Organization of the Petroleum Exporting Countries

OPEC Monthly Oil Market Report

12 March 2025

Feature article:
Assessment of the global economy

Organization of the Petroleum Exporting Countries

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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

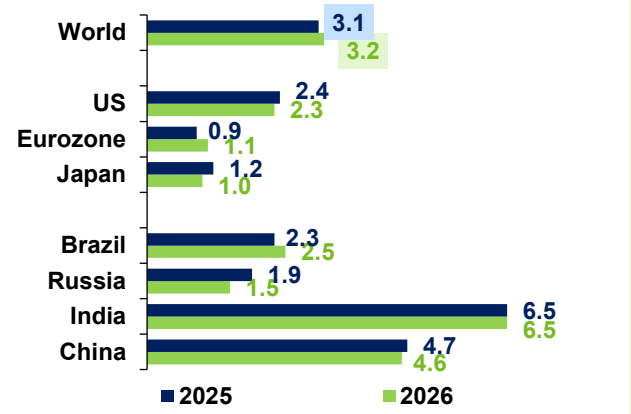
Assessment of the global economy

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.

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



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

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.

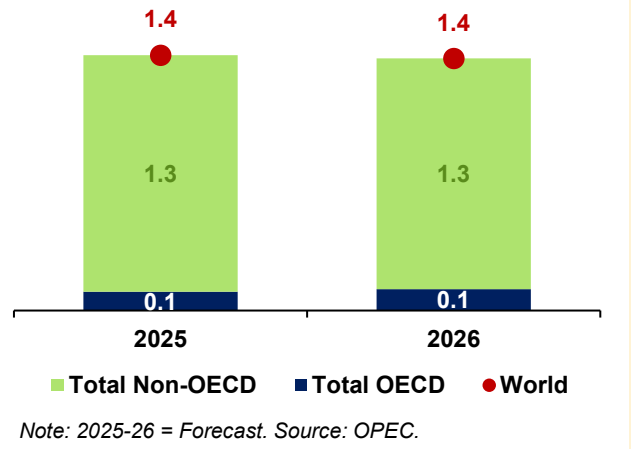
This forecast remains unchanged from the previous MOMR despite trade challenges and potential developments in geopolitical dynamics. Trade concerns are expected to contribute to volatility as trade policies continue to be unveiled. However, the global economy is expected to adjust. Price pressures may 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 than1.3 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 2: World oil demand growth in 2025–26, mb/d



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

Table of Contents

Table of Contents

Crude Oil Price Movements

In February, the OPEC Reference Basket (ORB) value fell by $2.57, or 3.2%, m-o-m, to average $76.81/b, as all ORB component values declined alongside their respective crude oil benchmarks.

The ICE Brent front-month contract declined by $3.40 in February, 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 in February by $2.94, or 3.7%, m-o-m, to settle at $77.28/b.

The ICE Brent–NYMEX WTI first-month spread widened in February as ICE Brent fell less than NYMEX WTI, but the spread remained relatively narrow at a level below $4/b.

Hedge funds and other money managers closed a large volume of bullish futures and options positions in the ICE Brent and NYMEX WTI futures markets, while sharply increasing short positions related to NYMEX WTI to the highest in more than a year. This fuelled volatility and accelerated the decline in oil futures prices. Between late January and the week of 25 February, speculators sold an equivalent of 211 mb of oil.

The market structure for all major crude benchmarks ICE Brent, NYMEX WTI and GME Oman weakened in February, m-o-m, but the forward curves remained in backwardation. Diminishing supply-risk premiums and selling pressure from money managers weighed more on the first-month contract, which resulted in a flattening of the front end of the oil futures forward curves.

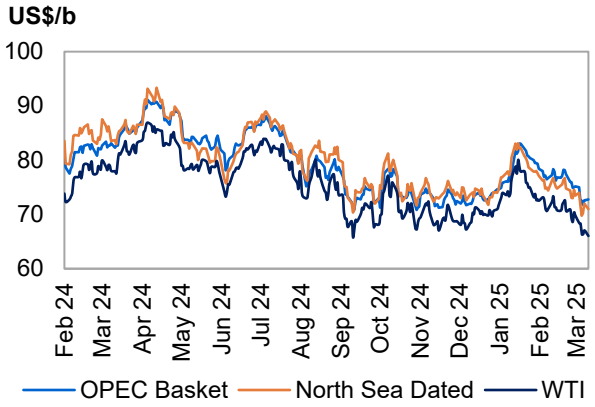
The premium of light sweet crude over medium sour crude contracted in February, a trend observed across all major regions. This is due to strong sour market fundamentals and worries about a supply disruption of sour crude. Firm demand from Asia Pacific refiners added support to sour crude prices. This, along with a strong fuel oil market, pushed sour crude prices higher.

Crude spot prices

Crude spot prices averaged lower in February, reversing previous gains in part, pressured down by heavy selling in the oil futures market and an easing of the supply risk premium. The decline in prices was more pronounced in the light sweet Brent benchmark, as a speculator selloff was seen in both ICE Brent and NYMEX WTI contracts.

Lower global refinery intakes and the prospect of higher refinery turnarounds due to seasonal maintenance reduced demand in the spot market, adding downward pressure on spot prices, specifically light sweet crudes. This was coupled by a build in US crude stocks. High crude supply availability in Northwest Europe and supplies from the US Gulf Coast (USGC) weighed on the value of crude differentials in the Atlantic Basin and pushed the value of the North Sea Dated benchmark lower.

Graph 1 - 1: Crude oil price movements



Sources: Argus and OPEC.

The Dubai benchmark fell the least, limited by the lower availability of sour crude in the spot market and firm demand from Asian refiners. The strength of the sour crude market in Asia was also reflected in a sharp decline in the front-month Brent/Dubai Exchange of Futures for Swaps (EFS), which fell to its lowest point since June 2024.

Spot prices of light sweet crude declined more than futures prices amid a well-supplied crude market, specifically for prompt loading volumes in the Atlantic Basin. This was reflected in the narrowing of the North Sea Dated–ICE Brent spread. On a monthly average, the North Sea Dated–ICE Brent spread fell by 75¢ in February, standing at a premium of 16¢/b, compared with a premium of 90¢/b in January.

North Sea Dated and WTI's front-month figures declined the most compared with sour benchmark Dubai, with North Sea Dated down by $4.14, or 5.2%, m-o-m, to $75.11/b and WTI falling by $4.05, or 5.4%, m-o-m, to stand at $71.22/b. Dubai's front-month contract fell by $2.78, or 3.5%, m-o-m, to settle at $77.77/b.

Table 1 - 1: OPEC Reference Basket and selected crudes, US$/b

			Change		Year-to-date	
OPEC Reference Basket (ORB)	Jan 25	Feb 25	Feb 25/Jan 25	%	2024	2025
ORB	**79.38**	**76.81**	***-2.57***	***-3.2***	**80.62**	**78.16**
Arab Light	80.78	78.59	*-2.19*	*-2.7*	82.21	79.74
Basrah Medium	77.98	75.73	*-2.25*	*-2.9*	78.76	76.91
Bonny Light	80.14	75.85	*-4.29*	*-5.4*	83.19	78.10
Djeno	71.80	67.66	*-4.14*	*-5.8*	74.63	69.83
Es Sider	77.55	73.96	*-3.59*	*-4.6*	81.75	75.84
Iran Heavy	79.65	77.41	*-2.24*	*-2.8*	80.24	78.58
Kuwait Export	80.40	78.16	*-2.24*	*-2.8*	80.96	79.33
Merey	66.86	64.96	*-1.90*	*-2.8*	66.88	65.95
Murban	80.41	77.62	*-2.79*	*-3.5*	80.00	79.08
Rabi Light	78.79	74.65	*-4.14*	*-5.3*	81.62	76.82
Sahara Blend	80.25	76.06	*-4.19*	*-5.2*	83.63	78.25
Zafiro	81.20	77.61	*-3.59*	*-4.4*	83.44	79.49
Other Crudes						
North Sea Dated	79.25	75.11	*-4.14*	*-5.2*	82.04	77.28
Dubai	80.55	77.77	*-2.78*	*-3.5*	79.75	79.23
Isthmus	73.33	70.60	*-2.73*	*-3.7*	74.02	72.03
LLS	77.51	74.53	*-2.98*	*-3.8*	77.89	76.09
Mars	75.70	72.84	*-2.86*	*-3.8*	75.33	74.34
Minas	82.07	78.17	*-3.90*	*-4.8*	80.80	80.21
Urals	66.48	60.76	*-5.72*	*-8.6*	64.36	63.76
WTI	75.27	71.22	*-4.05*	*-5.4*	75.35	73.34
Differentials						
North Sea Dated/WTI	3.98	3.89	*-0.09*	-	6.69	3.94
North Sea Dated/LLS	1.74	0.58	*-1.16*	-	4.14	1.18
North Sea Dated/Dubai	-1.30	-2.66	*-1.36*	-	2.29	-1.95

Sources: Argus, Direct Communication, and OPEC.

Crude differentials of light sweet crude largely weakened in February, while sour crude differentials strengthened. In the North Sea market, crude differentials were mixed in January, as light sweet crude dropped, while sour crude rose. Light sweet crude retreated slightly amid ample supply availability and softer demand ahead of the maintenance season. Forties and Ekofisk crude differentials weakened, falling, respectively, by 57¢ and 52¢, m-o-m, to stand at a discount of 7¢/b and a premium of 87¢/b. However, strong demand for sour grades like Johan Sverdrup amid worries about a tightening sour market boosted the value of sour crude. Johan Sverdrup crude differentials rose further in February following the previous months' gains, increasing by $1.19/b m-o-m to settle at a premium of $1.44/b.

In the Mediterranean, crude differentials largely fell amid soft demand. Azeri Light and CPC Blend crude differentials declined, respectively, by 35¢/b and $1.21/b m-o-m to average a premium of $2.14/b and a discount of $3.16/b to North Sea Dated. Saharan Blend differentials also decreased by 68¢/b, m-o-m, to average a premium of 30¢/b to North Sea Dated.

West African crude differentials showed mixed movement in February. Ample supply availability in the Atlantic Basin was partly offset by demand from Asia Pacific refiners amid improving arbitrage economics. The crude differentials of Qua Iboe, Girasol and Forcados rose on a monthly average by 26¢, 51¢ and 34¢, respectively, to stand at premiums of $1.24/b, $2.05/b and $1.97/b. However, Bonny Light crude differentials eased by 3¢ to a premium of 79¢/b. Sour crude Cabinda increased by 52¢, m-o-m, to stand at a premium of $1.15/b against North Sea Dated.

In the USGC, crude differentials rose on a wider Brent-WTI spread, which made WTI-related grades less attractive for exports, and worries rose about a supply disruption after US tariffs on imports from Canada and Mexico entered into force. Light Louisiana Sweet (LLS) rose by $1.01 on a monthly basis to stand at a premium of $3.28/b to WTI, and Mars sour crude differentials increased by $1.14 on average to stand at a premium of $1.59/b against WTI.

The value of Dubai-related crudes in the Middle East eased but remained strong, supported by persistent firm demand from Asia Pacific buyers. Oman crude differentials fell by 30¢, m-o-m, to stand at a premium of $3.05/b.

OPEC Reference Basket (ORB) value

In February, the ORB value fell by $2.57, or 3.2%, m-o-m, to stand at $76.81/b, as all ORB component values declined alongside their respective crude oil benchmarks. This largely offset higher official selling prices, particularly for Asian markets. The ORB value was $2.47, or 3.1%, lower in February, compared with the same month last year. West and North African Basket components – Bonny Light, Djeno, Es Sider, Rabi Light, Sahara Blend and Zafiro – fell by an average of $3.99, or 5.1%, m-o-m, to $74.30/b, and multiple-region destination grades – Arab Light, Basrah Medium, Iran Heavy and Kuwait Export – decreased on average by $2.23, or 2.8%, m-o-m, to settle at $77.47/b. Murban crude fell by $2.79, or 3.5%, m-o-m, on average to settle at $77.62/b. The Merey component decreased m-o-m by $1.90, or 2.8%, on average, to settle at $64.96/b.

The oil futures market

Crude oil futures trended lower in February and exhibited significant volatility, driven by speculative selling, concerns about US trade policies and geopolitical developments in the Middle East and Eastern Europe, which weighed on market sentiment.

Speculative selloffs throughout the month for both ICE Brent and NYMEX WTI-related futures and options contracts fuelled the price decline and increased market volatility. Traders' perceptions of easing geopolitical tensions played a role in reducing supply risk premiums, which alleviated upward pressure on oil prices registered in January. In February, hedge funds and other money managers sold an equivalent of 211 mb of oil in ICE Brent and NYMEX WTI futures markets.

In the first half of the month, the market faced downward pressure as concerns mounted over the potential impact of US tariffs on Canada, Mexico and China. Investors remained cautious about the consequences of these trade policies and the retaliatory measures that could slow global economic growth, and eventually weaken energy demand. However, reports that the US delayed imposing tariffs on imports from Mexico and Canada for 30 days temporarily alleviated concerns over oil supply disruptions. Additional downward pressure came from a large build in US crude stock amid seasonal refinery maintenance. However, the downward trend in oil price slowed following reports about new US sanctions on shipping entities, which raised concerns about oil supply disruptions. At the same time, rising geopolitical tensions in the Middle East added a risk premium to oil markets, prompting a temporary shift in sentiment.

In the second half of February, oil futures extended their losses as market participants remained cautious about the impact of US trade policies, as well as alert to the possibility of easing geopolitical tensions in Eastern Europe. Nonetheless, reports of a supply disruption caused by an attack on the Caspian Pipeline Consortium (CPC) pipeline and weather-related supply issues in North Dakota added to supply uncertainties.

Table 1 - 2: Crude oil futures, US$/b

			Change		Year-to-date	
Crude oil futures	Jan 25	Feb 25	Feb 25/Jan 25	%	2024	2025
NYMEX WTI	75.10	71.21	-3.89	-5.2	75.20	73.25
ICE Brent	78.35	74.95	-3.40	-4.3	80.40	76.73
GME Oman	80.22	77.28	-2.94	-3.7	79.93	78.82
Spread						
ICE Brent-NYMEX WTI	*3.25*	*3.74*	*0.49*	*15.1*	*5.20*	*3.48*

Note: Totals may not add up due to independent rounding.
Sources: CME, ICE, GME and OPEC.

The ICE Brent front-month contract declined by $3.40 in February, or 4.3%, m-o-m, to average $74.95/b, and NYMEX WTI fell by $3.89, or 5.2%, m-o-m, to average $71.21/b. Y-t-d, ICE Brent was $3.67, or 4.6%, lower at $76.73/b, and NYMEX WTI was lower by $1.95, or 2.6%, at $73.25/b, compared with the same period a year earlier. GME Oman crude oil futures prices decreased in February by $2.94, or 3.7%, m-o-m, to settle at $77.28/b. Y-t-d, GME Oman was lower by $1.11, or 1.4%, at $78.82/b.

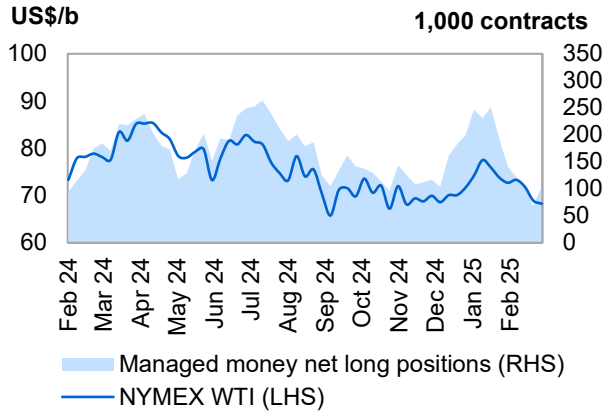
The ICE Brent–NYMEX WTI first-month spread widened in February as ICE Brent fell less than NYMEX WTI, but the spread remained relatively narrow at a level below $4/b. Selling pressure in futures markets was more pronounced in WTI-related futures and options contracts, which contributed to widening the spread between the two benchmarks.

A build in US crude stocks, including at the Cushing trading hub, also weighed on the value of NYMEX WTI. The ICE Brent–NYMEX WTI first month spread widened by 49¢ in February compared with the January average to stand at $3.74/b. However, the spread between North Sea Dated and WTI Houston narrowed last

month, falling by 54¢ to a premium of $2.34/b, amid limited arbitrage economics of US crude exports to Europe and Asia.

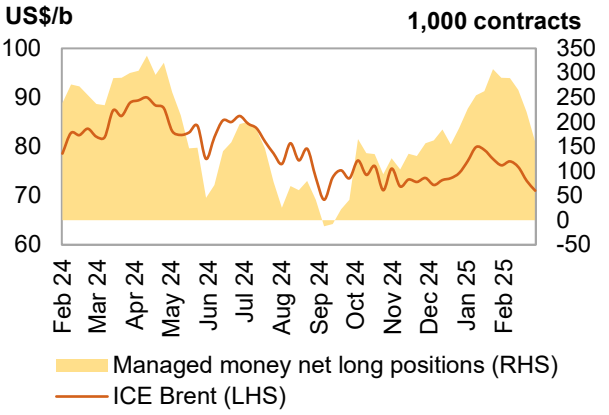
Hedge funds and other money managers closed a large volume of bullish futures and options positions in the ICE Brent and NYMEX WTI futures markets, while sharply increasing short positions related to NYMEX WTI to their highest in more than a year. This fuelled volatility and accelerated a decline in oil futures prices. Combined futures and options net long positions in ICE Brent and NYMEX WTI dropped to their lowest level since last December. Between late January and the week of 25 February, speculators sold an equivalent of 211 mb of oil in Brent and WTI futures and options positions. Selling was essentially in NYMEX WTI, as related net long positions fell by 64.8%, while ICE Brent net long positions declined by 28.3%. Total open interest fell slightly by 1.4% during the same period, driven by a decrease in NYMEX WTI open interest, which fell by 2.2%.

Graph 1 - 2: NYMEX WTI vs. Managed Money net long positions



Sources: CFTC, CME and OPEC.

Graph 1 - 3: ICE Brent vs. Managed Money net long positions



Sources: ICE and OPEC.

In February, money managers sold an equivalent of about 87 mb in ICE Brent contracts, reducing nearly a third of bullish positions, betting on lower prices. Combined Brent-related futures and options net long positions fell by 87,158 lots, or 28.3%, over the month, to stand at 220,546 contracts in the week of 25 February, according to the ICE Exchange. This was due to a rise in short positions by 2,364 lots, or 2.7%, to 91,336 contracts, while long positions decreased by 84,794 lots, or 21.4%, to 311,882 contracts over the same period.

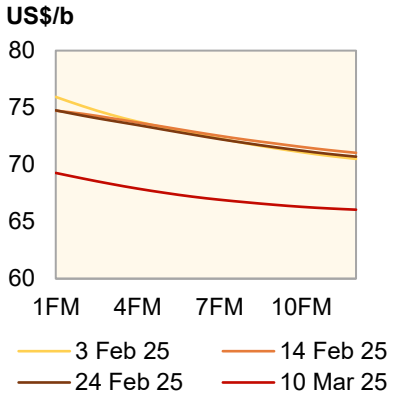
Meanwhile, money managers cut bullish NYMEX WTI positions, selling an equivalent of 124 mb, in a sign of shifting perceptions among speculators regarding the NYMEX WTI contract. Speculators decreased net long positions by 124,214 lots, or 64.8%, between the weeks of 28 January and 25 February, to 67,578 contracts, multi-year lows, according to the US Commodity Futures Trading Commission (CFTC). The drop in net long positions was due to a decline in long positions and an increase in short positions. Long positions fell by 58,617 lots, or 25.1%, to 174,842 contracts. During the same period, short positions rose by 65,597 lots, or 157.4%, to stand at 107,264 contracts.

The long-to-short ratio of speculative positions in the NYMEX WTI contract dropped to 2:1 in the week of 25 February, compared with 6:1 in the week of 28 January. The ICE Brent long-to-short ratio also fell to 3:1 in the week of 25 February, compared with 4:1 in the week of 28 January. Open interest volumes related to NYMEX WTI futures and options fell in February by 2.2%, or 49,143 lots, to stand at 2.18 million contracts in the week ending 25 February. Open interest volumes related to ICE Brent futures and options decreased by 0.8%, or 25,902 contracts, m-o-m, to stand at 3.06 million contracts in the week ending 25 February.

The futures market structure

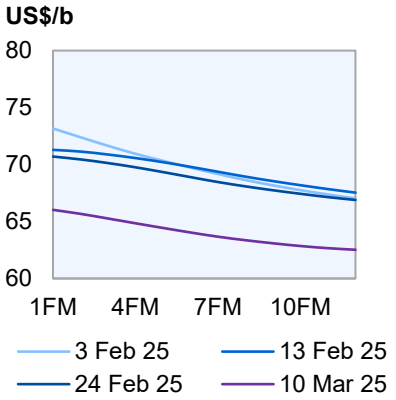
The market structure of all three crude benchmarks ─ ICE Brent, NYMEX WTI and GME Oman ─ weakened in February compared with the previous month, but the forward curves remained in backwardation. Diminishing supply-risk premiums and selling pressure from money managers weighed more on the first-month contract compared with forward contracts, which resulted in a flattening of the front end of oil futures forward curves. The structures of light sweet benchmarks – Brent and WTI – weakened the most amid signs of a well-supplied physical crude market in the Atlantic Basin, refinery maintenance season in the US and Europe, and sustained supply from the US, which weighed on prompt-month contracts. The price structure of the sour market eased slightly last month but remained in steep backwardation amid strong fundamentals.

Graph 1 - 4: ICE Brent forward curves



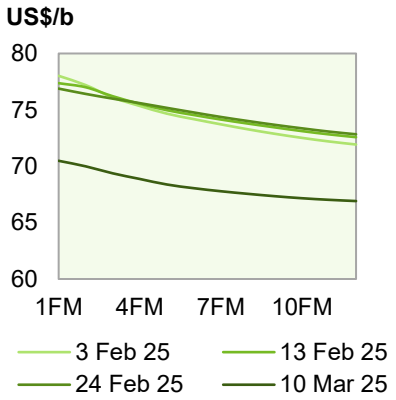
Sources: ICE and OPEC.

Graph 1 - 5: NYMEX WTI forward curves



Sources: CME and OPEC.

Graph 1 - 6: GME Oman forward curves



Sources: GME and OPEC.

The ICE Brent crude futures structure flattened in February on an easing supply risk premium and signs of sufficient crude supply availability in the Atlantic Basin, including Northwest Europe, amid soft demand from European refiners, which weighed on the value of Brent. The ICE Brent M1/M3 spread narrowed last month by 80¢ to stand at a backwardation of 90¢/b. Improving West-to-East arbitrage economics, as reflected in the drop in the EFS Dubai spread, somewhat helped in alleviating pressure on Brent and limited further weakening of the backwardation. ICE Brent's M1/M6 spread also weakened but stayed in a backwardation of $2.24/b on average in February, falling by $1.24, m-o-m, from a backwardation of $3.48/b in January.

The front end of the NYMEX WTI forward curve weakened the most compared with other major benchmarks. WTI front-month prices came under pressure from a large build in US crude stocks and lower US refinery throughput. Selling pressure from speculators also helped in narrowing the nearest time spreads. The NYMEX WTI M1/M3 spread remained in backwardation of 59¢/b in February, falling by 94¢, m-o-m, from a backwardation of $1.53/b in January.

The price structure of sour benchmarks GME Oman and Dubai remained in strong backwardation as sour market fundamentals strengthened and concerns about short-term supply persisted. However, prompt-month prices eased due to a lower supply-risk premium and improving West-to-East arbitrage opportunities, reflected in a falling EFS Dubai spread, which encourages more crude flows from the Atlantic Basin to Asia. The GME Oman M1/M3 spread eased by 14¢, m-o-m, to a backwardation of $1.79/b in February.

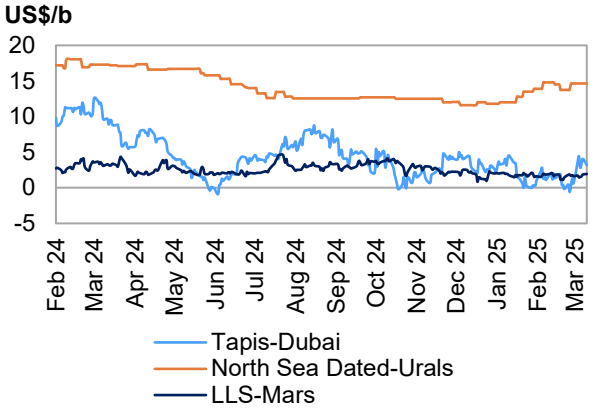
In terms of the M1/M3 structure, the North Sea Brent M1/M3 spread narrowed in February on a monthly average by 94¢ to a backwardation of $1.07/b, compared with $2.01/b in January. The WTI M1/M3 spread also narrowed last month by 93¢, to a backwardation of 56¢/b, compared with a backwardation of $1.49/b in January. The Dubai M1/M3 spread also narrowed on average by 42¢ to a backwardation of $3.19/b, compared with $3.61/b in January.

Crude spreads

The premium of light sweet crude over medium sour crude contracted in February, a trend observed across all major regions. The spread fell to multi-month lows in some regions. This is due to strong market fundamentals on the sour market and worries about a supply disruption of sour crude. Firm demand from Asia Pacific refiners, including China and India, added support to sour crude prices. This, along with a strong fuel oil market, pushed sour crude prices higher. Meanwhile, light sweet crude remained well-supplied, with refinery maintenance in the US and Europe curbing demand.

In Europe, sweet–sour crude differentials continued to narrow in February on strong sour crude prices, while light sweet crude registered a higher decline amid ample supply in the Atlantic Basin. The higher price of sour crude in the USGC and East of Suez markets raised demand for sour crude in Europe, such as Johan Sverdrup. Demand for Johan Sverdrup surged in February to its highest point since June 2024. At the same time, ample availability of light sweet crude in the Atlantic Basin and sustained supply from the US, along with lower demand from European refiners due to seasonal maintenance, weighed on the value of light sweet crude. The Ekofisk–Johan Sverdrup spread fell again in February by $1.71, m-o-m, flipping to a discount of 57¢/b, compared with a premium of $1.14/b. However, Urals crude differentials to North Sea Dated in the Baltic and Black Seas weakened, falling by $1.57 and $1.85, m-o-m, to stand at discounts of $14.34/b and $15.23/b.

Graph 1 - 7: Differentials in Asia, Europe and USGC



Sources: Argus and OPEC.

In the USGC, the value of sour crude continued to strengthen against light sweet crude in February. The LLS premium over medium sour Mars narrowed on average by 12¢, m-o-m, to settle at $1.69/b, its lowest level since July 2023, amid persistent concerns about lower sour crude supply due to tariffs on oil imports from Canada and Mexico. However, light sweet crude values came under pressure due to slower demand from US refineries and limited arbitrage opportunities for exports.

In Asia, the Tapis/Dubai spread fell in February for a second month, along with a decline in the Brent/Dubai spread, dropping to a deeper discount. This has made West-to-East arbitrage more favourable for Brent and WTI-linked crudes, which reduced the premium of local sweet crude in the East of Suez market, such as Tapis. The Brent–Dubai spread fell by $1.36, m-o-m, to stand at a discount of $2.66/b, compared with a discount of $1.30/b in January. Meanwhile, medium sour Middle East crudes remained supported by firm demand in the spot market from Asian buyers. The light sweet Tapis premium over medium sour Dubai fell by 82¢ to stand at $1.21/b.

Commodity Markets

Commodity price indices were mixed in February. The energy price index declined, while non-energy price indices continued to advance, except for the 'other minerals' price index.

In the futures markets, sentiment was cautious in February but heavily skewed towards the bearish side. Combined money managers' net length decreased after two consecutive months of increases, and combined open interest (OI) experienced a slight decline.

Some commodity prices continued to be impacted by uncertainties regarding US trade policy in February. Meanwhile, geopolitical developments and a lower US dollar added additional support over the period. These factors helped offset some of the downward pressure coming from lingering macroeconomic uncertainties.

Trends in select energy commodity markets

The energy price index declined in February by 4.2%, m-o-m, and was down by 3.0%, y-o-y, pressured by losses in coal and average crude oil prices. Natural gas price gains in both the US and the EU partially offset losses during the same periods.

Table 2 - 1: Select energy prices

Commodity	Unit	Monthly average			% Change		Year-to-date	
		Dec 24	Jan 25	Feb 25	Feb 25/ Jan 25	Feb 25/ Feb 24	2024	2025
Energy*	*Index*	**96.5**	**103.5**	**99.2**	**-4.2**	**-3.0**	**101.7**	**101.4**
Coal, Australia	*US$/boe*	12.4	11.3	10.2	-9.8	-13.9	11.9	10.8
Crude oil, average	*US$/b*	72.3	78.2	73.8	-5.6	-8.4	79.1	76.0
Natural gas, US	*US$/boe*	16.4	22.2	22.8	3.0	145.3	13.3	22.5
Natural gas, Europe	*US$/boe*	75.0	79.3	83.0	4.6	88.3	47.9	81.2

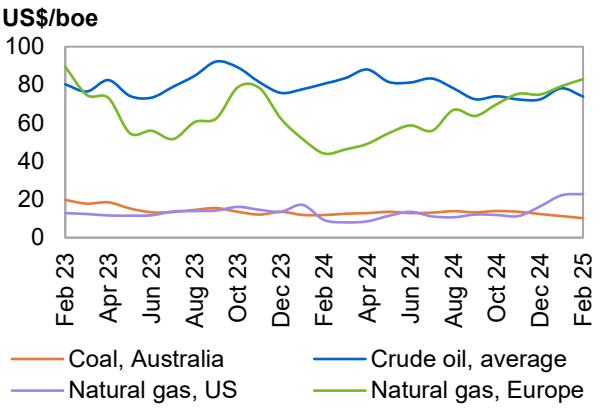
*Note: * World Bank commodity price index (2010 = 100).*
Sources: World Bank and OPEC.

Australian thermal coal prices declined for a fourth consecutive month in February, falling by 9.8%, m-o-m. High supply availability and limited demand in Asia remained a drag on prices. Elsewhere, in the Eurozone, a moderate retraction of natural gas prices, coupled with a lower geopolitical risk premium, added downward pressure to prices, which fell by 13.9%, y-o-y.

Average crude oil prices receded by 5.6%, m-o-m, in February. Uncertainties regarding US trade policy and its implications for market fundamentals continued to weigh on sentiment. Compared with the same period last year, prices were down by 8.4%, y-o-y.

Henry Hub's natural gas prices rose for a third consecutive month in February, albeit at a significantly lower rate compared with the previous month. Prices rose by 3.0%, m-o-m, supported by colder weather across the US and steeper declines in underground storage. According to data from the US Energy Information Administration (EIA), weekly average underground storage decreased in February by 27.5%, m-o-m. Henry Hub prices were up by more than 100%, y-o-y, underscoring above-average seasonal demand.

Graph 2 - 1: Select energy prices



Sources: World Bank, Haver Analytics and OPEC.

The average Title Transfer Facility (TTF) experienced a consecutive monthly increase in February, rising by 4.6%, m-o-m. TTF prices experienced high volatility in February, reaching $100/bof oil equivalent earlier in the month on the back of geopolitical developments. Prices were further supported by a decline in storage levels, despite moderate demand. According to data from Gas Infrastructure Europe, EU storage levels fell to 38.5% of capacity as of 28 February, 15.1 percentage points below the previous month. Prices were up by 88.3%, y-o-y.

