



Oil 2021 – Analysis and forecast to 2026

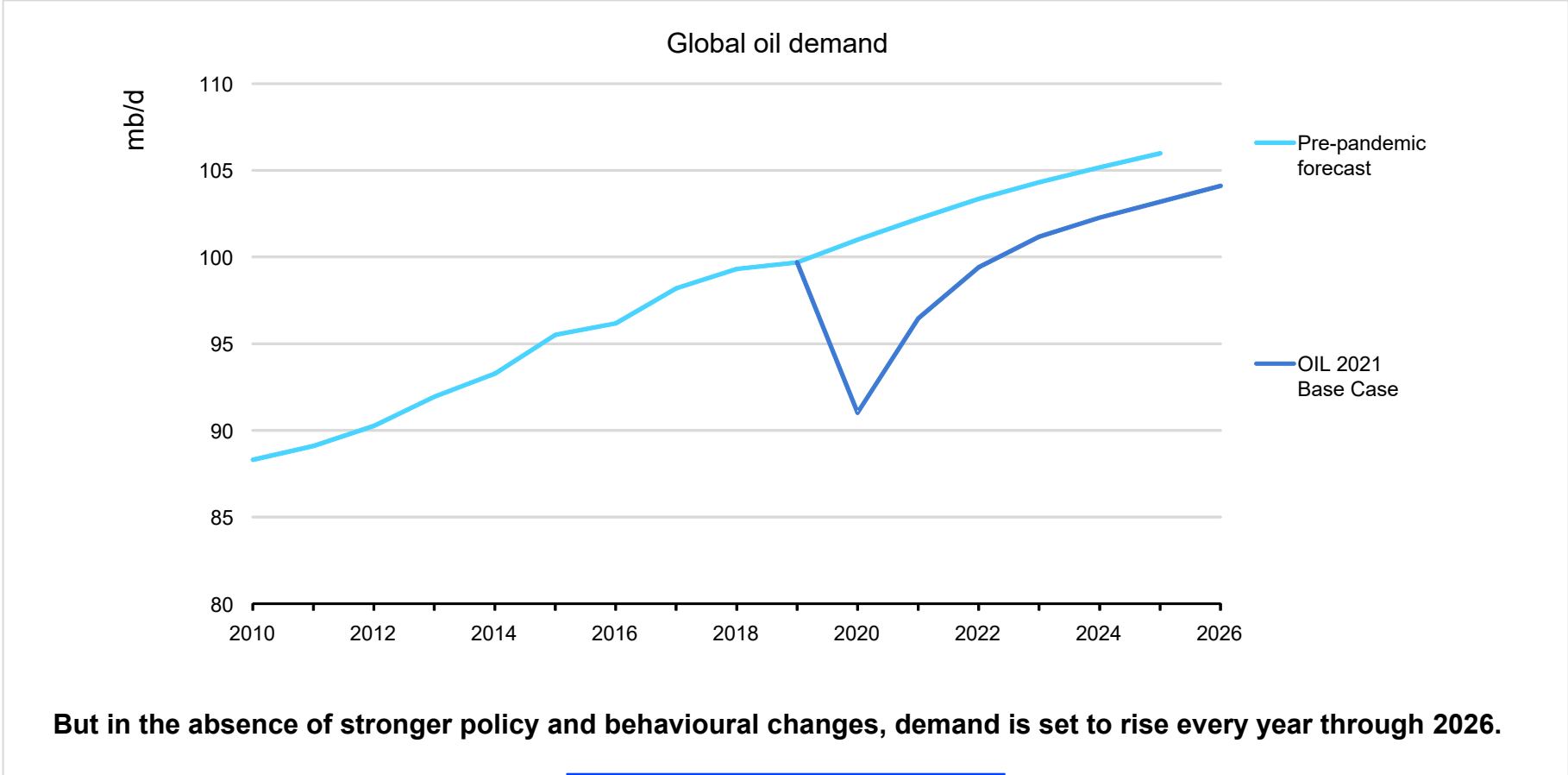
Spanish Energy Club, 8 April 2021

Toril Bosoni

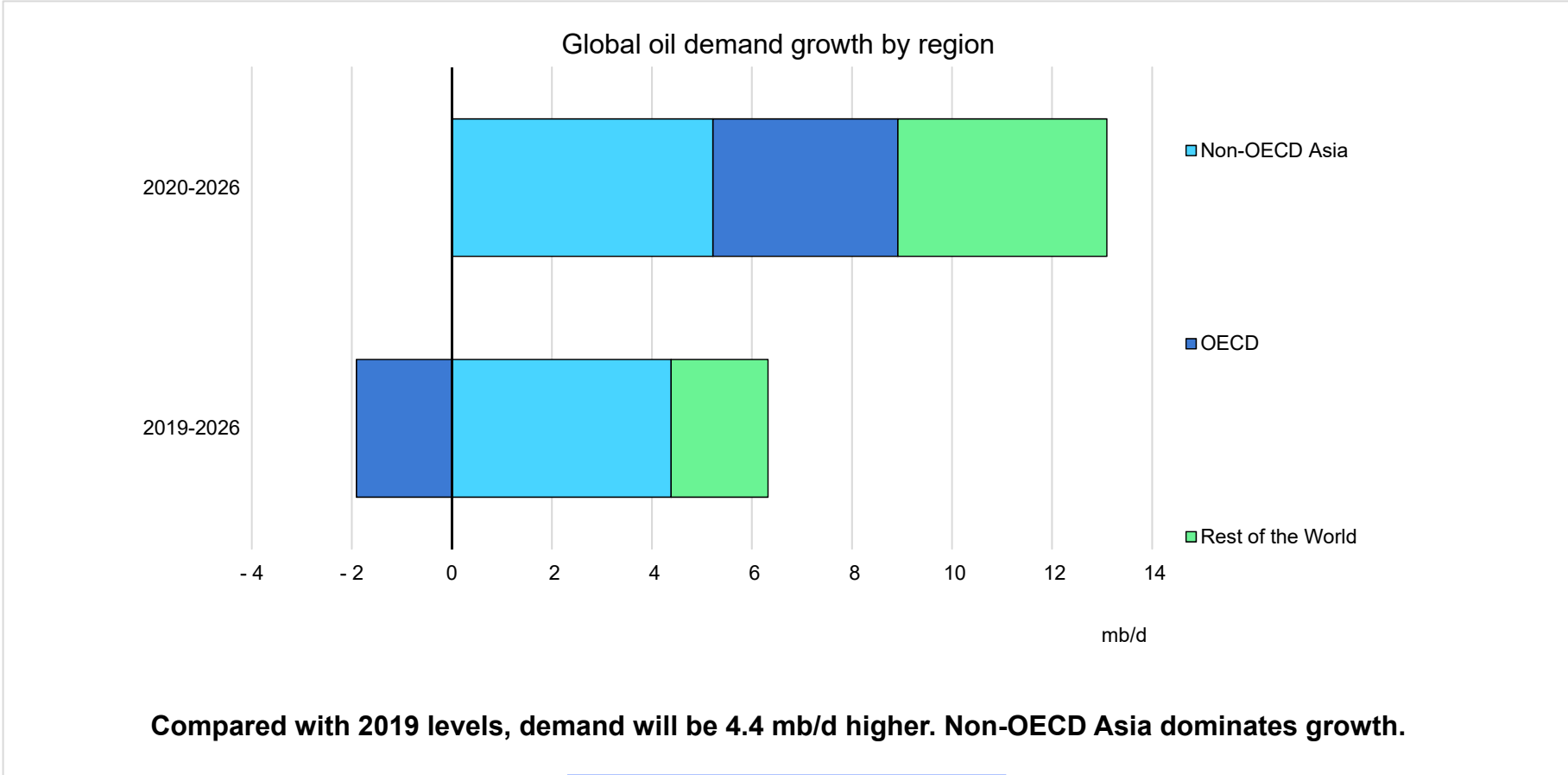
A large blue right-angled triangle pointing towards the top-right corner of the slide, with the text 'International Energy Agency' written vertically inside it.

International
Energy Agency

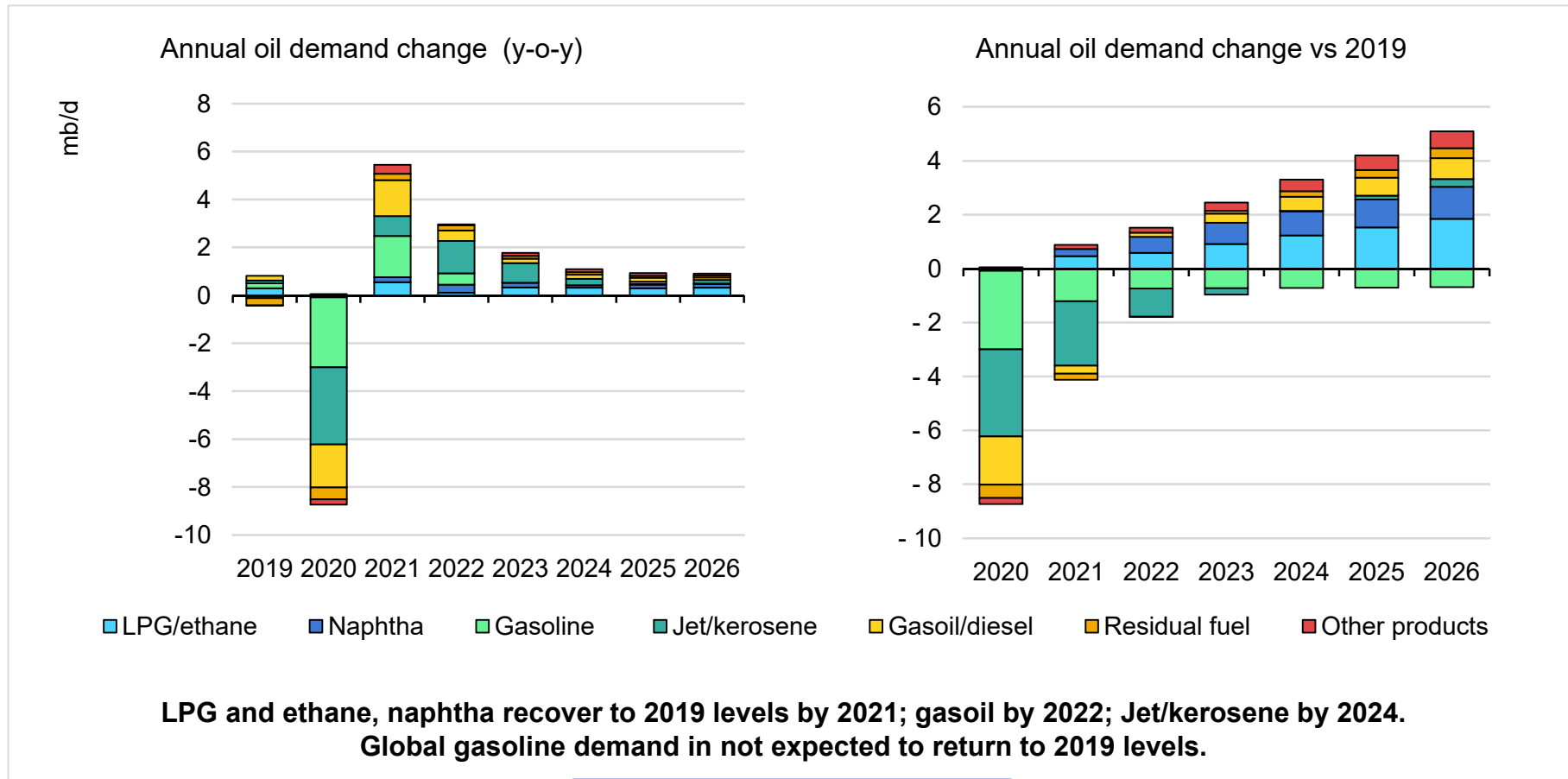
Global oil demand shifts lower after historic collapse



