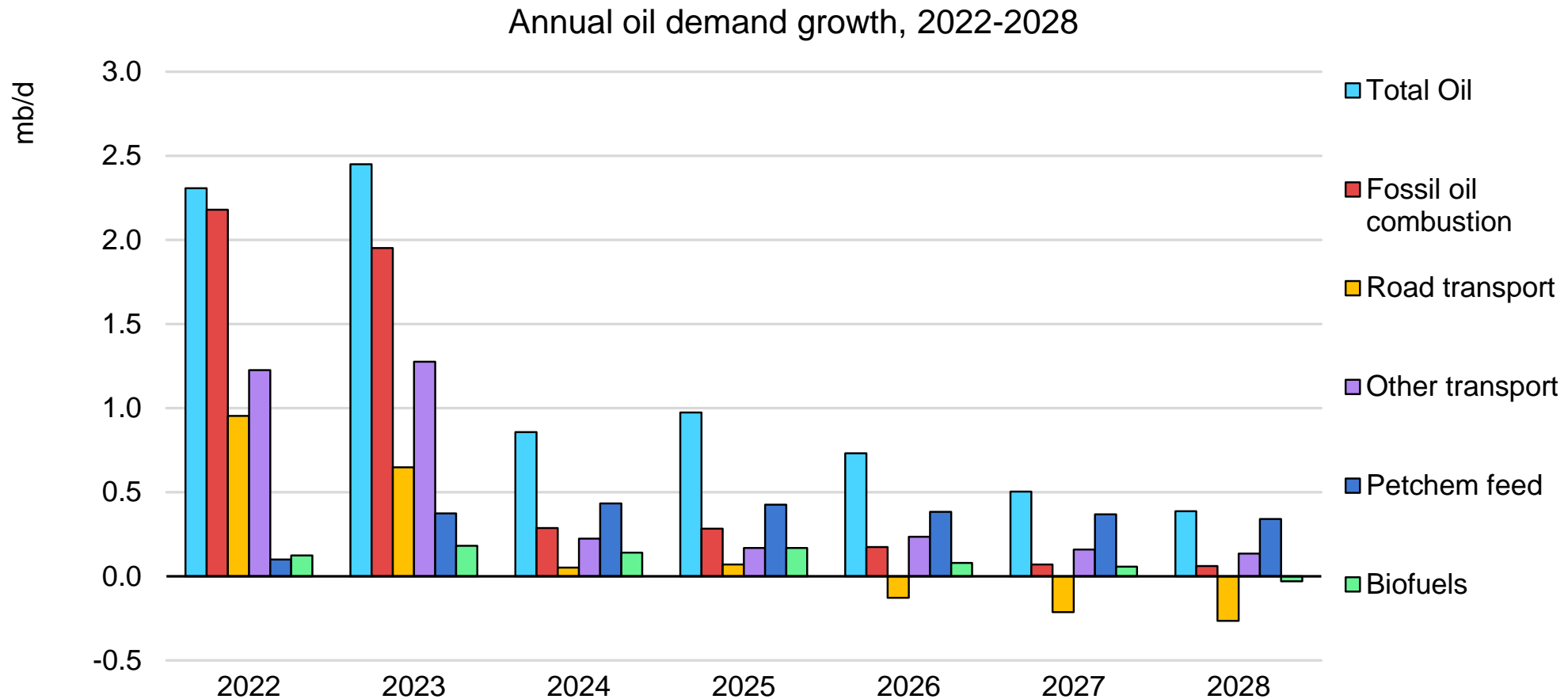


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Oil 2023 Launch

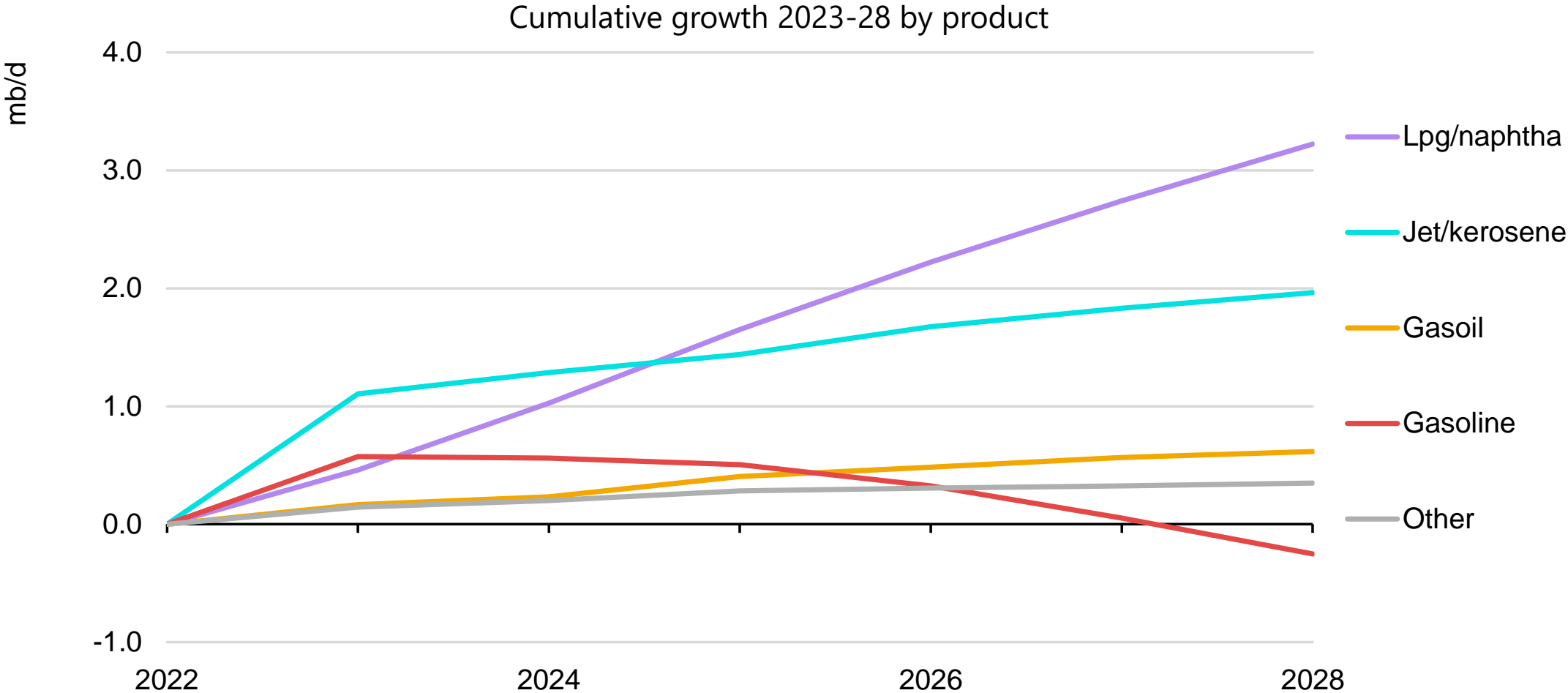
14 June 2023

Global energy crisis accelerates transition away from oil



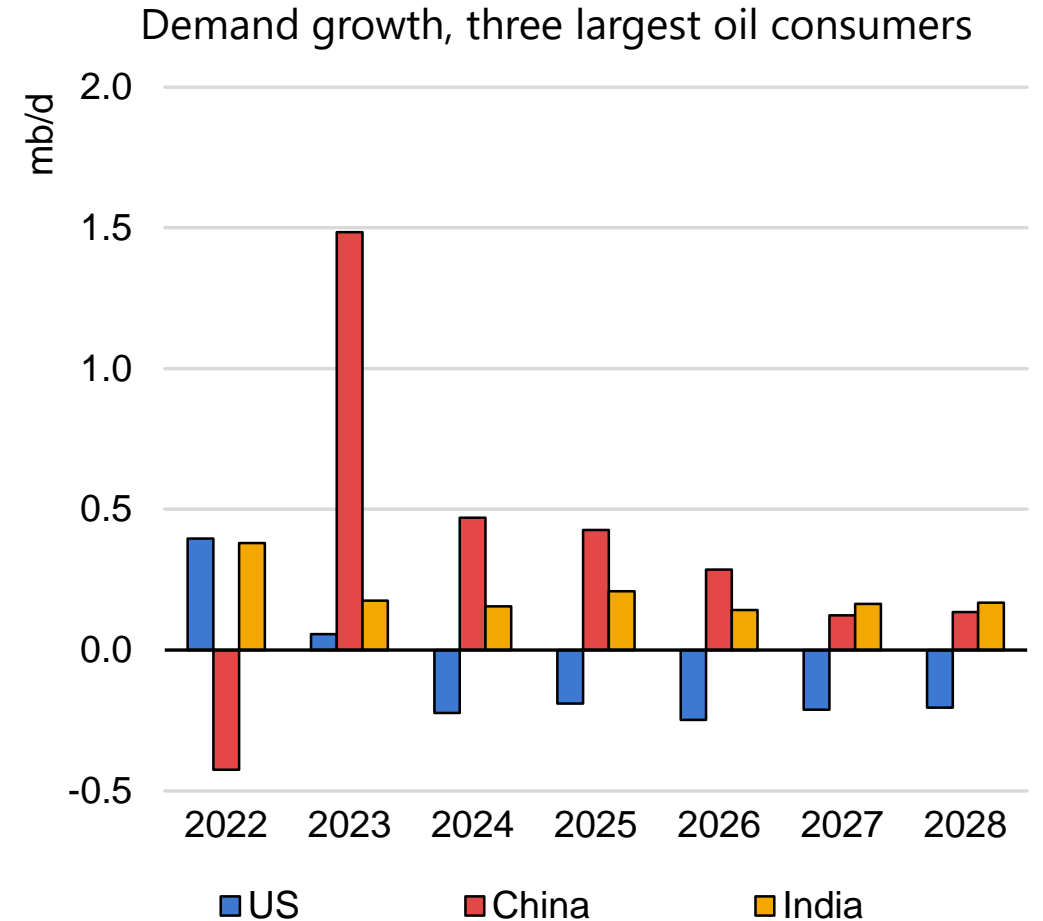
