



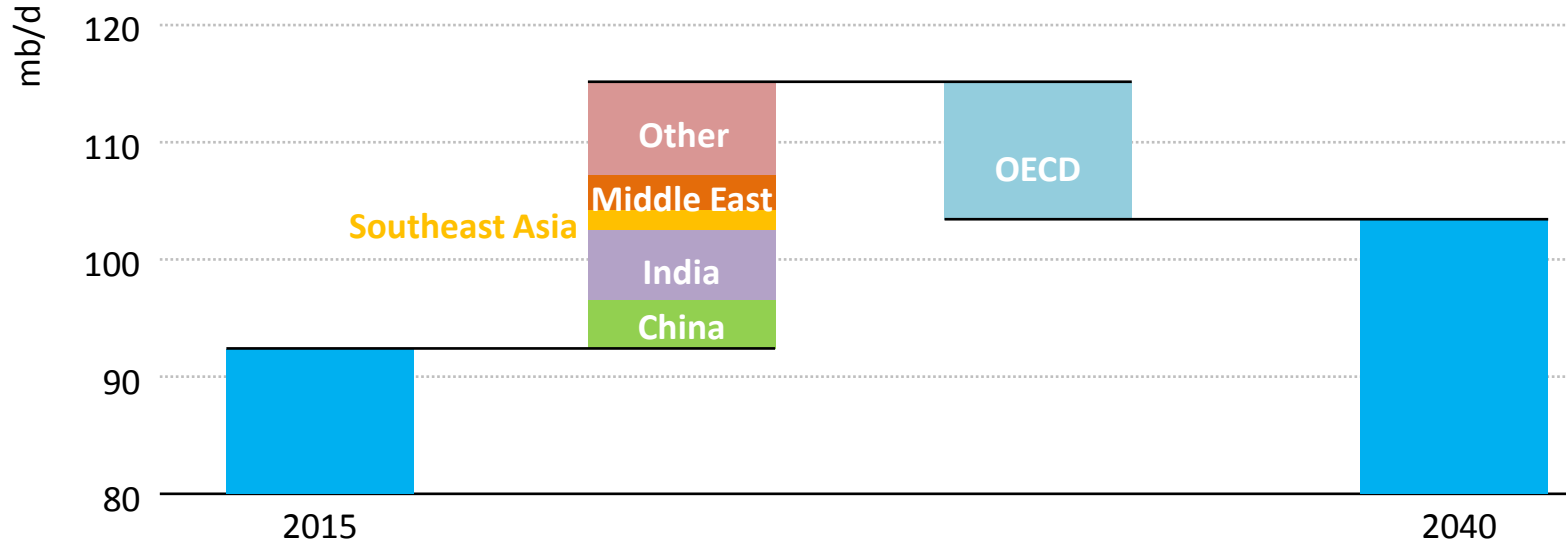
# Challenges in Asia

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Réunion IDées Géopolitique – Wednesday, 15 March 2017

