Energy Tidbits

EIA Forecasts US Shale/Tight Oil for June, Including in the Permian, to Stay Basically Flat for 5th Consecutive Month

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May 19, 2024

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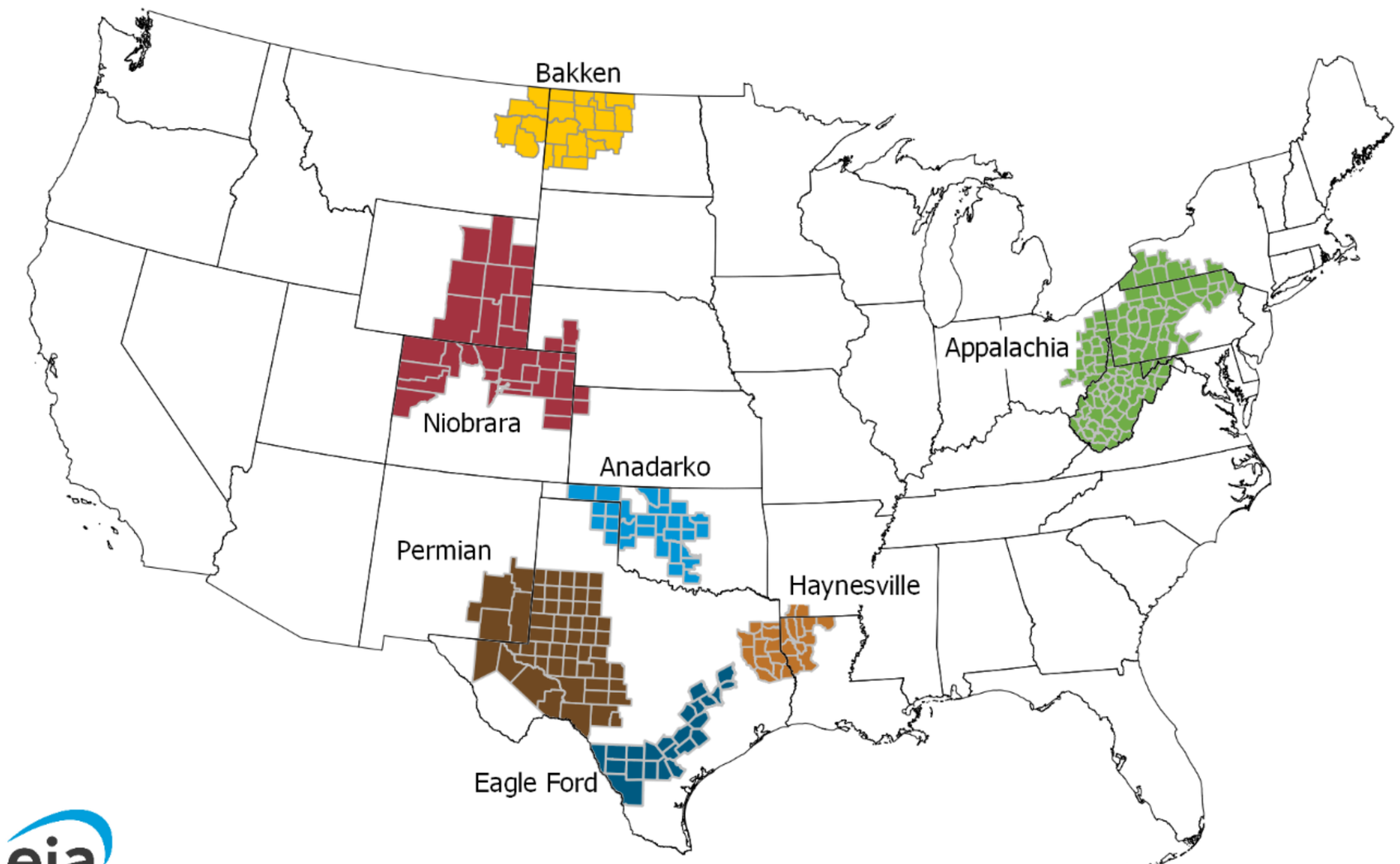
Independent Statistics & Analysis

U.S. Energy Information Administration

April 2024

Drilling Productivity Report

For key tight oil and shale gas regions



Data source: U.S. Energy Information Administration

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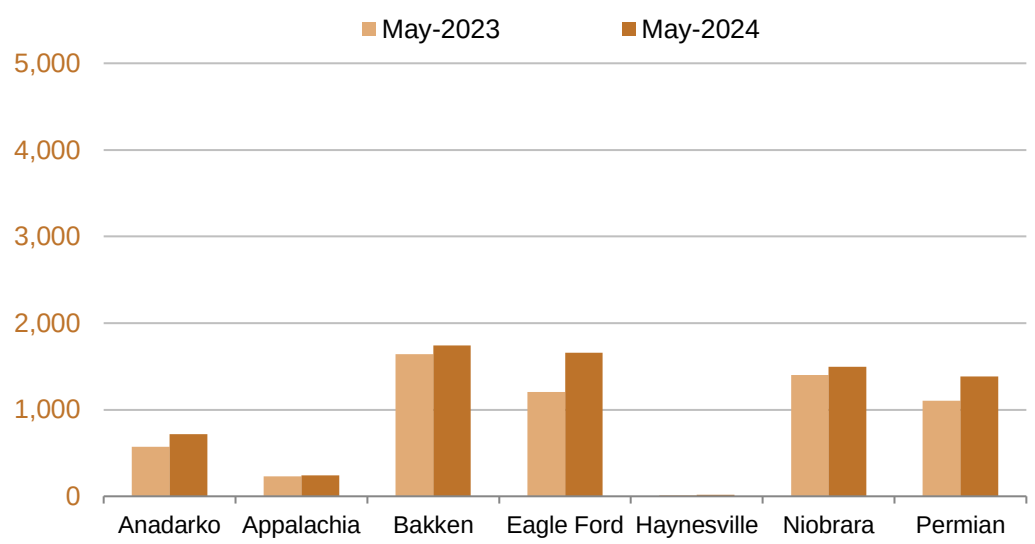
Year-over-year summary

Drilling Productivity Report

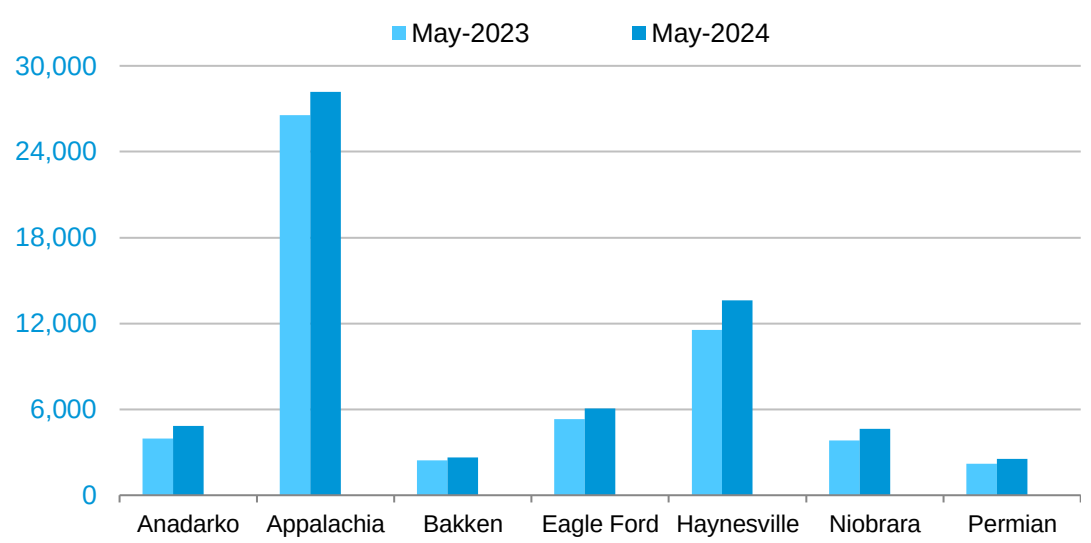
April 2024

drilling data through March
projected production through May

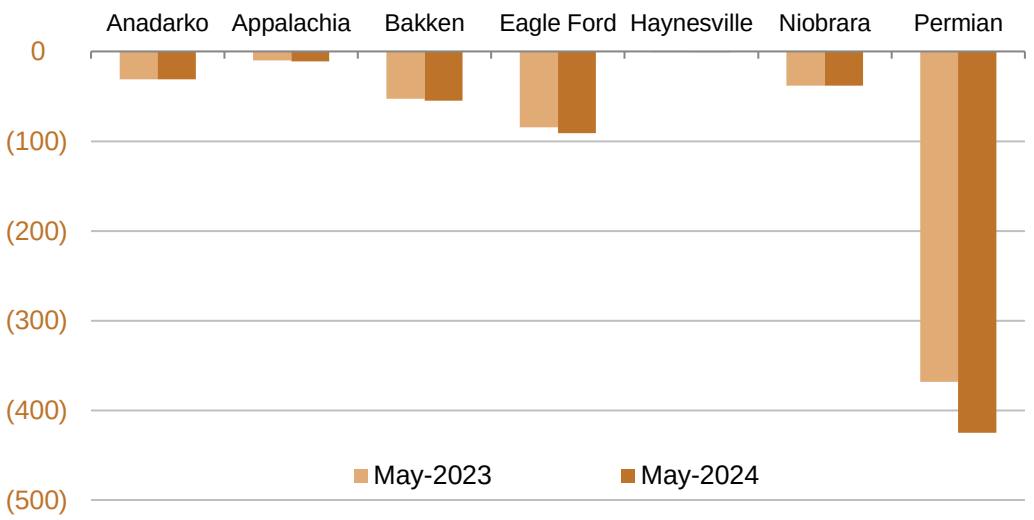
New-well oil production per rig
barrels/day



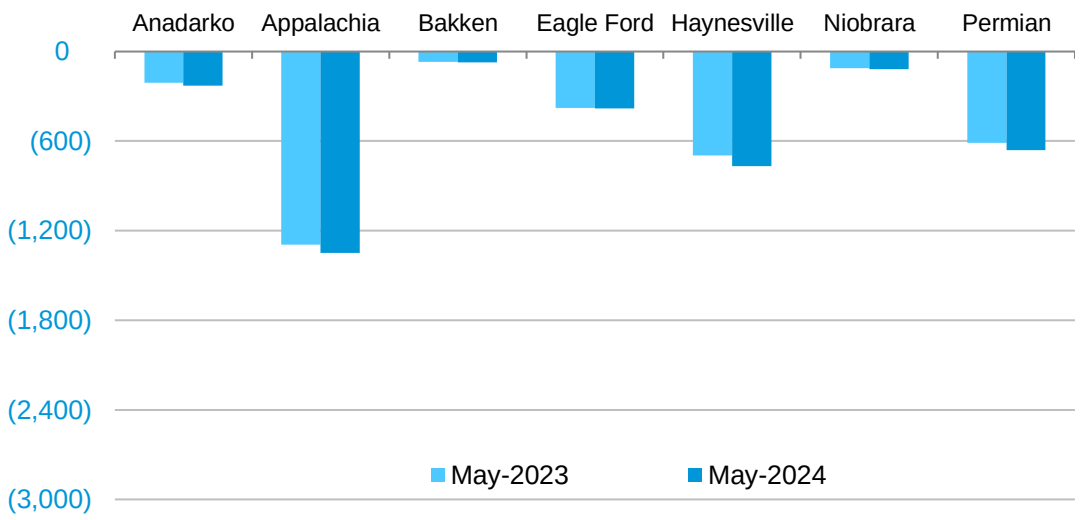
New-well gas production per rig
thousand cubic feet/day



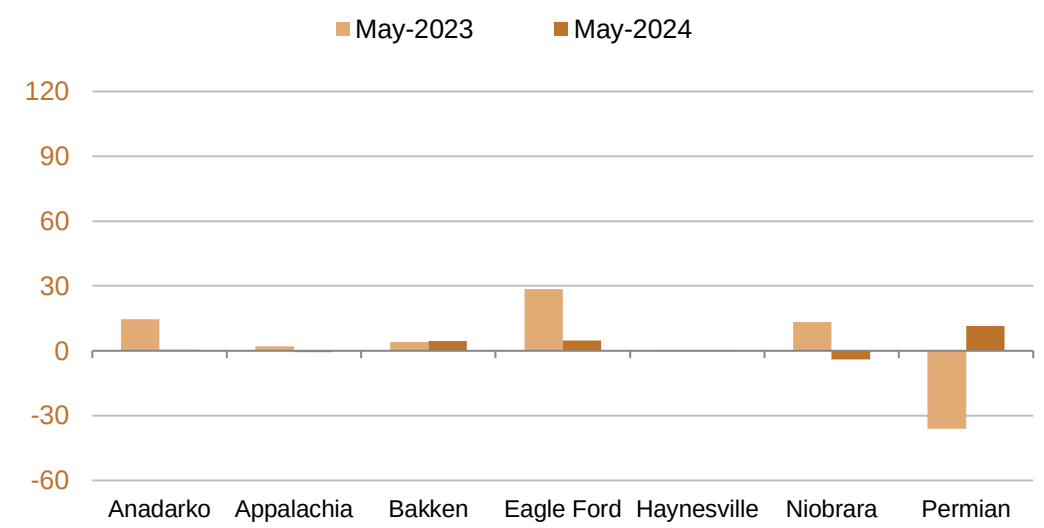
Legacy oil production change
thousand barrels/day



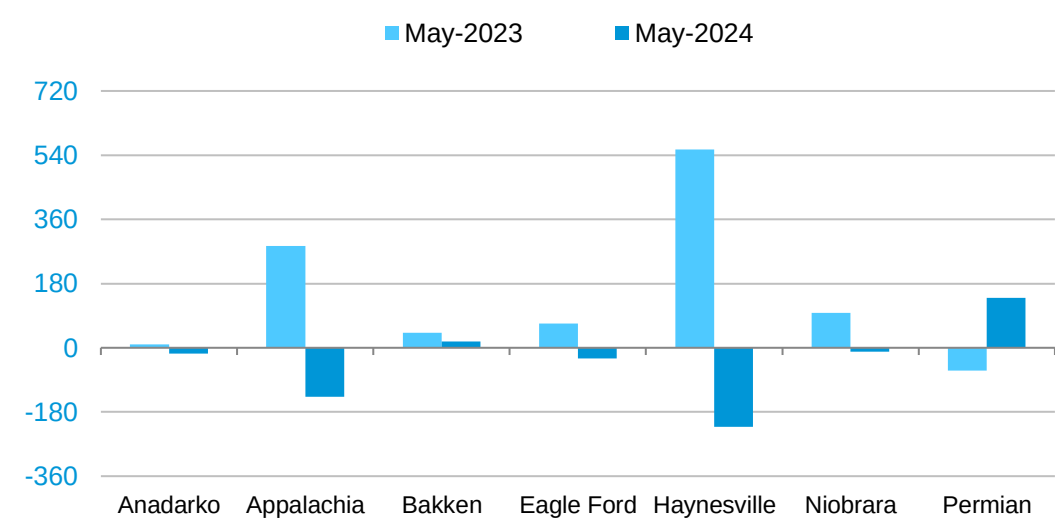
Legacy gas production change
million cubic feet/day



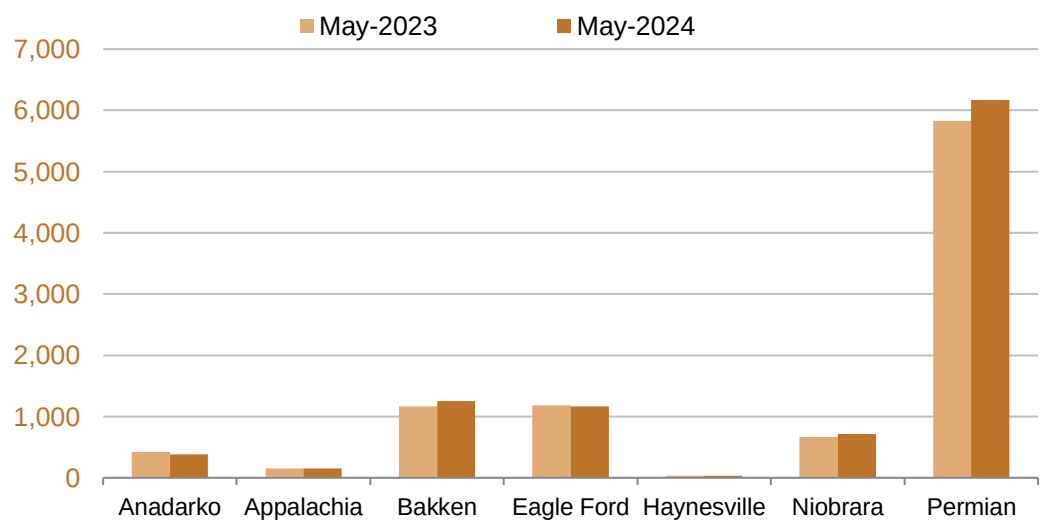
Indicated monthly change in oil production (May vs. Apr)
thousand barrels/day



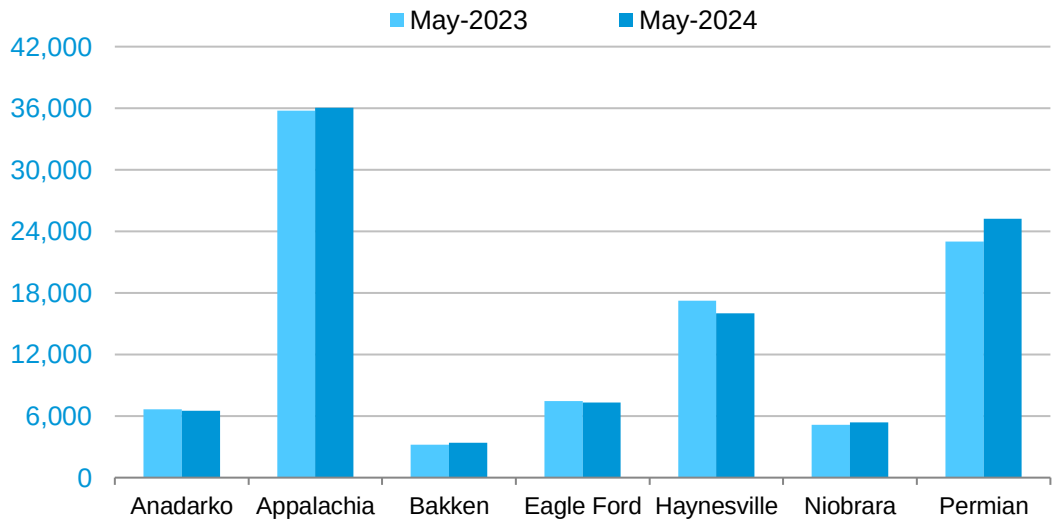
Indicated monthly change in gas production (May vs. Apr)
million cubic feet/day



Oil production
thousand barrels/day



Natural gas production
million cubic feet/day



Anadarko Region

Drilling Productivity Report

April 2024

drilling data through March
projected production through May

Oil +1 barrels/day month over month

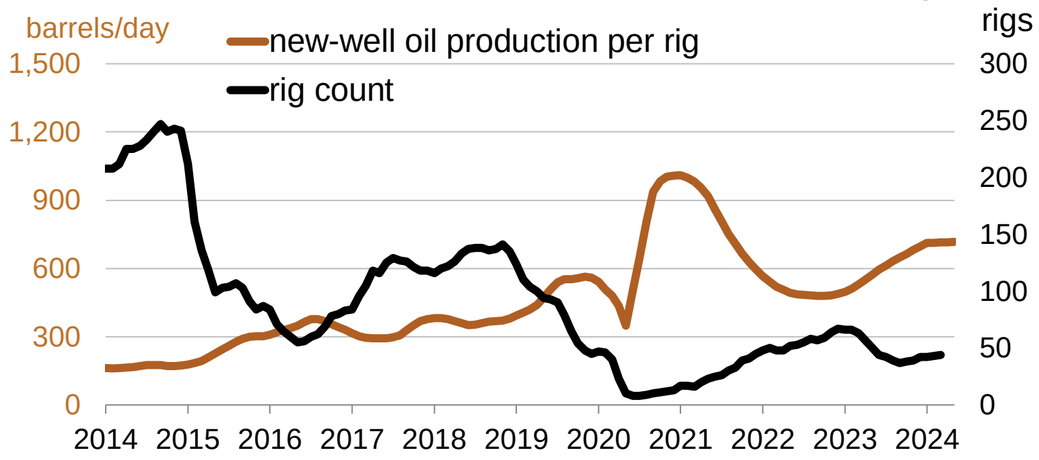
717 *May*
716 *April*
barrels/day

Monthly additions from one average rig

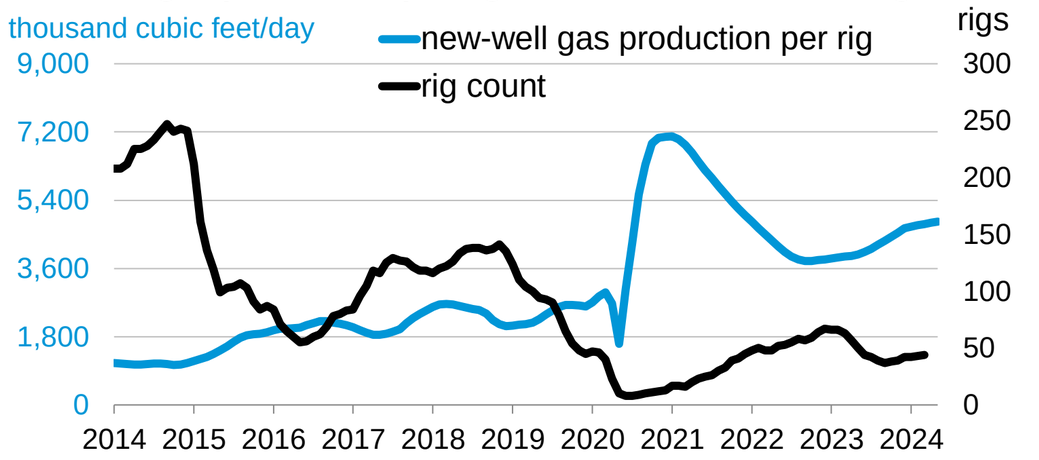
May **4,840**
April **4,806**
thousand cubic feet/day

Gas +34 thousand cubic feet/day month over month

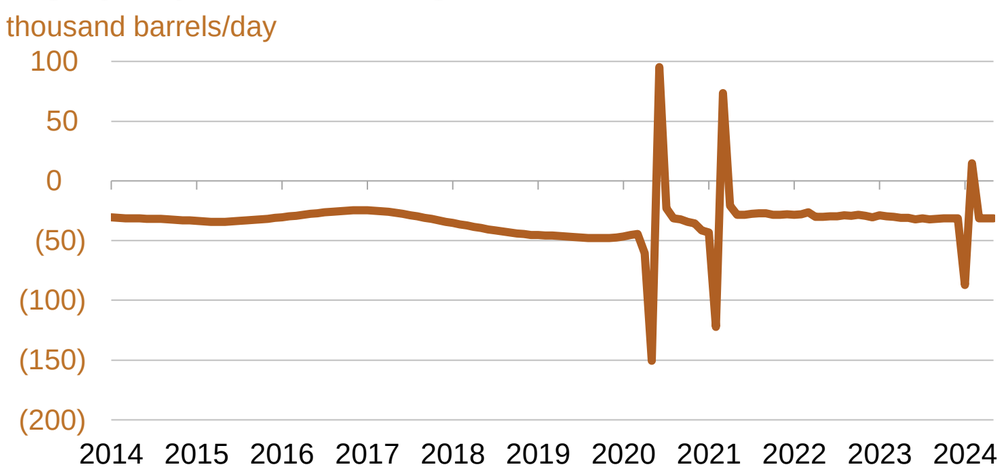
Anadarko Region
New-well oil production per rig



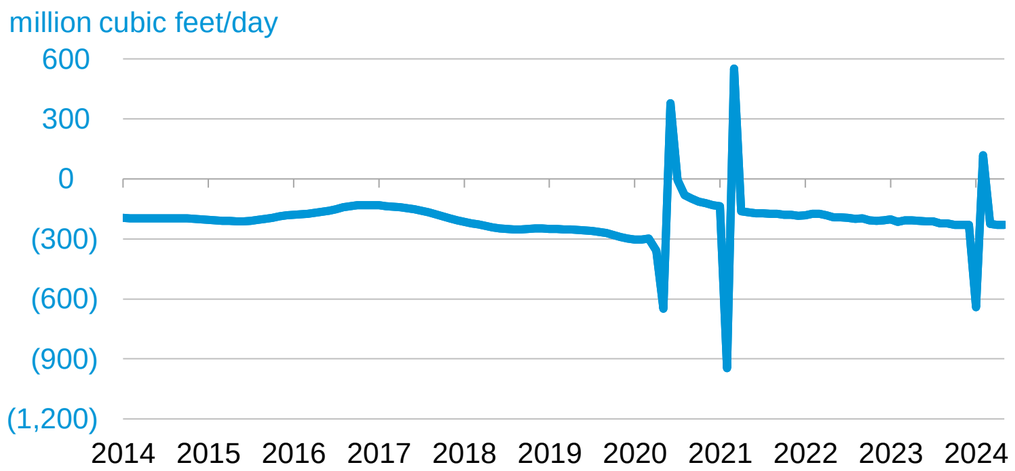
Anadarko Region
New-well gas production per rig



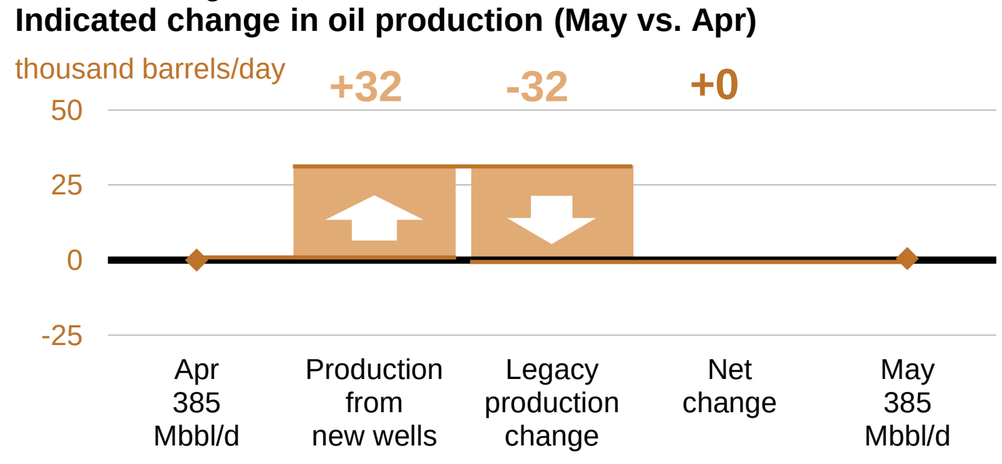
Anadarko Region
Legacy oil production change



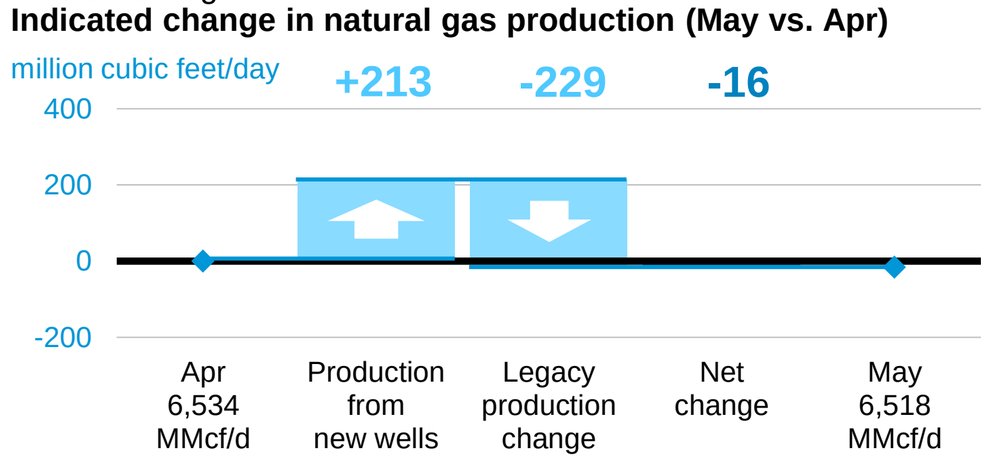
Anadarko Region
Legacy gas production change



Anadarko Region
Indicated change in oil production (May vs. Apr)

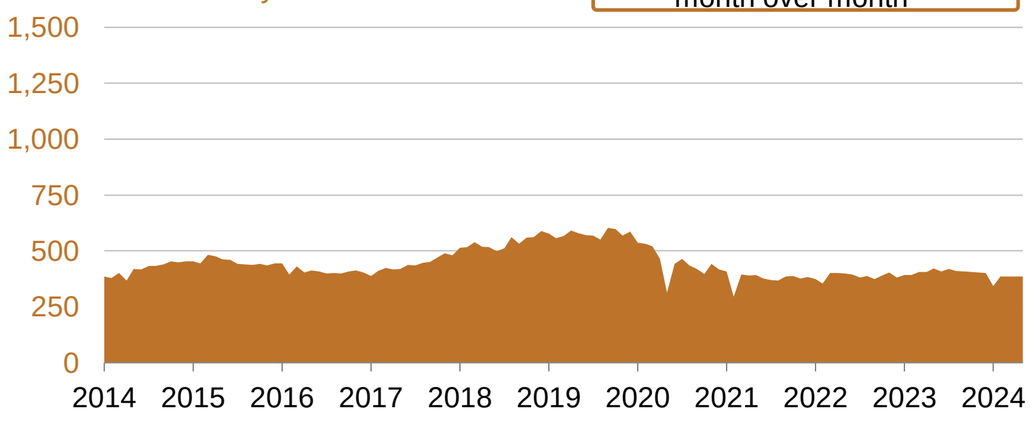


Anadarko Region
Indicated change in natural gas production (May vs. Apr)



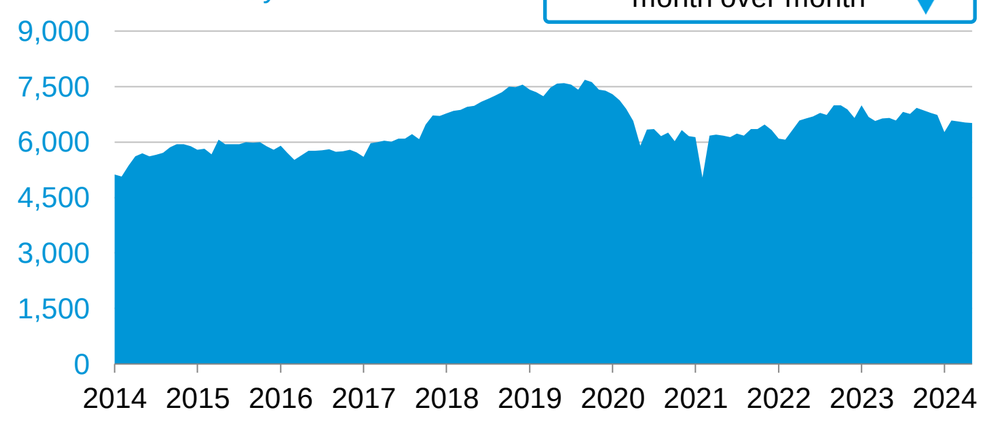
Anadarko Region
Oil production

Oil +0 thousand barrels/day month over month



Anadarko Region
Natural gas production

Gas -16 million cubic feet/day month over month



Appalachia Region

Drilling Productivity Report

April 2024

drilling data through March
projected production through May

Oil +1
barrels/day
month over month

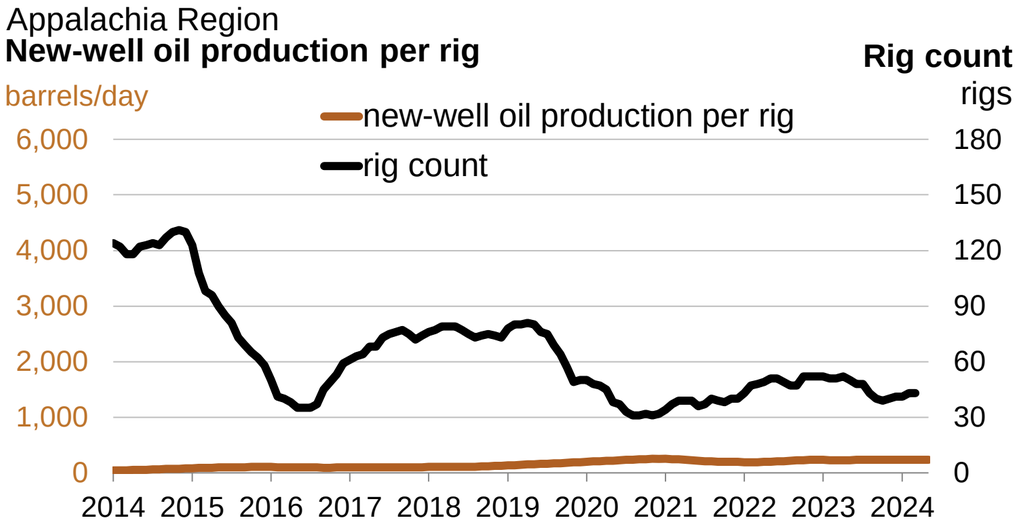
240 *May*
239 *April*
barrels/day

Monthly additions from one average rig

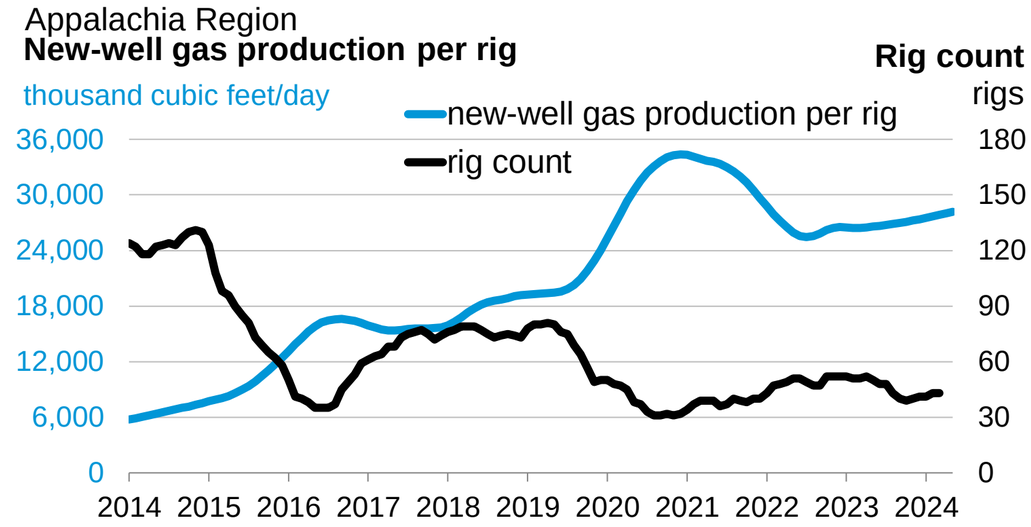
May **28,188**
April **28,006**
thousand cubic feet/day

Gas +182
thousand cubic feet/day
month over month

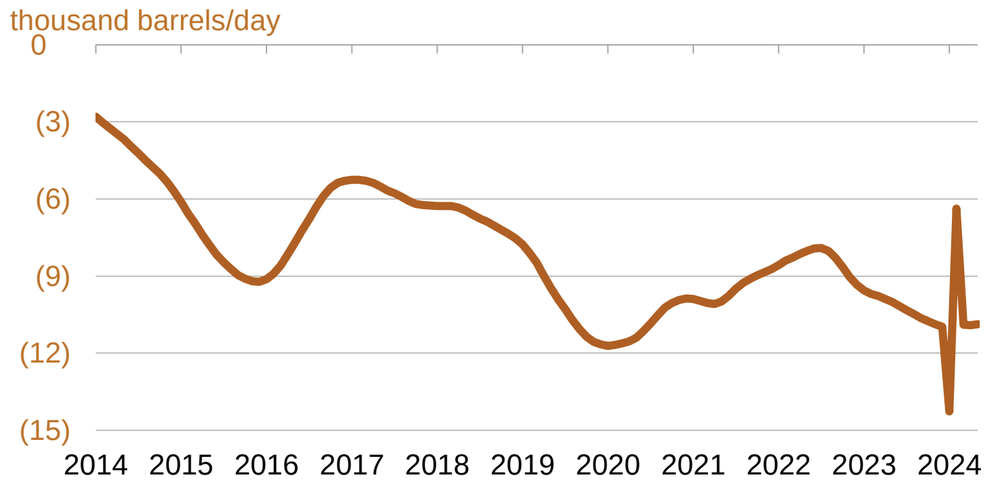
Appalachia Region
New-well oil production per rig



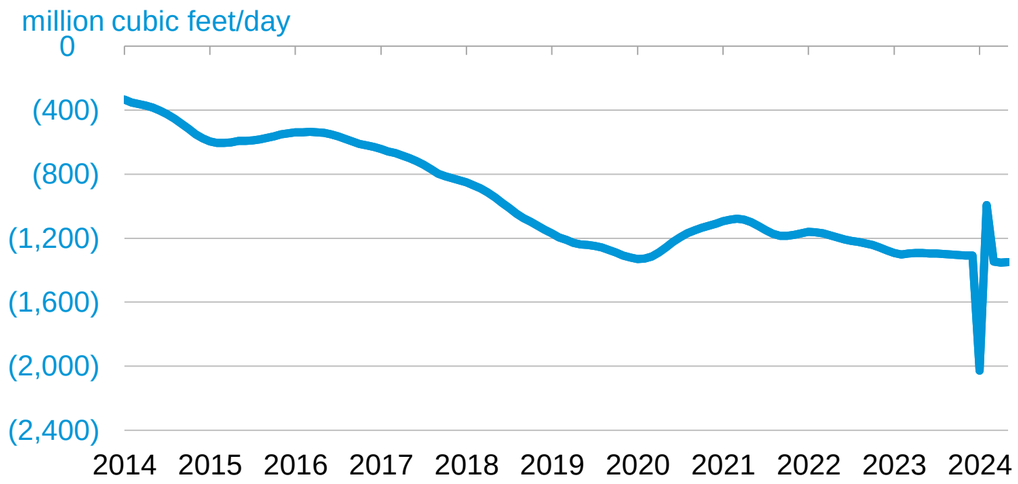
Appalachia Region
New-well gas production per rig



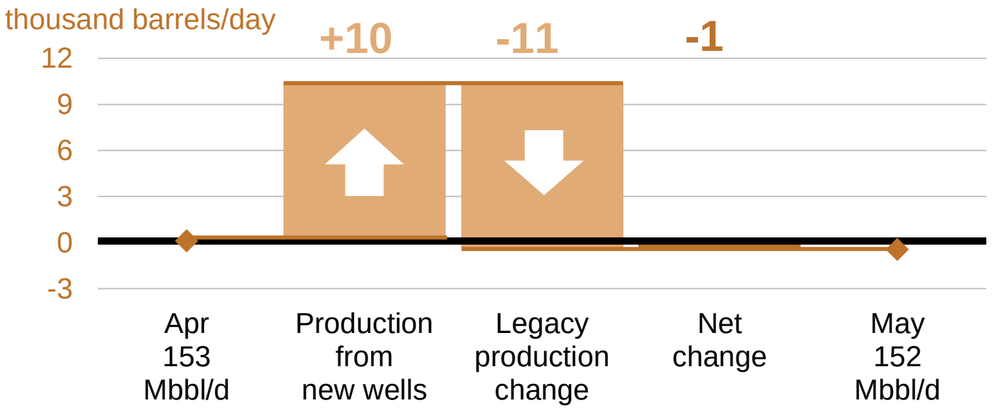
Appalachia Region
Legacy oil production change



Appalachia Region
Legacy gas production change

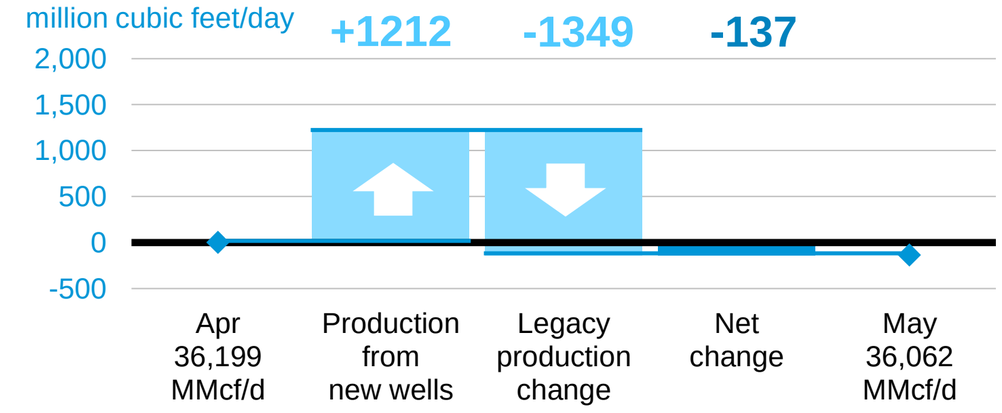


Appalachia Region
Indicated change in oil production (May vs. Apr)



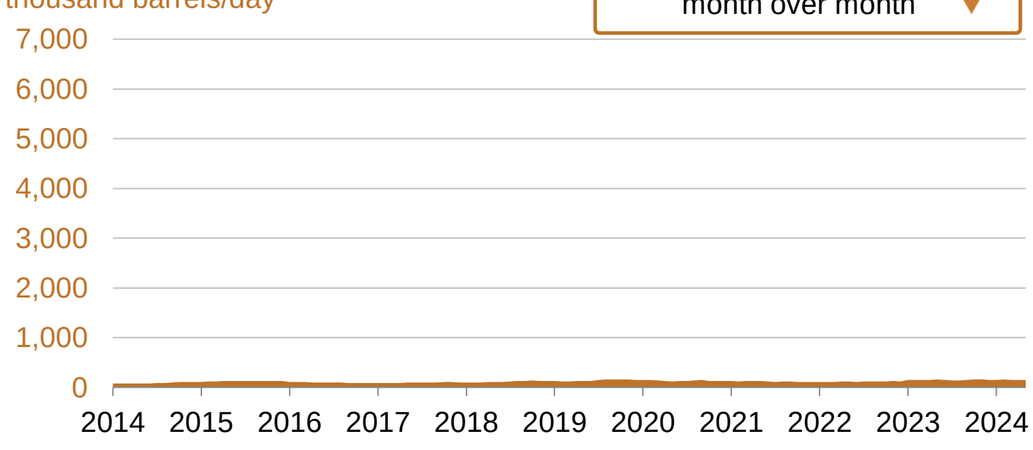
Apr	Production from new wells	Legacy production change	Net change	May
153 Mbbl/d				152 Mbbl/d

Appalachia Region
Indicated change in natural gas production (May vs. Apr)



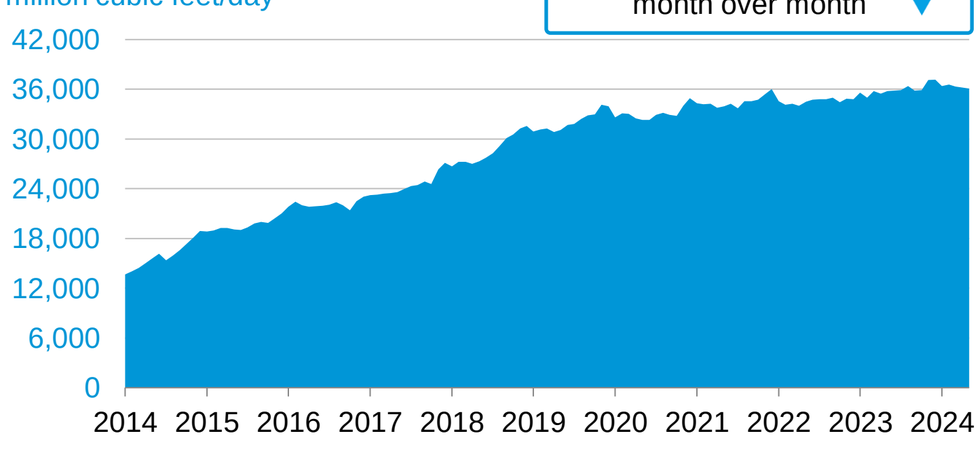
Apr	Production from new wells	Legacy production change	Net change	May
36,199 MMcf/d				36,062 MMcf/d

Appalachia Region
Oil production



Oil -1
thousand barrels/day
month over month

Appalachia Region
Natural gas production



Gas -137
million cubic feet/day
month over month

Bakken Region

Drilling Productivity Report

April 2024

drilling data through March
projected production through May

Oil +9 barrels/day month over month

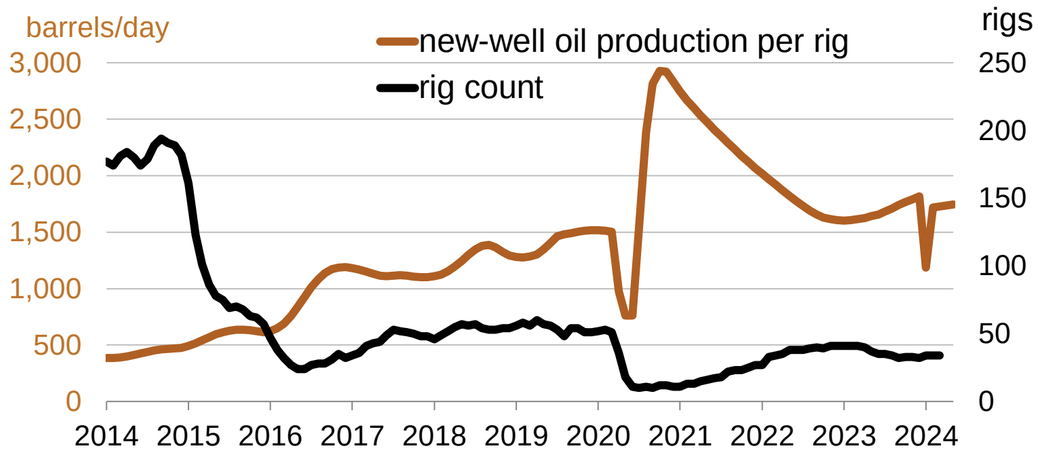
1,743 *May*
1,734 *April*
barrels/day

Monthly additions from one average rig

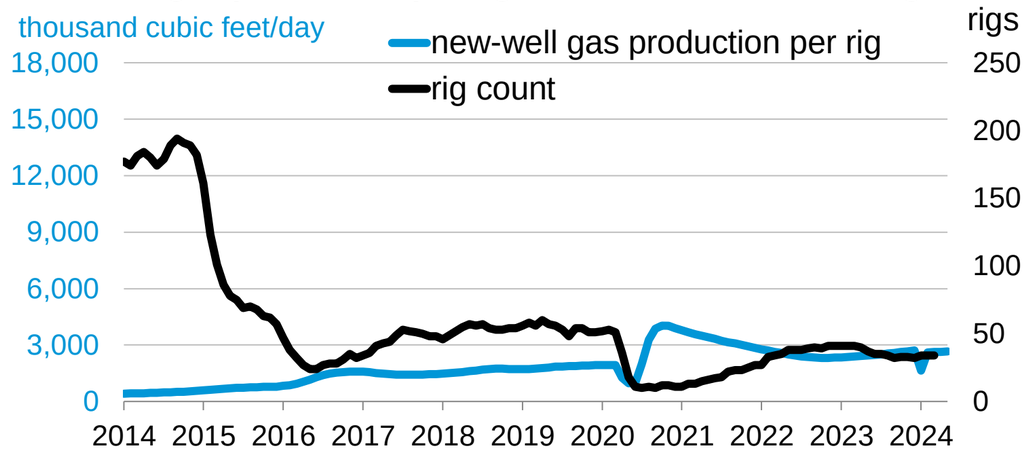
May **2,651**
April **2,638**
thousand cubic feet/day

Gas +13 thousand cubic feet/day month over month

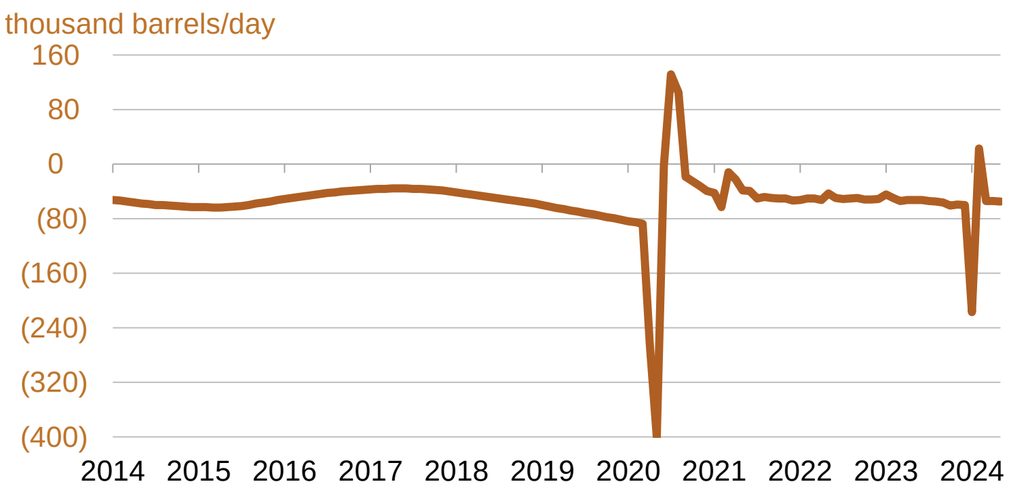
Bakken Region
New-well oil production per rig



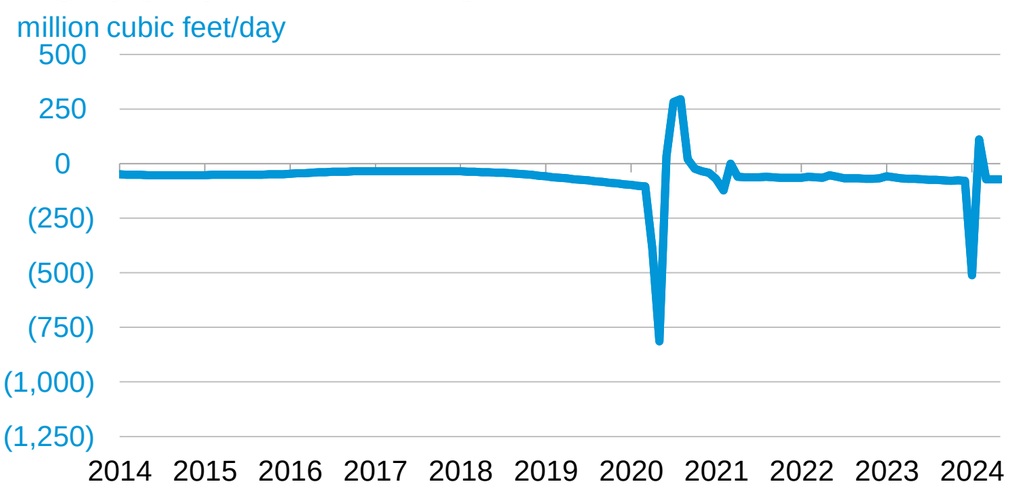
Bakken Region
New-well gas production per rig



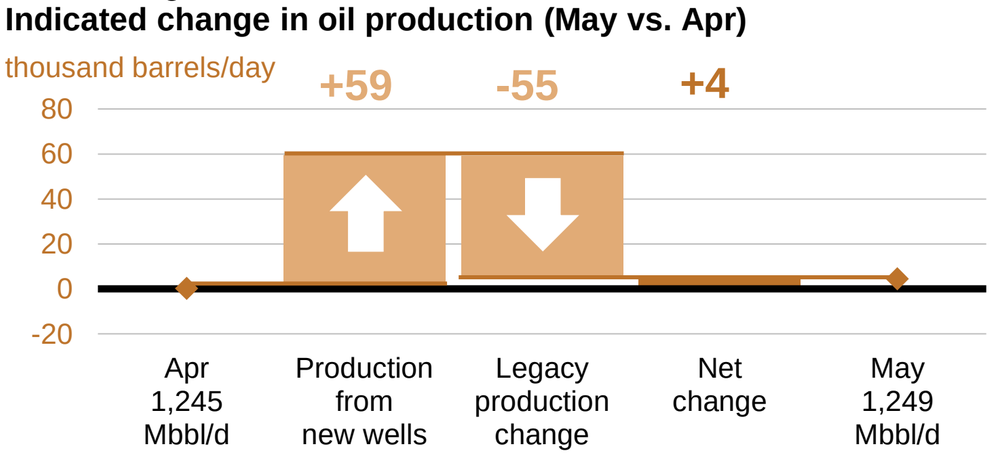
Bakken Region
Legacy oil production change



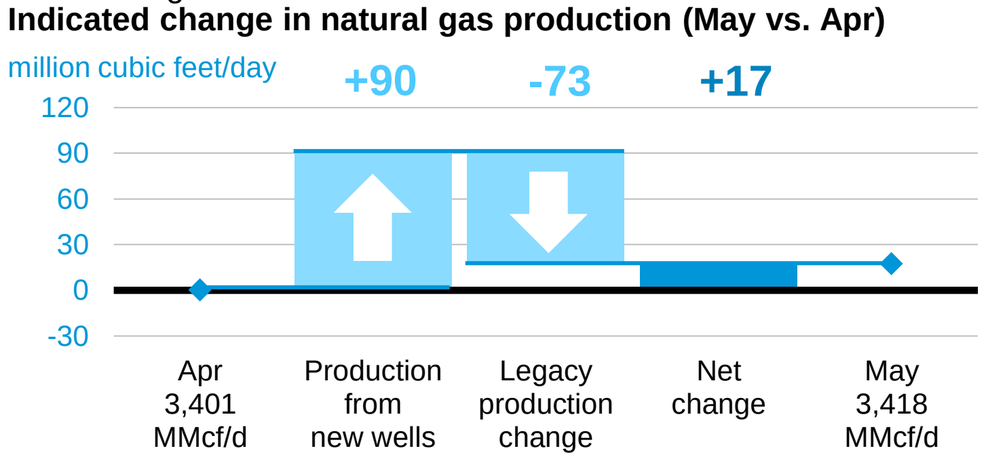
Bakken Region
Legacy gas production change



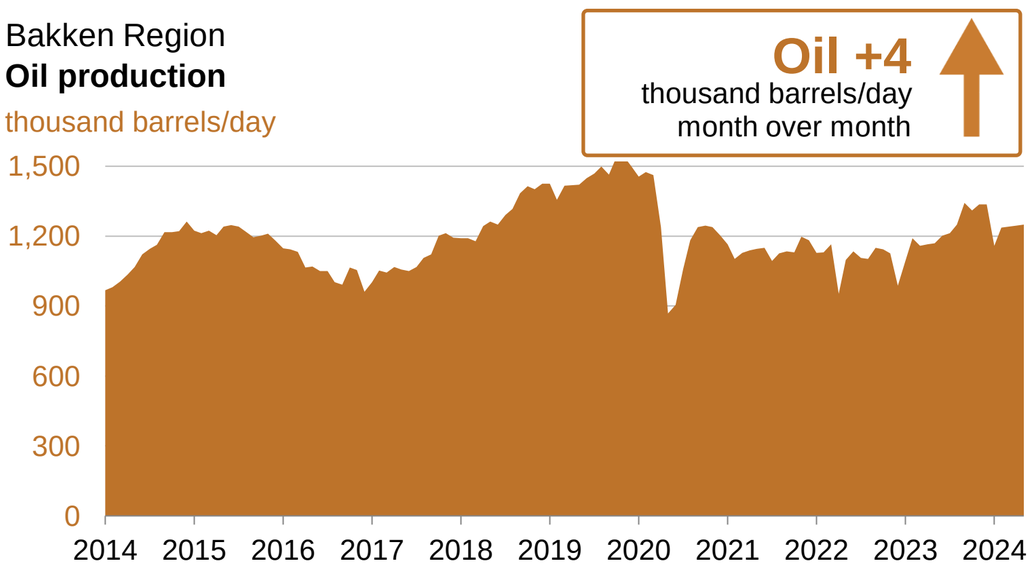
Bakken Region
Indicated change in oil production (May vs. Apr)



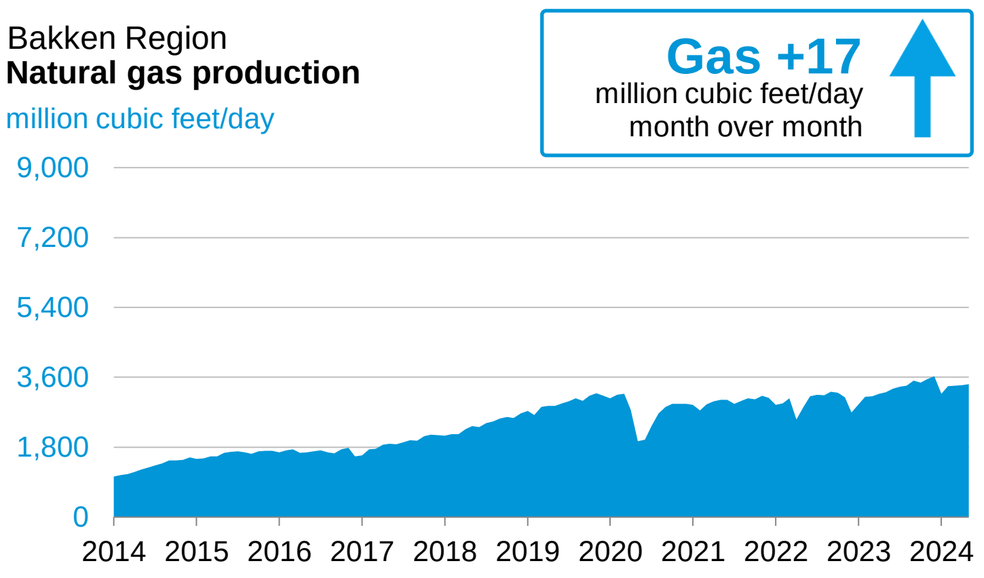
Bakken Region
Indicated change in natural gas production (May vs. Apr)



