residential	22.8	6.7	3.5	14.9	26.7	7.3	3.8	15.9	23.8	7.2	3.8	15.9	12.0	13.4	12.6
Commercial	14.3	6.3	4.9	10.8	16.3	6.7	5.3	11.3	15.0	6.8	5.0	11.3	9.1	9.9	9.5
Industrial	24.9	22.3	22.3	24.1	25.6	22.2	21.8	24.0	25.0	22.3	22.1	24.2	23.4	23.4	23.4
Electric power (e)	32.7	34.8	46.3	33.7	33.9	32.8	44.9	33.1	32.5	33.0	45.6	33.9	36.9	36.2	36.3
Lease and plant fuel	5.4	5.4	5.4	5.5	5.5	5.5	5.5	5.5	5.6	5.6	5.7	5.7	5.4	5.5	5.6
Pipeline and distribution	4.0	3.0	3.3	3.5	4.3	2.9	3.2	3.6	4.1	2.9	3.2	3.6	3.4	3.5	3.5
Vehicle	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
End-of-period working natural gas inventories (billion cubic feet) (f)															
United States total	2,306	3,175	3,615	3,438	1,694	2,771	3,309	3,017	1,575	2,637	3,224	2,910	3,438	3,017	2,910
East region	369	670	862	747	280	583	799	695	243	550	771	675	747	695	675
Midwest region	507	781	1,022	893	330	637	924	827	331	638	930	817	893	827	817
South Central region	1,007	1,172	1,121	1,215	705	1,022	1,033	1,041	702	1,021	1,029	1,022	1,215	1,041	1,022
Mountain region	168	238	282	259	154	219	239	197	108	154	208	163	259	197	163
Pacific region	231	286	296	295	201	283	282	228	168	246	253	205	295	228	205
Alaska	24	28	33	28	24	27	32	28	24	27	32	28	28	28	28

- (a) Marketed production from U.S. Federal leases in the Gulf of America.
- (b) Regional production in this table is based on geographic regions and not geologic formations.
- (c) The balancing item is the difference between total natural gas consumption (NGTCPUS) and total natural gas supply (NGPSUPP).
- (d) LNG: liquefied natural gas
- (e) Natural gas used for electricity generation and (a limited amount of) useful thermal output by electric utilities and independent power producers.
- (f) For a list of states in each inventory region refer to *Weekly Natural Gas Storage Report, Notes and Definitions* (<http://ir.eia.gov/ngs/notes.html>).

Notes:
 EIA completed modeling and analysis for this report on March 6, 2025.
 - = no data available
 The approximate break between historical and forecast values is shown with historical data with no shading; estimates and forecasts are shaded gray.
 Minor discrepancies with published historical data are due to independent rounding.

Sources:
 Historical data: Latest data available from Energy Information Administration databases supporting the following reports: Natural Gas Monthly; and Electric Power Monthly.
 Forecasts: EIA Short-Term Integrated Forecasting System.

Table 7a. U.S. Electricity Industry Overview

U.S. Energy Information Administration | Short-Term Energy Outlook - March 2025

	2024				2025				2026				Year		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2024	2025	2026
Electricity supply (billion kilowatthours)															
Total utility-scale power supply	1,027	1,046	1,220	1,024	1,082	1,053	1,248	1,045	1,064	1,072	1,271	1,060	4,318	4,428	4,467
Electricity generation (a)	1,026	1,045	1,214	1,020	1,080	1,051	1,241	1,043	1,061	1,069	1,265	1,059	4,304	4,416	4,454
Electric power sector	987	1,008	1,174	982	1,042	1,013	1,200	1,004	1,022	1,031	1,223	1,019	4,151	4,259	4,296
Industrial sector	35	33	35	33	34	34	36	35	34	34	36	35	137	140	140
Commercial sector	4	4	4	4	4	4	5	4	4	4	5	4	16	17	18
Net imports	2	1	7	5	2	2	7	2	3	2	6	1	14	12	13
Small-scale solar generation (c)	17	25	25	17	19	28	28	19	21	32	31	21	85	95	106
Residential sector	12	17	17	12	13	19	19	13	14	21	21	14	58	64	71
Commercial sector	5	7	7	4	5	7	8	5	6	8	8	6	22	25	29
Industrial sector	1	1	1	1	1	2	2	1	1	2	2	1	5	5	6
Losses and Unaccounted for (b)	50	61	53	56	57	55	48	53	47	50	44	49	220	213	189
Electricity consumption (billion kilowatthours)															
Total consumption	977	985	1,167	968	1,025	998	1,200	992	1,017	1,022	1,227	1,011	4,097	4,215	4,278
Sales to ultimate customers	942	952	1,132	935	991	964	1,164	957	983	987	1,191	977	3,962	4,076	4,138
Residential sector	362	342	454	332	389	340	465	339	370	344	472	343	1,490	1,534	1,529
Commercial sector	336	350	403	346	352	356	415	354	357	366	427	363	1,434	1,477	1,514
Industrial sector	243	258	274	256	249	266	282	262	255	275	290	269	1,031	1,059	1,089
Transportation sector	2	2	2	2	2	2	2	2	2	2	2	2	7	7	6
Direct use (d)	35	33	35	33	34	34	36	35	34	34	36	35	136	139	140
Average residential electricity usage per customer (kWh)	2,539	2,401	3,184	2,333	2,703	2,367	3,237	2,359	2,552	2,377	3,259	2,367	10,457	10,665	10,555
End-of-period fuel inventories held by electric power sector															
Coal (million short tons)	135.7	135.4	122.7	127.9	118.2	126.9	104.8	97.7	90.2	99.1	78.0	76.1	127.9	97.7	76.1
Residual fuel (million barrels)	6.0	5.8	5.3	5.1	4.3	4.6	3.9	4.0	3.9	3.8	3.1	3.2	5.1	4.0	3.2
Distillate fuel (million barrels)	17.0	16.8	16.5	16.0	15.9	15.9	15.9	16.2	16.1	16.0	15.9	16.2	16.0	16.2	16.2
Prices															
Power generation fuel costs (dollars per million Btu)															
Coal	2.50	2.55	2.45	2.44	2.43	2.43	2.42	2.39	2.41	2.41	2.41	2.38	2.48	2.41	2.40
Natural gas	3.37	2.37	2.37	3.03	4.60	4.02	4.33	4.74	5.13	4.26	4.51	4.83	2.75	4.41	4.67
Residual fuel oil	18.84	18.55	17.84	16.16	14.90	14.30	13.92	13.86	13.90	14.28	13.51	13.14	17.80	14.28	13.69
Distillate fuel oil	20.14	19.56	18.46	17.67	18.51	17.32	17.99	18.56	18.64	18.38	18.80	18.69	19.01	18.21	18.63
Prices to ultimate customers (cents per kilowatthour)															
Residential sector	16.01	16.53	16.67	16.70	16.34	17.17	17.18	17.18	17.00	17.65	17.62	17.55	16.48	16.96	17.46
Commercial sector	12.58	12.65	13.39	12.69	12.87	13.16	13.98	13.22	13.31	13.57	14.32	13.47	12.85	13.34	13.70
Industrial sector	7.87	8.04	8.64	8.01	8.31	8.28	8.77	8.12	8.29	8.30	8.83	8.18	8.15	8.38	8.41
Wholesale electricity prices (dollars per megawatthour)															
ERCOT North hub	32.53	39.94	33.54	28.54	31.14	18.61	24.99	17.99	20.79	16.98	27.75	20.30	33.64	23.18	21.45
CAISO SP15 zone	33.41	7.97	43.12	35.32	31.47	33.58	41.16	41.82	41.67	33.80	41.68	42.57	29.96	37.01	39.93
ISO-NE Internal hub	47.50	34.50	45.87	58.50	109.09	57.09	60.34	53.89	62.80	46.03	54.90	52.19	46.59	70.10	53.98
NYISO Hudson Valley zone	43.48	33.82	42.06	50.80	98.27	49.60	56.12	52.47	57.33	47.28	55.66	52.20	42.54	64.12	53.12
PJM Western hub	35.76	37.75	49.70	39.81	59.30	44.99	53.35	46.85	52.41	44.00	52.13	46.79	40.75	51.12	48.83
Midcontinent ISO Illinois hub	32.52	30.38	37.95	31.57	46.84	37.93	43.44	38.94	41.18	37.68	43.73	39.16	33.11	41.78	40.44
SPP ISO South hub	31.66	33.95	47.92	46.52	46.01	47.24	58.25	48.79	48.28	47.98	58.15	48.62	40.01	50.07	50.76
SERC index, Into Southern	27.96	29.20	31.53	29.85	42.53	33.16	37.19	34.88	35.95	33.39	37.48	34.05	29.64	36.94	35.22
FRCC index, Florida Reliability	30.01	31.81	33.26	30.89	44.23	35.10	38.81	35.72	35.26	35.76	39.57	35.73	31.49	38.46	36.58
Northwest index, Mid-Columbia	99.74	32.91	60.98	45.09	57.54	49.06	59.06	59.02	61.04	44.52	57.62	60.28	59.68	56.17	55.86
Southwest index, Palo Verde	29.62	11.22	50.17	34.98	33.09	39.54	48.74	42.08	41.68	36.72	45.84	41.94	31.50	40.86	41.55

(a) Generation supplied by utility-scale power plants with capacity of at least one megawatt.

(b) Includes transmission and distribution losses, data collection time-frame differences, and estimation error.

(c) Solar photovoltaic systems smaller than one megawatt such as those installed on rooftops.

(d) Direct use represents commercial and industrial facility use of onsite net electricity generation; and electrical sales or transfers to adjacent or colocated facilities for which revenue information is not available. See Table 7.6 of the EIA Monthly Energy Review.

Notes:

EIA completed modeling and analysis for this report on March 6, 2025.

The approximate break between historical and forecast values is shown with historical data with no shading; estimates and forecasts are shaded gray.

kWh = kilowatthours. Btu = British thermal units.

Prices are not adjusted for inflation.

Sources:

Historical data: Latest data available from EIA databases supporting the following reports: Electric Power Monthly and Electric Power Annual (electricity supply and consumption, fuel inventories and costs, and retail electricity prices); S&P Global Market Intelligence (wholesale electricity prices).

France launches manslaughter probe against TotalEnergies over Mozambique attack

2025-03-15 16:39:59.868 GMT

France launches manslaughter probe against TotalEnergies over Mozambique attack

March 15 (AFP) -- French prosecutors said Saturday they had opened a manslaughter investigation against energy giant TotalEnergies following a bloody 2021 jihadist attack in Mozambique.

In October 2023, several survivors and relatives of victims of the attack near a major gas field in northern Mozambique launched legal action against the oil and gas giant, accusing it of failing to protect its subcontractors.

The complainants welcomed the move.

Nicholas Alexander, a South African attack survivor, said the complainants had feared that Total was "too big and too influential, too powerful" to be investigated over the attack.

"So we're very happy that's gone ahead," he told AFP.

"At this stage we just want a proper judicial inquiry and some clear answers," he said.

The investigation into involuntary manslaughter and failure to assist persons in danger was launched on Friday, the prosecutor's office in Nanterre, west of Paris, told AFP.

Islamic State-linked militants killed dozens of people when they attacked the port town of Palma in March 2021, sending thousands of people fleeing into the surrounding forest.

The attack in Cabo Delgado province lasted several days.

Some of the victims were beheaded.

TotalEnergies halted its \$20 billion LNG project after the attack but is hoping to restart it.

"TotalEnergies will cooperate fully with this investigation," the company said on Saturday. It has earlier "strongly rejected" the accusations.

The seven British and South African complainants --- three survivors and four relatives of victims -- accuse TotalEnergies, which was known as Total in 2021, of failing to take steps to ensure the safety of subcontractors before the assault.

The criminal complaint filed in 2023 accuses TotalEnergies, which was developing a liquefied natural gas project at Afungi near Palma, of involuntary manslaughter and failure to assist persons in danger.

Mozambique's government said around 30 people were killed but Alex Perry, an independent journalist who carried out a five-month investigation into the massacre, counted 1,402 people dead or missing, including 55 Total contractors.

The Al-Shabab group (no link to the Somali group of the same name) which carried out the attack had been active in Cabo Delgado province since 2017.

Total is also accused of refusing to provide fuel to a

South African security company that organised helicopter rescues from a besieged hotel during the attack.

The company eventually ran out of fuel, leaving people stranded inside.

Lawyers Vincent Brengarth and Henri Thulliez, who represent the complainants, said that the opening of the probe was "a decisive step for the victims of the Palma massacre in Mozambique."

The plaintiffs "are eager to be heard in a case that is emblematic of the prevalence of economic considerations over human lives," the lawyers said in a statement to AFP.

Janik Armstrong, a Canadian whose husband Adrian Nel was killed in the siege, told reporters in 2023 how he held out for two days at Amarula Lodge, with 150 others "waiting for a rescue by Total or the Mozambican security forces that never came."

She said when they realised that "they had been abandoned", they tried to break out in a convoy of cars but came under fire from the gunmen, who killed her husband.

TotalEnergies has said that "all the staff of Mozambique LNG and its contractors and subcontractors had been evacuated", mostly by boat.

The company also insisted it had supplied fuel for the rescue operation.

The attack triggered the deployment of forces from Rwanda and other African countries which have since helped Mozambique retake control of much of Cabo Delgado.

TotalEnergies is hoping to restart the long-delayed project, and this week the US Export-Import Bank approved a \$4.7 billion loan for the company.

TotalEnergies has a 26.5 percent stake in the project, which aims to export gas mainly to clients in Asia.

Several NGOs issued a joint statement on Friday calling on European and Asian financiers "to refuse to follow this toxic and irresponsible lead and to oppose the restart of the project, a climate bomb associated with numerous allegations of human rights violations."

nal-mlf-as/yad

-0- Mar/15/2025 16:39 GMT

To view this story in Bloomberg click here:

<https://integritymagazine.co.mz/arquivos/39982>

Palm Gas: Quitunda population interrupts meeting and demands compensation from TotalEnergies
INTEGRITY-MOZAMBIQUE, March 14, 2025-It was a difficult time for the TotalEnergies representative and the members of the Palma district government in Cabo Delgado. All because in the middle of the meeting the population of Quitunda stood up and began to demand the payment of compensation for the transfer of land.

Mar 14, 2025



Fearless and even with the security apparatus created to protect the leaders mentioned above, the population of Quitunda, who have been claiming their rights for years, demanded the payment of the compensations agreed upon when the project began.

The act led the leaders who led the meeting to flee the place for fear of greater evils. Meanwhile, a group of young people transported on four motorcycles chased the figures representing TotalEnergies and the Government at the meeting, having barred the road and locked the access gate to the project facilities.

The group only escaped popular fury due to the intervention of the UIR that guaranteed their protection. It should be noted that the situation in Palma will still be talked about since TotalEnergies is not respecting what was previously agreed, having only limited itself to building houses and relocating families, but without channeling the agreed amounts.

Recall that November last year "Integrity" published the details of a collective letter denouncing the communities affected by the Liquefied Natural Gas (LNG) exploration project in which the communities of Palma, Quitupo, Macala, Mangale and other localities accused the French multinational of violating the rights of communities, such as unjust resettlement, disrespect for human rights, lack of support from the Mozambican government and corruption.

It should be noted that the US Government, through Exim Bank, has approved the loan of more than USD 5 billion for the financing of the Rovuma Gas Project for TotalEnergies. **(O.O)**

Sharyl Attkisson: President Trump discusses what's next with Russia, Ukraine



By [Sharyl Attkisson](#) | Full Measure

PUBLISHED: March 14, 2025 at 5:44 PM EDT

This could be a critical week for the beginning of an end to the war in Ukraine. A ceasefire is on the table, and the one holdout is Russian President Vladimir Putin. I raised that and other key issues in an interview with President Donald Trump on Thursday evening.

The transcript below has been edited for brevity and clarity. You can catch the full interview Sunday morning on television, or at [fullmeasure.news](https://www.fullmeasure.news).

Attkisson: Is there anything new on the Russia development? Because I understand, probably by the minute, there are things happening.

Trump: I think it's going well. I think it's a tough situation that we're in... It's massive amounts of money, \$350 billion we've spent on that. And we're gonna try and do something about that. But more importantly, right now, you have a lot of people dying. You are losing probably 2,000 people a week in shooting soldiers, Russian and Ukrainian, and whatever we can do to stop it, we're trying to do that.

Top Videos Rubio, Zelenskyy to meet in Saudi Arabia for Ukraine peace talks

-00:50

Are you speaking to Putin in the last days or hours personally?

Well, I don't wanna say it, but we are dealing with him and, I think, it's going reasonably well. It's a very complex situation, you know, it's a bloody, terrible war. And I do think it's going well. As you know, we have a ceasefire agreement with the Ukrainian group, and we are trying to get that with Russia too. And I think thus far it's gone okay. We will know a little bit more on Monday, and that'll be, hopefully, good.

I'm not understating the complexity of all this, but as a candidate, you said you would have this war settled in 24 hours.

Well, I was being a little bit sarcastic when I said that. I would — what I really mean is, I'd like to get it settled. And I think I'll be successful.

Excerpt Bloomberg Transcript

PRESIDENT DONALD J. TRUMP DELIVERS REMARKS AT THE DEPARTMENT OF JUSTICE

MARCH 14, 2025

SPEAKERS:

PRESIDENT DONALD J. TRUMP

And we've had some very good calls today with Russia and with Ukraine -- they've agreed for a ceasefire, if we can get it with Russia -- and it's not easy. It's an (ph) -- it's a tough one.

But I think we're doing (ph) it and as the Security General said yesterday of NATO, a terrific guy, he said without Trump, we wouldn't be talking about it. It would just go on for years and millions more people -- millions of people have been killed, but millions more people would be killed. And he said it was a great honor, without me, it would just keep going on.

We're looking for the ceasefire now with Russia, and we've had some very good talks about it. We've had some very good responses.

And I can tell you that there was a case where there would have been no war if I were President, and it's just -- 100 percent would not have happened, would never have happened.

I (inaudible) speak to President Putin a lot about it, I said don't do it -- don't do it, I won't tell you what the consequence was, I won't tell you what he -- but if he believed even 5 percent of what I said, then he would say I'm not going to do it. And I think he did.

But we had a good relationship and we had a professional relationships, and his respect for this country -- and I think we had -- I think we've had some very good results, so you know, I haven't been able to say that the anybody else, I haven't wanted to say it until just before I came here, I got some pretty good news.

So -- but we have to see what happens. It's still the (ph) -- long way to go, the fighting is unbelievable. Russia has a large group of Ukrainian soldiers as we speak surrounded and in grave danger, they've been able to surround them. They're in grave danger. Biden should have never let this war happen.

First of all, the (ph) -- you don't want to pick on somebody that's a lot larger than you, even with the money. There's a lot of money that we gave them and a lot of equipment. We make the best military equipment in the world, but even with all of that, it's unbelievable.

Right now, you have a lot of Ukrainian soldiers that are encircled, and in grave danger, and I've asked them not to kill

those soldiers please, not to kill those soldiers. We don't want them killed. It's such a shame to see what's happened.



13 March, 09:56, Updated March 13, 10:28 Lukashenko's visit to Moscow



Putin: cooperation between Russia and the United States on energy will give Europe cheap gas



© TASS/ Ruptly

The President of Russia played with the remark of the Belarusian leader Alexander Lukashenko

MOSCOW, March 13. /TASS/. Europe will be able to receive cheap Russian gas again if Russia and the United States agree on cooperation in the field of energy. This was stated by Russian President Vladimir Putin following talks with his Belarusian counterpart Alexander Lukashenko in the Kremlin.

"If the United States and Russia agree on cooperation in the field of energy, then the gas pipeline for Europe can be provided. And this will benefit Europe, because it will receive cheap Russian gas," Putin said.

The Russian leader in his response played on Lukashenko's remark. Earlier during a press conference, the President of Belarus said that Europe would have a "pipe" if Russia agreed with the United States. Lukashenko laughed at Putin's pun and jokingly said that it was the gas pipe that he originally meant. "That's what I understood you," the Russian president replied with a smile. [T](#)

Tags: Aleksandr Lukashenko Vladimir Vladimirovich Putin Belarus Russia

14 MAR, 04:05

Resumption of Russian gas exports to Europe via Nord Stream off agenda for now — Novak

The Bild newspaper wrote on March 4 citing sources that the German cabinet was exploring options to prevent the commissioning of the Nord Stream 2 pipeline as a result of potential agreements between Russia and the US

MOSCOW, March 14. /TASS/. Russia does not expect a quick solution to the resumption of Russian gas exports to Europe via the Nord Stream pipelines, Deputy Prime Minister Alexander Novak said.

"It's off the agenda for now," he told Reuters when asked a respective question.

The Bild newspaper wrote on March 4 citing sources that the German cabinet was exploring options to prevent the commissioning of the Nord Stream 2 pipeline as a result of potential agreements between Russia and the US.

Weekly commentary

February 24, 2025

BlackRock

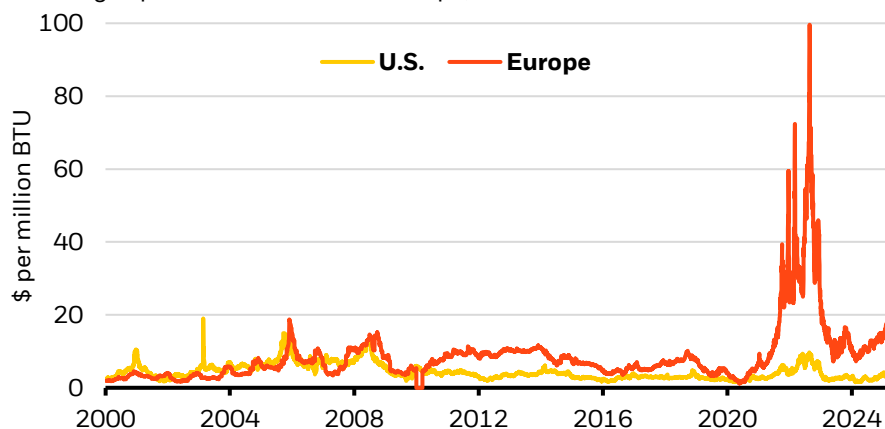
Broadening out our pro-risk view

- We still think U.S. equities can outperform in 2025, led by tech, even as Europe's start the year strong. Yet we broaden our risk-on view, upgrading Europe stocks.
- U.S. stocks tumbled last week – now up about 3% for the year, versus nearly 9% in Europe. We see markets reflecting tariff concerns and an evolving AI story.
- This week, we get U.S. PCE for January. Any pickup in inflation would provide more evidence that December's CPI moderation was an outlier, in our view.

European equity gains have outpaced the U.S. to start 2025. We had said Europe's stocks needed a catalyst to turn around poor sentiment. We now see several that – if they materialize – could boost cheap valuations, so we close our underweight on Europe's stocks. Yet we still expect the U.S. to reclaim leadership this year and stay overweight U.S. stocks as corporate earnings strength and the artificial intelligence (AI) theme broaden out. We turn more underweight long-term U.S. Treasuries.

Europe's energy crisis

Natural gas prices in the U.S. and Europe, 2000 to 2025



Source: BlackRock Investment Institute, with data from LSEG Datastream, Intercontinental Exchange and Oxford Economics, February 2025. Note: The chart shows the natural gas prices in the U.S. and Europe since 2000. British Thermal Unit (BTU) is the traditional measurement unit for natural gas and represents the amount of energy needed to cool or heat one pound of water by one degree Fahrenheit.

U.S. equities have long outperformed their global peers. Some pin that on tech's greater share in its market, bigger fiscal spend in recent years and energy independence, but we would attribute it more to deeper capital markets and relative deregulation that promote risk-taking. We think the U.S. can keep its edge, even if the S&P 500 has lagged so far this year. Yet we believe Europe can close some of the return gap. With a lot of bad news priced into European equities, even prospects of good news could help them push higher. One example: Possible de-escalation in the Ukraine war. Reduced reliance on Russian gas brought European energy prices down from 2022's highs. See the chart. A form of peace agreement could lower energy prices further, boosting European growth and lowering inflation. This is just one of several catalysts we think could broaden U.S. equity strength to Europe.



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We eye other catalysts for European equities as well. We expect more defense spending as the U.S. has stated Europe is no longer a primary security priority. The EU now has an air of urgency that typically spurs action. In Germany, the weekend's election result could herald fiscal loosening – though it's a long and uncertain road there. Still sluggish euro area growth and easing inflation gives the European Central Bank room to cut rates more this year, we think. So, we go neutral Europe's stocks and still favor European financials – a preference that also served us well last year. Yet Europe still faces multiple structural issues, from lagging competitiveness to potential U.S. tariffs – justifying some of Europe's hefty valuation discount, we think.

Our assessment of the U.S. is unchanged: we expect mega-cap tech and other AI-linked stocks to keep driving U.S. equity returns, especially as AI adoption grows. But we also see signs of earnings strength broadening beyond tech. Analysts now expect tech to deliver 18% earnings growth this year versus 11% for the broader index, LSEG data show – a smaller gap vs. 2024. We think risk assets could also weather the higher growth and higher inflation mix we see as increasingly possible. New tariffs and U.S. policy shifts aimed at boosting growth, like deregulation, carry inflationary potential. Markets have embraced our higher-for-longer rate view, yet we still see term premium rising more than currently priced as investors demand more return for the risk of holding long-term bonds – even if the administration's focus on long-term yields and talks of pausing quantitative tightening could delay some of the rise for now. We go further underweight long-term U.S. Treasuries as a result.

In China, apparent efficiency gains by AI startup DeepSeek have driven a surge in China's tech sector. President Xi Jinping's recent meeting with private sector business leaders could signal a more supportive regulatory backdrop, yet the broader environment of U.S.-China technology competition may present challenges. We evolve our tactical overweight to Chinese equities as tech excitement could keep driving returns, potentially reducing the odds of much-anticipated government stimulus. Over the longer term, we are more wary given structural challenges to China's growth and tariff risks.

Bottom line: We stay overweight U.S. equities, even with their softer start to 2025. Yet we think their lead over global peers could narrow this year. We upgrade European stocks to neutral while going further underweight long-dated U.S. Treasuries.

Market backdrop

The S&P 500 slid nearly 2% last week. The index is up 2.5% this year, but still lagging Europe's Stoxx 600, which is up 8.5% year to date. Ten-year U.S. Treasury yields ticked down to 4.43%, about 40 basis points below 2025's high. Hong Kong-listed Chinese stocks shook off a steep fall to rise 4% last week, up 22% in 2025. We think such moves reflect improving sentiment in Europe, concerns about potential U.S. policy changes and disappointing economic data, and the evolving AI theme.

Assets in review

Selected asset performance, year-to-date return and range



Past performance is not a reliable indicator of current or future results. Indexes are unmanaged and do not account for fees. It is not possible to invest directly in an index.

Sources: BlackRock Investment Institute, with data from LSEG Datastream as of Feb. 20, 2025. Notes: The two ends of the bars show the lowest and highest returns at any point year to date, and the dots represent current year-to-date returns. Emerging market (EM), high yield and global corporate investment grade (IG) returns are denominated in U.S. dollars, and the rest in local currencies. Indexes or prices used are: spot Brent crude, ICE U.S. Dollar Index (DXY), spot gold, MSCI Emerging Markets Index, MSCI Europe Index, LSEG Datastream 10-year benchmark government bond index (U.S., Germany and Italy), Bank of America Merrill Lynch Global High Yield Index, J.P. Morgan EMBI Index, Bank of America Merrill Lynch Global Broad Corporate Index and MSCI USA Index.

Week ahead

Feb. 25	U.S. consumer confidence; Japan service PPI	Feb. 28	U.S. PCE; Japan CPI
Feb. 27	U.S. durable goods	March 1	China manufacturing PMI

This week, we get U.S. PCE for January. The latest U.S. CPI print came in hotter than expected, indicating that elevated wage pressures are still driving sticky inflation. We watch for whether PCE follows suit, which would point to December's CPI moderation being an outlier. In Japan CPI data out this week, we expect a pickup due to rising food prices.

Big calls

Our highest conviction views on tactical (6-12 month) and strategic (long-term) horizons, February 2025

Tactical	Reasons
U.S. equities	We see the AI buildout and adoption creating opportunities across sectors. We tap into beneficiaries outside the tech sector. Robust economic growth, broad earnings growth and a quality tilt underpin our conviction and overweight in U.S. stocks versus other regions. We see valuations for big tech backed by strong earnings, and less lofty valuations for other sectors.
Japanese equities	A brighter outlook for Japan's economy and corporate reforms are driving improved earnings and shareholder returns. Yet the potential drag on earnings from a stronger yen is a risk.
Selective in fixed income	Persistent deficits and sticky inflation in the U.S. make us more positive on fixed income elsewhere, notably Europe. We are underweight long-term U.S. Treasuries and like euro area government bonds instead. We also prefer European credit – both investment grade and high yield – over the U.S. on more attractive spreads.
Strategic	Reasons
Infrastructure equity and private credit	We see opportunities in infrastructure equity due to attractive relative valuations and mega forces. We think private credit will earn lending share as banks retreat – and at attractive returns.
Fixed income granularity	We prefer DM government bonds over investment grade credit given tight spreads. Within DM government bonds, we favor short- and medium-term maturities in the U.S., and UK gilts across maturities.
Equity granularity	We favor emerging over developed markets yet get selective in both. EMs at the cross current of mega forces – like India and Saudi Arabia – offer opportunities. In DM, we like Japan as the return of inflation and corporate reforms brighten the outlook.

Note: Views are from a U.S. dollar perspective, February 2025. This material represents an assessment of the market environment at a specific time and is not intended to be a forecast of future events or a guarantee of future results. This information should not be relied upon by the reader as research or investment advice regarding any particular funds, strategy or security.

Tracking five mega forces

Mega forces are big, structural changes that affect investing now – and far in the future. As key drivers of the new regime of greater macroeconomic and market volatility, they change the long-term growth and inflation outlook and are poised to create big shifts in profitability across economies and sectors. This creates major opportunities – and risks – for investors. See our [web hub](#) for our research and related content on each mega force.

- 1. Demographic divergence:** The world is split between aging advanced economies and younger emerging markets – with different implications.
- 2. Digital disruption and artificial intelligence (AI):** Technologies are transforming how we live and work.
- 3. Geopolitical fragmentation and economic competition:** Globalization is being rewired as the world splits into competing blocs.
- 4. Future of finance:** A fast-evolving financial architecture is changing how households and companies use cash, borrow, transact and seek returns.
- 5. Transition to a low-carbon economy:** The transition is set to spur a massive capital reallocation as energy systems are rewired.

Granular views

Six- to 12-month tactical views on selected assets vs. broad global asset classes by level of conviction, February 2025

Our approach is to first determine asset allocations based on our macro outlook – and what’s in the price. **The table below reflects this and, importantly, leaves aside the opportunity for alpha, or the potential to generate above-benchmark returns.** The new regime is not conducive to static exposures to broad asset classes, in our view, but is creating more space for alpha.

	Underweight	Neutral	Overweight	● Previous view		
Asset	View				Commentary	
Equities	Developed markets					
	United States				●	We are overweight as the AI theme and earnings growth broaden. Valuations for AI beneficiaries are supported by tech companies delivering on earnings. Resilient growth and Fed rate cuts support sentiment. Risks include any long-term yield surges or escalating trade protectionism.
	Europe				●	We are neutral, preferring the U.S. and Japan. We see room for more European Central Bank rate cuts, supporting an earnings recovery. Rising defense spending, as well as potential fiscal loosening and de-escalation in the Ukraine war are other positives.
	UK				●	We are neutral. Political stability could improve investor sentiment. Yet an increase in the corporate tax burden could hurt profit margins near term.
	Japan				●	We are overweight. A brighter outlook for Japan’s economy and corporate reforms are driving improved earnings and shareholder returns. Yet a stronger yen dragging on earnings is a risk.
Fixed Income	Emerging markets					
	China				●	We are modestly overweight. We think AI and tech excitement could keep driving returns, potentially reducing the odds of much-anticipated government stimulus. We stand ready to pivot. We remain cautious given structural challenges to China’s growth and tariff risks.
	Short U.S. Treasuries				●	We are neutral. Markets are pricing in fewer Federal Reserve rate cuts and their policy rate expectations are now roughly in line with our views.
	Long U.S. Treasuries				●	We are underweight. Persistent budget deficits and geopolitical fragmentation could drive term premium up over the near term. We prefer intermediate maturities less vulnerable to investors demanding more term premium.
	Global inflation-linked bonds				●	We are neutral. We see higher medium-term inflation, but cooling inflation and growth may matter more near term.
	Euro area govt bonds				●	We are overweight. Trade uncertainty may hurt euro area growth more than it boosts inflation, potentially allowing the European Central Bank to cut rates more. Political uncertainty remains a risk to fiscal sustainability.
	UK gilts				●	We are neutral. Gilt yields are off their highs, but the risk of higher U.S. yields having a knock-on impact and reducing the UK’s fiscal space has risen. We are monitoring the UK fiscal situation.
	Japanese govt bonds				●	We are underweight. Stock returns look more attractive to us. We see some of the least attractive returns in JGBs.
	China govt bonds				●	We are neutral. Bonds are supported by looser policy. Yet we find yields more attractive in short-term DM paper.
	U.S. agency MBS				●	We are neutral. We see agency MBS as a high-quality exposure in a diversified bond allocation and prefer it to IG.
	Short-term IG credit				●	We are overweight. Short-term bonds better compensate for interest rate risk.
	Long-term IG credit				●	We are underweight. Spreads are tight, so we prefer taking risk in equities from a whole portfolio perspective. We prefer Europe over the U.S.
	Global high yield				●	We are neutral. Spreads are tight, but the total income makes it more attractive than IG. We prefer Europe.
	Asia credit				●	We are neutral. We don’t find valuations compelling enough to turn more positive.
	Emerging hard currency				●	We are neutral. The asset class has performed well due to its quality, attractive yields and EM central bank rate cuts. We think those rate cuts may soon be paused.
Emerging local currency				●	We are underweight. We see emerging market currencies as especially sensitive to trade uncertainty and global risk sentiment.	

Past performance is not a reliable indicator of current or future results. It is not possible to invest directly in an index. Note: Views are from a U.S. dollar perspective. This material represents an assessment of the market environment at a specific time and is not intended to be a forecast or guarantee of future results. This information should not be relied upon as investment advice regarding any particular fund, strategy or security.

Beyond Tariffs: US Refineries and the Continued Reliance on Canadian Crude

By [Patrick De Haan](#) | March 4, 2025

What You Need to Know

- Trump's 10% tariff on Canadian energy went into effect at midnight on March 4.
- Some U.S. regions will see price impacts rather quickly, while others will see a delay of 1-3 weeks.
- Fuel prices will rise in varying amounts across different U.S. regions, with the Northeast expected to see the most significant increase at around 20-40 cents per gallon by mid-March.
- Refined products like gasoline, diesel, heating oil, propane, jet fuel and more will be impacted.
- U.S. refineries can't simply switch from processing Canadian to American crude oil due to specialized equipment, infrastructure, and pipeline configuration that has been built up over the last 50 years.
- Long-term, the tariff will add costs throughout the entire supply and refining system, ultimately passing costs to consumers in the form of higher fuel prices.

Trump's 10% tariff on Canadian oil goes into effect today. This has prompted many to ask an apparently simple question: "Why can't U.S. refiners just use American oil instead?" As is often the case with energy policy, what seems straightforward on the surface is anything but.

Let me break down why this isn't as simple as flipping a switch from "Canadian" to "American" crude oil, and what it means for your wallet at the pump.

Infrastructure Isn't Built for It

Our pipeline infrastructure simply isn't designed to accommodate such a dramatic shift. The network that currently serves refineries across the Midwest, Great Lakes, and Rockies was specifically constructed to deliver Canadian heavy crude, and these pipelines only flow in one direction—south.

To transport substantial quantities of U.S. crude (primarily from the Permian Basin in Texas or the Bakken in North Dakota) to these northern refineries would require entirely new pipeline configurations or reversing existing flows. That's not happening overnight. We're talking years of planning, billions in investment, and navigating complex regulations.

Not All Crude Is Created Equal

U.S. refiners that currently process Canadian crude can't simply swap for domestic. It's like asking someone with a diesel truck to suddenly fill up with regular gasoline.

Refineries in these regions were specifically designed and optimized to process heavy sour crude from Canada. These facilities have invested billions in specialized equipment like cokers and hydrocrackers that break down heavier oils. Light sweet crude from the U.S. requires completely different processing equipment and results in different product outputs.

Even if U.S. refiners wanted to retrofit their facilities to process more U.S. light sweet crude (at a cost of billions), many operations would operate at reduced efficiency which inevitably translates to higher costs at the pump for consumers.

Regional Price Impacts: Where Will You Feel It Most?

Northeast (Maine, Rhode Island, Connecticut, Vermont, New Hampshire, Massachusetts, and Upstate New York)

If you're filling up in the Northeast, you'll see price increases first and more significantly, as a significant portion of this region's fuel comes directly from the Irving Oil refinery in Saint John, New Brunswick, Canada. The refined products crossing the border would immediately incur the tariff costs. By mid-March 2025, the Northeast could expect fuel prices—including gasoline,

diesel, and other petroleum products—to be 20-40 cents per gallon higher. For a typical 15-gallon fill-up, that's an additional \$3-\$6 every time you visit the pump.

Midwest (North Dakota, Minnesota, South Dakota, Nebraska, Iowa, Kansas, Missouri)

Refineries across the Midwest rely heavily on Canadian crude oil, but the impact on pump prices would take longer to materialize. Since crude oil must first be refined into fuel products, we'll likely see a lag of a couple weeks before prices begin to climb. While economic disruption caused by the tariffs could partially offset some price increases, residents in the Midwest could expect gasoline and diesel prices to rise by 5-20 cents per gallon.

Great Lakes (Michigan, Wisconsin, Illinois, Indiana, Ohio, Pennsylvania)

The Great Lakes region's refineries are particularly dependent on Canadian crude oil inputs. Like the Midwest, there would be a processing delay before consumers feel the full impact at the pump. Residents across these states should prepare for price increases of 10-25 cents per gallon for both gasoline and diesel, though some economic effects from the tariffs could slightly moderate these increases.

Rockies (Montana, Idaho, Wyoming, Colorado, Utah)

Mountain region refineries also process significant amounts of Canadian crude oil. Like other inland regions, there would be a lag between tariff implementation and price increases at local gas stations. Consumers in the Rockies could expect fuel price increases of 10-20 cents per gallon once refiners have worked through their pre-tariff oil supplies.

Other Regions (South, Southeast, Mid-Atlantic, Southwest and West Coast)

At this time, there would be negligible impact to other regions of the U.S., which are less reliant on Canadian crude oil. But with the typical seasonal shift ahead of us, prices are likely to increase in the weeks ahead just as they do every year with rising demand and temperatures, planned refinery maintenance, and the transition to summer gasoline in process across the entire U.S.

The Tariff Impact

The oil market is incredibly complex, with infrastructure developed over decades to optimize efficiency. Political decisions that disrupt these systems rarely produce the intended consequences but almost always result in higher costs for everyday Americans.

The real-world impact of tariffs won't be to shift refining patterns, instead it will be to add costs throughout the system, and these costs will make their way to consumers in the form of higher prices for gasoline, diesel, and other petroleum products starting today.



[Patrick De Haan](#)

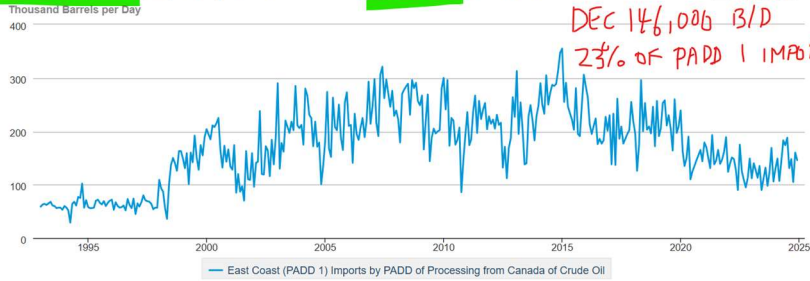
Head of Petroleum Analysis (USA)

Patrick has developed into the leading source for reliable and accurate information on gas price hikes. Patrick has been interviewed as a gasoline price expert hundreds of times since 2004. Based in Chicago, Patrick brings to GasBuddy all his assets to help consumers by giving reliable and accurate price forecasts, including the San Jose Mercury News dubbing Patrick "one of the nation's most accurate forecasters" in 2012.

