



بنك الإمارات دبي الوطني
Emirates NBD

Commodities

7 June 2018

EIA data wrap-up

Oil data out of the US was near uniformly bearish with sizeable builds in crude stocks and products. Total commercial inventories have been quietly trending upward since the start of the year while stocks at Cushing have held relatively steady. Total petroleum product stocks rose by more than 15m bbl last week, the largest increase in 10 years. US production hit a new record high of 10.8m b/d last week, up 31k b/d w/w. Production was up 1.48m b/d year on year and has averaged growth of 1.23m b/d so far this year.

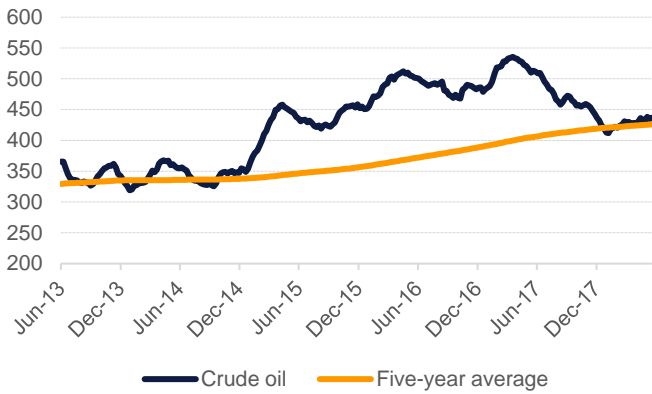
The bearish EIA report helps to affirm our view that the WTI/Brent spread will stay wide. After some marginal compression earlier this week in relation to an apparent request from the US for OPEC to increase production, the cross-Atlantic spread remains below USD 10/b. WTI at Houston, which has access to seaborne markets, is at a premium of more than USD 7.7/b for the front month to NYMEX. The longer Houston prices remain elevated we would expect demand for pipeline usage to stay high and lead to further discounts at Midland and other producing centres (WTI Midland closed yesterday at USD 55.6/b).

	Latest	Change	Five-year average
Crude oil production (k b/d)	10,800.00	31.00	8,962.89
Crude inventories	436,584.00	2,072.00	425,888.08
Cushing inventories	34,589.00	(955.00)	48,859.12
Gasoline inventories	239,034.00	4,603.00	227,892.93
Distillate inventories	116,794.00	2,165.00	137.67
Jet inventories	40,930.00	729.00	40,135.90
Fuel oil inventories	32,228.00	(276.00)	32,228.00
Propane/propylene inventories	47.11	3,978.00	67.68
Refinery crude intake (k b/d)	17,369.00	214.00	16,170.39
Refinery utilisation (%)	95.40	1.50	90.64
Product supplied (k b/d)	18,456.00	(2,431.00)	19,782.66
Imports (k b/d)	8,346.00	715.00	n/a
Exports (k b/d)	1,714.00	(465.00)	n/a

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

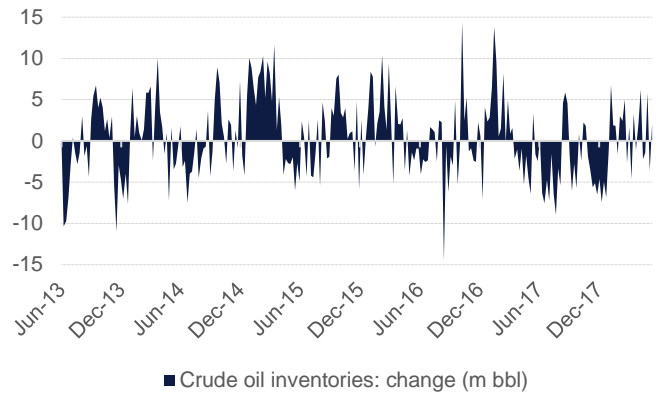
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Commercial crude inventories