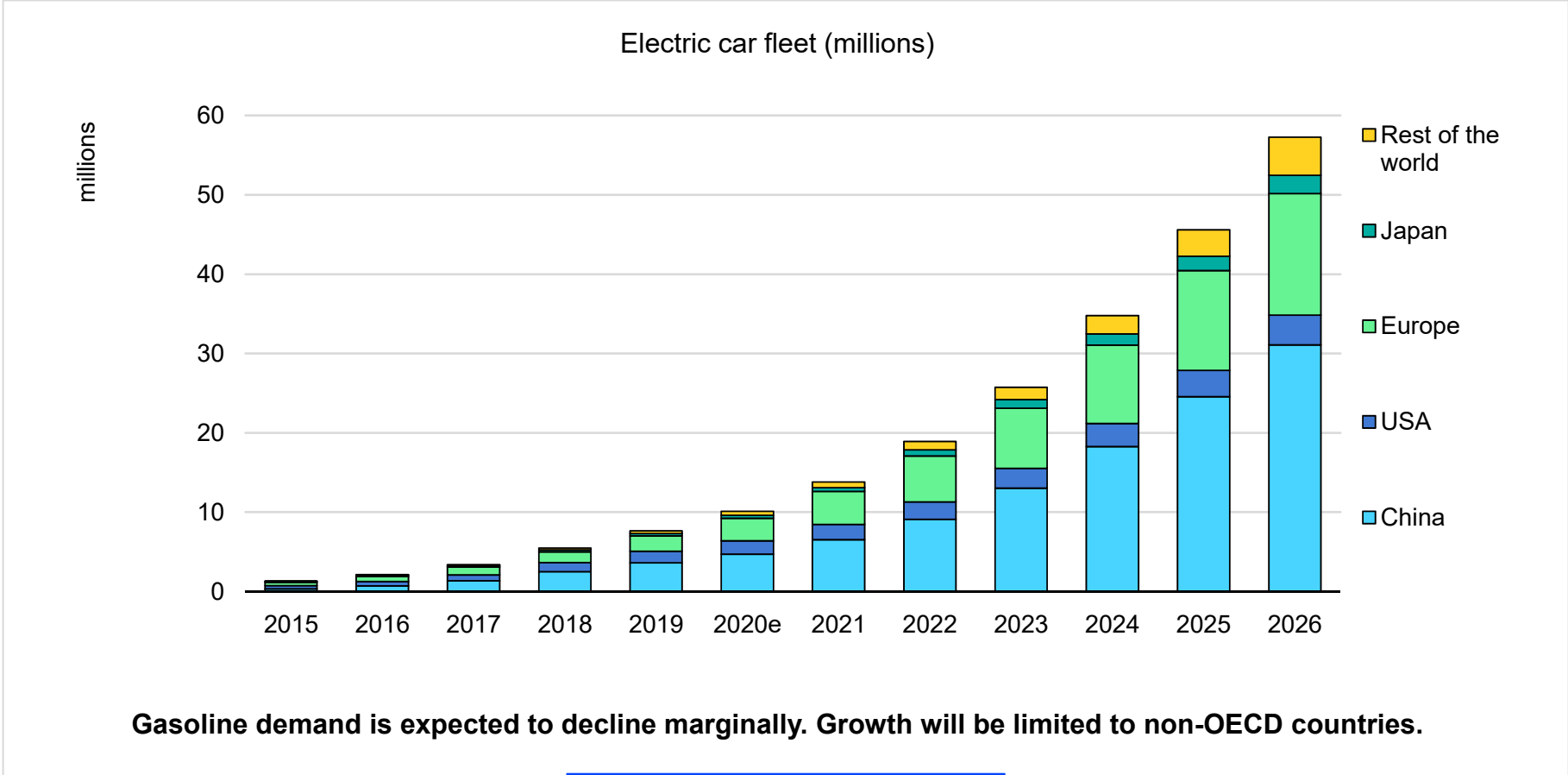
Oil demand now on track to grow by 13 mb/d by 2026 from 2020 low



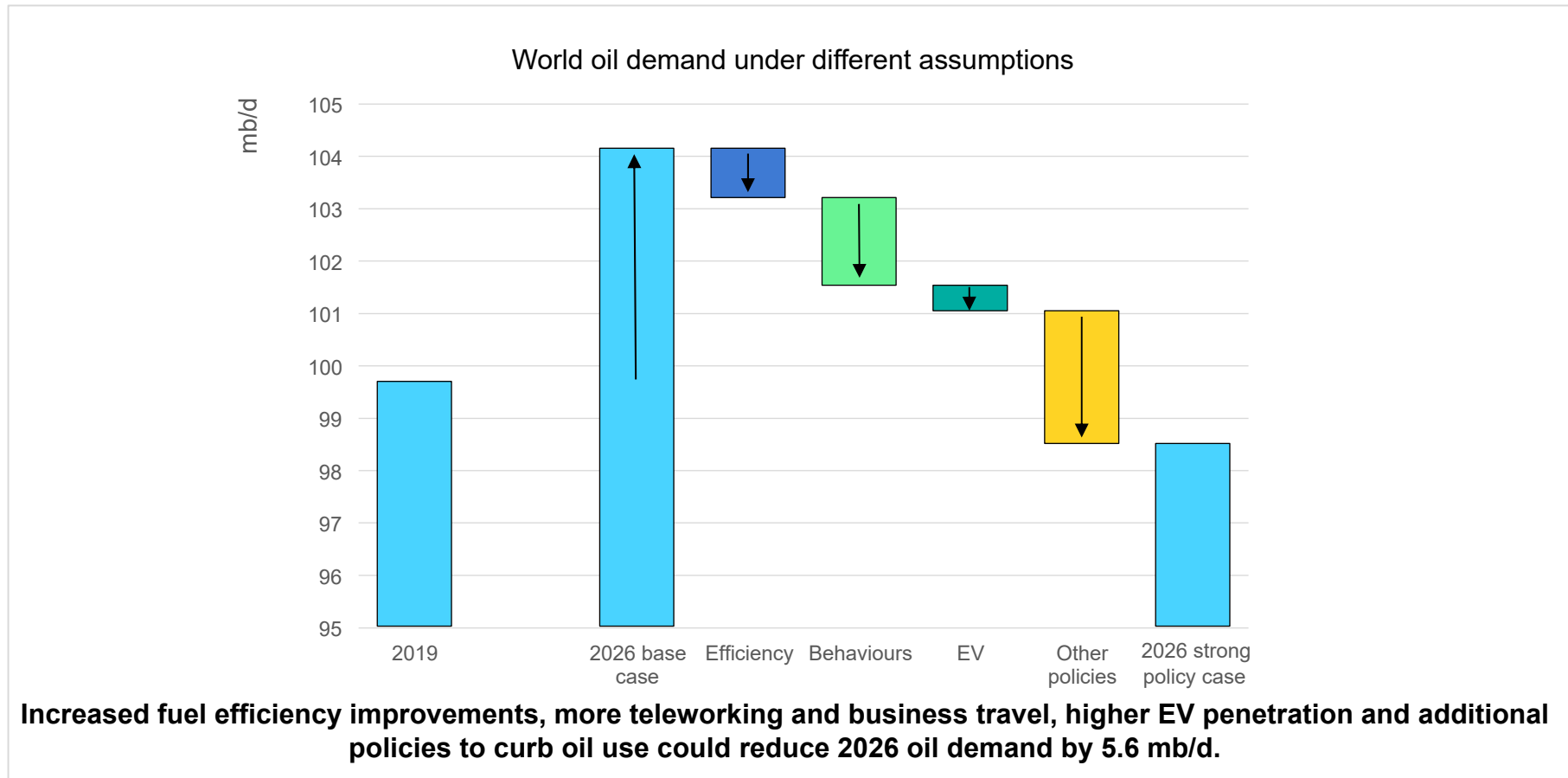
Petrochemical feedstocks drive demand growth, gasoline to fall



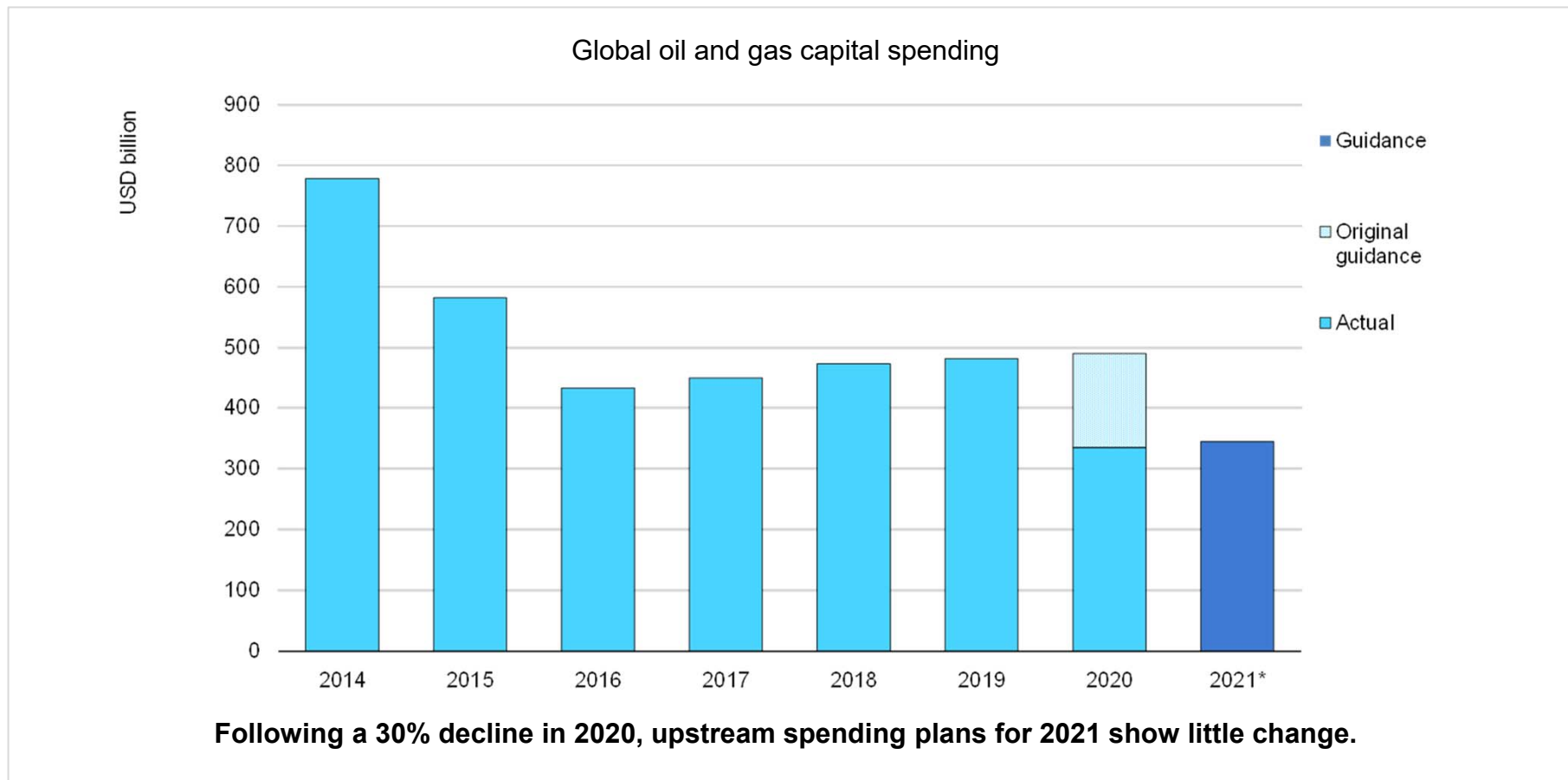
Gasoline demand reduced by EVs and efficiency progress



