

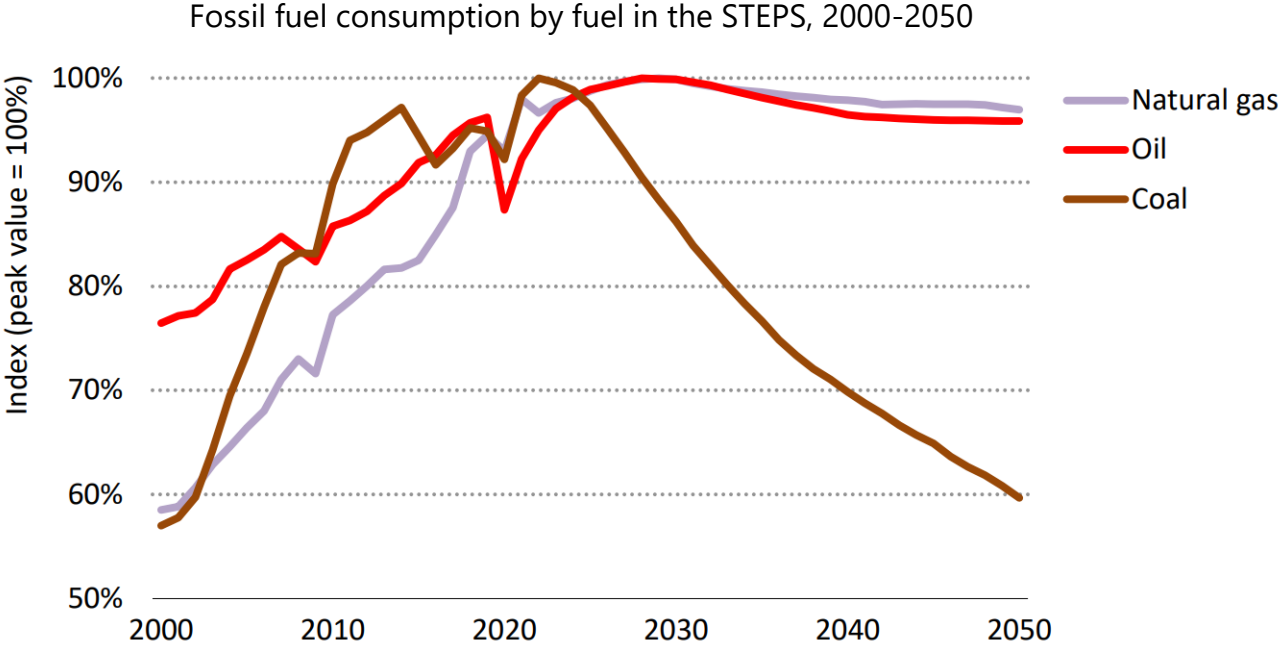


# IEA Outlook Overview

14th IEA IEF OPEC Symposium on Energy Outlooks, Riyadh

21 February 2024

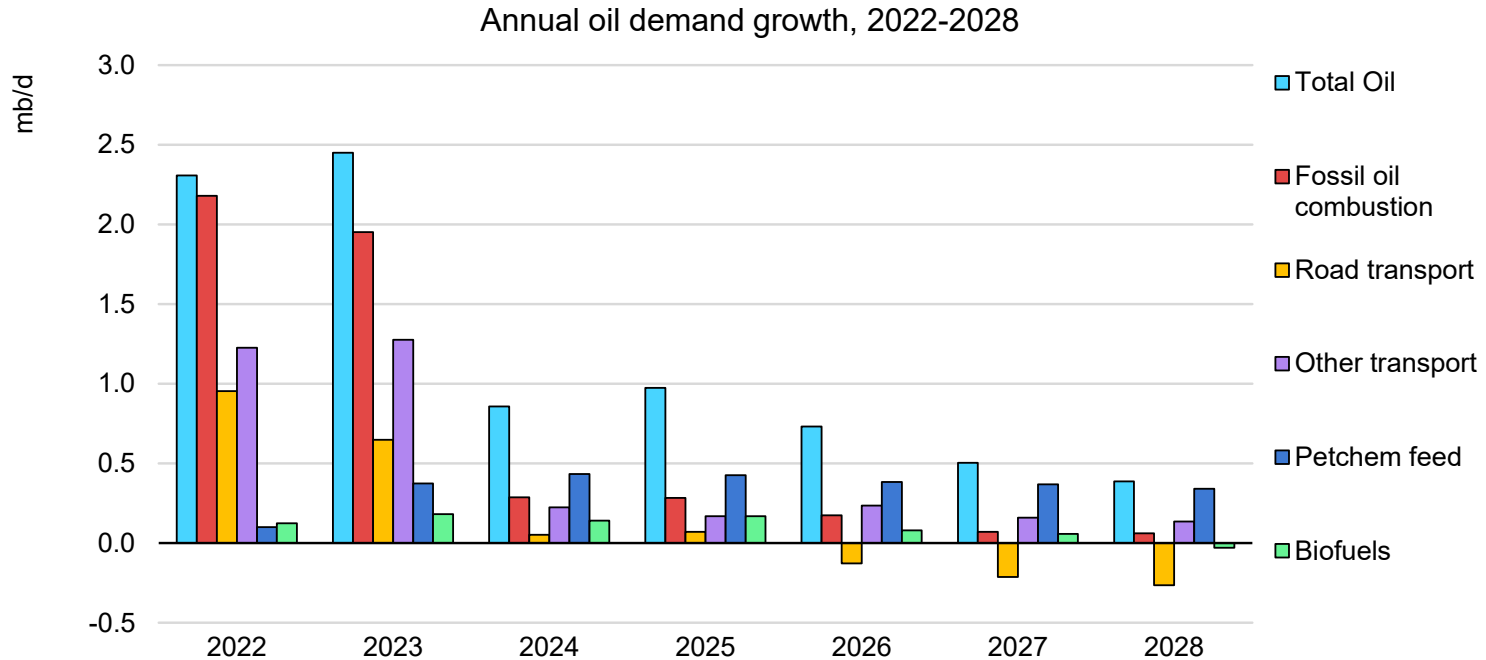
# Fossil fuel use to peak but oil and gas consumption resilient



IEA. CC BY 4.0.

