

China's Structural Slowdown and Energy Demand

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Estimated oil demand displacement from electrification reached 1.76 million b/d

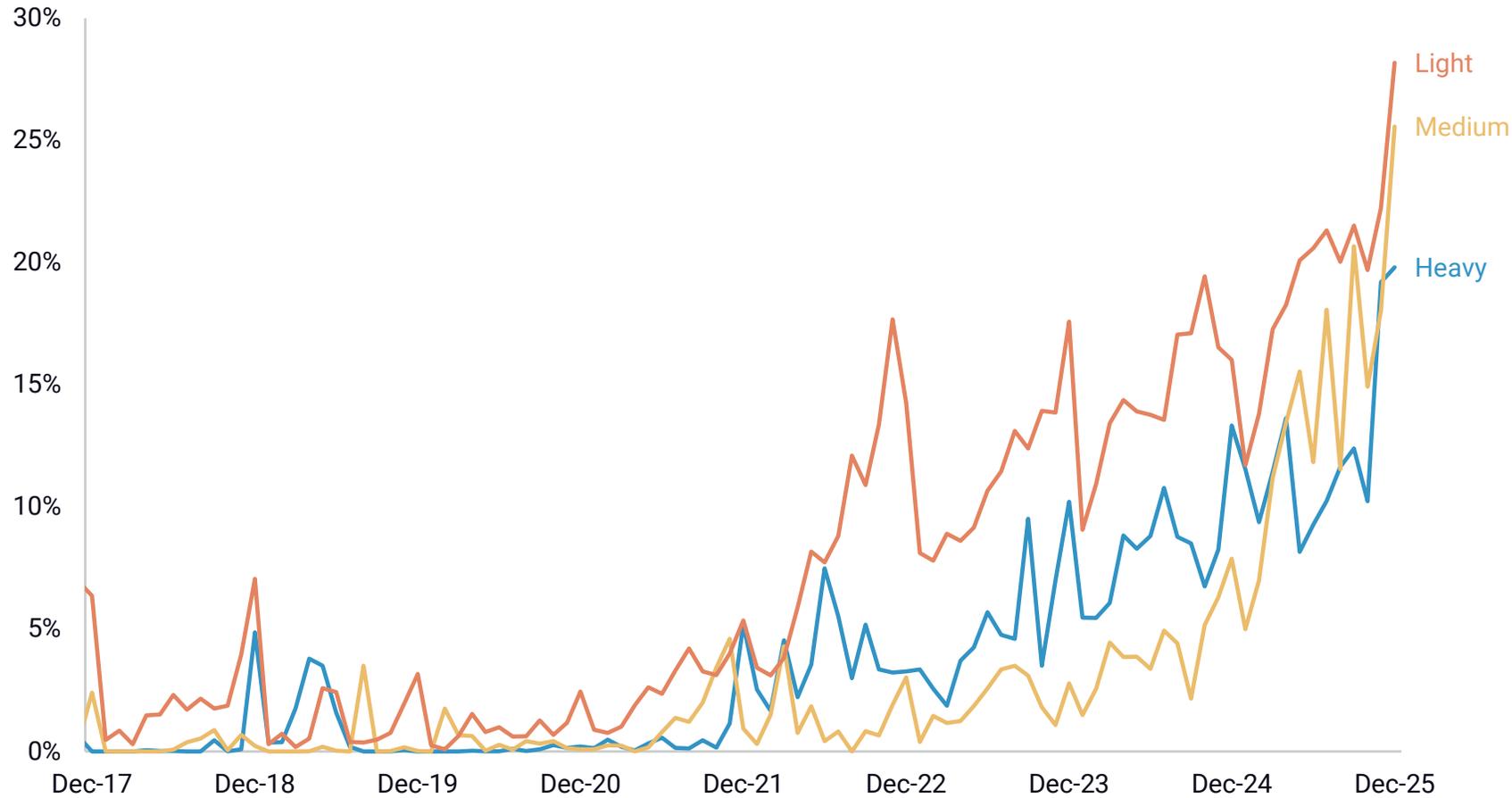
Estimated displacement of oil demand based on charging output, assumptions of fuel efficiency

miles per gallon -> miles per kWh	30	33	36
4.375	2,119,681	1,926,983	1,766,401
4.25	2,059,119	1,871,926	1,715,933
4.125	1,998,557	1,816,870	1,665,464
4	1,937,994	1,761,813	1,614,995
3.875	1,877,432	1,706,756	1,564,527
3.75	1,816,870	1,651,700	1,514,058
3.625	1,756,307	1,596,643	1,463,590

Source: IEA, China Passenger Car Association, Electric Vehicle Charging Infrastructure Promotion Alliance, corporate disclosures, Rhodium Group calculations.

