OPEC

Organization of the Petroleum Exporting Countries

Obere Donaustrasse 93, A-1020 Vienna, Austria
Tel +43 1 21112 Fax +43 1 216 4320 Telex 134474
E-mail prid@opec.org

Monthly Oil Market Report

November 2001

OPEC Basket average price

US $ per barrel

Down 4.65 in October

October	**19.64**
September	24.29
Year-to-date	24.13

October OPEC production

million barrels per day, according to secondary sources

Algeria	0.81	Kuwait	1.95	Saudi Arabia	7.57
Indonesia	1.19	SP Libyan AJ	1.32	UAE	2.04
IR Iran	3.53	Nigeria	2.19	Venezuela	2.72
Iraq	2.86	Qatar	0.64		

Supply and demand

million barrels per day

2001	
World demand	75.9
Non-OPEC supply	49.4
Difference	**26.5**
2002	
World demand	76.4
Non-OPEC supply	50.4
Difference	**26.0**

Stocks

Marginal stock-draw in USA in October

World economy

World GDP growth estimated at 3.0% for 2002

Statement by Secretary General to climate change talks, Marrakesh
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Data covers period up to end-October 2001
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OPEC press release
ORGANIZATION OF THE PETROLEUM EXPORTING COUNTRIES
PUBLIC RELATIONS & INFORMATION DEPARTMENT
OBERE DONAUSTRASSE 93, A-1020 VIENNA, AUSTRIA
Telefax: +43 1 2149827 Tel: +43 1 21112-0
Cables: OPECOUNTRIES
E-mail: prid@opec.org Internet: http://www.opec.org

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Statement
by
HE Dr Alí Rodríguez Araque
Secretary General

High-level Segment
7th Conference of the Parties
to the
UN Framework Convention on Climate Change
Marrakech, Morocco

Mr President, Excellencies, Ladies and Gentlemen,

ON BEHALF OF OPEC's Member Countries, I should like to extend my sincere gratitude to the Government and people of Morocco for hosting the Seventh Session of the Conference of the Parties (COP7) in this splendid and historic city of Marrakech.

Just over a year ago, on the occasion of our 40th anniversary, the Second Summit of OPEC Heads of State and Government was held in Caracas, Venezuela. The Summit's central theme was, quite understandably, oil and its role in meeting the projected rising levels of world energy demand in the early decades of the 21st century, thereby laying the basis for long-term sustainable development. The assembled leaders also examined broader issues. In the concluding Solemn Declaration, OPEC firmly embraced the universal concern for the well-being of the global environment and declared its continued readiness to participate constructively in the climate change negotiations, so as to ensure a balanced and comprehensive outcome. We specifically urged Annex I countries to minimise the adverse social and economic impacts of their response measures on nations, whose economies are highly dependant on the production and export of fossil fuels. This is a serious and genuine concern for oil-producing developing countries, which needs to be addressed clearly as this Conference reaches its conclusion.

The reconvened COP6 (6th Conference of the Parties) in Bonn in July saw final agreement reached by many countries on the implementation of the Kyoto Protocol which increased the likelihood of its ratification. The implementation cost for oil-producing developing countries of this agreement would still be vast. Not only could this have serious and unjust economic, social and political repercussions for some of these countries, but it would also go against the spirit of the Framework Convention. So it is essential that adequate arrangements are made, as an integral part of the negotiations, to address these concerns.

It was encouraging, therefore, to see that the Bonn Agreement included the establishment of a Special Climate Change Fund, to assist with the diversification of economies in countries which may suffer from the adverse effects of mitigation measures. However, we are concerned by the fact that this agreement failed to establish the size of this fund or the strength of commitment to it. The outcome of this Conference, therefore, must include clear language with regard to this commitment.

In addition, in seeking to minimise the cost of mitigation measures, the instrument of taxation is often seen as a key tool to be used for environmental objectives. But the track record in many consuming countries is so far poor, with oil products often taxed at levels that have probably already reached a pain threshold. And, while oil is taxed so heavily, other fuels are taxed at far lower levels and are sometimes even subsidised. The time is ripe to reconsider the entire philosophy of energy taxation, by restructuring fiscal systems to address broader concerns than the financial needs of governments, and to ensure consistency with international trade rules.

Let me close by stressing to you that the climate change negotiations over the past decade have obliged us to address a global concern in a balanced and equitable manner. At the same time, as we all recognise that the world is facing so many complex problems, we should not forget that the biggest environmental tragedy confronting us is poverty.

Thank you.

* * *

HIGHLIGHTS OF THE WORLD ECONOMY

Economic growth rates 2002*

%

World	G-7	USA	Japan	Euro-zone
3.0	1.4	1.5	-0.3	2.0

Industrialised countries

USA and Japan appear to be in recession, while euro-zone is skirting it so far

In the USA, the decline in producer prices, a further drop in industrial production and a large increase in the rate of unemployment reflect the weak state of the economy. In Japan, the slide into recession appears to be confirmed by the recent data, while, in the euro-zone, a slow-down is underway, but no strong evidence of recession is apparent.

United States of America

Decline in producer prices and fall in industrial production reflect weak state of US economy

In the USA, the producer price index (PPI), which measures inflation at the wholesale level, fell 1.6% last month, after September's 0.4% gain. This was the biggest drop since records started in 1947, and much steeper than the 0.3% decline analysts had forecast. Excluding volatile food and energy prices, the "core" PPI fell 0.5%, after rising 0.3% in September. This was the sharpest drop since a 1.2% decline in August 1983. These big declines reflected the weak state of the economy, indicating a severe demand contraction. Industrial production fell 1.0% in September, after falling a revised 0.7% in August. The Federal Reserve Board reported that factories, mines and utilities ran at 75.5% of capacity in September, down from a revised 76.4% in August, signalling that industrial activity was contracting across a broad set of industries, reflecting the declines in both consumer and business spending. Congress passed another fiscal spending bill, as the Senate Finance Committee approved a $67 billion Democrat-backed economic stimulus plan. This included $14 bn to extend unemployment benefits by 13 weeks and expanded such benefits to part-time workers who do not currently qualify. The Labour Department reported that the unemployment rate rose to 5.4% in October, from 4.9% in September. Employers cut 415,000 jobs — the biggest cut since May 1980 — compared with 213,000 in September. The Conference Board's index of consumer sentiment fell in October to 85.5, its lowest level since February 1994, from a revised 97.0 in September. The survey's expectations index, a widely watched barometer of future economic activity, dropped to 70.8 from 78.1. We expect the third-quarter preliminary GDP growth rate to be revised down from an annualized –0.4% to –1.2% (–0.3% on the quarter) and we forecast the fourth quarter to be even worse, as consumer spending contracts further in the aftermath of the severe decline in confidence and employment, resulting in a further contraction at an annual rate of –2.4% (–0.6% on the quarter).

* *The figures for world economic growth reflect our base scenario. Given current global uncertainties, the situation may be worse than envisaged in the present reports. Specifically, the persisting doubts about the US recovery path, depending on the effectiveness of monetary easing and fiscal stimuli, the mounting risk of a deeper recession in Japan and the fears of a more extensive slowdown in other parts of the world, render a lower scenario possible*

Japan

Recent evidence confirms slide into recession in Japan

Recent evidence confirms that Japan is in recession, the fourth in the last decade. Unemployment rose to a record 5.3% in September, as manufacturing shed 220,000 workers, with a continued slide in output of 2.9%, or 12.7% from the year-ago level. Industrial production was down 4.3% in July-September, the third straight quarterly decline, highlighting the damage caused by the global decline in information technology demand and the rapid US slowdown. The inventory-to-shipments ratio hit its highest level on record in September, signalling further drops in production in the future. Consumer spending by wage-earners fell by 1.3% from year-ago levels in September, the sixth consecutive month of decline. Japan's nationwide core consumer price index fell 0.8% in September from the same period a year earlier — the 24th consecutive month of falls. The drop in consumer demand will aggravate the deflationary trends. Japan's trade surplus took its steepest half-year fall in over two decades during the six months through September, as a weakening global economy absorbed fewer Japanese exports. In a semi-annual report, the Bank of Japan said its policy board's core GDP forecasts were for a contraction of 1.2% to 0.9% this fiscal year, down sharply from its April forecast of GDP growth ranging from 0.3% to 0.8%. For the next fiscal year, the core forecasts — the central seven from the banks' nine board members — range from a 1.1% contraction to growth of 0.1%. Looking further ahead, the Central Bank said the economy would stop deteriorating towards the second half of fiscal 2002/03, when exports would start to recover. Similarly, the government cut its forecast to a contraction of 0.9% this fiscal year, from the unrealistic 1.7% growth held so far.

Euro-zone

Economic slowdown underway in euro-zone, but no evidence of recession so far

In Europe, the latest data suggests that economic slow-down may be under way, but there are still no perceptible signs of recession ahead. New orders in Germany were reported to have decreased by –4.1% in September, following an increase in August of 0.8%. Output also fell, by –2%, after picking up 2.2% in August. Meanwhile, the unemployment rate was static at 9.5%, and inflation was finally abating. The consumer price index was reported –0.3% lower for October, resulting in a year-on-year (y-o-y) figure of 2%, the European Central Bank's target level, and increasing the probability of a more relaxed monetary policy in the euro-zone. The European Commission's sentiment index dropped in October to 99.1 from 100.1 in September, signalling increasing uncertainty, but not recessionary fears. So far, our forecast for Europe remains relatively optimistic. Although some slow-down is expected, we still see no signs of recession, resulting from the economic situation in the USA and Japan. We forecast euro-zone GDP to grow at 0.2% in the third quarter and 0.5% in the fourth, resulting in 1.8% for all 2001, rising to 2.1% next year.

Former Soviet Union

Continued robust performance in Russian economy fuelled by domestic demand

The Russian economy continues to exhibit robust growth. Despite a shrinking trade surplus, growth has accelerated. In the third quarter, the output of basic goods and services increased 6.4%, compared with 4.9% in the first quarter and 5.7% in the second. Seen over the first nine months of the year, the index of growth in five sectors of the Russian economy, namely industry, agriculture, construction, transport and trade, considered to be a good proxy for GDP growth, rose by 5.7% y-o-y. Growth in domestic demand is the main driving force in the economy. In industry, fuel sector output rose by 6.2% in January-to-September. Oil exports increased by 7.8% in volume in the first nine months, but natural gas exports were down by a substantial 12.1%, with gas output falling by 1.8%. Oil and gas accounted for 51.3% of total exports in the first three quarters. Thus the economy continues to be sensitive to oil price fluctuations. In particular, investment spending is vulnerable to oil price volatility, as retained corporate earnings finance as much as 50% of fixed capital in the Russian economy. A report by the International Energy Agency shows that the higher oil prices of the last two years have led to higher net profits for Russia's publicly traded oil companies of more than $14.5 bn in 2000, from $11.2 bn in 1999 and $4 bn in 1998, financing the increase in production. Another report, by the Deutsche Bank, estimates that the Russian oil industry's capital spending on exploration and production rose 50% to $5 bn in 2000 and then to $6.5 bn this year. Analysts say the majority of Russian oil companies would generate cash surpluses, even if oil prices fell to $14 per barrel (Brent). However, according to official sources, should the average price of oil fall below $18/b, the government would be unable to form an extra reserve fund to offset debt payments. Low oil prices could also hamper the country's ability to manage its foreign debt payments in 2003, when these peak at $18 bn in 2003.