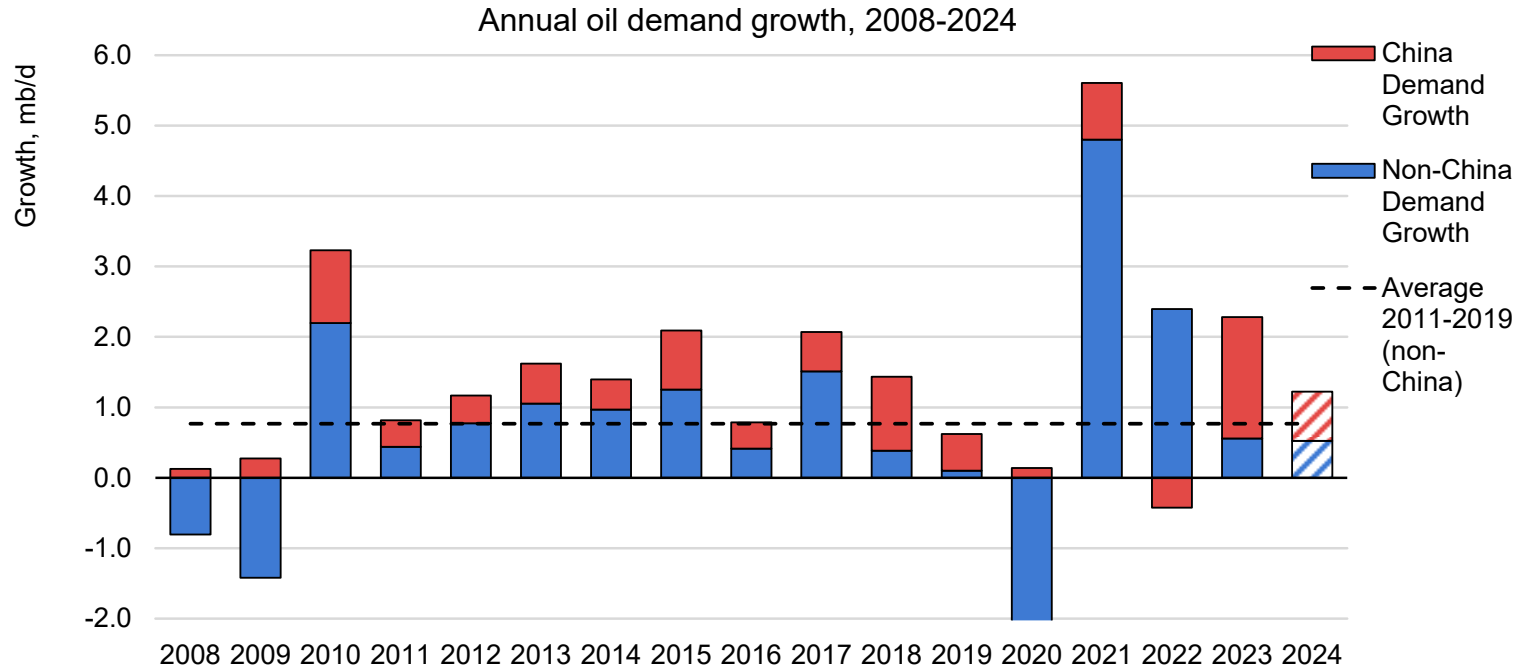
Each of the three major fossil fuels are set to peak by 2030 in the STEPS. The decline for coal is much sharper than for oil and gas. Each of these fuels would plateau in the coming decades.

