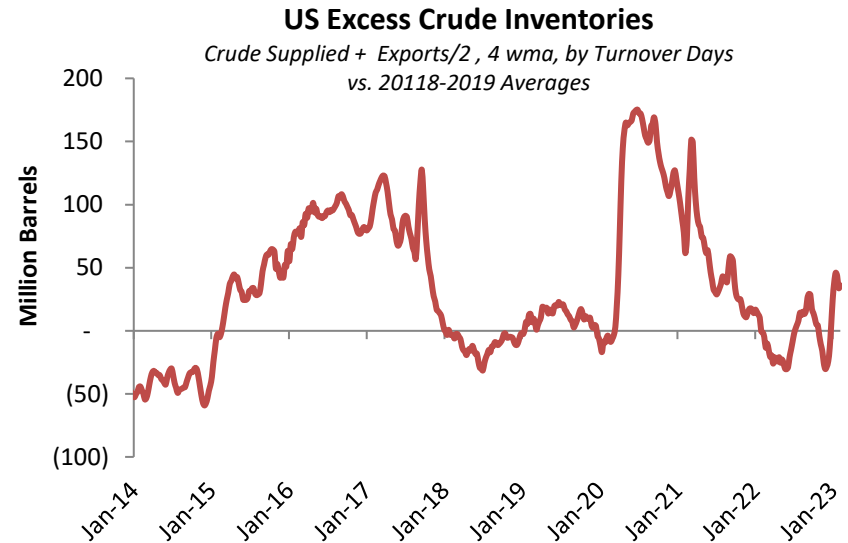


EIA Petroleum Status Report

15 February 2023

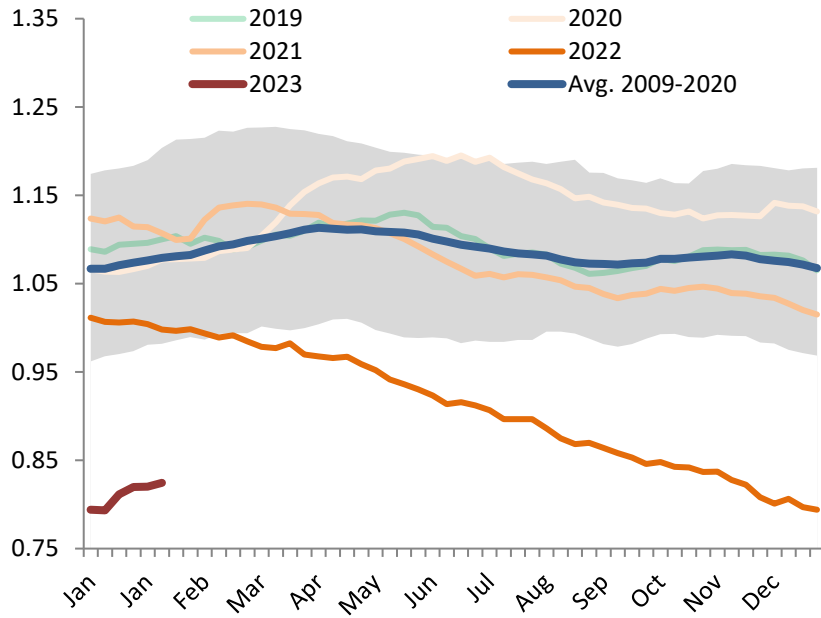
Weekly Oil Markets - Summary Assessment

- The media reported a ‘massive’ crude inventory build this week, and indeed crude inventories rose by 16 mb, a large, but not unprecedented, gain
- However, excess crude inventories, as measured by days of turnover, rose only 2.2 mb because
 - Inventories tend to build seasonally in the spring and refining, although still weak, has improved by 1.5 mbpd over the last month
 - As a result, additional crude inventory is needed to operate the system, and the net rise, after accounting for increased crude demand and seasonal factors, is only a fraction of the nameplate 16 mb build
- Product inventories are normal, with jet fuel a bit tight
- Demand (consumption) remains weak, with total product supplied 5% below normal; gasoline 8%, distillate (diesel) 12% and kerosene (jet) 8% below normal on a 4 week moving average (wma) basis. All of these remain stuck in recession territory, that is, pump prices remain high enough to prevent a full recovery of US refined products consumption, in aggregate running about 1 mbpd below normal
 - Having said that, weak diesel consumption is likely linked to warm weather in the northeast, where heating with fuel oil is common. Too much should not be read into this data point.
 - Further, although jet fuel consumption remains below normal on a 4 wma basis, it has actually posted above 2019 levels (‘normal’) for the last two weeks. That’s a good sign both for recovery from the pandemic and indicative of discretionary income in consumers’ pockets
- US oil production remains at 12.3 mbpd, up a bit over recent times, but still treading water overall
- WTI remains in soft contango, and incentive to store analysis suggests supply continues to run ahead of demand by perhaps 1.5 mbpd globally. If Russia’s exports do not fall, there is a \$10 / barrel downside scenario in the short run.