US Oil Imports of Oil by PADD from Canada, Mexico & Venezuela For Dec 2024

East Coast (PADD 1) Imports by PADD of Processing from Canada of Crude Oil

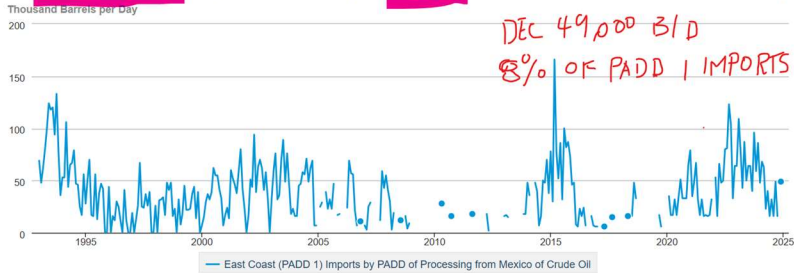
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eia Data source: U.S. Energy Information Administration

East Coast (PADD 1) Imports by PADD of Processing from Mexico of Crude Oil

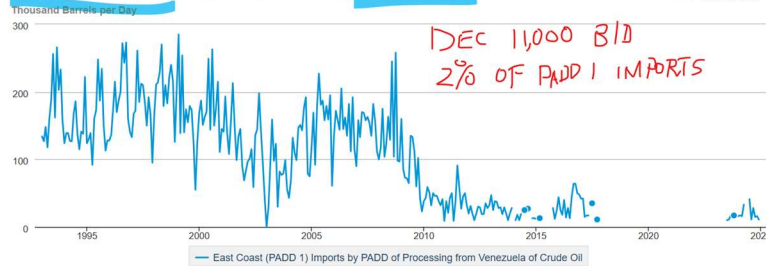
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East Coast (PADD 1) Imports by PADD of Processing from Venezuela of Crude Oil

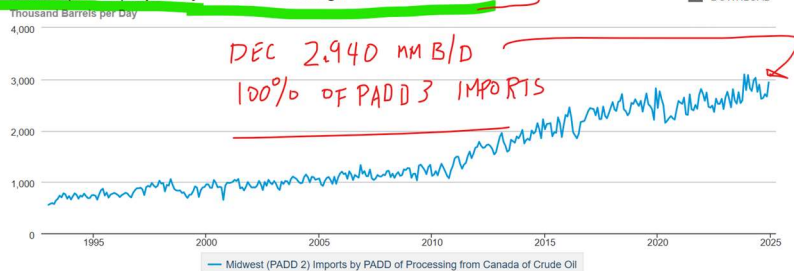
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eia Data source: U.S. Energy Information Administration

Midwest (PADD 2) Imports by PADD of Processing from Canada of Crude Oil

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Gulf Coast (PADD 3) Imports by PADD of Processing from Canada of Crude Oil

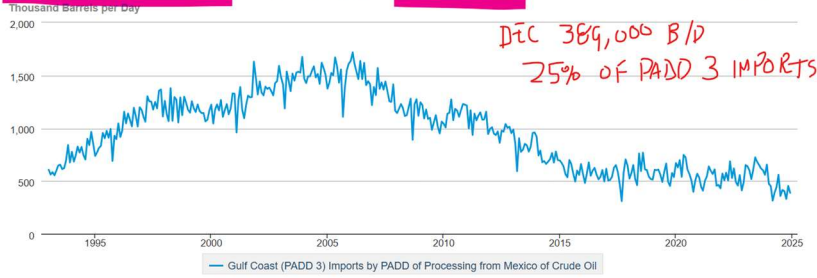
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eia Data source: U.S. Energy Information Administration

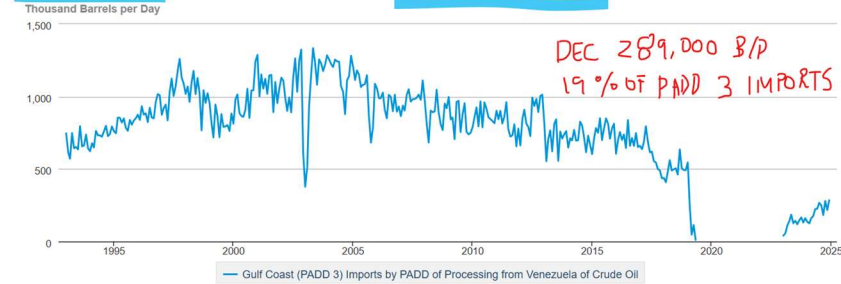
Gulf Coast (PADD 3) Imports by PADD of Processing from Mexico of Crude Oil

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Gulf Coast (PADD 3) Imports by PADD of Processing from Venezuela of Crude Oil

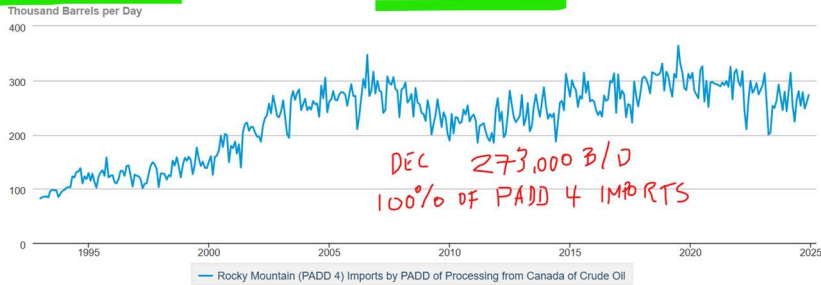
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eia Data source: U.S. Energy Information Administration

Rocky Mountain (PADD 4) Imports by PADD of Processing from Canada of Crude Oil

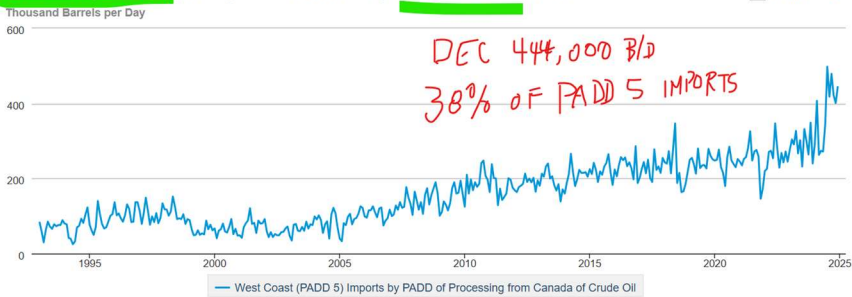
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eia Data source: U.S. Energy Information Administration

West Coast (PADD 5) Imports by PADD of Processing from Canada of Crude Oil

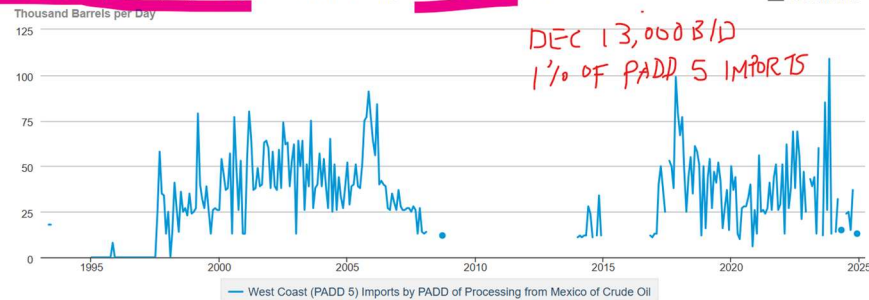
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West Coast (PADD 5) Imports by PADD of Processing from Mexico of Crude Oil

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eia Data source: U.S. Energy Information Administration

03/11/2025 05:42:08 [BFW] Bloomberg First Word

Russia Refinery Runs Still Pressured in Early March Amid Attacks

By Bloomberg News

(Bloomberg) -- Russia's crude-processing rates remained under pressure in the first five days of March -- averaging almost 5.14m b/d -- amid repeated Ukrainian drone attacks on the nation's downstream facilities, according to a person with knowledge of industry data.

- That's little changed compared with the Feb. 20-26 period and about 50k b/d below the level for the most of February
 - If crude-processing rates remains at the March 1-5 level until the end of the March, refinery runs would hit a five-month low, according to historical data
 - NOTE: The data for early March doesn't include the impact of attacks that happened after March 5
 - A decline in crude-processing rates at some key refineries amid drone attacks was compensated by higher refinery runs at other facilities, the person said
 - READ (March 10): Ukraine Claims Drone Attacks on Two Rosneft Oil Refineries
 - READ (March 8): Russian Oil Refinery Hit by Drone as Missiles Pound Ukraine
 - READ (March 4): Ukraine Claims Night Drone Attack on Russian Oil Pipe, Refinery
 - READ (March 3): Rosneft's Ufa Oil Refinery in Bashkortostan Catches Fire
-

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Nicholas Larkin

03/11/2025 10:14:15 [BN] Bloomberg News

Russian Oil Flows Surge in Sign US Sanctions Starting to Crumble

Tankers stir after year-long hiatus to load key Pacific grade ESPO

By Julian Lee

(Bloomberg) -- US sanctions on Russia's oil tanker fleet are showing signs of faltering, after a clutch of blacklisted vessels loaded cargoes for the first time in more than a year to drive up the country's crude shipments.

Washington's measures have been instrumental in restricting Moscow's ability to ship its oil and raise funds for the war in Ukraine. But in recent days, three blacklisted vessels loaded cargoes of Russia's flagship Pacific grade and sailed from the country's main regional port. And satellite imagery suggests that more ships are leaving anchorages west of the port of Nakhodka, where they've idled since being sanctioned.

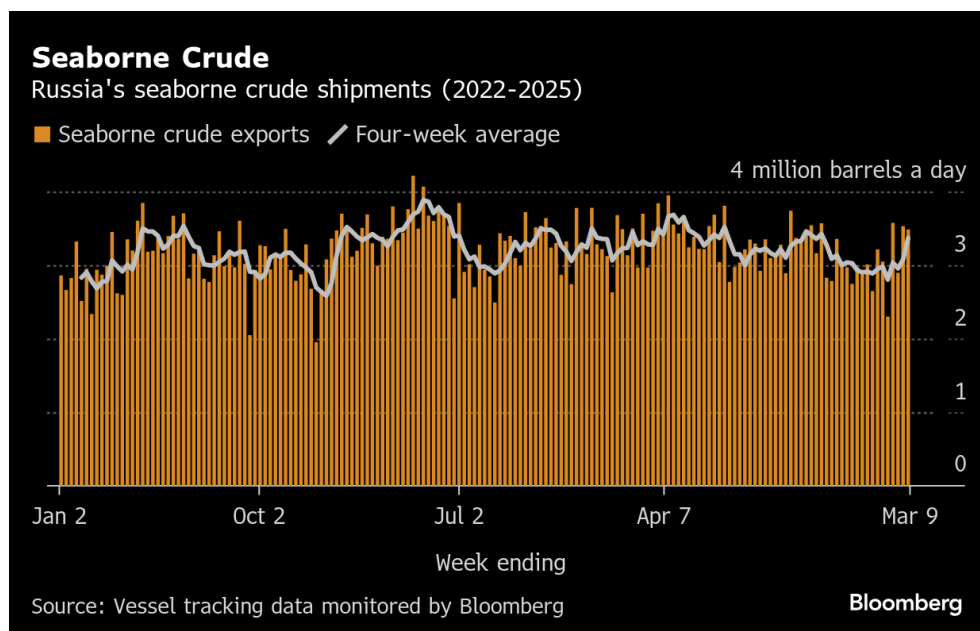
At stake is Moscow's ability to get oil to the world and bring down spiraling freight costs that have been denting the nation's petroleum revenues. The more tankers it can reactivate, the more Russia can work around the west's measures.

It has found ways around earlier ship sanctions, amassing a huge fleet of tankers owned by little-known and frequently changing entities, domiciled far from the reaches of western governments and avoiding services provided by western companies.

But the sanctions regime was bolstered in January when President Joe Biden's outgoing administration announced a swath of new curbs, including blacklisting an additional 161 ships.

That move initially had a throttling effect on oil flows, but Biden's successor, President Donald Trump, is pushing hard for a ceasefire in the three-year-long conflict, potentially opening the way for an easing of restrictions on Moscow's oil trade.

Crude flows from all Russian ports in the four weeks to March 9 jumped by about 300,000 barrels a day – the biggest gain since January 2023 – to 3.37 million, the highest since the period to Nov. 10.



Delivery Difficulties and Covert Transfers

Before Biden's Jan. 10 sanctions package, India was the destination for about 60% of Russia's Arctic crude exports, taking about 64 million barrels last year. It was also the landing place for about 14 million barrels of Sokol crude from the Sakhalin 1 project in the first nine months of 2024, equivalent to almost 30% of total shipments in that period, though that trade dried up in the final quarter of last year.

No cargoes of Russia's Arctic crude loaded after Jan. 10 have been delivered to India, vessel-tracking data compiled by Bloomberg show. That's despite ports on India's west coast initially being identified as their destinations in shipping data.

Instead of being delivered, some cargoes have been transferred covertly onto other ships off the coast of Oman. Those ships, where it's been possible to identify them, appear to be heading for China. Other cargoes are heading directly to China.

Almost all of the 15 million barrels loaded from the Arctic since the Jan. 10 sanctions appear to be going on far longer voyages than originally planned, leaving the oil at sea for months.

Two Arctic loading tankers are identified in shipping data as heading to the Syrian port of Baniyas. Neither has yet reached a point in its journey where it will become possible to see whether that information is accurate.

In the Pacific, only eight of 22 cargoes of Sakhalin crude loaded since the latest ban have been delivered. Three of those were discharged into storage tanks at Yangshan port near Shanghai, tracking data show. The facility isn't connected to any of China's refineries, and the move could simply be designed to hide the true origin of the barrels when they are later moved to a refinery.

Shuttle tankers are continuing to transfer Sokol cargoes onto other vessels in Nakhodka Bay, with tracking data and satellite imagery indicating that at least three such transfers have taken place so far this month.

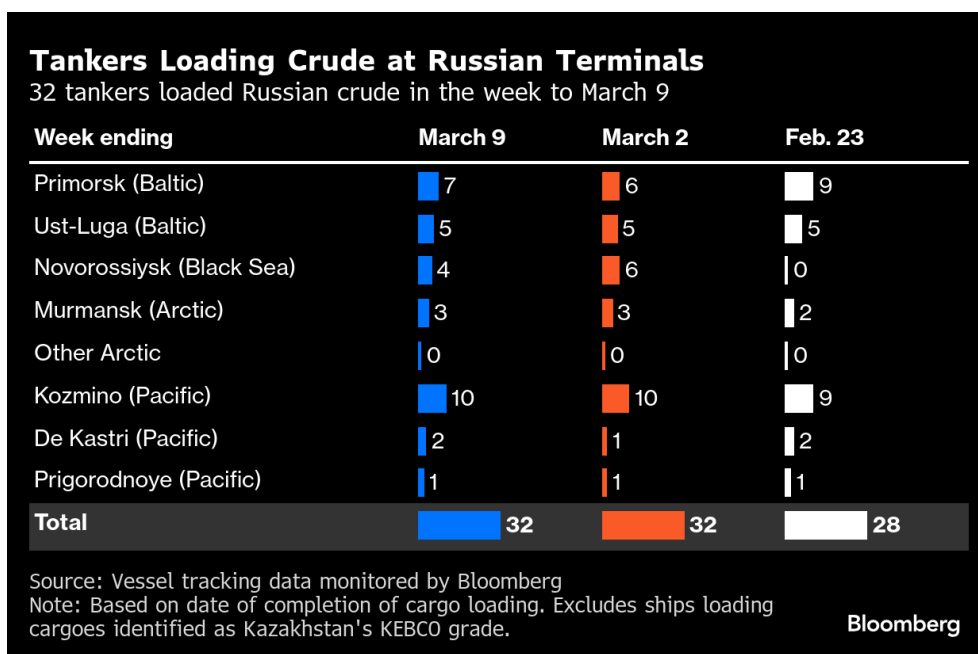
But even after they have been transferred, Pacific cargoes are not proving easy to discharge.

A supertanker that took about 2 million barrels of Sokol crude through similar transfers in the first 10 days of February is still holding its cargo after failing to discharge at Yantai and then at Dongjiakou in China. Vessel-tracking data compiled by Bloomberg show it's now heading for a third port, Huangdao.

Russia's difficulties in unloading its cargoes could ease should President Trump decide to reverse Biden's measures.

Crude Shipments

A total of 32 tankers loaded 24.39 million barrels of Russian crude in the week to March 9, vessel-tracking data and port-agent reports show. The volume was down slightly from 24.71 million barrels on the same number of ships the previous week.

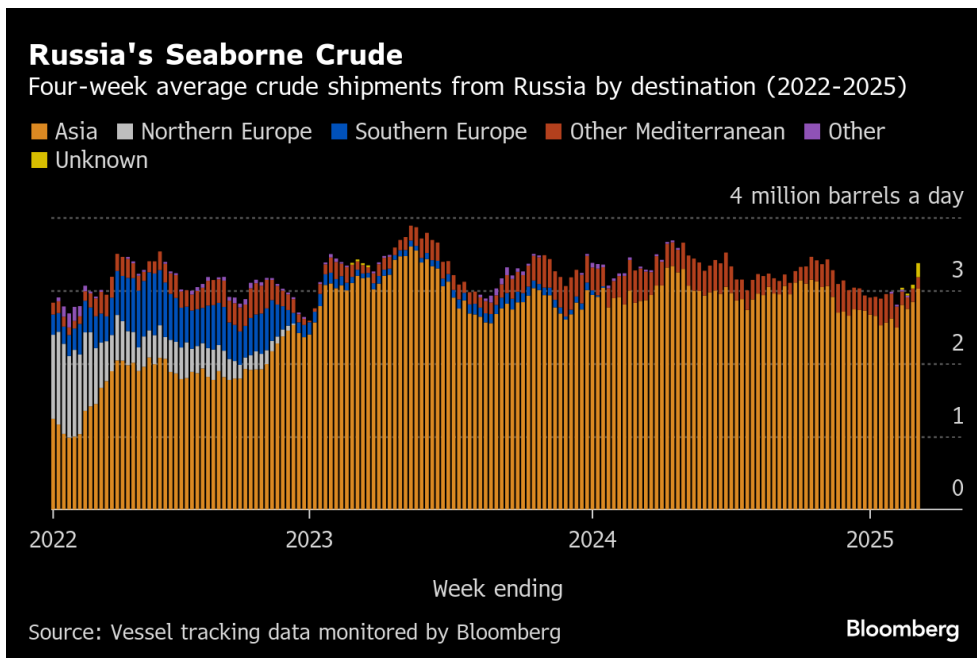


Daily crude flows in the seven days to March 9 edged lower by about 45,000 barrels, or 1%, from the previous week to 3.48 million.

Shipments of Russian crude from Novorossiysk slipped back to four cargoes after the previous week's surge, but that was offset by additional cargoes from Primorsk and the Sakhalin 1 project.

Less volatile four-week average flows moved sharply in the opposite direction after the very low flow seen in the week to Feb. 9 dropped out of the calculation. That resulted in a 300,000 barrel-a-day jump in flows from the previous week using this measure, the biggest upward move since Jan. 15, 2023. It took four-week average shipments to 3.37 million barrels a day, the highest level in four months.

One cargo of Kazakhstan's KEBCO crude was loaded during the week from Novorossiysk, with another departing Ust-Luga.



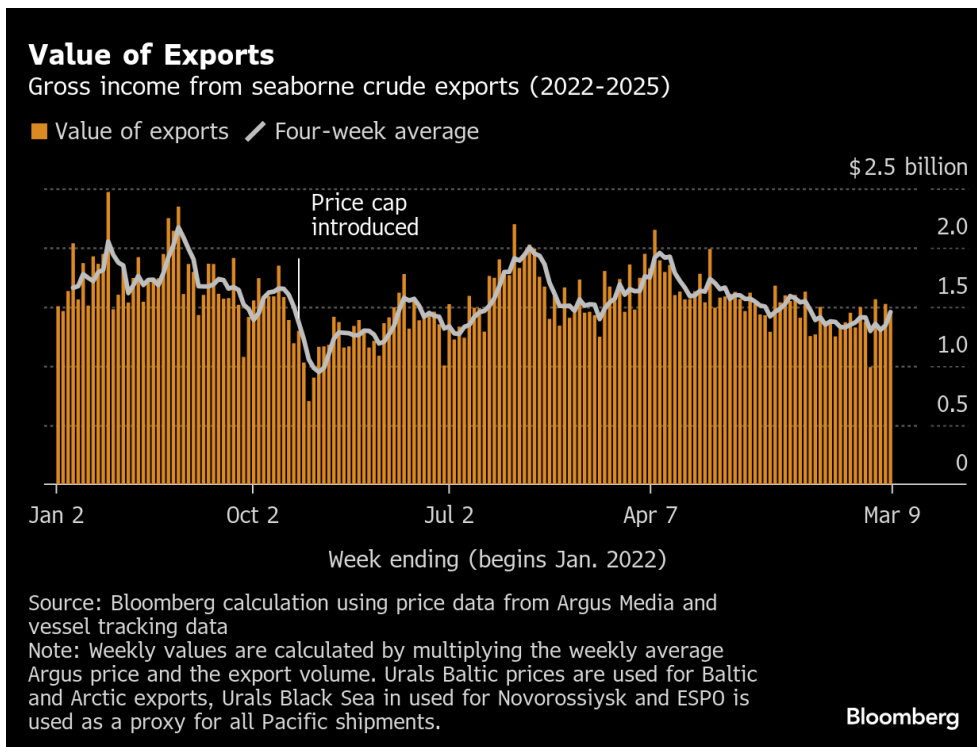
Export Value

The gross value of Moscow's exports fell by about \$80 million, or 5%, to \$1.44 billion in the week to March 9.

Export values of Russian Urals crude fell by about \$2.50-\$2.60 a barrel, while the price of key Pacific grade ESPO dropped by about \$3.30/bbl. Delivered prices in India were down by about \$2.10, all according to numbers from Argus Media.

On a four-week average basis, income rose in the period to March 8 to about \$1.46 billion a week, up from \$1.34 billion in the period to March 2.

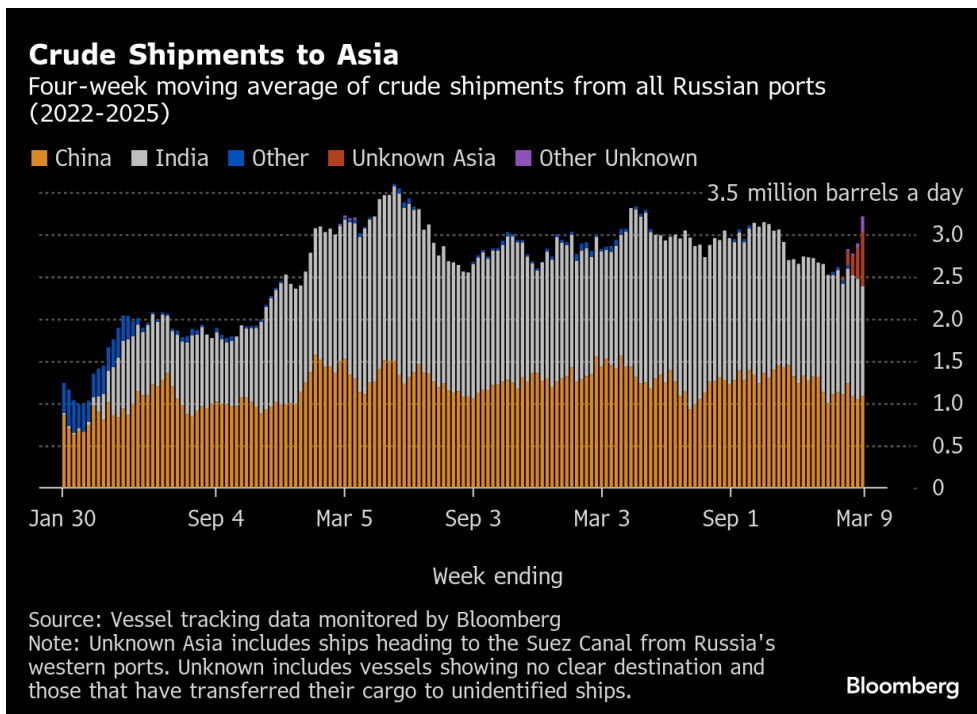
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Flows by Destination

Observed shipments to Russia’s Asian customers, including those showing no final destination, rose to 3.21 million barrels a day in the four weeks to March 9, bringing them to their highest since May and 2% above the average level seen during the most recent peak in October.

The figures include about 670,000 barrels a day on ships showing their destination as Port Said or the Suez Canal and another 160,000 barrels a day on vessels yet to show a destination.



Russia's Asian Customers

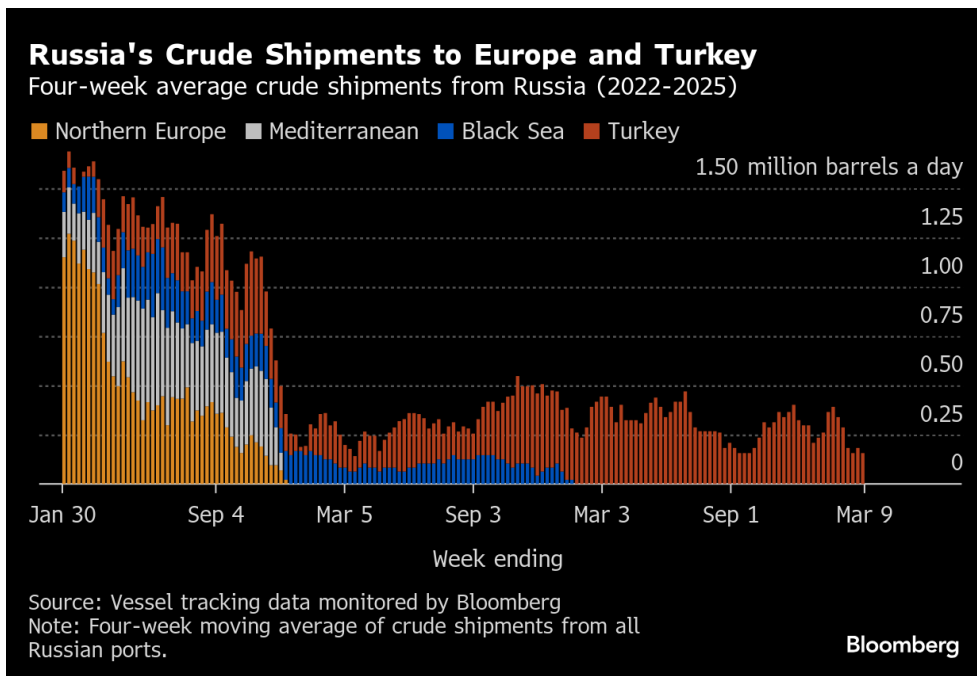
Shipments of Russian crude to Asian buyers in million barrels a day

4 weeks ending	China	India	Other	Unknown Asia	Other Unknown	Total
February 02, 2025	1.13	1.45	0.04	0.00	0.00	2.62
February 09, 2025	1.10	1.31	0.04	0.04	0.00	2.49
February 16, 2025	1.24	1.36	0.04	0.17	0.03	2.83
February 23, 2025	1.08	1.43	0.00	0.23	0.03	2.77
March 02, 2025	1.05	1.43	0.00	0.37	0.05	2.89
March 09, 2025	1.09	1.30	0.00	0.67	0.16	3.21

Source: Vessel tracking data compiled by Bloomberg

Bloomberg

Turkey is now the only short-haul market for shipments from Russia's western ports, with flows in the 28 days to March 9 slipping back to average about 160,000 barrels a day. Turkey's biggest refiner confirmed it has halted purchases of Russian oil after earlier signaling that it would restrict them to avoid falling foul of US sanctions.



NOTES

This story forms part of a weekly series tracking shipments of crude from Russian export terminals and the gross value of those flows. The next update will be on Tuesday, March 18.

All figures exclude cargoes identified as Kazakhstan’s KEBCO grade. Those are shipments made by KazTransoil JSC that transit Russia for export through Novorossiysk and Ust-Luga and are not subject to European Union sanctions or a price cap. The Kazakh barrels are blended with crude of Russian origin to create a uniform export stream. Since Russia’s invasion of Ukraine, Kazakhstan has rebranded its cargoes to distinguish them from those shipped by Russian companies.

Bloomberg classifies ship-to-ship transfers as clandestine if automated position signals appear to be switched off or falsified – a tactic known as spoofing – to hide the two vessels involved coming together to make the cargo switch.

Vessel-tracking data are cross-checked against port agent reports as well as flows and ship movements reported by other information providers including Kpler and Vortexa Ltd.

If you are reading this story on the Bloomberg terminal, click for a [link](#) to a PDF file of four-week average flows from Russia to key destinations.

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US Issues New Sweeping Sanctions Against Russian Oil Tankers

--With assistance from [Sherry Su](#).

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Oil Market Highlights

Crude Oil Price Movements

In February, the OPEC Reference Basket (ORB) fell by \$2.57, or 3.2%, m-o-m, to average \$76.81/b. The ICE Brent front-month contract declined by \$3.40, or 4.3%, m-o-m, to average \$74.95/b, and NYMEX WTI front-month contract fell by \$3.89, or 5.2%, m-o-m, to average \$71.21/b. The GME Oman front-month contract fell by \$2.94, or 3.7%, m-o-m, to average \$77.28/b. The ICE Brent-NYMEX WTI first-month spread widened by 49¢, m-o-m, to average \$3.74/b. The market structure of all major crude benchmarks, ICE Brent, NYMEX WTI and GME Oman, flattened compared with the previous month, but the forward curves remained in backwardation. Hedge funds and other money managers closed a large volume of bullish positions in ICE Brent and NYMEX WTI, and sharply raised NYMEX WTI short positions to the highest in more than a year. This fuelled volatility and accelerated declines in oil futures prices.

World Economy

The world economic growth forecasts remain unchanged at 3.1% for 2025 and 3.2% for 2026. The US economic growth forecasts are unchanged at 2.4% for 2025 and 2.3% for 2026. Following a rebound in 4Q24, Japan's 2025 economic growth forecast is revised up slightly to 1.2%, followed by an unchanged growth of 1.0% in 2026. The Eurozone's economic growth forecasts for both 2025 and 2026 are unchanged at 0.9% and 1.1%, respectively. China's economic growth forecast for 2025 remains at 4.7% and 4.6% in 2026. India's economic growth forecasts remain at 6.5% for both 2025 and 2026. Brazil's economic growth forecasts remain at 2.3% in 2025 and 2.5% in 2026. Russia's economic growth forecasts for 2025 and 2026 remain unchanged at 1.9% and 1.5%, respectively.

World Oil Demand

The global oil demand growth forecast for 2025 remains unchanged at 1.4 mb/d. The OECD is projected to expand by about 0.1 mb/d, y-o-y, while the non-OECD is forecast to grow by about 1.3 mb/d. Robust oil demand growth is expected to continue in 2026. Global oil demand for 2026 is forecast to grow by 1.4 mb/d, y-o-y, unchanged from last month's assessment. The OECD is forecast to grow by about 0.1 mb/d, y-o-y, while demand in the non-OECD is forecast to increase by about 1.3 mb/d.

World Oil Supply

Non-DoC liquids supply (i.e., liquids supply from countries not participating in the Declaration of Cooperation) is forecast to grow by 1.0 mb/d, y-o-y, in 2025, unchanged from last month's assessment. The main growth drivers are expected to be the US, Brazil, Canada, and Norway. Non-DoC liquids supply growth in 2026 also remains unchanged at 1.0 mb/d, mainly driven by the US, Brazil and Canada. Meanwhile, natural gas liquids (NGLs) and non-conventional liquids from countries participating in the DoC are forecast to grow by 0.1 mb/d, y-o-y, in 2025, to average 8.4 mb/d, followed by an increase of about 0.1 mb/d, y-o-y, in 2026, to average 8.5 mb/d. Crude oil production by the countries participating in the DoC increased by 363 tb/d in February, m-o-m, averaging about 41.01 mb/d, as reported by available secondary sources.

Product Markets and Refining Operations

In February, refinery margins in all reported trading hubs increased with a decline in feedstock prices, while rising offline capacity led to lower product output in the Northern Hemisphere. On the US Gulf Coast (USGC), the weather-related refinery shut-ins witnessed in January translated into strength across the barrel in February, with naphtha and gasoline representing the main drivers for the m-o-m rise. In Rotterdam, the increase in refining economics was the most pronounced, with solid gains nearly evenly distributed across the barrel as product availability decreased. Meanwhile, refining margins in Singapore showed a slight increase as lower naphtha inflows, limited gasoline supply and high-sulphur fuel supply concerns exerted upward pressure on their respective crack spreads.

Tanker Market

Dirty spot freight rates showed gains across almost all monitored routes in February. VLCC rates in particular rose as a fresh round of sanctions resulted in efforts to bring in alternative supplies. VLCC spot freight rates on the Middle East-to-East route jumped by 7%, while rates on the West Africa-to-East route rose by 5%, m-o-m. Some of the gains filtered down to the Suezmax market, with spot freight rates on the West Africa-to-USGC route showing a 20% increase, m-o-m. In the Aframax market, cross-Med spot freight rates rose by 9%, m-o-m, supported by a tightening of non-sanctioned vessel supply and an uptick in demand. In the clean tanker market, spot freight rates East of Suez rose by 2% on average, while West of Suez rates increased by 12%, amid limited vessel availability in the region.

Crude and Refined Product Trade

In February, US crude imports fell below 6 mb/d, while US crude exports increased to remain above 4 mb/d. US product imports stood below the range of the last five years, while US product exports were broadly stable at the top of the range. For OECD Europe, preliminary estimates indicate crude imports were higher both m-o-m and y-o-y in February. Japan's crude imports rose for the third-straight month in January, averaging 2.7 mb/d, representing a gain of over 5%, m-o-m, amid support from persistently cold weather. Crude imports into Japan were 10% higher, y-o-y, representing the first y-o-y gain in 14 months. Preliminary estimates indicate that China's crude imports averaged 10.0 mb/d in January, a drop of 1.3 mb/d, or more than 11%, m-o-m. Preliminary customs data shows China's aggregate crude imports for January–February averaged 10.4 mb/d. China's product imports declined in January, largely due to lower inflows of LPG. Meanwhile, India's crude imports averaged 4.9 mb/d in January, an increase of 3%, m-o-m. Products inflows into India remained unchanged, averaging 1.2 mb/d, as declines in LPG and naphtha were broadly offset by higher outflows of fuel oil and other fuels.

Commercial Stock Movements

Preliminary data for January 2024 shows total OECD commercial oil stocks up by 1.0 mb, m-o-m. At 2,738 mb, they were 188.1 mb below the 2015–2019 average. Within the components, crude stocks went up by 16.8 mb, while products stocks fell by 15.9 mb, m-o-m. OECD commercial crude stocks stood at 1,298 mb, which is 132.9 mb less than the 2015–2019 average. OECD total product stocks stood at 1,440 mb, some 55.2 mb below the 2015–2019 average. In terms of days of forward cover, OECD commercial stocks fell by 0.3 days, m-o-m, in January to stand at 60.7 days, which is 1.3 days lower than the 2015–2019 average.

Balance of Supply and Demand

Demand for DoC crude (i.e., crude from countries participating in the Declaration of Cooperation) remains unchanged from the previous assessment to stand at 42.6 mb/d in 2025. This is around 0.3 mb/d higher than the estimate for 2024. Demand for DoC crude in 2026 also remains unchanged from the previous assessment to stand at 42.9 mb/d. This is around 0.3 mb/d higher than the 2025 forecast.

Feature Article

Assessment of the global economy

Global economic growth saw continued momentum at the end of 2024. Notably, China achieved its annual growth target of 5% while India returned to accelerated growth in 4Q24 after a slowdown in 3Q24. The US maintained its solid growth despite a slight deceleration towards the end of the year. Japan saw a recovery in 2H24. Brazil and Russia maintained strong growth momentum, although overheating in some parts of their economies and high inflation remain a concern. While the Eurozone showed slower economic growth towards the end of the year, the region is anticipated to rebound going forward. These growth trends are expected to be sustained in 2025, with economic growth forecast at 3.1%, y-o-y, followed by a slight acceleration to 3.2%, y-o-y, in 2026 (see **Graph 1**).

The major non-OECD economies, particularly India and China, are expected to maintain growth momentum despite elevated trade concerns. Brazil and Russia are set to exhibit solid expansion driven by consumer demand and ongoing government spending, although at a somewhat decelerating pace. In the OECD, the US is anticipated to maintain healthy growth dynamics, despite uncertainties regarding trade relations and possible consequences on inflation. Japan's recovery is expected to continue into 2025. The outlook in the Eurozone points to a recovery from the weaker growth dynamics seen in late 2024.

Key central banks are expected to remain cautious. The Fed and the ECB are expected to continue their easing cycles although at a slower pace in the US.

China and India are anticipated to maintain additional space for easing. Japan, Brazil and Russia are expected to maintain tight monetary policies, with the latter two potentially easing towards the end of the year.

This forecast remains unchanged from the previous MOMR despite trade challenges and potential developments in geopolitical dynamics. Trade concerns are expected to contribute to volatility as trade policies continue to be unveiled. However, the global economy is expected to adjust. Price pressures may weigh on global growth but are unlikely to disrupt overall growth momentum, which remains supported by resilient consumer demand and strong output in major emerging economies. At the same time, trade will continue to expand and likely accelerate among emerging economies outside the OECD, driven by regional trade agreements and continued rising consumption, which will partially offset potential disruptions. However, downside risks need to be monitored given uncertainties in policy rollout and subsequent effects and impacts.

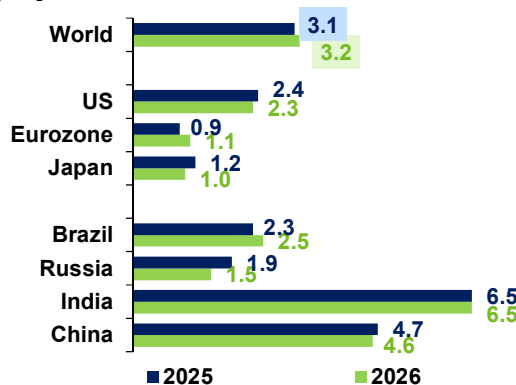
With this, global oil demand in 2025 is forecast to expand by a robust 1.4 mb/d, y-o-y, followed by a further 1.4 mb/d, y-o-y, in 2026. On a regional basis, most oil demand growth is expected in non-OECD economies, with an expansion of more than 1.3 mb/d, y-o-y, in both 2025 and 2026, with OECD oil demand growth at slightly above 0.1 mb/d, y-o-y, in both years (see **Graph 2**).

In terms of oil products, transportation fuels are set to drive oil demand growth in both 2025 and 2026, followed by petrochemical industry requirements.

Jet fuel demand is forecast to show the largest y-o-y expansion as international air traffic continues to recover and reach pre-pandemic levels, supported by strong domestic air travel in all regions. Gasoline

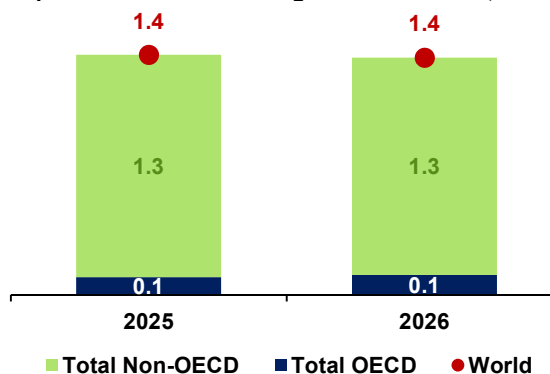
requirements are expected to continue to see support in major consuming countries and regions, such as China, the Middle East, India and the US. Both on-road diesel and solid industrial, construction and agricultural activities in non-OECD countries are expected to support diesel demand. Lastly, petrochemical feedstock growth is poised to be supported by capacity additions, as well as healthy petrochemical margins, mostly in China and the Middle East.

Graph 1: GDP growth forecast for 2025–26, % change y-o-y



Note: 2025-26 = Forecast. Source: OPEC.

Graph 2: World oil demand growth in 2025–26, mb/d



Note: 2025-26 = Forecast. Source: OPEC.

World Oil Demand

The global oil demand growth forecast for 2025 remains unchanged from the last MOMR assessment at 1.4 mb/d. Oil demand in the OECD is projected to grow by around 0.1 mb/d, with the Americas leading growth, with additional support from OECD Europe and Asia Pacific. In the non-OECD, oil demand is forecast to see healthy 1.3 mb/d y-o-y growth, driven by China, Other Asia and India, and supported by the Middle East and Latin America. Total world oil demand is anticipated to average 105.2 mb/d in 2025, bolstered by strong air travel demand and healthy road mobility, including on-road diesel and trucking, as well as healthy industrial, construction and agricultural activities in non-OECD countries. Similarly, capacity additions and petrochemical margins in non-OECD countries – mostly in China and the Middle East – are expected to contribute to oil demand growth.

The forecast for global oil demand growth in 2026 also shows robust growth of 1.4 mb/d, y-o-y, unchanged from the last MOMR assessment. The OECD is expected to grow by 0.1 mb/d, y-o-y, while demand in the non-OECD is forecast to increase by around 1.3 mb/d.

Table 4 - 1: World oil demand in 2025*, mb/d

World oil demand	2024	1Q25	2Q25	3Q25	4Q25	2025	Change 2025/24	
							Growth	%
Americas	24.98	24.47	25.02	25.37	25.37	25.06	0.08	0.32
<i>of which US</i>	20.42	19.95	20.50	20.67	20.73	20.46	0.04	0.21
Europe	13.57	12.90	13.66	14.04	13.76	13.59	0.02	0.12
Asia Pacific	7.22	7.54	6.99	6.94	7.46	7.23	0.01	0.15
Total OECD	45.78	44.91	45.67	46.35	46.59	45.88	0.11	0.23
China	16.68	17.00	16.74	17.08	17.12	16.99	0.31	1.86
India	5.55	5.88	5.86	5.51	5.93	5.79	0.24	4.31
Other Asia	9.65	10.02	10.30	9.75	9.76	9.96	0.30	3.15
Latin America	6.79	6.80	6.94	7.00	6.98	6.93	0.14	2.10
Middle East	8.76	8.81	8.61	9.18	9.08	8.92	0.16	1.81
Africa	4.50	4.65	4.35	4.45	4.91	4.59	0.09	2.05
Russia	3.98	4.02	3.87	4.05	4.20	4.04	0.05	1.35
Other Eurasia	1.26	1.37	1.29	1.18	1.32	1.29	0.03	2.51
Other Europe	0.80	0.79	0.83	0.77	0.86	0.81	0.01	1.40
Total Non-OECD	57.97	59.33	58.78	58.98	60.16	59.31	1.34	2.32
Total World	103.75	104.25	104.45	105.33	106.75	105.20	1.45	1.40
Previous Estimate	103.75	104.20	104.34	105.50	106.71	105.20	1.45	1.40
Revision	0.00	0.05	0.11	-0.17	0.04	0.00	0.00	0.00

Note: * 2025 = Forecast. Totals may not add up due to independent rounding.

Source: OPEC.

Table 4 - 2: World oil demand in 2026*, mb/d

World oil demand	2025	1Q26	2Q26	3Q26	4Q26	2026	Change 2026/25	
							Growth	%
Americas	25.06	24.61	25.04	25.52	25.42	25.15	0.09	0.35
of which US	20.46	20.02	20.51	20.81	20.75	20.52	0.06	0.28
Europe	13.59	12.94	13.66	14.08	13.76	13.61	0.02	0.17
Asia Pacific	7.23	7.57	7.00	6.93	7.47	7.24	0.01	0.14
Total OECD	45.88	45.12	45.71	46.53	46.65	46.00	0.12	0.26
China	16.99	17.21	17.05	17.40	17.37	17.25	0.27	1.58
India	5.79	6.11	6.14	5.78	6.23	6.06	0.27	4.67
Other Asia	9.96	10.28	10.56	10.08	10.07	10.25	0.29	2.93
Latin America	6.93	6.93	7.07	7.12	7.10	7.06	0.13	1.82
Middle East	8.92	8.95	8.77	9.37	9.17	9.07	0.14	1.61
Africa	4.59	4.76	4.48	4.57	4.98	4.70	0.11	2.36
Russia	4.04	4.08	3.91	4.11	4.24	4.09	0.05	1.24
Other Eurasia	1.29	1.44	1.31	1.20	1.34	1.32	0.03	2.52
Other Europe	0.81	0.81	0.83	0.80	0.88	0.83	0.02	2.19
Total Non-OECD	59.31	60.55	60.12	60.42	61.39	60.62	1.31	2.21
Total World	105.20	105.67	105.83	106.95	108.04	106.63	1.43	1.36
Previous Estimate	105.20	105.63	105.72	107.12	108.00	106.63	1.43	1.36
Revision	0.00	0.05	0.11	-0.17	0.04	0.00	0.00	0.00

Note: * 2025-2026 = Forecast. Totals may not add up due to independent rounding.

Source: OPEC.

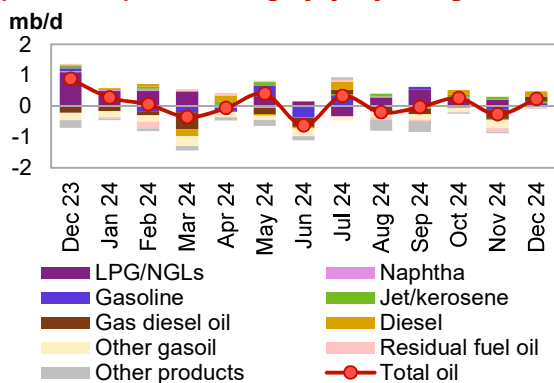
OECD

OECD Americas

Update on the latest developments

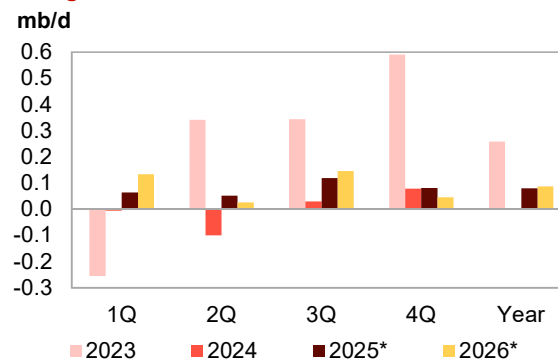
In December 2024, according to the latest available monthly data, oil demand in OECD Americas expanded by 234 tb/d, y-o-y, after a decline of 268 tb/d, y-o-y, was seen in November. Canada saw the largest increase of 217 tb/d, y-o-y, in the region, followed by an increase of 37 tb/d, y-o-y, in the US and a slight decline in Mexico. In terms of petroleum products, the entire increase came from transportation fuels, led by diesel, including transportation diesel.

Graph 4 - 1: OECD Americas' oil demand by main petroleum product category, y-o-y change



Sources: IEA, JODI, OPEC and national sources.

Graph 4 - 2: OECD Americas' oil demand, y-o-y change



Note: * 2025-2026 = Forecast.

Source: OPEC.

US

US oil demand in December 2024 inched up by 37 tb/d, y-o-y, albeit showing an improvement from a strong decline of 504 tb/d, y-o-y, observed in November. In terms of products, diesel recorded the largest increase by 84 tb/d, y-o-y, up from a decline of 274 tb/d, y-o-y, seen in November. Jet/kerosene expanded by 27 tb/d, y-o-y, down from growth of 56 tb/d, y-o-y, seen the previous month.