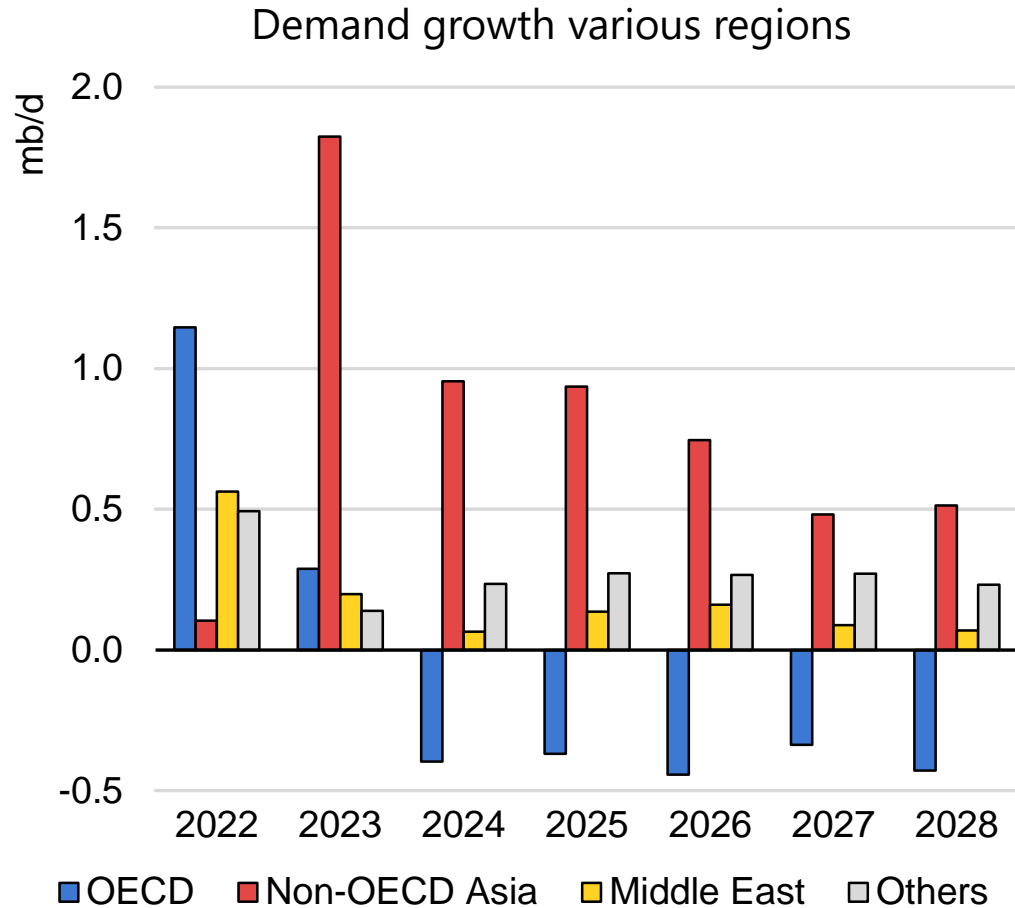
Growth in oil demand will slow from 2.4 mb/d in 2023 to 400 kb/d in 2028. Fossil fuel combustion peaks in 2028 on rising efficiencies and EV sales. Petrochemical feedstocks continue to increase.