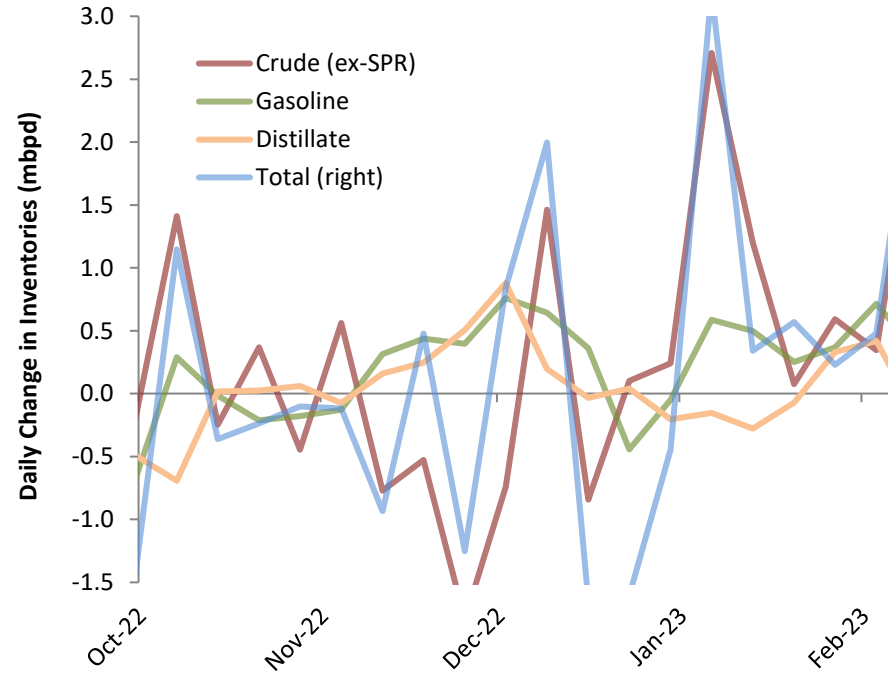


Absolute Inventory Changes

US Crude Oil Inventories



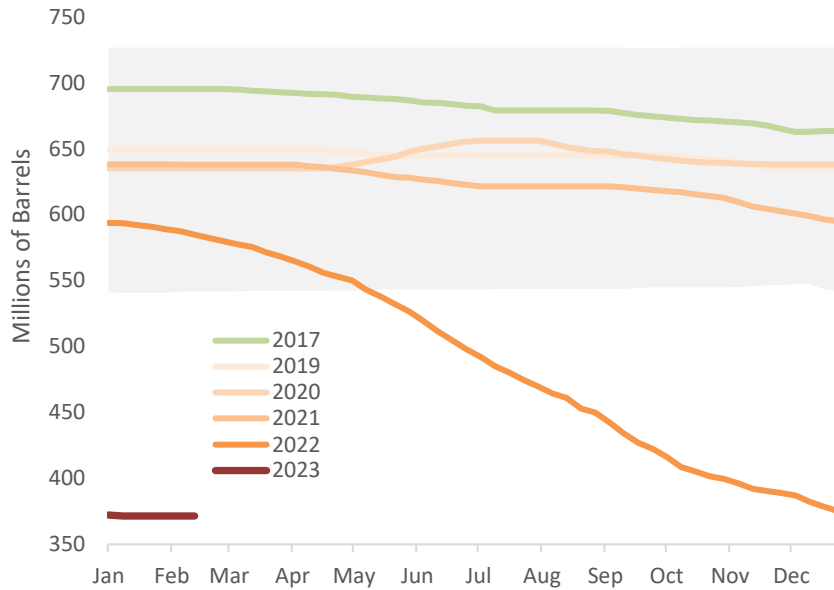
Change in Commercial Crude Inventories



Strategic Petroleum Reserve

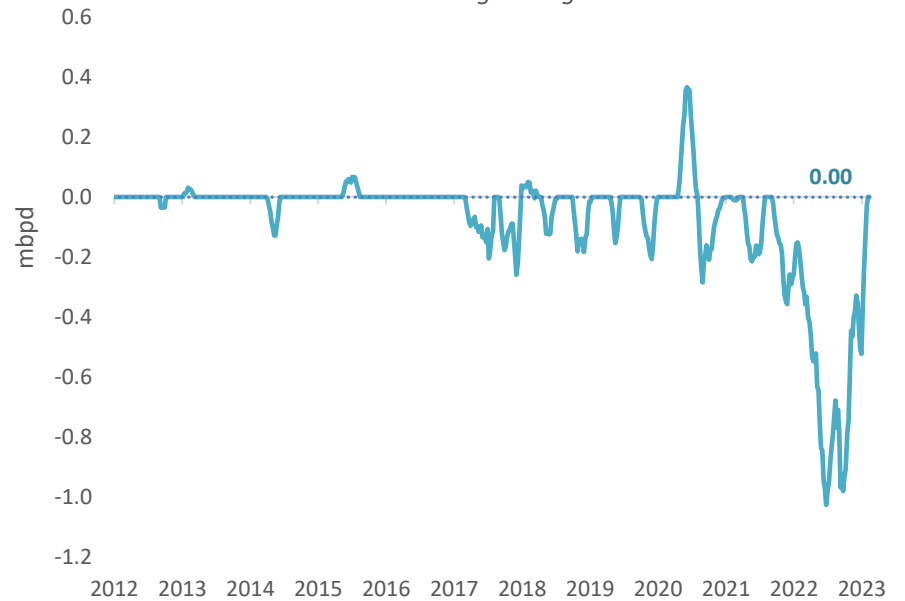
US Strategic Petroleum Reserve Stocks

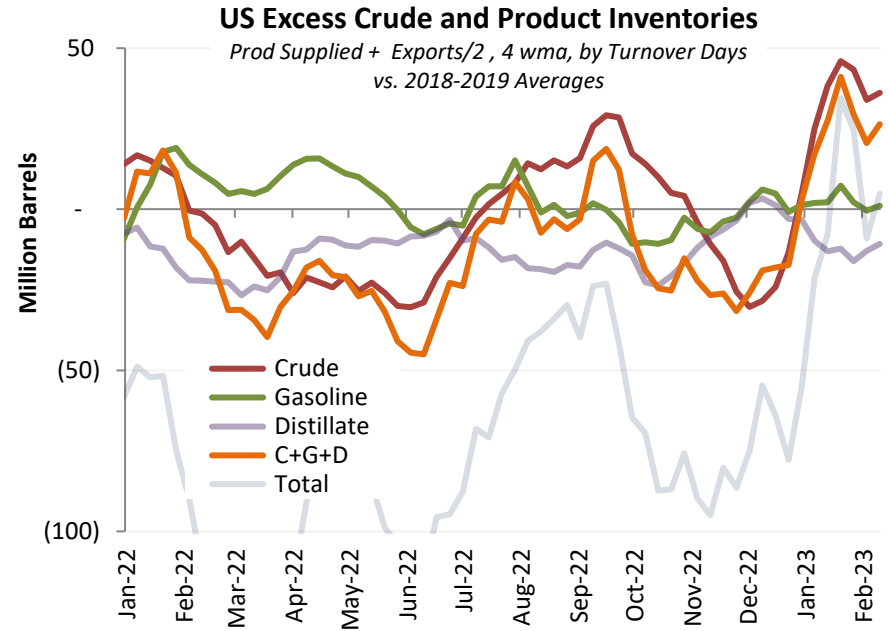
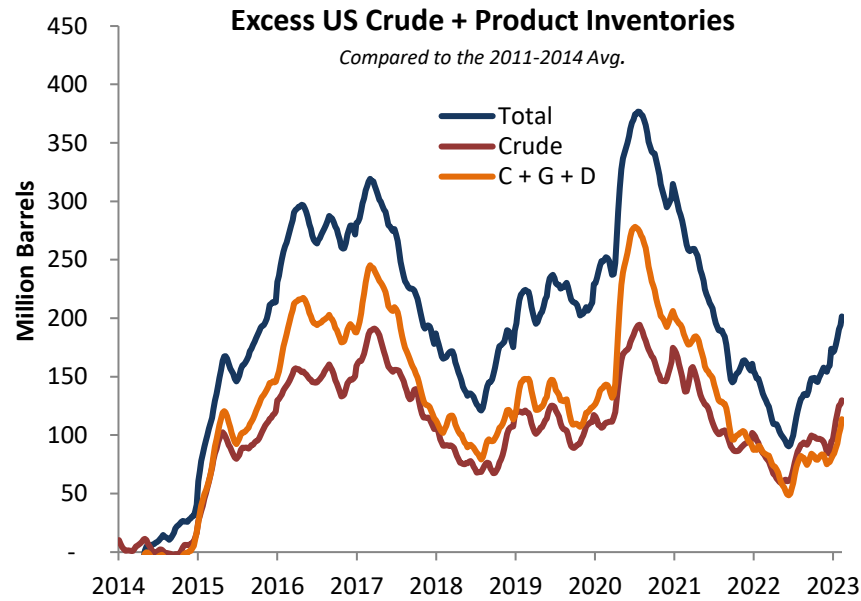
1990-2021 Range in Gray