Eastern Europe

Monetary policy easing as inflation and economic growth slow in Eastern Europe

With growth slowing and inflationary pressures subsiding in most East European countries, central banks are moving to lower interest rates. In Poland, the annual consumer price index (CPI) rose by 4% in October, a 12-year low, raising expectations that the Central Bank would cut interest rates at its next policy meeting at the end of November. However, this was contingent on the government reducing the growing fiscal deficit, which appears unlikely, given the reduced expectations of economic growth next year. The Finance Ministry is reported to have lowered its previous forecast of economic growth of 1.5–1.7% to 1.4%, or even as low as 1%. This implies that government revenue will be lower and the deficit higher than previously projected. In Hungary, the October CPI rose by 7.6% (y-o-y), in line with expectations, confirming the trend of slowing inflation. The Central Bank moved to cut deposit rates by 50 basis points to 10.25% and is expected to reduce them further in the coming months. Slowing economic growth is reflected in a fall in the seasonally adjusted industrial production of 5.3% in September (y-o-y), mainly due to a 10.5% drop in the output of large multinational companies. However, the unadjusted industrial output in the first nine months showed a 5.5% hike. The growth slowdown in Hungary is milder than in the European Union, since the government has resorted to fiscal stimuli to offset falling external demand. In the Czech Republic, retail sales increased by a slightly higher-than-expected 4.0% annualized rate in September. The Central Bank is expected to lower rates by the end of November, given the strong koruna and the slowdown in domestic demand and inflation. Producer prices rose 0.7% in October (1.3% y-o-y), the lowest annual rise since October 1999. The Central Bank openly intervened on 25 October to stem the currency's sharp rise against the euro.

ASEAN outlook gloomy, while China remains region's high spot; Argentina awaits debt-restructuring, while Brazil benefits from IMF aid; and African non-energy commodity prices deteriorating

Developing countries

The prospects for members of the Association of South-East Asian Nations (ASEAN) look extremely poor in the short term. Due to their high dependence on technology exports, Malaysia and Singapore, in particular, will be severely affected by the US recession. Malaysia may show almost no growth this year, but could expand by over 3% next year. Likewise in Singapore, GDP may contract by 3% this year and show zero expansion in 2002. Thailand will grow by just 1.1% this year and possibly 2.4% in 2002, held back by a lack of structural reform, and the poor external environment. China, which is still the Asian region's bright spot, maintains growth of about 6.9% for the current year, as falling exports are mitigated by sustained growth in domestic demand. Argentina, which is currently in its third year of recession, still needs a comprehensive restructuring of its huge debt, in order to eliminate pressure on its already deteriorated public finances that resulted from prolonged recession, declining tax revenue, heavy debt service burden and the global economic downturn. Brazil already benefits from the full backing of the recent $15 bn IMF aid package, has received the first instalment of $4.7 bn and may resort to a second tranche of $460 million at the beginning of next year. In Africa, non-energy commodity prices, after falling 9% this year, are expected to pick up slightly next year. Metal and mineral prices fell by 15% in the first half of this year, with copper prices declining by 23%. However, production cutbacks and mining industry mergers have helped cushion some prices, but global output continues to outpace demand, with stocks of most metals up more than 60% this year.

International oil market developments reflect negatively on macroeconomic position of OPEC Member Countries

OPEC Member Countries

Most OPEC Member Countries (MCs) continue to rely on the hydrocarbon sector for more than 90% their export earnings. Thus the main dynamic affecting export earnings will be developments in the international energy markets, where the outlook has currently worsened. As prices soften, Algeria's export earnings are expected to dip from $19.5 bn in 2000 to $17.7 bn in 2001. Imports will be driven by energy-related activities and slowly recovering private consumption. Indonesia's trade surplus is estimated to fall from $25.3 bn in 2000 to $19.8 bn this year, mainly due to weak non-oil export volumes, coupled with low coffee and rubber prices, as well as lower oil prices. Import demand is expected to stay weak for the remaining months of this year, corresponding to the low levels of domestic demand. Nigeria, after running a current account surplus in 2000 estimated at 5.8% of its GDP, may witness a sharp fall in its trade surplus and a substantial deterioration in its current account balance this year. At present, the current account is forecast to have a modest deficit of 0.5% of GDP in 2001, which may widen further next year.

Real oil prices fall sharply with drop in nominal Basket price, despite dollar recovery against currency basket and negative inflation in October

Oil price, US dollar and inflation

The US dollar rose against all the currencies in the Geneva I + US basket in October, with the exception of the Swedish krona. The Japanese currency fell by 2.45% to average ¥121.89/$ from ¥118.97/$ in September, while the German mark depreciated by 1.63% to average DM2.182/$ from DM2.147/$ in September.

Mixed economic signals, coupled with uncertainty about political developments, influenced dollar movements in October. The euro could not capitalize on the cut in the US federal funds rate to 2.5%, the ninth cut since the beginning of the year, implying negative US real interest rates. Despite negative economic data in the USA, in the form of higher unemployment and a drop in retail sales, the prospect of more government spending and tax cuts helped to boost US stocks and increase demand for the dollar. The euro also suffered from negative economic data in the euro-zone and the lack of monetary easing on the part of the ECB. It fell to $0.889 on 23 October, but rose to $0.904 by the end of the month. The dollar rose to five-week intra-day highs against the yen mid-month, on reports that the Bank of Japan may start buying foreign financial assets. It had fallen to 123¥/$ by 25 October, on concern that Japan's economy had lapsed into its fourth recession in a decade and indications that the Japanese authorities supported a weaker yen.

The OPEC spot Reference Basket fell by a sharp $4.65 per barrel, or 19.14%, in October, to average $19.64/b, from $24.29/b in September. In real terms (base July 1990 = 100), after accounting for inflation and currency fluctuations, the Basket price fell by 18.58% to reach $17.97/b, from $22.07/b, as the dollar appreciation slightly cushioned the loss from the fall in the nominal oil price. The dollar rose by 0.67%, as measured by the import-weighted Geneva I + US dollar basket, while inflation was estimated at –0.03% in October.

* *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.*

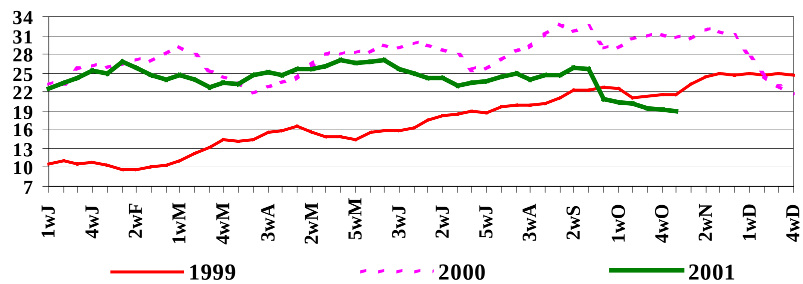
CRUDE OIL PRICE MOVEMENTS

OPEC Basket fell by $4.65/b to average $19.64/b in October

The monthly price of OPEC's spot Reference Basket plummeted by $4.65/b during October, losing almost 20% of its value during the month. On a year-on-year basis, the value of the Basket was less than two-thirds of what it was in October 2000. Obviously, all the Basket's components registered considerable losses. Leading the decline were the Brent-related crudes Saharan Blend and Bonny Light, which dipped by $5.48/b and $5.38/b, followed by Minas and Arabian Light, which fell by $5.06/b and $4.57/b, while Isthmus and Dubai were $4.55/b and $4.44/b lower than in September. Tia Juana Light posted the smallest loss of $3.06/b.

On a weekly basis, the Basket continued to weaken progressively; however, the decline was more moderate than the one seen in the previous month, after the tragic events of 11 September. World markets remained concerned about faltering demand for crude and petroleum products, as a result of the slowdown in the global economy. Early in the month, prices slid on worries of dwindling oil consumption, combined with ample supply. Prices came under mounting pressure on the release of the US Department of Energy's Energy Information Administration's monthly short-term outlook, in which the agency slashed its world oil demand forecast for the remainder of the year and the first quarter of 2002. Rising gasoline stocks, reported by the American Petroleum Institute (API), were interpreted by the market as a sign of the slowdown in driving and economic activity. The downward path extended to the second half of the month, with benchmark crudes losing more than $2/b in the week ending 19 October. Markets came under renewed pressure on concern over the global economic slowdown, which had been further exacerbated by falling consumer confidence in the USA and dwindling oil demand. Meanwhile, a mixed API stock report, which showed a large drop in crude oil inventories for the week ending 12 October and a slight decline in gasoline stocks, failed to boost prices. The prevailing bearish market psychology focused more on a reported rise in distillate stocks, which had a more sensitive demand outlook for the coming heating oil season. Prices continued to deteriorate towards the month-end, amid negative US macroeconomic data and mild weather. News that the US Administration was considering expanding the Strategic Petroleum Reserve to one billion barrels and growing expectations that some action would be taken to remove excess supply from the market failed to change market sentiment.

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



US and European markets

US crude stocks continued to rise during the month, with oil being added to storage at a discount of prompt values to forward prices. By the end of October, crude oil inventories had reached 304.64 mb, almost 23 mb higher than in the same period last year. Reduced demand for jet fuel and lower-than-expected consumption of gasoline depressed sweet crude prices. Falling demand for light crudes in the USA left the transatlantic arbitrage for European grades barely open. On the other side of the Atlantic, refiners' demand was buoyant, as refineries came out of maintenance, on good margins as crude prices softened. With the exception of gasoline-rich crudes, all North

Sea grades found outlets trading at premiums to dated Brent. West African grades found an acceptable level of demand in the Mediterranean area, where refiners' margins were strong. Russian crudes, especially Urals, met with healthy demand in North-West Europe, amid higher freight rates for North Sea grades and a lack of Flotta from the UK.

