



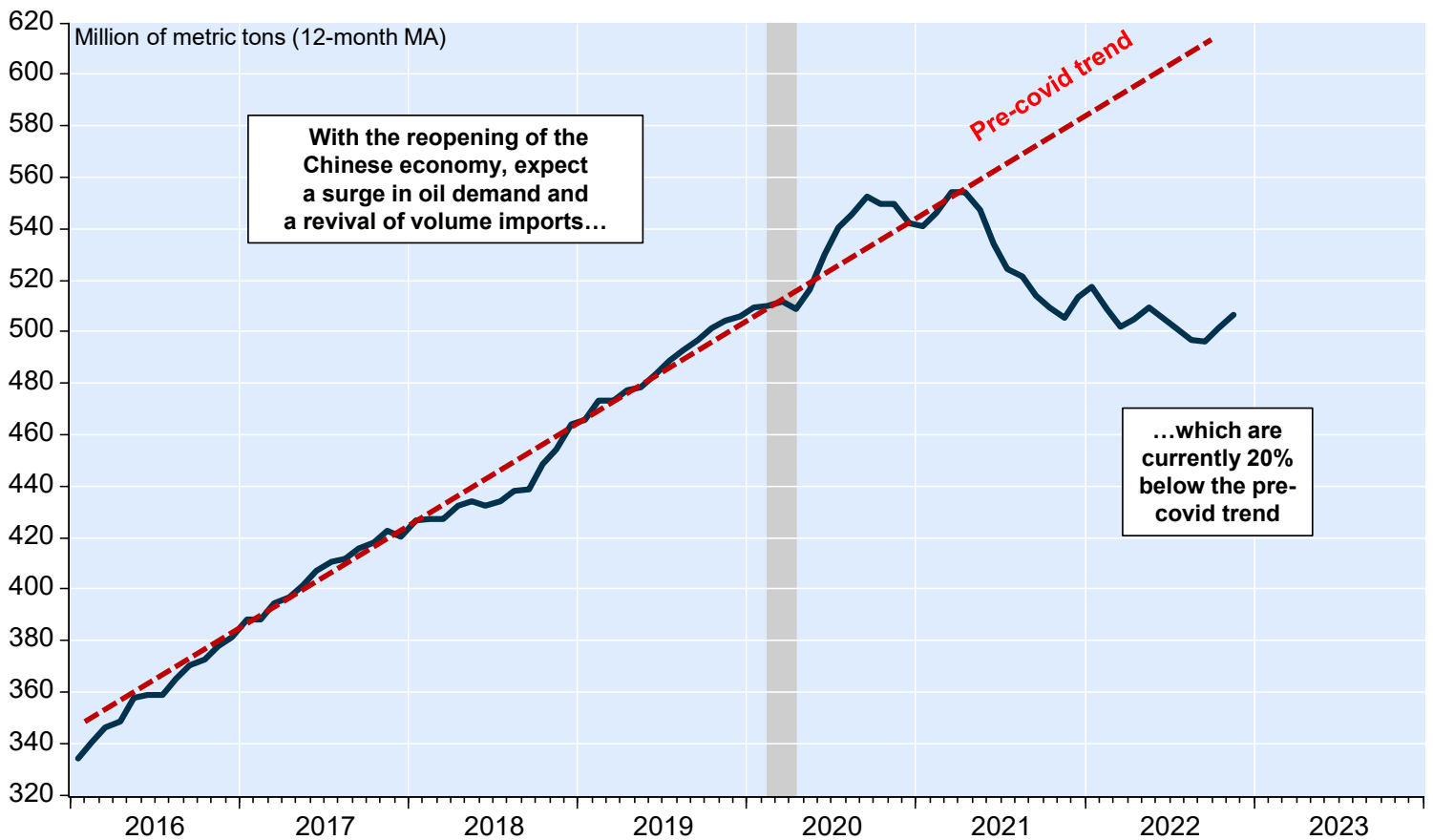
Commodity Watch

By Stefane Marion

Despite a significant slowdown in economic growth expected in OECD countries, we remain comfortable with our forecast of WTI between \$70 and \$80 in 2023. For one, supply considerations due to the war in Ukraine are likely to persist for the foreseeable future. For another, crude oil demand will be supported by China's recent announcement to end its zero-covid policy and reopen its economy. As today's Hot Chart shows, Chinese crude oil imports by volume collapsed by 10% between 2021 and 2022 and are currently 20% below their pre-covid trend. As Chinese consumers emerge from their recent state of hibernation, expect crude oil imports to jump. As a result, we remain comfortable with an overweight in energy in our equity sector rotation.

China: Reopening economy points to surge in oil demand

Chinese volume imports of crude petroleum



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