# Slowing growth means that oil demand is approaching a plateau



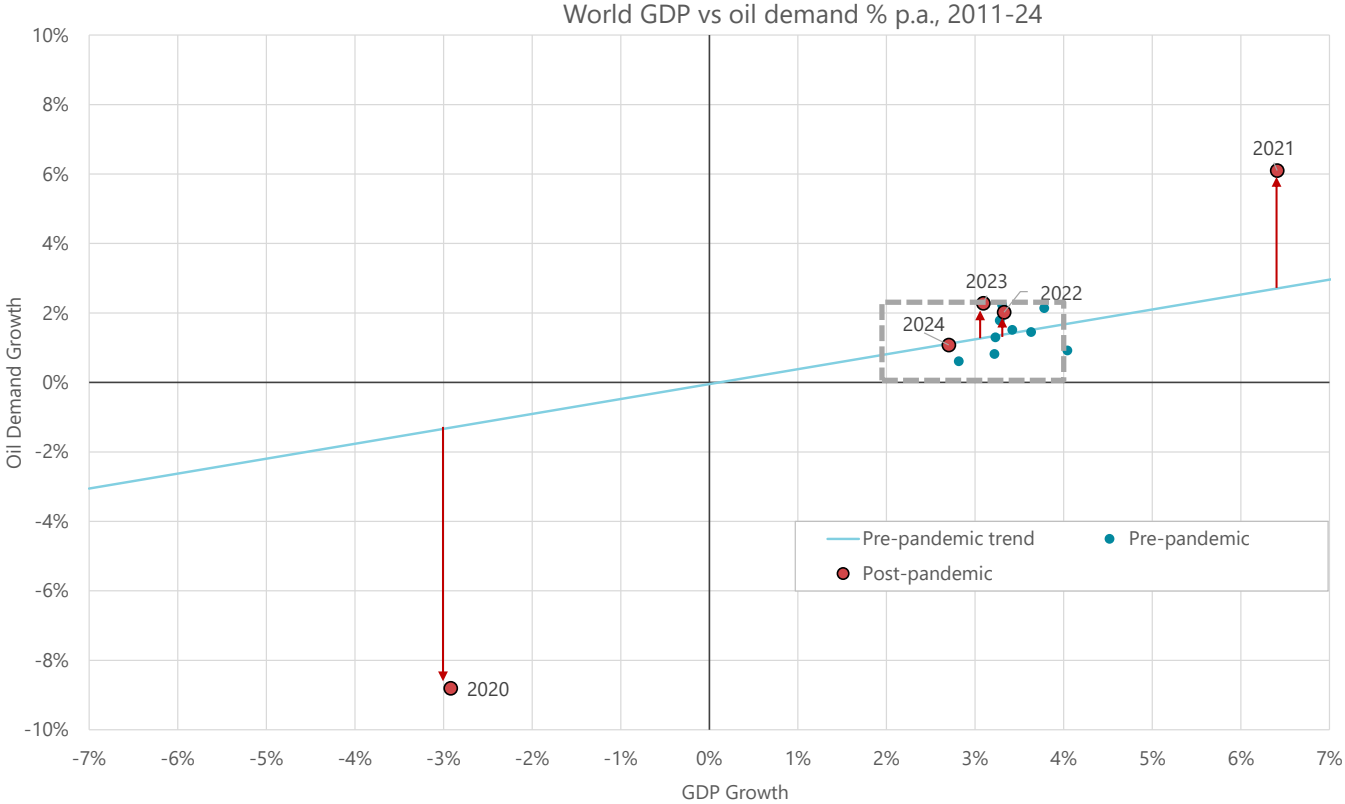
Growth in oil demand will slow from over 2 mb/d in 2023 to only 400 kb/d in 2028. Fossil fuel combustion peaks in 2028 on rising efficiencies and EV sales. Petchem feedstocks continue to increase.