Far Eastern markets

Demand for Middle East sour grades in the Asia-Pacific firmed slightly on the back of improving refiners' margins during the first half of the month. Murban crude gained some $0.20/b relative to its official selling price; nonetheless, it traded well into discount territory. However, sentiment deteriorated when China resumed selling part of its medium-sour crude stocks (Oman). Towards the end of the month, Oman cargoes for December delivery came under pressure, falling to considerable discounts to its official selling price as the overhang of remaining November cargoes kept end-users (refiners) holding back in anticipation of weaker prices. Meanwhile, sentiment about Abu Dhabi grades found some support at the end of the month, following cuts of up to seven per cent in December term allocations.

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

			Year-to-date average	
	Sept.01	**Oct.01**	2000	**2001**
Reference Basket	24.29	**19.64**	27.58	**24.13**
Arabian Light	24.73	**20.16**	26.91	24.00
Dubai	24.37	**19.93**	26.25	23.78
Bonny Light	25.98	**20.60**	28.37	25.53
Saharan Blend	26.13	**20.65**	28.62	25.78
Minas	24.59	**19.53**	28.89	25.23
Tia Juana Light	20.72	**17.66**	26.26	21.31
Isthmus	23.49	**18.94**	27.77	23.22
Other crudes				
Brent	25.84	**20.54**	28.36	25.51
WTI	26.40	**22.20**	30.16	27.19
Differentials				
WTI/Brent	0.56	1.66	1.80	1.68
Brent/Dubai	1.47	0.61	2.11	1.73

PRODUCT MARKETS AND REFINERY OPERATIONS

Product prices were sharply lower in October, driven more than anything else by tumbling crude markets amid the gloomy world economy and, with it, lower oil demand. Gasoil, however, retained its seasonal premium over gasoline. Refiners' margins were healthy in Rotterdam, turned negative in the US Gulf and fluctuated from breakeven to moderate gains in Singapore. Consequently, refinery throughput fell slightly in the USA, while it increased in Europe.

US Gulf market

Product prices experienced considerable losses in October in US Gulf; refiners' margins turned negative, and refinery throughput dipped slightly to 92.7%

US Gulf product markets plummeted in October, driven mainly by the sizeable losses in crude markets in the wake of concern over oil demand, which had fallen as consequence of the world economic slowdown and prevailing light product stock-builds, most notably during the past two months. Gasoline, for example, lost heavily, falling by $7.38/b amid plentiful supply, as a result of refiners boosting production, together with sustained strong import flows, while the monthly growth, as well as the yearly difference, in demand for gasoline, based on preliminary governmental data on a four-week moving average, were marginally up. Continuously rising distillate stocks and a 2.7% retreat in demand, compared with the previous month's level, were the main reasons for the sharp decline of $4.72/b in the gasoil price. Fuel oil tracked the sharp fall in the crude market and hence fell by a significant $4.20/b, amid fairly mild weather and easing natural gas prices, which, in turn, stifled utility-buying.

Refiners' margins in the US Gulf switched to negative territory, as the steep falls in product prices, most importantly gasoline, outpaced the declines in the crude price.

US refinery throughput was down, by a marginal 28,000 b/d, to around 15.33 mb/d. The corresponding utilization rate was 92.7%, which was one percentage point lower than the year-earlier figure.

Rotterdam market

European product prices moved significantly lower in October; albeit, further losses in distillate products were capped by healthy demand. Refiners' margins were exceptionally strong and, hence, refinery throughput rose to 89.5%

In October, the collapsing US gasoline price weighed heavily on European markets, which experienced a considerable loss of $6.26/b, as a reflection of falling crude markets and persistently sagging regional demand. Demand for distillates was relatively strong, led by two driving forces: first, Germany's switch to cleaner diesel specifications on 1 November; and, secondly, robust European demand for heating oil to replenish inventories ahead of the winter season, induced by lower prices, with the gasoil price declining by $3.46/b. Fuel oil dropped by $4.20/b, on a number of depressing factors, including weak refinery demand for alternative feedstocks, as a consequence of tumbling crude prices, and lower exports to the Asian market for the second consecutive month.

The relative weakness of Brent prices, combined with less steep falls in European distillate prices, compared with other world distillate markets, were cited as the main reasons for a gain in refiners' margins.

Responding to healthy margins, refinery throughput in the Eur-16 (EU + Norway) rose by 0.38 mb to 12.21 mb. Therefore, the utilization rate rose to 89.5%, which was nearly three percentage points above the previous month's level, yet about three percentage points less than that of the preceding year.

Product markets in Singapore fell significantly in October, yet refiners' margins were barely positive, on a combination of falling crude prices and relative strength of Asian fuel oil markets

Singapore market

After gains in the previous two months, product markets in Singapore fell heavily in October. Gasoline was hit the most, with a loss of $7.24/b, undermined by sluggish regional demand. Indonesia had lower-than-usual monthly requirements and Vietnam covered its needs until the end of the year, both countries being the main two buyers. The distillate market was characterised by ample supply, at a time of waning regional demand. Furthermore, an influx of Middle East cargoes, following the closure of European destinations, exacerbated the gasoil price, which lost $3.91/b. Fuel oil plunged by $3.13/b, tracking a slumping benchmark crude. Reduced imports by China, which recently switched its favourite supplier, South Korea, added to the bearish sentiment.

Unlike its impact on US refiners' margins, the enormous decline in the gasoline price had a minor effect on Dubai margins in Singapore, due to the crude's lower yield of gasoline and regional hydroskimming refineries, with their high yield of fuel oil, whose price in Singapore remained above those of the rest of the world. This, together with another steeper fall in the marker crude price, constituted the main factors for Dubai's increasing margin.

In Japan, refinery throughput reversed the uptrend it had sustained during the previous two months, falling by 88,000 b/d to 4.05 mb/d, reflecting discretionary run cuts because of weak refiners' margins. Thus, the equivalent utilization rate also dipped, to 81.7%, which was 1.74 percentage points below the August level, but 1.5 percentage points higher than in the corresponding period last year.

Table 2
Refined product prices
US $/b

		Aug.01	Sept.01	**Oct.01**	**Change Oct./Sept.**
US Gulf					
Regular gasoline	*(unleaded)*	32.77	31.01	**23.63**	–7.38
Gasoil	*(0.2%S)*	30.19	30.14	**25.42**	–4.72
Fuel oil	*(3.0%S)*	17.67	19.79	**15.59**	–4.20
Rotterdam					
Premium gasoline	*(unleaded)*	29.01 R	29.54 R	**23.28**	–6.26
Gasoil	*(0.2%S)*	30.18	30.87	**27.41**	–3.46
Fuel oil	*(3.5%S)*	18.40	19.23	**16.07**	–3.17
Singapore					
Premium gasoline	*(unleaded)*	26.68	29.47	**22.23**	–7.24
Gasoil	*(0.5%S)*	28.71	29.44	**25.53**	–3.91
Fuel oil	*(380 cst)*	20.94	21.85	**18.72**	–3.13

Table 3
Refinery operations in selected OECD countries

	Refinery throughput *mb/d*			**Refinery utilization*** *%*		
	Aug.01	Sept.01	**Oct.01**	Aug.01	Sept.01	**Oct. 01**
USA	15.55	15.36	**15.33**	94.0	92.8	**92.7**
France	1.75 R	1.80	**1.77**	92.3 R	95.0	**93.2**
Germany	2.26 R	1.95 R	**2.00**	100.0 R	86.2 R	**88.6**
Italy	1.75 R	1.81 R	**1.93**	74.1 R	76.8 R	**81.8**
UK	1.64 R	1.56 R	**1.60**	92.8 R	87.9 R	**90.4**
Eur-16**	11.92 R	11.84 R	**12.21**	89.5 R	86.7 R	**89.5**
Japan	4.14	4.05	**n.a.**	83.4	81.7	**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.*

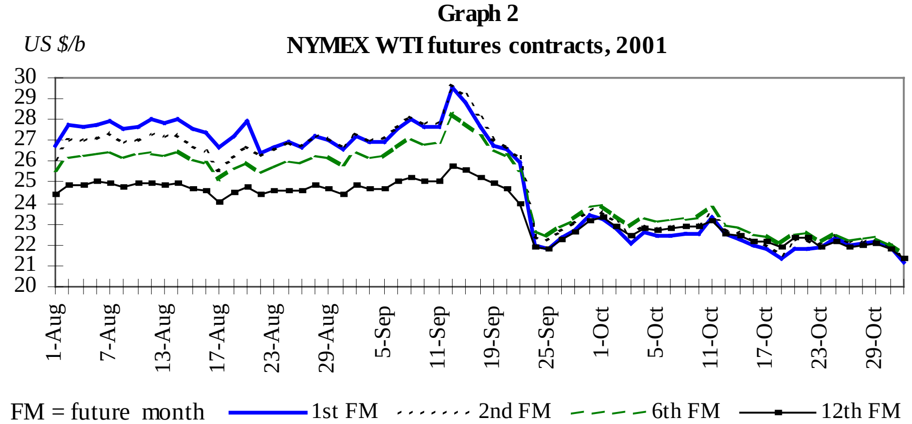
THE OIL FUTURES MARKET

NYMEX WTI lost more than $2/b during October, as poor demand forecast overwhelmed market

NYMEX WTI remained in contango for most of October, while the outer month (12th) was near the value of the front month. After an initial rise at the beginning of the month, as war premiums were built in and short-covering was staged, WTI experienced a continuous price decline throughout the first week. The decline was caused by, first, increasing certainty that demand would be lower and decreasing certainty of supply losses, and secondly, an increase in US crude oil stocks.

Graph 2

NYMEX WTI futures contracts, 2001

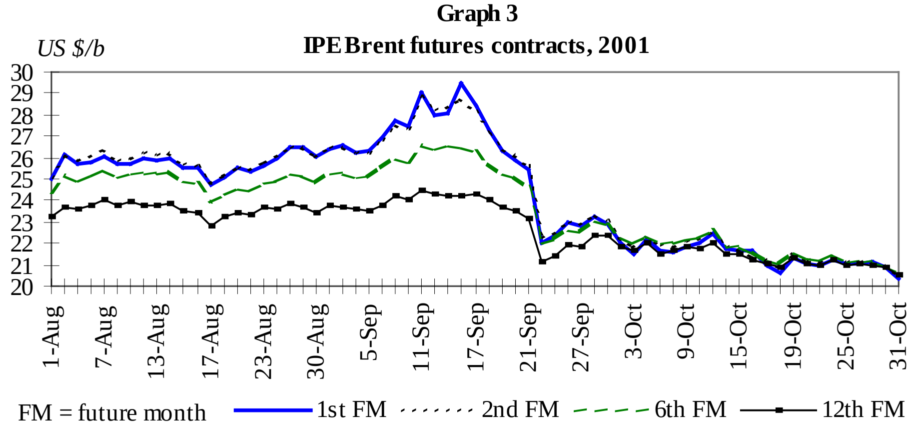


WTI started the second week with a drop of $0.29/b to $22.93/b, due to fund-selling, as confusion regarding the possibility of another OPEC Meeting was overshadowed by the bad economic outlook. Prices then started a slight climb, helped by a draw on US inventories and uncertainty about the scope of US military action in Afghanistan. However, the rally was capped by pressure from weak product prices. A big jump of $0.81/b at the end of the week came in response to reports that Saudi Arabia was cutting crude allocations to European customers.