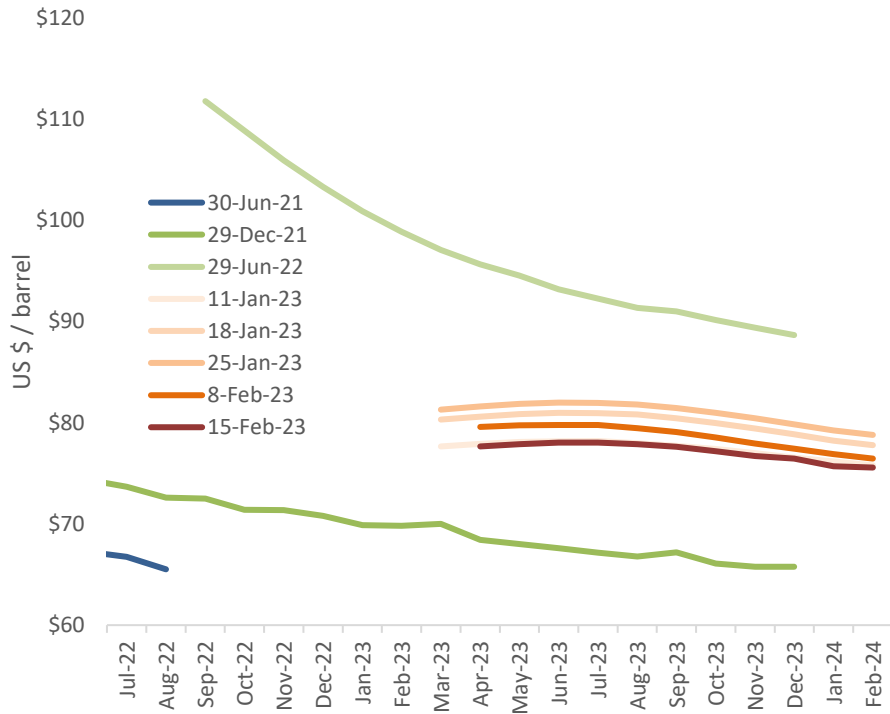
Daily Change in US SPR

Four week moving average basis

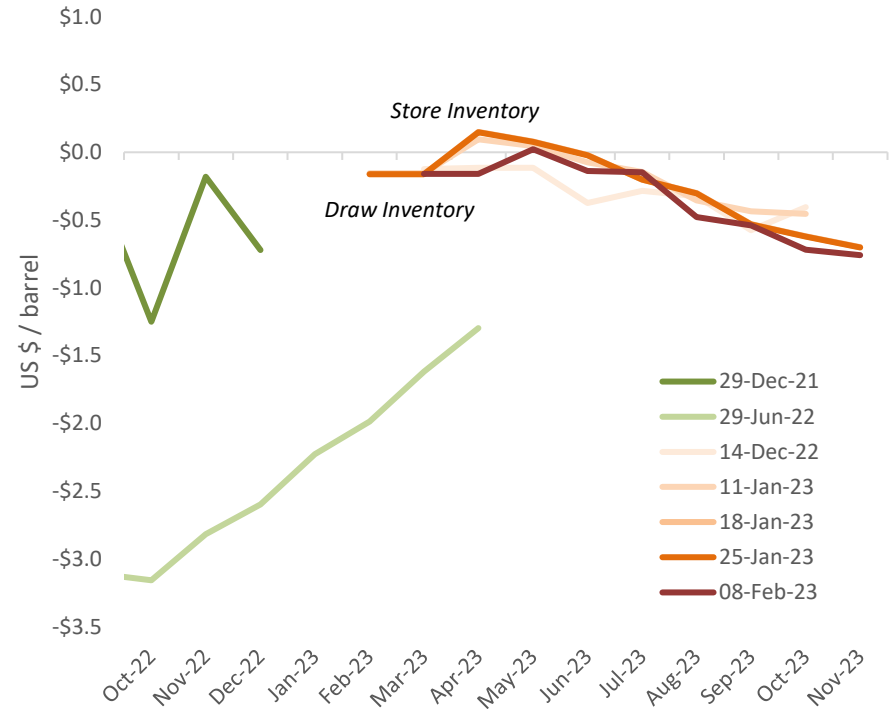




WTI Futures Curve

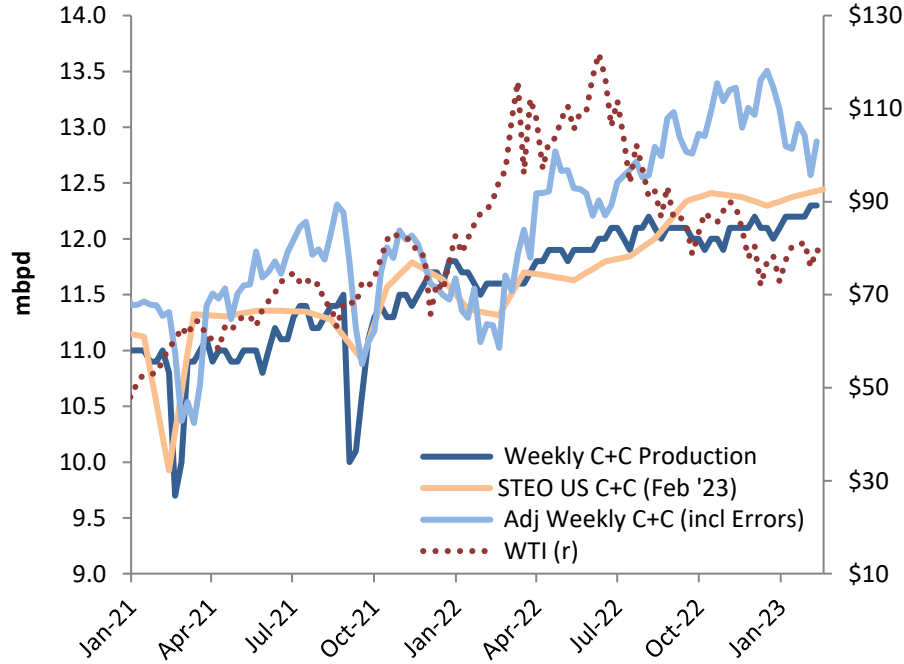


Incentive to Store Crude Oil at Louisiana Caverns

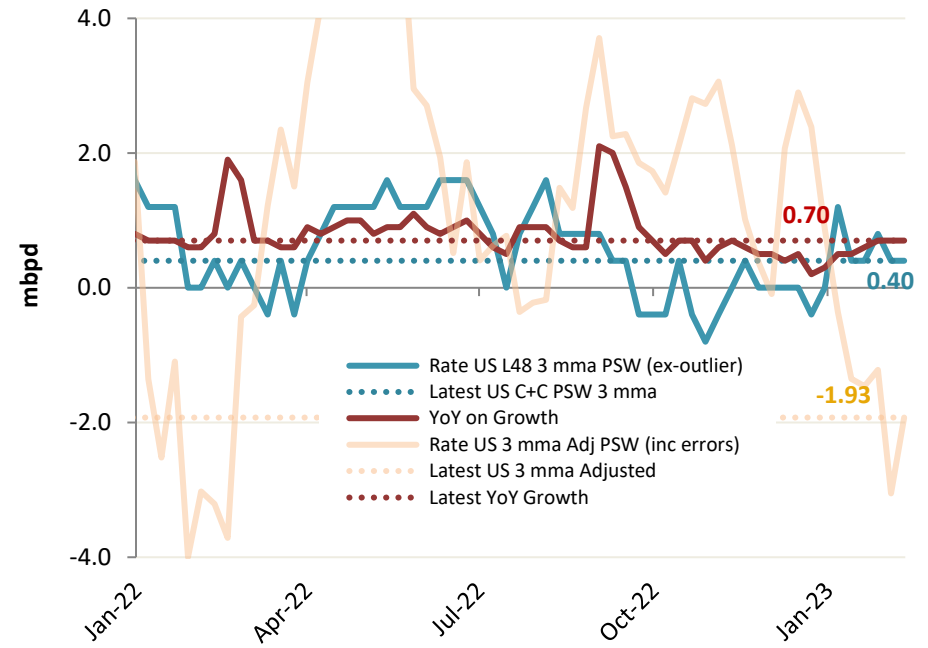


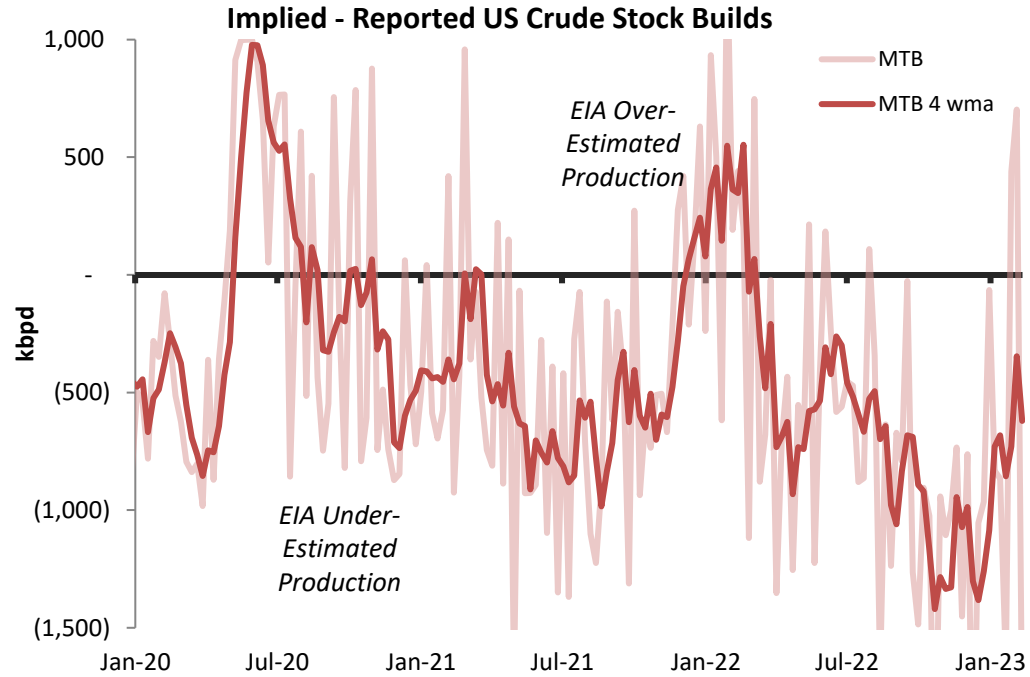
US Crude + Condensate Production

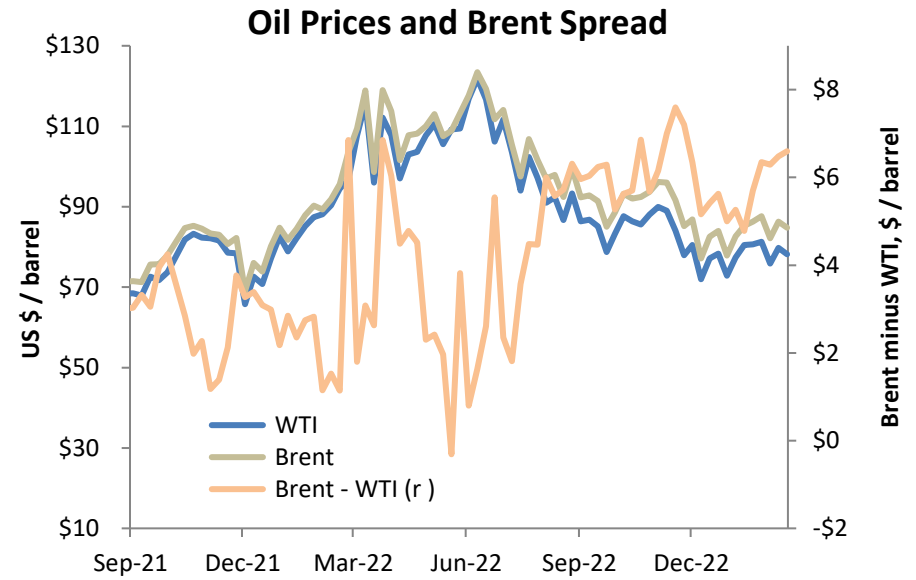
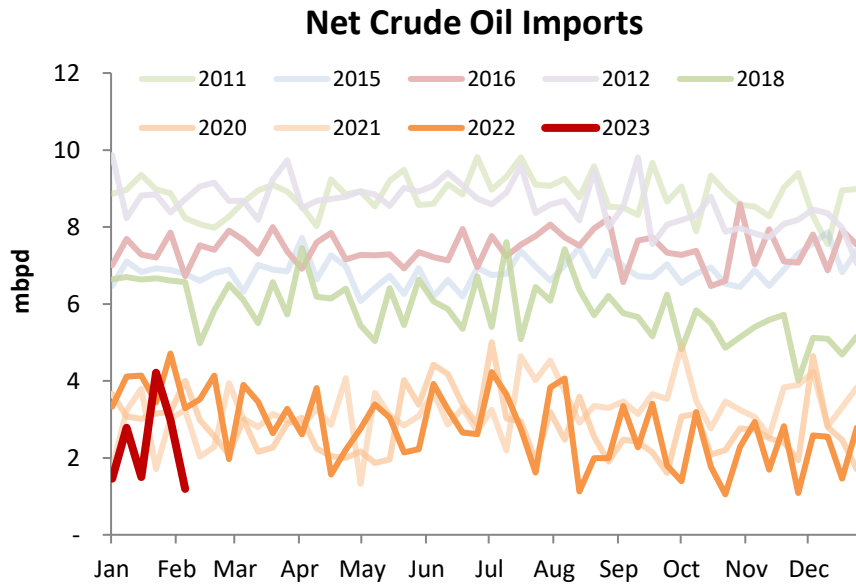
