OPEC

Organization of the Petroleum Exporting Countries

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Monthly Oil Market Report

June 2001

OPEC Basket average price

US $ per barrel

Up 1.87 in May

May	**26.25**
April	24.38
Year-to-date	24.80

May OPEC production

million barrels per day, according to secondary sources

Algeria	0.81	Kuwait	2.01	Saudi Arabia	7.86
Indonesia	1.22	SP Libyan AJ	1.36	UAE	2.22
IR Iran	3.67	Nigeria	2.00	Venezuela	2.83
Iraq	2.84	Qatar	0.67		

Supply and demand

million barrels per day

2000	
World demand	75.8
Non-OPEC supply	48.8
Difference	**27.0**
2001	
World demand	76.8
Non-OPEC supply	49.0
Difference	**27.8**

Stocks

Further seasonal stock-build in USA in May

World economy

World GDP growth estimate revised down to 3.0% for 2001

Opening address to 115th OPEC Conference
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Data covers period up to end-May 2001
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OPEC
press release
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Opening address
to the
115th (Extraordinary) Meeting of the OPEC Conference
by
His Excellency Dr Chakib Khelil
President of the Conference
and
Minister of Energy and Mines, Algeria

Excellencies, ladies and gentlemen,

Welcome once again to the beautiful city of Vienna for the 115th Extraordinary Meeting of the OPEC Conference. The specific purpose of this Meeting is to review the present state of the international oil market, in the light of the latest OPEC production agreement, which was reached on March 17. As you will recall, in that agreement, we pledged to reduce production by one million barrels per day, with effect from April 1.

Since our March Meeting, and in fact since the start of the year, the price of OPEC's spot Reference Basket has remained firm at around $25 per barrel. What we conclude from this is that our price targets are realistic ones in the current global economic climate. Our flexible pricing mechanism has also had a beneficial effect, in providing a yardstick against which the strength of the market can be measured.

Our recent agreements have sent a clear message to the market that OPEC is ever-mindful of the need to ensure that stable, low-cost supplies of crude will continue to contribute positively to sound economic growth in consuming countries — and that the Organization will, therefore, act, whenever necessary, in the interests of the market's general welfare. This has all contributed to the relatively high level of stability we have witnessed.

Let me take this opportunity to restate clearly what the Organization has been striving to do in recent months. We are aiming:

- To ensure that world demand for crude is satisfied without fail. Let me be quite clear on that: if OPEC believes that market circumstances make it necessary to adjust output, we will do so.
- To stabilize the market at a fair OPEC Basket price level of around $25/b.
- To further build consensus, harmony and discipline within the Organization.
- To continue to develop ties with non-OPEC oil producers, as well as with major international organizations and other parties.

What changes relating to these areas have taken place since our last Meeting? First of all, OPEC has continued to expand its presence on the international stage. We have opened up even more channels of communication, including visits to nations such as Russia, the UK, and

India. We have participated in the Conference of African Energy Ministers in Algiers, and the recent meeting of gas-exporting nations in Tehran, an event which is of great significance to us in OPEC.

Let me also recall our attendance at the UN Conference on Least Developed Countries in Brussels. It goes without saying that we in OPEC are always concerned about the plight of the LDCs. The tireless efforts of our sister Organization, the OPEC Fund, in improving conditions in those countries, deserve to be praised and more fully recognized. All these developments show that OPEC is getting its message across to an ever-larger global audience.

Additionally, there have been significant developments concerning the Kyoto Protocol. OPEC has for many years been drawing attention to the shortcomings of the treaty, particularly the financial losses it would cause for oil-exporting nations.

The US has also unveiled its national energy strategy. In this regard, it is noteworthy that senior US officials have absolved OPEC of responsibility for high product prices. They recognize that the situation is due to a number of constraints including shortage of refinery capacity, which leads to higher refinery margins, increasingly stringent product specifications, transport problems such as inadequate pipeline infrastructure, and the policy of just-in-time stocks management. All of these issues contribute to upward pressure on prices, and it is good to see concrete measures being taken to address them. In this connection it is relevant to note that the crude and product stock situation in the major consuming countries is constantly easing.

In many European countries, however, product prices remain high due to the excessive levels of fuel taxation. Consumer governments sometimes receive as much as four times the revenue of the oil producers. We call upon these high-tax governments to review their distortionary fiscal policies, which unfairly affect oil product prices for their citizens, many of whom have taken part in street protests against these taxes. It is worrying that this taxation is also being progressively applied to gas as well as oil products. Meanwhile, we are keeping a close eye on the liberalization of the gas markets in Europe and Asia, and the impact this could have on the oil market.

In both sets of circumstances — in the USA and in Europe — the producers' share of the final consumer price is much diminished, to their obvious detriment. The inequity of all this is clear, particularly in the light of all our efforts to restore stability to the market at price levels that will neither trigger inflation in the consuming countries, nor slow down global economic growth. This is especially important considering the apparent weakness of the US economy and the possible repercussions of this on Europe and elsewhere.

We all know how difficult it is to achieve stability even at the best of times, and conditions can change very quickly if the market is left unattended. The present, relatively stable situation is no fluke. It has been arrived at through the unflinching efforts of responsible producers, from both within our Organization and outside of it, to ensure that there is a reasonable balance between crude oil supply and demand. However, we have to work at this to maintain it. It requires constant vigilance. That is why we are holding today's Extraordinary Meeting, to assess the market outlook and, if we believe this to be necessary, to fine-tune our production agreement.

On top of all this, we are currently reviewing the way we communicate OPEC's message to the world at large. We see ourselves as an Organization well-versed in the realities of the 21st century oil market and ready to take the appropriate action to ensure that it functions in an efficient and effective manner at all times. OPEC has made strenuous efforts to become a more open, more transparent, more co-operative Organization. We very much hope that these efforts will gain their due recognition, and that this will be reflected in the media coverage of today's Conference.

Excellencies, ladies and gentlemen, it is now time to proceed with our Meeting.
Thank you for your attention.

* * * * *

HIGHLIGHTS OF THE WORLD ECONOMY

Economic growth rates 2001
%

World	G-7	USA	Japan	Germany
3.0	1.4	1.1	0.1	2.0

Industrialised countries

Outlook weakens for major industrial countries, with possible recession in Japan this year

A strong drop in worker productivity and higher unit labour costs during the first quarter presage a slower recovery in the USA, since the expected dent in corporate profits may lead to decreased corporate spending and lower consumer confidence. Both Germany and France's economic growth in the first quarter are below expectations, while Japan's GDP contracted by 0.2% in the same period.

United States of America

Productivity slump weighing down heavily on US economy

American worker productivity fell by the largest percentage in eight years during the first quarter, a hint that the sharp slowdown in the world's largest economy might not end soon. It declined at a revised annual rate of 1.2% in the quarter, the steepest fall since a 5% slump during the first three months of 1993, after growing by a revised 2% in the fourth quarter. Unit labour costs, a key gauge of inflationary pressure in the economy, rose by 6.3% in the quarter, up from a revised rate of 4.5% in the previous quarter. This was the biggest increase since a 5.5% jump in the fourth quarter of 1997. Combined with the falling productivity, these costs put a dent in corporate profits in the first quarter, and this could lead to decreased corporate spending, a weaker job market and sagging consumer confidence. Orders to US factories fell by 3% to a seasonally adjusted $336.94 billion in April, the government said, hurt by weaker demand for a range of costly items, from new cars to computers. The decline implies a soft start to the second-quarter economic performance, as fewer orders mean the nation's beleaguered manufacturing sector will be producing less. Shipments of finished products, which reflect current levels of factory activity, fell by 2.5% to $338.95 bn in April, after a 0.1% decrease in March. The number of job cuts announced by US companies fell in May, after topping 100,000 in each of the previous five months. The unemployment rate also declined in May, after rising for several months and jumping to a two-and-a-half year high in April.

Japan

Possibility of technical recession in Japan rises, as first-quarter GDP contracts

In Japan, the strong possibility of a recession this year is looming. Recession is technically defined as two consecutive quarters of negative growth. First-quarter GDP already showed a contraction of 0.2% over the last quarter of 2000, or 0.8% at an annualised rate, implying that Japan had missed the government target of 1.2% growth for the fiscal year, achieving only 0.9%. It is widely expected that growth for the whole of 2001, if any, will be minimal. The GDP data also revealed that external demand knocked 0.2% from growth, while private consumption remained flat. Business investment, the main source of growth in Japan in the preceding two quarters, fell by 1%, detracting 0.2% from GDP growth, with only public consumption growth partly offsetting the drag. In its May report, the Bank of Japan (BoJ) drew attention to the increasing pace of decline in industrial production as exports continue to fall, placing more pressure on corporate profits and business investment. Industrial production fell by 1.7% in April, following a drop of 2.1% in March, or a 3.9% year-on-year (y-o-y) decline, the steepest in more than two years. In the meantime, the rate of unemployment rose to 4.8%, which was close to January's record 4.9%. Consumption continued to fall, with wage-earners reducing their spending by 1.3% in April. One of the few positive signs was the data on foreign direct investment in Japan, which grew by 30%, from negligible levels, to a record $25.76 bn in the year ending 31 March. This suggests that Japan's attempts to attract foreign capital into its financial and industrial sectors are beginning to bear fruit. Another surprising statistic was machinery orders, which rose by a robust 6.3% in April from the previous month, despite few other signs that companies are planning to invest in new equipment. The y-o-y growth in money supply increased to 2.9% in May, from 2.5% in April, but is relatively modest, considering the increase in liquidity injected by the BoJ, due to weak bank lending, which shrank for the 41st consecutive month in May.

Euro-zone

German and French growth below expectations, as ECB faces balancing act

Growth in Germany, Europe's biggest economy, which represents one third of euro-zone output, grew by a less-than-expected 0.4% in the first quarter. Germany's key Ifo business climate figure fell to its lowest level in almost two years. The European Central Bank (ECB) faces a balancing act between responding to economic weakness, which, in the longer run, should dampen price pressure, and preventing a rise in inflation expectations, as current headline rates keep rising. German inflation is expected to vault to an annual 3% in May, after reaching a seven-year high of 2.9% in April, the same as in the euro-zone and well above the ECB's medium-term 2% ceiling. France, so far the single currency bloc's main growth engine, has started sputtering, with first-quarter GDP growth below expectations, at 0.5% quarter-on-quarter.