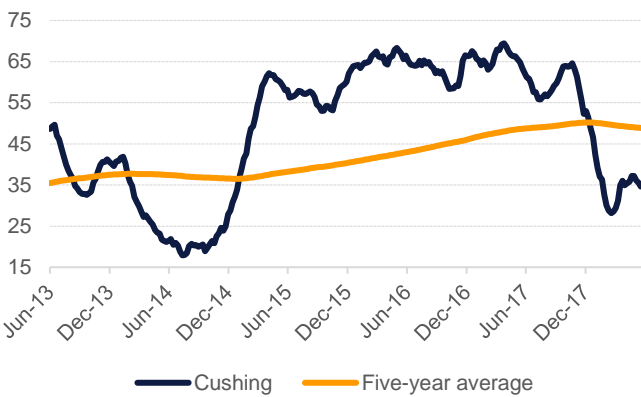
Source: EIKON, Emirates NBD Research

Commercial crude inventories change



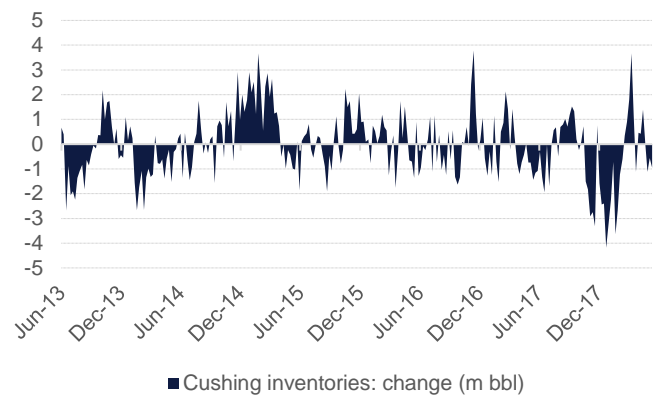
Source: EIKON, Emirates NBD Research

Cushing inventories



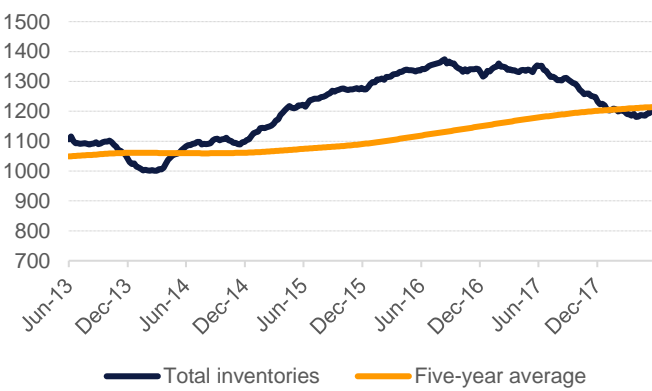
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Cushing inventories change