Bakken Region
Oil production



Bakken Region
Natural gas production



Eagle Ford Region

Drilling Productivity Report

April 2024

drilling data through March
projected production through May

Oil +5 barrels/day month over month

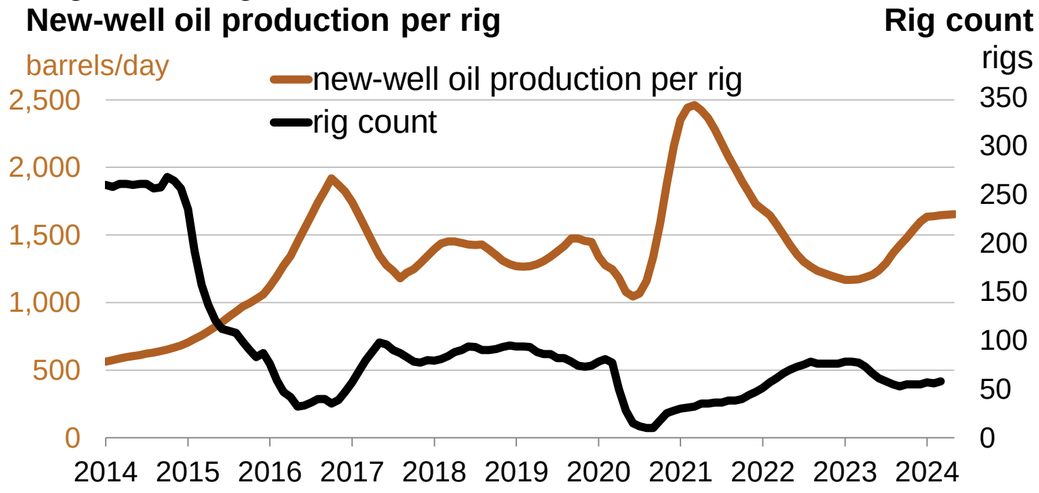
1,655 *May*
1,650 *April*
barrels/day

Monthly additions from one average rig

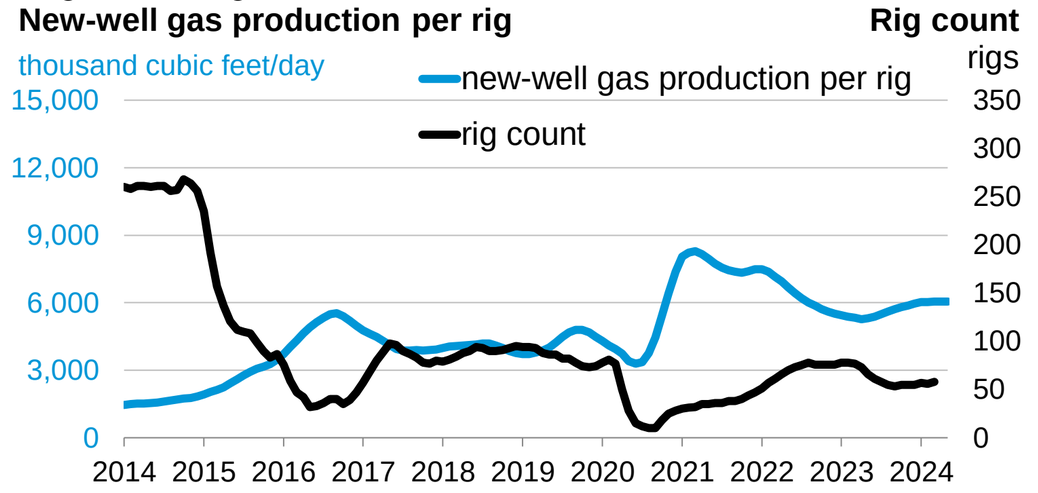
May **6,055**
April **6,049**
thousand cubic feet/day

Gas +6 thousand cubic feet/day month over month

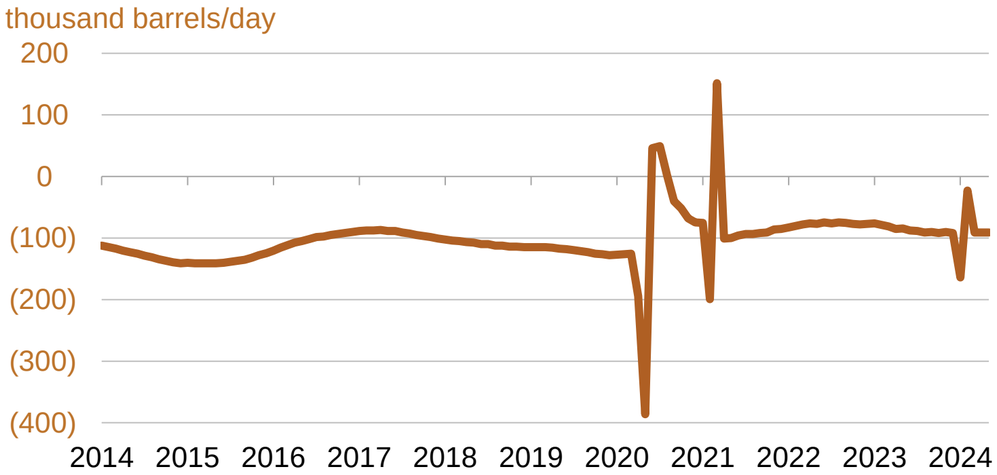
Eagle Ford Region
New-well oil production per rig



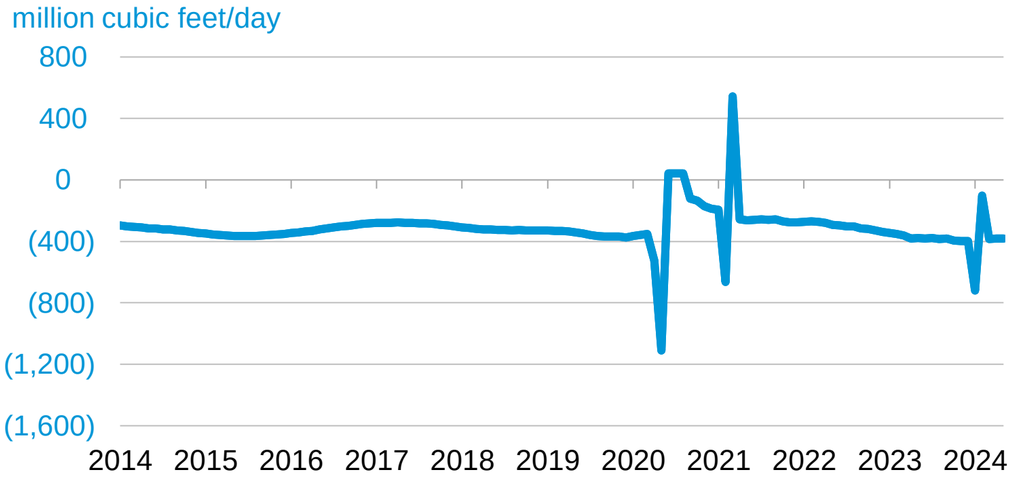
Eagle Ford Region
New-well gas production per rig



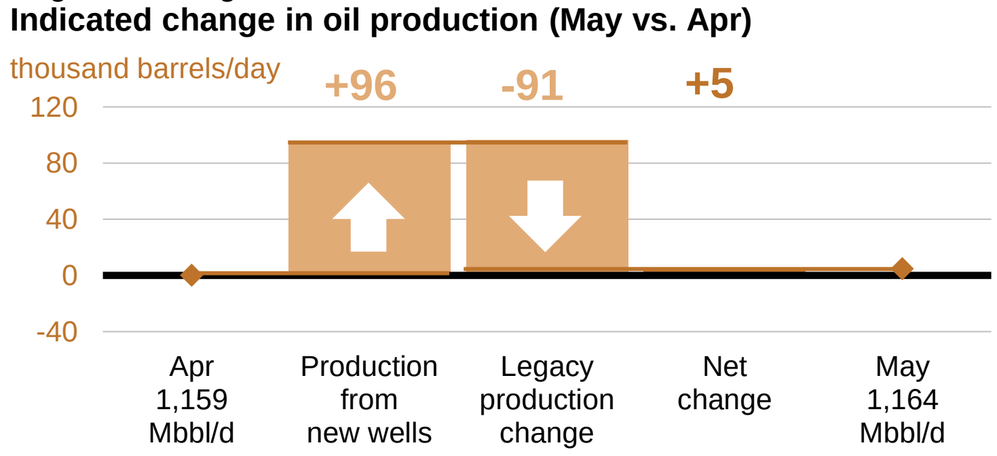
Eagle Ford Region
Legacy oil production change



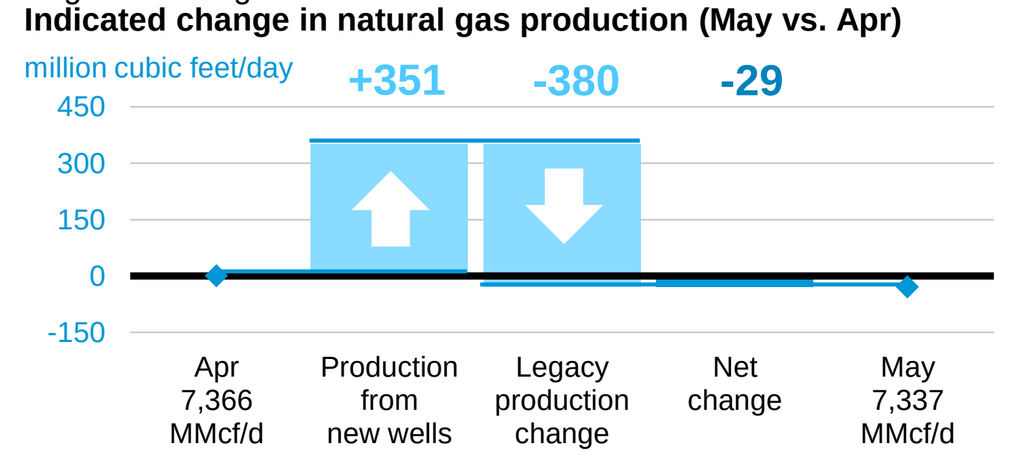
Eagle Ford Region
Legacy gas production change



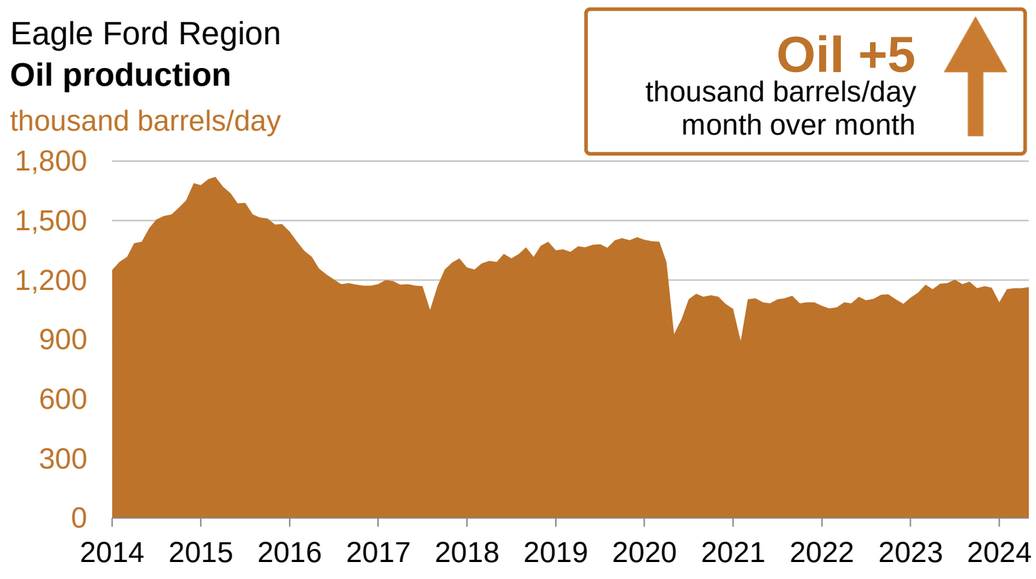
Eagle Ford Region
Indicated change in oil production (May vs. Apr)



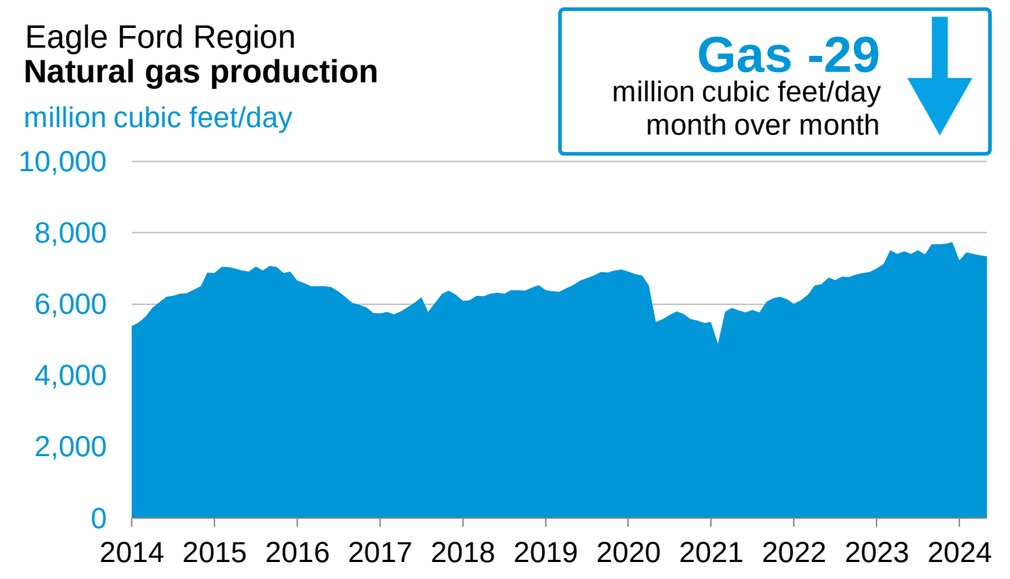
Eagle Ford Region
Indicated change in natural gas production (May vs. Apr)



Eagle Ford Region
Oil production



Eagle Ford Region
Natural gas production



Haynesville Region

Drilling Productivity Report

April 2024

drilling data through March
projected production through May

Oil 0
barrels/day
month over month

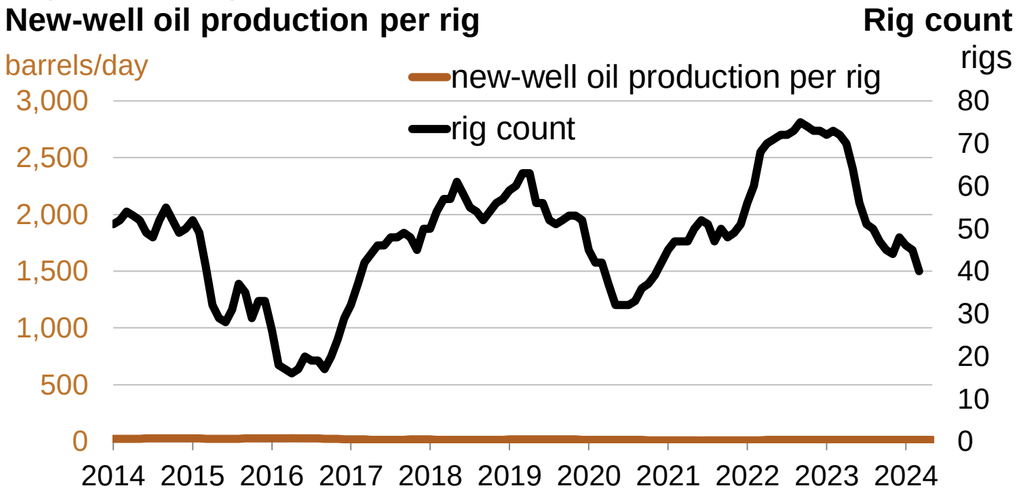
15 *May*
15 *April*
barrels/day

Monthly additions from one average rig

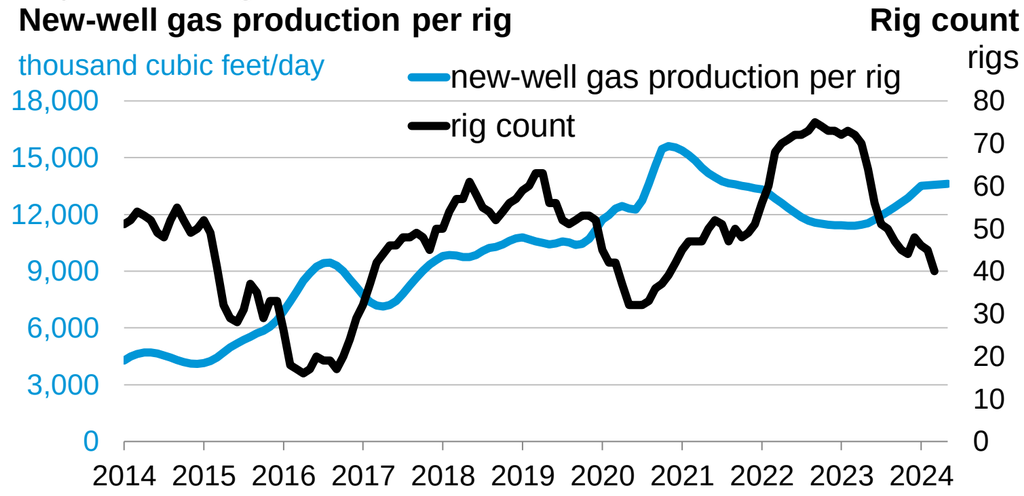
May **13,625**
April **13,598**
thousand cubic feet/day

Gas +27
thousand cubic feet/day
month over month

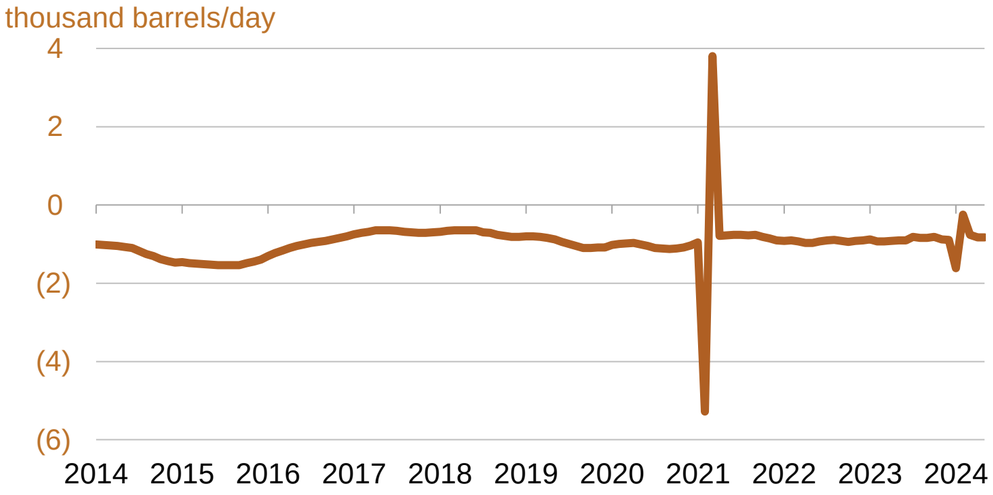
Haynesville Region
New-well oil production per rig



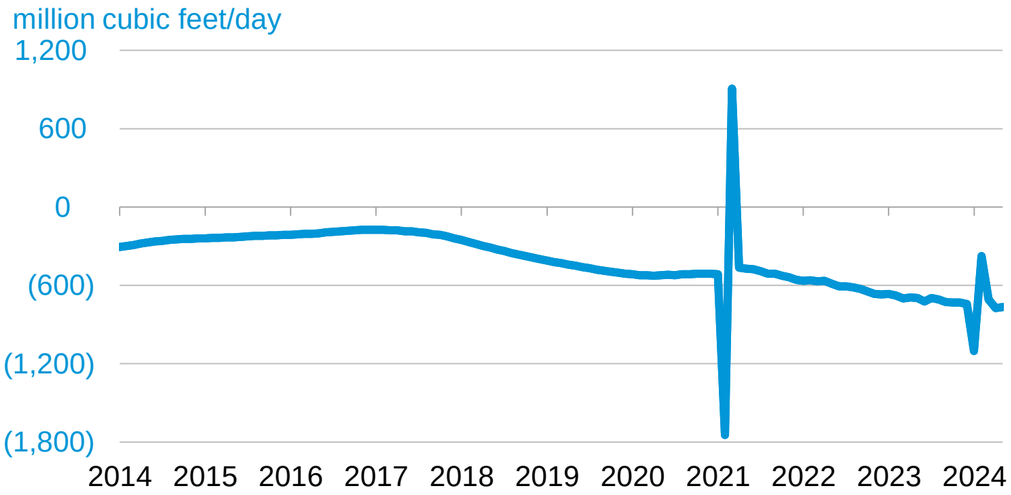
Haynesville Region
New-well gas production per rig



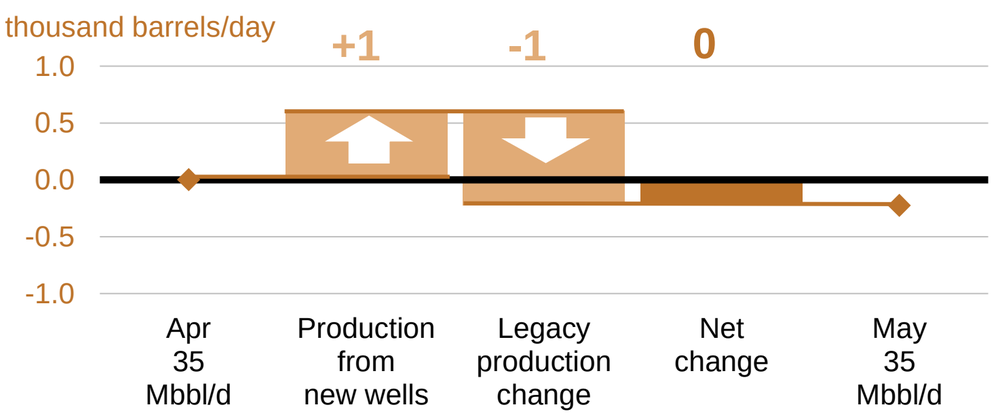
Haynesville Region
Legacy oil production change



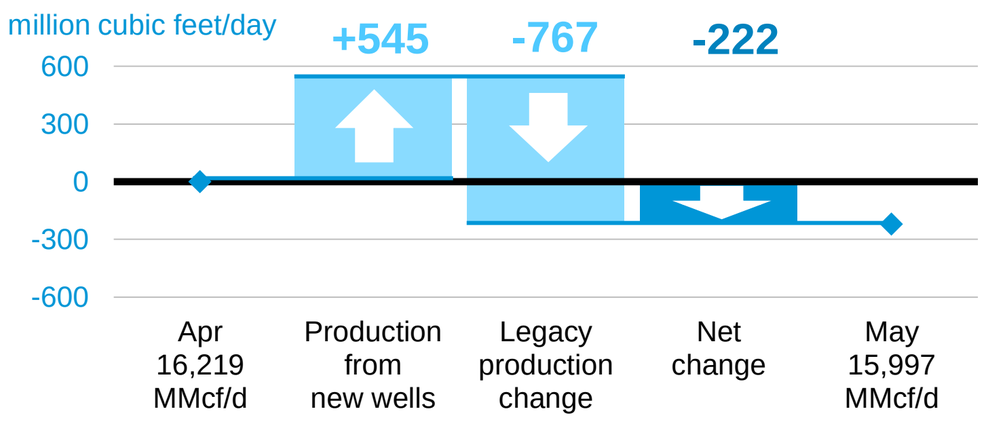
Haynesville Region
Legacy gas production change



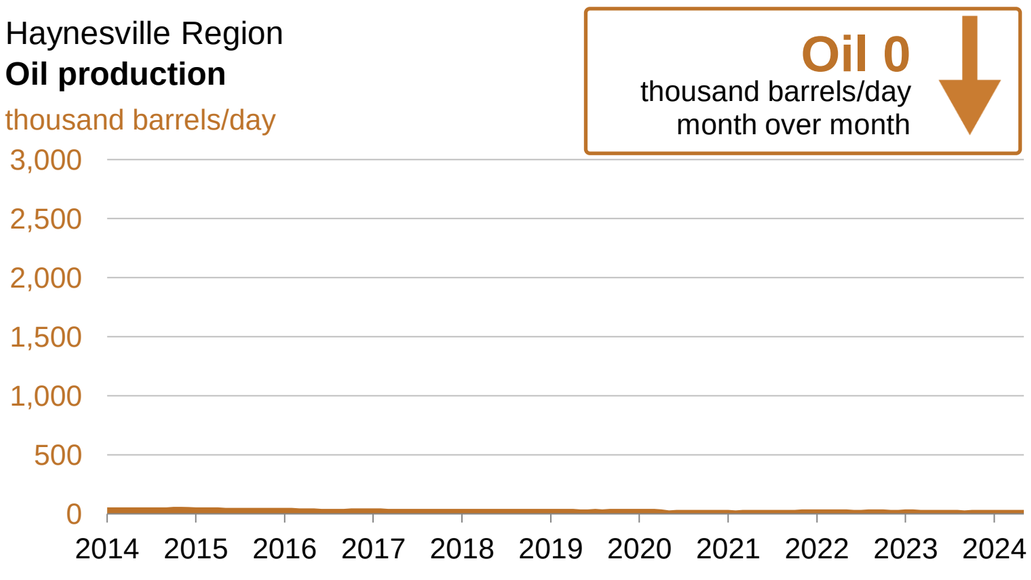
Haynesville Region
Indicated change in oil production (May vs. Apr)



Haynesville Region
Indicated change in natural gas production (May vs. Apr)

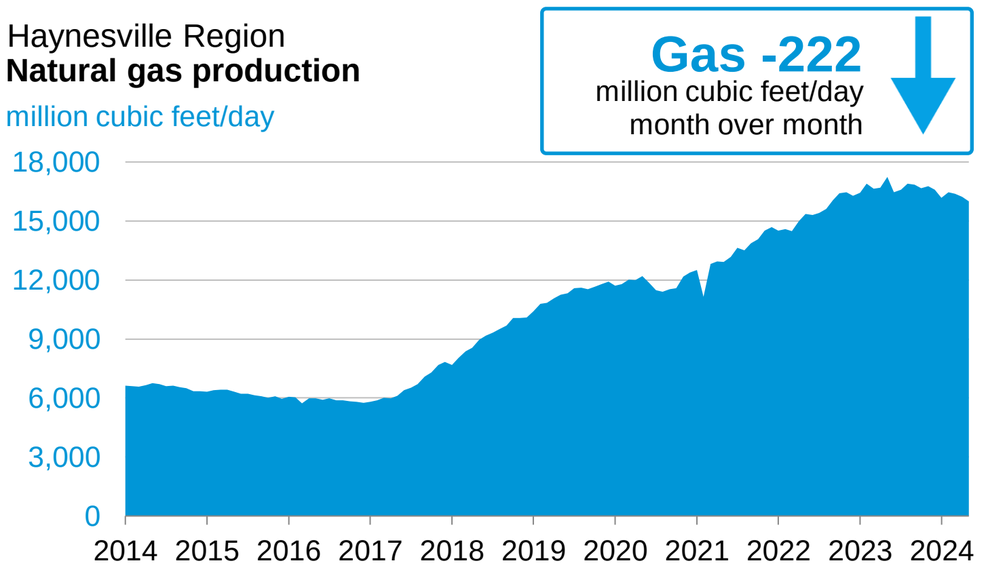


Haynesville Region
Oil production



Oil 0
thousand barrels/day
month over month

Haynesville Region
Natural gas production



Gas -222
million cubic feet/day
month over month

Niobrara Region

Drilling Productivity Report

April 2024

drilling data through March
projected production through May

Oil +2
barrels/day
month over month

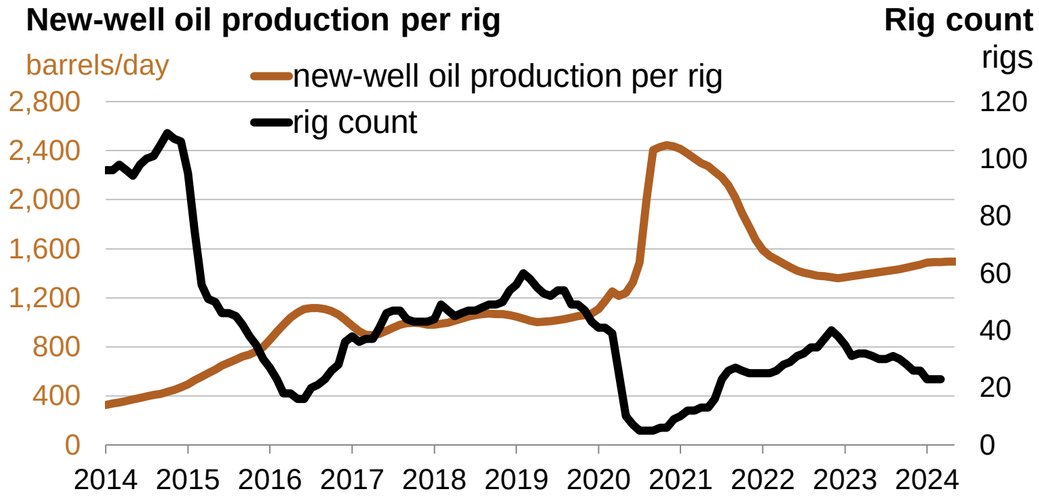
1,496 *May*
1,494 *April*
barrels/day

Monthly additions from one average rig

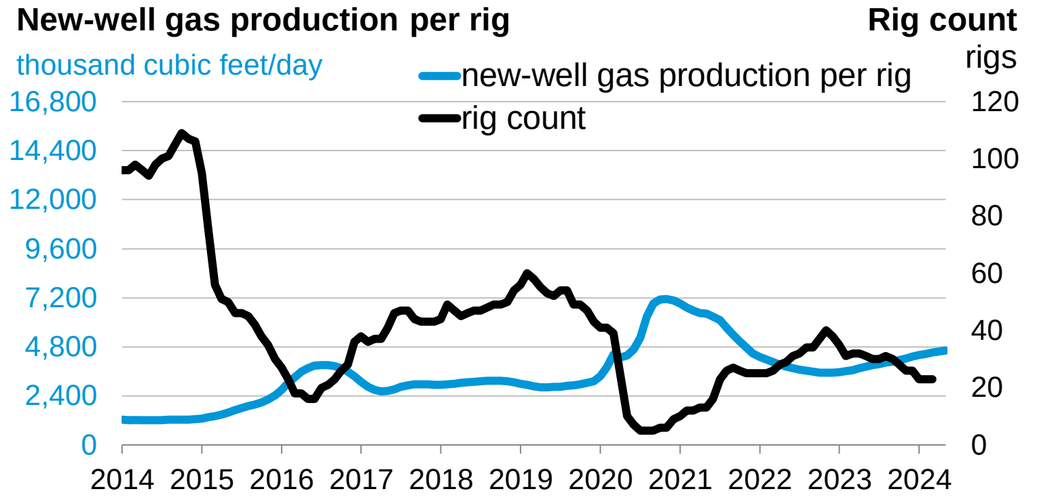
May **4,622**
April **4,568**
thousand cubic feet/day

Gas +54
thousand cubic feet/day
month over month

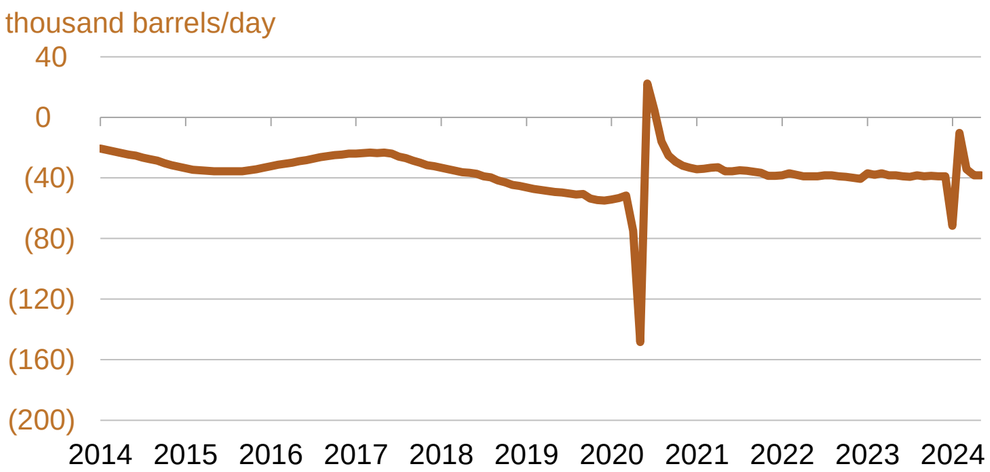
Niobrara Region
New-well oil production per rig



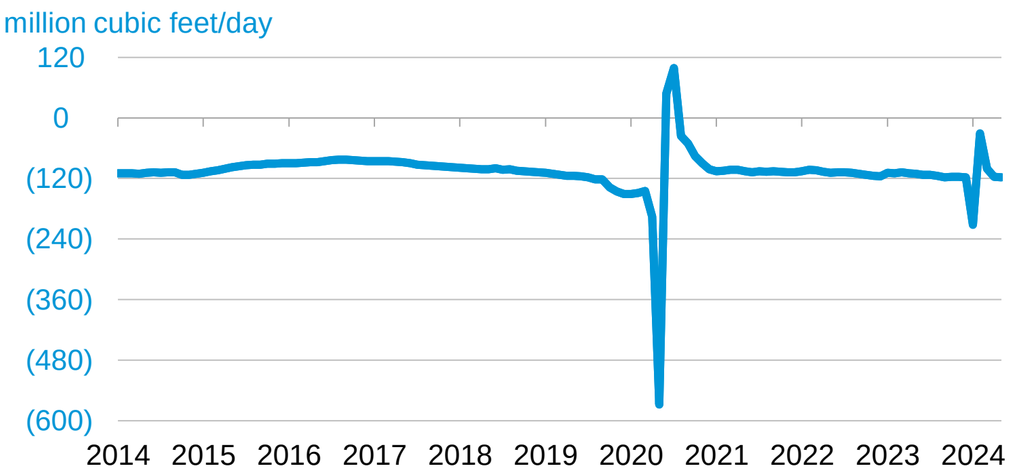
Niobrara Region
New-well gas production per rig



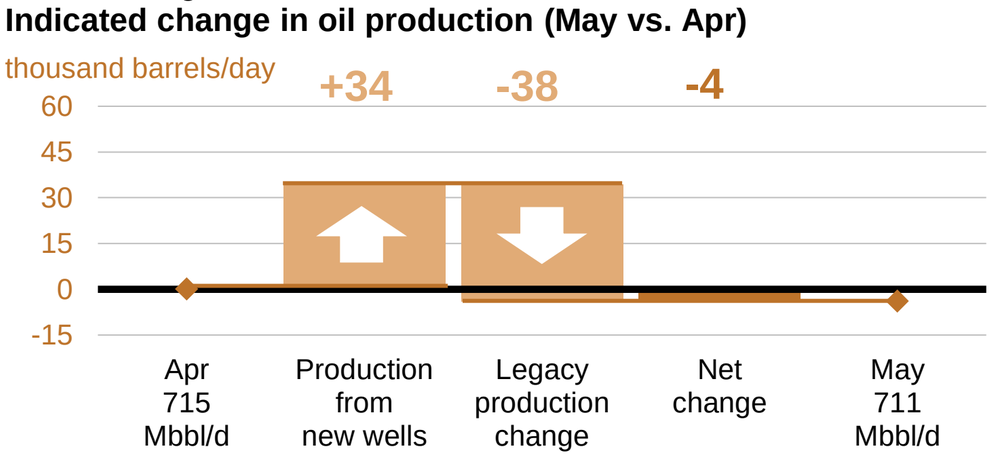
Niobrara Region
Legacy oil production change



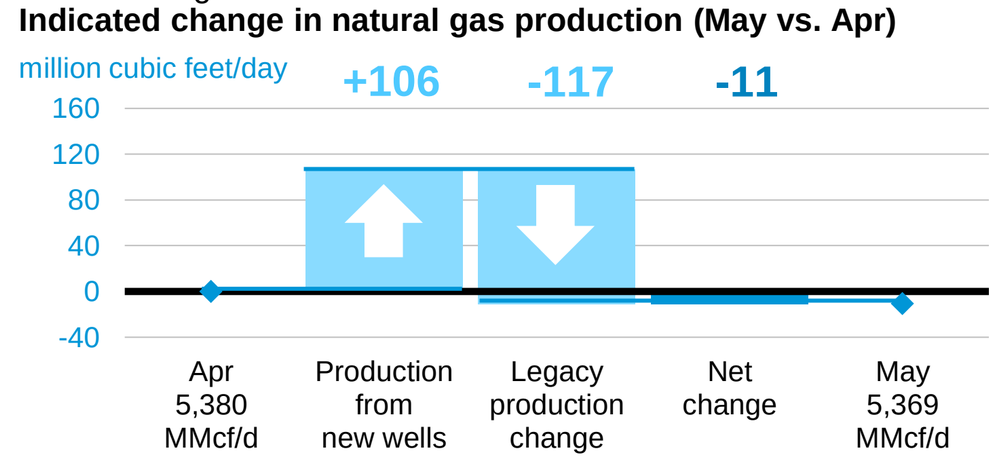
Niobrara Region
Legacy gas production change



Niobrara Region
Indicated change in oil production (May vs. Apr)

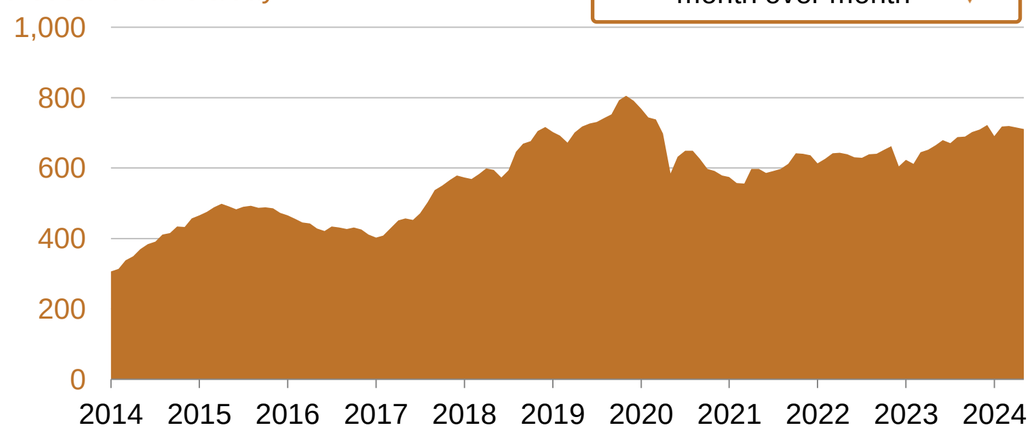


Niobrara Region
Indicated change in natural gas production (May vs. Apr)



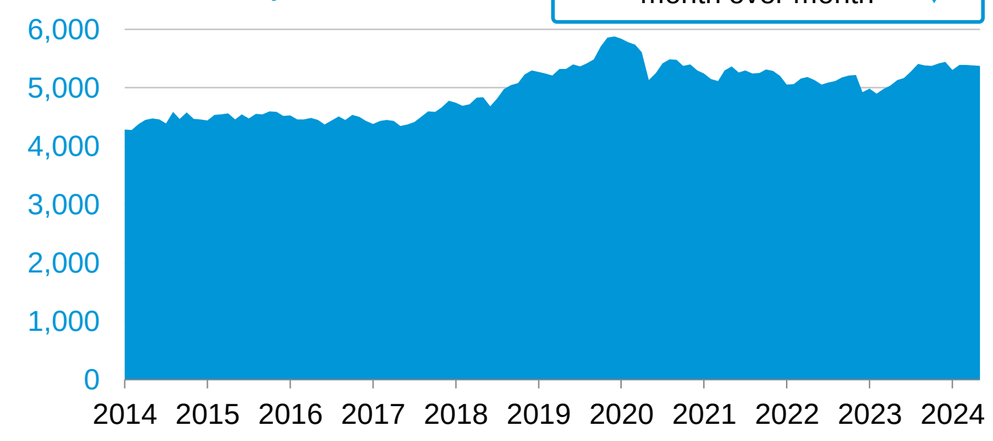
Niobrara Region
Oil production

Oil -4
thousand barrels/day
month over month



Niobrara Region
Natural gas production

Gas -11
million cubic feet/day
month over month



Permian Region
Drilling Productivity Report

April 2024

drilling data through March
projected production through May

Oil +14 barrels/day month over month

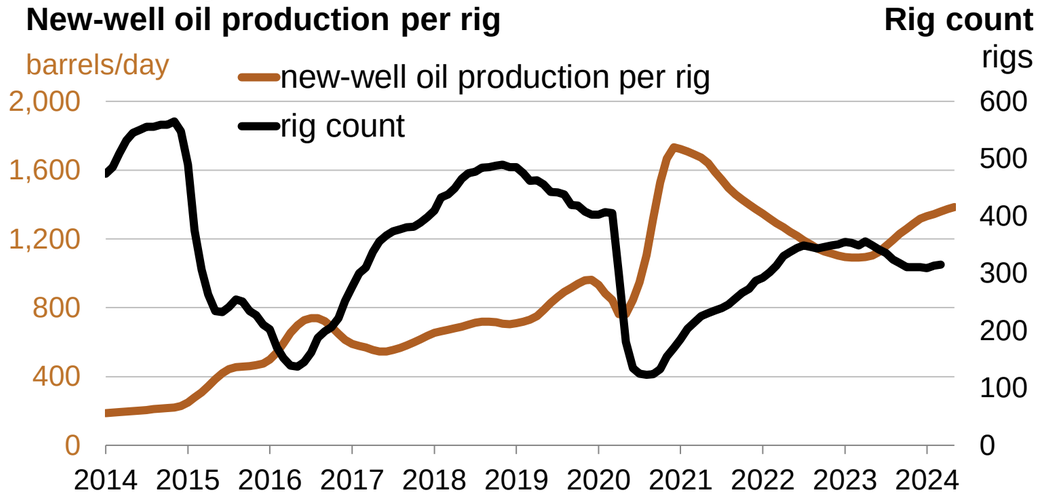
1,386 *May*
1,372 *April*
barrels/day

Monthly additions from one average rig

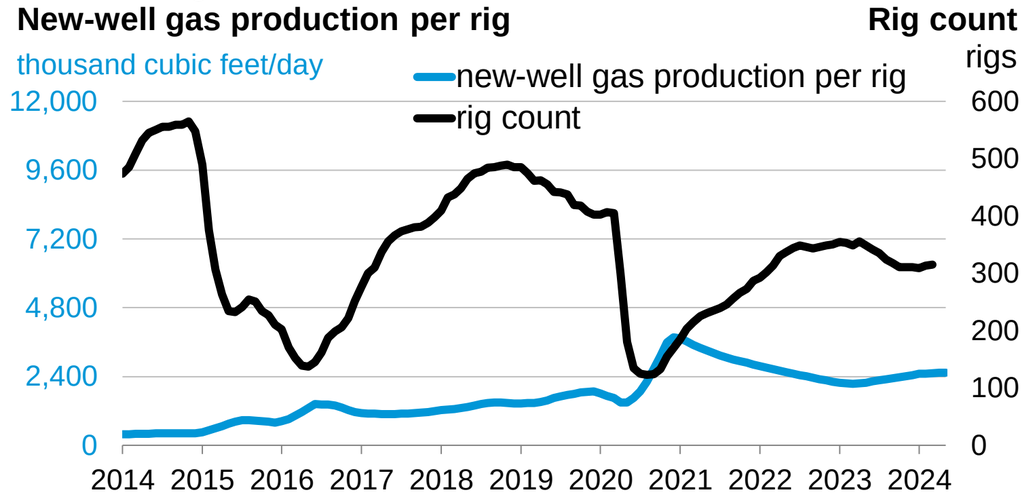
May **2,535**
April **2,524**
thousand cubic feet/day

Gas +11 thousand cubic feet/day month over month

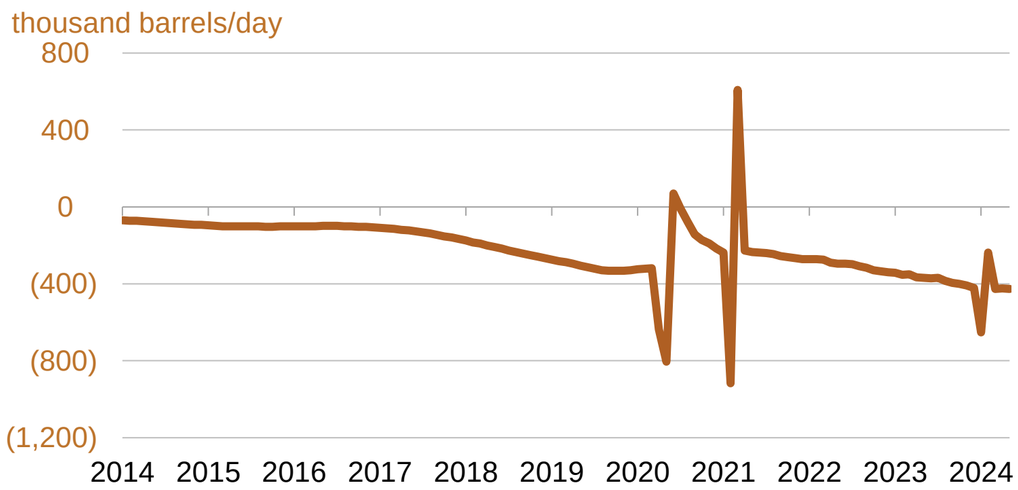
Permian Region
New-well oil production per rig



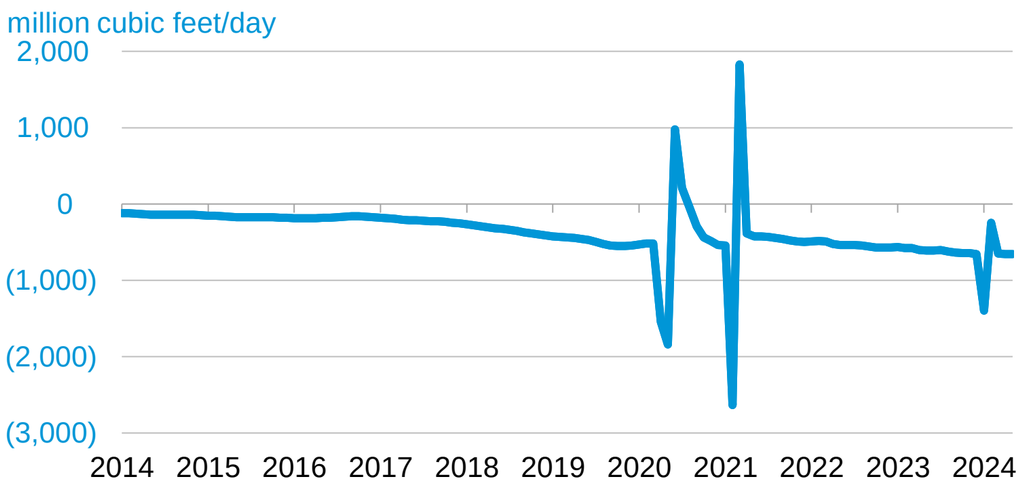
Permian Region
New-well gas production per rig



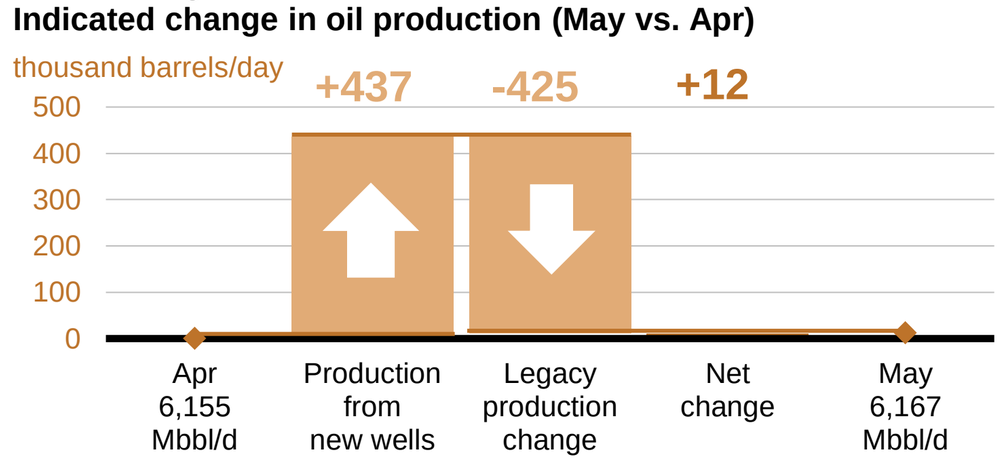
Permian Region
Legacy oil production change



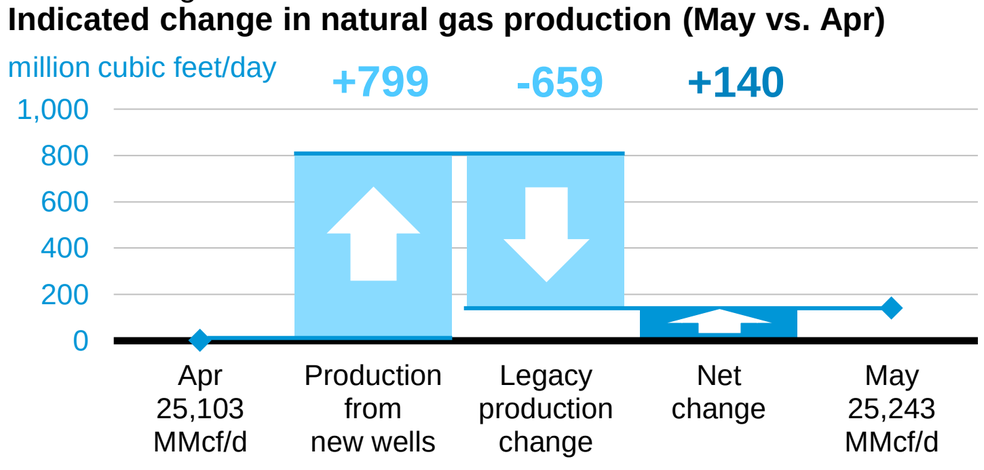
Permian Region
Legacy gas production change



Permian Region
Indicated change in oil production (May vs. Apr)

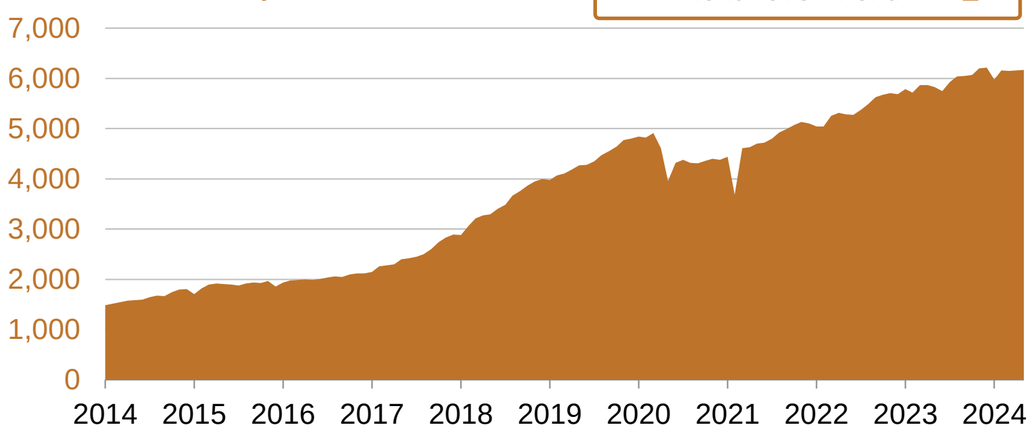


Permian Region
Indicated change in natural gas production (May vs. Apr)



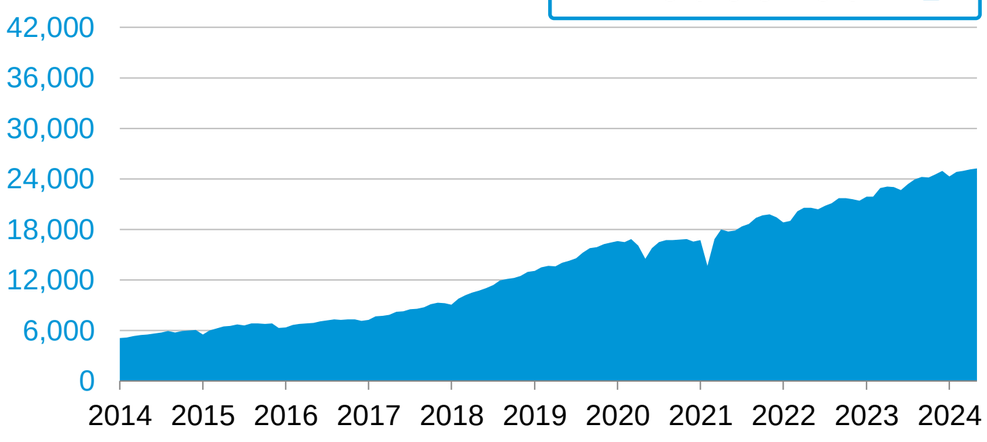
Permian Region
Oil production
thousand barrels/day

Oil +12 thousand barrels/day month over month



Permian Region
Natural gas production
million cubic feet/day

Gas +140 million cubic feet/day month over month



Explanatory notes

Drilling Productivity Report

April 2024

The Drilling Productivity Report uses recent data on the total number of drilling rigs in operation along with estimates of drilling productivity and estimated changes in production from existing oil and natural gas wells to provide estimated changes in oil[1] and natural gas[2] production for seven key regions. EIA's approach does not distinguish between oil-directed rigs and gas-directed rigs because once a well is completed it may produce both oil and gas; more than half of the wells do that.

Monthly additions from one average rig

Monthly additions from one average rig represent EIA's estimate of an average rig's[3] contribution to production of oil and natural gas from new wells.[4] The estimation of new-well production per rig uses several months of recent historical data on total production from new wells for each field divided by the region's monthly rig count, lagged by two months.[5] Current- and next-month values are listed on the top header. The month-over-month change is listed alongside, with +/- signs and color-coded arrows to highlight the growth or decline in oil (brown) or natural gas (blue).

New-well oil/gas production per rig

Charts present historical estimated monthly additions from one average rig coupled with the number of total drilling rigs as reported by Baker Hughes.

Legacy oil and natural gas production change

Charts present EIA's estimates of total oil and gas production changes from all the wells other than the new wells. The trend is dominated by the well depletion rates, but other circumstances can influence the direction of the change. For example, well freeze-offs or hurricanes can cause production to significantly decline in any given month, resulting in a production increase the next month when production simply returns to normal levels.

Projected change in monthly oil/gas production

Charts present the combined effects of new-well production and changes to legacy production. Total new-well production is offset by the anticipated change in legacy production to derive the net change in production. The estimated change in production does not reflect external circumstances that can affect the actual rates, such as infrastructure constraints, bad weather, or shut-ins based on environmental or economic issues.

Oil/gas production

Charts present all oil and natural gas production from both new and legacy wells since 2007. This production is based on all wells reported to the state oil and gas agencies. Where state data are not immediately available, EIA estimates the production based on estimated changes in new-well oil/gas production and the corresponding legacy change.

Footnotes:

1. Oil production represents both crude and condensate production from all formations in the region. Production is not limited to tight formations. The regions are defined by all selected counties, which include areas outside of tight oil formations.
2. Gas production represents gross (before processing) gas production from all formations in the region. Production is not limited to shale formations. The regions are defined by all selected counties, which include areas outside of shale formations.
3. The monthly average rig count used in this report is calculated from weekly data on total oil and gas rigs reported by Baker Hughes.
4. A new well is defined as one that began producing for the first time in the previous month. Each well belongs to the new-well category for only one month. Reworked and recompleted wells are excluded from the calculation.
5. Rig count data lag production data because EIA has observed that the best predictor of the number of new wells beginning production in a given month is the count of rigs in operation two months earlier.

Sources

April 2024

Drilling Productivity Report

The data used in the preparation of this report come from the following sources. EIA is solely responsible for the analysis, calculations, and conclusions.

Drilling Info (http://www.drillinginfo.com) Source of production, permit, and spud data for counties associated with this report. Source of real-time rig location to estimate new wells spudded and completed throughout the United States.

Baker Hughes (http://www.bakerhughes.com) Source of rig and well counts by county, state, and basin.

North Dakota Oil and Gas Division (https://www.dmr.nd.gov/oilgas) Source of well production, permit, and completion data in the counties associated with this report in North Dakota

Railroad Commission of Texas (http://www.rrc.state.tx.us) Source of well production, permit, and completion data in the counties associated with this report in Texas

Pennsylvania Department of Environmental Protection (https://www.paoilandgasreporting.state.pa.us/publicreports/Modules/Welcome/Welcome.aspx) Source of well production, permit, and completion data in the counties associated with this report in Pennsylvania

West Virginia Department of Environmental Protection (http://www.dep.wv.gov/oil-and-gas/Pages/default.aspx) Source of well production, permit, and completion data in the counties associated with this report in West Virginia

Colorado Oil and Gas Conservation Commission (http://cogcc.state.co.us) Source of well production, permit, and completion data in the counties associated with this report in Colorado

Wyoming Oil and Conservation Commission (http://wogcc.state.wy.us) Source of well production, permit, and completion data in the counties associated with this report in Wyoming

Louisiana Department of Natural Resources (http://dnr.louisiana.gov) Source of well production, permit, and completion data in the counties associated with this report in Louisiana

Ohio Department of Natural Resources (http://oilandgas.ohiodnr.gov) Source of well production, permit, and completion data in the counties associated with this report in Ohio

Oklahoma Corporation Commission (http://www.occeweb.com/og/oghome.htm) Source of well production, permit, and completion data in the counties associated with this report in Oklahoma

https://clubofmozambique.com/news/totalenergies-pouyanne-meets-president-nyusi-sees-positive-progress-towards-resuming-mozambique-lng-project-photos-258418/

TotalEnergies' Pouyanné meets President Nyusi, sees 'positive progress' towards resuming Mozambique LNG project – Photos

3:08 CAT | 17 May 2024

Photos: Presidente Filipe Nyusi/Facebook

Speaking in Rwanda today (17-05), Chairman of the Board and Chief Executive Officer at TotalEnergies, Patrick Pouyanné, acknowledged "positive progress" towards the resumption of the French multinational's natural gas megaproject in the Mozambican province of Cabo Delgado, but without committing to deadlines. "We are working on it, and it is better to work gradually, like this," Patrick Pouyanné told journalists in Kigali after a meeting with Mozambique's President Nyusi, in which the security situation in Cabo Delgado and the status of the TotalEnergies project, worth around US$20 billion dollars (€18.6 billion), were discussed.

"We discussed the conditions for resuming the project in Cabo Delgado. I believe we have made positive progress with all contractors, and from that point of view we are ready to resume. We are also working with all funders to resume financing the project, and this is progressing well," he added.

Pouyanné said that he discussed with Filipe Nyusi the "security situation" and "the progress that has been achieved, particularly in the north of Cabo Delgado", stressing that the French oil company is "at work in Palma", although without clarifying whether the definitive resumption of the project could happen this year.

"It shouldn't be like this. It should be step by step and, when all things are put together, we will communicate [that]," he said.

TotalEnergies is currently developing the construction of a plant near Palma for the production and export of natural gas, a megaproject suspended since 2021 because of terrorist attacks.

"We think that the situation in the north of Cabo Delgado is well-controlled. Life in Palma has returned to normal. We are a little worried about what is happening in the south of Cabo Delgado – there were some incidents in Macomia recently. […] We are sharing information to put forward the best possible options," Pouyanné concluded.