Trends in select non-energy commodity markets

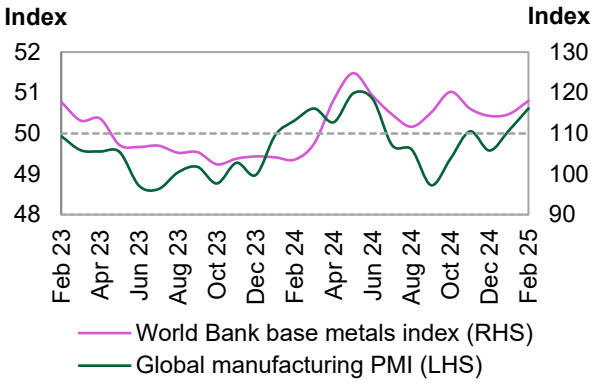
The non-energy price index rose for a fifth consecutive month in February, increasing by 1.4%, m-o-m. Both base and agricultural price indices rose over the same period, with the agricultural price index rising by 0.1%, m-o-m. Non-energy and agricultural price indices were up by 9.9%, y-o-y, respectively.

Base metals

The base metal index advanced for a second consecutive month in February, increasing by 3.2%, m-o-m. Metal prices were slightly mixed in February, with only nickel and zinc prices experiencing declines over the period. Ongoing improvements in global industrial activity were a supportive factor. The global manufacturing PMI rose to 50.6 in February, up by 1.1%, m-o-m.

Uncertainties regarding US trade policy also added support to metal prices, particularly those directly impacted by US tariff announcements. Compared with the same period last year, the base metal index was up by 14.3%, y-o-y.

Graph 2 - 2: Global manufacturing PMI and World Bank base metals index



Sources: JP Morgan, IHS Markit, Haver Analytics, World Bank and OPEC.

At the London Metal Exchange (LME) warehouses, combined stocks of base metals declined for a second consecutive month in February, falling by 6.2%, m-o-m, and were up by 19.4%, y-o-y. Combined cancelled warrants declined for a third consecutive month in February, decreasing by 5.5%, m-o-m, and were up by 56.9%, y-o-y. Combined on-warrants decreased in February by 6.6%, m-o-m; however, they were up by 7.4%, y-o-y.

Table 2 - 2: Base metal prices

Commodity	Unit	Monthly average			% changes		Year-to-date	
		Dec 24	Jan 25	Feb 25	Feb 25/ Jan 25	Feb 25/ Feb 24	2024	2025
Non-energy*	*Index*	**117.0**	**116.6**	**118.2**	**1.4**	**9.9**	**107.3**	**117.4**
Base metal*	*Index*	**114.3**	**114.8**	**118.4**	**3.2**	**14.3**	**103.8**	**116.6**
Copper	*US$/mt*	8,936	9,019	9,350	3.7	12.3	8,346	9,185
Aluminium	*US$/mt*	2,551	2,585	2,656	2.8	21.4	2,197	2,620
Nickel	*US$/mt*	15,480	15,439	15,323	-0.8	-6.4	16,260	15,381
Lead	*US$/mt*	1,999	1,932	1,964	1.7	-6.0	2,097	1,948
Zinc	*US$/mt*	3,036	2,831	2,806	-0.9	18.5	2,447	2,818
Iron Ore	*US$/mt*	104	102	107	4.9	-13.4	131	105

*Note: * World Bank commodity price indices (2010 = 100).*

Sources: LME, Haver Analytics, World Bank and OPEC.

Copper prices rose in February, increasing by 3.7%, m-o-m, and were up by 14.3%, y-o-y. At LME warehouses, stocks fell in February by 1.9%, m-o-m, but were up by 94.6%, y-o-y. Cancelled warrants rose by more than 100% in the period and were up by 90.4%, y-o-y. On-warrants fell by 12.2%, m-o-m, in the period but were up by 12.2%, y-o-y.

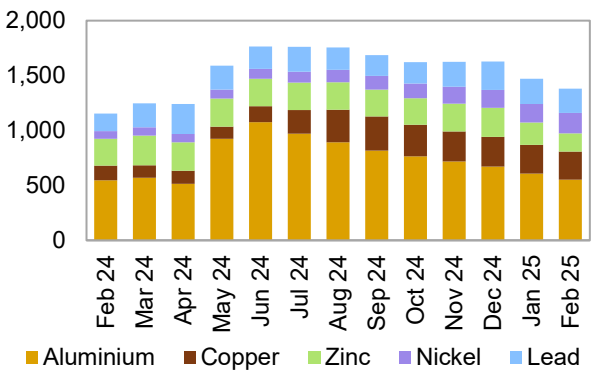
Aluminium prices increased by 2.8%, m-o-m, in February and were up by 21.4%, y-o-y. LME warehouse stocks declined over the month by 9.1%, m-o-m, but were up by 1.0%, y-o-y. Cancelled warrants decreased in February by 10.8%, m-o-m, and were up by 58.9%, y-o-y. On-warrants declined by 6.6%, m-o-m, in the same month and were down by 32.4%, y-o-y.

Nickel prices fell in February, dropping by 0.8%, m-o-m, and were down by 6.4%, y-o-y. At LME warehouses, stocks rose by 9.0%, m-o-m, and were up by more than 100%, y-o-y. Cancelled warrants declined in February by 1.4%, m-o-m, and were higher by more than 100%, y-o-y. On-warrants rose in February by 9.6%, m-o-m, and were up by more than 100%, y-o-y.

Lead prices increased in February by 1.7%, m-o-m, though they were down by 6.0%, y-o-y. At LME warehouses, stocks declined by 3.7%, m-o-m, in February, though they were up by 37.9%, y-o-y. Cancelled warrants rose in February by 43.2%, m-o-m, and were up by 92.6%, y-o-y. On-warrants fell by 9.7%, m-o-m, but were up by 30.5%, y-o-y.

Zinc prices decreased by 0.9%, m-o-m, in February, but were up by 18.5%, y-o-y. At LME warehouses, stocks decreased by 18.9%, m-o-m, in February, and were down by 32.4%, y-o-y. Cancelled warrants declined by 45.0%, m-o-m, in February, and were down by 12.4%, y-o-y. On-warrants declined by 10.0%, m-o-m, over the same period but were up by 35.4%, y-o-y.

Graph 2 - 3: Inventories at the LME



Sources: LME, Thomson Reuters and OPEC.

Iron ore prices rose by 4.9%, m-o-m, in February, though they were down by 13.4%, y-o-y. China's steel industry PMI rebounded after three consecutive months of decline. The benchmark rose to 45.1 in the month, up from 43.3 in January, a 4.2% decrease, m-o-m. However, it remained below expansionary territory.

Precious metals

The precious metals index rose for a second consecutive month in February, increasing by 6.6%, m-o-m. All precious metal prices advanced in the period, with gold, silver and platinum rising by 6.8%, 5.7% and 3.1%, m-o-m, respectively.

Table 2 - 3: Precious metal prices

Commodity	Unit	Monthly average			% changes		Year-to-date	
		Dec 24	Jan 25	Feb 25	Feb 25/ Jan 25	Feb 25/ Feb 24	2024	2025
Precious metals*	*Index*	**199.0**	**202.6**	**216.1**	**6.6**	**42.5**	**152.1**	**209.3**
Gold	*US$/Oz*	2,648	2,710	2,895	6.8	43.1	2,029	2,802
Silver	*US$/Oz*	30.8	30.4	32.2	5.7	41.9	22.8	31.3
Platinum	*US$/Oz*	938	949	978	3.1	9.4	910	964

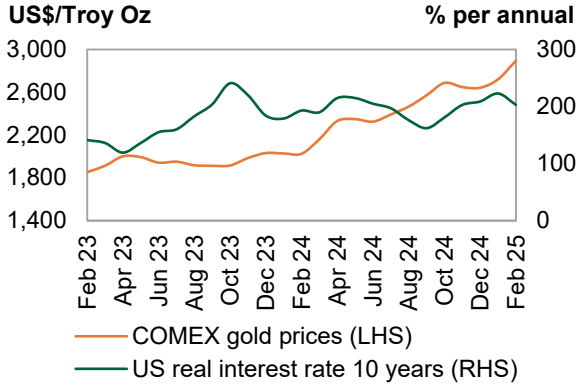
*Note: * World Bank commodity price index (2010 = 100).*

Sources: World Bank and OPEC.

Greater central bank buying, particularly in developed economies, and geopolitical developments, lifted gold's safe-haven appeal. Gold prices also benefited from a decline in the US dollar amid concerns regarding the impact of US trade policies on the economy. Finally, silver and platinum received additional support from improvements in global industrial activity.

The precious metals index was up by 42.5%, y-o-y; gold, silver and platinum prices were also up by 43.1%, 41.9% and 9.4%, y-o-y, respectively.

Graph 2 - 4: US real interest rate and gold price



Sources: Commodity Exchange Inc., Federal Reserve Board, Haver Analytics and OPEC.

Select other minerals

The other minerals price index continued to trend downwards in February, falling by 5.8%, m-o-m. A decline in cobalt prices dragged down the index in February, although losses were partially offset by an increase in lithium prices, while graphite prices were flat, m-o-m, over the same period.

Table 2 - 4: Select other minerals prices

Commodity	Unit	Monthly average			% changes		Year-to-date	
		Dec 24	Jan 25	Feb 25	Feb 25/ Jan 25	Feb 25/ Feb 24	2024	2025
Other minerals*	*Index*	**33.5**	**33.1**	**31.2**	**-5.8**	**-21.5**	**40.0**	**32.1**
Cobalt	*US$/mt*	24,300	23,756	21,721	-8.6	-23.3	28,553	22,739
Graphite	*US$/mt*	435	435	435	0.0	-19.1	545	435
Lithium	*US$/mt*	9,356	9,465	9,588	1.3	-16.3	11,522	9,526

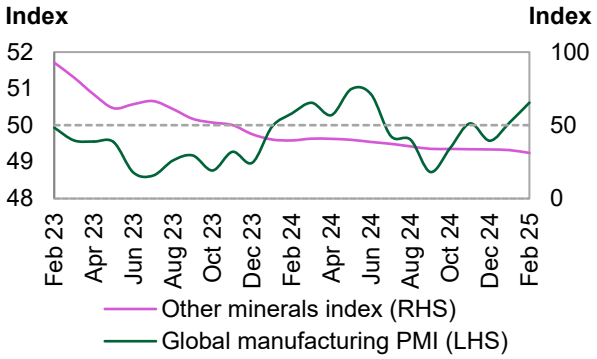
*Note: * OPEC price index (2022 = 100).*

Sources: LME, Haver Analytics and OPEC.

The performance of other mineral prices was mixed in February. Improvements in global industrial activity and uncertainties on US trade policy continued to provide support; however, softer market fundamentals remained a drag. Lithium prices rose for a second consecutive month in February, increasing by 1.3%, m-o-m. Meanwhile, cobalt prices fell by 8.6%, m-o-m, and graphite prices remained unchanged, m-o-m, in the same period.

The other minerals' price index was down by 21.5%, y-o-y, while cobalt, graphite and lithium prices were down by 23.3%, 19.1% and 16.3%, y-o-y, respectively.

Graph 2 - 5: Global manufacturing PMI and other minerals index*



*Note: * OPEC price index (2022 = 100).*
Sources: JP Morgan, Haver Analytics, IHS Markit, LME and OPEC.

Investment flows into commodities

Combined money managers' net length decreased in February after two consecutive months of increases, falling by 13.4%, m-o-m. Net length decline was driven by decreases in crude oil and gold, though these were partially offset by increases in natural gas and copper. The combined net length was up by more than 100%, y-o-y.

Combined OI decreased by 0.8%, m-o-m, in February, mainly driven by declines in crude oil and natural gas positions. An increase in gold and copper positions over the same period partially offset losses. Combined OI was up by 7.6%, y-o-y.

Table 2 - 5: CFTC data on non-commercial positions, 1,000 contracts

Selected commodity	Open interest			Long		Short		Net length				
	Jan 25	Feb 25	Feb 25/ Jan 25	Jan 25	Feb 25	Jan 25	Feb 25	Jan 25	% OI	Feb 25	% OI	Feb 25/ Jan 25
Crude oil	2,319	2,201	***-5.1%***	270	201	40	78	230	10	123	6	***-46.5%***
Natural gas	1,604	1,603	***-0.1%***	190	219	146	136	44	3	83	5	***89.3%***
Gold	774	837	***8.1%***	228	238	10	28	218	28	211	25	***-3.4%***
Copper	254	272	***7.1%***	67	73	54	52	13	5	21	8	***56.6%***
Total	**4,951**	**4,913**	***-0.8%***	**754**	**732**	**249**	**294**	**505**	**46**	**438**	**44**	***-13.4%***

Note: Data on this table is based on a monthly average.
Data on this table is based on commitments of traders futures and options.
Open interest includes both commercial and non-commercial positions.
Sources: CFTC and OPEC.

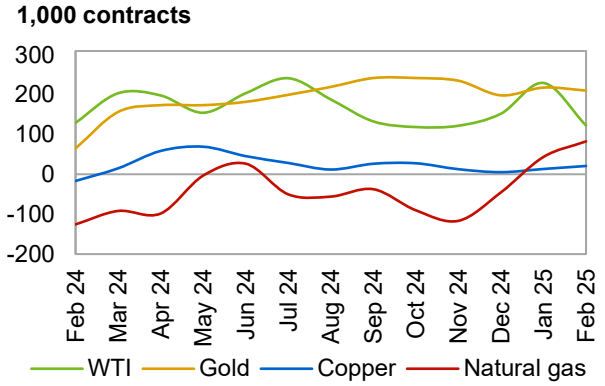
The crude oil (WTI) OI decreased in February, dropping by 5.1%, m-o-m. Money managers cut net length over the same period, down by 46.5%, m-o-m. OI was up by 1.1%, y-o-y, while net length was down by 5.2%, y-o-y.

The natural gas (Henry Hub) OI experienced a marginal decline in February, down by 0.1%, m-o-m. At the same time, managers increased net length by 89.3%, m-o-m. OI was up by 2.3%, y-o-y, and net length was up by more than 100%, y-o-y.

Gold's OI increased in February by 8.1%, m-o-m. Money managers cut net length over the same period, down by 3.2%, m-o-m. Gold's OI was up by 47.5%, y-o-y, and its net length was up by more than 100%, y-o-y.

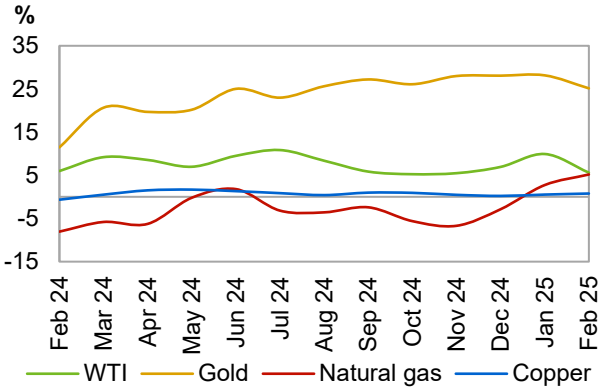
Copper's OI increased by 7.1%, m-o-m, in February. Money managers increased net length over the same period, up by 56.6%, m-o-m. OI was up by 6.7%, y-o-y, while net length was down by more than 100%, y-o-y.

Graph 2 - 6: Money managers' activity in key commodities, net length



Note: Data on this graph is based on a monthly average.
Sources: CFTC and OPEC.

Graph 2 - 7: Money managers' activity in key commodities, as % of open interest



Note: Data on this graph is based on a monthly average.
Sources: CFTC and OPEC.

World Economy

Based on the latest economic growth figures and output indicators, economic growth in 2025 and 2026 is expected to remain steady. Robust 4Q24 growth in the US, Japan, India, and China reinforces this outlook. Additionally, with India, Brazil, and Russia maintaining solid growth trends, the global economic momentum seems to be well supported. The Eurozone is also expected to see a modest recovery next year. However, the recent US-driven trade developments have added some uncertainty to the global growth outlook.

The assumptions underpinning the current world economic forecast remain broadly unchanged. Inflation is forecast to continue declining gradually in 2025 and to normalize towards 2026. Consequently, monetary policy accommodation is expected to continue in major advanced economies in the near term, albeit at a more cautious pace due to the persistence of certain inflationary pressures. In Japan, the Bank of Japan (BoJ) is likely to continue gradually tightening its policy. Elsewhere, China is expected to maintain its policy of monetary easing, alongside fiscal measures aimed at achieving growth targets of up to 5%. The services sector is anticipated to remain the main driving force in global economic growth in the near term, with its growth dynamics expected to normalize in 2025 and continue into 2026. The industrial sector is projected to pick up gradually as well, although uncertainties remain, especially as it remains to be seen how and to what extent potential tariffs and other policy measures will play out. So far, they are not anticipated to materially impact current underlying growth assumptions, but the outcome of potentially further rising uncertainties and the scope and significance of potential tariffs and other policy measures will need close monitoring.

Considering these growth trends and dynamics, the global economic growth forecast for 2025 remains steady at 3.1%. For 2026, growth is projected to pick up slightly to 3.2%, indicating a stable and sustainable expansion. Both forecasts remain unchanged from last month's projections.

Table 3 - 1: Economic growth rate and revision, 2025–2026*, %

	World	US	Eurozone	Japan	China	India	Brazil	Russia
2025	**3.1**	**2.4**	**0.9**	**1.2**	**4.7**	**6.5**	**2.3**	**1.9**
Change from previous month	0.0	0.0	0.0	0.2	0.0	0.0	0.0	0.0
2026	**3.2**	**2.3**	**1.1**	**1.0**	**4.6**	**6.5**	**2.5**	**1.5**
Change from previous month	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

*Note: * 2025-2026 = Forecast. The GDP numbers are based on 2021 ppp.*

Source: OPEC.

Update on the latest global developments

Global economic growth was robust in 2H24, with expected carryover effects into early 2025. However, uncertainties regarding trade are raising concerns. In the OECD, the US economy saw strong but slightly decelerating growth in 4Q24, as consumer spending remained resilient. Early 2025 indicators point to continued consumption, although a widening trade balance has emerged due to front-loading effects in anticipation of potential trade disruptions. In the Eurozone, economic growth in 4Q24 slowed after a moderate recovery in the previous quarter, reflecting ongoing challenges, particularly in the industrial sector. In Japan, a solid rebound in 4Q24 was driven by strong public and private expenditure. In the non-OECD, China achieved its 2024 growth target of 5%, supported by strong export levels and output in 4Q24, alongside robust fiscal and monetary stimulus. India returned to solid growth in 4Q24 after a slowdown in 3Q24. Brazil and Russia continued to exhibit strong growth, particularly in private expenditure, despite ongoing inflationary concerns.

In the US, 4Q24 economic growth stood at 2.3%, q-o-q, SAAR, in the second estimate from the Bureau of Economic Analysis (BEA), confirming the advanced estimate. This followed an expansion of 3.1% in 3Q24 and 3.0% in 2Q24. The Eurozone saw growth of only 0.9%, q-o-q, SAAR, based on Eurostat data, after 1.7% growth in 3Q24, with continued weakness, particularly in the industrial sector. Japan's growth rate in 4Q24 came in at 2.2%, q-o-q, SAAR, up from 1.4% in 3Q24, as reported by the Ministry of Economy, Trade, and Industry.

In the non-OECD economies, China saw an improvement in industrial production (IP), retail sales, and the trade balance towards the end of 4Q24, lifting overall quarterly growth to 5.4%, y-o-y, and meeting the annual 5% target. Fiscal and monetary stimulus measures further supported this trend, and the property sector showed signs of improvement. In India, strong private and public consumption and positive industrial sector

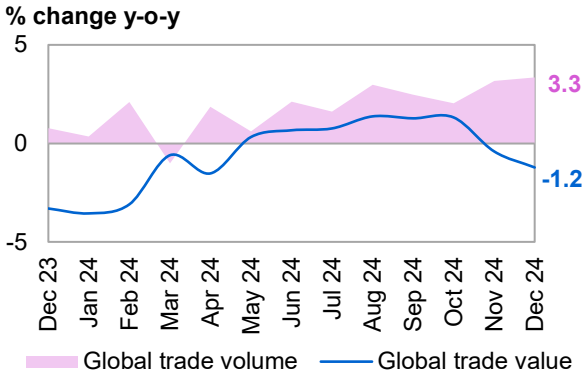
trends lifted 4Q24 economic growth to 6.2%, y-o-y, after slowing to 5.6% in 3Q24. Russia saw a decelerating trend through 3Q24, with the latest figure at 3.1%, y-o-y, down from 4.1% in 2Q24, although consumer demand remained strong. Moreover, Brazil's economic growth pattern continued at a healthy pace, with 4Q24 growth at 3.6%, y-o-y, following strong 3Q24 growth at 4.0%, y-o-y, both up from 3.3% in 2Q24.

Inflation trends are diverging across major OECD economies in early 2025. In January, US inflation rose to 3.0%, y-o-y, up from 2.9% in December and 2.7% in November, moving further away from the 2% target of the Federal Reserve (Fed). In the Eurozone, inflation edged down to 2.3% in February from 2.5% in January and December. In Japan, inflation rose to 4% in January, up from 3.6% in December and 2.9% in November. In the UK, inflation increased to 3% in January from 2.5% in December and 2.6% in November. With easing inflation in the Eurozone, the ECB continued its easing cycle, cutting interest rates by 25 basis points (bp) to 2.5% at its March meeting. The Fed, BoJ, and Bank of England will meet later in March.

In non-OECD economies, China's inflation moved back into deflationary territory, albeit this was impacted by seasonal distortions in the yearly comparisons in January and February due to this year's early date of China's Lunar year. China's consumer prices declined by 0.7%, y-o-y, in February, following a rise of 0.5%, y-o-y, in in January. In India, high inflation towards the end of 2024 retracted to 4.3% in January, down from 5.2% in December and 5.5% in November. Similarly, in Brazil, inflation eased to 4.6% in January, down from 4.8% in December and 4.9% in November. Conversely, in Russia, inflation continued rising, reaching 9.9% in January, up from 9.5% in December and 8.9% in November. At its February meeting, the People's Bank of China (PBOC) kept Loan Prime Rates (LPR) unchanged, with the one-year LPR at 3.1% and the five-year LPR at 3.6%. The Reserve Bank of India (RBI) cut interest rates by 25 bp to 6.25% in its most recent February meeting. Meanwhile, the Central Bank of Russia held rates unchanged, while the Banco Central do Brasil (BCB) has increased rates by 1 pp since the beginning of the year.

Global trade expanded in volume terms while contracting in value terms for a second consecutive month. In December, trade volume increased 3.3%, y-o-y, up from 3.2% in November. In value terms, global trade contracted 1.2% in December, down from a 0.4% contraction in November, according to the CPB World Trade Monitor Index.

Graph 3 - 1: Global trade



Sources: CPB Netherlands Bureau for Economic Policy Analysis and Haver Analytics.

The US imposed additional 10% tariffs on China in March, following the 10% tariffs implemented in February. In March, the US also imposed 25% tariffs on Mexico and Canada, along with 10% tariffs on Canadian energy supplies. Shortly after their imposition, however, the automobile sector received a 30-day reprieve, which was later also extended to all goods in compliance with the United States-Mexico-Canada Agreement (USMCA) rules of origin requirements. Tariffs on all goods are now potentially set to take effect in early April. The US also imposed a 25% tariff on all steel and aluminium imports, effective 12 March 2025. In 2018, the US imposed similar tariffs on steel and 10% on aluminium, but major trading partners, including Japan, Brazil, and Australia, secured exemptions or tariff quotas. The current proposal eliminates all previous exemptions. US tariffs on the EU have not yet been announced but are expected soon. Canada retaliated with tariffs on selected US goods, with a second wave of tariffs set for late March now on hold after the US issued the 30-day reprieve. China similarly imposed tariffs of between 10% and 15% on selected US agricultural goods and added 15 US firms to its export control list.

Near-term global expectations

The global economy is projected to sustain a solid growth trend in 2025 despite rising uncertainties. Continued support from India, after returning to robust growth in 4Q24, will be a key factor, along with signs of industrial growth and a housing sector recovery in China. Japan's improving outlook, with strong growth figures at the end of 2024, further supports this trend. The Eurozone will likely see further recovery, with a potential increase in government spending in Germany under the anticipated coalition government. Brazil and Russia are maintaining solid growth momentum, though at a slower pace than in 2024 due to tight monetary policies. The US is expected to remain on a solid growth trajectory, driven by strong consumer demand, although inflationary pressures and tariffs on major importers add further uncertainty. In 2026, economic growth is expected to accelerate slightly, supported by additional growth from non-OECD economies and the Eurozone.

Trade tensions in North America could impact growth in Mexico, Canada, and, to a lesser extent, the US. The highly integrated industrial sector will face major challenges adjusting to tariffs, with short-term effects potentially significant. The 30-day reprieve for the automobile industry, later extended to all goods in compliance with the USMCA rules of origin requirements, will provide time for adjustment and could lead to a broader agreement to avoid steep tariffs. However, amid ongoing uncertainty, the impact could weigh on consumer spending, particularly for high-value goods and investments. US tariffs on China are likely to remain in place at 20%. The continuation of the de minimis exception, which allows direct-to-consumer shipments under $800 to enter tariff-free, will slightly offset the full impact. In 2024, $65 billion worth of Chinese goods entered the US under this exception, and this is expected to increase in 2025. China remains less vulnerable to US tariffs than Canada and Mexico due to its diverse export destinations and growing trade partnerships outside the US, which will partially absorb shifting trade flows. US tariffs on the EU could negatively impact both economies if implemented in full. The automobile sector remains particularly exposed, but with no clear details on the extent and scope of the policy, the impact remains uncertain. While trade disruptions could generate headwinds, global growth in 2025 remains underpinned by rising consumer demand and improving industrial output, particularly in non-OECD economies.

Headline inflation is forecast to decline gradually through 2025 into 2026, though uncertainties in global trade could partially delay this outlook. Core inflation is expected to remain slightly elevated in major economies, sustained by the services sector. The Fed's decision to pause its easing cycle was partly influenced by concerns over tariffs, according to the minutes of the January meeting. The ECB is expected to continue its accommodative monetary policies, while the BoJ is likely to maintain a tightening stance, although it remains cautious of potential trade disruptions.

In the non-OECD, China's monetary easing will likely resume in 2025 after holding interest rates unchanged in the last two meetings. India's interest rates are expected to ease cautiously, though volatile food inflation remains a concern. In Brazil, the sharp monetary tightening of recent months is beginning to slow price growth, but the BCB will likely wait for further signals before shifting to an easing cycle. The Central Bank of Russia may consider resuming tightening as inflation continues to edge higher, though it may also pursue regulatory measures to curb inflation without increasing interest rates, as in the last meeting. By 2026, Brazil and Russia are expected to see easing interest rates and a return to a more accommodative monetary stance.

On fiscal policy, US proposals for spending cuts are accompanied by regulatory easing and the extension of the 2017 tax cuts are expected to be implemented in 2025, with a potential positive impact on growth. In the Eurozone, Germany's incoming coalition government has announced plans to relax the debt brake that previously restricted government borrowing. The proposal exempts defence spending over 1% of GDP from the debt brake and includes a €500 billion infrastructure investment fund outside the debt brake. Japan is expected to continue fiscal support measures adopted in late 2024.

In the non-OECD, China's announcement of a 5% growth target for 2025, despite trade tensions, suggests likely additional fiscal stimulus. Direct consumer support is possible to achieve this target. In India, the latest union budget highlights ongoing growth initiatives, including improvements to the business environment, tax breaks for the middle class, and further fiscal consolidation. Brazil's fiscal capacity remains constrained in 2025, with potential increases in 2026. In Russia, additional fiscal measures outlined in the late 2024 draft budget will continue to sustain growth, though at a slower pace.

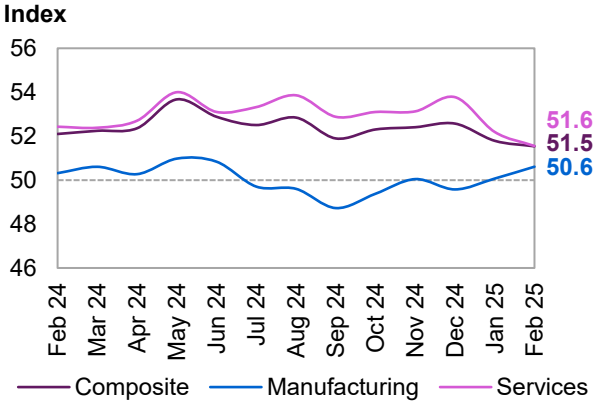
The industrial sector is showing signs of improvement, though early indicators preceded the latest tariff measures. IP improved in the US, China, and Japan but continues to weaken in the Eurozone. The sector is expected to normalize in 2025 and 2026, though trade disruptions could weigh on its recovery.

In February, global purchasing managers' indices (PMIs) indicated an improved outlook for the manufacturing sector and a slowdown in the services sector, though both remained in expansionary territory.

The global manufacturing PMI stood at 50.6 in February, up from 50.1 in January and 49.6 in December.

The global services PMI retracted slightly to 51.6 in February, down from 52.2 in January and 53.8 in December.

Graph 3 - 2: Global PMI



Sources: JP Morgan, S&P Global and Haver Analytics.

With the solid momentum of 2024 expected to carry over into 2025, supported by strong consumer demand and recovering industrial output, the global growth forecast remains at 3.1% for 2025, unchanged from the previous outlook. Strong growth in India and China, along with continued momentum in the US, contribute to this projection.

In 2026, easing monetary policies and continued fiscal support in major economies are expected to accelerate global economic growth to 3.2%, also unchanged from the previous outlook.

Table 3 - 2: World economic growth rate and revision, 2025–2026*, %

	World
2025	**3.1**
Change from previous month	0.0
2026	**3.2**
Change from previous month	0.0

*Note: * 2025-2026 = Forecast.*

Source: OPEC.

OECD

US

Update on the latest developments

Economic growth in the US registered 2.3%, q-o-q, at a seasonally adjusted annualized rate (SAAR) in 4Q24, according to the second estimate from the BEA, confirming the advance estimate. The solid expansion continued but at a slower pace than 2Q24 and 3Q24, which saw growth of 3.0% and 3.1%, q-o-q, SAAR, respectively. While momentum likely carried into early 2025, recent policy developments have introduced uncertainty into the outlook.

The US imposed new tariffs on major trading partners, including 25% on Canada and Mexico, 10% on Canadian energy exports, and an additional 10% on China, on top of the previously imposed tariffs of 10% in early February. The automobile sector in Mexico and Canada was given a 30-day reprieve one day after the tariffs went into effect, however, and the pause was later extended to all goods under the USMCA. Canada retaliated with 25% tariffs on $155 billion of US exports, with $30 billion applied immediately in early March and the remainder set to take effect at the end of March. However, Canada said it would pause its second round of tariffs after the 30-day reprieve. Prior to the pause, the US threatened further escalation in response to Canada's retaliation. Mexico announced plans for retaliatory measures, but the pause was reached before the country's plans were unveiled. Notably, it is estimated that 50% of Mexican imports to the US and almost 40% of Canadian exports to the US fall outside the USMCA and are subject to the 25% tariff. Elsewhere, China imposed tariffs of between 10% and 15% on a range of US agricultural products and added 15 US firms to its export control list.