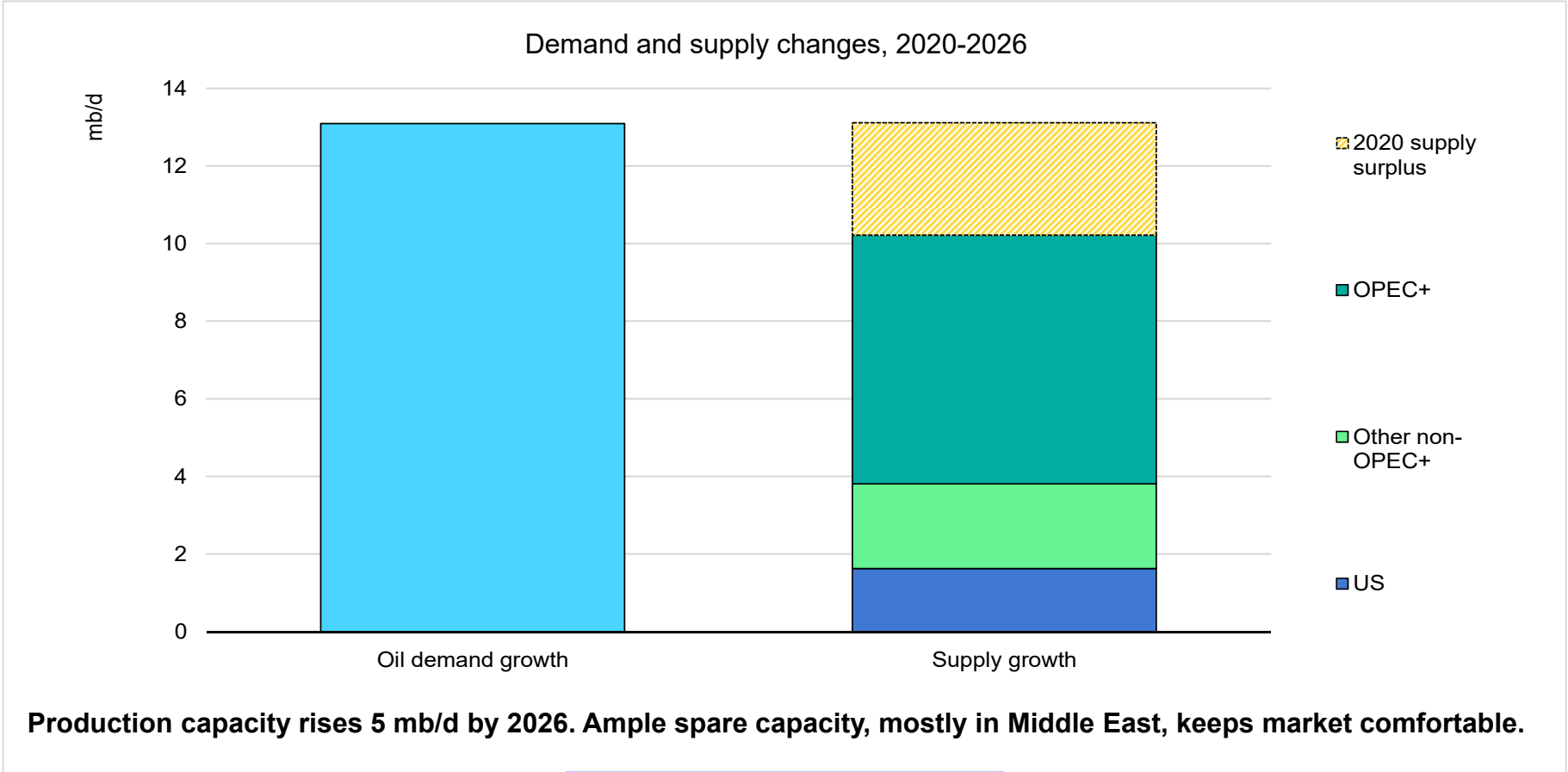
Stronger policy action needed for oil demand to decline



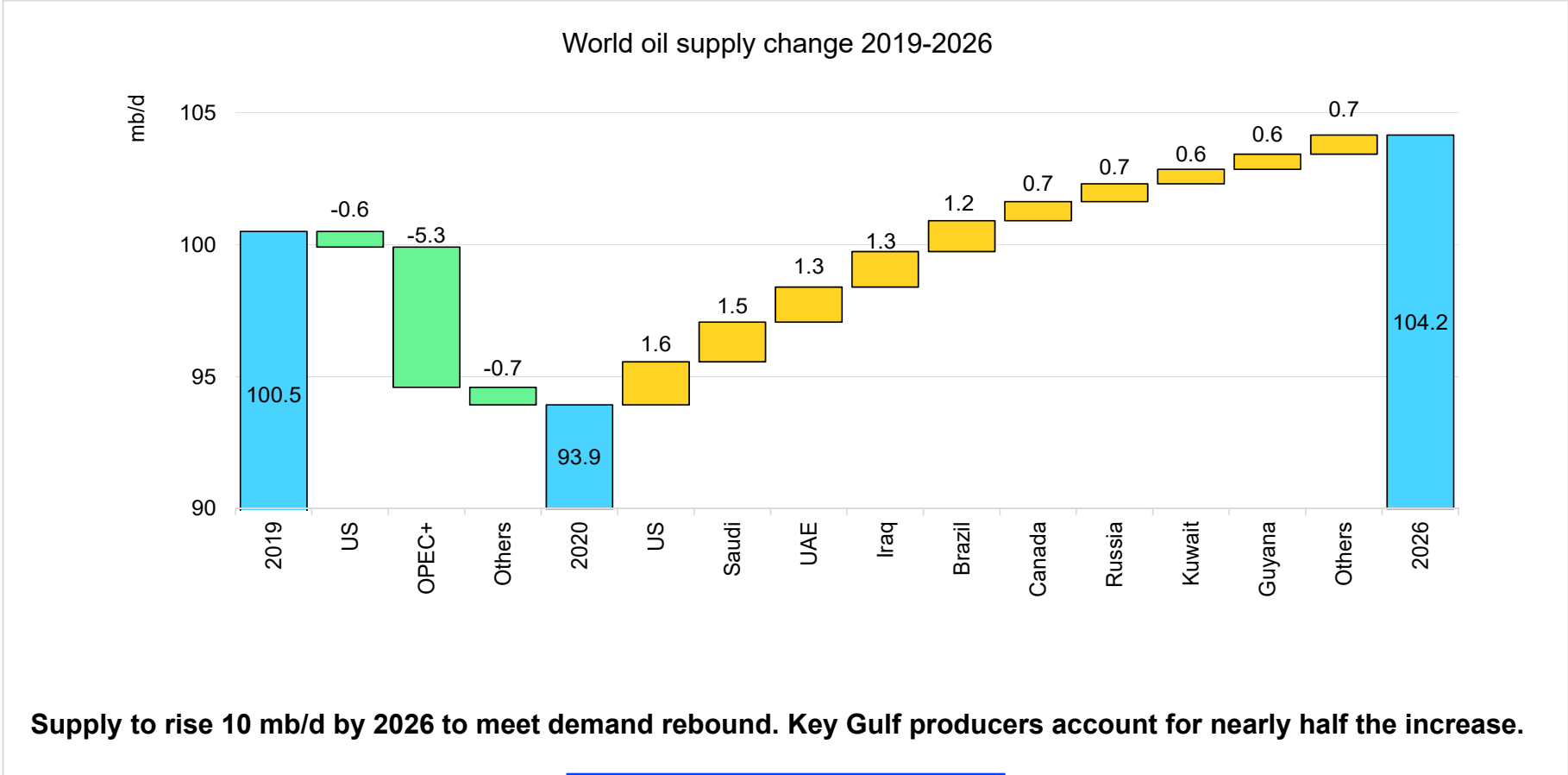
Industry cuts spending on uncertain outlook



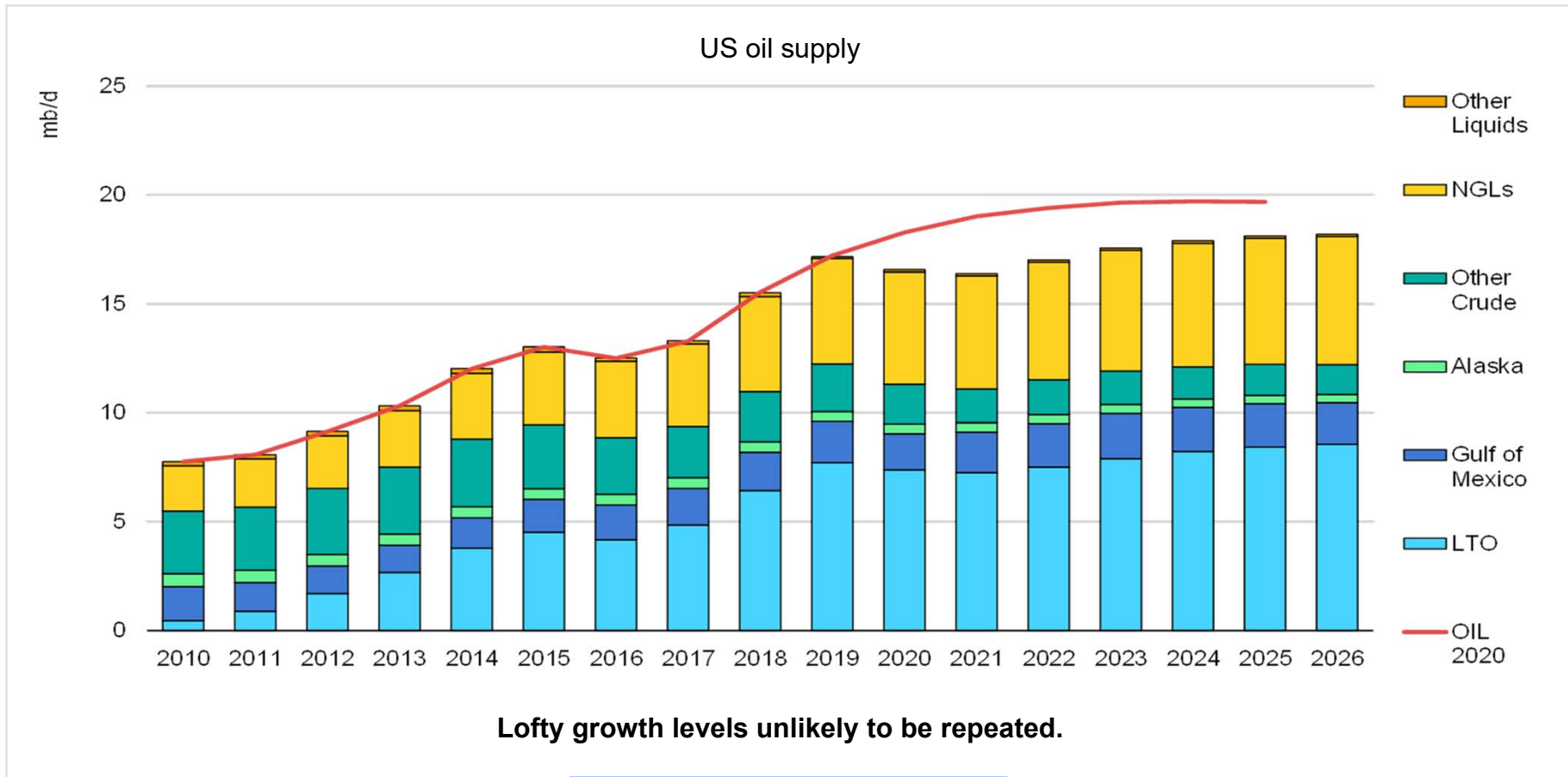
Oil capacity building slows, hefty spare cushion helps cover demand



