



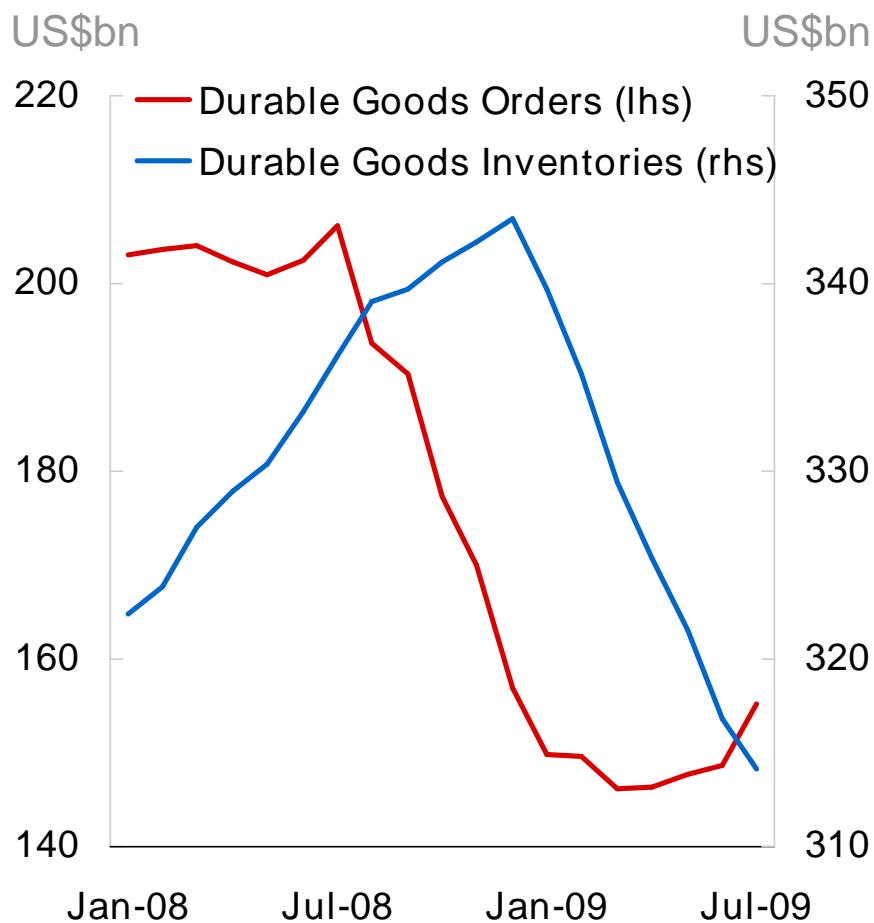
BIEE  
London, Sept 2009

Christof Rühl, Group Chief Economist, BP plc

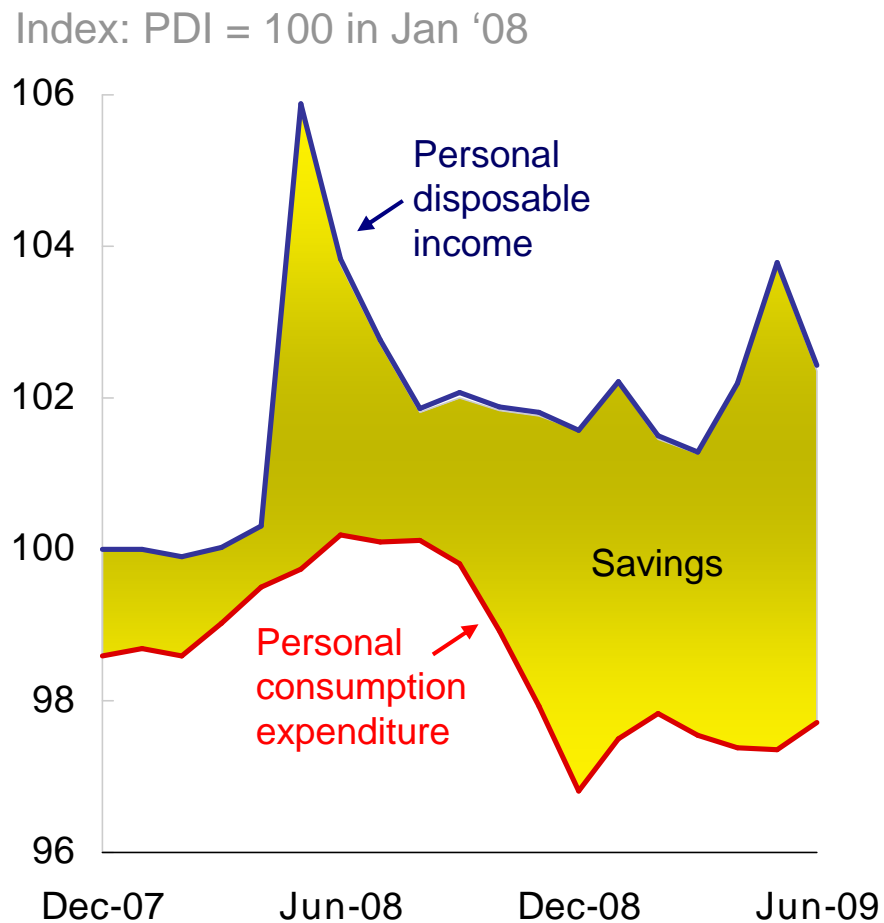
# US: Inventory cycle vs. household balance sheet adjustments