# Global oil demand growth to revert to pre-pandemic range

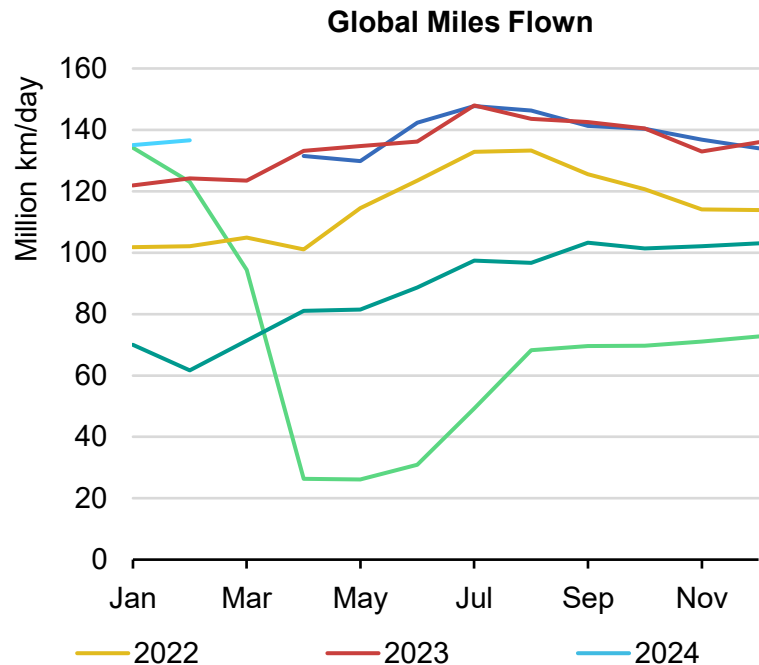
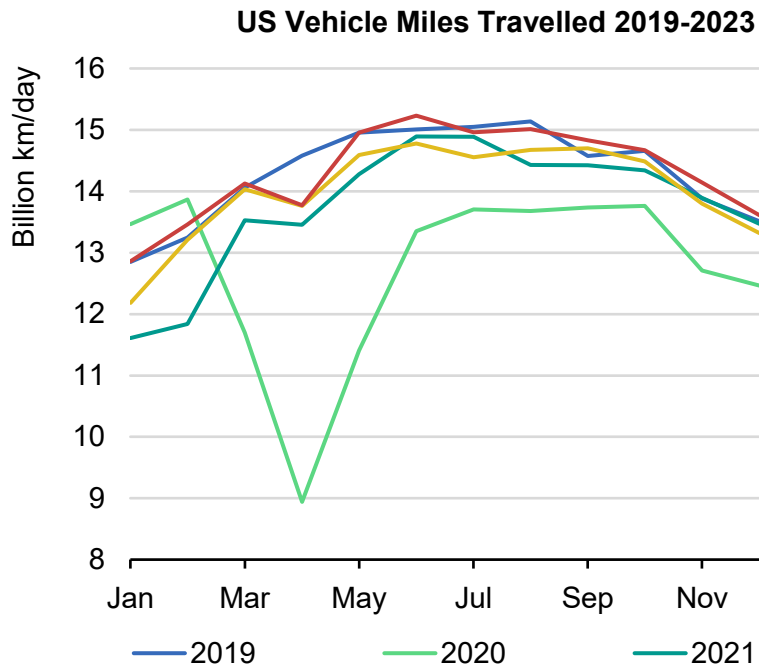


