



Global Investment Research

Oil Outlook

A Higher Range On OPEC Cuts and Solid Demand

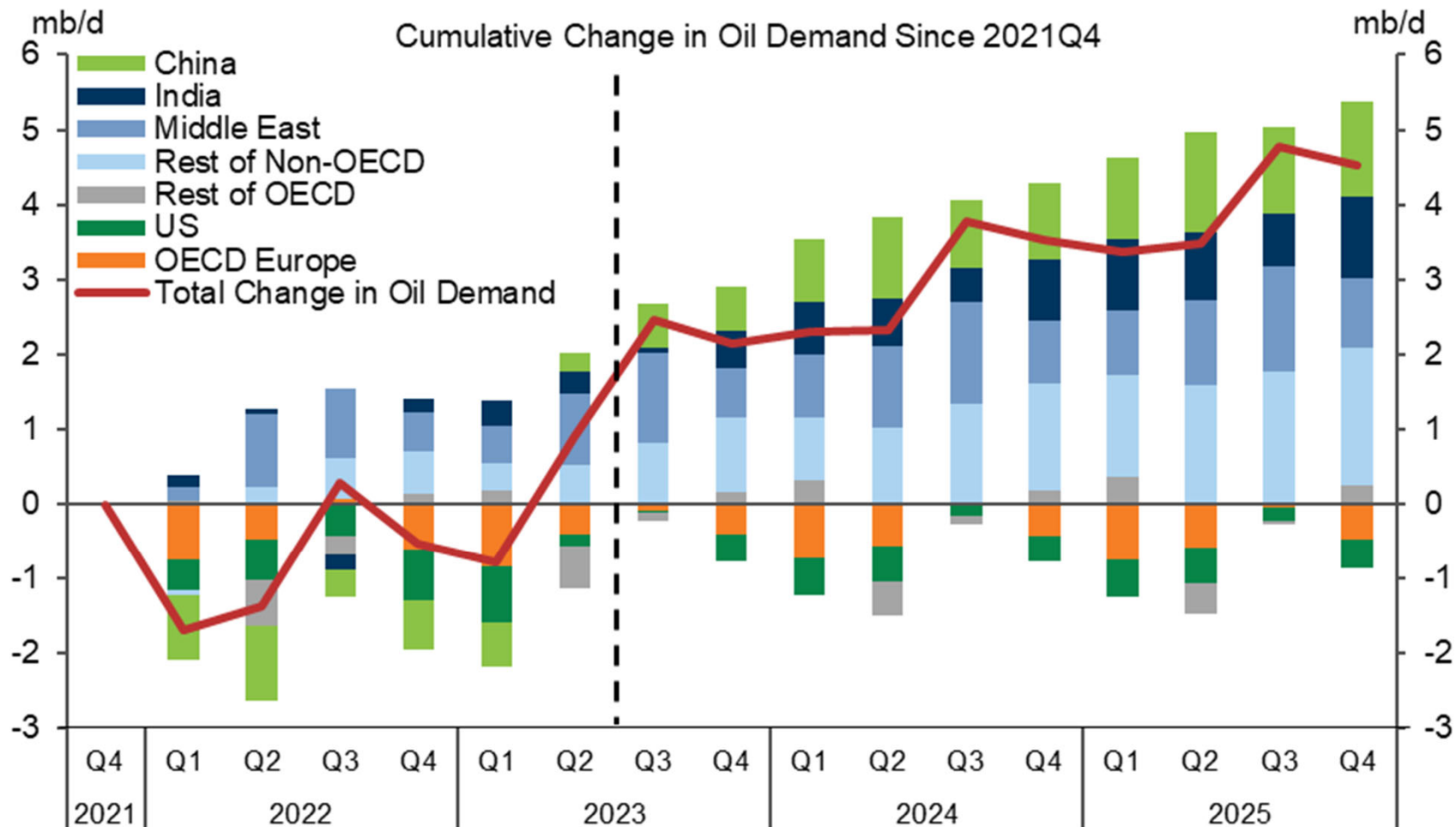
