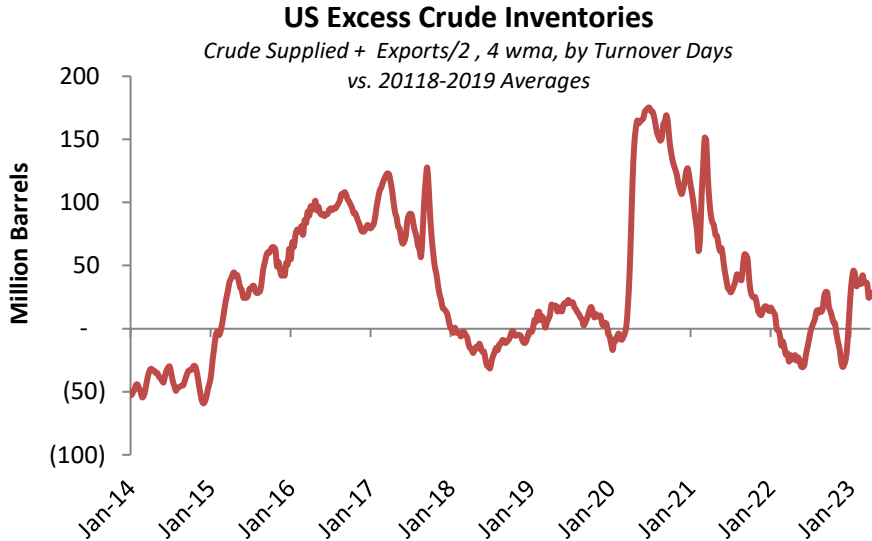


# **EIA Petroleum Status Report**

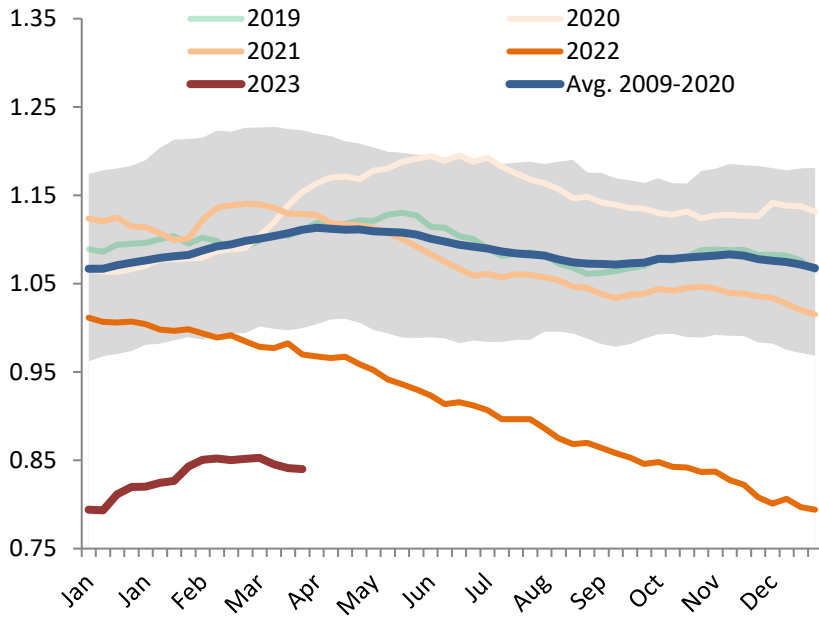
**12 April 2023**

# Weekly Oil Markets - Summary Assessment

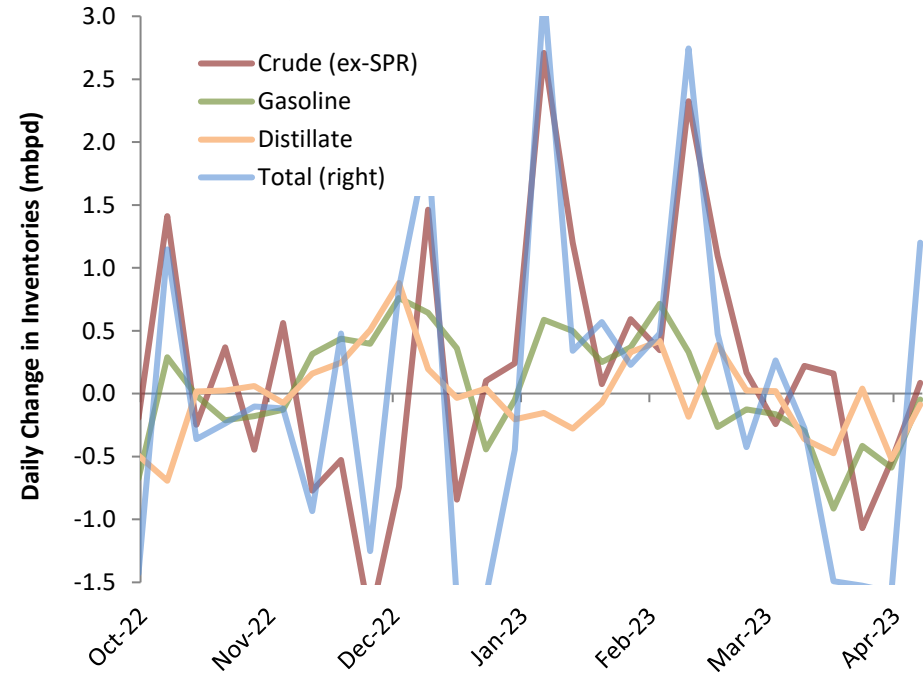
- Crude inventories were flat this week
  - However, excess crude inventories, as measured by seasonally-adjusted days of turnover, have fallen by 14 mb since early March
- Product inventories are normal
- Crude and key product inventories, taken together, have fallen by 22 mb since early March as measured by seasonally-adjusted days of turnover, and now stand at only 12 mb, which is effectively nothing in practical terms.
- Total, gasoline, and jet fuel supplied (consumption) all look good by recent comparisons, particularly jet fuel
  - If the US is heading into recession, it is not apparent in the oil consumption data, where we would expect to see it
- US crude and condensate production rose by 0.1 mbpd to 12.3 mbpd, materially unchanged in the last ten months
  - The EIA sees US crude and condensate production flat through Q3, rising modestly in 2024
  - This seems rather optimistic, given that US rig counts have been declining for 17 of the last 18 weeks. If rig counts are down and spread counts are flat, where is US production growth coming from?
  - Indeed, the EIA's April STEO sees February US crude and condensate production as the high point through Q3. Given the EIA's flat oil price forecast, the impetus for higher rig and spread counts appears to be lacking. As a result, for the moment, it looks like February 2023 crude and condensate production may be penciled in as the US peak (excluding NGLs) for this cycle.
- Oil prices have risen sharply on OPEC production cuts.
  - The futures curve is now in more decided backwardation, and storage incentive analysis suggests the traders expect oil markets to be largely in balance for the rest of the year, that is, current pricing looks sustainable.



## US Crude Oil Inventories



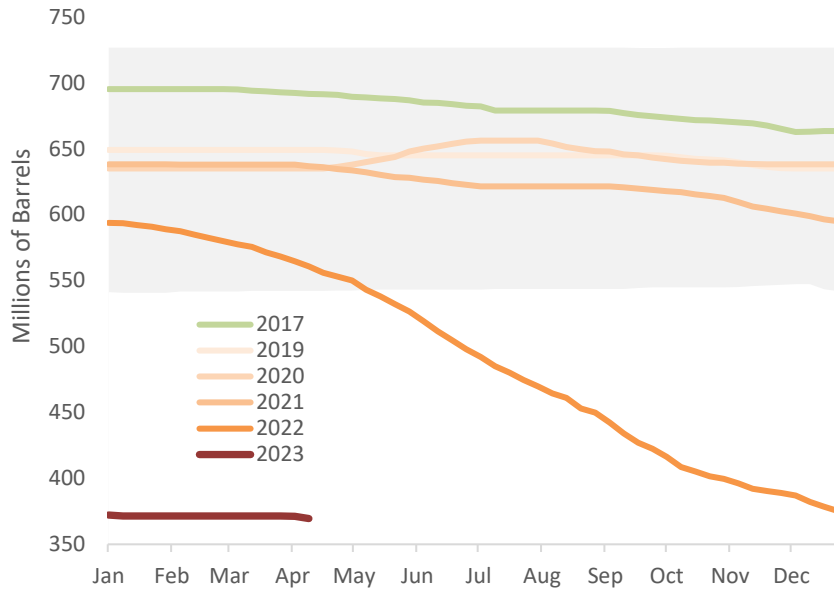
## Change in Commercial Crude Inventories