Former Soviet Union

Healthy, albeit slower growth in Russia in first four months of 2001, marred somewhat by mounting inflationary pressures

The Russian economy grew by 4.4% in the first four months of 2001, following a slow-down in the fourth quarter of 2000, but inflationary pressures have intensified. While domestic consumption growth remained healthy, reflecting improvements in real incomes and wages, investment growth dropped to 6–7% from the very high 17% achieved in 2000. It is worth noting that energy companies account for more than 50% of domestic investment. Y-o-y industrial production growth accelerated in April to 5.2%, compared with an average of 3.8% in January–April. Energy sector growth this year is benefiting from higher relative energy prices within the economy, while manufacturing sector growth has slowed for the same reason. In the previous two years, manufacturing benefited from subsidies caused by lower energy prices. Meanwhile, mounting inflationary pressures are worrying. Inflation reached 25% y-o-y, in both April and May, well above the government target for 2001 of 14–15%. In particular, prices of services and food rose strongly (by 38% and 22% in January–April), over year-ago levels. Separately, given its present comfortable financial position, the government now believes it will be able to honour its debt service obligations, including the peak repayment of US $18 bn in 2003, even if the oil price falls to 18.5 per barrel, the average over the last ten years, without resorting to further debt-restructuring. The government has also approved an outline for the federal budget for 2002, which projects a GDP surplus of 1.26%, the first time Russia has planned for a budget surplus. Next year's budget assumes an oil price of $22/b for Russian Urals crude.

Eastern Europe

Good growth prospects for Czech Republic and Hungary, in spite of EU slowdown

In the Czech Republic, the current account deficit widened to $708 million in the first quarter, more than twice as high as in the year-earlier period. According to the Czech National Bank, the annualized deficit has risen to 5.5% of GDP, compared with 4.7% of GDP at end-2000. The widening current account deficit reflects a deterioration in the trade deficit, though concern about this is alleviated by three often-mentioned factors: first, imports are dominated by machinery and equipment, rather than consumer goods; secondly, exports continue to perform strongly, notwithstanding the slowdown in the European Union (EU) and the strong koruna; and thirdly, net foreign direct investment inflows of $915m more than cover the current account deficit. In Hungary, the National Bank of Hungary and the government announced that all restrictions on capital market transactions will be lifted from 15 June. Also, from 1 July, the obligatory reserve rate for commercial banks will be reduced from 7% to 6%, whereas the interest rate paid by the bank on reserves will be increased from 3.25% to 4.25%. Hungary's preliminary current account deficit narrowed to 17m euros in April from €48m in March. This improvement reflected a stronger surplus in the services balance (€216m) and a smaller trade deficit, which shrunk to just €21m in April, as export growth (23.2% y-o-y) outpaced that of imports (21.4% y-o-y) for the third month in a row. Although export growth has been slowing over the past nine months, reflecting weaker EU growth, April's figures suggest that Hungarian industry still enjoys a significant competitive advantage.

Developing countries

Downside risks considered "manageable" in Asia. Debt relief will have significant impact on cash-flow in Africa. And Brazil sensitive to external economic forces

In order to avoid a repetition of the 1997/98 regional financial crisis, Asian countries are negotiating a dollar swap programme arrangement among their central banks, that would allow members to lend each other money whenever their currencies come under pressure. However, the plan appears to be largely symbolic and may not succeed in fending off future crises. Nevertheless, Asian officials believe present downside risks are manageable. Indian software service companies are earning more money in the Asia Pacific than ever before; furthermore, they are doing more business at home, in the Middle East and Africa, despite the downturn in the US economy. India's exports are currently performing strongly, but will suffer if the US downturn becomes worse than expected. In this case, India may not achieve the 5.9% growth forecast in 2001/02.

Similarly, in China, GDP growth is expected to slow this year to 6.9%, against 8% last year, as a result of reduced growth in merchandise exports. In Africa, the World Bank and the International Monetary Fund, in their latest status report, claim that the heavily indebted poor countries' (HIPC) debt-relief initiative will have a significant impact on the cash-flow situation of the 18 African countries that benefit from it at present. Debt payments, as a percentage of exports, will be halved from 17% to 8%. In cash terms, debt-service payments will be cut by some $800m. Despite the fact that 40% of the HIPCs' debt savings will be spent on education and one quarter on health, this will still help poor African countries cut their structural budget deficits, but it will not jump-start their economies. In Latin America, the main external threat to the Brazilian economy remains a prolonged recession in the USA, accompanied by instability in world financial markets, which could hit Brazil's trade and investment flows. In addition, the risk of currency devaluation in Argentina or any other sizeable emerging market will be a potential source of contagion for Brazil, where the GDP growth rate is forecast at 3.2% for this year.

OPEC Member Countries

Some serious economic issues witness relief in OPEC Member Countries, while others are being tackled

OPEC Member Countries' economic prospects throughout the second half of 2001 and early 2002 will be constrained by the expected slowdown in global GDP and trade growth. However, most of their economies will show the benefits of the recent higher oil revenues. Algeria's total debt stock was down to $25.28 bn (a fall of 12%) at the end of 2000 from $28.31 bn in 1999. This represents a decline from 58.9% of GDP to 47.2%, due to the increase in oil export revenue over the year. In Indonesia, the worldwide slowdown has merely exacerbated already existing structural problems. The rupiah has slid rapidly, due to political considerations. As a result, interest rates have increased, and the government debt is around 100% of GDP. The budget deficit is expected to rise, and may be hit by weaker tax revenue from hydrocarbon exports. The Islamic Republic of Iran has announced officially that 600,000 job opportunities will be created to keep the unemployment rate at 13.7% in the current Iranian year. Dependence on planned state expenditure, as well as utilizing market mechanisms for job creation, are considered as a two-pronged approach to tackling unemployment. The Socialist People's Libyan Arab Jamahiriya's balance of trade in goods will continue to have a significant impact on the current account, which is expected to register a surplus of $1.1 bn (or 3.2% of GDP) in 2001, driven by strong oil export earnings, which are due to the oil price improvement.

Oil price, US dollar and inflation

Further gains in real oil price in May, as nominal Basket price rises and dollar appreciates further against OPEC currency basket

The US dollar fell versus the yen, but rose against all the European currencies in the Geneva I + US dollar basket in May. The yen rose by 1.66% to average 121.67¥/$, from 123.72¥/$ in April, while the German mark fell by 1.87% to 2.236DM/$, from 2.196DM/$ in April.

The euro continued to lose ground in May, falling to six-month lows, below 85 cents, by the end of the month. Persistent capital outflows from the euro-zone and slowing European economies exerted downward pressure on the single currency. Moreover, the vacillating monetary policy of the ECB eroded confidence in the euro. After keeping interest rates on hold since October last year, the ECB finally succumbed to increasing pressure and resorted to a surprise, ill-prepared cut in the refinancing rate on 10 May of 25 basis points to 4.5%, despite rising inflation in the euro-zone. This was followed, on 15 May, by the fifth 50-basis point cut in US interest rates this year. The federal funds rate now stands at 4%, from 6.5% at the beginning of 2001. The yen strengthened against the dollar, due partly to cross-trading versus the euro. It reached five-month highs against the euro, triggering talk of possible intervention by the ECB and the BoJ, albeit quickly denied by both.

The OPEC spot Reference Basket rose by $1.87/b, or 7.66%, in May to $26.25/b, from $24.38/b in April. In real terms (base July 1990 = 100), after accounting for inflation and currency fluctuations, the Basket price rose by 8.23% to $24.54/b from $22.67/b, as the increase in nominal prices was boosted by the dollar appreciation. This amounted to 0.87%, as measured by the import-weighted Geneva I + US dollar basket, while inflation accounted for an estimated 0.34% erosion in the value of the oil barrel in May.

* *The 'Geneva I + US dollar' basket includes eight leading European currencies and the Japanese yen and the US dollar, weighted according to the merchandise imports of OPEC MCs from the countries in the basket.*

CRUDE OIL PRICE MOVEMENTS

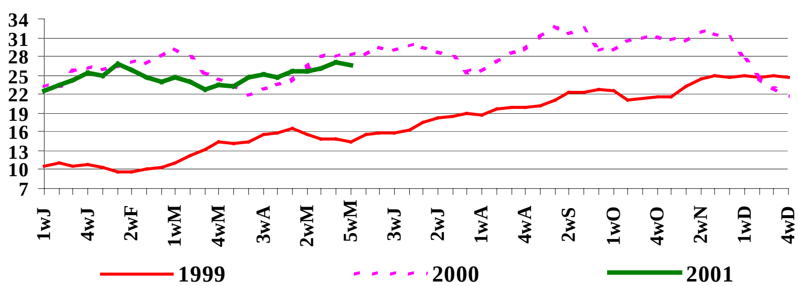
General trends

Monthly average of OPEC Reference Basket rose by $1.87/b to $26.25/b in May

The spot Reference Basket of OPEC crudes averaged 26.25/b in May, a gain of $1.87/b over its April level. Brent-related crudes made the highest gains, with Bonny Light and Saharan Blend adding $3.08/b and $2.82/b to their values respectively. Tia Juana Light and Isthmus followed, increasing by $1.98/b and $1.76/b respectively. Dubai and Arabian Light moved $1.34/b and $1.53/b higher respectively, while Minas rose by the least amount, $0.57/b.

In the first week of June, the average weekly price of the Basket edged $0.40/b lower to $25.66/b, amid divergent price trends and a strong linkage to the gasoline market in the USA. While West Texas Intermediate prices traded sideways, Brent prices were boosted by healthy refiners' margins in Europe, as refiners there tried to maximize gasoline production to take advantage of the record-high prices across the Atlantic. Supply disruptions in Nigeria added support. The Basket, however, reversed its direction and gained $0.39/b in the second week, on several supporting factors. The cancellation of two Brent cargoes from the May programme supported prices in Europe. The announcement of the new Energy Programme in the USA, which did not tackle any short-term issues, in addition to President George W. Bush's comments that the present problems in gasoline supply were due to insufficient US refining capacity, provided bullish sentiments, while the closed transatlantic arbitrage raised fears of a supply crunch in the USA. However, the rally was capped by a build in US crude oil and gasoline stocks and a revision by the International Energy Agency of its demand growth forecast by 0.3 mb/d. The Basket rally continued into the third week, rising by $0.98/b to $26.97/b, basically driven by Brent, as a Dutch trader (Vitol) pushed prices higher in amassing several Brent cargoes. Concern about the availability of gasoline was also driving prices in the USA, and these reached unsustainable levels, but, as soon as API statistics showed a build in stocks, prices moved lower on profit-taking. In the final week, the Basket lost $0.37/b, as US stocks showed another build in gasoline, thereby relieving concern and causing sell-offs. The only factors that supported prices were concern about the interruption of Iraqi exports and statements from OPEC officials pointing towards keeping the Organization's present production level.