Additionally, the US reimposed 25% tariffs on steel and aluminium imports from all countries. Similar tariffs were introduced in 2018 but were later removed for Canada and Mexico under the USMCA, while other partners – including the EU, Japan, the UK, Brazil, and Australia –secured exemptions or negotiated quotas. The new measures revoke all previous exemptions, eliminate the exclusion process, and expand coverage to downstream derivative products. Steel tariffs remain at 25%, while aluminium tariffs increased from 10% to 25%. Japan, Australia, and Brazil are seeking exemptions, but no formal process is in place.

Inflation rose to 3.0%, y-o-y, in January, up from 2.9% in December and 2.7% in November. Food inflation remained at 2.5%, y-o-y, for a second consecutive month, with egg and poultry prices rising due to avian flu outbreaks. Core inflation increased to 3.3%, y-o-y, in January, up from 3.2% in December, returning to levels seen between September and November 2024. The Personal Consumption Expenditures (PCE) Price Index, the Fed's preferred inflation measure, declined slightly to 2.5%, y-o-y, in January, down from 2.6% in December, returning to its November 2024 level. The Fed held interest rates unchanged at its January meeting, citing strong economic activity and rising inflation as key factors in its decision.

Consumer spending remained relatively robust, decelerating slightly to 4.2%, y-o-y, in February, down from 4.4% in December. However, consumer confidence fell sharply in February, dropping seven index points to 98.3, the lowest level since April 2024. The index reached 112 in November 2024 but has steadily declined, with a sharp drop in February.

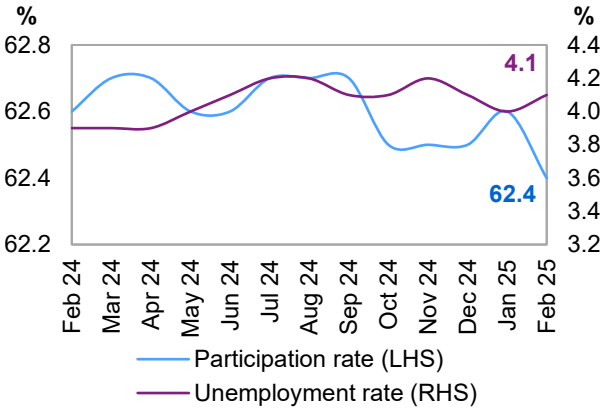
The US trade deficit widened sharply in January, ahead of expected trade disruptions. A front-loading effect drove US imports up to $365 billion in December from $353 billion in November, a 12.4% y-o-y increase. Meanwhile, exports fell to $267 billion from $274 billion, pushing the overall trade deficit to $98.4 billion in December. With the widening trade gap and rising uncertainty, the Atlanta Fed GDPNow model stood at 2.8%, q-o-q, SAAR for 1Q25 as of 3 March 2025.

In February, non-farm payroll employment increased by 151,000, following a downwardly revised January figure of 125,000.

However, the unemployment rate rose slightly to 4.1% in February, up from 4.0% in January. The labour force participation rate edged down to 62.4% from 62.6% in January.

Annual earnings growth eased slightly to 4.0% in February, down from 4.1% in January and 4.2% in December.

Graph 3 - 3: US monthly labour market



Sources: Bureau of Labor Statistics and Haver Analytics.

Near-term expectations

Although the US economy is expected to sustain consumer demand momentum, rising uncertainty regarding trade and inflation remains a concern. Expectations nevertheless remain that a resolution will be reached regarding tariffs on Canada and Mexico, given the integrated nature of IP in North America. The 30-day reprieve for the automobile sector, later extended to include all goods in compliance with the USMCA rules of origin requirements, will likely lead to a more lasting resolution, although this remains to be seen. The risk remains that tariffs will remain in place longer than anticipated, potentially triggering further retaliatory measures that could weigh on growth, necessitating continuous monitoring and assessment.

The sharp widening of the US trade deficit in December likely extended into 1Q25, driven by front-loading effects ahead of tariff implementation. This is expected to weigh on quarterly growth patterns, although the trade deficit is projected to narrow in 2H25 as high inventories built before the tariffs begin to clear and imports slow. As a result, while annual growth projections remain unchanged, the quarterly distribution of growth is expected to shift. The US economy is forecast to expand by 1.8%, q-o-q, SAAR, in 1Q25, before rising to 2.4% in 2Q25 and 2.6% in both 3Q25 and 4Q25.

The inflation outlook remains uncertain. The latest PCE reading showed a slight decline, offering a positive signal, but trade-driven price pressures, particularly in North American manufacturing, could contribute to renewed inflationary pressures. Inflation is still expected to decline gradually through 2025, although the pace could be somewhat slower than previously anticipated due to these effects. The cumulative 20% tariffs on Chinese imports, implemented in two 10% rounds in February and March, will also influence pricing dynamics. However, the de minimis rule, which allows direct-to-consumer shipments under $800 to enter the US duty-free, remains in place after logistical challenges led to the reversal of implementation in February. This allows approximately $65 billion worth of Chinese goods to bypass the 20% tariff, partially mitigating cost pressures on consumers.

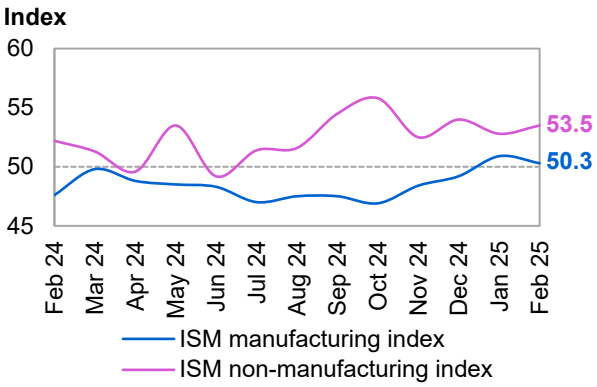
The Federal Open Market Committee (FOMC) acknowledged the uncertainties surrounding tariffs and their potential upward pressure on prices at its January meeting, maintaining a cautious stance. The expectation remains for two 25 bp rate cuts in 2025, followed by similar reductions in 2026, though the outlook remains subject to change.

On the fiscal side, the proposed budget resolution includes $1.7 trillion in spending reductions over ten years, with $170 billion in cuts for 2025, amounting to approximately 2.4% of federal spending. The 2017 tax cuts, set to expire this year, are expected to be made permanent, providing continued economic support.

According to data from the Institute for Supply Management (ISM), the PMI for the manufacturing sector declined but remains in expansionary territory. The index stood at 50.3 in February, down from 50.9 in January but still above the December contractionary level of 49.2. Notably, the new orders index fell sharply to 48.6 in February from 55.1 in January, following three months of continuous expansion.

The PMI for the services sector, which comprises 70% of the US economy, improved slightly after last month's contraction. The index stood at 53.5 in February, up from 52.8 in January and down from 54.0 in December.

Graph 3 - 4: US-ISM manufacturing and non-manufacturing indices



Sources: Institute for Supply Management and Haver Analytics.

Despite ongoing trade uncertainties, the underlying strength of consumption and the trade balance's offsetting effects keep the growth rate forecast for 2025 unchanged at 2.4%, consistent with the previous outlook.

For 2026, rising uncertainty will require ongoing assessment of economic impacts. The 2026 growth forecast remains at 2.3%, consistent with the previous outlook.

Table 3 - 3: US economic growth rate and revision, 2025–2026*, %

	US
2025	**2.4**
Change from previous month	0.0
2026	**2.3**
Change from previous month	0.0

*Note: * 2025-2026 = Forecast.*

Source: OPEC.

Eurozone

Update on the latest developments

In the latest Eurostat estimate of 4Q24, economic growth was revised up slightly to 0.9%, q-o-q, SAAR, but still slowed from an expansion of 1.7% in 3Q24. This places the annual growth rate for 2024 at 0.7%, y-o-y. Challenges in the industrial sector continue to weigh on economic growth. IP contracted by 2.5%, y-o-y, in December, a sharper decline than the 1.7% contraction in November and the 1.1% decline in October.

With its large industrial sector, Germany experienced a deeper contraction compared to other Eurozone economies. Economic growth in Germany in 4Q24 was confirmed at -0.8%, q-o-q, SAAR, following a slight expansion of 0.4% in 3Q24. IP in Germany remained in decline, contracting 3.1%, y-o-y, in December at a seasonally and working-day adjusted rate, down from 3.0% in November. Following the recent election, the incoming coalition government unveiled its plan to relax the debt brake to allow for further fiscal spending. This will be done through two main measures. First, defence spending above 1% of GDP will be excluded from the debt brake. Second, a €500 billion special purpose vehicle will be introduced for infrastructure investment.

France also saw an economic contraction in 4Q24, with GDP confirmed at a 0.4% decline, q-o-q, SAAR, after 1.6%, q-o-q, SAAR, growth in 3Q24. Consumption in France slowed after the boost seen during the Olympics in 3Q24. For the full year, GDP growth in 2024 stood at 1.1%. The French government budget narrowly passed in early February and introduced spending cuts and tax increases aimed at addressing the widening fiscal deficit.

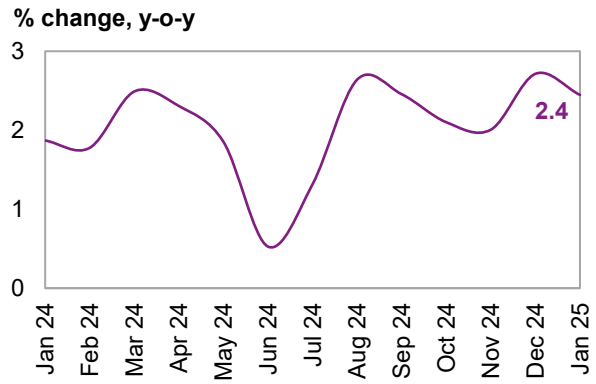
The US has announced plans to impose 25% tariffs on EU imports, targeting automobiles, metals, and agricultural products, with implementation set for early April. The EU has indicated it will respond with countermeasures, including reciprocal tariffs and potential legal action at the WTO. The situation remains uncertain, but the US reversals on tariffs for Canada and Mexico suggest a negotiated settlement with the EU remains possible.

Inflation edged down to 2.4%, y-o-y, in February, from 2.5% in January and December. Core inflation also moved lower to 2.8%, y-o-y, in January, from 2.9% in December and November. Services inflation remained elevated, though it eased slightly to 3.7%, y-o-y, in February, down from 3.9% in January and 4.0% in December. The ECB reduced key interest rates by 25 bp at its March meeting, bringing the deposit facility rate to 2.5%, citing easing inflation but remaining cautious about inflationary risks from trade tensions and fiscal policy shifts.

According to Eurostat, the unemployment rate remained stable at 6.2% in January for the fourth consecutive month. Throughout 2024, unemployment remained relatively low, not exceeding 6.5%.

Retail sales growth declined slightly in January, growing 2.4%, y-o-y, down from 2.7% in December but up from 2.0% in November. This growth was likely supported by stable employment levels, easing inflation, and lower interest rates. Consumer confidence continued to improve, reaching 96.3 in February, up from 95.3 in January and 93.8 in December.

Graph 3 - 5: Eurozone retail sales



Sources: Statistical Office of the European Communities and Haver Analytics.

Near-term expectations

The economic deceleration in 4Q24 is expected to have carryover effects in 1H25 across the Eurozone, particularly in economies with large industrial sectors. The industrial sector is expected to see some recovery in 2025 and into 2026, but uncertainties in trade relations introduce new risks. The services sector will remain supportive of economic growth, as seen in economies with large tourism sectors, further aided by the strengthening dollar.

On a quarterly basis, the Eurozone is projected to accelerate from 0.8%, q-o-q, SAAR, in 1Q25 to a sustained growth level of 1.2% through the end of the year. In 2026, quarterly growth is projected to continue at that pace, at 1.2%, q-o-q, SAAR, in 1Q26 and 2Q26 before decelerating to 0.8% for the remainder of the year. The projected continued decline in inflation and easing monetary policy is expected to support real wages and subsequent consumption. Potential tariffs from the US on the EU will likely have negative impacts on the automobile sector, particularly in Germany, though this may be partially offset by the strengthening US dollar supporting European exports. No concrete plan for US tariffs has been released regarding the EU, but the automobile sector is likely to be one of the targets if tariffs are imposed. The reversal of US tariffs on Mexico and Canada, with a one-month exemption for goods under USMCA, suggests the US could potentially reach an agreement with the EU, but this remains uncertain.

On the fiscal side, the incoming German coalition government is offering a plan to increase government borrowing by relaxing the debt brake, which previously limited the federal government's structural deficit to 0.35% of GDP per year. This measure will provide support for the German economy, particularly through infrastructure investment that will improve growth capacity. The additional flexibility will offer the incoming government more policy options to address challenges emerging from both the domestic economy and external factors. Germany's economy has clear upside with these developments but remains uncertain due to potential tariffs negatively impacting the automobile sector.

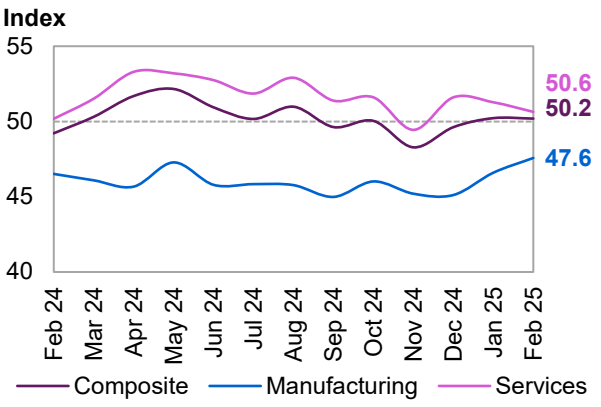
The ECB is expected to continue its easing cycle into 2025. However, as indicated at its last meeting, it will continue monitoring resurfacing inflationary pressures related to fiscal policy and trade. Additional rate cuts in 2025 have already been priced in by markets, though the trajectory may be altered by the latest developments.

Eurozone February PMI data indicates a slight improvement in the manufacturing sector, though it remains in contractionary territory, while the services sector retracted but remains in expansionary territory.

February's manufacturing PMI rose to 47.6, up from 46.6 in January and 45.1 in December. New orders fell at a slower pace, while new business from abroad improved the outlook.

The services PMI stood at 50.6 in February, down from 51.3 in January and 51.6 in December, as a decrease in new orders and persistent cost pressures in the sector weighed on the outlook.

Graph 3 - 6: Eurozone PMIs



Sources: S&P Global and Haver Analytics.

With the carryover effects of the slowdown observed in 4Q24 likely continuing into 1H25, alongside the uncertainties of trade policies offset by the improving fiscal outlook in Germany, the Eurozone's 2025 growth forecast remains at 0.9%, consistent with the previous month's estimate.

For 2026, an improving inflationary outlook and easing monetary policy keep the forecast at 1.1%, unchanged from the previous month's estimate.

Table 3 - 4: Eurozone economic growth rate and revision, 2025–2026*, %

	Eurozone
2025	**0.9**
Change from previous month	0.0
2026	**1.1**
Change from previous month	0.0

*Note: * 2025-2026 = Forecast.*

Source: OPEC.

Japan

Update on latest developments

Japan's economy rebounded in 4Q24, growing 2.2%, q-o-q, SAAR, up from a revised 1.4% in 3Q24. Growth was driven by both private and public expenditure, with private consumption increasing 1.1%, y-o-y, in 4Q24, up from 0.9% in 3Q24, and public expenditure rising to 1.7%, y-o-y, in 4Q24, up from 1.3%, y-o-y, in the previous quarter. Exports also improved towards the end of 2024 and into 2025 increasing 7.3%, y-o-y, in January, up from 2.8% in December and 3.8% in November.

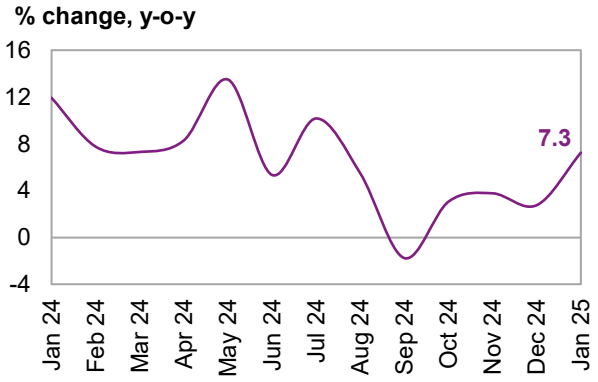
Inflation accelerated to 4.0%, y-o-y, in January, up from 3.6% in December, approaching the 4.2% high recorded in January 2023. Core inflation, meanwhile, retracted slightly to 1.5%, y-o-y, in January, down from 1.6% in December, indicating the continued influence of utilities and food on inflation dynamics. Food inflation, particularly in rice, remained a key driver, with government policies supporting domestic producers. Additionally, sustained growth in inbound tourism contributed to higher inflation in recreation services. The BoJ raised interest rates by 25 bp at its January meeting, bringing the rate to 0.5%. The next meeting is scheduled for mid-March.

IP rebounded in January, growing 2.5%, y-o-y, after two months of contraction. In December, IP contracted 1.3%, y-o-y, improving from a steeper decline of 2.6% in November. Durable consumer goods saw the largest expansion, rising 10.4%, y-o-y, in January after a 7.3% contraction in December. Japan has applied for exemptions from new US tariffs on aluminium and steel, set to take effect on 12 March 2025. In 2018, Japan secured an exemption from similar US tariffs through a tariff-rate quota agreement that allowed limited volumes of Japanese steel to enter the US tariff-free. However, the latest US tariffs do not permit country-specific exemptions. In 2024, Japan exported 1.17 million net tons (NT) of steel to the US, valued at approximately $2 billion, accounting for 1.4% of Japanese exports to the US.

Retail sales continued to expand, growing 3.8%, y-o-y, in January, up from 3.5% in December. Motor vehicle sales, in particular, rose 5.9%, y-o-y, in January, recovering from contractions in November and December. The Consumer Confidence Index declined slightly to 34.1 in February, down from 34.4 in January and 35.4 in November and December. Unemployment remained stable at 2.5% in January for a fourth consecutive month.

Exports saw strong growth in January, rising 7.3%, y-o-y, up from 2.8% in December. The increase was primarily driven by automobile exports to the US, likely due to frontloading ahead of expected US tariffs. Motor vehicles and consumer durables exports grew over 10%, y-o-y, in January, rebounding from contractions in both categories in December.

Graph 3 - 7: Japan's exports



Sources: Ministry of Finance, Japan Tariff Association and Haver Analytics.

Near-term expectations

Japan's economic recovery is expected to continue in 2025, maintaining the improving trend seen in 2024. Growth is forecast at 1.2% in 2025 before returning to the potential growth rate of 1.0% in 2026 as monetary tightening slows expansion. However, uncertainties remain, particularly regarding US trade policy and its impact on Japan. With no clear exemption from the 25% tariffs on steel and aluminium, Japan is likely to feel the effects of these measures from 2Q25 onwards.

Japan is expected to continue facing a tight labour market and persistent inflationary pressures. The BoJ is likely to maintain its monetary tightening stance. Given the ongoing economic recovery and inflationary pressures, further rate increases in 1H25 appear likely, with the next potential adjustment in March. BoJ officials have reaffirmed their commitment to keeping inflation within the target range. Spring wage negotiations are also expected to contribute to wage pressures and inflation. A key uncertainty remains the extent of trade tensions, which could slow economic growth and reduce the urgency for further monetary tightening.

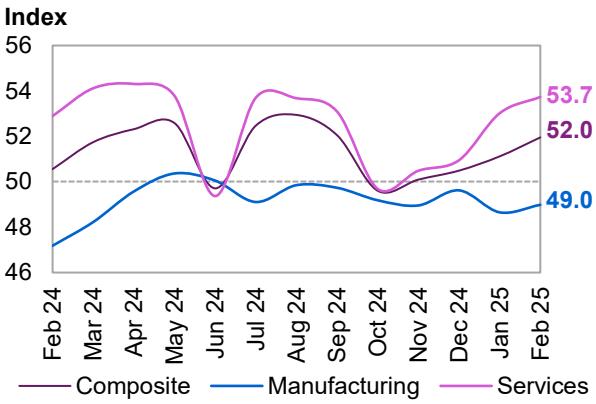
Domestic consumption is expected to remain supportive, while a stronger dollar will improve export competitiveness and boost tourism, partially offsetting the impact of trade barriers and tariffs. Additional support will come from the services sector in 2025. The fiscal support package announced in late 2024, valued at $140 billion, is expected to promote wage growth, alleviate cost-of-living pressures, and encourage business investment and innovation. When combined with expected private sector spending resulting from the stimulus, the total impact is projected at around $250 billion.

February PMI data indicates an improving outlook in the manufacturing sector, though it remains in contractionary territory, while the services sector continues to strengthen.

The manufacturing PMI improved to 49.0 in February, up from 48.7 in January, though still below 49.6 in December.

Meanwhile, the services PMI rose to 53.7 in February from 53.0 in January and 50.9 in December, continuing its solid expansion.

Graph 3 - 8: Japan's PMIs



Sources: S&P Global and Haver Analytics.

With improving dynamics and the carryover effects of the strong rebound in 4Q24, the 2025 growth forecast stands at 1.2%, a slight upward revision from the previous month's outlook.

For 2026, given global uncertainties and baseline effects, Japan is expected to return to its potential growth rate of 1.0%, in line with the previous forecast.

Table 3 - 5: Japan's economic growth rate and revision, 2025–2026*, %

	Japan
2025	**1.2**
Change from previous month	0.2
2026	**1.0**
Change from previous month	0.0

*Note: * 2025-2026 = Forecast.*

Source: OPEC.

Non-OECD

China

Update on the latest developments

The 2025 National People's Congress (NPC) commenced at the beginning of March with delivering the Government Work Report (GWR), outlining key economic and fiscal targets. The government maintained its GDP growth target at around 5% and lowered the CPI inflation target to around 2%, broadly in line with expectations. However, quotas for central and local government special bond issuance were lower than anticipated, suggesting reduced funding for bank recapitalization and consumer goods trade-in programmes. Policymakers emphasized boosting consumption, advancing high-tech manufacturing (including AI), and stabilizing the property sector, though more detailed measures remain to be seen. The government is expected to accelerate bond issuance and spending, but concerns remain over the impact of additional US tariffs on

Chinese goods. Given the ambitious growth target and the Ministry of Finance's commitment to incremental policy measures, there is potential for extra-budgetary funding later in the year if economic challenges intensify.

The fiscal deficit target was raised to 4% of the GDP, translating to RMB 5.7 trillion in government bond issuance. While total government bond issuance for 2025 is set at RMB 11.9 trillion – higher than in 2024 – it falls below market expectations. Local government bonds will primarily fund infrastructure, property sector support, and debt resolution. Labour market targets remain unchanged, with policymakers aiming for over 12 million new urban jobs and an unemployment rate of around 5.5%. Key policy priorities include consumption stimulus, increased pension support, AI-driven industrial development, and measures to stabilize the housing market. Policymakers also pledged monetary easing while balancing foreign exchange (FX) stability.

In the meantime, China's economy appears to have maintained steady growth in 1Q25. Supported by existing stimulus measures and – to a lesser extent – domestic consumption and exports, the economy seems to be on track to achieve healthy growth levels of around 5%. Inflation remains low, and the central bank has room to manoeuvre and provide additional monetary stimulus measures. Meanwhile, the PBoC is prioritizing currency stability over depreciation, which may consequently conflict with further monetary easing efforts. IP also saw notable gains up to December, particularly in the automobile and electric machinery sectors, while growth in retail sales rebounded, too.

At the beginning of March, the US imposed further tariffs of 10% on all Chinese imports, consequently doubling tariffs to 20%. China already announced tariffs of 15% on US coal and LNG and tariffs of 10% on crude oil, agricultural machinery, and large cars in February. China also launched antitrust investigations into specific US companies. Additionally, China imposed export controls on critical rare earth materials. Furthermore, China vowed to challenge the tariffs at the World Trade Organization. In addition to these first-round reciprocal measures, China has implemented additional tariffs of between 10% and 15% on various US agricultural products such as soybeans, pork, beef, fruits, vegetables, and dairy products. China has also added several US firms to its export control list and effectively banned several US companies from trading with China or making new investments by placing them on its unreliable entity list.

Housing prices continued to stabilize in December, according to the 70-city price index provided by Haver Analytics, with a slowing decline of 7%, y-o-y, in January, compared with 7.6%, y-o-y, in December and following a November contraction of 8.4%, y-o-y. Moreover, household consumption showed signs of resilience. Retail sales grew 3.7%, y-o-y, in December, up from the 3%, y-o-y, recorded in November. This followed the considerable uptick of 4.8%, y-o-y, in October, which was bolstered by the Singles' Day shopping festival.

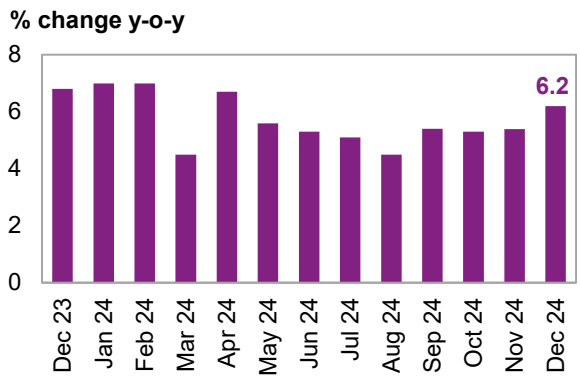
Headline inflation moved back into deflationary territory, albeit this was impacted by seasonal distortions in the yearly comparisons in January and February due to this year's early date of China's Lunar year. China's consumer prices declined by 0.7%, y-o-y, in February, following a rise of 0.5%, y-o-y, in January. Meanwhile, core inflation fell by 0.1%, y-o-y in January, following an increase of 0.6% in January.

The urban unemployment rate edged up to 5.2% in January, following 5.1% in December and 5% in both November and October. Urban youth unemployment – which peaked at almost 19% in August, following the entry of new college graduates into the labour market – rose slightly, reaching 16.1% in January, compared with 15.7% in December.

IP strengthened further in December, increasing by 6.2%, y-o-y, compared with 5.4%, y-o-y, in November and 5.3%, y-o-y, in October. Within IP, manufacturing accelerated, growing 7%, y-o-y, in December, following a growth of 6.0%, y-o-y, in November and 5.4%, y-o-y, in October.

Motor vehicle production retraced considerably, rising by 1.7%, y-o-y, in January, following an increase of 9.3%, y-o-y, in December and a rise of 11.1%, y-o-y, in November. While slowing down, new energy vehicle production continued at a strong rate, rising by 25.1%, y-o-y, in January, compared with a rise of 31.5%, y-o-y, in December and following a rise of 49.7%, y-o-y, in November.

Graph 3 - 9: China's industrial production



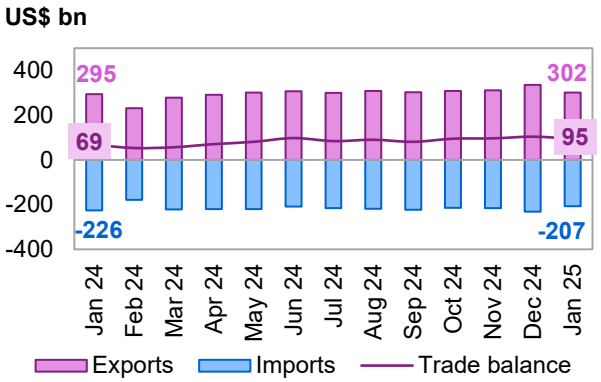
Sources: China National Bureau of Statistics and Haver Analytics.

The latest trade-related data shows that China's trade surplus normalised again in January and February, after it had widened considerably to a record $104.8 billion in December, mostly in anticipation of US trade tariffs. Compared to this December level, the trade surplus stood at $75 billion in February, following $95.5 billion in January, notably surpassing the February and January 2024 levels of $54 billion and $68.6 billion, respectively.

Export growth increased by 2.7%, y-o-y, in February and January, compared with 10.7%, y-o-y, in December, reaching $237.6 billion in February and $302.4 billion in January.

Imports declined by 8.4%, y-o-y, in February and January, compared with a rise of 1%, y-o-y, in December, reaching $162.5 billion in February and $206.9 billion in January.

Graph 3 - 10: China's trade balance



Sources: General Administration of Customs of China and Haver Analytics.

Near-term expectations

The positive economic growth momentum from late 2024 seems to have continued into 1Q25, supporting steady growth, particularly as fiscal measures gain traction and monetary easing measures are anticipated to continue. Meanwhile, the property market has continued to adjust, with ongoing policy efforts focused on stabilizing the sector. Fiscal and monetary policy support, along with anticipated resilient consumer demand, could help offset external headwinds. However, the latest trade-related dispute and the US announcement of additional 10% tariffs on Chinese imported goods could negatively impact economic growth moving forward. The impact of possible adjustments to trade barriers remains to be seen, but if these relatively high US tariffs remain in place, they could temporarily dampen China's economic growth, especially as compensatory measures may not entirely counterbalance their impact in the short term. While the situation requires close monitoring, the anticipation of tariffs has so far had a positive impact on exports and IP.

Additionally, the impact may be mitigated via various measures, such as currency adjustments, cost-cutting by exporters and importers, reduced profit margins, and redirecting US-bound exports to other markets. Over the past several years, China has increasingly diversified its export markets, expanding into regions such as Latin America, the Middle East, and Russia, which are expected to potentially absorb additional volumes. Thus, China is likely to sustain high export volumes, even amid escalating trade tensions with the US.

Consequently, China's economic growth dynamic is anticipated to remain well supported in 2025 and 2026, normalizing at just below 5% growth on a quarterly average in the near term. Government support for the housing sector is expected to continue boosting household budgets, consequently resulting in increased consumer spending. Support measures geared towards domestic demand that are already implemented or will be rolled out at a later stage in 2025 will be critical in mitigating the effects of heightened trade tensions.

Amid global trade uncertainties and potential tariff risks, the PBoC has shifted its currency strategy from emphasizing "flexibility" to prioritizing "resilience," signalling a focus on stability rather than targeting a specific exchange rate. The renminbi is expected to experience modest depreciation against the US dollar in 2025, while government bond yields are likely to decline as monetary easing continues. Facilitating fiscal expansion, and in line with its policy guidance, the PBoC is expected to extend its rate-cutting cycle reduction in the benchmark seven-day reverse repo rate. A further reduction in the reserve requirement ratio (RRR) is likely as well. To manage liquidity, the central bank may also employ alternative monetary tools, such as central government bond (CGB) purchases and outright repos, alongside RRR adjustments.