# Strategic Petroleum Reserve

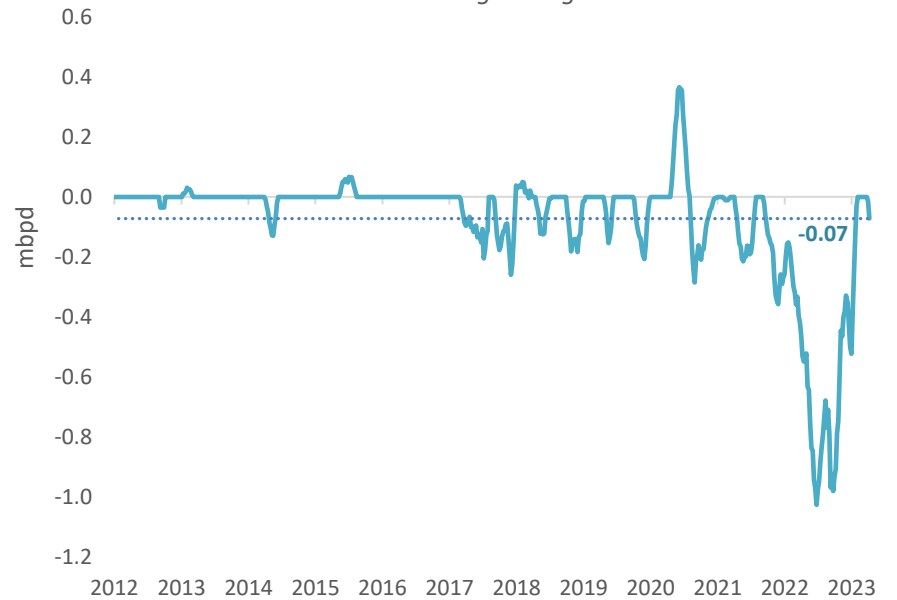
## US Strategic Petroleum Reserve Stocks

1990-2021 Range in Gray



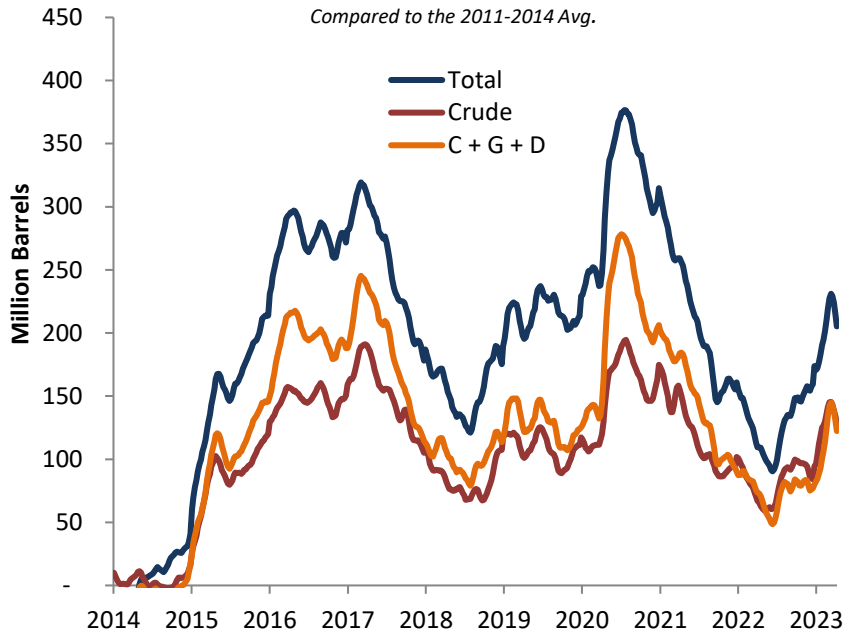
## Daily Change in US SPR

Four week moving average basis



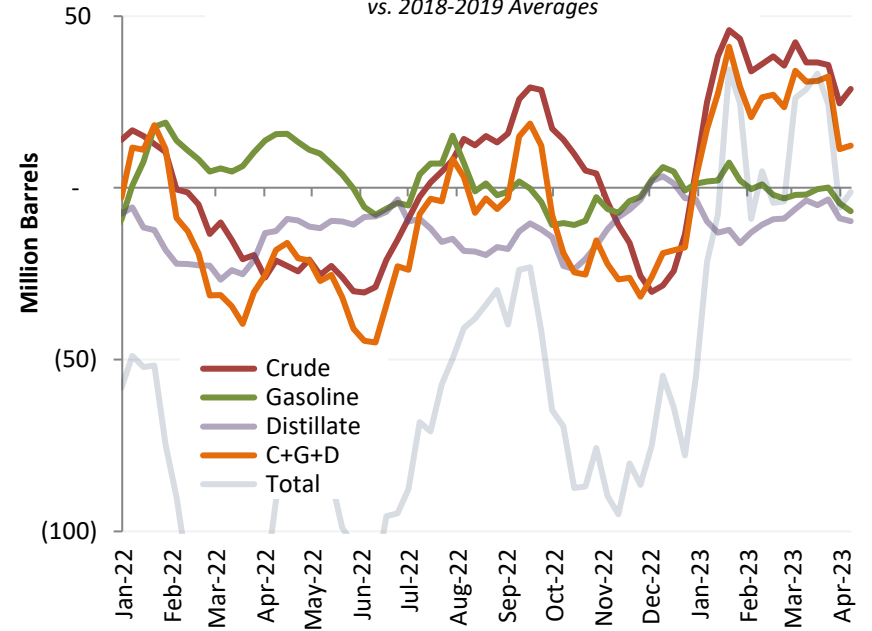
### Excess US Crude + Product Inventories

*Compared to the 2011-2014 Avg.*



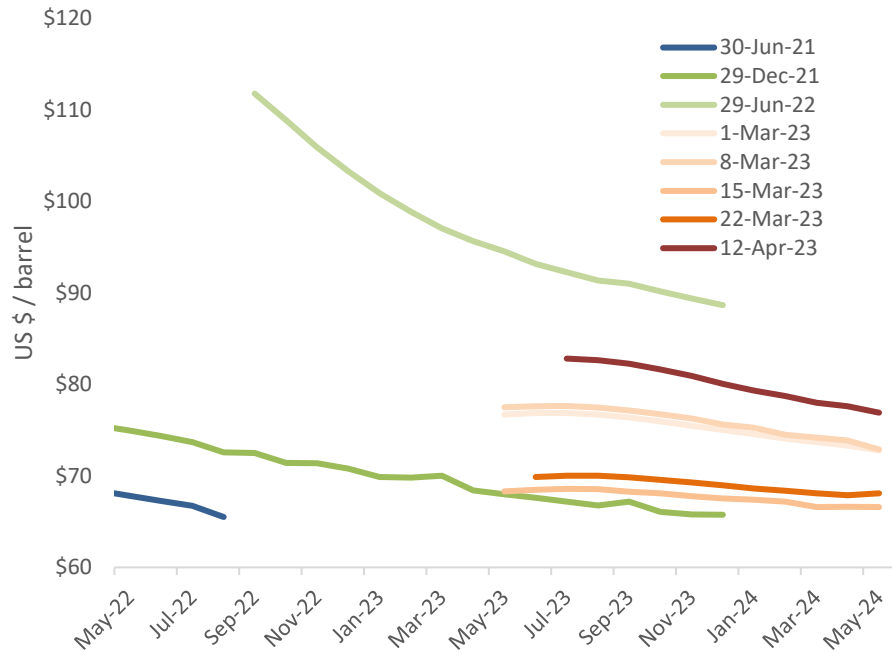
### US Excess Crude and Product Inventories