Rollout of electric trucks is accelerating

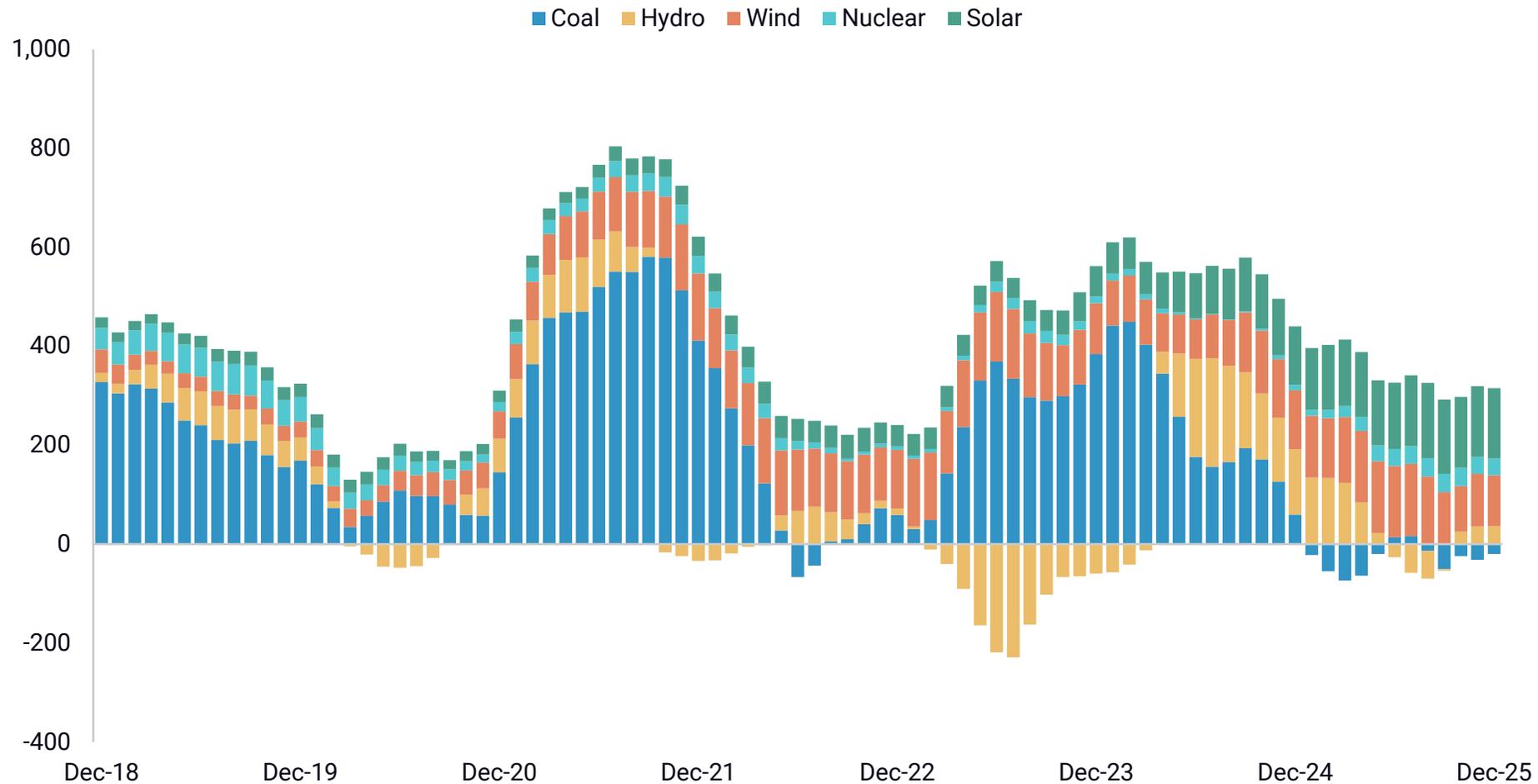
Proportion of all-electric truck output, Dec 2017 – Dec 2025



Source: China Association of Automobile Manufacturers.

