Energy Tidbits

Chinese Consumer Hit: New Home Prices Down for 15th Straight Month, 2nd Hand Home Prices Down for 16th Straight Month

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Short-Term Energy Outlook

Overview

U.S. energy market indicators	2023	2024	2025
Brent crude oil spot price (dollars per barrel)	**$82**	**$83**	**$84**
Retail gasoline price (dollars per gallon)	**$3.50**	**$3.30**	**$3.30**
U.S. crude oil production (million barrels per day)	**12.9**	**13.3**	**13.7**
Natural gas price at Henry Hub (dollars per million British thermal units)	**$2.50**	**$2.20**	**$3.10**
U.S. liquefied natural gas gross exports (billion cubic feet per day)	**12**	**12**	**14**
Shares of U.S. electricity generation			
Natural gas	42%	42%	39%
Coal	17%	16%	16%
Renewables	21%	23%	25%
Nuclear	19%	19%	19%
U.S. GDP (percentage change)	**2.5%**	**2.6%**	**1.8%**
U.S. CO_2 emissions (billion metric tons)	**4.8**	**4.8**	**4.8**

Data source: U.S. Energy Information Administration, *Short-Term Energy Outlook,* September 2024

- **New U.S. biofuels data.** Biomass-based diesel products are making up an increasing share of the total distillate fuel oil consumed in the United States. Beginning this month, we will publish forecasts for several new series that better capture how biofuels are being consumed and the share of total distillate fuel oil they account for. We expect that although U.S. total distillate fuel oil consumption will fall slightly this year to average 4.1 million barrels per day (b/d), biofuels will account for 9% (360,000 b/d) of that consumption, up from 8% last year and 5% in 2022.

- **New propane retail price data.** Also starting this month, we will be publishing monthly retail propane price forecasts by region. In our forecast, the U.S. average retail propane price for the upcoming heating season (November–March) averages $2.50 per gallon (gal), which would be unchanged from last winter. Prices for this winter range from an average of $3.35/gal on the East Coast to $2.00/gal in the Midwest, both of which are similar to last winter.

- **Crude oil prices.** Despite a drop in the Brent crude oil spot price to $73 per barrel (b) on September 6, we expect ongoing withdrawals from global oil inventories will push prices back above $80/b this month. More oil will be taken out of inventories in the fourth quarter of 2024 (4Q24) that we previously expected because OPEC+ announced that they will delay production increases until December. Those increases had been set to start in October. Although market concerns over economic and oil demand growth, particularly in China, have increased, causing oil prices to fall, OPEC+ production cuts mean less oil is being produced globally than is being consumed. We expect the Brent crude oil spot price to average $82/b in 4Q24 and average $84/b in 2025.

- **Natural gas prices.** We forecast natural gas prices will remain relatively flat in the upcoming shoulder season during September and October before prices generally rise in 2025. Price increases in 2025 reflect U.S. natural gas production that does not keep pace with growth in U.S. liquefied natural gas (LNG) exports. We expect the Henry Hub spot price will rise from less than $2.00 per million British thermal units (MMBtu) in August to around $3.10/MMBtu next year.

- **Electricity generation.** A hot start to the summer has contributed to rising electricity demand this year, which is spurring more electricity generation. We expect that U.S. electricity generators will produce 3% more electric power this year than they did in 2023. Most of this increase in generation is coming from solar power, but a significant amount is also coming from natural gas.

- **Solar generation.** Significant capacity expansions are supporting the increase in solar generation. Solar accounted for 59% of U.S. generating capacity additions in the first half of 2024, an increase that was supported by the development of new battery storage capacity. We expect the largest gains in solar generation in 2024 in Texas (16 billion kilowatthours [BkWh]) and in California (9 BkWh).

Notable forecast changes

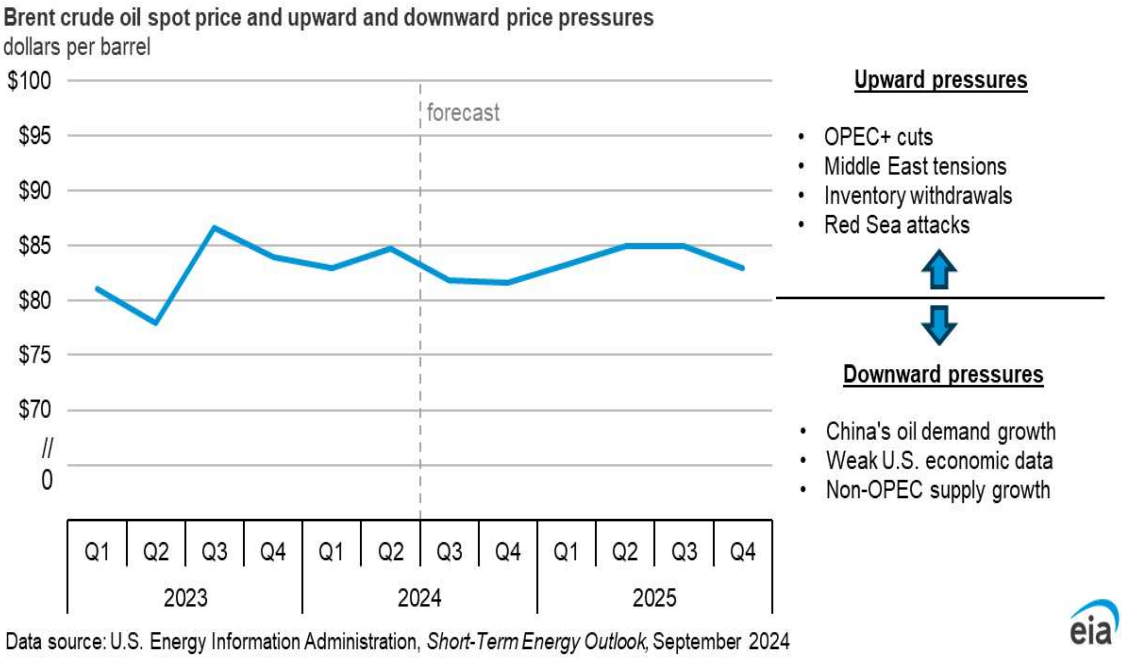
Current forecast: September 10, 2024; previous forecast: August 6, 2024	**2024**	**2025**
Change in global oil inventories (million barrels per day)	**-0.9**	**0.0**
Previous forecast	-0.6	-0.1
Change	-0.3	0.1

Data source: U.S. Energy Information Administration, *Short-Term Energy Outlook*

Global Oil Markets

Global oil prices and inventories

Although short-term prices have sometimes been volatile this year, oil prices have mostly traded within a relatively tight range. The Brent crude oil spot price averaged $82 per barrel (b) in August, marking the eighth consecutive month where it averaged between $80/b and $90/b. Despite a drop in the Brent spot price to $73/b on September 6, we expect ongoing withdrawals from global oil inventories stemming from OPEC+ production cuts will push the price back into that range relatively quickly.



Data source: U.S. Energy Information Administration, *Short-Term Energy Outlook*, September 2024

Persistent economic concerns have reduced market expectations around global oil demand growth. Slowing global economic activity and reduced fuel demand in China, one of the leading sources of global oil demand growth, as well as signs of slowing U.S. job growth in recent months, have limited any upward price momentum in recent months.

However, we still expect oil prices will rise in the coming months, driven by ongoing withdrawals from global oil inventories as a result of OPEC+ production cuts. The OPEC+ production cuts continue to cause less oil to be produced globally than is being consumed. Even before OPEC+ announced that it will delay production increases until December, we expected a significant reduction in global oil inventories through the end of this year. We now expect more oil will be taken out of inventories than we previously expected.

We estimate global oil inventories are falling by 0.9 million barrels per day (b/d) in 3Q24, and we expect they will decrease by more than 1.0 million b/d through 1Q25. As a result, we expect Brent prices will rise from $74/b at the beginning of September to average $82/b in December and $83/b in 1Q25.

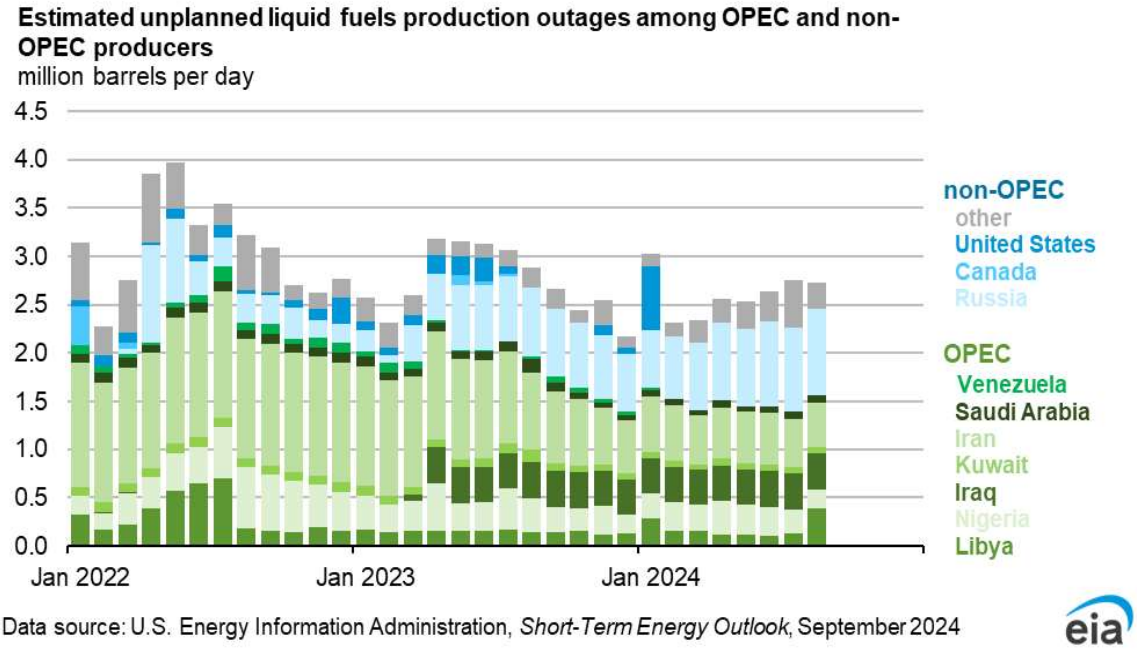
By mid-2025, we anticipate that the market will gradually return to moderate inventory builds as OPEC+ increases production through the year and as forecast production growth from countries outside of

OPEC+ begins to outweigh global oil demand growth. We estimate that global oil inventories will increase by an average of 0.5 million b/d in the second half of 2025 (2H25). We forecast the Brent price will average $84/b in 2025.

Recent production outages in Libya add a new source of uncertainty for crude oil prices in the coming months. These outages compound existing uncertainties driven by attacks on oil tankers in the Red Sea shipping channel and the possibility the conflict in Gaza spills into neighboring countries, potentially disrupting regional oil production. Similarly, OPEC+ members could further delay the unwinding of voluntary oil production cuts now set to begin in December. Over the long term, whether global oil demand growth will outweigh supply growth from countries outside of OPEC+ remains a key uncertainty.

Global oil production and consumption

The duration of recent disruptions to crude oil production in Libya are a key uncertainty for the oil market in 4Q24. Political unrest and increased tensions between competing Libyan government factions have halted production across numerous oil fields in the country. Estimates are that production fell as low as 0.4 million b/d by the end of August, down from 1.1 million b/d in 1H24. We assume Libya's oil production will average 0.6 million b/d for the remainder of the year.



Although OPEC+ cuts and recent productions outages in Libya are limiting world oil production growth, we estimate that growth outside of OPEC+ will remain strong. We expect that global production of petroleum and other liquid fuels will increase by 0.3 million b/d in 2024. OPEC+ liquid fuels production in our forecast decreases by 1.4 million b/d in 2024, while production outside of OPEC+ increases by 1.7 million b/d, led by growth in the United States, Canada, Guyana, and Brazil. Global production of liquid fuels increases by 2.4 million b/d in 2025, with OPEC+ production increasing by 0.8 million b/d and 1.6 million b/d of production growth from countries outside of OPEC+.

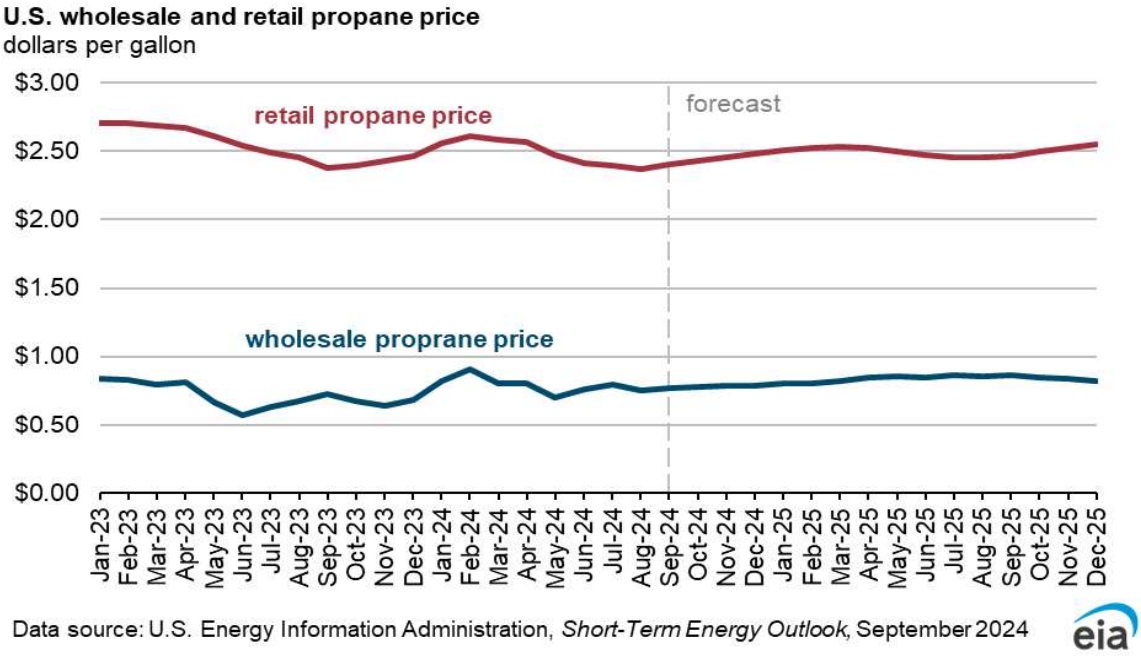
We forecast that global consumption of liquid fuels will increase by 0.9 million b/d in 2024 and 1.5 million b/d in 2025. Our 2024 forecast is down 0.2 million b/d from last month and our 2025 forecast is down 0.1 million b/d due to downward revisions to demand in China and OECD Europe. Most of the expected liquid fuels demand growth is from non-OECD countries, which increase their liquids consumption by 1.0 million b/d in 2024 and 1.3 million b/d in 2025. We revised our forecast petroleum consumption growth in China for 2024 and 2025 down because of slower economic activity as well as new monthly statistics showing a slowdown in diesel demand, jet fuel consumption, and crude oil refinery runs in China. We now forecast China's petroleum and liquid fuels consumption will grow by about 0.1 million b/d in 2024 and 0.3 million b/d in 2025.

U.S. Petroleum Products

Mont Belvieu propane price forecast

We forecast the U.S. benchmark wholesale propane price in Mont Belvieu, Texas, will average 80 cents per gal (gal) during the 2024–25 winter heating season that runs from November through March, which is 4% (3 cents/gal) more than during the 2023–24 winter heating season.

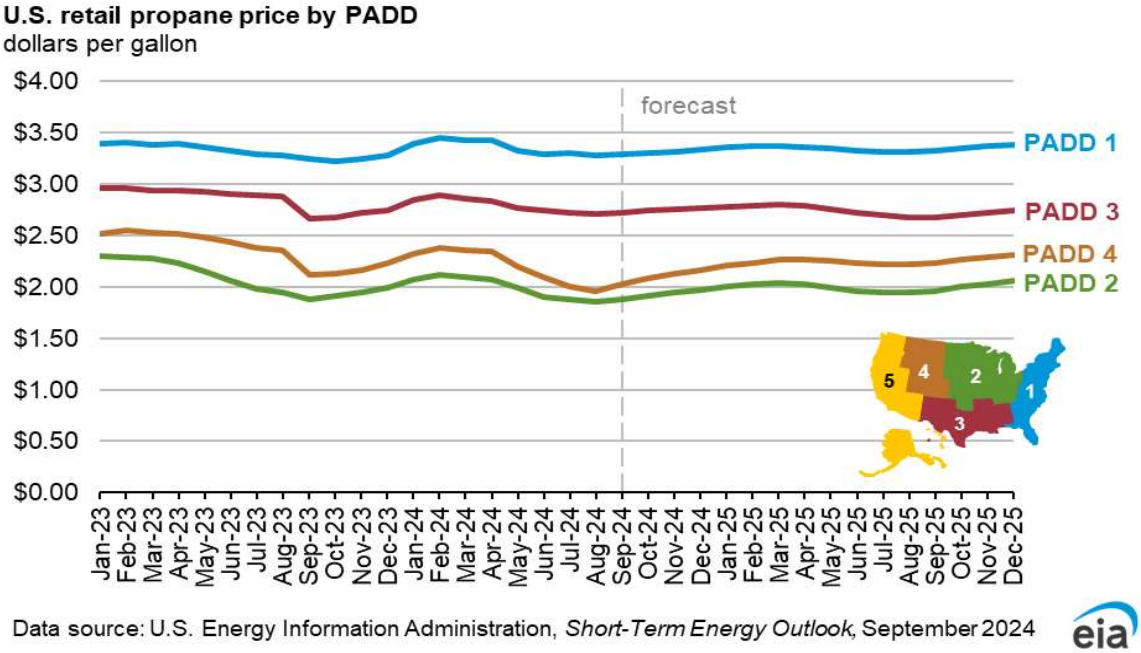
U.S. propane prices often exhibit seasonality, where prices increase in the winter, especially if the winter is colder-than-normal, increasing demand for propane's use in space heating. We expect the Mont Belvieu spot price will increase from 76 cents/gal in August to end the winter at 82 cents/gal in March, when inventories fall to their seasonal low. We use heating degree days (HDDs) as a measure of how cold temperatures are—more HDDs indicate colder temperatures. We forecast HDDs this winter to be near the 10-year average. Wholesale propane prices are driven by increases in the Brent crude oil price and Henry Hub natural gas price during the upcoming winter. Despite our increased forecast of U.S. field production of propane compared with last year, growing demand from global markets for U.S. propane also puts some upward pressure on prices.



Retail propane price forecast

Relatively unchanged wholesale propane prices in our forecast between this winter and last means retail propane prices will also be close to those last winter. Our retail propane price forecast is closely linked to our Mont Belvieu wholesale propane price forecast. Beginning this month, in each STEO we will publish a monthly retail propane price forecast by region. Previously, we only published a winter-average price forecast in the STEOs from October through March. In the summer of 2024, we started collecting retail propane price data from April to October, in addition to our existing data collection during the winter heating season. This enhancement in our data collection allowed us to expand our forecast for retail propane prices.

We forecast that U.S. retail propane prices will average about $2.50/gal this winter, almost unchanged from last winter. Like wholesale propane prices, retail propane prices typically increase in the winter when retail propane inventories draw down and demand increases. Retail propane prices vary significantly across regions based on local supply and consumption dynamics. Propane used for heating is most common in rural areas, and around one-third of the households heated with propane are in the Midwest. We forecast Midwest (PADD 2) retail propane prices for the winter heating season to average $2.00/gal. On the East Coast (PADD 1), we forecast average retail propane prices this winter will be about $3.35/gal. On the Gulf Coast (PADD 3), we forecast a $2.80/gal average price this winter. And in the Rocky Mountains (PADD 4), we forecast a $2.20/gal average price. We do not publish a forecast for West Coast (PADD 5) retail propane prices because we do not collect historical data to support this forecast.



New STEO biofuels table

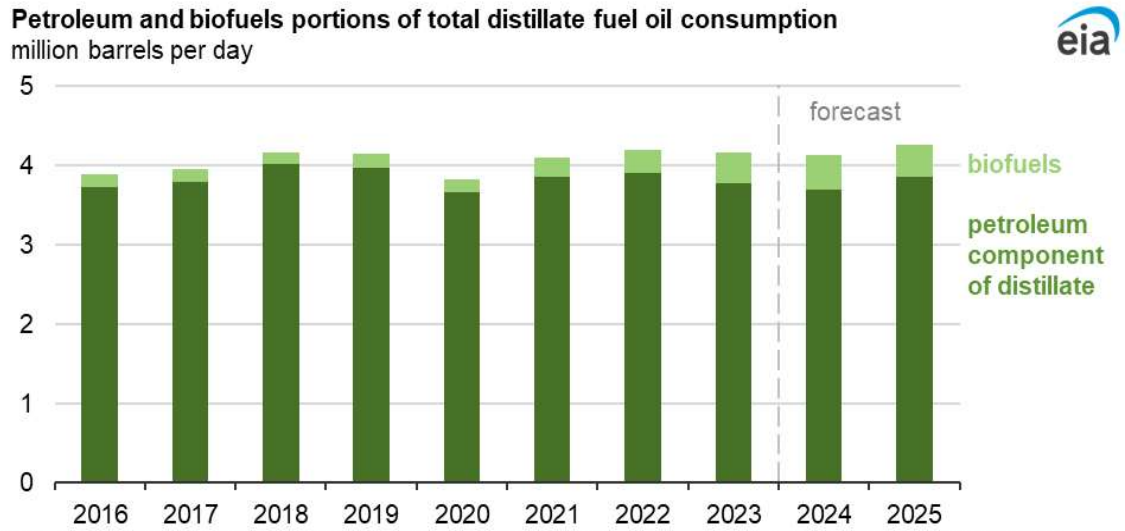
Biomass-based diesel products are making up an increasing share of total distillate fuel oil consumed in the United States. Most of this growth is occurring on the West Coast because of state-level policies in that region, notably California's Low Carbon Fuel Standard. Beginning this month, we will publish

forecasts for several new series that help to better capture how biofuels are being consumed and overall demand for distillate fuels. The most notable of these series is *total distillate fuel oil consumption*—a category that includes petroleum-based distillate fuel oil, renewable diesel, and biodiesel.

Previously, we only published product supplied of distillate fuel oil (the proxy we use for consumption) in STEO Table 4a. These data included volumes of biodiesel and renewable diesel reported to EIA as refiner and blender net inputs. However, distillate fuel oil product supplied does not include the larger volume of biofuel consumption that we report as standalone biodiesel and renewable diesel product supplied, although much is likely blended with petroleum-based distillate fuel downstream of what we capture in our surveys. Our new data series, called total distillate fuel oil consumption, adds these biodiesel and renewable diesel product supplied volumes to petroleum-based distillate fuel oil product supplied. This new series provides a more complete picture of all fuels being used as distillate fuel oil.

Our data show that in 2023 total distillate fuel oil consumption was 4.2 million b/d in the United States, of which 92.5% was petroleum-based diesel and 7.5% (310,000 b/d) was either biodiesel or renewable diesel. We expect that although total distillate fuel oil consumption will fall slightly this year to 4.1 million b/d, the biofuel component will rise to 360,000 b/d.

Our new total distillate fuel oil category and other STEO biofuel forecasts are available in STEO Table 4d as well as in the STEO Data Browser.

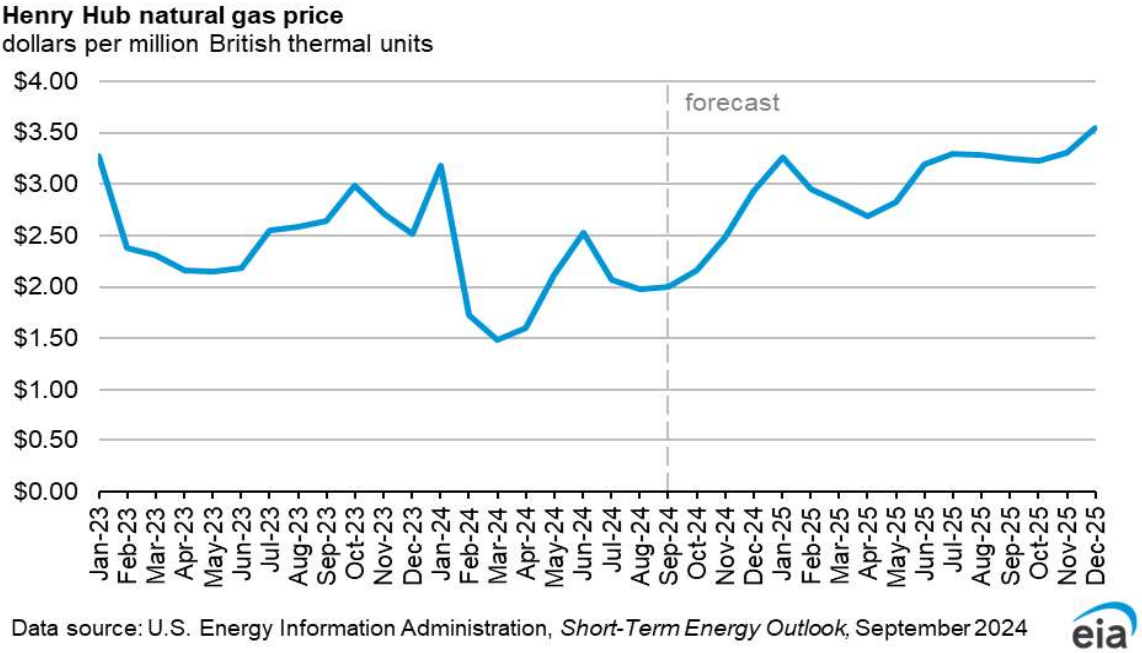


Data source: U.S. Energy Information Administration, *Short-Term Energy Outlook* (STEO), September 2024
Note: Biofuels include renewable diesel and biodiesel refinery and blender net inputs (blended with petroleum distillate) and renewable diesel and biodiesel product supplied (sold to the market as is). In the STEO data browser, we calculate renewable diesel and biodiesel product supplied as consumption minus renewable fuels (excluding fuel ethanol) refinery and blender net inputs.

Natural Gas

Natural gas prices

We forecast that natural gas prices will remain relatively flat in the upcoming shoulder season of September and October before generally rising in 2025. The U.S. benchmark Henry Hub natural gas price averaged $1.98 per million British thermal units (MMBtu) in August, down 4% from July.



September Henry Hub prices in our forecast remain close to prices in August, as we enter the shoulder season when less natural gas is consumed overall and before demand for space heating increases in the United States. We expect U.S. natural gas consumption to decline by 8% to 79 billion cubic feet per day (Bcf/d) between August and September.

With relatively flat production and reduced natural gas consumption because of a seasonal decrease in demand from the electric power sector, we expect the Henry Hub natural gas spot price to stay close to $2.00/MMBtu the next couple of months and remain below $3.00/MMBtu through the end of 2024.

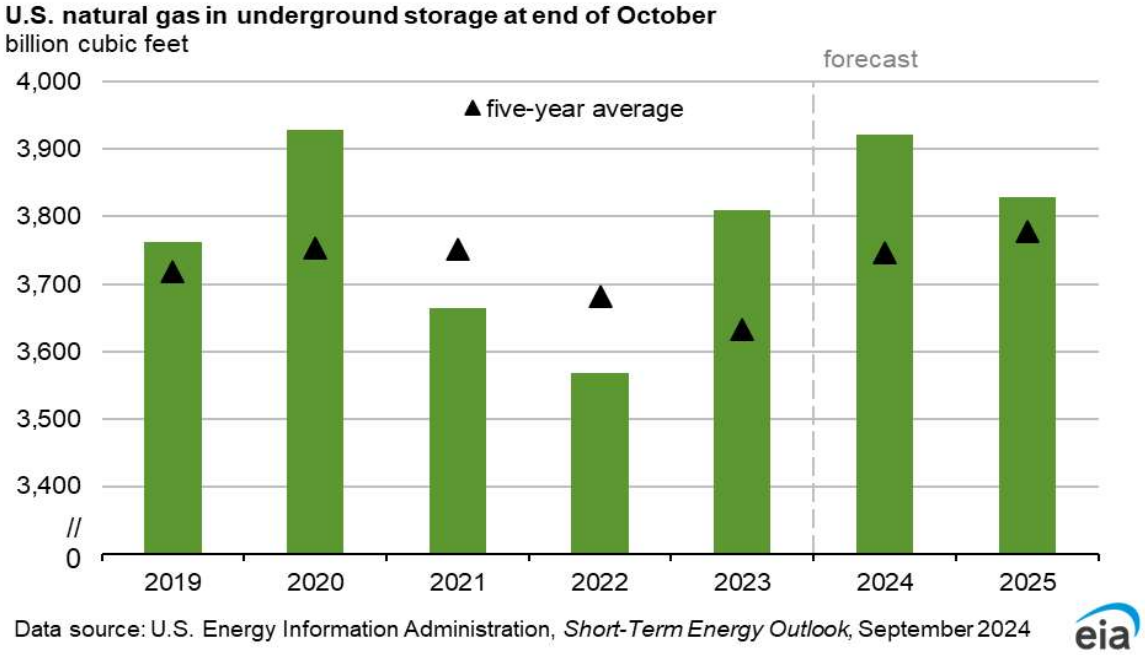
In 2025, we expect prices to rise as liquefied natural gas (LNG) exports increase while domestic consumption and production remain relatively flat for much of the year. We forecast U.S. consumption of natural gas to average about 90 Bcf/d in 2025, which is about the same as our forecast for total consumption in 2024. However, we expect that LNG exports will rise by more than 2 Bcf/d (17%) next year as export capacity expands.

We expect U.S. dry natural gas production will remain relatively unchanged over the next several months as some producers, particularly in the Marcellus and Haynesville regions, continue to curtail production until prices rise. U.S. dry natural gas production averages 104 Bcf/d in 4Q24 in our forecast and 105 Bcf/d during 2025. Most of the growth in natural gas production comes in late 2025 when we

expect new LNG export facilities to ramp up production. We forecast the Henry Hub price to average around $2.20/MMBtu in 2024 and $3.10/MMBtu in 2025.

Natural gas storage

We expect less natural gas storage injections than the five-year average (2019–2023) through the remainder of this year's injection season (April–October). Nevertheless, we expect inventories will end the injection season on October 31 with 5% more natural gas than the five-year average, down from a surplus of 11% at the end of August. Our anticipation of a narrowing surplus to the five-year average supports our expectation of rising prices in the coming months. If U.S. natural gas production is less than our forecast and consumption increases, leading to inventories ending the injection season closer to the five-year average, natural gas prices could be higher than forecast. At the same time, with peak hurricane season approaching, if LNG exports were disrupted because of a hurricane on the Gulf Coast, resulting in more U.S. inventories than expected, natural gas prices could be lower than in our forecast.



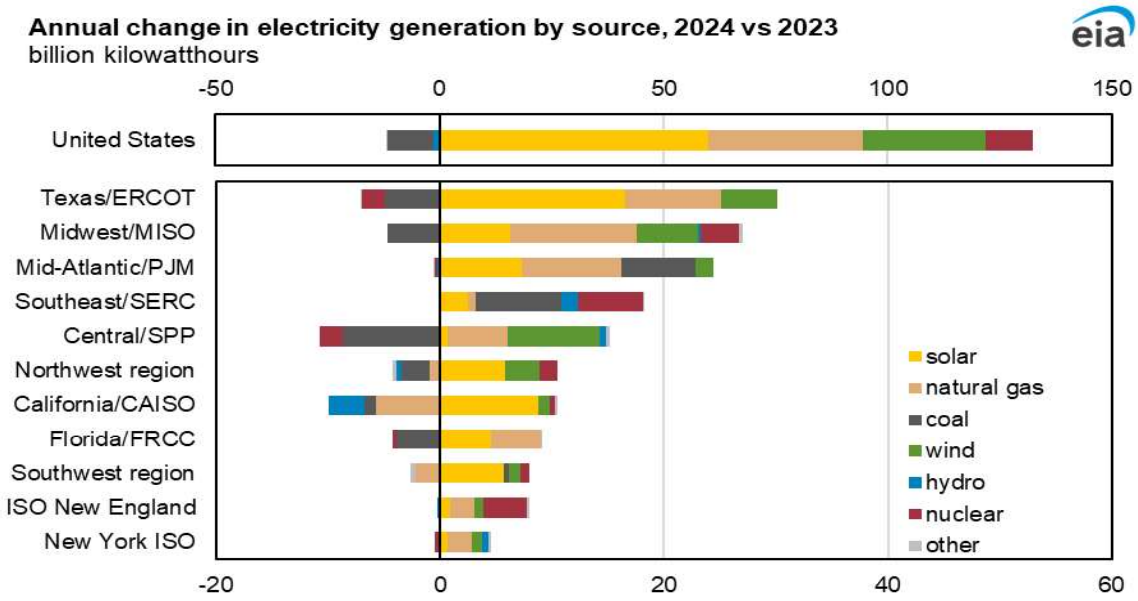
Electricity, Coal, and Renewables

Electricity generation

A hot start to the summer increased electricity generation this year. We forecast the U.S. power sector will generate 3% (121 billion kilowatthours [BkWh]) more electricity this year than in 2023, as a result of both more air-conditioning demand earlier in the summer and our expectation of increases in electricity demand during the fourth quarter. We forecast the U.S. power sector will generate an additional 1% (60 BkWh) more electricity in 2025, largely because of ongoing growth in electricity demand, particularly from the industrial sector.

Solar power continues to supply most of the increase in U.S. electricity generation. Nationwide, we forecast a 37% increase in solar power (60 BkWh) this year. The second-leading source of growth in U.S.

generation is natural gas, with a 2% increase (35 BkWh), followed by smaller increases in wind (up 6%, or 27 BkWh) and nuclear (up 1%, or 11 BkWh).



Data source: U.S. Energy Information Administration, *Short-Term Energy Outlook*, September 2024

Generation by utility-scale solar-powered facilities is growing across all regions of the United States and is set to increase by 34% nationwide this year, supported by the rapid installation of new solar projects. Solar generating capacity grew in the first half of 2024 by 12 gigawatts, 59% of capacity additions across all types of energy sources during that period. This increase in solar capacity is aided by parallel development of battery storage, which provides power to the grid during the rapid ramping up or down of solar power during the early morning or evening hours. We expect annual solar generation will increase the most between 2023 and 2024 in Texas/ERCOT (17 BkWh) and in California/CAISO (9 BkWh).

Low natural gas fuel costs and higher overall electricity demand are contributing to increased generation by natural gas-fired power plants in the United States this year. A small number of new combined-cycle power plants have come online in the past year, but that new generating capacity has been offset by retirements at other natural gas plants. Forecast natural gas generation in 2024 is increasing the most in the Midwest (up 11 BkWh) and in the Mid-Atlantic (up 9 BkWh). We expect less natural gas generation in California this year (down 6 BkWh) and in the Southwest (down 2 BkWh), in response to large increases in solar generation.

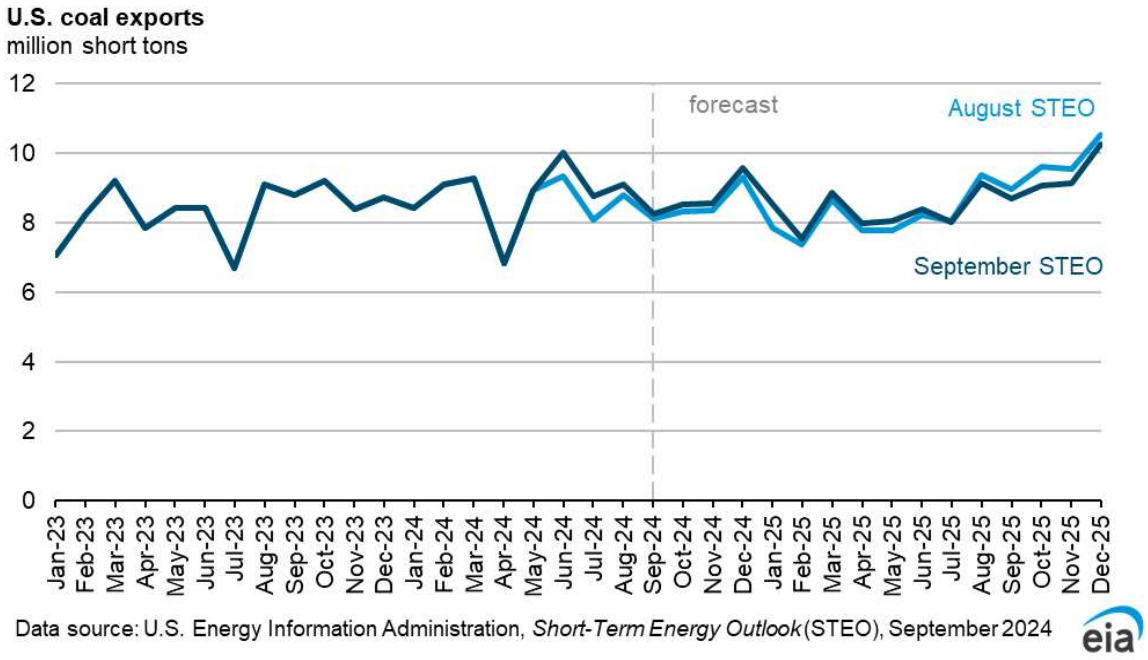
Generation from coal-fired power plants is down in most regions as it continues being displaced by increased generation from natural gas and renewables, along with coal plant retirements. Coal-to-natural gas switching is most evident in the Central/SPP region, where we forecast 9 BkWh less coal generation this year than in 2023.

Coal markets

Despite a drop in U.S. metallurgical coal exports in July, we have raised our forecast for coal exports after incoming data showing strong exports in 1H24. However, we expect exports may fall slightly with a

potential slowing of global demand for U.S. coal. U.S. metallurgical coal exports fell 26% in July after a 34% jump in June that pushed total U.S. exports to 10 million short tons (MMst). However, the July drop was likely temporary, resulting from a more normal flow of export shipments after a June spike in exports as the Port of Baltimore reopened following the Key Bridge collapse. After the strong pace of metallurgical coal exports in 1H24, especially to the key U.S. coal export market of India where steel demand is rising, we raised our forecast of metallurgical coal exports for 2024 by 6% to 53 MMst from our August STEO. We forecast metallurgical coal exports to remain steady at 52 MMst in 2025, although the potential for a decline in steel demand in China is a possible downside risk to the forecast.

Meanwhile, thermal coal exports rose 7% in July. We have kept our forecast of thermal coal exports mostly unchanged at 53 MMst, as global coal-fired power generation remains level in 2024. We expect thermal coal exports to total 52 MMst in 2025. As a result, we forecast total U.S. coal exports of 105 MMst in 2024, up 5% from 2023.

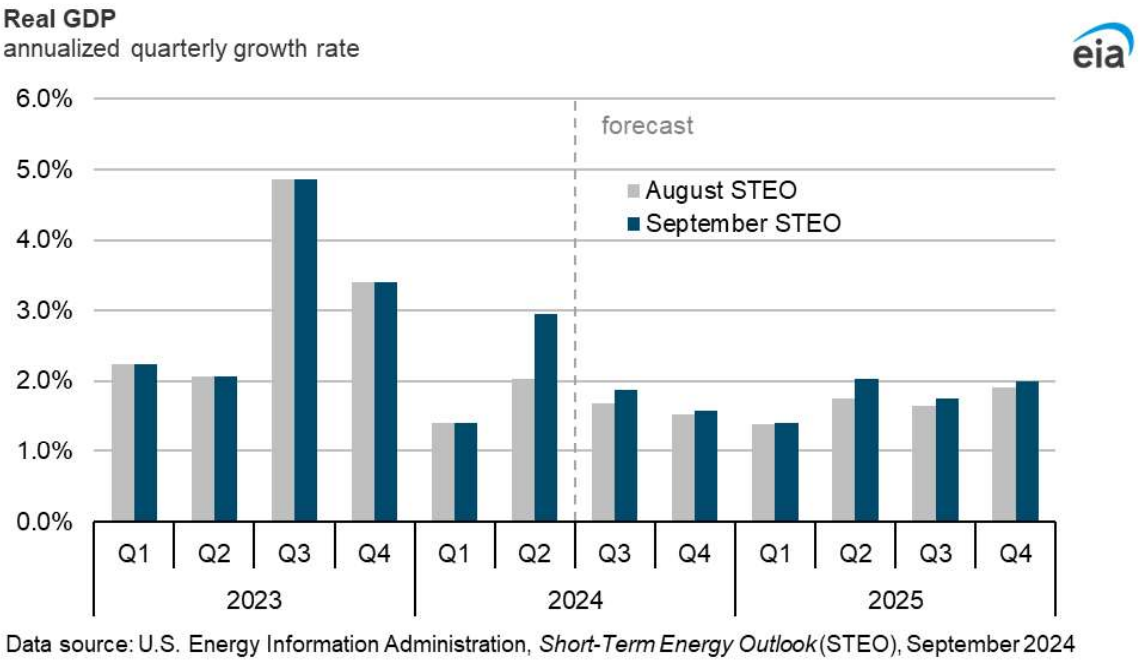


Despite an increase in exports this year, U.S. coal production will decline because of falling domestic consumption. We forecast U.S. coal production will total about 500 MMst in 2024, down 13% from last year. With the shoulder season for electric generation approaching after cooler temperatures than normal in August for the mid-Atlantic and the Midwest, we have lowered our forecast of U.S. electric power coal consumption for 2024 by 1% to 379 MMst compared with the August STEO, and we expect overall coal consumption to be down 2% from 2023. We expect coal production will fall by more than consumption in 2024 as withdrawals from inventories supply a significant share of consumption this year.

Economy, Weather, and CO_2

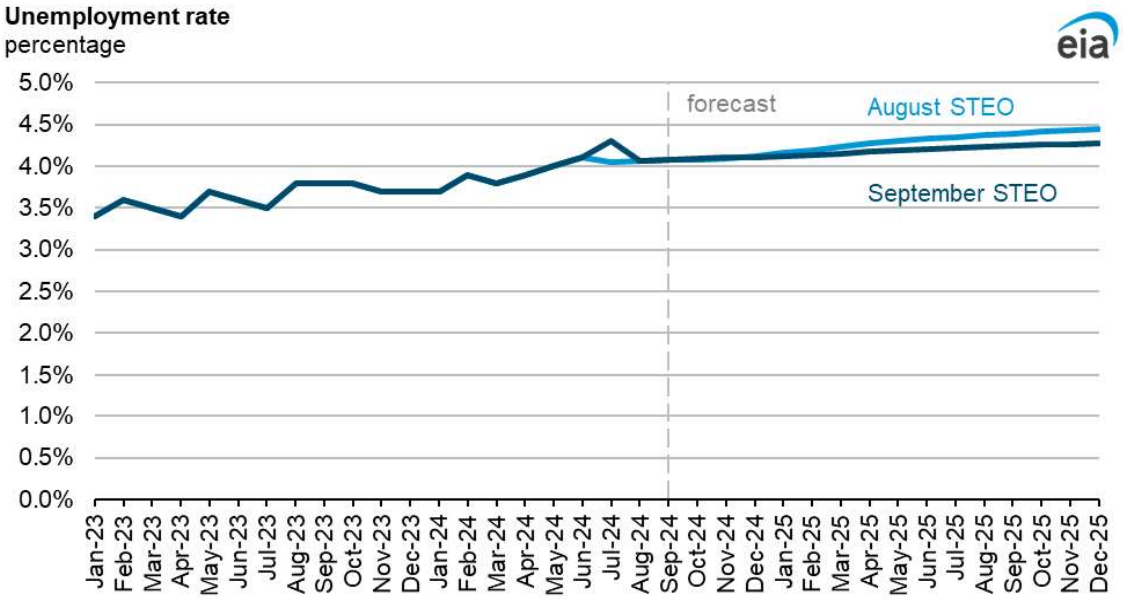
U.S. macroeconomics

Our forecast for September 2024 assumes real GDP will grow by 2.6% in 2024 and 1.8% in 2025, both revised up 0.2 percentage points from our August STEO. We revised our assumptions based on updated data from the Bureau of Economic Analysis. Their most recent estimate shows that real GDP grew at an annualized rate of 3.0% in the second quarter of 2024 (2Q24), 1.0 percentage point higher than the growth rate assumed in last month's forecast.



Data source: U.S. Energy Information Administration, *Short-Term Energy Outlook* (STEO), September 2024

The higher GDP growth came alongside signs of a softening U.S. labor market. The unemployment rate stands at 4.2% as of August 2024, an down of 0.1 percentage point from July. Although this data was released after we finished our analysis for this month's STEO, the small decrease was in line with assumptions in our forecast.. Compared, with last month's STEO, our forecast assumes the unemployment rate will be slightly lower in 2025.



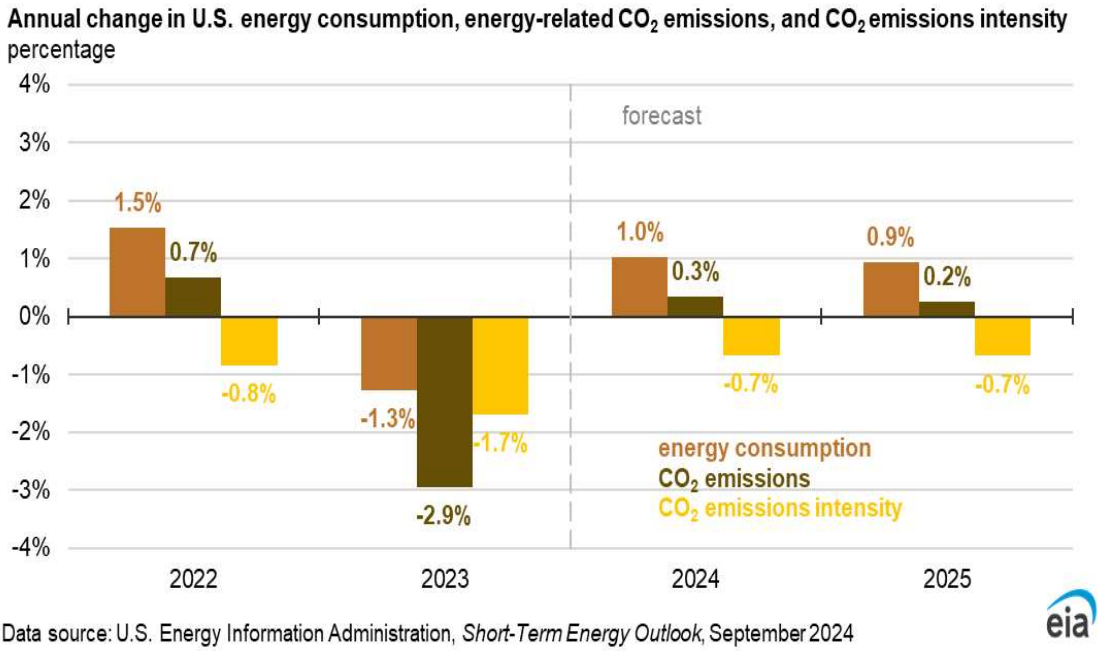
Data source: U.S. Energy Information Administration, *Short-Term Energy Outlook* (STEO), September 2024

The macroeconomic forecasts are based on S&P Global's macroeconomic model. We incorporate STEO energy price forecasts into the model to obtain our final macroeconomic assumptions.

Emissions

We expect U.S. energy-related carbon dioxide (CO_2) emissions to remain flat between 2023 and 2025. In 2024, the stability of total CO_2 emissions is a result of rising natural gas consumption across sectors this year offset by less generation from coal. Emissions in 2025 remain unchanged as a less than 1% decrease in natural gas emissions, caused by a decrease in natural gas-fired electricity generation, is offset by a 1% increase in petroleum emissions, associated with increased diesel consumption.

Although we expect U.S. CO_2 emissions to remain stable, we expect the carbon intensity of energy, or total energy-related CO_2 emissions per unit of energy consumed, to decline by 1% in both 2024 and 2025. This reduction is primarily caused by renewable energy sources supplying an increasing share of U.S. energy. We expect U.S. primary energy consumption to grow by almost 1% in both years, with more than 50% of this growth met by solar, wind, and hydropower. Increased use of renewable energy sources allows overall energy consumption to grow without raising emissions, therefore lowering carbon intensity.



Weather

Although the summer got off to a much hotter start than last year, 3Q24 is set to be a bit milder than last year. Our forecast assumes the United States will average about 200 cooling degree days (CDDs) in September, 2% fewer cooling degree days than in September 2023, contributing to a slightly cooler third quarter in 2024 than in 2023. However, because of the heat waves earlier this summer, we expect all of 2024 to be hotter than 2023, totaling 1,570 CDDs overall (6% more CDDs than 2023). We expect a cooler start to the 2024–2025 winter heating season (November–March), with 9% more heating degree days in 4Q24 than in 4Q23.

Table 3a. World Petroleum and Other Liquid Fuels Production, Consumption, and Inventories

U.S. Energy Information Administration | Short-Term Energy Outlook - September 2024

	2023				2024				2025				Year		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2023	2024	2025
Production (million barrels per day) (a)															
World total	**101.49**	**101.46**	**101.66**	**102.85**	**101.73**	**102.05**	**102.48**	**102.47**	**103.18**	**104.26**	**105.39**	**105.53**	**101.87**	**102.18**	**104.60**
Crude oil	76.93	76.32	75.92	77.02	76.55	75.92	76.37	76.67	77.81	78.11	79.01	79.27	76.55	76.38	78.56
Other liquids	24.55	25.14	25.74	25.83	25.18	26.13	26.10	25.79	25.37	26.15	26.39	26.26	25.32	25.80	26.04
World total	**101.49**	**101.46**	**101.66**	**102.85**	**101.73**	**102.05**	**102.48**	**102.47**	**103.18**	**104.26**	**105.39**	**105.53**	**101.87**	**102.18**	**104.60**
OPEC total (b)	32.71	32.44	31.63	31.88	32.02	31.87	31.68	31.50	32.24	32.52	32.78	32.68	32.16	31.77	32.56
Crude oil	27.38	27.23	26.37	26.58	26.63	26.60	26.38	26.17	26.96	27.24	27.50	27.40	26.89	26.45	27.28
Other liquids	5.33	5.21	5.26	5.30	5.40	5.26	5.30	5.33	5.28	5.28	5.28	5.28	5.27	5.32	5.28
Non-OPEC total	**68.78**	**69.02**	**70.03**	**70.97**	**69.71**	**70.18**	**70.80**	**70.96**	**70.94**	**71.74**	**72.61**	**72.85**	**69.71**	**70.42**	**72.04**
Crude oil	49.56	49.09	49.55	50.43	49.92	49.32	49.99	50.50	50.85	50.87	51.51	51.87	49.66	49.93	51.28
Other liquids	19.22	19.93	20.48	20.54	19.79	20.86	20.81	20.46	20.09	20.87	21.10	20.98	20.05	20.48	20.76
Consumption (million barrels per day) (c)															
World total	**101.28**	**102.12**	**102.56**	**102.59**	**102.16**	**103.02**	**103.42**	**103.72**	**104.11**	**104.26**	**104.91**	**105.09**	**102.14**	**103.08**	**104.60**
OECD total (d)	**45.26**	**45.52**	**45.90**	**46.00**	**44.80**	**45.46**	**45.97**	**46.30**	**45.61**	**45.39**	**46.18**	**46.37**	**45.67**	**45.64**	**45.89**
Canada	2.34	2.48	2.63	2.37	2.37	2.31	2.51	2.49	2.48	2.42	2.53	2.50	2.45	2.42	2.48
Europe	13.12	13.57	13.69	13.39	12.85	13.59	13.75	13.51	13.15	13.30	13.71	13.47	13.45	13.43	13.41
Japan	3.68	3.05	3.06	3.38	3.44	2.96	3.06	3.38	3.48	2.89	2.99	3.30	3.29	3.21	3.16
United States	19.83	20.35	20.32	20.59	19.80	20.36	20.51	20.65	20.25	20.66	20.82	20.82	20.28	20.33	20.64
U.S. Territories	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12	0.12
Other OECD	6.19	5.96	6.09	6.16	6.22	6.13	6.01	6.14	6.14	6.00	6.02	6.15	6.10	6.13	6.08
Non-OECD total	**56.02**	**56.60**	**56.66**	**56.59**	**57.36**	**57.55**	**57.45**	**57.42**	**58.50**	**58.87**	**58.73**	**58.72**	**56.47**	**57.45**	**58.71**
China	16.33	16.55	16.24	16.48	16.75	16.65	16.23	16.45	16.91	16.95	16.52	16.75	16.40	16.52	16.78
Eurasia	4.66	4.82	5.16	5.06	4.71	4.87	5.22	5.12	4.74	4.91	5.26	5.16	4.93	4.98	5.02
Europe	0.74	0.76	0.77	0.77	0.75	0.77	0.77	0.77	0.75	0.77	0.78	0.78	0.76	0.76	0.77
Other Asia	14.57	14.44	13.91	14.15	15.03	14.88	14.43	14.73	15.52	15.50	14.87	15.20	14.26	14.77	15.27
Other non-OECD	19.71	20.02	20.59	20.13	20.12	20.38	20.81	20.35	20.58	20.75	21.31	20.83	20.12	20.42	20.87
Total crude oil and other liquids inventory net withdrawals (million barrels per day)															
World total	**-0.21**	**0.66**	**0.90**	**-0.26**	**0.43**	**0.97**	**0.95**	**1.26**	**0.93**	**0.00**	**-0.48**	**-0.44**	**0.28**	**0.90**	**0.00**
United States	-0.07	-0.10	-0.26	0.30	0.13	-0.64	-0.02	0.26	0.00	-0.33	-0.07	0.28	-0.03	-0.07	-0.03
Other OECD	0.33	0.01	-0.17	0.21	-0.13	-0.24	0.30	0.31	0.28	0.10	-0.13	-0.22	0.09	0.06	0.01
Other inventory draws and balance	-0.47	0.76	1.33	-0.76	0.43	1.85	0.67	0.69	0.65	0.23	-0.29	-0.50	0.22	0.91	0.02
End-of-period commercial crude oil and other liquids inventories (million barrels)															
OECD total	**2,748**	**2,781**	**2,816**	**2,766**	**2,757**	**2,828**	**2,792**	**2,729**	**2,699**	**2,720**	**2,738**	**2,733**	**2,766**	**2,729**	**2,733**
United States	1,230	1,263	1,282	1,251	1,230	1,280	1,270	1,235	1,232	1,261	1,267	1,242	1,251	1,235	1,242
Other OECD	1,518	1,518	1,534	1,515	1,527	1,549	1,522	1,493	1,468	1,459	1,471	1,491	1,515	1,493	1,491

(a) Includes crude oil, lease condensate, natural gas plant liquids, other liquids, refinery processing gain, and other unaccounted-for liquids. Differences in the reported historical production data across countries could result in some inconsistencies in the delineation between crude oil and other liquid fuels.