*Prod Supplied + Exports/2, 4 wma, by Turnover Days vs. 2018-2019 Averages*

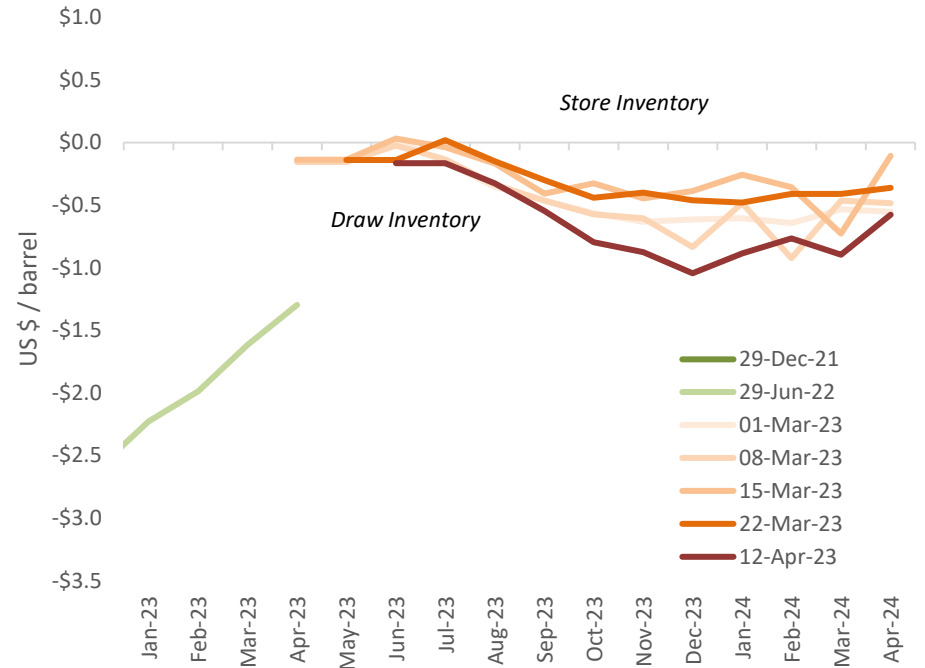


# WTI Futures, Incentive to Store

### WTI Futures Curve

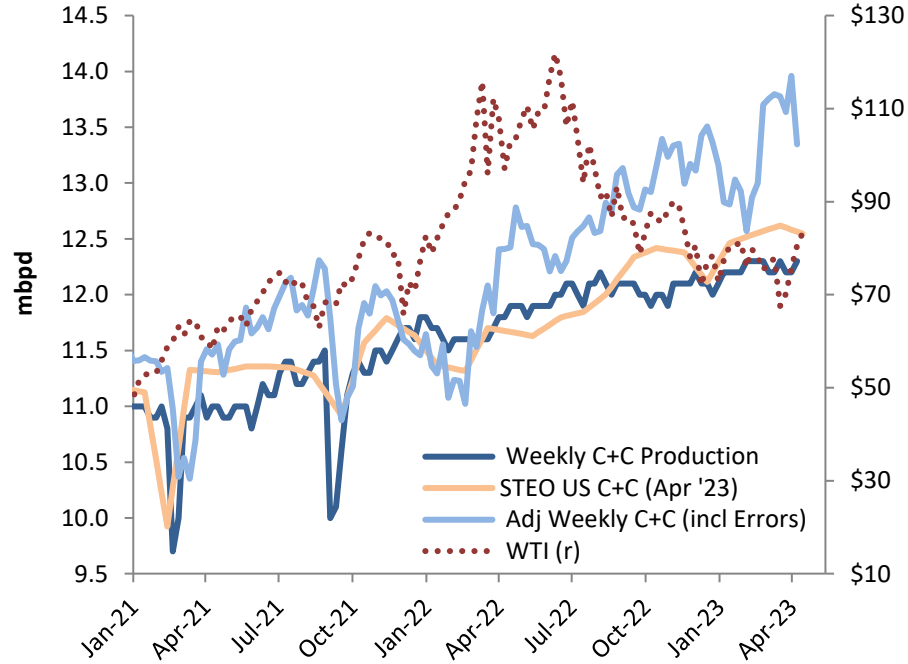


### Incentive to Store Crude Oil at Louisiana Caverns

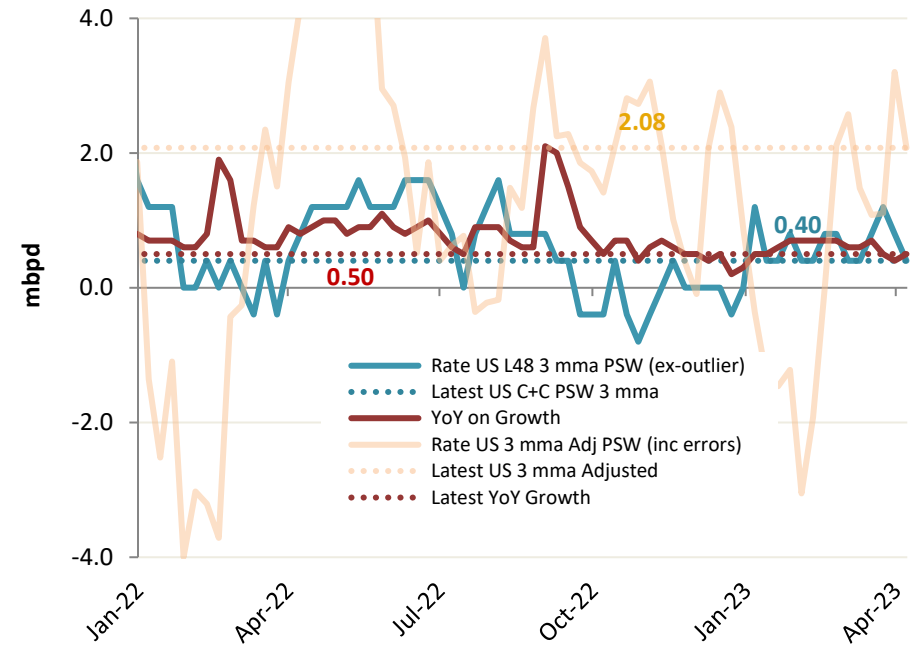