September 2023

Daan Struyven
Goldman Sachs & Co. LLC

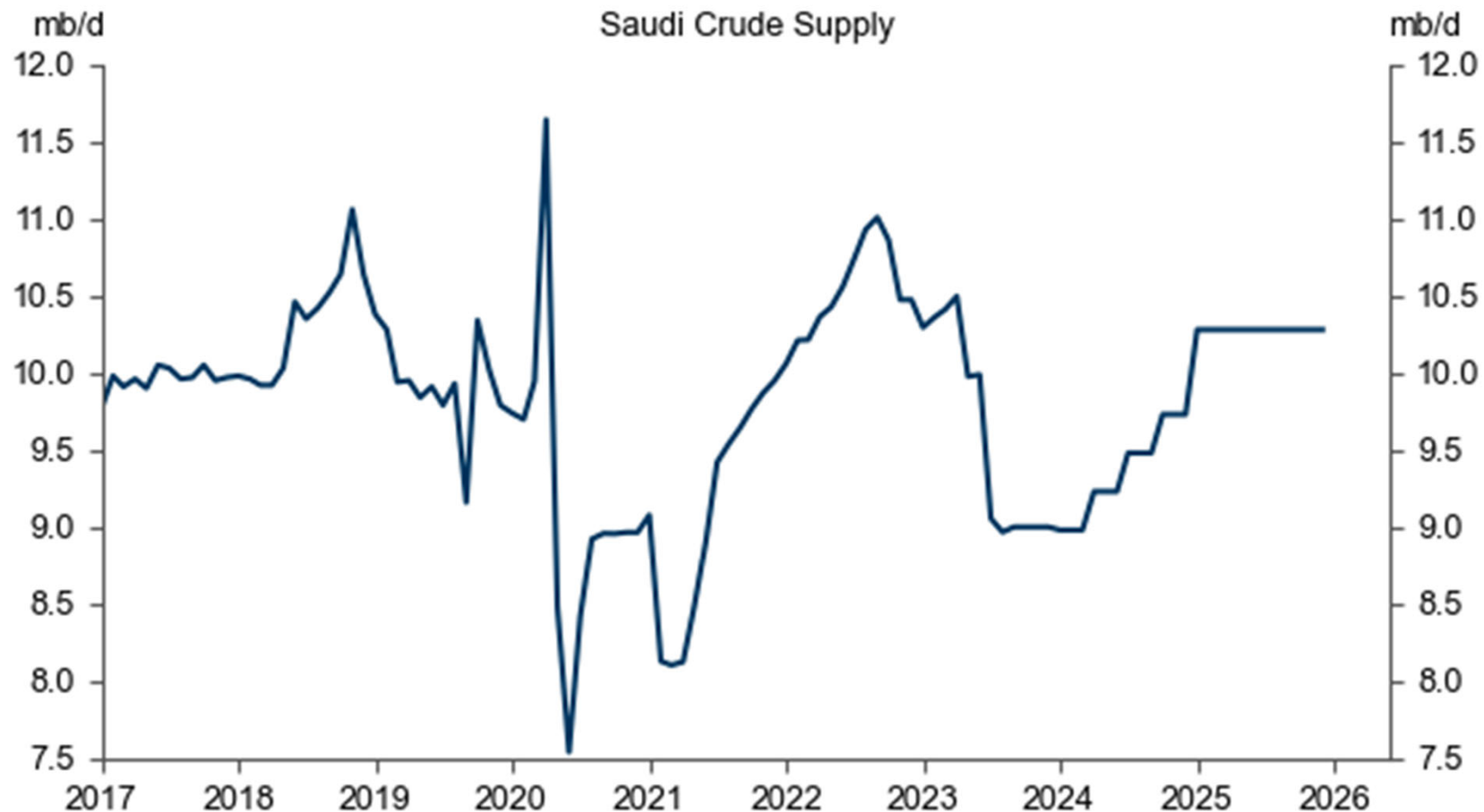
Managing Director
+1 212-357-4172