In terms of petrochemical feedstock, LPG increased by 45 tb/d, y-o-y. LPG and diesel requirements were boosted by higher heating demand due to colder-than-average temperatures in the East Coast and Northeast regions. Naphtha contracted by 23 tb/d, y-o-y, down from a decline of 16 tb/d, y-o-y, seen in November.

Table 4 - 3: US oil demand, mb/d

US oil demand			Change Dec 24/Dec 23	
By product	Dec 23	Dec 24	Growth	%
LPG	4.19	4.23	0.04	1.1
Naphtha	0.16	0.13	-0.02	-14.6
Gasoline	8.80	8.79	0.00	0.0
Jet/kerosene	1.69	1.71	0.03	1.6
Diesel	3.64	3.73	0.08	2.3
Fuel oil	0.33	0.32	-0.01	-2.8
Other products	1.89	1.81	-0.09	-4.5
Total	20.69	20.72	0.04	0.2

Note: Totals may not add up due to independent rounding.

Sources: EIA and OPEC.

The 'other products' category, notably petroleum coke, widely used in aluminium and steel manufacturing, fell by 85 tb/d, y-o-y, down from a decline of 51 tb/d, y-o-y, seen the previous month. Residual fuels inched down by a slight 9 tb/d, y-o-y, albeit showing an improvement from a decline of 70 tb/d, y-o-y, in the previous month. Gasoline demand was flat, y-o-y, up from a decline of 102 tb/d, y-o-y, observed the previous month.

Near-term expectations

In the near term, the robust economic dynamic in 4Q24, driven by strong consumer and government spending, is projected to carry over into 2025. Similarly, the industrial sector showed a slight improvement in December, with industrial production (IP) rising after three consecutive months of contraction. Accordingly, these factors are expected to support oil demand growth of 35 tb/d in 1Q25. Jet/kerosene and LPG are expected to be the main drivers of product demand growth. LPG is expected to be driven by requirements for heating on the back of the La Niña phenomenon. However, demand for diesel and naphtha is expected to remain subdued.

Going forward, the ongoing carry-over effects of strong economic activity in 2024, along with an improving outlook in the industrial sector, continue to support oil demand in 2025. In addition, ongoing solid private household consumption supporting the services sector is expected to be sustained. Air travel and driving mobility are also expected to remain healthy and support oil demand. In terms of products in 2025, LPG is expected to drive oil demand growth of 60 tb/d, y-o-y. Diesel is expected to increase by 40 tb/d, y-o-y, and jet/kerosene is projected to expand by about 10 tb/d, y-o-y. Furthermore, the 'other products' category is anticipated to contract by 80 tb/d, y-o-y, and the residual fuels category is projected to remain flat, y-o-y. Overall, in 2025, US demand is expected to grow by around 42 tb/d, y-o-y, to average 20.5 mb/d.

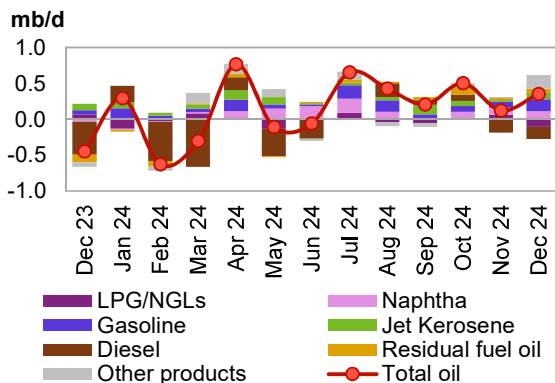
The steady dynamic of robust US GDP growth in 2025 is expected to be sustained in 2026. Accordingly, the US is projected to again drive oil demand in the OECD, largely in terms of transportation fuels and petrochemical feedstock. While gasoline demand is expected to expand by 50 tb/d, y-o-y, diesel is forecast to increase by 40 tb/d, y-o-y, and jet/kerosene is forecast to see growth of 30 tb/d, y-o-y. In terms of petrochemical feedstock, LPG/ethane is forecast to increase by 20 tb/d, y-o-y, while naphtha is forecast to decline marginally by 10 tb/d, y-o-y. Residual fuels and the 'other products' category are anticipated to show slight contractions. Accordingly, oil product demand in the US is forecast to increase by 57 tb/d, y-o-y, to average 20.5 mb/d in 2026.

OECD Europe

Update on the latest developments

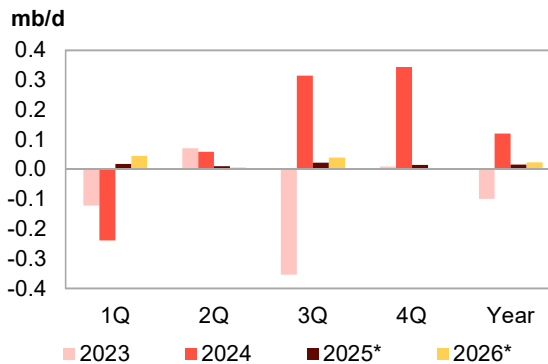
In December, oil demand in OECD Europe expanded by 355 tb/d, y-o-y, amid a weak baseline, up from the growth of 123 tb/d, y-o-y, seen the previous month. This monthly regional oil demand growth was supported largely by requirements from four major consuming countries: the UK, Germany, Italy and Spain. However, demand in France remained broadly unchanged, y-o-y.

Graph 4 - 3: OECD Europe's oil demand by main petroleum product category, y-o-y change



Sources: IEA, JODI, OPEC and national sources.

Graph 4 - 4: OECD Europe's oil demand, y-o-y change



Note: * 2025-2026 = Forecast.
Source: OPEC.

Regarding product categories, the 'other products' category posted the largest increase of 193 tb/d, y-o-y, in December, up from the growth of 10 tb/d, y-o-y, seen the previous month. Gasoline expanded by 163 tb/d, y-o-y, up from growth of 85 tb/d, y-o-y, observed in November. Naphtha expanded by 114 tb/d, y-o-y, slightly above the growth of 103 tb/d, y-o-y, seen the previous month. Residual fuels increased by 55 tb/d, y-o-y, up from the growth of 32 tb/d, y-o-y, in the previous month. Jet/kerosene expanded by 93 tb/d, y-o-y, up from 18 tb/d

y-o-y growth seen the previous month. The observed increase in jet/kerosene demand aligned with a report from International Air Transportation Association (IATA)'s Air Passenger Monthly Analysis in December 2024, showing that European carriers achieved strong growth in December, with international passenger traffic increasing by 8.6%, y-o-y.

However, diesel posted the largest decline of 172 tb/d, y-o-y, in December, albeit showing a slight improvement from a decline of 188 tb/d, y-o-y, in November. LPG contracted by 103 tb/d, y-o-y, down from the growth of 63 tb/d, y-o-y, seen the previous month.

Near-term expectations

Looking ahead, a slowdown in economic activity in the last quarter of 2024 is anticipated to spill over into 1Q25. However, the services sector is still expected to lend support to overall economic activity. Air travel and driving mobility are expected to be the region's main drivers of oil demand in 2025. Additionally, slightly colder temperatures and high natural gas prices in the region are expected to support fuel oil for heating in 1Q25. However, the outlook for the manufacturing sector remains uncertain due to potential tariffs by the new US Administration on European goods, which could further subdue the currently sluggish manufacturing sector. Consequently, weaker manufacturing exports would further strain industrial sector activity, thereby weakening diesel demand. Accordingly, transportation fuels and petrochemical feedstock are expected to drive oil product demand in the region to expand marginally by 18 tb/d, y-o-y, in 1Q25.

Additional factors expected to support growth in 2025 include expectations for the European Central Bank (ECB) to continue cutting rates to support economic activity. However, the ECB may adopt a more cautious approach if inflationary pressures resurface. Furthermore, air travel and driving activity in Europe are expected to continue to support transportation fuel demand and be the main drivers of growth. Jet/kerosene is expected to lead overall oil demand growth by around 70 tb/d, y-o-y, and gasoline is projected to inch up by 20 tb/d, y-o-y, driven by slower electric vehicle penetration and a decline in the use of diesel-powered vehicles amid robust use of gasoline-powered ICE vehicles in the region. In terms of petrochemical feedstock, LPG/ethane is projected to inch up by around 10 tb/d, y-o-y, while naphtha requirements are expected to remain broadly flat. The residual fuels category is anticipated to increase by 10 tb/d, y-o-y, partly supported by a low baseline effect. However, diesel and the 'other products' category are projected to decline, y-o-y.

World Oil Demand

Nonetheless, downside risks are associated with ongoing sluggish manufacturing output in the region that has reduced trucking activity and is expected to weigh on diesel demand. Furthermore, new Mediterranean European Emission Control Area (ECA) regulations, effective May 2025, are likely to subdue fuel oil demand but support marine diesel demand, partially offsetting an expected decline in diesel due to weak industrial activity. Additional downside risk for the region includes the new US administration's threats of tariffs on European continents, which could lead to a trade war with damaging impacts on Europe's economy; about 20% of its exports are tied to the US. OECD Europe oil demand growth is forecast at 17 tb/d, y-o-y, for an average of 13.6 mb/d in 2025.

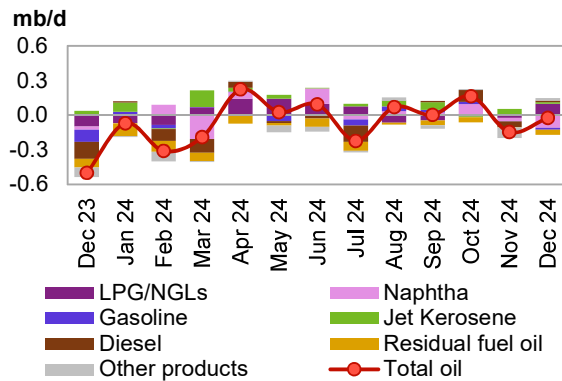
Looking ahead to 2026, economic activity is expected to improve slightly from 2025. An anticipated recovery in the industrial sector and improving real wages as inflation continues to decline are expected to provide additional support to the outlook. Additionally, the ECB is anticipated to continue its monetary easing efforts towards 2026 in response to a projected slowdown in inflation. Furthermore, transportation activities are expected to remain relatively healthy, boosting jet/kerosene and gasoline requirements to a forecast increase of around 40 tb/d, y-o-y, and 15 tb/d, y-o-y, respectively. However, forecast declines in diesel and the 'other products' category are expected to offset some of this projected increase. Fuel oil demand is expected to be subdued by ECA regulations. Accordingly, the region is projected to see only a slight growth of 24 tb/d, y-o-y, in 2026 to average 13.6 mb/d.

OECD Asia Pacific

Update on the latest developments

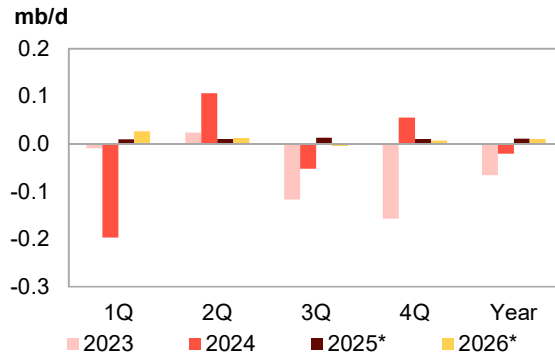
Oil demand in the OECD Asia Pacific in December contracted by 23 tb/d, y-o-y, albeit showing an improvement from a decline of 146 tb/d, y-o-y, observed the previous month. This was largely due to a contraction of 44 tb/d, y-o-y, from Japan and a decline of 15 tb/d, y-o-y, seen in South Korea, which offset the growth of 25 tb/d, y-o-y, observed in Australia. While oil demand in Japan has been on a negative trajectory for more than a year, South Korean consumption has been in contraction for the second consecutive month due to ongoing economic headwinds. The largest contraction of 110 tb/d, y-o-y, was recorded in naphtha from Japan and South Korea, which more than offset growth in other products from the region.

Graph 4 - 5: OECD Asia Pacific oil demand by main petroleum product category, y-o-y change



Sources: IEA, JODI, OPEC and national sources.

Graph 4 - 6: OECD Asia Pacific oil demand, y-o-y change



Note: * 2025-2026 = Forecast.

Source: OPEC.

In terms of petroleum products, naphtha saw the largest contraction of 110 tb/d, y-o-y, in December, down from a decline of 29 tb/d, y-o-y, seen the previous month. Residual fuel demand fell by 46 tb/d, y-o-y, down from being flat, y-o-y, in November. Gasoline inched down by 16 tb/d, y-o-y, from being broadly flat, y-o-y, as observed in November.

On a positive note, LPG expanded by 97 tb/d, y-o-y, up from a decline of 23 tb/d, y-o-y, in November. The 'other products' category increased by 22 tb/d, y-o-y, up from a decline of 92 tb/d, y-o-y, the previous month. Jet/kerosene demand expanded by 16 tb/d, y-o-y, down from growth of 52 tb/d, y-o-y, in November. The 'other products' category grew by 22 tb/d, y-o-y, an improvement from an annual decline of 92 tb/d, y-o-y, the previous month. Diesel inched up by 13 tb/d, y-o-y, an increase from a decline of 49 tb/d, y-o-y, observed the previous month.

Near-term expectations

Looking ahead, despite ongoing headwinds in South Korea, Japan is showing signs of an economic rebound continuing in 1Q25. The outlook for oil demand in the region sees growth for transportation fuels, jet/kerosene and gasoline, which account for the largest increase. Furthermore, recovering petrochemical sector requirements for naphtha are expected to support oil demand as operations in petrochemical plants rise further. Accordingly, oil demand is expected to grow marginally by 9 tb/d, y-o-y, in 1Q25.

The Japanese economy is projected to grow gradually in 2025, and Australia is expected to see ongoing improvements in its GDP. Furthermore, steady air traffic growth, healthy driving activity and robust petrochemical industry operations are all anticipated to support oil demand. In terms of the contribution of specific oil products, steady improvements in petrochemical feedstock requirements, particularly from South Korea, are expected to support naphtha demand growth of 24 tb/d, y-o-y, while demand for LPG/ ethane is projected to decline slightly, y-o-y. Jet/kerosene is anticipated to grow by 23 tb/d, y-o-y. Diesel is anticipated to expand by around 20 tb/d, y-o-y, and gasoline requirements are expected to rise by 10 tb/d, y-o-y. However, residual fuels and the ‘other products’ categories are anticipated to be weak. Overall, the region is projected to expand by 11 tb/d, y-o-y, in 2025 to average 7.2 mb/d.

The expected gradual improvement in economic momentum in Japan and Australia during 2025 is projected to extend into 2026, mostly due to improvements in services sector activity, which constitutes over 60% of the region’s economy. Moreover, the transportation and petrochemical sectors are also expected to see increases in oil demand. In 2026, the region is forecast to see growth of 10 tb/d, y-o-y, to average 7.2 mb/d.

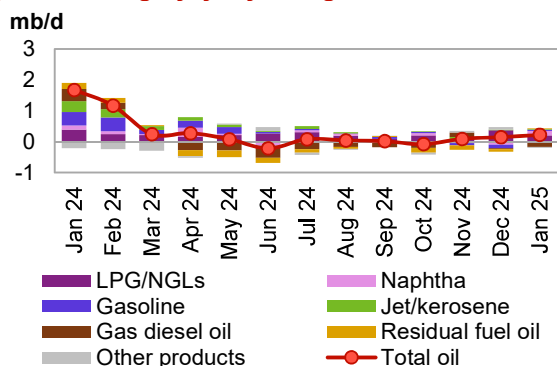
Non-OECD

China

Update on the latest developments

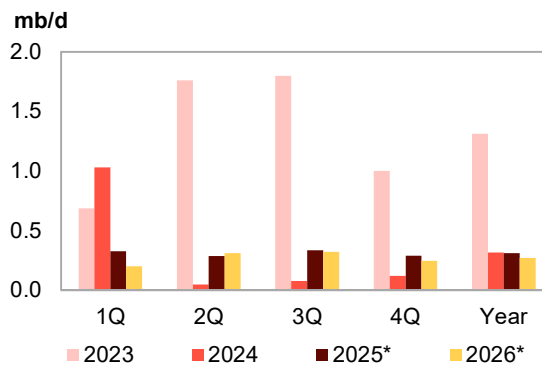
China’s oil demand in January is estimated to have increased by 221 tb/d, y-o-y, up from an increase of 148 tb/d, y-o-y, observed the previous month. The largest increases were seen in petrochemical feedstock requirements, which more than offset the decline in diesel.

Graph 4 - 7: China’s oil demand by main petroleum product category, y-o-y change



Sources: Argus Media, Chinese Customs, Chinese National Bureau of Statistics, JODI and OPEC.

Graph 4 - 8: China’s oil demand, y-o-y change



Note: * 2025-2026 = Forecast. Source: OPEC.

In terms of product demand, requirements for petrochemical feedstock led demand growth. LPG is estimated to have recorded the largest increase of 207 tb/d, y-o-y, in January, albeit remaining below growth of 370 tb/d, y-o-y, seen the previous month. Naphtha is projected to have increased by 147 tb/d, y-o-y, in January, up from a decline of 92 tb/d, y-o-y, in December. In terms of transportation fuels, gasoline demand is estimated to have grown by 38 tb/d, y-o-y, up from a contraction of 120 tb/d, y-o-y, the previous month. Gasoline demand was supported by a surge in road traffic during China’s Lunar New Year celebration. Jet/kerosene is estimated to have inched up by 16 tb/d, y-o-y, albeit below 23 tb/d y-o-y growth seen the previous month. Residual fuels are estimated to have seen an uptick of 18 tb/d, y-o-y, up from a decline of 81 tb/d, y-o-y, in December.

Table 4 - 4: China's oil demand*, mb/d

China's oil demand			Change Jan 25/Jan 24	
By product	Jan 24	Jan 25	Growth	%
LPG	2.85	3.06	0.21	7.3
Naphtha	1.90	2.05	0.15	7.7
Gasoline	4.24	4.28	0.04	0.9
Jet/kerosene	1.21	1.23	0.02	1.3
Diesel	4.50	4.34	-0.16	-3.6
Fuel oil	0.97	0.99	0.02	1.8
Other products	1.84	1.80	-0.04	-2.4
Total	17.51	17.73	0.22	1.3

Note: * Apparent oil demand. Totals may not add up due to independent rounding.

Sources: Argus Media, Chinese Customs, Chinese National Bureau of Statistics, JODI and OPEC.

However, diesel is estimated to have seen the largest decline of 162 tb/d, y-o-y, down from a contraction of 33 tb/d, y-o-y, seen the previous month. Diesel has been under pressure from weak manufacturing activity amid the ongoing penetration of LNG trucks. The 'other products' category (comprised of bitumen, petroleum coke and lubricants) is estimated to have declined by 43 tb/d, y-o-y, in January, down from an increase of 82 tb/d, y-o-y, seen in December.

Near-term expectations

In the near term, China's economic data suggests short-term improvement, as the country's economic growth and December industrial production (IP) data exceeded general market expectations. It should be noted that Chinese exports of goods significantly rose by 10.5 %, y-o-y, in December, the highest level since December 2021. Retail sales growth also rebounded by 3.7% the same month, amid a rise in the consumer goods trade-in programme, which continued to support demand. Accordingly, economic activity in China is expected to remain steady and is anticipated to support healthy oil demand growth in 1Q25. Furthermore, diesel demand is expected to inch up as local governments award construction tenders. Cash raised through treasury bond sales has already been allocated to specific projects in December, partly going to construction projects. Ongoing healthy petrochemical feedstock requirements and demand for transportation fuels are expected to be bolstered. Accordingly, oil demand growth is projected to increase by 328 tb/d, y-o-y, in 1Q25.

Looking ahead, new stimulus measures are expected to boost household incomes and support domestic consumption. Furthermore, the housing market is expected to stabilize, and consumption is projected to pick up. Moreover, fiscal stimulus is expected to support demand for consumer goods and bolster oil demand, particularly in the manufacturing sector. Also, revived domestic consumption is expected to continue and lend additional support to diesel. Accordingly, China is expected to maintain its role as the main driver of global oil demand, with GDP growth expected to remain robust. The industrial sector and manufacturing activity are expected to be well-supported, as domestic consumption recovers and demand for exports, particularly from developing countries, continues to expand.

Importantly, China represents almost half of the global petrochemical demand and is currently the second-largest consumer of petrochemical feedstock in the world. The development of propane dehydrogenation (PDH) plants has provided strong support for feedstock requirements in the country. Accordingly, petrochemical demand is expected to be supported by accelerated infrastructure development, as well as increasing consumer demand for cosmetics, household plastics, pharmaceuticals and medical equipment. In the near term, the production of olefins and aromatics is expected to grow due to capacity expansion. Accordingly, LPG/ethane demand is expected to rise by 110 tb/d, y-o-y, in 2025, and naphtha is forecast to increase by 70 tb/d, y-o-y.

Improving and expanding air transportation facilities are expected to support China's international and domestic air travel. Accordingly, jet/kerosene is expected to grow by around 90 tb/d, y-o-y. The road transportation sector is also expected to remain healthy, and the construction sector is expected to significantly improve from its current weakness due to the positive impacts of the new stimulus package. This, combined with expected demand from manufacturing, is expected to bolster demand for gasoline and diesel, which is forecast to grow by 50 tb/d and 40 tb/d, y-o-y, respectively, in 2025. However, residual fuel requirements and demand for the 'other products' category are projected to remain weak, with a decline of around 20 tb/d, y-o-y, for residual fuels and 30 tb/d, y-o-y, for the 'other products' category. Overall, in 2025, oil demand in China is projected to expand by a healthy 310 tb/d, y-o-y, to average 17.0 mb/d. However, downside risk is associated with the penetration of EVs and LNG trucks in the Chinese market and their impact on gasoline and diesel demand.

World Oil Demand

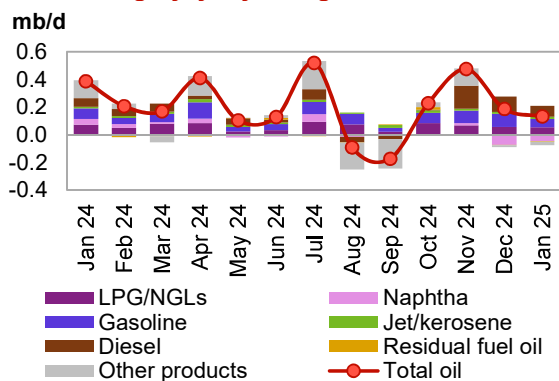
In 2026, economic activity in China is expected to improve further. Transportation activity is expected to remain healthy, while weakness in the construction sector is expected to subside. Combined with healthy petrochemical sector requirements, this is expected to support oil product demand growth of around 270 tb/d, y-o-y. In terms of products, strong petrochemical feedstock requirements are expected to lead to demand growth, with LPG/ethane and naphtha projected to grow by 85 tb/d, y-o-y, and 60 tb/d, y-o-y, respectively. Healthy air travel is expected to support jet/kerosene demand growth of around 80 tb/d, y-o-y. Furthermore, diesel, including transportation diesel and gasoline, are projected to expand by around 30 tb/d, y-o-y, each. The 'other products' category is forecast to inch up by 16 tb/d, y-o-y. Only residual fuels are expected to contract by 30 tb/d, y-o-y, a continuation of the decline seen in 2025. In 2026, oil demand in China is forecast to average 17.3 mb/d, an increase of around 270 tb/d, y-o-y.

India

Update on the latest developments

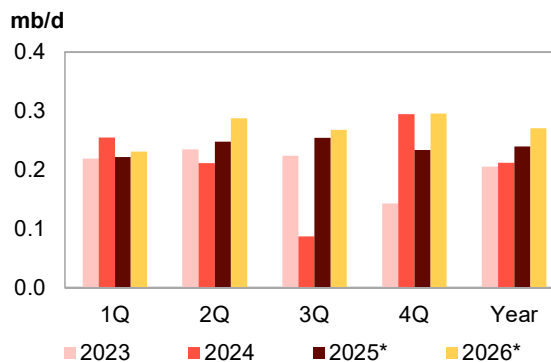
In January, India's oil demand increased by 132 tb/d, y-o-y, down from the growth of 186 tb/d, y-o-y, seen the previous month. This oil demand increase reflects the continuation of economic activity after the end of the monsoon season. The largest monthly increases in oil product demand were recorded in diesel, gasoline and LPG.

Graph 4 – 9: India's oil demand by main petroleum product category, y-o-y change



Sources: PPAC, JODI and OPEC.

Graph 4 – 10: India's oil demand, y-o-y change



Note: * 2025-2026 = Forecast.
Source: OPEC.

In terms of specific products, diesel demand posted the largest increase, up by 79 tb/d, y-o-y, albeit below the 112 tb/d y-o-y increase seen the previous month. Diesel was largely supported by holiday travel and ongoing higher growth in rural demand from the agriculture sector due to crop sowing. Gasoline demand expanded by 59 tb/d, y-o-y, slightly below the 95 tb/d y-o-y growth seen the previous month. Gasoline consumption in January was supported by a surge in travel during a rare religious festival from 13 January to 26 February.

LPG grew by 53 tb/d, y-o-y, slightly below the 55 tb/d, y-o-y, increase seen the previous month. LPG consumption during the month came from household requirements, largely driven by higher consumption from a government-launched programme, which accounts for 88.3% of LPG consumption in India. Demand for jet/kerosene inched up by 17 tb/d, y-o-y, slightly above the 15 tb/d, y-o-y, growth seen the previous month. Jet/kerosene consumption was supported by air travel during the rare Hindu festival.

Naphtha saw the largest decline, dropping by 46 tb/d, y-o-y, albeit an improvement from the 75 tb/d, y-o-y, decline seen the previous month. The 'other products' category, including bitumen, petroleum coke and lubricants, fell by 26 tb/d, y-o-y, down from a contraction of 15 tb/d, y-o-y, seen the previous month. Demand for residual fuels remained broadly flat, y-o-y, as observed the previous month.

Table 4 - 5: India's oil demand, mb/d

India's oil demand By product	Jan 24	Jan 25	Change Jan 25/Jan 24	
			Growth	%
LPG	1.01	1.07	0.05	5.2
Naphtha	0.37	0.33	-0.05	-12.4
Gasoline	0.85	0.91	0.06	7.0
Jet/kerosene	0.19	0.21	0.02	9.1
Diesel	1.80	1.88	0.08	4.4
Fuel oil	0.12	0.12	0.00	-3.1
Other products	1.14	1.11	-0.03	-2.3
Total	5.49	5.62	0.13	2.4

Note: Totals may not add up due to independent rounding.

Sources: JODI, Petroleum Planning and Analysis Cell of India and OPEC.

Near-term expectations

Looking ahead, current economic growth is expected to remain robust, driven by ongoing consumer spending, investment and government support for key sectors. Furthermore, manufacturing and business activities in the country are expected to remain steady. Diesel is projected to continue to be the main driver of demand growth, followed by the 'other products' category, bitumen in particular. Additionally, robust growth in transport fuels and growth in LPG and naphtha demand are expected to support overall oil demand expansion in 1Q25 by 221 tb/d, y-o-y.

Overall, the outlook for the near term provides further positive signals for steady economic activity in India in 2025. Furthermore, current steady manufacturing and agricultural activity are projected to continue amid healthy mobility levels. These factors are expected to bolster demand for diesel and gasoline to grow by 60 tb/d, y-o-y, and 50 tb/d, y-o-y, respectively. The ongoing airport infrastructure expansion drive, combined with increased tourism, is expected to bolster jet/kerosene demand to grow by around 30 tb/d, y-o-y, in 2025. In terms of road construction, India is expected to maintain its current momentum of road construction projects, which is expected to bolster demand for bitumen, the largest component of the 'other products' category, which is forecast to grow by around 60 tb/d, y-o-y, in 2025. Demand for petrochemical feedstock, including LPG requirements for a government programme for less privileged households, is expected to increase by around 30 tb/d, y-o-y, and naphtha is projected to inch up by around 10 tb/d, y-o-y. Residual fuels are projected to inch down by about 10 tb/d, y-o-y, due to environmental regulations in India that mandate industries to end the use of residual fuels. Overall, in 2025, oil product demand in India is expected to grow by a healthy 239 tb/d, y-o-y, to average 5.8 mb/d.

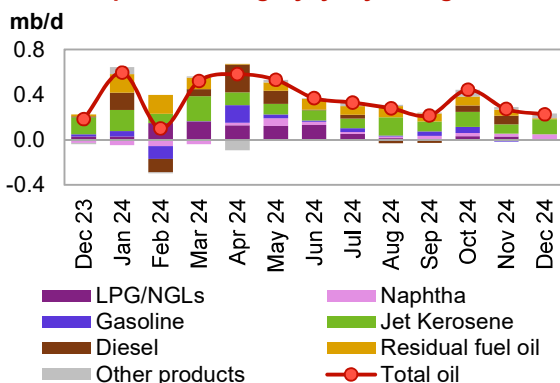
In 2026, India's oil demand is projected to grow by 271 tb/d, y-o-y, supported by robust economic growth amid healthy transportation and manufacturing activities. In terms of oil products, the 'other products' category, which includes bitumen, is expected to drive growth by 89 tb/d, y-o-y, on the back of a projected acceleration in construction activity, including road construction. Transportation fuel requirements are expected to remain healthy, supporting diesel, gasoline and jet/kerosene demand to expand by 64 tb/d, y-o-y, 51 tb/d, y-o-y, and 35 tb/d, y-o-y, respectively. In terms of petrochemical feedstock, LPG is projected to expand by around 25 tb/d, y-o-y, and naphtha is forecast to inch up by 8 tb/d, y-o-y. Residual fuels are forecast to inch down by 3 tb/d, y-o-y. Overall, oil product demand in India is projected to average 6.1 mb/d.

Other Asia

Update on the latest developments

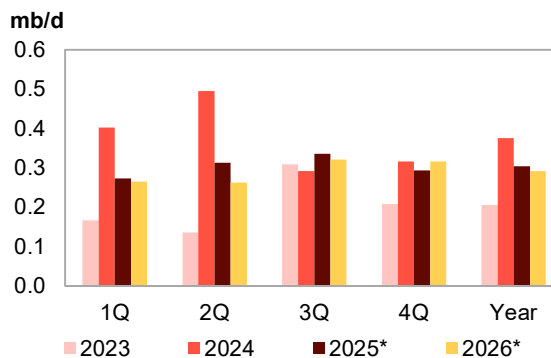
Oil demand in Other Asia grew by 226 tb/d, y-o-y, in December, down from the growth of 273 tb/d, y-o-y, observed the previous month. Oil demand saw increases in major countries of the region, including Thailand, Indonesia, Malaysia, Singapore and Taiwan. The increase in oil demand mostly emanates from jet/kerosene and naphtha.

Graph 4 - 11: Other Asia's oil demand by main petroleum product category, y-o-y change



Sources: JODI, National sources, and OPEC.

Graph 4 - 12: Other Asia's oil demand, y-o-y change



Note: * 2025-2026 = Forecast.

Source: OPEC.

In terms of specific products, jet/kerosene saw the largest increase of 137 tb/d, y-o-y, in December, up from growth of 83 tb/d, y-o-y, seen the previous month. Naphtha expanded by 47 tb/d, y-o-y, up from an increase of 26 tb/d, y-o-y, seen in November. The 'other products' category increased by 44 tb/d, y-o-y, up from growth of 21 tb/d, y-o-y, observed the previous month. Residual fuel inched-up by 7 tb/d, y-o-y, down from growth of 55 tb/d observed the previous month. However, diesel inched lower by 4 tb/d, y-o-y, down from an increase of 76 tb/d, y-o-y, seen the previous month. Gasoline softened by 3 tb/d, y-o-y, an improvement from a contraction of 17 tb/d, y-o-y, seen the previous month. LPG inched down by 2 tb/d, y-o-y, down from growth of 29 tb/d, y-o-y, seen in November.

Near-term expectations

Looking ahead, economic activity in major oil consuming countries in the region is expected to be well supported, mostly driven by the services sectors. The ongoing robust air travel recovery amid healthy road mobility is expected to be sustained, bolstering transportation fuels to drive overall oil product demand in the region. Furthermore, manufacturing and agricultural activities are expected to support distillate demand. Petrochemical sector requirements for LPG and naphtha in the region are anticipated to be sustained. Accordingly, these factors are expected to bolster oil product demand in the region to grow by an average of 272 tb/d, y-o-y, in 1Q25.

In 2025, with projected strong GDP amid an ongoing air travel recovery and steady mobility, transportation fuels are expected to drive oil demand growth; jet/kerosene is projected to expand by a healthy 100 tb/d, y-o-y, and gasoline is expected to grow by 65 tb/d, y-o-y. Furthermore, diesel, including transportation diesel, is expected to expand by 63 tb/d, y-o-y. Current healthy requirements for petrochemical feedstock in the region are expected to be sustained. LPG/ethane and naphtha are expected to grow by 15 tb/d, y-o-y, and 7 tb/d, y-o-y, respectively. While the 'other products' category is projected to increase by 54 tb/d, y-o-y, demand for residual fuels is expected to remain flat, y-o-y. Overall, oil demand in the region is projected to expand by a healthy 304 tb/d, y-o-y, to average about 10.0 mb/d, mostly driven by requirements from Singapore, Thailand, Hong Kong, Malaysia and Indonesia.

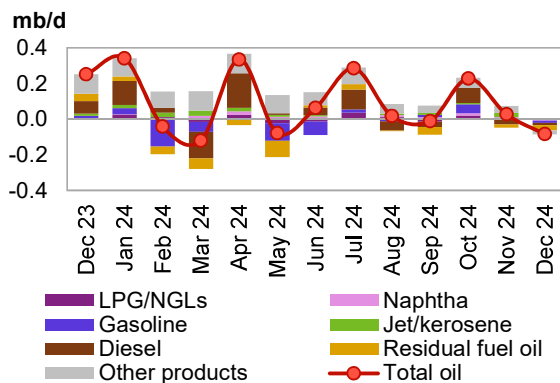
In 2026, economic activity in the major oil-consuming countries of the region is expected to continue to be well supported amid healthy air travel and strong driving mobility. Accordingly, oil demand in the region is forecast to increase by 291 tb/d, y-o-y, to average 10.2 mb/d. In terms of products, jet/kerosene is projected to drive demand, increasing by 70 tb/d, y-o-y, followed by gasoline and diesel, growing by 62 tb/d, y-o-y, and 47 tb/d, y-o-y, respectively. Residual fuels and the 'other products' category are projected to grow by 14 tb/d and 47 tb/d, y-o-y, respectively. In terms of petrochemical products, LPG is forecast to grow by 24 tb/d, y-o-y, and naphtha is forecast to inch up by 26 tb/d, y-o-y.

Latin America

Update on the latest developments

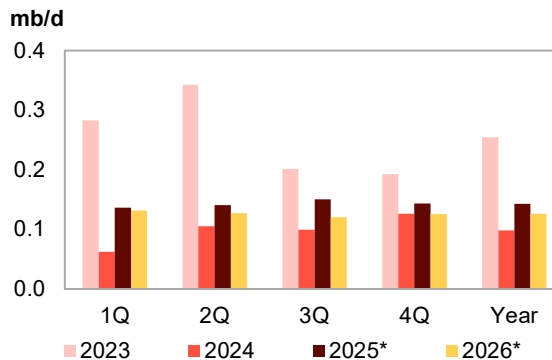
Oil demand in Latin America contracted by 83 tb/d, y-o-y, in December, down from growth of 28 tb/d seen the previous month. The y-o-y oil demand decline in the region came from Venezuela and Brazil, which more than offset minor increases from Argentina and Colombia.

Graph 4 - 13: Latin America's oil demand by main petroleum product category, y-o-y change



Sources: JODI, OPEC and national sources.

Graph 4 - 14: Latin America's oil demand, y-o-y change



Note: * 2025-2026 = Forecast.
Source: OPEC.

In terms of specific product demand, residual fuels posted the largest decline by 28 tb/d, y-o-y, down from a 19 tb/d y-o-y decline seen the previous month. The 'other product' category, which includes ethanol, contracted by 23 tb/d, y-o-y, down from 41 tb/d y-o-y growth seen in November. In terms of transportation fuels, diesel, including transportation diesel, contracted by 13 tb/d, y-o-y, albeit an improvement from the 26 tb/d y-o-y decline seen the previous month. Gasoline fell by 11 tb/d, down from the 3 tb/d y-o-y decline observed the previous month, and jet/kerosene was flat, y-o-y, compared with growth of 23 tb/d, y-o-y, in November.

In terms of petrochemical feedstock, while LPG was flat, y-o-y, from minor growth of 3 tb/d, y-o-y, the previous month, naphtha fell by 8 tb/d, y-o-y, from 9 tb/d y-o-y growth seen the previous month.

Near-term expectations

Looking ahead, the economic outlook for the region is robust. Brazil, the largest economy of the region, is steady. Relatively lower inflation and a thriving economy amid rising wages in a tight labour market continue to support demand in the country. Furthermore, the agricultural sector is expected to continue to be strong, as the summer harvesting season is expected to boost diesel demand when farmers use heavy machinery such as tractors, combine harvesters and trucks that depend on diesel. Furthermore, Argentina's economy is gradually rebounding and is expected to support oil demand. In Brazil, domestic air traffic increased by 7.3% over the year, surpassing pre-pandemic levels by 3.0% in December. These factors are expected to drive regional oil demand in 1Q25, which is expected to grow by 136 tb/d, y-o-y, in 1Q25, to average 6.8 mb/d.

Overall, in 2025, oil demand in the region is expected to increase by an average of 142 tb/d, y-o-y. Transportation fuels, including gasoline, jet/kerosene, and diesel, are expected to drive demand growth, supported by diesel and an uptick in demand for LPG and residual fuels. Gasoline is expected to gain additional support due to a shift in the ethanol-gasoline price ratio due to extreme droughts and fires that have subdued ethanol supply and favoured gasoline consumption since November.

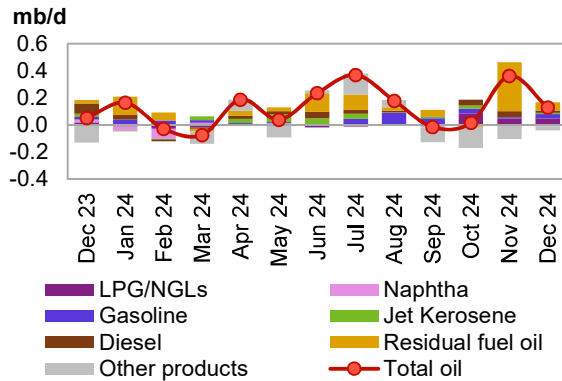
In 2026, Brazil's economy is projected to maintain strong momentum, building on the expected robust performance in 2025. Similarly, ongoing gradual improvements in Argentina's economy are expected to continue. Healthy agricultural and manufacturing activity is expected to bolster oil demand in the region, which is forecast to grow by 126 tb/d, y-o-y, and average 7.1 mb/d. In terms of products, transportation fuels, including gasoline, diesel and jet/kerosene, are expected to lead demand growth. Residual fuels, LPG and the 'other product' categories are also projected to provide some support.

Middle East

Update on the latest developments

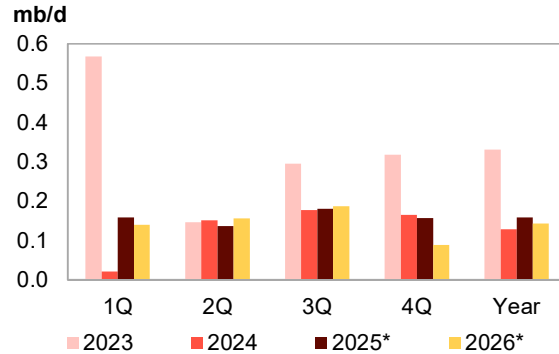
Oil demand in the Middle East in December increased by 128 tb/d, y-o-y, down from growth of 361 tb/d, y-o-y, seen in November. The increase in oil demand was largely supported by requirements from Iraq and the UAE. However, a decline of 25 tb/d, y-o-y, from Saudi Arabia partly offset the growth seen in the region.

Graph 4 - 15: Middle East's oil demand by main petroleum product category, y-o-y change



Sources: JODI, OPEC and national sources.

Graph 4 - 16: Middle East's oil demand, y-o-y change



Note: * 2025-2026 = Forecast.

Source: OPEC.

In terms of products, residual fuels posted the largest increase of 63 tb/d, y-o-y, though this is below growth of 362 tb/d, y-o-y, seen the previous month. In terms of transportation fuels, while gasoline increased by 32 tb/d, y-o-y, diesel, including transportation diesel demand, expanded by 18 tb/d, y-o-y, down from growth of 44 tb/d y-o-y seen the previous month. Jet/kerosene inched up by 9 tb/d, y-o-y. In terms of petrochemical feedstock, while LPG increased by 47 tb/d, y-o-y, naphtha remained broadly unchanged, y-o-y. The 'other products' category saw the largest decline of 32 tb/d, y-o-y, an improvement from a decline of 90 tb/d, y-o-y, seen in November.

Near-term expectations

In the near term, regional economic activity is expected to remain robust. Furthermore, the non-oil sector remains one of the key drivers of GDP in Saudi Arabia and the UAE, reflecting ongoing diversification efforts. This positive trend is expected to continue into 2025. In addition, current healthy air travel and road mobility growth is expected to continue, with gasoline, transportation diesel and jet kerosene projected to lead oil demand growth, which is forecast to reach 159 tb/d, y-o-y, in 1Q25.

In 2025, the non-oil economy is expected to remain robust and continued to be one of the key drivers of economic activity in the largest economies of the region, including Saudi Arabia, the UAE, Kuwait and Qatar. All these countries reported very strong non-oil private sector PMIs in January, indicating the continued importance of non-oil activities in their economies. Furthermore, government spending is expected to remain strong, supported by robust consumer spending. Inflation and unemployment are forecast to remain stable. The petrochemical industry is expected to remain robust, with some new capacity additions expected to come onstream. It is noteworthy that many countries in the region are turning their attention to petrochemicals, taking advantage of higher margins at a time when Europe is closing its relatively smaller and older plants due to high gas costs. These factors are expected to bolster feedstock demand in the region. Accordingly, LPG/ethane and naphtha are expected to expand by around 45 tb/d and 30 tb/d, y-o-y, respectively. Gasoline demand is expected to expand by 50 tb/d, y-o-y, on the back of strong economic activity amid rising non-oil activity in the region.

Furthermore, ongoing strong international air traffic and road transportation are forecast to continue growing. In line with this, Saudia Arabia recently introduced a new flagship airline called Riyadh Air. The airline will fly to over one hundred destinations on six continents, which will lend additional support to jet/kerosene demand in the region. Accordingly, the current air travel recovery is expected to bolster jet/kerosene demand to grow by 35 tb/d, y-o-y. Furthermore, ongoing megaprojects will continue to drive government spending on construction. Together with manufacturing activity in the region, this is expected to support diesel demand growth of 35 tb/d, y-o-y. While residual fuels, mostly used in the industrial sector and for electricity generation, are forecast to increase by 20 tb/d, y-o-y, the 'other fuels category' is projected to contract by around 60 tb/d, mostly due to a strong baseline effect.

World Oil Demand

Overall, in 2025, oil demand in the region is projected to grow by 159 tb/d, y-o-y, to average 8.9 mb/d. The bulk of demand growth is expected to come from Iraq, Saudi Arabia and the UAE.

In 2026, the ongoing contribution of non-oil activity in regional GDP is expected to continue. Furthermore, government spending on infrastructure is expected to be sustained. These factors, combined with solid petrochemical industry requirements and healthy mobility, are forecast to support product demand in the region, which is forecast to see oil demand growth of 143 tb/d, y-o-y, to average 9.1 mb/d. In terms of products, gasoline is expected to drive oil product demand growth of 64 tb/d, y-o-y. Diesel and jet/kerosene demand are expected to increase by 30 tb/d and 20 tb/d, y-o-y, respectively. In terms of petrochemical feedstock, LPG/ethane requirements are projected to increase by 45 tb/d, and naphtha is forecast to inch up by 15 tb/d, y-o-y. However, the 'other products' category is anticipated to remain weak.

