Organization of the Petroleum Exporting Countries

OPEC Monthly Oil Market Report

13 July 2026

Feature article:
Review of crude and product price movements in the first half of 2026

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OPEC Monthly Oil Market Report

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Oil Market Highlights

Crude Oil Price Movements

In June, the OPEC Reference Basket (ORB) value dropped by $24.80/b, m-o-m, to average $89.75/b. The ICE Brent front-month contract fell in June by $19.28/b, m-o-m, to average $84.43/b, while the NYMEX WTI front-month contract declined by $16.72/b, m-o-m, to average $81.79/b. The GME Oman front-month contract dropped by $22.85/b, m-o-m, to $79.25/b. The Brent-WTI futures spread narrowed by $2.56/b, m-o-m, to average at a premium of $2.64/b in June. The structure of oil prices remained in backwardation, supported by firm market fundamentals and expectations of strengthening demand during the summer season. Hedge funds and other money managers closed a large volume of speculative bullish positions for the second consecutive month, betting on a rapid easing of geopolitical tensions in the Middle East and improving supply conditions. Between late May and the week of 30 June, hedge funds and other money managers sold an equivalent of 245 mb across Brent and WTI futures and options.

World Economy

The global economic growth forecasts for 2026 and 2027 remain unchanged at a healthy 3.1% and 3.2%, respectively. The US economic growth forecasts remain unchanged at 2.2% for 2026 and 2% for 2027. In the Eurozone, the economic growth forecasts remain unchanged at 1% for 2026 and 1.2% for 2027. Japan's economic growth forecasts remain unchanged at 0.8% for 2026 and 0.9% for 2027. The economic growth forecasts for China remain unchanged at 4.6% for 2026 and 4.5% for 2027. India's economic growth forecasts remain unchanged at 6.6% for 2026 and 6.5% for 2027. Brazil's economic growth forecasts remain unchanged at 2.0% for 2026 and 2.2% for 2027. Russia's economic growth forecasts remain unchanged at 1.3% for 2026 and 1.5% for 2027.

World Oil Demand

Global oil demand is forecast to grow by a healthy 0.8 mb/d in 2026, y-o-y, following a slight downward revision from last month's assessment. The OECD is forecast to grow by about 40 tb/d, while the non-OECD is forecast to grow by about 0.74 mb/d. Global oil demand in 2027 is forecast to grow by about 1.9 mb/d, y-o-y, following an upward revision from last month's assessment. The OECD is forecast to grow by about 0.3 mb/d, while the non-OECD is forecast to grow by about 1.7 mb/d.

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 0.6 mb/d, y-o-y, in 2026, unchanged from last month's assessment. The main drivers of liquids production growth are expected to be Brazil, the US, Canada and Argentina. In 2027, non-DoC liquids production is forecast to grow by about 0.6 mb/d, also unchanged from last month's assessment. This growth will mainly be driven by Qatar, Canada, Brazil, and Argentina. Natural gas liquids (NGLs) and non-conventional liquids from countries participating in the DoC are forecast to increase by about 0.1 mb/d, y-o-y, to average 8.8 mb/d in 2026. Additional growth of about 0.1 mb/d, y-o-y, is forecast for 2027, to average about 8.9 mb/d. In June, crude oil production by countries participating in the DoC increased by about 3 mb/d, m-o-m, to average 36.28 mb/d, according to available secondary sources.

Product Markets and Refining Operations

Refining margins extended their downward trend on the US Gulf Coast (USGC) and in Rotterdam, pressured by lower product prices and a drop in offline capacity in the Atlantic Basin. In Singapore, margins reversed trends and rose, driven by improved crude arrivals into the region, lower feedstock prices, and diminished concerns about crude supply disruptions in June. Although a slight increase in Asian refinery runs contributed to lower product prices, the decline in crude prices was considerably more pronounced, providing a lift to refining operations despite lower product crack spreads across the barrel.

Tanker Market

Dirty tanker spot freight rates were volatile in June, amid optimism that trade flow disruptions might ease. The moderate increase in activities was outweighed by higher tanker availability, causing VLCC rates to fall lower in the second half of the month. On the West Africa-to-East route, VLCC spot freight rates rose 10% on average in June, m-o-m, to remain at elevated levels, some 160% higher than in the same month last year. Suezmax spot freight rates also experienced volatility amid uncertainty over the return of Mideast flows and lower flows from the USGC in the first weeks of the month. On the USGC-to-Europe route, rates decreased by 9%, m-o-m, but were still 114% higher, y-o-y. Aframax spot freight rates registered more steady declines over the month, with rates falling back towards the upper range of the previous five years as supply concerns softened. On the Mediterranean-to-Northwest Europe route, Aframax dirty spot rates declined 8%, m-o-m. Clean spot freight rates declined across all monitored routes, as spot buying was more measured amid ample tanker availability. West of Suez, clean spot rates dropped by an average of 44%, m-o-m, in June, while East of Suez rates declined by 15%, m-o-m.

Crude and Refined Product Trade

US crude imports declined further in June to average 5.4 mb/d, while crude exports continued to retreat from record-high levels to average 4.4 mb/d. US product imports fall below the five-year range, averaging 1.6 mb/d despite higher gasoline inflows. Product exports into the US fell further from April’s record high to average 7.6 mb/d, as refiners shifted gasoline flows to the domestic market. In May, crude imports into OECD Europe are estimated to have increased to an average of 8.8 mb/d. Product imports into the region partly recovered, though they remained well below the five-year average at 2.2 mb/d, driven by higher fuel oil and diesel inflows. Product exports from the region fell below the five-year average to stand at 2.1 mb/d. In Japan, crude imports partially recovered but remained well below year-ago levels, averaging 1.5 mb/d in May. Product imports, including LPG, also increased, m-o-m, averaging 735 tb/d, as naphtha imports rebounded to pre-crisis levels. Meanwhile, China's crude oil imports fell to 7.8 mb/d in May amid measures to limit the impact of trade flow disruptions. Product imports, including LPG, remained stable at low levels, averaging 1.2 mb/d, supported by a recovery in LPG inflows. Product exports out of China fell to 787 tb/d, despite a slight easing of government restrictions on exports. In India, crude imports continued to recover, increasing for the second month in a row to an average of 5.1 mb/d in May. India’s product imports recovered from historically low levels to average 814 tb/d. Product exports from India averaged 938 tb/d in May, largely supported by higher naphtha outflows.

Commercial Stock Movements

Preliminary May 2026 data shows that OECD commercial oil inventories dropped by 21.8 mb, m-o-m, to stand at 2,770 mb. At this level, OECD commercial stocks were 31.4 mb lower, y-o-y, 48.6 mb below the latest five-year average, and 185.8 mb below the 2015–2019 average. Within the components, crude stocks decreased by 6.9 mb, while product stocks decreased by 15.0 mb, m-o-m. OECD commercial crude oil stocks stood at 1,364 mb. This was 4.3 mb higher, y-o-y, 10.9 mb below the latest five-year average, and 121.6 mb below the 2015–2019 average. OECD total product stocks stood at 1,406 mb in May. This was 35.6 mb lower, y-o-y, 37.7 mb below the latest five-year average, and 64.2 mb below the 2015–2019 average. In terms of days of forward cover, OECD commercial stocks fell by 1.3 days, m-o-m, in May, to 59.8 days. This was 0.5 days lower, y-o-y, 1.3 days below the latest five-year average, and 2.2 days below the 2015–2019 average.

Balance of Supply and Demand

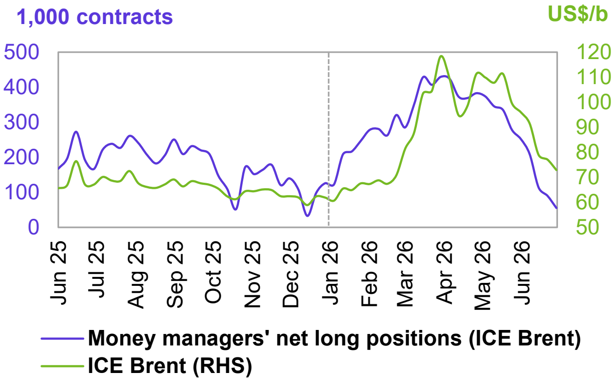
The demand for DoC crude (i.e., crude from countries participating in the DoC) in 2026 is revised down by 0.2 mb/d from last month’s assessment to 42.3 mb/d, the same level as in 2025. The demand for DoC crude in 2027 remains unchanged from the previous month’s assessment to stand at 43.6 mb/d, which is about 1.2 mb/d above the 2026 forecast.

Feature Article

Review of crude and product price movements in the first half of 2026

Crude oil futures prices rose in 1H26, driven by geopolitical developments, strong physical market fundamentals, and uncertainties regarding regional oil supply and trade flows. ICE Brent and NYMEX WTI rose by $21.96/b and $20.95/b, respectively, in 1H26 over 2H25, representing an increase of 33.5% and 33.8%. Oil futures markets saw heightened volatility as market participants continuously reassessed geopolitical developments and their impact on global oil supply. Volatility was exacerbated by speculators and money managers, who frequently adjusted speculative positions on shifting expectations for oil prices.

Graph 1: Money Managers' net long positions *vs.* ICE Brent price

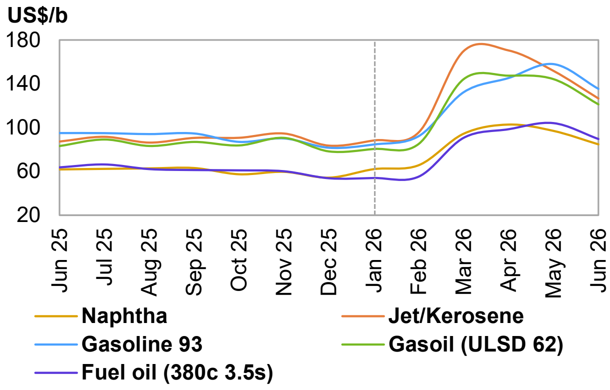


Sources: ICE and OPEC.

Despite considerable volatility, physical market fundamentals remained strong, with uncertainties around regional oil exports and shipping activities supporting spot crude markets. Strong demand for prompt-loading cargoes led to tighter physical market conditions, especially across the Atlantic Basin, boosting demand for replacement barrels. However, oil futures prices fell in May and June due to expectations of stronger regional oil flows and higher near-term supply, which reduced geopolitical risk premiums. In June, expectations of abundant near-term supply, along with money managers selling the equivalent of about 357 mb between early May and 30 June, exerted a significant downward pressure on prices. However, low global oil stocks and expectations for high refinery demand over the summer driving season continued to support the physical crude market.

At the same time, product retail prices also surged towards the end of 1Q26, amid geopolitical constraints on product supply. In April, global refinery intakes dropped by a massive 7.3 mb/d compared with pre-crisis levels. This decline in global refinery intake was due to significant run cuts in East of Suez amid lower Middle Eastern crude arrivals into Asia. Lower East–West product flows, along with heavy spring refinery maintenance, further contributed to reduced product availability. This exerted upward pressure on product prices, with gains significantly more pronounced than crude prices. This led to refining margins increasing to multi-year highs in April, despite higher feedstock costs. The price responses varied across products. Middle distillates, particularly jet/kerosene, were the most vulnerable due to disruptions in their East–West flow and the partial reliance of Europe and the US on imports. Constrained heavy crude supplies also led to a further decline in gasoil production. In April, US retail prices for jet/kerosene reached over $170/b, 78% higher than in February, while US gasoil prices reached almost $148/b, an increase of 73% from February levels. The price increase was somewhat more moderate for gasoline, as relatively healthy stock levels minimised immediate supply concerns. However, in May, retail gasoline prices rose again, especially in the US, driven by the shift to summer-grade gasoline and increasing demand during the summer driving season. Midway through 2Q26, product prices declined gradually, in line with an improvement in product balances. This was observed across regions and reflected announcements on easing geopolitical tensions, a limited but notable increase in Asian refinery runs, the end of the heavy refinery maintenance season, and a subsequent recovery of product output in the Atlantic Basin. In June, US jet/kerosene prices fell to $127/b but remained 29% above February levels, while US gasoil averaged $121/b, up 42% from February.

Graph 2: Wholesale refined product prices in USGC



Sources: Argus Media and OPEC.

Looking ahead, and as global refinery intakes currently remain nearly 5 mb/d below the 2025 average, product supply is likely to continue to increase, which could further adjust product balances. Nevertheless, product prices are expected to remain well supported with healthy transportation fuel requirements amid the summer holiday travel season.

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Crude Oil Price Movements

In June, the OPEC Reference Basket (ORB) value dropped by $24.80/b, m-o-m, to average $89.75/b. The ICE Brent front-month contract dropped in June by $19.28/b, m-o-m, to average $84.43/b, while the NYMEX WTI front-month contract declined by $16.72/b, m-o-m, to average $81.79/b. The GME Oman front-month contract dropped by $22.85/b, m-o-m, to $79.25/b.

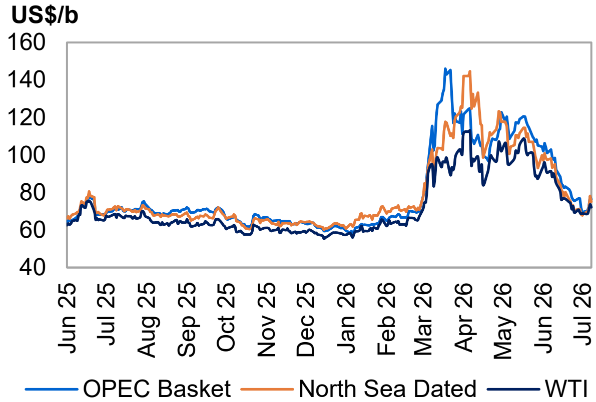
The forward curves of key crude futures benchmarks flattened in June, reflecting expectations of increased crude flows. However, the structure of oil prices remained in backwardation, supported by firm market fundamentals and expectations of strengthening demand during the summer season.

Hedge funds and other money managers closed a large volume of speculative long positions in June, with the selling being more pronounced in the ICE Brent futures market. Between late May and the week of 30 June, hedge funds and other money managers sold an equivalent of 245 mb across Brent and WTI futures and options. Speculators were increasingly betting on easing geopolitical risk premiums. At the same time, they sharply raised short positions to their highest level since December 2025, fuelling volatility and accelerating the decline in oil futures prices. Combined futures and options net long positions in ICE Brent and NYMEX WTI dropped to their lowest level since January 2026.

Crude spot prices

Crude spot prices dropped in June given continued selling pressure in futures markets. This occurred despite supportive market fundamentals, including declining global oil stocks and a continued recovery in global refinery throughput during June. Dubai prices declined as expectations of improved crude availability and higher Middle East exports reduced concerns about prompt supply tightness. WTI came under pressure from softer export demand as the Brent-WTI spread narrowed sharply, reducing arbitrage opportunities into Europe and Asia. Lower US crude stock levels and continued export flows helped limit the decline, with WTI falling by less than Brent and Dubai.

Graph 1 - 1: Crude oil price movements



Sources: Argus and OPEC.

North Sea Dated and Dubai first-month prices dropped by $22.63/b and $21.32/b, m-o-m, respectively, to average $85.17/b and $79.97/b. WTI's first-month price also declined by $17.50/b, m-o-m, to average $81.66/b.

Crude oil differentials fell in all spot markets in June. In the North Sea, crude differentials softened as the Atlantic Basin became increasingly well supplied. Forties moved into a discount to Dated Brent, while other Brent Basket components also weakened, and the regional market structure flattened. Increased arrivals of WTI Midland, CPC Blend and Middle Eastern crudes raised competition for European refinery demand, weighing on regional crude values. Forties and Ekofisk crude differentials in June dropped by $2.23/b and $0.96/b, m-o-m, to premiums of $0.12/b and $2.73/b against North Sea Dated. However, Johan Sverdrup rose against North Sea Dated, increasing by $0.37/b to a premium of $2.76/b.

West African grades also weakened, coming under pressure from subdued Chinese buying and a growing overhang of unsold cargoes. Bonny Light, Forcados and Qua Iboe crude differentials to North Sea Dated decreased by $1.00/b, $0.82/b and $1.18/b, m-o-m, respectively, to reach premiums of $4.30/b, $5.14/b and $3.14/b. Cabinda crude differentials also fell by $2.87/b, m-o-m, to a discount of $2.39/b.

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

OPEC Reference Basket (ORB)	May 26	Jun 26	Change Jun 26/May 26	Year-to-date 2025	2026
ORB	**114.55**	**89.75**	***-24.80***	**72.04**	**93.67**
Arab Light	122.10	96.89	*-25.21*	73.65	96.88
Basrah Medium	120.22	85.10	*-35.12*	71.39	93.57
Bonny Light	114.66	90.44	*-24.22*	72.36	95.46
Djeno	100.35	77.87	*-22.48*	64.19	85.44
Es Sider	111.80	86.47	*-25.33*	70.67	94.47
Iran Heavy	115.39	90.77	*-24.62*	72.27	94.24
Kuwait Export	118.65	92.28	*-26.37*	72.94	95.13
Merey	82.77	71.13	*-11.64*	59.66	71.23
Murban	102.17	81.80	*-20.37*	71.93	89.06
Rabi Light	107.34	84.86	*-22.48*	71.18	92.43
Sahara Blend	109.00	87.27	*-21.73*	72.13	96.04
Zafiro	107.60	84.97	*-22.63*	73.39	92.04
Other Crudes					
North Sea Dated	107.80	85.17	*-22.63*	71.65	92.87
Dubai	101.29	79.97	*-21.32*	71.87	91.29
Isthmus	102.51	82.89	*-19.62*	67.42	82.75
LLS	100.60	83.45	*-17.15*	70.34	85.38
Mars	101.85	82.80	*-19.05*	68.83	85.23
Minas	118.00	93.79	*-24.21*	74.81	100.99
Urals	84.07	60.69	*-23.38*	58.26	65.68
WTI	99.16	81.66	*-17.50*	67.73	82.75
Differentials					
North Sea Dated/WTI	8.64	3.51	*-5.13*	3.92	10.12
North Sea Dated/LLS	7.20	1.72	*-5.48*	1.31	7.49
North Sea Dated/Dubai	6.51	5.20	*-1.31*	-0.22	1.58

Sources: Argus, Direct Communication, and OPEC.

The Mediterranean was among the weakest regional markets. CPC Blend differentials moved into discount territory amid higher regional supply, including additional cargoes following changes to the Kashagan maintenance schedule. Azeri Light also weakened, while the arrival of Middle East cargoes in Europe increased competition in an already well-supplied regional market. CPC Blend crude differentials declined by $5.06/b, m-o-m, to a discount of $3.60/b to North Sea Dated. Saharan Blend and Azeri BTC crude differentials dropped by $0.24/b and $2.73/b, m-o-m, to premiums of $1.80/b and $3.18/b to North Sea Dated.

In the Middle East, crude differentials and the regional market structure flattened. Murban and Oman crude differentials weakened amid expectations of improving regional supply availability and higher exports. The pressure was reinforced by large crude tenders and improving regional crude flows. The value of Oman crude differentials to Dubai dropped by $7.08/b, m-o-m, to a premium of $1.49/b in June, compared with a premium of $8.57/b in May.

In the US Gulf Coast (USGC), crude differentials were mixed as export demand softened. A narrower Brent-WTI spread reduced incentives to export US crude to Europe and Asia, while increased competitiveness of alternative crude supplies reduced demand for US export barrels. Light Louisiana Sweet (LLS) rose by $0.32/b, m-o-m, to stand at a premium of $1.79/b to the WTI benchmark, while Mars sour decreased by $1.63/b to a premium of $1.15/b to WTI.

OPEC Reference Basket (ORB) value

In June, the ORB value dropped by $24.80/b, m-o-m, to average $89.75/b. West and North African Basket components Bonny Light, Djeno, Es Sider, Rabi Light, Sahara Blend and Zafiro dropped by an average of $23.15/b, m-o-m, to $85.31/b. Multiple-region destination grades, including Arab Light, Basrah Medium, Iran Heavy and Kuwait Export, decreased on average by $27.83/b, m-o-m, to $91.26/b. Murban crude declined on average by $20.37/b, m-o-m, to $81.80/b, and the Merey component dropped by $11.64/b, m-o-m, to settle at $71.13/b.

The oil futures market

Crude oil futures prices fell in June as selling pressure from non-commercial participants intensified amid expectations of improving Middle East crude supply and a rapid recovery in regional oil flows. Signs of increasing prompt crude availability, including for July-loading cargoes, together with easing geopolitical risks, weighed on market sentiment.

Expectations of improving regional oil supply conditions reduced concerns of potential supply shortages, prompting a broad reassessment of the geopolitical risk premiums embedded in oil prices. Nevertheless, the decline was partially offset by supportive US stock data, which showed sizeable draws in crude oil and gasoline stocks, highlighting continued strength in petroleum demand.

Selling pressure persisted throughout the month as expectations of improving regional crude supply and trade flows encouraged further liquidation of long positions across oil futures markets. At the same time, the unwinding of geopolitical risk premiums weighed on front-month prices and contributed to a weaker forward curve.

The ICE Brent front-month contract dropped in June by $19.28/b, m-o-m, to average $84.43/b, while the NYMEX WTI front-month contract declined by $16.72/b, m-o-m, to average $81.79/b. The GME Oman front-month contract dropped by $22.85/b, m-o-m, to $79.25/b.

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

Crude oil futures	May 26	Jun 26	*Change* Jun 26/May 26	*Year-to-date* 2025	2026
NYMEX WTI	98.51	81.79	-16.72	67.52	83.00
ICE Brent	103.71	84.43	-19.28	70.81	87.60
GME Oman	102.10	79.25	-22.85	71.74	90.93
Spread					
ICE Brent-NYMEX WTI	*5.20*	*2.64*	*-2.56*	*3.29*	*4.60*

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

The Brent–WTI spread narrowed further in June, falling below $3/b, as the Brent-related geopolitical risk premium that had supported the benchmark in recent months declined sharply. Meanwhile, US oil market fundamentals strengthened, on the back of high refinery throughputs and sizeable draws in the country's crude oil and gasoline stocks. Moreover, selling pressure from speculators was more pronounced in ICE Brent than in NYMEX WTI, further narrowing the spread. Consequently, the Brent–WTI futures spread narrowed by $2.56/b, m-o-m, to an average premium of $2.64/b in June.

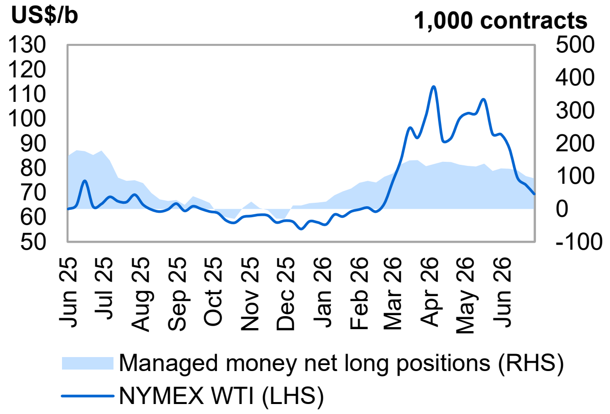
The spread between North Sea Dated and WTI Houston also narrowed sharply, as ample supply in the Atlantic Basin and softer demand weighed on Brent relative to WTI. Meanwhile, WTI remained supported by relatively firm market fundamentals, including in the USGC. The North Sea Dated–WTI Houston spread narrowed by $3.72/b, m-o-m, to an average premium of $3.16/b in June.

Hedge funds and other money managers closed a large volume of speculative bullish positions in June for the second consecutive month, with the selling being more pronounced in the ICE Brent futures market, while sharply raising short positions to their highest level since December 2025. Speculators were increasingly betting on easing geopolitical risk premiums and a rapid improvement in Middle East supplies. This fuelled volatility and accelerated the decline in oil futures prices. Combined futures and options net long positions in ICE Brent and NYMEX WTI dropped to their lowest level since January 2026.

Between late May and the week of 30 June, hedge funds and other money managers sold an equivalent of 245 mb across Brent and WTI futures and options. Selling was essentially in ICE Brent, as related net long positions fell by 80.0% over the same period, while NYMEX WTI net long positions fell by 19.0%.

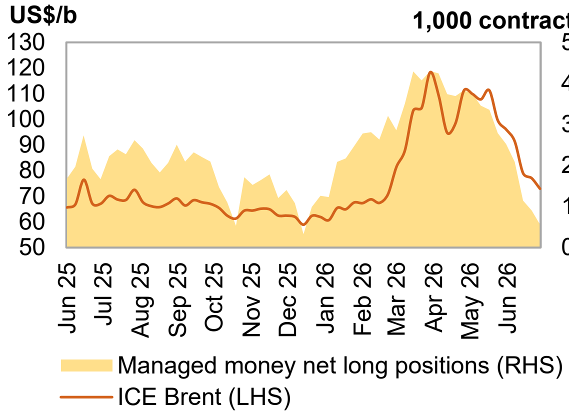
Money managers sold an equivalent of about 223 mb in ICE Brent contracts between the weeks of 26 May and 30 June, liquidating 80% of bullish positions and betting on lower prices. The combined futures and options net long positions related to Brent fell by 223,086 lots, or 80.0%, over the month, to stand at 55,634 contracts on the week of 30 June, according to the ICE Exchange. This is due to short positions increasing by 122,909 lots, or 30.4%, to 281,525 contracts, while long positions decreased by 100,177 lots, or 79.7%, to 225,891 contracts over the same period.

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.

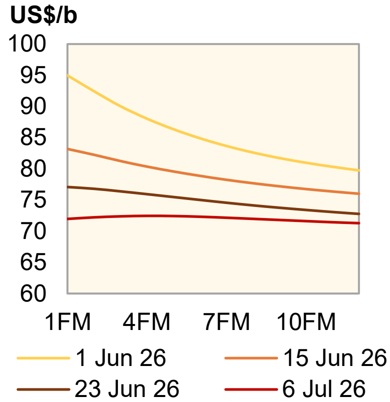
Money managers also cut bullish NYMEX WTI positions, but at a lower rate than for Brent, selling an equivalent of 22 mb. This was mainly due to higher short positions. Speculators decreased net long positions by 3,407 lots, or 19.0%, between the weeks of 26 May and 30 June, to 93,713 contracts, according to the US Commodity Futures Trading Commission (CFTC). Short positions rose by 18,642 lots, or 21.4%, to 105,644 contracts during the same period, while long positions fell by 3,407 lots, or 1.7%, to stand at 199,357 contracts.

The long-to-short ratio of speculative positions in NYMEX WTI remained low at 2:1 in the week of 30 June, unchanged compared to the level registered in the week of 26 May. However, the ICE Brent long-to-short ratio fell to 1:1 in the week of 30 June, compared to 3:1 in the week of 26 May. Open interest volumes related to NYMEX WTI futures and options fell by 6.3%, or 173,629 lots, between the weeks of 26 May and 30 June, to stand at 2.57 million contracts in the week ending 30 June. Open interest volumes related to ICE Brent futures and options increased by 3.2%, or 120,361 contracts, m-o-m, to stand at 3.62 million contracts in the week ending 30 June.

The futures market structure

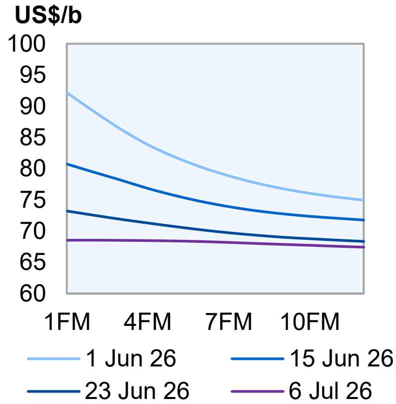
The forward curves of key crude futures benchmarks flattened in June, reflecting easing concerns over prompt supply availability and rising expectations of increased crude flows in the Middle East. On a monthly average basis, the structures of the key crude benchmarks remained in backwardation, supported by firm market fundamentals and expectations of strengthening demand during the summer season. However, the forward curves weakened during the second half of the month, as the front end of the curves came under pressure from speculative selling, which weighed more heavily on prompt-month contracts than on forward contracts. Signs of improving prompt crude supply availability also contributed to the flattening of the forward curves.

Graph 1 - 4: ICE Brent WTI forward curves



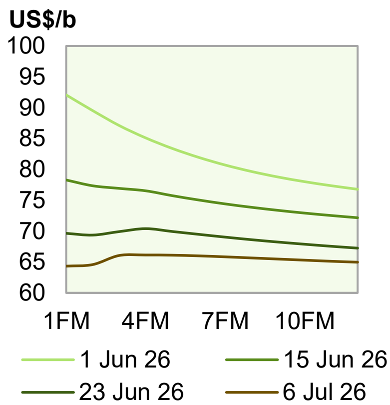
Sources: ICE and OPEC.

Graph 1 - 5: NYMEX WTI forward curves



Sources: CME and OPEC.

Graph 1 - 6: GME Oman forward curves



Sources: GME and OPEC.

The forward curve for ICE Brent futures flattened further in June as prompt demand in the Atlantic Basin softened and regional supply improved, with easing replacement demand leaving Europe better supplied with both Atlantic Basin and US-origin crude. The ICE Brent front-month premium to the third month narrowed by $5.31/b, m-o-m, to a backwardation of $2.14/b. The ICE Brent M1–M6 spread also narrowed by $10.58/b to a backwardation of $4.87/b in June.

In the US, the NYMEX WTI forward curve weakened in June, as ample crude supply, including from the SPR, and the prospect of easing tensions and rising oil supply in the Middle East, weighed on the front-month contract relative to the forward months. The NYMEX WTI M1–M3 spread narrowed by $4.69/b, m-o-m, to a backwardation of $2.94/b in June.

The GME Oman forward curve remained in backwardation but weakened sharply from the previous month, particularly at the front end, as prompt supply availability improved and the offer of a large volume of prompt cargoes weighed heavily on the front-month contract. On a monthly average basis, the GME Oman M1–M3 backwardation narrowed by $6.82/b, m-o-m, to $1.64/b in June.

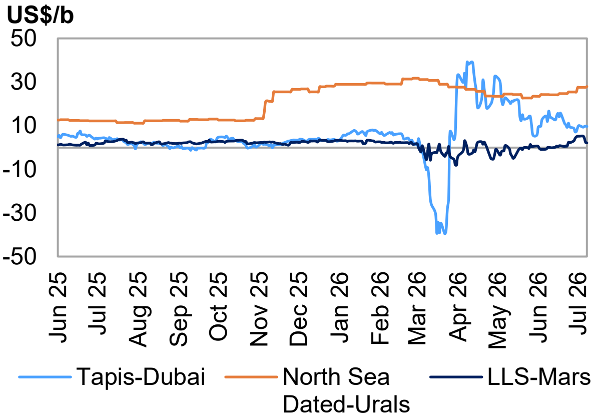
The North Sea Brent M1–M3 spread narrowed in June by $5.58/b, m-o-m, to a backwardation of $2.29/b, compared with $7.87/b in the previous month. The WTI M1–M3 spread also fell, narrowing by $4.74/b, to a backwardation of $2.91/b. The Dubai M1–M3 spread contracted by $9.64/b to a backwardation of $2.56/b, compared with $12.19/b in May.

Crude spreads

In June, the spread between light sweet and medium sour crudes narrowed further in Europe and Asia. Light sweet grades exhibited the largest contraction, although they continued to trade at a premium over sour grades. The narrowing was primarily driven by the decline in Brent-related risk premiums, which weighed on the value of light sweet grades. Ample availability of Atlantic Basin light sweet crudes, supported by elevated US crude exports and softer buying interest, further pressured sweet crude values, while demand for sour grades East of Suez remained relatively firm. Weak light distillate margins, particularly for naphtha, also weighed on light sweet grades. The Brent–Dubai spread narrowed by $1.31/b, m-o-m, to an average premium of $5.20/b. In contrast, the spread between light sweet and medium sour crudes widened in the USGC.

In Europe, light sweet crude values weakened relative to sour grades as improving availability of Atlantic Basin light sweet crudes, particularly from the US, combined with softer refinery demand, weighed on sweet crude differentials. At the same time, weakness in sour crude values was limited by the relative strength of HSFO margins, which rose m-o-m. The Ekofisk–Johan Sverdrup differential narrowed by $1.33/b, m-o-m, to a discount of $0.04/b in June, compared with a premium of $1.29/b in May. Meanwhile, Urals crude differentials to North Sea Dated in both the Baltic and Black Sea weakened further in June on softer demand from some Asia-Pacific buyers, declining by $0.70/b and $1.57/b, m-o-m, respectively, to discounts of $24.49/b and $24.03/b.

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



Sources: Argus and OPEC.

In Asia, the sweet–sour crude spread narrowed the most among major regions, although Tapis maintained a substantial premium over Dubai. The narrowing reflected the relatively stronger performance of sour crude values, while light sweet grades came under pressure from the weaker pricing of comparable Atlantic Basin crudes and softer regional demand. A sharp decline in naphtha margins, together with weaker gasoline and gasoil margins, weighed on the value of light sweet grades, while stronger HSFO crack spreads continued to support sour crude values. As a result, the Tapis–Dubai spread narrowed by $6.76/b, m-o-m, to average a premium of $11.67/b in June, compared with $18.43/b in May.

In the USGC, sweet–sour crude differentials widened in June, returning to a premium. The sour crude market came under pressure due to increased availability of sour grades from SPR releases and higher imports of heavy sour crude from Latin America. Expectations of higher Middle East crude supply added further downward pressure on sour crude values. Meanwhile, the stronger performance of naphtha margins relative to heavy and middle distillates, particularly the HSFO–naphtha margin, supported light sweet crude values. Consequently, the LLS–Mars differential widened by $1.90/b, m-o-m, to a premium of $0.65/b in June, compared with a discount of $1.25/b in May.

Commodity Markets

Commodity price indices fell broadly in June, with energy and precious metals posting the sharpest declines. However, most indices remained higher y-o-y.

Sentiment in the futures markets was mixed in June. Combined open interest (OI) decreased in the period, while money managers' combined net length increased.

Energy commodity prices weakened in June, amid a reduction in the geopolitical risk premium. However, ongoing geopolitical uncertainties remained elevated, limiting declines in some markets. Price performance was generally negative in June among non-energy commodities, with precious metals the weakest performers.

Trends in select energy commodity markets

The energy price index declined in June, falling by 17.7%, m-o-m. The benchmark was dragged down by a sharp decline in average crude oil prices, along with moderate declines in US coal and European natural gas prices. Gains in Australian thermal coal and US natural gas prices partially offset losses over the same period. The index was up by 19.3%, y-o-y, supported by higher prices across all select energy commodities.

Table 2 - 1: Select energy prices

Commodity	Unit	Monthly average			% Change		Year-to-date	
		Apr 26	May 26	Jun 26	Jun 26/ May 26	Jun 26/ Jun 25	2025	2026
Energy*	*Index*	**146.7**	**133.7**	**110.0**	**-17.7**	**19.3**	**93.6**	**117.7**
Coal, Australia	*US$/boe*	12.5	13.1	13.2	1.2	27.1	10.2	12.3
Coal, US	*US$/boe*	7.6	7.6	7.3	-4.3	5.4	6.8	7.4
Crude oil, average	*US$/b*	103.9	100.4	81.7	-18.6	18.2	70.1	85.6
Natural gas, US	*US$/boe*	15.1	15.7	16.8	6.9	3.3	19.7	20.8
Natural gas, Europe	*US$/boe*	83.3	87.6	82.2	-6.2	22.6	71.1	79.1

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

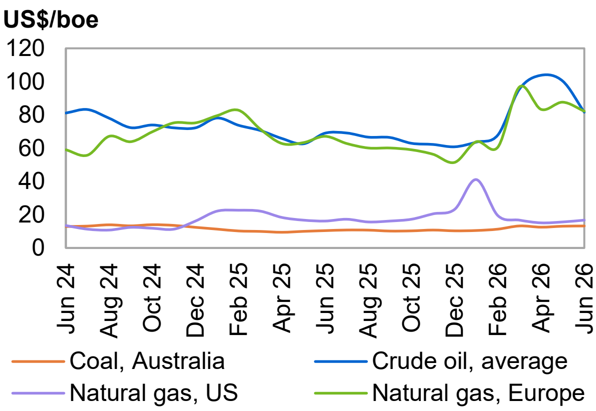
Australian thermal coal prices rose by 1.2%, m-o-m, in June. Prices were mostly supported by resilient Asian demand amid energy security concerns and fuel substitution effects, as well as by LNG supply disruptions from the Middle East. However, softer sentiment in global coal markets limited upside support. Prices were up by 27.1%, y-o-y.

In the US, coal prices declined by 4.3%, m-o-m, in June, pressured by lower incentives for gas-to-coal switching amid higher competition from natural gas and renewables in the US power generation mix. Export arbitrage opportunities were also less supportive than in previous months as seaborne coal prices weakened in parts of Europe and Australia. Prices were still 5.4% higher, y-o-y.

Average crude oil prices declined sharply in June, falling by 18.6%, m-o-m. They dropped as traders reduced speculative exposure built up earlier in the year. However, they were up by 18.2%, y-o-y.

Henry Hub natural gas prices increased by 6.9%, m-o-m, in June. Prices rose on the back of stronger summer cooling demand and ongoing LNG-related support. Gains were limited by an ongoing buildup in US inventories amid the injection season. According to data from the US Energy Information Administration (EIA), average weekly underground storage rose by 17.2%, m-o-m, in June, remaining well within the five-year historical average. Prices were up by 3.3%, y-o-y.

Graph 2 - 1: Select energy prices



Sources: World Bank, Haver Analytics and OPEC.

The average Title Transfer Facility (TTF) price decreased by 6.2%, m-o-m, in June. A decline in the geopolitical risk premium, coupled with improved LNG supply conditions, weighed on the European benchmark. Moreover, EU gas storage levels continued to improve during the refill season. According to Gas Infrastructure Europe, EU storage was around 48.9% full by the end of June, up from 40.1% at the end of May, an 8.8 percentage-point increase, m-o-m, but still below normal seasonal levels. Prices were up by 22.6%, y-o-y.

Trends in select non-energy commodity markets

The non-energy price index in June declined by 3.2%, m-o-m. The index was dragged down by losses in both the agriculture and base metals sub-indices. Compared with the same period last year, the non-energy index was higher by 10.2%, y-o-y, while the agriculture index was lower by 0.3%, y-o-y.

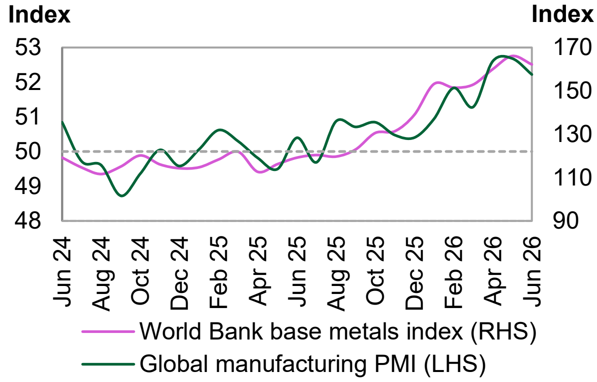
Base metals

The base metal index decreased by 2.3%, m-o-m, in June, pressured by declines in aluminium, nickel and lead, though gains in zinc partially offset losses, while copper was broadly flat over the same period.

Base metal prices were under pressure due to a stronger US dollar and softer global industrial momentum. The global manufacturing PMI decreased by 0.9%, m-o-m, to 52.2 in June, though it remained in expansion territory. Nonetheless, demand linked to electrification and data centres offset downward pressure on copper, while supply disruptions helped support zinc. The base metal index was up by 36.1%, y-o-y.

At the London Metal Exchange (LME) warehouses, combined base metal stocks decreased by 1.9%, m-o-m; however, they were higher by 28.0%, 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.

Table 2 - 2: Non-energy commodity prices

Commodity	Unit	Monthly average Apr 26	Monthly average May 26	Monthly average Jun 26	% changes Jun 26/ May 26	% changes Jun 26/ Jun 25	Year-to-date 2025	Year-to-date 2026
Non-energy*	*Index*	**126.3**	**129.4**	**125.2**	**-3.2**	**10.2**	**115.8**	**123.9**
Agriculture*	*Index*	**113.3**	**116.0**	**114.0**	**-1.7**	**-0.3**	**118.8**	**112.7**
Base metal*	*Index*	**160.0**	**166.1**	**162.2**	**-2.3**	**36.1**	**117.2**	**157.7**
Copper	*US$/mt*	12,979	13,567	13,574	0.0	38.9	9,439	13,108
Aluminium	*US$/mt*	3,595	3,655	3,436	-6.0	36.1	2,541	3,380
Nickel	*US$/mt*	18,007	18,841	17,618	-6.5	17.2	15,404	17,765
Lead	*US$/mt*	1,936	1,991	1,945	-2.3	-1.9	1,966	1,948
Zinc	*US$/mt*	3,375	3,490	3,540	1.4	32.9	2,746	3,359
Iron Ore	*US$/mt*	107	109	100	-8.3	5.3	101	105

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

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

Copper prices were broadly unchanged, m-o-m, in June, though they were higher by 38.9%, y-o-y. At LME warehouses, stocks declined by 8.8%, m-o-m, in June, but were up by 217.5%, y-o-y.