The third week witnessed a continuous decline that took WTI from $22.50/b to $21.31/b, a level not seen since October 1999. Two factors contributed to the downslide: first, an International Energy Agency report, which cut the demand forecast for the rest of this year by 400,000 b/d; and, secondly, US economic data, which showed the four-week moving average of unemployment rising. However, the main sentiment in the market was bearish, since it was clear that there would be over-supply unless producers acted.

Graph 3

IPE Brent futures contracts, 2001



After pre-weekend short-covering early in the fourth week, triggered by uncertainty over OPEC's action, WTI responded mainly to the US product market and API data. A build in US crude oil stocks caused a continuation of an earlier sell-off in the crude market. Data showed that refiners were still producing more gasoline than distillates, thereby preventing the seasonal build of heating oil, and this triggered a rally in heating oil that pulled crude higher with it. However, this also led to a sell-off in the gasoline market the next day, thereby removing most of the previous day's gains.

THE TANKER MARKET

OPEC area spot-chartering declined by 0.55 mb/b in October

OPEC area spot-chartering decreased by 0.55 mb/d to a monthly average of 11.66 mb/d in October, affected by low oil demand and high stock levels, which weighed on prices and encouraged OPEC Member Countries to improve their compliance to prevent further price falls. Compared with the previous year's level, the current volume of OPEC fixtures was even lower, by 3.14 mb/d. Meanwhile, non-OPEC fixtures were compensating for OPEC's reduction, rising by 0.48 mb/d to 7.83 mb/d. Consequently, global spot-chartering moved slightly lower, by 0.07 mb/d, to a monthly average of 19.49 mb/d; however, this volume was 4.00 mb/d below last year's level, reflecting the current global economic weakness. The OPEC area's share of global spot-chartering declined by 2.60 percentage points to 59.82%, which was 3.18 percentage points below the previous year's share. Spot fixtures from the Middle East on the eastbound long-haul route fell by 1.14 mb/d to 3.10 mb/d on dwindling Asian demand, while, on the westbound route, fixtures declined by 0.19 mb/d to 1.99 mb/d. Therefore, the Middle East eastbound and westbound shares of total OPEC fixtures worsened by 8.11 percentage points to 26.56% and by 0.70 percentage points to 17.04% respectively; together, they accounted for 43.60% of total chartering in the OPEC area, which was 8.89 percentage points lower than in the previous month. Preliminary estimates of sailings from the OPEC area rose by 1.18 mb/d, i.e. 5.29%, to a monthly average of 23.45 mb/d. Sailings from the Middle East improved by 1.20 mb/d to a monthly average of 16.93 mb/d, which was about 72.20% of total OPEC sailings. Arrivals in the US Gulf Coast, the East Coast and the Caribbean declined in October by 1.12 mb/d to a monthly average of 7.29 mb/d. Arrivals in North-West Europe also decreased, by 0.57 mb/d to 6.08 mb/d, while, to Euromed, they rose by 0.94 mb/d to 5.61 mb/d. The estimated oil-at-sea on 21 October was 476 mb, which was 31 mb above the level observed at the end of last month.

VLCC freight rates edged lower in October

The VLCC tanker market retreated in October, after enjoying a positive trend last month, influenced by thin loading volumes of crude oil combined with surplus tonnage in the Middle East, which pushed rates down. Furthermore, the market remained in uncertainty, as the oil trade was undermined by the global economic slowdown and an expected OPEC production cut at its 14 November Conference. Thus, VLCC freight rates on Middle East eastbound and westbound long-haul routes declined steadily, achieving monthly averages of WS62 and WS54 respectively, 13 points and 15 points below the respective levels of the previous month. During the first half of the month, Suezmax markets in West Africa and North-West Europe were active, boosted by reasonable levels of enquiry, which enabled tanker-owners to raise rates. However, in the second half of the month, rates retreated significantly to correct the wide gaps between VLCC and Suezmax freight rates, as charterers tried to combine cargoes on cheaper VLCC tankers. The monthly average Suezmax freight rates for crude shipped from West Africa and North-West Europe to the US Gulf Coast rose by ten points to WS103 and by eight points to WS102 respectively. The Aframax market displayed mixed trends, remaining weaker in the Mediterranean, but picking up in the Caribbean. Freight rates on the short-haul route across the Mediterranean and from the Mediterranean to North-West Europe declined further, by five points to WS136 and by three points to WS133 respectively. Meanwhile, rates surged by 42 points to WS211 on the route from the Caribbean to the US East Coast. Rates for 70–100,000 dwt tankers on the Indonesia-US West Coast route declined for the third consecutive month, by seven points to WS111.

Clean tanker freight rates displayed mixed trends in October

Seasonal winter demand for product tankers in the Asian market picked up in October and freight rates for cargoes from the Middle East and Singapore to the Far East rose by 37 points to WS240 and 41 points to WS246 respectively. On the route across the Mediterranean, clean tanker freight rates edged seven points higher to WS236, while, on the route from the Mediterranean to North-West Europe, they softened by eight points to WS230, as most European countries considered switching to ultra-low sulphur fuel. Rates also softened on the route from North-West Europe to the US Gulf Coast, declining by six points to WS229. Product tanker markets in the Caribbean stabilized, as freight rates to the US Gulf Coast nearly maintained the previous month's level of WS224, being only one point lower.

WORLD OIL DEMAND

Projections for 2001

World

World demand forecast for 2001 revised up marginally to 75.94 mb/d

For the present year, the projection for world oil demand has undergone minor adjustment, compared with what was presented in the last *MOMR*. Consumption is now estimated to rise by 0.23 mb/d, or 0.30%, to average 75.94 mb/d. This very low year-on-year increment is comparable to that of 1998, when the demand growth was only 0.21 mb/d, equivalent to 0.30%. On a regional basis, demand is projected to decrease by 0.16 mb/d in the OECD, but to increase by 0.19 mb/d in developing countries and by 0.20 mb/d in the "other regions" (former CPEs). Table 4 provides more details.

On a quarterly basis, compared with the year-earlier figure, world demand grew by 0.74%, or 0.56 mb/d, to average 76.24 mb/d in the first quarter. It is estimated to have grown by 1.34%, or 0.99 mb/d, to average 74.99 mb/d in the second. The final two quarters, however, are expected to experience negative growth. The reasons are decelerating economic growth in the third and fourth quarters and declining jet fuel consumption in the fourth. Third-quarter demand is now estimated at 75.94 mb/d, about 0.22 mb/d, or 0.29%, less than that of the third quarter of 2000. Likewise, fourth-quarter demand is expected to be 76.59 mb/d, nearly 0.41 mb/d, or 0.54%, less than that of 2000. Please see Table 5 for details.

Table 4
World oil demand in 2001
mb/d

							Change 2001/00	
	2000	1Q01	2Q01	3Q01	4Q01	**2001**	Volume	%
North America	24.10	24.16	23.75	24.33	23.99	24.06	–0.04	–0.2
Western Europe	15.09	15.18	14.77	14.97	15.10	15.00	–0.08	–0.5
OECD Pacific	8.65	9.44	8.00	8.32	8.70	8.61	–0.04	–0.5
Total OECD	**47.84**	**48.77**	**46.52**	**47.62**	**47.79**	**47.67**	**–0.16**	**–0.3**
Other Asia	7.30	7.14	7.48	7.32	7.34	7.32	0.02	0.2
Latin America	4.71	4.56	4.74	4.85	4.76	4.73	0.02	0.5
Middle East	4.35	4.31	4.49	4.59	4.41	4.45	0.10	2.3
Africa	2.30	2.35	2.38	2.29	2.37	2.35	0.05	2.0
Total DCs	**18.66**	**18.36**	**19.09**	**19.05**	**18.88**	**18.85**	**0.19**	**1.0**
FSU	3.77	3.97	3.75	3.54	4.17	3.85	0.09	2.4
Other Europe	0.78	0.79	0.73	0.73	0.81	0.77	–0.01	–1.8
China	4.68	4.35	4.90	5.00	4.94	4.80	0.13	2.7
Total "Other regions"	**9.22**	**9.11**	**9.38**	**9.27**	**9.92**	**9.42**	**0.20**	**2.2**
Total world	**75.72**	**76.24**	**74.99**	**75.94**	**76.59**	**75.94**	**0.23**	**0.3**
Previous estimate	75.72	76.24	74.99	75.94	76.56	75.93	0.22	0.3
Revision	0.00	0.00	0.00	0.00	0.03	0.01	0.01	0.01

OECD

Having grown by as little as 0.3% last year, OECD product deliveries are projected to post a decline of 0.16 mb/d, or 0.3%, to 47.67 mb/d in 2001. This drop would be the sum of a 0.04 mb/d, a 0.08 mb/d and another 0.04 mb/d decline in North America, Western Europe and OECD Pacific respectively. Table 5 demonstrates how the declines in the third and, especially, the fourth quarters have contributed to the yearly drop in 2001 demand in the OECD. In addition to the weakening GDP growth rate prospects in all three OECD regions, especially the OECD Pacific, the estimated lower jet fuel consumption, particularly in the USA, will be responsible for the overall lower demand in the region. Our estimated GDP growth rates for North America, Western Europe and the OECD Pacific were revised down by 0.24%, 0.14% and 0.18% respectively last month. Both OECD Europe and OECD Pacific GDP growth rates have again been revised down by 0.1%. These estimated growth rates now stand at 1.7% and –0.2% respectively.

Inland delivery of petroleum products in North America during the first eight months of the current year, according to the latest figures, grew by 0.54%, or 0.120 mb/d, to average 22.39 mb/d. Demand in Western Europe inched up, posting a rise of 0.81%, or 0.122 mb/d, during the same period. However, OECD Pacific demand displayed a 0.85% decline, or 0.74 mb/d, during January-August.

DCs

Oil demand in developing countries has again been revised down slightly for 2001. It is now expected to rise by 0.19 mb/d, or 1.0%, to average 18.85 mb/d for the year. The estimated growth rate in consumption has been lowered for the Asian group of countries from the previous 0.3% to 0.2%. The fundamental factor behind the lower demand outlook is that Asian regional GDP is projected to grow at a substantially lower-than-anticipated rate. These economies are highly export-dependent and are extremely reliant upon the health of their trading partners. The demand growth rates for Latin America and Africa have also been revised down.