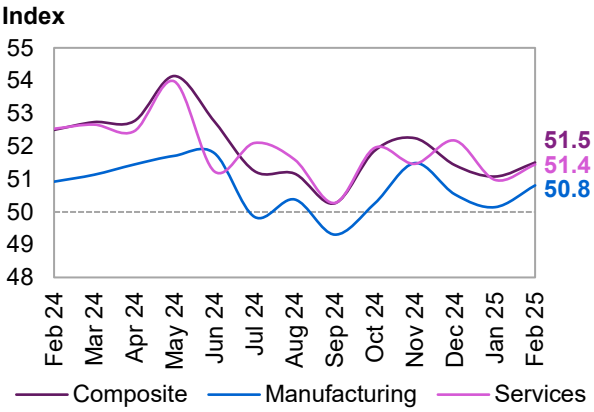
The labour market is expected to remain stable, with the latest decline in youth unemployment suggesting that the seasonal influx of new college graduates is being absorbed to some degree. However, this challenge is likely to persist in 2025 and potentially into 2026.

The latest PMI data for February indicates continued economic improvement, with gains in the manufacturing sector and an even stronger performance in the services sector.

The Manufacturing PMI improved in February, rising to 50.8, compared with 50.1 in January and 50.5 in December.

The Services PMI also improved, standing at 51.4, compared with 51 in January, but following a level of 52.2 in December.

Graph 3 - 11: China's PMI



Sources: Caixin, S&P Global and Haver Analytics.

Considering China's ongoing sound robust economic expansion in 4Q24, and taking into consideration the policy support that was highlighted by the government in the latest policy meetings at the beginning of March, economic growth is forecast to be well supported in 2025. Consequently, the economic growth forecast remains at 4.7% for 2025, consistent with the previous month's report. However, trade-related issues must be closely monitored, as they could dampen this growth dynamic in the near term.

Table 3 - 6: China's economic growth rate and revision, 2025–2026*, %

	China
2025	**4.7**
Change from previous month	0.0
2026	**4.6**
Change from previous month	0.0

*Note: * 2025-2026 = Forecast.*

Source: OPEC.

In 2026, economic growth is also expected to remain well-supported and to decelerate only marginally. Consequently, economic growth is forecast at 4.6%, unchanged from the previous month's forecast.

India

Update on the latest developments

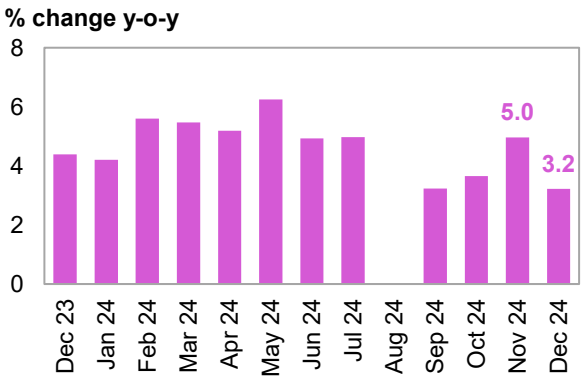
India's economy continued to see sound economic growth in 4Q24. Following a slowdown in India's 3Q24 GDP growth dynamics, 4Q24 GDP growth rebounded. India's 3Q24 economic growth stood at a slightly upward-revised 5.6%, y-o-y, down from 6.5%, y-o-y, in 2Q24, and followed growth of 8.4%, y-o-y, in 1Q24. The 3Q24 slowdown was mainly driven by a contraction in the manufacturing sector, among others. Following a 4Q24 bounce in the manufacturing sector, an acceleration in agriculture and forestry output and steady growth in the services sector, economic growth in 4Q24 expanded by 6.2%, y-o-y. Business sentiment indicators, including the January PMI, point to continued robust growth. Additionally, inflation fell significantly in January. Inflation has been hovering close to the upper limit of the RBI's target range of 2% to 6% over the past few months, but has now moved towards the midpoint of the central bank's inflation expectations of 4%.

Amidst the ongoing US-centred, trade-related dynamics, India is carrying out important trade negotiations with the EU, UK, and US, aiming to lower its traditionally high tariffs and open its market to more foreign products. Based on average tariff data provided by Macrotrends, average tariffs in India stood at around 6% over the past years, a weighted mean applied tariff, which takes into account the import shares corresponding to each partner country. Most recently, government officials began discussions with the US to discuss a bilateral trade deal, crucial for India's economic interests given that the US is its second-largest trading partner after China. The European Commission President visited India to discuss a potential free trade deal. The talks with the EU are still in their early stages. Meanwhile, India and the UK have resumed trade talks, addressing a variety of detailed issues. These trade deals promise to offer Indian consumers a wider variety of foreign products at more competitive prices, although they also present challenges for local manufacturers, who will face increased competition. The global trade landscape is further complicated by the recent US decision to levy tariffs on several trading partners, including China, Mexico, and Canada. Regardless, the latest Indian budget highlights the government's continued commitment to growth initiatives. It emphasizes economic expansion through business-friendly reforms, tax relief for the middle class, and a balanced approach to fiscal discipline.

Signs of recovery in the industrial sphere continued in 4Q24. Although retracting slightly, IP held up well, expanding by 3.2%, y-o-y, in December, following growth of 5%, y-o-y, in November and growth of 3.7%, y-o-y, in October.

The unemployment rate rose somewhat, standing at 8.4% in February, following 7.9% in January. This was mainly driven by rising unemployment in rural areas, likely due to seasonal factors, with the rural unemployment rate increasing from 7.7% to 8.8%.

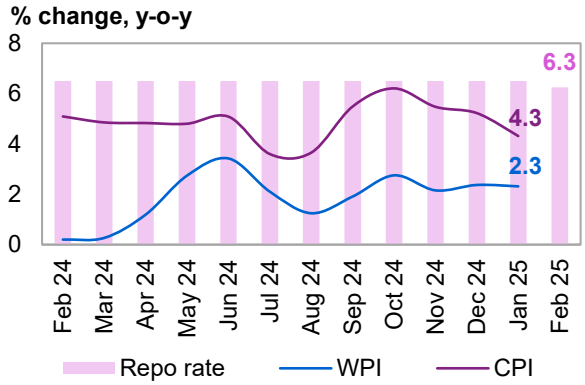
Graph 3 - 12: India's industrial production



Sources: Ministry of Statistics and Program Implementation of India and Haver Analytics.

Headline inflation eased considerably to stand at 4.3%, y-o-y, in January, compared with 5.2%, y-o-y, in December and 5.5%, y-o-y, in November. Following the last months' inflation surges, which were primarily fuelled by rising vegetable prices, the recent decline in this category has contributed to driving prices down. Core inflation remained stable, standing at 3.7%, y-o-y, in January, following 3.6%, y-o-y, in December, and 3.7%, y-o-y, in November. Given the somewhat slowing growth dynamic, and the retraction in headline inflation, the RBI consequently lowered the key policy rate by 25 bp to 6.25% at its most recent February meeting. Given recent trends, the Committee voted to maintain a "neutral" stance, rather than shifting to an "accommodative" one.

Graph 3 - 13: Repo rate and inflation in India



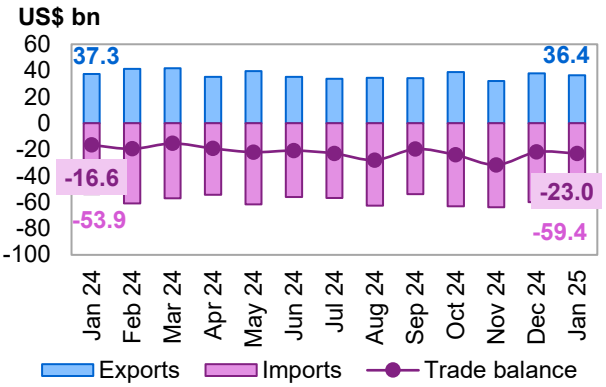
Sources: Ministry of Commerce and Industry, Reserve Bank of India and Haver Analytics.

India's trade deficit expanded, standing at $23 billion in January, up from a trade deficit of $21.9 billion in December, but lower than $31.8 billion in November.

Imports levels remained almost unchanged, standing at $59.4 billion, following $59.9 billion in December, but down from the November level of $63.9 billion.

At the same time, exports fell to $36.4 billion in January, following $38 billion in December and $32.1 billion in November.

Graph 3 - 14: India's trade balance



Sources: Ministry of Commerce and Industry and Haver Analytics.

Near-term expectations

Following the slight rebound and steady growth level in 4Q24, the Indian economy is forecast to maintain an average quarterly growth level of around 6.5% in both 2025 and 2026. This momentum is expected to remain supported by a variety of factors, including gradual ongoing monetary easing in 2025 and 2026, in combination with a growth-friendly budget and other government support measures. Also, inflation has continued retracting, providing room for potential central bank monetary easing measures later in 2025. However, the weakening of the Indian rupee since 2H24 will need further monitoring, as it may influence upcoming monetary policy decisions. In the very near term, monetary policies are forecast to remain unchanged, keeping the key policy rate at 6.25% in the upcoming April meeting. However, a lowering of the key policy rate by another 25 bp in 2Q25 seems likely. Following liquidity injections of INR 1.5 trillion, the RBI is likely to maintain its accommodative monetary policy, including lowering the key policy rate further. However, with banking liquidity

anticipated to remain in deficit due to continued unsterilized FX interventions, further liquidity measures may be needed to ensure effective monetary policy transmission.

Importantly, the most recently published budget underscores ongoing growth-related initiatives by the government. India's latest budget focuses on economic growth, including measures to improve the business environment and tax breaks for middle-class earners, all while keeping fiscal discipline. The government raised the income tax exemption threshold, reducing the tax burden on individuals, with the aim of boosting household consumption and savings. The personal income tax threshold, below which taxpayers owe no tax, moved to INR 1.2 million (around $14,000), up from INR 700,000 (around $8,000). Small and medium-sized businesses also received incentives to stimulate economic activity. It was also announced that fiscal consolidation will continue, targeting a reduction in the fiscal deficit to 4.4% of GDP in FY26, down from the revised 4.8% in FY25. Meanwhile, central government capital expenditure is projected to remain steady, with continued investment in infrastructure and development. In addition, the government announced the formation of a committee for regulatory reforms to facilitate business activities.

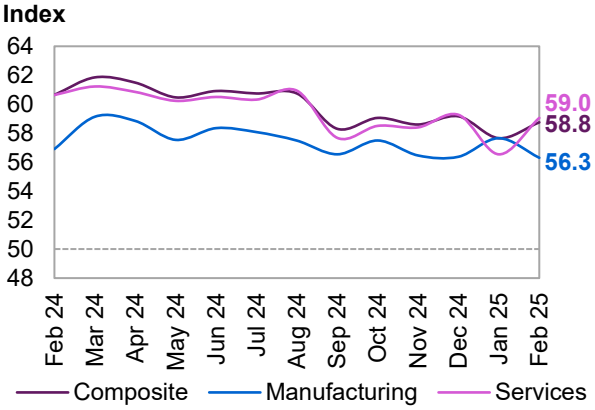
Hence, the outlook for the near term provides further positive signals, especially as consumption and investment could gain momentum into 2025 and 2026. As inflation has begun pulling back, it is expected to continue gradually easing, supporting real incomes over time. Based on budgetary indications, public spending is set to strengthen in 2025 and beyond, providing further economic support. Additionally, conditions for private investment remain favourable, and as financing constraints ease, business confidence and spending could accelerate further. At the same time, uncertainties in global trade remain that could affect India through various channels, including indirect ones.

PMI figures for February support the ongoing steady growth trend, with robust expectations in the manufacturing sector, while the important services sector has even improved expectations further

The manufacturing PMI fell slightly, standing at 56.3 in February, following a level of 57.7 in January, and 56.4 in December.

The services sector PMI rebounded considerably in February to stand at 59, having dipped to 56.5 in January from 59.3 in December. This positive trend was primarily fuelled by a rise in new business inflows amid strong demand. New export orders reached a six-month high, as firms reported higher international sales across multiple regions.

Graph 3 - 15: India's PMIs



Sources: S&P Global and Haver Analytics.

Given the above-mentioned situation, economic growth in 2025 is expected to remain robust, driven by continued consumer spending, monetary policy accommodation, investment and government support for key sectors. The forecast stands at 6.5%, unchanged from the previous month's forecast.

In 2026, the Indian economy is expected to continue expanding, with policy continuity and inflation easing. Economic growth is forecast at an unchanged 6.5%.

Table 3 - 7: India's economic growth rate and revision, 2025–2026*, %

	India
2025	**6.5**
Change from previous month	0.0
2026	**6.5**
Change from previous month	0.0

*Note: * 2025-2026 = Forecast.*

Source: OPEC.

Brazil

Update on latest developments

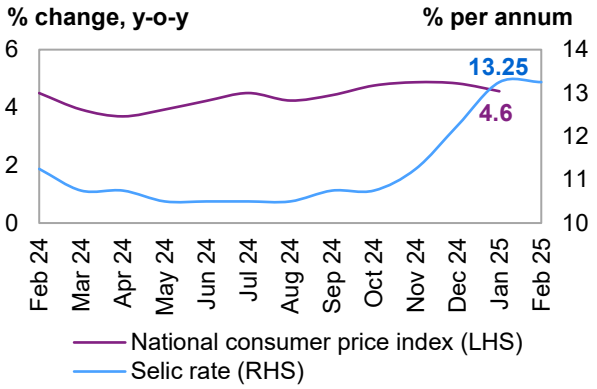
Following significant growth levels in the first three quarters in 2024, economic growth has slowed down in 4Q24 and in 1Q25. The rate of the slowdown was limited, but increasingly tight monetary policy and weakening labour market conditions highlight some of the challenges facing economic activity at the turn of the year. However, in the meantime, business confidence remained stable, and PMI indicators rebounded considerably in February. A further normalization of growth in 1Q25 is expected after Brazil's economic growth was reported at 3.6%, y-o-y in 4Q24, following 4.0%, y-o-y, in 3Q24, supported by investment and services activity, after growth of 3.3%, y-o-y, in 2Q24 and growth of 2.6%, y-o-y, in 1Q24. While the composite business confidence indicator remained stable at 49.1 in February, as provided by the Confederação Nacional da Indústria, the

Consumer Confidence Index dropped by 2.6 points in February, bringing the headline index to 83.6, the lowest level since 2022, as provided by the Fundacao Getulio Vargas.

This decelerating trend was accompanied by a retraction in IP, which expanded by only 0.5%, y-o-y, in December, on a seasonally adjusted basis. This translates into a contraction of 0.3%, m-o-m, the third consecutive monthly decline. When reviewing the details, the composition appears even softer than the headline suggests. Declines in capital goods, as well as both durable and non-durable consumer goods, contributed to the drop, which was partially offset by a rise in intermediate goods. Manufacturing production remains sluggish, with quarterly growth slowing to -0.1% in 4Q24 from +1.2% in 3Q24, reflecting broad-based deceleration.

Core inflation edged down slightly in January to stand at 3.7%, y-o-y, compared with 3.9%, y-o-y, in December and 4%, y-o-y, in November. Headline inflation retracted too, standing at 4.6%, y-o-y, in January, compared with 4.8%, y-o-y, in December and 4.9%, y-o-y, in November. Hence, headline inflation is approaching the central bank's upper limit of Brazil's target inflation range. The unemployment rate rose slightly to stand at 6.5% in January, following a level of 6.2% in December and 6.1% in November, continuing a generally tight labour market trend.

Graph 3 - 16: Brazil's inflation vs. interest rate



Sources: Banco Central do Brasil, Instituto Brasileiro de Geografia e Estatística and Haver Analytics.

In response to rising inflationary pressures, the BCB raised the Selic rate at its latest policy meeting in January by 1 percentage point (pp), bringing it to 13.25%. The minutes released from the meeting pointed to likely continued monetary tightening, although this may depend on inflation expectations leading up to the upcoming March meeting. The inflation backdrop was highlighted as remaining challenging, with short-term drivers including the exchange rate and the broader underlying inflation dynamic. It was said that the balance of risks for inflation remains asymmetric, tilted to the upside. However, the rate-setting committee remains focused on inflation and unanchored expectations.

Near-term expectations

Following significant growth of 4%, y-o-y, in 3Q24, growth in the final quarter of last year stood at a healthy 3.6%, y-o-y. Moving forward, quarterly growth levels in Brazil's economy are anticipated to stand at an around slightly lower level, with 2.5%, y-o-y, growth dynamic foreseen in 1Q25, before slightly decelerating further towards 2H25, when the Brazilian economy is forecast to expand by around 2.2% on an annual basis. This slowdown is impacted by the BCB's anticipated continued monetary tightening and the expectation of some fiscal consolidation by the government. This will lead to some normalization in Brazilian growth levels after the high growth rates seen in 2024. However, the growth dynamic is then anticipated to accelerate slightly, moving into 2026, with annual 1H26 economic growth of around 2.3%, accelerating further to around 2.6% in 2H26.

Furthermore, it is anticipated that a variety of factors will keep annual inflation elevated until 2H25. Inflation will possibly remain at around 5% in 1H25, driven by food price rises – impacted by recent droughts – and the cost-push shock from the weakened Brazilian real and services sector inflation, given the ongoing relatively tight labour market. Higher services inflation in January has led to an upward revision of the year-end headline inflation forecast to more than 5%, with services inflation expected to approach 6% in the near term due to recent and possibly continuing real wage gains.

Consequently, it is expected that the BCB will likely raise the policy rate further by up to 1 pp in 1H25, especially as it appears committed to prioritizing a quicker return to within the 1.5% to 4.5% target range within a few quarters, even at the risk of undershooting it later.

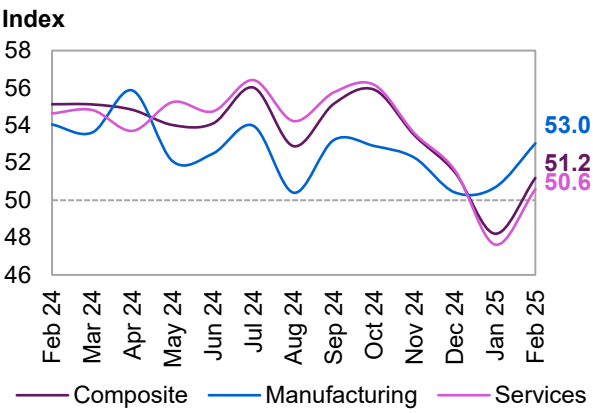
This phase of monetary tightening will likely be followed by cuts starting in 2026 to prevent inflation from falling below the target floor. This is anticipated to provide some support for growth in 2026 as well. In 2026, economic growth is expected to accelerate, as it is likely that reforms to the tax code will positively impact the investment outlook. Some risks may arise from the fact that slow fiscal adjustment in an environment of high real interest rates may lead to a sharper slowdown in the near-term growth dynamic. Stabilizing rising debt levels at higher interest rates will be both costlier and riskier, increasing Brazil's vulnerability to global shocks and potentially posing a risk to Brazil's fiscal sustainability.

The February PMIs point to a sound rebound, following the softening in Brazil's growth dynamic reflected in last month's data release.

The Services PMI rose to 50.6, moving back into expansionary territory, after the index fell considerably to 47.6 in January, following a level of 51.6 in December and 53.6 in November.

The Manufacturing PMI also improved strongly, reaching a level of 53.0, up from 50.7 in January, 50.4 in December and 52.3 in November.

Graph 3 - 17: Brazil's PMIs



Sources: HSBC, S&P Global and Haver Analytics.

Reflecting the ongoing decelerating dynamic in the Brazilian economy, the 2025 economic growth forecast stands at 2.3%, unchanged from the previous month's report.

For 2026, the economic growth forecast stands at 2.5%, unchanged from the previous month. This anticipates an acceleration driven by monetary easing, a positive impact from the reformed tax code and a consequent pickup in domestic consumption and investments.

Table 3 - 8: Brazil's economic growth rate and revision, 2025–2026*, %

	Brazil
2025	**2.3**
Change from previous month	0.0
2026	**2.5**
Change from previous month	0.0

*Note: * 2025-2026 = Forecast.*

Source: OPEC.

Russia

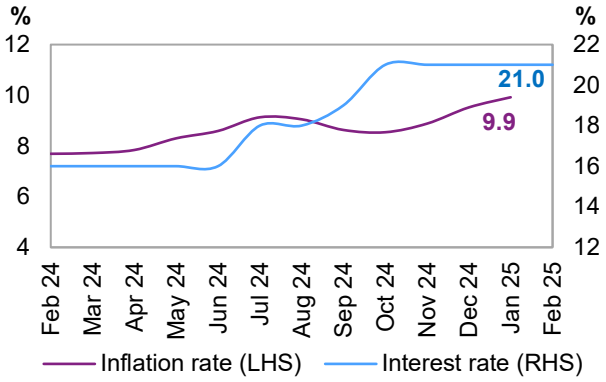
Update on the latest developments

The Russian economy is estimated to have experienced robust growth at the turn of the year in both 4Q24 and in 1Q25, although the latest indicators confirm that the economy is moving towards more normalized growth rates. Domestic consumption has remained resilient, but inflation has increased further, prompting the central bank to raise the key policy rate and maintain it at an elevated level. In 3Q24, economic growth stood at 3.1%, y-o-y, following 2Q24 growth of 4.1%, y-o-y, and 5.4%, y-o-y, in 1Q24. The Central Bank of Russia estimates that the 4Q24 growth rate stood at 3.3%, y-o-y. Despite anticipated slowing growth levels, this dynamic is above pre-pandemic Russian economic growth levels, which averaged at or below 2%.

As the decelerating trend continued into 1Q25, IP retracted in January, growing by 2.1%, y-o-y, following growth of 8.1%, y-o-y, in December and 3.1%, y-o-y, in November. Ongoing support came from manufacturing, which rose by 7.4%, y-o-y, compared with 14.1%, y-o-y, in December and 7.2%, y-o-y, in November. Retail sales growth expanded slightly in January, rising by 5.3%, y-o-y, compared with 5.1%, y-o-y, in December and 5.9%, y-o-y, in November.

Amid robust domestic demand, inflation continued to rise and remains a considerable concern. The CPI edged up to 9.9%, y-o-y, in January, up from 9.5%, y-o-y, in December and 8.9%, y-o-y, in November. So far, the Central Bank of Russia has held interest rates steady at 21%, pausing the tightening cycle that began in July 2024, a hiking cycle that has raised the key policy rate by 13.5 pp. Since lending rates in 4Q24 surpassed the policy rate, the Central Bank of Russia opted to hold rates steady to assess the effects of earlier tightening measures on the economy.

Graph 3 - 18: Russia's inflation vs. interest rate



Sources: Federal State Statistics Service, Central Bank of Russian Federation and Haver Analytics.

The labour market remains tight, with the unemployment rate at 2.4%, y-o-y, in January, almost unchanged from 2.3% in December. This tight labour market continues to support accelerating wage growth and consumer spending. Russia's nominal average monthly wages saw record growth in December, rising 21.9% y-o-y, indicating strong underlying local demand that continues to fuel inflationary pressures.

Near-term expectations

The Russian economy is expected to maintain its strong growth momentum in 2025, though some normalization is anticipated towards the end of the year due to restrictive monetary policy, potential fiscal consolidation, and a persistently constrained labour market, which is likely to remain tight in 1H25. Amid the current geopolitical dynamics, there has been some expectation of a gradual removal of external pressures, which could support the economic growth dynamic, but this remains to be seen. The expectation of a slowdown in economic growth was recently acknowledged by the Central Bank of Russia, which expects GDP growth rates in 2025 to be between 1.0% and 2.0%. This is nevertheless an upward revision of 0.5 pp, primarily owing to an expected smoother slowdown in consumer activity and a more substantial recovery in inventories than previously forecast. Meanwhile, the forecast range for 2026 has been reduced by 0.5 pp, with the revised range now between 0.5% and 1.5%, coming amid a slight downward adjustment to the forecast for both consumer and investment demand in 2026.

Following a growth of 3.1%, y-o-y, in 3Q24, the quarterly growth rates are seen at 2.5%, y-o-y, in both 4Q24 and 1Q25. A further decelerating trend is anticipated in 2H25, when the average quarterly growth rate is seen at around 1.5%. The growth rates are forecast to normalize further into 2026, with quarterly growth rates averaging 1.5%, y-o-y, but accelerating towards the end of 2026.

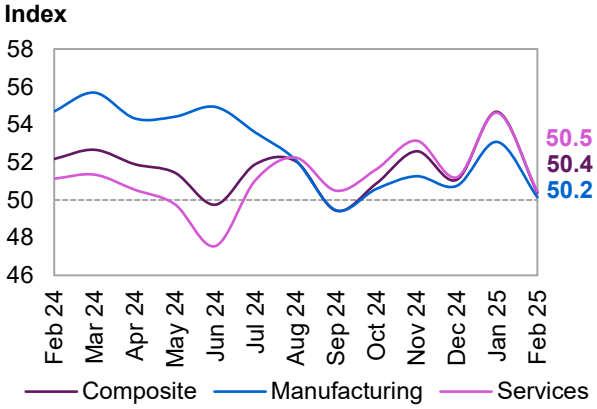
Government spending and fiscal support have been the main forces driving economic activity, keeping a positive output gap that has contributed to inflationary pressures. Looking ahead, inflation is expected to ease in 2H25 as consumer demand is forecast to slow down somewhat from the elevated levels seen up to 2Q25. The Central Bank of Russia has suggested that it may maintain its tight monetary policy and could pause further rate hikes at its March meeting, depending on inflation trends and lending activity.

The latest PMI figures from February show a slowdown in both the manufacturing and services outlook.

The manufacturing PMI dropped considerably, standing at 50.2, after rising to 53.1 in January from 50.8 in December. Weighing on the sector's performance was a broad stagnation in new orders.

The services PMI also declined considerably, standing at 50.5 in February, following 54.6 in January and 51.2 in December. This was impacted by the shortage of labour supply and easing of conditions in new order growth.

Graph 3 - 19: Russia's PMI



Sources: HSBC, S&P Global and Haver Analytics.

The economic growth forecast for 2025 is unchanged. The growth projection stands at 1.9%, as the economy's dynamic is anticipated to decelerate compared to 2024, with some carry-over effects from 4Q24 expected in 1H25. However, the Russian economy is nevertheless forecast to expand at a steady pace in 2025.

In 2026, the Russian economy is projected to normalize further, with growth expected to reach 1.5%, unchanged from the previous month's estimate.

Table 3 - 9: Russia's economic growth rate and revision, 2025–2026*, %

	Russia
2025	**1.9**
Change from previous month	0.0
2026	**1.5**
Change from previous month	0.0

*Note: * 2025-2026 = Forecast.*

Source: OPEC.

Africa

South Africa

Update on the latest developments

South Africa's economic dynamic accelerated in 4Q24 to 0.9%, y-o-y, up from 0.4%, y-o-y, in 3Q24 and 2Q24, but conditions remain mixed overall. Private household consumption has seen some improvement since last year's elections, supported by increased confidence in South Africa's economic outlook. More accommodative monetary policies via lower interest rates and stable inflation have been key factors in this recovery. The underlying improvements have likely continued in 1Q25. Business conditions in the private sector also appear to be improving. However, progress remains slow, as internal divisions within the government over policy decisions continue to create political uncertainty. South Africa's coalition government is facing internal divisions over the national budget, set to be presented later in March. Minority coalition partners recently blocked a draft proposal that included a VAT hike to address a R60bn ($3.3bn) fiscal shortfall. The finance minister's proposal to raise VAT from 15% to 17% has been met with resistance by some parties in the government. With consensus yet to be found, the deadlock may raise concerns over potential fiscal and possibly political stability.

In the meantime, core inflation has fallen in the past months, although the latest data point from January was stable. However, this trajectory has supported the South African Reserve Bank (SARB) in consequently lowering its key policy rates. This, in combination with the slowing inflationary dynamic, has lifted spending ability and consumer purchasing power, a trend that is anticipated to have continued at the beginning of the year. The SARB cut the repo rate, its key policy rate, by 25 bp from 7.75% to 7.50% in January. The key policy rate stood at 8.25% up to August. However, recent headline inflation data supports a cautious approach by the central bank, with headline inflation rising slightly from 2.9%, y-o-y, in December, to 3.1%, y-o-y, in January. Core inflation remained steady, standing at 3.5%, y-o-y.

Consequently, retail trade saw strong growth in 4Q24, with sales rising by 7.4%, y-o-y, on a nominal base. That said, within the final quarter, growth was the lowest in December, standing at 4.6%, y-o-y. General retail sales were robust in 2H24 nevertheless and the steady momentum is estimated to have continued into 2025.

Near-term expectations

Both the economic growth expectations for 2025 and 2026 anticipate modest improvements in economic conditions. As inflation may temporarily remain a concern in the short term, the central bank will continue its cautious approach and is expected to pause its monetary policy accommodation at its upcoming March meeting. This may then be followed by data-dependent pauses and cuts at alternating meetings until reaching a 6.5% terminal rate. However, risks suggest a slower pace of easing, particularly if external pressures, such as rand volatility, push the central bank to hold rates steady. The rate-cutting cycle is projected to conclude by 2H25. At the same time, domestic demand is expected to strengthen further in 2025 as consumer purchasing power is expected to improve gradually throughout 2025, supporting economic activity and boosting manufacturing.

Improving signals in domestic affairs also come from the latest PMI data, released for February, standing at 49, following an index level of 47.4 in January, but a higher 49.9 in December. Moreover, the index remains in contractionary territory, below 50.

With continued improvements in the economy, possibly providing a stable base for 2025, South Africa's economic growth forecast for 2025 remains steady at 1.3%, in line with the previous month's projection. However, the latest disagreement in the government on the budget may alter the current positive dynamic if a solution cannot be found.

For 2026, continued structural improvements are expected to further accelerate the economy to a growth rate of 1.5%, also unchanged from the previous month.

Table 3 - 10: South Africa's economic growth rate and revision, 2025–2026*, %

	South Africa
2025	**1.3**
Change from previous month	0.0
2026	**1.5**
Change from previous month	0.0

*Note: * 2025-2026 = Forecast.*

Source: OPEC.

Saudi Arabia

Saudi Arabia's economy has continued to accelerate in 2025, with the country's non-oil sector activities doing very well. Economic growth data for 4Q24 confirms that Saudi Arabia's GDP grew by 4.4%, y-o-y, aligning with expectations and marking a further increase from the 2.8% recorded in the previous quarter. This brings total growth for 2024 to 1.3%, in line with general projections. The non-oil sector remains a key driver, reflecting ongoing diversification efforts. This positive trend is expected to continue into 2025. Inflation remained around 2% in January, with housing cost growth continuing to have the largest weight in the CPI basket. Core inflation remained relatively stable at 2.4% in January and has come down from last year's peak levels in October and November of 2.6%. Indicating robust and accelerating growth momentum, the PMI remained strong in February, standing at 58.4, down from January's decade high of 60.5. This marks the 53rd consecutive month above the neutral 50 threshold, signalling ongoing expansion. This sustained growth highlights the government's continued diversification efforts, strong domestic demand, and rising employment levels. Moreover, infrastructure projects – including the expansion of the country's high-speed rail network – are expected to commence in 2025 and accelerate in 2026, following the awarding of the 2034 FIFA World Cup to Saudi Arabia. Other major projects will also continue to drive government spending.

