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#### China is the one to watch.

BP's Chief Economist summed it up when he said China is the most important thing to the oil market this year, especially when it comes to the movements in China's economy from July onwards. This will be a defining moment for oil prices.

#### We need to talk about quadrilemmas.

The Secretary General of OPEC, H.E. Mr Haitham Al Ghais, captured it for me when he spoke about the so-called energy trilemma: this mixture of energy security, energy transition, and affordability. This cuts to the strategy that a lot of the leaders in the oil and gas space at CERAWEEK – with 7,500 delegates – are grappling with. Al Ghais said there's something missing. It should be the quadrilemma: energy reality must be added to the mix.

#### Pressures are mounting.

The global population will be close to 10bn people by 2050, which requires more energy to sustain economic growth. With current technology, it's impossible to conceive of a world where you are not going to have hydrocarbons – a world with no oil, no gas. We need a mixture of all these energy sources, including renewables.

#### There is one big question.

Where is the money coming from? We need major investments. By OPEC's own estimates, oil and gas alone will require approximately \$12.1trn up to 2050 to produce the energy that the global economy will need – which is also the same time period for Net Zero goals. The real concern is where is how to invest to sustain fossil fuel production? The introduction of the Inflation Reduction Act (IRA) in the US is incentivizing people in the industry to look at diverting more of their capital to areas that will most easily attract some of the \$360bn of potential subsidies from the US government, effectively renewable energy. ■

*\*Paraphrased Comments*

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