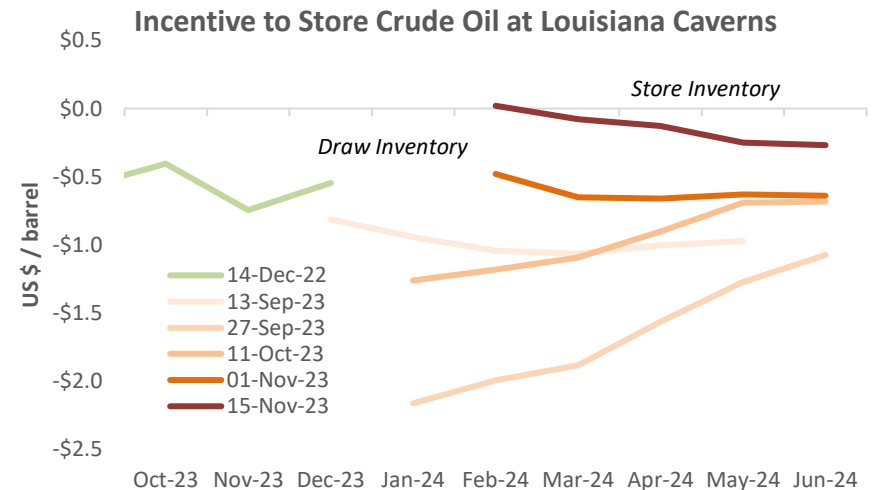
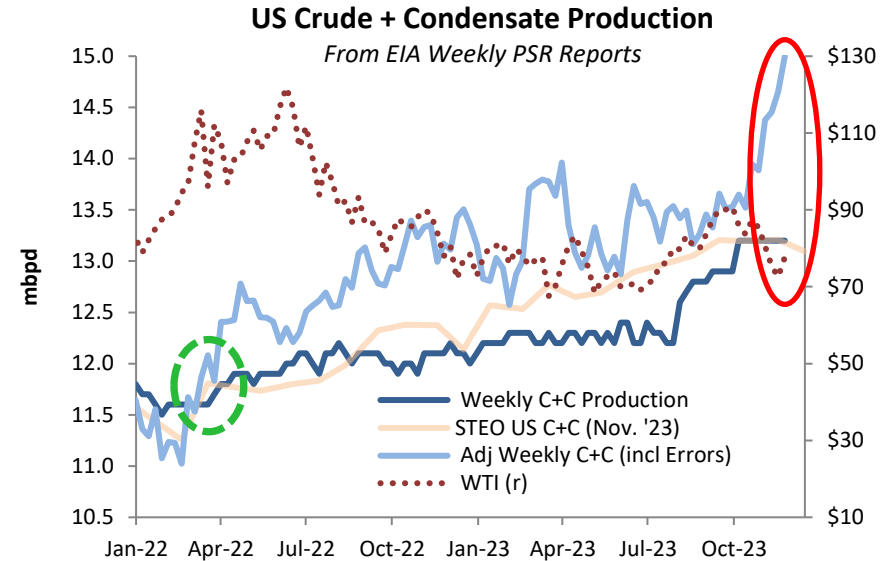


EIA Petroleum Status Report

29 November 2023

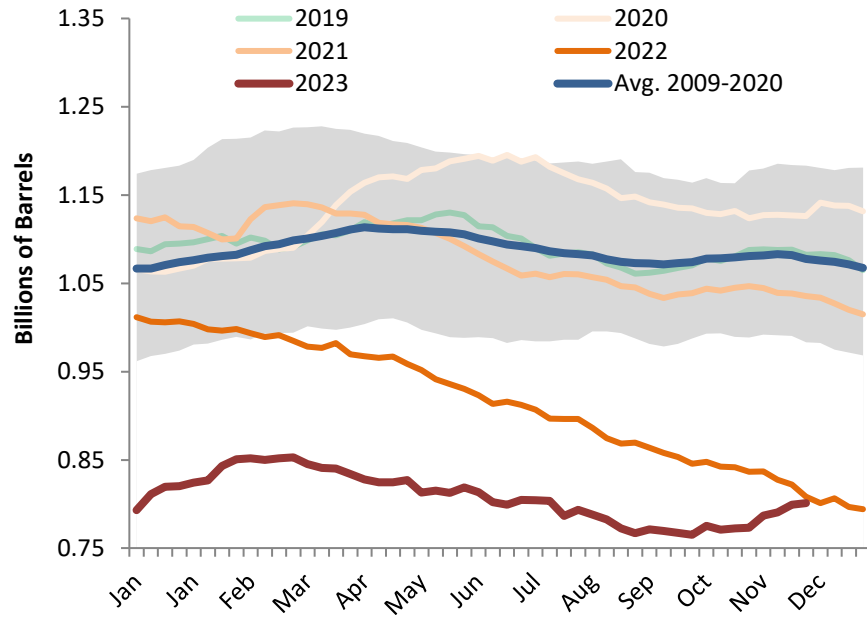
Production Revisions

- Excess crude and key products are normal when allowing for seasonality and demand.
- Gasoline and diesel supplied (consumption) look suspiciously low and product exports appear unusually high, but otherwise, the picture is as it has been on the consumption side, with refined product consumption running about 5% below normal.
- Incentive-to-store analysis shows that market sentiment has been absolutely crazy over the last month and a half. On Sept. 27, the market perceived a huge crude supply deficit. This has reversed into the current modest surplus, per our analysis of the futures curve. This really should not happen, but clearly, it has.
- US oil production remains flat at 13.2 mbpd, as it has been for the last eight weeks. I cannot find a similar eight week stretch in the data, which suggests that the EIA is winging it, as the EIA's new software upgrades remain unreliable in reporting production.
- The Brent Spread (Brent – WTI) has widened to \$5 / barrel, which is normally consistent with US production growth of around 800 kbpd / year. US production growth is likely under-estimated, possibly materially so.
- Overall, the EIA's software upgrade remains buggy. The missing barrel count, instead of declining as the EIA had no doubt hoped, has exploded, and seemingly in a cumulative fashion. This is not unusual for software modifications, particularly in such a rich, data-intensive and near-real-time system as the EIA uses. It's really the 8th wonder of the world, but the EIA will require a few weeks iron out the kinks. Take the data with a grain of salt in the interim.