### US Durable Goods Orders and Inventories



### US Personal Income, Expenditure, and Savings



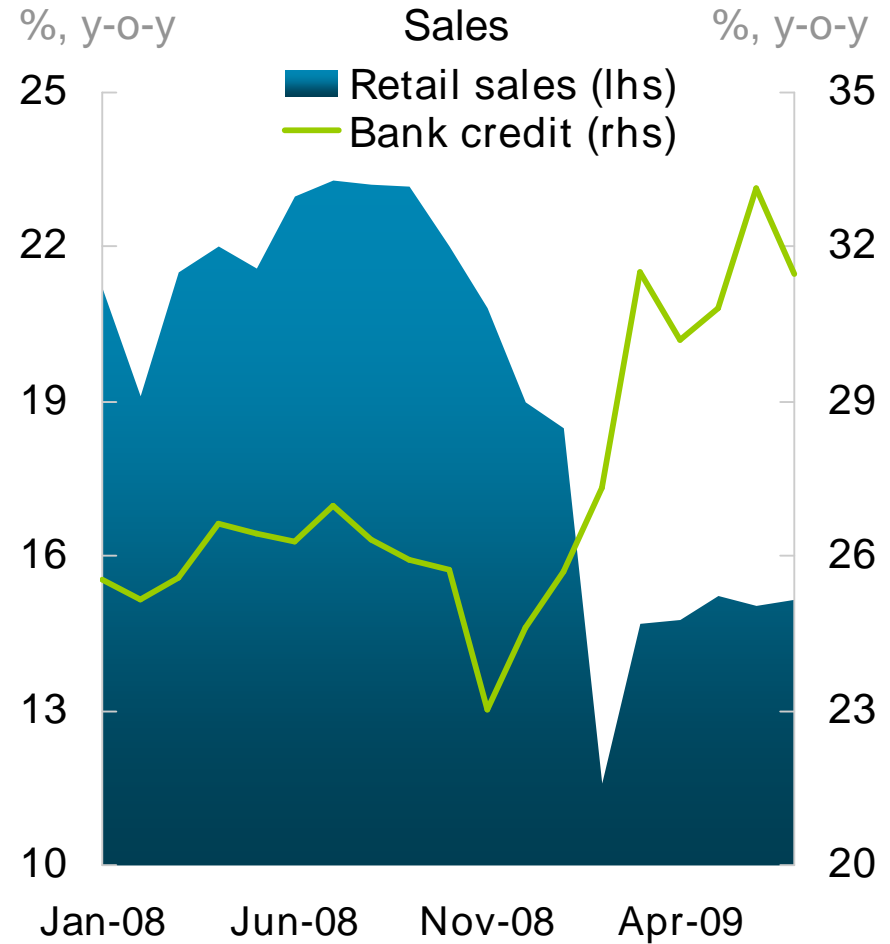
# China: A government-led recovery



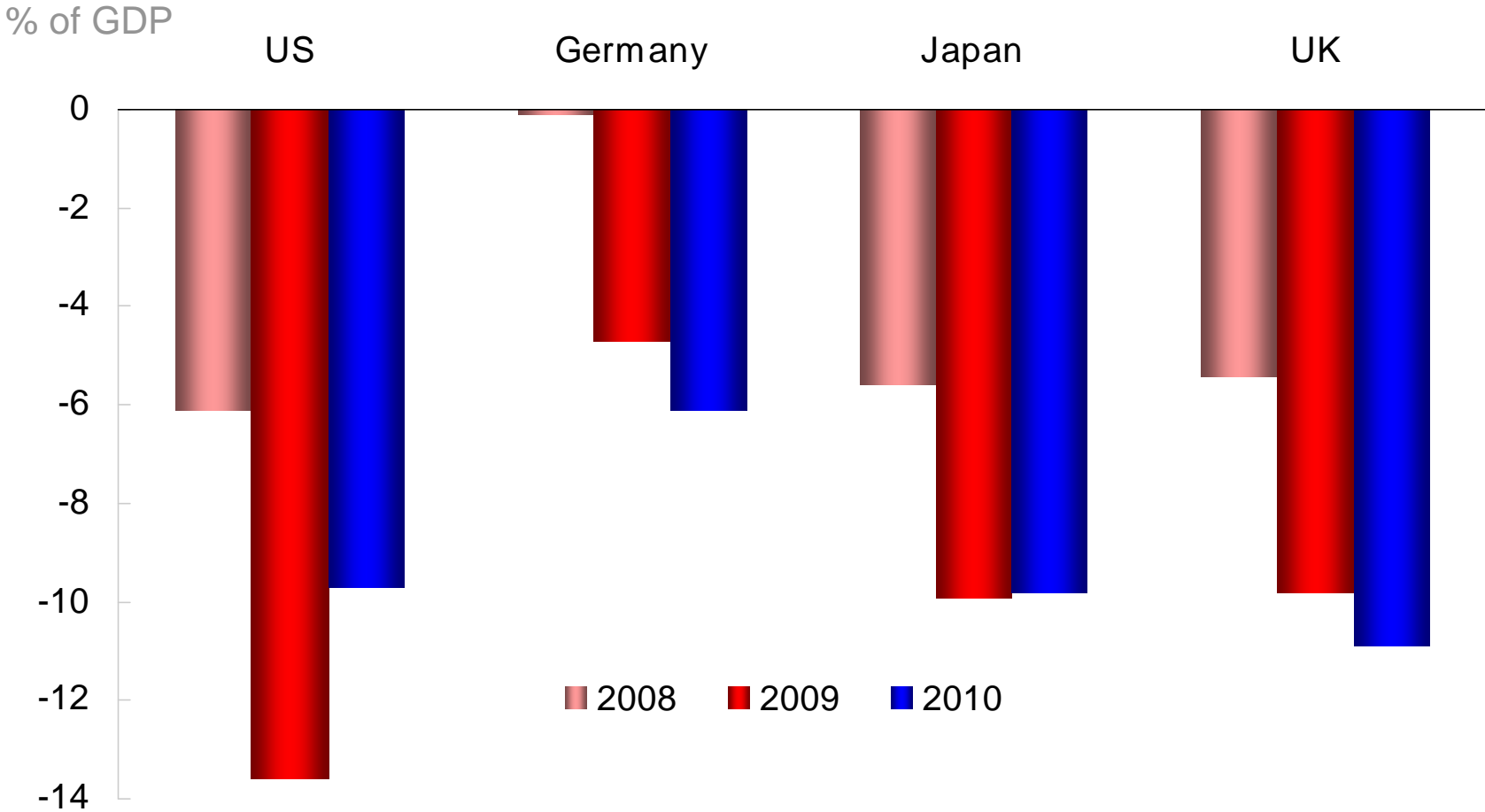