Graph 1
OPEC Reference Basket — weekly spot crude prices
US $/b



US and European markets

High gasoline refiners' margins drove US market in May

The very high gasoline crack spread (premium of gasoline over crude) of $16/b was the main driver in the US market in May, encouraging refiners to buy whatever sweet crude they could find, irrespective of transatlantic arbitrage. The closure of Nigeria's Escravos terminal, due to pipeline problems, and the closure of the same country's Qua Iboe gave West African crudes a big boost at the beginning of the month. Prices remained firm during the whole month, despite a build-up in stocks, which reached 20 mb above last year's level, as refiners maintained their high rates of utilization. Crude imports were also high, reaching 10 mb/d, despite the closed transatlantic arbitrage, which was caused by the higher Brent prices. Demand for sour crudes was also strong, especially in the US Gulf Coast.

In Europe, gasoline-rich North Sea grades were in heavy demand. Dated Brent witnessed a big rise as a European major and a European trader sold May Brent to the US Gulf Coast, despite the closed arbitrage. The high prices persisted during the month, when a trader amassed cargoes loading in early June, and this put pressure on refiners' margins, leading some refiners to cut runs in Europe.

Far Eastern markets

Wide Brent/Dubai differential supported Middle East grades in May

The high premium of light sweet Tapis over Dubai in May caused refiners to prefer Middle Eastern crudes, since their margins were better, and this resulted in an overhang of light sweet grades, especially as demand for naphtha was weak. Minas was weak continuously, due to the absence of demand from China and Japan; however, towards the end of the month, most Minas cargoes were committed, thereby supporting its price. Middle East grades started the month on a bullish note, with the high Brent/Dubai differential reaching almost $3.9/b; however, the absence of buying from China and the release of 2 mb of July Oman from South Korean reserves weakened Middle Eastern grades. The premiums for light sour grades then surged, as Japan tended to buy crudes to tighten strategic reserves, and Dubai shot up at the end of the month, when Egypt's new refinery, Midor, bought up to four cargoes from Dubai.

Table 1
Monthly average spot quotations for OPEC's Reference Basket and selected crudes
US $/b

			Year-to-date average	
	Apr.	**May**	2000	**2001**
Reference Basket	24.38	**26.25**	**25.72**	**24.80**
Arabian Light	24.24	**25.77**	25.19	24.17
Dubai	24.06	**25.40**	24.26	24.08
Bonny Light	25.43	**28.51**	26.57	26.29
Saharan Blend	25.65	**28.47**	26.80	26.63
Minas	27.64	**28.21**	26.25	26.22
Tia Juana Light	20.79	**22.77**	24.78	22.20
Isthmus	22.86	**24.62**	26.18	23.98
Other crudes				
Brent	25.37	**28.35**	26.28	26.28
WTI	27.37	**28.60**	28.29	28.48
Differentials				
WTI/Brent	2.00	0.25	2.01	2.20
Brent/Dubai	1.31	2.95	2.02	2.20

PRODUCT MARKETS AND REFINERY OPERATIONS

The US gasoline market tumbled in May, driven more than anything else by strong refinery and import flows, despite the start of the summer driving season. In Europe, robust gains in Brent markets, together with several refinery outages, including gasoline-producing units, pulled up the gasoline price. Refiners' margins deteriorated in all the centres, and yet, in the USA, margins remained healthy enough to boost refinery throughputs, in contrast with the situation facing European refiners, who opted to cut runs. Current refinery maintenance in North Asia reduced available supply and mitigated falling refiners' margins.

US Gulf market

Gasoline price plunged, while other products rose, in US Gulf in May. Refinery utilization rate rose to 95.8%, despite sliding margins

Following a record high in April, the regular gasoline price plummeted by $3.24/b in May. It was undermined by a better-supplied market, that resulted from geared-up refinery throughputs with favourable operational modes directed towards a higher gasoline yield, and this coincided with robust import flows, particularly from Latin America, as strong European gasoline prices complicated trading with the US Atlantic Coast market. Both factors consequently outstripped increased demand and, hence, caused an uptrend in total US gasoline stocks. Nonetheless, after gasoline markets appeared to have sufficient regular gasoline supplies, the focus switched to reformulated gasoline (RFG) inventories, which declined at one time interval, leading to price spikes; but RFG stocks finished the month at almost the same level as in the year before. This combined with the fact that the Unocal Corporation granted its patent for producing RFG to two independent refineries (Citgo and Tosco), with the expectation that other refining companies would follow suit, and this took the heat out of this particular gasoline market. Lower imports, at a time of dwindling refinery output, as distillate products were cracked into gasoline, together with prevailing agricultural demand in the mid-continent, constituted the main reason for an increase of $0.72/b in the gasoil price. The fuel oil price soared by $1.61/b, in tandem with crude gains and some exports to the Far East.

Refiners' margins retreated from their record peaks of the previous month, mainly on plunging gasoline prices and increased crude prices. Nonetheless, the WTI margin was healthy and equalled $3.57/b.

Despite sliding refiners' margins, refinery throughput increased by 0.36 mb to reach 15.84 mb/d, and this was aimed at raising gasoline availability. As a result, the refinery utilization rate was 95.8%, which was 1.6% higher than the year-before level.

Rotterdam market

All product prices surged in May in Rotterdam, while refinery utilization rate fell to 83.5%, hindered by squeezed margins, which were due to strong crude market

Some European refinery glitches during the first half of May, coupled with sustained strength in the Brent market, lent support to the gasoline price, which surged by a further $1.52/b. However, the month's average gasoline price masked some pronounced downtrends that took place in the final two weeks, driven largely by tumbling US gasoline markets, that translated into less activity with transatlantic arbitrage. The gasoil price experienced another increase, of $0.82/b, on strong demand in north-west Europe to replenish winter stock-draws, and this was coupled with tighter prompt supply in the Mediterranean, on partial refinery shutdowns in Italy and Algeria. The fuel oil price rebounded by $1.18/b, in line with hefty crude prices and continued intensive cargo movements to Asian markets.

Soaring Brent markets eclipsed moderate gains in product prices and, therefore, weakened refiners' margins. The Brent margin, for example, barely stood in positive territory i.e. $0.18/b from $2.30/b in the preceding month.

Refinery throughput in the Eur-16 countries hovered at 11.40 mb/d, down by 0.52 mb, being affected by squeezed refiners' margins. The refinery utilization rate, therefore, dropped to 83.5%.

Gasoil and fuel oil prices surged in Singapore in May, on strong crude market and healthy demand in Asian countries; gasoline dipped, however

Singapore market

In Singapore, during May, the gasoline price rose in the first week, but then fell steadily during the course of the month to close $0.12/b lower; this was in line with the firm closure of transpacific arbitrage to the US West Coast, on the back of rising regional stocks that led to the tumbling gasoline market. This left Chinese gasoline cargoes without secured buyers, resulting in abundant supply at a time of fading regional demand. Both the middle and the end of the barrel rose, in tandem with stronger crude prices and other fundamentals. The gasoil price surged further by $0.99/b, on healthy demand from Indonesia, in addition to strong buying from Vietnam, in conjunction with major seasonal refinery maintenance in Japan and South Korea, which resulted in tight supply. Meanwhile, this paved the way for Middle East distillate cargoes to move east on the back of price differentials. A decline in heavy crude oil supply, as a consequence of reduced OPEC output, translated into a lower yield of fuel oil and, therefore, squeezed supply. At the same time, growing bunker demand made the Singapore market attractive for all fuel oil cargoes from around the world; consequently its price rose by $1.60/b.

Rising Dubai prices, together with the weaker gasoline market, constituted the main reasons for falling refiners' margins, with Dubai margins hovering at $0.50/b in May.

The beginning of seasonal refinery maintenance in Japan, coupled with slack demand, cut refinery throughput by 0.21 mb to 4.25 mb in April. The equivalent utilization rate stood at 85.7%, which was about the same as in the previous year.

Table 2
Refined product prices
US $/b

		Mar.01	Apr.01	**May01**	**Change May/Apr.**
US Gulf					
Regular gasoline	*(unleaded)*	32.38	42.03	**38.79**	–3.24
Gasoil	*(0.2%S)*	29.03	30.93	**31.65**	+0.72
Fuel oil	*(3.0%S)*	18.63	15.19	**16.80**	+1.61
Rotterdam					
Premium gasoline	*(unleaded)*	31.52	37.57	**39.09**	+1.52
Gasoil	*(0.2%S)*	29.38	30.37	**31.18**	+0.82
Fuel oil	*(3.5%S)*	17.58	17.05	**18.23**	+1.18
Singapore					
Premium gasoline	*(unleaded)*	29.88	32.76	**32.64**	–0.12
Gasoil	*(0.5%S)*	26.83	29.80	**30.79**	+0.99
Fuel oil	*(380 cst)*	20.04	20.47	**22.07**	+1.60

Table 3
Refinery operations in selected OECD countries

	Refinery throughput *mb/d*			**Refinery utilization*** *%*		
	Mar.01	Apr.01	**May01**	Mar.01	Apr.01	**May01**
USA	14.84	15.48	**15.84**	89.7	93.6	**95.8**
France	1.57[R]	1.65	**1.60**	82.6[R]	87.3	**84.5**
Germany	2.06[R]	2.15[R]	**2.07**	91.1[R]	95.4[R]	**91.7**
Italy	1.76[R]	1.92	**1.70**	74.5[R]	81.5	**71.8**
UK	1.54	1.42	**1.29**	86.8[R]	80.4	**73.1**
Eur-16**	11.45[R]	11.92	**11.40**	83.9[R]	87.3	**83.5**
Japan	4.46	4.25	**n.a.**	89.8	85.7	**n.a.**

n.a. *Not available.*
* *Refinery capacities used are in barrels per calendar day.*
** *Fifteen European Union members plus Norway.*
R *Revised since last issue.*
Sources: *OPEC Statistics, Argus, Euroilstock Inventory Report/IEA.*

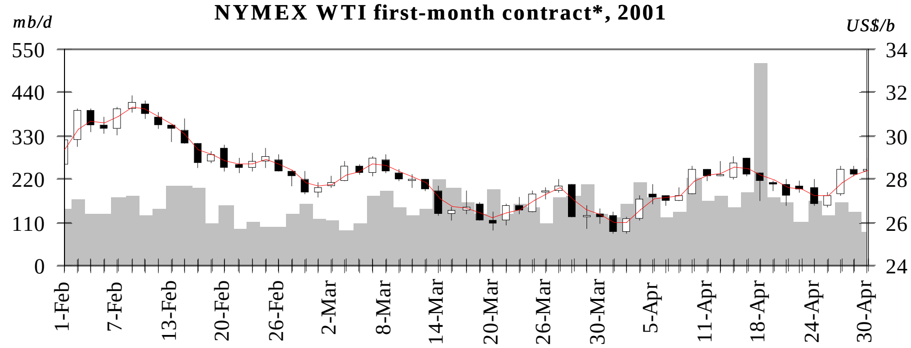
THE OIL FUTURES MARKET

NYMEX WTI ended May at same level it had started the month, moved basically by gasoline

NYMEX WTI ended May at the same level that it had started the month, at around $28.4/b. In the first few days, the contract was highly volatile, responding to the build-up in US crude oil stocks and rumours of refinery outages. The same volatility continued throughout the first week, as rumours of refinery glitches in the USA and news of supply disruptions in Nigeria drove prices higher, while a lower-than-anticipated draw on crude stocks and a bearish outlook for demand in the USA put a cap on prices. The bearish outlook stemmed from the prediction of a further cut in interest rates by the Federal Reserve Board.