President Nyusi said in Maputo on May 2 that it was essential to resume natural gas megaprojects given the "promising stability" in Cabo Delgado, the scene of terrorist attacks, adding that financial decisions cannot be an argument at this stage.

"This is essential, because it cannot be a financial decision problem, now, associated with the terrorist situation. This project already existed, it is old. This means that there was clarity in its execution. It cannot run aground for this reason," Filipe Nyusi said at the opening of the 10th edition of the Mozambique Mining and Energy Conference and Exhibition.

Specifically, Nyusi appealed to the Area 1 concessionaires, led by TotalEnergies, to "accelerate the development of the resumption of onshore projects", given the "promising gradual stability" in the Afungi peninsula, Palma district.

In the same intervention, the head of state said that the "delay" in implementing these types of projects "causes problems", because the "expectations of the countries are enormous" and "people keep thinking that part of their problem can be resolved."

"Great efforts were made by Mozambique, by the Defence and Security Forces, by our friendly and brotherly countries to stabilise [Cabo Delgado], putting the country in a better or identical situation to other countries where [terrorist] conflicts occur. So, the stability argument often doesn't work. And the delay alone causes some impatience," Nyusi said.

Presenting the oil company's results last February, Patrick Pouyanné said that he hoped to restart construction and natural gas exploration work on land by the end of the year, and pledging to constantly monitor the situation on the ground. "What I don't want to happen is deciding to bring people back and then them having to leave again – that would be very complex," he explained.

Mozambique has three development projects approved to explore natural gas reserves in the Rovuma basin off the coast of Cabo Delgado, ranked among some of the largest in the world.

Presidente Filipe Nyusi
on Friday

Compatriotas,

Discuti hoje, em Ruanda, com o CEO da Total Energies, Patrick Pouyané, os progressos alcançados no processo da retoma dos seus projectos na bacia do Rovuma, em Cabo Delgado.

Destacamos os avanços positivos a todos níveis, incluindo nas componentes de financiamento e segurança, pois ficou evidente que há um foco no progresso passo a passo e na garantia de que todos os aspectos estejam alinhados antes da comunicação final. E concluímos que a colaboração e partilha de informações são cruciais para uma tomada de decisão ideal.

439 210 13

Source: Lusa

Highlights for the month

- Indigenous crude oil and condensate production during April 2024 was 2.4 MMT. OIL registered a production of 0.3 MMT, ONGC registered a production of 1.6 MMT whereas PSC/RSC registered production of 0.5 MMT during April 2024. There is a growth of 1.6% in crude oil and condensate production during April 2024 as compared to April 2023.
- Total Crude oil processed during April 2024 was 21.6 MMT which is 0.8% higher than April 2023, where PSU/JV refiners processed 14.5 MMT and private refiners processed 7.1 MMT of crude oil. Total indigenous crude oil processed was 2.2 MMT and total Imported crude oil processed was 19.4 by all Indian refineries (PSU+JV+PVT).
- Crude oil imports increased by 7.0% during April 2024 as compared to the corresponding period of the previous year. As compared to net import bill for Oil & Gas for April 2023 of $ 10.1 billion, the net import bill for Oil & Gas for April 2024 was $ 12.3 billion. Out of which, crude oil imports constitutes $ 13.0 billion, LNG imports $1.1 billion and the exports were $ 3.7 billion during April 2024.
- The price of Brent Crude averaged $90.15/bbl during April 2024 as against $85.48/bbl during March 2024 and $84.94/bbl during April 2023. The Indian basket crude price averaged $89.46/bbl during April 2024 as against $84.49/bbl during March 2024 and $83.76 /bbl during April 2023.
- Production of petroleum products was 23.4 MMT during April 2024 which is 3.9% higher than April 2023. Out of 23.4 MMT, 23.1 MMT was from refinery production & 0.3 MMT was from fractionator. Out of total POL production, in April 2024, share of HSD is 42.0 %, MS 15.7 %, Naphtha 6.7 %, ATF 6.6 %, Pet Coke 5.2 %, LPG 4.4% which are of major products and rest are shared by Bitumen, FO/LSHS, LDO, Lubes & others.
- POL products imports increased by 35.3% during April 2024 as compared to the corresponding period of the previous year. Increase in POL products imports during April 2024 were mainly due to increase in imports of liquified petroleum gas (LPG), petcoke etc.

•	Exports of POL products increased by 9.6% during April 2024 as compared to the corresponding period of the previous year. Increase in POL products exports during April 24 were mainly due to increase in exports of fuel oil (FO), naphtha and high-speed diesel (HSD) etc,.
•	The consumption of petroleum products during April 2024, with a volume of 19.9 MMT, reported a growth of 6.1 % compared to the volume of 18.7 MMT during the same period of the previous year. This growth was led by 14.1% growth in MS, 1.3% in HSD & 13.1% in ATF, 9.4% in LPG & 3.9% in Naptha consumption besides Lubes, and Petcoke during the period.
•	Ethanol blending with Petrol was 12.7% during April 2024 and cumulative ethanol blending during November2023- April 2024 was 12.1%. As on 30.04.2024, 13,569 PSU outlets out of 81,529 total PSU Retail Outlets are dispensing E20 Ethanol Blended MS.
•	Total Natural Gas Consumption (including internal consumption) for the month of April 2024 (P) was 5515 MMSCM which was 6.4 % higher than the corresponding month of the previous year.
•	Gross production of natural gas for the month of April 2024 (P) was 2958 MMSCM which was higher by 7.8 % compared with the corresponding month of the previous year.
•	LNG import for the month of April 2024 (P) was 2608 MMSCM which was 3.7 % higher than the corresponding month of the previous year.

1. Selected indicators of the Indian economy

	Economic indicators	Unit/ Base	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
1	Population (basis RGI projections)	Billion	1.309	1.337	1.351	1.365	1.377	1.388
2	GDP at constant (2011-12 Prices)	Growth %	6.5 2nd RE	4.0 1st RE	-6.6 1st RE	9.1 1st RE	7.2 PE	7.6 (E)
3	Agricultural Production (Food grains)	MMT	285.2	297.5	310.7	315.7 4th AE	323.6 2nd AE	323.6
		Growth %	0.1	4.3	4.5	1.6	2.5	0.0
4	Gross Fiscal Deficit (as percent of GDP)	%	3.4	4.6	9.5 RE	6.7 RE	6.4 RE	5.9 RE

	Economic indicators	Unit/ Base	2021-22	2022-23	April-March		April	
					2022-23	2023-24 (P)	2023-24	2024-25 (P)
5	Index of Industrial Production (Base: 2011-12)	Growth %	11.4	5.5#	5.2#	5.8#	1.9#	4.9
6	Imports^	$ Billion	611.9	714.2	716.0	677.2	49.1	54.1
7	Exports^	$ Billion	422.0	451.0	451.1	437.1	34.6	35.0
8	Trade Balance	$ Billion	-189.9	-263.2	-264.9	-240.2	-14.4	-19.1
9	Foreign Exchange Reserves @	$ Billion	617.6	578.4	578.4	645.6	588.7	637.9

Population projection by RGI is taken as on 1st July for the year. IIP is for the month of *Mar'24 and #April-Mar'24; @ 2021-22 - as on March 25,2022, 2022-23 as on March 31, 2023,2023-24 as on March 29,2024,April 2023 as on April 28, 2023 and April, 2024 as on April 26, 2024; ^Imports & Exports are for Merchandise for the month of April 2023 and April 2024.; E: Estimates; PE: Provisional Estimates; AE-Advanced Estimates; RE-Revised Estimates; QE-Quick Estimates.

Source: Registrar General India, Ministry of Commerce & Industry, Ministry of Statistics and Programme Implementation, Ministry of Agriculture & Farmer's Welfare, Ministry of Finance, Reserve Bank of India

2. Crude oil, LNG and petroleum products at a glance

	Details	Unit/ Base	2021-22 (P)	2022-23 (P)	April-March		April	
					2022-23 (P)	2023-24 (P)	2023-24 (P)	2024-24 (P)
1	Crude oil production in India[#]	MMT	29.7	29.2	29.2	29.4	2.4	2.4
2	Consumption of petroleum products*	MMT	194.3	201.7	223.0	233.3	18.7	19.9
3	Production of petroleum products	MMT	233.5	254.3	266.5	276.1	22.5	23.4
4	Gross natural gas production	MMSCM	34,024	34,450	34,450	36,438	2,745	2,958
5	Natural gas consumption	MMSCM	64,159	59,969	59,969	67,067	5,185	5,515
6	Imports & exports:							
	Crude oil imports	MMT	212.4	232.7	232.7	233.1	20.0	21.4
		$ Billion	120.7	157.5	157.5	132.8	10.9	13.0
	Petroleum products (POL) imports*	MMT	39.0	44.6	44.6	48.2	3.2	4.3
		$ Billion	23.7	26.9	26.9	23.1	1.5	2.1
	Gross petroleum imports (Crude + POL)	MMT	251.4	277.3	277.3	281.3	23.2	25.7
		$ Billion	144.3	184.4	184.4	156.0	12.4	15.2
	Petroleum products (POL) export	MMT	62.8	61.0	61.0	62.4	4.4	4.8
		$ Billion	44.4	57.3	57.3	47.7	3.3	3.7
	LNG imports*	MMSCM	31,028	26,304	26,304	31,350	2,514	2,608
		$ Billion	13.5	17.1	17.1	13.3	1.1	1.1
	Net oil & gas imports	$ Billion	113.4	144.2	144.2	121.6	10.1	12.6
7	Petroleum imports as percentage of India's gross imports (in value terms)	%	23.6	25.8	302.8	272.3	20.3	26.5
8	Petroleum exports as percentage of India's gross exports (in value terms)	%	10.5	12.7	12.7	10.9	7.9	8.9
9	Import dependency of crude oil (on POL consumption basis)	%	85.5	86.0	87.4	87.8	88.6	88.4

#Includes condensate; *Private direct imports are prorated for the period March'24 to April'24 for POL. LNG Imports figure from DGCIS are prorated for Mar'24 to Apr'24.Total may not tally due to rounding off.

3. Indigenous crude oil production (Million Metric Tonnes)

Details	2021-22	2022-23 (P)	April-March			April		
			2022-23 (P)	2023-24 Target*	2023-24 (P)	2023-24 (P)	2024-25 Target*	2024-25 (P)
ONGC	18.5	18.4	18.4	19.2	18.1	1.5	1.6	1.5
Oil India Limited (OIL)	3.0	3.2	3.2	3.4	3.3	0.3	0.3	0.3
Private / Joint Ventures (JVs)	7.0	6.2	6.2	7.4	5.7	0.5	0.5	0.5
Total Crude Oil	**28.4**	**27.8**	**27.8**	**30.0**	**27.2**	**2.3**	**2.4**	**2.2**
ONGC condensate	0.9	1.0	1.0	0.0	1.1	0.1	0.0	0.1
PSC condensate	0.3	0.3	0.3	0.0	1.1	0.0	0.0	0.1
Total condensate	**1.2**	**1.4**	**1.4**	**0.0**	**2.2**	**0.1**	**0.0**	**0.2**
Total (Crude + Condensate) (MMT)	**29.7**	**29.2**	**29.2**	**30.0**	**29.4**	**2.4**	**2.4**	**2.4**
Total (Crude + Condensate) (Million Bbl/Day)	0.60	0.59	0.59	0.60	0.59	0.58	0.59	0.59

*Provisional targets inclusive of condensate. Targets are of FY 2023-24.

4. Domestic and overseas oil & gas production (by Indian Companies)

Details	2021-22	2022-23 (P)	April-March		April	
			2022-23 (P)	2023-24 (P)	2023-24 (P)	2024-25 (P)
Total domestic production (MMTOE)	63.7	63.6	63.6	65.8	36.8	38.9
Overseas production (MMTOE)	21.8	19.5	19.5	19.9	1.7	1.6

Source: ONGC Videsh, GAIL, OIL , IOCL, HPCL & BPRL

5. High Sulphur (HS) & Low Sulphur (LS) crude oil processing (MMT)

	Details	2021-22	2022-23 (P)	April-March		April	
				2022-23 (P)	2023-24 (P)	2023-24 (P)	2024-25 (P)
1	High Sulphur crude	185.0	197.9	197.9	205.3	16.8	17.3
2	Low Sulphur crude	56.7	57.4	57.4	56.3	4.7	4.3
Total crude processed (MMT)		**241.7**	**255.2**	**255.2**	**261.5**	**21.5**	**21.6**
Total crude processed (Million Bbl/Day)		4.85	5.13	60.35	61.84	0.43	0.43
Percentage share of HS crude in total crude oil processing		**76.6%**	**77.5%**	**77.5%**	**78.5%**	**78.2%**	**80.2%**

6. Quantity and value of crude oil imports			
Year	**Quantity (MMT)**	**$ Million**	**Rs. Crore**
2021-22	212.4	1,20,675	9,01,262
2022-23	232.7	1,57,531	12,60,372
2023-24 (P)	233.1	1,32,838	11,00,589
April-2024(P)	21.4	13,010	1,08,580

7. Self-sufficiency in petroleum products (Million Metric Tonnes)							
Particulars		**2021-22**	**2022-23 (P)**	**April-March**		**April**	
				2022-23 (P)	**2023-24 (P)**	**2023-24 (P)**	**2024-25 (P)**
1	Indigenous crude oil processing	27.0	26.5	26.5	26.9	2.0	2.2
2	Products from indigenous crude (93.3% of crude oil processed)	25.2	24.7	24.7	25.1	1.8	2.0
3	Products from fractionators (Including LPG and Gas)	4.1	3.5	3.5	3.5	0.3	0.3
4	Total production from indigenous crude & condensate **(2 + 3)**	29.3	28.2	28.2	28.5	2.1	2.3
5	Total domestic consumption	201.7	201.7	223.0	233.3	18.7	19.9
% Self-sufficiency (4 / 5)		**14.5%**	**14.0%**	**12.6%**	**12.2%**	**11.4%**	**11.6%**

8. Refineries: Installed capacity and crude oil processing (MMTPA / MMT)										
Sl. no.	Refinery	Installed capacity (01.04.2024) MMTPA	Crude oil processing (MMT)							
			2021-22	2022-23 (P)	April-March			April		
					2022-23 (P)	2023-24 (Target)	2023-24 (P)	2023-24 (P)	2024-25 (Target)	2024-25 (P)
1	Barauni (1964)	6.0	5.6	6.8	6.8	6.6	6.6	0.5	0.5	0.5
2	Koyali (1965)	13.7	13.5	15.6	15.6	14.4	15.2	1.1	1.1	1.3
3	Haldia (1975)	8.0	7.3	8.5	8.5	7.6	8.1	0.7	0.7	0.7
4	Mathura (1982)	8.0	9.1	9.6	9.6	9.2	9.2	0.8	0.8	0.9
5	Panipat (1998)	15.0	14.8	13.8	13.8	14.3	14.3	1.3	1.3	1.3
6	Guwahati (1962)	1.2	0.7	1.1	1.1	1.0	1.0	0.1	0.1	0.1
7	Digboi (1901)	0.65	0.7	0.7	0.7	0.7	0.7	0.0	0.1	0.1
8	Bongaigaon(1979)	2.70	2.6	2.8	2.8	2.8	3.0	0.2	0.2	0.2
9	Paradip (2016)	15.0	13.2	13.6	13.6	15.3	15.2	1.2	1.3	1.1
	IOCL-TOTAL	**70.3**	**67.7**	**72.4**	**72.4**	**72.0**	**73.3**	**6.0**	**6.1**	**6.1**
10	Manali (1969)	10.5	9.0	11.3	11.3	10.2	11.6	0.9	0.9	0.9
11	CBR (1993)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	CPCL-TOTAL	**10.5**	**9.0**	**11.3**	**11.3**	**10.2**	**11.6**	**0.9**	**0.9**	**0.9**
12	Mumbai (1955)	12.0	14.4	14.5	14.5	14.5	15.1	1.3	1.3	1.4
13	Kochi (1966)	15.5	15.4	16.0	16.0	15.8	17.3	1.4	1.4	1.4
14	Bina (2011)	7.8	7.4	7.8	7.8	7.0	7.1	0.6	0.6	0.7
	BPCL-TOTAL	**35.3**	**37.2**	**38.4**	**38.4**	**37.3**	**39.5**	**3.2**	**3.2**	**3.4**
15	Numaligarh (1999)	3.0	2.6	3.1	3.1	2.8	2.5	0.0	0.0	0.2

Sl. no.	Refinery	Installed capacity (01.04.2024) MMTPA	Crude oil processing (MMT)							
			2021-22	2022-23	April-March			April		
					2022-23 (P)	2023-24 (Target)	2023-24 (P)	2023-24 (P)	2024-25 (Target)	2024-25 (P)
16	Tatipaka (2001)	0.07	0.08	0.07	0.073	0.063	0.065	0.01	0.01	0.01
17	MRPL-Mangalore (1996)	15.0	14.9	17.1	17.1	15.9	16.5	1.5	1.3	1.3
	ONGC-TOTAL	**15.1**	**14.9**	**17.2**	**17.2**	**16.0**	**16.6**	**1.5**	**1.4**	**1.3**
18	Mumbai (1954)	9.5	5.6	9.8	9.8	9.0	9.6	0.8	0.8	0.5
19	Visakh (1957)	13.7	8.4	9.3	9.3	12.0	12.7	0.8	0.9	0.9
20	HMEL-Bathinda (2012)	11.3	13.0	12.7	12.7	11.5	12.6	1.1	1.0	1.1
	HPCL- TOTAL	**34.5**	**27.0**	**31.8**	**31.8**	**32.5**	**35.0**	**2.8**	**2.7**	**2.5**
21	RIL-Jamnagar (DTA) (1999)	33.0	34.8	34.4	34.4	34.4	34.4	2.8	3.0	2.9
22	RIL-Jamnagar (SEZ) (2008)	35.2	28.3	27.9	27.9	27.9	28.3	2.5	2.1	2.5
23	NEL-Vadinar (2006)	20.0	20.2	18.7	18.7	18.7	20.3	1.7	1.7	1.7
All India (MMT)		**256.8**	**241.7**	**255.2**	**255.2**	**251.7**	**261.5**	**21.5**	**21.1**	**21.6**
All India (Million Bbl/Day)		**5.02**	**4.85**	**5.13**	**5.13**	**5.04**	**5.24**	**0.43**	**0.42**	**0.43**

Note: Provisional Targets; Some sub-totals/ totals may not add up due to rounding off at individual levels. The Inputs to Refinery includes both Crude Oil and Other Inputs (OI), however Other Inputs (OI) do not form part of the above data. Targets are of FY 2023-24.

9. Major crude oil and product pipeline network (as on 01.05.2024)

Details		ONGC	OIL	Cairn	HMEL	IOCL	BPCL	HPCL	Others*	Total
Crude Oil	Length (KM)	1,284	1,193	688	1,017	5,822	937			**10,941**
	Cap (MMTPA)	60.6	9.0	10.7	11.3	53.8	7.8			**153.1**
Products	Length (KM)		654			12,581	2,600	5,133	2,399	**23,367**
	Cap (MMTPA)		1.7			70.6	22.6	35.2	10.2	**140.3**

*Others include GAIL and Petronet India. HPCL and BPCL lubes pipeline included in products pipeline data

11. Production and consumption of petroleum products (Million Metric Tonnes)												
Products	2020-21		2021-22		2022-23		2023-24 (P)		Apr 2023 (P)		Apr 2024 (P)	
	Prod	Cons	Prod	Cons	Prod	Cons	Prod	Cons	Prod	Cons	Prod	Cons
LPG	12.1	27.6	12.2	28.3	12.8	28.5	12.8	29.6	1.1	2.2	1.0	2.4
MS	35.8	28.0	40.2	30.8	42.8	35.0	45.1	37.2	3.6	2.9	3.7	3.3
NAPHTHA	19.4	14.1	20.0	13.2	17.0	12.2	18.3	13.9	1.4	1.1	1.5	1.2
ATF	7.1	3.7	10.3	5.0	15.0	7.4	17.1	8.2	1.3	0.7	1.5	0.7
SKO	2.4	1.8	1.9	1.5	0.9	0.5	1.0	0.5	0.03	0.03	0.1	0.03
HSD	100.4	72.7	107.2	76.7	113.8	85.9	115.9	89.7	9.5	7.8	9.8	7.9
LDO	0.7	0.9	0.8	1.0	0.6	0.7	0.7	0.8	0.04	0.1	0.0	0.1
LUBES	1.1	4.1	1.2	4.5	1.3	3.7	1.4	4.1	0.1	0.3	0.1	0.3
FO/LSHS	7.4	5.6	8.9	6.3	10.4	7.0	10.3	6.5	1.1	0.6	1.0	0.5
BITUMEN	4.9	7.5	5.1	7.8	4.9	8.0	5.2	8.8	0.5	0.9	0.5	0.8
PET COKE	12.0	15.6	15.5	14.3	15.4	18.3	15.1	19.1	1.2	1.4	1.2	1.7
OTHERS	30.2	12.8	30.9	12.3	31.5	15.8	33.3	14.8	2.6	0.9	2.9	1.0
ALL INDIA	**233.5**	**194.3**	**254.3**	**201.7**	**266.5**	**223.0**	**276.1**	**233.3**	**22.5**	**18.7**	**23.4**	**19.9**
Growth (%)	**-11.2%**	**-9.3%**	**8.9%**	**3.8%**	**4.8%**	**10.6%**	**3.6%**	**4.6%**	**-1.4%**	**1.4%**	**3.9%**	**6.1%**

Note: Prod - Production; Cons - Consumption

15. LPG consumption (Thousand Metric Tonne)

LPG category	2021-22	2022-23	April-March			April		
			2022-23	2023-24 (P)	Growth (%)	2023-24	2024-25 (P)	Growth (%)
1. PSU Sales :								
LPG-Packed Domestic	25,501.6	25,381.5	25,381.5	26,207.5	3.3%	1,938.0	2,114.1	9.1%
LPG-Packed Non-Domestic	2,238.8	2,606.0	2,606.0	2,760.2	5.9%	191.4	195.1	1.9%
LPG-Bulk	390.9	408.9	408.9	593.8	45.2%	17.5	41.2	136.1%
Auto LPG	122.0	106.7	106.7	88.0	-17.6%	7.1	6.2	-12.6%
Sub-Total (PSU Sales)	28,253.3	28,503.1	**28,503.1**	**29,649.4**	**4.0%**	**2,154.0**	**2,356.7**	**9.4%**
2. Direct Private Imports*	0.1	0.1	0.00	0.01	-	0.03	1.17	3699.7%
Total (1+2)	28,253.4	28,503.2	**28,503.1**	**29,649.4**	**4.0%**	**2,154.0**	**2,357.9**	**9.5%**

*Mar'24-Apr'24 DGCIS data is prorated.

16. LPG marketing at a glance

Particulars (As on 1st of April)	Unit	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	01.05.24 (P)
LPG Active Domestic Customers	(Lakh)			1486	1663	1988	2243	2654	2787	2895	3053	3140	3242	3255.7
	Growth				11.9%	19.6%	12.8%	18.3%	5.0%	3.9%	5.5%	2.9%	3.2%	3.6%
LPG Coverage (Estimated)	(Percent)			56.2	61.9	72.8	80.9	94.3	97.5	99.8	-	-	-	-
	Growth				10.1%	17.6%	11.1%	16.5%	3.4%	2.3%	-	-	-	-
PMUY Beneficiaries	(Lakh)					200.3	356	719	802	800	899.0	958.6	1032.7	1033
	Growth						77.7%	101.9%	11.5%	-0.2%	12.2%	6.6%	7.7%	7.7%
LPG Distributors	(No.)	12610	13896	15930	17916	18786	20146	23737	24670	25083	25269	25386	25481	25487
	Growth	9.8%	10.2%	14.6%	12.5%	4.9%	7.2%	17.8%	3.9%	1.7%	0.7%	0.5%	0.4%	0.4%
Auto LPG Dispensing Stations	(No.)	667	678	681	676	675	672	661	657	651	601	526	468	468
	Growth	2.3%	1.6%	0.4%	-0.7%	-0.1%	-0.4%	-1.6%	-0.6%	-0.9%	-8.5%	-12.5%	-11.0%	-10.9%
Bottling Plants	(No.)	185	187	187	188	189	190	192	196	200	202	208	210	210
	Growth	0.5%	1.1%	0.0%	0.5%	0.5%	0.5%	1.1%	2.1%	2.0%	1.0%	4.5%	1.0%	1.0%

Source: PSU OMCs (IOCL,BPCL and HPCL)

1.Growth rates as on 01.04.2024 are with respect to figs as on 01.04.2023. Growth rates as on 1 April of any year are with respect to figs as on 1 April of previous year.

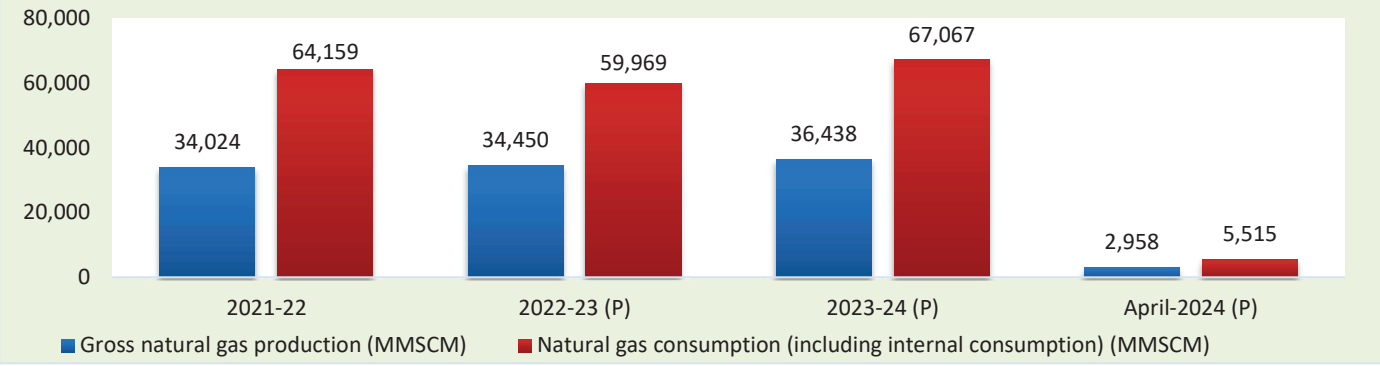
2. The LPG coverage is calculated by PSU OMCs based upon the active LPG domestic connections and the estimated number of households. The number of households has been projected by PSU OMCs based on 2011 census data. Factors like increasing nuclearization of families, migration of individuals/ families due to urbanization and reduction in average size of households etc. impact the growth of number of households. Due to these factors, the estimated no. of households through projection of 2011 census data may slightly differ from the actual no. of households in a State/UT. Further, this methodology does not include PNG (domestic) connections.

18. Natural gas at a glance

(MMSCM)

Details	2021-22 (P)	2022-23 (P)	April-March			April		
			2022-23 (P)	2023-24 (Target)	2023-24 (P)	2023-24 (P)	2023-24 (Target)	2024-25 (P)
(a) Gross production	34,024	34,450	34,450	38,181	36,438	2,745	2,852	2,958
- ONGC	20,629	19,969	19,969	20,559	19,316	1,607	1,721	1,524
- Oil India Limited (OIL)	2,893	3,041	3,041	3,155	3,090	237	228	261
- Private / Joint Ventures (JVs)	10,502	11,440	11,440	14,466	14,032	901	903	1,174
(b) Net production (excluding flare gas and loss)	33,131	33,664	33,664		35,717	2,671		2,907
(c) LNG import#	31,028	26,304	26,304		31,350	2,514		2,608
(d) Total consumption including internal consumption (b+c)	64,159	59,969	59,969		67,067	5,185		5,515
(e) Total consumption **(in BCM)**	64.2	60.0	60.0		67.1	5.2		5.5
(f) Import dependency based on consumption (%), {c/d*100}	48.4	43.9	43.9		46.7	48.5		47.282

Mar'24 to Apr'24 DGCIS data prorated.



19. Coal Bed Methane (CBM) gas development in India

Prognosticated CBM resources		91.8	TCF
Established CBM resources		10.4	TCF
CBM Resources (33 Blocks)		62.8	TCF
Total available coal bearing areas (India)		32760	Sq. KM
Total available coal bearing areas with MoPNG/DGH		12254*	Sq. KM
Area awarded		21,177**	Sq. KM
Blocks awarded*		39	Nos.
Exploration initiated (Area considered if any boreholes were drilled in the awarded block)		11008	Sq. KM
Production of CBM gas	April-Mar 2025 (P)	54.77	MMSCM
Production of CBM gas	Apr 2024 (P)	54.77	MMSCM

*ST CBM Block awarded & relinquished twice- in CBM Round II and Round IV -Area considered if any boreholes were drilled in the awarded block. **MoPNG awarded 04 new CBM Blocks (Area 3862 sq. km) under Special CBM Bid Round 2021 in September 2022. ***Area considered if any boreholes were drilled in the awarded block.

19a. Status of Compressed Bio Gas (CBG) projects under SATAT (as on 01.04.2024) (Provisional)

Particulars	Units	IOCL	HPCL	BPCL	GAIL#	IGL	Total
No. of CBG plants commissioned and initiated sale of CBG	No. of plants	32*	9	8	15	6	**68***
Start of CBG sale from retail outlet(s)	Nos.	88	50	55	1	0	**194**
Sale of CBG in 2022-23	Tons	5,822	77	6	5322		**11,227**
Sale of CBG in 2023-24	Tons	6500	309	102	12813		**19724**
Sale of CBG in 2024-25 (up to April 2024)	Tons	604	22	163	2250		**3039**
Sale of CBG in CGD network	GA Nos.				26		**26**

Sale of CBG sourced under CBG-CGD synchronization scheme by GAIL through its own marketing channels as well as other CGDs/OMCs..*2 LOI holders of IndianOil are supplying CBG produced at their plants to two other OGMCs and hence they are counted only once in cumulative CBG plants commissioned on industry basis.

20. Common Carrier Natural Gas pipeline network as on 31.12.2023

Nature of pipeline		GAIL	GSPL	PIL	IOCL	AGCL	RGPL	GGL	DFPCL	ONGC	GIGL	GITL	Others*	Total
Operational	Length	11,009	2,716	1,483	143	107	304	73	42	24	0	0	0	**15,901**
	Capacity	167.2	43.0	85.0	20.0	2.4	3.5	5.1	0.7	6.0				-
Partially commissioned#	Length	4,743	0	0	1,080	0	0	0	0	0	1,302	0	365	**7,490**
	Capacity	55.0	0.0	0.0	84.7	0.0	0.0	0.0	0.0	0.0	122.5	0.0	0.0	-
Total operational length		**15,752**	**2,716**	**1,483**	**1,223**	**107**	**304**	**73**	**42**	**24**	**1,302**	**0**	**365**	**23,391**
Under construction	Length	1,347	3	0	352	0	0	0	0	0	899	36	1,488	**4,125**
	Capacity	26.3	3.0	0.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	36.0	0.0	-
Total length		**17,099**	**2,719**	**1,483**	**1,575**	**107**	**304**	**73**	**42**	**24**	**2,201**	**36**	**1,853**	**27,516**

Source: PNGRB; Length in KMs ; Authorized Capacity in MMSCMD (Arithmetic sum taken for each entity -capacity may vary from pipeline to pipeline); *Others-APGDC, , IGGL, IMC,GTIL,HPPL Consortium of H-Energy. Total authorized Natural Gas pipelines including Tie-in connectivity, dedicated & STPL is 33,347 Kms (P),however total operational and Under Construction Pipeline length is 35,217 Kms (P)

21. Existing LNG terminals

Location	Promoters	Capacity as on 01.05.2024	% Capacity utilisation (April-Mar 2024)
Dahej	Petronet LNG Ltd (PLL)	17.5 MMTPA	95.1
Hazira	Shell Energy India Pvt. Ltd.	5.2 MMTPA	30.3
Dabhol	Konkan LNG Limited	*5 MMTPA	42.7
Kochi	Petronet LNG Ltd (PLL)	5 MMTPA	20.6
Ennore	Indian Oil LNG Pvt Ltd	5 MMTPA	18.3
Mundra	GSPC LNG Limited	5 MMTPA	14.6
Dhamra	Adani Total Private Limited	5 MMTPA	27.4

22. Status of PNG connections and CNG stations across India (Nos.), as on 31.03.2024(P)				
State/UT (State/UTs are clubbed based on the GAs authorised by PNGRB)	CNG Stations	PNG connections		
		Domestic	Commercial	Industrial
Andhra Pradesh	189	2,71,585	470	39
Andhra Pradesh, Karnataka & Tamil Nadu	43	9,648	6	6
Assam	22	58,474	1,393	456
Bihar	129	1,55,826	127	10
Bihar & Jharkhand	15	8,527	4	0
Bihar & Uttar Pradesh	27	4,400	0	0
Chandigarh (UT), Haryana, Punjab & Himachal Pradesh	27	26,845	165	46
Chhattisgarh	18	3,499	0	0
Dadra & Nagar Haveli (UT)	6	12,154	57	62
Daman & Diu (UT)	5	5,240	73	51
Daman and Diu & Gujarat	15	6,407	23	0
Goa	12	13,598	30	43
Gujarat	1,002	32,82,257	23,534	5,812
Haryana	409	3,68,917	955	2,331
Haryana	25	26,706	137	62
Haryana & Himachal Pradesh	10	48	0	0
Haryana & Punjab	27	1,181	0	0
Himachal Pradesh	13	7,715	22	0
Jharkhand	100	1,37,832	28	4
Karnataka	370	4,40,737	581	362
Kerala	133	73,961	57	22
Kerala & Puducherry	13	2,933	0	0
Madhya Pradesh	296	2,38,605	472	519
Madhya Pradesh and Chhattisgrah	9	0	0	0
Madhya Pradesh and Rajasthan	35	863	0	0
Madhya Pradesh and Uttar Pradesh	20	0	0	3
Maharashtra	890	34,29,926	4,864	999
Maharashtra & Gujarat	71	1,87,645	10	33
Maharashtra and Madhya Pradesh	16	0	0	0

For Immediate Release
May 17, 2024
Lynn Helms, Ph.D., Director ND Department of Mineral Resources

NORTH Dakota Be Legendary.™ | Mineral Resources

North Dakota Department of Mineral Resources May 2024 Director's Cut and March 2024 Production Numbers

Oil Production Numbers

February	36,310,965 barrels	= 1,252,102 barrels/day (final) **RF +14%**
New Mexico	**55,812,525 barrels**	= 1,800,404 **-2.5%**
March	38,103,849 barrels	= 1,229,156 barrels/day **-2%** **RF +12%**
	1,519,037	all-time high Nov 2019
	1,196,708 barrels/day	= 97% from Bakken and Three Forks
	32,448 barrels/day	= 3% from Legacy Pools

Revenue Forecast **1,100,000 barrels/day**

Crude Price ($barrel)	**ND Light Sweet**	**WTI**	**ND Market**
February	66.56	76.61	69.39 **RF -1%**
March	70.53	77.25	73.55 **RF +5%**
Today	71.75	79.23	75.49 **RF +8%**
All-time high (6/2008)	125.62	134.02	126.75
Revenue Forecast			**70.00**

Gas Production and Capture

February	97,596,445 MCF	=	3,365,395 MCF/Day	
95% Capture	92,231,306 MCF	=	3,180,390 MCF/Day	
March	105,042,928 MCF	=	3,388,482 MCF/Day	**+7%**
95% Capture	99,754,867 MCF	=	3,217,899 MCF/Day	

3,388,482 MCF/day all-time high production March 2024

3,355,110 MCF/day all-time high capture Dec 2023

Wells Permitted

February	63	
March	72	
April	79	All-time high 370 in 10/2012

Rig Count

February	38	
March	40	
April	38	
Today	36	All-time high 218 on 5/29/2012
Federal Surface	0	
New Mexico	109	

Waiting on Completions

February	300
March	345

Inactive

February	1,518
March	1,949

Completed

February	92
March	56 (Preliminary)
April	56 (Preliminary)

Producing

February	18,749	
March	18,854 (Preliminary)	**NEW** All-time high 18,854 March/2024
	16,677 wells	88% are now unconventional Bakken/Three Forks Wells
	2,177 wells	12% produced from legacy conventional pools

IIJA Initial Grant	Wells PA	Sites Reclaimed
January	1	0
February	4	0
March	1	0
April	8	0
May	17	0
June	12	1
July	15	5
August	15	13
September	0	14
October	0	10
November	0	0
December	0	1
January	0	0
February	0	0
March	0	0
Total	73	44

Weekly updates are available at Initial Grant Information - Plugging and Reclamation | Department of Mineral Resources, North Dakota

Fort Berthold Reservation Activity

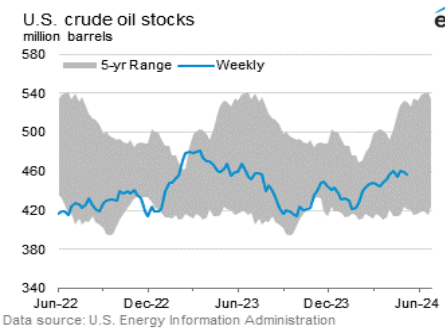
	Total	Fee Land	Trust Land
Oil Production (barrels/day)	206,995	78,574	128,421
Drilling Rigs	5	2	3
Active Wells	2,917	694	2,223
Waiting on Completion	9		
Approved Drilling Permits	124	9	115
Potential Future Wells	1,763	566	1,197

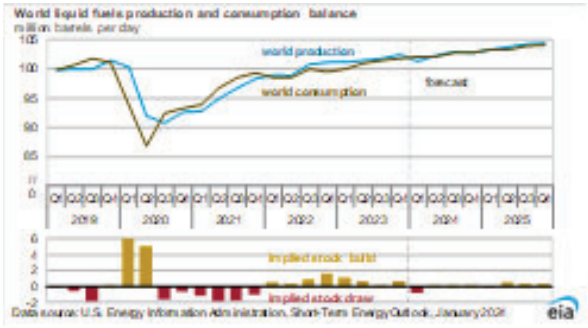
Comments:

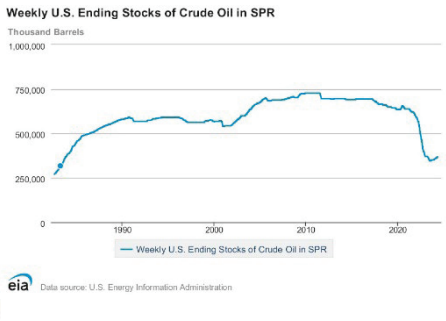
The drilling rig count remains low due to load limits, mergers, and acquisitions but is expected to return to the mid-forties with a gradual increase expected over the next 2 years.

There are 15 frac crews currently active.

Saudi Arabia and Russia announced continued oil production cuts. Middle East conflict, Russia sanctions, China economic activity, potential recessions, and shifting crude oil supply chains continue to create significant price volatility.







Crude oil transportation capacity including rail deliveries to coastal refineries is adequate, but could be disrupted due to:

US Appeals Court for the ninth circuit upholding of a lower court ruling protecting the Swinomish Indian Tribal Community's right to sue to enforce an agreement that restricts the number of trains that can cross its reservation in northwest Washington state.

DAPL Civil Action No. 16-1534 continues, but the courts have now ruled that DAPL can continue normal operations until the USACOE EIS is completed, now anticipated in 2025.

Drilling - activity is expected to increase slightly and operators continue to maintain a permit inventory of approximately 12 months.

Seismic - 0 active, 1 recording, 0 NDIC reclamation projects, 0 remediating, 0 permitted, and 4 suspended surveys, 0 pending.

US natural gas storage is 31% above the five-year average. US and world crude oil inventories are about average and the US strategic petroleum reserve remains at the lowest levels since 1983.

The price of natural gas delivered to Northern Border at Watford City is $1.70/MCF still at 20-30 year lows. There is continued oversupply in the Midwest US and the Biden Administration's decision to suspend LNG export permitting has created a huge nationwide oversupply. Current oil to gas price ratio is 44:1. The state-wide gas flared volume from February to March decreased 14.4 MMCFD to 170.5 MMCF per day, the statewide gas capture remained 95% while Bakken gas capture was also unchanged at 95%. The historical high flared percent was 36% in 09/2011.

MONTHLY UPDATE

MAY 2024 PRODUCTION & TRANSPORTATION

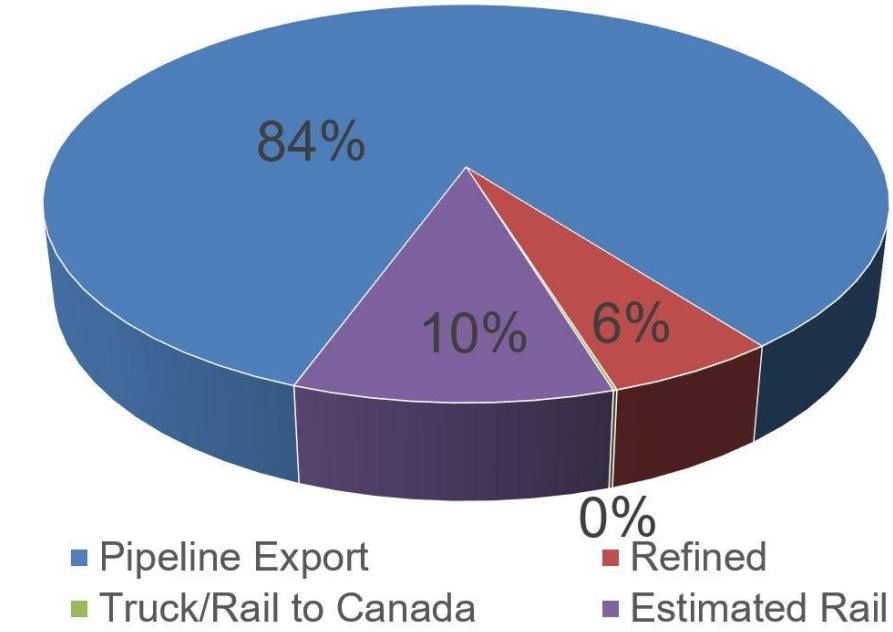
North Dakota Oil Production

Month	Monthly Total, BBL	Average, BOPD
Feb. 2024 - Final	36,310,965	1,252,102
Mar. 2024 - Prelim.	38,103,849	1,229,156

North Dakota Natural Gas Production

Month	Monthly Total, MCF	Average, MCFD
Feb. 2024 - Final	97,596,445	3,365,395
Mar. 2024 - Prelim.	105,042,928	3,388,482

Estimated Williston Basin Oil Transportation, Mar. 2024



CURRENT DRILLING ACTIVITY:

NORTH DAKOTA[1]

36 Rigs

EASTERN MONTANA[2]

2 Rigs

SOUTH DAKOTA[2]

0 Rigs

SOURCE (MAY 17, 2024):

1. ND Oil & Gas Division
2. Baker Hughes

PRICES:

Crude (WTI): $79.51

Crude (Brent): $83.53

NYMEX Gas: $2.58

SOURCE: BLOOMBERG (MAY 17, 2023 12PM EST)

GAS STATS*

95% CAPTURED & SOLD

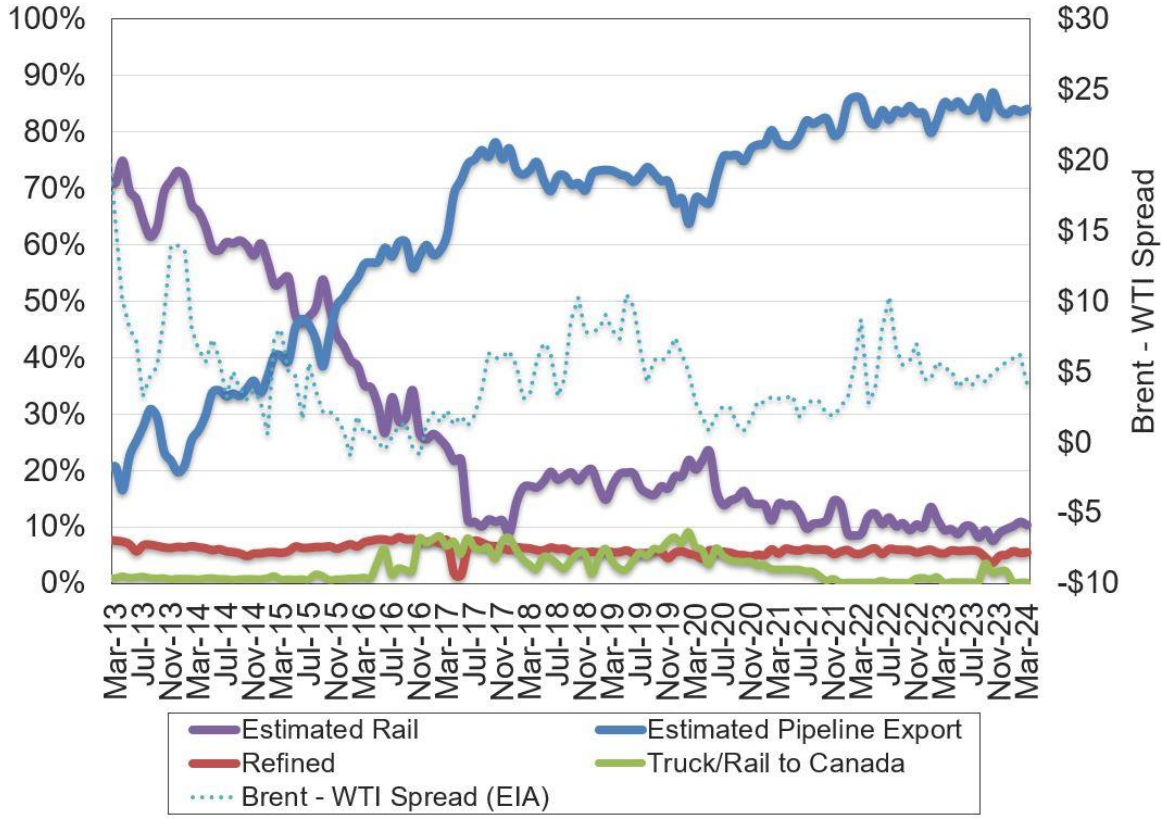
4% FLARED DUE TO CHALLENGES OR CONSTRAINTS ON EXISTING GATHERING SYSTEMS

1% FLARED FROM WELL WITH ZERO SALES

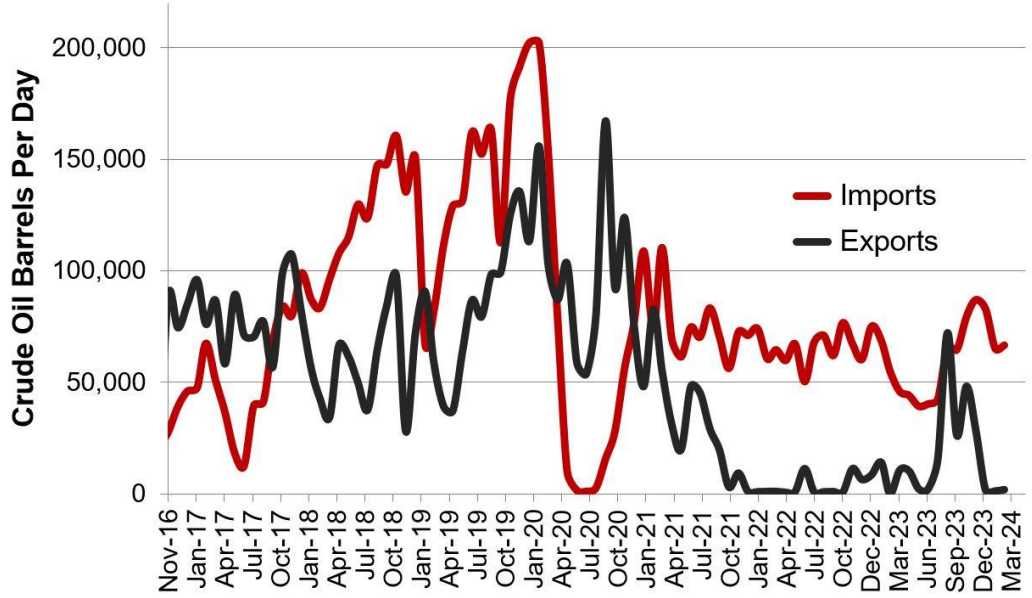
MAR 2024 NON-CONF DATA

Estimated North Dakota Rail Export Volumes

Estimated Williston Basin Oil Transportation

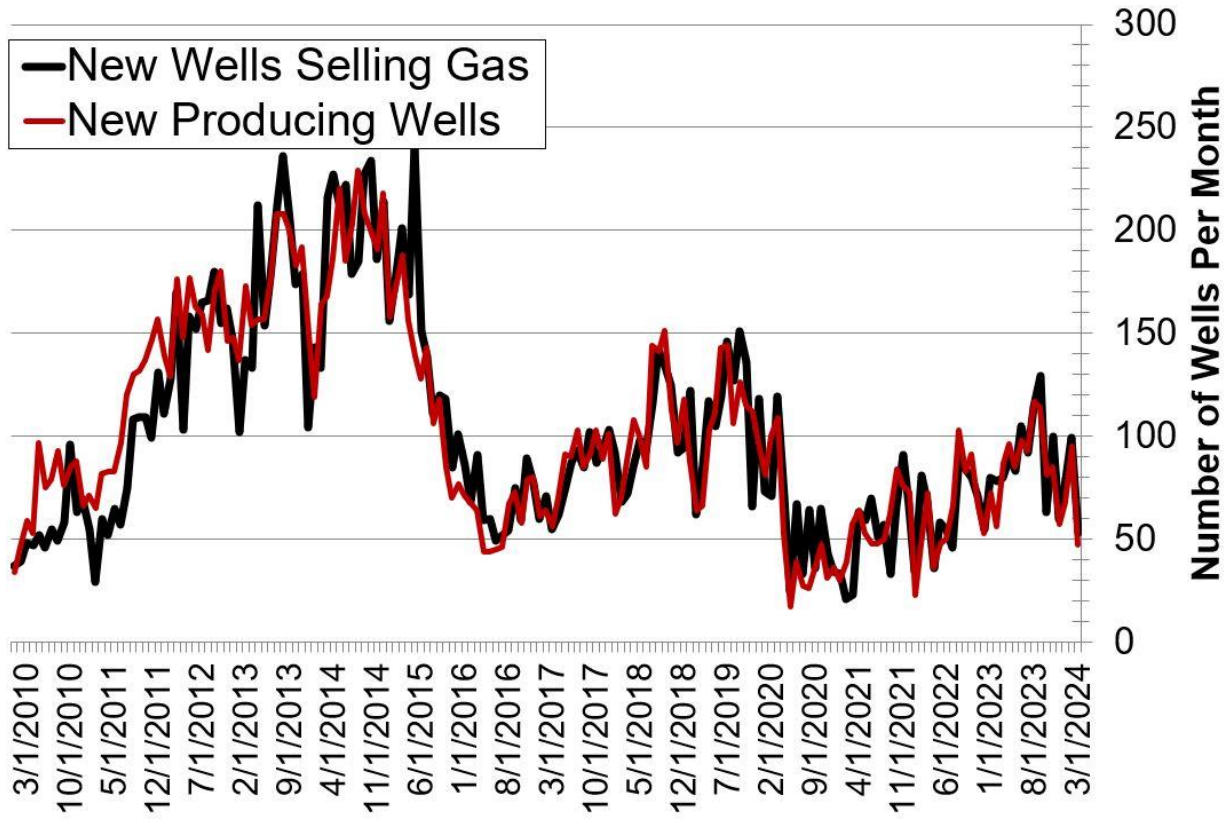


Williston Basin Truck/Rail Imports and Exports with Canada



Data for imports/exports chart is provided by the US International Trade Commission and represents traffic across US/Canada border in the Williston Basin area.

New Gas Sales Wells per Month



US Williston Basin Oil Production, BOPD

2023

MONTH	ND	EASTERN MT*	SD	TOTAL
January	1,062,924	62,114	2,610	1,127,648
February	1,158,988	63,558	2,475	1,225,021
March	1,124,917	64,596	2,652	1,192,165
April	1,135,872	61,933	2,557	1,200,362
May	1,140,253	61,302	2,560	1,204,115
June	1,174,603	59,742	2,275	1,236,620
July	1,187,084	56,986	2,311	1,246,381
August	1,219,832	62,381	2,540	1,284,753
September	1,290,356	62,811	2,504	1,355,671
October	1,255,517	62,610	2,452	1,320,579
November	1,279,103	63,089	2,448	1,344,641
December	1,275,004	63,259	2,496	1,340,759

2024

MONTH	ND	EASTERN MT*	SD	TOTAL
January	1,103,017	59,066	2,312	1,164,394
February	1,252,102	65,517	2,431	1,320,050
March	1,229,156	68,957		
April				
May				
June				
July				
August				
September				
October				
November				
December				

**** Eastern Montana production composed of the following Counties: Carter, Daniels, Dawson, Fallon, McCone, Powder River, Prairie, Richland, Roosevelt, Sheridan, Valley, Wibaux***

https://www.reuters.com/markets/commodities/us-favor-existing-investors-venezuela-oil-licenses-say-sources-2024-05-16/

Exclusive: US to favor existing investors for Venezuela oil licenses, say sources

By Marianna Parraga and Daphne Psaledakis
May 16, 20248:02 AM MDTUpdated an hour ago

HOUSTON/WASHINGTON, May 16 (Reuters) - The U.S. is preparing to prioritize issuing limited licenses to operate in Venezuela to companies with existing oil production and assets over those seeking to enter the sanctioned OPEC nation for the first time, two people close to the discussions said.

The move appears designed to encourage companies that have projects frozen because of U.S. sanctions, such as Italy's Eni (ENI.MI), opens new tab and Spain's Repsol (REP.MC), opens new tab, to expand operations, recoup pending debt and add oil to global markets.

It will, however, avoid licensing firms with no prior investments in the country, putting a cap on how much revenue Venezuela could collect from its oil industry.

Some companies with long-standing energy projects in Venezuela, including U.S.-based Chevron (CVX.N), opens new tab and France's Maurel & Prom (MAUP.PA), opens new tab, have authorizations to expand oil and gas production in the OPEC-member nation. Trinidad & Tobago and Shell (SHEL.L), opens new tab also last year received a U.S. license to develop a gas field with Venezuela.

Other firms such as India's Reliance Industries (RELI.NS), opens new tab and customers of state firm PDVSA (PDVSA.UL) with no assets in the country have been hoping to gain U.S. approvals.

The U.S. Treasury Department last month said it would offer some individual authorizations to companies to operate in the South American nation after it did not renew a broad license that had eased oil and gas trade restrictions. The sanctions resumption came after the U.S. decided Venezuela had not fully met its promises to secure a competitive presidential election.

A Treasury spokesperson said the department would not comment on specific licenses as its evaluation process and criteria are not public.

Treasury "generally relies on foreign policy guidance from the U.S. Department of State and take into consideration the national security interests of the United States," the spokesperson said. The State Department declined to comment.

PDVSA did not immediately comment.

OPTIMISM FADES

Venezuela's Oil Minister Pedro Tellechea had said the proposed U.S. authorizations would allow many foreign firms to expand joint ventures with PDVSA, while new partners could start fresh projects seeking capital.

But the limited U.S. exemptions under consideration will cut the opportunity for Caracas to use partners of PDVSA to expand the nation's crude production in the near term. Venezuela's oil exports climbed to about 900,000 barrels per day in March, before the U.S. decided not to renew the election-linked license.

Venezuela's Vice President Delcy Rodriguez on Tuesday slammed the impact of U.S. sanctions in the last five years, which she said have cut billions of dollars from Venezuela's GDP.

"It is an international embarrassment that in the 21st century ... the aim is to subjugate countries through the mechanism of economic sanctions," she said during a conference in Caracas.

President Nicolas Maduro could press for specific U.S. licenses for the oil and gas industries if he believes they are key to attracting new investment, or expanding cash-providing businesses, one of the people familiar with the matter said.

The guidance being prepared by Washington mainly will seek to help foreign companies recover pending debt and dividends in Venezuela, which in the last five years has affected many U.S., European and Asian firms.

The proposal would appear to exclude companies with no prior investment in Venezuela that have signed agreements with PDVSA to form new joint ventures, according to the people.

Late last year, PDVSA drafted a list of 17 potential joint ventures to be formed or expanded. The list included newcomers and long-time investors such as Repsol and Chevron.

Some U.S. and European companies have held exemptions to the sanction regime on Venezuela through so-called "comfort letters" issued by the State Department or specific licenses.

Reporting by Marianna Parraga in Houston and Daphne Psaledakis in Washington, additional reporting by Matt Spetalnick Editing by Marguerita Choy

Geopolitical Update: Temperatures Rising

Analysis and Updates on Conflicts in Ukraine and the Middle East

March 27, 2024

RBC Capital Markets, LLC
Helima Croft (Head of Global Commodity Strategy and MENA Research) (212) 618-7798; helima.croft@rbccm.com

President Biden faces the prospect of a cruel summer if the Russia-Ukraine and Middle East conflicts continue to pose risks to global energy supplies.

- **This week brought more attacks by Ukraine on Russian refineries with drones circling back to two previously targeted refineries, Novokuibyshevsky and Kuibyshevsky, in the Samara region, resulting in significant damage to the latter's primary crude distillation unit.** As a result, we now count 5 refineries facing significant throughput disruptions, with our estimates for downed refining capacity rising to 13% of Russia's total. These attacks seem to be serving the twin purposes of partially denying the Russian frontlines diesel as well as reducing Russia's essential energy revenue to fund the war. Preliminary estimates already show aggregate Russian refinery runs in March down 650 kb/d y/y. While it is still too early to see how these disruptions will ultimately affect seaborne refined product export flows, the largest impacts would be seen on global gasoil and fuel oil markets. Turkey, Africa, and Brazil have been the top destinations for Russian gasoil since exports were barred from Europe.
- **There have been reports that the White House has tried to dissuade Kyiv from this strategy, fearing the energy price impact – we find this entirely credible based on our conversations.** As we have repeatedly noted, the White House has sought to avert a Russian supply disruption and has shaped policy towards this end; including price caps designed as a release valve to ensure Russian barrels locked out of Europe would flow to Asia, or directly telling Ukraine to not target Black Sea oil tankers. However, with US assistance being held up in Congress, and Russia making battlefield gains, Ukraine and key regional allies appear to be questioning the utility of this energy bargain with Washington.
- **A key dynamic worth watching is whether Congress moves to approve the $60bln supplementary military, budgetary, and humanitarian aid package being held up in the House after already passing in the Senate.** House Speaker Mike Johnson (R-LA) has signaled a willingness to hold a vote on Ukraine support after Congress's Easter recess, however at the time of writing, there are no clear indications of imminent passage. Moreover, with a complete cutoff of funding potentially in the offing if President Trump wins in November, the window for Ukraine to make battlefield advances in the two-year conflict may be closing.