Nigeria

After the Nigerian economy recorded healthy growth in 3Q24, standing at 3.1%, y-o-y, annual economic output accelerated to a considerable 4.6%, y-o-y, in 4Q24. These rising growth rates compare with 3%, y-o-y, in 2Q24 and 2%, y-o-y, in 1Q24, demonstrating an improving path. This came despite the impact of tightening monetary policy, with the non-oil sector playing an increasingly important role in driving growth, supported by easing price pressures and a potential loosening of tight monetary policy. At its latest meeting, the Central Bank of Nigeria (CBN) kept its policy rate unchanged at 27.5% and maintained the cash reserve ratio at +50%, aligning with market expectations. The CBN's governor stated that the unanimous decision was influenced by the recent stability and appreciation of the Naira, a gradual decline in petrol motor spirit prices, and improvements in Nigeria's external position. While discussions on Nigeria's persistently high inflation were less hawkish than in previous meetings, the governor acknowledged ongoing inflationary risks, particularly from rising food prices. The central bank also welcomed the CPI re-basing, noting that it better reflects current economic conditions. The National Bureau of Statistics (NBS) revised Nigeria's Consumer Price Index (CPI), updating the base year from 2009 to 2024 and reducing the food basket's weight. According to the NBS, year-on-year headline inflation stood at +24.5% in January. The oil sector remains central to the economy, reflected in the strong reading of the S&P PMI, which rose further in February, to stand at a level of 53.7, compared with 52 in January and 52.7 in December.

United Arab Emirates (UAE)

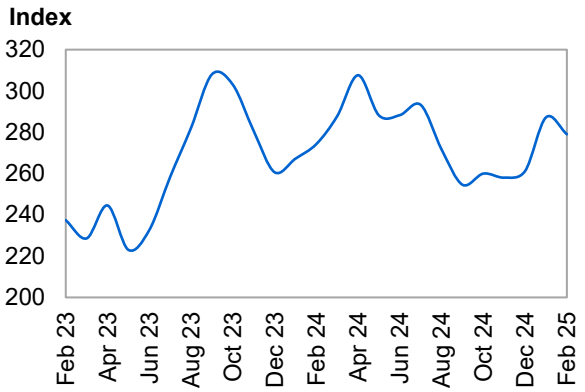
Heading into 2025, the UAE's non-oil economy continued to exhibit a healthy growth dynamic, with most recent data and economic indicators highlighting a robust expansion. Strong non-oil sector growth is likely contributing as well to the 2025 economic expansion. Furthermore, Dubai's GDP reflects growth in key non-oil industries, including financial services, information and communication, and real estate. The UAE's non-oil economy remains strong, driven by robust travel and tourism, government support, and a solid fiscal position that enables continued growth and diversification efforts. Tourism remains a key pillar, with Dubai welcoming nearly 19 million visitors in 2024, a 9% increase, while Dubai International Airport achieved a record 92.3 million passengers, amid expectations of surpassing this in 2025. To attract foreign investors and talent, the UAE has introduced initiatives such as 100% foreign ownership of onshore companies, lower business start-up costs, visa and citizenship reforms, job-security measures, and regulatory changes. Additionally, new industrial projects and funding were announced at the Make it in the Emirates Forum, further strengthening key sectors like utilities and manufacturing. This solid performance is highlighted by the UAE's stable PMI of 55 in January, driven by a sharp rise in new orders and reduced cost pressures, fostering a favourable business environment.

The impact of the USD and inflation on oil prices

The US dollar (USD) index receded in February after advancing for four consecutive months, falling by 1.2%, m-o-m. The USD lost some of its safe haven appeal to gold as uncertainties regarding the impact of US trade policy on the US economy weighed on the currency. Concerns were amplified by reports of persistent inflationary pressures and a steeper-than-expected decline in US consumer confidence in February. Compared with the same period last year, the index was up by 3.1%, y-o-y.

On developed market currencies, the USD declined against all major currencies in February. It declined against the euro, yen and pound by 0.5%, 2.8%, and 1.4%, m-o-m, respectively. Compared with the same period last year, the USD was up against all major currencies. It was up against the euro, yen and pound by 3.7%, 1.7%, and 0.8%, y-o-y, respectively.

Graph 3 - 20: The Modified Geneva I + US$ Basket (base June 2017 = 100)



Sources: IMF and OPEC.

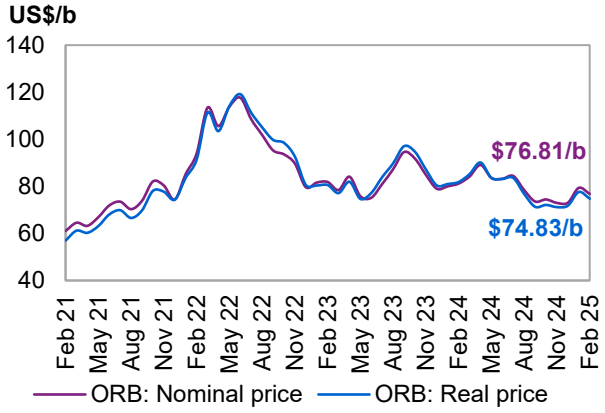
In terms of emerging markets' currencies, the USD advanced for a fourth consecutive month in February against the rupee by 0.9%, m-o-m. At the same time, it declined against the yuan and real by 0.4% and 4.1%, m-o-m, respectively. Compared with the same period last year, the USD was up against all major emerging markets' currencies. It was up against the rupee, yuan and real by 5.0%, 1.2%, and 16.2%, y-o-y.

The differential between nominal and real ORB prices widened in February. Inflation (nominal price minus real price) increased by 13.1%, m-o-m.

In nominal terms, the ORB price declined by 3.2%, m-o-m, in February, and fell by 5.4%, y-o-y.

In real terms, the ORB price declined by 3.6%, m-o-m, and fell by 8.6%, y-o-y.

Graph 3 - 21: Impact of inflation and currency fluctuations on the spot ORB price (base June 2017 = 100)



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

							Change 2025/24	
World oil demand	**2024**	**1Q25**	**2Q25**	**3Q25**	**4Q25**	**2025**	**Growth**	**%**
Americas	24.98	24.47	25.02	25.37	25.37	25.06	0.08	0.32
of which US	*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	Change 2026/25 %
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.

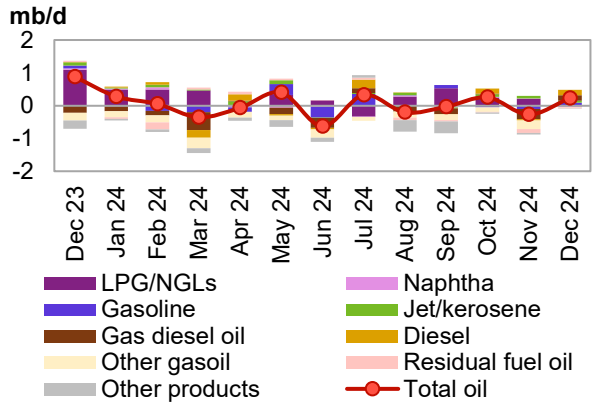
OECD

OECD Americas

Update on the latest developments

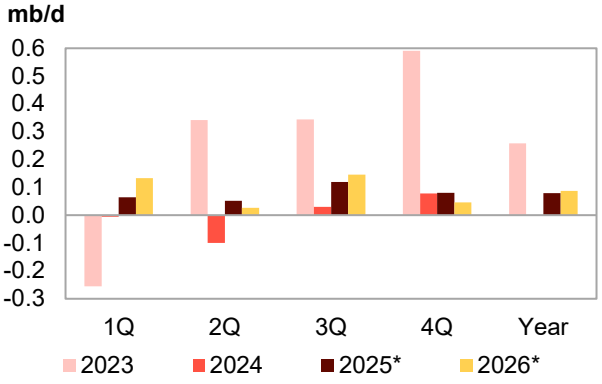
In December 2024, according to the latest available monthly data, oil demand in OECD Americas expanded by 234 tb/d, y-o-y, after a decline of 268 tb/d, y-o-y, was seen in November. Canada saw the largest increase of 217 tb/d, y-o-y, in the region, followed by an increase of 37 tb/d, y-o-y, in the US 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.

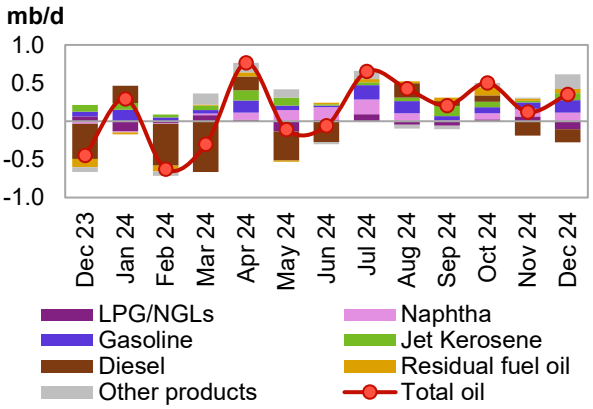
The steady dynamic of robust US GDP growth in 2025 is expected to be sustained in 2026. Accordingly, the US is projected to again drive oil demand in the OECD, largely in terms of transportation fuels and petrochemical feedstock. While gasoline demand is expected to expand by 50 tb/d, y-o-y, diesel is 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

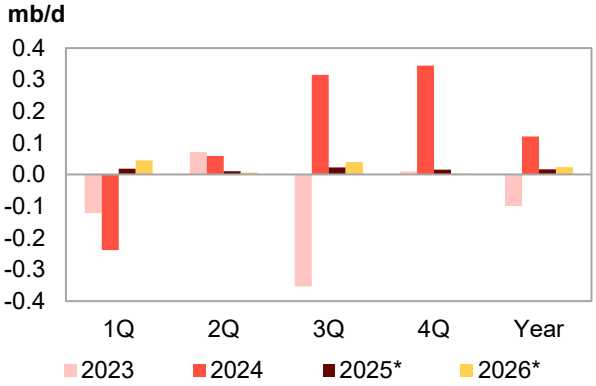
In December, oil demand in OECD Europe expanded by 355 tb/d, y-o-y, amid a weak baseline, up from the growth of 123 tb/d, y-o-y, seen the previous month. This monthly regional oil demand growth was supported largely by requirements from four major consuming countries: the UK, Germany, Italy and Spain.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

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.

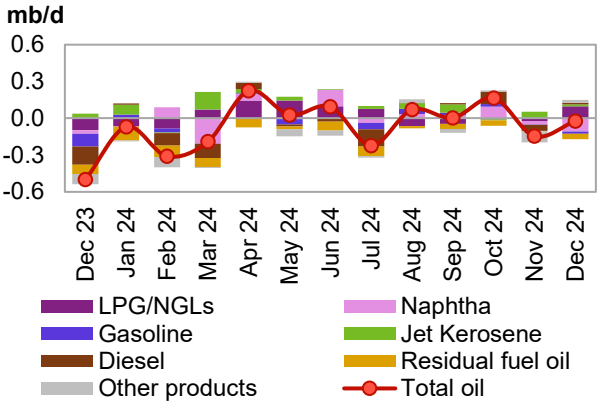
Looking ahead to 2026, economic activity is expected to improve slightly from 2025. An anticipated recovery in the industrial sector and improving real wages as inflation continues to decline are expected to provide additional support to the outlook. Additionally, the ECB is anticipated to continue its 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

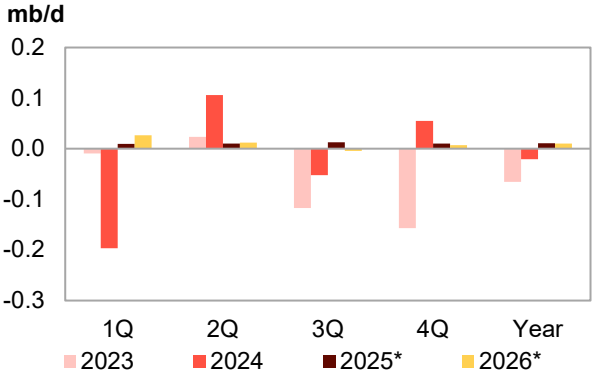
Oil demand in the OECD Asia Pacific in December contracted by 23 tb/d, y-o-y, albeit showing an improvement from a decline of 146 tb/d, y-o-y, observed the previous month. This was largely due to a contraction of 44 tb/d, y-o-y, from Japan and a decline of 15 tb/d, y-o-y, seen in South Korea, which offset 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.

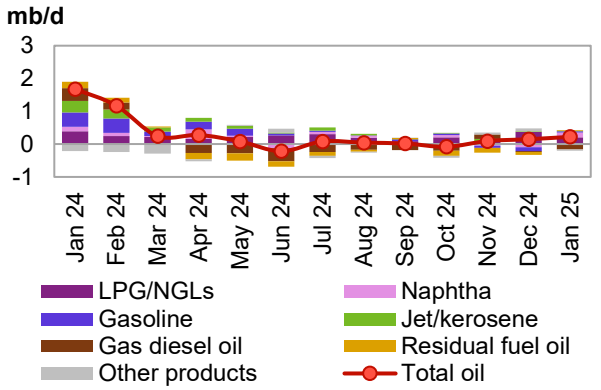
Non-OECD

China

Update on the latest developments

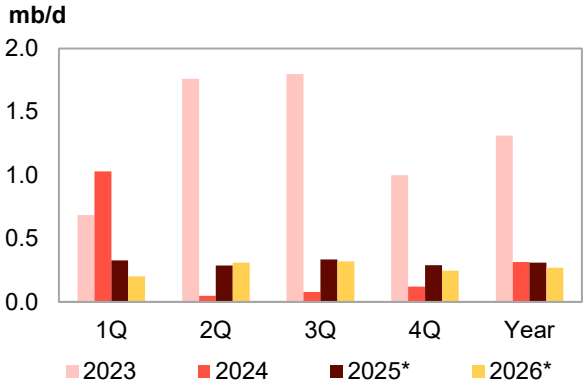
China's oil demand in January is estimated to have increased by 221 tb/d, y-o-y, up from an increase of 148 tb/d, y-o-y, observed the previous month. The largest increases were seen in petrochemical feedstock requirements, which more than offset the decline in diesel.

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 By product	Jan 24	Jan 25	Change Jan 25/Jan 24 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.

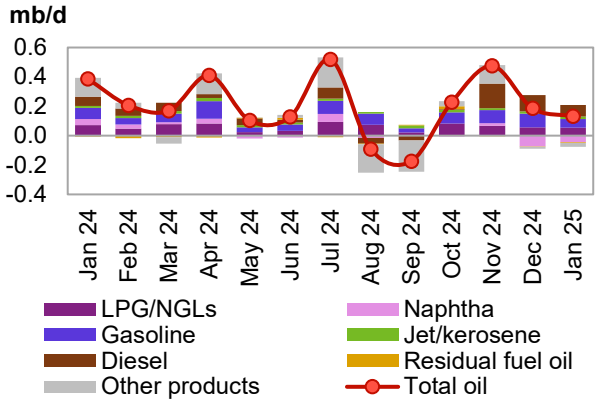
In 2026, economic activity in China is expected to improve further. Transportation activity is expected to remain healthy, while weakness in the construction sector is expected to subside. Combined with healthy petrochemical sector requirements, this is expected to support oil product demand growth of 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

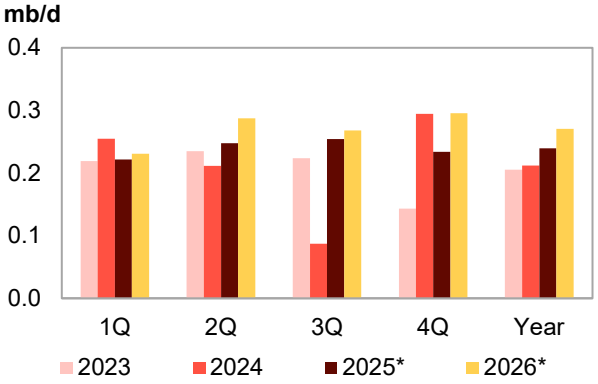
In January, India's oil demand increased by 132 tb/d, y-o-y, down from the growth of 186 tb/d, y-o-y, seen the previous month. This oil demand increase reflects the continuation of economic activity after the end of the monsoon season. The largest monthly increases in oil product demand were recorded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

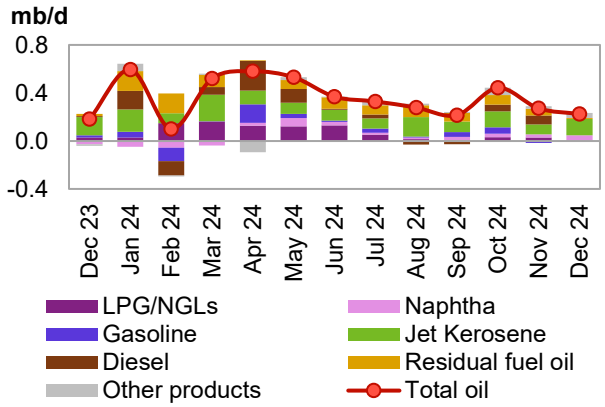
In 2026, India's oil demand is projected to grow by 271 tb/d, y-o-y, supported by robust economic growth amid healthy transportation and manufacturing activities. In terms of oil products, the 'other products' category, which includes bitumen, is expected to drive growth by 89 tb/d, y-o-y, on the back 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

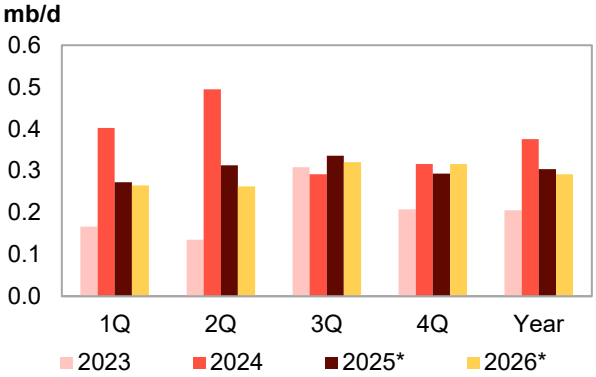
Oil demand in Other Asia grew by 226 tb/d, y-o-y, in December, down from the growth of 273 tb/d, y-o-y, observed the previous month. Oil demand saw increases in major countries of the region, including Thailand, Indonesia, Malaysia, Singapore and Taiwan. The increase in oil demand mostly emanates from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

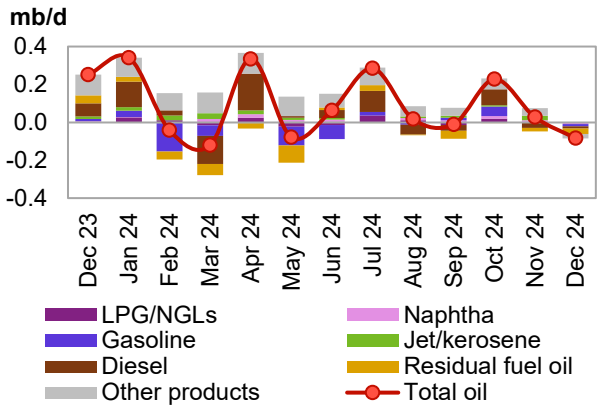
In 2026, economic activity in the major oil-consuming countries of the region is expected to continue to be well supported amid healthy air travel and strong driving mobility. Accordingly, oil demand in the region is forecast to increase by 291 tb/d, y-o-y, to average 10.2 mb/d. In terms of products, 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

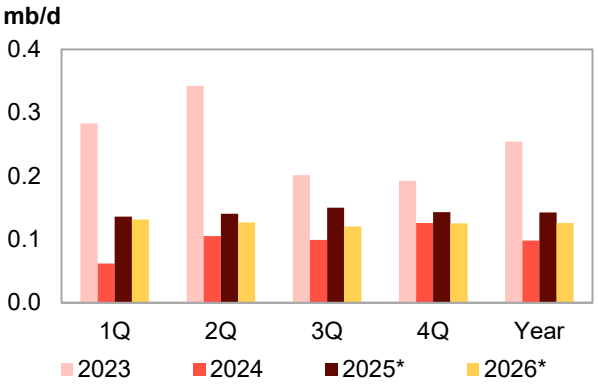
Oil demand in Latin America contracted by 83 tb/d, y-o-y, in December, down from growth of 28 tb/d seen the previous month. The y-o-y oil demand decline in the region came from Venezuela and Brazil, which more than offset minor increases from Argentina and Colombia.

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.

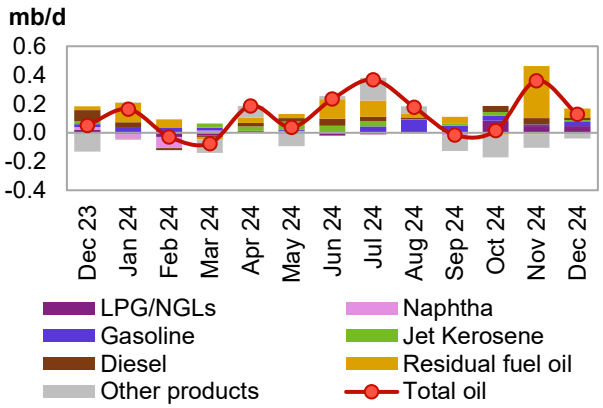
In 2026, Brazil's economy is projected to maintain strong momentum, building on the expected robust performance in 2025. Similarly, ongoing gradual improvements in Argentina's economy are expected to continue. Healthy agricultural and manufacturing activity is expected to bolster oil demand in the region, 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

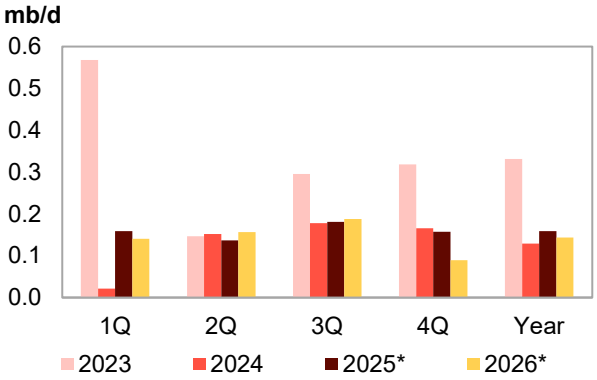
Oil demand in the Middle East in December increased by 128 tb/d, y-o-y, down from growth of 361 tb/d, y-o-y, seen in November. The increase in oil demand was largely supported by requirements from Iraq and the UAE. However, a decline of 25 tb/d, y-o-y, from Saudi Arabia partly offset the growth seen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

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.

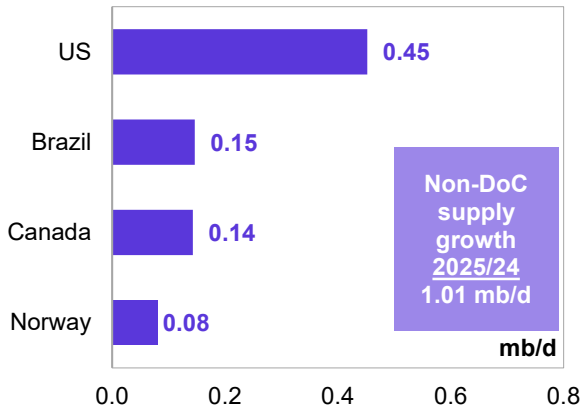
DoC NGLs and non-conventional liquids in 2025 are expected to expand by 0.1 mb/d to average 8.4 mb/d. In 2026, it is anticipated to increase by around 120 tb/d to average 8.5 mb/d. OPEC NGLs and non-conventional liquids production is set to increase by 0.1 mb/d in 2025 to average 5.6 mb/d. Additional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

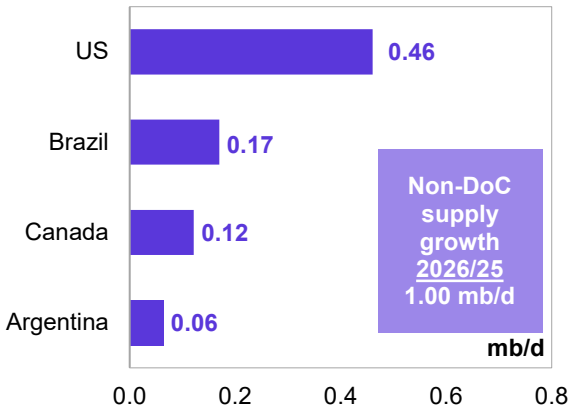
In 2025, non-DoC liquids supply growth is expected at 1.0 mb/d. A downward revision in OECD Europe was offset by an upward change in India. Annual growth is set to be driven mainly by the US, Brazil, Canada and Norway.

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	Change 2025/24 %
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	Change 2026/25 %
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.*

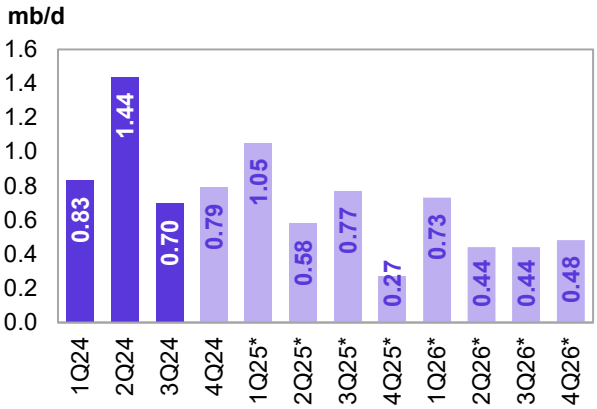
Source: OPEC.

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.*

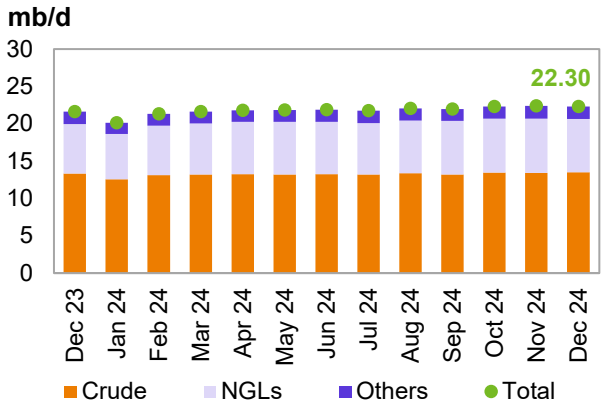
US

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.

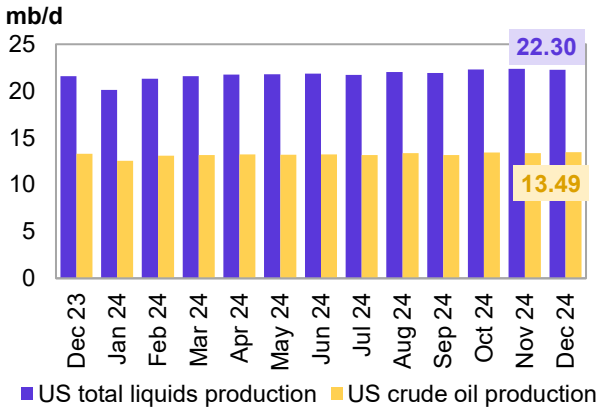
Table 5 - 3: US crude oil production by selected state and region, tb/d

State	Dec 23	Nov 24	Dec 24	Change m-o-m	Change 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.

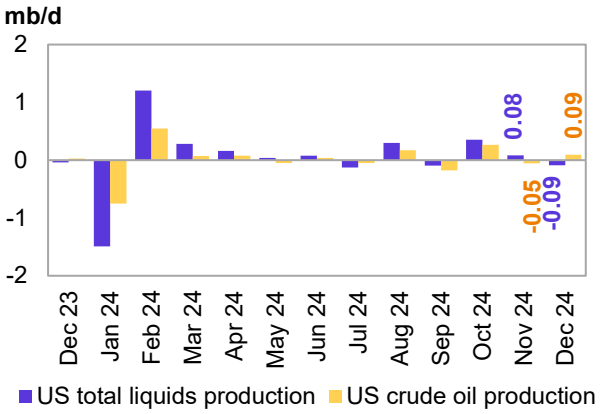
In terms of individual US states, New Mexico's oil production rose by 24 tb/d to average 2.1 mb/d, which is 160 tb/d higher than a year ago. Production in Texas was down by 78 tb/d to average 5.7 mb/d, which is 92 tb/d higher than a year ago. In the Midwest, North Dakota's production fell by 34 tb/d, 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



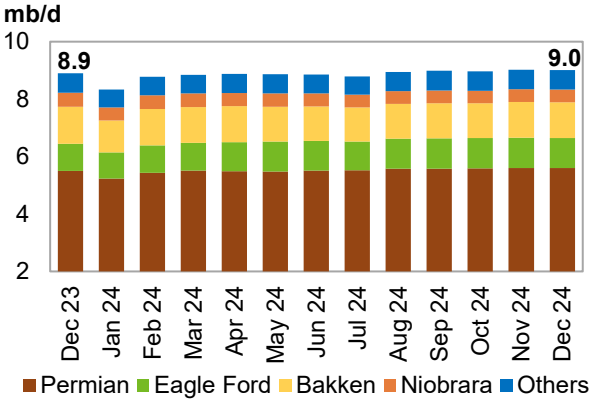
Sources: EIA and OPEC.

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

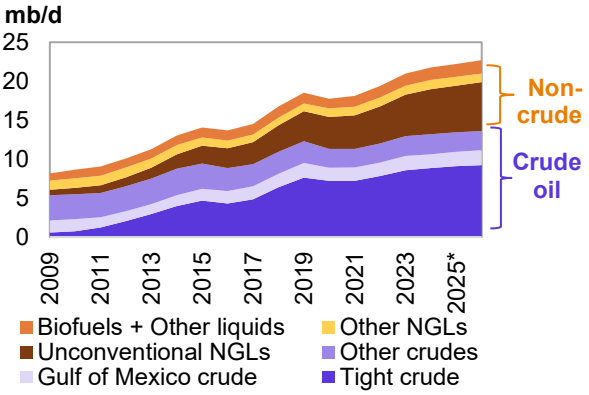


Sources: EIA and OPEC.

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



*Note: * 2024 = Estimate and 2025-2026 = Forecast.*
Source: OPEC.

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

US liquids	2024	Change 2024/23	2025*	Change 2025/24	2026*	Change 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.

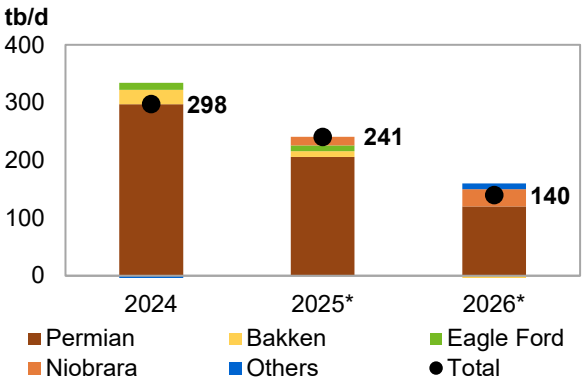
In North Dakota, Bakken shale production is estimated to have expanded by about 25 tb/d in 2024. It is expected to stay below the pre-pandemic average of 1.4 mb/d, at around 1.2 mb/d in 2025, with only a modest increase of 10 tb/d. A forecasted drop of approximately 20 tb/d in 2026 might indicate a maturing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

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



*Note: * 2025-2026 = Forecast.*
Sources: EIA and OPEC.