(b) OPEC = Organization of the Petroleum Exporting Countries: Algeria, Congo (Brazzaville), Equatorial Guinea, Gabon, Iran, Iraq, Kuwait, Libya, Nigeria, Saudi Arabia, United Arab Emirates, and Venezuela.

(c) Consumption of petroleum by the OECD countries is the same as "petroleum product supplied," defined in the glossary of the EIA Petroleum Supply Monthly (DOE/EIA-0109). Consumption of petroleum by the non-OECD countries is "apparent consumption," which includes internal consumption, refinery fuel and loss, and bunkering.

(d) OECD = Organization for Economic Cooperation and Development: Australia, Austria, Belgium, Canada, Chile, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Latvia, Lithuania, Luxembourg, Mexico, Netherlands, New Zealand, Norway, Poland, Portugal, Slovakia, Slovenia, South Korea, Spain, Sweden, Switzerland, Turkiye, United Kingdom, and United States.

Notes:

EIA completed modeling and analysis for this report on September 5, 2024.

- = no data available

The approximate break between historical and forecast values is shown with historical data with no shading; estimates and forecasts are shaded gray.

Minor discrepancies with published historical data are due to independent rounding.

Sources:

Historical data: Energy Information Administration *International Energy Statistics* (https://www.eia.gov/international/data/world).

Forecasts: EIA Short-Term Integrated Forecasting System.

Table 4a. U.S. Petroleum and Other Liquids Supply, Consumption, and Inventories

U.S. Energy Information Administration | Short-Term Energy Outlook - September 2024

	2023				2024				2025				Year		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2023	2024	2025
Supply (million barrels per day)															
U.S. total crude oil production (a)	**12.67**	**12.76**	**13.05**	**13.25**	**12.94**	**13.22**	**13.38**	**13.47**	**13.45**	**13.60**	**13.73**	**13.89**	**12.93**	**13.25**	**13.67**
Alaska	0.44	0.43	0.40	0.43	0.43	0.42	0.40	0.42	0.42	0.40	0.39	0.41	0.43	0.42	0.41
Federal Gulf of Mexico (b)	1.88	1.77	1.92	1.88	1.78	1.80	1.85	1.84	1.86	1.87	1.88	1.90	1.87	1.82	1.88
Lower 48 States (excl GOM) (c)	10.35	10.56	10.72	10.94	10.73	11.00	11.13	11.21	11.17	11.33	11.46	11.58	10.64	11.02	11.39
Appalachia region	0.15	0.15	0.15	0.16	0.15	0.16	0.16	0.16	0.17	0.18	0.18	0.19	0.15	0.16	0.18
Bakken region	1.14	1.17	1.26	1.31	1.23	1.24	1.30	1.33	1.32	1.32	1.36	1.37	1.22	1.27	1.34
Eagle Ford region	1.14	1.18	1.18	1.14	1.09	1.08	1.10	1.13	1.13	1.15	1.16	1.16	1.16	1.10	1.15
Haynesville region	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03
Permian region	5.73	5.79	5.88	6.06	6.06	6.33	6.44	6.45	6.42	6.54	6.61	6.70	5.86	6.32	6.57
Rest of Lower 48 States	2.14	2.22	2.22	2.23	2.17	2.14	2.10	2.11	2.10	2.11	2.13	2.13	2.20	2.13	2.12
Total Supply	**19.83**	**20.35**	**20.32**	**20.59**	**19.79**	**20.36**	**20.51**	**20.65**	**20.25**	**20.66**	**20.82**	**20.82**	**20.27**	**20.33**	**20.64**
Crude oil input to refineries	**15.25**	**16.15**	**16.52**	**15.93**	**15.39**	**16.47**	**16.37**	**15.67**	**15.22**	**16.05**	**16.15**	**15.67**	**15.97**	**15.98**	**15.77**
U.S. total crude oil production (a)	12.67	12.76	13.05	13.25	12.94	13.22	13.38	13.47	13.45	13.60	13.73	13.89	12.93	13.25	13.67
Transfers to crude oil supply	0.42	0.47	0.64	0.56	0.50	0.64	0.44	0.43	0.41	0.45	0.47	0.45	0.53	0.50	0.45
Crude oil net imports (d)	2.43	2.44	2.50	2.26	2.12	2.62	2.32	1.60	1.36	1.60	1.51	1.13	2.41	2.16	1.40
SPR net withdrawals (e)	0.01	0.26	-0.04	-0.04	-0.10	-0.10	-0.12	-0.12	-0.04	0.00	0.00	0.00	0.05	-0.11	-0.01
Commercial inventory net withdrawals	-0.39	0.12	0.40	-0.09	-0.23	0.08	0.25	-0.01	-0.27	0.11	0.17	-0.09	0.01	0.02	-0.02
Crude oil adjustment (f)	0.10	0.11	-0.03	-0.01	0.16	0.02	0.10	0.30	0.32	0.28	0.26	0.28	0.04	0.15	0.28
Refinery processing gain	**0.97**	**1.00**	**1.06**	**1.05**	**0.91**	**0.97**	**1.05**	**1.04**	**0.97**	**1.03**	**1.07**	**1.05**	**1.02**	**0.99**	**1.03**
Natural Gas Plant Liquids Production	**6.17**	**6.43**	**6.64**	**6.74**	**6.51**	**7.01**	**6.66**	**6.65**	**6.63**	**6.79**	**6.80**	**6.91**	**6.50**	**6.71**	**6.78**
Renewables and oxygenate production (g)	**1.24**	**1.29**	**1.31**	**1.35**	**1.34**	**1.33**	**1.39**	**1.37**	**1.37**	**1.40**	**1.39**	**1.42**	**1.30**	**1.36**	**1.39**
Fuel ethanol production	1.00	1.00	1.01	1.05	1.04	1.01	1.06	1.04	1.04	1.03	1.02	1.04	1.02	1.04	1.03
Petroleum products adjustment (h)	**0.20**	**0.22**	**0.23**	**0.23**	**0.21**	**0.22**	**0.22**	**0.22**	**0.20**	**0.21**	**0.21**	**0.21**	**0.22**	**0.22**	**0.21**
Petroleum products transfers to crude oil supply	**-0.42**	**-0.47**	**-0.64**	**-0.56**	**-0.50**	**-0.64**	**-0.44**	**-0.43**	**-0.41**	**-0.45**	**-0.47**	**-0.45**	**-0.53**	**-0.50**	**-0.45**
Petroleum product net imports (d)	**-3.89**	**-3.79**	**-4.19**	**-4.59**	**-4.53**	**-4.40**	**-4.59**	**-4.26**	**-4.04**	**-3.93**	**-4.09**	**-4.35**	**-4.12**	**-4.44**	**-4.10**
Hydrocarbon gas liquids	-2.48	-2.48	-2.50	-2.59	-2.59	-2.68	-2.72	-2.60	-2.76	-2.87	-2.75	-2.73	-2.51	-2.65	-2.78
Unfinished oils	0.28	0.27	0.21	0.18	0.09	0.21	0.33	0.36	0.32	0.40	0.43	0.35	0.24	0.25	0.38
Other hydrocarbons and oxygenates	-0.04	-0.06	-0.04	-0.05	-0.06	-0.08	-0.07	-0.05	-0.10	-0.09	-0.08	-0.08	-0.05	-0.07	-0.09
Motor gasoline blending components	0.43	0.67	0.57	0.41	0.40	0.62	0.52	0.43	0.59	0.76	0.74	0.58	0.52	0.49	0.67
Finished motor gasoline	-0.71	-0.59	-0.68	-0.81	-0.76	-0.62	-0.65	-0.78	-0.80	-0.61	-0.79	-0.93	-0.70	-0.70	-0.79
Jet fuel	-0.04	0.01	-0.06	-0.09	-0.09	-0.08	-0.11	-0.04	-0.04	0.01	0.00	0.02	-0.05	-0.08	0.00
Distillate fuel oil	-0.75	-0.96	-1.06	-1.02	-0.86	-1.20	-1.21	-0.94	-0.66	-0.87	-0.93	-0.86	-0.95	-1.05	-0.83
Residual fuel oil	0.01	-0.03	-0.03	-0.01	-0.03	-0.04	-0.06	-0.04	-0.02	-0.01	-0.05	-0.03	-0.02	-0.04	-0.03
Other oils (i)	-0.59	-0.61	-0.60	-0.62	-0.64	-0.54	-0.62	-0.59	-0.58	-0.66	-0.65	-0.66	-0.60	-0.60	-0.64
Petroleum product inventory net withdrawals	**0.31**	**-0.48**	**-0.61**	**0.43**	**0.46**	**-0.62**	**-0.15**	**0.39**	**0.31**	**-0.44**	**-0.24**	**0.36**	**-0.09**	**0.02**	**0.00**
Consumption (million barrels per day)															
U.S. total petroleum products consumption	**19.83**	**20.35**	**20.32**	**20.59**	**19.80**	**20.36**	**20.51**	**20.65**	**20.25**	**20.66**	**20.82**	**20.82**	**20.28**	**20.33**	**20.64**
Hydrocarbon gas liquids	3.53	3.32	3.32	3.85	3.80	3.39	3.34	3.88	3.87	3.40	3.52	3.98	3.50	3.60	3.69
Other hydrocarbons and oxygenates	0.22	0.28	0.28	0.29	0.30	0.33	0.31	0.33	0.30	0.32	0.32	0.35	0.27	0.32	0.32
Motor gasoline	8.69	9.13	9.02	8.94	8.57	9.12	9.14	8.86	8.66	9.15	9.05	8.79	8.94	8.92	8.91
Jet fuel	1.55	1.68	1.72	1.66	1.58	1.73	1.73	1.70	1.64	1.80	1.81	1.78	1.65	1.69	1.75
Distillate fuel oil	4.03	3.92	3.83	3.88	3.82	3.73	3.84	3.94	3.98	3.95	3.94	4.00	3.92	3.83	3.97
Residual fuel oil	0.29	0.22	0.26	0.32	0.28	0.30	0.28	0.27	0.26	0.29	0.27	0.27	0.27	0.28	0.27
Other oils (i)	1.52	1.79	1.88	1.65	1.44	1.77	1.87	1.68	1.53	1.76	1.91	1.67	1.71	1.69	1.72
Total petroleum and other liquid fuels net imports (d)	**-1.46**	**-1.35**	**-1.69**	**-2.33**	**-2.41**	**-1.78**	**-2.27**	**-2.66**	**-2.69**	**-2.32**	**-2.58**	**-3.21**	**-1.71**	**-2.28**	**-2.70**
End-of-period inventories (million barrels)															
Total commercial inventory	**1230.0**	**1263.1**	**1282.4**	**1251.4**	**1230.3**	**1279.6**	**1270.2**	**1235.3**	**1231.7**	**1261.4**	**1267.4**	**1242.0**	**1251.4**	**1235.3**	**1242.0**
Crude oil (excluding SPR)	465.2	454.7	417.9	426.5	447.2	440.2	417.0	418.0	442.2	431.8	415.9	423.8	426.5	418.0	423.8
Hydrocarbon gas liquids	173.9	225.7	277.2	223.3	169.2	235.1	278.4	228.8	189.0	239.2	278.2	235.6	223.3	228.8	235.6
Unfinished oils	88.9	87.3	88.4	84.2	91.7	87.8	83.8	78.9	88.7	86.9	86.0	80.3	84.2	78.9	80.3
Other hydrocarbons and oxygenates	34.5	30.2	30.3	33.1	38.2	33.4	34.1	34.4	36.5	35.3	35.0	35.3	33.1	34.4	35.3
Total motor gasoline	225.2	222.1	227.9	240.7	233.4	232.4	221.1	237.2	235.5	228.6	224.5	239.9	240.7	237.2	239.9
Finished motor gasoline	14.4	17.5	15.8	18.2	14.6	16.2	14.4	14.8	13.3	15.3	16.3	16.2	18.2	14.8	16.2
Motor gasoline blending components	210.8	204.5	212.1	222.5	218.8	216.2	206.6	222.3	222.2	213.3	208.2	223.7	222.5	222.3	223.7
Jet fuel	37.8	42.4	43.5	39.8	42.2	45.3	46.8	42.2	40.3	40.6	40.9	37.4	39.8	42.2	37.4
Distillate fuel oil	111.7	112.0	118.8	130.5	121.2	123.1	117.3	122.6	115.8	117.4	116.3	117.7	130.5	122.6	117.7
Residual fuel oil	29.6	30.5	27.8	24.1	29.9	27.5	25.3	25.2	26.3	26.2	24.4	24.3	24.1	25.2	24.3
Other oils (i)	63.2	58.2	50.6	49.3	57.3	54.9	46.4	48.0	57.3	55.3	46.2	47.8	49.3	48.0	47.8
Crude oil in SPR (e)	**371.2**	**347.2**	**351.3**	**354.7**	**363.9**	**373.1**	**384.2**	**395.1**	**399.1**	**399.1**	**399.1**	**399.1**	**354.7**	**395.1**	**399.1**

(a) Includes lease condensate.

(b) Crude oil production from U.S. Federal leases in the Gulf of Mexico (GOM).

(c) Regional production in this table is based on geographic regions and not geologic formations.

(d) Net imports equal gross imports minus gross exports.

(e) SPR: Strategic Petroleum Reserve

(f) The crude oil adjustment equals the sum of disposition items (e.g. refinery inputs) minus the sum of supply items (e.g. production).

(g) Renewables and oxygenate production includes pentanes plus, oxygenates (excluding fuel ethanol), and renewable fuels. Beginning in January 2021, renewable fuels includes biodiesel, renewable diesel, renewable jet fuel, renewable heating oil, renewable naphtha and gasoline, and other renewable fuels. For December 2020 and prior, renewable fuels includes only biodiesel.

(h) Petroleum products adjustment includes hydrogen/oxygenates/renewables/other hydrocarbons, motor gasoline blending components, and finished motor gasoline.

(i) Other oils includes aviation gasoline blending components, finished aviation gasoline, kerosene, petrochemical feedstocks, special naphthas, lubricants, waxes, petroleum coke, asphalt and road oil, still gas, and miscellaneous products.

Notes:

EIA completed modeling and analysis for this report on September 5, 2024.

- = no data available

The approximate break between historical and forecast values is shown with historical data with no shading; estimates and forecasts are shaded gray.

Minor discrepancies with published historical data are due to independent rounding.

Sources:

Historical data: Latest data available from Energy Information Administration databases supporting the following reports: *Petroleum Supply Monthly* , DOE/EIA-0109; Petroleum Supply Annual, DOE/EIA-0340/2; and Weekly Petroleum Status Report, DOE/EIA-0208.

Forecasts: EIA Short-Term Integrated Forecasting System.

Table 4d. U.S. Biofuel Supply, Consumption, and Inventories

U.S. Energy Information Administration | Short-Term Energy Outlook - September 2024

	2023				2024				2025				Year		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2023	2024	2025
Supply (million barrels per day)															
Total biofuels supply	**1.18**	**1.29**	**1.29**	**1.28**	**1.24**	**1.32**	**1.33**	**1.33**	**1.27**	**1.34**	**1.33**	**1.35**	**1.26**	**1.31**	**1.32**
Fuel ethanol production	1.00	1.00	1.01	1.05	1.04	1.01	1.06	1.04	1.04	1.03	1.02	1.04	1.02	1.04	1.03
Biodiesel production	0.10	0.12	0.11	0.11	0.10	0.11	0.11	0.10	0.09	0.10	0.11	0.10	0.11	0.11	0.10
Renewable diesel production	0.14	0.17	0.18	0.18	0.19	0.21	0.22	0.22	0.22	0.24	0.24	0.24	0.17	0.21	0.24
Other biofuel production (a)	0.02	0.02	0.02	0.02	0.02	0.02	0.03	0.03	0.04	0.04	0.04	0.05	0.02	0.02	0.04
Fuel ethanol net imports	-0.09	-0.09	-0.08	-0.10	-0.12	-0.13	-0.10	-0.10	-0.12	-0.10	-0.09	-0.10	-0.09	-0.11	-0.10
Biodiesel net imports	0.02	0.00	0.01	0.02	0.03	0.02	0.01	0.01	0.00	-0.01	-0.01	0.00	0.02	0.02	-0.01
Renewable diesel net imports (b)	0.02	0.02	0.02	0.02	0.03	0.03	0.02	0.03	0.02	0.02	0.02	0.02	0.02	0.03	0.02
Other biofuel net imports (b)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Biofuel stock draw	-0.03	0.05	0.00	-0.03	-0.06	0.05	-0.01	0.00	-0.02	0.01	0.00	0.00	0.00	0.00	0.00
Total distillate fuel oil supply (c)	**4.24**	**4.19**	**4.10**	**4.15**	**4.10**	**4.04**	**4.15**	**4.25**	**4.26**	**4.25**	**4.24**	**4.31**	**4.17**	**4.13**	**4.26**
Distillate fuel production	4.69	4.89	4.96	5.03	4.57	4.95	5.00	4.93	4.56	4.84	4.86	4.87	4.89	4.86	4.78
Biodiesel production	0.10	0.12	0.11	0.11	0.10	0.11	0.11	0.10	0.09	0.10	0.11	0.10	0.11	0.11	0.10
Renewable diesel production	0.14	0.17	0.18	0.18	0.19	0.21	0.22	0.22	0.22	0.24	0.24	0.24	0.17	0.21	0.24
Distillate fuel oil net imports	-0.75	-0.96	-1.06	-1.02	-0.86	-1.20	-1.21	-0.94	-0.66	-0.87	-0.93	-0.86	-0.95	-1.05	-0.83
Biodiesel net imports	0.02	0.00	0.01	0.02	0.03	0.02	0.01	0.01	0.00	-0.01	-0.01	0.00	0.02	0.02	-0.01
Renewable diesel net imports	0.02	0.02	0.02	0.02	0.03	0.03	0.02	0.03	0.02	0.02	0.02	0.02	0.02	0.03	0.02
Total distillate fuel stock draw	0.06	0.01	-0.08	-0.14	0.09	-0.02	0.07	-0.06	0.08	-0.02	0.01	-0.02	-0.04	0.02	0.01
Consumption (million barrels per day)															
Total biofuels consumption	**1.18**	**1.29**	**1.29**	**1.28**	**1.24**	**1.32**	**1.33**	**1.33**	**1.27**	**1.34**	**1.33**	**1.35**	**1.26**	**1.31**	**1.32**
Fuel ethanol blended into motor gasoline	0.90	0.94	0.94	0.94	0.88	0.93	0.95	0.94	0.90	0.95	0.94	0.94	0.93	0.92	0.93
Biodiesel consumption	0.11	0.13	0.13	0.13	0.13	0.13	0.11	0.11	0.09	0.09	0.10	0.10	0.13	0.12	0.09
Biodiesel product supplied (d)	0.07	0.08	0.09	0.08	0.08	0.08	0.07	0.07	0.05	0.05	0.05	0.06	0.08	0.08	0.05
Biodiesel net inputs (e)	0.04	0.05	0.05	0.04	0.04	0.05	0.04	0.04	0.04	0.04	0.04	0.04	0.05	0.05	0.04
Renewable diesel consumption	0.15	0.20	0.20	0.19	0.21	0.24	0.25	0.25	0.24	0.26	0.25	0.26	0.19	0.24	0.26
Renewable diesel product supplied	0.14	0.19	0.19	0.18	0.21	0.23	0.24	0.24	0.23	0.25	0.24	0.25	0.18	0.23	0.25
Renewable diesel net inputs	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Other biofuel consumption	0.02	0.02	0.02	0.02	0.02	0.02	0.03	0.03	0.04	0.04	0.04	0.05	0.02	0.02	0.04
Total motor gasoline consumption	**8.69**	**9.13**	**9.02**	**8.94**	**8.57**	**9.12**	**9.14**	**8.86**	**8.66**	**9.15**	**9.05**	**8.79**	**8.94**	**8.92**	**8.91**
Petroleum-based gasoline	7.79	8.19	8.09	8.00	7.69	8.19	8.19	7.92	7.77	8.20	8.11	7.86	8.02	8.00	7.98
Fuel ethanol blended into motor gasoline	0.90	0.94	0.94	0.94	0.88	0.93	0.95	0.94	0.90	0.95	0.94	0.94	0.93	0.92	0.93
Total distillate fuel oil consumption (f)	**4.24**	**4.19**	**4.10**	**4.15**	**4.11**	**4.04**	**4.15**	**4.25**	**4.26**	**4.25**	**4.24**	**4.31**	**4.17**	**4.13**	**4.26**
Distillate fuel oil	4.03	3.92	3.83	3.88	3.82	3.73	3.84	3.94	3.98	3.95	3.94	4.00	3.92	3.83	3.97
Petroleum-based distillate	3.97	3.86	3.77	3.83	3.77	3.66	3.79	3.88	3.93	3.90	3.89	3.94	3.86	3.78	3.91
Biodiesel net inputs (g)	0.04	0.05	0.05	0.04	0.04	0.05	0.04	0.04	0.04	0.04	0.04	0.04	0.05	0.05	0.04
Renewable diesel net inputs	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Biodiesel product supplied (h)	0.07	0.08	0.09	0.08	0.08	0.08	0.07	0.07	0.05	0.05	0.05	0.06	0.08	0.08	0.05
Renewable diesel product supplied (h)	0.14	0.19	0.19	0.18	0.21	0.23	0.24	0.24	0.23	0.25	0.24	0.25	0.18	0.23	0.25
End-of-period inventories (million barrels)															
Total biofuels inventories	**34.28**	**30.08**	**30.22**	**33.11**	**38.23**	**33.36**	**34.15**	**34.42**	**36.48**	**35.24**	**34.97**	**35.24**	**33.11**	**34.42**	**35.24**
Ethanol	24.97	22.31	22.16	23.50	27.19	22.61	23.54	23.82	25.87	24.64	24.37	24.64	23.50	23.82	24.64
Biodiesel	5.06	3.98	3.58	3.83	4.40	3.73	3.95	3.95	3.95	3.95	3.95	3.95	3.83	3.95	3.95
Renewable diesel	3.68	3.70	4.10	4.71	6.32	6.38	6.15	6.19	6.19	6.19	6.19	6.19	4.05	6.26	6.19
Other biofuels	0.31	0.33	0.32	0.31	0.30	0.40	0.47	0.47	0.47	0.47	0.47	0.47	0.32	0.41	0.47
Total distillate fuel oil inventories	**120.67**	**119.39**	**126.64**	**139.79**	**131.86**	**133.41**	**127.41**	**132.73**	**125.90**	**127.54**	**126.44**	**127.83**	**139.79**	**132.73**	**127.83**
Distillate fuel oil	111.69	111.99	118.84	130.49	121.16	123.12	117.27	122.59	115.76	117.41	116.30	117.69	130.49	122.59	117.69
Biodiesel	5.06	3.98	3.58	3.83	4.40	3.73	3.95	3.95	3.95	3.95	3.95	3.95	3.83	3.95	3.95
Renewable diesel	3.68	3.70	4.10	4.71	6.32	6.38	6.15	6.19	6.19	6.19	6.19	6.19	4.05	6.26	6.19

(a) Includes renewable heating oil, renewable jet fuel (sustainable aviation fuel, alternative jet fuel, and biojet), renewable naphtha, renewable gasoline, and other emerging biofuels that are in various stages of development and commercialization

(b) Renewable diesel net imports and other biofuel net imports equal imports because we do not collect or receive export data for those fuels.

(c) Total distillate fuel oil supply equals the sum of the seven components shown minus refiner and blender net inputs of biodiesel and renewable diesel, which are listed in rows 44 and 45 of this table.

(d) The volumes of renewable fuels that are not reported as blended with petroleum fuels.

(e) The volumes of renewable fuels that are reported as blended with petroleum fuels.

(f) Equals the sum of distillate fuel oil, biodiesel product supplied, and renewable diesel product supplied.

(g) Prior to 2021, we did not publish biodiesel product supplied and instead included it as part of distillate fuel oil product supplied.

(h) Prior to 2021, we did not publish renewable diesel product supplied, and STEO values for that period are taken from the U.S. Environmental Protection Agency's Moderated Transaction System.

Notes:

EIA completed modeling and analysis for this report on September 5, 2024.

- = no data available

The approximate break between historical and forecast values is shown with historical data with no shading; estimates and forecasts are shaded gray.

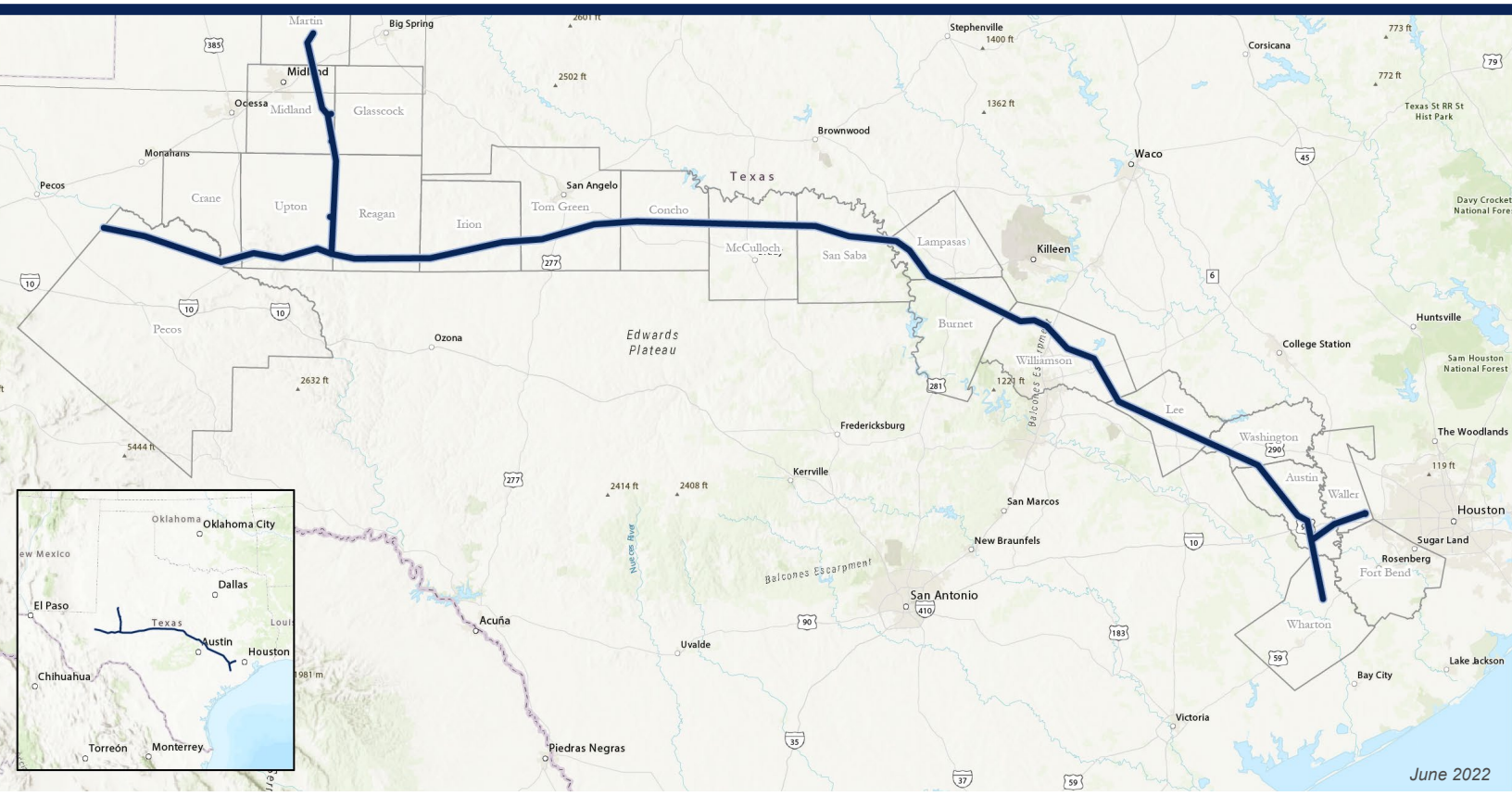
Minor discrepancies with published historical data are due to independent rounding.

Sources:

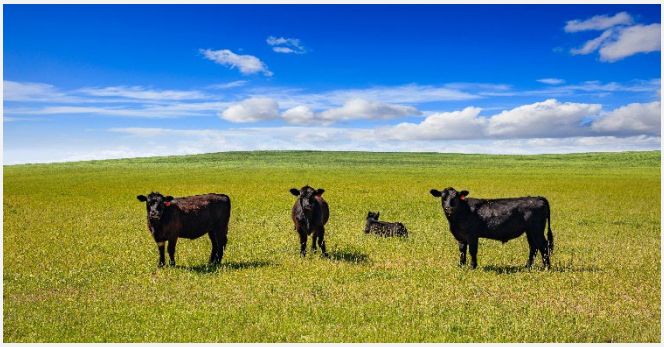
Historical data: Latest data available from Energy Information Administration databases supporting the following reports: Petroleum Supply Monthly, DOE/EIA-0109; Petroleum Supply Annual, DOE/EIA-0340/2; and Weekly Petroleum Status Report, DOE/EIA-0208.

Forecasts: EIA Short-Term Integrated Forecasting System.

Matterhorn Express Pipeline Overview



The Matterhorn Express Pipeline is an approximately 580-mile intrastate pipeline designed to transport up to 2.5 billion cubic feet per day of natural gas from the Permian Basin to the Katy area near Houston, Texas. As natural gas production in the Permian Basin continues to grow, the Matterhorn Express Pipeline will provide critical takeaway capacity moving product to market for end use and play a significant role enhancing our nation's energy security, reducing energy costs, and minimizing emissions related to flaring.



Economic Benefits[1]

- Designed to deliver energy for up to 2 million homes
- Through the completion of construction, contribute an estimated $75 million in taxes to state and local governments
- Once fully operational, contribute an estimated $35 million in taxes to state and local governments annually
- Employ more than 3,500 skilled workers during the construction phase of the project
- Create 50 permanent jobs in Texas once completed

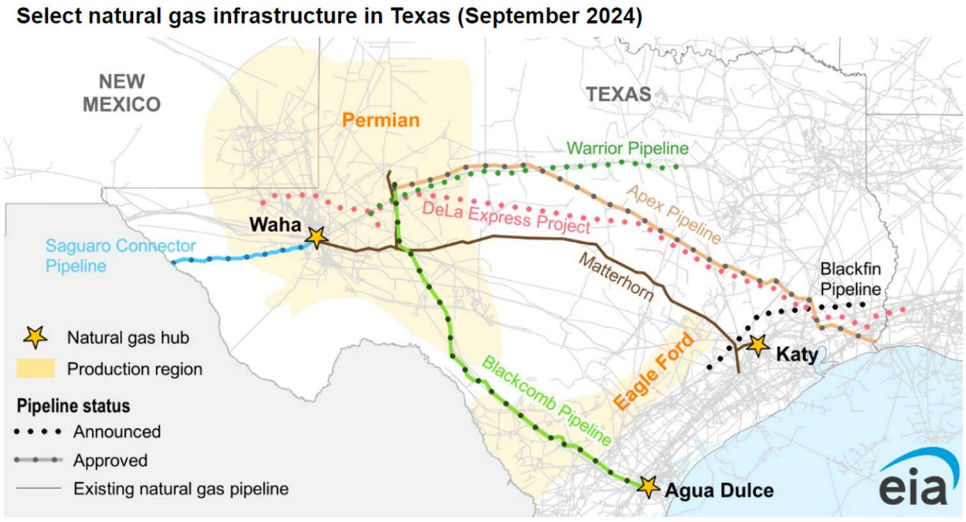
Our Commitment to Landowners

The Matterhorn Express Pipeline is committed to being good neighbors and incorporating feedback from all relevant stakeholders into both the proposed route and the project's overall design.

[1] Words such as "anticipated," "expected," "targeted," "projected," "estimated," and similar expressions are intended to identify forward-looking statements. These forward-looking statements rely on a number of assumptions concerning future events and are subject to a number of uncertainties, factors and risks, many of which are outside the control of the Company, which could cause results to differ materially from those expected by management of the Company.

https://www.eia.gov/todayinenergy/detail.php?id=63044
September 10, 2024

Natural gas pipeline capacity from the Permian Basin is set to increase



Data source: U.S. Energy Information Administration, Natural Gas Pipeline Project Tracker

Natural gas pipeline takeaway capacity in the Permian Basin will soon increase as the Matterhorn Express Pipeline, with a capacity of 2.5 billion cubic feet per day (Bcf/d), is expected to begin service this month, according to EnLink Midstream, one of the project's stakeholders.

Matterhorn (a joint venture with Whitewater, EnLink Midstream, Devon Energy, and MPLX) will transport natural gas from the Permian Basin to Katy near Houston, Texas. Natural gas production from the Permian Basin—primarily associated gas from growing oil production operations—has more than doubled since 2018, reducing regional spot natural gas prices and prompting greater demand for new pipeline takeaway capacity to transport natural gas to more viable markets.

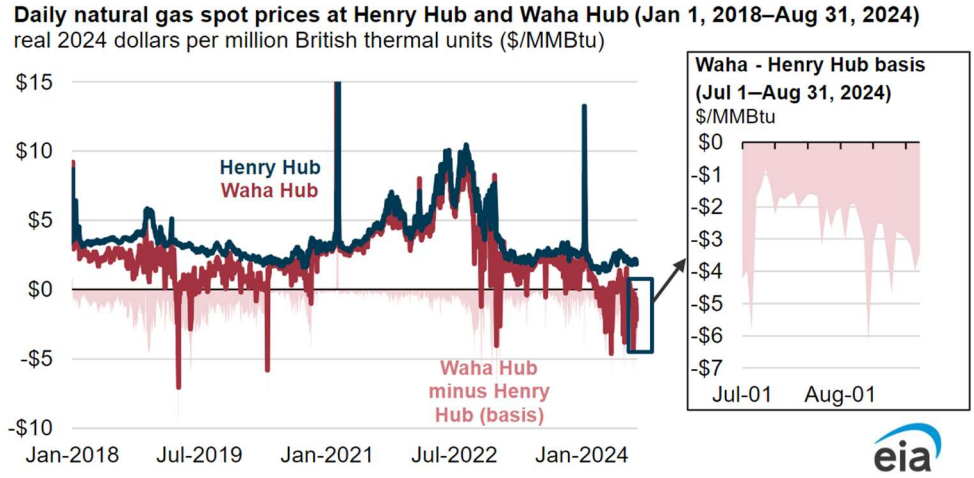
In addition to Matterhorn, three new Permian Basin pipeline projects with a combined capacity of 7.3 Bcf/d have been approved and are in various stages of development:

Apex Pipeline, with a capacity of 2.0 Bcf/d, is designed to transport natural gas from the Permian Basin to Port Arthur, Texas. Operator Targa Resources expects the pipeline to enter service in 2026.

Blackcomb Pipeline, with a capacity of 2.5 Bcf/d, is designed to transport natural gas from the Permian Basin to Agua Dulce in south Texas. Operator Whitewater Midstream expects the pipeline to enter service in 2026.

Saguaro Connector Pipeline, with a capacity of 2.8 Bcf/d, is designed to transport natural gas from the Permian Basin to the U.S.-Mexico border. We expect the pipeline, which connects with the Sierra Madre pipeline on the Mexico side, to enter service by 2027–28.

Pipeline operators have also announced other projects with a total capacity of 7.0 Bcf/d designed to transport natural gas from the Permian Basin to demand centers in Mexico and along the Texas Gulf Coast. These projects, if realized, could come into service between 2025 and 2028.



Data source: Natural Gas Intelligence
Note: Prices are adjusted for inflation based on the July 2024 Consumer Price Index.

When regional growth in natural gas production outpaces pipeline takeaway capacity additions, capacity constraints exert downward pressure on spot natural gas prices at the Waha Hub, which is near Permian Basin production. Prices at the Waha Hub have been below zero for 46% of trading days in 2024, including every day since July 26, according to data from Natural Gas Intelligence. The lowest price recorded at the Waha Hub this year was -$6.41 per million British thermal units on August 29.

The price difference (also known as the basis) between the Waha Hub and the U.S. benchmark Henry Hub widens under constrained pipeline conditions and narrows as those constraints ease. So far in 2024, the Waha Hub spot price has traded an average $2.07 below the Henry Hub price, compared with an average 42 cents below the Henry Hub price in the second half of 2021. The takeaway capacity added when the Matterhorn pipeline enters service should allow producers to increase deliveries of natural gas out of the Permian Basin and help to increase the natural gas price at the Waha Hub, making its price difference to the Henry Hub less negative or even positive.

Principal contributors: Katy Fleury, Laia Munoz-Cortijo

Tags: natural gas, pipelines, Texas, states, map, Permian, capacity

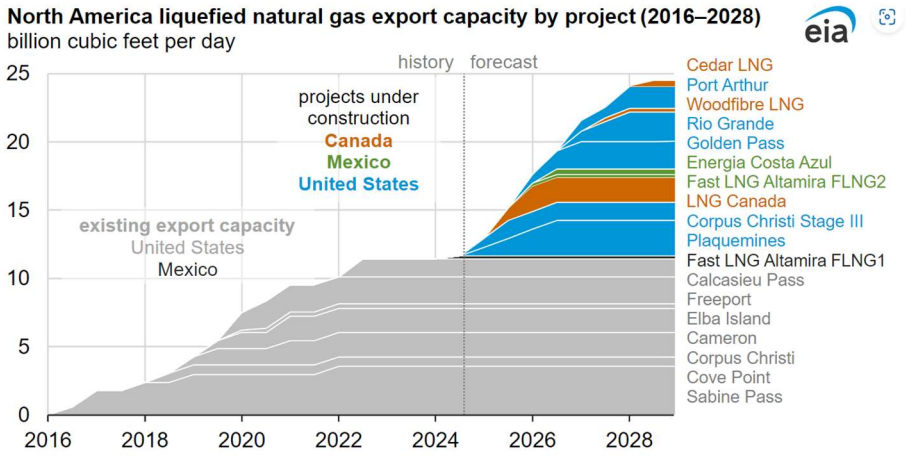
https://www.eia.gov/todayinenergy/detail.php?id=62984

In-brief analysis

September 3, 2024

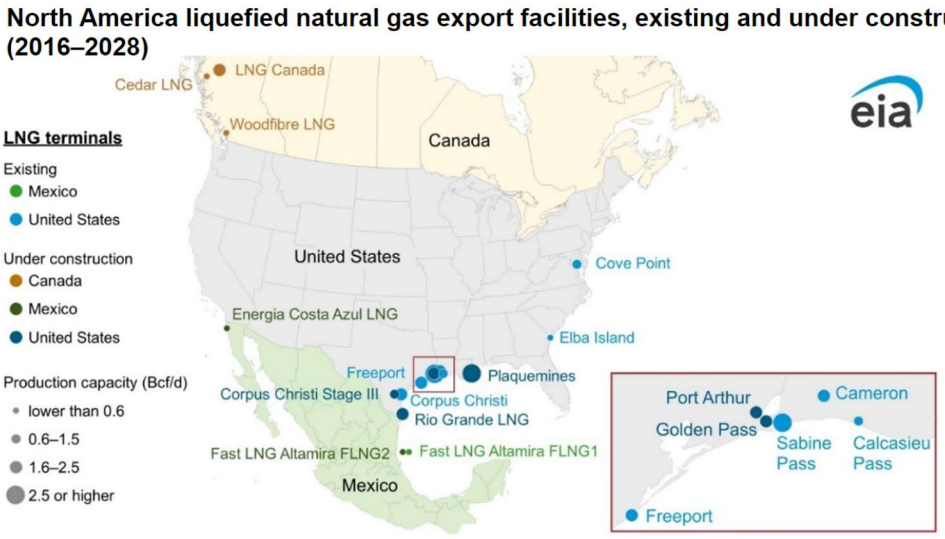
North America's LNG export capacity is on track to more than double by 2028

This TIE was updated September 6, 2024 to clarify a data point.



Data source: U.S. Energy Information Administration, *Liquefaction Capacity File*, and trade press
Note: Export capacity shown is project's baseload capacity. Online dates of LNG export projects under construction are estimates based on trade press. LNG=liquefied natural gas; FLNG=floating liquefied natural gas

North America's liquefied natural gas (LNG) export capacity is on track to more than double between 2024 and 2028, from 11.4 billion cubic feet per day (Bcf/d) in 2023 to 24.4 Bcf/d in 2028, if projects currently under construction begin operations as planned. Between 2024 and 2028, we estimate LNG export capacity will grow by 0.8 Bcf/d in Mexico, 2.5 Bcf/d in Canada, and 9.7 Bcf/d in the United States from a total of 10 new projects that are currently under construction in the three countries.



Data source: U.S. Energy Information Administration, *Liquefaction Capacity File*; trade press
Note: Bcf/d=billion cubic feet per day; LNG=liquefied natural gas; FLNG=floating liquefied natural gas

Mexico. Earlier this year, developers completed one of the two Floating LNG production units (FLNG1) of the Fast Altamira LNG project with a capacity of 0.2 Bcf/d and are currently constructing two projects with a combined LNG export capacity of 0.6 Bcf/d—Fast LNG Altamira FLNG2 offshore on Mexico's east coast, and Energía Costa Azul, located on Mexico's west coast.

- Fast LNG Altamira consists of two Floating LNG production units (FLNG), each with a capacity to liquefy up to 0.199 Bcf/d of natural gas, located off the coast of Altamira, in the state of Tamaulipas, Mexico. Natural gas from the United States delivered via the Sur de Texas-Tuxpan

pipeline will supply these units. The FLNG1 unit started production this summer, and the first LNG cargo from this facility was shipped in August 2024. The FLNG2 unit is still under construction.

- The Energía Costa Azul LNG export terminal (0.4 Bcf/d export capacity) is located at the site of the existing LNG regasification (import) terminal in Baja California in western Mexico. Developers proposed an expansion of this project in Phase 2 by 1.6 Bcf/d. This project will be supplied with natural gas from the Permian Basin in the United States.

Developers have proposed other LNG export projects, all for Mexico's west coast, including Saguaro Energia LNG (2.0 Bcf/d capacity), Amigo LNG (1.0 Bcf/d capacity), Gato Negro LNG (0.6 Bcf/d capacity), Salina Cruz LNG (0.4 Bcf/d capacity), and Vista Pacifico LNG (0.5 Bcf/d capacity), with a combined capacity of 4.5 Bcf/d; however, none of these projects have reached a final investment decision or started construction.

Canada. Currently, three LNG export projects with a combined capacity of 2.5 Bcf/d are under construction in British Columbia on Canada's west coast. Developers of LNG Canada (1.8 Bcf/d export capacity) plan to start LNG exports from Train 1 in the summer 2025. Woodfibre LNG (export capacity 0.3 Bcf/d) targets the startup of LNG exports in 2027. Cedar LNG—a FLNG project with capacity to liquefy up to 0.4 Bcf/d—made a final investment decision in June 2024 and expects to start LNG exports in 2028. These projects will be supplied with natural gas from western Canada.

In addition, the Canada Energy Regulator (CER) has authorized four LNG export projects, including an expansion of LNG Canada, with a combined proposed LNG export capacity of 4.1 Bcf/d.

United States. Five LNG export projects are currently under construction with a combined export capacity of 9.7 Bcf/d—Plaquemines (Phase I and Phase II), Corpus Christi Stage III, Golden Pass, Rio Grande (Phase I), and Port Arthur (Phase I). Developers expect to produce the first LNG from Plaquemines LNG and Corpus Christi LNG Stage III and ship first cargoes from these projects by the end of 2024.

Principal contributor: Victoria Zaretskaya
Data visualization: Jim O'Sullivan

https://www.lngcanada.ca/news/lng-canada-2024-fall-update/

Sep 12, 2024

Project updates

LNG Canada 2024 Fall Update

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I'm pleased to present our latest progress report from the LNG Canada site in Kitimat, British Columbia, in the traditional territory of the Haisla Nation.

Construction activities are now more than 95% complete overall, and we remain on track to deliver first cargoes by the middle of 2025. I want to personally thank the 35,000-plus individual Canadians who have worked on the LNG Canada project to date. We would not be in this position today were it not for them.

Lately, we've welcomed hundreds more Canadians to the LNG Canada asset team–highly-skilled individuals who will safely operate this country's first gas liquification and export facility.

Excitement here builds with every new milestone that's reached.

Just weeks ago, we introduced natural gas to the facility for the first time, from the new Coastal GasLink pipeline. This was a major achievement for LNG Canada as we continue to progress our commissioning and safe start-up activities, and test and fine tune our equipment.

With gas in, we're able to advance other start-up activities as planned, such as flaring.

Flaring is the combustion of natural gas with a visible flame. It's designed to ensure that our facility operates safely and efficiently. It is carefully controlled and provincially regulated. Flaring will be intermittent and on-going during our safe start-up process. Once we enter operations, it will occur much less frequently.

We've also seen Canada's most innovative fleet of zero and low emissions tugboats arrive at our marine berth. HaiSea Marine–a unique joint venture between Haisla Nation and Vancouver-based Seaspan–will operate the five tugboats—three of them fully electric. The new tug fleet will support the safe transit of LNG carriers in our shipping corridor.

This past summer, the Haisla-led Cedar LNG project reached a successful final investment decision. Cedar LNG will operate just around the corner from our facility, and will deliver significant, lasting benefits to the Haisla, other First Nations and local communities.

For our part, I'm proud to announce that the value of contracts and procurement to British Columbia based businesses awarded by LNG Canada and its contractors has just exceeded $5 billion. That includes more than $4.1 billion to local and Indigenous-owned businesses.

We see opportunities to deliver even more benefits with our proposed Phase 2 expansion. We continue to work towards conditions needed for our five joint venture participants to reach a Phase 2 final investment decision.

And of course, we remain committed to ensuring local communities and stakeholders are kept informed about all of our activities, be they on the ground or in the water. We want everyone to know what we're doing, why we're doing it, and when.

The LNG Canada team has conducted dozens of successful engagements with local community organizations, stakeholder groups and individuals. These efforts will continue as we move though our commissioning and startup process, and later during operations.

We've also created robust notification and feedback tools. These include an expanded Contact Us platform on our website and a new community feedback telephone line. The telephone number to call with questions or concerns is 1-833 632-5642.

We're committed to responding to you as quickly as possible. Your feedback is important to us, so don't hesitate to reach out. On behalf of all of us at LNG Canada, thanks for following our progress, and please stay in touch.

You might also like

https://www.spglobal.com/commodityinsights/en/market-insights/latest-news/lng/090524-shell-says-venture-global-wrongfully-earned-35-bil-from-calcasieu-pass-lng-commissioning-delay

- 05 Sep 2024 | 21:56 UTC

Shell says Venture Global 'wrongfully earned' $3.5 bil from Calcasieu Pass LNG commissioning delay

- Author**Corey Paul**
- Editor**Marieke Alsguth**

Highlights

Dispute over delayed commercial start ongoing

Shell says US exporter 'has taken advantage of' customers

Venture Global dismisses Shell-backed study

Shell is arguing US LNG exporter Venture Global "wrongfully earned" an estimated $3.5 billion by selling cargoes from its Calcasieu Pass terminal on the spot market instead of providing European customers their contracted volumes as prices of the fuel surged following the loss of Russian pipeline gas.

The energy giant based its claim on a study it commissioned from economic consulting firm Compass Lexecon. The accusations marked the latest volley in a long-running dispute over the operator's failure to provide foundational customers of the project with contracted volumes, despite exporting LNG from the facility for more than two years.

Shell and other long-term customers have accused Venture Global of holding back on servicing contracts carrying some of the lowest fixed fees among US projects so it could instead sell cargoes for higher prices on the spot market, benefitting from the surge in European gas prices after Russia's invasion of Ukraine. **Calcasieu Pass**, which has a nameplate capacity of 10 million metric tons per year, has loaded more than 360 cargoes since the first export from the facility in March 2022, S&P Global Commodity Insights data showed Sept. 5.

Shell said it commissioned the study "to assess how much more revenue Venture Global wrongfully earned by denying certain European customers their contracted cargoes and selling those LNG cargoes on the spot market instead."

In additional to **Shell**, foundational customers of Calcasieu Pass include BP, Spain's Repsol, Italy's Edison, Portugal's Galp, Poland's PKN Orlen. Shell and others are in arbitration against the US exporter.

A briefing note related to the study also seen by Commodity Insights said one long-term buyer "had extraordinary difficulties" because of Venture Global, having to source LNG from at least five competing US facilities to make up for 1.5 MMt/year that it was not supplied by Venture Global. The document did not name the customer, but the volumes matched the contracted position of PKN Orlen.

PKN Orlen did not immediately respond to a request for comment on Sept. 5.

The Financial Times first reported on the study and the briefing note it said was prepared as part of the arbitration proceedings. Compass Lexecon has worked on Shell's behalf in past litigation.

Venture Global dismissed the report from Common Lexecon as "paid propaganda."

"To be clear, Venture Global is honoring its contractual obligations to its long-term customers in strict conformity with its long-term contracts," Venture Global said in a statement. "Due to our ability to produce first LNG during construction we have been uniquely positioned to bring more incremental molecules into the market which lowers prices, not raises them."

Compass Lexecon's report looked at a 908-day period from October 2022, when Calcasieu Pass operations reached full capacity, through May 2024 in estimating the $3.5 billion in extra revenue earned by selling more than 330 cargoes on the spot market instead of at contracted prices. If Venture Global continues to sell at projected spot prices through June 2025, that could reach about $4.66 billion, the consultant said.

Venture Global has **said** it expects to begin full operations in late 2024, having attributed the prolonged commissioning to the novel design of Calcasieu Pass and problems with power generation facilities at the plant. Edison said in a recent filing with US energy regulators that the issue is being litigated in six arbitrations between Venture Global and the foundational customers.

Beyond Calcasieu Pass, Venture Global is nearing the startup of its second terminal, the nameplate 20 MMt/year Plaquemines facility, and it also developing another nameplate 20 MMt/year facility, CP2, which has yet to reach a final investment decision. Both projects are in Louisiana.

A Shell spokesperson said the consultant's report "deepens our understanding of the magnitude of VG's extraordinary behavior" and could be useful for policymakers and regulators "as they consider what to do about it."

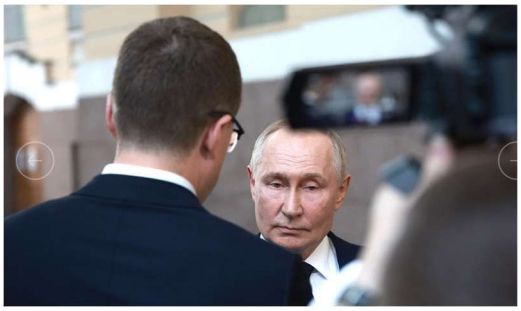
"The company has taken advantage of its European customers after the Russian invasion, and its misconduct harms the trust and reliability of the entire US export market," Shell said. "Venture Global likes to portray that it is generously supplying LNG to European citizens most impacted by Russia's invasion of Ukraine. What they've failed to disclose is how they've banked billions in additional profits on the backs of those customers -- all while denying foundational buyers the cargoes they were contractually promised."

http://en.kremlin.ru/events/president/transcripts/75092

Answer to a media question

Following his address to the plenary session of the United Cultures Forum, Vladimir Putin answered a question from a media representative.

September 12, 2024 18:55 St Petersburg



Vladimir Putin answered a question from a media representative.

Question: Over the past few days, we have been hearing statements at a very high level in the UK and the United States that the Kiev regime will be allowed to strike targets deep inside Russia using Western long-range weapons. Apparently, this decision is either about to be made, or has already been made, as far as we can see. This is actually quite extraordinary. Could you comment on what is going on?

President of Russia Vladimir Putin: What we are seeing is an attempt to substitute notions. Because this is not a question of whether the Kiev regime is allowed or not allowed to strike targets on Russian territory. It is already carrying out strikes using unmanned aerial vehicles and other means. But using Western-made long-range precision weapons is a completely different story.

The fact is that – I have mentioned this, and any expert, both in our country and in the West, will confirm this – the Ukrainian army is not capable of using cutting-edge high-precision long-range systems supplied by the West. They cannot do that. These weapons are impossible to employ without intelligence data from satellites which Ukraine does not have. This can only be done using the European Union's satellites, or US satellites – in general, NATO satellites. This is the first point.

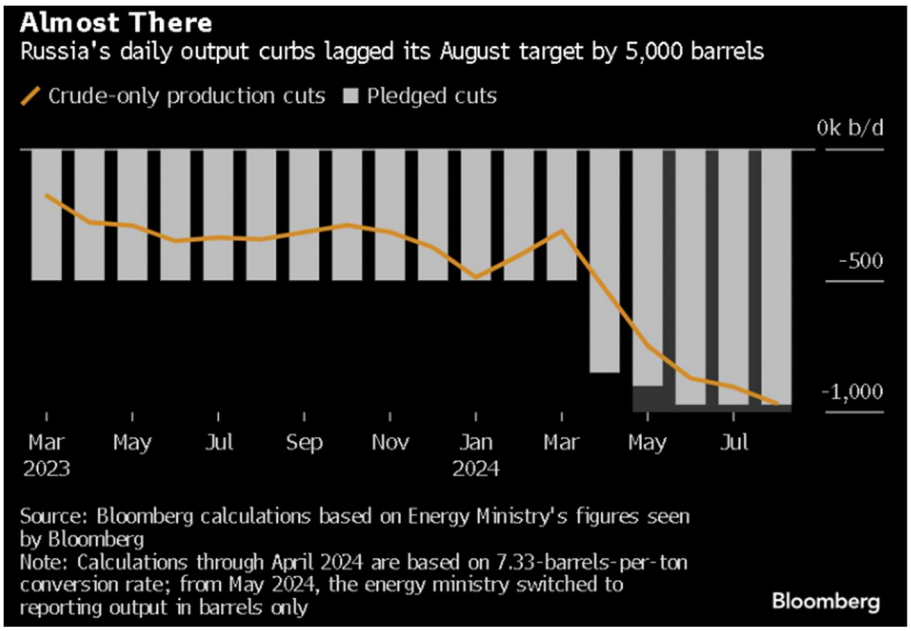
The second point – perhaps the most important, the key point even – is that only NATO military personnel can assign flight missions to these missile systems. Ukrainian servicemen cannot do this.

