بنك الإمارات دبي الوطني
Emirates NBD

EIA data wrap-up

The only number that matters for oil markets this week is 10.25m. The US has now broken above 10m b/d in oil production, its highest level since the early 1970s. An increase in output of over 330k b/d in a single week should send a very alarming message to markets about the ability of US producers to continue raising output, even in a context of trying to improve profitability. Considering the lag between production and prices, current levels of output would have been sanctioned when prices were closer to USD 50/b (end of Q3 2017). What the supply response will have been to current prices could be overwhelming.

Across the rest of the report the data was near uniformly negative. Overall stocks increased by nearly 1.9m bbl while large builds in gasoline, diesel and jet all send poor signals about demand conditions in the US. Refinery utilization did turn up but sliding crack spreads (declining refinery margins) will crimp into demand along the oil value chain.

	Latest	Change	Five-year average
Crude oil production (k b/d)	10,251.00	332.00	8,746.91
Crude inventories	420,254.00	1,895.00	421,324.70
Cushing inventories	36,309.00	(711.00)	49,950.36
Gasoline inventories	245,474.00	3,414.00	226,641.20
Distillate inventories	141,826.00	3,926.00	137.17
Jet inventories	42,617.00	1,003.00	40,031.88
Fuel oil inventories	33,840.00	161.00	33,840.00
Propane/propylene inventories	48.94	(4,123.00)	67.92
Refinery crude intake (k b/d)	16,797.00	784.00	16,054.23
Refinery utilisation (%)	92.50	4.40	90.26
Product supplied (k b/d)	20,843.00	(160.00)	19,659.07
Imports (k b/d)	7,892.00	(538.00)	n/a
Exports (k b/d)	1,287.00	(478.00)	n/a

Source: EIKON, Emirates NBD Research. Note: '000 bbl unless otherwise indicated.

Commodities
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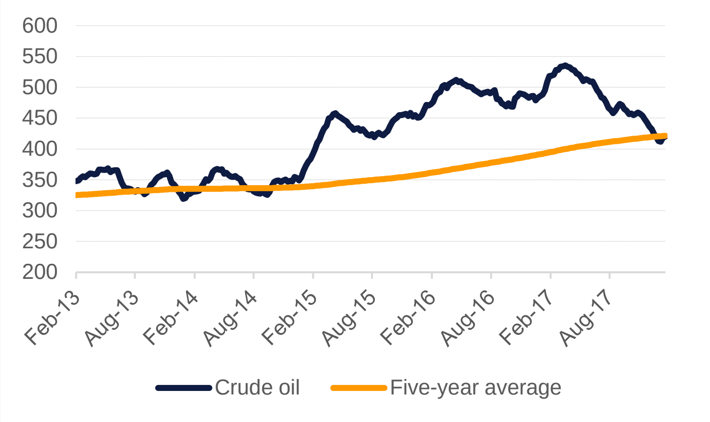
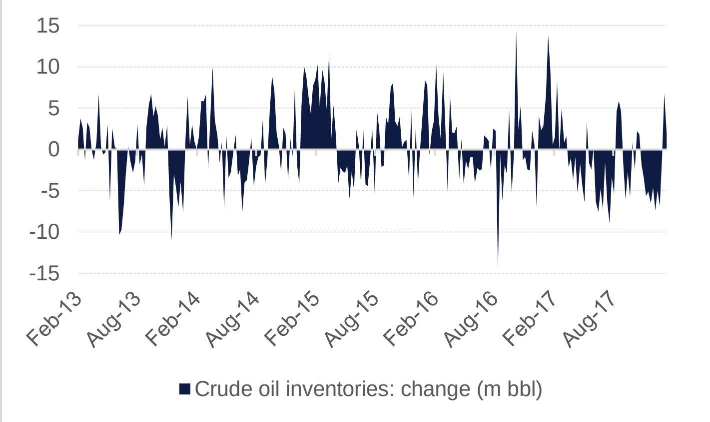
Commercial crude inventories