Shifts from coal to clean in China's recent electric power mix

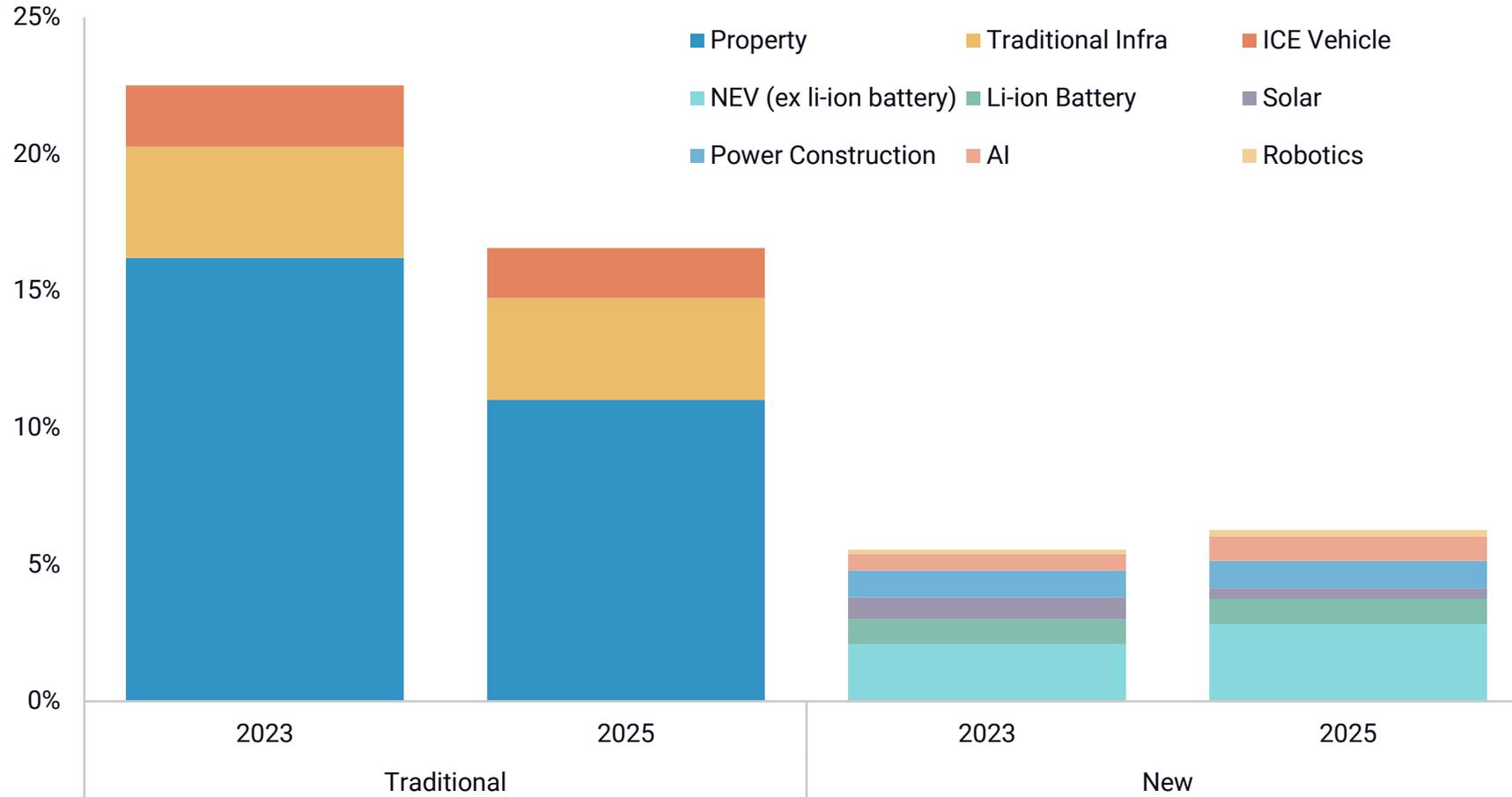
Year on year change in generation by month, 2018-2025



