Organization of the Petroleum Exporting Countries

OPEC Monthly Oil Market Report

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Feature article:

Recent refining trends and winter oil market outlook

Organization of the Petroleum Exporting Countries

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Oil Market Highlights

Crude Oil Price Movements

In July, the OPEC Reference Basket (ORB) value increased by $1.24 month-on-month (m-o-m), to average $70.97/b. The ICE Brent front-month contract dropped by 25¢, m-o-m, to average $69.55/b, and the NYMEX WTI front-month contract dropped by 9¢, m-o-m, to average $67.24/b. However, the GME Oman's front-month contract increased by $1.93, m-o-m, to average $71.42/b. The ICE Brent-NYMEX WTI first-month spread narrowed by 16¢, m-o-m, to average $2.31/b. The ICE Brent and NYMEX WTI forward curves slightly flattened in July, m-o-m, but remained in strong backwardation, while the GME Oman forward curve further strengthened, moving into more pronounced backwardation. Hedge funds and other money managers significantly raised their bullish bets on ICE Brent but sharply lowered their NYMEX WTI net long positions.

World Economy

The global economy is expected to maintain its stable growth trajectory, as supported by the consistent and strong momentum observed in 1H25. The global economic growth forecast for 2025 is revised up slightly to 3.0%, while the forecast for 2026 remains at a robust 3.1%. The US economic growth forecast is revised up slightly to 1.8% for 2025 but remains at 2.1% for 2026. Japan’s economic growth forecasts remain unchanged at 1.0% for 2025 and at 0.9% for 2026. The Eurozone economic growth forecasts are revised up slightly to 1.2% for both 2025 and 2026. China’s economic growth forecast is revised up slightly to 4.8% for 2025, but remains at 4.5% for 2026. India’s economic growth forecasts remain at 6.5% for both 2025 and 2026. Brazil’s economic growth forecasts remain unchanged at 2.3% for 2025 and 2.5% for 2026. Similarly, Russia’s economic growth forecasts for 2025 and 2026 remain unchanged at 1.8% and 1.5%, respectively.

World Oil Demand

The global oil demand growth forecast for 2025 remains at 1.3 mb/d, y-o-y, unchanged from last month’s assessment. Some minor adjustments were made, mainly due to actual data received for 1Q25 and 2Q25. In the OECD, oil demand is forecast to grow by about 0.1 mb/d in 2025, while non-OECD oil demand is forecast to grow by 1.2 mb/d in 2025. In 2026, global oil demand is forecast to grow by 1.4 mb/d, y-o-y, revised up by 0.1 mb/d from last month’s assessment, on the back of supportive economic activities. The OECD is projected to grow by about 0.2 mb/d, y-o-y, while the non-OECD is expected to expand by 1.2 mb/d, y-o-y.

World Oil Supply

Non-DoC liquids production (i.e., liquids production from countries not participating in the Declaration of Cooperation) is forecast to grow by about 0.8 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 Argentina. The non-DoC liquids production growth forecast for 2026 is revised down slightly by 0.1 mb/d to average 0.6 mb/d, y-o-y, with Brazil, the US, Canada and Argentina as the main growth drivers. 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, averaging 8.7 mb/d, followed by a similar increase of about 0.1 mb/d, y-o-y, in 2026, to average 8.8 mb/d. Crude oil production by countries participating in the DoC increased by 335 tb/d in July, m-o-m, to average about 41.94 mb/d, according to available secondary sources.

Product Markets and Refining Operations

In July, Atlantic basin refinery margins recovered significantly m-o-m, given the robust middle distillate crack spread performance. All key products across the barrel showed gains on the US Gulf Coast (USGC). Moreover, the lower diesel availability, as well as low fuel oil imports, led to upward pressure on refining margins. In Rotterdam, middle distillates margins outperformed all other key products with the exception of High Sulphur Fuel Oil (HSFO), reflecting a tighter diesel market. In contrast, refining margins in Singapore declined m-o-m, as elevated product outflows from China weighed on markets, leading to weakness at the top and bottom sections of the barrel. The global refinery intake in July rose further to reach a record high of 83.6 mb/d, according to preliminary data. This was 884 tb/d higher, m-o-m, and 2.0 mb/d higher, y-o-y.

Tanker Market

Dirty tanker spot freight rates experienced m-o-m declines across all monitored routes in July, amid easing geopolitical concerns. VLCC rates saw the strongest decline, down 14% on average. The decrease was more pronounced on East of Suez routes, with VLCC spot freight rates on the Middle East-to-East route dropping by 20%, m-o-m, compared with a decline of 6% on the Middle East-to-West route. Suezmax rates saw a more moderate decrease, falling by around 5% in the Atlantic basin. In the Aframax market, spot freight rates on the Indonesia-to-East route were down by just 1%, m-o-m, while rates around the Mediterranean fell by about 2%, amid an uptick in activity toward the end of the month. In the clean tanker market, spot rates were mixed, with rates around the Mediterranean up by about 5%, m-o-m, while East of Suez rates declined by 11% on average.

Crude and Refined Product Trade

In July, US crude imports averaged 6.1 mb/d, broadly in line with the previous month's level, although seasonally stronger, according to estimates based on preliminary data. US crude exports declined for the fifth month in a row to average just 3.3 mb/d, the lowest level since March 2022. Declines were driven by lower flows to Europe and Africa, particularly Nigeria. Product imports fell to an eight-month low of 1.6 mb/d, while US product exports dropped 3%, m-o-m, to remain at a still strong 6.7 mb/d. Preliminary estimates for OECD Europe indicate that crude imports experienced a seasonal decline in June. Product flows into the region fell 10%, m-o-m, with most major categories contributing, while exports picked up amid higher gasoline and diesel outflows. Official monthly data for Japan shows crude imports in June fell below 2 mb/d for the first time since June 2021. Japan's product imports dropped to a 21-month low of 722 tb/d, while product exports recovered from a low level to average 405 tb/d. China's crude imports jumped to a 22-month high in June, averaging 12.2 mb/d, with inflows supported by inventory fills. China's product imports declined following a drop in LPG inflows, while product exports recovered, driven by a jump in fuel oil exports. India's crude imports in June slipped just below 5 mb/d for the first time in five months. Product imports reached a seven-month high of 1.3 mb/d, supported by a 16% jump in LPG imports. Product exports from India fell by 3%, m-o-m, to average just under 1.4 mb/d, amid lower flows to Asia and Europe.

Commercial Stock Movements

Preliminary June 2025 data show that OECD commercial inventories stood at 2,789 mb, which is 3.2 mb lower than the previous month. At this level, commercial stocks in the OECD were 57.9 mb lower than the same month last year, 91.7 mb lower than the latest five-year average, and 158.6 mb below the 2015–2019 average. Within components, crude stocks fell 9.6 mb, while product stocks rose by 6.3 mb, m-o-m. OECD crude oil commercial stocks stood at 1,348 mb. This was 12.2 mb lower than a year ago, 47.3 mb below the latest five-year average, and 117.4 mb less than the 2015–2019 average. OECD total product stocks stood at 1,441 mb. This is 45.7 mb lower than a year ago, 44.4 mb less than the latest five-year average, and 41.2 mb below the 2015–2019 average. In terms of days of forward cover, OECD commercial oil stocks fell by 0.1 days, m-o-m, in June to stand at 60.2 days. This is 1.4 days lower than the level registered in June 2024, 3.9 days less than the latest five-year average, and 1.6 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 month, standing at 42.5 mb/d in 2025. This represents an increase of 0.4 mb/d compared to the 2024 estimate. The demand for DoC crude in 2026 is revised up by 0.2 mb/d from the previous month, to 43.1 mb/d—approximately 0.6 mb/d higher than the 2025 projection.

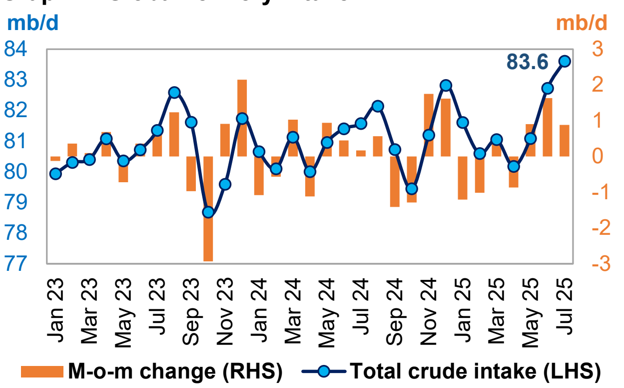
Feature Article

Recent refining trends and winter oil market outlook

Since April 2025, the global refinery intake has trended upward, reaching a record-breaking high of 83.6 mb/d in July, according to preliminary data (***Graph 1***). Refinery intake in July was up by 884 tb/d, m-o-m, and by 2.0 mb/d, y-o-y. Most of this upside came from Asia, especially China, reflecting the operational recovery from the heavy refinery maintenance season in spring. A significant y-o-y rise in refining capacity also provided an added boost to refinery intakes, contributing to the surge registered up to July.

This came despite the recent closure of PetroChina's largest domestic refinery in China, which is planned to be replaced with a smaller facility at a new site. Moreover, the release of a second batch of 2025 product export quotas in late March by the Chinese Ministry of Commerce, which was nearly unchanged y-o-y, provided further support for refinery runs. The action added export leverage amid the optimistic seasonal market sentiment for product outflows.

Graph 1: Global refinery intake

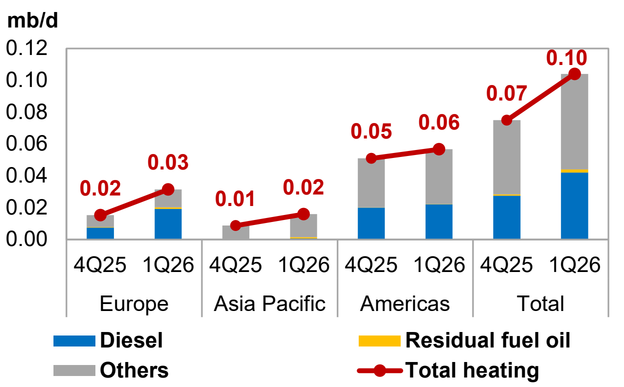


Source: OPEC.

Going forward, the new large refineries are expected to gradually ramp up their processing units. This newly available capacity is yet to be utilised, pointing to added upside in product output. New refinery closures have only partially offset capacity growth. This upside potential in refinery runs is expected to expand product balances in the near term. Accordingly, continued growth in product output could weigh on refining economics. The large new refineries are expected to gradually ramp up process units in 4Q25 and 1Q26. Therefore, further upside in runs could trim refining margins.

In anticipation of the upcoming winter, a typical increase in heating oil demand is expected, raising requirements in the Northern Hemisphere. With this, the OECD's total heating fuel demand in 4Q25 is forecast to increase by 70 tb/d, y-o-y (***Graph 2***). In OECD Americas and Europe, heating oil is forecast to drive demand, while in OECD Asia Pacific, 'other fuels,' primarily LPG, are forecast to support 4Q25 demand. Among these regions, OECD Americas is expected to see the largest y-o-y demand increase of 50 tb/d, y-o-y, in 4Q25, followed by OECD Europe with approximately 20 tb/d, y-o-y. Heating fuel demand in OECD Asia Pacific in 4Q25 is projected to inch up by 10 tb/d, y-o-y. In 1Q26, heating fuel demand in the OECD region is projected to grow by 100 tb/d, y-o-y. Increases are forecast in the Americas and Europe, with a smaller rise expected in the Asia Pacific. However, it should be noted that any unexpected change in actual weather might affect oil demand in the winter months.

Graph 2: Heating fuel demand in OECD, y-o-y change



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

In addition, it should be noted that requirements for petrochemical feedstock typically rise during the winter months, due to numerous seasonal festivities. In this regard, demand for LPG and naphtha is expected to show the usual increase towards the end of the year and extending into the early months of 2026. Demand for NGLs/LPG in OECD Americas makes up around 20% of its total oil demand and is forecast to grow by 30 tb/d, y-o-y, in 4Q25 and by another 60 tb/d, y-o-y, in 1Q26. In Asia, petrochemical feedstock demand in China, both NGLs/LPG and naphtha, makes up around 30% of total demand in the country on the back of several new capacity additions. In 4Q25, demand for both LPG/NGLs and naphtha is forecast to grow by around 70 tb/d, y-o-y, each. In 1Q26, demand for LPG/NGLs in China is projected to grow by 50 tb/d, y-o-y, and demand for naphtha is forecast to increase by around 10 tb/d, y-o-y. In Other Asia, demand for NGLs/LPG and naphtha for the petrochemical industry makes up around 20% of the region's total demand. In 4Q25, demand for NGLs/LPG is expected to grow by around 30 tb/d, y-o-y and demand for naphtha to increase by around 20 tb/d, y-o-y. In 1Q26, demand for NGLs/LPG in the region is expected to grow by around 20 tb/d, y-o-y, while demand for naphtha is expected to soften somewhat, y-o-y. Meanwhile, in India, NGLs/LPG are largely required for year-round domestic use, while naphtha makes up only around 5% of the country's total oil demand.

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Crude Oil Price Movements

In July, the OPEC Reference Basket (ORB) value increased by $1.24, m-o-m, to settle at $70.97/b as most ORB component values rose, supported primarily by the higher value of the Dubai benchmark and higher crude differentials.

The ICE Brent front-month contract dropped in July by 25¢, m-o-m, to average $69.55/b, and the NYMEX WTI front-month contract dropped by 9¢, m-o-m, to average $67.24/b. However, the GME Oman front-month contract increased by $1.93, m-o-m, to settle at $71.42/b.

The ICE Brent-NYMEX WTI spread narrowed further in July as the NYMEX WTI benchmark continued to outperform ICE Brent. On a monthly average, the ICE Brent-NYMEX WTI front-month spread narrowed by 16¢, m-o-m, in July to stand at $2.31/b.

In July, speculative activity diverged between the two main oil futures contracts due to geopolitical uncertainty and US trade policy. Hedge funds significantly raised their bullish bets on ICE Brent, with net long positions surging by 56.8%, anticipating disruptions from potential US tariffs. In contrast, NYMEX WTI net long positions fell sharply by 50.7%, likely reflecting concerns over weakening short-term US economic and demand growth following new tariff announcements.

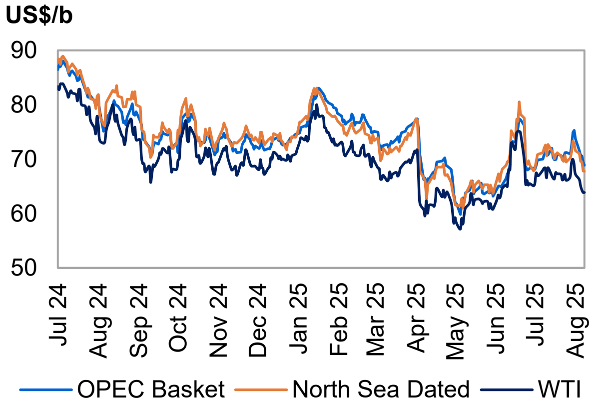
The forward curve of light sweet crude benchmarks flattened slightly but remained in steep backwardation, supported by strong physical market fundamentals, positive 2H25 oil outlook, and relatively low OECD commercial stock levels. The forward curve for medium sour benchmarks showed further strengthening, with the GME Oman and Dubai curves steepening at the front end due to strong demand for prompt-loading cargoes in the East of Suez market.

Sweet–sour crude differentials showed divergent trends between the East and West of Suez markets. In the Asia-Pacific, the premium of light sweet crude over medium sour crude narrowed amid a strong sour crude market and a sharp rise in middle distillate margins. Meanwhile, in Europe and the USGC, sweet–sour differentials widened, supported by robust fundamentals in the light sweet crude market and a slight easing in sour crude values.

Crude spot prices

Spot prices showed a mixed trajectory in July, despite robust physical market fundamentals during the summer holiday season, as uncertainties in the futures market influenced spot price performance. Prices were supported by strong refining margins in Europe and the US Gulf Coast (USGC), along with a continued increase in global refinery intakes, reflecting firm demand, particularly for transportation fuels. This strength was especially evident in gasoil/diesel margins.

Graph 1 - 1: Crude oil price movements



Sources: Argus and OPEC.

The medium sour benchmark Dubai averaged higher last month, buoyed by firm demand from Asia-Pacific buyers, which reduced the availability of prompt-loading cargoes. Geopolitical concerns and uncertainty surrounding potential new tariffs on some Asian countries raised worries about the flow of sour crude from Eastern Europe to the Asia-Pacific region. This, in turn, supported demand for alternative grades in the East of Suez and the Atlantic Basin.

In contrast, North Sea Dated and WTI averaged lower in July, pressured by weakness in futures markets, although strong physical market fundamentals helped limit the decline. This was reflected in the continued strength of spot crude prices relative to futures, with spot prices maintaining a notable premium. North Sea Dated's premium to ICE Brent's first-month contract fell 15¢ on a monthly basis in July to $1.40/b. In the same month, North Sea Dated and WTI's first-month contract decreased respectively by 40¢ and 49¢, m-o-m, to settle at $70.95/b and $67.37/b. However, the Dubai first-month contract rose by $1.63 to average $70.82/b.

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

OPEC Reference Basket (ORB)	Jun 25	Jul 25	*Change* Jul 25/Jun 25	*Year-to-date* 2024	2025
ORB	**69.73**	**70.97**	***1.24***	**83.71**	**71.88**
Arab Light	70.83	72.17	*1.34*	85.42	73.42
Basrah Medium	69.24	70.58	*1.34*	81.99	71.27
Bonny Light	71.73	71.97	*0.24*	85.71	72.30
Djeno	63.90	63.50	*-0.40*	76.70	64.09
Es Sider	71.00	71.05	*0.05*	83.57	70.73
Iran Heavy	69.13	70.81	*1.68*	83.62	72.04
Kuwait Export	69.83	71.41	*1.58*	84.59	72.71
Merey	56.86	58.14	*1.28*	69.57	59.42
Murban	69.81	71.12	*1.31*	83.47	71.80
Rabi Light	70.89	70.49	*-0.40*	83.69	71.08
Sahara Blend	71.40	72.45	*1.05*	85.08	72.18
Zafiro	71.67	73.10	*1.43*	85.47	73.35
Other Crudes					
North Sea Dated	71.35	70.95	*-0.40*	84.14	71.54
Dubai	69.19	70.82	*1.63*	83.35	71.71
Isthmus	67.42	67.36	*-0.06*	77.52	67.41
LLS	70.39	69.81	*-0.58*	81.94	70.26
Mars	69.08	67.18	*-1.90*	79.33	68.57
Minas	74.64	74.94	*0.30*	88.01	74.83
Urals	58.90	59.14	*0.24*	67.92	58.40
WTI	67.86	67.37	*-0.49*	79.21	67.68
Differentials					
North Sea Dated/WTI	3.49	3.58	*0.09*	4.92	3.87
North Sea Dated/LLS	0.96	1.14	*0.18*	2.20	1.29
North Sea Dated/Dubai	2.16	0.13	*-2.03*	0.79	-0.17

Sources: Argus, Direct Communication, and OPEC.

Most crude differentials strengthened in all major trading hubs in July, as sustained demand from refiners and supportive refining margins kept buying activity supportive for late July and August loading cargoes.

Crude differentials in Northwest Europe largely strengthened again in July following a rebound recorded in June, supported by persistent buying interest from European refiners and renewed demand from Asia-Pacific buyers. The strength of North Sea crude differentials was mainly in light-sweet grades, while medium-sour grades retreated, but remained at strong premiums. Forties crude differentials increased, m-o-m, in July by 23¢ to settle at a premium of $1.10/b, while Ekofisk crude differentials eased 22¢ to $2.05/b. Sour crude also eased, with crude differentials for Johan Sverdrup falling against North Sea Dated by 95¢, m-o-m, to an average premium of $1.79/b.

West African crude differentials strengthened in July on firm demand from European and Asian buyers for August-loading cargoes. The high value of similar grades in other regions also helped to lend support to West African grades. On a monthly average, Bonny Light, Forcados, and Qua Iboe crude differentials to North Sea Dated rose by 64¢, 85¢ and 74¢, respectively, to stand at premiums of $1.99/b, $3.29/b and $2.45/b. Cabinda crude differentials also rose by 75¢ on average, m-o-m, to a premium of $1.58/b, compared with an 84¢/b premium in June.

Similarly, in the Mediterranean, differentials of light sweet crude Saharan Blend strengthened in July, increasing by 45¢ m-o-m, to stand at a premium of $1.03/b. However, Azeri Light oil differentials weakened due to quality issues, which limited demand for the grade. It fell by $1.12, m-o-m, to stand at a premium of $2.55/b. Caspian light-sour CPC Blend crude eased slightly to North Sea Dated in July by 6¢ m-o-m to stand at a discount of $1.50/b.

In the Middle East spot market, most crude differentials rose against Dubai. The Oman crude differential increased by $1.32, m-o-m, to a strong premium of $3.30/b.

In the USGC, crude differentials came under pressure from limited export economics. Mars' value weakened the most due to a persistent quality issue. Light Louisiana Sweet (LLS) and Mars sour differentials weakened against the WTI benchmark. LLS crude differentials against WTI fell in July by 11¢, m-o-m, to stand at a premium of $2.42/b, and Mars sour differentials declined by $1.46, m-o-m, flipping to a discount of 25¢/b.

OPEC Reference Basket (ORB) value

In July, the ORB value increased by $1.24, m-o-m, to settle at $70.97/b. Most ORB component values rose, primarily supported by the higher Dubai crude benchmark and higher crude differentials. On a year-to-date (y-t-d) basis, the ORB value averaged $71.88/b, or $11.84 lower compared with the same period last year.

West and North African Basket components – Bonny Light, Djeno, Es Sider, Rabi Light, Sahara Blend and Zafiro – rose by an average of 33¢, m-o-m, to $70.43/b, and multiple-region destination grades – Arab Light, Basrah Medium, Iran Heavy and Kuwait Export – increased on average by $1.49, m-o-m, to settle at $71.24/b. Murban crude increased on average by $1.31, m-o-m, to settle at $71.12/b. The Merey component rose by $1.28, m-o-m, to settle at $58.14/b.

The oil futures market

Crude oil futures prices declined slightly in July m-o-m, amid choppy trading over the month, as traders remained largely influenced by geopolitical risks, US trade policy-related uncertainties, and macroeconomic signals. Prices came under pressure throughout the month, with sentiment dampened by escalating concerns over the potential economic impact of newly announced US trade tariffs, particularly targeting major trading partners, including India, Canada, and Brazil. This heightened uncertainty and reduced investors' risk appetite, prompting a risk-off tone across futures markets. Additionally, geopolitical developments in Eastern Europe and the potential impact on oil flows to Asia added uncertainty and caution to speculative activity.

On the macroeconomic front, the release of weaker-than-expected US non-farm payroll data raised concerns about the strength of economic growth, which could dampen oil demand in the second half of the year. Further bearish pressure emerged from the demand side, with US gasoline consumption showing signs of seasonal weakness. According to the US Energy Information Administration (EIA), gasoline demand in May fell to its lowest seasonal level since 2020, signalling underperformance at the start of the summer driving season. Supply-side developments also weighed on market sentiment. A notable build was seen in US commercial crude stocks, which increased by 7.7 mb between the weeks ending 27 June and 25 July.

However, the downside in crude prices was capped by robust physical market fundamentals, as North Sea Dated continued to trade at a premium over futures contracts, reflecting strong spot market conditions. The prospect of further strengthening of demand in 2H25 buoyed the market outlook. Moreover, the EIA's downward revision of its US crude oil production forecast provided some support to futures prices.

In the sour crude market, GME Oman prices recorded m-o-m gains, buoyed by strong demand fundamentals and worries about tightening regional supply amid geopolitical developments in Eastern Europe.

The ICE Brent front-month contract fell in July by 25¢, m-o-m, to average $69.55/b, and the NYMEX WTI front-month contract declined by 9¢, m-o-m, to average $67.24/b. On a y-t-d basis, ICE Brent was $12.87 lower at $70.62/b, and NYMEX WTI was lower by $11.59 at $67.48/b, compared with the same month a year earlier. However, the GME Oman front-month contract rose, m-o-m, in July by $1.93 to settle at $71.42/b. Y-t-d, GME Oman was lower by $11.59 at $71.79/b.

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

			Change	*Year-to-date*	
Crude oil futures	**Jun 25**	**Jul 25**	**Jul 25/Jun 25**	**2024**	**2025**
NYMEX WTI	67.33	67.24	-0.09	79.07	67.48
ICE Brent	69.80	69.55	-0.25	83.49	70.62
GME Oman	69.49	71.42	1.93	83.38	71.79
Spread					
ICE Brent-NYMEX WTI	*2.47*	*2.31*	*-0.16*	*4.42*	*3.14*

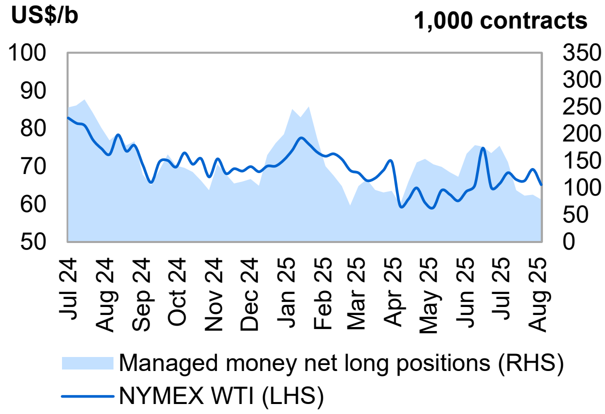
Note: Totals may not add up due to independent rounding.
Sources: CME, ICE, GME and OPEC.

The ICE Brent-NYMEX WTI spread contracted further in July as the NYMEX WTI benchmark continued to outperform ICE Brent. On a monthly average, the ICE Brent-NYMEX WTI front-month spread narrowed by 16¢, m-o-m, in July to stand at $2.31/b, a near four-year low. A persistent low Brent-WTI spread, below $3/b for several months, kept the arbitrage economics of WTI-related crude less attractive than those of other similar crudes in both Europe and Asia. US crude exports fell further in July. Traders remained optimistic about the NYMEX WTI benchmark on the prospect of supply/demand fundamentals in the US market, specifically around the trading hub of Cushing, Oklahoma, amid expectations of further strengthening demand from US refiners. Crude stocks at Cushing fell further in July m-o-m, according to weekly EIA data.

The spread between the value of North Sea Dated and WTI Houston remained narrow, below $3/b. It fell by 2¢ on a monthly average to stand at $2.94/b. Crude value in the USGC remained supported by robust crude demand from domestic refiners.

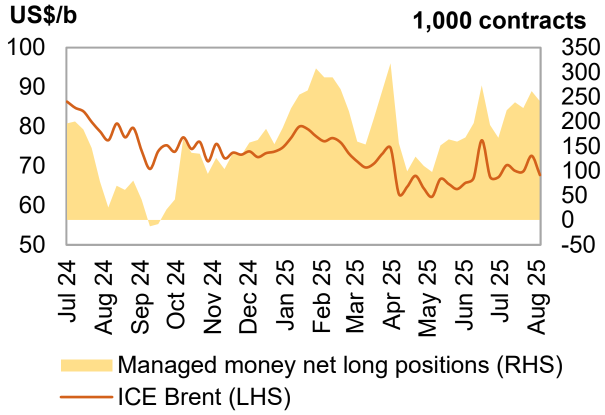
Speculative activity showed divergent movements in July across the two major futures and options contracts, ICE Brent and NYMEX WTI, amid uncertainty over geopolitical developments and their potential impact on oil flows, as well as US trade policy. Hedge funds sharply increased their bullish bets in ICE Brent, as an international crude benchmark, with the net long position rising by 56.8%, anticipating a price surge following US threats of additional levies, which raised concerns about a potential reduction in crude and middle distillate supplies. Money managers also turned increasingly bullish on middle distillates (ICE gasoil). However, NYMEX WTI net long positions dropped in July by 50.7% as fund managers shifted away from the US crude benchmark, likely driven by concerns about slowing economic and demand growth in the short-term following the announcement of new tariffs on imported goods.

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.

Money managers turned bullish on the ICE Brent contract, buying an equivalent of 95 mb over July. Combined futures and options net long positions rose by 94,635 lots over the month, or 56.8%, to stand at 261,352 contracts in the week of 29 July, according to the ICE Exchange. This was due to a decline in short positions of 34,894 lots, or 28.8%, to 86,140 contracts, while long positions increased by 59,741 lots, or 20.8%, to 347,492 contracts over the same period.

Money managers cut bullish NYMEX WTI positions, selling an equivalent of 90 mb in July. Net long positions declined by 90,260 lots, or 50.7%, to 87,840 contracts between 1 and 29 July, according to the US Commodity Futures Trading Commission (CFTC). The decline in net long positions was mainly driven by a sharp increase in short positions of 38,995 lots, or 91.8%, to 81,464 contracts, the highest since April 2025. During the same period, long positions declined by 51,265 lots, or 23.2%, to stand at 169,304 contracts.

ICE Brent's long-to-short ratio rose to 4:1 in the week of 29 July, compared with 2:1 in the week of 1 July. However, the long-to-short ratio of speculative positions in the NYMEX WTI contract fell to 2:1 in the week of 29 July, compared with 5:1 in the week of 1 July.

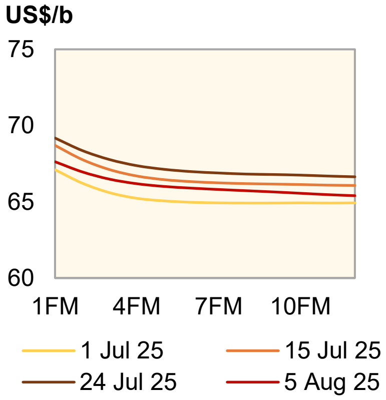
Open interest volumes related to ICE Brent futures and options increased by 0.5%, or 16,899 contracts, m-o-m, to stand at 3.53 million contracts in the week ending 29 July. However, open interest volumes related to NYMEX WTI futures and options decreased in July by 1.1%, or 29,043 lots, to stand at 2.59 million contracts in the week ending 29 July.

The futures market structure

The forward curve of light sweet crude benchmarks flattened slightly in July but remained in steep backwardation, despite a decline in front-month contracts. The forward curves of major crude benchmarks ICE Brent and NYMEX WTI were consistently in backwardation over the month, supported by solid physical crude market fundamentals and a positive global oil supply/demand outlook for 2H25. Relatively low OECD commercial stocks also contributed to supporting the backwardated structure.

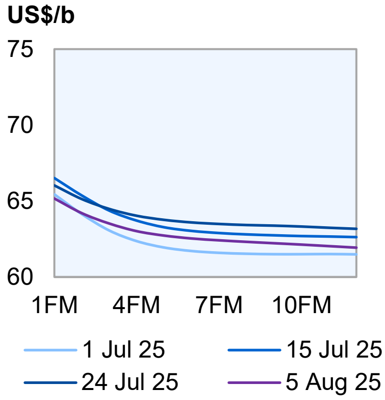
The market structure of medium sour benchmarks strengthened further in July, with the front end of the GME Oman and Dubai forward curves steepening noticeably. Strong buying interest for prompt-loading cargoes in the East of Suez spot market pushed front-month contract prices higher relative to forward-month contracts.

Graph 1 - 4: ICE Brent forward curves



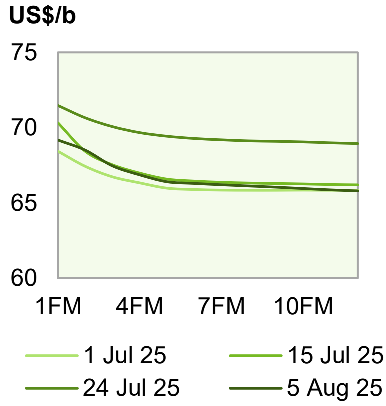
Sources: ICE and OPEC.

Graph 1 - 5: NYMEX WTI forward curves



Sources: CME and OPEC.

Graph 1 - 6: GME Oman forward curves



Sources: GME and OPEC.

The backwardation structure of the ICE Brent market flattened slightly in July, mainly due to selling pressure in the oil futures market. Nevertheless, the structure remained firm, supported by sustained demand for prompt-loading barrels in the Atlantic Basin and reduced July and August loading programmes of the five benchmark grades in the Brent basket. The ICE Brent M1/M3 spread narrowed by 24¢ in July, to reach backwardation of $1.67/b. The ICE Brent M1/M6 spread also contracted, averaging a backwardation of $2.63/b in July, down 39¢ m-o-m from $3.03/b in June.

Similarly, the front end of the NYMEX WTI forward curve remained in steep backwardation, although the nearest time spread softened. The NYMEX WTI M1/M3 spread stood at a backwardation of $2.15/b in July, down 27¢ m-o-m from $2.42/b in June.

The DME Oman backwardation structure steepened last month, as prompt-month prices found support from strong demand by Asia-Pacific refiners and concerns about reduced crude flows from Eastern Europe amid geopolitical developments. The DME Oman M1/M3 spread widened by 51¢ m-o-m to stand at a backwardation of $2.31/b in July.

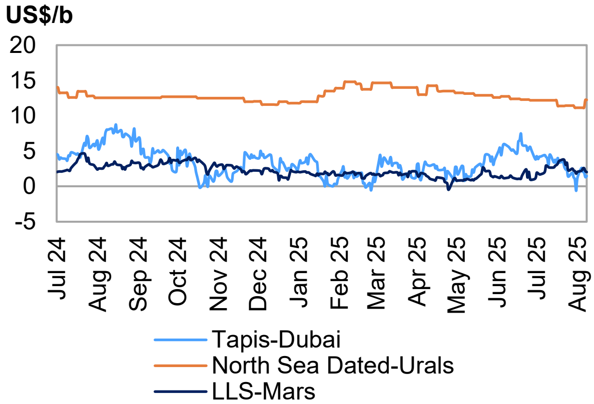
The North Sea Brent M1/M3 spread rose on a monthly average by 14¢ to a backwardation of $2.43/b, compared with $2.29/b the month before. The Dubai M1/M3 backwardation strengthened the most by $1.11 on average in July to a backwardation of $2.93/b. However, in the US, the WTI M1/M3 backwardation narrowed by 25¢ to $2.23/b, compared with a backwardation of $2.48/b in June.

Crude spreads

Sweet–sour crude differentials showed divergent trends between the East and West of Suez markets. In the Asia-Pacific, the premium of light sweet crude over medium sour crude narrowed amid a strong sour crude market and a sharp rise in middle distillate margins. Meanwhile, in Europe and the USGC, sweet–sour differentials widened, supported by robust fundamentals in the light sweet crude market and a slight easing in sour crude values.

In Europe, the value of light sweet grades outperformed that of sour grades, as strong refining margins for middle distillates and gasoline, along with firm demand from European refiners, boosted light sweet crude values. Additionally, reduced loading programmes in the North Sea constrained supply availability, further supporting light sweet grades. In contrast, sour grades such as Johan Sverdrup weakened, weighed down by unfavourable West–to–East arbitrage economics and softer demand in Europe. Weaker high-sulphur fuel oil (HSFO) margins also pressured sour crude values. The sweet–sour spread, represented by the Ekofisk–Johan Sverdrup differential, increased by 73¢ m-o-m to a premium of 25¢/b in July, after falling to a discount of 47¢/b the previous month.

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



Sources: Argus and OPEC.

Meanwhile, Urals crude differentials to North Sea Dated strengthened last month, supported by firm demand. Differentials rose by 64¢ and 76¢ in the Black Sea and Northwest Europe, respectively, to stand at discounts of $11.81/b and $11.96/b.

In the USGC, sweet–sour differentials also widened in July, primarily due to a sharper decline in the value of sour grades, particularly Mars. Mars sour crude came under pressure from quality issues that reduced demand for the grade. The LLS premium over medium sour Mars crude widened sharply by $1.32 m-o-m in July, settling at $2.63/b. Higher middle distillate margins also supported the value of light sweet grades.

In Asia, the Tapis premium over Dubai crude narrowed, as sour crude values rose, while light sweet crude prices retreated slightly. This was largely due to firm demand from Asia-Pacific refiners. However, weaker HSFO margins capped gains for sour grades. Strong demand for light sweet crude in other regions, including the Atlantic Basin, provided only limited support to similar grades in the East of Suez market amid weaker refining margins for gasoline and naphtha. The Tapis–Dubai spread narrowed by $2.41 m-o-m in July to an average premium of $3.05/b. Similarly, the Brent–Dubai differential declined by $2.03 m-o-m to average a premium of 13¢/b in July, down from $2.16/b in June.

Commodity Markets

Commodity price indices were mixed in July. The energy and 'other minerals' indices declined m-o-m, while base and precious metals experienced positive performance.

In the futures market, sentiment was mostly bullish in July. Both combined money managers' net length and open interest (OI) increased over the period.

US tariff announcements in July added another layer of uncertainty to commodity prices. Most non-energy commodity prices continued to benefit from the tariff front-loading effect. However, the announcements also renewed market concerns about the implications of tariffs on demand for energy commodities.

Trends in select energy commodity markets

The energy price index receded in July, falling by 0.6%, m-o-m. A decline in EU natural gas prices dragged down the index, though losses were limited by an increase in US natural gas, Australian coal, and average crude oil prices. The index was down by 13.5%, y-o-y, under pressure from declines in Australian coal and average crude oil prices, although higher natural gas prices in the US and EU partially offset losses over the period.

Table 2 - 1: Select energy prices

Commodity	Unit	*Monthly average*			*% Change*		*Year-to-date*	
		May 25	Jun 25	Jul 25	Jul 25/ Jun 25	Jul 25/ Jul 24	2024	2025
Energy*	*Index*	**84.0**	**92.2**	**91.7**	**-0.6**	**-13.5**	**104.2**	**93.4**
Coal, Australia	*US$/boe*	10.0	10.4	10.8	3.5	-17.9	12.7	10.3
Coal, US	*US$/boe*	6.9	6.9	6.9	0.0	4.0	6.7	6.8
Crude oil, average	*US$/b*	62.7	69.1	69.2	0.1	-16.9	82.2	70.0
Natural gas, US	*US$/boe*	16.9	16.3	17.3	5.6	53.8	11.4	19.5
Natural gas, Europe	*US$/boe*	63.1	66.9	62.9	-6.0	12.3	51.5	69.9

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

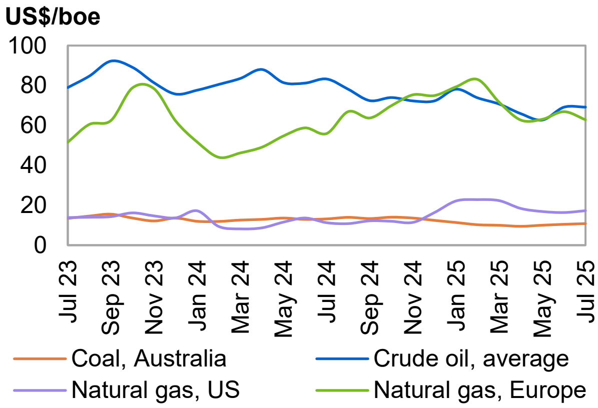
Australian thermal coal prices rose for a third consecutive month in July, increasing by 3.5%, m-o-m. Higher imports from China and India continued to support prices amid preparations for winter demand. Strategic reserve stockpiling by major utility companies in the region, amid tariff uncertainty on Australian exports, also added upward pressure on prices, which were down 17.9%, y-o-y.

In the US, coal prices were essentially flat, m-o-m, amid stable power demand and limited export activity. Compared with the same period last year, prices were up by 4.0%, y-o-y.

Average crude oil prices experienced a marginal gain in July, rising by 0.1%, m-o-m. Mixed signals from market fundamentals kept prices range-bound in the month. Prices were down by 16.9%, y-o-y.

Henry Hub's natural gas prices rebounded in July after four consecutive months of decline, increasing by 5.6%, m-o-m. Prices rose on the back of higher LNG exports and reports of lower storage levels. According to data from the US Energy Information Administration, average weekly natural gas storage increased by 7.9%, m-o-m, in July; however, it was down by 4.9%, y-o-y, signalling higher consumption. Prices were up by 53.8%, y-o-y.

Graph 2 - 1: Select energy prices



Sources: World Bank, Haver Analytics and OPEC.

The average Title Transfer Facility (TTF) receded after two consecutive months of gains, falling by 6.0%, m-o-m. Prices experienced elevated volatility throughout the month amid geopolitical developments in the region and maintenance outages at key Norwegian facilities. However, higher US LNG imports in the period eased market concerns on supply risk and lowered the geopolitical risk premium on prices. According to data from Gas Infrastructure Europe, EU storage levels rose to 68.6% as of the end of July, up from 58.9% in June, a 9.8 pp increase. Prices were up by 12.3%, y-o-y.