During the second week, prices were less volatile, moving in the range of $28.55–28.98/b; crude fundamentals were bearish, especially after the International Energy Agency had revised its demand estimates for 2001 and as the American Petroleum Institute's weekly statistics showed a build in crude oil stocks. The only factor that continued to support crude was the unwinding of gasoline cracks, where traders sold gasoline and bought crude after these spreads exceeded $16/b and moved slowly down during the week to around $13/b. Meanwhile, the Commodity Future Trading Commission's report showed that non-commercial positions were very low and volatility was also down.

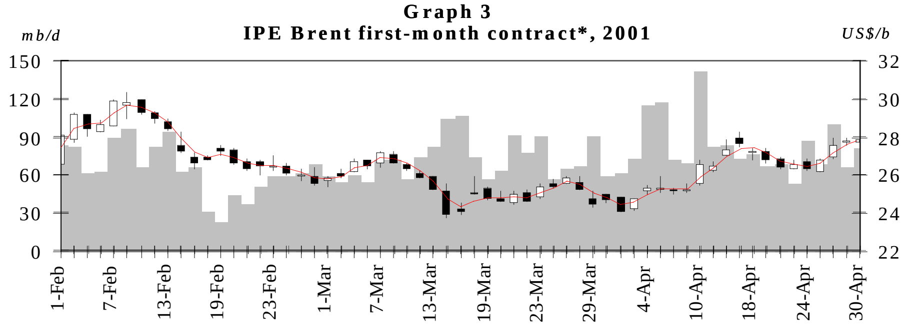
Graph 2
NYMEX WTI first-month contract*, 2001



** Shaded area = market volume (mb/d); line = weighted moving average price ($/b); candle = daily price range, open, high, low and close ($/b).*

A big rise in prices at the beginning of the third week came in response to the new US energy policy announced by President Bush, since it did not address any short-term solutions to the gasoline problem. Adding to that was a persistent contango in the market, which led to extra demand for prompt barrels. However, a build in US stocks prevented the rally from continuing, especially at these high levels. By the end of the week, the high spread between reformulated gasoline and conventional gasoline indicated that there were sufficient gasoline supplies, and this dragged down their value, together with that of crude.

Graph 3
IPE Brent first-month contract*, 2001



** Shaded area = market volume (mb/d); line = weighted moving average price ($/b); candle = daily price range, open, high, low and close ($/b).*

During the last, short trading week, when the occurrence of the Memorial Day holiday indicated the start of the driving season, NYMEX WTI continued its downtrend amid volatility; it was affected mainly by the gasoline market, where a build in unleaded and reformulated gasoline stocks caused a sell-off.

THE TANKER MARKET

OPEC area spot-chartering rose by 4.04 mb/b in May

OPEC area spot-chartering rose by 4.04 mb/d to a monthly average of 13.95 mb/d in May. However, this volume was 1.23 mb/d lower than the level observed last year. As a result of this rise, global spot-chartering edged 3.65 mb/d higher to a monthly average of 22.90 mb/d, which was 1.98 mb/d below the year-ago figure. Therefore, the OPEC area's share of global spot-chartering improved by 9.42 percentage points to 60.92%, which was almost the same share as maintained last year. Eastbound long-haul spot fixtures from the Middle East rose by 2.34 mb/d to 5.20 mb/d, while, westbound, they moved up by only 0.84 mb/d to 2.23 mb/d. Thus, the eastbound and westbound long-haul shares of OPEC's total fixtures rose by 8.46 and 2.00 percentage points to 37.29% and 15.96% respectively; together, they accounted for 53.26% of total chartering in the OPEC area, and this was 10.46 percentage points higher than the volume observed in April. According to preliminary estimates, sailings from the OPEC area declined by 2.15 mb/d to a monthly average of 21.45 mb/d, which was 9.12 percentage points below the previous month's level. Sailings from the Middle East declined by 1.39 mb/d to register a monthly average of 15.10 mb/d, which was about 70% of total OPEC sailings. Arrivals in the US Gulf Coast, the US East Coast and the Caribbean declined in May by 1.78 mb/d to a monthly average of 7.52 mb/d. Also, arrivals in NW Europe and Euromed decreased by 0.85 mb/d and 1.30 mb/d to 5.36 mb/d and 4.09 mb/d respectively. The estimated oil-at-sea on 27 May was 472 mb, which was only 3 mb above the level registered at the end of April.

VLCC freight rates weakened for third consecutive month in May

The crude oil tanker market experienced a weaker trend in May, and spot freight rates for all tanker sizes declined, under pressure from tonnage over-supply. VLCC freight rates on the Middle East eastbound and westbound long-haul routes dropped further, by 21 points to WS62 and 24 points to WS58 respectively, the lowest levels so far this year. However, the rates have not bottomed out, for, although they were 42% and 35% lower than the levels observed last year, each was still about 47% above the 1999 levels. The Suezmax market in West Africa experienced slow activity, with freight rates for voyages to the US Gulf Coast edging 14 points lower to WS113, as the market appeared to correct what was perceived as overvalued rates during the first half of the month, compared with VLCCs operating on the same route. In North-West Europe, Suezmax was much better, with the freight rates for cargoes to the US East Coast declining by only one point to WS121, helped by the opened arbitrage window to the US market. Aframax freight rates continued to decline on all the major short-haul trading routes, affected by the low level of employment. Rates dropped by 24 points to WS180 within the Mediterranean route in a quiet market, while they softened by 16 points to WS 154 on the route from the Mediterranean to North-West Europe. In the Caribbean market, freight rates for Aframax cargoes to the US East Coast plunged by 33 points to WS196 on low volume fixtures. Freight rates for 70–100,00 dwt tankers, on the route from Indonesia to the US West Coast, continued to decline significantly, dropping by another 36 points to WS136.

Clean tanker freight rates improved on most routes in May

Steady activity in the product tanker market continued to support freight rates in most trading areas. Monthly average long-haul spot freight rates from the Middle East to the Far East reversed the previous month's trend and rose by 10 points to WS238, prompted by rising demand in the Asian market. Rates also improved on the short-haul routes from Singapore to the Far East and within the Mediterranean, increasing by 21 points to WS306 and 47 points to WS333 respectively. However, due to tighter product specifications in the USA and Europe, freight rates improved on the trading route between them, while they declined on the routes to these regions. Rates surged by 40 points to WS355 on the route from North-West Europe to the US East Coast, while they declined on the Mediterranean/NW Europe and Caribbean/US Gulf Coast routes by 66 points to WS231 and by 20 points to WS267 respectively.

WORLD OIL DEMAND

Figures for 2000

World

World demand estimate for 2000 raised slightly to 75.76 mb/d

According to the latest available figures, world oil consumption during 2000 grew by 0.64 mb/d, or 0.8%, to 75.76 mb/d. This latest estimate translates into a downward revision of 0.05 mb/d, compared with the figure presented in the previous *MOMR*. Even though it is not our purpose to present all the changes introduced to the historical data on this occasion, it is important to mention that partial and total demand figures have been substantially adjusted for the year before 2000. Specifically, world demand for 1999 is now estimated to have risen by 1.41 mb/d to average 75.13 mb/d, compared with the previous figure of 1.27 mb/d inter-annual growth and an average of 75.02 mb/d. For 2000, the latest available data shows that demand in developing countries grew by only 0.23 mb/d to average 18.68 mb/d, instead of the 0.28 mb/d growth presented in the last *MOMR*. For the remainder of the regions, there have been no major changes to demand levels. On a quarterly basis, world demand experienced a decline of 0.46 mb/d during the first quarter to average 75.58 mb/d, due, in part, to increased consumption in the last quarter of 1999, as a result of Y2K. For the remainder of the year, demand experienced positive growth rates of 1.2% in the second, 2.2% in the third and 0.5% in the fourth quarters.