Head of Oil Research
daan.struyven@gs.com

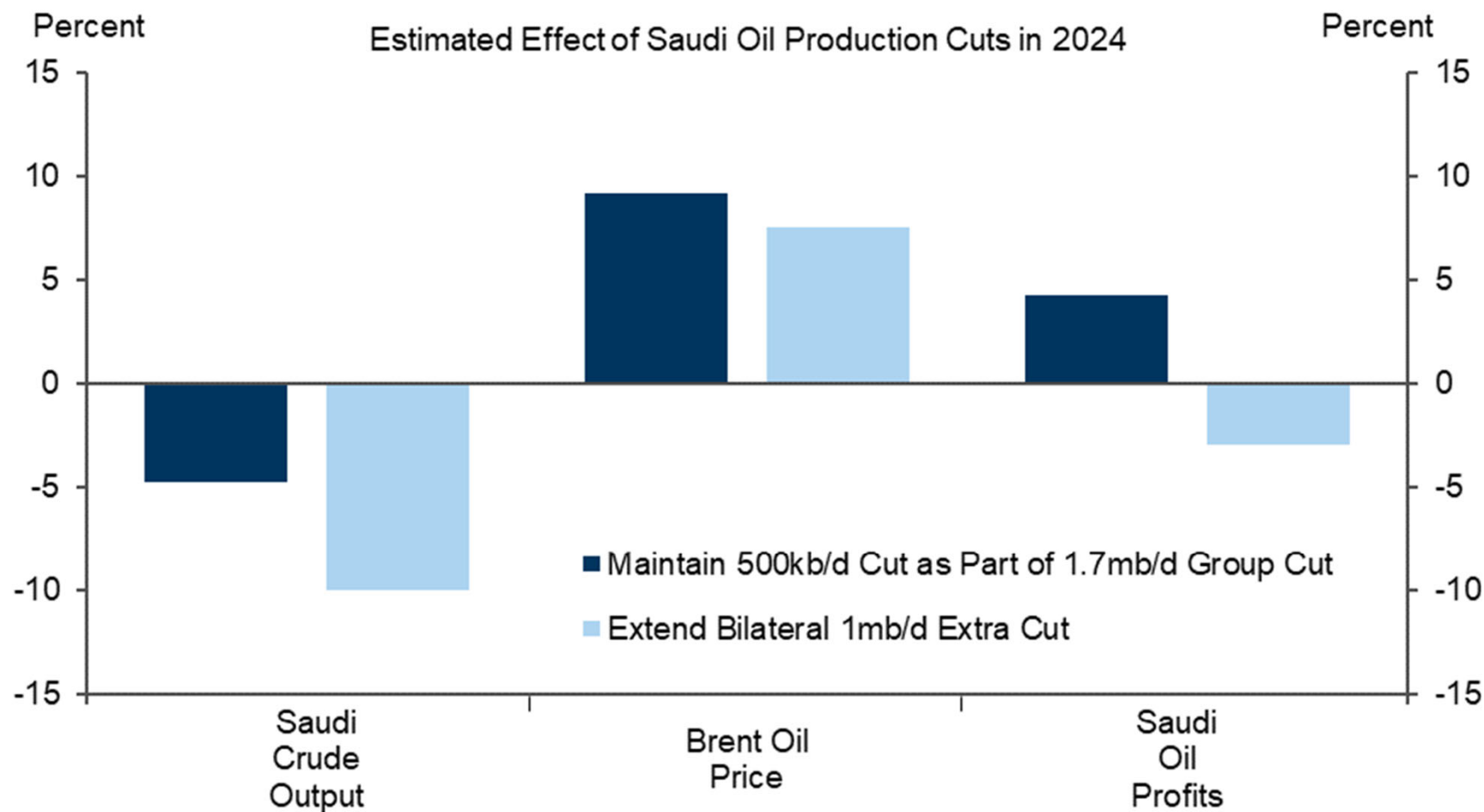
Solid Demand Growth Driven by EMs and Transportation