World Oil Supply

Non-DoC liquids supply (i.e. liquids supply from countries not participating in the DoC) is expected to expand by 1.0 mb/d in 2025 to average 54.2 mb/d. Growth is set to be driven by the US, Brazil, Canada and Norway, with the main decline anticipated in Angola.

US crude and condensate production hit its highest level on record in December, averaging 13.5 mb/d, up by 0.1 mb/d, m-o-m. This was primarily driven by strong production levels from offshore platforms. Conversely, natural gas liquids (NGLs) production fell to 7.1 mb/d, albeit up by 0.5 mb/d, y-o-y. In January and February 2025, total US liquids production is estimated to have been impacted by cold weather. Overall, US liquids supply growth for 2025 is expected at 0.5 mb/d.

In 2026, non-DoC liquids supply is forecast to grow by 1.0 mb/d to average 55.2 mb/d (including 30 tb/d in processing gains). OECD liquids supply is expected to increase by 0.5 mb/d, and non-OECD liquids output is set to expand by 0.4 mb/d. The main drivers for liquids supply growth are set to be the US, Brazil, Canada and Argentina. At the same time, Norwegian production is expected to experience the largest decline.

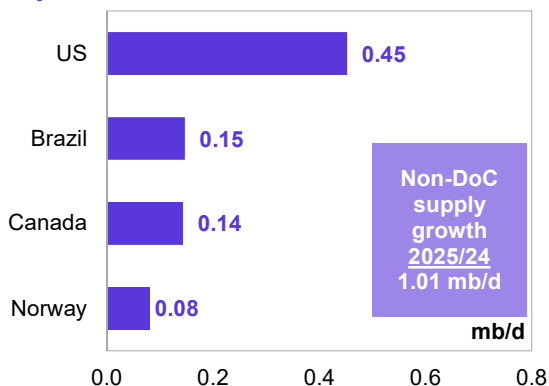
DoC NGLs and non-conventional liquids in 2025 are expected to expand by 0.1 mb/d to average 8.4 mb/d. In 2026, it is anticipated to increase by around 120 tb/d to average 8.5 mb/d. OPEC NGLs and non-conventional liquids production is set to increase by 0.1 mb/d in 2025 to average 5.6 mb/d. Additional growth of around 150 tb/d is forecast in 2026 for an average of about 5.8 mb/d.

DoC crude oil production in February increased by 363 tb/d, m-o-m, averaging 41.01 mb/d, as reported by available secondary sources.

Key drivers of growth and decline

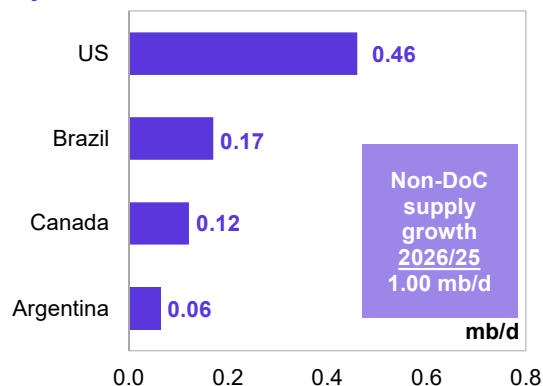
In 2025, non-DoC liquids supply growth is expected at 1.0 mb/d. A downward revision in OECD Europe was offset by an upward change in India. Annual growth is set to be driven mainly by the US, Brazil, Canada and Norway.

Graph 5 - 1: Annual liquids production changes, y-o-y, for selected countries in 2025*



Note: * 2025 = Forecast. Source: OPEC.

Graph 5 - 2: Annual liquids production changes, y-o-y, for selected countries in 2026*



Note: * 2026 = Forecast. Source: OPEC.

Non-DoC liquids supply in 2026 is forecast to grow by 1.0 mb/d. The main drivers for this growth are expected to be the US, Brazil, Canada and Argentina.

Non-DoC liquids production in 2025 and 2026

Table 5 - 1: Non-DoC liquids production in 2025*, mb/d

Non-DoC liquids production	2024	1Q25	2Q25	3Q25	4Q25	2025	Change 2025/24	
							Growth	%
Americas	27.71	27.97	28.13	28.44	28.67	28.31	0.60	2.15
of which US	21.77	21.86	22.25	22.36	22.42	22.22	0.45	2.08
Europe	3.54	3.64	3.60	3.57	3.68	3.62	0.08	2.31
Asia Pacific	0.44	0.43	0.42	0.43	0.43	0.43	-0.01	-1.84
Total OECD	31.69	32.04	32.15	32.44	32.79	32.36	0.67	2.11
China	4.56	4.62	4.61	4.52	4.53	4.57	0.01	0.12
India	0.80	0.82	0.83	0.84	0.84	0.83	0.03	3.43
Other Asia	1.61	1.61	1.59	1.57	1.57	1.58	-0.03	-1.84
Latin America	7.22	7.36	7.40	7.48	7.60	7.46	0.24	3.26
Middle East	1.99	1.99	2.02	2.02	2.01	2.01	0.02	1.00
Africa	2.34	2.36	2.35	2.35	2.35	2.35	0.02	0.72
Other Eurasia	0.37	0.37	0.37	0.37	0.37	0.37	0.00	0.07
Other Europe	0.10	0.10	0.10	0.10	0.10	0.10	0.00	2.05
Total Non-OECD	19.00	19.23	19.25	19.25	19.36	19.27	0.28	1.46
Total Non-DoC production	50.68	51.27	51.40	51.69	52.15	51.63	0.95	1.87
Processing gains	2.52	2.58	2.58	2.58	2.58	2.58	0.06	2.38
Total Non-DoC liquids production	53.20	53.85	53.98	54.27	54.73	54.21	1.01	1.89
Previous estimate	53.20	53.91	53.96	54.25	54.71	54.21	1.01	1.89
Revision	0.00	-0.06	0.02	0.02	0.02	0.00	0.00	0.00

Note: * 2025 = Forecast. Totals may not add up due to independent rounding.

Source: OPEC.

Table 5 - 2: Non-DoC liquids production in 2026*, mb/d

Non-DoC liquids production	2025	1Q26	2Q26	3Q26	4Q26	2026	Change 2026/25	
							Growth	%
Americas	28.31	28.70	28.64	28.95	29.25	28.89	0.58	2.06
of which US	22.22	22.45	22.63	22.75	22.89	22.68	0.46	2.07
Europe	3.62	3.64	3.54	3.52	3.62	3.58	-0.04	-1.22
Asia Pacific	0.43	0.43	0.41	0.41	0.40	0.41	-0.01	-3.35
Total OECD	32.36	32.77	32.59	32.88	33.27	32.88	0.52	1.62
China	4.57	4.62	4.62	4.52	4.52	4.57	0.00	-0.01
India	0.83	0.84	0.83	0.83	0.84	0.83	0.00	0.37
Other Asia	1.58	1.59	1.56	1.55	1.55	1.56	-0.02	-1.43
Latin America	7.46	7.72	7.80	7.95	8.05	7.88	0.42	5.62
Middle East	2.01	2.03	2.04	2.06	2.06	2.05	0.04	1.90
Africa	2.35	2.35	2.33	2.33	2.41	2.36	0.00	0.15
Other Eurasia	0.37	0.37	0.37	0.37	0.37	0.37	0.00	0.91
Other Europe	0.10	0.10	0.10	0.10	0.10	0.10	0.00	1.99
Total Non-OECD	19.27	19.62	19.66	19.71	19.90	19.72	0.45	2.32
Total Non-DoC production	51.63	52.39	52.25	52.59	53.16	52.60	0.97	1.88
Processing gains	2.58	2.61	2.61	2.61	2.61	2.61	0.03	1.16
Total Non-DoC liquids production	54.21	55.00	54.86	55.20	55.77	55.21	1.00	1.84
Previous estimate	54.21	55.00	54.86	55.20	55.77	55.21	1.00	1.84
Revision	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Note: * 2025 and 2026 = Forecast. Totals may not add up due to independent rounding.

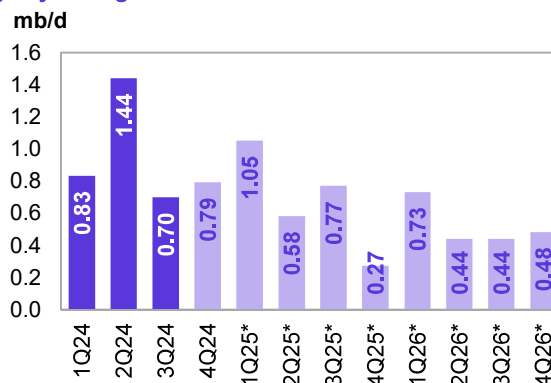
Source: OPEC.

OECD

For 2025, OECD liquids production (excluding DoC participating country Mexico) is expected to expand by about 0.7 mb/d to average 32.4 mb/d. OECD Americas is set to lead the growth, with an expected rise of 0.6 mb/d to an average of 28.3 mb/d. Yearly liquids production in OECD Europe is anticipated to grow by 0.1 mb/d to average 3.6 mb/d, while OECD Asia Pacific is set to decline by a minor 8 tb/d, y-o-y, to average 0.4 mb/d.

In 2026, OECD liquids production is forecast to expand by 0.5 mb/d to average 32.9 mb/d. OECD Americas is set to be the primary growth driver, with an expected increase of 0.6 mb/d to an average of 28.9 mb/d. Yearly liquids production in OECD Europe is expected to drop by about 45 tb/d to average 3.6 mb/d, while OECD Asia Pacific is anticipated to decline by about 15 tb/d, y-o-y, to average 0.4 mb/d.

Graph 5 - 3: OECD quarterly liquids supply, y-o-y changes



Note: * 1Q25-4Q26 = Forecast. Source: OPEC.

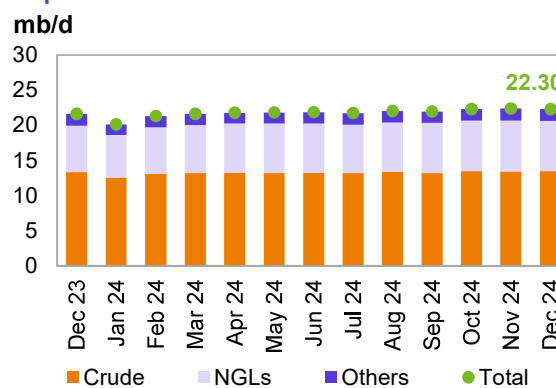
US

US liquids production in December 2024 dropped by 90 tb/d, m-o-m, to average 22.3 mb/d. This was 0.7 mb/d higher than in December 2023.

Crude oil and condensate production rose by 95 tb/d, m-o-m, to average 13.5 mb/d, up by 0.2 mb/d, y-o-y, to reach its highest level ever.

In terms of the crude and condensate production breakdown by region (PADDs), production rose on the US Gulf Coast (USGC) (PADD 3) by 150 tb/d to average 9.8 mb/d. Production on the East and West Coasts (PADD 1 and 5) remained largely unchanged, m-o-m. Output in the Midwest (PADD 2) and Rocky Mountain (PADD 4) regions dropped by 23 tb/d and 20 tb/d, respectively, m-o-m.

Graph 5 - 4: US monthly liquids output by key component



Sources: EIA and OPEC.

The m-o-m production increase in the main producing regions can primarily be attributed to higher output in the offshore Gulf of Mexico (GoM) platforms, as well as New Mexico wells. Gains there, however, were partially offset by losses in the North Dakota and Texas fields.

NGLs production fell by 157 tb/d, m-o-m, to average 7.1 mb/d in December. This was 0.5 mb/d higher, y-o-y. According to the US Department of Energy (DoE), the production of non-conventional liquids (mainly ethanol) fell by 28 tb/d, m-o-m, to average 1.7 mb/d. Preliminary estimates show non-conventional liquids averaged about 1.6 mb/d in January, a drop of about 40 tb/d, m-o-m.

GoM production rose by 0.2 mb/d, m-o-m, to average 1.9 mb/d in December, exhibiting a strong recovery from disruptions between September and November last year, boosted output to the highest level observed last year. In the coming months, output is expected to be supported by project ramp-ups and several new projects. In the onshore Lower 48, crude and condensate production fell by 0.1 mb/d, m-o-m, to average 11.2 mb/d in December.

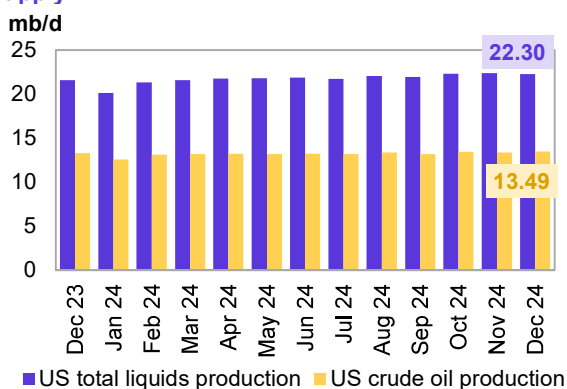
Table 5 - 3: US crude oil production by selected state and region, tb/d

State				Change	
	Dec 23	Nov 24	Dec 24	m-o-m	y-o-y
Texas	5,631	5,801	5,723	-78	92
New Mexico	1,953	2,089	2,113	24	160
GoM	1,852	1,655	1,858	203	6
North Dakota	1,275	1,205	1,171	-34	-104
Alaska	433	439	434	-5	1
Oklahoma	415	411	418	7	3
Colorado	488	523	512	-11	24
Total	13,308	13,396	13,491	95	183

Sources: EIA and OPEC.

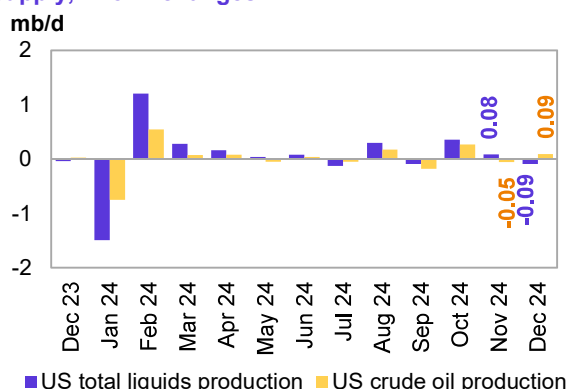
In terms of individual US states, New Mexico's oil production rose by 24 tb/d to average 2.1 mb/d, which is 160 tb/d higher than a year ago. Production in Texas was down by 78 tb/d to average 5.7 mb/d, which is 92 tb/d higher than a year ago. In the Midwest, North Dakota's production fell by 34 tb/d, m-o-m, to average 1.2 mb/d, which is down by 104 tb/d, y-o-y. Oklahoma's production increased by 7 tb/d, m-o-m, to average 0.4 mb/d. Production in Colorado dropped by 11 tb/d, m-o-m and output in Alaska fell by just 5 tb/d, m-o-m.

Graph 5 - 5: US monthly crude oil and total liquids supply



Sources: EIA and OPEC.

Graph 5 - 6: US monthly crude oil and total liquids supply, m-o-m changes



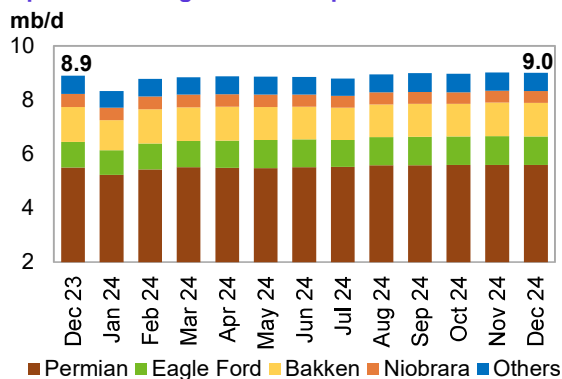
Sources: EIA and OPEC.

US tight crude output in December is estimated to have dropped by just 6 tb/d, m-o-m, to average 9.0 mb/d, according to the latest estimates from the US Energy Information Administration (EIA). This was 110 tb/d higher than in the same month last year.

The m-o-m production decrease from shale and tight formations using horizontal wells came mostly from the Permian shale in Texas and New Mexico, where output dropped by 4 tb/d to average 5.6 mb/d. Albeit, this was an increase of 91 tb/d, y-o-y.

In the Williston Basin, Bakken shale oil output dropped by just 3 tb/d, m-o-m, to average 1.2 mb/d. This was about 45 tb/d lower, y-o-y. Tight crude output at Eagle Ford in Texas was almost unchanged at an average of 1.1 mb/d. This was up by 113 tb/d, y-o-y. Production at Niobrara-Codell in Colorado and Wyoming was unchanged, m-o-m, at about 441 tb/d.

Graph 5 - 7: US tight crude output breakdown



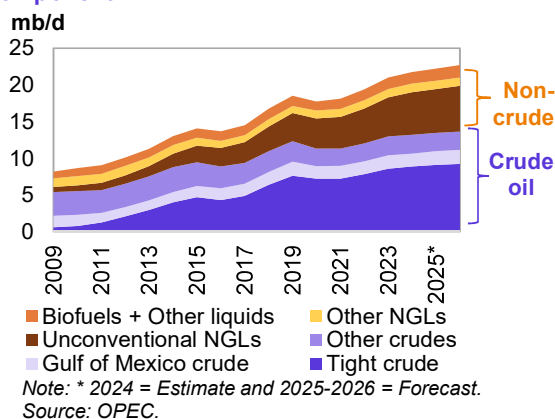
Sources: EIA and OPEC.

World Oil Supply

US liquids production in 2024, excluding processing gains, is estimated to have expanded by 0.8 mb/d, y-o-y, to average 21.8 mb/d. The growth is higher by about 15 tb/d from the previous assessment.

Crude oil and condensate output in 2024 is estimated to have increased by 0.3 mb/d, y-o-y, to average 13.2 mb/d. At the same time, NGLs production and that of non-conventional liquids, particularly ethanol, are estimated to have risen by 0.4 mb/d and 75 tb/d, y-o-y, to average 6.9 mb/d and 1.6 mb/d, respectively. Average tight crude output in 2024 is estimated to have reached 8.9 mb/d, up by 0.3 mb/d, y-o-y.

Graph 5 - 8: US liquids supply developments by component



In 2025, US liquids production, excluding processing gains, is expected to expand by 0.5 mb/d, y-o-y, to average 22.2 mb/d. This anticipates a slight rise in drilling operations, reduced service cost inflation and ongoing enhancements in well productivity and operational efficiency in the key shale basins. Crude oil and condensate output is set to jump by 0.2 mb/d, y-o-y, to average 13.5 mb/d. At the same time, NGLs production and that of non-conventional liquids, particularly ethanol, are projected to increase by 0.2 mb/d and 20 tb/d, y-o-y, to average 7.1 mb/d and 1.6 mb/d, respectively. Average tight crude output in 2025 is expected to reach 9.1 mb/d, up by 0.2 mb/d, y-o-y.

In 2026, US liquids production, excluding processing gains, is expected to grow by 0.5 mb/d, y-o-y, to average 22.7 mb/d. Crude oil and condensate output is set to rise by 0.2 mb/d, y-o-y, to average 13.6 mb/d. At the same time, NGLs production and that of non-conventional liquids are projected to increase by 0.2 mb/d and 50 tb/d, y-o-y, to average 7.4 mb/d and 1.7 mb/d, respectively. Average tight crude output in 2026 is set to reach 9.2 mb/d, up by 0.1 mb/d, y-o-y. The 2026 forecast assumes sustained capital discipline and reduced inflationary pressures in the US upstream sector, combined with increased associated gas production in key shale oil regions.

Table 5 - 4: US liquids production breakdown, mb/d

	Change		Change		Change	
US liquids	2024	2024/23	2025*	2025/24	2026*	2026/25
Tight crude	8.85	0.30	9.10	0.24	9.24	0.14
GoM crude	1.77	-0.10	1.86	0.09	1.90	0.04
Conventional crude oil	2.60	0.08	2.51	-0.09	2.50	-0.01
Total crude	13.22	0.28	13.46	0.24	13.63	0.17
Unconventional NGLs	5.78	0.41	5.99	0.21	6.25	0.26
Conventional NGLs	1.16	0.03	1.14	-0.02	1.12	-0.02
Total NGLs	6.94	0.44	7.13	0.19	7.37	0.24
Biofuels + Other liquids	1.61	0.07	1.63	0.02	1.68	0.05
US total supply	21.77	0.80	22.22	0.45	22.68	0.46

Note: * 2025-2026 = Forecast.

Sources: EIA, OPEC and Rystad Energy.

US tight crude production in the Permian Basin during 2024 is estimated to have increased by 0.3 mb/d, y-o-y, to average 5.5 mb/d. In 2025, it is forecast to grow by 0.2 mb/d, y-o-y, to average 5.7 mb/d, while growth of 0.1 mb/d is expected for 2026.

In North Dakota, Bakken shale production is estimated to have expanded by about 25 tb/d in 2024. It is expected to stay below the pre-pandemic average of 1.4 mb/d, at around 1.2 mb/d in 2025, with only a modest increase of 10 tb/d. A forecasted drop of approximately 20 tb/d in 2026 might indicate a maturing stage for the basin.

World Oil Supply

Output in the Eagle Ford Basin in Texas is estimated to have averaged 1.0 mb/d in 2024. In 2025, growth of 10 tb/d is expected, while steady production is forecast for 2026.

Niobrara's production is estimated to have remained unchanged, y-o-y, in 2024, at an average of 451 tb/d. With the expected growth of 15 tb/d and 30 tb/d in 2025 and 2026, respectively, output is forecast to remain at around 0.5 mb/d.

In the other tight oil plays, production is estimated to have dropped by 37 tb/d in 2024. Due to a reduced rate of drilling and completion activities, stabilized output is expected in 2025, followed by a minor increase of 10 tb/d for 2026.

Graph 5 - 9: US tight crude output by shale play, y-o-y changes

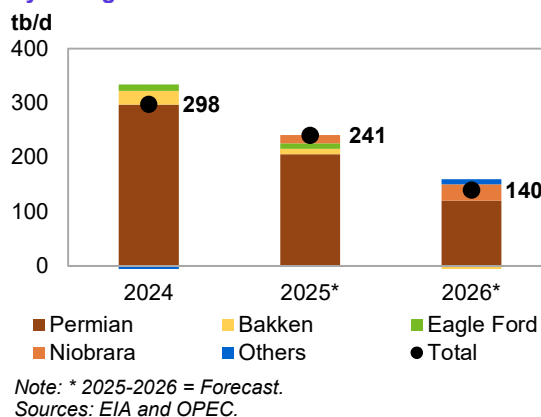


Table 5 - 5: US tight oil production growth, mb/d

US tight oil	Change		Change		Change	
	2024	2024/23	2025*	2025/24	2026*	2026/25
Permian tight	5.51	0.30	5.72	0.21	5.84	0.12
Bakken shale	1.22	0.02	1.23	0.01	1.21	-0.02
Eagle Ford shale	1.01	0.01	1.02	0.01	1.02	0.00
Niobrara shale	0.45	0.00	0.47	0.02	0.50	0.03
Other tight plays	0.66	-0.04	0.66	0.00	0.67	0.01
Total	8.85	0.30	9.10	0.24	9.24	0.14

Note: * 2025-2026 = Forecast.

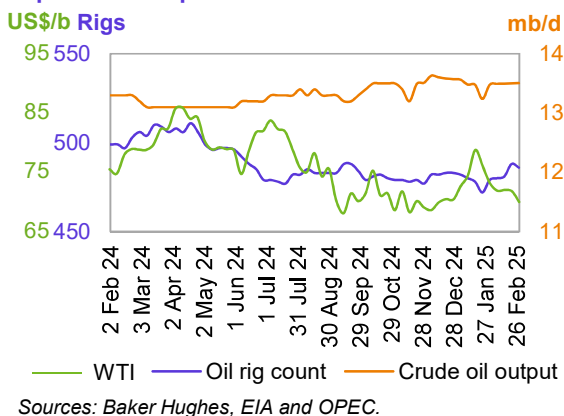
Source: OPEC.

US rig count, spudded, completed, DUC wells and fracking activity

The total number of active US oil and gas drilling rigs in the week ending 7 March 2025 dropped by one to 592, according to Baker Hughes. This is 30 fewer rigs than a year ago. The number of active offshore rigs rose by one, w-o-w, to 14. This is seven less than in the same month a year earlier. The number of onshore oil and gas rigs decreased by two, w-o-w, to 576, with two rigs in inland waters. This is down by 25 rigs, y-o-y.

The US horizontal rig count dropped by two, w-o-w, to 531, compared with 557 horizontal rigs a year ago. The number of drilling rigs for oil remained unchanged, w-o-w, at 486, while the number of gas drilling rigs decreased by one, w-o-w, to 101.

Graph 5 - 10: US weekly rig count vs. US crude oil output and WTI price



The Permian's rig count decreased by one, w-o-w, to 304. The rig count in each of the Eagle Ford and Cana Woodford Basins rose by one, w-o-w, to 49 and 22, respectively. The rig count in the Williston and DJ-Niobrara Basins remained unchanged, w-o-w, at 33 and 6, respectively.

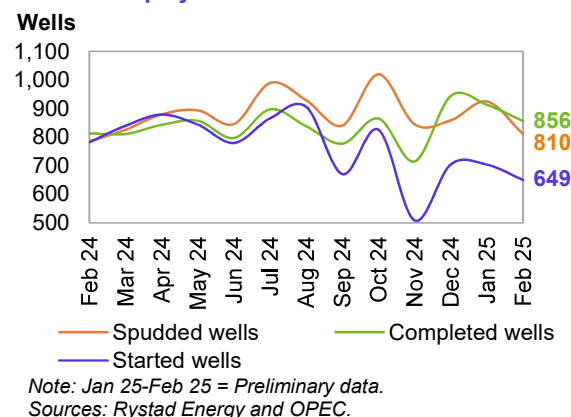
World Oil Supply

Drilling and completion activities for oil-producing wells in all US shale plays include 924 horizontal wells spudded in January, as per preliminary data. This is up by 66, m-o-m, and is about 10% higher than in January last year.

Preliminary data for January indicates a higher number of completed wells, m-o-m, at 913, with the number up by about 20%, y-o-y. The number of started wells is estimated at 703, which is about 5% lower than a year earlier.

Preliminary data for February saw 810 spudded, 856 completed and 649 started wells, according to Rystad Energy data.

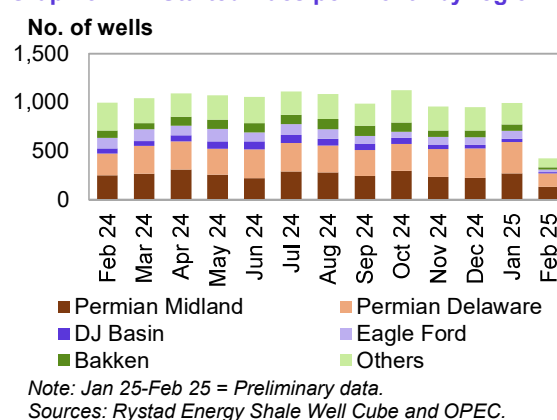
Graph 5 - 11: Spudded, completed and started wells in US shale plays



In terms of identifying US oil and gas fracking operations, Rystad Energy reported that 953 wells started fracking in December 2024. In January and February 2025, it stated that 993 and 423 wells had begun fracking, respectively, according to preliminary numbers based on an analysis of high-frequency satellite data.

In regional terms, preliminary data for January 2025 shows that 268 and 321 wells started fracking in the Permian Midland and Permian Delaware regions, respectively. There was a gain of 48 wells in the Midland region and an increase of 16 in Delaware, compared with December 2024. Data also indicates that 34 wells began fracking in the DJ Basin, 84 in the Eagle Ford and 64 in the Bakken during January.

Graph 5 - 12: Started fracs per month by region



Canada

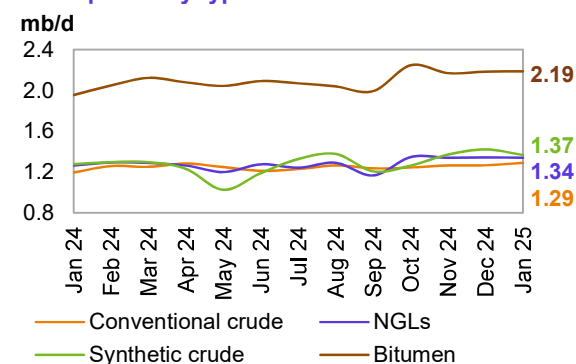
Canada's liquids production in January is estimated to have dropped by about 26 tb/d, m-o-m, to an average of 6.2 mb/d. This is slightly higher than the elevated average production level recorded in 4Q24.

Conventional crude production rose by about 23 tb/d in January, m-o-m, to an average of 1.3 mb/d. NGLs output was down by just 3 tb/d, m-o-m, to an average of 1.3 mb/d.

Crude bitumen production output remained largely unchanged in January, m-o-m, while synthetic crude production fell by 55 tb/d, m-o-m. Taken together, crude bitumen and synthetic crude production averaged 3.6 mb/d in January.

Liquids production in 1Q25 is expected to stand at 6.1 mb/d, which is about 0.1 mb/d lower than the record levels of 4Q24.

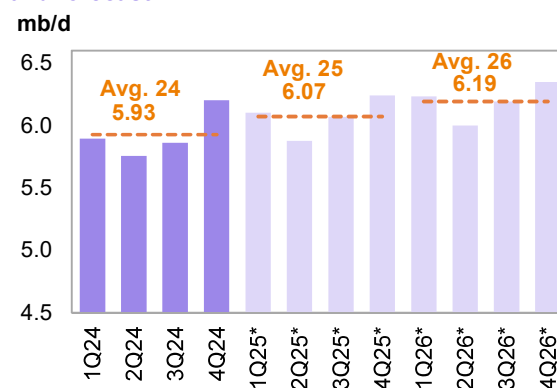
Graph 5 - 13: Canada's monthly liquids production development by type



World Oil Supply

In 2025, Canada's liquids production is forecast to grow by 0.1 mb/d to average 6.1 mb/d. Additional production is expected to come from expanding oil sands projects, optimization, and additional well pads coming online at several facilities. Sources of further production are primarily expected from the Athabasca, Kearl, Horizon, Christina Lake, Suncor and Foster Creek oil sands projects. The main start-ups in 2025 are expected to be Syncrude Mildred Lake/Aurora, Narrows Lake, Cold Lake Oil Sands, Mannville Heavy Oil and the Montney Play.

Graph 5 - 14: Canada's quarterly liquids production and forecast



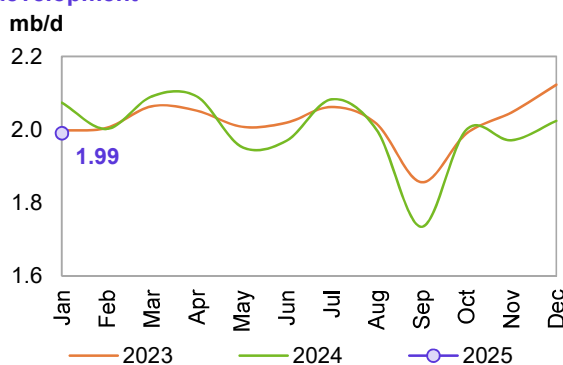
Note: * 1Q25-4Q26 = Forecast. Source: OPEC.

In 2026, Canada's liquids production is forecast to grow by 0.1 mb/d to average 6.2 mb/d. Brownfield growth from several projects is expected to primarily drive oil sands production through asset expansion and the wider application of new drilling technologies. Principal sources of production are expected from the Montney play, Athabasca, Syncrude Mildred Lake, Kearl, Horizon, Christina Lake, Suncor, Foster Creek, Firebag and Fort Hills projects. The main start-ups in 2026 are expected to be Leismer, Foster Creek, White Rose Extension, Horizon Oil Sands Project, Christina Lake Regional Project, Meota SAGD, Lindbergh (Strathcona) and Reford SAGD projects.

Norway

Norwegian liquids production in January dropped by 34 tb/d, m-o-m, to average 2.0 mb/d. Norway's crude production fell by 11 tb/d, m-o-m, to average 1.8 mb/d. This was lower by about 51 tb/d, y-o-y. Monthly oil production was 2.8% higher than the Norwegian Offshore Directorate's (NOD) forecast.

Graph 5 - 15: Norway's monthly liquids production development



Sources: The Norwegian Offshore Directorate (NOD) and OPEC.

NGLs and condensate production fell by 23 tb/d, m-o-m, to average 0.2 mb/d in January, according to NOD data.

In 2025, Norwegian liquids production is forecast to grow by 0.1 mb/d to average 2.1 mb/d. This is revised down by 20 tb/d from the previous assessment due to delays in some expected start-ups. Several small-to-large-scale projects are scheduled to ramp up, including Kristin, Eldfisk and Balder/Ringhorne.

At the same time, start-ups are expected at the Balder/Ringhorne, Norne floating, production, storage and offloading (FPSO) platform, Maria and Kvitebjorn oil field projects. Production from the extensive Var Energi's Balder X redevelopment project, is expected to begin by mid-2025. At the same time, the Johan Castberg FPSO, the Equinor-operated project where Var Energi is a partner, is expected to produce first oil in Norway's Barents Sea in the coming weeks, after being delayed by inclement weather.

Norwegian liquids production is forecast to drop by about 40 tb/d to average 2.0 mb/d in 2026. Some projects at different scales are scheduled to ramp up in 2026, such as Johan Castberg, Edvard Grieg, Balder/Ringhorne, Heidrun, Grane, Valhall and Ivar Aasen. Concurrently, start-ups are expected at limited assets, such as the Symra and Edvard Grieg oil field projects.

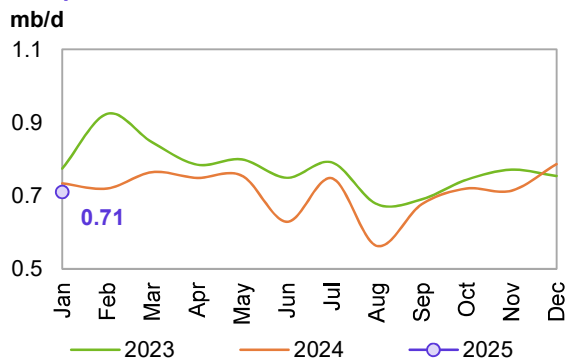
UK

In January, UK liquids production dropped by 76 tb/d, m-o-m, to average 0.7 mb/d. Crude oil output fell by 70 tb/d, m-o-m, to average 0.6 mb/d. This was lower by 35 tb/d, y-o-y, according to official data. NGLs output dropped by 6 tb/d, m-o-m, to average 73 tb/d.

In 2025, UK liquids production is forecast to remain steady at around 0.7 mb/d. Production ramp-ups are expected at the Clair sites, Buzzard, ETAP, Magnus and Schiehallion projects. Elsewhere, project start-ups are anticipated at the Victory, Janice and Murlach (Skua redevelopment) assets. Shell has also brought online the redeveloped Penguins field in the northeast of the Shetland Islands and commissioned the drilling of additional wells, tied back to the FPSO. Nonetheless, the additional volumes are expected to be largely offset by decline rates from the ageing reservoirs throughout the year.

In 2026, UK liquids production is forecast to drop by about 10 tb/d, y-o-y, to average 0.7 mb/d. Minor production ramp-ups are forecast at the Clair, Kraken and Schiehallion sites. Elsewhere, project start-ups are seen at Triton, Anasuria and Jackdaw. However, natural decline rates in mature oil fields are again expected to offset the additional volumes.

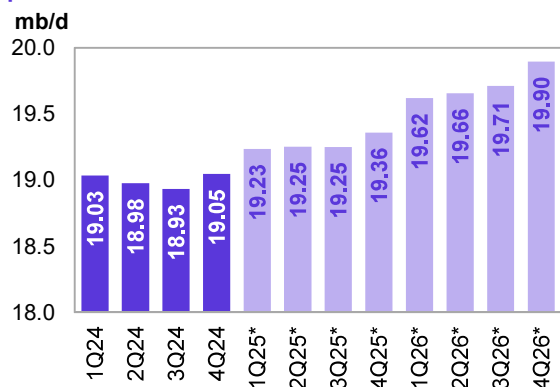
Graph 5 - 16: UK monthly liquids production development



Sources: UK Department for Business, Energy and Industrial Strategy and OPEC.

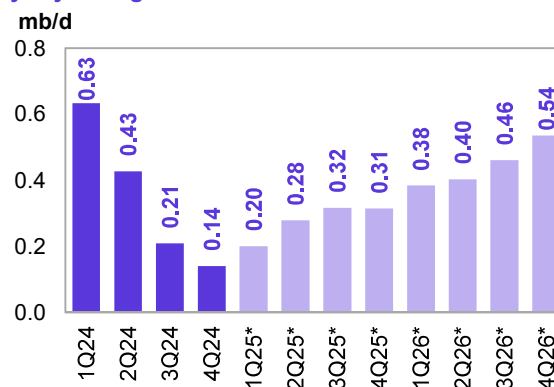
Non-OECD

Graph 5 - 17: Non-OECD quarterly liquids production and forecast



Note: * 1Q25-4Q26 = Forecast. Source: OPEC.

Graph 5 - 18: Non-OECD quarterly liquids supply, y-o-y changes



Note: * 1Q25-4Q26 = Forecast. Source: OPEC.

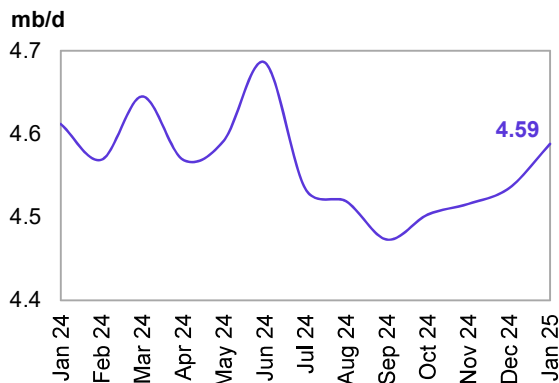
China

China's liquids production rose by 53 tb/d, m-o-m, to average 4.6 mb/d in January. This is down by 24 tb/d, y-o-y, according to official data. Crude oil output in January averaged 4.3 mb/d, up by 76 tb/d compared with the previous month. This was almost unchanged, y-o-y.

NGLs production dropped by just 5 tb/d, m-o-m, to average 23 tb/d. This was 5 tb/d lower compared with the same month a year earlier.

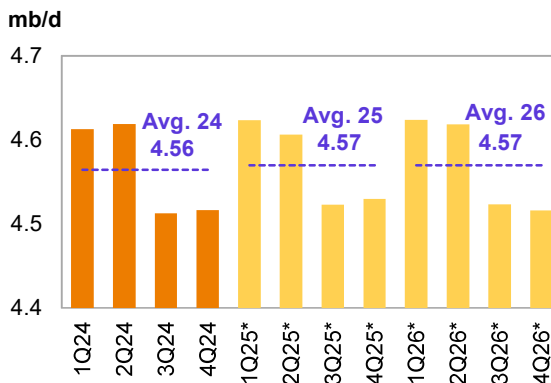
In 2025, Chinese liquids production is expected to remain broadly steady, y-o-y, at an average of 4.6 mb/d. Supply growth is primarily expected to come from the offshore sector following considerable recent exploration investments in Bohai Bay off northern China and the South China Sea. Additional infill wells and EOR projects are expected to mostly offset decline rates at mature fields. For this year, oil and gas condensate projects such as Songliaho, Peng Lai 19-9, Kenli 10-2, Shengli, Liaodong Bay West, Tianjin, Wenchang 9-7 – operated by CNOOC, PetroChina and Sinopec – are expected to come on stream. Additionally, key ramp-ups are planned for Shengli, Xibei, Jilin, Peng Lai 19-3 and Tarim. In early February, CNOOC started production from phase 1 of its Bozhong 26-6 oilfield development project in central Bohai Bay offshore eastern China.

Graph 5 - 19: China's monthly liquids production development



Sources: CNPC and OPEC.

Graph 5 - 20: China's quarterly liquids production and forecast



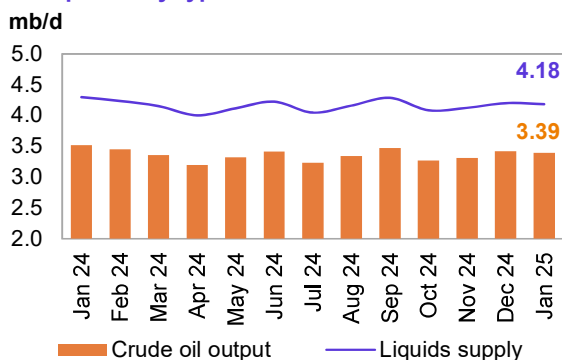
Note: * 1Q25-4Q26 = Forecast. Sources: CNPC and OPEC.

In 2026, Chinese liquids production is expected to remain unchanged, y-o-y, and is forecast to average 4.6 mb/d. Several oil and gas condensate projects are set to come on stream, namely Jinzhou 25-1 and 25-3 in Tianjin, Weizhou 11-4 and 11-12 in Zhanjiang, Jinxian JX1-1 in Tianjin, Wenchang 16-2 in Zhanjiang, Liaohe and Jiangnan. Most of these are operated by CNOOC, Sinopec or PetroChina. At the same time, key ramp-ups are expected from the Daqing, Shengli, Xinjiang and Dagang projects.

Brazil

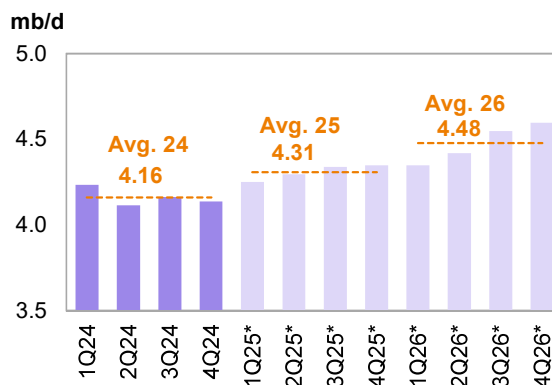
Brazil's crude output in January dropped by 26 tb/d, m-o-m, to average 3.4 mb/d, while continued underperformance in several offshore platforms has been reported. NGLs production rose by just 3 tb/d to an average of around 70 tb/d, and this is expected to remain flat in February. Biofuel output (mainly ethanol) is estimated to have been largely unchanged, m-o-m, at an average of 0.7 mb/d, with preliminary data showing a stable trend in February. The country's total liquids production fell by 16 tb/d in January to average 4.2 mb/d, which is lower by about 0.1 mb/d, y-o-y.

Graph 5 - 21: Brazil's monthly liquids production development by type



Sources: Brazilian National Agency of Petroleum, Natural Gas and Biofuels (ANP) and OPEC.

Graph 5 - 22: Brazil's quarterly liquids production



Note: * 1Q25-4Q26 = Forecast. Sources: ANP and OPEC.

In 2025, Brazil's liquids supply, including biofuels, is forecast to increase by about 150 tb/d, y-o-y, to average 4.3 mb/d. Crude oil output is expected to expand through production ramp-ups at the Buzios (Franco), Mero (Libra NW), Tupi (Lula), Marlim, Peregrino, Atlanta and Parque das Baleias fields. Oil project start-ups are expected at the Buzios, Bacalhau (x-Carcara), Mero (Libra NW), Wahoo and Lapa (Carioca) fields. Nevertheless, operational issues and unplanned disruptions could potentially delay some scheduled start-ups from the platforms. Petrobras initiated production from the FPSO Almirante Tamandaré (Buzios 7) in mid-February at the Buzios field, located in the pre-salt layer of the Santos Basin, as the sixth production system in this field.

In 2026, Brazil's liquids supply, including biofuels, is forecast to increase by 0.2 mb/d, y-o-y, to average 4.5 mb/d. Upstream liquids output is expected to increase through production ramp-ups at the Buzios (Franco), Mero (Libra NW), Marlim and Bacalhau (x-Carcara) projects. Oil project start-ups are expected at the Buzios,

Albacora Leste and Pampo-Enchova Cluster. However, growing offshore development costs and inflationary pressure may continue to delay projects.