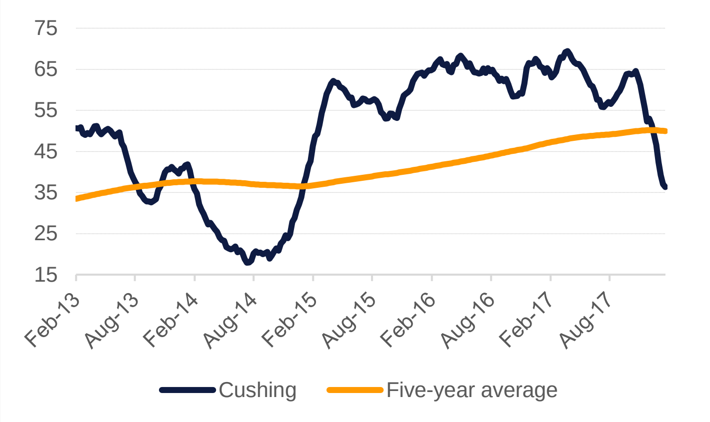
Source: EIKON, Emirates NBD Research

Commercial crude inventories change



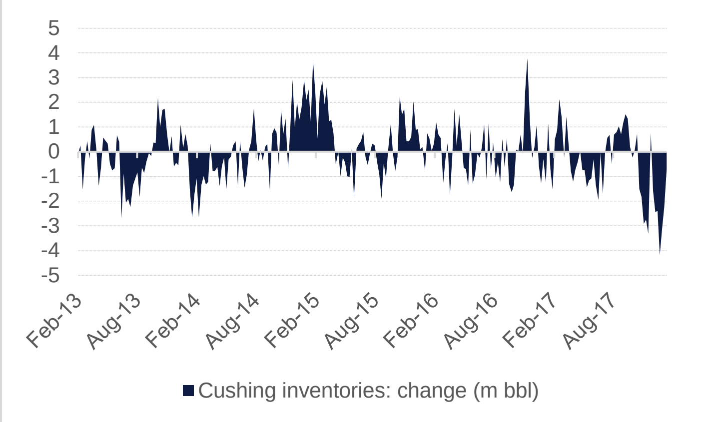
Source: EIKON, Emirates NBD Research

Cushing inventories



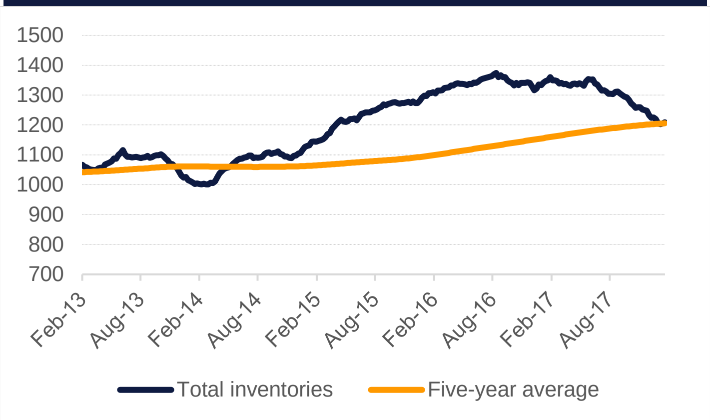
Source: EIKON, Emirates NBD Research

Cushing inventories change



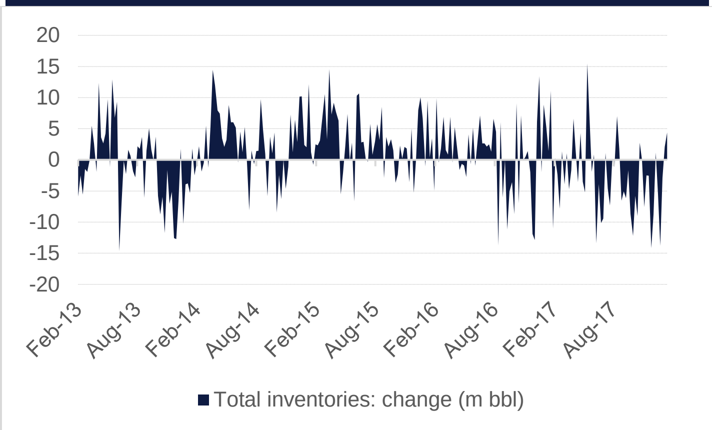
Source: EIKON, Emirates NBD Research