Table 4
World oil demand in 2000
mb/d

	1999	1Q00	2Q00	3Q00	4Q00	2000	Change 2000/99 Volume	%
North America	23.77	23.65	23.84	24.45	24.43	24.10	0.33	1.4
Western Europe	15.22	15.17	14.61	15.16	15.40	15.09	–0.13	–0.8
OECD Pacific	8.69	9.35	8.09	8.35	8.81	8.65	–0.04	–0.4
Total OECD	**47.68**	**48.17**	**46.55**	**47.96**	**48.64**	**47.84**	**0.16**	**0.3**
Other Asia	7.08	7.05	7.31	7.45	7.36	7.29	0.21	3.0
Latin America	4.68	4.46	4.84	4.87	4.76	4.73	0.06	1.2
Middle East	4.38	4.35	4.37	4.46	4.21	4.35	–0.03	–0.8
Africa	2.32	2.32	2.30	2.31	2.32	2.31	–0.01	–0.2
Total DCs	**18.46**	**18.17**	**18.81**	**19.09**	**18.65**	**18.68**	**0.23**	**1.2**
FSU	4.03	3.69	3.64	3.53	4.20	3.77	–0.27	–6.6
Other Europe	0.79	0.84	0.78	0.78	0.82	0.81	0.01	1.8
China	4.17	4.71	4.37	4.89	4.74	4.68	0.51	12.1
Total "Other regions"	**8.99**	**9.24**	**8.79**	**9.20**	**9.76**	**9.25**	**0.25**	**2.8**
Total world	**75.13**	**75.58**	**74.15**	**76.25**	**77.05**	**75.76**	**0.64**	**0.8**
Previous estimate	75.02	75.54	74.14	76.16	76.99	75.71	0.69	0.9
Revision	0.11	0.05	0.01	0.09	0.06	0.05	–0.05	–0.1

Projections for 2001

World demand forecast for 2001 revised down marginally to 76.83 mb/d

For the present year, the projection for world oil demand has once again being revised down. World consumption of petroleum is now estimated to rise by 1.06 mb/d, or 1.4%, to average 76.83 mb/d. On a regional basis, demand is projected to rise by 0.43 mb/d in the OECD and by 0.48 mb/d in developing countries, with the remaining 0.15 mb/d originating in the “other regions” (former CPEs). On a quarterly basis, according to the latest figures, world demand grew by 1.5%, or 1.12 mb/d, to average 76.70 mb/d in January–March. For the rest of the year, demand is projected to register further increases of 1.1% in the second, 1.0% in the third and 2.0% in the fourth quarters.

OECD

Having experienced a disappointing 0.3% growth rate last year, OECD product deliveries are projected to post a higher rate in 2001, rising by 0.9%, or 0.43 mb/d, to average 48.27 mb/d. Most of the growth is expected to take place in North America, with the lion's share originating in the USA. Inland delivery of petroleum products in North America in the first quarter, according to the latest figures, grew by a solid 2.7%, or 0.65 mb/d, to average 24.30 mb/d. The USA accounted for almost 85% of the increase in demand in the region. US product deliveries rose by 2.8%, or 0.55 mb/d, to average 20.14 mb/d. The remaining 0.10 mb/d is the result of a rise in Canadian consumption (0.14 mb/d), which capped a contraction in Mexican demand of 0.04 mb/d. Demand in Western Europe remained on a declining path, posting a fall of 0.5%, or 0.08 mb/d, during the first quarter. In contrast, the OECD Pacific countries displayed 0.9% growth in the same period. According to the latest figures, demand for petroleum products grew by 1.5%, or 0.09 mb/d, in Japan. It is important to point out that consumption contracted by 0.7% in South Korea, the second most important regional consumer, during the first quarter.

For the remainder of the year, demand is projected to rise in North America, with most of the growth originating in the USA, and, to a lesser extent, Canada. Deliveries of petroleum products will continue to decline in Western Europe or, at best, remain flat, compared with last year. Within the region, the contraction in consumption will take place in the "Big Four" economies; the latest figures point to this by showing a decline of 1.3% in consumption during the first quarter. With the exception of Germany, where demand rose by 2.7 %, France, Italy and the UK had negative growth rates. Our present estimate calls for zero growth in demand for the OECD Pacific countries. This projection is based on the present situation in the Japanese economy, which continues to show signs of weakening. GDP growth rate estimates for Japan have been revised down significantly and now stand at 0.1%; likewise, economic growth rates in South Korea have been revised down systematically.

DCs

Oil demand in developing countries has been revised down. It is now expected to rise by 0.48 mb/d, or 2.6%, to average 19.17 mb/d for the year. The estimated growth rate in consumption has been lowered for the Asian group of countries from the previous 3.2% to 3.0%. The fundamental factor behind the lower demand outlook is that Asian regional GDP is projected to grow at a lower-than-anticipated rate. These economies are highly export-dependent and are extremely reliant upon the health of their trading partners. Projections for the remaining regions of this group (Latin America, Middle East and Africa) have been adjusted to capture changes in regional economic indicators (see Table 5).

Other regions

Apparent demand for the former CPEs is projected to grow by 0.15 mb/d, or 1.6%, to average 9.40 mb/d for 2001. Revisions to the trade and production data for the first quarter show that apparent FSU demand grew by 8%, or 0.30 mb/d, instead of the more optimistic 11% presented in the previous *MOMR*. For the remaining three quarters, we anticipate a decline in apparent consumption, due to a rise in the level of exports that will outpace any gain in production. During the first quarter, net exports were 0.32 mb/d higher than in the first quarter of 2000. The most up-to-date figures show that this trend continued in April and May, when total net exports surged to 4.63 mb/d and 4.67 mb/d respectively. High international oil prices, the need for higher revenue, in order to service international loans, and the switch to natural gas continue to undermine internal consumption. Indigenous production and trade data for the first three months of the year showed a considerable drop in Chinese apparent consumption. According to the latest figures, apparent demand declined by 6.6% during the first quarter. Even though the decline seems huge, one should not forget that the comparison is made with the first quarter of 2000, when demand surged by 17% to reach a first-quarter record level. Latest available data shows a considerable recovery in total imports for April. Therefore, we are still optimistic about the demand outlook for the rest of the year; nonetheless, due to the size and the importance of China in the overall demand picture, we will continue to monitor closely further developments.

Table 5
World oil demand forecast for 2001
mb/d

	2000	1Q01	2Q01	3Q01	4Q01	**2001**	Change 2001/00 Volume	%
North America	24.10	24.30	24.03	24.72	24.83	24.47	0.37	1.6
Western Europe	15.09	15.09	14.59	15.16	15.45	15.08	–0.01	–0.1
OECD Pacific	8.65	9.44	8.15	8.41	8.89	8.72	0.07	0.8
Total OECD	**47.84**	**48.84**	**46.77**	**48.29**	**49.17**	**48.27**	**0.43**	**0.9**
Other Asia	7.29	7.33	7.54	7.50	7.67	7.51	0.22	3.0
Latin America	4.73	4.60	4.83	4.95	4.92	4.83	0.09	2.0
Middle East	4.35	4.33	4.45	4.59	4.45	4.46	0.11	2.5
Africa	2.31	2.38	2.39	2.30	2.42	2.37	0.06	2.6
Total DCs	**18.68**	**18.64**	**19.21**	**19.34**	**19.46**	**19.17**	**0.48**	**2.6**
FSU	3.77	3.99	3.51	3.43	4.10	3.76	–0.01	–0.2
Other Europe	0.81	0.84	0.81	0.81	0.84	0.83	0.02	2.6
China	4.68	4.40	4.69	5.16	4.99	4.81	0.13	2.9
Total "Other regions"	**9.25**	**9.23**	**9.02**	**9.40**	**9.94**	**9.40**	**0.15**	**1.6**
Total world	**75.76**	**76.70**	**75.00**	**77.03**	**78.57**	**76.83**	**1.06**	**1.4**
Previous estimate	75.71	76.91	74.99	76.97	78.56	76.86	1.15	1.5
Revision	0.05	–0.21	0.01	0.06	0.01	–0.03	–0.09	–0.1

WORLD OIL SUPPLY

Non-OPEC

Figures for 2000

2000 non-OPEC supply figure revised up to 45.82 mb/d

The 2000 non-OPEC supply figure has been revised up by around 0.02 mb/d to 45.82 mb/d, while the quarterly distribution figures have had similar directional moves of 0.01 mb/d, 0.02 mb/d, 0.04 mb/d and 0.01 mb/d to 45.83 mb/d, 45.50 mb/d, 45.71 mb/d and 46.22 mb/d respectively, compared with the last *MOMR's* figures. The yearly average increase is estimated at around 1.23 mb/d, compared with the 1999 figure.

Table 6
Non-OPEC oil supply in 2000
mb/d

	1999	1Q00	2Q00	3Q00	4Q00	**2000**	**Change 00/99**
North America	14.05	14.35	14.40	14.32	14.16	14.31	0.25
Western Europe	6.63	7.00	6.56	6.55	6.85	6.74	0.11
OECD Pacific	0.66	0.86	0.85	0.83	0.80	0.83	0.17
Total OECD	**21.34**	**22.21**	**21.80**	**21.70**	**21.80**	**21.88**	**0.54**
Other Asia	2.18	2.22	2.22	2.20	2.28	2.23	0.05
Latin America	3.76	3.71	3.68	3.74	3.85	3.74	–0.02
Middle East	2.06	2.08	2.12	2.16	2.19	2.14	0.08
Africa	2.80	2.87	2.86	2.86	2.85	2.86	0.06
Total DCs	**10.80**	**10.88**	**10.87**	**10.96**	**11.16**	**10.97**	**0.17**
FSU	7.47	7.658	7.772	7.994	8.20	7.91	0.44
Other Europe	0.18	0.18	0.18	0.18	0.18	0.18	0.00
China	3.21	3.26	3.22	3.22	3.22	3.23	0.02
Total "Other regions"	**10.86**	**11.09**	**11.18**	**11.39**	**11.60**	**11.32**	**0.45**
Total non-OPEC production	**43.01**	**44.18**	**43.85**	**44.06**	**44.57**	**44.17**	**1.16**
Processing gains	1.58	1.65	1.65	1.65	1.65	1.65	0.07
Total non-OPEC supply	**44.58**	**45.83**	**45.50**	**45.71**	**46.22**	**45.82**	**1.23**
Previous estimate	44.58	45.83	45.48	45.67	46.21	45.80	1.21
Revision	**0.00**	**0.01**	**0.02**	**0.04**	**0.01**	**0.02**	**0.02**

Totals may not add, due to independent rounding.

2001 non-OPEC supply forecast revised down by 0.08 mb/d to 46.07 mb/d

Expectations for 2001

The 2001 non-OPEC supply forecast figure has been revised down by around 0.08 mb/d to 46.07 mb/d, which is 0.25 mb/d higher than the revised 2000 estimate. The 2001 quarterly figures have been revised up by around 0.02 mb/d to 46.23 mb/d, down by around 0.31 mb/d to 45.66 mb/d, down by around 0.04 mb/d to 45.99 mb/d and up by around 0.02 mb/d to 46.39 mb/d respectively, compared with the previous *MOMR*.

