

World energy agency sees record oil demand next year

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An oil rig in Sekondi waters off Ghana last December. Emerging economies will become the main force in the global oil market next year, driving demand to a record high level, IEA figures showed on Thursday.

Emerging economies will be the main force in the global oil market next year, driving demand to a record high level, International Energy Agency (IEA) data showed on Thursday.

Raising its demand forecast this year because of unseasonally [cold weather](#), the IEA also signalled that in 2014 [emerging economies](#) will

drive demand to a record 92.0 million barrels per day.

The agency said improving prospects for global economic growth would pull demand, despite increasing efficiency in [energy use](#) in advanced countries.

But the overall tone of the IEA monthly report suggested that the oil market is heading into a sea of uncertainty, partly because oil production in the United States is "set to grow strongly".

Supply from other countries outside the Organization of Petroleum Exporting Countries (OPEC), notably Brazil, Kazakhstan and South Sudan, would also rise, the agency forecast.

"Emerging markets and developing economies are forecast to lead demand growth in 2014," the IEA said.

This would more than offset continued shrinkage of demand in the 34 countries in the OECD area, with China forecast to remain "the main engine of demand growth in 2014."



An oil rig near Maljama, New Mexico. Raising its demand forecast this year because of unseasonably cold weather, the IEA also signalled that in 2014 emerging economies will drive demand to a record 92.0 million barrels per day.

For this year, because of a big increase in demand for [heating oil](#) in the [northern hemisphere](#) in the second quarter, the agency raised its estimate for global oil demand by 215,000 barrels per day (bd).

This took the overall estimated annual growth to 930,000 bd, and total consumption to 90.8 million barrels per day (mbd).

Data show that this figure is a record and the IEA estimates show demand rising by a further 1.2 mbd next year.

The IEA said that oil prices had risen recently because of concerns that unrest in Egypt could affect supplies via the Suez Canal and the SUMED

pipeline which runs from the Gulf of Suez to the Mediterranean Sea.

"Observers worry that the political confrontation in Egypt, like the Syrian civil war, could drag on and worsen before it gets better, and the instability could theoretically threaten production and transit through the Suez Canal," the IEA said.

Unrest had also disrupted supplies from Libya, Nigeria and Iraq, the IEA noted.

Another factor was temporary disruption to some supply routes within the United States.

In June, production by Saudi Arabia had risen by 100,000 barrels per day to 9.7 mbd, the highest level for seven months.

The price of benchmark West Texas Intermediate [oil](#) was showing a gain of 27 cents to \$106.79 a barrel earlier in Singapore.

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