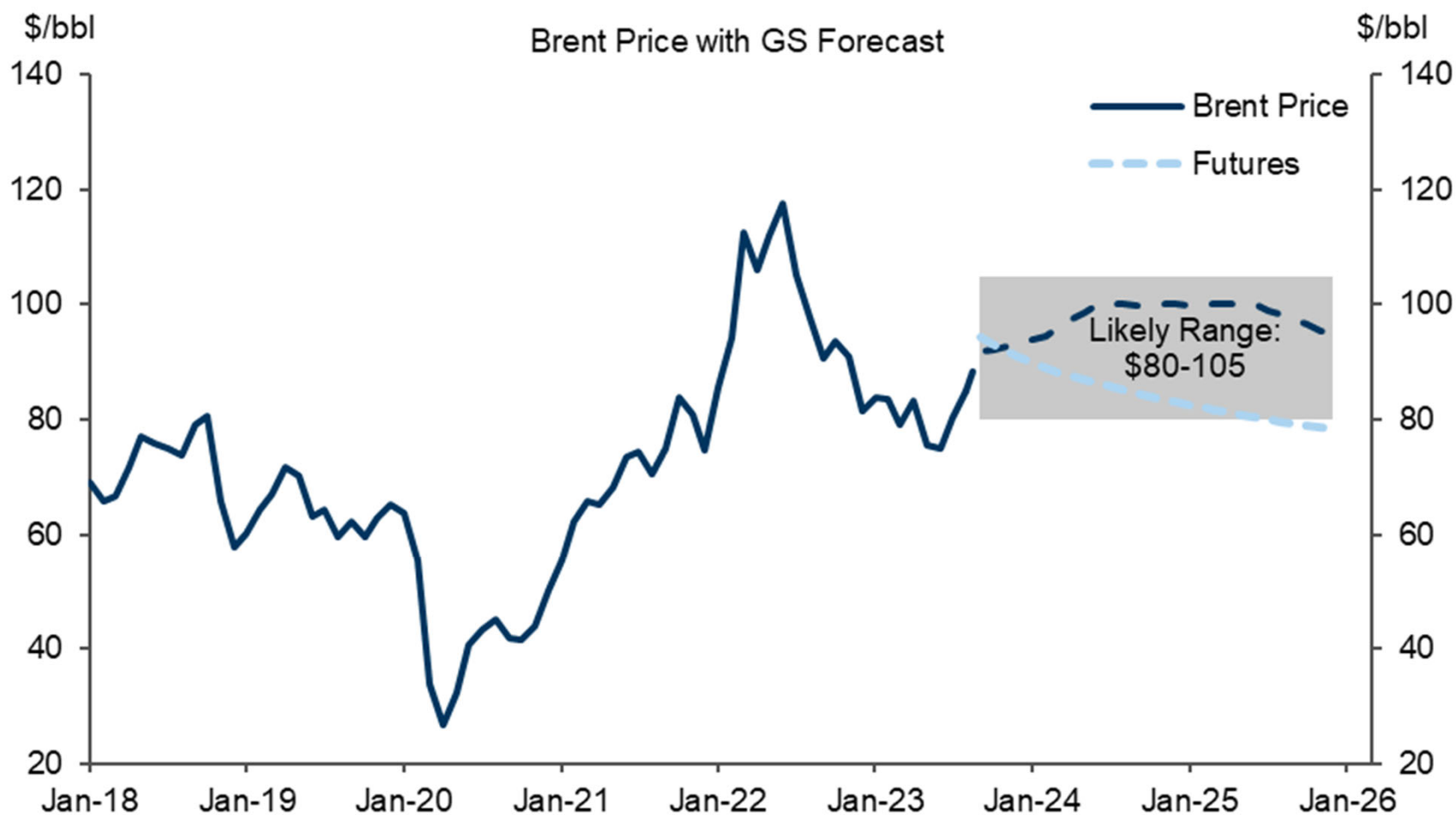
Lower OPEC Supply for Longer on High Pricing Power