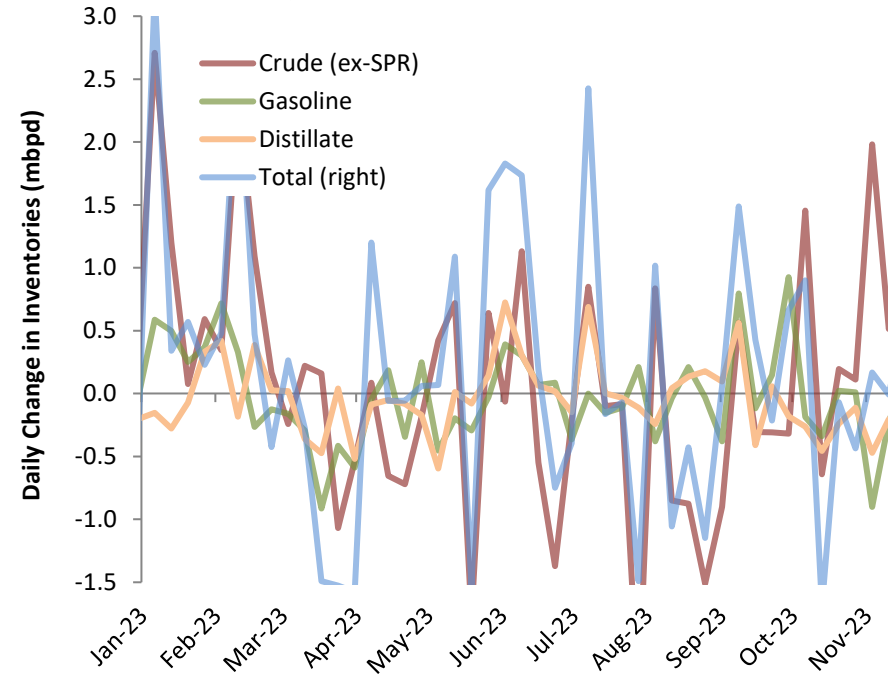


Absolute Inventory Changes

US Crude Oil Inventories

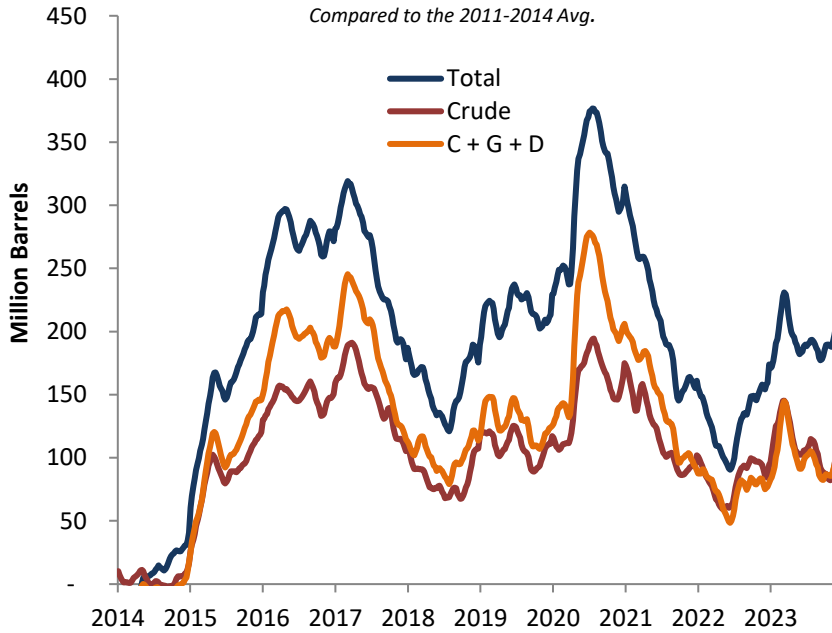


Change in Commercial Crude Inventories



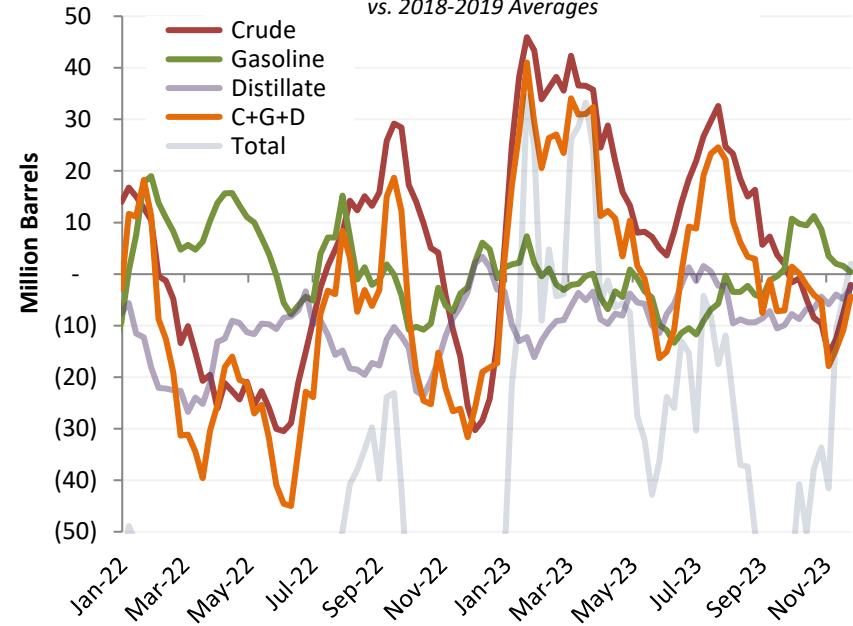
Excess US Crude + Product Inventories

Compared to the 2011-2014 Avg.