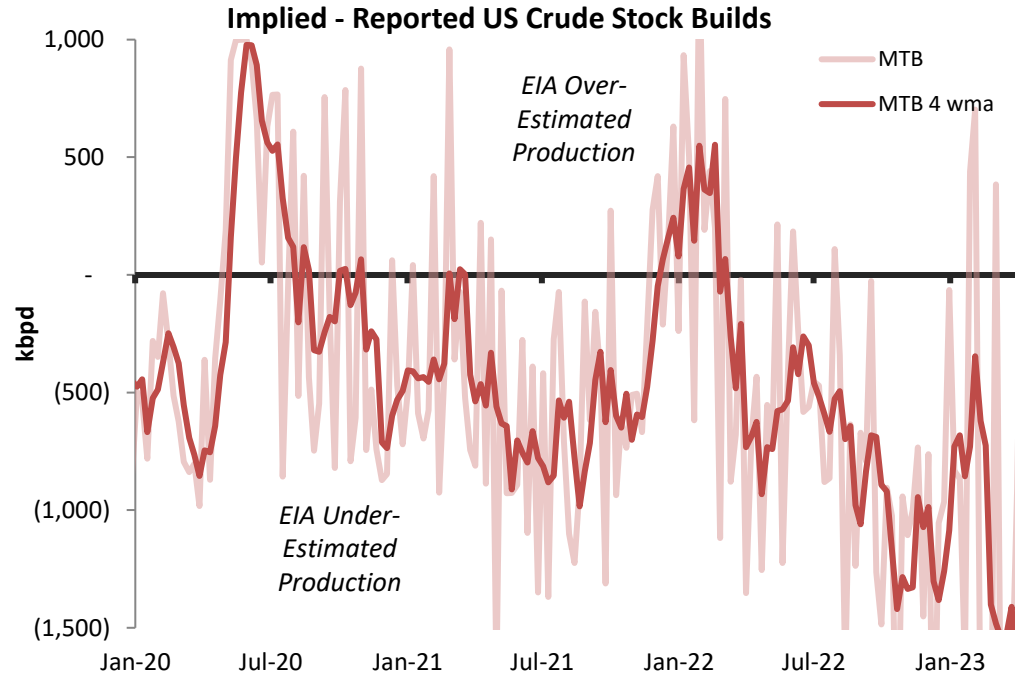
# US Crude + Condensate Production

### US Crude + Condensate Production

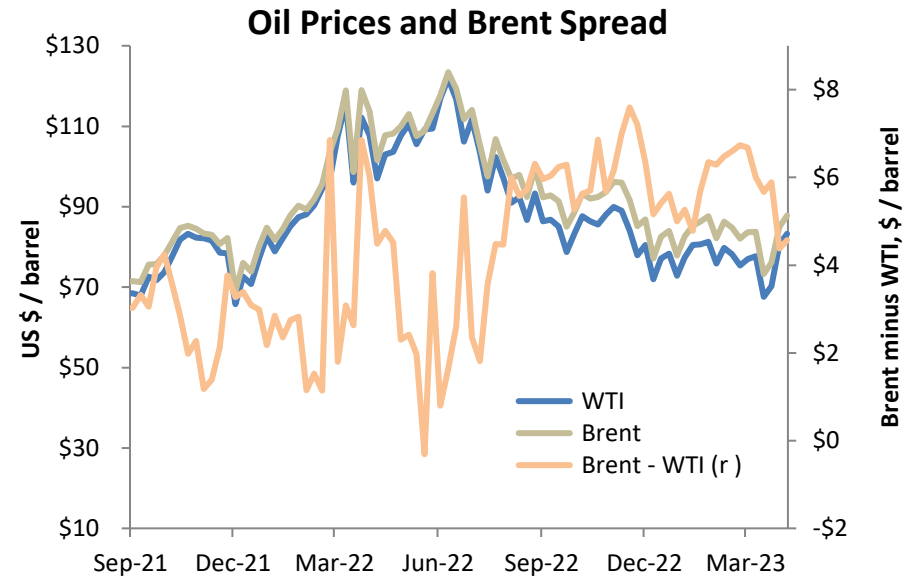
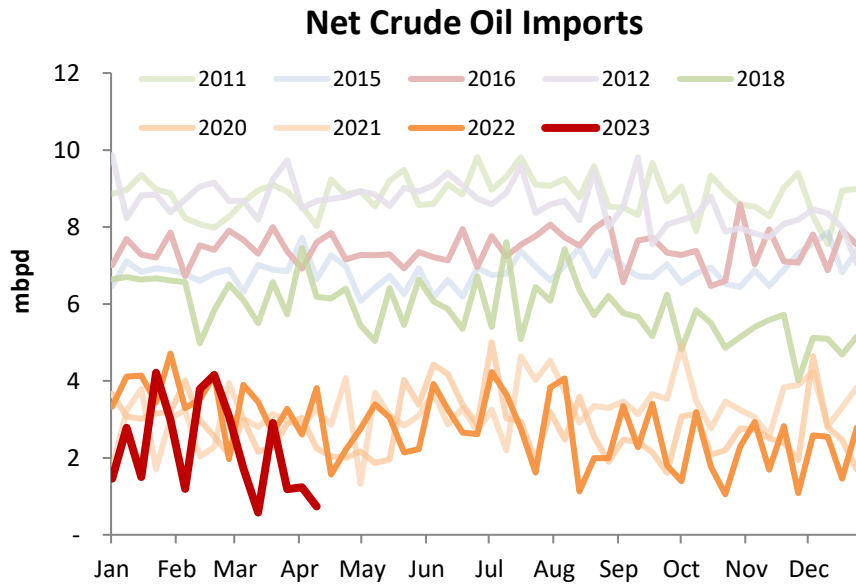


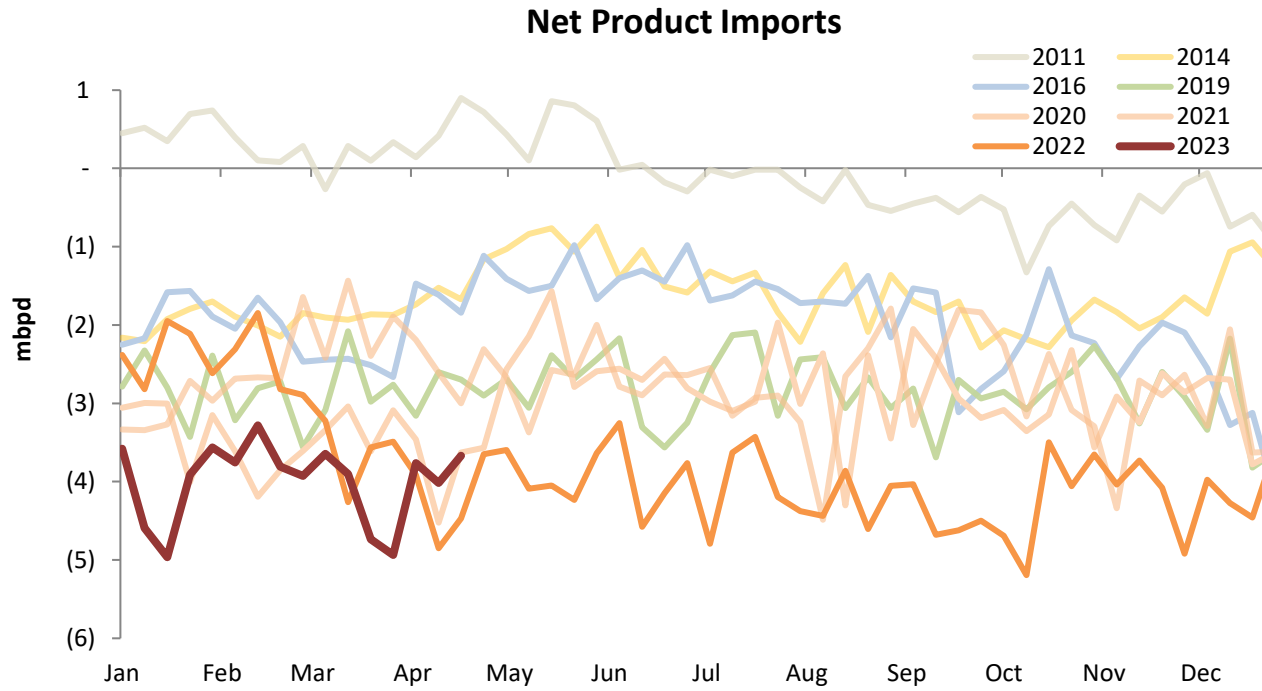
### Annual Rate of US L48 C+C Supply Increase