Therefore, it is not a question of allowing the Ukrainian regime to strike Russia with these weapons or not. It is about deciding whether NATO countries become directly involved in the military conflict or not.

If this decision is made, it will mean nothing short of direct involvement – it will mean that NATO countries, the United States, and European countries are parties to the war in Ukraine. This will mean their direct involvement in the conflict, and it will clearly change the very essence, the very nature of the conflict dramatically.

This will mean that NATO countries – the United States and European countries – are at war with Russia. And if this is the case, then, bearing in mind the change in the essence of the conflict, we will make appropriate decisions in response to the threats that will be posed to us.

Russia’s August Oil Output Near OPEC+ Target, Data Shows (1)
2024-09-10 12:00:00.11 GMT
By Bloomberg News
(Bloomberg) -- Russian data show the nation was very close to meeting its OPEC+ crude-output target last month, following a push from the group to improve adherence to its supply deal.
The nation produced 8.983 million barrels a day of crude in August, said people familiar with data from the Energy Ministry, who spoke on condition of anonymity because the figures aren’t public.
That’s down 62,000 barrels a day from July levels and only about 5,000 barrels a day above Moscow’s output target in the agreement with the Organization of Petroleum Exporting Countries and its allies. The extra barrels represent less than 0.06% of the nation’s output in August.
Russia’s Energy Ministry didn’t immediately respond to a request for comment.
Russia, the largest crude producer in OPEC+, had also been one of the group’s principal laggards in implementing the supply agreement, which is intended to shore up global prices. Moscow has pledged to make extra cuts to compensate for previous months’ overproduction.
OPEC’s monthly market report puts Russia’s August output at 9.059 million barrels a day, based on estimates from secondary sources. That’s 81,000 barrels a day above the target.



Improved compliance of the laggard nations has become a

focus for OPEC+ as the alliance aims to demonstrate discipline amid falling prices. Last week, in response to a recent price decline, OPEC+ postponed by two months a supply hike planned for October, but the move wasn't enough to spur a price recovery.

Read More: OPEC+ Pauses Oil Supply Hike in Effort to Reverse Price Slump

Russia will make small compensation adjustments in October and November, yet the bulk of the extra curbs will only come next summer, as geological conditions in its main oil provinces make winter cuts challenging.

Moscow has been implementing two sets of curbs to its crude production. The first 500,000 barrel-a-day reduction was announced early last year, followed later by a 471,000 barrel-a-day cut promised in March that is set to last until the end of November, following the OPEC+ decision last week. The cuts are made from the baseline level of 9.949 million barrels a day.

Russia has classified official output data amid Western sanctions over the Kremlin's invasion of Ukraine, leaving oil market watchers with just a few gauges, such as seaborne oil exports and domestic refinery runs, to follow trends in the industry.

Earlier this year, Moscow also changed the way it reports data used to compile OPEC+ production estimates, making independent assessment of compliance with output cuts more difficult. The Energy Ministry now reports the data in barrels per day and appears to be using a ton-to-barrel ratio at the lower end of the traditional conversion factors used by analysts for Russia's crudes.

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Russia’s Oil Processing at 7-Week Low After Moscow Plant Attack

2024-09-10 14:23:34.979 GMT
By Bloomberg News

(Bloomberg) -- Russia’s crude processing rate averaged 5.33m b/d from Sept. 1-4, according to a person with knowledge of industry data.

* That’s some 190k b/d below the average level for most of August and is the lowest weekly average since mid-July, according to historical figures

* Crude processing rates at Gazprom Neft’s refinery in Moscow, attacked by drones on Sept. 1, fell by some 150k b/d from the average in August, the person said

** Gazprom Neft didn’t immediately respond to Bloomberg requests for comment

* NOTE: Russia’s refinery runs remain one of the key indicators — alongside the nation’s seaborne export flows — for market watchers to follow trends in its oil industry, after the government classified official output data amid Western sanctions

09/10/2024 06:29:21 [BFW] Bloomberg First Word

Russia's Seaborne Crude Earns the Least Since February (Table)

By Julian Lee

(Bloomberg) -- Russia's earnings from its seaborne oil exports slumped to the lowest since February in the four weeks to Sept. 8. A small drop in flows was compounded by a sharp w/w decline in global oil prices.

- Four-week average crude shipments slipped to 3.13m b/d in the week to Sept. 8, down by 30k b/d
    - More volatile weekly flows moved in the opposite direction, rising by about 40k b/d to 3.14m b/d
- Plunging oil prices helped drive Russia's revenues from crude sales to the lowest since February, highlighting the challenges Moscow faces from a weakening global market
- The price slump drove Russia's flagship crude back down toward the $60/bbl threshold that the G7 sought to impose on Moscow as punishment for its invasion of Ukraine
- Urals crude from Baltic ports traded at an average price of $60.12 on Friday, according to data from Argus Media
- Export values at Baltic ports were down week-on-week by about $6.30/bbl, while the value of shipments from the Black Sea fell by about $5.90/bbl
- The global slide in oil prices prompted several OPEC+ member countries, including Russia, to postpone until December the easing of output curbs that they had planned to start in October
    - The delay means that Moscow will actually have to cut production in October and November to make up for pumping above its OPEC+ target earlier this year, rather than being able to offset the compensation cuts against a rising target
    - Deputy Prime Minister Alexander Novak said Russia was complying with its OPEC+ output target by the end of August
- The attached PDF file details weekly and four-week average seaborne crude flows by major destinations in four tables and charts

NOTES:

- Bloomberg uses the vessel-tracking capabilities offered by the terminal's MAP function to monitor seaborne flows of Russian crude and to show how they have evolved since Moscow's troops invaded Ukraine in February 2022
- Results are cross-checked against port agent reports and other data providers, including Kpler and Vortexa
- The tables are a companion to a story on Russian seaborne crude flows normally published every Tuesday
- The next update will be Wednesday, Sept. 18

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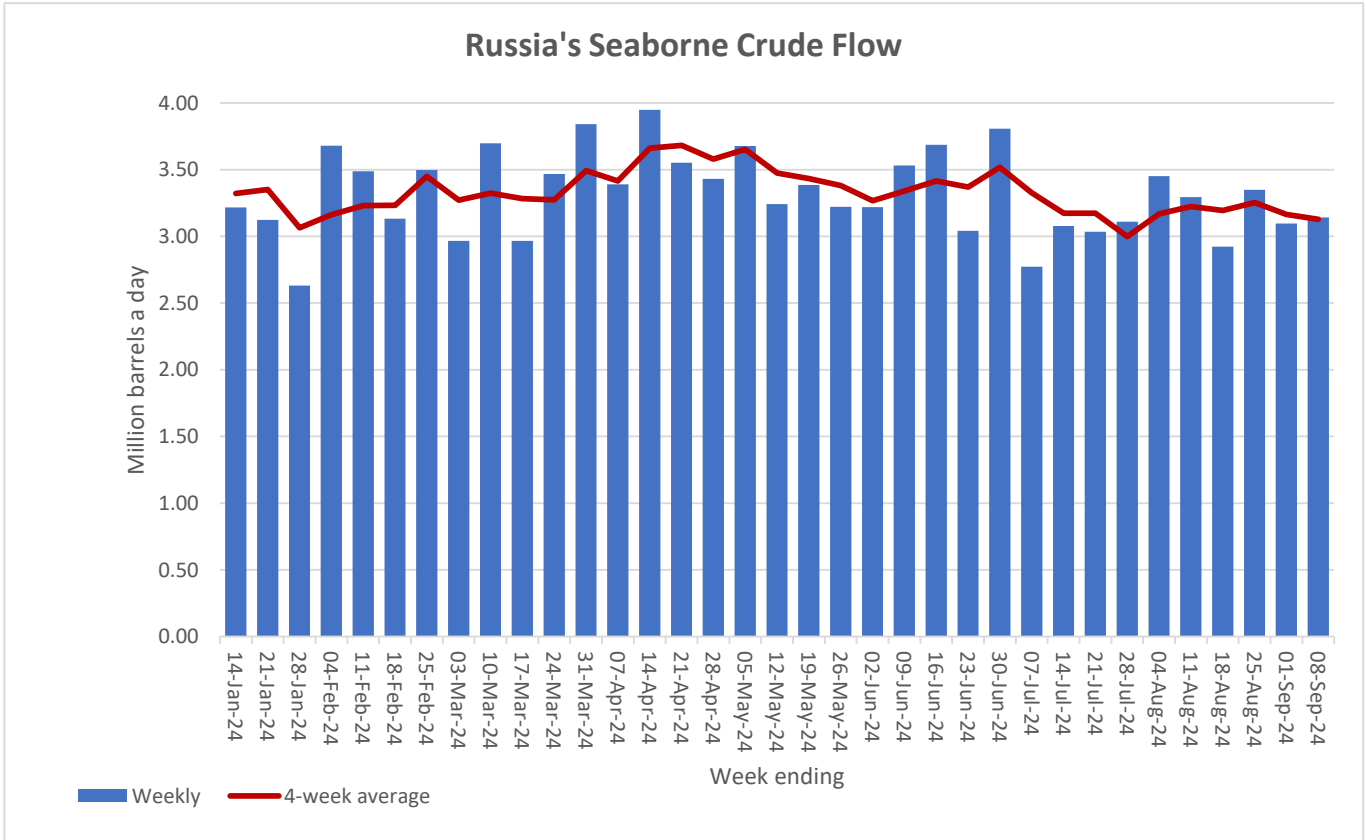
Russia's Seaborne Crude Flows (weekly and four-week averages, million barrels a day)

Week-ending	Weekly	4-week average
14-Jan-24	3.22	3.32
21-Jan-24	3.12	3.35
28-Jan-24	2.63	3.06
04-Feb-24	3.68	3.16
11-Feb-24	3.49	3.23
18-Feb-24	3.13	3.23
25-Feb-24	3.50	3.45
03-Mar-24	2.97	3.27
10-Mar-24	3.70	3.32
17-Mar-24	2.97	3.28
24-Mar-24	3.47	3.27
31-Mar-24	3.84	3.49
07-Apr-24	3.39	3.42
14-Apr-24	3.95	3.66
21-Apr-24	3.55	3.68
28-Apr-24	3.43	3.58
05-May-24	3.68	3.65
12-May-24	3.24	3.48
19-May-24	3.39	3.43
26-May-24	3.22	3.38
02-Jun-24	3.22	3.27
09-Jun-24	3.53	3.34
16-Jun-24	3.69	3.41
23-Jun-24	3.04	3.37
30-Jun-24	3.81	3.52
07-Jul-24	2.77	3.33
14-Jul-24	3.08	3.17
21-Jul-24	3.03	3.17
28-Jul-24	3.11	3.00
04-Aug-24	3.45	3.17
11-Aug-24	3.29	3.22
18-Aug-24	2.92	3.19
25-Aug-24	3.35	3.25
01-Sep-24	3.10	3.16
08-Sep-24	3.14	3.13



Russia's Seaborne Crude Flows (four-week averages, million barrels a day)

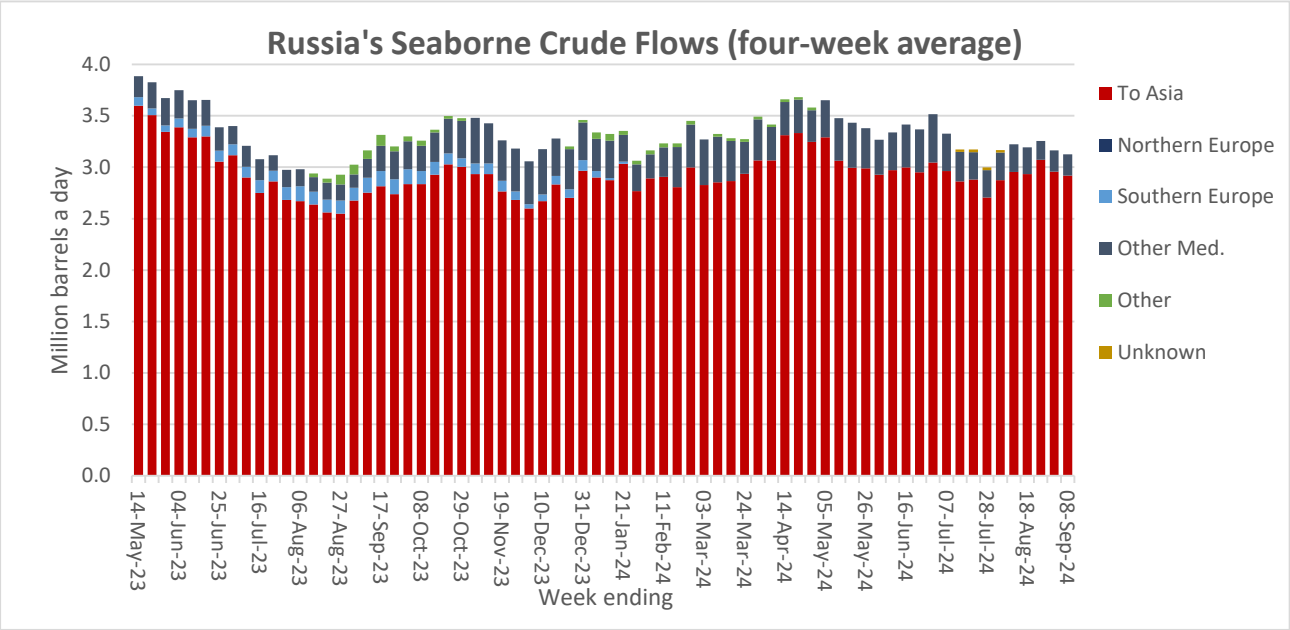
Week-ending	To Asia	Northern Europe	Southern Europe	Other Med.	Other	Unknown	Total
14-May-23	3.60	0.00	0.08	0.20	0.00	0.00	3.88
21-May-23	3.51	0.00	0.06	0.26	0.00	0.00	3.83
28-May-23	3.34	0.00	0.06	0.27	0.00	0.00	3.67
04-Jun-23	3.39	0.00	0.08	0.28	0.00	0.00	3.75
11-Jun-23	3.29	0.00	0.08	0.28	0.00	0.00	3.65
18-Jun-23	3.30	0.00	0.10	0.25	0.00	0.00	3.65
25-Jun-23	3.06	0.00	0.10	0.23	0.00	0.00	3.39
02-Jul-23	3.12	0.00	0.10	0.18	0.00	0.00	3.40
09-Jul-23	2.90	0.00	0.10	0.20	0.00	0.00	3.21
16-Jul-23	2.75	0.00	0.13	0.20	0.00	0.00	3.08
23-Jul-23	2.86	0.00	0.10	0.15	0.00	0.00	3.12
30-Jul-23	2.68	0.00	0.13	0.17	0.00	0.00	2.97
06-Aug-23	2.67	0.00	0.15	0.17	0.00	0.00	2.98
13-Aug-23	2.64	0.00	0.13	0.14	0.04	0.00	2.94
20-Aug-23	2.56	0.00	0.13	0.17	0.04	0.00	2.89
27-Aug-23	2.55	0.00	0.13	0.16	0.10	0.00	2.93
03-Sep-23	2.68	0.00	0.13	0.13	0.10	0.00	3.03
10-Sep-23	2.75	0.00	0.15	0.18	0.08	0.00	3.16
17-Sep-23	2.82	0.00	0.15	0.25	0.11	0.00	3.31
24-Sep-23	2.74	0.00	0.15	0.27	0.05	0.00	3.20
01-Oct-23	2.84	0.00	0.15	0.27	0.05	0.00	3.30
08-Oct-23	2.84	0.00	0.13	0.25	0.05	0.00	3.26
15-Oct-23	2.93	0.00	0.13	0.29	0.03	0.00	3.36
22-Oct-23	3.03	0.00	0.10	0.34	0.03	0.00	3.50
29-Oct-23	3.00	0.00	0.08	0.37	0.03	0.00	3.48
05-Nov-23	2.93	0.00	0.10	0.44	0.00	0.00	3.48
12-Nov-23	2.93	0.00	0.10	0.39	0.00	0.00	3.43
19-Nov-23	2.77	0.00	0.10	0.39	0.00	0.00	3.26
26-Nov-23	2.68	0.00	0.08	0.42	0.00	0.00	3.18
03-Dec-23	2.60	0.00	0.04	0.42	0.00	0.00	3.06
10-Dec-23	2.67	0.00	0.06	0.44	0.00	0.00	3.18
17-Dec-23	2.83	0.00	0.08	0.37	0.00	0.00	3.28
24-Dec-23	2.70	0.00	0.08	0.39	0.03	0.00	3.20
31-Dec-23	2.97	0.00	0.10	0.37	0.03	0.00	3.46
07-Jan-24	2.90	0.00	0.06	0.31	0.06	0.00	3.34
14-Jan-24	2.87	0.00	0.02	0.37	0.06	0.00	3.32
21-Jan-24	3.03	0.00	0.02	0.26	0.04	0.00	3.35
28-Jan-24	2.77	0.00	0.00	0.26	0.04	0.00	3.06
04-Feb-24	2.89	0.00	0.00	0.23	0.04	0.00	3.16
11-Feb-24	2.91	0.00	0.00	0.29	0.04	0.00	3.23
18-Feb-24	2.81	0.00	0.00	0.39	0.04	0.00	3.23
25-Feb-24	3.00	0.00	0.00	0.42	0.04	0.00	3.45
03-Mar-24	2.83	0.00	0.00	0.44	0.00	0.00	3.27
10-Mar-24	2.86	0.00	0.00	0.44	0.03	0.00	3.32
17-Mar-24	2.87	0.00	0.00	0.39	0.03	0.00	3.28
24-Mar-24	2.94	0.00	0.00	0.31	0.03	0.00	3.27
31-Mar-24	3.07	0.00	0.00	0.40	0.03	0.00	3.49
07-Apr-24	3.07	0.00	0.00	0.32	0.03	0.00	3.42
14-Apr-24	3.31	0.00	0.00	0.32	0.03	0.00	3.66
21-Apr-24	3.33	0.00	0.00	0.32	0.03	0.00	3.68
28-Apr-24	3.25	0.00	0.00	0.31	0.03	0.00	3.58
05-May-24	3.29	0.00	0.00	0.36	0.00	0.00	3.65
12-May-24	3.06	0.00	0.00	0.41	0.00	0.00	3.48
19-May-24	3.00	0.00	0.00	0.44	0.00	0.00	3.43
26-May-24	2.99	0.00	0.00	0.39	0.00	0.00	3.38
02-Jun-24	2.93	0.00	0.00	0.34	0.00	0.00	3.27
09-Jun-24	2.97	0.00	0.00	0.37	0.00	0.00	3.34
16-Jun-24	3.00	0.00	0.00	0.42	0.00	0.00	3.41
23-Jun-24	2.95	0.00	0.00	0.42	0.00	0.00	3.37
30-Jun-24	3.05	0.00	0.00	0.47	0.00	0.00	3.52
07-Jul-24	2.96	0.00	0.00	0.37	0.00	0.00	3.33
14-Jul-24	2.86	0.00	0.00	0.29	0.00	0.03	3.17
21-Jul-24	2.88	0.00	0.00	0.27	0.00	0.03	3.17
28-Jul-24	2.71	0.00	0.00	0.27	0.00	0.03	3.00
04-Aug-24	2.88	0.00	0.00	0.27	0.00	0.03	3.17
11-Aug-24	2.96	0.00	0.00	0.27	0.00	0.00	3.22
18-Aug-24	2.93	0.00	0.00	0.26	0.00	0.00	3.19
25-Aug-24	3.07	0.00	0.00	0.18	0.00	0.00	3.25
01-Sep-24	2.96	0.00	0.00	0.21	0.00	0.00	3.16
08-Sep-24	2.92	0.00	0.00	0.21	0.00	0.00	3.13

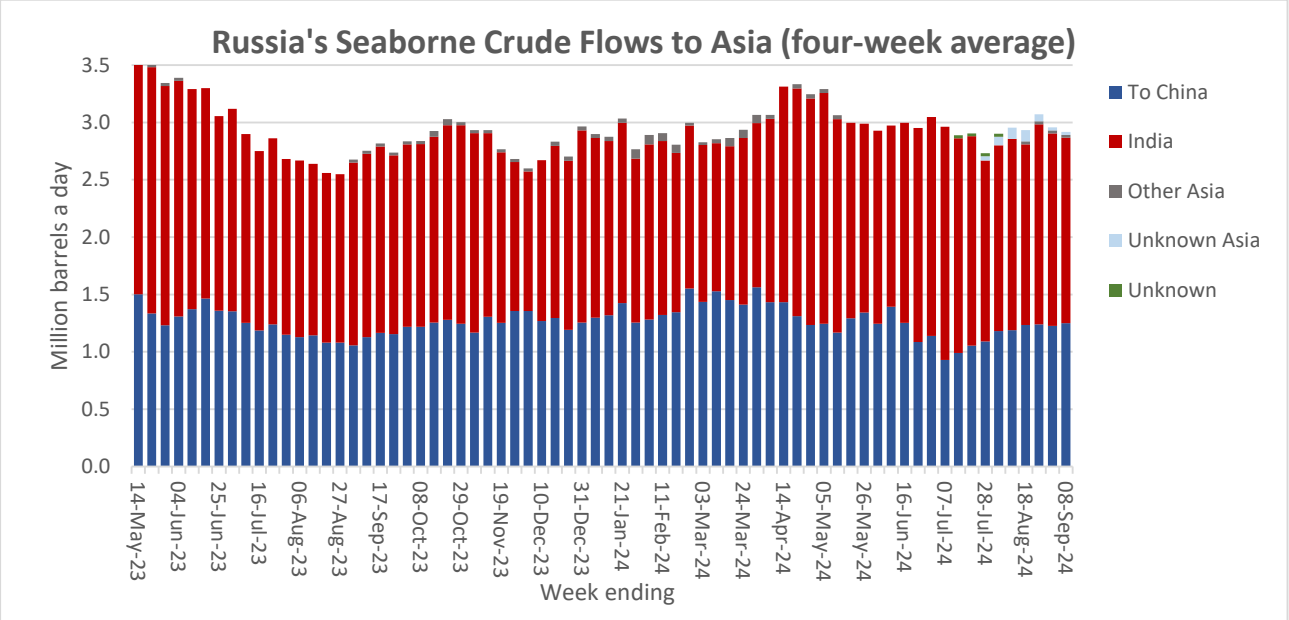
Russia's Seaborne Crude Flows to Asia (four-week averages, million barrels a day)

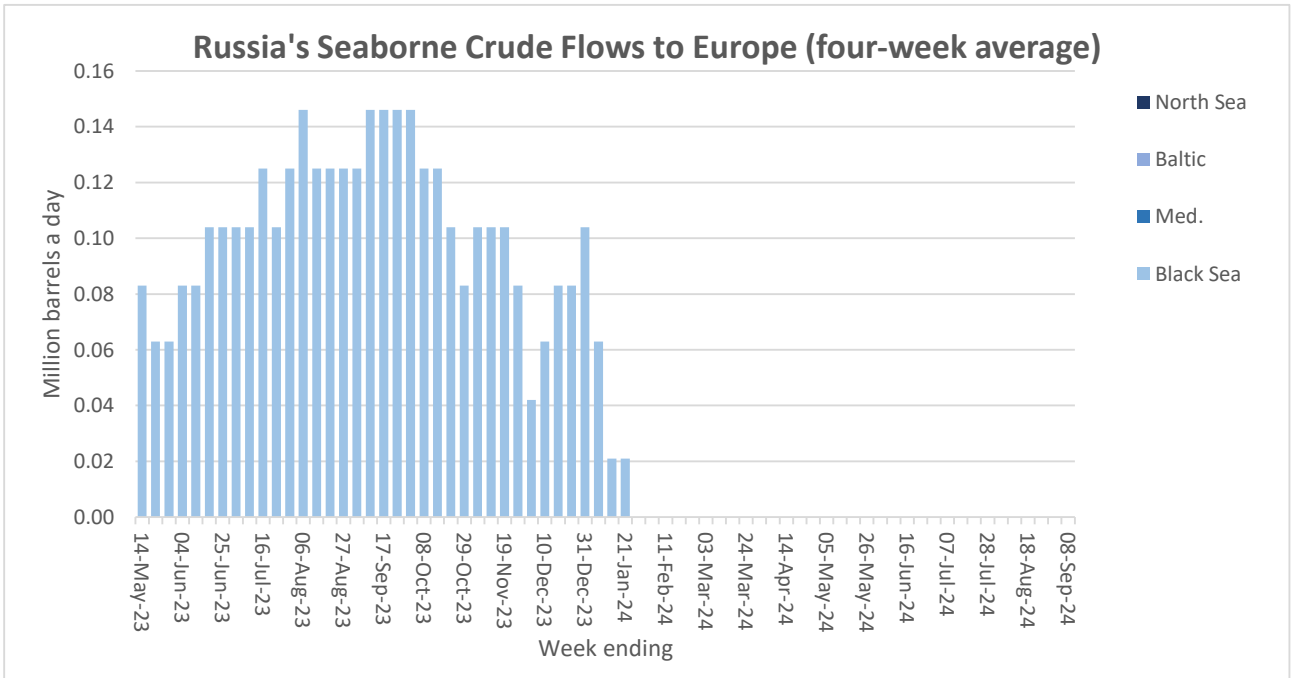
Week-ending	To China	India	Other Asia	Unknown Asia	Total Asia	Unknown	Total
14-May-23	1.50	2.07	0.03	0.00	3.60	0.00	3.60
21-May-23	1.34	2.15	0.03	0.00	3.51	0.00	3.51
28-May-23	1.23	2.09	0.03	0.00	3.34	0.00	3.34
04-Jun-23	1.31	2.06	0.03	0.00	3.39	0.00	3.39
11-Jun-23	1.37	1.92	0.00	0.00	3.29	0.00	3.29
18-Jun-23	1.47	1.83	0.00	0.00	3.30	0.00	3.30
25-Jun-23	1.36	1.70	0.00	0.00	3.06	0.00	3.06
02-Jul-23	1.35	1.77	0.00	0.00	3.12	0.00	3.12
09-Jul-23	1.25	1.65	0.00	0.00	2.90	0.00	2.90
16-Jul-23	1.19	1.56	0.00	0.00	2.75	0.00	2.75
23-Jul-23	1.24	1.62	0.00	0.00	2.86	0.00	2.86
30-Jul-23	1.15	1.53	0.00	0.00	2.68	0.00	2.68
06-Aug-23	1.13	1.54	0.00	0.00	2.67	0.00	2.67
13-Aug-23	1.14	1.50	0.00	0.00	2.64	0.00	2.64
20-Aug-23	1.08	1.48	0.00	0.00	2.56	0.00	2.56
27-Aug-23	1.08	1.47	0.00	0.00	2.55	0.00	2.55
03-Sep-23	1.06	1.59	0.03	0.00	2.68	0.00	2.68
10-Sep-23	1.13	1.60	0.03	0.00	2.75	0.00	2.75
17-Sep-23	1.17	1.63	0.03	0.00	2.82	0.00	2.82
24-Sep-23	1.16	1.56	0.03	0.00	2.74	0.00	2.74
01-Oct-23	1.22	1.59	0.03	0.00	2.84	0.00	2.84
08-Oct-23	1.22	1.59	0.03	0.00	2.84	0.00	2.84
15-Oct-23	1.26	1.62	0.05	0.00	2.93	0.00	2.93
22-Oct-23	1.28	1.70	0.05	0.00	3.03	0.00	3.03
29-Oct-23	1.24	1.73	0.03	0.00	3.00	0.00	3.00
05-Nov-23	1.17	1.74	0.03	0.00	2.93	0.00	2.93
12-Nov-23	1.31	1.60	0.03	0.00	2.93	0.00	2.93
19-Nov-23	1.25	1.49	0.03	0.00	2.77	0.00	2.77
26-Nov-23	1.36	1.30	0.03	0.00	2.68	0.00	2.68
03-Dec-23	1.36	1.22	0.03	0.00	2.60	0.00	2.60
10-Dec-23	1.27	1.40	0.00	0.00	2.67	0.00	2.67
17-Dec-23	1.30	1.50	0.04	0.00	2.83	0.00	2.83
24-Dec-23	1.19	1.47	0.04	0.00	2.70	0.00	2.70
31-Dec-23	1.26	1.67	0.04	0.00	2.97	0.00	2.97
07-Jan-24	1.30	1.57	0.04	0.00	2.90	0.00	2.90
14-Jan-24	1.32	1.52	0.04	0.00	2.87	0.00	2.87
21-Jan-24	1.42	1.57	0.04	0.00	3.03	0.00	3.03
28-Jan-24	1.26	1.43	0.08	0.00	2.77	0.00	2.77
04-Feb-24	1.28	1.53	0.08	0.00	2.89	0.00	2.89
11-Feb-24	1.32	1.52	0.07	0.00	2.91	0.00	2.91
18-Feb-24	1.35	1.39	0.07	0.00	2.81	0.00	2.81
25-Feb-24	1.55	1.42	0.03	0.00	3.00	0.00	3.00
03-Mar-24	1.44	1.37	0.03	0.00	2.83	0.00	2.83
10-Mar-24	1.53	1.29	0.04	0.00	2.86	0.00	2.86
17-Mar-24	1.45	1.34	0.07	0.00	2.87	0.00	2.87
24-Mar-24	1.41	1.45	0.07	0.00	2.94	0.00	2.94
31-Mar-24	1.56	1.43	0.07	0.00	3.07	0.00	3.07
07-Apr-24	1.43	1.60	0.04	0.00	3.07	0.00	3.07
14-Apr-24	1.43	1.88	0.00	0.00	3.31	0.00	3.31
21-Apr-24	1.31	1.99	0.04	0.00	3.33	0.00	3.33
28-Apr-24	1.23	1.98	0.04	0.00	3.25	0.00	3.25
05-May-24	1.25	2.01	0.04	0.00	3.29	0.00	3.29
12-May-24	1.17	1.86	0.04	0.00	3.06	0.00	3.06
19-May-24	1.29	1.70	0.00	0.00	3.00	0.00	3.00
26-May-24	1.34	1.65	0.00	0.00	2.99	0.00	2.99
02-Jun-24	1.25	1.68	0.00	0.00	2.93	0.00	2.93
09-Jun-24	1.39	1.58	0.00	0.00	2.97	0.00	2.97
16-Jun-24	1.25	1.74	0.00	0.00	3.00	0.00	3.00
23-Jun-24	1.09	1.87	0.00	0.00	2.95	0.00	2.95
30-Jun-24	1.14	1.91	0.00	0.00	3.05	0.00	3.05
07-Jul-24	0.93	2.03	0.00	0.00	2.96	0.00	2.96
14-Jul-24	0.99	1.87	0.00	0.00	2.86	0.03	2.89
21-Jul-24	1.05	1.83	0.00	0.00	2.88	0.03	2.91
28-Jul-24	1.09	1.58	0.00	0.04	2.71	0.03	2.73
04-Aug-24	1.18	1.62	0.00	0.07	2.88	0.03	2.90
11-Aug-24	1.19	1.67	0.00	0.10	2.96	0.00	2.96
18-Aug-24	1.23	1.58	0.03	0.10	2.93	0.00	2.93
25-Aug-24	1.24	1.74	0.03	0.06	3.07	0.00	3.07
01-Sep-24	1.23	1.68	0.03	0.03	2.96	0.00	2.96
08-Sep-24	1.25	1.62	0.03	0.03	2.92	0.00	2.92

Russia's Seaborne Crude Flows to Europe (four-week averages, million barrels a day)

Week-ending	North Sea	Baltic	Med.	Black Sea	Total
14-May-23	0.00	0.00	0.00	0.08	0.08
21-May-23	0.00	0.00	0.00	0.06	0.06
28-May-23	0.00	0.00	0.00	0.06	0.06
04-Jun-23	0.00	0.00	0.00	0.08	0.08
11-Jun-23	0.00	0.00	0.00	0.08	0.08
18-Jun-23	0.00	0.00	0.00	0.10	0.10
25-Jun-23	0.00	0.00	0.00	0.10	0.10
02-Jul-23	0.00	0.00	0.00	0.10	0.10
09-Jul-23	0.00	0.00	0.00	0.10	0.10
16-Jul-23	0.00	0.00	0.00	0.13	0.13
23-Jul-23	0.00	0.00	0.00	0.10	0.10
30-Jul-23	0.00	0.00	0.00	0.13	0.13
06-Aug-23	0.00	0.00	0.00	0.15	0.15
13-Aug-23	0.00	0.00	0.00	0.13	0.13
20-Aug-23	0.00	0.00	0.00	0.13	0.13
27-Aug-23	0.00	0.00	0.00	0.13	0.13
03-Sep-23	0.00	0.00	0.00	0.13	0.13
10-Sep-23	0.00	0.00	0.00	0.15	0.15
17-Sep-23	0.00	0.00	0.00	0.15	0.15
24-Sep-23	0.00	0.00	0.00	0.15	0.15
01-Oct-23	0.00	0.00	0.00	0.15	0.15
08-Oct-23	0.00	0.00	0.00	0.13	0.13
15-Oct-23	0.00	0.00	0.00	0.13	0.13
22-Oct-23	0.00	0.00	0.00	0.10	0.10
29-Oct-23	0.00	0.00	0.00	0.08	0.08
05-Nov-23	0.00	0.00	0.00	0.10	0.10
12-Nov-23	0.00	0.00	0.00	0.10	0.10
19-Nov-23	0.00	0.00	0.00	0.10	0.10
26-Nov-23	0.00	0.00	0.00	0.08	0.08
03-Dec-23	0.00	0.00	0.00	0.04	0.04
10-Dec-23	0.00	0.00	0.00	0.06	0.06
17-Dec-23	0.00	0.00	0.00	0.08	0.08
24-Dec-23	0.00	0.00	0.00	0.08	0.08
31-Dec-23	0.00	0.00	0.00	0.10	0.10
07-Jan-24	0.00	0.00	0.00	0.06	0.06
14-Jan-24	0.00	0.00	0.00	0.02	0.02
21-Jan-24	0.00	0.00	0.00	0.02	0.02
28-Jan-24	0.00	0.00	0.00	0.00	0.00
04-Feb-24	0.00	0.00	0.00	0.00	0.00
11-Feb-24	0.00	0.00	0.00	0.00	0.00
18-Feb-24	0.00	0.00	0.00	0.00	0.00
25-Feb-24	0.00	0.00	0.00	0.00	0.00
03-Mar-24	0.00	0.00	0.00	0.00	0.00
10-Mar-24	0.00	0.00	0.00	0.00	0.00
17-Mar-24	0.00	0.00	0.00	0.00	0.00
24-Mar-24	0.00	0.00	0.00	0.00	0.00
31-Mar-24	0.00	0.00	0.00	0.00	0.00
07-Apr-24	0.00	0.00	0.00	0.00	0.00
14-Apr-24	0.00	0.00	0.00	0.00	0.00
21-Apr-24	0.00	0.00	0.00	0.00	0.00
28-Apr-24	0.00	0.00	0.00	0.00	0.00
05-May-24	0.00	0.00	0.00	0.00	0.00
12-May-24	0.00	0.00	0.00	0.00	0.00
19-May-24	0.00	0.00	0.00	0.00	0.00
26-May-24	0.00	0.00	0.00	0.00	0.00
02-Jun-24	0.00	0.00	0.00	0.00	0.00
09-Jun-24	0.00	0.00	0.00	0.00	0.00
16-Jun-24	0.00	0.00	0.00	0.00	0.00
23-Jun-24	0.00	0.00	0.00	0.00	0.00
30-Jun-24	0.00	0.00	0.00	0.00	0.00
07-Jul-24	0.00	0.00	0.00	0.00	0.00
14-Jul-24	0.00	0.00	0.00	0.00	0.00
21-Jul-24	0.00	0.00	0.00	0.00	0.00
28-Jul-24	0.00	0.00	0.00	0.00	0.00
04-Aug-24	0.00	0.00	0.00	0.00	0.00
11-Aug-24	0.00	0.00	0.00	0.00	0.00
18-Aug-24	0.00	0.00	0.00	0.00	0.00
25-Aug-24	0.00	0.00	0.00	0.00	0.00
01-Sep-24	0.00	0.00	0.00	0.00	0.00
08-Sep-24	0.00	0.00	0.00	0.00	0.00


Russia's Seaborne Crude Flows (four-week average)
Million barrels a day
4.0
3.5
3.0
2.5
2.0
1.5
1.0
0.5
0.0
14-May-23
04-Jun-23
25-Jun-23
16-Jul-23
06-Aug-23
27-Aug-23
17-Sep-23
08-Oct-23
29-Oct-23
19-Nov-23
10-Dec-23
31-Dec-23
21-Jan-24
11-Feb-24
03-Mar-24
24-Mar-24
14-Apr-24
05-May-24
26-May-24
16-Jun-24
07-Jul-24
28-Jul-24
18-Aug-24
08-Sep-24
Week ending
To Asia
Northern Europe
Southern Europe
Other Med.
Other
Unknown


Russia's Seaborne Crude Flows to Asia (four-week average)
Million barrels a day
3.5
3.0
2.5
2.0
1.5
1.0
0.5
0.0
14-May-23
04-Jun-23
25-Jun-23
16-Jul-23
06-Aug-23
27-Aug-23
17-Sep-23
08-Oct-23
29-Oct-23
19-Nov-23
10-Dec-23
31-Dec-23
21-Jan-24
11-Feb-24
03-Mar-24
24-Mar-24
14-Apr-24
05-May-24
26-May-24
16-Jun-24
07-Jul-24
28-Jul-24
18-Aug-24
08-Sep-24
Week ending
To China
India
Other Asia
Unknown Asia
Unknown


Russia's Seaborne Crude Flows to Europe (four-week average)
Million barrels a day
0.16
0.14
0.12
0.10
0.08
0.06
0.04
0.02
0.00
14-May-23
04-Jun-23
25-Jun-23
16-Jul-23
06-Aug-23
27-Aug-23
17-Sep-23
08-Oct-23
29-Oct-23
19-Nov-23
10-Dec-23
31-Dec-23
21-Jan-24
11-Feb-24
03-Mar-24
24-Mar-24
14-Apr-24
05-May-24
26-May-24
16-Jun-24
07-Jul-24
28-Jul-24
18-Aug-24
08-Sep-24
Week ending
North Sea
Baltic
Med.
Black Sea

Notes

For total flows:

To Asia	Includes all countries east of the Arabian Peninsula
Northern Europe	Includes all countries with coastlines on the Baltic Sea and North Sea, including France
Southern Europe	Includes all European countries with coastlines on the Mediterranean and Black Sea, excluding France and including Portugal
Other Med.	Includes all non-European countries with a Mediterranean coastline. Flows are mostly to Turkey
Other	Includes North America, the Caribbean, Latin America, Africa (excluding those countries with a Mediterranean coasline) and Arabia
Unknown	This is predominantly vessels that are yet to show a final destination. Ships signaling Port Said or the Suez Canal are classed as heading to Asia

For flows to Asia:

Other Asia	Asian countries excluding China and India
Unknown Asia	Vessels signaling Port Said or the Suez Canal at the time of compilation
Unknown	Vessels showing no destination or a known STS transfer site at the time of compilation. Historically includes ships whose destination is unknown

For flows to Europe:

North Sea	France, Germany, The Netherlands, The UK
Baltic	Denmark, Finland, Lithuania, Poland, Sweden
Med.	Croatia, Greece, Italy, Portugal, Spain
Black Sea	Bulgaria, Romania

Historical figures are revised as vessel destinations become clear

Source:	Vessel tracking data monitored by Bloomberg using the MAP function on the terminal. Shipments are cross-referenced against port agent reports and data from Kpler and Vortexa. Individual cargoes are tracked until discharge, including through ship-to-ship transfers.

Oil Market Highlights

Crude Oil Price Movements

In August, the OPEC Reference Basket (ORB) value fell by $6.02, or 7.1%, m-o-m, to average $78.41/b. The ICE Brent front-month contract dropped by $5.00, or 6.0%, m-o-m, to stand at $78.88/b. The NYMEX WTI front-month contract dropped by $5.05, or 6.3%, to average $75.43/b. The DME Oman front-month contract dropped by $5.83, or 7.0%, to settle at $77.54/b. The front-month ICE Brent/NYMEX WTI spread widened by 5¢, m-o-m, to stand at $3.45/b. The forward curves of oil futures prices flattened slightly, but all major crude benchmarks remained in backwardation. Money managers closed long positions and raised short positions, particularly in the ICE Brent market.

World Economy

The world economic growth forecast in 2024 is revised up slightly to 3%, while the forecast for 2025 remains at 2.9%, unchanged from last month's assessment. The US economic growth forecasts for 2024 and 2025 remain at 2.4% and 1.9%, respectively. Japan's economic growth forecasts for 2024 and 2025 remain at 0.2% and 0.9%, respectively. For the Eurozone, the economic growth forecast for 2024 is revised up slightly to 0.8%, while the 2025 forecast remains at 1.2%. China's economic growth forecasts remain at 4.9% for 2024 and 4.6% for 2025. India's economic growth forecast for 2024 is revised up to 6.8% due to robust growth in 1H24, while the 2025 forecast remains at 6.3%. The economic growth forecast for Brazil is revised up to 2.2% for 2024 and remains at 1.9% for 2025. Russia's economic growth forecast is revised up slightly to 3.2% in 2024 and remains at 1.5% in 2025.

World Oil Demand

The world oil demand growth forecast for 2024 is revised down slightly to about 2.0 mb/d, which is still well above the historical average of 1.4 mb/d seen prior to the COVID-19 pandemic. This minor adjustment of 80 tb/d reflects mainly actual data received year-to-date. OECD oil demand is expected to grow by around 0.1 mb/d in 2024, with OECD Americas accounting for the entire growth. Non-OECD oil demand is expected to grow by around 1.9 mb/d. The forecast for world oil demand growth in 2025 is also slightly revised down by a mere 40 tb/d to stand at 1.7 mb/d. Non-OECD demand is set to drive next year's growth, increasing by about 1.6 mb/d, led by contributions from China, the Middle East, Other Asia, and India. OECD demand is forecast to expand by about 0.1 mb/d, with OECD Americas contributing the most.

World Oil Supply

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 last month's assessment. The main growth drivers are expected to be the US, Canada, and Brazil. The non-DoC liquids supply growth forecast for 2025 is also unchanged at 1.1 mb/d. The growth is anticipated to be mainly driven by the US, Brazil, Canada, and Norway. Natural gas liquids (NGLs) and non-conventional liquids from countries participating in the DoC is forecast to grow by about 0.1 mb/d to average 8.3 mb/d in 2024, followed by an increase of about 60 tb/d to reach 8.4 mb/d in 2025. Crude oil production by the countries participating in the DoC decreased by 304 tb/d in August compared with the previous month, averaging about 40.66 mb/d, as reported by available secondary sources.

Product Markets and Refining Operations

Refinery margins in August declined across all regions. In the USGC, gasoline inventories fell to a ten-month low, but jet/kerosene stocks continued to build despite reaching multi-year record highs at the end of July. In Northwest Europe, low gasoline exports and a poor crack spread for high sulphur fuel oil (HSFO) further weighed on product markets. In Singapore, all products except for naphtha experienced a m-o-m decline in crack spreads. In Asia, product oversupply and challenging inter-regional export opportunities, particularly for gasoil, weighed on refining economics. The robust naphtha performance, following the end of cracker maintenance in the region, likely prevented steeper losses in the Southeast Asian refining margins. Global refinery intake continued its upward trajectory in August, increasing by 724 tb/d, m-o-m, to average of 83.1 mb/d. Going forward, run rates are expected to start to subside, particularly in the Atlantic Basin, as refiners enter the refinery maintenance season, which should support refining margins.

Tanker Market

Dirty spot freight rates for VLCCs showed mixed movements in August, while rates for Suezmax and Aframax experienced declines on all monitored routes. Seasonally softer demand resulted in a general downward drift in rates. The VLCC spot freight rates enjoyed some strength early in the month before moving lower by the end of August, although movements varied according to the region. On the Middle East-to-East route, spot freight rates were unchanged, m-o-m, while rates on the Middle East-to-West route fell by 3% and spot rates on the West Africa-to-Europe route rose by 2%, m-o-m. In the Suezmax market, spot rates experienced a m-o-m decline on all monitored routes, despite a pickup in rates toward the end of the month, as market fundamentals improved. The US Gulf Coast-to-Europe route led declines, falling by 23%, m-o-m. Aframax rates on the Indonesia-to-East route declined by 10%, m-o-m, while the rates on the cross-Med route declined by 11%, impacted at the end of the month by reduced tanker demand from North Africa. The clean market was weighed down by softer seasonal activity. Clean spot freight rates showed further m-o-m declines, falling by 33% East of Suez and by 24% West of Suez.

Crude and Refined Product Trade

Preliminary estimates for August based on weekly data show US crude exports falling below 4 mb/d, averaging 3.8 mb/d. US product exports, however, stood at an eight-month high of 6.9 mb/d, amid a recovery of exports to Asia and continued healthy flows to Europe. Preliminary estimates showed OECD Europe crude imports declining in August, amid lower flows from Central Asia, while product imports picked up, amid increased flows from the US. Japan's crude imports fell further in July, averaging 2.0 mb/d. Japan’s product imports edged up 4% m-o-m, driven by higher inflows of gasoline. China’s crude imports in July averaged just under 10 mb/d, partly reflecting seasonal trends. Product imports into China edged up by 2%, supported by higher inflows of naphtha. China’s product outflows fell by 9% m-o-m, weighed down by declines in diesel, gasoline, and fuel oil, although jet fuel exports were higher. India’s crude imports were broadly unchanged in July, averaging 4.6 mb/d, in line with seasonal trends. India’s product imports jumped by 19% m-o-m, with gains across all main products, led by higher inflows of LPG.

Commercial Stock Movements

Preliminary July 2024 data for total OECD commercial oil stocks shows a draw of 11.7 mb, m-o-m, to stand at 2,815 mb. This is about 154 mb below the 2015–2019 average. Within components, crude and product stocks fell by 5.1 mb and 6.6 mb, respectively. OECD commercial crude stocks stood at 1,350 mb in July. This is 112 mb less than the 2015–2019 average. OECD total product stocks stood at 1,466 mb in July. This is 42 mb below the 2015–2019 average. In terms of days of forward cover, OECD commercial oil stocks fell by 0.1 days, m-o-m, to stand at 61.1 days in July. This is 1.4 days lower 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) is revised down by 0.1 mb/d from the previous month’s assessment to stand at 42.8 mb/d in 2024, which is around 0.7 mb/d higher than the estimate for 2023. Demand for DoC crude in 2025 is revised down by 0.2 mb/d from the previous month’s assessment to stand at 43.4 mb/d, around 0.6 mb/d higher than the estimate for 2024.

Feature Article

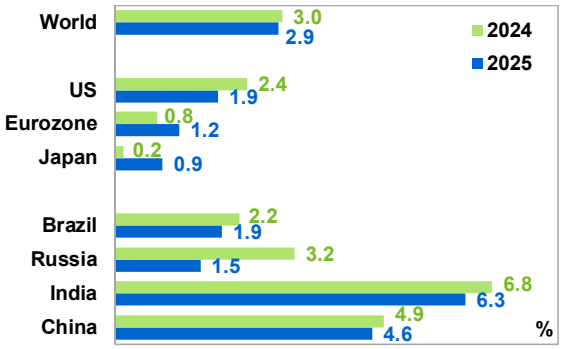
Review of world economic developments

Global economic growth in 1H24 proved to be resilient, and this stable growth pattern extended into 3Q24, bolstered by strong consumer spending, particularly in the services sector. This positive trend has persisted despite ongoing uncertainties over interest rates, trade negotiations, and geopolitical developments. As a result, global economic growth is expected at a healthy 3.0% for 2024, followed by 2.9% for 2025 (***Graph 1***).

Although some downside risks exist, the momentum in non-OECD economies observed since early 2024, coupled with a rebound in OECD countries, could provide additional upside for global economic growth and carry over into 2025. Moreover, major central banks are expected to shift towards more accommodative monetary policies by the end of 2024 and throughout 2025, particularly in the US, the Eurozone, and the UK, which will render further support to near-term global growth.

Indeed, the trajectory of monetary policies will depend on inflationary developments and potential shifts in the focus of central banks towards supporting economic growth, particularly in advanced economies.

Graph 1: GDP growth forecast for 2024 and 2025*



*Note: * 2024-25 = Forecast. Source: OPEC.*

Within the OECD, steady 1H24 momentum in US private household consumption is expected to sustain stable near-term growth projections. In Japan, despite some weakness in 1Q24, a strong rebound in 2Q24 and anticipated continued improvements in domestic demand and external trade are set to support growth for the remainder of 2024 and into 2025. In the Eurozone, after slightly better-than-expected growth in 1H24, a continued expansionary momentum is forecast for 2H24 and 2025.

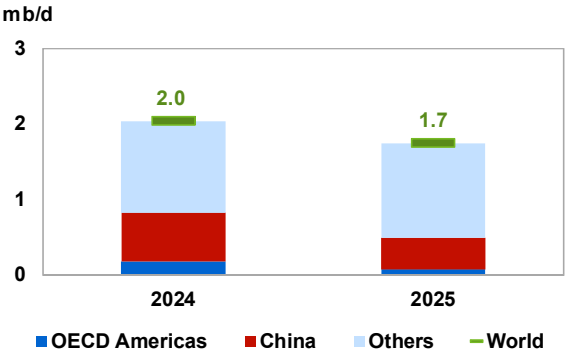
In the non-OECD, as inflation falls in India and the agricultural sector recovers from last year's weak monsoon season, strong growth continues, though at a slower pace compared to 1Q24. China's export and manufacturing sectors remain resilient, despite ongoing property market challenges. Meanwhile, Brazil and Russia show further upside potential, though tight monetary policies may constrain growth dynamics.

Looking ahead, a key factor influencing the global economic trajectory, will be the balance between the contributions from the industrial and services sectors. Thus far in 2024, the typically robust industrial sector in advanced economies has lagged behind global growth momentum. With the significant contribution from the services sector expected to slightly retract towards the end of the year and into 2025, the industrial sector is expected to close the output gap, resulting in a stable growth into 2025.

In light of this economic growth trend, oil demand in 2024 is forecast to grow by a healthy 2.0 mb/d, y-o-y, well above the pre-COVID average. It is expected to continue at a solid pace of 1.7 mb/d, y-o-y, in 2025.

Within regions, the OECD is forecast to grow by 0.1 mb/d, y-o-y, in both 2024 and 2025. Meanwhile, the non-OECD is expected to see a more substantial increase of about 1.9 mb/d, y-o-y, in 2024, followed by continued growth of 1.6 mb/d in 2025.

Graph 2: World oil demand growth in 2024 and 2025*



*Note: * 2024-25 = Forecast. Source: OPEC.*

World Oil Demand

The world oil demand growth forecast for 2024 is revised down slightly by a minor 80 tb/d from the previous month's assessment mainly to reflect data received year to date. Global oil demand growth in 2024 now stands at about 2.0 mb/d, y-o-y, which remains well above the historical average of 1.4 mb/d seen before the COVID-19 pandemic.

In terms of regions, OECD oil demand is expected to grow by over 0.1 mb/d in 2024, with OECD Americas accounting for the entire oil demand growth. In the non-OECD, oil demand is expected to increase by more than 1.8 mb/d, y-o-y, driven mostly by China with support from Other Asia, India, the Middle East, and Latin America. Total world oil demand is anticipated to reach 105.6 mb/d in 4Q24, averaging 104.2 mb/d in 2024, bolstered by strong air travel demand and road mobility, including trucking, as well as healthy industrial, construction and agricultural activities in non-OECD countries. Similarly, refinery capacity additions in non-OECD countries – mostly in China and the Middle East – are also expected to contribute to oil demand growth. The global growth forecast is subject to uncertainties, including global economic developments.

For 2025, global oil demand growth is forecast at a robust 1.7 mb/d, y-o-y, revised also down only slightly from the previous month's assessment. Demand in 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 1.6 mb/d.

