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China has eased most lockdown restrictions across the country.

With the exception of Beijing, since November 30th, most cities and provinces are allowing free movement and are limiting lockdowns to only where particular cases have been found. COVID tests are now also optional – all this is quite a dramatic change. The government is planning to open up gradually however as it cannot open all at the same time because there are still fears about the capacity of the medical system.

Where does that leave the outlook for economic growth and oil demand?

Official data just released shows that November oil imports jumped by 12%. We expect demand to recover gradually next year as well as in the month of December, as things continue to open. The world should be more worried about global demand than Chinese demand as the worst is over now, here. We are moving forward across the country and lots of provincial governors are telling industries to resume normal worker activity. This is going to speed up very quickly.

Expectations for President Xi's visit to Saudi Arabia?

We expect deeper economic cooperation between China and Saudi Arabia and some other countries in the Middle East, and we have already been seeing that in the past few years. Saudi Arabia has shown interest in purchasing weapons from China as it seeks to lessen its reliance on other countries and China needs to keep securing its energy from the Middle East too. Oil imports from the GCC region rose this year, even though total oil imports into China as a whole dropped.

China's current stance on the Energy Transition?

China has been speeding up its Transition in the past few years and this will continue at a faster rate. It needs to do this for its own growth, as it cannot rely on fossil fuels for long and has set carbon emissions and sustainable development targets. ■

**Paraphrased Comments*