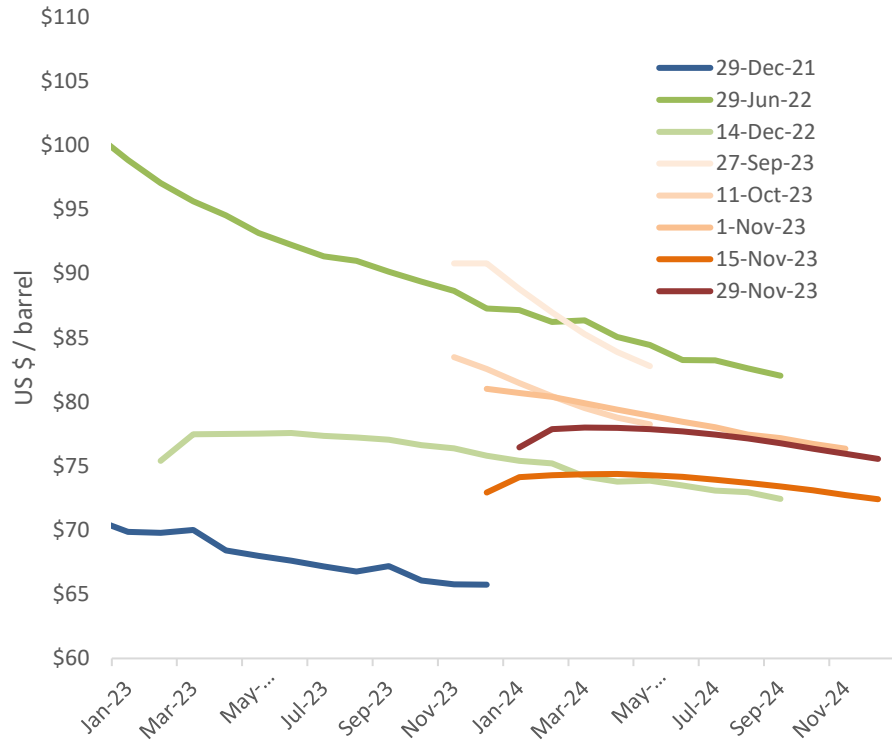
US Excess Crude and Product Inventories

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

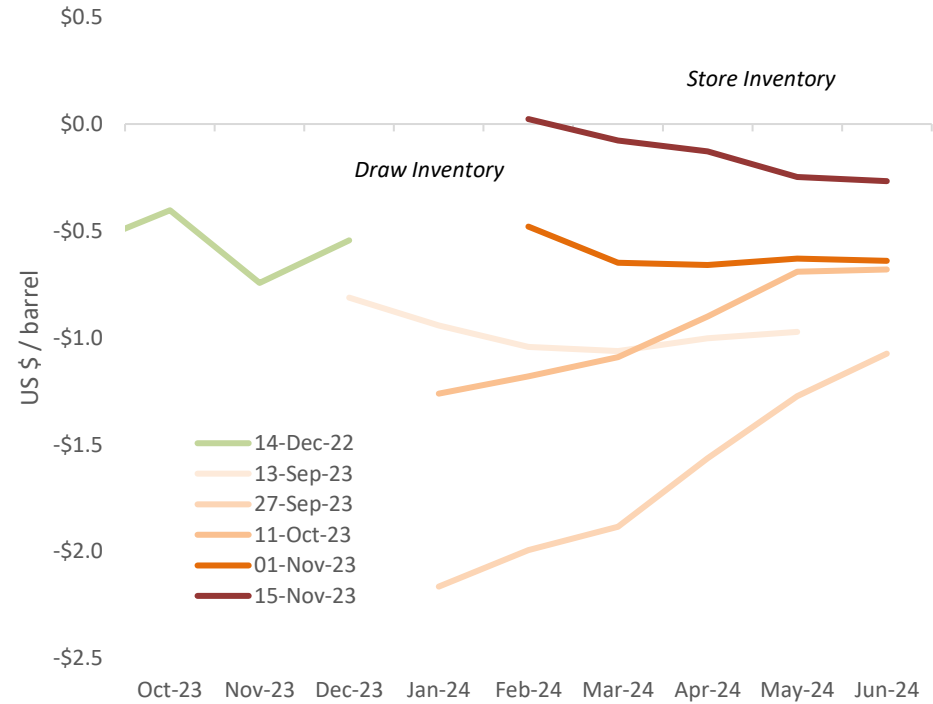


WTI Futures, Incentive to Store

WTI Futures Curve

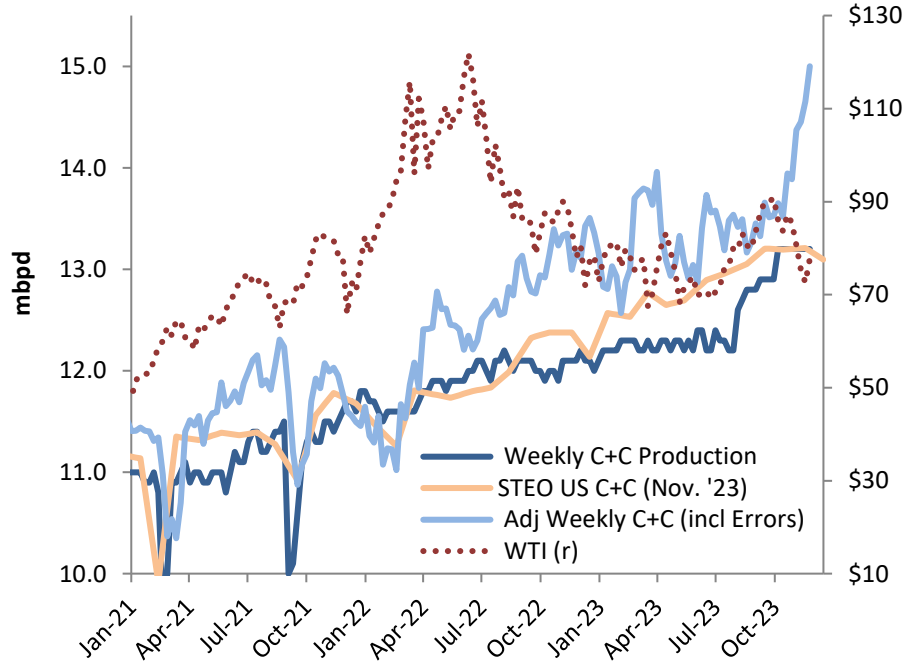


Incentive to Store Crude Oil at Louisiana Caverns

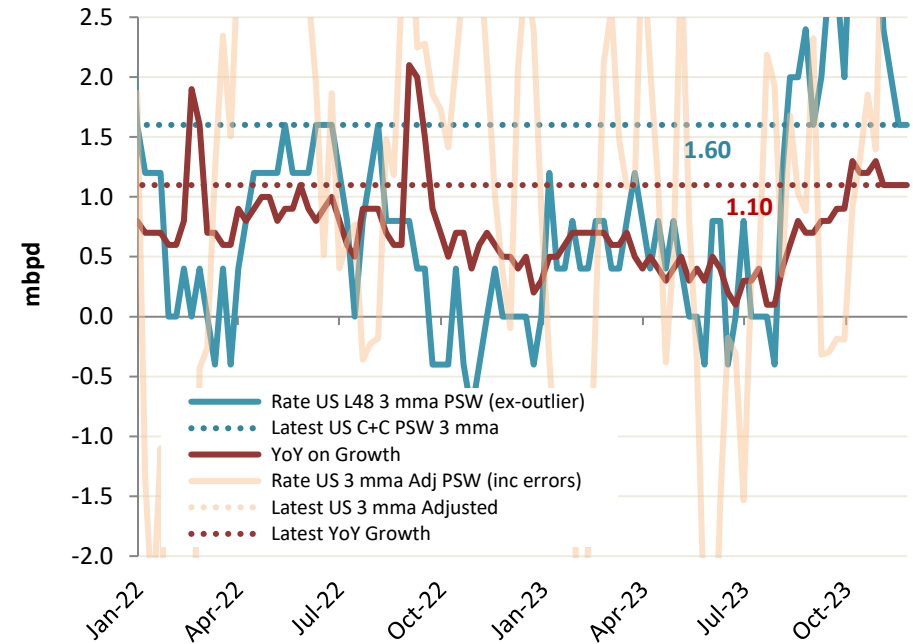