US Crude + Condensate Production

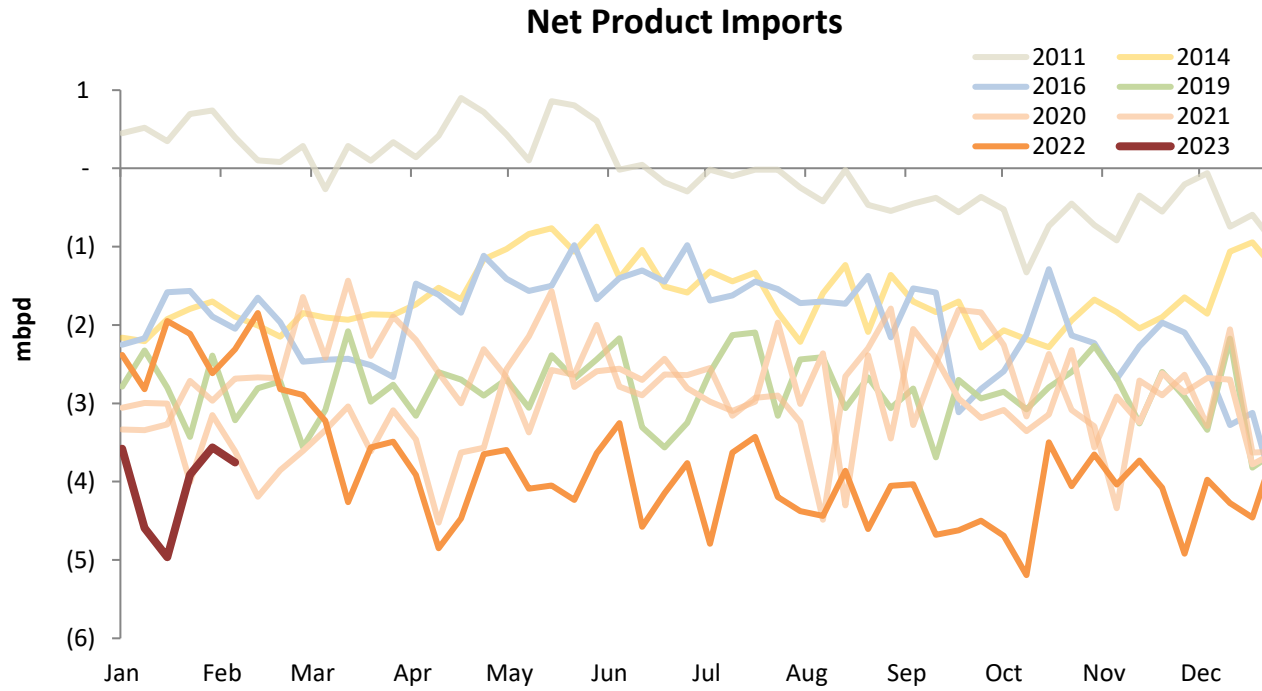


Annual Rate of US L48 C+C Supply Increase





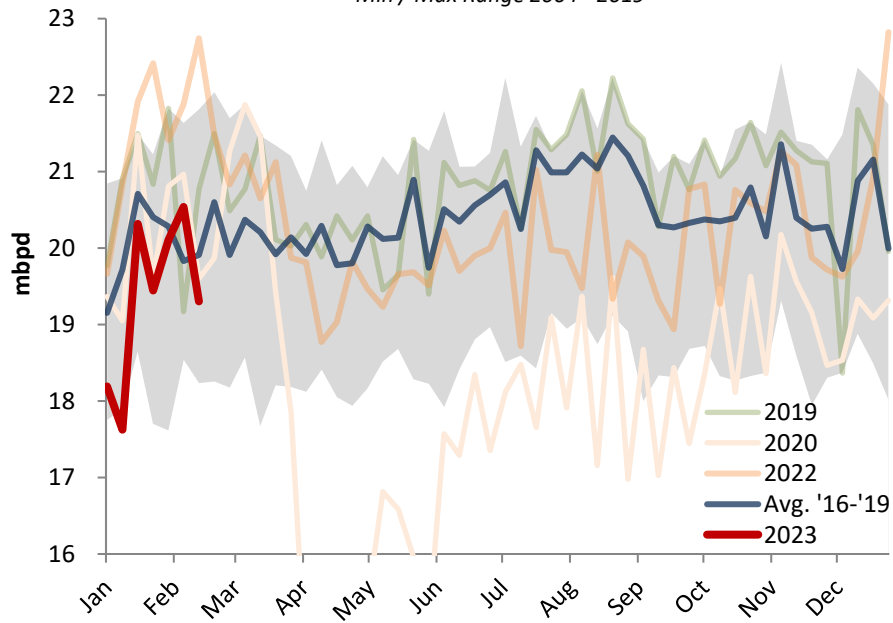




Product Supplied (Demand)

Total Product Supplied (Demand Proxy)

Min / Max Range 2004 - 2019



Change in Total Product Supplied (Consumption)

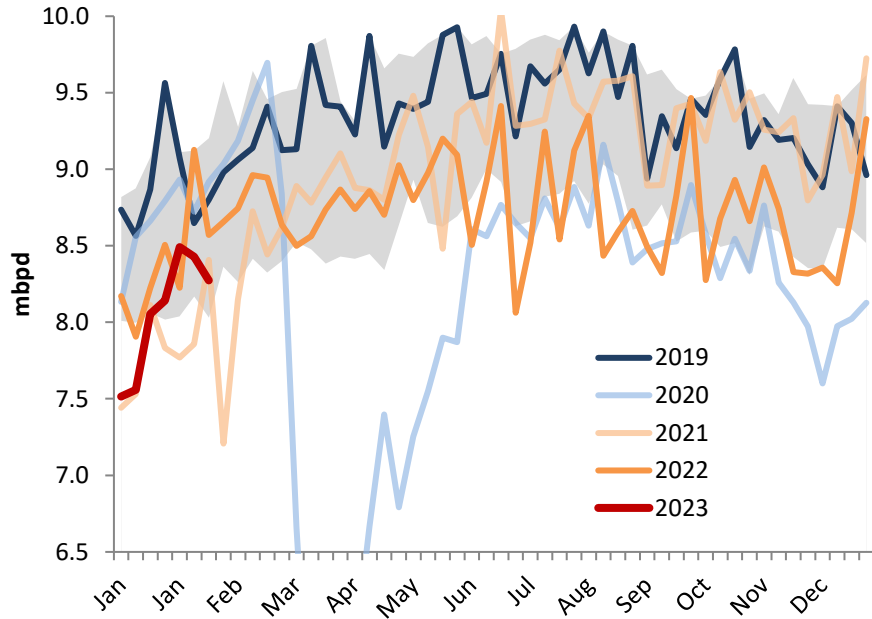
Compared to 2019, 4 wma



Gasoline Supplied (Consumption)