Trends in select non-energy commodity markets

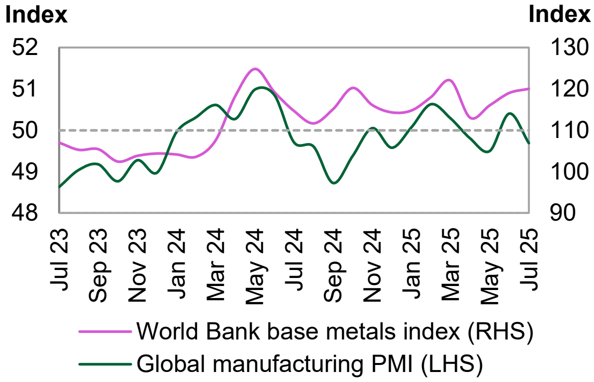
The non-energy price index declined for a second consecutive month in July, falling by 0.4%, m-o-m. The index remained under pressure from a decline in the agriculture index, which fell by 1.9%, m-o-m, though ongoing positive performance in the base metal index limited non-energy index losses. The non-energy index was up by 0.7%, y-o-y, while the agriculture index was down by 2.1%, y-o-y.

Base metals

The base metal index rose for a third consecutive month in July, increasing by 1.0%, m-o-m. The tariff front-loading effect continued to support base metal prices in July following US announcements to double tariffs on key metals. The announcement offset bearish sentiment from softer industrial activity. The global manufacturing PMI receded below expansionary territory in July. The benchmark fell to 49.7 in July, down from 50.4 in June, a 1.4% decrease, m-o-m. Prices were further supported by a lower US dollar in the period. The base metal index was up by 5.1%, y-o-y.

At the London Metal Exchange (LME) warehouses, combined stocks of base metals grew by 3.4%, m-o-m, but were down by 36.8%, 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.

Combined cancelled warrants declined for a fourth consecutive month in July, dropping by 35.0%, m-o-m. They were down by 77.4%, y-o-y. At the same time, combined on-warrants grew by 13.7%, m-o-m, but were down by 13.0%, y-o-y.

Table 2 - 2: Base metal prices

Commodity	Unit	Monthly average			% changes		Year-to-date	
		May 25	Jun 25	Jul 25	Jul 25/ Jun 25	Jul 25/ Jul 24	2024	2025
Non-energy*	*Index*	**114.9**	**113.0**	**112.5**	**-0.4**	**0.7**	**111.7**	**115.2**
Base metal*	*Index*	**116.2**	**119.2**	**120.4**	**1.0**	**5.1**	**113.2**	**117.6**
Copper	*US$/mt*	9,543	9,775	9,780	0.1	3.9	9,164	9,488
Aluminium	*US$/mt*	2,451	2,525	2,608	3.3	10.5	2,368	2,551
Nickel	*US$/mt*	15,379	15,036	15,078	0.3	-8.0	17,402	15,357
Lead	*US$/mt*	1,965	1,982	1,998	0.8	-5.4	2,128	1,970
Zinc	*US$/mt*	2,653	2,663	2,768	3.9	-0.8	2,671	2,749
Iron Ore	*US$/mt*	99	95	91	-4.2	-16.3	116	100

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

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

Copper prices rose marginally in July, increasing by 0.1%, m-o-m, and were up by 3.9%, y-o-y. At LME warehouses, stocks grew in July by 1.2%, m-o-m, but were down by 46.5%, y-o-y. Cancelled warrants declined by 58.9%, m-o-m, but were up by 36.7%, y-o-y. On-warrants rose by 63.0%, m-o-m, but were down by 53.8%, y-o-y.

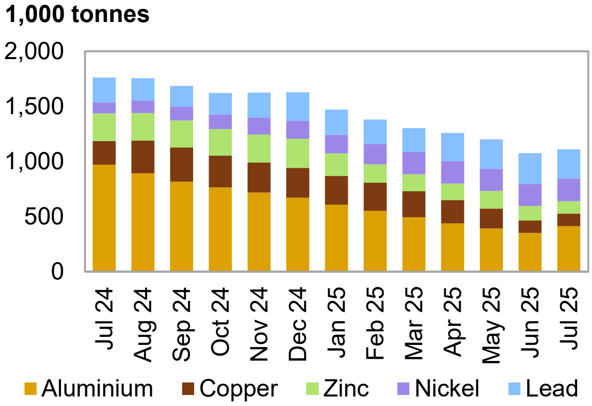
Aluminium prices in July rose by 3.3%, m-o-m, and were up by 10.5%, y-o-y. LME warehouse stocks increased over the month by 17.4%, m-o-m, but were down by 57.4%, y-o-y. Cancelled warrants decreased in July by 65.9%, m-o-m, and were down by 98.2%, y-o-y. On-warrants rose by 25.0%, m-o-m, but were down by 3.6%, y-o-y.

Nickel prices experienced a marginal gain in July, increasing by 0.3%, m-o-m, though they were down by 8.0%, y-o-y. At LME warehouses, stocks rose by 1.8%, m-o-m, and were up by more than 100%, y-o-y. Cancelled warrants dropped in July by 51.6%, m-o-m, and were higher by 72.8%, y-o-y. On-warrants increased in July by 7.9%, m-o-m, and were up by more than 100%, y-o-y.

Lead prices increased in July by 0.8%, m-o-m, but were down by 5.4%, y-o-y. At LME warehouses, stocks dropped by 4.7%, m-o-m; however, they were up by 17.9%, y-o-y. Cancelled warrants fell in July by 8.5%, m-o-m, but were up by 59.3%, y-o-y. On-warrants fell by 3.4%, m-o-m, but were up by 8.8%, y-o-y.

Zinc prices advanced in July, increasing by 3.9%, m-o-m; however, they were down by 0.8%, y-o-y. At LME warehouses, stocks decreased by 12.5%, m-o-m, and were down by 54.4%, y-o-y. Cancelled warrants declined by 19.0%, m-o-m, but were up by 84.2%, y-o-y. On-warrants declined by 8.7%, m-o-m, and were down by 65.3%, y-o-y.

Graph 2 - 3: Inventories at the LME



Sources: LME, Thomson Reuters and OPEC.

Iron ore prices in July dropped by 4.2%, m-o-m, and were down by 16.3%, y-o-y. At the same time, China's steel industry PMI shifted back into expansion territory in July. The benchmark rose to 50.5 in July, up from 45.9 in June, a 10.0%, m-o-m, increase.

Precious metals

The precious metals index continued its upward trajectory in July, increasing by 0.4%, m-o-m. The index advanced on the back of silver and platinum price gains, which rose by 4.7% and 11.7%, m-o-m, respectively. However, gold prices fell by 0.4%, m-o-m, over the same period, thus limiting index gains.

Table 2 - 3: Precious metal prices

Commodity	Unit	*Monthly average*			*% changes*		*Year-to-date*	
		May 25	Jun 25	Jul 25	Jul 25/ Jun 25	Jul 25/ Jul 24	2024	2025
Precious metals*	*Index*	**243.0**	**249.3**	**250.4**	**0.4**	**37.4**	**168.7**	**231.5**
Gold	*US$/Oz*	3,309	3,353	3,340	-0.4	39.3	2,232	3,115
Silver	*US$/Oz*	32.8	36.0	37.7	4.7	26.6	26.6	33.5
Platinum	*US$/Oz*	980	1,251	1,391	11.1	42.1	950	1,070

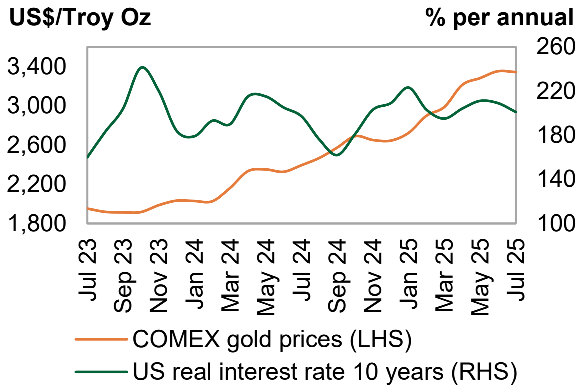
*Note: * World Bank commodity price index (2010 = 100).*

Sources: World Bank and OPEC.

Gold prices experienced a slight decline in July amid a slowdown of speculative inflows. Nonetheless, safe-haven demand and ongoing accumulation by emerging market central banks in July remained supportive of prices. Meanwhile, silver and platinum prices continued to advance in the period amid healthy investor demand for precious metals, though softer industrial demand capped gains.

The precious metals index was up by 37.4%, y-o-y; while gold, silver and platinum were up by 39.3%, 26.6% and 42.1%, 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 declined for a third consecutive month in July, falling by 0.8%, m-o-m. Cobalt and lithium prices fell, while graphite prices remained unchanged, m-o-m.

Table 2 - 4: Select other minerals prices

Commodity	Unit	Monthly average			% changes		Year-to-date	
					Jul 25/	Jul 25/		
		May 25	Jun 25	Jul 25	Jun 25	Jul 24	2024	2025
Other minerals*	*Index*	**42.2**	**41.4**	**41.1**	**-0.8**	**10.1**	**39.7**	**38.9**
Cobalt	*US$/mt*	33,325	33,037	32,970	-0.2	24.6	27,751	29,959
Graphite	*US$/mt*	435	435	435	0.0	-10.3	509	435
Lithium	*US$/mt*	9,062	8,466	8,116	-4.1	-27.9	12,473	9,091

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

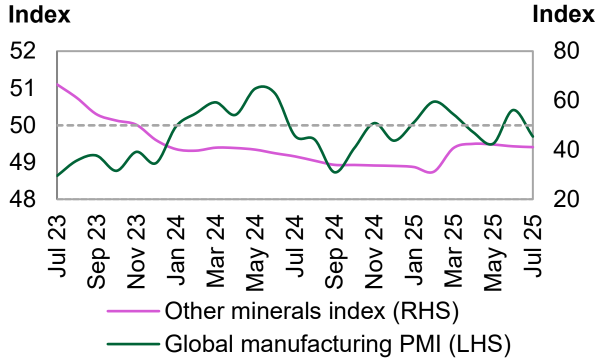
Sources: LME, Haver Analytics and OPEC.

'Other minerals' prices benefited from European tariffs on Chinese exports and temporary closures of key production areas in Latin America earlier in the month. However, oversupply risks coupled with stable electric vehicle production kept prices range-bound in July.

Cobalt and lithium prices fell in July by 0.2% and 4.1%, m-o-m, respectively. Meanwhile, graphite prices remained flat over the same period.

The other minerals' price index was up by 10.1%, y-o-y. Cobalt prices were up by 24.6%, y-o-y, while graphite and lithium prices were down by 10.3% and 27.9%, 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 rose for a second consecutive month in July by 5.0%, m-o-m. Net length rose across all commodities, with natural gas experiencing the largest gain. Combined net length was down by 31.0%, y-o-y.

Combined OI experienced a consecutive monthly increase in July, rising by 1.3%, m-o-m. The increase was driven by energy commodities and copper, though a decrease in gold partially offset gains. Combined OI was up by 0.7%, y-o-y.

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

Selected commodity	Open interest			Long		Short		Net length				
	Jun 25	Jul 25	Jul 25/ Jun 25	Jun 25	Jul 25	Jun 25	Jul 25	Jun 25	% OI	Jul 25	% OI	Jul 25/ Jun 25
Crude oil	2,515	2,542	***1.1%***	224	195	44	62	180	7	133	5	***-26.1%***
Natural gas	1,541	1,561	***1.3%***	173	205	238	232	-65	-4	-27	-2	***57.8%***
Gold	702	688	***-2.0%***	169	183	35	35	133	19	148	22	***11.0%***
Copper	231	263	***13.6%***	52	58	24	22	28	12	36	14	***30.8%***
Total	**4,988**	**5,054**	***1.3%***	**618**	**640**	**342**	**351**	**276**	**34**	**290**	**39**	***5.0%***

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.

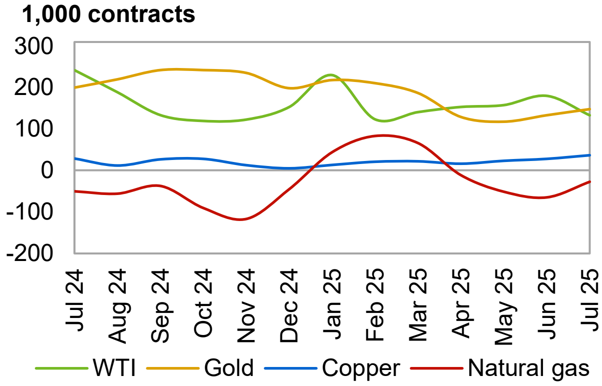
Crude oil's (WTI) OI rose in July by 1.1%, m-o-m. Meanwhile, money managers decreased net length by 26.1%, m-o-m, over the same period. OI was up by 13.8%, y-o-y, while net length was down by 45.1%, y-o-y.

The natural gas (Henry Hub) OI increased in July by 1.3%, m-o-m. Money managers increased net length by 57.8%, m-o-m, over the same period. OI was down by 1.3%, y-o-y, while net length was up by 45.6%, y-o-y.

Gold's OI decreased in July by 2.0%, m-o-m. Money managers increased net length over the same period by 11.0%, m-o-m. Gold's OI was down by 20.8%, y-o-y, and its net length was down by 25.9%, y-o-y.

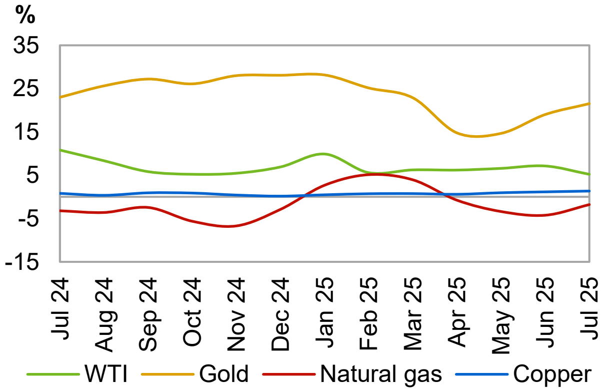
Copper's OI rose by 13.6%, m-o-m, in July. At the same time, money managers increased their net length by 30.8%, m-o-m. OI was down by 21.3%, y-o-y, while net length was up by 27.4%, y-o-y.

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

The global economy continues to follow a stable growth trajectory, supported by the steady momentum observed in 1H25. Economic data at the start of 2H25 further confirm the resilience of global growth, despite persistent uncertainties related to US-centred trade tensions and broader geopolitical risks. While the US and the Eurozone maintained their recovery trend in 1H25, India, China, and Brazil have outperformed expectations so far. The recent upward revisions in several key economies – particularly in the US, the Eurozone, and China – lifted the global economic growth forecast for 2025 slightly up to 3.0%. The global economic growth forecast for 2026 remains unchanged at 3.1%.

While several trade negotiations have concluded in recent months, trade relations between the US and a number of its key partners remain a source of uncertainty and will require continued monitoring. These trade-related uncertainties may weigh slightly on global trade activities and some inflationary effects. Nonetheless, a range of fiscal and monetary policy measures is expected to help offset these effects. These countermeasures include fiscal support in the US through recently approved expansionary fiscal measures, as well as ongoing fiscal and monetary policy support in China and the Eurozone, particularly from Germany. In fact, the forecast assumes that reasonable trade agreements will be maintained, with most key US trading partners, allowing global economic uncertainty to ease further in the coming months.

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

	World	US	Eurozone	Japan	China	India	Brazil	Russia
2025	**3.0**	**1.8**	**1.2**	**1.0**	**4.8**	**6.5**	**2.3**	**1.8**
Change from previous month	0.1	0.1	0.2	0.0	0.2	0.0	0.0	0.0
2026	**3.1**	**2.1**	**1.2**	**0.9**	**4.5**	**6.5**	**2.5**	**1.5**
Change from previous month	0.0	0.0	0.1	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

The global economy showed healthy dynamics in 1H25 despite high levels of uncertainty. Easing inflation, stable unemployment and sustained consumption patterns supported economic growth across major economies. Additionally, counterbalancing measures helped offset some of the negative impacts of heightened trade uncertainty. As the global economy moves towards the end of 2025, uncertainty has declined following the US finalising trade deals with the EU, Japan, South Korea, Indonesia, the Philippines, Cambodia and Thailand, in addition to the previously reached agreements with the UK and Vietnam. Most deals are centred around tariffs in the 15%–20% range, except for the UK, which secured a 10% rate.

However, several key trading partners have yet to finalise agreements with the US. Tariffs on Canada were raised to 35% on non-USMCA goods following the expiration of the 90-day pause. Mexico avoided a similar increase by securing an extension of the pause to allow additional time for negotiations. While an agreement from May between the US and China temporarily reduced previously heightened tariffs was set to expire on August 12, the US administration extended it by 90 days, until November. Brazil currently faces 50% tariffs on its exports to the US, while India may face tariffs of up to 25% if no agreement is reached before the 7 August deadline. Overall, however, an increasing share of global trade with the US is now covered under formal agreements.

In the OECD economies, the US registered growth of 3.0%, q-o-q, SAAR in 2Q25 according to the initial estimate from the Bureau of Economic Analysis (BEA), following a contraction of 0.5% in 1Q25. The improvement was driven by a sharp drop in imports after the implementation of tariffs and the drop-off from the high levels of imports in 1Q25 frontloading before the tariffs, with consumer spending remaining relatively sound. Eurozone growth slowed to 0.4%, q-o-q, SAAR in 2Q25, down from 2.3% in 1Q25, according to the initial estimate from Eurostat. Japan's economy contracted 0.2%, q-o-q, SAAR in 2Q25, down from 2.2% growth in 4Q25, driven by a slowdown in exports.

In the non-OECD, China maintained strong momentum in 2Q25, registering growth of 5.2%, y-o-y, slightly down from 5.4% in 1Q25, which benefited from the front-loading effects ahead of tariff implementation. India's economy grew at a robust pace of 7.4%, y-o-y, in 1Q25, up from 6.4% in the previous quarter, with strong performance in the industrial sector. Russia's economy slowed to growth of 1.4%, y-o-y, in 1Q25, down from

4.5% in 4Q24, as consumer spending softened. Brazil's economy saw a slight deceleration to 2.9%, y-o-y, in 1Q25, down from 3.6% in the previous quarter, with the services sector decelerating but offset by strong agricultural performance.

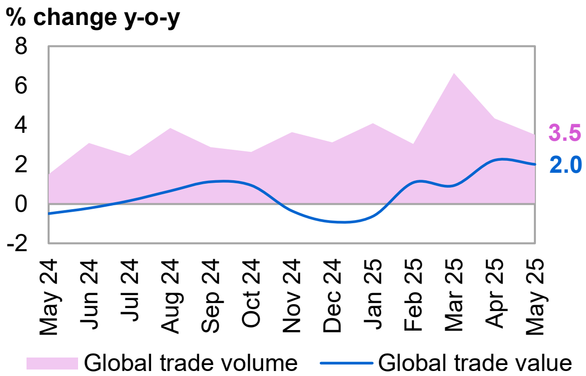
Inflation trends remain mixed across the major OECD economies. In the US, inflation increased to 2.7%, y-o-y, in June, up from 2.4% in May and 2.3% in April, moving further away from the US Federal Reserve (Fed) target. In July, inflation in the Eurozone remained stable at around the European Central Bank (ECB) target of 2.0% for a third consecutive month. Inflation in Japan edged slightly down to 3.2%, y-o-y, in June from 3.4% in May and 3.5% in April, but remains elevated. In the UK, inflation increased to 3.6%, y-o-y, in July from 3.3% in May and 3.5% in April. With these inflationary dynamics, the Fed held interest rates unchanged at its July meeting, citing continued inflationary pressures and uncertainties. The ECB also held interest rates unchanged as inflation reached target levels. The Bank of Japan (BoJ) similarly held interest rates unchanged in July, pausing the tightening cycle amid concerns of weaker economic performance due to trade disruptions. The Bank of England cut interest rates by 25 bp in its August meeting.

In non-OECD economies, China's consumer prices saw positive inflation of 0.1%, y-o-y, in June, up from deflationary levels of -0.1% in the previous three months. India's inflation slowed further to 2.1%, y-o-y, in June, down from 2.8% in May and 3.2% in April. Brazil's inflation remained unchanged at 5.4%, y-o-y, in June, following 5.3% in May and 5.5% in April and March. In Russia, headline inflation edged down further in June to stand at 9.4%, y-o-y, following 9.9% in May and 10.2% in April.

In terms of monetary policy decisions, the People's Bank of China (PBoC) made no adjustments at its June meeting, following the 10-basis-point cut to both the one-year and five-year Loan Prime Rates in May. The Reserve Bank of India (RBI) held interest rates unchanged at 5.5% at its early August meeting, citing caution due to trade concerns and a desire to preserve space for potential easing. The Central Bank of Russia (CBR) cut its key rate by 200 basis points to 18.0% at its July meeting, citing a faster-than-expected easing of inflation and slowing domestic demand. The Banco Central do Brasil (BCB) held the Selic rate steady at 15.00% at its July meeting, pausing the tightening cycle to assess the impact of earlier rate hikes.

Global trade expanded further in volume terms in May, but at a slower pace. Global trade volume increased by 3.5%, y-o-y, in May, following 4.3% in April and 6.6% in March. Trade in value rose by 2.0%, y-o-y, in May, up from 2.2% in April and 0.9% in March. The trade volume figures reflect a normalising pattern following the strong increases seen ahead of the implementation of US tariffs in April.

Graph 3 - 1: Global trade



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

Near-term global expectations

The global economy is expected to continue expanding at a relatively solid level through 2H25 and into 2026. Trade tensions eased slightly following the resurfacing of uncertainty ahead of the 1 August deadline to conclude trade agreements with the US. While the recently signed deals have reduced some of this uncertainty, several major economies, including Brazil, India, and Canada, have yet to finalise agreements. Although most of Canada's trade is covered under the USMCA framework, the question of goods outside the USMCA remains unresolved. Negotiations with China are ongoing, with official indications and multiple reports suggesting that a deal may be close but not reached yet.

The US tariff regime is consolidating around a 15%–20% range, with larger economies generally facing tariffs at the lower end and smaller economies at the higher end. This structure is expected to be maintained in future agreements. As more countries finalise deals, the pace of agreements is likely to accelerate, with existing arrangements serving as templates and easing concerns about relative competitiveness. A close range of tariff rates among producers reduces fears of market share loss in the US, lowering resistance to deal-making. However, the shift towards bilateral arrangements increases global trade complexity and could reduce efficiency in global trade, placing a structural drag on medium-term growth.

Despite these frictions, global growth remains supported by robust consumer spending and is expected to strengthen as trade uncertainty declines further. A recovery in private investment is likely as firms gain clarity on the new trade environment. Fiscal stimulus measures across key economies are also expected to provide near-term support. In the US, the One Big Beautiful Bill Act (OBBBA) extends and expands tax cuts while also expanding incentives for capital investment and R&D. In Germany, the large fiscal spending package focused on infrastructure and defence is expected to support the economy, with broader spillover effects across Europe. Additional defence spending across European economies is also expected to support industrial activity.

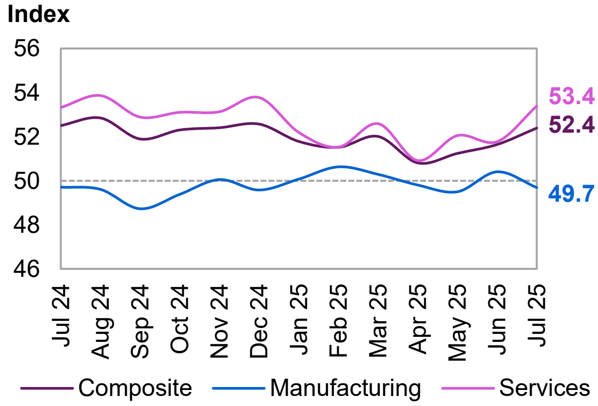
Inflation dynamics are expected to remain mixed across major economies. The recent uptick in US inflation supports the continuation of the current policy pause. In the eurozone, inflation has stabilised at the 2% target level for a third consecutive month, reinforcing expectations that the ECB will keep rates unchanged to preserve policy flexibility. The BoJ is expected to resume rate hikes later in the year as uncertainty recedes and inflation remains elevated. In contrast, near-deflationary conditions in China are likely to prompt further monetary easing later in 2025. India's monetary stance will depend in part on the outcome of trade negotiations with the US, and any resulting impact on domestic growth. Russia's easing cycle is expected to continue amid declining inflation, while Brazil is likely to maintain a policy pause in light of higher US tariffs and their potential domestic effects.

In July, global purchasing managers' indices (PMIs) signalled a softening outlook in manufacturing, while the services sector continued to expand.

The global Manufacturing PMI slowed to 49.7 in July, down from 50.4 in June but up from 49.5 in May.

The global Services PMI increased to 53.4 in July, up from 51.8 in June and 52.1 in May.

Graph 3 - 2: Global PMI



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

With the easing of some trade tensions and the strong performance in 2Q25 among key economies, the global economic growth forecasts stand at 3.0%, an upward revision from the previous month's outlook.

For 2026, additional trade deals are expected to further reduce uncertainty, supporting demand and investments. Against this backdrop, global economic growth is expected to accelerate to 3.1%, unchanged from the previous month's outlook.

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

	World
2025	**3.0**
Change from previous month	0.1
2026	**3.1**
Change from previous month	0.0

*Note: * 2025-2026 = Forecast.*

Source: OPEC.

OECD

US

Update on the latest developments

The US economy grew by 3.0%, q-o-q, SAAR in 2Q25, according to the initial estimate from the BEA, following a contraction of 0.5% in 1Q25. Trade-related volatility remained the primary driver of this dynamic, with a sharp 30.3%, q-o-q, SAAR decline in imports in 2Q25 significantly contributing to the overall growth figure. This followed a surge in imports of 37.9%, q-o-q, SAAR in 1Q25. This reversal reflects the front-loading of imports ahead of tariff implementation and the subsequent slowdown at the start of 2Q25. At the same time, personal consumption expenditure continued to expand, growing by 1.4%, q-o-q, SAAR, up from 0.5% in 1Q25, indicating sustained consumer-side support. Conversely, gross private domestic investment contracted by 15.6%, q-o-q, SAAR in 2Q25, down from an expansion of 23.8% in 1Q25, reflecting heightened market uncertainty.

On trade, in a final push ahead of the August deadline, the US concluded agreements with the EU, Japan, the Philippines, South Korea, Thailand and Indonesia, in addition to previously agreed deals with the UK and Vietnam. These agreements primarily set tariffs at 15% for the EU, Japan, and South Korea, while slightly higher rates, approaching 20%, apply to Vietnam, the Philippines, and Indonesia. The UK secured a lower rate of 10% in earlier negotiations. In the case of the EU, the agreement exempts several sectors, including aircraft components, select chemicals and agricultural products, and includes $70 billion worth of goods under zero-for-zero tariff arrangements.

Several major economies did not reach agreements ahead of the tariff reimposition. Brazil faces a 50% tariff, India a 50% tariff and Canada saw tariffs rise from 25% to 35% on non-USMCA goods. Mexico secured a further 90-day extension, maintaining a 25% tariff on non-USMCA goods during the pause while negotiations continue. With China, trade flows remain governed by the 90-day truce that reduced tariff rates to 30% on Chinese goods entering the US and 10% on US goods entering China. However, this arrangement is set to expire on 12 August. Officials from both sides have signalled a willingness to extend the truce for an additional 90 days, though no final decision has been made yet.

On fiscal policy, the US passed the OBBBA, a fiscal package that makes the 2017 tax cuts permanent and introduces new measures to incentivise private investment, including full expensing of capital equipment and R&D costs over the coming years. While the package is expected to raise deficits by nearly $3 trillion over the next decade, it includes stricter eligibility requirements for social assistance programmes, particularly Medicaid, aimed at partially offsetting the additional expenditure.

Inflation rose in June, registering 2.7%, y-o-y, up from 2.4% in May and 2.3% in April. Food inflation accelerated to 3.0%, y-o-y, in June, up from 2.9% in May, with egg prices continuing to rise on an annual basis despite some month-on-month easing as the impact of the bird flu supply shock begins to recede. Core inflation edged up slightly to 2.9%, y-o-y, in June, after holding steady at 2.8% for the previous three months.

Personal consumption expenditures (PCE), the Fed's preferred inflation measure, increased to 2.6%, y-o-y, in June, up from 2.4% in May and 2.2% in April. Core PCE inflation remained at 2.8%, y-o-y, in June, unchanged from May. Against this backdrop, the Fed left interest rates unchanged at its July meeting for the fifth consecutive time, citing inflation remaining above target. However, two members dissented, voting in favour of a rate cut.

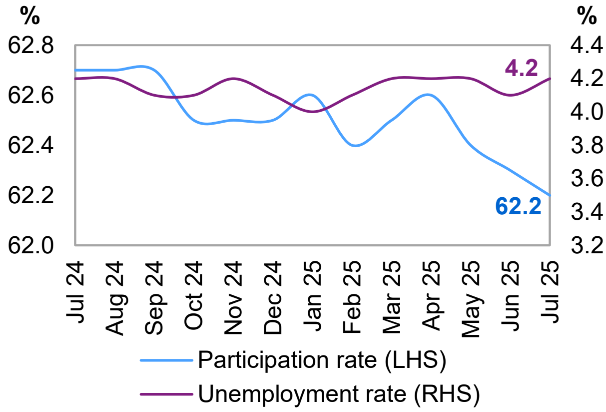
The US trade deficit narrowed to $60.2 billion in June from $71.7 billion and $60.3 billion in April. Imports fell to $337.5 billion in June, a 1.4% contraction, y-o-y, down from roughly $350 billion in May and April. In March, imports surged ahead of the anticipated implementation of tariffs, reaching $419.4 billion, representing a 26.4% increase, y-o-y. Exports remained relatively stable but declined slightly in June at $277.3 billion, down from $278.7 billion in May and $290.6 billion in April. On a yearly basis, exports rose by 3.3%, y-o-y, in June, decelerating from 5.2% in May and 9.1% growth in April.

In July, non-farm payroll employment rose by 73,000, marking a notable slowdown from the revised June and May figures of 14,000 and 19,000, respectively, following significant downward revisions.

The unemployment rate edged up to 4.2% in July from 4.1% June. The labour force participation rate edged down slightly to 62.2%.

Annual earnings growth remained at 3.9% in July, unchanged from June but up from 3.7% in May.

Graph 3 - 3: US monthly labour market



Sources: Bureau of Labor Statistics and Haver Analytics.

Near-term expectations

The US economy maintained relative strength in 1H25 despite trade-related distortions affecting quarterly data. Newly signed trade agreements have reduced some uncertainty through the end of the year and into 2026. Underlying consumption trends remain positive and continue to show momentum. The easing uncertainty is expected to further support investment activity, as firms revive capital expenditure plans, aided by the incentives provided in the OBBBA for capital investment and research and development. On a quarterly basis, US real GDP is projected to grow by 1.8%, q-o-q, SAAR in 3Q25 and 4Q25. In 2026, growth is expected to accelerate to 2.0%, q-o-q, SAAR in 1Q26 and 2.2% in 2Q26, stabilising at around 2.4% in 2H26.

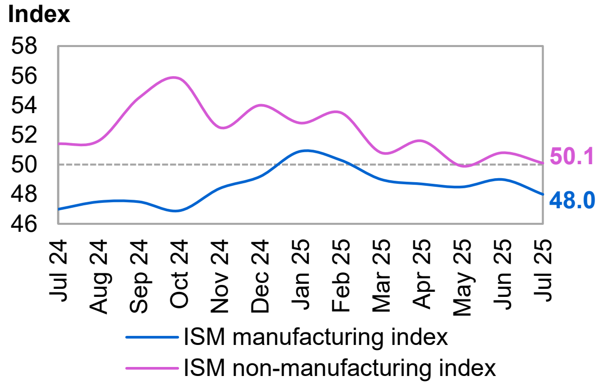
However, uncertainties persist with key trading partners, notably China, India, and Brazil. In the case of China, expectations point to a likely extension of the current 90-day pause, with a return to prohibitively high tariffs considered unlikely. Finalising a broader agreement remains challenging due to the complexity of bilateral trade relations under the existing framework. With India, a trade deal comparable in scope to those concluded with other partners remains a possibility, with talks still ongoing. In contrast, the nature of the US demands on Brazil makes an agreement more difficult to reach, suggesting elevated tariffs may remain in place for a longer period. Nevertheless, the proliferation of trade agreements and the rapid conclusion of several deals in late July suggest the emergence of a more defined template that other countries may follow as a pathway to de-escalation.

US monetary policy is expected to remain cautious amid an uptick in inflation since May. Tariff-related price increases have yet to fully pass through to consumers, even amid the current deceleration. Given the continued strength of the labour market, the Fed is still expected to deliver two rate cuts this year, though a cut in September appears less likely. However, the two dissenting votes at the July FOMC meeting signal some momentum building in favour of near-term rate reductions.

According to the Institute for Supply Management (ISM), the manufacturing PMI declined to 48.0 in July from 49.0 in June and 48.5 in May, marking a fifth consecutive month of contraction. The Production Index showed positive movement further into expansionary territory, although that was offset by a decline in the Employment Index.

In the services sector, the PMI registered 50.1 in July, down slightly from 50.8 in June but remaining in expansion territory after dipping slightly into contractionary territory in May. Business activity and new orders continued to grow, while employment contracted further as tariffs remained a concern for respondents.

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



Sources: Institute for Supply Management and Haver Analytics.

With relatively robust economic growth anticipated in 2Q25, the economic growth forecast for the US economy in 2025 stands at 1.8%, representing an upward revision from the previous month's report.

For 2026, carryover effects and an easing of monetary policy likely point to an acceleration in the US growth dynamic, which remains projected at 2.1%, unchanged from the previous month's report.

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

	US
2025	**1.8**
Change from previous month	0.1
2026	**2.1**
Change from previous month	0.0

*Note: * 2025-2026 = Forecast.*

Source: OPEC.

Eurozone

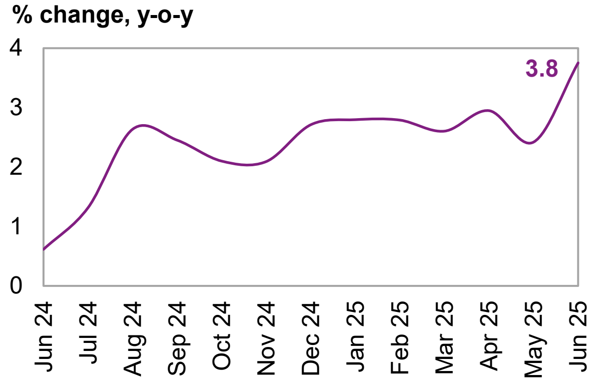
Update on the latest developments

Economic growth in the Eurozone registered 0.4%, q-o-q, SAAR in 2Q25, according to the initial estimate from Eurostat, down from 2.3%, q-o-q, SAAR in 1Q25. The previous quarter's growth was driven by strong economic activities in Ireland and Spain. Germany, the Eurozone's largest economy, recorded a slight contraction of 0.4%, q-o-q, SAAR in 2Q25, following growth of 1.2% in 1Q25. France saw a pickup in growth to 1.2%, q-o-q, SAAR in 2Q25, up from 0.6% in the previous quarter. Spain remained the fastest growing of the major Eurozone economies, with growth accelerating to 3.0%, q-o-q, SAAR in 2Q25, up from 2.5% in 1Q25, supported by continued strength in both the services and manufacturing sectors. Ireland, which had contributed significantly to 1Q25 growth with a sharp expansion of 33.0%, q-o-q, SAAR registered a contraction of 3.9% in 2Q25, though growth remains strong on a y-o-y basis.

On the trade-related front, the EU reached a trade agreement with the US in late July following several months of negotiations, easing a prolonged period of trade uncertainty. The agreement establishes a tariff of 15% on most EU exports to the US, averting the previously planned 30% rate set to take effect in early August. In return, the EU committed to significant purchases of US energy and military equipment, as well as substantial investment in the US economy. The deal exempts aircraft, as well as certain chemical and agricultural products, leaving approximately €70 billion in trade under zero-for-zero tariff arrangements. However, the automobile sector is not exempt and will be subject to the 15% tariff, placing pressure on Germany's industrial exports. Tariffs on beverages will also remain in place, affecting several French producers. US tariffs on EU steel and aluminium, currently set at 50%, were not addressed under the agreement and remain unchanged.

Consumer spending accelerated in June with retail sales growing 3.8%, y-o-y, up from 2.4% in May and 2.9% in April. Consumer confidence, as measured by the Economic Sentiment Indicator (ESI), rose to 95.8 in July, up from 94.2 in June and 95.0 in May. The increase reflects a more stable economic outlook and easing inflation pressures. Industrial production (IP) growth accelerated to 3.6%, y-o-y, in May, up from 0.5% in April and broadly in line with March levels. In Germany, IP returned to growth at 1.2%, y-o-y, following a contraction of 2.2% in April.

Graph 3 - 5: Eurozone retail sales



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

Inflation remained steady at 2.0%, y-o-y, in July, unchanged from June and slightly up from 1.9% in May. This keeps inflation at the ECB's target level and below the 2.2% recorded in both April and March. Services inflation eased to 3.1%, y-o-y, in July, down from 3.3% in the previous month, although this was offset by rising food prices and non-energy industrial goods. Core inflation remained unchanged at 2.5%, y-o-y, in July, consistent with the levels recorded in June and May. The ECB kept interest rates on hold at its July meeting, citing price stabilisation and inflation being at target levels. It maintained a cautious stance on trade developments, although the decision preceded the finalisation of the US-EU trade agreement by several days.

Near-term expectations

Economic growth in the Eurozone is expected to maintain momentum through the remainder of 2025 and into 2026, supported by easing trade-related uncertainties. The outlook is further underpinned by rising real wages amid stable prices and steady unemployment. The services sector is expected to continue contributing to growth, particularly in economies with large tourism sectors such as Spain, France and Italy, likely sustaining momentum into 3Q25.

The trade agreement reached between the US and the EU in July is expected to reduce uncertainty, although certain sectors are likely to face adverse effects from the agreed tariff measures. The German automobile sector, now subject to a 15% tariff on exports to the US, is expected to come under some pressure, though the impact is mitigated by the fact that other major exporters, including Japan, face the same tariff rate. The continuation of 50% tariffs on steel and aluminium will also weigh on the Eurozone's industrial base. In the agricultural sector, despite some exemptions, beverage exports from France and other producers are expected to be negatively affected. Nonetheless, the additional clarity provided by the finalised agreement is expected to improve the investment outlook, as firms adjust to the new tariff regime and begin planning accordingly.

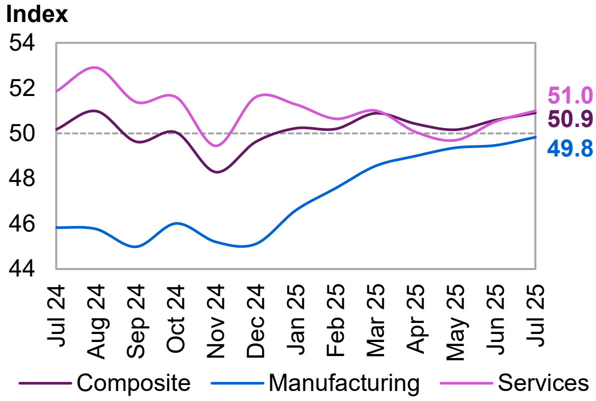
On monetary policy, the ECB is expected to maintain interest rates at current levels, with inflation stabilising around the target for the third consecutive month. This approach is likely aimed at preserving policy space for future adjustments amid ongoing global uncertainties. With the trade agreement now in place and inflation at target, the likelihood of an additional rate cut this year has diminished compared to a month ago. On the fiscal side, support measures remain in place, with Germany's large planned spending package beginning to take shape and additional defence spending underway across several Eurozone member states.

Eurozone PMIs for July indicated a continued improvement in the manufacturing sector, while services activity moved further into expansionary territory.

The manufacturing PMI rose to 49.8 in July, up from 49.5 in June and 49.4 in May, marking the highest reading in three years. Output growth continued, but at a slower pace, while new orders declined slightly.

The services PMI exhibited further expansion to 51.0 in July, up from 50.5 in June and 49.7 in May. Despite weaker export demand, employment showed continued gains, and input cost inflation eased.

Graph 3 - 6: Eurozone PMIs



Sources: S&P Global and Haver Analytics.

With early 2Q25 showing continued growth carrying over from the strong 1Q25, and with easing uncertainty regarding trade, the economic growth outlook for the Eurozone for 2025 stands at 1.2%, a slight upward revision from the previous month's report.

For 2026, amid rising real wages, stabilising inflation and the expected positive impacts of fiscal spending, the economic growth forecast stands at 1.2%, a slight upward revision from the previous month's report.

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

	Eurozone
2025	**1.2**
Change from previous month	0.2
2026	**1.2**
Change from previous month	0.1

*Note: * 2025-2026 = Forecast.*

Source: OPEC.

Japan

Update on latest developments

Japan's economy contracted slightly in 1Q25 by 0.2%, q-o-q, SAAR, according to the latest estimate, following growth of 2.2%, q-o-q, SAAR in 4Q24. Government consumption expenditure declined by 2.0%, q-o-q, SAAR in 1Q25, reversing from an expansion of 1.1% in 4Q24. In contrast, private consumption and gross fixed capital formation grew by 0.6% and 3.2%, q-o-q, SAAR in 1Q25, up from 0.4% and 0.9%, respectively, in the previous quarter.