### Growth in Chinese Trade



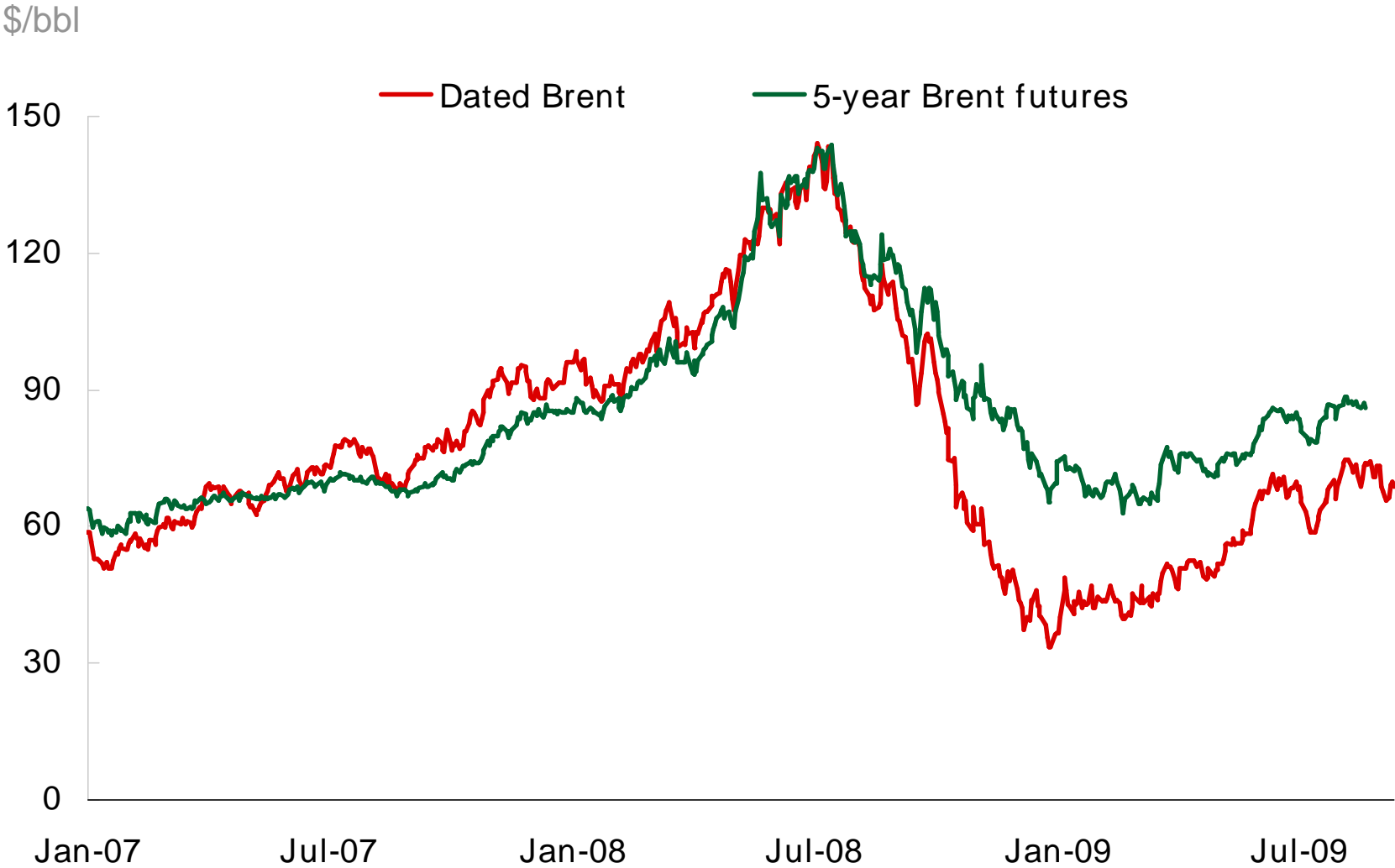
### Growth in Bank Credit and Retail Sales