Petrochemicals and aviation underpin overall growth



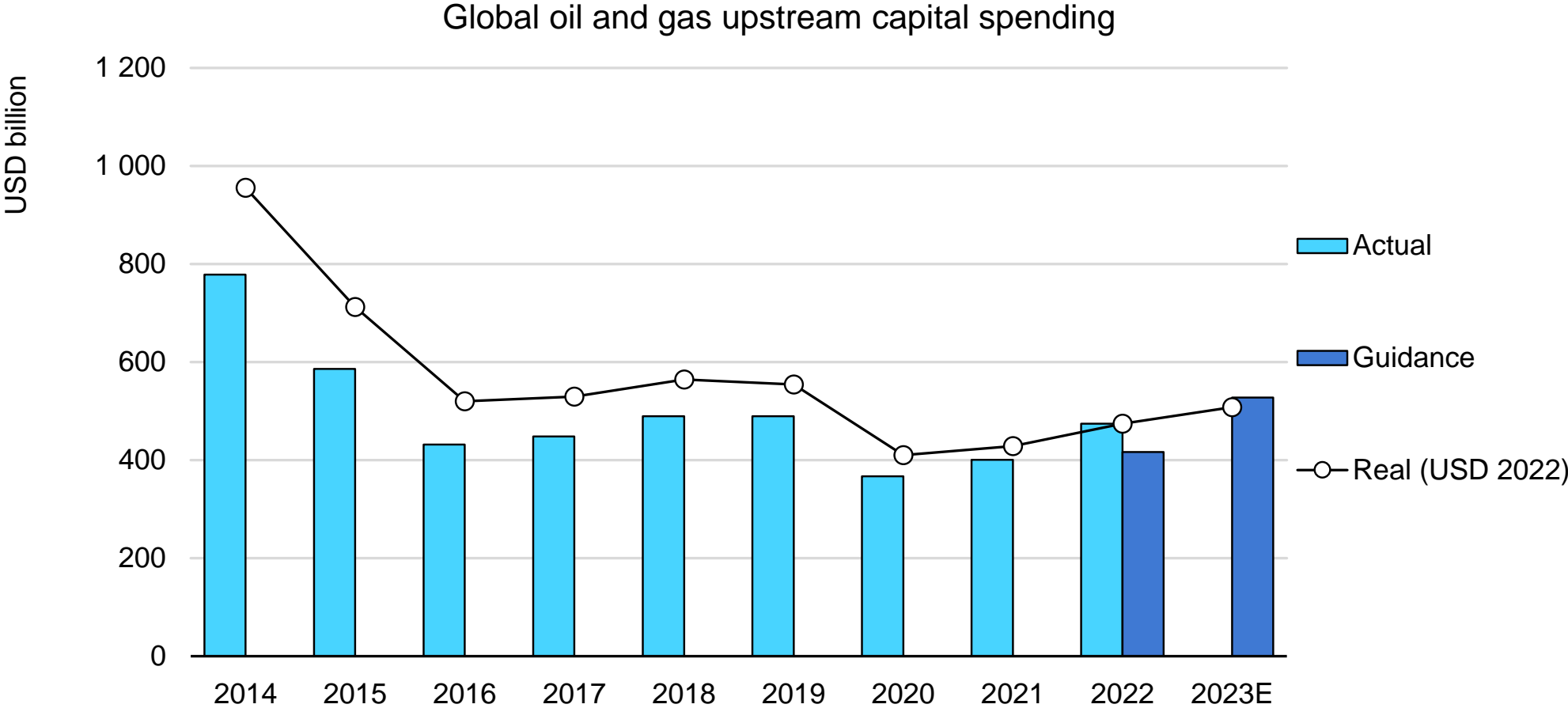
Petrochemical feedstocks (+3.2 mb/d) and rebounding jet/kero (2 mb/d) will dominate overall 2022-28 growth of 5.9 mb/d. Global gasoline demand will fall from 2024 while gasoil will rise by 600 kb/d.