In late July, Japan reached a trade agreement with the US following several months of negotiations ahead of the August tariff expansion deadline. The deal imposes 15% tariffs on Japanese exports to the US, including automobiles, though notably without any export volume limits. In return, Japan agreed to expand market access for US agricultural products and automobiles, and committed to a $550 billion investment and loan package for the US economy. Japan will also receive the most favourable tariff rates on semiconductors and pharmaceuticals. However, tariffs on steel and aluminium remain at 50%, with no exclusions or tariff-rate quotas for Japanese producers.

Monthly data since the end of 1Q25 show retail sales in contraction, with the latest figures from June indicating a decline of 5.3%, y-o-y, unchanged from May and down from a contraction of 3.9% in March. IP rebounded in June, rising by 2.4%, y-o-y, following a contraction of 9.8% in May and a slight expansion of 0.6% in April. Consumer confidence edged down in July to 33.5 index points, from 34.3 in June, but remained above the levels recorded in April and May.

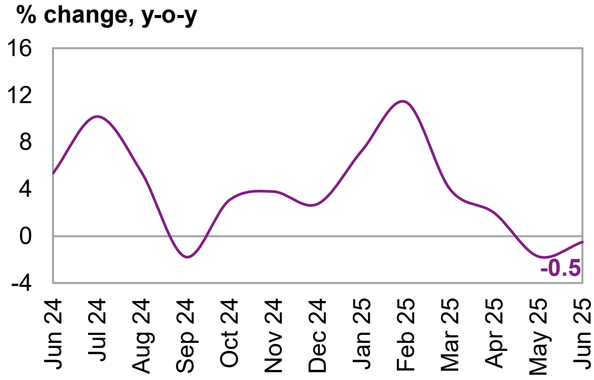
Inflation continued to ease slightly, maintaining the downward trend observed since the beginning of the year, though it remains relatively elevated. The CPI stood at 3.2%, y-o-y, in June, down from 3.4% in May and 3.5% in April. It began the year at 4.0%, y-o-y, a level not seen since early 2023. Core inflation remained stable at 1.6%, y-o-y, in June, unchanged for the third consecutive month. Against this backdrop, the BoJ held interest rates steady at 0.5% in July for a fourth consecutive meeting, in a unanimous decision, pausing the tightening cycle amid elevated inflation. The BoJ cited slightly easing trade uncertainty as a positive factor for the overall economic outlook.

On a monthly basis, export growth contracted by 0.5%, y-o-y, in June, compared to a decline of 1.7% in May and growth of 2.0% in April.

Imports rose by 0.3%, y-o-y, in June, following contractions of 7.6% in May and 2.1% in April.

The trade deficit narrowed to JP¥235 billion ($1.6 billion) in June, down from JP¥292 billion ($2.0 billion) in May. In April, with the implementation of US tariffs, the trade deficit had widened sharply to JP¥341 billion ($2.4 billion).

Graph 3 - 7: Japan's exports



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

Near-term expectations

Japan's economy continues to show a stable growth trajectory through 2025 and into 2026. The trade agreement with the US provides some relief to external sector uncertainty. While Japan faces 15% tariffs on automobile exports, this rate is expected to apply equally to other automobile producers exporting to the US, reducing the relative competitive impact. Similarly, steel and aluminium exports will remain subject to 50% tariffs, in line with those applied to other producers. The primary risk to Japanese production stems from within the US market, where increased domestic output could lead to substitution effects. Nonetheless, Japan is expected to maintain its export presence in the US market through 2026, albeit at a slightly slower pace.

Domestically, consumer spending is expected to have weakened in 2Q25 and into 3Q25, reflecting the effects of elevated inflation and rising uncertainty. With inflation easing and the trade agreement in place, a recovery in consumption is likely to emerge in 4Q25 and continue into 2026. Similarly, the strong investment levels recorded in 1Q25 are expected to moderate in the subsequent quarters, before recovering along a similar path. Continued labour market stability, with unemployment holding at 2.5% since March, is expected to support this trend.

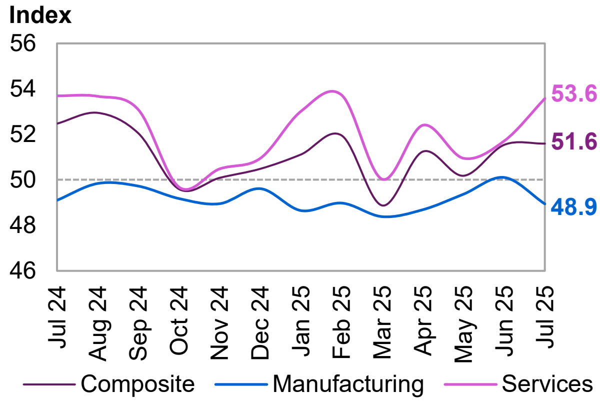
Monetary tightening by the BoJ is expected to resume towards the end of the year as trade-related concerns ease. The tariff-driven slowdown was repeatedly cited by the BoJ in recent meetings as a key reason for pausing rate hikes. With uncertainty now easing and inflation remaining elevated, interest rate increases are likely to resume. This raises further concerns about the impact of high debt levels, as rising interest rates could weigh on economic growth. Fiscal policy remains supportive, with measures introduced in 4Q24 continuing to provide a boost to the economy.

July PMI data indicated a softening outlook in the manufacturing sector and stronger expansion in the services sector.

The manufacturing PMI returned to contractionary territory in July, standing at 48.9, down from 50.1 in June and 49.4 in May. Output and new orders declined, though export sales eased at a slower pace. Purchasing activity dropped as input cost inflation continued to weigh on the sector.

The services PMI, on the other hand, rose to 53.6 in July from 51.7 in June and 51.0 in May. Growth was driven by a rise in new orders, although export sales declined, offsetting some of the effect.

Graph 3 - 8: Japan's PMIs



Sources: S&P Global and Haver Analytics.

With the conclusion of the trade deal with the US easing trade-related uncertainties – though partially offset by the potential continuation of monetary tightening in 2H25 – the economic growth forecast for Japan for 2025 stands at 1.0%, unchanged from the previous month's assessment.

For 2026, economic growth is expected to decelerate slightly due to tight monetary policies, with the growth forecast standing at 0.9%, unchanged from the previous month's outlook.

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

	Japan
2025	**1.0**
Change from previous month	0.0
2026	**0.9**
Change from previous month	0.0

*Note: * 2025-2026 = Forecast.*

Source: OPEC.

Non-OECD

China

Update on the latest developments

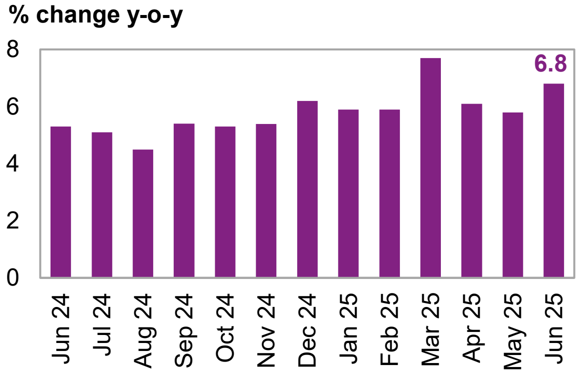
China's economy enjoyed a robust growth level in 1H25. Economic growth stood at 5.4%, y-o-y, in 1Q25 and was only mildly lower, reaching 5.2%, y-o-y, in 2Q25. This compares to annual growth in 2024 of 5%, the level that was set as a growth target for 2025. That said, some of the growth level to date was achieved due to the frontloading of exports, in anticipation of US tariffs. However, while exports to the US fell towards the end of 2Q25, and after high US tariffs were introduced, exports to other destinations have compensated for this decline. It remains to be seen, however, if this trend will extend into 2H25. Domestic development saw steady growth, and the government continued to support the economy via fiscal and monetary policy measures. Albeit gradually improving, the housing sector remains a soft spot in the economy, but the government has so far successfully engineered a rebound from very low levels.

In the meantime, the July Politburo meeting reviewed the current economic situation, set policy priorities for 2H25 and discussed proposals for the 15th Five-Year Plan (2026–2030). The official statement reflected cautious optimism about 1H25 growth and indicated a preference for targeted and incremental policy easing. The Politburo reaffirmed its support for high-tech manufacturing, consumption, labour markets and investment in strategic sectors, while also emphasising the need to address disorderly market competition and manage local government debt risks. On macro policy, the authorities maintained a pro-growth stance, calling for the timely implementation of existing easing measures and a proactive fiscal and moderately loose monetary policy. Looking ahead, the Politburo reiterated its goal to meet full-year economic targets and left the door open for more policy support should growth weaken.

Headline inflation edged down slightly in July. After the CPI turned positive in June, standing at 0.1%, y-o-y, – and after a negative reading in the three preceding months up to May –, inflation stood at 0%, y-o-y, in July as food deflation deepened. Food prices fell by 1.6%, y-o-y, in July, after a decline of 0.3%, y-o-y, was registered in June. Excluding food and energy prices, core CPI inflation edged up to a rise of 0.8%, y-o-y, in July, following a level of 0.7% in June.

Importantly, housing prices continued to stabilise through June, according to the 70-city price index provided by Haver Analytics, with a stable decline of 5%, y-o-y, following a similar contraction in May and a decline of 5.5%, y-o-y, in April. Retail sales continued a healthy expansion, but softened somewhat, growing 4.8%, y-o-y, in June, compared with 6.4% in May. This slight softening was broad-based across online and offline goods, restaurants and consumer electronics, and can be partly attributed to timing effects from an earlier online shopping festival that started in May.

Graph 3 - 9: China's industrial production



Sources: China National Bureau of Statistics and Haver Analytics.

IP growth in China accelerated to 6.8%, y-o-y, in June, up from 5.8% in May, supported by stronger export momentum following the US-China trade truce. This momentum was driven primarily by strong output in the chemical, computer and equipment manufacturing sectors, which offset weaker growth in rail, ship, and aircraft production. Automobile output growth slowed, but industrial robot production remained strong, seeing a near 38% increase, y-o-y. Moreover, the urban unemployment rate remained steady in June and May, standing at

5%, following 5.1% in April and 5.2% in March. Urban youth unemployment declined, reaching 14.5% in June, after 14.9% in May, 15.8% in April and 16.5% in March.

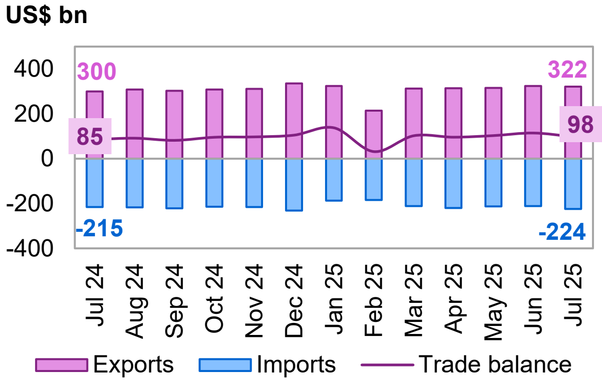
The latest trade data shows that China's trade surplus retracted slightly but maintained a robust level in July as trade with the US normalised and trade diversification efforts to other regions continued successfully.

The trade balance reached $98.2 billion in July, following $114.8 billion in June and $103.1 billion in May.

Exports reached $321.8 billion in July, after $325.2 billion in June, following $315.9 billion in May.

Imports reached $223.5 billion in July, following $210.5 billion in June and $212.7 billion was reached in May.

Graph 3 - 10: China's trade balance



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

Near-term expectations

China maintained solid economic momentum in 2Q25, reaching growth of 5.2% and building on strong y-o-y growth of 5.4% in 1Q25. While manufacturing sentiment-related indices point to some slowdown in this area, the domestically geared service sector's sentiment is picking up again. On a quarterly level, the pace of economic growth is expected to moderate slightly, with quarterly growth averaging around 4.4% for the remainder of the year. In 2026, growth is projected to average 4.5%, y-o-y, with a modest acceleration expected from 1H26.

Despite facing headwinds from US trade barriers, the economy has so far shown resilience, supported by domestically focused monetary and fiscal measures, as well as a shift in export strategies towards markets beyond the US. Domestically, the government's consumer goods trade-in programme has played a key role in supporting domestic consumption to date. Introduced in 1H24 and substantially expanded in 2H24, the programme offers subsidies for replacing old appliances, vehicles and electronics, and boosted retail sales in 1H25. Some of the momentum is anticipated to carry over into 2H25. With the combination of ongoing accommodative monetary policy and fiscal support measures, and an anticipation of normalised trade relations with the US, economic growth in 2025 and 2026 is forecast to be well supported.

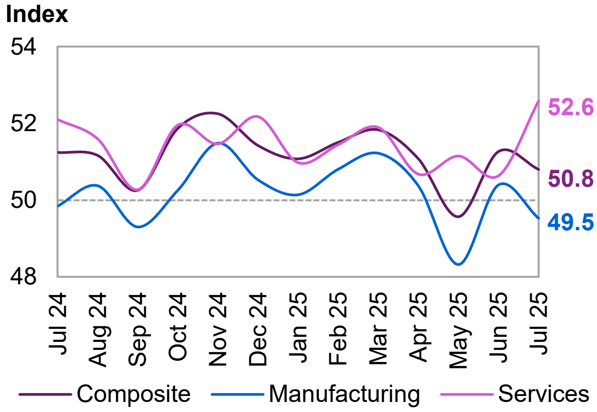
While US trade-related uncertainties remain, continued US tariff-related impacts are expected to be mitigated through multiple channels. These measures may include limited currency adjustments, cost-cutting, margin compression and continued export redirection, supported by China's ongoing market diversification as seen in past months. Hence, export volumes are likely to remain resilient despite higher US tariffs.

On the monetary policy front, a continued accommodative policy stance is expected, given the room to manoeuvre that the PBoC still has, and in light of the very low inflationary profile of the economy. Following the dual policy rate and RRR cuts in May, an additional 20 bp policy rate cut is still possible in 2H25, with another rate cut likely in 2026. If needed, a further 50 bp RRR reduction in 2025 may support fiscal expansion via increased bond issuance.

In the meantime, the latest PMI data for July indicates improving momentum in the services sector, while the manufacturing sector's dynamic is slowing down, following export-related frontloaded activity in 1H25.

The Manufacturing PMI fell below the expansionary level of 50, standing at 49.5 in July. This compares with a June level of 50.4 and follows 48.3 in May.

Graph 3 - 11: China's PMI



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

The Services PMI rose by 2 points to stand at 52.6 in July, remaining clearly in expansionary territory and following 51.1 in May.

Given China's solid economic performance in early 2025, continued momentum in 2Q25, and the likely easing of trade tensions with the US, the country's robust growth trajectory is expected to be sustained.

By taking into consideration the country's strong 1H25 growth of 5.3% – and even when accommodating a slowing dynamic in 2H25 – China's 2025 economic growth forecast is revised up to stand at 4.8%. In addition, further upside potential may materialise.

For 2026, growth is expected to stay well supported, slowing only slightly, with the forecast unchanged from last month at 4.5%. Trade factors are also expected to have only a limited impact on next year's growth outlook, with counterbalancing measures on the fiscal and monetary policy side supporting China's growth dynamic as well.

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

	China
2025	**4.8**
Change from previous month	0.2
2026	**4.5**
Change from previous month	0.0

*Note: * 2025-2026 = Forecast.*

Source: OPEC.

India

Update on the latest developments

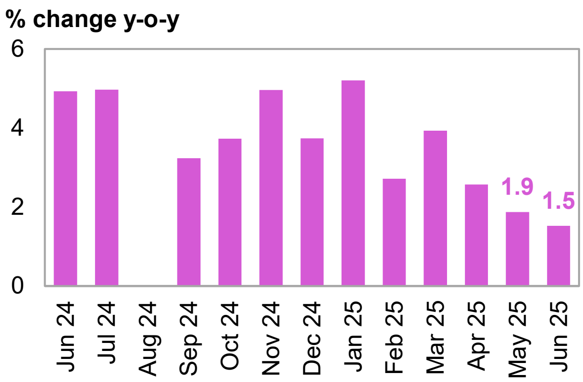
India's economy is estimated to have maintained its robust growth dynamic in 2Q25, following sound underlying economic measures in the past months, high and rising sentiment indices and an ongoing retraction in inflation. Inflation fell further in June and has now moved well below the midpoint of the central bank's inflation target of 4%, providing it with more room to manoeuvre in case further monetary policy accommodation is needed. Consequently, this momentum is anticipated to have carried over into 2H25. India's 1Q25 GDP growth stood at 7.4%, y-o-y, as reported by the country's central statistics office. This compares to a growth level of 6.4%, y-o-y, in 4Q24.

While India has continued its trade negotiations with the EU, having already reached a trade agreement with the UK this year to further broaden and diversify its export markets, trade negotiations between the US and India will need close monitoring. Indeed, it remains possible that India will face a US tariff rate of 25%, with further tariffs of 25% potentially being introduced because of Indian imports from Russia. This compares with an average tariff rate of below 3% for India in 2024 and comes after the US introduced a 10% global baseline tariff on 9 April, pausing its previously announced reciprocal tariffs on imports from India, among others, at a level of 26% for 90 days. These tariff rates were in addition to the 50% tariffs already announced on aluminium and steel, and the 25% tariffs on automobiles and auto parts. Although US imports from India total less than $90 billion, slightly more than 2% of India's GDP, they remain relatively limited compared to the size of India's economy. However, at a potential tariff rate of 25% to 50%, a dampening factor in economic growth may be seen, albeit it is assumed that both sides will be able to overcome the current uncertainties in trade.

India's unemployment rate fell to its lowest level in the past months to stand at 6.8% in June, following 7.5% in May, 6.9% in April and 7.7% in March, providing a relatively volatile pattern. This was mainly driven by seasonal shifts in rural employment.

Robust growth in the industrial sphere slowed down somewhat in June and May, but still expanded by 1.5%, y-o-y, and 1.9%, y-o-y, respectively. This comes after growth of 2.6%, y-o-y, in April and 3.9%, y-o-y, in March.

Graph 3 - 12: India's industrial production

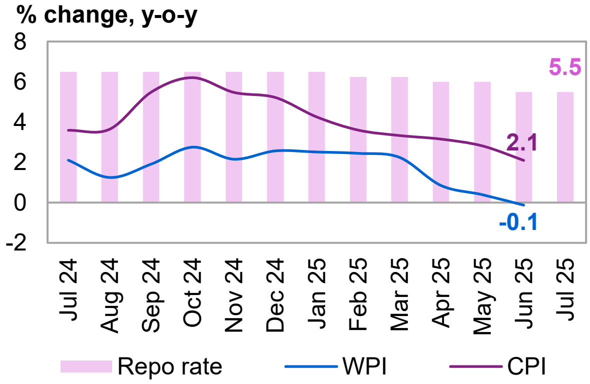


Sources: Ministry of Statistics and Program Implementation of India and Haver Analytics.

Headline inflation eased further to stand at 2.1%, y-o-y, in June, following 2.8% in May, 3.2%, y-o-y, in April, and 3.3%, y-o-y, in March, marking the lowest level since 2019. A deflationary trend in vegetable prices led to this significant retraction in overall prices. Contrary to the slowing price trend in headline inflation, core inflation rose, standing at 4.5%, y-o-y, in June, following 4.2% in May, 4.3%, y-o-y, in April and 4.1%, y-o-y, in both March and February. This was the highest level in core inflation in almost two years. This was again mainly driven by continued high prices for precious metals, particularly gold and silver, in combination with persistently strong services inflation.

After the RBI lowered the key policy rates quite rapidly in 1H25, it kept the policy rate unchanged at its latest August meeting. The central bank decided to hold the rate, highlighting uncertainties related to tariffs that are still evolving, monetary policy transmission that is still continuing, as well as the impact of the 100 basis-point rate cut since February 2025 on the broader economy, which is still unfolding and will need to be monitored in the very near term. The central bank kept its "neutral" stance, indicating that further rate cuts will depend on India's near-term growth-inflation dynamics, among others. In the meantime, the RBI maintained its GDP growth forecast for its financial year ending March 2026 at 6.5%, although it cut its forecast for the inflation rate to 3.1%, down from its previous forecast of 3.7%.

Graph 3 - 13: Repo rate and inflation in India



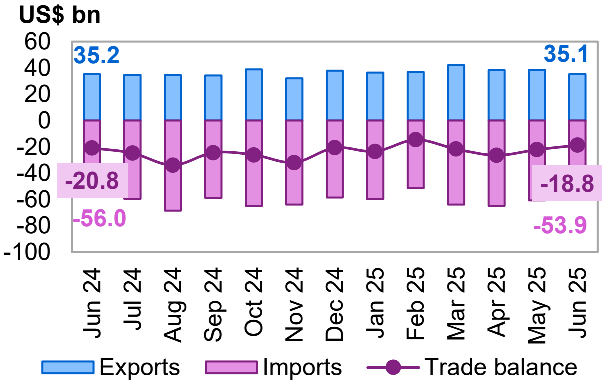
Sources: Ministry of Commerce and Industry, Reserve Bank of India and Haver Analytics.

India's trade deficit narrowed to stand at $18.8 billion in June from $22.1 billion in May, following an expansion of $26.4 billion in April.

Imports fell to stand at $53.9 billion in June, after standing at $60.6 billion in May and reaching a level of $64.9 billion in April. That was mainly driven by a decline in commodities imports.

At the same time, exports fell slightly, standing at $35.1 billion in June, after reaching a level of $38.5 billion in both May and April.

Graph 3 - 14: India's trade balance



Sources: Ministry of Commerce and Industry and Haver Analytics.

Near-term expectations

India's economy is expected to maintain a strong growth trajectory in 2025. Although it is projected to post the highest growth among major Asian economies, this solid performance aligns broadly with the positive momentum seen across the region. However, the near-term path will certainly also be dependent on further US trade-related developments, including the near-term developments in US-China trade negotiations.

Strong growth of 7.4% in 1Q25 is expected to be followed by quarterly growth rates averaging around 6.3% for the remainder of the year. That said, the most recent forward-looking sentiment indicators point at some upside to this assumption. It is nevertheless worth noting that the ongoing trade-related uncertainty and the currently suggested US tariffs of up to 50%, if not negotiated down, may have some dampening effect on 2H25 growth and the expansion in 2026. Several of these tariffs are expected to be reduced through future negotiations, while the main downside risk to the growth outlook stems from heightened uncertainty. On the positive side, India's newly concluded trade agreements – such as with the UK and potentially the EU – are expected to provide further support to India's externally driven economic growth from trade going forward.

Moreover, domestic momentum has improved further, with the most recent data pointing to resilient private consumption. This recovery in consumption has been supported by easing credit conditions, with the central bank lowering interest rates by 1 pp to date since the beginning of the year, as well as steady rural demand, supported by a good harvest. Moreover, slowing food inflation, the government's welfare spending and a mild urban uplift from income tax cuts have been supportive as well, leading to continued 2H25 momentum. Of note, in the case of continued capex-related government expenditure, in combination with the improving momentum in consumption, further upside potential to near-term growth may materialise, counterbalancing a negative impact from US trade-related developments.

Monetary easing is anticipated to play an important role in offsetting the impact of US tariffs and supporting growth in the coming months, if needed. With inflation projected to stay well below 4%, the RBI already lowered its key policy rate from 6.5% at the beginning of the year to 5.5% in June. Following comments from the latest monetary policy meeting in August, no further rate cuts are imminent in 2H25. Under its recently adopted "neutral" stance, the RBI has signalled that future policy decisions will be data-driven and likely dependent on inflation data and the anticipation of the US trade-related impact, among other factors. Following its August meeting, the central bank revised its inflation forecast down to 3.1% for the current financial year.

PMI figures for July support the ongoing robust growth trend, with solid expectations in both the manufacturing and services sectors.

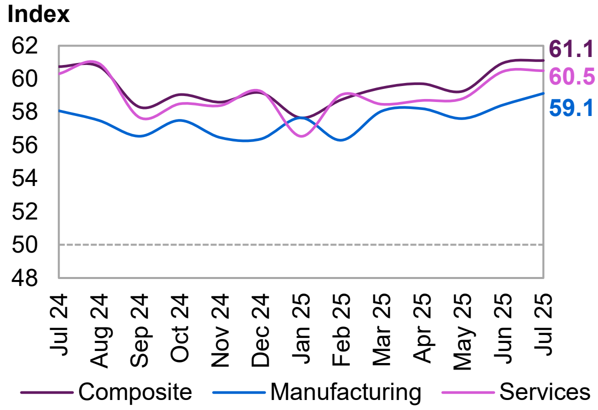
The manufacturing PMI rose to 59.1 in July, following a level of 58.4 in June and 57.6 in May, pointing to continued expansion.

The services sector PMI remained strong in July as well, with the index rising to 60.5, after 60.4 in June and 58.8 in May.

The economic growth forecast for 2025 remains unchanged at 6.5%. Given the above-mentioned improvements stemming from the 1H25 growth dynamic, and in anticipation of a continued robust growth trend, economic growth for 2025 may see some further upsides in the near term.

However, it remains to be seen how ongoing trade relations with the. US will develop and to what extent effects from global trade may impact the Indian economy. That said, it currently seems that the impact is limited, and it is expected that the currently introduced tariffs will be reduced through future negotiations. Assuming trade relations remain stable, the Indian economy is expected to maintain its expansion, supported by policy continuity and easing inflation. As a result, economic growth is projected to hold steady at 6.5% in 2026.

Graph 3 - 15: India's PMIs



Sources: S&P Global and Haver Analytics.

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

Brazil's economy enjoyed strong growth in 1Q25, mainly driven by strong agricultural output. While some of the sector's momentum may have carried over into 2Q25, the latest sectoral output data indicates that there is a slowdown in the farming sector; hence, it remains to be seen if the sector will again be able to counterbalance the softening in the manufacturing and services sectors. The most recent PMI indicators clearly show that these two important sectors are decelerating.

Based on the central bank's most recent monthly indicator of real GDP from May, real activity recorded a decline of 0.74%, m-o-m, on a seasonally adjusted basis. The softness in May was broad-based: with a significant retraction in agricultural and farm activity, which declined by 4.25%, m-o-m, but also non-farm activity declined by 0.3%, m-o-m. The industrial sector declined by 0.5%, m-o-m, while services were flat. Hence, these indicators point at potential challenges in 2Q25 underlying growth. This comes after 1Q25 GDP growth was reported at 2.9%, y-o-y.

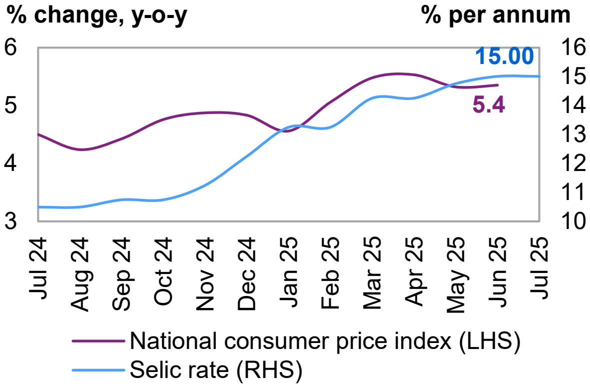
Furthermore, inflation was persistent most recently, leading the central bank to continue pursuing a cautious monetary policy and keeping interest rates at a considerably high level. Moreover, the fiscal situation continues to be a concern, with rising debt levels and a diminishing fiscal space. Hence, the government will need to find ways and means to either raise fiscal revenues or reduce expenditures. The next steps in improving the fiscal situation will need to be closely monitored. Moreover, the outcome of trade negotiations with the US remains to be seen. After Brazilian exports to the US were facing a 10% global blanket baseline tariff, starting in April, which was anticipated to leave Brazil relatively unaffected, the US administration unexpectedly lifted tariffs, most recently to stand at 50% by August. This could have a more significant effect in the near term if no agreement on lower tariffs between the two nations is found. A tit-for-tat trade war may also have an impact on Brazilian inflation.

With this gradually decelerating trend, composite business confidence eased slightly in July, standing at 47.3, following 48.6 in June and compared with 48.9 in May. Consumer confidence remained stable over the past months, standing at 85.2 in July, following an index level of 85.1 in June and 85.4 in May.

Consumer goods price rises saw a slight uptick in June but are still below levels seen earlier in the year. Headline inflation stood at 5.4%, y-o-y, in June, compared with a level of 5.3%, y-o-y, in May, but down from 5.5%, y-o-y, in April and March.

Core inflation increased to 5.4%, y-o-y, in June, up from 5.1%, y-o-y, in May and April and a March level of 4.9%, y-o-y. Several temporary factors contributed to the ongoing high level of inflation, including strong domestic consumption, the end of government subsidies on electricity bills, and higher gasoline and ethanol prices following the reinstatement of taxes on these fuels, among other elements. These temporary effects are anticipated to become less impactful toward the end of the year.

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



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

Due to persistent inflationary pressure, the BCB kept the Selic rate – its monetary policy rate – unchanged at its latest policy meeting in July, after lifting it by 25 bp to 15% in June. In its most recently released meeting minutes, the BCB indicated that it will likely hold the policy rate at a significantly restrictive level for as long as it takes and is open to doing more and being even more restrictive, if needed.

Near-term expectations

Brazil's economy was very much supported by agricultural output in 1Q25, which compensated for some softening in the services and manufacturing sectors. However, in the meantime, BCB activity data indicate a monthly slowdown in May. While agricultural and farming output may still be robust in 2Q25, the latest indicators point towards a deceleration in the services and manufacturing sectors, indicating that a slowdown in 2Q25 may be likely. This is reflected in the current quarterly forecast. Following strong annual growth of 2.9% in 1Q25, growth in 2Q25 is forecast at 2.3%, y-o-y. This is estimated to be followed by growth of 2.1%, y-o-y, in 2H25, reflecting the slowdown in the manufacturing and services sectors. While the growth rates in 2025 remain robust, they compare to exceptionally high growth in 2H24, when growth stood at 3.6% in 4Q24 and 4.0% in 3Q24. This slowdown reflects the continued impact of tight monetary policy and anticipated fiscal consolidation measures aimed at stabilising public finances. Despite the deceleration, economic activities should receive ongoing, albeit more limited, support from targeted fiscal transfers, rising real incomes and expanded credit programmes. However, the growth trend may be tempered by tighter financial conditions, elevated household debt and limited spare capacity in the economy.

Looking ahead to 2026, the outlook is expected to improve. Growth is projected to pick up to around 2.3% in the first half before expanding to roughly 2.6% by the end of the year. This acceleration will likely be aided by monetary easing – expected to begin next year – to avoid inflation falling persistently below the lower bound of the central bank's target. However, given rising fiscal constraints, the recent announcement of a significant rise to 50% in US tariffs and continued tight monetary policy, these expectations will need to be re-evaluated in the near term.

Following some improvements in the May fiscal report, Brazil's consolidated public sector posted a larger-than-expected R$47.1bn deficit in June. While 1H25 showed better fiscal results due to delayed spending from a late budget approval, catch-up expenditures are expected in 2H25. The rolling 12-month primary surplus is a modest 0.15% of GDP but is projected to turn negative later in the year. The overall fiscal deficit remains high at 7.3% of GDP, and gross public debt is rising, reaching 76.6% of GDP. Looking ahead, the fiscal outlook could improve if revenues exceed expectations or if budget execution remains tighter than planned. Considering that more than 90% of primary spending is tied to mandatory outlays, there is little room for adjustment, and rising social expenditures continue to strain the budget. Public debt is projected to climb from 80% of GDP in 2025 to nearly 90% by 2029, suggesting ongoing fiscal sustainability risks under current policies.

Moreover, the recent announcement of 50% US tariffs on Brazilian exports poses a new, albeit limited, downside risk. With US-bound exports making up about 2% of Brazil's GDP, reduced demand could cut near-term growth by up to 0.4 percentage points. Brazil may offset some of the impact through negotiations or by redirecting exports – particularly of widely traded commodities like agricultural products, metals and fuels, which make up over half of its US exports – to other markets.

Inflation is expected to remain high at around 5% in 2025, driven by a weaker currency, services inflation and rising real wages. In response, the central bank is likely to keep policy tight and may tighten further to re-anchor expectations, even at the risk of overshooting the target later. After its June meeting, the bank signalled that it would assess the impact of recent hikes before deciding if current rates were sufficient to stabilise inflation. The BCB also emphasised its readiness to resume tightening if needed.

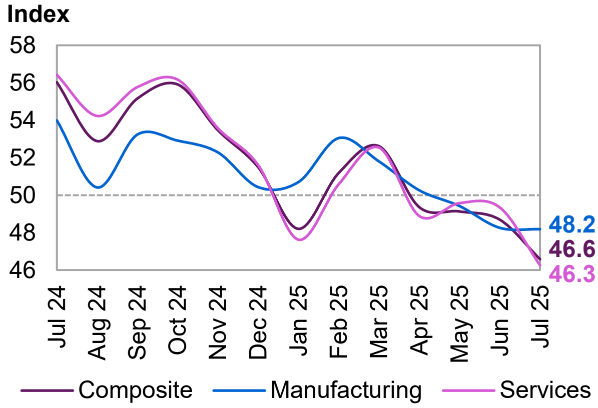
The July PMI indices reflect an obvious moderation in the economy's growth dynamic, with declines in both manufacturing and services sector indices, which remain below the growth-indicating level of 50.

The Services PMI fell to 46.3, compared with 49.3 in June and 49.6 in May.

The Manufacturing PMI fell to 48.2 in July, following a level of 48.3 in June and 49.4 in July.

Reflecting the ongoing deceleration in the Brazilian economy and continued fiscal constraints, the 2025 economic growth forecast remains at 2.3%. A possible slowdown in agricultural sector dynamics towards the end of 1H25 is reflected in the forecast. Moreover, the announced 50% tariffs on US goods imports from Brazil may dampen GDP growth in 2H25 if no solution between the two nations is found.

Graph 3 - 17: Brazil's PMIs



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

For 2026, the economic growth forecast stands at 2.5%, also unchanged from the previous month. This reflects an anticipated acceleration driven by monetary easing, some positive impact from fiscal reforms and a resulting increase in domestic consumption and investments. However, fiscal developments and the lagged impact of tight monetary policies remain key uncertainties for the coming year. Moreover, the outcome of US import tariffs on Brazilian goods remains to be seen – a factor that could also dampen growth in the coming year.

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

Following very strong economic growth of more than 4% in 2023 and 2024, the Russian economy entered the year at a more normalised growth level of 1.4%, y-o-y. This is the outcome of the central bank having kept key policy interest rates at a high level in order to bring down elevated inflation. Also, a softening in global commodity prices has impacted trade revenues, thereby leading to potentially more limited fiscal flexibility. Moreover, given that the economy's output levels have reached a very high level in recent years, the upside is more limited now. That said, the services sector remains robust, while the manufacturing sector remains well supported.

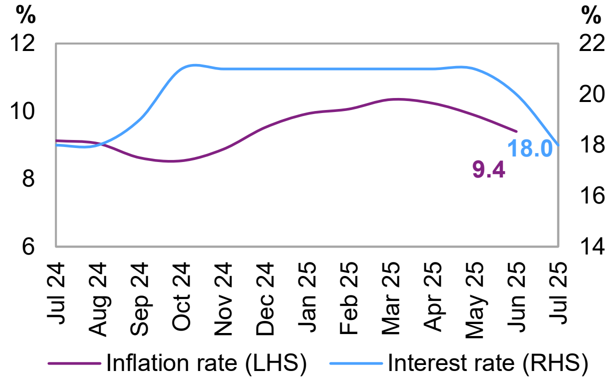
Considering declining inflation, emerging capacity constraints in the economy and the need to counterbalance some of the slowdown, the central bank has continued its monetary easing efforts. Although interest rates remain very high, monetary policy remains tight in relative terms. In addition, fiscal challenges have intensified due to a decline in hydrocarbon revenues and a slower increase in non-oil revenues, leading the finance ministry to sharply increase its deficit projection to 1.7% of GDP for 2025. Amid this limited fiscal space, the government may need to tap different revenue sources, such as raising taxes, cutting government expenditure, or accepting higher deficits.

In the meantime, the US administration has indicated it may consider so-called secondary tariffs on Russian exports, though such measures may be challenging given potential implications for trade relations with key Russian oil importers such as China and India. In addition, the EU announced its 18th sanctions package, primarily targeting Russia's oil and banking sectors, including adjustments to the oil price cap mechanism. The overall impact on Russian oil revenues is expected to be limited, as most exports do not rely on EU-linked services, though these measures may have some temporary effect.

Although the above-mentioned moderating growth trend continued into 2Q25, IP picked up again at a steady level in June, rising by 2%, y-o-y, following an expansion of 1.9%, y-o-y, in May and a rise of 1.4%, y-o-y, in April, all on a non-seasonally adjusted basis. Although IP growth is strengthening, this compares to annual growth in IP of 4.2% in 2024. Retail sales growth on a volume basis was steady, expanding by 1.6%, y-o-y, in May, 1.7%, y-o-y, in April, and 1.2%, y-o-y, in March.

The headline CPI edged down further in June, to stand at 9.4%, y-o-y, following 9.9%, y-o-y, in May and 10.2%, y-o-y, in April. M-o-m inflation eased to 0.2% in June, after a rise of 0.4% in both May and April and compared with a rise of 0.7% in March. Core inflation also moderated slightly, standing at 8.7%, y-o-y, in June, following 8.9%, y-o-y, in May and 9.2%, y-o-y, in April.

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



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

The CBR lowered its key interest rate by 200 basis points to 18% at its meeting in late July. The decision reflects a faster-than-expected decline in inflation. The Bank has kept its forecast for Russian GDP growth in 2025 at 1.0–2.0%, as part of its medium-term forecast, as reported by Interfax. The forecast for Russian GDP growth in 2026 also remained unchanged compared to the April forecast, at 0.5–1.5%.

In the meantime, the labour market remains tight, with the unemployment rate almost unchanged, rising slightly to a level of 2.3% in June, after 2.2% in May, 2.3% in April and 2.4% in February and January. This tight labour market continues to support accelerating wage growth and consumer spending. Russia's nominal average wages saw continued high growth in recent months. Wages expanded by 14.5%, y-o-y, in May, following a rise of 15.3%, y-o-y, in April and 10.5%, y-o-y, in March.

Near-term expectations

Following the strong economic momentum in 2023 and 2024, the Russian economy is expected to maintain a solid growth trajectory, potentially matching its pre-pandemic growth levels of 1.5%–2%, although the economy's growth trend is clearly normalising. This reflects base effects, growing capacity constraints as IP continues to expand, more moderate commodity prices and persistently high interest rates despite the central bank's efforts to shift toward monetary accommodation. Rising fiscal constraints may also limit the government's ability to provide broad-based support. However, the economy's resilience – having repeatedly outperformed pessimistic forecasts – calls for caution against overly negative expectations. Net exports and continued, though more modest, government-driven support remain important pillars of growth, even as increasing external pressures could begin to weigh more heavily in 2H25 and beyond.

At the current stage, the government is expected to offset a moderate decline in export revenues through targeted support measures. Despite ongoing challenges, household consumption is likely to stay relatively robust, underpinned by continued strong wage growth. Government spending is also expected to remain high amid persistent geopolitical tensions, further supporting public consumption and investment. In recent years, fiscal stimulus and public expenditure have been central in sustaining economic activity, contributing to a positive output gap and increased inflationary pressures.

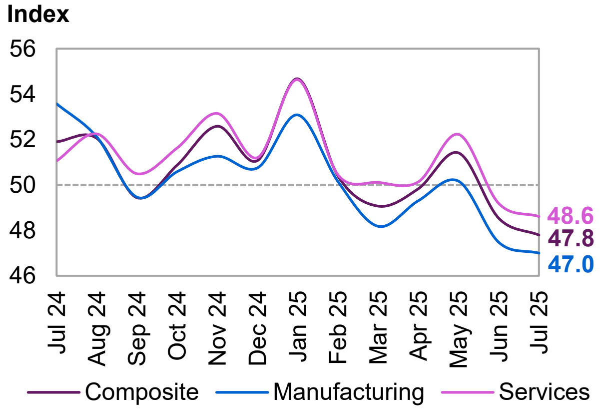
Considering the decline in inflation and the slowdown in the economy, the CBR lowered its key interest rate by 200 basis points to 18% at its July meeting, following the central bank's restrictive monetary stance until June, when it began adopting a more accommodative monetary stance. In the meantime, the rouble has continued to strengthen against the US dollar, also supported by the share of advanced economies' currencies such as the US dollar and the euro in Russia's currency basket declining to just above 15% of total trade turnover in 1H25.

The latest PMI figures from July show some softening in the outlook for both the manufacturing and services sectors.

The manufacturing PMI retracted to stand at 47 in July, compared with 47.5 in June and 50.2 in May.

The services PMI also declined to 48.6 in July, down from 49.2 in June, and 52.2 in May.

Graph 3 - 19: Russia's PMI



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

The economic growth projection for 2025 remains at 1.8%, unchanged from the previous month's estimate. While the forecast reflects low growth in 1Q25, an acceleration in momentum is expected for the rest of the year. This dynamic is forecast to be mainly supported by exports, government spending and prudent monetary policy, leading to steady domestic consumption.