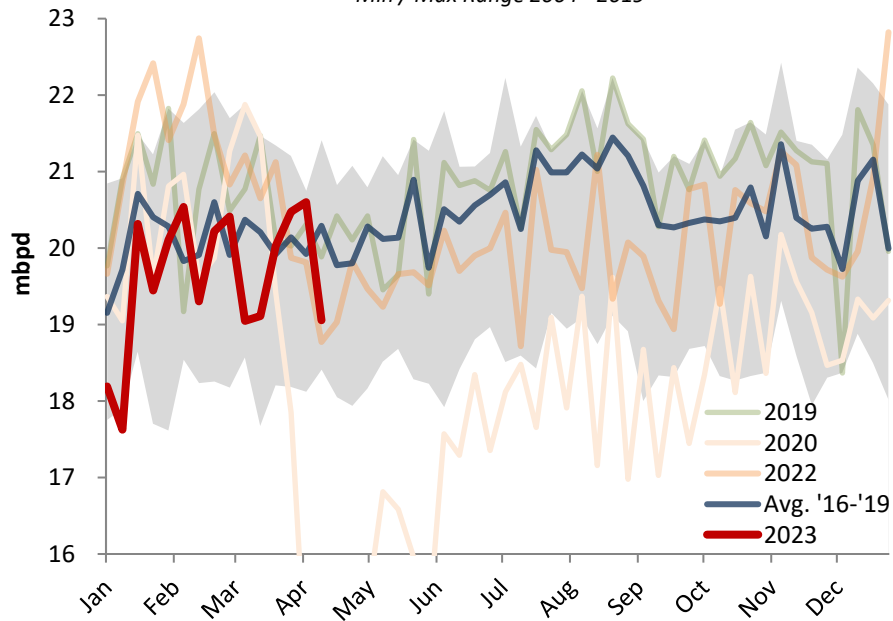




# Product Supplied (Demand)

## Total Product Supplied (Demand Proxy)

*Min / Max Range 2004 - 2019*



## Change in Total Product Supplied (Consumption)

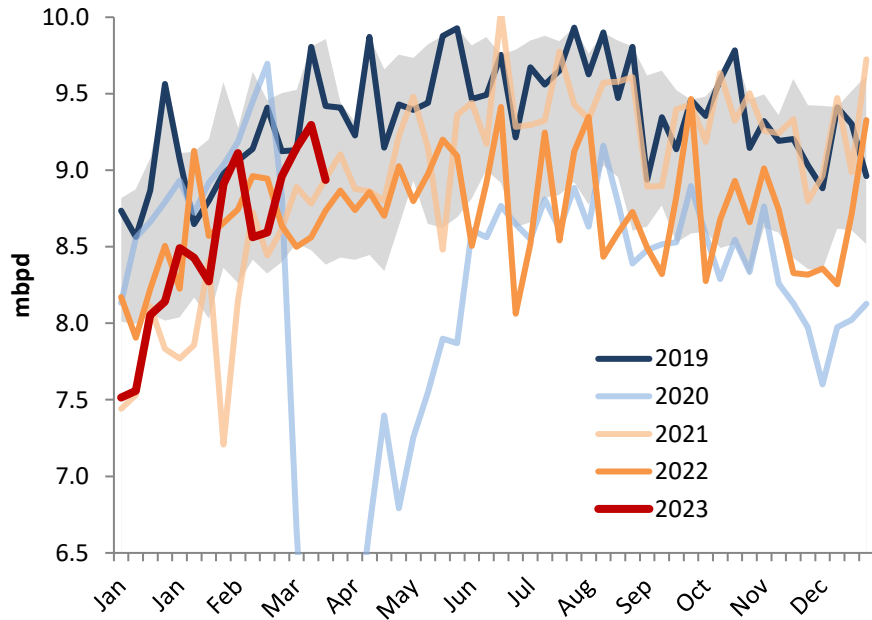
*Compared to 2019, 4 wma*



# Gasoline Supplied (Consumption)

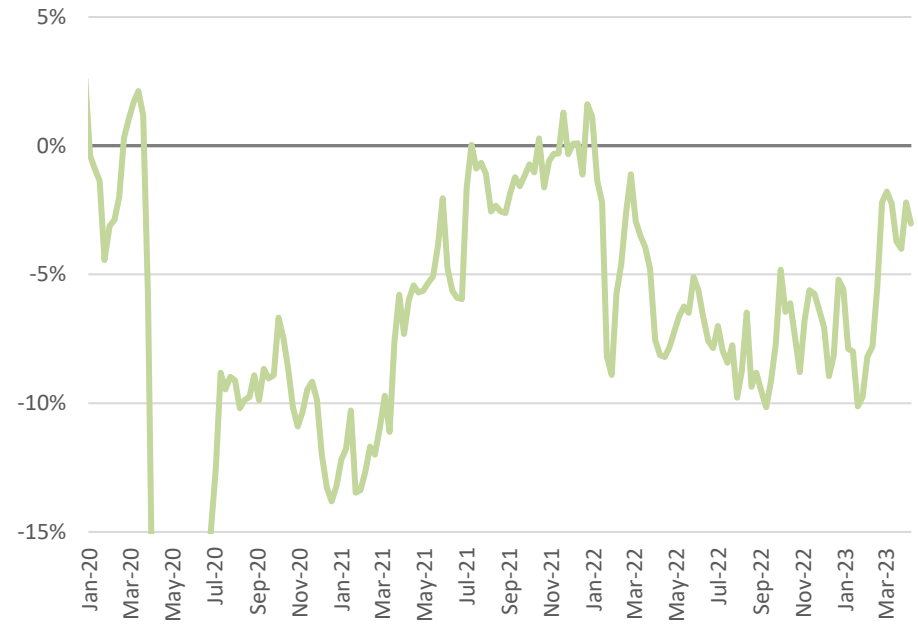
**Gasoline Supplied (Demand Proxy)**

*Shaded Area Min/Max Range 2004 - 2019*



**Change in Gasoline Supplied (Consumption)**

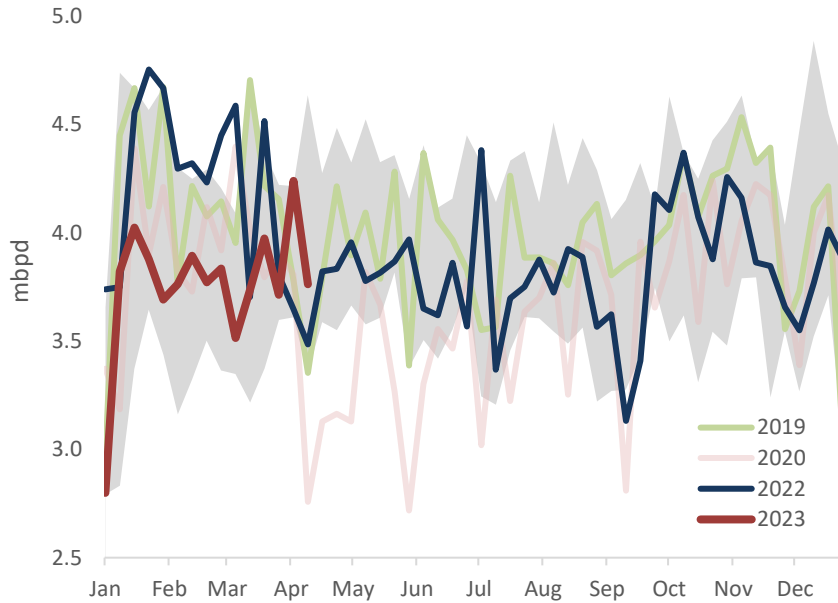
*Compared to 2019, 4 wma*