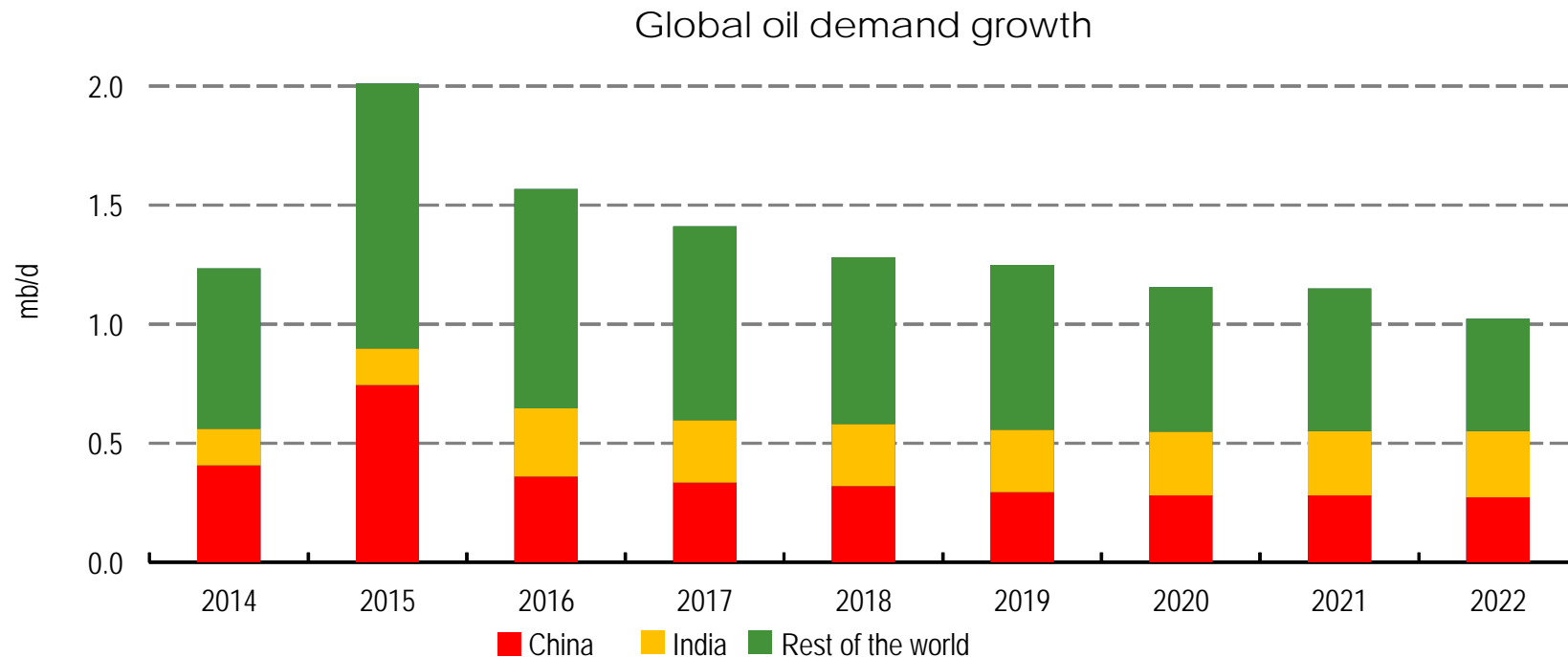
# The shifting geography of oil demand

## Oil demand by region



***Demand in developing Asian countries overtakes total OECD consumption in the mid-2030s and constitutes over a third of global oil demand by 2040***

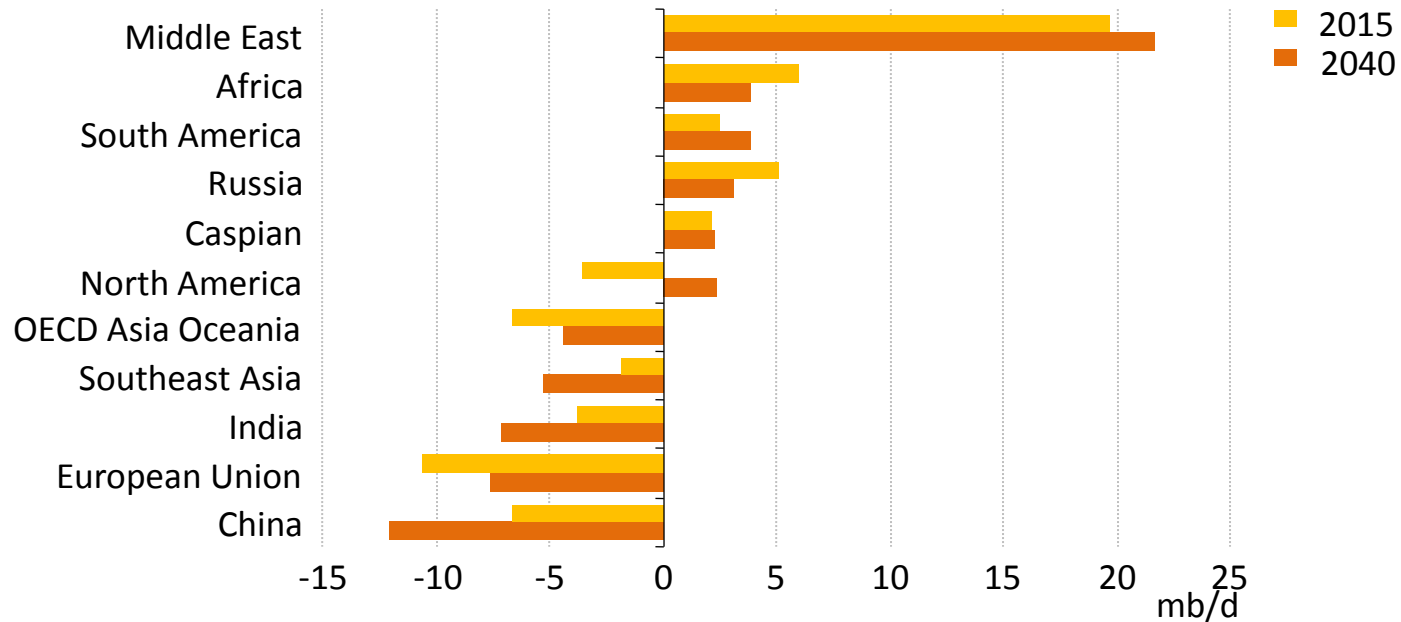
# Oil demand continues to grow but at a slower pace