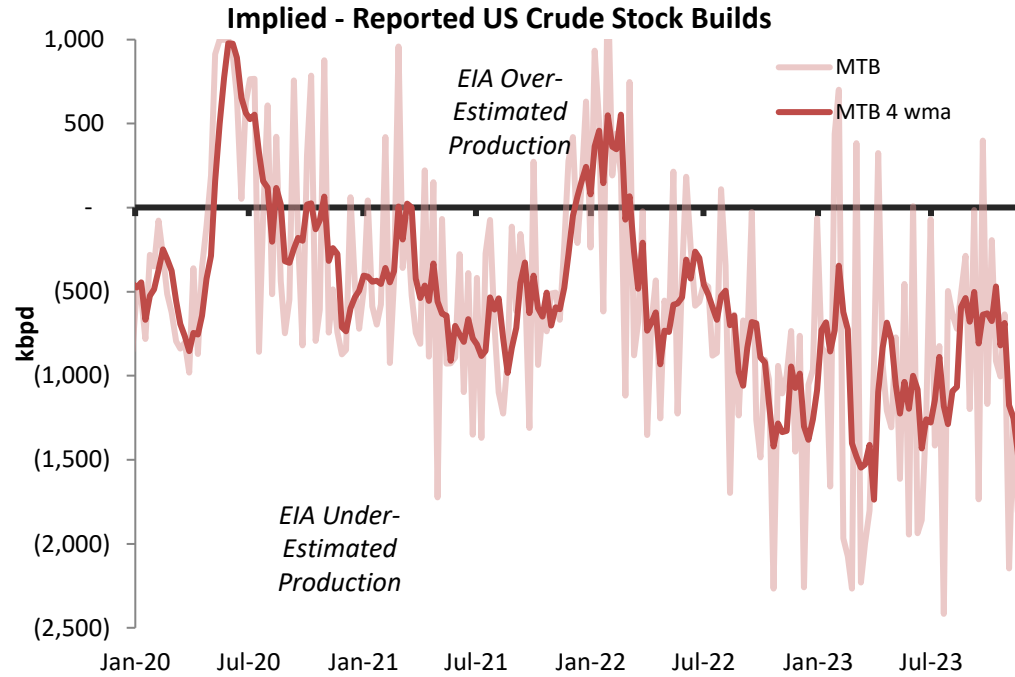
US Crude + Condensate Production

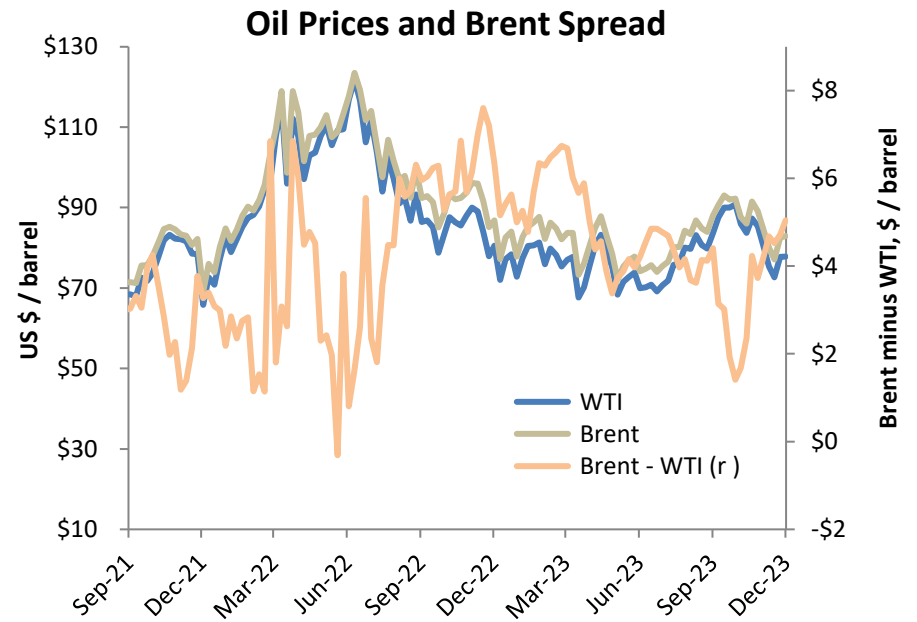
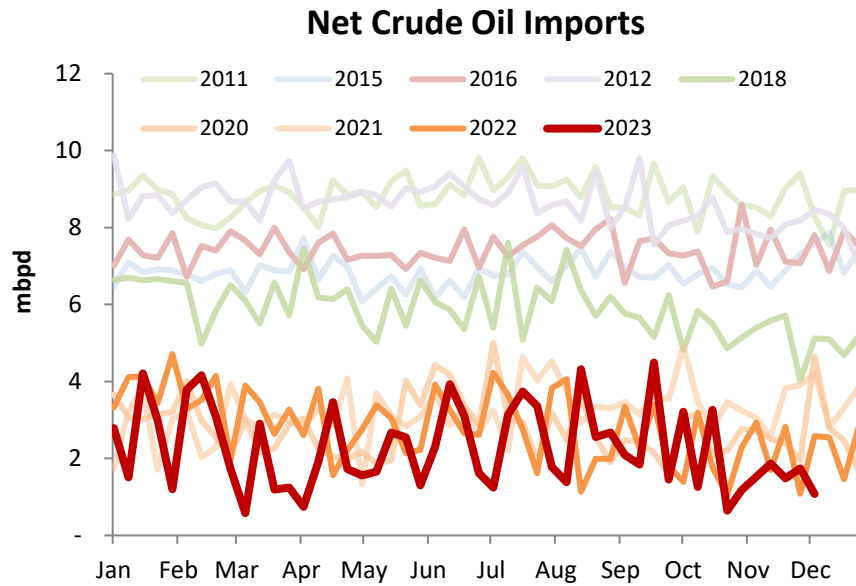
US Crude + Condensate Production

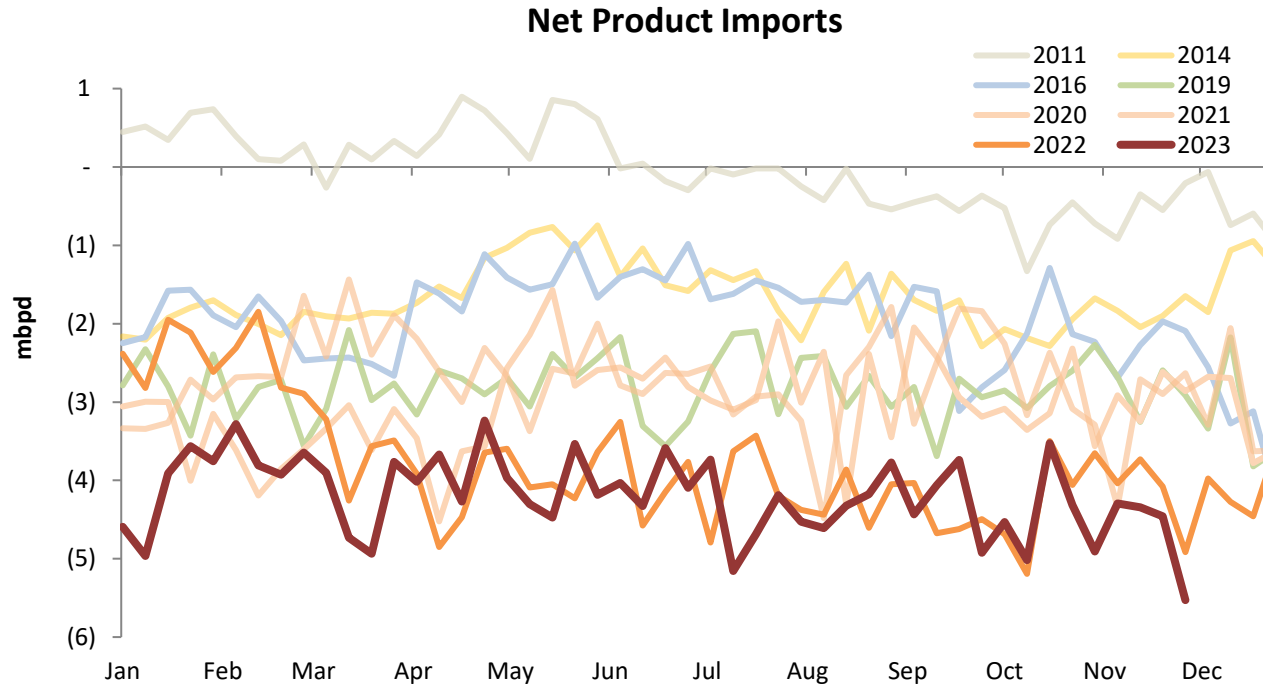


Annual Rate of US L48 C+C Supply Increase





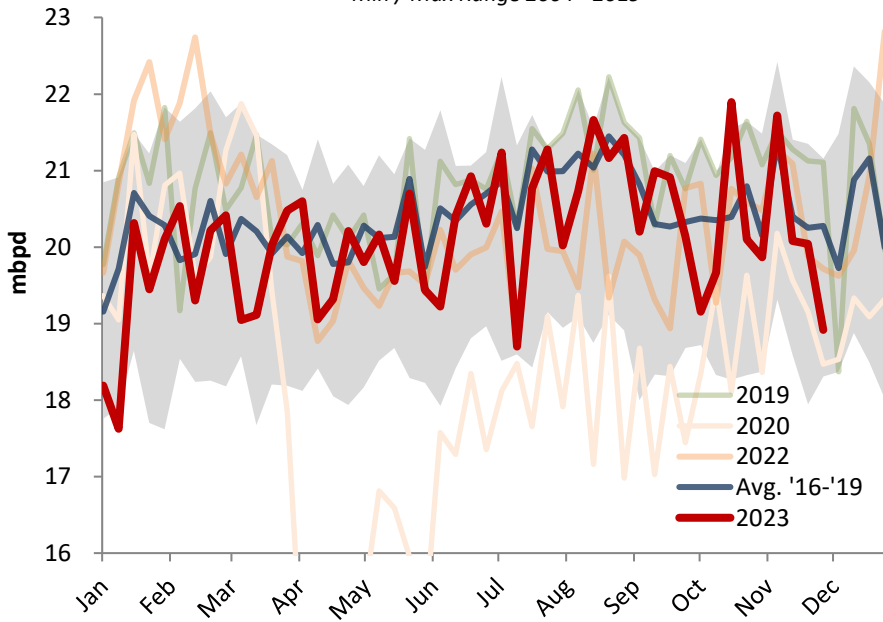




Product Supplied (Demand)