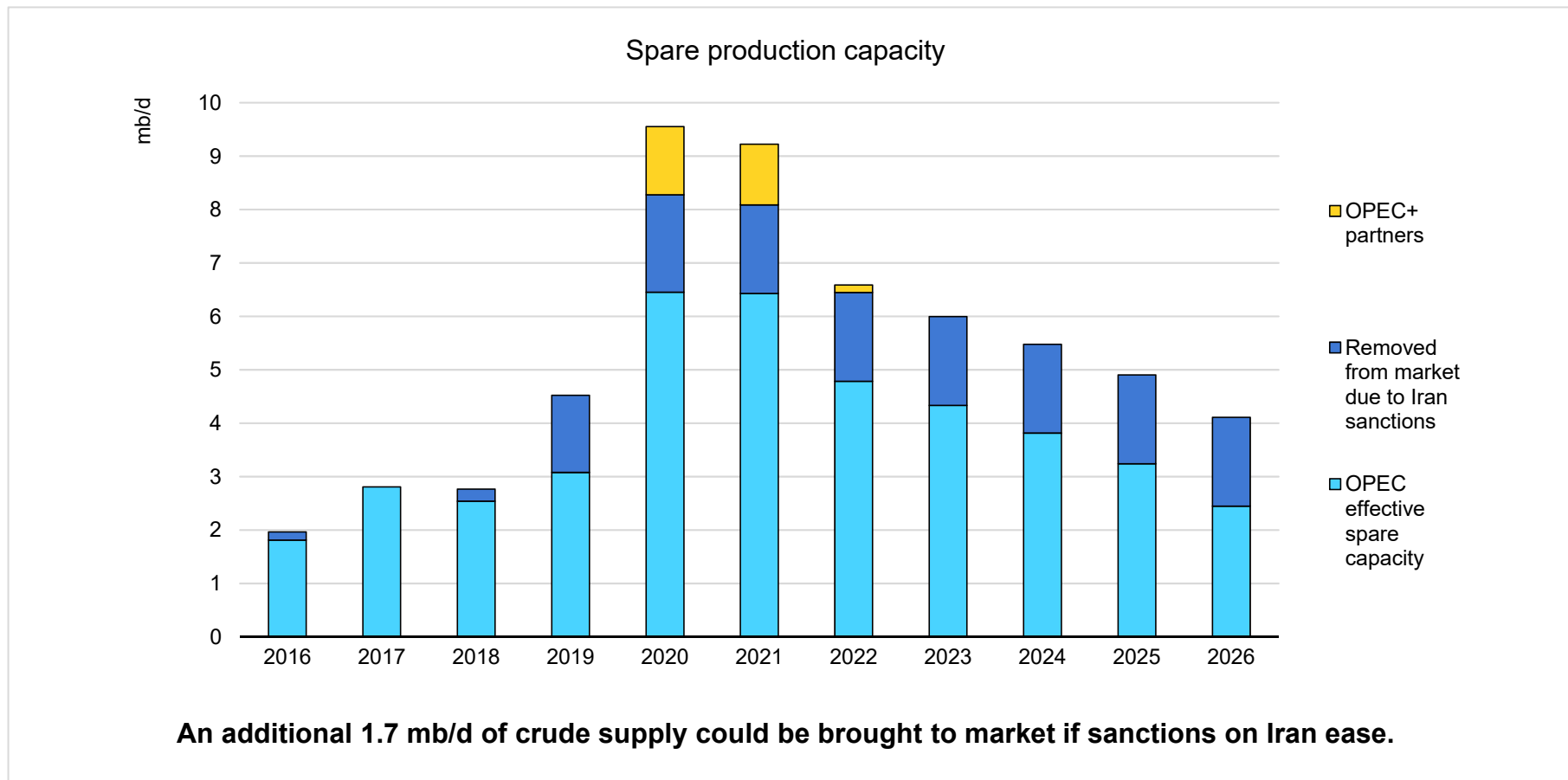
Middle East dominates global oil supply increase



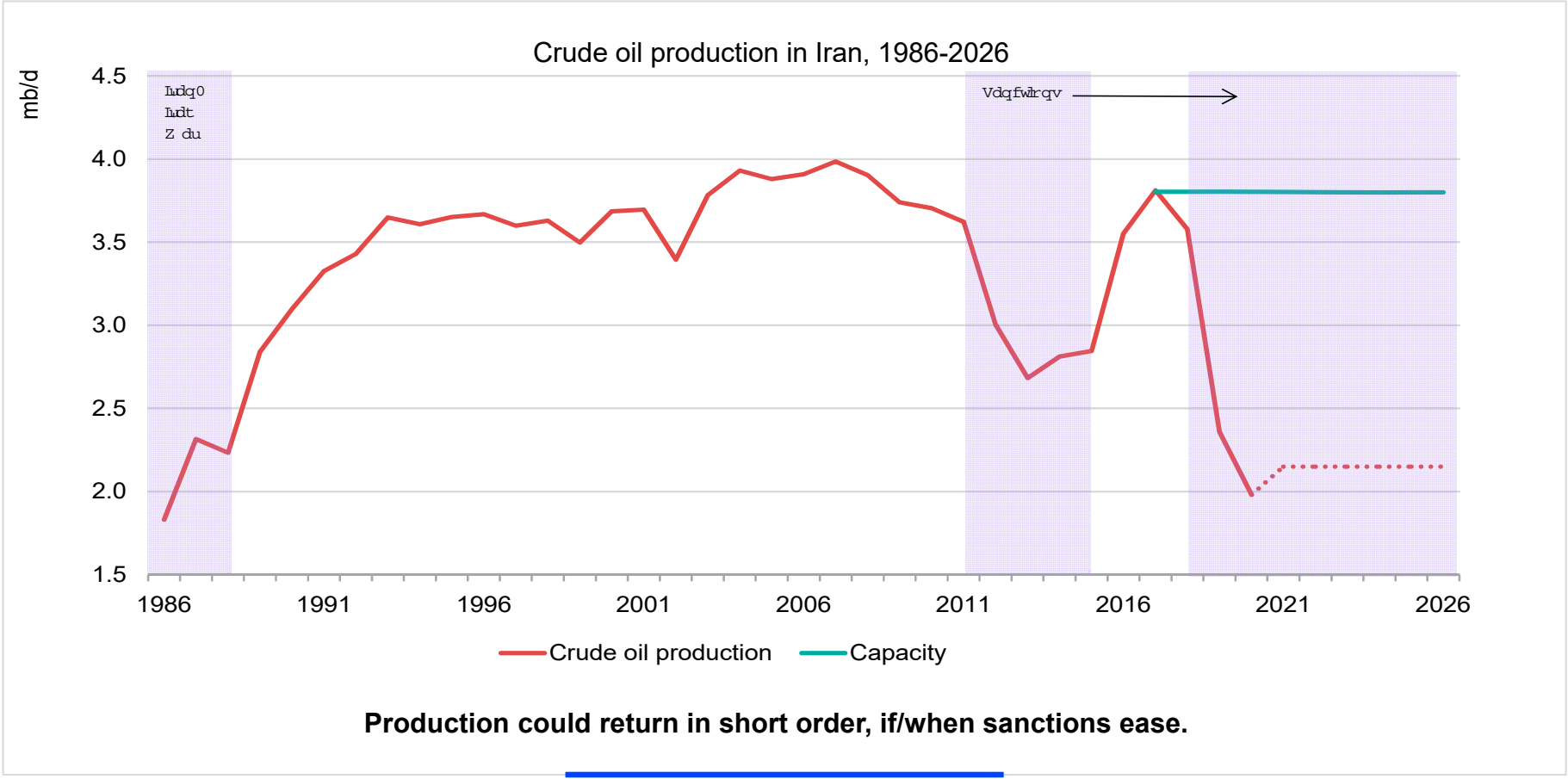
Modest US growth expected as investment strategy shifts



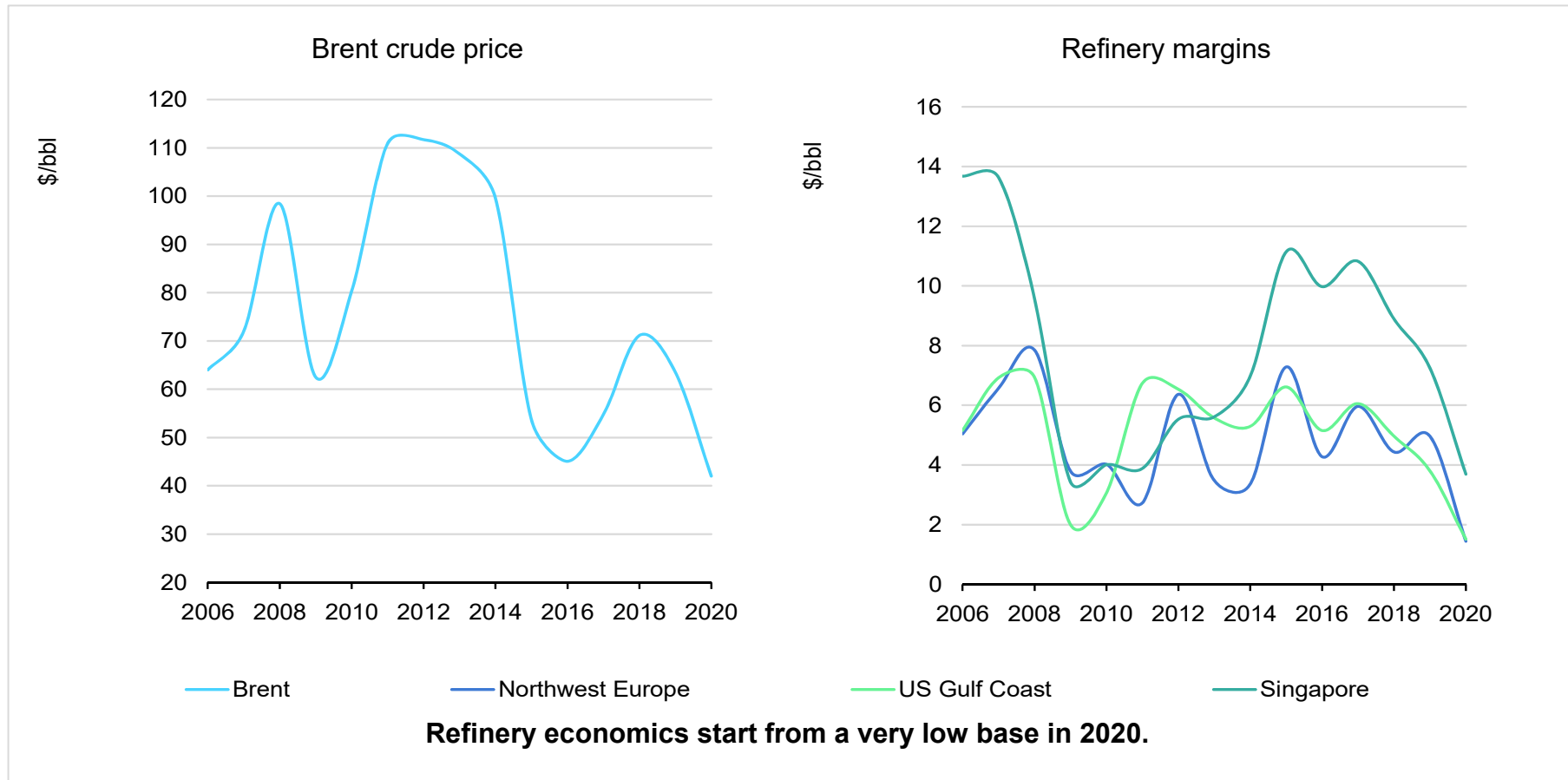
OPEC spare capacity looks comfortable through medium-term