Source: CEIC, Rhodium Group

The slowdown of the old sectors is around 6x the growth in new industries

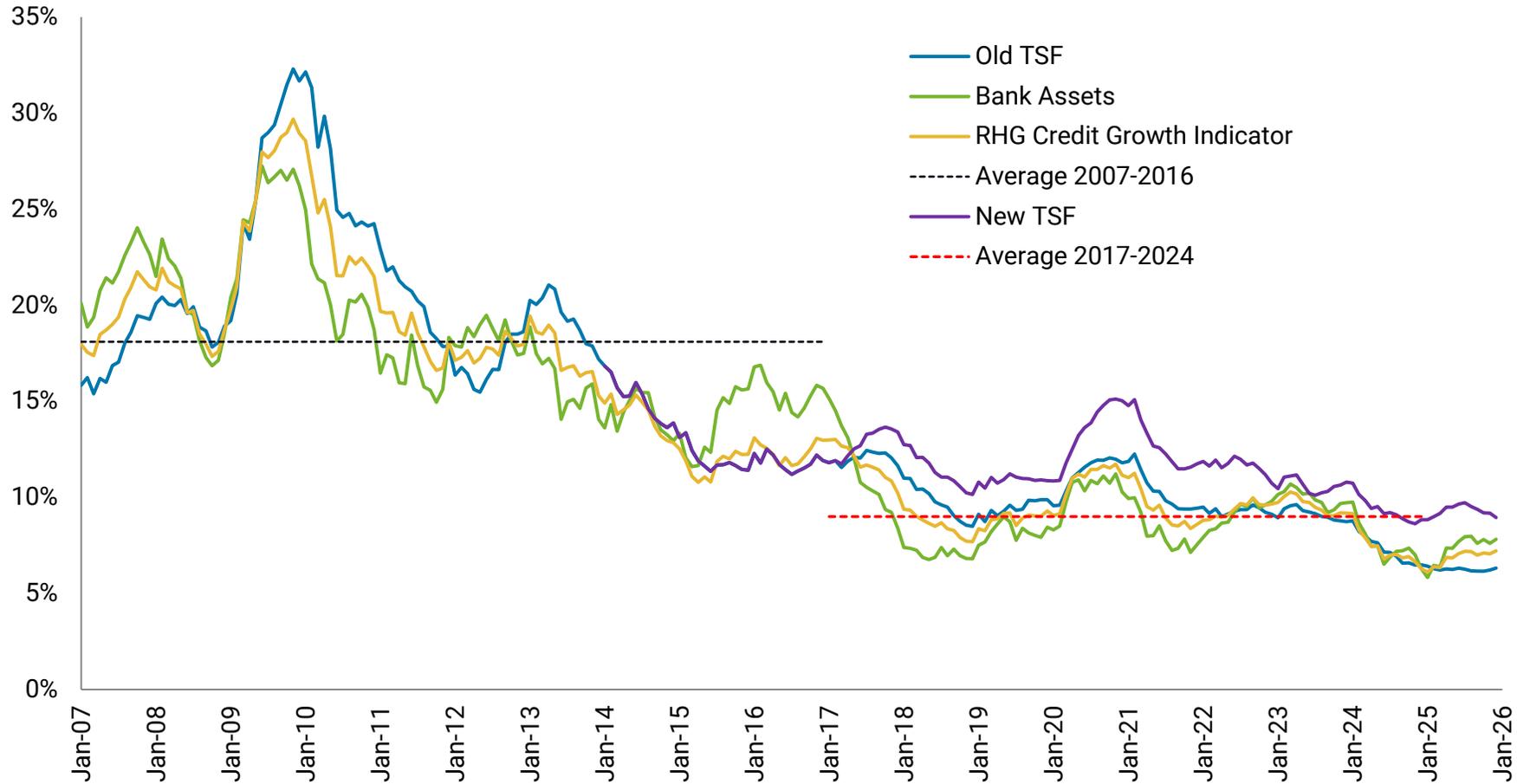
Decline in traditional industries versus expansion in new industries, percent of GDP, 2023 vs 2025



Source: National Bureau of Statistics, corporate financial statements, Rhodium calculations involving newly released 2023 input-output tables and the Global Clean Investment Monitor.