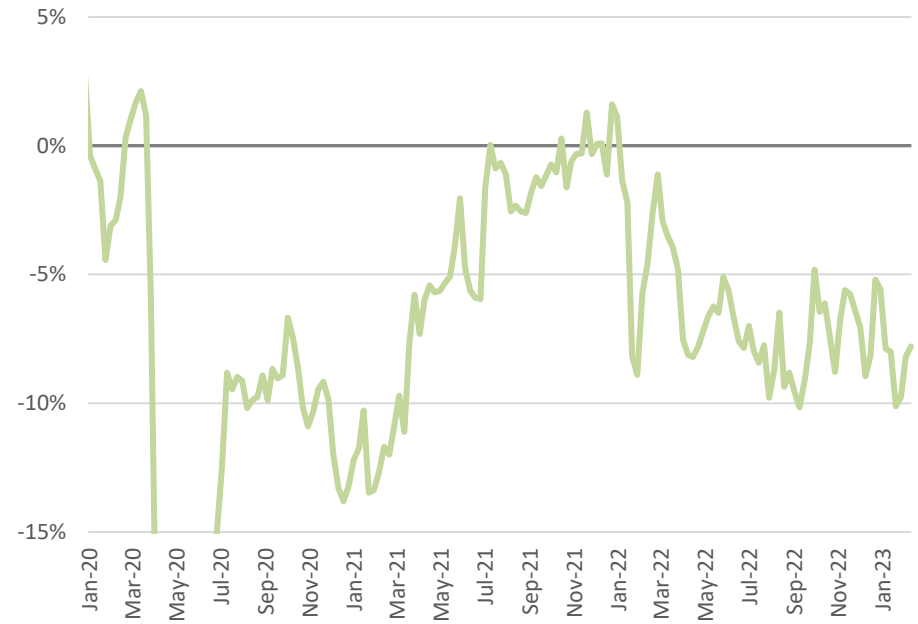
Gasoline Supplied (Demand Proxy)

Shaded Area Min/Max Range 2004 - 2019



Change in Gasoline Supplied (Consumption)

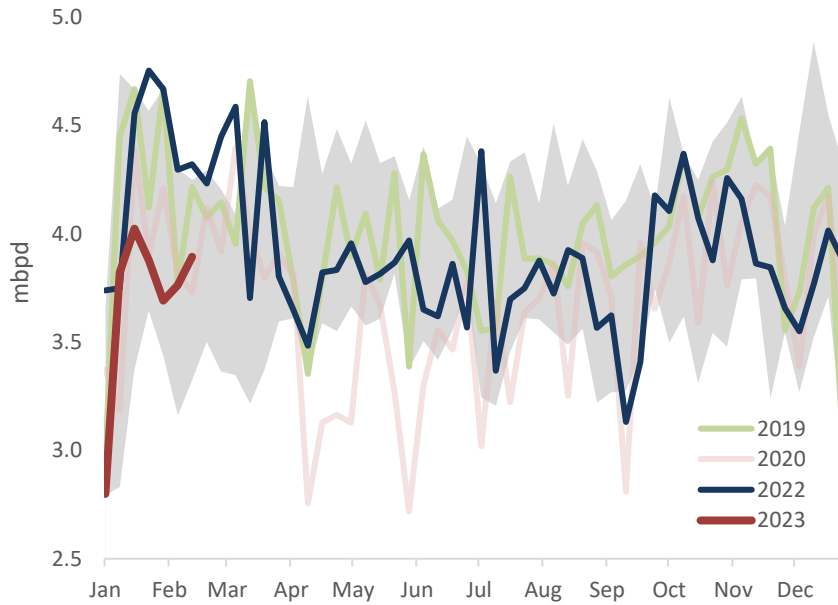
Compared to 2019, 4 wma



Distillate Supplied (Diesel Consumption)

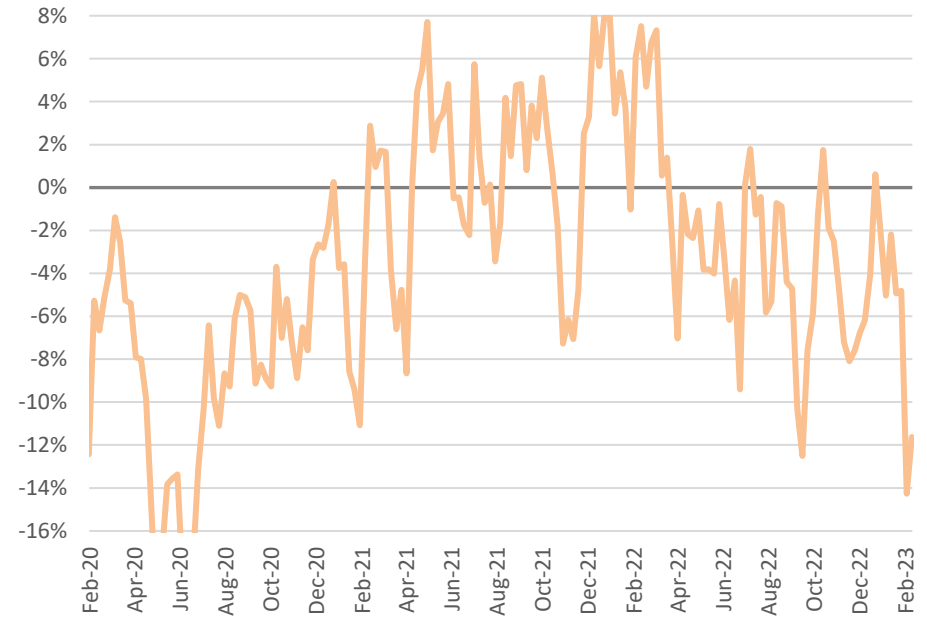
Distillate Supplied (Demand Proxy)

Min / Max Range 2011 - 2019



Change in Distillate Supplied (Consumption)