In 2026, the Russian economy is projected to normalise 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	**1.8**
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

The South African economy has rebounded somewhat after showing limited growth at the beginning of the year. This trend is estimated to have continued in 2Q25, amid multiple challenges that the economy continues to navigate. South Africa's economic growth stood at 0.8%, y-o-y, in 1Q25, marking continued expansion. Importantly, private consumption grew by 2.8%, y-o-y, representing an increase from the 2.6% recorded in 4Q24. Hence, underlying domestic growth continues at a steady pace. However, as uncertainties remain, fixed investment remained weak, contracting by 3.2%, y-o-y, a continuation of the trend seen in past quarters.

While US-centred, trade-related challenges remain, monthly trade data suggest that South Africa's trade surplus increased from 2.2% of GDP in Q1 to 2.6% of GDP in Q2. However, that was mainly due to lower imports, rather than an increase in exports. Consequently, the current account likely shifted from a deficit of 0.5% of GDP in 1Q25 to a surplus in 2Q25. Moreover, the latest monthly data released by the National Treasury on June budget execution shows that receipts from the semi-annual corporate income tax increased. Receipts are expected to strengthen further in 2H25 and, supported by rising precious metal export prices, the likelihood of exceeding the National Treasury's revenue target of ZAR 339bn for fiscal year 2025/2026 has increased.

Moreover, headline inflation remained contained in June, rising slightly to 3.0%, y-o-y, following 2.8% in May. Core inflation eased to 2.9%, y-o-y, from 3.0%. The data reflect generally subdued price pressures, particularly on the demand side. However, food inflation increased to 5.1%, y-o-y, from 4.8% in May, though the monthly pace of increase moderated.

In the meantime, the South African Reserve Bank (SARB) cut its main repo rate by 25 bp to 7% at its latest August meeting, as inflation remains low in the midst of continuing global uncertainty. The decision continues a cutting cycle that began in September last year, when the bank started to reduce rates from a 15-year high of 8.25%. Furthermore, the SARB reiterated its clear preference for lowering the inflation target to 3%, as it was argued that a lower target would reduce policy rates over time, though short-term effects depend on the credibility of re-anchoring inflation expectations.

Meanwhile, South Africa's trade with the US remains likely to be impacted by newly imposed tariffs, 30% on most products, 25% on vehicle exports and 10% on a range of other products. This comes in tandem with the loss of preferential access through the African Growth and Opportunity Act. Related negotiations between both countries seem to be ongoing, but their outcome remains to be seen.

Near-term expectations

South Africa's economy is expected to continue its low growth trend seen in 1Q25, constrained by ongoing challenges in global trade, as well as domestic policy and fiscal issues, among other factors. While some support may come from improving domestic demand and gradual structural reforms, overall momentum is likely to remain limited by a tight fiscal environment. Despite the government's fiscal efforts, the country's rising debt-to-GDP ratio remains a concern and may approach 80% in the near term. Sustaining the fiscal outlook will largely depend on stronger economic growth, as spending pressures limit the scope for meaningful consolidation.

On the monetary side, recent downside surprises in core inflation have contributed to a more benign inflation outlook and a dovish shift in the SARB's tone. Overall, inflation remains low, and broad-based price pressures are limited. Inflation is expected to stay subdued in the coming quarters and continue to surprise to the downside. This outlook is supported by the past few months' drop in inflation expectations and the SARB's preference to lower the inflation target, suggesting that risks to the medium-term inflation outlook are tilted downward. Additionally, the central bank has acknowledged lower global growth, subdued inflation and falling energy prices as reasons for potential rate cuts, both globally and domestically. Market expectations now point to likely further rate cuts in 2H25, with further easing possible in 2026.

US tariffs on South African exports nevertheless remain a concern, and talks between the two economies will require close monitoring. Given limited fiscal space, any mitigation of tariff-related pressures will likely come from deeper structural reforms and supportive monetary policy rather than direct fiscal intervention.

July's S&P Global PMI reading supported South Africa's anticipated low-growth scenario, standing at 50.3, following a level of 50.1 in June and 50.8 in May, all indicating gradual near-term expansion. This dynamic of continued improvement in private sector activity comes after several months of contraction.

However, ongoing uncertainty around domestic policy direction and trade dynamics, particularly with the US, continues to weigh on the broader outlook.

Acknowledging the low-growth dynamic and ongoing challenges, South Africa's 2025 economic outlook remains at 1%, unchanged from the previous month. The 2026 economic growth forecast is also unchanged at 1.4%. This reflects expectations of a gradual recovery despite persistent headwinds.

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

	South Africa
2025	**1.0**
Change from previous month	0.0
2026	**1.4**
Change from previous month	0.0

*Note: * 2025-2026 = Forecast.*

Source: OPEC.

Saudi Arabia

Saudi Arabia's economy continued to expand at a steady pace, with GDP rising by 3.9%, y-o-y, in 2Q25, up from 3.4% in 1Q25, according to flash estimates from the General Authority for Statistics. The non-oil sector remained the key driver of growth, recording a 4.7% expansion in 2Q25, following 4.9% in 1Q25 and 4.8% in 4Q24. This consistent momentum aligns with the government's ongoing efforts to diversify the economy and support private-sector development under the Vision 2030 agenda. IP also maintained positive momentum, increasing by 1.5%, y-o-y, in May, up from 0.8% in April, although slower than the 3.4% recorded in March. Growth in the manufacturing sector was supported by a recovery in food production, which rose by 3.2%, y-o-y, in May, reversing a 3.8% contraction in April. Inflation remained stable at 2.3%, y-o-y, in June, slightly above the 2.2% recorded in May and consistent with the levels seen in March and April. On the labour market front, the overall unemployment rate declined to 2.8% in 1Q25, down from 3.5% in 4Q24, indicating continued tightening. Female labour force participation rose further, reflecting ongoing structural shifts in the labour market. Meanwhile, high-frequency indicators continue to show resilience. The Riyad Bank Saudi Arabia PMI declined slightly to 56.3 in July from 57.2 in June but remained firmly in expansionary territory. Growth was supported by rising output, new orders and a strong increase in employment, particularly in the non-oil private sector. While firms continued to benefit from solid domestic demand and ongoing project activity, input cost pressures persisted and were reported as weighing on output growth.

Nigeria

Nigeria's economy continued to grow at a solid pace in 1Q25, though with a slight deceleration, as real GDP expanded by 3.1%, y-o-y, down from 3.8% in 4Q24 and 3.9% in 3Q24. Growth in the industrial sector accelerated to 3.4%, y-o-y, in 1Q25, up from 2.5% in the previous quarter, supported in part by a pickup in manufacturing activity, which rose to 1.7% from 1.3%. However, this momentum was partially offset by a sharp slowdown in the agricultural sector, which registered just 0.1% growth, down from 2.5% in 4Q24. The services sector remained the primary driver of overall expansion, posting 4.3% growth in 1Q25, though slightly down from 4.8% in the previous quarter. Inflation continued to ease gradually, with headline inflation falling to 22.2%, y-o-y, in June, down from 23.0% in May and 23.7% in April. However, food inflation edged up to 22.0%, y-o-y, in June, from 21.1% in May, while core inflation also remained elevated. The Central Bank of Nigeria (CBN) kept its policy rate unchanged at 27.5% at its July meeting, marking the third consecutive hold. The decision reflected concerns over persistent month-on-month inflation increases, despite moderation in y-o-y figures, as well as upward pressure from global supply chain disruptions and tariff-related risks. The next MPC meeting is scheduled for late September. On the fiscal front, the passage of the Nigerian Tax Reform Acts is expected to improve revenue administration and support the business environment. The Acts consolidate and harmonise multiple tax statutes into a unified framework, aimed at simplifying compliance and enhancing collection efficiency. The new policy, now signed into law, is set to take effect on 1 January 2026 and is expected to generate positive impacts on both the private sector and household economic activity. Private sector activity in Nigeria strengthened in July, with the Stanbic IBTC Bank PMI rising to 54.0 from 51.6 in June, driven by accelerated growth in output and new orders. The improvement was supported by softening inflationary pressures, increased customer demand and the fastest pace of employment growth since October 2023.

United Arab Emirates (UAE)

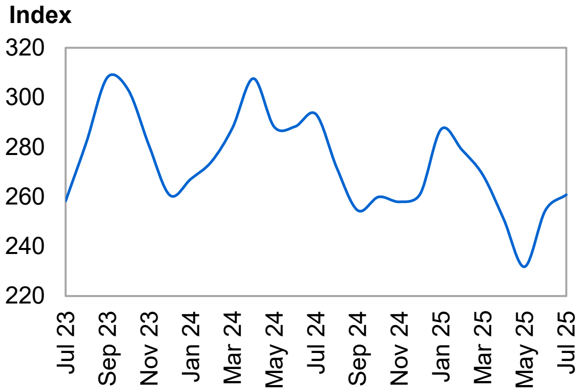
The UAE's economic growth trend continued into 2025, as reflected in 1Q25 from Abu Dhabi. The emirate recorded growth of 3.4%, y-o-y, in 1Q25, down from 4.4% in 4Q24. The non-oil sector maintained strong momentum, expanding by 6.1%, y-o-y, in 1Q25, compared to 6.6% in 4Q24. Manufacturing, which accounts for roughly 17% of the non-oil economy, grew by 5.0%, y-o-y, up from 0.6% in 4Q24. Construction, a similarly sized sector, posted growth of 10.2%, y-o-y, though slightly below 2024 rates. The financial and insurance sector, representing about 12% of the non-oil economy, accelerated to 9.1%, y-o-y, up from 6.0% in the previous quarter. In Dubai, the tourism sector continued to expand, with overnight visitors rising by 6%, y-o-y, between January and June, reaching 9.88 million. Inflation in Dubai remained stable at 2.4%, y-o-y, in June, unchanged from May and slightly above 2.3% in April. After starting the year above 3.1%, y-o-y, in January and February, inflation eased in subsequent months, driven by lower housing and transport costs. The S&P Global UAE Purchasing Managers' Index slowed to 52.9 in July from 53.5 in June but remained in positive territory. Output continued to rise, though a slowdown in new orders growth and rising cost pressures weighed on overall momentum. Meanwhile, the S&P Global Dubai Purchasing Managers' Index rose to 53.5 in July from 51.8 in June, supported by a sharp rebound in new orders. Output growth accelerated, and firms increased employment and inventories as inflationary pressures moderated.

The impact of the USD and inflation on oil prices

The US dollar (USD) index declined for a sixth consecutive month in July, falling by 0.4%, m-o-m. The USD rose earlier in the month, strengthened by new bilateral deals and expectations of a longer period of elevated interest rate levels, which attracted fund inflows from foreign investors. However, the currency receded, pressured by lingering US fiscal concerns, unpredictable policy signals and recent US tariff announcements. Compared with the same period last year, the index was down by 6.4%, y-o-y.

On developed market currencies, the USD declined against the euro in July by 1.3%, m-o-m. At the same time, it rose against the yen and pound by 1.6% and 0.4%, m-o-m, respectively. Compared with the same period last year, the USD was down against all major currencies. It was down against the euro, yen, and pound by 7.1%, 6.9%, and 4.7%, y-o-y, respectively.

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



Sources: IMF and OPEC.

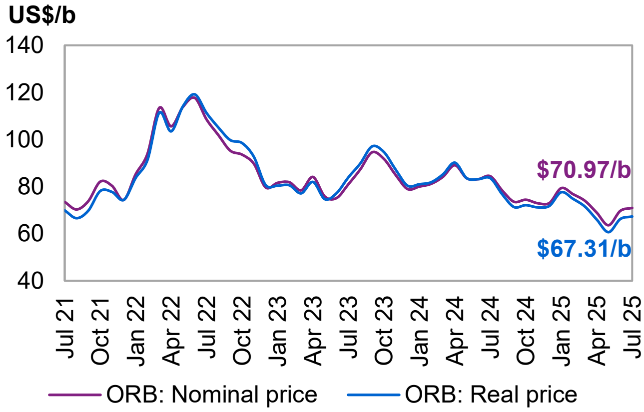
In terms of emerging markets' currencies, in July, the USD fell against the yuan and real by 0.1% and 0.2%, m-o-m, respectively. Meanwhile, against the rupee, the USD was essentially flat, m-o-m, over the same period. Compared with the same period last year, the USD was up against the rupee by 1.7%, y-o-y; however, it was down against the yuan and real by 1.2% and 0.2%, y-o-y, respectively.

The differential between nominal and real ORB prices widened in July. Inflation (nominal price minus real price) increased by 5.2%, m-o-m.

In nominal terms, accounting for inflation, the ORB price increased by 1.8%, m-o-m, in July, and was down by 15.9%, y-o-y.

In real terms (excluding inflation), the ORB price rose by 1.6%, m-o-m, and was down by 19.5%, 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

Global oil demand growth for 2025 is forecast at 1.3 mb/d, year-on-year (y-o-y), unchanged from the last month's assessment. Lower-than-anticipated actual data for 1Q25 in the OECD Asia-Pacific and non-OECD regions were mostly offset by better-than-expected actual data in OECD Americas and OECD Europe. For 2Q25, slight downward adjustments for OECD Asia-Pacific, China and India were offset by upward adjustments in OECD Europe and the Middle East. Overall, forecasts for global oil demand growth in 2025 remain unchanged from last month's assessments.

In the OECD, oil demand is projected to expand by about 0.1 mb/d, y-o-y, in 2025, mostly due to OECD Americas, while OECD Europe is projected to grow marginally, y-o-y, and Asia-Pacific is expected to decline slightly. In the non-OECD, oil demand is forecast to grow by about 1.2 mb/d, y-o-y, driven largely by Other Asia, China, and India.

The forecast for global oil demand growth in 2026 is revised upward by about 0.1 mb/d, y-o-y, to 1.4 mb/d, y-o-y, on the back of expected better economic performance in OECD America, OECD Europe, as well as the Middle East and Africa. OECD oil demand growth is expected to rise by about 0.2 mb/d, y-o-y, with OECD Americas expected to lead the increase. In the non-OECD, oil demand is forecast to increase by 1.2 mb/d, led by Other Asia, followed by India and China.

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

World oil demand	2024	1Q25	2Q25	3Q25	4Q25	2025	*Change 2025/24*
Americas	24.94	24.86	25.03	25.32	25.20	25.10	0.16
of which US	*20.42*	*20.42*	*20.48*	*20.67*	*20.72*	*20.57*	*0.15*
Europe	13.51	12.96	13.63	14.06	13.52	13.54	0.03
Asia Pacific	7.21	7.34	6.96	6.95	7.41	7.17	-0.04
Total OECD	**45.67**	**45.15**	**45.62**	**46.32**	**46.13**	**45.81**	**0.14**
China	16.65	16.86	16.47	17.03	17.04	16.85	0.20
India	5.55	5.70	5.70	5.50	5.91	5.70	0.15
Other Asia	9.67	9.87	10.25	9.76	9.76	9.91	0.24
Latin America	6.75	6.80	6.89	6.96	6.91	6.89	0.14
Middle East	8.85	8.78	8.83	9.28	9.15	9.01	0.16
Africa	4.65	4.89	4.58	4.68	5.07	4.80	0.16
Russia	3.98	4.01	3.85	4.04	4.19	4.02	0.04
Other Eurasia	1.26	1.42	1.31	1.18	1.32	1.31	0.05
Other Europe	0.80	0.81	0.83	0.77	0.87	0.82	0.02
Total Non-OECD	**58.17**	**59.13**	**58.72**	**59.21**	**60.23**	**59.33**	**1.15**
Total World	**103.84**	**104.29**	**104.34**	**105.53**	**106.36**	**105.14**	**1.29**
Previous Estimate	103.84	104.33	104.30	105.53	106.36	105.13	1.29
Revision	0.00	-0.04	0.04	0.00	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*
Americas	25.10	24.94	25.13	25.52	25.30	25.22	0.12
of which US	*20.57*	*20.45*	*20.59*	*20.88*	*20.80*	*20.68*	*0.11*
Europe	13.54	12.98	13.68	14.10	13.57	13.58	0.04
Asia Pacific	7.17	7.34	6.94	6.92	7.39	7.15	-0.01
Total OECD	**45.81**	**45.26**	**45.76**	**46.54**	**46.26**	**45.96**	**0.15**
China	16.85	17.00	16.70	17.27	17.23	17.05	0.20
India	5.70	5.89	5.94	5.72	6.16	5.93	0.22
Other Asia	9.91	10.11	10.49	10.06	10.06	10.18	0.27
Latin America	6.89	6.94	7.02	7.08	7.04	7.02	0.13
Middle East	9.01	8.96	8.99	9.48	9.26	9.17	0.16
Africa	4.80	5.05	4.76	4.86	5.19	4.96	0.16
Russia	4.02	4.06	3.89	4.09	4.23	4.07	0.04
Other Eurasia	1.31	1.48	1.34	1.20	1.34	1.34	0.03
Other Europe	0.82	0.83	0.83	0.80	0.90	0.84	0.02
Total Non-OECD	**59.33**	**60.32**	**59.95**	**60.56**	**61.41**	**60.56**	**1.23**
Total World	**105.14**	**105.58**	**105.70**	**107.10**	**107.67**	**106.52**	**1.38**
Previous Estimate	105.13	105.57	105.54	107.01	107.52	106.42	1.28
Revision	0.00	0.01	0.16	0.08	0.14	0.10	0.10

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

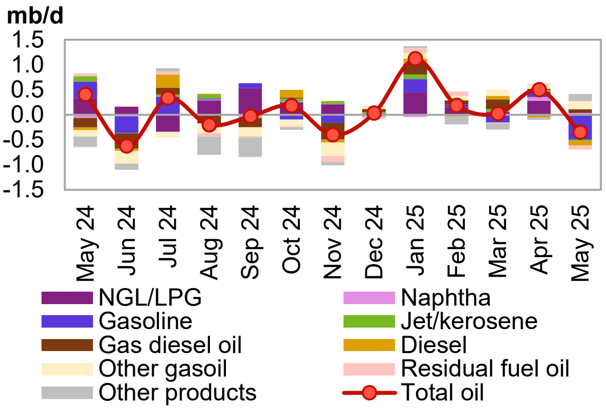
OECD

OECD Americas

Update on the latest developments

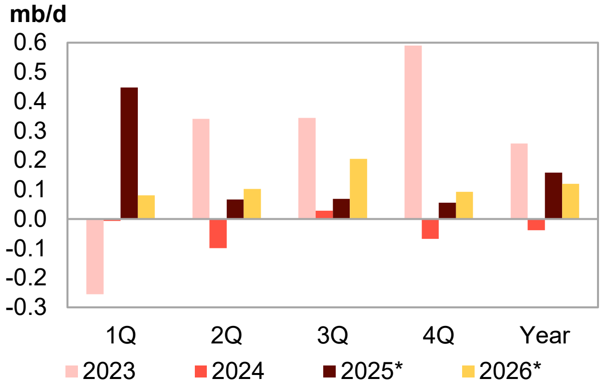
Oil demand in OECD Americas in May saw a decline of 354 tb/d, y-o-y, following an increase of 501 tb/d, y-o-y, in April. Within the region, oil demand in the US contracted by 477 tb/d, y-o-y, while it expanded in Mexico by 129 tb/d, y-o-y, and remained broadly flat y-o-y in Canada. In terms of petroleum products, while gasoline saw the largest decline of 492 tb/d, y-o-y, the 'other products' category saw the largest increase of 142 tb/d, y-o-y.

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

In May, US oil demand contracted by 477 tb/d, y-o-y, down from the y-o-y growth of 205 tb/d observed in April. The contraction in May aligned with the oil product inventory build of 31.6 mb over the month. Gasoline saw the largest product decline of 339 tb/d, y-o-y, down from growth of 79 tb/d, y-o-y, in April. The observed decline in gasoline demand is consistent with a gasoline inventory build of 1 mb in the same month. Demand for the 'other products' category fell by 104 tb/d, although this is an improvement compared with a decline of 191 tb/d, y-o-y, in April. Residual fuel oil contracted by 94 tb/d, y-o-y, down from a decline of 20 tb/d, y-o-y, in April.

Jet/kerosene slipped by 11 tb/d, y-o-y, down from a y-o-y increase of 49 tb/d in April. This is consistent with a jet/kerosene stock build of 3.3 mb seen in May.

In terms of petrochemical feedstock, while naphtha saw an increase of 53 tb/d, y-o-y, NGLs/LPG inched up by 8 tb/d, y-o-y. Diesel – including transportation diesel – increased by 10 tb/d, y-o-y, though this is below the growth of 82 tb/d, y-o-y, observed in April.

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

US oil demand By product	May 24	May 25	Change May 25/May 24
NGL/LPG	3.47	3.48	0.01
Naphtha	0.11	0.16	0.05
Gasoline	9.40	9.06	-0.34
Jet/kerosene	1.78	1.77	-0.01
Diesel	3.78	3.79	0.01
Fuel oil	0.30	0.20	-0.09
Other products	2.26	2.16	-0.10
Total	**21.09**	**20.61**	**-0.48**

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

Sources: EIA and OPEC.

Near-term expectations

In the near term, US economic growth rebounded more than expected – by 3% in 2Q25. Consumer spending increased by 1.4%; however, exports declined by 1.8%. Imports also fell by 30.3%, reversing a frontloading-induced surge in imports during 1Q25. Core inflation was at 2.5% compared with 3.7% in 1Q25. Accordingly, US GDP is projected to remain in positive territory in 2025 to support oil demand. Despite some uncertainties regarding the likely impact of the US Administration's tariffs on its trading partners, the overall trajectory continues to point to their gradual de-escalation. In 3Q25, oil demand is projected to increase by an average of 54 tb/d, y-o-y, up from a growth of 13 tb/d, y-o-y, in 2Q25. Transportation fuels gasoline and jet/kerosene, are expected to be the main drivers of product demand growth, supported by driving mobility and air travel during the summer driving season.

US electric vehicle (EV) uptake is expected to run into obstacles due to policy uncertainties and potential tariff implementation. The new One Big Beautiful Bill Act (OBBBA) proposes new policy measures that could hamper the rapid penetration of EVs in the US market. These policies include, but are not limited to, ending the federal tax credit for new and used EVs, making them more expensive for consumers to buy. The policy also eliminates most federal incentives for EV charging infrastructure and clean energy manufacturing. Reducing support for industry growth could dampen investor confidence and slow market growth. Meanwhile, new EV sales in the US were down by 6.3%, y-o-y, in 2Q25 according to a report by Cox Automotive Inc. While US gasoline inventories saw a decline of 5.0 mb in July, jet/kerosene stocks also dropped by 0.8 mb in the same month. This is in line with a seasonal rise in demand during the summer driving season.

In 2025, US demand is expected to grow by 153 tb/d, y-o-y, to average 20.6 mb/d. In terms of products, the NGLs/LPG category is expected to drive 2025 oil demand growth with an increase of around 90 tb/d, y-o-y; gasoline demand is expected to rise by around 30 tb/d, y-o-y. The demand for jet/kerosene is projected to expand by about 20 tb/d, y-o-y, and diesel demand is expected to grow by around 30 tb/d, y-o-y. Demand for naphtha and the 'other products' category is projected to remain flat, y-o-y, while demand for residual fuel oil is expected to decline by 10 tb/d, y-o-y.

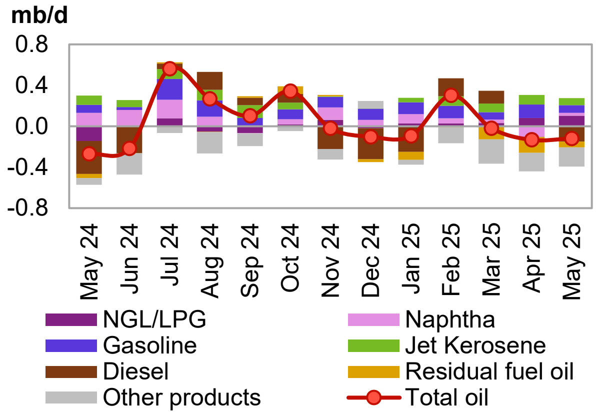
In 2026, US GDP is expected to continue to grow, supported by resilient consumer demand, stabilising trade conditions and an anticipated easing of monetary policy. The US is expected to drive oil demand in the OECD with an increase of 107 tb/d, y-o-y, largely due to transportation fuels and petrochemical feedstock. While gasoline demand is expected to expand by about 50 tb/d, y-o-y, jet/kerosene demand should see growth of 30 tb/d, y-o-y, and demand for diesel is projected to expand by 20 tb/d, y-o-y. LPG/ethane demand is anticipated to increase by 20 tb/d, y-o-y. However, demand for residual fuel oil, the 'other products' category and naphtha is projected to contract. Overall, oil product demand in the US is forecast to average 20.6 mb/d in 2026.

OECD Europe

Update on the latest developments

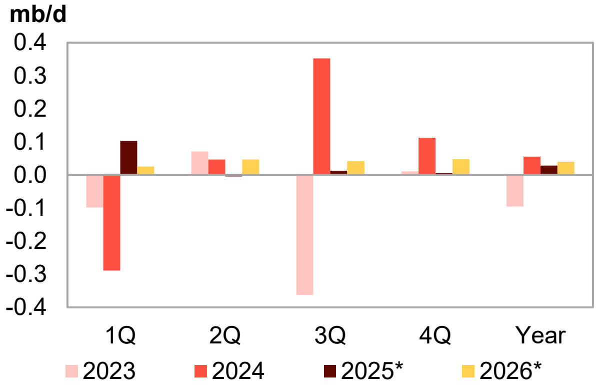
Oil demand in OECD Europe in May contracted by 118 tb/d, y-o-y, after a decline of 133 tb/d was observed the previous month. The decline emanates largely from the UK and Italy, which more than offset increases in Germany, France, and Spain. A large decline in demand for diesel, the 'other products' category and residual fuel oil more than offset a y-o-y increase in demand for gasoline, jet/kerosene, and NGLs/LPG.

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, demand for 'other products,' including bitumen, lube oil and petroleum coke, posted the largest y-o-y decline of 188 tb/d, registering a progressive contraction for five consecutive months. Demand for diesel contracted by 151 tb/d, y-o-y, down from a marginal y-o-y decrease of 5 tb/d registered in April. Meanwhile, demand for residual fuel oil declined by 56 tb/d, y-o-y, though this is an improvement from a decline of 153 tb/d, y-o-y, seen in April.

In terms of petrochemical feedstock, demand for NGLs/LPG expanded by 103 tb/d, y-o-y, up from 82 tb/d, y-o-y, growth observed in the previous month. Demand for naphtha increased by 28 tb/d, y-o-y, up from a y-o-y decline of 102 tb/d seen in April. Demand for naphtha was supported by an increase in gasoline blending activity in the region. In terms of transportation fuels, gasoline demand posted the largest increase of 77 tb/d, y-o-y, and demand for jet/kerosene expanded by 70 tb/d, y-o-y.

Near-term expectations

After a slowdown toward the end of 2024, economic activities in OECD Europe showed signs of renewed momentum in 1Q25. This growth was supported primarily by an expansion in Spain, while Germany and France saw a modest improvement. The labour market remained one of the key drivers of stability, with unemployment in the Eurozone declining to reach a record low of 6.3% in May, down from 6.4% a year earlier. Consumer spending has also been on a positive trajectory and is projected to remain steady. In a related development, German lawmakers in June passed a multi-billion-euro package of fiscal relief measures to support companies and boost investment, part of the new government's plans to put its economy back on track for growth after two years of decline.

Furthermore, less restrictive monetary policy and increased public spending from Germany and other large economies of the region are expected to support economic activity. Manufacturing indicators have shown resilience, partly reflecting optimism around expanded infrastructure investments. Overall, the Eurozone's economy is projected to be well supported and surpass growth rates seen in 2024. Stable labour market conditions, robust income growth, and lower interest rates are expected to drive gradual increases in consumer spending.

Meanwhile, the US and the EU reached a trade deal, setting a 15% tariff on most EU goods entering the US. In return, the EU agreed to buy $750 billion in US energy and invest $600 billion in the US economy, including defence. Key sectors like aircraft parts, chemicals, semiconductors, and agriculture will be exempt from tariffs. This development is expected to reduce ongoing trade-related uncertainties.

In the near term, product demand is seen to increase marginally by an average of 13 tb/d, y-o-y, in 3Q25, up from a 5 tb/d y-o-y decline in 2Q25. Consumer spending is likely to remain the primary driver of growth, supported by a strong summer tourism season, particularly in economies with large tourism sectors, such as

France, Italy, and Spain. Accordingly, strong air travel and road driving mobility are expected to drive jet/kerosene and gasoline demand in the region. Meanwhile, gasoline and diesel demand in Germany rose in the week ending 27 July, as agricultural activity and stocking in the middle of summer holidays due to an expected rise in travel demand.

Jet/kerosene is expected to lead overall oil demand growth in 2025 by around 70 tb/d, y-o-y. Gasoline demand is projected to increase by 60 tb/d, y-o-y. Petrochemical feedstock, LPG/ethane and naphtha are projected to inch up by 20 tb/d and 10 tb/d, y-o-y, respectively. At the same time, diesel, residual fuel oil and the ‘other products’ category are projected to decline by 30 tb/d, 50 tb/d and 30 tb/d, y-o-y, respectively. Overall, the region is projected to see oil demand growth of about 30 tb/d, y-o-y, averaging 13.5 mb/d.

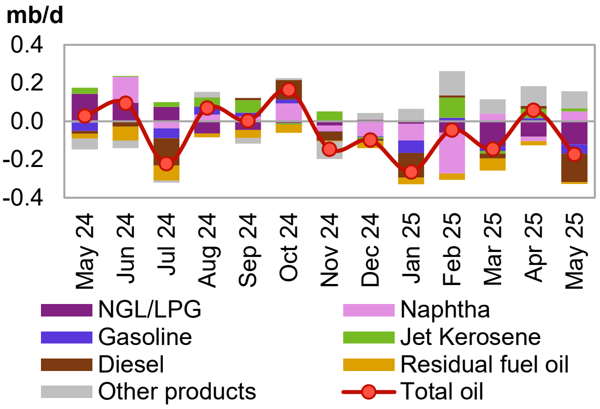
In 2026, economic activities are expected to improve slightly from 2025. Accordingly, the region is projected to see growth of 40 tb/d, y-o-y, to average 13.6 mb/d in 2026.

OECD Asia-Pacific

Update on the latest developments

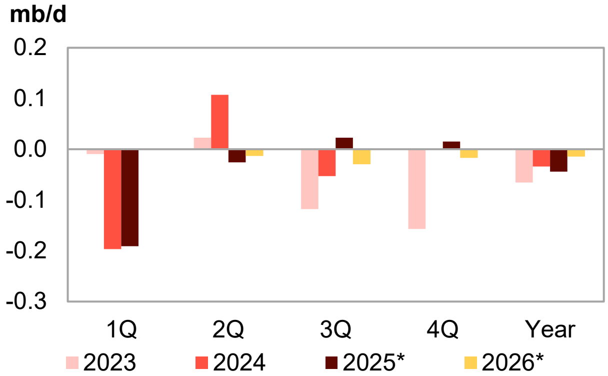
Oil demand in the OECD Asia-Pacific region contracted by 173 tb/d, y-o-y, in May, down from a y-o-y increase of 58 tb/d in April. Within the region, oil demand declines in Japan and South Korea more than offset a y-o-y increase of 33 tb/d in Australia.

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, demand for diesel saw the largest decline of 150 tb/d, y-o-y, down from growth of 15 tb/d, y-o-y, seen in April. Demand for NGLs/LPG contracted further by 121 tb/d, y-o-y, compared with a decline of 81 tb/d, y-o-y, in April. Gasoline demand dropped by 48 tb/d, y-o-y, down from a y-o-y increase of 17 tb/d in April. Residual fuel oil demand inched down by 9 tb/d, y-o-y, though this is an improvement compared with a y-o-y decline of 22 tb/d the previous month.

Demand for ‘other products’ saw the largest increase with 90 tb/d, y-o-y, although this is below the growth of 104 tb/d, y-o-y, seen the previous month. Demand for naphtha expanded by 52 tb/d, y-o-y, up from a decline of 23 tb/d, y-o-y, in the previous month. Jet/kerosene demand inched up by 14 tb/d, y-o-y, compared with a y-o-y increase of 48 tb/d in April.

Near-term expectations

Despite ongoing significant headwinds facing the Japanese economy, including rising inflation amid slow growth in the first quarter, there is the expectation of a gradual economic rebound, with reassuring high-frequency data indicators. At the same time, South Korea's economy is still facing some economic headwinds, including a slowing real GDP in the first quarter of 2025, due to a decline in private consumption, fixed investment, and exports. Furthermore, trade-related uncertainties led to a decline in business and consumer confidence in the country.

In a related development, the US reached a trade agreement with its large trading partners in the region. Japan reached a deal with the US which allows for greater market access to American products, including autos and some agricultural products. Similarly, South Korea reached a trade agreement with the US under which there will be lower tariffs on South Korean imports of 15%, while South Korea will invest heavily in the US.

The outlook for oil demand in the OECD Asia-Pacific region in the short term sees some growth in jet/kerosene. Furthermore, petrochemical sector requirements for naphtha are expected to support oil demand, as operations in petrochemical plants rise further. Accordingly, oil demand is projected to increase by 23 tb/d, y-o-y, in 3Q25.

Overall, oil demand in the region is projected to contract by 44 tb/d, y-o-y, to average 7.2 mb/d in 2025. In terms of specific oil products, demand for LPG/NGLs is projected to decline by around 30 tb/d and demand for naphtha and residual fuels is projected to decline by 20 tb/d each, y-o-y. Demand for diesel is also expected to decline by around 20 tb/d, y-o-y. Gasoline demand is projected to be flat, y-o-y. Jet/kerosene is anticipated to grow by around 10 tb/d, y-o-y, and demand for the 'other products' category is projected to expand by 35 tb/d, y-o-y.

In 2026, economic activity in the regions is expected to pick up to support private consumption. The region is forecast to see a marginal decline of 15 tb/d, y-o-y, up from a decline of 44 tb/d, y-o-y in 2025. Oil demand is projected to average 7.2 mb/d. In terms of products, jet/kerosene demand is projected to grow by around 20 tb/d, y-o-y, as air travel continues to expand. Gasoline demand is expected to increase by around 10 tb/d, y-o-y. In terms of petrochemical feedstock demand, both naphtha and NGLs/LPG are forecast to grow by around 10 tb/d, y-o-y. Diesel and residual fuel oil demand is expected to remain subdued by weak manufacturing and environmental policy-related constraints.

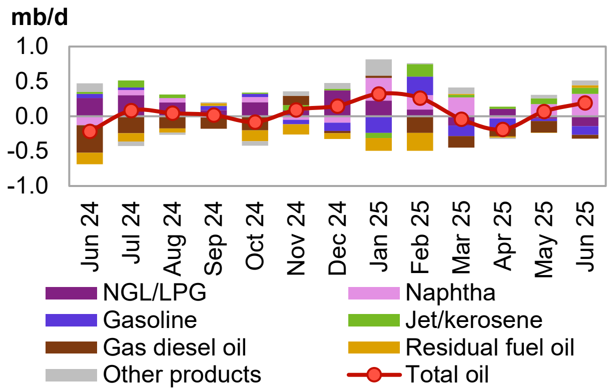
Non-OECD

China

Update on the latest developments

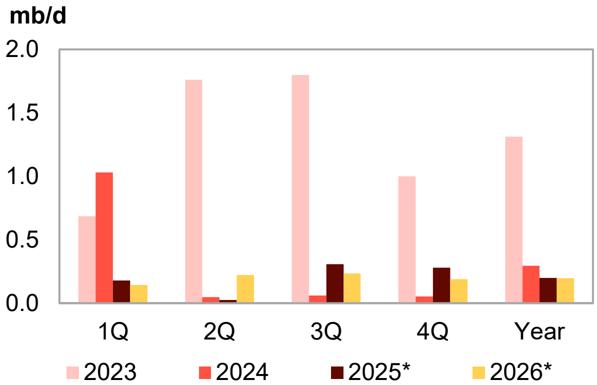
China's oil demand in June increased further by 193 tb/d, y-o-y, up from y-o-y growth of 67 tb/d, y-o-y, observed in May. Strong growth in naphtha, followed by increases in jet/kerosene and the 'other products' category, more than offset a decrease in NGLs/ LPG, gasoline and diesel demand over the month.

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, naphtha saw the largest y-o-y increase for the second consecutive month by 321 tb/d, up from a growth of 174 tb/d, y-o-y, in May. The rise in naphtha demand was partly due to a new cracker startup. Also, disruptions in US supplies of cheaper alternatives, propane and ethane exports to China, bolstered demand for naphtha. Demand for jet/kerosene expanded by 89 tb/d, y-o-y, up from a y-o-y increase of 83 tb/d observed in May. Jet/kerosene was supported by a rise in domestic and international travel demand. While domestic flights rose by 3%, y-o-y, in June, international flights increased by 20% compared with June 2024. Demand for 'other products' expanded further by 71 tb/d, y-o-y, compared with the growth of 50 tb/d, y-o-y, seen in May. Residual fuel oil demand rebounded by 35 tb/d, y-o-y, after two consecutive months of progressive decline.

However, NGLs/LPG saw the largest contraction of 145 tb/d, y-o-y, down from a decline of 39 tb/d, y-o-y, seen the previous month. Demand for NGLs/LPG is under pressure amid trade tensions between China and the US, which has led to a decline in LPG imports from the US to China. In June, China's LPG imports from the US dropped to a four-month low, down by 21% m-o-m, according to Chinese customs data. Gasoline demand contracted by 120 tb/d, y-o-y, down from an annual decline of 33 tb/d observed in May. Diesel demand eased by 56 tb/d, y-o-y, though this is an improvement compared with a 163 tb/d, y-o-y, decline observed in May.

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

China's oil demand By product	Jun 24	Jun 25	Change Jun 25/Jun 24
NGL/LPG	3.11	2.96	-0.15
Naphtha	1.52	1.84	0.32
Gasoline	3.79	3.67	-0.12
Jet/kerosene	0.76	0.85	0.09
Diesel	3.71	3.65	-0.06
Fuel oil	0.83	0.86	0.04
Other products	2.07	2.14	0.07
Total	**15.79**	**15.98**	**0.19**

*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.

Near-term expectations

In the near term, China's economy performed better than expected in 2Q25. Current robust GDP and strong industrial production, supported by robust export performance and sustained infrastructure investment dynamics, are anticipated to continue in 3Q25.

Business investment is expected to be well supported. Meanwhile, manufacturing investment has remained stable, supported by industrial output, which continued expanding significantly, rising by 6.8 %, y-o-y, in June from 5.8%, y-o-y, in May and 6.1%, y-o-y, in April. Furthermore, exports surged to 6.0% in June from 4.5% in May, buoyed by robust shipments to non-US markets, suggesting that China has successfully circumvented US tariffs by redirecting its shipments of goods to other markets.

Infrastructure investment is anticipated to remain stable, supported by fiscal stimulus providing needed liquidity and easing bottlenecks surrounding mortgage lending targeting low-income groups, which may result in higher consumption and an increase in housing demand. China's third-round stimulus package included a reduction in the personal housing provident fund loan rate by 0.25% to 2.6% and a re-lending facility that supports technology, industrial upgrading, service consumption, agriculture, and small- and medium-sized enterprises (SMEs). These measures are expected to support household consumption in China in the near term.

Near-term, current market indicators point to strong demand, with refinery throughput in China increasing to 15.2 mb/d in June from 13.92 mb/d in May and 14.12 mb/d in April. Oil product inventories were on a declining trend from February to June, with oil product stocks in China declining by more than 14.0 mb. All these points point to robust product demand going forward. With ongoing healthy petrochemical feedstock requirements and demand for transportation fuels expected to offer support, strong industrial production is expected to provide further support to diesel demand in the country. Accordingly, Chinese oil demand is projected to increase by 307 b/d, y-o-y, in 3Q25.

Petrochemical feedstock is expected to drive 2025 oil demand, followed by transportation fuels. Naphtha is expected to show growth of 160 tb/d, y-o-y, and the NGLs/LPG category is expected to expand by around 40 tb/d, y-o-y. Similarly, jet/kerosene demand is projected to grow by around 70 tb/d, y-o-y, while gasoline is anticipated to marginally decline by 10 tb/d, y-o-y. Diesel demand, including for transportation, is projected to contract, y-o-y, by 40 tb/d. Overall, oil demand in China in 2025 is projected to expand by 198 tb/d, y-o-y, to average 16.8 mb/d. Meanwhile, the summer travel season commences in July and extends to the end of August, thus China is expected to witness a boom in influx and outflow of tourists. Major airports are expecting a surge in passenger traffic, while the outbound travel market is experiencing astonishing growth, with travel agencies reporting increases of more than 50% in outbound travel orders, reflecting China's massive tourism and consumption potential. This development is expected to provide additional support for jet/kerosene demand in the country. Meanwhile, the expected surge in seasonal domestic demand for gasoline during the summer is prompting Chinese oil companies to retain more cargoes and plan to cut exports in August.