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

							Change 2024/23	
World oil demand	**2023**	**1Q24**	**2Q24**	**3Q24**	**4Q24**	**2024**	**Growth**	**%**
Americas	24.96	24.42	25.21	25.51	25.37	25.13	0.17	0.70
of which US	*20.36*	*19.92*	*20.46*	*20.67*	*20.85*	*20.48*	*0.11*	*0.56*
Europe	13.45	12.85	13.61	13.73	13.41	13.40	-0.05	-0.34
Asia Pacific	7.24	7.53	6.99	7.03	7.43	7.24	0.00	0.00
Total OECD	**45.65**	**44.80**	**45.80**	**46.28**	**46.21**	**45.78**	**0.13**	**0.28**
China	16.36	16.66	16.88	17.24	17.25	17.01	0.65	3.99
India	5.34	5.66	5.66	5.48	5.65	5.61	0.27	5.02
Other Asia	9.28	9.72	9.77	9.51	9.51	9.63	0.35	3.77
Latin America	6.69	6.67	6.82	6.92	6.88	6.82	0.13	1.97
Middle East	8.63	8.72	8.52	9.19	9.02	8.86	0.23	2.63
Africa	4.46	4.59	4.37	4.39	4.85	4.55	0.09	2.10
Russia	3.84	3.98	3.77	3.96	4.11	3.96	0.11	2.99
Other Eurasia	1.17	1.32	1.24	1.08	1.28	1.23	0.06	5.03
Other Europe	0.78	0.78	0.78	0.77	0.84	0.79	0.01	0.99
Total Non-OECD	**56.56**	**58.11**	**57.81**	**58.53**	**59.40**	**58.47**	**1.90**	**3.37**
Total World	**102.21**	**102.90**	**103.61**	**104.81**	**105.61**	**104.24**	**2.03**	**1.99**
Previous Estimate	102.21	103.15	103.70	104.85	105.57	104.32	2.11	2.07
Revision	0.00	-0.25	-0.09	-0.04	0.05	-0.08	-0.08	-0.08

*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	25.13	24.48	25.26	25.63	25.45	25.21	0.08	0.31
of which US	*20.48*	*19.95*	*20.49*	*20.73*	*20.89*	*20.52*	*0.04*	*0.21*
Europe	13.40	12.87	13.62	13.75	13.43	13.42	0.02	0.12
Asia Pacific	7.24	7.54	7.00	7.04	7.44	7.25	0.01	0.15
Total OECD	**45.78**	**44.89**	**45.87**	**46.43**	**46.32**	**45.88**	**0.11**	**0.23**
China	17.01	17.09	17.27	17.68	17.64	17.43	0.41	2.43
India	5.61	5.88	5.90	5.73	5.88	5.85	0.24	4.27
Other Asia	9.63	9.99	10.09	9.84	9.81	9.93	0.30	3.15
Latin America	6.82	6.86	7.01	7.12	7.07	7.01	0.19	2.82
Middle East	8.86	8.98	8.74	9.54	9.25	9.13	0.27	3.03
Africa	4.55	4.71	4.50	4.53	4.97	4.68	0.12	2.72
Russia	3.96	4.04	3.82	4.02	4.15	4.01	0.05	1.36
Other Eurasia	1.23	1.35	1.27	1.13	1.31	1.26	0.03	2.56
Other Europe	0.79	0.80	0.79	0.78	0.85	0.80	0.01	1.42
Total Non-OECD	**58.47**	**59.71**	**59.39**	**60.36**	**60.94**	**60.10**	**1.64**	**2.80**
Total World	**104.24**	**104.60**	**105.26**	**106.79**	**107.26**	**105.99**	**1.74**	**1.67**
Previous Estimate	104.32	104.91	105.38	106.84	107.26	106.11	1.78	1.71
Revision	-0.08	-0.32	-0.12	-0.05	0.00	-0.12	-0.04	-0.04

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

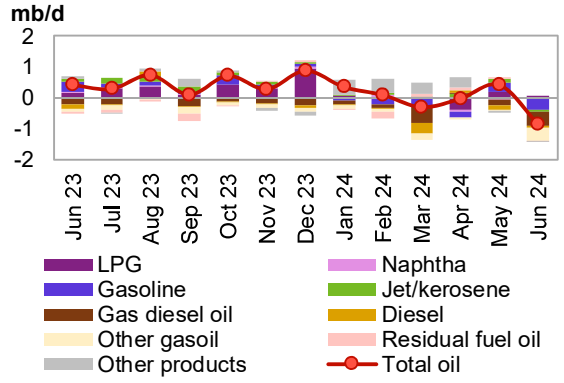
OECD

OECD Americas

Update on the latest developments

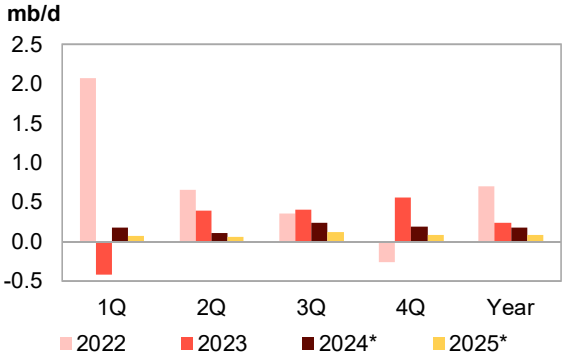
In June, oil demand in the OECD Americas contracted by 853 tb/d, y-o-y, down from the 426 tb/d y-o-y growth seen in the previous month. This decline in monthly demand can largely be attributed to transportation fuels and diesel requirements in major consuming countries of the region.

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

US oil demand in June contracted by 506 tb/d, y-o-y, down from the 477 tb/d y-o-y growth registered in May. The largest decrease was recorded in gasoil/diesel and gasoline.

In terms of products, overall gasoil/diesel demand contracted by 384 tb/d, y-o-y, in June, down from a decline of 140 tb/d, y-o-y, seen the previous month. Diesel demand was affected by sustained weak manufacturing and slightly by trucking activity in the US. The US ISM Manufacturing PMI contracted further into negative territory to stand at 48.5 in June. Similarly, the American Trucking Associations (ATA) advanced seasonally adjusted Truck Tonnage Index decreased by 1.6%, y-o-y, in June after increasing by 3%, y-o-y, in May. Gasoline demand fell by 246 tb/d, y-o-y, down from growth of 316 tb/d, y-o-y, seen in the previous month. This decline was recorded despite the 1% y-o-y uptick in the seasonally adjusted vehicle miles travelled in June. Moreover, gasoline demand was partly subdued by technological changes and vehicle efficiency, including an observed increase in the number of electric and hybrid vehicles in the US market. Data from the US Energy Information Administration (EIA) indicates that the share of electric and hybrid vehicle sales in the United States increased in 2Q24 to 18.7% from 17.8% in 1Q24. Going by historical trends, it should be noted that the peak in US summer driving season gasoline demand by month has varied from May to August over the years. With that said, gasoline demand in May 2024 reached its highest level since the onset of the COVID-19 pandemic in 2020. However, gasoline demand in the US has not yet caught up to pre-COVID-19 levels. Jet/kerosene demand inched down by 41 tb/d, y-o-y, down from the 95 tb/d y-o-y growth registered in the previous month. The m-o-m decline in jet/kerosene demand aligned with the developments in the air travel industry in June. According to a report from the International Air Travel Association (IATA), US domestic passenger traffic and international revenue passenger-kilometres (RPKs) each slightly decreased by 1%, y-o-y, in June. Naphtha was flat in June, albeit showing an improvement from the 48 tb/d y-o-y decline observed in May.

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

US oil demand			Change	Jun 24/Jun 23
By product	Jun 23	Jun 24	Growth	%
LPG	3.29	3.36	0.08	2.4
Naphtha	0.13	0.12	0.00	-2.4
Gasoline	9.37	9.12	-0.25	-2.6
Jet/kerosene	1.76	1.72	-0.04	-2.3
Diesel	3.98	3.59	-0.38	-9.7
Fuel oil	0.27	0.29	0.01	5.1
Other products	2.26	2.33	0.08	3.4
Total	**21.05**	**20.54**	**-0.51**	**-2.4**

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

Sources: EIA and OPEC.

LPG expanded by 78 tb/d, y-o-y, down from the 147 tb/d y-o-y growth registered in the previous month. The ´other products´ category increased by 76 tb/d, y-o-y, up from the 25 tb/d y-o-y increase seen in the previous month. Residual fuels inched up by 14 tb/d, y-o-y, down from y-o-y growth of 82 tb/d registered in the previous month.

Near-term expectations

Looking ahead, there is some upside potential, including anticipated ongoing support from steady private household consumption throughout 2H24. The summer driving season is also expected to provide support for transportation fuels. Moreover, ongoing firm petrochemical feedstock requirements are expected to boost LPG and ethylene demand. In addition, with the US presidential election looming, the current administration remains focused on keeping gasoline prices soft, which will also support US gasoline demand in the near term. However, the current weakness in manufacturing activities is likely to continue in 2H24 and weigh on diesel demand. US oil demand is forecast to increase by an average of 178 tb/d, y-o-y, in 2H24, mostly supported by demand for jet/kerosene, gasoline and LPG. Overall, US oil demand in 2024 is forecast to increase by 114 tb/d, y-o-y, to average 20.48 mb/d, mostly supported by transportation fuels and light distillates.

In 2025, US transportation activity is forecast to remain solid, supporting transportation fuel demand and driving overall oil demand growth in the country. Additionally, healthy demand for LPG from petrochemical requirements is forecast to continue. Accordingly, US oil demand is projected to grow by 42 tb/d, y-o-y, to an average of 20.52 mb/d in 2025.

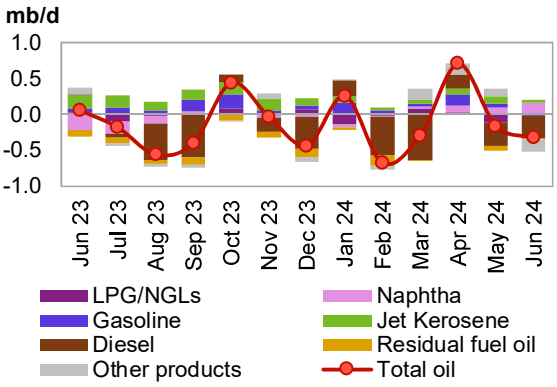
OECD Europe

Update on the latest developments

Oil demand in OECD Europe contracted further by 331 tb/d, y-o-y, in June, down from a decline of 162 tb/d, y-o-y, in the previous month. This oil demand decline stemmed largely from Germany, France, Italy, and the UK, which more than offset moderate oil demand growth in Spain. In terms of petroleum products, the largest decline was seen in demand for diesel and the 'other products' category.

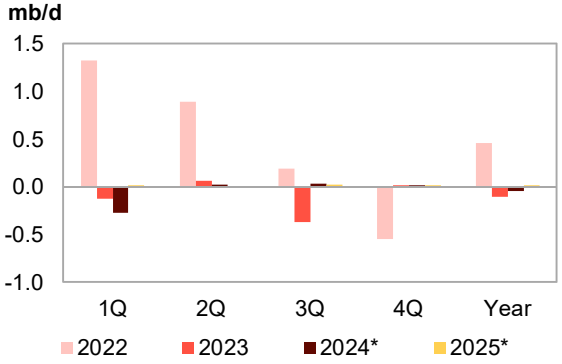
In terms of products, diesel demand contracted by 315 tb/d, y-o-y, in June, a slight improvement from the 330 tb/d y-o-y decline seen in the previous month. Diesel demand was affected by ongoing weak manufacturing activity in the region. The 'other products' category declined by 173 tb/d, y-o-y, from growth of 106 tb/d, y-o-y, seen in the previous month. Gasoline demand softened by 22 tb/d, y-o-y, down from the y-o-y growth of 49 tb/d observed in the previous month. Demand for residual fuels weakened by 15 tb/d, y-o-y, demonstrating an improvement over the 66 tb/d y-o-y decline registered in May.

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 a positive note, naphtha surged by 157 tb/d, y-o-y, up from the 99 tb/d y-o-y growth seen in the previous month. The growth in the regional naphtha demand was supported by steady gasoline blending activity and firm refining margins during the summer. LPG demand was flat, albeit showing an improvement over the 119 tb/d y-o-y contraction seen in the previous month. Jet/kerosene demand expanded by 35 tb/d, y-o-y, though lower than growth of 99 tb/d, y-o-y, seen in the previous month. The relative m-o-m increase in jet/kerosene demand in June aligned closely with a report from IATA's Air Passenger Market Analysis showing that Europe's international RPKs grew by 9.1%, y-o-y, compared with 11.4% y-o-y growth witnessed in May.

Near-term expectations

In the near term, economic growth in the region is expected to remain on a positive trajectory, but at a low level in 2H24. Stronger-than-expected economic performance in both 1Q24 and 2Q24 is expected to continue in 2H24 on the back of a modest yet sustained service sector-driven growth momentum. Moreover, a seasonal increase in driving mobility and air travel activity will materialize during the summer driving/holiday season, particularly in 3Q24. Additionally, the Olympic Games in France are expected to have boosted travel and tourism demand in the region during 3Q24. These factors are expected to contribute positively to transportation fuel consumption, driving regional oil demand. However, ongoing headwinds in manufacturing and petrochemical activity are expected to weigh on regional oil demand. Accordingly, the region is expected to see a moderate increase of 28 tb/d, y-o-y, in 2H24. With that said, overall, European oil demand is projected to see a decline of 46 tb/d, y-o-y, to average 13.40 mb/d in 2024.

Expected improvements towards the end of 2024 are projected to continue in 2025, with anticipated positive GDP growth in the region slightly above 2024 growth rates. Furthermore, air travel and driving activity levels are expected to remain steady and continue to support oil demand. Accordingly, OECD Europe oil demand is forecast to grow by 17 tb/d, y-o-y, to average 13.42 mb/d in 2025.

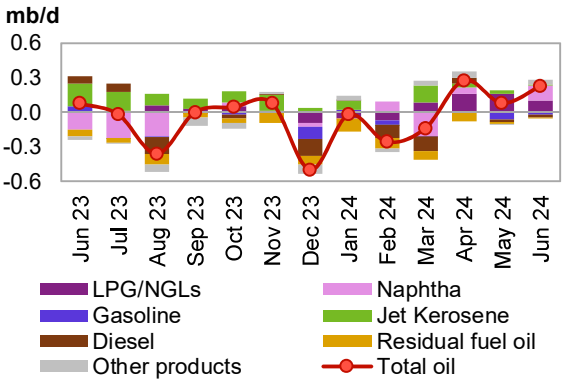
OECD Asia Pacific

Update on the latest developments

Oil demand in OECD Asia Pacific surged in June by 223 tb/d, y-o-y, up from an increase of 78 tb/d, y-o-y, seen in May. The relatively strong increase in oil demand was driven entirely by South Korea and Australia.

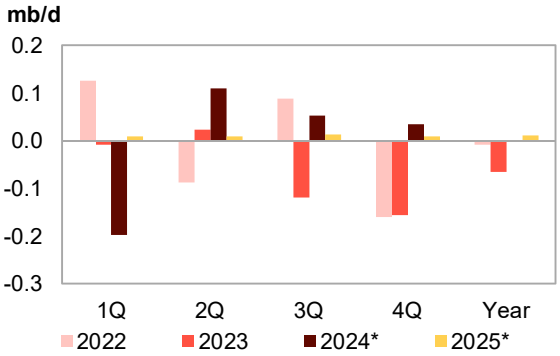
In terms of petroleum products, the largest increase stemmed from petrochemical sector requirements for naphtha and LPG, which expanded by 128 tb/d and 105 tb/d, y-o-y, respectively. The largest share of regional naphtha demand growth is from South Korea. LPG expanded by 105 tb/d, y-o-y, down from the 159 tb/d y-o-y growth seen in the previous month. The m-o-m softening of LPG demand can be attributed to declines in Japan, which offset the strong growth in South Korea and Australia during the month. The 'other products' category increased by 40 tb/d, y-o-y, showing an improvement from a decline of 8 tb/d, y-o-y, seen in the previous month. Jet/kerosene was unchanged, y-o-y, in June, down from 32 tb/d, y-o-y growth seen in the previous month. The flat jet/kerosene demand during the month can be attributed to the 23 tb/d y-o-y decline in Japan offsetting the 20 tb/d y-o-y growth in South Korea. The relative decline in jet/kerosene demand in Japan is consistent with a report from IATA Air Passenger Monthly Analysis which shows that passenger demand in Australia and Japan during the month contracted by 1.0% and 0.2%, y-o-y, respectively.

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.

Gasoline demand contracted by 19 tb/d, y-o-y, in June, albeit showing an improvement from the 52 tb/d y-o-y decline observed in the previous month. The gasoline demand decline in June was driven by Japan and Australia, and more than offset the increase seen in South Korea. Diesel demand contracted by 23 tb/d, y-o-y, broadly in line with the annual decline of 25 tb/d seen in the previous month. The contraction in diesel demand is largely driven by Japan, which offset the 26 tb/d y-o-y growth in South Korea. Demand for residual fuels weakened by 11 tb/d, y-o-y, albeit seeing an improvement from the 21 tb/d y-o-y decline observed in May.

Near-term expectations

In the near term, economic activity in South Korea, one of the largest economies in the region, is expected to remain steady, with all growth indicators pointing to a supportive environment. Industrial production and manufacturing output in 1H24 were relatively strong amid very robust and steady exports. The country's manufacturing PMI has been on an expansion trajectory for some time. The Japanese economy is expected to gradually rebound in the near term, and there are signs of a sustained recovery in consumer confidence and an expected rise in tourism-related activity. In addition, there is an indication of a strong rebound in the country's services sector as indicated by the services sector PMI, which constitutes a significant portion of Japan's economy. The PMI increased significantly by 4.3 index points, reaching 53.7 in July after standing at 49.4 in June.

Accordingly, oil demand in OECD Asia Pacific is projected to increase in 2H24 by an average of 44 tb/d, y-o-y, from a contraction of 45 tb/d, y-o-y, registered in 1H24. Diesel and petrochemical feedstock demand could experience downward pressure due to a continuous downturn in manufacturing activity and poor olefin margins, particularly in Japan. Given the weak start of the year, oil demand in OECD Asia Pacific is forecast to show no growth y-o-y, to average 7.24 mb/d in 2024.

The expected gradual improvements in economic momentum in 4Q24 are expected to continue in 2025 with GDP growth projected to surpass 2024 rates. In addition, transportation and petrochemical sector requirements are expected to continue supporting OECD Asia Pacific oil demand, which is forecast to grow marginally by 11 tb/d, y-o-y, reaching an average of 7.25 mb/d in 2025.

Non-OECD

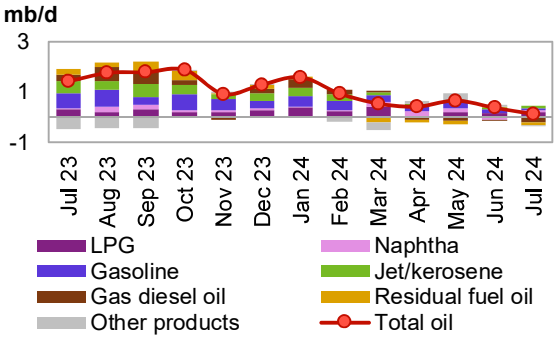
China

Update on the latest developments

China's oil demand in July grew by 121 tb/d, y-o-y, below the 370 tb/d y-o-y growth seen in the previous month. Monthly demand was supported by petrochemical feedstock and transportation fuel requirements. The m-o-m softening of the demand was largely due to strong baseline effects amid a strong contraction in diesel and residual fuel requirements, which partially offset the monthly growth in jet/kerosene and LPG.

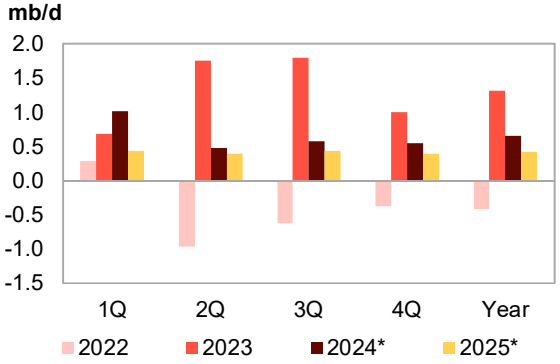
In terms of product categories, LPG led demand growth in July with a 183 tb/d y-o-y increase, up from the 177 tb/d y-o-y growth observed in the previous month. Naphtha demand increased by 75 tb/d, y-o-y, up from a decline of 96 tb/d, y-o-y, in June. Jet/ kerosene requirements grew by 134 tb/d, y-o-y, on the back of continuously recovering air travel – data from China's Civil Aviation Administration shows domestic and international air travel turnover increasing by 8% and 53.2 %, y-o-y, respectively in July 2024. Gasoline grew by 77 tb/d, y-o-y, down from the 130 tb/d y-o-y growth seen in the previous month. Gasoline demand was supported by summer travel activity. According to data from the Ministry of Transport, passenger traffic in terms of 100 million person-kilometers has averaged 170 million since the start of the summer travel season on 1 July, rising by 2.6%, y-o-y.

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.

Diesel demand contracted by 212 tb/d, y-o-y, down from a decline of 20 tb/d, y-o-y, in June. Diesel demand was subdued by weak manufacturing, construction, and trucking activity, as well as the penetration of LNG trucks, weakening the demand for transportation diesel. In July, manufacturing activity was affected by the traditional production offseason. Accordingly, industrial production inched down to 5.1% y-o-y growth in July compared to the 5.3% y-o-y growth registered in June. Similarly, heavy rainfall and Typhoon Gaemi curtailed construction and road transportation activities in some parts of the country. Demand for residual fuels contracted by 102 tb/d, y-o-y. The ´other products´ category softened by 33 tb/d, y-o-y, down from the 65 tb/d y-o-y growth observed in the previous month.

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

China's oil demand			Change	Jul 24/Jul 23
By product	Jul 23	Jul 24	Growth	%
LPG	2.92	3.10	0.18	6.3
Naphtha	1.53	1.61	0.07	4.9
Gasoline	3.46	3.53	0.08	2.2
Jet/kerosene	0.86	1.00	0.13	15.5
Diesel	3.69	3.48	-0.21	-5.7
Fuel oil	1.03	0.93	-0.10	-9.9
Other products	2.77	2.74	-0.03	-1.2
Total	**16.27**	**16.39**	**0.12**	**0.7**

*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, China's economic growth is expected to remain well supported. Similarly, current healthy travel sector activity is also expected to continue. Moreover, ongoing government support for the manufacturing and industrial sectors as announced in March at the National People's Congress (NPC) session, is expected to sustain output growth in the near term. Accordingly, Chinese product demand, particularly diesel and gasoline, is expected to gain additional support during the peak season for outdoor construction in September-October and the Golden Week holiday on 1-7 October. Moreover, the expected seasonal rise in external demand for petrochemical products during December is expected to strengthen feedstock demand.

Accordingly, China's oil demand is anticipated to expand by 559 tb/d, y-o-y, on average in 2H24. In 2024, oil demand is projected to grow by 653 tb/d, y-o-y, to average 17.01 mb/d. However, headwinds in the real estate sector and the increasing penetration of LNG trucks and electric vehicles are likely to weigh on diesel and gasoline demand going forward.

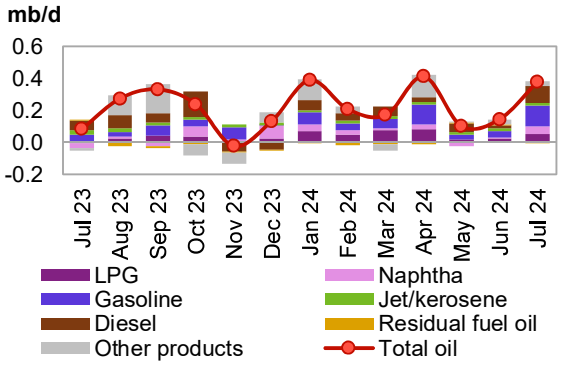
In 2025, steady economic growth and healthy travel activities are forecast to continue to support oil demand. China is expected to remain the global leader in oil demand growth, increasing by around 0.4 mb/d, y-o-y, to average 17.43 mb/d. China is also projected to lead global petrochemical feedstock demand growth, while jet fuel demand is forecast to rise due to an increase in air transportation requirements.

India

Update on the latest developments

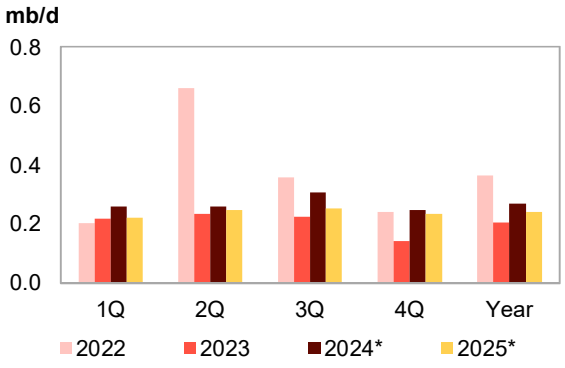
India's oil demand in July surged by 376 tb/d, y-o-y, up from the 144 tb/d y-o-y growth seen in June. The demand increase was supported by requirements for gasoline and diesel. Consistent with this, data from the Petroleum Planning and Analysis Cell showed India's imports of light distillates (comprising naphtha, gasoline, and LPG) rising 42.1%, m-o-m, and 40.0%, 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.

Specifically, gasoline demand led growth in July with a y-o-y increase of 126 tb/d, up from the 43 tb/d y-o-y growth observed in the previous month. Gasoline demand was supported by strong economic momentum and was consistent with data from the Federation of Automobile Dealers Association/Haver Analytics, showing that vehicle sales in India increased by 13.84%, y-o-y, in July, compared with the 0.73% y-o-y increase seen in June.

Diesel, the most widely used oil product in India, grew by 109 tb/d, y-o-y, in July, up from an increase of 20 tb/d, y-o-y, seen in the previous month. The rise in diesel consumption was supported by agricultural activity during the sowing period. Furthermore, private mobility and freight transportation expanded by approximately 19%, y-o-y. Commercial vehicle sales increased by 5.9%, y-o-y, in July, compared with an annual decline of 4.7% reported in the previous month. These factors directly influenced diesel demand in July.

In terms of petrochemical feedstocks, LPG grew by 55 tb/d, y-o-y, up from the 27 tb/d y-o-y growth seen in the previous month. Household requirements accounted for approximately 89% of LPG consumption during the month. Growth in LPG was supported by a price reduction. Naphtha expanded by 46 tb/d, y-o-y, up from the 5 tb/d y-o-y growth seen in June. The rise in demand for naphtha was partly supported by requirements for blending in gasoline production, which aligned with the increase in gasoline consumption seen during the month. Jet/kerosene increased by 19 tb/d, y-o-y, up from the 13 tb/d y-o-y growth seen in the previous month. While the 'other products' category, including bitumen for road construction, grew by 27 tb/d, y-o-y – slightly below the 31 tb/d y-o-y growth seen in the previous month – residual fuel requirements contracted by 6 tb/d, y-o-y.

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

India's oil demand			*Change*	*Jul 24/Jul 23*
By product	Jul 23	Jul 24	Growth	%
LPG	0.90	0.95	0.05	6.1
Naphtha	0.30	0.35	0.05	15.4
Gasoline	0.82	0.94	0.13	15.4
Jet/kerosene	0.18	0.20	0.02	10.5
Diesel	1.67	1.78	0.11	6.5
Fuel oil	0.12	0.11	-0.01	-4.7
Other products	1.00	1.03	0.03	2.7
Total	**4.99**	**5.37**	**0.38**	**7.5**

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 ongoing strong economic expansion in India is expected to continue and support the country's manufacturing and services sectors. Moreover, the government's announcement that it would support the underprivileged, women, youth and farmers through increased spending, job creation and middle-class tax relief is expected to boost consumer spending and bolster oil product demand. Among oil products, LPG, ethane, and diesel are expected to benefit from increased small-scale industry and residential sector requirements.

Furthermore, demand for transportation fuels, gasoline, and jet/kerosene is expected to remain steady on the back of healthy driving mobility and ongoing air travel recovery. The country's traditional annual festivities are set to support transportation activity and boost gasoline demand. Moreover, jet fuel demand may also surge due to Indian carriers' fleets being supplemented by an additional 84 aircraft this year. Overall, these factors are expected to bolster India's oil demand.

However, cyclone activity in eastern India and a forecast for above-average rainfall this monsoon season could weigh on agricultural and construction activities, affecting oil demand in 3Q24. In 2024, India is expected to see healthy oil demand growth of 268 tb/d, y-o-y, for an average of 5.61 mb/d.

India's robust economic momentum is expected to be sustained in 2025. Furthermore, manufacturing and business activities in India are expected to remain steady, supporting a 239 tb/d y-o-y oil demand increase next year. Diesel is expected to continue acting as the main driver of demand growth, followed by the 'other products' category, bitumen in particular. Additionally, robust growth in transport fuels and growth in LPG and naphtha demand are expected to remain healthy and support overall oil demand during the year.

Latin America

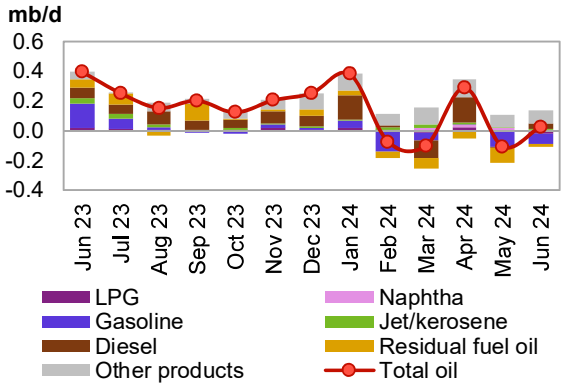
Update on the latest developments

Oil demand in Latin America inched up by 26 tb/d, y-o-y, in June, after showing a 110 tb/d y-o-y decline in May. The rebound in regional oil demand stemmed mostly from Brazil.

In terms of product demand, diesel expanded by 40 tb/d, y-o-y, up from a contraction of 5 tb/d, y-o-y, seen in the previous month. According to Brazil's Association of Highway Operators, the flow of heavy vehicles on Brazilian roads rose by 5.2%, y-o-y, in June, bolstering diesel consumption in Brazil. The ´other products´ category, which includes bitumen and ethanol, increased by 85 tb/d, y-o-y, reflecting a similar dynamic to the previous month. Naphtha inched up by 6 tb/d, y-o-y, compared to the annual increase of 14 tb/d observed in the previous month. Jet/kerosene saw a marginal uptick of 3 tb/d, y-o-y, down from the equally slight y-o-y growth of 5 tb/d seen in the previous month. This aligns with the IATA Air Passenger Monthly Analysis report indicating that yearly international passenger traffic growth in Latin America slowed slightly compared to the previous month, registering 15.3% growth in June as opposed to the 15.8% increase observed in May.

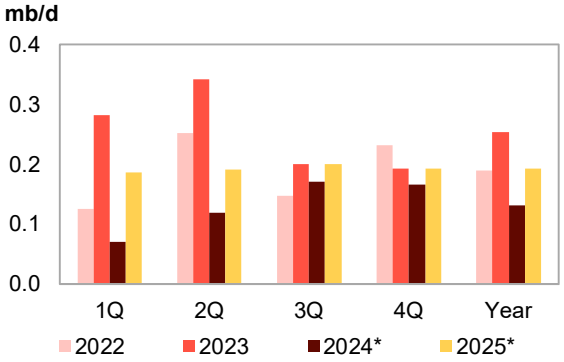
Gasoline demand fell by 72 tb/d, y-o-y, in June, albeit showing an improvement from the 101 tb/d y-o-y decline seen in the previous month. Most of the decline in gasoline was driven by Brazil. Gasoline sales in Brazil fell by 8.6% in June, pressured by strong competition from relatively cheaper ethanol. In addition, the economic contraction in Argentina is affecting both gasoline and gasohol consumption in the region. While LPG eased by 21 tb/d, y-o-y, residual fuels contracted by 16 tb/d, y-o-y, up from the 101 tb/d decline observed in the previous month.

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.

Near-term expectations

Looking ahead to 2H24, the ongoing positive developments in industrial production and services in Brazil, the largest economy of the region, are expected to continue in the near term. The services and manufacturing PMIs have been in expansionary territory for an extended period of time. Moreover, there are expectations that a downward trend in the unemployment rate will continue to support private consumption. Additionally, air travel recovery is expected to continue, supporting further growth in jet fuel demand. Oil demand in the region is projected to grow by 168 tb/d, y-o-y, on average in 2H24, from an average of 95 tb/d, y-o-y, in 1H24. In 2024, oil demand is expected to expand by 132 tb/d, y-o-y, to average 6.82 mb/d. Brazil is expected to be the main driver of regional oil demand growth. In terms of products jet/kerosene and diesel are projected to drive overall oil demand growth. However, gasoline demand may come under pressure due to competition from cheap ethanol in Brazil and high inflation in Argentina.

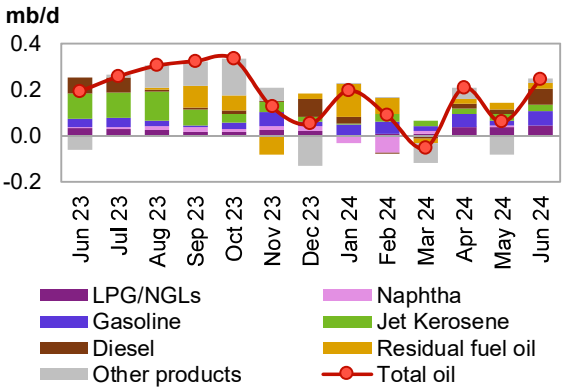
Steady regional economic activity in 2H24 is expected to carry over into 2025, and the GDP growth in major oil-consuming countries is expected to improve and surpass 2024 growth rates. Accordingly, transportation and manufacturing activities are expected to bolster the oil demand growth forecast of 192 tb/d, y-o-y, to average 7.01 mb/d. Transportation fuels, including jet/kerosene and diesel, are anticipated to drive demand growth.

Middle East

Update on the latest developments

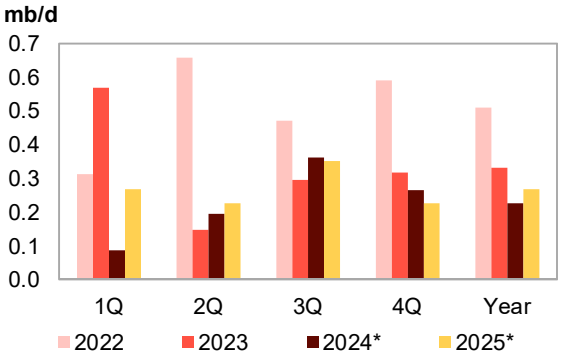
Oil demand in the Middle East surged by 246 tb/d, y-o-y, in June, up from the 60 tb/d y-o-y growth seen in the previous month. The increase in oil demand was supported by transportation fuels and LPG requirements from consuming countries across the region.

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.

Looking at specific product demand, transportation fuels led demand growth in June. Diesel expanded by 65 tb/d, y-o-y, up from the 22 tb/d y-o-y increase observed in May. Gasoline grew by 63 tb/d, y-o-y, up from the 18 tb/d y-o-y increase seen in the previous month. In terms of petrochemical feedstocks, LPG increased by 45 tb/d, y-o-y, up from the 39 tb/d y-o-y growth observed in the previous month, while naphtha requirements were flat, y-o-y. Jet/kerosene increased by 29 tb/d, y-o-y, demonstrating the same growth as in the previous month. This was consistent with a report from the IATA Air Passenger Monthly Analysis, which indicates that Middle East air travel in June was broadly the same as what was seen in May. Residual fuels grew by 27 tb/d, y-o-y, registering the same growth as in the previous month. The 'other products' category expanded by 19 tb/d, y-o-y, an improvement from the 82 tb/d y-o-y decline seen in the previous month.

Near-term expectations

In the near term, the current positive outlook of steady economic and transportation activities is expected to support oil demand in 2H24. Furthermore, oil consumption is expected to be underpinned by strong government support and solid consumer spending. Accordingly, oil demand in the region is anticipated to increase by 313 tb/d, y-o-y, on average in 2H24, led by Saudi Arabia and Iraq. Demand growth in 2H24 is projected to be stronger than in the first half of the year, when it averaged 140 tb/d. Increasing flights to and from the Middle East during the peak travel season in 3Q24 are expected to support jet/kerosene demand, leading to growth in terms of petroleum products. Moreover, the inauguration of four new airports and terminals in Saudi Arabia and the UAE earlier this year is expected to bolster air travel in the region.

Rising temperatures during the hot summer season in 3Q24 are expected to increase demand for air conditioning and support demand for diesel, fuel oil and crude for direct burning in the region. Accordingly, these factors are projected to support overall oil demand growth. Middle East oil demand in 2024 is expected to grow by 227 tb/d, y-o-y, to average 8.86 mb/d.

In 2025, economic activity in the main consuming countries of the region is expected to remain steady amid continued healthy transportation activities. Furthermore, robust requirements for petrochemical feedstock are expected to lend additional support for oil demand, which is anticipated to grow by 269 tb/d, y-o-y, to reach 9.13 mb/d in 2025.

World Oil Supply

Non-DoC liquids supply (i.e. liquids supply from countries not participating in the DoC) is expected to grow by 1.2 mb/d in 2024 to average 53.1 mb/d, with growth unchanged from last month's assessment.

US crude and condensate production marginally rose in June, while natural gas liquids (NGLs) production remained above 7 mb/d for the second consecutive month. Accordingly, US liquids supply growth for 2024 is expected at 0.5 mb/d. The other main drivers for expected non-DoC growth in 2024 are Canada and Brazil.

In 2025, non-DoC liquids supply growth is expected at 1.1 mb/d, to average 54.2 mb/d, with growth unchanged from last month's assessment. Growth is expected to be driven mainly 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 in 2024, followed by an increase of around 60 tb/d to average 8.4 mb/d in 2025. OPEC NGLs and non-conventional liquids production is expected to increase by around 60 tb/d to average 5.5 mb/d in 2024, while additional growth of 110 tb/d is forecast in 2025 to average 5.6 mb/d.

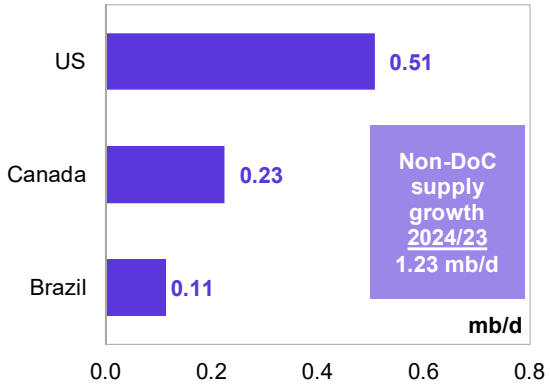
DoC crude oil production in August decreased by 0.30 mb/d, m-o-m, averaging 40.66 mb/d, as reported by available secondary sources.

Key drivers of growth and decline

Non-DoC liquids supply is expected to grow by 1.2 mb/d in 2024, unchanged from the previous month's assessment. Downward revisions in OECD Europe and Latin America were offset by upward shifts in China, Angola, and Australia. The main drivers for non-DoC liquids supply growth in 2024 are expected to be the US, Canada, and Brazil.

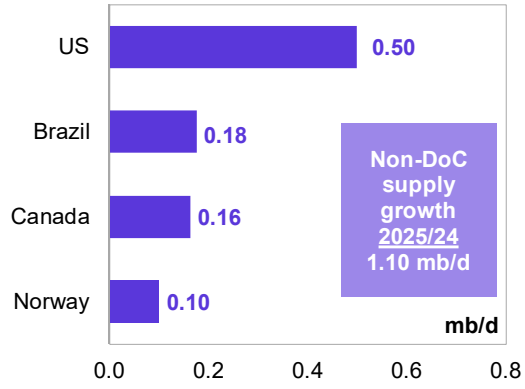
In 2025, non-DoC liquids supply growth is expected at 1.1 mb/d, unchanged from the previous month's assessment. Annual growth is set to be driven mainly by the US, Brazil, Canada, and Norway.

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 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	26.67	26.91	27.58	27.53	27.58	27.40	0.73	2.75
of which US	*20.97*	*21.02*	*21.80*	*21.60*	*21.50*	*21.48*	*0.51*	*2.42*
Europe	3.65	3.66	3.58	3.65	3.78	3.67	0.01	0.39
Asia Pacific	0.45	0.46	0.44	0.46	0.43	0.45	0.00	0.08
Total OECD	**30.77**	**31.03**	**31.59**	**31.64**	**31.80**	**31.52**	**0.75**	**2.43**
China	4.52	4.62	4.63	4.53	4.48	4.56	0.05	1.06
India	0.79	0.80	0.79	0.80	0.79	0.80	0.01	1.22
Other Asia	1.61	1.62	1.62	1.60	1.59	1.61	-0.01	-0.46
Latin America	6.96	7.28	7.19	7.29	7.53	7.32	0.36	5.22
Middle East	2.02	2.00	2.00	2.00	2.02	2.01	-0.02	-0.86
Africa	2.22	2.24	2.26	2.27	2.27	2.26	0.04	1.77
Other Eurasia	0.37	0.37	0.37	0.37	0.37	0.37	0.00	-0.79
Other Europe	0.10	0.10	0.10	0.10	0.10	0.10	0.00	-1.63
Total Non-OECD	**18.60**	**19.03**	**18.96**	**18.96**	**19.16**	**19.03**	**0.43**	**2.32**
Total Non-DoC production	49.37	50.06	50.56	50.60	50.95	50.55	1.18	2.39
Processing gains	2.47	2.52	2.52	2.52	2.52	2.52	0.05	2.02
Total Non-DoC liquids production	**51.84**	**52.58**	**53.08**	**53.12**	**53.47**	**53.07**	**1.23**	**2.37**
Previous estimate	51.77	52.60	53.02	52.95	53.42	53.00	1.23	2.38
Revision	0.07	-0.02	0.06	0.17	0.06	0.07	0.00	0.00

*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	27.40	27.83	27.87	28.12	28.43	28.07	0.66	2.42
of which US	*21.48*	*21.71*	*21.98*	*22.03*	*22.18*	*21.98*	*0.50*	*2.33*
Europe	3.67	3.85	3.72	3.70	3.81	3.77	0.10	2.74
Asia Pacific	0.45	0.44	0.43	0.44	0.44	0.44	-0.01	-1.75
Total OECD	**31.52**	**32.12**	**32.03**	**32.26**	**32.68**	**32.27**	**0.76**	**2.40**
China	4.56	4.62	4.61	4.52	4.53	4.57	0.01	0.12
India	0.80	0.79	0.80	0.81	0.81	0.80	0.01	0.98
Other Asia	1.61	1.60	1.58	1.56	1.56	1.58	-0.03	-1.81
Latin America	7.32	7.48	7.53	7.61	7.74	7.59	0.27	3.62
Middle East	2.01	2.01	2.04	2.03	2.03	2.03	0.02	1.01
Africa	2.26	2.28	2.28	2.28	2.27	2.28	0.02	0.75
Other Eurasia	0.37	0.37	0.37	0.37	0.37	0.37	0.00	0.06
Other Europe	0.10	0.10	0.10	0.10	0.10	0.10	0.00	2.02
Total Non-OECD	**19.03**	**19.27**	**19.29**	**19.29**	**19.41**	**19.32**	**0.29**	**1.52**
Total Non-DoC production	50.55	51.38	51.32	51.55	52.10	51.59	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	**53.07**	**53.96**	**53.90**	**54.13**	**54.68**	**54.17**	**1.10**	**2.08**
Previous estimate	53.00	53.90	53.83	54.06	54.61	54.10	1.10	2.08
Revision	0.07	0.07	0.07	0.07	0.07	0.07	0.00	0.00

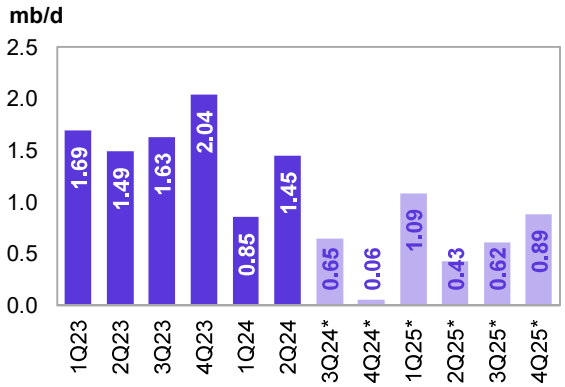
*Note: * 2025 = Forecast. Totals may not add up due to independent rounding.*

Source: OPEC.

OECD

For 2024, OECD liquids production (excluding DoC participating country Mexico) is anticipated to expand by about 0.7 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 27.4 mb/d. This is largely unchanged compared with the previous month's assessment. Yearly liquids production in OECD Europe is set to rise by about 15 tb/d to average 3.7 mb/d, which is a downward revision of 17 tb/d compared with the August MOMR. OECD Asia Pacific is expected to remain unchanged, y-o-y, to average 0.4 mb/d.

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



*Note: * 3Q24-4Q25 = Forecast. Source: OPEC.*

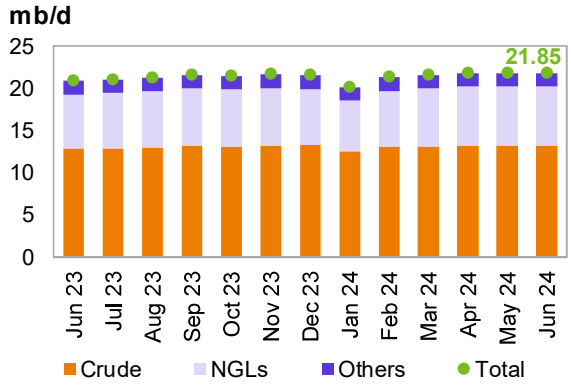
OECD liquids production is forecast to grow by 0.8 mb/d to average 32.3 mb/d in 2025. OECD Americas is expected to be the main growth driver, with an anticipated increase of 0.7 mb/d for an average of 28.1 mb/d. Yearly liquids production in OECD Europe is expected to grow by 0.1 mb/d to average 3.8 mb/d, while OECD Asia Pacific is expected to decline by a minor 8 tb/d, y-o-y, to average 0.4 mb/d.

US

US liquids production in June rose by 63 tb/d, m-o-m, to average 21.9 mb/d. This was 1.0 mb/d higher than in June 2023.

Crude oil and condensate production rose by 25 tb/d, m-o-m, to average 13.2 mb/d in June, up by 0.3 mb/d, y-o-y.

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



Sources: EIA and OPEC.

In terms of the crude and condensate production breakdown by region (PADDs), production increased on the US Gulf Coast (USGC) by 71 tb/d to average 9.7 mb/d. Production in the East Coast (PADD 1) remained broadly unchanged. Output in the Midwest (PADD 2), Rocky Mountain (PADD 4) and West Coast (PADD 5) regions dropped by 15 tb/d, 8 tb/d and 21 tb/d, m-o-m, respectively.

A m-o-m increase in production in the main producing regions can primarily be attributed to higher output in Texas and offshore Gulf of Mexico (GoM). Those gains were partially offset by losses in Alaska, New Mexico and North Dakota.

NGLs production dropped by 37 tb/d, m-o-m, to average 7.0 mb/d in June. This was 0.6 mb/d higher, y-o-y. According to the US Department of Energy (DoE), the production of non-conventional liquids (mainly ethanol) increased by 75 tb/d, m-o-m, to average 1.6 mb/d. Preliminary estimates show non-conventional liquids averaging about 1.6 mb/d in July, lower by about 30 tb/d, m-o-m.

GoM production increased by 20 tb/d, m-o-m, to average 1.8 mb/d in June. Federal offshore fields' production is expected to remain supported by new projects in the second half of this year, namely Anchor and Whale. In the onshore Lower 48, crude and condensate production rose by 23 tb/d, m-o-m, averaging 11.0 mb/d in June.

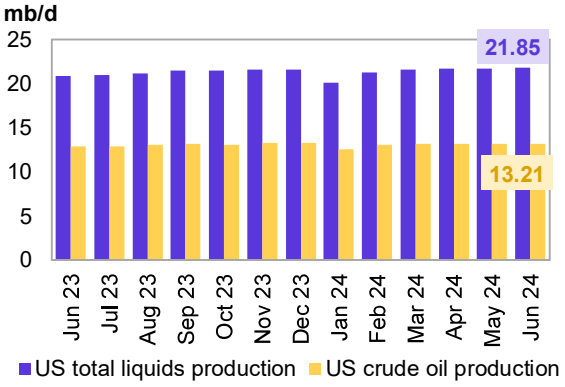
Table 5 - 3: US crude oil production by selected state and region, tb/d

State	Jun 23	May 24	Jun 24	Change m-o-m	Change y-o-y
Texas	5,538	5,672	5,730	*58*	*192*
New Mexico	1,735	2,019	2,010	*-9*	*275*
Gulf of Mexico (GOM)	1,845	1,780	1,800	*20*	*-45*
North Dakota	1,160	1,184	1,181	*-3*	*21*
Colorado	464	453	450	*-3*	*-14*
Alaska	423	417	399	*-18*	*-24*
Oklahoma	435	396	386	*-10*	*-49*
Total	**12,866**	**13,189**	**13,214**	***25***	***348***

Sources: EIA and OPEC.

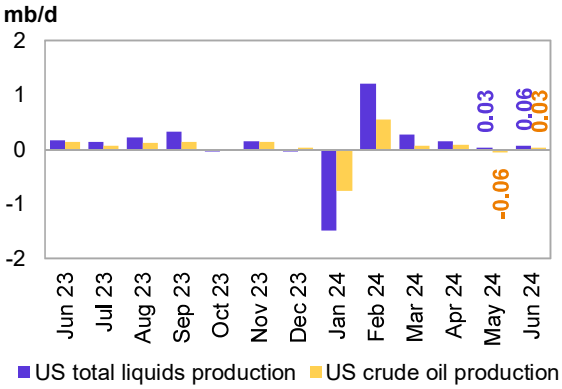
In terms of individual US states, New Mexico's oil production fell by 9 tb/d to average 2.0 mb/d, which is 275 tb/d higher than a year ago. Production from Texas was up by 58 tb/d to average 5.7 mb/d, which is 192 tb/d higher than a year ago. In the Midwest, North Dakota's production dropped by a minor 3 tb/d, m-o-m, to average 1.2 mb/d, up by 21 tb/d, y-o-y. Meanwhile, Oklahoma's production fell by 10 tb/d, m-o-m, to average 0.4 mb/d. Production in Colorado dropped by a minor 3 tb/d, m-o-m, while output in Alaska fell by 18 tb/d, m-o-m.

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



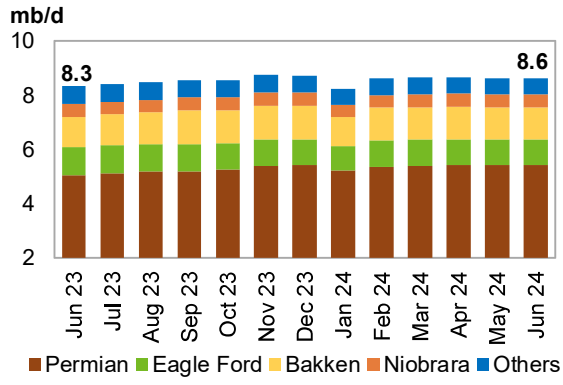
Sources: EIA and OPEC.

US tight crude output in June is estimated to remain largely unchanged, m-o-m, at an average 8.6 mb/d, according to the latest estimates from the US Energy Information Administration (EIA). This was 0.3 mb/d higher than in the same month last year.

The m-o-m production increase from shale and tight formations using horizontal wells came mainly from the Permian shale in Texas, where output rose by a minor 4 tb/d to average 5.4 mb/d. This was up by 0.4 mb/d, y-o-y.

In North Dakota, Bakken shale oil output remained unchanged, m-o-m. It averaged 1.2 mb/d, or about 40 tb/d higher, y-o-y. Tight crude output at Eagle Ford in Texas marginally declined to average 0.9 mb/d. This was down by 0.1 mb/d, y-o-y. Production at Niobrara-Codell in Colorado and Wyoming was largely unchanged, m-o-m, at an average 480 tb/d.

Graph 5 - 7: US tight crude output breakdown

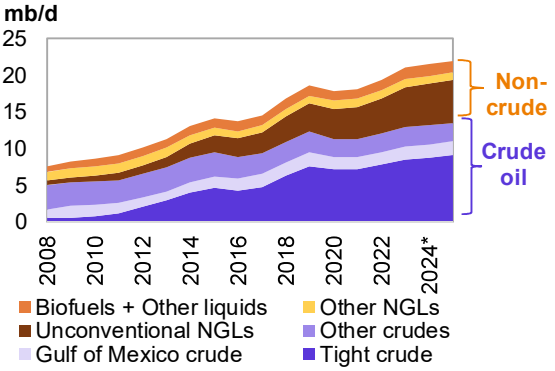


Sources: EIA and OPEC.

US liquids production in 2024, excluding processing gains, is expected to grow by 0.5 mb/d, y-o-y, to average 21.5 mb/d. The growth remains unchanged from the previous assessment. The forecast assumes a modest level of drilling and completion activities and fewer logistical issues this year at prolific major shale sites. However, there is an above-average probability for hurricanes this season, which could impact liquids production in the coming months.

Crude oil and condensate output in 2024 is expected to increase by 0.3 mb/d, y-o-y, to average 13.2 mb/d. At the same time, NGLs production and that of non-conventional liquids, particularly ethanol, is projected to increase by 0.2 mb/d and 30 tb/d, y-o-y, to average 6.7 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 8.8 mb/d, up by 0.3 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, despite a reduction in drilling rig counts.

US liquids production, excluding processing gains, is expected to grow by 0.5 mb/d, y-o-y, to average 22.0 mb/d in 2025. This assumes a mild increase in drilling activity, lower service cost inflation and continued well productivity improvements in the key shale basins. Crude oil and condensate output are 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 by 0.2 mb/d and 20 tb/d, y-o-y, to average 6.9 mb/d and 1.6 mb/d, respectively. Average tight crude output in 2025 is expected to reach 9.1 mb/d, up by 0.3 mb/d, y-o-y. The 2025 forecast also assumes ongoing capital discipline 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	8.42	0.65	8.75	0.33	9.09	0.34
Gulf of Mexico crude	1.87	0.13	1.81	-0.05	1.90	0.09
Conventional crude oil	2.65	0.16	2.64	-0.01	2.50	-0.14
Total crude	**12.93**	**0.94**	**13.20**	**0.27**	**13.49**	**0.29**
Unconventional NGLs	5.36	0.58	5.60	0.24	5.81	0.21
Conventional NGLs	1.14	-0.02	1.11	-0.03	1.09	-0.02
Total NGLs	**6.50**	**0.57**	**6.71**	**0.21**	**6.90**	**0.19**
Biofuels + Other liquids	1.54	0.10	1.57	0.03	1.59	0.02
US total supply	**20.97**	**1.61**	**21.48**	**0.51**	**21.98**	**0.50**

*Note: * 2024-2025 = Forecast.*

Sources: EIA, OPEC and Rystad Energy.

US tight crude production in the Permian Basin during 2024 is expected to increase by 0.3 mb/d, y-o-y, to average 5.5 mb/d. In 2025, it is forecast to grow by 0.3 mb/d, y-o-y, to average 5.8 mb/d.