# Distillate Supplied (Diesel Consumption)

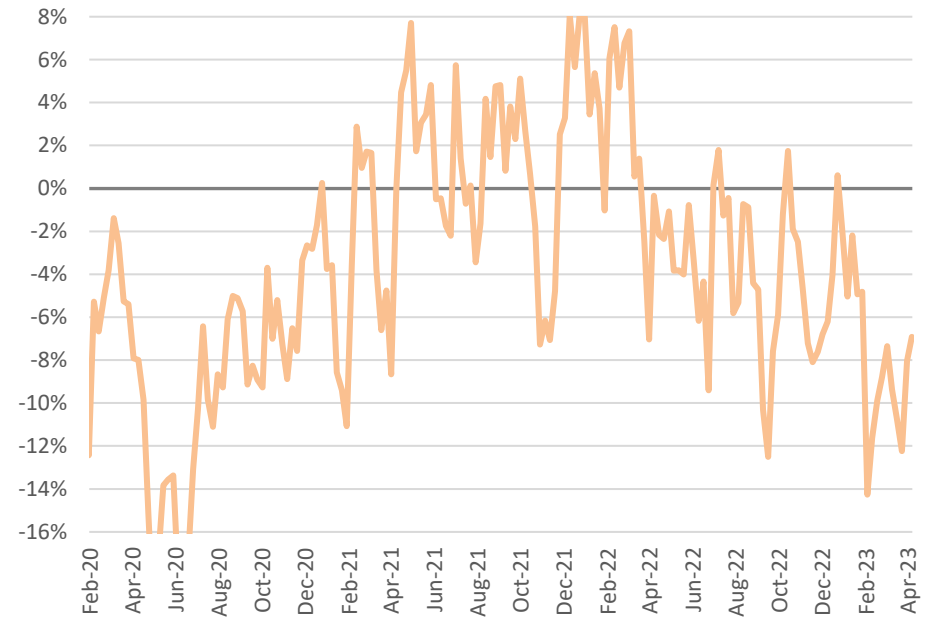
**Distillate Supplied (Demand Proxy)**

*Min / Max Range 2011 - 2019*



**Change in Distillate Supplied (Consumption)**

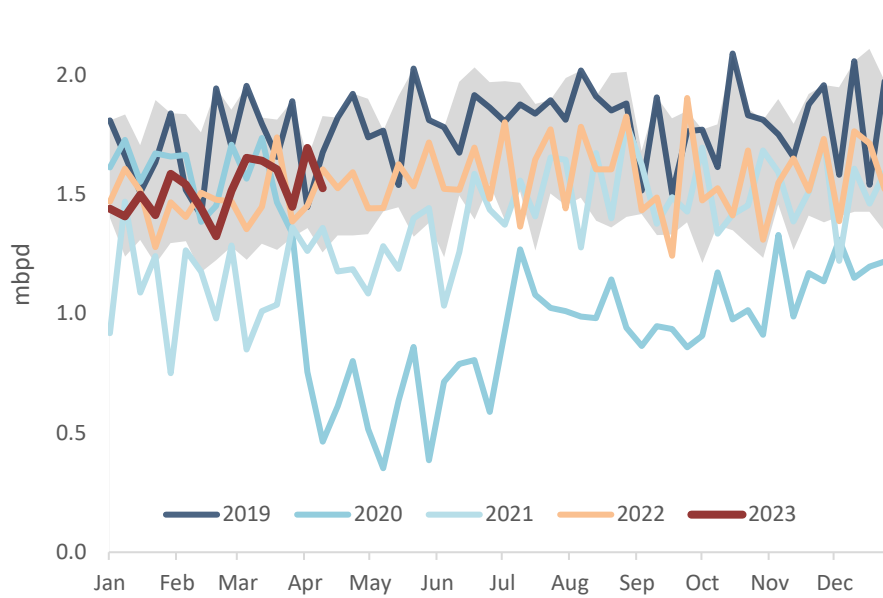
*Compared to 2019, 4 wma*



# Jet Fuel (Kerosene) Supplied

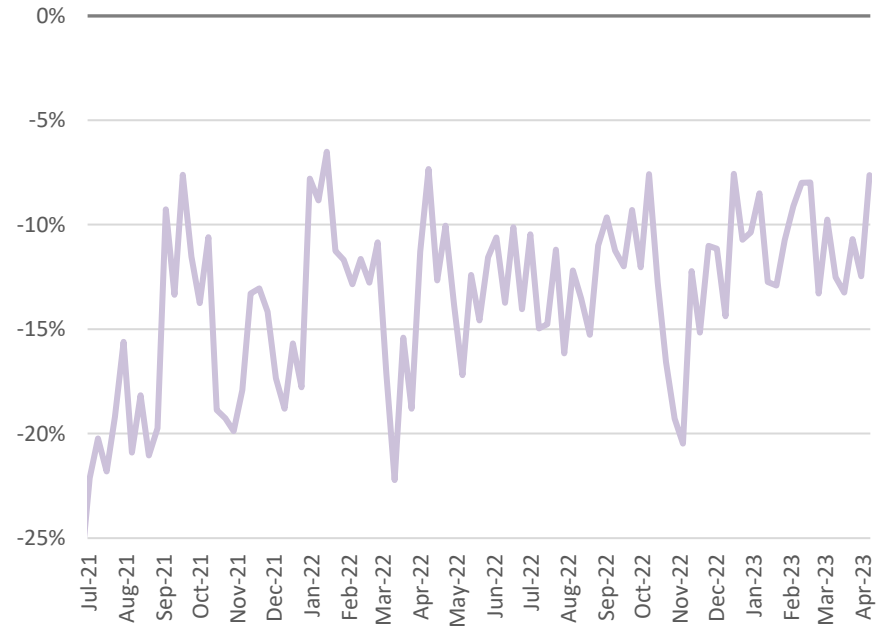
### Kerosene Supplied (Jet Fuel Consumption)

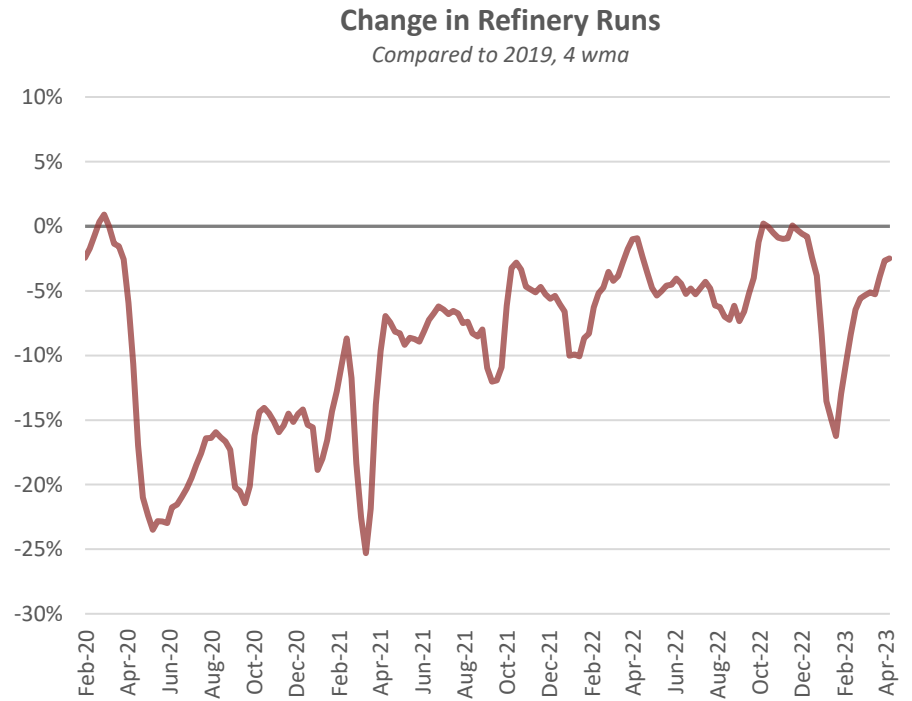
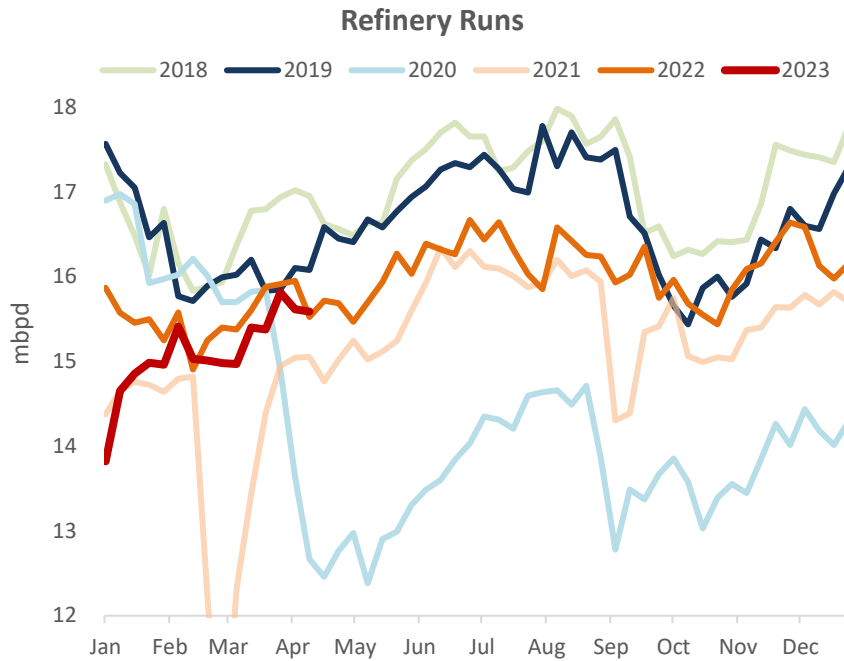
Shaded Area Min/Max 2004-2019



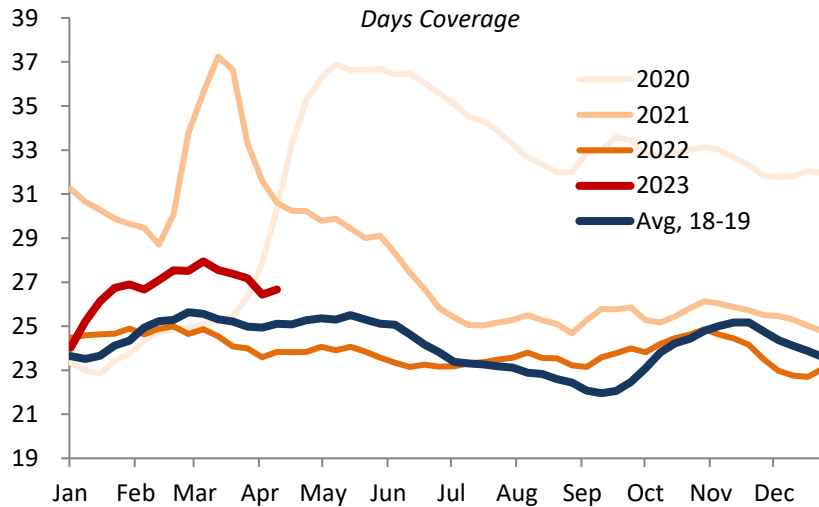
### Change in Kerosene Supplied (Consumption)

