



## Nothing from Column A (U.S.) and Less from Column B (China) (11/26/22)

At the beginning of the year, we were anticipating a growth in U.S. and Chinese oil demand of over 1.1 MMB/D combined. China's GDP was expected to exceed 4%, but today 2.6% is optimistic, but possible. Gasoline in the U.S. was forecasted to grow throughout the year and did for the first 6 months. We forecasted it would decline 4-6% over the next 6 months, and our forecast is holding up.

The change in projected demand growth between January and now just for these two countries is about 1.4MMB/D. Today we are looking at a demand growth of about 1.7-1.8 MMB/D instead of 3.1MMB/D.

We are currently **guessing** that China will grow 400,000B/D in 2023. The assumption is that they will resolve the COVID problem by the second half of the year. That's something they haven't been able to do up until now. The first Q of 2023 still looks problematic.

With the U.S. likely to experience anemic growth or possibly a recession, oil demand is forecasted to decline by 200-250,000b/D, with gasoline and diesel leading the way down.