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

US tight oil	2024	Change 2024/23	2025*	Change 2025/24	2026*	Change 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.*

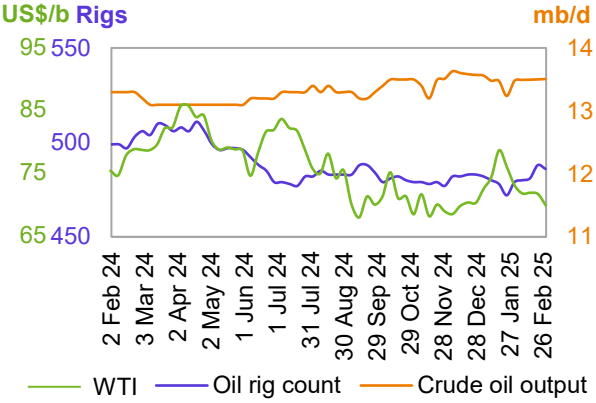
Source: OPEC.

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



Sources: Baker Hughes, EIA and OPEC.

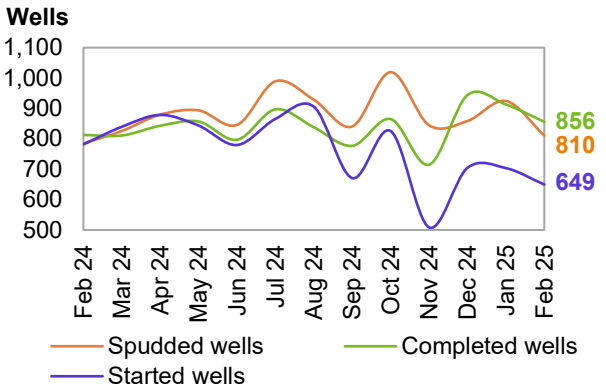
The Permian's rig count decreased by one, w-o-w, to 304. The rig count in each of the Eagle Ford and Cana Woodford Basins rose by one, w-o-w, to 49 and 22, respectively. The rig count in the Williston and DJ-Niobrara Basins remained unchanged, w-o-w, at 33 and 6, respectively.

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

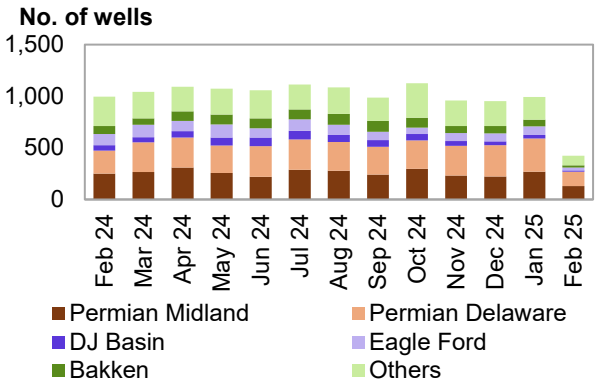


Note: Jan 25-Feb 25 = Preliminary data.
Sources: Rystad Energy and OPEC.

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



Note: Jan 25-Feb 25 = Preliminary data.
Sources: Rystad Energy Shale Well Cube and OPEC.

Canada

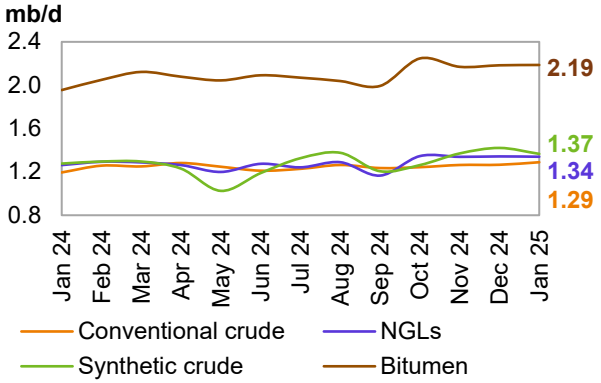
Canada's liquids production in January is estimated to have dropped by about 26 tb/d, m-o-m, to an average of 6.2 mb/d. This is slightly higher than the elevated average production level recorded in 4Q24.

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.

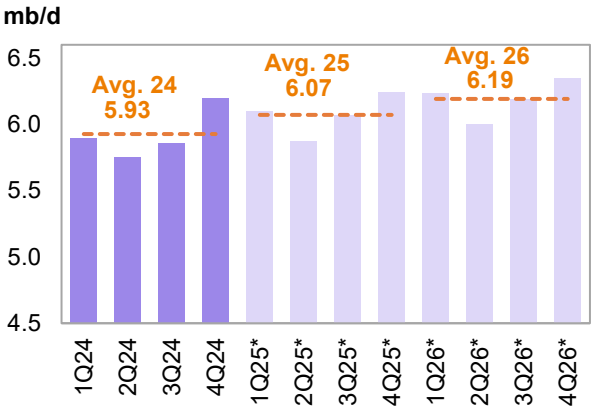
Graph 5 - 13: Canada's monthly liquids production development by type



Sources: Statistics Canada, Alberta Energy Regulator and OPEC.

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.

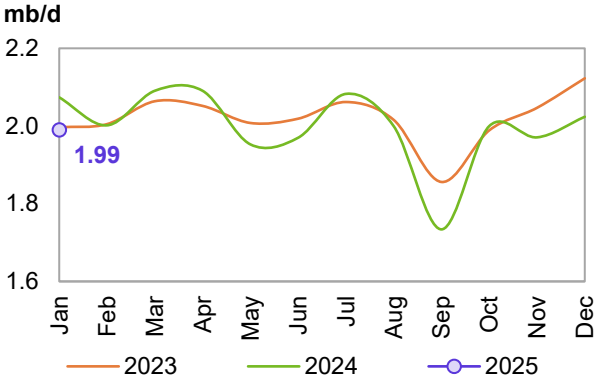
Norway

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.

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.

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



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

At the same time, start-ups are expected at the Balder/Ringhome, 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.

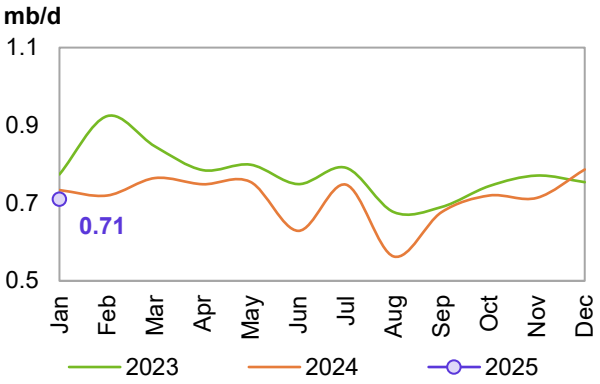
Norwegian liquids production is forecast to drop by about 40 tb/d to average 2.0 mb/d in 2026. Some projects at different scales are scheduled to ramp up in 2026, such as Johan Castberg, Edvard Grieg, Balder/Ringhorne, Heidrun, Grane, Valhall and Ivar Aasen. Concurrently, start-ups are expected at limited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

Graph 5 - 16: UK monthly liquids production development

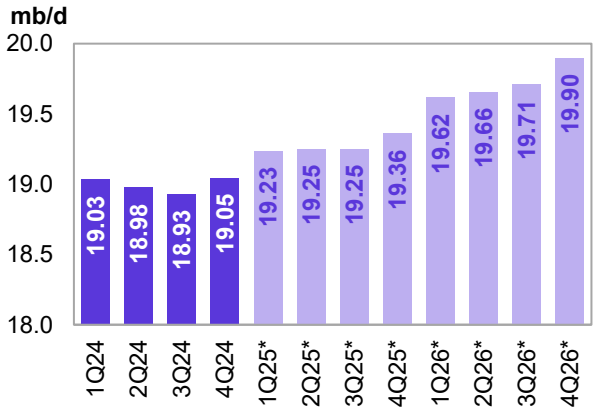


Sources: UK Department for Business, Energy and Industrial Strategy and OPEC.

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.

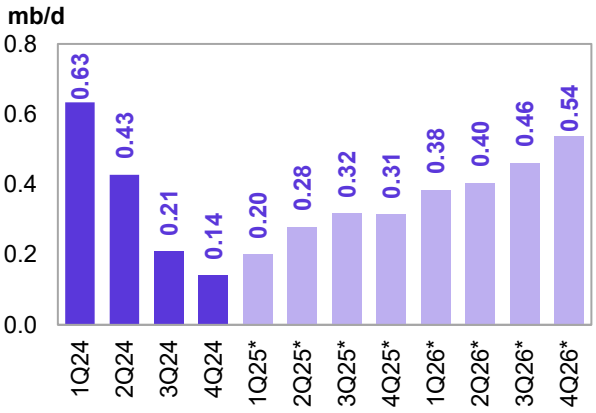
Non-OECD

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.*

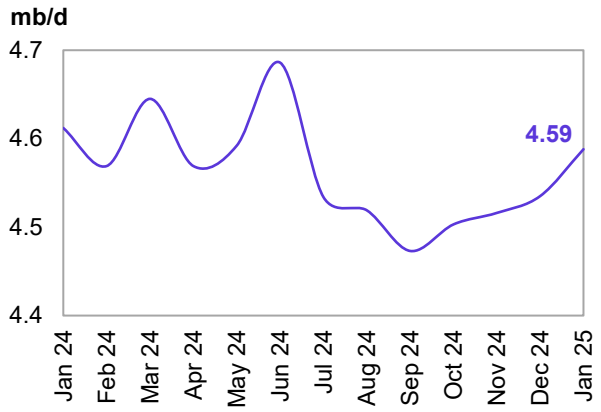
China

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.

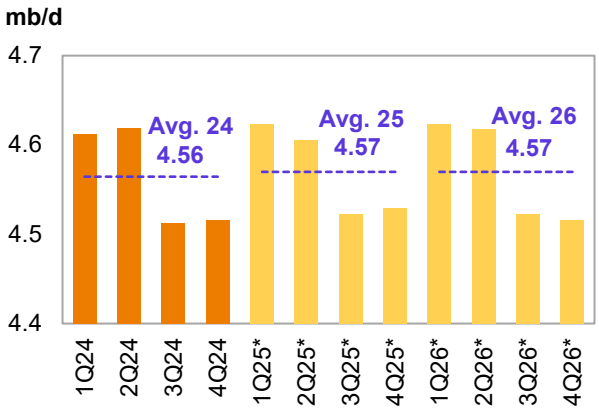
In 2025, Chinese liquids production is expected to remain broadly steady, y-o-y, at an average of 4.6 mb/d. Supply growth is primarily expected to come from the offshore sector following considerable recent exploration investments in Bohai Bay off northern China and the South China Sea. Additional infill 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



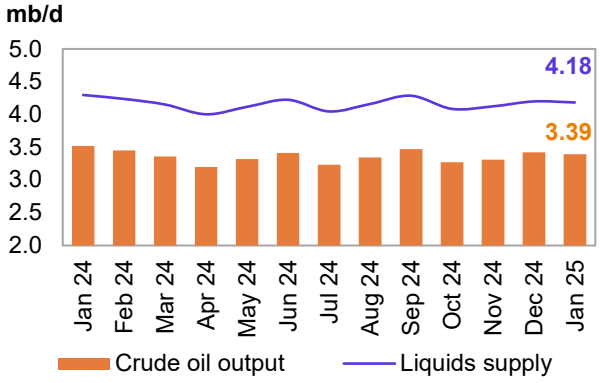
*Note: * 1Q25-4Q26 = Forecast. Sources: CNPC and OPEC.*

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 Jianghan. 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

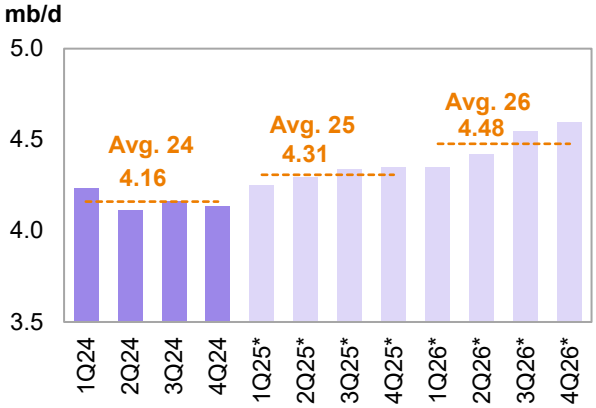
Brazil's crude output in January dropped by 26 tb/d, m-o-m, to average 3.4 mb/d, while continued underperformance in several offshore platforms has been reported. NGLs production rose by just 3 tb/d to an average of around 70 tb/d, and this is expected to remain flat in February. Biofuel output (mainly 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.

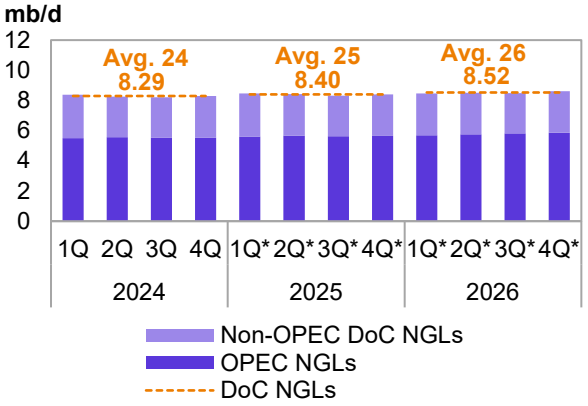
DoC NGLs and non-conventional liquids

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-coventional liquids	2024	Change 24/23	2025	Change 25/24	1Q26	2Q26	3Q26	4Q26	2026	Change 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.

Product Markets and Refinery Operations

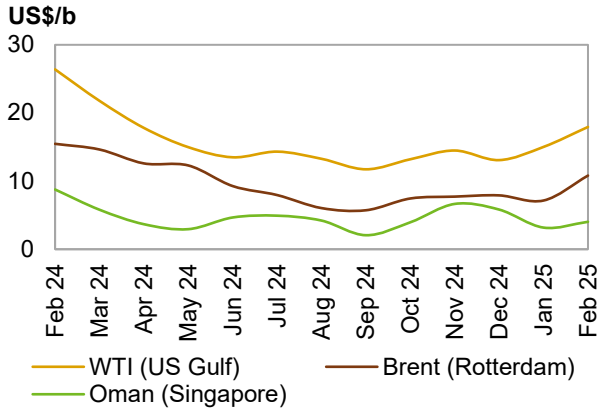
In February, refinery margins in all reported trading hubs increased on the back of a decline in feedstock prices, while rising offline capacity led to lower product output in the Northern Hemisphere. On the US Gulf Coast (USGC) the weather-related refinery shut-ins witnessed in January translated into strength all across the barrel in February, with naphtha and gasoline representing the main drivers of the m-o-m rise. In Rotterdam, the increase in refining economics was the most pronounced, with solid gains nearly evenly distributed all 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.

Global refinery intake declined further in February, shedding 556 tb/d, m-o-m. Global intakes reached an average of 80.6 mb/d in February and were 600 tb/d higher, y-o-y. Going forward, run rates are expected to subside further as refinery maintenance interventions rise, in line with historical trends amid the start of the heavy spring turnaround season.

Refinery margins

USGC refining margins added momentum to the previous month's upturn, reaching a ten-month high in February. Product markets performed positively with gains driven primarily by naphtha, which continued to show robust performance for the second consecutive month, with an increase of $4.46/b, m-o-m, reflecting tighter availability. Gasoline crack spreads represented the second strongest contributor to US refining economics, showing a $3.91/b rise in February. This development, along with the significant gains associated with all other products, is attributable to reduced product volumes following the weather-related refinery outages and robust product exports registered in the previous month. Although the affected refineries have been restored and ramped up operations, refinery downtime is projected to see a seasonal pick-up in the coming months during the heavy spring refinery season. This is set to keep USGC product inventories under pressure and provide further support to USGC refining in the near term. According to preliminary data, refinery intake in the USGC was 150 tb/d lower, m-o-m, averaging 15.77 mb/d in February. USGC margins against WTI averaged $17.94/b in February, up by $2.92, m-o-m, but down $8.42, y-o-y.

Graph 6 - 1: Refining margins



Sources: Argus and OPEC.

Refinery margins in Rotterdam against Brent showed robust performance relative to what was seen in the USGC and Singapore and reached double digits for the first time since May 2024. Crack spreads for all key products exhibited a sizeable $3.8/b m-o-m improvement, on average, pointing to lower product supply relative to demand. Total product inventories at the Amsterdam-Rotterdam-Antwerp storage hub showed a significant decline in February following three consecutive months of stock builds. Refinery runs in February continued to decline, dropping 380 tb/d, m-o-m, and averaging 9.34 mb/d in EU-14 plus Norway and the UK. Refinery margins against Brent in Europe averaged $10.79/b in February, which was $3.66 higher, m-o-m, but $4.66 lower, y-o-y.

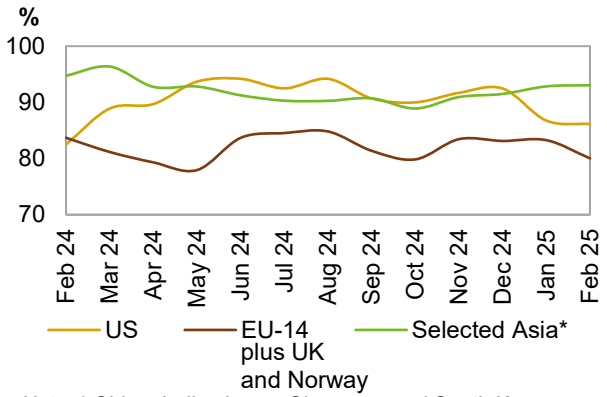
Singapore's refining margins against Oman showed partial recovery from the loss registered in the previous month. The largest share of the monthly rise can be attributed to the top and bottom of the barrel. Lower naphtha inflows, limited gasoline supplies and high-sulphur fuel supply concerns exerted upward pressure on their respective crack spreads. The combined February refinery intake for Japan, China, India, Singapore, and South Korea registered a slight increase of 60 tb/d, m-o-m, averaging 27.03 mb/d, according to preliminary data. Refinery margins against Oman in Singapore rose 85¢, m-o-m, to an average of $4.03/b, which was $4.73 lower, y-o-y.

Refinery operations

US refinery utilization rates showed a 0.6 pp decline to average 86.13% in February, corresponding to throughput of 15.77 mb/d. This represents a 150 tb/d drop relative to the level registered in the previous month. Compared with the previous year, the February refinery utilization rate was 3.6 pp higher, with throughput showing a 561 tb/d increase.

EU-14 plus the UK and Norway refinery utilization averaged 80.02% in February, corresponding to throughput of 9.34 mb/d. This represents a 3.2 pp, or 380 tb/d, decline, m-o-m. On a yearly basis, the utilization rate was down by 3.7 pp, and throughput was 498 tb/d lower.

Graph 6 - 2: Refinery utilization rates



*Note: * China, India, Japan, Singapore and South Korea.*
Sources: Argus, EIA, Euroilstock, PAJ and OPEC.

In Selected Asia – Japan, China, India, Singapore, and South Korea – refinery utilization rates increased to an average of 93.06% in February, corresponding to throughput of 27.03 mb/d. Compared with the previous month, utilization rates were up 0.2 pp, and throughput was higher by 60 tb/d. Relative to the previous year, utilization rates were 1.7 pp lower, while throughput was 99 tb/d lower.

Table 6 - 1: Refinery operations in selected OECD countries

	Refinery throughput, mb/d				*Refinery utilization, %*			
	Dec 24	Jan 25	Feb 25	Change Feb/Jan	Dec 24	Jan 25	Feb 25	Change Feb/Jan
US	**17.08**	**15.91**	**15.77**	**-0.15**	**92.47**	**86.76**	**86.13**	**-0.6 pp**
Euro-14, plus UK and Norway	**9.70**	**9.71**	**9.34**	**-0.38**	**83.11**	**83.25**	**80.02**	**-3.2 pp**
France	1.03	0.95	0.93	-0.03	89.32	82.94	80.61	-2.3 pp
Germany	1.74	1.68	1.62	-0.06	85.01	81.93	79.11	-2.8 pp
Italy	1.20	1.22	1.18	-0.04	66.13	67.42	65.07	-2.3 pp
UK	1.07	1.01	0.96	-0.05	90.88	86.17	82.22	-3.9 pp
Selected Asia	**26.58**	**26.97**	**27.03**	**0.06**	**91.51**	**92.86**	**93.06**	**0.2 pp**
China	13.98	14.23	14.36	0.13	83.41	84.90	85.69	0.8 pp
India	5.62	5.51	5.44	-0.06	113.09	110.77	109.54	-1.2 pp
Japan	2.61	2.64	2.58	-0.05	84.34	85.25	79.05	-6.2 pp
South Korea	2.76	2.98	2.99	0.02	91.47	98.79	99.30	0.5 pp

Sources: Argus Media, EIA, Euroilstock, NBS, PAJ and OPEC.

Table 6 - 2: Refinery crude throughput, mb/d

Refinery crude throughput	2022	2023	2024	1Q24	2Q24	3Q24	4Q24	1Q25
OECD Americas	**18.68**	**18.71**	**19.03**	**18.19**	**19.17**	**19.44**	**19.29**	**18.59**
of which US	*16.48*	*16.50*	*16.63*	*15.78*	*16.96*	*16.95*	*16.81*	*15.98*
OECD Europe	**11.44**	**11.38**	**11.27**	**11.44**	**11.05**	**11.35**	**11.24**	**11.14**
of which:								
France	*0.84*	*0.93*	*0.92*	*0.83*	*0.89*	*0.98*	*1.00*	*0.93*
Germany	*1.83*	*1.62*	*1.75*	*1.76*	*1.79*	*1.74*	*1.73*	*1.67*
Italy	*1.32*	*1.30*	*1.20*	*1.30*	*1.16*	*1.19*	*1.16*	*1.20*
UK	*1.04*	*0.97*	*0.98*	*0.97*	*0.98*	*0.95*	*1.01*	*0.91*
OECD Asia Pacific	**6.08**	**5.83**	**5.62**	**5.90**	**5.61**	**5.47**	**5.52**	**5.47**
of which Japan	*2.71*	*2.56*	*2.37*	*2.55*	*2.27*	*2.19*	*2.46*	*2.60*
Total OECD	**36.21**	**35.92**	**35.92**	**35.54**	**35.83**	**36.27**	**36.06**	**35.20**
Latin America	**3.43**	**3.54**	**3.67**	**3.55**	**3.64**	**3.66**	**3.82**	**3.87**
Middle East	**7.28**	**7.61**	**8.11**	**7.97**	**8.20**	**8.15**	**8.14**	**8.13**
Africa	**1.73**	**1.71**	**1.87**	**1.72**	**1.73**	**1.97**	**2.05**	**2.11**
India	**5.00**	**5.18**	**5.30**	**5.36**	**5.36**	**5.18**	**5.30**	**5.47**
China	**13.49**	**14.78**	**14.25**	**14.64**	**14.25**	**14.04**	**14.08**	**14.47**
Other Asia	**4.94**	**4.98**	**5.02**	**4.88**	**4.89**	**5.14**	**5.19**	**5.23**
Russia	**5.46**	**5.50**	**5.35**	**5.33**	**5.28**	**5.47**	**5.31**	**5.36**
Other Eurasia	**1.15**	**1.14**	**1.15**	**1.19**	**1.12**	**1.16**	**1.14**	**1.11**
Other Europe	**0.50**	**0.47**	**0.53**	**0.42**	**0.47**	**0.55**	**0.67**	**0.48**
Total Non-OECD	**42.98**	**44.89**	**45.25**	**45.05**	**44.95**	**45.31**	**45.69**	**46.22**
Total world	**79.19**	**80.81**	**81.17**	**80.59**	**80.77**	**81.57**	**81.75**	**81.43**

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

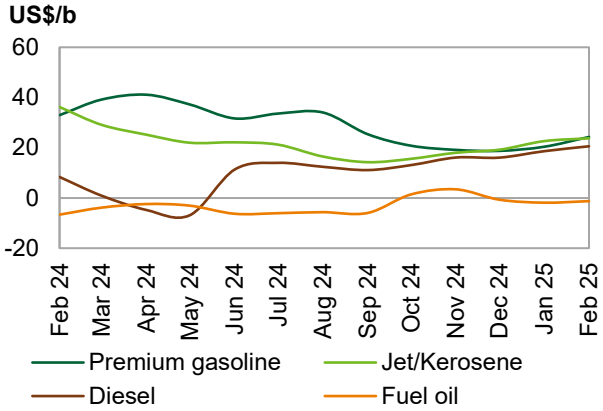
Sources: AFREC, APEC, EIA, IEA, Euroilstock, PAJ, Ministry data, including Ministry of Energy of the Russian Federation, Ministry of Petroleum and Natural Gas of India, OPEC and JODI.

Product markets

US market

The USGC gasoline crack spread against WTI kept its upward momentum to reach a five-month high in February. At the same time, gasoline reclaimed its position as the main margin driver in absolute terms after being outperformed by jet/kerosene in January. Although refineries ramped up operations in the USGC following the January winter storms, rising planned refinery shutdowns drove processing rates lower, m-o-m. In the near term, the approaching switch to summer specification and the projection of deeper refinery run cuts during the upcoming heavy refinery repair season should provide additional support to US gasoline markets. The USGC gasoline crack spread gained $3.91, m-o-m, reaching an average of $24.33/b in February, but was $8.69 lower, y-o-y.

Graph 6 - 3: US Gulf crack spread vs. WTI



Sources: Argus and OPEC.

The USGC jet/kerosene crack spread against WTI rose and reached a ten-month high in February. Although the monthly increase was more limited compared to other key products, jet/kerosene performance improvement was significant and remained in tight competition with gasoline. The performance improvement emerged despite initial signs of a jet/kerosene inventory recovery in the week ending 21 February. This suggests that the market has yet to factor in the impact of the lengthening jet/kerosene balance. Nonetheless, going forward, any additional length reflected in the most recent data will most likely be overshadowed by further maintenance-related run cuts in the near term, setting the stage for further upside potential in USGC jet/kerosene margins. The USGC jet/kerosene crack spread gained $1.12, m-o-m, to reach an average of $23.79/b in February, but was $12.46 lower, y-o-y.

The USGC gasoil crack spread against WTI increased with a decline in gasoil production levels while heating oil demand continued to provide support on the back of cold winter temperatures. The strength in USGC gasoil crack spreads reflected a tighter gasoil balance as USGC stocks for the same product fell in the first half of the month. The US gasoil crack spread against WTI averaged $18.68/b, up by $2.63, m-o-m, and by $11.16, y-o-y.

The USGC fuel oil 3.5% crack spread against WTI registered an incremental increase, inching closer to positive territory, although the monthly change was the lowest when compared to all other key products in the USGC. This unseasonable strength was driven by contracting global supplies with US and European sanctions weighing on high-sulphur fuel oil inflows. In February, the US fuel oil crack spread against WTI gained 61¢, m-o-m, to average negative $1.29/b, and was $5.41 higher, y-o-y.

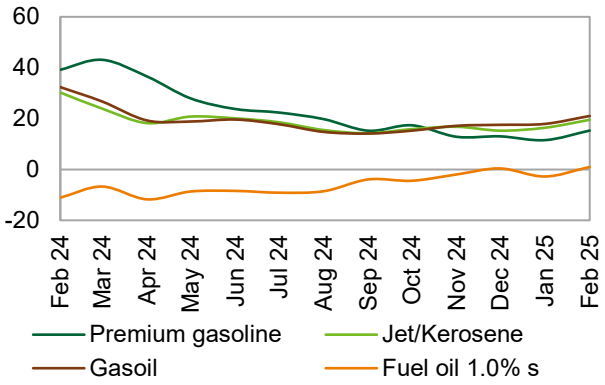
European market

The gasoline crack spread in Rotterdam against Brent increased, reflecting improved fundamentals as Amsterdam-Rotterdam-Antwerp (ARA)gasoline inventories posted a nearly 10% decline, m-o-m, according to Platts data. According to Kpler, gasoline consumption in Europe is slowly increasing, despite limited exports as per Kpler's preliminary data. The gasoline crack spread against Brent averaged $15.27/b, which was $3.76 higher, m-o-m, but $23.88 lower, y-o-y.

In February, the jet/kerosene crack spread in Rotterdam against Brent increased with reports of limited imports providing support. The Rotterdam jet/kerosene crack spread against Brent averaged $19.49/b, up by $3.14, m-o-m, but down $10.79, y-o-y.

The gasoil crack spread in Rotterdam against Brent experienced a slight gain. According to Kpler, Northwest Europe cargo differentials to ICE gasoil swaps have slightly drifted lower early in the month, partly due to low January imports. The gasoil crack spread against Brent averaged $21.03/b, up $3.11, m-o-m, but down $11.30, y-o-y.

Graph 6 - 4: Rotterdam crack spreads vs. Brent



Sources: Argus and OPEC.

At the bottom of the barrel, fuel oil 1.0% crack spreads in Rotterdam against Brent increased and entered positive territory while reaching a multi-year high. This could be a response of several factors. The impact of the recent changes in US and EU sanctions, declining global output amid rising refinery complexity as well as geopolitical factors pointing to supply restrictions, have contributed to supply concerns on the back of an already relatively contracted balance. Fuel oil 1.0% crack spread averaged 93¢ in February, which represented a $3.11 rise, m-o-m, and a $12.03 increase, y-o-y.

Asian market

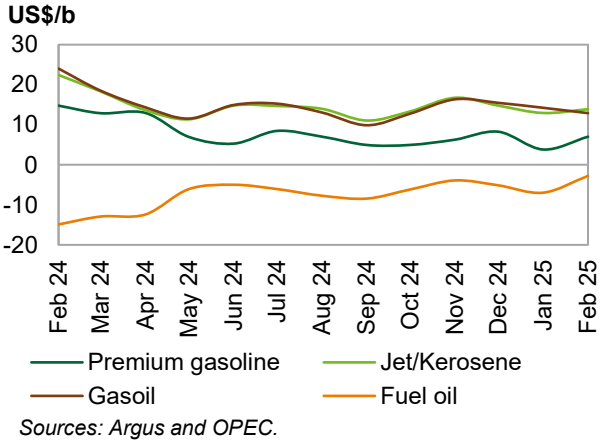
The Southeast Asia gasoline 92 crack spread against Dubai reversed direction following the previous month's downturn and registered notable m-o-m growth in February. According to Kpler, China's February gasoline loading program suggested lower gasoline outflows in February. Additionally, elevated refinery maintenance in the Middle East as well as refinery issues East of Suez, contributed to a tighter gasoline market in Southeast Asia. The product's margin averaged $7.04/b in February, up $3.19, m-o-m, but down $7.72, y-o-y.

The Asian naphtha crack spread rebounded to recover all of the previous month's lost ground. News of unplanned outages at several naphtha producing units in the region raised concerns over naphtha supplies. This sentiment was further heightened by developments pointing to a potential decline in Russian naphtha exports, possibly pushing naphtha values higher in February. The Singapore naphtha crack spread against Dubai averaged negative $5.30/b, which was $2.14 higher, m-o-m, and $3.04 higher, y-o-y.

In the middle of the barrel, the jet/kerosene crack spread saw a slim gain compared to other main products in Southeast Asia. The Singapore jet/kerosene crack spread against Dubai averaged $13.87/b, up $0.94, m-o-m, but down $8.57, y-o-y.

The Singapore gasoil crack spread eased and was the sole negative performer in the Southeast Asian product market in February. Slightly higher gasoil exports from China during the month, exacerbating the bearish market sentiment associated with limited demand. Going forward, projections of higher refinery run cuts in the Atlantic basin, and announcements of an extension of diesel tax cuts in South Korea, will most likely drive gasoil crack spreads higher in the near term. The Singapore gasoil crack spread against Dubai averaged $12.92/b, down by $1.34, m-o-m, and $11.13, y-o-y.