Table 7
Non-OPEC oil supply in 2001
mb/d

	2000	1Q01	2Q01	3Q01	4Q01	**2001**	**Change 01/00**
North America	14.31	14.23	14.04	14.21	14.25	14.18	–0.12
Western Europe	6.74	6.78	6.47	6.46	6.64	6.59	–0.15
OECD Pacific	0.83	0.80	0.76	0.80	0.80	0.79	–0.04
Total OECD	**21.88**	**21.82**	**21.26**	**21.47**	**21.68**	**21.56**	**–0.32**
Other Asia	2.23	2.30	2.29	2.28	2.31	2.29	0.06
Latin America	3.74	3.76	3.67	3.70	3.74	3.72	–0.02
Middle East	2.14	2.16	2.20	2.21	2.24	2.20	0.07
Africa	2.86	2.83	2.86	2.85	2.89	2.86	0.00
Total DCs	**10.97**	**11.04**	**11.02**	**11.05**	**11.18**	**11.07**	**0.10**
FSU	7.91	8.25	8.27	8.34	8.40	8.32	0.41
Other Europe	0.18	0.18	0.18	0.19	0.19	0.19	0.01
China	3.23	3.24	3.24	3.24	3.24	3.24	0.01
Total "Other regions"	**11.32**	**11.68**	**11.69**	**11.77**	**11.83**	**11.74**	**0.43**
Total non-OPEC production	**44.17**	**44.54**	**43.97**	**44.30**	**44.70**	**44.38**	**0.21**
Processing gains	1.65	1.69	1.69	1.69	1.69	1.69	0.04
Total non-OPEC supply	**45.82**	**46.23**	**45.66**	**45.99**	**46.39**	**46.07**	**0.25**
Previous estimate	45.80	46.21	45.96	46.03	46.37	46.14	0.35
Revision	**0.02**	**0.02**	**–0.31**	**–0.04**	**0.02**	**–0.08**	**–0.10**

Totals may not add, due to independent rounding.

Net FSU oil export figure revised down for 2000 and up for 2001

The FSU net oil export estimate for 2000 has been revised down by 0.01 mb/d to 4.14 mb/d, while the 2001 forecast has been revised up by 0.04 mb/d to 4.56 mb/d, compared with the last *MOMR*.

Table 8
FSU net oil exports
mb/d

	1Q	2Q	3Q	4Q	**Year**
1997	2.81	2.92	2.88	2.88	**2.87**
1998	2.77	3.02	3.18	3.20	**3.04**
1999	3.12	3.62	3.52	3.49	**3.44**
2000 (estimate)	3.97	4.13	4.47	4.01	**4.14**
2001 (forecast)	4.26	4.76	4.91	4.30	**4.56**

OPEC natural gas liquids

No revisions made to OPEC NGL data

OPEC NGL data for 2000 and 2001 remains unchanged, at 2.91 mb/d and 2.95 mb/d respectively.

OPEC NGL production — 1997–2001
mb/d

1997	**1998**	**1999**	1Q00	2Q00	3Q00	4Q00	**2000**	**Change 00/99**	**2001**	**Change 01/00**
2.81	**2.78**	**2.84**	2.91	2.91	2.91	2.91	**2.91**	0.07	**2.95**	0.04

Available secondary sources put OPEC's May production at 27.47 mb/d

OPEC crude oil production

Available secondary sources indicate that, in May, OPEC output was 27.47 mb/d, which was 0.32 mb/d lower than the revised April level of 27.79 mb/d. Table 9 shows OPEC production, as reported by selected secondary sources.

Table 9
OPEC crude oil production, based on secondary sources
1,000 b/d

	1999	4Q00	2000	**1Q01**	Apr.01*	**May01***	May01–Apr.01
Algeria	766	841	808	**825**	802	**810**	8
Indonesia	1,310	1,286	1,280	**1,253**	1,223	**1,215**	–8
IR Iran	3,509	3,803	3,671	**3,798**	3,678	**3,670**	–8
Iraq	2,507	2,363	2,551	**2,211**	2,919	**2,839**	–81
Kuwait	1,907	2,207	2,101	**2,142**	2,022	**2,010**	–12
SP Libyan AJ	1,337	1,438	1,405	**1,407**	1,363	**1,360**	–3
Nigeria	1,983	2,129	2,031	**2,131**	2,056	**2,000**	–56
Qatar	641	726	698	**716**	689	**670**	–19
Saudi Arabia	7,655	8,703	8,248	**8,285**	7,950	**7,855**	–96
UAE	2,077	2,336	2,252	**2,312**	2,219	**2,215**	–4
Venezuela	2,808	3,001	2,897	**2,979**	2,866	**2,825**	–41
Total OPEC	**26,499**	**28,833**	**27,943**	**28,059**	**27,788**	**27,468**	**–321**

Totals may not add, due to independent rounding.
**   Not all sources available.*

STOCK MOVEMENTS

Further seasonal stock-build of 1.36 mb/d in USA in May

USA

US commercial oil stocks continued to register a further build in May, as they rose by 38.0 mb/d, or 1.36 mb/d, to stand at 1,000.00 mb during the period 4 May – 1 June, a level not seen since September 1999. Most of the build took place in "other oils", which surged by 18.6 mb to 179.3 mb, followed by gasoline, as it increased by 10.3 mb to 210.3 mb. Sluggish gasoline demand and increasing gasoline production were behind this build. Other major product inventories also showed increases, notably distillates, which rose by 5.0 mb to 108.1 mb, due to slower demand and despite a decline in distillate output. Rising imports pushed up crude oil stocks by 5.6 mb to 324.4 mb, despite a surge in refinery runs. Total stocks were 43.8 mb, or about 5%, above last year's level.

Table 10
US onland commercial petroleum stocks*
mb

	29 Dec.00	30 Mar.01	4 May01	1 Jun.01	**Change May/Apr.**	1 Jun.00
Crude oil (excl. SPR)	288.7	303.2	318.8	**324.4**	**5.6**	299.5
Gasoline	193.8	193.0	200.0	210.3	10.3	208.9
Distillate fuel	116.1	104.0	103.1	108.1	5.0	105.4
Residual fuel oil	34.7	39.8	41.4	41.5	0.1	37.1
Jet fuel	43.9	40.1	40.8	41.6	0.8	42.0
Unfinished oils	87.1	101.3	97.3	94.8	–2.5	92.0
Other oils	165.8	142.1	160.7	179.3	18.6	171.4
Total	930.0	923.5	962.0	**1,000.0**	**38.0**	956.2
SPR	541.2	542.3	542.8	543.3	0.5	569.4

** At end of month, unless otherwise stated.* *Source: US/DOE-EIA.*

During the same period, the US Strategic Petroleum Reserve (SPR) moved up slightly, by 0.5 mb, to 543.3 mb.

Marginal stock-draw of 0.09 mb/d in Eur-16 in May

Western Europe

In May, commercial onland oil stocks in Eur-16 (EU plus Norway) continued to show a contra-seasonal draw, declining by 2.8 mb, or 0.09 mb/d, to 1,076.1 mb. This draw resulted mainly from a decrease of 4.7 mb to 443.3 mb in crude oil stocks, due to lower imports and despite shrinking refinery runs, where the utilization rate fell by 3.94 percentage points to 87.02% in May. A build of 1.9 mb to 632.9 mb in total major product inventories abated this draw. Middle distillates accounted for most of the product build, rising by 4.4 mb to 328.5 mb on the back of sluggish demand, as well as closed Atlantic arbitrage for Russian gasoil cargoes. Gasoline diminished the product build, declining by 3.9 mb to 153.8 mb, due to a cutback in gasoline output, as a result of stagnant refiners' margins, after the increase in prompt Brent prices. The overall level was 37.5 mb, or about 4%, higher than that observed a year ago.

Table 11
Western Europe commercial oil stocks*
mb

	Dec.00	Mar.01	Apr.01	May01	Change May/Apr	May00
Crude oil	420.6	451.7	447.9	**443.3**	**–4.7**	432.1
Mogas	152.9	158.3	157.7	153.8	–3.9	144.0
Naphtha	24.6	22.0	24.2	24.6	0.4	22.1
Middle distillates	342.8	330.8	324.1	328.5	4.4	318.3
Fuel oils	125.8	123.6	125.1	126.0	0.9	122.2
Total products	646.2	634.7	631.0	**632.9**	**1.9**	606.5
Overall total	1,066.7	1,086.3	1,079.0	**1,076.1**	**–2.8**	1,038.6

** At end of month, and consists of Eur-16.* *Source: Argus Euroilstock*

Minor stock-build of 0.12 mb/d in Japan in April

Japan

Commercial onland oil stocks in Japan registered a slight seasonal build of 3.7 mb, or 0.12 mb/d, to 188.7 mb in April. This build occurred solely in total major product inventories, led by middle distillates, which rose by 2.6 mb to 34.0 mb, and followed by residual fuel oil, which moved up by 0.9 mb to 21.1 mb, and, to a lesser degree, gasoline, which increased marginally by 0.5 mb to 15.1 mb. The rise was diminished by a minor draw of 0.2 mb to 118.5 mb on crude oil stocks. The total level was 13.9 mb, or 8%, above the year-earlier figure.

Table 12
Japan's commercial oil stocks*
mb

	Sep.00	Dec.00	Mar.01	Apr.01	Change Apr./Mar.	Apr.00
Crude oil	101.2	105.1	118.7	**118.5**	**–0.2**	108.4
Gasoline	13.4	12.7	14.6	15.1	0.5	16.2
Middle distillates	43.5	40.3	31.4	34.0	2.6	30.6
Residual fuel oil	18.9	20.4	20.2	21.1	0.9	19.6
Total products	75.8	73.4	66.3	**70.2**	**3.9**	66.4
Overall total **	176.9	178.5	185.0	**188.7**	**3.7**	174.8

** At end of month; ** Includes crude oil and main products only.*
Source: MITI, Japan.

BALANCE OF SUPPLY AND DEMAND

2000 supply/demand difference estimate remains unchanged at 27.0 mb/d

In the last month, there have been minor upward revisions in the estimates for non-OPEC supply and world oil demand for 2000, resulting in figures of 48.7 mb/d and 75.8 mb/d respectively, and in a difference of 27.0 mb/d. The yearly average balance is 0.9 mb/d, with quarterly distributions of –0.4 mb/d, 2.1 mb/d, 1.0 mb/d and 0.9 mb/d respectively; this contains minor downward adjustments for the first, third and fourth quarters. The 1999 balance has been revised down by more than 0.1 mb/d to –1.2 mb/d from last month's *MOMR*.