After three exceptional post-pandemic years, the demand growth is returning to more typical rates. A sharp rebound in China dominated 2023 but the return to normal rates is already evident elsewhere.

# Global oil demand growth to revert to pre-pandemic range



# The normalisation is already visible in demand and mobility data

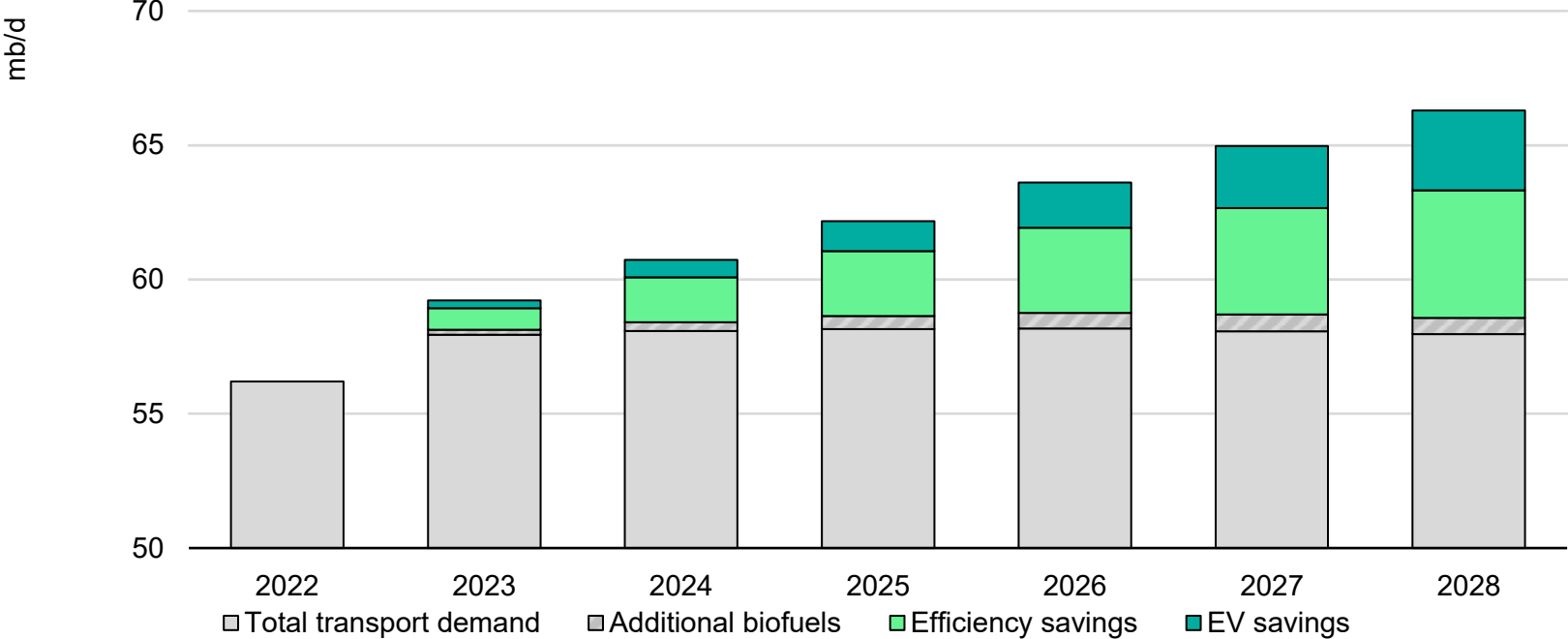


Sources: IEA, US FHWA, Airportia

Oil demand growth slowed to 1.8 mb/d in 4Q23, 80% in China. Many indicators, for