

# The Chart Page

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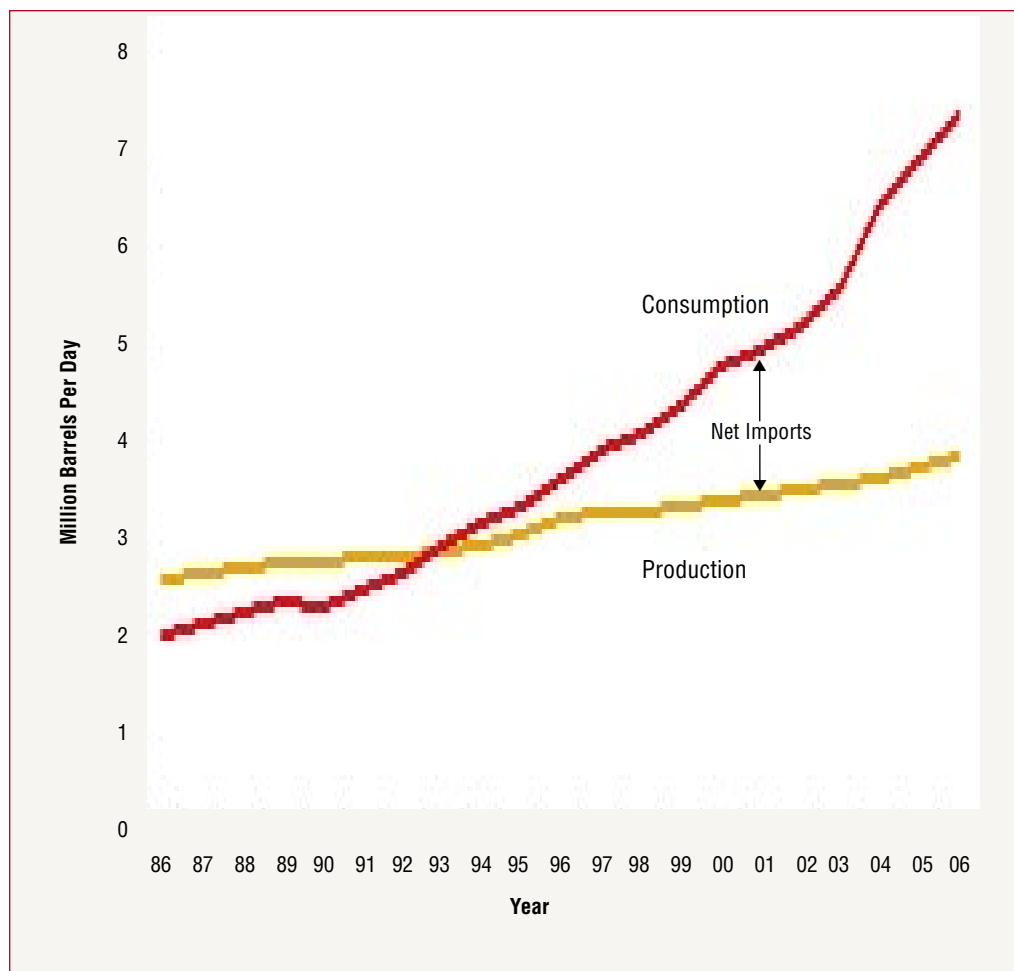
## China's Oil Problem—and Ours

China, the world's most populous country, boasts a large and rapidly growing economy. Demand for oil is multiplying. The US Energy Information Administration says Chinese consumption has hit 7.4 million barrels per day (MMbbl/d) in 2006. At the same time, production is nearly flat at 3.8 MMbbl/d. This imbalance of supply and demand has created a huge gap (see figure), making China the world's No. 3

petroleum importer, behind only the US and Japan. China's ravenous appetite for oil (consumption is up by 500,000 barrels a day in the past year) has helped send worldwide prices upward. Yet that is just one worry. Competition for foreign oil could put Beijing and Washington on a collision course, notably in the Persian Gulf, home to 70 percent of the world's proven reserves.

### Two Troubling Trends

China's Oil Production and Consumption, 1986-2006



Source: US Energy Information Administration