**Global oil demand crosses 100 mb/d mark in 2019. Transport accounts for one-half of global growth, petrochemicals - one-third. Almost half of global oil demand growth comes from China and India.**

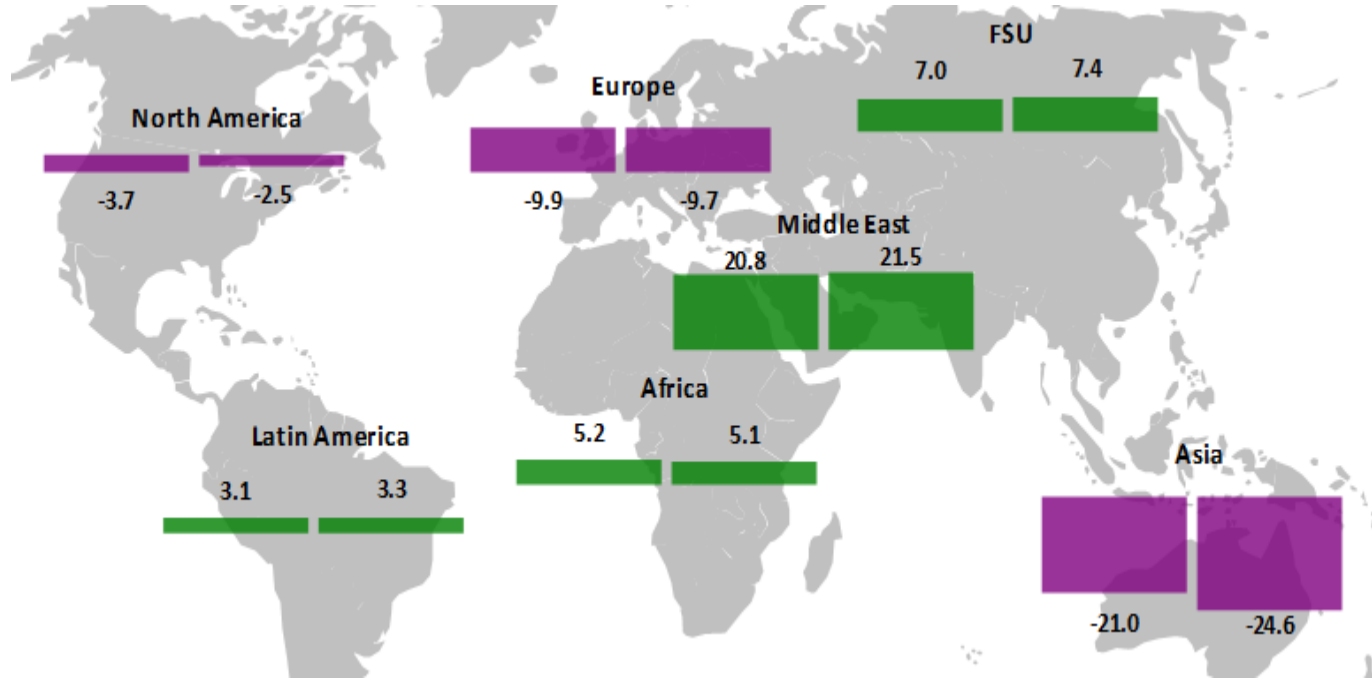
# Oil trade increasingly focused east of Suez