Asia dominates demand outlook, India to outpace Chinese growth



Non-OECD Asia leads 2022-28 demand growth, while the OECD declines from 2024. China posts strong gains at the start of the forecast, but India overtakes from 2027.

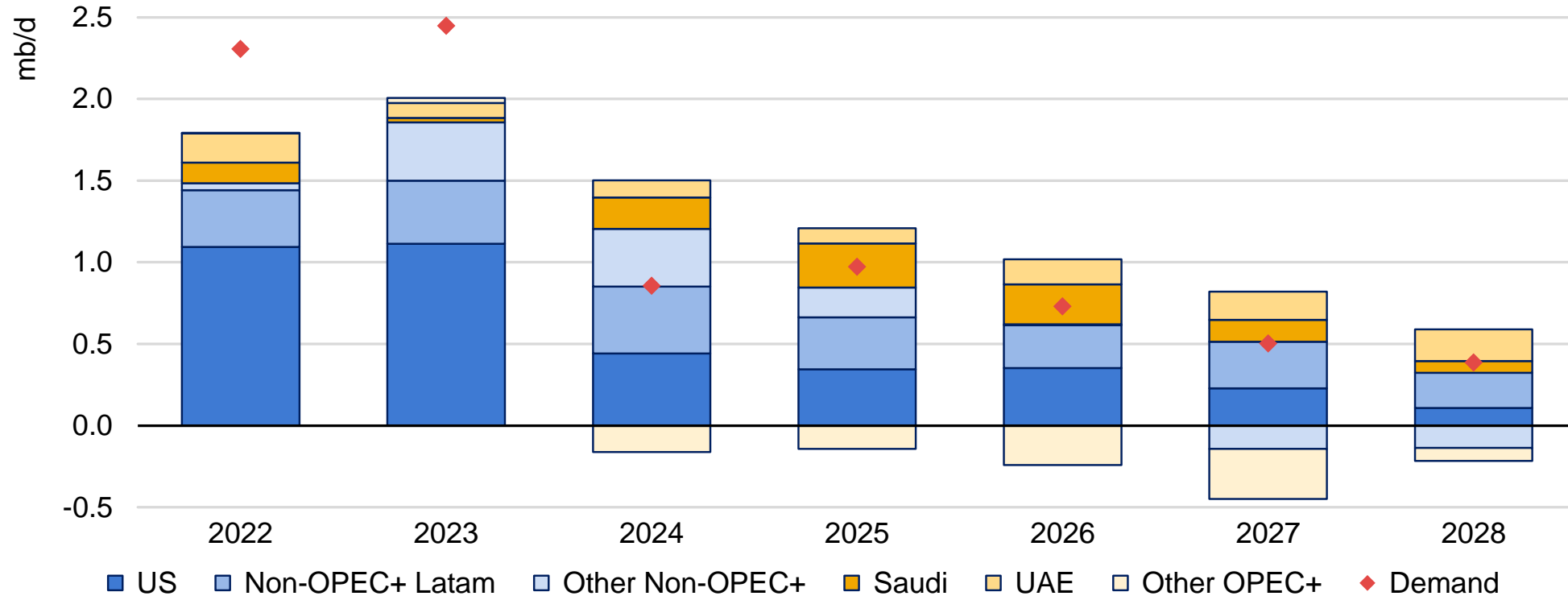
Upstream investments are recovering from pandemic-lows



While the impact of higher spending will be partly offset by cost inflation, if sustained, it should ensure markets are adequately supplied through the forecast period.