Other regions

Apparent demand in the former CPEs is projected to grow by 0.20 mb/d, or 2.2%, to average 9.42 mb/d for 2001. Revisions to the trade and production data for the first quarter show that apparent FSU demand grew by 7.4%, or 0.27 mb/d, compared with the year-earlier figure. The latest assessments indicate that there has been growth of 2.8%, or 0.10 mb/d, in the second quarter. We anticipate a negligible rise in apparent consumption in the third quarter, coupled with a minor decline of 0.7%, or 0.03 mb/d, in the fourth, due to a rise in the level of exports that will outpace any gain in production. During the first and second quarters, net exports were 0.32 mb/d and 0.51 mb/d higher than in the corresponding quarters of 2000. The third quarter could register a 0.31 mb/d gain. High international oil prices, the need for more 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 shows a considerable drop in Chinese apparent consumption. According to the latest figures, apparent demand declined by 7.5% during the first quarter. Even though the decline seems huge, one should not forget that this comparison is made with the first quarter of 2000, when demand surged by 17% to reach a first-quarter record level. Second-quarter apparent demand, however, demonstrated a significant rise of 12.3%. This is in line with the considerable recovery in total imports, which registered an impressive 44.4% rise in the second quarter. Third- and fourth-quarter consumption are expected to register healthy gains of 2.30% and 4.35% respectively. Due to the size and the importance of China in the overall demand picture, we shall continue to monitor closely further developments.

Table 5
World oil demand comparison for 2001
mb/d

			Change 2001/00				**Change 2001/00**	
	3Q00	3Q01	Volume	%	4Q00	4Q01	Volume	%
North America	24.45	24.33	–0.12	–0.5	24.43	23.99	–0.44	–1.8
Western Europe	15.16	14.97	–0.19	–1.3	15.40	15.10	–0.29	–1.9
OECD Pacific	8.35	8.32	–0.03	–0.3	8.81	8.70	–0.11	–1.3
Total OECD	**47.96**	**47.62**	**–0.34**	**–0.7**	**48.64**	**47.79**	**–0.85**	**–1.7**
Other Asia	7.46	7.32	–0.14	–1.8	7.39	7.34	–0.05	–0.7
Latin America	4.79	4.85	0.06	1.3	4.72	4.76	0.04	0.8
Middle East	4.46	4.59	0.13	2.9	4.21	4.41	0.20	4.8
Africa	2.30	2.29	–0.01	–0.4	2.31	2.37	0.05	2.4
Total DCs	**19.01**	**19.05**	**0.04**	**0.2**	**18.64**	**18.88**	**0.24**	**1.3**
FSU	3.53	3.54	0.01	0.4	4.20	4.17	–0.03	–0.7
Other Europe	0.78	0.73	–0.05	–6.3	0.79	0.81	0.02	2.2
China	4.89	5.00	0.11	2.3	4.74	4.94	0.21	4.3
Total "Other regions"	**9.19**	**9.27**	**0.08**	**0.8**	**9.73**	**9.92**	**0.19**	**2.0**
Total world	**76.16**	**75.94**	**–0.22**	**–0.3**	**77.00**	**76.59**	**–0.41**	**–0.5**

World demand forecast for 2002 revised down slightly to 76.45 mb/d

In view of market uncertainties and possibility of further downward revision of world economic growth rates, demand figures might be revised down further

Forecasts for 2002

Due to a further downward revision to the world economic growth rate, all quarterly forecasts have been revised down. However, the anticipated lower jet fuel consumption has been applied only to the first-quarter figures. As a result, the 2002 world demand forecast has been revised down slightly to 76.45 mb/d, compared with the previous forecast of 76.52 mb/d. The average yearly increment now stands at 0.51 mb/d, or 0.7%, compared with 0.58 mb/d, equivalent to 0.8%, mentioned in the previous *MOMR*.

The estimated 2002 growth level is comparable to the 0.60 mb/d (equivalent to 0.8%) experienced in 2000, but it is significantly higher than that of 2001. However, this assessment would be subject to further adjustment, as more information becomes available on major factors, such as the economic growth outlook, the trend in air travel and jet fuel consumption, prices and the weather. Regional and quarterly breakdowns of the demand forecast are given in Table 6. Comparisons between the first- and second-quarter figures of 2001 and 2002 are presented in Table 7.

Table 6
World oil demand forecast for 2002
mb/d

	2001	1Q02	2Q02	3Q02	4Q02	**2002**	**Change 2002/01** Volume	%
North America	24.06	24.00	23.95	24.37	24.28	24.15	0.09	0.4
Western Europe	15.00	15.18	14.60	14.81	15.32	14.98	–0.03	–0.2
OECD Pacific	8.61	9.45	7.89	8.24	8.92	8.62	0.01	0.2
Total OECD	**47.67**	**48.63**	**46.45**	**47.43**	**48.52**	**47.76**	**0.08**	**0.2**
Other Asia	7.32	7.23	7.50	7.29	7.52	7.38	0.06	0.9
Latin America	4.73	4.54	4.77	4.88	4.80	4.75	0.02	0.4
Middle East	4.45	4.43	4.63	4.74	4.55	4.59	0.14	3.1
Africa	2.35	2.38	2.41	2.33	2.41	2.38	0.04	1.5
Total DCs	**18.85**	**18.58**	**19.31**	**19.24**	**19.28**	**19.10**	**0.26**	**1.4**
FSU	3.85	3.89	3.72	3.92	4.16	3.92	0.07	1.8
Other Europe	0.77	0.83	0.78	0.73	0.81	0.79	0.02	3.0
China	4.80	4.56	4.99	5.00	4.96	4.88	0.08	1.6
Total "Other regions"	**9.42**	**9.27**	**9.49**	**9.65**	**9.94**	**9.59**	**0.17**	**1.8**
Total world	**75.94**	**76.48**	**75.24**	**76.32**	**77.74**	**76.45**	**0.51**	**0.7**
Previous estimate	75.93	76.55	75.31	76.39	77.81	76.52	0.58	0.8
Revision	0.01	–0.07	–0.07	–0.07	–0.07	–0.07	–0.08	–0.1

Table 7
World oil demand comparison for 2002
mb/d

	1Q01	**1Q02**	**Change 2002/01** Volume	%	**2Q01**	**2Q02**	**Change 2002/01** Volume	%
North America	24.16	24.00	–0.17	–0.7	23.75	23.95	0.20	0.9
Western Europe	15.18	15.18	0.01	0.0	14.77	14.60	–0.17	–1.1
OECD Pacific	9.44	9.45	0.01	0.1	8.00	7.89	–0.10	–1.3
Total OECD	**48.77**	**48.63**	**–0.15**	**–0.3**	**46.52**	**46.45**	**–0.07**	**–0.1**
Other Asia	7.14	7.23	0.09	1.3	7.48	7.50	0.02	0.3
Latin America	4.56	4.54	–0.03	–0.5	4.74	4.77	0.03	0.6
Middle East	4.31	4.43	0.12	2.8	4.49	4.63	0.14	3.2
Africa	2.35	2.38	0.04	1.5	2.38	2.41	0.03	1.1
Total DCs	**18.36**	**18.58**	**0.22**	**1.2**	**19.09**	**19.31**	**0.21**	**1.1**
FSU	3.97	3.89	–0.08	–1.9	3.75	3.72	–0.03	–0.8
Other Europe	0.79	0.83	0.03	4.3	0.73	0.78	0.05	6.8
China	4.35	4.56	0.20	4.7	4.90	4.99	0.08	1.7
Total "Other regions"	**9.11**	**9.27**	**0.16**	**1.8**	**9.38**	**9.49**	**0.11**	**1.1**
Total world	**76.24**	**76.48**	**0.24**	**0.3**	**74.99**	**75.24**	**0.25**	**0.3**

WORLD OIL SUPPLY

Non-OPEC

2001 non-OPEC supply figure revised up to 46.40 mb/d

Figures for 2001

The 2001 non-OPEC supply figure has been revised up by 0.05 mb/d to 46.40 mb/d, the quarterly distribution figures for the first and the second quarters remain unchanged at 46.28 mb/d and 46.02 mb/d, while the third and the fourth quarters have been revised up by 0.07 mb/d and 0.12 mb/d to 46.43 mb/d and 46.89 mb/d respectively, compared with the last *MOMR's* figures. The yearly average increase is estimated at 0.62 mb/d, compared with the 2000 figure.

Table 8
Non-OPEC oil supply in 2001
mb/d

	2000	1Q01	2Q01	3Q01	4Q01	**2001**	**Change 01/00**
North America	14.29	14.22	14.34	14.41	14.53	14.38	0.09
Western Europe	6.74	6.78	6.54	6.58	6.71	6.65	–0.08
OECD Pacific	0.83	0.80	0.76	0.80	0.81	0.79	–0.04
Total OECD	**21.86**	**21.80**	**21.65**	**21.79**	**22.05**	**21.82**	**–0.03**
Other Asia	2.23	2.30	2.25	2.31	2.31	2.29	0.06
Latin America	3.74	3.78	3.66	3.70	3.80	3.73	–0.01
Middle East	2.14	2.16	2.18	2.17	2.21	2.18	0.04
Africa	2.85	2.82	2.79	2.81	2.85	2.82	–0.03
Total DCs	**10.96**	**11.06**	**10.87**	**10.99**	**11.17**	**11.02**	**0.07**
FSU	7.91	8.25	8.39	8.47	8.49	8.40	0.49
Other Europe	0.18	0.18	0.18	0.18	0.19	0.18	0.00
China	3.23	3.29	3.25	3.30	3.30	3.29	0.06
Total "Other regions"	**11.32**	**11.73**	**11.82**	**11.95**	**11.98**	**11.87**	**0.55**
Total non-OPEC production	**44.13**	**44.59**	**44.33**	**44.74**	**45.20**	**44.71**	**0.58**
Processing gains	1.65	1.69	1.69	1.69	1.69	1.69	0.04
Total non-OPEC supply	**45.78**	**46.28**	**46.02**	**46.43**	**46.89**	**46.40**	**0.62**
Previous estimate	45.78	46.28	46.02	46.36	46.77	46.36	0.58
Revision	**0.00**	**0.00**	**0.00**	**0.07**	**0.12**	**0.05**	**0.05**

Totals may not add, due to independent rounding.

2002 non-OPEC supply forecast revised up by 0.05 mb/d to 47.41 mb/d

Expectations for 2002

Our 2002 non-OPEC supply forecast has been revised up by 0.05 mb/d since the last *MOMR*, compared with the figure estimated for 2001. It now shows an increase of 1.00 mb/d to 47.41 mb/d, with a quarterly distribution of 47.27 mb/d, 47.02 mb/d, 47.43 mb/d and 47.90 mb/d respectively.