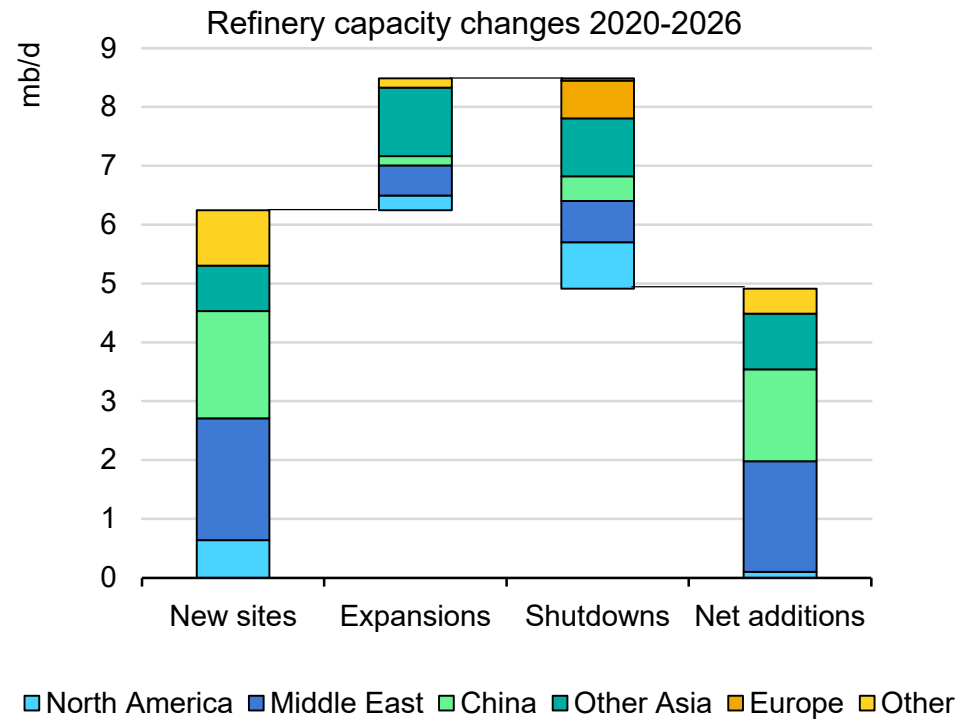
Iran awaits market return; sanctions shut in 1.7 mb/d of crude supply