Total crude/product inventories



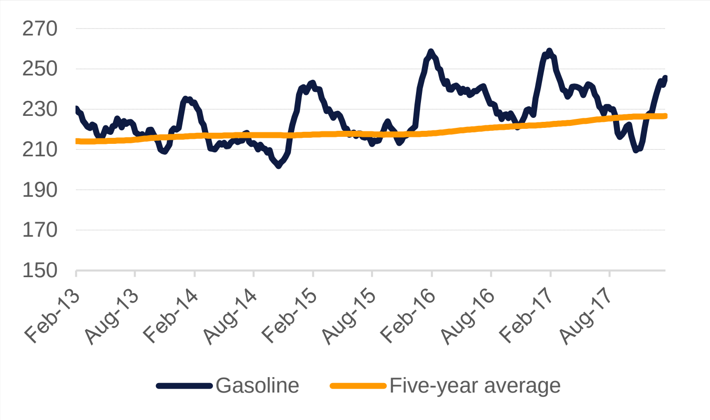
Source: EIKON, Emirates NBD Research

Total crude/product inventories change



Source: EIKON, Emirates NBD Research

Gasoline inventories



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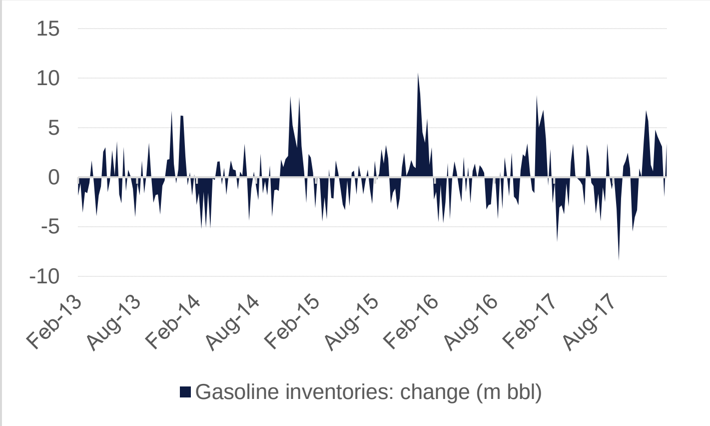
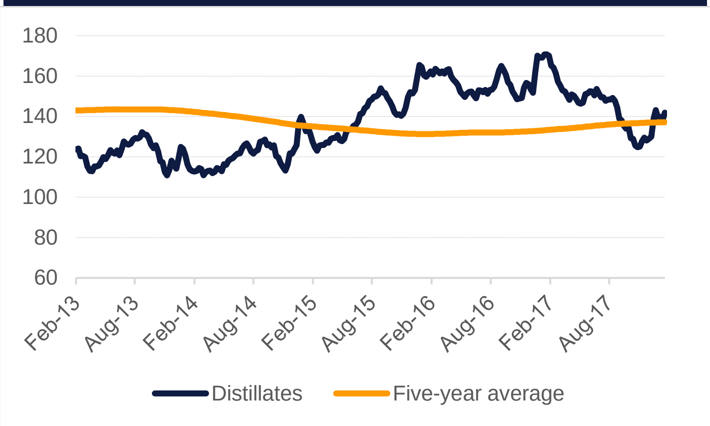
Gasoline inventories change



