

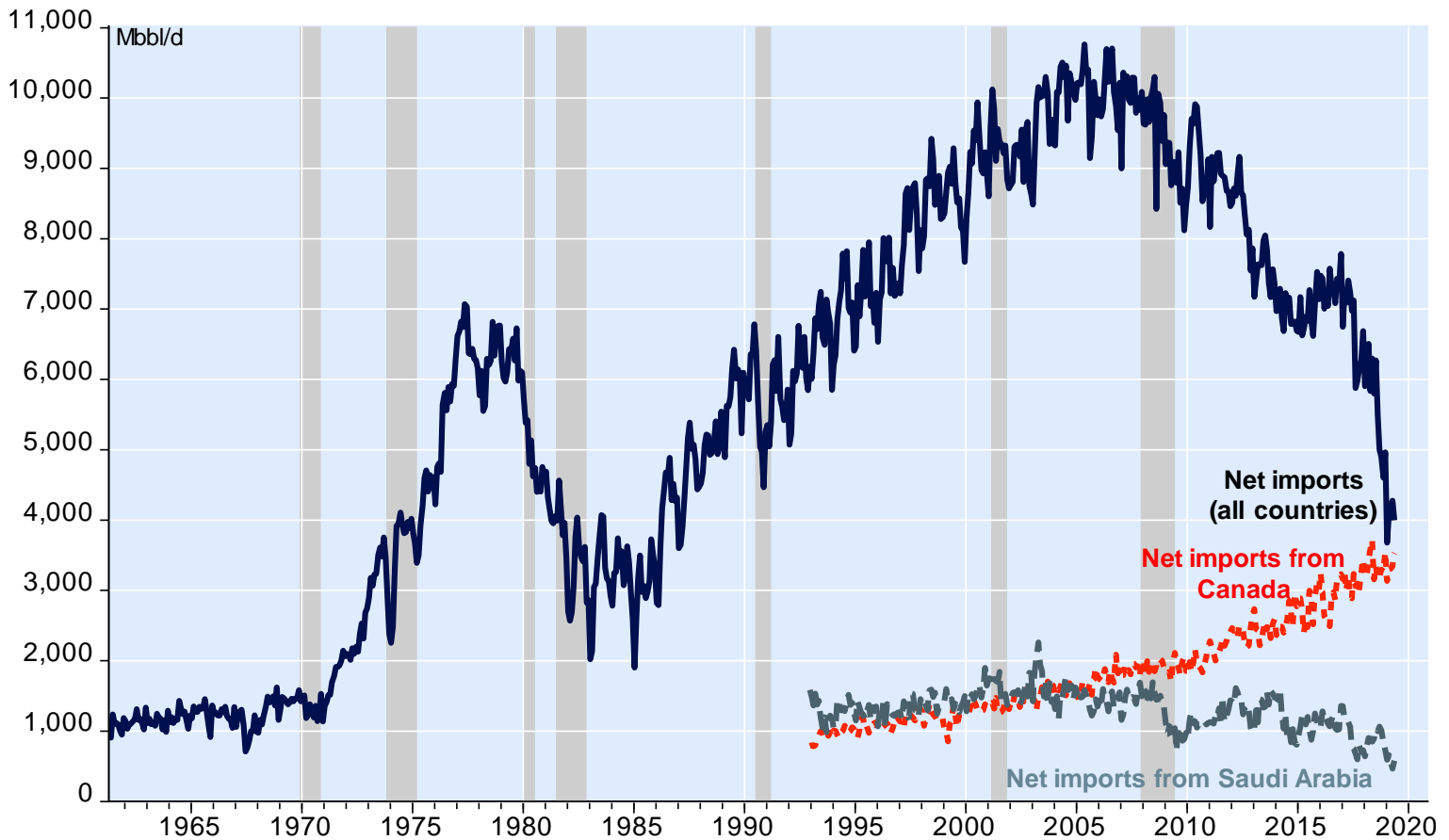
Canada Watch

By Stéfane Marion

Geopolitics is anything but boring in 2019. Just as one source of risk to the global economy receded last week (China-U.S. trade war), one resurfaced this weekend with drone attacks on Saudi Arabia's oil facilities. Even if it manages to restore production in a short period of time, the risks for Saudi's energy sector and Asian countries that increasingly get their oil supplies from this country have increased. Does this represent an opportunity for Canadian oil producers? Our Calgary-based colleagues published a [thematic piece](#) earlier this month arguing just that. Not only does the scale of the oil resource in Canada rank as one of the largest in the world, the resource development standards, quality and supply security, should position our country as a preferred producer. Canada currently supplies the U.S. with close to 90% of its net imports of crude oil, but at a discounted price. WCS has the potential to become a global pricing benchmark, but that will require new infrastructure to ship this strategic commodity to global markets.

U.S.: Close to 90% of net imports of crude oil come from Canada

U.S. monthly net imports of crude oil



NBF Economics and Strategy (data via https://www.eia.gov/dnav/pet/pet_move_net/a_epc0_IMN_mbbldpd_m.htm)

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