Margins plunged to multi-decade lows in 2020

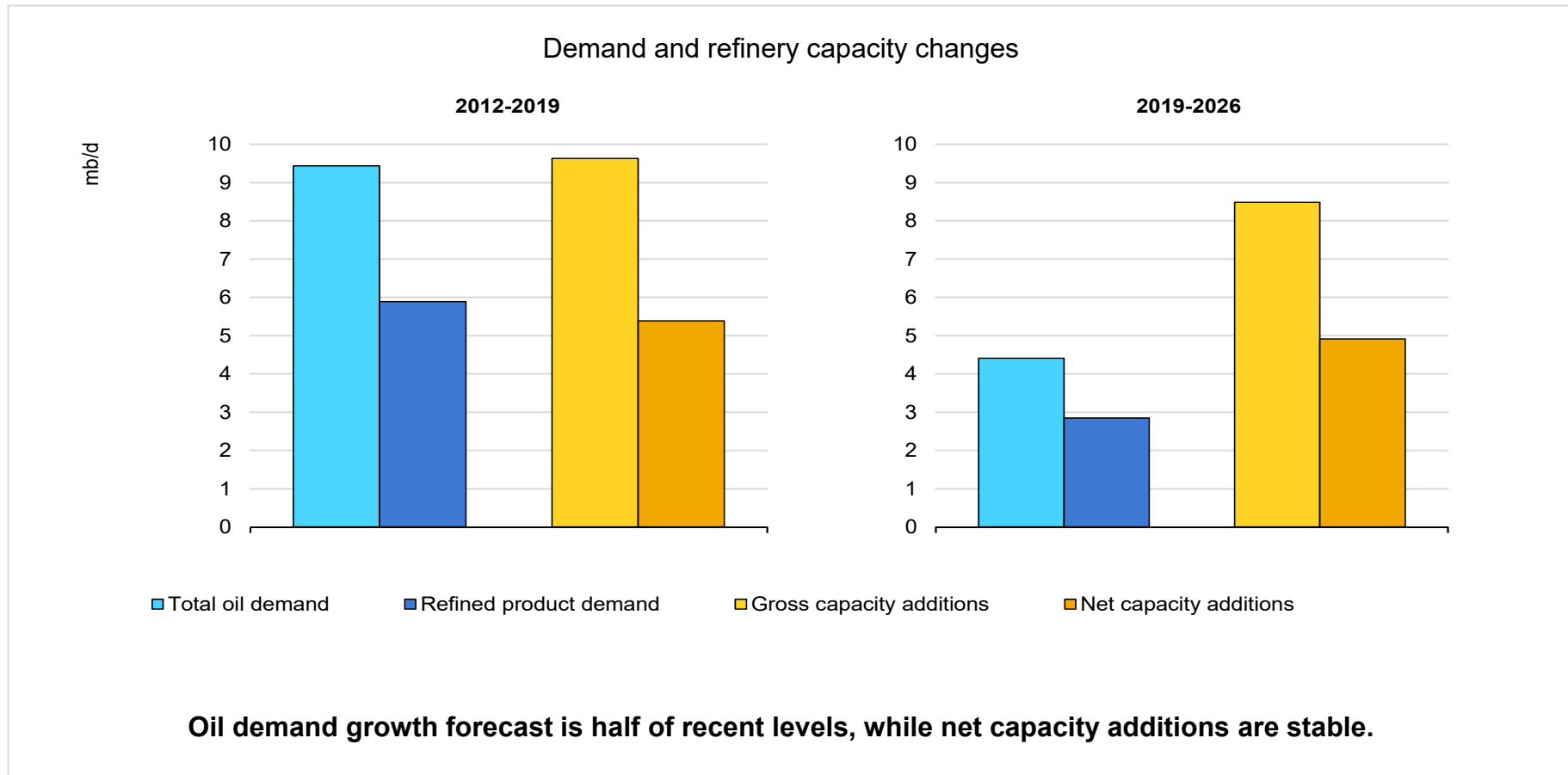


Great downstream migration continues

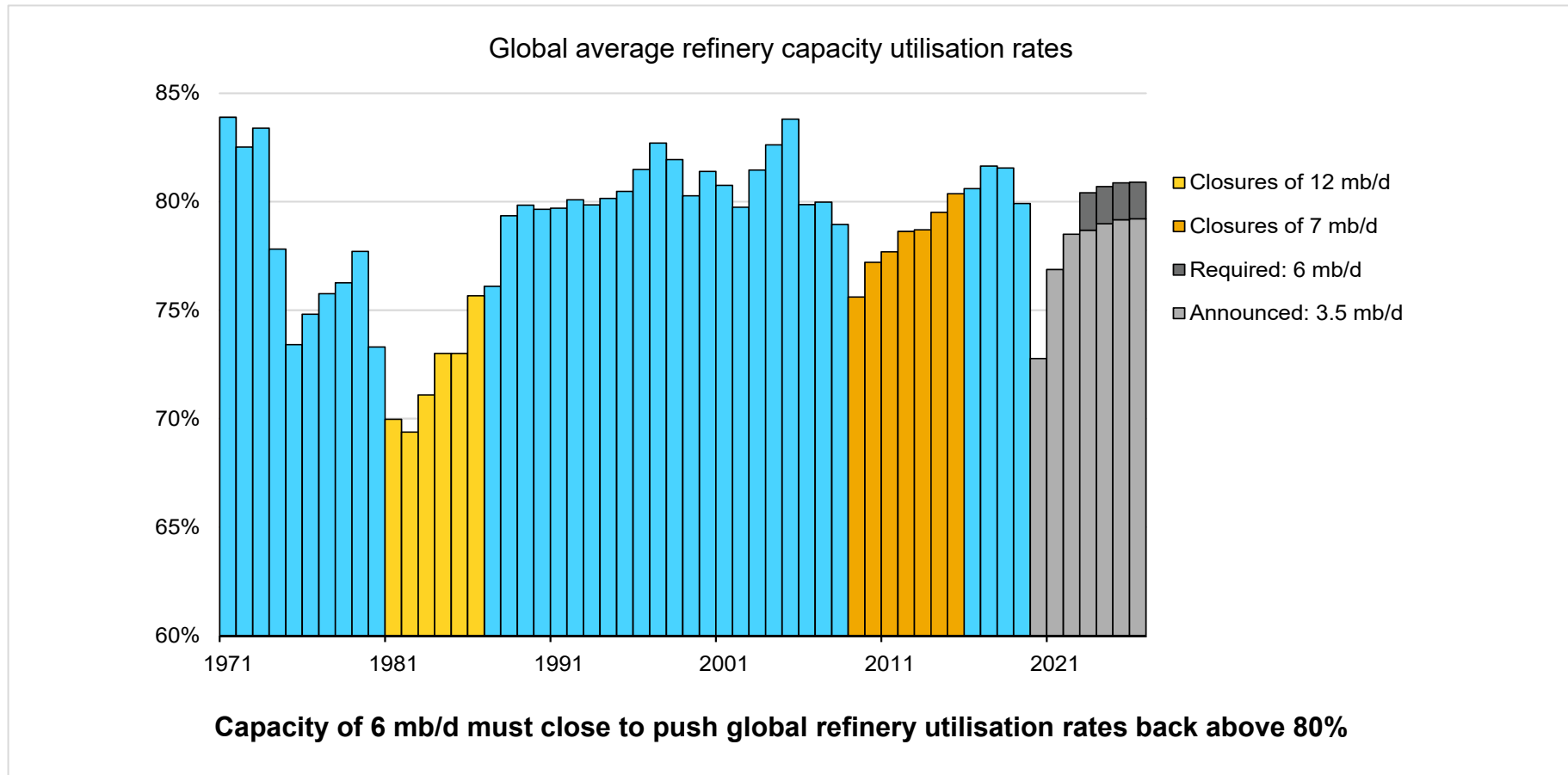


East of Suez accounts for 90% of net capacity additions by 2026

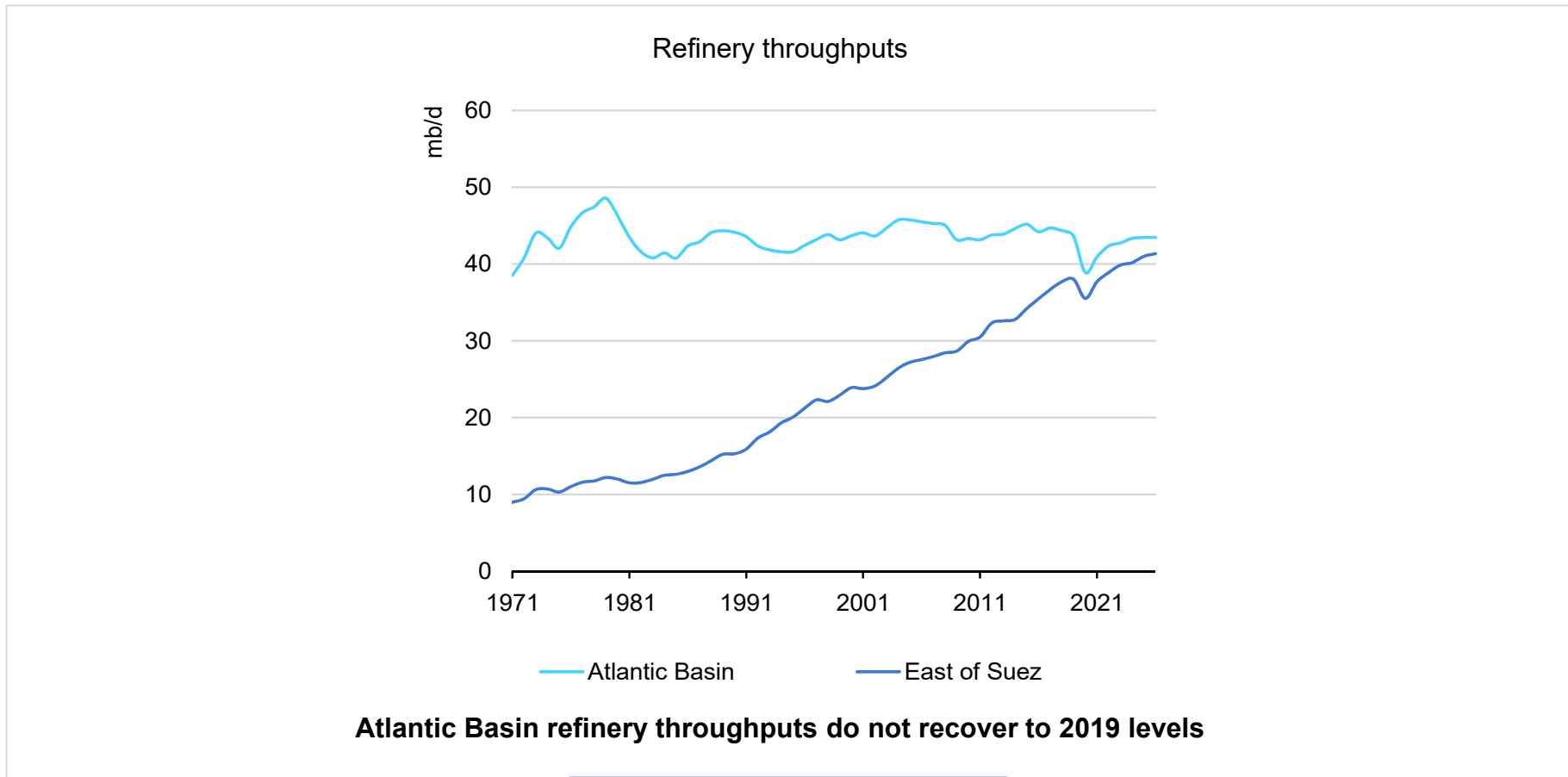
Sharp decline in oil demand growth and call on refineries



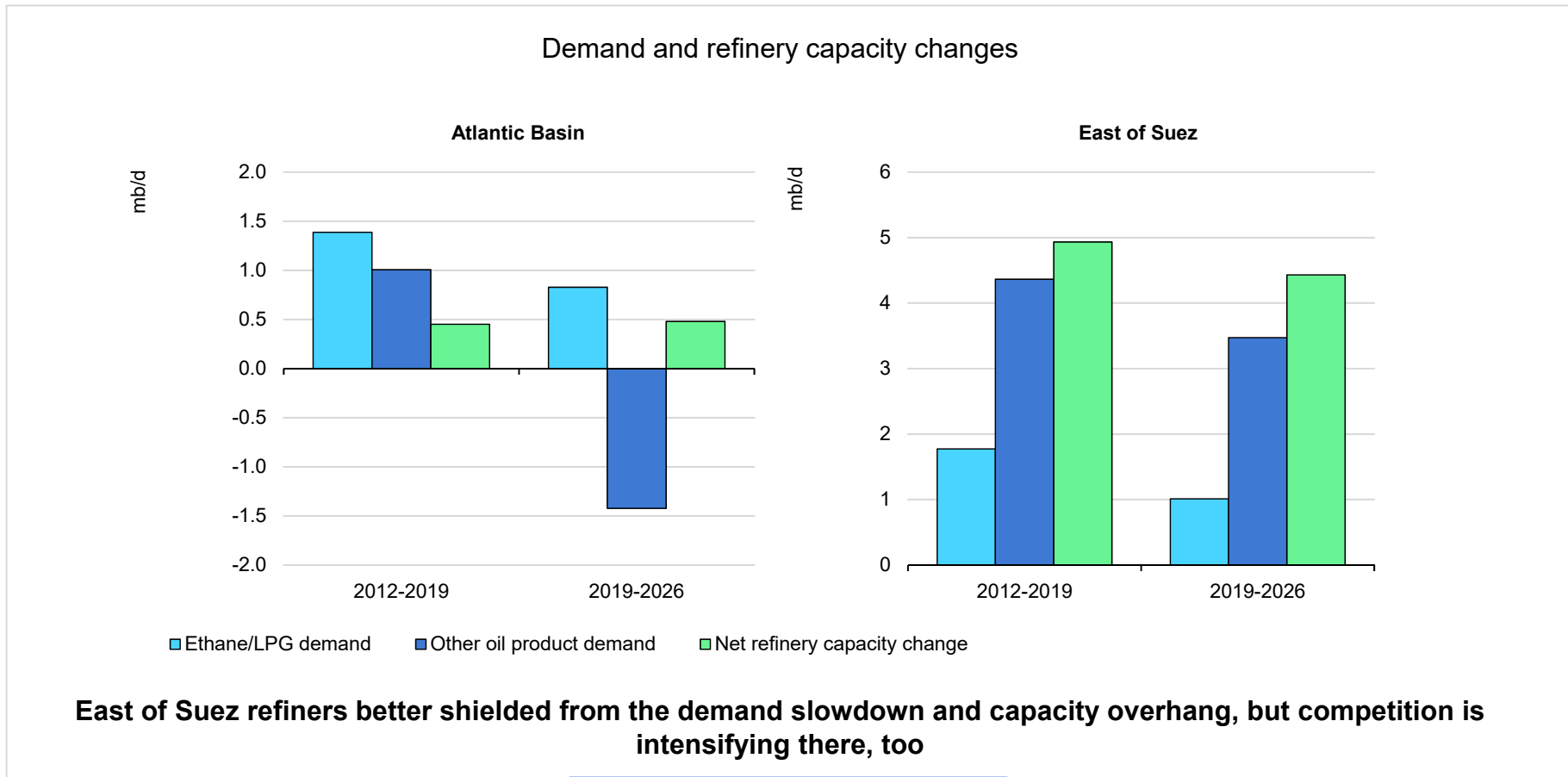
Covid-19 speeds up third round of global refinery closures



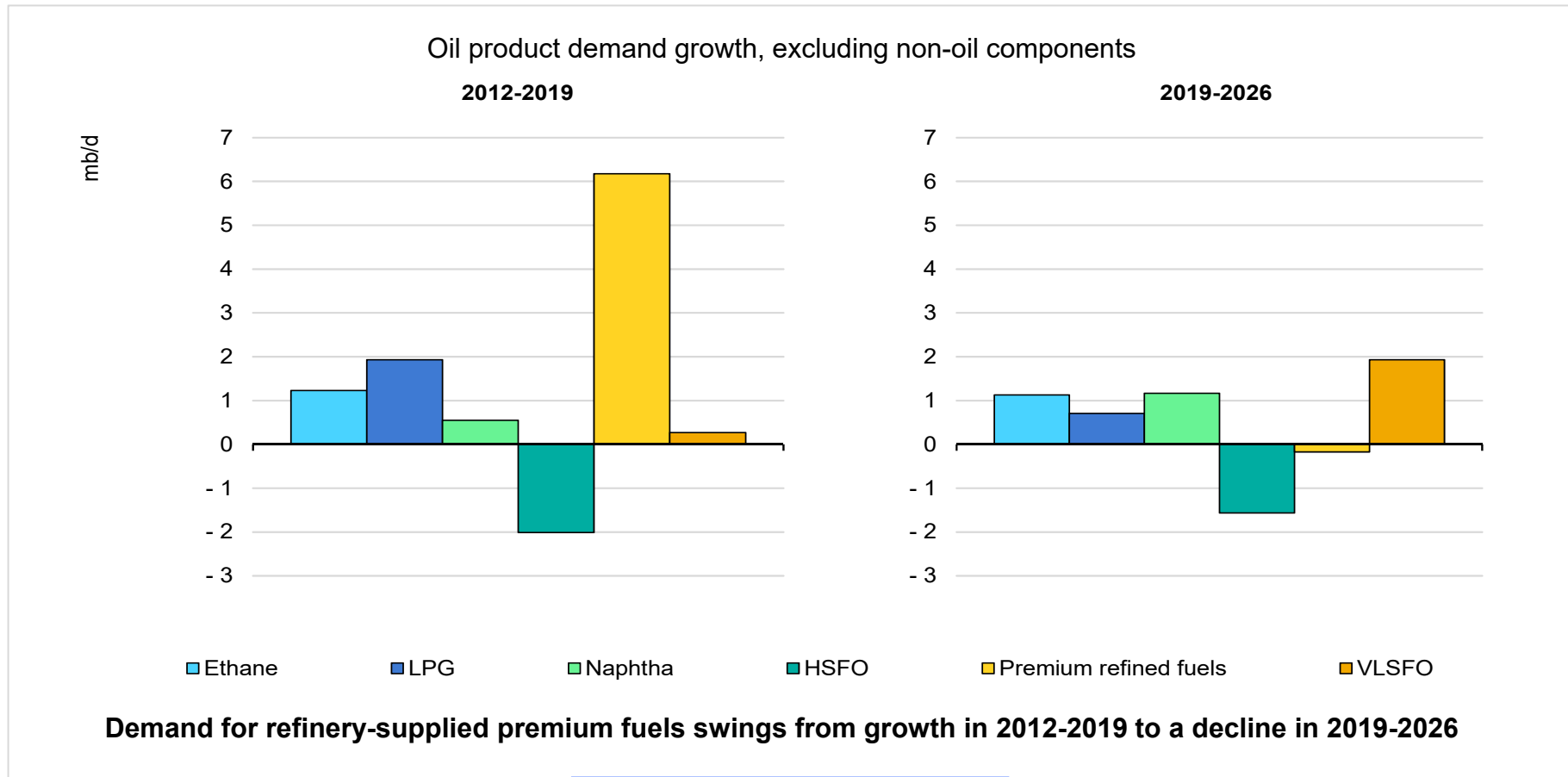
East of Suez drives increase in global refining throughput