# Globally: Fiscal deficits a threat to stability and growth



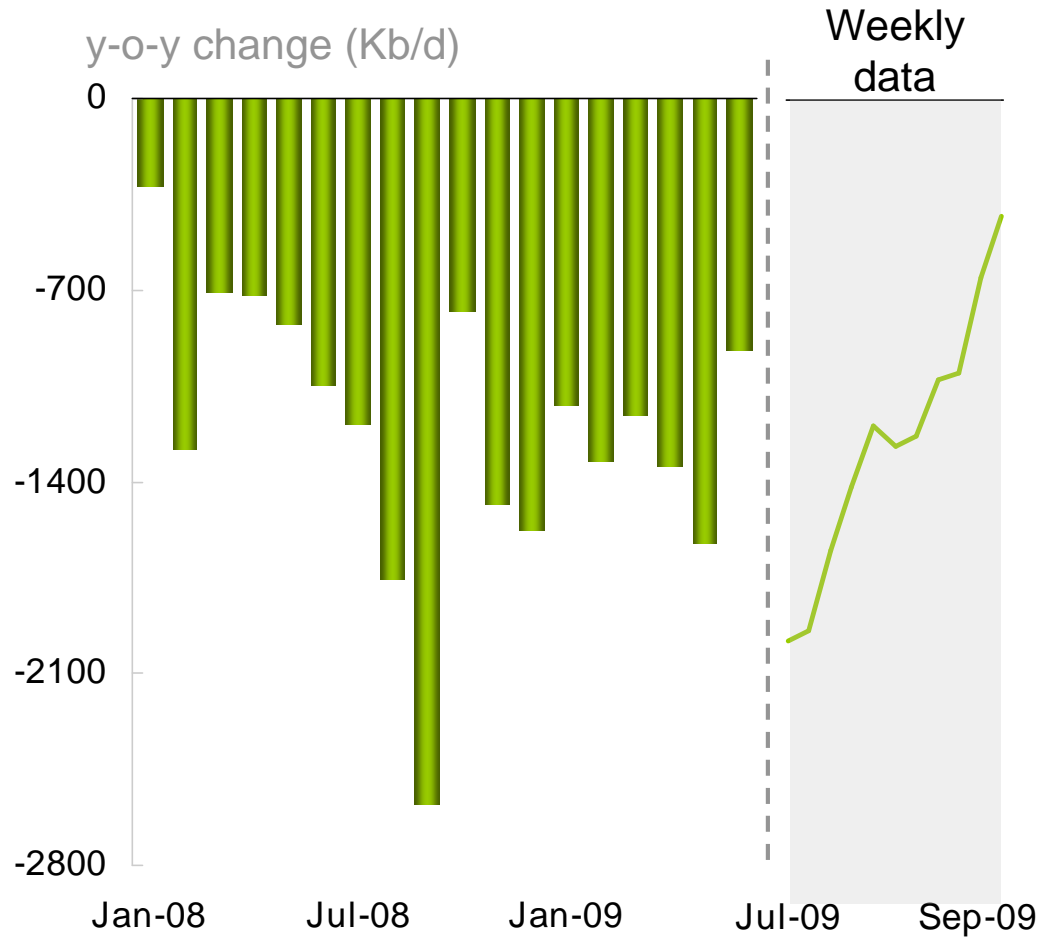
# Do Oil Prices Have an Anchor?