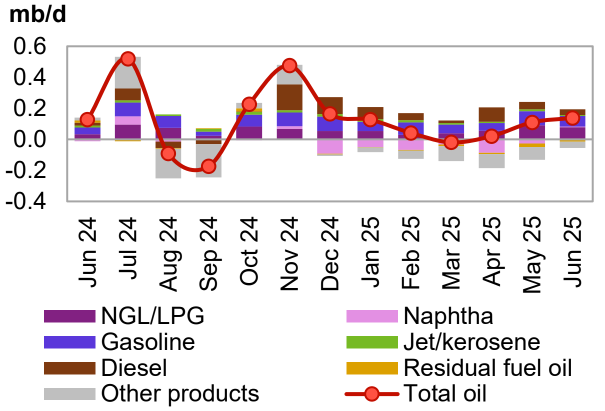
In 2026, economic activity in China is expected to remain well supported, but is anticipated to decelerate slightly. Fiscal policy is expected to continue to be supportive. Accordingly, consumption is predicted to be supported by higher incomes and increased social spending amid low inflation. Consequently, oil product demand is projected to grow by around 200 tb/d, y-o-y. In terms of products, petrochemical feedstock and transportation fuels are expected to lead demand growth, with NGLs/LPG and naphtha projected to grow by around 55 tb/d and 50 tb/d, y-o-y, respectively. Healthy air travel is expected to support a jet/kerosene demand increase of 80 tb/d, y-o-y, and steady driving mobility is anticipated to support a gasoline demand increase of around 30 tb/d. Diesel, including transportation diesel, is forecast to grow by around 10 tb/d, y-o-y, while demand for residual fuel oil is expected to be weak. With this, oil demand in China is forecast to average 17.1 mb/d in 2026.

India

Update on the latest developments

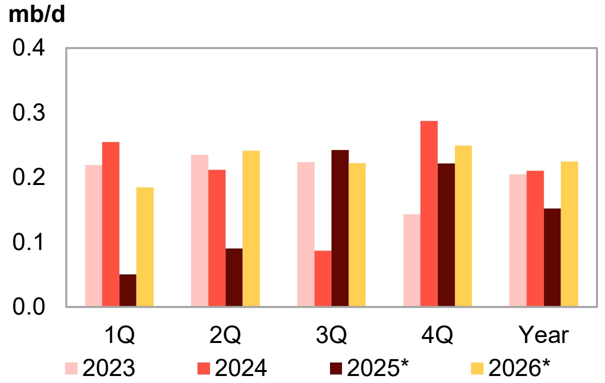
In May, India's oil demand expanded further by 138 tb/d, y-o-y, up from an increase of 110 tb/d, y-o-y, seen the previous month, supported by NGLs/LPG and transportation fuels.

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, NGLs/LPG demand posted the largest increase in June of 78 tb/d, y-o-y, though this is slightly below the growth of 90 tb/d, y-o-y, seen the previous month. LPG demand has been growing since 2023, driven largely by household requirements, which account for 88.3% of its consumption in India, supported by a government-launched programme for middle and low-income households.

Gasoline demand expanded by 67 tb/d, y-o-y, down from y-o-y growth of 91 tb/d in May. Gasoline demand in June was supported by an increase in vehicle sales, which rose by 2.5% over June of last year, with the SUV segment being the main driver for growth. However, gasoline is under pressure due to an increase in ethanol in gasoline blending. As of June, India achieved a 19.9% ethanol blending rate in gasoline as the country progresses on its Ethanol Blended Petrol Programme.

Diesel demand increased by 37 tb/d, y-o-y, though this is below an increase of 49 tb/d, y-o-y, seen the previous month. Diesel accounts for about 45% of India's oil product demand. It saw an uptick during the month due to mining and agricultural activity in some provinces. Demand for jet/kerosene inched up by 8 tb/d, y-o-y, slightly below the 11 tb/d y-o-y increase seen in May. Naphtha demand saw an uptick of 4 tb/d, y-o-y, increasing for the first time since November 2024.

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

India's oil demand By product	Jun 24	Jun 25	*Change Jun 25/Jun 24*
NGL/LPG	0.90	0.98	0.08
Naphtha	0.30	0.30	0.00
Gasoline	0.94	1.00	0.07
Jet/kerosene	0.20	0.20	0.01
Diesel	2.00	2.04	0.04
Fuel oil	0.13	0.11	-0.01
Other products	1.17	1.13	-0.04
Total	**5.63**	**5.77**	**0.14**

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

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

However, the 'other products' segment saw a contraction of 41 tb/d, y-o-y, though this is an improvement over an 81 tb/d, y-o-y, decline in the previous month. The decline is due to softer demand for bitumen consumption due to low road construction activity in the major states. Demand for residual fuel oil fell by 15 tb/d, y-o-y, compared with a y-o-y decline of 23 tb/d observed the previous month. Residual fuel oil was subdued by an increase in natural gas consumption in the manufacturing sector, due to the Indian government's environmental policy mandating industries to switch from residual fuel oil to natural gas.

Near-term expectations

India's economic expansion is anticipated to continue steadily, driven by ongoing consumer spending, investment, and government support for key sectors. Moreover, high-frequency data indicators suggest that economic activity in India has remained solid since the beginning of the year. Accordingly, the country's manufacturing sector PMI rose to 58.4 on 25 June – the highest point in 14 months – up from 57.6 in May and 58.2 in April. Similarly, the services sector PMI maintained a strong index level of 60.4 points in June, up from 58.8 points in May. Meanwhile, growth in new orders and output both quickened to near one-year highs and remained well above long-term averages, signalling sustained manufacturing sector strength.

One of the biggest highlights of the 2025 Union Budget was the government's recognition of the need to bolster consumer spending – particularly among the middle-class – leading to the implementation of a significant personal income tax reduction. The middle-income segment constitutes 31% of the population. This is projected to support low- and middle-income consumers, especially young consumers, who generally have a higher marginal propensity to spend.

In the meantime, trade tensions between the US and India are ongoing. Nevertheless, expected tariffs should have a limited impact on India's economy because the percentage of India's exports to the US relative to its GDP is relatively low, ranging from 2% to 4%. Moreover, fiscal and monetary stimulus measures are expected to dampen any likely impact that US tariffs may have on Indian GDP growth.

Accordingly, the outlook for the near term shows further positive signals for steady oil demand in India. Diesel is projected to continue to be the main driver of demand growth. Similarly, demand for bitumen in construction and petroleum coke in the cement, iron and steel industries is expected to remain strong, driven by ongoing infrastructure development and industrial production. Additionally, robust growth in transport and manufacturing fuels is expected to support overall 3Q25 oil demand growth to reach 242 tb/d, y-o-y. Furthermore, increasing demand for petrochemical products, most of which rely on petrochemical derivatives, is anticipated to support demand for petrochemical feedstock.

Overall, in 2025, oil product demand in India is expected to grow by 152 tb/d, y-o-y, to average 5.7 mb/d. Transportation fuels are projected to drive oil demand growth. Gasoline and diesel are expected to increase by around 70 tb/d and 50 tb/d, y-o-y, respectively. Jet/kerosene demand is forecast to expand by around 10 tb/d, y-o-y, supported by strong international and domestic air travel demand. NGLs/LPG demand is predicted to increase by around 40 tb/d, y-o-y, while naphtha is projected to show a decline of around 20 tb/d, y-o-y. The 'other products' category is expected to expand by around 10 tb/d, y-o-y. Demand for residual fuel oil is anticipated to show a marginal decline in the manufacturing and shipping industries due to environmental regulations.

The current strong economic momentum in India is expected to continue in 2026, supported by robust manufacturing, agriculture, and service sector activities amid sustained government support in key sectors and easing inflation. Accordingly, India is projected to surpass China to become the second-largest driver of global oil demand growth. In line with this, oil demand is projected to grow by 225 tb/d, y-o-y, to average 6.0 mb/d.

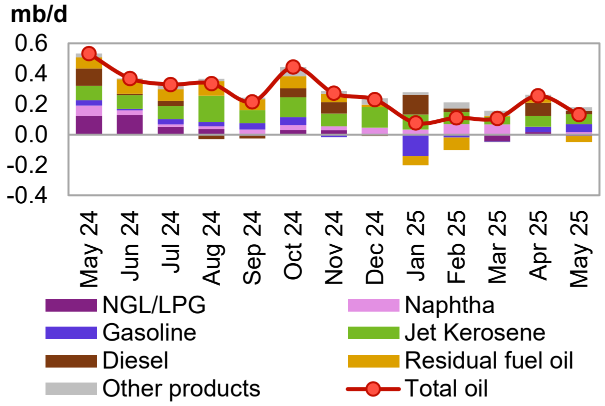
Other Asia

Update on the latest developments

Oil demand in Other Asia increased by 132 tb/d, y-o-y, in May, down from a rise of 256 tb/d, y-o-y, observed the previous month. The rise was largely driven by an increase of 128 tb/d, y-o-y, from Indonesia and supported by requirements in the major countries of the region, excluding Singapore and Taiwan, which saw y-o-y declines of 52 tb/d and 62 tb/d, respectively. The increase in oil demand mostly emanates from transportation fuels and the 'other products' category, which more than offset a decline in demand for residual fuel oil and NGLs/LPG.

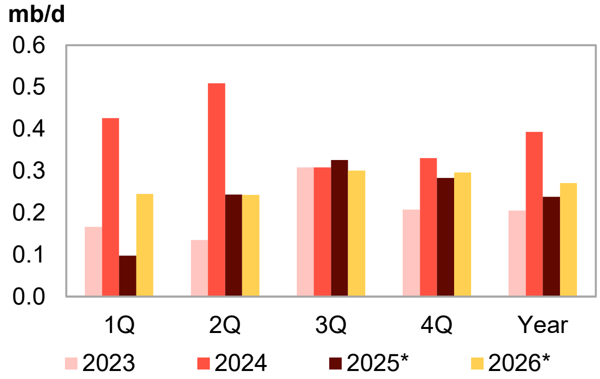
In terms of specific products, transportation fuels led demand growth, and jet/kerosene saw the largest increase of 66 tb/d, y-o-y, in April, slightly below 71 tb/d, y-o-y, growth seen the previous month. Gasoline demand expanded by 54 tb/d, y-o-y, up from a y-o-y increase of 37 tb/d in April. Diesel, including transportation diesel demand, increased by 23 tb/d, y-o-y, although this is below an increase of 86 tb/d, y-o-y, seen in April. The demand for 'other products' increased by 23 tb/d, y-o-y, down from the growth of 30 tb/d, y-o-y, observed the previous month. Residual fuel oil demand contracted by 41 tb/d, y-o-y, down from an increase of 23 tb/d, y-o-y, observed in April.

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 petrochemical feedstock, demand for naphtha increased by 16 tb/d, y-o-y, up from a 7 tb/d, y-o-y, decline observed in April. The y-o-y increase in naphtha demand came mostly from Indonesia, which rose by 44 tb/d, y-o-y. From January to May, naphtha imports in Indonesia surged by 93%, y-o-y. Naphtha is typically used as a feedstock for petrochemical production or a gasoline blend stock to produce lower-octane gasoline grades. NGLs/LPG declined by 9 tb/d, y-o-y, down from an increase of 16 tb/d, y-o-y, seen the previous month. A y-o-y decline in Thailand and Taiwan more than offset an increase of 20 tb/d in Indonesia.

Near-term expectations

Economic activities in major oil-consuming countries in the region are expected to remain robust, supported by low inflation and easing financial conditions, driving strong private consumption and investment. Accordingly, a combination of these factors is expected to support an ongoing robust recovery in air travel, healthy road mobility and strong manufacturing and agricultural activity. This is expected to bolster oil product demand in the region, with y-o-y growth reaching an average of 326 tb/d in 3Q25.

Transportation fuels are projected to drive oil product demand in 2025, with jet/kerosene expected to increase by 90 tb/d, y-o-y, followed by diesel, which is projected to grow by 50 tb/d and gasoline to increase by about 30 tb/d, y-o-y, respectively. NGLs/LPG and naphtha demand are expected to increase by 5 tb/d and 20 tb/d, y-o-y, respectively, based on healthy petrochemical feedstock requirements. Demand for 'other products' is forecast to expand by around 50 tb/d, y-o-y, while residual fuel oil demand is forecast to remain flat, y-o-y. Overall, oil demand in the region is projected to expand by around 240 tb/d, y-o-y, to average 9.9 mb/d in 2025, mostly driven by requirements from Singapore, Thailand, Hong Kong, Malaysia and Indonesia.

Downside risks are associated with the likely impact of newly announced US tariffs on exports from major oil-consuming countries in the region, including Thailand, Indonesia, Singapore, and Malaysia, among others. Meanwhile, the Indonesian government is actively negotiating with the US to secure lower import tariffs on key Indonesian exports after Washington granted Japan and the European Union reduced tariff rates of 15%. Similarly, there are reports of ongoing bilateral negotiations between the US and some of the country's regional trading partners, including Thailand, aimed at reducing or postponing the implementation of tariffs or even gaining exemptions for specific products.

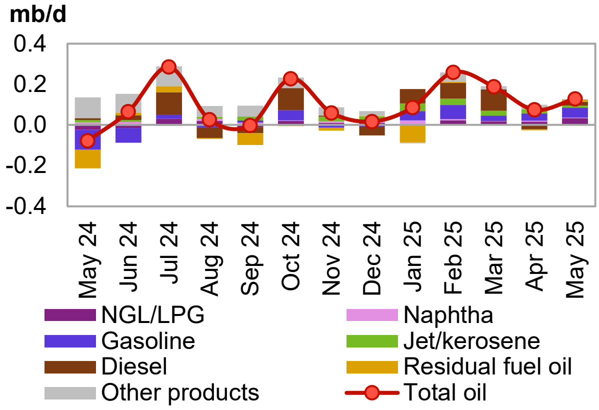
Economic activities in major oil-consuming countries of the region are expected to remain well-supported in 2026. Ongoing healthy air travel and strong driving mobility are projected to continue in 2026. Accordingly, oil demand in the region is forecast to increase by 271 tb/d, y-o-y, to average 10.2 mb/d.

Latin America

Update on the latest developments

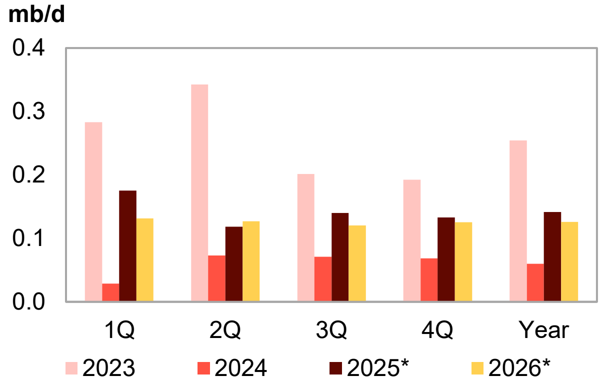
Oil demand in Latin America increased further by 128 tb/d, y-o-y, in May, up from 74 tb/d, y-o-y, growth seen the previous month. The y-o-y oil demand increase in the region came from Brazil, Argentina, and Ecuador, which more than offset a minor decline in Venezuela.

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 products, gasoline led oil demand in May with growth of 48 tb/d, y-o-y, up from growth of 36 tb/d, y-o-y, seen the previous month. The increase in gasoline demand came largely from Brazil and was supported by a decline in ethanol demand, which fell by 4.2% due to unfavourable climatic conditions affecting the sugarcane harvest. This had led to lower production and higher ethanol prices relative to gasoline at the pump. Demand for diesel increased by 19 tb/d, y-o-y, up from a decline of 21 tb/d, y-o-y, in April. Meanwhile, jet/kerosene demand increased by 11 tb/d, y-o-y, slightly below the y-o-y growth of 20 tb/d seen the previous month.

In terms of petrochemical feedstock, while NGLs/LPG demand increased by 33 tb/d, y-o-y, up from growth of 16 tb/d, y-o-y, seen in April. Naphtha saw an uptick of 4 tb/d, y-o-y, for the second consecutive month. Demand for residual fuel oil saw an uptick of 9 tb/d, y-o-y, compared with a y-o-y decline of 5 tb/d in April. Similarly, demand for the 'other products' category, which includes ethanol, inched up by 4 tb/d, y-o-y, down from 23 tb/d y-o-y growth seen in April. The 15 tb/d decline in ethanol demand in Brazil partly offset a y-o-y increase in demand for 'other products' in Argentina and Ecuador.

Near-term expectations

The economy of Brazil, the largest oil-consuming country in the region, exhibited higher-than-expected growth in 1Q25, mostly driven by strong agricultural sector performance. However, economic activity in Brazil is projected to slightly moderate in 2025. Nevertheless, it is expected to remain resilient, supported by robust wage increases amid cash transfer programmes. Furthermore, private investment is also anticipated to remain buoyant amid an expected easing of inflation. While the country's exports to the US only make up around 2% of its GDP, the impact of the recent tariff dispute with the US remains to be seen. It should be noted that Brazil has a high potential to redirect some of its agricultural exports to China. Similarly, in Argentina, the second-largest consumer in the region, economic recovery continues to strengthen, with private consumption, investment and exports expected to remain resilient.

Accordingly, indicators point to a positive outlook for short-term oil demand in Latin America, driving it to grow by 140 tb/d, y-o-y, in 3Q25, to average 7.0 mb/d. Overall in 2025, oil demand in the region is expected to increase by 141 tb/d, y-o-y, to average 6.9 mb/d. Transportation fuels, including gasoline, jet/kerosene and diesel, are expected to drive demand growth, supported by an uptick in demand for 'other products'.

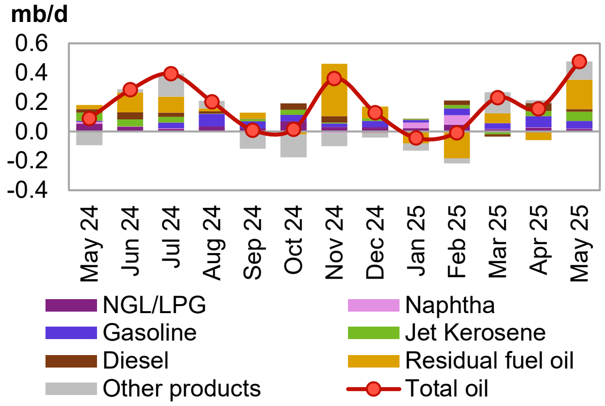
Monetary easing, along with fiscal reforms and a pickup in domestic consumption and investment, is expected in Brazil in 2026. Similarly, ongoing gradual improvements in Argentina's economy are expected to continue. Overall, the regional economy is projected to maintain strong momentum, building on expected robust performance in 2025. Healthy agricultural and manufacturing activity is expected to bolster oil demand in the region, which is forecast to grow by 126 tb/d, to average 7.0 mb/d. However, there is a downside risk associated with announced US tariffs, which are expected to have a dampening effect on some regional economies.

Middle East

Update on the latest developments

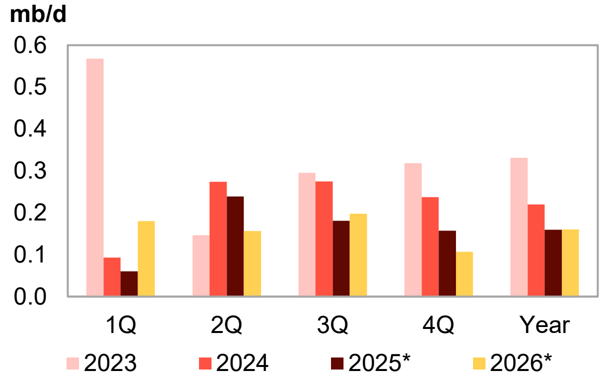
Oil demand in the Middle East in May surged by 476 tb/d, y-o-y, up from the growth of 155 tb/d, y-o-y, observed the previous month. Saudi Arabia led y-o-y demand growth with 337 tb/d, supported by requirements from other countries in the region.

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 specific product demand, monthly incremental y-o-y oil demand was led by residual fuel oil, which increased by 199 tb/d, y-o-y, up from a decline of 59 tb/d, y-o-y, the previous month. Requirements from Saudi Arabia accounted for 72% of the increase in residual fuel oil demand. Demand for the 'other products' category (including direct crude burning) expanded by 124 tb/d, y-o-y, up from a y-o-y increase of 20 tb/d in April. The increase in oil demand was supported by requirements for electricity generation, including 92 tb/d y-o-y growth in direct crude burning from Saudi Arabia.

In terms of transportation fuels, jet/kerosene led oil demand in the sector, expanding by 62 tb/d, y-o-y, up from an increase of 33 tb/d, y-o-y, seen the previous month. Gasoline demand increased by 52 tb/d, y-o-y, though this is below the y-o-y growth of 77 tb/d seen in April. Furthermore, diesel demand inched up by 18 tb/d, y-o-y, down from an increase of 56 tb/d, y-o-y, observed in April.

In terms of petrochemical feedstock demand, NGLs/LPG increased by 18 tb/d, y-o-y, down from 25 tb/d, y-o-y, an increase seen in the previous month, while naphtha demand was broadly flat, y-o-y, for the third consecutive month.

Near-term expectations

In the near term, despite ongoing risks to trade and investment flows created by political tension in the region, economic activity in most countries is expected to remain strong during 2025. High-frequency data corroborates resilient growth momentum, particularly in Saudi Arabia and the UAE, where the non-oil economy continues to expand and is expected to support economic growth. Furthermore, international investors are expected to continue to patronise the region due to investment-friendly policies and expected high returns on their investments, especially in the UAE and Saudi Arabia, which have the most dynamic and fastest-improving trade and investment environments in the region. Furthermore, the region is well placed to withstand tariff headwinds due to exemptions made for oil and gas, as well as limited exposure to US trading. Meanwhile, a hot and dry summer season in the Middle East is expected to bolster demand for direct crude burning and residual fuel oil demand power generation, driven by high demand for cooling in the region.

The outlook for short-term oil demand shows transportation fuel, gasoline, transportation diesel and jet kerosene projected to lead growth, which is forecast to reach 181 tb/d, y-o-y, in 3Q25. Additionally, demand for power generation due to hot weather is projected to support demand for the 'other products' category (including direct crude burning) in the region.

In 2025, demand for major oil products, including petrochemical feedstock, LPG/NGLs and naphtha, is expected to remain robust, with some new capacity additions, as many countries in the region are turning their attention to petrochemicals and taking advantage of higher margins. Furthermore, transportation fuels, including gasoline, diesel, and jet/kerosene, are expected to be supported by heightened driving mobility and strong air travel. Diesel oil demand is projected to benefit from construction activity in Saudi Arabia. Residual fuel oil demand is also expected to be steady, with support from the power sectors in Saudi Arabia and Iraq.

In terms of products, gasoline demand is expected to drive oil product demand growth, with an increase of around 50 tb/d, y-o-y. NGLs/LPG demand is projected to increase by around 50 tb/d, and demand for diesel is expected to rise by 35 tb/d, y-o-y. Jet/kerosene is forecast to grow by 25 tb/d, y-o-y, and naphtha is projected to see an uptick of 30 tb/d, y-o-y. Demand for residual fuel oil is projected to see growth of 20 tb/d, y-o-y. However, the 'other products' category is forecast to remain weak. Overall, oil demand in the region is projected to increase by 160 tb/d, y-o-y, to average 9.0 mb/d in 2025. 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 to regional GDP is expected to continue, including through government infrastructure-related spending. These factors, combined with solid petrochemical industry requirements and healthy mobility, are forecast to support y-o-y oil demand growth of 160 tb/d. Overall, oil demand in the Middle East is projected to average 9.2 mb/d in 2026.

World Oil Supply

Non-DoC liquids production (i.e. liquids production from countries not participating in the DoC) is expected to grow by about 0.8 mb/d in 2025 to average 54.0 mb/d, unchanged from last month's assessment. Growth is set to be driven by the US, Brazil, Canada, and Argentina, with the main decline anticipated in Angola.

In 2026, non-DoC liquids production is forecast to grow by 0.6 mb/d to average 54.7 mb/d, revised down by about 0.1 mb/d from last month's assessment. The main liquids production growth drivers are also set to be Brazil, the US, Canada, and Argentina.

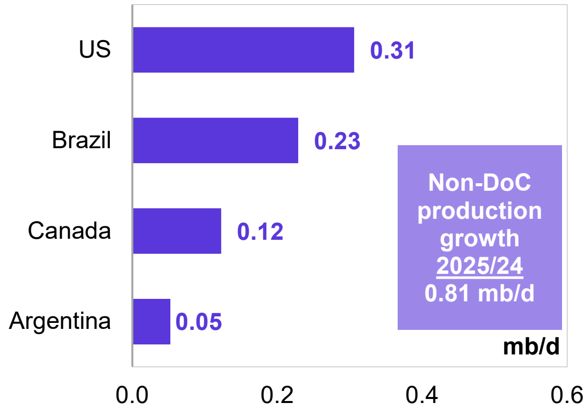
DoC NGLs and non-conventional liquids in 2025 are expected to expand by 0.1 mb/d to average 8.7 mb/d. In 2026, DoC NGLs and non-conventional liquids are forecast to grow by another 0.1 mb/d to average 8.8 mb/d. OPEC NGLs and non-conventional liquids production are set to increase by 130 tb/d in 2025 to average 5.9 mb/d, and are set to increase by 150 tb/d in 2026, to average 6.0 mb/d.

DoC crude oil production in July increased by 335 tb/d, m-o-m, averaging 41.94 mb/d, as reported by available secondary sources.

Key drivers of growth and decline

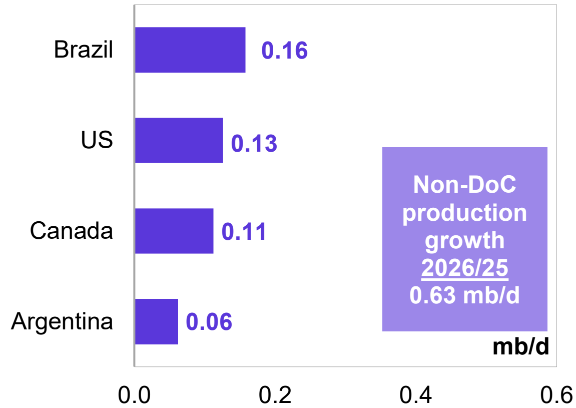
In 2025, non-DoC liquids production growth is expected at about 0.8 mb/d. Overall, this is largely unchanged from last month's assessment. Annual growth is set to be driven mainly by the US, Brazil, Canada, and Argentina.

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 production in 2026 is forecast to grow by 0.6 mb/d, which is lower by 0.1 mb/d from last month's assessment. The main growth drivers are also expected to be Brazil, the US, 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*
Americas	27.71	28.06	28.31	28.11	28.08	28.14	0.43
of which US	*21.76*	*21.82*	*22.37*	*22.12*	*21.96*	*22.07*	*0.31*
Europe	3.53	3.59	3.53	3.55	3.61	3.57	0.04
Asia Pacific	0.44	0.40	0.44	0.43	0.42	0.42	-0.01
Total OECD	**31.68**	**32.05**	**32.28**	**32.09**	**32.12**	**32.13**	**0.46**
China	4.56	4.69	4.66	4.50	4.53	4.59	0.03
India	0.81	0.83	0.82	0.82	0.80	0.82	0.02
Other Asia	1.61	1.63	1.63	1.57	1.57	1.60	-0.01
Latin America	7.23	7.42	7.59	7.50	7.65	7.54	0.31
Middle East	1.99	2.01	2.01	2.00	2.00	2.01	0.02
Africa	2.33	2.32	2.25	2.29	2.29	2.29	-0.05
Other Eurasia	0.37	0.36	0.35	0.37	0.36	0.36	0.00
Other Europe	0.10	0.09	0.10	0.10	0.10	0.10	0.00
Total Non-OECD	**19.00**	**19.35**	**19.42**	**19.15**	**19.31**	**19.31**	**0.31**
Total Non-DoC production	50.68	51.40	51.70	51.24	51.43	51.44	0.76
Processing gains	2.52	2.57	2.57	2.57	2.57	2.57	0.05
Total Non-DoC liquids production	**53.20**	**53.97**	**54.27**	**53.81**	**54.00**	**54.01**	**0.81**
Previous estimate	53.20	53.97	54.06	53.83	54.19	54.01	0.81
Revision	0.00	0.00	0.21	-0.01	-0.19	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*
Americas	28.14	27.90	28.24	28.53	28.82	28.38	0.24
of which US	*22.07*	*21.68*	*22.25*	*22.35*	*22.48*	*22.19*	*0.13*
Europe	3.57	3.59	3.49	3.46	3.56	3.53	-0.04
Asia Pacific	0.42	0.43	0.40	0.41	0.40	0.41	-0.01
Total OECD	**32.13**	**31.92**	**32.13**	**32.40**	**32.78**	**32.31**	**0.18**
China	4.59	4.65	4.64	4.55	4.54	4.59	0.00
India	0.82	0.83	0.82	0.82	0.83	0.82	0.00
Other Asia	1.60	1.60	1.58	1.56	1.57	1.58	-0.02
Latin America	7.54	7.87	7.91	7.96	8.03	7.94	0.41
Middle East	2.01	2.03	2.04	2.05	2.06	2.05	0.04
Africa	2.29	2.27	2.25	2.26	2.33	2.28	-0.01
Other Eurasia	0.36	0.36	0.36	0.37	0.36	0.36	0.00
Other Europe	0.10	0.10	0.10	0.10	0.10	0.10	0.00
Total Non-OECD	**19.31**	**19.72**	**19.71**	**19.67**	**19.82**	**19.73**	**0.42**
Total Non-DoC production	51.44	51.64	51.84	52.07	52.60	52.04	0.60
Processing gains	2.57	2.60	2.60	2.60	2.60	2.60	0.03
Total Non-DoC liquids production	**54.01**	**54.24**	**54.44**	**54.67**	**55.20**	**54.64**	**0.63**
Previous estimate	54.01	54.55	54.43	54.68	55.30	54.74	0.73
Revision	0.00	-0.31	0.01	-0.01	-0.10	-0.10	-0.10

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

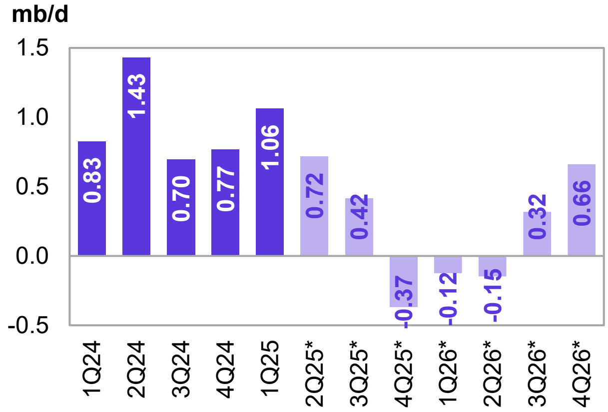
Source: OPEC.

OECD

For 2025, OECD liquids production (excluding DoC participating country Mexico) is expected to expand by about 0.5 mb/d to average 32.1 mb/d. OECD Americas leads the growth, with an expected rise of 0.4 mb/d to average 28.1 mb/d. Yearly OECD Europe liquids production is anticipated to expand by about 38 tb/d to average 3.6 mb/d, while OECD Asia Pacific is set to drop by a minor 13 tb/d to average 0.4 mb/d.

In 2026, OECD liquids production is set to expand by 0.2 mb/d to average 32.3 mb/d. OECD Americas is forecast to be the primary growth driver, with an increase of 0.2 mb/d to average 28.4 mb/d. Yearly liquids production in OECD Europe is expected to fall by about 45 tb/d to average 3.5 mb/d, while OECD Asia Pacific is anticipated to drop by about 14 tb/d, y-o-y, to average 0.4 mb/d.

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



Note: * 2Q25-4Q26 = Forecast. Source: OPEC.

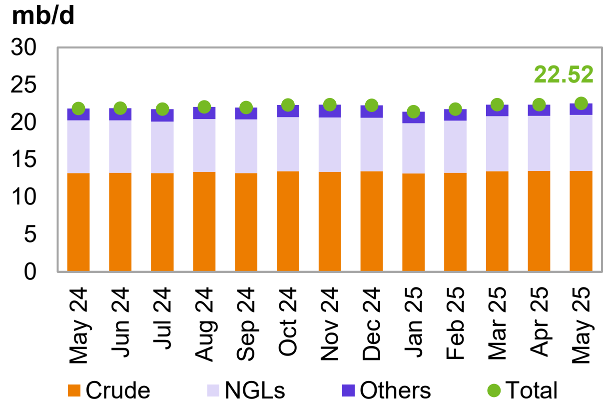
US

US liquids production in May rose by 0.2 mb/d, m-o-m, to average 22.5 mb/d. This was 0.7 mb/d higher than in May 2024.

Crude oil and condensate production rose, m-o-m, by 24 tb/d to a new all-time high of 13.5 mb/d in May. This is up by about 0.3 mb/d, y-o-y.

In terms of the crude and condensate production breakdown by region (PADDs), production increased on the US Gulf Coast (USGC) (PADD 3) by 50 tb/d to average 9.9 mb/d. Production in the Midwest (PADD 2) and West Coast (PADD 5) regions fell by 42 tb/d and 6 tb/d, m-o-m, respectively. Production on the East Coast and Rocky Mountain (PADD 1 and 4) regions rose by 9 tb/d and 13 tb/d, m-o-m, respectively.

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



Sources: EIA and OPEC.

The m-o-m production increase in the main producing regions can primarily be attributed to higher production from offshore platforms in the Gulf of Mexico (GoM), as well as from wells in Colorado. However, these gains were slightly offset by losses in North Dakota and Wyoming.

NGLs production rose by 115 tb/d, m-o-m, to average 7.5 mb/d in May. This was 0.4 mb/d higher, y-o-y. According to the US Department of Energy (DoE), the production of non-conventional liquids (mainly ethanol) increased by 53 tb/d, m-o-m, to an average of 1.6 mb/d. Preliminary estimates show that non-conventional liquids averaged about 1.6 mb/d in June, up by about 10 tb/d, m-o-m.

GoM production increased by 49 tb/d, m-o-m, to average 1.8 mb/d in May, with the region continuing to rebound from the low levels seen in February. GoM production is now roughly back to where it stood in December last year and is expected to be supported by several new projects and project ramp-ups in the coming months. Moreover, Beacon Offshore Energy reported that it started production from the Shenandoah field in the GoM in late July. In the onshore Lower 48, crude and condensate production decreased by 30 tb/d, m-o-m, to average 11.2 mb/d in May.

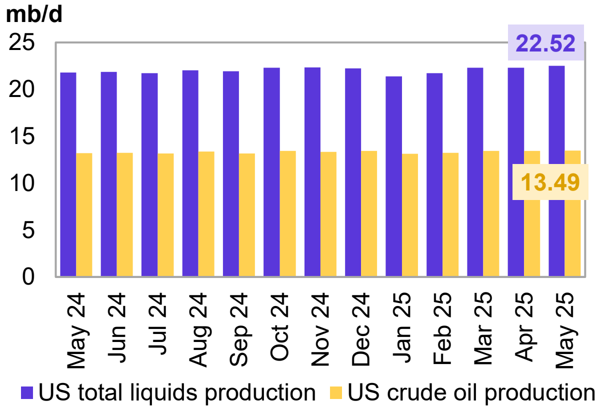
Table 5 - 3: US crude oil production by selected state and region, tb/d

State	May 24	Apr 25	May 25	Change m-o-m	Change y-o-y
Texas	5,688	5,751	5,752	*1*	*64*
New Mexico	2,019	2,196	2,199	*3*	*180*
Gulf of Mexico (GoM)	1,777	1,800	1,849	*49*	*72*
North Dakota	1,184	1,156	1,111	*-45*	*-73*
Colorado	453	449	465	*16*	*12*
Alaska	417	433	434	*1*	*17*
Oklahoma	396	406	406	*0*	*10*
Total	**13,201**	**13,464**	**13,488**	***24***	***287***

Sources: EIA and OPEC.

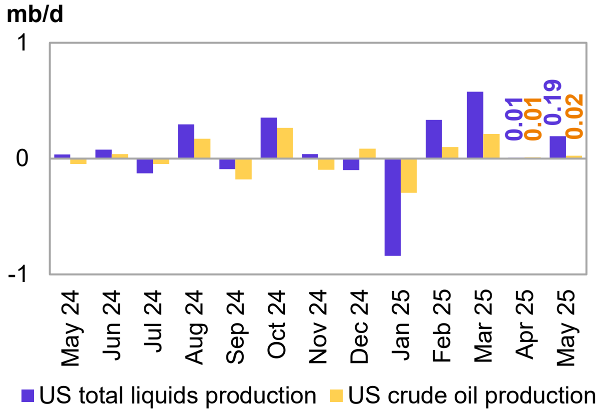
From the perspective of individual states, New Mexico's oil production increased by just 3 tb/d, m-o-m, to average 2.2 mb/d, which is 180 tb/d higher than a year ago. Production in Texas was largely unchanged, m-o-m, at an average of 5.8 mb/d, which is 64 tb/d higher than a year ago. In the Midwest, North Dakota's production fell by 45 tb/d, m-o-m, to average 1.1 mb/d. This was down by 73 tb/d, y-o-y. Oklahoma's production remained unchanged, m-o-m, at an average of 0.4 mb/d. Production in Colorado increased by 16 tb/d, m-o-m, while production in Alaska remained largely unchanged, m-o-m.

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



Sources: EIA and OPEC.

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



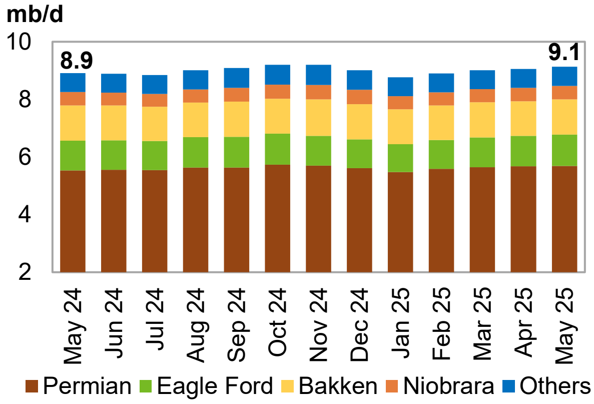
Sources: EIA and OPEC.

US tight crude production in May is estimated to have increased by 76 tb/d, m-o-m, to average 9.1 mb/d, according to the latest US Energy Information Administration (EIA) estimates. This was 222 tb/d higher than in the same month last year.

M-o-m production from shale and tight formations using horizontal wells from the Permian in Texas and New Mexico rose by 18 tb/d to average 5.7 mb/d. Y-o-y, this was up by 166 tb/d.

In the Williston Basin, Bakken shale oil production rose by 21 tb/d, m-o-m, to average 1.2 mb/d. However, this was down by a minor 2 tb/d, y-o-y. Tight crude production at the Eagle Ford in Texas rose by 30 tb/d to average 1.0 mb/d. This was up by 48 tb/d, y-o-y. Production at Niobrara-Codell in Colorado and Wyoming was higher by 6 tb/d, m-o-m, at about 467 tb/d.

Graph 5 - 7: US tight crude production breakdown

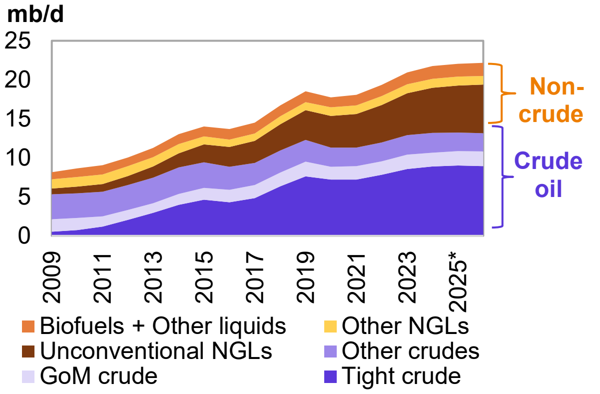


Sources: EIA and OPEC.

In 2025, US liquids production, excluding processing gains, is expected to expand by about 0.3 mb/d, y-o-y, to average 22.1 mb/d. This reflects ongoing enhancements in well productivity and operational efficiencies throughout the major shale basins, especially in the previous months.

Crude oil and condensate production is set to jump by 0.1 mb/d, y-o-y, to average 13.3 mb/d. At the same time, NGLs production is projected to increase by 0.2 mb/d, y-o-y, to average 7.2 mb/d and non-conventional liquids, in particular ethanol, are set to rise by about 20 tb/d, y-o-y, to average 1.6 mb/d. Tight crude production in 2025 is forecast to average 9.0 mb/d, up by 0.1 mb/d, y-o-y.