Table 9
Non-OPEC oil supply in 2002
mb/d

	2001	1Q02	2Q02	3Q02	4Q02	2002	Change 02/01
North America	14.38	14.45	14.56	14.63	14.76	14.60	0.22
Western Europe	6.65	6.80	6.57	6.61	6.74	6.68	0.03
OECD Pacific	0.79	0.78	0.74	0.78	0.79	0.77	–0.02
Total OECD	**21.82**	**22.03**	**21.88**	**22.02**	**22.29**	**22.06**	**0.23**
Other Asia	2.29	2.32	2.27	2.33	2.33	2.31	0.02
Latin America	3.73	3.85	3.73	3.77	3.88	3.81	0.07
Middle East	2.18	2.16	2.18	2.17	2.21	2.18	0.00
Africa	2.82	2.95	2.91	2.94	2.98	2.95	0.13
Total DCs	**11.02**	**11.28**	**11.08**	**11.21**	**11.39**	**11.24**	**0.22**
FSU	8.40	8.73	8.88	8.97	8.98	8.89	0.49
Other Europe	0.18	0.18	0.18	0.18	0.19	0.18	0.00
China	3.29	3.32	3.28	3.33	3.33	3.32	0.03
Total "Other regions"	**11.87**	**12.24**	**12.34**	**12.48**	**12.50**	**12.39**	**0.52**
Total non-OPEC production	**44.71**	**45.55**	**45.30**	**45.71**	**46.18**	**45.69**	**0.97**
Processing gains	1.69	1.72	1.72	1.72	1.72	1.72	0.03
Total non-OPEC supply	**46.40**	**47.27**	**47.02**	**47.43**	**47.90**	**47.41**	**1.00**
Previous estimate	46.36	47.27	47.01	47.36	47.77	47.36	1.00
Revision	**0.05**	**0.00**	**0.00**	**0.07**	**0.13**	**0.05**	**0.00**

Totals may not add, due to independent rounding.

FSU export figure revised down to 4.55 mb/d for 2001 and up to 4.97 mb/d for 2002

The FSU's net oil export forecast for 2001 has been revised down by 0.01 mb/d to 4.55 mb/d, compared with the last *MOMR*, while that for 2002 has been revised up by 0.03 mb/d to 4.97 mb/d.

Table 10
FSU net oil exports
mb/d

	1Q	2Q	3Q	4Q	Year
1998	2.77	3.02	3.18	3.20	**3.04**
1999	3.12	3.62	3.52	3.49	**3.44**
2000	3.97	4.13	4.47	4.01	**4.14**
2001 (estimate)	4.28	4.64	4.93	4.32	**4.55**
2002 (forecast)	4.84	5.16	5.04	4.82	**4.97**

OPEC natural gas liquids

OPEC NGL data unchanged

The OPEC NGL figures for 1998–2001 remain unchanged at 2.78 mb/d, 2.86 mb/d, 2.98 mb/d and 3.01 mb/d respectively, compared with the last *MOMR*, while the forecast for 2002 stays at 3.04 mb/d.

OPEC NGL production — 1998–2002
mb/d

1998	1999	2000	1Q01	2Q01	3Q01	4Q01	2001	Change 01/00	2002	Change 02/01
2.78	**2.86**	**2.98**	3.01	3.01	3.01	3.01	**3.01**	0.03	**3.04**	0.03

Available secondary sources put OPEC's October production at 26.82 mb/d

OPEC crude oil production

Available secondary sources indicate that, in October, OPEC output was 26.82 mb/d, which was 0.14 mb/d lower than the revised September level of 26.96 mb/d. Table 11 shows OPEC production, as reported by selected secondary sources.

Table 11
OPEC crude oil production, based on secondary sources
1,000 b/d

	1999	2000	2Q01	Sept.01*	3Q01	**Oct.01***	Oct.–Sept.
Algeria	766	808	815	815	830	**805**	–10
Indonesia	1,310	1,279	1,220	1,197	1,209	**1,187**	–10
IR Iran	3,509	3,671	3,674	3,624	3,702	**3,533**	–91
Iraq	2,507	2,551	2,281	2,599	2,483	**2,864**	265
Kuwait	1,907	2,101	2,024	1,984	2,014	**1,950**	–34
SP Libyan AJ	1,337	1,405	1,364	1,335	1,361	**1,315**	–20
Nigeria	1,983	2,031	2,056	2,166	2,084	**2,190**	24
Qatar	641	698	693	675	695	**643**	–32
Saudi Arabia	7,655	8,247	7,931	7,750	7,905	**7,574**	–176
UAE	2,077	2,252	2,179	2,067	2,121	**2,037**	–30
Venezuela	2,808	2,897	2,851	2,746	2,812	**2,720**	–26
Total OPEC	**26,499**	**27,942**	**27,086**	**26,958**	**27,218**	**26,818**	**–140**

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

STOCK MOVEMENTS

Marginal stock-draw of 0.14 mb/d in USA in October

USA

US commercial onland oil stocks witnessed a marginal draw of 3.9 mb, or 0.14 mb/d, to 1,023.5 mb during 5 October–2 November. This draw was largely confined to a substantial decrease of 13.7 mb to 206.0 mb in "other oils", while jet fuel declined by 3.5 mb to 40.5 mb on reduced output. However, crude oil, which rose by 4.5 mb to 311.9 mb, followed by other major product inventories, especially distillates, which increased by 3.6 mb to 128.2 mb, diminished the overall draw. Lower refinery runs, due to poor refiners' margins, were mainly behind the build in crude oil stocks, while stagnant demand pushed up distillates. Gasoline and fuel oil also registered minor builds of 0.8 mb to 206.9 mb and 2.1 mb to 38.8 mb respectively. Total stocks were 80.8 mb, or about 9%, higher than last year's level.

Table 12
US onland commercial petroleum stocks*
mb

	30 Mar.01	29 Jun.01	5 Oct.01	**2 Nov.01**	**Change Oct./Sept.**	2 Nov.00
Crude oil (excl. SPR)	303.2	310.7	307.4	**311.9**	**4.5**	278.2
Gasoline	193.0	221.6	206.1	206.9	0.8	188.3
Distillate fuel	104.0	112.8	124.6	128.2	3.6	117.2
Residual fuel oil	39.8	42.5	36.7	38.8	2.1	35.1
Jet fuel	40.1	43.0	44.0	40.5	–3.5	42.6
Unfinished oils	101.3	90.4	88.9	91.1	2.2	89.5
Other oils	142.1	191.4	219.7	206.0	–13.7	191.8
Total	**923.5**	**1,012.4**	**1,027.4**	**1,023.5**	**–3.9**	**942.7**
SPR	542.3	543.3	544.8	545.2	0.4	563.9

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

During the same period, the US Strategic Petroleum Reserve (SPR) moved up marginally, by 0.4 mb to 545.2 mb.

Western Europe

Slight stock-build of 0.02 mb/d in Eur-16 in October

Commercial onland oil stocks in Eur-16 in October rose by a slight 0.60 mb, or 0.02 mb/d, to stand at 1,052.2 mb. This rise resulted mainly from a build in distillates of 4.7 mb to 328.1 mb, due to sluggish jet fuel demand. Fuel oil also contributed marginally to this build, rising by 1.3 mb to 122.3 mb on closed arbitrage to Asia and the USA. Draws on crude oil of 2.5 mb to 434.1 mb, on increasing refinery runs, and on gasoline of 2.4 mb to 142.2 mb, as the opened arbitrage started to attract traders to move European gasoline cargoes to US markets, nearly counterbalanced the build in distillates and fuel oil. The overall level was 14.1 mb, or about 1%, lower than the year-ago figure.

Table 13
Western Europe commercial oil stocks*
mb

	Mar.01	Jun.01	Sept.01	**Oct.01**	**Change Oct./Sept.**	Oct.00
Crude oil	451.7	438.5	436.6	**434.1**	**–2.5**	423.7
Mogas	158.3	155.6	144.6	142.2	–2.4	158.1
Naphtha	22.0	25.1	26.0	25.5	–0.4	23.6
Middle distillates	330.8	331.4	323.4	328.1	4.7	335.2
Fuel oils	123.6	122.2	121.0	122.3	1.3	125.6
Total products	634.7	634.3	615.0	**618.1**	**3.1**	642.5
Overall total	**1,086.3**	**1,072.8**	**1,051.6**	**1,052.2**	**0.6**	**1,066.3**

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

Japan

Oil stocks in Japan rose by 0.23 mb/d in September

In September, commercial onland oil stocks in Japan continued to show a build, as they rose by 6.8 mb, or 0.23 mb/d, to 197.5 mb. A build in crude oil stocks of 3.0 mb to 118.0 mb, as refinery throughput fell due to weak refiners' margins, and, to a lesser degree, in middle distillates of 2.6 mb to 45.7 mb, followed by 1.1 mb to 19.9 mb in fuel oil, contributed mainly to this build, while gasoline declined slightly by 0.1 mb to 13.8 mb. The overall stock level was 20.6 mb, or about 12%, above last year's figure.

Table 14
Japan's commercial oil stocks*
mb

	Mar.01	Jun.01	Aug.01	**Sept.01**	**Change Sept./Aug.**	Sept.00
Crude oil	118.7	127.3	115.0	**118.0**	**3.0**	101.2
Gasoline	14.6	14.3	13.9	13.8	–0.1	13.4
Middle distillates	31.4	33.6	43.1	45.7	2.6	43.5
Residual fuel oil	20.2	19.8	18.8	19.9	1.1	18.9
Total products	66.3	67.7	75.8	79.5	3.7	75.8
Overall total **	**185.0**	**195.1**	**190.7**	**197.5**	**6.8**	**176.9**

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

OECD

Minor contra-seasonal stock-draw of 0.04 mb/d in OECD in third quarter

In the third quarter, OECD commercial onland oil stocks (the USA, Eur-16 and Japan) are estimated to have registered a minor contra-seasonal draw of 3.8 mb, or 0.04 mb/d, to 2,276.5 mb, compared with the second quarter. This slight draw was confined to Eur-16 stocks, as they fell by 21.2 mb, or 0.23 mb/d, to 1,051.6 mb, while the build in US stocks of 15.0 mb, or 0.16 mb/d, to 1,027.4 mb and, to a lesser degree, in Japanese stocks of 2.4 mb, or 0.03 mb/d, to 197.5 mb, abated this draw, as shown in Table 15.