Total Product Supplied (Demand Proxy)

Min / Max Range 2004 - 2019



Change in Total Product Supplied (Consumption)

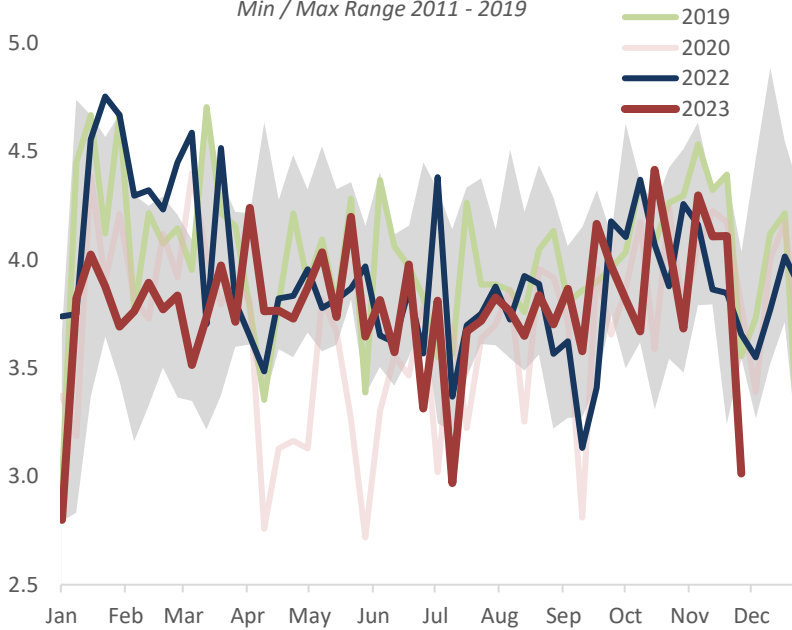
Compared to 2019, 4 wma



Distillate Supplied (Diesel Consumption)

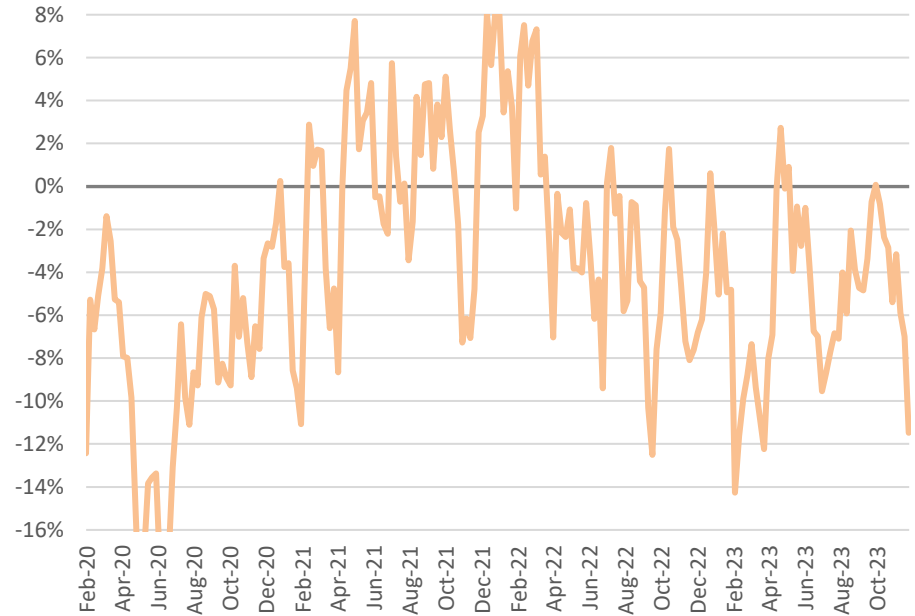
Distillate Supplied (Demand Proxy)

Min / Max Range 2011 - 2019



Change in Distillate Supplied (Consumption)

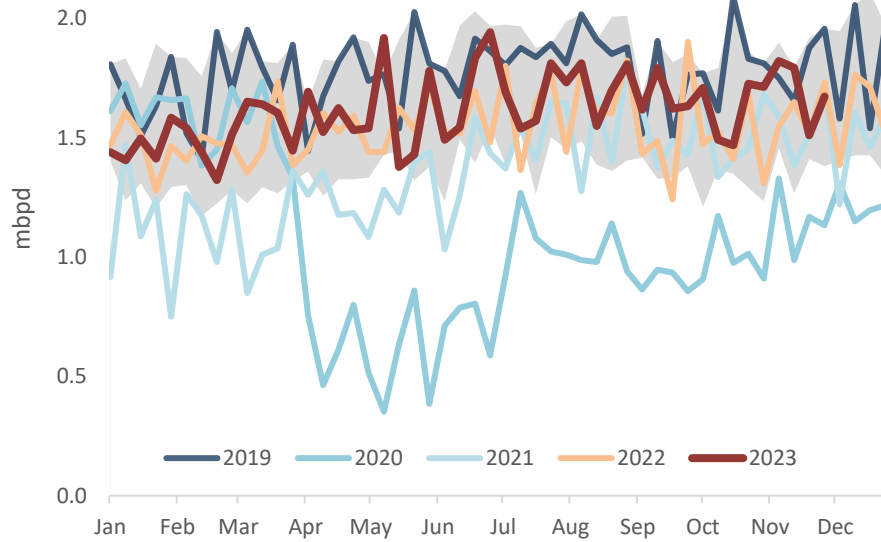
Compared to 2019, 4 wma



Jet Fuel (Kerosene) Supplied

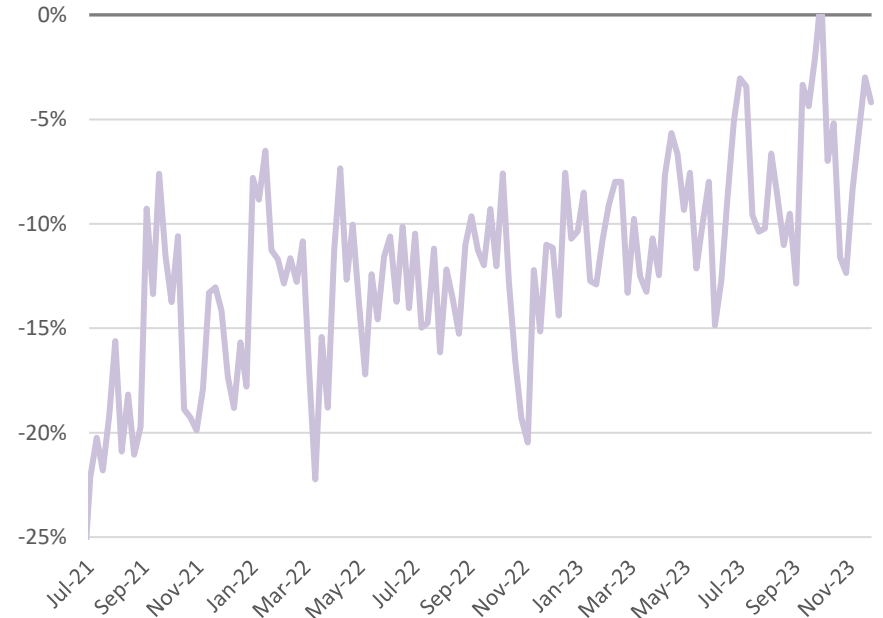
Kerosene Supplied (Jet Fuel Consumption)