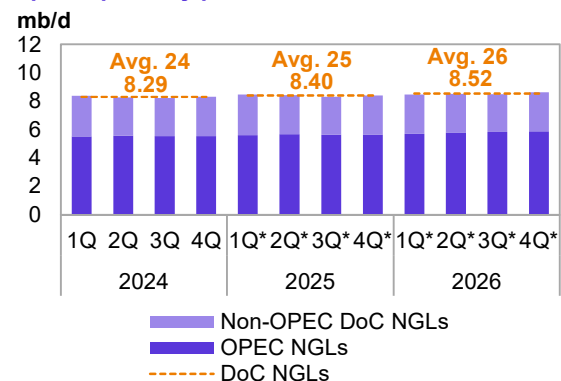
DoC NGLs and non-conventional liquids

DoC NGLs and non-conventional liquids are expected to expand by 0.1 tb/d in 2025 to average 8.4 mb/d.

Preliminary data shows that NGLs and non-conventional liquids output in 1Q25 averaged 8.5 mb/d. According to preliminary January data, OPEC Member Countries and non-OPEC DoC countries are estimated to have produced 5.6 mb/d and 2.9 mb/d, respectively, of NGLs and non-conventional liquids.

The 2026 forecast points toward a combined increase of about 120 tb/d for an average of 8.5 mb/d. For OPEC Member Countries, NGLs and non-conventional liquids production is projected to grow by 150 tb/d to average 5.8 mb/d. However, a drop of about 30 tb/d is forecast for non-OPEC DoC countries, to an average of 2.7 mb/d.

Graph 5 - 23: DoC NGLs and non-conventional liquids quarterly production and forecast



Note: * 1Q25-4Q26 = Forecast. Source: OPEC.

Table 5 - 6: DoC NGLs + non-conventional liquids, mb/d

DoC NGLs and non-conventional liquids	Change		Change				Change			
	2024	24/23	2025	25/24	1Q26	2Q26	3Q26	4Q26	2026	26/25
OPEC	5.53	0.06	5.64	0.11	5.70	5.77	5.82	5.85	5.79	0.15
Non-OPEC DoC	2.76	0.03	2.77	0.00	2.77	2.75	2.67	2.77	2.74	-0.03
Total	8.29	0.09	8.40	0.11	8.48	8.51	8.49	8.62	8.52	0.12

Note: 2025-2026 = Forecast.

Source: OPEC.

DoC crude oil production

Total DoC crude oil production averaged 41.01 mb/d in February 2025, which is 363 tb/d higher, m-o-m.

Table 5 - 7: DoC crude oil production based on secondary sources, tb/d

Secondary sources	2023	2024	2Q24	3Q24	4Q24	Dec 24	Jan 25	Feb 25	Change Feb/Jan
Algeria	969	905	903	903	904	905	904	913	9
Congo	261	254	260	254	255	260	258	257	-1
Equatorial Guinea	57	57	57	58	59	63	60	61	1
Gabon	213	223	218	222	229	233	232	226	-6
IR Iran	2,884	3,257	3,253	3,316	3,290	3,293	3,273	3,308	34
Iraq	4,265	4,161	4,186	4,214	4,014	3,983	3,991	4,009	19
Kuwait	2,595	2,429	2,426	2,433	2,422	2,417	2,410	2,418	8
Libya	1,153	1,092	1,177	904	1,182	1,261	1,270	1,279	9
Nigeria	1,337	1,435	1,387	1,437	1,485	1,525	1,526	1,560	34
Saudi Arabia	9,618	8,981	8,973	8,981	8,962	8,944	8,941	8,959	18
UAE	2,954	2,950	2,949	2,970	2,947	2,901	2,929	2,953	25
Venezuela	760	871	853	892	905	906	912	918	6
Total OPEC	27,065	26,615	26,642	26,584	26,655	26,690	26,706	26,860	154
Azerbaijan	504	482	478	483	487	486	467	476	9
Bahrain	185	176	185	165	183	183	184	186	2
Brunei	72	80	67	89	84	88	86	85	-1
Kazakhstan	1,600	1,537	1,558	1,556	1,415	1,449	1,570	1,767	198
Malaysia	374	349	361	323	348	350	350	346	-4
Mexico	1,651	1,579	1,594	1,588	1,522	1,483	1,470	1,458	-12
Oman	819	766	765	765	761	755	758	760	2
Russia	9,596	9,193	9,250	9,058	9,015	9,004	8,977	8,973	-4
Sudan	53	28	25	27	27	26	24	23	-1
South Sudan	141	71	63	54	57	56	57	77	20
Total Non-OPEC DoC	14,995	14,261	14,346	14,107	13,899	13,881	13,943	14,151	208
Total DoC	42,060	40,876	40,988	40,691	40,554	40,571	40,648	41,011	363

Notes: Totals may not add up due to independent rounding, given available secondary sources to date.

Source: OPEC.

OPEC crude oil production

OPEC crude oil production for February, as reported by OPEC Member Countries, is shown in **Table 5 - 8** below.

Table 5 - 8: OPEC crude oil production based on direct communication, tb/d

Direct communication	2023	2024	2Q24	3Q24	4Q24	Dec 24	Jan 25	Feb 25	Change Feb/Jan
Algeria	973	907	905	909	908	906	907	912	5
Congo	271	260	260	264	265	261	251	266	15
Equatorial Guinea	55	57	60	57	58	60	62	53	-9
Gabon	223	..	..	..	..	..	..	..	..
IR Iran	..	..	..	..	..	..	..	..	..
Iraq	4,118	3,862	3,862	3,897	3,731	3,689	3,687	3,677	-10
Kuwait	2,590	2,411	2,413	2,413	2,404	2,407	2,400	2,406	6
Libya	1,189	1,138	1,217	936	1,252	1,310	1,396	..	..
Nigeria	1,187	1,340	1,270	1,328	1,434	1,485	1,539	1,465	-74
Saudi Arabia	9,606	8,955	8,937	8,970	8,935	8,906	8,918	8,947	30
UAE	2,944	2,916	2,928	2,933	2,884	2,817	2,906	2,909	3
Venezuela	783	921	904	933	982	998	1,031	1,025	-6
Total OPEC	..	..	..	..	..	..	..	..	..

Notes: .. Not available. Totals may not add up due to independent rounding.

Source: OPEC.

Commercial Stock Movements

Preliminary data in January 2024 shows total OECD commercial oil stocks up by 1.0 mb, m-o-m. At 2,738 mb, they were 38.2 mb lower than the same time a year ago, 108.0 mb less than the latest five-year average, and 188.1 mb below the 2015–2019 average. Within the components, crude stocks went up by 16.8 mb, while products stocks fell by 15.9 mb, m-o-m.

OECD commercial crude stocks stood at 1,298 mb. This is 30.3 mb lower than the same time a year ago, 57.3 mb below the latest five-year average, and 132.9 mb less than the 2015–2019 average.

OECD total product stocks stood at 1,440 mb. This is 7.9 mb less than the same time a year ago, 50.7 mb lower than the latest five-year average, and 55.2 mb below the 2015–2019 average.

In terms of days of forward cover, OECD commercial stocks fell by 0.3 days, m-o-m, in January to stand at 60.7 days. This is 0.9 days lower than the level registered in January 2024, 4.1 days less than the latest five-year average, and 1.3 days lower than the 2015–2019 average.

OECD

Preliminary January 2025 data shows total OECD commercial oil stocks up by 1.0 mb, m-o-m. At 2,738 mb, they were 38.2 mb lower than the same time a year ago, 108.0 mb less than the latest five-year average, and 188.1 mb below the 2015–2019 average.

Within the components, crude stocks went up by 16.8 mb, while products stocks fell by 15.9 mb, m-o-m.

Within the OECD regions, in January, total commercial oil stocks fell in OECD America, while they rose in OECD Europe and OECD Asia Pacific.

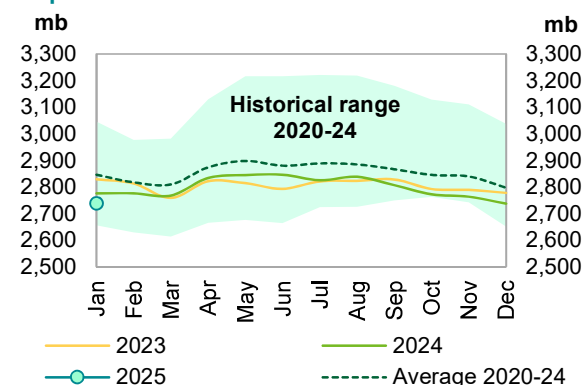
OECD commercial crude stocks rose by 16.8 mb, m-o-m, ending January at 1,298 mb. This was 30.3 mb lower than the same time a year ago, 57.3 mb below the latest five-year average, and 132.9 mb less than the 2015–2019 average.

Within the OECD regions, OECD America, OECD Asia Pacific and OECD Europe saw a crude stock build of 10.1 mb, 2.3 mb and 4.5 mb, respectively.

By contrast, OECD total product stocks decreased by 15.9 mb, m-o-m, in January to stand at 1,440 mb. This is 7.9 mb lower than the same time a year ago, 50.7 mb less than the latest five-year average, and 55.2 mb below the 2015–2019 average.

Within the OECD regions, product stocks in OECD America and OECD Asia Pacific witnessed a draw of 26.0 mb and 0.6 mb, m-o-m, respectively. OECD Europe product stocks rose by 10.7 mb, m-o-m.

Graph 9 - 1: OECD commercial oil stocks



Sources: EIA, IEA, METI, OilX and OPEC.

Table 9 - 1: OECD commercial stocks, mb

OECD stocks	Jan 24	Nov 24	Dec 24	Jan 25	Change Jan 25/Dec 24
Crude oil	1,328	1,307	1,281	1,298	16.8
Products	1,448	1,457	1,456	1,440	-15.9
Total	2,776	2,763	2,737	2,738	1.0
Days of forward cover	61.6	60.8	61.0	60.7	-0.3

Note: Totals may not add up due to independent rounding.

Sources: EIA, IEA, METI, OilX and OPEC.

In terms of days of forward cover, OECD commercial stocks fell by 0.3 days, m-o-m, in January to stand at 60.7 days. This is 0.9 days lower than the level registered in January 2024, 4.1 days less than the latest

Commercial Stock Movements

five-year average, and 1.3 days lower than the 2015–2019 average.

Within the OECD regions, OECD Americas stood at 3.8 days and OECD Europe at 4.8 days below the latest five-year average, standing at 60.8 days and 70.0 days, respectively. OECD Asia Pacific was 4.4 days lower than the latest five-year average, standing at 43.8 days.

OECD Americas

OECD Americas' total commercial stocks fell in January by 15.9 mb, m-o-m, to settle at 1,488 mb. This is 13.1 mb lower than the same month in 2024, and 37.7 mb below the latest five-year average.

Commercial crude oil stocks in OECD Americas increased in January by 10.1 mb, m-o-m, to stand at 740 mb, which is 10.5 mb lower than in January 2024 and 22.8 mb below the latest five-year average.

By contrast, total product stocks in OECD Americas decreased by 26.0 mb, m-o-m, in January to stand at 748 mb. This is 2.6 mb lower than the same month in 2024, and 14.9 mb below the latest five-year average. Higher consumption in the region was behind the product stock draw.

OECD Europe

OECD Europe's total commercial stocks rose in January by 15.3 mb, m-o-m, to settle at 925 mb. This is 10.1 mb higher than the same month in 2024, but 38.9 mb below the latest five-year average.

OECD Europe's commercial crude stocks rose by 4.5 mb, m-o-m, to end January at 397 mb. This is 5.6 mb higher than one year ago, but 13.5 mb lower than the latest five-year average.

Total product stocks also rose by 10.7 mb, m-o-m, to end January at 528 mb. This is 4.5 mb higher than the same time a year ago, but 25.4 mb below the latest five-year average.

OECD Asia Pacific

OECD Asia Pacific's total commercial oil stocks went up in January by 1.7 mb, m-o-m, to stand at 325 mb. This is 35.2 mb lower than the same time a year ago, and 31.3 mb below the latest five-year average.

OECD Asia Pacific's crude stocks rose by 2.3 mb, m-o-m, to end January at 161 mb. This is 25.4 mb lower than one year ago, and 21.0 mb below the latest five-year average.

By contrast, OECD Asia Pacific's products stocks fell by 0.6 mb, m-o-m, to end January at 164 mb. This is 9.8 mb lower than one year ago, and 10.3 mb below the latest five-year average.

US

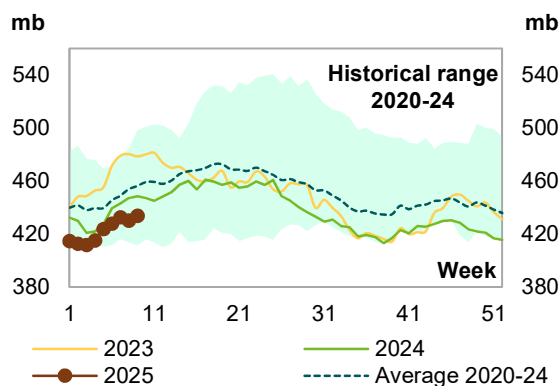
Preliminary data for February 2025 shows that total US commercial oil stocks fell by 5.4 mb, m-o-m, to stand at 1,205 mb. This is 16.5 mb, or 1.3%, lower than the same month in 2024, and 42.7 mb, or 3.4%, below the latest five-year average. Crude stocks rose by 10.0 mb, while product stocks fell by 15.4 mb, m-o-m.

US commercial crude stocks in February stood at 433.8 mb. This is 14.2 mb, or 3.2%, lower than the same month in 2024, and 21.3 mb, or 4.7%, below the latest five-year average. The monthly stock build came on the back of lower crude runs, which decreased by around 150 tb/d, m-o-m, to average 15.77 mb/d in February.

By contrast, total product stocks fell in February to stand at 771.5 mb. This is 2.3 mb, or 0.3%, less than in February 2024, and 21.4 mb, or 2.7%, lower than the latest five-year average. The product stock drop can be attributed to higher product consumption.

Gasoline stocks fell in February by 4.3 mb, m-o-m, to settle at 246.8 mb. This is 6.6 mb, or 2.8%, higher than the same month in 2024, and 1.3 mb, or 0.5%, above the latest five-year average.

Graph 9 - 2: US weekly commercial crude oil inventories



Sources: EIA and OPEC.

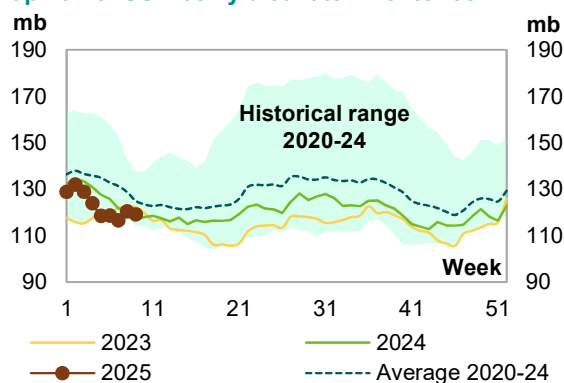
Commercial Stock Movements

By contrast, distillate stocks in February increased by 0.7 mb, m-o-m, to stand at 119.2 mb. This is 1.4 mb, or 1.2%, higher than the same month in 2024, but 8.8 mb, or 6.9%, below the latest five-year average

Jet fuel stocks also rose by 2.9 mb, m-o-m, ending the month of February at 45.2 mb. This is 5.4 mb, or 13.5%, higher than the same month in 2024, and 5.3 mb, or 13.3%, above the latest five-year average.

Residual fuel oil stocks in January also went up by 1.2 mb, m-o-m. At 24.7 mb, they were 4.1 mb, or 14.3%, lower than a year earlier, and 5.5 mb, or 18.1%, below the latest five-year average.

Graph 9 - 3: US weekly distillate inventories



Sources: EIA and OPEC.

Table 9 - 2: US commercial petroleum stocks, mb

US stocks					Change
	Feb 24	Dec 24	Jan 25	Feb 25	Feb 25/Jan 25
Crude oil	447.9	413.7	423.8	433.8	10.0
Gasoline	240.2	238.6	251.1	246.8	-4.3
Distillate fuel	117.8	130.3	118.5	119.2	0.7
Residual fuel oil	28.9	22.9	23.5	24.7	1.2
Jet fuel	39.9	43.9	42.3	45.2	2.9
Total products	773.8	823.6	786.9	771.5	-15.4
Total	1,221.7	1,237.3	1,210.6	1,205.2	-5.4
SPR	361.0	393.6	395.1	395.3	0.2

Sources: EIA and OPEC.

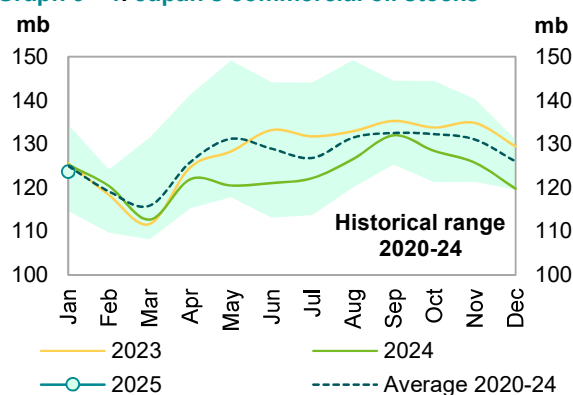
Japan

In Japan, total commercial oil stocks in January 2025 rose by 3.9 mb, m-o-m, to settle at 123.7 mb. This is 1.5 mb, or 1.2%, lower than the same month in 2024 and 1.2 mb, or 1.0%, below the latest five-year average. Crude stocks rose by 4.5 mb, while products stocks fell by 0.6 mb.

Japanese commercial crude oil stocks increased in January by 4.5 mb, m-o-m, to stand at 64.5 mb. This is 2.0 mb, or 3.0%, lower than the same month in 2024, but 0.2 mb, or 0.4%, higher than the latest five-year average. The build in crude oil stocks could be attributed to lower crude runs, which dropped by around 66 tb/d or 2.6%, m-o-m, to stand at 2.5 mb/d.

Gasoline stocks rose in January by 0.8 mb/d, m-o-m, to stand at 11.5 mb. This is 0.3 mb, or 2.6%, higher than a year earlier at the same period, but 0.3 mb, or 2.9%, below the latest five-year average.

Graph 9 - 4: Japan's commercial oil stocks



Sources: METI and OPEC.

Total residual fuel oil stocks also went up, m-o-m, by 0.2 mb to end January at 12.4 mb. This is in line with the same month in 2024, but 0.3 mb, or 2.8%, higher than the latest five-year average. Within the components, fuel oil A and fuel oil B.C stocks rose by 0.4% and 2.4%, m-o-m, respectively.

By contrast, middle distillate stocks fell by 1.6 mb, m-o-m, to end January at 25.8 mb. This is 1.1 mb, or 4.0%, lower than the same month in 2024, and 1.7 mb, or 6.2%, lower than the latest five-year average. Within the distillate components, Kerosene and jet fuel went down by 15.4 % and 8.9%, respectively, while gas oil stocks went up by 4.4%, m-o-m.

Commercial Stock Movements

Table 9 - 3: Japan's commercial oil stocks*, mb

Japan's stocks	Jan 24	Nov 24	Dec 24	Jan 25	Change Jan 25/Dec 24
Crude oil	66.5	61.9	59.9	64.5	4.5
Gasoline	11.3	10.8	10.7	11.5	0.8
Naphtha	8.2	9.7	9.5	9.5	0.0
Middle distillates	26.9	31.0	27.4	25.8	-1.6
Residual fuel oil	12.4	12.3	12.2	12.4	0.2
Total products	58.8	63.8	59.8	59.2	-0.6
Total**	125.2	125.7	119.8	123.7	3.9

Note: * At the end of the month. ** Includes crude oil and main products only.

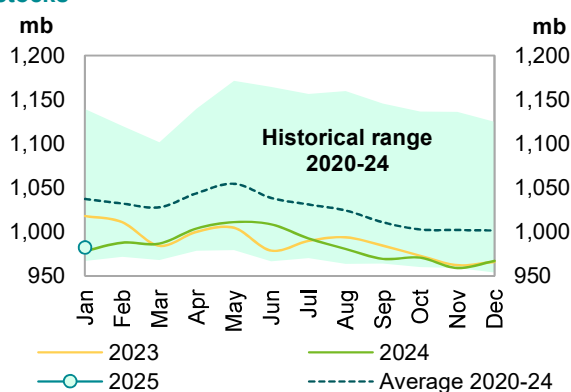
Sources: METI and OPEC.

EU-14 plus the UK and Norway

Preliminary data for January 2025 showed that total European oil stocks rose by 15.3 mb, m-o-m, to stand at 982.1 mb. At this level, they were 4.1 mb, or 0.4%, higher than the same month in 2024, but 55.2 mb, or 5.3%, beneath the latest five-year average. Crude and products stocks rose by 4.5 mb and 10.7 mb, respectively.

European crude stocks stood at 394.9 mb in January. This is 7.6 mb, or 2.0%, higher than the same month in 2024, but 11.9 mb, or 2.9%, less than the latest five-year average. The build in crude oil stocks came despite higher refinery throughput in the EU-14, plus the UK and Norway, which increased by around 10 tb/d, m-o-m, to stand at 9.71 mb/d.

Graph 9 - 5: EU-14 plus the UK and Norway total oil stocks



Sources: OilX and OPEC.

Total European product stocks also rose by 10.7 mb, m-o-m, to end January at 587.2 mb. This is 3.4 mb, or 0.6%, lower than the same month in 2024, and 43.2 mb, or 6.9%, below the latest five-year average. The stock build can be attributed to lower demand in the region.

Gasoline stocks rose in January by 5.5 mb, m-o-m, to stand at 109.2 mb, which is 1.5 mb, or 1.3%, lower than the same time in 2024, and 7.8 mb, or 6.7%, below the latest five-year average.

Middle distillate stocks also increased in January by 4.2 mb, m-o-m, to stand at 393.6 mb. This is 6.6 mb, or 1.7%, higher than the same month in 2024, but 27.4 mb, or 6.5%, lower than the latest five-year average.

Residual fuel stocks in January were up by 1.2 mb, m-o-m, to stand at 56.4 mb. This is 4.9 mb, or 8.0%, lower than the same month in 2024, and 6.5 mb, or 10.4%, below the latest five-year average.

By contrast, naphtha stocks fell in January by 0.1 mb, m-o-m, ending the month at 28.0 mb. This is 3.7 mb, or 11.6%, lower than the same month in 2024, and 1.5 mb, or 4.9%, less than the latest five-year average.

Table 9 - 4: EU-14 plus UK and Norway's total oil stocks, mb

EU stocks	Jan 24	Nov 24	Dec 24	Jan 25	Change Jan 25/Dec 24
Crude oil	387.4	387.4	390.4	394.9	4.5
Gasoline	110.7	102.0	103.7	109.2	5.5
Naphtha	31.7	28.4	28.2	28.0	-0.1
Middle distillates	387.0	385.4	389.4	393.6	4.2
Fuel oils	61.3	55.6	55.2	56.4	1.2
Total products	590.6	571.4	576.5	587.2	10.7
Total	978.0	958.8	966.9	982.1	15.3

Sources: OilX and OPEC.

Singapore, Amsterdam-Rotterdam-Antwerp (ARA) and Fujairah

Singapore

In January, total product stocks in Singapore fell by 2.4 mb, m-o-m, to stand at 43.6 mb. This is 2.0 mb, or 4.9%, higher than the same month in 2024, but 3.0 mb, or 6.4%, less than the latest five-year average.

Light distillate stocks fell in January by 0.3 mb, m-o-m, to stand at 15.6 mb. This is 2.4 mb or 17.9% higher than the same month in 2024, and 0.8 mb or 5.1%, above the latest five-year average.

Residual fuel oil stocks also went down by 2.6 mb, m-o-m, ending January at 18.5 mb. This is 2.9 mb, or 13.6%, lower than in January 2024, and 3.4 mb or 15.4%, below the latest five-year average.

By contrast, middle distillate stocks rose in January by 0.5 mb, m-o-m, to stand at 9.5 mb. This is 2.6 mb, or 36.8%, higher than in January 2024, but 0.4 mb or 3.8%, below the latest five-year average.

ARA

Total product stocks in ARA in January rose by 1.1 mb, m-o-m. At 51.7 mb, they were 13.7 mb, or 36.2%, above the same month in 2024, and 9.2 mb, or 21.7%, higher than the latest five-year average.

Gasoline stocks rose by 2.1 mb, m-o-m, ending January at 14.0 mb. This is 6.8 mb, or 94.7%, higher than in January 2024, and 4.1 mb, or 41.7%, higher than the latest five-year average.

Gasoil stocks in January also increased by 0.3 mb, m-o-m, to stand at 18.3 mb. This is 5.6 mb, or 44.6%, higher than the same month in 2024 and 2.3 mb, or 14.3%, above the latest five-year average.

By contrast, fuel oil stocks went down in January by 0.6 mb, m-o-m, to stand at 8.9 mb. This is 0.6 mb, or 6.5%, lower than in January 2024, but 0.9 mb, or 11.0%, above the latest five-year average.

Jet oil stocks also fell by 0.6 mb, m-o-m, to stand at 6.2 mb in January. This is 0.3 mb, or 6.0%, higher than the level seen in January 2024 and 0.2 mb, or 3.2%, above the latest five-year average.

Fujairah

During the week ending 3 March, total oil product stocks in Fujairah fell by 1.54 mb, w-o-w, to stand at 18.88 mb, according to data from FEDCom and S&P Global Commodity Insights. At this level, total oil stocks were 0.07 mb higher than at the same time a year ago.

Light distillate stocks fell by 2.25 mb, w-o-w, to stand at 6.30 mb, which is 1.99 lower than the same time a year ago.

Middle distillate stocks also decreased by 0.35 mb, w-o-w, to stand at 2.18 mb, which is 0.64 mb higher than the same time last year.

By contrast, heavy distillate stocks went up by 1.06 mb, w-o-w, to stand at 10.40 mb, which is 1.42 mb above the same time a year ago.

Balance of Supply and Demand

Demand for DoC crude (i.e., crude from countries participating in the Declaration of Cooperation) remains unchanged from the previous assessment, standing at 42.6 mb/d in 2025. This is around 0.3 mb/d higher than the 2024 estimate.

Similarly, demand for DoC crude remained unchanged from the previous assessment, standing at 42.9 mb/d in 2026. This is around 0.3 mb/d higher than the 2025 forecast.

Balance of supply and demand in 2025

Demand for DoC crude

Demand for DoC crude (i.e., crude from countries participating in the DoC) in 2025 remained unchanged from the previous assessment, standing at 42.6 mb/d. This is around 0.3 mb/d higher than the 2024 estimate.

Table 10 - 1: DoC supply/demand balance for 2025*, mb/d

	2024	1Q25	2Q25	3Q25	4Q25	2025	Change 2025/24
(a) World oil demand	103.7	104.2	104.4	105.3	106.7	105.2	1.4
Non-DoC liquids production	53.2	53.9	54.0	54.3	54.7	54.2	1.0
DoC NGL and non-conventionals	8.3	8.5	8.4	8.3	8.4	8.4	0.1
(b) Total non-DoC liquids production and DoC NGLs	61.5	62.3	62.4	62.6	63.1	62.6	1.1
Difference (a-b)	42.3	41.9	42.0	42.7	43.6	42.6	0.3
DoC crude oil production	40.8						
Balance	-1.4						

Note: * 2025 = Forecast. Totals may not add up due to independent rounding.

Source: OPEC.

Balance of supply and demand in 2026

Demand for DoC crude

Demand for DoC crude in 2026 remained unchanged from the previous assessment, standing at 42.9 mb/d. This is around 0.3 mb/d higher than the 2025 forecast.

Table 10 - 2: DoC supply/demand balance for 2026*, mb/d

	2025	1Q26	2Q26	3Q26	4Q26	2026	Change 2026/25
(a) World oil demand	105.2	105.7	105.8	107.0	108.0	106.6	1.4
Non-DoC liquids production	54.2	55.0	54.9	55.2	55.8	55.2	1.0
DoC NGL and non-conventionals	8.4	8.5	8.5	8.5	8.6	8.5	0.1
(b) Total non-DoC liquids production and DoC NGLs	62.6	63.5	63.4	63.7	64.4	63.7	1.1
Difference (a-b)	42.6	42.2	42.5	43.3	43.6	42.9	0.3

Note: * 2025-2026 = Forecast. Totals may not add up due to independent rounding.

Source: OPEC.

Table 11 - 1: World oil demand and supply balance, mb/d

World oil demand and supply balance	2022	2023	2024	1Q25	2Q25	3Q25	4Q25	2025	1Q26	2Q26	3Q26	4Q26	2026
World demand													
Americas	24.7	25.0	25.0	24.5	25.0	25.4	25.4	25.1	24.6	25.0	25.5	25.4	25.1
of which US	20.2	20.4	20.4	20.0	20.5	20.7	20.7	20.5	20.0	20.5	20.8	20.7	20.5
Europe	13.6	13.5	13.6	12.9	13.7	14.0	13.8	13.6	12.9	13.7	14.1	13.8	13.6
Asia Pacific	7.3	7.2	7.2	7.5	7.0	6.9	7.5	7.2	7.6	7.0	6.9	7.5	7.2
Total OECD	45.6	45.7	45.8	44.9	45.7	46.3	46.6	45.9	45.1	45.7	46.5	46.6	46.0
China	15.0	16.4	16.7	17.0	16.7	17.1	17.1	17.0	17.2	17.0	17.4	17.4	17.3
India	5.1	5.3	5.6	5.9	5.9	5.5	5.9	5.8	6.1	6.1	5.8	6.2	6.1
Other Asia	9.1	9.3	9.7	10.0	10.3	9.8	9.8	10.0	10.3	10.6	10.1	10.1	10.2
Latin America	6.4	6.7	6.8	6.8	6.9	7.0	7.0	6.9	6.9	7.1	7.1	7.1	7.1
Middle East	8.3	8.6	8.8	8.8	8.6	9.2	9.1	8.9	8.9	8.8	9.4	9.2	9.1
Africa	4.4	4.5	4.5	4.6	4.3	4.5	4.9	4.6	4.8	4.5	4.6	5.0	4.7
Russia	3.8	3.8	4.0	4.0	3.9	4.1	4.2	4.0	4.1	3.9	4.1	4.2	4.1
Other Eurasia	1.2	1.2	1.3	1.4	1.3	1.2	1.3	1.3	1.4	1.3	1.2	1.3	1.3
Other Europe	0.8	0.8	0.8	0.8	0.8	0.8	0.9	0.8	0.8	0.8	0.8	0.9	0.8
Total Non-OECD	54.1	56.6	58.0	59.3	58.8	59.0	60.2	59.3	60.6	60.1	60.4	61.4	60.6
(a) Total world demand	99.7	102.2	103.7	104.2	104.4	105.3	106.7	105.2	105.7	105.8	107.0	108.0	106.6
Y-o-y change	2.5	2.6	1.5	1.4	1.4	1.6	1.4	1.4	1.4	1.4	1.6	1.3	1.4
Non-DoC liquids production													
Americas	25.0	26.7	27.7	28.0	28.1	28.4	28.7	28.3	28.7	28.6	29.0	29.3	28.9
of which US	19.4	21.0	21.8	21.9	22.2	22.4	22.4	22.2	22.5	22.6	22.8	22.9	22.7
Europe	3.6	3.6	3.5	3.6	3.6	3.6	3.7	3.6	3.6	3.5	3.5	3.6	3.6
Asia Pacific	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Total OECD	29.1	30.7	31.7	32.0	32.1	32.4	32.8	32.4	32.8	32.6	32.9	33.3	32.9
China	4.4	4.5	4.6	4.6	4.6	4.5	4.5	4.6	4.6	4.6	4.5	4.5	4.6
India	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Other Asia	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.5	1.6	1.6
Latin America	6.3	6.9	7.2	7.4	7.4	7.5	7.6	7.5	7.7	7.8	7.9	8.0	7.9
Middle East	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.1	2.1	2.0
Africa	2.3	2.2	2.3	2.4	2.4	2.4	2.3	2.4	2.3	2.3	2.3	2.4	2.4
Other Eurasia	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Other Europe	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Total Non-OECD	17.9	18.6	19.0	19.2	19.3	19.3	19.4	19.3	19.6	19.7	19.7	19.9	19.7
Total Non-DoC production	47.0	49.4	50.7	51.3	51.4	51.7	52.1	51.6	52.4	52.2	52.6	53.2	52.6
Processing gains	2.4	2.5	2.5	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.6
Total Non-DoC liquids production	49.4	51.9	53.2	53.9	54.0	54.3	54.7	54.2	55.0	54.9	55.2	55.8	55.2
DoC NGLs	7.9	8.2	8.3	8.5	8.4	8.3	8.4	8.4	8.5	8.5	8.5	8.6	8.5
(b) Total Non-DoC liquids production and DoC NGLs	57.3	60.1	61.5	62.3	62.4	62.6	63.1	62.6	63.5	63.4	63.7	64.4	63.7
Y-o-y change	2.0	2.7	1.4	1.4	1.1	1.3	0.7	1.1	1.2	1.0	1.1	1.3	1.1
OPEC crude oil production (secondary sources)	27.7	27.1	26.6										
Non-OPEC DoC crude production	15.1	15.0	14.2										
DoC crude oil production	42.8	42.1	40.8										
Total liquids production	100.2	102.1	102.3										
Balance (stock change and miscellaneous)	0.5	-0.1	-1.4										
OECD closing stock levels, mb													
Commercial	2,781	2,778	2,737										
SPR	1,214	1,207	1,243										
Total	3,995	3,984	3,980										
Oil-on-water	1,546	1,438	1,403										
Days of forward consumption in OECD, days													
Commercial onland stocks	61	61	60										
SPR	27	26	27										
Total	87	87	87										
Memo items													
(a) - (b)	42.3	42.2	42.3	41.9	42.0	42.7	43.6	42.6	42.2	42.5	43.3	43.6	42.9

Note: Totals may not add up due to independent rounding.

Source: OPEC.

Oil Market Report - March 2025

About this report

The IEA Oil Market Report (OMR) is one of the world's most authoritative and timely sources of data, forecasts and analysis on the global oil market – including detailed statistics and commentary on oil supply, demand, inventories, prices and refining activity, as well as oil trade for IEA and selected non-IEA countries.

Highlights

- Growth in global oil demand is set to accelerate to just over 1 mb/d this year, from 830 kb/d in 2024, reaching 103.9 mb/d. Asia accounts for almost 60% of gains, led by China where petrochemical feedstocks will provide the entirety of growth. Amid an unusually uncertain macroeconomic climate, recent delivery data have been below expectations, leading to slightly lower estimates for 4Q24 and 1Q25 growth at 1.2 mb/d y-o-y.
- World oil supply rose by 240 kb/d in February to 103.3 mb/d, led by OPEC+. Kazakhstan pumped at an all-time high as Tengiz ramped up, while Iran and Venezuela boosted flows ahead of tighter sanctions. Non-OPEC+ production is set to rise by 1.5 mb/d in 2025, led by the Americas. Following a 770 kb/d output decline last year, OPEC+ output could hold steady in 2025 if voluntary cuts are maintained after April.
- Global crude runs dropped by 570 kb/d m-o-m to 82.8 mb/d in February, extending their decline from December's five-year high of 84.3 mb/d, on planned and unplanned outages. Throughputs are forecast to average 83.3 mb/d in 2025, up 570 kb/d y-o-y as lower OECD activity partly offsets a 930 kb/d annual increase in the non-OECD. Refining margins recovered in February, as falling crude prices lifted profitability in all regions.
- Global observed oil stocks fell by 40.5 mb in January, of which 26.1 mb were products. Non-OECD crude stocks plunged by 45.3 mb, dominated by China where imports declined. Total OECD stocks rose by 11.2 mb, boosted by a 25 mb build in industry crude inventories. Oil on water fell by 6.7 mb. However, preliminary data for February show total global oil stocks rebounded, lifted by an increase in oil on water.
- Oil prices declined by about \$7/bbl in February and early March as macro sentiment soured amid escalating trade tensions, clouding the outlook for oil demand growth. Plans by OPEC+ to start unwinding voluntary production cuts in April added to the expectation of comfortable crude balances in 2025. At the time of writing, Brent futures were trading near three-year lows around \$70/bbl.

Shifting sands

Benchmark crude oil prices fell in February and early March as concerns mounted over the outlook for the economy and global oil demand growth amid escalating trade tensions and as OPEC+ announced it would start unwinding production cuts in April. Against this backdrop, discussions started on the

potential for an initial ceasefire and an eventual peace deal in Ukraine. ICE Brent futures declined by \$11/bbl over the past eight weeks, trading near three-year lows around \$70/bbl at the time of writing.

The macroeconomic conditions that underpin our oil demand projections deteriorated over the past month as trade tensions escalated between the United States and several other countries. New US tariffs, combined with escalating retaliatory measures, tilted macro risks to the downside. Recent oil demand data have underwhelmed, and growth estimates for 4Q24 and 1Q25 have been marginally downgraded to around 1.2 mb/d, with data for both advanced and developing markets coming in below projections. Nevertheless, global oil demand growth is still expected to average just over 1 mb/d this year, up from 830 kb/d in 2024, boosted in part by lower oil prices. Asian countries will account for almost 60% of gains, led by China where petrochemical feedstocks will provide the entirety of growth as demand for refined fuels reaches a plateau.

While the actual supply boost from the gradual unwinding of OPEC+ production cuts in April may end up being less than the nominal 138 kb/d increase, global oil supply is already on the rise. In February, it jumped 240 kb/d as Tengizchevroil ramped up its long-delayed Tengiz expansion project, pushing Kazakh output to all-time highs. Elsewhere, Iran and Venezuela boosted flows ahead of tighter sanctions. Venezuelan supply is expected to decline from April, when Chevron's General License to operate in the country expires. At the same time, the increase from the eight OPEC+ members party to the voluntary cuts agreed in November 2023 may be less than 50 kb/d, as only Saudi Arabia – and to a much lesser extent, Algeria – have room to raise production to the new targets. The other members party to the deal collectively overproduced by 1.2 mb/d in February, according to IEA estimates.

The United States is currently producing at record highs and is forecast to be the largest source of supply growth in 2025, followed by Canada, Brazil and Guyana. Proposed US tariffs on Canada and Mexico, set to take effect on 1 April, may impact flows and prices from the two countries that accounted for roughly 70% of US crude oil imports last year. Meanwhile, the latest round of sanctions on Russia and Iran has yet to significantly disrupt loadings, even as some buyers have scaled back purchases.

Risks to the market outlook remain rife and uncertainties abound. Our current balances suggest global oil supply may exceed demand by around 600 kb/d this year. If OPEC+ extends the unwinding of output cuts beyond April without reining in supply from members currently overproducing versus their targets, another 400 kb/d could be added to the market. Equally, the scope and scale of tariffs remains unclear, and with trade negotiations continuing apace, it is still too early to assess the impact on the market outlook.

OPEC+ crude oil production¹
million barrels per day

	Jan 2025 Supply	Feb 2025 Supply	Feb 2025 vs Target	Feb 2025 Implied Target ¹	Sustainable Capacity ²	Eff Spare Cap vs Feb ³
Algeria	0.88	0.9	-0.01	0.91	0.99	0.08
Congo	0.24	0.24	-0.04	0.28	0.27	0.03
Equatorial Guinea	0.06	0.06	-0.01	0.07	0.06	0.0
Gabon	0.25	0.23	0.05	0.18	0.22	0
Iraq	4.3	4.3	0.3	4	4.87	0.57
Kuwait	2.48	2.44	0.03	2.41	2.88	0.43
Nigeria	1.51	1.44	-0.06	1.5	1.42	0
Saudi Arabia	9.07	8.99	0.02	8.98	12.11	3.12
UAE	3.2	3.28	0.37	2.91	4.28	1.0
Total OPEC-9	21.98	21.89	0.66	21.24	27.1	5.23
Iran ⁴	3.34	3.39			3.8	
Libya ⁴	1.23	1.24			1.23	0
Venezuela ⁴	0.86	0.94			0.89	0
Total OPEC	27.42	27.46			33.02	5.23
Azerbaijan	0.48	0.47	-0.08	0.55	0.49	0.02
Kazakhstan	1.56	1.78	0.31	1.47	1.8	0.02
Mexico ⁵	1.42	1.47			1.59	0.12
Oman	0.74	0.76	0.0	0.76	0.85	0.09
Russia	9.2	9.12	0.15	8.98	9.76	
Others ⁶	0.76	0.72	-0.15	0.87	0.86	0.13
Total Non-OPEC	14.16	14.33	0.24	12.62	15.34	0.38
OPEC+ 18 in Nov 2022 deal⁵	34.72	34.75	0.89	33.86	40.85	5.49
Total OPEC+	41.57	41.78			48.36	5.61

1. Includes extra voluntary curbs and revised, additional compensation cutback volumes. 2. Capacity levels can be reached within 90 days and sustained for an extended period. 3. Excludes shut in Iranian, Russian crude. 4. Iran, Libya, Venezuela exempt from cuts. 5. Mexico excluded from OPEC+ compliance. 6. Bahrain, Brunei, Malaysia, Sudan and South Sudan.

IEA World Oil Supply and Demand Forecasts: Summary (Table)

2025-03-13 09:00:00.19 GMT

By Kristian Siedenburg

(Bloomberg) -- Following is a summary of world oil supply and demand forecasts from the International Energy Agency in Paris:

	4Q	3Q	2Q	1Q	4Q	3Q	2Q	1Q			
	2025	2025	2025	2025	2024	2024	2024	2024	2025	2024	2023
Demand											
Total Demand	104.4	104.9	103.8	102.5	103.6	103.8	102.8	101.3	103.9	102.9	102.0
Total OECD	45.8	46.1	45.5	45.1	46.1	46.2	45.6	44.8	45.6	45.7	45.7
Americas	25.0	25.3	25.1	24.7	25.1	25.3	25.0	24.4	25.0	24.9	25.0
Europe	13.4	13.8	13.5	12.9	13.6	14.0	13.6	12.9	13.4	13.5	13.5
Asia Oceania	7.4	6.9	6.9	7.5	7.4	6.9	7.0	7.5	7.2	7.2	7.2
Non-OECD countries	58.7	58.8	58.3	57.4	57.6	57.6	57.2	56.5	58.3	57.2	56.4
FSU	5.2	5.2	5.0	4.9	5.1	5.2	4.9	4.9	5.1	5.0	5.0
Europe	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
China	16.8	17.0	16.9	16.7	16.6	16.7	16.7	16.5	16.8	16.6	16.5
Other Asia	15.6	14.9	15.5	15.3	15.2	14.4	15.1	15.0	15.3	14.9	14.4
Americas	6.5	6.6	6.5	6.3	6.4	6.5	6.4	6.2	6.5	6.4	6.3
Middle East	9.3	9.8	9.3	9.0	9.1	9.7	9.1	8.8	9.3	9.2	9.1
Africa	4.5	4.5	4.4	4.4	4.3	4.4	4.2	4.3	4.4	4.3	4.3
Supply											
Total Supply	n/a	n/a	n/a	n/a	103.4	103.6	103.2	101.8	n/a	103.0	102.3
Non-OPEC	72.7	72.2	71.5	70.4	70.7	70.5	70.3	69.4	71.7	70.2	69.3
Total OECD	33.3	32.6	32.6	32.2	32.6	31.9	31.8	31.3	32.7	31.9	31.1
Americas	29.5	29.0	28.9	28.6	29.0	28.4	28.2	27.6	29.0	28.3	27.5
Europe	3.4	3.2	3.3	3.2	3.2	3.1	3.2	3.2	3.3	3.2	3.2
Asia Oceania	0.4	0.4	0.4	0.5	0.4	0.4	0.4	0.5	0.4	0.4	0.5
Non-OECD	33.6	33.4	33.0	32.8	32.4	32.4	32.6	32.9	33.2	32.6	32.7
FSU	13.7	13.7	13.7	13.5	13.3	13.4	13.5	13.7	13.7	13.5	13.8
Europe	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
China	4.4	4.4	4.5	4.5	4.3	4.3	4.4	4.4	4.4	4.3	4.3
Other Asia	2.6	2.6	2.6	2.6	2.6	2.6	2.6	2.7	2.6	2.6	2.7
Americas	7.1	6.9	6.5	6.5	6.5	6.4	6.4	6.5	6.8	6.4	6.2
Middle East	3.2	3.2	3.2	3.1	3.1	3.1	3.1	3.1	3.2	3.1	3.1
Africa	2.5	2.5	2.5	2.5	2.5	2.6	2.5	2.5	2.5	2.5	2.5
Processing Gains	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.3	2.4	2.4	2.4
Total OPEC	n/a	n/a	n/a	n/a	32.7	33.1	32.9	32.4	n/a	32.8	32.9
Crude	n/a	n/a	n/a	n/a	27.2	27.5	27.4	26.9	n/a	27.3	27.4
Natural gas											
liquids NGLs	5.7	5.7	5.7	5.6	5.5	5.6	5.6	5.5	5.7	5.5	5.5
Call on OPEC crude											
and stock change *	26.0	27.0	26.6	26.6	27.4	27.7	27.0	26.4	26.5	27.1	27.2

NOTE: Figures are in million of barrels per day. (*) equals total demand minus non-OPEC supply and OPEC natural gas liquids.