Table 15
Estimated stock movements in OECD* in third quarter of 2001
mb

			Change Sept.01/Jun.01	
	Jun.01	**Sept.01**	*m/b*	*mb/d*
USA	1,012.4	1,027.4	15.0	0.16
Eur-16	1,072.8	1,051.6	–21.2	–0.23
Japan	195.1	197.5	2.4	0.03
OECD total	**2,280.3**	**2,276.5**	**–3.8**	**–0.04**

** Includes USA, Eur-16 and Japan only. Data as at end of month.*

BALANCE OF SUPPLY AND DEMAND

2001 supply/demand difference revised down to 26.5 mb/d

No revisions have been made to the figure for world oil demand since the last *MOMR*, while non-OPEC oil supply has been revised up by less than 0.1 mb/d, and these two figures are now estimated at 75.9 mb/d and 49.4 mb/d respectively. The yearly average difference has been revised down by less than 0.1 mb/d to 26.5 mb/d, with quarterly distributions of 27.0 mb/d, 26.0 mb/d, 26.5 mb/d and 26.7 mb/d respectively. The balances for the first and the second quarters remain unchanged at 1.1 mb/d each, while the third quarter has been revised up by around 0.1 mb/d to 0.7 mb/d. The 2000 balance remains unchanged at 1.0 mb/d, compared with last month's *MOMR*.

Table 16
Summarized supply/demand balance for 2001
mb/d

	2000	1Q01	2Q01	3Q01	4Q01	**2001**
(a) World oil demand	75.7	76.2	75.0	75.9	76.6	75.9
(b) Non-OPEC supply(1)	48.8	49.3	49.0	49.4	49.9	49.4
Difference (a – b)	**27.0**	**27.0**	**26.0**	**26.5**	**26.7**	**26.5**
OPEC crude oil production(2)	27.9	28.1	27.1	27.2		
Balance	**1.0**	**1.1**	**1.1**	**0.7**		

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

2002 supply/demand difference revised down to 26.0 mb/d

The summarized supply/demand balance table for 2002 shows a downward revision to the world oil demand forecast of around 0.1 mb/d to 76.4 mb/d, while total non-OPEC supply has been revised up by around 0.1 mb/d to 50.4 mb/d. This has resulted in an expected annual difference of around 26.0 mb/d, which is down by around 0.1 mb/d, compared with the last *MOMR*, with a quarterly distribution of 26.2 mb/d, 25.2 mb/d, 25.9 mb/d and 26.8 mb/d respectively.

Table 17
Summarized supply/demand balance for 2002
mb/d

	2001	1Q02	2Q02	3Q02	4Q02	**2002**
(a) World oil demand	75.9	76.5	75.2	76.3	77.7	76.4
(b) Non-OPEC supply(1)	49.4	50.3	50.1	50.5	50.9	50.4
Difference (a – b)	**26.5**	**26.2**	**25.2**	**25.9**	**26.8**	**26.0**

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

Table 18
World oil demand/supply balance
mb/d

	1998	**1999**	**2000**	1Q01	2Q01	3Q01	4Q01	**2001**	1Q02	2Q02	3Q02	4Q02	**2002**
World demand													
OECD	46.8	47.7	47.8	48.8	46.5	47.6	47.8	47.7	48.6	46.4	47.4	48.5	47.8
North America	23.1	23.8	24.1	24.2	23.7	24.3	24.0	24.1	24.0	24.0	24.4	24.3	24.2
Western Europe	15.3	15.2	15.1	15.2	14.8	15.0	15.1	15.0	15.2	14.6	14.8	15.3	15.0
Pacific	8.4	8.7	8.7	9.4	8.0	8.3	8.7	8.6	9.4	7.9	8.2	8.9	8.6
DCs	18.2	18.5	18.7	18.4	19.1	19.1	18.9	18.8	18.6	19.3	19.2	19.3	19.1
FSU	4.3	4.0	3.8	4.0	3.7	3.5	4.2	3.9	3.9	3.7	3.9	4.2	3.9
Other Europe	0.8	0.8	0.8	0.8	0.7	0.7	0.8	0.8	0.8	0.8	0.7	0.8	0.8
China	3.8	4.2	4.7	4.4	4.9	5.0	4.9	4.8	4.6	5.0	5.0	5.0	4.9
(a) Total world demand	73.8	75.1	75.7	76.2	75.0	75.9	76.6	75.9	76.5	75.2	76.3	77.7	76.4
Non-OPEC supply													
OECD	21.8	21.3	21.9	21.8	21.6	21.8	22.0	21.8	22.0	21.9	22.0	22.3	22.1
North America	14.5	14.1	14.3	14.2	14.3	14.4	14.5	14.4	14.4	14.6	14.6	14.8	14.6
Western Europe	6.6	6.6	6.7	6.8	6.5	6.6	6.7	6.7	6.8	6.6	6.6	6.7	6.7
Pacific	0.7	0.7	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.7	0.8	0.8	0.8
DCs	10.5	10.8	11.0	11.1	10.9	11.0	11.2	11.0	11.3	11.1	11.2	11.4	11.2
FSU	7.3	7.5	7.9	8.2	8.4	8.5	8.5	8.4	8.7	8.9	9.0	9.0	8.9
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	3.2	3.2	3.2	3.3	3.2	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3
Processing gains	1.6	1.6	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7
Total non-OPEC supply	44.5	44.6	45.8	46.3	46.0	46.4	46.9	46.4	47.3	47.0	47.4	47.9	47.4
OPEC NGLs	2.8	2.9	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
(b) Total non-OPEC supply and OPEC NGLs	47.3	47.4	48.8	49.3	49.0	49.4	49.9	49.4	50.3	50.1	50.5	50.9	50.4
OPEC crude oil production (secondary sources)	27.8	26.5	27.9	28.1	27.1	27.2							
Total supply	75.0	73.9	76.7	77.4	76.1	76.7							
Balance (stock change and miscellaneous)	1.2	-1.2	1.0	1.1	1.1	0.7							
Closing stock level (outside FCPEs) mb													
OECD onland commercial	2698	2446	2527	2523	2600	2643							
OECD SPR	1249	1228	1210	1210	1207	1202							
OECD total	3947	3675	3738	3734	3808	3845							
Other onland	1056	983	1000	998	1018	1028							
Oil-on-water	859	808	864	906	834	840							
Total stock	5861	5466	5601	5638	5660	5714							
Days of forward consumption in OECD													
Commercial onland stocks	57	51	53	54	55	55							
SPR	26	26	25	26	25	25							
Total	83	77	78	80	80	80							
Memo items													
FSU net exports	3.0	3.4	4.1	4.3	4.6	4.9	4.3	4.5	4.8	5.2	5.0	4.8	5.0
(a) - (b)	26.5	27.7	27.0	27.0	26.0	26.5	26.7	26.5	26.2	25.2	25.9	26.8	26.0

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

Table 19
World oil demand/supply balance: changes from last month's table †

mb/d

	1998	**1999**	**2000**	1Q01	2Q01	3Q01	4Q01	**2001**	1Q02	2Q02	3Q02	4Q02	**2002**
World demand													
OECD	-	-	-	-	-	-	-	-	-	-	-	-	-
North America	-	-	-	-	-	-	-	-	-	-	-	-	-
Western Europe	-	-	-	-	-	-	-	-	-	-	-	-	-
Pacific	-	-	-	-	-	-	-	-	-	-	-	-	-
DCs	-	-	-	-	-	-	-0.1	-	-0.1	-0.1	-0.1	-0.1	-0.1
FSU	-	-	-	-	-	-	0.1	-	-	-	-	-	-
Other Europe	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-	-	-	-	-
(a) Total world demand	-	-	-	-	-	-	-	-	-0.1	-0.1	-0.1	-0.1	-0.1
Non-OPEC supply													
OECD	-	-	-	-	-	0.1	0.1	-	-	-	0.1	0.1	-
North America	-	-	-	-	-	-	-	-	-	-	-	-	-
Western Europe	-	-	-	-	-	0.1	0.1	-	-	-	0.1	0.1	-
Pacific	-	-	-	-	-	-	-	-	-	-	-	-	-
DCs	-	-	-	-	-	-	-	-	-	-	-0.1	-	-
FSU	-	-	-	-	-	-	0.1	-	-	-	-	0.1	-
Other Europe	-	-	-	-	-	-	-	-	-	-	-	-	-
China	-	-	-	-	-	-	-	-	-	-	-	-	-
Processing gains	-	-	-	-	-	-	-	-	-	-	-	-	-
Total non-OPEC supply	-	-	-	-	-	0.1	0.1	-	-	-	0.1	0.1	-
OPEC NGLs	-	-	-	-	-	-	-	-	-	-	-	-	-
(b) Total non-OPEC supply and OPEC NGLs	-	-	-	-	-	0.1	0.1	-	-	-	0.1	0.1	-
OPEC crude oil production (secondary sources)	-	-	-	-	-	-							
Total supply	-	-	-	-	-	0.1							
Balance (stock change and miscellaneous)	-	-	-	-	-	0.1							
Closing stock level (outside FCPEs) *mb*													
OECD onland commercial	-	-	-	5	-2								
OECD SPR	-	-	-	-	-								
OECD total	-	-	-	5	-2								
Other onland	-	-	-	1	-								
Oil on water	-	-	-	-	-								
Total stock	-	-	-	6	-2								
Days of forward consumption in OECD													
Commercial onland stocks	-	-	-	-	-								
SPR	-	-	-	-	-								
Total	-	-	-	-	-								
Memo items													
FSU net exports	-	-	-	-	-	-	-0.1	-	-	-	-	0.1	-
(a) - (b)	-	-	-	-	-	-0.1	-0.1	-	-0.1	-0.1	-0.1	-0.2	-0.1

† *This compares Table 18 in this issue of the MOMR with Table 17 in the October 2001 issue.*
This table shows only where changes have occurred.