Compared to 2019, 4 wma

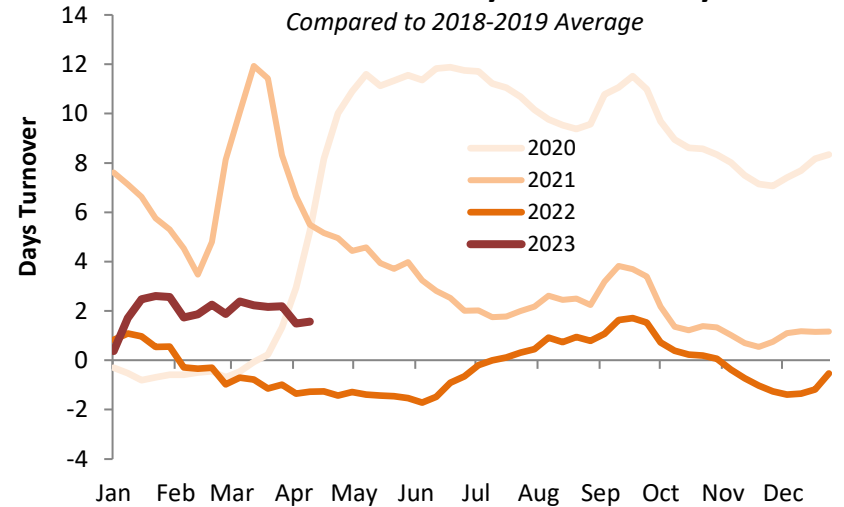




### Crude Oil to Refineries + Exports/2



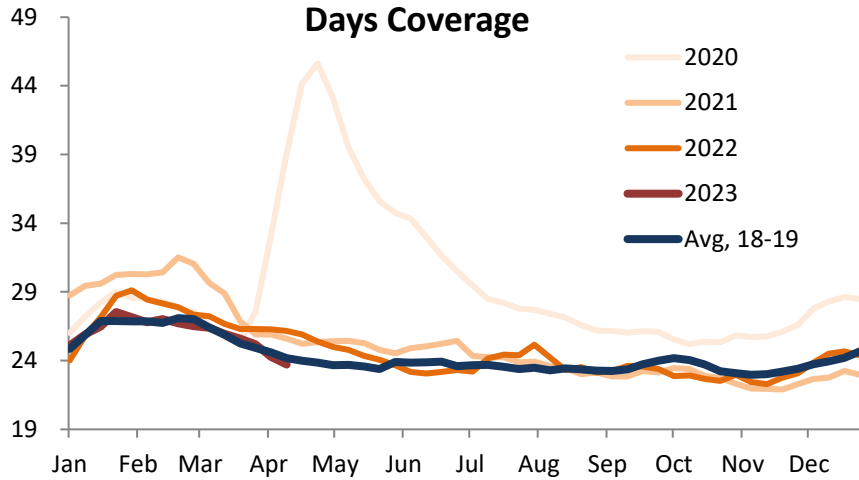
### Crude - Excess Days of Inventory



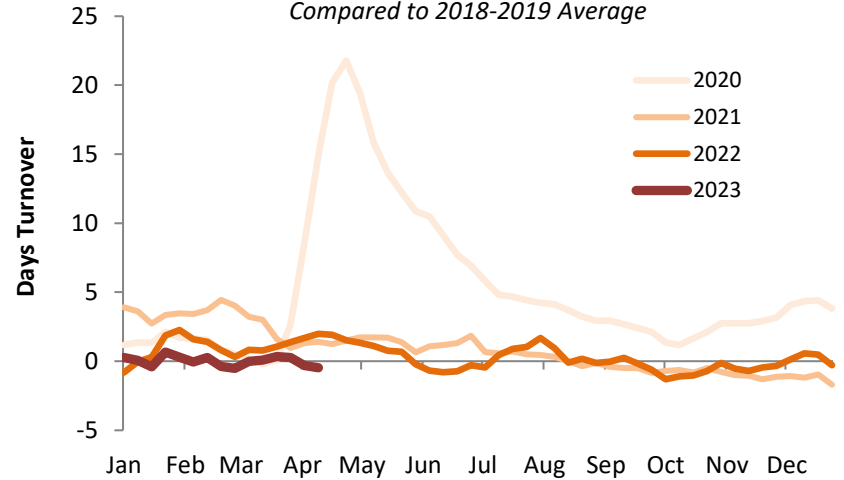


# Gasoline – Turnover Days

**Gasoline Supplied + Exports / 2  
Days Coverage**

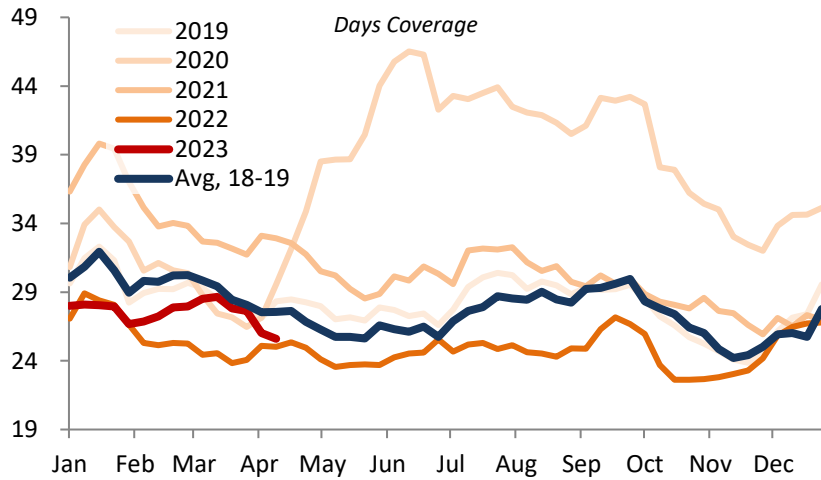


**Gasoline - Excess Days of Inventory  
Compared to 2018-2019 Average**

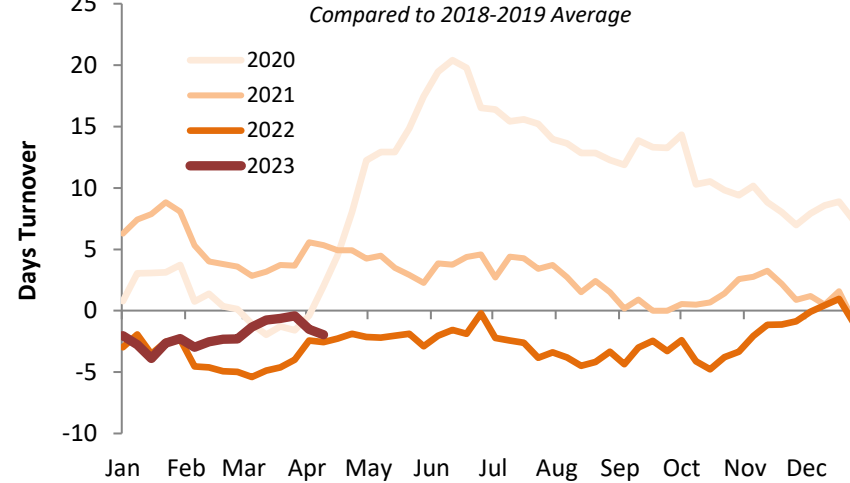


# Distillate – Turnover Days

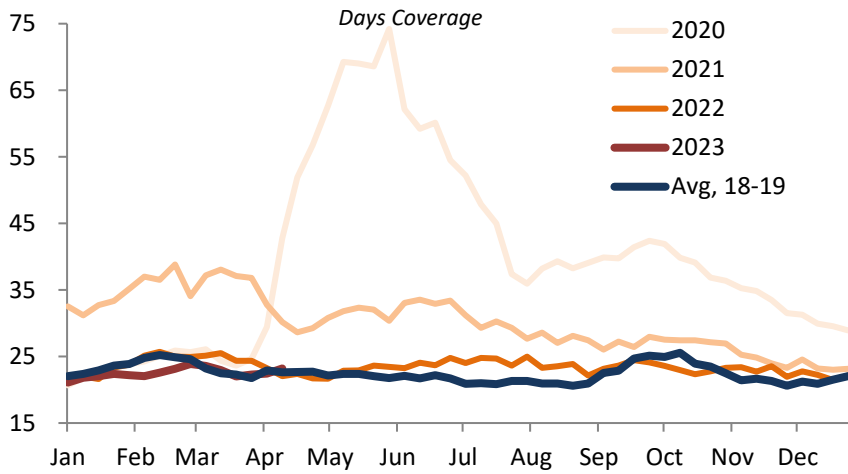
### Distillate Supplied + Exports/2



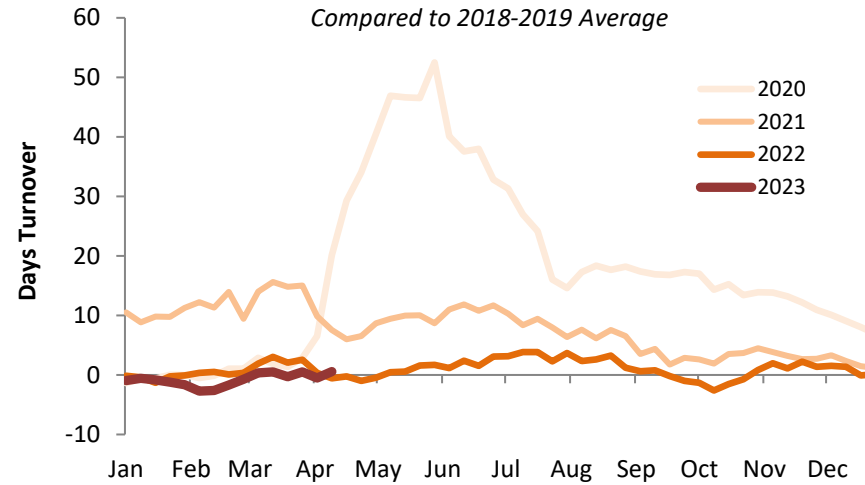
### Distillate - Excess Days of Inventory



