

Macro Roundup Article

Headline: [Saudi Aramco Doesn't Believe Its Own Rhetoric on Oil Demand](#)

Article Link: <https://www.bloomberg.com/opinion/articles/2023-02-15/saudi-aramco-doesn-t-believe-its-own-rhetoric-on-oil-demand?sref=U3dOGIDF>

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Tweet: [@davidfickling](#) notes that Saudi Aramco drilling activity is 30% below pre-Covid levels and argues that the company's reduced capex spend is consistent with an internal forecast of declining global oil consumption by 2030. [@bloomberg](#)

Summary: Saudi Aramco's operating cashflows in the 12 months through September came to \$181 billion — more than was posted in the same period by Exxon Mobil, Shell and Chevron put together. Saudi Aramco could never do anything but paint a bright future for oil consumption — but its revealed preference is more cautious. If it invests too aggressively now, it risks flooding a market that is gradually turning its back on petroleum, driving down prices and the kingdom's own oil revenues. Its warning that oil supply will fall to about 80 million daily barrels in 2030 without more capex is pretty much in line with the levels of demand that BP expects at that point, in a world which manages to keep global warming well below 2 degrees Celsius.

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