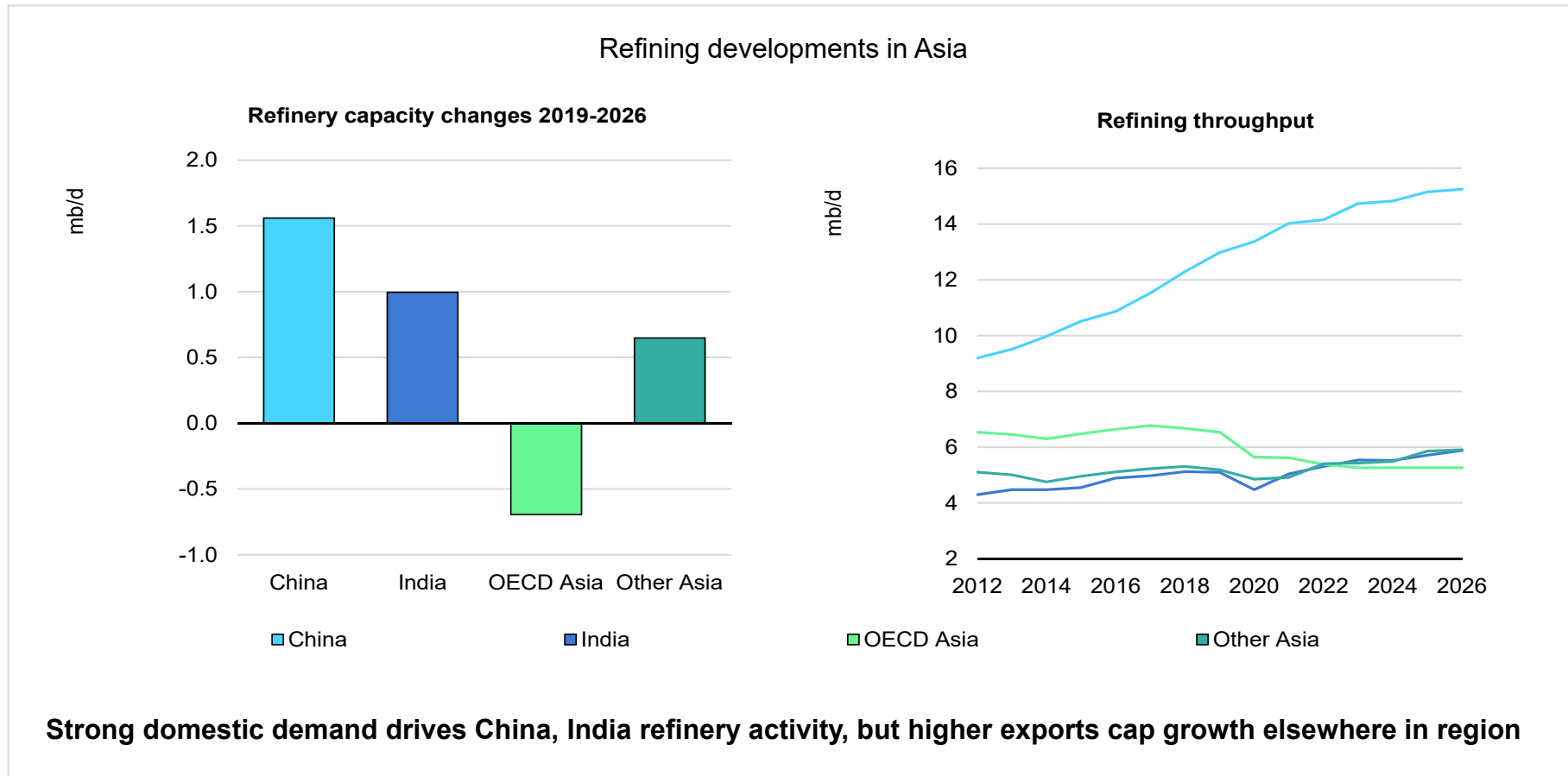
The two hemispheres continue diverging



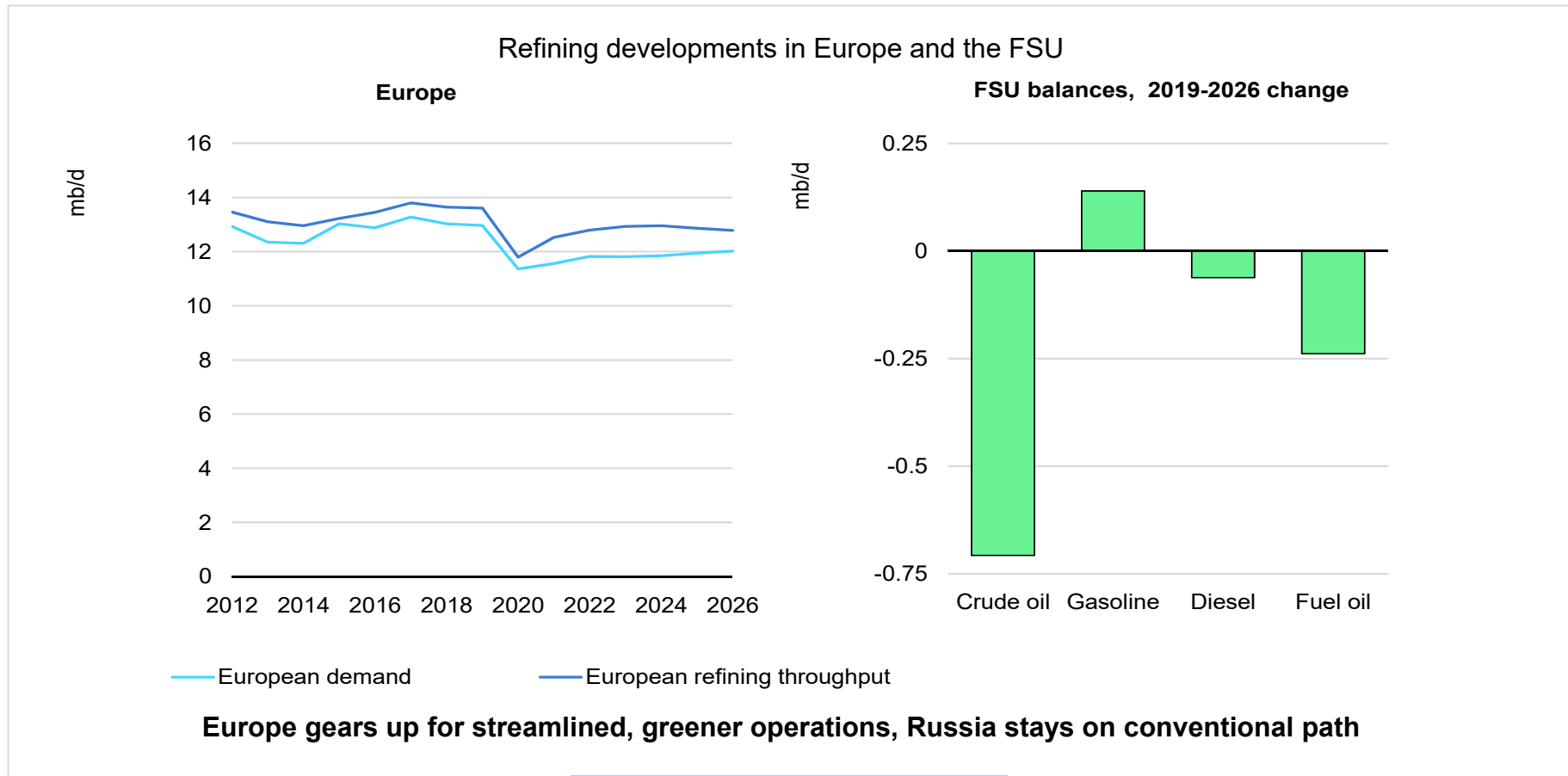
Refinery economics endangered



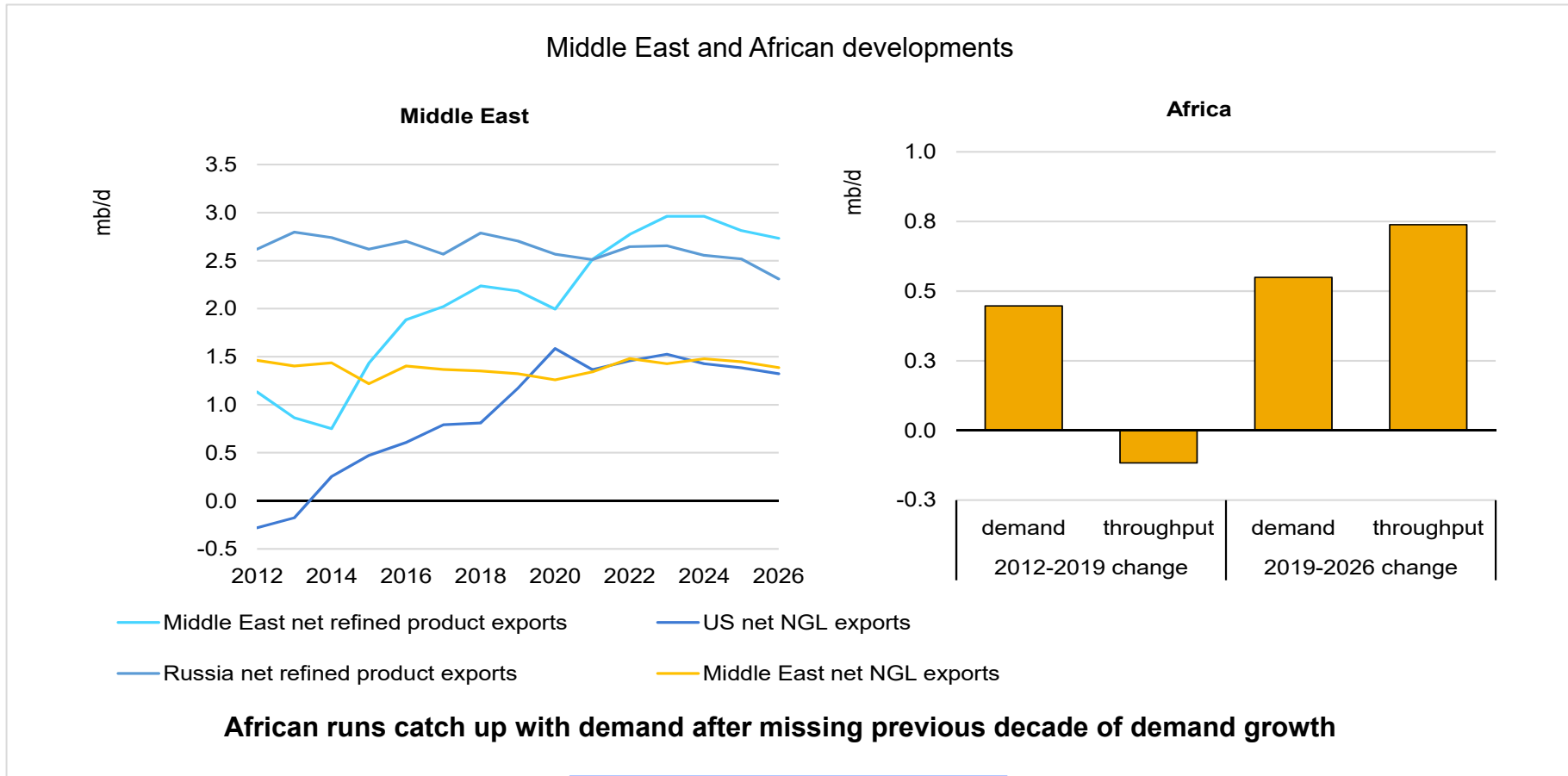
China continues to lead refining activity growth globally