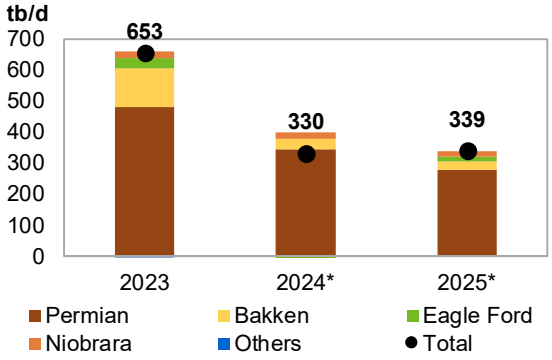
In North Dakota, Bakken shale production is expected to remain below the pre-pandemic average of 1.4 mb/d. Growth of just 35 tb/d and 25 tb/d is expected for 2024 and 2025, respectively, to average around 1.2 mb/d in both years. This trend could indicate a maturing basin.

Output in Eagle Ford basin in Texas is estimated to have averaged 1.0 mb/d in 2023. In 2024, a decline of 25 tb/d is expected for the basin, while growth of 15 tb/d is forecast for 2025.

Niobrara's production is expected to rise by around 20 tb/d, y-o-y, in 2024, to average 0.5 mb/d. With expected growth of 20 tb/d in 2025, output is forecast to remain at 0.5 mb/d.

In the other tight plays, which are experiencing a modest pace of drilling and completion activities, production is expected to drop by about 45 tb/d this year, before stabilizing 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	5.15	0.48	5.49	0.34	5.77	0.28
Bakken shale	1.16	0.13	1.19	0.04	1.22	0.03
Eagle Ford shale	1.00	0.03	0.98	-0.02	0.99	0.02
Niobrara shale	0.45	0.02	0.47	0.02	0.49	0.02
Other tight plays	0.66	0.00	0.62	-0.04	0.62	0.00
Total	**8.42**	**0.65**	**8.75**	**0.33**	**9.09**	**0.34**

*Note: * 2024-2025 = Forecast.*

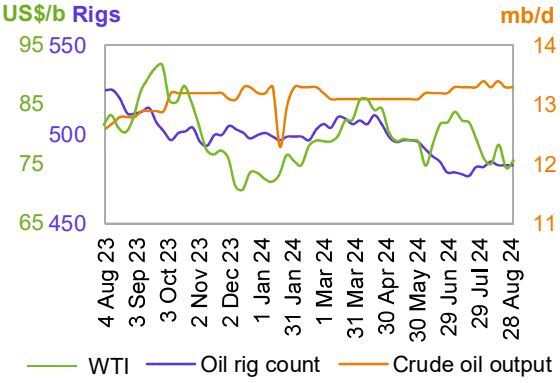
Source: OPEC.

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

The total number of active US oil and gas drilling rigs in the week ending 30 August 2024 dropped by two to 583, according to Baker Hughes. This is 48 fewer rigs than a year ago. The number of active offshore rigs remained unchanged, w-o-w, at 19. This is two more than in the same month a year earlier. The number of onshore oil and gas rigs dropped by three, w-o-w, to stand at 563, with one rig in inland waters. This is down by 48 rigs, y-o-y.

The US horizontal rig count dropped by three, w-o-w, to 521, compared with 566 horizontal rigs a year ago. The number of drilling rigs for oil remained unchanged, w-o-w, at 483, while the number of gas drilling rigs dropped by two, w-o-w, to 95.

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



Sources: Baker Hughes, EIA and OPEC.

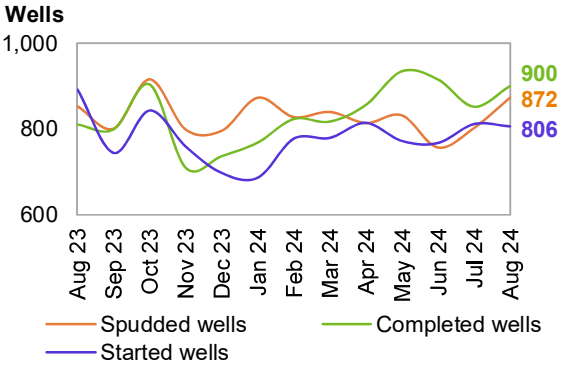
The Permian's rig count fell by one, w-o-w, to 305, and DJ-Niobrara also saw a drop of one, w-o-w, to nine. Increases of one were seen at Cana Woodford and Eagle Ford, with new rig counts of 19 and 48, respectively. Rig counts remained unchanged in Williston at 34.

Drilling and completion activities for oil-producing wells in all US shale plays include 801 horizontal wells spudded in July, as per preliminary data. This is up by 45, m-o-m, and 0.1% lower than July last year.

Preliminary data for July indicates a lower number of completed wells, m-o-m, at 852, although the number is up by about 2%, y-o-y. The number of started wells is estimated at 811, which is 2% higher than a year earlier.

Preliminary data for August saw 872 spudded, 900 completed and 806 started wells, based on Rystad Energy data.

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

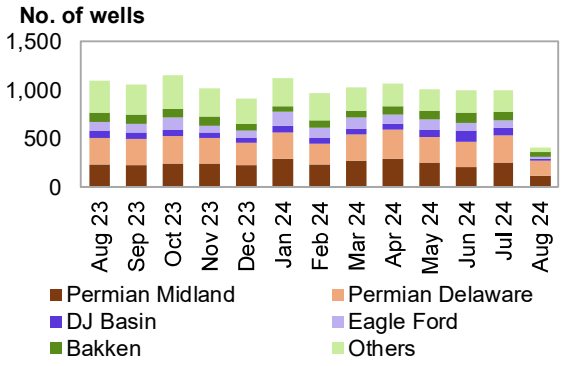


Note: Jul 24-Aug 24 = Preliminary data.
Sources: Rystad Energy and OPEC.

In terms of identifying US oil and gas fracking operations by region, Rystad Energy reported that 995 wells started fracking in June. In July and August, it stated that levels of 997 and 414 wells began fracking, respectively, according to preliminary numbers based on an analysis of high-frequency satellite data.

In regional terms, preliminary data for July shows that 259 and 273 wells started fracking in the Permian Midland and Permian Delaware regions, respectively. There was a gain of 54 wells in the Midland region and a rise of six in Delaware compared with June. Data also indicates that 83 wells began fracking in the DJ Basin, 79 in Eagle Ford and 85 in Bakken during July.

Graph 5 - 12: Started fracs per month by regions



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

Canada

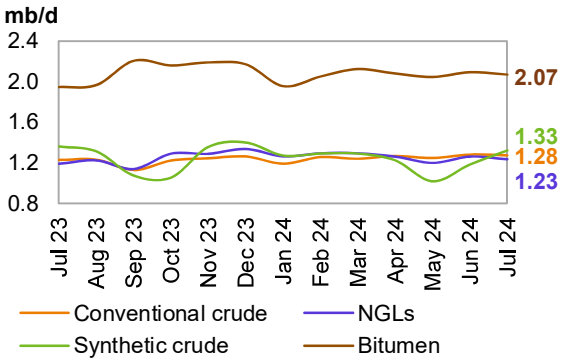
Canada's liquids production in July is estimated to have risen by about 82 tb/d, m-o-m, to average 5.9 mb/d, indicating a recovery from disruptions in May and June.

Conventional crude production dropped in July by a minor 7 tb/d, m-o-m, to average 1.3 mb/d. NGLs output was down by 26 tb/d, m-o-m, to average 1.2 mb/d.

Crude bitumen production output fell in July by 23 tb/d, m-o-m, while synthetic crude production increased by 138 tb/d, m-o-m. Taken together, crude bitumen and synthetic crude production rose by 0.1 mb/d to average 3.4 mb/d.

Liquids production in 2Q24 was subdued due to major scheduled maintenance and wildfire disruptions, but a gradual increase is expected in 3Q24.

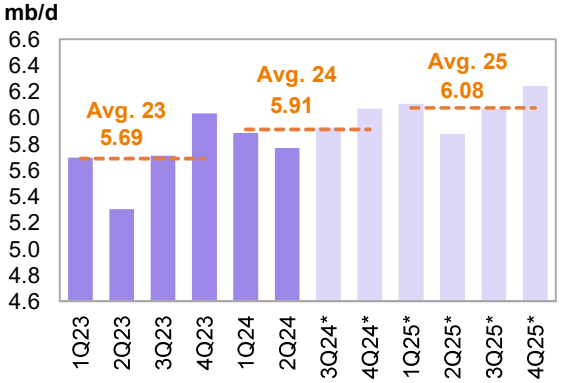
Graph 5 - 13: Canada's monthly liquids production development by type



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 average 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. At the same time, new trade flows following the commissioning of the Trans Mountain Expansion (TMX) pipeline is expected to stimulate production in the coming months.

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



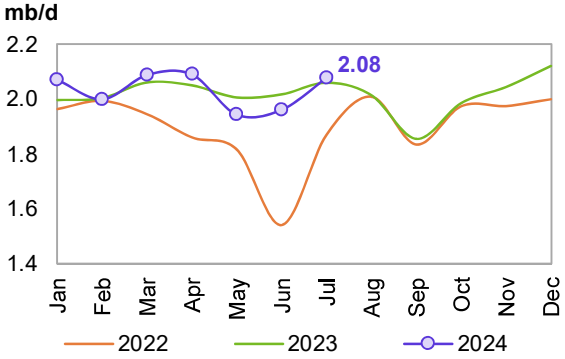
*Note: * 3Q24-4Q25 = Forecast. Source: OPEC.*

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 additional well pads coming online in a number of facilities. 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 the Montney Play.

Norway

Norwegian liquids production in July rose by 118 tb/d, m-o-m, to average 2.1 mb/d. Norway's crude production increased by 108 tb/d, m-o-m, in July to average 1.8 mb/d. This was down by 10 tb/d, y-o-y. Monthly oil production was 6% higher than the Norwegian Offshore Directorate's (NOD) forecast.

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



Sources: The Norwegian Offshore Directorate (NOD) and OPEC.

Production of NGLs and condensate increased by 10 tb/d, m-o-m, to average 0.3 mb/d in July, according to NOD data.

For 2024, Norwegian liquids production is forecast to increase by about 30 tb/d to average 2.0 mb/d. This was largely unchanged from the previous month's assessment. Several projects are scheduled to ramp up this year. At the same time, start-ups are expected at the Ringhorne, 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 growth, with first oil planned later this year. Completion and commissioning activities for Johan Castberg's FPSO and inshore testing has recently been carried out at Aker Stord. It is expected to be positioned in the Barents Sea in September. Norway's Var Energi postponed the startup of its Balder X oil project in the North Sea to the 2Q25 due to an extension in the refurbishment of the FPSO.

In 2025, Norwegian liquids production is forecast to grow by 0.1 mb/d to average 2.1 mb/d. Several small-to-large-scale projects are scheduled to ramp up, 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.

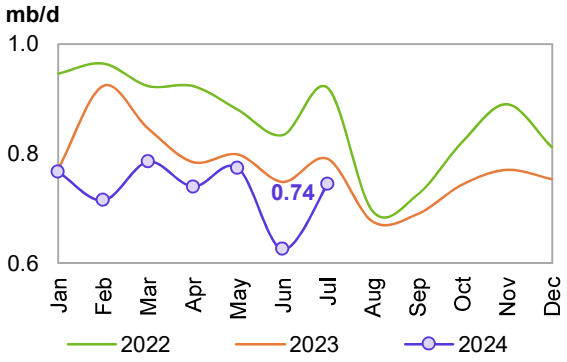
UK

In July, UK liquids production rose by 0.1 mb/d, m-o-m, to average 0.7 mb/d. Crude oil output increased by 0.1 mb/d, m-o-m, to average 0.6 mb/d, indicating a recovery from June. However, this was lower by 18 tb/d, y-o-y, according to official data. NGLs output remained largely unchanged, m-o-m, at an average 68 tb/d.

For 2024, UK liquids production is forecast to drop by 22 tb/d to average 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 unit is expected to be towed out to UK North Sea fields in 4Q24.

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. Elsewhere, project start-ups are expected at the Alwyn, Laggan-Tormore, Murlach (Skua redevelopment) and Janice assets. However, decline rates from the ageing basins are expected to largely offset any additional volumes.

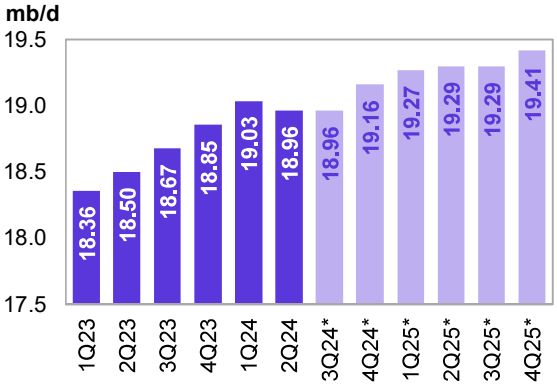
Graph 5 - 16: UK monthly liquids production development



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

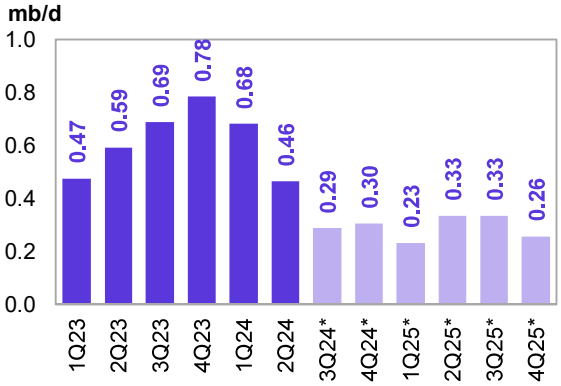
Non-OECD

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



*Note: * 3Q24-4Q25 = Forecast. Source: OPEC.*

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



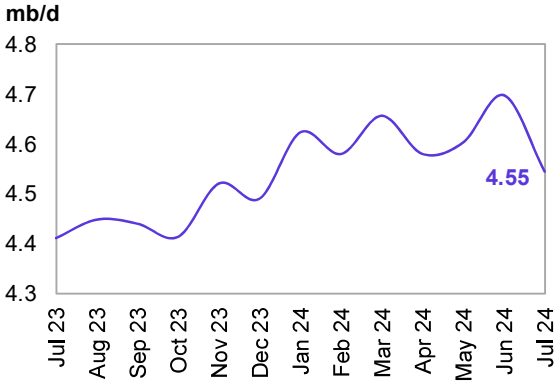
*Note: * 3Q24-4Q25 = Forecast. Source: OPEC.*

China

China's liquids production dropped by 152 tb/d, m-o-m, to average 4.5 mb/d in July. This is up by 133 tb/d, y-o-y, according to official data. Crude oil output in July averaged 4.2 mb/d, down by 152 tb/d compared with the previous month. This was also higher by 138 tb/d, y-o-y.

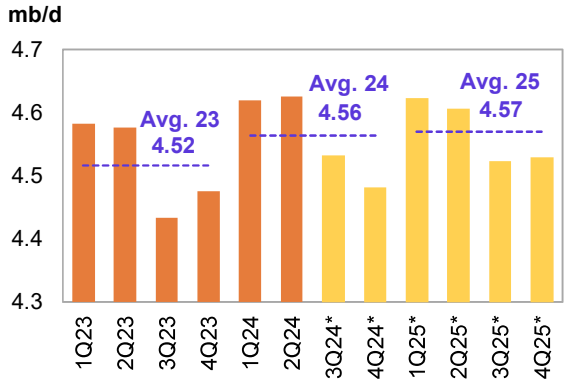
NGLs production remained unchanged, m-o-m, averaging 41 tb/d. This was lower by 7 tb/d compared with the same month a year earlier.

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



Sources: CNPC and OPEC.

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



*Note: * 3Q24-4Q25 = Forecast. Sources: CNPC and OPEC.*

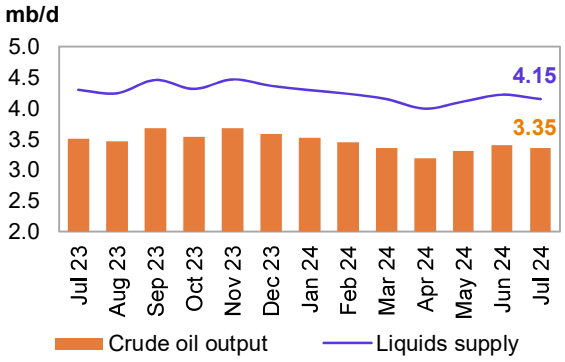
For 2024, China's liquids production is expected to rise by about 50 tb/d, y-o-y, to average 4.6 mb/d. This is revised up by 18 tb/d from the previous assessment due to better-than-expected performance in July, despite maintenance in some offshore platforms. Natural decline rates are anticipated to be offset by additional growth through more infill wells and EOR projects. Chinese majors are set to maintain high upstream Capex in 2024 to meet the growth requirements stated in the 2019 Seven-Year Exploration and Production Increase Action Plan. For this year, Lingshui 17-2, Lufeng, Liuhua 11-1, Xi'nan, Bozhong 19-2 Oilfield Development, Suizhong 36-1, Shayan and Liuhua 4-1 (redevelopment) – operated by CNOOC, PetroChina and Sinopec – are expected to come on stream. At the same time, key ramp-ups are planned for Changqing, Kenli 10-2, Wushi 17-2 and Kenli 6-4.

In 2025, Chinese liquids production is expected to remain broadly steady, y-o-y, at an average of 4.6 mb/d. Supply growth is primarily expected to come from the offshore sector following considerable offshore exploration investment in recent years. 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 – operated by CNOOC and Sinopec – are expected to come on stream. Meanwhile, key ramp-ups are planned for Changqing, Tarim, Xibei, Peng Lai 19-9 and Xi'nan.

Brazil

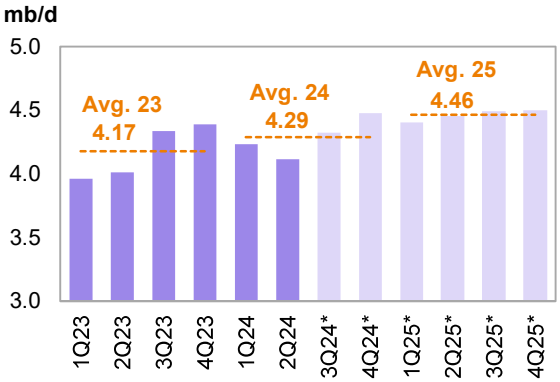
Brazil's crude output in July is estimated to fall by about 60 tb/d, m-o-m, to average 3.3 mb/d. The output is lower-than-expected, primarily due to extensive maintenance and operational issues. NGLs production remained largely unchanged at an average of around 80 tb/d and is expected to remain flat in August 2024. Biofuel output (mainly ethanol) is estimated to have dropped by 10 tb/d, m-o-m, to average 0.7 mb/d, with preliminary data showing a stable trend in August. The country's total liquids production is estimated to drop by about 70 tb/d in July to average 4.2 mb/d, albeit lower by about 150 tb/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: * 3Q24-4Q25 = Forecast. Sources: ANP and OPEC.*

For 2024, Brazil's liquids supply, including biofuels, is forecast to grow by about 0.1 mb/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 mainly through the Atlanta, Mero 3, Wahoo and Maria Quiteria FPSOs. However, technical issues and possible strikes – similar to the recent industrial action taken by workers at Brazil's Environment and Renewable Natural Resources agency – could potentially delay the start-up of scheduled production platforms.

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 rise 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. However, increasing offshore costs and inflation may continue to delay projects and temper short-term growth.

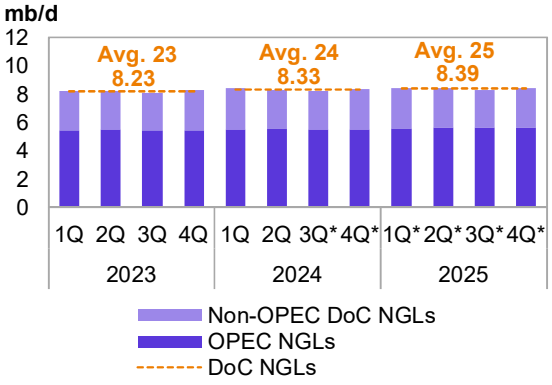
DoC NGLs and non-conventional liquids

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 that NGLs and non-conventional liquids output in 2Q24 averaged 8.3 mb/d. According to preliminary July data, OPEC Member Countries and non-OPEC DoC countries are estimated to have produced 5.5 mb/d and 2.7 mb/d, respectively, of NGLs and non-conventional liquids.

The 2025 forecast points toward a combined increase of about 60 tb/d for an average of 8.4 mb/d. NGLs and non-conventional liquids production are projected to grow by 0.1 mb/d to average 5.6 mb/d for OPEC Member Countries. However, it is expected to drop by about 50 tb/d for non-OPEC DoC countries.

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



*Note: * 3Q24-4Q25 = Forecast. Source: OPEC.*

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

DoC NGLs and non-coventional liquids	2023	Change 23/22	2024	Change 24/23	1Q25	2Q25	3Q25	4Q25	2025	Change 25/24
OPEC	**5.46**	*0.06*	**5.53**	*0.06*	5.60	5.67	5.64	5.64	**5.64**	*0.11*
Non-OPEC DoC	**2.77**	*0.20*	**2.80**	*0.03*	2.79	2.77	2.68	2.76	**2.75**	*-0.05*
Total	**8.23**	***0.26***	**8.33**	***0.10***	**8.40**	**8.43**	**8.31**	**8.40**	**8.39**	***0.06***

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

DoC crude oil production

According to secondary sources, **total OPEC-12 crude oil production** averaged 26.59 mb/d in August 2024, 197 tb/d lower, m-o-m. Crude oil output increased mainly in Nigeria, Congo, and Venezuela, while production in Libya, Iraq, and Saudi Arabia decreased.

At the same time, **total non-OPEC DoC crude oil production** averaged 14.07 mb/d in August 2024, 108 tb/d lower, m-o-m. Crude oil output increased mainly in Mexico and Bahrain, while production in Kazakhstan and Russia decreased.

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

Secondary sources	2022	2023	4Q23	1Q24	2Q24	Jun 24	Jul 24	Aug 24	*Change* Aug/Jul
Algeria	1,013	973	957	907	905	906	908	909	*2*
Congo	261	261	251	246	262	260	252	266	*13*
Equatorial Guinea	84	56	53	54	56	53	57	58	*0*
Gabon	195	204	216	215	210	211	211	217	*7*
IR Iran	2,554	2,859	3,154	3,179	3,238	3,250	3,273	3,277	*4*
Iraq	4,439	4,287	4,324	4,245	4,203	4,186	4,278	4,228	*-50*
Kuwait	2,704	2,595	2,552	2,430	2,429	2,423	2,414	2,414	*-1*
Libya	981	1,162	1,170	1,119	1,188	1,194	1,175	956	*-219*
Nigeria	1,210	1,314	1,381	1,413	1,358	1,369	1,391	1,448	*57*
Saudi Arabia	10,531	9,609	8,952	9,009	8,976	8,897	9,008	8,983	*-25*
UAE	3,066	2,950	2,906	2,926	2,934	2,936	2,953	2,958	*4*
Venezuela	684	749	774	816	837	848	863	874	*12*
Total OPEC	**27,722**	**27,019**	**26,690**	**26,558**	**26,595**	**26,535**	**26,784**	**26,588**	***-197***
Azerbaijan	560	503	487	477	474	480	488	489	*1*
Bahrain	193	182	183	168	175	171	171	182	*11*
Brunei	75	72	77	82	67	69	80	83	*3*
Kazakhstan	1,489	1,597	1,606	1,614	1,555	1,579	1,565	1,450	*-115*
Malaysia	396	377	378	362	363	362	351	342	*-8*
Mexico	1,654	1,657	1,633	1,615	1,599	1,596	1,590	1,608	*18*
Oman	850	819	807	772	765	766	765	770	*4*
Russia	9,771	9,574	9,491	9,426	9,220	9,115	9,089	9,059	*-29*
Sudan	62	54	47	34	24	24	25	26	*1*
South Sudan	144	146	153	113	65	63	53	59	*6*
Total Non-OPEC DoC	**15,193**	**14,980**	**14,862**	**14,662**	**14,307**	**14,226**	**14,175**	**14,068**	***-108***
Total DoC	**42,915**	**41,999**	**41,552**	**41,220**	**40,902**	**40,761**	**40,959**	**40,655**	***-304***

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 August, as reported by OPEC Member Countries, is shown in ***Table 5 - 8*** below.

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

Direct communication	2022	2023	4Q23	1Q24	2Q24	Jun 24	Jul 24	Aug 24	*Change* Aug/Jul
Algeria	1,020	973	958	907	905	906	909	910	*1*
Congo	262	271	259	252	260	259	257	270	*13*
Equatorial Guinea	81	55	53	53	60	58	57	..	..
Gabon	191	223	234	..	..	..	..	..	..
IR Iran	..	..	..	..	..	..	..	..	..
Iraq	4,453	4,118	4,123	3,957	3,862	3,834	3,993	3,904	*-89*
Kuwait	2,707	2,590	2,548	2,413	2,413	2,413	2,413	2,413	*0*
Libya	..	1,189	1,191	1,149	..	..	..	..	..
Nigeria	1,138	1,187	1,260	1,327	1,270	1,276	1,307	1,352	*45*
Saudi Arabia	10,591	9,606	8,901	8,979	8,937	8,830	8,941	8,992	*51*
UAE	3,064	2,944	2,892	2,919	2,928	2,935	2,933	2,935	*2*
Venezuela	716	783	796	864	904	922	928	927	*0*
Total OPEC	..	..	..	..	..	..	..	..	..

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

Source: OPEC.

Commercial Stock Movements

Preliminary July 2024 data shows total OECD commercial oil stocks down by 11.7 mb, m-o-m. At 2,815 mb, they were 5.2 mb lower than the same time a year ago, 99.2 mb lower than the latest five-year average, and 153.8 mb below the 2015–2019 average. Within the components, crude and product stocks fell by 5.1 mb and 6.6 mb, respectively.

OECD commercial crude stocks stood at 1,350 mb. This was 25.2 mb lower than the same time a year ago, 56.7 mb below the latest five-year average, and 112.2 mb less than the 2015–2019 average.

OECD total product stocks stood at 1,466 mb. This is 20 mb higher than the same time a year ago, but 42.5 mb lower than the latest five-year average, and 41.6 mb below the 2015–2019 average.

In terms of days of forward cover, OECD commercial stocks fell in July by 0.1 days, m-o-m, to stand at 61.1 days. This is 0.2 days lower than the level registered in July 2023, 3.3 days lower than the latest five-year average, and 1.4 days less than the 2015–2019 average.

OECD

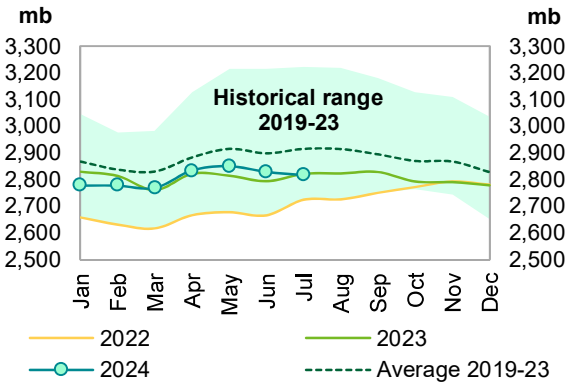
Preliminary July 2024 data shows total OECD commercial oil stocks down by 11.7 mb, m-o-m. At 2,815 mb, they were 5.2 mb lower than the same time a year ago, 99.2 mb less than the latest five-year average, and 153.8 mb below the 2015–2019 average.

Within the components, crude and product stocks fell by 5.1 mb and 6.6 mb respectively.

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

OECD commercial crude stocks fell by 5.1 mb, m-o-m, ending July at 1,350 mb. This was 25.2 mb lower than the same time a year ago, 56.7 mb below the latest five-year average, and 112.2 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 draws of 7.1 mb and 1.3 mb, m-o-m, respectively, while crude stocks in OECD Asia Pacific rose by 3.2 mb, m-o-m.

OECD total product stocks fell by 6.6 mb, m-o-m, in July to stand at 1,466 mb. This is 20.0 mb higher than the same time a year ago, but 42.5 mb lower than the latest five-year average, and 41.6 mb below the 2015–2019 average.

Within the OECD regions, product stocks in OECD Asia Pacific and OECD Europe witnessed a drop of 2.1 mb and 3.6 mb, m-o-m, respectively. OECD Americas product stocks declined by 0.9 mb, m-o-m.

Table 9 - 1: OECD commercial stocks, mb

OECD stocks	Jul 23	May 24	Jun 24	Jul 24	Change Jul 24/Jun 24
Crude oil	1,375	1,392	1,355	1,350	*-5.1*
Products	1,446	1,456	1,472	1,466	*-6.6*
Total	**2,821**	**2,848**	**2,827**	**2,815**	***-11.7***
Days of forward cover	**61.2**	**61.4**	**61.1**	**61.1**	***-0.1***

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 fell in July by 0.1 days, m-o-m, to stand at 61.1 days. This is 0.2 days lower than the level registered in July 2023, 3.3 days less than the latest five-year average, and 1.4 days less than the 2015–2019 average.

Within the OECD regions, OECD Americas stood at 3.8 days and OECD Europe at 2.2 days below the latest five-year average, standing at 60.3 days and 68.7 days, respectively. OECD Asia Pacific was 3.4 days less than the latest five-year average, standing at 49.0 days.

OECD Americas

OECD Americas' total commercial stocks fell in July by 8.0 mb, m-o-m, to settle at 1,535 mb. This is 12.3 mb higher than the same month in 2023, but 31.7 mb below the latest five-year average.

Commercial crude oil stocks in OECD Americas fell in July by 7.1 mb, m-o-m, to stand at 767 mb, which is 12.4 mb higher than in July 2023, but 8.9 mb less than the latest five-year average.

Total product stocks in OECD Americas deacreased by 0.9 mb, m-o-m, in July to stand at 768 mb. This is 0.1 mb lower than the same month in 2023, but 22.8 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 fell in July by 4.9 mb, m-o-m, to settle at 940 mb. This is 9.0 mb higher than the same month in 2023, but 36.5 mb below the latest five-year average.

OECD Europe's commercial crude stocks decreased by 1.3 mb, m-o-m, to end July at 410 mb. This is 10.3 mb less than one year ago and 21.8 mb lower than the latest five-year average.

Total product stocks fell by 3.6 mb, m-o-m, to end July at 529 mb. This is 19.3 mb higher than the same time a year ago, but 14.7 mb below the latest five-year average.

OECD Asia Pacific

OECD Asia Pacific's total commercial oil stocks rose in July by 1.1 mb, m-o-m, to stand at 341 mb. This is 26.5 mb lower than the same time a year ago and 31.0 mb below the latest five-year average.

OECD Asia Pacific's crude stocks rose by 3.2 mb, m-o-m, to end July at 173 mb. This is 27.3 mb lower than one year ago, and 26.0 mb below the latest five-year average.

By contrast, OECD Asia Pacific's total product stocks fell by 2.1 mb, m-o-m, to end July at 168 mb. This is 0.7 mb higher than one year ago, but 5.0 mb below the latest five-year average.

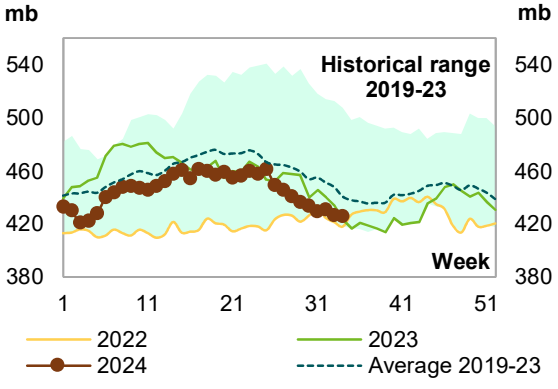
US

Preliminary data for August 2024 shows that total US commercial oil stocks fell by 18.8 mb, m-o-m, to stand at 1,270 mb. This is 11.7 mb, or 0.9%, higher than the same month in 2023, but 21.7 mb, or 1.7%, below the latest five-year average. Crude and product stocks fell by 14.7 mb and 4.1 mb, m-o-m, respectively.

US commercial crude stocks in August stood at 418.3 mb. This is 1.0 mb, or 0.2%, higher than the same month in 2023, but 20.3 mb, or 4.6%, below the latest five-year average. The monthly draw in crude oil stocks came on the back of higher crude runs, which increased by 60 tb/d, m-o-m, to average 16.95 mb/d in August.

Total product stocks also fell in August to stand at 851.9 mb. This is 10.7 mb, or 1.3%, higher than in August 2023 , but 1.4 mb or 0.2%, lower than the latest five-year average. The product stock draw can be attributed to higher product consumption.

Graph 9 - 2: US weekly commercial crude oil inventories



Sources: EIA and OPEC.

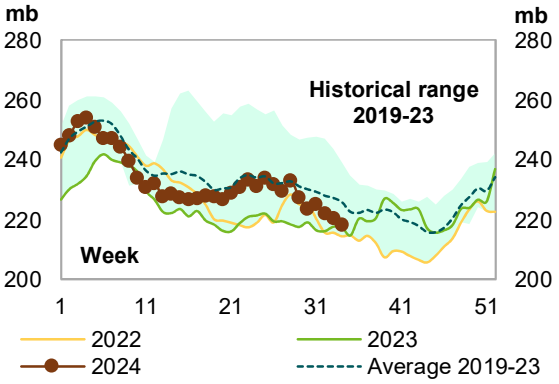
Gasoline stocks fell in August by 4.5 mb, m-o-m, to settle at 219.2 mb. This is 0.1 mb higher than the same month in 2023, but 6.4 mb, or 2.8%, below the latest five-year average.

Distillate stocks in August decreased by 4.1 mb, m-o-m, to stand at 122.7 mb. This is 6.3 mb, or 5.4%, higher than the same month in 2023, but 13.8 mb, or 10.1%, below the latest five-year average.

Residual fuel oil stocks in August went down by 0.2 mb, m-o-m. At 25.7 mb, they were 0.3 mb, or 1.1%, less than a year earlier and 3.8 mb, or 13.0%, below the latest five-year average.

Jet fuel stocks decreased by 0.4 mb, m-o-m, ending August at 46.8 mb. This is 4.1 mb, or 9.7%, higher than the same month in 2023, and 5.4 mb, or 13.1%, above the latest five-year average.

Graph 9 - 3: US weekly gasoline inventories



Sources: EIA and OPEC.

Table 9 - 2: US commercial petroleum stocks, mb

US stocks	Aug 23	Jun 24	Jul 24	Aug 24	Change Aug 24/Jul 24
Crude oil	**417.3**	**440.2**	**433.0**	**418.3**	***-14.7***
Gasoline	219.2	232.4	223.8	219.2	*-4.5*
Distillate fuel	116.5	123.1	126.8	122.7	*-4.1*
Residual fuel oil	26.0	27.5	25.9	25.7	*-0.2*
Jet fuel	42.6	45.3	47.2	46.8	*-0.4*
Total products	**841.3**	**839.4**	**856.0**	**851.9**	***-4.1***
Total	**1,258.6**	**1,279.6**	**1,289.0**	**1,270.2**	***-18.8***
SPR	**350.3**	**373.1**	**375.1**	**379.7**	***4.6***

Sources: EIA and OPEC.

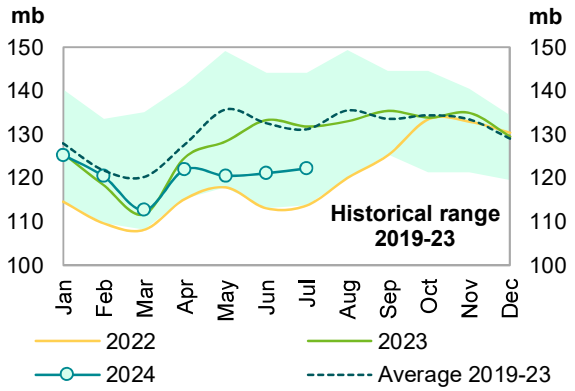
Japan

In Japan, total commercial oil stocks in July 2024 rose by 1.1 mb, m-o-m, to settle at 122.2 mb. This is 9.6 mb, or 7.3%, lower than the same month in 2023 and 9.0 mb, or 6.8%, below the latest five-year average. Crude stocks rose by 3.2 mb, m-o-m, while product stocks fell by 2.1 mb, m-o-m.

Japanese commercial crude oil stocks rose in July by 3.2 mb, m-o-m, to stand at 66.5 mb. This is 10.9 mb, or 14.1%, lower than the same month in 2023 and 7.5 mb, or 10.2%, below the latest five-year average.

Gasoline stocks fell 1.3 mb, m-o-m, to stand at 9.5 mb in July. This is 0.6 mb, or 6.6%, higher than a year earlier, but 0.4 mb, or 3.9%, below the latest five-year average. The draw in gasoline stocks came on the back of higher gasoline domestic sales, which rose by 11.9%, m-o-m, in July.

Graph 9 - 4: Japan's commercial oil stocks



Sources: METI and OPEC.

Middle distillate stocks fell by 0.8 mb, m-o-m, to end July at 25.0 mb. This is 1.2 mb, or 4.9%, higher than the same month in 2023, but 1.0 mb, or 4.0%, lower than the latest five-year average. Within the distillate components, kerosene stocks rose by 5.5%, while gasoil and jet fuel stocks fell by 13% and 2.1%, m-o-m, respectively.

Total residual fuel oil stocks fell, m-o-m, by 0.2 mb to end July at 12.5 mb. This is 0.2 mb, or 1.5%, higher than the same month in 2023 and 0.6 mb, or 5.2%, above the latest five-year average. Within the components, fuel oil A stocks fell by 7.3%, m-o-m, while fuel oil BC stocks rose by 2.2%, m-o-m.

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

Japan's stocks	Jul 23	May 24	Jun 24	Jul 24	Change Jul 24/Jun 24
Crude oil	**77.5**	**61.5**	**63.3**	**66.5**	***3.2***
Gasoline	8.9	11.7	10.8	9.5	*-1.3*
Naphtha	9.2	9.3	8.5	8.6	*0.1*
Middle distillates	23.8	25.3	25.8	25.0	*-0.8*
Residual fuel oil	12.4	12.6	12.7	12.5	*-0.2*
Total products	**54.3**	**58.9**	**57.8**	**55.6**	***-2.1***
Total**	**131.8**	**120.5**	**121.1**	**122.2**	***1.1***

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

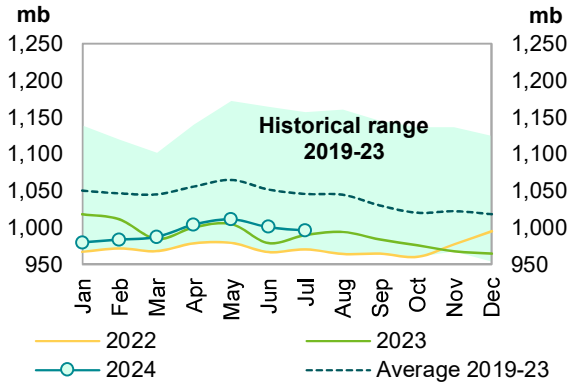
Sources: METI and OPEC.

EU-14 plus UK and Norway

Preliminary data for July 2024 showed that total European oil stocks fell by 4.9 mb, m-o-m, to stand at 995.3 mb. At this level, they were 5.7 mb, or 0.6%, higher than the same month in 2023, but 50.2 mb, or 4.8%, beneath the latest five-year average. Crude and product stocks fell by 1.3 mb and 3.6 mb, m-o-m, respectively.

European crude stocks stood at 407.7 mb in July. This is 0.3 mb, or 0.1%, lower than the same month in 2023 and 18.4 mb, or 4.3% less than the latest five-year average. The draw in crude oil stocks came on the back of higher refinery throughput in the EU-14, plus the UK and Norway, which increased by 350 tb/d, or 3.7%, m-o-m, to stand at 9.9 mb/d.

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



Sources: OilX and OPEC.

Total European product stocks also decline by 3.6 mb, m-o-m, to end July at 587.6 mb. This is 6.0 mb, or 1.0%, higher than the same month in 2023, but 31.8 mb, or 5.1%, below the latest five-year average. The stock draw can be attributed to higher demand in the region.

Gasoline stocks fell in July by 1.3 mb, m-o-m, to stand at 104.2 mb, which is 1.3 mb, or 1.3%, higher than the same time in 2023, but 4.1 mb, or 3.8%, lower than the latest five-year average.

Middle distillate stocks decreased in July by 1.6 mb, m-o-m, to stand at 389.9 mb. This is 2.8 mb, or 0.7%, higher than the same month in 2023, but 28.5 mb, or 6.8%, lower than the latest five-year average.

Residual fuel stocks were down in July by 1.1 mb, m-o-m, to stand at 61.2 mb. This is 2.4 mb, or 4.2%, higher than the same month in 2023, but 1.2 mb, or 1.9%, below the latest five-year average.

By contrast. naphtha stocks rose in July by 0.4 mb, m-o-m, ending the month at 32.3 mb. This is 0.6 mb, or 1.8%, less than the same month in 2023, but 2.0 mb, or 6.7%, higher than the latest five-year average.

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

EU stocks	Jul 23	May 24	Jun 24	Jul 24	Change Jul 24/Jun 24
Crude oil	**408.0**	**416.4**	**409.0**	**407.7**	***-1.3***
Gasoline	102.9	106.5	105.5	104.2	*-1.3*
Naphtha	32.9	31.4	32.0	32.3	*0.4*
Middle distillates	387.0	392.7	391.4	389.9	*-1.6*
Fuel oils	58.7	64.1	62.3	61.2	*-1.1*
Total products	**581.6**	**594.6**	**591.2**	**587.6**	***-3.6***
Total	**989.6**	**1,011.0**	**1,000.2**	**995.3**	***-4.9***

Sources: OilX and OPEC.

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

Singapore

In July, total product stocks in Singapore rose by 2.0 mb, m-o-m, to stand at 45.3 mb. This is 2.2 mb, or 5.0%, higher than the same month in 2023, but 0.1 mb, or 0.3%, less than the latest five-year average.

Middle distillate stocks rose in July by 2.8 mb, m-o-m, to stand at 11.4 mb. This is 4.2 mb, or 59.4%, higher than in July 2023 and 1.3 mb, or 12.9%, above the latest five-year average.

Residual fuel oil stocks went up by 0.1 mb, m-o-m, ending July at 19.6 mb. This is 2.8 mb, or 12.5%, lower than in July 2023, and 1.6 mb, or 7.7%, below the latest five-year average.

By contrast, light distillate stocks fell in July by 0.8 mb, m-o-m, to stand at 14.4 mb. This is 0.7 mb or 5.3% higher than the same month in 2023, and 0.2 mb, or 1.4%, above the latest five-year average.

ARA

Total product stocks in ARA in July fell by 3.0 mb, m-o-m. At 44.2 mb, they were 0.9 mb, or 2.1%, above the same month in 2023, but 0.5 mb, or 1.0%, lower than the latest five-year average.

Gasoline stocks fell by 0.5 mb, m-o-m, ending July at 9.0 mb. This is 2.2 mb, or 19.7%, lower than in July 2023 and 1.4 mb, or 13.1%, below the latest five-year average.

Gasoil stocks in July fell by 1.8 mb, m-o-m, to stand at 14.5 mb. This is 1.1 mb, or 6.8%, lower than the same month in 2023 and 2.3 mb, or 13.4%, lower than the latest five-year average.

Fuel oil stocks decreased in July by 0.4 mb, m-o-m, to stand at 9.2 mb. This is 0.9 mb, or 11.2%, higher than in July 2023 and 1.4 mb, or 18.5%, above the latest five-year average.

By contrast, jet oil stocks rose by 0.2 mb, m-o-m, to stand at 7.8 mb in July. This is 1.9 mb, or 32.0%, higher than the level seen in July 2023 and 0.8 mb, or 11.5%, higher than the latest five-year average.

Fujairah

During the week ending 2 September 2024, total oil product stocks in Fujairah fell by 0.95 mb, w-o-w, to stand at 16.86 mb, according to data from FEDCom and S&P Global Commodity Insights. At this level, total oil stocks were 0.86 mb higher than at the same time a year ago.

Light distillate stocks rose by 0.2 mb, w-o-w, to stand at 6.5 mb, which is 0.6 mb higher than a year ago.

By contrast, middle distillate stocks decreased by 0.2 mb, w-o-w, to stand at 2.4 mb, which is 0.9 mb above the same time last year.

Heavy distillate stocks also dropped by 0.9 mb, w-o-w, to stand at 8.0 mb, which is 0.6 mb less than 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) is revised down by 0.1 mb/d from the previous assessment to stand at 42.8 mb/d in 2024. This is around 0.7 mb/d higher than the estimate for 2023.

Demand for DoC crude in 2025 is revised down by 0.2 mb/d from the previous assessment to stand at 43.4 mb/d. This is around 0.6 mb/d higher than the estimate for 2024.

Balance of supply and demand in 2024

Demand for DoC crude

Demand for DoC crude (i.e. crude from countries participating in the Declaration of Cooperation) is revised down by 0.1 mb/d from the previous assessment to stand at 42.8 mb/d in 2024. This is around 0.7 mb/d higher than the estimate for 2023.

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

							Change
	2023	1Q24	2Q24	3Q24	4Q24	2024	2024/23
(a) World oil demand	**102.2**	**102.9**	**103.6**	**104.8**	**105.6**	**104.2**	***2.0***
Non-DoC liquids production	51.8	52.6	53.1	53.1	53.5	53.1	*1.2*
DoC NGL and non-conventionals	8.2	8.4	8.3	8.3	8.3	8.3	*0.1*
(b) Total non-DoC liquids production and DoC NGLs	**60.1**	**61.0**	**61.4**	**61.4**	**61.8**	**61.4**	***1.3***
Difference (a-b)	**42.1**	**41.9**	**42.2**	**43.4**	**43.8**	**42.8**	***0.7***
DoC crude oil production	**42.0**	**41.2**	**40.9**				
Balance	**-0.2**	**-0.7**	**-1.3**				

*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 is revised down by 0.2 mb/d from the previous assessment to stand at 43.4 mb/d. This is around 0.6 mb/d higher than the estimate for 2024.

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

							Change
	2024	1Q25	2Q25	3Q25	4Q25	2025	2025/24
(a) World oil demand	**104.2**	**104.6**	**105.3**	**106.8**	**107.3**	**106.0**	***1.7***
Non-DoC liquids production	53.1	54.0	53.9	54.1	54.7	54.2	*1.1*
DoC NGL and non-conventionals	8.3	8.4	8.4	8.3	8.4	8.4	*0.1*
(b) Total non-DoC liquids production and DoC NGLs	**61.4**	**62.4**	**62.3**	**62.4**	**63.1**	**62.6**	***1.2***
Difference (a-b)	**42.8**	**42.2**	**42.9**	**44.3**	**44.2**	**43.4**	***0.6***

*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	24.7	25.0	24.4	25.2	25.5	25.4	25.1	24.5	25.3	25.6	25.4	25.2
of which US	*19.8*	*20.2*	*20.4*	*19.9*	*20.5*	*20.7*	*20.8*	*20.5*	*20.0*	*20.5*	*20.7*	*20.9*	*20.5*
Europe	13.1	13.6	13.4	12.8	13.6	13.7	13.4	13.4	12.9	13.6	13.8	13.4	13.4
Asia Pacific	7.3	7.3	7.2	7.5	7.0	7.0	7.4	7.2	7.5	7.0	7.0	7.4	7.3
Total OECD	**44.4**	**45.6**	**45.6**	**44.8**	**45.8**	**46.3**	**46.2**	**45.8**	**44.9**	**45.9**	**46.4**	**46.3**	**45.9**
China	15.5	15.0	16.4	16.7	16.9	17.2	17.3	17.0	17.1	17.3	17.7	17.6	17.4
India	4.8	5.1	5.3	5.7	5.7	5.5	5.7	5.6	5.9	5.9	5.7	5.9	5.8
Other Asia	8.7	9.1	9.3	9.7	9.8	9.5	9.5	9.6	10.0	10.1	9.8	9.8	9.9
Latin America	6.2	6.4	6.7	6.7	6.8	6.9	6.9	6.8	6.9	7.0	7.1	7.1	7.0
Middle East	7.8	8.3	8.6	8.7	8.5	9.2	9.0	8.9	9.0	8.7	9.5	9.3	9.1
Africa	4.2	4.4	4.5	4.6	4.4	4.4	4.9	4.6	4.7	4.5	4.5	5.0	4.7
Russia	3.6	3.8	3.8	4.0	3.8	4.0	4.1	4.0	4.0	3.8	4.0	4.2	4.0
Other Eurasia	1.2	1.2	1.2	1.3	1.2	1.1	1.3	1.2	1.4	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	**52.8**	**54.1**	**56.6**	**58.1**	**57.8**	**58.5**	**59.4**	**58.5**	**59.7**	**59.4**	**60.4**	**60.9**	**60.1**
(a) Total world demand	**97.2**	**99.7**	**102.2**	**102.9**	**103.6**	**104.8**	**105.6**	**104.2**	**104.6**	**105.3**	**106.8**	**107.3**	**106.0**
Y-o-y change	***5.9***	***2.5***	***2.6***	***1.7***	***1.8***	***2.4***	***2.1***	***2.0***	***1.7***	***1.7***	***2.0***	***1.6***	***1.7***
Non-DoC liquids production													
Americas	23.5	25.0	26.7	26.9	27.6	27.5	27.6	27.4	27.8	27.9	28.1	28.4	28.1
of which US	*18.1*	*19.4*	*21.0*	*21.0*	*21.8*	*21.6*	*21.5*	*21.5*	*21.7*	*22.0*	*22.0*	*22.2*	*22.0*
Europe	3.8	3.6	3.7	3.7	3.6	3.6	3.8	3.7	3.8	3.7	3.7	3.8	3.8
Asia Pacific	0.5	0.5	0.4	0.5	0.4	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4
Total OECD	**27.9**	**29.1**	**30.8**	**31.0**	**31.6**	**31.6**	**31.8**	**31.5**	**32.1**	**32.0**	**32.3**	**32.7**	**32.3**
China	4.3	4.4	4.5	4.6	4.6	4.5	4.5	4.6	4.6	4.6	4.5	4.5	4.6
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	1.6	1.6	1.6
Latin America	6.0	6.3	7.0	7.3	7.2	7.3	7.5	7.3	7.5	7.5	7.6	7.7	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	2.2	2.3	2.3	2.3	2.3	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	**17.6**	**18.0**	**18.6**	**19.0**	**19.0**	**19.0**	**19.2**	**19.0**	**19.3**	**19.3**	**19.3**	**19.4**	**19.3**
Total Non-DoC production	45.4	47.0	49.4	50.1	50.6	50.6	51.0	50.5	51.4	51.3	51.6	52.1	51.6
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**	**49.4**	**51.8**	**52.6**	**53.1**	**53.1**	**53.5**	**53.1**	**54.0**	**53.9**	**54.1**	**54.7**	**54.2**
DoC NGLs	7.6	8.0	8.2	8.4	8.3	8.3	8.3	8.3	8.4	8.4	8.3	8.4	8.4
(b) Total Non-DoC liquids production and DoC NGLs	**55.3**	**57.4**	**60.1**	**61.0**	**61.4**	**61.4**	**61.8**	**61.4**	**62.4**	**62.3**	**62.4**	**63.1**	**62.6**
Y-o-y change	***0.6***	***2.0***	***2.7***	***1.7***	***2.0***	***1.1***	***0.4***	***1.3***	***1.4***	***0.9***	***1.1***	***1.3***	***1.2***
OPEC crude oil production (secondary sources)	25.2	27.7	27.0	26.6	26.6								
Non-OPEC DoC crude production	15.0	15.1	15.0	14.7	14.3								
DoC crude oil production	**40.3**	**42.8**	**42.0**	**41.2**	**40.9**								
Total liquids production	**95.6**	**100.2**	**102.0**	**102.2**	**102.3**								
Balance (stock change and miscellaneous)	*-1.6*	*0.6*	*-0.2*	*-0.7*	*-1.3*								
OECD closing stock levels, *mb*													
Commercial	2,652	2,781	2,778	2,768	2,827								
SPR	1,484	1,214	1,207	1,219	1,227								
Total	**4,136**	**3,995**	**3,984**	**3,987**	**4,054**								
Oil-on-water	1,348	1,546	1,438	1,460	1,396								
Days of forward consumption in OECD, *days*													
Commercial onland stocks	58	61	61	60	61								
SPR	33	27	26	27	27								
Total	**91**	**88**	**87**	**87**	**88**								
Memo items													
(a) - (b)	**41.8**	**42.3**	**42.1**	**41.9**	**42.2**	**43.4**	**43.8**	**42.8**	**42.2**	**42.9**	**44.3**	**44.2**	**43.4**

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

Source: OPEC.

https://www.iea.org/reports/oil-market-report-september-2024

Oil Market Report - September 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.

Highlights

- Global oil demand growth continues to decelerate, with reported 1H24 gains of 800 kb/d y-o-y the lowest since 2020. The chief driver of this downturn is a rapidly slowing China, where consumption contracted y-o-y for a fourth straight month in July, by 280 kb/d. Average annual gains of 900 kb/d in 2024, compared to 2.1 mb/d last year, will take demand to almost 103 mb/d. An increase of 950 kb/d in 2025 will be equally subdued.
- World supply rose by 80 kb/d to 103.5 mb/d in August, with outages caused by a political dispute in Libya combined with maintenance in Norway and Kazakhstan offset by higher flows from Guyana, Brazil and elsewhere. Annual gains strengthen from 660 kb/d this year to 2.1 mb/d in 2025. Non-OPEC+ increases by 1.5 mb/d this year and next, while OPEC+ may fall by 810 kb/d in 2024 but rise by 540 kb/d next year if voluntary cuts stay in place.
- Global refinery throughputs are forecast to increase by 440 kb/d to 83 mb/d in 2024, and by 630 kb/d to 83.7 mb/d next year. Much weaker than expected Chinese runs in July and a further deterioration in margins continue to weigh on the forecast. Cracking margins briefly turned negative in Europe and Singapore. US Gulf Coast cracking margins are more resilient, but they have nevertheless fallen by two-thirds versus year-ago levels.
- Global observed oil stocks declined by 47.1 mb in July. The drawdown was concentrated in crude oil, NGLs and feedstocks (-75.5 mb), while oil products built to their highest level since January 2021. OECD industry stocks fell counter-seasonally by 12.3 mb in July to stand 78.5 mb below the five-year average. Preliminary data show continued stock declines in August.
- Oil prices spiralled lower in August and early September, with ICE Brent futures plunging by about $10/bbl as floundering Chinese demand and economic headwinds heightened oversupply fears. Investor selling added to the bearish sentiment, with net speculative exchange holdings slumping to multi-year lows. At the time of writing, Brent was trading at around $70/bbl - the lowest level since late-2021 and down $20/bbl from April's 2024 high.