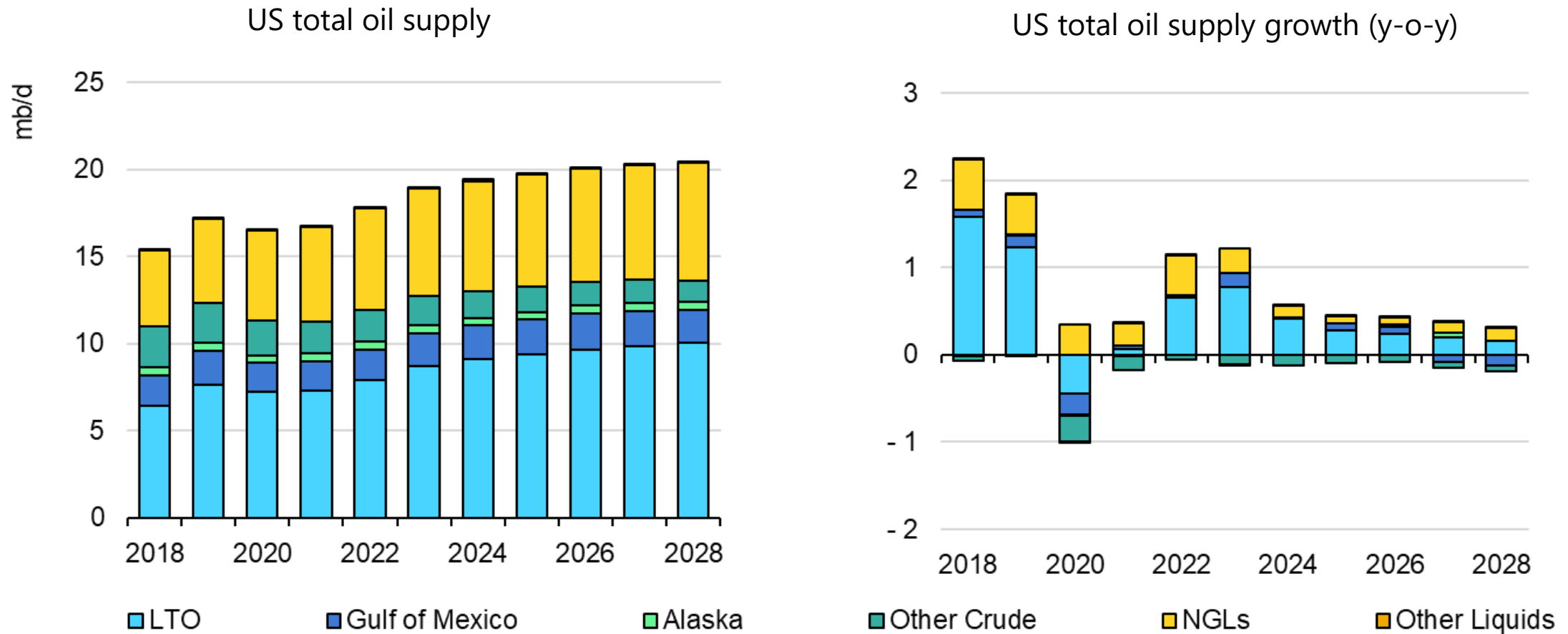
US-led capacity building slows but keeps up with demand

Capacity growth by key regions and demand growth forecast (y-o-y change)



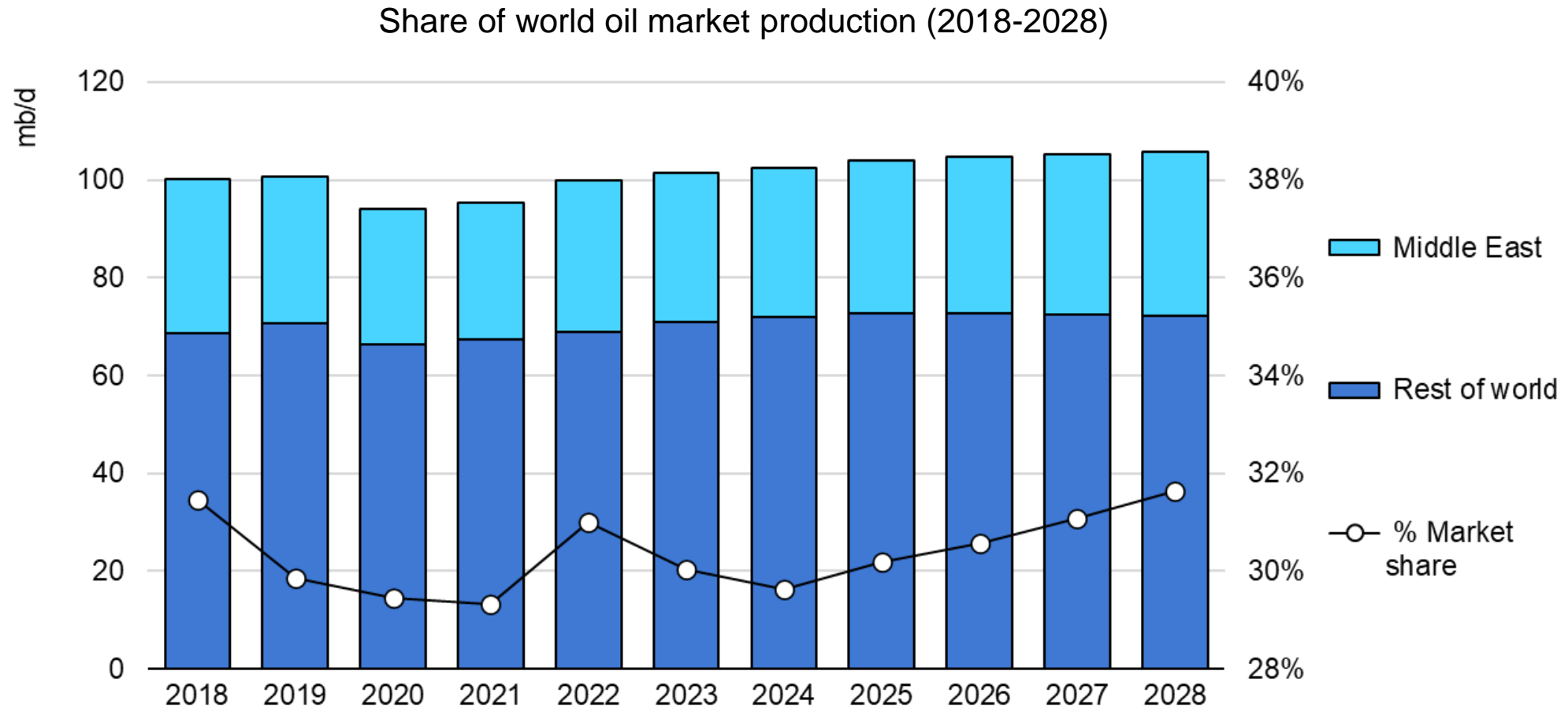
US, non-OPEC+ Americas dominate expansion of 5.9 mb/d vs similar demand growth. Saudi, UAE fuel OPEC+ increase. Capacity growth slows from 1.9 mb/d in 2022 to 300 kb/d in 2028.