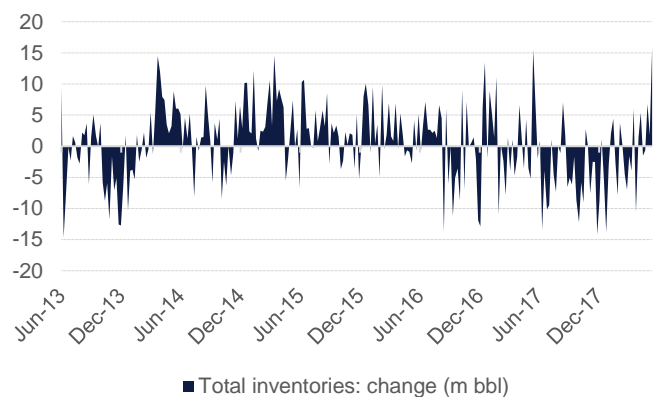
Source: EIKON, Emirates NBD Research

Total crude/product inventories

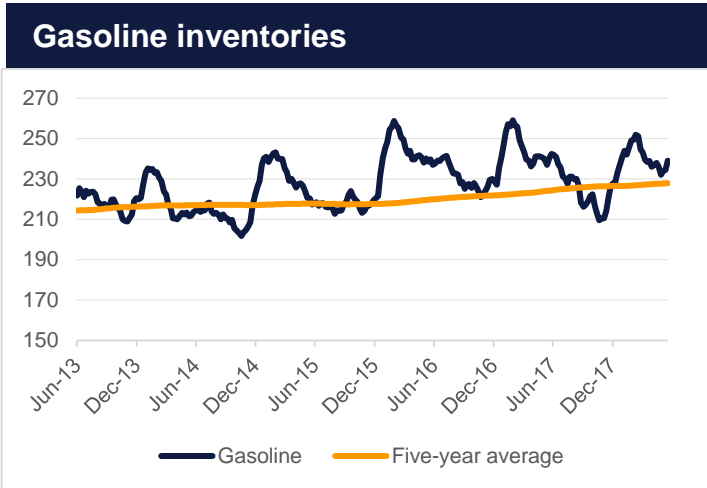


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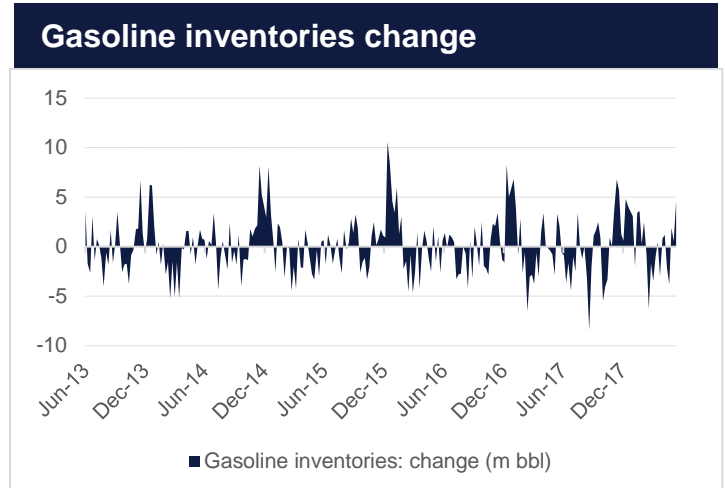
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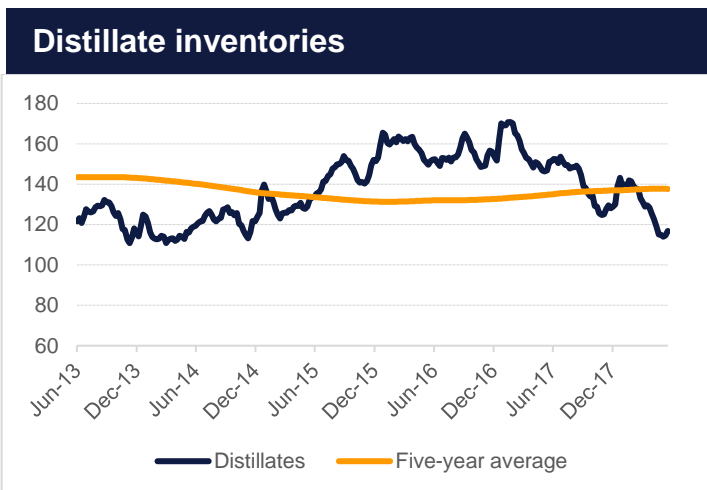
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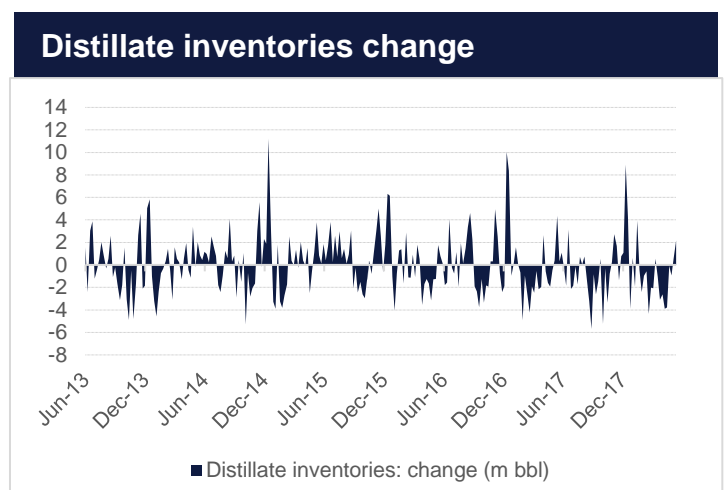