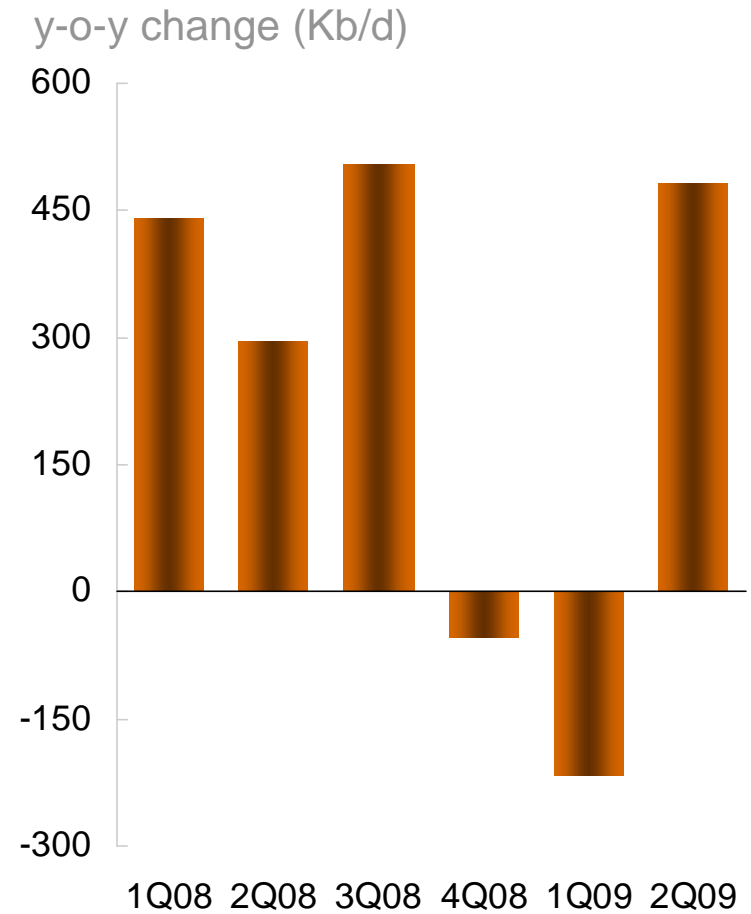
# Oil Demand Recovering



## US oil demand growth



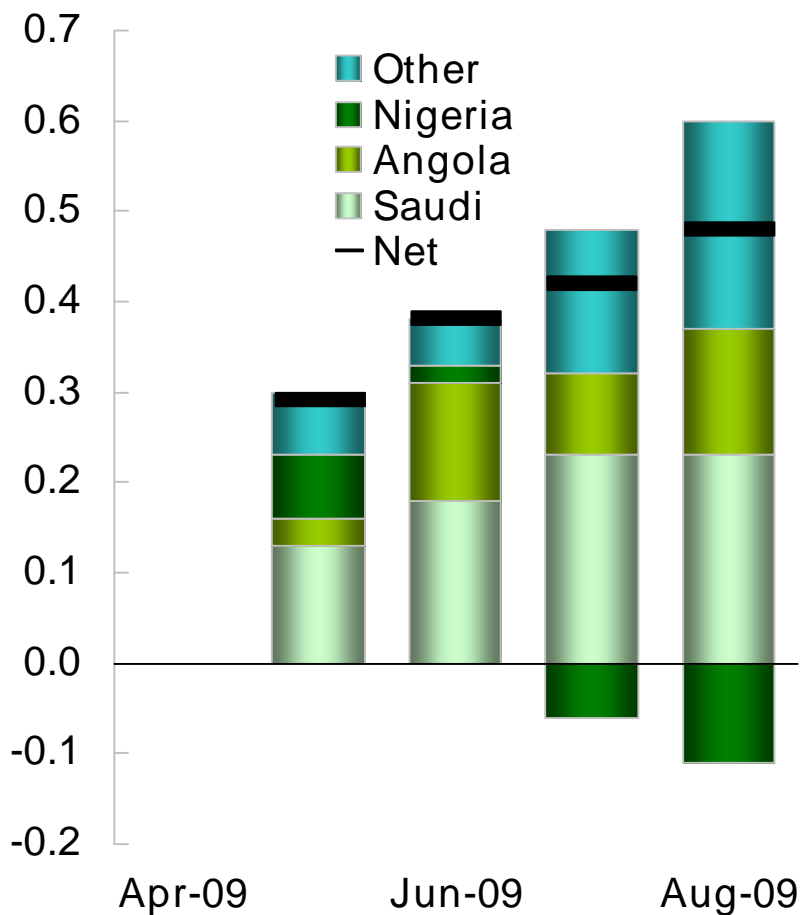