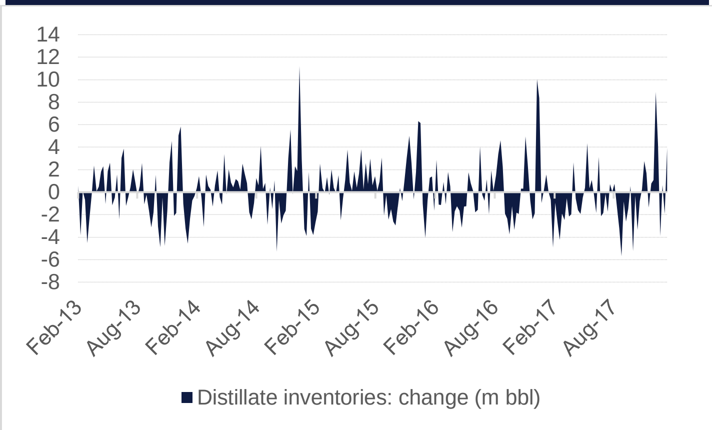
Source: EIKON, Emirates NBD Research

Distillate inventories



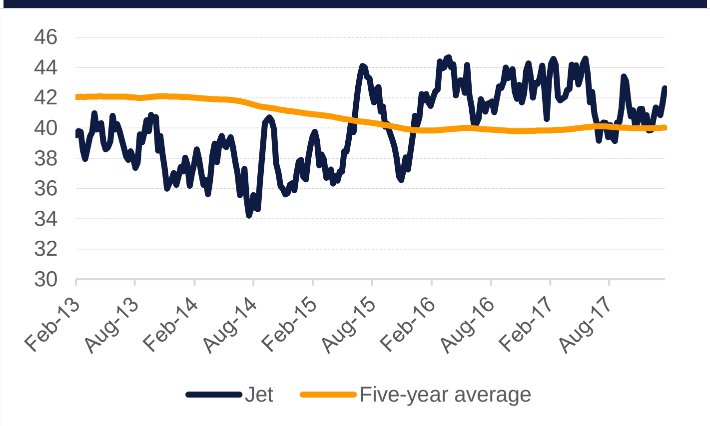
Source: EIKON, Emirates NBD Research

Distillate inventories change



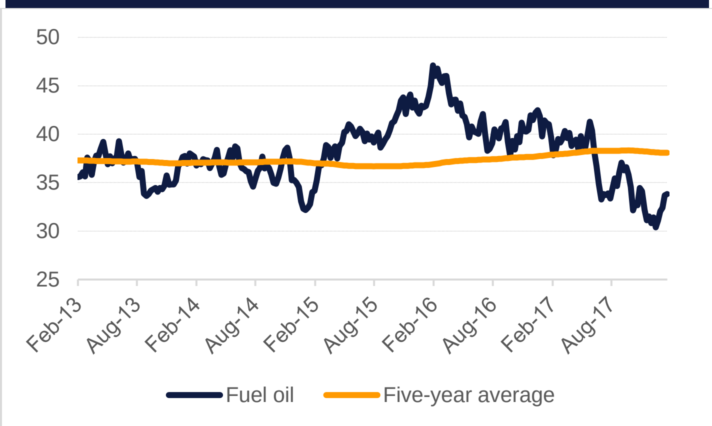
Source: EIKON, Emirates NBD Research

Jet inventories



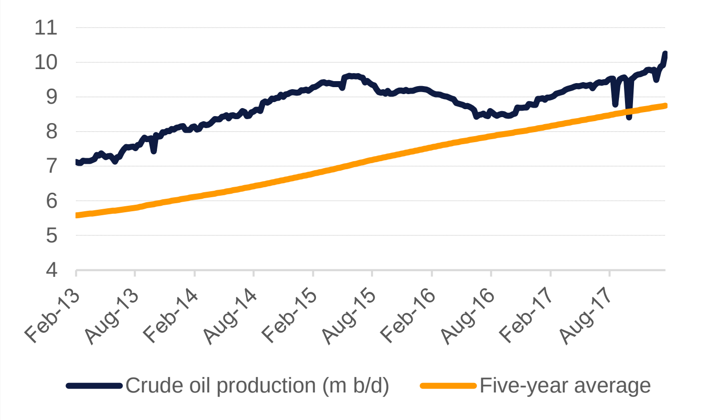
Source: EIKON, Emirates NBD Research

Fuel oil inventories



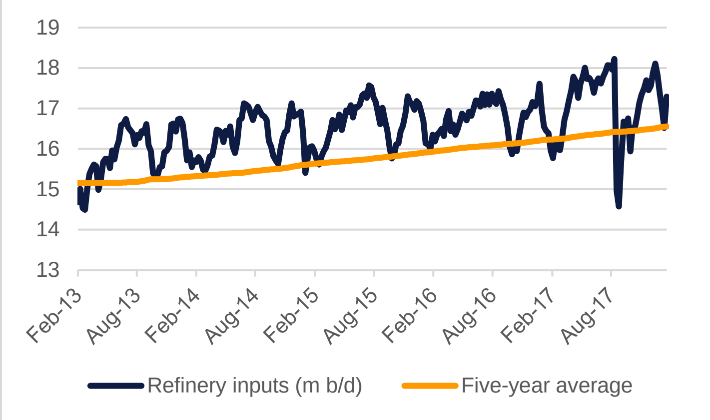
Source: EIKON, Emirates NBD Research

Crude oil production