example US mobility and global flights appear to have settled into incremental growth with pent-up demand largely released.

# Efficiencies and EVs will transform this slowdown into a plateau

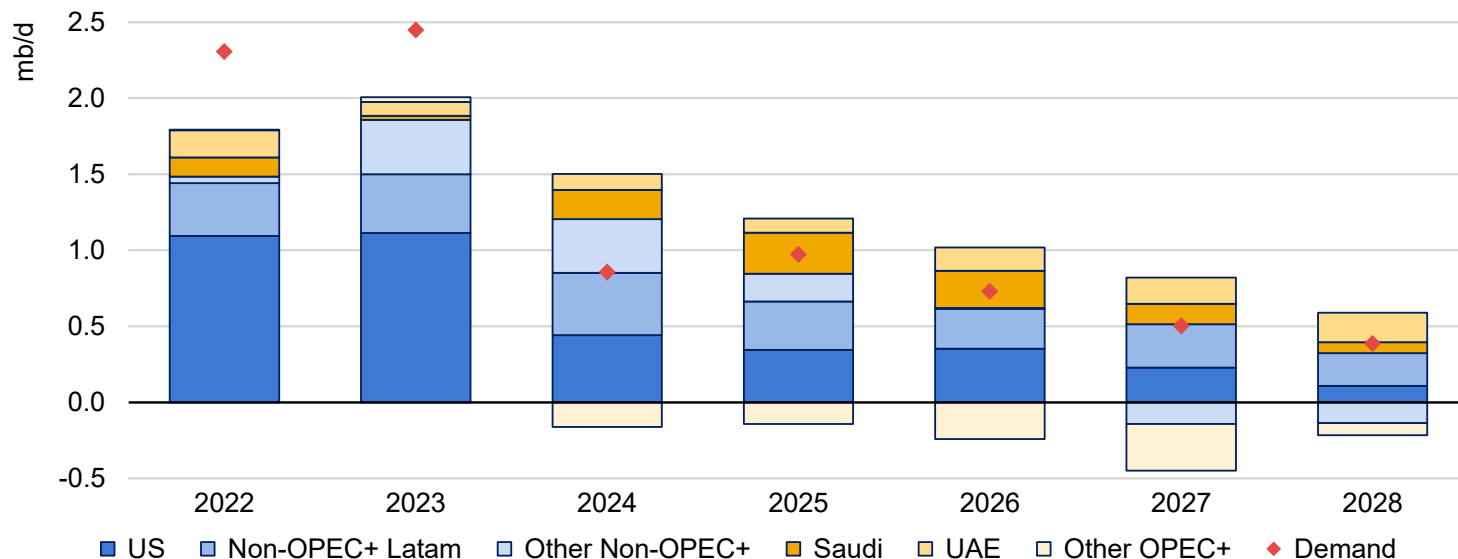
New EVs and improved efficiency will avoid 7.8 mb/d of extra oil demand, 2022-2028



Improving vehicle efficiency standards will enable the world to avoid 4.8 mb/d of oil consumption by 2028, with new EV sales reducing fuel requirements by a further 3 mb/d.