Shaded Area Min/Max 2004-2019

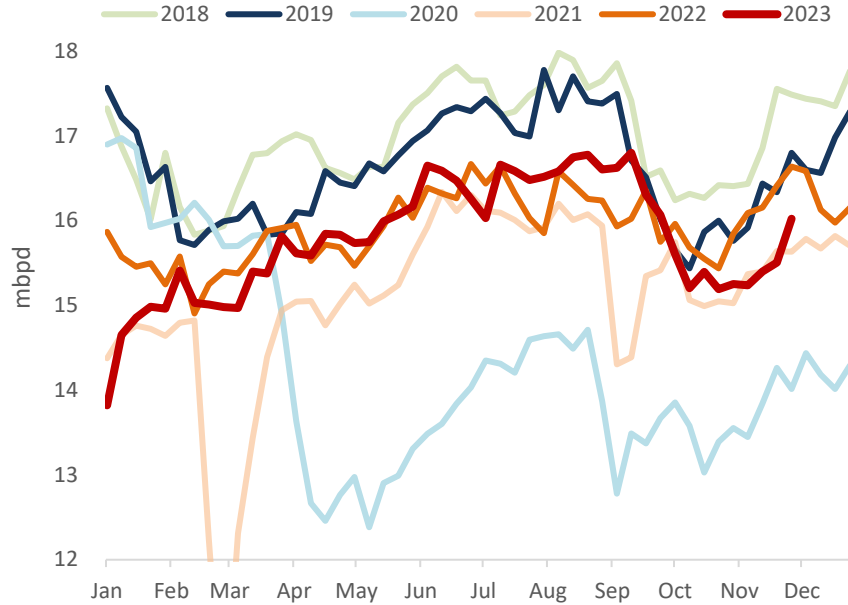


Change in Kerosene Supplied (Consumption)