- **Hence, we will be closely watching whether Ukraine moves at some stage to target actual export facilities to strike a deeper blow on the Russian balance sheet.** We continue to contend that Ukraine seemingly has the capability to target the majority of export facilities in western Russia, which would put ~60% of Russia's crude exports at risk. While Washington would certainly not be happy with such a move because of the serious price implications, Kyiv could decide that such asymmetrical measures may be necessary. Resilient energy revenue has been essential for Russia's continued military strength – the 2024 budget contains record defense spending, with the Russian Federation for the time poised to spend over 6% of GDP on military and defense spending. At the same time, Moscow is forecasting a shrinking deficit based on an anticipated rise in revenue this year. According to the Carnegie Endowment, the 2024 budget is based on the assumption that revenue will climb by over a third to over ₽35tln ($378bln), of which ₽11.5tln ($124bln) is expected to come from the oil and gas sector.
- **While OPEC is sitting on over 2 mb/d of spare capacity, we do not think the producer group would rush in to cool the rally and ramp up output given what transpired in the months immediately following the Russian invasion of Ukraine.** Washington made unprecedented interventions in the market by releasing 180 mb from the SPR after the IEA and other market participants warned of a multimillion b/d Russian disruption that never materialized. Certainly, we do not see any indications that the recent run up in prices due to the heightened Russian infrastructure risk will prompt any policy reversal at next week's Joint Ministerial Monitoring Committee Meeting. Any serious shift will likely have to wait until the June 1 Ministerial Meeting, and even then, we believe the group will be very judicious when it comes to unwinding any cuts.
- **Complicating the challenge for the White House is the lack of progress in resolving the six-month Middle East war.** The Houthis continue to attack ships in the Red Sea, claiming six attacks on Tuesday, while Houthi officials this week have renewed threats against Saudi Arabia over providing support and airspace access to US jets conducting strikes in Yemen. In addition, the continuing exchange of fire between Hezbollah and Israel – with Hezbollah launching "dozens" of rockets in response to deadly Israeli strikes in southern Lebanon yesterday – still represents a serious contagion risk.
- **Hence, it is our view that Washington may once again have to resort to policy tools such as the SPR if these twin conflicts continue to imperil global energy supplies. Certainly, this raises a campaign risk for President Biden, as his opponents will likely accuse him of endangering energy security by tapping further into the strategic reserve. However, if President Biden cannot find a way to ameliorate the risk from these conflicts, the White House may decide that SPR releases are more politically palatable than retail gasoline prices north of $4/gallon for the summer driving season.**

Continue Reading

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Link to **Full Research Report**, including Required Disclosures and Disclaimer.

05/17/2024 11:55:09 [BN] Bloomberg News

Russia Raised Oil–Processing Runs Before Latest Drone Attack (1)

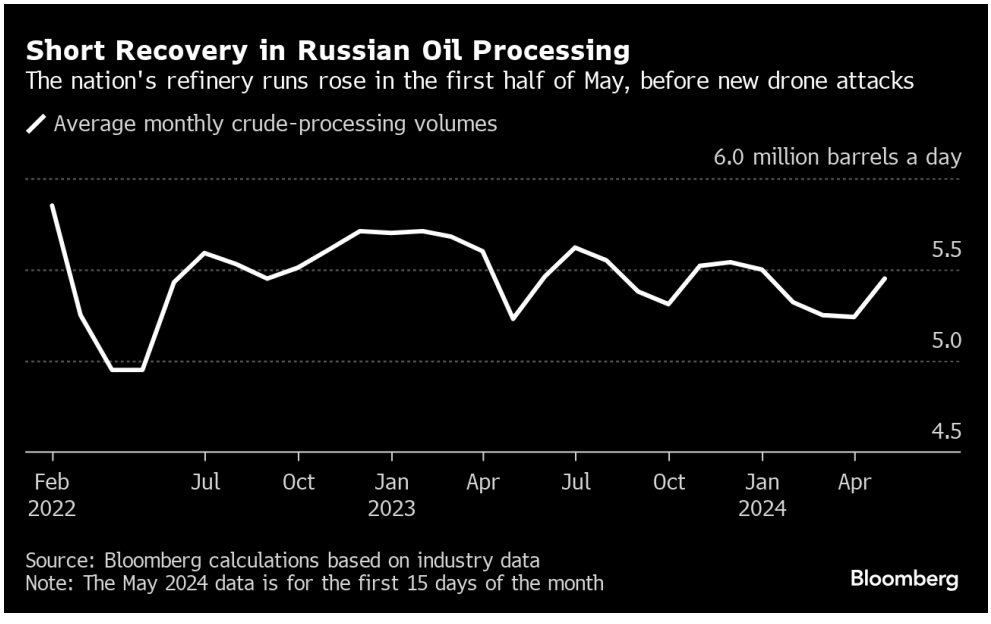
- Russia processed 5.45 million barrels a day during May 1–15
- Rosneft's Tuapse facility was hit by drones again on Friday

By Bloomberg News

(Bloomberg) –– Russia's crude–oil processing rates climbed in the first half of May as some of Rosneft PJSC's refineries recovered from Ukrainian drone strikes earlier in the year, before another flurry of attacks on Friday.

The country processed 5.45 million barrels of crude in the first 15 days of the month, according to a person with knowledge of industry data. That's 4% above the level for most of April, Bloomberg calculations based historical data show.

The key driver of the increase was the return of capacity at Rosneft's Ryazan, Kuibyshev and Tuapse refineries, which had been damaged by drone attacks. Following repairs, the company's total runs in the first half of May jumped more than 30% from April levels to reach 1.4 million barrels a day, said the person, who asked not to be identified as the information isn't public.



The return of the Tuapse facility near Russia's Black Sea coast, which had remained idle for three months after a January attack, contributed most to Rosneft's overall increase in crude–processing volumes. The facility churned through an average of 213,000 barrels a day in the May 1–15 period, the person said.

The data doesn't include any potential impact of a strike that caused a fire at the Tuapse facility early Friday. Rosneft

didn't immediately respond to a request for a comment.

Kyiv has conducted regular drone attacks on Russian military and industrial targets, including refineries, in an attempt to curb Moscow's ability to finance its invasion of Ukraine and disrupt fuel supplies to the frontline troops. The most recent assault was one of the largest.

Read More: Ukraine Races to Halt Deep Russian Push Along New Kharkiv Front

Gazprom PJSC's Neftekhim Salavat petrochemical plant in Russia's republic of Bashkortostan raised refinery rates by 7% compared to April levels to around 144,000 barrels a day, according to the person. The increase occurred despite an attack on the facility earlier this month.

Lukoil PJSC's facility in Volgograd reduced its runs by more than 30% to almost 230,000 barrels a day, following a successful attack by Ukrainian drones last weekend. The Volgograd plant, one of Russia's biggest refineries, already suffered damage from drones in February.

Oil-processing also fell at the Yanos refinery in the Yaroslavl region, northeast of Moscow, by nearly 26% to 230,000 barrels a day in the first half of May, potentially driven by seasonal maintenance.

Gazprom, Lukoil and Yanos didn't immediately respond to Bloomberg's request for a comment.

(Updates with data on more refineries in the last four paragraphs.)

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05/14/2024 07:31:12 [BN] Bloomberg News

Russia's Seaborne Crude Exports Plunge to a Two-Month Low

Exports fall as fewer cargoes are shipped from key Baltic ports

By Julian Lee

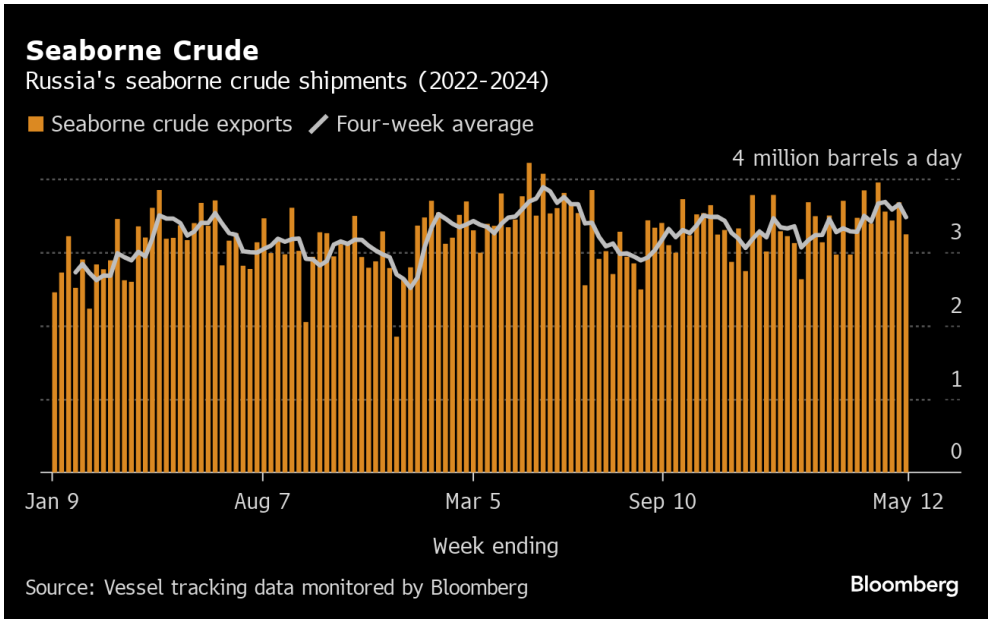
(Bloomberg) -- Russia's crude flows dropped to an eight-week low in the seven days to May 12, with fewer vessels leaving the major ports of Primorsk and Ust-Luga on the Baltic coast and from Murmansk on the Arctic. The four-week average also fell, dropping by the most in 10 weeks.

Shipments from the Baltic terminals, which were in line with a partial loading program for May seen by Bloomberg, may reflect deeper output cuts promised by Moscow to its partners in the OPEC+ group of oil producers.

Weekly shipments were about 270,000 barrels a day below a target for this month that's part of the OPEC+ alliance's broader effort to curb supplies and support prices. The four-week average was about 10,000 barrels a day below target.

The Kremlin also agreed to make deeper cuts to oil production, trimming volumes to about 9.1 million barrels a day from April. Output was cut by about 150,000 barrels a day last month, according to figures published by the Organization of Petroleum Exporting Countries. Moscow still missed its goal though, pumping about 319,000 barrels a day more than agreed, according to Bloomberg calculations based on official Russian data.

Lower export volumes, together with a week-on-week decline in oil prices in the period to May 12, hit the value of Russia's exports. The four-week average value of overseas shipments fell by the most since November.



The first sanctioned Russian tanker to load crude after being listed is now crossing the Indian Ocean. The SCF Primorye, cited by the US in October for breaching a Group of Seven price cap, loaded Urals at Novorossiysk on the Black Sea in late April and is now showing a destination of Singapore. It is most likely en route for China, whose ports have been more willing than those elsewhere to handle vessels owned by sanctioned entities.

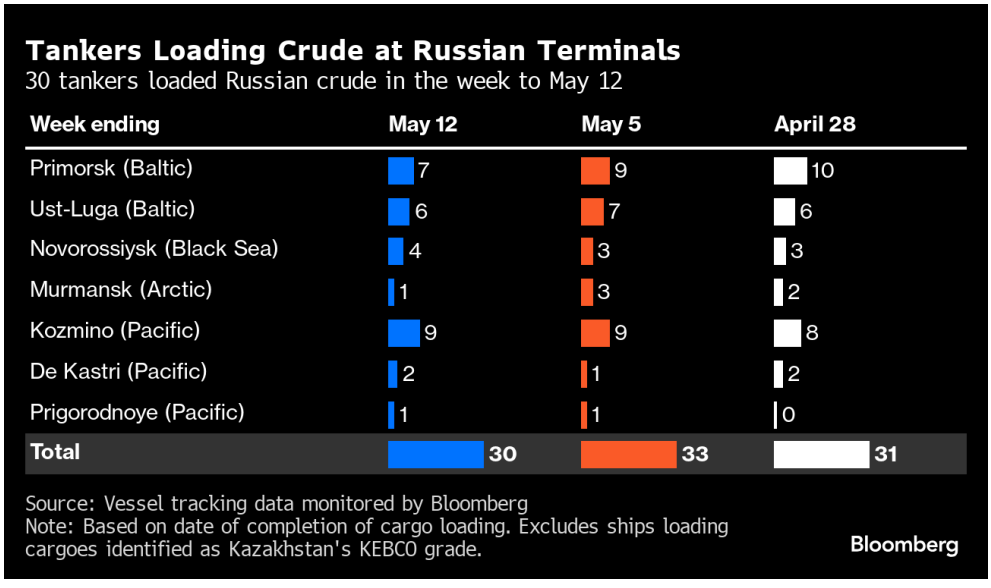
If it is able to discharge its cargo without difficulty, it could pave the way for other sanctioned tankers owned by state controlled Sovcomflot PJSC to return to work. Until now, no other sanctioned Sovcomflot tanker has loaded a cargo.

The company has renamed and reflagged at least 10 of its 21 ships that have been listed by the US Treasury Department for breaching the price cap, perhaps with the intention of distancing them from the sanctions.

Separately, the Yasa Golden Bosphorus, which was removed from the sanctions list last month, has loaded a cargo of US crude at Houston.

Crude Shipments

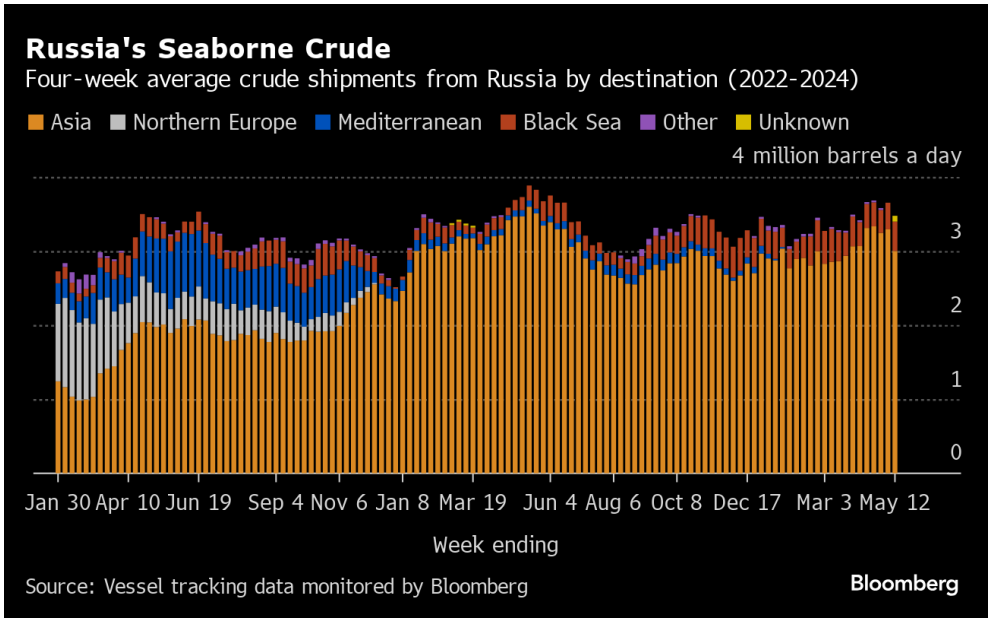
A total of 30 tankers loaded 22.69 million barrels of Russian crude in the week to May 12, vessel-tracking data and port agent reports show. That was down by about 3.05 million barrels from the previous week.



Russia's seaborne crude flows in the week to May 12 fell by about 440,000 barrels a day to 3.24 million, their lowest in eight weeks, from 3.68 million for the week to May 5. The less volatile four-week average was down by about 180,000 barrels a day at 3.48 million.

The drop was driven by fewer shipments from the Baltic ports of Primorsk and Ust-Luga and through the port of Murmansk on the Arctic. Baltic shipments are running in line with a partial loading program seen by Bloomberg, which shows a drop in Urals flows from their April level.

Crude shipments so far this year are running about 30,000 barrels a day below the average for 2023.



Russia said it would cut crude exports during April by 121,000 barrels a day from their average May–June level, while May shipments would be 71,000 barrels a day below the same starting point. Moscow is shifting more of the burden of its commitment to OPEC+ onto production targets, which are preferred by other members of the group. Seaborne shipments in the first three months of the year exceeded Russia's target level for that period by just 16,000 barrels a day.

Crude Shipments
Russian crude shipments in million barrels a day

	To May 12	To May 5
Weekly shipments	3.242	3.678
Four-week average shipments	3.476	3.652
May-June 2023 average shipments	3.583	3.583
April target to meet OPEC+ commitment	3.462	3.462
May target to meet OPEC+ commitment	3.512	3.512
Weekly shipments versus OPEC+ target	**-0.270**	**0.166**
Four-week shipments versus OPEC+ target	**-0.011**	**0.178**

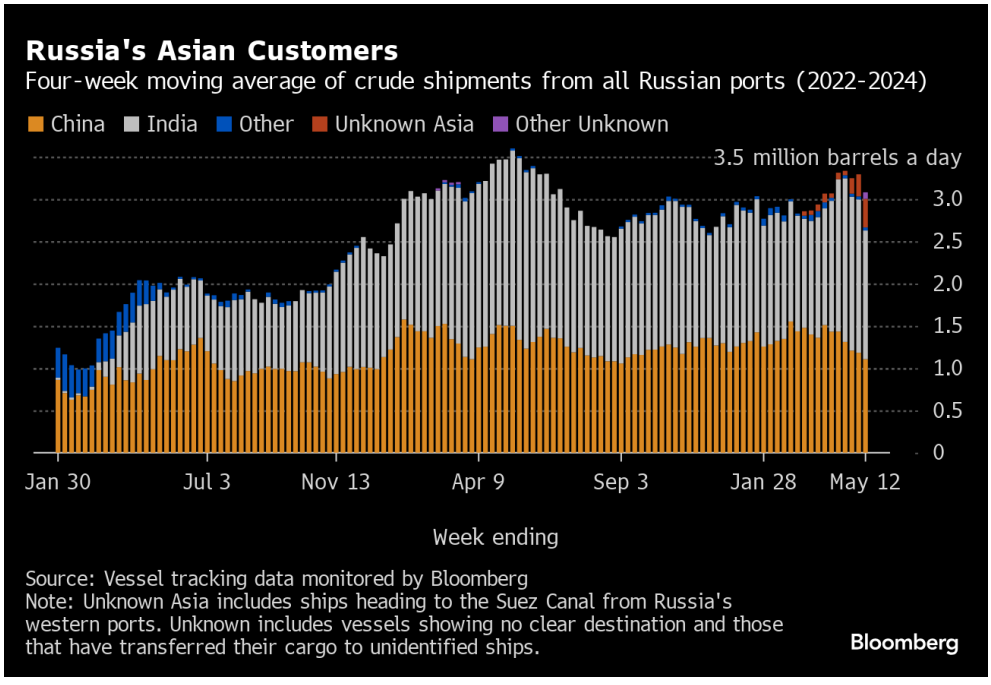
Source: Vessel tracking data compiled by Bloomberg
Note: Positive numbers in the last two rows reflect exports above target. For the calculation in the final row, the four-week average target is calculated as two weeks at the April target and two at the May target.
Bloomberg

One cargo of Kazakhstan's KEBCO was loaded at Ust–Luga and one at Novorossiysk during the week.

Flows by Destination

- **Asia**

Observed shipments to Russia's Asian customers, including those showing no final destination, fell to a five-week low of 3.08 million barrels a day in the four weeks to May 12, from 3.29 million in the previous four-week period.



About 1.11 million barrels a day of crude was loaded onto tankers heading to China. The Asian nation's seaborne imports are boosted by about 800,000 barrels a day of crude delivered from Russia by pipeline, either directly, or via Kazakhstan.

Flows on ships signaling destinations in India averaged about 1.52 million barrels a day.

Both the Chinese and Indian figures are likely to rise as the discharge ports become clear for vessels that are not currently showing final destinations.

The equivalent of about 340,000 barrels a day was on vessels signaling Port Said or Suez in Egypt. Those voyages typically end at ports in India or China and show up as "Unknown Asia" until a final destination becomes apparent.

The "Other Unknown" volumes, running at about 80,000 barrels a day in the four weeks to May 12, are those on tankers showing no clear destination. Most originate from Russia's western ports and go on to transit the Suez Canal, but some could end up in Turkey. Others may be moved from one vessel to another, with most such transfers now taking place in the Mediterranean, or more recently off Sohar in Oman.

Crude Shipments to Asia
Shipments of Russian crude to Asian buyers in million barrels a day

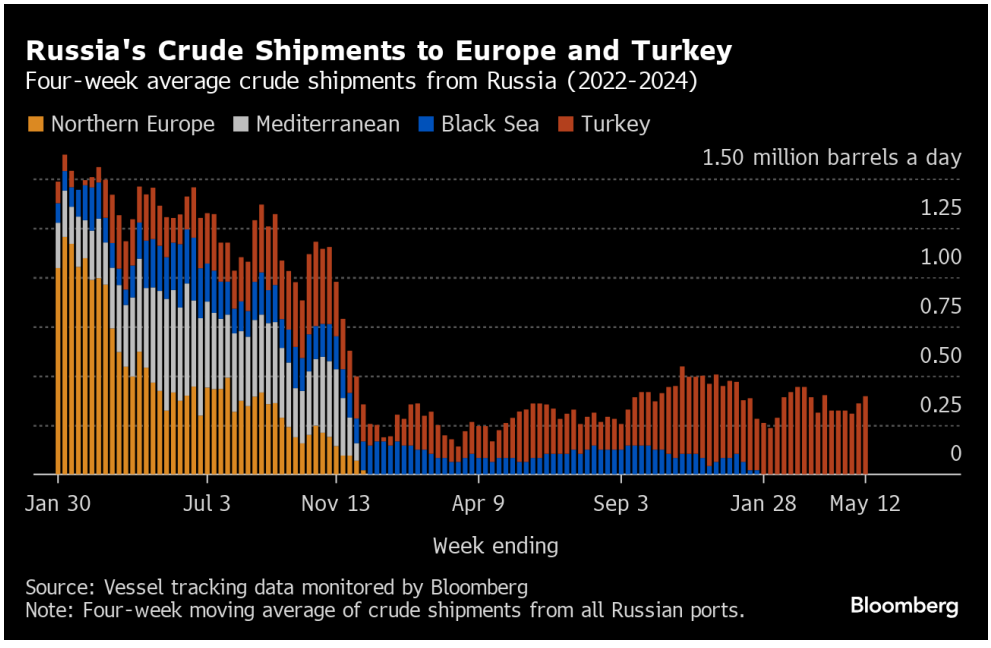
4 weeks ending	China	India	Other	Unknown Asia	Other Unknown	Total
April 7, 2024	1.43	1.55	0.04	0.05	0.00	3.07
April 14, 2024	1.43	1.80	0.00	0.08	0.00	3.31
April 21, 2024	1.31	1.94	0.04	0.05	0.00	3.33
April 28, 2024	1.21	1.82	0.04	0.18	0.00	3.25
May 5, 2024	1.18	1.81	0.04	0.26	0.00	3.29
May 12, 2024	1.11	1.52	0.04	0.34	0.08	3.08

Source: Vessel tracking data compiled by Bloomberg Bloomberg

- **Europe and Turkey**

Russia's seaborne crude exports to European countries have ceased, with flows to Bulgaria halted at the end of last year. Moscow also lost about 500,000 barrels a day of pipeline exports to Poland and Germany at the start of 2023, when those countries stopped purchases.

Turkey is now the only short-haul market for shipments from Russia's western ports, with flows in the 28 days to May 12 rising to a six-week high of 396,000 barrels a day.



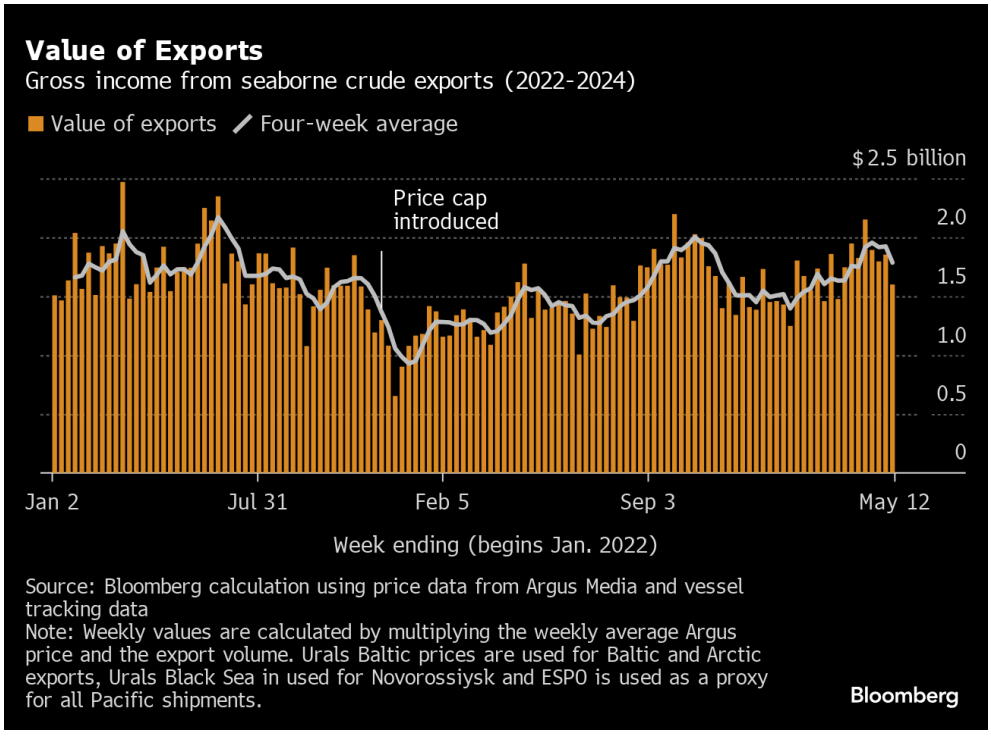
Export Value

The gross value of Russia's crude exports fell to $1.6 billion in the seven days to May 12 from about $1.85 billion in the

period to May 5. Four-week average income was also down, dropping by about $140 million to $1.79 billion a week. The four-week average peak of $2.17 billion a week was reached in the period to June 19, 2022.

A drop in the amount exported and lower prices week on week combined to drive oil revenues to an eight-week low. Four week average export value saw its biggest decline since November.

During the first four weeks after the Group of Seven nations' price cap on Russian crude exports came into effect in early December 2022, the value of seaborne flows fell to a low of $930 million a week, but soon recovered.



NOTES

This story forms part of a weekly series tracking shipments of crude from Russian export terminals and the gross value of those flows. The next update will be on Tuesday, May 21 .

All figures exclude cargoes identified as Kazakhstan's KEBCO grade. Those are shipments made by KazTransoil JSC that transit Russia for export through Novorossiysk and Ust-Luga and are not subject to European Union sanctions or a price cap. The Kazakh barrels are blended with crude of Russian origin to create a uniform export stream. Since Russia's invasion of Ukraine, Kazakhstan has rebranded its cargoes to distinguish them from those shipped by Russian companies.

Vessel-tracking data are cross-checked against port agent reports as well as flows and ship movements reported by other information providers including Kpler and Vortexa Ltd.

If you are reading this story on the Bloomberg terminal, click here for a link to a PDF file of four-week average flows from Russia to key destinations.

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Oil Market Highlights

Crude Oil Price Movements

In April, the OPEC Reference Basket (ORB) value rose by $4.90, or 5.8%, m-o-m, to average $89.12/b. Oil futures prices averaged higher, with the ICE Brent front-month contract increasing by $4.33, or 5.1%, m-o-m to average $89.00/b, and the NYMEX WTI front-month contract rising by $3.98, or 4.9%, to average $84.39/b. The DME Oman front-month contract rose by $5.12, or 6.1%, m-o-m, to average $89.37/b. The front-month ICE Brent/NYMEX WTI spread widened by 35¢ to average $4.61/b. The market structure of oil futures prices strengthened and money managers remained increasingly bullish about oil. The premium of light sweet to medium sour crudes narrowed across all major trading hubs on lower light distillate margins.

World Economy

The world economic growth forecasts for 2024 and 2025 remain unchanged at 2.8% and 2.9%, respectively. In the United States, economic growth for 2024 and 2025 are revised up slightly to 2.2% and 1.9%, respectively. The economic growth forecast for the Eurozone remains at 0.5% for 2024 and 1.2% for 2025. Japan's economic growth forecast is also unchanged at 0.8% in 2024 and 1% in 2025. China's economic growth forecast remains at 4.8% in 2024 and 4.6% in 2025. India's economic growth forecast is unchanged at 6.6% for 2024 and 6.3% for 2025. Brazil's economic growth forecast remains at 1.6% for 2024, and 1.9% for 2025. Russia's economic growth for 2024 is revised up slightly to 2.3%, while the forecast for 2025 remains at 1.4%.

World Oil Demand

The global oil demand growth forecast for 2024 remains broadly unchanged from last month's assessment at 2.2 mb/d. There were some minor upward adjustments to 1Q24 data, including a slight upward adjustment in OECD Americas and Chinese data due to better-than-expected performance in oil demand in 1Q24. However, this increase was offset by a downward revision to the Middle East in 2Q24 and 3Q24 due to an anticipated slight decline in these two quarters. Accordingly, the OECD is projected to expand by nearly 0.3 mb/d, while the non-OECD is forecast to grow by about 2.0 mb/d. Global oil demand growth in 2025 is expected to remain robust at 1.8 mb/d, y-o-y, unchanged from the previous month's assessment. The OECD is expected to grow by 0.1 mb/d, y-o-y, while demand in the non-OECD is forecast to increase by 1.7 mb/d.

World Oil Supply

The non-DoC liquids supply (i.e. liquids supply from countries not participating in the Declaration of Cooperation) is expected to grow by 1.2 mb/d in 2024, unchanged from the previous month's assessment. The main drivers for growth are expected to be the US, Canada, Brazil and Norway. In 2025, non-DoC liquids supply growth is expected at 1.1 mb/d, broadly unchanged from the previous month's assessment. Again, growth is mainly driven by the US, Brazil, Canada and Norway.

Separately, DoC natural gas liquids (NGLs) and non-conventional liquids are forecast to grow by about 0.1 mb/d to average 8.3 mb/d in 2024, followed by a minor decline of about 10 tb/d to average 8.3 mb/d in 2025. The DoC crude oil production in April decreased by 246 tb/d, m-o-m, averaging 41.02 mb/d, as reported by available secondary sources.

Product Markets and Refining Operations

In April, refinery margins continued to trend downward as the recovery in refinery processing rates and stronger product output weighed on product markets. Most of the weakness stemmed from falling naphtha and diesel crack spreads due to slightly lower demand, which led to a lengthening balance for corresponding products, particularly in the Atlantic Basin. In Singapore, high middle distillate imports from India contributed to downward pressure on Southeast Asian refining profitability despite limited fuel oil crack spread gains and healthy regional gasoline requirements. Global refinery intake increased by 170 tb/d in April to average 80.0 mb/d compared with 79.8 mb/d in the previous month, but was 1.1 mb/d lower y-o-y.

Tanker Market

Dirty freight rates showed divergent trends in April. Very Large Crude Carrier (VLCC) spot freight rates were softer, with the Middle East-to-East route falling 11% m-o-m. In contrast, Suezmax spot freight rates improved, with the US Gulf Coast-to-Europe route seeing a 3% m-o-m increase. The Aframax market also improved, with intra-Med rates up 15%, although East of Suez rates declined. Rates for clean tankers declined on all reported routes, with East of Suez rates down 10% and West of Suez rates falling 20%.

Crude and Refined Products Trade

Preliminary data shows that US crude imports averaged 6.5 mb/d in April, representing an increase of 4%, m-o-m. US crude exports also moved higher, gaining 6% m-o-m to average 4.2 mb/d. US product imports rose by more than 3% to 6.5 mb/d in April, led by gains in gasoline inflows, while product exports were up by almost 3% supported mainly by outflows of propane/propylene, distillate fuel and jet fuel. The latest data for China shows crude imports continuing to climb, averaging 11.6 mb/d in March, representing an increase of 4%, m-o-m. Product imports into China jumped by over 26%, m-o-m, led by inflows of LPG and fuel oil, while product exports increased by around 33%, due to rising outflows of diesel oil, gasoline and jet fuel. India's crude imports in March recovered much of the previous month's decline, averaging 4.9 mb/d for a gain of 8%. India's product imports fell 13% on lower inflows of LPG. In Japan, crude imports remained relatively flat in March, averaging 2.4 mb/d for a decline of 2%. Japan's product exports increased by more than 18%, m-o-m, on support from most major products, except LPG. Preliminary estimates indicate OECD Europe crude imports remained relatively steady in April. Product imports into the region were slightly lower, amid a decline in jet fuel imports.

Commercial Stock Movements

Preliminary March 2024 data shows total OECD commercial oil stocks rose by 20.2 mb, m-o-m. At 2,793 mb, they were 121 mb below the 2015–2019 average. Within the components, crude and product stocks were up by 6.8 mb and 13.5 mb, m-o-m, respectively. OECD commercial crude stocks stood at 1,369 mb in March, which is 93 mb less than the 2015–2019 average. OECD total product stocks in March stood at 1,424 mb. This is 27 mb below the 2015–2019 average. In terms of days of forward cover, OECD commercial stocks increased in March by 0.2 days, m-o-m, to stand at 60.8 days. This is 1.7 days less than the 2015–2019 average.

Balance of Supply and Demand

Demand for DoC crude (i.e. crude from countries participating in the Declaration of Cooperation) remains unchanged from the previous month's assessment to stand at about 43.2 mb/d in 2024, which is around 0.9 mb/d higher than the estimated level for 2023. Demand for DoC crude in 2025 remains unchanged from the previous month's assessment to stand at 44.0 mb/d, around 0.8 mb/d higher than the level estimated for 2024.

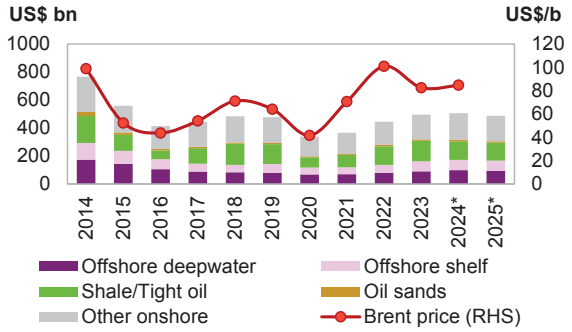
Feature Article

Non-Declaration of Cooperation (Non-DoC) oil supply developments

In 2023, non-DoC liquids output is estimated to have risen by 2.4 mb/d, y-o-y, to average 51.7 mb/d. US liquids production increased by 1.6 mb/d, mainly on the back of light tight oil production and increased NGLs output from non-conventional basins. US shale oil production increased by 0.6 mb/d, mainly from the Permian, where output increased by 0.4 mb/d, supported by improvements in drilling and completion. At the same time, output in the Bakken and Eagle Ford basins rose by 125 tb/d and 36 tb/d, y-o-y, respectively. Liquids supply in Brazil rose by around 0.5 mb/d on the back of several offshore start-ups last year. Norway and China also contributed to production growth in 2023. These developments were partially offset by supply declines, mainly from the UK.

In 2023, upstream companies in the US experienced mixed dynamics. Shale firms acknowledged that higher costs and falling prices forced some of them to cut back drilling and completion activities, especially during the first half of last year. However, improvements in well productivity, rig performance and operational efficiencies supported strong production levels throughout the year, leading to the growth of 2.4 mb/d, y-o-y, in December 2023 over December 2022.

Graph 1: Non-OPEC investment in oil and gas vs. crude price



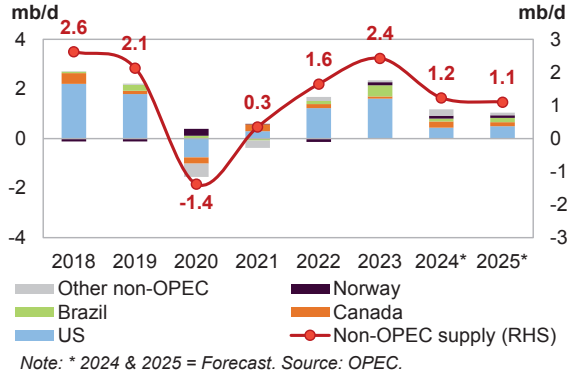
*Note: * 2024-2025 = Forecast; Oil price average Jan 24-Apr 24.*
Source: OPEC.

Capital spending for oil and gas exploration and production (E&P) in non-OPEC countries increased by US$51 bn, y-o-y, reaching US$496 bn in 2023. It is expected to rise by 2%, y-o-y, in 2024. However, a decline of about 4%, y-o-y, is expected in 2025 to US$487 bn. Upstream E&P investment in the US is estimated to rise by 17%, y-o-y, in 2023 to US$173 bn. However, it is expected to drop by around 7%, y-o-y, both in 2024 and 2025.

For 2024, non-DoC liquids supply is expected to grow by 1.2 mb/d in 2024, averaging 53.0 mb/d. Liquids output in the OECD (excluding Mexico) is expected to increase by 0.7 mb/d, y-o-y, in 2024, mainly on the back of production increases in the US, Canada and Norway. US crude oil and condensate production is anticipated to grow by 0.3 mb/d, with NGLs and biofuel production also expected to rise. Canadian oil production, particularly Alberta's oil sands, is forecast to grow by 0.2 mb/d, y-o-y, in 2024. Production growth in the North Sea is also projected at around 0.1 mb/d. In the non-OECD region (excluding DoC countries), Latin America is forecast to be the major driver for liquids supply. Output in the region is set to increase by 0.4 mb/d, y-o-y, in 2024, mainly due to several offshore ramp-ups and start-ups in key countries.

In 2025, the non-DoC liquids supply is forecast to grow by 1.1 mb/d, y-o-y, to average 54.1 mb/d. OECD (excluding Mexico) liquids production is expected to rise by 0.8 mb/d, y-o-y, supported by growth of 0.5 mb/d and 0.2 mb/d, y-o-y, in the US and Canada, respectively. US crude and condensate output is expected to rise by 0.3 mb/d, y-o-y, in 2025, while NGLs production is forecast to rise by 0.2 mb/d, assuming a higher gas price environment. At the same time, Latin America is forecast to be the main driver of production in the non-OECD region in 2025, adding 0.3 mb/d to the region's liquids growth.

Graph 2: Non-DoC supply growth by selected country



*Note: * 2024 & 2025 = Forecast. Source: OPEC.*

The forecast continues to face significant uncertainties, particularly in light of the ongoing geopolitical developments across several regions. Moreover, the anticipated trajectory and pace of inflation's decline, particularly within the services sector, are poised to influence crude oil production costs going forward. The potential influence of the present limited investment commitment in upstream E&P projected for 2024 and 2025 on production levels remains uncertain amid an ongoing drive for efficiency and enhanced productivity throughout the industry.

World Oil Demand

The 2024 global oil demand growth forecast remains broadly unchanged from last month's assessment at 2.2 mb/d. However, there are some minor adjustments within the quarters, due to actual data received, as well as consideration of expected near term developments. In general, the upward adjustment in oil demand for China mostly in 1Q24, was offset by downward adjustments to OECD Americas in 1Q24 and the Middle East for the second and third quarters.

OECD oil demand is projected to grow by around 0.3 mb/d, y-o-y, in 2024, with Americas leading the growth, supported by a slight uptick from both OECD Europe and Asia Pacific. In the non-OECD, oil demand is forecast to expand by nearly 2.0, mb/d, y-o-y, driven mostly by China, and supported by the Middle East, India, Other Asia and Latin America.

In 1Q24, global oil demand is expected to have grown, y-o-y by 2.4 mb/d. For 2024, total world oil demand is anticipated to reach 104.5 mb/d, supported by strong air travel demand and healthy road mobility, including trucking, as well as industrial, construction and agricultural activities in non-OECD countries. Similarly, petrochemical capacity additions in non-OECD countries – mostly China and the Middle East – are anticipated to contribute to oil demand growth. This forecast is subject to many uncertainties, however, including the trajectory of global economic developments.

The 2025 global oil demand growth forecast shows robust growth of 1.8 mb/d, y-o-y, unchanged from the previous month's assessment. Within the main regions, the OECD is expected to grow by 0.1 mb/d, y-o-y, while demand in the non-OECD is forecast to expand by 1.7 mb/d. In terms of products, transportation fuels are forecast to drive the growth, with jet/kerosene and gasoline each expanding by around 0.5 mb/d.

Table 4 - 1: World oil demand in 2024*, mb/d

World oil demand	2023	1Q24	2Q24	3Q24	4Q24	2024	Change 2024/23 Growth	Change 2024/23 %
Americas	25.03	24.57	25.38	25.58	25.44	25.25	0.22	0.88
of which US	*20.36*	*19.98*	*20.67*	*20.67*	*20.85*	*20.54*	*0.18*	*0.90*
Europe	13.40	13.15	13.56	13.69	13.35	13.44	0.04	0.28
Asia Pacific	7.32	7.80	6.97	7.09	7.49	7.34	0.01	0.16
Total OECD	**45.75**	**45.53**	**45.92**	**46.36**	**46.28**	**46.02**	**0.27**	**0.59**
China	16.26	16.50	16.81	17.23	17.33	16.97	0.71	4.38
India	5.34	5.66	5.64	5.40	5.59	5.57	0.23	4.26
Other Asia	9.28	9.69	9.74	9.49	9.51	9.61	0.33	3.56
Latin America	6.69	6.79	6.88	6.97	6.88	6.88	0.19	2.84
Middle East	8.63	8.76	8.56	9.23	9.00	8.89	0.26	2.96
Africa	4.46	4.64	4.37	4.39	4.82	4.56	0.10	2.19
Russia	3.84	3.89	3.80	3.99	4.08	3.94	0.10	2.61
Other Eurasia	1.17	1.28	1.24	1.08	1.28	1.22	0.05	4.09
Other Europe	0.78	0.82	0.78	0.77	0.84	0.80	0.02	2.07
Total Non-OECD	**56.46**	**58.03**	**57.83**	**58.54**	**59.34**	**58.44**	**1.98**	**3.50**
Total World	**102.21**	**103.56**	**103.75**	**104.90**	**105.61**	**104.46**	**2.25**	**2.20**
Previous Estimate	102.21	103.53	103.82	104.90	105.57	104.46	2.25	2.20
Revision	0.00	0.03	-0.08	0.00	0.04	0.00	0.00	0.00

*Note: * 2024 = Forecast. Totals may not add up due to independent rounding.*

Source: OPEC.

Table 4 - 2: World oil demand in 2025*, mb/d

World oil demand	2024	1Q25	2Q25	3Q25	4Q25	2025	Change 2025/24 Growth	Change 2025/24 %
Americas	25.25	24.64	25.43	25.70	25.52	25.33	0.08	0.31
of which US	*20.54*	*20.02*	*20.70*	*20.73*	*20.89*	*20.59*	*0.04*	*0.21*
Europe	13.44	13.17	13.57	13.71	13.36	13.46	0.02	0.12
Asia Pacific	7.34	7.81	6.98	7.10	7.50	7.35	0.01	0.14
Total OECD	**46.02**	**45.62**	**45.99**	**46.51**	**46.38**	**46.13**	**0.11**	**0.23**
China	16.97	16.93	17.19	17.67	17.72	17.38	0.41	2.42
India	5.57	5.88	5.88	5.61	5.82	5.80	0.23	4.09
Other Asia	9.61	9.98	10.07	9.82	9.81	9.92	0.31	3.24
Latin America	6.88	6.99	7.07	7.19	7.07	7.08	0.20	2.90
Middle East	8.89	9.14	8.90	9.69	9.35	9.27	0.38	4.30
Africa	4.56	4.76	4.47	4.52	4.93	4.67	0.11	2.47
Russia	3.94	3.95	3.85	4.05	4.12	3.99	0.05	1.37
Other Eurasia	1.22	1.32	1.27	1.12	1.31	1.25	0.03	2.58
Other Europe	0.80	0.83	0.79	0.78	0.85	0.81	0.01	1.40
Total Non-OECD	**58.44**	**59.77**	**59.50**	**60.45**	**60.99**	**60.18**	**1.74**	**2.98**
Total World	**104.46**	**105.38**	**105.48**	**106.96**	**107.37**	**106.31**	**1.85**	**1.77**
Previous Estimate	104.46	105.35	105.56	106.96	107.33	106.31	1.85	1.77
Revision	0.00	0.03	-0.08	0.00	0.04	0.00	0.00	0.00

*Note: * 2025 = Forecast. Totals may not add up due to independent rounding.*
Source: OPEC.

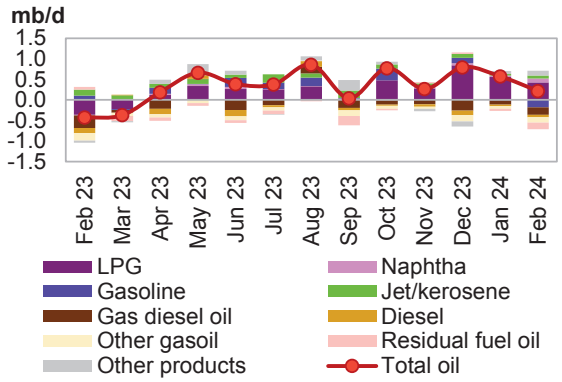
OECD

OECD Americas

Update on the latest developments

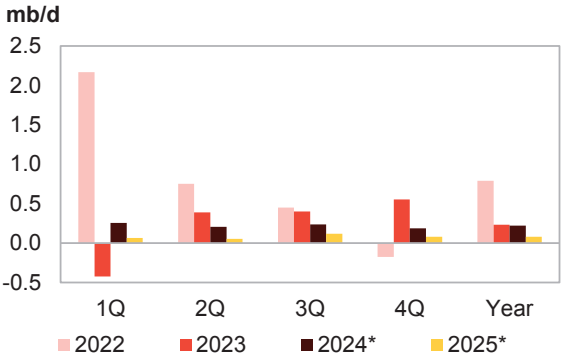
Oil demand in OECD Americas in February expanded by 217 tb/d, y-o-y. Oil demand growth in the region was almost entirely based in the US, which saw an increase for the fifth consecutive month. Demand in Mexico was broadly unchanged, y-o-y, and Canada posted a decline of 25 tb/d, y-o-y. Oil demand growth in February can largely be attributed to strong petrochemical feedstock requirements in the US. Details of various product contributions in the US are discussed below.

Graph 4 - 1: OECD Americas' oil demand by main petroleum product category, y-o-y change



Sources: IEA, JODI, OPEC and national sources.

Graph 4 - 2: OECD Americas' oil demand, y-o-y change



*Note: * 2024-2025 = Forecast.*
Source: OPEC.

US

Oil demand in the US increased by 190 tb/d, y-o-y, in February, down from growth of nearly 440 b/d, y-o-y, in January. Growth was driven by healthy petrochemical sector requirements. LPG recorded the largest increase of 454 tb/d, y-o-y, on the back of a normal seasonal demand spike for petrochemical feedstock amid a weak baseline effect, while naphtha saw growth of 68 tb/d, y-o-y. Demand for diesel declined by 99 tb/d, y-o-y, down from a 32 tb/d annual decline the previous month. Jet/kerosene increased by 34 tb/d, y-o-y, up

from a mere 5 tb/d growth seen previous month. According to a report from the International Air Travel Association (IATA), domestic air traffic in the US experienced 5.7% growth, y-o-y, in February. The annual growth rate in domestic traffic remains resilient and higher than the pre-pandemic average of 2019.

Gasoline declined by 114 tb/d, y-o-y, down from growth of 44 tb/d, y-o-y, seen in the previous month. Diesel also softened by 99 tb/d, y-o-y, down from a decline of 32 tb/d, y-o-y, in January. Diesel was subdued by weak manufacturing activity. Finally, residual fuels and the ´other products´ category declined by 52 tb/d, y-o-y, and 101 tb/d, y-o-y, respectively

Table 4 - 3: US oil demand, mb/d

US oil demand			Change	Feb 24/Feb 23
By product	Feb 23	Feb 24	Growth	%
LPG	3.41	3.86	0.45	13.3
Naphtha	0.11	0.18	0.07	60.7
Gasoline	8.72	8.60	-0.11	-1.3
Jet/kerosene	1.54	1.57	0.03	2.2
Diesel	4.02	3.92	-0.10	-2.5
Fuel oil	0.37	0.26	-0.10	-27.7
Other products	1.89	1.84	-0.05	-2.8
Total	**20.05**	**20.24**	**0.19**	**0.9**

Note: Totals may not add up due to independent rounding.

Sources: EIA and OPEC.

Near-term expectations

In the near term, the current ongoing sound economic dynamic including strong private household consumption, is expected to continue into 2H24. Steady air travel and road mobility are set to continue, particularly during the summer driving season, supporting transportation fuel demand. Furthermore, the anticipated transitioning of the Federal Reserve to a more accommodative policy stance by 2H24 should continue to support consumption. Accordingly, these factors are anticipated to support jet/kerosene and gasoline demand primarily in the services sector. Further, healthy petrochemical feedstock requirements for ethylene are also expected to bolster LPG demand. It should be noted, however, that the US manufacturing sector continues to exhibit lacklustre trend, affecting demand for diesel. Thus, US oil demand is forecast to increase by an average of about 180 tb/d, y-o-y, in 2H24, mostly supported by demand for jet/kerosene, gasoline and LPG. However, diesel demand is projected to continue to be subdued given the expected weak manufacturing activity. Overall, US oil demand in **2024** is forecast to increase by 182 tb/d, y-o-y, to average 20.54 mb/d, mostly supported by transportation fuels and light distillates.

In **2025**, US transportation activity is expected to be solid, supporting transportation fuel demand and driving oil demand growth. Further, healthy demand for LPG from petrochemical requirements is forecast to continue. However, demand for diesel and naphtha is expected to remain subdued amid softer manufacturing activity. In 2025, US oil demand is projected to increase by 42 tb/d, y-o-y, to average 20.59 mb/d.

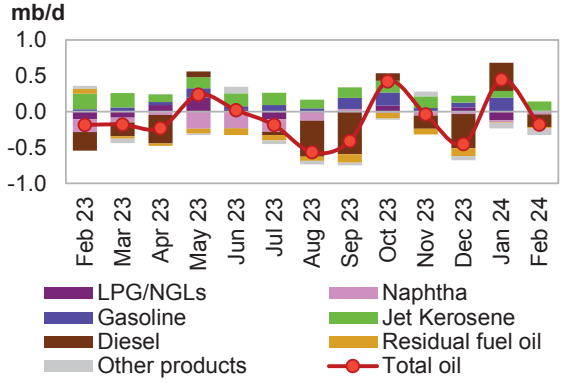
OECD Europe

Update on the latest developments

Oil demand in OECD Europe in February fell by 180 tb/d, y-o-y, after growth of 450 tb/d, y-o-y, the previous month. The largest decline was from diesel. Diesel demand was subdued by weakening manufacturing activity amid unseasonably mild weather, which lessened demand for heating oil.

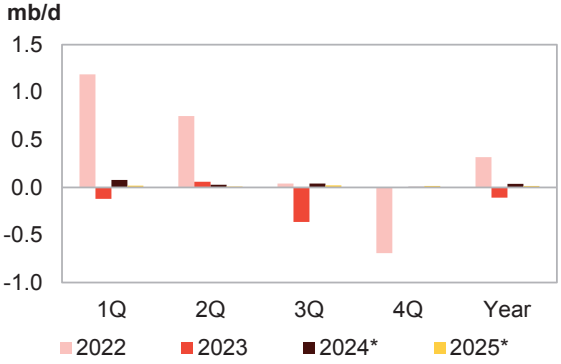
In terms of products, diesel demand declined by 174 tb/d, y-o-y, down from growth of 390 tb/d, y-o-y, the previous month. Furthermore, the ´other products´ category declined by 89 tb/d and residual fuels saw a decline of 24 tb/d, y-o-y. In terms of petrochemical products, ongoing weak regional petrochemical steam cracker unit demand subdued naphtha requirements. This fell by 36 tb/d, y-o-y, from a drop of 26 tb/d, y-o-y, seen in January.

Graph 4 - 3: OECD Europe's oil demand by main petroleum product category, y-o-y change



Sources: IEA, JODI, OPEC and national sources.

Graph 4 - 4: OECD Europe's oil demand, y-o-y change



*Note: * 2024-2025 = Forecast.*
Source: OPEC.

On the positive side, Europe's air traffic recovery rebounded further in February, reaching 91% of pre-pandemic levels, with jet/kerosene expanding by 127 tb/d, y-o-y, up from growth of 94 tb/d, y-o-y, in January. A report from the IATA's Air Passenger Market Analysis states that Europe's international (revenue passenger kilometres) RPKs grew in February by 15.9%, y-o-y. Additionally, Europe surpassed pre-pandemic levels in terms of RPKs. Gasoline was broadly flat, down from growth of 198 tb/d, y-o-y, seen in the previous month. Demand for LPG increased slightly by 10 tb/d, y-o-y, up from an annual decline of 121 tb/d in January.

Near-term expectations

Despite the challenges faced by the Eurozone's industrial production in 2023, there have been some positive indicators since the start of 2024, including gradual improvements in consumer confidence and an uptick in the services sector. In addition, emerging signals suggest that support from tourism, and more generally, the services sector, toward the summer season, as well as a gradual improvement in industrial production, particularly from the German economy, could offer some additional upside potential for economic growth compared to current expectations.

Transportation and air travel activity in the region are expected to continue with jet/kerosene and gasoline consumption expected to drive regional oil demand. Demand for diesel could pick up in the near term with seasonal consumption from agricultural and construction companies starting to increase. Oil demand growth in the region is expected to average nearly 30 tb/d, y-o-y, in 2Q24. Petrochemical activity is expected to show some improvement supporting naphtha demand, albeit it remains at low levels. LPG and residual fuels are expected to record a slight uptick. Overall, the region is set to see growth of 38 tb/d, y-o-y, in 2024 to average at 13.44 mb/d, mostly supported by transportation fuels.

Potential improvements towards the end of 2024 are expected to carry over into **2025,** with anticipated continued positive GDP growth in the region. OECD Europe oil demand growth is forecast at 17 tb/d, y-o-y, supported by air travel and driving activity. An increase in the penetration of electrical vehicles amid ongoing environmental regulations may have an impact on gasoline and, to a lesser degree, diesel demand. Similarly, the European LPG market is poised for major changes in fundamentals, mostly due to environmental regulations and high production costs, which could weigh on demand going forward. Overall, the region is projected to consume an average of 13.46 mb/d in 2025.

OECD Asia Pacific

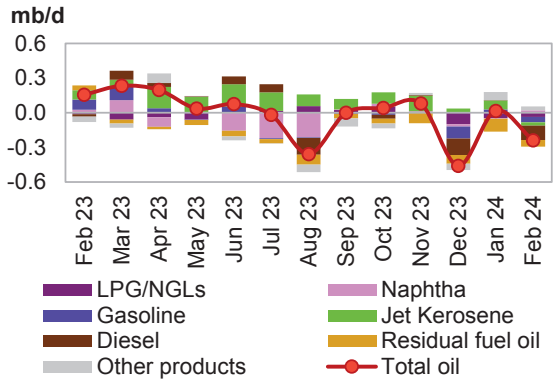
Update on the latest developments

Oil demand in OECD Asia Pacific contracted by 240 tb/d, y-o-y, from growth of 16 tb/d, y-o-y, seen in January. Most of the decline is seen coming from Japan. In terms of products, diesel recorded the region's largest decline, given the weak manufacturing activity in Japan and South Korea. It should be noted that a stronger baseline also significantly influenced the y-o-y growth numbers.

Demand for diesel posted the largest decline of 123 tb/d, y-o-y, down from growth of 2 tb/d, y-o-y, seen in the previous month. Diesel requirements were suppressed by prolonged weakness in manufacturing activity, particularly in Japan, the region's largest economy. Residual fuel and gasoline declined, y-o-y, by 58 tb/d and 46 tb/d, respectively. In addition, jet/ kerosene softened by 31 tb/d, y-o-y.

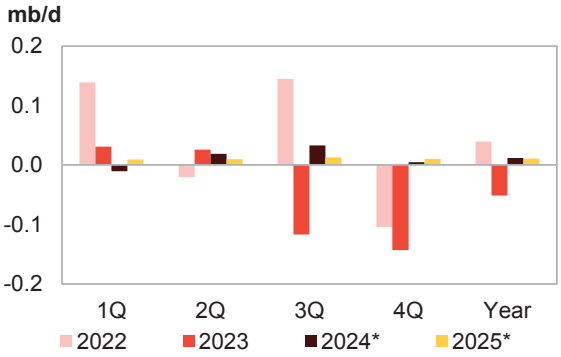
In terms of petrochemical feedstock, demand for naphtha increased by 21 tb/d, y-o-y, up from a marginal annual decline of 3 tb/d seen in the previous month. However, the region's lacklustre demand continued to subdue LPG requirements, which fell by 36 tb/d, y-o-y, albeit an improvement from a contraction of 48 tb/d, y-o-y, seen in December 2023.

Graph 4 - 5: OECD Asia Pacific oil demand by main petroleum product category, y-o-y change



Sources: IEA, JODI, METI and OPEC.

Graph 4 - 6: OECD Asia Pacific oil demand, y-o-y change



*Note: * 2024-2025 = Forecast.*
Source: OPEC.

Near-term expectations

Following a slight rebound in Japan's economic activity in 1Q24, the March PMI numbers for the country indicate ongoing sound developments in the services sector and improvements in the manufacturing sector. Similarly, South Korea's manufacturing PMI indicated a gradual improvement from previously sluggish numbers. A steady recovery in air traffic, along with improvements in driving activity and petrochemical industry operations, are anticipated to support the region's oil demand growth, which is projected to increase in 2Q24 by 20 tb/d, y-o-y. Overall, OECD Asia Pacific is expected to see moderate oil demand growth of 12 tb/d, y-o-y, in 2024, with the region expected to consume an average of 7.34 mb/d.

The expected positive economic activity momentum, particularly in 2H24, is forecast to carry over into 2025. In addition, transportation and petrochemical sector requirements are expected to continue to support OECD Asia Pacific oil demand, which is forecast to grow moderately by 11 tb/d, y-o-y, to average 7.35 mb/d.

Non-OECD

China

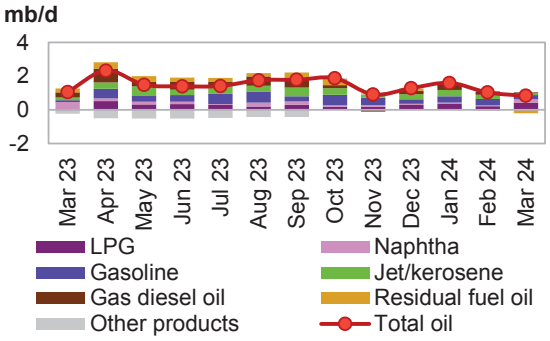
Update on the latest developments

China's oil demand in March surged by 834 tb/d, y-o-y, with demand driven by strong petrochemical feedstock requirements, amid healthy road driving activity and the ongoing air travel recovery.

The strong petrochemical activity supported LPG, which surged by 439 tb/d, y-o-y, up from a still healthy growth of 225 tb/d, y-o-y, seen in February. Moreover, naphtha expanded by 182 tb/d, y-o-y, up from growth of 52 tb/d, y-o-y, seen the previous month.

