Oil demand is projected to grow as economies and vehicle ownership expand. Projections are sensitive to underlying assumptions about growth and oil price.

Sources: International Energy Agency; U.S. Department of Energy; and IMF staff calculations.

1 Simple average of West Texas Intermediate, Brent, and Dubai oil prices.
2 According to the futures markets, the real price of oil expressed in 2003 dollars is expected to fall from $45 a barrel in 2005 to about $34 a barrel in 2010. The real price of oil is assumed by the IMF staff to stay at this level after 2010.
3 Real oil price is assumed to jump to $80 a barrel in 2006 and then gradually fall to the baseline price of about $34 a barrel in 2010.