When the music stops

The rapid decline in global oil demand growth in recent months, led by China, has fuelled a sharp sell-off in oil markets. Brent crude oil futures have plunged from a high of more than $82/bbl in early August to a near three-year low at just below $70/bbl on 11 September, despite hefty supply losses in Libya and continued crude oil inventory draws.

Global oil demand growth is slowing sharply from its post-pandemic rates, as already forecast in the OMR for some time. Reported monthly data covering 80% of global oil demand during the first half of 2024 confirm the steep decline in the rate of growth in oil consumption, which we have been projecting since our first forecast for 2024 was published in June 2023. Demand rose by 800 kb/d year-on-year over the first half of the year, dramatically lower than the growth of 2.3 mb/d recorded in 2023, but close to our initial forecast. For the year as a whole, global oil demand is on course to increase by 900 kb/d in 2024 and 950 kb/d next year.

The recent slowdown in China has seen its oil consumption declining y-o-y for a fourth consecutive month in July, by 280 kb/d. This stands in marked contrast to the 1 mb/d average pace of growth over the preceding 12 months, or the post-Covid surge of 1.5 mb/d in 2023. The country's oil demand is now set to expand by only 180 kb/d in 2024, as the broad-based economic slowdown and an accelerating substitution away from oil in favour of alternative fuels weigh on consumption. Surging EV sales are reducing road fuel demand while the development of a vast national high-speed rail network is restricting growth in domestic air travel. The implications of the fundamental shift in the Chinese economic outlook and rapid changes to its vehicle fleet and transport modes are discussed in detail in our recent reports Oil 2024 and World Energy Outlook 2023.

Outside of China, oil demand growth is tepid at best. Latest data for the United States show a sharp decline in gasoline deliveries in June, following unexpected strength in May. As such, gasoline use in the world's largest oil consumer declined y-o-y in five out of the first six months of this year. Structural headwinds and anaemic economic growth mean that deliveries continue to contract in a number of advanced economies. This could leave advanced economies' oil use this year nearly 2 mb/d below its pre-pandemic level. With the steam seemingly running out of Chinese oil demand growth, and only modest increases or declines in most other countries, current trends reinforce our expectation that global demand will plateau by the end of this decade.

In an apparent effort to halt the precipitous slide in oil prices, in early September Saudi Arabia and its OPEC+ allies announced that they would postpone by two months the start of their planned unwinding of extra voluntary production cuts. The delay gives the alliance some time to further evaluate demand prospects for next year, as well as the impact of Libyan outages and its plan to phase out additional curbs of 2.2 mb/d by the end of next year. But with non-OPEC+ supply rising faster than overall demand – barring a prolonged stand-off in Libya – OPEC+ may be staring at a substantial surplus, even if its extra curbs were to remain in place. In the context of a rapidly evolving market, reliable energy data and unbiased market analysis will become more important than ever.

OPEC+ crude oil production[1]

million barrels per day

	Jul 2024 Supply	Aug 2024 Supply	Aug Prod vs Target	Aug-2024 Implied Target[1]	Sustainable Capacity[2]	Eff Spare Cap vs Aug[3]
Algeria	0.92	0.91	0.0	0.91	0.99	0.08
Congo	0.26	0.27	-0.01	0.28	0.27	-0.0
Equatorial Guinea	0.06	0.07	0	0.07	0.06	-0.01
Gabon	0.22	0.23	0.06	0.17	0.22	-0.01
Iraq	4.38	4.38	0.47	3.91	4.87	0.49
Kuwait	2.52	2.52	0.11	2.41	2.88	0.36
Nigeria	1.31	1.36	-0.14	1.5	1.42	0.06
Saudi Arabia	9.01	9.01	0.03	8.98	12.11	3.1
UAE	3.3	3.3	0.39	2.91	4.28	0.98
Total OPEC-9[4]	**21.98**	**22.05**	**0.92**	**21.13**	**27.1**	**5.06**
Iran[5]	3.38	3.42			3.8	
Libya[5]	1.16	0.98			1.23	0.25
Venezuela[5]	0.92	0.92			0.87	-0.05
Total OPEC	**27.44**	**27.37**			**33.0**	**5.31**
Azerbaijan	0.48	0.48	-0.07	0.55	0.49	0.01
Kazakhstan	1.6	1.45	0.03	1.42	1.62	0.17
Mexico[6]	1.57	1.58			1.6	0.02
Oman	0.76	0.76	0.0	0.76	0.85	0.09
Russia	9.19	9.11	0.13	8.98	9.76	
Others [7]	0.69	0.72	-0.15	0.87	0.86	0.14
Total Non-OPEC	**14.29**	**14.09**	**-0.06**	**12.58**	**15.17**	**0.43**
OPEC+ 18 in Nov 2022 deal[5]	**34.7**	**34.56**	**0.85**	**33.71**	**40.67**	**5.47**
Total OPEC+	**41.73**	**41.46**			**48.17**	**5.74**

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. Malavsia. Sudan and South Sudan.

IEA World Oil Supply and Demand Forecasts: Summary (Table)
2024-09-12 08:00:00.1 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	2023
	Demand										
Total Demand	104.7	104.8	103.7	102.4	103.7	103.9	102.9	101.4	103.9	103.0	102.1
Total OECD	45.9	45.9	45.3	44.9	46.0	46.0	45.5	44.8	45.5	45.6	45.6
Americas	25.2	25.5	25.0	24.6	25.1	25.5	24.9	24.4	25.0	25.0	25.0
Europe	13.3	13.6	13.4	12.8	13.3	13.7	13.6	12.9	13.3	13.4	13.4
Asia Oceania	7.4	6.8	6.9	7.6	7.5	6.9	7.0	7.5	7.2	7.2	7.2
Non-OECD countries	58.9	58.9	58.4	57.5	57.7	57.9	57.4	56.6	58.4	57.4	56.4
FSU	5.1	5.1	4.9	4.8	5.0	5.1	4.8	4.8	5.0	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	0.8
China	17.1	17.2	16.9	16.7	16.8	16.9	16.7	16.5	17.0	16.7	16.5
Other Asia	15.3	14.8	15.3	15.3	14.9	14.5	15.0	14.9	15.2	14.8	14.3
Americas	6.7	6.8	6.7	6.5	6.6	6.7	6.5	6.3	6.7	6.5	6.4
Middle East	9.2	9.8	9.3	9.0	9.0	9.6	9.2	8.8	9.3	9.1	9.1
Africa	4.6	4.5	4.5	4.5	4.5	4.4	4.4	4.4	4.5	4.4	4.3
	Supply										
Total Supply	n/a	n/a	n/a	n/a	n/a	n/a	102.8	101.8	n/a	n/a	102.3
Non-OPEC	72.7	72.5	72.0	70.9	70.9	70.5	70.2	69.4	72.0	70.2	69.3
Total OECD	32.9	32.6	32.8	32.3	32.2	31.9	31.8	31.3	32.6	31.8	31.1
Americas	29.1	28.9	28.9	28.5	28.6	28.4	28.2	27.6	28.9	28.2	27.5
Europe	3.3	3.2	3.4	3.3	3.2	3.0	3.2	3.2	3.3	3.2	3.2
Asia Oceania	0.4	0.5	0.4	0.4	0.5	0.5	0.4	0.5	0.4	0.5	0.5
Non-OECD	34.0	33.6	33.4	33.3	33.0	32.5	32.6	33.0	33.6	32.8	32.7
FSU	13.9	13.8	13.7	13.7	13.5	13.4	13.5	13.7	13.8	13.5	13.8
Europe	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
China	4.5	4.4	4.5	4.5	4.4	4.3	4.4	4.4	4.5	4.4	4.3
Other Asia	2.5	2.5	2.6	2.6	2.6	2.6	2.6	2.7	2.5	2.6	2.7
Americas	7.2	7.0	6.7	6.7	6.7	6.3	6.4	6.5	6.9	6.5	6.2
Middle East	3.2	3.2	3.1	3.1	3.1	3.1	3.1	3.1	3.2	3.1	3.1
Africa	2.7	2.7	2.7	2.7	2.7	2.6	2.5	2.5	2.7	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	2.4
Total OPEC	n/a	n/a	n/a	n/a	n/a	n/a	32.7	32.4	n/a	n/a	32.9
Crude	n/a	n/a	n/a	n/a	n/a	n/a	27.1	26.9	n/a	n/a	27.4
Natural gas liquids NGLs	5.7	5.7	5.7	5.6	5.6	5.6	5.5	5.5	5.7	5.6	5.5
Call on OPEC crude and stock change *	26.3	26.6	26.0	25.9	27.1	27.8	27.2	26.5	26.2	27.2	27.2

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: August Crude Oil Production in OPEC Countries (Table)

2024-09-12 08:00:00.3 GMT

By Kristian Siedenburg

(Bloomberg) -- Following is a summary of oil production in OPEC countries from the International Energy Agency in Paris:

	Aug. 2024	July 2024	Aug. MoM
Total OPEC	27.37	27.44	-0.07
Total OPEC9	22.05	21.98	0.07
Algeria	0.91	0.92	-0.01
Congo	0.27	0.26	0.01
Equatorial Guinea	0.07	0.06	0.01
Gabon	0.23	0.22	0.01
Iraq	4.38	4.38	0.00
Kuwait	2.52	2.52	0.00
Nigeria	1.36	1.31	0.05
Saudi Arabia	9.01	9.01	0.00
UAE	3.30	3.30	0.00
Iran	3.42	3.38	0.04
Libya	0.98	1.16	-0.18
Venezuela	0.92	0.92	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: Oil Demand Growth Is 'Slowing Sharply' on China

2024-09-12 09:51:16.852 GMT

By Rachel Graham

(Bloomberg) -- Global oil demand growth is "slowing sharply" as China's economy cools. Weakening refining margins could trigger cuts in the output of oil products in Europe, the International Energy Agency said while lowering its estimates for crude throughput in the region for this quarter.

* The following stories were published Thursday from the IEA's

monthly Oil Market Report:
* Oil Demand Growth Lowest Since Pandemic as China Cools
** Oil markets face 2025 glut even if OPEC+ prolongs supply cuts
** 2024 demand growth forecast at 900k b/d in 2024 versus 2.1m b/d in 2023
** 2025 demand growth forecast at 950k b/d
** 2024 demand growth estimate cut by 70k b/d versus last month's report
** On supply, IEA sees increase of 660k b/d this year and 2.1m b/d in 2025
* IEA World Oil Supply/Demand Key Revisions
** World oil demand 2025 forecast was revised to 103.9m b/d from 104m b/d
** Call on OPEC crude 2025 was revised to 26.2m b/d from 26.3m b/d
* IEA: August Crude Oil Production in OPEC Countries (Table)
* OPEC Crude Output Slipped 70k B/D in August on Libya Slump
* Weak European Refining Margins Could Trigger Run Cuts
** Loss of Libyan oil supply is a headwind for European refiners
** IEA cuts forecast for 3Q crude throughput for OECD Europe, OECD Asia and China
* Europe's Gasoil Demand Likely to Shrink by 250k B/D in 2024
** Gasoil demand in OECD Europe is likely to decline by 250k b/d this year
** About 70% of the drop is road diesel
* China's Slowdown Weakens Global Oil Demand Growth Outlook
** World may see a period of reduced global oil demand growth if the slowdown in China persists or even deepens
** China oil demand to add 180k b/d in 2024 versus 1.5m b/d in 2023
* West Africa Crude Prices Pressured by Margins, Asia Spread
** West African crude prices were under pressure last month, partly due to weak European demand
* Russia's August Oil-Export Revenue Lowest in Over a Year
** Russia's revenue from crude oil and petroleum-product exports in August fell to $15.3 billion, a level not seen since July 2023
* IEA World Oil Supply and Demand Forecasts: Summary
** Table shows forecasts through 2025 by region

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IEA World Oil Supply/Demand Key Forecasts
2024-09-12 08:00:00.4 GMT
By Kristian Siedenburg
(Bloomberg) -- World oil demand 2025 forecast was revised to 103.9m b/d from 104.0m b/d in Paris-based Intl Energy Agency's latest monthly report.
* 2024 world demand was revised to 103.0 from 103.1m b/d
* Demand change in 2025 est. 0.9% y/y or 0.95m b/d
* Global demand in 2025 seen at 103940 kb/d; 2024 at 102986 kb/d
* Non-OPEC supply 2025 was unrevised at 72.0m b/d
* Call on OPEC crude 2025 was revised to 26.2m b/d from 26.3m b/d
* Call on OPEC crude 2024 was unrevised at 27.2m b/d
** OPEC crude production in Aug. fell by 70k b/d on the month to 27.4m b/d
* Detailed table: FIFW NSN SJOSWQGFA9Z4 <GO>
* NOTE: Fcasts based off IEA's table providing one decimal point

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Oil Demand Growth Lowest Since Pandemic as China Cools, IEA Says
2024-09-12 08:00:00.28 GMT
By Grant Smith
(Bloomberg) -- Global oil demand growth is "slowing sharply" as China's economy cools, pushing prices to a three-year low, the International Energy Agency said.
World consumption increased by 800,000 barrels a day in the first half of the year, barely a third of the expansion in the same period of 2023, the adviser to major economies said in a monthly report. It's the lowest rate since oil demand crashed

during the 2020 pandemic.

"Chinese economic growth is slowing down, and the penetration of the transportation system by electric cars is going at a very strong pace," Fatih Birol, the agency's executive director, said in an interview from Paris.

Oil prices slumped below $70 a barrel in London on Wednesday for the first time since late 2021 on concern over data from both China and the US, the world's top two oil consumers. A major disruption to Libyan output and prolonged supply curbs by the OPEC+ alliance have done little to arrest the slide.

The outlook is even weaker for next year, when there will be a surplus each quarter even if OPEC+, which is led by Saudi Arabia and Russia, abandons plans to gradually start restoring halted supplies.

READ: Oil Traders Confront a New World Without the China Bull Factor

The IEA has predicted that global oil demand will stop growing before the end of the decade, and the current slowdown reconfirms the agency's expectation that a "peak may be coming," Birol said.

Chinese demand contracted in July for a fourth straight month, and fuel use elsewhere is "tepid at best," the report said. Beijing's oil imports have dwindled to the lowest in almost two years amid an economic slowdown marked by weak consumer confidence.

In July, China's consumption fell by 280,000 barrels a day, compared with an increase of about 1 million a day in the previous 12 months, and for the year as a whole will expand by just 180,000 barrels a day, according to the report.

The agency kept forecasts for global oil demand broadly unchanged, projecting growth of 900,000 barrels a day for this year and 950,000 barrels a day in 2025, or less than 1%. That's lower than many other forecasters, such as JPMorgan Chase & Co. and Citigroup Inc., who expect growth in 2024 of 1.3 million and 1.5 million respectively.

But the IEA's bleak assessment of Chinese consumption is widely shared. The country's gasoline consumption may stop growing this year or next as its vehicle fleet is "slowly changing toward electric vehicles," Russell Hardy, chief executive of trading giant Vitol Group, said this week.

Faltering demand presents a challenge for the Organization

of Petroleum Exporting Countries and its allies. The 23-nation group had planned to start slowly reviving 2.2 million barrels a day of idle output with an initial tranche next month, but has chosen to pause the first hike until December.

Rival producers, who have benefited from OPEC+'s efforts to support prices, may pose an even bigger threat to the cartel. Non-OPEC+ output will increase by 1.5 million barrels a day this year and next, exceeding growth in world oil demand by more than 50%, according to the IEA. The gains will be driven by the US, Brazil, Canada and Guyana.

Even if OPEC+ entirely cancels the plan to revive 2.2 million barrels a day next year, it won't prevent the emergence of a glut, according to the IEA.

"With non-OPEC+ supply rising faster than overall demand – barring a prolonged stand-off in Libya – OPEC+ may be staring at a substantial surplus, even if its extra curbs were to remain in place," the IEA said.

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China's Slowdown Weakens Global Oil Demand Growth Outlook: IEA

2024-09-12 08:00:00.13 GMT

By Sherry Su

(Bloomberg) -- The expected plateauing of demand in China over the medium term sets the stage for lower growth in global oil markets, the IEA said in its monthly Oil Market Report.

* The agency lowered its forecast for China's 2025 oil demand by roughly 200k b/d to about 17m b/d

* While the rest of Asia will probably come to the forefront of oil demand growth, it seems unlikely that it will be able to fully replicate China's role in recent decades

** The IEA in June projected that by 2030 the rest of Asia would see demand rise by almost 3m b/d, twice as much as in China

** As China's economic activity has a knock-on impact across Asia, any substantial economic deceleration would also curtail oil demand in neighboring nations

* "If the slowdown in China persists, or even deepens, we may be

embarking on a period of reduced global oil demand growth," the IEA said
* Over the past decade the annual uplift in Chinese oil demand has averaged more than 600k b/d, accounting for more than 60% of the total global average increase of 970k b/d; this dependence on China has increased in recent years
* Changes in population, investment patterns and petrochemical demand are driving China's demand growth
** Development of high-speed rail network and fast-growing EVs displace about 300k b/d of demand growth this year alone
** Slowing construction investment particularly impacts gasoil. Overall gasoil demand fell by almost 5% y/y during the 2Q

--With assistance from Grant Smith.
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Europe's Gasoil Demand Likely to Shrink by 250k B/d in 2024: IEA
2024-09-12 08:00:00.7 GMT
By Jack Wittels
(Bloomberg) -- Gasoil demand in OECD Europe is likely to decline by 250k b/d this year, the IEA said in its monthly Oil Market Report.
* About 70% of the drop is in road diesel
** "Heating oil use was down sharply during the unusually warm winter of 2023/2024, and if there is no return to prevailing historical winter temperatures later this year demand could be weaker than projected"
* Gasoline has meanwhile benefited from ongoing shift away from diesel cars
** Demand rose by 70k b/d in both 1Q and 2Q
* READ: Gasoil Demand in Europe Seen Falling Below Covid-Lockdown Levels

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OPEC Crude Output Slipped 70k B/D in August on Libya Slump: IEA
2024-09-12 08:00:00.6 GMT
By Amanda Jordan
(Bloomberg) -- OPEC's crude output in August slid 70k b/d from a month earlier to 27.37m b/d, led by a drop in Libyan flows, the IEA said in its monthly market report.
* Supply from the North African country declined by 180k b/d to 980k b/d
* READ, Aug. 30: Libya's Political Feud Threatens Return of Oil Supply Chaos
* Elsewhere in Africa, output in Nigeria rose by 50k b/d to 1.36m b/d, while Algerian volumes inched down to 910k b/d
* Supply from core Gulf producers was largely steady, with Saudi output unchanged at 9.01m b/d, Iraq at 4.38m b/d, UAE at 3.3m b/d and Kuwait at 2.52m b/d
* Iranian production edged up 40k b/d to 3.42m b/d
* Venezuelan volumes were stable at 920k b/d
* NOTE: OPEC released its own figures for August on Tuesday, estimating its 12 members pumped 26.59m b/d

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Russia's August Oil-Export Revenue Lowest in Over a Year: IEA
2024-09-12 08:00:00.5 GMT
By Bloomberg News
(Bloomberg) -- Russia's revenue from crude oil and petroleum-product exports in August fell to $15.3 billion, "a level not seen since July 2023," the International Energy Agency says in its monthly market report.
* The drop is due to lower export volumes and declining crude prices
* Russia's crude oil and petroleum product exports in August fell to around 7m b/d in August, the lowest since March 2021
** Crude exports fell to 4.4m b/d, product exports were

relatively stable at 2.65m b/d
* The average-weighted price for Russian crude in August fell to $69.82/bbl amid a global oil slump
* Russia's crude-oil production last month declined to 9.11m b/d, according to the IEA
** That's 80k b/d less than in July but still some 130k b/d above Russia's target for August
* NOTE: OPEC estimates Russia's output in August at 9.059m b/d, while the nation's own data puts the production at 8.983m b/d, very close to the target
* READ, Sept.4: Kremlin Oil, Gas Revenues Up by Fifth as Demand for Flows Rises

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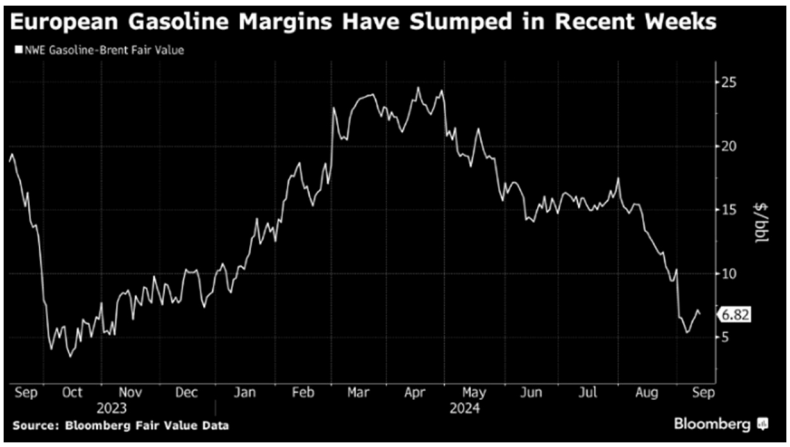
Weak European Refining Margins Could Trigger Run Cuts, IEA Says
2024-09-12 08:00:00.29 GMT
By Rachel Graham
(Bloomberg) -- Weakening refining margins could trigger cuts in output of oil products in Europe, the International Energy Agency said in a report, revising down its estimates for crude throughput in the region for this quarter.
The agency expects refiners in OECD Europe — the continent's industrialized nations — to process 11.5 million barrels a day of crude in the third quarter, compared with a previous estimate of 11.8 million barrels daily.
The loss of Libyan supply and a tight North Sea oil market have pushed up prices for the plants, relative to other grades, making it harder for European refineries to compete at a time when imports of fuels from other regions are rising.
The deterioration in margins has accelerated in recent weeks in Europe "which could trigger economic run cuts," the IEA said. "Mediterranean refiners must adjust to the loss of light and medium sweet Libyan crude supplies that are supporting regional crude differentials."



Oil-processors typically carry out maintenance from this month to prepare for peak heating oil demand in winter, though they often don't make the plans public.

"Autumn maintenance in the Atlantic Basin will help, but we now assume some economic run cuts are implemented during the second half of 2024," the IEA said.

The agency also revised down throughput estimates for OECD Asia and China for the third quarter. European and Asian refiners with petrochemical integration are faring better, the IEA said. Forecasts for the Americas have been revised up.

--With assistance from Jack Wittels and Alex Longley.

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West Africa Crude Prices Pressured by Margins, Asia Spread: IEA

2024-09-12 08:00:00.22 GMT

By Bill Lehane

(Bloomberg) -- West African crude prices were under pressure last month by unsold cargoes, weak European demand and less buying interest from Asia due to a wider Brent-Dubai spread, IEA says in monthly report.

* European demand was subdued, as poor margins for middle distillates weighed on prices
* Demand from Asian buyers was curbed by the wider Brent-to-Dubai EFS spread

** NOTE: This spread fell sharply in the past ten days from a high on Aug. 30, see story:
*** Oil Spread Narrows Sharply Amid Concerns Over European Demand
* Nigeria's Forcados saw its premium over North Sea Dated peak at $3.80/bbl in early August before collapsing to $1.90/bbl by the end of the month
* Qua Iboe, Bonny Light and Brass River each experienced mid-month declines of about 90c/bbl
* Angolan crude premiums fell as Chinese buyers resold term volumes to the market

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https://unsmil.unmissions.org/dsrsg-kourys-remarks-un-security-council-20-august-2024

20 Aug2024

DSRSG Koury's remarks to the UN Security Council - 20 August 2024

Mr. President, (Ambassador Michael Imran Kanu, Sierra Leone),

Over the past two months, the situation in Libya has deteriorated quite rapidly in terms of political, economic and security stability. Unilateral acts by Libyan political military and security actors have increased tension, further entrenched institutional and political divisions and complicated efforts for a negotiated solution. Let me share some of the recent incidents.

On 9 August, the Libyan National Army moved unilaterally toward southwestern parts of Libya sparking Western forces and groups to mobilize and assert their readiness to respond to any attack. While the LNA later clarified its purpose in moving these forces was to secure the southwestern border, this move generated tensions in the West and raised concerns with Libya's neighbour Algeria. These types of unilateral security moves are not confined only to movements of East-West forces but also occur among Western forces and armed groups.

On 23 July, forces affiliated to the GNU moved westward, sparking mobilization by the LNA and among armed groups in that area.

On 9 August, heavy armed clashes broke out in Tajoura, east of Tripoli, between two armed groups resulting in fatalities, injuries to civilians and destruction of property. Local mediation efforts defused the situation.

Mister President,

Unilateral actions by political and security figures are also undermining stability in other ways.

Unilateral attempts to unseat the Central Bank Governor are met with countervailing attempts to maintain him. Attempts to unseat Prime Minister Dbeibah and his Government are met with attempts to maintain them.

On 14 August, tensions escalated and armed groups mobilized in Souk Al Jumma, Tripoli, over reports of some armed movements seeking to take control over the Central Bank. The situation was diffused in the early morning of 15 August.

On 7 August, in a highly close contest - a potentially one vote difference - the results of the vote of President of the High Council of State remain contested and voting for the seats of Vice Presidents and Rapporteur are suspended. The political contest over whether to oppose or maintain Prime Minister and the Government of National Unity have also contributed significantly to the stalemate in the High Council of State. I urge the High Council of State to quickly resolve this issue as it risks further undermining its unity and legitimacy.

On 13 August, some members of the House of Representatives met in Benghazi and voted to end the mandate of the Government of National Unity and the Presidency Council and to transfer the role of Supreme Commander of the Armed Forces to the Speaker of the House of Representatives. These members also endorsed the HoR-designated government in the East as the only legitimate executive. Western leaders rejected these actions.

In response to these and other unilateral actions, UNSMIL reaffirmed to all political leaders and institutions their commitments and obligations under the Libyan Political Agreement and its amendments, in line with all relevant Security Council resolutions, particularly resolution 2702 (2023).

Mr. President, esteemed members of the Security Council,

Unilateral actions in relation to the economic sphere are also causing the problem of instability. Following months of efforts to develop a unified budget with the participation of east, western and southern representatives, on 10 July the House of Representatives adopted a supplementary budget allocation submitted unilaterally by the HoR-designated government. This was denounced by leaders in the West. Moreover, efforts to change the Central Bank Governor continue. The Presidential Council issued a decision to have a new governor and form a Board of Directors over the last couple of days. And this has been rejected by the House of Representatives. These efforts are fueled by perceptions that the CBL Governor is not acting in a manner that is transparent and with far

governance to east and west. Unrelated, but nonetheless important, is a unilateral decision to close the Sharara oil field, under the control of the LNA forces, causing the National Oil Corporation to declare force majeure on 7 August.

Mr. President,

In the midst of this, UNSMIL, along with member states have been actively working to de-escalate the situation. In my interactions with key leaders and public statements I have urged Libyan leaders to refrain from unilateral actions, which will only further exacerbate the situation, and have urged dialogue and a commitment to a political process to move ahead in the interests of the Libyan people. I have conveyed the same messages in my bilateral meetings with Libyan stakeholders. As a first step, UNSMIL is working to help facilitate an overall de-escalation and is proposing talks to develop a set of confidence building measures between all parties to bring an end to unilateral actions and create a more conducive environment for resuming the political process. Among other things, these types of measures would be aimed at ending unilateral actions, commitment to that, and restoring confidence in the Central Bank, ensuring that moves by military and security actors are coordinated so as to prevent mobilization and remove fears by others.

Going further, as a follow on, the success of the political process will require good faith efforts by political and security leaders and actors, an engaged broader public, and a coordinated approach in support of Libyan talks by the international community. The international community's support for Libyan led efforts is indispensable. I will continue to work towards this through engaging the diplomatic community in Libya and coordinating messaging and in capitals abroad in preparation for convening phase two of the political talks.

Last month I launched visits to some regional capitals, to discuss a coordinated approach in support of Libyan and UN facilitated efforts. My interlocutors expressed their commitment to support UNSMIL as it prepares the groundwork for launching these larger political talks. Alongside the holding of political talks in relation to a unified government and the holding of elections in line with current Libyan laws, UNSMIL will continue reinvigorating the economic, security and international humanitarian law and human rights working groups. These are critical issues which need to be progressed alongside the political track and elections. UNSMIL is also working with the Presidency Council and our partners of the African Union, to reactivate the national reconciliation process and the holding of the conference under the auspices of the Presidency Council and this year.

Mr. President,

Against this difficult context, ordinary Libyans are trying to move ahead including with democratic inclusive processes. We are seeing a revived engagement of political parties, trade unions, civil society and independent figures and others to coordinate and pro-actively advance constructive ideas for shaping the political process. The Mission is continuing extensive engagement with Libyans including political parties, women, youth, cultural and linguistic components, academics and others to ensure that they have a say on the future of their country.

Local elections are in fact moving forward on a very positive note. The High National Election Commission, with the Support of UNSMIL, is undertaking the necessary steps. Voter registration was completed for the 60 councils whose mandates expired or due to expire by the end of 2024. Around 210,000 Libyans registered to vote. On 18 August distribution of voter cards and registration of candidates started. The elections are expected to take place in mid-October 2024. Unfortunately, female turnout remains relatively low, constituting only 30 per cent of the registered voters. I am also concerned there will be low participation of women as candidates

The increased number of reserved seats for women for the municipal council elections is a significant step to increase the representation of women in the local government; however more proactive measures are needed as women face many hurdles, including intimidation, online violence, verbal attacks and other obstacles to discourage them from registering as candidates. HNEC, with support from the UN family, is helping to promote the participation of women candidates through a variety of means. Libyan women are also advocating for the establishment of a national committee, representing women throughout Libya, to develop a strategy supporting women's empowerment across all sectors and I urge relevant authorities to facilitate this.

Mr. President,

Moving further south, extremist organizations maintain access and presence in Libya by leveraging their connections with local and transnational organized crime. The growing transnational organized crime and extremist organizations interconnections in Libya are particularly concerning. Weapons have reportedly been coming into Libya, in violation of the arms embargo.

Regarding human rights and respect for rule of law, UNSMIL is working with all stakeholders across Libya, governmental and civil society, to provide technical assistance to strengthen national capacities to advance human rights and the rule of law. In this regard, we have recently enhanced cooperation with the Libyan National Army and reactivated capacity building plans.

I welcome the recent release of some individuals who were arbitrarily detained in the West and the East, including some children. UNSMIL is also engaging with the LNA and authorities to review cases of individuals who remain arbitrarily detained.

However, the challenges are immense, ongoing restrictions on civic space, continued arbitrary detentions, including of women and children, abductions, enforced disappearances, torture, deaths in custody and coerced "confessions", continue to be reported across Libya. UNSMIL will continue to call for the immediate and unconditional release of all those arbitrarily detained, and for transparent and independent investigations into such cases.

On humanitarian developments, on 16 August, flooding occurred in southwestern Libya, primarily in Ghat, displacing an estimated 5,800 individuals. In coordination with the government, the UN Country Team has dispatched humanitarian supplies and continues to do so.

Since the outbreak of fighting in Sudan in 2023, the number of Sudanese refugees in Libya has risen to 97,000 as of 11 August. With most arriving in Kufrah where they face challenging conditions. Full access to refugees is essential to provide effective and increased humanitarian assistance in coordination with local authorities. The UN Response Plan for Sudanese Refugees in Libya is only 21 per cent funded.

Mr. President, Members of the Council

In closing, the status quo is not sustainable. In the absence of renewed political talks leading to a unified government and elections – you see where this is heading - greater political financial and security instability, entrenched political and territorial divisions, and greater domestic and regional instability.

Libyans are frustrated with the status quo and the toll it is taking on their daily lives. People struggle to withdraw money from the banks and to meet their daily needs. Many express fear now about war once again erupting or about clashes between heavily armed groups. They also express fear too share their views freely without threats. Youth do not see a future, except to try to leave. This is not acceptable.

UNSMIL is now focusing its good offices on 1. helping de-escalate tensions, 2. preserving stability and fostering confidence building measures among key stakeholders, and 3. in preparation for convening Libyan led political talks. Advancing the political process, while maintaining stability, is the key priority for UNSMIL. I count on your support to take this forward

Thank you

09/11/2024 08:37:46 [BN] Bloomberg News

OIL DEMAND MONITOR: Stalling Economies Signal Tough Times (1)

- Economic woes and refinery works set to crimp consumption
- Structural changes as well as seasonal factors threaten demand

By John Deane

(Bloomberg) -- With the Northern Hemisphere's travel season done and economies from Asia to the US struggling, oil suppliers face a challenging market through the end of the year and beyond.

Unease about the performance of nations from China to Europe and the US has darkened the outlook for global fuels usage – notably diesel – in the coming months.

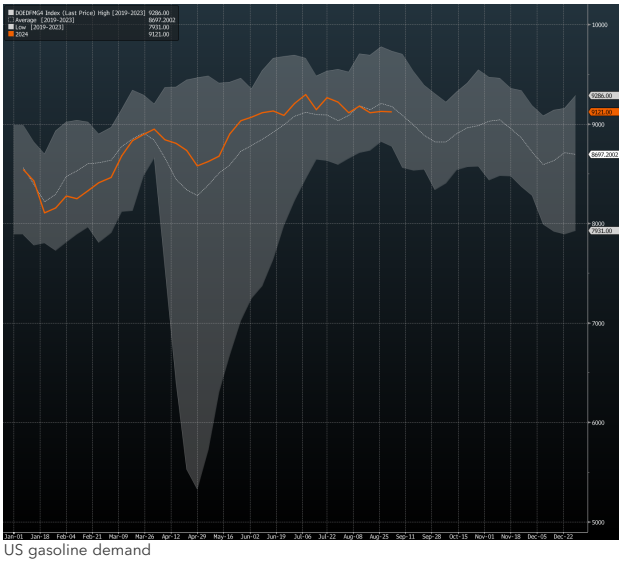
This week's APPEC conference echoed with concerns over the impact of China's issues and supply outpacing demand. The mix of worries sent futures prices crashing in recent sessions, while the OPEC+ alliance postponed a planned supply hike and Saudi Aramco cut pricing.

Max Layton, Citigroup's global head of commodities research, expects the price of oil to average $60 next year as demand growth continues to slow. "The market's become, I would say, consensus bearish because the balances look so bad for 2025, in particular for the first half," Layton said on Bloomberg Television.

Adding to economic headwinds, consumption faces a seasonal drop, and there are growing signs of structural threats.

In the US, government data last week showed four-week average demand for gasoline pretty flat, and below the five-year average. It typically falls by as much as 500,000 barrels a day over the coming five or so weeks, as the travel season recedes. Global flying, which chalked up impressive numbers over the summer, is also due a seasonal dip.

Read More: American Drivers Signal a Top in Gasoline Demand



US gasoline demand

Oil refiners typically carry out maintenance in the autumn, before demand for heating oil peaks in winter. Work can start as early as August in Europe. Weak processing margins also threaten to trim refinery runs.

There are structural changes in play, too. Traditional engines continue to get more efficient, while electric vehicles are gaining traction, notably in China. The nation's gasoline consumption is likely to peak this year or next as the fleet transitions toward EVs, Vitol Group CEO Russell Hardy said this week. A similar shift is emerging for commercial vehicles, further

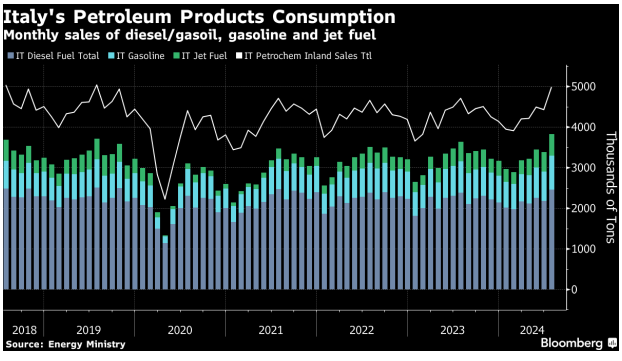
damping demand for diesel.

Still, there's a range of views on the long-term outlook. On Tuesday, OPEC kept forecasts for demand broadly steady, still projecting that consumption will climb by two million barrels a day this year, a figure that's much higher than seen by other forecasters. The US Energy Information Administration pegs the gain at about half that.

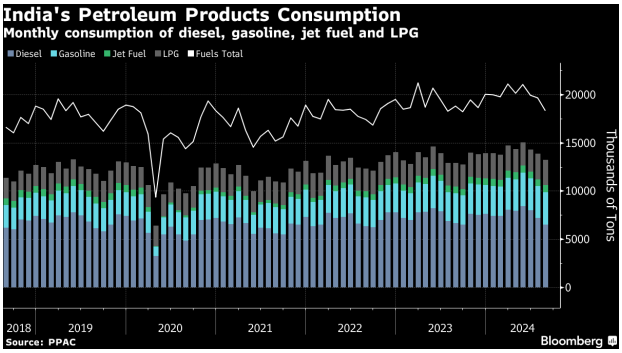
Global demand in 2050 will be the same – or even slightly higher – than current levels, according to Exxon Mobil Corp. Consumption will remain above 100 million barrels a day, driven by industrial uses such as plastic production and heavy-duty transportation, Exxon said in its Global Outlook.

DEMAND BY COUNTRY:

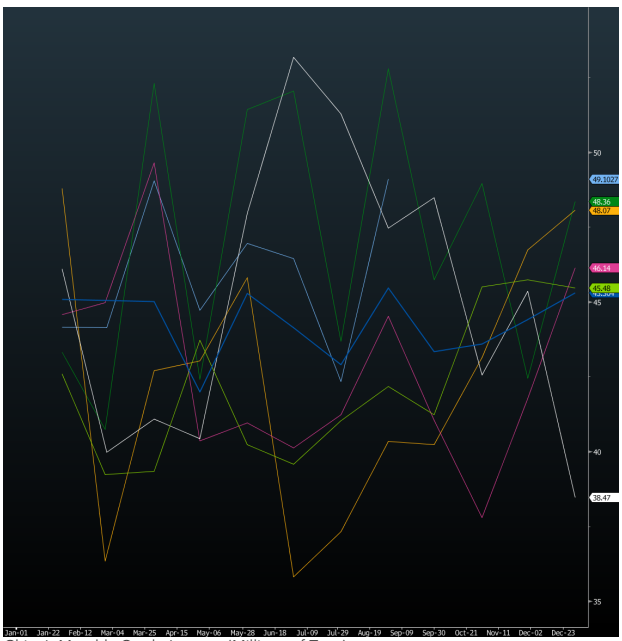
Demand Measure	Location	%vs 2023	%vs 2022	% vs 2021	% vs 2020	% vs 2019	% m/m	Freq	Latest Date	Latest Value	Source
Gasoline product supplied	US	-4.1	+2.4	-6.7	+1.7	-5.6	-0.3	w	Aug. 30	8.94m b/d	EIA
Distillates product supplied	US	+3.4	+10	-9	+2	-3.3	+15	w	Aug. 30	4m b/d	EIA
Jet fuel product supplied	US	+9	+23	-1.9	+88	-6.2	-9.5	w	Aug. 30	1.76m b/d	EIA
Total oil products supplied	US	+1.7	+3.3	-10	+21	-5	+2.8	w	Aug. 30	20.54m b/d	EIA
Car use	UK	+1	+3.2	+2.1	+8.9	-2	unch.	m	Sept. 9	98	DfT
Heavy goods vehicle use	UK	+0.9	+2.9	-0.9	+3.8	+8	+2.9	m	Sept. 9	108	DfT
All motor vehicle use index	UK	+2	+5.1	+4	+11	+4	+1	m	Sept. 9	104	DfT
Gasoline (petrol) avg sales per filling station	UK	+3.6	+11	+8.3	+41	+3.3	+5.7	w	Week to June 30	7,428 liters/day	BEIS
Diesel avg sales per station	UK	-3.3	-4.5	-10	+7.9	-16	+7.8	w	Week to June 30	8,735 liters/day	BEIS
Total road fuels sales per station	UK	-0.2	+2.1	-2.6	+21	-8.2	+6.8	w	Week to June 30	16,163 liters/day	BEIS
Road fuel sales	France	+8						m	July	4.53m m3	UFIP
Gasoline sales	France	+14						m	July	n/a	UFIP
Road diesel sales	France	+5.3						m	July	n/a	UFIP
Jet fuel sales	France	+6.2						m	July	816k m3	UFIP
All petroleum products	France	+7.9						m	July	5.15m tons	UFIP
Gasoline deliveries	Spain	+12						m	August	728k m3	Exolum
Diesel (and heating oil) deliveries	Spain	+13						m	August	2,355k m3	Exolum
Jet fuel deliveries	Spain	+9.7						m	August	793k m3	Exolum
Total oil products deliveries	Spain	+12						m	August	3,875k m3	Exolum
All vehicles traffic	Italy	unch.					-5	m	August	n/a	Anas
Heavy vehicle traffic	Italy	-3					-23	m	August	n/a	Anas



- READ: Italy's Record Jet Fuel Sales a Sign of Europe's Covid Recovery
  - Click here for data



- READ: India's August Oil Products Consumption Falls 2.6% Y/y
  - Click here for PPAC data



China's Monthly Crude Imports (Millions of Tons)

- READ: China's Commodities Imports Rise Ahead of Peak Demand Season

More:

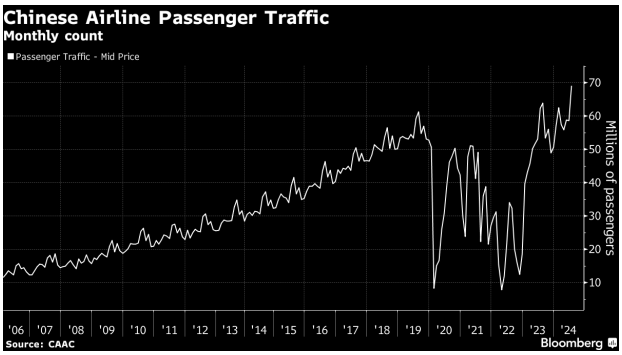
- Click here for a story on Germany's oil products sales in June; here for data
- Click here for previously published Mundys data on international toll roads flows (to June)
- Click here for data on Portuguese fuels consumption; story on July
- Click here for more on sources

AIR TRAVEL:

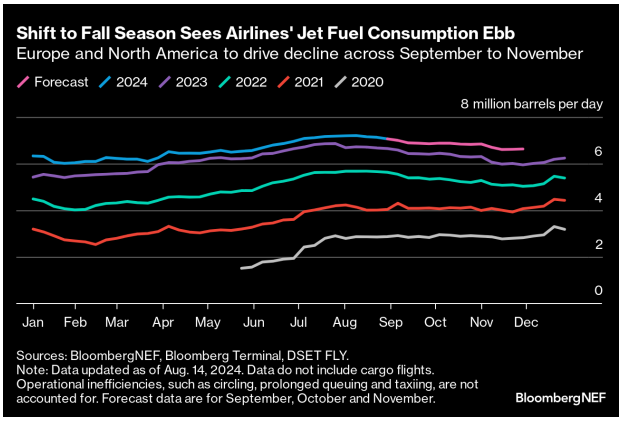
Measure	Location	vs 2023	vs 2022	vs 2021	vs 2020	vs 2019	m/m	w/w	Freq.	Latest Date	Latest Value	Sourc
		changes shown as %										
All flights	Worldwide	+0.1	+15	+18	+52	+13	-2.5	+4.8	d	Sept. 9	233,073	Flight
Commercial flights	Worldwide	+4.3	+31	+43	+95	+11	-2.7	+3.2	d	Sept. 9	132,381	Flight

Seat capacity per month	Worldwide	+4.5		+20	+49	+105	+2.1		−0.3	w	Sept. 9 week	117.2m OAG
Air traffic (flights)	Europe						−2.9	+0.2	−0.6	d	Sept. 9	34,451 Euroc
Airport passenger throughput (7−day avg)	US	+3		+14	+37	+206	+14	−11	−1	w	Sept. 8	2.37m TSA

- Click here for story on Heathrow Airport's August passenger data



- See More: China's Air Travel Rebound and Refining (Video)
- READ: BNEF Theme: Short−Term Passenger Jet Fuel Demand

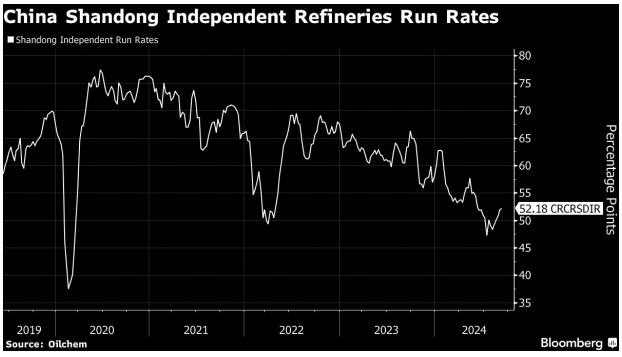


REFINERIES:

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	+1.7	+6.1	+6	−2.8	+3	Aug. 30	16.9m b/d	EIA
Utilization	US	+0.2	+2.4	+2	−1.5	+2.8	Aug. 30	93.3	EIA
Utilization	US Gulf	+2.1	−1.6	+0.2	−3	+1.4	Aug. 30	92.6	EIA

Utilization	US East	−9.4	−16	−1.2	+14	−5.2 Aug. 30	83.5	EIA
Utilization	US Midwest	−3.4	+14	+2.9	−2.3	+7.9 Aug. 30	97.2	EIA

Note: Changes in percentages for crude intake; refinery utilization changes shown in percentage points.



(Updates with latest UK DfT data in first table, new video.)

--With assistance from Rachel Graham, Bill Lehane, Julian Lee, Alex Longley, Danny Lee and Prejula Prem.

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https://news.sky.com/story/coal-mine-high-court-judge-throws-out-project-in-whitehaven-west-cumbria-13213816

Controversial Cumbria coal mine plan thrown out by High Court judge

Climate campaigners have hailed a "huge victory" for the environment after a judge blocked the UK's first new coal mine in 30 years. The ruling suggests all UK fossil fuel extraction projects can be challenged on similar grounds, and could have "ramifications internationally".

Victoria Seabrook Climate reporter @SeabrookClimate

Friday 13 September 2024 11:36, UK

Image:Campaigners against the proposed Whitehaven coal mine protested outside court during the hearing in July. Pic: Friends of the Earth

The decision to approve the UK's first coal mine for 30 years has been thrown out by a High Court judge.

Today's ruling likely forces Angela Rayner, the Labour government's housing, communities and local government secretary, to reconsider the planning application for the Whitehaven coal mine - this time taking into account the full damage it could do to the climate.

Mr Justice Holgate said in his judgment: "The assumption that the proposed mine would not produce a net increase in greenhouse gas emissions, or would be a net zero mine, is legally flawed."

At a hearing in July, the newly elected government had already decided not to defend the previous Conservative administration's decision to greenlight the project, following new legal developments.

The future of the proposed mine is now uncertain.

Project developer West Cumbria Mining has not confirmed its next step, saying it will "consider the implications" of the High Court judgment.

It could choose to withdraw its application, or seek to appeal against the High Court's decision.

Image:A design drawing of the proposed mine. Pic: West Cumbria Mining

The ruling suggests a landmark case in June has **paved the way for successful legal challenges** against fossil fuel extraction projects in the UK.

In the June case, the UK's highest Supreme Court ruled that the environmental damage from burning coal, oil and gas must be taken into account when deciding whether to approve new fossil fuel projects.

Niall Toru, senior lawyer for Friends of the Earth, which helped bring the case, called it "a huge victory for our environment".

He said the ruling against the project "could have ramifications internationally", as there are cases abroad being challenged on similar grounds.

The Whitehaven mine application argues it would create up to 500 jobs and provide coking coal for the steel industry.

There were always questions about whether the coal was suitable for UK steelworks, and since then the UK market has declined, with **Tata Steel this week moving ahead with plans to cut jobs and switch to greener methods**.

The troubled history of the Whitehaven coal mine plans

Today's High Court decision is just the latest step in a dramatic saga.

Boris Johnson's government **approved the coal mine in December 2022**, not long after it had lobbied other countries to ditch coal when it hosted the COP26 climate summit in Glasgow.

It was the first new coal extraction project to be approved in the UK for 30 years, promising local jobs, but was condemned by top climate advisers.

Campaigners Friends of the Earth and South Lakes Action on Climate Change (SLACC) took the government to court over the decision, arguing it had failed to take into account the full climate impact of the mine.

The mine's future was thrown into further doubt this year when another fossil fuel project being challenged on similar grounds was shot down.

In June **the Supreme Court ruled the Horse Hill oil site in Surrey had been approved unlawfully**.

It said the assessment of its environmental damage should have taken into account the emissions from burning the fossil fuel, not just from extracting it.

Weeks later, the **new Labour government dropped its defence of the coal mine**, saying it had initially been approved due to an "error of law".

However, West Cumbria Mining still wanted to fight for the project and the court case went ahead.

This was the first similar case since the June ruling to test whether it had set a precedent.

https://investors.vertumotors.com/news/the-daily-telegraph-petrol-cars-rationed-to-meet-eco-targets/

The Daily Telegraph: Petrol cars 'rationed to meet eco targets'

03/09/2024 16:32

The Daily Telegraph: Petrol cars 'rationed to meet eco targets'

The Daily Telegraph, Tuesday 3rd September 2024: Petrol cars ‘rationed to meet eco targets’

Warning comes as consumer demand for expensive electric cars continues to wane.

Car makers are rationing sales of petrol and hybrid vehicles in Britain to avoid hefty net zero fines, according to one of the country’s biggest dealership chains.

Robert Forrester, chief executive of Vertu Motors, said manufacturers were delaying deliveries of cars until next year amid fears they will otherwise breach quotas set for them by the Government.

This means someone ordering a car today at some dealerships will not receive it until February, he said.

At the same time, Mr Forrester warned manufacturers and dealers were grappling with a glut of more expensive electric vehicles (EVs) that are “not easily finding homes”.

He said: “In some franchises there’s a restriction on supply of petrol cars and hybrid cars, which is actually where the demand is.

“It’s almost as if we can’t supply the cars that people want, but we’ve got plenty of the cars that maybe they don’t want.

“They [manufacturers] are trying to avoid the fines. So they’re constraining the ability for us to supply petrol cars in order to try and keep to the government targets.”

The chief executive blamed the zero emission vehicle (ZEV) mandate, which requires at least 22pc of cars sold by manufacturers to be electric from this year.

This target will gradually rise each year before reaching 80pc in 2030, with manufacturers made to pay £15,000 for every petrol car that exceeds their quota – unless they have so-called carbon credits to spend. But the scheme has prompted stark warnings from bosses at major brands, such as Vauxhall owner Stellantis and Ford, which have said they cannot sacrifice profits by selling EVs at large discounts indefinitely. Instead, they have previously warned they may be forced to restrict petrol car supplies to artificially boost their ZEV mandate performance.

The warning from Vertu is the first confirmation that carmakers have now begun doing so.

Mr Forrester added that although some people might cheer falling electric car prices, supporters of the ZEV mandate in its current form were “economic buffoons, because car manufacturers are being forced to discount EVs to such an extent that they’re making losses… and that is not a good thing for business”.

He said: “What the Government’s actually doing is constraining the new car market, which has a big impact on VAT receipts for them, and creates a business environment in the UK where manufacturers may question whether they want to make cars here.

“As Carlos Tavares [chief executive of Stellantis] has said, why should they sell cars at a loss because of UK government policy?

“The new car market is no longer a market, unfortunately. It’s a state-imposed supply chain.”

His comments came as Vertu said it expected lower first half profits as demand for new cars and more expensive electric vehicles remained under pressure. The group, which has 192 showrooms and after-sales sites across the UK, said new car sales by volume fell 5.8pc in the five months to July 31.

By contrast, Vertu says there is strong demand for used cars with September expected to be a particularly busy month.

Mr Forrester’s warning comes after the Society for Motor Manufacturers and Traders (SMMT), which represents car makers, slashed its forecast for electric car sales this year amid the ongoing slowdown in demand.

The group now predicts electric vehicles (EVs) will account for 18.5pc of the new car market in 2024, down from an earlier prediction of 19.8pc.

EV registrations surged higher in July but sales to private consumers continued to slump.

Mike Hawes, chief executive of the SMMT, said the weakening demand for EVs among private consumers – despite heavy discounting by car makers – remained the industry’s “overriding concern”.

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Public disclosure of inside information according to article 17 MAR

Bayerische Motoren Werke Aktiengesellschaft: Adjustment of 2024 Guidance

Munich (pta016/10.09.2024/12:50 UTC+2)

The Board of Management of BMW AG adjusted the guidance for the 2024 financial year today.

This was triggered in part by additional headwinds in the Automotive Segment resulting from delivery stops and technical actions linked to the Integrated Braking System (IBS) that is provided by a supplier.

The delivery stops for vehicles that are not already in customers hands will have a negative worldwide sales effect in the second half of the year. The IBS-related technical actions impact over 1.5 million vehicles and result in additional warranty costs in a high three-digit million amount in the third quarter.

In parallel to this effect, the ongoing muted demand in China is affecting sales volumes. Despite stimulus measures from the government, consumer sentiment remains weak.

Considering these developments in the Automotive Segment outlined above, the BMW Group has adjusted the guidance for the 2024 financial year as follows:

- A slight decrease in deliveries versus previous year (previously: slight increase).
- An EBIT margin for 2024 in a corridor from 6% to 7% (previously: 8% to 10%).
- Return on Capital Employed (RoCE) between 11% and 13% (previously: 15% to 20%).

Free-Cash-Flow in the Automotive Segment is estimated to be above €4bn for the 2024 Financial year.

As of today, the described earnings effects together with additional inventory will impact the third quarter much more than the fourth quarter.