## Chinese oil demand growth



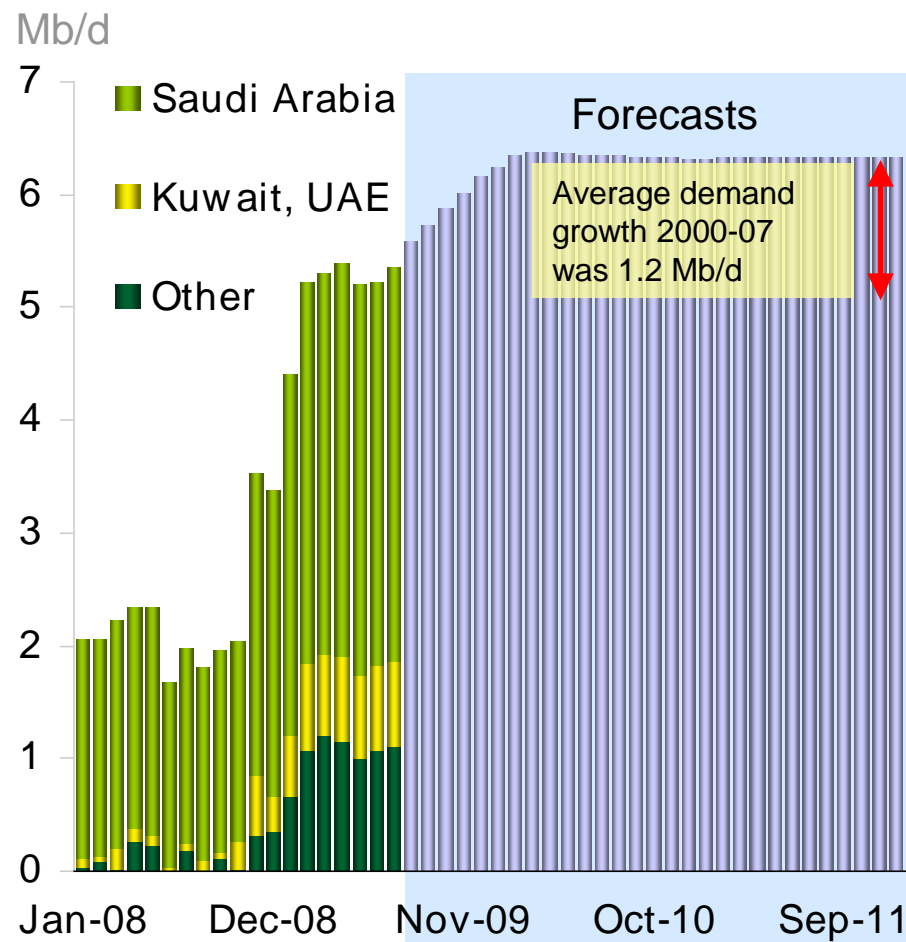
... The interplay between OPEC discipline and demand recovery drives prices over the medium term