Credit growth slows

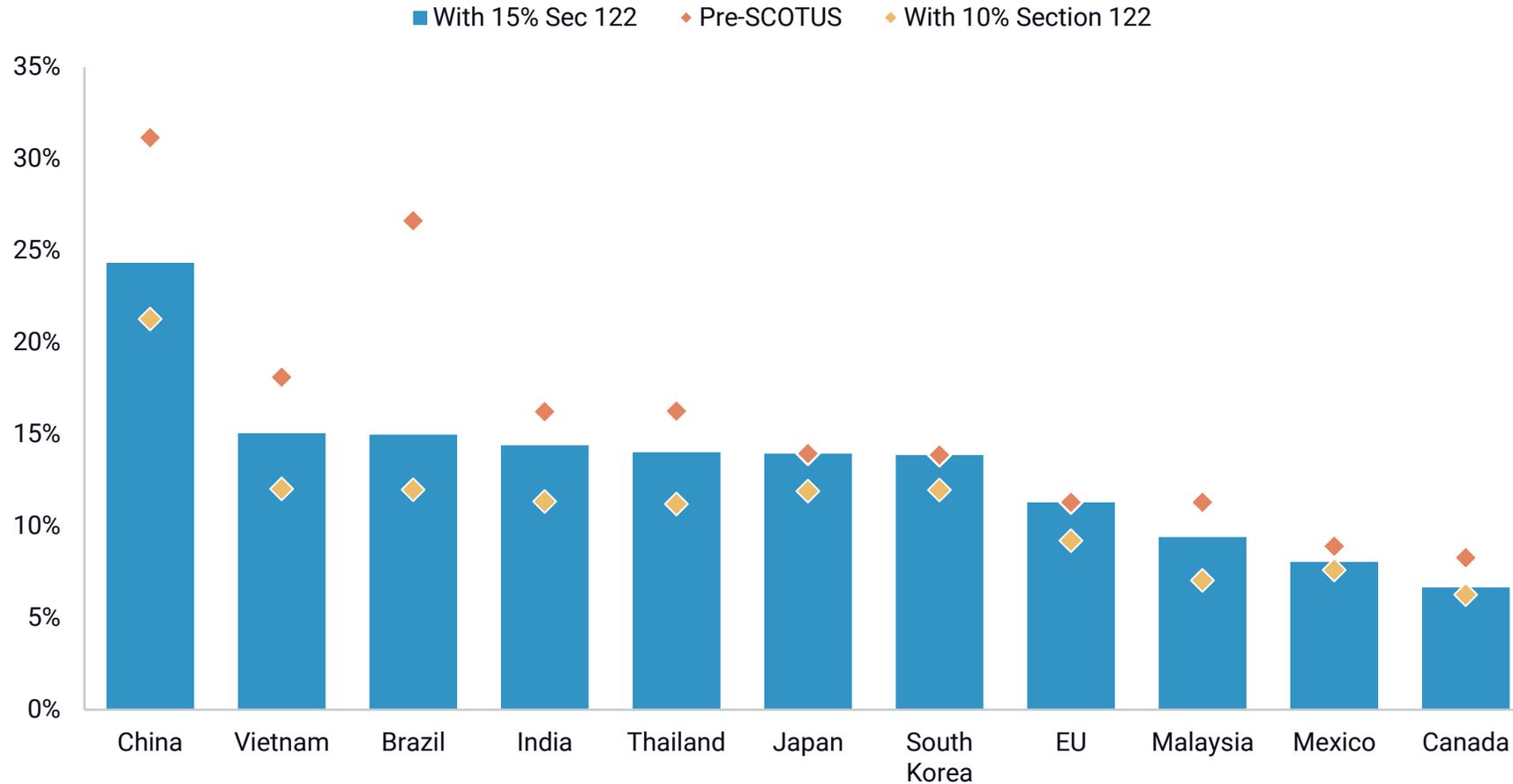
Measures of credit growth, percent yoy, 2007 - 2026



Source: People's Bank of China, Rhodium calculations.