Aluminium prices declined in June by 6.0%, m-o-m, but were up by 36.1%, y-o-y. LME warehouse stocks decreased over the month by 7.8%, m-o-m, and were down by 9.2%, y-o-y.

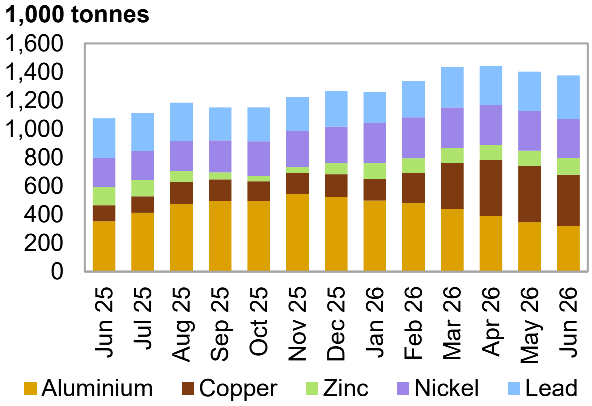
Nickel prices decreased by 6.5%, m-o-m, in June, though they were higher by 17.2%, y-o-y. At LME warehouses, stocks declined over the month by 0.8%, m-o-m, though they were higher by 36.3%, y-o-y.

Lead prices declined by 2.3%, m-o-m, in June, and were down by 1.9%, y-o-y. At LME warehouses, stocks grew by 10.4%, m-o-m, and were up by 9.7%, y-o-y.

Zinc prices rose in June by 1.4%, m-o-m, and were up by 32.9%, y-o-y. Stocks increased by 8.3%, m-o-m, at LME warehouses, but were down by 10.1%, y-o-y.

Iron ore prices declined in June, falling by 8.3%, m-o-m, though they were higher by 5.3%, y-o-y. Meanwhile, China's steel industry PMI remained below expansionary territory, easing to 47.8 in June from 47.9 the previous month. Weak signals from the steel sector and abundant Chinese steel supply weighed on prices.

Graph 2 - 3: Inventories at the LME



Sources: LME, Thomson Reuters and OPEC.

Precious metals

The precious metals index declined for a fourth consecutive month in June, falling by 9.2%, m-o-m. Declines across all select precious metal prices weighed on the index, which was up by 34.3%, y-o-y.

Table 2 - 3: Precious metal prices

Commodity	Unit	Monthly average			% changes		Year-to-date	
		Apr 26	May 26	Jun 26	Jun 26/ May 26	Jun 26/ Jun 25	2025	2026
Precious metals*	*Index*	**375.3**	**368.7**	**334.7**	**-9.2**	**34.3**	**228.4**	**376.3**
Gold	*US$/Oz*	4,721	4,587	4,228	-7.8	26.1	3,078	4,694
Silver	*US$/Oz*	75.9	78.0	66.7	-14.5	85.3	32.8	78.8
Platinum	*US$/Oz*	2,028	1,998	1,726	-13.6	38.0	1,016	2,062

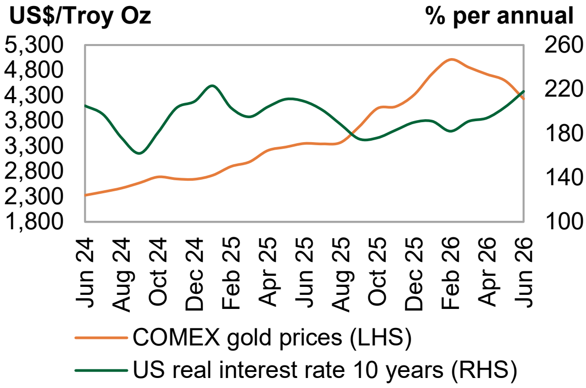
*Note: * World Bank commodity price index (2010 = 100).*

Sources: World Bank and OPEC.

Gold prices dropped for a fourth consecutive month in June, by 7.8%, m-o-m. Higher real interest rates, a stronger US dollar, weaker safe-haven demand and financial repositioning in the futures markets diminished bullish sentiment on gold. Nonetheless, underlying support from central bank purchases and residual geopolitical uncertainty limited losses. Prices were up by 26.1%, y-o-y.

Silver and platinum prices declined by 14.5% and 13.6%, m-o-m, in June, respectively, pressured by a broader pullback in precious metals and weaker investor appetite, though expectations of industrial demand limited losses. Silver and platinum prices were up by 85.3% and 38.0%, 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 in June, falling by 1.2%, m-o-m. Weakness in graphite and lithium prices weighed on the index, while cobalt prices remained muted. The 'other minerals' price index was up by 79.9%, y-o-y.

Cobalt prices remained flat, m-o-m, in June. Stable demand conditions and substitution dynamics continued to offset supply tightness and policy influence. Prices were up by 69.3%, y-o-y.

Table 2 - 4: Select other minerals prices

Commodity	Unit	Monthly average Apr 26	May 26	Jun 26	% changes Jun 26/ May 26	Jun 26/ Jun 25	Year-to-date 2025	2026
Other minerals*	*Index*	**73.9**	**75.4**	**74.6**	**-1.2**	**79.9**	**38.5**	**73.6**
Cobalt	*US$/mt*	55,934	55,916	55,926	0.0	69.3	29,457	55,886
Graphite	*US$/mt*	423	430	425	-1.1	-2.3	435	420
Lithium	*US$/mt*	22,065	24,180	23,025	-4.8	172.0	9,253	21,767

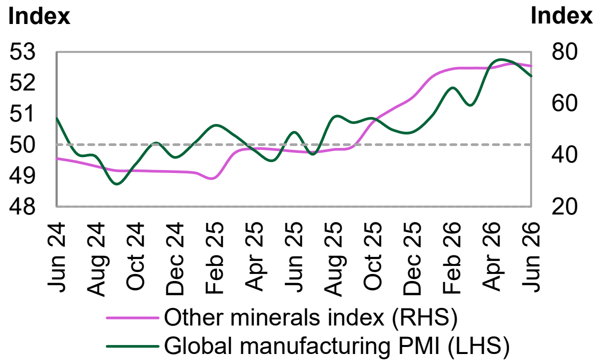
*Note: * OPEC price index (2022 = 100).*

Sources: LME, Haver Analytics and OPEC.

Graphite prices declined by 1.1%, m-o-m, in June. Prices were pressured by ample supply, though higher demand from battery makers amid supply-chain concerns limited losses. Prices were down by 2.3%, y-o-y.

Lithium prices declined by 4.8%, m-o-m, in June. Prices fell as expectations of future supply and softer short-term restocking outweighed underlying demand growth in the battery and energy transition sectors. Prices were up by 172%, y-o-y.

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 increased in June by 8.3%, m-o-m. The increase was driven by gold, natural gas and copper, while crude oil partially offset gains. At the same time, combined OI decreased by 4.4%, m-o-m, mainly driven by crude oil and gold; however, gains in natural gas and copper partially offset declines over the same period.

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

Selected commodity	Open interest May 26	Jun 26	Jun 26/ May 26	Long May 26	Jun 26	Short May 26	Jun 26	Net length May 26	% OI	Jun 26	% OI	Jun 26/ May 26
Crude oil (WTI)	2,891	2,665	***-7.8%***	212	216	83	100	129	4	116	4	***-9.8%***
Natural gas (HH)	1,636	1,650	***0.9%***	183	196	298	297	-114	-7	-101	-6	***11.6%***
Gold	518	468	***-9.6%***	126	129	29	18	97	19	110	24	***13.8%***
Copper	280	304	***8.7%***	86	88	15	16	71	25	72	24	***1.6%***
Total	**5,324**	**5,087**	***-4.4%***	**607**	**629**	**424**	**431**	**182**	**42**	**197**	**45**	***8.3%***

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

Sources: CFTC and OPEC.

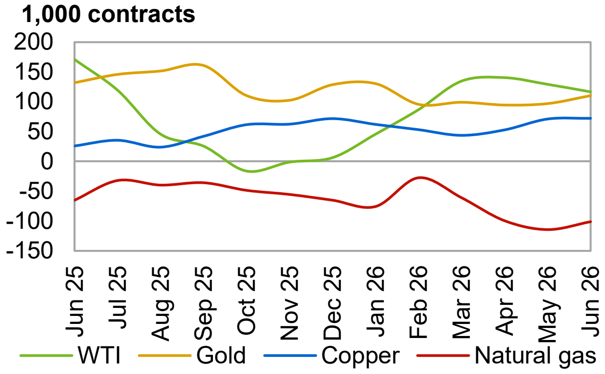
Crude oil's (WTI's) OI and money managers' net length fell in June by 7.8% and 9.8%, m-o-m, respectively, reflecting a lower geopolitical risk premium and reduced speculative exposure. OI was up by 2.9%, y-o-y, while net length was down by 31.8%.

Natural gas (Henry Hub) OI increased by 0.9%, m-o-m, in June, while money managers' net length improved by 11.6%, m-o-m, over the same period. The improvement reflected stronger summer demand expectations, although the market remained net short. OI was up by 7.0%, y-o-y, while net length was down by 55.0%, y-o-y.

Gold's OI dropped in June by 9.6%, m-o-m; meanwhile, money managers increased net length by 13.8%, m-o-m, over the same period. The increase in net length occurred despite weaker prices, underscoring gold's safe-haven status amid persistent geopolitical and macroeconomic uncertainties. Both OI and net length were down, by 34.3% and 16.4%, y-o-y, respectively.

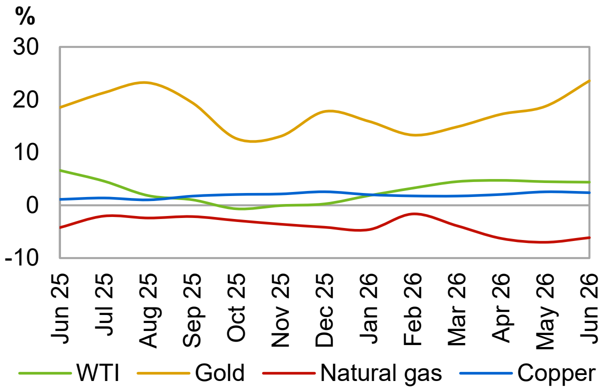
Copper's OI and money managers' net length increased in June by 8.7% and 1.6%, m-o-m, respectively. Positioning was supported by demand expectations from electrification and data centre investments, even as monthly price performance was broadly flat. Both OI and net length were up, by 31.2% and 178.8%, y-o-y, respectively.

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 economic growth dynamic in 1H26 has remained broadly resilient. Growth in non-OECD Asian economies has been particularly robust, supported by global investment in AI, a steady expansion in international trade, and fiscal measures that have helped cushion the impact of higher energy costs. The United States has continued to show solid growth momentum, while the Eurozone is experiencing a modest moderation in activity. Brazil has maintained a steady growth path, supported by its commodities sector and domestic resilience, while Russia's economy contracted temporarily at the beginning of the year but has already recovered in 2Q26 and is expected to maintain a steady growth dynamic over the remainder of 2026.

At the same time, potential moderations in geopolitical tensions may provide some upside for global growth in 2H26 if energy markets and trade flows stabilize further, although uncertainties remain. Moreover, fiscal and structural measures in several key economies have so far helped to counterbalance downside risks in 1H26, supporting domestic demand and investment. With this, the global economic growth forecast for 2026 remains unchanged from last month's assessment at 3.1%. Growth is expected to accelerate to 3.2% in 2027, also unchanged from last month's assessment.

Table 3 - 1: Economic growth rate and revision, 2026–2027*, %

	World	US	Eurozone	Japan	China	India	Brazil	Russia
2026	**3.1**	**2.2**	**1.0**	**0.8**	**4.6**	**6.6**	**2.0**	**1.3**
Change from previous month	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2027	**3.2**	**2.0**	**1.2**	**0.9**	**4.5**	**6.5**	**2.2**	**1.5**
Change from previous month	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

*Note: * 2026 and 2027 = Forecast. The GDP numbers are based on 2021 ppp.*

Source: OPEC.

Update on the latest global developments

The global economy entered 2H26 with encouraging momentum. This dynamic follows a resilient and broadly steady performance in 1H26. This is despite heightened geopolitical tensions, particularly in 2Q26, and associated uncertainties. Growth remained supported by robust activity in non-OECD Asia, solid expansion in the US, and steady trends across several other major economies. A key positive factor has been continued investment in AI, which has supported capital expenditure, high-value manufacturing, semiconductor-related trade, and steady private household consumption. Industrial production has also held up relatively well, while global trade has continued to expand in both volume and value terms. Fiscal policy remains an important support factor, with targeted measures in the US, China, Germany, Japan and India helping to cushion households and businesses from higher energy costs and broader uncertainty. These factors have helped offset challenges related to geopolitical tensions, particularly in the Middle East, as well as related energy price volatility and trade-policy uncertainty. The positive dynamic was also reflected in asset markets, with the S&P 500 posting its best quarter since the post-pandemic rebound in 2Q20, delivering a total return of more than 15%. That included an exceptional performance for chip and related tech stocks, reflecting the AI boom.

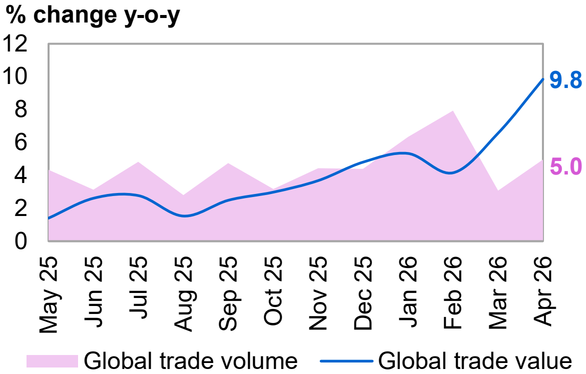
At the same time, challenges have remained and continue to carry over into the current 2H26. Trade policy requires close monitoring, particularly after the US warned that it could raise tariffs on products of selective trading partners at a time when the 10% global blanket tariff from February under Section 122 may be replaced by a new tariff framework later in July. While inflation dynamics have firmed over the past months, some price developments have started easing again. Hence, it remains to be seen whether the inflation spike was temporary, driven mainly by energy, transport, and selected food prices. Eurozone inflation eased to 2.8%, y-o-y, in June, following 3.2%, y-o-y, in May, while US headline inflation rose to 4.2%, y-o-y, in May. Inflation eased slightly in China and Russia in May, while in India and Brazil, the latest monthly data from May shows a slight increase. In Japan, consumer price developments remained relatively well contained, standing at 1.5% in May. In line with inflation trends, global monetary policies have become more differentiated. The Fed kept rates unchanged at its latest meeting, reiterating a data-dependent stance amid resilient economic activity and some inflation pressures. This decision contrasts with those of the ECB and the BoJ, which both tightened policy in June in response to rising inflation risks. By contrast, monetary policy in several major emerging economies has remained more accommodative. The PBoC kept its benchmark lending rates unchanged in

June, while the RBI also held rates unchanged, maintaining a cautious stance amid higher energy prices and inflation risks. Meanwhile, the BCB and CBR both continued their easing cycles in June, cutting rates.

Global trade continued to expand in both volume and value terms. Y-o-y trade volume growth rose by 5.0% in April, y-o-y, following 3.1%, y-o-y, in March and 7.9%, y-o-y, in February.

In value terms, y-o-y global trade increased by 9.8%, y-o-y, in April, after a rise of 6.6%, y-o-y, in March, and following 4.2%, y-o-y, in February.

Graph 3 - 1: Global trade



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

Near-term global expectations

Looking ahead, the global economy enters 2H26 well-positioned to carry over some of the positive momentum from 1H26. Resilient domestic demand across key economies, resilient global trade flows, solid output trends, fiscal support, and continued technology-driven investment help sustain the momentum in the near term. The near-term balance of risks has improved slightly, as geopolitical tensions in the Middle East seem to have eased somewhat, which is seen as possibly reducing volatility in energy markets and balancing inflation dynamics and external balances, providing a backdrop for likely improving growth dynamics in 2H26. Moreover, fiscal policies across the key economies remain important pillars of growth support. In the US, fiscal packages targeting consumers and investments should continue to support consumers and businesses, while Europe and Japan are relying more on public investment, defence spending, infrastructure programmes and energy-related relief. China is expected to maintain support for domestic demand and strategic investment, while India should remain supported by public investment in its infrastructure, continued structural reforms and a robust domestic demand trend. Brazil continues to benefit from agriculture, commodities and resilient domestic consumption, while Russia has seen some support from the strength in the commodity sector, potentially feeding into an improving fiscal balance and supporting domestic demand.

Trade-policy developments continue to warrant close attention in the near term, particularly as several negotiations and tariff-related decisions are still evolving. The temporary US global import tariff of 10% under Section 122 is scheduled to expire in late July, but it will very likely be replaced or reintroduced through alternative legal channels. The USMCA review process remains somewhat uncertain, as the US did not extend the agreement by 1 July. Moreover, the US-China trade truce will need to be revisited later this year, while unresolved trade issues with other US trading partners, including the EU and Brazil, could also affect global trade flows. However, so far, global trade has remained more resilient than initially expected, partly because firms have adapted supply chains, redirected trade flows and used inventories to cushion disruptions. In addition, the fact that many economies have avoided broad-based retaliatory measures has helped limit the negative impact from protectionist pressures. This suggests that, while trade-policy risks remain elevated, the global economy has shown a stronger capacity to absorb and redirect shocks than previously anticipated.

Meanwhile, monetary policy paths have become more differentiated since mid-June. The Fed kept the federal funds rate unchanged at 3.50–3.75%, maintaining a data-dependent stance as activity remains solid but inflation risks persist. By contrast, the ECB and BoJ tightened policy in June, reflecting renewed concerns about relatively more persistent inflation risks. The ECB raised its key rates by 25 bp to 2.25%, while the BoJ lifted its policy rate by 25 bp to 1.0%, continuing its gradual normalization. In emerging markets, policy settings remain mixed. The PBoC remains comparatively accommodative amid weak domestic demand and low inflation, while the RBI kept rates unchanged at 5.25% as higher oil prices and currency pressures complicated the outlook. The BCB and CBR both cut rates by 25 bp to 14.25% in June, but their easing cycles remain restrained given persistent inflation risks.

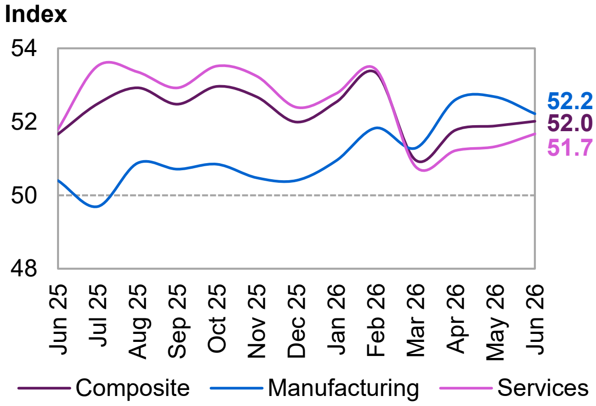
Positively, global PMIs remained in healthy expansionary territory across both manufacturing and services. Both sectors show almost unchanged and healthy index levels in June.

The global Manufacturing PMI retreated only slightly to 52.2 in June, following 52.7 in May and 52.6 in April.

The global Services PMI increased marginally to 51.7 in June, up from 51.3 in May and following 51.2 in April.

Overall, the global outlook remains resilient, with fiscal support, technology investment, trade adaptation and easing energy-market pressures providing support. While inflation may ease, some tariff uncertainty, financial conditions and geopolitical risks continue to require monitoring.

Graph 3 - 2: Global PMI



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

Nevertheless, given the resilience of the global economy in 1H26 and continued support from strong investment and steady consumption in key economies, the 2026 global economic growth forecast remains unchanged at 3.1% from the previous month's assessment.

In 2027, the prospect of further easing inflation and consequently relatively more accommodative monetary policies, alongside continued fiscal support, is anticipated to underpin global economic growth. Combined with a continued healthy dynamic in manufacturing and global trade, this is expected to lift global growth to 3.2%, unchanged from the previous month's assessment.

Table 3 - 2: World economic growth rate and revision, 2026–2027*, %

	World
2026	**3.1**
Change from previous month	0.0
2027	**3.2**
Change from previous month	0.0

*Note: * 2026–2027 = Forecast.*
Source: OPEC.

OECD

US

Update on the latest developments

The latest and final update of 1Q26 economic growth data shows that US real GDP growth was revised up to 2.1%, q-o-q, SAAR from the previous estimate of 1.6%, and following 0.5%, q-o-q, SAAR in 4Q25. However, the stronger headline figure mainly reflected a lower estimate of imports, while private household consumption was revised sharply down to 0.5%, q-o-q, SAAR, from 1.4%, q-o-q, SAAR, in the previous estimate.

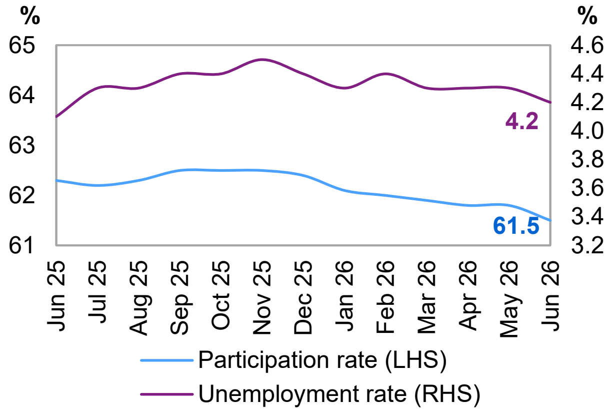
Trade policy remains an important factor to monitor. Following the Supreme Court's decision in February limiting the administration's use of tariffs, the temporary 10% global import tariff under Section 122 is scheduled to expire in late July. That said, it may be extended or replaced through other available legal alternatives. In parallel, the USMCA review has entered a more uncertain phase. On 1 July, the US declined to renew the agreement in its current form for another 16-year term, triggering the USMCA's annual review process and starting a ten-year countdown towards possible expiry in 2036. The agreement remains fully in force, and the three parties can still agree to a new 16-year extension at any future review point. The US administration cited persistent trade deficits, shortcomings in rules of origin, and the need to strengthen North American manufacturing as reasons for seeking changes rather than approving an automatic extension.

On the consumer side, retail sales remained robust in May, rising by 6.9%, y-o-y, after an increase of 4.9%, y-o-y, in April and 4.2%, y-o-y, in March, all on a seasonally adjusted basis. Consumer confidence, as measured by the Conference Board, edged up slightly to 91.2 in June, following a downward revision to 90.6 in May and 93.8 in April. Overall, sentiment remains cautious among households, particularly regarding labour market conditions, as perceptions of job availability weakened. However, short-term expectations improved modestly in June, supported by easing energy-price concerns and somewhat better views on future business and income prospects.

The Federal Open Market Committee kept the federal funds rate unchanged at 3.50–3.75% at its June 2026 meeting and reaffirmed its data-dependent approach amid still-elevated uncertainty. The decision was unanimous, with a 12-0 vote, marking a less visibly divided outcome than in April. The Committee also noted that economic activity is expanding at a solid pace, job gains have broadly kept pace with the labour force, and the unemployment rate has changed little. At the same time, inflation remains elevated relative to the Fed's 2% objective. The June Summary of Economic Projections points to PCE inflation of 3.6% and core PCE inflation of 3.3% in 2026, while the median federal funds rate is projected to stand at 3.8% at the end of 2026, broadly consistent with the current policy level. Since the meeting, May PCE data have reinforced the case for caution, with headline PCE inflation rising to 4.1%, y-o-y, from 3.8%, y-o-y, in April, while core PCE inflation increased to 3.4%, y-o-y, from 3.3%, y-o-y.

The latest labour market report for June showed continued resilience in terms of employment. Nonfarm payrolls rose by 57,000, following a revised rise of 129,000 in May and 148,000 in April. The unemployment rate edged down to 4.2% in June, after 4.3% in May and 4.3% in April, although this partly reflected a decline in labour force participation. The labour force participation rate fell to 61.5% in June, following 61.8% in both May and April. The gradual slowdown in participation and the continued tightness in parts of the labour market may also reflect the effects of the US administration's migration policies. Average hourly earnings rose by 3.5%, y-o-y, in June, after 3.4%, y-o-y, in May and 3.6%, y-o-y, in April, suggesting a relatively stable wage trend despite slower hiring.

Graph 3 - 3: US monthly labour market



Sources: Bureau of Labor Statistics and Haver Analytics.

Near-term expectations

Recent incoming data suggest that US activity remains resilient, although the growth dynamic seems to have become more moderate. The final estimate of 1Q26 real GDP showed growth of 2.1% q-o-q, SAAR, revised up from 1.6%. Meanwhile, the Atlanta Fed's GDPNow estimate stands at 1.2%, q-o-q, SAAR. Financial conditions and business investment remain important sources of support. Equity markets remain close to record levels, and large technology firms continue to signal substantial capex commitments, particularly linked to AI infrastructure, cloud computing and data centres. At the same time, energy-related risks have eased somewhat since mid-June, as energy prices moved back towards pre-crisis levels and global oil-supply concerns moderated. Although the US is a net energy exporter and remains better insulated from energy shocks than many other advanced economies, higher gasoline prices earlier in 2Q26 weighed on real purchasing power.

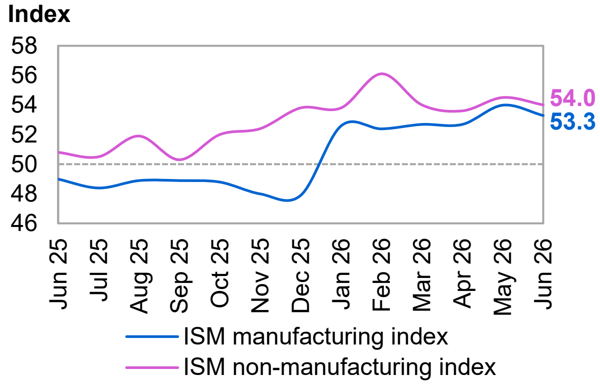
Based on the most recent inflationary dynamics and firm labour market developments, monetary policy is likely to remain restrictive in the near term. The Fed's rate-setting committee, the Federal Open Market Committee (FOMC), kept the federal funds rate unchanged at 3.50 to 3.75% at its June meeting. Fed communication has also remained firm but measured. At the most recent ECB Forum at the beginning of July, the new Fed Chair reaffirmed the Fed's commitment to the 2% inflation target, stressed institutional independence, and avoided detailed forward guidance, indicating that policy decisions will be made meeting by meeting. Overall, the Fed's stance has shifted from a cautious pause in the easing cycle towards a more restrictive hold, with further tightening possible if inflation pressures or expectations remain elevated.

Trade policy developments continue to warrant close attention in the near term, particularly given several important deadlines and negotiations in July. The US administration has not yet clarified how it will proceed after the temporary 10% global import surcharge under Section 122 expires in late July, while ongoing legal proceedings add further uncertainty around the tariff framework. It is likely that the measure will be replaced by alternative trade-policy instruments. This uncertainty may lead to renewed front-loading of US-bound trade ahead of potential tariff changes, especially in sectors exposed to them. The USMCA review has also entered a more critical phase. On 1 July, the US declined to renew the agreement in its current form. However, this may also be seen as a negotiating step rather than a signal of near-term termination. Negotiations may continue into late 2026 or early 2027, with the automotive sector, rules of origin, tariffs, and Chinese content in North American supply chains expected to be central issues. Intra-regional trade has become increasingly important over the past decade, with the US and Canada's share of Mexican exports rising to 90.3% in 2025, from 83.7% in 2016, and the automotive sector becoming even more integrated. This makes a full termination of the agreement unlikely in the near term, given the importance of the USMCA for investment, production networks and business certainty. Looking beyond North America, the late-2025 US-China trade truce will also need to be extended or renegotiated before its 12-month term ends, while some trade issues with the EU and Brazil may re-emerge in the weeks ahead. Overall, trade policy is likely to remain an important source of uncertainty, but the baseline remains one of continued negotiations rather than abrupt fragmentation, with firms and supply chains likely to adapt through front-loading, rerouting and revised sourcing strategies.

According to the Institute for Supply Management (ISM), the Manufacturing PMI remained steady at 53.3 in June, following 54.0 in May and 52.7 in both April and March.

The Services sector PMI was almost unchanged to stand at 54.0 in June, following 54.5 in May and April's 53.6.

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



Sources: Institute for Supply Management and Haver Analytics.

Against the backdrop of steady growth in 1H26, which is expected to continue throughout the year, the economic growth forecast for 2026 remains at 2.2%, unchanged from the previous month's assessment. Expectations of resilient consumer spending, continued investment from the technology sector, and a resilient US energy sector are expected to support the current forecast.

Table 3 - 3: US economic growth rate and revision, 2026–2027*, %

	US
2026	**2.2**
Change from previous month	0.0
2027	**2.0**
Change from previous month	0.0

*Note: * 2026–2027 = Forecast.*

Source: OPEC.

For 2027, the growth trend is expected to normalize as stimulus measures and one-time effects, including trade distortions, are anticipated to fade. Consumer spending is forecast to moderate slightly, with the economic growth forecast remaining at 2.0%, also unchanged from the previous month's assessment.

Eurozone

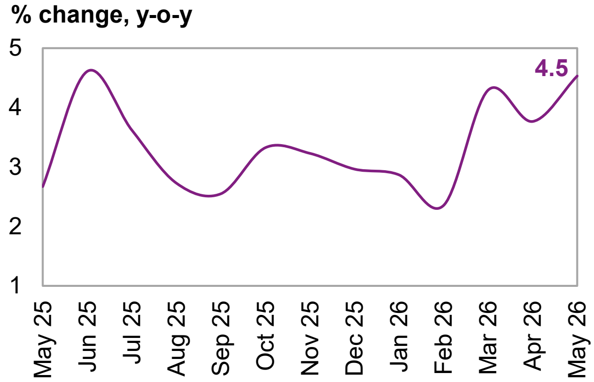
Update on the latest developments

In recent weeks, the Eurozone economy has continued to show signs of gradual stabilization, although the recovery remains moderate and uneven. After positive but subdued growth in 1Q26, incoming data suggest that activity stabilized further towards the end of 2Q26. The Eurozone composite PMI rose towards expansionary territory in June, pointing to stabilization after two months of contraction. The improvement was mainly driven by firmer manufacturing output and steady services activity. Retail trade also recovered modestly in May, suggesting that household demand remains supported by resilient labour markets and positive income dynamics. Based on the composite PMI indices, the regional picture remains heterogeneous. Spain continues to provide the strongest support to the Eurozone outlook, with services activity strengthening markedly in June on firmer domestic demand. Italy also improved, with its services sector returning to modest growth. By contrast, France's activity remained relatively low, while Germany showed a mixed picture as manufacturing improved and new orders returned to growth, but services remained subdued. Overall, this suggests that the recovery is broadening only gradually, with services and domestic demand supporting southern Europe, while export-oriented industrial economies remain more exposed to weak external demand and trade uncertainty.

As inflation eased in May, the urgency for an immediate follow-up rate increase after the ECB's 25 June bp hike has diminished, although inflation remains above the 2% target and the policy outlook is still complicated by current energy prices, wage dynamics, and possible second-round effects. Given the earlier rise in inflation and the upward revision to the ECB's inflation projections, the ECB raised policy rates by 25 bp at its June meeting, bringing the deposit rate to 2.25%.

Retail activity has improved. In value terms, Eurozone retail trade expanded by 4.5%, y-o-y, in May, following 3.8%, y-o-y, in April. The Economic Sentiment Indicator also improved, rising to 95.0 in June from 93.7 in May, although it remained below its long-term average of 100. Industrial activity has shown some tentative stabilization at the euro area level, with industrial production increasing by 0.4%, y-o-y, in April, after a weaker March reading of -3.3%, y-o-y. Country-level developments remain mixed. In Germany, industrial production declined on an annual basis in May, standing at -0.6%. In France, industrial activity remained more resilient, with output across industry increasing by 3.2%, y-o-y, in May.

Graph 3 - 5: Eurozone retail sales



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

Inflation in the euro area eased in June after rising noticeably in the previous months. Headline inflation stood at 2.8%, y-o-y, in June, following 3.2%, y-o-y, in May, 3.0%, y-o-y, in April and 2.6%, y-o-y, in March. The moderation mainly reflected lower energy inflation, which eased to 8.7%, y-o-y, in June, from 10.8%, y-o-y, in May, while services inflation also moderated. Core inflation, excluding energy, food, alcohol, and tobacco, stood at 2.4%, y-o-y, in June, after 2.6%, y-o-y, in May.

Near-term expectations

The euro area's near-term growth dynamic is expected to maintain a moderate and steady pace. Recent data suggests gradual stabilization, with some rebound materializing in 2H26. Survey indicators improved at the end of 2Q26, with the composite PMI returning to the neutral 50-point level in June, supported by firmer manufacturing output and a smaller decline in services activity. Retail activity has also shown modest resilience, while industrial production has stabilized at the euro area level, although the recovery remains uneven across countries. Fiscal policy should become a more visible source of support over the coming quarters, particularly in Germany. In addition to fiscal spending, the German government presented a reform agenda that includes proposals to ease the regulatory framework and introduce more flexible labour-market rules, which could be positive for medium-term growth. In addition, higher public investment, infrastructure spending and defence outlays are expected to support construction, industry and domestic demand. EU-funded investment should also continue to support activity in parts of southern Europe, although the effect will gradually fade after 2026. Overall, fiscal policy should provide a modest positive impulse in 2026, before consolidation pressures re-emerge from 2027 onwards. Debt dynamics are anticipated to remain broadly manageable, as higher nominal GDP growth partly offsets the increase in borrowing costs. Debt ratios are expected to rise in Germany and France, remain broadly stable in Italy and decline further in Spain.

External trade remains a potential source of volatility. Continued US-EU trade uncertainties, including the risk of higher tariffs on specific EU products, especially cars and trucks, will remain particularly relevant for Germany and, to some extent, for France and the Central and Eastern European economies integrated into automotive supply chains. At the same time, the EU's trade diversification agenda should provide some medium-term support, with negotiations on the EU-India Free Trade Agreement concluded and the EU-Mercosur Interim Trade Agreement having been provisionally applied since May 2026. These agreements will not fully offset near-term US-related risks, but they should gradually reduce dependence on individual export markets.

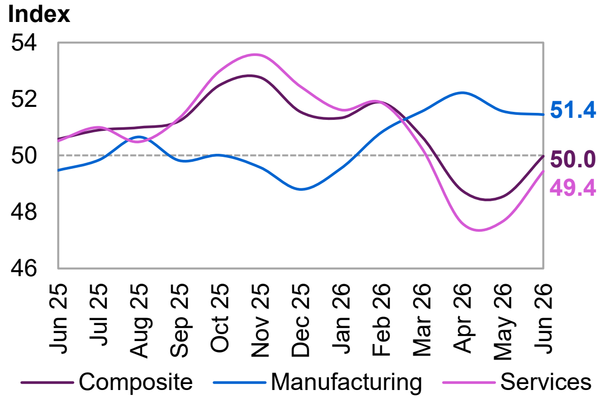
Monetary policy has become more restrictive, but the latest inflation data has slightly reduced the urgency for immediate further tightening. The ECB raised rates by 25 bp in June, bringing the deposit rate to 2.25%, after inflation pressures and staff projections moved higher. However, as headline inflation eased to 2.8%, y-o-y, in June, core inflation moderated too. The ECB is therefore likely to remain data-dependent, balancing above-target inflation, energy-price risks and wage dynamics against still-fragile growth momentum. Overall, the Eurozone outlook remains one of gradual stabilization, supported by fiscal measures, labour-market resilience and easing cost pressures, but constrained by uneven domestic demand, trade-policy uncertainty and a still-cautious monetary-policy environment.

Final June PMI readings across the major euro area economies point to a steady pace of manufacturing and a gradual improvement in services activity.

The Eurozone's Manufacturing PMI was almost unchanged at 51.4 in June, after 51.6 in May and 52.2 in April.

Following a sharp decline in the Services PMI in April and a subdued reading in May, the index rebounded to stand at 49.4 in June. It stood at 47.7 in May and 47.6 in April.

Graph 3 - 6: Eurozone PMIs



Sources: S&P Global and Haver Analytics.

The economic growth forecast for 2026 remains unchanged from the previous month's assessment at 1.0%. The Eurozone's growth dynamic has held up relatively well so far, and the expectation of a continued moderate trend in 2Q26 provides the basis for a rebound in 2H26, as some of the dampening effects in 1H26 may be offset by fiscal measures.

Table 3 - 4: Eurozone economic growth rate and revision, 2026–2027*, %

	Eurozone
2026	**1.0**
Change from previous month	0.0
2027	**1.2**
Change from previous month	0.0

*Note: * 2026–2027 = Forecast.*

Source: OPEC.

In 2027, the implementation of EU trade deals and the continued effects of fiscal expansion are expected to sustain growth momentum, with economic growth forecast at 1.2%, unchanged from the previous month's assessment as well.

Japan

Update on latest developments

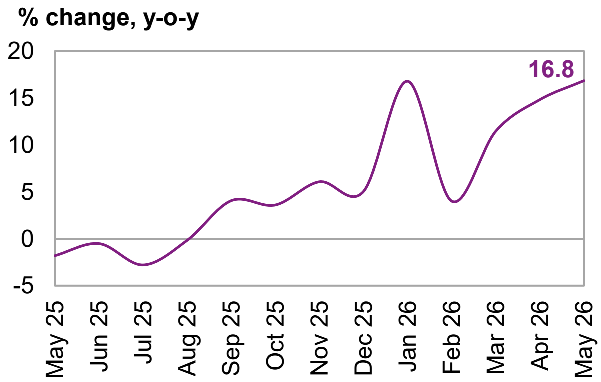
Japan's economy continued to expand at a moderate pace at the start of 2026, although the revised 1Q26 national accounts point to slightly softer momentum than initially reported. Economic growth was revised slightly down to 1.8%, q-o-q, SAAR from the first estimate of 2.1%. This follows 4Q25 growth of 0.7%, q-o-q, SAAR. The expansion remained supported by private consumption, public demand, and exports, although capital expenditure was revised down into negative territory, suggesting a more cautious investment backdrop than the preliminary estimate indicated. Private consumption continued to increase, supported by robust increases in employee compensation and consequently resilient services spending, while external demand remained an important contributor, led by stronger goods exports. More recent activity indicators remain mixed but broadly consistent with continued low and steady growth. Industrial production declined in May, falling by 1.7%, y-o-y, after rising by 2.0%, y-o-y, in April and 2.4%, y-o-y, in March. On a sequential basis, however, output rose by 0.5%, m-o-m, in May, marking a second consecutive monthly gain. Retail sales strengthened markedly in May, rising by 5.3% y-o-y, after an upwardly revised 2.8%, y-o-y, increase in April, suggesting that household spending remained resilient, supported by wage gains and government measures to cushion price pressures. Consumer confidence improved further to 33.5 in June, up from 32.9 in May and 32.0 in April.

However, the recent fiscal policy stance is increasingly affecting both the Japanese bond market and the yen, as the government's push for stronger growth-oriented spending appears to be interacting with expectations for BoJ policy. The draft growth strategy's call for the BoJ to align with the government's investment agenda was interpreted by markets as a likely signal that further rate hikes may be discouraged, even as inflation risks remain relevant. This has added pressure on the yen, with USD/JPY moving above previous resistance levels and reaching levels not seen since the mid-1980s. The market reaction suggests that investors are becoming more sensitive to the balance between fiscal expansion, monetary policy independence and macroeconomic stability.

