

# World economy may do better despite trade conflicts: Opec

The Organization of the Petroleum Exporting Countries (Opec) said the global economy may perform better than expected in the second half of the year despite trade conflicts and refineries' crude intake would remain elevated to meet the uptick in summer travel, helping to support the demand outlook.

In a monthly report on Tuesday, the Opec left its forecasts for global oil demand growth unchanged in 2025 and 2026 after reductions in April, saying the economic outlook was robust.

"India, China, and Brazil are outperforming expectations so far, while the United States and the Eurozone are experiencing a continued rebound from last year," Opec said in the report.

"With this, the second-half 2025 economic growth may turn out better than currently expected." A solid economy shrugging off trade conflicts would make it easier for Opec+, which groups Opec-plus Russia and other allies, to proceed with its plan to pump more barrels to regain market share after years of cuts aimed at supporting the market.

Opec+ agreed on July 5 to raise production by 548,000 barrels per day in August, further accelerating output increases at its first meeting since oil prices jumped, then retreated, following Israeli and US attacks on Iran. Opec's demand forecasts are at the higher end of the industry range, as the agency expects a slower energy transition than some other forecasters. REUTERS