# US-led capacity building slows but keeps up with demand

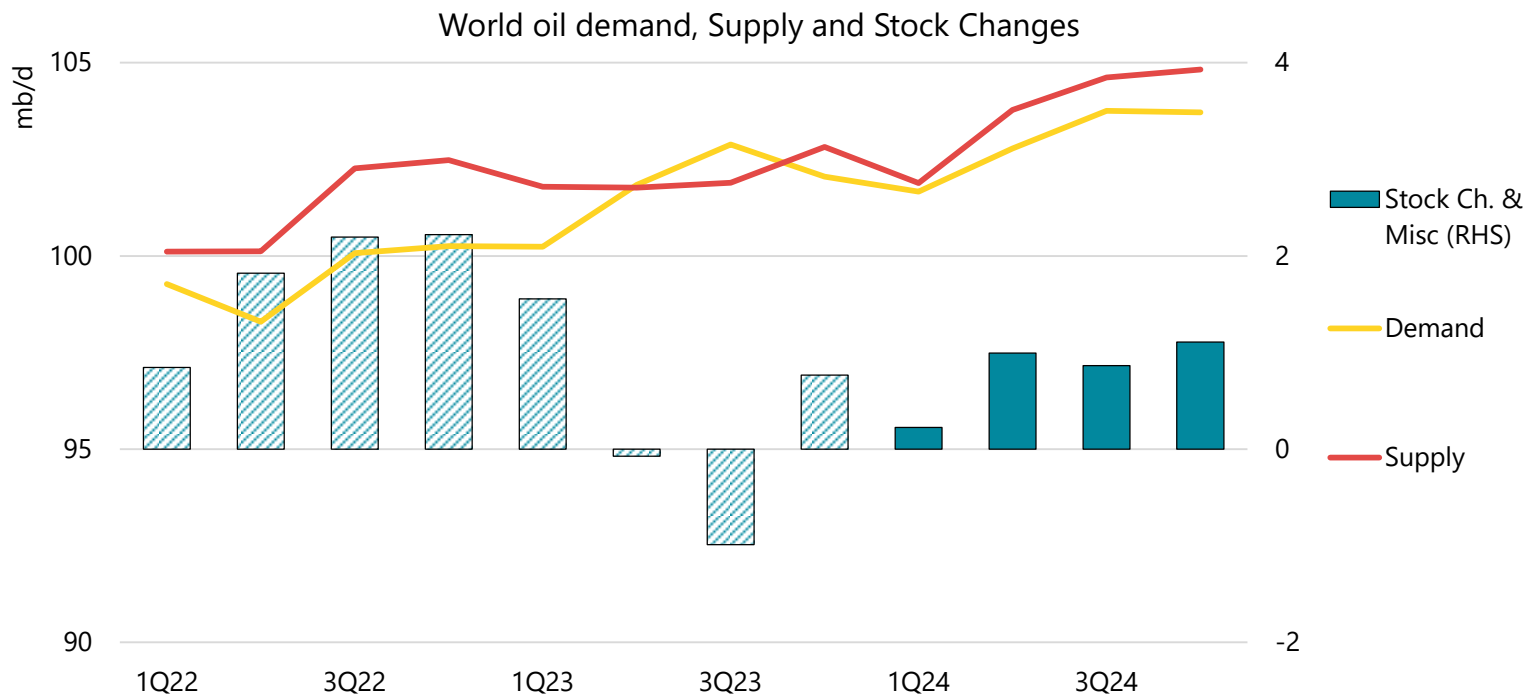
Capacity growth by key regions and demand growth forecast (y-o-y change)



US, non-OPEC+ Americas dominate expansion of 5.9 mb/d vs similar demand growth. Saudi, UAE fuel OPEC+ increase. Capacity growth slows from 1.9 mb/d in 2022 to 0.3 mb/d in 2028.



# World oil market balances look comfortable in 2024



With global demand growth in 2024 slowing to +1.2 mb/d and non-OPEC+ producers (+1.6 mb/d) driving supply gains, a small surplus is expected (assuming OPEC+ nations' voluntary cuts unwind starting in 2Q24).

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