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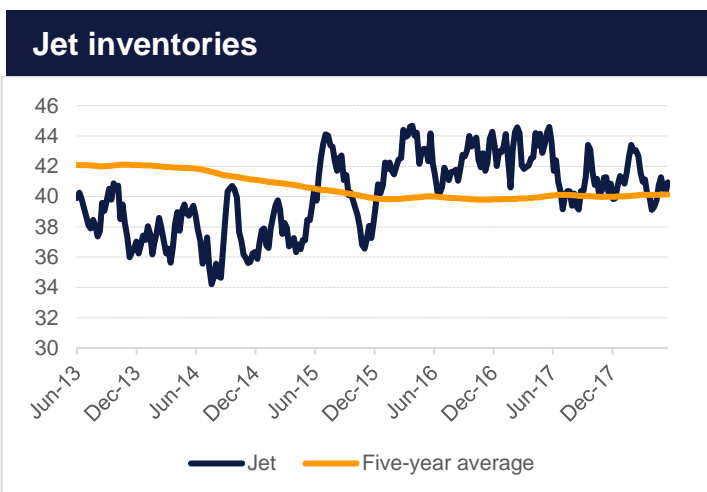
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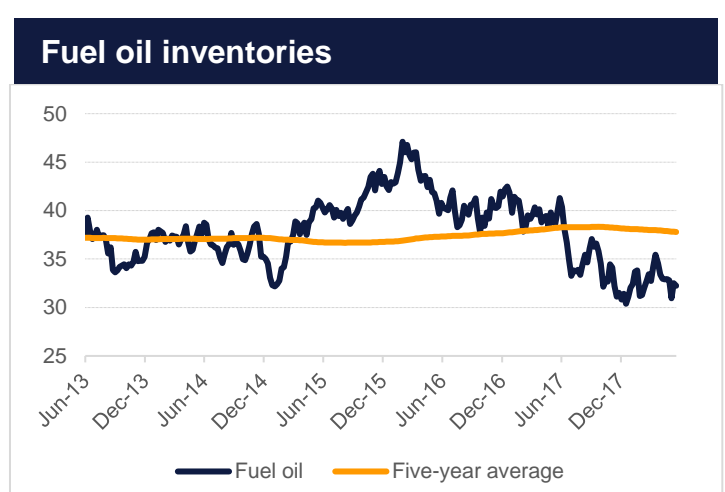
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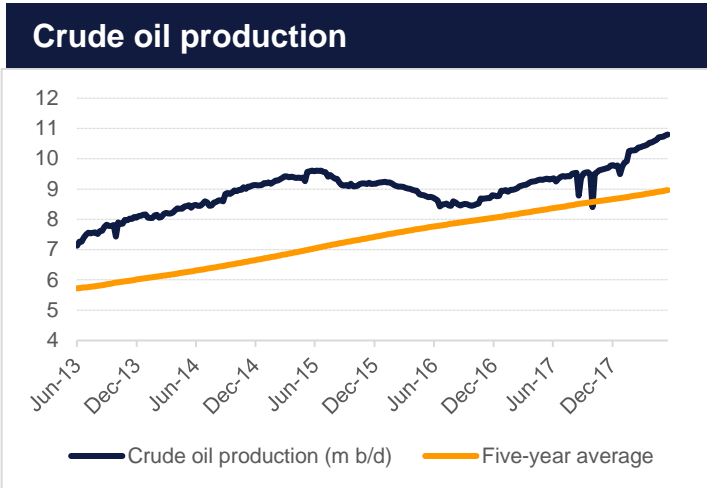
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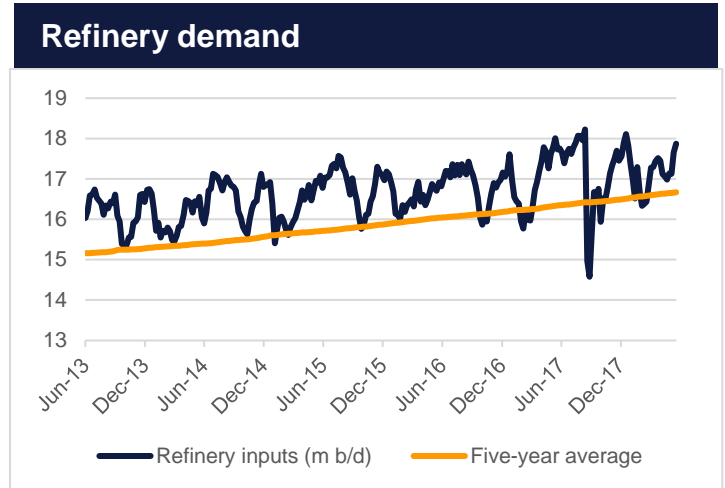