IEA changed the way it measures OPEC supply, adopting the industry-standard approach of counting most of Venezuela's Orinoco heavy oil as "crude oil."

SOURCE: International Energy Agency

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IEA World Oil Supply/Demand Key Forecasts

2025-03-13 09:00:00.29 GMT

By Kristian Siedenburg

(Bloomberg) -- World oil demand 2025 forecast was revised to 103.9m b/d from 104.0m b/d in Paris-based Intl Energy Agency's latest monthly report.

* 2024 world demand was unrevised at 102.9m b/d

* Demand change in 2025 est. 1% y/y or 1.03m b/d

* Global demand in 2025 seen at 103912 kb/d; 2024 at 102881 kb/d; 2023 at 102048 kb/d

* Non-OPEC supply 2025 was revised to 71.7m b/d from 71.6m b/d

* Call on OPEC crude 2025 was revised to 26.5m b/d from 26.7m b/d

* Call on OPEC crude 2024 was unrevised at 27.1m b/d

** OPEC crude production in Feb. rose by 40k b/d m/m to 27.46m b/d

* NOTE: Fcasts based off IEA's table providing one decimal point

* Related stories N BFWOIL IEA OPEC BBG <GO>

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IEA: February Crude Oil Production in OPEC Countries (Table)

2025-03-13 09:00:00.17 GMT

By Kristian Siedenburg

(Bloomberg) -- Following is a summary of oil production in OPEC countries from the International Energy Agency in Paris:

	Feb.	Jan.	Feb.
	2025	2025	MoM
Total OPEC	27.46	27.42	0.04
Total OPEC9	21.89	21.99	-0.10
Algeria	0.90	0.88	0.02
Congo	0.24	0.24	0.00
Equatorial Guinea	0.06	0.06	0.00
Gabon	0.23	0.25	-0.02
Iraq	4.30	4.30	0.00
Kuwait	2.45	2.48	-0.03
Nigeria	1.44	1.51	-0.07
Saudi Arabia	9.00	9.07	-0.07
UAE	3.28	3.20	0.08
Iran	3.39	3.34	0.05
Libya	1.24	1.23	0.01
Venezuela	0.94	0.86	0.08

NOTE: Figures are in million of barrels per day. Monthly level change calculated by Bloomberg. Production data excludes condensates.

OPEC9 excludes Iran, Libya and Venezuela.

SOURCE: International Energy Agency

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Saudi Arabia, Russia, Iraq, the United Arab Emirates, Kuwait, Kazakhstan, Algeria, and Oman reaffirm commitment to market stability on healthier oil market outlook

03 Mar 2025

The eight OPEC+ countries, which previously announced additional voluntary adjustments in April and November 2023, namely Saudi Arabia, Russia, Iraq, the United Arab Emirates, Kuwait, Kazakhstan, Algeria, and Oman met virtually on March 3, 2025, to review global market conditions and the future outlook.

Taking into account the healthy market fundamentals and the positive market outlook, they re-affirmed their decision agreed upon on December 5, 2024, to proceed with a gradual and flexible return of the 2.2 mbd voluntary adjustments starting on 1st April, 2025, while remaining adaptable to evolving conditions. Accordingly, this gradual increase may be paused or reversed subject to market conditions. This flexibility will allow the group to continue to support oil market stability.

Furthermore, the eight countries reiterated their collective commitment to full conformity with the additional voluntary production adjustments as agreed under the 53rd JMMC meeting on April 3, 2024. They also confirmed their intention to fully compensate for any overproduced volumes since January 2024, in accordance with the compensation plans submitted to the OPEC Secretariat, ensuring that all compensations are completed by June 2026.

The countries with overproduced volumes have also agreed to frontload their compensation plans, so that more of the overproduced volumes are compensated in the earlier months of the compensation period, and will submit their updated compensation schedules to the OPEC Secretariat by the 17th of March 2025 which will be posted on the Secretariat's website.

Production Levels with the phase-out of only November 2023 voluntary adjustments which will be applied starting from April 2025 until September 2026

Country	2025									2026									Required Production Level as per 37 th ONOMM (1)
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep - Dec	
Algeria	911	914	917	919	922	925	928	931	934	936	939	942	945	948	951	953	956	959	1,007
Iraq	4,012	4,024	4,037	4,049	4,061	4,073	4,086	4,098	4,110	4,122	4,134	4,147	4,159	4,171	4,183	4,196	4,208	4,220	4,431
Kuwait	2,421	2,428	2,436	2,443	2,451	2,458	2,466	2,473	2,481	2,488	2,496	2,503	2,511	2,518	2,526	2,533	2,541	2,548	2,676
Saudi Arabia	9,034	9,089	9,145	9,200	9,256	9,311	9,367	9,422	9,478	9,534	9,589	9,645	9,700	9,756	9,811	9,867	9,922	9,978	10,478
UAE	2,938	2,963	2,989	3,015	3,041	3,066	3,092	3,118	3,144	3,169	3,195	3,221	3,246	3,272	3,298	3,324	3,349	3,375	3,519
Kazakhstan	1,473	1,477	1,482	1,486	1,491	1,495	1,500	1,504	1,509	1,514	1,518	1,523	1,527	1,532	1,536	1,541	1,545	1,550	1,628
Oman	761	764	766	768	771	773	775	778	780	782	785	787	789	792	794	796	799	801	841
Russia	9,004	9,030	9,057	9,083	9,109	9,135	9,161	9,187	9,214	9,240	9,266	9,292	9,318	9,344	9,371	9,397	9,423	9,449	9,949

Required production levels as per the 38th ONOMM before applying the additional voluntary adjustments announced in April 2023 and November 2023.

UAE required production has been increased by 300 kbd. This increase will be phased in gradually starting April 2025 until the end of September 2026 as per the 38th ONOMM.

MARCH 7, 2025

TRUMP: This was not a war that was going to start, Brian, and it didn't start. For four years, it -- you know, somebody said, "Well, how do we know that?" Well, for four years, it didn't start.

I used to speak to Vladimir about it. I used to speak to him about it at length. It was the apple of his eye, but there was no way he was going in, and he knew what -- you know, there were going to be consequences.

But it did start. I mean, think of -- think of what happened: Inflation, you had the war with Ukraine and Russia. That wouldn't have happened. October 7th would have never happened, Israel. They had no money. Iran had no money. Iran was stone-cold broke, and now, they have a lot of money.

But -- and that's going to be the next thing you'll be talking about is Iran, what's going to happen with Iran, and there'll be some interesting days ahead. That's all I can tell you.

You know, we're down to final strokes with Iran. That's going to be an interesting time, and we'll see what happens. But we're down to the final moments. We're at final moments. You can't let them have a nuclear weapon. I would -- I think that -- I would have had a deal within one month after the rigged election of 2020. They were all set to make a deal, and then when I lost, they saw this person, who's a stupid person, very stupid person, and they said, "Let's not make a deal," and they were right. He took the sanctions off. They became rich under Biden. They went from having no money to having \$300 billion, all in a short period -- it's oil. Oil builds up fast. It's a nice -- nice living if you have a nice oil well, and they do. They have a lot of nice oil wells, right?

So anyway, so it's -- that's going to be a big thing. It's an interesting time in the history of the world. But we have a situation with Iran that something's going to happen very soon, very, very soon. You'll be talking about that pretty soon, I guess, and hopefully, we can have a -- a peace deal, you know, but I'm not speaking out of strength or weakness; I'm just saying I'd rather see a peace deal than the other. But the other will solve the problem.

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Mar 9, 2025, 9:52 AM

Iran will not wait for any letter from US

TEHRAN, Mar. 09 (MNA) – Iranian Parliament Speaker Mohammad Bagher Ghalibaf says that the country is able to neutralize sanctions; therefore, it would not wait for any letter from the US.

Mohammad Bagher Ghalibaf, in his pre-session speech at Sunday's public session of the Iranian Parliament, referred to the strategies outlined in the remarks of the Leader of the Islamic Revolution Ayatollah Seyyed Ali Khamenei or addressing the country's issues.

"I must emphasize the full readiness of the Parliament to implement his wise directives," Ghalibaf underlined.

He stated that the wise Leader of the Islamic Revolution emphasized the priority of addressing economic and livelihood problems and explicitly stated that the primary focus of government institutions must be on resolving people's livelihood issues.

As a result, the primary focus of the Parliament and the lawmakers will, God willing, be on resolving livelihood challenges, and we consider maintaining cohesion among state institutions as a condition for the success of these efforts, he added.

Referring to the US president's claim about seeking negotiations with Iran, Ghalibaf said that regarding this matter, it must be mentioned that the US president's behavior with other countries clearly shows that these statements are merely a deceptive display of [seeking] a negotiation.

The US seeks to impose its demands and disarm Iran, as outlined in the US policy document he has signed, he added.

He further stressed that no negotiation under the shadow of threats, with an agenda of imposing new concessions, will lead to the lifting of sanctions, nor will it result in anything other than humiliating the proud Iranian nation.

"Today, more than ever, it has become clear that lifting sanctions is possible through strengthening Iran and neutralizing sanctions. Therefore, we are not waiting for any letter from the United States and believe that by utilizing our vast domestic capacities and seizing opportunities to expand foreign relations with other countries, we can reach a position where the enemy has no choice but to lift sanctions within the framework of continued negotiations with the remaining parties to the JCPOA."

Ghalibaf made the remarks after the US president claimed on Friday that he has sent a letter to Leader of the Islamic Revolution Ayatollah Seyyed Ali Khamenei and proposed to negotiate with Iran on a deal on the country's nuclear program.

"I said I hope you're going to negotiate, because it's going to be a lot better for Iran," Trump claimed, before threatening Tehran with military action.

Trump's claim was immediately dismissed by Iran's permanent mission to the United Nations, which said, "We have not received such a letter yet."

On Saturday, Ayatollah Khamenei said the insistence of some bullying powers on holding talks with Iran does not aim to solve issues but rather aims to assert and impose their own expectations.

"Absolutely, the Islamic Republic will not accept their expectations," Ayatollah Khamenei added.

NATIONAL SECURITY PRESIDENTIAL MEMORANDUM/NSPM-2

EXECUTIVE ORDER

February 4, 2025

MEMORANDUM FOR THE SECRETARY OF STATE

THE SECRETARY OF THE TREASURY

THE SECRETARY OF DEFENSE

THE ATTORNEY GENERAL

THE SECRETARY OF ENERGY

THE SECRETARY OF THE INTERIOR

THE SECRETARY OF HOMELAND SECURITY

THE ASSISTANT TO THE PRESIDENT AND CHIEF OF STAFF

THE UNITED STATES TRADE REPRESENTATIVE

THE UNITED STATES PERMANENT REPRESENTATIVE TO THE
UNITED NATIONS

THE DIRECTOR OF NATIONAL INTELLIGENCE

THE DIRECTOR OF THE CENTRAL INTELLIGENCE
AGENCY

THE DIRECTOR OF THE OFFICE OF MANAGEMENT AND
BUDGET

THE ASSISTANT TO THE PRESIDENT FOR NATIONAL
SECURITY AFFAIRS

THE COUNSEL TO THE PRESIDENT

THE ASSISTANT TO THE PRESIDENT FOR ECONOMIC
POLICY

THE CHAIRMAN OF THE JOINT CHIEFS OF STAFF

THE DIRECTOR OF THE FEDERAL BUREAU OF
INVESTIGATION

**SUBJECT: Imposing Maximum Pressure on the Government of
the Islamic Republic of Iran, Denying Iran All
Paths to a Nuclear Weapon, and Countering Iran's
Malign Influence**

As President, my highest priority is to ensure the safety and security of the United States and the American people. Since its inception in 1979 as a revolutionary theocracy, the Government of the Islamic Republic of Iran has declared its hostility to the United States and its allies and partners. Iran remains the world's leading state sponsor of terror and has aided Hezbollah, Hamas, the Houthis, the Taliban, al-Qa'ida, and other terrorist networks. The Islamic Revolutionary Guard Corps (IRGC) is itself a designated Foreign Terrorist Organization.

The Iranian Government, including the IRGC, is using agents and cyber-enabled means to target United States nationals living in the United States and other countries around the world for attacks, including assault, kidnapping, and murder. Iran has also directed its proxy groups, including Hezbollah's Islamic Jihad Organization, to embed sleeper cells in the Homeland to be activated in support of this terrorist activity.

Iran bears responsibility for the horrific Hamas massacres committed on October 7, 2023, and bears responsibility

for continued Houthi attacks against the United States Navy, allied navies, and international commercial shipping in the Red Sea. Since April 2024, the regime has twice demonstrated its willingness to launch ballistic and cruise missile attacks against the State of Israel.

Iran commits grievous human rights abuses and arbitrarily detains foreigners, including United States citizens, on spurious charges without due process of law, subjecting them to abuse. The United States stands with the women of Iran who face daily abuse by the regime.

Iran's nuclear program, including its enrichment- and reprocessing-related capabilities and nuclear-capable missiles, poses an existential danger to the United States and the entire civilized world. A radical regime like this can never be allowed to acquire or develop nuclear weapons, or to extort the United States or its allies through the threat of nuclear weapons acquisition, development, or use. Iran today stands in breach of its Nuclear Non-Proliferation Treaty obligations by concealing undeclared nuclear sites and material as required by its Comprehensive Safeguards Agreement with the International Atomic Energy Agency (IAEA). Iran has obstructed IAEA access to its military sites or sites tied to the Organization of Defensive Innovation and Research, also known as SPND, and to interview nuclear weapons scientists still employed by SPND. Public reports indicating that Iran may now be engaged in computer modeling related to nuclear weapons development raise immediate alarm. We must deny Iran all paths to a nuclear weapon and end the regime's nuclear extortion racket.

Iran's behavior threatens the national interest of the United States. It is therefore in the national interest to impose maximum pressure on the Iranian regime to end its nuclear threat, curtail its ballistic missile program, and stop its support for terrorist groups.

Section 1. Policy. It is the policy of the United States that Iran be denied a nuclear weapon and intercontinental ballistic missiles; that Iran's network and campaign of regional aggression be neutralized; that the IRGC and its surrogates be disrupted, degraded, or denied access to the resources that sustain their destabilizing activities; and to counter Iran's aggressive development of missiles and other asymmetric and conventional weapons capabilities.

Sec. 2. Enacting Maximum Pressure on the Islamic Republic of Iran. (a) The Secretary of the Treasury shall:

(i) immediately impose sanctions or appropriate enforcement remedies on all persons for which the Department has evidence of activity in violation of one or more Iran-related sanctions;

(ii) implement a robust and continual sanctions enforcement campaign with respect to Iran that denies the regime and its terror proxies access to revenue;

(iii) review for modification or rescission any general license, frequently asked question, or other guidance that provides Iran or any of its terror proxies any degree of economic or financial relief;

(iv) issue updated guidance to all relevant business sectors including shipping, insurance, and port operators, about the risks to any person that knowingly violates United States sanctions with respect to Iran or an Iranian terror proxy; and

(v) maintain countermeasures against Iran at the Financial Action Task Force, evaluate beneficial ownership thresholds to ensure sanctions deny Iran all possible illicit revenue, and evaluate whether financial

institutions should adopt a “Know Your Customer’s Customer” standard for Iran-related transactions to further prevent sanctions evasion.

(b) The Secretary of State shall:

(i) modify or rescind sanctions waivers, particularly those that provide Iran any degree of economic or financial relief, including those related to Iran’s Chabahar port project;

(ii) implement a robust and continual campaign, in coordination with the Secretary of the Treasury and other relevant executive departments or agencies (agencies), to drive Iran’s export of oil to zero, including exports of Iranian crude to the People’s Republic of China;

(iii) lead a diplomatic campaign to isolate Iran throughout the world, including within international organizations, including the denial of freedom of movement or safe haven to the IRGC or any terror proxy of Iran wherever such may operate outside Iran’s borders; and

(iv) take immediate steps, in coordination with the Secretary of the Treasury and other relevant agencies, to ensure that the Iraqi financial system is not utilized by Iran for sanctions evasion or circumvention, and that Gulf countries are not used as sanctions evasion transshipment points.

(c) The United States Permanent Representative to the United Nations shall:

(i) work with key allies to complete the snapback of international sanctions and restrictions on Iran;

(ii) hold Iran accountable for its breach of the Nuclear Non-Proliferation Treaty; and

(iii) regularly convene the United Nations Security Council to highlight the myriad threats posed by Iran to international peace and security.

(d) The Secretary of Commerce shall conduct a robust and continuous export control enforcement campaign to restrict the flow of technology and components used by the regime for military purposes.

(e) The Attorney General shall:

(i) pursue all available legal steps to investigate, disrupt, and prosecute financial and logistical networks, operatives, or front groups inside the United States that are sponsored by Iran or an Iranian terror proxy;

(ii) pursue all available legal steps to impound illicit Iranian oil cargoes;

(iii) pursue all available legal steps to identify Iranian governmental assets in the United States and overseas, and help American victims of terrorism, including Gold Star Families, collect on Federal judgments against Iran;

(iv) pursue all available legal steps to indict and prosecute the leaders and members of Iranian-funded terrorist groups and proxies that have captured, harmed, or killed American citizens and, where possible and in coordination with the Secretary of State, seek their arrest and extradition to the United States; and

(v) use all criminal, regulatory, and cyber authorities and tools to vigorously investigate, prosecute, and disrupt efforts by the Iranian government to conduct espionage or obtain military, intelligence, government, or other sensitive information, compromise the Homeland and our critical infrastructure, evade sanctions and export controls, obtain material support for terrorism, exert foreign malign influence, and threaten harm and infringe on First Amendment-protected speech, including efforts designed to sow anti-Semitism.

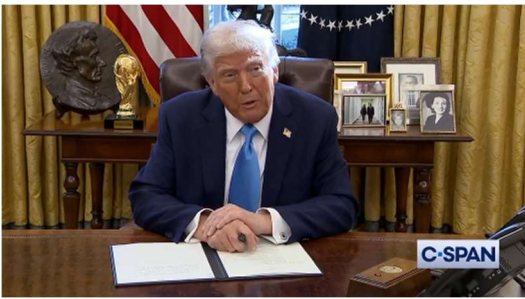
Sec. 3. General Provisions. (a) Nothing in this memorandum shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department or agency, or the head thereof; or

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This memorandum shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This memorandum is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.



SAF Group created transcript of comments by President Trump at the signing of his executive order to impose maximum pressure on Iran on Feb 4, 2025. <https://x.com/cspan/status/1886880480928420252>

Note that as of 5:40pm MT, the White House has not yet posted the Executive Order.

Items in “italics” are SAF Group created transcript.

At 0:45 min mark, Trump “... *This is one that I am torn about. Everybody wants me to sign it. I’ll do that. It’s very tough on Iran. It’s what we had before. We would have never had the problem. You would have never had Oct 7., We would have never had the problem had the election gone a different way, which it should have. But, this one. I think more than made up for it. We’re doing things that more than made up for it. Much more historic. The Iran situation, hopefully, I am going to sign it. But hopefully, we’re not going to have to use very much. We will see whether or not we can arrange or work out a deal with Iran. And everybody can live together. Maybe that’s possible and maybe it’s not possible. So, I’m signing this. I’m happy to do it, but not so much choice because we have to be strong and firm and I hope it’s not gong to have to be used in any great measure, at all. Be great if we could have a Middle East and maybe a world at total peace. Right now you don’t have that. But I’m signing this and hopefully it will be a document which won’t be very important, will hardly have to be used,.*”

Unintelligible question. Trump “*we’re going to see. I mean, we’re going to see. They cannot have a nuclear weapon. With me, it’s very simple, Iran cannot have a nuclear weapon. We do not want to be tough on Iran. We do not want to be tough on anybody. But they just can’t have a nuclear weapon.*”

Question “*Mr. President, are you going to be engage in conversations with your counterpart?*” Trump “*I would.*”

Question “*Would you block the sale of Iranian oil to other nations?*” Trump “*Well, we have the right to do that and that’s what I did before. And they had no money, they would have had no money for Hamas, Hezbollah, anybody else. I just. It could have been solved. If things went the way they should have, this would have been over long ago. But it’s not over.*”

Question “*How close do you think Iran is to developing nuclear weapon?*” Trump “*I think they’re close. I think they’re close. They’re too close. But again, you could go back four years, I would have said they would have had it in this intervening period. But they’re pretty close Peter.*”

At 4:12 min mark, Question “*if the Prime Minister today were to ask your help in striking at Iran’s nuclear facilities to prevent the kind of progress towards a nuclear weapon, would you give him the green light, either to do it himself or for the US to participate?*” Trump; “*Yes. [Note, its not 100% clear but sounded like yes]. I don’t know if that is what he is going to be asking for. I have no idea, you’re telling me. We’re going to have a pretty long meeting. We’ll be discussion a lot of things, not only that, but a lot of things. I’ll let you know, it the time comes, I’ll let you know but, right now, it’s not something I can discuss.*”

Prepared by SAF Group <https://safgroup.ca/insights/energy-tidbits/>

Another moment of truth for the IEA: Words matter on oil industry investments

On 7 March 2017, at CERAWeek, the Executive Director of the IEA said to the industry, “invest, invest, invest,” adding:

“We are advocating that the investments need to be made and need to be made without delay. If I had to underline one key word here, it would be investment for the upstream.”

The alignment between OPEC and the IEA’s positions continued in an article published in conjunction with the 16th International Energy Forum Ministerial Meeting, on 10 April 2018. The IEA Executive Director wrote:

“Regardless of climate policy, timely investment into oil and gas supply remains a cornerstone of energy security.”

By May 2021, however, the IEA had changed its position. In launching the IEA Report, ‘Net Zero by 2050: A Roadmap for the Global Energy Sector,’ on 11 May, the IEA wrote:

“There is no need for investment in new fossil fuel supply in our net zero pathway.”

In an interview with The Guardian, on 18 May 2021, the IEA Executive Director stated:

“If governments are serious about the climate crisis, there can be no new investments in oil, gas and coal, from now – from this year.”

However, the IEA executed something of a pleasant U-turn this week. On 10 March 2025, the IEA Executive Director told CERAWeek:

“I want to make it clear ... there would be a need for investment, especially to address the decline in the existing fields. There is a need for oil and gas upstream investments, full stop.”

Aside from the risk of whiplash that such severe yo-yoing between positions could cause, a serious point needs to be stressed. This issue pertains to the long-term health of the oil industry. The world needs unambiguous clarity on the realities of the future of supply and demand. Agencies that recognize the responsibility that comes from offering analysis of the long-term perspectives of the industry should not be shifting positions or mixing messages and narratives every couple of years on this matter, particularly ones that were founded to ensure the security of oil supplies.

OPEC’s message has been consistent in saying that investments are the lifeblood of the oil industry. Underinvestment risks future energy security, undermines supply and demand fundamentals and jeopardizes energy affordability. Inadequate investments mean consumers suffer. It also means producers and the global economy suffers.

The investment needs of the industry are significant. OPEC forecasts that the oil sector requires cumulative investments of \$17.4 trillion by 2050. This is to meet rising demand, and to counter decline rates, with the latter on average meaning we need to add around 5 mb/d every year just to stay at current overall supply levels.

For this reason, OPEC has repeatedly called for more investments in the oil industry. All our actions and activities, especially under the umbrella of the 'Declaration of Cooperation' have been to create an investment enabling environment. Such an environment requires sustainable stability in the oil market. This has been our clear focus, and our analysis is based on robust data and is grounded in reality.

Given the seriousness of the investment issue to the future welfare of the oil and energy industries, and by extension, the global economy, as well as the fact that the oil industry supports millions of jobs globally and is a crucial source of income for millions of families and communities, we would have hoped all energy stakeholders would be consistent in their messaging on this topic.

Time will tell about the full ramifications of the IEA's calls to stop investing in new projects in the oil industry during the 2021-2024 period. Hopefully, the Agency can return to analysis based on energy realities and focus on its mandate of energy security. In doing so, the IEA can look to a willing partner in OPEC.

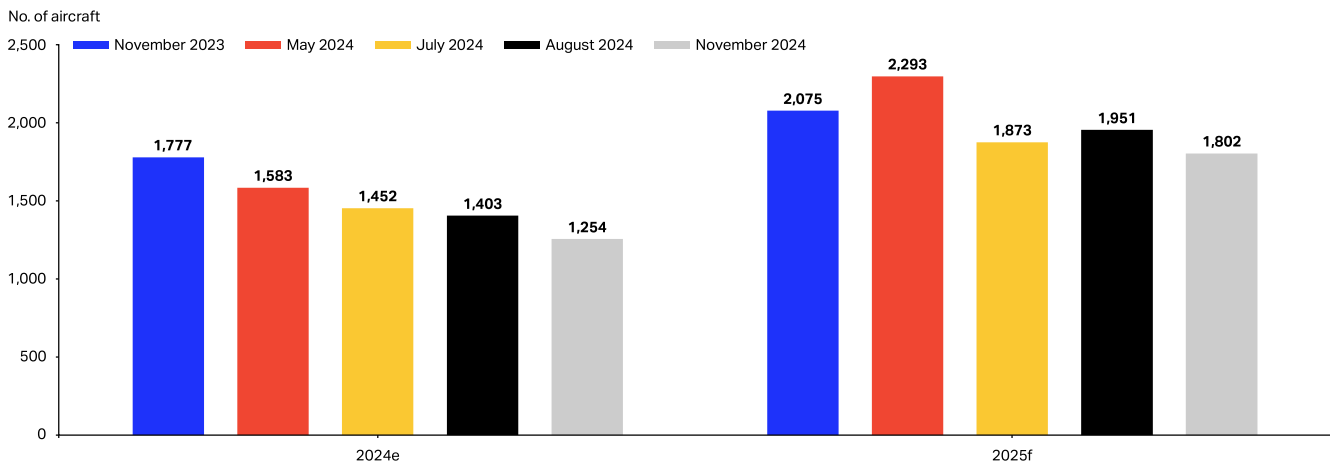
Aircraft and Ownership

Aircraft deliveries in 2024 have fallen well short of expectations and remain far from the peak delivery numbers reported in 2018. The supply issues forced production limits, exacerbated by employee strikes, resulting in major delays in 2024 deliveries. Current projections indicate a total of 1,254 aircraft deliveries in 2024 (Chart 24). This figure falls 30% below the estimate from a year ago.

Looking ahead to 2025, the delivery forecast is optimistic, at 1,802 aircraft deliveries (Chart 24) which would mark a new record high in aviation history. This estimate has been also revised down due to ongoing production problems (the peak estimate for 2025 was 2,293 aircraft). Further downward revisions are quite possible given that supply chain issues are expected to persist in 2025 and beyond.

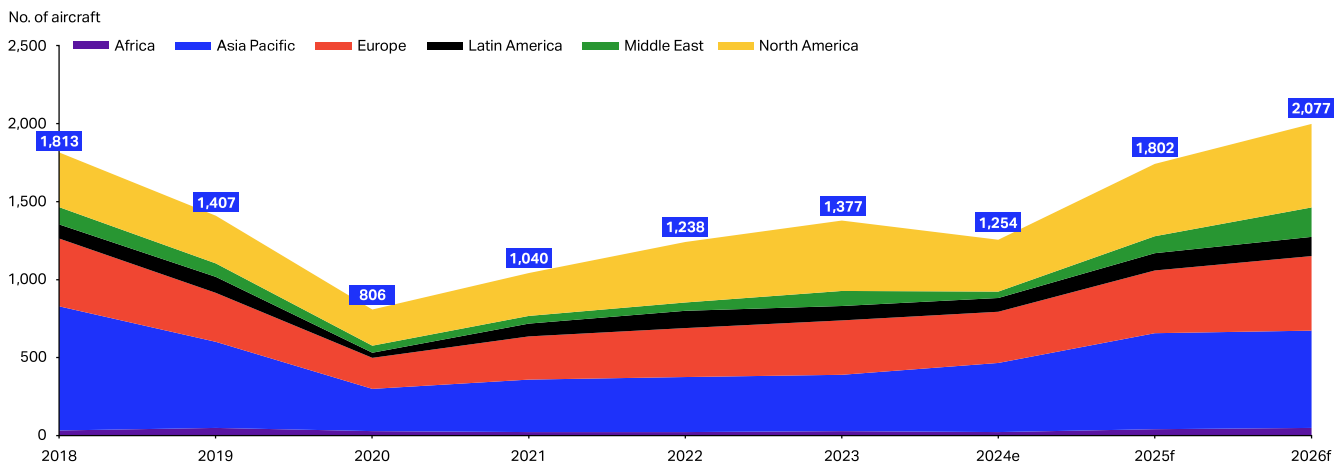
The ongoing delays in deliveries have increased the average age of the global fleet to a record high of 14.8 years, compared to an average age of 13.6 years during 1990-2024. These delays not only result in higher maintenance costs and unplanned retrofits of older aircraft types, but prevent airlines benefiting from improved fuel efficiency, lower CO2 emissions, and improved customer experience. Our estimates indicate that fuel efficiency, measured in liters per 100 ATK remained almost unchanged in 2024 as opposed to a long-term average improvement of 1.5%-2% over the 20-year period before the pandemic (Table 7).

Chart 24: Revision of scheduled aircraft deliveries



Source: Cirium, IATA Sustainability and Economics

Chart 25: Aircraft deliveries by region (placed and scheduled), Cirium estimate



Source: Cirium estimate, November 2024, IATA Sustainability and Economics

The surge in new aircraft orders seen in 2023 is slowly ending, as the backlog (cumulative number of unfilled orders) has reached the highest level in history—17,000 planes. Additionally, production capacity constraints have led to record-long waiting times for the delivery of new aircraft. Assuming present delivery rates, the current backlog will be filled in 14 years. This ratio averaged six years from 2013 to 2019 (Chart 26).

Due to long waiting times, several airlines have stopped ordering new aircraft and are prioritizing the acquisition of any available aircraft to meet growing demand. Strong demand and rising interest rates (Chart 27) have resulted in a sharp increase in leasing rates for used aircraft, which are currently 20% to 30% higher than in 2019. This increase is particularly notable for narrow bodies, where production capacity constraints are most pronounced.

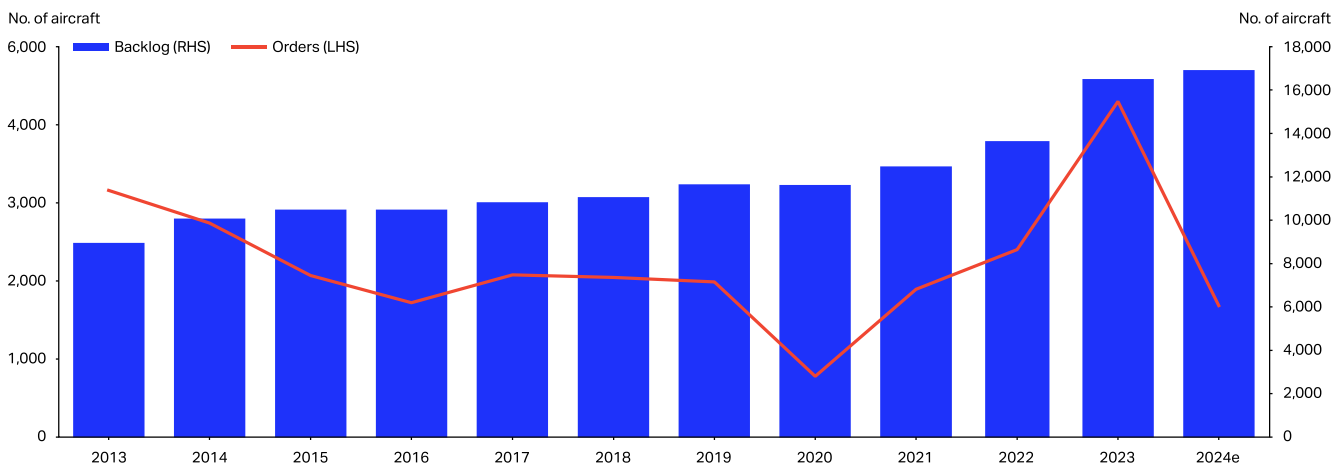
High traffic demand, coupled with capacity constraints, has led to an increased demand for used aircraft, and in turn, to a

significant decline in the share of parked fleet, which dropped to 14%, the lowest share since 2019. However, this share is four percentage points above pre-pandemic levels, implying 1,600 more aircraft in storage today compared to 2019. One of the reasons for the higher share of grounded fleets is engine inspections (currently around 700 aircraft, 2% of the global fleet), which might persist in 2025.

However, the number of parked aircraft among types impacted by engine issues has started to drop. Should this trend continue, capacity might quickly increase by around 2% next year, adding some relief to the constrained market. Key beneficiaries may include LCCs, which often utilize single-type fleets, which are commonly dominated by the impacted aircraft types.

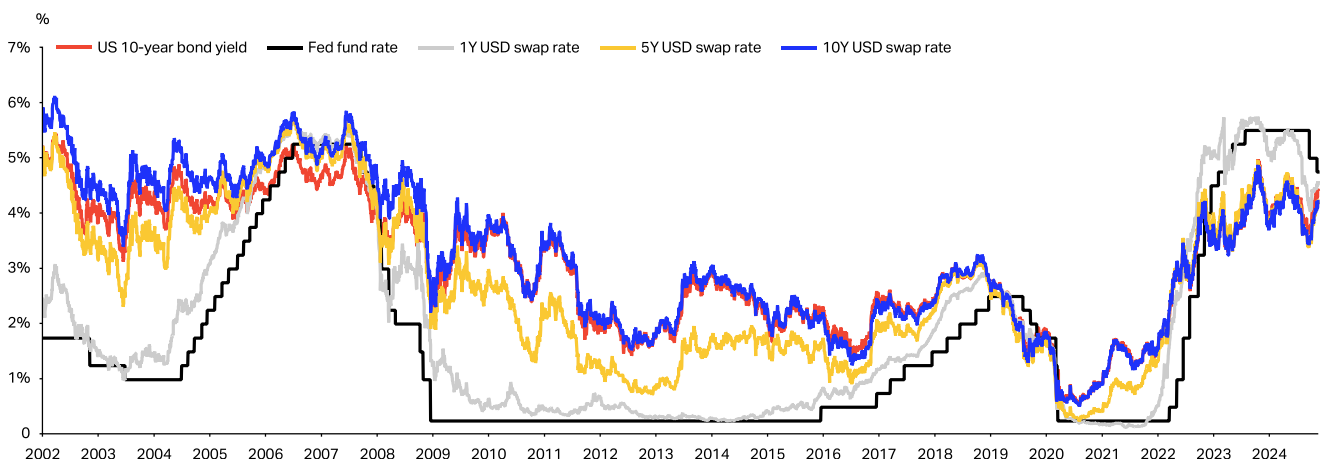
It is also important to note that some parked aircraft might never return to service, especially regional jets, due to a pilot shortage. Furthermore, the average age of some popular narrowbodies and widebodies being parked exceeds 25 years, making their return to service less likely.

Chart 26: Global backlog (cumulative orders) of commercial aircraft and orders placed in a given year



Source: Cirium, IATA Sustainability and Economics

Chart 27: USD interest rates, %



Source: Macrobond, IATA Sustainability and Economics

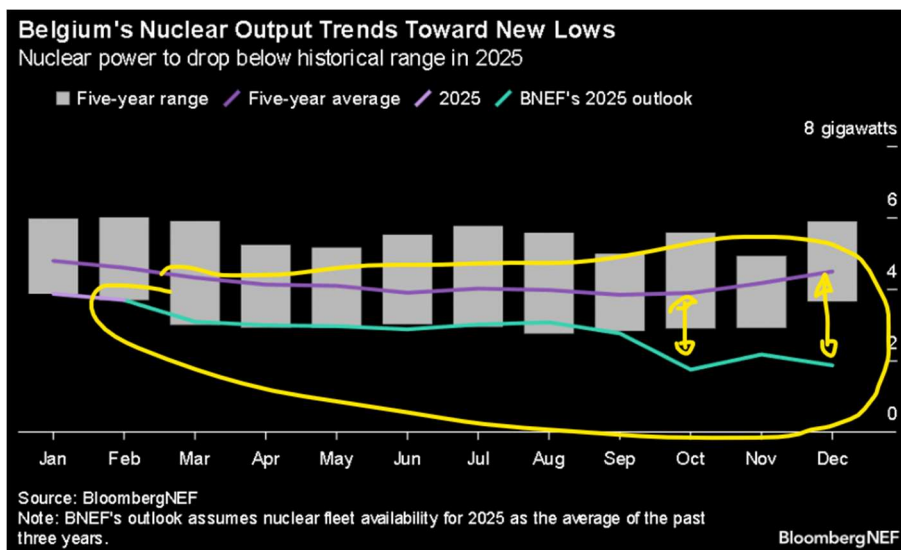
Nuclear Closures Raise Belgium's Reliance on Gas for Power: BNEF

2025-03-10 08:00:00.2 GMT

By Tatyana Davydenko

(BloombergNEF) -- Belgium is set to rely more on gas for power generation, especially at times when wind and solar output falls, as it pushes ahead with plans to shut nuclear reactors this year.

Nuclear power output is expected to fall to 3.1 gigawatts (GW) in March, 28% below the five-year average, following the closure of the Doel 1 reactor on Feb. 14. The country is set to retire two more reactors – Tihange 1 and Doel 2 owned by Engie — removing a combined 1.85GW of capacity by the end of 2025. The shutdowns are expected to lower average nuclear power output for 2025 to 2.8GW, from 3.4GW last year, according to BloombergNEF's latest outlook.



Nuclear closures are reducing Belgium's firm capacity, which is projected to decline to 9.8GW by the end of this year, accounting for 55% of total system size and down from 59% in 2024.

The growth in renewable generation may offset part of the supply shortfall brought about by nuclear closures. At the same time, Belgium will rely more on gas for power generation especially during periods of low wind speeds and reduced solar output. Moving forward, gas prices and weather conditions will play a bigger role in shaping Belgium's power prices.

To contact BloombergNEF about this article click [here](#).

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Consumer Checkpoint

Will rising food prices eat into spending?

11 March 2025

Key takeaways

- Credit and debit card spending per household declined 2.3% year-over-year (YoY) in February, compared to a 1.9% YoY rise in January, according to Bank of America aggregated card data, though this decline reflects the impact of the extra leap day in February 2024. On a seasonally adjusted basis, spending rose 0.3% month-over-month (MoM), suggesting some continued momentum to spending after a chilly start to the year.
- Higher-income households continue to show the strongest growth in spending, according to Bank of America internal data. In part, this reflects an acceleration in their post-tax wages and salaries, which grew around 3.5% YoY in February. At the same time, rising equity values have provided an additional tailwind from "wealth effects."
- Food prices have also been rising recently, challenging the weekly grocery trip, particularly for those with lower incomes. If prices keep rising, it seems likely consumers will continue to deploy a range of strategies, including more targeted shopping across different stores, as well as spending more at value grocery stores.

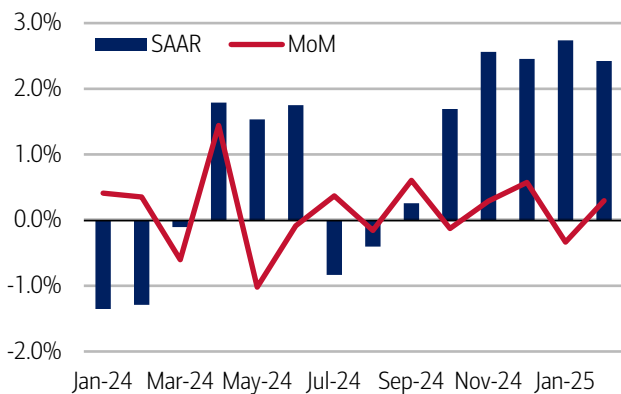
Consumer Checkpoint is a regular publication from Bank of America Institute. It aims to provide a holistic and real-time estimate of US consumers' spending and their financial well-being, leveraging the depth and breadth of Bank of America proprietary data. Such data is not intended to be reflective or indicative of, and should not be relied upon as, the results of operations, financial conditions or performance of Bank of America.

Spending emerges from the freeze

Consumers' credit and debit card spending per household dropped 2.3% year-over-year (YoY) in February, compared to a rise of 1.9% YoY in January, according to Bank of America aggregated card data. However, that decline reflected the extra leap day in February 2024, which boosted spending last year and depressed the YoY growth rate for February 2025. Seasonally adjusted (SA) spending per household rose 0.3% month-over-month (MoM), with the three-month seasonally adjusted annualized growth rate (SAAR) at 2.4% (Exhibit 1).

Exhibit 1: Consumers continued to show forward momentum, with spending up 2.4% on an annualized basis in February 2025

Total credit and debit card spending growth per household, based on Bank of America card data (monthly, MoM%, seasonally adjusted (SA)) and (3-month moving average, SAAR, SA)

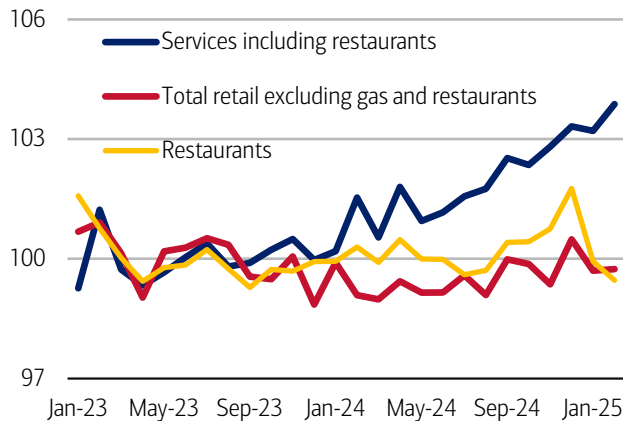


Source: Bank of America internal data

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Exhibit 2: Services spending stayed strong in February, while restaurants saw a decline

Spending by category, based on Bank of America card data (monthly, index 2023 = 100, seasonally adjusted (SA))



Source: Bank of America internal data

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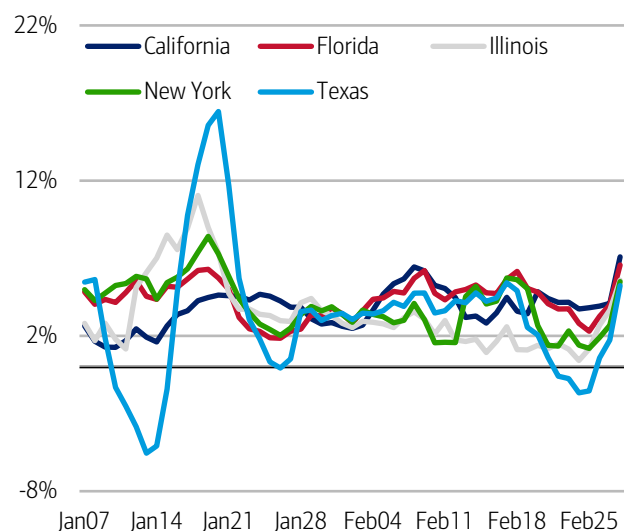
Spending continued to be strong in services in February on a MoM basis (Exhibit 2), though there was a continued decline in restaurant spending. Additionally, retail spending (ex- gas and restaurants) was flat MoM, after declining in January.