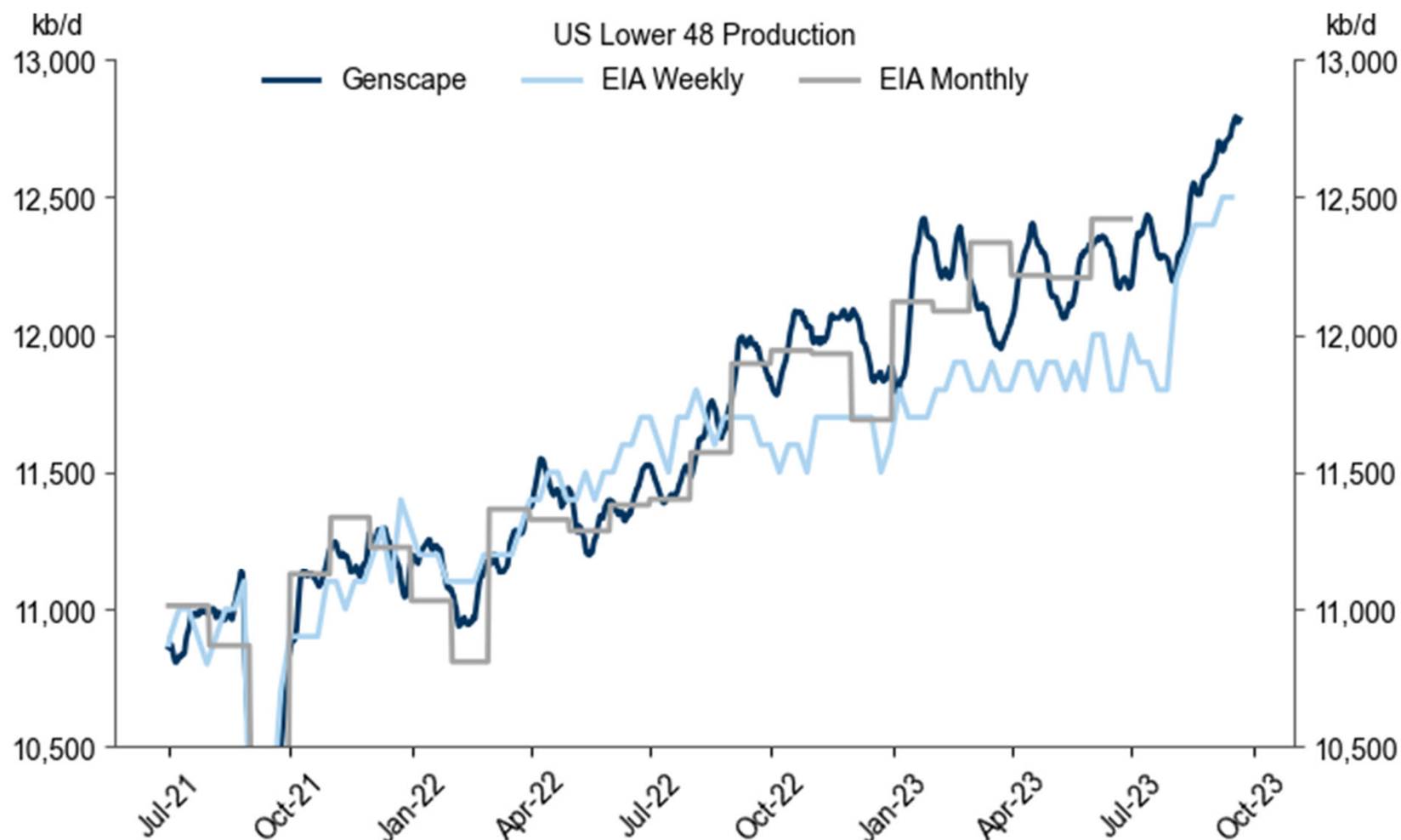
Group Cut of 1.7mb/d Boosts Saudi Revenues in 2024



