INTERNATIONAL MONETARY AND FINANCIAL COMMITTEE

Fifty-Fourth Meeting
October 16–17, 2026

Statement No. 54-2

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OPEC

Statement

by the

Organization of the Petroleum Exporting Countries

(OPEC)

to the

International Monetary and Financial Committee

(IMFC)

Plenary Session

October 2026

The **Organization of the Petroleum Exporting Countries (OPEC)** would like to provide the distinguished delegates of the **International Monetary and Finance Committee (IMFC)** with an update on current oil market conditions and developments.

Global economic growth started 2H26 with encouraging momentum, building on resilient and broadly steady performance in the first half of the year. Despite a challenging external environment marked by the economic repercussions of geopolitical tensions, renewed inflationary challenges and ongoing uncertainty over US trade tariffs, major economies continue to hold up well.

In **OECD economies**, the US continued to show solid underlying growth momentum in 1H26. While US GDP moderated somewhat in 2Q26 due to temporary trade and inventory dynamics, private domestic demand accelerated over the same period. Meanwhile, the Eurozone and Japan recorded modest expansions since the beginning of the year, slightly above market expectations.

Growth in **non-OECD economies** has been particularly robust. This was supported by global investment in AI, a consequent robust expansion in international trade and fiscal measures that have helped cushion these economies from the impact of higher energy costs. In China, exports and manufacturing are expected to be key drivers of economic growth, supported by the continued rise of the high-end technology sector. In India, government spending is expected to continue supporting manufacturing and production, while employment and labor imbalances are expected to be positively addressed, supporting consumer demand. Brazil has maintained steady growth, supported by its commodities sector and domestic resilience, while Russia's economy contracted at the beginning of the year, recovered in 2Q26 and is now expected to maintain stable growth for the remainder of 2026.

The **current resilience** of the global economy is expected to be sustained until the end of the year. Robust momentum in AI spending, coupled with consumer spending across major economies, is anticipated to remain the principal driver, complemented in China by continued government-led support and India's considerable growth dynamic. While moderation in geopolitical tensions may provide some further upside to global economic growth, the evolution of inflation and related developments in global financial conditions require close monitoring. Reflecting the actual output levels recorded in 1H26 and the anticipated continued sound momentum in 2H26, **global economic growth is forecast** at a robust **3% in 2026 and 3.2% in 2027**.

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Among major economies, US economic growth is forecast at 2.2% for 2026 and 2.0% for 2027. The Eurozone's economic growth is forecast at 0.8% for 2026 and 1% for 2027. Japan's economic growth is forecast at 0.7% for 2026 and 0.8% for 2027. China's economic growth is forecast at 4.6% for 2026 and 4.5% for 2027. India's economic growth is forecast at 6.6% for 2026 and 6.5% for 2027. Brazil's economic growth is forecast at 2.0% in 2026 and 2.2% in 2027. Russia's economic growth is forecast at 1.1% for 2026 and 1.5% for 2027.

World oil demand growth in 2026 is forecast to increase by around 0.4 mb/d to average 105.8 mb/d. This is largely due to requirements from Latin America and non-OECD Asia, where domestic demand is expected to remain strong, based on continuing supportive economic activity amid healthy levels of mobility and air travel as well as stable private investment. In the **OECD**, oil demand is expected to ease by about 110 tb/d, y-o-y, to average 46.1 mb/d. Oil demand in the OECD Americas is expected to show y-o-y growth of about 290 tb/d, y-o-y, while oil demand in OECD Europe is expected to decline by 190 tb/d, y-o-y, and requirements in OECD Asia-Pacific are expected to contract by an average of 210 tb/d, y-o-y. In the **non-OECD**, total oil demand is expected to rise by about 0.5 mb/d, y-o-y, to average 59.7 mb/d in 2026. All regions are expected to contribute to non-OECD oil requirements for the year, with the exception of the Middle East, which is forecast to show a slight decline. In terms of products, transportation fuels – gasoline and jet/kerosene – are expected to drive global oil demand, along with healthy requirements for NGLs/LPG and the ´other products´ category.

In 2027, global oil demand is expected to rebound and increase by a considerable 2.4 mb/d, y-o-y, to average 108.2 mb/d, supported by healthy economic activity, mostly in the non-OECD region. In the **OECD**, Europe is expected to drive recovery in oil demand, closely followed by OECD Asia-Pacific, with both expected to recover from the declines seen in 2026. OECD Americas oil demand is forecast to continue growing, albeit at a moderate pace. Overall, oil demand in the OECD is forecast to increase by about 0.4 mb/d, y-o-y. Oil demand in the **non-OECD** is estimated to increase by about 2 mb/d, y-o-y, with India and Other Asia expected to lead oil demand growth, closely followed by China and the Middle East. Transportation fuels and petrochemical feedstock are forecast to drive oil demand growth recovery over the year.

Non-DoC liquids production (i.e., liquids production from countries not participating in the Declaration of Cooperation) in 2026 is forecast to grow by 0.6 mb/d, y-o-y. The main drivers for growth are expected to be Brazil, the US,

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Canada and Argentina. US liquids production is forecast to increase by 0.4 mb/d, y-o-y, in 2026, mainly driven by growth in NGLs output. For 2027, non-DoC liquids supply is forecast to grow by another 0.6 mb/d, y-o-y. Growth is expected to be led by Qatar, Canada, Brazil and Argentina.

Global oil and gas E&P CAPEX is expected to contract by approximately 2% in 2026, y-o-y, to an average of $613 bn, which is substantially below the 2014 high of $878 bn. A moderate 6% expansion is forecast for 2027, y-o-y, lifting average spending to about $651 billion. Robust upstream investment remains indispensable for meeting future energy demand and sustaining adequate spare capacity.

Meanwhile, **DoC NGLs and non-conventional liquids** production in 2026 is forecast to grow by about 0.1 mb/d to average 8.7 mb/d, followed by another increase of 0.1 mb/d in 2027, to average 8.9 mb/d.

According to secondary sources, **DoC crude oil production** increased by about 0.3 mb/d, m-o-m, to average 38.1 mb/d in August 2026, leading to an average of 37.3 mb/d since the start of the year.

Total OECD commercial oil stocks increased by 9.8 mb, m-o-m, in July, as per preliminary July data, reversing the largely declining trend since February. Stocks stood at 2,763 mb, which was about 57 mb lower than the same time one year ago, about 47.9 mb below the latest five-year average, and about 206.4 mb below the 2015–2019 average. Within the components, crude and product stocks increased by 5.5 mb and 4.3 mb, m-o-m, respectively. OECD commercial crude stocks stood at 1,313 mb, about 29.2 mb lower than the same time one year ago, about 35.2 mb below the latest five-year average and 149.7 mb below the 2015–2019 average. OECD product stocks stood at 1,451 mb in July, 27.7 mb lower than the same time a year ago, 12.6 mb lower than the latest five-year average and 56.7 mb below the 2015–2019 average.

In terms of days of forward cover, OECD commercial stocks increased by 0.3 days, m-o-m, in July, to stand at 59.3 days. This is 1 day lower than the level registered in July 2025, 1.4 days below the latest five-year average, and 3.2 days below the 2015–2019 average. Within the OECD regions, OECD Americas was 3.4 days below the latest five-year average, at 56.9 days. OECD Europe was 0.6 days below the five-year average, at 67.7 days. OECD Asia-Pacific stood 1.8 days above the latest five-year average, at 51.6 days.

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