Compared to 2019, 4 wma



Refinery Runs



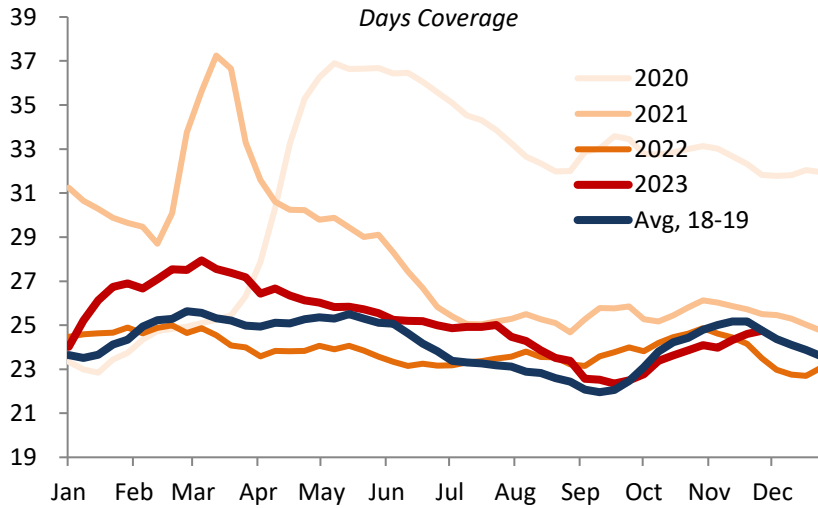
Change in Refinery Runs

Compared to 2019, 4 wma



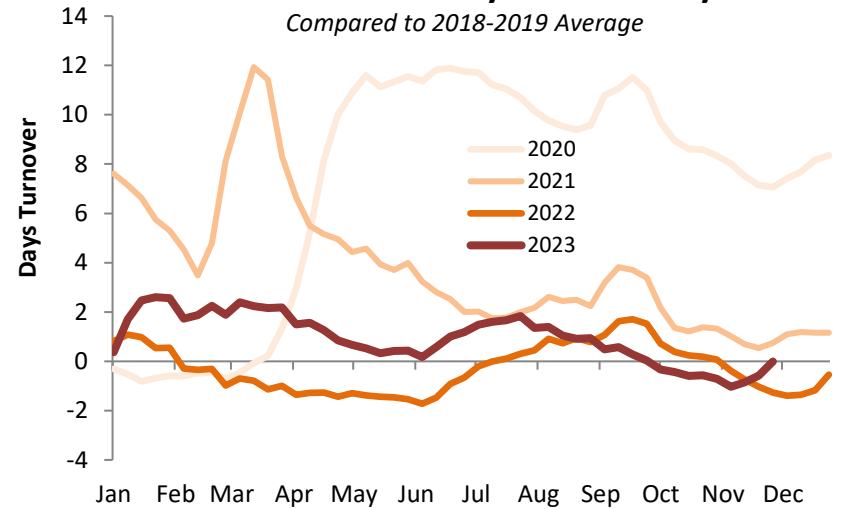
Crude Oil to Refineries + Exports/2

Days Coverage



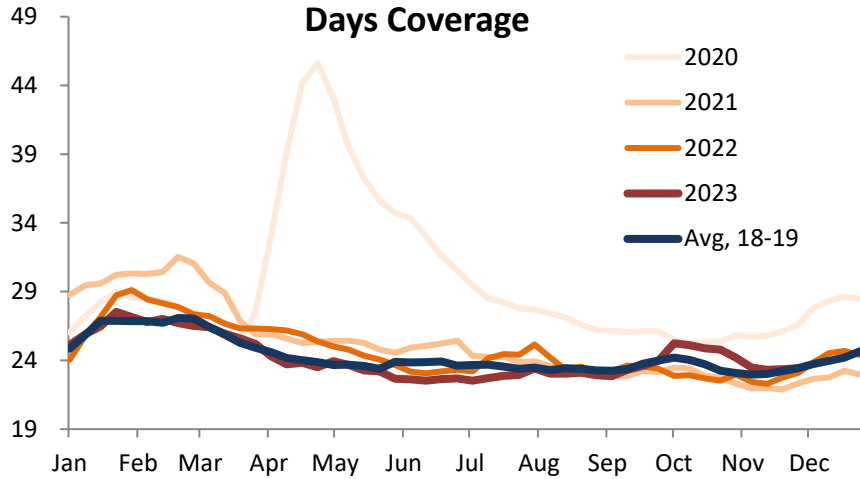
Crude - Excess Days of Inventory

Compared to 2018-2019 Average

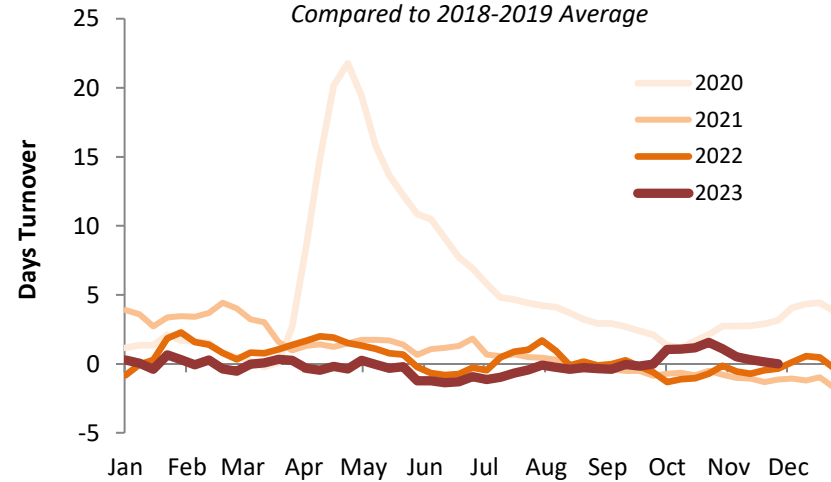


Gasoline – Turnover Days

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

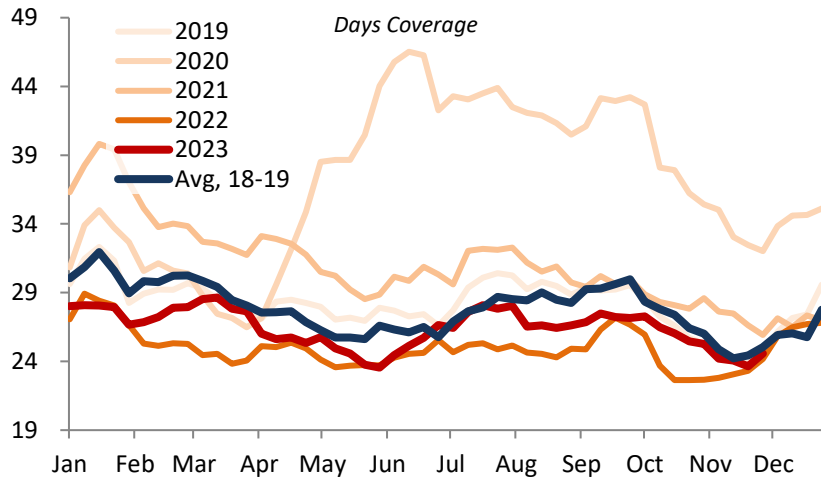


**Gasoline - Excess Days of Inventory
Compared to 2018-2019 Average**

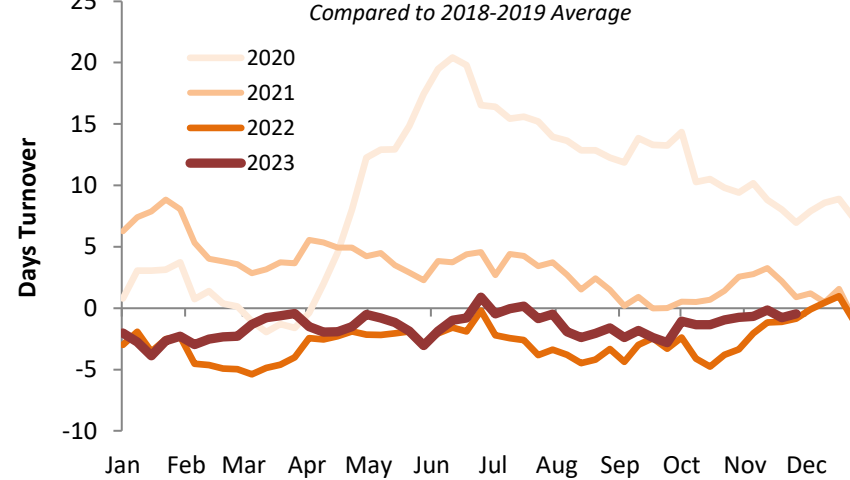


Distillate – Turnover Days

Distillate Supplied + Exports/2

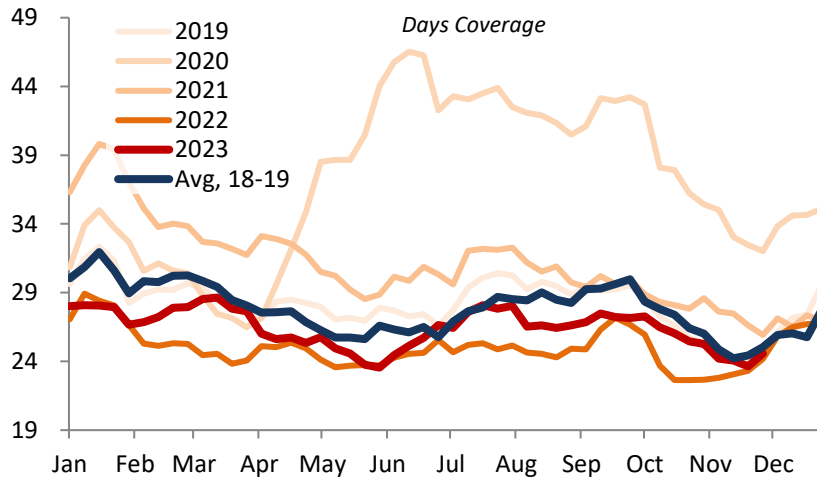