In our view, the consumer is still demonstrating some underlying forward momentum in these early months of the year, though at a more measured pace. This is particularly the case as the weather may be responsible for some weakness in the data. January was a cold month, with snow and ice in the South and Northeast. February also brought winter storms to the midwestern and southern US, evident in slowing spending growth in Texas in mid-month, although spending recovered toward the end of February (Exhibit 3).

Card spending growth also weakened in the D.C. area in February, possibly due to the significant snow received during the third week of February. However, other major cities in the eastern portion of the US also received winter snowstorms and they experienced a spending growth recovery (Exhibit 4). So, it could also be that recent announcements and actions to reduce the size of the federal workforce may be weighing on spending throughout the DC area.

Exhibit 3: Card spending growth weakened in Texas in mid-February, as cold weather hit, but recovered to end the month up 5% YoY

Total credit and debit card spending growth per household by select states (7-day moving average, YoY%)

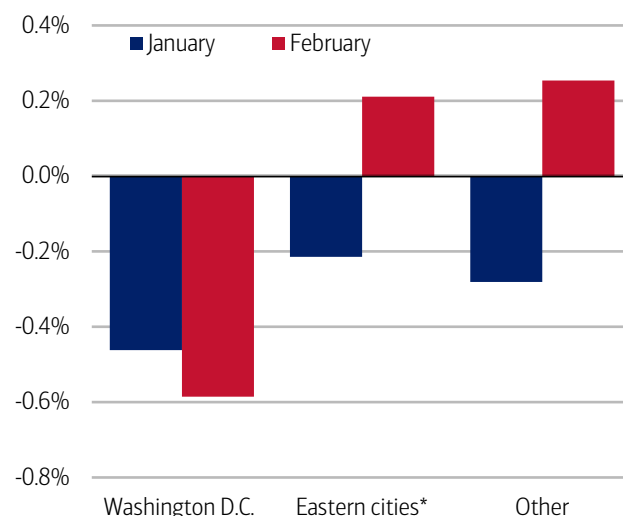


Source: Bank of America internal data

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Exhibit 4: In February, MoM card spending growth remained negative in Washington DC, but recovered in other eastern US cities

Aggregated credit and debit card spending growth per household for Washington DC and select eastern cities (monthly, MoM%)



Source: Bank of America internal data. Note: Eastern cities include Boston, NYC, Philadelphia, Charlotte, Atlanta, Baltimore. Other includes all other US spending.

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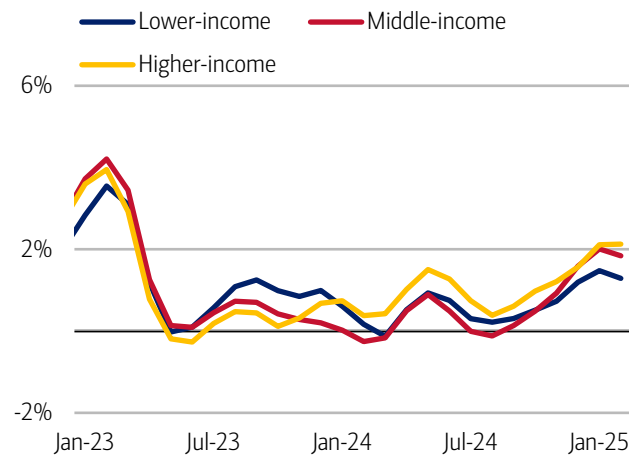
Higher-income spenders continue to lead

Looking at spending across income cohorts, the top-third of households by income category have largely had higher card spending growth than middle- or lower-income peers since February 2024. This contrasts with 2023 when the opposite was true (Exhibit 5).

One reason for the recovery in spending growth in the higher-income cohort appears to be stronger after-tax wage and salary growth, which accelerated over 2024 after a period of weakness in 2023. In February 2025, after-tax wage and salary growth for this cohort accelerated further, up 3.5% YoY, compared to a slowdown in growth for lower-income households, up 2.4% YoY, according to Bank of America deposit data (Exhibit 6).

Exhibit 5: Spending growth for middle- and higher-income households has been stronger, up around 2% YoY, while it has lagged slightly for lower-income households, up nearly 1.3% YoY

Total credit and debit card spending per household, by household income terciles (3-month moving average, YoY%, SA)

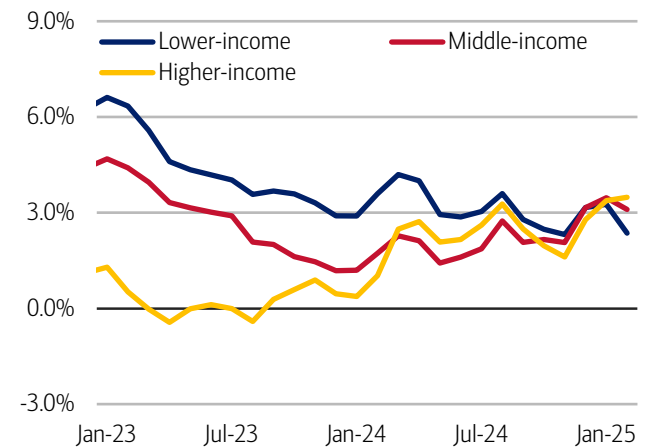


Source: Bank of America internal data

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Exhibit 6: Wage growth for higher-income households was up nearly 3.5% YoY in February, while it has slowed for lower-income households to around 2.4% YoY

After-tax wage and salary growth by household income terciles, based on Bank of America aggregated consumer deposit data (3-month moving average, YoY%, SA)



Source: Bank of America internal data

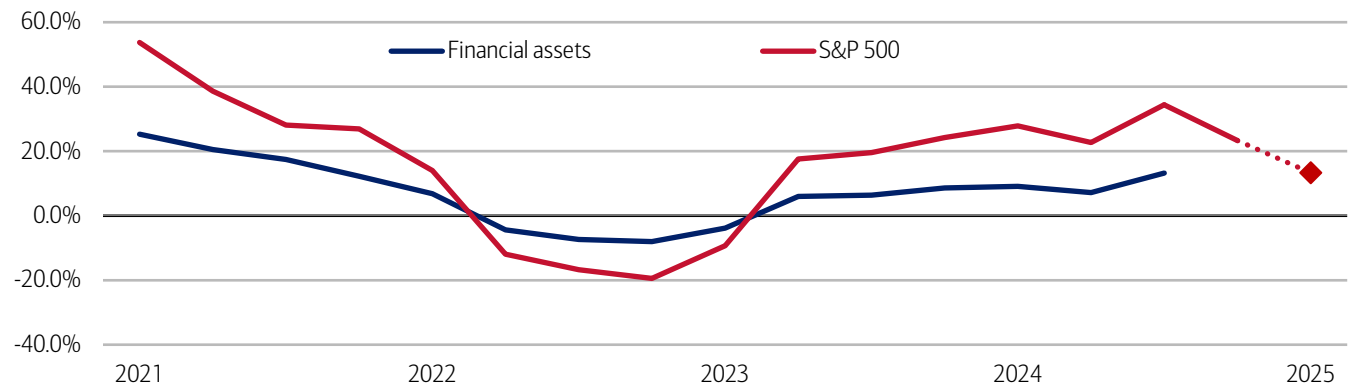
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Wealth effects also a support for the higher-income consumer

Higher-income households tend to hold more of their overall financial assets in equities. Data from the Federal Reserve suggests that the top 20% of households by income held around 43% of their non-real estate assets in directly held corporate equities and mutual fund shares in Q3 2024, compared to around 20% for the other 80% of households. The size of overall financial wealth will generally be higher for these higher-income households, too.

Exhibit 7: Household financial assets rose 13% YoY in Q3 2024

Total financial assets of the household sector and the S&P 500 index (quarterly, % YoY)



Source: Board of Governors of the Federal Reserve System. Red diamond represents YoY between end February 2024 and 2025.

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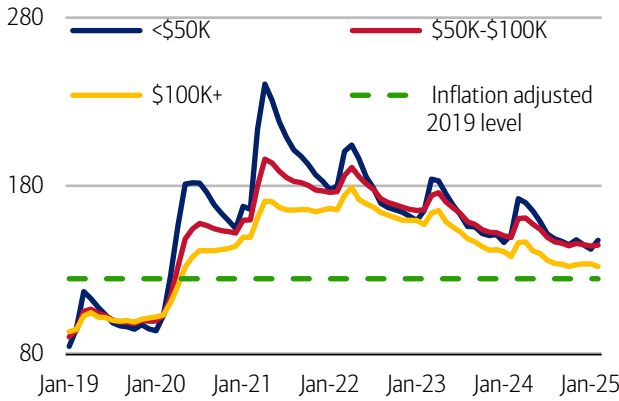
Rising financial asset values over 2023 and 2024 (Exhibit 7) have likely provided an additional boost to spending growth for higher-income households over the past year or so through so-called “wealth effects” – the tendency for consumers to spend more as their wealth rises. But how this relative boost to higher-income spending develops over the course of 2025 will depend, in part, upon how equities perform: current levels of the S&P may suggest some of these wealth effects could dissipate this year.

Savings deposits and tax refunds help bolster the lower- and middle-income consumer

For lower- and middle-income households, elevated deposits are likely to have been consequential in providing a tailwind or support to their spending, given they represent a larger share of their wealth. Exhibit 8 shows that, while diminishing, household savings balances are still above 2019 inflation-adjusted levels.

Exhibit 8: Median checking and savings deposit balances have declined over the past year for all income cohorts, but largely remain above inflation-adjusted 2019 levels

Monthly median household savings and checking balances by income for a fixed group of households through February 2025 (monthly, indexed 2019 = 100)

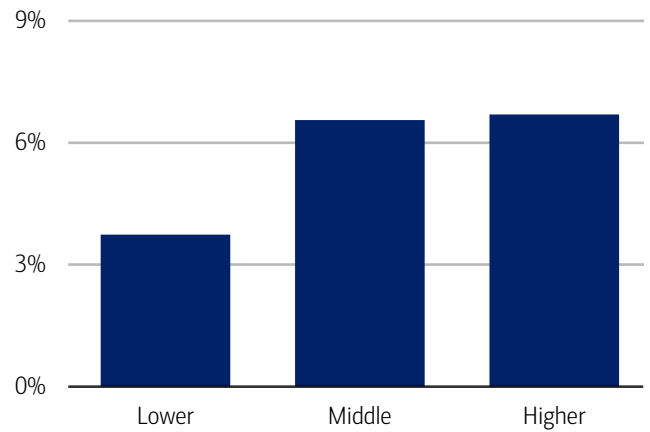


Source: Bank of America internal data. Note: Monthly data includes those households that had a consumer deposit account (checking and/or savings account) for all months from January 2019 through February 2025.

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Exhibit 9: As of February 28, 2025, the average refund size over the tax filing season was up nearly 4% YoY for lower-income households and up around 7% YoY for middle- and higher-income households

Average tax refund per customer through February 28, 2025 (refunds include both federal and state refunds, %YoY)



Source: Bank of America internal data

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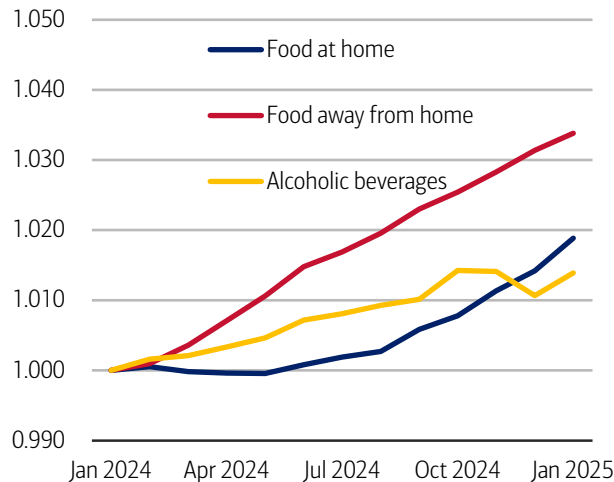
At this time of year, tax refunds can be a seasonal boost to household deposits and potentially provide another tailwind, albeit temporary, to their spending. Looking at average tax refund payments into Bank of America deposit accounts over the 2025 tax filing season as of February 28, for households at the lower-end of the income distribution, the average refund was up around 4% YoY, with increases around 7% YoY for middle- and higher-income households (Exhibit 9). However, it's still very early in the tax season to draw conclusions – according to IRS data, only around a quarter of the total tax filings had been made as of February 21st as the majority are likely to come throughout March and April.

Food, not so glorious food?

Over the past year, prices for ‘food away from home’ (e.g., restaurants) have risen by more than prices for ‘food at home’ (e.g., groceries) (Exhibit 10). But recently, prices for food at home have been increasing notably: up 0.5% MoM, following a 0.3% rise in December, and well above the average 0.14% MoM increase in 2024.

Exhibit 10: Food-away-from-home prices have risen by more than food-at-home prices since January 2024

Consumer price indices for food at home, food away from home and alcoholic beverages (SA, January 2024=1)

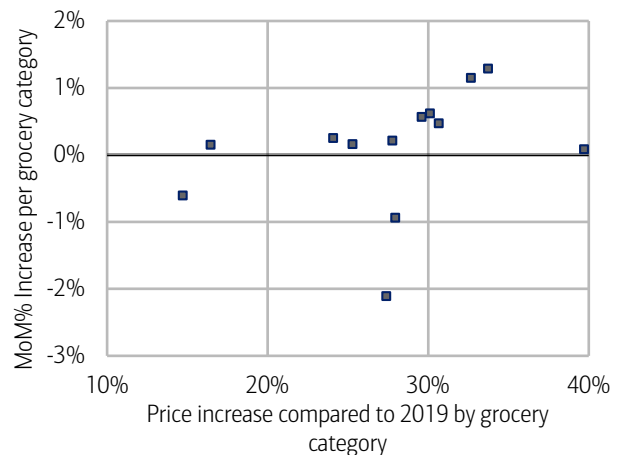


Source: Haver Analytics

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Exhibit 11: Grocery prices are rising fastest MoM for items that already saw large increases compared to 2019

Grocery price increases compared to 2019 average (December 2024, %) compared to grocery inflation (January 2025, MoM%). The dots represent different major grocery categories (see Methodology).



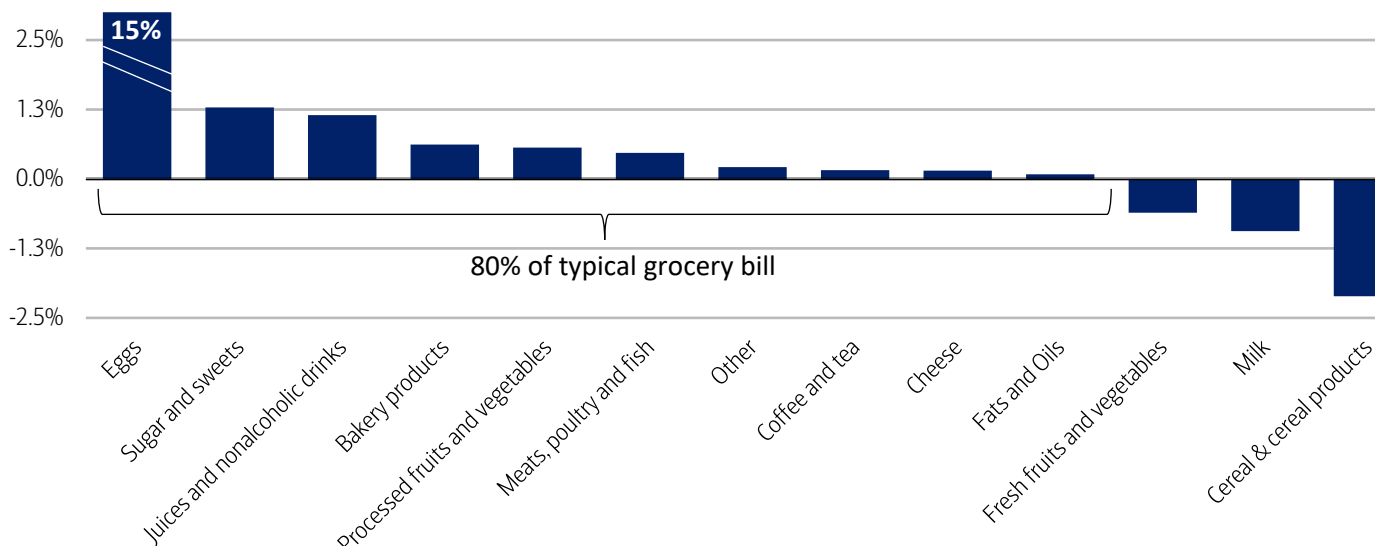
Source: Haver Analytics. Eggs not shown given the size of increase will distort the chart; December 2024 prices for eggs have increased 81% compared to 2019.

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While these MoM price increases are still relatively small, they are occurring after grocery prices have already risen nearly 30% since 2019. In fact, the largest MoM price increases appear to be for the grocery items that are already up the most (Exhibit 11).

Exhibit 12: Grocery prices increased for items that make up both large and small portions of a typical grocery bill

Grocery inflation by category (January 2025, MoM%)



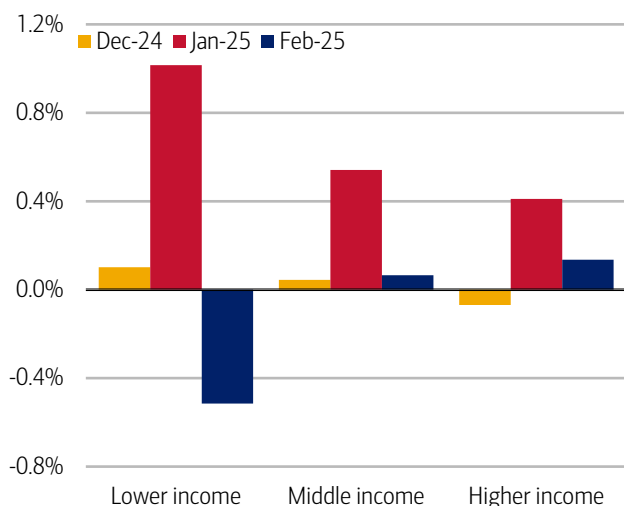
Source: Haver Analytics

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This has been more obvious in some high-profile items; for example, the price of eggs rose 15% MoM in January, according to data from the Bureau of Labor Statistics (BLS). Eggs account for 2.5% of a typical grocery bill, so this increase alone may not be enough to ‘eat’ into the rest of consumer budgets. However, looking across all grocery categories, we can see that prices increased MoM for nearly 80% of typical spending in January (Exhibit 12). Additionally, meat, poultry, and fish – accounting for nearly 20% of an average grocery basket – experienced a 0.5% MoM increase.

Exhibit 13: Grocery spending is continuing to rise for middle- and higher-income households

Card spending per household on groceries by income (SA, % MoM)

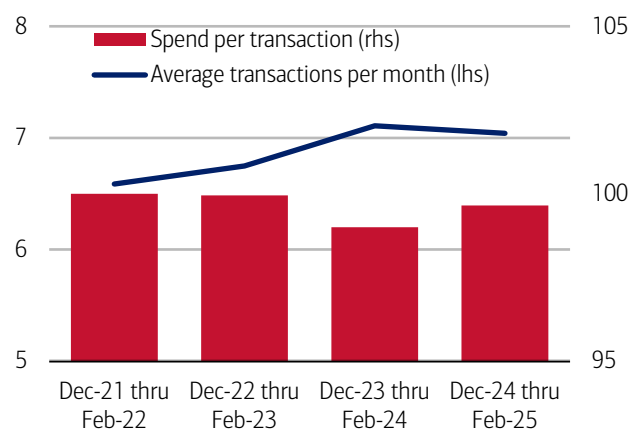


Source: Bank of America internal data

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Exhibit 14: Households increased their average number of grocery transactions, compared to 2022, while spend per transaction has almost returned to 2022 levels

Average card transactions per month (left hand side) and card spending per transaction for groceries (right hand side), based on Bank of America credit and debit card data (December to February average, index 2022 = 100)



Source: Bank of America internal data

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Conversely, fruit and vegetables, accounting for over 13% of a typical basket declined 0.6% MoM. However, given that imports have made up an increasing share of US food consumption, especially for nonmanufactured goods like fruits and vegetables, potential tariffs may put price pressures on even more items in consumers’ grocery carts in future.

This rise in grocery prices appears to be partially reflected in household spending, according to Bank of America internal data. Exhibit 13 shows that those with lower incomes spent around 1% MoM more on groceries in January, with smaller rises for middle- and higher-income households. While lower-income households saw a decline in February, middle- and higher-income households saw another rise. It may be that some of the recent decline in grocery spending at the lower end of the spectrum may be due to a spreading out or trading down effect, as some lower-income households head to general merchandise or discount stores to save money.

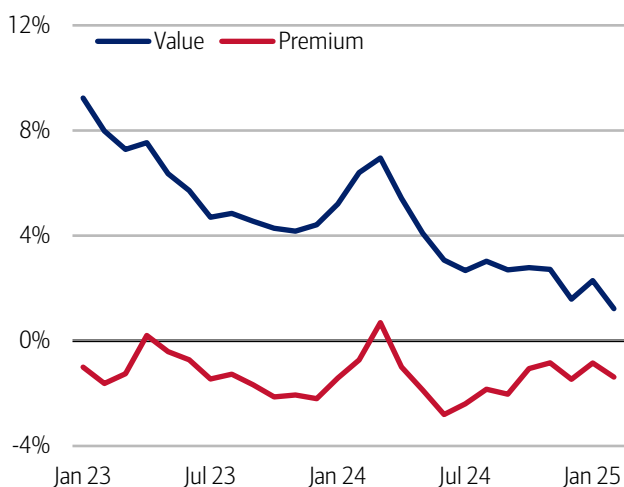
How might consumers respond to higher food prices if they continue to take a ‘bite’ out of their spending power? Exhibit 14 shows that one response to earlier food inflation was that consumers shopped for groceries more often but spent less each time. More recently though, the amount spent per transaction has increased while the number of times consumers shop has eased only slightly.

This approach of ‘more but smaller’ shops may allow consumers to focus on buying things they feel represent good value at particular stores. And a natural counterpart is households also shopping increasingly at ‘value’ grocery stores (see [our piece on value groceries for more](#)). Exhibit 15 shows that this trend is ongoing, and in February 2025, grocery spending per household at value stores rose 1.2% YoY, while it dropped 1.4% YoY for premium grocers.

Overall, if food prices continue to rise, consumers could continue to employ some of these strategies to try and limit the pass-through of higher prices onto their grocery bills, which, in turn, may reduce the risk of them needing to pull back their spending elsewhere. This is particularly relevant for lower-income households, where groceries swallow up a significant share of income (Exhibit 16).

Exhibit 15: Value grocery spending was up 1.2% YoY in February, compared to a drop of 1.4% for premium stores

Card spending per household at Value and Premium grocery stores (three-month moving average, % YoY)

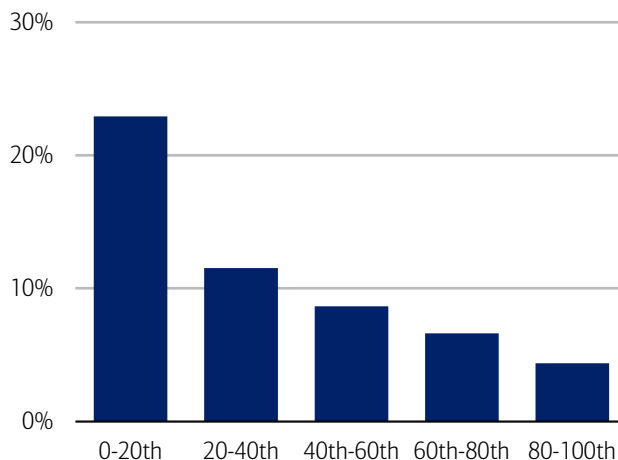


Source: Bank of America internal data

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Exhibit 16: For lower-income households, spending on food represents a significant share of after-tax income - the lowest 20% of households spend around 23% of their income on groceries

Expenditure on food at home as a percentage of post-tax income by percentiles of household income (2023, %)



Source: Bureau of Labor Statistics

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Methodology

Selected Bank of America transaction data is used to inform the macroeconomic views expressed in this report and should be considered in the context of other economic indicators and publicly available information. In certain instances, the data may provide directional and/or predictive value. The data used is not comprehensive; it is based on **aggregated and anonymized** selections of Bank of America data and may reflect a degree of selection bias and limitations on the data available.

Any payments data represents aggregated spend from US Retail, Preferred, Small Business and Wealth Management clients with a deposit account or credit card. Aggregated spend include total credit card, debit card, ACH, wires, bill pay, business/peer-to-peer, cash, and checks.

Any **Small Business** payments data represents aggregate spend from Small Business clients with a deposit account or a Small Business credit card. Payroll payments data include channels such as ACH (automated clearing house), bill pay, checks and wire. Bank of America per Small Business client data represents activity spending from active Small Business clients with a deposit account or a Small Business credit card and at least one transaction in each month. Small businesses in this report include business clients within Bank of America and generally defined as under \$5mm in annual sales revenue.

Unless otherwise stated, data is not adjusted for seasonality, processing days or portfolio changes, and may be subject to periodic revisions.

The differences between the total and per household card spending growth rate (if discussed) can be explained by the following reasons:

1. Overall total card spending growth is partially boosted by the growth in the number of active cardholders in our sample. This could be due to an increasing customer base or inactive customers using their cards more frequently.
2. Per household card spending growth only looks at households that complete at least five transactions with Bank of America cards in the month. Per household spending growth isolates impacts from a changing sample size, which could be unrelated to underlying economic momentum, and potential spending volatility from less active users.
3. Overall total card spending includes small business card spending while per household card spending does not.
4. Differences due to using processing dates (total card spending) versus transaction date (per household card spending).
5. Other differences including household formations due to young adults moving in and out of their parent's houses during COVID.

Any household consumer deposit data based on Bank of America internal data is derived by anonymizing and aggregating data from Bank of America consumer deposit accounts in the US and analyzing that data at a highly aggregated level. Whenever median household savings and checking balances are quoted, the data is based on a fixed cohort of households that had a consumer deposit account (checking and/or savings account) for all months from January 2019 through the most current month of data shown.

Bank of America aggregated credit/debit card spending per household includes spending from active US households only. Only consumer card holders making a minimum of five transactions a month are included in the dataset. Spending from corporate cards are excluded. Data regarding merchants who receive payments are identified and classified by the Merchant Categorization Code (MCC) defined by financial services companies. The data are mapped using proprietary methods from the MCCs to the North American Industry Classification System (NAICS), which is also used by the Census Bureau, in order to classify spending data by subsector. Spending data may also be classified by other proprietary methods not using MCCs.

We consider a measure of services necessity spending that includes but is not limited to childcare, rent, insurance, insurance, public transportation, and tax payments. Discretionary services includes but is not limited to charitable donations, leisure travel, entertainment, and professional/consumer services. Holiday spending is defined as items in which spending in the November-December period is usually at least 20% of total annual spending on the category.

For analysis looking at higher value transactions (including durables), we consider a value per transaction threshold estimated with reference to the top 30% of transactions by value in 2024. The share of higher value transactions is then the number of transactions above this threshold as a percentage of total transactions over time.

Lower, middle and higher household income cuts in Bank of America credit and debit card spending per household, and consumer deposit account data are based on quantitative estimates of each households' income. These quantitative estimates are bucketed according to terciles, with a third of households placed in each tercile periodically. The lowest tercile represents 'lower income', the middle tercile represents 'middle income' and the highest tercile 'higher income'. The income thresholds between these terciles will move over time, reflecting any number of factors that impact income, including general wage inflation,

changes in social security payments and individual households' income. The income and tercile in which a household is categorised are periodically re-assessed.

Major grocery categories include sugar and sweets, juices and other non-alcoholic beverages, bakery products, processed fruits and vegetables, fresh fruit and vegetables, coffee and tea, fats and oils, milk, cereal and cereal products, other, cheese, and meats, poultry and fish, Other includes soups, snacks, frozen and freeze-dried prepared foods, and spices, seasonings, and condiments.

Generations, if discussed, are defined as follows:

1. Gen Z, born after 1995
2. Younger Millennials: born between 1989-1995
3. Older Millennials: born between 1978-1988
4. Gen Xers: born between 1965-1977
5. Baby Boomer: 1946-1964
6. Traditionalists: pre-1946

Any reference to card spending per household on gasoline includes all purchases at gasoline stations and might include purchases of non-gas items.

Additional information about the methodology used to aggregate the data is available upon request.

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Disclosures

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Warren Buffett > Quotes

“Price is what you pay. Value is what you get.”

— **Warren Buffett**

“Honesty is a very expensive gift, Don't expect it from cheap people.”

— **Warren Buffett**

“Somebody once said that in looking for people to hire, you look for three qualities: integrity, intelligence, and energy. And if you don't have the first, the other two will kill you. You think about it; it's true. If you hire somebody without [integrity], you really want them to be dumb and lazy.”

— **Warren Buffett**

“I insist on a lot of time being spent, almost every day, to just sit and think. That is very uncommon in American business. I read and think. So I do more reading and thinking, and make less impulse decisions than most people in business. I do it because I like this kind of life.”

— **Warren Buffett**

“Someone's sitting in the shade today because someone planted a tree a long time ago.”

— **Warren Buffett**

“Be Fearful When Others Are Greedy and Greedy When Others Are Fearful”

— **Warren Buffett**

“If you're in the luckiest one per cent of humanity, you owe it to the rest of humanity to think about the other 99 per cent.”

— **Warren Buffett**

“The most important thing to do if you find yourself in a hole is to stop digging.”

— **Warren Buffett**

“Risk comes from not knowing what you're doing”

— **Warren Buffett**

“The difference between successful people and really successful people is that really successful people say no to almost everything.”

— **Warren Buffett**

“No matter how great the talent or efforts, some things just take time. You can't produce a baby in one month by getting nine women pregnant.”

— **Warren Buffett**

“There comes a time when you ought to start doing what you want. Take a job that you love. You will jump out of bed in the morning. I think you are out of your mind if you keep taking jobs that you don't like because you think it will look good on your resume. Isn't that a little like saving up sex for your old age?”

— **Warren Buffett**

“Should you find yourself in a chronically leaking boat, energy devoted to changing vessels is likely to be more productive than energy devoted to patching leaks.”

— **Warren Buffett**

“It takes 20 years to build a reputation and five minutes to ruin it. If you think about that you'll do things differently.”

— **Warren Buffett**

“There's class warfare, all right, but it's my class, the rich class, that's making war, and we're winning.”

— **Warren Buffett**

“Rule No. 1 : Never lose money. Rule No. 2 : Never forget Rule No. 1.”

— **Warren Buffett**

“It's better to hang out with people better than you. Pick out associates whose behavior is better than yours and you'll drift in that direction.”

— **Warren Buffett**

“There seems to be some perverse human characteristic that likes to make easy things difficult. ”

— **Warren Buffett**

“When I was sixteen, I had just two things on my mind - girls and cars. I wasn't very good with girls. So I thought about cars. I thought about girls, too, but I had more luck with cars. Let's say that when I turned sixteen, a genie had appeared to me. And that genie said, 'Warren, I'm going

to give you the car of your choice. It'll be here tomorrow morning with a big bow tied on it. Brand-new. And it's all yours.'

Having heard all the genie stories, I would say, 'What's the catch?' And the genie would answer, 'There's only one catch. This is the last car you're ever going to get in your life. So it's got to last a lifetime.'

If that had happened, I would have picked out that car. But, can you imagine, knowing it had to last a lifetime, what I would do with it?

I would read the manual about five times. I would always keep it garaged. If there was the least little dent or scratch, I'd have it fixed right away because I wouldn't want it rusting. I would baby that car, because it would have to last a lifetime.

That's exactly the position you are in concerning your mind and body. You only get one mind and one body. And it's got to last a lifetime. Now, it's very easy to let them ride for many years. But if you don't take care of that mind and that body, they'll be a wreck forty years later, just like the car would be.

It's what you do right now, today, that determines how your mind and body will operate ten, twenty, and thirty years from now."

— **Warren Buffett**

"You only have to do a very few things right in your life so long as you don't do too many things wrong."

— **Warren Buffett**

"You never know who's swimming naked until the tide goes out."

— **Warren Buffett**

"You can't produce a baby in one month by getting nine women pregnant."

— **Warren Buffett**

"Never ask a barber if you need a haircut."

— **Warren Buffett**

"In the world of business, the people who are most successful are those who are doing what they love."

— **Warren Buffett**

"When you combine ignorance and leverage, you get some pretty interesting results."

— **Warren Buffett**

“What the wise do in the beginning, fools do in the end.”

— **Warren Buffett**

“I always knew I was going to be rich. I don't think I ever doubted it for a minute. ”

— **Warren Buffett**

“Games are won by players who focus on the playing field -- not by those whose eyes are glued to the scoreboard.”

— **Warren Buffett**

“I learned to go into business only with people whom I like, trust, and admire.”

— **Warren Buffet**

“It's nice to have a lot of money, but you know, you don't want to keep it around forever. I prefer buying things. Otherwise, it's a little like saving sex for your old age.”

— **Warren Buffett**

Showing 31-60 of 336

“I will tell you the secret to getting rich on Wall Street. You try to be greedy when others are fearful. And you try to be fearful when others are greedy.”

— **Warren Buffett**

“If you've been playing poker for half an hour and you still don't know who the patsy is, you're the patsy.”

— **Warren Buffett**

“I could end the deficit in 5 minutes. You just pass a law that says that anytime there is a deficit of more than 3% of GDP all sitting members of congress are ineligible for reelection.”

— **Warren Buffett**

“In looking for people to hire, you look for three qualities: integrity, intelligence, and energy. And if they don't have the first, the other two will kill you.”

— **Warren Buffet**

“Forecasts may tell you a great deal about the forecaster; they tell you nothing about the future.”

— **Warren Buffett**

“If you don't find a way to make money while you sleep, you will work until you die.”

— **Warren Buffett**

“In the business world, the rearview mirror is always clearer than the windshield.”

— **Warren Buffett**

“be greedy when others are fearful, and fearful when others are greedy.”

— **Warren Buffet**

“You’ve gotta keep control of your time, and you can’t unless you say no. You can’t let people set your agenda in life.”

— **Warren Buffett**

“People always ask me where they should go to work, and I always tell them to go to work for whom they admire the most.”

— **Warren Buffett**

“I do know that when I am 60, I should be attempting to achieve different personal goals than those which had priority at age 20.”

— **Warren Buffett**

“Tell me who your heroes are and I’ll tell you how you’ll turn out to be.”

— **Warren Buffett**

“Opportunities come infrequently. When it rains gold, put out the bucket, not the thimble”

— **warren buffett**

“Every saint has a past. Every sinner has a future.”

— **Warren Buffett**

“Life is like a snowball. The important thing is finding wet snow and a really long hill. ”

— **Warren Buffett**

“I could end the deficit in five minutes. You just pass a law that says that anytime there is a deficit of more than 3% of GDP all sitting members of congress are ineligible for reelection.”

— **Warren Buffett**

“Investors should be skeptical of history-based models. Constructed by a nerdy-sounding priesthood using esoteric terms such as beta, gamma, sigma and the like, these models tend to look impressive. Too often, though, investors forget to examine the assumptions behind the models. Beware of geeks bearing formulas.”

— **Warren Buffett**

“Do not save what is left after spending; instead spend what is left after saving.”

— **Warren Buffett**

“The most important investment you can make is in yourself.”

— **Warren Buffett**

“You know ... you keep doing the same things and you keep getting the same result over and over again.”

— **Warren Buffett**

“[Gold] gets dug out of the ground in Africa, or someplace. Then we melt it down, dig another hole, bury it again and pay people to stand around guarding it. It has no utility. Anyone watching from Mars would be scratching their head.”

— **Warren Buffett**

“Diversification is protection against ignorance. It makes little sense if you know what you are doing.”

— **Warren Buffett**

“If you aren't thinking about owning a stock for ten years, don't even think about owning it for ten minutes.”

— **Warren Buffett**

“Wall Street is the only place that people drive to in a Rolls Royce to take advice from people who ride the subway.”

— **Warren Buffett**

“So smile when you read a headline that says “Investors lose as market falls.” Edit it in your mind to “Disinvestors lose as market falls—but investors gain.” Though writers often forget this truism, there is a buyer for every seller and what hurts one necessarily helps the other. (As they say in golf matches: “Every putt makes someone happy.”)”

— **Warren Buffett**, [The Essays of Warren Buffett: Lessons for Corporate America](#)

“We don’t have to be smarter than the rest. We have to be more disciplined than the rest.”

— **Warren Buffett**

“I will tell you how to become rich. Close the doors. Be fearful when others are greedy. Be greedy when others are fearful.”

— **Warren Buffett**

“...not doing what we love in the name of greed is very poor management of our lives.”

— **Warren Buffet**

“I am not a businessman, I am an artist”

— **Warren Buffett**

“We need a moderately-priced stock market... The market, like the Lord, helps those who help themselves. But, unlike the Lord, the market does not forgive those who know not what they do. For the investor, a too-high purchase price for the stock of an excellent company can undo the effects of a subsequent decade of favorable business developments.”

— **Warren Buffet**



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FOR IMMEDIATE RELEASE

FADA Releases February'25 Vehicle Retail Data

Overall February'25 Auto Retail Report:

- **Broad-Based Downturn:** February 2025 closed with a -7% YoY decline, reflecting a “Flat to De-growth” sentiment previously indicated by FADA’s dealer survey. All segments registered negative growth on YoY basis:
 - 2W: -6%
 - 3W: -2%
 - PV: -10%
 - Tractor: -14.5%
 - CV: -8.6%
- **Inventory Concerns:** Dealers raised issues about inventory being pushed without consent. While this can support OEM market objectives, aligning wholesale with genuine demand is crucial for healthy dealer viability.

Segment Highlights:

1. Two-Wheelers (2W)

- Despite an 8.57% FY YTD growth, February retail sales dipped -6.33% YoY.
- Urban areas declined -7.38% versus a milder -5.5% drop in rural markets, aided by better agricultural sentiment and marriage-season demand.
- Key challenges included inventory imbalances, aggressive pricing post-OBD-2B, weak consumer sentiment and limited finance availability.

2. Passenger Vehicles (PV)

- Modest 4% YTD growth overshadowed by a steep -10.34% YoY fall in February.
- Entry-level demand remained particularly soft, with dealers citing delayed conversions and challenging targets.
- Inventory levels stood at 50–52 days, underscoring the importance of aligning wholesale targets with actual retail potential.

3. Commercial Vehicles (CV)

- YTD decline of -0.5% and an -8.6% YoY drop in February retail sales.
- Dealers reported weak sales in transportation sector, tighter finance norms and pricing pressures—especially affecting bulk orders and institutional contracts.
- Some relief came from robust tipper bookings, driven by increased government spending and steady supplies. Cautious optimism persists for March, as dealers realign targets to current demand.

Near Term Outlook:

- **Mixed Sentiments, Festive Boost:** Dealer expectations for March 2025 are cautiously optimistic, with nearly 45% predicting growth, 40% foreseeing flat performance and 14% anticipating de-growth.
- **Stock Market Impact:** Five consecutive months of declining markets have dampened consumer confidence and reduced discretionary spending.
- **Festivals & Fiscal Advantages:** Multiple festivals (Holi, Gudi Padwa, Navratri) and year-end depreciation benefits could lift retail sentiment across 2W, PV and CV segments.
- **Segment-Specific Catalysts:**
 - 2W: Positive agri-output and festive demand may offset a recent drop in enquiries.
 - PV: Expected traction from schemes, preponed festival sales, and year-end incentives.
 - CV: Increased government spending and institutional buying likely to bolster volumes, despite ongoing liquidity challenges.



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6th March'25, New Delhi, INDIA: The Federation of Automobile Dealers Associations (FADA) today released Vehicle Retail Data for February'25.

February'25 Retails

FADA President, Mr. C S Vigneshwar, shared his perspective on the Auto Retail performance for February 2025:

“February witnessed a broad-based downturn across all categories, a trend that was anticipated in our previous survey which projected a ‘Flat to De-growth’ sentiment for the month. Overall, the market closed with a -7% YoY decline, with 2W, 3W, PV, Trac and CV falling by 6%, 2%, 10%, 14.5% and 8.6% respectively. During the month, dealers began expressing concerns about inventory being pushed to them without their consent. While such initiatives may serve broader business objectives, it is critical to align wholesale allocations with genuine demand to protect dealer viability and ensure healthy inventory management.

In the 2W segment, despite an 8.57% FY YTD growth, retail sales dipped by 6.33% YoY. Urban areas experienced a sharper decline of 7.38% compared to a 5.5% drop in rural markets. Rural performance was better due to better agricultural sentiments and seasonal marriage demand. Dealers attributed this to inventory imbalances, aggressive pricing adjustments (notably post-OB2B), weak consumer sentiment, lower enquiry volumes and limited finance availability. Concerns over slow-moving models and external economic pressures, such as liquidity constraints and inflation, further intensified these challenges.

The PV segment, despite a modest 4% YTD growth, saw retail sales fall sharply by -10.34% YoY. Dealers noted weak market sentiment which specially continues in the entry level category, delayed conversions, challenging targets and stressed that OEMs should avoid overburdening dealers with excessive inventory—a practice that risks unmanageable stock levels given the cyclical nature of the industry. This feedback underscores the need for greater alignment between national strategies and local dealer insights. Inventory levels in this segment remained in the range of 50-52 days.

Finally, the CV segment, which saw a modest YTD decline of -0.5%, retail sales dropped by -8.6% YoY. Dealers pointed to a challenging commercial environment, with weak sales in transportation sector, tightening finance norms and pricing pressures delaying customer decisions—particularly in bulk orders and institutional contracts. While robust order bookings, notably in the tipper segment driven by increased government spending and steady supplies offered some relief, the prevailing negative sentiment and structural market shifts call for a more adaptive approach. There is cautious optimism that the market will improve in March as dealers recalibrate their targets to better align with current demand.”

Near-Term Outlook

The near-term outlook for auto retail in March 2025 is cautiously optimistic, with dealer expectations indicating that nearly 45% foresee growth, 40% expect flat performance and only 14% anticipate de-growth. However, challenges remain, as five consecutive months of declining stock markets have dampened consumer confidence—with investors closing more SIPs rather than opening new ones and reduced discretionary spending driven by dented profitability. Despite this, the convergence of multiple festivals—ranging from Holi and Gudi Padwa to the onset of Navratri—and year-end depreciation benefits is expected to provide a much-needed boost to vehicle purchases.

Segment-specific insights also support a more positive outlook. In the 2W segment, positive Agri-output and the festive calendar are seen as catalysts, even though the booking pipeline slowed towards the end of February. The CV space is likely to benefit from increased government spending and a spike in institutional buying, despite some liquidity challenges. Meanwhile, PV space is expected to gain traction, fuelled by attractive schemes, the



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impact of preponed festival sales and fiscal year-end advantages. Overall, while mixed sentiments persist, an adaptive market strategy that leverages festive demand and favourable financial incentives is anticipated to drive a recovery in March.