Inflation has remained contained at the headline level. Headline CPI edged up to 1.5%, y-o-y, in May, from 1.4%, y-o-y, in April, but remained below the BoJ's 2% target, partly reflecting the dampening impact of energy-related subsidies. The core CPI measure excluding fresh food was unchanged at 1.4%, y-o-y, in May, while core inflation excluding fresh food and energy eased further to 1.8%, y-o-y, from 1.9%, y-o-y, in April and 2.4%, y-o-y, in March. This points to a moderation in measured underlying price pressures. However, the BoJ's broader assessment continues to emphasize upside inflation risks, as higher energy prices, yen weakness, wage growth and trend-based inflation measures still point to more persistent price pressures than the headline data suggests. The labour market remains tight, with the unemployment rate unchanged at 2.5% in May, following 2.5% in April and 2.7% in March, providing continued support for wage growth and household income. Against this backdrop, the BoJ raised its short-term policy rate to 1.0% at its June meeting, up from 0.75%, citing the need to respond to inflation risks and to continue the gradual normalization of monetary policy. The move follows an unchanged economic outlook from the BoJ's April Outlook Report, in which the BoJ revised down its FY2026 real GDP growth forecast to 0.5% while raising its core CPI projection to 2.8%. Overall, policy is becoming less accommodative, but normalization is likely to remain cautious and data-dependent, given the balance between persistent inflation pressures, higher energy costs and still-moderate real activity.

On a non-seasonally adjusted basis, exports continued to expand at a solid pace through May. Following increases of 16.8%, y-o-y, in January, 4.0%, y-o-y, in February, 11.5%, y-o-y, in March and 14.8%, y-o-y, in April, exports increased by 16.8%, y-o-y, in May. Export performance remained supported by robust external demand for high-value-added goods, with shipments of AI-related products, including semiconductors, electronic components and semiconductor production equipment, continuing to provide key support. However, trade data from May also suggests that part of the export increase reflected price effects associated with the weaker yen, as export volumes rose by a comparatively smaller margin. Imports increased by 12.5%, y-o-y, in May, and Japan recorded a goods trade deficit of ¥391.8 billion, partly reflecting higher energy-import costs linked to Middle Eastern supply disruptions.

Graph 3 - 7: Japan's exports



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

Near-term expectations

Following 1Q26 economic growth, corporate investment demand remains strong, driven by digitalization, and with geopolitical challenges easing, capex is forecast to return to a gradual upward trend. Moreover, government fiscal expansion continues. However, while a more growth-supportive fiscal stance could strengthen investment and domestic demand, it also risks raising concerns about inflation, fiscal sustainability and yen weakness if markets perceive monetary policy as constrained. Overall, recent developments indicate that the policy mix may be shifting from primarily supporting growth to also creating greater volatility in bond and currency markets. In light of the fiscal expansion, the BoJ has indicated that it will continue to raise the policy interest rate and adjust the degree of monetary accommodation in its latest outlook, released in June. However, uncertainty surrounding the timing of the next rate hike is high. With underlying inflation approaching 2%, even small changes, such as further yen depreciation, could significantly increase the risk of inflation exceeding 2%. Hence, close coordination between the BoJ and the government in this respect will likely remain important.

Amid the expansionary fiscal policy stance, Japan's public debt sustainability has come back into focus, reflected by rising Japanese government bond (JGB) yields, higher inflation and concerns about fiscal risk premia. In the past, Japan has benefited from a favourable interest rate dynamic, as the average interest rate on government debt has remained well below nominal GDP growth, allowing the debt-to-GDP ratio to fall sharply from around 260% in FY2020 to about 220% in FY2024, despite continued primary deficits. This favourable arithmetic is likely to persist in the near term, since the government's effective interest rate adjusts only gradually even if market yields remain elevated.

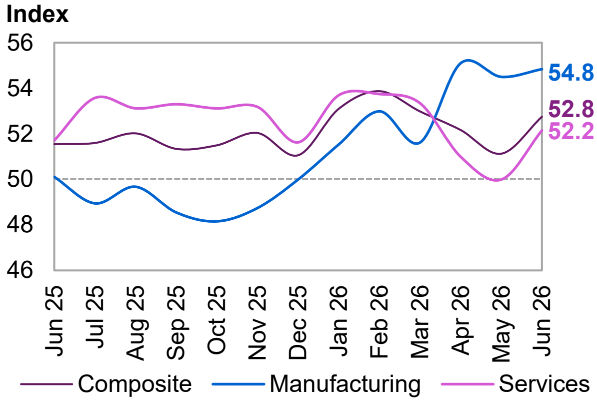
The steady growth dynamic in Japan's economy is also supported by the latest release of the BoJ's June Tankan survey, which points to continued strength in Japan's corporate sector, with the all-firms business sentiment index unchanged at 18, its highest level since mid-1991. Sentiment remained firm across both manufacturing and non-manufacturing sectors. The large non-manufacturing index edged up to 37 from 36 in March, remaining at multi-decade highs, while the large manufacturing index improved more visibly to 22 from 17, narrowing the gap with services-related sectors. Within manufacturing, strength was broad-based, led by machinery-related industries, shipbuilding and metals, suggesting that activity is being supported not only by AI-related investment but also by broader strategic capital spending. In non-manufacturing, consumer-facing sectors such as retail and accommodation improved notably, pointing to resilient domestic demand. By contrast, construction and real estate softened from previously elevated levels, likely reflecting the gradual impact of rising interest rates. Overall, the survey suggests that corporate momentum remains robust and increasingly broad-based, with no major sector showing a marked deterioration.

Similarly, Japan's latest June PMI data indicates continued momentum in both the manufacturing and the services sectors.

The Services PMI rebounded to stand at a firm 52.2 in June, following 50.0 in May and 51.0 in April.

Manufacturing remained strong in June, with the index at 54.8, after 54.5 in May and 55.1 in April.

Graph 3 - 8: Japan's PMIs



Sources: S&P Global and Haver Analytics.

Following steady growth in 1H26, the 2026 economic growth forecast remains at 0.8%. Positively, government measures are expected to sustain private household consumption, while most indicators point to a continued steady growth dynamic.

In 2027, growth is expected to remain at around this year's level, albeit gradually increasing to stand at 0.9%, also unchanged from the previous month's assessment. The growth dynamic in the coming year is expected to be supported by a gradual recovery in manufacturing, normalizing monetary policy and continued fiscal support.

Table 3 - 5: Japan's economic growth rate and revision, 2026–2027*, %

	Japan
2026	**0.8**
Change from previous month	0.0
2027	**0.9**
Change from previous month	0.0

*Note: * 2026–2027 = Forecast.*

Source: OPEC.

Non-OECD

China

Update on the latest developments

China's economy entered 2Q26 from a relatively strong starting point, following real GDP growth of 5.0%, y-o-y, in 1Q26. Industrial production has remained firmer than expected, supported by manufacturing resilience, high-tech sectors and continued demand for intermediate inputs. Trade activity has also remained robust, with double-digit growth in both exports and imports, increasingly reflecting China's industrial production cycle, particularly in mechanical and electrical products, electronic components and other intermediate goods. At the same time, domestic demand has softened more visibly, with retail sales contracting by 0.6%, y-o-y. The slowdown in retail activity appears to reflect not only pressure on household purchasing power but also the possible easing impact of the government's consumer goods trade-in programme. Spending on big-ticket discretionary items, including home appliances and automobiles, has weakened more markedly. China also appears to have managed the more recent energy-supply pressures relatively successfully, supported by domestic production, diversified energy sourcing, administrative pricing mechanisms and policy buffers. The property sector remains a drag on domestic demand and confidence, albeit only to a limited extent. The ongoing adjustment has so far been absorbed without broader financial instability, although it continues to weigh on private investment, household sentiment and local-government-related activity.

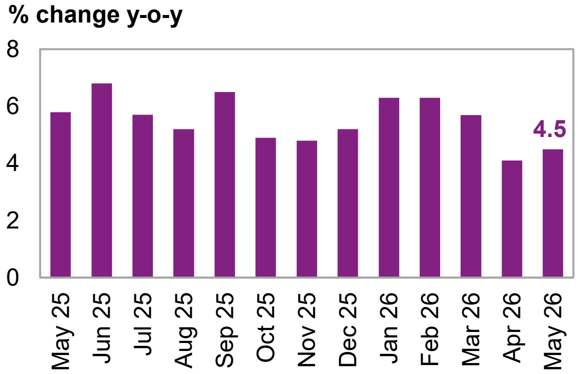
Monetary policy settings, therefore, remain supportive but targeted. The PBoC has maintained an accommodative stance, emphasising ample liquidity, stable credit conditions, and targeted support rather than broad-based stimulus. Policymakers remain prepared to provide incremental support, particularly for consumption, technological upgrading and property-market stabilization, but do not appear to see a need at this stage for broad-based stimulus.

In the monetary context, the PBoC announced several measures that point to a gradual modernization of China's monetary and financial-market framework at this year's Lujiazui Forum, a high-level annual financial and economic forum. The most important change is that the PBoC is strengthening its control over short-term money-market rates, especially overnight funding rates, by narrowing the overnight repo corridor, as the central bank is trying to guide market interest rates more precisely and make monetary policy work more through prices rather than mainly through the quantity of liquidity supplied to banks. This also suggests that the PBoC is attributing greater importance to overnight funding conditions. In simple terms, China is moving slowly towards a monetary policy system that looks more like those in advanced financial markets, where short-term interest rates are the main signal of the policy stance. Analysts have noted that this could improve the transmission of monetary policy and reduce volatility in short-term funding markets. Other measures aimed at supporting the international use of the renminbi were also announced. The new repo facility will allow foreign central banks, monetary authorities, international institutions and sovereign wealth funds to obtain RMB liquidity from the PBoC by using Chinese government bonds and other high-quality RMB bonds as collateral. This should make RMB assets more attractive to reserve managers and official investors. Additionally, the planned launch of new financial tools should give global investors better opportunities to trade, hedge and manage RMB exposure. These measures are incremental but important steps towards deeper Chinese financial markets, more effective monetary policy implementation and a wider international role for the renminbi.

Headline inflation continued on a steady path in June, rising by 1.0%, y-o-y, only slightly lower than in May, when it stood at 1.2%, the same level as in April and following a March level of 1.0%. Core CPI, which excludes volatile food and energy items, stood at 1.0%, y-o-y, too. This follows 1.1%, y-o-y, in May, almost steady compared with 1.2%,
y-o-y, in April and March.

IP growth in China continued to expand at a healthy pace. Industrial output expanded by 4.5%, y-o-y, in May, following 4.1%, y-o-y, in April and 5.7%, y-o-y, in March. On a cumulative basis, industrial output increased by 5.4%, y-o-y, between January and May, suggesting that the industrial sector remains a key source of support despite softer domestic demand. The urban unemployment rate edged down to 5.1% in May, following 5.2% in April and 5.4% in March. At the same time, urban youth unemployment, excluding students, declined to 15.6% in May, following 16.3% in April and 16.9% in March, indicating some improvement in labour market conditions, although youth unemployment remains elevated.

Graph 3 - 9: China's industrial production



Sources: China National Bureau of Statistics and Haver Analytics.

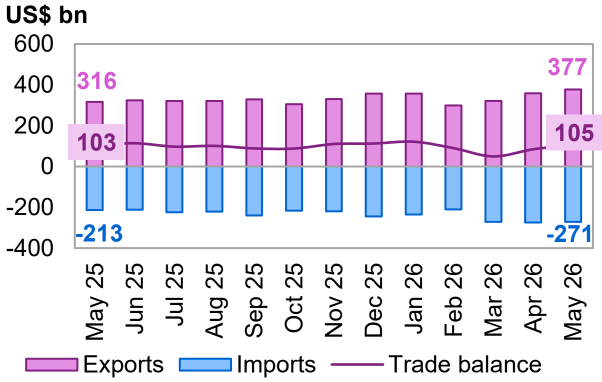
Following strong trade growth in January and February, the growth dynamic normalized again in March and April, partly driven by Lunar New Year holiday effects at the beginning of the year. In May, however, trade momentum strengthened again, supported by robust exports of high-tech goods, semiconductors, automobiles and AI-related products.

China's trade surplus widened in May to $105.4 billion, following $84.7 billion in April and $50.2 billion in March.

Exports stood at $376.8 billion in May, after $359.2 billion in April and $321.0 billion in March. In y-o-y terms, exports rose by 19.4% in May, after 14.0%, y-o-y, in April.

Imports stood at $271.4 billion in May, after $274.5 billion in April and $270.9 billion in March. In y-o-y terms, imports increased by 27.4% in May, following 25.2%, y-o-y, in April.

Graph 3 - 10: China's trade balance



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

Near-term expectations

China entered 2026 with stronger-than-expected momentum. While 1Q26 growth was robust, April and May activity data point to somewhat softer domestic demand, with retail sales and fixed asset investment both easing. The growth dynamic in 3Q26 should accelerate again, assuming lower energy prices, fiscal spending and some normalization in energy flows. The strong export dynamic implies that China's current account surplus could stay elevated, with spillover effects for trading partners facing stronger Chinese export competition.

The consumer outlook remains soft despite benign inflation prints, as higher input costs are more likely to be absorbed through margins, wages, bonuses and investment plans than fully passed on to consumer prices. This may weigh on household income growth and keep real consumption subdued. Policy support through income-boosting measures for urban and rural residents should help prevent a sharper slowdown, while tentative home-price stabilization could gradually reduce the negative wealth effect from housing. However, these channels are likely to work slowly.

Policy settings are expected to remain supportive but targeted. The April Politburo meeting signalled that policymakers remain broadly comfortable with the economy's trajectory, despite softer domestic data, and are therefore unlikely to shift towards large-scale cyclical stimulus. Fiscal policy still has room to become more supportive, especially after the 15th Five-Year Plan approved a new pipeline of major projects. On monetary policy, the base case remains for no policy-rate or RRR cuts in 2026, with the PBoC keeping interbank liquidity ample and financing costs low. If imported inflation or energy-related pressures raise inflation expectations, liquidity conditions could gradually normalize, with overnight repo rates guided closer to the policy rate.

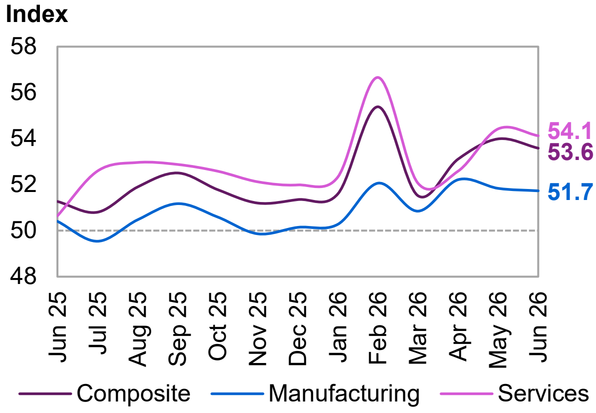
Exports are expected to remain a key pillar of growth. China has continued to gain global export market share, supported by cost competitiveness, scale advantages and its deep integration into global supply chains. AI-linked electronics demand, clean-energy products and price-sensitive global consumption should continue to support export momentum this year. China's stronger position in critical minerals and rare-earth processing also reinforces its strategic role in global supply chains. At the same time, yuan appreciation is likely to continue on the back of large external surpluses, exporter repatriation of dollar balances and improved market positioning. Even so, China's price advantage may be preserved if global competitor prices rise faster because of energy and input-cost pressures.

June's PMI data indicated healthy momentum in manufacturing and robust expansion in services.

The Manufacturing PMI was broadly unchanged at 51.7 in June, following 51.8 in May and 52.2 in April.

The Services PMI was also broadly unchanged, easing to 54.1 in June, after 54.4 in May and 52.6 in April.

Graph 3 - 11: China's PMI



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

Following its strong economic performance in 1Q26, China's expansion is forecast to remain healthy. The broader outlook remains supported by advanced manufacturing, exports and targeted policy support. Notably, the latest sentiment indicators suggest continued near-term momentum. Economic growth in 2026 is expected to remain unchanged at a solid 4.6%.

Table 3 - 6: China's economic growth rate and revision, 2026–2027*, %

	China
2026	**4.6**
Change from previous month	0.0
2027	**4.5**
Change from previous month	0.0

*Note: * 2026–2027 = Forecast.*

Source: OPEC.

Continued export diversification, combined with an improving domestic consumption outlook, will also shape the economic growth dynamic in 2027. In addition, ongoing fiscal and monetary support is expected to underpin a steady growth path next year. As a result, China's economic expansion is projected to remain resilient in 2027, maintaining robust growth at 4.5%, also unchanged from last month's assessment.

India

Update on the latest developments

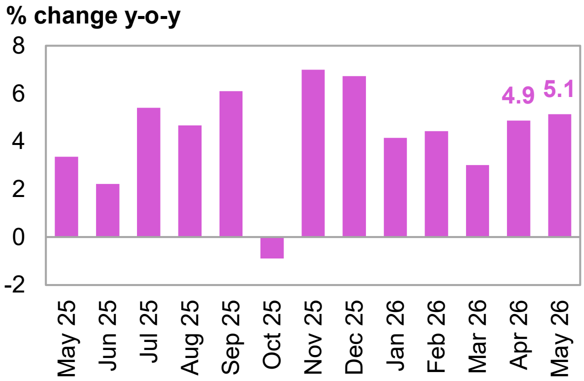
India's economy has remained resilient despite recent geopolitical developments, as fiscal and quasi-fiscal measures helped absorb much of the rise in energy costs and limited the pass-through to consumers. Consumption held up relatively well in March and April, although some fuel price increases are estimated to have weighed somewhat on household spending in 2Q26 and partly into 3Q26.

Consumption indicators remain broadly supportive. Fuel consumption and vehicle sales have remained relatively firm, helped by income growth, earlier goods and services tax (GST)-related support, and continued rural demand. Two-wheeler sales point to resilient rural consumption, while passenger vehicle sales suggest that urban discretionary demand has not yet weakened materially. Vehicle sales also remained healthy in June, continuing to benefit from last year's tax reform, with vehicle sales rising by 21.8%, y-o-y, following 9.5%, y-o-y, in May and 17.4%, y-o-y, in April.

India's unemployment rate fell slightly in June to 6.6%, down from 6.9% in May and 6.7% in April. Urban unemployment fell to 7.2% in June, after 8.0% in May and 6.7% in April. At the same time, the rural unemployment rate was almost steady, standing at 6.3% in June, following 6.2% in May and 6.7% in April.

Other high-frequency indicators point to continued solid growth through April and May. Industrial production increased by 5.1%, y-o-y, in May, following 4.9%, y-o-y, in April, suggesting that factory activity remained resilient despite some softness in consumption. Manufacturing output expanded by 5.5%, y-o-y, in May, after 6.1%, y-o-y, in April, while capital goods production continued to rise strongly, increasing by 12.9%, y-o-y, in May, following 12.0%, y-o-y, in April. The May data also showed solid gains in intermediate goods, infrastructure and construction goods, and consumer durables, pointing to continued momentum in investment-related and manufacturing activity.

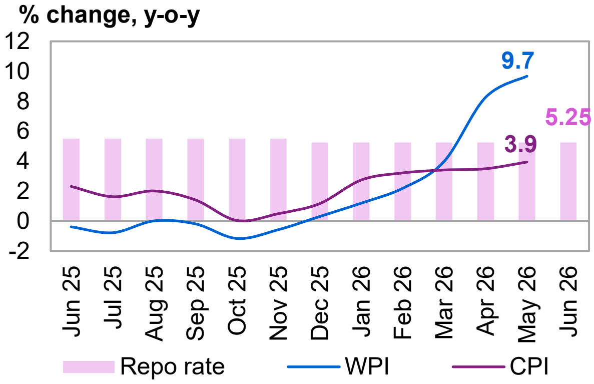
Graph 3 - 12: India's industrial production



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

Inflation in India has continued to rise from previously low levels, although it remains just below the RBI's 4% target. Headline CPI inflation increased to 3.9%, y-o-y, in May, following 3.5%, y-o-y, in April, 3.4%, y-o-y, in March and 3.2%, y-o-y, in February. Food and beverage inflation rose more visibly to 4.5%, y-o-y, in May, following 4.0%, y-o-y, in April, pointing to renewed pressure on food prices. The pass-through from higher global oil and energy prices to consumer prices has so far remained partly contained by administered prices, tax adjustments and policy measures aimed at cushioning households and firms. However, second-round risks have increased, particularly through food prices, transport costs, fertiliser, logistics and services.

Graph 3 - 13: Repo rate and inflation in India



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

Core inflation remained broadly contained at around 3.9%, y-o-y, in May, but persistent services inflation and higher prices for items such as gold and silver point to ongoing price pressures.

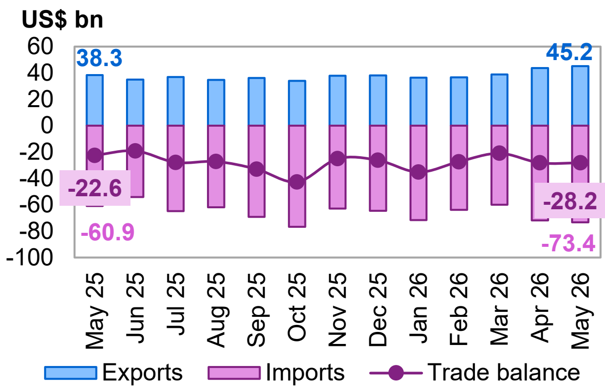
Monetary policy is therefore likely to become more cautious. At its June meeting, the RBI kept the policy repo rate unchanged at 5.25% and maintained a neutral stance, while raising its inflation forecast for FY2026/27 to 4.6% and projecting real GDP growth at 6.9%.

On trade, India's merchandise trade deficit was unchanged to stand at $28.2 billion in May, the same level as in April and following $21.0 billion in March.

Merchandise imports increased further to $73.4 billion in May, following $71.9 billion in April and $59.9 billion in March.

At the same time, merchandise exports also strengthened, rising to $45.2 billion in May, after $43.7 billion in April and $38.9 billion in March. Overall, the data points to resilient export performance, but imports remained elevated, keeping the merchandise trade deficit relatively wide.

Graph 3 - 14: India's trade balance



Sources: Ministry of Commerce and Industry and Haver Analytics.

Near-term expectations

Overall, India's near-term outlook remains robust, supported by a resilient services sector, steady momentum in investment and – most recently – easing energy supply constraints. Lower oil and urea prices have improved the outlook by reducing the risk of further fuel-price increases, limiting pressure on core goods inflation and easing fiscal constraints. Fiscal consolidation is likely to slow temporarily. The central government deficit is expected to rise to around 4.6% of GDP in FY2026/2027, above the initial 4.3% target, as weaker revenue momentum, subsidy needs, and the need to protect capital expenditure have limited the scope for faster adjustment. Further upside may come from additional structural reforms implemented by the government. The GST reform from 2025 suggests that the authorities may target other business-friendly structural reforms.

The inflation outlook has improved, but risks remain tilted to the upside. Headline CPI inflation is now expected to average more than 4.0%, y-o-y, in 2026 and is anticipated to possibly increase slightly further in 2027. If second-round effects from earlier cost increases remain limited, the RBI may be able to delay policy tightening. The current baseline still assumes two 25 bp repo rate increases later in the year, taking the repo rate to 5.75%, although the timing will depend on inflation pass-through, rupee stability, and broader financial conditions.

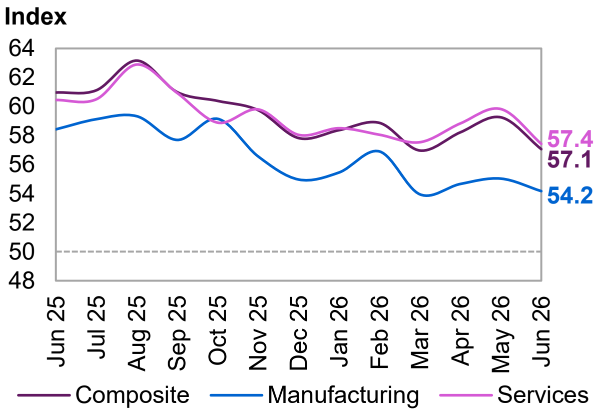
Following the most recent easing of geopolitical tensions and the consequent decline in energy import prices for India, the external position has improved but generally remains sensitive to capital flows and energy price developments. The current account deficit is expected to stand at around 1.1–1.2% of GDP in 2026, supported by lower oil imports and resilient remittances. However, the rupee is likely to remain sensitive to oil-price movements, global risk appetite, and portfolio flows. Overall, India's near-term outlook is supported by lower energy-price risks, resilient services and recovering investment, but consumption weakness, weather risks, inflation expectations, fiscal constraints and external volatility remain key issues to monitor.

June PMI indicators reinforce the view that growth momentum remains solid in both manufacturing and services.

The Manufacturing PMI remained strong at 54.2 in June, up from 55.0 in May and 54.7 in April, supported by resilient demand, stronger new orders, and continued output growth.

The services PMI stood at 57.4 in June, following 59.8 in May and 58.8 in April.

Graph 3 - 15: India's PMIs



Sources: S&P Global and Haver Analytics.

The Indian economy remains well supported by steady domestic demand, as reflected in the latest domestic data, and is supported in part by government-led support measures, alongside continued prudent monetary policies. The latest inflationary trend may have a limited dampening effect on consumption in 2Q26 and, to some extent, in 3Q26. Moreover, the most recent easing of global energy prices may alleviate some of the pressure on consumer prices. Against the backdrop of already robust growth in 1H26, the 2026 economic growth forecast for India remains unchanged at 6.6% from the previous month's assessment.

With steady momentum projected through the end of 2026, the Indian economy is expected to maintain its robust expansion in 2027. This forecast is supported by prospects for continued structural reforms, further expansion of the manufacturing sector, and fiscal and monetary policy support. As a result, economic growth for 2027 is projected to remain broadly stable at 6.5%, unchanged from the previous month's assessment.

Table 3 - 7: India's economic growth rate and revision, 2026–2027*, %

	India
2026	**6.6**
Change from previous month	0.0
2027	**6.5**
Change from previous month	0.0

*Note: * 2026–2027 = Forecast.*

Source: OPEC.

Brazil

Update on latest developments

The Brazilian economy has continued to show resilience, following steady growth in 1Q26. The latest estimate for April's activity by the BCB pointed to a rebound in economic activity at the start of 2Q26. While the economy continues to expand annually, the pace of growth has moderated from the stronger trend seen in recent years. The positive April reading nevertheless improves the carry-over into 2Q26 and supports the outlook for full-year growth. Economic growth stood at 1.8%, y-o-y, in 1Q26, with activity supported by agriculture, household consumption, and a quarterly recovery in investment. Services remained resilient, while the industry was supported by mining and construction, although manufacturing remained weaker.

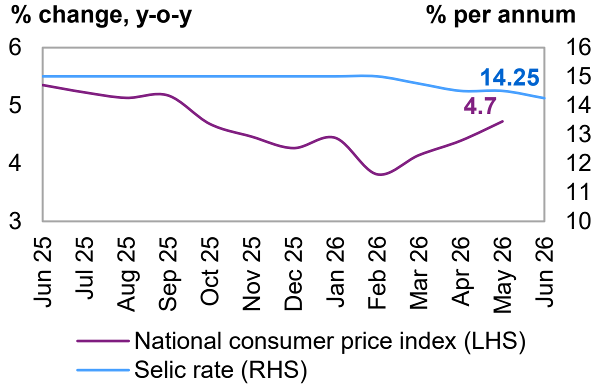
At the same time, domestic demand is likely to face some near-term headwinds. Household consumption remains supported by a firm labour market, with unemployment still low by historical standards, but high household indebtedness, slower credit growth and elevated borrowing costs are likely to constrain durable goods demand. However, business indicators are pointing to a gradual improvement in 2H26.

Headline inflation increased again, remaining clearly above the central bank's 3% target. Against this backdrop, COPOM cut the Selic rate by 25 bp in June to 14.25%, but emphasized caution given persistent core inflation and services inflation. Further easing is therefore likely to proceed only gradually and could pause if inflation expectations remain elevated or if energy- and weather-related shocks generate second-round effects. Still, Brazil's near-term economic growth dynamic remains comparatively resilient, supported by agriculture, services and the labour market, but tighter monetary conditions, persistent inflation, household balance-sheet pressures and softer confidence are likely to restrain domestic demand.

The Consumer Confidence Index improved slightly in June, standing at 87.3, following 86.5 in May and 86.3 in April. The composite business confidence index also rose, standing at 92.8 in June, after 91.6 in both May and April.

Price pressures are increasingly linked not only to food and energy prices. Rising global energy prices amid geopolitical developments in the Middle East, nevertheless, have added to inflationary pressures, raising transportation and production costs and complicating the disinflation process. In addition, resilient domestic demand, a tight labour market and still-elevated services inflation continue to exert upward pressure on prices. Headline inflation rose to 4.7%, y-o-y, in May, compared with 4.4%, y-o-y, in April and 4.1%, y-o-y, in March. Core inflation was even higher and relatively persistent, standing at 4.8%, y-o-y, in May, compared with 4.7%, y-o-y, in April and 4.8%, y-o-y, in March. Inflationary pressures in services remain pronounced, with core services inflation still at elevated levels, reflecting persistent underlying price pressures.

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



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

At the same time, the labour market remains relatively healthy, driving services inflation, with unemployment declining further in May. This continues to support wage income and consumption, although the scope for further employment-led growth is narrowing. The three-month moving average unemployment rate stood at 5.6% in May, following 5.8% in April and 6.1% in March.

Near-term expectations

Recent data suggests that Brazil entered 2Q26 with healthy momentum, with a likely carry-over into 3Q26. Although industrial production was only mildly positive in May, expanding by 0.2%, y-oy, industrial production growth stood at a robust 2.7%, y-o-y, in April and 4.4%, y-o-y, in March – the highest annual growth rates in more than a year. On the demand side, income tax exemptions have provided support to household purchasing power, with real disposable income rising strongly. Real disposable income grew by 5.4%, y-o-y, on average between January and May on a non-seasonally adjusted basis. This creates scope for further improvements in consumption once financing conditions ease and confidence continues to improve. Credit conditions nevertheless remain restrictive, and high household indebtedness may continue to weigh on interest-sensitive consumption, particularly durable goods.

The external sector remains supportive, although it remains to be seen if the latest suggestions by the US administration to impose 25% tariffs on imports from Brazil will indeed materialize, which may have an impact on its US exports. In the meantime, Brazil recorded a trade surplus of US$9.8 billion in May, following US$7.7 billion in April and US$10.6 billion in March, driven by stronger commodity exports. Commodity exports should continue to be supported by agriculture and mining.

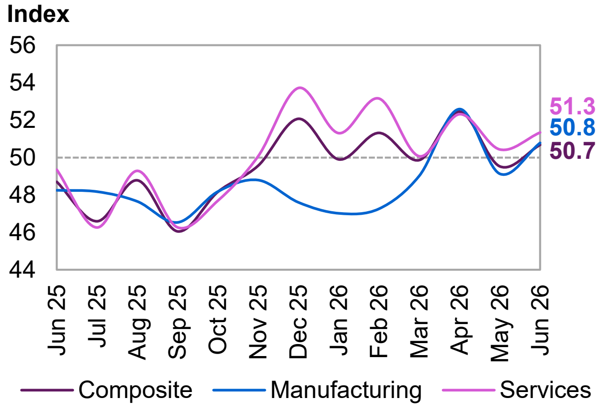
Fiscal support remains important for the near-term outlook, but it also complicates the policy mix. Income-tax relief, minimum-wage increases and household-debt renegotiation programmes should continue to support disposable income and consumption. However, fiscal space remains constrained, with the government announcing further spending limits in May to comply with the fiscal framework. Of note, the outcome of the upcoming October presidential election could lead to a substantial shift in the fiscal policy outlook.

Against the backdrop of rising inflation, monetary easing is projected to remain gradual and conditional. The BCB has signalled that the pace and extent of further easing will depend on incoming data, particularly regarding inflation dynamics, expectations and the evolution of economic activity under continued uncertainty. Current baseline expectations point to further easing in 2H26, although risks around the path of rates remain two-sided, with some upside risks to inflation. At the same time, evidence of continued economic moderation and effective monetary transmission would support a continuation of the easing cycle, albeit at a measured pace.

Following a robust trajectory, the Services PMI improved to 51.3 in June, up from 50.4 in May. This followed a reading of 52.3 in April, suggesting a pickup in activity at the start of the second quarter and reflecting a continued sound dynamic

The Manufacturing PMI rose as well, standing at an index level of 50.8 in June, compared with 49.1 in May and 52.6 in April, indicating a strong rebound from contractionary levels in May

Graph 3 - 17: Brazil's PMIs



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

Following solid growth in 1H26 and the anticipated carry-over into 2H26, economic activity remains well supported. However, the global inflationary trend driven by higher commodity prices is likely to continue feeding into domestic price dynamics. At the same time, robust commodity prices are expected to support income in affected sectors, mainly energy and agriculture, and possibly generate stronger investment as well. Against this backdrop, the 2026 economic growth forecast remains at 2%, unchanged from last month's assessment.

Table 3 - 8: Brazil's economic growth rate and revision, 2026–2027*, %

	Brazil
2026	**2.0**
Change from previous month	0.0
2027	**2.2**
Change from previous month	0.0

*Note: * 2026–2027 = Forecast.*

Source: OPEC.

Looking ahead to 2027, economic growth is expected to remain positive, supported by monetary easing, investment and continued robust domestic activity. That said, some uncertainties remain, including the lagged impact of tight monetary policy and the possibility of tighter fiscal policies. Taking these uncertainties into account, while also considering the economy's continued expansion, the 2027 economic growth forecast stands at 2.2%, unchanged from the previous month's assessment.

Russia

Update on the latest developments

Russia's economy declined by 0.2% on an annual basis in 1Q26. This follows a 1.0%, y-o-y, increase in 4Q25. The sectoral breakdown recently released by the Russian statistical office, Rosstat, confirmed that reduced construction caused by the harsh winter was the largest drag on growth, declining by 7.3%, y-o-y. Additionally, weak manufacturing activity was the second-largest drag on growth. Government spending made the largest contribution to growth, consistent with front-loaded government spending in 1Q26. The quarterly weakness was mainly concentrated in January and February, while March showed a strong rebound. Monthly GDP estimates for 2Q26 point to a further improvement in April, with activity rising again on an annual basis, before

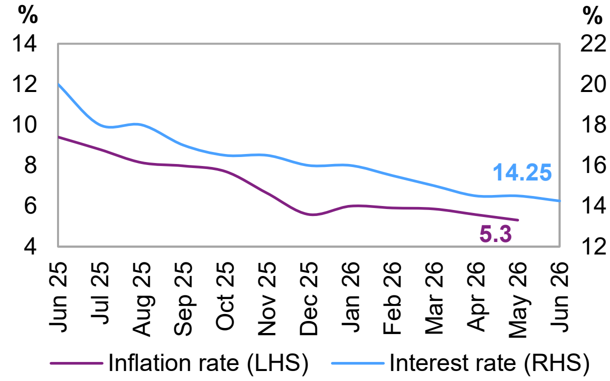
May data indicated a broadly flat outcome. This suggests that the economy has moved away from the sharper weakness seen at the start of the year, although it has yet to return to sustained growth.

The sectoral picture remains uneven. Industrial activity and parts of manufacturing continue to provide support, while civilian demand is being somewhat constrained by high interest rates, labour shortages and tax increases. At the same time, the local fuel market has become a more visible constraint. Disruptions to refinery operations and fuel logistics linked to the Eastern European conflict have tightened domestic fuel supply in several regions. These developments may weigh on transport, agriculture, retail logistics, and some industrial supply chains, while also creating near-term upside risks to fuel-related inflation.

At the same time, inflation has continued to moderate, but price pressures remain above the CBR's target and are becoming more uneven. Headline inflation eased to 5.3%, y-o-y, in May, from 5.6%, y-o-y, in April and 5.9% in March, while core inflation also softened. However, services inflation remains elevated, household inflation expectations are still high, and fuel-market disruptions could slow the disinflation process. Against this backdrop, the CBR cut the key policy rate by only 25 bp in June, to 14.25%, following the larger 50 bp April cut to 14.50%.

Industrial production remained strong, but softened somewhat in May, rising by 3.4%, y-o-y, following 6.1% in April and 6.4% in March, on a non-seasonally adjusted annual basis. The latest reading points to some recalibration in momentum in industrial activity, with weaker mining, utilities and some manufacturing segments weighing on the headline figure. At the same time, retail sales volumes remained resilient, increasing by 8.0%, y-o-y, in May, following 6.6%, y-o-y, in April, and 6.3%, y-o-y, in March. This suggests that household demand has continued to provide some support to activity.

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



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

Elsewhere, the labour market remains very tight. The unemployment rate edged down to 2.1% in May, after standing at 2.2% in April and March, remaining close to historical lows. Tight labour-market conditions continue to support household income and consumer spending, but also add to wage and service price pressures. Nominal wage growth rose by 12.0%, y-o-y, in April, after increasing by 15.4%, y-o-y, in March. Labour shortages, therefore, remain an important supply-side constraint, supporting consumption but also limiting disinflation and adding to capacity pressures in the economy.

Near-term expectations

Following the contraction in 1Q26, the Russian economy rebounded in 2Q25. The weakness at the beginning of the year reflected temporary factors, including adverse weather and tax-related shifts in activity, as well as more persistent constraints from tight monetary conditions, labour shortages and softer civilian demand. After this weak start, growth is expected to recover gradually over the remainder of the year, supported by some rebound in monthly activity, continued wage growth and resilient household spending.

Higher global commodity prices continue to provide an important external and fiscal buffer. Stronger oil prices have supported export revenues, the current account, and budget receipts, while Russia's general energy self-sufficiency, administrative controls, and domestic supply-management tools should limit the direct pass-through of global commodity prices into local inflation. At the same time, the fiscal situation remains constrained. Higher commodity revenues may allow some flexibility, but the sizeable 1Q26 budget deficit, partly reflecting front-loaded defence and security-related spending, could require tighter fiscal management later in the year. This may support activity in the near term but could weigh on domestic demand if consolidation becomes more pronounced. Indeed, based on the current fiscal plan by the finance ministry, the fiscal impulse is expected to turn negative in 2H26, as the government will likely need to restrain spending in order to meet its annual deficit target of 1.6% of GDP. This would be consistent with last year's pattern, in which front-loaded spending earlier in the year was followed by tighter expenditure control later. There is also a possibility that the deficit target could be relaxed, although this would depend on the authorities' assessment of macroeconomic conditions and medium-term budget priorities. For now, the baseline assumes that budget consolidation will proceed in 2027 as previously intended, but at a slower pace than earlier announced. Moreover, the ministry has reduced its economic growth forecast for this year from 1.5% to 0.4% following the publication of the 1Q26 growth estimate.

The growth outlook for the remainder of the year, therefore, remains one of gradual recovery but limited acceleration. Higher commodity revenues, household income growth and some recovery in credit should support activity, while tight financial conditions, capacity constraints, labour shortages and a fading fiscal impulse are likely to cap growth. The CBR's April forecast still points to moderate GDP growth of 0.5% to 1.5% in 2026, while inflation is expected to ease to 4.5–5.5% this year and return to the 4.0% target in 2027. However, the projected key-rate path remains cautious, suggesting that monetary easing will likely proceed gradually.

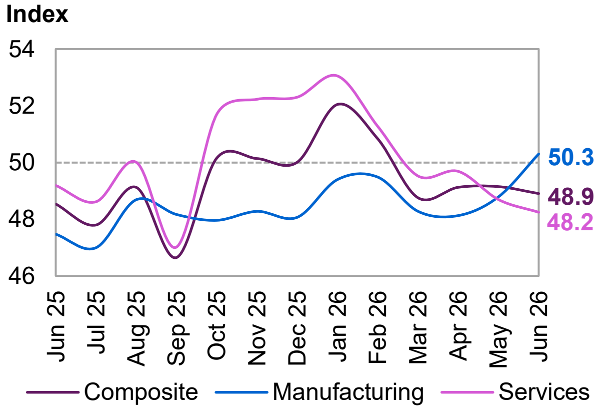
The external outlook has improved materially, with the CBR revising its 2026 current account surplus forecast to US$72 billion, from US$10 billion previously, reflecting higher assumed oil and commodity prices. However, external and fiscal uncertainty has also increased. Higher budget spending, renewed inflation expectations or stronger second-round effects from import and energy prices could require tighter monetary conditions than currently assumed. Overall, Russia's outlook remains supported by commodity revenues and resilient household income, but constrained by tight policy settings, limited capacity, fiscal pressures and elevated inflation risks. However, higher budget spending, a renewed rise in inflation expectations, or stronger second-round effects from higher import and energy prices could require tighter monetary conditions than currently assumed.

The latest PMI figures for June show a rebound in manufacturing and a continued softening in services.

The Manufacturing PMI stood at 50.3 in June, returning to expansionary territory. This follows 48.8 in May and 48.1 in April.

The Services sector PMI stood at 48.2 in June, after 48.7 in May and 49.7 in April, indicating a further contraction.