## Crude oil trade in major regions



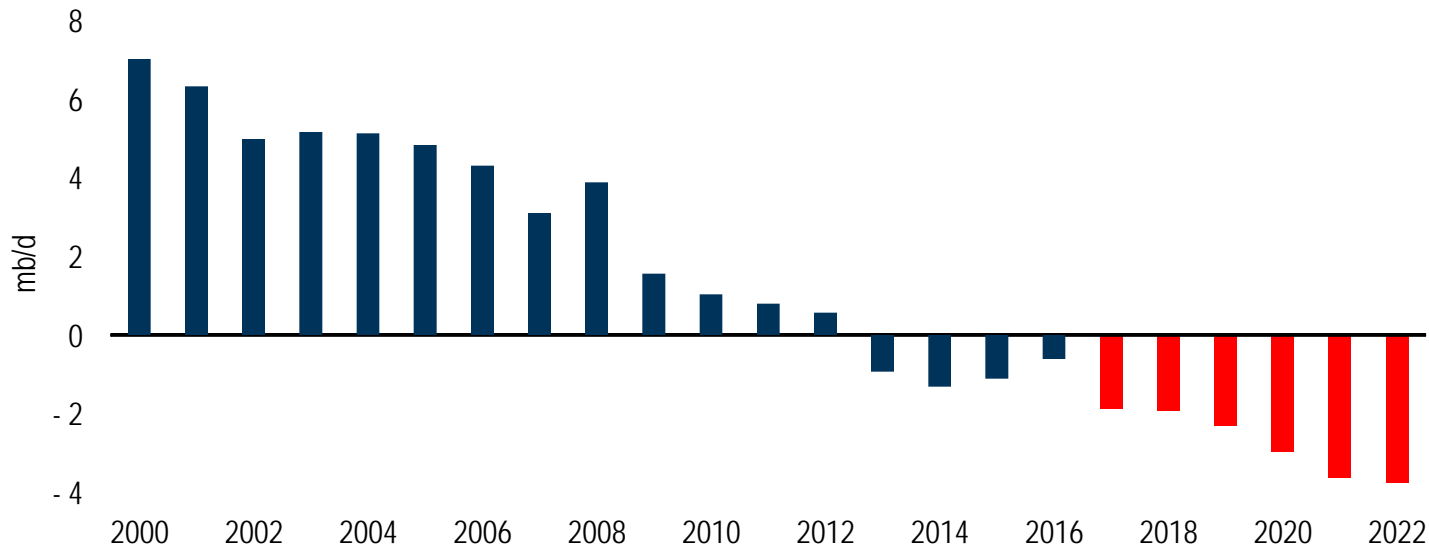
***By 2040, China and India import nearly half of all internationally traded crude oil, Middle East increases its market share, while North America becomes a net exporter***

# Major shift of crude oil flows to Asia



By 2022 there will be no net crude oil exporting country in Asia. 3 mb/d growth in refinery runs results in 3.6mb/d net import growth.