China's actual tariff rate is the most important US trade policy variable

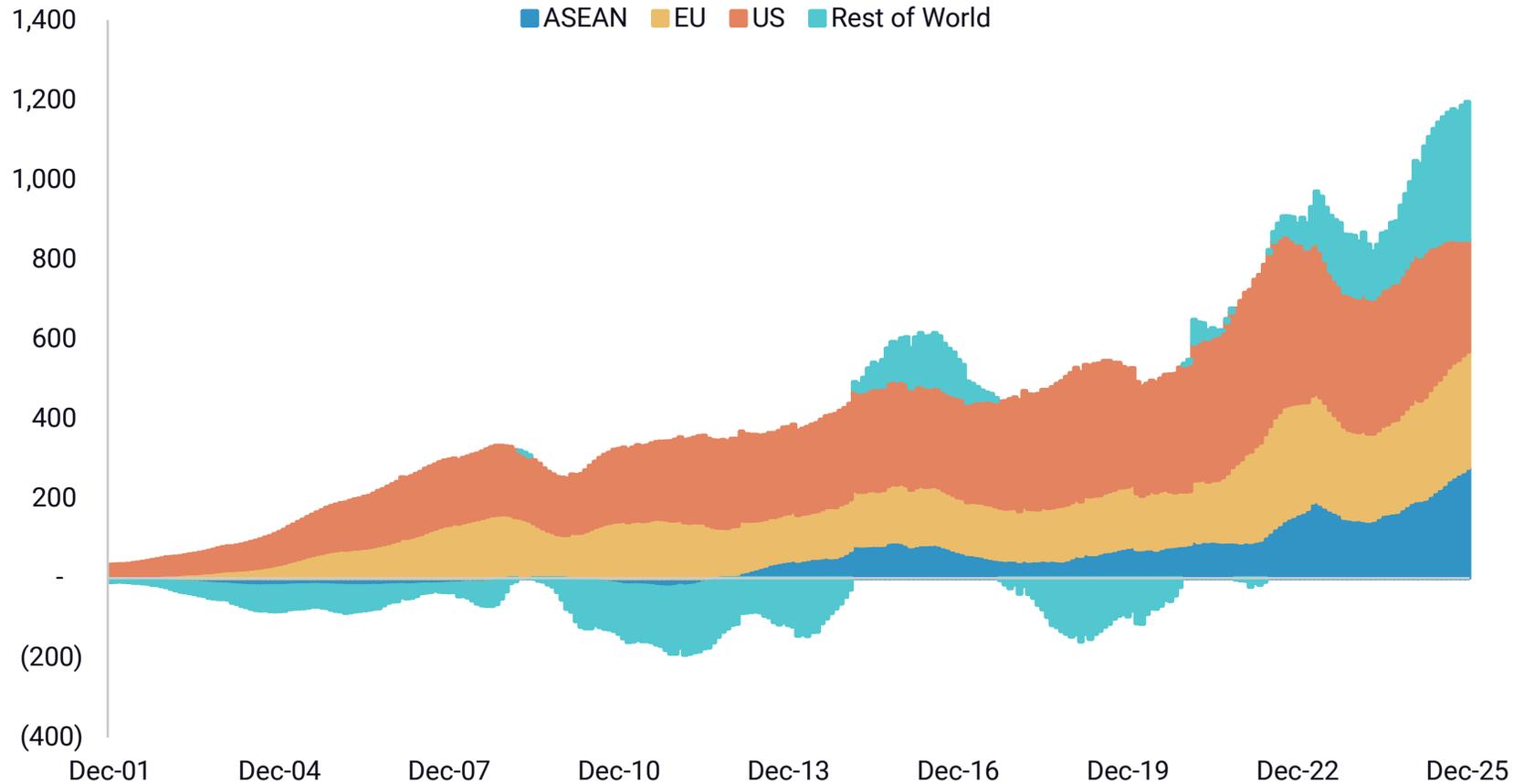
Trade-weighted tariff rates, before and after Supreme Court decision and Section 122 levies, by country



Source: Rhodium calculations based on 2024 trade data. Estimates include proportions of trade exempted from tariffs under bilateral negotiations, and content under USMCA.