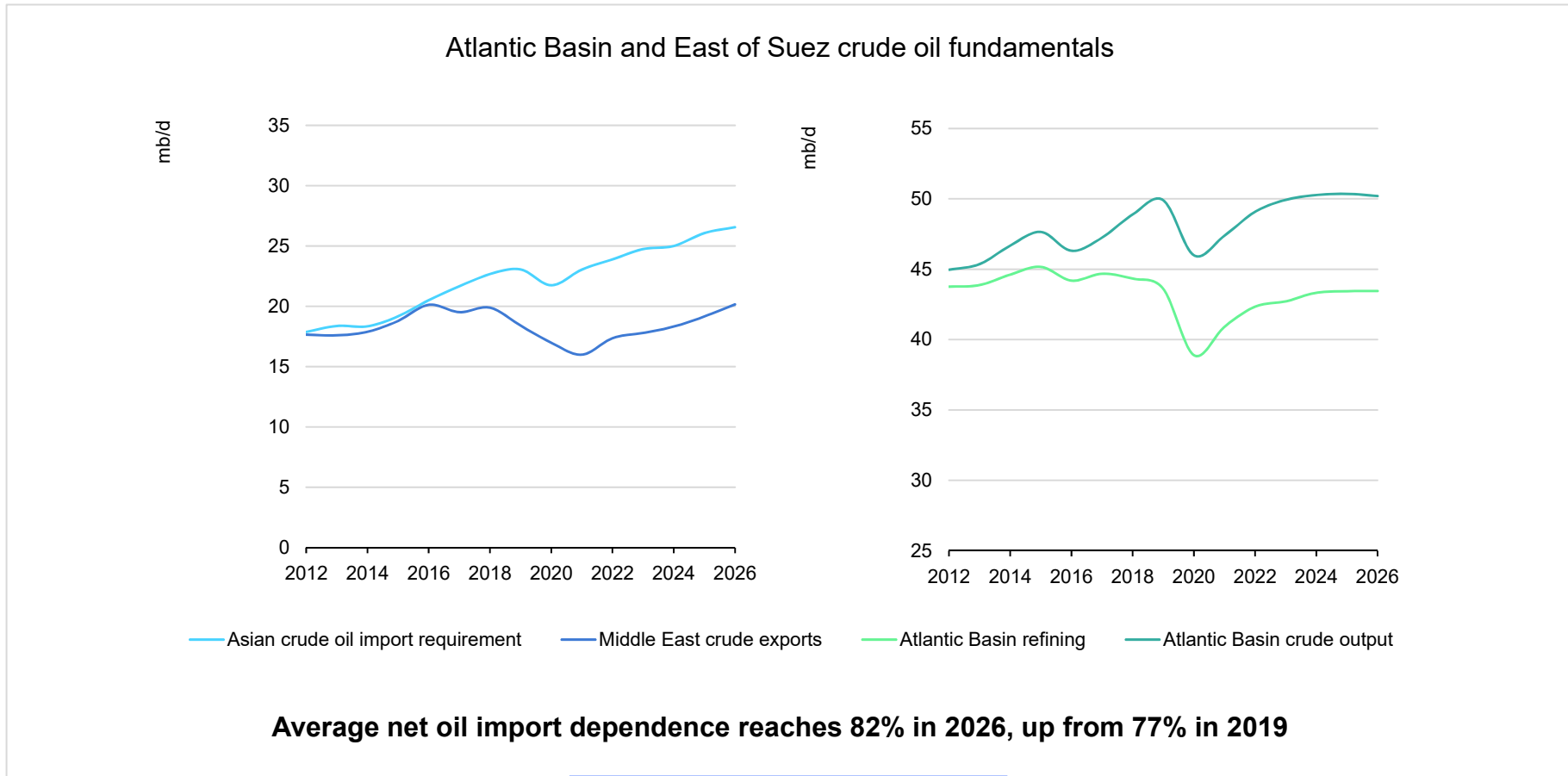
Slowdown in European demand hits European, FSU refiners



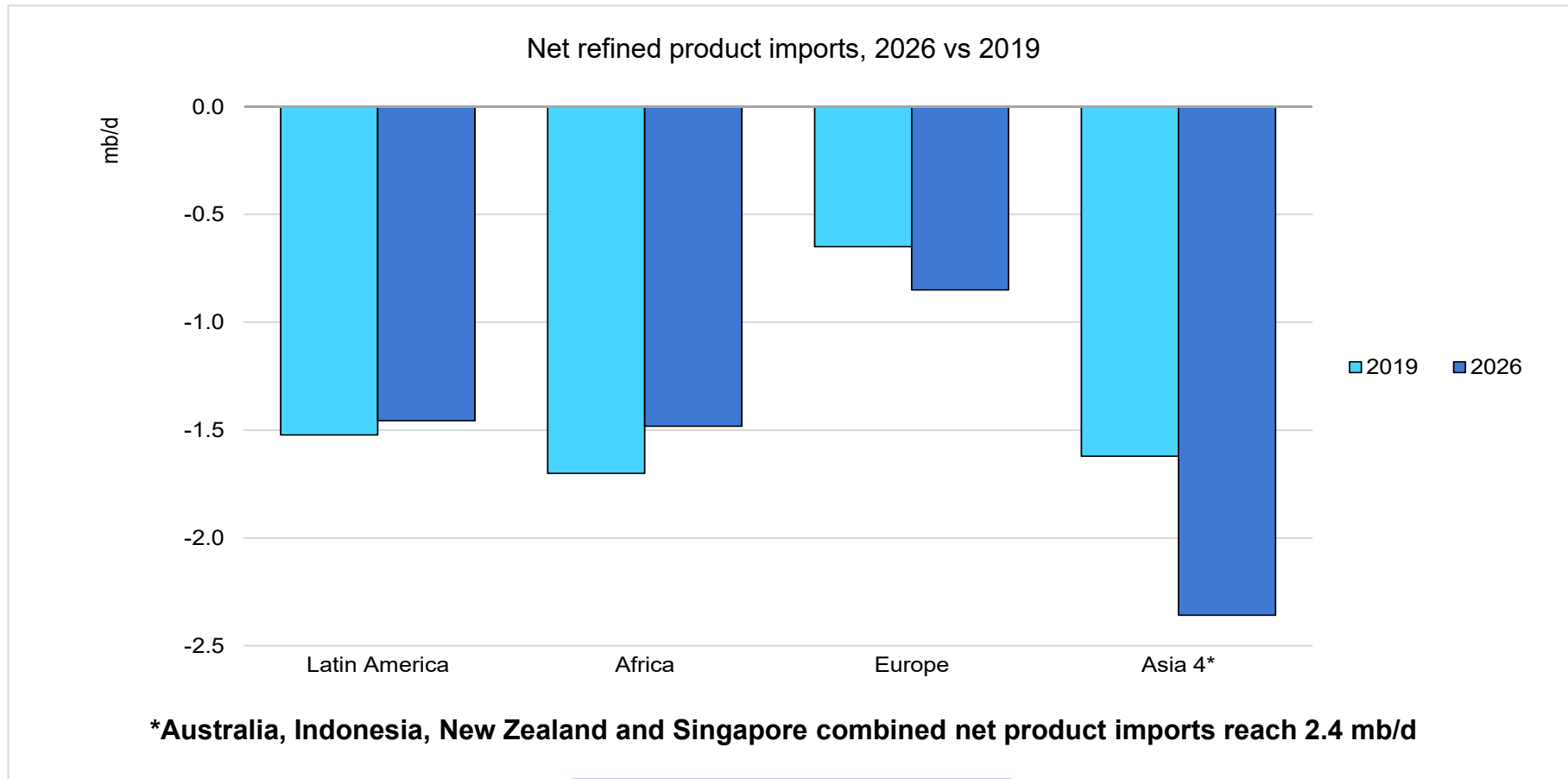
Middle East becomes the largest refined product exporter



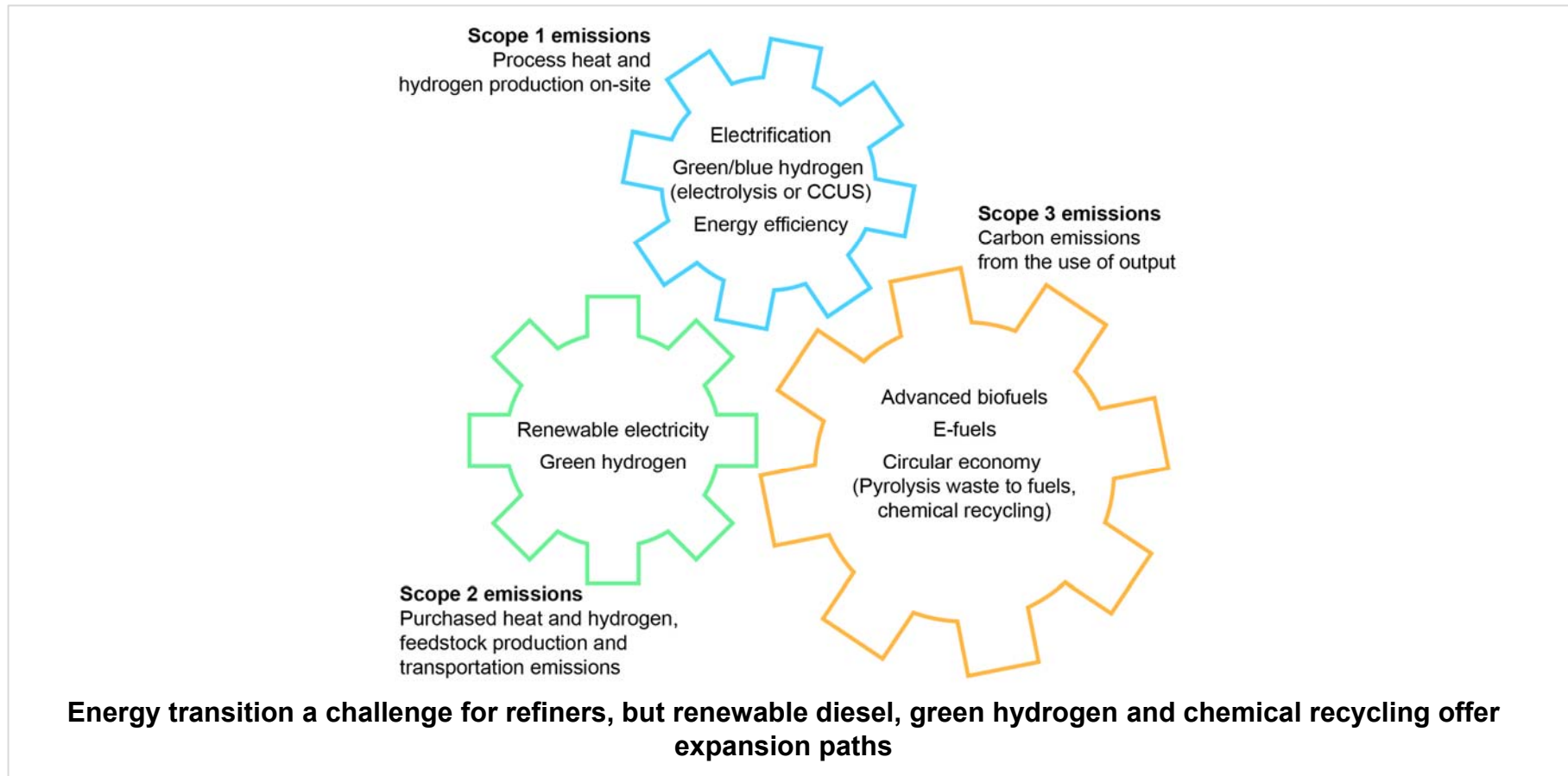
Asian crude oil imports reach 27 mb/d



The centre of gravity for products trade shifts to Asia



Reinventing refining business to fit energy transition





<https://www.iea.org/reports/oil-2021>