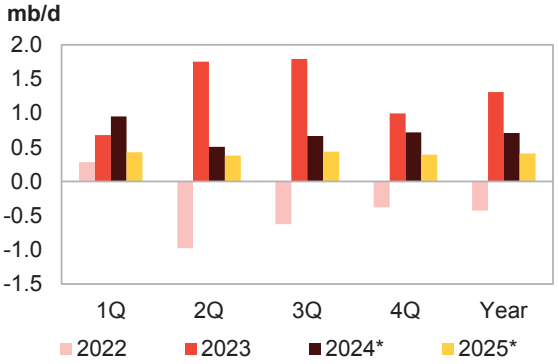
Gasoline saw growth of 256 tb/d, y-o-y, slightly down from growth of 372 tb/d, y-o-y, see in February. China's driving mobility stabilized in March after surging during the Lunar year celebrations. Data from China's National Bureau of Statistics/Haver Analytics indicates that passenger traffic (per 100 million persons) rose by 17.7%, y-o-y, in March. This compares to a jump of 23.7%, y-o-y, in January-February. Jet/kerosene posted growth of 117 tb/d, y-o-y, on the back of the ongoing air travel recovery. Strong growth in jet/kerosene demand in March is consistent with a report from China's Civil Aviation Administration, which shows that domestic and international air travel turnover increased by 18% and 86.9%, y-o-y, respectively. Diesel saw an uptick of 43 tb/d, y-o-y, in March, down from growth of 197 tb/d, y-o-y, seen in February. The slight deceleration in diesel demand was caused by a minor decline in China's industrial production due to cold weather, which limited industrial activity.

Graph 4 - 7: China's oil demand by main petroleum product category, y-o-y change



Sources: Chinese Petroleum Data Monthly, Chinese National Bureau of Statistics, JODI, Non-OECD Energy Statistics, Argus Global Markets, Argus China, and OPEC.

Graph 4 - 8: China's oil demand, y-o-y change



*Note: * 2024-2025 = Forecast.*
Source: OPEC.

Residual fuels declined by 194 tb/d, y-o-y, down from a drop of 29 tb/d, y-o-y, seen in February. Residual fuel was partly affected by a strong baseline comparison. The ´other products´ category, which includes bitumen, fell by a slight 9 tb/d, y-o-y, albeit an improvement from an annual decline of 37 tb/d seen in the previous month.

Table 4 - 4: China's oil demand*, mb/d

China's oil demand			Change	Mar 24/Mar 23
By product	Mar 23	Mar 24	Growth	%
LPG	2.26	2.70	0.44	19.4
Naphtha	1.90	2.08	0.18	9.6
Gasoline	3.12	3.38	0.26	8.2
Jet/kerosene	0.71	0.82	0.12	16.5
Diesel	3.63	3.68	0.04	1.2
Fuel oil	0.83	0.63	-0.19	-23.4
Other products	2.32	2.31	-0.01	-0.4
Total	**14.77**	**15.61**	**0.83**	**5.6**

*Note: * Apparent oil demand. Totals may not add up due to independent rounding.*
Sources: Argus Global Markets, China OGP (Xinhua News Agency), Facts Global Energy, JODI, National Bureau of Statistics China and OPEC.

Near-term expectations

Looking ahead, after surging by 1.0 mb/d, y-o-y, in 1Q24, China's oil demand is expected to decelerate to more normal pre-pandemic levels in 2Q24. Ongoing headwinds in the real estate sector and anticipated lower industrial activity are expected to subdue diesel demand. On the other hand, however, air travel and road mobility are expected to remain healthy. Similarly, petrochemical feedstock requirements are set to be resilient. Accordingly, in 2Q24, China's oil demand is expected to grow by 0.5 mb/d, y-o-y.

Petrochemical feedstock and the transportation sector are expected to continue to support China's oil product demand, with additional propane dehydration units are expected to come online around mid-year. By the end of the year, Shandong Yulong Petrochemical will also commission a 3 metric ton p.a. steam cracker integrated with a 400,000 b/d new refinery. Accordingly, the new upcoming capacity additions are expected to support more demand for petrochemical feedstocks later this year. In 2H24, China's oil product demand is expected to expand by almost 0.7 mb/d, y-o-y, to average 16.97 mb/d.

In **2025**, steady economic activity and healthy travel activity is expected to support oil demand, with China remaining the global leader in oil demand growth. China is also projected to lead global petrochemical feedstock demand growth, with jet fuel demand set to rise on the prospect of further growing air transportation requirements. In 2025, the country is expected to post strong oil demand growth of 410 tb/d, y-o-y, to average 17.38 mb/d.

India

Update on the latest developments

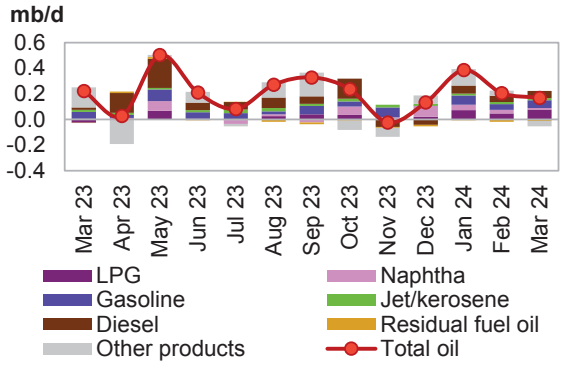
In March, **India's oil demand** grew by 169 tb/d, y-o-y, down slightly from growth of 207 tb/d, y-o-y, seen in February. The annual demand increase was largely supported by LPG, gasoline and diesel.

The largest oil demand increase in March was recorded for LPG, which expanded by 77 tb/d, y-o-y, up from growth of 47 tb/d, y-o-y, seen in February. Supported by healthy mobility, gasoline grew by 59 tb/d, y-o-y, up from an increase of 43 tb/d, y-o-y, seen the previous month. A report from the Society of Indian Automobile Manufacturers indicates that March vehicle sales in India rose by 10%, y-o-y.

With India's manufacturing industry seeing solid growth in March, diesel requirements grew by 56 tb/d, y-o-y, up from growth of 49 tb/d, y-o-y, seen the previous month. Naphtha saw an uptick of 12 tb/d, y-o-y, from y-o-y growth of 29 tb/d in February.

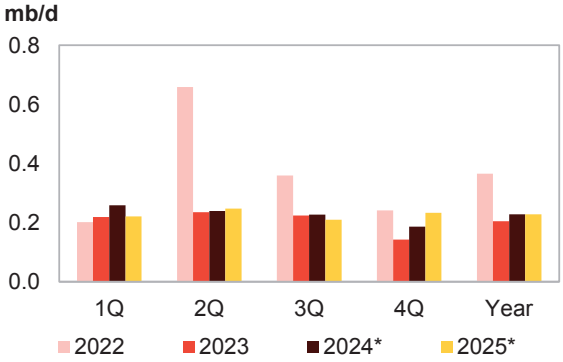
Jet/kerosene increased by 18 tb/d, y-o-y, up from an increase of 17 tb/d, y-o-y, seen the previous month. According to a report from Indian Directorate General of Civil Aviation, Indian domestic airlines recorded a 3.7% increase in passenger traffic over February, with 4.4% growth, y-o-y.

Graph 4 – 9: India's oil demand by main petroleum product category, y-o-y change



Sources: PPAC, JODI, Non-OECD Energy Statistics and OPEC.

Graph 4 – 10: India's oil demand, y-o-y change



*Note: * 2024-2025 = Forecast.*
Source: OPEC.

The ´other products´ category and residual fuels, however, saw a decline of 44 tb/d and 11 tb/d, y-o-y, respectively.

Table 4 - 5: India's oil demand, mb/d

India's oil demand			Change	Mar 24/Mar 23
By product	Mar 23	Mar 24	Growth	%
LPG	0.90	0.98	0.08	8.6
Naphtha	0.33	0.34	0.01	3.8
Gasoline	0.85	0.91	0.06	7.0
Jet/kerosene	0.18	0.20	0.02	9.9
Diesel	1.89	1.95	0.06	3.0
Fuel oil	0.12	0.11	-0.01	-8.7
Other products	1.28	1.23	-0.04	-3.4
Total	**5.57**	**5.73**	**0.17**	**3.0**

Note: Totals may not add up due to independent rounding.

Sources: JODI, Petroleum Planning and Analysis Cell of India and OPEC.

Near-term expectations

In the near term, the current strong economic growth in India is expected to continue in 2Q24. Strong investment is expected to drive economic growth, together with an expansion in manufacturing activity with the government focusing on this sector to further support the economy amid an expected surge in construction. Overall, these factors are expected to bolster India's oil demand in 2Q24. Additionally, the country's annual traditional festivities are set to support transportation activity and boost gasoline demand. Finally, the ongoing air travel recovery is anticipated to support jet/kerosene demand. In 2024, India is expected to see healthy oil demand growth of 228 tb/d, y-o-y, to average 5.57 mb/d.

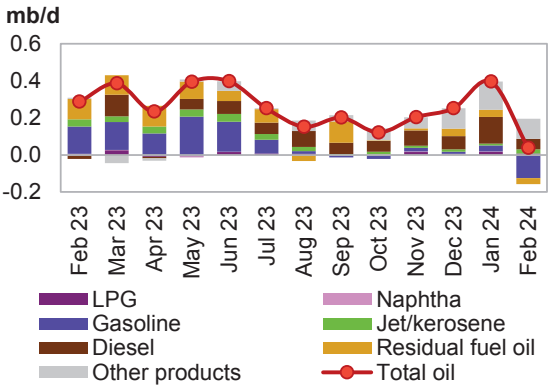
Healthy economic momentum in 2024 is expected to continue into 2025. Manufacturing and business activities are expected to be steady, supporting oil demand growth of 227 tb/d, y-o-y, to average 5.80 mb/d. Transportation and industrial fuels are expected to continue to drive demand, followed by the 'other products' category, mostly bitumen. LPG and naphtha are also expected to support oil demand over the year.

Latin America

Update on the latest developments

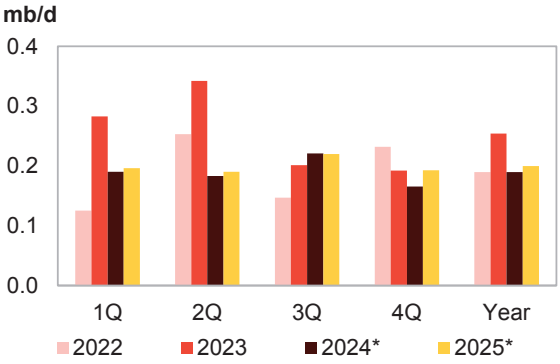
Oil demand in Latin America in February increased slightly by 38 tb/d, y-o-y, from growth of 395 tb/d, y-o-y, in January. The relative decline from the previous month was largely due to a strong baseline effect. Oil demand growth in the region was driven by the ´other products´ category for the third consecutive month, mostly from Brazil and Argentina, in addition to regional diesel requirements.

Graph 4 - 11: Latin America's oil demand by main petroleum product category, y-o-y change



Sources: JODI, Non-OECD Energy Statistics and OPEC.

Graph 4 - 12: Latin America's oil demand, y-o-y change



*Note: * 2024-2025 = Forecast.*
Source: OPEC.

In terms of demand by product, the ´other products´ category accounted for the largest increase in February, with growth of 108 tb/d, y-o-y, albeit slightly below growth of 152 tb/d, y-o-y, seen in the previous month. Diesel expanded by 57 tb/d, y-o-y, although this was a decline from an increase of 143 tb/d, y-o-y, seen in January. On the back of ongoing air travel recovery, jet/kerosene saw growth of 23 tb/d, y-o-y, up from growth of 10 tb/d, y-o-y, in the previous month. A report from the IATA's Air Passenger Market Analysis states that Latin America's international RPKs grew by 21.0% in February. In terms of petrochemical feedstock, while LPG increased by 7 tb/d, y-o-y, and demand for naphtha was flat.

Elsewhere, gasoline demand contracted by 124 tb/d, y-o-y, down from growth of 33 tb/d, y-o-y, in the previous month. Gasoline demand was subdued by a strong baseline comparison. Finally, residual fuels softened by 32 tb/d, y-o-y.

Near-term expectations

Looking ahead, the latest data from the region's major oil consuming country, Brazil, indicates growing service sector confidence, which is expected to continue into 2Q24. Additionally, the air travel recovery is set to continue and boost oil demand, with growth of 183 tb/d, y-o-y, in 2Q24. In **2024**, oil demand in the region is expected to expand by 190 tb/d, y-o-y, to average 6.88 mb/d. Specifically, gasoline and diesel are projected to drive overall oil demand growth. In addition, the ongoing air travel recovery is expected to support jet/kerosene demand.

In **2025**, economic activity in the region is set to improve further. Both transportation and manufacturing activities are expected to support average oil demand growth of 200 tb/d, y-o-y, to average 7.08 mb/d. Transportation fuels, including gasoline, jet/ kerosene and diesel, are anticipated to drive demand growth.

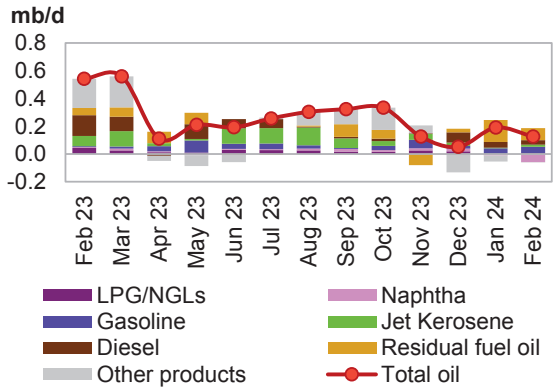
Middle East

Update on the latest developments

Oil demand in the Middle East in February grew by 126 tb/d, y-o-y. This is slightly below the growth of 190 tb/d, y-o-y, recorded in January.

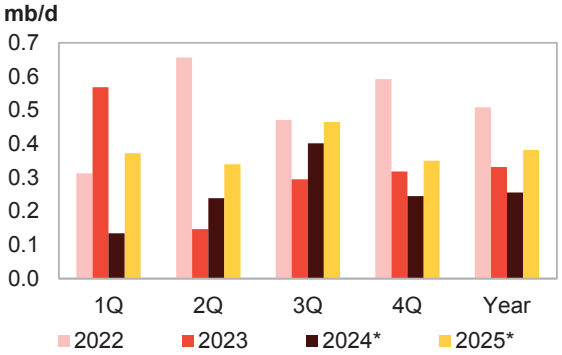
Residual fuel was the main oil demand growth driver for the second consecutive month. It increased by 87 tb/d, y-o-y, which was down from growth of 157 tb/d, y-o-y, seen in the previous month. Gasoline saw growth of 44 tb/d, y-o-y, broadly in line with the growth of 41 tb/d, y-o-y, witnessed a month earlier. On the back of ongoing air travel recovery in the region, jet/ kerosene saw an uptick of 16 tb/d, y-o-y, compared to growth of 5 tb/d, y-o-y, seen in the previous month. Diesel increased by 34 tb/d, y-o-y, albeit a decline from growth of 42 tb/d, y-o-y, in January. In terms of petrochemical feedstock, LPG saw an uptick of 7 tb/d, y-o-y, a slight improvement from no change in the previous month. Naphtha demand declined by 59 tb/d, y-o-y, a drop from a contraction of 10 tb/d in the previous month.

Graph 4 - 13: Middle East's oil demand by main petroleum product category, y-o-y change



Sources: JODI, Non-OECD Energy Statistics and OPEC.

Graph 4 - 14: Middle East's oil demand, y-o-y change



*Note: * 2024-2025 = Forecast.*
Source: OPEC.

Finally, the 'other products' category contracted by 2 tb/d, y-o-y, from a contraction of 44 tb/d, y-o-y, in the previous month.

Table 4 - 6: Iraq's oil demand, mb/d

Iraq's oil demand			Change	Mar 24/Mar 23
By product	Mar 23	Mar 24	Growth	%
LPG	0.07	0.04	-0.03	-37.5
Naphtha	0.01	0.02	0.01	253.6
Gasoline	0.18	0.18	0.00	0.3
Jet/kerosene	0.03	0.06	0.03	132.9
Diesel	0.16	0.16	0.00	1.6
Fuel oil	0.26	0.19	-0.07	-26.8
Other products	0.14	0.14	0.00	0.9
Total	**0.84**	**0.80**	**-0.04**	**-5.0**

Note: Totals may not add up due to independent rounding.
Sources: JODI and OPEC.

Near-term expectations

In the near term, ongoing strong growth in transportation fuels demand is expected to continue. Moreover, the current focus on petrochemical sector development is set to bolster petrochemical feedstock requirements in the region. Accordingly, these factors are projected to support overall oil demand growth, which is forecast to expand by an average of 239 tb/d, y-o-y, in 2Q24. Middle East oil demand in 2024 is expected to expand by 255 tb/d, y-o-y, to average 8.89 mb/d.

In 2025, healthy economic activity in the region is projected to continue. In addition, mobility and petrochemical sector requirements are expected to remain steady. These factors should support demand for transportation fuels and other distillates. Accordingly, regional oil demand in 2025 is expected to expand by an average of 382 tb/d, y-o-y, to average 9.27 mb/d.

World Oil Supply

The non-DoC liquids supply (i.e. liquids supply from countries not participating in the Declaration of Cooperation) is expected to grow by 1.2 mb/d in 2024, unchanged from the previous month's assessment, to average 53.0 mb/d.

US crude and condensate, as well as NGL production, recovered in February following a weather-related disruption in Janaury. Accordingly, US liquids supply growth for 2024 is estimated at 0.4 mb/d. In addition to the US, the main drivers for expected growth in 2024 are Canada, Brazil and Norway.

Non-DoC liquids supply growth in 2025 is expected at 1.1 mb/d, broadly unchanged from the previous month's assessment, to average 54.1 mb/d. Growth is mainly driven by the US, Brazil, Canada and Norway, while the main decline is expected in Angola.

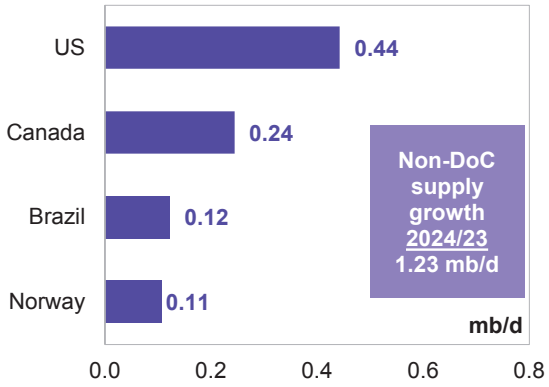
DoC NGLs and non-conventional liquids are forecast to grow by around 0.1 mb/d to average 8.3 mb/d this year, followed by a minor decline of about 10 tb/d to average 8.3 mb/d in 2025. Meanwhile, OPEC NGLs and non-conventional liquids production is expected to increase by around 60 tb/d to average 5.5 mb/d in 2024, and additional growth of 110 tb/d is forecast for 2025 to average 5.6 mb/d.

DoC crude oil production in April decreased by 246 tb/d, m-o-m, averaging 41.02 mb/d, as reported by available secondary sources.

Key drivers of growth and decline

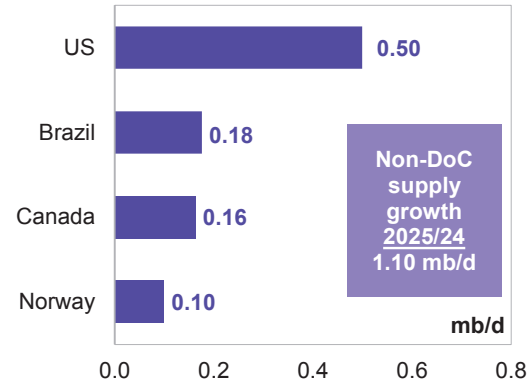
The **non-DoC liquids supply** (i.e. liquids supply from countries not participating in the Declaration of Cooperation) is expected to grow by 1.2 mb/d in 2024, broadly unchanged from the previous month's assessment. In **2024**, the main drivers for liquids supply growth in this category are expected to be the US, Canada, Brazil and Norway.

Graph 5 - 1: Annual liquids production changes, y-o-y, for selected countries in 2024*



*Note: * 2024 = Forecast. Source: OPEC.*

Graph 5 - 2: Annual liquids production changes, y-o-y, for selected countries in 2025*



*Note: * 2025 = Forecast. Source: OPEC.*

Non-DoC liquids supply growth in **2025** is expected to be 1.1 mb/d, largely unchanged from the previous month's assessment. Growth will be mainly driven by the US, Brazil, Canada and Norway.

Non-DoC liquids production in 2024 and 2025**

Table 5 - 1: Non-DoC liquids production in 2024*, mb/d

Non-DoC liquids production	2023	1Q24	2Q24	3Q24	4Q24	2024	Change 2024/23 Growth	Change 2024/23 %
Americas	26.60	26.87	27.00	27.37	27.88	27.28	0.69	2.58
of which US	*20.90*	*20.93*	*21.20*	*21.42*	*21.81*	*21.34*	*0.44*	*2.12*
Europe	3.65	3.67	3.75	3.73	3.91	3.76	0.11	3.02
Asia Pacific	0.44	0.44	0.42	0.43	0.43	0.43	-0.01	-2.90
Total OECD	**30.69**	**30.99**	**31.17**	**31.53**	**32.22**	**31.48**	**0.78**	**2.56**
China	4.52	4.62	4.59	4.46	4.46	4.53	0.02	0.35
India	0.77	0.78	0.79	0.79	0.78	0.78	0.01	1.32
Other Asia	1.61	1.62	1.58	1.57	1.57	1.58	-0.03	-1.68
Latin America	6.96	7.27	7.33	7.36	7.41	7.35	0.39	5.55
Middle East	2.02	2.00	2.02	2.01	2.02	2.01	-0.01	-0.57
Africa	2.22	2.26	2.22	2.24	2.26	2.24	0.03	1.17
Other Eurasia	0.36	0.36	0.36	0.36	0.36	0.36	0.00	0.28
Other Europe	0.10	0.10	0.10	0.10	0.10	0.10	0.00	-1.15
Total Non-OECD	**18.57**	**19.00**	**19.00**	**18.89**	**18.96**	**18.96**	**0.40**	**2.15**
Total Non-DoC production	49.26	49.99	50.17	50.42	51.18	50.44	1.18	2.40
Processing gains	2.47	2.52	2.52	2.52	2.52	2.52	0.05	2.03
Total Non-DoC liquids production	**51.73**	**52.51**	**52.69**	**52.94**	**53.70**	**52.96**	**1.23**	**2.38**
Previous estimate	51.73	52.57	52.68	52.92	53.66	52.96	1.23	2.38
Revision	0.00	-0.05	0.01	0.01	0.04	0.00	0.00	0.01

*Note: * 2024 = Forecast. Totals may not add up due to independent rounding.*

Source: OPEC.

Table 5 - 2: Non-DoC liquids production in 2025*, mb/d

Non-DoC liquids production	2024	1Q25	2Q25	3Q25	4Q25	2025	Change 2025/24 Growth	Change 2025/24 %
Americas	27.28	27.88	27.67	27.92	28.30	27.94	0.66	2.43
of which US	*21.34*	*21.74*	*21.77*	*21.82*	*22.03*	*21.84*	*0.50*	*2.34*
Europe	3.76	3.94	3.82	3.80	3.90	3.87	0.10	2.67
Asia Pacific	0.43	0.43	0.42	0.43	0.43	0.42	-0.01	-1.81
Total OECD	**31.48**	**32.25**	**31.91**	**32.14**	**32.64**	**32.23**	**0.75**	**2.40**
China	4.53	4.57	4.55	4.51	4.52	4.54	0.01	0.13
India	0.78	0.78	0.79	0.80	0.80	0.79	0.01	1.00
Other Asia	1.58	1.58	1.56	1.54	1.54	1.55	-0.03	-1.83
Latin America	7.35	7.50	7.54	7.63	7.76	7.61	0.26	3.58
Middle East	2.01	2.01	2.04	2.04	2.03	2.03	0.02	1.01
Africa	2.24	2.27	2.26	2.26	2.25	2.26	0.02	0.76
Other Eurasia	0.36	0.36	0.36	0.36	0.36	0.36	0.00	0.07
Other Europe	0.10	0.10	0.10	0.10	0.10	0.10	0.00	1.97
Total Non-OECD	**18.96**	**19.18**	**19.21**	**19.25**	**19.37**	**19.25**	**0.29**	**1.51**
Total Non-DoC production	50.44	51.43	51.12	51.39	52.00	51.48	1.04	2.07
Processing gains	2.52	2.58	2.58	2.58	2.58	2.58	0.06	2.38
Total Non-DoC liquids production	**52.96**	**54.01**	**53.70**	**53.97**	**54.58**	**54.06**	**1.10**	**2.08**
Previous estimate	52.96	54.01	53.69	53.96	54.58	54.06	1.10	2.08
Revision	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

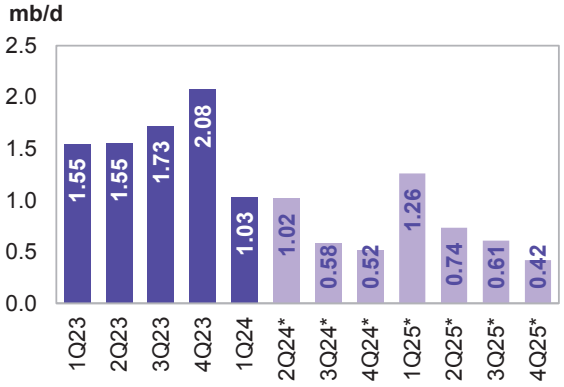
*Note: * 2025 = Forecast. Totals may not add up due to independent rounding.*

Source: OPEC.

OECD

For **2024**, **OECD liquids production** (excluding Mexico) is likely to grow by 0.8 mb/d to average 31.5 mb/d. Growth is set to be led by OECD Americas, with an expected increase of 0.7 mb/d to average 27.3 mb/d. This is largely unchanged compared with the previous month's assessment. Yearly liquids production in OECD Europe is expected to rise by 0.1 mb/d to average 3.8 mb/d, which is broadly unchanged compared with the previous assessment. OECD Asia Pacific is expected to decline by 13 tb/d, y-o-y, to average 0.4 mb/d.

Graph 5 - 3: OECD quarterly liquids supply, y-o-y changes



*Note: * 2Q24-4Q25 = Forecast. Source: OPEC.*

OECD liquids production is forecast to grow by 0.8 mb/d to average 32.2 mb/d in **2025**. OECD Americas is expected to be the main growth driver, with an expected increase of 0.7 mb/d for an average of 27.9 mb/d. Yearly liquids production in OECD Europe is expected to grow by 0.1 mb/d to average 3.9 mb/d, while OECD Asia Pacific is expected to decline by a minor 8 tb/d, y-o-y, to average 0.4 mb/d.

OECD Americas

US

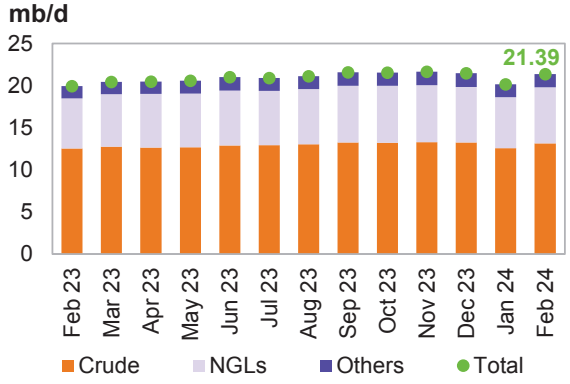
US liquids production in **February** jumped by 1.2 mb/d, m-o-m, to average 21.4 mb/d, after recovering from disruption due to a cold wave in January. This was 1.4 mb/d higher than in February 2023.

Crude oil and condensate production rose by 0.6 mb/d, m-o-m, to average 13.2 mb/d in **February**, up by 0.6 mb/d, y-o-y.

In terms of **crude and condensate production breakdown by region (PADDs)**, production increased on the US Gulf Coast (USGC) by 0.4 mb/d to average 9.5 mb/d. Production on the East and West Coasts remained broadly unchanged, while output in the Midwest and Rocky Mountain regions rose by 196 tb/d and 41 tb/d, m-o-m, respectively.

A jump in production in the main producing regions can primarily be attributed to higher output in Texas, New Mexico, North Dakota and offshore Gulf of Mexico (GoM), as well as onshore production recovering from low January levels.

Graph 5 - 4: US monthly liquids output by key component



Sources: EIA and OPEC.

NGL production jumped by 0.6 mb/d, m-o-m, to average 6.6 mb/d in February. This was 0.7 mb/d higher y-o-y. According to the US Department of Energy (DoE), the production of **non-conventional liquids** (mainly ethanol) rose by 80 tb/d, m-o-m, to average 1.6 mb/d. Preliminary estimates show non-conventional liquids averaging about 1.6 mb/d in March, largely unchanged, m-o-m.

GoM production rose by 53 tb/d, m-o-m, to average 1.8 mb/d in February. Output is still lower than expectations due to ongoing oil spill outages and several operational issues on a number of platforms. However, GoM production was still supported by new project ramp-ups. In the **onshore Lower 48**, crude and condensate production rose by 0.6 mb/d, m-o-m, to an average of 10.9 mb/d in February.

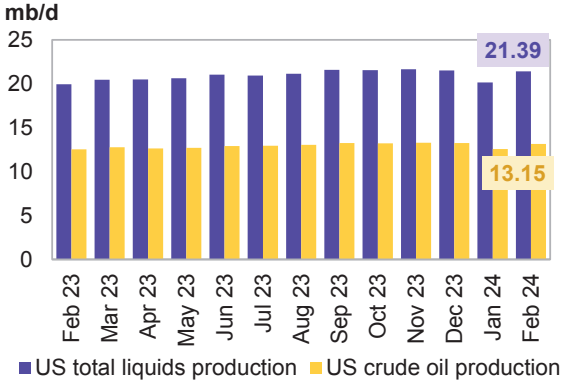
Table 5 - 3: US crude oil production by selected state and region, tb/d

State	Feb 23	Jan 24	Feb 24	Change m-o-m	Change y-o-y
Texas	5,306	5,376	5,548	*172*	*242*
New Mexico	1,799	1,862	1,982	*120*	*183*
Gulf of Mexico (GOM)	1,828	1,747	1,800	*53*	*-28*
North Dakota	1,128	1,114	1,287	*173*	*159*
Colorado	420	445	467	*22*	*47*
Alaska	446	427	432	*5*	*-14*
Oklahoma	422	389	399	*10*	*-23*
Total	**12,532**	**12,576**	**13,154**	***578***	***622***

Sources: EIA and OPEC.

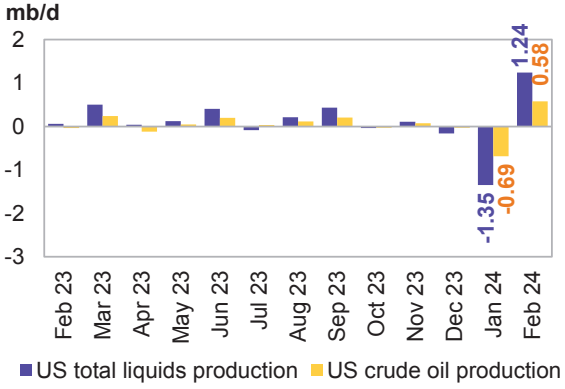
Looking at **individual US states**, New Mexico's oil production rose by 120 tb/d to average 2.0 mb/d, which is 0.2 mb/d higher than a year ago. Production from Texas was up by 172 tb/d to average 5.5 mb/d, which is 242 tb/d higher than a year ago. In the Midwest, North Dakota's production rose by 173 tb/d, m-o-m, to average 1.3 mb/d, up 159 tb/d, y-o-y, while Oklahoma's production increased by 10 tb/d, averaging 0.4 mb/d, m-o-m. Production in Colorado rose by 22 tb/d, m-o-m, while output in Alaska remained mostly unchanged.

Graph 5 - 5: US monthly crude oil and total liquids supply



Sources: EIA and OPEC.

Graph 5 - 6: US monthly crude oil and total liquids supply, m-o-m changes



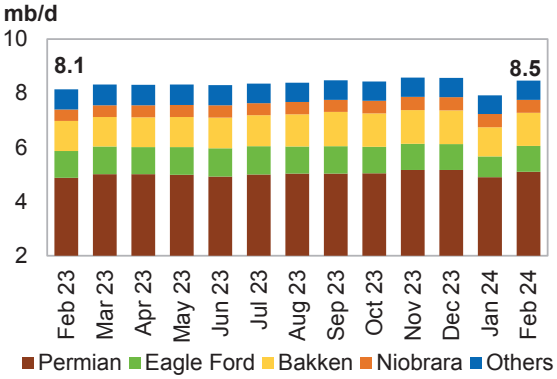
Sources: EIA and OPEC.

US tight crude output in **February** is estimated to have increased by 540 tb/d, m-o-m, to average 8.5 mb/d, according to the latest estimates by the US Energy Information Administration (EIA). This was 0.3 mb/d higher than in the same month last year.

The m-o-m increase from shale and tight formations using horizontal wells came mainly from Permian shale production in Texas and New Mexico, where output rose by 196 tb/d for an average of 5.1 mb/d. This was up by 0.2 mb/d, y-o-y.

In North Dakota, Bakken shale oil output rose, m-o-m, averaging 1.2 mb/d, up by 110 tb/d, y-o-y. Tight crude output at Eagle Ford in Texas rose by 184 tb/d to average 0.9 mb/d, down by 38 tb/d, y-o-y. Production at Niobrara-Codell in Colorado and Wyoming was largely unchanged at an average of 477 tb/d.

Graph 5 - 7: US tight crude output breakdown

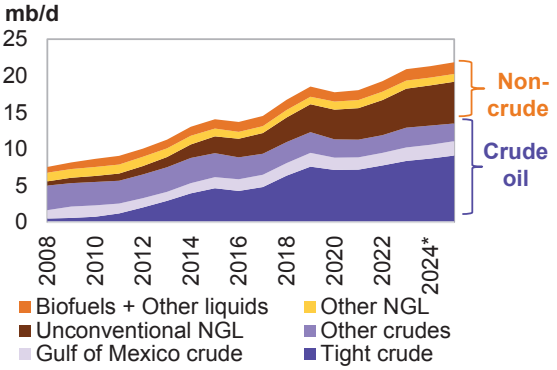


Sources: EIA and OPEC.

US liquids production in **2024**, excluding processing gains, is expected to grow by 0.4 mb/d, y-o-y, to average 21.3 mb/d. This is broadly unchanged from the previous assessment. The forecast assumes a modest level of drilling activity and fewer supply chain/logistical issues at the prolific Permian, Bakken and Eagle Ford shale sites this year.

Crude oil and condensate output in 2024 are expected to jump by 0.3 mb/d, y-o-y, to average 13.2 mb/d. At the same time, NGL production and that of non-conventional liquids, particularly ethanol, is projected to increase by 0.1 mb/d and 30 tb/d, y-o-y, to average 6.6 mb/d and 1.6 mb/d, respectively.

Graph 5 - 8: US liquids supply developments by component



*Note: * 2024-2025 = Forecast.*
Source: OPEC.

Average **tight crude** output in 2024 is expected to reach 8.7 mb/d, up by 0.4 mb/d, y-o-y. The 2024 forecast assumes ongoing capital discipline and less inflationary pressure, as well as moderating supply chain issues and oil field service constraints. At the same time, well productivity and operational efficiency improvements are expected to support crude production amid moderate drilling activity increases.

US liquids production, excluding processing gains, is expected to grow by 0.5 mb/d, y-o-y, to average 21.8 mb/d in **2025**, assuming a mild increase in drilling activity, lower service cost inflation and well productivity improvements in key shale basins. **Crude oil and condensate** output is expected to rise by 0.3 mb/d, y-o-y, to average 13.5 mb/d. At the same time, NGLs production and that of non-conventional liquids, particularly ethanol, is projected to increase, y-o-y, by 0.2 mb/d and 20 tb/d, and average 6.7 mb/d and 1.6 mb/d, respectively. Average **tight crude** output in 2025 is expected to reach 9.1 mb/d, up by 0.4 mb/d, y-o-y. The 2025 forecast assumes ongoing capital discipline and less inflationary pressure in the US upstream sector.

Table 5 - 4: US liquids production breakdown, mb/d

US liquids	2023	Change 2023/22	2024*	Change 2024/23	2025*	Change 2025/24
Tight crude	8.36	0.59	8.72	0.36	9.11	0.40
Gulf of Mexico crude	1.86	0.13	1.86	0.00	1.95	0.09
Conventional crude oil	2.71	0.29	2.64	-0.06	2.44	-0.20
Total crude	**12.93**	**1.02**	**13.22**	**0.30**	**13.51**	**0.29**
Unconventional NGLs	5.31	0.53	5.46	0.15	5.67	0.21
Conventional NGLs	1.12	-0.03	1.09	-0.03	1.07	-0.02
Total NGLs	**6.43**	**0.50**	**6.55**	**0.12**	**6.74**	**0.19**
Biofuels + Other liquids	1.54	0.10	1.57	0.03	1.59	0.02
US total supply	**20.90**	**1.61**	**21.34**	**0.44**	**21.84**	**0.50**

*Note: * 2024-2025 = Forecast.*
Sources: EIA, OPEC and Rystad Energy.

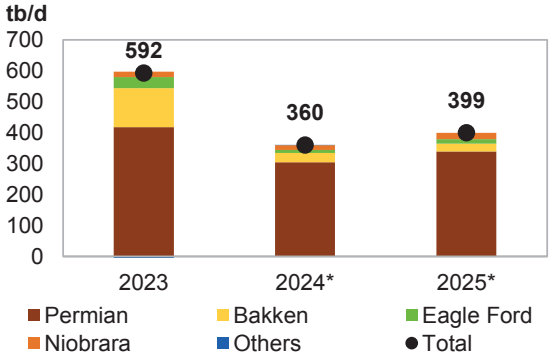
US tight crude production in the **Permian** during 2024 is expected to increase by 0.3 mb/d, y-o-y, to average 5.3 mb/d. In 2025, it is forecast to grow by 0.3 mb/d, y-o-y, to average 5.7 mb/d.

In North Dakota, **Bakken** shale production is still expected to remain below the pre-pandemic average of 1.4 mb/d. Growth of just 30 tb/d and 25 tb/d is expected for 2024 and 2025, respectively, for an average of 1.2 mb/d over both years. These trends could indicate maturity in the basin.

Eagle Ford in Texas saw an output of 1.2 mb/d in 2019, followed by declines from 2020 to 2021 and no growth in 2022. With estimated growth of about 35 tb/d for 2023, output rests at an average of 1.0 mb/d. At the same time, minor growth of 10 tb/d and 15 tb/d is expected for 2024 and 2025, respectively.

Niobrara's production is expected to rise by around 15 tb/d, y-o-y, in 2024, to average 0.5 tb/d. With an expected growth of 20 tb/d, the output is forecast to remain at 0.5 mb/d for 2025. In the remaining tight plays, which are experiencing a modest pace in drilling and completion activities, production is expected to stabilize both this year and in 2025.

Graph 5 - 9: US tight crude output by shale play, y-o-y changes



*Note: * 2024-2025 = Forecast.*
Sources: EIA and OPEC.

Table 5 - 5: US tight oil production growth, mb/d

US tight oil	2023	Change 2023/22	2024*	Change 2024/23	2025*	Change 2025/24
Permian tight	5.02	0.42	5.32	0.30	5.66	0.34
Bakken shale	1.16	0.13	1.19	0.03	1.21	0.03
Eagle Ford shale	1.00	0.04	1.01	0.01	1.03	0.02
Niobrara shale	0.45	0.02	0.47	0.02	0.49	0.02
Other tight plays	0.73	0.00	0.73	0.00	0.73	0.00
Total	**8.36**	**0.59**	**8.72**	**0.36**	**9.11**	**0.40**

*Note: * 2024-2025 = Forecast.*
Source: OPEC.

US rig count, spudded, completed, DUC wells and fracking activity

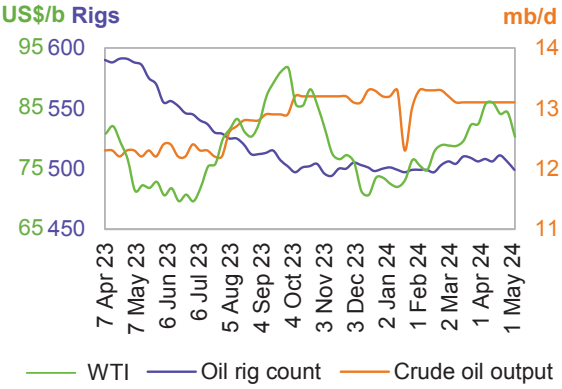
The total number of **active US drilling rigs** in the week ending 3 May 2024 dropped by eight to 605, according to Baker Hughes, 143 fewer rigs than a year ago. The number of active offshore rigs rose by one, w-o-w, to 18. This is three less than in the same month a year earlier. The number of onshore oil and gas rigs dropped by nine, w-o-w, to stand at 587, with no rigs in inland waters. This is down by 138 rigs, y-o-y.

The **US horizontal rig count** remained unchanged, w-o-w, at 552, compared with 676 horizontal rigs a year ago. The number of drilling rigs for oil decreased by seven, w-o-w, to 499, while the number of gas-drilling rigs fell by three, w-o-w, to 102.

The Permian's rig count fell by one, w-o-w, to 316. Rig counts remained unchanged in Williston and DJ-Niobrara at 34 and 10, respectively. Meanwhile, the number of rigs fell by three and one, w-o-w, in Eagle Ford and Cana Woodford to 52 and 21, respectively.

No operating oil rig has been reported in the Barnett Basin since 19 January.

Graph 5 - 10: US weekly rig count vs. US crude oil output and WTI price



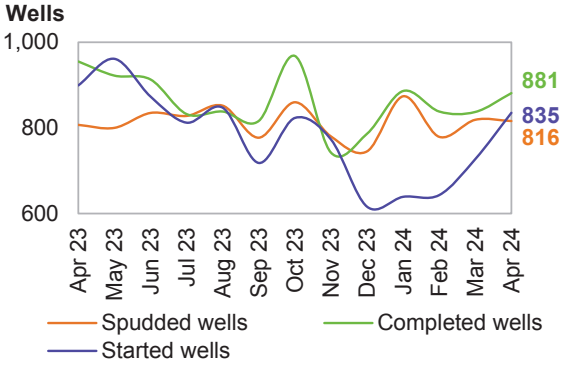
Sources: Baker Hughes, EIA and OPEC.

Drilling and completion (D&C) activities for spudded, completed and started oil-producing wells in all US shale plays included 819 horizontal wells spudded in March (as per preliminary data), based on US Energy Information Administration Drilling Productivity Report (EIA-DPR) regions. This is up by 46, m-o-m, and 18% lower than in March of last year.

Preliminary data for March indicates the same number of completed wells, m-o-m, at 837, though the number is down by 2%, y-o-y. The number of started wells is estimated at 727, which is 14% lower than a year earlier.

Preliminary data for April saw 816 spudded, 881 completed and 835 started wells, according to Rystad Energy.

Graph 5 - 11: Spudded, completed and started wells in US shale plays

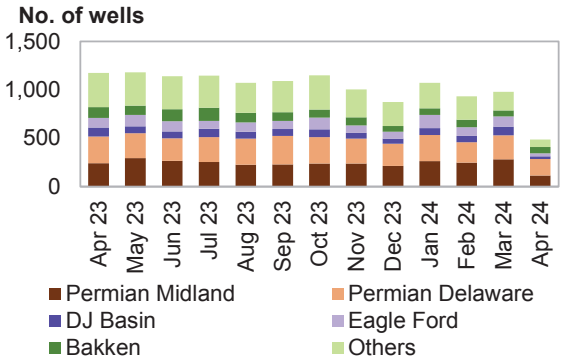


Note: Mar 24-Apr 24 = Preliminary data.
Sources: Rystad Energy and OPEC.

In terms of identified **US oil and gas fracking operations** by region, Rystad Energy reported that 933 wells were fracked in February. In March and April, it stated that 979 and 570 wells began fracking, respectively, according to preliminary numbers based on an analysis of high-frequency satellite data.

In regional terms, preliminary March data shows that 283 and 246 wells were fracked in the Permian Midland and Permian Delaware regions, respectively. There was an increase of 36 wells in the Midland region and a rise of 34 in Delaware compared with February. Data also indicates that 91 wells were fracked in the DJ Basin, 106 in Eagle Ford and 60 in Bakken during March.

Graph 5 - 12: Fracked wells count per month



Note: Mar 24-Apr 24 = Preliminary data.
Sources: Rystad Energy Shale Well Cube and OPEC.

Canada

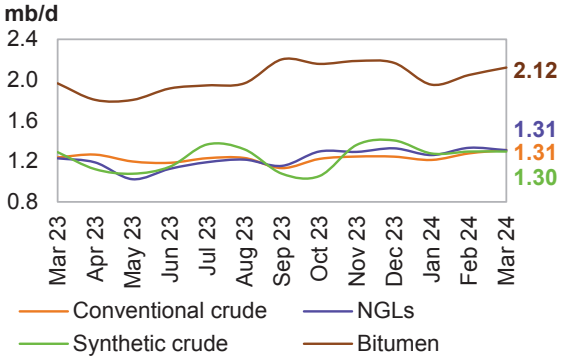
Canada's liquids production in **March** is estimated to have risen by 80 tb/d, m-o-m, to average 6.1 mb/d.

Conventional crude production rose by 33 tb/d, m-o-m, in March to an average of 1.3 mb/d. NGL output was down by 23 tb/d, m-o-m, averaging 1.3 mb/d.

Crude bitumen production output rose in March by 73 tb/d, m-o-m, while synthetic crude remained unchanged, m-o-m. Taken together, crude bitumen and synthetic crude production rose by 73 tb/d to 3.4 mb/d.

Wildfires erupted across Canada's main oil-producing province – Alberta – in late April. This could affect expected production this year as the region braces for a repeat of last year's unprecedented fires.

Graph 5 - 13: Canada's monthly liquids production development by type

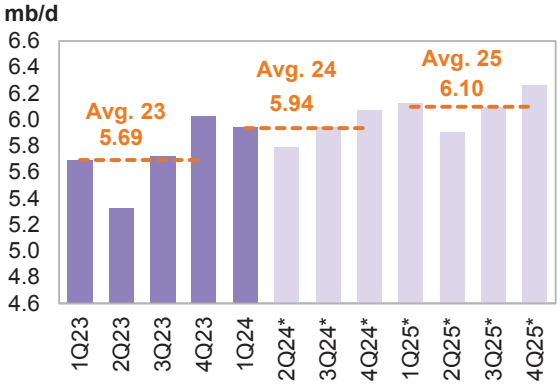


Sources: Statistics Canada, Alberta Energy Regulator and OPEC.

In **2024**, Canada's liquids production is forecast to increase at a much faster pace compared with 2023, rising by 0.2 mb/d to an average of 5.9 mb/d. Incremental production is expected to come from oil sands project ramp-ups, optimization, and the expansion of existing facilities in areas like Montney, Kearl and Fort Hills, in addition to some conventional field growth.

Canada's liquids production is forecast to grow by 0.2 mb/d to average 6.1 mb/d in **2025**. Additional production is expected to come from expanding oil sands projects and some growth in conventional fields. Sources of production are primarily expected from the Athabasca, Syncrude Mildred Lake, Kearl, Horizon, Christina Lake, Suncor and Foster Creek oil Sands projects. The main start-ups in 2025 are expected to be Syncrude Mildred Lake/Aurora, Narrows Lake, Lloyd Thermal, Cold Lake Oil Sands and Montney Play.

Graph 5 - 14: Canada's quarterly liquids production and forecast



*Note: * 2Q24-4Q25 = Forecast. Source: OPEC.*

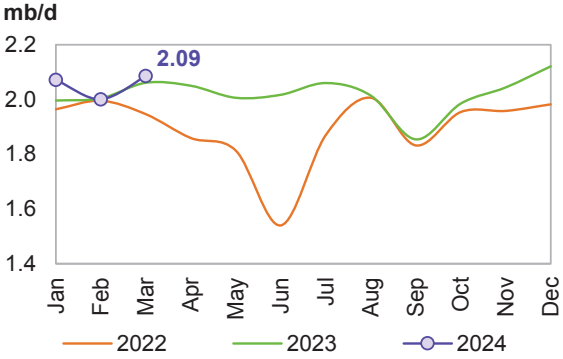
OECD Europe

Norway

Norwegian liquids production in **March** rose by 86 tb/d, m-o-m, to average 2.1 mb/d. Norway's crude production increased by 79 tb/d, m-o-m, in March to average 1.8 mb/d. This remained close to historical highs and was up by 9 tb/d, y-o-y. Monthly oil production was 4.6% higher than the Norwegian Offshore Directorate's (NOD's) forecast.

Production of NGLs and condensate, in the meantime, rose by 7 tb/d, m-o-m, to average 0.2 mb/d, according to NOD data.

Graph 5 - 15: Norway's monthly liquids production development



Sources: The Norwegian Petroleum Directorate (NPD) and OPEC.

For **2024**, Norwegian liquids production is forecast to increase by 0.1 mb/d to average 2.1 mb/d. This was revised down by a minor 7 tb/d from the previous assessment. Several projects are scheduled to ramp up this year. At the same time, start-ups are expected at the Balder/Ringhorne, Eldfisk, Kristin, Hanz and PL636 offshore projects, along with the Alvheim and Skarv Aasgard floating, production, storage and offloading (FPSO) projects. Johan Castberg is projected to be the main source of output increase this year, with the first oil planned in 4Q24. In April, the Hanz crude field started production. The field, a tie-back to the Ivar Aasen platform in the North Sea, feeds into the Grane blend.

Norwegian liquids production is forecast to grow by 0.1 mb/d to average 2.2 mb/d in **2025**. Several small-to-large-scale projects are scheduled to ramp up in 2025, including Johan Castberg, Kristin, Eldfisk and Balder/Ringhorne. At the same time, start-ups are expected at the Ormen Lange, Snohvit, Halten East, Tyrving, Eirin, Norne FPSO, Maria and Verdande projects.

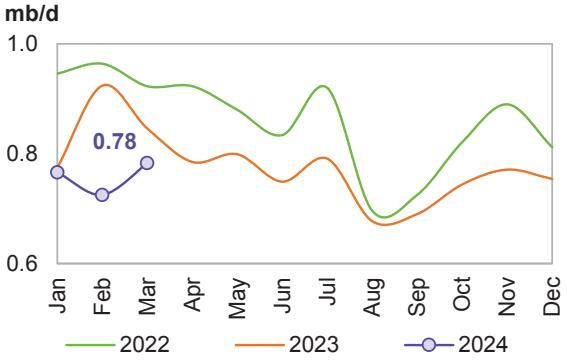
UK

In **March**, **UK liquids production** rose by 58 tb/d, m-o-m, to average 0.8 mb/d. Crude oil output increased by 62 tb/d, m-o-m, to average 0.6 mb/d, but was lower by 77 tb/d, y-o-y, according to official data. NGL output dropped by a minor 4 tb/d, averaging 77 tb/d.

For **2024**, UK liquids production is forecast to remain largely unchanged at an average of 0.8 mb/d. Production ramp-ups will be seen at the ETAP and Clair sites, as well as at the Anasuria and Captain enhanced oil recovery (EOR) start-up projects. The Penguins FPSO is expected to be towed out to the UK North Sea field in 1H24.

UK liquids production is forecast to stay steady at an average of 0.8 mb/d in **2025**. Production ramp-ups will be seen at the Clair sites and Schiehallion. Meanwhile, project start-ups are expected at the Alwyn, Laggan-Tormore, Murlach (Skua redevelopment) and Janice's assets. However, decline rates from mature fields are expected to offset these additional volumes.

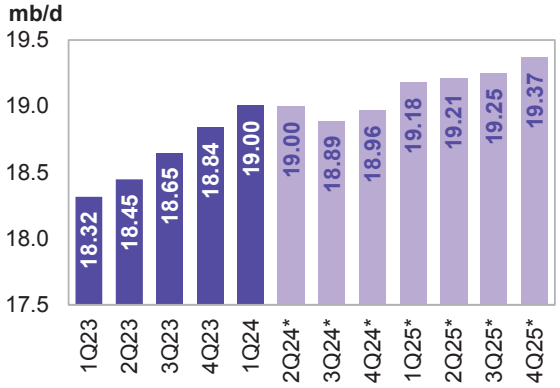
Graph 5 - 16: UK monthly liquids production development



Sources: UK Department for Business, Energy and Industrial Strategy and OPEC.

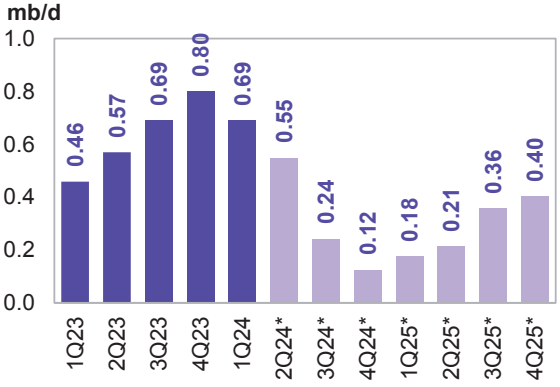
Non-OECD

Graph 5 - 17: Non-OECD quarterly liquids production and forecast



*Note: * 2Q24-4Q25 = Forecast. Source: OPEC.*

Graph 5 - 18: Non-OECD quarterly liquids supply, y-o-y changes

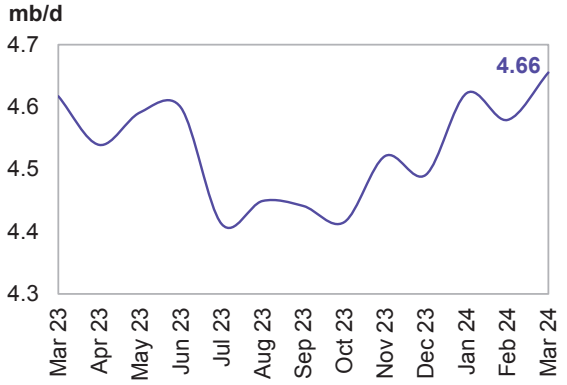


*Note: * 2Q24-4Q25 = Forecast. Source: OPEC.*

China

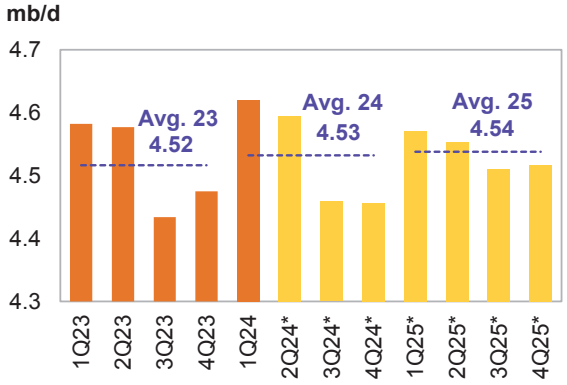
China's liquids production rose by 76 tb/d, m-o-m, to average 4.7 mb/d in **March**. This is up by 38 tb/d, y-o-y, according to official data. Crude oil output in March averaged 4.3 mb/d, up by 76 tb/d compared with the previous month, and higher by 44 tb/d, y-o-y. Conversely, NGL and condensate production remained unchanged, m-o-m, averaging 40 tb/d.

Graph 5 - 19: China's monthly liquids production development



Sources: CNPC and OPEC.

Graph 5 - 20: China's quarterly liquids production and forecast



*Note: * 2Q24-4Q25 = Forecast. Sources: CNPC and OPEC.*

For **2024**, China's liquids production is expected to rise by about 15 tb/d, y-o-y, and is forecast to average 4.5 mb/d. This is largely unchanged from the previous assessment. Natural decline rates are expected to be offset by additional growth through more infill wells and EOR projects. For this year, Lingshui 17-2, Lufeng, Liuhua 11-1, Xi'nan, Bozhong 19-2 Oilfield Development, Shayan and Liuhua 4-1 (redevelopment), which are operated by CNOOC, PetroChina and Sinopec, are planned to come on stream. At the same time, key ramp-ups are expected from Changqing, Kenli 10-2, Wushi 17-2 and Kenli 6-4. Chinese majors are expected to maintain high upstream Capex in 2024 to meet the growth requirements stated in 2019's seven-year plan.

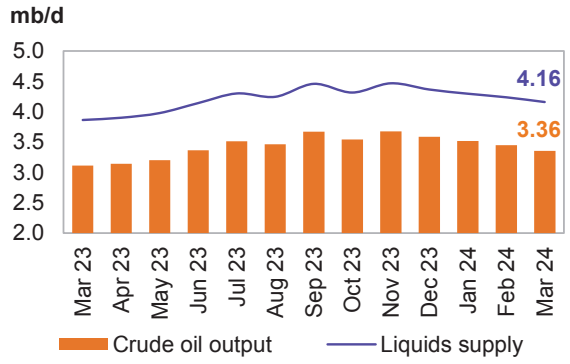
Chinese liquids production is expected to remain steady, y-o-y, and is forecast to average 4.5 mb/d in **2025**. For next year, oil and gas condensate projects like Bozhong 19-6, Huizhou 26-6, Peng Lai 19-9, Shengli, Wushi 17-2, Liaohe and Xijiang 30-2, which are operated by CNOOC and Sinopec, are planned to come on stream. At the same time, key ramp-ups are expected from Changqing, Tarim, Xibei, Peng Lai 19-9 and Xi'nan.

Latin America

Brazil

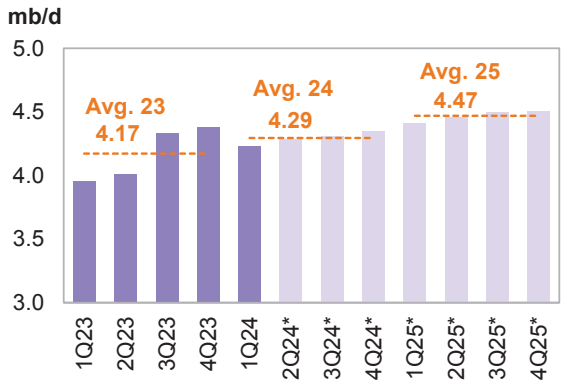
Brazil's crude output in **March** fell by 92 tb/d, m-o-m, to average 3.4 mb/d. The March drop in output was primarily driven by post-salt production due to maintenance and natural decline. NGL production, however, remained largely unchanged, at an average of around 80 tb/d, and is expected to remain flat in April 2024. Biofuel output (mainly ethanol) increased by 13 tb/d to an average of 0.7 mb/d, with preliminary data showing a stable trend in April. The country's total liquids production decreased by 78 tb/d in March to average 4.2 mb/d, but was higher by 0.3 mb/d, y-o-y.

Graph 5 - 21: Brazil's monthly liquids production development by type



Sources: Brazilian National Agency of Petroleum, Natural Gas and Biofuels (ANP) and OPEC.