US growth moderated by shifting investment strategies



Annual growth falls from 1.1 mb/d in 2022 to 110 kb/d in 2028. Shale, powered by the Permian, provides 80% of the gains. Total supply tops 20 mb/d starting in 2026.

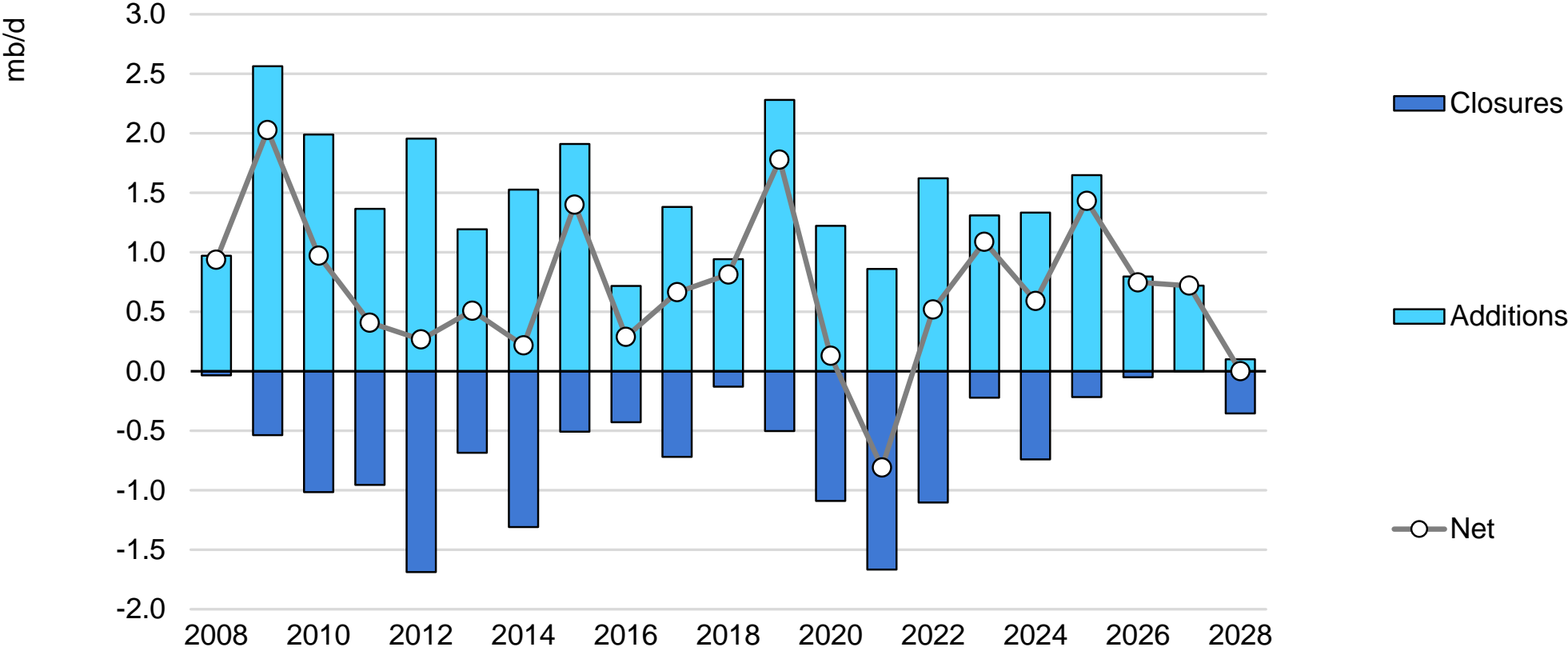
Middle East adds more barrels as US gains slow



The region's market share, led by Saudi Arabia and the UAE, rises to 32% in 2028 from 30% in 2023. Investment and market trends suggest the region's share of world oil supply will rise over the longer term.