In the Motorcycles Segment, the ongoing competitive situation across core markets – including China and the USA – is having a major impact on volume and price realization. Deliveries to customers are now expected at prior year's level (previously: slight increase). Accordingly, the EBIT margin for 2024 is expected to be in a corridor of 6% to 7% (previously: 8% to 10%) and Return on Capital Employed (RoCE) is anticipated to be between 14% and 16% (previously: 21% to 26%).

Group Earnings before Tax will therefore decrease significantly (previously: slight decrease).

The full quarterly results and the adjusted outlook report will be published on 6 November 2024 in the BMW Group Quarterly Statement to 30 September 2024.

The definitions of the KPIs can be found in the Glossary of the BMW Group Report 2023 on pages 330 to 336.

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https://www.ey.com/en_us/newsroom/2024/09/us-consumers-less-likely-to-purchase-an-ev-than-last-year
09 Sep 2024

EY Mobility Consumer Index shows US less likely to purchase an EV than last year and compared to global consumers

However, an increase in interest for hybrid vehicles shows a new pathway to EV adoption

- Of the US consumers planning on purchasing a new vehicle in the next 24 months, only 34% intend to purchase an EV, down 14% from 48% in the 2023 EY MCI.
- Despite a focus on infrastructure and EV education, consumers cite expensive battery replacement (26%) and concerns about public chargers (25%) as major deterrents to buying an EV.
- Amid questions about EV maintenance and value, hybrid vehicles are on the rise, with 21% of US consumers considering a hybrid vehicle as a transitional bridge between ICE and EVs.

The fifth iteration of the EY Mobility Consumer Index (MCI), a global survey of almost 20,000 consumers from 28 countries, found that despite record US consumer interest in electric vehicles (EVs) in 2023, only 34% of US consumers intend to purchase an EV as their next car in 2024. This marks a 14 point decrease since the 2023 MCI findings, proving that EV education is not where it needs to be and barriers to mass EV adoption still exist.

"While we've seen substantial increases in interest and purchasing of EVs since 2020, this year's MCI shows dips in demand for the first time," said Steve Patton, EY Americas Automotive Leader. "This decrease is due partly to a lack of consumer education around the long-term value of an EV and maintenance requirements vs. traditional ICE (internal combustion engine) vehicles."

Consumer confidence in infrastructure builds, yet concerns about battery maintenance and value fall short

In the last year, consumer confidence in both EV range and charging infrastructure has risen, due in large part to cross-sector collaboration and investments in both education and charging stations. In 2023, MCI findings revealed that 30% of US car buyers were concerned about EVs' limited range. This year, only 24% of US car buyers felt the limited range of EVs was a top concern. What's more, the lack of charging stations is less of a worry than it once was. In 2022, MCI noted that 34% of US buyers were concerned about finding charging stations — that number was 23% in 2024, representing an 11 percentage-point decrease.

That said, confidence in EV range and charging infrastructure has been overshadowed lately by US consumers' increasing concerns about battery life and maintenance fees. Expensive battery replacement was the top deterrent to purchase an EV for US consumers, overtaking lack of charging stations for the first time. This is especially true for potential first-time EV buyers, as 27% noted concerns about expensive batteries compared to 23% of current EV owners.

"Over the last five years, we've seen tremendous progress around easing the barriers for EV adoption, from curbing reliability and accessibility concerns to instilling charging confidence among US consumers," said Marc Coltelli, EY Americas Power & Utilities eMobility Leader. "To keep momentum and make EV ownership appealing, it's imperative to educate and create a seamless customer experience from the dealership to the charge point, throughout the ecosystem and lifecycle of an EV. Now, US consumers are expressing heightened concerns over maintenance and battery replacement costs, when really it costs less to maintain an EV compared to ICE vehicles."

Hybrid vehicles prove transitional bridge may be necessary

While EV demand has decreased, interestingly, hybrid vehicles have risen in popularity. In 2024, the share of US consumers intending to buy a hybrid vehicle as their next car rose 2 percentage points, compared to the global average, which decreased 2 points overall.

This rise can be attributed to the overall versatility of hybrid vehicles. In fact, 21% of US consumers say they prefer a gradual transition from an ICE vehicle to a fully electric vehicle. What's more, 26% of US buyers like the security that comes with a hybrid engine (compared to only 19% of global respondents). This shows that optionality is key, and hybrids are stepping in for EVs as a bridge vehicle for those interested but not yet willing to give up the comfort of owning an ICE.

"It's no surprise that hybrid vehicles are rising in popularity, especially with many potential EV buyers pointing to environmental concerns as their motivation to purchase," said Raman Ram, EY Americas Aerospace, Defense and Mobility Leader. "With many still hesitant to go all in with EVs, hybrids offer an 'easier-to-swallow' solution: the security of ICE with the advancements of EV technology and performance. For those who are looking to transition due to the environment, hybrids allow owners to lessen their reliance on fuel and creates options for batteries and parts. For many, it's a win-win."

EVs are leading the future of tech-enabled driving

Despite decreased demand, automakers have long used EVs in the transition to more connected vehicles. And now, as clear leaders in tech-enabled driving, US consumers expect EVs to have connected service options. For the majority (57%) of US consumers, navigation features are the top feature used when connecting a car to the internet, and a further 45% would pay for navigation services, proving technology enablement has become a basic necessity for potential car buyers. Another need for the majority (56%) of US consumers is safety measures, while almost half (46%) would use connected services for maintenance requests and service updates.

However, EV owners do feel pain points with the transition to connected cars. Almost half (47%) note high price points for additional services are concerning, with an additional 36% noting most services can be found on their smartphones.

While the road for consumers to become fully electric is bumpy, and as demand ebbs and flows, education and creating hybrid options will be key to the progression of mass EV adoption.

For more information, visit **https://www.ey.com/en_us/services/mobility**.

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About the EY Mobility Consumer Index

Launched in 2020, the EY Mobility Consumer Index (MCI) is an annual study that gauges car buying intent; analyzes the pace of shift toward the adoption of electric vehicles, challenges in charging infrastructure and interest toward connected features; and assess the consumers' car buying journey. The MCI 2024 uncovers insights from 19,000 respondents in 28 countries. The US-specific findings account for 1,500 respondents. The latest edition also addresses pressing uncertainties confronting the EV future, namely:

- How has the EV landscape evolved, and do hybrids assume greater prominence?
- Are Chinese companies upending consumer brand preferences in the EV market?
- How has the level of interest in connected features evolved?

https://www.reuters.com/business/autos-transportation/stellantis-pauses-production-electric-fiat-500-due-poor-demand-2024-09-12/

Stellantis pauses production of electric Fiat 500 due to poor demand

By Reuters

September 12, 20246:19 AM MDT

Updated a day ago

A Fiat 500 electric car is displayed at a showroom of a car dealer in Rome, Italy, November 9, 2023. REUTERS/Guglielmo Mangiapane/File Photo *Purchase Licensing Rights, opens new tab*

ROME, Sept 12 (Reuters) - Stellantis (STLAM.MI), opens new tab said on Thursday it would suspend production of the fully electric Fiat 500 small car for four weeks due to sluggish demand.

The global slowdown in sales of electric vehicles (EVs), partly due to diverging policies on green incentives, has pushed automakers worldwide to adjust their EV plans.

"The measure is necessary due to the current lack of orders linked to the deep difficulties experienced in the European electric (car) market by all producers, particularly the European ones," Stellantis said in a statement.

The 500 is made in the northwestern Italian city of Turin, the birthplace of the Fiat brand, at the historic Mirafiori plant.

The suspension of production will start on Friday, Stellantis said, adding it was "working hard to manage at its best this hard phase of transition".

As part of these efforts, the Franco-Italian group said it is investing 100 million euros ($110 million) in Mirafiori to adopt a higher performance battery and will produce a hybrid version of the 500 electric model, starting between 2025 and 2026.

Unions have long been asking Stellantis to relaunch the Mirafiori site, where output has slumped in recent years, including with the introduction of a new high-volume, cheap car.

"The Mirafiori complex is undergoing a deep transformation, with the aim of making it a true global innovation and development site, a key choice if we are to meet the challenge of the transition to sustainable mobility to which we are called," Stellantis said.

Italy earlier this year launched a $1 billion plan helping drivers switch to cleaner vehicles, with subsidies for purchases of fully-electric cars but Rome and the carmaker have been at odds over the governments approach to incentives.

($1 = 0.9074 euros)

Reporting by Giulio Piovaccari, writing by Giulia Segreti, editing by Alvise Armellini and David Evans

Weekly commentary

BlackRock.

September 9, 2024

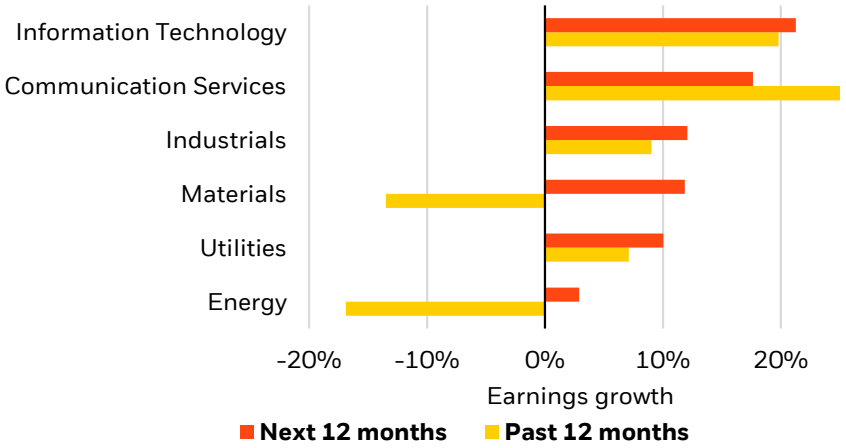
Why U.S. equity gains can broaden

- We get selective in artificial intelligence names, moving toward beneficiaries outside the tech sector. We look for quality in bonds after a sharp yield drop.
- U.S. stocks fell last week as recession fears and other factors shook markets. U.S. Treasury yields slid as markets priced in sharp Federal Reserve rate cuts.
- The U.S. CPI data this week will show whether services inflation is still cooling. We think the jobs data show market expectations for Fed rate cuts are overdone.

U.S. recession fears and other factors have jolted markets. We could see more volatility flare-ups ahead of the U.S. presidential election. We move from a U.S. tech focus within our equity overweight, leaning further into a wider set of winners from the artificial intelligence (AI) buildout. We don't see the Federal Reserve cutting policy rates as sharply as markets expect and go underweight U.S. short-dated Treasuries. We prefer medium-term Treasuries and quality credit.

Earnings broadening out

U.S. sector earnings, past vs. next 12 months, September 2024



Past performance is not a reliable indicator of current or future results. Source: BlackRock Investment Institute, with data from MSCI and LSEG Datastream, September 2024. Notes: The chart shows the change in aggregate analyst earnings forecasts for U.S. sectors.

We see multiple factors driving market volatility: resurgent recession fears due to some softer economic data, pre-U.S. election jitters and profit-taking as investors make room for new stock issues. Yet U.S. corporate earnings have proved resilient. All sectors beat expectations for Q2 earnings, driving broad improvement in profit margins. Overall S&P 500 earnings growth was 13% in Q2, beating the 10% consensus expectation, LSEG data shows. Analysts are forecasting broad-based earnings growth over the next 12 months – especially for sectors tied to the AI theme. See the chart. We see a narrowing gap in earnings growth between U.S. tech companies and the rest of the market – even if tech still leads the way – suggesting U.S. equity returns can broaden. We favor high-quality companies delivering consistent earnings growth and free cash flow in case volatility persists.

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BlackRock Investment Institute

We still favor the AI theme yet fine-tune our exposure. In the first phase of AI now underway, investors are questioning the magnitude of AI capital spending by major tech companies and whether AI adoption can pick up. While we eye signposts to change our view, we think patience is needed as the AI buildout still has far to go. Yet we believe the sentiment shift against these companies could weigh on valuations. So we turn to first-phase beneficiaries in energy and utilities providing key AI inputs – and real estate and resource companies tied to the buildout. Outside the U.S., we trim our overweight to Japanese equities. The drag on corporate earnings from a stronger yen and some mixed policy signals from the Bank of Japan following hotter-than-expected inflation make us less positive. But we expect corporate reforms to keep improving shareholder returns.

U.S. earnings growth broadening beyond early AI winners is a sign the economy is more resilient than markets are pricing. Growth is moderating as expected. Yet we view extreme market reactions to softening economic data as overdone. Activity is holding up versus what some sentiment data would imply. The unemployment rate has ticked up due to higher labor supply stemming from an unexpected rise in immigration, not lower demand. In the medium term, we see a shrinking labor force, large U.S. fiscal deficits and mega forces, or structural shifts, like geopolitical fragmentation all underpinning sticky inflation.

Even as inflation is falling toward the Fed's target in the near term, higher inflation over the medium term will limit how far the Fed can cut rates, we think. Growth jitters and cooling inflation have driven 10-year yields to 15-month lows as investors have priced in more than 100 basis points of cuts by year-end and about 240 basis points of cuts over the next 12 months – implying a Fed response to a recession. That would take policy rates below our view of the neutral interest rate – the rate at which policy neither stimulates nor holds back growth. We go underweight short-dated U.S. Treasuries, looking for income elsewhere in developed markets such as short-dated euro area bonds and credit.

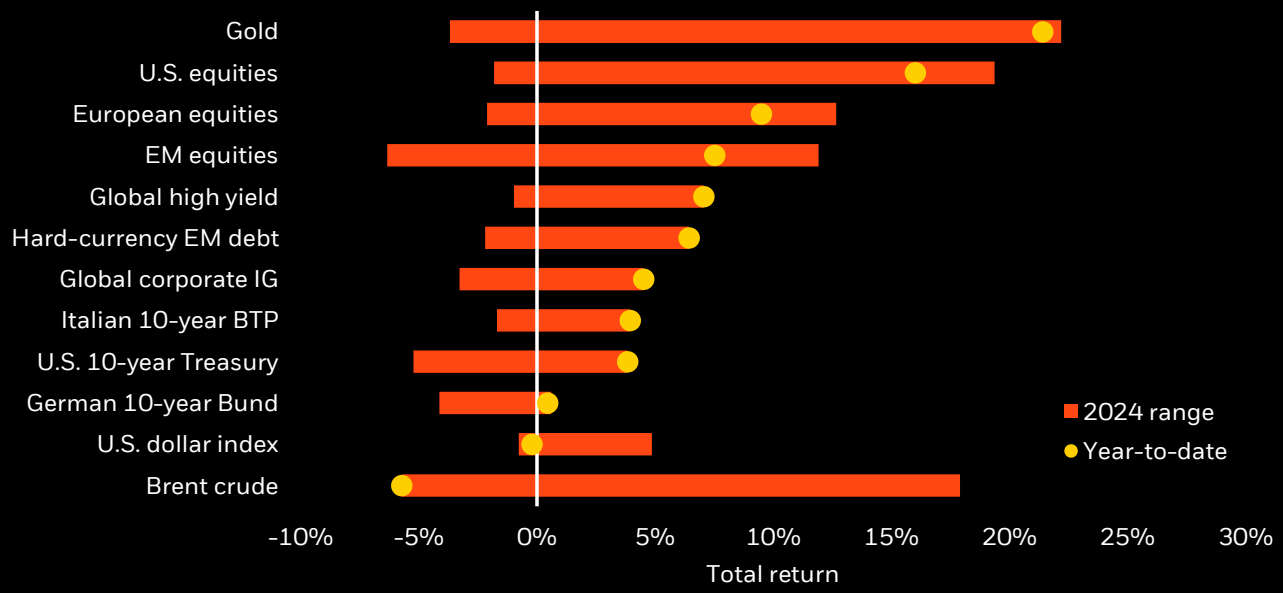
Bottom line: We expand from a U.S. tech focus, leaning into a wider set of winners from the AI buildout. We trim our Japanese equity overweight. We go underweight U.S. short-dated Treasuries, preferring medium-term maturities and quality credit.

Market backdrop

U.S. stocks tumbled as recession fears and other factors shook markets. The S&P 500 suffered its largest weekly drop in 18 months. Two- and 10-year U.S. Treasury yields slid to around 3.70% as markets priced in sharp Fed rate cuts in the next 12 months. We think these recession fears are overblown, as last week's U.S. jobs data confirmed. Job growth is slowing but is far from the layoffs that typically signal recession. Wage gains don't suggest inflation will cool to the Fed's 2% target, in our view.

Assets in review

Selected asset performance, year-to-date return and range



Past performance is not a reliable indicator of current or future results. Indexes are unmanaged and do not account for fees. It is not possible to invest directly in an index.

Sources: BlackRock Investment Institute, with data from LSEG Datastream as of Sept. 5, 2024. Notes: The two ends of the bars show the lowest and highest returns at any point year to date, and the dots represent current year-to-date returns. Emerging market (EM), high yield and global corporate investment grade (IG) returns are denominated in U.S. dollars, and the rest in local currencies. Indexes or prices used are: spot Brent crude, ICE U.S. Dollar Index (DXY), spot gold, MSCI Emerging Markets Index, MSCI Europe Index, LSEG Datastream 10-year benchmark government bond index (U.S., Germany and Italy), Bank of America Merrill Lynch Global High Yield Index, J.P. Morgan EMBI Index, Bank of America Merrill Lynch Global Broad Corporate Index and MSCI USA Index.

Week ahead

Sept. 9	China CPI and PPI	**Sept. 12**	U.S. PPI; European Central Bank (ECB) policy decision
Sept. 11	U.S. CPI	**Sept. 10–17**	China total social financing

In the U.S., August CPI data is the main release this week. Services inflation has fallen in recent months as wage inflation has eased some thanks to a surge in immigration. Whether that labor supply shock persists will influence how much the Fed can cut interest rates, but we think market pricing of cuts is overdone, with wage inflation still too high to be consistent with overall inflation returning to 2%. We, like markets, expect the ECB to cut rates this week.

Big calls

Our highest conviction views on tactical (6-12 month) and strategic (long-term) horizons, September 2024

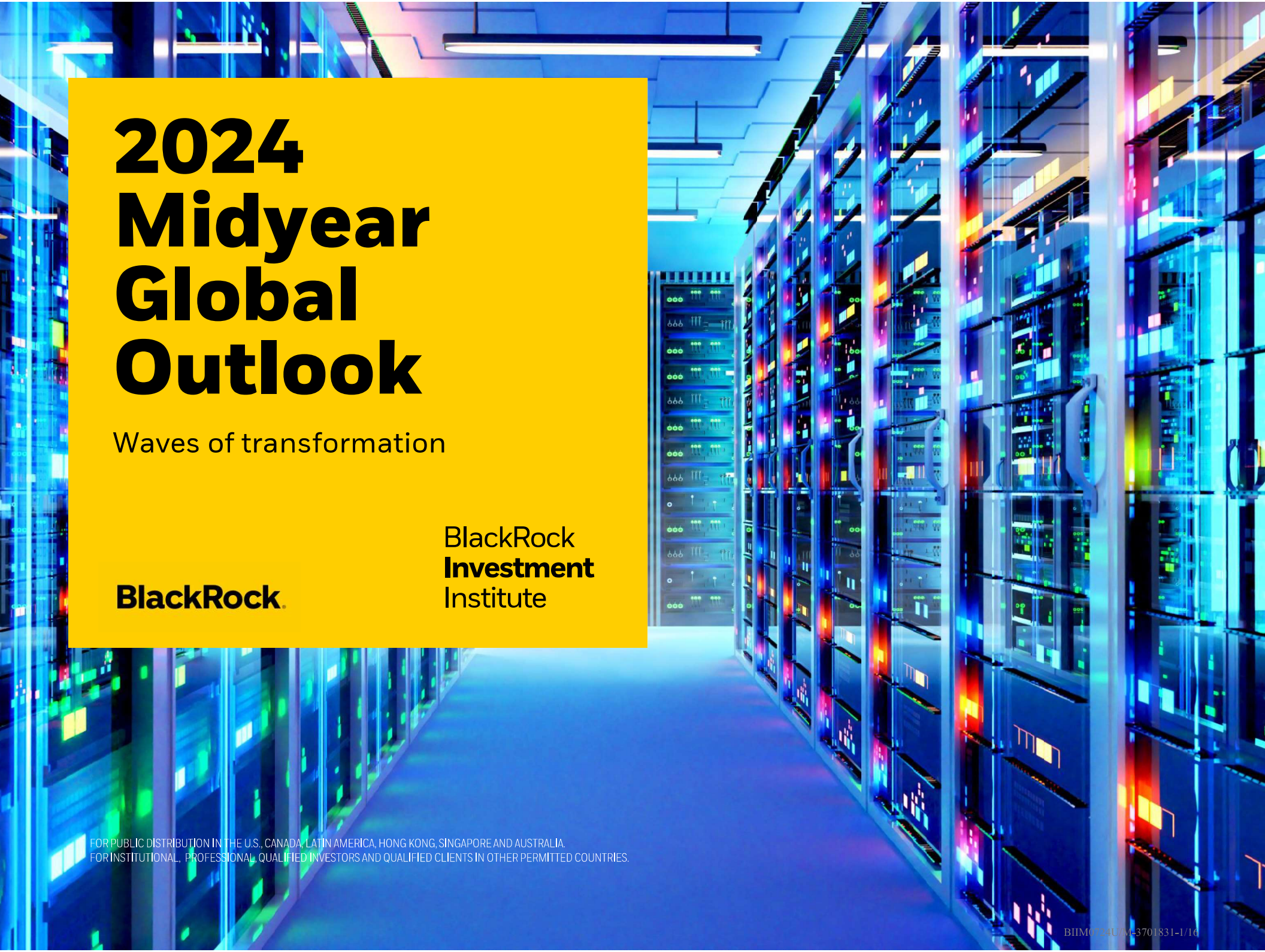
Tactical	Reasons
AI and U.S. equities	• We see the AI buildout and adoption creating opportunities across sectors. We get selective, moving toward beneficiaries outside the tech sector. Broad-based earnings growth and a quality tilt make us overweight U.S. stocks overall.
Japanese equities	• A brighter outlook for Japan's economy and corporate reforms are driving improved earnings and shareholder returns. Yet the drag on earnings from a stronger yen and some mixed policy signals from the Bank of Japan are risks.
Income in fixed income	• The income cushion bonds provide has increased across the board in a higher rate environment. We like quality income in short-term credit. We're neutral long-term U.S. Treasuries.
Strategic	**Reasons**
Private credit	• We think private credit is going to earn lending share as banks retreat – and at attractive returns relative to public credit risk.
Fixed income granularity	• We prefer intermediate credit, which offers similar yields with less interest rate risk than long-dated credit. We also like short-term government bonds, and UK long-term bonds.
Equity granularity	• We favor emerging over developed markets yet get selective in both. EMs at the cross current of mega forces – like India and Saudi Arabia – offer opportunities. In DM, we like Japan as the return of inflation and corporate reforms brighten our outlook.

Note: Views are from a U.S. dollar perspective, September 2024. This material represents an assessment of the market environment at a specific time and is not intended to be a forecast of future events or a guarantee of future results. This information should not be relied upon by the reader as research or investment advice regarding any particular funds, strategy or security.

Tracking five mega forces

Mega forces are big, structural changes that affect investing now – and far in the future. As key drivers of the new regime of greater macroeconomic and market volatility, they change the long-term growth and inflation outlook and are poised to create big shifts in profitability across economies and sectors. This creates major opportunities – and risks – for investors. See our web hub for our research and related content on each mega force.

1. **Demographic divergence:** The world is split between aging advanced economies and younger emerging markets – with different implications.
2. **Digital disruption and artificial intelligence (AI):** Technologies are transforming how we live and work.
3. **Geopolitical fragmentation and economic competition:** Globalization is being rewired as the world splits into competing blocs.
4. **Future of finance:** A fast-evolving financial architecture is changing how households and companies use cash, borrow, transact and seek returns.
5. **Transition to a low-carbon economy:** The transition is set to spur a massive capital reallocation as energy systems are rewired.



2024 Midyear Global Outlook

Waves of transformation

BlackRock Investment Institute

BlackRock

BIIM0724U/M-3701831-1/16

Transformation ahead?

We think the world could be undergoing waves of transformation on a scale rarely seen in history. Mega forces are driving this transformation and are starting to unleash massive investment into the real economy: infrastructure, energy systems, advanced technology – and people. We think the volume of investment could be on a par with past technological revolutions – reshaping markets and economies. See the chart. Yet the speed and scale of that investment, and its potential impact on economy-wide productivity, are highly uncertain.

Consider AI. The race to scale up AI capabilities is already spurring major capital spending. A range of estimates see investment in AI data centers rising by 60-100% annually in coming years. Yet it is difficult to pin down exact amounts, even in the first phase of the AI buildout. It will depend on any resource constraints – like difficulty meeting AI's energy needs on top of already growing demand, including for electrification. Innovations in computing and energy could ease those constraints.

In a second phase, we think investment will broaden out to firms seeking to harness AI – with the amount depending on AI's buildout and adoption. It is possible that this all results in a third phase of broad productivity gains. See pages 8-9.

The low-carbon transition is also spurring major investment. Our BlackRock Investment Institute Transition Scenario estimates energy system investment will hit $3.5 trillion per year this decade. Rising geopolitical fragmentation also implies investment: countries are prioritizing national security over economic efficiency. Reconfiguring supply chains requires investment.

Uncertainty around the speed and scale of coming investment, plus an unusual economic backdrop marked by supply constraints, make it tough to gauge exactly where the world is heading longer term. But we see the transformation evolving through distinct phases, like advances in the AI buildout first and broad adoption later. This progression can help provide direction – enabling us to evolve asset allocations on the way.

Mega capex coming

Total cumulative contributions to GDP

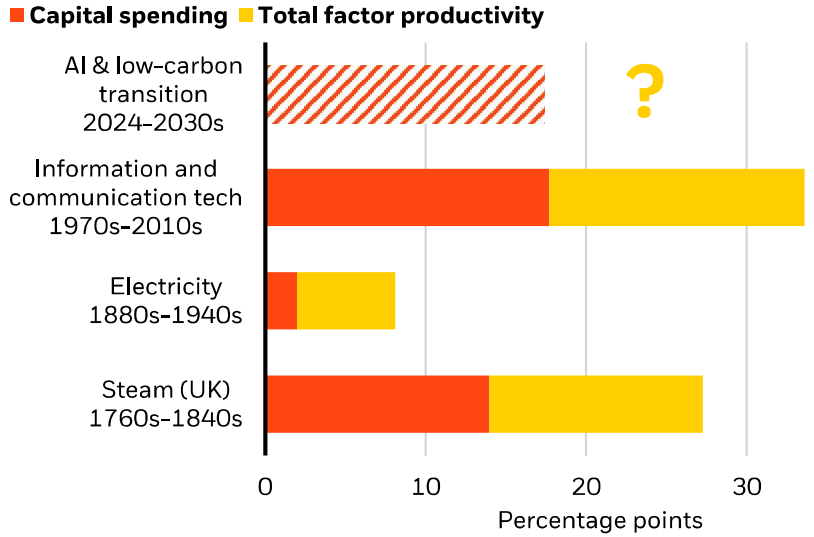


Chart takeaway: *AI and the low-carbon transition could spur historically large capital spending – and in a much shorter space of time than previous technological revolutions.*

Forward looking estimates may not come to pass. Source: BlackRock Investment Institute, June 2024 with data from Crafts (2021). Notes: The chart shows cumulative contribution of previous U.S. technologies (except "steam") to GDP over the periods indicated. The estimates for information and communication tech, electricity and steam are taken from historic economic literature as in Crafts (2021). The spend needed for artificial intelligence (AI) and the transition is a BII estimate based on external research on data center investment requirements and the BII Transition Scenario (for professional investors here). Other revolutions took place over decades so our estimates for AI and transition-related spend assumes an optimistic case over a short span of time.

We see a possible investment boom ahead that could transform economies and markets. But the speed, scale and impact of that investment is unclear.

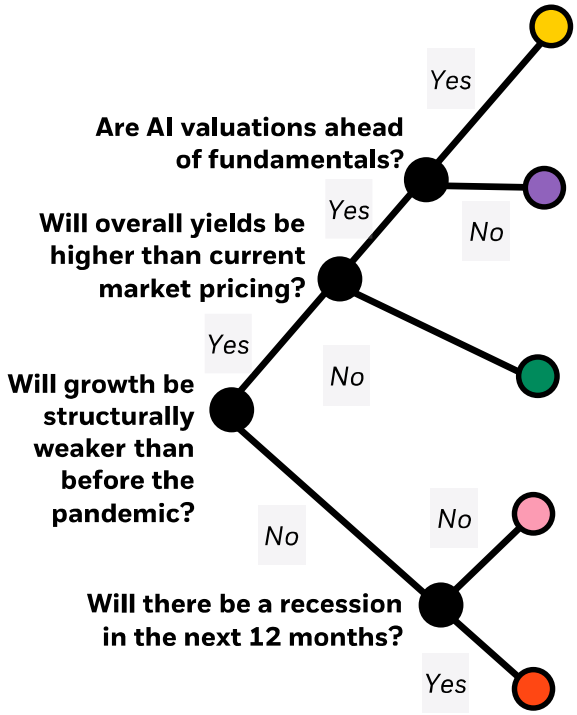
BIIM0724U/M-3701831-3/16

Weighing near-term scenarios

We use scenarios to help identify where economies and markets may be headed on a six- to 12-month horizon. They help put parameters around very different states of the world – even if they don't capture the many potential outcomes beyond that horizon.

We worked with portfolio managers across BlackRock to develop five, distinct scenarios for the near-term outlook. We see two scenarios where equities can do well: one with a concentrated group of winners in AI, even with a tough macro backdrop, and another where AI-driven growth becomes more broad-based, leading to productivity gains and sharp rate cuts. The two hard economic landing scenarios differ on whether central banks can come to the rescue with rate cuts. The fifth is one of subdued growth and stubborn inflation, where inflation proves sticky, keeping central bank policy rates higher. The arrows on the right show how the assumed market impact can diverge sharply across these scenarios.

We lean into the *concentrated AI* case, reflecting our view that AI valuations are rooted in solid earnings. Yet we stand ready to pivot – and our approach gives us a roadmap to gauge when another scenario becomes more likely. We think expertise in identifying these scenario shifts could help investors deliver outsized returns.



	U.S. returns	
	Stocks	Bonds
High rates, hard landing Sticky inflation rules out rate cuts, and strong demand could trigger further hikes. Growth slows sharply. AI valuations hit hard.	↓↓	↓↓
Concentrated AI AI-driven growth boost not enough to offset other structural drags. Inflation pressure is ongoing and policy rates stay high for longer.	↑↑	↓
Subdued growth, stubborn inflation Growth slows to a lower trend pace, inflation is sticky above target and policy rates stay higher.	↓	↓
Broad productivity gains (AI and capex boom) AI-driven growth is broad based, lifting potential output. Inflation is muted and policy rates are cut sharply.	↑↑	↑↑
Rescued hard landing Rate hikes overwhelm a broad-based AI-driven growth boost. Inflation falls below target. Central banks deliver deep rate cuts.	↓↓	↑↑

The opinions expressed are subject to change at any time due to changes in market or economic conditions. This material represents an assessment of the market environment at a specific time and is not intended to be a forecast of future events or a guarantee of future results. Sources: BlackRock Investment Institute, July 2024. Notes: Our five scenarios here can be represented as nodes on different pathways. The arrows indicate our expectation for U.S. equity and Treasury returns in each scenario, as two examples. Two arrows represents that a larger relative move is expected in this scenario than a single arrow. We only show U.S. equities and Treasuries but have run this analysis across several asset classes. For illustrative purposes only.

Getting real

We see much of the potential large investment flowing into the pipes and people of the economy. Think new data centers powering AI models, computer chips, solar farms, super batteries, factories, logistics centers – and roads, bridges, schools and hospitals in countries with growing populations. It's a new wave of investment into the *real* economy transforming economies and markets. It's a world where company fundamentals will matter even more, we think.

This is a big change from the pre-2020 dominance of the financial economy. Steadily expanding global production capacity and growing workforces kept macro volatility at bay: whenever growth faltered, central banks could come to the rescue without fearing an inflation flare-up. This stability reduced uncertainty and allowed central banks to signal their intentions well in advance. Such a favorable backdrop buoyed most companies, leaving little room for differentiation among businesses and stock pickers. We think that era is over.

As the real economy takes over from the financial economy, we think investors should actively position for waves of transformation like we have rarely seen before, we think.

We see widespread opportunities for companies that innovate and position themselves to take advantage of this transformation. That includes building capabilities to harness AI, for example. Spotting winners will require deep insights on the technology being developed, its applications and the potential disruption it entails.

We are seeing that play out now with companies building strong cash flows from the real economy thanks to their dominant positions. Nvidia's price surge shows how fast winners can emerge – and be rewarded.

Companies who fall behind are likely to struggle in this environment – partly because central banks won't be able to respond easily with lower rates if growth weakens, in our view. We are not going back to a time of cheap and plentiful capital.

Nvidia and the AI moment

Years to go from $10 billion to current market capitalization

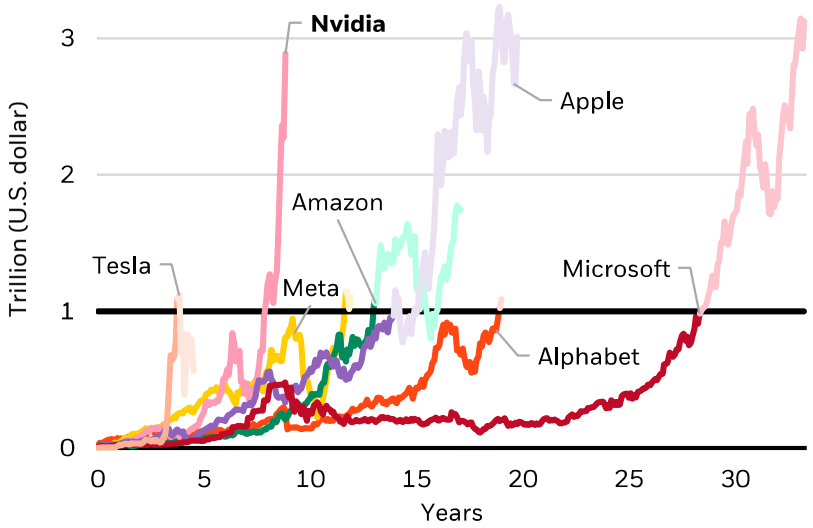


Chart takeaway: *Nvidia's surge reflects the big investment expectations as a result of the rise of AI.*

This information is not intended as a recommendation to invest in any particular asset class or strategy or as a promise – or even estimate – of future performance. Past performance is not a reliable indicator of future results. Source: BlackRock Investment Institute, with data from Bloomberg, July 2024. Notes: The chart shows how long it took for the "magnificent seven" stocks to go from $10 billion to its current market capitalization.

Investment implications

- We like infrastructure and industrial companies exposed to the investment boom.
- High-for-longer policy rates prompts us to favor quality in both fixed income and equities.

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Leaning into risk

The transformation could take any of several very different paths: it could lead to a broad productivity boom or to AI winners becoming overvalued, for example. Investors may feel tempted to sit on the sidelines and await clarity – especially given the attractive returns from holding cash. Yet we see bigger rewards for leaning into risk in this environment. We think markets are likely to keep rewarding perceived AI winners in the next six to 12 months – regardless of where the transformation leads longer term.

We think investors should take risk more deliberately now, across multiple dimensions. First, consider the time horizon. We have most conviction about the near term. We think large technology companies investing heavily in the AI buildout, chip producers and firms supplying key inputs like energy and utilities can keep doing well. That's why we lean into the concentrated AI scenario. See pages 8-9. Beyond tech, we like sectors such as industrials and materials that are also set to benefit in the near term.

Second, be deliberate in choosing the type of risk exposure. A few winner-takes-all companies have driven U.S. equity gains this year. We don't see the concentration of equity performance as a problem as mega caps have delivered on earnings. Yet we actively choose to lean more heavily into AI than benchmark index weights. Two big U.S. tech firms each have a market capitalization larger than the entire UK or German benchmark stock indexes. See the chart.

Third, be deliberate about blending different sources of return across public and private markets. We think both active strategies and private markets play a bigger role now – and see private markets as a way to gain access to the early journeys of firms set to win in a potentially rapid transformation. We also see broader opportunities in private markets than public ones. That's especially true in a world where elevated debt limits the ability of government to invest in infrastructure. Still, private markets are complex and not suitable for all investors.

Companies larger than country stock markets

Market capitalization of select U.S. companies and stock indexes, 2005-24

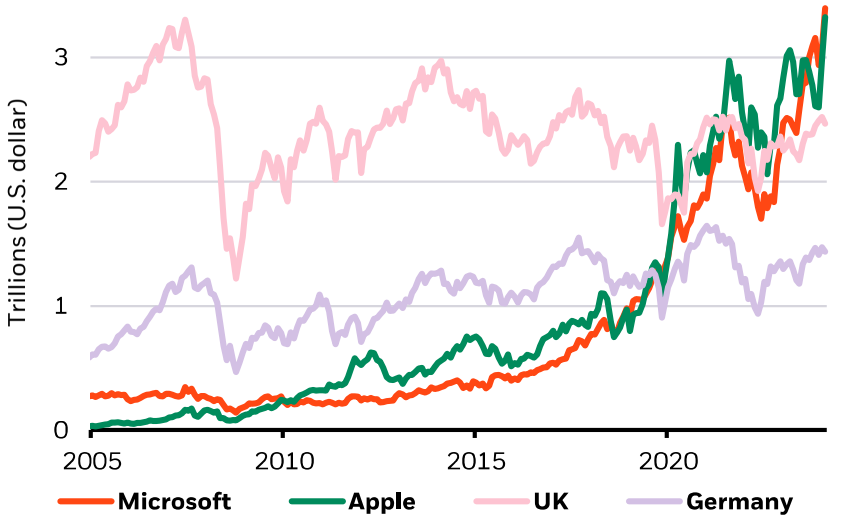

Chart takeaway: *Some U.S. company stocks are now larger in value than the entire benchmark index of some nations, showing how they can dominate broad index exposures. This emphasizes why investors must be deliberate with their risk-taking.*

This information is not intended as a recommendation to invest in any particular asset class or strategy or as a promise – or even estimate – of future performance. It is not possible to invest directly in an index. Index performance does not account for fees. Source: BlackRock Investment Institute, with data from LSEG Datastream, July 2024. Notes: The chart shows the market capitalization of Apple, Microsoft and the UK and German stock markets. Index proxies used for UK and German equity markets: MSCI UK and MSCI Germany.

Investment implications

- We lean into an above-benchmark exposure to the AI theme. We also like sectors such as tech, industrials, energy and materials.
- This is an environment that favors private markets and blending sources of returns.

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AI's rapid buildout now...

The AI juggernaut – still largely a U.S. story – has powered the S&P 500 this year. We think AI is central to the transformation – and could make up a large part of the coming investment wave. We believe AI can keep driving returns across most outcomes. We don't see a tech bubble: earnings and fundamentals support current valuations. Case in point: Nvidia's forward earnings have kept pace with its rocketing share price so far. We think an understanding of how AI could evolve from here is key. We see three distinct phases.

1 AI buildout

AI relies on vast computing power, so some large technology firms are racing to invest in data centers to secure that power. We're at the start of this phase. Early winners are already emerging, including those tech firms, chip producers and firms supplying key inputs like energy, utilities, materials and real estate. Yet the buildout faces challenges, notably whether the power grid can grow fast enough.

AI's power needs are expected to grow in coming years, even with further energy efficiency. See the chart. Policy and regulation could put the brakes on buildout, too. For example, policymakers may step in if data center growth pushes up local energy prices. And rules on the use of AI could impact adoption. Supply bottlenecks could also slow progress as demand grows for metals and minerals like copper, aluminum and lithium – already in high demand as inputs for the low-carbon transition.

2 AI investment broadens

Here we see investment broadening to firms looking to harness AI. We see some of that already, especially in healthcare. It and other sectors like financials and communication services could benefit, potentially lifting economic growth. Yet both phases 1 and 2 could be inflationary: building AI and retooling creates extra demand before any supply-side or productivity benefits arise. We don't think markets or central banks appreciate that yet.

Massive energy and investment needs

Data center power demand as a share of total U.S. demand, 2022-2030

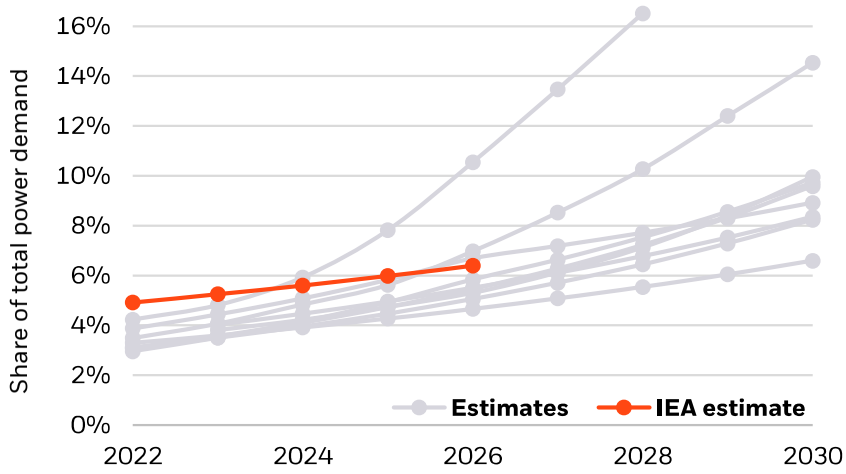

Chart takeaway: *The power needs for data centers that feed AI applications like large language models are set to grow – but the pace is uncertain. Meeting those needs could require massive investment in power grids and renewable energy.*

Forward looking estimates may not come to pass. Source: BlackRock Investment Institute, International Energy Agency (IEA), Goldman Sachs, BGIF, Bank of America, Schneider, Semianalytics, Bernstein, McKinsey, Boston Consulting Group, and BlackRock's Fundamental Equities team, May 2024. Notes: The chart shows data center power demand as a share of total U.S. power demand in 2022. Data center power demand includes those from traditional data centers and artificial intelligence (AI) computing/dedicated AI data centers and excludes consumption from crypto currencies and data transmission networks.

Investment implications

- AI's buildout could initially be inflationary as demand for energy and commodities surges.
- Early winners could include large tech firms, chip makers and energy and utility firms – before benefits expand to other sectors.

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Elections spur granularity

As countries representing over half of the global population go to the polls this year, voters are focused on economic issues including the surge in the cost of living. Yet record or elevated government debt levels limit leaders' ability to address these concerns. See the chart.

Neither candidate or major party in the U.S. presidential election has made debt and deficits a key campaign issue – or shied away from advocating more sizable spending. These ongoing budget deficits reinforce persistent inflation pressures and our view the Federal Reserve will keep rates higher for longer. That's why we see investors demanding more compensation for the risk of holding long-term U.S. bonds – and favor shorter-term bonds.

We think France's unprecedented political stalemate after its parliamentary election and weak fiscal outlook will draw greater investor scrutiny. This contrasts with perceived policy stability in the UK after its election.

Global elections add to the geopolitical volatility we see. This is a challenging time for incumbents. We see a structural shift toward geopolitical fragmentation, exacerbated by ongoing competition with China and protectionist measures in areas like advanced technology and electric vehicles – both in the U.S. and EU.

Global supply chains are rewiring in response – and that will involve new infrastructure needs. See the next page. Countries like India and Mexico stand to benefit over the long term as intermediate trade partners between economic and geopolitical blocs. That's one reason we get granular with our country preferences.

> **"Globalization has proved resilient – but it is also more expensive."**

Tom Donilon
Chairman, BlackRock Investment Institute

Persistently large

Government debt-to-GDP ratios, 1940–2024

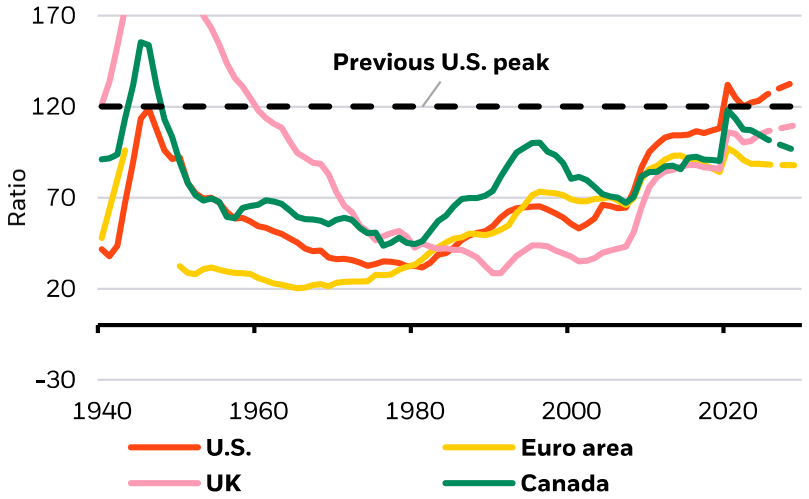

Chart takeaway: *We think large deficits reinforce persistent inflation and higher-for-longer interest rates. Debt levels for some countries are near or beyond World War Two peaks.*

Forward looking estimates may not come to pass. Source: BlackRock Investment Institute, International Monetary Fund and Macrohistory (Jorda et al., 2017), with data from Haver Analytics, June 2024. Notes: The chart shows the historic and estimated level of government debt as a share of GDP.

Investment implications

- We turn overweight UK stocks. The potential for relative political stability and attractive valuations may pull in foreign investors.
- We like inflation-linked bonds on a strategic horizon, partly due to elevated debt levels.

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Infrastructure opportunities

Infrastructure is at the intersection of the mega forces driving the waves of transformation. AI is a key aspect of economic competition among countries, while the investment in data centers is starting to impact the low-carbon transition as well. Net-zero emissions targets of the companies investing the most in the AI buildout could drive up demand for renewable energy.

AI's energy needs could magnify the already massive investment expected, as noted earlier. Infrastructure investment is key to funding the low-carbon transition: By the 2040s, we estimate that low-carbon investment will account for up to 80% of energy spending, up from 64% now.

We see geopolitical fragmentation reinforcing energy pragmatism as countries seek to balance the transition with energy security and affordability. The rewiring of supply chains is driving infrastructure demand globally and we favor the emerging markets set to benefit.

Across markets, demographic divergence is shaping investment needs. Typically, the faster a population grows, the faster capital investment grows to support growing populations. See the chart. And developed markets will need to invest to adapt to aging populations. See the next page.

A huge gap exists between the total amount of infrastructure investment needed globally and the amount governments can spend given high debt levels in many countries. We see private markets bridging the gap – though private markets are complex and not suitable for all investors.

"We are seeing the AI buildout boost demand for renewable energy."

David Giordano
Global Head of Climate Infrastructure – BlackRock

Investment-demographic link

G20 population and investment growth, 2000–2019

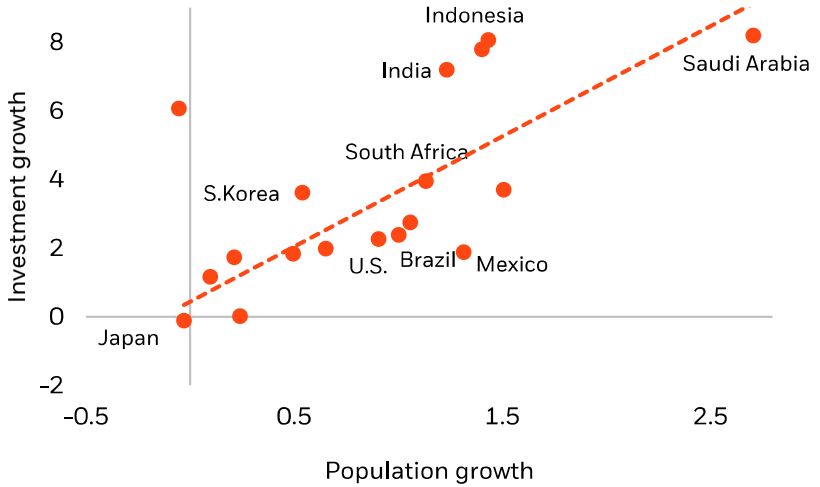

Chart takeaway: *The faster a population grows, the faster capital investment grows, we find. Opportunities arise where investment has not kept up with that growth.*

Source: BlackRock Investment Institute, World Bank Development Indicators, UN, with data from Haver, March 2024. Note: The chart shows the relationship between average population growth and average real investment growth, as measured by the gross fixed capital formation component of GDP, between 2000 and 2019. The chart includes data up to 2019 to avoid the pandemic's distortion of the data.

Investment implications

- We see private markets filling the gap between infrastructure investment needs and what governments can spend.
- We prefer infrastructure equity to other private growth assets on a strategic horizon.

Demographics matter now

Demographic trends tend to be seen as long term in nature and not impacting returns now. We disagree. Rising life expectancy and falling birth rates mean the working-age population – usually defined as 15-64 years old – is shrinking in many developed markets and China. That means those economies will not be able to produce as much and grow as quickly as in the past.

These developments impact labor markets and sector-level demand now. Aging could be inflationary: retirees stop producing economic output but don't typically spend less. Governments are likely to spend more on healthcare. We think that's another reason why central banks will likely have to keep policy rates higher.

Governments can respond by trying to boost the workforce and/or productivity by investing in automation and AI. These strategies can provide some offset, but it's unlikely to be enough. We see opportunities in countries that better adapt to aging.

By contrast, working-age populations in many EMs are still growing. We see opportunities in those that best capitalize on their demographic advantage, such as by improving workforce participation and investing in infrastructure. Countries with higher investment demand – India, Mexico and Saudi Arabia – may offer higher returns.

Across countries, we think investors need to assess what markets have priced in. Research finds markets can be slow to price in the impact of even predictable demographic shifts. See the chart. That looks to be the case in the U.S. and Europe, like Japan before – and is why we favor the healthcare sector in both.

> **"Aging populations underpin our favorable outlook for the healthcare sector."**

Carrie King
Chief Investment Officer of U.S. and Developed Markets, Fundamental Equities – BlackRock

Slow to price in aging

Japan healthcare outperformance vs. dependency ratio, 1970–2024

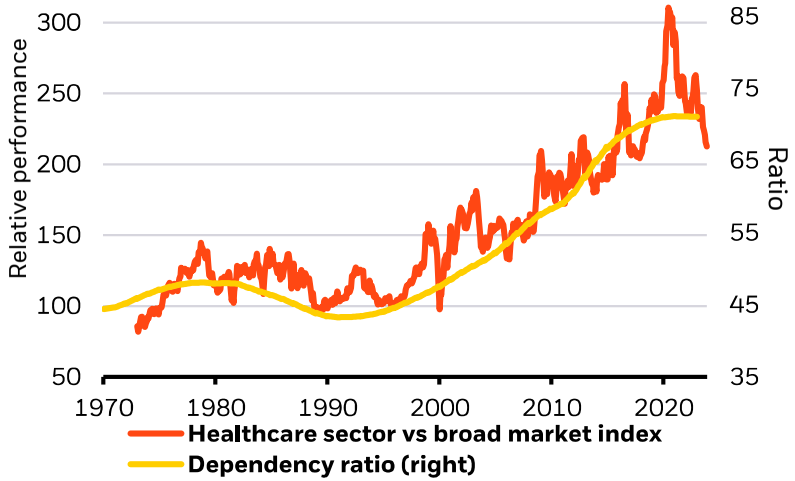

Chart takeaway: *The growth of retirees in Japan was well documented years in advance. Yet Japan's healthcare stocks have only risen in value – relative to the broader market – as that growth in retiree population actually materialized.*

Past performance is not a reliable indicator of current or future results. Indexes are unmanaged and do not account for fees. It is not possible to invest directly in an index. Source: BlackRock Investment Institute, United Nations, Reuters, with data from LSEG Datastream, March 2024. Notes: The orange line shows the ratio of the performance of Japan's healthcare equity sector vs. the overall market index, indexed to 1990. We use total market indices constructed by Datastream.

Investment implications

- Different demand patterns in aging populations create opportunities in sectors like healthcare.
- We favor countries like India and Saudi Arabia benefitting from younger populations and infrastructure investment.

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https://www.cnn.com/2024/09/09/travel/national-park-rangers-call-out-world-changing-impact-of-dropped-cheetos-bag/index.html

National Park rangers call out 'world changing' impact of dropped Cheetos bag

By Marnie Hunter, CNN

2 minute read

Published 6:06 PM EDT, Mon September 9, 2024

Carlsbad Caverns National Park in New Mexico is home to a fragile ecosystem.
Edwin Remsberg/VW Pics/Universal Images Group/Getty Images

CNN —

Plain water is the only thing visitors are allowed to consume inside the huge cavern at Carlsbad Caverns National Park in New Mexico. Cheetos are a no-go, and the recent park visitor who dropped a bag full of them created a "huge impact" on the cave's ecosystem, park rangers said Friday in a Facebook post.

"At the scale of human perspective, a spilled snack bag may seem trivial, but to the life of the cave it can be world changing," the park said in its post about the garbage found off-trail in the Big Room.

"The processed corn, softened by the humidity of the cave, formed the perfect environment to host microbial life and fungi. Cave crickets, mites, spiders and flies soon organize into a temporary food web, dispersing the nutrients to the surrounding cave and formations. Molds spread higher up the nearby surfaces, fruit, die and stink. And the cycle continues."

The park said rangers spent 20 minutes carefully removing molds and foreign debris from surfaces inside the cave, noting that while some members of the ecosystem that rose from the snacks were cave-dwellers "many of the microbial life and molds are not."

The post called that particular impact on the cave "completely avoidable," contrasting it with the hard-to-prevent fine trails of lint left by each visitor.

"Great or small we all leave an impact wherever we go. Let us all leave the world a better place than we found it," the post urged park goers.

The park's website says that eating and drinking anything other than plain water attracts animals into the cavern.

The Big Room at Carlsbad Caverns National Park is the largest single cave chamber by volume in North America. It is accessible via a relatively flat 1.25 mile (2 km) trail. The cavern was formed millions of years ago when sulfuric acid dissolved limestone, creating cave passages.

https://www.facebook.com/CarlsbadCavernsNPS/posts/927161019437880

Carlsbad Caverns National Park

September 6 at 5:01 AM ·

Great or small we all leave an impact wherever we go. How we choose to interact with others and the world we share together has its effects moment by moment.