Graph 3 - 19: Russia's PMI



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

Following the 1Q26 contraction, the improving external trade situation and continued support from government and private household spending are expected to underpin a rebound over the remainder of the year. Accordingly, the economic growth projection for Russia in 2026 remains unchanged from the previous month's assessment at 1.3%.

In 2027, the Russian economy is projected to grow by 1.5%, unchanged from the previous month's assessment.

Table 3 - 9: Russia's economic growth rate and revision, 2026–2027*, %

	Russia
2026	**1.3**
Change from previous month	0.0
2027	**1.5**
Change from previous month	0.0

*Note: * 2026–2027 = Forecast.*
Source: OPEC.

Africa

South Africa

Update on the latest developments

South Africa's economy has shown signs of a gradual but uneven recovery from the weak activity levels recorded in 2025. Real GDP expanded by 1.9%, y-o-y, in 1Q26, marking the sixth consecutive quarter of sequential growth, with finance, agriculture, trade and transport providing the main support on the production side. On the demand side, activity was helped by rising household and government consumption, higher exports and lower imports. This suggests that the economy entered 2Q26 with somewhat firmer momentum, although the recovery remains moderate rather than broad-based. The external position has also improved. Preliminary trade data for 2026 suggest that the external sector has remained a source of support, helped by resilient commodity exports and weaker import demand.

Recent high-frequency indicators point to further improvement. Manufacturing showed resilience earlier in the year, helped by stronger mining-related and export-linked activity. However, the labour market remains an important structural weakness. The unemployment rate rose to 32.7% in 1Q26, while youth unemployment remained above 60%, limiting the speed at which the recovery can translate into stronger household income growth. Fiscal developments have also been supportive, with the FY2025/26 deficit estimated at around 4.3% of GDP, slightly better than the budgeted figure. Moody's also revised South Africa's Ba2 rating outlook to positive, citing fiscal improvement and reform progress, although high debt-service costs, weak trend growth, and state-owned enterprise risks remain important constraints. South Africa's temporary fuel-levy reduction, introduced in April, ended in June after helping to cushion fuel-price volatility. Although the measure is estimated to have led to SAR 17 billion in foregone revenue, it is not expected to derail the 2026/27 budget, as the Treasury described it as fiscally neutral. The authorities are therefore likely to remain focused on fiscal consolidation and maintaining a primary budget surplus, supported by macroeconomic stability, improved risk perceptions and favourable non-oil commodity dynamics.

Inflation has become a more important policy challenge. Headline inflation increased to 4.5%, y-o-y, in May, from 4.0%, y-o-y, in April, mainly reflecting transport, housing and utility costs. In response to higher fuel and food prices and second-round inflation risks, the SARB raised its policy rate by 25 bp to 7.00% at its late-May meeting. It has maintained the rate since then while revising its inflation forecasts higher.

Near-term expectations

Overall, South Africa's near-term outlook remains one of modest recovery, albeit under continued constraints. The economy entered 2Q26 with some positive momentum, following real GDP growth in 1Q26. Recent survey indicators point to stabilization across parts of the broader private sector. The S&P Global South Africa PMI returned to expansionary territory in June, rising to 50.5 from 49.6 in May. This suggests that private-sector activity has stabilized after the temporary softening in May. However, the manufacturing-specific Absa PMI fell to 47.3 in June, remaining in contractionary territory. Although business activity improved slightly, demand weakened as earlier front-loaded buying linked to geopolitical and energy-market uncertainty faded.

Although domestic demand is expected to remain an important source of support, high unemployment, subdued household income growth and elevated living costs continue to limit the strength of consumption. Fiscal developments remain an important source of support as well. The authorities remain committed to consolidation and maintaining a primary surplus, while the temporary fuel-levy reduction, which ended in June, is not expected to derail the 2026/27 budget. Improved fiscal credibility and Moody's positive rating outlook provide some support to investor confidence, although fiscal space remains tight due to high debt-service costs, weak trend growth and spending pressures.

Monetary policy is likely to remain cautious and data-dependent. The SARB raised the policy rate to 7.00% in late May in response to higher inflation risks, particularly from fuel and food, as well as possible second-round effects. While price pressures in some business surveys eased in June, the central bank is likely to prioritize inflation expectations and exchange-rate stability amid elevated external uncertainty. Overall, South Africa's outlook remains supported by trade, agriculture, fiscal credibility and gradual private-sector stabilization, but constrained by weak employment, subdued confidence, manufacturing fragility, structural bottlenecks and a cautious monetary-policy environment.

Following this assessment and taking into account the country's robust 1Q26 economic growth level, South Africa's 2026 economic growth forecast remains at 1.5%, unchanged from the previous month's assessment.

The 2027 economic growth forecast remains at 1.6%, also unchanged from last month's assessment.

Table 3 - 10: South Africa's economic growth rate and revision, 2026–2027*, %

	South Africa
2026	**1.5**
Change from previous month	0.0
2027	**1.6**
Change from previous month	0.0

*Note: * 2026–2027 = Forecast.*

Source: OPEC.

OPEC Member Countries

Saudi Arabia

Recent data indicate that Saudi Arabia's economy remains relatively resilient despite the impact of geopolitical developments. According to the latest official release by the General Authority for Statistics, the economy expanded by 3.0%, y-o-y, in 1Q26, supported by growth in both oil and non-oil activities, while government activity also contributed positively. The overall growth mix remained robust, as non-oil activity continued to expand, supported by domestic demand, public-sector investment, and Vision 2030-related projects. The latest

PMI data also points to improving non-oil momentum. The Riyad Bank Saudi Arabia PMI rose further to 53.3 in June, up from 52.8 in May and 51.5 in April, indicating the strongest improvement in private-sector conditions in several months. The rebound was supported by stronger domestic demand, resumed projects and improving supply conditions. However, export orders remained softer, reflecting still-elevated regional logistics and freight-related frictions. Inflation remains contained, with the headline CPI edging up only moderately to 1.8%, y-o-y, in May, after 1.7%, y-o-y, in April. Overall, Saudi Arabia's near-term outlook remains supported by low inflation, strong external buffers, low public debt, the riyal's dollar peg and continued investment in the non-oil economy, while the pace of growth remains sensitive to oil-market developments, regional logistics conditions and the execution of large-scale projects.

Nigeria

Nigeria's economic outlook remains supported by improved macroeconomic stability, steady oil production, recovering private-sector activity and continued reform momentum. The economy expanded by 3.9%, y-o-y, in 1Q26, only slightly below the 4Q25 pace of 4.0%, confirming that growth remains close to recent highs. The non-oil economy continues to provide the main support, with activity driven by agriculture, manufacturing, construction, trade, and finance and insurance, while higher oil output has improved fiscal revenues, foreign-exchange inflows and external buffers. Survey indicators also point to continued near-term momentum. The Stanbic IBTC Bank Nigeria PMI eased only slightly to 53.4 in June, down from 54.1 in May, but remained clearly above the expansionary threshold, supported by higher output, stronger new orders and resilient customer demand. At the same time, manufacturing activity was slightly softer. Higher domestic refining capacity, including improved fuel supply from the Dangote refinery, should continue to support energy availability and reduce some import-related pressures. At the same time, inflation rose further to 15.9%, y-o-y, in May, up from 15.7%, y-o-y, in April, with food prices still putting pressure on household purchasing power. This means that monetary policy is likely to remain cautious, despite improved exchange-rate stability and stronger oil-related inflows. Overall, Nigeria's near-term outlook remains positive, supported by oil production, reform progress, infrastructure investment and stronger business activity, but high inflation, elevated borrowing costs and the need to preserve exchange-rate stability remain important challenges.

United Arab Emirates (UAE)

Following its robust expansion in 2025, the United Arab Emirates' economy continues to demonstrate underlying resilience, although recent data indicates a temporary moderation in non-oil momentum amid regional geopolitical tensions, logistics frictions and more cautious consumer spending. The economy expanded strongly in 2025, supported in particular by non-oil activity, which remained the main driver of diversification. However, the latest S&P Global UAE PMI fell to 50.8 in June, down from 52.6 in May, indicating that non-oil private-sector activity is still expanding but at the weakest pace in several years. The slowdown reflected softer business activity, weaker new orders, intense competition and disruptions to transport and supply chains. Despite this moderation, the broader macroeconomic framework remains sound. Strong fiscal buffers, low public debt, a stable exchange-rate regime and continued investment in trade, tourism, logistics, real estate, finance and technology should continue to support activity. Inflation remains comparatively contained. Overall, the economy is likely to experience a short-lived moderation, but the underlying outlook remains positive. If regional tensions ease further and trade, travel and supply-chain flows normalize, non-oil activity should regain firmer momentum later in the year.

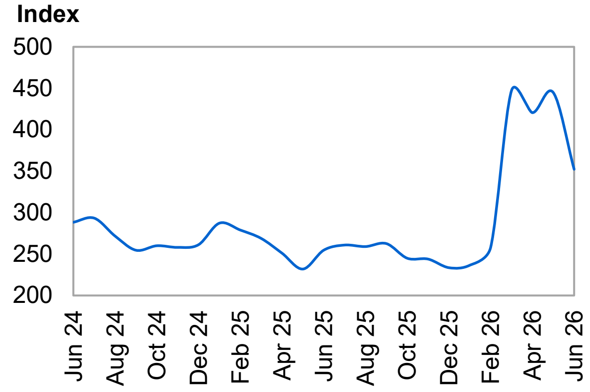
The impact of the USD and inflation on oil prices

The US dollar (USD) index rebounded in June after two consecutive months of declines, increasing by 1.6%, m-o-m. Elevated expectations of a "higher for longer" US interest rate environment, coupled with US interest rates that are relatively higher than those of other major economies, supported investor demand for US dollar-denominated assets, reinforcing the USD's strength even amid concerns about growth moderation. Compared with the same period last year, the index was up by 2.0%, y-o-y.

On select developed market currencies, the USD advanced against all major currencies in June. It rose against the euro, yen, and pound by 1.3%, 1.5%, and 1.1%, m-o-m, respectively. Compared with the same period last year, the USD was higher against the yen and pound by 11.2% and 1.6%, y-o-y, respectively. However, it was unchanged against the euro over the same period.

In terms of select emerging markets' currencies, in June, the USD rose against the real by 2.9%, m-o-m, though it declined against the rupee and yuan by 0.7% and 0.3%, m-o-m, respectively. Compared with the same period last year, the USD was up against the rupee by 10.6, y-o-y; meanwhile, it was lower against the yuan and real by 5.6% and 7.6%, y-o-y, respectively.

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



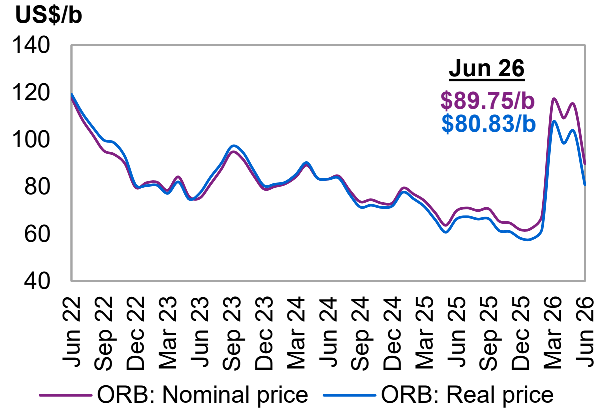
Sources: IMF and OPEC.

The differential between nominal and real ORB prices narrowed in June. Inflation (nominal price minus real price) declined by 21%, m-o-m.

In nominal terms, accounting for inflation, the ORB price dropped by 21.6%, m-o-m, in June, though it was up 28.7%, y-o-y.

In real terms (excluding inflation), the ORB fell by 21.7%, m-o-m, in June, but was up by 22.0%, 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

In 2026, world oil demand is forecast to grow by about 0.8 mb/d, y-o-y, reflecting a slight downward revision from last month's assessment. Overall, oil demand in the OECD is projected to increase by about 40 tb/d in 2026, while non-OECD oil demand is expected to grow by about 0.74 mb/d, y-o-y.

Global oil demand in 2027 is forecast to rebound by about 1.9 mb/d, y-o-y, reflecting an upward revision from last month's assessment. OECD demand is forecast to grow by around 0.3 mb/d, while demand from non-OECD countries is forecast to expand by about 1.7 mb/d.

Table 4 - 1: World oil demand in 2026*, mb/d

World oil demand	2025	1Q26	2Q26	3Q26	4Q26	2026	*Change 2026/25*
Americas	25.43	25.51	25.47	26.10	25.61	25.67	0.25
of which US	*20.74*	*20.80*	*20.91*	*21.30*	*20.85*	*20.96*	*0.23*
Europe	13.43	12.92	13.44	13.63	13.35	13.34	-0.09
Asia Pacific	7.10	7.29	6.53	6.78	7.33	6.98	-0.12
Total OECD	**45.95**	**45.72**	**45.44**	**46.51**	**46.28**	**45.99**	**0.04**
China	16.88	17.24	16.30	17.18	17.29	17.00	0.12
India	5.65	5.85	5.49	5.54	6.08	5.74	0.09
Other Asia	9.85	10.15	10.19	9.96	9.99	10.07	0.22
Latin America	6.94	6.94	7.08	7.13	7.09	7.06	0.12
Middle East	8.82	8.65	8.40	8.97	9.10	8.78	-0.04
Africa	4.92	5.07	4.75	5.00	5.39	5.05	0.14
Russia	4.01	4.07	3.87	4.06	4.21	4.05	0.05
Other Eurasia	1.31	1.46	1.33	1.20	1.37	1.34	0.03
Other Europe	0.83	0.83	0.82	0.82	0.92	0.85	0.02
Total Non-OECD	**59.21**	**60.26**	**58.23**	**59.86**	**61.43**	**59.95**	**0.74**
Total World	**105.16**	**105.98**	**103.67**	**106.37**	**107.72**	**105.94**	**0.78**

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

Table 4 - 2: World oil demand in 2027*, mb/d

World oil demand	2026	1Q27	2Q27	3Q27	4Q27	2027	*Change 2027/26*
Americas	25.67	25.59	25.54	26.23	25.72	25.77	0.10
of which US	*20.96*	*20.88*	*20.98*	*21.39*	*20.93*	*21.05*	*0.08*
Europe	13.34	13.00	13.53	13.75	13.48	13.44	0.11
Asia Pacific	6.98	7.34	6.58	6.84	7.41	7.04	0.06
Total OECD	**45.99**	**45.92**	**45.65**	**46.83**	**46.61**	**46.26**	**0.27**
China	17.00	17.43	16.60	17.53	17.62	17.30	0.29
India	5.74	6.15	6.03	5.83	6.38	6.10	0.36
Other Asia	10.07	10.47	10.54	10.23	10.28	10.38	0.31
Latin America	7.06	7.07	7.23	7.25	7.22	7.19	0.14
Middle East	8.78	8.97	8.77	9.30	9.37	9.10	0.32
Africa	5.05	5.23	4.89	5.18	5.55	5.21	0.16
Russia	4.05	4.12	3.92	4.10	4.26	4.10	0.05
Other Eurasia	1.34	1.50	1.36	1.24	1.40	1.37	0.03
Other Europe	0.85	0.85	0.84	0.84	0.94	0.87	0.02
Total Non-OECD	**59.95**	**61.78**	**60.18**	**61.50**	**63.02**	**61.62**	**1.68**
Total World	**105.94**	**107.70**	**105.84**	**108.33**	**109.63**	**107.88**	**1.94**

*Note: * 2026 and 2027 = Forecast. Totals may not add up due to independent rounding. Source: OPEC.*

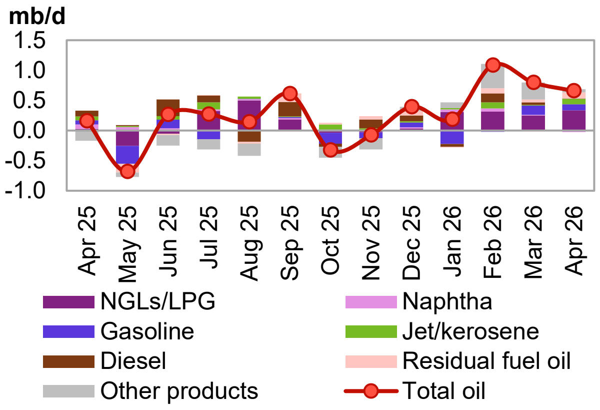
OECD

OECD Americas

Update on the latest developments

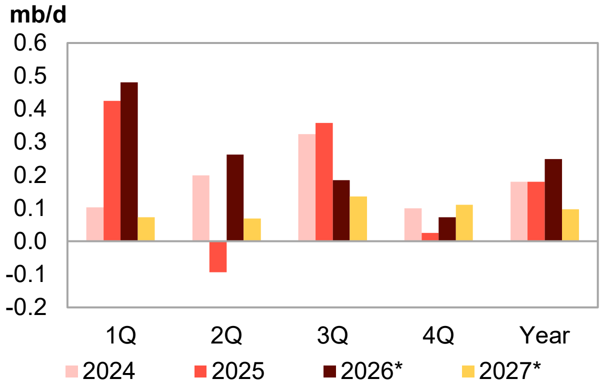
OECD Americas' oil demand in April rose by around 660 tb/d, y-o-y, down from a rise of about 800 tb/d, y-o-y, in March. US-led oil demand growth of roughly 600 tb/d, y-o-y, was supported by an increase of about 120 tb/d from Mexico, which more than offset a decline of 50 tb/d, y-o-y, from Canada, and a drop of 10 tb/d, y-o-y, from Chile. Oil demand growth in the region was driven by a rise of about 340 tb/d, y-o-y, for NGLs/LPG, and further supported by growth in transportation fuels, gasoline and jet/kerosene demand.

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: * 2026-2027 = Forecast.*
Source: OPEC.

US

In April, US oil demand surged by about 600 tb/d, y-o-y, up from about 430 tb/d, y-o-y, in March, the largest April increase since 2021. Regarding specific products, demand for NGLs/LPG saw the greatest increase of about 250 tb/d, y-o-y. Demand for gasoline increased by around 210 tb/d, y-o-y, up from an increase of about 90 tb/d, y-o-y, in March, while residual fuel demand increased by around 80 tb/d, y-o-y.

Meanwhile, jet/kerosene demand increased by around 60 tb/d, y-o-y, up from a 30 tb/d, y-o-y, increase seen the previous month. Demand for the 'other products' category inched up by around 10 tb/d, y-o-y, down from an increase of 180 tb/d, y-o-y, seen the previous month. While diesel requirements were broadly flat y-o-y, naphtha demand slipped by about 20 tb/d, y-o-y.

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

US oil demand By product	Apr 25	Apr 26	Change Apr 26/Apr 25
NGLs/LPG	3.48	3.73	0.25
Naphtha	0.17	0.15	-0.02
Gasoline	8.91	9.12	0.21
Jet/kerosene	1.77	1.83	0.06
Diesel	3.88	3.89	0.00
Fuel oil	0.29	0.38	0.08
Other products	2.00	2.01	0.01
Total	**20.50**	**21.10**	**0.59**

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

Sources: EIA and OPEC.

Near-term expectations

In the near term, the US economy is expected to remain steady. Real private-sector domestic spending continues to grow at a stable rate amid resilient retail sales. According to the Institute for Supply Management (ISM), the US Manufacturing PMI registered 53.3 points in June, indicating expansion for the sixth consecutive month, but slightly below 54 points in May. The Services PMI retracted to 54 points in June from 58 points in May.

Meanwhile, gasoline prices in the US have continued easing from a historical high in May to an average of $3.83/gallon by the end of June, providing relief to drivers embarking on summer road trips. However, the annual inflation rate in the US rose to 4.2% in May 2026, the highest level since April 2023, up from 3.8% in April 2026, though in line with market expectations.

In 3Q26, economic activity in the region is expected to remain stable amid growth in real wages, which is projected to provide important support for consumer spending. Accordingly, oil demand in the US is forecast to increase by about 190 tb/d, y-o-y, in 3Q26.

The US economy is expected to remain resilient in 2026, driven by robust consumer spending, supported by potential tax adjustments that are expected to boost consumer income, and combined with low unemployment and potential monetary easing. The agreement for an extended ceasefire in the Middle East, if sustained, is expected to add some upside potential to the US economy.

Oil demand in OECD Americas is forecast to grow by about 250 tb/d, y-o-y, to average 25.7 mb/d in 2026, while oil demand in the US is forecast to grow by about 230 tb/d, y-o-y, to average 21.0 mb/d.

Regarding oil demand products in OECD Americas, LPG and ethane are expected to drive growth in 2026, supported by petrochemical feedstock demand and heating requirements. Gasoline demand is forecast to remain healthy amid increased mobility, particularly during the summer months. Jet/kerosene demand is also expected to show a healthy y-o-y increase, driven by stable economic activity and business travel. Naphtha demand is also projected to increase, albeit moderately. Demand for the ‘other products’ category is forecast to remain flat, y-o-y. However, diesel demand is projected to soften marginally, y-o-y, and residual fuel requirements are expected to decline y-o-y.

In 2027, economic activity in the US is projected to remain robust amid moderate growth, with the gross domestic product (GDP) slightly below 2026 levels. The economy is expected to be supported by consumer spending and steady employment. US inflation is also projected to significantly slow by next year, leading to an expected increase in OECD Americas’ oil demand of about 100 tb/d y-o-y, to average 25.8 mb/d. The US is forecast to drive regional oil demand growth with an increase of about 80 tb/d, y-o-y, to average 21.1 mb/d.

OECD Europe

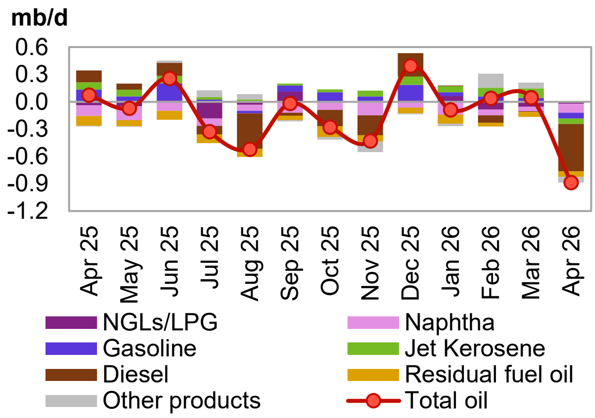
Update on the latest developments

Oil demand in OECD Europe in April contracted by about 890 tb/d, y-o-y, following a marginal 50 tb/d, y-o-y, increase in March. This was the largest monthly decline since October 2022, with Germany accounting for about 35%. In terms of products, diesel accounted for about 60% of the overall y-o-y decline.

Diesel demand was down about 520 tb/d, y-o-y, from flat, y-o-y, the previous month. Demand for naphtha declined by 100 tb/d, y-o-y, in April. Demand for both gasoline and jet/kerosene declined by around 60 tb/d, y-o-y, each. Demand for the ‘other products’ category contracted by about 70 tb/d, y-o-y, down from a y-o-y increase of about 70 tb/d a month earlier.

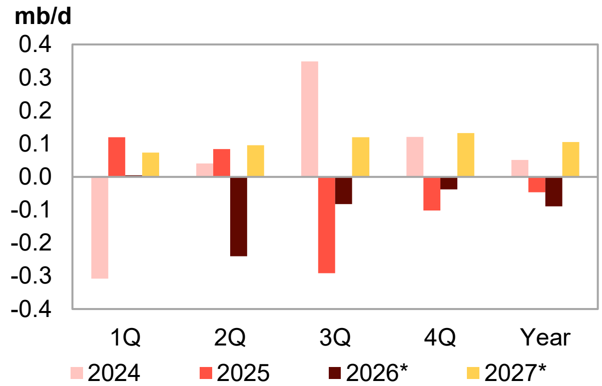
Meanwhile, residual fuel demand declined by around 60 tb/d, y-o-y, for the second consecutive month. NGLs/LPG demand eased by 20 tb/d, though this was an improvement from a y-o-y decline of about 60 tb/d a month earlier.

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: * 2026-2027 = Forecast.*
Source: OPEC.

Near-term expectations

In the near term, economic activity in the region is projected to experience somewhat weaker domestic demand amid inflation remaining well above the European Central Bank's 2.0% target. The region's composite Purchasing Managers' Index (PMI) was recorded at 49.5 points for June, rising to a three-month high, up from 48.5 points in May, remaining below the 50-point neutral mark. Accordingly, oil demand in the region is projected to decline by about 80 tb/d, y-o-y, in 3Q26, following a 240 tb/d decline in 2Q26. Despite this projected marginal contraction in total oil demand, transportation fuels, gasoline and jet/kerosene are expected to grow due to increased driving mobility and air travel during the northern hemisphere holiday season.

Preliminary data from various sources indicate that European jet supplies are expected to remain healthy through the summer, supporting air travel demand, driven by higher jet/fuel yields at European refineries, and complemented by imports from the US and Nigeria. Moreover, gasoline blending activity in Europe has been rising, supported by increased demand for naphtha in the region.

For 2026, economic activity is expected to remain moderate but on a broadly positive trajectory. Significant government spending on infrastructure and fiscal stimulus in Germany is projected to support regional growth. Meanwhile, easing geopolitical tensions in the Middle East is expected to improve crude oil and product availability in OECD Europe, particularly jet/kerosene and petrochemical feedstocks. Overall, oil demand is projected to decline by around 90 tb/d, y-o-y, in 2026, to average 13.3 mb/d.

In terms of oil demand by product, air travel activity and road mobility are predicted to support transportation fuels, which are expected to account for the entire oil demand growth in the region, with jet/kerosene having the strongest demand outlook among key products. Gasoline is also expected to grow. Regarding petrochemical feedstock, demand for NGLs/LPG and naphtha is projected to moderate, y-o-y. Demand for diesel, residual fuel oil and the 'other products' category is projected to decline slightly, y-o-y.

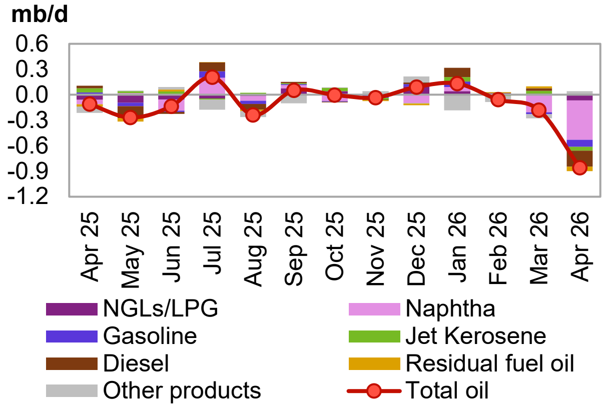
Looking ahead, the region is predicted to see a moderate recovery in 2027, with consumption remaining the main driver of growth and inflation expected to decline. Germany's fiscal spending is expected to continue strengthening public investment and stimulating external demand. Furthermore, road mobility and air travel are projected to remain relatively healthy. Accordingly, these factors are anticipated to support oil demand in the region, which is forecast to grow slightly by about 105 tb/d, y-o-y, in 2027, to average 13.4 mb/d.

OECD Asia-Pacific

Update on the latest developments

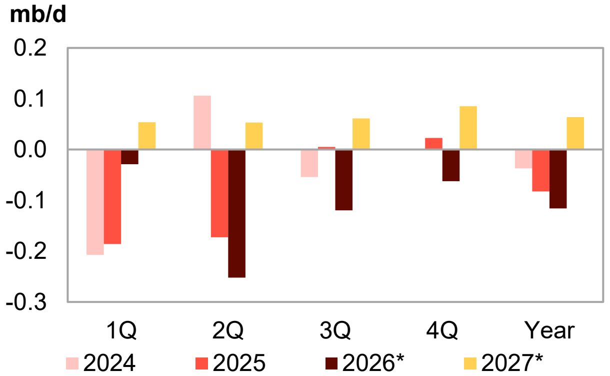
Oil demand in the OECD Asia-Pacific region declined by 860 tb/d, y-o-y, in April, the largest decline since COVID-19. Within the region, declines emanated from a 480 tb/d, y-o-y, decline in South Korea, a 330 tb/d decline in Japan, and a 60 tb/d, y-o-y, decline in Australia.

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: * 2026-2027 = Forecast.*
Source: OPEC.

Regarding specific oil product demand in April, naphtha demand saw the largest y-o-y decline, by about 460 tb/d, down from a 210 tb/d contraction a month earlier. Demand for diesel declined by around 190 tb/d, y-o-y, down from an increase of around 30 tb/d, y-o-y, seen the previous month. NGLs/LPG demand contracted by about 70 tb/d, y-o-y, down from an increase of about 10 tb/d, y-o-y, observed the previous month. Gasoline demand slipped by about 80 tb/d, y-o-y, down from a decline of 20 tb/d, y-o-y, observed the previous month. Residual fuel demand fell by 50 tb/d, y-o-y, down from the 20 tb/d, y-o-y, increase seen in March.

Jet/kerosene demand eased by 50 tb/d, y-o-y, down from an increase of about 30 tb/d, y-o-y, seen the previous month. Meanwhile, demand for the ‘other products’ category saw an increase of 40 tb/d, y-o-y, though this is below the growth of 80 tb/d, y-o-y, seen in March.

Near-term expectations

In the near term, Japan’s economy is expected to remain on a moderate recovery trajectory, driven by domestic demand and low unemployment, which are supporting continued wage growth amid stable inflation. Forward-looking, high-frequency data for Japan shows the May manufacturing PMI at 54.5 points, slightly below April's 55.1 points. The services PMI fell to 50 points in May, down from 51 points in April. Japanese inflation increased slightly to 1.5% in May, though it remains below the Bank of Japan’s (BoJ’s) target of 2%. Meanwhile, Japan has reduced its fuel subsidy for oil products to JPY6/litre (4¢/litre) for the week of 25 June–1 July, due to the decline in crude prices.

The South Korean economy is expected to remain stable, driven by exports, consumption and private investment. Industrial production also turned positive, with the manufacturing purchasing managers’ index (PMI) rising to its highest level since March 2021, to 54.8 in May, amid a sharp increase in new orders and production growth. Meanwhile, employment is also expected to continue improving gradually, supporting consumer income and domestic demand. However, the inflation rate in South Korea increased to 3.1% in May from 2.6% in April of 2026, above the Bank of Korea's medium-term target of 2.0%.

Meanwhile, easing geopolitical tensions in the Middle East is expected to improve crude oil and product availability, thereby positively impacting oil demand in OECD Asia-Pacific countries. Both Japan and South Korea have implemented some temporary measures, including restricting exports of petroleum products such as naphtha to secure domestic supply and releasing their strategic oil reserves to help stabilise the market and bridge supply gaps caused by recent oil market disruptions. In line with these developments, oil demand in the region is projected to decline by about 120 tb/d, y-o-y, in 3Q26, following a 250 tb/d, y-o-y, decline in 2Q26.

In 2026, economic activity in Japan is projected to grow moderately but steadily, supported by favourable income conditions and consumer demand. While the South Korean economy is expected to continue rebounding, Australia’s GDP is forecast to grow only moderately. Oil demand in the region is projected to ease by about 120 tb/d, y-o-y, to average 7.0 mb/d in 2026.

Regarding specific products, while demand for the ‘other products’ category is projected to account for the entire y-o-y oil demand growth in the region, it is projected to increase only moderately.

In 2027, economic growth in Japan is expected to remain steady, supported by a gradual recovery in manufacturing activity, normalising monetary policy and ongoing fiscal support, including a temporary reduction in the consumption tax on food products, starting in fiscal year 2027. These measures are expected to support private demand and increase public investment, lending some economic support to the Japanese economy. The South Korean economy is projected to moderate slightly to below 2026 growth levels, but to remain on a positive trajectory, supported by exports, household consumption, and private investment. Accordingly, oil demand in the region is forecast to rebound by about 60 tb/d, y-o-y, to average 7.0 mb/d.

Non-OECD

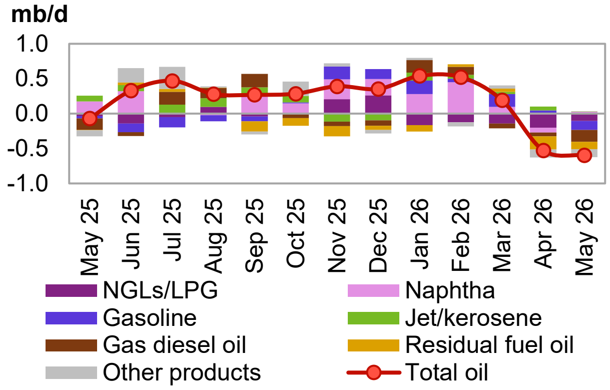
China

Update on the latest developments

China’s oil demand in May contracted further by around 600 tb/d, y-o-y, down from a decline of 530 tb/d, y-o-y, observed the previous month. All products saw declines at varying rates, except naphtha, which saw a marginal increase of about 30 tb/d, y-o-y, and jet/kerosene, which was flat, y-o-y.

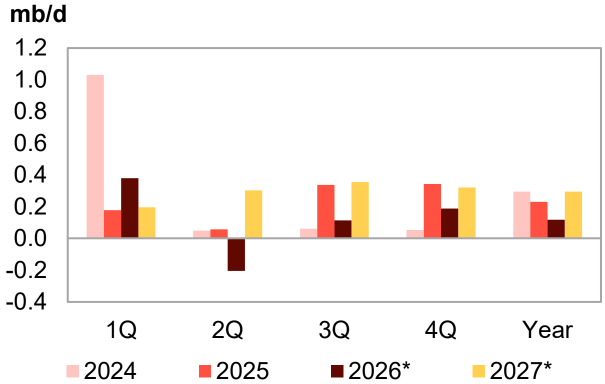
Regarding demand for specific products, diesel requirements saw the largest decline of around 170 tb/d, y-o-y, down from a contraction of 60 tb/d, y-o-y, in April. Gasoline demand declined by 130 tb/d, y-o-y, down from an increase of 50 tb/d, y-o-y, the previous month. Demand for the ‘other products’ category declined by around 120 tb/d, y-o-y, for the second consecutive month. NGLs/LPG and residual fuel requirements contracted by about 110 tb/d, y-o-y, each.

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: * 2026-2027 = Forecast.*
Source: OPEC.

Meanwhile, demand for naphtha increased marginally by around 30 tb/d, y-o-y, up from a decline of 70 tb/d, y-o-y, in April. Demand for jet/kerosene was broadly flat, y-o-y, down from an increase of around 60 tb/d, y-o-y, seen the previous month.

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

China's oil demand By product	May 25	May 26	Change May 26/May 25
NGLs/LPG	2.95	2.84	-0.11
Naphtha	1.79	1.82	0.03
Gasoline	3.83	3.70	-0.13
Jet/kerosene	1.24	1.25	0.00
Diesel	3.28	3.12	-0.17
Fuel oil	0.73	0.62	-0.11
Other products	2.33	2.21	-0.12
Total	**16.17**	**15.57**	**-0.60**

*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 is projected to remain stable amid a gradual acceleration in 2H26, especially towards the end of the year. Preliminary indicators for the country's economy show industrial and manufacturing output holding up relatively well, with industrial production (IP) growing by 4.5%, y-o-y, in May 2026, accelerating from a 4.1% rise in April. The manufacturing PMI retreated slightly to 51.7 in June, after 51.8 points in May. The services PMI remained at an expansionary level of 54.1 points in June, slightly below the 57.6 seen in May. Resilient, more stable US trade relations following the recent leadership summit in Beijing should continue to support the external outlook. These factors highlighted a positive near-term outlook for China's economy and oil demand. Accordingly, oil demand is projected to grow by about 0.1 mb/d, y-o-y, in 3Q26.

In 2026, economic activity in China is expected to remain steady, supported by resilient exports amid strong industrial output. Ongoing property-sector weakness – amid subdued household consumption, soft private investment, and weaker global demand – continues to pose downside risks to the Chinese economy. Nevertheless, China's policymakers have pledged to raise the share of domestic consumption in GDP, while maintaining reasonable investment growth. Furthermore, China is focusing on implementing existing policies in a targeted and effective manner to support the economy. This development is expected to provide additional support for the country's manufactured goods exports.

Regarding specific products, naphtha is projected to drive demand growth, with demand for transportation fuels, particularly jet/kerosene and gasoline, forecast to provide additional support. With this, oil demand in China is expected to increase by about 0.1 mb/d, y-o-y, in 2026, to average 17.0 mb/d.

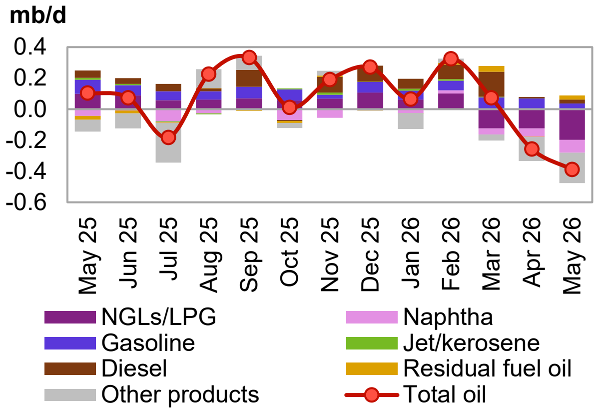
In 2027, economic activity in China is expected to remain stable amid ongoing fiscal and monetary support, improved household consumption, and robust global trade. Similarly, transportation activity is predicted to remain healthy, while weakness in the construction sector is expected to subside. Combined with healthy petrochemical sector requirements, this is expected to support oil product demand growth of about 0.3 mb/d, y-o-y, bringing the average to about 17.3 mb/d.

India

Update on the latest developments

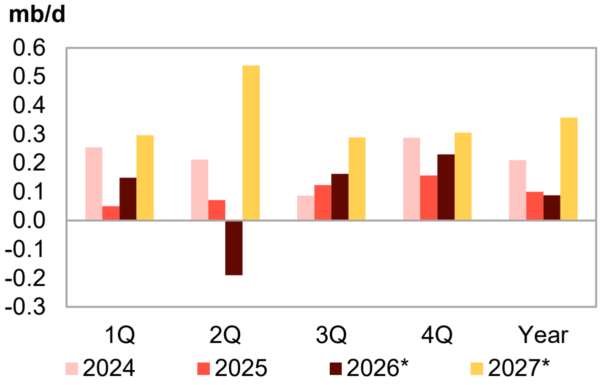
In May, India's oil demand contracted by about 390 tb/d, y-o-y, down from a decline of about 260 tb/d, y-o-y, seen the previous month. The y-o-y decline in May was the largest seen since November 2021. The observed contraction in oil demand stems from subdued demand for bitumen, LPG and naphtha, driven by supply constraints resulting from global oil market disruptions.

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: * 2026-2027 = Forecast.*
Source: OPEC.

Regarding specific products, demand for LPG and the 'other products' category, including bitumen, lube oil and petroleum coke, saw the largest decline of about 200 tb/d, y-o-y, each. Within this category, bitumen registered a significant 39.4% decline, y-o-y, due to ongoing geopolitical tensions in the Middle East, which severely disrupted the bitumen supply chain and led to a 60% price increase, effectively pushing pricing risk down the infrastructure delivery chain and subduing demand for the product. LPG demand declined by about 200 tb/d, y-o-y, down from a decline of 120 tb/d, y-o-y, in April. LPG consumption was pressured by several factors, including supply constraints stemming from Middle East disruptions. Naphtha demand declined by around 80 tb/d, y-o-y, down from the 50 tb/d, y-o-y, decline seen in April.

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

India's oil demand By product	May 25	May 26	*Change* *May 26/May 25*
NGLs/LPG	1.00	0.80	-0.20
Naphtha	0.27	0.19	-0.08
Gasoline	1.04	1.08	0.04
Jet/kerosene	0.21	0.21	0.00
Diesel	2.09	2.11	0.03
Fuel oil	0.11	0.13	0.03
Other products	1.01	0.81	-0.20
Total	**5.73**	**5.34**	**-0.39**

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

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

Meanwhile, gasoline demand saw the largest increase by about 40 tb/d, y-o-y, though this is slightly below an increase of 70 tb/d, y-o-y, seen in April. Gasoline demand was supported by strong passenger vehicle (PV) sales, which grew by 27%, y-o-y, in May. Diesel grew by about 30 tb/d, y-o-y, up from a marginal 10 tb/d increase, y-o-y, seen in April. The modest increase in diesel demand during the month was supported by agricultural paddy sowing and infrastructure activities, including highway construction. Residual fuel demand increased by about 30 tb/d, y-o-y, up from flat, y-o-y, the previous month. Demand for jet/kerosene was broadly flat, y-o-y, for the second consecutive month.