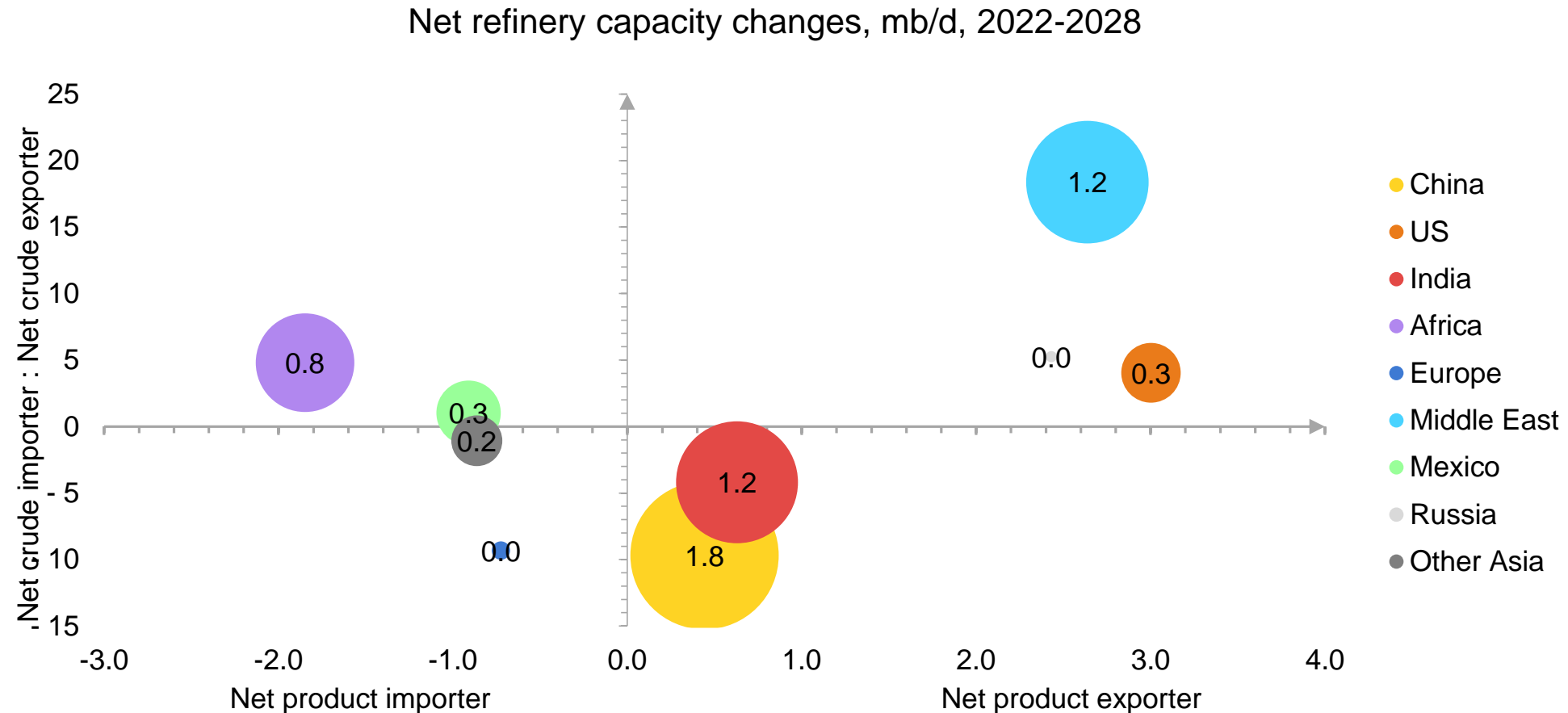
Refinery capacity returns to growth following wave of closures

Global refinery capacity changes, 2008-2028



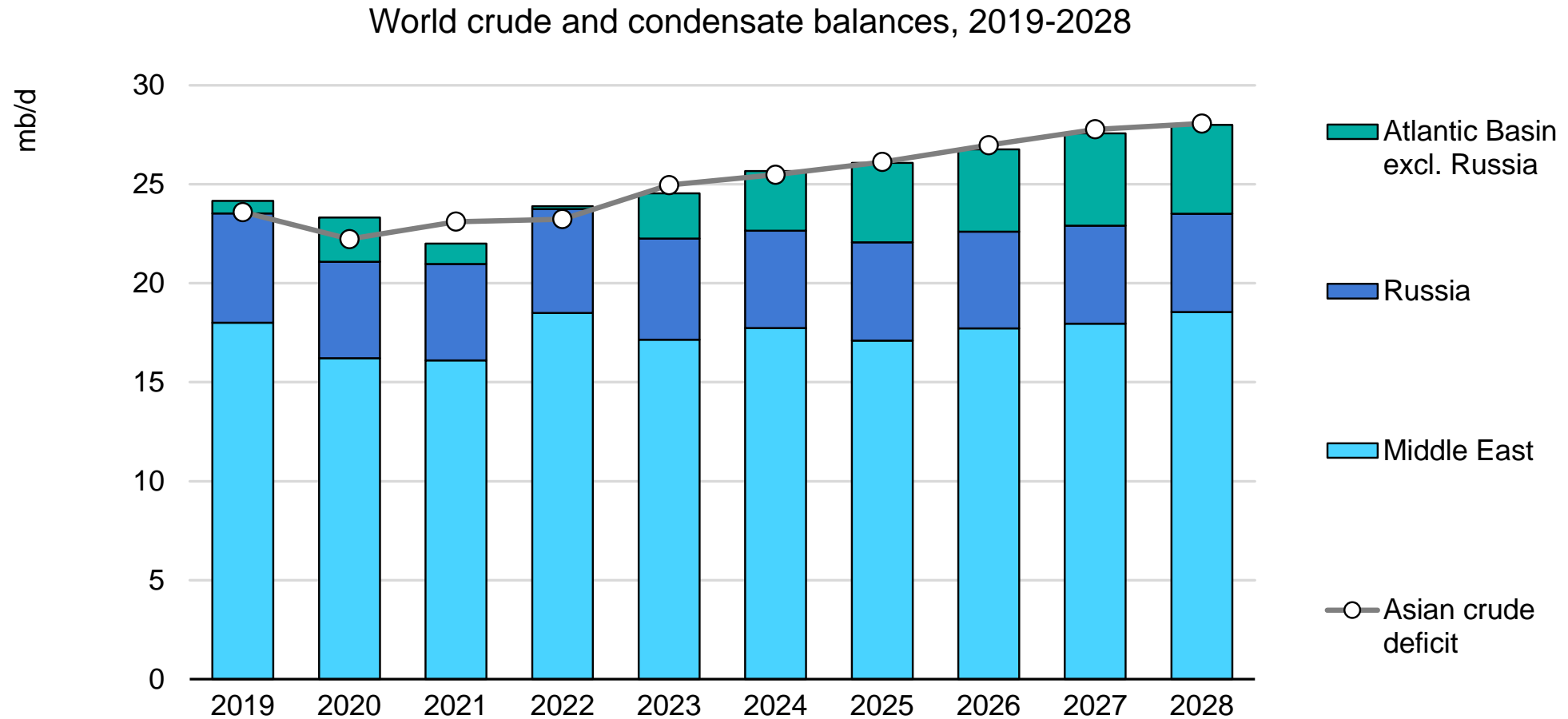
Global refinery capacity set to expand by 4.4 mb/d over six-year period, with 6 mb/d of new builds partly offset by planned closures. East of Suez dominates expansions.