Graph 5 - 8: US liquids production developments by component



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

In 2026, US liquids production, excluding processing gains, is expected to expand by around 0.1 mb/d, y-o-y, to average 22.2 mb/d. Crude oil and condensate production is set to drop by about 80 tb/d, y-o-y, to average 13.2 mb/d. At the same time, NGLs production is projected to increase by 0.2 mb/d to average 7.3 mb/d and non-conventional liquids are set to increase by about 50 tb/d, y-o-y, to average 1.7 mb/d. Average tight crude production in 2026 is set to drop by about 0.1 mb/d, y-o-y, to average 8.9 mb/d. The 2026 forecast assumes sustained capital discipline, additional drilling and completion efficiency gains, weaker momentum in drilling activities and 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	8.93	0.35	9.04	0.12	8.94	-0.10
GoM crude	1.77	-0.10	1.84	0.07	1.91	0.07
Conventional crude oil	2.52	0.02	2.38	-0.13	2.33	-0.06
Total crude	**13.21**	**0.27**	**13.26**	**0.05**	**13.18**	**-0.08**
Unconventional NGLs	5.78	0.41	6.03	0.26	6.21	0.18
Conventional NGLs	1.16	0.03	1.14	-0.02	1.12	-0.02
Total NGLs	**6.94**	**0.44**	**7.18**	**0.23**	**7.34**	**0.16**
Biofuels + Other liquids	1.61	0.07	1.63	0.02	1.68	0.05
US total production	**21.76**	**0.79**	**22.07**	**0.31**	**22.19**	**0.13**

*Note: * 2025-2026 = Forecast.*

Sources: EIA, OPEC and Rystad Energy.

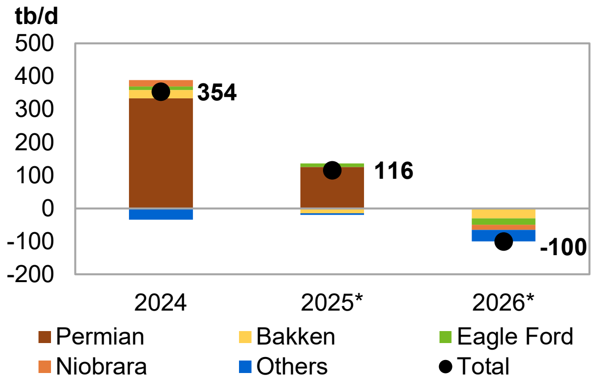
US tight crude production in the Permian Basin during 2025 is expected to increase by 0.1 mb/d, y-o-y, to average 5.7 mb/d. In 2026, it is forecast to remain largely unchanged, y-o-y, to average 5.7 mb/d.

In North Dakota, Bakken shale production is expected to see a decline of 15 tb/d and remain at around 1.2 mb/d in 2025. This remains below its pre-pandemic average of 1.4 mb/d. The expected drop of about 29 tb/d in 2026 could indicate a potential shift towards a mature basin.

Production in the Eagle Ford Basin in Texas is estimated to have averaged 1.0 mb/d in 2024. In 2025, modest growth of 10 tb/d is expected, while production is forecast to drop by 20 tb/d in 2026.

In the Niobrara region, production in 2024 is estimated to have increased by 19 tb/d, y-o-y, to reach an average of 468 tb/d. With no expected growth in 2025 and a marginal drop of 15 tb/d in 2026, production is projected to remain at around 0.5 mb/d.

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



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

In the other tight oil plays, production is estimated to have dropped by 35 tb/d in 2024. Owing to an expected slowdown in drilling and completion operations, production is expected to drop by 5 tb/d and 35 tb/d in 2025 and 2026, respectively.

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	5.56	0.33	5.69	0.13	5.69	0.00
Bakken shale	1.22	0.03	1.21	-0.01	1.18	-0.03
Eagle Ford shale	1.01	0.01	1.02	0.01	1.00	-0.02
Niobrara shale	0.47	0.02	0.47	0.00	0.45	-0.02
Other tight plays	0.66	-0.03	0.66	-0.01	0.62	-0.04
Total	**8.93**	**0.35**	**9.04**	**0.12**	**8.94**	**-0.10**

*Note: * 2025-2026 = Forecast.*

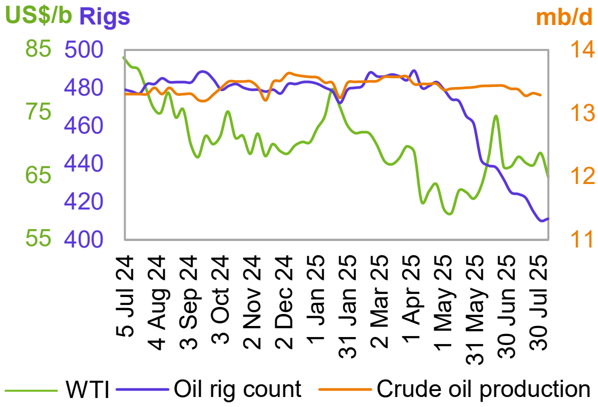
Source: OPEC.

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 8 August 2025 dropped by one, w-o-w, to 539, according to Baker Hughes. This is 49 fewer rigs than a year ago. The number of active offshore rigs remained unchanged, w-o-w, at 13. This is six fewer than in the same month a year earlier. The number of onshore oil and gas rigs fell by one, w-o-w, to 524 with two rigs in inland waters. This is down by 45 rigs, y-o-y.

The US horizontal rig count remained unchanged, w-o-w, at 471, compared with 521 horizontal rigs a year ago. The number of drilling rigs for oil rose by one, w-o-w, to 411, while the number of gas drilling rigs fell by one, w-o-w, to 123.

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



Sources: Baker Hughes, EIA and OPEC.

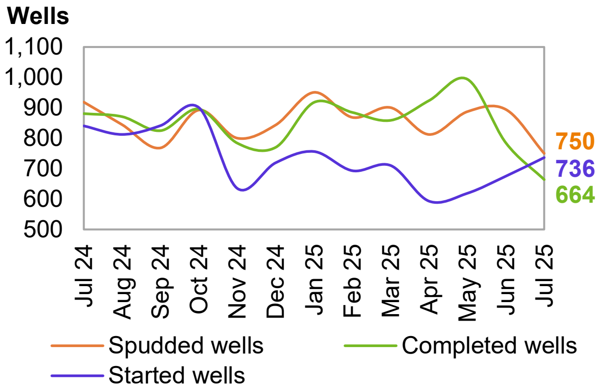
The Permian's rig count dropped by three, w-o-w, to 256. The rig count in the Williston and DJ-Niobrara Basins remained unchanged, w-o-w, at 31 and 9, respectively. The rig count in the Cana Woodford Basin rose by two, w-o-w, to 15, while the rig count in the Eagle Ford dropped by one, w-o-w, to 38.

Per preliminary data, drilling and completion activities for oil-producing wells in all US shale plays include 894 horizontal wells spudded in June. This is up by seven, m-o-m, and is around 15% higher than in June last year.

Preliminary June data indicate a lower number of completed wells, m-o-m, at 785, albeit this is up by about 3%, y-o-y. The number of started wells is estimated at 675, which is about 7% lower than a year earlier.

Preliminary data for July sees 750 spudded, 664 completed, and 736 started wells, according to Rystad Energy data.

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

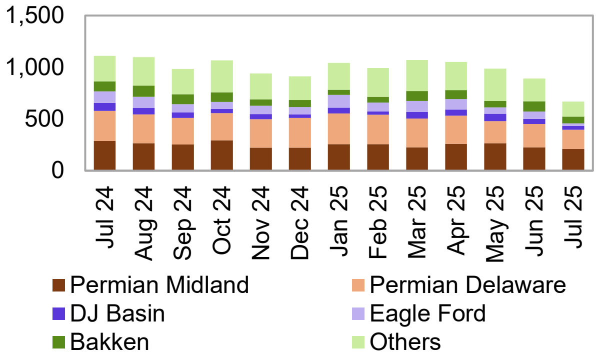


Note: Jun 25-Jul 25 = Preliminary data.
Sources: Rystad Energy and OPEC.

In terms of identifying US oil and gas fracking operations, Rystad Energy reported that 986 wells began fracking in May. In June and July, it stated that 891 and 668 wells had begun fracking, respectively, according to preliminary numbers based on an analysis of high-frequency satellite data.

In regional terms, preliminary June 2025 data for the Permian Midland and Permian Delaware regions show that 226 and 227 wells started fracking, respectively. There was a loss of 38 wells in the Midland region and a gain of 12 in Delaware, compared with May. Data also indicates that during June, 49 wells began fracking in the DJ Basin, 71 in the Eagle Ford and 99 in the Bakken.

Graph 5 - 12: Started fracs per month by region



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

Canada

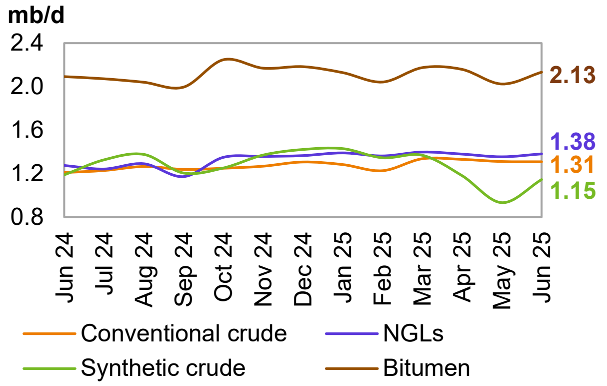
Canada's June liquids production is estimated to have increased by 346 tb/d, m-o-m, to an average of 6.0 mb/d. This is due to partial recovery from maintenance across various oil sands projects.

Conventional crude production remained largely unchanged in June, m-o-m, at an average of 1.3 mb/d. NGLs production was up by 27 tb/d, m-o-m, to average 1.4 mb/d.

Crude bitumen production rose by 109 tb/d in June, m-o-m, while synthetic crude production increased by 212 tb/d. Taken together, crude bitumen and synthetic crude production averaged 3.3 mb/d in June.

As a result of scheduled maintenance and the impact of wildfires near several oil sands projects, liquids production in 2Q25 is estimated to have dropped by 0.3 mb/d compared with the first quarter of the year.

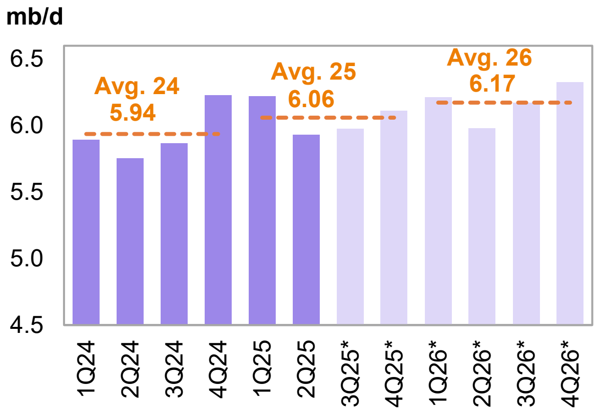
Graph 5 - 13: Canada's monthly liquids production development by type



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, optimisation, as well as additional well pads coming online at several facilities. Sources of further production are largely expected from the Athabasca, Kearl, Horizon, Christina Lake, Syncrude Mildred Lake/Aurora, Suncor, and Foster Creek oil sands projects. The main 2025 start-ups are expected to be Narrows Lake, Cold Lake Oil Sands, Mannville Heavy Oil and the Montney Play.

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



*Note: * 3Q25-4Q26 = Forecast. Source: OPEC.*

In 2026, Canada's liquids production is forecast to grow by 0.1 mb/d to average 6.2 mb/d. Oil sands production is expected to be primarily driven by brownfield developments, emphasising asset expansion, debottlenecking initiatives, and the broader adoption of advanced drilling technologies.

Principal production sources 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.

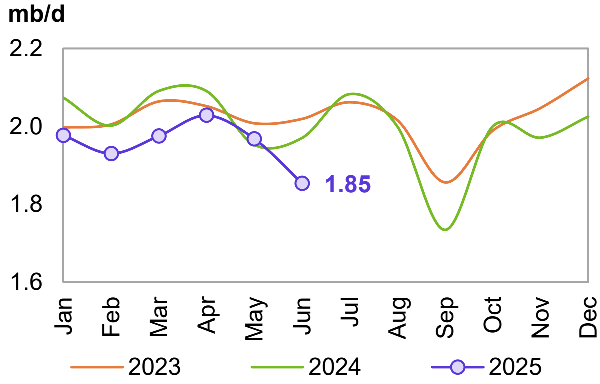
Norway

Norwegian liquids production in June dropped by 115 tb/d, m-o-m, to average 1.9 mb/d. Norway's crude production fell by 116 tb/d, m-o-m, to average 1.7 mb/d. This was lower by around 53 tb/d, y-o-y. Monthly oil production was 3.1% higher than the Norwegian Offshore Directorate's (NOD) forecast.

NGLs and condensate production remained largely unchanged in June, m-o-m, at an average of 0.2 mb/d, according to NOD data.

In 2025, Norwegian liquids production is forecast to grow by about 20 tb/d to average 2.0 mb/d. This is revised down by about 10 tb/d from the previous assessment due to lower-than-expected production in previous months.

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



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

A few start-ups are expected at the Ringhorne and Norne floating, production, storage, and offloading (FPSO) platforms, as well as at the Maria and Kvitebjorn oil field projects. At the same time, ramp-ups are expected at the Kristin, Eldfisk and Balder/Ringhorne projects. Production at the Johan Castberg FPSO, which achieved peak capacity of 220 tb/d in late June, is expected to remain strong throughout the rest of the year. Additionally, production from the refurbished Jotun FPSO, in the Balder region of the Norwegian North Sea, is expected to ramp up in the second half of the year.

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 across the year, such as Johan Castberg, Edvard Grieg, Balder/Ringhorne, Heidrun, Grane, Valhall and Ivar Aasen. Simultaneously, start-ups are expected to have limited assets, such as the Symra and Edvard Grieg oil field projects.

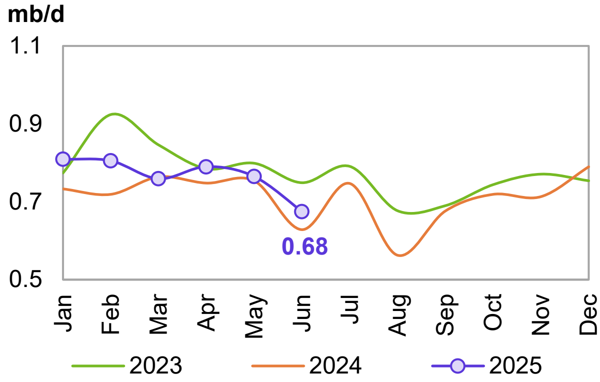
UK

In June, UK liquids production dropped by 90 tb/d, m-o-m, to average 0.7 mb/d. Crude oil production fell by 79 tb/d, m-o-m, to average 0.5 mb/d. Crude level in June was higher by about 42 tb/d, y-o-y, according to official data. NGLs production fell by 11 tb/d, m-o-m, to average 67 tb/d.

In 2025, UK liquids production is forecast to rise by about 10 tb/d to average 0.7 mb/d. Production ramp-ups are assumed to come through the Clair sites, Penguins, Buzzard, ETAP, Magnus and Schiehallion projects. Elsewhere, project start-ups are anticipated at the Janice and Murlach (Skua redevelopment) assets. However, the increase in volumes is expected to be largely counterbalanced by a continued decline in output from the UK's mature reservoirs throughout the year.

In 2026, UK liquids production is forecast to drop by about 13 tb/d, y-o-y, to average 0.7 mb/d. Minor production ramp-ups are forecast at the Clair and Kraken sites. Nonetheless, natural declines in mature oil fields are once again expected to offset gains in production elsewhere.

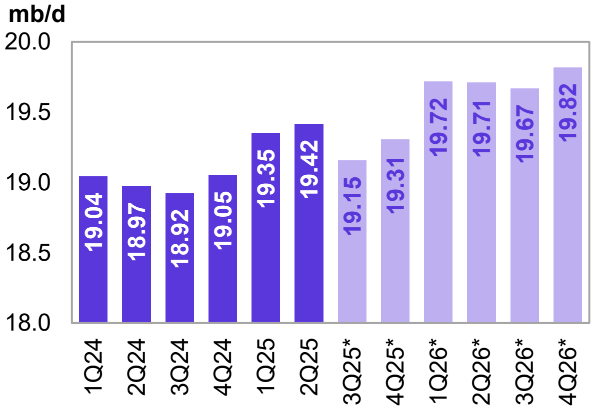
Graph 5 - 16: UK monthly liquids production development



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

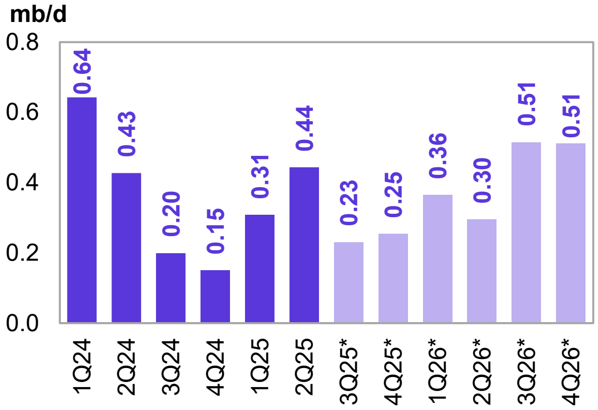
Non-OECD

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



*Note: * 3Q25-4Q26 = Forecast. Source: OPEC.*

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



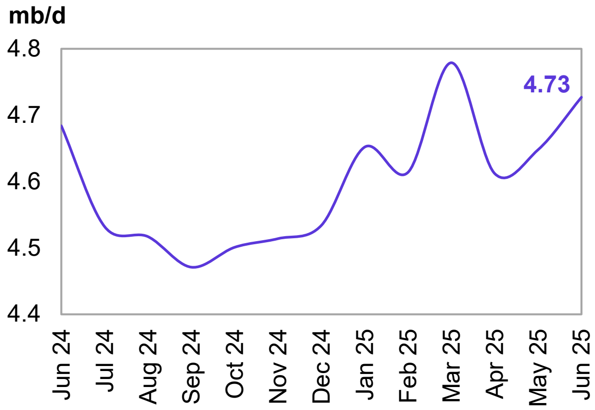
*Note: * 3Q25-4Q26 = Forecast. Source: OPEC.*

China

China's liquids production rose by 79 tb/d, m-o-m, to average 4.7 mb/d in June. According to official data, this is up by 43 tb/d, y-o-y. June crude oil production averaged 4.4 mb/d, up by 79 tb/d from May. This was higher by 61 tb/d, y-o-y.

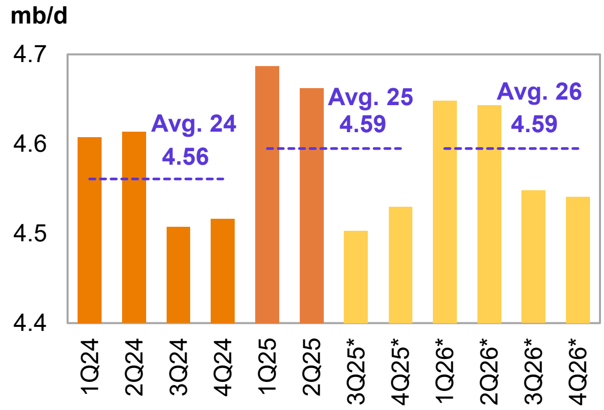
NGLs production remained largely unchanged, m-o-m, at an average of 26 tb/d. This was consistent with the same month last year.

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



Sources: CNPC and OPEC.

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



*Note: * 3Q25-4Q26 = Forecast. Sources: CNPC and OPEC.*

In 2025, Chinese liquids production is expected to increase by around 34 tb/d, y-o-y, to average 4.6 mb/d. Production growth is expected to be led by the offshore sector, driven by substantial recent exploration investments in Bohai Bay, northern China, as well as the South China Sea. Additional infill wells and enhanced oil recovery (EOR) projects are expected to mostly offset decline rates at mature fields.

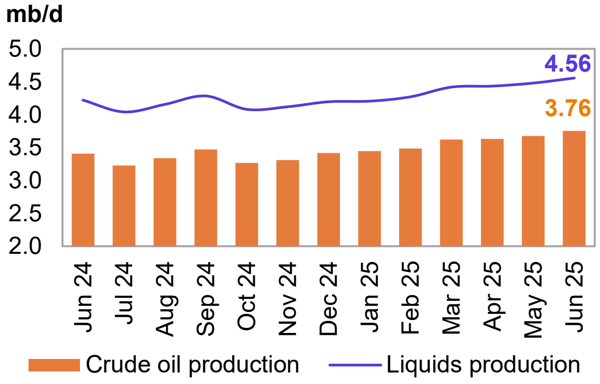
For the remainder of the year, oil and gas condensate projects such as Songliaho, Peng Lai 19-9, Shengli, Liaodong Bay West, Tianjin – operated by CNOOC, PetroChina and Sinopec – are expected to come on stream. In addition, key ramp-ups are planned for Shengli, Xibei, Jilin, Kenli 10-2, Peng Lai 19-3 and Tarim. Moreover, CNOOC commenced production at Phase I of the Kenli 10-2 Oilfields Development in the southern Bohai Sea, offshore eastern China, in late July.

In 2026, Chinese liquids production is expected to remain unchanged, y-o-y, 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

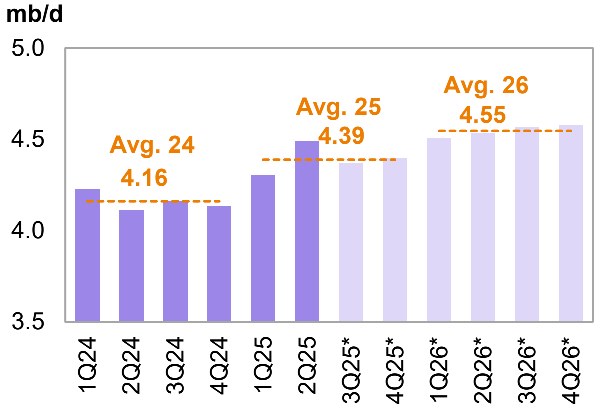
Brazil's crude production in June increased by 77 tb/d, m-o-m, to average 3.8 mb/d, driven by healthy production in the major Buzios and Mero fields. NGLs production remained largely unchanged at an average of around 76 tb/d, and this is expected to remain largely flat in July. Biofuel production (mainly ethanol) is estimated to have been largely unchanged, m-o-m, at an average of 0.7 mb/d, with preliminary July data showing a stable trend. The country's total liquids production rose by 76 tb/d in June to average 4.6 mb/d, which is higher by 0.3 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: * 3Q25-4Q26 = Forecast. Sources: ANP and OPEC.*

In 2025, Brazil's liquids production, including biofuels, is forecast to increase by about 230 tb/d, y-o-y, to average 4.4 mb/d. Crude oil production 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), Wahoo and Lapa (Carioca) fields. Nevertheless, production timelines may be affected by operational challenges and unexpected disruptions.

In 2026, Brazil's liquids production, including biofuels, is forecast to increase by around 160 tb/d, y-o-y, to average 4.5 mb/d. Upstream liquids production 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 Clusters. However, rising offshore project costs, combined with inflationary pressures, could impede timely project execution.

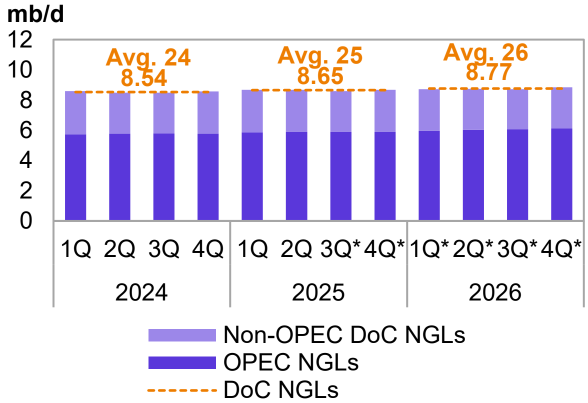
DoC NGLs and non-conventional liquids

DoC NGLs and non-conventional liquids are expected to expand by 120 tb/d in 2025 to average 8.7 mb/d.

Preliminary data show that NGLs and non-conventional liquids production in 2Q25 averaged 8.7 mb/d. According to preliminary June data, OPEC Member Countries and non-OPEC DoC countries are estimated to have produced 5.9 mb/d and 2.8 mb/d of NGLs and non-conventional liquids, respectively.

The 2026 forecast points towards a combined increase of about 110 tb/d for an average of 8.8 mb/d. For OPEC Member Countries, NGLs and non-conventional liquids production is projected to expand by 150 tb/d to average 6.0 mb/d. However, a drop of about 40 tb/d is forecast for non-OPEC DoC countries, reaching an average of 2.7 mb/d.

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



*Note: * 3Q25-4Q26 = Forecast. Source: OPEC.*

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

DoC NGLs and non-conventional liquids	2024	Change 24/23	2025	Change 25/24	1Q26	2Q26	3Q26	4Q26	2026	Change 26/25
OPEC	**5.77**	*0.14*	**5.90**	*0.13*	5.96	6.03	6.08	6.11	**6.05**	*0.15*
Non-OPEC DoC	**2.77**	*0.03*	**2.76**	*-0.01*	2.75	2.73	2.65	2.75	**2.72**	*-0.04*
Total	**8.54**	***0.16***	**8.65**	***0.12***	**8.72**	**8.75**	**8.73**	**8.86**	**8.77**	***0.11***

Note: 2025-2026 = Forecast.

Source: OPEC.

DoC crude oil production

Total DoC crude oil production averaged 41.94 mb/d in July 2025, which is 335 tb/d higher, m-o-m.

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

Secondary sources	2023	2024	4Q24	1Q25	2Q25	May 25	Jun 25	Jul 25	Change Jul/Jun
Algeria	969	905	904	910	920	921	927	931	*4*
Congo	261	254	255	259	258	256	258	263	*6*
Equatorial Guinea	57	57	59	60	55	57	53	53	*0*
Gabon	213	224	231	227	230	232	233	228	*-5*
IR Iran	2,884	3,257	3,290	3,307	3,306	3,324	3,257	3,245	*-12*
Iraq	4,265	4,163	4,015	3,998	3,957	3,939	3,953	3,902	*-51*
Kuwait	2,595	2,429	2,422	2,415	2,431	2,430	2,444	2,452	*7*
Libya	1,153	1,092	1,183	1,288	1,284	1,304	1,280	1,302	*22*
Nigeria	1,337	1,426	1,485	1,518	1,527	1,513	1,543	1,559	*16*
Saudi Arabia	9,618	8,978	8,959	8,948	9,178	9,175	9,356	9,526	*170*
UAE	2,954	2,950	2,947	2,939	2,994	2,975	3,060	3,169	*109*
Venezuela	760	867	905	926	924	925	918	914	*-4*
Total OPEC	**27,065**	**26,602**	**26,655**	**26,796**	**27,062**	**27,050**	**27,281**	**27,543**	***263***
Azerbaijan	504	482	487	467	462	464	463	462	*-1*
Bahrain	185	176	182	186	183	177	186	186	*0*
Brunei	70	79	82	88	83	80	83	83	*0*
Kazakhstan	1,603	1,539	1,417	1,758	1,824	1,781	1,863	1,827	*-36*
Malaysia	374	347	345	350	346	346	340	340	*0*
Mexico	1,651	1,578	1,519	1,455	1,457	1,462	1,450	1,447	*-3*
Oman	819	766	761	755	763	761	768	774	*7*
Russia	9,596	9,193	9,015	8,972	8,995	8,984	9,022	9,120	*98*
Sudan	56	30	26	25	26	26	26	26	*0*
South Sudan	146	72	55	71	107	111	124	132	*8*
Total Non-OPEC DoC	**15,004**	**14,261**	**13,890**	**14,127**	**14,245**	**14,191**	**14,324**	**14,397**	***72***
Total DoC	**42,069**	**40,863**	**40,545**	**40,923**	**41,307**	**41,241**	**41,605**	**41,940**	***335***

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 July, 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	4Q24	1Q25	2Q25	May 25	Jun 25	Jul 25	*Change Jul/Jun*
Algeria	973	907	908	909	920	920	927	937	*10*
Congo	271	260	265	260	267	268	263	271	*8*
Equatorial Guinea	55	57	58	56	46	45	46	48	*2*
Gabon	223	..	..	..	..	..	..	..	*..*
IR Iran	..	..	..	..	..	..	..	..	*..*
Iraq	4,118	3,862	3,731	3,667	3,632	3,605	3,627	3692*	*65*
Kuwait	2,590	2,411	2,404	2,406	2,418	2,420	2,420	2,445	*25*
Libya	1,189	1,136	1,252	1,386	1,367	1,366	1,367	1,377	*10*
Nigeria	1,187	1,345	1,435	1,468	1,481	1,453	1,505	1,507	*2*
Saudi Arabia	9,606	8,955	8,935	8,941	9,183	9,184	9,360**	9,525**	*165*
UAE	2,944	2,916	2,884	2,906	2,958	2,930	3,033	3,141	*108*
Venezuela	783	921	982	1,035	1,062	1,066	1,069	1,084	*15*
Total OPEC	**..**	**..**	**..**	**..**	**..**	**..**	**..**	**..**	***..***

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

** Reported as federal government production, not including production of KRG.*

*** Saudi Arabia's supply to the market was 9,360 tb/d and 9,525 tb/d in June and July 2025, respectively; Saudi Arabia's production was 9,752 tb/d and 9,201 tb/d in June and July 2025, respectively.*

Source: OPEC.

Product Markets and Refinery Operations

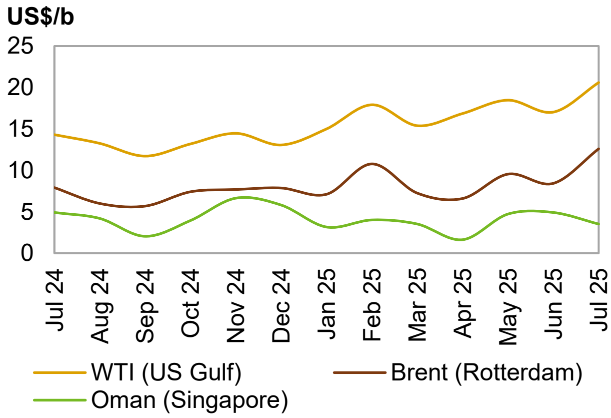
In July, Atlantic basin refinery margins recovered significantly, m-o-m, given the robust middle distillate crack spread performance. In the US Gulf Coast (USGC), all key products across the barrel showed gains, with lower diesel availability and low fuel oil imports leading to upward pressure on refining margins. In Rotterdam, middle distillate margins outperformed all other key products, with the expecting High Sulphur Fuel Oil (HSFO) reflecting a tighter diesel market. Refining margins in Singapore declined, m-o-m, as elevated product outflows from China weighed on product markets, leading to weakness at the top and bottom of the barrel.

According to preliminary data, global refinery intake in July rose further to reach a record-breaking high of 83.6 mb/d. This was 884 tb/d higher, m-o-m, and 2.0 mb/d higher, y-o-y.

Refinery margins

USGC refining margins against WTI reached a 16-month high in July. Tighter middle distillate balances in the USGC amid historically low diesel inventories and diesel production constraints exerted upward pressure on diesel/gasoil prices and crack spreads. These dynamics positioned diesel as the main margin driver in July. The resulting rise in diesel/gasoil margins likely contributed to a call for higher diesel yields at the cost of that for jet/kerosene. This, coupled with healthy air travel activities over the summer season and the subsequent uptick in jet/kerosene demand, likely contributed to higher jet/kerosene margins in the Atlantic Basin. Additionally, slight naphtha and gasoline gains further contributed to the upturn in July USGC refining margins.

Graph 6 - 1: Refining margins



Sources: Argus and OPEC.

According to preliminary data, refinery intake in the USGC remained nearly flat and added only 10 tb/d to the previous month's level, to average 17.24 mb/d in July. USGC margins against WTI averaged $20.62/b in July, up by $3.57, m-o-m, and up by $6.29, y-o-y.

Refinery margins in Rotterdam against Brent jumped and exhibited the largest m-o-m increase compared to other key trading hubs. This was possibly a result of the EU's 18th package of sanctions against Russia, as secondary sources reported possible signs of trade disruptions for Russian products. According to Vortexa, Russia's oil product exports declined in July to their lowest level in nine months amid reduced refinery rates and a spike in domestic summer demand. Vortexa data also showed refined fuel flows falling 4%, m-o-m, to 2.1 mb/d.

In addition, despite the m-o-m improvement in refinery throughput, an overall contraction in refining capacity within the region due to refinery closures has further contributed to limited diesel/gasoil supplies, resulting in unseasonably higher gasoil/diesel crack spreads. This has exacerbated the already tight middle distillate market, resulting from temporary East-West supply disruptions on the back of geopolitical tensions in the Middle East in 2Q25. In addition, the rise in gasoil margins prompted a maximisation of gasoil yields at the cost of reduced jet/kerosene yields, which supported jet/kerosene crack spreads. Going forward, jet kerosene crack spreads are expected to improve as air travel activities in Europe generally strengthen over the summer.

According to preliminary data, refinery runs in July showed a 270 tb/d rise to an average of 9.83 mb/d in EU-14 plus Norway and the UK. Refinery margins against Brent in Europe averaged $12.61/b in July, which was $4.17 higher, m-o-m, and $4.68 higher, y-o-y.

Singapore's refining margins against Oman receded from the 6-month high reached in June and were the only key reported hub to register a decline compared to the other reported key trading hubs. The decrease, although limited in magnitude relative to its western counterparts, was attributed to higher product supplies from China as losses at the top and bottom sections of the barrel offset middle distillate gains.

In June, China advanced the closure of PetroChina's 410 tb/d refinery with the shutdown of its last remaining 200 tb/d crude unit, in line with the state oil major's project to replace the plant with a smaller facility at a new site. However, this capacity loss was promptly offset by the wave of expansions registered this year, including a 340 tb/d addition in June by Sinopec and Hongrun, and a 120 tb/d addition in July by CNOOC.

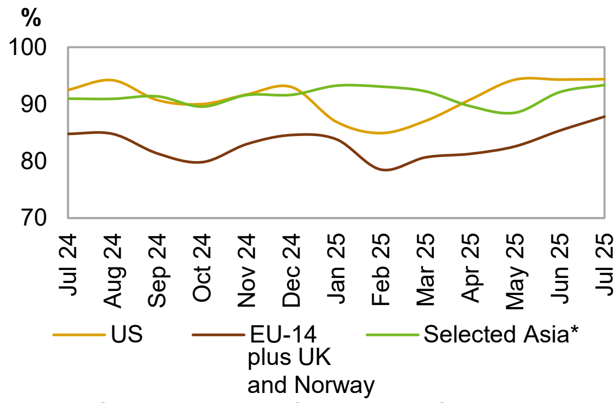
According to preliminary data, the combined July refinery intake for Japan, China, India, Singapore and South Korea registered an increase of 180 tb/d, m-o-m, to average 27.34 mb/d. Refinery margins against Oman averaged $3.54/b, which was $1.39 lower, both m-o-m and y-o-y.

Refinery operations

US refinery utilisation rates showed a 0.1 pp rise to an average of 94.38% in July. This corresponds to a throughput of 17.24 mb/d and represents a 10 tb/d rise relative to the level registered in June. Compared with the previous year, the July refinery utilisation rate was 1.9 pp higher, with throughput showing a 293 tb/d drop.

EU-14 plus the UK and Norway refinery utilisation averaged 87.83% in July, corresponding to a throughput of 9.83 mb/d. This represents a 2.5 pp, or 270 tb/d, rise, m-o-m. On a yearly basis, the utilisation rate was up by 3.0 pp, and throughput was 70 tb/d lower.

Graph 6 - 2: Refinery utilisation rates



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

In Selected Asia – Japan, China, India, Singapore and South Korea – refinery utilisation rates increased to an average of 93.39% in July, corresponding to a throughput of 27.34 mb/d. Compared with the previous month, utilisation rates were up 1.3 pp, and throughput was higher by 180 tb/d. Relative to the previous year, utilisation rates were 2.4 pp higher, while throughput was 1.60 mb/d higher.

Table 6 - 1: Refinery operations in selected OECD countries

	Refinery throughput, mb/d				*Refinery utilization, %*			
	May 25	Jun 25	Jul 25	Change Jul/Jun	May 25	Jun 25	Jul 25	Change Jul/Jun
US	**17.13**	**17.23**	**17.24**	**0.01**	**94.30**	**94.32**	**94.38**	**0.1 pp**
Euro-14, plus UK and Norway	**9.24**	**9.55**	**9.83**	**0.27**	**82.60**	**85.38**	**87.83**	**2.5 pp**
France	0.74	0.80	0.85	0.05	64.21	69.72	73.78	4.1 pp
Germany	1.69	1.69	1.71	0.02	98.59	98.53	99.59	1.1 pp
Italy	1.17	1.23	1.28	0.04	64.43	67.87	70.33	2.5 pp
UK	1.00	1.00	1.01	0.02	97.57	97.01	98.59	1.6 pp
Selected Asia	**25.98**	**27.16**	**27.34**	**0.18**	**88.50**	**92.14**	**93.39**	**1.3 pp**
China	13.98	15.21	15.27	0.06	82.26	88.88	90.35	1.5 pp
India	5.42	5.38	5.48	0.09	107.27	106.50	108.32	1.8 pp
Japan	2.18	2.15	2.19	0.04	70.18	69.27	70.45	1.2 pp
South Korea	2.92	2.93	2.94	0.02	96.78	97.14	97.70	0.6 pp

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

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

Refinery crude throughput	2022	2023	2024	3Q24	4Q24	1Q25	2Q25	3Q25
OECD Americas	**18.68**	**18.71**	**18.96**	**19.44**	**19.04**	**18.22**	**18.88**	**19.07**
of which US	*16.48*	*16.50*	*16.62*	*16.95*	*16.81*	*15.93*	*16.93*	*17.08*
OECD Europe	**11.44**	**11.38**	**11.28**	**11.37**	**11.25**	**11.07**	**10.92**	**11.16**
of which:								
France	*0.84*	*0.93*	*0.92*	*0.98*	*1.00*	*0.93*	*0.78*	*0.89*
Germany	*1.83*	*1.62*	*1.76*	*1.75*	*1.73*	*1.64*	*1.68*	*1.68*
Italy	*1.32*	*1.30*	*1.21*	*1.19*	*1.21*	*1.16*	*1.22*	*1.23*
UK	*1.04*	*0.97*	*0.98*	*0.95*	*1.02*	*0.92*	*1.00*	*1.00*
OECD Asia Pacific	**6.08**	**5.83**	**5.68**	**5.47**	**5.73**	**5.60**	**5.56**	**5.62**
of which Japan	*2.71*	*2.56*	*2.37*	*2.19*	*2.47*	*2.43*	*2.30*	*2.32*
Total OECD	**36.21**	**35.92**	**35.92**	**36.28**	**36.02**	**34.89**	**35.35**	**35.84**
Latin America	**3.44**	**3.54**	**3.69**	**3.72**	**3.70**	**3.64**	**3.53**	**3.61**
Middle East	**7.24**	**7.53**	**7.96**	**7.99**	**7.90**	**7.92**	**7.99**	**8.15**
Africa	**1.77**	**1.76**	**1.94**	**1.98**	**2.12**	**2.13**	**2.19**	**2.23**
India	**5.00**	**5.18**	**5.30**	**5.18**	**5.30**	**5.62**	**5.38**	**5.46**
China	**13.49**	**14.78**	**14.25**	**14.04**	**14.08**	**14.80**	**14.46**	**15.10**
Other Asia	**4.97**	**5.00**	**5.05**	**5.20**	**5.14**	**5.20**	**5.06**	**5.18**
Russia	**5.46**	**5.50**	**5.35**	**5.47**	**5.31**	**5.28**	**5.32**	**5.38**
Other Eurasia	**1.02**	**1.02**	**1.04**	**1.05**	**1.01**	**1.09**	**1.11**	**1.17**
Other Europe	**0.52**	**0.48**	**0.52**	**0.58**	**0.56**	**0.52**	**0.55**	**0.58**
Total Non-OECD	**42.91**	**44.78**	**45.09**	**45.20**	**45.13**	**46.20**	**45.58**	**46.86**
Total world	**79.12**	**80.70**	**81.01**	**81.48**	**81.15**	**81.08**	**80.93**	**82.70**

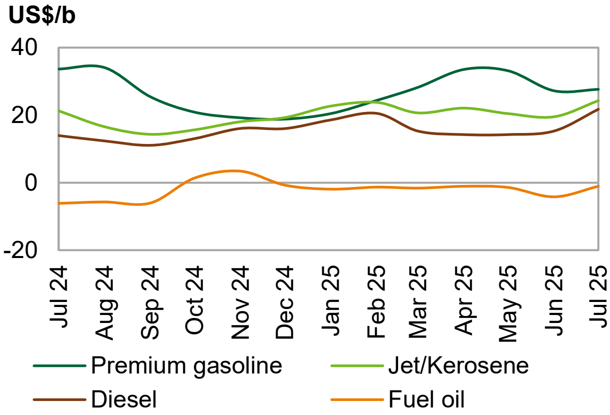
Note: Totals may not add up due to independent rounding.

Sources: AFREC, APEC, EIA, IEA, 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

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



Sources: Argus and OPEC.

