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INDUSTRY OUTLOOK | ENERGY

IEA flips to oil surplus: Q4 supply to beat demand by 1.7M bpd

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By **Manasee Kurlekar** | November 14, 2026



For the first time since the war began, the world may be making more oil than it uses. Oil supply will average 105 million barrels per day in the fourth quarter, 1.7 million bpd higher than forecast demand. The IEA had previously forecast a fourth-quarter supply deficit. Gulf producers

are finding ways around the blockade, including so-called dark crossings through the Strait of Hormuz, where tankers switch off tracking signals to evade attack. Demand is giving way too: world oil demand is forecast to fall by 2.7 million bpd in 2026 to 102.3 million bpd. The problem is now specific fuels, not crude in general: diesel prices remain 77% above pre-war levels.

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- **IEA Oil Market Outlook — Key Takeaways**

Indicator	Latest figures / Developments	Significance
Q4 Supply Surplus	Supply: 105 million bpd, exceeding forecast demand by 1.7 million bpd	IEA reverses its earlier forecast of a Q4 deficit
Gulf Oil Exports	Exports recovering through workarounds, including “dark crossings” through the Strait of Hormuz	Tankers switch off tracking signals to reduce exposure to attacks
2026 Global Demand	Demand projected to fall 2.7 million bpd to 102.3 million bpd	High oil prices are suppressing consumption
2027 Supply Outlook	Supply projected to increase 6.6 million bpd to 108.1 million bpd	Points to substantial supply growth
Diesel Prices	77% above pre-war levels	Refined-fuel costs remain elevated despite the improving oil supply outlook

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