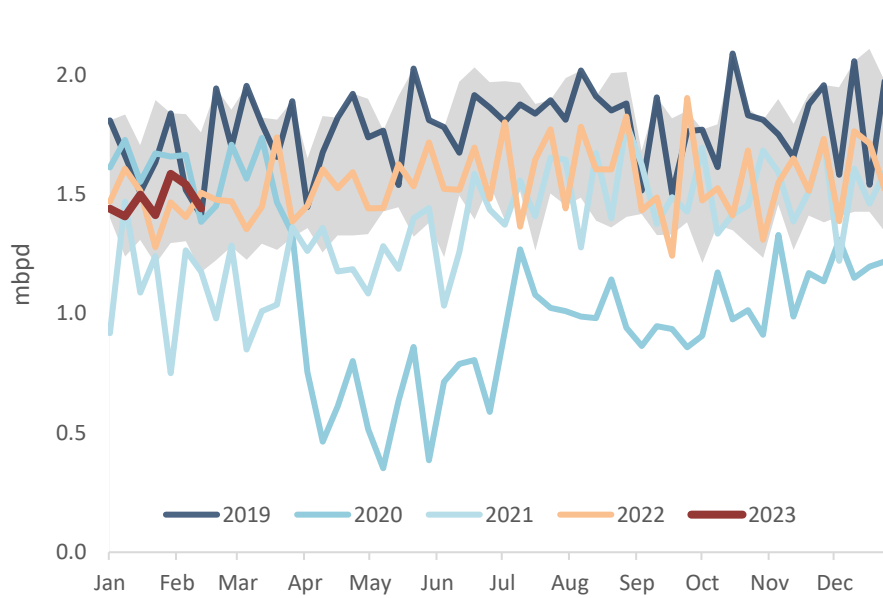
Compared to 2019, 4 wma



Jet Fuel (Kerosene) Supplied

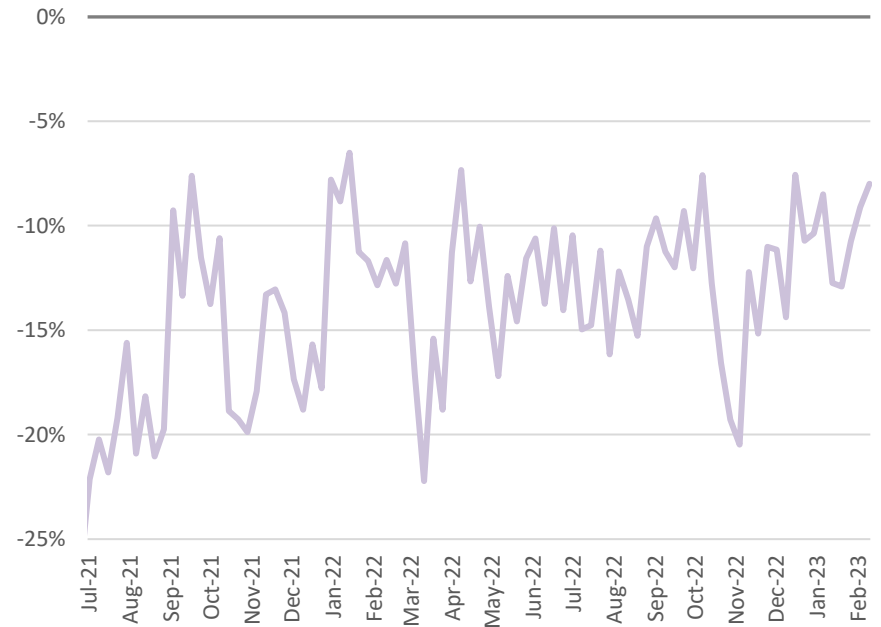
Kerosene Supplied (Jet Fuel Consumption)

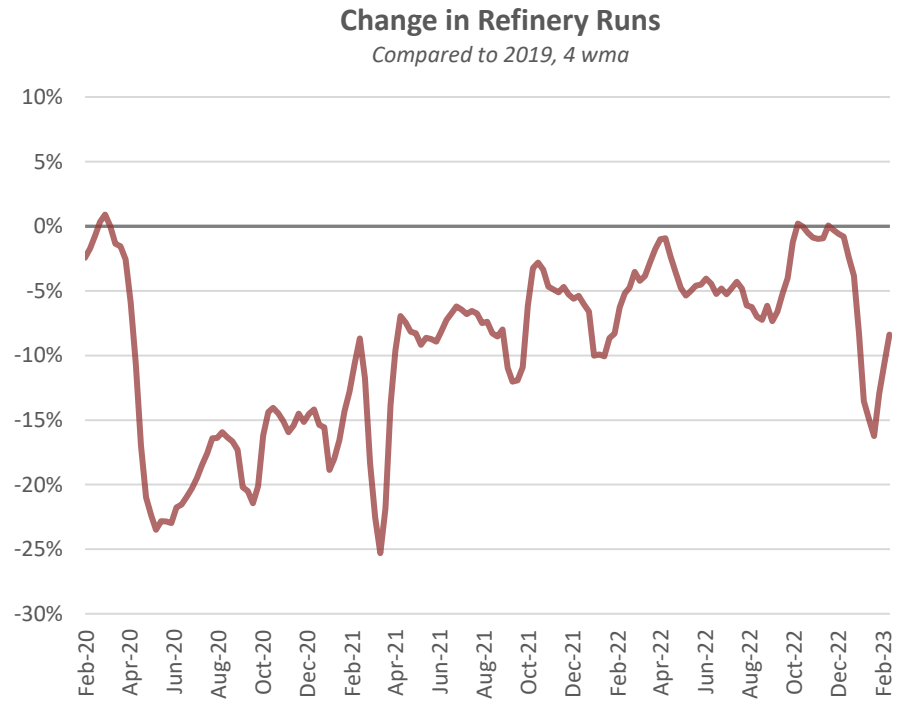
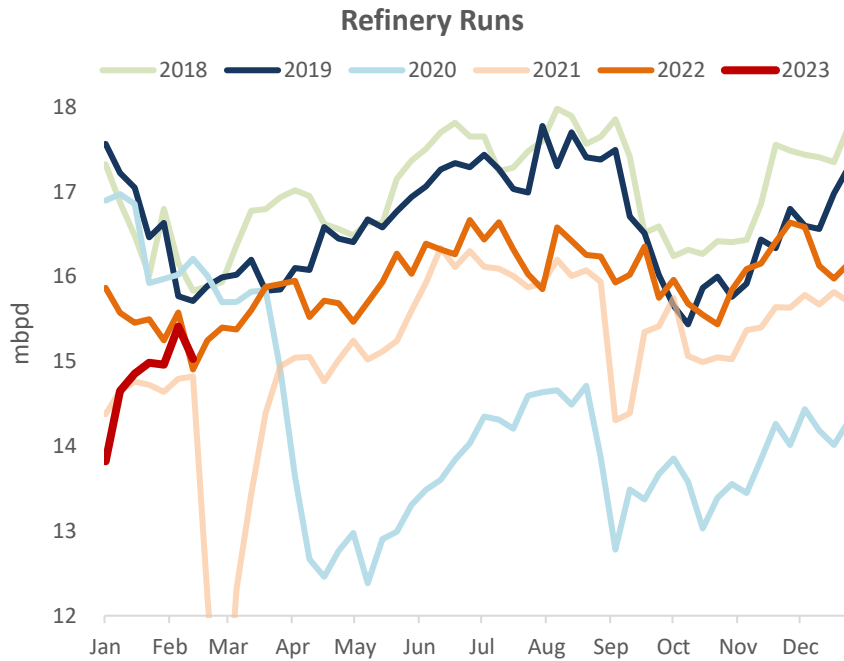
Shaded Area Min/Max 2004-2019



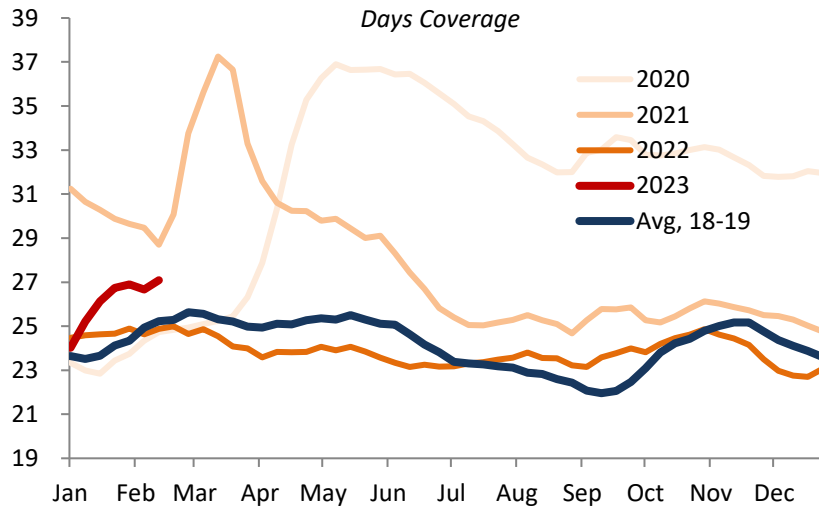
Change in Kerosene Supplied (Consumption)