The USGC gasoline crack spread against WTI increased following two consecutive months of losses. This m-o-m gain was the smallest recorded in the USGC compared to all other key products in July and was attributed to supportive fundamentals during peak driving season. Despite the slowdown in momentum, gasoline 93 retained its leading position as the highest profitable product in the USGC, in line with seasonal trends. Gasoline 93 wholesale prices remained nearly stable in the USGC, having declined only 6¢/b, m-o-m, but were $19.48 lower, y-o-y. With significant potential for increased gasoline consumption, in line with historic trends, gasoline crack spreads are expected to remain well sustained in the near term as road mobility is projected to remain supportive. The USGC gasoline crack spread gained 42¢, m-o-m, reaching an average of $27.63/b in July, and was $6.03 lower, y-o-y.

The USGC jet/kerosene crack spread against WTI showed a considerable gain and became the second strongest positive performer across the barrel, following gasoil. With this improvement, jet/kerosene crack spreads reached the highest level since April 2024, driven mainly by a tight market due to limited availability, particularly during the week ending 25 July. The USGC jet/kerosene crack spread rose by $4.79, m-o-m, averaging $24.30/b in July, which was $3.02 higher than the previous year.

The USGC gasoil crack spread against WTI soared in July as inventories contracted notably at the start of the month. The gasoil availability crunch initially reflected June's Middle East geopolitical tensions, which raised concerns over diesel and heavy crude flow disruptions through the Strait of Hormuz. While gasoil availability seems to be improving according to the most recent data, crack spreads for the corresponding product are expected to experience a downward correction going forward. The US gasoil crack spread against WTI averaged $21.79/b, which was $6.46 higher, m-o-m, and up by $7.81, y-o-y.

The USGC fuel oil 3.5% crack spread against WTI rebounded to fully regain the previous month's loss despite remaining in negative territory. Subdued fuel oil arrivals supported the product's performance. However, the relatively contracted fuel oil balance in the Atlantic basin could continue to sustain residual fuel markets in the USGC. Moreover, the upside potential for residual fuel requirements for feedstock blending and the seasonal upside in residual fuel demand for power generation in the East of Suez might provide added support in the near term. In July, the US fuel oil crack spread against WTI increased $3.14, m-o-m, to average negative $1.03/b, and was $5.08 higher, y-o-y.

European market

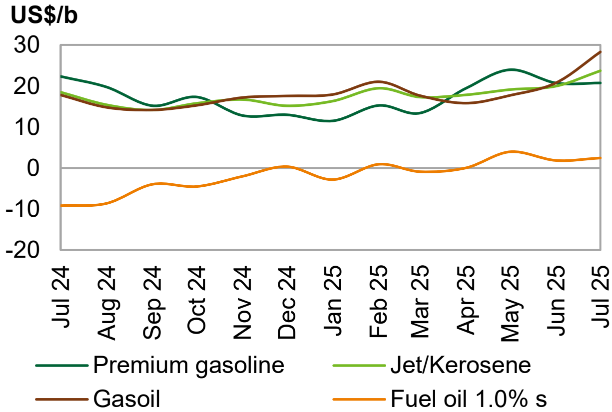
The gasoline crack spread in Rotterdam against Brent remained nearly flat, while the middle distillate-gasoline crack spread differential continued to widen, and middle distillates continued to outperform gasoline. Suppressed gasoline exports to West Africa and to the US, amid higher refinery runs in the region, led to a rising gasoline surplus, weighing on the fuel margin's performance. The gasoline crack spread against Brent averaged $20.76/b, which was 1¢ higher, m-o-m, but $1.59 lower, y-o-y.

In July, the jet/kerosene crack spread in Rotterdam against Brent increased for the fourth consecutive month to reach a 16-month high. Most of this improvement is attributed to a decline in jet/kerosene yields as refiners maximised gasoil output amid gasoil tightness. Improvement in air travel activities in Europe is expected to continue in the coming months and should provide added upside potential for jet/kerosene markets going forward. The Rotterdam jet/kerosene crack spread against Brent averaged $23.76/b, up by $3.75, m-o-m, and up by $5.23, y-o-y.

The gasoil crack spread in Rotterdam against Brent climbed to a 17-month high, showing gains for the third consecutive month as diesel inventories remained below historical levels in July. Moreover, a reduction in US biofuel production due to policy uncertainties in June continued to boost the fossil diesel market in the US, lending support to European gasoil markets. However, rising gasoil supplies and easing concerns over diesel/gasoil flows from the Middle East are pointing to downward pressure on European gasoil margins going forward.

The combination of stronger fundamentals and bullish gasoil market sentiment in Northwest Europe led to a $7.14 (compared to $10.33 in the previous month) increase in European gasoil prices, m-o-m, but was $3.80 lower, y-o-y. The gasoil crack spread against Brent averaged $28.31/b, up $7.54, m-o-m, and $10.50, 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 exhibited a slight gain but failed to fully recover the previous month's loss. Normalisation of residual fuel buying interest following the downturn registered in the previous month backed the product's crack spread performance. Going forward, fuel oil 1%s markets are expected to receive support from fuel conversion demand in the US, stronger requirements for feedstock blending across regions, and power generation in the Middle East. The fuel oil 1.0%s crack spread averaged $2.47 in July, which represented a 61¢ increase, m-o-m, and a $11.61 gain, y-o-y.

Asian market

The Southeast Asia gasoline 92 crack spread against Dubai declined, showing losses for the third consecutive month, with rising refinery output within the region and lengthened gasoline balances exerting downward pressure on gasoline margins. The margin averaged $7.08/b in July, down $3.80, m-o-m, and down $1.40, y-o-y.

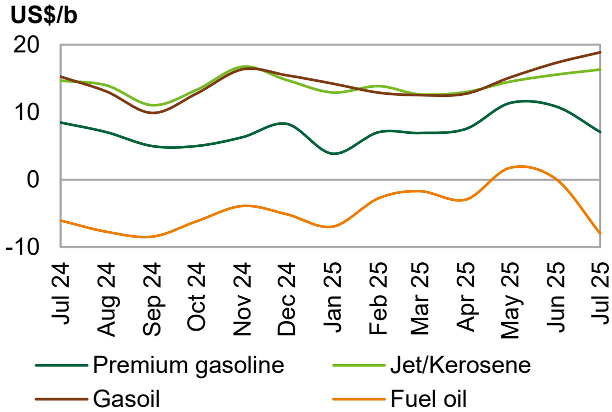
The Asian naphtha crack spread extended its downward trend in July to register a loss for the second consecutive month, falling deeper into negative territory. Subdued naphtha demand from the petrochemical sector weighed on naphtha markets, while elevated refinery runs and healthy naphtha output in the region added to the pressure. The Singapore naphtha crack spread against Dubai averaged negative $7.93/b, which was $2.84 lower, m-o-m, but was 98¢ higher, y-o-y.

In the middle of the barrel, the jet/kerosene crack spread increased. The positive market sentiment surrounding air travel during the summer season provided significant support. The Singapore jet/kerosene crack spread against Dubai averaged $16.32/b, up 76¢, m-o-m, and up $1.64, y-o-y.

The Singapore gasoil crack spread kept its upward momentum and reached a new multi-month high in July, outperforming all other products to become the main margin contributor. Moreover, the gasoil crack spread differential widened in July as gasoil margins continued to outperform those of jet/kerosene due to a contraction in gasoil availability.

The middle distillate market tightness in the northern hemisphere added support as it provided an arbitrage opening for middle distillate flows from Asia to the Atlantic Basin. The Singapore gasoil crack spread against Dubai averaged $18.90/b, up $1.57, m-o-m, and $3.61, y-o-y.

Graph 6 - 5: Singapore crack spreads vs. Dubai



Sources: Argus and OPEC.

The Singapore fuel oil 3.5% crack spread plummeted, falling deeper into negative territory due to a hike in residual fuel inflows. However, going forward, residual fuel markets are expected to strengthen as the product's balance remains tight, y-o-y, in the Atlantic basin, and demand is expected to remain supported in the Middle East, backed by power generation for cooling demand. Additionally, the recent increase in fuel oil tax rebates in China will most likely boost fuel oil imports in the country for feedstock blending. Singapore's HSFO crack spread against Dubai averaged negative $7.98/b, down $8.07, m-o-m, and down $1.91, y-o-y.

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

Event	Time frame	Observations	Asia	Europe	US
Chinese fuel oil consumption tax rebate increase	Aug 25 onwards	Fuel oil import tax rebates were increased towards early July for 6 independent refiners in China. This measure should help improve refining margins for the 6 teapot refiners, boost fuel oil buying interest and exert upward pressure on fuel oil crack spreads.	↑ Support fuel oil crack spreads	↑ Support fuel oil crack spreads	↑ Support fuel oil crack spreads
Summer season	Aug 25–Oct 25	Projections of increased demand for transport fuels – particularly for gasoline and jet fuel – driven by higher road traffic and air travel, are expected to support product markets over the summer months.	↑ Support transport fuel crack spreads	↑ Support transport fuel crack spreads	↑ Support transport fuel crack spreads
Impact of the most recent refinery capacity additions	Aug 25 onwards	The potential influx of new product volumes into international markets, particularly from Yulong Petrochemical, Olmeca, and Dangote refineries, is expected to lengthen product balances.	↓ Pressure on product markets	↓ Pressure on product markets	↓ Pressure on product markets
Impact of the most recent refinery closures	Aug 25 onwards	Around 860 tb/d of refining capacity losses are expected for 2025; however, at the same time, expansions and new refineries are expected to ramp-up with considerable volumes.	↑ Support product markets	↑ Support product markets	↑ Support product markets

Source: OPEC.

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

		Jun 25	Jul 25	Change Jul/Jun	Annual avg. 2024	Year-to-date 2025
US Gulf (Cargoes FOB)						
Naphtha*		61.72	62.23	0.51	74.02	67.18
Premium gasoline	(unleaded 93)	95.06	95.00	-0.06	106.21	95.49
Regular gasoline	(unleaded 87)	87.09	87.86	0.77	94.42	86.77
Jet/Kerosene		87.36	91.67	4.31	98.81	89.62
Gasoil	(0.2% S)	83.18	89.16	5.98	84.13	84.87
Fuel oil	(3.0% S)	65.24	67.70	2.46	69.05	65.14
Rotterdam (Barges FOB)						
Naphtha		61.67	61.34	-0.33	72.52	65.06
Premium gasoline	(unleaded 98)	92.10	91.71	-0.39	106.14	89.46
Jet/Kerosene		91.36	94.71	3.35	100.61	90.72
Gasoil/Diesel	(10 ppm)	92.12	99.26	7.14	100.70	91.47
Fuel oil	(1.0% S)	73.21	73.42	0.21	73.78	72.38
Fuel oil	(3.5% S)	68.60	68.29	-0.31	72.12	68.60
Mediterranean (Cargoes FOB)						
Naphtha		60.25	59.80	-0.45	70.43	63.25
Premium gasoline**		86.39	85.46	-0.93	95.24	84.10
Jet/Kerosene		88.74	91.20	2.46	97.31	87.70
Diesel		91.20	97.13	5.93	99.64	90.09
Fuel oil	(1.0% S)	77.27	77.66	0.39	78.25	75.96
Fuel oil	(3.5% S)	65.28	64.75	-0.53	69.17	65.08
Singapore (Cargoes FOB)						
Naphtha		64.10	62.89	-1.21	72.73	66.56
Premium gasoline	(unleaded 95)	81.97	79.59	-2.38	92.98	81.26
Regular gasoline	(unleaded 92)	80.07	77.90	-2.17	88.33	79.57
Jet/Kerosene		84.75	87.14	2.39	95.20	85.88
Gasoil/Diesel	(50 ppm)	86.72	90.49	3.77	95.98	87.19
Fuel oil	(180 cst)	85.12	88.34	3.22	94.56	85.83
Fuel oil	(380 cst 3.5% S)	69.28	62.84	-6.44	71.16	68.81

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

Sources: Argus and OPEC.

Tanker Market

Dirty tanker spot freight rates experienced declines across all monitored routes in July, as geopolitical uncertainties eased. VLCC rates saw the strongest decline, dropping 14% on average. Declines were more pronounced on East of Suez routes, with VLCC spot freight rates on the Middle East-to-East route down 20%, m-o-m, compared with a decline of 6% on the Middle East-to-West route.

Suezmax rates saw a more moderate decline, falling by around 5% in the Atlantic Basin, as disruptions in the Mediterranean limited declines for both Suezmax and Aframax vessels. Spot freight rates on the US Gulf Coast (USGC) to Europe route fell 7%. The Aframax market also benefited from a pickup in activity towards the end of the month. Spot freight rates around the Mediterranean fell by about 2%, while rates on the Indonesia-to-East route were down just 1%, m-o-m.

In the clean tanker market, spot rates were mixed, with rates around the Mediterranean up by about 5%, m-o-m, while East of Suez rates declined by 11% on average.

Dirty tanker freight rates

Very large crude carriers (VLCC)

VLCC spot freight rates fell, m-o-m, in July, driven by declines East of Suez, amid an easing geopolitical situation compared with the previous month. On average, VLCC spot freight rates were down 14%, m-o-m, but only 4% lower over the same month last year.

On the Middle East-to-East route, rates averaged WS48 in July, representing a drop of 20% from the previous month. Rates were 4% lower, y-o-y.

Spot freight rates on the Middle East-to-West route fell 6%, m-o-m, to average WS33. Compared with the same month in 2024, rates were 3% lower.

On the West Africa-to-East route, spot freight rates decreased by 12%, m-o-m, to average WS51. Compared with the same month in 2024, rates fell by 6%.

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

VLCC	Size 1,000 DWT	May 25	Jun 25	Jul 25	Change Jul 25/Jun 25
Middle East/East	230-280	60	60	48	-12
Middle East/West	270-285	33	35	33	-2
West Africa/East	260	62	58	51	-7

Sources: Argus and OPEC.

Suezmax

Spot freight rates for Suezmax vessels joined in the decline in July, down 5% on average, m-o-m. Declines were somewhat limited by temporary disruptions in the Mediterranean. Compared with the same month last year, rates for the vessel class were down 19% on average.

On the West Africa-to-USGC route, spot freight rates in July averaged WS73, representing a drop of 5%, m-o-m. Compared with the same month in 2024, spot rates on the route were down 19%. Rates on the USGC-to-Europe route dropped 7%, m-o-m, to average WS67. Compared with the same month in 2024, rates were down 18%.

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

Suezmax	Size 1,000 DWT	May 25	Jun 25	Jul 25	Change Jul 25/Jun 25
West Africa/US Gulf Coast	130-135	80	77	73	-4
US Gulf Coast/Europe	150	74	72	67	-5

Sources: Argus and OPEC.

Aframax

Aframax spot freight rates reversed course in July in monthly terms, despite East of Suez rates holding broadly stable. On average, Aframax rates declined 5%, m-o-m. Activities picked up towards the end of the month, limiting declines. Compared with the same month last year, rates for the vessel class were 18% lower on average.

On the Indonesia-to-East route, dirty spot freight rates dipped 1%, m-o-m, to an average of WS117 in July. Y-o-y, rates on the route were down 25%.

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

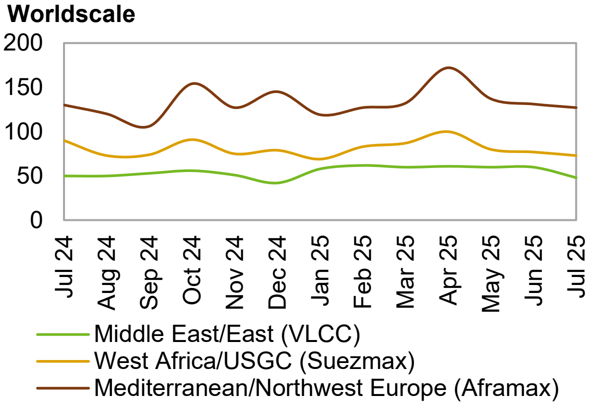
Aframax	Size *1,000 DWT*	May 25	Jun 25	Jul 25	*Change* Jul 25/Jun 25
Indonesia/East	80-85	116	118	117	-1
Caribbean/US East Coast	80-85	135	152	130	-22
Mediterranean/Mediterranean	80-85	138	134	131	-3
Mediterranean/Northwest Europe	80-85	137	131	127	-4

Sources: Argus and OPEC.

Spot freight rates on the Caribbean-to-US East Coast (USEC) route erased the previous month's gains, dropping 14%, m-o-m, to average WS130. Compared with the same month last year, rates were down 31%.

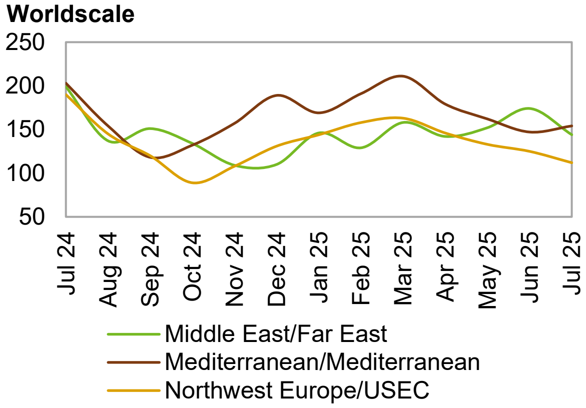
Spot freight rates around the Mediterranean experienced a lower decline, with cross-Med rates down 2%, m-o-m, to average WS131. Y-o-y, spot rates on the route were 7% lower. Rates on the Med-to-Northwest Europe (NWE) route declined 3%, m-o-m, to average WS127. Compared with the same month in 2024, rates were down just 2%.

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 also mixed in July. East of Suez rates fell on average by 11%, m-o-m, while West of Suez rates were flat, as gains around the Med offset declines elsewhere in the Atlantic Basin. Compared with the previous year, East of Suez and West of Suez rates were down by 29% on average.

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

East of Suez	Size *1,000 DWT*	May 25	Jun 25	Jul 25	*Change* Jul 25/Jun 25
Middle East/East	30-35	152	174	144	-30
Singapore/East	30-35	158	171	162	-9
West of Suez					
Northwest Europe/US East Coast	33-37	133	125	112	-13
Mediterranean/Mediterranean	30-35	162	147	154	7
Mediterranean/Northwest Europe	30-35	172	157	164	7

Sources: Argus and OPEC.

Rates on the Middle East-to-East route dropped 17%, m-o-m, to average WS144. Compared with July 2024, rates were down 28%. Clean spot freight rates on the Singapore-to-East route lost 5%, m-o-m, to average WS162. This represents a 29% decline compared with the same month in 2024.

In the Atlantic Basin, clean rates on the NWE-to-USEC route averaged WS112, representing a decline of 10%, m-o-m, and 41%, y-o-y. In contrast, rates around the Mediterranean increased, with the Cross-Med averaging WS154, representing an increase of 5%. Rates on the Med-to-NWE route averaged WS164 for a gain of 4%. Y-o-y, spot freight rates on these two routes were down 24% and 23%, respectively.

Crude and Refined Products Trade

In July, US crude imports averaged 6.1 mb/d, broadly in line with the previous month's level, according to estimates based on preliminary data. So far this year, US crude imports are down by 14% compared with the same period last year. US crude exports declined for the fifth month in a row to average just 3.3 mb/d, the lowest level since March 2022. Product imports fell to an eight-month low of 1.6 mb/d, while US product exports fell by 3%, m-o-m, but remained strong, averaging 6.7 mb/d.

OECD Europe crude imports experienced a seasonal decline in June, according to preliminary estimates, remaining close to the five-year average. Product imports into the region fell 10%, m-o-m, with all major categories contributing, while exports picked up amid higher gasoline and diesel outflows.

Official data for Japan shows crude imports in June fell below 2 mb/d for the first time since June 2021. Japan's product imports also fell to a 21-month low of 722 tb/d. Product exports recovered from a low level to average 405 tb/d.

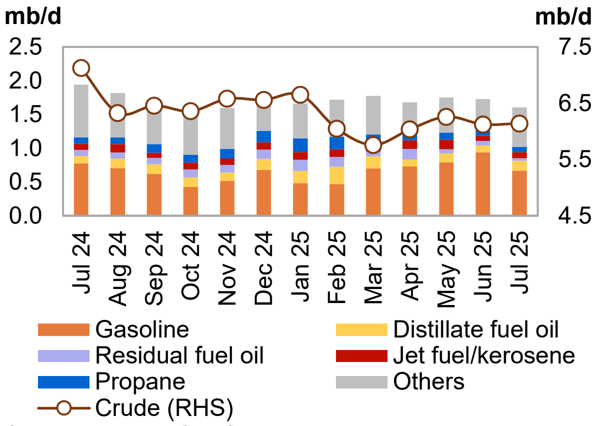
China's crude imports jumped to a 22-month high in June, averaging 12.2 mb/d. Product imports declined following a drop in LPG inflows, while product exports recovered, driven by a jump in fuel oil exports.

India's crude imports in June slipped to just below 5 mb/d for the first time in five months. Product imports reached a seven-month high of 1.3 mb/d. Product exports fell by 3%, m-o-m, to average just under 1.4 mb/d.

US

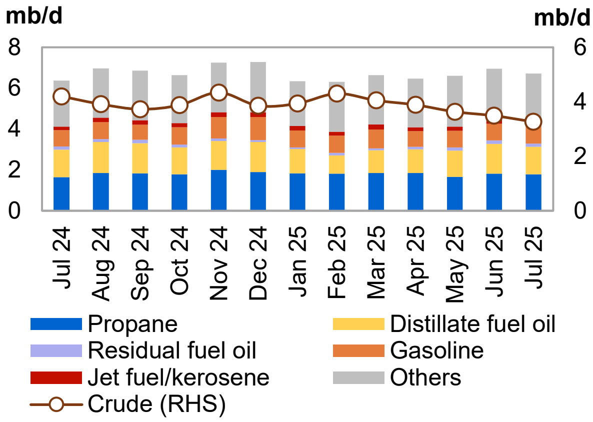
US crude imports remained close to the previous month's level in July, averaging 6.1 mb/d. According to preliminary EIA weekly data, higher inflows from Canada, Ecuador and Iraq were offset by declines from Mexico, Venezuela, and Brazil. Compared with the same month last year, crude imports were 938 tb/d, or about 14%, lower.

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 declined for the fifth month in a row in July to average 3.3 mb/d, the lowest level since March 2022. M-o-m, crude oil outflows declined by 224 tb/d, or over 6%. According to tanker tracking estimates, declines were primarily due to lower flows to Europe and Africa, particularly Nigeria. Compared with the same month last year, crude exports were 932 tb/d, or over 22%, lower.

In July, US net crude imports averaged close to 2.9 mb/d, representing a 12-month high. This compares with net crude exports of 2.6 mb/d the previous month and net exports of 2.9 mb/d in July of last year.

Regarding products, US imports fell by 124 tb/d, or about 7%, m-o-m, to average over 1.6 mb/d, representing an eight-month low. Declines were primarily driven by a 28% drop in gasoline imports. Compared with the same month in 2024, product inflows were down by 336 tb/d, or about 17%.

Product exports averaged 6.7 mb/d in July, reflecting a drop of 230 tb/d, or about 3%, from the prior month. Distillate fuel oil contributed the largest decline in outflows, partly offset by a m-o-m increase in gasoline exports. Compared with the same month last year, product exports were up by 346 tb/d, or more than 5%.

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

US	May 25	Jun 25	Jul 25	Change Jul 25/Jun 25
Crude oil	2.63	2.64	2.88	0.24
Total products	-4.85	-5.21	-5.11	0.11
Total crude and products	**-2.22**	**-2.58**	**-2.23**	**0.35**

Note: Totals may not add up due to independent rounding.
Sources: EIA and OPEC.

As a result, net product exports averaged 5.1 mb/d in July, down from 5.2 mb/d the month before. In July 2024, net product exports averaged 4.4 mb/d. Combined net crude and product exports averaged 2.2 mb/d in July, down from 2.6 tb/d the month before and 1.5 mb/d in the same month last year.

OECD Europe

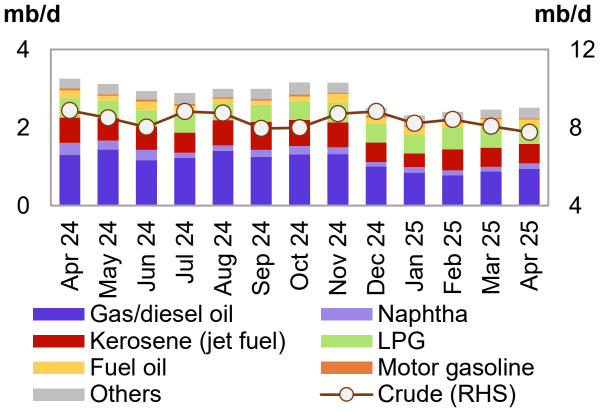
The latest official regional data for OECD Europe shows that crude imports averaged almost 7.8 mb/d in April. This represents a drop of 316 tb/d, or about 4%, m-o-m, and a decline of 1.1 mb/d, or almost 13%, y-o-y.

In terms of import sources from outside the region, the US provided the highest contribution in April at almost 1.5 mb/d, up from 1.4 mb/d the month before. Libya and Kazakhstan added about 1.0 mb/d each.

Crude exports outside the region averaged 181 tb/d in April, compared with 140 tb/d the month before and 397 tb/d in the same month last year. In April, China was the top destination outside the region, taking in 131 tb/d, up from 64 tb/d the month before.

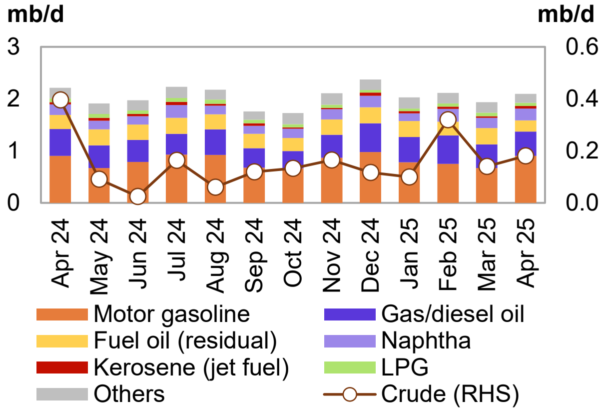
Net crude imports averaged just under 7.6 mb/d in April, compared with 7.9 mb/d the month before. In the same month of 2024, net crude imports averaged 8.5 mb/d.

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 averaged 2.5 mb/d in April, edging up 51 tb/d, or about 2%, m-o-m. Gains were driven by higher inflows of ethane and motor fuels, and were partly offset by declines in fuel oil and LPG. Compared with April 2024, product inflows were lower by 742 tb/d, or about 23%.

Product exports averaged 2.1 mb/d in April, representing an increase of 163 tb/d, or over 8%, m-o-m. This was driven largely by a jump in gasoline exports, which were partly offset by a decline in fuel oil exports. Compared with the same month in 2024, product exports declined by 117 tb/d, or about 5%.

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

OECD Europe	Feb 25	Mar 25	Apr 25	Change Apr 25/Mar 25
Crude oil	8.09	7.93	7.57	-0.36
Total products	0.29	0.52	0.41	-0.11
Total crude and products	**8.37**	**8.45**	**7.98**	**-0.47**

Note: Totals may not add up due to independent rounding.
Sources: IEA and OPEC.

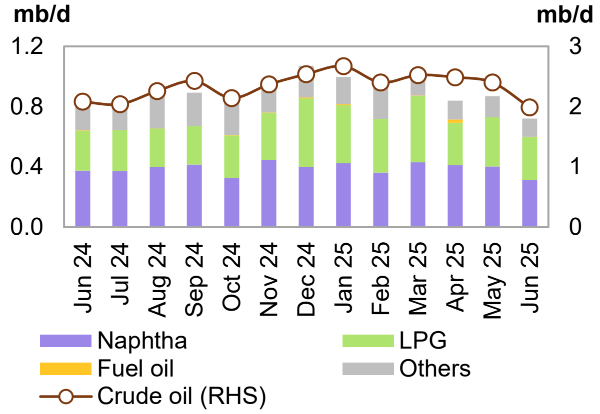
Net product imports averaged 413 tb/d in April, compared with 525 tb/d the month before and 1.0 mb/d in April 2024. Combined net crude and product imports averaged just under 8 mb/d in April. This was down from 8.5 mb/d the month before and 9.5 mb/d in April 2024.

Japan

Japan's crude imports averaged just under 2 mb/d in June – the first time below 2 mb/d since June 2021. M-o-m, crude imports declined by 417 tb/d, or around 17%, compared with the previous month. However, y-o-y, crude imports only dropped by 95 tb/d, or almost 5%.

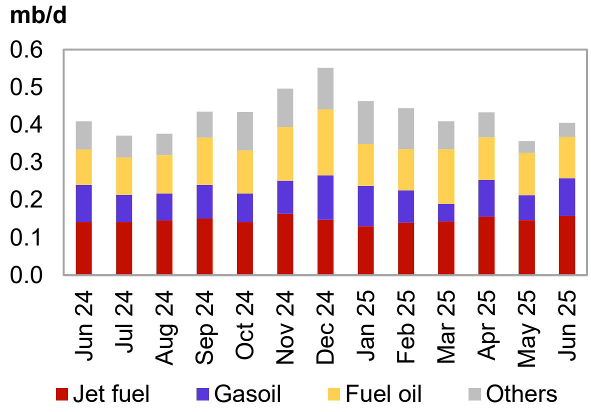
The United Arab Emirates held the largest share of Japan's crude imports in June, with over 52%, compared with around 41% the month before. Saudi Arabia was second with 33%, down from about 41% the month before, while Kuwait was third with 6%.

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, averaged 722 tb/d in June, the lowest level since March 2019. M-o-m, product imports were down by 147 tb/d, or 17%. The decrease was led by naphtha and LPG and partly offset by higher outflows of gasoil. Compared with June 2024, product imports were 93 tb/d, or about 11%, lower.

Product exports, including LPG, recovered slightly from the previous month's decline, up by 49 tb/d, or almost 14%, m-o-m. For the month, product outflows averaged 405 tb/d. Gasoline and gasoil drove gains, with further contributions from jet fuel, naphtha, and fuel oil. Product outflows edged down by 4 tb/d, or 1%, compared with the same month last year.

Consequently, Japan's net product imports, including LPG, averaged 316 tb/d in June. This compares with 513 tb/d the month before and 405 tb/d in June 2024.

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

Japan	Apr 25	May 25	Jun 25	*Change* Jun 25/May 25
Crude oil	2.49	2.40	1.99	-0.42
Total products	0.41	0.51	0.32	-0.20
Total crude and products	**2.89**	**2.92**	**2.30**	**-0.61**

Note: Totals may not add up due to independent rounding.
Sources: METI and OPEC.

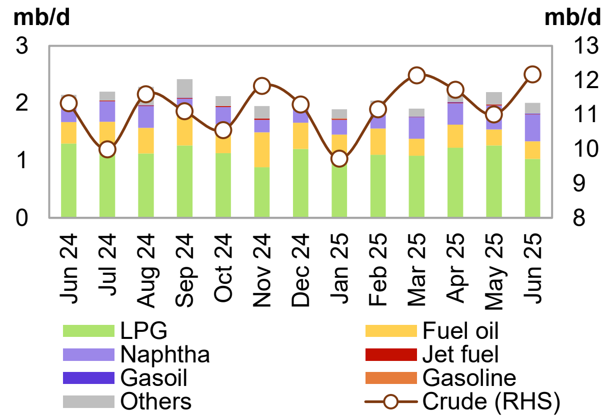
China

China's crude imports jumped to a 22-month high in June to average 12.2 mb/d. Compared with the month before, crude imports rose by 1.2 mb/d, or about 11%. Compared with the same month last year, they were up 839 tb/d, or over 7%.

In terms of share of crude imports by source, Russia remained in the top spot in June with 17%, down from 18% in May. Saudi Arabia was second with 16%, up from 12% the previous month, followed by Malaysia with 14% and Iraq with 10%.

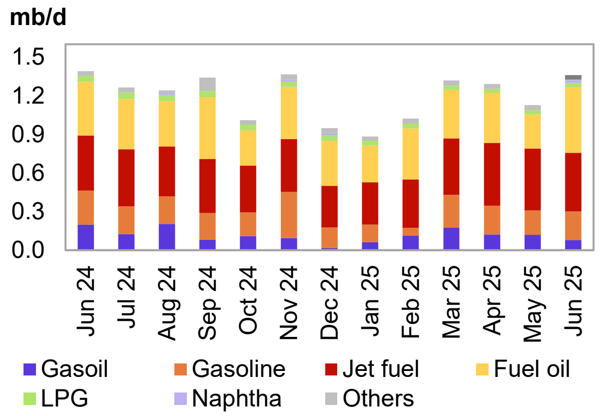
Product imports, including LPG, declined in June. Inflows averaged 2.0 mb/d for the month, a decline of 183 tb/d, or over 8%, m-o-m. Losses were led by LPG imports, which were down by about 20%. Compared with the same period in 2024, product imports fell by 140 tb/d, or over 6%.

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 exports, including LPG, recovered following two months of decline. Compared with the previous month, exports rose 230 tb/d, or more than 20%, to average 1.4 mb/d for the month. Gains were due largely to a jump in fuel oil outflows, with further support from gasoline and naphtha. Compared with the same month in 2024, they were lower by 33 tb/d, or about 2%.

Net product imports averaged 650 tb/d in June, compared with 1.1 mb/d the month before. In the same month last year, net product imports averaged 757 tb/d.

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

China	Apr 25	May 25	Jun 25	*Change* Jun 25/May 25
Crude oil	11.68	10.96	11.87	0.90
Total products	0.95	1.06	0.65	-0.41
Total crude and products	**12.63**	**12.03**	**12.52**	**0.49**

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

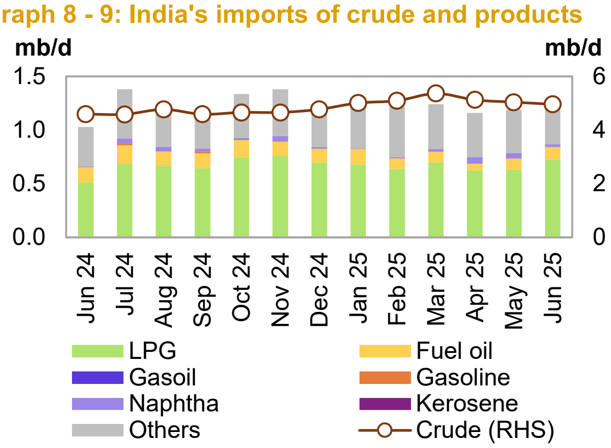
Sources: GACC and OPEC.

India

India's crude imports in June slipped below 5 mb/d for the first time in five months. M-o-m, crude inflows averaged 4.96 mb/d, representing a decline of 80 tb/d, or less than 2%, from the month before. Y-o-y, crude imports were up by 366 tb/d, or 8%.

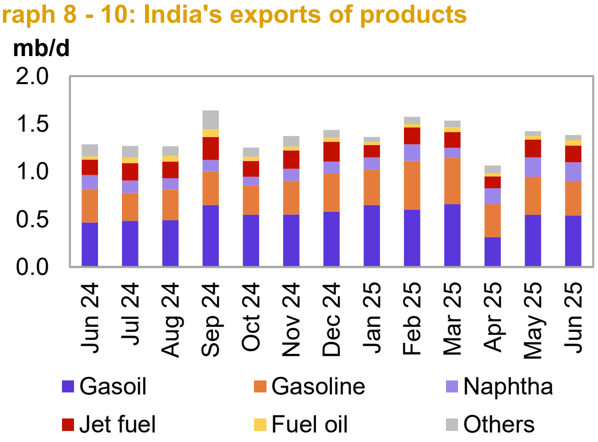
In terms of crude imports by source, Kpler data shows Russia had a 45% share of India's total crude imports in June, up from 44% in the previous month. Iraq was second with 18%, followed by Saudi Arabia with 12%.

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.

For products, imports reached a seven-month high of 1.3 mb/d. This represented an increase of 96 tb/d, or about 8%, m-o-m. A jump in LPG to a seven-month high drove the increase in imports, with additional support from fuel oil. Y-o-y, product imports rose by 256 tb/d, or almost 25%.

Product exports fell back in June after strong gains the month before. Inflows dipped by 38 tb/d, or nearly 3%, m-o-m, to average around 1.4 mb/d. Declines were led by gasoline and partly offset by higher outflows of fuel oil. Y-o-y, product exports were 97 tb/d, or about 8%, higher.

Net product exports averaged 100 tb/d in June. This compares with net exports of 234 tb/d the month before and 259 tb/d in June 2024.

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

India	Apr 25	May 25	Jun 25	Change Jun 25/May 25
Crude oil	5.12	5.04	4.96	-0.08
Total products	0.10	-0.23	-0.10	0.13
Total crude and products	**5.22**	**4.80**	**4.86**	**0.05**

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 edged up slightly in June, m-o-m, amid higher flows out of the Black Sea on both the Transneft and CPC systems. For the month, crude outflows averaged close to 6.5 mb/d, which represents an increase of 23 tb/d, or less than 1%, compared with the previous month. Y-o-y, total crude exports were broadly unchanged.

In the Transneft system, crude exports in June fell by 67 tb/d, or about 2%, m-o-m. Outflows averaged 3.7 mb/d, representing a decline of 122 tb/d, or 3%, compared with the same month last year. Exports through Novorossiysk on the Black Sea fell by 26 tb/d, or about 5%, m-o-m, to average 472 tb/d. In contrast, crude exports via Baltic Sea ports rose. Flows from Primorsk were up by 26 tb/d, or 3%, m-o-m, to average 841 tb/d, while exports via Ust-Luga rose 86 tb/d, or about 15%, to average 667 tb/d. Combined, crude exports via Transneft's Baltic Sea terminals increased by 112 tb/d compared with May, or 8%, to average 1.5 mb/d. Y-o-y, combined Baltic Sea flows were broadly unchanged.

Shipments via the Druzhba pipeline fell by 16 tb/d, or 6%, m-o-m, to average 238 tb/d. Compared with the same month in 2024, exports via the pipeline were up by 63 tb/d, or 36%. Exports to inland China via the ESPO pipeline dropped by 29 tb/d, or about 5%, compared with May, to average 603 tb/d. Y-o-y, this was a gain of 17%, or about 3%. Exports from the Pacific port of Kozmino were down by 108 tb/d, or almost 11%, m-o-m, to average 892 tb/d. Compared with the same month last year, exports via Kozmino were still up by 29 tb/d, or about 3%.

In the Lukoil system, exports via the Varandey offshore platform in the Barents Sea averaged 98 tb/d, representing a decline of 8 tb/d, or about 8%, from the previous month. Compared with the same month last year, crude exports from the platform were broadly unchanged.

On other routes, exports from Russia's far east port of Aniva Bay declined by 43 tb/d, or about 46%, m-o-m, while flows from De Kastri slipped 3 tb/d, or 2%, over the same period. Combined, the two ports exported 210 tb/d of crude on average in June.

Central Asian exports averaged 238 tb/d in June, representing an increase of 12 tb/d, or about 5%, m-o-m. Compared with the same month last year, exports were up by 19 tb/d, or about 9%.

Total Black Sea exports from the CPC terminal in June rose by 122 tb/d, or about 8%, m-o-m, to average 1.6 mb/d. Y-o-y, exports were up by 194 tb/d, or about 14%. Exports via the BTC pipeline were up 10 tb/d, or about 2%, to average 578 tb/d. This represents a decline of 66 tb/d, or 10%, compared with the same month last year.

Total product exports from Russia and Central Asia declined by 122 tb/d, or about 5%, m-o-m, to average 2.4 mb/d in June. The m-o-m drop was driven by gasoil and gasoline. Y-o-y, total product exports were 215 tb/d, or almost 10%, higher, with gains led by higher outflows of fuel oil.

Commercial Stock Movements

Preliminary June 2025 data show that OECD commercial inventories stood at 2,789 mb, which is 3.2 mb lower than the previous month. At this level, OECD commercial stocks were 57.9 mb lower than the same month last year, 91.7 mb lower than the latest five-year average, and 158.6 mb below the 2015–2019 average. Within the components, crude stocks went down by 9.6 mb, while product stocks rose by 6.3 mb, m-o-m.

OECD crude oil commercial stocks stood at 1,348 mb. This was 12.2 mb lower than a year ago, 47.3 mb below the latest five-year average, and 117.4 mb less than the 2015–2019 average.

OECD total product stocks stood at 1,441 mb. This is 45.7 mb lower than a year ago, 44.4 mb less than the latest five-year average, and 41.2 mb below the 2015–2019 average.

In terms of days of forward cover, OECD commercial oil stocks fell by 0.1 days, m-o-m, in June to stand at 60.2 days. This is 1.4 days lower than the level registered in June 2024, 3.9 days less than the latest five-year average, and 1.6 days lower than the 2015–2019 average.