Key Findings from our Online Members Survey

- **Liquidity**
 - Neutral 51.89%
 - Bad 28.30%
 - Good 19.81%

- **Sentiment**
 - Neutral 44.03%
 - Bad 30.82%
 - Good 25.16%

- **Expectation from March'25**
 - Growth 45.28%
 - Flat 40.25%
 - De-growth 14.47%

Chart showing Vehicle Retail Data for YTD FY'25 and February'25

All India Vehicle Retail Data for YTD FY'25 (April'24 to Feb'25)

CATEGORY	YTD FY'25	YTD FY'24	Growth %
2W	1,73,62,194	1,59,91,622	8.57%
3W	11,21,607	10,62,622	5.55%
CV	9,13,322	9,18,004	-0.51%
PV	37,91,855	36,30,618	4.44%
TRAC	8,09,107	8,13,921	-0.59%
Total	2,39,98,085	2,24,16,787	7.05%

Source: FADA Research



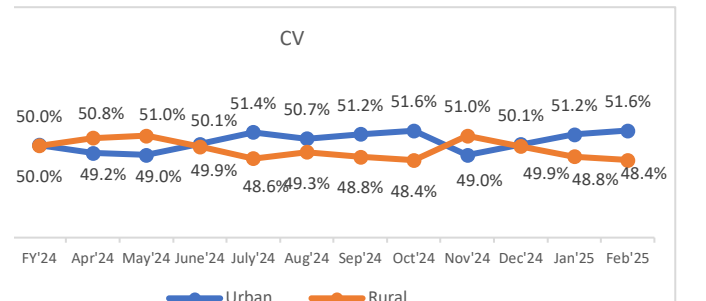
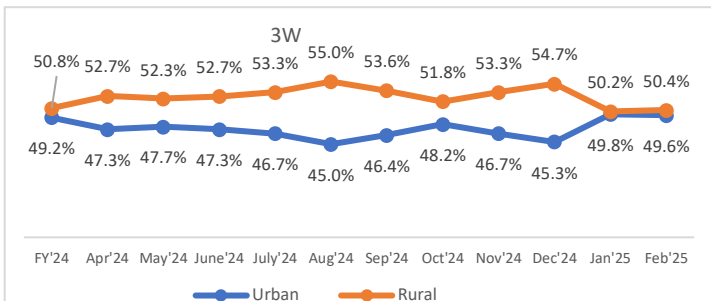
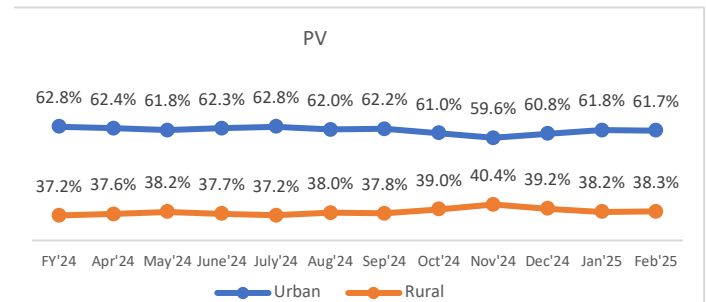
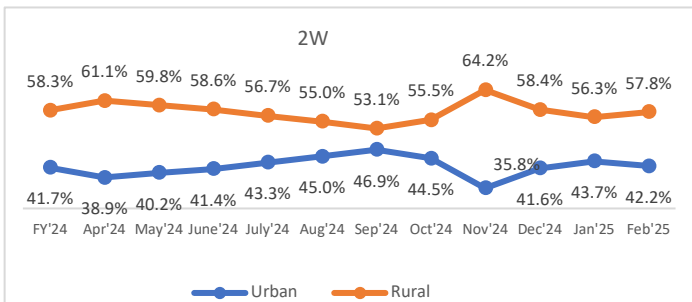
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All India Vehicle Retail Data for February'25

CATEGORY	Feb'25	Jan'25	Feb'24	MoM%	YoY%
2W	13,53,280	15,25,862	14,44,674	-11.31%	-6.33%
3W	94,181	1,07,033	96,020	-12.01%	-1.92%
E-RICKSHAW(P)	32,361	38,830	36,548	-16.66%	-11.46%
E-RICKSHAW WITH CART (G)	6,401	5,760	4,442	11.13%	44.10%
THREE - WHEELER (GOODS)	10,829	12,036	11,030	-10.03%	-1.82%
THREE - WHEELER (PASSENGER)	44,522	50,322	43,932	-11.53%	1.34%
THREE - WHEELER (PERSONAL)	68	85	68	-20.00%	0.00%
PV	3,03,398	4,65,920	3,38,390	-34.88%	-10.34%
TRAC	65,574	93,381	76,693	-29.78%	-14.50%
CV	82,763	99,425	90,551	-16.76%	-8.60%
LCV	45,742	56,410	49,370	-18.91%	-7.35%
MCV	6,212	6,975	6,561	-10.94%	-5.32%
HCV	26,094	30,061	29,483	-13.20%	-11.49%
Others	4,715	5,979	5,137	-21.14%	-8.21%
Total	18,99,196	22,91,621	20,46,328	-17.12%	-7.19%

Source: FADA Research

All India Vehicle Retail Strength Index for Feb'25 on basis of Urban & Rural RTOs.





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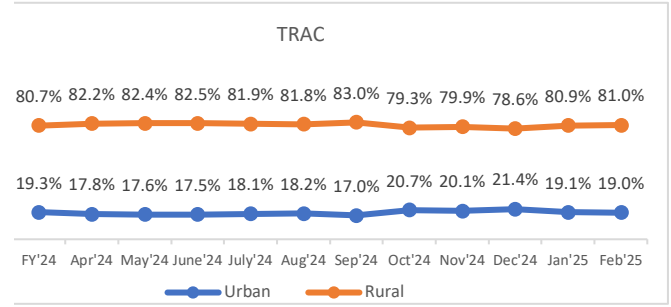
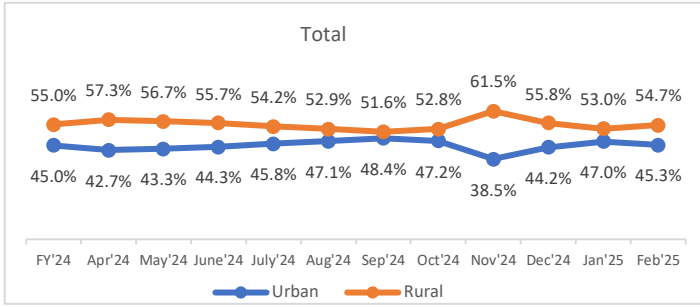
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Source: FADA Research

All India Vehicle Retail Strength YoY and MOM comparison for Feb'25.

Category	MoM%	YoY%	Category	MoM%	YoY%
2W			CV		
Urban	-14.25%	-7.38%	Urban	-16.13%	-6.73%
Rural	-9.04%	-5.54%	Rural	-17.42%	-10.51%
3W			TRAC		
Urban	-12.33%	-3.91%	Urban	-30.26%	-13.82%
Rural	-11.69%	0.13%	Rural	-29.67%	-14.66%
PV			Total		
Urban	-34.98%	-10.57%	Urban	-20.05%	-7.98%
Rural	-34.72%	-9.97%	Rural	-14.53%	-6.53%

Source: FADA Research

All India Vehicle Retail Strength YoY comparison for YTD FY'25 (April'24 to Feb'25).

Category	YoY%	Category	YoY%
2W		CV	
Urban	7.03%	Urban	-0.97%
Rural	9.09%	Rural	-0.97%
3W		TRAC	
Urban	0.96%	Urban	-5.01%
Rural	10.14%	Rural	0.47%
PV		Total	
Urban	-0.36%	Urban	4.50%
Rural	6.29%	Rural	7.99%

Source: FADA Research

Motor Vehicle Road Tax Collection (in Rs Crore) for Feb'25

	Feb'25	Jan'25	Feb'24	MoM%	YoY%
Motor Vehicle Road Tax Collection	6,340	8,603	6,843	26.3%	-7.4%

Source: FADA Research

Disclaimer:

- The above numbers do not have figures from TS.
- Vehicle Retail Data has been collated as on 04.03.25 in collaboration with Ministry of Road Transport & Highways, Government of India and has been gathered from 1,378 out of 1,438 RTOs.

Japan Sees Fewest Births on Record, Deepening Demographic Crisis

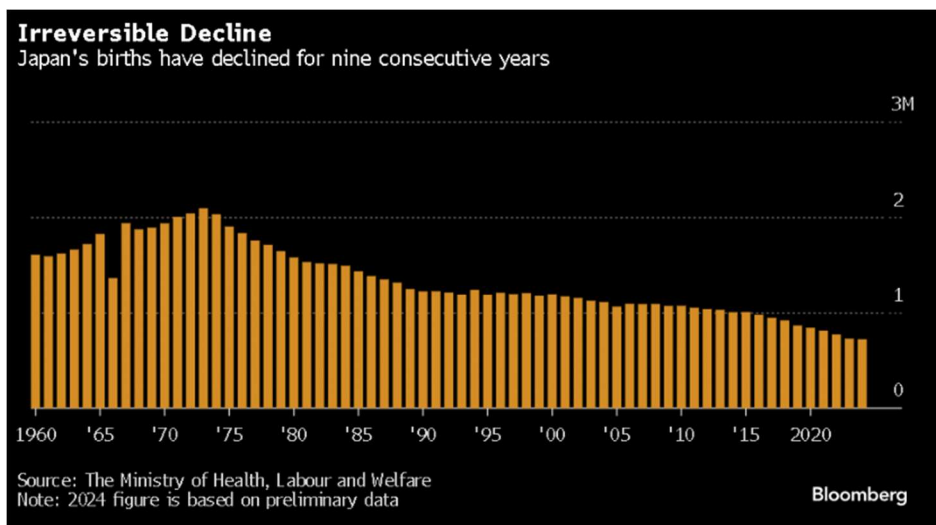
2025-02-27 05:00:03.0 GMT

By Erica Yokoyama

(Bloomberg) -- The number of births in Japan fell to another record low, underscoring the growing challenge of how to shoulder ballooning social security costs for an aging society with what's already become an ever shrinking pool of tax-paying workers.

The number of newborns in 2024 fell 5% from the previous year to 720,988, extending a nine-year streak of declines, according to preliminary population data released Thursday by Japan's health ministry. The reading marked the lowest tally since such records began in 1899.

Deaths rose 1.8% to a record-high 1.62 million for the same period, resulting in the biggest ever annual decline in total population, the report showed.



The sustained decline in the nation's births adds to the urgency for a government already bearing the heaviest debt load among developed nations. Japan's public debt will be 232.7% of gross domestic product this year, according to a report from the International Monetary Fund.

It's also part of a widening global trend. South Korea's fertility rate edged higher last year for the first time in nine years, but at 0.75 remains well below the rate needed to maintain the population. The drop in births in France accelerated in 2023 to the fastest pace in half a century, while China's population has declined for three straight years.

Fewer workers means less tax revenue for government coffers

while also pressuring businesses coping with staff shortages. Since Japan's working-age population peaked in 1995, its labor market has remained relatively tight. The unemployment rate is 2.4%, the lowest among OECD countries, and has stayed under 3% for almost four years. By 2040, Japan is projected to face a labor shortfall of 11 million, according to an estimate by Recruit Works Institute.

In 2024, a record 342 Japanese companies went bankrupt due to the labor crunch, according to a survey by Teikoku Databank data.

Meantime Japan's social security costs continue to climb as a growing proportion of the population surpasses retirement age. For the fiscal year beginning in April, the government has allocated ¥37.7 trillion (\$253 billion) for social security, a nearly 20% increase over the past decade.

Japan's pension system is also under pressure, with fewer contributors and more recipients. In the past two decades, the number of those paying into it has fallen by about 3 million, while the number of recipients has risen by nearly 40%, according to the welfare ministry.

The ongoing decline in births partly reflects younger generations' reluctance to have children, despite recent government efforts. Building on his predecessor's initiative, Prime Minister Shigeru Ishiba is promoting a ¥3.6 trillion childcare policy package, which includes support for expectant parents and improvements to working conditions for childcare workers.

Despite the increasing outlays, births fell far short of the main scenario forecast for 2024 by the National Institute of Population and Social Security Research. The government-backed institute had projected 779,000 births for the year.

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Brian Fowler

To view this story in Bloomberg click here:

<https://blinks.bloomberg.com/news/stories/SS9HQMT0AFB4>

Dan Tsibouchi @EnergyTidbits · 1h
 Have to believe US attacks last night hammered the Houthis capability.
 But Houthis haven't give up before so are going to try to do something and
 vow a professional & painful response.

#OOTT

painful' response to deadly US strikes

...The Houthis have vowed a "painful" response to the US strikes, saying they will continue to fight until they are completely destroyed. They also threatened to target US ships in the Red Sea.

...The US said the Houthis were "responsible" for the attacks and that the strikes were a "necessary and proportionate" response. The US also said it would continue to monitor the situation and take further action if necessary.

...The US also said it would continue to monitor the situation and take further action if necessary.

Breaking
 Trump "ordered the United States Military to launch decisive and powerful Military action against the Houthi terrorists in Yemen."

Dan Tsibouchi @EnergyTidbits · 19h
 Breaking!
 Trump "ordered the United States Military to launch decisive and powerful Military action against the Houthi terrorists in Yemen."
 "Our brave Warfighters are right now carrying out aerial attacks on the terrorists' bases, leaders, and missile defense"

#OOTT

TRUMP ORDERED DECISIVE AND POWERFUL MILITARY ACTION

...The Houthis have vowed a "painful" response to the US strikes, saying they will continue to fight until they are completely destroyed. They also threatened to target US ships in the Red Sea.

...The US said the Houthis were "responsible" for the attacks and that the strikes were a "necessary and proportionate" response. The US also said it would continue to monitor the situation and take further action if necessary.

...The US also said it would continue to monitor the situation and take further action if necessary.

Red Sea Houthi attacks watch back on its 4-day deadline on Gaza has now expired.
 So Houthis expected to resume attacks in Red Sea...

Dan Tsibouchi @EnergyTidbits · Mar 15
 Overlooked #Oil Fundamentals

Global oil production declines every year so need to add new oil supply every year just to keep oil supply flat.

@OPECsecretariat reminds need to add ~5 mmb/d of new supply every year just to offset declines & keep global oil supply flat!

Oil

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OPEC - OIL DECLINE

GLOBAL OIL DEMAND IS UP ~5% EVERY YEAR!
 WE NEED TO ADD ~5 MMB/D EVERY YEAR JUST TO KEEP OIL SUPPLY FLAT!

Dan Tsibouchi @EnergyTidbits · Mar 15
 Vortexa crude #Oil floating storage.

62.11 mmb on 03/14, -13.37 mmb WoW vs revised up 03/07 of 75.48 mmb

7-wk moving average down to 72.72 mmb on 03/14, last 4 wks are 1st times >70 since Aug.

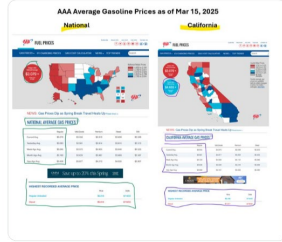
Been ~2 mths since China stopped unloading some sanctioned RUS tankers. Asia is off

Show more

SAF Dan Tsubouchi @EnergyTidbits - Mar 15
Low oil prices = low gasoline prices

AAA National average gasoline prices -\$0.02 WoW to \$3.08 on Mar 15, -\$0.08 MoM and -\$0.36 YoY.

California average gas prices are -\$0.06 WoW to \$4.66, -\$0.18 MoM, -\$0.23 YoY. Better but still >\$4.47 on Feb 1, when Martinez refinery went



0 1 1 2 1.5K 1

SAF Dan Tsubouchi @EnergyTidbits - Mar 15
EU air traffic (arrivals/departures) still stuck below pre-Covid

7-day moving average as of:

Mar 13 -4.0% below pre-Covid

Mar 6 -2.2%

Feb 27 -4.3%

Feb 20 -2.4%

Feb 13 -4.1%

Feb 6 -4.3%

Show more



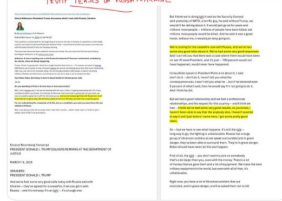
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SAF Dan Tsubouchi @EnergyTidbits - Mar 15
Trump teases on momentum for RUS/UKR deal on Monday.

"we are trying to get that with Russia too. And I think thus far it's gone okay. We will know a little bit more on Monday, and that'll be, hopefully, good." Trump to @SharyAttikisson

"I think we've had some very good

Show more



0 1 2 875 1

SAF Dan Tsubouchi @EnergyTidbits - Mar 14
Wine of the week. Opening old red wines that would have been opened w/o Covid.

2004 Château Léoville Poyferé. Decanted a few hrs. It was excellent & reminds great Bordeaux wines stay great for a long time. No rush to drink the last 5 bottles.

Thx [instagram.com/chateau_leville](https://www.instagram.com/chateau_leville).



0 1 2 1.5K 1

SAF Dan Tsubouchi @EnergyTidbits - Mar 14
WCS-WTI diffs narrow \$1.75 WoW to very low \$10.40.

No Trump tariff impact.

Still way lower diffs since tanker exports increased with June TMX start.

Reminder: WCS less WTI diffs normally seasonally narrow in mid-Feb thru May as US refiners ramp up for peak asphalt/paving

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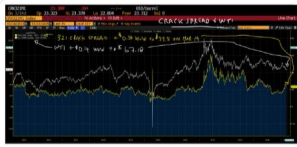


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SAP Dan Tsubouchi @EnergyTidbits · Mar 14
321 crack spreads \$0.38 WoW to \$23.31 on Mar 14.

WTI +\$0.14 WoW to \$67.18. WTI has been driven by views on economy.
Reminder cracks normally start their seasonal move up in mid Feb thru June as refineries crank up processing for summer gasoline/jet fuel demand.

Thx @business
Show more



4 5 1K 1

SAP Dan Tsubouchi @EnergyTidbits · 1h
Overlooked risk to grid stability from #DataCenters.

"Swings of 200, 300 MW in ten minutes" in a data center electricity consumption in learn vs stop learn mode. "Normal [grid] customers would get in real trouble with that." @hitachienergy CEO.

24/7 #Coal #NatGas #Nuclear
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SAP Dan Tsubouchi @EnergyTidbits · 18h
Overlooked!

Data centers are big AND also have huge swings in very short time in power consumption.

Show more

"All factories are highly volatile. As they are starting to learn, they are ramping up their energy consumption to very short time by significant amounts of energy. And as they stop learning, they return to a normal operation mode. Swings of 200, 300 MW in ten minutes in a behavior electrical operators don't appreciate." Hitachi Energy CEO Schwenker



SAP Group created for energy of comments by Andreas Schwenker, CEO Hitachi Energy, at the IFA's Global Conference on Energy & Finance by the Executive Director Paul Brice on Mar 13, 2020.
<https://www.sap.com/energy/energy-2020-03-13>

Here is "data" on SAP Group (energy) from SAP

at 1:25:20 min mark, Schwenker: "All factories and data centers are adding a new more complexity than probably assumed. First of all, the size. The sheer size of these data centers gets a completely different thing. We are seeing more power use than in processing from 200, 300 MW to 1 GW, or even parts of multiple GW in planning for data centers, which is quite significant. It's the size of big electrical generators. We are seeing more power use in power. We're not a variable and we're not a big power plant. As factories are highly volatile. As they are starting to learn, they are ramping up their energy consumption to very short time by significant amounts of energy. And as they stop learning, they return to a normal operation mode. Swings of 200, 300 MW in ten minutes in a behavior electrical operators don't appreciate very much. Normal customer would get in real trouble with that. But we're not a normal customer what we would expect. And the volatility is also getting in the volatility of renewables. So we have more of the variable, renewable energy generation which is volatile, it's not 100% on and off. And we have a supply chain on the other side by gas supply."

Prepared by SAP Group <https://www.sap.com/energy/energy-2020-03-13/>

4 5 2K 1

SAP Dan Tsubouchi @EnergyTidbits · 9h
Safe haven

Gold hits \$3,000, +39% YoY.

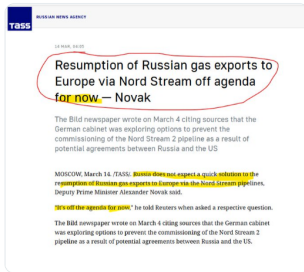
Gold's traditional safe haven play been playing out especially with the economic uncertainty post Trump inauguration.



4 2 765 1

SAF -- Dan Tsoubouchi @Energy_Tidbits · 10h ...
"It's off the agenda for now" Russia's Novak on resumption of Russia
#NatGas pipeline exports to Germany via Nord Stream. @Reuters via TASS.
Hard to see Putin agreeing to a Trump grand deal without some path to
restoring #NatGas revenues.

#OOT



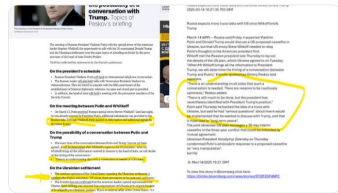
SAF -- Dan Tsoubouchi @Energy_Tidbits · Mar 13
Breaking.
Negative to TTF #NatGas and #LNG prices.
"If the United States and Russia agree on cooperation...

SAF -- Dan Tsoubouchi @Energy_Tidbits · 10h
Momentum for Trump proposed RUS/UKR deal.

"Of course, there are reasons to be cautiously optimistic" says Putin. TASS.

"There is still much to be done, but the president has nevertheless identified with President Trump's position" Peskov via @AFP @business

#OOT



SAF -- Dan Tsoubouchi @Energy_Tidbits · 18h
Overlooked!

Data centers are big AND also have huge swings in very short time in power consumption.

"swings of 200, 300 MW in ten minutes... so we have now on the networks, renewable energy generations which is volatile, it depends on wind and sun. And we have volatility driven

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"AI factories are highly volatile. As they are starting to learn, they are ramping up their energy consumption in very short time to significant amounts of energy. And as they stop learning, this returns to a normal operation mode. Savings of 200, 300 MW in ten minutes is a behavior electrical operators don't appreciate" Hitachi Energy CEO Schierenbeck



SAF Group created transcript of comments by Andreas Schierenbeck, CEO Hitachi Energy, at the IEA's Global Conference on Energy & AI hosted by IEA Executive Director Faith Biri on Mar 13, 2025.
<https://www.youtube.com/watch?v=1Tud0301p>

Items in "quotes" are SAF Group created transcript

At 1:38:20 min-mark, Schierenbeck: "The AI factories and data centers are adding a few more complexities than probably assumed. First of all, the size. The sheer size of these data centers are a complete different thing. We are seeing now proposals and things in planning going from 200, 500 MW to 1 GW, or even parts of multiple GW in planning for data centers, which is quite significant. It's the size of big electrical generation, like a nuclear power plant or big parks. And there is another thing which is adding to top of that. AI factories are highly volatile. As they are starting to learn, they are ramping up their energy consumption in very short time to significant amounts of energy. And as they stop learning, this returns to a normal operation mode. Savings of 200, 300 MW in ten minutes is a behavior electrical operators don't appreciate very much. Normal customers would get used to deal with that. But this is just a normal day what we would expect. And this volatility is actually adding to the volatility of renewables. So we have now on the networks, renewable energy generation which is volatile, it depends on wind and sun. And we have volatility driven on the demand side by data centers."

Prepared by SAF Group <https://safgroup.com/en/energy-51614/>

3 12 30 5.1K

Dan Tsubouchi @Energy_Tidbits · 20h

WCS less WTI differentials narrowed \$0.30 today to close at \$10.65.

Reminder, WCS less WTI differentials normally seasonally narrow in mid-Feb thru May as US refiners ramp up for peak asphalt/paving season.

See seasonal chart.

#OOTT

3 6 43 3.3K

Dan Tsubouchi @Energy_Tidbits · Mar 13

The US consumer is 68% of US GDP.

See @stlouisfed graph.

It's why market focus is on how will Trump tariff chaos impact US consumer spending and sentiment.

#OOTT

Here's why need to watch how Trump tariff chaos impacts US consumer spending & attitude.

PCE is 68% of GDP, @stlouisfed

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1 2 3 2.5K

Dan Tsubouchi @Energy_Tidbits · Mar 13

Slight reduction to IEA oil demand forecast in Mar OMR vs Feb OMR

2023: revised up to 102.048 mmbd (was 102.028)
 2024: +0.83 mmbd YoY to 102.881 mmbd (was +0.87 to 102.894).
 2025: +1.03 mmbd YoY to 103.912 mmbd (was +1.10 to 103.998).

See range of oil demand forecasts among

Show more

IEA vs EIA vs OPEC

Comparison of Feb Oil Demand Growth Forecasts

Agency	2023 YoY	2024 YoY	2025 YoY	2026 YoY	2027 YoY	
IEA Feb 2023	0.90	1.07	1.08	102.77	104.14	105.10
EIA Feb 2023	0.90	1.26	1.00	-	-	-
IEA Dec 2022	0.89	1.29	-	-	-	-
EIA Dec 2022	0.89	1.22	-	-	-	-
IEA Oct 2022	0.90	1.29	-	-	-	-
IEA Sep 2022	0.96	1.22	-	-	-	-
IEA Aug 2022	1.14	1.61	-	-	-	-
IEA May 2022	0.90	1.07	102.000	103.20	-	-
IEA Apr 2022	0.87	1.06	102.000	103.000	-	-
EIA Dec 2021	0.94	1.06	102.200	103.500	-	-
IEA Dec 2021	0.84	1.06	102.800	103.800	-	-
IEA Nov 2021	0.90	0.98	102.817	103.837	-	-
IEA Oct 2021	0.86	1.05	102.817	103.837	-	-
IEA Sep 2021	0.90	0.95	-	-	-	-
IEA Aug 2021	0.87	0.95	-	-	-	-
OPEC Nov 2021	1.04	1.45	1.48	103.0	105.0	107.0
OPEC Feb 2021	1.34	1.45	1.43	103.75	105.25	106.43
OPEC Nov 2020	1.34	1.45	1.43	-	-	-
OPEC Dec 2020	1.43	1.45	-	-	-	-
OPEC Nov 2020	1.42	1.54	-	-	-	-
OPEC Dec 2020	1.43	1.44	-	-	-	-
OPEC Sep 2020	2.03	2.24	-	-	-	-
OPEC Aug 2020	2.11	2.26	-	-	-	-
World (March Dec 20)	1.20	0.20	-	-	-	-
South America (Dec 20)	0.90	0.20	-	-	-	-
South America - CSD Jan 21 20	0.90	1.20	-	-	-	-
South America - OMR Feb 21	1.10	1.20	-	-	-	-
South America - Q2	1.30	1.40	-	-	-	-

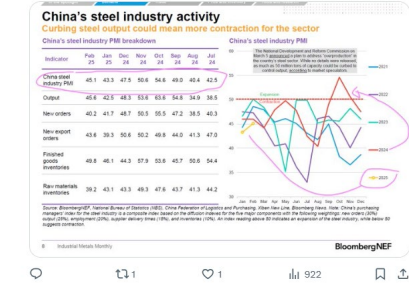
9 903

SAP Dan Tsubouchi @Energy_Tidbits - Mar 13 Negative indicator for China recovery - Steel PMI.

China Sept stimulus boost to China steel industry PMI only lasted until Nov. But now, Jan/Feb 2025 steel PMI is lowest post Covid.

And Trump tariffs on China should keep pressure on China economy.

#OOTT Thx @BloombergNEF



SAP Dan Tsubouchi @Energy_Tidbits

US wine drinkers are hoping US wine makers don't crank up the prices like US steelmakers did by Trump tariff on imported steel.

@BloombergNEF US steelmakers are resorting to stockpiling and raising prices in response to the planned tariffs on imports

Executive summary

The trade actions initiated by the US have caused greater uncertainty in markets. Tariffs on steel and aluminum imports have finally come into effect after some delays. Sudden changes in US strategy are further complicating efforts to prepare global supply chains. As the trade war develops, trade flows will likely shift.

- In the spotlight:** Tariffs on steel and aluminum – The Donald Trump administration added to the uncertainty in the trade war with its off-communicatory messaging on imposing steel import tariffs. Chinese producers in the US will have to increase output if tariffs limit supply sources.
- In the spotlight:** Price response – South American steel production rose to almost 500,000 metric tons at the end of March from 372,000 tons at the end of February. US steelmakers are reacting to steelmakers' rising prices in response to the planned tariffs on imports.
- Trade:** No trade updates are included in this month's CPMI, as release January and February 2025 trade data at the end of March and will be included in the next monthly report.
- Pricing:** Aluminum and copper continue to gain momentum as both metals lead price growth for base metals. In contrast, ferrous metals prices continue to decline as the possible curbs on Chinese supply pushed steel and materials prices further down.
- Inventory:** The brewing trade war may lead to the high stock build-up of metals products in China to last longer than seasonal averages. BHP's industrial energy electricity prices short-term market developments in iron ore, steel, copper, aluminum and other base metals. Key market data are available in the industrial metals. Previous columns with [BloombergNEF](#). This edition provides pricing and inventory updates for February 2025.

47% Year-to-date price growth in North America steel product prices as of March 7, 2025

50 million metric tons Industry estimates on possible cut to China steel capacity in 2025

\$212 per metric ton Steelburg mill prices in China as of March 6, the lowest since August 2016

Steel product prices by region

SAP Dan Tsubouchi @Energy_Tidbits - Mar 13 Trump going to go nuclear on France, Italy, Spain wines, champagnes & alcoholic products.

Threatens 200% tariff!

Show more

200% TARIFF

Donald J. Trump @realDonaldTrump

The European Union, one of the most hostile and abusive taxing and tariffing authorities in the World, which was formed for the sole purpose of taking advantage of the United States, has just put a nasty 50% Tariff on Whisky. If this Tariff is not removed immediately, the U.S. will shortly place a 200% Tariff on all WINES, CHAMPAGNES, & ALCOHOLIC PRODUCTS COMING OUT OF FRANCE AND OTHER E.U. REPRESENTED COUNTRIES. This will be great for the Wine and Champagne businesses in the U.S.

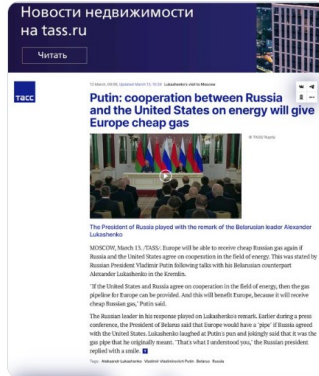
1.03k Replies 3.86k Likes Mar 13, 2025, 5:58 AM

SAP Dan Tsubouchi @Energy_Tidbits · 1h Breaking.

Negative to TTF #NatGas and #LNG prices.

"If the United States and Russia agree on cooperation in the field of energy, then the gas pipeline for Europe can be provided. And this will benefit Europe, because it will receive cheap Russian gas," Putin said.

#OOT



1 4 13K

SAP Dan Tsubouchi @Energy_Tidbits · 3h Here's why need to watch how Trump tariff chaos impacts US consumer spending & attitude.

PCE is 68% of GDP @stlouisfed

Lower income 23% of spend is grocery & 1st time wages dropped by -1%. Plus higher income trading down. See BofA Liz Everett Krisberg videos.

#OOT



1 3 771

SAP Dan Tsubouchi @Energy_Tidbits · 6h Trump going to go nuclear on France, Italy, Spain wines, champagnes & alcoholic products.

Threatens 200% tariff!

Can't help wonder what will happen to the prices of great US wines if there is way less competition by having great EU wines prices go up big?



3 3 1.3K

SAF — Dan Tsubouchi @Energy_Tidbits · Mar 12

Trump tariffs are big disruption to airplane sales, question is for how long.
 @AerCapNV CEO to @LeBeaucarnews @SquawkCNBC

Means less new planes replacing old planes.

See 📅 12/10/24 post: global fleet already at record age 14.8 yrs & old planes are less fuel efficient.

#OOTT
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SAF — Dan Tsubouchi @Energy_Tidbits · Dec 10, 2024

Anyone else surprised IATA only forecast jet fuel consumption +0.40 mmbd YoY in 2025 to 6.99 mmbd.

Follows 2024 was +0.59 mmbd YoY to 6.59 mmbd.

3.2K

SAF — Dan Tsubouchi @Energy_Tidbits

"new completion date in 2030" for TotalEnergies Mozambique LNG with Exim loan approval.

Don't recall seeing specific completion date till now i.e. seems to infer TotalEnergies could/expects to make a restart decision soon?

Thx @adsteel @pburkhardt @mattstephenhill
 #OOTT #LNG

2030 COMPLETION DATE
TOTALENERGIES MOZAMBIQUE LNG

By Paul Burkhardt, Matthew Hill and Alex Steel

(Bloomberg) — TotalEnergies SE's \$30 billion liquefied natural gas facility in Mozambique is poised for a decision on Thursday over key financing by the US Exim's Smart Bank.

Construction of the Mozambique LNG project halted four years ago due to Islamic State-linked militant attacks nearby. US Exim had initially agreed to the \$3.7 billion loan in 2019 during the first term of President Donald Trump, and fresh approvals are necessary after such a long delay.

Trump has made multiple appointments to the bank within the last two weeks, turning his focus of its energy dominance and supporting jobs in the oil and gas industry. He designated two senior officials to establish a quantum on Exim's board and named Brian Hefner, a commodity trader who began his career at Morgan Stanley, as its acting chief banking officer.

Exim's approval of an amendment of finance documents for Mozambique LNG is a key step in getting the project restarted.

"It's just a matter to amend this contract to put a new completion date to 2030" to reflect the delays to the project, TotalEnergies Chief Executive Officer Patrick Pouyanné said in an interview at OTClink in Houston on Tuesday.

"How you have a functional US Exim — President Trump has decided to put in place a new board."

Patrick Pouyanné, CEO of TotalEnergies talks about impact of tariffs and the company's investments in the US with Bloomberg's Alex Steel at OTClink in Houston.

5:12 AM · Mar 12, 2025 · 963 Views

SAF — Dan Tsubouchi @Energy_Tidbits · 45m

Red Sea Houthis attacks watch back on!

Its 4-day deadline on Gaza has now expired.

So Houthis expected to resume attacks in Red Sea.

#OOTT

HOUTHIS 4-DAY DEADLINE HAS EXPIRED

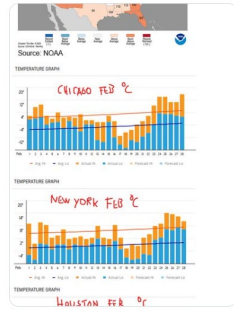
Yemen Adopts a Historic Stance: Breaking the Status Quo and Countering the Hunger Policy

Yemen's historic move reflects Yemen's deep commitment to the Palestinian cause. The Leader of the Free Patriotic Front, Adnan al-Ahmed, announced on Friday, March 7, that the Houthis have their deadline to lift the Red Sea shipping and air traffic restrictions at 11:59 PM. The Houthis have now decided to remain in place and continue their operations against Israel since the Red Sea.

The announcement came shortly after the Houthis had signed an agreement with the United Arab Emirates (UAE) to allow for the safe passage of humanitarian aid to Gaza. The agreement is a significant step towards resolving the crisis in Gaza and ensuring the safety of civilians on both sides.

Reported and translated from the Arabic language. Source: Al-Masrah News. The content is subject to change without notice. The content is not intended to be used for any purpose other than that of general information. The content is not intended to be used for any purpose other than that of general information.

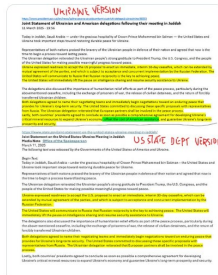
Dan Tsibouchi @EnergyTidbits · 1h
 Average temps over a month don't tell the full #NatGas story.
 @NOAA: Lower 48 Feb temps, in middle 1/3 of historical temps.
 But bitter cold concentrated in a week across Lower 48 drove HH +\$1 in Feb as storage deficit went from -248 bcf YOY on 01/31 to -585 bcf YOY on 02/28
 Show more



Dan Tsibouchi @EnergyTidbits · 1h
 Reminder.
 WCS less WTI differentials normally seasonally narrow in mid-Feb thru May as US refiners ramp up for peak asphalt/paving season.
 See seasonal chart.
 Today, WCS less WTI differentials narrowed \$0.55 to closed at \$10.95.
 #OOTT



Dan Tsibouchi @EnergyTidbits · 3h
 Joint US/UKR statement should keep momentum for near-term US proposed RUS/UKR deal.
 One difference in the US vs UKR versions of the joint statement.
 US version didn't include Zelensky reminder the critical minerals deal is also to "offset the cost of American assistance"
 #OOTT



Dan Tsibouchi @EnergyTidbits · 5h
 should have added.
 Or does his anger at Canada override any concerns any of his advisors may have had that it's the wrong time to hit his base with higher gasoline, food, etc prices?
 #OOTT

Dan Tsibouchi @EnergyTidbits · 13h
 New data point to make Trump think about exempting Cdn #Oil #PetroleumProducts #Electricity from tariffs.
 Lower income households wages dropped by -1%, "1st time since the Institute's founding, that we see lower income wages growing more...
 Show more



Dan Tsoubouchi @EnergyTidbits · 5h
Reminder need to look at prior period changes to oil demand.

EIAgov Mar STEO increases 2026 oil demand.

2024 growth +1.02 mmbd YOY (was +0.90)
2025 growth +1.27 mmbd YOY to 104.13 (was +1.37 to 104.14)
2025 growth +1.17 mmbd YOY to 105.30 (was +1.04 to 105.18)

OPEC Mar
Show more

Category	2024	2025	2026
World	104.13	105.30	106.47
OECD	48.10	48.10	48.10
Non-OECD	56.03	57.20	58.37
Asia	31.50	32.50	33.50
Europe	10.00	10.00	10.00
Latin America	10.00	10.00	10.00
Africa	10.00	10.00	10.00
Middle East	10.00	10.00	10.00
Other	10.00	10.00	10.00

Dan Tsoubouchi @EnergyTidbits · 10h
Aluminum/Steel 101.

Trump's added CAN aluminum/tariffs 'is going to reverberate throughout this economy' says @mmcassella as she reminds CAN supplies >1/2 of aluminum to US & is the major supply of steel. Expects Trump will get an earful today's CEO business roundtable.



Dan Tsoubouchi @EnergyTidbits · 10h
Buckle Up!
US/Canada tariff war is on!
Trump hits additional 25% to 50% tariff on all Cdn ste...

Dan Tsoubouchi @EnergyTidbits · 10h
Buckle Up!

US/Canada tariff war is on!
Trump hits additional 25% to 50% tariff on all Cdn steel & aluminum starting tomorrow.

As in any war, there will be a lot of casualties among regular Canadians & Americans who will feel tariffs hit costs of everyday things in life ie.
SHOW MORE

SAP Dan Tsubouchi @EnergyTidbits · 11h
report courtesy of @atyanadvs
#OOT

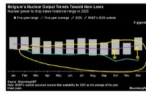
— Dan Tsubouchi @EnergyTidbits · 22h
#NatGas will be increasingly needed to save the day in Belgium when the wind doesn't blow & sun doesn't shine.

Belgium going ahead with nuclear retirement so will need more #NatGas for 24/7 power. ...
[Show more](#)

Nuclear Retires While Belgium's Reliance on Gas Soars

By Peter Bruggeman
Belgium is set to retire its last nuclear power plant, which has supplied 60% of the country's electricity for decades. The move will force the country to rely on other power sources.

Belgium's power plant is expected to be replaced by a gas-fired power plant. This is because the gas plant is more flexible and can be started up more quickly than a nuclear power plant. The gas plant will also be able to generate power more cheaply than a nuclear power plant.



Nuclear retirement is not ending Belgium's gas capacity, which is expected to reach 100,000 MW by the end of the year, accounting for 50% of total system size and about 60% in 2020.

The gas plant is expected to be replaced by a gas-fired power plant. This is because the gas plant is more flexible and can be started up more quickly than a nuclear power plant. The gas plant will also be able to generate power more cheaply than a nuclear power plant.

Belgium is set to retire its last nuclear power plant, which has supplied 60% of the country's electricity for decades. The move will force the country to rely on other power sources.

1.3K

SAP Dan Tsubouchi @EnergyTidbits · 12h
Higher income but not necessarily high wealth are trading down!

"Is the shift in spending premium groceries stores which was down 1.4% and instead we're seeing an uptick in shopping at value grocery stores." @BoFA Liz Everett Krisberg to @BeckyQuick



1K

SAP Dan Tsubouchi @EnergyTidbits · 12h
Another data point to make Trump think about exempting Cdn #Oil #PetroleumProducts #Electricity from tariffs to avoid hitting his working class base.

"... lower income households because their necessity spending, groceries are 23% of the lowest quintile's budget" @BoFA Liz



2.2K

SAP Dan Tsubouchi @EnergyTidbits · 13h
New data point to make Trump think about exempting Cdn #Oil #PetroleumProducts #Electricity from tariffs.

Lower income households wages dropped by -1%, "1st time since the Institute's founding, that we see lower income wages growing more slowly than higher income wages". @BoFA

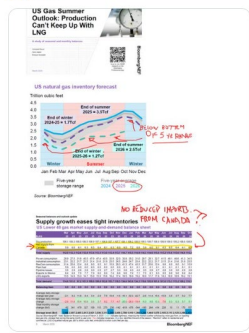


2.3K

SAF Dan Tsubouchi @EnergyTidbits · 22h Bullish #NatGas Forecast.

Weather is always the big wildcard BUT BNEF forecasts storage below bottom end of 5-yr range in Q4/25.

AND this assumes no real change in imports from CAN despite start of #LNGCanada 1.8 bcf/d in mid 2025 & Alberta demand from oil sands, data centers, etc.



SAF Dan Tsubouchi @EnergyTidbits · 22h #NatGas will be increasingly needed to save the day in Belgium when the wind doesn't blow & sun doesn't shine.

Belgium going ahead with nuclear retirement so will need more #NatGas for 24/7 power.

See BloombergNEF Tatjana Davydenko report.



SAF Dan Tsubouchi @EnergyTidbits · 21s Weaker US consumer & corporate confidence & softer close-in demand drives Delta Air Lines profit warning more than offsetting lower jet fuel prices.

Shares down 5.5% today, profit warning after close, now down 11.2% in after market.

#OOTT

CURRENT ENVIRONMENT EVOLVING

March Quarter outlook impacted by increased macro uncertainty

What has changed

- Consumer & corporate confidence
- Softer close-in demand
- Oil prices have declined \$10 per barrel from peak levels in the quarter

What has not changed

- Constructive industry structure with increased focus on financial health
- Strength in premium, loyalty, Transatlantic & Pacific revenue
- Industry-leading operational & cost execution

SOLIDLY PROFITABLE MARCH QUARTER REFLECTS DELTA'S DURABILITY


DELTA

SAF Dan Tsubouchi @EnergyTidbits · 1h
Reminder WCS less WTI differentials normally seasonally narrow in mid-Feb thru May seasonal . See seasonal chart.

Today, WCS less WTI differentials narrowed -\$0.65 to \$11.50.

#OOTT

SAF Dan Tsubouchi @EnergyTidbits · Mar 7
WCS-WTI diffs narrow \$0.75 to \$12.15.
No real Trump tariff impact.
Still way lower diffs since tanker exports increased with June TMX sta...
[Show more](#)



3 6 1.8K

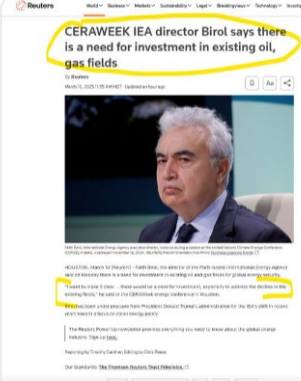
SAF Dan Tsubouchi @EnergyTidbits · 5h
Set up trade?

Is IEA need for investment "especially" in existing fields the set-up for IEA to pull back on their call for BEVs to displace ~6 mmbd by 2030 and their linked call for Peak Oil Demand by 2030?

@MoEnergy_Saudi Abdulaziz & @aramco Nasser must be smiling.


#OOTT

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Reuters
CERAWEEK IEA director Birol says there is a need for investment in existing oil, gas fields
By Reuters
March 20, 2024, 10:00 AM GMT+2
The International Energy Agency (IEA) director Fatih Birol says there is a need for investment in existing oil and gas fields to meet global energy demand.

SAF Dan Tsubouchi @EnergyTidbits · Dec 18, 2024
Is this the 1st of IEA pushing out peak demand timing for #Oil, #NatGas, #Coal?
IEA Coal 2023: Peak coal demand in 2023 with 2024 down YoY....



2 9 2.3K