Compared to 2019, 4 wma

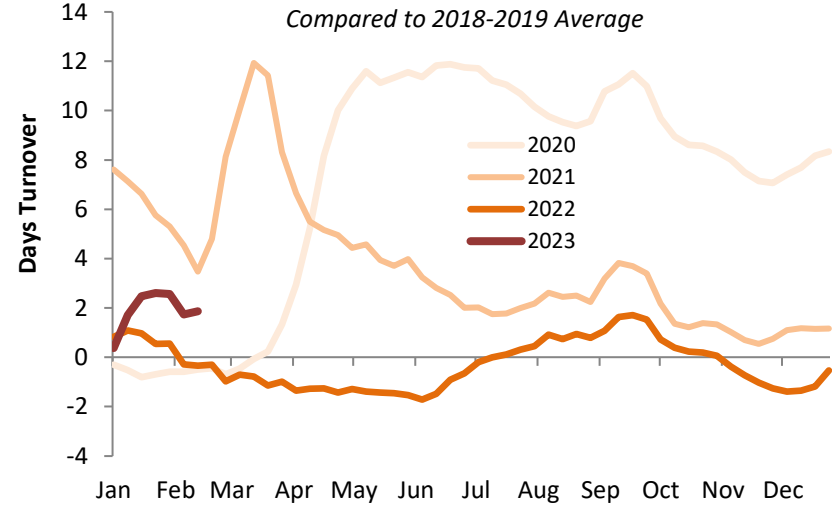




Crude Oil to Refineries + Exports/2

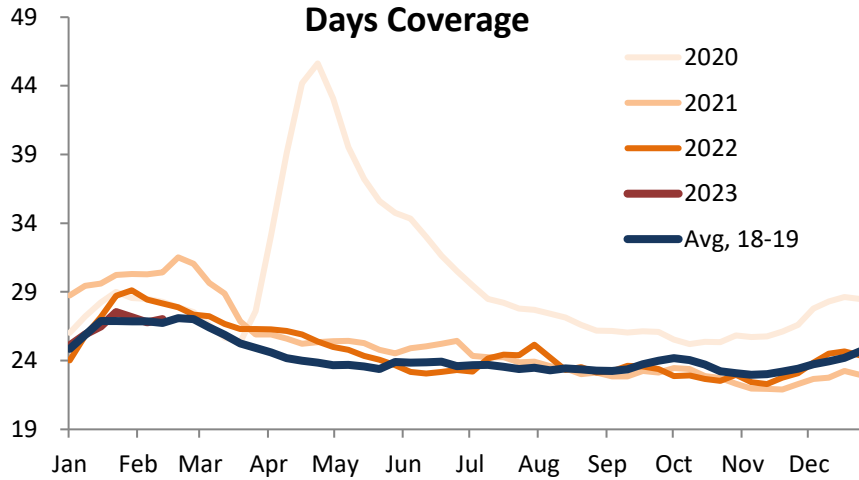


Crude - Excess Days of Inventory

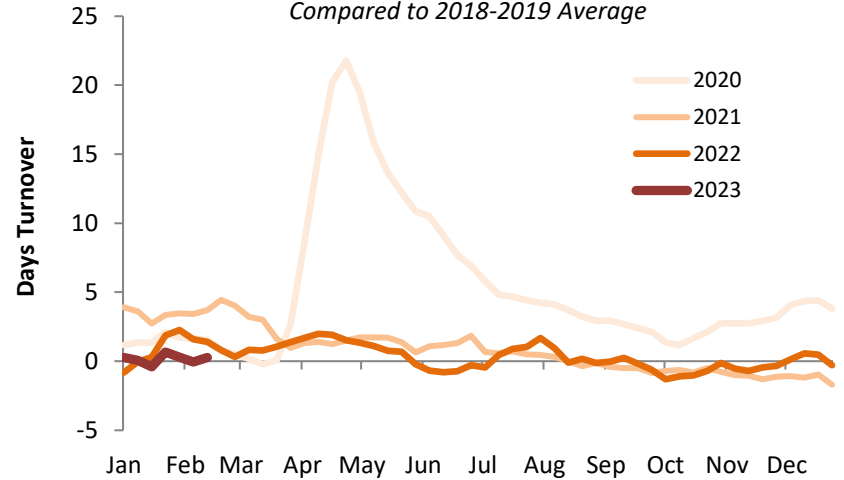


Gasoline – Turnover Days

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

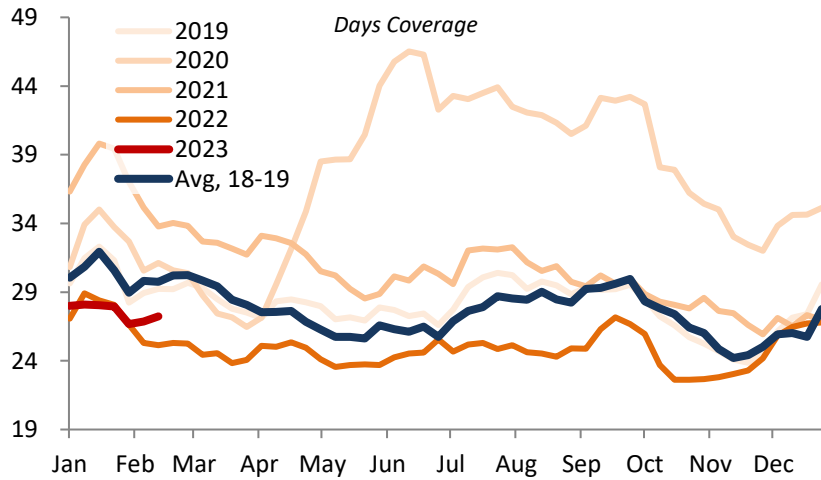


**Gasoline - Excess Days of Inventory
Compared to 2018-2019 Average**

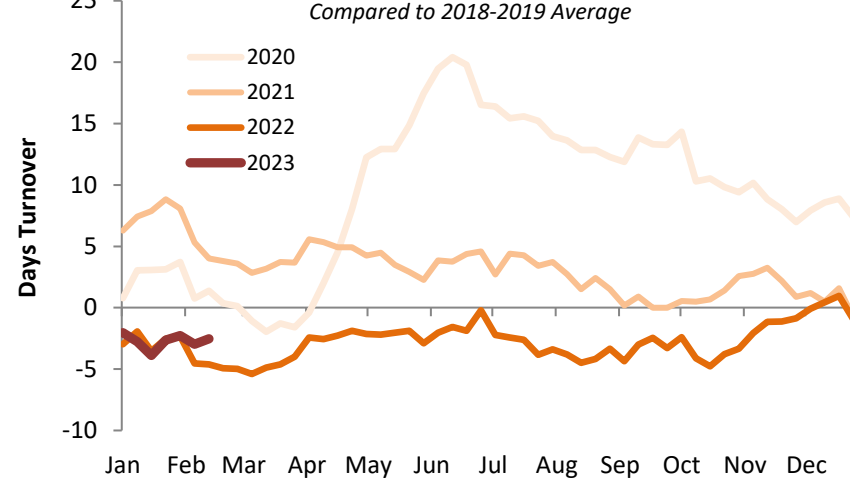


Distillate – Turnover Days

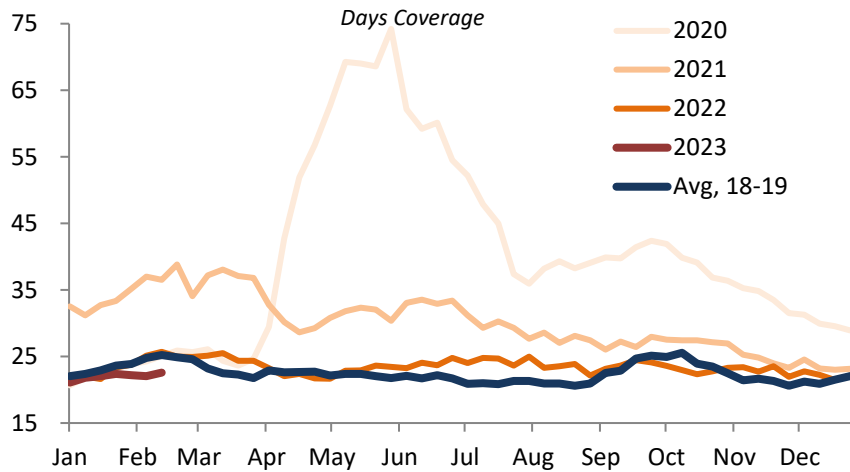
Distillate Supplied + Exports/2



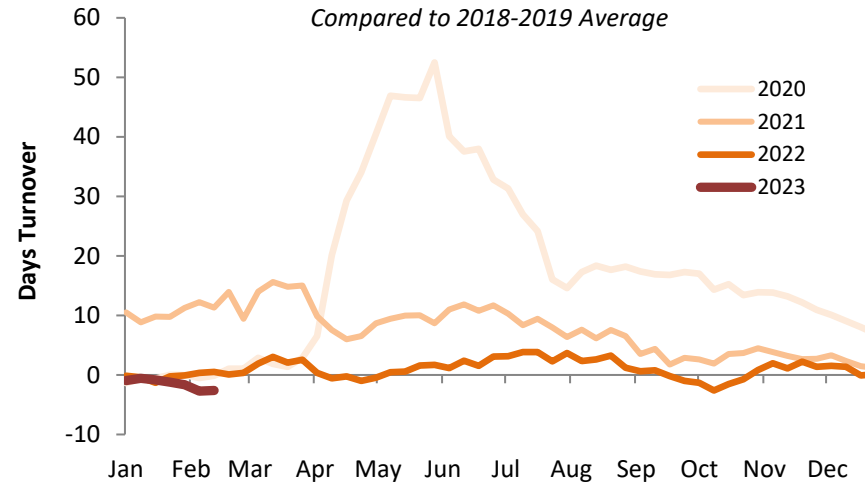
Distillate - Excess Days of Inventory