### Kerosene Supplied + Exports/2

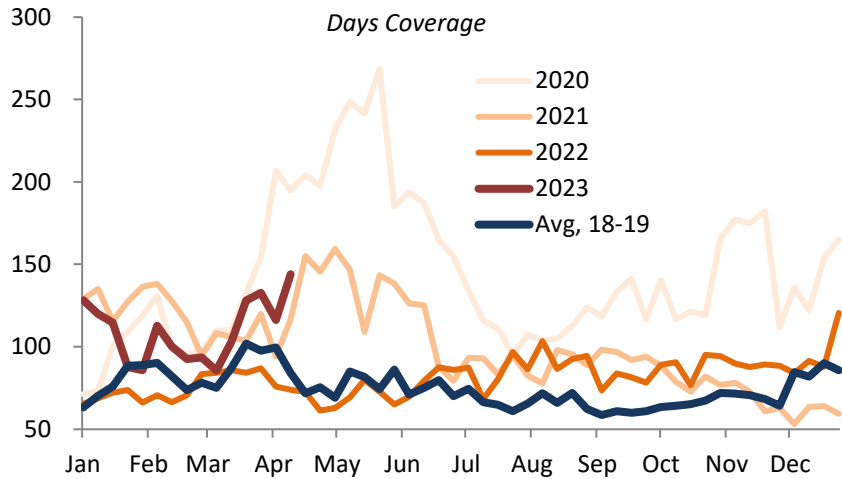


### Kerosene - Excess Days of Inventory

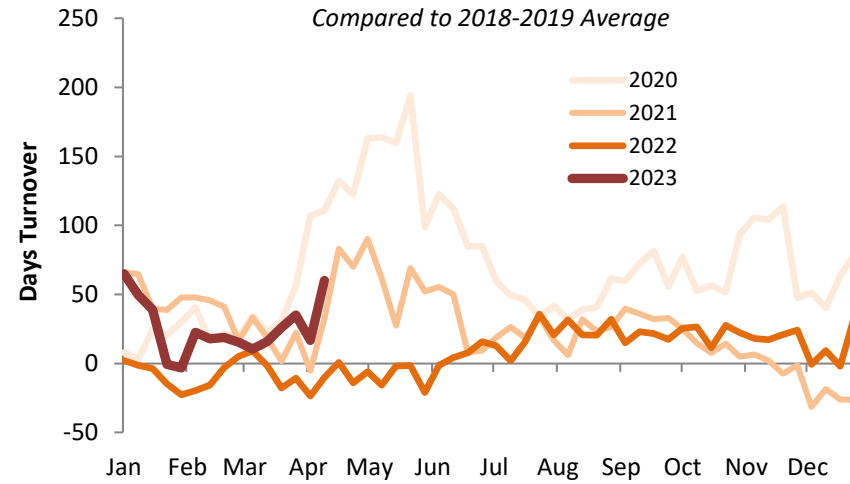


# Residual Fuel Oil – Turnover Days

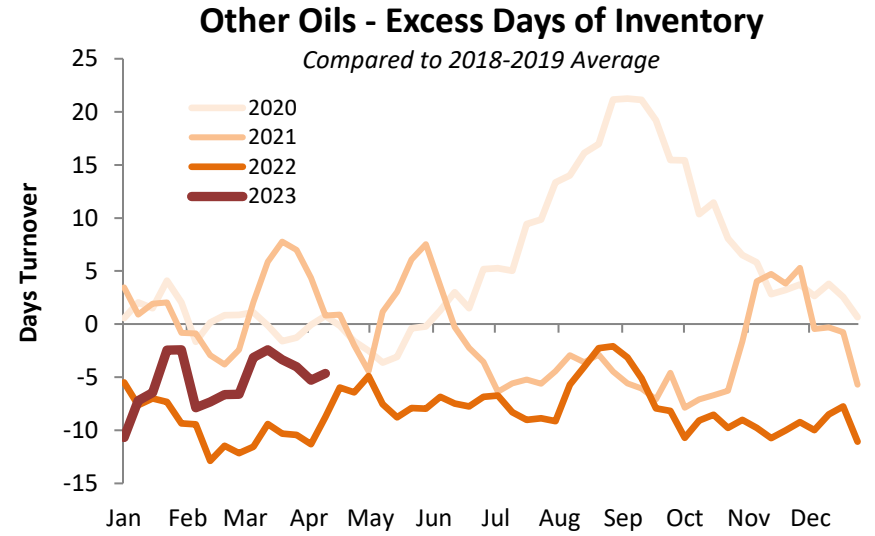
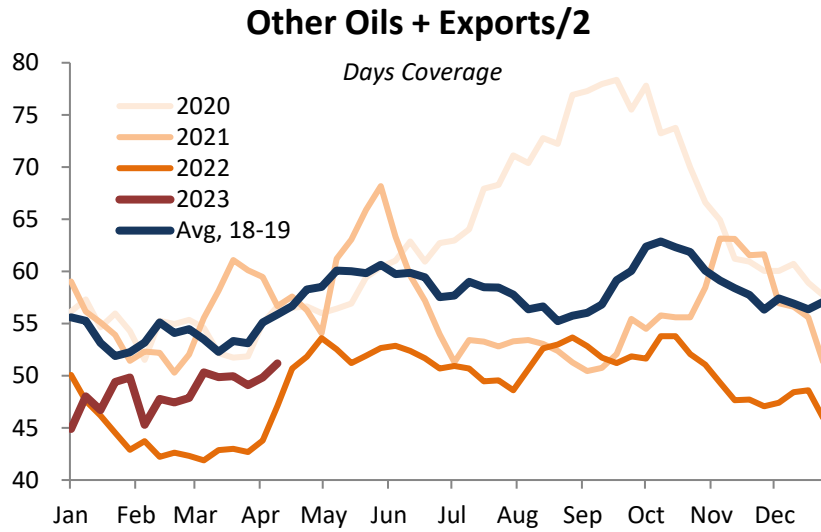
### Residual Supplied + Exports/2



### Residual Fuel Oil - Excess Days of Inventory

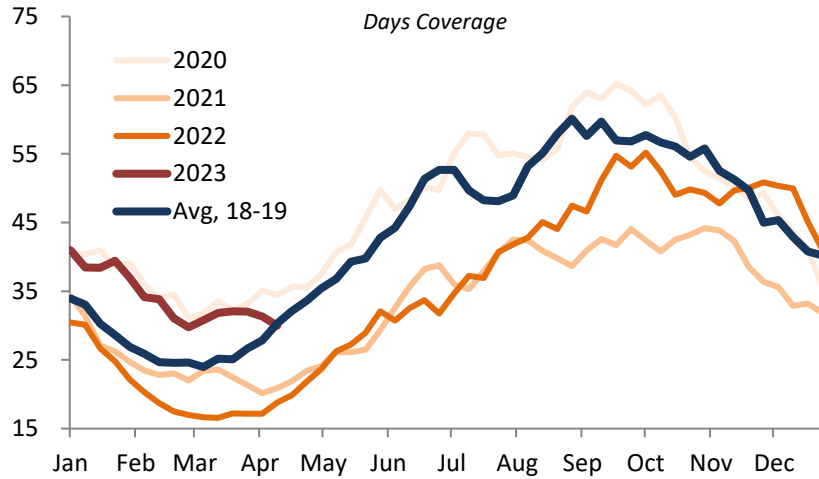


# Other Oils – Turnover Days

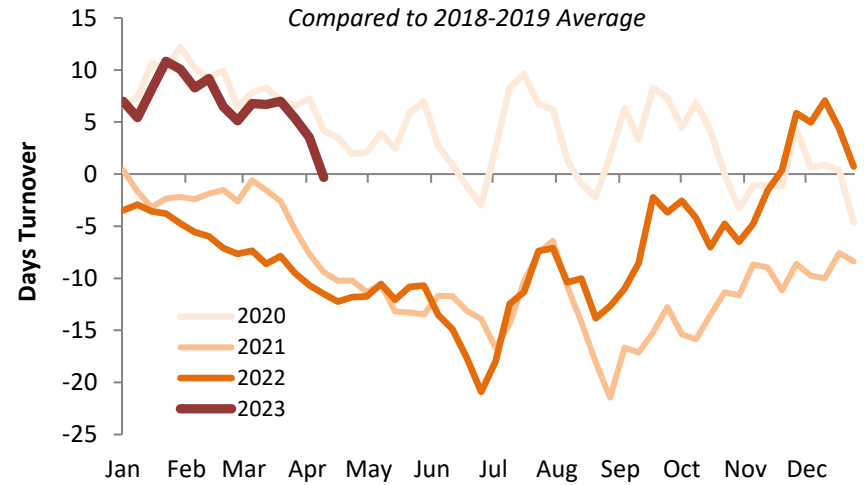


# Propane / Propylene – Turnover Days

**Propane Supplied + Exports/2**



**Propane - Excess Days of Inventory**



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ADVISORS

End.

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