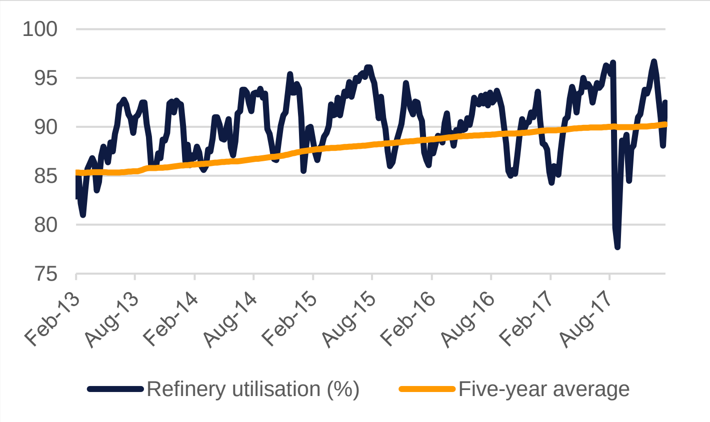
Source: EIKON, Emirates NBD Research

Refinery demand



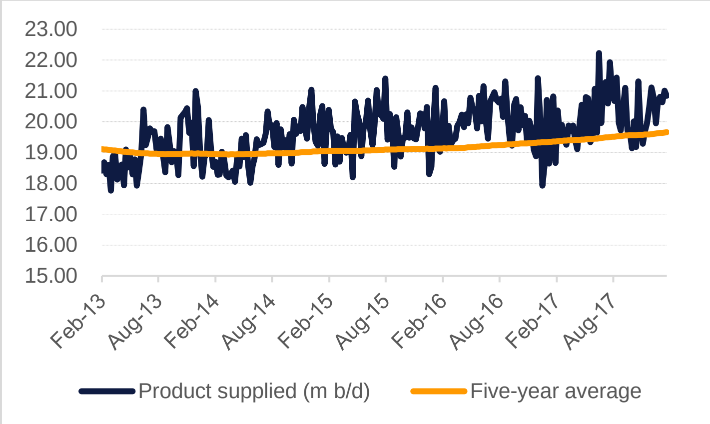
Source: EIKON, Emirates NBD Research

Refinery utilisation



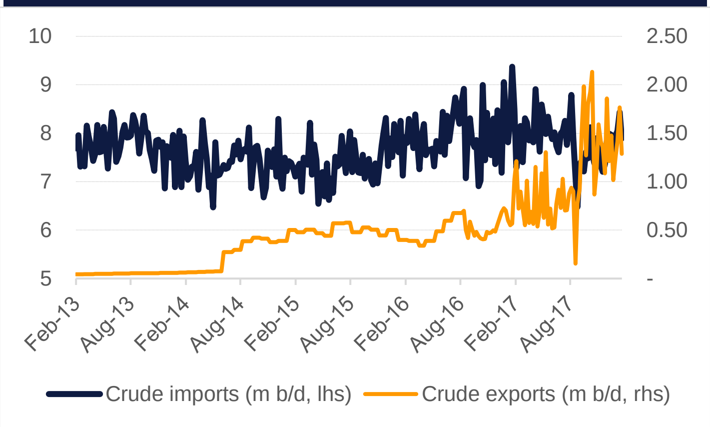
Source: EIKON, Emirates NBD Research

Product supplied



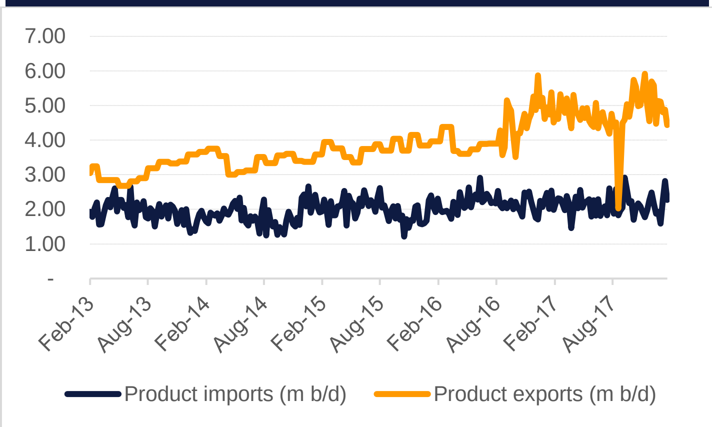
Source: EIKON, Emirates NBD Research

US crude oil trade



Source: EIKON, Emirates NBD Research

US product trade



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