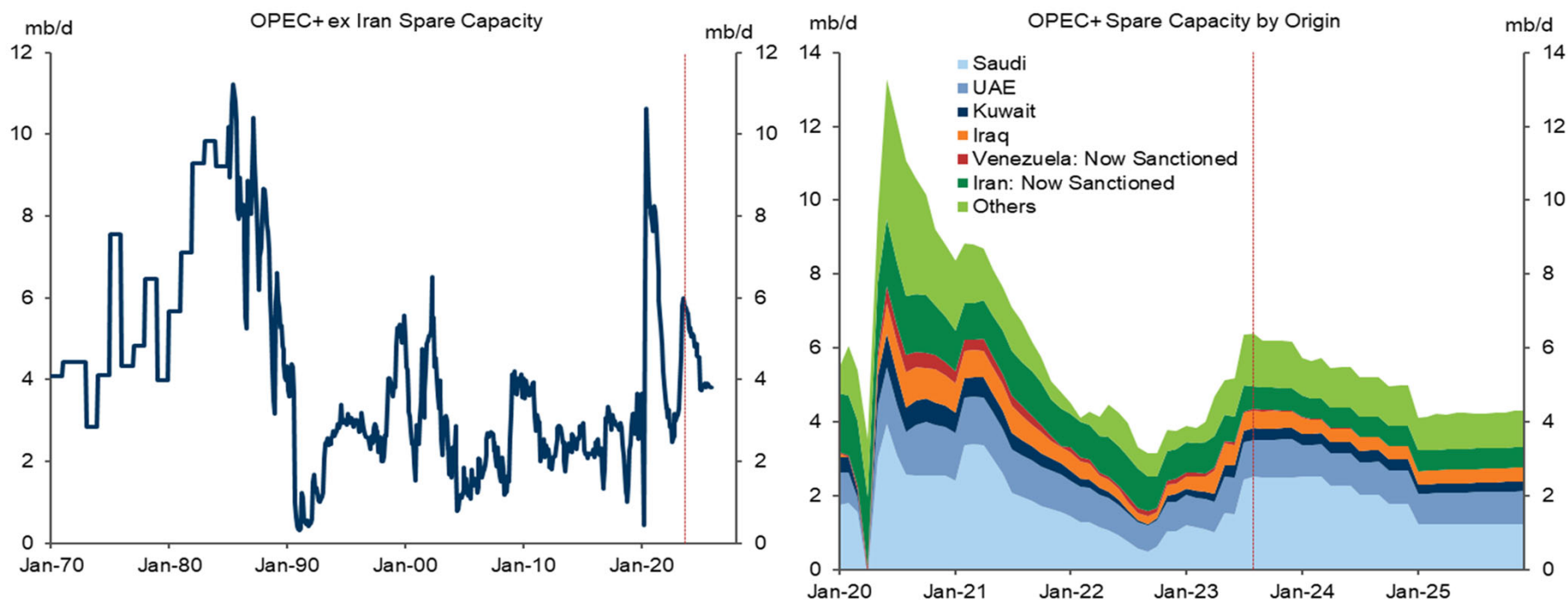
A High \$80-105 Range for Brent in 2024



US Supply Beats on Easing Constraints and Efficiency Gains

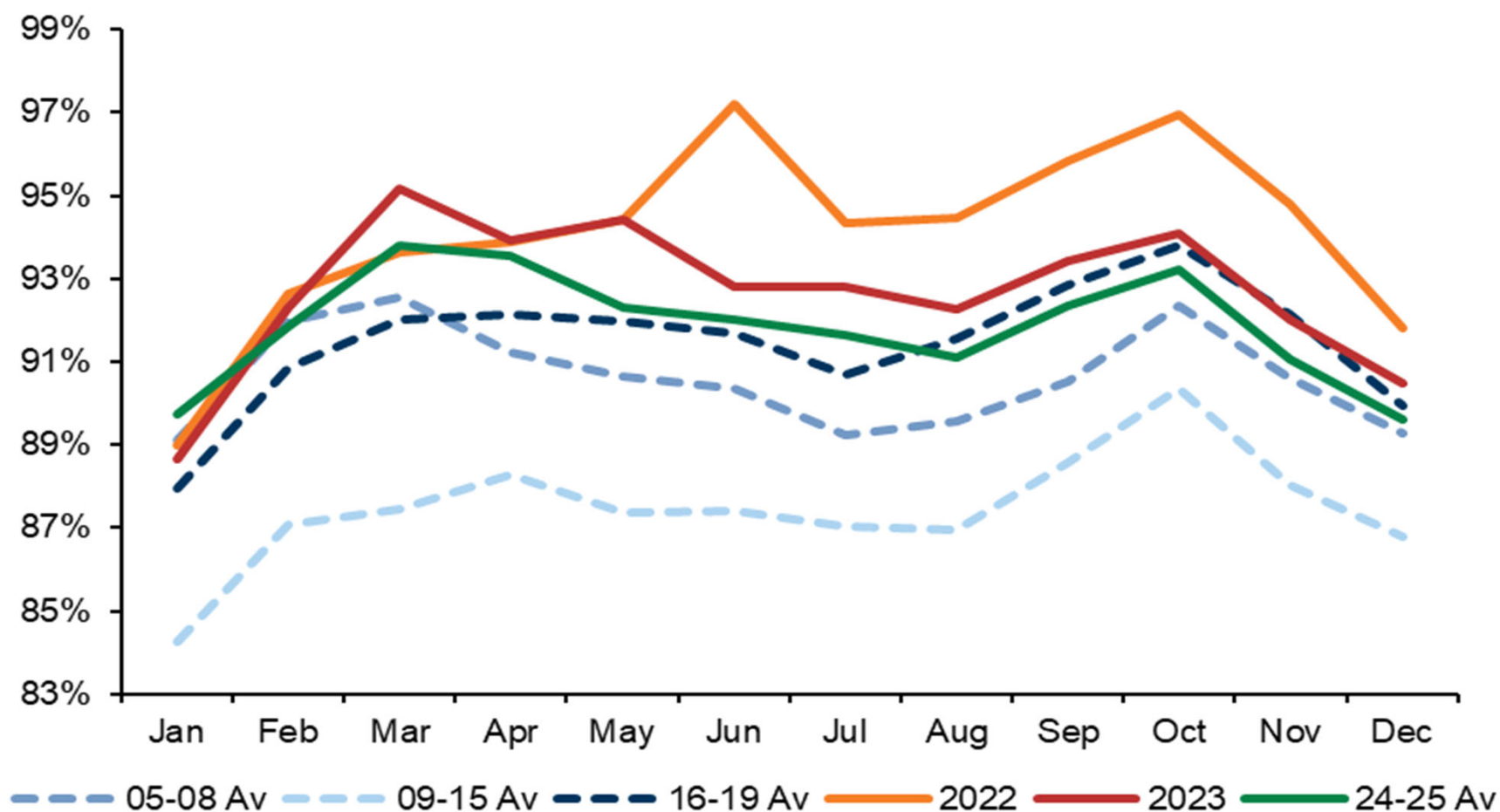


High Spare Capacity and Saudi's Long Run Interests Likely Cap Oil Prices



We Expect the Utilization Rate to Stay Above the 2005-2008 Golden Age of Refining Average

GS estimated monthly refining utilization adjusted for maintenance (%)



With a 0.8mb/d Deficit in 2024

GS Oil Supply and Demand Outlook (mb/d)									Quarterly Levels									
2023 avg.			2023	2024 avg.		2024	2025 avg.		2023				2024					
Level YoY			Q4-Q4	Level	YoY	Q4-Q4	Level	YoY	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
World Supply			101.8	1.4	0.1	103.0	1.2	1.9	105.1	2.1	102.0	101.9	101.3	101.9	102.3	102.7	103.3	103.8
Non-OPEC Supply			67.9	2.1	1.8	68.9	1.1	0.8	69.9	1.0	67.2	67.7	68.1	68.5	68.6	68.7	69.1	69.3
Total US			20.5	1.4	1.4	21.0	0.6	0.3	21.5	0.5	19.8	20.4	20.8	20.8	20.9	21.0	21.1	21.2
Russia			10.8	-0.3	-0.6	10.8	0.0	0.2	11.1	0.2	11.2	10.9	10.6	10.6	10.8	10.8	10.8	10.8
Non-OPEC Latam			6.1	0.5	0.5	6.5	0.3	0.2	6.7	0.2	6.0	6.0	6.2	6.3	6.4	6.4	6.5	6.6