Graph 5 - 22: Brazil's quarterly liquids production



*Note: * 2Q24-4Q25 = Forecast. Sources: ANP and OPEC.*

For **2024**, Brazil's liquids supply, including biofuels, is forecast to increase by about 120 tb/d, y-o-y, to average 4.3 mb/d. Crude oil output is expected to increase through production ramp-ups in the Buzios (Franco), Mero (Libra NW), Tupi (Lula) and Itapu (Florim) fields. Oil project start-ups are expected at the Buzios, Atlanta, Pampo-Enchova Cluster and Vida sites. However, increasing costs in the offshore market and inflation might

continue to delay projects and could temper growth in the short term. The platform ship Marechal Duque de Caxias (Mero 3) is expected to come into operation from September this year and has the capacity to produce up to 180 tb/d of oil and compress up to 12 mcf/d of gas.

Brazil's liquids supply, including biofuels, is forecast to increase by about 180 tb/d, y-o-y, to average 4.5 mb/d in **2025**. Crude oil output is expected to increase through production ramp-ups in the Buzios (Franco), Mero (Libra NW), Tupi (Lula), Marlim and Atlanta fields. Oil project start-ups are expected at the Buzios, Bacalhau (x-Carcara), Parque das Baleias and Lapa (Carioca) fields.

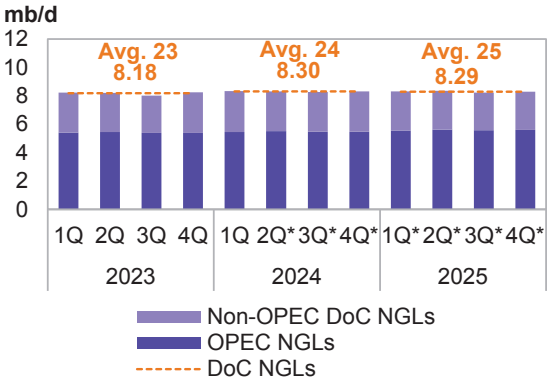
DoC NGLs and non-conventional oils

DoC NGLs and non-conventional liquids are estimated to expand by about 0.1 mb/d in **2024** to average 8.3 mb/d.

Preliminary data shows NGL and non-conventional liquids output in 1Q24 averaging 8.3 mb/d. According to preliminary data in March, 5.5 mb/d and 2.8 mb/d of NGL and non-conventional liquids are estimated to be produced by OPEC Member Countries and non-OPEC DoC countries, respectively.

The primary **2025** forecast points toward a combined decline of just 10 tb/d for an average of 8.3 mb/d. NGL and non-conventional liquids production is projected to grow by 0.1 mb/d to average 5.5 mb/d for OPEC Member Countries. However, it is expected to drop by 0.1 mb/d for non-OPEC DoC member countries.

Graph 5 - 23: DoC NGLs and non-conventional liquids quarterly production and forecast



*Note: * 2Q24-4Q25 = Forecast. Source: OPEC.*

Table 5 - 6: DoC NGLs + non-conventional oils, mb/d

DoC NGL and non-coventional oils	2023	Change 23/22	2024	Change 24/23	1Q25	2Q25	3Q25	4Q25	2025	Change 25/24
OPEC	**5.41**	*0.05*	**5.47**	*0.06*	5.55	5.61	5.58	5.58	**5.58**	*0.11*
Non-OPEC DoC	**2.77**	*0.20*	**2.83**	*0.06*	2.75	2.73	2.63	2.71	**2.71**	*-0.12*
Total	**8.18**	***0.25***	**8.30**	***0.13***	**8.30**	**8.34**	**8.21**	**8.30**	**8.29**	***-0.01***

Note: 2024-2025 = Forecast.

Source: OPEC.

DoC crude oil production

According to secondary sources, total **OPEC-12 crude oil production** averaged 26.58 mb/d in April 2024, 48 tb/d lower, m-o-m. Crude oil output increased mainly in Congo and IR Iran, while production in Nigeria, Iraq and Venezuela decreased.

At the same time, total **non-OPEC DoC crude oil production** averaged 14.44 mb/d in April 2024, 198 tb/d lower, m-o-m. Crude oil output increased mainly in Bahrain, while production in Russia and Kazakhstan decreased.

Table 5 - 7: DoC crude oil production based on *secondary sources*, tb/d

Secondary sources	2022	2023	3Q23	4Q23	1Q24	Feb 24	Mar 24	Apr 24	*Change* Apr/Mar
Algeria	1,013	973	949	957	907	905	908	909	*1*
Congo	261	261	259	251	246	243	250	271	*21*
Equatorial Guinea	84	56	59	53	54	51	58	49	*-9*
Gabon	195	203	201	216	214	214	222	219	*-3*
IR Iran	2,554	2,859	3,005	3,152	3,174	3,161	3,198	3,212	*14*
Iraq	4,439	4,287	4,308	4,324	4,226	4,230	4,212	4,181	*-32*
Kuwait	2,704	2,595	2,560	2,552	2,431	2,434	2,430	2,436	*6*
Libya	981	1,162	1,158	1,170	1,119	1,161	1,171	1,179	*8*
Nigeria	1,210	1,314	1,279	1,381	1,421	1,411	1,400	1,354	*-46*
Saudi Arabia	10,531	9,609	8,994	8,954	9,003	9,016	9,027	9,029	*2*
UAE	3,066	2,950	2,912	2,906	2,928	2,931	2,925	2,930	*4*
Venezuela	684	749	767	774	817	824	822	809	*-13*
Total OPEC	**27,721**	**27,018**	**26,452**	**26,689**	**26,541**	**26,581**	**26,623**	**26,575**	***-48***
Azerbaijan	560	503	496	487	477	477	480	484	*5*
Bahrain	193	182	176	182	167	155	165	178	*13*
Brunei	75	72	70	77	80	79	78	78	*0*
Kazakhstan	1,489	1,597	1,529	1,606	1,613	1,608	1,610	1,560	*-50*
Malaysia	395	374	361	376	359	362	360	352	*-8*
Mexico	1,667	1,645	1,645	1,624	1,613	1,594	1,638	1,635	*-3*
Oman	850	819	807	807	773	771	766	768	*2*
Russia	9,771	9,581	9,493	9,496	9,415	9,408	9,446	9,292	*-154*
Sudan	62	54	53	47	35	34	29	26	*-3*
South Sudan	144	146	151	153	107	103	71	71	*1*
Total Non-OPEC DoC	**15,206**	**14,972**	**14,780**	**14,855**	**14,639**	**14,590**	**14,643**	**14,445**	***-198***
Total DoC	**42,927**	**41,990**	**41,232**	**41,544**	**41,180**	**41,171**	**41,266**	**41,020**	***-246***

Notes: Totals may not add up due to independent rounding, given available secondary sources to date.

Source: OPEC.

OPEC crude oil production

OPEC crude oil production for April, as reported by OPEC Member Countries, is shown in the table below.

Table 5 - 8: OPEC crude oil production based on *direct communication*, tb/d

Direct communication	2022	2023	3Q23	4Q23	1Q24	Feb 24	Mar 24	Apr 24	*Change* Apr/Mar
Algeria	1,020	973	951	958	907	906	907	907	*0*
Congo	262	271	269	259	252	245	254	259	*5*
Equatorial Guinea	81	55	58	53	53	47	60	60	*0*
Gabon	191	223	232	234	..	..	..	..	..
IR Iran	..	..	..	..	..	..	..	..	..
Iraq	4,453	4,117	4,101	4,123	3,957	3,992	3,903	3,891	*-12*
Kuwait	2,707	2,590	2,548	2,548	2,413	2,413	2,413	2,413	*0*
Libya	..	1,189	1,187	1,191	1,149	1,173	1,236	..	..
Nigeria	1,138	1,234	1,201	1,313	1,327	1,322	1,231	1,281	*51*
Saudi Arabia	10,591	9,606	8,969	8,901	8,979	9,011	8,973	8,986	*13*
UAE	3,064	2,944	2,904	2,892	2,919	2,914	2,918	2,917	*-1*
Venezuela	716	783	797	796	864	877	874	878	*4*
Total OPEC	..	..	..	..	..	..	..	..	..

Notes: .. Not available. Totals may not add up due to independent rounding.

Source: OPEC.

Commercial Stock Movements

Preliminary March 2024 data shows total OECD commercial oil stocks up by 20.2 mb, m-o-m. At 2,793 mb, they were 34 mb higher than the same time one year ago, but 38 mb lower than the latest five-year average and 121 mb below the 2015–2019 average. Within the components, crude and product stocks rose by 6.8 mb and 13.5 mb, m-o-m, respectively.

OECD commercial crude stocks stood at 1,369 mb in March. This was 22 mb lower than the same time a year ago, 29 mb below the latest five-year average, and 93 mb less than the 2015–2019 average.

OECD total product stocks in March stood at 1,424 mb. This is 56 mb higher than the same time a year ago, but 9 mb lower than the latest five-year average, and 27 mb below the 2015–2019 average.

In terms of days of forward cover, OECD commercial stocks increased in March by 0.2 days, m-o-m, to stand at 60.8 days. This is 0.4 days higher than the level registered in March 2023, but 4.4 days lower than the latest five-year average, and 1.7 days less than the 2015–2019 average.

Preliminary data for April 2024 shows that total US commercial oil stocks rose by 26.5 mb, m-o-m, to stand at 1,242 mb. This is 3.8 mb, or 0.3%, lower than the same month in 2023 and 31.5 mb, or 2.5%, below the latest five-year average. Crude and product stocks rose by 9.5 mb and 17.0 mb, m-o-m, respectively.

OECD

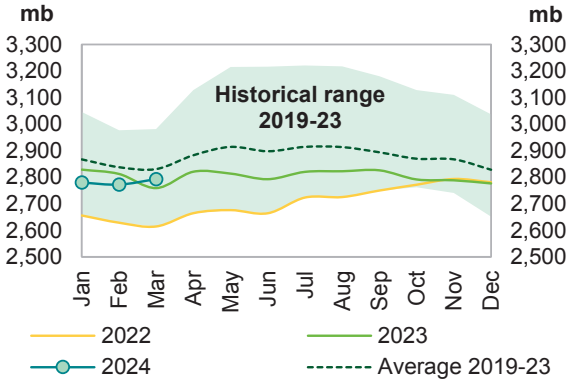
Preliminary March 2024 data shows total OECD **commercial oil stocks** up by 20.2 mb, m-o-m. At 2,793 mb, they were 34 mb higher than the same time one year ago, but 38 mb lower than the latest five-year average and 121mb below the 2015–2019 average.

Within the components, crude and product stocks rose by 6.8 mb and 13.5 mb, m-o-m, respectively.

Within the OECD regions, in March, total commercial oil stocks fell in OECD Americas and OECD Asia Pacific, while they rose in OECD Europe.

OECD **commercial crude stocks** rose by 6.8 mb, m-o-m, ending March at 1,369 mb. This was 22 mb lower than the same time a year ago, 29 mb below the latest five-year average, and 93 mb less than the 2015–2019 average.

Graph 9 - 1: OECD commercial oil stocks



Sources: Argus, EIA, Euroilstock, IEA, METI and OPEC.

Within the OECD regions, OECD Americas and OECD Europe saw crude stock builds of 3.5 mb and 6.7 mb, m-o-m, respectively, while crude stocks in OECD Asia Pacific fell by 3.4 mb, m-o-m.

OECD **total product stocks** rose by 13.5 mb in March to stand at 1,424 mb. This is 56 mb higher than the same time a year ago, but 9 mb lower than the latest five-year average, and 27 mb below the 2015–2019 average.

Within the OECD regions, product stocks in OECD Europe witnessed a build of 26.8 mb, m-o-m, while OECD Americas and OECD Asia-Pacific product stocks dropped by 9.0 mb and 4.3 mb, respectively.

Table 9 - 1: OECD commercial stocks, mb

OECD stocks	Mar 23	Jan 24	Feb 24	Mar 24	*Change* Mar 24/Feb 24
Crude oil	1,391	1,329	1,362	1,369	*6.8*
Products	1,368	1,451	1,410	1,424	*13.5*
Total	**2,759**	**2,780**	**2,773**	**2,793**	***20.2***
Days of forward cover	**60.4**	**60.7**	**60.6**	**60.8**	***0.2***

Note: Totals may not add up due to independent rounding.
Sources: Argus, EIA, Euroilstock, IEA, METI and OPEC.

In terms of **days of forward cover**, OECD commercial stocks increased in March by 0.2 days, m-o-m, to stand at 60.8 days. This is 0.4 days higher than the level registered in March 2023, but 4.4 days lower than the latest five-year average, and 1.7 days less than the 2015–2019 average.

Within the OECD regions, OECD Americas stood at 5.7 days and OECD Europe 5.1 days below the latest five-year average, at 58.6 days and 70.1 days, respectively. OECD Asia Pacific was 0.6 days above the latest five-year average, standing at 50.9 days.

OECD Americas

OECD Americas' **total commercial stocks** fell in March by 5.5 mb, m-o-m, to settle at 1,488 mb. This is 1.3 mb lower than the same month in 2023 and 24.9 mb below the latest five-year average.

Commercial **crude oil stocks** in OECD Americas rose in March by 3.5 mb, m-o-m, to stand at 783 mb, which is 0.7 mb less than in March 2023, but 0.3 mb higher than the latest five-year average.

In contrast, **total product stocks** in OECD Americas fell by 9.0 mb, m-o-m, in March to stand at 704 mb. This is 0.6 mb lower than the same month in 2023 and 25.1 mb below the latest five-year average. Higher consumption in the region was behind the product stock draw.

OECD Europe

OECD Europe's **total commercial stocks** rose in March by 33.4 mb, m-o-m, to settle at 950 mb. This is 30.6 mb higher than the same month in 2023, but 16.0 mb below the latest five-year average.

OECD Europe's **commercial crude stocks** increased by 6.7 mb, m-o-m, to end March at 397 mb. This is 16.4 mb less than one year ago and 30.3 mb lower than the latest five-year average.

Europe's **total product stocks** rose by 26.8 mb, m-o-m, to end March at 553 mb. This is 47.0 mb higher than the same time a year ago and 14.3 mb above the latest five-year average.

OECD Asia Pacific

OECD Asia Pacific's **total commercial oil stocks** fell in March by 7.7 mb, m-o-m, to stand at 355 mb. This is 4.3 mb higher than the same time a year ago and 3.0 mb above the latest five-year average.

OECD Asia Pacific's **crude stocks** fell by 3.4 mb, m-o-m, to end March at 189 mb. This is 5.0 mb lower than one year ago, but 0.7 mb higher than the latest five-year average.

OECD Asia Pacific's **total product stocks** dropped by 4.3 mb, m-o-m, to end March at 166 mb. This is 9.2 mb higher than one year ago and 2.3 mb above the latest five-year average.

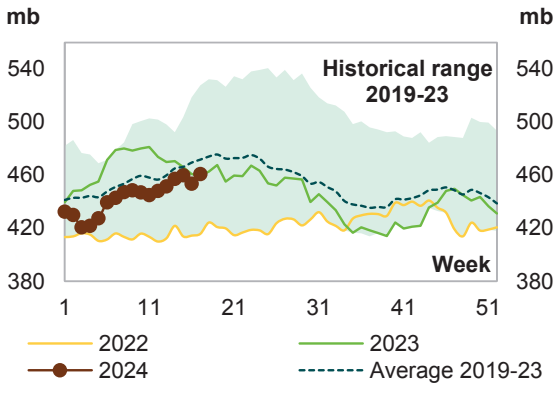
US

Preliminary data for **April 2024** shows that **total US commercial oil stocks** rose by 24.4 mb, m-o-m, to stand at 1,239 mb. This is 6.0 mb, or 0.5%, lower than the same month in 2023 and 33.6 mb, or 2.6%, below the latest five-year average. Crude and product stocks rose by 8.1 mb and 16.3 mb, m-o-m, respectively.

US commercial **crude stocks** in April stood at 460 mb. This is 0.4 mb, or 0.1%, lower than the same month in 2023, and 13.5 mb, or 2.9%, below the latest five-year average. The monthly build in crude oil stocks was seen despite higher crude runs.

Total product stocks rose in April to stand at 780 mb. This is 5.6 mb, or 0.7%, lower than April 2023, and 20.1 mb, or 2.5%, below the latest five-year average. The product stock build can be attributed to lower product consumption.

Graph 9 - 2: US weekly commercial crude oil inventories



Sources: EIA and OPEC.

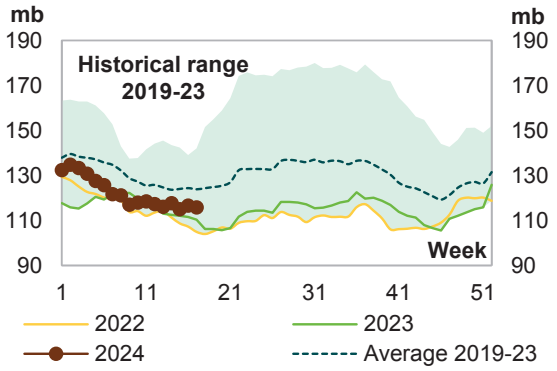
Gasoline stocks rose in April by 0.2 mb, m-o-m, to settle at 228.0 mb. This is 4.4 mb, or 2.0%, higher than the same month in 2023, but 8.3 mb, or 3.5%, below the latest five-year average.

Distillate stocks in April rose by 0.3 mb, m-o-m, to stand at 116.4 mb. This is 4.3 mb, or 3.9%, higher than the same month in 2023, but 10.5 mb, or 8.3%, below the latest five-year average.

Jet fuel stocks increased by 0.4 mb, m-o-m, ending April at 41.3 mb. This is 0.1 mb, or 0.2%, higher than the same month in 2023, and 1.2 mb, or 3.0%, above the latest five-year average.

By contrast, residual fuel oil stocks in April fell by 1.5 mb, m-o-m. At 28.2 mb, they were 3.9 mb, or 12.0%, less than a year earlier, and 3.5 mb, or 11.0%, below the latest five-year average.

Graph 9 - 3: US weekly distillate inventories



Sources: EIA and OPEC.

Table 9 - 2: US commercial petroleum stocks, mb

US stocks	Apr 23	Feb 24	Mar 24	Apr 24	Change Apr 24/Mar 24
Crude oil	**459.9**	**447.9**	**451.4**	**459.5**	***8.1***
Gasoline	223.6	240.2	227.8	228.0	*0.2*
Distillate fuel	112.1	117.8	116.1	116.4	*0.3*
Residual fuel oil	32.1	28.9	29.7	28.2	*-1.5*
Jet fuel	41.2	39.9	40.9	41.3	*0.4*
Total products	**785.6**	**773.8**	**763.7**	**780.0**	***16.3***
Total	**1,245.5**	**1,221.7**	**1,215.1**	**1,239.5**	***24.4***
SPR	**363.7**	**361.0**	**363.6**	**367.2**	***3.6***

Japan

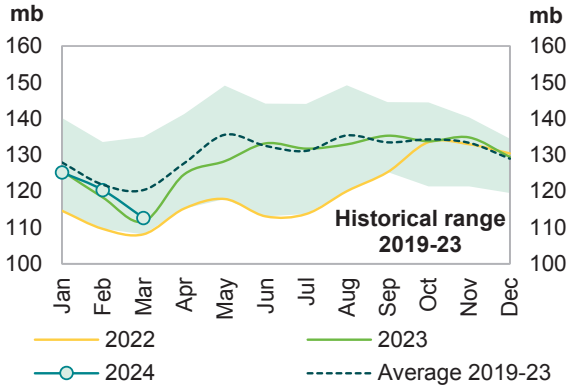
In Japan, **total commercial oil stocks** in **March 2024** fell by 7.7 mb, m-o-m, to settle at 112.7 mb. This is 1.0 mb, or 0.9%, higher than the same month in 2023, but 7.6 mb, or 6.3%, below the latest five-year average. Crude and product stocks fell by 3.4 mb and 4.3 mb, m-o-m, respectively.

Japanese **commercial crude oil stocks** fell in March by 3.4 mb, m-o-m, to stand at 62.6 mb. This is 0.5 mb, or 0.8%, higher than the same month in 2023, but 5.3 mb, or 7.8%, below the latest five-year average. The fall in crude stocks came on the back of lower crude imports, which decreased in March by 50 tb/d, or 2.1%, m-o-m, to average 2.4 mb/d.

Gasoline stocks fell by 1.0 mb, m-o-m, to stand at 9.8 mb in March. This is 0.3 mb, or 2.6%, lower than a year earlier and 1.1 mb, or 10.5%, lower than the latest five-year average. The drop in gasoline stocks came on the back of higher gasoline domestic sales, which increased by 10.1%, m-o-m, in March.

Distillate stocks dropped by 4.1 mb, m-o-m, to end March at 20.3 mb. This is 1.1 mb, or 5.4%, higher than the same month in 2023, but 1.0 mb, or 4.5%, lower than the latest five-year average.

Graph 9 - 4: Japan's commercial oil stocks



Sources: METI and OPEC.

Within the distillate components, gasoil and kerosene stocks fell by 12% and 31.2%, respectively, while jet fuel stocks rose by 9.2%.

Total residual fuel oil stocks fell m-o-m by 0.7 mb to end March at 11.0 mb. This is 0.4 mb, or 3.4%, below the same month in 2023, and 0.4 mb, or 3.5%, less than the latest five-year average. Within the components, fuel oil A and fuel oil B.C stocks fell by 9.0% and 3.8%, respectively.

Table 9 - 3: Japan's commercial oil stocks*, mb

Japan's stocks	Mar 23	Jan 24	Feb 24	Mar 24	Change Mar 24/Feb 24
Crude oil	**62.0**	**66.5**	**65.9**	**62.6**	***-3.4***
Gasoline	10.0	11.3	10.8	9.8	*-1.0*
Naphtha	8.9	8.2	7.5	9.0	*1.4*
Middle distillates	19.3	26.9	24.4	20.3	*-4.1*
Residual fuel oil	11.4	12.4	11.7	11.0	*-0.7*
Total products	**49.6**	**58.8**	**54.4**	**50.1**	***-4.3***
Total**	**111.7**	**125.3**	**120.4**	**112.7**	***-7.7***

*Note: * At the end of the month. ** Includes crude oil and main products only.*

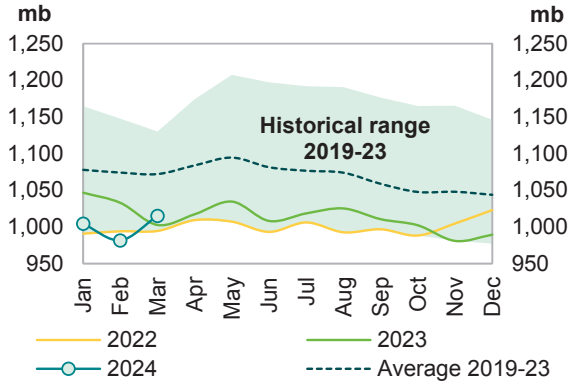
Sources: METI and OPEC.

EU-14 plus UK and Norway

Preliminary data for **March 2024** showed that **total European commercial oil stocks** rose by 33.4 mb, m-o-m, to stand at 1,015 mb. At this level, they were 12.5 mb, or 1.3%, above the same month in 2023 but 56.9 mb, or 5.3%, less than the latest five-year average. Crude and product stocks rose by 6.7 mb and 26.8 mb, m-o-m, respectively.

European **crude stocks** stood at 420.4 mb in March. This is 3.6 mb, or 0.9%, lower than the same month in 2023 and 38.9 mb, or 8.5%, below the latest five-year average. The drop in crude oil stocks came on the back of lower refinery throughput in the EU-14, plus the UK and Norway, which fell by around 340 tb/d, m-o-m, to stand at 9.4 mb/d.

Graph 9 - 5: EU-14 plus UK and Norway total oil stocks



Sources: Argus, Euroilstock and OPEC.

Total European product stocks rose by 26.8 mb, m-o-m, to end March at 594.7 mb. This is 16.2 mb, or 2.8%, higher than the same month in 2023, but 18.0 mb, or 2.9%, below the latest five-year average. The stock build can be attributed to lower demand in the region.

Gasoline stocks rose in March by 4.7 mb, m-o-m, to stand at 110.1 mb, which is 1.7 mb, or 1.6%, higher than the same time in 2023, but 4.4 mb, or 3.8%, below the latest five-year average.

Middle distillate stocks increased in March by 17.8 mb, m-o-m, to stand at 395.6 mb. This is 14.4 mb, or 3.8%, less than the same month in 2023, but 8.2 mb, or 2.0%, lower than the latest five-year average.

Residual fuel stocks rose in March by 2.0 mb, m-o-m, to stand at 60.2 mb. This is 0.9 mb, or 1.4%, lower than the same month in 2023 and 3.8 mb, or 5.9%, below the latest five-year average.

Naphtha stocks were up in March by 2.4 mb, m-o-m, ending the month at 28.9 mb. This is 0.9 mb, or 3.3%, above the same month in 2023, but 1.7 mb, or 5.5%, lower than the latest five-year average.

Table 9 - 4: EU-14 plus UK and Norway's total oil stocks, mb

EU stocks	Mar 23	Jan 24	Feb 24	Mar 24	Change Mar 24/Feb 24
Crude oil	**424.1**	**413.8**	**413.8**	**420.4**	***6.7***
Gasoline	108.4	112.7	105.4	110.1	*4.7*
Naphtha	28.0	27.8	26.5	28.9	*2.4*
Middle distillates	381.1	389.5	377.8	395.6	*17.8*
Fuel oils	61.1	60.5	58.2	60.2	*2.0*
Total products	**578.5**	**590.5**	**567.9**	**594.7**	***26.8***
Total	**1,002.6**	**1,004.2**	**981.7**	**1,015.1**	***33.4***

Sources: Argus, Euroilstock and OPEC.

Singapore, Amsterdam-Rotterdam-Antwerp (ARA) and Fujairah

Singapore

In **March**, **total product stocks** in Singapore rose by 0.3 mb, m-o-m, to stand at 46.6 mb. This is 1.4 mb, or 2.9%, lower than the same month in 2023 and 1.3 mb, or 2.7%, below the latest five-year average.

Middle distillate stocks increased in March by 0.1 mb, m-o-m, to stand at 10.2 mb. This is 0.6 mb, or 6.1%, higher than in March 2023, but 0.6 mb, or 5.6%, below the latest five-year average.

Residual fuel oil stocks rose by 0.9 mb, m-o-m, ending March at 21.2 mb. This is 1.7 mb, or 7.5%, lower than in March 2023, and 1.2 mb, or 5.3%, below the latest five-year average.

By contrast, **light distillate stocks** fell in March by 0.7 mb, m-o-m, to stand at 15.2 mb. This is 0.3 mb, or 1.8%, less than the same month in 2023, but 0.5 mb, or 3.5%, above the latest five-year average.

ARA

Total product stocks in ARA in March rose by 0.5 mb, m-o-m. At 45.2 mb, they were 1.2 mb, or 2.6%, below the same month in 2023, but 1.5 mb, or 3.5 %, above the latest five-year average.

Gasoline stocks rose by 0.5 mb, m-o-m, ending March at 10.5 mb. This is 1.9 mb, or 15.4%, lower than in March 2023, and 0.3 mb, or 3.1%, below the latest five-year average.

Gasoil stocks in March increased by 0.3 mb, m-o-m, to stand at 15.7 mb. This is 1.9 mb, or 10.8%, less than the same month in 2023 and 0.5 mb, or 3.4%, lower than the latest five-year average.

Jet oil stocks rose by 0.1 mb, m-o-m, to stand at 5.7 mb in March. This is 0.8 mb, or 12.1%, below the level seen in February 2024 and 0.5 mb, or 8.2%, lower than the latest five-year average.

By contrast, **fuel oil stocks** fell in March by 0.2 mb, m-o-m, to stand at 9.4 mb. This is 1.4 mb, or 17.9%, higher than in March 2023 and 1.6 mb, or 20.3%, above the latest five-year average.

Fujairah

During the week ending 29 April 2024, **total oil product stocks** in Fujairah fell by 0.84 mb, w-o-w, to stand at 20.8 mb, according to data from FEDCom and S&P Global Commodity Insights. At this level, total oil stocks were 1.1 mb higher than at the same time a year ago.

Light distillate stocks rose by 0.14 mb, w-o-w, to stand at 7.45 mb, which is 0.69 mb higher than a year ago.

By contrast, **middle distillate stocks** fell by 0.1 mb, w-o-w, to stand at 3.47 mb, which is 0.49 mb higher than the same time last year.

Heavy distillate stocks also dropped by 0.89 mb, w-o-w, to stand at 9.88 mb, which is 0.07 mb below the same time a year ago.

Balance of Supply and Demand

Demand for DoC crude (i.e. crude from countries participating in the Declaration of Cooperation) remained unchanged from the previous assessment to stand at 43.2 mb/d in 2024, around 0.9 mb/d higher than the estimate for 2023.

According to secondary sources, DoC crude production in 1Q24 averaged 41.2 mb/d, which is 1.5 mb/d lower than demand for DoC crude.

Demand for DoC crude in 2025 remained unchanged from the previous assessment to stand at 44.0 mb/d, around 0.8 mb/d higher than the estimate for 2024.

Balance of supply and demand in 2024

Demand for DoC crude

Demand for DoC crude in 2024 remained unchanged from the previous assessment to stand at 43.2 mb/d, around 0.9 mb/d higher than the estimate for 2023.

Compared with the previous assessment, demand for DoC crude for 2Q24 is revised down by 0.1 mb/d, while demand for DoC crude for 1Q24, 3Q24 and 4Q24 remained unchanged.

Compared with the same quarters in 2023, demand for DoC crude in 1Q24 and 2Q24 is expected to increase by 0.5 mb/d and 0.3 mb/d, y-o-y, respectively, while 3Q24 and 4Q24 are forecast to see a rise of 1.4 mb/d each.

According to secondary sources, DoC crude production in 1Q24 averaged 41.2 mb/d, which is 1.5 mb/d lower than demand for DoC crude.

Table 10 - 1: DoC supply/demand balance for 2024*, mb/d

	2023	1Q24	2Q24	3Q24	4Q24	2024	Change 2024/23
(a) World oil demand	**102.2**	**103.6**	**103.7**	**104.9**	**105.6**	**104.5**	***2.2***
Non-DoC liquids production	51.7	52.5	52.7	52.9	53.7	53.0	*1.2*
DoC NGL and non-conventionals	8.2	8.3	8.3	8.3	8.3	8.3	*0.1*
(b) Total non-DoC liquids production and DoC NGLs	**59.9**	**60.8**	**61.0**	**61.2**	**62.0**	**61.3**	***1.4***
Difference (a-b)	**42.3**	**42.7**	**42.8**	**43.7**	**43.6**	**43.2**	***0.9***
DoC crude oil production	**42.0**	**41.2**					
Balance	**-0.3**	**-1.5**					

*Note: * 2024 = Forecast. Totals may not add up due to independent rounding.*

Source: OPEC.

Balance of supply and demand in 2025

Demand for DoC crude

Demand for DoC crude in 2025 remained unchanged from the previous assessment to stand at 44.0 mb/d, around 0.8 mb/d higher than the level estimated for 2024.

Compared with the previous assessment, demand for DoC crude for 2Q25 is revised down by 0.1 mb/d, while demand for DoC crude for 1Q25, 3Q25 and 4Q25 remained unchanged.

Compared with the same quarters in 2024, demand for DoC crude in 1Q25 and 2Q25 is expected to increase by 0.4 mb/d and 0.7 mb/d, y-o-y, respectively, while 3Q25 and 4Q25 are forecast to be 1.1 mb/d and 0.9 mb/d higher, y-o-y, respectively.

Table 10 - 2: DoC supply/demand balance for 2025*, mb/d

	2024	1Q25	2Q25	3Q25	4Q25	2025	Change 2025/24
(a) World oil demand	**104.5**	**105.4**	**105.5**	**107.0**	**107.4**	**106.3**	***1.8***
Non-DoC liquids production	53.0	54.0	53.7	54.0	54.6	54.1	*1.1*
DoC NGL and non-conventionals	8.3	8.3	8.3	8.2	8.3	8.3	*0.0*
(b) Total non-DoC liquids production and DoC NGLs	**61.3**	**62.3**	**62.0**	**62.2**	**62.9**	**62.4**	***1.1***
Difference (a-b)	**43.2**	**43.1**	**43.4**	**44.8**	**44.5**	**44.0**	***0.8***

*Note: * 2025 = Forecast. Totals may not add up due to independent rounding.*

Source: OPEC.

Table 11 - 1: World oil demand and supply balance, mb/d

World oil demand and supply balance	2021	2022	2023	1Q24	2Q24	3Q24	4Q24	2024	1Q25	2Q25	3Q25	4Q25	2025
World demand													
Americas	24.0	24.8	25.0	24.6	25.4	25.6	25.4	25.2	24.6	25.4	25.7	25.5	25.3
of which US	*19.8*	*20.2*	*20.4*	*20.0*	*20.7*	*20.7*	*20.8*	*20.5*	*20.0*	*20.7*	*20.7*	*20.9*	*20.6*
Europe	13.2	13.5	13.4	13.2	13.6	13.7	13.3	13.4	13.2	13.6	13.7	13.4	13.5
Asia Pacific	7.3	7.4	7.3	7.8	7.0	7.1	7.5	7.3	7.8	7.0	7.1	7.5	7.3
Total OECD	**44.5**	**45.7**	**45.8**	**45.5**	**45.9**	**46.4**	**46.3**	**46.0**	**45.6**	**46.0**	**46.5**	**46.4**	**46.1**
China	15.4	15.0	16.3	16.5	16.8	17.2	17.3	17.0	16.9	17.2	17.7	17.7	17.4
India	4.8	5.1	5.3	5.7	5.6	5.4	5.6	5.6	5.9	5.9	5.6	5.8	5.8
Other Asia	8.7	9.1	9.3	9.7	9.7	9.5	9.5	9.6	10.0	10.1	9.8	9.8	9.9
Latin America	6.2	6.4	6.7	6.8	6.9	7.0	6.9	6.9	7.0	7.1	7.2	7.1	7.1
Middle East	7.8	8.3	8.6	8.8	8.6	9.2	9.0	8.9	9.1	8.9	9.7	9.4	9.3
Africa	4.2	4.4	4.5	4.6	4.4	4.4	4.8	4.6	4.8	4.5	4.5	4.9	4.7
Russia	3.6	3.8	3.8	3.9	3.8	4.0	4.1	3.9	4.0	3.9	4.0	4.1	4.0
Other Eurasia	1.2	1.2	1.2	1.3	1.2	1.1	1.3	1.2	1.3	1.3	1.1	1.3	1.3
Other Europe	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Total Non-OECD	**52.7**	**54.0**	**56.5**	**58.0**	**57.8**	**58.5**	**59.3**	**58.4**	**59.8**	**59.5**	**60.4**	**61.0**	**60.2**
(a) Total world demand	**97.2**	**99.7**	**102.2**	**103.6**	**103.7**	**104.9**	**105.6**	**104.5**	**105.4**	**105.5**	**107.0**	**107.4**	**106.3**
Y-o-y change	***5.9***	***2.5***	***2.6***	***2.4***	***2.0***	***2.5***	***2.1***	***2.2***	***1.8***	***1.7***	***2.1***	***1.8***	***1.8***
Non-DoC liquids production													
Americas	23.5	24.9	26.6	26.9	27.0	27.4	27.9	27.3	27.9	27.7	27.9	28.3	27.9
of which US	*18.1*	*19.3*	*20.9*	*20.9*	*21.2*	*21.4*	*21.8*	*21.3*	*21.7*	*21.8*	*21.8*	*22.0*	*21.8*
Europe	3.8	3.6	3.7	3.7	3.8	3.7	3.9	3.8	3.9	3.8	3.8	3.9	3.9
Asia Pacific	0.5	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Total OECD	**27.8**	**29.0**	**30.7**	**31.0**	**31.2**	**31.5**	**32.2**	**31.5**	**32.2**	**31.9**	**32.1**	**32.6**	**32.2**
China	4.3	4.4	4.5	4.6	4.6	4.5	4.5	4.5	4.6	4.6	4.5	4.5	4.5
India	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Other Asia	1.7	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.5	1.5	1.6
Latin America	6.0	6.3	7.0	7.3	7.3	7.4	7.4	7.3	7.5	7.5	7.6	7.8	7.6
Middle East	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Africa	2.3	2.3	2.2	2.3	2.2	2.2	2.3	2.2	2.3	2.3	2.3	2.3	2.3
Other Eurasia	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Other Europe	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Total Non-OECD	**17.5**	**17.9**	**18.6**	**19.0**	**19.0**	**18.9**	**19.0**	**19.0**	**19.2**	**19.2**	**19.2**	**19.4**	**19.3**
Total Non-DoC production	45.4	46.9	49.3	50.0	50.2	50.4	51.2	50.4	51.4	51.1	51.4	52.0	51.5
Processing gains	2.3	2.4	2.5	2.5	2.5	2.5	2.5	2.5	2.6	2.6	2.6	2.6	2.6
Total Non-DoC liquids production	**47.7**	**49.3**	**51.7**	**52.5**	**52.7**	**52.9**	**53.7**	**53.0**	**54.0**	**53.7**	**54.0**	**54.6**	**54.1**
DoC NGLs	7.6	7.9	8.2	8.3	8.3	8.3	8.3	8.3	8.3	8.3	8.2	8.3	8.3
(b) Total Non-DoC liquids production and DoC NGLs	**55.3**	**57.2**	**59.9**	**60.8**	**61.0**	**61.2**	**62.0**	**61.3**	**62.3**	**62.0**	**62.2**	**62.9**	**62.4**
Y-o-y change	***0.6***	***1.9***	***2.7***	***1.9***	***1.7***	***1.1***	***0.7***	***1.4***	***1.5***	***1.0***	***1.0***	***0.9***	***1.1***
OPEC crude oil production (secondary sources)	25.2	27.7	27.0	26.5									
Non-OPEC DoC crude production	15.0	15.1	15.0	14.7									
DoC crude oil production	**40.3**	**42.8**	**42.0**	**41.2**									
Total liquids production	**95.5**	**100.1**	**101.9**	**102.0**									
Balance (stock change and miscellaneous)	*-1.6*	*0.4*	*-0.3*	*-1.5*									
OECD closing stock levels, *mb*													
Commercial	2,652	2,781	2,777	2,793									
SPR	1,484	1,214	1,207	1,212									
Total	**4,136**	**3,995**	**3,983**	**4,005**									
Oil-on-water	1,348	1,546	1,438	1,538									
Days of forward consumption in OECD, *days*													
Commercial onland stocks	58	61	60	61									
SPR	32	27	26	26									
Total	**91**	**87**	**87**	**87**									
Memo items													
(a) - (b)	**41.9**	**42.4**	**42.3**	**42.7**	**42.8**	**43.7**	**43.6**	**43.2**	**43.1**	**43.4**	**44.8**	**44.5**	**44.0**

Note: Totals may not add up due to independent rounding.

Source: OPEC.

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Oil Market Report - May 2024

About this report
The IEA Oil Market Report (OMR) is one of the world's most authoritative and timely sources of data, forecasts and analysis on the global oil market – including detailed statistics and commentary on oil supply, demand, inventories, prices and refining activity, as well as oil trade for IEA and selected non-IEA countries.

Published May 2024

Highlights

- Global oil demand is set to rise by 1.1 mb/d in 2024, 140 kb/d less than projected in last month's Report as weak deliveries, notably in Europe, shifted first-quarter OECD demand into contraction. The outlook for 2025 is comparatively unchanged, with the pace of growth now marginally surpassing 2024 at 1.2 mb/d.
- World oil supply is projected to increase by 580 kb/d this year to a record 102.7 mb/d as non-OPEC+ output rises by 1.4 mb/d while OPEC+ production falls 840 kb/d, assuming that voluntary cuts are maintained. Global gains of 1.8 mb/d are expected in 2025 as non-OPEC+ adds a further 1.4 mb/d. In April, world oil supply fell 200 kb/d to 102 mb/d.
- Global refinery margins eased across all regions in April, as weaker-than-expected demand growth underpinned a collapse in middle distillate cracks and lower throughput levels. Annual growth in refinery activity is forecast to accelerate from just above zero in 1Q24 to 500 kb/d in 2Q24 and to 1.8 mb/d in 2H24.
- Global oil inventories surged by 34.6 mb in March, as oil on water swelled to a fresh post-pandemic high. On land stocks fell by 5.1 mb to their lowest level since at least 2016, as total OECD stocks declined by 8.8 mb to a 20-year low while non-OECD inventories built for the first time since November. According to preliminary data, global oil stocks rose further in April.
- Brent futures eased from a six-month high above $91/bbl in early April to around $83/bbl as concerns about a wider Middle East conflict subsided and softer macro sentiment weighed on prices. Amid heavy investor selling and weak demand, middle distillates led the decline, as the diesel forward curve slipped into contango after years of backwardation and cracks fell to one-year lows.

Spring sell-off
Benchmark oil prices corrected sharply lower over the course of April and early May, as concerns over the health of the global economy and oil demand fuelled a sell-off. Reports of progress towards a truce in Gaza also weighed on oil prices, although geopolitical tensions remain high. Brent crude futures traded at around $83/bbl at the time of writing, down nearly $8/bbl from a month earlier despite signs of tightness in the crude oil market.

The spring sell-off was most notable in middle distillate markets, as diesel and jet fuel cracks collapsed while the NYMEX ULSD front-month contract flipped into contango after years of backwardation. In the process, global refinery margins fell to near two-year lows, spurring

talks of run cuts that could undermine the seasonal rebound in throughput rates. The slump in European refinery margins in April outpaced those seen in the US Gulf Coast and Singapore, reflecting its heavy reliance on diesel output and weak regional demand eroding the premium needed to attract long-haul imports from East of Suez.

Poor industrial activity and another mild winter have sapped gasoil consumption this year, particularly in Europe where a declining share of diesel cars in the fleet were already undercutting consumption. Following a 210 kb/d annual contraction in 2023, European gasoil demand declined by another 140 kb/d y-o-y in 1Q24. Combined with weak diesel deliveries in the United States at the start of the year, this was enough to tip OECD oil demand in the first quarter back into contraction. Global oil demand is now expected to rise by 1.1 mb/d in 2024, 140 kb/d less than projected in last month's Report. Our global outlook for 2025 is largely unchanged, with the pace of growth now marginally eclipsing 2024 at 1.2 mb/d.

The health of global oil demand will likely be a key topic for discussion when OPEC+ ministers meet in Vienna on 1 June to chart production policy for the remainder of the year. Despite the recent weakness, our current balances show the call on OPEC+ crude oil at around 42 mb/d in the second half of this year – roughly 700 kb/d above its April output.

Next year, the market looks more balanced overall. Even if OPEC+ voluntary production cuts were to stay in place, global oil supply could jump by 1.8 mb/d compared with this year's more modest 580 kb/d annual increase. Non-OPEC+ output is forecast to expand by 1.4 mb/d in both years, while OPEC+ output flips from an 840 kb/d decline this year to growth of 330 kb/d in 2025. The United States, Guyana, Canada and Brazil continue to dominate gains, even as the pace of the US supply expansion decelerates.

The June meeting may also look closely at global oil inventories as a gauge for the delicate balancing act of world oil demand and supply. Preliminary data show further stock builds in April as onshore inventories skyrocketed after oil on water was discharged. Increasing trade dislocations had pushed oil on water to a post-pandemic high in March, while onshore stocks were at their lowest since at least 2016. A return to historical average stock levels will be key to avoid renewed market volatility.

OPEC+ crude oil production[1]

million barrels per day

	Mar 2024 Supply	Apr 2024 Supply	Apr Prod vs Target	Apr-2024 Implied Target[1]	Sustainable Capacity[2]	Eff Spare Cap vs Apr[3]
Algeria	0.91	0.91	0.0	0.91	0.99	0.08
Congo	0.25	0.26	-0.02	0.28	0.27	0.01
Equatorial Guinea	0.06	0.05	-0.02	0.07	0.06	0.01
Gabon	0.23	0.21	0.04	0.17	0.22	0.01
Iraq	4.26	4.24	0.24	4.0	4.87	0.63
Kuwait	2.47	2.49	0.08	2.41	2.88	0.39
Nigeria	1.24	1.28	-0.22	1.5	1.42	0.14
Saudi Arabia	9.02	9.03	0.05	8.98	12.11	3.08
UAE	3.14	3.15	0.24	2.91	4.28	1.13
Total OPEC-9[4]	**21.58**	**21.62**	**0.4**	**21.22**	**27.1**	**5.48**
Iran[5]	3.25	3.3			3.8	
Libya[5]	1.16	1.19			1.23	0.04
Venezuela[5]	0.86	0.86			0.87	0.01
Total OPEC	**26.85**	**26.97**			**33.0**	**5.52**
Azerbaijan	0.48	0.48	-0.08	0.55	0.54	0.06
Kazakhstan	1.62	1.59	0.13	1.47	1.67	0.08
Mexico[6]	1.59	1.6			1.61	0.01
Oman	0.76	0.76	0.0	0.76	0.85	0.09
Russia	9.45	9.3	0.2	9.1	9.84	
Others [7]	0.76	0.73	-0.13	0.87	0.88	0.14
Total Non-OPEC	**14.67**	**14.46**	**0.12**	**12.74**	**15.38**	**0.38**
OPEC+ 18 in Nov 2022 deal[5]	**34.65**	**34.48**	**0.51**	**33.97**	**40.87**	**5.85**
Total OPEC+	**41.52**	**41.43**			**48.38**	**5.9**

1. Includes extra voluntary curbs where announced. 2. Capacity levels can be reached within 90 days and sustained for an extended period. 3. Excludes shut in Iranian, Russian crude. 4. Angola left OPEC effective 1 Jan 2024. 5. Iran, Libya, Venezuela exempt from cuts. 6. Mexico excluded from OPEC+ compliance. 7. Bahrain, Brunei, Malaysia, Sudan and South Sudan.

IEA World Oil Supply and Demand Forecasts: Summary (Table)

2024-05-15 08:00:00.3 GMT

By Kristian Siedenburg

(Bloomberg) -- Following is a summary of world oil supply and demand forecasts from the International Energy Agency in Paris:

	4Q 2025	3Q 2025	2Q 2025	1Q 2025	4Q 2024	3Q 2024	2Q 2024	1Q 2024	2025	2024
	Demand									
Total Demand	105.1	105.3	104.1	102.8	103.9	104.1	102.9	101.7	104.3	103.2
Total OECD	45.9	46.0	45.3	45.0	46.0	45.9	45.5	45.1	45.6	45.6
Americas	25.2	25.4	25.1	24.6	25.1	25.3	25.1	24.6	25.1	25.1
Europe	13.3	13.6	13.3	12.8	13.2	13.5	13.4	12.9	13.3	13.2
Asia Oceania	7.5	7.0	7.0	7.7	7.6	7.0	7.0	7.6	7.3	7.3
Non-OECD countries	59.2	59.3	58.8	57.7	58.0	58.2	57.4	56.5	58.8	57.5
FSU	5.0	5.1	4.8	4.8	5.0	5.0	4.8	4.8	4.9	4.9
Europe	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
China	17.5	17.6	17.4	16.8	17.2	17.3	16.9	16.5	17.3	17.0
Other Asia	15.5	15.0	15.5	15.5	15.1	14.6	15.0	15.1	15.4	15.0
Americas	6.6	6.6	6.5	6.3	6.5	6.5	6.4	6.3	6.5	6.4
Middle East	9.2	9.8	9.3	8.9	8.9	9.6	9.1	8.7	9.3	9.1
Africa	4.6	4.4	4.5	4.5	4.5	4.4	4.4	4.4	4.5	4.4
	Supply									
Total Supply	n/a	n/a	n/a	n/a	n/a	n/a	n/a	101.7	n/a	n/a
Non-OPEC	72.7	72.2	71.5	70.7	70.9	70.6	69.8	69.3	71.8	70.2
Total OECD	33.0	32.4	32.4	32.3	32.4	31.8	31.5	31.3	32.5	31.8
Americas	29.2	28.7	28.6	28.5	28.7	28.3	27.9	27.6	28.8	28.1
Europe	3.4	3.2	3.3	3.3	3.3	3.1	3.2	3.3	3.3	3.2
Asia Oceania	0.4	0.4	0.4	0.4	0.5	0.5	0.4	0.5	0.4	0.5
Non-OECD	33.9	33.5	33.2	33.2	32.9	32.7	32.5	32.9	33.5	32.7
FSU	13.8	13.8	13.7	13.6	13.5	13.4	13.4	13.7	13.7	13.5
Europe	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
China	4.4	4.4	4.5	4.5	4.4	4.4	4.4	4.4	4.4	4.4
Other Asia	2.5	2.5	2.5	2.5	2.6	2.6	2.6	2.6	2.5	2.6
Americas	7.3	7.0	6.7	6.7	6.7	6.6	6.4	6.5	6.9	6.5
Middle East	3.2	3.2	3.1	3.1	3.1	3.1	3.1	3.1	3.2	3.1
Africa	2.6	2.6	2.6	2.6	2.6	2.5	2.5	2.5	2.6	2.5
Processing Gains	2.4	2.4	2.4	2.4	2.4	2.4	2.4	2.3	2.4	2.4
Total OPEC	n/a	n/a	n/a	n/a	n/a	n/a	n/a	32.4	n/a	n/a
Crude	n/a	n/a	n/a	n/a	n/a	n/a	n/a	26.8	n/a	n/a
Natural gas liquids NGLs	5.7	5.7	5.7	5.7	5.6	5.6	5.6	5.5	5.7	5.6
Call on OPEC crude and stock change *	26.7	27.4	26.9	26.4	27.4	27.8	27.6	26.8	26.9	27.4

NOTE: Figures are in million of barrels per day. (*) equals total demand minus non-OPEC supply and OPEC natural gas liquids.

IEA changed the way it measures OPEC supply, adopting the industry-standard approach of counting most of Venezuela's Orinoco heavy oil as "crude oil."

SOURCE: International Energy Agency

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IEA: April Crude Oil Production in OPEC Countries (Table)
2024-05-15 08:00:00.2 GMT
By Kristian Siedenburg
(Bloomberg) -- Following is a summary of oil production in OPEC countries from the International Energy Agency in Paris:

	April 2024	March 2024	April MoM
Total OPEC	26.97	26.85	0.12
Total OPEC9	21.62	21.58	0.04
Algeria	0.91	0.91	0.00
Congo	0.26	0.25	0.01
Equatorial Guinea	0.05	0.06	-0.01
Gabon	0.21	0.23	-0.02
Iraq	4.24	4.26	-0.02
Kuwait	2.49	2.47	0.02
Nigeria	1.28	1.24	0.04
Saudi Arabia	9.03	9.02	0.01
UAE	3.15	3.14	0.01
Iran	3.30	3.25	0.05
Libya	1.19	1.16	0.03
Venezuela	0.86	0.86	0.00

NOTE: Figures are in million of barrels per day. Monthly level change calculated by Bloomberg. Production data excludes condensates.
OPEC9 excludes Iran, Libya and Venezuela.
SOURCE: International Energy Agency

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IEA REPORT WRAP: Global Oil Demand Outlook Continues to Soften
2024-05-15 09:06:57.522 GMT
By Sherry Su
(Bloomberg) -- The following stories were published Wednesday from the IEA's monthly Oil Market Report:

* Global Oil Demand Growth Outlook Continues to Soften
** World fuel consumption will increase by 1.1m b/d this year, about 140k barrels less than expected a month ago
** Market is still set for deficit if OPEC+ extends production cuts
* Crude Runs Forecast in May Revised Lower on Poor Profitability
** Crude throughput for May forecast at 82.3m b/d, revised down by 820k b/d from last month's report
* Russian Oil Revenue Hit as Exports Drop to 5-Month Low
** The nation exported 7.3 million barrels a day in April
** Drone attacks impacted Russian refiners less than expected
* OPEC April Crude Output Rises 120k B/D on Iran, Libya Flows
** OPEC's April crude output rose 120k b/d from a month earlier to 26.97m b/d, led by flows from Iran, Libya and Nigeria
* Non-OPEC+ Production Gain in 2024 Trimmed on Brazil Outages
** Oil production outside the OPEC+ countries has been cut by 200k b/d for 2024 as a whole compared with the forecast made in April

OTHER:
* West Africa Oil Premiums Fall 60% on Weak European Demand
* Collapse in Diesel Car Sales Curbs European Gasoil Demand
* Non-OECD Demand Growth More Balanced as China Slows Down
** Click here for table showing supply and demand forecasts by region
** Click here for table showing April crude oil production in OPEC countries
** Click here for key forecasts for world oil supply/demand

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IEA World Oil Supply/Demand Key Forecasts
2024-05-15 08:00:00.5 GMT
By Kristian Siedenburg
(Bloomberg) -- World oil demand 2025 forecast was unrevised at 104.3m b/d in Paris-based Intl Energy Agency's latest monthly report.
* 2024 world demand was unrevised at 103.2m b/d
* Demand change in 2025 est. 1.1% y/y or 1.18m b/d

* Non-OPEC supply 2025 was revised to 71.8m b/d from 71.9m b/d
* Call on OPEC crude 2025 was revised to 26.9m b/d from 26.8m b/d
* Call on OPEC crude 2024 was revised to 27.4 m b/d from 27.3m b/d
** OPEC crude production in April rose by 120k b/d on the month to 27.0m b/d
* Detailed table: FIFW NSN SDIMP3GFA9Z5 <GO>
* NOTE: Fcasts based off IEA's table providing one decimal point

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Global Oil Demand Growth Outlook Continues to Soften, IEA Says
2024-05-15 08:00:00.28 GMT
By Grant Smith
(Bloomberg) -- The outlook for global oil demand growth this year continues to soften amid an economic slowdown and mild weather in Europe, the International Energy Agency said.
World fuel consumption will increase by 1.1 million barrels a day this year, about 140,000 barrels less than expected a month ago, the Paris-based adviser said, trimming its projections for the second month in a row. The forecast change reflects a first-quarter demand contraction in rich countries combined with an upward revision to estimates for 2023.
"Poor industrial activity and another mild winter have sapped gasoil consumption this year, particularly in Europe, where a declining share of diesel cars in the fleet were already undercutting consumption," said the IEA, which advises most major economies.
Oil prices are trading near $83 a barrel in London, having retreated 10% from this year's peak as the fragile economic outlook coupled with abundant US oil supplies offset fears over Middle East conflict and production curbs by OPEC+.
Still, the picture may not be as bearish as the report initially suggests. Consumption remains on track to reach an annual record of 103.2 million barrels a day this year even with the lower growth forecast, according to the agency. That's because its demand estimate for 2023 was revised higher.
The IEA's oil-consumption estimates are lower than much of the industry, from trading houses to Wall Street banks. Commodities giants like Gunvor Group and Trafigura Group project

growth closer to 1.4 million or 1.5 million barrels a day of demand growth this year.
Global oil markets face a supply deficit this quarter, in part due to output cutbacks by the OPEC+ coalition, led by Saudi Arabia, according to the IEA. The shortfall will deepen in the third quarter if the group chooses to maintain the curbs when it meets on June 1, as is widely expected.
The agency made no changes to estimates for 2025, when it expects that world oil demand will increase by 1.2 million barrels a day.

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IEA Cuts Forecast for Crude Runs in May on Poor Profitability
2024-05-15 08:00:00.21 GMT
By Rachel Graham
(Bloomberg) -- The IEA cut its forecast for crude runs in 2Q as poor profitability in key markets weighs on processing rates and maintenance levels are higher than expected.
* “Weak demand growth at the start of the year continues to weigh on refining activity”
* Crude throughput for May forecast at 82.3m b/d, revised down by 820k b/d from last month’s report
** Weak domestic margins in China weigh on estimates for May
** Globally, the collapse in diesel and jet fuel cracks is a greater risk
* “Margins are now close to two-year lows in Europe and Singapore and increased reports of run cuts, particularly in Asia, could yet undermine a strong seasonal rebound in processing rates”
* Global crude runs forecast this year at 83.4m b/d, up by 1m b/d from last year; growth will slow next year, when throughput is forecast at 84.1m b/d
* READ: Diesel in the Doldrums as Weak Demand Prompts Refiner Run Cuts

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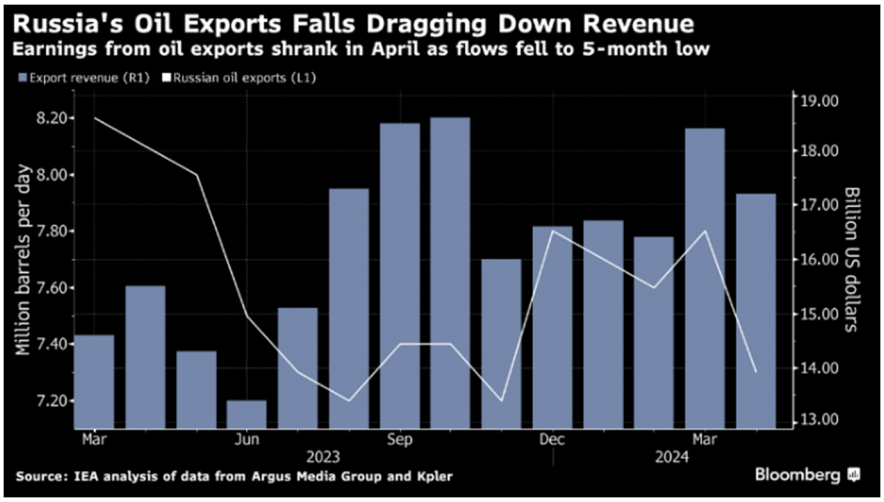
Russian Oil Revenue Hit as Exports Drop to 5-Month Low, IEA Says
2024-05-15 08:00:00.33 GMT
By Bloomberg News
(Bloomberg) -- Russia's April exports of crude and petroleum products dropped to levels last seen in late-2023 amid Ukrainian drone attacks and planned output cuts, putting pressure on the nation's oil revenues, according to the International Energy Agency.
The country exported a total of 7.3 million barrels a day last month, down 6.4% from March, the Paris-based agency said in its monthly report published Wednesday. That's Russia's lowest oil exports in five months, the IEA estimates show.
The bulk of the decline came from product flows, which dropped by almost 15% to 2.3 million barrels a day, from March, the data showed.
Higher prices for Russian crude and fuel have partly offset the impact of lower exports on its revenues. Still, in April the nation earned $17.2 billion from oil exports, down from $18.4 billion the month before, according to the agency's calculations.



The oil industry is a key source of revenue for the Russian budget, burdened with higher military and social spendings as the invasion in Ukraine is well into its third year. In a move to limit Moscow's ability to fund the war, Ukraine and its allies in the West have been aiming to disrupt the flow of petrodollars to Russian coffers.
Read More: Russia Oil Price Cap Shows Limits to Use of Sanctions, EA Says
Since the start of the year, the government in Kyiv has

been targeting key Russian refineries with drones, a strategy that initially led to significant damages to the oil-processing facilities and drops in output. More than a year ago, the West put price caps on Russian barrels, limiting access to western insurance and shipping services for the producers, traders and buyers who didn't stick to the price limitations.