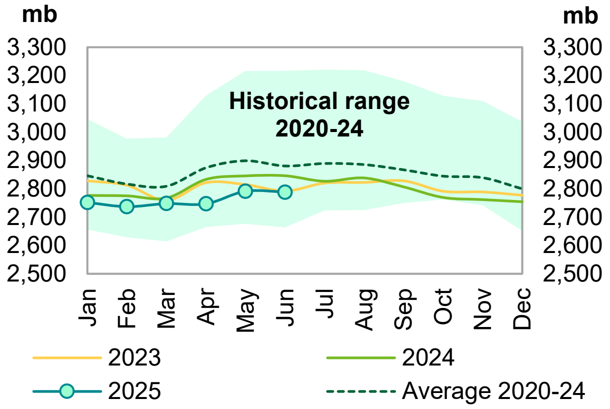
OECD

Preliminary June 2025 data show that OECD commercial inventories stood at 2,789 mb, a decline of 3.2 mb from the previous month. At this level, OECD commercial stocks were 57.9 mb less than the same time last year, 91.7 mb lower than the latest five-year average, and 158.6 mb below the 2015–2019 average.

Within the components, crude stocks fell by 9.6 mb, m-o-m, while product stocks rose by 6.3 mb, m-o-m.

Within the OECD regions, OECD America and OECD Asia Pacific saw a stock draw in June, while OECD Europe witnessed a stock build when compared to the previous month.

Graph 9 - 1: OECD commercial oil stocks



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

OECD commercial crude stocks fell by 9.6 mb, m-o-m, ending June at 1,348 mb. This was 12.2 mb lower than the same time a year ago, 47.3 mb below the latest five-year average, and 117.4 mb less than the 2015–2019 average.

Within the OECD regions, OECD America and OECD Asia Pacific saw a crude stock draw of 11.6 mb and 3.0 mb, m-o-m, respectively, while crude stocks in OECD Europe rose by 5.0 mb, m-o-m, in June.

By contrast, OECD total product stocks increased by 6.3 mb, m-o-m, in June to stand at 1,441 mb. This is 45.7 mb lower than the same time a year ago, 44.4 mb less than the latest five-year average, and 41.2 mb below the 2015–2019 average.

Within the OECD regions, product stocks in OECD America witnessed a stock build of 9.3 mb, while OECD Europe and OECD Asia Pacific crude stocks saw a draw of 0.6 mb and 2.4 mb, m-o-m, respectively.

Table 9 - 1: OECD commercial stocks, mb

OECD stocks	Jun 24	Apr 25	May 25	Jun 25	*Change Jun 25/May 25*
Crude oil	1,360	1,348	1,358	1,348	*-9.6*
Products	1,486	1,400	1,434	1,441	*6.3*
Total	**2,847**	**2,747**	**2,792**	**2,789**	***-3.2***
Days of forward cover	**61.6**	**60.0**	**60.3**	**60.2**	***-0.1***

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 0.1 days, m-o-m, in June, to stand at 60.2 days. This is 1.4 days lower than the level registered in June 2024, 3.9 days less than the latest five-year average, and 1.6 days lower than the 2015–2019 average.

Within the OECD regions, OECD Americas stood at 5.0 days below the latest five-year average, at 58.8 days. OECD Europe was 4.8 days below the five-year average, at 66.2 days. OECD Asia Pacific was 1.7 days higher than the latest five-year average, standing at 53.0 days.

OECD Americas

OECD Americas' total commercial stocks fell by 2.2 mb, m-o-m, in June, to settle at 1,490 mb. This is 62.2 mb lower than the same month in 2024, and 64.7 mb below the latest five-year average.

Commercial crude oil stocks in OECD Americas decreased in June by 11.6 mb, m-o-m, to stand at 732 mb, which is 43.6 mb lower than in June 2024, and 50.9 mb below the latest five-year average.

By contrast, total product stocks in OECD Americas went up by 9.3 mb, m-o-m, in June to stand at 758 mb. This is 18.6 mb lower than the same month in 2024, and 13.8 mb below the latest five-year average. Lower consumption in the region was behind the product stock build.

OECD Europe

OECD Europe's total commercial stocks rose in June by 4.4 mb, m-o-m, to settle at 931 mb. This is 18.6 mb lower than the same month in 2024, and 39.4 mb below the latest five-year average.

OECD Europe's commercial crude stocks increased by 5.0 mb, m-o-m, to end June at 421 mb. This is 9.1 mb higher than one year ago, but 6.3 mb less than the latest five-year average.

By contrast, total product stocks fell by 0.6 mb, m-o-m, to end June at 510 mb. This is 27.7 mb lower than the same time a year ago, and 33.1 mb below the latest five-year average.

OECD Asia Pacific

OECD Asia Pacific's total commercial oil stocks went down in June by 5.4 mb, m-o-m, to stand at 368 mb. This is 22.9 mb higher than the same time a year ago, and 12.3 mb above the latest five-year average.

OECD Asia Pacific's crude stocks fell by 3.0 mb, m-o-m, to end June at 195 mb. This is 22.3 mb higher than one year ago, and 9.9 mb above the latest five-year average.

OECD Asia Pacific's product stocks also decreased by 2.4 mb, m-o-m, to end June at 173 mb. This is 0.6 mb higher than one year ago, and 2.5 mb above the latest five-year average.

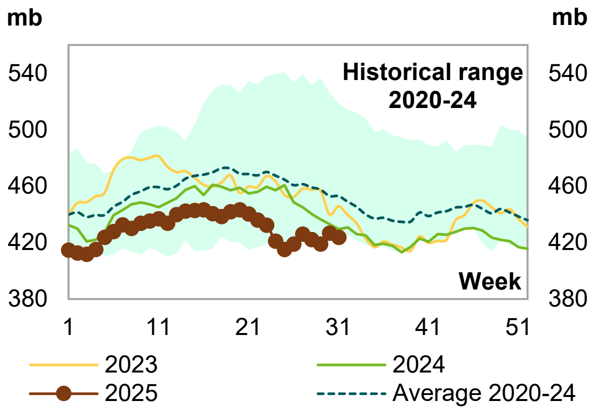
US

Preliminary data for July 2025 shows that total US commercial oil stocks rose by 19.7 mb, m-o-m, to stand at 1,260 mb. This is 25.8 mb, or 2.0%, lower than the same month in 2024; and 40.8 mb, or 3.1%, below the latest five-year average. Crude and products stocks rose by 4.7 mb and 15.0 mb, m-o-m, respectively.

US commercial crude stocks in July stood at 423.7 mb. This is 3.5 mb, or 0.8%, less than the same month in 2024 and 26.4 mb, or 5.9%, below the latest five-year average. The monthly build in crude oil stocks was seen despite slightly higher crude runs, m-o-m, to stand at 17.24 mb/d.

Total product also rose in July to stand at 836.2 mb. This is 22.3 mb, or 2.6%, lower than July 2024, and 14.4 mb, or 1.7%, below the latest five-year average. The product stock build can be attributed to lower product consumption along with higher product output.

Graph 9 - 2: US weekly commercial crude oil inventories



Sources: EIA and OPEC.

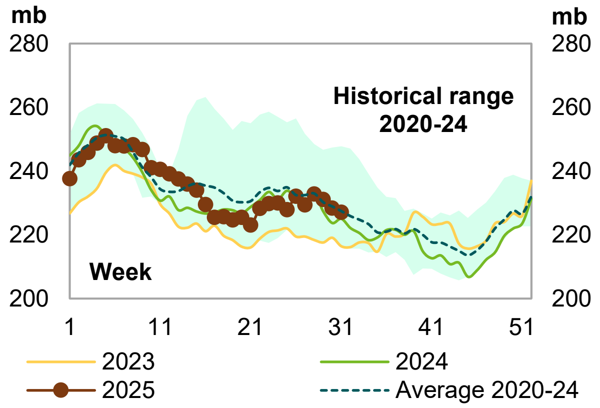
Gasoline stocks fell in July by 5.0 mb, m-o-m, to settle at 227.1 mb. This is 3.1 mb, or 1.4%, higher than the same month in 2024, but 3.1 mb, or 1.4%, below the latest five-year average.

Jet fuel stocks also went down by 0.8 mb, m-o-m, ending July at 44.4 mb. This is 1.0 mb, or 2.3%, lower than the same month in 2024, but 1.6 mb, or 3.6%, above the latest five-year average.

Residual fuel oil stocks in July also decreased by 2.5 mb, m-o-m. At 19.8 mb, they were 6.3 mb, or 24.2%, less than a year earlier, and 10.0 mb, or 33.6%, below the latest five-year average.

By contrast, distillate stocks in July rose by 9.3 mb, m-o-m, to stand at 113.0 mb. This is 16.6 mb, or 12.8%, lower than the same month in 2024, and 23.6 mb, or 17.3%, below the latest five-year average.

Graph 9 - 3: US weekly gasoline inventories



Sources: EIA and OPEC.

Table 9 - 2: US commercial petroleum stocks, mb

US stocks	Jul 24	May 25	Jun 25	Jul 25	*Change Jul 25/Jun 25*
Crude oil	**427.2**	**430.5**	**419.0**	**423.7**	***4.7***
Gasoline	224.0	229.0	232.1	227.1	*-5.0*
Distillate fuel	129.6	112.3	103.6	113.0	*9.3*
Residual fuel oil	26.1	24.0	22.3	19.8	*-2.5*
Jet fuel	45.4	45.1	45.2	44.4	*-0.8*
Total products	**858.5**	**811.8**	**821.1**	**836.2**	***15.0***
Total	**1,285.7**	**1,242.3**	**1,240.1**	**1,259.8**	***19.7***
SPR	**375.4**	**402.1**	**402.8**	**403.0**	***0.2***

Sources: EIA and OPEC.

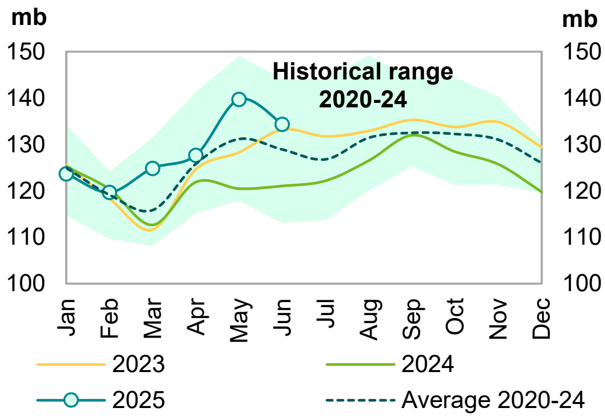
Japan

In Japan, total commercial oil stocks in June 2025 fell by 5.4 mb, m-o-m, to settle at 134.3 mb. This is 13.3 mb, or 11.0%, higher than the same month in 2024, and 5.4 mb, or 4.2%, above the latest five-year average. Crude and products stocks decreased by 3.0 mb and 2.4 mb, m-o-m, respectively.

Japanese commercial crude oil stocks went down in June by 3.0 mb, m-o-m, to stand at 74.8 mb. This is 11.5 mb, or 18.2%, higher than the same month in 2024, and 3.8 mb, or 5.3%, above the latest five-year average. The drop in crude oil stocks could be attributed to lower crude imports, which decreased by around 415 tb/d, or 17.3%, m-o-m, to stand at 1.99 mb/d.

Gasoline stocks fell in June by 1.2 mb, m-o-m, to stand at 10.4 mb. This is 0.4 mb, or 3.3%, lower than the level recorded during the same period last year, and 1.0 mb, or 8.5%, below the latest five-year average. The draw in gasoline stocks was driven by higher gasoline domestic sales, which increased by nearly 4.0%.

Graph 9 - 4: Japan's commercial oil stocks



Sources: METI and OPEC.

Total residual fuel oil stocks also decreased by 0.5 mb, m-o-m, to end June at 12.3 mb. At this level, they are 0.4 mb or 3.2% lower than the same month in 2024, but 0.1 mb, or 0.9%, above the latest five-year average. Within the components, fuel oil A stocks remained unchanged, m-o-m, while fuel B.C stocks fell by 6.3%, m-o-m.

By contrast, middle distillate stocks went up by 0.1 mb, m-o-m, to end June at 28.0 mb. This is 2.2 mb, or 8.5%, higher than the same month in 2024, and 2.9 mb, or 11.4%, above the latest five-year average.

Within the distillate components, jet fuel oil and kerosene stocks rose 5.0% and 4.7%, m-o-m, respectively, while gasoil stocks went down by 7.0%, m-o-m.

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

Japan's stocks	Jun 24	Apr 25	May 25	Jun 25	*Change Jun 25/May 25*
Crude oil	**63.3**	**70.4**	**77.7**	**74.8**	***-3.0***
Gasoline	10.8	11.1	11.6	10.4	*-1.2*
Naphtha	8.5	8.4	9.6	8.8	*-0.7*
Middle distillates	25.8	25.1	28.0	28.0	*0.1*
Residual fuel oil	12.7	12.8	12.8	12.3	*-0.5*
Total products	**57.8**	**57.3**	**62.0**	**59.6**	***-2.4***
Total**	**121.0**	**127.7**	**139.7**	**134.3**	***-5.4***

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

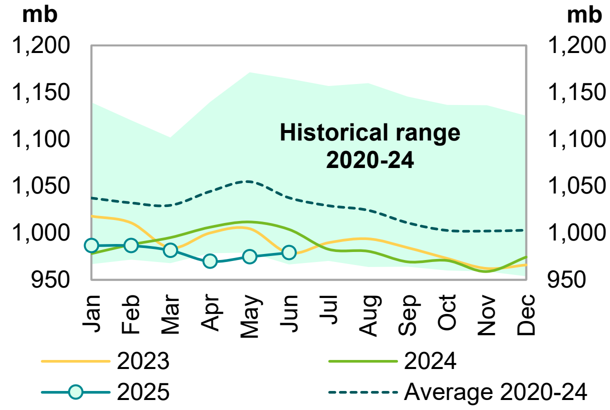
Sources: METI and OPEC.

EU-14 plus the UK and Norway

Preliminary data for June 2025 showed that total European oil stocks rose by 4.4 mb, m-o-m, to stand at 979 mb. At this level, they were 24.8 mb, or 2.5%, lower than the same month in 2024, and 58.6 mb, or 5.6%, below the latest five-year average. Crude stocks increased by 5.0 mb, m-o-m, while products stocks fell by 0.6 mb, m-o-m.

European crude stocks stood at 393.5 mb in June. This is 11.5 mb, or 2.8%, lower than the same month in 2024, and 35.5 mb, or 8.4%, less than the latest five-year average. The build in crude oil stocks came despite an increase in refinery throughput in the EU-14, plus the UK and Norway, by around 310 tb/d, m-o-m, to stand at 9.55 mb/d.

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



Sources: OilX and OPEC.

Total European product stocks fell by 0.6 mb, m-o-m, to end June at 585.5 mb. This is 13.3 mb, or 2.2%, lower than the same month in 2024, and 32.3 mb, or 5.2%, below the latest five-year average. The stock draw can be attributed to higher demand in the region.

Gasoline stocks fell in June by 0.3 mb, m-o-m, to stand at 109.4 mb, which is 4.3 mb, or 4.1%, higher than the same time in 2024, and 2.2 mb, or 2.0%, above the latest five-year average.

Middle distillate stocks also decreased in June by 1.3 mb, m-o-m, to stand at 382.5 mb. This is 14.6 mb, or 3.7%, lower than the same month in 2024, and 30.2 mb, or 7.3%, less than the latest five-year average.

By contrast, naphtha stocks rose in June by 1.0 mb, m-o-m, ending the month at 33.7 mb. This is 0.3 mb, or 0.9%, lower than the same month in 2024, but 0.6 mb, or 1.9%, above the latest five-year average.

Meanwhile, residual fuel stocks in June remained unchanged, m-o-m, to stand at 59.9 mb. This is 2.7 mb, or 4.4%, lower than the same month in 2024, and 4.9 mb, or 7.7%, below the latest five-year average.

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

EU stocks	Jun 24	Apr 25	May 25	Jun 25	*Change Jun 25/May 25*
Crude oil	**405.0**	**385.5**	**388.5**	**393.5**	***5.0***
Gasoline	105.1	110.8	109.7	109.4	*-0.3*
Naphtha	34.0	31.9	32.7	33.7	*1.0*
Middle distillates	397.1	381.4	383.8	382.5	*-1.3*
Fuel oils	62.6	60.2	59.9	59.9	*0.0*
Total products	**598.9**	**584.3**	**586.1**	**585.5**	***-0.6***
Total	**1,003.9**	**969.8**	**974.7**	**979.0**	***4.4***

Sources: OilX and OPEC.

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

Singapore

In June, total product stocks in Singapore rose by 0.7 mb, m-o-m, to stand at 45.8 mb. This is 2.5 mb, or 5.8%, higher than the same month in 2024, but 1.1 mb, or 2.3%, less than the latest five-year average.

Light distillate stocks fell in June by 0.4 mb, m-o-m, to stand at 12.6 mb. This is 2.6 mb or 16.9% lower than the same month in 2024, and 1.9 mb, or 13.1%, below the latest five-year average.

In contrast, middle distillate stocks went up in June by 0.4 mb, m-o-m, to stand at 10.0 mb. This is 1.4 mb or 16.6% higher than the level of June 2024, but 0.3 mb, or 2.9%, below the latest five-year average.

Residual fuel oil stocks also rose by 0.7 mb, m-o-m, ending June at 23.1 mb. This is 3.7 mb, or 18.8%, higher than in June 2024, and 1.1 mb or 5.2%, above the latest five-year average.

ARA

Total product stocks in ARA in June fell by 1.2 mb, m-o-m. At 41.8 mb, they were 5.4 mb, or 11.5%, below the same month in 2024, and 4.1 mb, or 9.0%, less than the latest five-year average.

Gasoline stocks increased by 0.3 mb, m-o-m, ending June at 9.4 mb. This is 0.1 mb, or 1.0%, lower than in June 2024, and they are 0.8 mb or 7.6% less than the latest five-year average.

By contrast, gasoil stocks in June decreased by 0.8 mb, m-o-m, to stand at 14.1 mb. This is 2.2 mb, or 13.7%, lower than the same month in 2024, and 1.9 mb, or 11.8%, below the latest five-year average.

Jet oil stocks also fell by 0.3 mb, m-o-m, to stand at 6.4 mb in June. This is 1.2 mb, or 15.4%, lower than the level seen in June 2024 and 0.8 mb, or 10.5%, less than the latest five-year average.

Fuel oil stocks went down in June by 0.9 mb, m-o-m, to stand at 6.4 mb. This is 3.1 mb, or 32.5%, below the June 2024 level, and 2.7 mb, or 29.9%, less than the latest five-year average.

Fujairah

During the week ending 4 August, total oil product stocks in Fujairah rose by 2.02 mb, w-o-w, to stand at 19.07 mb, according to data from FEDCom and S&P Global Commodity Insights. At this level, total oil stocks were 2.34 mb higher than at the same time a year ago.

Light distillate stocks increased by 0.15 mb, w-o-w, to stand at 7.14 mb, which is 1.36 mb higher than the same time a year ago.

Middle distillate stocks also rose by 0.16 mb, w-o-w, to stand at 2.28 mb, which is 0.63 mb above the same time last year.

Heavy distillate stocks also went up by 1.72 mb, w-o-w, to stand at 9.66 mb, which is 0.34 mb higher than 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 month, standing at 42.5 mb/d in 2025. This represents an increase of 0.4 mb/d compared to the 2024 estimate.

The demand for DoC crude in 2026 is revised up by 0.2 mb/d from the previous month, to 43.1 mb/d—approximately 0.6 mb/d higher than the 2025 projection.

Balance of supply and demand in 2025

Demand for DoC crude

Demand for DoC crude (i.e., crude from countries participating in the Declaration of Cooperation) remains unchanged from the previous month, standing at 42.5 mb/d in 2025. This represents an increase of 0.4 mb/d compared to the 2024 estimate.

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

	2024	1Q25	2Q25	3Q25	4Q25	2025	*Change 2025/24*
(a) World oil demand	**103.8**	**104.3**	**104.3**	**105.5**	**106.4**	**105.1**	***1.3***
Non-DoC liquids production	53.2	54.0	54.3	53.8	54.0	54.0	*0.8*
DoC NGL and non-conventionals	8.5	8.7	8.7	8.6	8.7	8.7	*0.1*
(b) Total non-DoC liquids production and DoC NGLs	**61.7**	**62.6**	**62.9**	**62.4**	**62.7**	**62.7**	***0.9***
Difference (a-b)	**42.1**	**41.6**	**41.4**	**43.1**	**43.7**	**42.5**	***0.4***
DoC crude oil production	**40.9**	**40.9**	**41.3**				
Balance	**-1.2**	**-0.7**	**-0.1**				

*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

The demand for DoC crude in 2026 is revised up by 0.2 mb/d from the previous month, to 43.1 mb/d—approximately 0.6 mb/d higher than the 2025 projection.

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

	2025	1Q26	2Q26	3Q26	4Q26	2026	*Change 2026/25*
(a) World oil demand	**105.1**	**105.6**	**105.7**	**107.1**	**107.7**	**106.5**	***1.4***
Non-DoC liquids production	54.0	54.2	54.4	54.7	55.2	54.6	*0.6*
DoC NGL and non-conventionals	8.7	8.7	8.8	8.7	8.9	8.8	*0.1*
(b) Total non-DoC liquids production and DoC NGLs	**62.7**	**63.0**	**63.2**	**63.4**	**64.1**	**63.4**	***0.7***
Difference (a-b)	**42.5**	**42.6**	**42.5**	**43.7**	**43.6**	**43.1**	***0.6***

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

Source: OPEC.

Appendix

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

World oil demand and production balance	2022	2023	2024	1Q25	2Q25	3Q25	4Q25	2025	1Q26	2Q26	3Q26	4Q26	2026
World demand													
Americas	24.7	25.0	24.9	24.9	25.0	25.3	25.2	25.1	24.9	25.1	25.5	25.3	25.2
of which US	*20.2*	*20.4*	*20.4*	*20.4*	*20.5*	*20.7*	*20.7*	*20.6*	*20.5*	*20.6*	*20.9*	*20.8*	*20.7*
Europe	13.6	13.5	13.5	13.0	13.6	14.1	13.5	13.5	13.0	13.7	14.1	13.6	13.6
Asia Pacific	7.3	7.2	7.2	7.3	7.0	6.9	7.4	7.2	7.3	6.9	6.9	7.4	7.2
Total OECD	**45.6**	**45.7**	**45.7**	**45.2**	**45.6**	**46.3**	**46.1**	**45.8**	**45.3**	**45.8**	**46.5**	**46.3**	**46.0**
China	15.0	16.4	16.7	16.9	16.5	17.0	17.0	16.9	17.0	16.7	17.3	17.2	17.1
India	5.1	5.3	5.6	5.7	5.7	5.5	5.9	5.7	5.9	5.9	5.7	6.2	5.9
Other Asia	9.1	9.3	9.7	9.9	10.2	9.8	9.8	9.9	10.1	10.5	10.1	10.1	10.2
Latin America	6.4	6.7	6.7	6.8	6.9	7.0	6.9	6.9	6.9	7.0	7.1	7.0	7.0
Middle East	8.3	8.6	8.9	8.8	8.8	9.3	9.2	9.0	9.0	9.0	9.5	9.3	9.2
Africa	4.5	4.6	4.6	4.9	4.6	4.7	5.1	4.8	5.1	4.8	4.9	5.2	5.0
Russia	3.8	3.8	4.0	4.0	3.9	4.0	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	1.5	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	**54.2**	**56.7**	**58.2**	**59.1**	**58.7**	**59.2**	**60.2**	**59.3**	**60.3**	**59.9**	**60.6**	**61.4**	**60.6**
(a) Total world demand	**99.8**	**102.4**	**103.8**	**104.3**	**104.3**	**105.5**	**106.4**	**105.1**	**105.6**	**105.7**	**107.1**	**107.7**	**106.5**
Y-o-y change	***2.5***	***2.6***	***1.5***	***1.3***	***1.0***	***1.5***	***1.3***	***1.3***	***1.3***	***1.4***	***1.6***	***1.3***	***1.4***
Non-DoC liquids production													
Americas	25.0	26.7	27.7	28.1	28.3	28.1	28.1	28.1	27.9	28.2	28.5	28.8	28.4
of which US	*19.4*	*21.0*	*21.8*	*21.8*	*22.4*	*22.1*	*22.0*	*22.1*	*21.7*	*22.3*	*22.4*	*22.5*	*22.2*
Europe	3.6	3.6	3.5	3.6	3.5	3.6	3.6	3.6	3.6	3.5	3.5	3.6	3.5
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**	**32.3**	**32.1**	**32.1**	**32.1**	**31.9**	**32.1**	**32.4**	**32.8**	**32.3**
China	4.4	4.5	4.6	4.7	4.7	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	1.6	1.6	1.6
Latin America	6.3	6.9	7.2	7.4	7.6	7.5	7.6	7.5	7.9	7.9	8.0	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	2.3	2.2	2.3	2.3	2.3	2.3	2.3	2.3	2.3	2.3
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**	**19.4**	**19.4**	**19.2**	**19.3**	**19.3**	**19.7**	**19.7**	**19.7**	**19.8**	**19.7**
Total Non-DoC production	47.0	49.4	50.7	51.4	51.7	51.2	51.4	51.4	51.6	51.8	52.1	52.6	52.0
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**	**54.0**	**54.3**	**53.8**	**54.0**	**54.0**	**54.2**	**54.4**	**54.7**	**55.2**	**54.6**
DoC NGLs	8.0	8.4	8.5	8.7	8.7	8.6	8.7	8.7	8.7	8.8	8.7	8.9	8.8
(b) Total Non-DoC liquids production and DoC NGLs	**57.4**	**60.2**	**61.7**	**62.6**	**62.9**	**62.4**	**62.7**	**62.7**	**63.0**	**63.2**	**63.4**	**64.1**	**63.4**
Y-o-y change	***2.1***	***2.8***	***1.5***	***1.5***	***1.4***	***0.8***	***0.0***	***0.9***	***0.3***	***0.3***	***1.0***	***1.4***	***0.7***
OPEC crude oil production (secondary sources)	27.7	27.1	26.6	26.8	27.1								
Non-OPEC DoC crude production	15.2	15.0	14.3	14.1	14.2								
DoC crude oil production	**42.9**	**42.1**	**40.9**	**40.9**	**41.3**								
Total liquids production	**100.3**	**102.3**	**102.6**	**103.6**	**104.2**								
Balance (stock change and miscellaneous)	*0.6*	*0.0*	*-1.2*	*-0.7*	*-0.1*								
OECD closing stock levels, *mb*													
Commercial	2,781	2,778	2,754	2,748	2,789								
SPR	1,214	1,207	1,245	1,244	1,241								
Total	**3,995**	**3,984**	**4,000**	**3,993**	**4,030**								
Oil-on-water	1,546	1,438	1,373	1,436	1,473								
Days of forward consumption in OECD, *days*													
Commercial onland stocks	61	61	60	60	60								
SPR	27	26	27	27	27								
Total	**87**	**87**	**87**	**88**	**87**								
Memo items													
(a) - (b)	**42.3**	**42.1**	**42.1**	**41.6**	**41.4**	**43.1**	**43.7**	**42.5**	**42.6**	**42.5**	**43.7**	**43.6**	**43.1**

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

Source: OPEC.

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

World oil demand and production balance	2022	2023	2024	1Q25	2Q25	3Q25	4Q25	2025	1Q26	2Q26	3Q26	4Q26	2026
World demand													
Americas	-	-	-	0.0	-	-	-	-	0.0	0.1	0.1	0.1	0.1
of which US	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*0.1*	*0.1*	*0.1*	*0.1*
Europe	-	-	-	0.0	0.1	-	-	0.0	0.0	0.1	0.0	0.1	0.1
Asia Pacific	-	-	-	-0.1	-0.1	-	-	0.0	-0.1	-0.1	0.0	0.0	-0.1
Total OECD	**-**	**-**	**-**	**-**	**0.0**	**-**	**-**	**0.0**	**0.0**	**0.1**	**0.1**	**0.1**	**0.1**
China	-	-	-	-	0.0	-	-	0.0	-	-0.1	0.0	-	0.0
India	-	-	-	-	-0.1	-	-	0.0	0.0	-0.1	0.0	0.0	0.0
Other Asia	-	-	-	-	-	-	-	-	-	-	-	-	-
Latin America	-	-	-	0.0	-	-	-	0.0	0.0	-	-	-	0.0
Middle East	-	-	-	0.0	0.1	-	-	0.0	0.0	0.1	0.0	0.0	0.0
Africa	-	-	-	-	-	-	-	-	0.1	0.1	0.1	0.1	0.1
Russia	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Eurasia	-	-	-	0.0	0.0	-	-	0.0	0.0	0.0	-	-	0.0
Other Europe	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OECD	**-**	**-**	**-**	**0.0**	**0.0**	**-**	**-**	**-**	**0.0**	**0.0**	**0.0**	**0.1**	**0.0**
(a) Total world demand	**-**	**-**	**-**	**0.0**	**0.0**	**-**	**-**	**-**	**0.0**	**0.2**	**0.1**	**0.1**	**0.1**
Y-o-y change	***-***	***-***	***-***	***0.0***	***0.0***	***-***	***-***	***-***	***0.1***	***0.1***	***0.1***	***0.1***	***0.1***
Non-DoC liquids production													
Americas	-	-	-	-	0.1	-	-0.1	-	-0.3	-	-	0.0	-0.1
of which US	*-*	*-*	*-*	*-*	*0.1*	*-*	*-0.1*	*-*	*-0.3*	*-*	*-*	*0.0*	*-0.1*
Europe	-	-	-	-	0.0	-	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Asia Pacific	-	-	-	-	-	-	-	-	-	-	-	-	-
Total OECD	**-**	**-**	**-**	**-**	**0.1**	**-**	**-0.2**	**0.0**	**-0.3**	**0.0**	**0.0**	**-0.1**	**-0.1**
China	-	-	-	-	0.0	-	-	0.0	0.0	0.0	0.0	0.0	0.0
India	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Asia	-	-	-	-	0.0	-	-	0.0	0.0	0.0	0.0	0.0	0.0
Latin America	-	-	-	-	0.1	-	-	0.0	0.0	0.0	0.0	0.0	0.0
Middle East	-	-	-	-	0.0	-	0.0	-	-	-	-	-	-
Africa	-	-	-	-	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	**-**	**-**	**-**	**-**	**0.1**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**-**
Total Non-DoC production	-	-	-	-	0.2	0.0	-0.2	-	-0.3	0.0	0.0	-0.1	-0.1
Processing gains	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-DoC liquids production	**-**	**-**	**-**	**-**	**0.2**	**0.0**	**-0.2**	**-**	**-0.3**	**0.0**	**0.0**	**-0.1**	**-0.1**
DoC NGLs	-	-	-	-	0.0	-	-	0.0	-	-	-	-	-
(b) Total Non-DoC liquids production and DoC NGLs	**-**	**-**	**-**	**-**	**0.3**	**0.0**	**-0.2**	**0.0**	**-0.3**	**0.0**	**0.0**	**-0.1**	**-0.1**
Y-o-y change	***-***	***-***	***-***	***-***	***0.3***	***0.0***	***-0.2***	***0.0***	***-0.3***	***-0.2***	***-***	***0.1***	***-0.1***
OPEC crude oil production (secondary sources)	-	-	-	-	-								
Non-OPEC DoC crude production	-	-	-	-	-0.1								
DoC crude oil production	**-**	**-**	**-**	**-**	**-**								
Total liquids production	**-**	**-**	**-**	**-**	**0.2**								
Balance (stock change and miscellaneous)	*-*	*-*	*-*	*0.1*	*0.2*								
OECD closing stock levels, *mb*													
Commercial	-	-	-	3									
SPR	-	-	-	-									
Total	**-**	**-**	**-**	**3**									
Oil-on-water	-	-	-	-									
Days of forward consumption in OECD, *days*													
Commercial onland stocks	-	-	-	-									
SPR	-	-	-	-									
Total	**-**	**-**	**-**	**-**									
Memo items													
(a) - (b)	**0.0**	**0.0**	**0.0**	**0.0**	**-0.2**	**0.0**	**0.2**	**0.0**	**0.3**	**0.2**	**0.1**	**0.2**	**0.2**

*Note: * This compares Table 11 - 1 in this issue of the MOMR with Table 11 - 1 in the July 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	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25
Closing stock levels, mb											
OECD onland commercial	**2,781**	**2,778**	**2,754**	**2,829**	**2,778**	**2,767**	**2,847**	**2,807**	**2,754**	**2,748**	**2,789**
Americas	1,492	1,518	1,496	1,539	1,518	1,499	1,552	1,530	1,496	1,461	1,490
Europe	936	906	925	925	906	934	949	920	925	939	931
Asia Pacific	353	353	333	365	353	335	345	357	333	349	368
OECD SPR	**1,214**	**1,207**	**1,245**	**1,209**	**1,207**	**1,219**	**1,226**	**1,235**	**1,245**	**1,244**	**1,241**
Americas	374	357	395	353	357	366	374	384	395	398	404
Europe	461	466	466	471	466	470	468	467	466	461	457
Asia Pacific	378	384	384	384	384	383	384	383	384	386	380
OECD total	**3,995**	**3,984**	**4,000**	**4,038**	**3,984**	**3,986**	**4,072**	**4,042**	**4,000**	**3,993**	**4,030**
Oil-on-water	**1,546**	**1,438**	**1,373**	**1,367**	**1,438**	**1,459**	**1,394**	**1,373**	**1,373**	**1,436**	**1,473**
Days of forward consumption in OECD, days											
OECD onland commercial	**61**	**61**	**60**	**61**	**62**	**61**	**62**	**61**	**61**	**60**	**60**
Americas	60	61	60	61	62	60	61	61	60	58	59
Europe	70	67	68	69	71	68	68	68	72	69	66
Asia Pacific	49	49	46	49	47	48	50	48	45	50	53
OECD SPR	**27**	**26**	**27**	**26**	**27**	**27**	**27**	**27**	**28**	**27**	**27**
Americas	15	14	16	14	15	15	15	15	16	16	16
Europe	34	34	35	35	36	35	33	35	36	34	33
Asia Pacific	52	53	53	52	51	55	55	52	52	55	55
OECD total	**87**	**87**	**87**	**88**	**89**	**87**	**88**	**88**	**89**	**88**	**87**

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*	21.8	22.4	22.1	22.0	22.1	*0.3*	21.7	22.3	22.4	22.5	22.2	*0.1*
Canada	5.9	*0.3*	6.2	5.9	6.0	6.1	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***	**28.1**	**28.3**	**28.1**	**28.1**	**28.1**	***0.4***	**27.9**	**28.2**	**28.5**	**28.8**	**28.4**	***0.2***
Norway	2.0	*0.0*	2.0	2.0	2.1	2.1	2.0	*0.0*	2.0	1.9	2.0	2.0	2.0	*0.0*
UK	0.7	*-0.1*	0.8	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**	**3.5**	**3.6**	**3.6**	**3.6**	***0.0***	**3.6**	**3.5**	**3.5**	**3.6**	**3.5**	***0.0***
Australia	0.4	*0.0*	0.3	0.4	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**	**32.3**	**32.1**	**32.1**	**32.1**	***0.5***	**31.9**	**32.1**	**32.4**	**32.8**	**32.3**	***0.2***
China	**4.6**	***0.1***	**4.7**	**4.7**	**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**	**1.6**	**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*	4.3	4.5	4.4	4.4	4.4	*0.2*	4.5	4.5	4.6	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	0.4	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**	**7.6**	**7.5**	**7.6**	**7.5**	***0.3***	**7.9**	**7.9**	**8.0**	**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	1.0	1.1	1.1	1.1	*-0.1*	1.1	1.1	1.0	1.0	1.0	*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*	0.5	0.5	0.5	0.5	0.5	*0.0*	0.5	0.5	0.5	0.5	0.5	*0.0*
Ghana	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*
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*	0.4	0.3	0.3	0.3	0.3	*0.1*	0.3	0.3	0.4	0.4	0.4	*0.0*
Africa	**2.3**	***0.1***	**2.3**	**2.2**	**2.3**	**2.3**	**2.3**	***0.0***	**2.3**	**2.3**	**2.3**	**2.3**	**2.3**	***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***	**19.4**	**19.4**	**19.2**	**19.3**	**19.3**	***0.3***	**19.7**	**19.7**	**19.7**	**19.8**	**19.7**	***0.4***
Non-DoC production	50.7	*1.3*	51.4	51.7	51.2	51.4	51.4	*0.8*	51.6	51.8	52.1	52.6	52.0	*0.6*
Processing gains	2.5	*0.0*	2.6	2.6	2.6	2.6	2.6	*0.0*	2.6	2.6	2.6	2.6	2.6	*0.0*
Non-DoC liquids production	**53.2**	***1.3***	**54.0**	**54.3**	**53.8**	**54.0**	**54.0**	***0.8***	**54.2**	**54.4**	**54.7**	**55.2**	**54.6**	***0.6***
DoC NGLs	**8.5**	***0.2***	**8.7**	**8.7**	**8.6**	**8.7**	**8.7**	***0.1***	**8.7**	**8.8**	**8.7**	**8.9**	**8.8**	***0.1***
Non-DoC liquids production and DoC NGLs	**61.7**	***1.5***	**62.6**	**62.9**	**62.4**	**62.7**	**62.7**	***0.9***	**63.0**	**63.2**	**63.4**	**64.1**	**63.4**	***0.7***

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	4Q24	1Q25	2Q25	Jun 25	Jul 25	Change Jul/Jun
US	722	688	599	-89	586	588	571	554	541	-13
Canada	174	177	188	11	195	216	129	133	167	34
Mexico	47	55	50	-5	43	21	24	27	30	3
OECD Americas	**945**	**921**	**839**	**-82**	**826**	**827**	**725**	**715**	**739**	**25**
Norway	17	17	13	-4	13	15	15	16	18	2
UK	10	12	8	-4	8	8	9	10	8	-2
OECD Europe	**65**	**66**	**64**	**-2**	**65**	**66**	**68**	**68**	**72**	**4**
OECD Asia Pacific	**24**	**25**	**25**	**0**	**25**	**20**	**15**	**15**	**18**	**3**
Total OECD	**1,034**	**1,012**	**928**	**-84**	**916**	**912**	**808**	**798**	**829**	**32**
Other Asia*	186	204	212	8	211	200	200	199	203	4
Latin America	119	120	104	-16	100	107	109	113	112	-1
Middle East	62	61	62	1	63	63	61	62	61	-1
Africa	64	67	52	-15	47	46	44	43	45	2
Other Europe	10	11	9	-2	9	10	12	12	11	-1
Total Non-OECD	**441**	**463**	**439**	**-24**	**430**	**425**	**427**	**429**	**432**	**3**
Non-OPEC rig count	**1,475**	**1,475**	**1,367**	**-108**	**1,346**	**1,337**	**1,235**	**1,227**	**1,261**	**35**
Algeria	32	36	42	6	42	43	44	47	42	-5
Congo	1	1	1	0	1	1	1	1	1	0
Equatorial Guinea**	0	0	0	0	0	0	1	1	1	0
Gabon	3	3	4	1	3	3	3	4	4	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	32	30	30	31	31	0
Libya	7	14	18	4	18	18	18	18	18	0
Nigeria	10	14	15	1	11	11	10	11	13	2
Saudi Arabia	73	83	81	-2	75	81	73	79	69	-10
UAE	47	57	66	9	70	73	71	71	74	3
Venezuela	3	2	2	0	1	2	2	2	0	-2
OPEC rig count	**371**	**412**	**439**	**27**	**432**	**441**	**432**	**444**	**432**	**-12**
World rig count***	**1,846**	**1,887**	**1,806**	**-81**	**1,778**	**1,778**	**1,667**	**1,671**	**1,693**	**23**
of which:										
Oil	1,463	1,498	1,439	-59	1,415	1,414	1,319	1,304	1,312	9
Gas	352	357	320	-37	311	312	298	315	321	6
Others	31	32	47	15	53	52	51	52	60	8

*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*

Up 1.24 in July

July 2025	70.97
June 2025	69.73
Year-to-date	**71.88**

July OPEC crude production *mb/d, according to secondary sources*

Up 0.26 in July

July 2025	27.54
June 2025	27.28

July Non-OPEC DoC crude production *mb/d, according to secondary sources*

Up 0.07 in July

July 2025	14.40
June 2025	14.32

Economic growth rate *per cent*

	World	US	Eurozone	Japan	China	India	Brazil	Russia
2025	3.0	1.8	1.2	1.0	4.8	6.5	2.3	1.8
2026	3.1	2.1	1.2	0.9	4.5	6.5	2.5	1.5

Supply and demand *mb/d*

2025		**25/24**	**2026**		**26/25**
World demand	105.1	1.3	World demand	106.5	1.4
Non-DoC liquids production	54.0	0.8	Non-DoC liquids production	54.6	0.6
DoC NGLs	8.7	0.1	DoC NGLs	8.8	0.1
Difference	**42.5**	**0.4**	**Difference**	**43.1**	**0.6**

OECD commercial stocks *mb*

	Apr 25	May 25	Jun 25	Jun 25/May 25
Crude oil	1,348	1,358	1,348	-9.6
Products	1,400	1,434	1,441	6.3
Total	**2,747**	**2,792**	**2,789**	**-3.2**
Days of forward cover	60.0	60.3	60.2	-0.1

Next report to be issued on 11 September 2025.