Table 14
Summarized supply/demand balance for 2000
mb/d

	1999	1Q00	2Q00	3Q00	4Q00	**2000**
(a) World oil demand	75.1	75.6	74.2	76.3	77.0	75.8
(b) Non-OPEC supply(1)	47.4	48.7	48.4	48.6	49.1	48.7
Difference (a – b)	**27.7**	**26.8**	**25.7**	**27.6**	**27.9**	**27.0**
OPEC crude oil production(2)	26.5	26.5	27.8	28.6	28.8	27.9
Balance	**–1.2**	**–0.4**	**2.1**	**1.0**	**0.9**	**0.9**

(1) Including OPEC NGLs.
(2) Selected secondary sources.
Totals may not add, due to independent rounding.

2001 supply/demand difference remains unchanged at 27.8 mb/d

Both the non-OPEC supply and world oil demand forecast figures have been revised down by less than 0.1 mb/d to 49.0 mb/d and 76.8 mb/d respectively, leaving an annual difference of 27.8 mb/d, the same rounded figure as in the last *MOMR*. The respective distribution forecasts for the first three quarters have been revised down by more than 0.2 mb/d to 27.5 mb/d, up by more than 0.3 mb/d to 26.4 mb/d and up by around 0.1 mb/d to 28.1 mb/d, while there is a minor downward change for the fourth quarter, compared with the last *MOMR's* figures. The balance for the first quarter has been revised up by around 0.2 mb/d to 0.5 mb/d.

Table 15
Summarized supply/demand balance for 2001
mb/d

	2000	1Q01	2Q01	3Q01	4Q01	**2001**
(a) World oil demand	75.8	76.7	75.0	77.0	78.6	76.8
(b) Non-OPEC supply(1)	48.7	49.2	48.6	48.9	49.3	49.0
Difference (a – b)	**27.0**	**27.5**	**26.4**	**28.1**	**29.2**	**27.8**
OPEC crude oil production(2)	27.9	28.1				
Balance	**0.9**	**0.5**				

(1) Including OPEC NGLs.
(2) Selected secondary sources.
Totals may not add, due to independent rounding.

Table 15
World oil demand/supply balance
mb/d

	1997	**1998**	**1999**	1Q00	2Q00	3Q00	4Q00	**2000**	1Q01	2Q01	3Q01	4Q01	**2001**
World demand													
OECD	46.7	46.8	47.7	48.2	46.6	48.0	48.6	47.8	48.8	46.8	48.3	49.2	48.3
North America	22.7	23.1	23.8	23.7	23.8	24.5	24.4	24.1	24.3	24.0	24.7	24.8	24.5
Western Europe	15.0	15.3	15.2	15.2	14.6	15.2	15.4	15.1	15.1	14.6	15.2	15.5	15.1
Pacific	9.0	8.4	8.7	9.4	8.1	8.3	8.8	8.7	9.4	8.1	8.4	8.9	8.7
DCs	17.6	18.1	18.5	18.2	18.8	19.1	18.6	18.7	18.6	19.2	19.3	19.5	19.2
FSU	4.4	4.3	4.0	3.7	3.6	3.5	4.2	3.8	4.0	3.5	3.4	4.1	3.8
Other Europe	0.7	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
China	4.0	3.8	4.2	4.7	4.4	4.9	4.7	4.7	4.4	4.7	5.2	5.0	4.8
(a) Total world demand	73.4	73.7	75.1	75.6	74.2	76.3	77.0	75.8	76.7	75.0	77.0	78.6	76.8
Non-OPEC supply													
OECD	22.1	21.8	21.3	22.2	21.8	21.7	21.8	21.9	21.8	21.3	21.5	21.7	21.6
North America	14.6	14.5	14.1	14.4	14.4	14.3	14.2	14.3	14.2	14.0	14.2	14.2	14.2
Western Europe	6.8	6.6	6.6	7.0	6.6	6.5	6.8	6.7	6.8	6.5	6.5	6.6	6.6
Pacific	0.7	0.7	0.7	0.9	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
DCs	10.3	10.6	10.8	10.9	10.9	11.0	11.2	11.0	11.0	11.0	11.1	11.2	11.1
FSU	7.3	7.3	7.5	7.7	7.8	8.0	8.2	7.9	8.3	8.3	8.3	8.4	8.3
Other Europe	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
China	3.3	3.2	3.2	3.3	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2	3.2
Processing gains	1.6	1.6	1.6	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7
Total non-OPEC supply	44.7	44.5	44.6	45.8	45.5	45.7	46.2	45.8	46.2	45.7	46.0	46.4	46.1
OPEC NGLs	2.8	2.8	2.8	2.9	2.9	2.9	2.9	2.9	3.0	3.0	3.0	3.0	3.0
(b) Total non-OPEC supply and OPEC NGLs	47.5	47.3	47.4	48.7	48.4	48.6	49.1	48.7	49.2	48.6	48.9	49.3	49.0
OPEC crude oil production (secondary sources)	27.2	27.8	26.5	26.5	27.8	28.6	28.8	27.9	28.1				
Total supply	74.7	75.1	73.9	75.2	76.3	77.2	78.0	76.7	77.2				
Balance (stock change and miscellaneous)	1.3	1.3	-1.2	-0.4	2.1	1.0	0.9	0.9	0.5				
Closing stock level (outside FCPEs) *mb*													
OECD onland commercial	2643	2725	2471	2445	2528	2566	2548	2548	2539				
OECD SPR	1207	1249	1228	1234	1232	1237	1210	1210	1210				
OECD total	3850	3974	3700	3679	3760	3803	3758	3758	3749				
Other onland	1030	1063	989	984	1005	1017	1005	1005	1003				
Oil-on-water	812	859	808	829	852	835	864	864	891				
Total stock	5692	5896	5497	5492	5618	5655	5627	5627	5643				
Days of forward consumption in OECD													
Commercial onland stocks	56	57	52	53	53	53	52	53	54				
SPR	26	26	26	27	26	25	25	25	26				
Total	82	83	77	79	78	78	77	78	80				
Memo items													
FSU net exports	2.9	3.0	3.4	4.0	4.1	4.5	4.0	4.1	4.3	4.8	4.9	4.3	4.6
(a) - (b)	25.9	26.4	27.7	26.8	25.7	27.6	27.9	27.0	27.5	26.4	28.1	29.2	27.8

Note: Totals may not add up due to independent rounding.

18/6/2001

e = Estimated.

Table 16
World oil demand/supply balance: changes from last month's table †
mb/d

	1997	**1998**	**1999**	1Q00	2Q00	3Q00	4Q00	**2000**	1Q01	2Q01	3Q01	4Q01	**2001**
World demand													
OECD	-	-	0.1	0.1	0.1	0.1	0.1	0.1	-0.1	-	-	-	-
North America	-	-	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	0.1	-0.1	-0.1	-0.1	-
Western Europe	-	-	0.1	0.1	0.1	0.1	0.1	0.1	-	-	-	-	-
Pacific	-	-	0.1	0.1	0.1	0.1	0.1	0.1	-0.1	0.1	0.1	0.1	-
DCs	-	0.1	-	-	-	-	-0.1	-	-	-	-	-	-
FSU	0.1	-	-	-	-	-	-	-	-0.1	-	-	-	-
Other Europe	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-0.1	-	-	-0.1	-	-	-	-	-	0.1	-	-
(a) Total world demand	0.1	-	0.1	-	-	0.1	-	-	-0.2	-	0.1	-	-
Non-OPEC supply													
OECD	-	-	-	-	-	-	-	-	-	-0.3	-	-	-0.1
North America	-	-	-	-	-	-	-	-	-	-0.2	-	0.1	-
Western Europe	-	-	-	-	-	-	-	-	-	-	-	-	-
Pacific	-	-	-	-	-	-	-	-	-	-0.1	-	-	-
DCs	-	-	-	-	-	-	-	-	-	-0.1	-0.1	-0.1	-0.1
FSU	0.1	-	-	-	-	-	-	-	-	-	-	-	-
Other Europe	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-	-	-	-	-
Processing gains	-	-	-	-	-	-	-	-	-	-	-	-	-
Total non-OPEC supply	0.1	-	-	-	-	-	-	-	-	-0.3	-	-	-0.1
OPEC NGLs	-	-	-	-	-	-	-	-	-	-	-	-	-
(b) Total non-OPEC supply and OPEC NGLs	0.1	-	-	-	-	-	-	-	-	-0.3	-	-	-0.1
OPEC crude oil production (secondary sources)	-	-	-	-	-	-	-	-	-				
Total supply	0.1	-	-	-	-	-	-	-	0.1				
Balance (stock change and miscellaneous)	-	-	-0.1	-	-	-	-	-	0.3				
Closing stock level (outside FCPEs) *mb*													
OECD onland commercial	-	-	-	-	-	-	-	-	-9				
OECD SPR	-	-	-	-	-	-	-	-	-3				
OECD total	-	-	-	-	-	-	-	-	-12				
Other onland	-	-	-	-	-	-	-	-	-3				
Oil on water	-	-	-	-	-	-	-	-	-				
Total stock	-	-	-	-	-	-	-	-	-				
Days of forward consumption in OECD													
Commercial onland stocks	-	-	-	-	-	-	-	-	-				
SPR	-	-	-	-	-	-	-	-	-				
Total	-	-	-	-	-	-	-	-	-				
Memo items													
FSU net exports	-	-	-	-	-	-	-	-	0.1	-	-	-	-
(a) - (b)	-	-	0.1	-	-	-	-	-	-0.2	0.3	0.1	-	-

† *This compares Table 15 in this issue of the MOMR with Table 16 in the May 2001 issue.*
This table shows only where changes have occurred.