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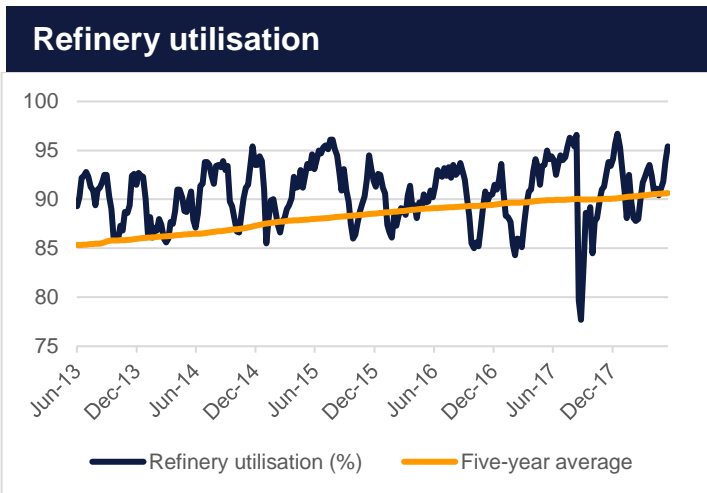
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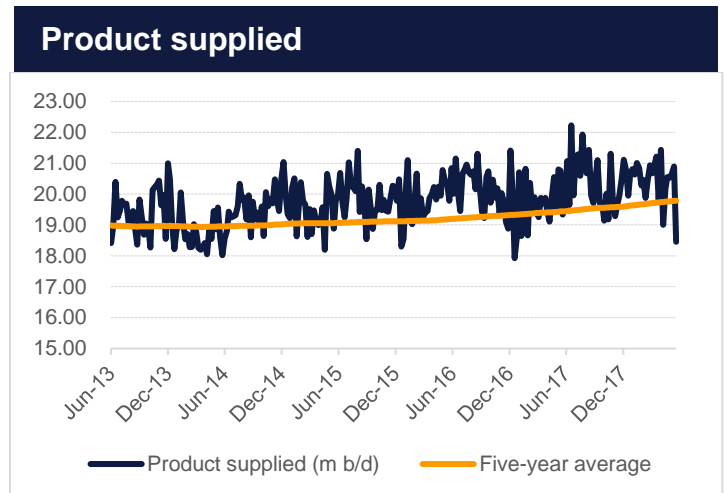
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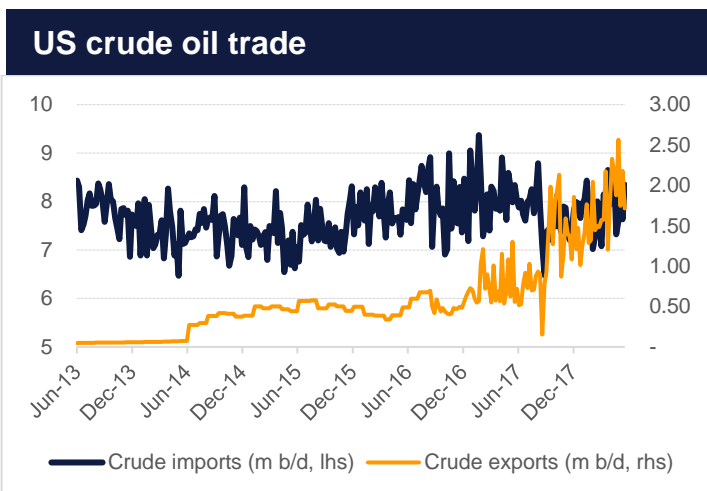
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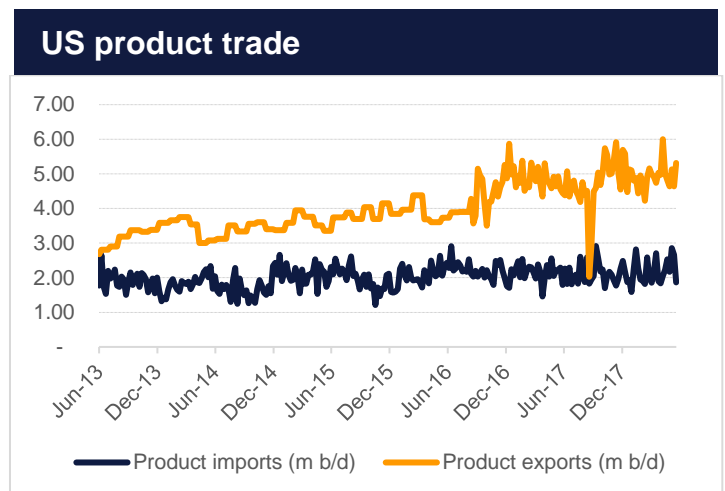
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