The strategies have only been partially successful, the IEA report shows.

"Russian refineries escaped heavy production losses" amid the drone attacks, the Paris-bases agency said. It estimated the nation's refinery runs in April at around 4.9 million barrels a day compared with 5.2 million barrels a day in March due to the recent strikes.

The agency also revised down its estimates for the effect of the attacks on the Russian refinery runs.

"We now estimate that the impact of drone strikes will be limited to 150-200 thousand barrels a day on average" during the second quarter of 2024, it said.

Quicker-than-expected restarts of the damaged Russian facilities, including a reported return of Rosneft PJSC's Tuapse refinery, and the nation's "ability to use spare crude processing capacity, appear to have contributed to this less severe impact on crude throughputs," the agency said.

Read More: Russia's Spare Refining Capacity Can Mitigate Drone Attacks

The Western price restrictions on Russian barrels also continue to have limited impact on the flow of its petrodollars, the IEA data shows. Average weighted export prices for all Russian crude blends in April rose month-on-month and remained above the G7 price cap, the agency said.

"Premium product prices remained below the price cap, while discounted products exceeded their price cap," it said.

Russian exports were also impacted by voluntary output cuts within its agreements with the Organization of Petroleum Exporting Countries and their allies. "Russia carried out some of its promised 2Q24 OPEC+ production cut," the IEA said.

Russia's crude-only output in April reached 9.3 million barrels a day, the agency said. While it represented a 150,000 barrel-a-day drop compared with the month before, it was still 200,000 barrels a day above its implied target, the IEA said.

Read More: Russia Pumps Oil Above Target as New Voluntary Cuts Enter Force

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OPEC April Crude Output Rises 120k B/D on Iran, Libya Flows: IEA
2024-05-15 08:00:00.1 GMT
By Amanda Jordan
(Bloomberg) -- OPEC's April crude output rose 120k b/d from a month earlier to 26.97m b/d, led by flows from Iran, Libya and Nigeria, the IEA said in its monthly market report.
* Iranian supply increased 50k b/d to 3.3m b/d
* Libyan production rose 30k b/d to 1.19m b/d
** NOTE: Both countries are exempt from OPEC+ cuts
* Output in Nigeria climbed 40k b/d to 1.28m b/d
* Supply from Saudi Arabia edged up to 9.03m b/d
* UAE produced 3.15m b/d, also up slightly m/m
* Kuwaiti output inched up 20k b/d to 2.49m b/d
* Iraqi production slipped 20k b/d to 4.24m b/d, still well above its OPEC+ quota
* READ, May 14: OPEC+ Nations Exceeded Oil Output Quotas Last Month, Data Show
* NOTE: OPEC released its own figures for April on Tuesday, estimating its 12 members pumped 26.58m b/d

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Non-OPEC+ Production Gain in 2024 Trimmed on Brazil Outages: IEA
2024-05-15 08:00:00.29 GMT
By Julian Lee
(Bloomberg) -- Growth in oil production this year from non-OPEC+ countries will be less than forecast a month ago, with a downward revision to production coming from Latin America, the IEA says in its latest monthly report.
* Oil production outside the OPEC+ countries has been cut by 200k b/d for 2024 as a whole compared with the forecast made in April
** Annual production forecasts for Brazil have been cut by 80k b/d for 2024 and 40k b/d for 2025 compared with last month

** Figures for Guyana have been reduced by 40k b/d and 70k b/d
* Estimates for the current quarter have been reduced by about 400k b/d
** "Heavy outages in Brazil and logistical constraints in the United States have led us to lower our global projections for the quarter by 390 kb/d"
** Four large FPSOs in waters off Brazil "saw material downtime" in April
** Maintenance also "hit Canadian output hard" in April, removing 330k b/d of production from the oil sands
* Non-OPEC+ output is now expected to rise by 1.4m b/d this year and by the same amount in 2025
** Most of the increase will come from just four countries — the US, Canada, Brazil and Guyana — which "are forecast to contribute a combined 1.1m b/d to non-OPEC+ supply this year" and a similar amount in 2025
* The Gulf of Mexico hurricane season "is expected to see above-average activity," putting an estimated 13m bbl of produciton at risk, with "a slight skew toward the second half"

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West Africa Oil Premiums Fall 60% on Weak European Demand: IEA
2024-05-15 08:00:00.10 GMT
By Bill Lehane
(Bloomberg) -- West African crude grade differentials to the North Sea Dated benchmark fell on average by more than 60% in April, and many cargoes were left unsold into this month, IEA says in monthly report.
* The collapse in spreads was mostly seasonal, as European refiners shifted into regular maintenance, report says
* Lackluster margins for naphtha and middle distillates added to the steep decline in premiums
* Distillate-rich Forcados dropped by $1.56 a barrel month-on-month to Dated +$2.75/bbl
** Bonny Light declined by 58% to $1.76/bbl
** Brass River flipped into a discount against Dated from end-April into early May; the premium dropped by $1.04 to Dated +96c/bbl last month
* Angola's medium-rich crude had stable premiums on firm demand

from India
** Girassol added 10c to Dated +$2/bbl, while Cabinda rose by 50c to Dated +$2/bbl
* READ: Nigeria's Glut of Unsold Oil Starts to Shrink as Prices Weaken

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Collapse in Diesel Car Sales Curbs European Gasoil Demand: IEA
2024-05-15 08:00:00.17 GMT
By Rachel Graham
(Bloomberg) -- European demand for gasoil has slumped in recent years, partly as shrinking industrial output curbs consumption from trucks, the IEA said in its monthly Oil Market Report.
* Road freight is the largest component in European consumption at almost 30%
* Structurally, the biggest drag in demand has been a collapse in diesel cars
** In 2023, the continent's cars used 1.5m b/d of diesel, about a quarter of regional gasoil consumption
** The reduction on diesel demand stemming from fleet changes will be nearly 300k b/d this year compared with 2019 when the number of diesel cars on the road peaked
* Total European demand for gasoil was 6m b/d in 2023, about 20% of global consumption
** 2024 demand will be 9.3% lower than 2019 levels, also curbed by very warm winter weather
* READ: May 14, Diesel in the Doldrums as Weak Demand Prompts Refiner Run Cuts
* READ: Feb. 10, Germany's Days as an Industrial Superpower Are Coming to an End

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Non-OECD Demand Growth More Balanced as China Slows Down: IEA
2024-05-15 08:00:00.30 GMT
By Sherry Su
(Bloomberg) -- Oil demand growth in non-OECD countries will be more balanced, with China's dominance fading as the country faces persistent economic challenges after the conclusion of its rebound from the pandemic, the IEA said in its monthly report.
* Oil consumption growth in non-OECD countries during 2024 and 2025 is set to be "vastly more diversified geographically", with China's share of gains falling to 43% and 29%, respectively
** This compares with three-quarters of total non-OECD growth in 2023
* Other Middle Eastern and Asian countries are becoming more prominent, with the oil intensity of their economies buttressed by structural drivers such as favorable demographics, industrialization and an expanding middle class
** This shift is being led by India, contributing 18% to the 2024-2025 non-OECD expansion
** Saudi Arabia (+8%) and the UAE (+5%) will also have greater prominence, as spending on infrastructure mega-projects surges and petrochemical activity improves
** Indonesia (+5%) and Singapore (+5%) are also entering higher growth phases, the latter mainly due to soaring sales of marine bunker fuel in the wake of the Red Sea shipping crisis
* Demand growth will become more diversified in product terms. Gasoline and jet/kerosene, the drivers of last year's travel surge in China, will see their share decline in favor of a more balanced allocation of gains across the product mix

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https://www.iea.org/commentaries/oil-demand-growing-at-a-slower-pace-as-post-covid-rebound-runs-its-course

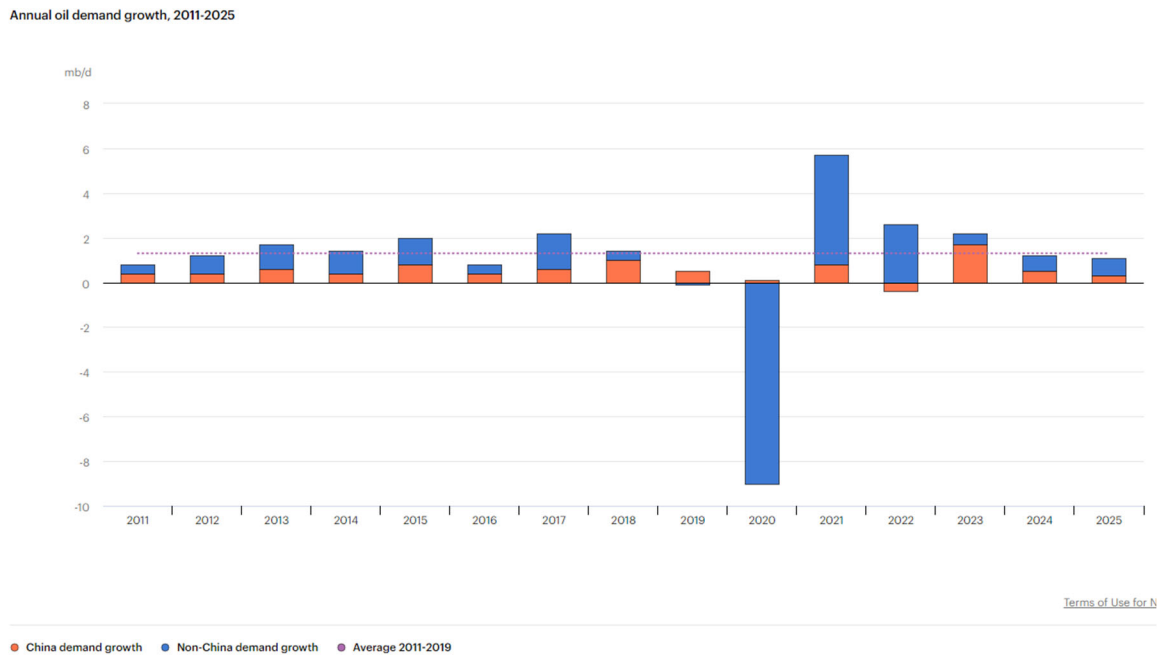
Oil demand growing at a slower pace as post-Covid rebound runs its course

Toril Bosoni, Head of Oil Industry and Markets Division
Ciarán Healy, Oil Market AnalystCommentary — 12 April 2024

Global oil demand growth returns to historical trend

Global oil demand growth is currently in the midst of a slowdown and is expected to ease to 1.2 million barrels a day (mb/d) this year and 1.1 mb/d in 2025 – bringing a peak in consumption into view this decade. This is primarily the result of a normalisation of growth following the disruptions of 2020-2023, when oil markets were shaken by the Covid-19 pandemic and then the global energy crisis sparked by Russia's invasion of Ukraine.

Despite the deceleration that is forecast, this level of oil demand growth remains largely in line with the pre-Covid trend, even amid muted expectations for global economic growth this year and increased deployment of clean energy technologies.



In both 2022 and 2023, global oil consumption rose by more than 2 mb/d as economies continued their recoveries from the Covid-19 shock and saw spikes in personal mobility, along with exceptional releases of pent-up demand for travel and tourism. While there are reasonable grounds for uncertainty about how complete the global recovery is, both oil demand data and mobility indicators suggest that its pace has slowed sharply and that the period of demand growth above the historical average is coming to an end.

China's post-Covid rebound is running out of steam

Without a steep fall in oil prices, a sudden resurgence in the post-pandemic recovery or an acceleration in economic activity, it is unlikely that global oil demand growth will approach the

levels seen in 2022 and 2023. Indeed, the pace of gains slowed substantially in the second half of 2023, and the latest data shows that the trend continued at the beginning of 2024.

Oil use increased by an estimated 1.6 mb/d year-on-year in the first quarter of 2024, down from 1.9 mb/d in the fourth quarter of 2023 and more than 3 mb/d during the middle of last year. Given that China was the last major economy to lift public health restrictions related to the pandemic and saw an abrupt economic recovery in mid-2023, this easing of year-on-year demand growth is likely to continue during 2024.

Indeed, because the timing of Chinese lockdowns was quite different from the rest of the world, global oil demand growth in 2023 was extremely dependent on the country. With the explosive phase of the pandemic rebound largely complete elsewhere, China contributed to more than three-quarters of the global increase in demand (1.7 mb/d out of 2.3 mb/d). The world's second largest economy will remain the mainstay of global expansion this year. However, gains are projected to fall to 540 kb/d. In the absence of a dramatic acceleration in other countries, this will result in a wider global slowdown.

In the decade up to 2023, almost two-thirds of all oil demand growth came from China. Over this period, the nation's GDP grew at an annual average rate of 6%. An expected slackening in economic growth, to a rate of between 4% and 5% in 2024 and 2025 – combined with the rapid domestic uptake of oil-substituting technologies such as electric vehicles (EVs) and high-speed rail – means that in 2024 and 2025, only a little over one-third of oil demand growth is expected to come from China.

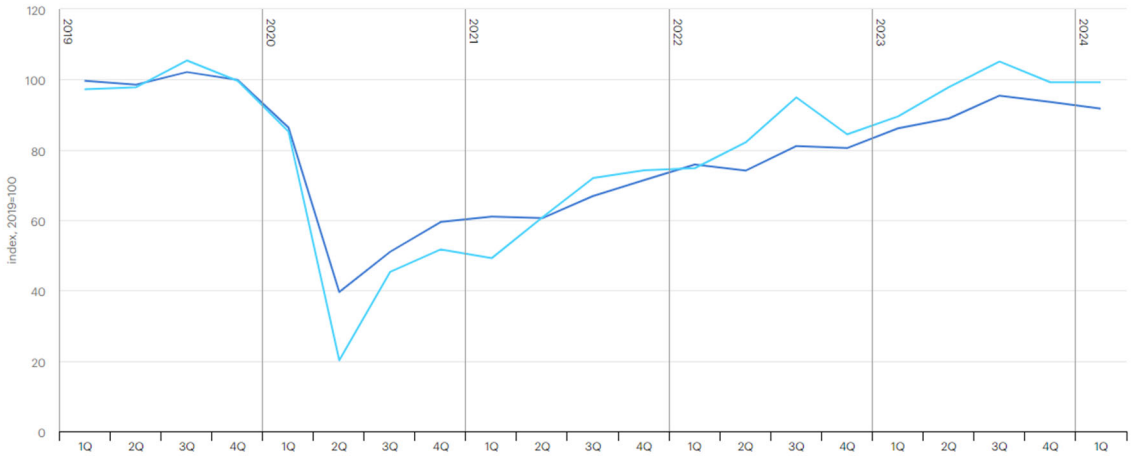
Demand for aviation fuel is easing as air traffic stabilises

The other major driver of rising oil consumption in 2022 and 2023 was a steady recovery in air traffic as pandemic-era travel restrictions were relaxed. Demand for jet fuel/kerosene, primarily

from the aviation sector, grew by more than 1 mb/d in both years and contributed almost half of the increase in global oil demand.

However, gains have moderated since the first half of 2023, according to *Airportia* data. As a result, the increase in demand for jet fuel/kerosene in 2024 is forecast to be far smaller, at 230 kb/d. In addition to a stabilisation in air traffic, there have also been large gains in the fuel efficiency of aircraft since 2019. This has meant that, despite roughly equivalent activity, fuel demand from the sector was more than 6% lower in the second half of 2023 than in the same period in 2019. This trend is set to continue as more new planes with vastly improved fuel economy enter the global fleet, helping to restrain the impact of increasing demand for air travel on oil use during the medium term.

Demand for jet fuel/kerosene lags global miles flown as aircraft fuel efficiency improves



Global consumption of oil is set to peak, but its centrality remains

While we expect growth in oil consumption in 2024 (1.2 mb/d) and 2025 (1.1 mb/d) to remain robust by historical standards, structural factors will lead to a gradual easing of oil demand growth over the rest of this decade. Continued rapid gains in the market share of EVs, particularly in China; steady improvements in vehicle fuel economies; and, notably, efforts by Middle Eastern economies, especially Saudi Arabia, to reduce the quantity of oil used in power generation are together expected to generate an overall peak in demand by the turn of the decade.

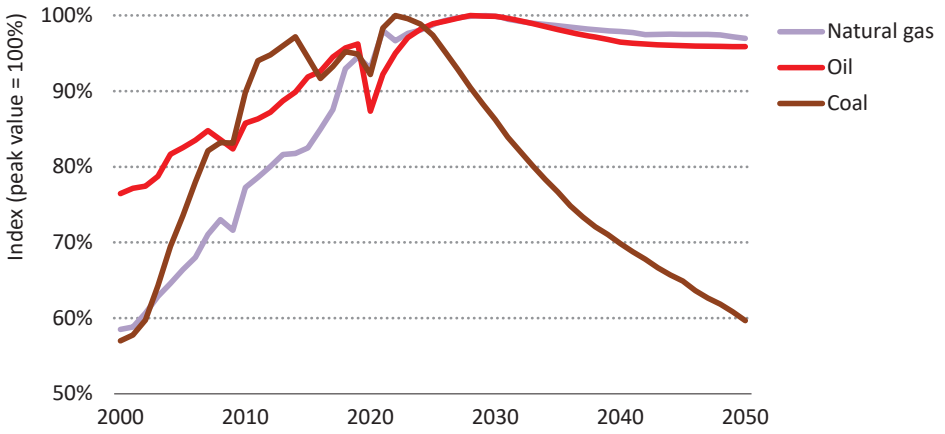
Oil remains extremely important to the global economy, and across some of its key applications, alternatives still cannot easily be substituted. In the absence of additional energy and climate policies and an increased investment push into clean energy technologies, the decline in global oil demand following the peak will not be a steep one, leaving demand close to current levels for some time. Nevertheless, cooling Chinese demand growth and considerable progress on the deployment of clean energy transition technologies mean that the oil market is set to enter a new and consequential period of transformation.

1.1 A peak by 2030 for each of the fossil fuels

In the *WEO-2023*, the Stated Policies Scenario (STEPS) sees lower demand projections for each of the fossil fuels than in the *WEO-2022*. This reflects current policy settings by governments worldwide, a slight downward revision in the economic outlook, and the continued ramifications of the 2022 global energy crisis. It also reflects longer term trends: fossil fuel technologies have been losing market share to clean energy technologies across various sectors in recent years, and in many cases fossil fuel-powered technologies have already seen a peak in sales or additions.

These shifts mean that each of the three fossil fuel categories are now projected to reach a peak by 2030 (Figure 1.1). This has never previously been seen in the STEPS. The changes in our projections highlight how the energy system is changing as low-emissions electricity and fuels meet an increasing share of the world's rising energy needs, and as energy efficiency improvements help to moderate those needs. Total demand for fossil fuels declines from the mid-2020s by an average of 3 exajoules (EJ) per year to 2050 in the STEPS, and the peak in energy-related CO_2 emissions in the STEPS is brought forward to the mid-2020s.

Figure 1.1 ▷ Fossil fuel consumption by fuel in the STEPS, 2000-2050



All fossil fuels peak before the end of this decade, with declines in advanced economies and China offsetting increasing demand elsewhere

We highlight below some of the key drivers for these changes by fuel, but there are some important issues to bear in mind when considering these trends. First, the projected declines in demand after the peaks are nowhere near steep enough to be consistent with the NZE Scenario – getting on track for this scenario will require much faster clean energy deployment and much more determined policy action by governments (section 1.4). Second, the demand trends for the different fuels vary considerably among regions, with reduced

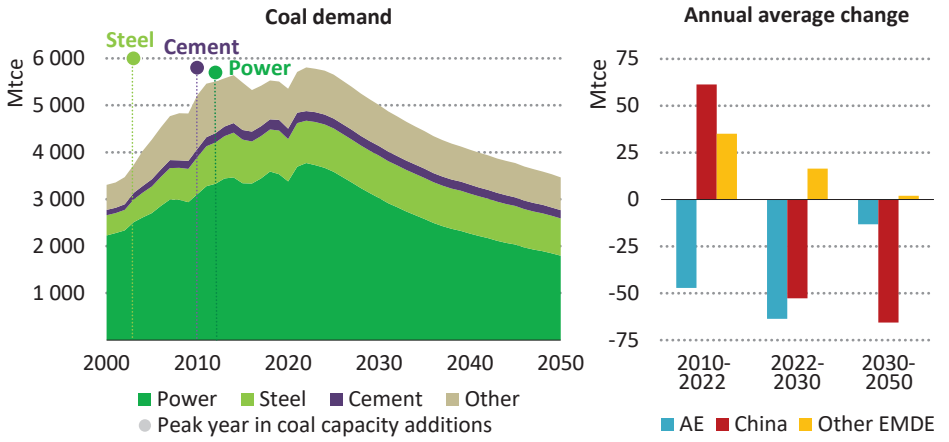
demand in advanced economies partially offset by continued growth in many emerging market and developing economies, particularly for natural gas. Third, while the trajectories in our scenarios reflect underlying structural changes, the demand outlook will not be linear in practice. There will inevitably be spikes, dips and plateaus along the way. For example, heatwaves and droughts could well cause temporary jumps in coal demand by pushing up electricity use at a time when hydropower output may be constrained.

Even as demand for fossil fuels falls, energy security challenges will remain since the process of adjustment to changing demand patterns will not necessarily be easy or smooth. For example, the peaks in demand we see based on today's policies do not remove the need for investment in oil and gas supply, given how steep the natural declines from existing fields often are. At the same time, they underline the economic and financial risks of major new oil and gas projects, on top of their risks for climate change (section 1.5).

1.1.1 Coal: Scaling up clean power hastens the decline

After remaining consistently high over the past decade, global coal demand is now set to fall within the next few years in the STEPS (Figure 1.2). This projected trend reflects declines in recent years of capacity additions of both coal-fired power and coal-fired iron and steel production – the two largest consumers of coal today – which account for 65% and 16% respectively of overall coal consumption.

Figure 1.2 ▷ Global coal demand by sector and annual average change by region in the STEPS, 2000-2050



Peaks in coal capacity additions reached in the power, steel and cement sectors are laying the foundation for global coal demand to peak in the mid-2020s

Note: Mtce = million tonnes of coal equivalent; AE = advanced economies; EMDE = emerging market and developing economies.

The share of coal-fired power in new worldwide capacity additions hit a high point in 2006 at 45% and has since fallen steadily to 11% in 2022. The size of annual coal capacity additions peaked in 2012 at over 100 gigawatts (GW) before dropping to 50 GW in 2022, with big investments in coal falling away rapidly, and solar PV and wind power increasingly dominating the expansion of electricity systems. The role of coal-fired power plants has started to shift towards providing flexibility and system services rather than bulk power. As a result, the average capacity factor of coal power plants was almost ten percentage points lower over the past decade than during the decade before.

Changes in iron and steel production have also contributed to the decline in coal demand. Capacity additions of coal-based steel production plants[1] peaked in 2003 at over 130 million tonnes (Mt), driven in large part by China's rapid industrialisation. Eleven years later, global coal demand for iron and steel production peaked at over 950 million tonnes of coal equivalent (Mtce) before starting to fall, despite a continuing steady increase in the production of iron and steel. The decline in the global coal intensity of steel production since 2015 is the result of growth in the share of scrap-based production in electric arc furnaces, as well as alternatives to blast furnaces for iron production such as natural gas-based direct reduced iron.

In advanced economies, coal demand peaked in 2007. In China – the world's largest coal consumer – the impressive growth of renewables and nuclear alongside macroeconomic shifts point to a decrease in coal use by the mid-2020s. Coal use continues to increase in other emerging market and developing economies as new power plants and industry capacity come online, but this growth is more than offset by projected declines elsewhere.

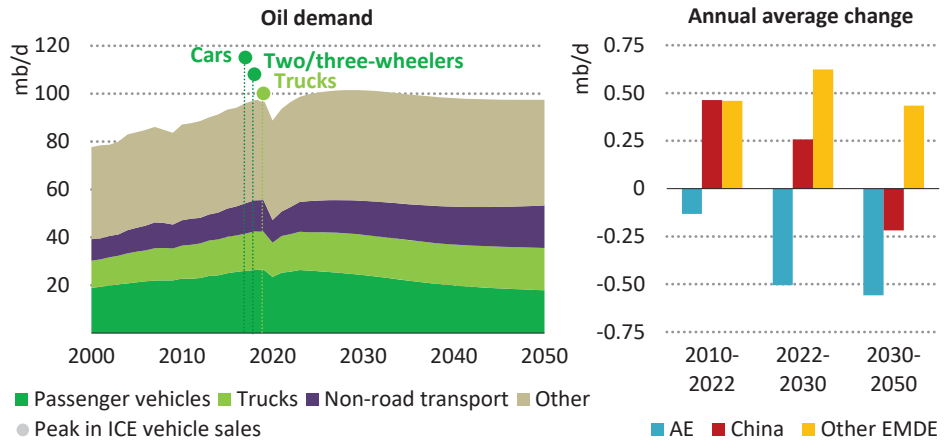
1.1.2 Oil: End of the "ICE age" turns prospects around

In the past two decades, oil demand has surged by 18 million barrels per day (mb/d). Much of the increase has been driven by rising demand in road transport. The global car fleet expanded by more than 600 million cars over the last 20 years, and road freight activity has increased by almost 65%. Road transport now accounts for around 45% of global oil demand, which is far more than any other sector: the petrochemicals sector, second-largest in oil consumption, accounts for 15% of oil demand.

The astounding rise in electric vehicle (EV) sales is now having an impact on demand for oil in road transport. Sales of gasoline and diesel cars, two/three-wheelers and trucks peaked in 2017, 2018 and 2019 respectively (Figure 1.3). In 2020, EVs accounted for 4% of global car sales. They are on track to reach 18% in 2023 with 14 million EV sales, mostly in China and the advanced economies, and are set to continue to increase rapidly in the future. Sales of internal combustion engine (ICE) buses also peak by the mid-2020s in the STEPS, with the uptake of electric buses rising particularly quickly in emerging market and developing economies. By the end of this decade, road transport is no longer a source of oil demand growth.

[1] Includes blast furnaces-basic oxygen furnaces, smelting reduction-basic oxygen furnace, coal-based direct reduced iron-electric arc furnace, coal-based iron in induction or in open hearth furnaces.

Figure 1.3 ▷ Global oil demand by sector and annual average change by region in the STEPS, 2000-2050



Sales of gasoline and diesel passenger vehicles and trucks have already peaked, leading to a peak in oil demand before 2030

Note: mb/d = million barrels per day; AE = advanced economies; EMDE = emerging market and developing economies.

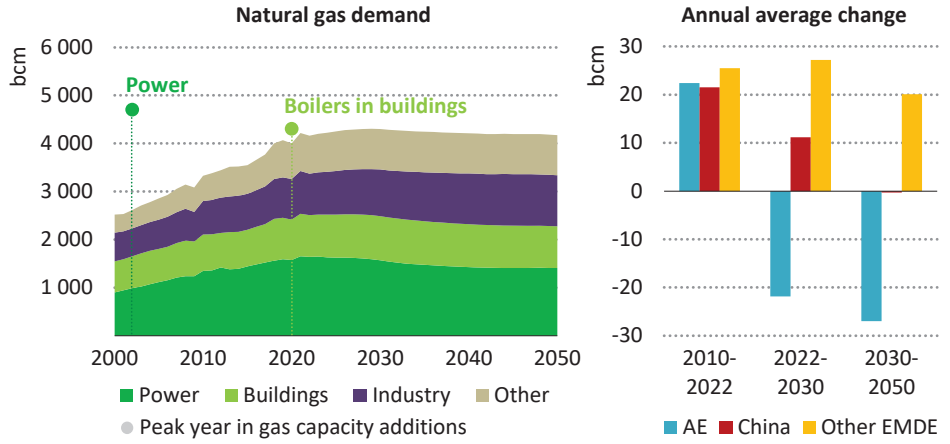
Although oil demand for petrochemicals, aviation and shipping continues to increase through to 2050 in the STEPS, this is not enough to offset reductions in demand from road transport, as well as in the power and buildings sectors. As a result, oil demand peaks before 2030. The decline from the peak however is a slow one in the STEPS all the way through to 2050.

The outlook for oil demand varies across regions. Oil demand in advanced economies peaked in 2005, and its decline becomes more pronounced in the coming decade. China's robust oil demand growth since 2010 weakens in the coming years and declines in the long run. In emerging market and developing economies (other than China), which see growing populations and car ownership, oil demand grows continuously to 2050.

1.1.3 Natural gas: Energy crisis marks the end of the "Golden Age"

The "Golden Age of Gas", a term coined by the IEA in 2011, is nearing an end. Global natural gas use has increased by an annual average of almost 2% since 2011, but growth slows in the STEPS to less than 0.4% per year from now until 2030. The power and buildings sectors – today's biggest consumers of natural gas accounting for 39% and 21% respectively of total demand – have already seen peaks in natural gas capacity additions for power plants and space heating boilers, and muted demand in these two sectors reduces natural gas use enough to cause it to peak by 2030 (Figure 1.4).

Figure 1.4 ▷ **Global natural gas demand by sector and annual average change by region in the STEPS, 2000-2050**



Additions of new gas power plants and gas boilers in buildings are slowing; gas demand peaks before 2030 in the STEPS, though gas use in industry continues to increase

Note: bcm = billion cubic metres; AE = advanced economies; EMDE = emerging market and developing economies.

The high point for natural gas power capacity additions was in 2002, when they exceeded 100 GW and made up around 65% of total annual capacity additions. Capacity additions fell to less than 30 GW in 2022. Despite this slowing in annual additions, the global installed capacity of natural gas power continues to expand over time. Gas differs in this respect from coal, where installed capacity reduces in the future. Natural gas demand in the power sector nevertheless declines in the STEPS from today until 2050, with a particularly strong dip in the 2030s when co-firing in gas-fired power plants begins to be deployed at scale.

Sales of gas-fired boilers for space heating in buildings have also peaked. At their height, gas boilers accounted for around 40% of total sales of space heating equipment. The subsequent decline in sales over the last few years reflects the rapid rise of heat pumps, especially in advanced economies. Heat pump sales have a strong impact on gas demand in the buildings sector in the STEPS trajectory because space heating is by far the leading end-use in terms of natural gas demand today.

In advanced economies, the rebound in natural gas demand seen in 2021 did not last long, and demand in 2022 was below pre-pandemic levels. This faltering in demand reflects a shift to renewables in electricity generation, the rise of heat pumps, and Europe's accelerated move away from gas following the Russian Federation (hereinafter Russia) invasion of Ukraine. Demand continues to decline in the STEPS, and by 2030 this more than offsets continued demand growth in emerging market and developing economies.

https://english.almasirah.net.ye/post/40011/Sayyed-Abdulmalik-Warns-of-Any-Escalation-in-Rafah-Lebanon%2C-Iraq%2C-Yemen-Will-Escalate-Too

Sayyed Abdulmalik Warns of Any Escalation in Rafah: Lebanon, Iraq, Yemen Will Escalate Too

News - Yemen: The leader of the revolution, Sayyed Abdulmalik Al-Houthi, affirmed that the United States has a crucial role in the war of starvation in Gaza, explaining that the deadly and destructive American bombs are being used in the Zionist aggression on Gaza.

In a speech this Thursday afternoon, the leader addressed the latest developments of the Zionist aggression on Gaza, stating that one massacre in Gaza is enough to awaken the human conscience and prompt strong positions to prevent genocide.

He said, "From the beginning, the US has been manufacturing weapons to be destructive to cities and collectively lethal to the population. In its military strategy and tactics, Americans target cities and their civilian residents."

Sayyed Abdulmalik also highlighted that the US orchestrated a plan to target the Rafah crossing and provided all forms of support to the Israeli enemy, confirming that Israel seeks to inflict the harshest and cruelest suffering on the Palestinians, reflecting the criminal tendency of the enemy.

He mentioned that many Palestinian families have been displaced more than five times during the aggression, amid the international community's silence, pointing out that the Israeli enemy targets the displaced people as they move from one area to another, killing them collectively.

The leader stated that the tragedy in Gaza coincided this week with the 76th anniversary of the Nakba when Britain enabled the Jews to occupy Palestine, explaining that the British facilitated the Jews' occupation of Palestine through their crimes and targeting of free Palestinians, hindering any liberation movement.

He said that Britain, during the Jews' empowerment, focused on the Arab surroundings to prevent a strong reaction in support of the Palestinian people.

Israeli occupation's crimes are largest ethnic cleansing in 20th century

In this regard, the leader affirmed that neglecting the occupation of Palestine in the educational curricula is one of the biggest mistakes committed by Muslims.

He explained that the Arabs betrayed the Palestinian people in their revolution in 1936, and if they had provided sufficient support, perhaps we could have avoided the catastrophe that occurred later.

He pointed out that the terrible crimes during the occupation of Palestine happened under the banners of rights, democracy, and freedom that exist in the West, adding that the brutal crimes of the Zionists during the occupation of Palestine revealed the false pretenses of Western countries, as they turned a blind eye to the crimes and even provided support to the Zionists.

He indicated that Britain and US played a crucial role in the genocide and displacement during the occupation of Palestine, which is the largest ethnic cleansing operation in the 20th century.

He emphasized that it is shameful for the United Nations to accept the Israeli enemy as a member while it is an occupier entity based on crime and tyranny.

Resilience of the Palestinian cause frustrates the Israeli enemy.

The leader of the revolution said that the Palestinian resilience and the steadfastness of the mujahideen in this stage are greater than in any previous stage in the history of the Palestinian people, explaining that the resilience of the Palestinian resistance frustrates the Zionist enemy.

He stated that the steadfastness of the resistance factions in the Gaza Strip has important results and a significant impact in this decisive stage, indicating that the return of fighting to Jabalia and the Zaytoun neighborhood in this decisive and critical stage proves the failure of the Israeli enemy.

He stressed that the longer the duration of the aggression, the greater the failure for the enemy, and its ultimate fate is inevitable defeat.

Yemen’s Operations in Support of Palestine

The leader confirmed that Yemen carried out 40 operations against the Zionist enemy with 211 rockets. This week alone saw 7 operations in the Red Sea, Gulf of Aden, and Indian Ocean, with additional operations in the Mediterranean. Over 100 attacks targeted American ships using missiles and drones, causing a shift in US, Israeli, and British routes eastward.

He emphasized that the fourth escalation phase is crucial as it targets all companies' ships transporting goods to Israeli ports.

“Yemeni forces aim to target these ships wherever they can reach.” The leader acknowledged positive responses from some countries and companies, which ceased transporting goods to Israel through the Red Sea and Gulf of Aden.

The leader called on China, Russia, and other Asian and European countries to respect the ban that Yemen had imposed on Israel, emphasizing that Yemen's actions are humane and ethical. He urged all nations to pressure Israel to stop committing genocide against the Palestinian people in Gaza.

The leader highlighted the support of Palestinian resistance fronts in Lebanon, Iraq, and Yemen, promising increased operations if Israel escalates actions towards Rafah.

Finally, he praised the Iraqi front's escalation and called for more effectiveness, while emphasizing Yemen's ongoing efforts to strengthen the fourth phase and prepare for the fifth phase.

He emphasized the importance of maintaining solidarity and announced that over 300,000 people have joined military training, with public mobilization aiming to reach half a million.

The leader at the end of the speech called on the Yemeni people to continue their mass protests in support of Gaza. He praised the weekly demonstrations in Sana'a and other provinces, highlighting the exceptional commitment of the Yemeni people compared to other nations.

https://www.rudaw.net/english/kurdistan/030520244

Oil companies welcome formation of joint Erbil-Baghdad committees

51 minutes ago

Rudaw

ERBIL, Kurdistan Region - The Association of the Petroleum Industry of Kurdistan (APIKUR) on Friday said it welcomes the recent formation of two joint committees between Erbil and Baghdad to work on the resumption of the Kurdistan Region's oil exports which have been halted for over a year.

"APIKUR welcomes the formation of the Baghdad-Erbil committees, recently announced by the Iraqi Minister of Oil with the stated goal to restore oil exports through the Iraq Türkiye pipeline. We are awaiting official notification of international oil companies' role in these critical negotiations." Myles B. Caggins, the association's spokesperson, said in a statement.

Iraqi Oil Minister Hayyan Abdul Ghani told reporters on Thursday that two joint Baghdad-Erbil committees have been formed to resolve the contract situation between Erbil and the international oil companies (IOCs) as they are production-sharing contracts - agreements he said are incompatible with the Iraqi constitution.

The committees will meet next week to work towards resuming the flow of oil, he added.

Oil exports from the Kurdistan Region through the Iraq-Turkey pipeline have been halted since March 23, 2023 after a Paris-based arbitration court ruled in favor of Baghdad against Ankara, saying the latter had breached a 1973 agreement by allowing Erbil to begin independent oil exports in 2014.

Before the halt, around 400,000 barrels a day were being exported by Erbil through Ankara, in addition to some 75,000 barrels of Kirkuk's oil.

"There has not yet been an agreement with the Kurdistan Regional Government on handing over the oil produced in the Region to the federal oil ministry," the Iraqi oil minister said on Thursday, adding that there are "differences regarding contracts signed with the international companies."

Iraqi Prime Minister Mohammed Shia' al-Sudani visited the US in mid-April, meeting with US President Joe Biden. The resumption of Kurdistan Region's oil exports was one of the topics discussed.

Sudani and Biden "affirmed the importance of ensuring Iraqi oil can reach international markets and expressed their desire to reopen the Iraq-Turkiye Pipeline," according to a joint statement between the two leaders following their meeting.

05/14/2024 09:06:24 [BN] Bloomberg News

OIL DEMAND MONITOR: Diesel Woes Linger; Travel Boost Beckons (1)

- Lackluster diesel and gasoline usage add to China concerns
- Summer driving and flying likely to prompt consumption uptick

By John Deane

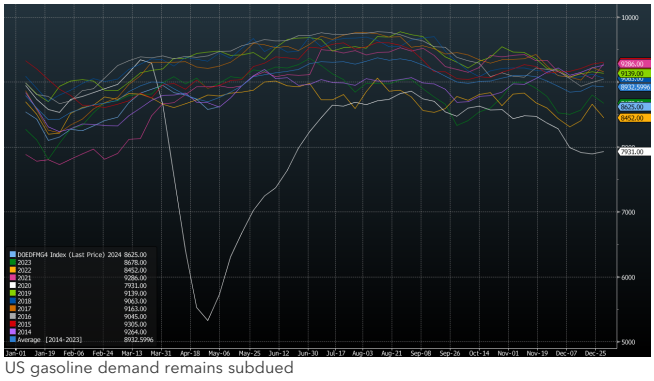
(Bloomberg) -- Oil traders are waiting to see just how much of a pick-me-up the Northern Hemisphere's summer travel season will deliver to demand for fuels.

The market retains plenty of concerns over the outlook for oil consumption, as policymakers around the world struggle to rein in stubbornly high inflation, while growth prospects remain uncertain.

China, the biggest oil importer, remains a major worry as the economy continues to misfire. Inbound oil shipments fell in April as refineries shut for seasonal repairs; state-owned processors plan a heavy maintenace program this year, potentially crimping crude demand.

Asia more broadly is showing signs of soft diesel consumption, with a drop in returns from making the fuel prompting some refiners to trim run rates. The industrial and road fuel is also flashing signals of weakness in Europe.

In the US, gasoline demand still looks uninspiring. The four-week average of product supplied inched up in the latest weekly figures, but remained at a 10-year seasonal low, excluding 2020. JPMorgan Chase & Co. analysts cited lackluster US consumption of the auto fuel – dragged down by high retail prices – as the primary reason for lower-than-expected global oil demand last month.



US gasoline demand remains subdued

Looking at the global picture, the US EIA last week lowered its 2024 oil demand estimate to 102.84 million barrels a day, seeing a deficit of only 80,000 barrels a day.

Offsetting the down arrows, there are indications that baseline oil usage remains resilient in many markets. India, the third-biggest consumer, continues to show robust demand, with overall oil-product consumption rising more than 6% year-on-year in April.

On Tuesday, OPEC maintained its 2024 demand growth forecast at 2.2 million barrels a day, citing strong aviation demand and "healthy" road mobility. The third-quarter bull story remains "intact, driven by fundamentals even without any geopolitical risk priced in," Jeff Currie, Carlyle Group Inc.'s chief strategy officer for energy pathways, said in an interview.


Jeff Currie shares his thoughts on oil demand with "Bloomberg Surveillance."

The Northern Hemisphere will soon see a seasonal uptick in demand for gasoline and jet fuel in particular, with the onset of summer travel. The so-called US driving season begins with

the May 27 Memorial Day holiday.

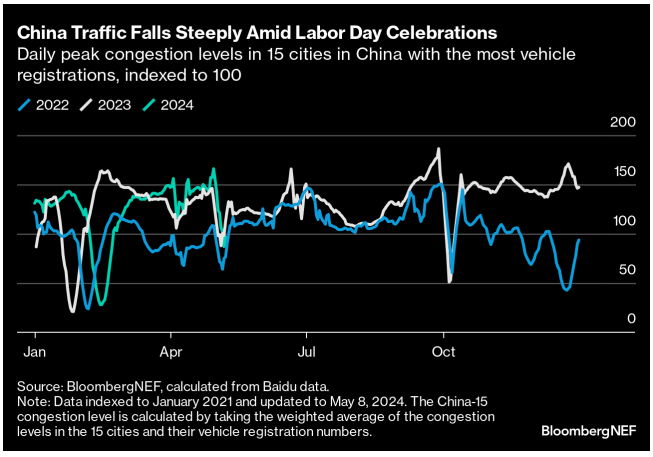
The critical determinant for this year's global balance will be the June 1 meeting of the OPEC+ alliance. Most traders and analysts predict the producers' group will extend output cuts of roughly 2 million barrels a day.

Demand Measure	Location	%vs 2023	%vs 2022	% vs 2021	% vs 2020	% vs 2019	% m/m	Freq	Latest Date	Latest Value	Source
Gasoline product supplied	US	−5.4	+1.1	−0.8	+32	−11	+2.1	w	May 3	8.8m b/d	EIA
Distillates product supplied	US	−14	−7.6	−15	+12	−10	+17	w	May 3	3.49m b/d	EIA
Jet fuel product supplied	US	−22	+3.4	+37	+189	−14	−7.3	w	May 3	1.49m b/d	EIA
Total oil products supplied	US	+0.6	+5.5	+3	+32	−0.6	+5.5	w	May 3	20.29	EIA
Car use	UK	+3.3	+4.4	+10	+179	−5	+1.1	m	April 8	95	DfT
Heavy goods vehicle use	UK	+7.1	−1.9	−1	+72	+5	unch.	m	April 8	105	DfT
All motor vehicle use index	UK	+4.2	+4.2	+8.8	+168	−1	unch.	m	April 8	99	DfT
Diesel sales	India	+1.4					−1.4	m	April	7.925m tons	PPAC
Gasoline sales	India	+14					−1.2	m	April	3.284m tons	PPAC
Jet fuel sales	India	+13					−2.1	m	April	742k tons	PPAC
LPG sales	India	+9.5					−9.7	m	April	2.358m tons	PPAC
Total oil products	India	+6.1					−5.8	m	April	19.858m tons	PPAC
Gasoline deliveries	Spain	+2.7						m	April	584k m3	Exolum
Diesel (and heating oil) deliveries	Spain	−3.1						m	April	2,309k m3	Exolum
Jet fuel deliveries	Spain	+11						m	April	630k m3	Exolum
Total oil products deliveries	Spain	+0.8						m	April	3,524k m3	Exolum
All vehicles traffic	Italy	+2					+4	m	April	n/a	Anas
Heavy vehicle traffic	Italy	+5					+3	m	April	n/a	Anas
% change in toll roads kms traveled	France	−1.6						m	April	n/a	Mundys
As above	Italy	−0.4						m	April	n/a	Mundys
As above	Spain	−6.4						m	April	n/a	Mundys
As above	Brazil	+0.3						m	April	n/a	Mundys
As above	Chile	+2.3						m	April	n/a	Mundys
As above	Mexico	+2.5						m	April	n/a	Mundys

Click here for a PDF with more information on sources, methods

Congestion:

- Road Traffic Indicators

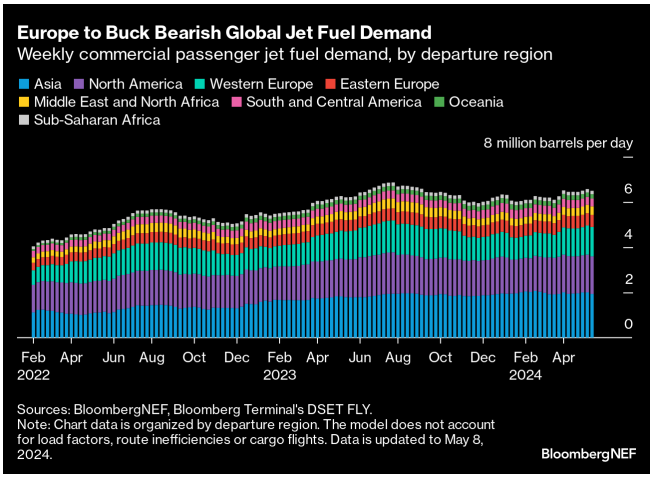


Air Travel:

Measure	Location	vs 2023	vs 2022	vs 2021	vs 2020	vs 2019	m/m	w/w	Freq.	Latest Date	Latest Value	Source
					changes shown as %							
All flights	Worldwide	+13	+24	+47	+192	+34	+12	+7.4	d	May 13	247,630	Flightradar24
Commercial flights	Worldwide	+8.8	+38	+72	+304	+16	+3.1	+1.1	d	May 13	131,490	Flightradar24
Seat capacity per month	Worldwide	+5.9	+25	+82	+261	+3.1		−0.2	w	May 13 week	113.1m	OAG
Air traffic (flights)	Europe					−2.5	+7.8	+2.8	d	May 13	31,847	Eurocontrol
Airline passenger throughput (7−day avg)	US	+7	+19	+63	+1,278	+8	+3	+4	w	May 12	2.55m	TSA
Air passenger traffic per month	China	+26	+273	+20	+280	+7.3	−8.2		m	March	57.4m	CAAC
Heathrow airport passengers	UK	+4.8	+32	+1,151	+3,146	−1.4	−0.3		m	April	6.71m	Heathrow. See related story

Note: FlightRadar24 data shown above, and comparisons thereof, all use 7−day moving averages, except for w/w which uses single day data.

- Europe Is Only Region to See Rise in Jet Demand



Refineries:

Measure	Location	vs 2023	vs 2022	vs 2021	vs 2019	m/m chg	Latest as of Date	Latest Value	Source
		Changes are in ppt unless noted							
Crude intake	US	+1.3	+1.6	+4.6	−2.8	+1.1	May 3	15.95m b/d	EIA
Utilization	US	−2.5	−1.5	+2	+0.4	+0.2	May 3	88.5	EIA
Utilization	US Gulf	−6.3	−3.2	+0.5	−1.4	−0.7	May 3	90.7	EIA
Utilization	US East	−0.3	unch	+12	+7.1	+11	May 3	91	EIA
Utilization	US Midwest	−0.3	−2.8	+2.3	−2.4	+1.2	May 3	85.2	EIA
Utilization (indep. refs)	Shandong, China	−4.5	+2.7	−13	−5.2	+4.3	May 10	57.6%	Oilchem

Note: US data is weekly. Changes shown in percentages for row on crude intake, refinery utilization changes are shown in percentage points.

(Updates with latest OPEC outlook, Currie comments in eighth paragraph.)

--With assistance from Julian Lee, Prejula Prem and Laura Hurst.

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https://newsroom.aaa.com/2024/05/memorial-day/

Nearly 44 Million Travelers Leaving Town for Unofficial Start of Summer

Second highest Memorial Day holiday travel forecast since AAA began tracking in 2000

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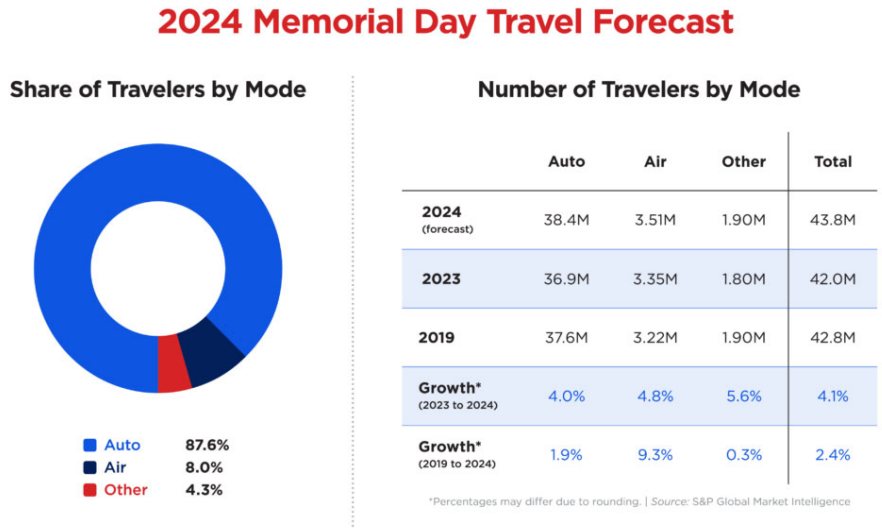
5/13/2024

WASHINGTON, DC (May 13, 2024) – AAA projects 43.8 million travelers will head 50 miles or more from home over the Memorial Day holiday travel period*. This year's total number of travelers is a 4% increase over last year and comes close to matching 2005's record of 44 million Memorial Day travelers.

"We haven't seen Memorial Day weekend travel numbers like these in almost 20 years," said Paula Twidale, Senior Vice President of AAA Travel. "We're projecting an additional one million travelers this holiday weekend compared to 2019, which not only means we're exceeding pre-pandemic levels but also signals a very busy summer travel season ahead."



Road trips are expected to set a record. AAA projects 38.4 million people will travel by car over Memorial Day weekend, the highest number for that holiday since AAA began tracking in 2000. The number of drivers this year is up 4% compared to last year and 1.9% higher than in 2019. Traveling by car is appealing for many people because of the convenience and flexibility it provides. AAA car rental partner Hertz says Orlando, Denver, Atlanta, Boston and Las Vegas are the cities displaying the highest rental demand, with the busiest pick-up days projected to be Thursday, May 23 and Friday, May 24.

This Memorial Day weekend drivers can expect similar gas prices as last year when the national average was roughly $3.57. Pump prices rose this spring but have held somewhat steady in recent weeks. Prices may creep higher as the summer driving season gets underway. The wildcard remains the cost of oil, and unlike last year, there are now two wars – in the Middle East and Ukraine – that could roil the oil market.

Airports are bracing for a spike in travelers. AAA expects 3.51 million air travelers this holiday weekend, an increase of 4.8% over last year and 9% jump compared to 2019. This will be the most crowded Memorial Day weekend at airports since 2005, when 3.64 million flew for the holiday as the travel industry finally rebounded post 9/11. This Memorial Day weekend, air ticket prices are comparable to last year. AAA booking data shows a 1% to 2% increase in prices for domestic flights. Several factors play into how much travelers pay for airfare, including destination, number of stops, and fare class. For example, passengers who book nonstop flights with seat selection and carry-on bags included will likely pay more than those who select basic economy with a layover.

Nearly two million people are expected to travel by other modes of transportation, including buses, cruises, and trains. AAA projects 1.9 million people will take these other modes of transportation, an increase of 5.6% compared to last year. “This category took the biggest hit during the pandemic with fewer people taking public transportation or not cruising at all,” Twidale said. “Now – five years later – we’re back to 2019 numbers. Travel demand has been soaring, and long holiday weekends create the perfect windows for getaways.”

Best/Worst Times to Drive and Peak Congestion by Metro

INRIX, a provider of transportation data and insights, says drivers leaving Thursday or Friday should hit the road early to avoid mixing with commuters. Travelers going back home on Sunday or Monday should avoid the afternoon hours when return trips will peak.

“Travel times are expected to be up to 90% longer than normal. Travelers should stay up to date on traffic apps, 511 services, and local news stations to avoid sitting in traffic longer than necessary,” said Bob Pishue, transportation analyst at INRIX.

Please note that the times listed below are for the time zone in which the metro is located.

Best and Worst Times to Travel by Car

Date	Worst Travel Time	Best Travel Time
Thursday, May 23	12:00 – 6: 00 PM	Before 11 AM, After 7PM
Friday, May 24	12:00 – 7:00 PM	Before 11AM, After 8 PM
Saturday, May 25	2:00 – 5:00 PM	Before 1 PM, After 6 PM
Sunday, May 26	3:00 – 7:00 PM	Before 1 PM
Monday, May 27	3:00 – 7:00 PM	After 7 PM

Source: INRIX

Peak Congestion by Metro

Metro	Route	Peak Congestion Period	Est. Travel Time	Increase Compared to Typical
Atlanta	Atlanta to Savannah via I-16 E	Saturday 4:45 PM	5 hours 31 minutes	54%
Boston	Manchester to Boston via I-93 S	Sunday 8:45 AM	1 hour 48 minutes	50%
Chicago	Milwaukee to Chicago via I-94 E	Sunday 4:30 PM	2 hours 25 minutes	27%
Denver	Fort Collins to Denver via I-25 S	Sunday 4:15 PM	1 hours 24 minutes	56%
Detroit	Kalamazoo to Detroit via I-94 E	Sunday 8:45 PM	2 hours 48 minutes	40%
Houston	Galveston to Houston via I-45 N	Sunday 5:00PM	1 hours 11 minutes	73%
Los Angeles	LA to Bakersfield via I-5 N	Thursday 6:15 PM	2 hours 45 minutes	84%
Minneapolis	Eau Claire to Minneapolis via I-94 W	Monday 8:45 AM	1 hour 47 minutes	38%
New York	New York to Albany via I-87N	Thursday 11:45 AM	2 hours 37 minutes	64%
Philadelphia	Philadelphia to Baltimore/DC via I-95	Friday 7:30 AM	2 hours 1 minute	43%
Portland	Hood River to Portland via I-84 W	Monday 6:30 PM	1 hour 20 minutes	42%
San Diego	San Diego to Palm Springs via I-15 N	Friday 6:15 PM	3 hours 4 minutes	34%
San Francisco	San Francisco to Napa via I-80 E	Friday 11:00 AM	1 hour 25 minutes	56%
Seattle	Ellensburg to Seattle via I-90 E	Sunday 4:30 PM	2 hours 34 minutes	58%
Tampa	Gainesville to Tampa via I-75 S	Sunday 9:00 AM	3 hours 47 minutes	88%
Washington, DC	Washington, DC to Baltimore via Balt/Wash Pkwy N	Friday 2:15 PM	1 hour 21 minutes	72%

Source: INRIX

Top Destinations

This Memorial Day weekend, travelers are seeking theme parks and entertainment venues in Orlando, New York, Las Vegas, and Southern California. Seattle, Anchorage, and Vancouver rank high because of the popularity of Alaska cruises this time of year. Florida beaches and cruise ports will also be packed. European cities dominate the international list. The top 10 domestic and international destinations below are based on AAA booking data.

DOMESTIC	INTERNATIONAL
Orlando, FL	Rome, Italy
Seattle, WA	Vancouver, B.C., Canada
New York, NY	London, England
Las Vegas, NV	Paris, France
Anaheim/Los Angeles, CA	Dublin, Ireland
Denver, CO	Amsterdam, Netherlands
Anchorage, AK	Athens, Greece
Fort Lauderdale, FL	Barcelona, Spain
Miami, FL	St. George, Bermuda
Boston, MA	Edinburgh, Scotland

Travel Trends

As travelers make plans for summer and beyond, AAA Travel has identified the following trends:

- **Bucket Lists**: Travelers taking once-in-a-lifetime trips
- **Milestones**: Families booking anniversary, retirement, and family reunion trips
- **Asia**: More travelers interested in visiting Asia, especially Japan
- **Solo Trips**: More people, especially women, interested in traveling by themselves
- **Luxury Vacations**: More travelers seeking high-end cruises and tours
- **Trains**: Many travelers interested in rail vacations across New England, Canada, and Europe
- **Adventure in Nature**: Travelers booking trips to Antarctica, Africa, and South Pacific

Travel Agent Survey

A recent survey of AAA travel agents highlights topics travelers are frequently discussing when booking trips:

- **Travel Insurance**: 51 % of agents say more travelers are interested in protecting their trips
- **Types of Vacations:** AAA travel agents say these are among the types of vacations travelers are most interested in:
  - 77% of agents say ocean cruises
  - 70% of agents say all-inclusive vacations
  - 67% of agents say river cruises

Holiday Travel Forecast Methodology

In cooperation with AAA, S&P Global Market Intelligence (SPGMI) developed a unique methodology to forecast actual domestic travel volumes. The economic variables used to forecast travel for the current holiday are leveraged from SPGMI's proprietary databases. These data include macroeconomic drivers such as employment, output, household net worth, asset prices, including stock indices, interest rates, housing market indicators, and

variables related to travel and tourism, including gasoline prices, airline travel, and hotel stays. AAA and SPGMI have quantified holiday travel volumes going back to 2000.

Historical travel volume estimates come from DK SHIFFLET's TRAVEL PERFORMANCE/MonitorSM. The PERFORMANCE/MonitorSM is a comprehensive study measuring the travel behavior of U.S. residents. DK SHIFFLET contacts over 50,000 U.S. households each month to obtain detailed travel data, resulting in the unique ability to estimate visitor volume and spending, identify trends, and forecast U.S. travel behavior, all after the trips have been taken.

The travel forecast is reported in person-trips. In particular, AAA and SPGMI forecast the total U.S. holiday travel volume and expected mode of transportation. The travel forecast presented in this report was prepared the week of April 15, 2024.

***Memorial Day Holiday Travel Period**

For this forecast, the Memorial Day holiday travel period is defined as the five-day period from Thursday, May 23 to Monday, May 27, 2024.

AAA Travel Agent Survey Methodology

AAA clubs distributed surveys to a random sample of their travel agents between March 18 and March 29, 2024 to understand recent traveler trends over the past 60 days. 186 AAA agent responses were collected from 13 AAA clubs (representing 97% of AAA membership overall as of February 2024).

About AAA

Started in 1902 by automotive enthusiasts who wanted to chart a path for better roads in America and advocate for safe mobility, AAA has transformed into one of North America's largest membership organizations. Today, AAA provides roadside assistance, travel, discounts, financial and insurance services to enhance the life journey of 64 million members across North America, including 57 million in the United States. To learn more about all AAA has to offer or to become a member, visit AAA.com.

About S&P Global

S&P Global (NYSE: SPGI) provides essential intelligence. We enable governments, businesses, and individuals with the right data, expertise, and connected technology so that they can make decisions with conviction. From helping our customers assess new investments to guiding them through ESG and energy transition across supply chains, we unlock new opportunities, solve challenges, and accelerate progress for the world. We are widely sought after by many of the world's leading organizations to provide credit ratings, benchmarks, analytics, and workflow solutions in the global capital, commodity, and automotive markets. With every one of our offerings, we help the world's leading organizations plan for tomorrow today. For more information, visit www.spglobal.com.