Near-term expectations

Looking ahead, India's economic activity is expected to remain robust in 3Q26. Forward-looking data indicators point to a strong near-term dynamic, with India's manufacturing PMI rising to 54.5 in June, slightly below 56 in May and following 54.7 in April, while the services PMI stood at 57 in June, below the 60 seen in May and following 58.8 in April. Similarly, IP held up well, showing strong growth of about 5.0% in April, up from 3.26% in March, reflecting continued and sustained growth in manufacturing activity in India. Furthermore, inflation in 2026 has so far remained within the Reserve Bank of India's medium-term target range of 4%.

Meanwhile, easing geopolitical tensions in the Middle East are expected to provide relief to India's energy and infrastructure sectors. This is expected to stabilise soaring fuel costs and lead to a gradual easing of supply bottlenecks that severely restricted both LPG and bitumen. According to the Ministry of Petroleum and Natural Gas, India will increase LPG supplies to non-household sectors and remove certain restrictions on commercial use as cargo flows are restored. These factors suggest strong near-term prospects for oil demand in India. Accordingly, the country's oil demand is projected to increase by about 0.2 mb/d, y-o-y, in 3Q26.

In 2026, India's GDP is expected to remain well supported by robust domestic demand, consumption driven by low inflation, income tax and Goods and Services Tax (GST) cuts, and a more accommodative monetary policy. Investment is also expected to strengthen as private investment continues to respond to easing financial conditions, including falling interest rates, complementing an increase in public capital expenditure to further support the growth outlook in 2026. In addition, the Indian economy may be affected by the forthcoming El Niño, which is expected to boost demand for diesel needed for irrigation.

Regarding specific products, transportation fuel, gasoline and diesel are expected to drive oil demand in 2026. Gasoline is expected to be supported by heightened road mobility amid robust vehicle sales. Diesel demand is anticipated to gain additional support from strong manufacturing and agricultural activity. Demand for bitumen is also expected to grow on the back of construction activity. To a lesser extent, residual fuel and jet/kerosene demand are expected to increase marginally. However, demand for LPG and naphtha is expected to ease. Overall, oil demand in India is projected to grow by about 0.1 mb/d, y-o-y, to average 5.7 mb/d in 2026.

Looking ahead to 2027, India's GDP is expected to remain strong, supported by steady consumption and investment, as well as favourable policies and structural reforms. Inflation is also expected to moderate. On the supply side, manufacturing and services growth is expected to remain strong, supported by domestic reforms and an improved external environment amid easing trade tensions. Furthermore, ongoing government support for households and expected new petrochemical capacity additions in 2026 are expected to support oil demand growth of about 0.4 mb/d y-o-y, bringing the average to 6.1 mb/d.

Other Asia

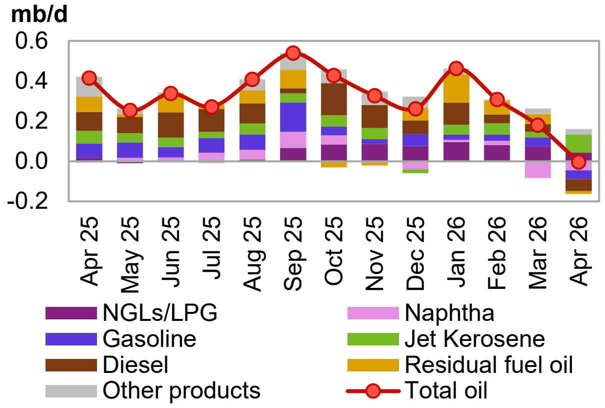
Update on the latest developments

Oil demand in Other Asia was broadly flat y-o-y in April, down from growth of around 170 tb/d, y-o-y, seen the previous month. Oil demand was driven by jet/kerosene requirements together with LPG and the 'other products' category.

Regarding specific products, jet/kerosene led demand increased by about 90 tb/d y-o-y in April, up from about 30 tb/d, y-o-y, the previous month. Demand for LPG increased by about 40 tb/d, y-o-y, though this was below the 70 tb/d, y-o-y, growth seen in March. Demand for the 'other products' category increased by about 20 tb/d, y-o-y, for the second consecutive month.

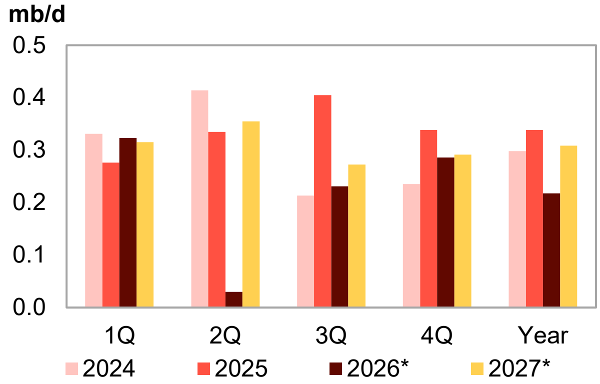
Meanwhile, gasoline requirements eased by about 50 tb/d, y-o-y, down from an increase of about 50 tb/d, y-o-y, seen the previous month. Naphtha demand also slipped by about 50 tb/d, y-o-y, though this was an improvement compared with the 80 tb/d, y-o-y, decline seen in March. Residual fuel requirements eased by 20 tb/d, y-o-y, down from an increase of about 50 tb/d, y-o-y, in March.

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: * 2026-2027 = Forecast.
Source: OPEC.

Near-term expectations

In the near term, economic activity in the region's major oil-consuming countries is estimated to grow steadily but moderately in 3Q26, driven primarily by resilient household consumption amid contained inflation and structural investments, which are expected to support a regional oil demand increase of about 0.2 mb/d, y-o-y, in 3Q26.

Meanwhile, easing geopolitical tensions in the Middle East are expected to provide additional support to the region, which is heavily dependent on oil imports from the Middle East. The expected support includes normalising crude oil and product inflows and easing inflationary pressures by lowering household energy costs and reducing production costs for agriculture and energy-intensive industries. In a similar development, Indonesia has budgeted $1.47 billion for the second half of 2026, including the removal of import duties on LPG for the petrochemical industry and on plastic raw materials.

In 2026, economic activity in major oil-consuming countries is expected to remain robust, albeit unevenly, across the region's major economies, driven by strong domestic consumption, private investment and public infrastructure spending. Indonesia's economy is expected to remain healthy, supported by strong household consumption and gross fixed capital formation amid substantial monetary policy easing.

Malaysia's economy is anticipated to maintain strong growth momentum, such as that seen in 1Q26. Private consumption is expected to remain robust, underpinned by favourable labour market conditions, which will support steady household spending and domestic demand. Meanwhile, Malaysia's annual inflation rate rose to 2.0% in May from 1.9% in April, though it remains relatively moderate and below market forecasts of 2.1%. Similarly, the Malaysian manufacturing PMI slightly retreated to 50 points in May from 51.6 points in April, though it remains on an expansionary trajectory. Other countries in the region, including Pakistan and Thailand, are also projected to see variable, but steady growth rates.

Overall, in the region, healthy road mobility and air travel activity are projected to continue amid strong manufacturing and agricultural output. These factors are expected to support oil demand growth of about 0.2 mb/d, y-o-y, in 2026, bringing the average to 10.1 mb/d.

Regarding specific products, demand for the 'other products' category – including bitumen, petroleum coke and lube oil – is projected to drive oil demand growth in 2026. Gasoline and jet/kerosene are expected to grow, supported by road mobility and strong international and domestic air travel demand. NGLs/LPG are also projected to grow robustly. Similarly, diesel requirements are expected to grow, y-o-y. Meanwhile, residual fuel requirements are expected to increase moderately, while naphtha oil demand is anticipated to remain broadly flat, y-o-y.

Looking ahead to 2027, economic activity in the region's major oil-consuming countries is expected to improve, with regional GDP slightly surpassing 2026 levels. Furthermore, consumer spending, low inflation and robust private and public investment are anticipated to continue supporting economic activity. These factors are forecast to lead to oil demand growth in the region of about 0.3 mb/d, y-o-y, to average 10.4 mb/d.

Latin America

Update on the latest developments

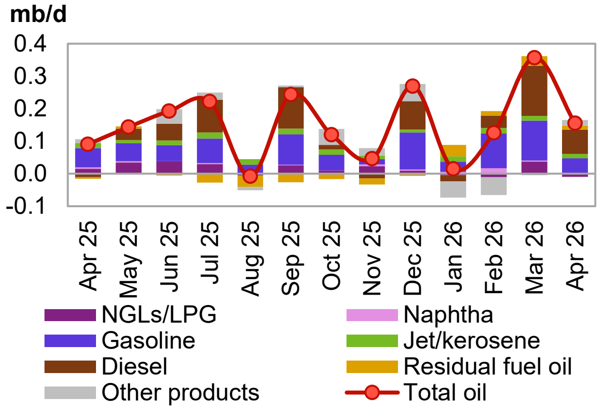
Oil demand in Latin America increased by about 160 tb/d, y-o-y, in April, down from the growth of about 360 tb/d, y-o-y, seen in the previous month. Within the region, Brazil led the increase with 70 tb/d, y-o-y, with additional support from Argentina, Colombia and other countries.

Regarding specific products, diesel demand rose by about 70 tb/d, y-o-y, in April. Brazil accounted for the largest share of about 50% of this increase, driven by a peak in agricultural activity. Regional demand for gasoline also increased by about 50 tb/d, y-o-y, though this was below y-o-y growth of 120 tb/d seen the previous month. Jet/kerosene demand rose about 20 tb/d, y-o-y, broadly in line with the increase seen in the previous two months.

In terms of petrochemical feedstock, naphtha demand was flat, y-o-y, for the second month. Demand for NGLs/LPG slipped by 10 tb/d, y-o-y, below the about 40 tb/d increase seen the previous month.

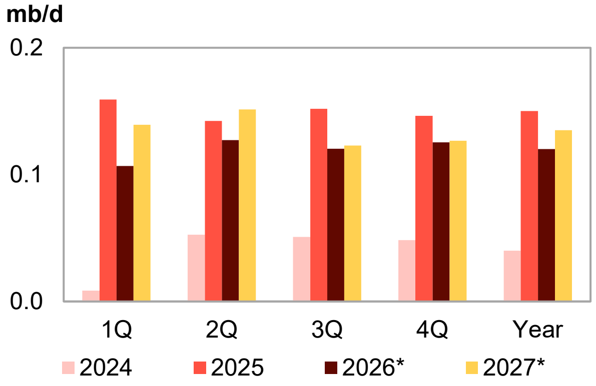
Meanwhile, demand for residual fuel marginally increased by about 10 tb/d, y-o-y, down from an increase of around 30 tb/d, y-o-y, in March. Demand for the ‘other products’ category, including ethanol, increased by about 20 tb/d, y-o-y, up from flat, y-o-y, in March.

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: * 2026-2027 = Forecast.
Source: OPEC.

Near-term expectations

In the near term, economic activity in Latin America is expected to remain on a positive trajectory, supported by personal consumption and investment. The Brazilian economy is expected to remain resilient, supported by modest household consumption, investment and healthy agricultural performance. Furthermore, Argentina’s economy is experiencing a moderate improvement, driven mostly by exports from the energy, mining and agricultural sectors. Private investment is also benefiting from an increasingly favourable business environment amid modest private consumption. Generally, inflation in most countries of the region remains within the central bank's target ranges. Accordingly, these factors are set to remain the main drivers of economic activity in the region, supporting oil demand growth of about 0.1 mb/d, y-o-y, in 3Q26.

In 2026, Latin American economies are expected to remain resilient, driven by macroeconomic stabilization, household consumption and strong investor confidence amid healthy agricultural sector performance. Accordingly, growth is expected to remain modest but steady, with unemployment rates across the region continuing to decline. Inflation rates are also expected to be contained. Hence, oil demand in Latin America is forecast to grow by about 0.1 mb/d, y-o-y, in 2026, to average 7.1 mb/d.

Regarding specific oil products, transportation fuels are expected to drive demand growth in the region in 2026. Demand for residual fuel oil is also expected to grow. Meanwhile, petrochemical feedstock, NGLs/LPG and naphtha are projected to increase only marginally. However, demand for the ‘other product’ category is expected to ease.

In 2027, economic activity in Latin America is expected to experience a moderate but accelerating recovery, supported by a gradual improvement from 2026 growth rates and driven by stable economic activity amid slowing inflation and income support from Brazil. The region’s GDP is expected to be supported by improved domestic demand and recovering trade flows. Both Brazil and Argentina’s economies are expected to improve further, building on anticipated positive performance in 2026. Together, these factors are forecast to support oil demand in the region, which is projected to grow by about 0.1 mb/d, y-o-y, to average 7.2 mb/d.

Middle East

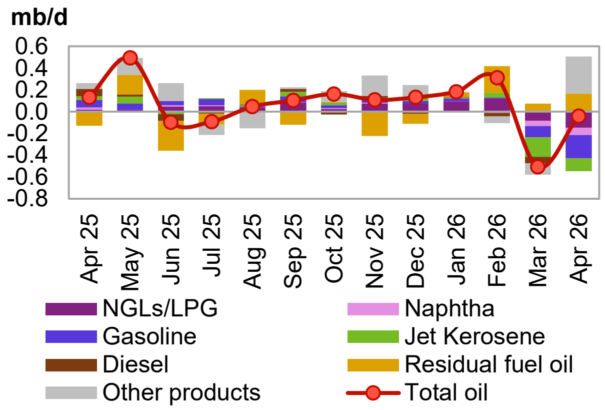
Update on the latest developments

Oil demand in the Middle East in April slipped slightly by 40 tb/d, y-o-y, after a strong decline of about 510 tb/d, y-o-y, in March. Large declines in gasoline demand, along with declines in LPG and jet/kerosene requirements, more than offset a y-o-y increase in direct crude burning and an increase in residual fuel for electricity generation.

Regarding specific product demand in April, gasoline requirements saw the largest contraction, about 220 tb/d, y-o-y, down from a 100 tb/d, y-o-y, decline in March. LPG demand contracted by about 150 tb/d, y-o-y, down from a decline of about 80 tb/d, y-o-y, seen the previous month. Demand for jet/kerosene slipped by about 120 tb/d, albeit an improvement from the 180 tb/d, y-o-y, contraction seen in March. Demand for naphtha eased by 70 tb/d y-o-y in April, compared with a 50 tb/d, y-o-y, decline seen a month earlier.

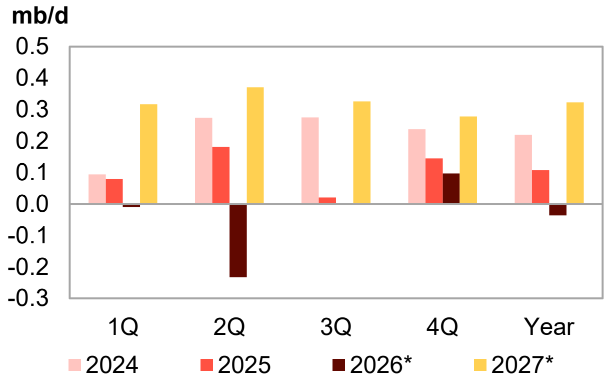
Meanwhile, demand for the 'other products' category, including direct crude oil burning, saw the largest increase of 340 tb/d, y-o-y, with Saudi Arabia accounting for 45% of the increase. Residual fuel requirements increased by around 150 tb/d, y-o-y, up from a growth of about 70 tb/d, y-o-y, in March. Diesel requirements inched up by 10 tb/d, y-o-y, showing an improvement from a decline of 60 tb/d, y-o-y, the previous month.

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: * 2026-2027 = Forecast.*
Source: OPEC.

Near-term expectations

Looking ahead, the region's major consuming countries' GDPs are expected to moderate in 3Q26 but remain supported by the non-oil economy. Meanwhile, the region is expected to see gradual stabilization and improved economic activity following the easing of geopolitical tensions. In line with this, air travel is gradually recovering, and airlines in the region are gradually restoring services.

Oil demand in the region is forecast to remain broadly flat, y-o-y, in 3Q26. Downside risk continues from the ongoing oil market situation, depending on the speed of the gradual stabilization.

In 2026, the region is expected to remain cautiously resilient, supported by the non-oil economy amid steady private consumption and slowing inflation. Meanwhile, the latest non-oil PMI suggests an improvement in the region's economic activity. The non-oil economy PMI in Saudi Arabia increased to 52.4 in May from 51.5 in April and 48 in March, suggesting the non-oil economy is returning to firmer growth after softer conditions in March and April. Similarly, in the UAE, the non-oil PMI rose to 52.3 in May, up from 51 in April and 48 in March. These factors are expected to support oil demand in the region, which is projected to ease overall by around 40 tb/d, y-o-y, to average 8.8 mb/d in 2026.

In terms of products, residual fuel is projected to drive y-o-y growth in oil demand in 2026, while diesel is also projected to show some growth. Gasoline is projected to marginally decline. However, the 'other products' category, LPG, naphtha and jet/kerosene are expected to decline, y-o-y.

In 2027, the region's economy is expected to regain momentum, supported by a resilient non-oil sector and robust domestic demand. Furthermore, infrastructure spending, strong labour market conditions, and moderating inflation are expected to support the region's economies. Strong international air traffic and driving mobility are forecast to support oil demand. Growth in the region's petrochemical industry is projected to continue through 2027. Overall, oil demand in the region is forecast to rebound by about 0.3 mb/d, y-o-y, to average 9.1 mb/d.

World Oil Supply

Non-DoC liquids production (i.e. liquids production from countries not participating in the DoC) is forecast to expand by about 0.6 mb/d in 2026 to average 54.8 mb/d. This is unchanged from last month's assessment. The main drivers of growth in liquids production are expected to be Brazil, the US, Canada, and Argentina.

In 2027, non-DoC liquids production is forecast to grow by about 0.6 mb/d, to average 55.5 mb/d. This remains unchanged from last month's assessment. The main drivers of growth in liquids production are expected to be Qatar, Canada, Brazil and Argentina.

DoC NGLs and non-conventional liquids are forecast to rise by about 0.1 mb/d in 2026 to average 8.8 mb/d. Further growth of about 0.1 mb/d is expected in 2027, to average 8.9 mb/d.

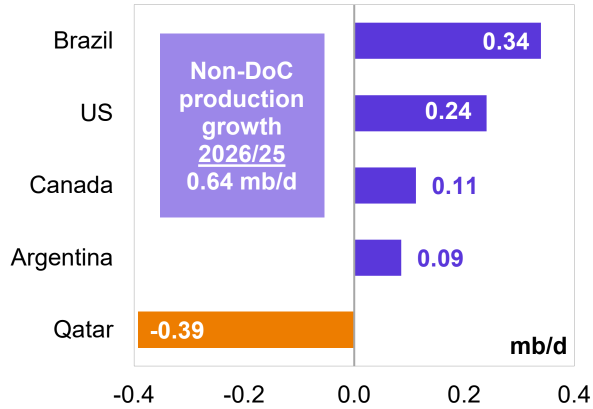
DoC crude oil production in June increased by about 3 mb/d, m-o-m, averaging 36.28 mb/d, as reported by available secondary sources.

Key drivers of growth and decline

Non-DoC liquids production in 2026 is expected to grow by about 0.6 mb/d. This is unchanged from last month's assessment. The main growth drivers are expected to be Brazil, the US, Canada and Argentina.

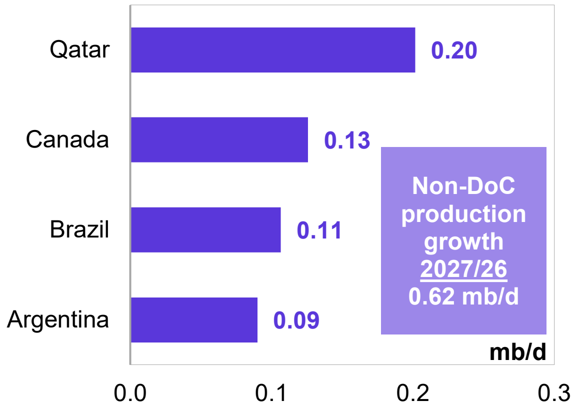
In 2027, liquids supply from non-DoC countries is forecast to expand by about 0.6 mb/d, also unchanged from last month's assessment. Growth is led by Qatar, Canada, Brazil and Argentina.

Graph 5 - 1: Annual liquids production changes, y-o-y, for selected countries in 2026*



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

Graph 5 - 2: Annual liquids production changes, y-o-y, for selected countries in 2027*



*Note: * 2027 = Forecast. Source: OPEC.*

Non-DoC liquids production in 2026 and 2027

Table 5 - 1: Non-DoC liquids production in 2026*, mb/d

Non-DoC liquids production	2025	1Q26	2Q26	3Q26	4Q26	2026	*Change 2026/25*
Americas	28.29	28.15	28.52	28.83	29.07	28.65	0.35
of which US	*22.22*	*21.98*	*22.51*	*22.62*	*22.72*	*22.46*	*0.24*
Europe	3.63	3.76	3.59	3.54	3.65	3.64	0.01
Asia Pacific	0.41	0.39	0.38	0.39	0.38	0.39	-0.02
Total OECD	**32.32**	**32.30**	**32.50**	**32.76**	**33.11**	**32.67**	**0.34**
China	4.62	4.74	4.68	4.57	4.57	4.64	0.02
India	0.82	0.82	0.82	0.82	0.83	0.82	0.00
Other Asia	1.64	1.67	1.63	1.61	1.61	1.63	-0.01
Latin America	7.55	8.20	8.17	8.14	8.26	8.19	0.64
Middle East	1.99	1.53	1.15	1.88	1.89	1.61	-0.38
Africa	2.27	2.24	2.23	2.24	2.31	2.25	-0.01
Other Eurasia	0.36	0.35	0.35	0.36	0.36	0.36	0.00
Other Europe	0.09	0.09	0.09	0.09	0.09	0.09	0.00
Total Non-OECD	**19.34**	**19.65**	**19.11**	**19.71**	**19.91**	**19.60**	**0.26**
Total Non-DoC production	51.66	51.95	51.61	52.47	53.01	52.27	0.61
Processing gains	2.54	2.57	2.57	2.57	2.57	2.57	0.03
Total Non-DoC liquids production	**54.20**	**54.52**	**54.18**	**55.04**	**55.58**	**54.84**	**0.64**

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

Source: OPEC.

Table 5 - 2: Non-DoC liquids production in 2027*, mb/d

Non-DoC liquids production	2026	1Q27	2Q27	3Q27	4Q27	2027	*Change 2027/26*
Americas	28.65	28.58	28.63	28.87	29.12	28.80	0.16
of which US	*22.46*	*22.26*	*22.51*	*22.55*	*22.64*	*22.49*	*0.03*
Europe	3.64	3.62	3.52	3.46	3.58	3.55	-0.09
Asia Pacific	0.39	0.38	0.36	0.38	0.38	0.38	-0.01
Total OECD	**32.67**	**32.59**	**32.51**	**32.72**	**33.09**	**32.73**	**0.06**
China	4.64	4.67	4.65	4.56	4.58	4.62	-0.02
India	0.82	0.81	0.80	0.80	0.81	0.81	-0.01
Other Asia	1.63	1.61	1.60	1.60	1.62	1.61	-0.02
Latin America	8.19	8.43	8.46	8.57	8.74	8.55	0.36
Middle East	1.61	1.80	1.82	1.83	1.85	1.82	0.21
Africa	2.25	2.29	2.28	2.27	2.27	2.28	0.02
Other Eurasia	0.36	0.36	0.36	0.36	0.36	0.36	0.00
Other Europe	0.09	0.10	0.10	0.10	0.10	0.10	0.00
Total Non-OECD	**19.60**	**20.07**	**20.06**	**20.09**	**20.33**	**20.14**	**0.54**
Total Non-DoC production	52.27	52.66	52.57	52.80	53.41	52.86	0.60
Processing gains	2.57	2.59	2.59	2.59	2.59	2.59	0.02
Total Non-DoC liquids production	**54.84**	**55.25**	**55.16**	**55.39**	**56.00**	**55.45**	**0.62**

*Note: * 2026 and 2027 = Forecast. Totals may not add up due to independent rounding.*

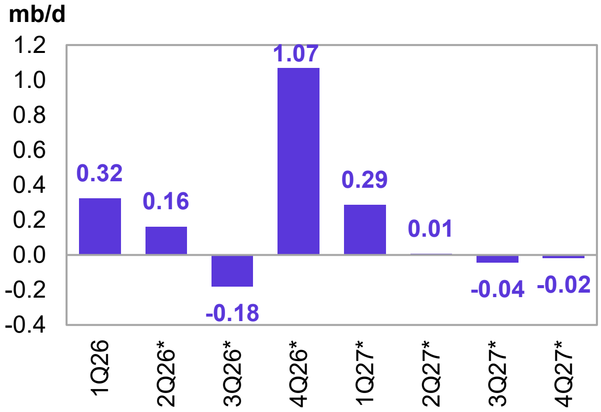
Source: OPEC.

OECD

In 2026, OECD liquids production (excluding DoC participating country, Mexico) is forecast to increase by 0.3 mb/d to average 32.7 mb/d. OECD Americas is forecast to be the primary growth driver, with an increase of 0.4 mb/d to average 28.6 mb/d. OECD Europe liquids production is expected to rise by just 10 tb/d, y-o-y, to average 3.6 mb/d, while OECD Asia Pacific is set to drop by about 18 tb/d to average 0.4 mb/d.

In 2027, OECD liquids production (excluding DoC participating country, Mexico) is forecast to increase by 0.1 mb/d to average 32.7 mb/d. Growth is forecast to be led once again by OECD Americas, with an expected increase of 0.2 mb/d, to average 28.8 mb/d. OECD Europe liquids production is expected to drop by about 90 tb/d to average 3.5 mb/d, while OECD Asia Pacific is expected to fall by about 10 tb/d, y-o-y, to average 0.4 mb/d.

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



*Note: * 2Q26-4Q27 = Forecast. Source: OPEC.*

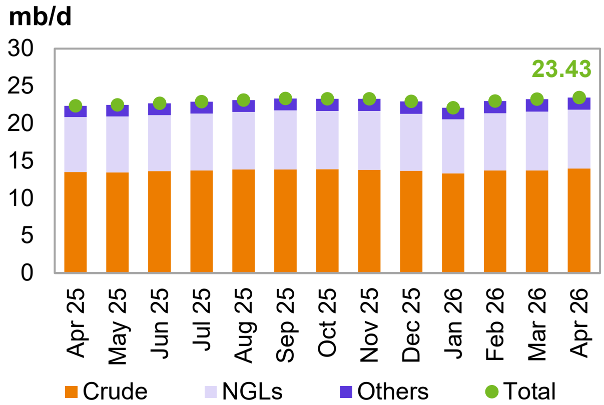
US

US liquids production in April 2026 rose by 0.2 mb/d, m-o-m, to average 23.4 mb/d, according to the US Energy Information Administration (EIA). This is mainly due to a jump in crude oil output, along with resilient NGLs production. The April 2026 level is around 1.1 mb/d higher than the same month last year.

Crude oil and condensate production rose by 0.2 mb/d, m-o-m, to 13.9 mb/d. This is up by about 0.5 mb/d, y-o-y.

In terms of crude and condensate production breakdown by region (PADDs), production rose on the US Gulf Coast (USGC) (PADD 3) by 219 tb/d, m-o-m, to average 10.4 mb/d. Production in the Midwest, the Rocky Mountain and the West Coast (PADD 2, PADD 4, and PADD 5) remained largely unchanged, m-o-m. Crude oil output in the East Coast (PADD 1) dropped by a minor 6 tb/d, m-o-m.

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



Sources: EIA and OPEC.

The m-o-m expansion in output in the main producing regions is primarily attributable to increases in production from wells in Texas and New Mexico, and from offshore platforms in the Gulf of Mexico (GoM). However, these gains were partially offset by minor losses in other regions, such as Oklahoma.

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

State	Apr 25	Mar 26	Apr 26	*Change* m-o-m	y-o-y
Texas	5,750	5,789	5,825	*36*	*75*
New Mexico	2,197	2,301	2,366	*65*	*169*
Gulf of Mexico (GoM)	1,799	1,988	2,107	*119*	*308*
North Dakota	1,161	1,123	1,131	*8*	*-30*
Colorado	448	463	461	*-2*	*13*
Alaska	433	417	421	*4*	*-12*
Oklahoma	406	394	382	*-12*	*-24*
Total	**13,466**	**13,718**	**13,934**	***216***	***468***

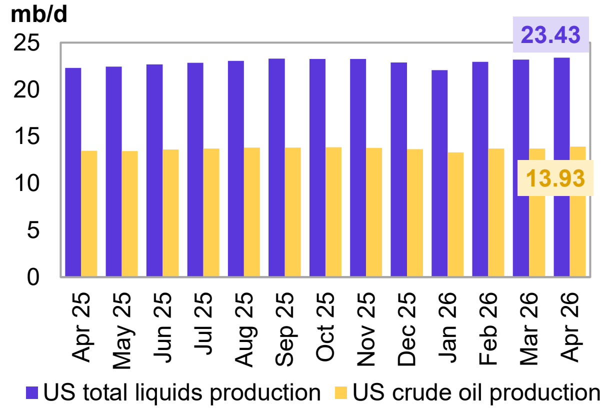
Sources: EIA and OPEC.

According to the US Department of Energy (DoE), NGLs production rose by 39 tb/d, m-o-m, to average 7.9 mb/d in April. This was 0.5 mb/d higher, y-o-y. The production of non-conventional liquids (mainly ethanol) decreased by 51 tb/d, m-o-m, to average 1.6 mb/d. Preliminary estimates indicate that non-conventional liquids were about 20 tb/d higher, m-o-m, averaging about 1.5 mb/d in May.

GoM production rose by 119 tb/d, m-o-m, to average 2.1 mb/d in April. This was higher by about 308 tb/d, y-o-y. Continued advancement on projects such as Shenandoah, Leon-Castile and Longclaw is expected to sustain strong GoM production in the near term. For the onshore Lower 48, crude and condensate production rose by about 93 tb/d, m-o-m, to average 11.4 mb/d in April.

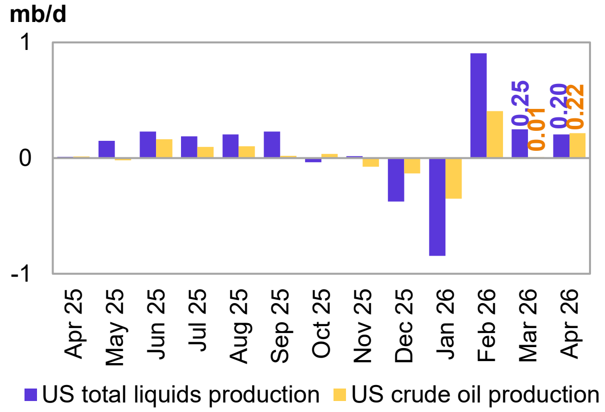
In terms of individual states, New Mexico's oil production rose by 65 tb/d, m-o-m, to average 2.4 mb/d. This is 169 tb/d higher than a year ago. Texas production increased by 36 tb/d, m-o-m, to average 5.8 mb/d, which is 75 tb/d higher than a year ago. In the Midwest, North Dakota's production rose by 8 tb/d, m-o-m, to an average of 1.1 mb/d. This was lower by 30 tb/d, y-o-y. Conversely, production in Oklahoma dropped by 12 tb/d, m-o-m, to an average of 0.4 mb/d. Production in Colorado held largely steady, while output in Alaska increased by a minor 4 tb/d, 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.

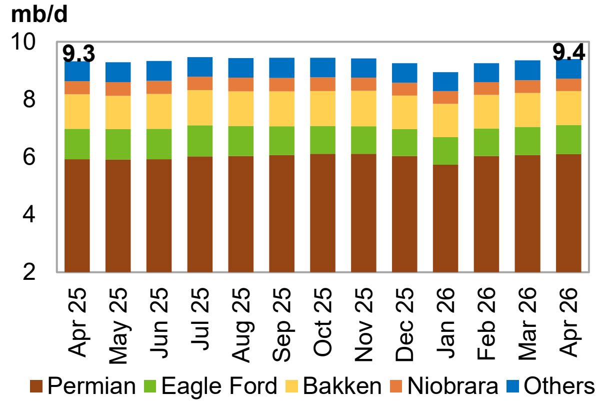
US tight crude production in April is estimated to have risen by 47 tb/d, m-o-m, to average 9.4 mb/d. This draws on data provided by the latest EIA estimates. The figure was 82 tb/d higher than in April 2025.

Permian production from shale and tight formations using horizontal wells in Texas and New Mexico is estimated to have increased by 37 tb/d, m-o-m, to average 6.1 mb/d. Y-o-y, this was up by 185 tb/d.

In the Williston Basin, Bakken shale oil production is estimated to hold steady, m-o-m, at an average of 1.2 mb/d. Y-o-y, however, this was down by 25 tb/d.

Tight crude production from the Eagle Ford in Texas rose by 31 tb/d to average 1.0 mb/d. This was down by 43 tb/d, y-o-y. Production at Niobrara-Codell in Colorado and Wyoming decreased by 17 tb/d, m-o-m, to about 430 tb/d.

Graph 5 - 7: US tight crude production breakdown

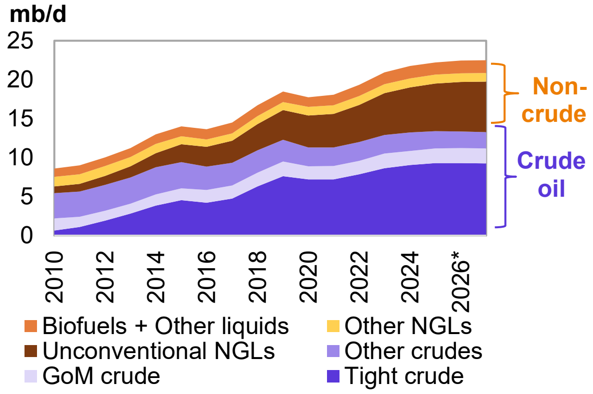


Sources: EIA and OPEC.

In 2026, US liquids production, excluding processing gains, is expected to increase by around 240 tb/d, y-o-y, to average 22.5 mb/d. Crude oil and condensate production is set to drop by about 30 tb/d, y-o-y, to average 13.4 mb/d. Conversely, NGLs production is forecast to increase by 0.2 mb/d to average 7.5 mb/d, and non-conventional liquids are set to increase by about 50 tb/d, y-o-y, to average 1.6 mb/d. Average tight crude production in 2026 is set to drop by about 20 tb/d, y-o-y, to average 9.3 mb/d.

The 2026 outlook reflects continued prudence in capital deployment, a measured uptick in drilling activity, incremental gains in completion efficiency and rising associated gas production across the major shale basins.

Graph 5 - 8: US liquids production developments by component



*Note: * 2026 and 2027 = Forecast.*
Source: OPEC.

In 2027, US liquids production, excluding processing gains, is forecast to grow by just 30 tb/d, y-o-y, to average 22.5 mb/d. Crude oil and condensate output is expected to drop by 0.1 mb/d, y-o-y, to average 13.3 mb/d. Conversely, NGLs production is projected to increase by 0.1 mb/d, y-o-y, to average 7.6 mb/d, while non-conventional liquids output is forecast to remain largely unchanged at 1.6 mb/d. Average tight crude output in 2027 is expected to decline by a minor 10 tb/d, y-o-y, to an average of 9.3 mb/d.

The 2027 forecast reflects sustained capital discipline, moderate efficiency gains, and expanding associated gas output across major shale oil plays.

Table 5 - 4: US liquids production breakdown, mb/d

US liquids	2025	Change 2025/24	2026*	Change 2026/25	2027*	Change 2027/26
Tight crude	9.32	0.23	9.30	-0.02	9.29	-0.01
GoM crude	1.88	0.09	1.94	0.06	1.91	-0.03
Conventional crude oil	2.22	-0.14	2.15	-0.07	2.08	-0.07
Total crude	**13.42**	**0.18**	**13.39**	**-0.03**	**13.28**	**-0.11**
Unconventional NGLs	6.08	0.31	6.32	0.24	6.48	0.16
Conventional NGLs	1.15	0.00	1.13	-0.02	1.11	-0.02
Total NGLs	**7.24**	**0.30**	**7.45**	**0.22**	**7.59**	**0.14**
Biofuels + Other liquids	1.57	-0.03	1.62	0.05	1.62	0.00
US total production	**22.22**	**0.46**	**22.46**	**0.24**	**22.49**	**0.03**

*Note: * 2026 and 2027 = Forecast.*

Sources: EIA and OPEC.

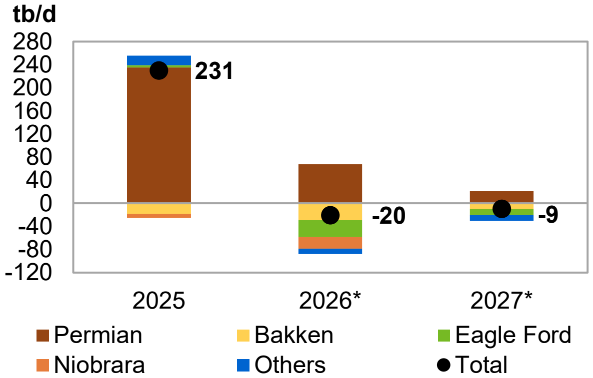
US tight crude production in the Permian Basin during 2026 is expected to increase by 68 tb/d, y-o-y, to average 6.0 mb/d. In 2027, the forecast represents a slight increase of about 20 tb/d, y-o-y.

In North Dakota, Bakken shale production is forecast to decline by 29 tb/d, to stand at about 1.2 mb/d in 2026. This is still below its pre-pandemic average of 1.4 mb/d. A decline of roughly 10 tb/d in 2027 would suggest that the basin is entering a more mature phase of development.

Production in the Eagle Ford Basin in Texas is expected to drop by about 30 tb/d in 2026 to average 1.0 mb/d. Production is forecast to decline by 10 tb/d in 2027, y-o-y.

In the Niobrara region, production in 2026 is forecast to drop by about 20 tb/d, y-o-y, to an average of 446 tb/d. Given the expectation of stable output in 2027, regional production is anticipated to remain steady in the short term.

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



*Note: * 2026 and 2027 = Forecast.*
Sources: EIA and OPEC.

In other tight oil plays, y-o-y output is forecast to drop by 10 tb/d in 2026 to average about 673 tb/d. Production is expected to drop by approximately 10 tb/d again in 2027, due to a prospective slowdown in drilling and completion activities.

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

US tight oil	2025	Change 2025/24	2026*	Change 2026/25	2027*	Change 2027/26
Permian tight	5.95	0.24	6.02	0.07	6.04	0.02
Bakken shale	1.20	-0.02	1.17	-0.03	1.16	-0.01
Eagle Ford shale	1.02	0.00	0.99	-0.03	0.98	-0.01
Niobrara shale	0.47	-0.01	0.45	-0.02	0.45	0.00
Other tight plays	0.68	0.02	0.67	-0.01	0.66	-0.01
Total	**9.32**	**0.23**	**9.30**	**-0.02**	**9.29**	**-0.01**

*Note: * 2026 and 2027 = Forecast.*

Sources: EIA and OPEC.

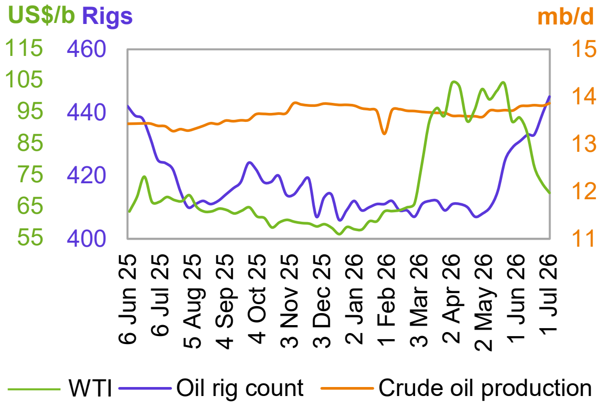
US rig count, spudded, completed, DUC wells and fracking activity

According to Baker Hughes, the total number of active US oil and gas drilling rigs in the week ending 10 July 2026 rose by one, w-o-w, to 581. This is 44 rigs higher than a year ago. The number of active offshore rigs increased by three, w-o-w, to 14. This is one higher than in the same month of 2025. The number of onshore oil and gas rigs dropped by two, w-o-w, to 565, with two rigs in inland waters. This is up by 43 rigs, y-o-y.

The US horizontal rig count fell by three, w-o-w, to 517. This compares with 478 horizontal rigs a year ago. The number of drilling rigs for oil remained unchanged, w-o-w, at 445, and the number of gas drilling rigs held steady, w-o-w, at 126.