Distillate - Excess Days of Inventory

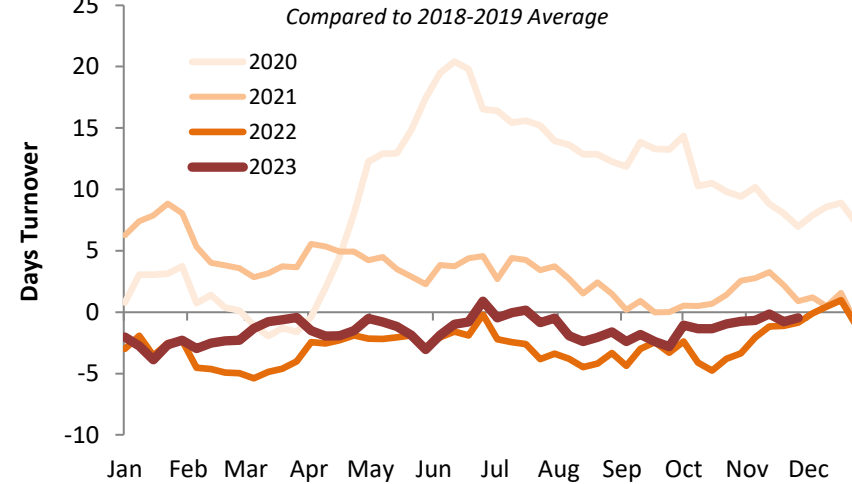


Jet (Kerosene) – Turnover Days

Jet (Kerosene) Supplied + Exports/2

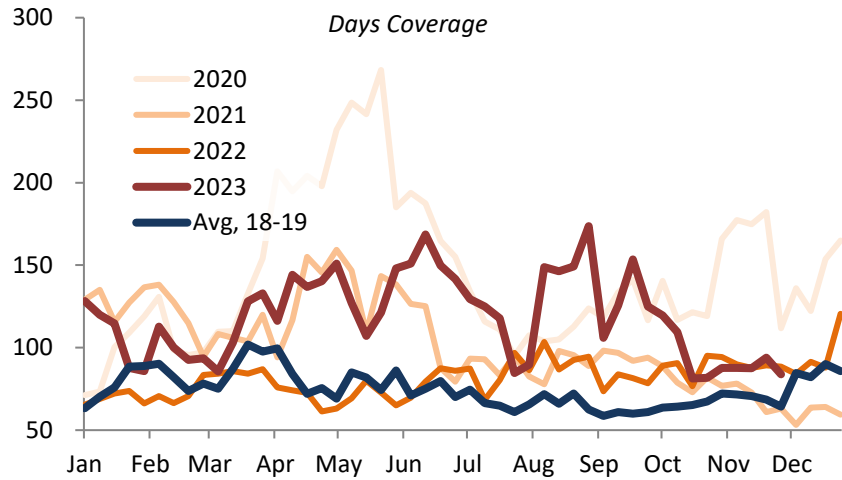


Jet - Excess Days of Inventory

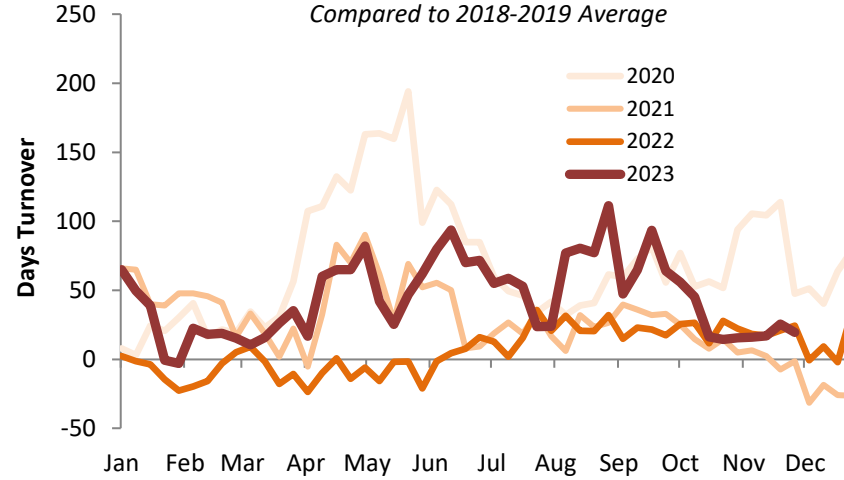


Residual Fuel Oil – Turnover Days

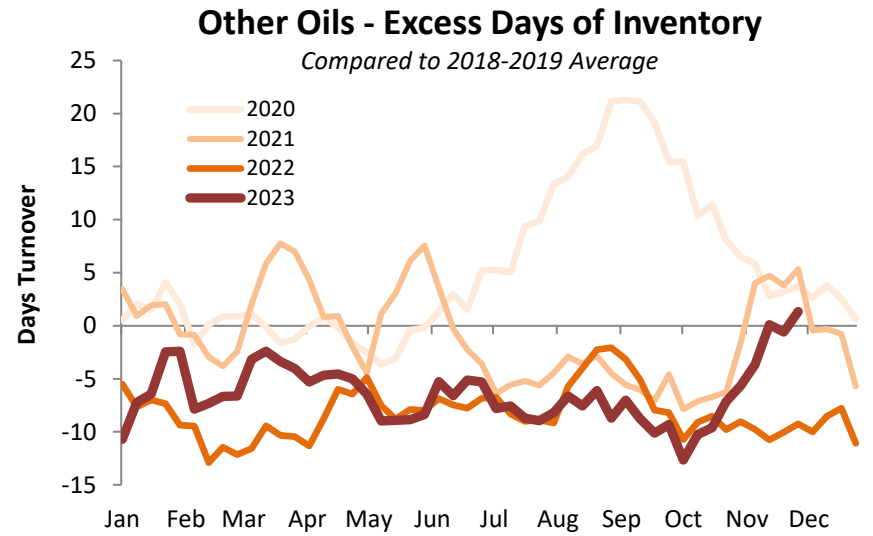
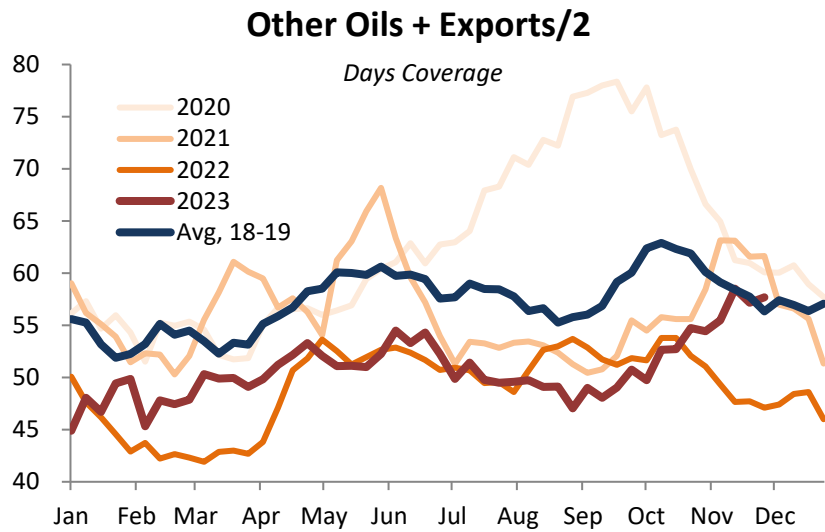
Residual Supplied + Exports/2



Residual Fuel Oil - Excess Days of Inventory

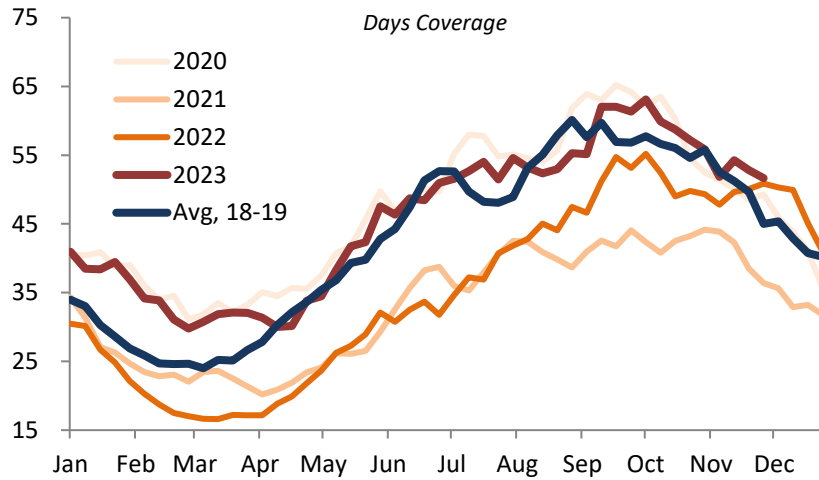


Other Oils – Turnover Days

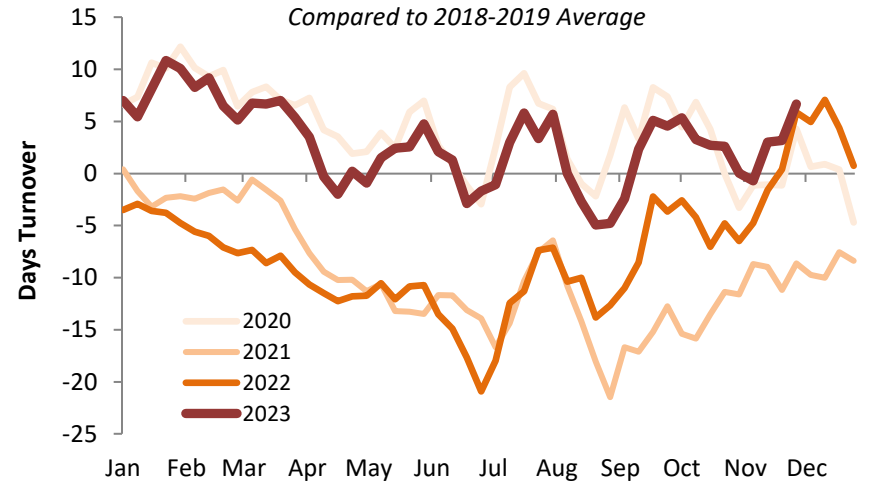


Propane / Propylene – Turnover Days

Propane Supplied + Exports/2



Propane - Excess Days of Inventory



PRINCETON
ENERGY
ADVISORS

End.

Steven Kopits
steven.kopits@prienga.com