Increasing reliance upon export-led growth outside developed economies

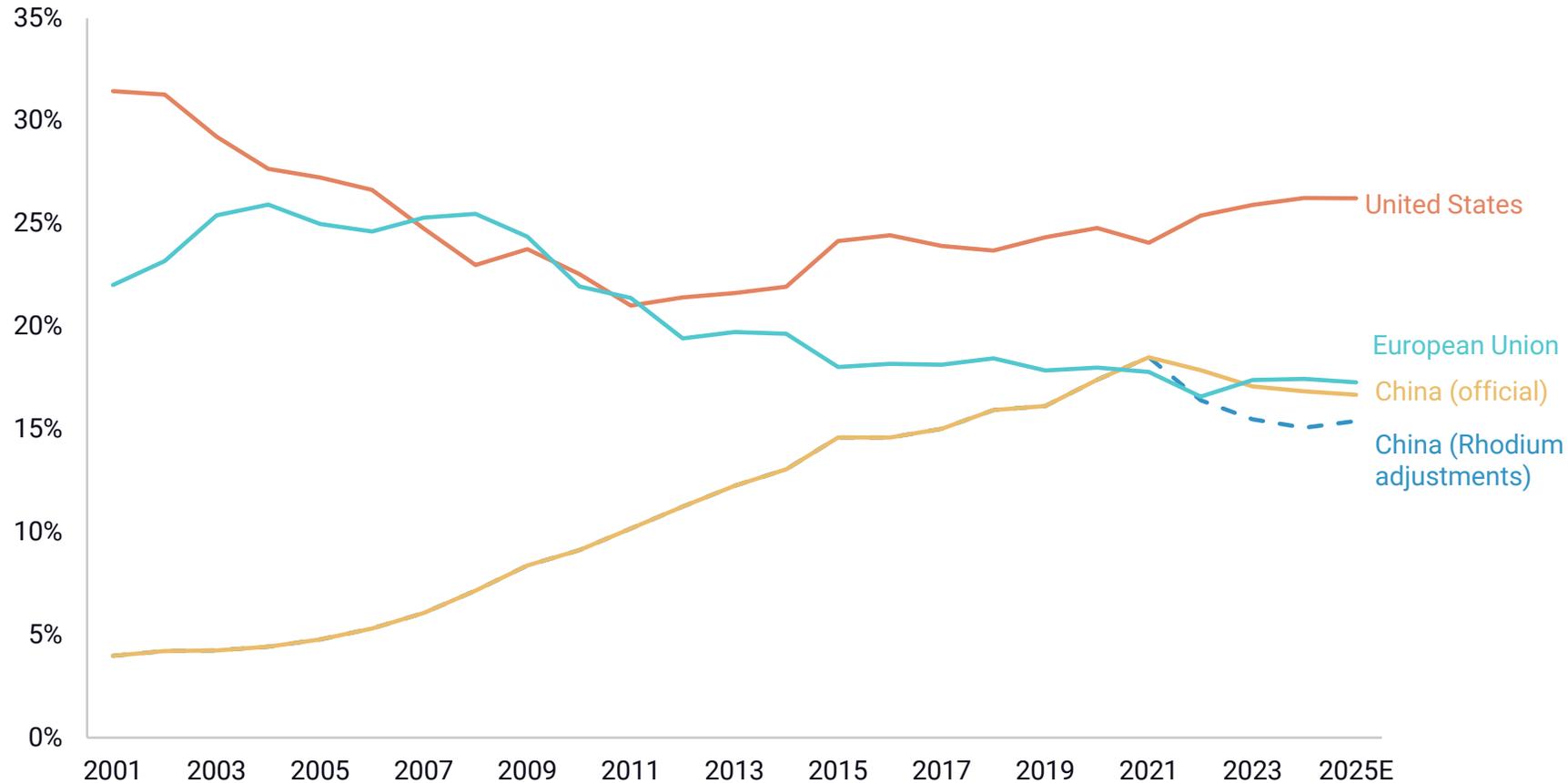
Trade surplus by region, 12m annualized, USD billion, 2001 - 2025



Source: General Administration of Customs.

China is still declining as a proportion of the global economy

Share of global GDP has fallen to around 15.0-15.5% in 2025 from 18.5% in 2021



Source: World Bank, Rhodium calculations and adjustments.