The Permian rig count dropped by five, w-o-w, to 256. The rig count in the Williston and Cana Woodford Basins remained unchanged, w-o-w, at 27 and 20, respectively. The rig count in the Eagle Ford and DJ-Niobrara Basins rose by three and one, w-o-w, to 47 and 10, respectively.

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



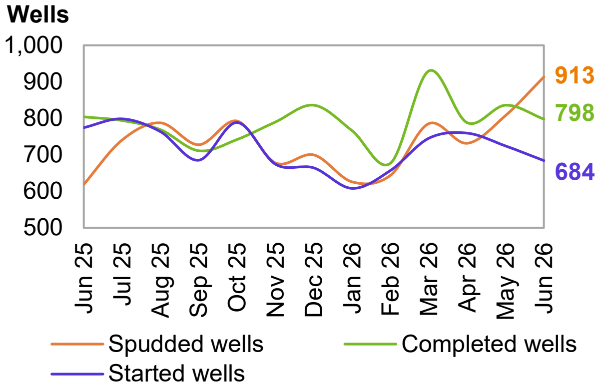
Sources: Baker Hughes, EIA and OPEC.

Based on preliminary data, drilling and completion activities for oil-producing wells across all US shale plays included 807 horizontal wells spudded in May. This is up by 76, m-o-m, and 2% higher than the same month a year earlier.

The preliminary May 2026 data also indicate a higher number of completed wells, m-o-m, at 836. However, this is down by about 1%, y-o-y. The number of started wells is estimated at 724, which is approximately 16% lower than the same period in 2025.

Preliminary data for June shows 913 spudded, 798 completed, and 684 started wells, according to Rystad Energy.

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

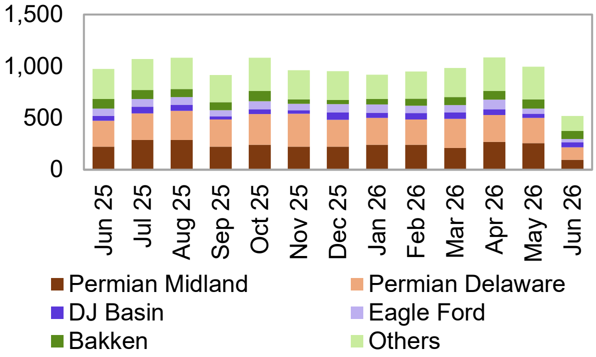


Note: May 26-Jun 26 = Preliminary data.
Sources: Rystad Energy and OPEC.

Regarding identifying US oil and gas fracking operations, 1,086 wells began fracking in April 2026. In May and June, 996 and 520 wells began fracking, respectively, according to preliminary numbers based on an analysis of high-frequency satellite data.

In regional terms, preliminary May data for the Permian Midland and Permian Delaware regions indicate that 254 and 247 wells, respectively, began fracking. This constitutes a loss of 13 wells in the Midland and a drop of 15 wells in the Delaware, m-o-m. Preliminary data also indicates that during May, 38 wells began fracking in the DJ Basin, 51 in the Eagle Ford and 88 in the Bakken.

Graph 5 - 12: Started fracs per month by region



Note: May 26-Jun 26 = Preliminary data.
Sources: Rystad Energy and OPEC.

Canada

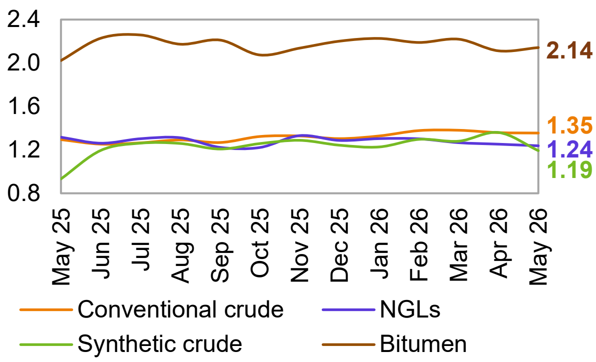
Canada's May liquids production is estimated to have dropped by about 0.2 mb/d, m-o-m, to average 6.0 mb/d. Conventional crude production fell by a minor 5 tb/d, m-o-m, to average 1.4 mb/d. NGLs production dropped by 15 tb/d, m-o-m, to an average of 1.2 mb/d.

Crude bitumen production in May rose by about 30 tb/d, m-o-m, while synthetic crude production dropped by around 167 tb/d. Taken together, crude bitumen and synthetic crude production averaged 3.3 mb/d across the month.

Production is expected to ease in the second quarter, q-o-q, as scheduled maintenance programmes take place and wildfire-related disruptions constrain operations.

In 2026, Canada’s liquids production is forecast to expand by 0.1 mb/d to average 6.2 mb/d. Oil sands production is expected to be primarily driven by asset extensions, brownfield developments, debottlenecking and the extensive implementation of advanced drilling technologies.

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

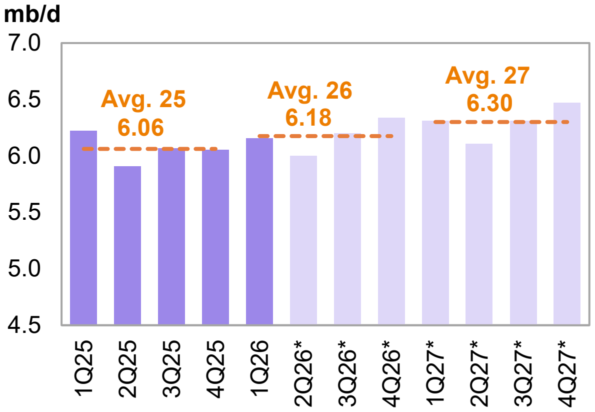


Sources: Statistics Canada, Alberta Energy Regulator and OPEC.

Incremental output is expected from the Montney play, Athabasca, Syncrude Mildred Lake, Kearl, Horizon, Christina Lake, Suncor, Foster Creek, Firebag, Fort Hills, Duvernay and Cold Lake developments. Key start-ups in 2026 include the Foster Creek, Leismer, Charlie Lake, Blackrod, Reford SAGD and Meota SAGD projects. The Cenovus Energy White Rose Extension is also slated to begin offshore production in the coming months.

In 2027, Canada’s liquids production is forecast to expand by an additional 0.1 mb/d to average 6.3 mb/d. The main additional production sources are expected to come from the Montney play, Athabasca oil sands, Syncrude Mildred Lake/Aurora, Kearl, Duvernay, Foster Creek, Horizon oil sands, Suncor oil sands, Clearwater heavy oil and Christina Lake. The principal start-ups in 2027 are the Aspen, Kirby-Pike, and Horizon oil sands developments.

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



*Note: * 2Q26-4Q27 = Forecast. Source: OPEC.*

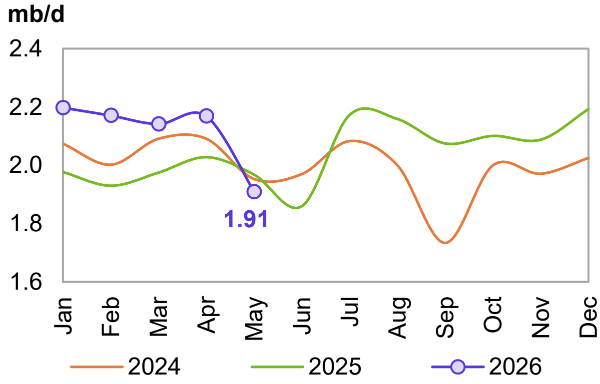
Norway

Norwegian liquids production in May decreased by 260 tb/d, m-o-m, to average 1.9 mb/d. Crude production dropped by 230 tb/d, m-o-m, to average 1.7 mb/d. This was lower by around 68 tb/d, y-o-y. Monthly oil production was 7.1% higher than the Norwegian Offshore Directorate's (NOD) forecast.

NGLs and condensate production in May fell by 30 tb/d, m-o-m, averaging about 0.2 mb/d, according to NOD data.

Norwegian liquids production is forecast to rise by about 15 tb/d to average 2.1 mb/d in 2026. This remains unchanged from last month's assessment. Several projects are scheduled to ramp up throughout the year, including the Balder/Ringhorne, Heidrun, Gina Krog, Maria and Snohvit developments. Concurrently, a number of start-ups are expected to have limited assets, such as the Norne and Aasgard floating, production, storage, and offloading (FPSO) platforms, the Syrma and Edvard Grieg oil fields, and the Irpa (Asterix) and Dvalin gas condensate projects.

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



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

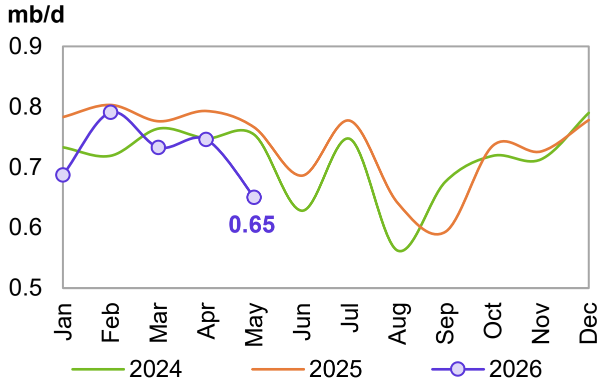
In 2027, Norwegian liquids production is forecast to drop by around 70 tb/d to average 2.0 mb/d. Production is set to strengthen progressively over the year, with Valhall, Snorre and Edvard Grieg expected to deliver steady ramp-ups. Conversely, several new start-ups are likely to contribute only modest initial volumes. The broader development portfolio also includes the Yggdrasil project, which is planned to advance through the North of Alvheim, Krafla/Askja and Lille Frigg assets together with the Symra and Bestla projects.

UK

In May, UK liquids production is estimated to have decreased by 96 tb/d, m-o-m, to average 0.7 mb/d. Crude oil production dropped by 88 tb/d, m-o-m, to average 0.5 mb/d. The May crude level was lower by about 110 tb/d, y-o-y, based on preliminary national data. NGLs production declined by 8 tb/d, m-o-m, to average 61 tb/d.

In 2026, UK liquids production is forecast to drop by approximately 13 tb/d, y-o-y, to average 0.7 mb/d. Production ramp-ups are forecast at the Clair, Triton, and Murlach (Skua redevelopment) assets, along with a Captain enhanced oil recovery (EOR) phase. Anasuria and Triton are also expected to add volumes through their start-up projects. Nonetheless, declines across aged upstream assets are expected to offset production increases.

Graph 5 - 16: UK monthly liquids production development



Sources: UK Department for Energy Security and Net Zero and OPEC.

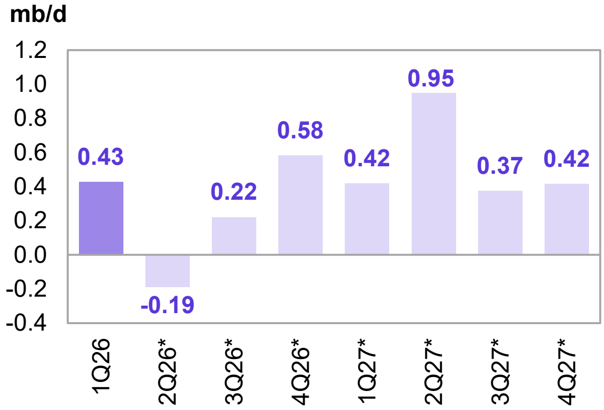
UK liquids production is forecast to drop by about 30 tb/d to average 0.7 mb/d in 2027. Slight production ramp-ups are forecast at the Clair, Buzzard, Penguins, J-Area and Anasuria projects. Rosebank is expected to be the main asset coming online. However, ongoing declines across ageing fields are again expected to absorb much of the incremental output.

Non-OECD

In 2026, non-OECD liquids production (excluding countries participating in the DoC) is forecast to increase by 0.3 mb/d to average 19.6 mb/d.

In 2027, non-OECD liquids production (excluding countries participating in the DoC) is forecast to expand by 0.5 mb/d to average 20.1 mb/d.

Graph 5 - 17: Non-OECD quarterly liquids production, y-o-y changes



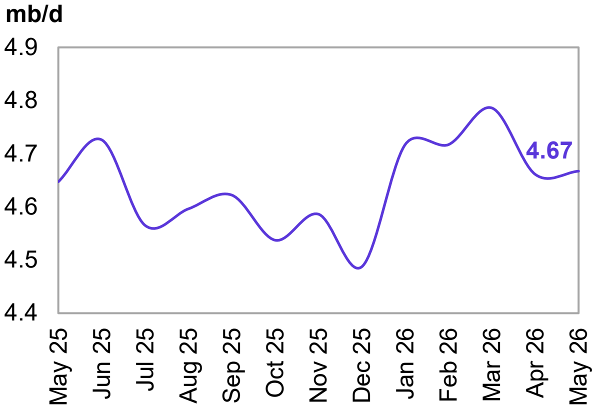
*Note: * 2Q26-4Q27 = Forecast. Source: OPEC.*

China

China's liquids production rose by just 6 tb/d, m-o-m, to average 4.7 mb/d in May. According to official data, this is up by 20 tb/d, y-o-y. May crude oil production averaged 4.4 mb/d. This was up by 6 tb/d from the previous month, albeit higher by 23 tb/d, y-o-y.

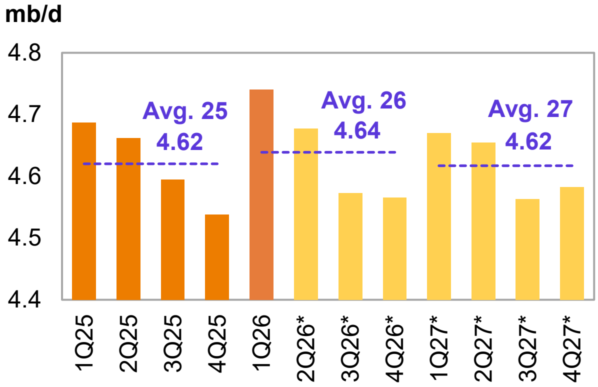
NGLs production remained largely unchanged, m-o-m, at an average of about 22 tb/d. This was largely consistent with the same month last year.

Graph 5 - 18: China's monthly liquids production development



Sources: National Bureau of Statistics of China and OPEC.

Graph 5 - 19: China's quarterly liquids production and forecast



*Note: * 2Q26-4Q27 = Forecast.*
Sources: National Bureau of Statistics of China and OPEC.

In 2026, Chinese liquids production is expected to rise by about 20 tb/d, y-o-y, to average 4.6 mb/d. This is unchanged from the previous assessment. In the near term, persistent infill drilling and EOR programmes are expected to help to meaningfully moderate mature well decline rates. Offshore activity, especially in Bohai Bay and the South China Sea, is forecast to remain the primary driver of production growth, advocated by expanded E&P investment.

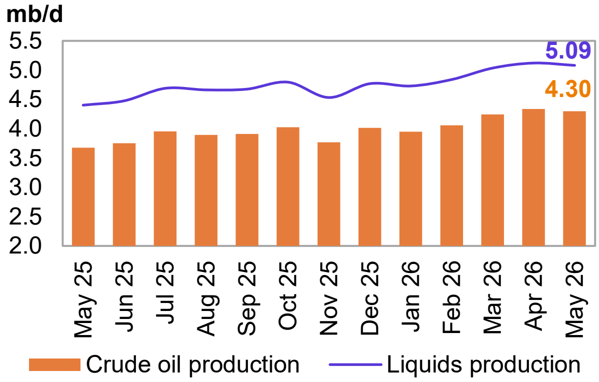
Several oil and gas condensate projects are set to come online, namely Weizhou 11-4, Peng Lai 19-3, Kenli 9-1 and Weizhou 10-3W. Most of the upcoming projects are operated by the China National Offshore Oil Corporation (CNOOC), Sinopec and PetroChina. Simultaneously, key ramp-ups are expected from the Peng Lai 19-3/19-9, Wushi 17-2, Xijiang 30-2, Kenli 10-2 and Huizhou 26-6 projects.

In 2027, Chinese liquids production is expected to drop by about 20 tb/d, y-o-y, to average 4.6 mb/d. The year is set to see the launch of several additional oil and gas condensate projects, such as Bozhong 25-1, Bozhong 34-1W, Bozhong 19-6, Bozhong 34-9, Xijiang 24-1, Panyu 10-4, Shengli and Jinzhou 25-3. Simultaneously, further ramp-ups are expected at the Kenli 9-1, Yanchang, Baikouquan tight oil (Xinjiang), Bozhong 25-1 and East China Sea projects.

Brazil

Brazil's crude production in May dropped by 41 tb/d, m-o-m, to average 4.3 mb/d. NGLs production remained largely unchanged m-o-m, averaging around 104 tb/d, and is expected to remain at a similar level in June. Biofuel production (mainly ethanol) is estimated to have remained steady, m-o-m, at an average of 0.7 mb/d, with preliminary June data indicating a further stable trend. The country's total liquids production fell by about 40 tb/d, m-o-m, in May to average 5.1 mb/d. This is higher by 0.7 mb/d, y-o-y.

Graph 5 - 20: Brazil's monthly liquids production development by type



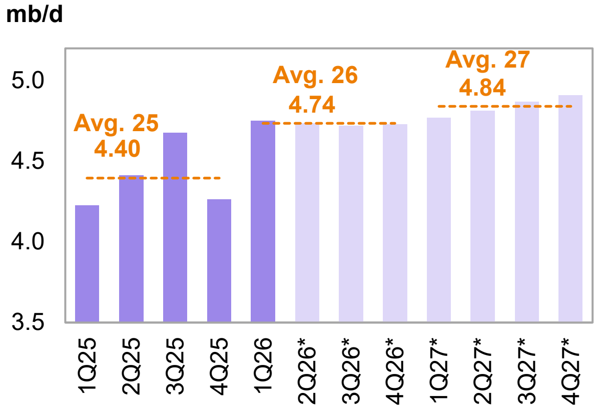
Sources: Brazilian National Agency of Petroleum, Natural Gas and Biofuels (ANP) and OPEC.

In 2026, Brazil's liquids production, including biofuels, is forecast to rise by about 340 tb/d, y-o-y, to average 4.7 mb/d. Upstream liquids production is set to increase through production ramp-ups at the Buzios (Franco), Mero (Libra NW), Marlim, Bacalhau (x-Carcara) and Wahoo projects. Additional oil project start-ups are expected at the Albacora Leste Cluster. Petrobras has accelerated the Buzios 8 schedule, with the P-79 FPSO scheduled to start production in early May 2026. Recent official updates confirm continued ramp-up across the wider Buzios cluster, including P-78 and preparations for P-80. Together, these assets position Buzios as the dominant source of Brazil's incremental offshore growth in the coming months.

In 2027, Brazil's liquids supply, including biofuels, is forecast to increase by about 110 tb/d, y-o-y, to average 4.8 mb/d. Upstream liquids output is expected to rise as production scales up at the Buzios (Franco), Bacalhau and Wahoo projects. Oil project start-ups are anticipated at the Buzios field and the Pampo-Enchova Cluster assets.

Despite promising start-up plans in offshore Brazil, rising development costs and sustained inflation could tighten offshore project economics, leading to delays in final investment decisions and tempering near-term growth.

Graph 5 - 21: Brazil's quarterly liquids production



*Note: * 2Q26-4Q27 = Forecast. Sources: ANP and OPEC.*

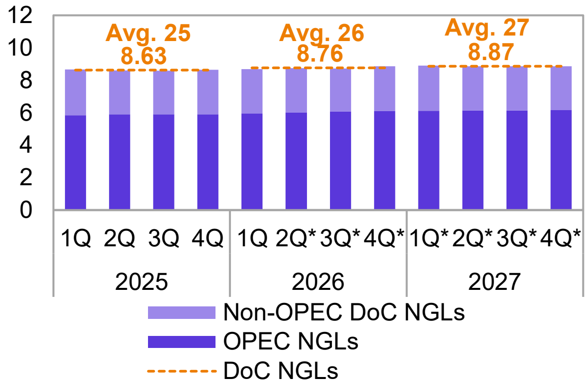
DoC NGLs and non-conventional liquids

Preliminary data show that NGLs and non-conventional liquids production in 1Q26 averaged 8.7 mb/d. According to preliminary data, OPEC Member Countries and non-OPEC DoC countries are estimated to have produced 6 mb/d and 2.7 mb/d of NGLs and non-conventional liquids, respectively.

The 2026 forecast indicates a combined increase of approximately 0.1 mb/d, bringing the average to 8.8 mb/d. For OPEC Member Countries, NGLs and non-conventional liquids production is projected to rise by around 150 tb/d to an average of 6.0 mb/d. However, a drop of about 15 tb/d is forecast for non-OPEC DoC countries, with an average of 2.7 mb/d.

In 2027, the forecast shows collective growth of 0.1 mb/d, bringing the average to 8.9 mb/d. NGLs and non-conventional liquids for OPEC Member Countries are forecast to grow by about 100 tb/d, bringing the average to 6.1 mb/d. Non-OPEC DoC countries are expected to witness limited growth of about 10 tb/d.

Graph 5 - 22: DoC NGLs and non-conventional liquids quarterly production and forecast



*Note: * 2Q26-4Q27 = Forecast. Source: OPEC.*

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

DoC NGLs and non-conventional liquids	2025	Change 25/24	2026	Change 26/25	2027	Change 27/26
OPEC	**5.90**	*0.13*	**6.05**	*0.15*	**6.15**	*0.10*
Non-OPEC DoC	**2.73**	*-0.03*	**2.72**	*-0.02*	**2.73**	*0.01*
Total	**8.63**	***0.09***	**8.76**	***0.13***	**8.87**	***0.11***

Note: 2026 and 2027 = Forecast.

Source: OPEC.

DoC crude oil production

Total DoC crude oil production averaged 36.28 mb/d in June 2026, which is about 3 mb/d higher, m-o-m.

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

Secondary sources	2024	2025	4Q25	1Q26	2Q26	Apr 26	May 26	Jun 26	*Change Jun/May*
Algeria	905	935	965	972	983	981	982	987	*5*
Congo	253	260	262	268	280	283	281	274	*-7*
Equatorial Guinea	57	53	48	51	49	50	51	44	*-7*
Gabon	222	227	222	214	217	212	214	224	*10*
IR Iran	3,257	3,263	3,208	3,142	2,531	2,875	2,286	2,441	*155*
Iraq	4,163	4,011	4,094	3,313	1,633	1,406	1,525	1,970	*446*
Kuwait	2,429	2,475	2,564	2,100	857	556	573	1,452	*880*
Libya	1,092	1,296	1,294	1,272	1,311	1,306	1,303	1,325	*22*
Nigeria	1,429	1,510	1,482	1,453	1,544	1,520	1,554	1,559	*5*
Saudi Arabia	8,978	9,471	10,043	9,278	6,850	6,755	6,946	6,847	*-99*
UAE	2,969	3,161	3,389	2,898	2,668	2,044	2,167	3,809	*1,642*
Venezuela	867	937	943	910	1,059	1,036	1,070	1,070	*-1*
Total OPEC	**26,623**	**27,599**	**28,514**	**25,871**	**19,982**	**19,026**	**18,952**	**22,002**	***3,051***
Azerbaijan	481	461	458	454	457	458	456	456	*1*
Bahrain	176	179	161	102	47	43	43	55	*13*
Brunei	79	86	90	89	81	87	72	82	*10*
Kazakhstan	1,539	1,778	1,674	1,449	1,876	1,880	1,876	1,872	*-4*
Malaysia	347	346	345	332	342	341	346	337	*-10*
Mexico	1,578	1,458	1,452	1,453	1,459	1,464	1,459	1,455	*-4*
Oman	766	777	803	813	918	892	931	932	*1*
Russia	9,197	9,129	9,346	9,183	8,988	9,046	8,989	8,928	*-61*
Sudan	29	24	22	21	24	24	24	23	*-1*
South Sudan	71	109	124	126	131	126	131	135	*5*
Total Non-OPEC DoC	**14,263**	**14,347**	**14,476**	**14,022**	**14,322**	**14,362**	**14,327**	**14,276**	***-51***
Total DoC	**40,885**	**41,946**	**42,990**	**39,892**	**34,304**	**33,388**	**33,278**	**36,278**	***2,999***

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 June, 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	2024	2025	4Q25	1Q26	2Q26	Apr 26	May 26	Jun 26	*Change Jun/May*
Algeria	907	936	968	972	984	979	982	990	*8*
Congo	260	271	275	291	288	292	286	286	*0*
Equatorial Guinea	57	46	43	46	..	44	..	..	..
Gabon	..	..	..	..	..	..	..	..	..
IR Iran	..	..	..	..	..	..	..	..	..
Iraq	3,862	3,775	4,047	3,356	1,781	1,494	1,759	2,090	*331*
Kuwait	2,411	2,470	2,569	2,105	926	562	578	1,650	*1,072*
Libya	1,136	1,372	1,361	1,324	1,389	1,385	1,389	1,394	*5*
Nigeria	1,345	1,432	1,415	1,388	1,525	1,489	1,530	1,555	*25*
Saudi Arabia	8,955	9,480	10,045	9,298	6,844	6,879*	7,010*	6,637*	*-373*
UAE	2,916	3,119	3,364	2,877	2,644	2,021	2,111	3,818	*1,707*
Venezuela	921	1,081	1,131	1,013	1,167	1,136	1,179	1,187	*8*
Total OPEC	**..**	**..**	**..**	**..**	**..**	**..**	**..**	**..**	**..**

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

** Saudi Arabia's supply to the market was 6,879 tb/d in April 2026, 7,010 tb/d in May 2026, and 6,637 tb/d in June 2026.*

** Saudi Arabia's production was 6,316 tb/d in April 2026, 6,561 tb/d in May 2026, and 7,122 tb/d in June 2026.*

Source: OPEC.

Product Markets and Refinery Operations

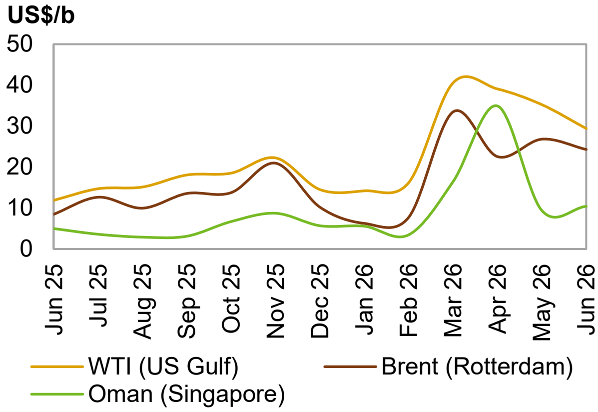
Refining margins continued their downward trend on the US Gulf Coast (USGC) and in Rotterdam, pressured by lower product prices and a drop in offline capacity in the Atlantic Basin.

In Singapore, margins reversed trends to rise in June, driven by improved crude arrivals into the region, lower feedstock prices, and easing crude supply concerns. Although a slight increase in Asian refinery runs contributed to lower product prices, the crude price decline was considerably more pronounced, providing support to refining operations despite lower product crack spreads across the barrel.

Refinery margins

USGC refining margins against WTI dropped for the third consecutive month in June, yet continued to retain most of the robust gains attained in March. This monthly drop was attributed to refinery operational ramp-ups and stronger product output, as offline capacities reached seasonal lows following an intense maintenance season. In terms of products, this weakness materialized in the middle and top sections of the barrel, with jet/kerosene representing its primary source. By the end of June, total jet/kerosene inventories rose nearly 7%, m-o-m, and were 6% higher, y-o-y. Similarly, USGC gasoil inventories registered a stock build in June, albeit to a lesser extent than jet/kerosene. Meanwhile, total motor gasoline inventory declines stabilized on the back of restored refinery output rates.

Graph 6 - 1: Refining margins



Sources: Argus and OPEC.

Additionally, although gasoline retail prices declined in June, they remain higher compared to the previous year, which could have weighed on gasoline demand in the US. Nonetheless, gasoline markets are expected to strengthen somewhat in the near term, particularly if retail prices decline in July. According to preliminary data, refinery intake in the USGC increased by 340 tb/d, m-o-m, to average 17.28 mb/d in June. USGC margins against WTI averaged $29.35/b, down $5.83, m-o-m, but up $17.53, y-o-y.

Rotterdam refinery margins against Brent moved lower, losing some of the gains attained in the previous month, pressured by higher product availability as refiners in Europe increased their processing rates in June. According to S&P Global data published on 2 July, total Amsterdam-Rotterdam-Antwerp (ARA) oil product stocks increased 2.0%, m-o-m. Despite this monthly increase, total ARA oil product stocks were 16.2% lower in June, y-o-y, with jet fuel and fuel oil accounting for most of this decrease. According to preliminary data, June refinery runs in EU-14, Norway and the UK increased by 240 tb/d to average 9.59 mb/d. Refinery margins against Brent in Europe averaged $24.25/b in June, which was $2.51 lower, m-o-m, and $15.80 higher, y-o-y.

Singapore's refining margins against Oman rose amid easing geopolitical tensions, an uptick in crude arrivals, and lower crude prices. Product markets, however, weakened in Southeast Asia over June, with all key product crack spreads showing m-o-m declines, with the largest registered in naphtha and jet/kerosene. This reflects increases in crude oil arrivals into the region. Higher inflows of barrels outside the Middle East supported refinery processing rates in the region. Additionally, recent data indicates a resumption of outflows from the Middle East, which likely further contributed to stronger refinery runs and higher product output in Southeast Asia.

According to preliminary data, the combined June refinery intake for Japan, China, India, Singapore and South Korea increased by 690 tb/d, m-o-m, to average 24.48 mb/d. Refinery margins against Oman averaged $10.37/b, which was $1.04 higher, m-o-m, and $5.44 higher, y-o-y.

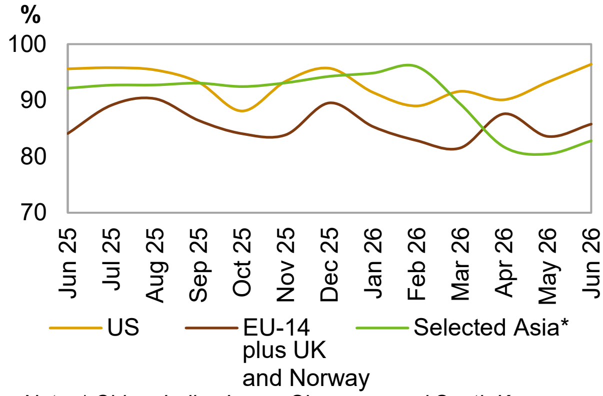
Refinery operations

US refinery utilization rates rose 3.2 pp, m-o-m, to average 96.41% in June. This corresponds to a throughput of 17.28 mb/d and an increase of 340 tb/d from the May level. Compared to the previous year, the June refinery utilization rate was 0.8 pp higher, with throughput showing an 80 tb/d decline.

EU-14 plus the UK and Norway refinery utilization averaged 85.76% in June, corresponding to a throughput of 9.59 mb/d. This represents a 2.2 pp, or 240 tb/d, m-o-m, rise. Y-o-y, the utilization rate was up by 1.7 pp, with throughput 187 tb/d higher.

In Selected Asia – Japan, China, India, Singapore and South Korea – refinery utilization rates increased to average 82.79% in June, corresponding to a throughput of 24.48 mb/d. Compared with the previous month, utilization rates were up 2.3 pp, while throughput was 690 tb/d higher. Relative to last year, utilization rates were 9.4 pp lower, while throughput was 2.7 mb/d lower.

Graph 6 - 2: Refinery utilization rates



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

Table 6 - 1: Refinery operations in selected OECD countries

	Refinery throughput, mb/d				Refinery utilization, %			
	Apr 26	May 26	Jun 26	Change Jun/May	Apr 26	May 26	Jun 26	Change Jun/May
US	**16.23**	**16.94**	**17.28**	**0.34**	**90.10**	**93.23**	**96.41**	**3.2 pp**
Euro-14, plus UK and Norway	**9.80**	**9.35**	**9.59**	**0.24**	**87.58**	**83.58**	**85.76**	**2.2 pp**
France	0.98	0.86	0.79	-0.07	85.38	74.41	68.73	-5.7 pp
Germany	1.72	1.67	1.64	-0.03	100.11	97.41	95.77	-1.6 pp
Italy	1.21	1.14	1.29	0.15	66.41	62.93	71.28	8.4 pp
UK	0.86	0.84	0.91	0.07	83.95	81.39	88.11	6.7 pp
Selected Asia	**24.16**	**23.79**	**24.48**	**0.69**	**81.71**	**80.46**	**82.79**	**2.3 pp**
China	13.35	12.70	12.93	0.23	78.99	75.15	76.51	1.4 pp
India	5.20	5.19	5.44	0.25	97.16	96.93	101.58	4.6 pp
Japan	2.20	2.24	2.14	-0.10	70.79	73.27	71.80	-1.5 pp
South Korea	2.20	2.32	2.60	0.28	72.83	76.88	86.17	9.3 pp

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

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

Refinery crude throughput	2023	2024	2025	2Q25	3Q25	4Q25	1Q26	2Q26
OECD Americas	**18.71**	**18.96**	**19.13**	**19.28**	**19.68**	**19.31**	**18.98**	**19.13**
of which US	*16.50*	*16.62*	*16.70*	*16.97*	*17.21*	*16.69*	*16.42*	*16.82*
OECD Europe	**11.38**	**11.28**	**11.28**	**11.10**	**11.71**	**11.24**	**10.87**	**10.94**
of which:								
France	*0.93*	*0.92*	*0.96*	*0.83*	*1.04*	*1.04*	*0.97*	*0.88*
Germany	*1.62*	*1.76*	*1.69*	*1.65*	*1.74*	*1.71*	*1.65*	*1.68*
Italy	*1.30*	*1.21*	*1.22*	*1.28*	*1.32*	*1.13*	*1.10*	*1.21*
UK	*0.97*	*0.98*	*0.93*	*1.00*	*0.91*	*0.89*	*0.88*	*0.87*
OECD Asia Pacific	**5.86**	**5.71**	**5.73**	**5.68**	**5.69**	**5.93**	**5.92**	**5.50**
of which Japan	*2.56*	*2.37*	*2.39*	*2.27*	*2.31*	*2.53*	*2.56*	*2.19*
Total OECD	**35.95**	**35.96**	**36.14**	**36.05**	**37.07**	**36.48**	**35.77**	**35.57**
Latin America	**3.54**	**3.69**	**3.68**	**3.67**	**3.75**	**3.65**	**3.54**	**3.42**
Middle East	**7.53**	**7.95**	**8.06**	**8.00**	**8.28**	**7.97**	**7.65**	**6.51**
Africa	**1.74**	**1.88**	**2.08**	**2.03**	**2.09**	**2.15**	**2.08**	**2.06**
India	**5.18**	**5.30**	**5.44**	**5.41**	**5.29**	**5.44**	**5.61**	**5.28**
China	**14.77**	**14.25**	**14.80**	**14.46**	**15.08**	**14.88**	**15.03**	**13.00**
Other Asia	**5.16**	**5.18**	**5.03**	**4.85**	**4.89**	**5.13**	**4.88**	**4.66**
Russia	**5.50**	**5.35**	**5.21**	**5.31**	**5.08**	**5.16**	**5.18**	**4.46**
Other Eurasia	**1.03**	**1.04**	**1.06**	**1.03**	**1.08**	**1.05**	**1.06**	**0.96**
Other Europe	**0.48**	**0.51**	**0.48**	**0.46**	**0.54**	**0.44**	**0.44**	**0.47**
Total Non-OECD	**44.92**	**45.15**	**45.85**	**45.21**	**46.08**	**45.86**	**45.46**	**40.82**
Total world	**80.87**	**81.11**	**81.98**	**81.26**	**83.15**	**82.34**	**81.24**	**76.39**

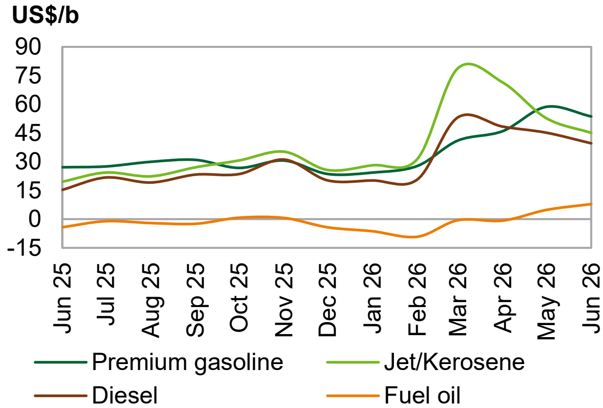
Note: Totals may not add up due to independent rounding.

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 reversed course and registered a decline following five consecutive months of gains. Despite this, gasoline remained the largest contributor to margin in absolute terms. This performance can be attributed to an uptick in gasoline imports and elevated retail gasoline prices in the US – although gasoline inventories stabilized in June, they remain at historically low levels. These dynamics, along with the recent decline in US gasoline prices and the onset of the peak driving season, point to upside potential for gasoline crack spreads in the near-term. The USGC gasoline crack spread decreased $5.03/b, m-o-m, to average $53.74/b in June, but was $26.53/b higher, y-o-y.

The USGC jet/kerosene crack spread against WTI continued to trend lower, declining for the third consecutive month in June. This outcome reflects an ongoing downward correction, along with improving supply-side factors, following the March hike. In June, jet/kerosene exhibited the strongest decline compared to all other key products in the USGC, followed by gasoil. The USGC jet/kerosene crack spread decreased $7.70/b, m-o-m, to average $45.06/b in June, but was $25.55/b higher, y-o-y.

The USGC gasoil crack spread against WTI retracted further in June on the back of an ongoing normalization following the multi-year high registered in March. Rising domestic refinery gasoil output amid stronger processing rates alleviated gasoil supply concerns while easing geopolitical tensions exerted downward pressure on gasoil prices and crack spreads. The improvements in crude and product flows from the Middle

East, although still far below normal volumes, point to improved access to heavier crudes and the potential restoration of East-West gasoil flows. The USGC gasoil crack spread decreased $5.56, m-o-m, to average $39.65/b in June, but was $24.32/b higher, y-o-y.

The USGC fuel oil 3.5% crack spread against WTI rose for the second consecutive month and registered the second-largest m-o-m gain across the barrel, following naphtha. Strong coker utilization rates and healthy feedstock blending demand production supported residual fuel markets in the US. The USGC fuel oil 3.5% crack spread increased $3.05, m-o-m, to average $7.88/b in June, and was $12.05/b higher, y-o-y.

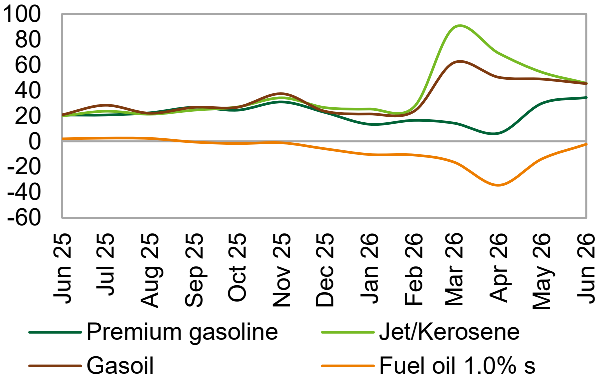
European market

The gasoline crack spread in Rotterdam against Brent rose for the second consecutive month, to its highest level since April 2024, despite a considerable slowdown in momentum from the previous month. This was supported by healthy gasoline exports to the US, the Mediterranean and Africa. Additionally, previous operational focus on middle distillate production amid global tightness likely weighed on gasoline yields, further contributing to the strength in gasoline margins. The gasoline crack spread against Brent averaged $34.46/b, which was $4.64/b higher, m-o-m, and $13.70/b higher, y-o-y.

In June, the jet/kerosene crack spread in Rotterdam against Brent continued to trend downwards and reached parity with gasoil crack spreads. Continued market sentiment improvements amid rising European product refinery output led to a continued downward correction from the March multi-year record high. The Rotterdam jet/kerosene crack spread against Brent averaged $45.72/b, down $8.61/b, m-o-m, but up $25.70/b, y-o-y.

The gasoil crack spread in Rotterdam against Brent retracted as it continued to undergo a normalization from the high level registered in March. The pressure came from improvements in refinery output, which eased concerns about gasoil trade flow disruptions, although ARA gasoil inventories in June showed declines m-o-m and y-o-y. The gasoil crack spread against Brent averaged $45.29/b, down $3.62/b, m-o-m, but up $24.51/b, y-o-y.

Graph 6 - 4: Rotterdam crack spreads vs. Brent



Sources: Argus and OPEC.