OPEC Supply			33.9	-0.8	-1.7	34.1	0.2	1.1	35.2	1.1	34.9	34.3	33.2	33.4	33.7	33.9	34.3	34.5
Saudi crude			9.6	-0.9	-1.6	9.4	-0.3	0.7	10.3	0.9	10.4	10.2	9.0	9.0	9.0	9.2	9.5	9.7
OPEC ex Saudi			24.3	0.1	-0.1	24.7	0.4	0.4	24.9	0.2	24.5	24.1	24.2	24.4	24.7	24.7	24.8	24.8
World Demand			102.1	2.0	2.7	103.9	1.8	1.4	104.9	1.1	100.1	101.8	103.3	103.0	103.2	103.2	104.7	104.4
OECD Demand			46.0	0.3	0.5	46.0	0.0	0.0	46.1	0.0	45.5	45.7	46.6	46.3	45.9	45.4	46.6	46.3
US			20.4	0.2	0.3	20.3	-0.1	0.0	20.3	0.0	19.9	20.5	20.7	20.3	20.2	20.2	20.5	20.3
OECD Europe			13.5	0.0	0.2	13.5	0.0	0.0	13.5	0.0	13.1	13.6	13.9	13.5	13.2	13.4	14.0	13.5
Non-OECD Demand			56.0	1.7	2.1	57.8	1.8	1.4	58.9	1.0	54.6	56.0	56.7	56.8	57.2	57.8	58.1	58.1
China			15.8	0.9	1.2	16.5	0.7	0.4	16.8	0.2	15.0	15.8	16.2	16.1	16.4	16.6	16.5	16.6
India			5.5	0.2	0.3	5.9	0.4	0.3	6.1	0.3	5.6	5.5	5.3	5.7	5.9	5.9	5.7	6.0
Other non-OECD Asia			9.1	0.1	0.3	9.3	0.2	0.2	9.5	0.2	9.0	9.1	9.1	9.2	9.3	9.3	9.3	9.4
Imbalance (=Supply-Demand)			-0.3	-0.6	-2.6	-0.8	-0.6	0.5	0.2	1.0	1.9	0.2	-2.0	-1.1	-0.9	-0.5	-1.3	-0.6

Disclosure Appendix

October 5, 2023

Reg AC

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