Product exporters dominate refinery capacity build-out



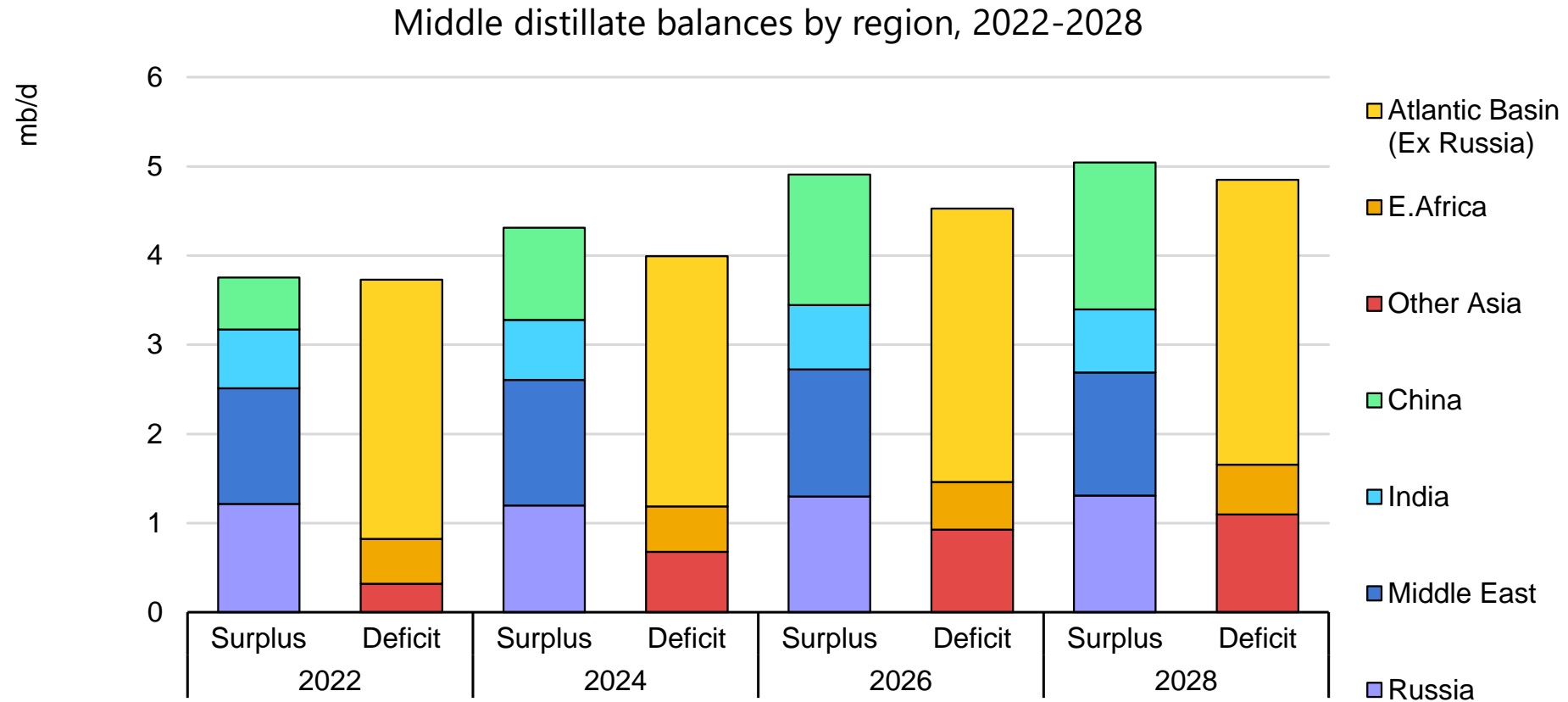
The heavy reliance on China's spare refining capacity will be crucial in balancing product markets. Beijing's policy on domestic refining and the industry's petrochemical integration will be key.

Atlantic Basin plays critical role in meeting Asian crude oil demand



Falling refinery runs and strong supply growth from US, Brazil and Guyana boost Atlantic Basin exports by 4.1 mb/d. These west-east flows comes on top of Russian volumes diverted from EU, G7 countries.

Growing Chinese exports needed to balance global gasoil demand



Meeting growing gasoil deficits in the Atlantic Basin and other Asia will require steady increases in gasoil exports from China. Other regions will struggle to boost exports significantly.

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