At the bottom of the barrel, fuel oil 1.0% crack spreads in Rotterdam against Brent increased considerably and became the top performer across the barrel in NWE. A decline in LSFO production at key refineries across regions led to tighter supplies and higher European LSFO demand. Moreover, supportive bunker demand, as well as rising residual fuel requirements for the utilities sector, provided added support. Going forward, residual fuel fundamentals are expected to remain strong in line with seasonality. The fuel oil 1.0% crack spread averaged negative $2.34/b in June, representing an $11.51/b increase, m-o-m, but a $4.21/b decline, y-o-y.

Asian market

The Southeast Asia 92 gasoline crack spread against Dubai eased following two consecutive months of gains, as a recovery in regional processing rates widened the regional gasoline balance. Nevertheless, gasoline performed relatively better compared to all other key products in Southeast Asia, registering the smallest downturn across the barrel in June. The margin averaged $27.73/b in June, down $0.68/b, m-o-m, and up $16.85/b, y-o-y.

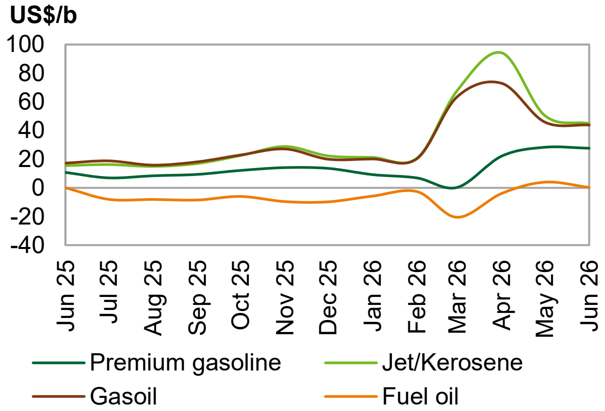
The Asian naphtha crack spread registered the largest m-o-m drop across the barrel, pressured by weaker fundamentals and a wider naphtha demand-supply imbalance. Moreover, ongoing petrochemical plant shutdowns have kept naphtha demand subdued in the region, weighing on the product's margins. The recent improvements in Middle Eastern maritime crude and product transit could lead to stronger petrochemical operations, potentially prompting upward adjustments in regional naphtha margins. The Singapore naphtha crack spread against Dubai averaged negative $4.65/b, which was $8.74/b lower, m-o-m, and $0.44/b higher, y-o-y.

In the middle of the barrel, the jet/kerosene crack spread fell on the back of softening export economics as concerns about jet fuel shortages in the West of Suez have waned. This weighed on prompt export demand, while rising regional supplies contributed to an increasingly imbalanced market. The Singapore jet/kerosene crack spread against Dubai averaged $44.94/b, down $5.62/b, m-o-m, but up $29.38/b, y-o-y.

The Singapore gasoil crack spread eased further in June as the global bullish sentiment in gasoil markets continued to diminish. Improvements in gasoil supply projections amid easing market tightness reduced the geopolitically driven risk premium. The Singapore gasoil crack spread against Dubai averaged $43.89/b, down $2.11/b, m-o-m, but up $26.56/b, y-o-y.

The Singapore fuel oil 3.5% crack spread decreased, reflecting rising availability along with stronger refinery runs. However, firm HSFO bunker sales in Singapore and strengthening residual fuel demand from the utility sector suggest upside potential for residual fuel markets in the near term. HSFO crack spread against Dubai averaged $0.31/b, down $3.64/b, m-o-m, but up $0.22/b, y-o-y.

Graph 6 - 5: Singapore crack spreads vs. Dubai



Sources: Argus and OPEC.

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

Event	Time frame	Observations	Asia	Europe	US
Seasonal rise in air and road mobility	Jul 26–Oct 26	The expected uptick in mobility, particularly following the recent decline in product prices, could support product markets in the near term.	↑ Upward pressure on product crack spreads	↑ Upward pressure on product crack spreads	↑ Upward pressure on product crack spreads
Impact of the 2025/2026 refinery closures	2026	Approximately 1.1 mb/d of global refining capacity losses in 2025 and 138 tb/d of US refinery closures in 2026 contribute to reduced product balances, especially during the maintenance season through 3Q26.	↑ Support for product markets	↑ Support for product markets	↑ Support for product markets
Impact of the 2025/2026 refinery capacity expansions	2026–2027	New product volumes entering international markets amid refinery capacity additions (995 tb/d in 2025 and 740 tb/d in 2026) are expected to enhance product balances, especially in 4Q26 and 2027.	↓ Pressure on product markets	↓ Pressure on product markets	↓ Pressure on product markets

Source: OPEC.

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

		May 26	Jun 26	Change Jun/May	Annual avg. 2025	Year-to-date 2026
US Gulf (Cargoes FOB)						
Naphtha*		96.89	84.62	-12.27	63.91	84.35
Premium gasoline	(unleaded 93)	157.93	135.40	-22.53	93.01	124.65
Regular gasoline	(unleaded 87)	144.06	123.20	-20.86	84.97	113.16
Jet/Kerosene		151.92	126.72	-25.20	89.46	133.91
Gasoil	(0.2% S)	144.37	121.31	-23.06	84.74	120.54
Fuel oil	(3.0% S)	90.29	74.58	-15.71	62.27	73.53
Rotterdam (Barges FOB)						
Naphtha		97.49	76.17	-21.32	62.64	82.13
Premium gasoline	(unleaded 98)	137.61	119.63	-17.98	90.08	112.06
Jet/Kerosene		162.12	130.89	-31.23	91.34	144.70
Gasoil/Diesel	(10 ppm)	156.70	130.46	-26.24	91.98	134.73
Fuel oil	(1.0% S)	93.94	82.83	-11.11	68.85	78.15
Fuel oil	(3.5% S)	98.54	75.94	-22.60	63.54	78.77
Mediterranean (Cargoes FOB)						
Naphtha		93.11	74.30	-18.81	60.81	77.94
Premium gasoline**		133.60	115.27	-18.33	84.16	108.90
Jet/Kerosene		156.26	128.61	-27.65	88.32	140.80
Diesel		155.48	131.15	-24.33	90.87	133.60
Fuel oil	(1.0% S)	101.51	88.13	-13.38	72.66	84.31
Fuel oil	(3.5% S)	98.00	75.40	-22.60	61.75	77.92
Singapore (Cargoes FOB)						
Naphtha		105.38	75.32	-30.06	64.73	90.80
Premium gasoline	(unleaded 95)	131.44	109.83	-21.61	80.73	110.26
Regular gasoline	(unleaded 92)	129.70	107.70	-22.00	78.83	106.76
Jet/Kerosene		151.85	124.91	-26.94	86.48	140.85
Gasoil/Diesel	(50 ppm)	152.63	124.27	-28.36	87.38	138.91
Fuel oil	(180 cst)	142.20	115.30	-26.90	86.03	132.38
Fuel oil	(380 cst 3.5% S)	105.24	80.28	-24.96	64.21	86.15

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

Sources: Argus and OPEC.

Tanker Market

Dirty tanker spot freight rates were volatile in June amid optimism that trade flow disruptions might ease. The moderate increase in activities was outweighed by higher tanker availability, causing VLCC rates to fall off in the second half of the month. On the West Africa-to-East route, VLCC spot freight rates rose 10%, m-o-m, to remain at elevated levels, some 160% higher than in the same month last year.

Suezmax spot freight rates also showed some volatility due to uncertainty regarding Mideast flows and easing activities out of the US Gulf. On the USGC-to-Europe route, rates fell 9%, m-o-m, but were still 114% higher, y-o-y. Aframax spot freight rates exhibited more steady declines over the month. Rates fell back towards the upper range of the previous five years as supply concerns softened. Rates on the Mediterranean-to-Northwest Europe route declined 8%, m-o-m, but were up 38%, y-o-y.

Clean spot freight rates declined across all monitored routes, as tanker availability outweighed tonnage demand. West of Suez, clean spot rates fell by 44% on average, while East of Suez rates were down by 15%.

Dirty tanker freight rates

Very large crude carriers (VLCC)

VLCC spot freight rates on routes out of the Middle East were volatile in June amid optimism that trade flow disruptions might lift. The moderate increase in activities was outweighed by higher availability, causing rates to fall off in the second half of the month. On average, VLCC spot freight rates declined 10%, m-o-m, but remained considerably elevated compared with year-ago levels, some 457% higher, y-o-y.

On the Middle East-to-East route, rates averaged WS507 in June. This represents a m-o-m decline of 14% but is still 745% higher, y-o-y. On the Middle East-to-West route, spot freight rates were assessed at WS195. This indicates a drop of 13%, m-o-m, but a gain of 457%, y-o-y.

The draw of vessels toward the Middle East was seen to reduce availability elsewhere, supporting spot rates mid-month. As a result, rates on the West Africa-to-East route increased 10% to average WS151 in June. Compared with the same month in 2025, rates were up 160%.

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

VLCC	Size *1,000 DWT*	Apr 26	May 26	Jun 26	*Change* Jun 26/May 26
Middle East/East	230-280	550	587	507	-80
Middle East/West	270-285	211	224	195	-29
West Africa/East	260	142	137	151	14

Sources: Argus and OPEC.

Suezmax

Suezmax spot freight rates also showed some volatility amid easing activities out of the US Gulf, although rates picked up at the end of the month. On average, Suezmax spot freight rates were down 6%, m-o-m, but were still 124% higher than in the same month last year.

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

Suezmax	Size *1,000 DWT*	Apr 26	May 26	Jun 26	*Change* Jun 26/May 26
West Africa/US Gulf Coast	130-135	227	183	178	-5
US Gulf Coast/Europe	150	219	170	154	-16

Sources: Argus and OPEC.

On the West Africa-to-USGC route, spot freight rates averaged WS178 in June, representing a decline of 3%, m-o-m, but were still 131% higher than the same month last year. Rates on the USGC-to-Europe route fell 9%, m-o-m, to average WS154. Y-o-y, however, rates were up 114%.

Aframax

Aframax spot freight rates exhibited more steady declines over the month. Rates fell back towards the upper range of the previous five years as supply concerns eased. On average, rates were down 20% from levels in the previous month, with losses more measured around the Mediterranean. Compared with the same month in 2025, Aframax rates were around 38% higher.

Spot freight rates on the Indonesia-to-East route continued to fall in June, drifting down from elevated levels in April and May. Compared with the previous month, rates declined 27%, m-o-m, to average WS162. Y-o-y, rates on the route were up by 37%.

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

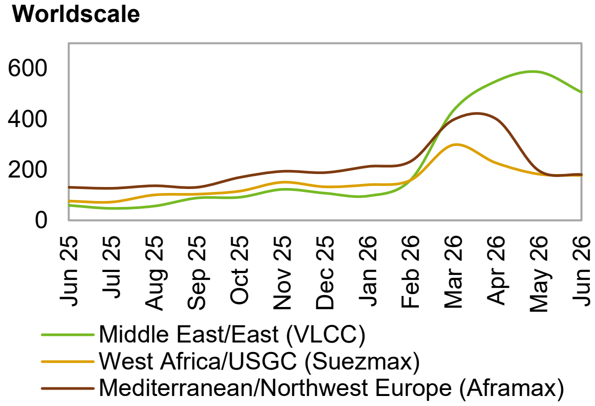
Aframax	Size *1,000 DWT*	Apr 26	May 26	Jun 26	*Change* Jun 26/May 26
Indonesia/East	80-85	262	221	162	-59
Caribbean/US East Coast	80-85	530	299	204	-95
Mediterranean/Mediterranean	80-85	339	204	188	-16
Mediterranean/Northwest Europe	80-85	401	197	181	-16

Sources: Argus and OPEC.

On the Caribbean-to-US East Coast (USEC) route, rates fell 32%, m-o-m, to average W204. The decline came amid lower activities for most of the month. Compared with the same month last year, rates were up 34%.

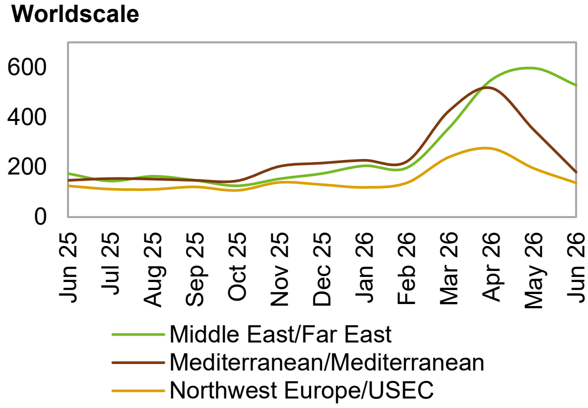
Cross-Med rates exhibited a lesser decline of 8%, m-o-m, supported by a stronger start to the month. Rates average WS188 in June, around 40% higher than the same month last year. Rates on the Med-to-Northwest Europe (NWE) route followed a similar dynamic, falling 8%, m-o-m, to average WS181. Compared with the same month in 2025, rates were 38% higher.

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 declined across all monitored routes amid ample tanker availability. The East of Suez market registered a decline of 15%, m-o-m. In the West of Suez, rates declined by 44%, m-o-m. Compared with the same month in 2025, average Aframax rates remained elevated at 65% above year-ago levels

Rates on the Middle East-to-East route were assessed at WS528, down 11%, m-o-m. Compared with June 2025, rates were 203% higher. Clean spot freight rates on the Singapore-to-East route fell 22%, m-o-m, to average WS237. Y-o-y, rates on the route were up 39%.

Rates on the NWE-to-USEC route declined 30% to average WS137. This represented an increase of 10%, y-o-y. Rates on the Cross-Med and Med-to-NWE routes fell 48% and 47%, respectively, m-o-m, to average WS180 and WS190. Y-o-y, spot freight rates were up by around 22% on both routes.

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

East of Suez	Size *1,000 DWT*	Apr 26	May 26	Jun 26	*Change* Jun 26/May 26
Middle East/East	30-35	549	596	528	-68
Singapore/East	30-35	317	302	237	-65
West of Suez					
Northwest Europe/US East Coast	33-37	274	195	137	-58
Mediterranean/Mediterranean	30-35	516	349	180	-169
Mediterranean/Northwest Europe	30-35	526	359	190	-169

Sources: Argus and OPEC.

Crude and Refined Products Trade

US crude imports declined further to average 5.4 mb/d in June, while crude exports continued to retreat from record high levels to average 4.4 mb/d. US product imports fell below the five-year range, averaging 1.6 mb/d, despite higher gasoline inflows. Product exports fell further from April's record high, averaging 7.6 mb/d.

OECD Europe crude imports are estimated to have increased further in May, averaging 8.8 mb/d. Product imports partly recovered, though they remained well below the five-year range at 2.2 mb/d. Product exports from the region fell below the five-year average to 2.1 mb/d, with declines across all major products.

In Japan, crude imports partially recovered in May but remained well below year-ago levels, averaging 1.5 mb/d, as released volumes from strategic reserves reduced demand for crude imports. Product imports, including LPG, increased, m-o-m, averaging 735 tb/d, as naphtha imports rebounded to pre-crisis levels.

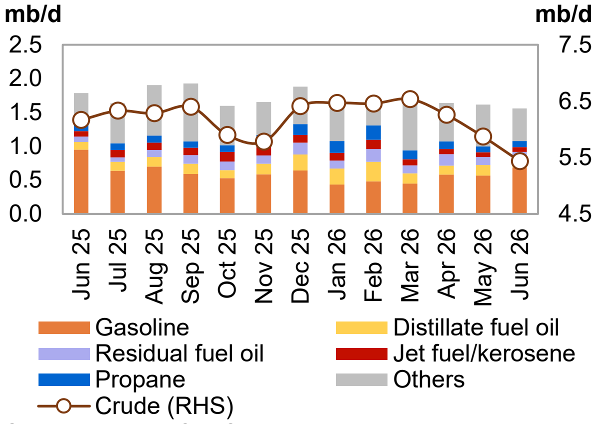
China's crude oil imports fell to 7.8 mb/d in May as refiners reduced runs and sourced crude from inventories. Product imports, including LPG, remained stable at low levels, averaging 1.2 mb/d, supported by a recovery in LPG inflows. China's product exports fell to 787 tb/d, as outflows remained limited despite a slight loosening of government restrictions on exports.

In India, crude imports continued to recover in May, averaging 5.1 mb/d amid a partial rebound in some Mideast flows. India's product imports recovered from historically low levels, averaging 814 tb/d. Product exports averaged 938 tb/d in May, largely supported by higher naphtha outflows.

US

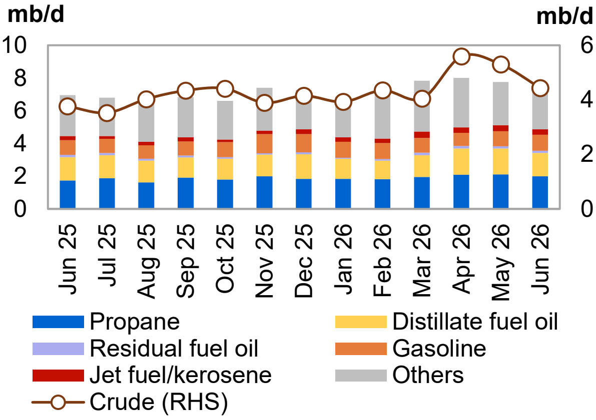
US crude imports averaged 5.4 mb/d in June, according to preliminary EIA weekly data. Compared with the previous month, this was down 433 tb/d, or over 7%. Declines were seen coming from Saudi Arabia, Colombia, Brazil, Canada and Nigeria, which were slightly offset by higher flows from Venezuela and Libya. Flows to the US West Coast were the primary driver behind the decline, according to Kpler data. On a y-o-y basis, crude imports were down 730 tb/d, or almost 12%, EIA data showed. In the first half of 2026, crude imports into the US were broadly stable compared to the same period last year, edging up by less than 1%.

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 fell back in June, averaging 4.4 mb/d. This indicates a decline of 868 tb/d, or over 16%, m-o-m, amid lower flows to Europe. However, compared with the same month last year, US crude oil exports were up 670 tb/d, or almost 18%. In the first half of 2026, US crude exports averaged 4.6 mb/d, around 682 tb/d, or over 17% higher than in 1H25. Gains were due to higher flows to Europe and Asia, with a notable jump in flows to Japan.

In June, US net crude imports averaged 1.0 mb/d, compared with just 569 tb/d the month before and 2.4 mb/d in June 2025.

In the oil products trade, US imports fell to a 20-month low of 1.6 mb/d in June, down by 59 tb/d, or about 4%, m-o-m. Increased gasoline imports were offset by declines in the other products category and in distillate and residual fuel oil. Compared with the same month a year earlier, product inflows were down by 227 tb/d, or about 13%.

Product exports declined for the second month in a row but remained close to record levels. Outflows averaged 7.6 mb/d in June, down 195 tb/d, or about 3%, m-o-m. Lower gasoline exports were the main driver of the decline. Compared with the same month last year, product exports were up by about 600 tb/d, or almost 9%.

As a result, net product exports averaged just under 6 mb/d in June, compared with over 6.1 mb/d in May. A year earlier, net product exports averaged around 5.2 mb/d. Combined net crude and product exports averaged just under 5 mb/d in June, compared with 5.6 mb/d the month before. In the same month last year, net crude and product exports averaged 2.8 mb/d.

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

US	Apr 26	May 26	Jun 26	*Change* Jun 26/May 26
Crude oil	0.66	0.57	1.00	0.43
Total products	-6.38	-6.13	-5.99	0.14
Total crude and products	**-5.72**	**-5.56**	**-4.99**	**0.57**

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

OECD Europe

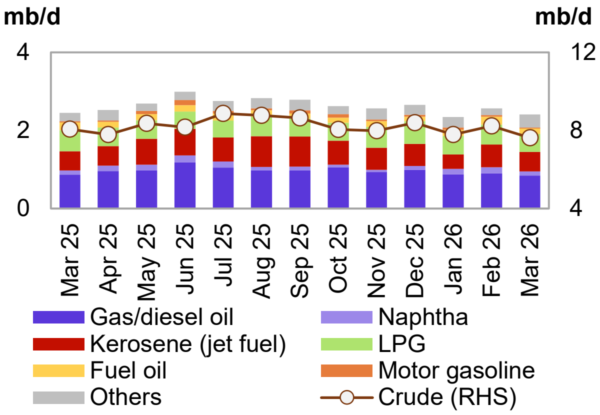
The latest official regional data for OECD Europe shows that crude imports into the region in March averaged 7.6 mb/d. This represented a decline of 608 tb/d, or about 7%, m-o-m. Y-o-y, crude imports were lower by 437 tb/d, or over 5%.

The US was the top crude supplier from outside the region, providing 1.6 mb/d in March, down from about 1.8 mb/d in February. Saudi Arabia was second with 888 tb/d, followed by Libya with 852 tb/d.

Crude exports from OECD Europe averaged 87 tb/d in March, compared with 77 tb/d the month before. In the same month last year, crude exports averaged 140 tb/d.

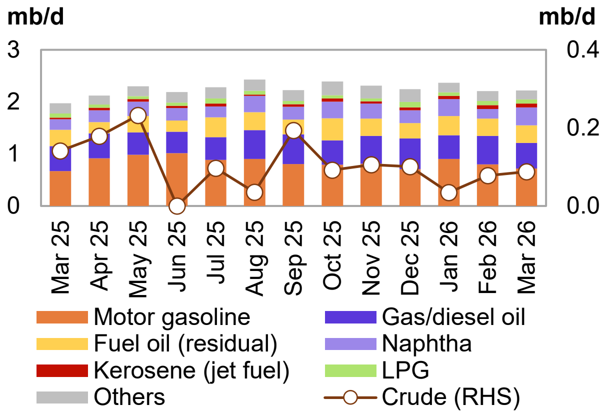
Net crude imports averaged 7.5 mb/d in March, compared with almost 8.2 mb/d a month earlier and 7.9 mb/d in March 2025.

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 2.4 mb/d in March, representing a drop of 154 tb/d, or around 6%, m-o-m. Declines came largely from kerosene-type jet fuel, fuel oil, and diesel oil, as well as LPG and naphtha, while ethane imports increased. Y-o-y, product inflows slipped 36 tb/d, or less than 2%.

Product exports edged up slightly in March, averaging 2.2 mb/d, an increase of less than 1%, m-o-m. Higher naphtha outflows were offset by lower exports of gasoline and diesel oil. Compared with March 2025, product exports were 249 tb/d, or about 13%, higher.

Net product imports averaged 194 tb/d in March, compared with 362 tb/d the month before and 480 tb/d in March 2025. Combined net crude and product imports averaged 7.7 mb/d in March 2026, compared with 8.5 mb/d a month earlier and 8.4 mb/d a year ago.

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

OECD Europe	Jan 26	Feb 26	Mar 26	Change Mar 26/Feb 26
Crude oil	7.75	8.16	7.54	-0.62
Total products	-0.02	0.36	0.19	-0.17
Total crude and products	**7.73**	**8.52**	**7.74**	**-0.79**

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

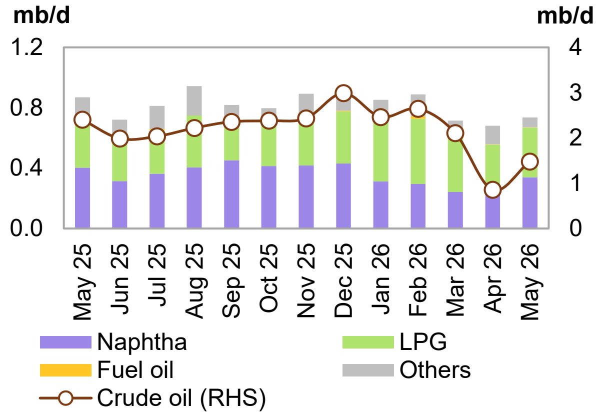
Sources: IEA and OPEC.

Japan

Japan's crude imports partially recovered in May but remained well below year-ago levels. Crude inflows averaged 1.5 mb/d, representing an increase of 626 tb/d, or over 73%, m-o-m. The UAE was Japan's top supplier, accounting for 44%, followed by Saudi Arabia at 28%. The US was third with a 22% share, up from just 7% the month before.

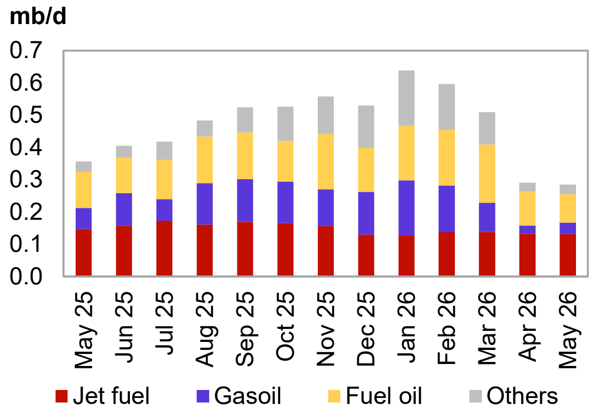
Y-o-y, crude imports were down 924 tb/d, or around 38%. Relatively high refinery runs during the month suggest that the release of strategic reserves offset some of this decline. Japan began releasing the equivalent of 20 demand days of oil from the national reserves in early May. This, in addition to a previously approved release of the equivalent of 50 demand days' worth of oil in March.

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, also increased, m-o-m, averaging 735 tb/d in May, which was still around 18% below pre-crisis levels. In monthly terms, this represents a gain of 55 tb/d, or 8%, as naphtha imports largely returned to pre-crisis levels. Y-o-y, imports were down by 134 tb/d, or about 16%.

Product exports, including LPG, remained muted in May, averaging 285 tb/d. Compared to the previous month, exports declined further 2%. Except for gasoil, all major products declined, m-o-m, led by the drop in fuel oil imports. Compared with May 2025, product outflows were down 72 tb/d, or around 20%.

As a result, Japan's net product imports, including LPG, averaged 450 tb/d in May, compared with 388 tb/d in the previous month and 513 tb/d a year earlier.

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

Japan	Mar 26	Apr 26	May 26	Change May 26/Apr 26
Crude oil	2.11	0.85	1.48	0.63
Total products	0.21	0.39	0.45	0.06
Total crude and products	**2.31**	**1.24**	**1.93**	**0.69**

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

Sources: METI and OPEC.

China

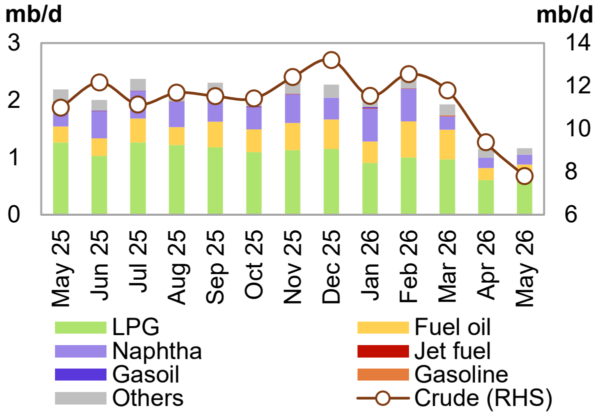
In May, China's crude oil imports fell to 7.8 mb/d, a decline of 1.6 mb/d, or almost 17%, m-o-m. Russia remained China's top crude supplier in May, averaging 1.9 mb/d, down from 2.2 mb/d in the previous month. This accounted for 25% of imports, up from 23% in March. Saudi Arabia was the second-largest supplier with

1.3 mb/d, up from 1.2 mb/d the month before, representing a 17% share. Brazil followed with 1.25 mb/d, accounting for 16% of imports. The decline in imports since the end of February has coincided with a measured slowdown in refinery runs over the same period. Compared with the same month in 2025, China's crude imports were down by almost 3.2 mb/d, or 29%.

Product imports, including LPG, remained stable at low levels, averaging 1.2 mb/d in May, which represents a slight 1% gain. Declines across most major products were offset by a recovery in LPG imports. Y-o-y, product imports were down by around 1 mb/d, or about 47%.

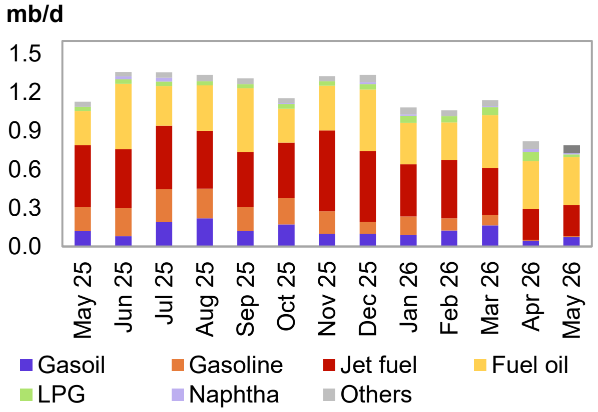
China's product exports, including LPG, averaged 787 tb/d in May. This represents a drop of 33 tb/d, or 4%, m-o-m. LPG outflows led declines, offset by higher diesel exports following a slight easing of government restrictions on product exports. Compared with the same month last year, product outflows were 341 tb/d, or 30%, lower.

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.

Net product imports averaged 376 tb/d in May, up slightly from 331 tb/d the month before but well below the 1.1 mb/d registered a year ago.

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

China	Mar 26	Apr 26	May 26	Change May 26/Apr 26
Crude oil	11.76	9.32	7.72	-1.59
Total products	0.79	0.33	0.38	0.04
Total crude and products	**12.54**	**9.65**	**8.10**	**-1.55**

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

Sources: GACC and OPEC.

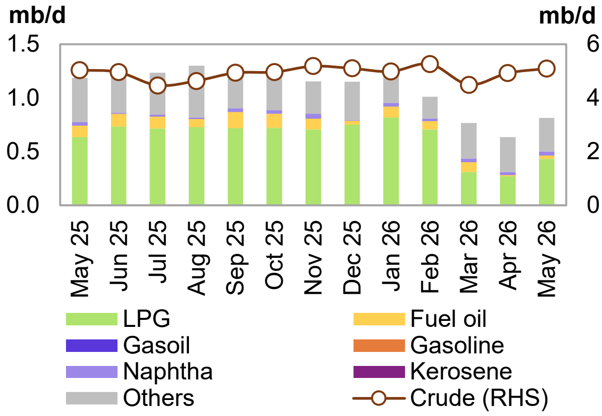
India

India's crude imports continued to recover in May, increasing for the second month in a row to average 5.1 mb/d. This represents a rise of 169 tb/d, or more than 3%. According to Kpler data, Russia was the leading supplier in May, averaging 2.1 mb/d, up from 1.7 mb/d in the previous month. The United Arab Emirates was the second-largest supplier with 611 tb/d, up from 567 tb/d in April, followed by Saudi Arabia with 350 tb/d, down from 670 tb/d the month before. Compared with the same month last year, crude imports were 56 tb/d, or about 1% lower than the same month last year.

India's product imports recovered from historically low levels, averaging 814 tb/d in May. M-o-m, product imports increased 180 tb/d, or 28%. Gains were led by LPG, which recovered to about half its pre-crisis level, amid government efforts to ensure subsidised clean cooking for lower-income households. Y-o-y, product imports were still down 372 tb/d, or 31%.

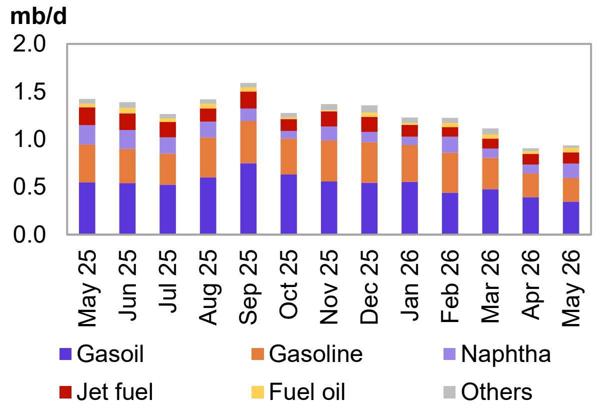
Product exports averaged 938 tb/d in May, representing a m-o-m increase of 31 tb/d, or about 3%. Higher exports were driven primarily by naphtha, with some support from fuel oil, while diesel oil led the declines. Y-o-y, India's product exports fell 485 tb/d, or 34%.

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.

Consequently, India's net product exports averaged 124 tb/d. This compares with net exports of 273 tb/d in the previous month and 237 tb/d in the same month of 2025.

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

India	Mar 26	Apr 26	May 26	Change May 26/Apr 26
Crude oil	4.49	4.92	5.09	0.17
Total products	-0.35	-0.27	-0.12	0.15
Total crude and products	**4.14**	**4.65**	**4.97**	**0.32**

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

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

Sources: PPAC and OPEC.

Eurasia

Total crude oil exports from Russia and Central Asia averaged 6.9 mb/d in May, representing an increase of 312 tb/d, or almost 5%, m-o-m. Gains came primarily on the Transneft system, with Black Sea flows up 155 tb/d or almost 33% over the period, while Baltic exports rose 101 tb/d, or over 6%. Flows from the CPC terminal in Novorossiysk also increased 121 tb/d or almost 8%. Y-o-y, exports were up 504 tb/d or around 8%.

In total, the Transneft system experienced a 329 tb/d, or almost 9%, m-o-m increase in May. Compared with the same month in 2025, crude outflows via the Transneft system rose 319 tb/d, or over 8%, y-o-y. Flows from Transneft's port in Novorossiysk were up 132 tb/d or over 26%, y-o-y. In the Baltic Sea, Transneft's crude flows from Primorsk rose 37 tb/d, or about 3%, m-o-m, while flows from Ust-Luga rose 64 tb/d, or almost 13%, m-o-m, in May. Compared to the same month last year, crude exports from Primorsk jumped 280 tb/d, or 20%, y-o-y, while flows from Ust-Luga slipped by 11 tb/d, or around 2%.

Shipments via the Druzhba pipeline continued to recover from the low levels seen in February and March, when flows were impacted by a disruption in the spur leading to Hungary and Slovakia. Exports on the pipeline increased 76 tb/d, or almost 72%, m-o-m, to average 182 tb/d in May. This was still down 72 tb/d, or about 28%, compared with the same month last year.

Exports to inland China via the ESPO pipeline edged down 6 tb/d, or about 1%, m-o-m, to average 610 tb/d. Flows on the pipeline were 22 tb/d, or around 3%, lower, y-o-y. Exports from the Pacific port of Kozmino were broadly unchanged, m-o-m, up by just 3 tb/d, or less than 1%. Flows via the Kozmino port were in line with year-ago levels.

In the Lukoil system, exports via the Varandey offshore platform in the Barents Sea averaged 116 tb/d, representing a decline of 68 tb/d, or about 37%, m-o-m, and an increase of 10 tb/d compared with the same month last year.

In Russia's Far East, exports from Aniva Bay rose 23 tb/d, or 31%, m-o-m, while flows via De Kastri fell 31 tb/d, or 13%, m-o-m. Combined, the two ports exported an average of 301 tb/d in May, down 8 tb/d, or about 3%, y-o-y. Meanwhile, Central Asian exports averaged 225 tb/d for the month, representing a decline of 20 tb/d, m-o-m, but just 2 tb/d, y-o-y.

Crude flows via the CPC terminal on the Black Sea reached a nine-month high in May, averaging 1.7 mb/d. This represented a gain of 121 tb/d, or about 8%, m-o-m, and a 200 tb/d, or 13%, y-o-y increase.

Exports via the BTC pipeline declined further, down 42 tb/d, or about 8%, m-o-m, to average 499 tb/d. This was the first time below 500 tb/d in around four years. Y-o-y, exports on the pipeline down 69 tb/d, or about 12%.

Total product exports from Russia and Central Asia fell a further 105 tb/d, or about 5%, m-o-m, to average just under 2 mb/d. Gasoil, fuel oil, and naphtha led declines, slightly offset by higher VGO outflows. Y-o-y, total product exports were down 548 tb/d, or about 22%, with gasoline and gasoil leading declines.

Commercial Stock Movements

According to preliminary May 2026 data, OECD commercial oil inventories dropped by 21.8 mb, m-o-m, to stand at 2,770 mb. At this level, OECD commercial stocks were 31.4 mb lower, y-o-y, 48.6 mb below the latest five-year average, and 185.8 mb below the 2015–2019 average. Within the components, crude stocks decreased by 6.9 mb, m-o-m, while product stocks decreased by 15.0 mb.

OECD commercial crude oil stocks stood at 1,364 mb in May. This is 4.3 mb higher, y-o-y, 10.9 mb below the latest five-year average and 121.6 mb below the 2015–2019 average.

OECD total product stocks stood at 1,406 mb in May. This is 35.6 mb lower, y-o-y, 37.7 mb below the latest five-year average and 64.2 mb below the 2015–2019 average.

In terms of days of forward cover, OECD commercial stocks fell by 1.3 days, m-o-m, in May, to 59.8 days. This is 0.5 days lower, y-o-y, 1.3 days below the latest five-year average and 2.2 days below the 2015–2019 average.

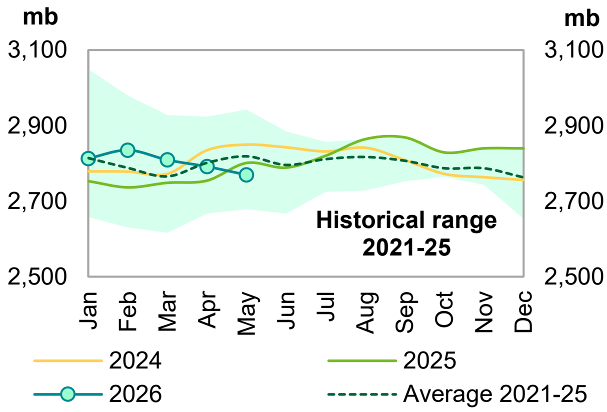
OECD

Preliminary May 2026 data show OECD commercial inventories fell by 21.8 mb, m-o-m, to 2,770 mb, 31.4 mb below May 2025, 48.6 mb below the latest five-year average and 185.8 mb below the 2015–2019 average. Within the components, crude stocks decreased by 6.9 mb, while product stocks fell by 15.0 mb, m-o-m.

Within the OECD regions, OECD Europe and OECD America experienced stock draws in May, m-o-m, while OECD Asia Pacific recorded a stock build.

OECD commercial crude stocks decreased by 6.9 mb, m-o-m, to end May at 1,364 mb. This is 4.3 mb higher than a year earlier, 10.9 mb below the latest five-year average and 121.6 mb below the 2015–2019 average.

Graph 9 - 1: OECD commercial oil stocks



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

Within the OECD regions, crude stocks in OECD America fell by 16.5 mb, m-o-m, while crude stocks in OECD Europe and OECD Asia Pacific increased by 0.6 mb and 9.0 mb, respectively.

OECD total product stocks fell by 15.0 mb, m-o-m, to 1,406 mb. This is 35.6 mb lower than the same time a year ago, 37.7 mb below the latest five-year average and 64.2 mb below the 2015–2019 average.

Within the OECD regions, product stocks in OECD America and OECD Europe experienced draws of 16.0 mb and 5.5 mb, m-o-m, respectively, while OECD Asia Pacific product stocks rose by 6.6 mb, m-o-m.

Table 9 - 1: OECD commercial stocks, mb

OECD stocks	May 25	Mar 26	Apr 26	May 26	Change May 26/Apr 26
Crude oil	1,360	1,350	1,371	1,364	-6.9
Products	1,442	1,459	1,421	1,406	-15.0
Total	**2,801**	**2,809**	**2,792**	**2,770**	**-21.8**
Days of forward cover	**60.3**	**61.8**	**61.1**	**59.8**	**-1.3**

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

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

In terms of days of forward cover, OECD commercial stocks fell by 1.3 days, m-o-m, in May, to 59.8 days. This is 0.5 days lower than May 2025, 1.3 days below the latest five-year average and 2.2 days below the 2015–2019 average.

Regionally, OECD America was 3.1 days below the latest five-year average, at 56.4 days. OECD Europe was 0.7 days below the latest five-year average, at 68.6 days. OECD Asia Pacific was 4.2 days above the latest five-year average, at 55.0 days.

OECD Americas

OECD Americas' total commercial stocks decreased by 32.4 mb, m-o-m, in May, to settle at 1,473 mb. This is 24.1 mb lower than the same month in 2025, 38.8 mb below the latest five-year average and 79.0 mb below the 2015–2019 average.

Commercial crude oil stocks in the OECD Americas fell by 16.5 mb, m-o-m, in May, to 750 mb. This is 1.7 mb higher than in May 2025, but 20.7 mb below the latest five-year average and 54.7 mb below the 2015–2019 average.

OECD Americas' total product stocks fell by 16.0 mb, m-o-m, to 724 mb in May. This is 25.8 mb lower than a year earlier, 18.1 mb below the latest five-year average and 24.3 mb below the 2015–2019 average.

