



## Flash Note: Petrochemicals Sector

快讯：石化行业

Peter Shao 邵俊樨

(852) 2509 5464

peter.shao@gtjas.com.hk

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# Saudi Arabia Surprised the Market with a Voluntary Cut of 1 mb/d

沙特阿拉伯自愿减产1百万桶/天，令市场意外

- **Saudi Arabia surprised the market with a voluntary cut of 1 mb/d.** Following an extended OPEC+ meeting over the past 3 days, Saudi Arabia announced that it would voluntarily cut crude production by 1 mb/d starting in Feb. 2021, while Russia, which favoured an ease of production curb during the meeting, can increase production by 65 kb/d and 130 kb/d in Feb. and Mar. (vs. Jan.), respectively. Overall, in Feb. and Mar. 2021, OPEC+ can increase production by 75 kb/d and 150 kb/d, respectively –this is negligible compared with Saudi Arabia's unilateral cut of 1 mb/d. Saudi Arabia's surprise move signals the country's concern that a resurgent coronavirus is threatening oil demand recovery. Brent crude jumped above US\$53/bbl following Saudi Arabia's announcement of the voluntary cut.
- **OPEC+ is likely to be under more pressure to ease production curb if demand recovers further and oil prices edge higher, due to an increasing divergence within the group.** Although OPEC+ has done a great job in orchestrating a massive production cut since May 2020, there appears to be an increasing divergence within the group, as shown by more 'drama' inside the group over the past 7 months. Going forward, there is a risk that the group's cohesion will fray further if demand recovers further and oil prices edge higher.
- **While demand recovery remains bumpy amid a new round of lockdown measures globally, we believe Saudi Arabia's large unilateral cut will tighten the oil markets in the short term.** In the near term, uncertainties still prevail regarding oil demand recovery. On the one hand, we have the COVID-19 vaccines rolling out globally; on the other hand, however, the new variant of coronavirus is resulting in a new round of lockdowns globally and reminds us the risk of virus mutation which could make existing vaccines obsolete. Based on the planned roll-out of the vaccines and factoring in people's acceptance to vaccination, we do not expect infection rates globally to go down significantly in 1Q21. Despite uncertainties, currently we have not seen any worrying signs of demand deterioration, and thus we believe Saudi Arabia's 1 mb/d voluntary cut is to tighten the market in the near term, resulting in higher oil prices. But ultimately, the upside for oil prices still depends on how well we can contain the virus globally. In its Dec. 2020 Oil Market Report, the IEA estimated that global oil demand in 2021 will remain 3.1 mb/d (or 3.1%) below 2019 level, mainly due to weak jet fuel demand. Based on the latest oil consumption data of major oil consuming countries, we believe global oil demand currently stands around 5%-7% below pre-pandemic levels. Our latest assumptions for 2021-2023 Brent crude oil prices are US\$48/bbl, US\$54/bbl and US\$58/bbl, respectively.

- **沙特阿拉伯意外宣布自愿减产 1 百万桶/天。**在结束了 3 天的 OPEC+ 延长会议之后，沙特阿拉伯宣布将由 2021 年 2 月起自愿减产原油 1 百万桶/天，而在会议上提出放宽限产的俄罗斯则可于 2 月和 3 月分别增产 6.5 万桶/天和 13.0 万桶/天（相较 1 月而言）。总体来看，OPEC+ 可于 2021 年 2 月和 3 月一共增产 7.5 万桶/天和 15.0 万桶/天——这比起沙特阿拉伯 1 百万桶/天的自愿减产显得微不足道。沙特阿拉伯此次令人意外的举动体现了其对于新冠病毒重新袭来对石油需求复苏造成威胁的担忧。在沙特阿拉伯宣布自愿减产产，布伦特原油涨超 53 美元/桶。
- **由于内部分歧日益增加，若需求进一步复苏、油价进一步上涨，OPEC+ 很可能将面对更大的压力去放宽限产。**尽管 OPEC+ 自 2020 年 5 月起出色地协调了大规模减产，但在过去 7 个月中其内部不断增多的“戏剧性”事件似乎也反映了其日益增加的内部分歧。往后看，如果油价随需求进一步复苏而上涨，OPEC 内部一致性进一步下降的风险将会出现。
- **虽然全球新一轮封锁措施下需求的复苏仍然坎坷，但我们认为沙特阿拉伯大规模的单边减产将在近期令油市收紧。**石油需求近期的复苏仍充满变数。一方面来看，新冠疫苗的推广正在全球如荼展开；但另一方面，变异新冠病毒正导致全球新一轮封锁，并提醒了人们病毒变异或使现有疫苗失效的风险。基于新冠疫苗的推广计划并考虑到民众的接种意愿，我们并不认为全球传染率能在 2021 年第 1 季度显著下降。尽管充满不确定性，但我们目前没有看到令人担忧的需求恶化迹象，因此我们相信沙特阿拉伯 1 百万桶/天的自愿减产能在近期令市场收紧，从而推高油价。但最终油价的上行空间还取决于全球控制疫情的表现。在 2020 年 12 月的石油市场月报中，国际能源署预计 2021 年全球原油需求仍将低于 2019 年水平 310 万桶/天（或 3.1%），主要受疲弱的航空燃油需求拖累。基于最新有关主要石油消费国的数据，我们认为目前全球原油需求处于低于疫情前水平约 5%-7% 的位置。我们最新的 2021-2023 年布伦特原油价格假设为 48 美元/桶、54 美元/桶和 58 美元/桶。

## Company Rating Definition

The Benchmark: Hong Kong Hang Seng Index

Time Horizon: 6 to 18 months

Rating	Definition
Buy	买入
Accumulate	收集
Neutral	中性
Reduce	减持
Sell	卖出

## Sector Rating Definition

The Benchmark: Hong Kong Hang Seng Index

Time Horizon: 6 to 18 months

Rating	Definition
Outperform	跑赢大市
Neutral	中性
Underperform	跑输大市

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 27/F., Low Block, Grand Millennium Plaza, 181 Queen's Road Central, Hong Kong.  
 Tel.: (852) 2509-9118 Fax: (852) 2509-7793  
 Website: www.gtja.com.hk