Table 17
World oil stocks (excluding former CPEs) at end of period

	1995	1996	1997	1998	1999	1Q00	2Q00	3Q00	4Q00	1Q01
Closing stock level *mb*										
OECD onland commercial	2,536	2,546	2,643	2,725	2,471	2,445	2,528	2,566	2,548	2,539
North America	1,168	1,138	1,211	1,283	1,127	1,108	1,165	1,180	1,145	1,152
Western Europe	938	930	940	989	906	927	917	933	948	940
OECD Pacific	430	477	493	454	438	410	446	453	455	447
OECD SPR	1,198	1,199	1,207	1,249	1,228	1,234	1,232	1,237	1,210	1,210
North America	592	566	563	571	567	569	569	572	543	544
Western Europe	307	330	329	362	346	349	349	353	354	351
OECD Pacific	299	303	315	315	315	315	315	312	313	314
OECD total	**3,733**	**3,745**	**3,850**	**3,974**	**3,700**	**3,679**	**3,760**	**3,803**	**3,758**	**3,749**
Other onland	998	1,001	1,030	1,063	989	984	1,005	1,017	1,005	1,003
Oil-on-water	784	798	812	859	808	829	852	835	864	891
Total stock	**5,516**	**5,544**	**5,692**	**5,896**	**5,497**	**5,492**	**5,618**	**5,655**	**5,627**	**5,643**
Days of forward consumption in OECD										
OECD onland commercial	55	55	56	57	52	53	53	53	52	54
North America	53	50	52	54	47	46	48	48	47	48
Western Europe	63	62	62	65	60	63	60	61	63	64
OECD Pacific	49	53	59	52	51	51	53	51	48	55
OECD SPR	26	26	26	26	26	27	26	25	25	26
North America	27	25	24	24	24	24	23	23	22	23
Western Europe	21	22	22	24	23	24	23	23	23	24
OECD Pacific	34	34	37	36	36	39	38	35	33	39
OECD total	**81**	**80**	**82**	**83**	**77**	**79**	**78**	**78**	**77**	**80**
Days of global forward consumption	**88**	**86**	**88**	**89**	**83**	**84**	**84**	**84**	**83**	**86**

Table 18
Non-OPEC supply and OPEC natural gas liquids
mb/d

	1997	1998	1999	1Q00	2Q00	3Q00	4Q00	2000	Change 00/99	1Q01	2Q01	3Q01	4Q01	2001	Change 01/00
USA	8.61	8.39	8.11	8.22	8.18	8.11	8.01	8.13	0.02	7.87	7.87	7.83	7.82	7.85	-0.28
Canada	2.58	2.61	2.60	2.70	2.73	2.70	2.76	2.72	0.13	2.80	2.69	2.80	2.86	2.79	0.07
Mexico	3.42	3.51	3.35	3.43	3.49	3.51	3.38	3.45	0.10	3.56	3.47	3.58	3.57	3.55	0.09
North America	**14.61**	**14.51**	**14.05**	**14.35**	**14.40**	**14.32**	**14.16**	**14.31**	**0.25**	**14.23**	**14.04**	**14.21**	**14.25**	**14.18**	**-0.12**
Norway	3.33	3.08	3.06	3.36	3.20	3.26	3.47	3.32	0.27	3.47	3.25	3.37	3.49	3.39	0.07
UK	2.74	2.77	2.84	2.87	2.59	2.52	2.58	2.64	-0.20	2.54	2.47	2.43	2.48	2.48	-0.16
Denmark	0.23	0.24	0.30	0.36	0.36	0.35	0.38	0.36	0.07	0.36	0.33	0.25	0.26	0.30	-0.06
Other Western Europe	0.49	0.48	0.43	0.41	0.41	0.42	0.42	0.41	-0.02	0.41	0.41	0.41	0.41	0.41	0.00
Western Europe	**6.80**	**6.56**	**6.63**	**7.00**	**6.56**	**6.55**	**6.85**	**6.74**	**0.11**	**6.78**	**6.47**	**6.46**	**6.64**	**6.59**	**-0.15**
Australia	0.64	0.61	0.59	0.80	0.79	0.77	0.73	0.77	0.18	0.74	0.70	0.74	0.73	0.73	-0.04
Other Pacific	0.09	0.08	0.07	0.06	0.06	0.06	0.07	0.06	-0.01	0.06	0.06	0.06	0.06	0.06	0.00
OECD Pacific	**0.73**	**0.69**	**0.66**	**0.86**	**0.85**	**0.83**	**0.80**	**0.83**	**0.17**	**0.80**	**0.76**	**0.80**	**0.80**	**0.79**	**-0.04**
Total OECD*	**22.14**	**21.75**	**21.34**	**22.21**	**21.80**	**21.70**	**21.80**	**21.88**	**0.54**	**21.82**	**21.26**	**21.47**	**21.68**	**21.56**	**-0.32**
Brunei	0.16	0.16	0.18	0.21	0.19	0.17	0.20	0.19	0.01	0.20	0.19	0.17	0.19	0.19	-0.01
India	0.76	0.75	0.75	0.71	0.74	0.75	0.76	0.74	-0.01	0.74	0.74	0.74	0.75	0.74	0.00
Malaysia	0.72	0.72	0.70	0.71	0.69	0.66	0.68	0.68	-0.02	0.70	0.69	0.69	0.67	0.69	0.00
Papua New Guinea	0.08	0.08	0.09	0.07	0.07	0.07	0.07	0.07	-0.02	0.06	0.07	0.06	0.06	0.06	-0.01
Vietnam	0.19	0.23	0.26	0.28	0.30	0.31	0.34	0.31	0.05	0.35	0.35	0.38	0.40	0.37	0.06
Asia others	0.20	0.20	0.20	0.24	0.23	0.24	0.24	0.24	0.04	0.25	0.24	0.25	0.24	0.25	0.01
Other Asia	**2.11**	**2.14**	**2.18**	**2.22**	**2.22**	**2.20**	**2.28**	**2.23**	**0.05**	**2.30**	**2.29**	**2.28**	**2.31**	**2.29**	**0.06**
Argentina	0.87	0.88	0.84	0.81	0.81	0.80	0.76	0.79	-0.04	0.80	0.80	0.78	0.77	0.79	-0.01
Brazil	1.09	1.23	1.36	1.42	1.44	1.49	1.63	1.49	0.14	1.57	1.55	1.55	1.60	1.57	0.07
Colombia	0.65	0.75	0.82	0.73	0.71	0.67	0.67	0.70	-0.13	0.63	0.57	0.58	0.58	0.59	-0.10
Ecuador	0.39	0.38	0.38	0.40	0.36	0.42	0.42	0.40	0.02	0.42	0.39	0.44	0.44	0.42	0.02
Peru	0.12	0.12	0.11	0.10	0.11	0.11	0.10	0.10	-0.01	0.10	0.10	0.10	0.10	0.10	0.00
Trinidad & Tobago	0.14	0.13	0.14	0.14	0.14	0.14	0.14	0.14	0.00	0.13	0.13	0.13	0.12	0.13	-0.01
L. America others	0.11	0.11	0.11	0.11	0.11	0.12	0.13	0.12	0.00	0.12	0.12	0.13	0.13	0.13	0.01
Latin America	**3.37**	**3.62**	**3.76**	**3.71**	**3.68**	**3.74**	**3.85**	**3.74**	**-0.02**	**3.76**	**3.67**	**3.70**	**3.74**	**3.72**	**-0.02**
Bahrain	0.19	0.20	0.19	0.19	0.19	0.19	0.19	0.19	0.00	0.19	0.19	0.19	0.18	0.19	0.00
Oman	0.90	0.90	0.91	0.91	0.94	0.98	0.98	0.95	0.04	0.96	1.00	1.02	1.02	1.00	0.05
Syria	0.58	0.56	0.55	0.54	0.53	0.53	0.55	0.54	-0.01	0.54	0.54	0.53	0.55	0.54	0.00
Yemen	0.39	0.39	0.42	0.45	0.45	0.45	0.47	0.45	0.04	0.47	0.47	0.47	0.49	0.48	0.02
Middle East	**2.07**	**2.05**	**2.06**	**2.08**	**2.12**	**2.16**	**2.19**	**2.14**	**0.08**	**2.16**	**2.20**	**2.21**	**2.24**	**2.20**	**0.07**
Angola	0.71	0.73	0.76	0.75	0.75	0.76	0.72	0.74	-0.02	0.72	0.72	0.73	0.74	0.73	-0.02
Cameroon	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.00	0.08	0.10	0.08	0.08	0.09	-0.02
Congo	0.27	0.27	0.27	0.27	0.27	0.27	0.27	0.27	0.00	0.27	0.27	0.27	0.27	0.27	0.00
Egypt	0.89	0.86	0.83	0.80	0.78	0.80	0.80	0.80	-0.04	0.77	0.78	0.77	0.77	0.77	-0.02
Gabon	0.38	0.38	0.36	0.36	0.36	0.33	0.31	0.34	-0.02	0.31	0.31	0.30	0.30	0.30	-0.04
South Africa	0.19	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.00	0.20	0.21	0.21	0.21	0.21	0.01
Africa other	0.19	0.22	0.28	0.39	0.40	0.41	0.45	0.41	0.13	0.48	0.48	0.50	0.52	0.49	0.08
Africa	**2.74**	**2.76**	**2.80**	**2.87**	**2.86**	**2.86**	**2.85**	**2.86**	**0.06**	**2.83**	**2.86**	**2.85**	**2.89**	**2.86**	**0.00**
Total DCs	**10.29**	**10.57**	**10.80**	**10.88**	**10.87**	**10.96**	**11.16**	**10.97**	**0.17**	**11.04**	**11.02**	**11.05**	**11.18**	**11.07**	**0.10**
FSU	**7.28**	**7.29**	**7.47**	**7.66**	**7.77**	**7.99**	**8.20**	**7.91**	**0.44**	**8.25**	**8.27**	**8.34**	**8.40**	**8.32**	**0.41**
Other Europe	**0.20**	**0.19**	**0.18**	**0.18**	**0.18**	**0.18**	**0.18**	**0.18**	**0.00**	**0.18**	**0.18**	**0.19**	**0.19**	**0.19**	**0.01**
China	**3.25**	**3.15**	**3.21**	**3.26**	**3.22**	**3.22**	**3.22**	**3.23**	**0.02**	**3.24**	**3.24**	**3.24**	**3.24**	**3.24**	**0.01**
Non-OPEC production	**43.16**	**42.97**	**43.01**	**44.18**	**43.85**	**44.06**	**44.57**	**44.17**	**1.16**	**44.54**	**43.97**	**44.30**	**44.70**	**44.38**	**0.21**
Processing gains	1.55	1.55	1.58	1.65	1.65	1.65	1.65	1.65	0.07	1.69	1.69	1.69	1.69	1.69	0.04
Non-OPEC supply	**44.71**	**44.52**	**44.58**	**45.83**	**45.50**	**45.71**	**46.22**	**45.82**	**1.23**	**46.23**	**45.66**	**45.99**	**46.39**	**46.07**	**0.25**
OPEC NGLs	**2.81**	**2.78**	**2.84**	**2.91**	**2.91**	**2.91**	**2.91**	**2.91**	**0.07**	**2.95**	**2.95**	**2.95**	**2.95**	**2.95**	**0.04**

Note: Totals may not add up due to independent rounding.

** Former East Germany is included in the OECD.*