And we feel it.

When we are greeted with a smile. When we share the first rays of dawn with someone we care about. Or when someone imposes their frustration on us, or when someone we care about forgets to pack the sunscreen and snacks.

In the same way, we affect the world around us in subtle ways too. Here at Carlsbad Caverns, we love that we can host thousands of people in the cave each day. Incidental impacts can be difficult or impossible to prevent. Like the simple fact that every step a person takes into the cave leaves a fine trail of lint.

Other impacts are completely avoidable. Like a full snack bag dropped off-trail in the Big Room. To the owner of the snack bag, the impact is likely incidental. But to the ecosystem of the cave it had a huge impact.

The processed corn, softened by the humidity of the cave, formed the perfect environment to host microbial life and fungi. Cave crickets, mites, spiders and flies soon organize into a temporary food web, dispersing the nutrients to the surrounding cave and formations. Molds spread higher up the nearby surfaces, fruit, die and stink. And the cycle continues.

Rangers spent twenty minutes carefully removing the foreign detritus and molds from the cave surfaces. Some members of this fleeting ecosystem are cave-dwellers, but many of the microbial life and molds are not. At the scale of human perspective, a spilled snack bag may seem trivial, but to the life of the cave it can be world changing.

Great or small we all leave an impact wherever we go. Let us all leave the world a better place than we found it.

Photo: NPS

#FindYourPark #EncuentraTuParque #CarlsbadCaverns

PEOPLE'S DAILY ONLINE
en.people.cn

http://en.people.cn/n3/2024/0913/c90000-20219149.html

China to gradually raise retirement age

(Xinhua) 15:46, September 13, 2024

BEIJING, Sept. 13 (Xinhua) -- Chinese lawmakers on Friday voted to adopt a decision on gradually raising the statutory retirement age in the country, marking the first adjustment in the arrangement since 1950s.

According to the decision adopted at the 11th session of the Standing Committee of the 14th National People's Congress, the statutory retirement age for men will be gradually raised from 60 to 63 in the course of 15 years starting 2025, while that for women cadres and women blue-collar workers will be raised from 55 to 58 and from 50 to 55, respectively.

Starting 2030, the minimum year of basic pension contributions required to receive monthly benefits will be gradually raised from 15 years to 20 years at the pace of an increase of six months annually.

Meanwhile, people will be allowed to voluntarily retire by no more than three years in advance after reaching the minimum year of pension contributions. But it is not allowed to retire earlier than the previous statutory age.

The new policies will also allow individuals to postpone retirement to an even later date if they reach an agreement with employers, but such a delay should be no more than three years.

The decision also specifies measures to refine the old-age insurance incentive mechanism, implement the employment-first strategy, ensure the basic rights and interests of workers who have passed their statutory retirement age, and improve elderly care and childcare services.

The document includes specific provisions on welfare for unemployed old-age workers and on earlier retirement for those in special professions.

The 20th National Congress of the Communist Party of China (CPC) and the third plenary session of the 20th CPC Central Committee made clear arrangements on gradually raising the statutory retirement age in the country.

The plan passed by lawmakers on Friday was formulated on the basis of a comprehensive assessment of the average life expectancy, health conditions, the population structure, the level of education and workforce supply in China.

(Web editor: Zhong Wenxing, Liang Jun)

https://www.cbc.ca/news/canada/calgary/covid-death-toll-higher-than-flu-alberta-1.7316023

Alberta's COVID-19 death toll more than 4 times higher than flu over past year

732 Albertans have died due to COVID-19 since last August

Jennifer Lee · CBC News · Posted: Sep 09, 2024 5:00 AM MDT | Last Updated: September 9

A COVID-19 test shows a positive result in this file photo. In Alberta over the past year, 6,070 people were hospitalized for COVID. (Carolyn Ryan/CBC)

A year's worth of respiratory virus data for Alberta reveals, once again, COVID-19 is far deadlier than the flu.

The death toll due to the two illnesses, combined, topped 900 over the past year.

More than four times as many Albertans died due to COVID compared to influenza.

Alberta's respiratory dashboard shows flu was responsible for 177 deaths while 732 people died of COVID-19 (between Aug. 27, 2023, and Aug. 24, 2024).

"This is continual evidence that COVID is not just another flu," said Craig Jenne, professor in the department of microbiology, immunology and infectious diseases at the University of Calgary, noting influenza is not a benign virus.

"This is the most we've ever lost to flu, and COVID has still put up many more deaths than flu. So these remain significant viral diseases in Alberta. They remain a significant risk to some Albertans. And unfortunately, and tragically, they continue to take lives at a really unacceptable rate."

While they're high compared to influenza, Alberta's COVID deaths are trending down from a peak of 2,409 during 2021-22.

- **Alberta's flu death toll hits 15-year high, sparking calls for better immunization outreach**

As a critical care specialist in Edmonton, Dr. Shelley Duggan sees the toll the disease continues to take on Albertans.

"We're seeing people who have COVID and all of the sudden are coming into hospital with blood clots, heart attacks, strokes. So we still are very much living in a COVID world," said Duggan.

Dr. Shelley Duggan is a critical care physician in Edmonton and president-elect of the Alberta Medical Association. (Alberta Medical Association)

"We also have that at-risk population [including] people on chemotherapy, people post-transplant — people really who are immuno-suppressed and are at risk — or the frail elderly who we see," said Duggan, the president-elect of the Alberta Medical Association.

Alberta Health data shows 632 of the people who died of COVID were ages 70 and up, 81 were between 50 and 69 and 15 were in the 20 to 49 age range.

Four children under the age of 10 died of COVID in the past year.

The provincial government's dashboard states influenza and COVID deaths are counted when the illnesses are the cause of death or a contributing factor.

"We still have a significant proportion of people who will die either directly from COVID or having COVID that is going to set in motion other things. So we still have to be cognizant of it."

Both Jenne and Duggan say reversing the slumping vaccination rates will be essential for the next respiratory virus season.

Just under a quarter of Albertans received their flu shot during the 2023-24 season, while 16.9 per cent were immunized against COVID.

"It's going to be very vital that people get vaccinated this year to protect themselves, of course, but to also protect the vulnerable and to protect the hospital system, because we are already overflowing," said Duggan.

- **Provinces told to pull existing COVID-19 vaccines ahead of arrival of updated shots**
- **You might want to wait until fall for your next COVID-19 shot, doctors say. Here's why**

Alberta stopped offering XBB COVID-19 vaccines as of Aug. 31, following a Health Canada directive, an Alberta Health spokesperson said in an emailed statement.

Vaccines targeting more recent strains have yet to be approved by Health Canada.

A federal government notice to health professionals states that updated COVID-19 vaccines (designed to target the JN.1 or KP.2 strains) are expected to be authorized in time for fall immunization campaigns.

The province said more information on its upcoming immunization program will be made available in the coming weeks.

ABOUT THE AUTHOR

Jennifer Lee

Reporter

Jennifer Lee is a CBC News reporter based in Calgary. She worked at CBC Toronto, Saskatoon and Regina before landing in Calgary in 2002. If you have a health or human interest story to share, let her know. Jennifer.Lee@cbc.ca

Dan Tsubouchi
@Energy_Tidbits

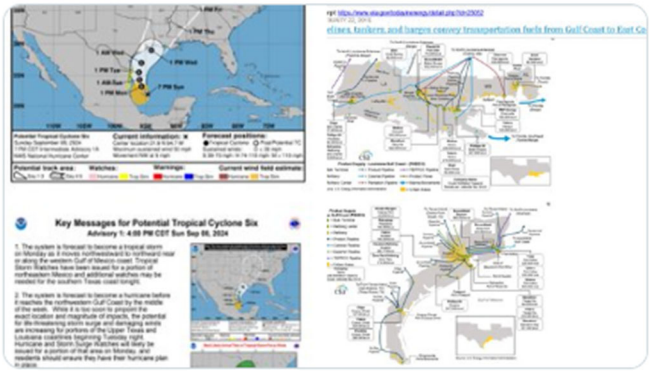
Hurricane watch.

@NHC_Atlantic forecasts reaching Hurricane strength for Wed landfall.

Current path is right at major TX/LA Gulf Coast #Oil refineries, terminals, #LNG export, etc.

Slow moving 5 mph, slow is negative as more time for winds to impact & rain for flooding.

#OOTT



7:20 PM · Sep 8, 2024 · **1,581** Views

Dan Tsubouchi ✓
@Energy_Tidbits

LNG Canada 1.8 bcfd Phase 1 has started to liquefy #NatGas.

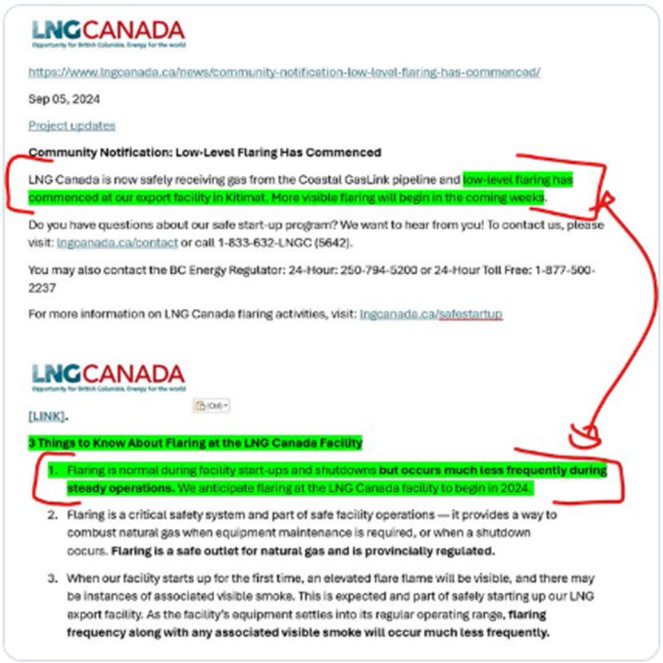
LNG Canada "*low-level flaring has commenced at our export facility in Kitimat. More visible flaring will begin in the coming weeks.*"

"*Flaring is normal during facility start-ups*"

Commissioning #LNG cargos sb in Q4.

Should help provide support to winter AECO prices as they ramp up #NatGas receipts & LNG production in commissioning phase.

#OOTT



LNG CANADA

https://www.lngcanada.ca/news/community-notification-low-level-flaring-has-commenced/

Sep 05, 2024

Project updates

Community Notification: Low-Level Flaring Has Commenced

LNG Canada is now safely receiving gas from the Coastal GasLink pipeline and low-level flaring has commenced at our export facility in Kitimat. More visible flaring will begin in the coming weeks.

Do you have questions about our safe start-up program? We want to hear from you! To contact us, please visit: lngcanada.ca/contact or call 1-833-632-LNGC (5642).

You may also contact the BC Energy Regulator: 24-Hour: 250-794-5200 or 24-Hour Toll Free: 1-877-500-2237

For more information on LNG Canada flaring activities, visit: lngcanada.ca/safestartup

LNG CANADA

[LINK].

3 Things to Know About Flaring at the LNG Canada Facility

1. Flaring is normal during facility start-ups and shutdowns **but occurs much less frequently during steady operations.** We anticipate flaring at the LNG Canada facility to begin in 2024.
2. Flaring is a critical safety system and part of safe facility operations — it provides a way to combust natural gas when equipment maintenance is required, or when a shutdown occurs. **Flaring is a safe outlet for natural gas and is provincially regulated.**
3. When our facility starts up for the first time, an elevated flare flame will be visible, and there may be instances of associated visible smoke. This is expected and part of safely starting up our LNG export facility. As the facility's equipment settles into its regular operating range, **flaring frequency along with any associated visible smoke will occur much less frequently.**

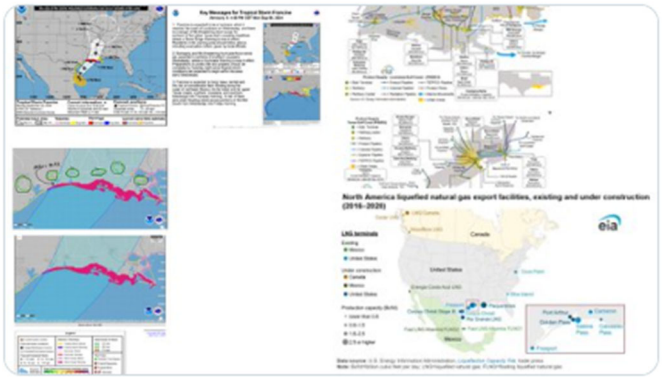
5:19 PM · Sep 9, 2024 · **3,026** Views

Dan Tsubouchi
@Energy_Tidbits

Look for precautionary shutdowns at major Gulf Coast refineries, oil & LNG export terminals ahead of Francine. See 👇@EIAgov maps for #Oil infra & #LNG terminals

Francine to be hurricane, slow moving at 7 mph ie. more time for winds & rain to impact.

#OOTT #NatGas



5:35 PM · Sep 9, 2024 · **2,515** Views

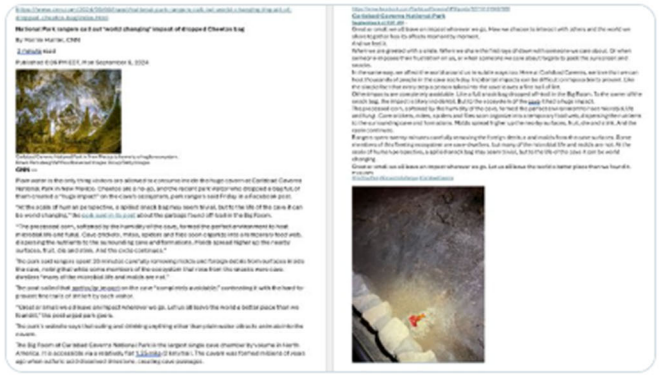
Dan Tsubouchi
@Energy_Tidbits

Butterfly Effect!

Why do people litter anywhere let alone a national park?

Cheetos *"processed corn, softened by the humidity of the cave, formed the perfect environment to host microbial life and fungi. Cave crickets, mites, spiders and flies soon organize into a temporary food web, dispersing the nutrients to the surrounding cave and formations. Molds spread higher up the nearby surfaces, fruit, die and stink. And the cycle continues"* @CavernsNPS

thx @marniech



6:42 PM · Sep 9, 2024 · **1,563** Views

Dan Tsubouchi
@Energy_Tidbits

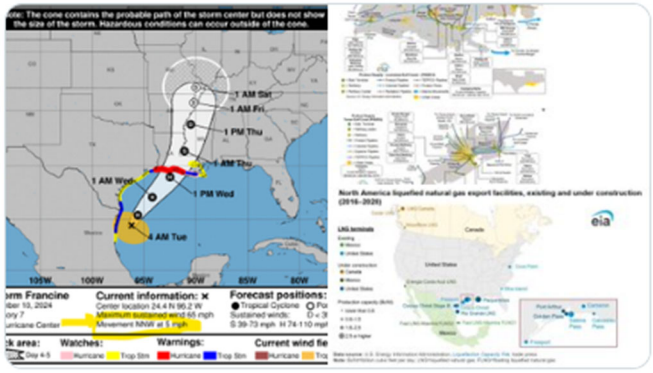
Francine right at heart of major Louisiana refineries & LNG.

See 👇 @EIAgov maps for #Oil infra & #LNG terminals

Look for precautionary shutdowns today.

Especially as very slow moving at 5 mph. Slow is bad as it allows more time for winds & flooding impact.

#OOTT #NatGas



3:32 AM · Sep 10, 2024 · **2,576** Views

Dan Tsubouchi
@Energy_Tidbits

Shouldn't impact #Oil price as most view OPEC MOMR as too optimistic on demand.

OPEC Sept MOMR makes another small reduction to #Oil demand growth.

Likely see another small reduction in Oct MOMR as Sept MOMR demand will still be viewed as too optimistic, even to Aramco demand

👇SAF table.
#OOTT

Comparison of oil demand YoY growth for OPEC Sept MOMR, OPEC Aug MOMR, EIA Aug STEO, IEA Aug OMR and Saudi Aramco Q2 demand outlook.

OPEC Sept MOMR:	+2.03 mmb/d YoY in 2024 and +1.74 mmb/d YoY in 2025
OPEC Aug MOMR:	+2.11 mmb/d YoY in 2024, and +1.78 mmb/d YoY in 2025
Saudi Aramco Q2:	+1.6 YoY in 2024, +1.4 YoY in 2025
EIA Aug STEO:	+1.14 YoY in 2024, +1.61 YoY in 2025
IEA Aug OMR:	+0.97 YoY in 2024, +0.95 YoY in 2025.

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

5:35 AM · Sep 10, 2024 · **1,619** Views

Dan Tsubouchi
@Energy_Tidbits

Breaking.

See 👇. Approx 25% of GoM #Oil #NatGas production shut-in as a precaution for Tropical Storm Francine.

Shut in 412,000 b/d oil and 0.49 bcf/d natural gas.

@BSEEgov posts updated stats at 1pm CT

#OOTT

bsee.gov/newsroom/lates...

BSEE Monitors Gulf of Mexico Oil and Gas Activities in Response to Tropical Storm Francine

Tuesday, September 10, 2024

The BSEE Hurricane Response Team continues to monitor Gulf of Mexico oil and gas activities.

NEW ORLEANS – The Bureau of Safety and Environmental Enforcement has activated its Hurricane Response Team and is monitoring offshore oil and gas operators in the Gulf of Mexico as they evacuate platforms and rigs in response to the storm. The BSEE team will work with offshore operators and other state and federal agencies until operations return to normal and the storm is no longer a threat to Gulf of Mexico oil and gas activities.

Based on data from offshore operator reports submitted as of 11:30 a.m. CDT today, personnel have been evacuated from a total of 130 production platforms, 35% of the 371 manned platforms in the Gulf of Mexico. Production operations are the offshore structures from which oil and natural gas are produced and transported to shore. Unlike drilling rigs, which typically move from location to location, production facilities remain in the same location throughout a project's duration.

Personnel have been evacuated from 2 non-dynamically positioned (DP) rig (), equivalent to 40% of the 5 rigs of this type currently operating in the Gulf. Rigs can include several types of offshore drilling facilities including jackup rigs, platform rigs, all submersibles, and moored semi-submersibles.

A total of three DP rigs have moved off location out of the storm's path as a precaution. This number represents 15% of the 20 DP rigs currently operating in the Gulf. DP rigs, mobile drill facilities while conducting well operations by using thrusters and propellers; these rigs are not moored to the seafloor, so they can move out of harm's way in a relatively short time frame. Personnel remain on board and return to the original location once the storm has passed.

As part of the evacuation process, personnel activate the applicable shut-in procedure, which can frequently be accomplished from a remote location. This involves closing safety valves located below the surface of the ocean floor to prevent the release of oil or gas, effectively shutting in production from wells in the Gulf and protecting the marine and coastal environments. Shutting in oil and gas production is a standard procedure conducted by industry for safety and environmental reasons.

From operator reports, BSEE estimates that approximately 23.55% of the current oil production and 25.56% of the current natural gas production in the Gulf of Mexico has been shut-in. The production percentages are calculated using information submitted by offshore operators in daily reports. Shut-in production information included in these reports is based on the amount of oil and gas the operator expected to produce that day. The shut-in production figures therefore are estimates, which BSEE compares to historical production reports to ensure the estimates follow a logical pattern.

After the storm has passed, facilities will be inspected. Once all standard checks have been completed, production from undamaged facilities will be brought back online immediately. Facilities sustaining damage may take longer to bring back online.

	Total	Percentage of GOM
Platforms Evacuated	130	35%
Rigs Evacuated	2	40%
DP Rigs Moved-off	3	15%
Total Shut-in Percentage of GOM Production		
Oil, BOPD Shut-in	412 BTO (BOPD	23.55%
Gas, MMCFD Shut-in	494 (MMCFD)	25.56%

BSEE will continue to update the evacuation and shut-in statistics at 1p.m. CDT each day as appropriate. This survey is reflective of 33 companies' reports as of 11:30 a.m. CDT today.

-BSEE-

Last edited 11:51 AM · Sep 10, 2024 · **1,419** Views

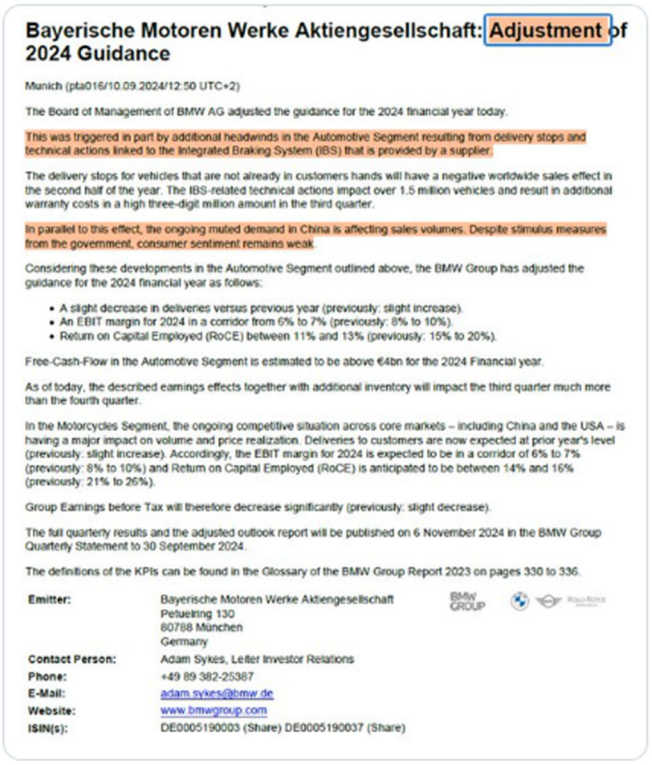
Dan Tsubouchi
@Energy_Tidbits

EVs not mentioned as a negative.

BMW "*adjusted*" down its EBIT margin, ROCE guidance but not because of EVs.

Rather it's the Integrated Braking System problems and "*ongoing muted demand in China*".

#OOTT



Bayerische Motoren Werke Aktiengesellschaft: Adjustment of 2024 Guidance

Munich (pta016/10.09.2024/12:50 UTC+2)

The Board of Management of BMW AG adjusted the guidance for the 2024 financial year today.

This was triggered in part by additional headwinds in the Automotive Segment resulting from delivery stops and technical actions linked to the Integrated Braking System (IBS) that is provided by a supplier.

The delivery stops for vehicles that are not already in customers hands will have a negative worldwide sales effect in the second half of the year. The IBS-related technical actions impact over 1.5 million vehicles and result in additional warranty costs in a high three-digit million amount in the third quarter.

In parallel to this effect, the ongoing muted demand in China is affecting sales volumes. Despite stimulus measures from the government, consumer sentiment remains weak.

Considering these developments in the Automotive Segment outlined above, the BMW Group has adjusted the guidance for the 2024 financial year as follows:

- A slight decrease in deliveries versus previous year (previously: slight increase).
- An EBIT margin for 2024 in a corridor from 6% to 7% (previously: 8% to 10%).
- Return on Capital Employed (RoCE) between 11% and 13% (previously: 15% to 20%).

Free-Cash-Flow in the Automotive Segment is estimated to be above €4bn for the 2024 Financial year.

As of today, the described earnings effects together with additional inventory will impact the third quarter much more than the fourth quarter.

In the Motorcycles Segment, the ongoing competitive situation across core markets – including China and the USA – is having a major impact on volume and price realization. Deliveries to customers are now expected at prior year's level (previously: slight increase). Accordingly, the EBIT margin for 2024 is expected to be in a corridor of 6% to 7% (previously: 8% to 10%) and Return on Capital Employed (RoCE) is anticipated to be between 14% and 16% (previously: 21% to 26%).

Group Earnings before Tax will therefore decrease significantly (previously: slight decrease).

The full quarterly results and the adjusted outlook report will be published on 6 November 2024 in the BMW Group Quarterly Statement to 30 September 2024.

The definitions of the KPIs can be found in the Glossary of the BMW Group Report 2023 on pages 330 to 336.

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E-Mail:	adam.sykes@bmw.de
Website:	www.bmwgroup.com
ISIN(s):	DE0005190003 (Share) DE0005190037 (Share)

5:32 PM · Sep 10, 2024 · **675** Views

Dan Tsubouchi
@Energy_Tidbits

US consumer EV insights from @EYnews Mobility Consumer Index.

"*dips in [EV] demand for the 1st time*"

"*confidence in EV range and charging infrastructure has been overshadowed lately by US consumers' increasing concerns about battery life and maintenance fees. Expensive battery replacement was the top deterrent to purchase an EV for US consumers, overtaking lack of charging stations for the first time.*"

"*hybrid vehicles are on the rise with 21% of US consumers considering a hybrid vehicles*"

Reminder HEVs are really just fuel efficient ICE vehicles.

#OOTT
ey.com/en_us/newsroom...

7:10 PM · Sep 10, 2024 · **698** Views

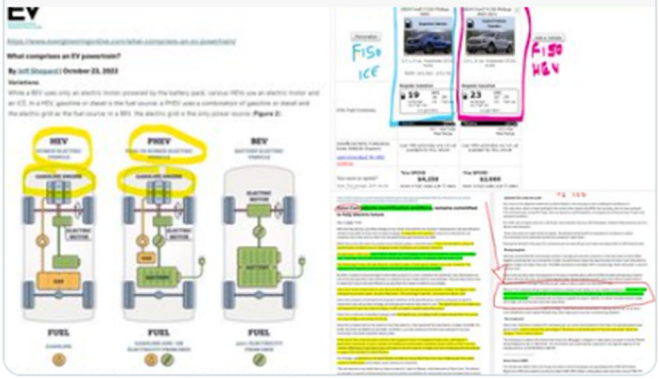
 2  2  

Dan Tsubouchi
@Energy_Tidbits

Reminder HEVs and PHEVs are really just more fuel efficient ICE vehicles.

See 👇 Sept 4 tweet for the numbers.

#OOTT

> **Dan Tsubouchi** @Energy_Tidbits · Sep 4
> HEV/PHEV 101 - They are really just more fuel efficient ICE.
>
> Ford: HEV F150 does 23 mpg vs ICE150 at 19 mpg.
>
> Volvo: PHEVs km driven are split 1/2 using battery, 1/2 using petrol/diesel...
> Show more
>
> 
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7:14 PM · Sep 10, 2024 · **1,285** Views

Dan Tsubouchi
@Energy_Tidbits

See 👇 #Oil demand growth comparison.

OPEC Sept MOMR oil demand growth still looks optimistic.

Even compared to Aramco demand forecast.

@EIAgov Sept STEO today lowered oil demand growth for both 2024 and 2025.

@IEA Sept OMR is out on Thurs.

#OOTT

Comparison of oil demand YoY growth for OPEC Sept & Aug MOMR, EIA Sept & Aug STEO, IEA Aug OMR and Saudi Aramco Q2 demand outlook.

OPEC Sept MOMR:	+2.03 mmb/d YoY in 2024 and +1.74 mmb/d YoY in 2025
Aug MOMR:	+2.11 mmb/d YoY in 2024 and +1.78 mmb/d YoY in 2025
Saudi Aramco Q2:	+1.6 mmb/d YoY in 2024 and +1.4 YoY mmb/d in 2025
EIA Sept STEO:	+0.94 mmb/d YoY and +1.52 mmb/d YoY in 2025
Aug STEO:	+1.14 mmb/d YoY in 2024 and +1.61 mmb/d YoY in 2025
IEA Sept OMR	to be released on Sept 12
Aug OMR:	+0.97 mmb/d YoY in 2024 and +0.95 mmb/d YoY in 2025.

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

7:59 PM · Sep 10, 2024 · **1,512** Views

Dan Tsubouchi
@Energy_Tidbits

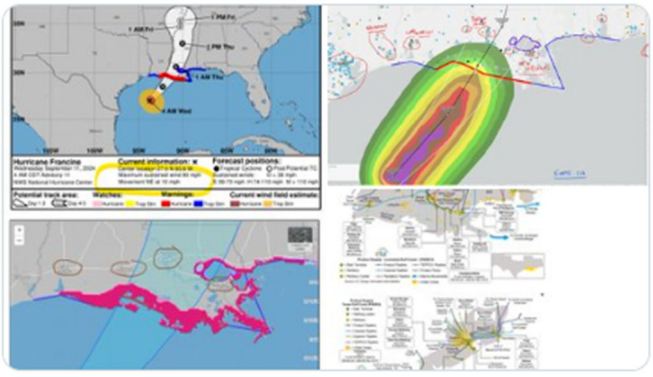
Hurricane Francine landfall later today.

Expected hurricane impact from Lake Charles to east of New Orleans, which is a major refinery alley.

Moving at 10 mph so hopefully minimizes wind/flooding impact.

Thx @EIAgov @NHC_Atlantic

#OOTT



3:48 AM · Sep 11, 2024 · **1,891** Views

Dan Tsubouchi
@Energy_Tidbits

For those who aren't near their laptop, at 8:30am MT, @EIAgov released #Oil #Gasoline #Distillates inventory as of Sept 6. Table below compares EIA data vs @business expectations and vs @APIenergy estimates yesterday. Prior to release, WTI was $66.70. #OOTT

Oil/Products Inventory Sept 6: EIA, Bloomberg Survey Expectations, API

(million barrels)	EIA	Expectations	API
Oil	0.833	1.05	-2.79
Gasoline	2.310	0.00	-0.51
Distillates	2.308	0.28	0.19
	5.451	1.33	-3.11

Note: Oil is commercial. So excludes a +0.3 mmb build in SPR for the Sept 6 week
Note: Included in the oil data, Cushing had a 1.70 mmb draw for Sept 6 week
Source EIA, Bloomberg
Prepared by SAF Group https://safgroup.ca/news-insights/

7:34 AM · Sep 11, 2024 · **1,287** Views

Dan Tsubouchi
@Energy_Tidbits

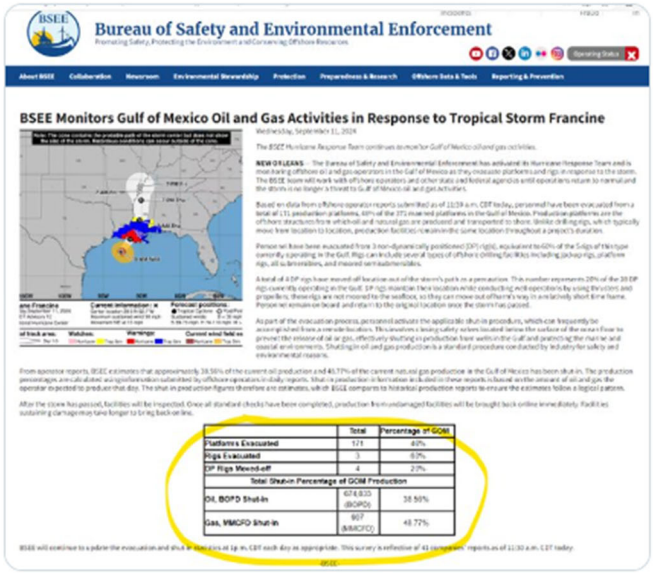
Breaking.

See 👇 updated @BSEEgov shut-in #Oil #NatGas in offshore Gulf of Mexico.

675,000 b/d of oil and 0.91 bcfd of NatGas.

If no damage to platforms or lines, then should be back up right away.

@BSEEgov posts updated stats at 1pm CT
#OOTT
bsee.gov/newsroom/lates...



11:07 AM · Sep 11, 2024 · **1,310** Views

Dan Tsubouchi
@Energy_Tidbits

Brazil drought.

@illycaffe Chairman 👇 drought "*now it is in Brazil. 130 days without rain and they still don't have weather forecasts predicting rain*"

Drought + low hydro generation and Petrobras needing to import LNG in Sept/Oct.

Also means high coffee prices, wildfires, etc.

#OOTT @flacqua

6:59 PM · Sep 11, 2024 · **2,165** Views

Dan Tsubouchi
@Energy_Tidbits

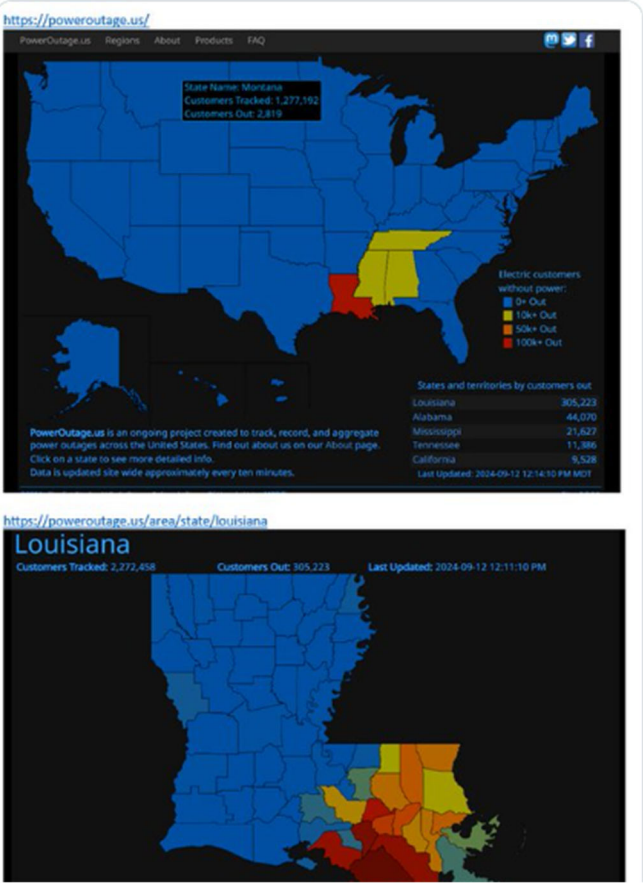
Currently 382,000 customers without power post Francine.

Louisiana 305,000
Alabama 44,000
Mississippi 22,000
Tennessee 11,000

Anyone who has been flooded knows no power while trying to clean up is brutal

Thx @PowerOutage_us

#OOTT #NatGas



Dan Tsubouchi
@Energy_Tidbits

Breaking!

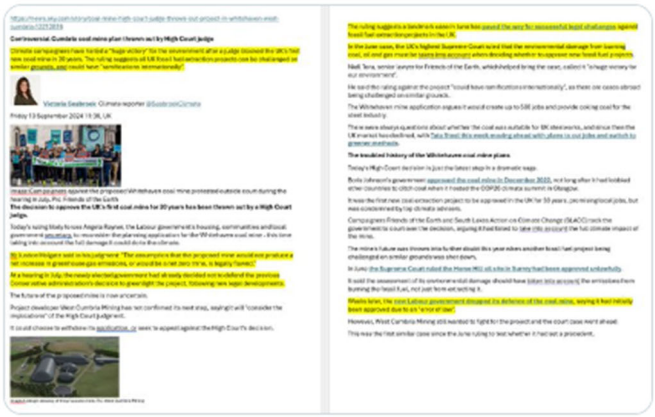
Must read 👇 @SeabrookClimate

UK 1st new coal mine in 30 yrs blocked, "***The ruling suggests all UK fossil fuel extraction projects can be challenged on similar grounds, and could have "ramifications internationally".***

Imagine if judge's standard is applied to any other sector's factory or farm or anything "*The assumption that the proposed mine would not produce a net increase in greenhouse gas emissions, or would be a net zero mine, is legally flawed.*"

Look for this UK precedent to be referenced in other countries ie. Canada.

#OOTT #NatGas



Controversial Cumbria coal mine plan thrown out by High Court judge

Victoria Seabrook, Climate reporter

Friday 13 September 2024 11:36, UK

The decision to approve the UK's first coal mine for 30 years has been thrown out by a High Court judge.

4:11 AM · Sep 13, 2024 · **1,689** Views

Dan Tsubouchi
@Energy_Tidbits

More EU EVs disappointing sales growth - Fiat to pause 500 EV production.

"is necessary due to the current lack of orders linked to the deep difficulties experienced in the European electric (car) market by all producers, particularly the European ones," Stellantis said in a statement." Reports
👇@gpiov_ report.
#OOTT

Stellantis pauses production of electric Fiat 500 due to poor demand

By Reuters

September 12, 2024 6:19 AM MDT Updated a day ago

A Fiat 500 electric car is displayed at a showroom of a car dealer in Rome, Italy, November 5, 2023. REUTERS/Guglielmo Mangiapane/File Photo Purchase Licensing Rights, opens new tab

ROME, Sept 12 (Reuters) - Stellantis (STLAM.MI), opens new tab said on Thursday it would suspend production of the fully electric Fiat 500 small car for four weeks due to sluggish demand.

The global slowdown in sales of electric vehicles (EVs), partly due to diverging policies on green incentives, has pushed automakers worldwide to adjust their EV plans.

"The measure is necessary due to the current lack of orders linked to the deep difficulties experienced in the European electric (car) market by all producers, particularly the European ones," Stellantis said in a statement.

The 500 is made in the northwestern Italian city of Turin, the birthplace of the Fiat brand, at the historic Mirafiori plant.

The suspension of production will start on Friday, Stellantis said, adding it was "working hard to manage at its best this hard phase of transition".

As part of these efforts, the Franco-Italian group said it is investing 100 million euros ($110 million) in Mirafiori to adopt a higher performance battery and will produce a hybrid version of the 500 electric model, starting between 2025 and 2026.

Unions have long been asking Stellantis to relaunch the Mirafiori site, where output has slumped in recent years, including with the introduction of a new high volume, cheap car.

"The Mirafiori complex is undergoing a deep transformation, with the aim of making it a true global innovation and development site, a key choice if we are to meet the challenge of the transition to sustainable mobility to which we are called," Stellantis said.

Italy earlier this year launched a $1 billion plan helping drivers switch to cleaner vehicles, with subsidies for purchases of fully electric cars but Rome and the carmaker have been at odds over the governments approach to incentives.

($1 = 0.9034 euros)

Stay up to date with the latest news, trends and innovations that are driving the global automotive industry with the Reuters Auto File newsletter. Sign up here.

Reporting by Giulio Piovaccari, writing by Gilles Guillaume, editing by Alvise Armellini and David Evans

5:42 AM · Sep 13, 2024 · **1,308** Views

Dan Tsubouchi
@Energy_Tidbits

Will Putin follow up on this threat?

"*direct participation [of Western countries in the conflict in UKR] already significantly changes the very essence, the very nature of the conflict. This will mean that NATO countries, the US, European countries are at war with RUS*"

#OOTT #NatGas #LNG

https://tass.ru/politika/21851337

September 12, 10:40

Putin: the direct participation of the West in the Ukrainian conflict changes its essence

© TASS/ Ruptly

According to the president, Russia will be forced to make decisions based on the threats created in this way

ST. PETERSBURG, September 12. /TASS/. The direct participation of Western countries in the conflict in Ukraine changes its essence, the Russian Federation will be forced to make decisions based on the threats created in this way. This was stated to reporters by Russian President Vladimir Putin.

"The direct participation [of Western countries in the conflict in Ukraine] already significantly changes the very essence, the very nature of the conflict. This will mean that NATO countries, the United States, European countries are at war with Russia," the president said.

"And if this is so, then bearing in mind the change in the very essence of this conflict, we will make appropriate decisions based on the threats that will be created for us," he warned.

6:08 AM · Sep 13, 2024 · **2,592** Views

Dan Tsubouchi
@Energy_Tidbits

here is transcript for Putin's answer on US/UK providing/helping Ukraine use long-range missiles at Russia means "*the US and European countries - are at war with Russia*"... *we will make appropriate decisions in response to the threats that will be posed to us*".

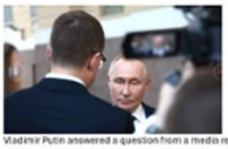
#OOTT #NatGas

http://en.kremlin.ru/events/president/transcripts/75092

Answer to a media question

Following his address to the plenary session of the United Cultures Forum, Vladimir Putin answered a question from a media representative.

September 12, 2024 18:55 St Petersburg



Vladimir Putin answered a question from a media representative.

Question: Over the past few days, we have been hearing statements at a very high level in the UK and the United States that the Kiev regime will be allowed to strike targets deep inside Russia using Western long-range weapons. Apparently, this decision is either about to be made, or has already been made, as far as we can see. This is actually quite extraordinary. Could you comment on what is going on?

President of Russia Vladimir Putin: What we are seeing is an attempt to substitute notions. Because this is not a question of whether the Kiev regime is allowed or not allowed to strike targets on Russian territory. It is already carrying out strikes using unmanned aerial vehicles and other means. But using Western-made long-range precision weapons is a completely different story.

The fact is that – I have mentioned this, and any expert, both in our country and in the West, will confirm this – the Ukrainian army is not capable of using cutting-edge high-precision long-range systems supplied by the West. They cannot do that. These weapons are impossible to employ without intelligence data from satellites which Ukraine does not have. This can only be done using the European Union's satellites, or US satellites – in general, NATO satellites. This is the first point.

The second point – perhaps the most important, the key point even – is that only NATO military personnel can assign flight missions to these missile systems. Ukrainian servicemen cannot do this.

Therefore, it is not a question of allowing the Ukrainian regime to strike Russia with these weapons or not. It is about deciding whether NATO countries become directly involved in the military conflict or not.

If this decision is made, it will mean nothing short of direct involvement – it will mean that NATO countries, the United States, and European countries are parties to the war in Ukraine. This will mean their direct involvement in the conflict, and it will clearly change the very essence, the very nature of the conflict dramatically.

This will mean that NATO countries – the United States and European countries – are at war with Russia. And if this is the case, then, bearing in mind the change in the essence of the conflict, we will make appropriate decisions in response to the threats that will be posed to us.

Dan Tsubouchi @Energy_Tidbits · Sep 13

321 crack spreads stay weak, -$0.49 WoW to $14.30.

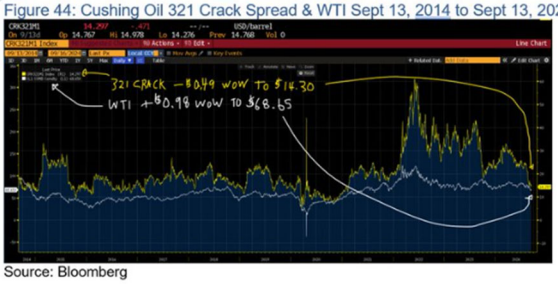
WTI was +$0.98 WoW to $68.65.

Crack spreads haven't been <$15 since Feb/21 when WTI was ~$60.

Other factors aside, $14.30 cracks are no incentive for refineries to take extra crude & drive up WTI.

Thx @business #OOTT

Figure 44: Cushing Oil 321 Crack Spread & WTI Sept 13, 2014 to Sept 13, 2024



Source: Bloomberg

2 11 23 6.3K

Dan Tsubouchi @Energy_Tidbits · Sep 13

Hopefully start up 2.5 bcfd Matterhorn Express moves Waha (Permian) spot #NatGas price to positive for a bit.

Waha +$0.01 WoW to close -$0.06.

Sept 3: $PR CEO "*Matterhorn is online, moving a little bit of gas & coming online in a real way over the next month or 2.*"

#OOTT

1 1 8 2.3K

Dan Tsubouchi
@Energy_Tidbits

No wonder Chinese consumer is still on sidelines.

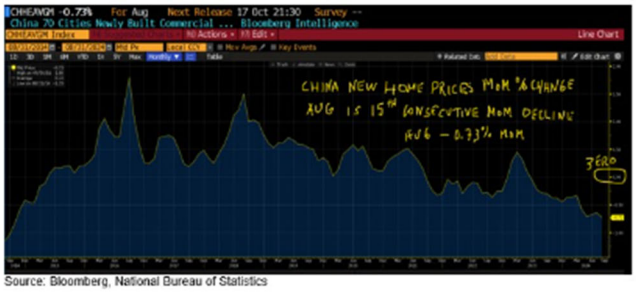
Their most important asset, home values keep going lower.

New home prices: 15th straight MoM % drop. Aug -0.73%. July -0.65%. June -0.67%.

2nd hand home prices: 16th straight MoM % drop. Aug -0.95%. July -0.80%. June -0.85%.

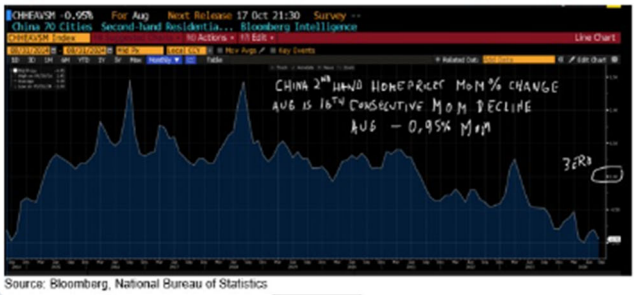
Thx @business #OOTT

Figure 44: China new home prices MoM % change incl Aug 2024



Source: Bloomberg, National Bureau of Statistics

Figure 45: China 2nd hand home prices MoM % change incl Aug 2024



Source: Bloomberg, National Bureau of Statistics

6:47 PM · Sep 13, 2024 · **3,625** Views

Dan Tsubouchi
@Energy_Tidbits

Daily Europe air traffic remains stuck below pre-Covid.

7-day moving average as of:

Sept 12: -3.0% below pre-Covid
Sept 5: -2.8%
Aug 29: -3.1%
Aug 22: -2.8%
Aug 15: -2.2%
Aug 8: -1.3%
Aug 1: -1.9%
Jul 25: -2.2%
Jul 18: -2.6%
Jul 11: -2.9%

Thx @eurocontrol
#Oil #OOTT

5:46 AM · Sep 14, 2024 · **1,023** Views

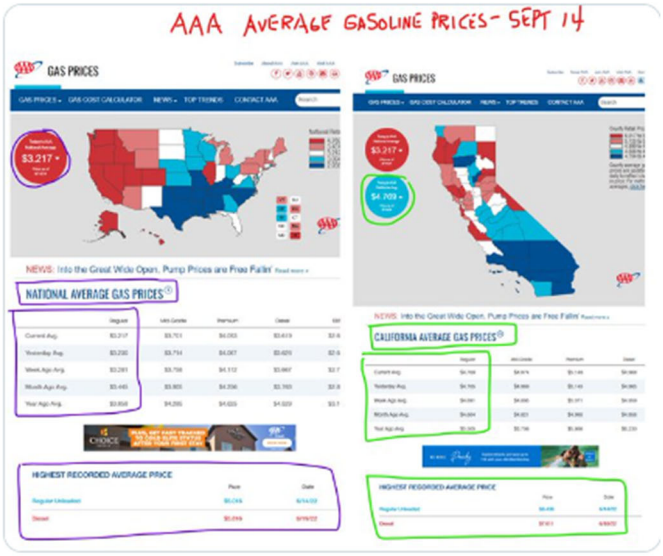
Dan Tsubouchi
@Energy_Tidbits

US National average gasoline prices keep drifting lower, but California moving higher in Sept.

AAA National average prices -$0.06 WoW to $3.22 on Sept 14, -$0.23 MoM and -$0.64 YoY.

California $4.77 on Sept 14, +0.08 WoW, +$0.17 MoM, and -$0.74 YoY.

Thx @AAAnews
#OOTT



6:27 AM · Sep 14, 2024 · **1,073** Views

Dan Tsubouchi
@Energy_Tidbits

Floating storage isn't why oil has been soft.

Vortexa crude #Oil floating storage 58.11 mmb at Sept 13.

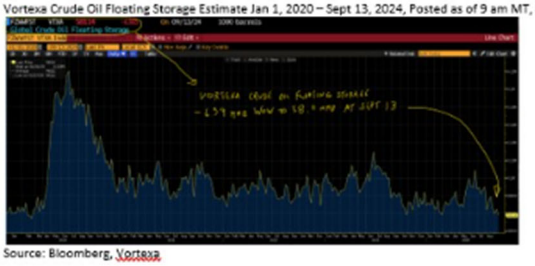
Only been 4 wks <60 mmb since Covid.

Revisions for last 7 wks average +2.31 mmb/wk.

Post revisions, last 7 wks average 66.67 mmb, only been 21 wks <70 mmb since Covid.

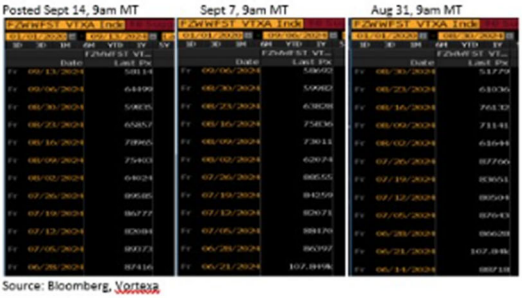
Thx @vortexa @business #OOTT."

Vortexa Crude Oil Floating Storage Estimate Jan 1, 2020 – Sept 13, 2024, Posted as of 9 am MT, Sept 14, 2024



Source: Bloomberg, Vortexa

Posted Sept 14, 9am MT | Sept 7, 9am MT | Aug 31, 9am MT



Source: Bloomberg, Vortexa

Region	Sept 13/24	Sept 6/24	WoW	Original Posted Sept9/24	Recent Peak Jun 23/23	Sept 13 vs. Jun 23'23
Asia	27.05	26.81	0.24	26.36	73.46	-46.41
North Sea	2.19	0.37	1.82	0.47	5.23	-3.04
Europe	3.59	1.96	2.83	1.30	5.63	-1.64
Middle East	5.36	4.34	1.42	3.10	6.76	-1.20
West Africa	7.82	13.81	-5.99	12.07	7.62	0.20
US Gulf Coast	0.00	3.70	-3.70	4.26	1.02	-1.02
Other	11.50	14.51	-3.01	11.33	29.26	-17.76
Global Total	58.11	64.50	-6.39	58.49	129.30	-70.85

Vortexa crude oil floating storage posted on Bloomberg 9am MT on Sept 7

Source: Vortexa, Bloomberg

Dan Tsubouchi
@Energy Tidbits

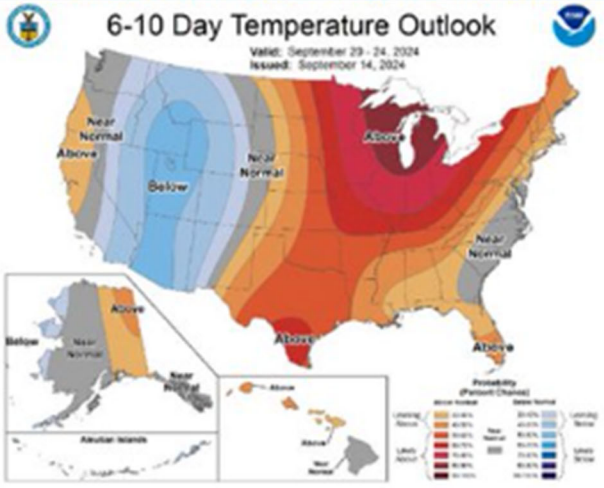
Updated @NOAA 6-10 & 8-14 day temperature outlook moves to warmer than normal Sept 20-28.

But outside of south, that means leave the windows open temp.

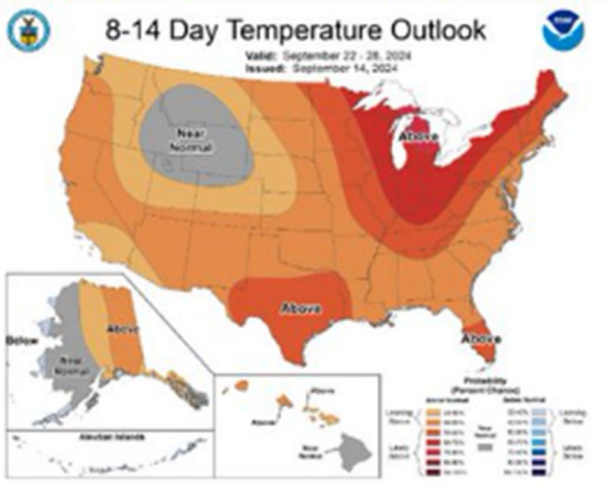
Not likely to impact prices with storage still +198 bcf YoY & lots of shut-in #NatGas due to low prices.

#OOTT

https://www.cpc.ncep.noaa.gov/products/predictions/610day/index.ph



https://www.cpc.ncep.noaa.gov/products/predictions/814day/index.ph



1:04 PM · Sep 14, 2024 · **1,723** Views

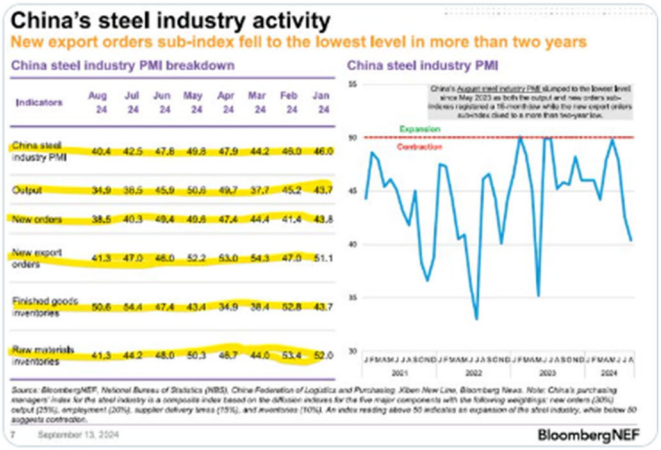
Dan Tsubouchi ✓
@Energy_Tidbits

Across-the-board negative China steel indicators.

Steel industry PMI, Output, New Orders, New Export Orders and Raw Materials Inventories indicators all down MoM.

Finished Goods Inventories indicator up MoM but still high.

Great recap table @BloombergNEF
#OOTT



5:00 AM · Sep 15, 2024 · **954** Views

Dan Tsubouchi ✓ @Energy_Tidbits · 52m
No one expects Houthis to shoot down Israeli jets but any major attack can have unforeseen impact.

Netanyahu "*Houthis launched a surface-to-surface missile from Yemen into our territory. They should have known by now that we charge a heavy price for any attempt to harm us*,"
Show more

> **FRANCE 24** ✓ @FRANCE24 · 2h
> Netanyahu warns Yemen's Houthi rebels of 'heavy price' after first missile attack on central Israel
> ➡ go.france24.com/SMk
>
> 
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