Table 20
World oil stocks (excluding former CPEs) at end of period

	1995	1996	1997	1998	1999	1Q00	2Q00	3Q00	4Q00	1Q01	2Q01	3Q01
Closing stock level *mb*												
OECD onland commercial	2,536	2,515	2,616	2,698	2,446	2,416	2,508	2,542	2,527	2,523	2,600	2,643
North America	1,168	1,138	1,211	1,283	1,127	1,108	1,165	1,180	1,145	1,157	1,229	1,247
Western Europe	938	899	912	962	881	898	898	909	927	919	913	916
OECD Pacific	430	477	493	454	438	410	446	453	455	448	458	480
OECD SPR	1,198	1,199	1,207	1,249	1,228	1,234	1,232	1,237	1,210	1,210	1,207	1,202
North America	592	566	563	571	567	569	569	572	543	544	545	547
Western Europe	307	330	329	362	346	349	349	353	354	351	348	342
OECD Pacific	299	303	315	315	315	315	315	312	313	314	314	313
OECD total	**3,733**	**3,714**	**3,823**	**3,947**	**3,675**	**3,650**	**3,740**	**3,778**	**3,738**	**3,734**	**3,808**	**3,845**
Other onland	998	993	1,022	1,056	983	976	1,000	1,010	1,000	998	1,018	1,028
Oil-on-water	784	798	812	859	808	829	852	835	864	906	834	840
Total stock	**5,516**	**5,505**	**5,658**	**5,861**	**5,466**	**5,455**	**5,593**	**5,624**	**5,601**	**5,638**	**5,660**	**5,714**
Days of forward consumption in OECD												
OECD onland commercial	55	54	56	57	51	52	52	52	52	54	55	55
North America	53	50	52	54	47	46	48	48	47	49	50	52
Western Europe	63	60	60	63	58	61	59	59	61	62	61	61
OECD Pacific	49	53	59	52	51	51	53	51	48	56	55	55
OECD SPR	26	26	26	26	26	27	26	25	25	26	25	25
North America	27	25	24	24	24	24	23	23	22	23	22	23
Western Europe	21	22	22	24	23	24	23	23	23	24	23	23
OECD Pacific	34	34	37	36	36	39	38	35	33	39	38	36
OECD total	**81**	**80**	**82**	**83**	**77**	**78**	**78**	**78**	**77**	**80**	**80**	**80**
Days of global forward consumption	**88**	**85**	**87**	**89**	**82**	**84**	**84**	**84**	**83**	**86**	**85**	**86**

Table 21
Non-OPEC supply and OPEC natural gas liquids
mb/d

	1998	1999	2000	1Q01	2Q01	3Q01	4Q01	2001	Change 01/00	1Q02	2Q02	3Q02	4Q02	2002	Change 02/01
USA	8.39	8.11	8.11	7.87	8.10	8.05	8.11	8.03	-0.08	7.91	8.15	8.10	8.16	8.08	0.05
Canada	2.61	2.60	2.72	2.79	2.75	2.75	2.82	2.78	0.05	2.85	2.80	2.80	2.87	2.83	0.05
Mexico	3.51	3.35	3.45	3.56	3.50	3.61	3.61	3.57	0.12	3.68	3.61	3.73	3.73	3.69	0.12
North America	**14.51**	**14.05**	**14.29**	**14.22**	**14.34**	**14.41**	**14.53**	**14.38**	**0.09**	**14.45**	**14.56**	**14.63**	**14.76**	**14.60**	**0.22**
Norway	3.08	3.06	3.32	3.47	3.35	3.37	3.44	3.41	0.08	3.47	3.35	3.37	3.44	3.41	0.00
UK	2.77	2.84	2.64	2.53	2.48	2.50	2.56	2.52	-0.12	2.58	2.53	2.55	2.61	2.57	0.05
Denmark	0.24	0.30	0.36	0.37	0.31	0.31	0.31	0.32	-0.04	0.34	0.29	0.29	0.29	0.30	-0.02
Other Western Europe	0.48	0.43	0.41	0.41	0.41	0.40	0.40	0.40	-0.01	0.41	0.41	0.40	0.40	0.40	0.00
Western Europe	**6.56**	**6.63**	**6.74**	**6.78**	**6.54**	**6.58**	**6.71**	**6.65**	**-0.08**	**6.80**	**6.57**	**6.61**	**6.74**	**6.68**	**0.03**
Australia	0.61	0.59	0.77	0.74	0.70	0.74	0.74	0.73	-0.04	0.72	0.68	0.72	0.72	0.71	-0.02
Other Pacific	0.08	0.07	0.06	0.06	0.06	0.06	0.06	0.06	0.00	0.06	0.06	0.06	0.06	0.06	0.00
OECD Pacific	**0.69**	**0.66**	**0.83**	**0.80**	**0.76**	**0.80**	**0.81**	**0.79**	**-0.04**	**0.78**	**0.74**	**0.78**	**0.79**	**0.77**	**-0.02**
Total OECD*	**21.75**	**21.34**	**21.86**	**21.80**	**21.65**	**21.79**	**22.05**	**21.82**	**-0.03**	**22.03**	**21.88**	**22.02**	**22.29**	**22.06**	**0.23**
Brunei	0.16	0.18	0.19	0.20	0.19	0.19	0.19	0.19	0.00	0.20	0.19	0.19	0.19	0.19	0.00
India	0.75	0.75	0.74	0.74	0.71	0.73	0.74	0.73	-0.01	0.76	0.73	0.75	0.76	0.75	0.02
Malaysia	0.72	0.70	0.68	0.70	0.71	0.71	0.70	0.71	0.02	0.70	0.71	0.71	0.70	0.71	0.00
Papua New Guinea	0.08	0.09	0.07	0.06	0.06	0.06	0.06	0.06	-0.01	0.06	0.06	0.06	0.06	0.06	0.00
Vietnam	0.23	0.26	0.31	0.35	0.34	0.36	0.36	0.35	0.04	0.35	0.34	0.36	0.36	0.35	0.00
Asia others	0.20	0.20	0.24	0.25	0.25	0.26	0.26	0.25	0.02	0.25	0.25	0.26	0.26	0.25	0.00
Other Asia	**2.14**	**2.18**	**2.23**	**2.30**	**2.25**	**2.31**	**2.31**	**2.29**	**0.06**	**2.32**	**2.27**	**2.33**	**2.33**	**2.31**	**0.02**
Argentina	0.88	0.84	0.79	0.80	0.80	0.79	0.78	0.79	0.00	0.81	0.81	0.80	0.79	0.80	0.01
Brazil	1.23	1.36	1.49	1.57	1.50	1.55	1.61	1.56	0.06	1.60	1.53	1.58	1.64	1.59	0.03
Colombia	0.75	0.82	0.70	0.64	0.57	0.58	0.61	0.60	-0.10	0.66	0.59	0.60	0.63	0.62	0.02
Ecuador	0.38	0.38	0.40	0.42	0.42	0.43	0.43	0.42	0.03	0.43	0.43	0.44	0.44	0.43	0.01
Peru	0.12	0.11	0.10	0.10	0.10	0.10	0.10	0.10	0.00	0.10	0.10	0.10	0.10	0.10	0.00
Trinidad & Tobago	0.13	0.14	0.14	0.13	0.13	0.13	0.13	0.13	-0.01	0.13	0.13	0.13	0.13	0.13	0.00
L. America others	0.11	0.11	0.12	0.13	0.13	0.13	0.14	0.13	0.01	0.13	0.13	0.13	0.14	0.13	0.00
Latin America	**3.62**	**3.76**	**3.74**	**3.78**	**3.66**	**3.70**	**3.80**	**3.73**	**-0.01**	**3.85**	**3.73**	**3.77**	**3.88**	**3.81**	**0.07**
Bahrain	0.20	0.19	0.19	0.19	0.19	0.19	0.18	0.19	0.00	0.19	0.19	0.19	0.18	0.19	0.00
Oman	0.90	0.91	0.95	0.96	0.99	0.98	0.99	0.98	0.03	0.96	0.99	0.98	0.99	0.98	0.00
Syria	0.56	0.55	0.54	0.54	0.53	0.53	0.55	0.54	0.00	0.54	0.53	0.53	0.55	0.54	0.00
Yemen	0.39	0.42	0.45	0.47	0.47	0.47	0.48	0.47	0.02	0.47	0.47	0.47	0.48	0.47	0.00
Middle East	**2.05**	**2.06**	**2.14**	**2.16**	**2.18**	**2.17**	**2.21**	**2.18**	**0.04**	**2.16**	**2.18**	**2.17**	**2.21**	**2.18**	**0.00**
Angola	0.73	0.76	0.74	0.72	0.69	0.69	0.70	0.70	-0.04	0.79	0.76	0.76	0.77	0.77	0.07
Cameroon	0.10	0.10	0.10	0.08	0.08	0.08	0.08	0.08	-0.02	0.08	0.08	0.08	0.08	0.08	0.00
Congo	0.27	0.27	0.27	0.27	0.27	0.27	0.27	0.27	0.00	0.29	0.29	0.30	0.29	0.30	0.03
Egypt	0.86	0.83	0.80	0.78	0.74	0.76	0.76	0.76	-0.03	0.78	0.74	0.76	0.76	0.76	0.00
Gabon	0.38	0.36	0.34	0.31	0.31	0.31	0.32	0.31	-0.03	0.31	0.31	0.31	0.32	0.31	0.00
South Africa	0.16	0.17	0.19	0.20	0.19	0.19	0.20	0.19	0.01	0.20	0.19	0.19	0.20	0.19	0.00
Africa other	0.22	0.28	0.41	0.48	0.51	0.52	0.52	0.51	0.09	0.51	0.54	0.55	0.55	0.54	0.03
Africa	**2.72**	**2.78**	**2.85**	**2.82**	**2.79**	**2.81**	**2.85**	**2.82**	**-0.03**	**2.95**	**2.91**	**2.94**	**2.98**	**2.95**	**0.13**
Total DCs	**10.54**	**10.78**	**10.96**	**11.06**	**10.87**	**10.99**	**11.17**	**11.02**	**0.07**	**11.28**	**11.08**	**11.21**	**11.39**	**11.24**	**0.22**
FSU	**7.29**	**7.47**	**7.91**	**8.25**	**8.39**	**8.47**	**8.49**	**8.40**	**0.49**	**8.73**	**8.88**	**8.97**	**8.98**	**8.89**	**0.49**
Other Europe	**0.19**	**0.18**	**0.18**	**0.18**	**0.18**	**0.18**	**0.19**	**0.18**	**0.00**	**0.18**	**0.18**	**0.18**	**0.19**	**0.18**	**0.00**
China	**3.15**	**3.21**	**3.23**	**3.29**	**3.25**	**3.30**	**3.30**	**3.29**	**0.06**	**3.32**	**3.28**	**3.33**	**3.33**	**3.32**	**0.03**
Non-OPEC production	**42.93**	**42.98**	**44.13**	**44.59**	**44.33**	**44.74**	**45.20**	**44.71**	**0.58**	**45.55**	**45.30**	**45.71**	**46.18**	**45.69**	**0.97**
Processing gains	1.55	1.58	1.65	1.69	1.69	1.69	1.69	1.69	0.04	1.72	1.72	1.72	1.72	1.72	0.03
Non-OPEC supply	**44.48**	**44.56**	**45.78**	**46.28**	**46.02**	**46.43**	**46.89**	**46.40**	**0.62**	**47.27**	**47.02**	**47.43**	**47.90**	**47.41**	**1.00**
OPEC NGLs	**2.78**	**2.86**	**2.98**	**3.01**	**3.01**	**3.01**	**3.01**	**3.01**	**0.03**	**3.04**	**3.04**	**3.04**	**3.04**	**3.04**	**0.03**

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

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