About DKSA

DK SHIFFLET boasts the industry's most complete database on U.S. resident travel both in the U.S. and worldwide. Data is collected monthly from a U.S. representative sample, adding over 60,000 traveling households annually, and is used daily by leading travel organizations and their strategic planning groups. DK SHIFFLET is an MMGY Global company.

About INRIX

Founded in 2004, INRIX pioneered intelligent mobility solutions by transforming big data from connected devices and vehicles into mobility insights. This revolutionary approach enabled INRIX to become one of the leading providers of data and analytics into how people move. By empowering cities, businesses, and people with valuable insights, INRIX is helping to make the world smarter, safer, and greener. With partners and solutions spanning across the entire mobility ecosystem, INRIX is uniquely positioned at the intersection of technology and transportation – whether it's keeping road users safe, improving traffic signal timing to reduce delay and greenhouse gasses, optimizing last mile delivery, or helping uncover market insights. Learn more at INRIX.com.

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consistent weather across the country. We were looking for much improved Western division this year, given how bad weather was last year in the West, but that really didn't happen. So the bathtub is in effect, but we still have a long way to go. Our biggest selling weeks are ahead of us and certainly hope for some drier weather and sunnier days, but Billy, maybe you can add some commentary.

A - Billy Bastek {BIO 23329819 <GO>}

Yes. Mo, thanks. Thanks for the question, Chris. And as Ted mentioned, I mean, if you go back and we knew that there was pull forward and a lot of discretionary categories, single item purchases, if you will. And we're really pleased to see some of those businesses more normalize to the cyclical cycle of what you would typically see. And there was no question that, that was -- had been an impact certainly last year. And so really pleased with seeing some of that. Yes, where the weather has been great, which hasn't been or consistent, I should say, we've seen great customer engagement. I mentioned our Spring Black Friday event, our Spring Gift Center events. We've seen great consumer, customer engagement there. And there's still the continued pressure that we see in financed, big projects as they called out in kitchen and bath, specifically in the kind of remodeling finance projects, but really pleased with some of the customer engagement, some of those pull forward categories so far.

Q - Chris Horvers {BIO 7499419 <GO>}

And just to dig in on that a little bit, on the big tickets or two sides of the coin, is the big ticket finance project business, did it get worse because rates spiked, and on the other side, categories like garden equipment and grills and patio, are you seeing any emergence of replacement cycle where you could see maybe those categories start to get back to flat, if not up?

A - Richard Mcphail {BIO 19175260 <GO>}

Chris, this is Richard. So just from a year-over-year perspective, we saw big ticket pressure last Q1, which was more of the item purchase as customers deferred those sort of item purchases. We saw big ticket pressure this Q1 as well and yet the dynamic had changed. And the dynamic really that we began to see towards the back half of last year was this deferral of large projects like Billy called out. So the pressure in those categories has actually increased. It's a different story of Q1 '23 versus '24, and maybe, Billy, you talk about particular categories.

A - Billy Bastek {BIO 23329819 <GO>}

Yes. Again, the kitchen and bath remodel project, cabinets and so forth, I mean, anything that's financed, we continue to see even a little bit more pressure, conversely, and you just mentioned, Chris, some of the categories, more item buying. I mean, the category like riding mower is well over $1,000 purchase and we're seeing just in a few categories like that terrific customer engagement. Again, we had pull forward, but we're really pleased with some of those specific item purchases even the ones that are over $1,000, as I mentioned, riding mowers and some other categories where we've seen really back to that cyclical customer

engagement. So we're really pleased with some of those pieces that we're seeing in the business.

Q - Chris Horvers {BIO 7499419 <GO>}

Thanks very much. Have a great rest of spring.

A - Ted Decker {BIO 16614891 <GO>}

Thanks, Chris.

Operator

Our next question comes from the line of Simeon Gutman with Morgan Stanley. Please proceed with your question.

Q - Simeon Gutman {BIO 7528320 <GO>}

Hi, good morning, everyone. My first is a macro and I'm going to follow-up with a micro. I want to ask your opinion on lock-in effect versus turnover. If it's clear that we need turnover now for stronger demand and if you can talk about demand in regions of the country where pricing is more noticeably going up than others, seeing if there is a real lock-in effect that can happen? And the contingency is, if we don't get rate decreases, what sort of normal could look like?

A - Richard Mcphail {BIO 19175260 <GO>}

So Simeon, I think you have to think about this short term and longer term. So if we think about lock-in effect and the impact of housing turnover, clearly, we've seen two years of significant decrease in housing turnover to the point where we're at really sort of historical lows, and most folks think that, that can't get much lower. When you're thinking about current performance, obviously, that puts pressure on our business. When a customer buys or sells a home, they spend more in that year than in a year when they don't. And so there's no doubt that we're missing some of that project demand and that's what's weighing on our sales as we had anticipated. Then you have to ask yourself, though, the lock-in effect, the interest rate environment, at this point, a lot is subject to the macro. I think the question is at what point current interest rates become sort of the new normal. This is not something that we're making a prediction on. It's just thinking about behavior.

At some point, spend on housing shifts from discretionary to something that you simply must do. We know that there's pent-up demand for household formation. And so, again, I'd say short term, it is having an impact on our customers' mindset. And it's not just housing turnover-related spend. It's really all large projects. As Billy said, sort of debt finance spend where we are seeing interest rates sort of weigh on the minds of customers. And look, we're not immune to this. If you look at the national figures on what's really driving the consumer right now, it's services. Goods are underperforming services and durable goods are seeing the most pressure, and in particular, home-related categories. So this is not a surprise. This has baked into our expectations for the year. The question will be how it evolves over time.

A - Richard Mcphail {BIO 19175260 <GO>}

If you look at the national statistics and you actually parse inflation, inflation is being driven in the goods space -- sorry, the services space, not in the goods space, and particularly not in home-related categories. Billy, maybe just talk about observations.

A - Billy Bastek {BIO 23329819 <GO>}

Yes. And from a commodity standpoint, Brian, we've seen no impact. Obviously, we talked a lot in the last year about not only lumber, but copper and we're pleased with the fact that there's no impact on commodities at this point and see a very stable environment.

Q - Brian Nagel {BIO 6638066 <GO>}

Good. Very helpful. I appreciate it. Thank you.

A - Isabel Janci {BIO 16473072 <GO>}

Christine, we have time for one more question.

Operator

Thank you. Our final question will come from the line of Steven Forbes with Guggenheim. Please proceed with your question.

Q - Steven Forbes {BIO 16997307 <GO>}

Good morning, everyone. I was hoping maybe to just expand on the weakness in certain discretionary projects such as kitchen and bath. Any way to help us better understand if there's line of sight to stabilization in the project size headwind this year and/or pressure rolling off, meaning is it cycling compares still or are you still seeing project size moderate, right, relative to some baseline, whether it's a year ago or sort of from peak levels?

A - Ted Decker {BIO 16614891 <GO>}

Yes. It's -- I mean, for sure that the single biggest pressure outside of the AUR that Richard went through was from discretionary, larger decor-oriented projects. And as we've said, last year, it was more of an item story. This year, it's more of a discretionary generally finance story. If you take something like kitchen cabinets and countertops, I mean those are probably the only categories where we've seen not just some fall off in projects and size of projects, but actually a little bit of trading down. So it's focused on those categories. That's the only place we've seen it and are seeing it. That too will pass. I mean I think that is now going through. There's -- we've always had the idea that if turnover would drop, people would improve in place. I think we're still seeing the fallout from the turnover being down so dramatically. I mean, it was just six months ago that interest rates hit their peak in October of '23, mortgage rates. So those are the type of projects, when you move into a new house, you update your kitchen, you update a master bathroom, et cetera.

And then if you are going to stay in place and take on those type of projects outside of a move, you're generally going to finance, and as we've seen, the rates tick up and the impact of rates ticking up, that's impacting that demand. So right now, you would see a lap of that dynamic. We don't see housing turnover going lower and then the question is interest rates. What does happen to interest rates in higher for longer? What does that mean? You guys know as much as we do on that score.

Q - Steven Forbes {BIO 16997307 <GO>}

And then maybe just a quick follow-up. I think it was Chip's comment earlier about the pro comp, right, being positive, I believe he said within those markets that are servicing the complex pro. So maybe just clarifying if that's what he said, and does that imply that you've seen a widening in the performance gap between those markets where you're servicing the complex pro versus the company average maybe relative to what you guys stated at the Analyst Day last year?

A - Chip Devine {BIO 21541158 <GO>}

Yes. Just reaffirming what I said, we have seen positive comps in those markets where we've invested in sales professionals and our FTC markets.

Q - Steven Forbes {BIO 16997307 <GO>}

Great. Thank you.

A - Chip Devine {BIO 21541158 <GO>}

Thanks.

Operator

Thank you. Ms.Janci, I would now like to hand the floor back over to you for closing comments.

A - Isabel Janci {BIO 16473072 <GO>}

Thank you for joining us today. We look forward to speaking with you on our second quarter earnings call in August.

Operator

Ladies and gentlemen, this does conclude today's teleconference. You may disconnect your lines at this time. Thank you for your participation and have a wonderful day.

LDV Total Sales of PEV and HEV by Month (updated through April 2024)

	PEV			
Month	BEV	PHEV	HEV	Total LDV
Dec-10	19	326	28,592	1,144,840
Jan-11	103	321	19,540	819,938
Feb-11	83	281	23,306	993,535
Mar-11	298	608	34,533	1,246,668
Apr-11	573	493	25,602	1,157,928
May-11	1,150	481	17,419	1,061,841
Jun-11	1,708	561	12,655	1,053,414
Jul-11	932	125	19,621	1,059,730
Aug-11	1,363	302	21,181	1,072,379
Sep-11	1,031	723	17,625	1,053,761
Oct-11	866	1,108	20,057	1,021,185
Nov-11	773	1,139	26,110	994,786
Dec-11	1,212	1,529	31,100	1,243,784
Jan-12	824	603	21,779	913,284
Feb-12	639	1,023	36,222	1,149,432
Mar-12	961	3,200	48,206	1,404,623
Apr-12	479	3,116	39,901	1,184,567
May-12	612	2,766	37,184	1,334,642
Jun-12	863	2,455	34,558	1,285,499
Jul-12	479	2,537	31,611	1,153,759
Aug-12	866	3,878	38,369	1,285,292
Sep-12	1,306	4,503	34,836	1,188,899
Oct-12	2,240	4,994	33,290	1,092,294
Nov-12	2,614	4,544	35,002	1,143,916
Dec-12	2,704	4,965	43,690	1,356,070
Jan-13	2,372	2,354	34,611	1,043,238
Feb-13	2,666	2,789	40,173	1,192,299
Mar-13	4,553	3,079	46,327	1,453,038
Apr-13	4,403	2,735	42,804	1,285,446
May-13	4,545	3,209	48,796	1,443,311
Jun-13	4,573	4,169	44,924	1,403,121
Jul-13	3,943	3,499	45,494	1,313,844
Aug-13	4,956	6,407	53,020	1,501,294
Sep-13	3,650	4,477	33,576	1,137,206
Oct-13	3,733	6,367	33,570	1,206,182
Nov-13	3,930	4,903	36,085	1,243,852
Dec-13	4,770	5,020	36,155	1,358,734
Jan-14	2,971	2,934	27,555	1,011,187
Feb-14	3,324	3,721	30,561	1,192,467
Mar-14	4,578	4,594	43,790	1,537,270
Apr-14	4,187	4,718	39,430	1,391,303
May-14	5,802	6,651	52,227	1,609,678

Note:

PEV Plug-in Electric Vehicles

BEV Battery Electric Vehicles

PHEV Plug-in Hybrid Electric Vehicles

HEV Hybrid Electric Vehicles

LDV Light-Duty Vehicles (car & light truck, including all powertrain types)

Jun-14	4,982	6,511	39,225	1,421,963
Jul-14	5,693	5,740	44,488	1,435,805
Aug-14	6,483	5,920	48,208	1,586,374
Sep-14	5,983	3,357	31,385	1,245,786
Oct-14	5,927	3,735	30,892	1,281,132
Nov-14	6,176	3,609	31,109	1,302,655
Dec-14	7,419	3,867	33,302	1,507,928
Jan-15	3,977	2,113	25,312	1,152,480
Feb-15	4,435	2,589	27,038	1,258,570
Mar-15	5,715	3,020	33,654	1,545,710
Apr-15	6,037	2,962	32,379	1,455,242
May-15	7,057	4,416	40,257	1,634,952
Jun-15	6,975	3,409	32,330	1,476,472
Jul-15	5,143	3,836	35,666	1,510,941
Aug-15	5,224	3,786	37,633	1,577,179
Sep-15	6,704	3,038	32,106	1,442,113
Oct-15	5,740	4,081	30,485	1,455,153
Nov-15	6,103	4,275	25,153	1,318,210
Dec-15	7,954	5,483	32,387	1,641,913
Jan-16	3,576	3,137	20,967	1,148,087
Feb-16	4,424	3,909	24,371	1,343,922
Mar-16	7,115	5,319	28,756	1,595,065
Apr-16	6,266	5,842	28,988	1,506,431
May-16	6,526	5,619	30,573	1,535,670
Jun-16	7,678	6,113	27,681	1,512,996
Jul-16	7,762	6,525	32,633	1,521,245
Aug-16	8,601	6,372	32,206	1,511,405
Sep-16	10,032	6,037	31,286	1,434,483
Oct-16	5,408	5,943	26,484	1,370,721
Nov-16	6,266	7,858	28,497	1,378,635
Dec-16	13,077	10,211	34,507	1,688,368
Jan-17	5,398	5,669	22,630	1,142,568
Feb-17	5,846	6,247	28,355	1,333,128
Mar-17	10,171	7,384	32,012	1,554,998
Apr-17	5,961	7,300	30,949	1,426,883
May-17	8,038	8,645	33,729	1,519,793
Jun-17	8,814	7,787	30,073	1,474,970
Jul-17	7,802	7,407	29,050	1,416,743
Aug-17	8,850	7,668	34,850	1,484,826
Sep-17	13,421	7,719	37,319	1,525,522
Oct-17	6,792	6,665	29,451	1,356,789
Nov-17	8,435	8,408	30,075	1,399,640
Dec-17	14,959	10,289	32,187	1,605,527
Jan-18	9,154	6,241	21,718	1,151,011
Feb-18	6,653	8,783	24,609	1,293,763
Mar-18	11,060	11,601	28,165	1,647,090

Apr-18	12,794	9,931	24,827	1,353,546
May-18	12,232	11,403	31,602	1,586,493
Jun-18	12,997	10,485	31,038	1,543,716
Jul-18	15,387	9,269	28,203	1,362,964
Aug-18	20,222	10,132	30,182	1,482,215
Sep-18	24,163	10,777	31,985	1,432,136
Oct-18	29,937	9,937	28,614	1,360,281
Nov-18	24,089	11,580	27,453	1,382,553
Dec-18	28,374	13,744	29,753	1,617,778
Jan-19	26,942	6,010	19,153	1,133,157
Feb-19	10,644	6,610	22,730	1,251,513
Mar-19	17,281	8,074	30,926	1,598,811
Apr-19	20,113	5,908	33,082	1,326,555
May-19	18,012	7,949	44,162	1,581,479
Jun-19	23,421	7,999	39,247	1,509,674
Jul-19	23,559	7,197	36,341	1,396,460
Aug-19	18,864	8,433	42,830	1,638,722
Sep-19	21,812	5,816	29,848	1,267,150
Oct-19	23,072	6,388	32,457	1,333,995
Nov-19	11,421	7,733	32,962	1,403,153
Dec-19	18,681	7,674	35,706	1,512,243
Jan-20	26,391	5,104	27,166	1,136,560
Feb-20	11,151	6,111	32,309	1,350,570
Mar-20	18,234	3,481	23,591	989,954
Apr-20	8,058	2,015	14,268	715,322
May-20	8,626	3,911	27,740	1,119,089
Jun-20	16,809	4,206	41,590	1,101,169
Jul-20	23,075	5,228	43,738	1,236,643
Aug-20	17,291	6,478	42,191	1,318,070
Sep-20	28,101	6,670	43,293	1,341,099
Oct-20	29,959	7,755	47,611	1,358,922
Nov-20	22,225	7,369	47,724	1,199,137
Dec-20	28,620	10,721	63,846	1,605,497
Jan-21	25,103	7,463	46,843	1,106,286
Feb-21	26,215	9,046	54,045	1,193,776
Mar-21	40,755	12,261	78,123	1,597,152
Apr-21	33,547	18,604	76,397	1,518,415
May-21	29,796	20,807	82,511	1,570,313
Jun-21	45,913	16,648	65,960	1,302,213
Jul-21	42,013	15,669	74,298	1,280,803
Aug-21	35,499	14,067	67,976	1,092,661
Sep-21	42,020	12,554	60,102	1,015,935
Oct-21	42,485	18,275	63,482	1,051,015
Nov-21	46,687	14,170	59,326	1,014,411
Dec-21	49,441	16,553	69,983	1,203,993
Jan-22	42,780	11,983	63,093	991,573

Feb-22	46,859	12,563	58,175	1,045,624
Mar-22	64,160	16,200	76,683	1,257,821
Apr-22	52,537	17,875	71,849	1,236,432
May-22	52,502	15,263	68,737	1,108,063
Jun-22	74,262	14,838	61,039	1,143,820
Jul-22	64,310	13,932	59,229	1,126,523
Aug-22	59,836	13,797	58,869	1,134,265
Sep-22	69,811	13,415	55,892	1,124,297
Oct-22	71,739	17,603	66,661	1,181,540
Nov-22	69,924	16,183	57,086	1,135,484
Dec-22	79,262	19,759	69,099	1,268,897
Jan-23	72,944	15,593	60,069	1,046,919
Feb-23	81,158	17,789	66,320	1,138,756
Mar-23	92,077	21,397	94,289	1,374,992
Apr-23	92,880	24,165	100,528	1,357,844
May-23	92,897	25,134	103,832	1,362,535
Jun-23	100,745	23,181	100,762	1,368,178
Jul-23	99,259	23,840	103,757	1,298,913
Aug-23	92,277	28,148	107,325	1,316,366
Sep-23	101,719	29,632	109,269	1,331,167
Oct-23	90,509	22,037	103,799	1,193,974
Nov-23	102,323	24,530	108,549	1,235,583
Dec-23	121,647	41,121	117,098	1,458,853
Jan-24	81,317	25,759	91,929	1,066,907
Feb-24	80,715	28,610	105,919	1,239,614
Mar-24	101,377	35,187	123,751	1,444,589
Apr-24	93,598	26,476	118,435	1,313,512

PEV Sales by Size (updated through April 2024)

Size	2024 Sales	% of PEVs
Two seater	0	0.0%
Minicompact	0	0.0%
Subcompact	2,122	0.4%
Compact	7,994	1.7%
Midsize	63,846	13.5%
Large	30,719	6.5%
Small Station Wagons	34,352	7.3%
Standard SUV	96,112	20.3%
Minivan	14,233	3.0%
Small SUV	203,322	43.0%
Pickup	20,339	4.30%
Total	473,039	100.0%

https://www.whitehouse.gov/briefing-room/statements-releases/2024/05/14/fact-sheet-president-biden-takes-action-to-protect-american-workers-and-businesses-from-chinas-unfair-trade-practices/

MAY 14, 2024

FACT SHEET: President Biden Takes Action to Protect American Workers and Businesses from China's Unfair Trade Practices

President Biden's economic plan is supporting investments and creating good jobs in key sectors that are vital for America's economic future and national security. China's unfair trade practices concerning technology transfer, intellectual property, and innovation are threatening American businesses and workers. China is also flooding global markets with artificially low-priced exports. In response to China's unfair trade practices and to counteract the resulting harms, today, President Biden is directing his Trade Representative to increase tariffs under Section 301 of the Trade Act of 1974 on $18 billion of imports from China to protect American workers and businesses.

The Biden-Harris Administration's Investing in America agenda has already catalyzed more than $860 billion in business investments through smart, public incentives in industries of the future like electric vehicles (EVs), clean energy, and semiconductors. With support from the Bipartisan Infrastructure Law, CHIPS and Science Act, and Inflation Reduction Act, these investments are creating new American jobs in manufacturing and clean energy and helping communities that have been left behind make a comeback.

As President Biden says, American workers and businesses can outcompete anyone—as long as they have fair competition. But for too long, China's government has used unfair, non-market practices. China's forced technology transfers and intellectual property theft have contributed to its control of 70, 80, and even 90 percent of global production for the critical inputs necessary for our technologies, infrastructure, energy, and health care—creating unacceptable risks to America's supply chains and economic security. Furthermore, these same non-market policies and practices contribute to China's growing overcapacity and export surges that threaten to significantly harm American workers, businesses, and communities.

Today's actions to counter China's unfair trade practices are carefully targeted at strategic sectors—the same sectors where the United States is making historic investments under President Biden to create and sustain good-paying jobs—unlike recent proposals by Congressional Republicans that would threaten jobs and raise costs across the board. The previous administration's trade deal with China failed to increase American exports or boost American manufacturing as it had promised. Under President Biden's Investing in America agenda, nearly 800,000 manufacturing jobs have been created and new factory construction has doubled after both fell under the previous administration, and the trade deficit with China is the lowest in a decade—lower than any year under the last administration.

We will continue to work with our partners around the world to strengthen cooperation to address shared concerns about China's unfair practices—rather than undermining our alliances or applying indiscriminate 10 percent tariffs that raise prices on all imports from all countries, regardless whether they are engaged in unfair trade. The Biden-Harris Administration recognizes the benefits for our workers and businesses from strong alliances and a rules-based international trade system based on fair competition.

Following an in-depth review by the United States Trade Representative, President Biden is taking action to protect American workers and American companies from China's unfair trade practices. To encourage China to eliminate its unfair trade practices regarding technology transfer, intellectual property, and innovation, the President is directing increases in tariffs across strategic sectors such as steel and aluminum, semiconductors, electric vehicles, batteries, critical minerals, solar cells, ship-to-shore cranes, and medical products.

Steel and Aluminum

The tariff rate on certain steel and aluminum products under Section 301 will increase from 0–7.5% to 25% in 2024.

Steel is a vital sector for the American economy, and American companies are leading the future of clean steel. Recently, the Biden-Harris Administration announced $6 billion for 33 clean manufacturing projects including for steel and aluminum, including the first new primary aluminum smelter in four decades, made possible by the Bipartisan Infrastructure Law and the Inflation Reduction Act. These investments will make the United States one of the first nations in the world to convert clean hydrogen into clean steel, bolstering the U.S. steel industry's competitiveness as the world's cleanest major steel producer.

American workers continue to face unfair competition from China's non-market overcapacity in steel and aluminum, which are among the world's most carbon intensive. China's policies and subsidies for their domestic steel and aluminum industries mean high-quality, low-emissions U.S. products are undercut by artificially low-priced Chinese alternatives produced with higher emissions. Today's actions will shield the U.S. steel and aluminum industries from China's unfair trade practices.

Semiconductors

The tariff rate on semiconductors will increase from 25% to 50% by 2025.

China's policies in the legacy semiconductor sector have led to growing market share and rapid capacity expansion that risks driving out investment by market-driven firms. Over the next three to five years, China is expected to account for almost half of all new capacity coming online to manufacture certain legacy semiconductor wafers. During the pandemic, disruptions to the supply chain, including legacy chips, led to price spikes in a wide variety of products, including automobiles, consumer appliances, and medical devices, underscoring the risks of overreliance on a few markets.

Through the CHIPS and Science Act, President Biden is making a nearly $53 billion investment in American semiconductor manufacturing capacity, research, innovation, and workforce. This will help counteract decades of disinvestment and offshoring that has reduced the United States' capacity to manufacture semiconductors domestically. The CHIPS and Science Act includes $39 billion in direct incentives to build, modernize, and expand semiconductor manufacturing fabrication facilities as well as a 25% investment tax credit for semiconductor companies. Raising the tariff rate on semiconductors is an important initial step to promote the sustainability of these investments.

Electric Vehicles (EVs)

The tariff rate on electric vehicles under Section 301 will increase from 25% to 100% in 2024.

With extensive subsidies and non-market practices leading to substantial risks of overcapacity, China's exports of EVs grew by 70% from 2022 to 2023—jeopardizing productive investments elsewhere. A 100% tariff rate on EVs will protect American manufacturers from China's unfair trade practices.

This action advances President Biden's vision of ensuring the future of the auto industry will be made in America by American workers. As part of the President's Investing in America agenda, the Administration is incentivizing the development of a robust EV market through business tax credits for manufacturing of batteries and production of critical minerals, consumer tax credits for EV adoption, smart standards, federal investments in EV charging infrastructure, and grants to supply EV and battery manufacturing. The increase in the tariff rate on electric vehicles will protect these investments and jobs from unfairly priced Chinese imports.

Batteries, Battery Components and Parts, and Critical Minerals

The tariff rate on lithium-ion EV batteries will increase from 7.5%% to 25% in 2024, while the tariff rate on lithium-ion non-EV batteries will increase from 7.5% to 25% in 2026. The tariff rate on battery parts will increase from 7.5% to 25% in 2024.

The tariff rate on natural graphite and permanent magnets will increase from zero to 25% in 2026. The tariff rate for certain other critical minerals will increase from zero to 25% in 2024.

Despite rapid and recent progress in U.S. onshoring, China currently controls over 80 percent of certain segments of the EV battery supply chain, particularly upstream nodes such as critical minerals mining, processing, and refining. Concentration of critical minerals mining and refining capacity in China leaves our supply chains vulnerable and our national security and clean energy goals at risk. In order to improve U.S. and global resiliency in these supply chains, President Biden has invested across the U.S. battery supply chain to build a sufficient domestic industrial base. Through the Bipartisan Infrastructure Law, the Defense Production Act, and the Inflation Reduction Act, the Biden-Harris Administration has invested nearly $20 billion in grants and loans to expand domestic production capacity of advanced batteries and battery materials. The Inflation Reduction Act also contains manufacturing tax credits to incentivize investment in battery and battery material production in the United States. The President has also established the American Battery Materials Initiative, which will mobilize an all-of-government approach to secure a dependable, robust supply chain for batteries and their inputs.

Solar Cells

The tariff rate on solar cells (whether or not assembled into modules) will increase from 25% to 50% in 2024.

The tariff increase will protect against China's policy-driven overcapacity that depresses prices and inhibits the development of solar capacity outside of China. China has used unfair practices to dominate upwards of 80 to 90% of certain parts of the global solar supply chain, and is trying to maintain that status quo. Chinese policies and nonmarket practices are flooding global markets with artificially cheap solar modules and panels, undermining investment in solar manufacturing outside of China.

The Biden-Harris Administration has made historic investments in the U.S. solar supply chain, building on early U.S. government-enabled research and development that helped create solar cell technologies. The Inflation Reduction Act provides supply-side tax incentives for solar components, including polysilicon, wafers, cells, modules, and backsheet material, as well as tax credits and grant and loan programs supporting deployment of utility-scale and residential solar energy projects. As a result of President Biden's Investing in America agenda, solar manufacturers have already announced nearly $17 billion in planned investment under his Administration—an 8-fold increase in U.S. manufacturing capacity, enough to supply panels for millions of homes each year by 2030.

Ship-to-Shore Cranes

The tariff rate on ship-to-shore cranes will increase from 0% to 25% in 2024.

The Administration continues to deliver for the American people by rebuilding the United States' industrial capacity to produce port cranes with trusted partners. A 25% tariff rate on ship-to-shore cranes will help protect U.S. manufacturers from China's unfair trade practices that have led to excessive concentration in the market. Port cranes are essential pieces of infrastructure that enable the continuous movement and flow of critical goods to, from, and within the United States, and the Administration is taking action to mitigate risks that could disrupt American supply chains. This action also builds off of ongoing work to invest in U.S. port infrastructure through the President's Investing in America Agenda. This port security initiative includes bringing port crane manufacturing capabilities back to the United States to support U.S. supply chain security and encourages ports

across the country and around the world to use trusted vendors when sourcing cranes or other heavy equipment.

Medical Products

The tariff rates on syringes and needles will increase from 0% to 50% in 2024. For certain personal protective equipment (PPE), including certain respirators and face masks, the tariff rates will increase from 0–7.5% to 25% in 2024. Tariffs on rubber medical and surgical gloves will increase from 7.5% to 25% in 2026.

These tariff rate increases will help support and sustain a strong domestic industrial base for medical supplies that were essential to the COVID-19 pandemic response, and continue to be used daily in every hospital across the country to deliver essential care. The federal government and the private sector have made substantial investments to build domestic manufacturing for these and other medical products to ensure American health care workers and patients have access to critical medical products when they need them. American businesses are now struggling to compete with underpriced Chinese-made supplies dumped on the market, sometimes of such poor quality that they may raise safety concerns for health care workers and patients.

Today's announcement reflects President Biden's commitment to always have the back of American workers. When faced with anticompetitive, unfair practices from abroad, the President will deploy any and all tools necessary to protect American workers and industry.

Dan Tsubouchi @Energy_Tidbits · 15h

"*Reality kicks in*" for Energy Transition.

"majority of the [energy transition] promises were made by officials that are politicians that really don't understand the details of how you can achieve these transitions" Qatar Energy CEO to @flacqua

👇 SAF transcript.
#OOTT

".. on the transition, I think the promises were made, but the majority of the promises were made by officials that are politicians that really don't understand the details of how you can achieve these transitions." Qatar Energy CEO.

https://www.bloomberg.com/news/videos/2024-05-15/us-opi-watch-qatar-nations-day-2-bloomberg-markets-today-05-15

SAF Group created a transcript of a panel moderated by Francine Lacqua on the next stage of the energy transition. The panellists were Darren Woods, Chairman and CEO of Exxon Mobil, Patrick Pouyanne, CEO of TotalEnergies, and Saad Sherida Al-Kaabi, Qatar Energy Minister & Qatar Energy CEO.

Items in "italics" are SAF Group created transcript.

Al-Kaabi: *"If I can just add to what my colleagues were saying on the transition, I think the promises were made, but the majority of the promises were made by officials that are politicians that really don't understand the details of how you can achieve these transitions. And it was driven to a to a point where it became in vogue, if you will, for everybody to say Net Zero and environmental and green. And that's what got you elected. And now, when reality came in to actually implement the plans that they were talking about in COP26, let's say, okay, you know, five, six years later, they're saying we can't achieve what we're talking about. So really kicks in. And now you're saying that what do you actually back off some of the targets? I think the targets were overstretch targets that you can't reach anyway. So anyway, on LNG supply, I think that there is going to be a need for LNG for a very long time. The European market seems from officials that you discuss, I was with Cody Simpson, with Ericsson and Secretary Simpson, basically the energy secretary or minister of EU with Darren Woods in Saudi Arabia just a couple of weeks ago on a panel. And the discussion was that they feel very, very comfortable in Europe. And the comfort that they get in Europe is because they had two very warm winters and they filled up all the storages and they didn't need to use much of it. So if you have two harsh winter winters or normal winters, you're going to be depleting. So I think Europe is going to need a lot more LNG and the world will need much more LNG with the growth and I don't see an oversupply."*

Woods: *"Yeah, I think there's a more fundamental issue here, which is the approach that policymakers and politicians around the world are taking to arrive the outcomes that they're looking for and the policies are put in place to achieve those outcomes. If you look at what's happening in Europe, our perspective is good. We have quite a large business in Europe is the policy being put in place is very prescriptive and very focused on how to achieve an outcome. So you're relying on politicians and policymakers, to his Excellency's point, that don't have a true understanding of how things actually get done within certain industries to prescribe how to then conduct business, that puts a huge burden on the businesses. It makes them very uncompetitive, and as a global market, particularly in the industry that we're engaged in, it's global markets that are liquid all around the world and in order to compete, you need to have, bring as much to bear in that competition as possible. The US, if you take what they're doing and, in his policymaking, particularly around climate with the IRA. It's more focused on the outcomes and looking at carbon intensity and encouraging businesses to find ways to meet those outcomes. And keeping at this point the aperture open around how best to achieve that, that engages the technology firms, that engages the market forces, that engages the companies to find the best solution at the lowest cost to achieve the outcome. That's a much better competitive environment to operate in. I think that's one of the big challenges between the US and Europe, quite frankly."*

Prepared by SAF Group https://safgroup.com/news-insights/

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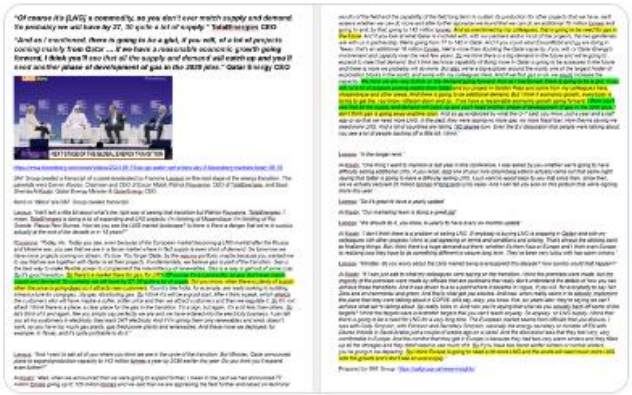
Dan Tsubouchi @Energy_Tidbits · 15h

LNG oversupply to end 2020s?

Qatar Energy & TotalEnergies CEOs sees strong & growing long-term demand but wave of supply projects point to #LNG oversupply to end 2020s before rebalancing post 2030.

See 👇 SAF Group created transcript.

Great @flacqua interview.
#NatGas #OOTT



"Of course it's [LNG] a commodity, so you don't ever match supply and demand. I'm positively we will have by '27, '30 quite a lot of supply." TotalEnergies CEO

"And as I mentioned, there is going to be a glut, if you will, of a lot of projects coming mainly from Qatar ... If we have a relatively economic growth going forward, I think you'll see that all the supply and demand will catch up and you'll need also the phase of development of gas in the 2030 plus." Qatar Energy CEO

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Dan Tsubouchi @Energy_Tidbits · 21h

Daily Europe air traffic just below pre-Covid.

7-day average as of:
May 16: 1.2% below pre-Covid
May 9: 3.2% below
May 2: 2.9% below
Apr 25: 3.2% below
Apr 22: 1.5% below
Apr 18: 3.2% below
Apr 11: 3.7% below ...
Show more

6 4 12 1.3K

Dan Tsubouchi @Energy_Tidbits · 21h

US gasoline prices -$0.04 WoW to $3.59. Now -$0.08 MoM and $0.05 YoY.

California at $5.21 is -$0.08 WoW, -$0.24 MoM.

6 or last 10 Mays have seasonally increased into June. 2 were flat, 2 decreased.

Biden doesn't want $4 gas in election year.

...
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6 1 11 1.2K

Dan Tsubouchi @Energy_Tidbits · 23h

Vortexa oil floating storage +9.27 mmb WoW to 69.21 mmb.

US Gulf Coast +4.67 WoW to 8.67 mmb, highest since 2020. Storm/power outage related?

Lots of crude on water with long tanker trips avoiding Red Sea BUT floating storage is still below 70 mmb.

Thx @vortexa @business

Show more

5 3 14 2.1K

Dan Tsubouchi @Energy_Tidbits · May 18

Two Houthi hits in Red sea.

#Oil tanker hit off coast of Mokha, north of Bab el Mandeb reports @AFP @arabnews

Unknown type of ship in Red Sea northwest of Al Hudaydah reports @UK_MTO

#OOTT

7 4 6 1.5K

Dan Tsubouchi @Energy_Tidbits · 1h

321 crack spreads reverse past 2 weeks down trend, and +$1.15 WoW to $27.04 & WTI +$1.80 WoW to $80.06 at May 17.

$27.04 crack provide good margins for refineries and should provide support to near term oil price..

Thx @business

#OOTT

1 2 16 798

Dan Tsubouchi @Energy_Tidbits · May 16

A key to getting Chinese consumers back to spending is still a big negative.

April was worst month for China home owners.

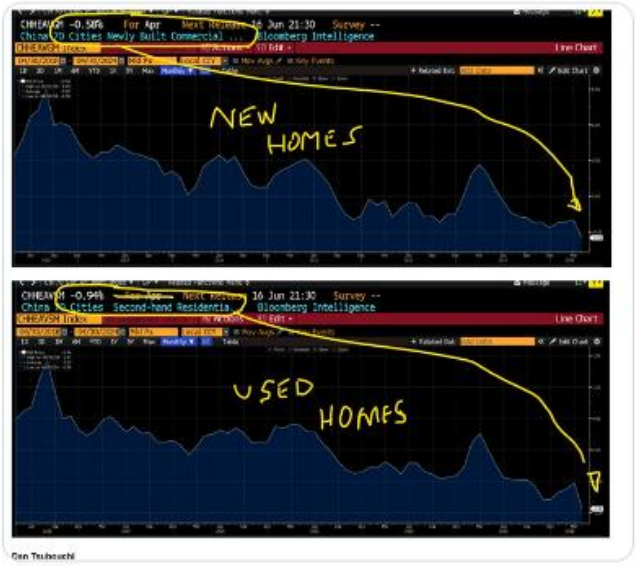
New homes -0.58% MoM, largest MOM decline to date.

Used homes -0.94% MoM, largest MoM decline to date.

Thx @business.

...

Show more



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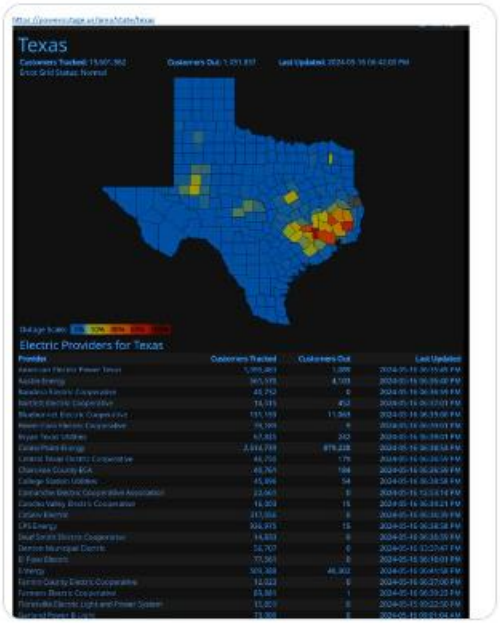
Dan Tsubouchi @Energy_Tidbits · May 16

Major storms knock out power to >1 million Texas customers centered around Houston.

Need to watch if any impact on #Oil #NatGas #LNG in this major energy hub.

Great link to live power outages thru all of the US is from @PowerOutage_us at poweroutage.us

#OOTT #NatGas



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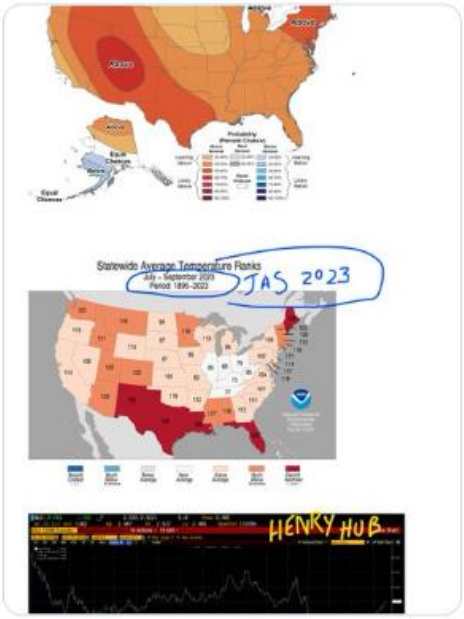
Dan Tsubouchi @Energy_Tidbits · May 16

Positive support for #NatGas

@NOAA updated Jul/Aug/Sept calls for another hot summer.

Summer 2023 was 3rd hottest in last 129 yrs and helped provide some strengthening to HH prices last summer.

#OOTT



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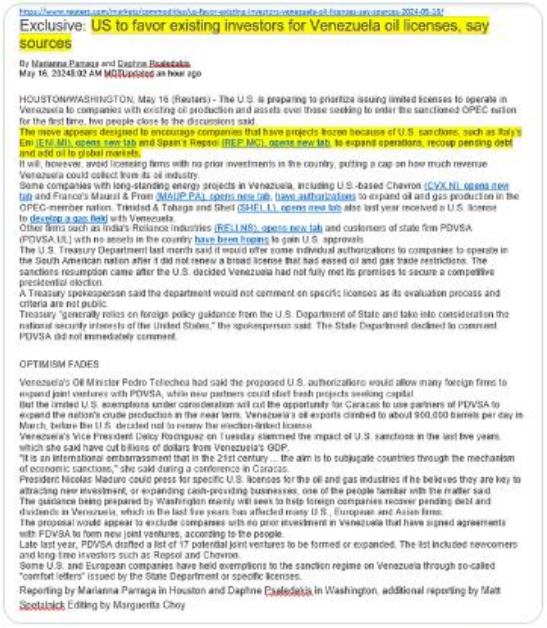
Dan Tsubouchi @Energy_Tidbits · 8h

Biden push to keep oil & gasoline prices lower ahead of election

US preparing to prioritize issuing limited licenses to operate in Venezuela to co's with existing oil production/assets ie. quicker to restore existing assets than start new. @mariannaparraga @DPsaledakis
#OOTT



Exclusive: US to favor existing investors for Venezuela oil licenses, say sources

By Marianna Parraga and Daphne Psaledakis
May 16, 2024 8:02 AM MDT Updated an hour ago

HOUSTON/WASHINGTON, May 16 (Reuters) - The U.S. is preparing to prioritize issuing limited licenses to operate in Venezuela to companies with existing oil production and assets over those seeking to enter the sanctioned OPEC nation for the first time, two people close to the discussions said.
The move appears designed to encourage companies that have projects frozen because of U.S. sanctions, such as Italy's Eni (ENI.MI), opens new tab and Spain's Repsol (REP.MC), opens new tab, to expand operations, recoup pending debt and add oil to global markets.
It will, however, avoid licensing firms with no prior investments in the country, putting a cap on how much revenue Venezuela could collect from its oil industry.
Some companies with long-standing energy projects in Venezuela, including U.S.-based Chevron (CVX.N), opens new tab and France's Maurel & Prom (MAUP.PA), opens new tab, have authorizations to expand oil and gas production in the OPEC-member nation. Trinidad & Tobago and Shell (SHEL.L), opens new tab also last year received a U.S. license to develop a gas field with Venezuela.
Other firms such as India's Reliance Industries (RELI.NS), opens new tab and customers of state firm PDVSA (PDVSA.UL) with no assets in the country have been hoping to gain U.S. approvals.
The U.S. Treasury Department last month said it would offer some individual authorizations to companies to operate in the South American nation after it did not renew a broad license that had eased oil and gas trade restrictions. The sanctions resumption came after the U.S. decided Venezuela had not fully met its promises to secure a competitive presidential election.
A Treasury spokesperson said the department would not comment on specific licenses as its evaluation process and criteria are not public.
Treasury "generally relies on foreign policy guidance from the U.S. Department of State and take into consideration the national security interests of the United States," the spokesperson said. The State Department declined to comment. PDVSA did not immediately comment.

OPTIMISM FADES

Venezuela's Oil Minister Pedro Tellechea had said the proposed U.S. authorizations would allow many foreign firms to expand joint ventures with PDVSA, while new partners could start fresh projects seeking capital.
But the limited U.S. exemptions under consideration will cut the opportunity for Caracas to use partners of PDVSA to expand the nation's crude production in the near term. Venezuela's oil exports climbed to about 900,000 barrels per day in March, before the U.S. decided not to renew the election-linked license.
Venezuela's Vice President Delcy Rodriguez on Tuesday slammed the impact of U.S. sanctions in the last five years, which she said have cut billions of dollars from Venezuela's GDP.
"It is an international embarrassment that in the 21st century ... the aim is to subjugate countries through the mechanism of economic sanctions," she said during a conference in Caracas.
President Nicolas Maduro could press for specific U.S. licenses for the oil and gas industries if he believes they are key to attracting new investment, or expanding cash-pleasing businesses, one of the people familiar with the matter said.
The guidance being prepared by Washington mainly will seek to help foreign companies recover pending debt and dividends in Venezuela, which in the last five years has affected many U.S., European and Asian firms.
The proposal would appear to exclude companies with no prior investment in Venezuela that have signed agreements with PDVSA to form new joint ventures, according to the people.
Late last year, PDVSA drafted a list of 17 potential joint ventures to be formed or expanded. The list included newcomers and long-time investors such as Repsol and Chevron.
Some U.S. and European companies have held exemptions to the sanction regime on Venezuela through so-called "comfort letters" issued by the State Department or specific licenses.
Reporting by Marianna Parraga in Houston and Daphne Psaledakis in Washington, additional reporting by Matt Spetalnick; Editing by Marguerita Choy

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Dan Tsubouchi @Energy_Tidbits · May 15

Here's why India will take as much discounted Russia and Iran #Oil as possible.

India trade deficit in Apr was $19.1b. #Oil #PetroleumProducts #LNG imports stood at $16.46b in Apr" reports @shruti838

Added Brent $ to the @business India trade deficit graph.

#OOTT

2 · 2 · 2 · 2.2K

Dan Tsubouchi @Energy_Tidbits · May 15

Is IEA shifting its peak #Oil demand by 2030 & then decline to a call for long term oil demand plateau?

"*we will see a* ***[oil demand] plateau*** *rather than a steep peak* ***towards the end of the decade*** *based* ***on our current assumptions***" IEA's Bosoni to @flacqua.

#OOTT

"And in our projections, that slowdown, we will see a [oil demand] plateau rather than a steep peak towards the end of the decade based on our current assumptions" **IEA's Toril Bosoni when asked if IEA sees peak fossil fuel demand being pushed beyond the end of the decade.**

SAF Group created transcript of comments by Toril Bosoni (IEA Head of Oil Industry and Markets Division) with Bloomberg's Francine Lacqua on Bloomberg's The Pulse on May 15, 2024.
https://www.bloomberg.com/news/videos/2024-05-15/oil-demand-growth-softening-iea-says-the-pulse-05-15-video

Items in "italics" are SAF Group created transcript

At 6:50 min mark, Lacqua "... *I just got off stage and was speaking to the chief executives of Exxon and Total, and also the Qatari Energy Minister and they were really pushing back against this idea of peak oil. Given this oil supply/demand equation you are looking at, do you see that peak fossil fuel demand being pushed beyond the end of the decade?*" Bosoni "*Thank you Francine and good to see you. So what we're seeing, now with oil demand growth continues thru this year, next year, and thru this decade. But the pace of growth is slowing. That's what we're seeing. We're seeing that with 1.1 mmb/d demand growth this year, we're back to trend. So the pre-pandemic trend. 2021, 2022, 2023 was really boosted by the post pandemic rebound. And we're seeing now that it's really the petrochemicals sectors that is driving demand. We're seeing declines in Europe, for instance, gas/oil demand was declining for a second year running now. Without China, global oil demand growth in Feb and March were down year-on-year. So that's clearly signs of a slowdown in oil demand growth. And in our projections, that slowdown, we will see a plateau rather than a steep peak towards the end of the decade based on our current assumptions.*"

Prepared by SAF Group https://safgroup.ca/news-insights/

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Dan Tsubouchi @Energy_Tidbits · May 15

Looks like Pelican Island Causeway shutdown, by itself, shouldn't impact #Oil #PetroleumProducts shipping lanes to/from Gulf of Mexico unless they need to pause to get any emergency repairs to the causeway.

#OOTT

> **KHOU 11 News Houston** @KHOU · May 15
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> BRIDGE CLOSURE | A barge struck the Pelican Island Causeway, shutting it down in both directions this morning. The bridge connects the north side of Galveston Island just west of the Port of Galveston with the south side of Pelican Island....

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Dan Tsubouchi @Energy_Tidbits · May 15

Rinse & repeat?

IEA Apr OMR cuts 2024 YoY oil demand growth by 120 kb/d

Today IEA May OMR cuts 2024 YoY #Oil demand growth by 140 kb/d

But each increased lookback at 2023 demand such that no change to 2024 demand of 103.2 mb/d in Apr & May OMRS vs Mar OMR.

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https://www.iea.org/reports/oil-market-report-may-2024

Oil Market Report - May 2024

About this report

The IEA Oil Market Report (OMR) is one of the world's most authoritative and timely sources of data, forecasts and analysis on the global oil market – including detailed statistics and commentary on oil supply, demand, inventories, prices and refining activity, as well as oil trade for IEA and selected non-IEA countries.

Published May 2024

Highlights

- Global oil demand is set to rise by 1.1 mb/d in 2024, 140 kb/d less than projected in last month's Report as weak deliveries, notably in Europe, shifted first-quarter OECD demand into contraction. The outlook for 2025 is comparatively unchanged, with the pace of growth now marginally surpassing 2024 at 1.2 mb/d.

https://www.iea.org/reports/oil-market-report-april-2024

Oil Market Report - April 2024

About this report

The IEA Oil Market Report (OMR) is one of the world's most authoritative and timely sources of data, forecasts and analysis on the global oil market – including detailed statistics and commentary on oil supply, demand, inventories, prices and refining activity, as well as oil trade for IEA and selected non-IEA countries.

PublishedApril 2024

Highlights

- World oil demand growth continues to lose momentum with 1Q24 growth of 1.6 mb/d, 120 kb/d below our previous forecast due to exceptionally weak OECD deliveries. With the post-Covid rebound now largely complete, and vehicle efficiencies and an expanding EV fleet acting as further drags on oil demand, growth in 2024 and 2025 slows to 1.2 mb/d and 1.1 mb/d, respectively.

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Dan Tsubouchi @Energy_Tidbits · May 15

For those not near their laptop, @EIAgov just released #Oil #Gasoline #Distillates inventory as of May 10 at 8:30am MT. Table below compares EIA data vs @businessexpectations and vs @APIenergy yesterday. Prior to release, WTI was $77.25. #OOTT

Oil/Products Inventory May 10: EIA, Bloomberg Survey Expectations, API

(million barrels)	EIA	Expectations	API
Oil	-2.51	-0.60	-3.10
Gasoline	-0.24	1.00	-1.27
Distillates	0.05	0.70	0.35
	-2.70	1.10	-4.02

Note: Oil is commercial. So excludes a +0 6 mmb build in SPR for the May 10 week
Note: Included in the oil data, Cushing had a 0.34 mmb draw for May 10 week
Source EIA, Bloomberg
Prepared by SAF Group https://safgroup.ca/news-insights/

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Dan Tsubouchi @Energy_Tidbits · May 15

Positive for #NatGas.

Record Coper prices! Is this driven by realization that electricity demand is going to be way higher for longer than forecast ie. adding in AI/data centers?

If so, what can supply the way more & way sooner power generation other than #NatGas?
#OOTT

10 8 10 5.1K

Dan Tsubouchi @Energy_Tidbits · May 14

No specifics in China response to Biden tariffs.

State media *"China firmly opposes ..... and will take resolute measures to safeguard its own rights and interests, the country's Ministry of Commerce said on Tuesday. "*

#OOTT

https://english.news.cn/20240514/808ec979e88c4941b2395e89eb536b6e/c.html

China firmly opposes U.S. tariff hike on Chinese goods: commerce ministry

Source: Xinhua
Editor: huaxia
2024-05-14 22:20:45

BEIJING, May 14 (Xinhua) -- China firmly opposes and lodges solemn representations over the further increase of additional tariffs on some Chinese goods by the United States, and will take resolute measures to safeguard its own rights and interests, the country's Ministry of Commerce said on Tuesday.

On top of existing tariffs under Section 301, the United States on Tuesday decided to raise additional tariffs on its imports of Chinese products including electric vehicles, lithium-ion batteries, solar cells, critical minerals, semiconductors, steel and aluminum, and cranes.

China is strongly dissatisfied with the U.S. abuse of the Section 301 tariff review procedure driven by domestic political concerns and its increase of additional tariffs on certain Chinese products, a spokesperson for the Ministry of Commerce said in a statement.

This move politicizes trade issues and uses them as a tool, the statement said, calling it "typical political manipulation."

The World Trade Organization (WTO) has already ruled that the Section 301 tariffs are in violation of WTO regulations, yet the U.S. side has continued its wrongdoing, it said.

The U.S. tariff hike goes against the consensus reached by the leaders of the two countries and the promises of U.S. President Joe Biden, and will seriously affect the atmosphere of bilateral cooperation, said the statement.

The U.S. side should immediately rectify its wrongdoing and remove the additional tariff measures against China, it said. ■

Dan Tsubouchi @Energy_Tidbits · May 14

How will China respond?

Biden increases tariffs on $18b of China imports.

Steel & Aluminum: 0-7.5% to 25%...

1 3 5 2.5K

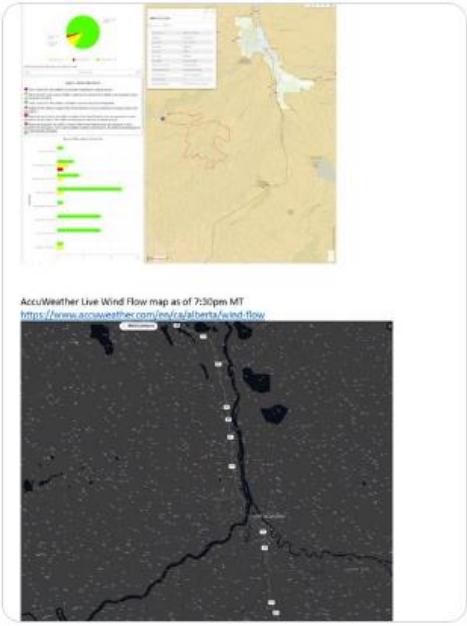
Dan Tsubouchi @Energy_Tidbits · May 14

Some residents around Fort McMurray move to evacuation order

Wildfire now ~21,000 ha.

@AccuWeather live wind flow map shows winds from west.

Hope everyone can stay safe!
#OOTT



> **rmwoodbuffalo** @RMWoodBuffalo · May 14
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> Evacuation Order: Abasand, Beacon Hill, Prairie Creek and Grayling Terrace move to evacuation order; be prepared to be evacuated by 4 p.m.
> rmwb.ca/en/news/evacua...

1 4 3.4K

Dan Tsubouchi @Energy_Tidbits · May 14

Does US have labor force for the big ramp up in manufacturing jobs? or other sectors traditionally dependent upon high school grads?

Recent @WSJ reminders decreasing birth rates 10-15 yrs ago is about to hit available pool of high school grads.

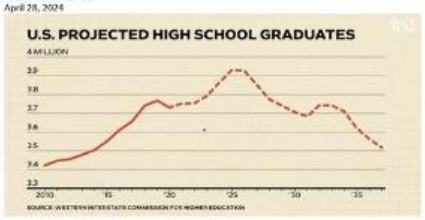
Or will AI fill the gap?
#OOTT

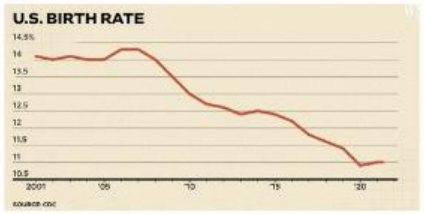
Excerpt from https://www.wsj.com/video/series/wsj-explains/how-universities-make-money-beyond-the-big-donors/91FD9BB2D-8BAD-4958-BA7A-5A0BABCA74D6?mod=hp_lista_pos1

How Universities Make Money Beyond the Big Donors

Some donors have threatened to pull support from universities over mounting pro-Palestinian protests. But private gifts are just one of the ways schools can be funded. Former Northwestern President Morton Schapiro breaks down the complex financials of higher education. Photo illustration: Grace Shin

By
Wall Street Journal
April 28, 2024





> **Dan Tsubouchi** @Energy_Tidbits · May 14
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> How will China respond?
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> Biden increases tariffs on $18b of China imports.
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> Steel & Aluminum: 0-7.5% to 25%...

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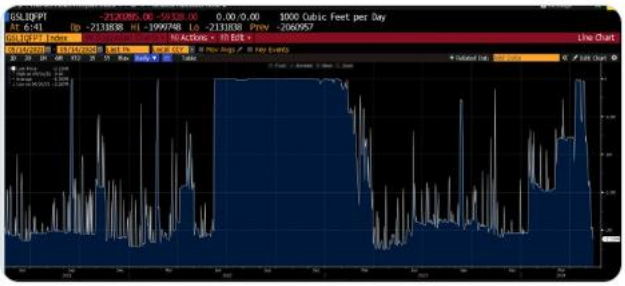
Dan Tsubouchi @Energy_Tidbits · May 14

Freeport LNG is back!

#NatGas supplying Freeport LNG is back to its capacity of ~2.1 bcf/d.

Thx @ruthcoversIng

#OOTT



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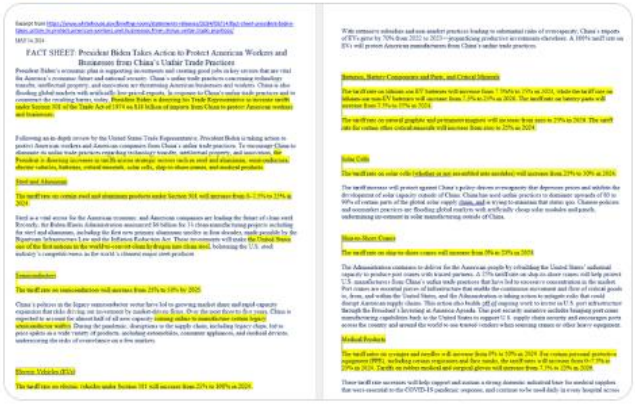
Dan Tsubouchi @Energy_Tidbits · May 14

How will China respond?

Biden increases tariffs on $18b of China imports.

Steel & Aluminum: 0-7.5% to 25%
Semi's 25% to 50%
EVs 25% to 100%
EV batteries 7.5% to 25%
Batteries, Battery components & critical minerals 0-7.5% to 25%
Solar Cells 25% to 50%...
Show more


FACT SHEET: President Biden Takes Action to Protect American Workers and Businesses from China's Unfair Trade Practices

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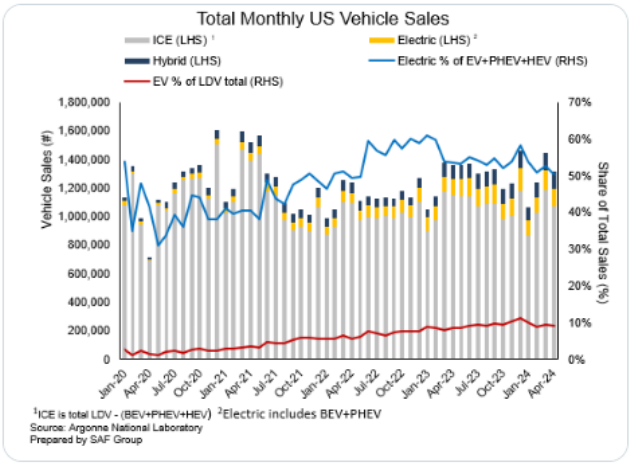
Dan Tsubouchi @Energy_Tidbits · May 13

US consumer weakness?

Big =131.1k MoM drop in US car sales to 1.31 mm in Apr.

Hybrids now 50.3% of EV + PHEV + Hybrid.

BEV: -7.7% MoM to 93,598, 7.1% share.
PHEV: -26.8% MoM to 26,476, 2.0% share.
HEV: -4.3% MoM to 118,435, 9.0% share.
ICE: -9.2% MoM to 1,075,003, 81.9%...
Show more



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