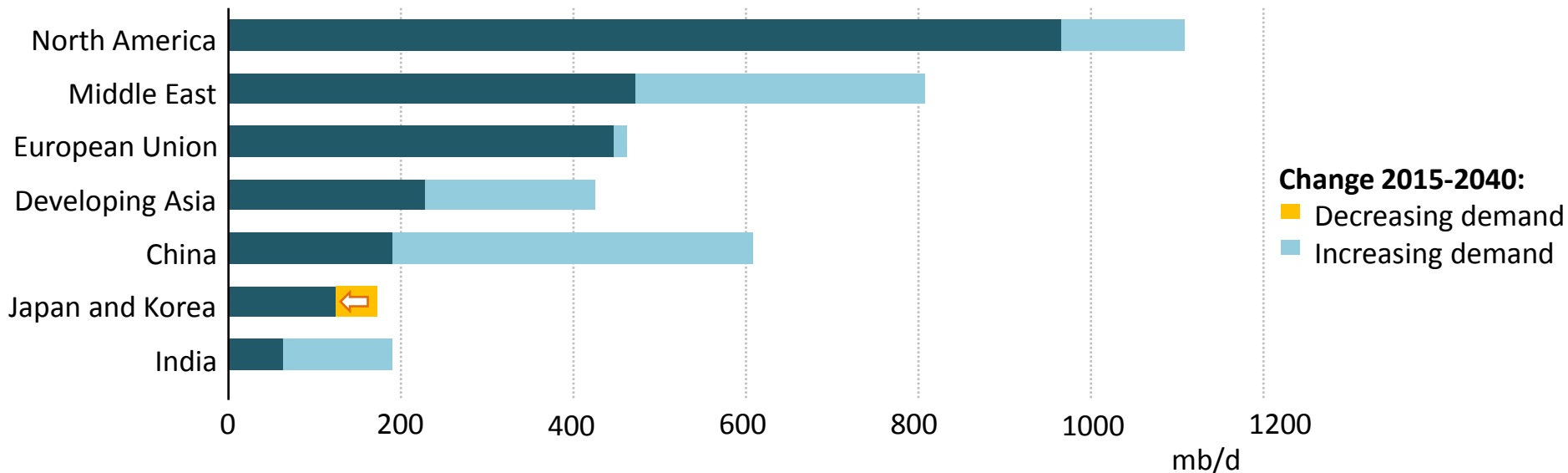
## East of Suez crude oil balance



**With massive growth in Asian market, East of Suez crude deficit widens as Middle East exports are not sufficient to meet demand. Exports growth from Brazil and Canada each is higher than from the Middle East.**

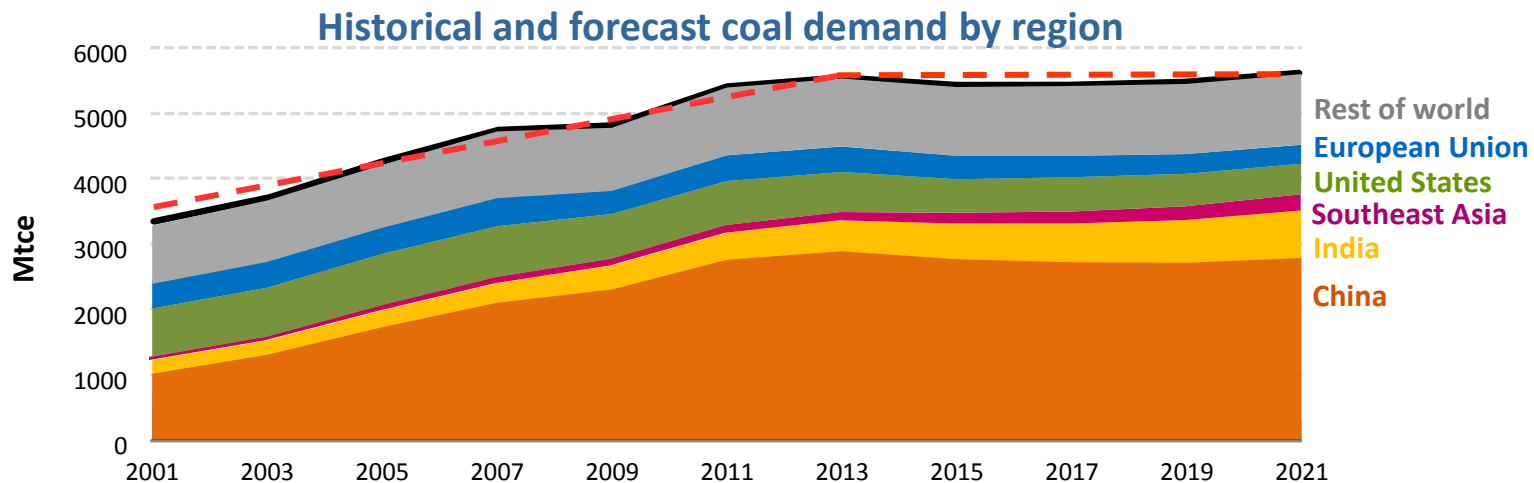
# A similar story with natural gas

## Natural gas demand in selected regions, 2015 and 2040



***Growing demand for industry & power drive a 50% increase in global gas use, with Asia and the Middle East again accounting for the bulk of global growth***

# Global coal demand: from growth to plateau



- ***Largest growth will be in India and ASEAN region***
- ***Largest decline will be in US and Europe***
- ***Largest uncertainty is China***