Graph 6 - 5: Singapore crack spreads vs. Dubai



Sources: Argus and OPEC.

The Singapore fuel oil 3.5% crack spread jumped to recover the previous month's loss and become the strongest positive performer in the Southeast Asian product market. Moreover, in February, high-sulphur fuel oil (HSFO) crack spreads against Dubai reached their highest level registered since April 2022, reflecting a tightness in availability amid a lightening global crude slate and rising refining conversion. According to Platts, the increased duty on fuel oil imports in China, has prompted some Chinese independent refiners, who represent a large share of regional fuel oil buyers, to scale back operations in February. Fuel oil represents a crucial feedstock alternative for Chinese independent refiners, particularly when facing restricted crude oil import licenses. This demand-side constraint likely prevented a sharper rise in regional fuel oil prices and crack spreads. Singapore's HSFO crack spread against Dubai averaged negative $2.78/b, up $4.19, m-o-m, and $12.12, y-o-y.

Table 6 - 3: Short-term prospects for product markets and refinery operations

Event	Time frame	Observations	Asia	Europe	US
Tighter sanctions on Russian crude shipments	Mar 25 onwards	Asian refiners that previously relied on Russian crude could see higher costs if they have to find pricier alternatives.	↓ Negative impact on Chinese Teapots run and refining margins	↑ Support naphtha, diesel, and fuel oil crack spreads	↑ Support naphtha, diesel, and fuel oil crack spreads
US/China tariffs on energy resources	Mar 25 onwards	Tariffs on China's imports of US crude, LNG and coal are expected to have a limited impact on the global refined product market as volumes are small. The US would have to find new destinations for the volume formerly exported to China, while in China, the loss of US LNG imports could affect petrochemical margins.	↑ Support naphtha, as lower LNG availability in China could prompt petchem operators to switch to naphtha.	↑ Europe could see lower LPG and coal prices, supporting petchem margins and demand for both products	↓ LNG, coal availability could increase while prices could come under pressure in the US.
US/ Canada/ Mexico Tariffs	Mar 25 onwards	The tariffs on Canadian crude would prompt US refiners that rely on Canadian crude to find alternative heavy crudes or continue to process Canadian crude. All alternative options under the tariffs could lead to higher costs for US refiners. Mexican crude could likely be rerouted to the new Olmeca refinery.	↑ The downside risk for US product exports could support East to West product flows, supporting product margins	↑ The downside risk for US product exports could limit product availability, supporting product crack spreads	↓ Higher processing costs could lead to lower margins. This could be mitigated by reducing runs, product output and US product exports.

Event	Time frame	Observations	Asia	Europe	US
Start of the heavy refinery maintenance season	Mar 25 – May 25	Product prices, crack spreads, and refining margins are expected to see some support as product availability declines with the start of heavy turnarounds.	↑ Support product crack spreads	↑ Support product crack spreads	↑ Support product crack spreads
Heating fuel markets	Mar 25	The ongoing winter season is expected to continue supporting heating fuel markets in the Northern Hemisphere and parts of Asia.	↑ Support heating fuels crack spreads	↑ Support heating fuels crack spreads	↑ Support heating fuels crack spreads
Impact of the most recent refinery capacity additions	Mar 25 onwards	Upside potential for new product volumes entering international markets from Yulong petrochemical, Olmeca and Dangote refineries, lengthening product balances going forward, particularly for gasoline.	↓ Pressure on product markets	↓ Pressure on product markets	↓ Pressure on product markets

Source: OPEC.

Table 6 - 4: Refined product prices, US$/b

		Jan 25	Feb 25	Change Feb/Jan	Annual avg. 2024	Year-to-date 2025
US Gulf (Cargoes FOB)						
Naphtha*		75.91	76.26	0.35	74.02	76.09
Premium gasoline	(unleaded 93)	95.75	95.55	-0.20	106.21	95.65
Regular gasoline	(unleaded 87)	88.15	87.70	-0.45	94.42	87.93
Jet/Kerosene		98.00	95.01	-2.99	98.81	96.51
Gasoil	(0.2% S)	93.95	91.80	-2.15	84.13	92.88
Fuel oil	(3.0% S)	69.91	67.99	-1.92	69.05	68.95
Rotterdam (Barges FOB)						
Naphtha		71.72	72.31	0.59	72.52	72.02
Premium gasoline	(unleaded 98)	90.81	90.38	-0.43	106.14	90.60
Jet/Kerosene		95.65	94.60	-1.05	100.61	95.13
Gasoil/Diesel	(10 ppm)	97.22	96.14	-1.08	100.70	96.68
Fuel oil	(1.0% S)	76.50	76.04	-0.46	73.78	76.27
Fuel oil	(3.5% S)	71.80	71.66	-0.14	72.12	71.73
Mediterranean (Cargoes FOB)						
Naphtha		70.07	70.30	0.23	70.43	70.19
Premium gasoline**		88.16	87.10	-1.06	95.24	87.63
Jet/Kerosene		93.17	91.19	-1.98	97.31	92.18
Diesel		95.98	94.68	-1.30	99.64	95.33
Fuel oil	(1.0% S)	79.68	79.10	-0.58	78.25	79.39
Fuel oil	(3.5% S)	68.70	68.59	-0.11	69.17	68.65
Singapore (Cargoes FOB)						
Naphtha		73.11	72.47	-0.64	72.73	72.79
Premium gasoline	(unleaded 95)	86.70	86.27	-0.43	92.98	86.49
Regular gasoline	(unleaded 92)	84.40	84.81	0.41	88.33	84.61
Jet/Kerosene		93.48	91.64	-1.84	95.20	92.56
Gasoil/Diesel	(50 ppm)	95.21	91.34	-3.87	95.98	93.28
Fuel oil	(180 cst)	94.56	90.43	-4.13	94.56	92.50
Fuel oil	(380 cst 3.5% S)	73.58	74.99	1.41	71.16	74.29

*Note: * Barges. ** Cost, insurance and freight (CIF).*

Sources: Argus and OPEC.

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 7%, while rates on the West Africa-to-East route rose 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 9%, m-o-m, supported by a tightening of supply of non-sanctioned vessels amid a pick-up in demand.

In the clean tanker market, spot freight rates were slightly volatile in February, although ending the month broadly higher, m-o-m. Clean tanker spot freight rates East of Suez rose 2% on average, while West of Suez rates increased 12% amid limited vessel availability in the region.

Dirty tanker freight rates

Very large crude carriers (VLCC)

Gains were seen across all monitored routes in February as VLCC rates continued to climb from the low levels seen at the end of last year. Gains came as fresh sanctions in January boosted long-haul voyages from alternative supplies. On average, VLCC spot freight rates were up 4%, m-o-m. Y-o-y, VLCC spot rates were down 17% on average.

On the Middle East-to-East route, rates averaged WS62 in February, representing an increase of 7% compared to the previous month, as large buyers of Russian grade sought alternatives following expanded sanctions on vessels carrying Russian crude. Rates were 11% lower, y-o-y. Flows to the West were less affected, and as a result, rates on the Middle East-to-West route were up by a lesser 3%, m-o-m, to average WS36. Compared with the same month in 2024, rates were down 31%.

Spot freight rates on the West Africa-to-East route were up 5%, m-o-m, to average WS63 in February. The rise was driven by increased activities. Compared with the same month in 2024, rates were down 10%.

Table 7 - 1: Dirty VLCC spot tanker freight rates, Worldscale (WS)

VLCC	Size *1,000 DWT*	Dec 24	Jan 25	Feb 25	*Change* Feb 25/Jan 25
Middle East/East	230-280	42	58	62	4
Middle East/West	270-285	29	35	36	1
West Africa/East	260	48	60	63	3

Sources: Argus and OPEC.

Suezmax

Spot freight rates for Suezmax vessels enjoyed a strong recovery in February, supported by firm demand in the US Gulf and Mediterranean, where a jump in CPC crude exports thinned availability. Spot rates rose 20%, m-o-m, but were still 19% lower, y-o-y.

On the West Africa-to-USGC route, spot freight rates in February averaged WS83, representing a gain of 20%, m-o-m. Spot rates were 19% lower compared with the same month in 2024. Rates on the USGC-to-Europe route were up 21% to average WS76, as rising VLCC rates provided an incentive to switch to Suezmax vessels. Compared with the same month in 2024, rates were 17% lower.

Table 7 - 2: Dirty Suezmax spot tanker freight rates, WS

Suezmax	Size *1,000 DWT*	Dec 24	Jan 25	Feb 25	*Change* Feb 25/Jan 25
West Africa/US Gulf Coast	130-135	79	69	83	14
US Gulf Coast/ Europe	150	71	63	76	13

Sources: Argus and OPEC.

Aframax

Aframax spot freight rates posted more modest gains, rising 4%, m-o-m, in February. Compared to the same month last year, Aframax spot rates were down 25%.

Rates on the Indonesia-to-East route rose 4%, m-o-m, to an average of WS122 in February. Y-o-y, rates on the route were down 22%.

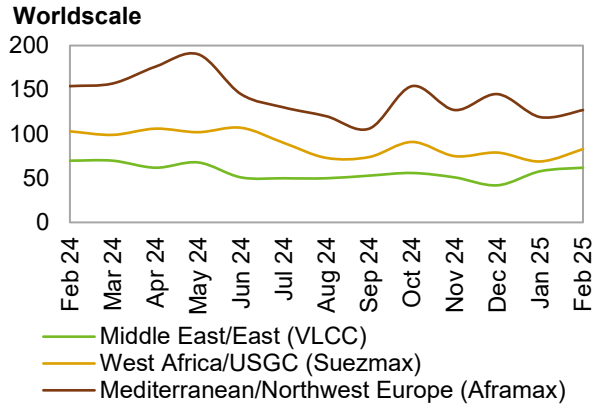
Table 7 - 3: Dirty Aframax spot tanker freight rates, WS

Aframax	Size 1,000 DWT	Dec 24	Jan 25	Feb 25	Change Feb 25/Jan 25
Indonesia/East	80-85	121	117	122	5
Caribbean/US East Coast	80-85	158	124	122	-2
Mediterranean/Mediterranean	80-85	148	121	132	11
Mediterranean/Northwest Europe	80-85	145	119	127	8

Sources: Argus and OPEC.

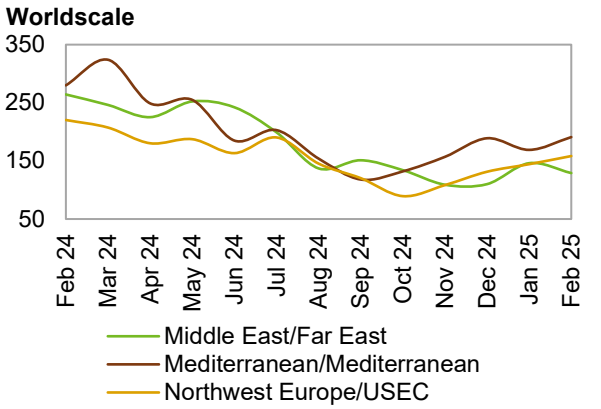
The Caribbean-to-USEC spot freight rates saw the only m-o-m losses across all monitored routes in February, weighed down by lower cargo demand. Rates averaged WS122, a decline of 2%, m-o-m. Compared with the same month last year, rates were down 36%. In contrast, cross-Med spot freight rates were up 9%, m-o-m, to average WS132. Gains were driven by a tighter supply of non-sanctioned vessels and a pickup in demand. Y-o-y, spot rates on the route were still down 20%. Rates on the Med-to-Northwest Europe (NWE) route averaged WS127, representing a rise of 7%, m-o-m. Compared with the same month in 2024, rates were down 18%.

Graph 7 - 1: Crude oil spot tanker freight rates, monthly average



Sources: Argus and OPEC.

Graph 7 - 2: Products spot tanker freight rates, monthly average



Sources: Argus and OPEC.

Clean tanker freight rates

Clean spot freight rates were slightly volatile in February, ending the month broadly higher, m-o-m. East of Suez rates rose 2% on average, as lower exports limited gains. West of Suez rates rose 12%, amid limited vessel availability in the region. Compared to the previous year, East of Suez rates were down 48%, while West of Suez rates fell 30%.

Table 7 - 4: Clean spot tanker freight rates, WS

East of Suez	Size 1,000 DWT	Dec 24	Jan 25	Feb 25	Change Feb 25/Jan 25
Middle East/East	30-35	110	146	129	-17
Singapore/East	30-35	135	146	169	23
West of Suez					
Northwest Europe/US East Coast	33-37	131	144	158	14
Mediterranean/Mediterranean	30-35	189	169	191	22
Mediterranean/Northwest Europe	30-35	199	179	201	22

Sources: Argus and OPEC.

Rates on the Middle East-to-East route experienced the only m-o-m declines in February, falling 12% to average WS129. Compared with the same month in 2024, rates were 51% lower. In contrast, clean spot freight rates on the Singapore-to-East route rose 16%, m-o-m. Rates on the route averaged WS169 in February, representing a 46% decline compared with the same month in 2024.

Over in the Atlantic basin, clean rates on the NWE-to-USEC route averaged WS158. This was a gain of 10%, m-o-m, but a decline of 28%, y-o-y. Rates around the Mediterranean also increased. On the Cross-Med route, spot freight rates were up 13%, m-o-m, to average WS191 but were 32% lower, y-o-y. Rates on the Med-to-NWE route averaged WS201, representing an increase of 12%, m-o-m, but a loss of 31%, y-o-y.

Crude and Refined Products Trade

US crude imports in February fell below 6 mb/d for first time since 2021, while US crude exports remained above 4 mb/d, according to preliminary estimates based on weekly data. US product imports remained below the latest five-year range, while US product exports were broadly stable at the top of the range.

Preliminary estimates for OECD Europe show crude in February were higher both m-o-m and y-o-y, on increased flows to Spain, Poland, and Netherlands. OECD Europe product exports were down amid lower flows to Africa.

Japan's crude imports in January rose m-o-m for the third straight month, averaging 2.7 mb/d. This represented a gain of 133 tb/d, or over 5%, m-o-m, amid support from persistently cold weather. Compared to the same period last year, crude imports were 243 tb/d, or 10% higher. This represented the first y-o-y gain in 14 months. Product flow declined m-o-m following a strong performance the month before.

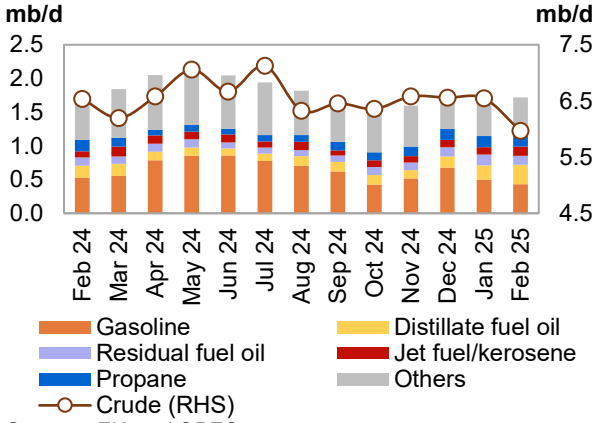
Preliminary estimates based on secondary data indicate that China's crude imports averaged 10.0 mb/d in January, a drop of 1.3 mb/d, or more than 11%, m-o-m. Preliminary customs data shows aggregate crude imports for January-February averaging 10.4 mb/d. Product imports also declined in January, according to preliminary estimates, largely on lower inflows of LPG.

India's crude imports in January averaged 4.9 mb/d, an increase of 3%, m-o-m. Products imports remained marginally unchanged, averaging 1.2 mb/d, as declines in LPG and naphtha were broadly offset by higher outflows of fuel oil and other fuels.

US

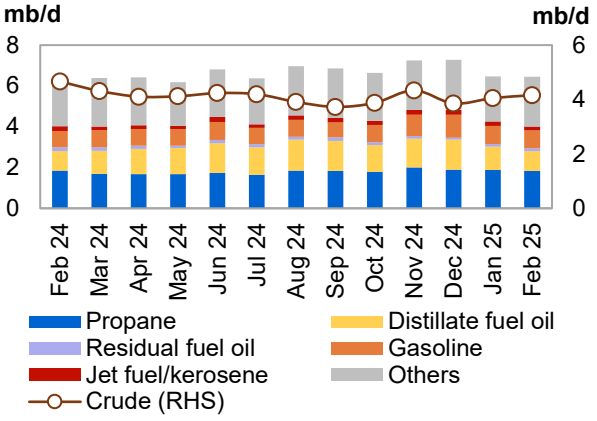
US crude imports in February fell below 6 mb/d for the first time since 2021. Crude inflows declined 580 tb/d, or almost 9%, m-o-m, to average 5.97 mb/d. According to preliminary EIA weekly data, lower flows were seen from Canada and out of the Middle East, which outweighed increased imports from Latin America. Compared with the same month last year, crude imports were down by 572 tb/d, or close to 9%.

Graph 8 - 1: US imports of crude and products



Sources: EIA and OPEC.

Graph 8 - 2: US exports of crude and products



Sources: EIA and OPEC.

US crude exports remained above 4 mb/d in February, rising 105 tb/d, or about 3%, m-o-m, to average around 4.2 mb/d. According to tanker tracking data, a jump in flows to South Korea and India was offset by a drop in crude exports to Europe. Y-o-y, crude outflows were 507 tb/d, or about 11%, lower.

Table 8 - 1: US crude and product net imports, mb/d

US	Dec 24	Jan 25	Feb 25	*Change* Feb 25/Jan 25
Crude oil	2.71	2.50	1.81	-0.69
Total products	-5.53	-4.81	-4.73	0.08
Total crude and products	**-2.82**	**-2.31**	**-2.92**	**-0.61**

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

Sources: EIA and OPEC.

In February, US net crude imports averaged 1.8 mb/d, down from 2.5 mb/d in January. In the same month last year, US net crude imports averaged 1.9 mb/d.

On the products side, imports recovered some of the previous month's losses in February, rising 59 tb/d, or about 4%, m-o-m, to average over 1.7 mb/d. Distillate fuel oil and jet fuel led the gains, which were partly offset by a drop in gasoline imports. Compared with the same month of 2024, product inflows were down by 71 tb/d, or about 4%.

Product exports were broadly unchanged in February at 6.5 mb/d on average. A jump in outflows from the other products category balanced lower exports of distillate fuel oil, propane/propylene and jet fuel. Compared with the same month last year, product exports were up by 125 tb/d, or 2%.

As a result, net product exports averaged 4.7 mb/d in February, compared with 4.8 mb/d in the previous month and 4.5 mb/d in February 2024. Combined net crude and product exports averaged 2.9 mb/d in February, compared to 2.3 mb/d in January and 2.7 mb/d in February 2024.

OECD Europe

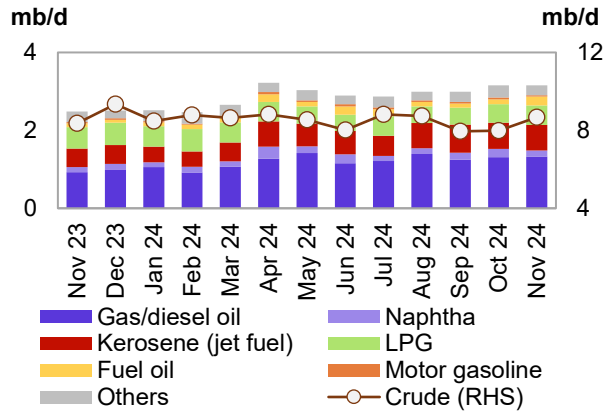
The latest official regional data for OECD Europe shows that crude imports recovered in November 2024, rising to just under the five-year average. Crude imports into OECD Europe averaged 8.7 mb/d for the month, a gain of 696 tb/d, or about 9%, m-o-m. Y-o-y, crude imports were up 314 tb/d, or 4%, compared to the same month of the previous year.

In terms of import sources from outside the region, the US provided the highest contribution in November with 1.8 mb/d, up from 1.6 mb/d the month before. Kazakhstan was second with 0.9 mb/d, followed by Libya with 0.8 mb/d.

Crude exports averaged 142 tb/d in November, compared to 132 tb/d the month before. In the same month of the previous year, crude oil outflows averaged 128 tb/d. China was the top destination for crude exports from the OECD Europe region, taking in 63 tb/d, followed by Türkiye with 49 tb/d.

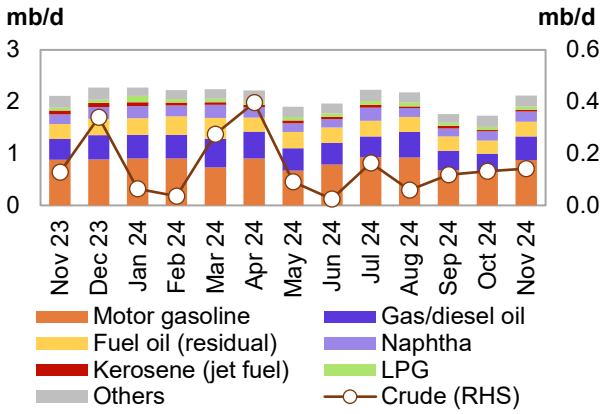
Net crude imports averaged 8.5 mb/d in November, compared to almost 7.9 mb/d in the previous month. In the same month of 2023, net crude imports averaged 8.2 mb/d.

Graph 8 - 3: OECD Europe's imports of crude and products



Sources: IEA and OPEC.

Graph 8 - 4: OECD Europe's exports of crude and products



Sources: IEA and OPEC.

Product imports remained broadly unchanged m-o-m in November, averaging 3.2 mb/d. Compared with November 2023, product inflows were up substantially, rising by 669 tb/d, or almost 27%. The y-o-y gains were driven by diesel and, to a lesser extent, jet kerosene and fuel oil.

Product exports averaged 2.1 mb/d in November, reflecting an increase of 392 tb/d, or 23%, m-o-m, with motor fuels leading gains after a poor performance the month before. Product exports were broadly in line with November 2023.

Net product imports averaged 1.0 mb/d in November, compared with 1.4 mb/d the month before and just 375 tb/d in November 2023. Combined net crude and product imports averaged 9.6 mb/d in November, down from 9.3 mb/d the month before and 8.6 mb/d in November 2023.

Table 8 - 2: OECD Europe's crude and product net imports, mb/d

OECD Europe	Sep 24	Oct 24	Nov 24	Change Nov 24/Oct 24
Crude oil	7.84	7.85	8.54	0.69
Total products	1.24	1.43	1.04	-0.39
Total crude and products	**9.07**	**9.28**	**9.58**	**0.29**

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

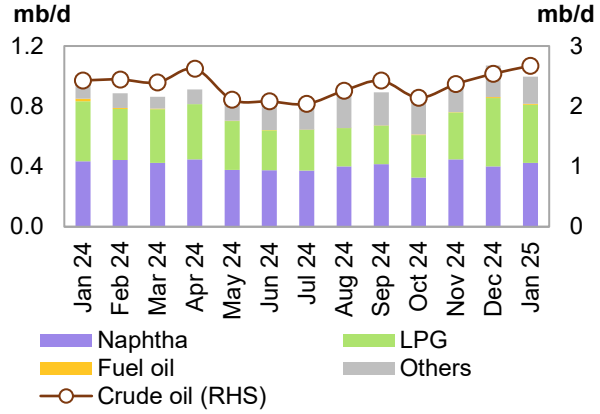
Sources: IEA and OPEC.

Japan

Japan's crude imports rose for the third straight month in January, averaging 2.7 mb/d, representing a gain of 133 tb/d, or over 5%, m-o-m, amid support from persistently cold weather. Compared to the same period last year, crude imports were 243 tb/d, or 10% higher. This represented the first y-o-y gain in 14 months.

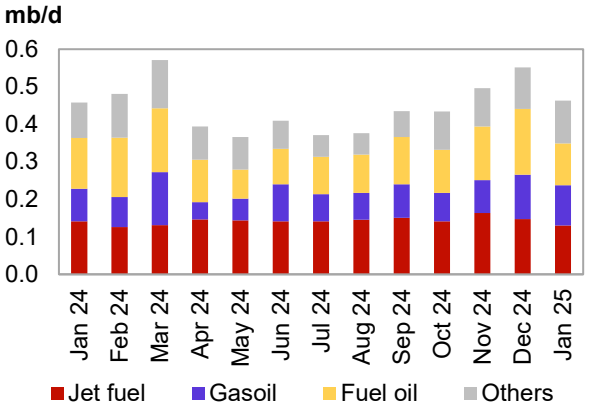
The United Arab Emirates remained the top crude supplier to Japan in January, with a share of 42%, albeit down from 46% the month before. Saudi Arabia was second with 41%, up from 39% the month before, followed by Kuwait at almost 6%.

Graph 8 - 5: Japan's imports of crude and products



Sources: METI and OPEC.

Graph 8 - 6: Japan's exports of products



Sources: METI and OPEC.

Product imports, including LPG, fell back from a strong performance the month before. Product inflows declined 75 tb/d, or 7%, m-o-m, to average just under 1 mb/d in January. Losses were due mainly to LPG imports, which moderated from a 21-month high the month before. Kerosene imports also declined as local refiners increased product output. Compared with January 2024, product imports were marginally unchanged.

Product exports, including LPG, also declined after a strong performance in the previous month. Inflows averaged 463 tb/d in January, a drop of 89 tb/d, or 16%. Declines were seen across most major products, particularly fuel oil, as local consumption was boosted by the cold weather. Product outflows were broadly in line with the level registered in the same month last year, up by just 1%.

Consequently, Japan's net product imports, including LPG, averaged 533 tb/d in January. This compares with 519 tb/d the month before and 543 tb/d in January 2024.

Table 8 - 3: Japan's crude and product net imports, mb/d

Japan	Nov 24	Dec 24	Jan 25	Change Jan 25/Dec 24
Crude oil	2.37	2.54	2.67	0.13
Total products	0.44	0.52	0.53	0.01
Total crude and products	**2.80**	**3.06**	**3.21**	**0.15**

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

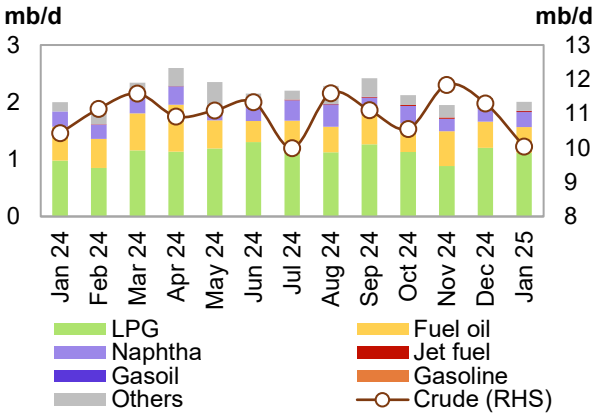
Sources: METI and OPEC.

China

China's crude and product trade flows began the year under considerable uncertainty, as impending tariffs, tighter sanctions, and a sluggish economy weighed on expectations. Preliminary estimates based on secondary data 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. Compared to the same month last year, crude imports were 393 tb/d, or almost 4%, lower. Preliminary customs data shows aggregate crude imports for January-February averaged 10.4 mb/d.

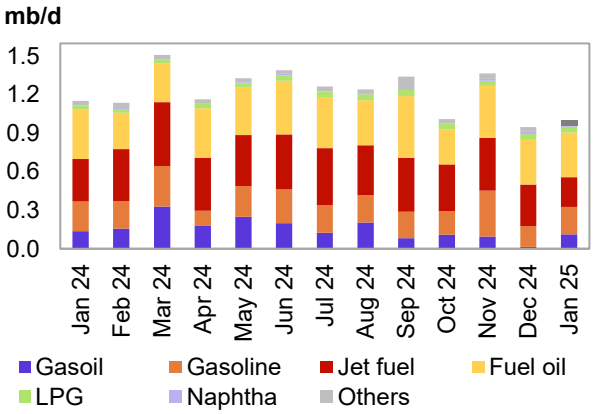
In terms of crude imports by source, Russia remained in the top spot in January with 19%, albeit down from close to 20% in the previous month. Inflows from Russia fell 12%, m-o-m. Malaysia was second with 13%, down from 14% in the previous month, followed by Saudi Arabia with almost 13%, also down slightly from December.

Graph 8 - 7: China's imports of crude and total products



Sources: GACC and OPEC.

Graph 8 - 8: China's exports of total products



Sources: GACC and OPEC.

Product imports, including LPG, declined in January, according to preliminary estimates. Inflows averaged 2.0 mb/d for the month, a drop of 65 tb/d, or 3%, m-o-m. Declines were driven by LPG, along with lower inflows of fuel oil and diesel oil, offsetting increased naphtha imports. Compared to the same period in 2024, product imports were generally unchanged.

Product exports, including LPG, rose by 48 tb/d, or 5%, m-o-m, to average 997 tb/d in January. Gasoline and diesel oil led the outflows, offset by a decline in jet fuel. Compared to the same month in 2024, product exports were down by 156 tb/d, or almost 14%.

Net product imports averaged 1.0 mb/d in January, compared to 1.1 mb/d, the month before. In the same month last year, net product imports averaged 847 tb/d.

Table 8 - 4: China's crude and product net imports, mb/d

China	Nov 24	Dec 24	Jan 25	Change Jan 25/Dec 24
Crude oil	11.78	11.20	10.04	-1.16
Total products	0.58	1.12	1.01	-0.11
Total crude and products	**12.36**	**12.32**	**11.04**	**-1.28**

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

Sources: GACC and OPEC.

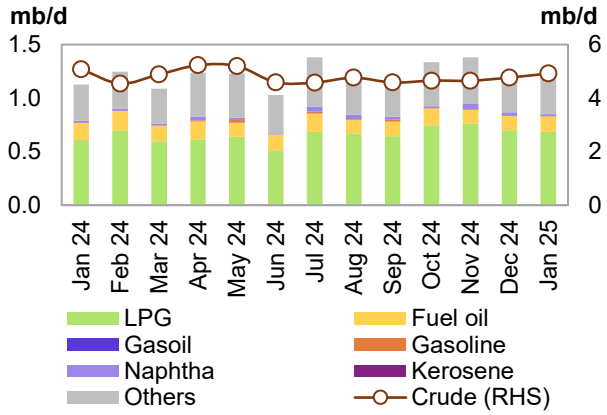
India

India's crude imports began the year averaging 4.9 mb/d. This represents an increase of 154 tb/d, or over 3%, m-o-m, but a decline of 159 tb/d, or about 3%, y-o-y.

In terms of crude imports by source, Kpler data shows Russia had a 33% share of India's total crude imports in January, down from 38% in the previous month. Iraq was second with 21%, followed by Saudi Arabia with 14%.

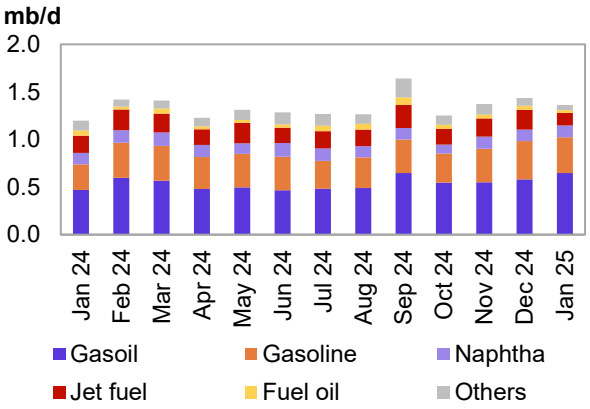
For products, imports remained generally unchanged, m-o-m, averaging 1.2 mb/d. Declines in LPG and naphtha were broadly offset by higher inflows of fuel oil and other fuels. Y-o-y, product imports were up by 116 tb/d, or 10%.