Production Creeps Up



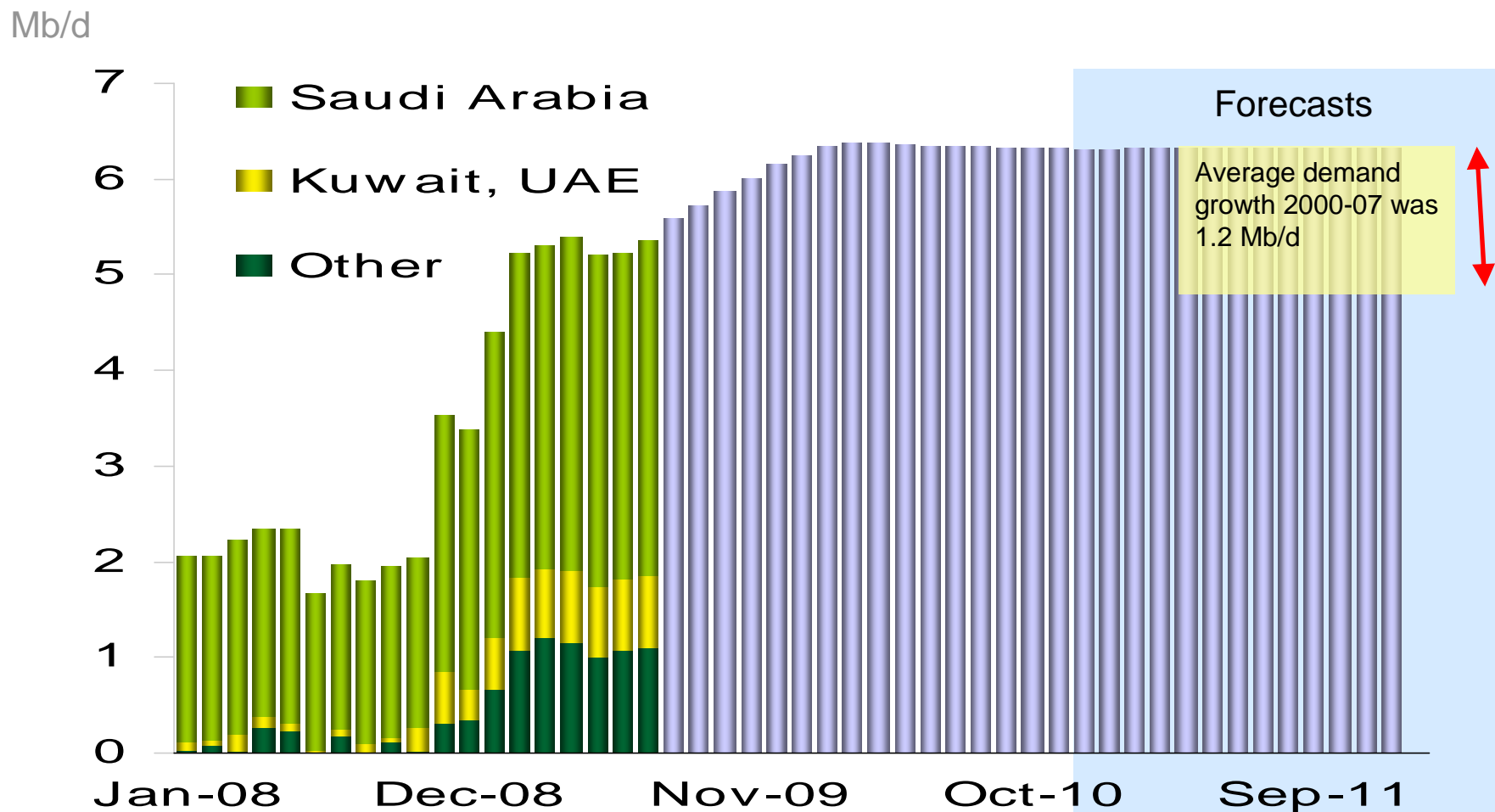
OPEC Spare Capacity



... The interplay between OPEC discipline and demand recovery drives prices over the medium term



### OPEC Spare Capacity





Without further OPEC action, inventories will remain above the 5-year range for now

