

Europe, Eurasia and Africa Refining and Marketing Price and Margin Long-Term Outlook: First Quarter 2026

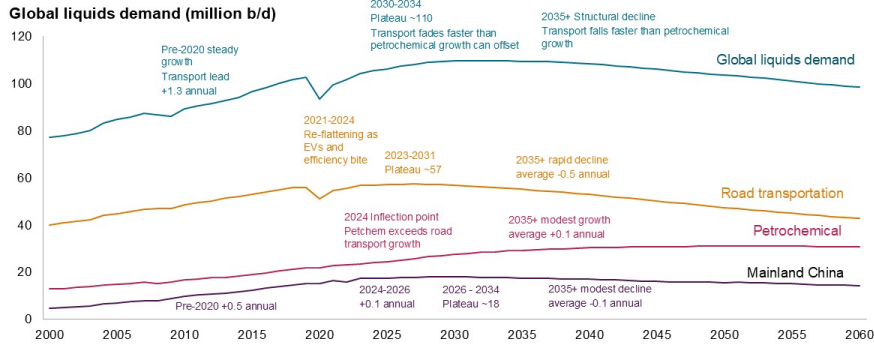
S&P Global is pleased to announce the release of the **Crude Oil and Refining & Product Markets Annual Strategic Workbooks (ASW)**.

S&P Global Energy is pleased to announce the release of the 2026 Crude Oil and Refining & Product Markets Annual Strategic Workbook (ASW), which underpins our long-term Base Case outlook for crude oil, refined products, and the associated first quarter 2026 price forecast. **The ASW 2026 Preview** provides first insights into the updated outlook, including long-term pricing, with global and regional crude production, refinery demand, refining capacity and detailed supply-demand tables now available on **S&P Connect** or **Core** in Excel and Data Browser, alongside the Global PowerPoint Preview decks; full global and regional presentations and trade data will follow in April 2026.

Executive summary: The long plateau: oil's slow transition

- **Future long-term regional demand growth is overwhelmingly driven by demographics:** incremental liquids demand shifts to India and Africa through 2050 as working-age populations expand, while China and Europe age, locking in structurally slower demand growth across mature markets.
- **Global liquids demand plateaus around ~110 million b/d in the early-2030s**, as road-transport demand declines faster than petrochemical demand can grow, pushing the system into structural demand decline from the mid-2030s.
- **Sustained demand pressure drives downstream rationalization**, with >20 million b/d of global refining capacity closing by 2050—concentrated in Europe and Asia—tightening effective capacity, reshaping product trade flows, and increasing reliance on fewer, more complex refineries.
- **OPEC+ holds supply power:** Non-OPEC+ volumes are in structural decline, U.S. output peaks and falls post-2030, Russia continues to erode. Saudi Arabia stands alone with over 12 million b/d of durable capacity, amplifying supply security risk.
- **The price signal lags the plateau:** mid-term surpluses keep prices subdued through the 2020s, but tightening supply later forces a higher clearing price, with dated Brent rising toward ~\$170/bbl (nominal) by 2060 to incentivize higher-cost marginal barrels (U.S. Class 4/5, greenfield offshore, Venezuela).

The early-2030s long plateau: Transport fades faster than petrochemical growth can offset



Note: Global liquids demand is on a net basis. Petrochemical includes naphtha, LPG, ethane and Direct Oil to Chemicals. Road transportation includes gasoline and diesel with biofuels.
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Crude production: OPEC+ vs. non-OPEC+ (million b/d)