Graph 8 - 9: India's imports of crude and products



Sources: PPAC and OPEC.

Graph 8 - 10: India's exports of products



Sources: PPAC and OPEC.

Product exports fell in January, dropping 73 tb/d, or 5%, m-o-m, but still averaging 1.4 mb/d due to rounding. Lower exports of products in the other category, along with declines in gasoline and fuel oil, drove the decrease, offset by a jump in diesel outflows. Y-o-y, product exports were up by 166 tb/d, or almost 14%.

Net product exports from India eased in January, averaging 123 tb/d, compared with net exports of 195 tb/d the month before and net exports of 73 tb/d in January 2024.

Table 8 - 5: India's crude and product net imports, mb/d

India	Nov 24	Dec 24	Jan 25	*Change* Jan 25/Dec 24
Crude oil	4.65	4.77	4.92	0.15
Total products	0.00	-0.19	-0.12	0.07
Total crude and products	**4.66**	**4.57**	**4.80**	**0.23**

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

India data table does not include information for crude import and product export by Reliance Industries.

Sources: PPAC and OPEC.

Eurasia

Total crude oil exports from Russia and Central Asia averaged 6.2 mb/d in January, recovering from the previous month's sharp decline. M-o-m exports were up 323 tb/d or almost 6%. This was largely due to gains in outflows from Primorsk in the Baltic Sea and Novorossiysk in the Black Sea, which offset declines at the ports of Ust-Luga in the Black Sea and Kozmino on the Pacific coast.

Crude exports through the Transneft system increased 150 tb/d, or about 4%, m-o-m, in January, to average 3.6 mb/d. Y-o-y, exports were down by 189 tb/d, or 5%. In the individual Transneft outlets, exports through Novorossiysk rose by 147 tb/d, or almost 42%, m-o-m, to average 500 tb/d. Crude exports from the Baltic Sea ports were mixed. Flows from Primorsk rose 265 tb/d, or 36%, m-o-m, to average 1.0 mb/d. Exports from Ust-Luga dropped 186 tb/d, or about 35%, m-o-m, to average 349 tb/d. Combined, crude exports via the Baltic Sea terminals averaged around 1.3 mb/d, representing a gain of 79 tb/d, or 6%, m-o-m, but a decline of 175 tb/d, or 11%, y-o-y.

Shipments via the Druzhba pipeline increased 74 tb/d in January, or almost 30%, to average 323 tb/d. Compared to the same month of 2024, exports via the pipeline were up 66 tb/d, or 26%. Exports to inland China via the ESPO pipeline were broadly unchanged. This is 28 tb/d, or 5%, higher than in January 2024. Exports from the Pacific port of Kozmino declined 151 tb/d, or about 15%, m-o-m, to average 835 tb/d. Compared to the same month last year, export flows via the port were 73 tb/d, or 8%, lower.

In the Lukoil system, exports via the Varandey offshore platform in the Barents Sea rose by 2 tb/d in January, or 2%, m-o-m, to average 99 tb/d. This was a drop of 4 tb/d, or 4%, from the same month last year.

On other routes, exports from Russia's Far East port Aniva Bay gained 26 tb/d, or about 35%, m-o-m, while De Kastri edged down 2 tb/d, or about 1%, over the same period. Combined, the two ports exported 284 tb/d of crude, on average, in January.

Central Asian exports averaged 233 tb/d in January, generally unchanged, m-o-m, with a gain of 9 tb/d, or 4%, compared with the same month of 2024.

Total Black Sea exports from the CPC terminal jumped 148 tb/d, or around 12%, m-o-m, in January. Y-o-y, exports were 25 tb/d, or 2%, higher compared with the same month last year. Exports via the BTC pipeline were unchanged in January at 609 tb/d. This was a slight gain of 5 tb/d, or about 1%, compared with the same month last year.

Total product exports from Russia and Central Asia increased by 80 tb/d, or about 3%, m-o-m, to average almost 2.6 mb/d in January. Gains were mainly driven by a jump in gasoil, offsetting a sharp decline in fuel oil. Y-o-y, total product exports increased by 206 tb/d, or 9%, supported by gasoil, fuel oil, and naphtha.

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

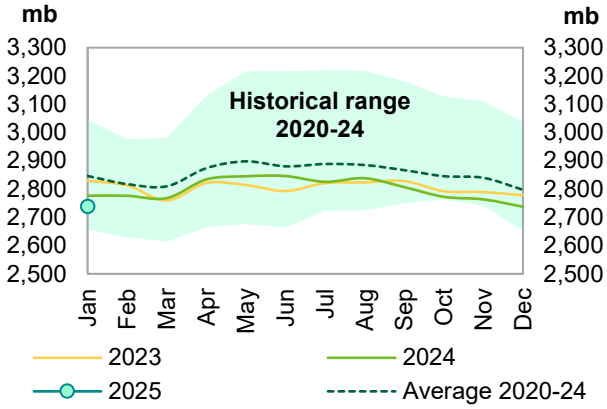
Preliminary January 2025 data shows total OECD commercial oil stocks up by 1.0 mb, m-o-m. At 2,738 mb, they were 38.2 mb lower than the same time a year ago, 108.0 mb less than the latest five-year average, and 188.1 mb below the 2015–2019 average.

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.

Graph 9 - 1: OECD commercial oil stocks



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

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.

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

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.

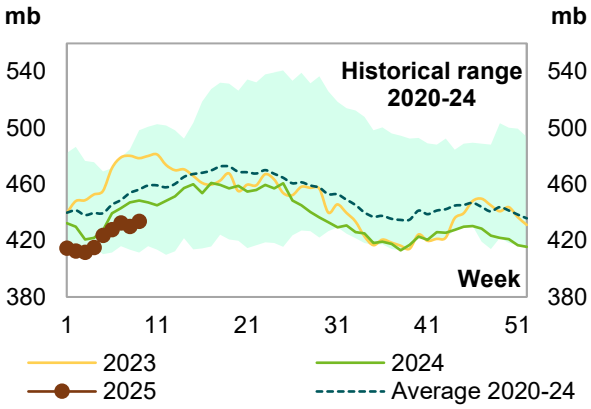
US

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.

Graph 9 - 2: US weekly commercial crude oil inventories



Sources: EIA and OPEC.

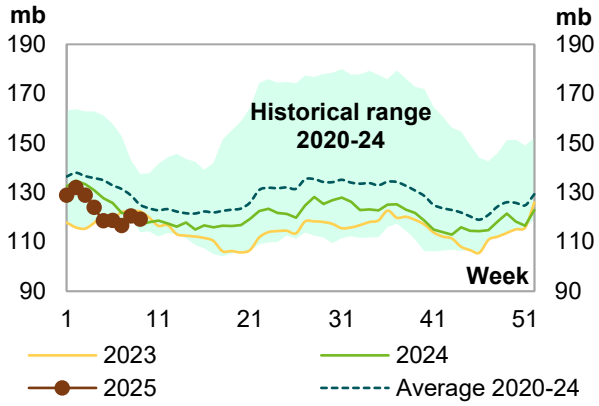
Gasoline stocks fell in February by 4.3 mb, m-o-m, to settle at 246.8 mb. This is 6.6 mb, or 2.8%, higher than the same month in 2024, and 1.3 mb, or 0.5%, above the latest five-year average.

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	Feb 24	Dec 24	Jan 25	Feb 25	*Change* 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.

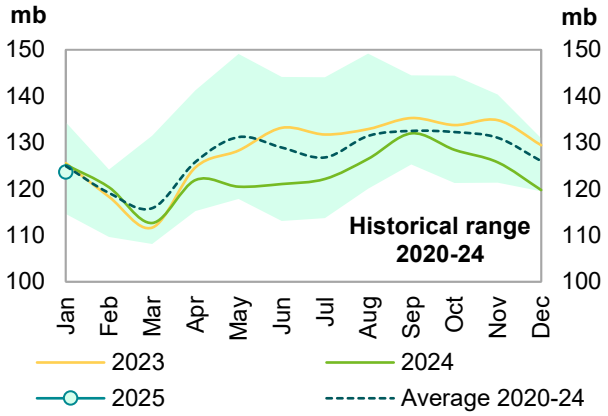
Japan

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.

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.*

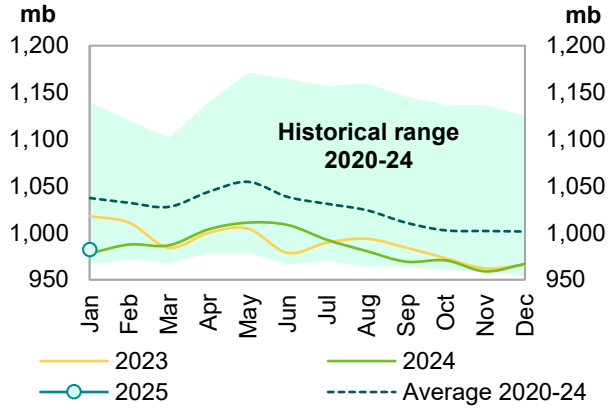
Sources: METI and OPEC.

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.

Appendix

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.

Table 11 - 2: World oil demand and supply balance: changes from last month's table*, mb/d

World oil demand and supply balance	2022	2023	2024	1Q25	2Q25	3Q25	4Q25	2025	1Q26	2Q26	3Q26	4Q26	2026
World demand													
Americas	-	0.0	0.0	-	-	-0.1	0.0	0.0	-	-	-0.1	0.0	0.0
of which US	-	*0.0*	*0.0*	-	-	*-0.1*	*-0.1*	*0.0*	-	-	*-0.1*	*-0.1*	*0.0*
Europe	-	-	0.0	0.0	0.0	-0.1	0.1	0.0	0.0	0.0	-0.1	0.1	0.0
Asia Pacific	-	-	0.0	-	-	-	-0.1	0.0	-	-	-	-0.1	0.0
Total OECD	**-**	**0.0**	**0.0**	**0.0**	**0.0**	**-0.1**	**0.0**	**0.0**	**0.0**	**0.0**	**-0.1**	**0.0**	**0.0**
China	-	-	-	0.0	-	-	-	-	0.0	-	-	-	-
India	-	-	-	-	-	0.0	0.0	-	-	-	0.0	0.0	-
Other Asia	-	-	0.0	0.0	0.0	0.0	-	0.0	0.0	0.0	0.0	-	0.0
Latin America	-	-	-	-	-	0.0	-	-	-	-	0.0	-	-
Middle East	-	-	-	0.0	0.0	0.0	-	-	0.0	0.0	0.0	-	-
Africa	-	-	0.0	0.0	0.0	-	-	0.0	0.0	0.0	-	-	0.0
Russia	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Eurasia	-	-	0.0	-	-	0.0	-	0.0	-	-	0.0	-	0.0
Other Europe	-	-	-	-	-	0.0	0.0	-	-	-	0.0	0.0	-
Total Non-OECD	**-**	**-**	**0.0**	**0.0**	**0.1**	**-0.1**	**0.1**	**0.0**	**0.0**	**0.1**	**-0.1**	**0.1**	**0.0**
(a) Total world demand	**-**	**0.0**	**-**	**0.1**	**0.1**	**-0.2**	**0.0**	**-**	**0.1**	**0.1**	**-0.2**	**0.0**	**-**
Y-o-y change	***-***	***0.0***	***0.0***	***-***	***-***	***-***	***-***	***-***	***-***	***-***	***-***	***-***	***-***
Non-DoC liquids production													
Americas	-	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
of which US	-	-	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*	*0.0*
Europe	-	0.0	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1
Asia Pacific	-	-	-	-	-	-	-	-	-	-	-	-	-
Total OECD	**-**	**0.0**	**0.0**	**-0.1**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
China	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
India	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Asia	-	0.0	-	-	-	-	-	-	-	-	-	-	-
Latin America	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Middle East	0.0	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Africa	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Eurasia	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Europe	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OECD	**0.0**	**0.1**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Total Non-DoC production	0.0	0.0	-	-0.1	0.0	0.0	0.0	-	-	-	-	-	-
Processing gains	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-DoC liquids production	**0.0**	**0.0**	**-**	**-0.1**	**0.0**	**0.0**	**0.0**	**-**	**-**	**-**	**-**	**-**	**-**
DoC NGLs	0.0	0.0	0.0	0.1	-	-	-	0.0	-	-	-	-	-
(b) Total Non-DoC liquids production and DoC NGLs	**-0.1**	**-**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**-**	**-**	**-**	**-**	**-**
Y-o-y change	***0.0***	***0.1***	***0.0***	***0.1***	***0.0***	***0.1***	***0.0***	***0.0***	***0.0***	***0.0***	***0.0***	***0.0***	***0.0***
OPEC crude oil production (secondary sources)	-	-	-0.1										
Non-OPEC DoC crude production	-	-	-										
DoC crude oil production	**-**	**-**	**-**										
Total liquids production	**-**	**-**	**-0.1**										
Balance (stock change and miscellaneous)	-	-	*-0.1*										
OECD closing stock levels, *mb*													
Commercial	-	-	-16										
SPR	-	-	-										
Total	**-**	**-**	**-17**										
Oil-on-water	-	-	24										
Days of forward consumption in OECD, *days*													
Commercial onland stocks	-	-	-										
SPR	-	-	-										
Total	**-**	**-**	**-**										
Memo items													
(a) - (b)	**0.1**	**0.0**	**0.0**	**0.1**	**0.1**	**-0.2**	**0.0**	**0.0**	**0.1**	**0.1**	**-0.2**	**0.0**	**0.0**

*Note: * This compares Table 11 - 1 in this issue of the MOMR with Table 11 - 1 in the February 2025 issue.*
This table shows only where changes have occurred.
Source: OPEC.

Table 11 - 3: OECD oil stocks and oil on the water at the end of the period

OECD oil stocks and oil on water	2022	2023	2024	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24
Closing stock levels, mb											
OECD onland commercial	**2,781**	**2,778**	**2,737**	**2,759**	**2,793**	**2,828**	**2,778**	**2,768**	**2,846**	**2,807**	**2,737**
Americas	1,492	1,518	1,504	1,489	1,513	1,539	1,518	1,499	1,552	1,530	1,504
Europe	936	906	910	920	921	924	906	934	949	920	910
Asia Pacific	353	353	324	351	359	365	353	334	345	357	324
OECD SPR	**1,214**	**1,207**	**1,243**	**1,217**	**1,206**	**1,209**	**1,207**	**1,219**	**1,226**	**1,235**	**1,243**
Americas	374	357	395	373	349	353	357	366	374	384	395
Europe	461	466	464	460	470	471	466	470	468	467	464
Asia Pacific	378	384	384	383	387	384	384	383	384	383	384
OECD total	**3,995**	**3,984**	**3,980**	**3,976**	**3,999**	**4,037**	**3,984**	**3,987**	**4,072**	**4,042**	**3,980**
Oil-on-water	**1,546**	**1,438**	**1,403**	**1,560**	**1,449**	**1,367**	**1,438**	**1,460**	**1,396**	**1,378**	**1,403**
Days of forward consumption in OECD, days											
OECD onland commercial	**61**	**61**	**60**	**61**	**61**	**61**	**62**	**61**	**62**	**60**	**61**
Americas	60	61	60	59	60	61	62	60	61	60	61
Europe	70	67	67	68	67	69	70	68	68	67	71
Asia Pacific	49	49	45	51	51	49	47	48	50	48	43
OECD SPR	**27**	**26**	**27**	**27**	**26**	**26**	**27**	**27**	**27**	**27**	**28**
Americas	15	14	16	15	14	14	15	15	15	15	16
Europe	34	34	34	34	34	35	36	34	33	34	36
Asia Pacific	52	53	53	56	55	52	51	55	55	51	51
OECD total	**87**	**87**	**87**	**87**	**87**	**88**	**89**	**87**	**88**	**87**	**89**

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

Table 11 - 4: Non-DoC liquids production and DoC natural gas liquids, mb/d*

Non-DoC liquids production and DoC NGLs	2024	Change 24/23	1Q25	2Q25	3Q25	4Q25	2025	Change 25/24	1Q26	2Q26	3Q26	4Q26	2026	Change 26/25
US	21.8	0.8	21.9	22.2	22.4	22.4	22.2	0.5	22.5	22.6	22.8	22.9	22.7	0.5
Canada	5.9	0.2	6.1	5.9	6.1	6.2	6.1	0.1	6.2	6.0	6.2	6.3	6.2	0.1
Chile	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
OECD Americas	**27.7**	**1.0**	**28.0**	**28.1**	**28.4**	**28.7**	**28.3**	**0.6**	**28.7**	**28.6**	**29.0**	**29.3**	**28.9**	**0.6**
Norway	2.0	0.0	2.1	2.0	2.1	2.1	2.1	0.1	2.1	2.0	2.0	2.1	2.0	0.0
UK	0.7	-0.1	0.7	0.7	0.7	0.7	0.7	0.0	0.7	0.7	0.7	0.7	0.7	0.0
Denmark	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.0
Other OECD Europe	0.8	0.0	0.8	0.8	0.8	0.8	0.8	0.0	0.8	0.8	0.8	0.8	0.8	0.0
OECD Europe	**3.5**	**-0.1**	**3.6**	**3.6**	**3.6**	**3.7**	**3.6**	**0.1**	**3.6**	**3.5**	**3.5**	**3.6**	**3.6**	**0.0**
Australia	0.4	0.0	0.4	0.3	0.4	0.4	0.4	0.0	0.4	0.3	0.3	0.3	0.3	0.0
Other OECD Asia Pacific	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.0
OECD Asia Pacific	**0.4**	**0.0**	**0.4**	**0.4**	**0.4**	**0.4**	**0.4**	**0.0**	**0.4**	**0.4**	**0.4**	**0.4**	**0.4**	**0.0**
Total OECD	**31.7**	**0.9**	**32.0**	**32.1**	**32.4**	**32.8**	**32.4**	**0.7**	**32.8**	**32.6**	**32.9**	**33.3**	**32.9**	**0.5**
China	**4.6**	**0.1**	**4.6**	**4.6**	**4.5**	**4.5**	**4.6**	**0.0**	**4.6**	**4.6**	**4.5**	**4.5**	**4.6**	**0.0**
India	**0.8**	**0.0**	**0.8**	**0.8**	**0.8**	**0.8**	**0.8**	**0.0**	**0.8**	**0.8**	**0.8**	**0.8**	**0.8**	**0.0**
Indonesia	0.8	0.0	0.8	0.8	0.8	0.8	0.8	0.0	0.8	0.8	0.8	0.8	0.8	0.0
Thailand	0.4	0.0	0.4	0.4	0.4	0.4	0.4	0.0	0.4	0.4	0.4	0.4	0.4	0.0
Vietnam	0.2	0.0	0.2	0.2	0.2	0.2	0.2	0.0	0.2	0.2	0.2	0.2	0.2	0.0
Asia others	0.2	0.0	0.2	0.2	0.2	0.2	0.2	0.0	0.2	0.2	0.2	0.2	0.2	0.0
Other Asia	**1.6**	**0.0**	**1.6**	**1.6**	**1.6**	**1.6**	**1.6**	**0.0**	**1.6**	**1.6**	**1.5**	**1.6**	**1.6**	**0.0**
Argentina	0.9	0.1	0.9	0.9	0.9	0.9	0.9	0.1	1.0	1.0	1.0	1.0	1.0	0.1
Brazil	4.2	0.0	4.2	4.3	4.3	4.3	4.3	0.1	4.3	4.4	4.5	4.6	4.5	0.2
Colombia	0.8	0.0	0.8	0.8	0.8	0.8	0.8	0.0	0.8	0.8	0.8	0.8	0.8	0.0
Ecuador	0.5	0.0	0.5	0.5	0.5	0.5	0.5	0.0	0.5	0.5	0.5	0.4	0.5	0.0
Latin America others	0.9	0.2	0.9	0.9	1.0	1.1	1.0	0.1	1.2	1.2	1.2	1.2	1.2	0.2
Latin America	**7.2**	**0.3**	**7.4**	**7.4**	**7.5**	**7.6**	**7.5**	**0.2**	**7.7**	**7.8**	**7.9**	**8.0**	**7.9**	**0.4**
Qatar	1.9	0.0	1.9	1.9	1.9	1.9	1.9	0.0	1.9	1.9	1.9	1.9	1.9	0.0
Middle East others	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.0
Middle East	**2.0**	**0.0**	**2.0**	**2.0**	**2.0**	**2.0**	**2.0**	**0.0**	**2.0**	**2.0**	**2.1**	**2.1**	**2.0**	**0.0**
Angola	1.2	0.0	1.1	1.1	1.1	1.1	1.1	0.0	1.1	1.1	1.1	1.1	1.1	0.0
Chad	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.0
Egypt	0.6	0.0	0.6	0.6	0.6	0.6	0.6	0.0	0.6	0.5	0.5	0.5	0.5	0.0
Ghana	0.2	0.0	0.2	0.2	0.2	0.2	0.2	0.0	0.2	0.2	0.2	0.2	0.2	0.0
South Africa	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.0	0.1	0.1	0.1	0.1	0.1	0.0
Africa others	0.3	0.1	0.3	0.3	0.3	0.3	0.3	0.1	0.3	0.3	0.4	0.4	0.4	0.1
Africa	**2.3**	**0.1**	**2.4**	**2.4**	**2.4**	**2.3**	**2.4**	**0.0**	**2.3**	**2.3**	**2.3**	**2.4**	**2.4**	**0.0**
Other Eurasia	**0.4**	**0.0**	**0.4**	**0.4**	**0.4**	**0.4**	**0.4**	**0.0**	**0.4**	**0.4**	**0.4**	**0.4**	**0.4**	**0.0**
Other Europe	**0.1**	**0.0**	**0.1**	**0.1**	**0.1**	**0.1**	**0.1**	**0.0**	**0.1**	**0.1**	**0.1**	**0.1**	**0.1**	**0.0**
Total Non-OECD	**19.0**	**0.4**	**19.2**	**19.3**	**19.3**	**19.4**	**19.3**	**0.3**	**19.6**	**19.7**	**19.7**	**19.9**	**19.7**	**0.4**
Non-DoC production	50.7	1.3	51.3	51.4	51.7	52.1	51.6	0.9	52.4	52.2	52.6	53.2	52.6	1.0
Processing gains	2.5	0.0	2.6	2.6	2.6	2.6	2.6	0.1	2.6	2.6	2.6	2.6	2.6	0.0
Non-DoC liquids production	**53.2**	**1.3**	**53.9**	**54.0**	**54.3**	**54.7**	**54.2**	**1.0**	**55.0**	**54.9**	**55.2**	**55.8**	**55.2**	**1.0**
DoC NGLs	**8.3**	**0.1**	**8.5**	**8.4**	**8.3**	**8.4**	**8.4**	**0.1**	**8.5**	**8.5**	**8.5**	**8.6**	**8.5**	**0.1**
Non-DoC liquids production and DoC NGLs	**61.5**	**1.4**	**62.3**	**62.4**	**62.6**	**63.1**	**62.6**	**1.1**	**63.5**	**63.4**	**63.7**	**64.4**	**63.7**	**1.1**

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

Table 11 - 5: World rig count, units

World rig count	2022	2023	2024	Change 2024/23	2Q24	3Q24	4Q24	Jan 25	Feb 25	Change Feb/Jan
US	722	688	599	-89	603	586	586	582	590	8
Canada	174	177	188	11	138	209	195	208	247	38
Mexico	47	55	50	-5	50	49	43	24	19	-5
OECD Americas	**945**	**921**	**839**	**-82**	**792**	**846**	**826**	**817**	**857**	**41**
Norway	17	17	13	-4	15	12	13	14	15	1
UK	10	12	8	-4	8	9	8	7	8	1
OECD Europe	**65**	**66**	**64**	**-2**	**66**	**63**	**65**	**65**	**66**	**1**
OECD Asia Pacific	**24**	**25**	**25**	**0**	**25**	**26**	**25**	**22**	**20**	**-2**
Total OECD	**1,034**	**1,012**	**928**	**-84**	**882**	**935**	**916**	**904**	**943**	**40**
Other Asia*	186	204	212	8	221	205	211	197	201	4
Latin America	119	120	104	-16	107	104	100	105	107	2
Middle East	62	61	62	1	62	62	63	63	62	-1
Africa	64	67	52	-15	52	46	47	47	45	-2
Other Europe	10	11	9	-2	9	9	9	9	10	1
Total Non-OECD	**441**	**463**	**439**	**-24**	**450**	**426**	**430**	**421**	**425**	**4**
Non-OPEC rig count	**1,475**	**1,475**	**1,367**	**-108**	**1,332**	**1,361**	**1,346**	**1,325**	**1,368**	**44**
Algeria	32	36	42	6	43	43	42	44	43	-1
Congo	1	1	1	0	1	1	1	1	2	1
Equatorial Guinea**	0	0	0	0	0	0	0	0	0	0
Gabon	3	3	4	1	4	5	3	3	3	0
Iran**	117	117	117	0	117	117	117	117	117	0
Iraq	51	61	62	1	62	62	62	62	62	0
Kuwait	27	24	31	7	30	33	32	30	30	0
Libya	7	14	18	4	18	18	18	18	18	0
Nigeria	10	14	15	1	17	14	11	12	10	-2
Saudi Arabia	73	83	81	-2	84	79	75	81	85	4
UAE	47	57	66	9	63	68	70	73	72	-1
Venezuela	3	2	2	0	3	2	1	1	2	1
OPEC rig count	**371**	**412**	**439**	**27**	**442**	**442**	**432**	**442**	**444**	**2**
World rig count* **	**1,846**	**1,887**	**1,806**	**-81**	**1,774**	**1,803**	**1,778**	**1,767**	**1,812**	**45**
of which:										
Oil	1,463	1,498	1,439	-59	1,421	1,443	1,415	1,403	1,441	38
Gas	352	357	320	-37	312	311	311	311	320	8
Others	31	32	47	15	42	50	53	52	52	-1

*Note: * Other Asia includes India and offshore rigs for China.*
*** Estimated data when Baker Hughes Incorporated did not reported the data.*
**** Data excludes onshore China as well as Russia and other Eurasia.*
Totals may not add up due to independent rounding.
Sources: Baker Hughes and OPEC.

Glossary of Terms

Abbreviations

b	barrels
b/d	barrels per day
bp	basis points
bb	billion barrels
bcf	billion cubic feet
cu m	cubic metres
mb	million barrels
mb/d	million barrels per day
mmbtu	million British thermal units
mn	million
m-o-m	month-on-month
mt	metric tonnes
q-o-q	quarter-on-quarter
pp	percentage points
tb/d	thousand barrels per day
tcf	trillion cubic feet
y-o-y	year-on-year
y-t-d	year-to-date

Acronyms

ARA	Amsterdam-Rotterdam-Antwerp
BoE	Bank of England
BoJ	Bank of Japan
BOP	Balance of payments
BRIC	Brazil, Russia, India and China
CAPEX	capital expenditures
CCI	Consumer Confidence Index
CFTC	Commodity Futures Trading Commission
CIF	cost, insurance and freight
CPI	consumer price index
DoC	Declaration of Cooperation
DCs	developing countries
DUC	drilled, but uncompleted (oil well)
ECB	European Central Bank
EIA	US Energy Information Administration
Emirates NBD	Emirates National Bank of Dubai
EMs	emerging markets
EV	electric vehicle

FAI	fixed asset investment
FCC	fluid catalytic cracking
FDI	foreign direct investment
Fed	US Federal Reserve
FID	final investment decision
FOB	free on board
FPSO	floating production storage and offloading
FSU	Former Soviet Union
FX	Foreign Exchange
FY	fiscal year
GDP	gross domestic product
GFCF	gross fixed capital formation
GoM	Gulf of Mexico
GTLs	gas-to-liquids
HH	Henry Hub
HSFO	high-sulphur fuel oil
ICE	Intercontinental Exchange
IEA	International Energy Agency
IMF	International Monetary Fund
IOCs	international oil companies
IP	industrial production
ISM	Institute of Supply Management
JODI	Joint Organisations Data Initiative
LIBOR	London inter-bank offered rate
LLS	Light Louisiana Sweet
LNG	liquefied natural gas
LPG	liquefied petroleum gas
LR	long-range (vessel)
LSFO	low-sulphur fuel oil
MCs	(OPEC) Member Countries
MED	Mediterranean
MENA	Middle East/North Africa
MOMR	(OPEC) Monthly Oil Market Report
MPV	multi-purpose vehicle
MR	medium-range or mid-range (vessel)
NBS	National Bureau of Statistics
NGLs	natural gas liquids
NPC	National People's Congress (China)
NWE	Northwest Europe
NYMEX	New York Mercantile Exchange
OECD	Organisation for Economic Co-operation and Development
OPEX	operational expenditures
OIV	total open interest volume
ORB	OPEC Reference Basket
OSP	Official Selling Price
PADD	Petroleum Administration for Defense Districts
PBoC	People's Bank of China
PMI	purchasing managers' index
PPI	producer price index
PPP	purchasing power parity

RBI	Reserve Bank of India
REER	real effective exchange rate
ROI	return on investment
SAAR	seasonally-adjusted annualized rate
SIAM	Society of Indian Automobile Manufacturers
SRFO	straight-run fuel oil
SUV	sports utility vehicle
ULCC	ultra-large crude carrier
ULSD	ultra-low sulphur diesel
USEC	US East Coast
USGC	US Gulf Coast
USWC	US West Coast
VGO	vacuum gasoil
VLCC	very large crude carriers
WPI	wholesale price index
WS	Worldscale
WTI	West Texas Intermediate
WTS	West Texas Sour

OPEC Basket average price

US$/b

Down 2.57 in February

February 2025	76.81
January 2025	79.38
Year-to-date	**78.16**

February OPEC crude production

mb/d, according to secondary sources

Up 0.15 in February

February 2025	26.86
January 2025	26.71

February Non-OPEC DoC crude production

mb/d, according to secondary sources

Up 0.21 in February

February 2025	14.15
January 2025	13.94

Economic growth rate

per cent

	World	US	Eurozone	Japan	China	India	Brazil	Russia
2025	3.1	2.4	0.9	1.2	4.7	6.5	2.3	1.9
2026	3.2	2.3	1.1	1.0	4.6	6.5	2.5	1.5

Supply and demand

mb/d

2025		**25/24**	**2026**		**26/25**
World demand	105.2	1.4	World demand	106.6	1.4
Non-DoC liquids production	54.2	1.0	Non-DoC liquids production	55.2	1.0
DoC NGLs	8.4	0.1	DoC NGLs	8.5	0.1
Difference	**42.6**	**0.3**	**Difference**	**42.9**	**0.3**

OECD commercial stocks

mb

	Nov 24	Dec 24	Jan 25	Jan 25/Dec 24
Crude oil	1,307	1,281	1,298	16.8
Products	1,457	1,456	1,440	–15.9
Total	**2,763**	**2,737**	**2,738**	**1.0**
Days of forward cover	60.8	60.9	60.7	–0.3

Next report to be issued on 14 April 2025.