Kerosene Supplied + Exports/2

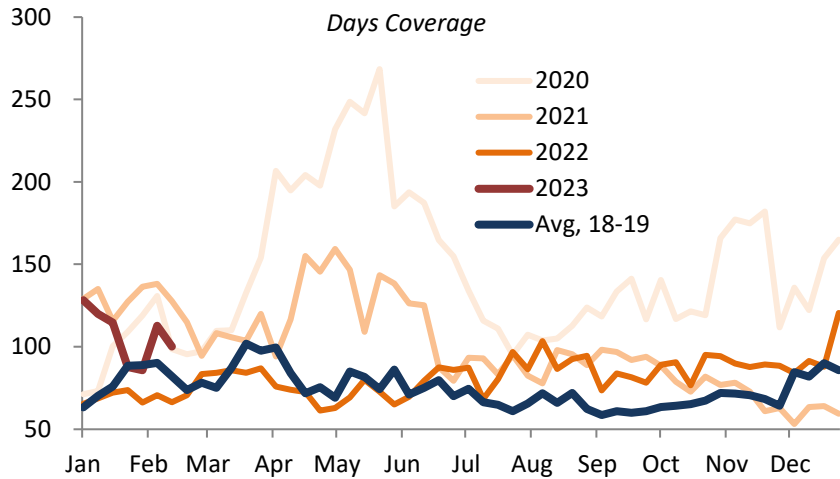


Kerosene - Excess Days of Inventory

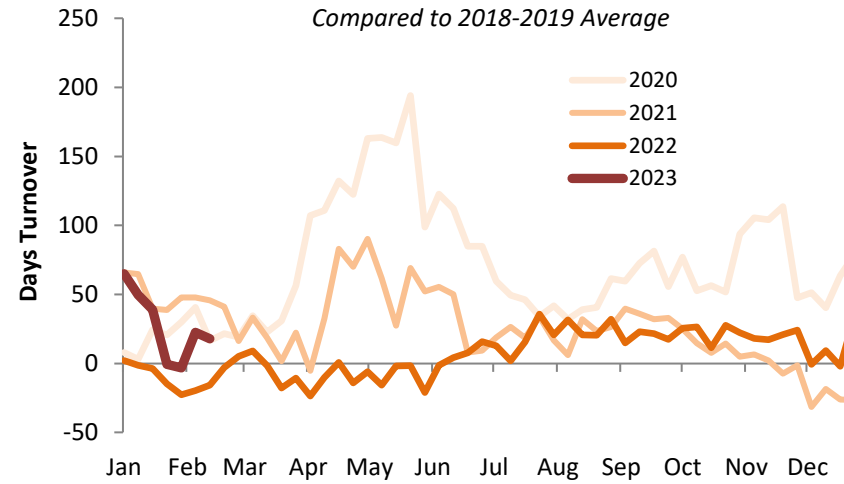


Residual Fuel Oil – Turnover Days

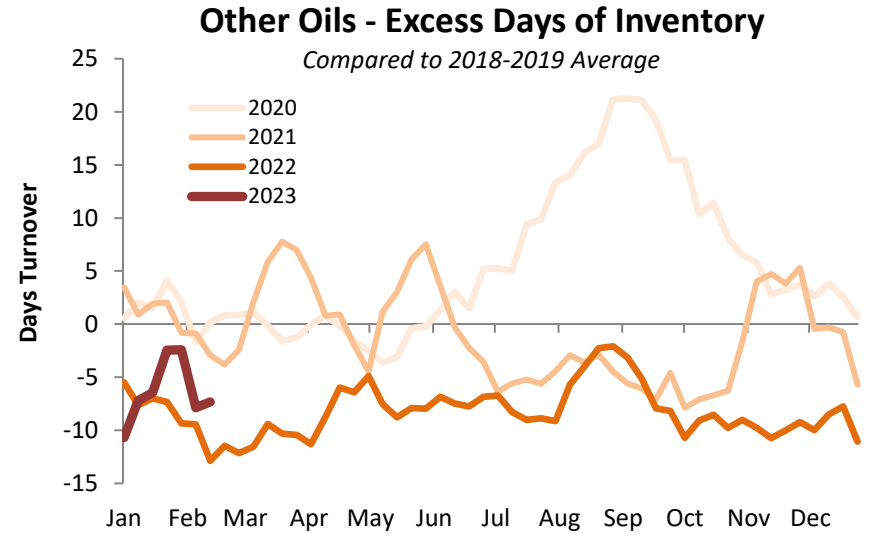
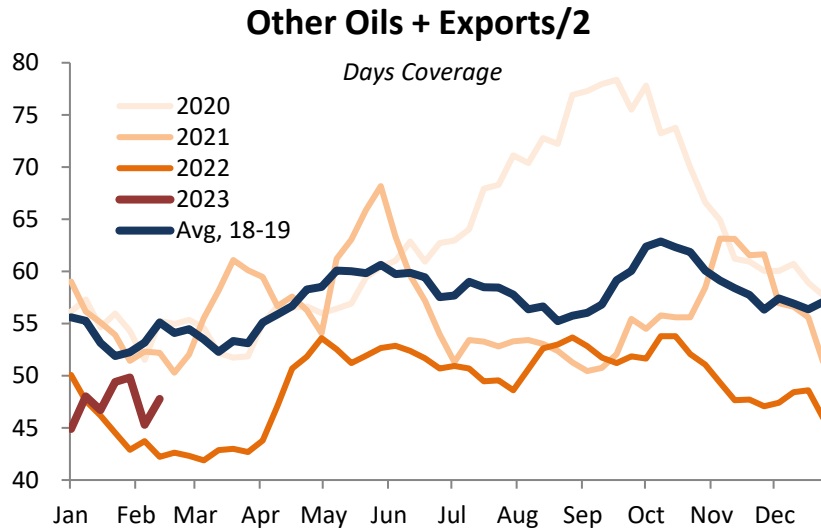
Residual Supplied + Exports/2



Residual Fuel Oil - Excess Days of Inventory

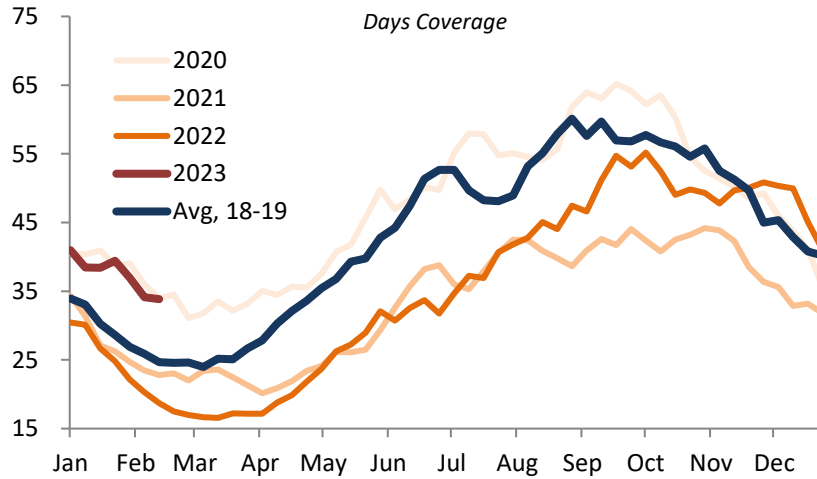


Other Oils – Turnover Days

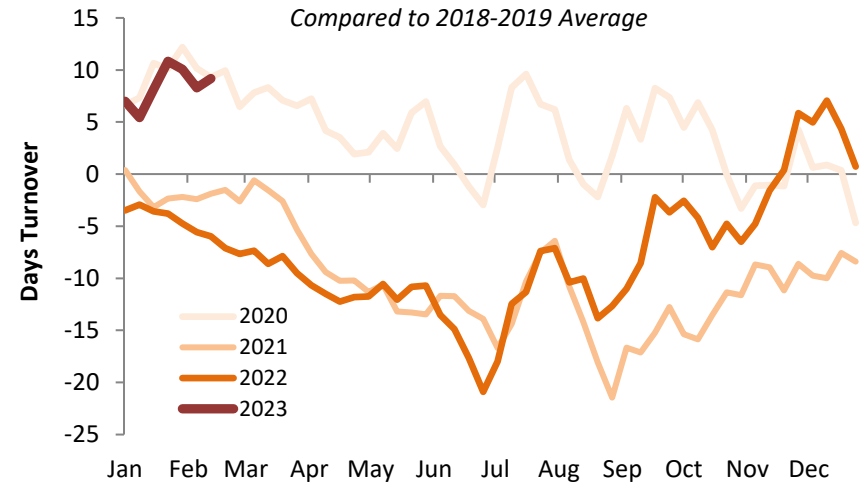


Propane / Propylene – Turnover Days

Propane Supplied + Exports/2



Propane - Excess Days of Inventory



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