OECD Europe

OECD Europe's total commercial stocks fell by 4.9 mb, m-o-m, in May, to settle at 931 mb. This is 6.3 mb lower than the same month in 2025, 24.1 mb below the latest five-year average and 57.5 mb below the 2015–2019 average.

OECD Europe's commercial crude stocks increased by 0.6 mb, m-o-m, to end May at 415 mb. This is 2.9 mb lower than one year earlier, 6.3 mb below the latest five-year average and 20.4 mb below the 2015–2019 average.

OECD Europe's total product stocks decreased by 5.5 mb, m-o-m, to end May at 516 mb. This is 3.3 mb lower than the same time a year earlier, 17.8 mb below the latest five-year average and 37.1 mb below the 2015–2019 average.

OECD Asia Pacific

OECD Asia Pacific's total commercial oil stocks increased by 15.6 mb, m-o-m, in May, to stand at 366 mb. This is 0.9 mb lower than the same time a year earlier and 49.3 mb below the 2015–2019 average, but 14.3 mb above the latest five-year average.

OECD Asia Pacific's crude stocks increased by 9.0 mb, m-o-m, to end May at 199 mb. This is 5.5 mb higher than the level recorded in the same month one year earlier and 16.1 mb above the latest five-year average, but 46.5 mb below the 2015–2019 average.

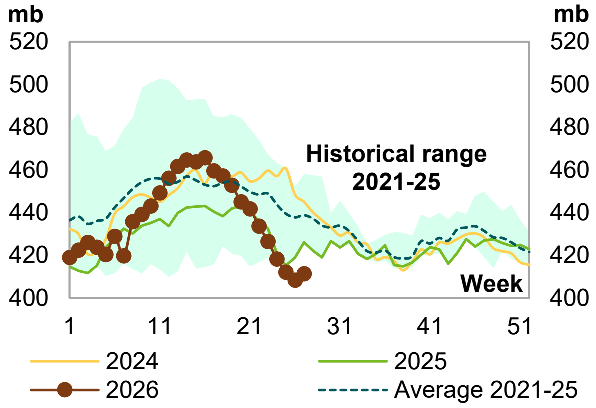
OECD Asia Pacific's product stocks increased by 6.6 mb, m-o-m, to end May at 166 mb. This is 6.5 mb lower than one year earlier, 1.8 mb below the latest five-year average and 2.8 mb below the 2015–2019 average.

US

Preliminary data for June 2026 show that total US commercial oil stocks decreased by 14.8 mb, m-o-m, to stand at 1,202 mb. This is 43.0 mb, or 3.5%, lower than the same month in 2025 and 48.2 mb below the latest five-year average. Crude stocks were down by 25.4 mb, m-o-m, while product stocks increased by 10.6 mb, m-o-m.

US commercial crude stocks in June stood at 408 mb. This is 5.5 mb lower than the same month in 2025 and 26.6 mb, or 6.1%, below the latest five-year average. The monthly draw in crude oil stocks was driven primarily by higher crude runs despite a slowdown in crude exports.

Graph 9 - 2: US weekly commercial crude oil inventories



Sources: EIA and OPEC.

Commercial Stock Movements

Total product stocks increased by 10.6 mb in June, m-o-m, to 793 mb. This is 37.5 mb, or 4.5%, lower than at the same time last year and 21.5 mb, or 2.6%, below the latest five-year average.

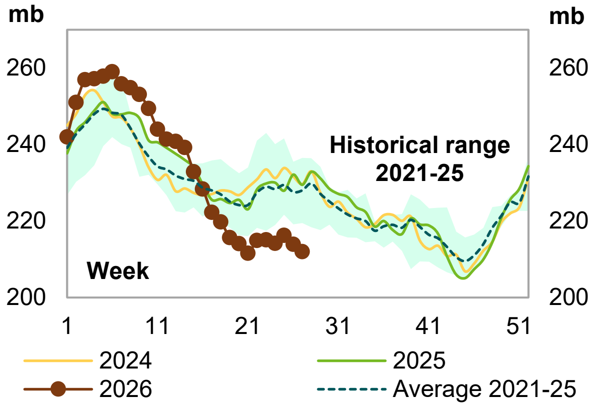
Gasoline stocks dropped in June by 1.0 mb, m-o-m, to settle at 214 mb. This is 18.9 mb, or 8.1%, lower than the same month in 2025 and 15.2 mb, or 6.6%, below the latest five-year average.

Distillate stocks increased by 6.3 mb, m-o-m, to 109 mb. This is 0.2 mb, or 0.2%, higher than the same month a year earlier, but 10.5 mb, or 8.8%, below the latest five-year average.

By contrast, residual fuel oil stocks decreased by 1.8 mb, m-o-m. At 21 mb, they were 2.1 mb, or 9.2%, lower than last year's level and 7.7 mb, or 27.1%, below the latest five-year average.

Jet fuel stocks increased by 2.7 mb, m-o-m, ending June at 48 mb. This is 3.6 mb, or 8.1%, higher than the same month in 2025 and 4.9 mb, or 11.4%, above 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	Jun 25	Apr 26	May 26	Jun 26	*Change* Jun 26/May 26
Crude oil	**413.9**	**450.2**	**433.7**	**408.4**	***-25.4***
Gasoline	232.8	221.7	215.0	214.0	*-1.0*
Distillate fuel	108.4	106.0	102.3	108.6	*6.3*
Residual fuel oil	22.7	23.5	22.4	20.6	*-1.8*
Jet fuel	44.4	44.2	45.4	48.0	*2.7*
Total products	**830.7**	**796.8**	**782.6**	**793.2**	***10.6***
Total	**1,244.6**	**1,247.0**	**1,216.4**	**1,201.6**	***-14.8***
SPR	**403.0**	**394.5**	**357.1**	**325.7**	***-31.5***

Sources: EIA and OPEC.

Japan

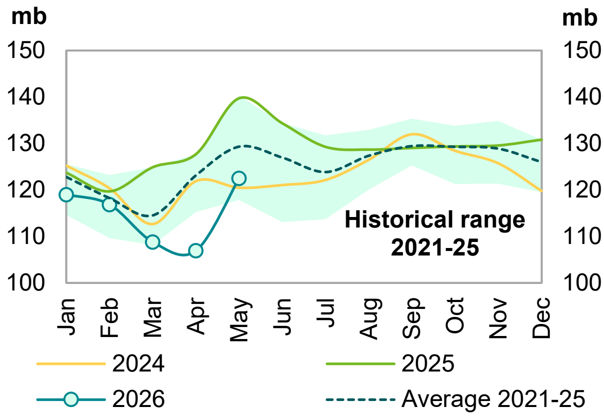
In Japan, total commercial oil stocks in May 2026 increased by 15.6 mb, m-o-m, to 123 mb. This is 17.2 mb, or 12.3%, lower than the same month in 2025 and 6.8 mb, or 5.3%, below the latest five-year average. Crude stocks increased by 9.0 mb, while product stocks increased by 6.6 mb, m-o-m.

Japanese commercial crude oil stocks increased by 9.0 mb, m-o-m, to stand at 63.9 mb. This is 13.9 mb, or 17.8%, lower than the same month in 2025 and 6.7 mb, or 9.5%, below the latest five-year average.

Gasoline stocks decreased in May by 0.4 mb, m-o-m, to stand at 11 mb. This is 0.7 mb, or 5.9%, lower than the level recorded a year earlier and 0.9 mb, or 7.7%, below the latest five-year average. The draw in gasoline stocks was driven by increased imports.

Middle distillate stocks increased by 4.6 mb, m-o-m, to end May at 26 mb. This is 2.4 mb, or 8.6%, lower than the same month in 2025 and 0.3 mb, or 1.3%, above the latest five-year average. Among distillate components, jet fuel oil stocks increased by 14.9%, kerosene stocks increased 28.2%, and gasoil stocks increased 43.3%, m-o-m.

Graph 9 - 4: Japan's commercial oil stocks



Sources: METI and OPEC.

Total residual fuel oil stocks increased by 0.6 mb, m-o-m, to end May at 12.5 mb. At this level, they are 0.3 mb, or 2.4%, lower than the same month a year ago and 0.1 mb, or 1.0%, above the latest five-year average. Within the components, fuel oil A stocks were down by 6.7%, while fuel oil B.C stocks were up by 3.1%, m-o-m.

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

Japan's stocks	May 25	Mar 26	Apr 26	May 26	*Change May 26/Apr 26*
Crude oil	**77.8**	**58.9**	**54.9**	**63.9**	***9.0***
Gasoline	11.6	10.2	11.4	10.9	*-0.4*
Naphtha	9.6	8.0	7.8	9.6	*1.9*
Middle distillates	28.0	19.3	21.0	25.5	*4.6*
Residual fuel oil	12.8	12.4	11.9	12.5	*0.6*
Total products	**62.0**	**49.9**	**52.1**	**58.6**	***6.6***
Total**	**139.7**	**108.8**	**106.9**	**122.5**	***15.6***

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

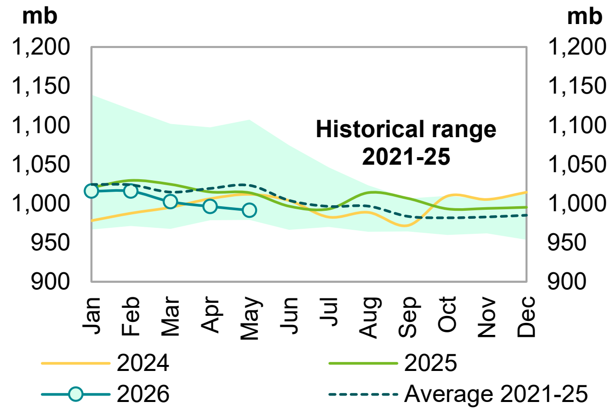
Sources: METI and OPEC.

EU-14 plus the UK and Norway

Preliminary data for May 2026 show that total European oil stocks dropped by 4.9 mb, m-o-m, to stand at 991 mb. At this level, they were 22.4 mb, or 2.2%, lower than the same month in 2025, and 32.0 mb, or 3.1%, below the latest five-year average. Crude stocks increased by 0.6 mb, m-o-m, while product stocks fell by 5.5 mb, m-o-m.

European crude stocks stood at 427 mb in May. This is 12.5 mb, or 2.8%, lower than the same month in 2025, but 7.4 mb, or 1.8%, above the latest five-year average. The increase in crude oil stocks occurred despite a 590 tb/d increase in refinery throughput.

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



Sources: OilX and OPEC.

Total European product stocks fell by 5.5 mb, m-o-m, to end May at 564 mb. This is 9.9 mb, or 1.7%, lower than the same month in 2025, and 39.4 mb, or 6.5%, below the latest five-year average. The product stock draw may be attributed to higher demand in 2Q26.

Gasoline stocks decreased in May by 4.4 mb, m-o-m, to stand at 107 mb. This is 3.1 mb, or 2.8%, lower than the same time in 2025 and 2.1 mb, or 1.9%, below the latest five-year average.

Middle distillate stocks also fell in May by 1.0 mb, m-o-m, to 366 mb. This is 7.8 mb, or 2.1%, lower than the same month in 2025 and 32.3 mb, or 8.1%, below the latest five-year average.

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

EU stocks	May 25	Mar 26	Apr 26	May 26	*Change May 26/Apr 26*
Crude oil	**439.5**	**426.5**	**426.5**	**427.1**	***0.6***
Gasoline	110.2	113.0	111.6	107.2	*-4.4*
Naphtha	29.6	30.6	29.7	29.6	*-0.1*
Middle distillates	374.3	371.6	367.4	366.5	*-1.0*
Fuel oils	60.1	60.6	61.0	60.9	*-0.1*
Total products	**574.1**	**575.8**	**569.7**	**564.2**	***-5.5***
Total	**1,013.6**	**1,002.3**	**996.2**	**991.3**	***-4.9***

Sources: OilX and OPEC.

Similarly, naphtha stocks decreased by 0.1 mb, m-o-m, in May, ending the month at 30 mb. This is 0.1 mb, or 0.2%, higher than the same month in 2025 and 1.8 mb, or 5.9%, below the latest five-year average.

Residual fuel stocks decreased by 0.1 mb, m-o-m, in May, to 61 mb. This is 0.8 mb, or 1.4%, higher than the same month in 2025, but 3.1 mb, or 4.9%, below the latest five-year average.

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

Singapore

In May, total product stocks in Singapore decreased by 5.0 mb, m-o-m, to 41 mb. This is 4.4 mb, or 9.6%, lower than the same month in 2025 and 3.9 mb, or 8.8%, below the latest five-year average.

Light distillate stocks decreased by 2.6 mb, m-o-m, in May, to 13 mb. This is 0.2 mb, or 1.7%, lower than the same month a year earlier and 1.5 mb, or 10.8%, below the latest five-year average.

Middle distillate stocks decreased by 2.8 mb, m-o-m, in May, to 8 mb. This is 1.6 mb, or 16.8%, lower than the same month in 2025 and 1.4 mb, or 15.1%, below the latest five-year average.

Fuel oil stocks increased by 0.4 mb, m-o-m, ending May at 20 mb. This is 2.5 mb, or 11.2%, lower than a year ago and 0.9 mb, or 4.5%, below the latest five-year average.

ARA

Total product stocks in ARA in May fell by 1.3 mb, m-o-m. At 34 mb, they were 8.6 mb, or 20.1%, lower than the same month in 2025 and 9.5 mb, or 21.6%, below the latest five-year average.

Gasoline stocks fell by 0.6 mb, m-o-m, ending May at 9 mb. This is 0.1 mb, or 1.1%, higher than in May 2025 and 0.7 mb, or 7.0%, below the latest five-year average.

Fuel oil stocks fell by 0.7 mb, m-o-m, in May, to 4 mb. This is 3.8 mb, or 51.2%, lower than the May 2025 level and 4.6 mb, or 56.2%, below the latest five-year average.

Gasoil stocks fell by 0.1 mb, m-o-m, in May, to 14 mb. This is 1.3 mb, or 8.4%, lower than the same month in 2025 and 1.7 mb, or 11.3%, below the latest five-year average.

Jet oil stocks dropped by 0.1 mb, m-o-m, to stand at 4 mb in May. This is 2.4 mb, or 36.0%, lower than the May 2025 level and 2.9 mb, or 40.2%, below the latest five-year average.

Fujairah

During the week ending 6 July 2026, total oil product stocks in Fujairah increased by 2.13 mb, w-o-w, to stand at 10.13 mb, according to data from FEDCom and S&P Global Commodity Insights. At this level, total oil stocks were 10.56 mb lower than at the same time in 2025.

Light distillate stocks increased by 0.38 mb, w-o-w, to stand at 1.58 mb, 6.55 mb lower, y-o-y. Middle distillate stocks fell by 0.26 mb, w-o-w, to 1.24 mb, 1.07 mb lower, y-o-y, while heavy distillate stocks increased by 2.02 mb, w-o-w, to stand at 7.32 mb, 2.94 mb below year-earlier levels.

Balance of Supply and Demand

The demand for DoC crude (i.e., crude from countries participating in the DoC) in 2026 is revised down by 0.2 mb/d from last month's assessment to 42.3 mb/d, the same level as in 2025.

The demand for DoC crude in 2027 remains unchanged from the previous month's assessment to stand at 43.6 mb/d, which is about 1.2 mb/d above the 2026 forecast.

Balance of supply and demand in 2026

Demand for DoC crude

The demand for DoC crude (i.e., crude from countries participating in the DoC) in 2026 is revised down by 0.2 mb/d from last month's assessment to 42.3 mb/d, the same level as in 2025.

Table 10 - 1: DoC production/demand balance for 2026*, mb/d

	2025	1Q26	2Q26	3Q26	4Q26	2026	Change 2026/25
(a) World oil demand	**105.2**	**106.0**	**103.7**	**106.4**	**107.7**	**105.9**	***0.8***
Non-DoC liquids production	54.2	54.5	54.2	55.0	55.6	54.8	*0.6*
DoC NGL and non-conventionals	8.6	8.7	8.7	8.7	8.9	8.8	*0.1*
(b) Total non-DoC liquids production and DoC NGLs	**62.8**	**63.2**	**62.9**	**63.8**	**64.5**	**63.6**	***0.8***
Difference (a-b)	**42.3**	**42.8**	**40.7**	**42.6**	**43.3**	**42.3**	***0.0***
DoC crude oil production	**41.9**	**39.9**	**34.3**				
Balance	**-0.4**	**-2.9**	**-6.4**				

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

Source: OPEC.

Balance of supply and demand in 2027

Demand for DoC crude

The demand for DoC crude in 2027 remains unchanged from the previous month's assessment to stand at 43.6 mb/d, which is about 1.2 mb/d above the 2026 forecast.

Table 10 - 2: DoC production/demand balance for 2027*, mb/d

	2026	1Q27	2Q27	3Q27	4Q27	2027	Change 2027/26
(a) World oil demand	**105.9**	**107.7**	**105.8**	**108.3**	**109.6**	**107.9**	***1.9***
Non-DoC liquids production	54.8	55.2	55.2	55.4	56.0	55.5	*0.6*
DoC NGL and non-conventionals	8.8	8.9	8.9	8.9	8.9	8.9	*0.1*
(b) Total non-DoC liquids production and DoC NGLs	**63.6**	**64.1**	**64.0**	**64.3**	**64.9**	**64.3**	***0.7***
Difference (a-b)	**42.3**	**43.6**	**41.8**	**44.1**	**44.8**	**43.6**	***1.2***

*Note: * 2026 and 2027 = 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	2023	2024	2025	1Q26	2Q26	3Q26	4Q26	2026	1Q27	2Q27	3Q27	4Q27	2027
World demand													
Americas	25.1	25.2	25.4	25.5	25.5	26.1	25.6	25.7	25.6	25.5	26.2	25.7	25.8
of which US	*20.4*	*20.6*	*20.7*	*20.8*	*20.9*	*21.3*	*20.9*	*21.0*	*20.9*	*21.0*	*21.4*	*20.9*	*21.0*
Europe	13.4	13.5	13.4	12.9	13.4	13.6	13.3	13.3	13.0	13.5	13.8	13.5	13.4
Asia Pacific	7.2	7.2	7.1	7.3	6.5	6.8	7.3	7.0	7.3	6.6	6.8	7.4	7.0
Total OECD	**45.7**	**45.9**	**45.9**	**45.7**	**45.4**	**46.5**	**46.3**	**46.0**	**45.9**	**45.7**	**46.8**	**46.6**	**46.3**
China	16.4	16.7	16.9	17.2	16.3	17.2	17.3	17.0	17.4	16.6	17.5	17.6	17.3
India	5.3	5.6	5.7	5.9	5.5	5.5	6.1	5.7	6.1	6.0	5.8	6.4	6.1
Other Asia	9.2	9.5	9.9	10.2	10.2	10.0	10.0	10.1	10.5	10.5	10.2	10.3	10.4
Latin America	6.7	6.8	6.9	6.9	7.1	7.1	7.1	7.1	7.1	7.2	7.3	7.2	7.2
Middle East	8.5	8.7	8.8	8.6	8.4	9.0	9.1	8.8	9.0	8.8	9.3	9.4	9.1
Africa	4.7	4.7	4.9	5.1	4.7	5.0	5.4	5.1	5.2	4.9	5.2	5.5	5.2
Russia	3.8	3.9	4.0	4.1	3.9	4.1	4.2	4.1	4.1	3.9	4.1	4.3	4.1
Other Eurasia	1.2	1.3	1.3	1.5	1.3	1.2	1.4	1.3	1.5	1.4	1.2	1.4	1.4
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	0.9
Total Non-OECD	**56.7**	**58.0**	**59.2**	**60.3**	**58.2**	**59.9**	**61.4**	**59.9**	**61.8**	**60.2**	**61.5**	**63.0**	**61.6**
(a) Total world demand	**102.4**	**103.8**	**105.2**	**106.0**	**103.7**	**106.4**	**107.7**	**105.9**	**107.7**	**105.8**	**108.3**	**109.6**	**107.9**
Y-o-y change	***2.5***	***1.5***	***1.3***	***1.7***	***-0.5***	***0.9***	***1.1***	***0.8***	***1.7***	***2.2***	***2.0***	***1.9***	***1.9***
Non-DoC liquids production													
Americas	26.7	27.7	28.3	28.1	28.5	28.8	29.1	28.6	28.6	28.6	28.9	29.1	28.8
of which US	*21.0*	*21.8*	*22.2*	*22.0*	*22.5*	*22.6*	*22.7*	*22.5*	*22.3*	*22.5*	*22.5*	*22.6*	*22.5*
Europe	3.6	3.5	3.6	3.8	3.6	3.5	3.7	3.6	3.6	3.5	3.5	3.6	3.5
Asia Pacific	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
Total OECD	**30.7**	**31.7**	**32.3**	**32.3**	**32.5**	**32.8**	**33.1**	**32.7**	**32.6**	**32.5**	**32.7**	**33.1**	**32.7**
China	4.5	4.6	4.6	4.7	4.7	4.6	4.6	4.6	4.7	4.7	4.6	4.6	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	1.7	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6
Latin America	7.0	7.2	7.5	8.2	8.2	8.1	8.3	8.2	8.4	8.5	8.6	8.7	8.5
Middle East	2.0	2.0	2.0	1.5	1.1	1.9	1.9	1.6	1.8	1.8	1.8	1.8	1.8
Africa	2.2	2.3	2.3	2.2	2.2	2.2	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	**18.6**	**19.0**	**19.3**	**19.6**	**19.1**	**19.7**	**19.9**	**19.6**	**20.1**	**20.1**	**20.1**	**20.3**	**20.1**
Total Non-DoC production	49.4	50.7	51.7	52.0	51.6	52.5	53.0	52.3	52.7	52.6	52.8	53.4	52.9
Processing gains	2.5	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	**51.9**	**53.2**	**54.2**	**54.5**	**54.2**	**55.0**	**55.6**	**54.8**	**55.2**	**55.2**	**55.4**	**56.0**	**55.5**
DoC NGLs	8.4	8.5	8.6	8.7	8.7	8.7	8.9	8.8	8.9	8.9	8.9	8.9	8.9
(b) Total Non-DoC liquids production and DoC NGLs	**60.2**	**61.7**	**62.8**	**63.2**	**62.9**	**63.8**	**64.5**	**63.6**	**64.1**	**64.0**	**64.3**	**64.9**	**64.3**
Y-o-y change	***2.8***	***1.5***	***1.1***	***0.8***	***0.1***	***0.2***	***1.9***	***0.8***	***0.9***	***1.1***	***0.5***	***0.4***	***0.7***
OPEC crude oil production (secondary sources)	27.1	26.6	27.6	25.9	20.0								
Non-OPEC DoC crude production	15.0	14.3	14.3	14.0	14.3								
DoC crude oil production	**42.1**	**40.9**	**41.9**	**39.9**	**34.3**								
Total liquids production	**102.3**	**102.6**	**104.8**	**103.1**	**97.2**								
Balance (stock change and miscellaneous)	*-0.1*	*-1.2*	*-0.4*	*-2.9*	*-6.4*								
OECD closing stock levels, *mb*													
Commercial	2,780	2,756	2,840	2,809									
SPR	1,207	1,245	1,249	1,240									
Total	**3,987**	**4,001**	**4,088**	**4,049**									
Oil-on-water	1,391	1,310	1,546	1,257									
Days of forward consumption in OECD, *days*													
Commercial onland stocks	61	60	62	62									
SPR	26	27	27	27									
Total	**87**	**87**	**89**	**89**									
Memo items													
(a) - (b)	**42.1**	**42.1**	**42.3**	**42.8**	**40.7**	**42.6**	**43.3**	**42.3**	**43.6**	**41.8**	**44.1**	**44.8**	**43.6**

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	2023	2024	2025	1Q26	2Q26	3Q26	4Q26	2026	1Q27	2Q27	3Q27	4Q27	2027
World demand													
Americas	-	-	-	-0.1	0.2	-	-	-	-0.1	0.2	-	-	-
of which US	*-*	*-*	*-*	*-0.1*	*0.2*	*-*	*-*	*-*	*-0.1*	*0.2*	*-*	*-*	*-*
Europe	-	-	-	0.1	-0.1	-0.1	-0.1	-	0.1	-0.1	-	-	-
Asia Pacific	-	-	-	0.1	-	-0.1	-0.1	-	0.1	-	-	-	-
Total OECD	**-**	**-**	**-**	**-**	**0.1**	**-0.1**	**-0.1**	**-**	**-**	**0.1**	**-**	**-**	**-**
China	-	-	-	-	-0.3	-0.1	-	-0.1	-	-0.2	-	-	-
India	-	-	-	-	-0.2	-	-	-0.1	-	-	-	-	-
Other Asia	-	-	-	-	-	-	-	-	-	-	-	-	-
Latin America	-	-	-	-	-	-	-	-	-	-	-	-	-
Middle East	-	-	-	-	-	-	-	-	-	0.1	-	-	-
Africa	-	-	-	-	-0.1	-	-	-	-	-0.1	-	-	-
Russia	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Eurasia	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Europe	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OECD	**-**	**-**	**-**	**-**	**-0.6**	**-0.1**	**-**	**-0.2**	**-**	**-0.1**	**-**	**-**	**-**
(a) Total world demand	**-**	**-**	**-**	**0.1**	**-0.5**	**-0.2**	**-0.1**	**-0.2**	**0.1**	**-**	**-**	**0.1**	**-**
Y-o-y change	***-***	***-***	***-***	***0.1***	***-0.5***	***-0.2***	***-0.1***	***-0.2***	***-***	***0.5***	***0.2***	***0.2***	***0.2***
Non-DoC liquids production													
Americas	-	-	-	0.2	0.1	-	-	0.1	-	0.1	0.1	0.1	0.1
of which US	*-*	*-*	*-*	*0.2*	*0.1*	*-*	*-*	*0.1*	*-*	*0.1*	*0.1*	*0.1*	*0.1*
Europe	-	-	-	-	-	-	-	-	-	-	-	-	-
Asia Pacific	-	-	-	-	-	-	-	-	-	-	-	-	-
Total OECD	**-**	**-**	**-**	**0.2**	**0.1**	**-**	**-**	**0.1**	**-**	**0.1**	**0.1**	**0.1**	**0.1**
China	-	-	-	-	-	-	-	-	-	-	-	-	-
India	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Asia	-	-	-	-	-	-	-	-	-	-	-	-	-
Latin America	-	-	-	0.1	0.1	0.1	-	0.1	-	-	-	-	-
Middle East	-	-	-	-0.1	-0.4	-0.1	-0.1	-0.2	-0.1	-0.1	-0.1	-0.1	-0.1
Africa	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Eurasia	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Europe	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-OECD	**-**	**-**	**-**	**-**	**-0.3**	**-**	**-**	**-0.1**	**-0.1**	**-0.1**	**-0.1**	**-0.1**	**-0.1**
Total Non-DoC production	-	-	-	0.2	-0.2	-	-	-	-0.1	-	-	-	-
Processing gains	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-DoC liquids production	**-**	**-**	**-**	**0.2**	**-0.2**	**-**	**-**	**-**	**-0.1**	**-**	**-**	**-**	**-**
DoC NGLs	-	-	-	-	-	-	-	-	-	-	-	-	-
(b) Total Non-DoC liquids production and DoC NGLs	**-**	**-**	**-**	**0.2**	**-0.2**	**-**	**-**	**-**	**-0.1**	**-**	**-**	**-**	**-**
Y-o-y change	***-***	***-***	***-***	***0.2***	***-0.2***	***-***	***-***	***-***	***-0.3***	***0.2***	***-***	***-***	***-***
OPEC crude oil production (secondary sources)	-	-	-	-									
Non-OPEC DoC crude production	-	-	-	-									
DoC crude oil production	**-**	**-**	**-**	**-**									
Total liquids production	**-**	**-**	**-**	**0.3**									
Balance (stock change and miscellaneous)	-	-	-	*0.2*									
OECD closing stock levels, *mb*													
Commercial	-	-	13	13									
SPR	-	-	-	-									
Total	**-**	**-**	**13**	**13**									
Oil-on-water	-	-	-	-40									
Days of forward consumption in OECD, *days*													
Commercial onland stocks	-	-	-	-									
SPR	-	-	-	-									
Total	**-**	**-**	**-**	**-**									
Memo items													
(a) - (b)	**-**	**-**	**-**	**-0.2**	**-0.3**	**-0.2**	**-0.1**	**-0.2**	**0.1**	**-**	**-0.1**	**-**	**-**

*Note: * This compares Table 11 - 1 in this issue of the MOMR with Table 11 - 1 in the June 2026 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	2023	2024	2025	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25	1Q26
Closing stock levels, mb											
OECD onland commercial	**2,780**	**2,756**	**2,840**	**2,843**	**2,809**	**2,756**	**2,749**	**2,789**	**2,869**	**2,840**	**2,809**
Americas	1,520	1,497	1,549	1,548	1,531	1,497	1,460	1,504	1,561	1,549	1,542
Europe	907	925	925	950	920	925	940	920	950	925	939
Asia Pacific	353	334	366	345	357	334	349	365	358	366	328
OECD SPR	**1,207**	**1,245**	**1,249**	**1,226**	**1,235**	**1,245**	**1,244**	**1,241**	**1,238**	**1,249**	**1,240**
Americas	357	395	414	374	384	395	398	404	408	414	416
Europe	466	466	454	468	467	466	461	457	453	454	445
Asia Pacific	384	384	380	384	383	384	386	380	377	380	379
OECD total	**3,987**	**4,001**	**4,088**	**4,068**	**4,043**	**4,001**	**3,993**	**4,029**	**4,106**	**4,088**	**4,049**
Oil-on-water	**1,391**	**1,310**	**1,546**	**1,330**	**1,309**	**1,310**	**1,364**	**1,383**	**1,461**	**1,546**	**1,257**
Days of forward consumption in OECD, days											
OECD onland commercial	**61**	**60**	**62**	**61**	**61**	**61**	**60**	**60**	**62**	**62**	**62**
Americas	60	59	60	61	60	60	58	58	61	60	61
Europe	67	69	69	68	68	72	69	67	71	72	69
Asia Pacific	49	47	52	50	48	46	51	53	48	51	50
OECD SPR	**26**	**27**	**27**	**26**	**27**	**28**	**27**	**27**	**27**	**27**	**27**
Americas	14	16	16	15	15	16	16	16	16	16	16
Europe	35	35	34	33	35	36	34	33	34	35	33
Asia Pacific	53	54	54	56	52	53	57	55	51	53	58
OECD total	**87**	**87**	**89**	**88**	**87**	**88**	**87**	**87**	**89**	**89**	**89**

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

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

Non-DoC liquids production and DoC NGLs	2025	*Change* 25/24	1Q26	2Q26	3Q26	4Q26	2026	*Change* 26/25	1Q27	2Q27	3Q27	4Q27	2027	*Change* 27/26
US	22.2	*0.5*	22.0	22.5	22.6	22.7	22.5	*0.2*	22.3	22.5	22.5	22.6	22.5	*0.0*
Canada	6.1	*0.1*	6.2	6.0	6.2	6.3	6.2	*0.1*	6.3	6.1	6.3	6.5	6.3	*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	**28.3**	***0.6***	**28.1**	**28.5**	**28.8**	**29.1**	**28.6**	***0.4***	**28.6**	**28.6**	**28.9**	**29.1**	**28.8**	***0.2***
Norway	2.0	*0.0*	2.2	2.0	2.0	2.0	2.1	*0.0*	2.0	1.9	2.0	2.0	2.0	*-0.1*
UK	0.7	*0.0*	0.7	0.7	0.7	0.7	0.7	*0.0*	0.7	0.7	0.6	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	**3.6**	***0.1***	**3.8**	**3.6**	**3.5**	**3.7**	**3.6**	***0.0***	**3.6**	**3.5**	**3.5**	**3.6**	**3.5**	***-0.1***
Australia	0.3	*0.0*	0.3	0.3	0.3	0.3	0.3	*0.0*	0.3	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	**32.3**	***0.6***	**32.3**	**32.5**	**32.8**	**33.1**	**32.7**	***0.3***	**32.6**	**32.5**	**32.7**	**33.1**	**32.7**	***0.1***
China	**4.6**	***0.1***	**4.7**	**4.7**	**4.6**	**4.6**	**4.6**	***0.0***	**4.7**	**4.7**	**4.6**	**4.6**	**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	0.9	*0.0*	0.8	0.9	0.8	0.9	0.9	*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***	**1.7**	**1.6**	**1.6**	**1.6**	**1.6**	***0.0***	**1.6**	**1.6**	**1.6**	**1.6**	**1.6**	***0.0***
Argentina	1.0	*0.1*	1.0	1.1	1.1	1.1	1.1	*0.1*	1.1	1.1	1.2	1.2	1.1	*0.1*
Brazil	4.4	*0.2*	4.8	4.7	4.7	4.7	4.7	*0.3*	4.8	4.8	4.9	4.9	4.8	*0.1*
Colombia	0.8	*0.0*	0.8	0.8	0.8	0.8	0.8	*0.0*	0.8	0.7	0.8	0.7	0.8	*0.0*
Ecuador	0.4	*-0.1*	0.4	0.4	0.4	0.4	0.4	*0.0*	0.4	0.4	0.4	0.4	0.4	*0.0*
Latin America others	1.0	*0.1*	1.2	1.2	1.2	1.3	1.2	*0.2*	1.3	1.4	1.3	1.5	1.4	*0.2*
Latin America	**7.5**	***0.3***	**8.2**	**8.2**	**8.1**	**8.3**	**8.2**	***0.6***	**8.4**	**8.5**	**8.6**	**8.7**	**8.5**	***0.4***
Qatar	1.9	*0.0*	1.4	1.0	1.7	1.8	1.5	*-0.4*	1.7	1.7	1.7	1.7	1.7	*0.2*
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***	**1.5**	**1.1**	**1.9**	**1.9**	**1.6**	***-0.4***	**1.8**	**1.8**	**1.8**	**1.8**	**1.8**	***0.2***
Angola	**1.1**	***-0.1***	**1.1**	**1.1**	**1.0**	**1.0**	**1.0**	***0.0***	**1.0**	**1.0**	**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	0.5	*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*	0.3	0.3	0.4	0.5	0.4	*0.0*	0.4	0.4	0.4	0.4	0.4	*0.1*
Africa	**2.3**	***-0.1***	**2.2**	**2.2**	**2.2**	**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	**19.3**	***0.3***	**19.6**	**19.1**	**19.7**	**19.9**	**19.6**	***0.3***	**20.1**	**20.1**	**20.1**	**20.3**	**20.1**	***0.5***
Non-DoC production	51.7	*1.0*	52.0	51.6	52.5	53.0	52.3	*0.6*	52.7	52.6	52.8	53.4	52.9	*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	**54.2**	***1.0***	**54.5**	**54.2**	**55.0**	**55.6**	**54.8**	***0.6***	**55.2**	**55.2**	**55.4**	**56.0**	**55.5**	***0.6***
DoC NGLs	**8.6**	***0.1***	**8.7**	**8.7**	**8.7**	**8.9**	**8.8**	***0.1***	**8.9**	**8.9**	**8.9**	**8.9**	**8.9**	***0.1***
Non-DoC liquids production and DoC NGLs	**62.8**	***1.1***	**63.2**	**62.9**	**63.8**	**64.5**	**63.6**	***0.8***	**64.1**	**64.0**	**64.3**	**64.9**	**64.3**	***0.7***

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

Table 11 - 5: World rig count, units

World rig count	2023	2024	2025	*Change 2025/24*	4Q25	1Q26	2Q26	May 26	Jun 26	*Change Jun/May*
US	688	599	562	*-37*	548	548	555	553	566	*13*
Canada	177	188	177	*-11*	185	201	151	135	183	*48*
Mexico	55	50	25	*-25*	27	31	26	22	27	*5*
OECD Americas	**921**	**839**	**765**	***-74***	**761**	**781**	**732**	**711**	**777**	***66***
Norway	17	13	16	*3*	15	16	14	15	13	*-2*
UK	12	8	8	*0*	6	6	8	8	8	*0*
OECD Europe	**66**	**64**	**66**	***2***	**64**	**66**	**67**	**65**	**72**	***7***
OECD Asia Pacific	**25**	**25**	**18**	***-7***	**18**	**19**	**20**	**19**	**20**	***1***
Total OECD	**1,012**	**927**	**849**	***-78***	**842**	**866**	**818**	**795**	**869**	***74***
Other Asia*	204	212	201	*-11*	199	195	194	190	197	*7*
Latin America	120	104	107	*3*	101	105	109	112	102	*-10*
Middle East	61	62	62	*0*	61	61	58	56	59	*3*
Africa	67	52	44	*-8*	43	42	48	48	47	*-1*
Other Europe	11	9	11	*2*	11	11	9	9	9	*0*
Total Non-OECD	**463**	**439**	**425**	***-14***	**415**	**414**	**417**	**415**	**414**	***-1***
Non-OPEC rig count	**1,475**	**1,367**	**1,274**	***-93***	**1,257**	**1,280**	**1,236**	**1,210**	**1,283**	***73***
Algeria	36	42	43	*1*	42	40	42	41	42	*1*
Congo	1	1	1	*0*	1	2	2	2	2	*0*
Equatorial Guinea**	0	0	0	*0*	0	0	0	0	0	*0*
Gabon	3	4	3	*-1*	4	5	5	6	5	*-1*
Iran**	117	117	117	*0*	117	117	117	117	117	*0*
Iraq	61	62	62	*0*	63	59	14	14	10	*-4*
Kuwait	24	31	34	*3*	40	42	39	39	41	*2*
Libya	14	18	18	*0*	18	18	22	18	30	*12*
Nigeria	14	15	13	*-2*	16	16	16	17	18	*1*
Saudi Arabia***	83	295	248	*-47*	232	252	266	264	269	*5*
UAE	57	66	74	*8*	77	72	72	75	74	*-1*
Venezuela	2	2	1	*-1*	1	2	2	2	2	*0*
OPEC rig count	**412**	**653**	**615**	***-38***	**612**	**624**	**597**	**595**	**610**	***15***
World rig count****	**1,887**	**2,019**	**1,890**	***-129***	**1,869**	**1,903**	**1,832**	**1,805**	**1,893**	***88***
of which:										
Oil	1,498	1,559	1,425	*-134*	1,395	1,412	1,352	1,331	1,403	*72*
Gas	357	413	409	*-4*	414	433	427	421	434	*13*
Others	32	47	56	*9*	60	58	54	53	56	*3*

*Note: * Other Asia includes India and offshore rigs for China.*
*** Estimated data when Baker Hughes Incorporated did not reported the data.*
**** Since January 2024, Baker Hughes counts all operating rigs in Saudi Arabia; other countries reflect only active rigs.*
***** Data excludes onshore China, as well as Russia and other Eurasian countries.*
Totals may not add up due to independent rounding.
Sources: Baker Hughes Incorporated 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 annualised rate
SIAM	Society of Indian Automobile Manufacturers
SRFO	straight-run fuel oil
SUV	sports utility vehicle
ULCC	ultra-large crude carrier
ULSD	ultra-low sulphur diesel
USEC	US East Coast
USGC	US Gulf Coast
USWC	US West Coast
VGO	vacuum gasoil
VLCC	very large crude carriers
WPI	wholesale price index
WS	Worldscale
WTI	West Texas Intermediate
WTS	West Texas Sour

OPEC Basket average price *US$/b*

Down 24.80 in June

June 2026	89.75
May 2026	114.55
Year-to-date	**93.67**

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

Up 3.05 in June

June 2026	22.00
May 2026	18.95

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

Down 0.05 in June

June 2026	14.28
May 2026	14.33

Economic growth rate *per cent*

	World	US	Eurozone	Japan	China	India	Brazil	Russia
2026	3.1	2.2	1.0	0.8	4.6	6.6	2.0	1.3
2027	3.2	2.0	1.2	0.9	4.5	6.5	2.2	1.5

Supply and demand *mb/d*

2026		**26/25**	**2027**		**27/26**
World demand	105.9	0.8	World demand	107.9	1.9
Non-DoC liquids production	54.8	0.6	Non-DoC liquids production	55.5	0.6
DoC NGLs	8.8	0.1	DoC NGLs	8.9	0.1
Difference	**42.3**	**0.0**	**Difference**	**43.6**	**1.2**

OECD commercial stocks *mb*

	Mar 26	Apr 26	May 26	May 26/Apr 26
Crude oil	1,350	1,371	1,364	-6.9
Products	1,459	1,421	1,406	-15.0
Total	**2,809**	**2,792**	**2,770**	**-21.8**
Days of forward cover	61.8	61.1	59.8	-1.3

Next report to be issued on 12 August 2026.